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CITY SECRETARY
DALLAS, TEXAS

City of Dallas

1500 Marilla Street
Dallas, Texas 75201
(214) 670 - 4050

Government Performance and Financial Management Committee

March 23, 2020

1:00 PM

2020 CITY COUNCIL APPOINTMENTS

COUNCIL COMMITTEE	
ECONOMIC DEVELOPMENT Atkins (C), Blewett (VC), Gates, McGough, Narvaez, Resendez, West	**ENVIRONMENT AND SUSTAINABILITY** Narvaez (C), Atkins (VC), Blackmon, Blewett, Gates
GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT Gates (C), Mendelsohn (VC), Arnold, Bazaldua, Kleinman, Narvaez, Thomas	**HOUSING AND HOMELESSNESS SOLUTIONS** West (C), Thomas (VC), Arnold, Blackmon, Kleinman, Mendelsohn, Resendez
PUBLIC SAFETY McGough (C), Arnold (VC), Bazaldua, Blewett, Medrano, Mendelsohn, Thomas	**QUALITY OF LIFE, ARTS, AND CULTURE** Arnold (C), Gates (VC), Atkins, Narvaez, West
TRANSPORTATION AND INFRASTRUCTURE Kleinman (C), Medrano, (VC), Atkins, Bazaldua, Blewett, McGough, West	**WORKFORCE, EDUCATION, AND EQUITY** Thomas (C), Resendez (VC), Blackmon, Kleinman, Medrano
AD HOC JUDICIAL NOMINATING COMMITTEE McGough (C), Blewett, Mendelsohn, Narvaez, West	**AD HOC LEGISLATIVE AFFAIRS** Johnson (C), Blackmon (VC), Atkins, Gates, Mendelsohn
AD HOC COMMITTEE ON COVID-19 ECONOMIC RECOVERY AND ASSISTANCE Thomas (CC_P), Blackmon (CC), Atkins, Bazaldua, Kleinman, Medrano, West	**AD HOC COMMITTEE ON COVID-19 HUMAN AND SOCIAL RECOVERY AND ASSISTANCE** McGough (CC_P), Mendelsohn (CC), Arnold, Blewett, Gates, Narvaez, Resendez

(C) – Chair, (CC) – Co-chair, (CC_P) – Co-Chair & Presiding Officer, (VC) – Vice Chair

Handgun Prohibition Notice for Meetings of Governmental Entities

"Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun."

"De acuerdo con la sección 30.06 del código penal (ingreso sin autorización de un titular de una licencia con una pistola oculta), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola oculta."

"Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly."

"De acuerdo con la sección 30.07 del código penal (ingreso sin autorización de un titular de una licencia con una pistola a la vista), una persona con licencia según el subcapítulo h, capítulo 411, código del gobierno (ley sobre licencias para portar pistolas), no puede ingresar a esta propiedad con una pistola a la vista."

Note: A quorum of the Dallas City Council may attend this Council Committee meeting.

This meeting will be conducted by teleconference. Members of the public who wish to listen to the meeting, may participate by contacting the following phone number: [214-670-4050].

Call to Order

MINUTES

1. 20-485 Approval of the February 24, 2020 Government Performance and Financial Management Committee Meeting Minutes

Attachments: Minutes

BRIEFING ITEMS

A. 20-486 Communications relating to the FY 2019 Audit
[Dan Barron, Partner, Grant Thornton]

Attachments: Presentation

2. 20-487 Dallas Central Appraisal District FY 2020-21 Proposed Budget
[Cheryl Jordan, Director of Community Relations, and Ken Nolan, Chief Appraiser, Dallas Central Appraisal District]

Attachments: Presentation
Proposed Budget Slick Book

3. 20-325 Consider Proposed Amendment to Section 8-1.4, “Qualifications,” of the Dallas City Code, Chapter 8, “Boards and Commissions,” deleting the requirement that a board or commission member must be a qualified voter in the city at the time of appointment
[Tammy L. Palomino, Sr. Executive Assistant City Attorney]

Attachments: 5 Signature Memo - CM Resendez
CAO Opinion Memo

4. 20-248 Consider Proposed Amendments to Section 8-1.4, “Qualifications,” of the Dallas City Code, Chapter 8, “Boards and Commissions,” providing a waiver provision for special qualifications for appointees
[Tammy L. Palomino, Sr. Executive Assistant City Attorney]

Attachments: 5 Signature Memo - CM Bazaldua
CAO Opinion Memo

FYI

B. 20-581 Budget Accountability Report (as of January 31, 2020)

Attachments: Report

C. 20-591 Quarterly Investment Report (information as of December 31, 2019)

Attachments: Report

ADJOURNMENT

EXECUTIVE SESSION NOTICE

A closed executive session may be held if the discussion of any of the above agenda items concerns one of the following:

1. seeking the advice of its attorney about pending or contemplated litigation, settlement offers, or any matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act. [Tex. Govt. Code §551.071]

2. deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.072]

3. deliberating a negotiated contract for a prospective gift or donation to the city if deliberation in an open meeting would have a detrimental effect on the position of the city in negotiations with a third person. [Tex. Govt. Code §551.073]

4. deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee unless the officer or employee who is the subject of the deliberation or hearing requests a public hearing. [Tex. Govt. Code §551.074]

5. deliberating the deployment, or specific occasions for implementation, of security personnel or devices. [Tex. Govt. Code §551.076]

6. discussing or deliberating commercial or financial information that the city has received from a business prospect that the city seeks to have locate, stay or expand in or near the city and with which the city is conducting economic development negotiations; or deliberating the offer of a financial or other incentive to a business prospect. [Tex Govt. Code §551.087]

7. deliberating security assessments or deployments relating to information resources technology, network security information, or the deployment or specific occasions for implementations of security personnel, critical infrastructure, or security devices. [Tex Govt. Code §551.089]

City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-485 **Item #:** 1.

Approval of the February 24, 2020 Government Performance and Financial Management Committee Meeting Minutes

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Government Performance & Financial Management Committee Meeting Record

The Government Performance & Financial Management Committee meetings are recorded.
Agenda materials are available online at **www.dallascityhall.com.** Recordings may be reviewed online at **https://dallastx.swagit.com/government-performance-and-financial-management-committee**.

Meeting Date: February 24, 2020 **Convened:** 1:06 p.m. **Adjourned:** 2:57 p.m.

Committee Members Present:
Jennifer S. Gates, Chair
Cara Mendelsohn, Vice Chair
Carolyn King Arnold
Adam Bazaldua
Lee Kleinman
Omar Narvaez
Casey Thomas, II

Committee Members Absent:
N/A

Other Council Members Present:
N/A

AGENDA

CALL TO ORDER

1. **Consideration of the January 14, 2020 Meeting Minutes**
   Action Taken/Committee Recommendation(s): A motion was made to approve the minutes for the January 14, 2020 Government Performance & Financial Management Committee meeting. The motion passed unanimously.

   Motion made by: Cara Mendelsohn Motion seconded by: Lee Kleinman

BRIEFINGS

2. **Procurement Overview & D-COR Update**
   Presenter(s): Chhunny Chhean, Interim Director, and Kelcey Young, Assistant Director, Office of Procurement Services
   Action Taken/Committee Recommendation(s): Interim Director Chhunny Chhean presented an overview of the Office of Procurement Services. There were questions about partnering with Amazon, master agreement pricing, and marketing the auto auctions. Information only.

3. **B.U.I.L.D. Broadening Urban Investment to Leverage Dallas**
   Presenter(s): Zarin Gracey, Managing Director, Office of Business Diversity; Kimberly Bizor Tolbert, Chief of Staff to the City Manager
   Action Taken/Committee Recommendation(s): Director of the Office of Business Diversity Zarin Gracey presented a briefing on B.U.I.L.D. There were questions about timelines for implementation, budget impacts, and performance measures.

4. **Consider Proposed Amendments to City Council Rules of Procedure**
   Presenter(s): Tammy Palomino, Sr. Executive Assistant City Attorney
   Action Taken/Committee Recommendation(s): A motion was made to move the item forward to full council with recommendation for approval. The motion passed on a divided vote 4-3.

   Motion made by: Lee Kleinman Motion seconded by: Carolyn King Arnold

Voting in Favor	Voting Against
Gates, Mendelsohn, Kleinman, Arnold	Bazaldua, Thomas, Narvaez

DRAFT

FYI

5. **Tornado Update**
   Presenter(s): N/A
   Information Only: X
   Action Taken/Committee Recommendation(s): N/A

6. **Availability and Disparity Study Update**
   Presenter(s): N/A
   Information Only: X
   Action Taken/Committee Recommendation(s): N/A

7. **Budget Accountability Report (Information as of December 31, 2020)**
   Presenter(s): N/A
   Information Only: X
   Action Taken/Committee Recommendation(s): N/A

ADJOURN

APPROVED BY:

Jennifer S. Gates, Chair
Government Performance & Financial Management Committee

ATTESTED BY:

Anne Lockyer, Coordinator
Government Performance & Financial Management Committee

DRAFT

City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-486 **Item #:** A.

Communications relating to the FY 2019 Audit
[Dan Barron, Partner, Grant Thornton]

Communications Relating to the FY 2019 Audit

City of Dallas

This communication is intended solely for the information and use of management and the Government Performance and Financial Management Committee of the City of Dallas and is not intended to be and should not be used by anyone other than these specified parties.

Risk Assessment Overview

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Areas of focus	Results
Water and sewer revenues and receivables	- Tested existence and accuracy of receivables at 9/30 year-end by reviewing customer activity, invoices, and subsequent payment. - Tested revenues by recalculating water and sewer charges using readings and rates per City Ordinance. Results: No exceptions noted.
Airport revenues and receivables	- Tested existence and accuracy of receivables at 9/30 year-end by reviewing invoice, examining evidence that services were provided, and verifying subsequent payment was received. - Tested revenues by reviewing invoice, examining evidence that services were provided, and verifying payment was received. Results: No exceptions noted.
Grant revenues and receivables	- Tested existence and accuracy of receivables at 9/30 year-end by reviewing applicable agreement, ensuring eligibility requirements were met, and verifying payments from awarding party. - Tested revenues by reviewing applicable agreement, ensuring eligibility requirements were met, and verifying payments from awarding party. - Reconciled amounts reported as grant revenues to the SEFA/SESA. Results: No exceptions noted.

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Risk Assessment Overview (continued)

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Areas of focus	Results
Other revenues and receivables	- Tested existence and accuracy of receivables at 9/30 year-end by reviewing invoice, examining evidence that services were provided, and verifying subsequent payment was received. - Tested revenues by reviewing invoice, examining evidence that services were provided, and verifying payment was received. Results: No exceptions noted.
Compliance and controls related to Federal and State Single Audit major programs	- Tested compliance and the effectiveness of internal controls over compliance in accordance with Uniform Guidance and the State of Texas Single Audit Circular. Results: See Single Audit slide

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Risk Assessment Overview (continued)

The following provides an overview of other audit focus areas.

Areas of focus	Results
Controls- based approach	Payroll- no exceptions noted
Controls- based approach	Disbursements- no exceptions noted

Other Areas:

- Governance
- Account inquiries were made through out the audit with employees of the City while testing individual transactions
- Fraud and non-compliance inquiries were made during the planning process, throughout our audit, and during concluding
- Information technology
- Adequacy of disclosures
- Investments/treasury
- Debt, including compliance and ratios
- Tax revenues
- Allowance for doubtful accounts
- Capital assets
- Investments
- Compliance with Public Funds Investment Act
- Revenue and GO bond issuances
- Employee compensation
- Operating expenditures
- Landfill closure and post-closure
- Passenger Facility Charge compliance
- Dallas Convention Center Hotel Development Corporation
- Love Field Airport Modernization Corporation and related transactions

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Federal and State Major Programs

Federal Programs Audited	State Programs Audited
Continuum of Care	Confiscated Monies - State
Community Development Block Grant (CDBG)	ABTPA Cargo Theft
Housing Opportunities for Persons with AIDS (HOPWA)	Zang Triangle Sustainable Development Infrastructure
Emergency Solutions	CJD Rifle Resistant Body Armor
Homeland Security	TPWD Urban Outdoor

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Single Audit – Current Year Draft Findings

Source	Program	Award #	Finding	Severity	Status
Federal	Continuum of Care	14.267	Testing still in process; however, finding noted	Still to be determined	Finding

Testing and/or reviews still in process on the major programs.

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Scope of IT Control Testing

- The scope of the IT Controls Testing included the following IT governance areas:
  - Security administration;
  - Change management; and
  - Batch job administration.
- The following applications were included in our review:
  - SAP (and underlying databases);
  - Advantage financial system (and underlying databases); and
  - Active directory.
- IT control observations were identified during this year's IT testing:
  - Segregation of duties conflict within IT function where user security administration access have ability to perform change management in SAP;
  - Inappropriate access to promote application changes in SAP;
  - Changes to SAP were not being formally tested and approved prior to implementation; and
  - User accounts and associated permissions within SAP were not being formally, proactively reviewed for appropriateness.

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Reports Issued

- Financial statements and single audits:
  - Comprehensive annual financial report (CAFR)
  - Single Audits
    - Federal (Uniform Grants Guidance)- to be issued
    - State (State of Texas Single Audit Circular) - to be issued
- Separate reports:
  - Airport Revenues Fund and Passenger Facility Charge compliance
  - Dallas Convention Center Hotel Development Corporation
  - Dallas Water Utilities
  - Downtown Dallas Development Authority Tax Increment Financing District
  - Texas Commission on Environment Quality financial assurance agreed-upon procedures

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Results of Financial Statement Audits

- Comprehensive Annual Financial Report (CAFR):
  - Unmodified "clean" opinions
  - Includes GFOA Certificate of Achievement for 2018 CAFR. The City has received this award for thirteen years in a row.
  - No scope limitations
  - Continued open and effective communication with management
- Federal Single Audit Report:
  - Pending completion
  - Continuum of Care – similar repeat finding
- State Single Audit Report:
  - Pending completion

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Other Required Communications

Professional standards require that we communicate the following matters to you, as applicable.

Going concern matters
Fraud and non-compliance with laws and regulations
Significant deficiencies and material weaknesses in internal control over financial reporting
Use of other auditors
Use of internal audit
Related parties and related party transactions

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Other Required Communications
(continued)

Disagreements with management
Management's consultations with other accountants
Significant issues discussed with management
Significant difficulties encountered during the audit
Other significant findings or issues that are relevant to you and your oversight responsibilities
Modifications to the auditor's report
Other information in documents containing audited financial statements

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Quality of Accounting Practices

Accounting policies	Accounting policies used are considered appropriate in all material respects.
Accounting estimates	• Depreciation of capital assets • Allowance for receivables • Accruals for self-insurance liabilities, including Incurred But Not Reported (IBNR) Claims • Arbitrage rebate liability • Net pension and OPEB assets, liabilities and related disclosures • Landfill closure and post-closure We performed test to satisfy ourselves that these amounts are materially correct.
Disclosures	• We have assessed the financial statements and disclosures for clarity and completeness. • Footnote disclosures in the financial statements appear overall to be neutral, consistent, and clear.

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Financial Trends

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Financial Highlights – Government-Wide (In Millions)

Definitions:

- "Change in net position (deficit)": essentially "net income (loss)"
- "Total net position (deficit)": the excess (deficit) of assets vs. liabilities
- "Unrestricted net position": "remaining" net position after deducting "net investment in capital assets" and "restricted" components
- "Capital Assets, net": long-term capital assets, net of accumulated depreciation

Financial Trends

Government-Wide:	2019	2018	2017	2016	2015
Governmental:					
Change in net position (deficit)	$ 118	$ 1,228	$ (494)	$ (742)	$ 256
Total net position	$ (2,704)	$ (2,822)	$ (3,847)	$ (3,353)	$ (2,679)
Ending unrestricted net position (deficit) (1)	$ (5,752)	$ (5,904)	$ (6,773)	$ (6,164)	$ (5,393)
Capital assets, net (3)	$ 4,277	$ 4,084	$ 3,917	$ 3,829	$ 3,735
Business-type:					
Change in net position	$ 42	$ 152	$ 111	$ (4)	$ 93
Total net position	$ 3,463	$ 3,420	$ 3,319	$ 3,208	$ 3,280
Ending unrestricted net position (2)	$ (224)	$ (87)	$ (50)	$ 1,946	$ 239
Capital assets, net (3)	$ 7,071	$ 6,890	$ 6,680	$ 6,468	$ 6,057

Key Observations:

(1) The "Governmental" unrestricted net (deficit) position decreased annually from 2015-2017 and increased annually from 2018-2019.
(2) The "Business-type" unrestricted net position increased in 2016 and decreased annually from 2017-2019.
(3) "Capital Assets, net balances (both "Governmental" and "Business-type") have increased annually from 2015-2019.

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Financial Highlights – Governmental Tax Rate, Assessed Value and Debt (In Millions)

Definitions:

- The "Tax Rate" is the City's tax rate in total (per $100 of valuation) with components for general fund or debt service shown separately
- "Taxable Assessed Valuation" is the total value of the City's tax base upon which the tax rate is levied
- Total "General Obligation Debt" is debt backed by the full faith and credit of the City

Governmental:	2019	2018	2017	2016	2015
Tax Rate (per $100 valuation)					
Total (1)	0.7767	0.7804	0.7825	0.7970	0.7970
General Fund	0.5667	0.5580	0.5601	0.5646	0.5646
Debt Service (2)	0.2100	0.2224	0.2224	0.2324	0.2324
Taxable Assessed Valuation (in billions) (3)	$ 130.1	$ 118.3	$ 110.4	$ 100.3	$ 93.1
Total General Obligation Debt (4)	$ 1,808	$ 1,558	$ 1,355	$ 1,492	$ 1,559
Debt Service expenditures as a percentage of non-capital expenditures (5)	16.46%	15.23%	16.20%	16.60%	16.34%

Key Observations:

(1) The total tax rate remained unchanged from 2015-2016. Total tax rate decreased annually from 2017-2019.
(2) The tax rate component for debt service decreased in 2017 and 2019.
(3) The taxable assessed valuation increased annually from 2015-2019.
(4) Total General Obligation debt decreased in 2016 and 2017 and increased in 2018 and 2019.
(5) Debt service expenditures as a % of non-capital expenditures increased in 2016, decreased in 2017-2018, and increased in 2019.

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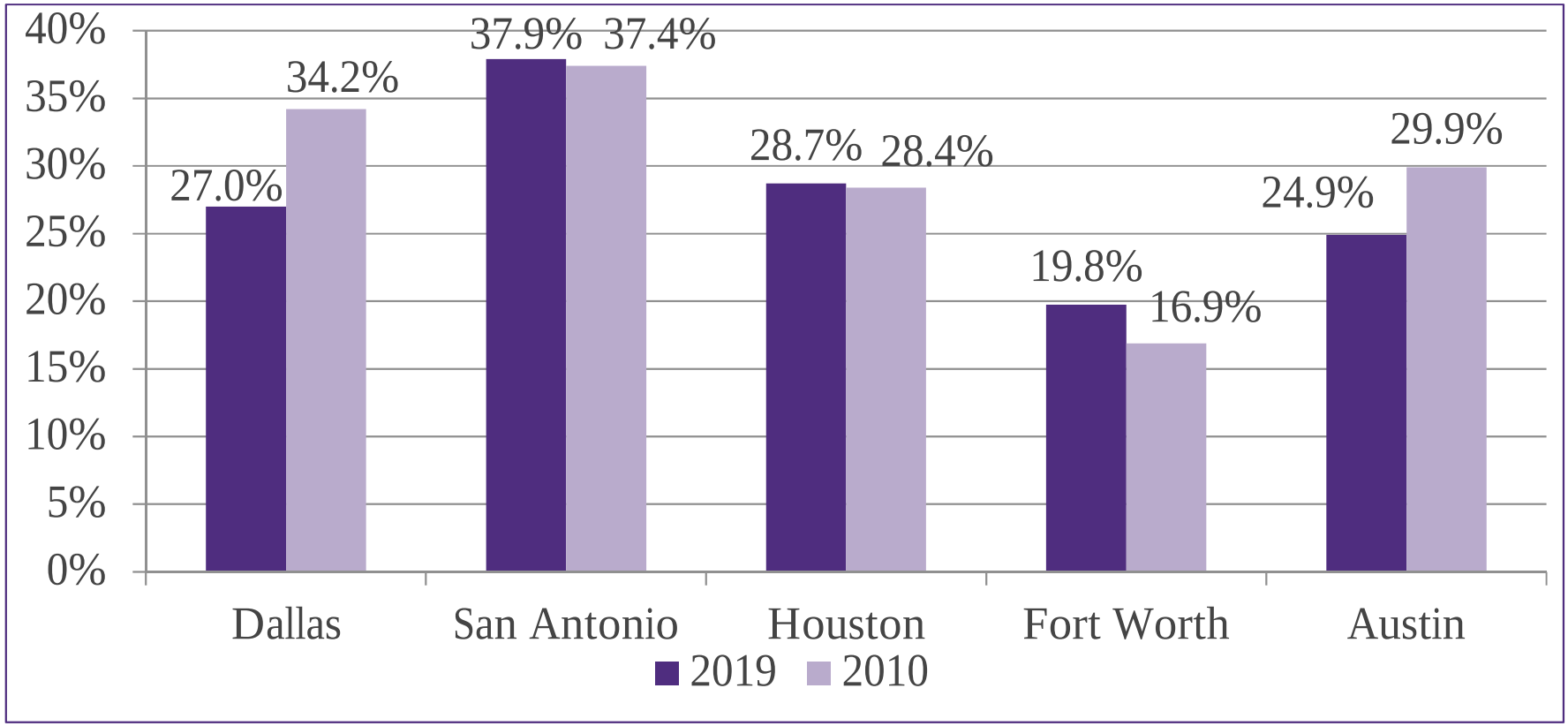
Debt Service Component of Tax Rate as a Percentage of Total Rate



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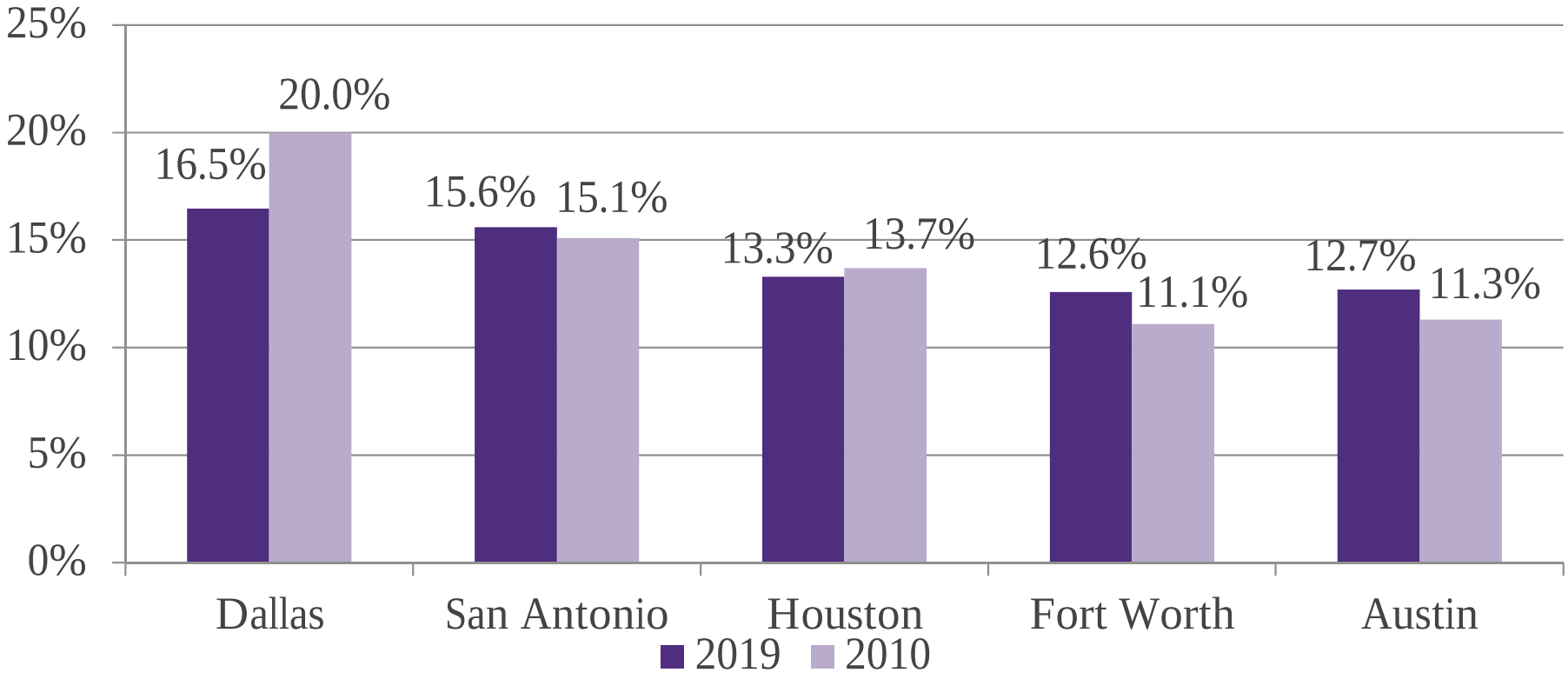
Debt Service Expenditures as a Percentage of Non-Capital Expenditures



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Financial Highlights – General Fund (In Millions)

Definitions:

- The general fund essentially accounts for all activities that are not required to be accounted for elsewhere
- Transfers in (out) of general fund, net reflects all transfers from (to) other funds of the City, net

Financial Trends:

	2019	2018	2017	2016	2015
General fund balance: (1)					
Total	$ 297.2	$ 256.3	$ 235.2	$ 191.0	$ 200.1
Unreserved/unassigned	$ 234.2	$ 212.8	$ 171.7	$ 153.7	$ 141.6
General fund expenditures (2)	$ 1,280.7	$ 1,235.6	$ 1,160.0	$ 1,122.7	$ 1,138.8
Unreserved/unassigned general fund balance as a percentage of expenditures (1)	18.29%	17.22%	14.80%	13.70%	12.40%
Excess (deficiency) of revenues over (under) expenditures (3)	$ 30.2	$ 9.8	$ 32.8	$ (1.6)	$ 11.4
Transfers in (out) of general fund, net (4)	$ (165.3)	$ (51.6)	$ 11.3	$ 6.2	$ 7.5

Key Observations:

(1) The total general fund balance decreased in 2016, and increased annually from 2017-2019. The unreserved/unassigned general fund balance increased annually from 2015 to 2019. The "unreserved/unassigned general fund balance as a percentage of expenditures" increased annually from 2015 to 2019.

(2) General fund expenditures have remained relatively consistent from 2015-2019.

(3) Revenues have been in excess of expenditures from 2015-2019, except in 2016.

(4) Transfers have been transfers-in from 2015-2017 and transfers-out in 2018 and 2019 .

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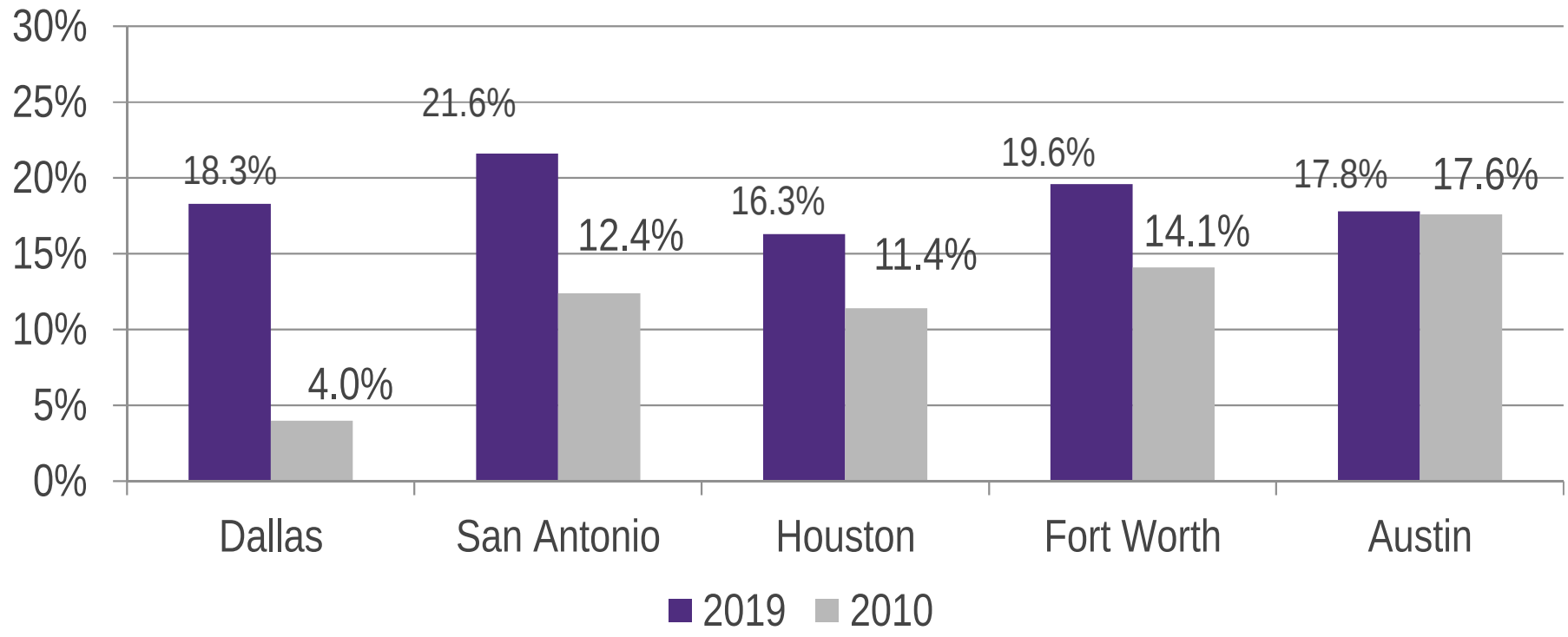
Unassigned/Unreserved General Fund Balance as a Percentage of General Fund Expenditures



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Financial Highlights – Business-Type "Enterprise" Activities (In Millions)

Definitions:

- Income (loss) before transfers and contributions is essentially "operating income (loss)"
- Revenue bond coverage is "net revenues, as defined" divided by total debt service expenditures

Financial Trends:

	2019	2018	2017	2016	2015
Income (loss) before transfers and contributions:					
Dallas Water Utilities (3)	$ 30.5	$ 123.4	$ 111.5	$ 24.9	$ 77.7
Convention Center*	$ 16.5	$ 13.7	$ 5.7	$ 4.8	$ 6.9
Airport Revenue	$ 25.4	$ 16.4	$ (8.1)	$ (11.0)	$ 7.3
Sanitation	$ (7.7)	$ 11.2	$ 3.6	$ (13.6)	N/A
Total Capital Assets, net					
Dallas Water Utilities	$ 5,366	$ 5,200	$ 5,034	$ 4,889	$ 4,601
Convention Center*	$ 433	$ 450	$ 464	$ 479	$ 495
Airport Revenue	$ 1,204	$ 1,187	$ 1,136	$ 1,059	$ 960
Sanitation	$ 66	$ 51	$ 44	$ 39	N/A
Revenue Bond Coverage:					
Dallas Water Utilities (1)	1.74	1.96	1.85	1.74	1.54
Convention Center* (2)	2.1	2.0	1.7	1.8	2.0
Airport Revenue	N/A	N/A	N/A	N/A	N/A
Sanitation	N/A	N/A	N/A	N/A	N/A

Key Observations:

(1) Revenue bond coverage for Dallas Water Utilities remained relatively consistent from 2015 to 2019.
(2) Revenue bond coverage for Convention Center has remained consistent from 2015-2019.
(3) Dallas Water Utilities net income decreased in 2016, increased in 2017-2018, and decreased again in 2019.

*The operations of the Convention Center include the Kay Bailey Hutchison Convention Center, American Airlines Center, Union Station, the City Fountain, and Office of Special Events,
**The Sanitation fund was presented as a major fund for the first time during FY 2016. As such, other prior year balances are not available.

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Financial Highlights – Risk Funds, OPEB (Other Postemployment Benefits), Pension and Landfill Obligations (In Millions)

Definitions:

- The risk funds account for the City's self-insured health, worker's compensation and general liability programs
- The net OPEB obligation is the actuarially-determined liability for benefits to be provided to retired employees
- The landfill closure and post-closure liability is estimated based upon percentage utilized

Financial Trends:

	2019	2018	2017	2016	2015
Internal service fund balance (deficit): (1)					
Risk funds fund deficit	$ (23.5)	$ (213.2)	$ (112.0)	$ (64.2)	$ (51.5)
Risk funds claims total liability	$ 85	$ 248.1	$ 137.4	$ 79.4	$ 68.7
Risk funds fund deficit as a % of total general fund balance (2)	7.91%	83.22%	47.62%	33.59%	25.74%
Net Other Post Employment Benefit "OPEB" obligation (5)	$ -	$ -	$ 264.2	$ 252.2	$ 241.5
Landfill closure and post-closure liability (4)	$ 43.5	$ 41.5	$ 40.2	$ 35.9	$ 30.6
Net pension liability (3)	$ 4,739	$ 3,175	$ 7,262	$ 9,050	$ 5,600
Net OPEB liablity (5)	$ 565	$ 511	$ -	$ -	$ -

Key Observations:

(1) The City's self-insured risk activities are essentially being funded on a "pay-as-you-go" basis.
(2) The risk funds fund deficit as a % of total general fund balance increased annually from 2015 – 2018, then decreased in 2019.
(3) The net pension liability decreased annually in 2017 and 2018, then increased in 2019.
(4) The City's unfunded landfill closure and post-closure liability increased slightly in 2016 and has increased annually from 2017-2019.
(5) Per GASB Statement number 75, it is required by the City to accrue a liability on its financial statements for its unfunded OPEB benefits. Implementation of GASB 75 was adopted during the fiscal year ending September 30, 2018.

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Audit Wrap Up Presentation

Appendix

Internal Controls Matters

Responsibility

We are responsible for obtaining reasonable assurance about whether the financial statements are free of material misstatement. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. Control deficiencies that are of a lesser magnitude than a significant deficiency will be communicated to management.

Definitions

- A deficiency in internal control ("control deficiency") exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect, misstatements on a timely basis.
- A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
- A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the company's financial reporting.

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Significant Deficiencies

Significant deficiencies were identified related to Information Technology General Controls

- End users with security administration access in SAP
- Inappropriate access to promote application changes in SAP

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Selected pronouncements adopted for the year ending September 30, 2019:

Pronouncement	Effective Date
Effective for FY19: <u>GASB Statement No. 83 - Certain Asset Retirement Obligations</u> - This Statement addresses accounting and financial reporting for certain asset retirement obligations. - Effective for 9/30/19 year-ends	Adopted in FY2019. The implementation did not result in any changes to the financial statements
<u>GASB Statement No. 88 - Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements</u> - This primary objective of the statement is to improve information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements - Effective for 9/30/19 year-ends	Adopted in FY2019. The implementation of this statement added additional note disclosures for the long-term debt, and this information is found in Note 11

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Recently Issued Guidance

- GASB Statement No. 84 - Fiduciary Activities
  - This statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.
  - Effective for 9/30/20 year-ends

-GASB Statement No. 87 - "Leases"

-This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as deferred inflows of resources or deferred outflows of resources based on the payment provisions of the contract.

-Effective for 9/30/21 year-ends

-GASB Statement No.90 - "Majority Equity Interests-an amendment of GASB Statements No.14 and No.61"

-The primary objective of this statement is to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization.

-Effective for 9/30/20 year-ends

-GASB Statement No.91 - “Conduit Debt Obligations"

-The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

-Effective for 9/30/22 year-ends

-GASB Statement No.92 - “Omnibus 2020"

-The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

-Effective for 9/30/21 year-ends

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Use of Other Auditors

Component	Other auditors	Benchmark*	Response**
Other unaffiliated auditors			
Dallas Development Fund and Subsidiaries	CohnReznick	0.03%, 0.01%	Comprehensive
Dallas Housing Acquisition and Development Corporation	Emma Walker, P.C.	0.01%, 0.01%	Comprehensive
Dallas Police and Fire Pension System	BDO	14.18%, 7.36%	Comprehensive
Supplemental Police and Fire Pension Plan	BDO	0.13%, 0.10%	Comprehensive

* The benchmark is based on the percentage of the City's consolidated assets and revenues, respectively. Our firm audited approximately 86% and 93%, respectively.

** A comprehensive response consists of an audit of the component's financial information, planned within the context of our overall audit of the City. A targeted response consists of the component auditor performing specific audit procedures that are determined by our firm to respond to identified risks.

In our auditor's report on the City, we make reference to the audit performed by the other unaffiliated auditors.

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Use of the Work of Others

Other Auditors
Juliet Williams, P.C.
Logan & Associates
Owens & Thurman, P.C.
Specialists
GT IT/Advisory – review of information technology environment
Grant Thornton Pricing Group – reviewed investment valuations
Grant Thornton Compensation & Benefits Consulting Group – evaluated assumptions utilized in workers' compensation, health insurance and general claims, OPEB, and pension actuarial valuations
Harvest Investments – Investment valuation related to short-term investments
Specialists
Holmes Murphy– performed OPEB actuarial analysis, insurance IBNR analysis
Segal Consulting (DPFP) and Gabriel, Roeder, Smith & Company (ERF) – performed pension actuarial analysis
Bickmore – calculated self-insurance workers' compensation liability, general liability, and auto liability
Hilltop Holdings – performed arbitrage rebate liability

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Commitment to Promote Ethical and Professional Excellence

We are committed to promoting ethical and professional excellence. To advance this commitment, we have put in place a phone and internet-based hotline system.

The Ethics Hotline (1.866.739.4134) provides individuals a means to call and report ethical concerns.

The EthicsPoint URL link can be accessed from our external website or through this link:
https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=15191

Disclaimer: EthicsPoint is not intended to act as a substitute for a company's "whistleblower" obligations.

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This communication is intended solely for the information and use of management and the Government Performance and Financial Management Committee of the City of Dallas and is not intended to be and should not be used by anyone other than these specified parties.

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City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-487 **Item #:** 2.

Dallas Central Appraisal District FY 2020-21 Proposed Budget
[Cheryl Jordan, Director of Community Relations, and Ken Nolan, Chief Appraiser, Dallas Central Appraisal District]

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DALLAS CENTRAL APPRAISAL DISTRICT

2020 / 2021

PROPOSED BUDGET

BUDGET OVERVIEW

2020 / 2021

PROPOSED BUDGET

Dallas Central Appraisal District

2020/2021 Proposed Budget
Budget Comparison
Executive Summary

	2019/2020 Approved	2020/2021 Proposed
BUDGET EXPENDITURES:		
Salaries & Wages	$15,120,038	$15,861,426
Auto Expense	969,521	1,016,071
Supplies & Materials	844,541	1,298,460
Operational Services	45,795	46,490
Maintenance of Structure	338,412	361,410
Maintenance of Equipment	431,435	386,519
Contractual Services	1,135,408	614,495
Sundry Expenses	374,929	397,884
Insurance & Benefits	6,749,564	6,989,962
Professional Services	1,981,088	2,203,995
Capital Expenditures	154,140	192,530
Technology Development	0	0
Contingency	0	0
Total Expenditures	$28,144,871	$29,369,242
OPERATING FUND SOURCES:		
Entity Allocations (Local Support)	$27,869,871	$29,059,242
Rendition Fees	265,000	300,000
Investment Proceeds	0	0
Other Income	10,000	10,000
Total Revenues	$28,144,871	$29,369,242

2020/2021
PROPOSED BUDGET OVERVIEW

The 2020/2021 Proposed Budget is highlighted in the attached document as follows:

1. The 2020/2021 Proposed Budget of $29,369,242 is an increase of 4.35% from the 2019/2020 Approved Budget of $28,144,871.

2. The 2020/2021 Proposed Budget calls for a total of two hundred forty-two (242) full-time positions, which is an increase of seven (7) staff positions from the 2019/2020 Approved Budget. The budget notes personnel by departments/divisions as follows:

   - **Office of Chief Appraiser Department.** The department has six (6) positions and includes the divisions of Chief Appraiser's Office, Community Relations Director, Quality Control, and Human Resources.
   - **Administrative Services Department.** The divisions included in this department are Administration, Finance/Purchasing, Customer Service, Appeals and Support, Building Services and the Appraisal Review Board (ARB). The department has thirty-two (32) employees and assists in coordinating the one hundred ten (110) member ARB.
   - **Legal Services Department.** There are a total of four (4) employees in this department.
   - **Information Technology (IT) Department.** The divisions included are Technical Support, Systems Programming, Computer Support and Database Management. There are a total of thirteen (13) employees in this department.
   - **Appraisal Services Department.** This department includes the divisions of Central Appraisal, Residential, Commercial, Business Personal Property, Property Records/Exemptions, and Geographic Information System (GIS), totaling one hundred eighty-seven (187) employees.

3. For the 2020/2021 Proposed Budget a 3.0% merit increase is proposed for the District employees. This figure is tied closely to the average salary/merit increases and adjustments given by the taxing entities in 2019/2020, which was 3.33%. This information is obtained from an entity salary survey of all cities, school districts and countywide entities in the Appraisal District. DCAD bases any merit increases on what the taxing entities have afforded to their employees.

4. Overtime funds are included for appraisal support staff assisting with after hours informal and legally required formal hearings with property owners during the ARB process. Overtime funds are also included for Building Services, Appeals and Support, Customer Service, and the Appraisal Departments.

5. Contract Labor includes funds for temporary services for the Business Personal Property verification and leased equipment projects, contract clerical help during the ARB process in Appeals and Support, Legal Services in processing lawsuits, and for security provided by off-duty police officers year round.

6. Other increases and decreases in the Proposed Budget are noted in the categories as follows:

Auto Expenses are for the monthly auto allowance for appraisers at $700 per month and $300 per month for management level employees. Funds were added for the five (5) new appraisal positions.

Supplies and Materials increased from last year's budget primarily due to mailing costs associated with a new legislatively mandated special notice mailing that is required to be sent to all property owners in Dallas County. The notice informs property owners on how to reach the taxing entities' new tax rate website. The special notice will be mailed once annually.

Operational Services is the District's telephone communication system. A slight increase was noted from the previous year for replacement of phone equipment.

Maintenance of Structure shows an increase due to expected increases in the cost of janitorial services and landscaping services, as well as burglar and fire alarm upgrades. Most other costs remained constant.

Maintenance of Equipment decreased due to fewer required software upgrades and equipment replacement. The decrease was partially offset by additional software purchases for GIS. The equipment costs include the phone system and Uninterrupted Power Supply maintenance. PC Maintenance includes funds for maintenance and replacement of servers, network equipment, desktop devices, and the iPads used as field devices by the appraisal staff. Software maintenance costs are budgeted to maintain the software for network and desktop applications.

Contractual Services decreased due to completing payment for the digital photo lease in the 2019/2020 budget.

Sundry Expenses noted an increase in the categories of Training costs and Dues & Subscriptions.

Insurance and Benefits increased due to the addition of seven additional staff. Group Medical costs are budgeted with an anticipated increase of 14% and the Retirement expense is at a rate of 20% to keep the employee program current. A decrease in workers compensation, unemployment compensation, and general insurance is expected.

Professional Services increased mainly due to additional ARB Compensation, with the anticipation of more hearing days and panels being required to complete the ARB process. SOAH and Auxiliary Legal expenses are down slightly from last year as a result of fewer anticipated SOAH and arbitration hearings.

Capital Expenditures increased due to the costs associated with the expected replacement of PCs, Servers and other IT related hardware.

Capital Improvement includes funds for carpet replacement and other necessary interior/exterior upgrades for this fiscal year. Capital Improvement projects are funded from surplus funds approved by the Board of Directors upon the approval of the Capital Improvement Plan annually.

Dallas Central Appraisal District
10 Year Budget Analysis

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
Budget Amount	$21,516,555	$21,516,555	$21,872,977	$23,009,832	$23,677,340
Budget Increase/Decrease	-$217,338	$0	$356,422	$1,136,855	$667,508
% Budget Increase/Decrease	-1.00%	0.00%	1.66%	5.20%	2.90%
Merit Increases	0.00%	0.00%	3.00%	3.00%	3.00%
Entity Salary Survey	1.09%	1.08%	3.13%	2.92%	3.14%
# of Personnel	232	229	229	228	228

Dallas Central Appraisal District
10 Year Budget Analysis

2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
$24,471,932	$25,546,023	$27,495,334	$28,144,871	$29,369,242
$794,592	$1,074,091	$1,949,311	$649,537	$1,224,371
3.36%	4.39%	7.63%	2.36%	4.35%
2.50%	4.00%	3.00%	3.00%	3.00%
2.68%	3.80%	2.86%	2.70%	3.33%
228	228	235	235	242

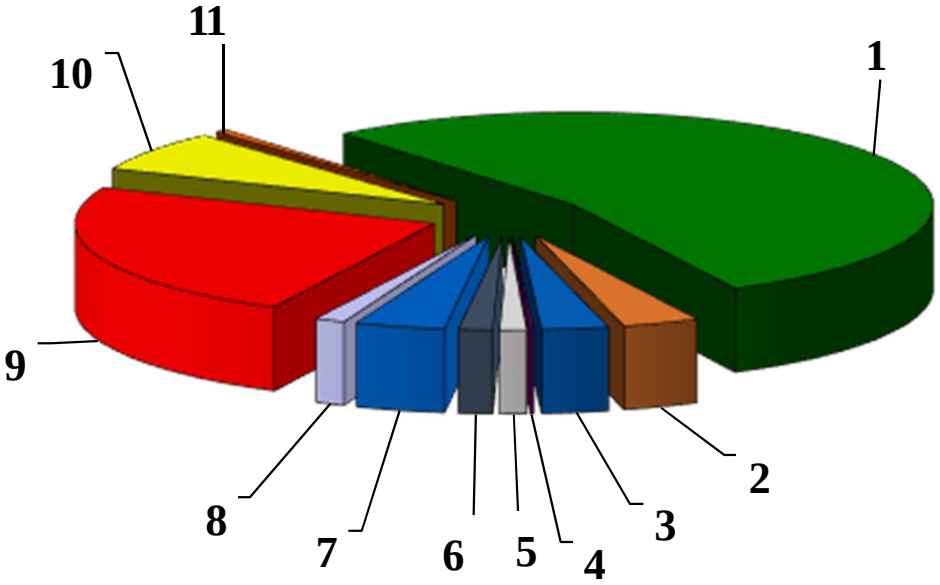
Dallas Central Appraisal District

Proposed Areas Of Change

	2019/2020 Approved	2020/2021 Proposed	Increase or (Decrease)	Percent Change
BUDGET EXPENDITURES:				
Salaries & Wages	$15,120,038	$15,861,426	$741,388	4.90%
Auto Expense	$969,521	$1,016,071	$46,550	4.80%
Supplies & Materials	$844,541	$1,298,460	$453,919	53.75%
Operational Services	$45,795	$46,490	$695	1.52%
Maintenance of Structure	$338,412	$361,410	$22,998	6.80%
Maintenance of Equipment	$431,435	$386,519	($44,916)	-10.41%
Contractual Services	$1,135,408	$614,495	($520,913)	-45.88%
Sundry Expenses	$374,929	$397,884	$22,955	6.12%
Insurance & Benefits	$6,749,564	$6,989,962	$240,398	3.56%
Professional Services	$1,981,088	$2,203,995	$222,907	11.25%
Capital Expenditures	$154,140	$192,530	$38,390	24.91%
Technology Development	$0	$0	$0	0.00%
Contingency	$0	$0	$0	0.00%
Total Expenditures	$28,144,871	$29,369,242	$1,224,371	4.35%

2020/2021

Budget by Category

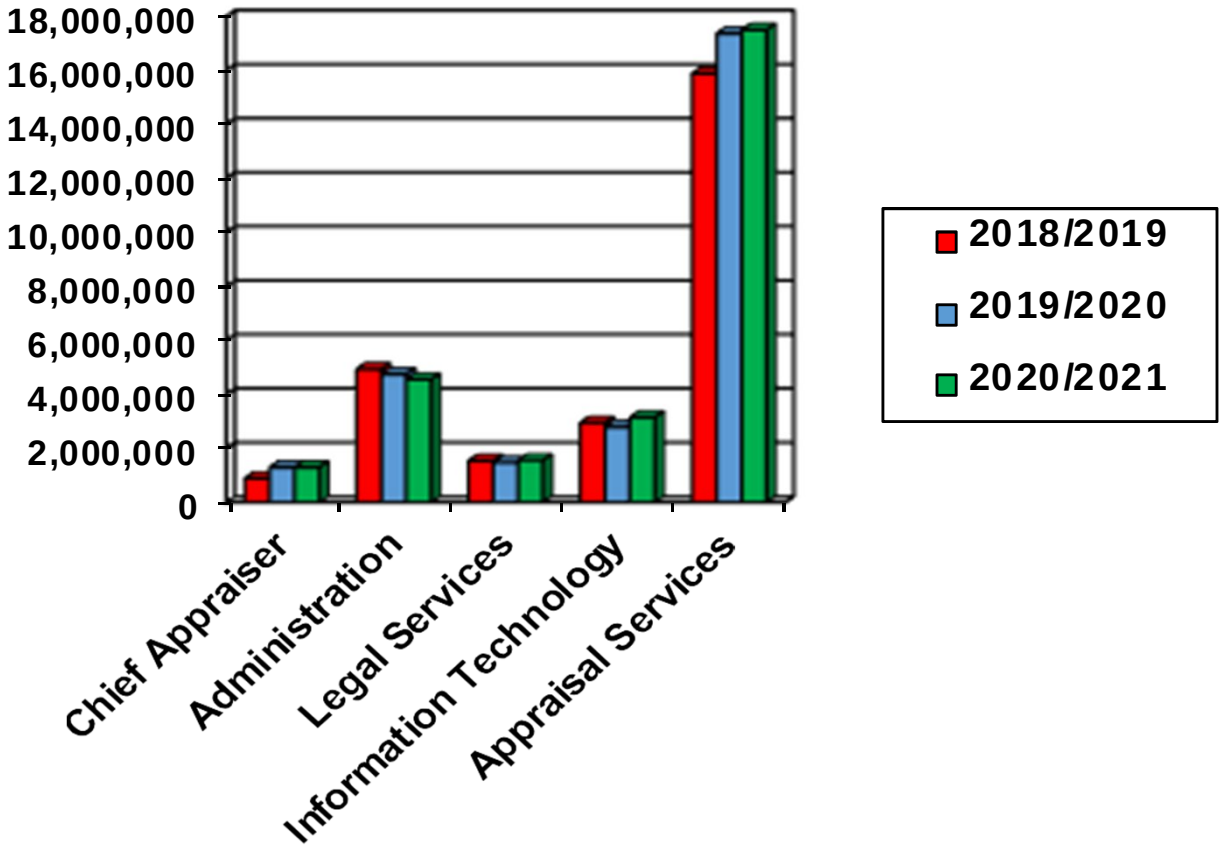


Category		Budget Total	Percent
1	Salaries & Wages	$15,861,426	54.0%
2	Auto Expenses	1,016,071	3.5%
3	Supplies & Materials	1,298,460	4.4%
4	Operational Services	46,490	0.2%
5	Maintenance of Structure	361,410	1.2%
6	Maintenance of Equipment	386,519	1.3%
7	Contractual Services	614,495	2.1%
8	Sundry Expenses	397,884	1.4%
9	Insurance & Benefits	6,989,962	23.8%
10	Professional Services	2,203,995	7.5%
11	Capital Expenditures	192,530	0.6%
	Total	$29,369,242	100%

Dallas Central Appraisal District

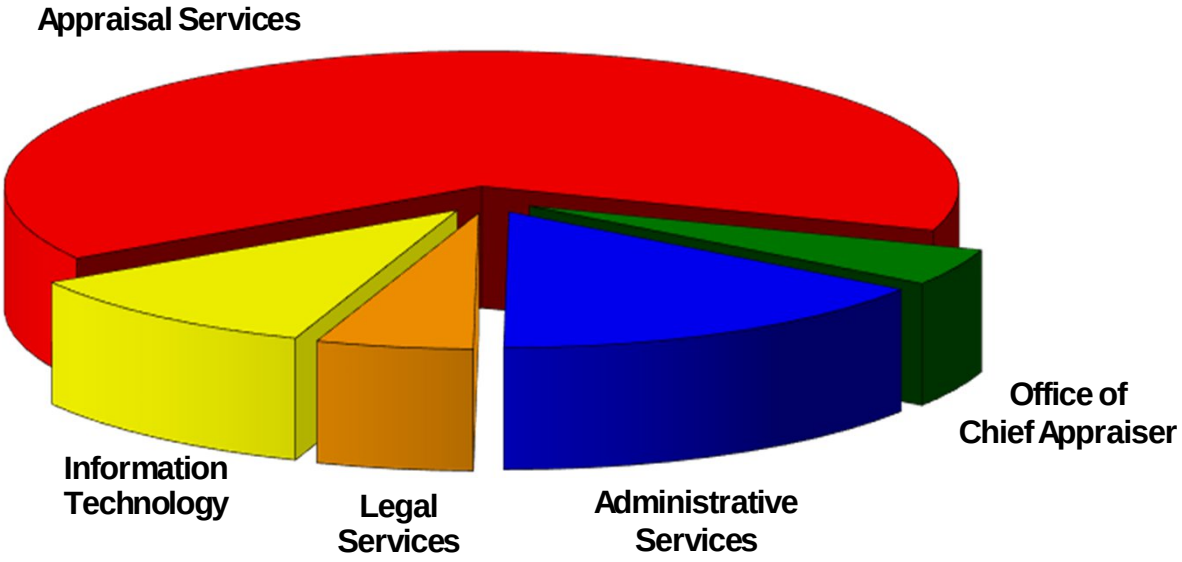
Budget Comparison

Category	2018/2019 Approved	2018/2019 Actual	2019/2020 Approved	2020/2021 Proposed
Consolidated Office of Chief Appraiser	$884,708	$871,001	$1,294,900	$1,296,783
Consolidated Administrative Services	4,930,389	4,702,545	4,744,249	4,546,887
Consolidated Legal Services	1,533,764	1,300,916	1,476,465	1,559,047
Consolidated Information Technology	2,788,994	2,630,508	3,141,113	3,114,296
Consolidated Appraisal Services	17,357,479	16,274,290	17,488,144	18,852,229
Contingency	0	0	0	0
Total	**$27,495,334**	**$25,779,260**	**$28,144,871**	**$29,369,242**



2020/2021

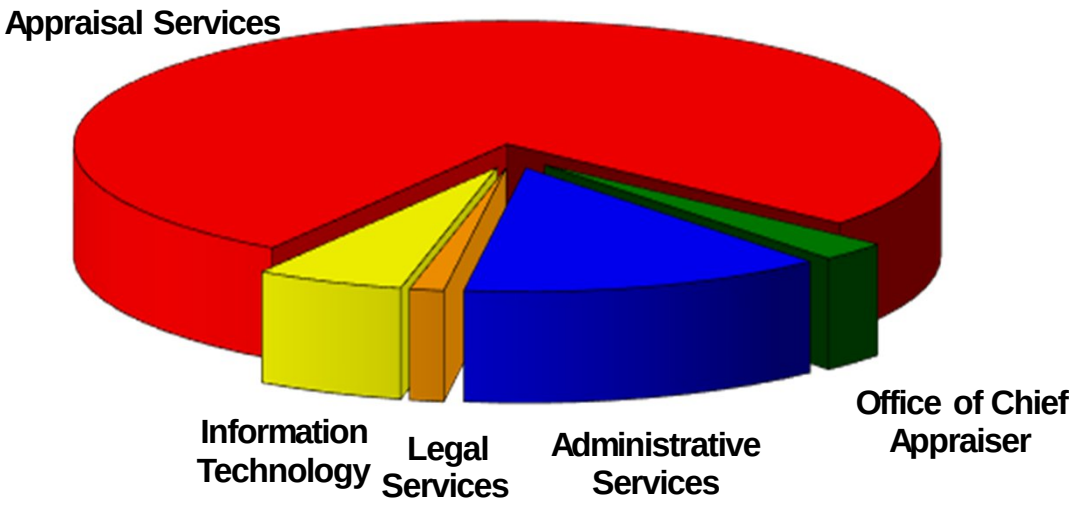
Budget By Department



Department	Budget Total	Percent
Office of Chief Appraiser	$1,296,783	4.4%
Administrative Services	4,546,887	15.5%
Legal Services	1,559,047	5.3%
Information Technology	3,114,296	10.6%
Appraisal Services	18,852,229	64.2%
Total	**$29,369,242**	**100%**

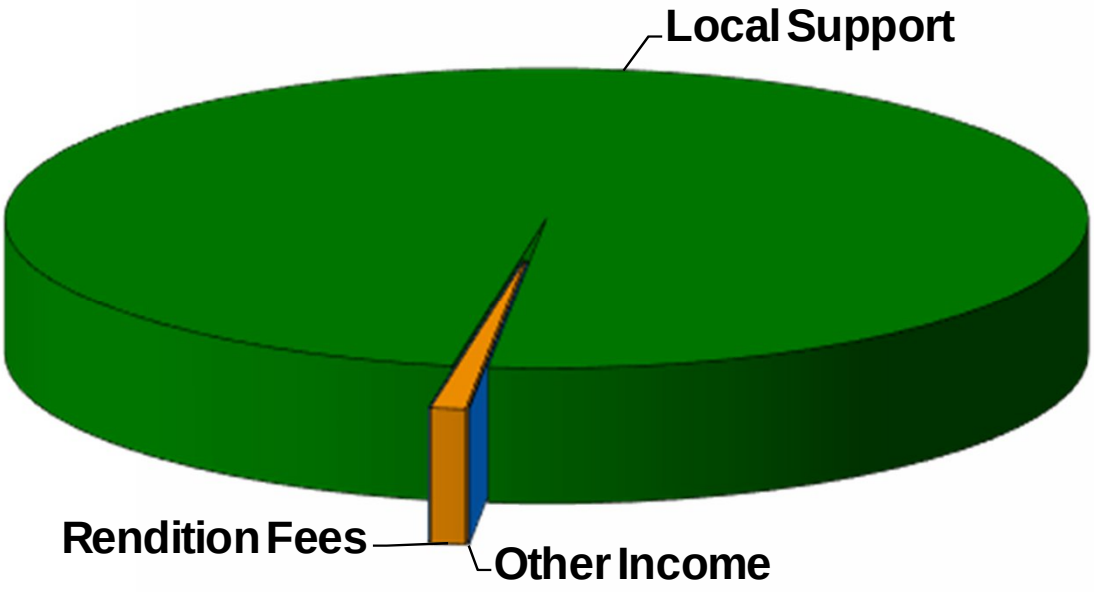
2020/2021

Personnel Breakdown



Department	Number of Personnel	Percent
Office of Chief Appraiser	6	2.5%
Administrative Services	32	13.2%
Legal Services	4	1.6%
Information Technology	13	5.4%
Appraisal Services	187	77.3%
Total	**242**	**100%**

2020/2021
Operating Funds Sources



Source	Amount	Percent
Local Support	$29,059,242	98.95%
Investment Proceeds	0	0.00%
Rendition Fees	300,000	1.02%
Other Income	10,000	0.03%
Total	**$29,369,242**	**100.00%**

Revenue Summary
Budget Allocation Comparison

	2019/2020 Approved Allocation	%	2020/2021 Proposed Allocation	%
Local Support				
Municipalities	**$6,838,681**	**24.54%**	**$7,452,940**	**25.65%**
School Districts	**$11,741,233**	**42.13%**	**$11,919,888**	**41.02%**
County/Countywide	**$9,019,947**	**32.36%**	**$9,424,392**	**32.43%**
Special Districts				
Non-Countywide	**$270,010**	**0.97%**	**$262,022**	**0.90%**
Special Districts				
TOTAL	**$27,869,871**	**100%**	**$29,059,242**	**100%**

2020/2021

PROPOSED BUDGET ALLOCATIONS

	2019/2020 Approved Allocation	2020/2021 Proposed Allocation	Increase or (Decrease)	% Change
County/Countywide Special Districts:				
Dallas County	3,617,184	3,832,481	215,297	5.95%
D.C.H.D.	4,165,979	4,256,839	90,860	2.18%
D.C.C.C.D.	1,236,783	1,335,072	98,289	7.95%
Subtotal	**9,019,946**	**9,424,392**	**404,446**	**4.48%**
Non-Countywide Special Districts:				
Dallas County FCD #1	33,965	31,759	(2,206)	-6.49%
Dallas County URD	188,994	178,976	(10,018)	-5.30%
Denton County LID #1	1,825	1,923	98	5.37%
Denton County RUD #1	0	0	0	0.00%
Grand Prairie Metro URD	451	479	28	6.21%
Irving FCD 1	6,491	7,010	519	8.00%
Irving FCD 3	10,353	10,783	430	4.15%
Lancaster MUD #1	4,241	4,307	66	1.56%
Northwest County FCD	6,152	6,343	191	3.10%
Valwood Imp. Authority	17,537	20,442	2,905	16.56%
Subtotal	**270,009**	**262,022**	**(7,987)**	**-2.96%**

2020/2021

PROPOSED BUDGET ALLOCATIONS

	2019/2020 Approved Allocation	2020/2021 Proposed Allocation	Increase or (Decrease)	% Change
Cities:				
Addison	103,230	111,297	8,067	7.81%
Balch Springs	30,350	33,970	3,620	11.93%
Carrollton	151,473	160,465	8,992	5.94%
Cedar Hill	101,809	109,263	7,454	7.32%
Cockrell Hill	4,710	4,679	(31)	-0.66%
Combine	167	174	7	4.19%
Coppell	166,132	184,584	18,452	11.11%
Dallas	3,772,606	4,073,409	300,803	7.97%
DeSoto	122,182	131,115	8,933	7.31%
Duncanville	68,532	74,275	5,743	8.38%
Farmers Branch	133,051	148,028	14,977	11.26%
Ferris	418	378	(40)	-9.57%
Garland	418,494	491,915	73,421	17.54%
Glenn Heights	16,415	17,755	1,340	8.16%
Grand Prairie	192,692	212,859	20,167	10.47%
Grapevine	2,536	2,615	79	3.12%
Highland Park	54,904	58,787	3,883	7.07%
Hutchins	18,533	20,719	2,186	11.80%
Irving	611,381	665,486	54,105	8.85%
Lancaster	88,459	102,695	14,236	16.09%
Lewisville	1,616	1,685	69	4.27%
Mesquite	234,804	253,542	18,738	7.98%
Ovilla	725	814	89	12.28%
Richardson	244,279	261,911	17,632	7.22%
Rowlett	126,641	140,182	13,541	10.69%
Sachse	39,770	42,921	3,151	7.92%
Seagoville	20,122	22,201	2,079	10.33%
Sunnyvale	20,122	23,974	3,852	19.14%
University Park	78,705	84,533	5,828	7.40%
Wilmer	12,207	14,617	2,410	19.74%
Wylie	1,616	2,092	476	29.46%
Total	**6,838,681**	**7,452,940**	**614,259**	8.98%

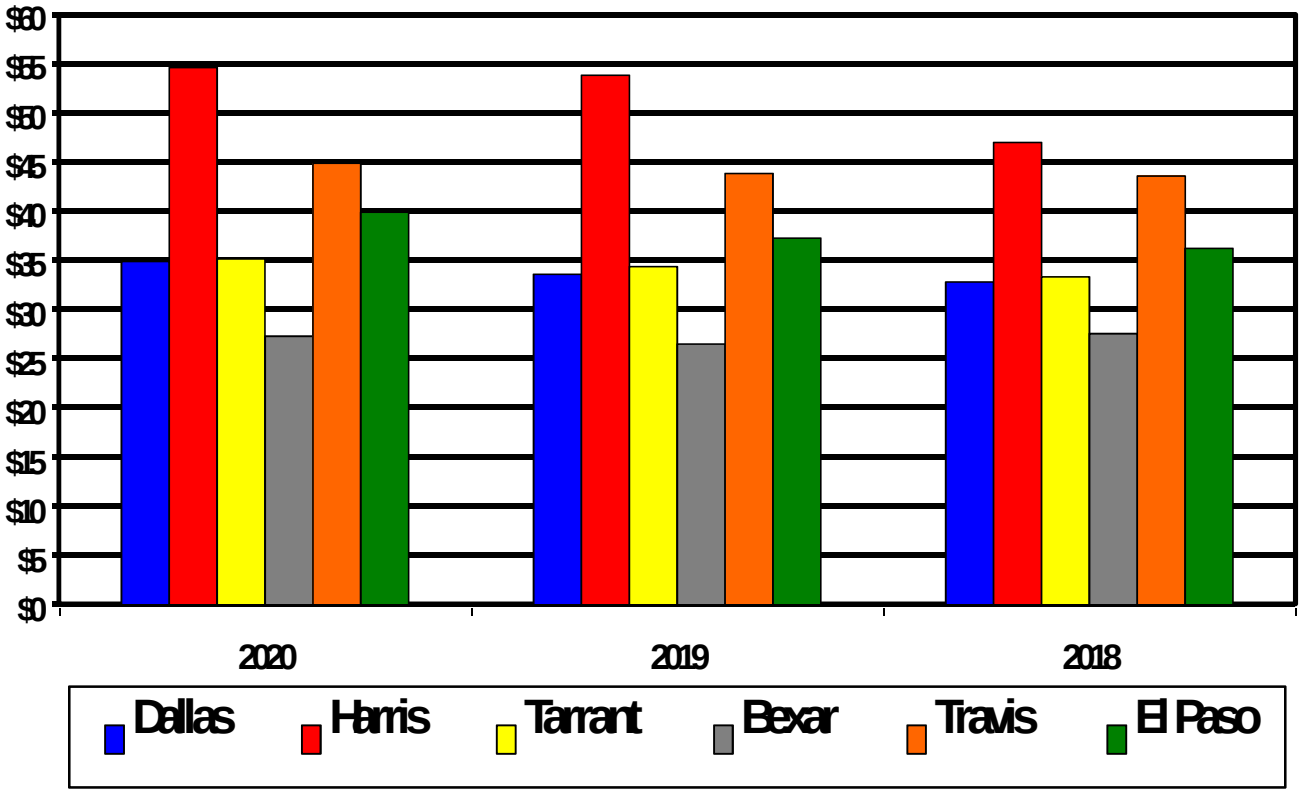
2020/2021

PROPOSED BUDGET ALLOCATIONS

School Districts:	2019/2020 Approved Allocation	2020/2021 Proposed Allocation	Increase or (Decrease)	% Change
Carrollton/Farmers Branch	759,262	766,441	7,179	0.95%
Cedar Hill	159,863	164,914	5,051	3.16%
Coppell	567,162	565,157	(2,005)	-0.35%
Dallas	5,443,977	5,479,746	35,769	0.66%
Dallas County Schools	78,659	85,151	6,492	8.25%
DeSoto	151,643	172,619	20,976	13.83%
Duncanville	231,695	233,515	1,820	0.79%
Ferris	1,145	1,345	200	17.47%
Garland	928,362	963,769	35,407	3.81%
Grand Prairie	375,949	403,536	27,587	7.34%
Grapevine/Colleyville	13,930	16,661	2,731	19.61%
Highland Park	647,192	628,215	(18,977)	-2.93%
Irving	607,393	613,334	5,941	0.98%
Lancaster	128,932	153,852	24,920	19.33%
Mesquite	419,493	436,161	16,668	3.97%
Richardson	1,167,100	1,174,025	6,925	0.59%
Sunnyvale	59,476	61,447	1,971	3.31%
Wilmer/Hutchins	0	0	0	0.00%
Total	**11,741,233**	**11,919,888**	**178,655**	**1.52%**

APPRAISAL DISTRICT COMPARISONS

	2020 Budget Amount	Real Property	Personal Property	Total Parcels	Cost Per Parcel 2020	2019	2018
Dallas CAD	**$29,369,242**	**736,261**	**102,745**	**839,006**	***$35.00***	***$33.66***	***$33.02***
Harris CAD	**$90,728,307**	**1,474,198**	**183,121**	**1,657,319**	***$54.74***	***$53.88***	***$47.00***
Tarrant CAD	**$25,828,993**	**671,202**	**61,608**	**732,810**	***$35.25***	***$34.58***	***$33.52***
Bexar CAD	**$18,948,050**	**649,586**	**44,820**	**694,406**	***$27.29***	***$26.64***	***$27.54***
Travis CAD	**$20,193,893**	**405,384**	**43,285**	**448,669**	***$45.01***	***$43.82***	***$43.65***
El Paso CAD	**$16,032,787**	**397,189**	**25,522**	**422,711**	***$37.93***	***$37.38***	***$36.23***



APPRAISAL DISTRICT EMPLOYEE COMPARISONS

Appraisal District	2020 Budget	Total Parcels	Number of Employees	Parcels per Employee	Number of Appraisers	Parcels per Appraiser
Dallas Central Appraisal District	$29,369,242	839,006	242	3,467	105	7,991
Harris Central Appraisal District	$90,728,307	1,657,319	662	2,504	334	4,962
Tarrant Appraisal District	$25,828,993	732,810	211	3,473	104	7,046
Bexar Appraisal District	$18,948,050	694,406	161	4,313	66	10,521
Travis Central Appraisal District	20,193,893	448,669	129	3,478	65	6,903
El Paso Central Appraisal District	$16,032,787	422,711	141	2,998	44	9,607

2019/2020 BUDGET/LEVY COMPARISON

	2019 Tax Levy	2020 Budget Amount	Cost As % Of Levy
Dallas CAD	**$7,371,062,620**	**$29,369,242**	**0.40**
Harris CAD	**$11,948,766,001**	**$90,728,307**	**0.76**
Tarrant CAD	**$5,275,381,223**	**$25,828,993**	**0.49**
Bexar CAD	**$3,734,896,111**	**$18,948,050**	**0.51**
Travis CAD	**$4,673,345,975**	**$20,193,893**	**0.43**
El Paso CAD	**$1,305,558,884**	**$16,032,787**	**1.23**

ACCURACY OF APPRAISALS

	Median Level of Appraisals	Coefficient of Dispersion
Dallas Central Appraisal District	0.99	7.11
Harris Central Appraisal District	0.98	8.31
Tarrant Appraisal District	0.97	8.41
Bexar Appraisal District	0.99	8.30
Travis Central Appraisal District	0.99	8.09
El Paso Central Appraisal District	1.00	12.35

DALLAS CENTRAL APPRAISAL DISTRICT

2020 / 2021

PROPOSED BUDGET

BUDGET OVERVIEW

2020 / 2021

PROPOSED BUDGET

Dallas Central Appraisal District

2020/2021 Proposed Budget
Budget Comparison
Executive Summary

	2019/2020 Approved	2020/2021 Proposed
BUDGET EXPENDITURES:		
Salaries & Wages	$15,120,038	$15,861,426
Auto Expense	969,521	1,016,071
Supplies & Materials	844,541	1,298,460
Operational Services	45,795	46,490
Maintenance of Structure	338,412	361,410
Maintenance of Equipment	431,435	386,519
Contractual Services	1,135,408	614,495
Sundry Expenses	374,929	397,884
Insurance & Benefits	6,749,564	6,989,962
Professional Services	1,981,088	2,203,995
Capital Expenditures	154,140	192,530
Technology Development	0	0
Contingency	0	0
Total Expenditures	$28,144,871	$29,369,242
OPERATING FUND SOURCES:		
Entity Allocations (Local Support)	$27,869,871	$29,059,242
Rendition Fees	265,000	300,000
Investment Proceeds	0	0
Other Income	10,000	10,000
Total Revenues	$28,144,871	$29,369,242

2020/2021
PROPOSED BUDGET OVERVIEW

The 2020/2021 Proposed Budget is highlighted in the attached document as follows:

1. The 2020/2021 Proposed Budget of $29,369,242 is an increase of 4.35% from the 2019/2020 Approved Budget of $28,144,871.

2. The 2020/2021 Proposed Budget calls for a total of two hundred forty-two (242) full-time positions, which is an increase of seven (7) staff positions from the 2019/2020 Approved Budget. The budget notes personnel by departments/divisions as follows:

   - **Office of Chief Appraiser Department.** The department has six (6) positions and includes the divisions of Chief Appraiser's Office, Community Relations Director, Quality Control, and Human Resources.
   - **Administrative Services Department.** The divisions included in this department are Administration, Finance/Purchasing, Customer Service, Appeals and Support, Building Services and the Appraisal Review Board (ARB). The department has thirty-two (32) employees and assists in coordinating the one hundred ten (110) member ARB.
   - **Legal Services Department.** There are a total of four (4) employees in this department.
   - **Information Technology (IT) Department.** The divisions included are Technical Support, Systems Programming, Computer Support and Database Management. There are a total of thirteen (13) employees in this department.
   - **Appraisal Services Department.** This department includes the divisions of Central Appraisal, Residential, Commercial, Business Personal Property, Property Records/Exemptions, and Geographic Information System (GIS), totaling one hundred eighty-seven (187) employees.

3. For the 2020/2021 Proposed Budget a 3.0% merit increase is proposed for the District employees. This figure is tied closely to the average salary/merit increases and adjustments given by the taxing entities in 2019/2020, which was 3.33%. This information is obtained from an entity salary survey of all cities, school districts and countywide entities in the Appraisal District. DCAD bases any merit increases on what the taxing entities have afforded to their employees.

4. Overtime funds are included for appraisal support staff assisting with after hours informal and legally required formal hearings with property owners during the ARB process. Overtime funds are also included for Building Services, Appeals and Support, Customer Service, and the Appraisal Departments.

5. Contract Labor includes funds for temporary services for the Business Personal Property verification and leased equipment projects, contract clerical help during the ARB process in Appeals and Support, Legal Services in processing lawsuits, and for security provided by off-duty police officers year round.

6. Other increases and decreases in the Proposed Budget are noted in the categories as follows:

Auto Expenses are for the monthly auto allowance for appraisers at $700 per month and $300 per month for management level employees. Funds were added for the five (5) new appraisal positions.

Supplies and Materials increased from last year's budget primarily due to mailing costs associated with a new legislatively mandated special notice mailing that is required to be sent to all property owners in Dallas County. The notice informs property owners on how to reach the taxing entities' new tax rate website. The special notice will be mailed once annually.

Operational Services is the District's telephone communication system. A slight increase was noted from the previous year for replacement of phone equipment.

Maintenance of Structure shows an increase due to expected increases in the cost of janitorial services and landscaping services, as well as burglar and fire alarm upgrades. Most other costs remained constant.

Maintenance of Equipment decreased due to fewer required software upgrades and equipment replacement. The decrease was partially offset by additional software purchases for GIS. The equipment costs include the phone system and Uninterrupted Power Supply maintenance. PC Maintenance includes funds for maintenance and replacement of servers, network equipment, desktop devices, and the iPads used as field devices by the appraisal staff. Software maintenance costs are budgeted to maintain the software for network and desktop applications.

Contractual Services decreased due to completing payment for the digital photo lease in the 2019/2020 budget.

Sundry Expenses noted an increase in the categories of Training costs and Dues & Subscriptions.

Insurance and Benefits increased due to the addition of seven additional staff. Group Medical costs are budgeted with an anticipated increase of 14% and the Retirement expense is at a rate of 20% to keep the employee program current. A decrease in workers compensation, unemployment compensation, and general insurance is expected.

Professional Services increased mainly due to additional ARB Compensation, with the anticipation of more hearing days and panels being required to complete the ARB process. SOAH and Auxiliary Legal expenses are down slightly from last year as a result of fewer anticipated SOAH and arbitration hearings.

Capital Expenditures increased due to the costs associated with the expected replacement of PCs, Servers and other IT related hardware.

Capital Improvement includes funds for carpet replacement and other necessary interior/exterior upgrades for this fiscal year. Capital Improvement projects are funded from surplus funds approved by the Board of Directors upon the approval of the Capital Improvement Plan annually.

Dallas Central Appraisal District
10 Year Budget Analysis

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
Budget Amount	**$21,516,555**	**$21,516,555**	**$21,872,977**	**$23,009,832**	**$23,677,340**
Budget Increase/Decrease	**-$217,338**	**$0**	**$356,422**	**$1,136,855**	**$667,508**
% Budget Increase/Decrease	**-1.00%**	**0.00%**	**1.66%**	**5.20%**	**2.90%**
Merit Increases	**0.00%**	**0.00%**	**3.00%**	**3.00%**	**3.00%**
Entity Salary Survey	**1.09%**	**1.08%**	**3.13%**	**2.92%**	**3.14%**
# of Personnel	**232**	**229**	**229**	**228**	**228**

Dallas Central Appraisal District
10 Year Budget Analysis

2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
$24,471,932	$25,546,023	$27,495,334	$28,144,871	$29,369,242
$794,592	$1,074,091	$1,949,311	$649,537	$1,224,371
3.36%	4.39%	7.63%	2.36%	4.35%
2.50%	4.00%	3.00%	3.00%	3.00%
2.68%	3.80%	2.86%	2.70%	3.33%
228	228	235	235	242

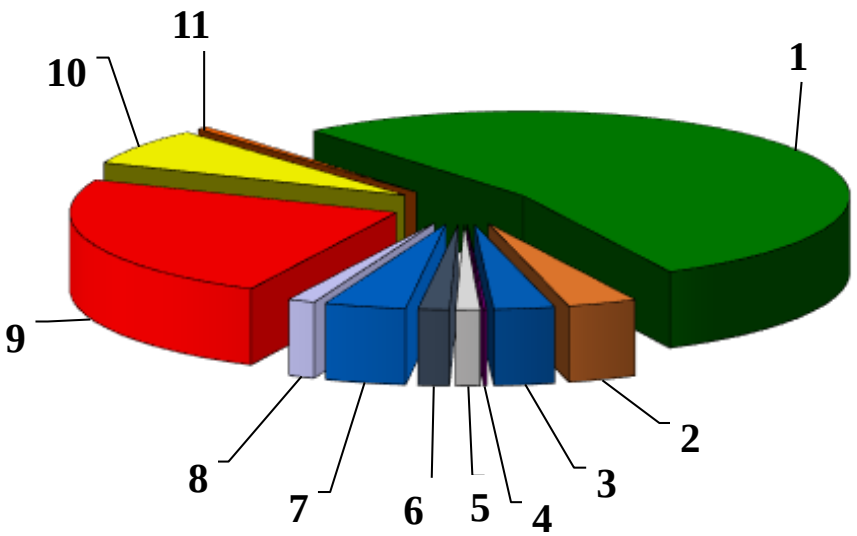
Dallas Central Appraisal District

Proposed Areas Of Change

	2019/2020 Approved	2020/2021 Proposed	Increase or (Decrease)	Percent Change
BUDGET EXPENDITURES:				
Salaries & Wages	$15,120,038	$15,861,426	$741,388	4.90%
Auto Expense	$969,521	$1,016,071	$46,550	4.80%
Supplies & Materials	$844,541	$1,298,460	$453,919	53.75%
Operational Services	$45,795	$46,490	$695	1.52%
Maintenance of Structure	$338,412	$361,410	$22,998	6.80%
Maintenance of Equipment	$431,435	$386,519	($44,916)	-10.41%
Contractual Services	$1,135,408	$614,495	($520,913)	-45.88%
Sundry Expenses	$374,929	$397,884	$22,955	6.12%
Insurance & Benefits	$6,749,564	$6,989,962	$240,398	3.56%
Professional Services	$1,981,088	$2,203,995	$222,907	11.25%
Capital Expenditures	$154,140	$192,530	$38,390	24.91%
Technology Development	$0	$0	$0	0.00%
Contingency	$0	$0	$0	0.00%
Total Expenditures	$28,144,871	$29,369,242	$1,224,371	4.35%

2020/2021

Budget by Category

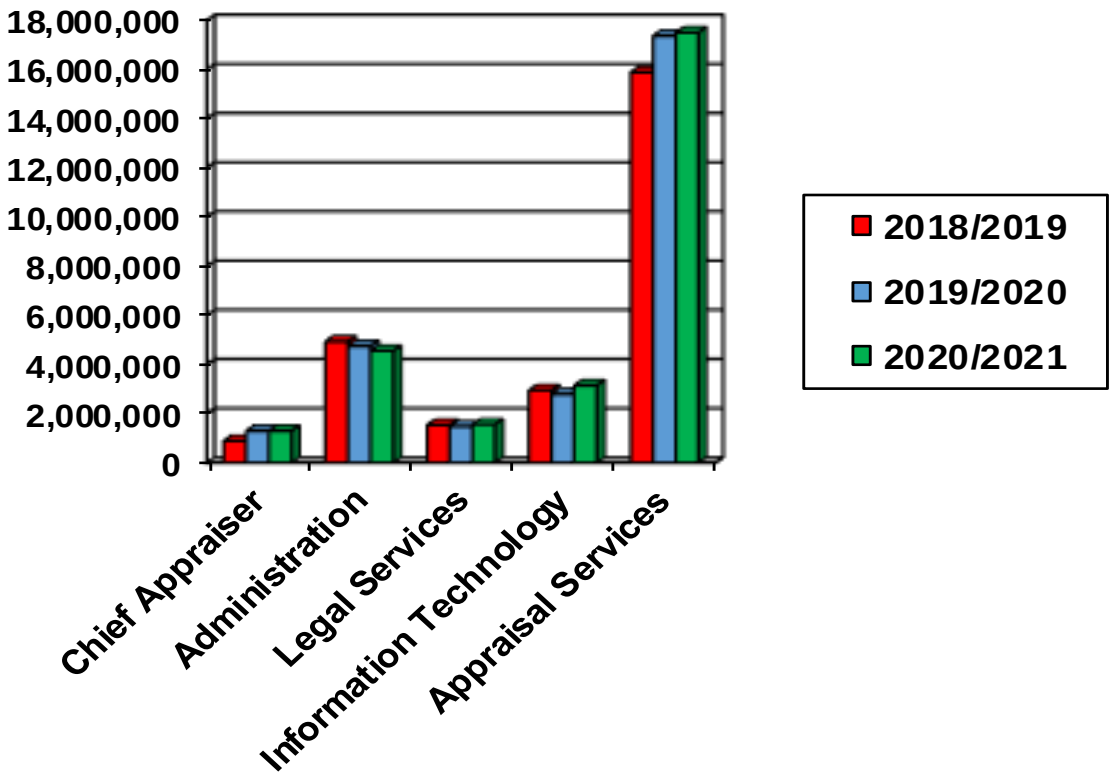


Category		Budget Total	Percent
1	Salaries & Wages	$15,861,426	54.0%
2	Auto Expenses	1,016,071	3.5%
3	Supplies & Materials	1,298,460	4.4%
4	Operational Services	46,490	0.2%
5	Maintenance of Structure	361,410	1.2%
6	Maintenance of Equipment	386,519	1.3%
7	Contractual Services	614,495	2.1%
8	Sundry Expenses	397,884	1.4%
9	Insurance & Benefits	6,989,962	23.8%
10	Professional Services	2,203,995	7.5%
11	Capital Expenditures	192,530	0.6%
	Total	$29,369,242	100%

Dallas Central Appraisal District

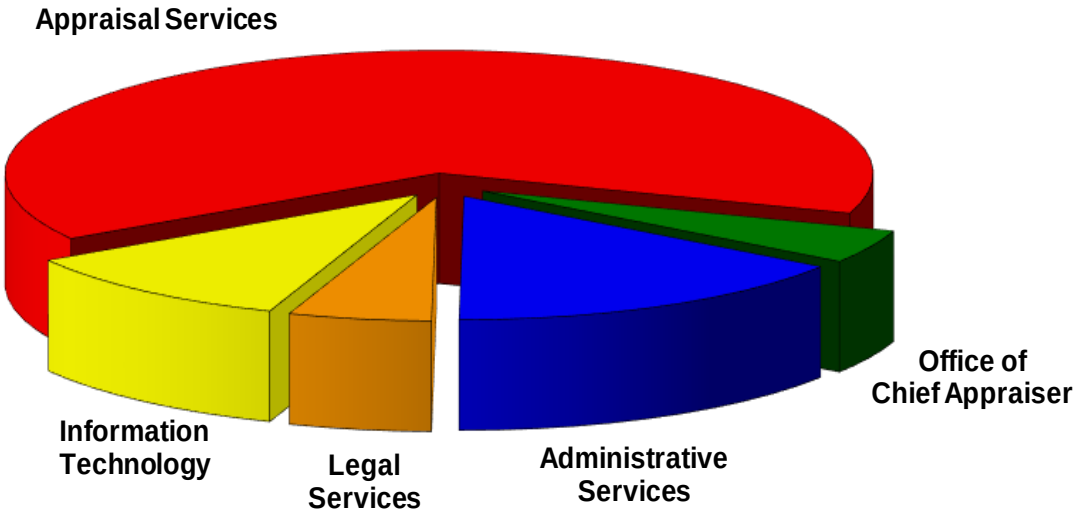
Budget Comparison

Category	2018/2019 Approved	2018/2019 Actual	2019/2020 Approved	2020/2021 Proposed
Consolidated Office of Chief Appraiser	$884,708	$871,001	$1,294,900	$1,296,783
Consolidated Administrative Services	4,930,389	4,702,545	4,744,249	4,546,887
Consolidated Legal Services	1,533,764	1,300,916	1,476,465	1,559,047
Consolidated Information Technology	2,788,994	2,630,508	3,141,113	3,114,296
Consolidated Appraisal Services	17,357,479	16,274,290	17,488,144	18,852,229
Contingency	0	0	0	0
Total	**$27,495,334**	**$25,779,260**	**$28,144,871**	**$29,369,242**



2020/2021

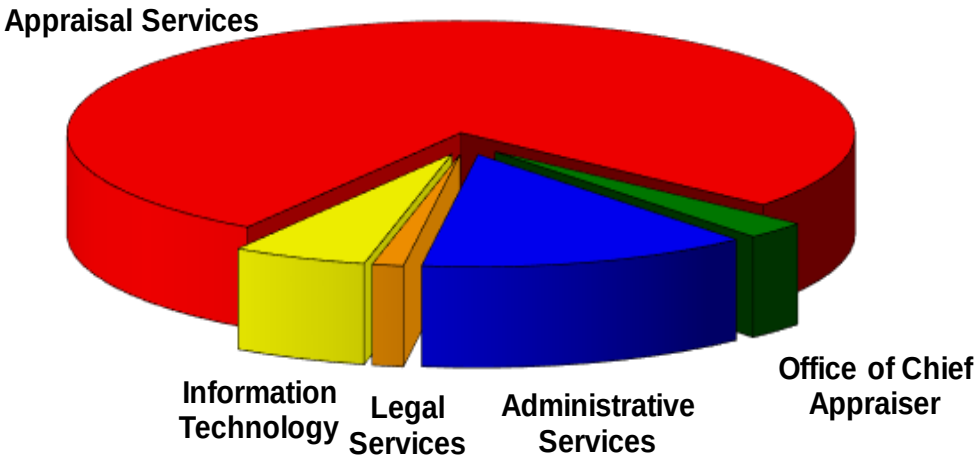
Budget By Department



Department	Budget Total	Percent
Office of Chief Appraiser	$1,296,783	4.4%
Administrative Services	4,546,887	15.5%
Legal Services	1,559,047	5.3%
Information Technology	3,114,296	10.6%
Appraisal Services	18,852,229	64.2%
Total	**$29,369,242**	**100%**

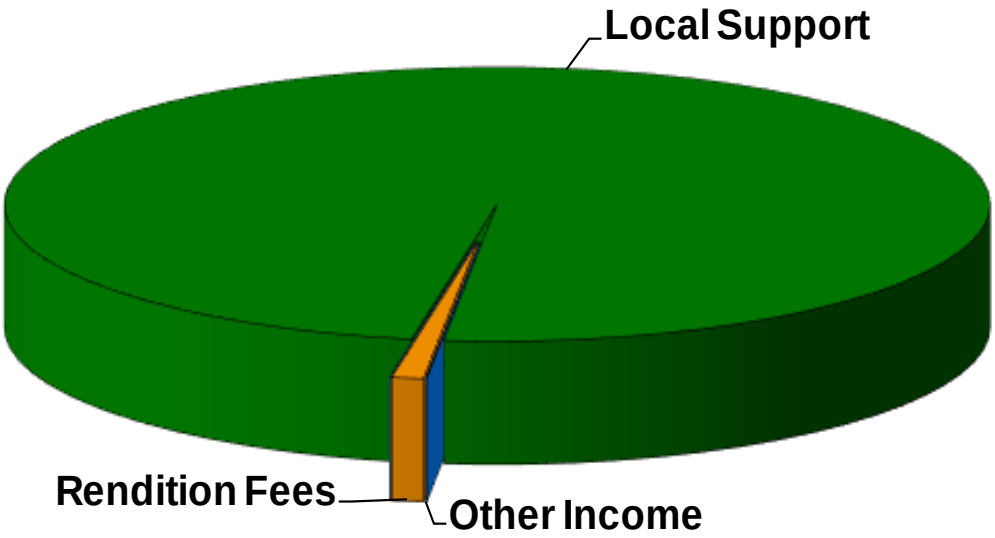
2020/2021

Personnel Breakdown



Department	Number of Personnel	Percent
Office of Chief Appraiser	6	2.5%
Administrative Services	32	13.2%
Legal Services	4	1.6%
Information Technology	13	5.4%
Appraisal Services	187	77.3%
Total	**242**	**100%**

2020/2021
Operating Funds Sources



Source	Amount	Percent
Local Support	$29,059,242	98.95%
Investment Proceeds	0	0.00%
Rendition Fees	300,000	1.02%
Other Income	10,000	0.03%
Total	**$29,369,242**	**100.00%**

Revenue Summary
Budget Allocation Comparison

	2019/2020 Approved Allocation	%	2020/2021 Proposed Allocation	%
Local Support				
Municipalities	**$6,838,681**	**24.54%**	**$7,452,940**	**25.65%**
School Districts	**$11,741,233**	**42.13%**	**$11,919,888**	**41.02%**
County/Countywide Special Districts	**$9,019,947**	**32.36%**	**$9,424,392**	**32.43%**
Non-Countywide Special Districts	**$270,010**	**0.97%**	**$262,022**	**0.90%**
TOTAL	**$27,869,871**	**100%**	**$29,059,242**	**100%**

2020/2021

PROPOSED BUDGET ALLOCATIONS

	2019/2020 Approved Allocation	2020/2021 Proposed Allocation	Increase or (Decrease)	% Change
County/Countywide Special Districts:				
Dallas County	3,617,184	3,832,481	215,297	5.95%
D.C.H.D.	4,165,979	4,256,839	90,860	2.18%
D.C.C.C.D.	1,236,783	1,335,072	98,289	7.95%
Subtotal	**9,019,946**	**9,424,392**	**404,446**	**4.48%**
Non-Countywide Special Districts:				
Dallas County FCD #1	33,965	31,759	(2,206)	-6.49%
Dallas County URD	188,994	178,976	(10,018)	-5.30%
Denton County LID #1	1,825	1,923	98	5.37%
Denton County RUD #1	0	0	0	0.00%
Grand Prairie Metro URD	451	479	28	6.21%
Irving FCD 1	6,491	7,010	519	8.00%
Irving FCD 3	10,353	10,783	430	4.15%
Lancaster MUD #1	4,241	4,307	66	1.56%
Northwest County FCD	6,152	6,343	191	3.10%
Valwood Imp. Authority	17,537	20,442	2,905	16.56%
Subtotal	**270,009**	**262,022**	**(7,987)**	**-2.96%**

2020/2021

PROPOSED BUDGET ALLOCATIONS

	2019/2020 Approved Allocation	2020/2021 Proposed Allocation	Increase or (Decrease)	% Change
Cities:				
Addison	103,230	111,297	8,067	7.81%
Balch Springs	30,350	33,970	3,620	11.93%
Carrollton	151,473	160,465	8,992	5.94%
Cedar Hill	101,809	109,263	7,454	7.32%
Cockrell Hill	4,710	4,679	(31)	-0.66%
Combine	167	174	7	4.19%
Coppell	166,132	184,584	18,452	11.11%
Dallas	3,772,606	4,073,409	300,803	7.97%
DeSoto	122,182	131,115	8,933	7.31%
Duncanville	68,532	74,275	5,743	8.38%
Farmers Branch	133,051	148,028	14,977	11.26%
Ferris	418	378	(40)	-9.57%
Garland	418,494	491,915	73,421	17.54%
Glenn Heights	16,415	17,755	1,340	8.16%
Grand Prairie	192,692	212,859	20,167	10.47%
Grapevine	2,536	2,615	79	3.12%
Highland Park	54,904	58,787	3,883	7.07%
Hutchins	18,533	20,719	2,186	11.80%
Irving	611,381	665,486	54,105	8.85%
Lancaster	88,459	102,695	14,236	16.09%
Lewisville	1,616	1,685	69	4.27%
Mesquite	234,804	253,542	18,738	7.98%
Ovilla	725	814	89	12.28%
Richardson	244,279	261,911	17,632	7.22%
Rowlett	126,641	140,182	13,541	10.69%
Sachse	39,770	42,921	3,151	7.92%
Seagoville	20,122	22,201	2,079	10.33%
Sunnyvale	20,122	23,974	3,852	19.14%
University Park	78,705	84,533	5,828	7.40%
Wilmer	12,207	14,617	2,410	19.74%
Wylie	1,616	2,092	476	29.46%
Total	**6,838,681**	**7,452,940**	**614,259**	8.98%

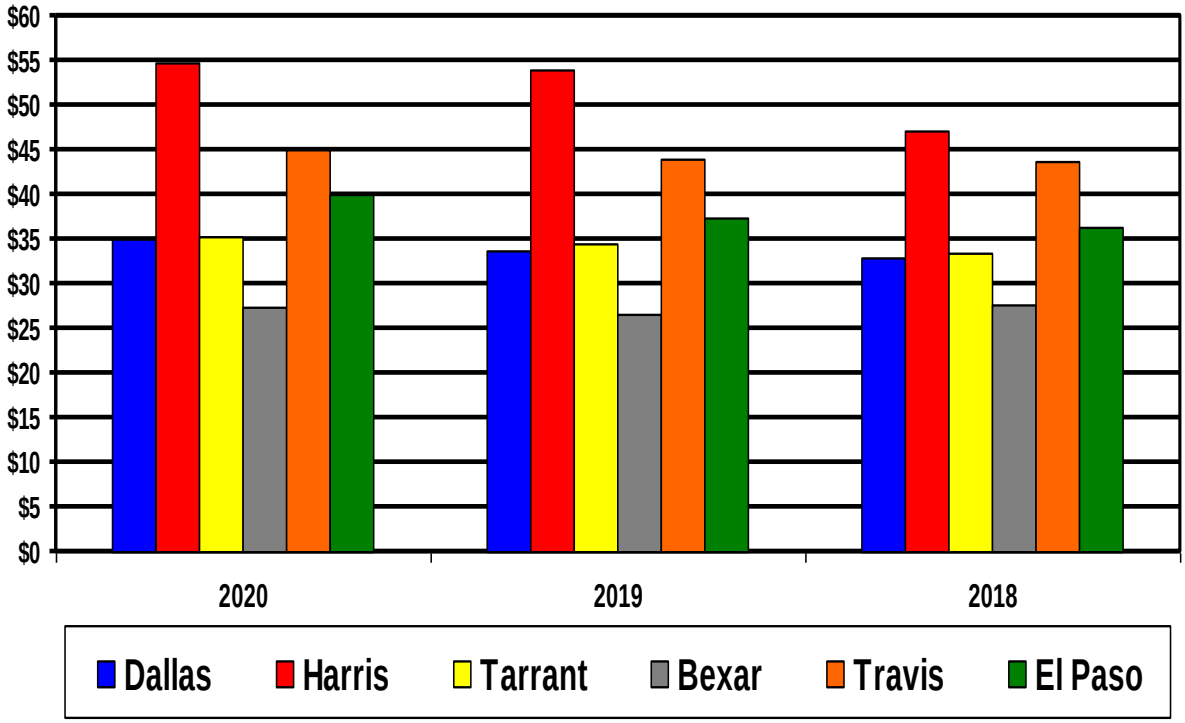
2020/2021

PROPOSED BUDGET ALLOCATIONS

School Districts:	2019/2020 Approved Allocation	2020/2021 Proposed Allocation	Increase or (Decrease)	% Change
Carrollton/Farmers Branch	759,262	766,441	7,179	0.95%
Cedar Hill	159,863	164,914	5,051	3.16%
Coppell	567,162	565,157	(2,005)	-0.35%
Dallas	5,443,977	5,479,746	35,769	0.66%
Dallas County Schools	78,659	85,151	6,492	8.25%
DeSoto	151,643	172,619	20,976	13.83%
Duncanville	231,695	233,515	1,820	0.79%
Ferris	1,145	1,345	200	17.47%
Garland	928,362	963,769	35,407	3.81%
Grand Prairie	375,949	403,536	27,587	7.34%
Grapevine/Colleyville	13,930	16,661	2,731	19.61%
Highland Park	647,192	628,215	(18,977)	-2.93%
Irving	607,393	613,334	5,941	0.98%
Lancaster	128,932	153,852	24,920	19.33%
Mesquite	419,493	436,161	16,668	3.97%
Richardson	1,167,100	1,174,025	6,925	0.59%
Sunnyvale	59,476	61,447	1,971	3.31%
Wilmer/Hutchins	0	0	0	0.00%
Total	**11,741,233**	**11,919,888**	**178,655**	**1.52%**

APPRAISAL DISTRICT COMPARISONS

	2020 Budget Amount	Real Property	Personal Property	Total Parcels	Cost Per Parcel 2020	2019	2018
Dallas CAD	$29,369,242	736,261	102,745	839,006	*$35.00*	*$33.66*	*$33.02*
Harris CAD	$90,728,307	1,474,198	183,121	1,657,319	*$54.74*	*$53.88*	*$47.00*
Tarrant CAD	$25,828,993	671,202	61,608	732,810	*$35.25*	*$34.58*	*$33.52*
Bexar CAD	$18,948,050	649,586	44,820	694,406	*$27.29*	*$26.64*	*$27.54*
Travis CAD	$20,193,893	405,384	43,285	448,669	*$45.01*	*$43.82*	*$43.65*
El Paso CAD	$16,032,787	397,189	25,522	422,711	*$37.93*	*$37.38*	*$36.23*



APPRAISAL DISTRICT EMPLOYEE COMPARISONS

Appraisal District	2020 Budget	Total Parcels	Number of Employees	Parcels per Employee	Number of Appraisers	Parcels per Appraiser
Dallas Central Appraisal District	$29,369,242	839,006	242	3,467	105	7,991
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2019/2020 BUDGET/LEVY COMPARISON

	2019 Tax Levy	2020 Budget Amount	Cost As % Of Levy
Dallas CAD	**$7,371,062,620**	**$29,369,242**	**0.40**
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Tarrant CAD	**$5,275,381,223**	**$25,828,993**	**0.49**
Bexar CAD	**$3,734,896,111**	**$18,948,050**	**0.51**
Travis CAD	**$4,673,345,975**	**$20,193,893**	**0.43**
El Paso CAD	**$1,305,558,884**	**$16,032,787**	**1.23**

ACCURACY OF APPRAISALS

	Median Level of Appraisals	Coefficient of Dispersion
Dallas Central Appraisal District	0.99	7.11
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Bexar Appraisal District	0.99	8.30
Travis Central Appraisal District	0.99	8.09
El Paso Central Appraisal District	1.00	12.35

City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-325 **Item #:** 3.

Consider Proposed Amendment to Section 8-1.4, “Qualifications,” of the Dallas City Code, Chapter 8, “Boards and Commissions,” deleting the requirement that a board or commission member must be a qualified voter in the city at the time of appointment
[Tammy L. Palomino, Sr. Executive Assistant City Attorney]

powered by Legistar™

Memorandum

RECEIVED

2020 FEB -6 AM 11:52

CITY SECRETARY
DALLAS, TEXAS

City of Dallas

DATE January 22, 2020

TO The Honorable Eric Johnson

FROM Jaime Resendez, District 5

SUBJECT **Request for Placement of Agenda Item – Council Member(s)**

ITEM/ISSUE PROPOSED FOR COUNCIL CONSIDERATION:

Pursuant to Section 6.2 of the City Council Rules of Procedure, please refer the following item to a city council committee within 15 calendar days after receipt of this request:

An ordinance amending Chapter 8, "Boards and Commissions," of the Dallas City Code by amending Section 8-1.4, "Qualification Considerations in Appointments to Boards," by deleting the requirement that a board or commission member be a qualified voter in the city at the time of appointment.

BRIEF BACKGROUND:

Section 8-1.4 of the Dallas City Code requires that all board and commission appointees meet seven qualifications, including being a qualified voter in the city at the time of appointment. Under state law, a qualified voter must: (1) be 18 years of age or older, (2) be a United States citizen, (3) not be partially or totally mentally incapacitated, and (4) not have been finally convicted of a felony unless they have fully discharged their sentence or been pardoned. The qualified voter requirement in Chapter 8 can be deleted, except when required under the Charter or another city ordinance.

Submitted for consideration by:

Jaime Resendez	Dist. # 5	
Printed Name		Signature

Supporting Council Member Signatures (4 Signatures Only):

Adam Medrano	Dist. # 2	
Printed Name		Signature
Adam Bazaldua	Dist. # 7	
Printed Name		Signature
Chad West	Dist. # 1	
Printed Name		Signature
Omar Narvaez	Dist. # 6	
Printed Name		Signature

Attachment: Draft Ordinance

c: Honorable Council Members
T.C. Broadnax, City Manager
Christopher J. Caso, Interim City Attorney
Mark S. Swann, City Auditor
Billerae Johnson, City Secretary
Tristan R. Hallman, Chief of Policy and Communications, Office of the Mayor

RECEIVED

2020 FEB -6 AM 11: 52

CITY SECRETARY
DALLAS, TEXAS

1-22-20

ORDINANCE NO. _____

An ordinance amending Chapter 8, "Boards and Commissions," of the Dallas City Code by amending Section 8-1.4; deleting the requirement that an appointee to a board or commission must be a qualified voter of the city; providing a saving clause; providing a severability clause; and providing an effective date.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Subsection (a) of Section 8-1.4, "Qualification Considerations in Appointments to Boards," of Article I, "In General," of Chapter 8, "Boards and Commissions," of the Dallas City Code is amended to read as follows:

"(a) In addition to the qualifications for service on a board that are mandated by the city charter or other ordinances, an appointee to a board must:

(1) have been a resident of the city for at least six months prior to the date of appointment;

(2) [~~be a qualified voter in the city at the time of appointment;~~

~~(3)~~] have no conviction that is considered by the city council to be so serious that it should serve as a disqualification;

(3[4]) not be an adversary party to pending litigation or a claim against the city or a city employee, except for eminent domain proceedings; disqualification of an appointee under this subparagraph may be waived by the city council after review of the specific circumstances unless the subject of the litigation or claim involves the board on which the appointee will serve or the department providing support services to that board;

(4[~~5~~]) not be an employee or a business associate of either an adversary party or a representative of an adversary party, nor have a pecuniary interest, in any pending litigation or claim, other than an eminent domain proceeding, against the city relating to the board on which the appointee will serve or the department providing support services to that board or against any individual officer or employee of the support department (unless unrelated to such individual's office or employment); disqualification of an appointee under this subparagraph may not be waived;

(5[~~6~~]) not be in arrears on any city taxes, water service charges, or other obligations owed the city; and

(6[~~7~~]) have a creditable record of attendance pursuant to Section 8-20 in any previous board service."

SECTION 2. That Chapter 8 of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 3. That any act done or right vested or accrued, or any proceeding, suit, or prosecution had or commenced in any action before the amendment or repeal of any ordinance, or part thereof, shall not be affected or impaired by amendment or repeal of any ordinance, or part thereof, and shall be treated as still remaining in full force and effect for all intents and purposes as if the amended or repealed ordinance, or part thereof, had remained in force.

SECTION 4. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 5. That this ordinance shall take effect immediately from and after its passage and publication in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so ordained.

APPROVED AS TO FORM:

CHRISTOPHER J. CASO, Interim City Attorney

By_____
Assistant City Attorney

Passed_____

Each councilmember signing the five-person request to place an item on the agenda must review and confirm that they have read and agree with the draft ordinance by dating, initialing, and placing their district number below.

2/5/20	2/3/2020	2/4/2020	2/3/20	2/5/2020
DATE	DATE	DATE	DATE	DATE
CM INITIALS	CM INITIALS	CM INITIALS	CM INITIALS	CM INITIALS
5	2	7	1	6
DIST. NO.	DIST. NO.	DIST. NO.	DIST. NO.	DIST. NO.

Memorandum

CITY OF DALLAS

DATE	February 13, 2020
TO	Honorable Members of the Government Performance and Financial Management Committee
SUBJECT	Consider Amendments to Section 8-1.4, "Qualifications," of Chapter 8, "Boards and Commissions," of the Dallas City Code

---

1. Qualified Voter Requirement.

On February 6, 2020, pursuant to City Council Rules of Procedure Section 6.2, Councilmember Resendez submitted a five-signature memorandum requesting that the Mayor refer the following item to a city council committee:

> Proposed amendment to Section 8-1.4, "Qualifications," of the Dallas City Code, Chapter 8, "Boards and Commissions," deleting the requirement that a board or commission member must be a qualified voter in the city at the time of appointment.

The Mayor, in accordance with City Council Rules of Procedure Section 6.2(f), referred Councilmember Resendez' five-signature memorandum and proposed ordinance amendment to the Government Performance and Financial Management Committee.

a. Current Chapter 8 and Charter Qualifications.

Dallas City Code Chapter 8, Section 8-1.4, "Qualifications," requires that all board and commission appointees meet seven qualifications, including being a qualified voter in the city at the time of appointment.[1] (*See* attached Section 8-1.4).

In addition to the qualified voter requirement for boards and commissions in Chapter 8, the Charter requires that city plan commissioners and park and recreation board members be qualified voters.[2] This qualification may only be amended through a Charter amendment.

---

1 DALLAS CITY CODE § 8-1.4.

2 DALLAS CITY CHARTER at. Ch. XV, § 3 and Ch. XVII, § 2(a) *and see* Ch. III, §3.

b. Qualified Voter.

The Dallas City Charter provides that "qualified electors of the state who reside within the city" are qualified voters.[3] Also, qualified voters of the state are defined in the Texas Election Code.[4] To be a qualified voter, a person must be a registered voter.[5] Under state law, a qualified voter and a registered voter must: (1) be 18 years of age or older, (2) be a United States citizen, (3) not be partially or totally mentally incapacitated, and (4) not have been finally convicted of a felony unless they have fully discharged their sentence or been pardoned.

c. Application Process for Appointees.

Appointees to boards and commissions must provide the City Secretary's Office with their voter registration number. The City Secretary's Office then checks with the county to determine that the registration is active and within the city. Dallas County is required to update voter registration information daily to the state. If the voter registration information is correct and current, the appointee is considered a qualified voter.[6]

d. Proposed Amendment.

The qualified voter requirement in Chapter 8 may be deleted, except when required under the Charter or another city ordinance.

2. Waiver of Special Qualifications.

On January 27, 2020, pursuant to City Council Rules of Procedure Section 6.2, Councilmember Bazaldua submitted a five-signature memorandum requesting that the Mayor refer the following item to a city council committee:

> Proposed amendment to Section 8-1.4, "Qualifications," of the Dallas City Code, Chapter 8, "Boards and Commissions," providing a waiver provision for special qualifications for appointees in other chapters.

The Mayor, in accordance with City Council Rules of Procedure Section 6.2(f), referred Councilmember Bazaldua's five-signature memorandum and proposed ordinance amendment to the Government Performance and Financial Management Committee.

---

3 *Id.* Ch. IV, § 2 (For purposes of the Dallas City Charter and Dallas City Code a qualified voter and a registered voter are synonymous.)

4 TEX. ELEC. CODE ANN. §11.002.

5 *Id.* at §§11.002 and 13.001. (The requirements to register to vote and the requirements to be a qualified voter are similar. However, the requirements to register to vote have additional age requirements and a county residency requirement.)

6 Conversation with Jesse Salazar, Assistant City Secretary, on January 16, 2020.

As noted above, Section 8-1.4, "Qualifications," requires that all board and commission appointees meet seven minimum qualifications.[7] (*See* attached Section 8-1.4). Other chapters in the Dallas City Code may require special qualifications for specific boards and commissions, such as the requirement that one member of the Landmark Commission must be a real estate appraiser *(See* attached Section 51A-3.103(a)).

City Council Rules of Procedure Section 6.2(f) require the council committee chair to place the item on their council committee agenda not later than the second council committee meeting after receiving the referral from the Mayor. The Government Performance and Financial Management Committee must make a recommendation on both items to city council not later than the next meeting after being briefed, and the committee must forward its recommendations by memorandum to the Mayor for placement on a city council agenda.[8]

If you any questions, please feel free to call me at 214.670.4268.

TAMMY L. PALOMINO
Chief, General Counsel Division

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Christopher J. Caso, Interim City Attorney
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Kimberly Bizor Tolbert, Chief of Staff
Majed A. al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler-Hardy, Assistant City Manager
Michael Mendoza, Chief, Economic Development and Neighborhood Services

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7 DALLAS CITY CODE § 8-1.4.

8 City Council Rules of Procedure Section 6.2(f)(2). ("The Mayor shall place the item on a city council briefing or voting agenda not later than the second regular meeting after receipt of the city council committee's written recommendation.")

SEC. 8-1.4 QUALIFICATIONS CONSIDERATIONS IN APPOINTMENTS TO BOARDS.

(a) In addition to the qualifications for service on a board that are mandated by the city charter or other ordinances, an appointee to a board must:

(1) have been a resident of the city for at least six months prior to the date of appointment;

(2) be a qualified voter in the city at the time of appointment;

(3) have no conviction that is considered by the city council to be so serious that it should serve as a disqualification;

(4) not be an adversary party to pending litigation or a claim against the city or a city employee, except for eminent domain proceedings; disqualification of an appointee under this subparagraph may be waived by the city council after review of the specific circumstances unless the subject of the litigation or claim involves the board on which the appointee will serve or the department providing support services to that board;

(5) not be an employee or a business associate of either an adversary party or a representative of an adversary party, nor have a pecuniary interest, in any pending litigation or claim, other than an eminent domain proceeding, against the city relating to the board on which the appointee will serve or the department providing support services to that board or against any individual officer or employee of the support department (unless unrelated to such individual's office or employment); disqualification of an appointee under this subparagraph may not be waived;

(6) not be in arrears on any city taxes, water service charges, or other obligations owed the city; and

(7) have a creditable record of attendance pursuant to Section 8-20 in any previous board service.

(b) Notwithstanding Subsection (a), an appointee to a board is not required to live in the district for which he or she is appointed, unless district residency for a board is expressly required by this code.

(c) A person may serve on only one board at a time, except that this restriction does not apply to ex officio board positions. It is the city council's intent that a board member is not required to resign one board position before being appointed to another board but must resign the first position before accepting appointment to the new board position.

(d) Notwithstanding Subsection (c), a person may serve on up to two boards of directors of reinvestment zones established under the Tax Increment Financing Act, as amended.

(e) A person appointed to a board must meet, at the time of appointment and during the entire period of service on the board, all qualifications for appointment to that board that are required by this section and any other applicable provision of a city ordinance or the city charter. This subsection does not apply to a qualification waived by the city council pursuant to specific authority granted in a provision of a city ordinance or the city charter applicable to the board to which the person is appointed.

(f) The city secretary, using resources available to the city, shall inform the city council if any person nominated for appointment to a board has been convicted of a misdemeanor offense, other than a traffic violation, or of any felony offense.

(g) A person is not disqualified from board service under Subsection (a)(6) if the person has entered into an agreement (authorized by the city, state law, or court order) to pay the obligation on a scheduled payment plan and is current on payments under the plan and in compliance with all terms and conditions of the plan. Before the person is appointed or reappointed to any board, the city secretary shall inform the city council if the person is on such a payment plan. The city secretary shall monitor compliance with the payment plan and notify the city council and the city attorney whenever the person is not in compliance with the plan.

(h) Except as provided in this subsection, if a person does not meet or continue to meet the qualifications set forth under this section, the city secretary shall send the following:

(1) a notice that the person forfeits membership on the board due to failure to satisfy a qualification requirement under Paragraph (1), (2), (5), (6), or (7) of Subsection (a) of this section.

(2) a notice that the city secretary shall place an item on a council agenda to consider appointment of the person to the board or removal of the person from the board for failure to satisfy a qualification requirement under Paragraph (3) or (4) of Subsection (a) of this section.

SEC. 51A-3.103. LANDMARK COMMISSION.

(a) Creation; membership; appointment.

(1) There is hereby created a landmark commission to be composed of 15 members. Each city council member shall appoint one member to the landmark commission. The city council may appoint three alternate members to the landmark commission who serve in the absence of one or more regular members when requested to do so by the chair or by the city manager. The membership (including alternate members) must include at least: one real estate developer with experience in redevelopment of commercial historic properties, one architect, one historian, one urban planner, one landscape architect, and one real estate appraiser. All members must have demonstrated experience in historic preservation and outstanding interest in the historic traditions of the city and have knowledge and demonstrated experience in the fields of history, art, architecture, architectural history, urban history, city planning, urban design, historic real estate development, or historic preservation.

(2) The city council shall solicit for consideration nominees for appointment to the landmark commission from, but not limited to: the Dallas County Historical Commission; the Dallas County Heritage Society; the Dallas chapter of the American Institute of Architects; the Dallas Historical Society; the Dallas chapter of the American Planning Association; the Dallas chapter of the American Society of Landscape Architects; the Dallas Bar Association; the North Texas Chapter of the Appraisal Institute; the city plan commission; Preservation Dallas; Black Dallas Remembered; the African-American Museum; ACAL de Mexico; the Dallas Black Chamber of Commerce; the Dallas Hispanic Chamber of Commerce; the Greater Dallas Asian American Chamber of Commerce; the local Urban Land Institute Section; the Dallas Real Estate Council; the CCIM Commercial Real Estate Network; the Board of Realtors; and such other individuals and organizations experienced in historic preservation. The membership of the landmark commission must, as nearly as may be practicable, reflect the racial and ethnic makeup of the city's population.

(3) Each member of the landmark commission shall be appointed for a two-year term beginning on October 1 of each odd-numbered year. All members shall serve until their successors are appointed and qualified. A vacancy for the unexpired term of any member shall be filled in the same manner as the original appointment was made. Alternate members serve for the same period and are subject to removal the same as regular members. The city council shall fill vacancies occurring in the alternate membership in the same manner as full city council appointments to other boards. The members shall serve without compensation. The Mayor shall appoint the chair and the full council shall appoint the vice-chair.

(4) In addition to the 15 regular members, representatives from the city plan commission, department of sustainable development and construction, the building inspection division of the department of sustainable development and construction, code compliance department, the department of planning and urban design, and the park and recreation department shall sit on the landmark commission as ex officio members. The ex officio members are not

entitled to vote but assist the landmark commission in various functions. The department shall provide adequate staff support to the landmark commission and shall assign a member of the staff to act as the historic preservation officer.

City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-248 **Item #:** 4.

Consider Proposed Amendments to Section 8-1.4, “Qualifications,” of the Dallas City Code, Chapter 8, “Boards and Commissions,” providing a waiver provision for special qualifications for appointees [Tammy L. Palomino, Sr. Executive Assistant City Attorney]

Memorandum

RECEIVED

2020 JAN 27 AM 10: 15

CITY SECRETARY
DALLAS, TEXAS

City of Dallas

DATE January 22, 2020

TO The Honorable Eric Johnson

FROM Adam Bazaldua, District 7

SUBJECT **Request for Placement of Agenda Item – Council Member(s)**

ITEM/ISSUE PROPOSED FOR COUNCIL CONSIDERATION:

Pursuant to Section 6.2 of the City Council Rules of Procedure, please refer the following item to a city council committee within 15 calendar days after receipt of this request:

An ordinance amending Chapter 8, "Boards and Commissions," of the Dallas City Code by amending Section 8-1.4, "Qualification Considerations in Appointments to Boards," by adding a waiver of special qualifications for appointees to certain boards and commissions in other chapters of the Dallas City Code.

BRIEF BACKGROUND:

Section 8-1.4 of the Dallas City Code requires that all board and commission appointees meet seven qualifications. In addition, other chapters in the Dallas City Code may require special qualifications for specific boards and commissions, such as the Landmark Commission. This proposed amendment would allow city council to waive a special qualification when to do so would be in the public interest.

Submitted for consideration by:

Adam Bazaldua	Dist. 7	
Printed Name		Signature

Supporting Council Member Signatures (4 Signatures Only):

Jaime Resendez	Dist. # 5	
Printed Name		Signature
Paula Blackmon	Dist. # 9	
Printed Name		Signature
Adam Medrano	Dist. #2	ADAM MEDRANO
Printed Name		Signature
Chad West	Dist. # 1	
Printed Name		Signature

Attachment: Draft Ordinance

c: Honorable Council Members
T.C. Broadnax, City Manager
Christopher J. Caso, Interim City Attorney
Mark S. Swann, City Auditor
Bilierae Johnson, City Secretary
Tristan R. Hallman, Chief of Policy and Communications, Office of the Mayor

Memorandum

CITY OF DALLAS

DATE	February 13, 2020
TO	Honorable Members of the Government Performance and Financial Management Committee
SUBJECT	Consider Amendments to Section 8-1.4, "Qualifications," of Chapter 8, "Boards and Commissions," of the Dallas City Code

---

1. Qualified Voter Requirement.

On February 6, 2020, pursuant to City Council Rules of Procedure Section 6.2, Councilmember Resendez submitted a five-signature memorandum requesting that the Mayor refer the following item to a city council committee:

> Proposed amendment to Section 8-1.4, "Qualifications," of the Dallas City Code, Chapter 8, "Boards and Commissions," deleting the requirement that a board or commission member must be a qualified voter in the city at the time of appointment.

The Mayor, in accordance with City Council Rules of Procedure Section 6.2(f), referred Councilmember Resendez' five-signature memorandum and proposed ordinance amendment to the Government Performance and Financial Management Committee.

a. Current Chapter 8 and Charter Qualifications.

Dallas City Code Chapter 8, Section 8-1.4, "Qualifications," requires that all board and commission appointees meet seven qualifications, including being a qualified voter in the city at the time of appointment.[1] (*See* attached Section 8-1.4).

In addition to the qualified voter requirement for boards and commissions in Chapter 8, the Charter requires that city plan commissioners and park and recreation board members be qualified voters.[2] This qualification may only be amended through a Charter amendment.

---

1 DALLAS CITY CODE § 8-1.4.

2 DALLAS CITY CHARTER at. Ch. XV, § 3 and Ch. XVII, § 2(a) *and see* Ch. III, §3.

b. Qualified Voter.

The Dallas City Charter provides that "qualified electors of the state who reside within the city" are qualified voters.[3] Also, qualified voters of the state are defined in the Texas Election Code.[4] To be a qualified voter, a person must be a registered voter.[5] Under state law, a qualified voter and a registered voter must: (1) be 18 years of age or older, (2) be a United States citizen, (3) not be partially or totally mentally incapacitated, and (4) not have been finally convicted of a felony unless they have fully discharged their sentence or been pardoned.

c. Application Process for Appointees.

Appointees to boards and commissions must provide the City Secretary's Office with their voter registration number. The City Secretary's Office then checks with the county to determine that the registration is active and within the city. Dallas County is required to update voter registration information daily to the state. If the voter registration information is correct and current, the appointee is considered a qualified voter.[6]

d. Proposed Amendment.

The qualified voter requirement in Chapter 8 may be deleted, except when required under the Charter or another city ordinance.

2. Waiver of Special Qualifications.

On January 27, 2020, pursuant to City Council Rules of Procedure Section 6.2, Councilmember Bazaldua submitted a five-signature memorandum requesting that the Mayor refer the following item to a city council committee:

> Proposed amendment to Section 8-1.4, "Qualifications," of the Dallas City Code, Chapter 8, "Boards and Commissions," providing a waiver provision for special qualifications for appointees in other chapters.

The Mayor, in accordance with City Council Rules of Procedure Section 6.2(f), referred Councilmember Bazaldua's five-signature memorandum and proposed ordinance amendment to the Government Performance and Financial Management Committee.

---

3 *Id.* Ch. IV, § 2 (For purposes of the Dallas City Charter and Dallas City Code a qualified voter and a registered voter are synonymous.)

4 TEX. ELEC. CODE ANN. §11.002.

5 *Id.* at §§11.002 and 13.001. (The requirements to register to vote and the requirements to be a qualified voter are similar. However, the requirements to register to vote have additional age requirements and a county residency requirement.)

6 Conversation with Jesse Salazar, Assistant City Secretary, on January 16, 2020.

As noted above, Section 8-1.4, "Qualifications," requires that all board and commission appointees meet seven minimum qualifications.[7] (*See* attached Section 8-1.4). Other chapters in the Dallas City Code may require special qualifications for specific boards and commissions, such as the requirement that one member of the Landmark Commission must be a real estate appraiser *(See* attached Section 51A-3.103(a)).

City Council Rules of Procedure Section 6.2(f) require the council committee chair to place the item on their council committee agenda not later than the second council committee meeting after receiving the referral from the Mayor. The Government Performance and Financial Management Committee must make a recommendation on both items to city council not later than the next meeting after being briefed, and the committee must forward its recommendations by memorandum to the Mayor for placement on a city council agenda.[8]

If you any questions, please feel free to call me at 214.670.4268.

TAMMY L. PALOMINO
Chief, General Counsel Division

c: Honorable Mayor and Members of the City Council
T.C. Broadnax, City Manager
Christopher J. Caso, Interim City Attorney
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Kimberly Bizor Tolbert, Chief of Staff
Majed A. al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler-Hardy, Assistant City Manager
Michael Mendoza, Chief, Economic Development and Neighborhood Services

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7 DALLAS CITY CODE § 8-1.4.

8 City Council Rules of Procedure Section 6.2(f)(2). ("The Mayor shall place the item on a city council briefing or voting agenda not later than the second regular meeting after receipt of the city council committee's written recommendation.")

SEC. 8-1.4 QUALIFICATIONS CONSIDERATIONS IN APPOINTMENTS TO BOARDS.

(a) In addition to the qualifications for service on a board that are mandated by the city charter or other ordinances, an appointee to a board must:

(1) have been a resident of the city for at least six months prior to the date of appointment;

(2) be a qualified voter in the city at the time of appointment;

(3) have no conviction that is considered by the city council to be so serious that it should serve as a disqualification;

(4) not be an adversary party to pending litigation or a claim against the city or a city employee, except for eminent domain proceedings; disqualification of an appointee under this subparagraph may be waived by the city council after review of the specific circumstances unless the subject of the litigation or claim involves the board on which the appointee will serve or the department providing support services to that board;

(5) not be an employee or a business associate of either an adversary party or a representative of an adversary party, nor have a pecuniary interest, in any pending litigation or claim, other than an eminent domain proceeding, against the city relating to the board on which the appointee will serve or the department providing support services to that board or against any individual officer or employee of the support department (unless unrelated to such individual's office or employment); disqualification of an appointee under this subparagraph may not be waived;

(6) not be in arrears on any city taxes, water service charges, or other obligations owed the city; and

(7) have a creditable record of attendance pursuant to Section 8-20 in any previous board service.

(b) Notwithstanding Subsection (a), an appointee to a board is not required to live in the district for which he or she is appointed, unless district residency for a board is expressly required by this code.

(c) A person may serve on only one board at a time, except that this restriction does not apply to ex officio board positions. It is the city council's intent that a board member is not required to resign one board position before being appointed to another board but must resign the first position before accepting appointment to the new board position.

(d) Notwithstanding Subsection (c), a person may serve on up to two boards of directors of reinvestment zones established under the Tax Increment Financing Act, as amended.

(e) A person appointed to a board must meet, at the time of appointment and during the entire period of service on the board, all qualifications for appointment to that board that are required by this section and any other applicable provision of a city ordinance or the city charter. This subsection does not apply to a qualification waived by the city council pursuant to specific authority granted in a provision of a city ordinance or the city charter applicable to the board to which the person is appointed.

(f) The city secretary, using resources available to the city, shall inform the city council if any person nominated for appointment to a board has been convicted of a misdemeanor offense, other than a traffic violation, or of any felony offense.

(g) A person is not disqualified from board service under Subsection (a)(6) if the person has entered into an agreement (authorized by the city, state law, or court order) to pay the obligation on a scheduled payment plan and is current on payments under the plan and in compliance with all terms and conditions of the plan. Before the person is appointed or reappointed to any board, the city secretary shall inform the city council if the person is on such a payment plan. The city secretary shall monitor compliance with the payment plan and notify the city council and the city attorney whenever the person is not in compliance with the plan.

(h) Except as provided in this subsection, if a person does not meet or continue to meet the qualifications set forth under this section, the city secretary shall send the following:

(1) a notice that the person forfeits membership on the board due to failure to satisfy a qualification requirement under Paragraph (1), (2), (5), (6), or (7) of Subsection (a) of this section.

(2) a notice that the city secretary shall place an item on a council agenda to consider appointment of the person to the board or removal of the person from the board for failure to satisfy a qualification requirement under Paragraph (3) or (4) of Subsection (a) of this section.

SEC. 51A-3.103. LANDMARK COMMISSION.

(a) Creation; membership; appointment.

(1) There is hereby created a landmark commission to be composed of 15 members. Each city council member shall appoint one member to the landmark commission. The city council may appoint three alternate members to the landmark commission who serve in the absence of one or more regular members when requested to do so by the chair or by the city manager. The membership (including alternate members) must include at least: one real estate developer with experience in redevelopment of commercial historic properties, one architect, one historian, one urban planner, one landscape architect, and one real estate appraiser. All members must have demonstrated experience in historic preservation and outstanding interest in the historic traditions of the city and have knowledge and demonstrated experience in the fields of history, art, architecture, architectural history, urban history, city planning, urban design, historic real estate development, or historic preservation.

(2) The city council shall solicit for consideration nominees for appointment to the landmark commission from, but not limited to: the Dallas County Historical Commission; the Dallas County Heritage Society; the Dallas chapter of the American Institute of Architects; the Dallas Historical Society; the Dallas chapter of the American Planning Association; the Dallas chapter of the American Society of Landscape Architects; the Dallas Bar Association; the North Texas Chapter of the Appraisal Institute; the city plan commission; Preservation Dallas; Black Dallas Remembered; the African-American Museum; ACAL de Mexico; the Dallas Black Chamber of Commerce; the Dallas Hispanic Chamber of Commerce; the Greater Dallas Asian American Chamber of Commerce; the local Urban Land Institute Section; the Dallas Real Estate Council; the CCIM Commercial Real Estate Network; the Board of Realtors; and such other individuals and organizations experienced in historic preservation. The membership of the landmark commission must, as nearly as may be practicable, reflect the racial and ethnic makeup of the city's population.

(3) Each member of the landmark commission shall be appointed for a two-year term beginning on October 1 of each odd-numbered year. All members shall serve until their successors are appointed and qualified. A vacancy for the unexpired term of any member shall be filled in the same manner as the original appointment was made. Alternate members serve for the same period and are subject to removal the same as regular members. The city council shall fill vacancies occurring in the alternate membership in the same manner as full city council appointments to other boards. The members shall serve without compensation. The Mayor shall appoint the chair and the full council shall appoint the vice-chair.

(4) In addition to the 15 regular members, representatives from the city plan commission, department of sustainable development and construction, the building inspection division of the department of sustainable development and construction, code compliance department, the department of planning and urban design, and the park and recreation department shall sit on the landmark commission as ex officio members. The ex officio members are not

entitled to vote but assist the landmark commission in various functions. The department shall provide adequate staff support to the landmark commission and shall assign a member of the staff to act as the historic preservation officer.

City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-581 **Item #:** B.

Budget Accountability Report (as of January 31, 2020)

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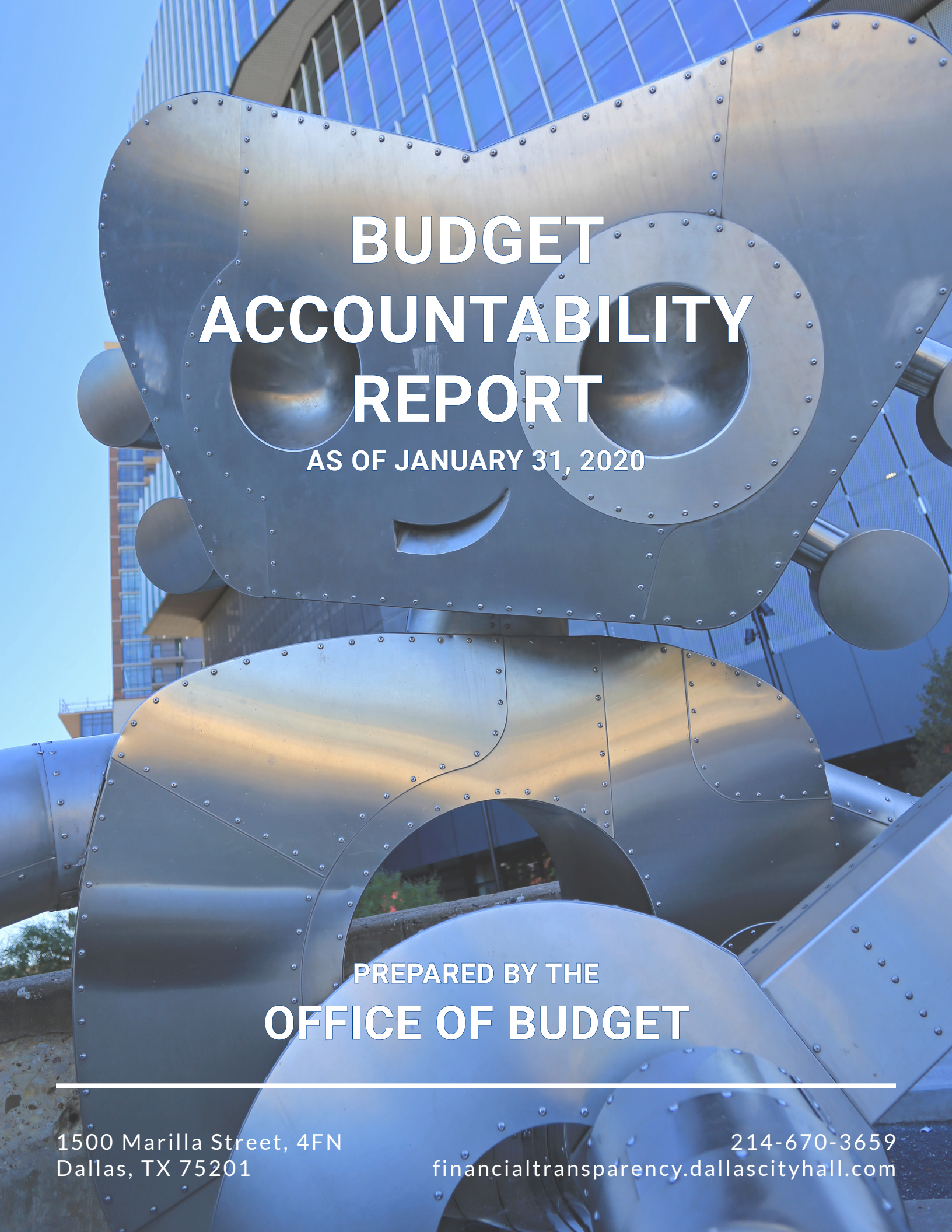

BUDGET ACCOUNTABILITY REPORT

AS OF JANUARY 31, 2020

PREPARED BY THE

OFFICE OF BUDGET

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Dallas, TX 75201

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EXECUTIVE SUMMARY

Financial Forecast Report

Operating Fund	Year-End Forecast vs. Budget	
	Revenues	*Expenses*
General Fund	✓	✓
Aviation	✓	✓
Convention and Event Services	✓	✓
Municipal Radio	✓	✓
Sanitation Services	✓	✓
Storm Drainage Management	✓	✓
Sustainable Development and Construction	✓	✓
Dallas Water Utilities	✓	✓
Information Technology	✓	✓
Radio Services	✓	✓
Equipment and Fleet Management	✓	✓
Express Business Center	✓	✓
Office of the Bond Program	!	!
9-1-1 System Operations	✓	✓
Debt Service	✓	✓

✓ YE forecast within 5% of budget ! YE forecast within 6-10% of budget ✗ YE forecast more than 10% from budget or no forecast provided

Dallas 365

17 *On Target (YTD)*

27 *On Target (YE)*

18 *Not on Target (YTD)*

8 *Not on Target (YE)*

Budget Initiative Tracker

1 *Complete*

38 *On Target*

1 *At Risk*

0 *Canceled*

FINANCIAL FORECAST REPORT

The Financial Forecast Report (FFR) provides a summary of financial activity through January 31, 2020, for the General Fund and other annual operating funds of the City. The Adopted Budget reflects the budget adopted by City Council on September 18, 2019, effective October 1 through September 30, 2020. The Amended Budget column reflects City Council-approved transfers between funds and programs, department-initiated transfers between expense objects, approved use of contingency, and other amendments supported by revenue or fund balance.

Year-to-Date (YTD) Actual amounts represent revenue or expenses/encumbrances that have occurred through the end of the most recent accounting period. Departments provide the Year-End (YE) Forecast, which projects anticipated revenues and expenditures as of September 30, 2020. The variance is the difference between the FY 2019-20 Amended Budget and the YE Forecast. Variance notes are provided when the YE forecast is +/- five percent of the amended budget and/or if YE expenditures are forecast to exceed the amended budget.

General Fund Overview

The General Fund overview provides a summary of financial activity through January 31, 2020.

	FY 2019-20 Adopted Budget	FY 2019-20 Amended Budget	YTD Actual	YE Forecast	Variance
Beginning Fund Balance	$219,919,890	$219,919,890		$224,558,461	$4,638,571
Revenues	1,438,189,202	1,438,189,202	816,326,837	1,440,289,510	2,100,308
Expenditures	1,438,089,000	1,438,089,000	421,688,586	1,444,190,237	6,101,237
Ending Fund Balance	$220,020,092	$220,020,092		$220,657,734	$637,642

Fund Balance. The beginning fund balance for the adopted and amended budget reflects the FY 2018-19 unaudited unassigned ending fund balance as projected during budget development (July 2019). The ending fund balance for the adopted and amended budget does not reflect changes in encumbrances or other balance sheet accounts. The beginning fund balance for the YE forecast has been updated to reflect the FY 2018-19 unaudited unassigned ending fund balance as projected after the preliminary close of September 2019. We anticipate additional updates to the beginning fund balance after the FY 2018-19 audited statements become available in April 2020.

Revenues. Through January 31, 2020, General Fund revenues are projected to be $2,100,000 over budget due to a projected increase in sales tax revenue, partially offset by a reduction in anticipated Ambulance Services Supplemental Payment Program revenue and franchise fee revenues.

Expenditures. Through January 31, 2020, General Fund expenditures are projected to be $6,101,000 over budget primarily because of an anticipated increase in hiring for police officers, offset by salary savings from vacant civilian positions.

Financial Forecast Report

GENERAL FUND REVENUE

Revenue Category	FY 2019-20 Adopted Budget	FY 2019-20 Amended Budget	YTD Actual	YE Forecast	Variance
Property Tax[1]	$787,420,172	$787,420,172	$691,668,897	$788,116,816	$696,644
Sales Tax[2]	325,566,185	325,566,185	54,856,7834	$332,280,639	$6,714,454
Franchise and Other[3]	129,339,760	129,339,760	34,960,555	$124,964,030	($4,375,730)
Charges for Service[4]	115,177,017	115,177,017	19,006,462	$113,778,000	($1,399,017)
Fines and Forfeitures	27,222,251	27,222,251	8,203,392	$27,449,302	$227,051
Operating Transfers In	25,694,602	25,694,602	0	$25,694,602	$0
Intergovernmental	11,382,649	11,382,649	457,041	$11,383,048	$399
Miscellaneous	6,685,258	6,685,258	2,725,081	$6,878,494	$193,236
Licenses and Permits	5,154,061	5,154,061	2,732,034	$5,197,332	$43,271
Interest	4,547,247	4,547,247	1,716,591	$4,547,247	$0
Total Revenue	$1,438,189,202	$1,438,189,202	$816,326,837	$1,440,289,510	$2,100,308

VARIANCE NOTES

General Fund revenue variance notes are provided below for revenue categories with YE forecast variances of +/- five percent and revenue with an amended budget.

1 Property Tax. Property tax revenues are forecast to be $697,000 over budget based on current trends and actual collections but is partially offset due to the October 2019 tornado and reappraisal process and subsequently, the anticipated decline in 2019 taxable value of approximately $92 million.

2 Sales Tax. Sales tax revenues are forecast to be $6,714,000 over budget as a result of increased collections. Over the most recent 12 months, sales tax receipts have increased by 4.2 percent.

3 Franchise and Other. Franchise and other revenue are forecast to be $4,376,000 under budget primarily due to a $3,951,000 decrease in Fiber optics because of a decrease in business phone lines as a result of customers switching to wireless service.

4 Charges for Service. Charges for service are forecast to be $1,399,000 under budget primarily because of an anticipated $4,052,000 reduction associated with the Ambulance Services Supplemental Payment Program (ASSPP). Dallas Fire-Rescue (DFR) was informed that municipal EMS providers would see a significant cut in payments, but the final estimate for ASSPP will not be known until later in the fiscal year. This is partially offset by additional State Fair Patrol revenues for sworn offices at the annual State Fair of Texas.

Financial Forecast Report

GENERAL FUND EXPENDITURES

Expenditure Category	FY 2019-20 Adopted Budget	FY 2019-20 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	$243,326,547	$243,450,086	$72,334,215	$236,786,761	($6,663,324)
Civilian Overtime	6,094,572	6,127,199	3,965,200	7,788,809	1,661,610
Civilian Pension	34,258,149	34,301,097	10,516,512	33,199,888	(1,101,210)
Uniform Pay	457,164,984	457,164,984	137,709,183	463,422,403	6,257,419
Uniform Overtime	40,551,607	40,551,607	15,408,587	41,198,980	647,373
Uniform Pension	164,529,405	164,529,405	49,501,316	164,529,405	0
Health Benefits	70,051,318	70,061,654	17,902,193	70,061,655	0
Workers Comp	14,933,520	14,933,520	0	14,933,520	0
Other Personnel Services	10,260,278	10,240,247	3,627,880	10,903,455	663,208
Total Personnel Services[1]	1,041,170,380	1,041,359,799	310,965,085	1,042,824,874	1,465,076
Supplies	82,737,886	82,762,887	25,160,976	83,980,146	1,560,881
Contractual Services	389,583,720	389,744,290	87,031,281	390,475,786	693,184
Capital Outlay	14,823,774	14,638,204	2,620,973	15,148,989	205,475
Reimbursements	(90,226,760)	(90,416,180)	(4,089,729)	(88,239,559)	2,176,621
Total Expenditures	$1,438,089,000	$1,438,089,000	$421,688,586	$1,444,190,237	$6,101,238

VARIANCE NOTES

General Fund expenditure variance notes are provided below for expenditure categories with YE forecast variances of +/- five percent. The Amended Budget column reflects department-initiated transfers between expense objects.

1 Personnel Services. Personnel services are forecast to be $1,465,000 over budget primarily due to an anticipated increase in hiring for sworn police officers and overtime for civilian employees and sworn DFR employees, partially offset by salary savings from vacant civilian positions. Dallas Police Department (DPD) ended FY 2018-19 with more officers than anticipated, is experiencing less attrition, and is increasing hiring. DPD's budget anticipated ending FY 2019-20 with 3,053 officers. It is now anticipated, DPD will end the year with 3,231 officers. Funding for these additional 178 officers was not anticipated in the adopted budget.

Financial Forecast Report

GENERAL FUND EXPENDITURES

Expenditure by Department	FY 2019-20 Adopted Budget	FY 2019-20 Amended Budget	YTD Actual	YE Forecast	Variance
Building Services	$23,310,536	$23,310,536	$8,510,238	$23,310,536	$0
City Attorney's Office	18,483,486	18,483,486	5,649,893	18,312,545	(170,941)
City Auditor's Office	3,398,923	3,398,923	822,752	3,398,923	0
City Manager's Office	2,936,728	2,936,728	919,392	2,839,256	(97,472)
City Secretary's Office	3,038,936	3,038,936	972,288	3,037,831	(1,105)
Elections	98,646	98,646	27,690	98,646	0
Civil Service	3,274,657	3,274,657	894,350	3,235,367	(39,290)
Code Compliance	30,476,546	30,476,546	9,798,512	30,476,546	0
City Controller's Office	7,210,578	7,210,578	1,975,381	7,083,318	(127,260)
Independent Audit	945,429	945,429	0	945,429	0
Court and Detention Services	22,636,938	22,636,938	6,516,114	22,356,642	(280,296)
Jail Contract	9,158,124	9,158,124	2,289,353	9,158,124	0
Dallas Animal Services	15,635,492	15,635,492	4,778,545	15,604,386	(31,106)
Dallas Fire-Rescue[1]	317,747,117	317,747,117	96,034,670	318,094,064	346,947
Dallas Police Department[2]	516,967,195	516,967,195	159,068,549	525,450,187	8,482,992
Housing and Neighborhood Revitalization	3,270,227	3,270,227	712,779	3,146,897	(123,330)
Human Resources	6,556,941	6,556,941	2,346,969	6,556,941	0
Judiciary	3,806,942	3,806,942	1,342,924	3,806,942	0
Library	33,876,186	33,876,186	10,881,956	33,634,475	(241,711)
Mayor and City Council[3]	5,017,657	5,017,657	1,568,368	5,101,530	83,873
Non-Departmental	105,563,682	105,563,682	4,247,236	105,563,682	0
Office of Arts and Culture	20,866,115	20,866,115	13,612,037	20,862,975	(3,140)
Office of Budget	3,879,425	3,879,425	1,255,545	3,879,425	0
Office of Economic Development	5,365,845	5,365,845	1,311,469	5,325,481	(40,364)
Office of Management Services					0
311 Customer Service	4,835,776	4,835,776	1,212,677	4,790,408	(45,368)
Council Agenda Office	246,824	246,824	83,562	246,824	0
Emergency Management	1,122,694	1,122,694	437,541	1,122,694	0
Office of Business Diversity	992,241	992,241	238,744	972,433	(19,808)
Office of Community Care	6,700,917	6,700,917	1,740,549	6,700,917	0
Office of Community Police Oversight[4]	475,000	475,000	22,425	411,620	(63,380)
Office of Environmental Quality and Sustainability	3,524,865	3,524,865	2,011,175	3,494,757	(30,108)
Office of Equity[5]	492,264	492,264	123,515	515,037	22,773
Office of Ethics and Compliance[6]	227,912	227,912	35,909	193,378	(34,534)
Office of Fair Housing and Human Rights	519,488	519,488	157,201	519,488	0
Office of Historic Preservation[7]	626,200	626,200	107,368	576,032	(50,168)
Office of Homeless Solutions	12,126,340	12,126,340	5,966,367	12,126,340	0
Office of Innovation	913,030	913,030	226,646	913,030	-
Office of Resiliency[8]	334,705	334,705	42,972	296,529	(38,176)
Office of Strategic Partnerships	1,084,555	1,084,555	309,514	1,041,702	(42,853)
Office of Welcoming Communities	751,913	751,913	166,531	723,161	(28,752)
Public Affairs and Outreach	2,020,529	2,020,529	530,306	1,948,748	(71,781)
Park and Recreation	98,596,497	98,596,497	34,808,147	98,596,497	0
Planning and Urban Design	3,396,703	3,396,703	1,003,742	3,347,690	(49,013)
Procurement Services[9]	3,021,425	3,021,425	798,745	2,764,642	(256,783)
Public Works	77,176,071	77,176,071	20,443,485	77,086,578	(89,493)
Sustainable Development and Construction	1,858,966	1,858,966	1,048,082	1,858,966	0
Transportation[10]	45,270,589	45,270,589	11,885,227	44,411,471	(859,118)
Total Departments	$1,429,837,855	$1,429,837,855	$418,937,441	$1,435,939,092	$6,101,237
Liability/Claim Fund Transfer	2,751,145	2,751,145	2,751,145	2,751,145	0
Contingency Reserve	3,000,000	3,000,000	0	3,000,000	0
Salary and Benefit Reserve	2,500,000	2,500,000	0	2,500,000	0
Total Expenditures	$1,438,089,000	$1,438,089,000	$421,688,586	$1,444,190,237	$6,101,237

VARIANCE NOTES

General Fund variance notes are provided below for departments with YE forecast variances of +/- five percent, amended budgets, or YE forecasts projected to exceed budget.

1 Dallas Fire-Rescue. DFR is projected to be $347,000 over budget due to an increase in overtime because of new staffing requirements at the City Detention Center, offset by a reduction in contractor fees associated with the Ambulance Services Supplemental Payment Program and savings from lower-than-anticipated hiring trends for sworn officers.

2 Dallas Police Department. DPD is projected to be $8,483,000 over budget primarily due to higher-than-anticipated hiring for sworn officers. DPD ended FY 2018-19 with more officers than anticipated, is experiencing less attrition, and is increasing hiring. DPD's budget anticipated ending FY 2019-20 with 3,053 officers. It is now anticipated, DPD will end the year with 3,231 officers. Funding for these additional 178 officers was not anticipated in the adopted budget.

3 Mayor and City Council. MCC is projected to be $84,000 over budget due to equity adjustments, partially offset by vacancies.

4 Office of Community Police Oversight. OPO is projected to be $63,000 under budget due to salary savings. An executive is scheduled to start in February 2020.

5 Office of Equity. EQU is projected to be $23,000 over budget due to higher-than-anticipated salaries.

6 Office of Ethics and Compliance. EAC is projected to be $35,000 under budget due to salary savings.

7 Office of Historic Preservation. OHP is projected to be $50,000 under budget due to salary savings.

8 Office of Resiliency. REO is projected to be $38,000 under budget due to salary savings.

9 Procurement Services. POM is projected to be $257,000 under budget primarily due to salary savings.

10 Transportation. TRN is projected to be $859,000 under budget primarily due to salary savings.

Financial Forecast Report

ENTERPRISE FUNDS

Department	FY 2019-20 Adopted Budget	FY 2019-20 Amended Budget	YTD Actual	YE Forecast	Variance
AVIATION					
Beginning Fund Balance	$5,570,308	$5,570,308		$5,570,308	$0
Total Revenues	158,255,683	158,255,683	53,442,604	158,255,683	0
Total Expenditures	158,255,683	158,255,683	44,570,016	158,255,683	0
Ending Fund Balance	$5,570,308	$5,570,308		$5,570,308	$0
CONVENTION AND EVENT SERVICES[1]					
Beginning Fund Balance	$39,186,345	$39,186,345		$39,186,345	$0
Total Revenues	114,358,254	114,358,254	33,055,929	114,358,254	286,024
Total Expenditures	114,358,254	114,358,254	3,738,251	114,358,254	286,024
Ending Fund Balance	$39,186,345	$39,186,345		$39,186,345	$0
MUNICIPAL RADIO					
Beginning Fund Balance	$768,840	$768,840		$768,840	$0
Total Revenues	2,161,634	2,161,634	666,017	2,161,634	0
Total Expenditures	2,067,782	2,067,782	834,584	2,067,782	0
Ending Fund Balance	$862,692	$862,692		$862,692	$0

Note: FY 2019-20 budget reflects revenue in excess of expenses.

SANITATION SERVICES					
Beginning Fund Balance	$24,416,494	$24,416,494		$24,416,494	$0
Total Revenues	120,129,201	120,129,201	41,872,851	121,277,171	1,147,970
Total Expenditures	122,129,201	122,129,201	22,980,017	122,129,201	0
Ending Fund Balance	$22,416,494	$22,416,494		$23,564,464	$1,147,970
STORM DRAINAGE MANAGEMENT—DALLAS WATER UTILITIES					
Beginning Fund Balance	$12,721,861	$12,721,861		$12,721,861	$0
Total Revenues	60,936,837	60,936,837	21,344,226	61,012,684	75,847
Total Expenditures	60,936,837	60,936,837	8,348,880	60,936,837	0
Ending Fund Balance	$12,721,861	$12,721,861		$12,797,708	$75,847
SUSTAINABLE DEVELOPMENT AND CONSTRUCTION					
Beginning Fund Balance	$45,979,705	$45,979,705		$45,979,705	$0
Total Revenues	33,474,379	33,474,379	12,652,151	33,521,354	46,975
Total Expenditures	34,550,990	34,550,990	9,659,870	34,550,990	0
Ending Fund Balance	$44,903,094	$44,903,094		$44,950,070	$46,976

Note: FY 2019-20 budget reflects planned use of fund balance.

WATER UTILITIES					
Beginning Fund Balance	$138,576,064	$138,576,064		$138,576,064	$0
Total Revenues	670,485,708	670,485,708	217,417,004	670,485,708	0
Total Expenditures	681,220,919	681,220,919	156,593,154	677,215,854	(4,005,065)
Ending Fund Balance	$127,840,853	$127,840,853		$131,845,918	$4,005,065

Note: FY 2019-20 budget reflects planned use of fund balance.

Financial Forecast Report

INTERNAL SERVICE FUNDS

Department	FY 2019-20 Adopted Budget	FY 2019-20 Amended Budget	YTD Actual	YE Forecast	Variance
INFORMATION TECHNOLOGY					
Beginning Fund Balance	$4,578,881	$4,578,881		$4,578,881	$0
Total Revenues	80,180,034	80,180,034	25,405,839	80,180,034	0
Total Expenditures	79,967,864	79,967,864	37,172,261	78,715,521	(1,252,343)
Ending Fund Balance	$4,791,051	$4,791,051		$6,043,394	$1,252,343
Note: FY 2019-20 budget reflects revenue in excess of expenses.					
RADIO SERVICES					
Beginning Fund Balance	$924,085	$924,085		$924,085	$0
Total Revenues	12,523,888	12,523,888	3,732,482	12,523,888	0
Total Expenditures	12,825,721	12,825,721	4,656,480	12,825,721	0
Ending Fund Balance	$622,252	$622,252		$622,252	$0
Note: FY 2019-20 budget reflects planned use of fund balance.					
EQUIPMENT AND FLEET MANAGEMENT					
Beginning Fund Balance	$6,362,857	$6,362,857		$6,362,857	$0
Total Revenues	56,213,623	56,213,623	379,675	56,225,457	11,834
Total Expenditures	56,235,872	56,235,872	13,999,473	56,235,872	0
Ending Fund Balance	$6,340,608	$6,340,608		$6,352,442	$11,834
Note: FY 2019-20 budget reflects planned use of fund balance.					
EXPRESS BUSINESS CENTER					
Beginning Fund Balance	$3,510,566	$3,510,566		$3,510,566	$0
Total Revenues	2,593,790	2,593,790	867,570	2,611,975	18,185
Total Expenditures	2,005,981	2,005,981	681,818	1,991,954	(14,027)
Ending Fund Balance	$4,098,375	$4,098,375		$4,130,587	$32,212
Note: FY 2019-20 budget reflects revenue in excess of expenses.					
OFFICE OF THE BOND PROGRAM[2]					
Beginning Fund Balance	$0	$0		$0	$0
Total Revenues	18,547,674	18,547,674	5,975	15,375,040	(3,172,634)
Total Expenditures	18,547,674	18,547,674	9,252,367	15,375,040	(3,172,634)
Ending Fund Balance	$0	$0		$0	$0

Financial Forecast Report

OTHER FUNDS

Department	FY 2019-20 Adopted Budget	FY 2019-20 Amended Budget	YTD Actual	YE Forecast	Variance
9-1-1 SYSTEM OPERATIONS[3]					
Beginning Fund Balance	$7,453,734	$7,453,734		$7,453,734	$0
Total Revenues	12,017,444	12,017,444	3,609,492	11,928,654	(88,790)
Total Expenditures	15,292,755	17,456,147	3,706,385	17,434,187	(21,960)
Ending Fund Balance	$4,178,423	$2,015,031		$1,948,201	($66,830)

Note: FY 2019-20 budget reflects planned use of fund balance.

DEBT SERVICE					
Beginning Fund Balance	$23,358,486	$23,358,486		$23,358,486	$0
Total Revenues	305,536,876	305,536,876	254,378,450	306,036,507	499,631
Total Expenditures	305,451,298	305,451,298	0	305,451,298	0
Ending Fund Balance	$23,444,064	$23,444,064		$23,943,695	$499,631

Note: FY 2019-20 budget reflects revenue in excess of expenses.

EMPLOYEE BENEFITS					
City Contributions	$97,177,729	$97,177,729	$27,192,949	$97,177,729	$0
Employee Contributions	38,231,005	38,231,005	14,180,998	38,231,005	0
Retiree	32,507,154	32,507,154	8,885,576	32,507,154	0
Other	0	0	146,269	146,269	146,269
Total Revenues	167,915,888	167,915,888	50,405,793	168,062,157	146,269
Total Expenditures	$171,665,888	$171,665,888	$26,645,416	$171,665,888	$0

Note: FY 2019-20 budget reflects revenue in excess of expenses. FY 2019-20 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects incurred but not reported (IBNR) claims.

RISK MANAGEMENT					
Worker's Compensation	$19,883,135	$19,883,135	$193,498	$19,883,135	$0
Third Party Liability	4,383,960	4,383,960	250,102	4,383,960	0
Purchased Insurance	4,526,340	4,526,340	59	4,526,340	0
Interest and Other	0	0	0	0	0
Total Revenues	28,793,435	28,793,435	443,659	28,793,435	0
Total Expenditures	$34,526,799	$34,526,799	$8,156,503	$34,526,799	$0

Note: FY 2019-20 budget reflects planned use of fund balance. FY 2019-20 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects the total current liability for Risk Management (Worker's Compensation/Liability/Property Insurance).

VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summaries include the beginning fund balance with the YE revenue and expenditure forecasts. The YE forecast beginning fund balance represents the FY 2018-19 unaudited projected ending fund balance and does not reflect additional year-end savings. We anticipate adjustments to the FY 2019-20 amended beginning fund balance after FY 2018-19 audited statements become available in April 2020. Variance notes are provided below for funds with a YE forecast variance of +/- five percent, YE forecast projected to exceed budget, or projected use of fund balance.

1 Convention and Event Services CCT is projected to be $286,000 over budget primarily due to overtime associated with increased programming at The Black Academy of Arts and Letters (TBAAL), Office of Homelsess Solutions sheltering activities, and terminated employee payouts. CCT is projecting $286,000 in additional revenues due to the contractual relationship with Woodbine Development Corporation for the Eddie Bernice Johnson Union Station.

2 Office of the Bond Program. OBP is projected to be $3,173,000 under budget primarily due to salary savings and contract savings. The centralized OBP charges each capital project budget for project implementation costs. Savings in actual OBP implementation expenses result in less charge to the capital project, therefore less revenue into the centralized OBP.

3 9-1-1 System Operations. 911's budget was increased by $2,163,000 on January 8, 2020, by resolution #20-0130 to accept a matching grant through the Texas Commission on State Emergency Communications to implement a Next Generation 911 system.

Financial Forecast Report

2017 GENERAL OBLIGATION BOND PROGRAM

Proposition	Authorized by Voters	Inception-to-Date Appropriations	Inception-to-Date Expenditures	Current Encumbered	Unencumbered
Street and Transportation [A]	$533,981,000	$249,690,770	$98,889,815	$29,747,413	$121,053,542
Park and Recreation Facilities [B]	261,807,000	228,313,493	52,139,614	35,862,074	140,311,805
Fair Park [C]	50,000,000	28,820,000	6,910,822	12,075,058	9,834,120
Flood Protection and Storm Drainage [D]	48,750,000	19,422,354	1,850,764	4,129,801	13,441,789
Library Facilities [E]	15,589,000	15,589,000	2,662,073	10,282,347	2,644,580
Cultural and Performing Arts Facilities [F]	14,235,000	13,839,120	1,207,504	2,225,985	10,405,631
Public Safety Facilities [G]	32,081,000	30,576,956	5,634,954	7,791,661	17,150,341
City Facilities [H]	18,157,000	14,077,418	3,120,177	2,291,230	8,666,011
Economic Development [I]	55,400,000	23,753,930	4,838,027	8,220,366	10,695,537
Homeless Assistance Facilities [J]	20,000,000	20,000,000	12,608	5,935	19,981,457
Total	$1,050,000,000	$644,083,041	$177,266,357	$112,631,871	$354,184,813

Note: The table above reflects expenditures and encumbrances recorded in the City's financial system of record. It does not include commitments that have not yet been recorded in the system, such as amounts recently approved by City Council.

DALLAS 365

The Dallas 365 initiative aligns 35 key performance measures to our six strategic priorities. The department responsible for each measure is noted at the end of the measure's description, and last year's performance is included if available. If FY 2018-19 data is not available, N/A is listed.

Year-to-date (YTD) and year-end (YE) targets are presented for each measure. YTD targets may vary based on seasonality of the work. Each month, we compare 1) the YTD target with the actual performance for the current reporting period and 2) the YE target with the department's forecasted performance as of September 30, 2020.

Measures are designated "on target" (green) if actual YTD performance is equal to or greater than the YTD target. If actual YTD performance is not equal to the YTD target, the measure is designated as "not on target" (red). The same methodology applies to YE forecasts. Variance notes are provided for each measure not on target.

Year-to-Date

17 On Target

18 Not on Target

Year-End Forecast

27 On Target

8 Not on Target

#	Measure	FY 2018-19 Actual	YTD Target	YTD Actual	YE Target	YE Forecast
	Public Safety					
1	Percentage of responses to structure fires within 5 minutes and 20 seconds of dispatch (Fire-Rescue)	84.26%	90%	82.41%	90%	90%
2	Percentage of EMS responses within nine minutes (Fire-Rescue)	91.7%	90%	91.23%	90%	90%
3	Percentage of responses to Priority 1 calls within eight minutes (Police)	52.07%	55%	48.74%	55%	48%
4	Percentage of 911 calls answered within 10 seconds (Police)	93.22%	91%	86.96%	91%	88%
5	Homicide clearance rate (Police)	84.68%	60%	98.23%	60%	65%
6*	Crimes against persons (per 100,000 residents) (Police)	1,920.5	606	623.06	1,999	1,880
	Mobility Solutions, Infrastructure, & Sustainability					
7	Percentage of 2017 bond appropriation awarded ($644M appropriated ITD) (Bond Program)	70%	30.0%	54%	90%	90%
8*	Average response time to emergency sewer calls (in minutes) (Water Utilities)	59.58	60	59.83	60	60
9	Percentage of planned small diameter water and wastewater pipeline system repaired or replaced (72 out of 8,000 miles) (Water Utilities)	100%	27.7%	35.1%	100%	100%
10	Percentage compliance with state and federal standards and regulations for drinking water (Water Utilities)	100%	100%	100%	100%	100%
11	Percentage of planned lane miles improved (710 out of 11,800 miles) (Public Works)	82%	14.8%	14.20%	100%	100%
12	Percentage of potholes repaired within three days (Public Works)	N/A	98%	93.27%	98%	98%
13*	Missed refuse and recycling collections per 10,000 collection points/service opportunities (Sanitation Services)	13.76	11.5	13.86	11.5	13.07
14	Percentage of signal malfunction responses within 120 minutes (Transportation)	N/A	95%	90.48%	95%	91%

* For most measures, high values indicate positive performance, but for these measures, the reverse is true.

DALLAS 365

#	Measure	FY 2018-19 Actual	YTD Target	YTD Actual	Year-End Target	Year-End Forecast
	Economic & Neighborhood Vitality					
15	Number of jobs created or retained through written commitment (Economic Development)	6,001	1,251	681	5,000	5,000
16	Number of Dallas Homebuyer Assistance Program (DHAP) loans provided (Housing)	21	15	10	45	45
17	Total number of new housing units occupied (Housing)	N/A	77	9	230	230
18	Percentage of single-family permits reviewed in three days (Sustainable Development)	86.58%	85%	89.50%	85%	85%
19	Percentage of inspections performed same day as requested (Sustainable Development)	96.37%	98%	96.35%	98%	98%
	Human & Social Needs					
20	Percentage of HIV/AIDS households with housing stability (Community Care)	89.91%	95%	95.25%	95%	95%
21	Percentage of 20 repeat homeless encampment sites reclaimed/repurposed (Homeless Solutions)	N/A	20%	20%	100%	100%
22	Percentage of unduplicated persons placed in permanent housing who remain housed after six months (Homeless Solutions)	92.16%	85%	85%	85%	85%
	Quality of Life					
23	Number of single-family rental properties inspected (initial inspections and reinspections) (Code Compliance)	9,044	2,200	2,480	7,000	7,000
24	Percentage of litter and high weed service requests closed within SLA (Code Compliance)	N/A	96%	55.00%	96%	65%
25	Live release rate for dogs and cats (Animal Services)	86.4%	90%	91.4%	90%	90%
26	Percentage decrease in loose dog bites year-over-year (from 558 to 530) (Animal Services)	10%	5%	-5.75%	5%	5%
27	Percentage increase in annual visits in person, online, and for programs (from 11.54M to 11.71M) (Library)	23.4%	1.5%	4.24%	1.5%	1.5%
28	Percentage of GED students who successfully pass the exam and earn their certificate (Library)	55.8%	42%	45.04%	42%	42%
29	Percentage of cultural services contracts awarded to artists or small arts organizations (budgets less than $100,000) (Cultural Affairs)	59.7%	52%	51.9%	55%	55%
30	Percentage of residents within ½ mile of a park (Park and Recreation)	69%	70%	69%	70%	69%
31	Participation rate at late-night Teen Recreation (TRec) sites (28,590 annual participants) (Park and Recreation)	N/A	25%	3.2%	100%	95%
	Government Performance & Financial Management					
32	Percentage of 311 calls answered within 90 seconds (311)	57.98%	70%	36.00%	70%	61%
33	Percentage of invoices paid within 30 days (City Controller)	98.54%	96%	96.4%	96%	96%
34	Percentage of vehicles receiving preventive maintenance on schedule (Equipment and Fleet Management)	N/A	68%	71.50%	68%	69%
35	Percentage of dollars spent with local M/WBE businesses (Business Diversity)	91.09%	50%	67.99%	50%	65%

VARIANCE NOTES

#1. Four fire stations are currently closed for various reasons, displacing the responding apparatus to neighboring stations and increasing overall response times. DFR will continue to monitor operations to minimize delays and adjust assigned locations of displaced apparatus if necessary.

#3. Average response time for Priority 1 calls is slightly above eight minutes, resulting in fewer than 50% of responses at target. DPD is making efforts to get to eight minutes while diverting resources to proactive policing. The South Central Patrol Division is implementing a pilot staffing model outlined in the KPMG Study, to identify efficiencies.

#4. Turnover in 911 call taker positions has resulted in vacancies. This, plus an increase in calls has increased the load on current staff. Multiple candidates are in the hiring process, and DPD anticipates a return to full staffing shortly.

#6. Based on last year's actuals for the months remaining in the fiscal year, DPD is well within the year-end target. In the coming months, DPD will begin implementing the initiatives outlined in the 2020 crime plan, which should also help in reaching the target.

#11. Public Works initially reported on improved lane miles funded only through the general fund. Capital bond projects are now included in the calculation. Actual performance is expected to be on track by end of year.

#12. Work was delayed in October due to the tornado and subsequent cleanup, and crews spent November completing overdue service requests. Actual performance improved to 98.02% in January.

#13. An increase in missed calls is normal November through January, primarily due to holidays exacerbated this year by the tornado. Actuals should decrease in February. However, employee vacancies and equipment availability continue to adversely impact completion times, which may prevent SAN from meeting its YE target.

#14. TRN has four functional bucket trucks, and six are needed to achieve the 95% target. To mitigate fleet repair delays, TRN has rented an additional bucket truck, escalated repair requests with EFM, and staggered work shifts to maximize use of the available trucks. Actual performance improved to 93.86% in January.

#15. Job creation through economic development incentives does not occur in a linear fashion.

#16. DHAP has 15 applications in the pipeline, with three loans pending closing.

#17. This measure reflects only the number of units occupied; an additional 300 units are in development.

#19. DEV had a decrease in staff availability in October and November. Staff anticipates correcting this issue and reaching the 98% target before year-end.

#24. Several issues have impacted performance, including a disconnect between the old and new software platforms (POSSE and Salesforce) and a high number of vacant inspection positions.

#26. As DAS transitioned to 24/7 operations, officers were temporarily reassigned to provide coverage until new officers could be hired, resulting in fewer proactive efforts (although DAS still exceeded its response rate target for high-priority calls).

#29. More cultural service contracts are executed with large organizations (>$100K annual budget) in the first quarter. OAC anticipates reaching its YTD and YE targets after Arts Activate Round 3 projects are selected in March.

#30. PKR is working to establish and expand partnerships with school districts to increase this measure to 70%.

#31. Monthly participation has steadily increased from October, including a 30% increase from January to February (428 to 555). Increased participation is anticipated as the program is further established at all 13 sites. Additionally, historical trends show increased participation during peak season (April through September).

#32. Higher than expected vacancies and multiple software challenges have contributed to 311's lower than expected performance. Staff will continue to recruit applicants for vacancies and will work with ITS for software issues.

BUDGET INITIATIVE TRACKER

The Budget Initiative Tracker reports on 40 activities included in the FY 2019-20 budget. For each initiative included in this report, you will find the initiative number, title, description, status, and measure. At the end of each description, the responsible department is listed. Each month, the responsible department provides a current status for the initiative and indicates whether the initiative is "complete" (blue circle), "on target" for completion by the end of the fiscal year (green check mark), "at risk" of not being completed by the end of the fiscal year (yellow exclamation mark), or "canceled" (red x).

We have also selected a relevant performance measure for each initiative to indicate whether the initiative is achieving its intended outcome. Once an initiative is marked complete and data becomes available, we will begin reporting the year-end target for the measure, as well as the year-to-date actual.

1	38	1	0
Complete	*On Target*	*At Risk*	*Canceled*

In the Spotlight

The Community Clean Initiative is designed to create a partnership between communities and the Department of Code Compliance. Through this initiative, residents are educated on common code violations and methods of abatement.

Budget Initiative Tracker

PUBLIC SAFETY

1 Police and Fire Uniform Staffing

INITIATIVE Recruit and retain police officers and firefighters through a new pay structure outlined in the 2019 Meet and Confer agreement. (Police and Fire-Rescue)

STATUS As of January 27, DPD has hired 135 officers and is on track to hire 309 officers by the end of this fiscal year. DPD's budget anticipated ending the year with 3,053 officers. The revised forecast is 3,231 officers.

As of January 31, DFR has hired 40 firefighters, and attrition is 17. DFR expects to end the year with 1,981 firefighters.

MEASURE Turnover rate of tenured public safety employees

2 Police and Fire Uniform Pension

INITIATIVE Secure the future of our first responders by contributing $162 million to the Dallas Police and Fire Pension System, $5.2 million more than last year. (Police and Fire-Rescue)

STATUS City pension contributions are being made in compliance with HB 3158 approved by the state legislature in 2017.

MEASURE Percentage of on-time contributions

3 Real-Time Crime Center

INITIATIVE Establish a team of civilian crime intelligence analysts who will analyze imaging and data in real time to proactively implement crime-fighting strategies (Police)

STATUS Intelligence Led Policing Division created. Positions for additional analysts posted and applications received. Interviews will begin soon.

MEASURE Percent increase in collection of RTCC footage as evidence

4 Body-Worn Cameras

INITIATIVE Enhance safety for officers and residents and encourage positive community interactions by purchasing additional body-worn cameras for police officers, the Marshal's Office and Dallas Animal Services officers. (Police)

STATUS Contract negotiations underway for vendor selection. DPD anticipates a contract will be presented to the Public Safety Committee by the end of April 2020.

MEASURE Percentage of Internal Affairs complaints where police officer is cleared by body-worn camera footage

5 Firefighter Safety

INITIATIVE Protect our firefighters by purchasing a second set of personal protective equipment (PPE) and a complete replacement of self-contained breathing apparatus (SCBA) to allow for cleaning equipment between fires. This is a two-year initiative begun in FY 2018-19. (Fire-Rescue)

STATUS DFR anticipates submitting the PPE purchase for City Council consideration in March 2020 and the SCBA purchase for consideration in May 2020.

MEASURE Percentage of firefighters who receive second set of PPE and replacement SCBA

6 Police Oversight

INITIATIVE Strengthen relationships between the community and Dallas Police Department through the Office of Community Police Oversight. (Police)

STATUS The newly hired Office of Community Police Oversight (OPO) Monitor began work February 24. The OPO has received 70 complaints as of January 31 and provided an overview of these complaints to the Community Police Oversight Board (CPOB).

MEASURE Number of complaints investigated

Budget Initiative Tracker

MOBILITY SOLUTIONS, INFRASTRUCTURE, & SUSTAINABILITY

7 Energy Management

INITIATIVE Implement an energy management system to ensure the City continually and intentionally assesses energy use and opportunities for energy reduction. (Building Services)

STATUS Hiring is underway for an energy management system manager. The selected candidate is scheduled to start in late March.

MEASURE Percent decrease in energy usage

8 City Facility Major Maintenance

INITIATIVE Ensure City facilities stay safe and functional through major maintenance of roofs, HVAC, and other building systems. (Building Services)

STATUS $2.14 million in initiated projects -- repairs at Southern Skates Roller Rink, maintenance and repairs at Fireside, Larry Johnson and Lake Highlands Recreation Centers, as well as Fire Stations 25, 29, 30, 39, and 55.

MEASURE Percentage of funds deployed

9 2017 Bond Program

INITIATIVE Add five Senior Engineers to implement Public Works projects within the 2017 Bond Program in five years. (Office of the Bond Program)

STATUS Two Senior Engineers have been hired, and interviews have been completed for the remaining three positions, which staff anticipates filling during the second quarter.

MEASURE Percentage of bond appropriation awarded

10 Bridge Maintenance

INITIATIVE Dedicate funding to establish a bridge maintenance and repair program for the more than 600 City-owned and maintained bridges. (Public Works)

STATUS Jefferson and Lawther bridges approved in February for maintenance. Implementation of addtional projects may be delayed due to contract delays.

MEASURE Percentage of funds approved by City Council

11 Street Conditions

INITIATIVE Improve the pavement condition of 710 lane miles of streets and alleys. (Public Works)

STATUS PBW has completed 100.95 lane miles to date between bond projects and General Fund maintenance and is on track for completion by the end of the year.

MEASURE Percentage of planned lane miles improved

12 Traffic Signals

INITIATIVE Promote safety and enhance traffic flow by replacing broken vehicle detectors at 40 critical intersections and retiming 250 traffic signals. This is a two-year initiative begun in FY 2018-19. (Transportation)

STATUS The Signal Engineering division is working to install radar equipment at locations throughout the city, which will enhance traffic flow. Hiring is also underway for new positions within the division, which will be responsible for signal retiming.

MEASURE Percent decrease in service requests for signal repairs

13 Water and Wastewater Infrastructure

INITIATIVE Conserve resources and maintain infrastructure through installation and rehabilitation of about 80 miles of water and wastewater mains. (Water Utilities)

STATUS As of January 31, DWU has replaced or rehabilitated 15.43 miles of water main and 10.53 miles of wastewater main.

MEASURE Percent decrease in breaks

14 Neighborhood Drainage

INITIATIVE Prevent flooding in local streets through the neighborhood drainage program, focusing on erosion control and channel repairs. (Water Utilities)

STATUS Staff have conducted debris removal maintenance at 75 locations, removing more than 2,600 cubic yards of debris. They have also completed 944 service requests, including culvert/pipe blockages, concrete repairs, and storm drainage pipe inspections, cleaning, and repairs.

MEASURE Percent decrease in flood-related service requests

Budget Initiative Tracker

ECONOMIC & NEIGHBORHOOD VITALITY

15 Affordable Housing

INITIATIVE Further affordable housing throughout the city as prescribed in the Comprehensive Housing Policy through the 2020 Notice of Funds Available (NOFA). (Housing and Neighborhood Revitalization)

STATUS Council has approved 63 lots for sale and $741,430 in bond funds for development. At the next council meeting we will be presenting 17 more lots for sale and $1,427,000 in funding. The 2020 NOFA is planned for release this summer and will focus on housing for individuals experiencing homelessness.

MEASURE Percent increase in affordable housing units available

16 BUILD Initiative

INITIATIVE Broaden investment in minority- and women-owned businesses based in Dallas through capacity-building resources and training. (Office of Business Diversity)

STATUS OBD met with NCTCOG on February 25th and obtained details on how to leverage Volkswagen grant funding for small businesses in Dallas. An RFP is being finalized.

MEASURE Percentage of M/WBE spend

17 Small Business Development

INITIATIVE Stimulate small businesses and startups in high-opportunity areas through training and other workforce development services. (Office of Economic Development)

STATUS This initiative is included within the Strategic Economic Development Plan currently being finalized with the Economic Development committee. Staff anticipates submitting the plan for City Council consideration on April 22, 2020.

MEASURE Percent increase in small businesses in designated high-opportunity areas

18 Tax-Increment Financing

INITIATIVE Spur development in 19 TIF districts throughout the city by reinvesting property tax revenue. (Office of Economic Development)

STATUS ECO updated the Economic Development committee on the annual reports for the 19 active TIF districts on February 3. City Council approved 7 TIF related items on February 26 which included: (1) amendments for the Cedar Branch Townhomes Project in the Southwestern Medical TIF District; (2) amendments for the Virgin Hotel Infrastructure Project in the Design District TIF District; (3) development agreement for the Cabana Hotel Redevelopment Project in the Design District TIF District; (4) amendments for the Red Bird Mall Redevelopment Project in the Mall Area Redevelopment TIF District; (5) development agreement for The Stack Deep Ellum Project in the Deep Ellum TIF District; (6) amendments to the Grand Park South TIF District board of directors by-laws (and associated amendment to the TIF district creation ordinance); and (7) FY 2018-19 Annual Reports for all 19 active TIF districts.

MEASURE Percent increase in taxable value in TIF districts

19 Comprehensive Plan

INITIATIVE Update the City's Comprehensive Plan to incorporate more recent policy initiatives and encourage strategic land development while promoting equity, sustainability, and neighborhood revitalization. (Planning and Urban Design)

STATUS Staff plans to brief the Economic Development committee on the goals, approach, and schedule for the Comprehensive Plan update on April 6.

MEASURE Percentage of project milestones completed

Budget Initiative Tracker

HUMAN & SOCIAL NEEDS

20 Overcoming Barriers to Work

INITIATIVE Partner with nonprofit and community partners to fund services that provide job training and career development to participants who face hurdles to employment, such as lack of transportation or child care. (Office of Community Care)

STATUS Current community partner contracts have been executed for International Rescue Committee Inc., Open Arms Incorporated, DBA Bryans House and The Salvation Army. Services are currently being provided and community partners are working on having their accomplishments in by mid March.

MEASURE Percentage of clients who remain employed after six months

21 Equity

INITIATIVE Advance equity and inclusion in City government and across Dallas by understanding historical and deeply ingrained policies and practices and engaging the community to address present-day challenges. (Office of Equity)

STATUS The Office of Equity has provided more than 31 hours of training and technical assistance on the Budgeting for Equity tool, which is designed to support departments in analyzing their policies and procedures through an equity framework. Final draft responses are due March 31.

MEASURE Number of community events or collaborative community projects conducted

22 Inclement Weather Shelters

INITIATIVE Ensure unsheltered individuals and families remain safe during periods of extreme heat or cold and provide resources for more permanent housing by funding temporary inclement weather shelters. (Office of Homeless Solutions)

STATUS The Office of Homeless Solution is currently conducting community engagement meetings for the Temporary Inclement Weather Shelter Program in February and March. The program is scheduled to go to City Council on May 13.

MEASURE Percent decrease in weather-related injuries

23 Pay-to-Stay Shelters

INITIATIVE Increase emergency shelter capacity and connect unsheltered individuals to shelter, support services, and ultimately positive housing destinations through the 90-day pay-to-stay program. (Office of Homeless Solutions)

STATUS The Landlord Subsidized Leasing program was awared to City Square in the Fall of 2019. The program was launched in early February 2020.

MEASURE Percent increase in emergency shelter beds available

24 Neighborhood Grant Reclamation Program

INITIATIVE Provide a vehicle for communities to revitalize former homeless encampments and transform them into community assets through the Neighborhood Grant Reclamation Program. (Office of Homeless Solutions)

STATUS Staff anticipates submitting the NGRP for City Council consideration on April 8.

MEASURE Percentage of NGRP projects completed

Budget Initiative Tracker

QUALITY OF LIFE

25 Community Clean!

INITIATIVE Engage residents in the Community Clean! initiative to reduce illegal dumping, litter, and high weeds in focus neighborhoods through regular community-led cleanups. (Code Compliance)

STATUS Staff conducted Citizen Academy courses in City Council districts 3, 4, 7, 8, and 10; more than 70 community members attended and logged 550 volunteer hours. Staff also coordinated cleanup activities in those four districts and has begun work in district 5. Activities to date include door-to-door outreach to more than 3,000 residents, graffiti removal, and recycling of about 1,100 gallons of paint and 380 pounds of used motor oil through BOPA collection (battery, oil, paint, and antifreeze).

MEASURE Percent decrease in illegal dumping and other code violations in target areas

26 Animal Service Response

INITIATIVE Assign two agents to triage and dispatch calls seven days a week to improve response time. (Dallas Animal Services)

STATUS DAS hired two dispatch agents in January, and they are completing training.

MEASURE Percentage of responses to DAS service requests within specified response time (varies by priority level)

27 Loose Dogs

INITIATIVE Augment overnight animal response by scheduling officers to be on duty seven nights a week instead of four with a focus on loose dog and bite hot spots. (Dallas Animal Services)

STATUS The Field Services team transitioned to 24/7 operations on December 4, and the night shift will be fully staffed by the beginning of March 2020, once new field officers complete training.

MEASURE Percent decrease in loose dog calls

28 Internet Access

INITIATIVE Expand Internet access to more residents by making 900 mobile hot spots available for checkout at high-opportunity libraries. (Library)

STATUS 900 mobile hotspots were made available at 10 branch library locations beginning in March 2020.

MEASURE Monthly checkout rate

29 Juanita J. Craft Civil Rights House

INITIATIVE Preserve civil rights history by restoring the Juanita J. Craft Civil Rights House. (Office of Arts and Culture)

STATUS OAC is working with Building Services to advertise a contract opportunity for restoration vendors in the second quarter. Staff anticipates restoration will be completed in 2021. $750,000 is budgeted for the restoration, including $250,000 from the City, and additional fundraising is ongoing.

MEASURE Percentage of project milestones completed

30 Pop-Up Cultural Centers

INITIATIVE Create pop-up cultural centers to bring cultural activities to areas of the city without easy access to arts programming. (Office of Arts and Culture)

STATUS Pilot programs have been completed in seven City Council districts, and OAC has hired a new Community Arts Manager, who facilitates the remaining program roll-out.

MEASURE Percent increase in cultural programming attendance

31 Environmental Action Plan

INITIATIVE Mitigate the impacts of climate change on public health, City infrastructure, the economy, and the environment through development and implementation of the Comprehensive Environmental and Climate Action Plan (CECAP). This is a two-year initiative begun in FY 2018-19. (Office of Environmental Quality and Sustainability)

STATUS The draft plan is on schedule for City Council adoption on Earth Day 2020 (April 22). The plan has eight goals that encompass 95 measurable actions over 30 years. The plan also has interim goals to measure progress during implementation.

MEASURE Percentage of project milestones completed

32 Park Rangers

INITIATIVE Increase the safety of park patrons through the addition of four new Park Rangers. (Park and Recreation)

STATUS PKR advertised four Park Ranger positions in January. Positions advertisements closed in Febraury.

MEASURE Percent decrease in park-related incidents/calls to DPD

Budget Initiative Tracker

QUALITY OF LIFE

33 Youth Recreation

INITIATIVE Expand opportunities for youth by providing recreational programming to residents aged 5-17 through the Out of School Time (OST) program. (Park & Recreation)

STATUS Dallas Park and Recreation began offering City of Dallas residents free OST/after school programming at participating recreation centers. As of January 31, total enrollment increased by 10.6%, bringing the year to date total to 1,238 participants.

MEASURE Percent increase in youth served

34 Teen Recreation

INITIATIVE Boost recreational programming for teenage residents (ages 13-17) with a focus on arts and culture, community service, health and wellness, leadership and life skills, and technology. (Park and Recreation)

STATUS PKR served and addtional 428 teens in January, bringing the total to 922 teens served [from the expansion of five locations to thirteen locations.

MEASURE Participation rate at late-night TRec sites

Budget Initiative Tracker

GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

35 Contract Management

INITIATIVE Centralize monitoring of vendor performance to ensure contracts are completed on time, within budget, and fulfill the terms of the agreement. (City Controller's Office, Office of Procurement Services)

STATUS New team members are being on-boarded, and the design of the new Contracting Officer Representative program (D-COR) is nearly complete. Staff anticipates rolling out D-COR, revised training courses, and contract monitoring plans in the second quarter.

MEASURE Percent decrease in audit findings

36 Fleet Management

INITIATIVE Drive operational efficiency, reduce overall costs, and improve delivery of City services through timely replacement of fleet vehicles. (Equipment and Fleet Management)

STATUS To date, EFM has ordered 147 units for nine departments. Staff are also meeting with smaller General Fund departments regarding purchases to ensure the health of our smaller fleets.

MEASURE Percent decrease in fleet that exceeds useful life

37 IT Governance

INITIATIVE To balance the needs of the organization and ensure security and stability in the City's technology investments, route all technology proposals and funding through the IT Governance Board for review, prioritization, and scheduling. (Information and Technology Services)

STATUS As of February 24, The IT Governance Board has reviewed and approved 20 projects collectively. Funded projects are both by enterprise funds and/or the general fund. The next IT Governance Board meeting is scheduled for March 26.

MEASURE Percentage of IT projects completed on time

38 Property Tax Relief

INITIATIVE Provide tax relief to residents over 65 or with a disability by increasing the property tax exemption to $100,000 from $90,000. (Office of Budget)

STATUS City Council approved an increase in the property tax exemption on June12, 2019, beginning with the 2019 tax year. Dallas County Tax Office distributed property tax bills and will collect revenue on behalf of the City.

MEASURE Percent increase in total value of exemption

39 Ethics Training

INITIATIVE Foster an ethical organizational culture by continuing biennial ethics training and expanding the Values Ambassador program. (Office of Ethics and Compliance)

STATUS The Ethics Officer left the City in December 2019, and the initiative is on hold until the position is filled.

MEASURE Percentage of employees trained

40 Data-Based Decision Making

INITIATIVE Cultivate the use of data analytics and evidence-based decision making throughout the City under the leadership of the Office of Innovation. (Office of Innovation)

STATUS The Data Academy is launching in early March, and the Office of Innovation has established a new Data Governance team of data-oriented staff from across City departments to discuss data gaps, standards, sharing, and training needs.

MEASURE Number of training hours provided

Budget Initiative Tracker

FY 2018-19 INITIATIVES

While most initiatives can be completed in a single fiscal year, several FY 2018-19 initiatives required additional time because of the scope and term of the project. We will continue to report the status of these 12 initiatives below, using the initiative numbers from the FY 2018-19 report for reference.

0	10	2	0
Complete	On Target	At Risk	Canceled

Public Safety

5 Security of City Facilities

INITIATIVE Consolidating security for City facilities into Court and Detention Services and conducting a comprehensive risk assessment to identify future security needs for City facilities and programs. (Court and Detention Services)

STATUS The Security Consultant has completed their assessments of City facilities and will issue a report and recommendations during the second quarter of the year.

7 P-25 Radio System

INITIATIVE Expanding radio coverage area, improving system reliability, lowering operating costs, and improving interoperability across City departments and with other public safety agencies through implementation of the new P-25 radio system. (Information and Technology Services)

STATUS Waiting on Change Order #2 to be submitted to Council to address scope and design changes, due to site availability and tower requirements. The current final acceptance date is September 2020.

9 911 Operations Center

INITIATIVE Furthering the City's investment in the 911 emergency system with additional technology and expanded backup capacity. (Information and Technology Services)

STATUS ITS anticipates completion of the Dual Production Public Safety Answering Point (PSAP) solution for the backup site by the end of April.

Mobility Solutions, Infrastructure, & Sustainability

13 Bike Lanes

INITIATIVE Expanding bike lanes and improving mobility by increasing the current $500,000 budget by $500,000 per year for each of the next three years to achieve a $2 million per year investment starting in FY 2020-21. (Transportation)

STATUS A Harwood Bike Lane pilot program is in progress with a target completion date in March.

Economic & Neighborhood Vitality

23 Historic Resource Survey

INITIATIVE Devoting $100,000 to conduct a historic resource survey with private partners. (Sustainable Development and Construction)

STATUS To take advantage of additional funding from Preservation Dallas, staff is executing a new solicitation with a revised scope. Staff anticipates submitting a contract for City Council consideration in April, and the timeline to complete the survey is one year.

Budget Initiative Tracker

FY 2018-19 INITIATIVES

Human & Social Needs

26 Citizenship and Civil Legal Services

INITIATIVE Committing $175,000 to partner with nonprofit organizations to offer civil legal services and promote citizenship to immigrants. (Office of Welcoming Communities and Immigrant Affairs)

STATUS All contracts have been executed, and the identified nonprofits have begun service delivery. WCIA and its legal services grantees hosted the first of two citizenship workshops on November 9.

Quality of Life

32 Library RFID

INITIATIVE Implementing a $2 million Radio Frequency Identification (RFID) system throughout our library system to improve security and better manage our materials and assets. (Library)

STATUS Twelve branches have completely converted materials, including two floors at Central Library. Testing of the self-check software and staff stations has begun, and departments are preparing for installation of new security gates.

Government Performance & Financial Management

39 Census 2020

INITIATIVE Encouraging participation in Census 2020, including $75,000 for the Mayor's Complete Count Committee. (Office of Strategic Partnerships and Government Affairs)

STATUS The Dallas County vendor, Alpha Business Images, is finalizing outreach materials and redesigning the local census website. OSPGA is coordinating online participation kiosks across the city, which will be available from March 27 to April 6.

41 ADA Compliance

INITIATIVE Investing $200,000 to develop an Americans with Disabilities Act (ADA) transition plan that enhances the City's ADA compliance and addresses accessibility issues in City facilities. (Office of Equity and Human Rights)

STATUS City Council approved a contract with Kimley-Horn in September 2019 to develop an ADA self-evaluation and transition plan, and the vendor completed its facility evaluation of City Hall in December. Building Services and Convention and Event Services provided additional funding for the project, which will allow for further building evaluations prior to the vendor submitting its recommendations.

42 Availability & Disparity (A&D) Study

INITIATIVE Conducting a minority business study to inform decision makers on how the City can better support small and local businesses. (Office of Business Diversity)

STATUS OBD is coordinating focus groups with the Chambers and Contractors associations as well as the AGC and AEC scheduled for March 26th and 27th. The prime contractor survey went out on January 27th and the anecdotal survey activity began March 5th. The A&D Study is on-track to be completed Summer 2020.

43 Compensation Study

INITIATIVE Complete a comprehensive study of the City's position classification and compensation systems. (Human Resources)

STATUS The vendor is reviewing the Position Analysis Questionnaire results and will provide a classification report in mid-February. Staff anticipates providing final recommendations to City Council in May.

44 Workday HR/Payroll System

INITIATIVE Implementing a new human resource and payroll system and evaluating an additional module for uniformed employee scheduling. (Information and Technology Services)

STATUS Phase 1 of Workday is scheduled to go live in April 2020. Future phases are planned to add human capital management, recruiting, and advanced compensation features.

City of Dallas

1500 Marilla Street
Dallas, Texas 75201

Agenda Information Sheet

File #: 20-591 **Item #:** C.

Quarterly Investment Report (information as of December 31, 2019)

Memorandum

CITY OF DALLAS

DATE March 16, 2020

TO Honorable Members of the Government Performance & Financial Management Committee: Jennifer S. Gates (Chair), Cara Mendelsohn (Vice Chair), Carolyn King Arnold, Adam Bazaldua, Lee M. Kleinman, Omar Narvaez, Casey Thomas, II

SUBJECT **December 31, 2019 Quarterly Investment Report**

The City of Dallas Investment Policy, in accordance with the Texas Public Funds Investment Act, requires that the City Council and City Manager receive quarterly investment reports. The purpose of this report is to provide a means for Council members, Council committee members, and staff to regularly review and monitor the City's investment position, and to demonstrate compliance with the City's Investment Policy and the Public Funds Investment Act. We have included summary reports on each of the City's individual portfolios, as well as summary information on the combined portfolio.

For the quarter ended December 31, 2019, the City's individual portfolios and the combined portfolio are in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategies adopted in Sec. 17.0 of the City's Investment Policy.

Please let me know if you need additional information.

M. Elizabeth Reich

M. Elizabeth Reich
Chief Financial Officer

Attachment

cc: Honorable Mayor and Members of City Council
T.C. Broadnax, City Manager
Chris Caso, City Attorney (Interim)
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development & Neighborhood Services
Laila Alequresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

CITY OF DALLAS

December 31, 2019

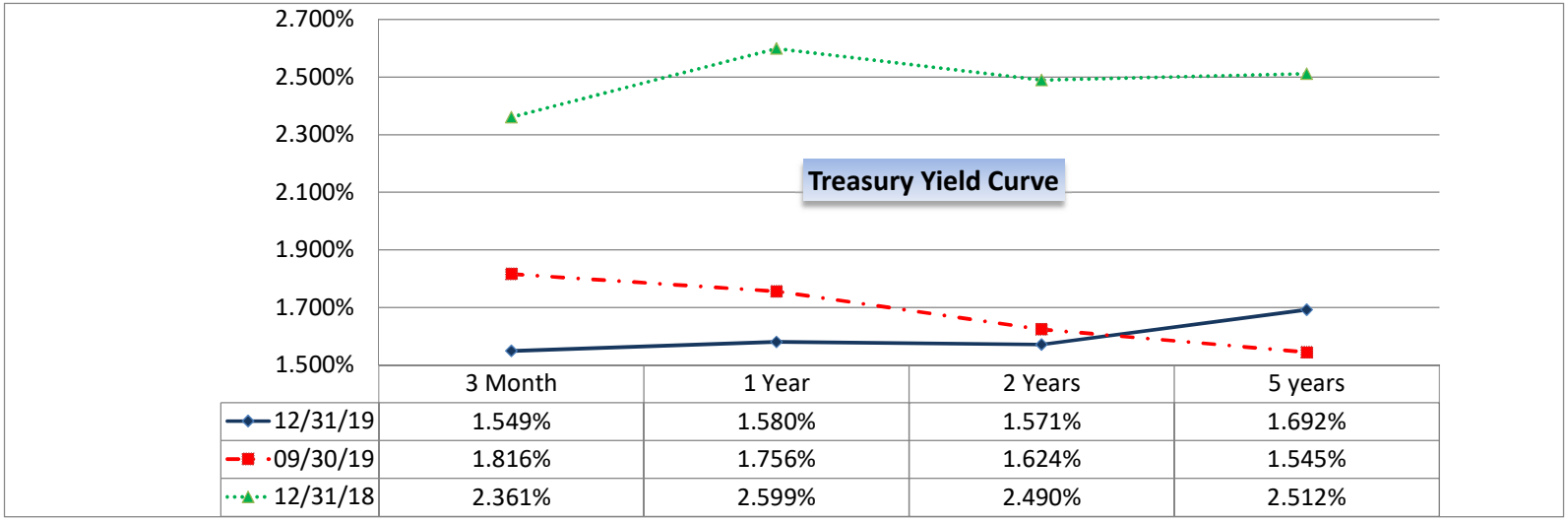
QUARTERLY INVESTMENT REPORT

Quarterly National Economic and Market Update
Quarter Ended December 31, 2019

- Labor market remained strong and economic activity had been rising at a moderate rate
- Job gains had been solid and the unemployment rate remained low
- Although household spending had been rising at a moderate pace, business fixed investment and exports remained weak
- The Federal Open Market Committee (FOMC) decided to remain the target range for the federal funds rate at 1.50 % - 1.75%.

Source: FOMC January 29, 2020 Statement

National Economic Data	9/30/2018	12/31/2019
Fed Funds Effective Rate Target Range	2.00% - 2.25%	1.50% - 1.75%
2 Years Treasury Note Yield	2.490%	1.571%
10 Years Treasury Note Yield	2.686%	1.919%
Monthly Unemployment Rate	3.90%	3.50%
Weekly Initial Jobless Claims	233,000	223,000
Monthly Change in Nonfarm Payrolls	222,000	145,000
Monthly New Housing Starts	1,037,000	1,608,000



	3 Month	1 Year	2 Years	5 years
12/31/19	1.549%	1.580%	1.571%	1.692%
09/30/19	1.816%	1.756%	1.624%	1.545%
12/31/18	2.361%	2.599%	2.490%	2.512%

Source: Bloomberg

City of Dallas
Portfolio Holdings
Combined Investment Summary
As of 12/31/2019

Portfolio Description	Face Amount	Book Value	Market Value	Accrued Interest	Market Value + Accrued Interest	*Unrealized Gain/(Loss)	Weighted Average Yield To Maturity
01 The City's Investment Pool	2,257,428,355	2,256,552,112	2,257,003,960	4,279,110	2,261,283,070	451,848	1.87%
02 Convention Center Reserve	23,000,000	23,000,000	22,995,038	64,440	23,059,477	(4,962)	1.65%
03 Water Reserve	90,000,000	90,000,000	89,986,774	328,947	90,315,721	(13,226)	1.59%
04 Arts Endowment	2,235,000	2,235,000	2,233,863	10,654	2,244,516	(1,137)	1.32%
05 Ida Green Library Fund	1,000,000	1,000,000	1,000,000	4,413	1,004,413	-	1.90%
10 DWU Commercial Paper Program	13,960	13,960	13,960	-	13,960	-	1.57%
11 GO Commercial Paper Program	3,524,424	3,524,424	3,524,424	-	3,524,424	-	1.64%

*Unrealized gain/loss is the difference between the market value and book value and does not represent an actual gain or loss. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's practice to hold investments until they mature, the unrealized gains and losses due to market changes occurring prior to an investment's maturity are unlikely to be realized.

City of Dallas
Trade Activity by Portfolio
As of: 09/30/2019 - 12/31/2019

Portfolio Description	Beginning Face Amount	Beginning Weighted Average Yield To Maturity	Purchased/Deposited	Matured	Ending Face Amount	Ending Weighted Average Yield To Maturity
City's Investment Pool*						
Federal Agricultural Mortgage Corp.	146,000,000	2.37%	90,000,000	31,000,000	205,000,000	2.09%
Federal Farm Credit Bank	125,000,000	2.39%	50,000,000	20,000,000	155,000,000	2.21%
Federal Home Loan Bank	550,500,000	2.12%	280,000,000	417,500,000	413,000,000	1.88%
Federal Home Loan Mortgage Corp.	15,000,000	1.54%	-	15,000,000	-	0.00%
Federal National Mortgage Assoc.	80,000,000	2.29%	-	50,000,000	30,000,000	2.62%
Federal National Mortgage Assoc.	-	0.00%	150,000,000	-	150,000,000	1.67%
Total Portfolio	**916,500,000**	**2.20%**	**570,000,000**	**533,500,000**	**953,000,000**	**1.97%**

**Trade activity excludes bank investment holding account, local government investment pools and money market mutual funds.*

Convention Center Reserve**						
Federal Home Loan Mortgage Corp.	4,000,000	1.25%	-	4,000,000	-	0.00%
Federal National Mortgage Assoc.	15,000,000	1.38%	-	-	15,000,000	1.38%
Total Portfolio	**19,000,000**	**1.35%**	**-**	**4,000,000**	**15,000,000**	**1.38%**

***Trade activity excludes local government investment pools.*

Water Reserve***						
Federal National Mortgage Assoc.	40,000,000	1.21%	-	-	40,000,000	1.21%
Total Portfolio	**40,000,000**	**1.21%**	**-**	**-**	**40,000,000**	**1.21%**

****Trade activity excludes local government investment pools.*

Arts Endowment						
Federal Home Loan Mortgage Corp.	2,235,000	1.32%	-	-	2,235,000	1.32%
Total Portfolio	**2,235,000**	**1.32%**	**-**	**-**	**2,235,000**	**1.32%**

*****Trade activity excludes local government investment pools.*

DWU Commercial Paper Program						
Money Market	13,960	2.05%	-	-	13,960	1.57%
Total Portfolio	**13,960**	**2.05%**	**-**	**-**	**13,960**	**1.57%**

GO Commercial Paper Program						
Money Market	3,524,424	2.03%	-	-	3,524,424	1.64%
Total Portfolio	**3,524,424**	**2.03%**	**-**	**-**	**3,524,424**	**1.64%**

City of Dallas
Summary Statement by Portfolio
As of: 09/30/2019 - 12/31/2019

Portfolio Description	Beginning Face Amount	Ending Face Amount	Beginning Book Value	Ending Book Value	Beginning Market Value	Ending Market Value	Net Deposits/ (Redemptions)	Change in Market Value	Accrued Interest	Ending Weighted Average Yield To Maturity
City's Investment Pool[1]										
*Public Funds Interest Checking (PFIC) Account	100,123,382	100,422,538	100,123,382	100,422,538	100,123,382	100,422,538	299,157	-	-	1.60%
Local Govt. Investment Pool	929,584,468	956,005,817	929,584,468	956,005,817	929,584,468	956,005,817	26,421,349	-	-	1.88%
Money Market	253,000,000	248,000,000	253,000,000	248,000,000	253,000,000	248,000,000	(5,000,000)	-	-	1.55%
US Agency	916,500,000	803,000,000	915,692,608	801,867,611	916,375,988	802,175,155	(113,500,000)	1,047,299	Accrued Interest	2.02%
US Agency	-	150,000,000	-	150,256,146	-	150,400,450	150,000,000	134,544	4,279,110	1.67%
****Total Portfolio**	**2,199,207,850**	**2,257,428,355**	**2,198,400,458**	**2,256,552,112**	**2,199,083,838**	**2,257,003,960**	**58,220,505**	**1,181,843**	**4,279,110**	**1.87%**
Convention Center Reserve[2]										
Local Govt. Investment Pool	4,000,000	8,000,000	4,000,000	8,000,000	4,000,000	8,000,000	4,000,000	-	64,440	2.15%
US Agency	19,000,000	15,000,000	19,000,000	15,000,000	18,958,028	14,995,038	(4,000,000)	37,009	-	1.38%
Total Portfolio	**23,000,000**	**23,000,000**	**23,000,000**	**23,000,000**	**22,958,028**	**22,995,038**	**-**	**37,009**	**64,440**	**1.65%**
Water Reserve[2]										
Local Govt. Investment Pool	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	-	-	-	1.89%
US Agency	40,000,000	40,000,000	40,000,000	40,000,000	39,900,476	39,986,774	-	86,298	328,947	1.21%
Total Portfolio	**90,000,000**	**90,000,000**	**90,000,000**	**90,000,000**	**89,900,476**	**89,986,774**	**-**	**86,298**	**328,947**	**1.59%**
Arts Endowment[3]										
US Agency	2,235,000	2,235,000	2,235,000	2,235,000	2,230,465	2,233,863	-	3,398	10,654	1.32%
Total Portfolio	**2,235,000**	**2,235,000**	**2,235,000**	**2,235,000**	**2,230,465**	**2,233,863**	**-**	**3,398**	**10,654**	**1.32%**
Ida Green Library Endowment[4]										
Local Govt. Investment Pool	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	-	4,413	1.90%
Total Portfolio	**1,000,000**	**1,000,000**	**1,000,000**	**1,000,000**	**1,000,000**	**1,000,000**	**-**	**-**	**4,413**	**1.90%**
DWU Commercial Paper[5]										
Money Market	13,960	13,960	13,960	13,960	13,960	13,960		-	-	1.57%
Total Portfolio	**13,960**	**13,960**	**13,960**	**13,960**	**13,960**	**13,960**	**-**	**-**	**-**	**1.57%**
GO Commercial Paper[5]										
Money Market	3,524,424	3,524,424	3,524,424	3,524,424	3,524,424	3,524,424	-	-	-	1.64%
Total Portfolio	**3,524,424**	**3,524,424**	**3,524,424**	**3,524,424**	**3,524,424**	**3,524,424**	**-**	**-**	**-**	**1.64%**

Notes 1-5: See Page 6 for Strategy Statement by Portfolio.

*Public Funds Interest Checking (PFIC) Account is fully collateralized, interest-bearing account with liquidity equal to that of a money market mutual fund

**Numbers may not sum due to rounding

City of Dallas
Strategy Statement and Compliance by Portfolio
As of: 09/30/2019 - 12/31/2019

STRATEGY COMPLIANCE STATEMENT

For the quarter ended December 31, 2019 the portfolios are in compliance with the relevant provisions of the Public Fund Investment Act and the investment strategies adopted in Sec. 17.0 of the City's Investment Policy.

STRATEGY STATEMENT BY PORTFOLIO

1) City's Investment Pool

The City's Investment Pool is an aggregation of the majority of City funds that includes tax receipts, enterprise fund revenues, fine and fee revenues, as well as some, but not all, bond proceeds, grants, gifts and endowments. This portfolio is maintained to meet anticipated daily cash needs for City of Dallas operations, capital projects and debt service. In order to ensure the ability of the City to meet obligations and to minimize potential liquidation losses, the dollar-weighted average stated maturity of the Investment Pool shall not exceed 1.5 years.

2) Convention Center Bond Reserve and Water Bond Reserve

Non-pooled reserve funds for outstanding revenue bonds (Convention Center and Water) are set at levels required by their respective bond ordinances. These funds will be used to pay principal and/or interest at final maturity or if called prior to final maturity.

3) Arts Endowment

The Arts Endowment Fund was created by the City from a $1,285,026 repayment to the General Fund from the Convention Center. Pursuant to Resolution No. 84-311 dated September 26, 1984, this endowment fund was created to provide additional monies for the arts, not to replace the current level of support. Funds received as gifts to the City with instructions that the income generated by the investment of said funds be used for specified purposes are invested as separate non-pooled portfolios in order to maximize return.

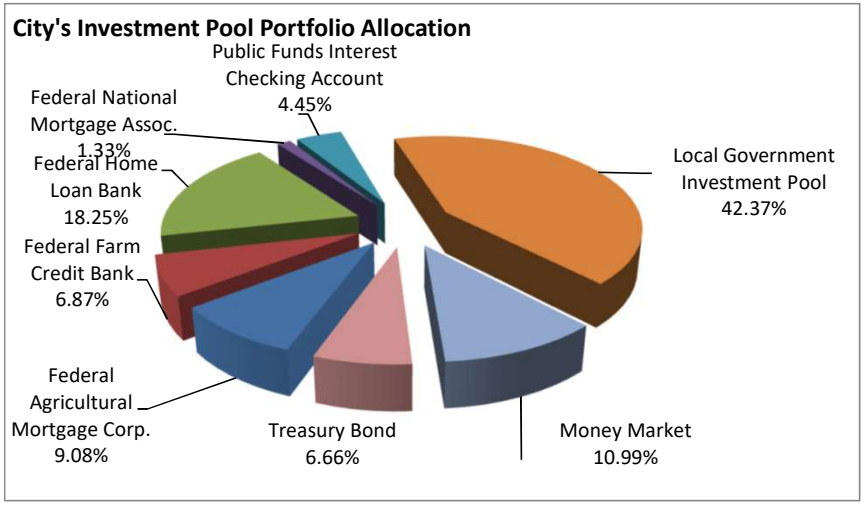
4) Ida Green Library Endowment

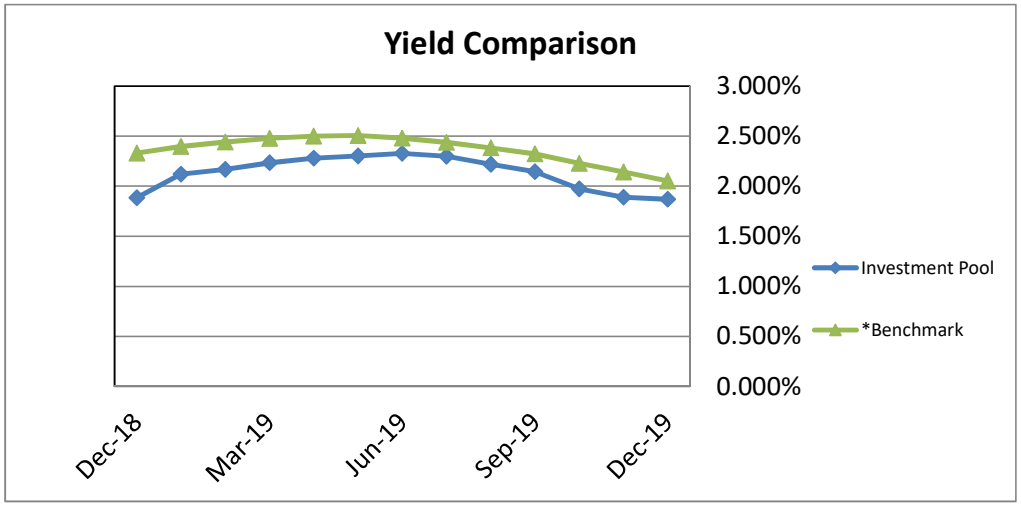
The Ida M. Green Endowment Fund was created with the proceeds from the sale of stock from the estate of Ms. Green pursuant to Resolution No. 87-0836. Its purpose is to provide funds for the operating and capital expenses of the library's Texas Center for the Book and Children's Center. Funds received as gifts to the City with instructions that the income generated by the investment of said funds be used for specified purposes are invested as separate non-pooled portfolios in order to maximize return.

5) DWU Commercial Paper Program and GO Commercial Paper Program

The City issues tax-exempt commercial paper notes as an interim financing tool for construction of capital projects. The investment of the proceeds from the issuance of commercial paper debt should have a high degree of liquidity in order to fund payments to contractors.

City of Dallas
City's Investment Pool Portfolio Allocation
Investment Summary
As of 12/31/2019





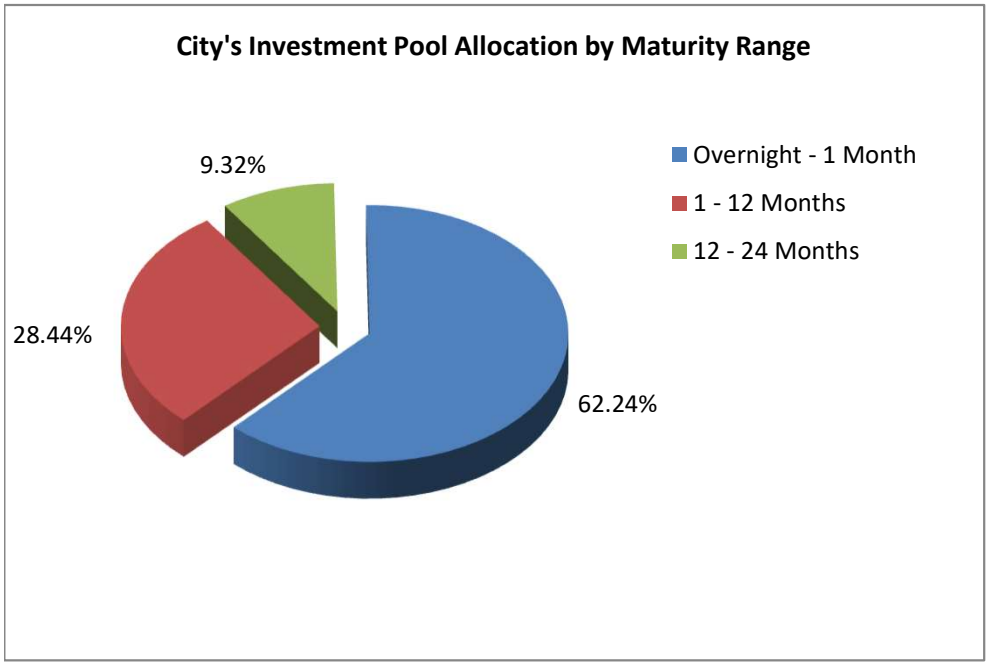
Description	Face Amount	Book Value	Market Value	**Unrealized Gain/(Loss)	Weighted Average Days To Maturity	Weighted Average Yield To Maturity	% of Portfolio
Federal Agricultural Mortgage Corp.	205,000,000	205,000,000	205,118,848	118,848	213	2.09%	9.08%
Federal Farm Credit Bank	155,000,000	154,999,922	155,014,926	15,004	124	2.21%	6.87%
Federal Home Loan Bank	413,000,000	411,920,642	412,047,182	126,541	69	1.88%	18.25%
Federal National Mortgage Assoc.	30,000,000	29,947,047	29,994,200	47,152	59	2.62%	1.33%
Public Funds Interest Checking Account	100,422,538	100,422,538	100,422,538	-	1	1.60%	4.45%
Local Government Investment Pool	956,005,817	956,005,817	956,005,817	-	28	1.88%	42.37%
Money Market	248,000,000	248,000,000	248,000,000	-	1	1.55%	10.99%
Treasury Bond	150,000,000	150,256,146	150,400,450	144,304	537	1.67%	6.66%
***Total Portfolio	2,257,428,355	2,256,552,112	2,257,003,960	451,848	88	1.87%	100.00%

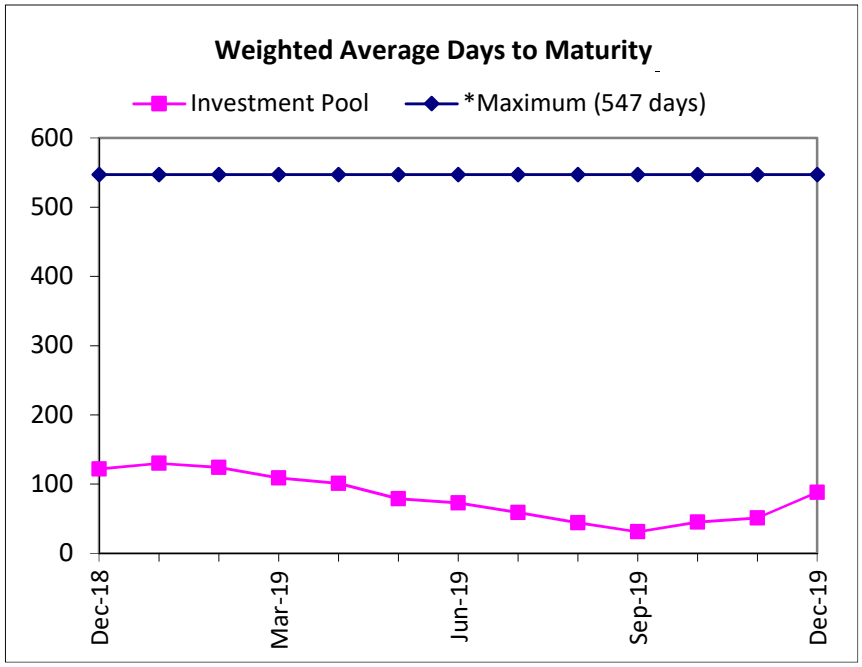
*As per Section 17.1 of the City's Investment Policy, the benchmark for the Investment Pool is the 12-month moving average yield on treasury 1-year constant maturities as reported by Federal Reserve Statistical Release H.15.

** Unrealized gain/loss is the difference between the market value and book value and does not represent an actual gain or loss. Gains and losses are realized only when a security is sold prior to maturity. Since it is the City's practice to hold investments until they mature, the unrealized gains and losses due to market changes occurring prior to an investment's maturity are unlikely to be realized.

*** Numbers may not sum due to rounding

City of Dallas
City's Investment Pool Allocation by Maturity Range
As of 12/31/2019





Description	Face Amount/Shares	Book Value	Market Value	Weighted Average Yield To Maturity	Weighted Average Days To Maturity	% of Portfolio
Overnight - 1 Month	1,404,428,355	1,404,423,764	1,404,504,625	1.91%	3	62.24%
1 - 12 Months	643,000,000	641,872,203	642,067,594	1.84%	131	28.44%
12 - 24 Months	210,000,000	210,256,146	210,431,742	1.67%	529	9.32%
****Total Portfolio**	**2,257,428,355**	**2,256,552,112**	**2,257,003,960**	**1.87%**	**88**	**100%**

*As per Section 13.0 of the City's Investment Policy, the dollar-weighted average stated maturity of the Investment Pool shall not e› .

** Numbers may not sum due to rounding

City of Dallas
Date To Date
Broker/Dealer Activity
As of: FY 19-20 Year to Date

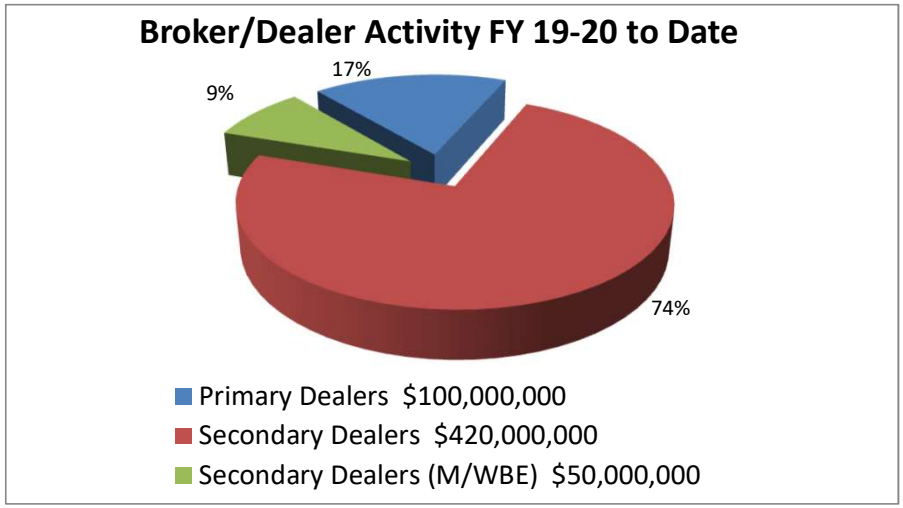
FY 19-20 Year to Date		
Description	**Awarded**	**%**
Primary Dealers		
Bank of America	$50,000,000	8.77%
Jefferies & Co.	50,000,000	8.77%
RBC Capital Markets, LLC	0	0.00%
Wells Fargo	0	0.00%
Secondary Dealers		
FTN Financials	30,000,000	5.26%
Hilltop Securities Inc.	90,000,000	15.79%
Multi Bank Securities	150,000,000	26.32%
Piper Jaffray & Co.	100,000,000	17.54%
Samco Capital Market	50,000,000	8.77%
SunTrust Robinson Humphrey, Inc.	0	0.00%
Vining Sparks	0	0.00%
Secondary Dealers - M/WBE		
Capital Institutional Services, Inc.	0	0.00%
Loop Capital	0	0.00%
Rice Financial	0	0.00%
Stern Brothers & Co.	50,000,000	8.77%
Total	**$570,000,000**	**100.00%**

Notes:

Section 9 of the City's investment Policy requires the investment committee to annually review and adopt a list of qualified broker/dealers. These firms represent the broker dealer firms that are currently approved by the Investment Committee as of February 2019.

It is the City's policy to solicit three or more competitive bids/offers each trade except for agency securities purchased at issue.

Q1 FY 19-20		
Description	**Awarded**	**%**
Bank of America	$50,000,000	8.77%
FTN Financials	30,000,000	5.26%
Hilltop Securities Inc.	90,000,000	15.79%
Jefferies & Co.	50,000,000	8.77%
Multi Bank Securities	150,000,000	26.32%
Piper Jaffray & Co.	100,000,000	17.54%
Samco Capital Market	50,000,000	8.77%
Stern Brothers & Co.	50,000,000	8.77%
Total	**$570,000,000**	**100.00%**



CITY OF DALLAS

December 31, 2019

QUARTERLY INVESTMENT REPORT

For the quarter ended December 31, 2019 the portfolios are in compliance with the relevant provisions of the Public Funds Investment Act and the investment strategies adopted in Sec. 17.0 of the City's Investment Policy.

Chief Financial Officer: M. Elizabeth Reich

City Controller: Sheri Kowalski

Treasury Manager: