

MINUTES OF THE CITY COUNCIL COMMITTEE  
TUESDAY, MARCH 21, 2023

23-0012

GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT COMMITTEE  
CITY COUNCIL CHAMBER, CITY HALL/VIDEO CONFERENCE  
COUNCILMEMBER CARA MENDELSON, PRESIDING

PRESENT: [5] Mendelsohn, Willis, \*Bazaldua, Ridley, \*West

ABSENT: [2] Atkins, McGough,

The meeting was called to order at 1:04 p.m. with a quorum of the committee present.

The meeting agenda, posted in accordance with Chapter 551, "OPEN MEETINGS," of the Texas Government Code, was presented.

After all business properly brought before the committee had been considered, the meeting adjourned at 2:37 p.m.

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Chair

ATTEST:

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City Secretary Staff

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Date Approved

The agenda is attached to the minutes of this meeting as EXHIBIT A.

The actions taken on each matter considered by the committee are attached to the minutes of this meeting as EXHIBIT B.

The briefing materials are attached to the minutes of this meeting as EXHIBIT C.

**\*Note: Members of the Committee participated in this meeting by video conference.**

**\*\* Note: Indicates arrival time after meeting called to order/reconvened.**

MINUTES OF THE CITY COUNCIL COMMITTEE  
TUESDAY, MARCH 21, 2023

EXHIBIT A

**RECEIVED**

**2023 MAR 15 AM 9:34**

**CITY SECRETARY  
DALLAS, TEXAS**

**City of Dallas**

*1500 Marilla Street,  
Council Chambers, 6th Floor  
Dallas, Texas 75201*

**Public Notice**

**2 3 0 2 5 6**

**POSTED** CITY SECRETARY  
DALLAS, TX



**Government Performance and Financial  
Management Committee**

**March 21, 2023**

**1:00 PM**

## 2022 CITY COUNCIL APPOINTMENTS

<b>COUNCIL COMMITTEE</b>	
<b>ECONOMIC DEVELOPMENT</b> Atkins (C), Arnold (VC), McGough, Narvaez, Resendez, West, Willis	<b>ENVIRONMENT AND SUSTAINABILITY</b> Blackmon(C), Ridley (VC), Arnold, Bazaldua, Resendez, Schultz, West
<b>GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT</b> Mendelsohn (C), Willis (VC), Atkins, Bazaldua, McGough, Ridley, West	<b>HOUSING AND HOMELESSNESS SOLUTIONS</b> Thomas (C), Moreno (VC), Arnold, Blackmon, Mendelsohn, Ridley, Schultz
<b>PUBLIC SAFETY</b> McGough (C), Mendelsohn (VC), Atkins, Moreno, Resendez, Thomas, Willis	<b>QUALITY OF LIFE, ARTS, AND CULTURE</b> Bazaldua (C), West (VC), Arnold, Blackmon, Narvaez, Ridley, Thomas
<b>TRANSPORTATION AND INFRASTRUCTURE</b> Narvaez (C), Atkins (VC), Bazaldua, Mendelsohn, Moreno, Schultz, Willis	<b>WORKFORCE, EDUCATION, AND EQUITY</b> Schultz (C), Thomas (VC), Blackmon, McGough, Moreno, Narvaez, Resendez
<b>AD HOC JUDICIAL NOMINATING COMMITTEE</b> Resendez (C), Arnold, Bazaldua, Ridley, Thomas, West, Willis	<b>AD HOC LEGISLATIVE AFFAIRS</b> Atkins (C), McGough, Mendelsohn, Narvaez, Willis
<b>AD HOC COMMITTEE ON PROFESSIONAL SPORTS RECRUITMENT AND RETENTION</b> Johnson (C), Atkins, Bazaldua, Blackmon, Thomas	<b>AD HOC COMMITTEE ON GENERAL INVESTIGATING &amp; ETHICS</b> Mendelsohn (C), Atkins, Blackmon, McGough, Schultz
<b>AD HOC COMMITTEE ON ADMINISTRATIVE AFFAIRS</b> Willis (C), McGough, Moreno, Schultz, West	

(C) – Chair, (VC) – Vice Chair

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



## General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on [bit.ly/cityofdallastv](http://bit.ly/cityofdallastv) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 by 5:00 p.m. of the last regular business day preceding the meeting. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-5208 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act. **The Council agenda is available in alternative formats upon request.**

If you have any questions about this agenda or comments or complaints about city services, call 311.

## Rules of Courtesy

City Council meetings bring together citizens of many varied interests and ideas. To insure fairness and orderly meetings, the Council has adopted rules of courtesy which apply to all members of the Council, administrative staff, news media, citizens and visitors. These procedures provide:

- That no one shall delay or interrupt the proceedings, or refuse to obey the orders of the presiding officer.
- All persons should refrain from private conversation, eating, drinking and smoking while in the Council Chamber.
- Posters or placards must remain outside the Council Chamber.
- No cellular phones or audible beepers allowed in Council Chamber while City Council is in session.

"Citizens and other visitors attending City Council meetings shall observe the same rules of propriety, decorum and good conduct applicable to members of the City Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the City Council or while attending the City Council meeting shall be removed from the room if the sergeant-at-arms is so directed by the presiding officer, and the person shall be barred from further audience before the City Council during that session of the City Council. If the presiding officer fails to act, any member of the City Council may move to require enforcement of the rules, and the affirmative vote of a majority of the City Council shall require the presiding officer to act." Section 3.3(c) of the City Council Rules of Procedure.

## Información General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de [bit.ly/cityofdallastv](http://bit.ly/cityofdallastv) y por cablevisión en la estación *Time Warner City Cable* Canal 16. El Ayuntamiento Municipal se reúne en el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 5:00 pm del último día hábil anterior a la reunión. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-5208 (aparato auditivo V/TDD). La Ciudad de Dallas se esfuerza por cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilities Act*. **La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.**

Si tiene preguntas sobre esta agenda, o si desea hacer comentarios o presentar quejas con respecto a servicios de la Ciudad, llame al 311.

## Reglas de Cortesía

Las asambleas del Ayuntamiento Municipal reúnen a ciudadanos de diversos intereses e ideologías. Para asegurar la imparcialidad y el orden durante las asambleas, el Ayuntamiento ha adoptado ciertas reglas de cortesía que aplican a todos los miembros del Ayuntamiento, al personal administrativo, personal de los medios de comunicación, a los ciudadanos, y a visitantes. Estos reglamentos establecen lo siguiente:

- Ninguna persona retrasará o interrumpirá los procedimientos, o se negará a obedecer las órdenes del oficial que preside la asamblea.
- Todas las personas deben abstenerse de entablar conversaciones, comer, beber y fumar dentro de la cámara del Ayuntamiento.
- Anuncios y pancartas deben permanecer fuera de la cámara del Ayuntamiento.
- No se permite usar teléfonos celulares o enlaces electrónicos (*paggers*) audibles en la cámara del Ayuntamiento durante audiencias del Ayuntamiento Municipal

"Los ciudadanos y visitantes presentes durante las asambleas del Ayuntamiento Municipal deben de obedecer las mismas reglas de comportamiento, decoro y buena conducta que se aplican a los miembros del Ayuntamiento Municipal. Cualquier persona que haga comentarios impertinentes, utilice vocabulario obsceno o difamatorio, o que al dirigirse al Ayuntamiento lo haga en forma escandalosa, o si causa disturbio durante la asamblea del Ayuntamiento Municipal, será expulsada de la cámara si el oficial que este presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisará al oficial que este presidiendo la sesión a tomar acción." Según la sección 3.3 (c) de las reglas de procedimientos del Ayuntamiento.

## **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."*

"Pursuant to Section 46.03, Penal Code (places weapons prohibited), a person may not carry a firearm or other weapon into any open meeting on this property."

*"De conformidad con la Sección 46.03, Código Penal (coloca armas prohibidas), una persona no puede llevar un arma de fuego u otra arma a ninguna reunión abierta en esta propiedad."*

This City Council Government Performance and Financial Management Committee meeting will be held by videoconference and in the Council Chambers, 6th Floor at City Hall.

The public is encouraged to attend the meeting virtually; however, City Hall is available for those wishing to attend the meeting in person following all current pandemic-related public health protocols.

The Government Performance and Financial Management Committee will be broadcast live on Spectrum Cable Channel 16 (English) and 95 (Spanish) and online at [bit.ly/cityofdallastv](https://bit.ly/cityofdallastv).

The public may also listen to the meeting as an attendee at the following videoconference link: <https://dallascityhall.webex.com/dallascityhall/j.php?MTID=m58c74997ff9d756aa9fa1895132ee8ae>

### Call to Order

### MINUTES

1. 23-729 Approval of the February 27, 2023 Government Performance and Financial Management Committee Meeting Minutes

### BRIEFING ITEMS

- A. 23-718 Development Services- Monthly Update  
[Majed Al-Ghafry, Assistant City Manager, City Manager's Office]
- B. 23-719 Office of the City Auditor Briefing on Internal Audit Reports Released Between February 18, 2023 and March 10, 2023  
[Mark Swann, City Auditor, Office of the City Auditor]
- C. 23-720 2022 External Audit Presentation and Discussion  
[Sara Dempsey, Partner-in-Charge, Governmental Services, Weaver]

### BRIEFING BY MEMORANDUM

- D. 23-723 Budget Accountability Report (Information as of January 31, 2023)  
[Budget & Management Services]
- E. 23-724 Technology Accountability Report (Information as of February 28, 2023)  
[Information & Technology Services]
- F. 23-721 Dallas Fort Worth International Airport Bond Financing Package  
[DFW Airport]
- G. 23-725 FY2021-22 End of Year Budget v. Actual Report  
[Budget & Management Services]
- H. 23-726 Appointment of the City Auditor  
[City Manager's Office]

- I. 23-728 City's Financial System Modernization and IT Services Transition to Cloud Services  
[Information & Technology Services]
- J. 23-727 Upcoming Agenda Item 23-492 for April 12, 2023: A Supplemental Agreement No. 1 to the Contract for disclosure counsel legal services with Norton Rose Fulbright US LLP and Kintop Smith, PLLC, to replace Kintop Smith, PLLC with the Hardwick Law Firm, LLC, to provide co-disclosure counsel legal services, such supplement approved as to form by the City Attorney  
[City Attorney's Office]
- K. 23-793 Approved Positions, Current Headcount, and Overtime Usage  
[City Manager's Office]
- L. 23-730 GPFM Committee Forecast

**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]

MINUTES OF THE CITY COUNCIL COMMITTEE  
TUESDAY, MARCH 21, 2023

EXHIBIT B

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

Item 1: Approval of the February 27, 2023 Government Performance and Financial Management Committee Meeting Minutes

Councilmember Ridley moved to adopt the minutes as presented.

Motion seconded by Councilmember Willis and unanimously adopted. (Atkins, McGough absent)

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING ITEMS

Item A:           Development Services - Monthly Update

The following individuals briefed the committee on the item:

- Majed Al-Ghafry, Assistant City Manager, City Manager's Office; and
- William Zielinski, Chief Information Officer, City Manager's Office



OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING ITEMS

Item B: Office of the City Auditor Briefing on Internal Audit Reports Released Between February 18, 2023 and March 10, 2023

The following individuals briefed the committee on the item:

- Mark Swann, City Auditor, Office of the City Auditor; and
- Daniel Genz, Principal Auditor, Office of the City Auditor

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING ITEMS

Item C: 2022 External Audit Presentation and Discussion

The following individuals briefed the committee on the item:

- Sheri Kowalski, City Controller, City Manager's Office;
- Sara Dempsey, Partner-in-Charge, Governmental Services, Weaver
- Jennifer West, Manager – Financial Reporting/Accounting, City Controller's Office
- Lance Sehorn, Assistant Controller, City Controller's Office; and
- Jeff Wada, Audit Manager, Weaver

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

MARCH 21, 2023

BRIEFING BY MEMORANDUM

Item D: Budget Accountability Report (Information as of January 31, 2023)

Item E: Technology Accountability Report (Information as of February 28, 2023)

Item F: Dallas Fort Worth International Airport Bond Financing Package

Councilmember Willis moved to forward item F to city council.

Motion seconded by Councilmember Ridley and unanimously adopted. (Atkins, McGough absent)

Item G: FY2021-22 End of Year Budget v. Actual Report

Item H: Appointment of the City Auditor

Councilmember Willis moved to forward item H to city council with the nomination of the incumbent Mark Swann for reappointment for two years.

Motion seconded by Councilmember Mendelsohn and unanimously adopted. (Atkins, McGough absent)

Item I: City's Financial System Modernization and IT Services Transition to Cloud Services

Item J: Upcoming Agenda Item 23-492 for April 12, 2023: A Supplemental Agreement No. 1 to the Contract for disclosure counsel legal services with Norton Rose Fulbright US LLP and Kintop Smith, PLLC, to replace Kintop Smith, PLLC with the Hardwick Law Firm, LLC, to provide co-disclosure counsel legal services, such supplement approved as to form by the City Attorney

Councilmember Willis moved to forward item J to city council.

Motion seconded by Councilmember Ridley and unanimously adopted. (Atkins, McGough absent)

Item K: Approved Positions, Current Headcount, and Overtime Usage

Item L: GPFM Committee Forecast

The committee discussed all items.

MINUTES OF THE CITY COUNCIL COMMITTEE  
TUESDAY, MARCH 21, 2023

EXHIBIT C

# Office of the City Auditor

Auditor Briefing Update

Reports Released between February 18, 2023,  
and March 10, 2023

March 21, 2023  
Mark S. Swann, City Auditor

Government Performance & Financial Management Committee





# Audit of the Office of Environmental Quality and Sustainability's Environmental Education and Awareness

February 27, 2023

Mark S. Swann, City Auditor

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## Mayor

Eric Johnson

## Mayor Pro Tem

Carolyn King Arnold

## Deputy Mayor Pro Tem

Omar Narvaez

## Council Members

Tennell Atkins

Adam Bazaldua

Paula Blackmon

B. Adam McGough

Cara Mendelsohn

Jesse Moreno

Jaime Resendez

Paul E. Ridley

Jaynie Schultz

Casey Thomas, II

Chad West

Gay Donnell Willis



# Report Issued – February 27, 2023

## Audit of Office of Environmental Quality and Sustainability's Environmental Education and Awareness

### Objective and Scope

The objective of this audit was to determine if the Office of Environmental Quality and Sustainability's environmental education and awareness program is efficient and effective.

The scope was from October 1, 2020, to December 31, 2021.

# Report Issued – February 27, 2023

## Audit of Office of Environmental Quality and Sustainability's Environmental Education and Awareness

### Observed Conditions

The compliance training program has shared oversight and does not monitor costs, making it difficult to know if the program is efficient.

The Environmental Management System is implemented under out-of-date administrative directives. The administrative directives have not been updated to support standards revised in 2015 or the City's *Comprehensive Environmental & Climate Action Plan*.



# Report Issued – February 27, 2023

## Audit of Office of Environmental Quality and Sustainability's Environmental Education and Awareness

### Recommendations

**A.1:** Evaluate the environmental education and awareness programs to increase efficiency in training delivery methods, content, and document retention. This may include developing performance measures. **(Agree)**

**A.2:** Expand the environmental education and awareness program to departments not currently in the Environmental Management System to support a clean, safe, and healthy environment. **(Agree)**

**A.3:** Track the annual cost of the Office of Environmental Quality and Sustainability environmental education and awareness program, which may include other departments' training costs. **(Agree)**

**B.1:** Review and update the Environmental Policy, administrative directives, and internal procedures for the Environmental Management System, as appropriate, to meet current standards, requirements, and City priorities, such as the *Comprehensive Environmental & Climate Action Plan*. **(Agree)**

# Office of the City Auditor

Auditor Briefing Update

Reports Released between February 18, 2023,  
and March 10, 2023

March 21, 2023  
Mark S. Swann, City Auditor

Government Performance & Financial Management Committee



# APPENDIX – Audit Reports

Here is the final report and link for your reference.

March Update:

- [Audit of Office of Environmental Quality and Sustainability's Environmental Education and Awareness](#)



# Audit of the Office of Environmental Quality and Sustainability's Environmental Education and Awareness

February 27, 2023

Mark S. Swann, City Auditor

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## Mayor

Eric Johnson

## Mayor Pro Tem

Carolyn King Arnold

## Deputy Mayor Pro Tem

Omar Narvaez

## Council Members

Tennell Atkins

Adam Bazaldua

Paula Blackmon

B. Adam McGough

Cara Mendelsohn

Jesse Moreno

Jaime Resendez

Paul E. Ridley

Jaynie Schultz

Casey Thomas, II

Chad West

Gay Donnell Willis



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# Executive Summary

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## Objective and Scope

The objective of this audit was to determine if the Office of Environmental Quality and Sustainability's environmental education and awareness program is efficient and effective.

The scope was from October 1, 2020, to December 31, 2021.

## Recommendations

Management should:

- Improve the availability of environmental training courses.
- Monitor the cost for environmental education and awareness.
- Update administrative directives and develop internal policies for ensuring compliance.
- Review the emerging risk related to implementing environmental stewardship.

## Background

The Dallas Environmental Policy states that the City is committed to a clean, safe, and healthy environment.

The policy aligns with the need to comply with federal and state requirements. A 2006 Environmental Management Consent Decree (Consent Decree) with the U.S. Department of Justice on behalf of the U.S. Environmental Protection Agency and Texas Commission on Environmental Quality requires that the City maintain an environmental compliance program. According to management, the City will continue the compliance program even if the Consent Decree requirements are removed.

Environmental education and awareness are important to create and maintain an ongoing clean, safe, and healthy environment.

The Office of Environmental Quality and Sustainability has met compliance requirements, and no violations were stated by an external audit performed by DQS Management Systems Solutions in November 2020 and a Texas Commission on Environmental Quality compliance review in April 2022.

## Observed Conditions

The compliance training program has shared oversight and does not monitor costs, making it difficult to know if the program is efficient.

The Environmental Management System is implemented under out-of-date administrative directives. The administrative directives have not been updated to support standards revised in 2015 or the City's *Comprehensive Environmental & Climate Action Plan*.



## Important Definitions

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**Compliance obligations** are legal requirements that the organization must comply with and other requirements that an organization must or chooses to comply with.

**Effectiveness** is the extent to which planned activities are realized and planned results achieved.

**Environmental Management System** is a system used to manage environmental aspects, fulfill compliance obligations, and address risk and opportunities.

**Training** is the act of teaching a particular skill or type of behavior.

## Objectives and Conclusions

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1. Is the Office of Environmental Quality and Sustainability's environmental education and awareness program effective?

**Generally, yes.** The City's compliance efforts are working well, as reflected by recent audits performed by an external auditor and the Texas Commission on Environmental Quality. However, dated administrative directives may limit environmental education and awareness activities. (See [Observation B.](#))

2. Is the Office of Environmental Quality and Sustainability's environmental education and awareness program efficient?

**Generally, no.** The compliance training program provides limited content because it is solely related to compliance, availability of on-demand training is limited, and the costs are not tracked as indicated in the governing Administrative Directive. (See [Observation A.](#))

## Audit Results

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*City Council Resolution 88-3428* and Administrative Directive 4-09, *Internal Control*, prescribe policy for the City to establish and maintain an internal control system. The following audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

### **Observation A:** Environmental Education and Awareness Program

The Office of Environmental Quality and Sustainability's compliance training program has several challenges that reduce the program's effectiveness and efficiency offered to City employees and the public. The audit's entire scope was during the COVID-19 pandemic, which impacted all City programs. Specific challenges include:

**Oversight:** Responsibility for environmental training compliance is distributed to each of the 15 departments participating in the Environmental Management System. The departments are responsible for ensuring their staff is trained and the method each department demonstrates compliance can vary. The 15 departments represent over 10,000 employees and oversee 79 facilities with environmental compliance assessments required annually.

The Office of Environmental Quality and Sustainability's Environmental Management System training program includes training provided by the office and a core-competence training matrix that outlines compliance training requirements for the 15 departments. The Office of Environmental Quality and Sustainability then conducts audits of the departments' training but does not collect or maintain related departmental training data.

There are other departments with potential impacts on the environment, such as Development Services and Housing and Neighborhood Revitalization, that are not currently participating in the Environmental Management System and do not have environmental training requirements.

**Course Content:** The training courses are primarily focused on environmental compliance and limited to stormwater permit management, landfill and waste management operations, construction operations, and pollution and spill prevention. While these courses are essential for employees to meet daily responsibilities, these training courses' content does not support educating other City employees without Environmental Management System responsibilities in promoting environmental awareness.

**Course Availability:** A City-wide email is sent each month that provides a schedule of available environmental course offerings for that month. During the audit period, these classes were offered on the Microsoft Teams platform. Four of the 27 environmental stewardship courses are also offered on the City's online training platform, City University, as on-demand training for employees. The remaining courses are unavailable at the City University or in electronic format. Enrolling in courses for the public can involve creating a log-on account and password, increasing complexity.

**Document Retention:** The Office of Environmental Quality and Sustainability does not track all environmental training course attendance and their costs to the City as required by Administrative Directive 3-73, *Environmental Management Program, Section 5.6.5*. The Office of Environmental Quality and Sustainability monitors attendance of the training it provides but does not track related costs. The Office of Environmental Quality and Sustainability has established procedures that require other departments to track their employee's environmental training. The requirements of Administrative Directive 3-73 and the internal procedures are not regularly communicated to the departments.

**Cost:** The Office of Environmental Quality and Sustainability does not break out the cost of training in its annual budget. The training costs are included within larger program areas, such as the Environmental Management System or public education, outreach, involvement, and participation costs for the stormwater management team, each with an annual budget of \$800,000 to \$900,000.



## Criteria

- ❖ Administrative Directive 3-73, *Environmental Management Program*
- ❖ Standards for Internal Control in the Federal Government, *Principle 4 – Demonstrate Commitment to Competence*

Assessed Risk Rating:

**Moderate**

We recommend that the **Director of the Office of Environmental Quality and Sustainability**:

**A.1:** Evaluate the environmental education and awareness programs to increase efficiency in training delivery methods, content, and document retention. This may include developing performance measures.

**A.2:** Expand the environmental education and awareness program to departments not currently in the Environmental Management System to support a clean, safe, and healthy environment.

**A.3:** Track the annual cost of the Office of Environmental Quality and Sustainability environmental education and awareness program, which may include other departments' training costs.

## Observation B: Policy, Administrative Directives, and Procedures

The City's requirements for environmental programs are based on administrative directives that are dated and need revisions. Current environmental policy and procedure documents are also dated and may need revision. Outdated administrative directives and other policy or procedure documents may limit environmental education and awareness activities.

*Environmental Policy.* The highest-level environmental requirements are established in the Environmental Policy, initially approved by the City Council in 2005 and signed by the city manager in 2018. The policy has not been updated since its approval in 2005. See [Appendix B](#) for this document.

*Administrative Directives.* The second level of more detailed internal requirements are established in three administrative directives. The relevant administrative directives cover the City's Environmental Management System and spill prevention practices, which have not been updated since 2008. At least one requirement related to environmental training is no longer used and conflicts with current operations. The environmental administrative directives are:

- Administrative Directive 3-73, *Environmental Management Program*, was developed and updated in 2004.
- Administrative Directive 2-49, *Environmental Management System*, was developed and updated in 2008.
- Administrative Directive 3-74, *Environmental Spill Prevention*, was developed and updated in 2004.



The relevant standard for environmental management systems, the International Organization for Standardization (ISO) Standard ISO 14001, was significantly updated in 2015 and the administrative directives have not been updated to reflect the new standard.

*Internal ISO-Related Procedures.* The third level of internal requirements is established through 16 city-wide ISO-based standard procedures that cover topics under the Administrative Directives such as environmental training and internal audits. These procedures have been updated in 2017 or 2020 after the new ISO 14001:2015 standard, but may not reflect more recent city priorities, such as the City's *Comprehensive Environmental & Climate Action Plan*, approved in 2020.

#### Criteria

- ❖ Administrative Directive 2-1, *Administrative Directives*
- ❖ Administrative Directive 3-73, *Environmental Management Program*
- ❖ Standards for Internal Control in the Federal Government: *Principle 1 Demonstrate Commitment to Integrity and Ethical Values*
- ❖ International Organization for Standardization 14001: 2015 *Environmental Management Systems*

Assessed Risk Rating:

**Moderate**

We recommend the **Director of the Office of Environmental Quality and Sustainability:**

**B.1:** Review and update the Environmental Policy, administrative directives, and internal procedures for the Environmental Management System, as appropriate, to meet current standards, requirements, and City priorities, such as the *Comprehensive Environmental & Climate Action Plan*.

## Emerging Risk

An emerging risk could impact the internal controls, effectiveness, and efficiency of activities performed by the Office of Environmental Quality and Sustainability or other departments:

### Implementing Environmental Stewardship

Environmental stewardship is the responsible use and protection of the natural environment through conservation and sustainable practices to enhance ecosystem resilience and human well-being. The City's environmental outreach programs do not fully incorporate environmental stewardship functions.

The City could implement a framework for environmental stewardship using current industry standards and develop an inventory of environmental aspects (direct and indirect) and impacts on areas of local environmental stewardship.

## Areas Working Well

The Office of Environmental Quality and Sustainability has met compliance requirements, and no violations were stated by an external audit performed by DQS Management Systems Solutions in November 2020 and a Texas Commission on Environmental Quality compliance review in April 2022.

The Office of Environmental Quality and Sustainability measures its internal efficiency and effectiveness of the environmental training program through:

- Ongoing monitoring of quarterly scorecards.
- Reduction in the penalties and fees from noncompliance at construction sites.
- Number of attendees at public outreach activities.

An annual performance measure for increasing outreach by at least 10 percent from the prior year was met in Fiscal Year 2021. The audit did not include validating this performance measure.

## Appendix A: Background and Methodology

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### Background

The City's environmental policy establishes that the City of Dallas is committed to a clean, safe, and healthy environment. The City's environment and sustainability strategic goal is to be a global leader focused on sustainability, conservation, climate change, and environmental justice to build a more resilient city. See [Appendix B](#) for more information about the environmental policy.



Training helps people better understand how to perform their duties in the best way possible. Environmental stewardship training is used to communicate the environmental laws, policies, and expectations needed for employees and public members to meet the City's environmental goals.

The City's *Comprehensive Environmental and Climate Action Plan* is also consistent with the requirements of a 2006 Environmental Management Consent Decree (Consent Decree) the City entered with the United States Department of Justice, on behalf of the United States Environmental Protection Agency and the Texas Commission on Environmental Quality. The Consent Decree has specific requirements, including that certain training efforts are maintained and performed as part of a broader environmental program to prevent pollution. The Texas Commission on Environmental Quality conducted a compliance review in April 2022 and stated that no violations had been identified.

The Consent Decree included requirements to implement an Environmental Management System meeting the requirements of the International Organization for Standardization Method 14001: 2004 *Environmental Management Systems* for the City facilities specifically listed in Appendix D of the Consent Decree.

### Training Administration

The City's environmental administrative directives establish the important roles city departments and the Office of Environmental Quality and Sustainability, formerly the Office of Environmental Quality, serve in the environmental programs.

Department Directors assume responsibility for training employees and the employee's actions regarding environmental compliance. They are also responsible for implementing and maintaining a pollution prevention program within their departments.

The Office of Environmental Quality and Sustainability also has the following key responsibilities:

- Administer the City's Environmental Compliance Program.
- Assist and advise each City department in implementing, administering, and maintaining environmental programs.
- Develop, implement, and coordinate City-wide training programs.
- Maintain comprehensive City incident, training, and cost records.
- Prepare and provide regular reports based on such data to appropriate management personnel.

Also, in October 2018, significant organizational changes occurred, and the Office of Environmental Quality was renamed the Office of Environmental Quality and Sustainability and grew in budget and number of personnel, incorporating the sustainability-related functions from the former Trinity Watershed Management Department, Dallas Water Utilities, and Sanitation Services Department. These departments have or had several Consent Decree facilities, increasing the importance of compliance for the Office of Environmental Quality and Sustainability.

## Methodology

The audit methodology included: (1) interviewing personnel from the Office of Environmental Quality and Sustainability and other city departments; (2) reviewing policies and procedures, the *Texas Local Government Code*, applicable administrative directives, and best practices; and (3) performing various analyses. This audit was performed as a design assessment. In addition, we considered all five components of *Standards for Internal Control in the Federal Government*.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

## Major Contributors to the Report

Dan Genz, CIA, CFE – In-Charge Auditor

Mamatha Sparks, CIA, CISA, CISSP, CRISC – Engagement Manager

Jennifer Phung, CIA – Auditor

## Appendix B: Dallas Environmental Policy

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### Environmental Policy

The City of Dallas is committed to a clean, safe, and healthy environment. As such, we will exercise environmental stewardship in our dealings with employees, other governments, citizens, City contractors, business and others in the community for our world today as well as for future generations. Caring for the environment is one of our core values, and this is demonstrated by ensuring our activities are in harmony with the natural world around us.

This commitment is embodied by the following actions:

- ❖ Implementation of programs and procedures with an intent to meet or exceed all applicable environmental laws and regulations.
- ❖ Continual improvement of our environmental performance through proactive environmental management and self-assessments and/or third-party assessments.
- ❖ Prevention of pollution at its source through implementation of best management practices and resource conservation measures to reuse, reclaim, and recycle materials we generate.
- ❖ Utilization of Environmental Management Systems, as appropriate for our operations, to provide a framework for systematically reviewing and reducing our environmental footprint.
- ❖ Employees will abide by all environmental regulations and demonstrate environmental compliance in their daily work practices.
- ❖ Educate City employees on Dallas' environmental policies and motivate and encourage employees to practice environmental stewardship by raising awareness and sensitivity to environmental issues through City policies, regulations, training, and interactive dialogue.
- ❖ Outreach to the citizens and businesses of our community by communication of this Policy and education on the importance of environmental stewardship for clean air and water and sustainable development for the City of Dallas.

Signed \_\_\_\_\_

T.C. Broadnax  
City Manager

*3/21/2018*  
Date

Approved by Dallas City Council January 26, 2005





## Política Ambiental

La Ciudad de Dallas tiene el compromiso de mantener un medio ambiente limpio, seguro y sano. Y por ende atenderemos al cuidado ambiental en nuestras relaciones con los empleados, otros gobiernos, ciudadanos, contratistas de la Ciudad, negocios y otros individuos de la comunidad, para bien de nuestro mundo de hoy y de las futuras generaciones. El cuidado del medio ambiente es uno de nuestros valores esenciales, y eso se demuestra asegurando que nuestras actividades estén en armonía con el mundo natural que nos rodea.

Este compromiso se manifiesta en las siguientes medidas:

- ❖ Puesta en práctica de programas y procedimientos con la intención de cumplir con, o rebasar en el cumplimiento de, todas las leyes y reglamentaciones ambientales pertinentes.
- ❖ Mejora continua de nuestro desempeño ambiental a través de control ambiental proactivo y de autoevaluaciones y/o evaluaciones de terceros.
- ❖ Prevención de la contaminación en su origen mediante la puesta en práctica de las mejores prácticas de control y de medidas de conservación de recursos para reutilizar, recuperar y reciclar materiales que generamos.
- ❖ Utilización de Sistemas de Control Ambiental (Environmental Management Systems), según sea apropiado para nuestras operaciones, a fin de proveer una estructura para revisar y reducir de forma sistemática las huellas que dejamos en el medio ambiente.
- ❖ Los empleados deberán respetar todas las reglamentaciones ambientales y demostrar cumplimiento con lo establecido respecto al medio ambiente en sus prácticas laborales diarias.
- ❖ Educar a los empleados de la Ciudad con relación a las políticas ambientales de Dallas, y motivar y exhortar a los empleados a practicar el cuidado del medio ambiente a través de la elevación de la conciencia y la sensibilidad respecto a los asuntos ambientales mediante políticas, reglamentaciones, capacitación y diálogo interactivo por parte de la Ciudad.
- ❖ Llegar a los ciudadanos y negocios de nuestra comunidad a través de la comunicación de esta Política y de educación sobre la importancia del cuidado del medio ambiente para tener aire y agua limpios y desarrollo sostenible de la Ciudad de Dallas.

Firmado por

  
T.C. Broaghax  
Administradora de la Ciudad

3/21/2018  
Fecha

Aprobado por el Concejo de la Ciudad de Dallas el 26 de enero de 2005



# Appendix C: Management's Response

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## Memorandum



CITY OF DALLAS

**DATE:** February 15, 2023  
**TO:** Mark S. Swann – City Auditor  
**SUBJECT:** Response to Audit of the Office of Environmental Quality and Sustainability's Environmental Education and Awareness

This letter acknowledges the City Manager's Office received the *Audit of the Office of Environmental Quality and Sustainability's Environmental Education and Awareness* and submitted responses to the recommendations in consultation with the Office of Environmental Quality and Sustainability.

City management appreciates the hard and valuable work of the City Auditor and his staff, and we recognize the importance of effective and efficient internal and external outreach and engagement efforts that encompass the breadth of environmental compliance, environmental stewardship, and environmental justice.

The Office of Environmental Quality and Sustainability has demonstrated the effectiveness of the environmental and awareness programs and meets compliance requirements. For example, no violations were cited in DQS Management Systems Solutions November 2020 external audit or the Texas Commission on Environmental Quality compliance review in April 2022.

Additionally, we are proud of the ongoing outreach and engagement efforts to support environmental compliance with the City's Environmental Management Consent Decree that the City entered into with the US Department of Justice (DOJ) and the US Environmental Protection Agency (EPA) in 2006. Moving forward, the City will continue to operate the Environmental Management System program as a critical component for the City's ongoing compliance with the City's Stormwater Management Plan and the permit that permits the City to discharge drainage runoff into waters of Texas and the United States.

While City management agrees with the auditor's recommendations, we believe the risk ratings for the recommendations should be low due to the City's demonstrated effectiveness in meeting compliance requirements, the recommendations' limited financial risk, the department's operational awareness of programmatic opportunities for improvement, and management's commitment to fund the expansion of the department's outreach and engagement efforts, including, but not limited to the expansion of training efforts around sustainability and environmental stewardship.

"Our Product is Service"  
Empathy | Ethics | Excellence | Engagement | Equity

Response to Audit of the Office of Environmental Quality and Sustainability's Environmental Education and Awareness

February 15, 2023

Page 2 of 2

In summary, City management agrees to implement the auditor's recommendations by increasing training efficiency, expanding course marketing and content geared to departments that are not part of the Environmental Management System, tracking OEQS's annual cost supporting education and training costs, and ensuring policies, procedures, and other authoritative documents are current and accurate.

Sincerely,



T.C. Broadnax  
City Manager

C: Genesis D. Gavino, Chief of Staff  
Jack Ireland, Chief Financial Officer  
Elizabeth Cedillo-Pereira, Assistant City Manager  
Carlos Evans, Director, Office of Environmental Quality & Sustainability

"Our Product is Service"  
Empathy | Ethics | Excellence | Engagement | Equity

Assessed Risk Rating	Recommendation	Concurrence and Action Plan	Implementation Date	Follow-Up/ Maturity Date
<b>Moderate</b>	We recommend the <b>Director of the Office of Environmental Quality and Sustainability:</b>			
	<b>A.1:</b> Evaluate the environmental education and awareness programs to increase efficiency in training delivery methods, content, and document retention. This may include developing performance measures.	<b>Agree:</b> The Office of Environmental Quality and Sustainability ("OEQS") will formally evaluate the environmental education and awareness programs to increase efficiency and may develop performance measures.  Additionally, OEQS is improving efficiency by increasing the availability of online training courses for departments using tools like City University and for external stakeholders using tools like YouTube.	12/31/2023	12/31/2024  (Timeframe allows for assessment of full year's efforts)
	<b>A.2:</b> Expand the environmental education and awareness program to departments not currently in the Environmental Management System to support a clean, safe, and healthy environment.	<b>Agree:</b> Recognizing that OEQS courses are already open to all employees, OEQS will expand course marketing and content geared to Non-EMS departments to better ensure a healthy, clean, and safe environment.  Specifically, OEQS will begin increasing access to appropriate training courses for departments, including non-EMS departments, using City University and other tools.  In addition, OEQS is developing a Comprehensive Environmental & Climate Action Plan (CECAP) Education, Engagement, and Outreach Plan. OEQS anticipates leveraging the plan's content for internal training to departments, including non-EMS departments.	12/31/2023	12/31/2024

Assessed Risk Rating	Recommendation	Concurrence and Action Plan	Implementation Date	Follow-Up/ Maturity Date
Moderate	We recommend the <b>Director of the Office of Environmental Quality and Sustainability:</b>			
	<b>A.3:</b> Track the annual cost of the Office of Environmental Quality and Sustainability environmental education and awareness program, which may include other departments' training costs.	<b>Agree:</b> OEQS will work with appropriate departments to add a project code which OEQS will use to assess its training costs. However, OEQS does not have the ability to track costs in other departments.	12/31/2023	12/31/2024 (Timeframe is intended to capture a full fiscal year of activity)
	<b>B.1:</b> Review and update the Environmental Policy, administrative directives, and internal procedures for the Environmental Management System, as appropriate, to meet current standards, requirements, and City priorities, such as the <i>Comprehensive Environmental &amp; Climate Action Plan</i> .	<b>Agree:</b> OEQS will review and update the Environmental Policy, administrative directives, and internal procedures to meet current standards, requirements, and City priorities.  Specifically, OEQS has already begun to address the recommendation by drafting revisions to the administrative directives and related procedures.	12/31/2023	12/31/2024

# 2022 External Audit Presentation and Discussion

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City of Dallas



# Team in Attendance



**Sara Dempsey, CPA**  
Partner-in-Charge,  
Government Services

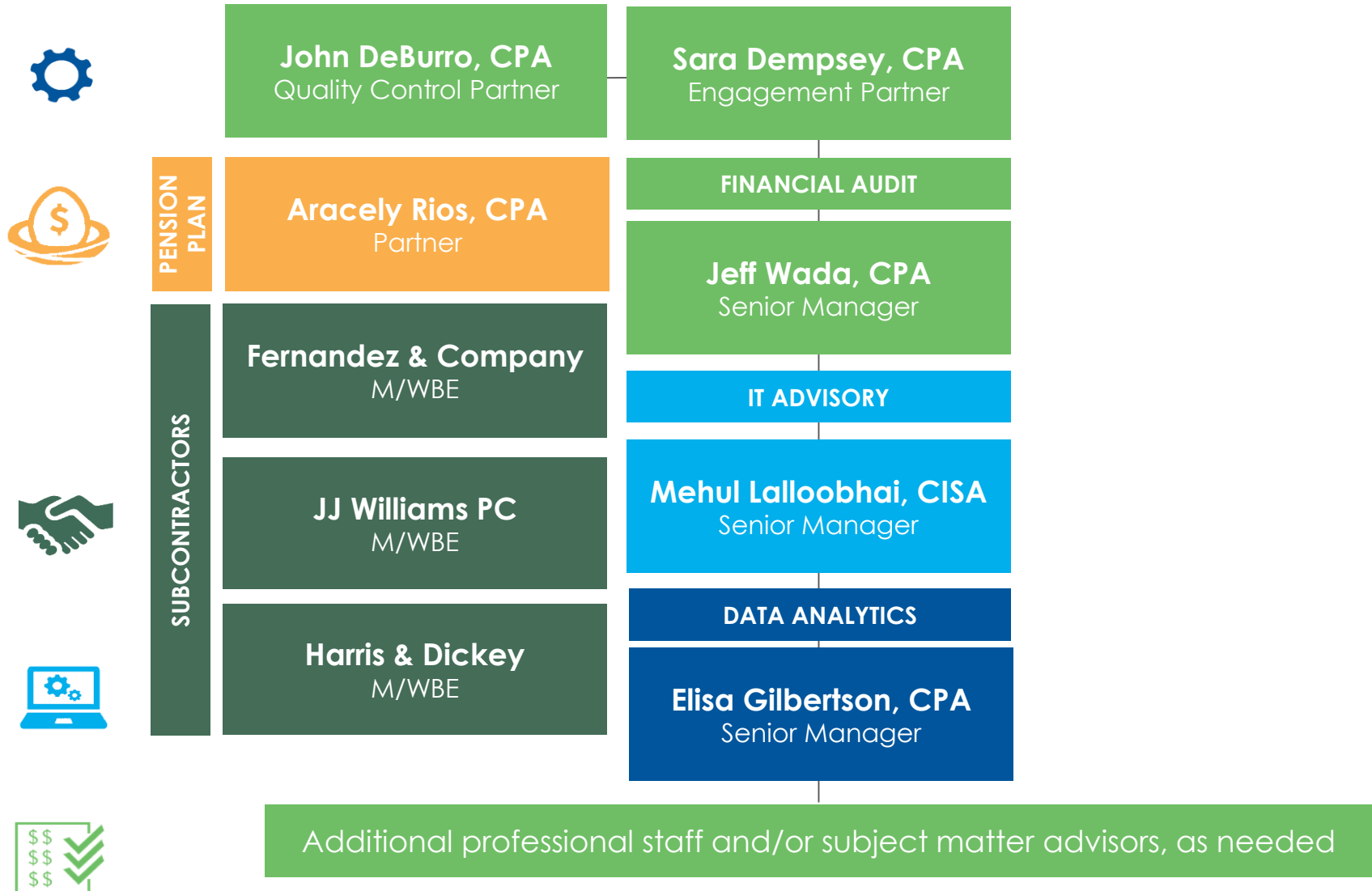
- ▶ **19+ years** of public accounting experience
- ▶ Served on the **AICPA State and Local Government Expert Panel**, Special Review Committee for the GFOA, and **the Financial Reporting and Regulatory Response Committee** of the GFOA of Texas
- ▶ Dallas office

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**Jeff Wada, CPA**  
Senior Manager,  
Government Services

- ▶ **9+ years** of public accounting experience
- ▶ Member of the **TXCPA**
- ▶ Serves on the Special Review Committee for the GFOA
- ▶ Dallas office

# Audit Organization



# Audit Testing

Our audit process is a risk-based approach in which we identified potential areas of risk that could lead to material misstatement of the financial statements.

Financial Statement Level Risk	Procedures Performed
Management override of internal controls	<ul style="list-style-type: none"> <li>- tested approval of journal entries</li> <li>- tested approval of cash disbursements</li> <li>- tested approval of payroll disbursements</li> <li>- tested bid procedure process</li> <li>- tested valuation process</li> <li>- tested budget amendments</li> <li>- agreed disclosures to support</li> <li>- tested estimates for reasonableness</li> </ul>
Audit Area Risks	Procedures Performed
Improper revenue recognition for DWU, Aviation, Convention Center, and Sanitation	<ul style="list-style-type: none"> <li>- tested existence, valuation, and cutoff of receivables and revenue</li> <li>- obtained customer activity and detail for evidence of the service being performed and that payment was received</li> <li>- recalculated revenue using authorized rates and meter readings</li> <li>- performed analytical procedures</li> </ul>
Improper grant revenue and receivable recognition	<ul style="list-style-type: none"> <li>- agreed amounts recorded in the general ledger to the final Schedule of Federal and State Awards</li> <li>- tested expenditures to ensure they were allowable costs and eligible for reimbursement</li> <li>- tested receipts from granting agencies</li> <li>- read grant agreements to test for compliance</li> </ul>



# Audit Testing, continued

Audit Area Risks	Procedures Performed
Improper revenue recognition for other funds	<ul style="list-style-type: none"> <li>- tested existence, valuation, and cutoff of receivables and revenue</li> <li>- obtained detail for evidence of the service being performed and that payment was received</li> <li>- performed analytical procedures</li> </ul>
Capital assets	<ul style="list-style-type: none"> <li>- inspected records and documents related to significant projects</li> <li>- vouched transactions to invoices, pay apps, and bid procedures</li> </ul>
Long-term liabilities	<ul style="list-style-type: none"> <li>- tested the existence and occurrence of long-term liabilities</li> <li>- tested the disclosures and presentation</li> <li>- tested covenants and continuing disclosures</li> </ul>
Evaluation of estimates	<ul style="list-style-type: none"> <li>- evaluated the reasonableness of significant estimates, such as allowance for doubtful accounts</li> </ul>
Leases (GASB 87)	<ul style="list-style-type: none"> <li>- tested the existence and occurrence, and completeness of leases</li> <li>- tested the disclosures and presentation</li> <li>- read lease contracts on a sample basis</li> </ul>

# Audit Testing, continued

Other Areas	Procedures Performed
Information Technology	<ul style="list-style-type: none"> <li>- logical security: access is authenticated and approved</li> <li>- change management: tested process of implementing new applications and system changes</li> <li>- computer operations: critical data is backed up regularly</li> </ul>
Investments	- tested valuation, fair value, disclosures, and Public Funds Investment Act
Risks, uncertainties, contingencies	<ul style="list-style-type: none"> <li>- read City Council and GPFM Committee minutes</li> <li>- Inquired of management</li> <li>- received attorney letter</li> <li>- read contracts and agreements</li> </ul>
Performed data mining procedures	<ul style="list-style-type: none"> <li>- obtained detail of disbursements, approved vendors, payroll transactions, addresses</li> <li>- tested significant vendors, employees paid after termination dates, employees with significant overtime</li> </ul>

## Other areas tested:

- Passenger Facilities Charge compliance
- Love Field Airport Modernization Corporation and related transactions
- TCEQ compliance

# Deliverables

## **Completed:**

- Annual Comprehensive Financial Report
- Downtown Dallas Development Authority Tax Increment Financing District

## **Pending Completion:**

- Federal Single Audit
- State Single Audit
- Dallas Convention Center Hotel Development Corporation
- Dallas Water Utilities
- Airport Revenues Fund and Passenger Facility Charge compliance
- Texas Commission on Environment Quality financial assurance agreed-upon procedures

# Financial Audit Results

Type of Report:	UNMODIFIED
Internal control over financial reporting:	
Any material weaknesses identified?	NO
Any significant deficiencies that are not material weaknesses?	NO
Any noted noncompliance material to financial statements?	NO

# Required Communications

Communication	Results
Audit Adjustments	No audit adjustments
Management representations	We requested certain representations from management that were included in the management representation letter.
Auditor independence	No independence issues noted.
Other information contained in documents containing audited financial statements	We performed limited procedures on the Management's Discussion and Analysis (MD&A) and Required Supplementary Information (RSI). We did not provide any assurance on this information and other supplementary information.
Management judgments and accounting estimates	Management's estimates of allowances for uncollectible receivables were evaluated and determined to be reasonable in relation to the financial statements as a whole.

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# FINANCIAL HIGHLIGHTS

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# Government-Wide (in millions)



	2022	2021	2020	2019	2018
Governmental					
Change in net position	\$ 622	\$ 857	\$ 400	\$ 118	\$ 1,228
Total net position	\$ (822)	\$ (1,447)	\$ (2,304)	\$ (2,704)	\$ (2,822)
Ending unrestricted net position	\$ (4,553)	\$ (4,942)	\$ (5,561)	\$ (5,752)	\$ (5,904)
Capital assets, net	\$ 4,895	\$ 4,703	\$ 4,453	\$ 4,277	\$ 4,085
Business-type					
Change in net position	\$ 245	\$ 92	\$ 63	\$ 42	\$ 152
Total net position	\$ 3,856	\$ 3,618	\$ 3,526	\$ 3,463	\$ 3,420
Ending unrestricted net position	\$ (156)	\$ (266)	\$ (286)	\$ (224)	\$ (143)
Capital assets, net	\$ 7,553	\$ 7,287	\$ 7,187	\$ 7,071	\$ 6,890

Total net position increased for both governmental and business-type activities in 2018-2022.

Unrestricted net position continued to increase in 2022 for both governmental and business-type activities.

Capital assets, net continued to increase in 2022 for both governmental and business-type activities.

Capital assets include right-to-use lease assets due to GASB 87 implementation beginning in 2022.

# Property Tax Rate and Debt

	2022	2021	2020	2019	2018
Governmental					
Tax rate (per \$100 valuation)					
Total	0.7733	0.7763	0.7766	0.7767	0.7804
General Fund	0.5658	0.5688	0.5691	0.5667	0.5580
Debt Service Fund	0.2075	0.2075	0.2075	0.2100	0.2224
Taxable assessed valuation (in billions)	\$ 155.9	\$ 147.4	\$ 140.2	\$ 130.1	\$ 118.3
Total GO Debt (in billions)	\$ 1,660	\$ 1,667	\$ 1,657	\$ 1,808	\$ 1,558
Debt service expenditures as a percentage of noncapital expenditures	20.55%	20.80%	15.57%	16.46%	15.23%

Total tax rate has decreased annually from 2018-2022.

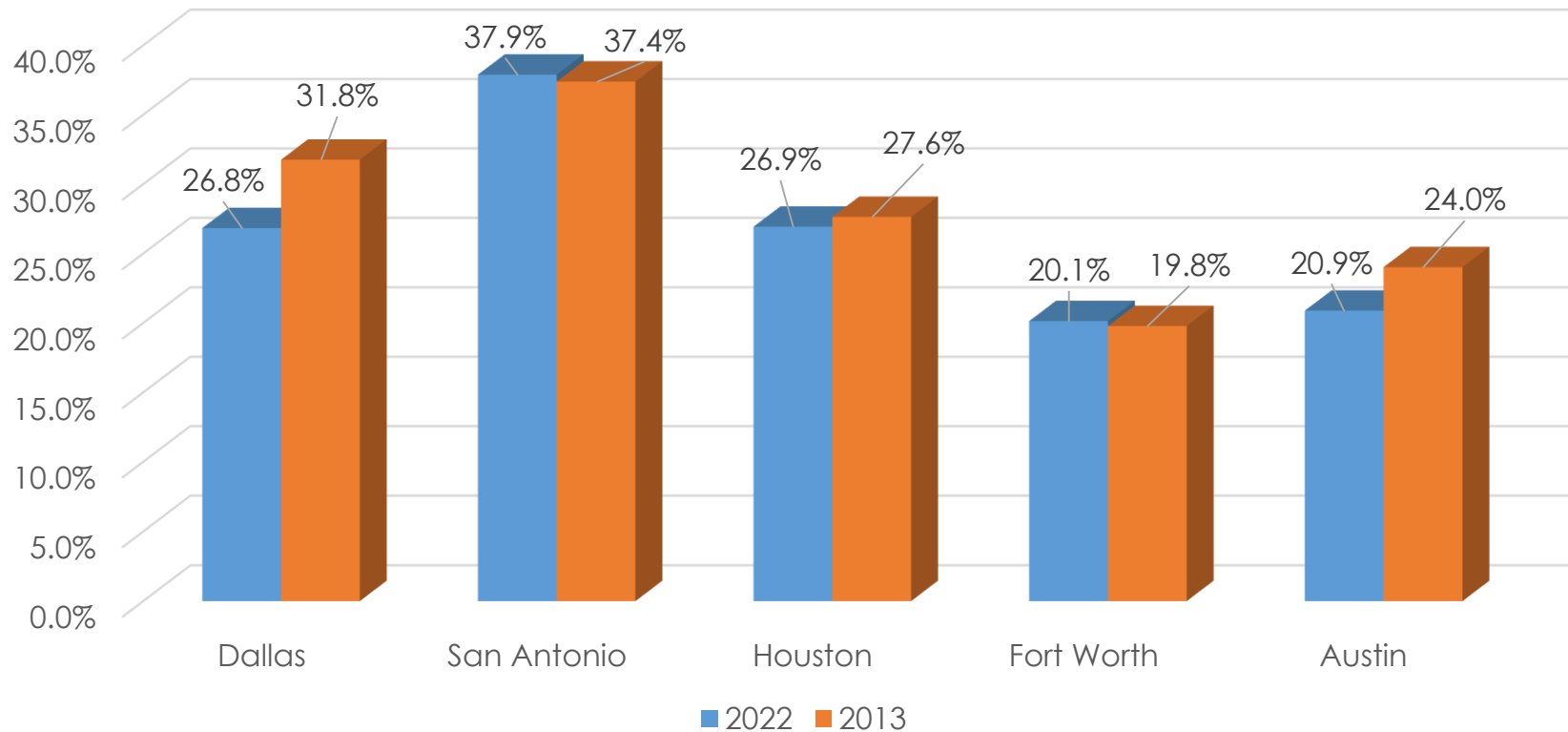
Debt service tax rate has decreased or remained flat since 2018.

Taxable assessed valuation has increased annually from 2018-2022.

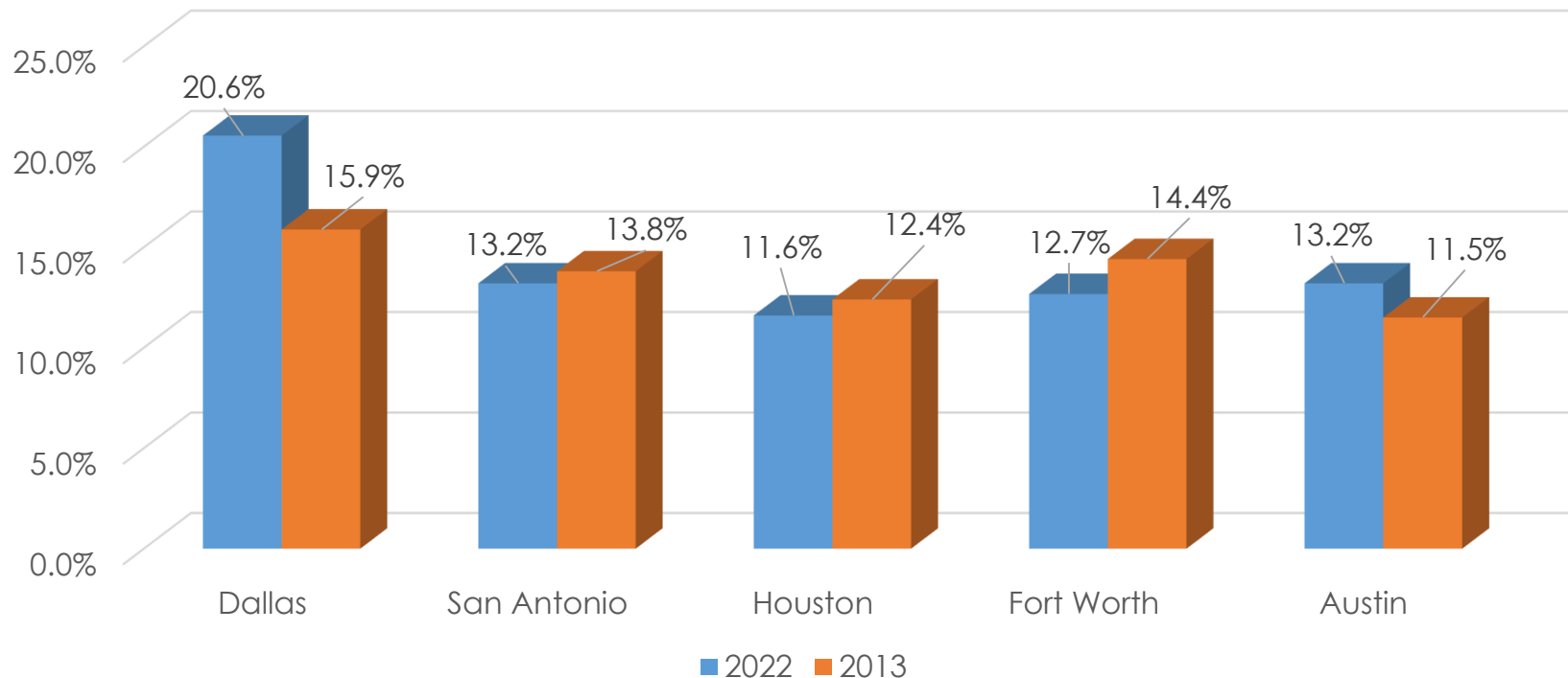
Debt service expenditures as a percentage of noncapital expenditures decreased in 2018, 2020, and 2022.



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



## Debt Service Expenditures as a Percentage of Non-Capital Expenditures



The City of San Antonio's 2022 financial statements were not published at the time this presentation was created, so the 2021 balance was used.

# General Fund (in millions)



	2022	2021	2020	2019	2018
General Fund Balance					
Total fund balance	\$ 442.3	\$ 400.5	\$ 344.6	\$ 297.2	\$ 256.3
Unassigned	\$ 370.6	\$ 324.3	\$ 277.5	\$ 234.2	\$ 212.8
General Fund expenditures	\$ 1,477.2	\$ 1,378.3	\$ 1,285.4	\$ 1,280.7	\$ 1,235.6
Unassigned general fund balance as a percentage of expenditures	25.09%	23.53%	21.59%	18.29%	17.22%
Excess (deficiency) of revenues over (under) expenditures	\$ 48.7	\$ 48.6	\$ 41.8	\$ 30.2	\$ 9.8
Transfers in(out) of general fund, net	\$ (7.4)	\$ 6.7	\$ 5.3	\$ (165.3)	\$ (51.6)

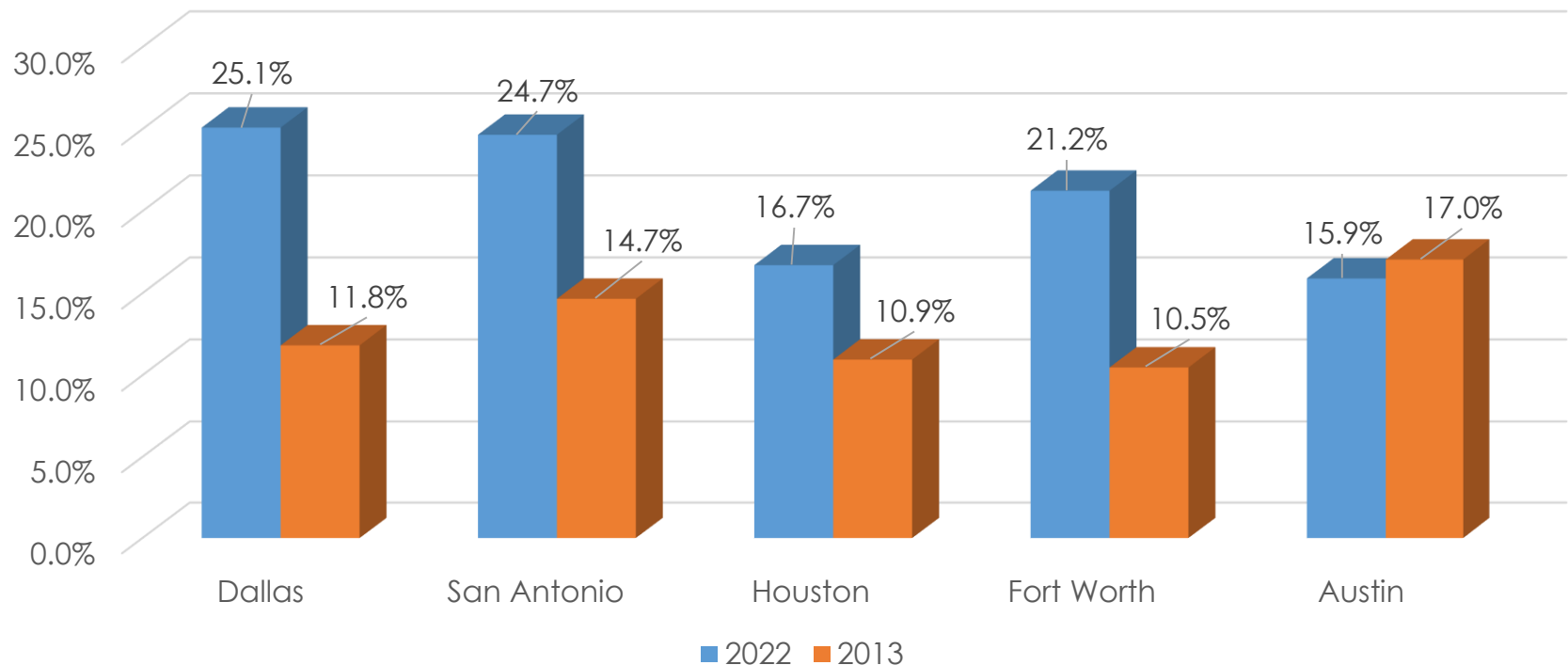
Total fund balance of the general fund has increased annually from 2018-2022.

The unassigned fund balance has increased annually from 2018-2022.

The unassigned fund balance as a % of expenditures has increased from 2018-2022.

Transfers were a net transfer in during 2021 and 2020, and transfers were a net transfer out during 2022, 2019, and 2018.

## Unassigned General Fund Balance as a Percentage of General Fund Expenditures



The City of San Antonio's 2022 financial statements were not published at the time this presentation was created, so the 2021 balance was used.

# Enterprise Funds



	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Income (loss) before transfers and contributions					
Dallas Water Utilities	\$ 161.6	\$ 55.1	\$ 56.2	\$ 30.5	\$ 123.4
Convention Center	\$ 11.3	\$ (4.6)	\$ 1.4	\$ 16.5	\$ 13.7
Airport revenue	\$ 70.6	\$ 21.2	\$ 26.3	\$ 25.4	\$ 16.4
Sanitation	\$ 11.8	\$ 6.2	\$ 6.1	\$ (7.7)	\$ 11.2
Total capital assets, net					
Dallas Water Utilities	\$ 5,788	\$ 5,599	\$ 5,496	\$ 5,366	\$ 5,200
Convention Center	\$ 386	\$ 398	\$ 415	\$ 433	\$ 450
Airport revenue	\$ 1,291	\$ 1,221	\$ 1,208	\$ 1,204	\$ 1,187
Sanitation	\$ 68	\$ 66	\$ 65	\$ 66	\$ 51
Revenue bond coverage					
Dallas Water Utilities	2.10	1.63	1.68	1.74	1.96
Convention Center	2.00	1.10	1.50	2.10	2.00
Airport revenue	2.11	1.83	4.36	3.47	2.91
Sanitation	n/a	n/a	n/a	n/a	n/a

DWU income increased in 2020 and 2022, and decreased in 2018, 2019, and 2021.

Revenue bond coverage for DWU increased in 2018 and 2022 and decreased in 2019, 2020, and 2021.

Revenue bond coverage for Convention Center increased in 2018, 2019, 2022 and decreased in 2020, and 2021.

Revenue bond coverage for Airport increased in 2019, 2020, and 2022 and decreased in 2021.

# Risk funds, OPEB, Pension, & Landfill (in millions)



	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Internal service net position					
Risk funds deficit	\$ (76.4)	\$ (47.2)	\$ (64.0)	\$ (23.5)	\$ (213.2)
Risk funds total liability	\$ 140	\$ 132	\$ 132	\$ 85	\$ 248
Risk funds deficit as a % of total general fund balance	17.27%	11.79%	18.57%	7.91%	83.18%
Landfill closure and post-closure liability	\$ 49	\$ 47	\$ 45	\$ 44	\$ 42
Net pension liability	\$ 4,029	\$ 5,703	\$ 4,693	\$ 4,739	\$ 3,175
Total OPEB liability	\$ 222	\$ 266	\$ 531	\$ 565	\$ 511

The City's self-insured risk activities are being funded on a pay-as-you-go basis.

The risk fund deficit as a % of total fund balance increased in 2018, 2020, and 2022 and decreased in 2019 and 2021.

The landfill closure and post-closure liability has increased between 2018-2022.

The net pension liability decreased in 2018, 2020, and 2022 and increased in 2019 and 2021.

The total OPEB liability decreased in 2020-2022 and increased in 2018-2019.

# DISCUSSION



## Contact Us

**Sara Dempsey**

Partner, Assurance Services

Direct: (972) 448.6958

Email: [sara.dempsey@weaver.com](mailto:sara.dempsey@weaver.com)

# Memorandum



CITY OF DALLAS

DATE March 17, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Budget Accountability Report – January 2023**

Please find attached the January Budget Accountability Report (BAR) based on information through January 31, 2023. You may view all published reports on the [Financial Transparency website](#). The monthly BAR provides financial forecast for all operating funds, update on General Obligation Bond spending, economic indicators, status of Dallas 365, updates for highlighted budget initiatives, and status of active process improvement projects.

If you have any questions, please contact Janette Weedon, Director of Budget & Management Services.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland  
Chief Financial Officer

[Attachment]

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors



# BUDGET ACCOUNTABILITY REPORT

As of January 31, 2023



Cover Photo Credit: City of Dallas - Mural by Daniel Yanez, "No Space for Hate"

Prepared by Budget & Management Services

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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	✓	✓
Development Services	✓	✓
Municipal Radio	10% over budget	10% over budget
Sanitation Services	✓	✓
Storm Drainage Management	✓	✓
Dallas Water Utilities	✓	✓
Bond and Construction Management	✓	✓
Equipment and Fleet Management	✓	✓
Express Business Center	15% over budget	✓
Information Technology	✓	✓
Radio Services	✓	✓
9-1-1 System Operations	7% over budget	✓
Debt Service	✓	✓

✓ YE forecast within 5% of budget

### Dallas 365

#### Year-to-Date

✓ 25  
On Target

! 3  
Near Target

✗ 7  
Not on Target

#### Year-End Forecast

✓ 35  
On Target

! 0  
Near Target

✗ 0  
Not on Target

### Budget Initiative Tracker

● 2  
Complete

! 0  
At Risk

✓ 33  
On Track

✗ 0  
Canceled

# FINANCIAL FORECAST REPORT

The Financial Forecast Report (FFR) provides a summary of financial activity through January 31, 2023, for the General Fund and other annual operating funds of the City. The Adopted Budget column reflects the budget adopted by City Council on September 28, 2022, effective October 1, 2022, through September 30, 2023. 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, 2023. The variance is the difference between the FY 2022-23 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, 2023.

	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
Beginning Fund Balance	\$308,405,349	\$308,405,349		\$322,248,566	\$13,843,217
Revenues	1,706,814,187	1,706,814,187	1,167,380,923	1,722,130,500	15,316,313
Expenditures	1,706,814,187	1,706,814,187	586,673,784	1,717,553,938	10,739,750
Ending Fund Balance	\$308,405,349	\$308,405,349		\$326,825,128	\$18,419,780

**Fund Balance.** Through September 30, 2022, the audited unassigned ending fund balance for FY 2021-22 is \$329,048,566 and includes FY 2021-22 YE savings. As of January 31, 2023, the beginning fund balance for YE forecast reflects the FY 2021-22 audited unassigned ending fund balance and usage of Contingency Reserve in the amount of \$6,800,000 as approved by the City Council on December 14, 2022. This allocation from Contingency Reserve was used to establish the 2022 Severe Weather and Flooding Fund to facilitate repair of insured city facilities.

**Revenues.** Through January 31, 2023, General Fund revenues are projected to be \$15,316,000 over budget. Sales tax revenue is projected to be \$11,719,000 over budget based on actual collection trends four months into the fiscal year. Fines and forfeitures combined with auction sales are projected to be \$3,760,000 over budget.

**Expenditures.** Through January 31, 2023, General Fund expenditures are projected to be \$10,740,000 over budget primarily due to uniform overtime expenses and capital expenditures in PKR. These expenses are partially offset by salary savings from vacant uniform and non-uniform positions across all General Fund departments.

## FY 2022-23 Financial Forecast Report

**GENERAL FUND REVENUE**

Revenue Category		FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
1	Property Tax	\$961,502,880	\$961,502,880	\$957,091,736	\$961,502,880	\$0
2	Sales Tax	417,232,383	417,232,383	143,640,160	428,951,153	11,718,770
3	Franchise and Other	127,865,821	127,865,821	26,322,157	127,865,821	0
4	Charges for Services	115,554,550	115,554,550	24,346,871	115,366,711	(187,839)
5	Fines and Forfeitures	23,776,847	23,776,847	7,711,890	26,394,582	2,617,735
6	Operating Transfers In	28,185,836	28,185,836	0	28,185,836	0
7	Intergovernmental	13,161,563	13,161,563	506,996	13,161,563	0
8	Miscellaneous	7,967,394	7,967,394	3,148,842	9,110,144	1,142,750
9	Licenses and Permits	5,616,913	5,616,913	1,274,500	5,641,809	24,896
10	Interest	5,950,000	5,950,000	3,337,771	5,950,000	0
	<b>Total Revenue</b>	<b>\$1,706,814,187</b>	<b>\$1,706,814,187</b>	<b>\$1,167,380,923</b>	<b>\$1,722,130,500</b>	<b>\$15,316,313</b>

**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.

**2 Sales Tax.** Sales tax revenue is forecast to be \$11,719,000 over budget based on actual collection trends four months into the fiscal year.

**4 Fines and Forfeitures.** Fines and Forfeiture revenue is projected to be over budget by \$2,618,000 primarily due to incoming revenue from bankruptcy settlements and the close-out of the SafeLight Auto Red Light Running fund (\$1,532,000), and increased wrecker fee collections at the Dallas Auto Pound (\$1,338,000).

**8 Miscellaneous.** Miscellaneous revenue is projected to be over budget by \$1,143,000 primarily due to increased collections from Dallas Auto Pound auction sales.

## FY 2022-23 Financial Forecast Report

**GENERAL FUND EXPENDITURES**

	Expenditure Category	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
	Non-uniform Pay	\$285,227,838	\$285,168,289	\$79,705,154	\$274,044,932	(\$11,123,357)
	Non-uniform Overtime	8,144,953	8,154,053	4,964,420	11,316,391	3,162,338
	Non-uniform Pension	40,352,092	40,344,739	11,424,517	38,829,802	(1,514,937)
	Uniform Pay	527,979,958	527,979,959	167,257,537	503,209,505	(24,770,454)
	Uniform Overtime	39,791,958	50,642,015	31,098,957	85,736,617	35,094,602
	Uniform Pension	182,727,572	182,727,571	57,267,924	182,307,641	(419,930)
	Health Benefits	79,837,068	79,834,065	16,787,072	79,834,065	0
	Workers Comp	11,152,531	11,152,531	11,152,531	11,152,531	0
	Other Personnel Services	13,091,916	13,224,812	4,091,846	13,400,581	175,769
<b>1</b>	<b>Total Personnel Services</b>	<b>\$1,188,305,887</b>	<b>\$1,199,228,034</b>	<b>\$383,749,959</b>	<b>\$1,199,832,065</b>	<b>\$604,030</b>
<b>2</b>	<b>Supplies</b>	<b>84,389,204</b>	<b>82,738,170</b>	<b>30,008,895</b>	<b>82,966,929</b>	<b>228,759</b>
<b>3</b>	<b>Contractual Services</b>	<b>507,274,125</b>	<b>502,541,530</b>	<b>164,847,098</b>	<b>506,311,964</b>	<b>3,770,434</b>
<b>4</b>	<b>Capital Outlay</b>	<b>16,465,953</b>	<b>22,933,662</b>	<b>10,996,129</b>	<b>27,023,164</b>	<b>4,089,502</b>
<b>5</b>	<b>Reimbursements</b>	<b>(89,620,981)</b>	<b>(100,627,209)</b>	<b>(2,928,297)</b>	<b>(98,580,184)</b>	<b>2,047,025</b>
	<b>Total Expenditures</b>	<b>\$1,706,814,187</b>	<b>\$1,706,814,187</b>	<b>\$586,673,784</b>	<b>\$1,717,553,938</b>	<b>\$ 10,739,750</b>

**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 projected to be \$604,000 over budget primarily due to uniform overtime expenses in Dallas Fire-Rescue (\$19,236,000) and Dallas Police Department (\$15,846,000) and non-uniform overtime expenses which are primarily offset by salary savings associated with vacant uniform and non-uniform positions across General Fund departments. Dallas Police Department overtime expenses are partially offset by a budgeted American Rescue Plan Act (ARPA) reimbursement. DPD uniform overtime expenses are due in part to elevated attrition in FY 2021-22, consistent demand for police services (P1 call volume), focused support for 911 (\$2.0 million) and the speeding/racing initiative (\$1.8 million), as well as increased response/deployment to “hot spots”. DFR uniform overtime expenses are projected to be \$19.2 million over budget as a result of higher than anticipated attrition requiring backfill to meet minimum staffing requirements.

**4 Capital Outlay.** Capital outlay is projected to be \$4,090,000 over budget primarily due to PKR expenses related to unbudgeted preventive security and safety measures at recreational facilities, parks, and trails (\$3,171,000) and higher than budgeted CCS equipment and trucks for nuisance abatement, Pro-Active, and HART teams (\$454,000).



## FY 2022-23 Financial Forecast Report

**GENERAL FUND EXPENDITURES**

#	Expenditure by Department	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
1	Budget & Management Services	\$4,277,919	\$4,277,919	\$1,209,310	\$4,143,930	(\$133,989)
2	Building Services	30,390,891	30,390,891	11,686,630	30,390,891	0
3	City Attorney's Office	20,971,242	20,971,242	6,285,106	21,094,117	122,875
4	City Auditor's Office	3,163,255	3,163,255	871,510	2,898,250	(265,005)
5	City Controller's Office	8,567,559	8,567,559	2,948,021	8,567,559	0
6	Independent Audit	755,000	755,000	0	755,000	0
7	City Manager's Office	3,205,072	3,205,072	929,628	3,078,122	(126,950)
8	City Secretary's Office	3,141,520	3,141,520	1,024,458	3,197,899	56,379
9	Elections	2,022,829	2,022,829	(81,392)	2,022,829	0
10	Civil Service	3,064,698	3,064,698	804,154	2,948,980	(115,718)
11	Code Compliance	41,342,433	41,342,433	12,940,131	41,342,433	0
12	Court & Detention Services	26,923,902	26,923,902	8,143,592	26,304,617	(619,285)
13	Jail Contract	8,344,443	8,344,443	2,086,111	8,344,443	0
14	Dallas Animal Services	17,725,448	17,725,448	5,649,092	17,702,376	(23,072)
15	Dallas Fire-Rescue	369,069,665	369,069,665	131,790,186	380,184,461	11,114,796
16	Dallas Police Department	611,908,283	611,908,283	203,412,717	611,900,635	(7,648)
17	Data Analytics & Business Intelligence	5,281,114	5,281,114	1,047,429	4,655,700	(625,414)
18	Housing & Neighborhood Revitalization	4,639,881	4,639,881	1,194,384	4,609,875	(30,006)
19	Human Resources	8,140,152	8,140,152	3,271,072	8,336,702	196,550
20	Judiciary	4,273,646	4,273,646	1,312,879	4,273,646	0
21	Library	37,544,060	37,544,060	10,562,939	37,196,838	(347,222)
	Management Services					
22	311 Customer Service Center	5,850,487	5,850,487	2,592,510	5,404,019	(446,468)
23	Communications, Outreach, & Marketing	3,699,446	3,699,446	745,922	3,268,846	(430,600)
24	Office of Community Care	9,365,486	9,365,486	1,748,691	9,317,802	(47,684)
25	Office of Community Police Oversight	811,382	811,382	163,123	780,122	(31,260)
26	Office of Emergency Management	1,344,664	1,344,664	404,266	1,318,163	(26,501)
27	Office of Environmental Quality & Sustainability	6,898,850	6,898,850	3,439,390	6,609,041	(289,809)
28	Office of Equity & Inclusion	3,809,929	3,809,929	688,366	3,605,326	(204,603)
29	Office of Government Affairs	956,162	956,162	355,715	974,541	18,379
30	Office of Historic Preservation	1,341,076	1,341,076	211,489	1,328,675	(12,401)
31	Office of Homeless Solutions	15,197,632	15,197,632	8,091,196	16,832,982	1,635,350
32	Office of Integrated Public Safety Solutions	5,630,099	5,630,099	912,760	5,630,099	0
33	Small Business Center	3,746,673	3,746,673	734,963	3,494,934	(251,739)
34	Mayor & City Council	6,645,643	6,645,643	1,696,157	6,743,937	98,294
35	Non-Departmental	135,306,683	135,306,683	8,292,651	134,394,144	(912,539)
36	Office of Arts & Culture	22,496,061	22,496,061	17,172,801	22,496,061	0
37	Office of Economic Development	3,918,798	3,918,798	1,522,490	3,918,798	0
38	Park & Recreation	106,863,878	106,863,878	43,279,267	109,440,006	2,576,128
39	Planning & Urban Design	5,150,852	5,150,852	1,766,434	5,046,494	(104,358)
40	Procurement Services	3,014,089	3,014,089	801,829	2,987,359	(26,730)
41	Public Works	89,209,383	89,209,383	64,873,612	89,209,383	0
42	Transportation	51,984,903	51,984,903	20,092,193	51,984,903	0
	<b>Total Departments</b>	<b>\$1,697,995,188</b>	<b>\$1,697,995,188</b>	<b>\$586,673,784</b>	<b>\$1,708,734,939</b>	<b>\$10,739,750</b>
43	Financial Reserves	0	0	0	0	0
44	Liability/Claims Fund Transfer	3,501,999	3,501,999	0	3,501,999	0
45	Salary and Benefit Stabilization	5,317,000	5,317,000	0	5,317,000	0
	<b>Total Expenditures</b>	<b>\$1,706,814,187</b>	<b>\$1,706,814,187</b>	<b>\$586,673,784</b>	<b>\$1,717,553,938</b>	<b>\$10,739,750</b>

## 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.

**3 City Attorney's Office.** ATT is projected to be \$123,000 over budget due primarily due to termination payouts for retiring employees and other personnel expenses.

**4 City Auditor's Office.** AUD is projected to be \$265,000 under budget primarily due to salary savings associated with three vacant positions.

**8 City Secretary Office.** SEC is projected to be \$56,000 over budget primarily due to a City Council approved equity adjustment.

**12 Court & Detention Services.** CTS is projected to be \$619,000 under budget primarily due to salary savings associated with 81 vacant positions.

**15 Dallas Fire-Rescue.** DFR is projected to be \$11,115,000 over budget primarily due to uniform overtime expenses (\$19,236,000 over budget) as a result of higher than anticipated attrition requiring backfill to meet minimum staffing requirements. This is partially offset by salary savings as a result of vacant uniform positions and a reimbursement from the American Rescue Plan Act (ARPA) for eligible uniform salary expenses (\$2,500,000 for paramedic training) initially budgeted in FY 2021-22. The department is working to implement additional recruiting strategies that will positively impact headcount levels in the field.

**17 Data Analytics & Business Intelligence.** DBI is projected to be \$625,000 under budget primarily due to salary savings associated with 20 vacant positions.

**19 Human Resources.** HR is projected to be \$197,000 over budget primarily due to personnel costs associated with organizational changes. Funding in the amount of \$196,550 to support positions moved to HR will be reallocated at FY 2022-23 mid-year.

**22 311 Customer Service Center.** 311 is projected to be \$466,000 under budget primarily due to salary savings associated with vacant positions.

**23 Communications, Outreach, & Marketing.** COM is projected to be \$431,000 under budget primarily due to salary savings associated with 10 vacant positions.

**28 Office of Equity and Inclusion.** OEI is projected to be \$205,000 under budget primarily due to salary savings associated with seven vacant positions.

**29 Office of Government Affairs.** OGA is projected to be \$18,000 over budget primarily due to temporary staffing costs for an executive assistant.

**31 Office of Homeless Solutions.** OHS is projected to be \$1,635,000 over budget due to an emergency procurement for temporary housing of 94 individuals from an encampment decommissioned by the Dallas R.E.A.L. Time Rapid Rehousing Initiative(DRTRR) in January.

**33 Small Business Center.** SBC is projected to be \$252,000 under budget primarily due to salary savings associated with eight vacant positions.

## 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.

**34 Mayor & City Council.** MCC is projected to be \$98,000 over budget primarily due to personnel costs associated with organizational changes. Funding to support positions moved to MCC will be reallocated from COM at FY 2022-23 mid-year.

**35 Non-Departmental.** Non-D is projected to be \$912,000 under budget primarily due to savings associated with reduced interest costs for Master Lease drawdowns.

**38 Park & Recreation.** PKR is projected to be \$2,576,000 over budget primarily due to unbudgeted preventive security and safety measures at recreational facilities and trails including cameras, lighting, and staff (\$1,500,000); high inflationary costs for supplies and services affecting park maintenance, repair, and cleanup (\$1,000,000); deferred maintenance (\$1,500,000); overtime and temporary staffing (\$2,628,000); and 2023 Southwest Showcase Televised Golf Tournament (\$100,000). These costs are partially offset by salary savings associated with vacant positions (\$4,152,000).



## FY 2022-23 Financial Forecast Report

**ENTERPRISE FUNDS**

Department	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
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**1 AVIATION**

Beginning Fund Balance	\$53,227,959	\$53,227,959		\$75,205,004	\$21,977,045
Total Revenues	158,542,590	158,542,590	63,600,821	163,476,853	4,934,263
Total Expenditures	163,476,405	163,476,405	44,387,659	163,476,405	0
Ending Fund Balance	\$48,294,144	\$48,294,144		\$75,205,452	\$26,911,308

**2 CONVENTION & EVENT SERVICES**

Beginning Fund Balance	\$43,463,338	\$43,463,338		\$56,656,767	\$13,193,429
Total Revenues	113,230,392	113,231,392	34,715,200	116,656,341	3,424,949
Total Expenditures	113,231,392	113,231,392	38,049,725	116,656,341	3,424,949
Ending Fund Balance	\$43,462,338	\$43,463,338		\$56,656,767	\$13,193,429

**3 DEVELOPMENT SERVICES**

Beginning Fund Balance	\$45,375,814	\$45,375,814		\$38,036,071	(\$7,339,743)
Total Revenues	35,340,940	35,340,940	10,749,341	35,399,998	59,058
Total Expenditures	43,830,455	48,830,455	13,701,609	48,729,691	(100,764)
Ending Fund Balance	\$36,886,299	\$31,886,299		\$24,706,378	(\$7,179,921)

**4 MUNICIPAL RADIO**

Beginning Fund Balance	\$745,490	\$745,490		\$572,451	(\$173,039)
Total Revenues	1,003,095	1,003,095	326,660	1,107,287	104,192
Total Expenditures	1,003,095	1,003,095	571,818	1,100,313	97,218
Ending Fund Balance	\$745,490	\$745,490		\$579,425	(\$166,065)

**5 SANITATION SERVICES**

Beginning Fund Balance	\$19,328,242	\$19,328,242		\$19,627,964	\$299,722
Total Revenues	145,369,518	145,369,518	47,002,616	145,369,518	0
Total Expenditures	143,785,140	143,785,140	32,648,872	143,785,140	0
Ending Fund Balance	\$20,912,620	\$20,912,620		\$21,212,342	\$299,722

**6 STORM DRAINAGE MANAGEMENT—DALLAS WATER UTILITIES**

Beginning Fund Balance	\$15,732,597	\$15,732,597		\$19,962,402	\$4,229,805
Total Revenues	72,433,742	72,433,742	25,019,786	72,433,742	0
Total Expenditures	72,433,742	72,433,742	11,102,710	72,433,742	0
Ending Fund Balance	\$15,732,597	\$15,732,597		\$19,962,402	\$4,229,805

**7 WATER UTILITIES**

Beginning Fund Balance	\$133,050,983	\$133,050,983		\$168,023,058	\$34,972,075
Total Revenues	755,226,160	755,226,160	260,831,054	755,226,160	0
Total Expenditures	761,226,160	761,226,160	206,338,534	761,226,160	0
Ending Fund Balance	\$127,050,983	\$127,050,983		\$162,023,058	\$34,972,075

## FY 2022-23 Financial Forecast Report

**INTERNAL SERVICE FUNDS**

Department	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
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**8 BOND & CONSTRUCTION MANAGEMENT**

Beginning Fund Balance	(\$14,768)	(\$14,768)		(\$1,400,504)	(\$1,385,736)
Total Revenues	23,087,146	23,087,146	822,955	22,275,755	(811,391)
Total Expenditures	23,087,146	23,087,146	4,911,808	22,261,641	(825,505)
Ending Fund Balance	(\$14,768)	(\$14,768)		(\$1,386,390)	(\$1,371,622)

**9 EQUIPMENT & FLEET MANAGEMENT**

Beginning Fund Balance	\$10,783,384	\$10,783,384		\$11,008,909	\$225,525
Total Revenues	66,009,566	66,009,566	5,418,386	66,901,154	891,588
Total Expenditures	66,600,148	66,600,148	17,780,296	67,491,736	891,588
Ending Fund Balance	\$10,192,802	\$10,192,802		\$10,418,327	\$225,525

**10 EXPRESS BUSINESS CENTER**

Beginning Fund Balance	\$5,684,817	\$5,684,817		\$5,940,355	\$255,538
Total Revenues	2,593,790	2,593,790	855,285	2,992,922	399,132
Total Expenditures	2,361,983	2,361,983	570,883	2,326,869	(35,114)
Ending Fund Balance	\$5,916,624	\$5,916,624		\$6,606,408	\$689,784

**11 INFORMATION TECHNOLOGY**

Beginning Fund Balance	\$9,119,837	\$9,119,837		\$20,013,158	\$10,893,321
Total Revenues	108,985,933	108,985,933	35,290,696	108,985,933	0
Total Expenditures	110,191,357	110,191,357	56,366,121	109,751,542	(439,815)
Ending Fund Balance	\$7,914,413	\$7,914,413		\$19,247,549	\$11,333,136

**12 RADIO SERVICES**

Beginning Fund Balance	\$1,139,315	\$1,139,315		\$2,712,126	\$1,572,811
Total Revenues	16,863,428	16,863,428	4,895,638	16,863,428	0
Total Expenditures	16,867,557	16,867,557	4,804,118	16,814,074	(53,483)
Ending Fund Balance	\$1,135,186	\$1,135,186		\$2,761,480	\$1,626,294

## FY 2022-23 Financial Forecast Report

**OTHER FUNDS**

Department	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
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**13 9-1-1 SYSTEM OPERATIONS**

Beginning Fund Balance	\$4,180,269	\$4,180,269		\$5,652,626	\$1,472,357
Total Revenues	12,017,444	12,017,444	3,965,918	12,829,221	811,777
Total Expenditures	14,212,742	14,212,742	5,854,491	14,176,204	(36,538)
Ending Fund Balance	\$1,984,971	\$1,984,971		\$4,305,643	\$2,320,672

**14 DEBT SERVICE**

Beginning Fund Balance	\$66,867,697	\$66,867,697		\$84,537,164	\$17,669,467
Total Revenues	408,298,161	408,298,161	362,924,657	408,298,161	0
Total Expenditures	412,314,869	412,314,869	0	412,314,869	0
Ending Fund Balance	\$62,850,989	\$62,850,989		\$80,520,456	\$17,669,467

**15 EMPLOYEE BENEFITS**

City Contributions	\$108,965,789	\$108,965,789	\$26,906,351	\$109,342,574	\$376,785
Employee Contributions	44,675,798	44,675,798	14,523,769	44,718,099	42,301
Retiree	26,927,732	26,927,732	(18)	27,094,920	167,188
Other	0	0	103,206	86,495	86,495
Total Revenues	180,569,319	180,569,319	41,533,308	181,242,088	672,769
Total Expenditures	\$189,583,785	\$189,583,785	\$15,051,283	\$194,837,126	\$5,253,341

Note: FY 2022-23 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects incurred but not reported (IBNR) claims.

**16 RISK MANAGEMENT**

Worker's Compensation	\$16,041,001	\$16,041,001	15,991,645	14,085,135	\$0
Third Party Liability	10,033,670	10,033,670	10,849,118	11,688,742	0
Purchased Insurance	13,445,548	13,445,548	13,447,476	11,096,779	0
Interest and Other	0	0	203,756	121,238	121,238
Total Revenues	39,520,219	39,520,219	40,491,995	36,991,894	121,238
Total Expenditures	\$57,449,878	\$57,449,878	15,275,460	\$44,365,600	(13,084,278)

Note: FY 2022-23 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. As of January 31, 2023, the beginning fund balance for the YE forecast represents the FY 2021-22 audited ending fund balance and includes FY 2021-22 YE savings. 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 Aviation.** AVI revenues are projected to be \$4934,000 over budget due to higher concession for Food-Beverage than budgeted.

**2 Convention and Event Services.** CCT revenues are projected to be over budget \$3,425,000 due to higher number of events than budgeted. CCT expenses are projected to be over budget \$3,425,000 due to an increase in capital transfer.

**3 Development Services.** DEV revenues are projecting to be over budget by \$59,000 due to the Rapid single-Family VIP program. City Council increased DEV's budget by \$5,000,000 on November 9 by resolution 22-1676 for construction services at 7800 N Stemmons.

**4 Municipal Radio.** OCA revenues are expected to be \$104,000 over budget due to higher than budgeted reimbursements from KERA. OCA expenses are projected to be \$97,000 over budget due to a contract buy-out that creates savings on the Nielsen contract.

**8 Bond & Construction Management.** BCM revenues are expected to be \$811,000 under budget due to charges to capital projects encumbered in the prior fiscal year. BCM expenses are projected to be \$826,000 under budget primarily due to salary savings associated with 48 vacant positions. BCM charges each capital project budget for project implementation costs. Savings in actual implementation expenses result in fewer charges to the capital project.

**9 Equipment and Fleet Management.** EFM revenues are projected to be \$892,000 over budget due to additional maintenance costs as a result of extending the maintenance schedules for Sanitation from 4-5 days and revised routes resulting in additional chargebacks. EFM expenses are projected to be \$892,000 over budget primarily due to contracted labor and temporary staffing used to offset 46 vacancies.

**10 Express Business Center.** Express Business Center revenues are projected to be \$399,000 over budget due to an increase in auto pound sales.

**13 9-1-1 System Operations.** 911 System Operations are projected to be over budget by \$812,000 due to an increase in 911 fee collections for both wireless and wireline phones based on year-to-date receipts.

**15 Employee Benefits.** Employee Benefits expenses are projected to be \$5,253,000 over budget primarily due to greater numbers of high-cost claims from August to December 2022. The increase in outpatient per unit cost and professional utilization experienced from August to December following the COVID-19 pandemic is anticipated to decrease in 2023.

**16 Risk Management.** ORM expenses are projected to be \$13,084,000 under budget primarily due to a delay in anticipated claims expenses from FY 2022-23 to FY 2023-24.

## FY 2022-23 Financial Forecast Report

**GENERAL OBLIGATION BONDS****2017 Bond Program**

Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
A	Street and Transportation	\$533,981,000	\$533,981,000	\$228,056,270	\$133,423,818	\$172,500,912
B	Park and Recreation Facilities	261,807,000	261,291,060	169,977,843	10,134,305	81,178,912
C	Fair Park	50,000,000	50,000,000	30,511,113	3,027,228	16,461,659
D	Flood Protection and Storm Drainage	48,750,000	48,688,152	12,321,232	11,879,467	24,487,453
E	Library Facilities	15,589,000	15,589,000	14,865,298	229,265	494,437
F	Cultural and Performing Arts Facilities	14,235,000	14,235,000	12,805,990	577,010	852,000
G	Public Safety Facilities	32,081,000	32,081,000	26,098,117	181,647	5,801,237
H	City Facilities	18,157,000	18,157,000	2,378,013	83,955	15,695,032
I	Economic Development	55,400,000	55,400,000	19,786,861	9,484,187	26,128,953
J	Homeless Assistance Facilities	20,000,000	20,000,000	15,065,752	1,375,331	3,558,917
<b>Total</b>		<b>\$1,050,000,000</b>	<b>\$1,049,422,212</b>	<b>\$531,866,488</b>	<b>\$170,396,213</b>	<b>\$347,159,511</b>

**2012 Bond Program**

Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
1	Street and Transportation Improvements	\$260,625,000	\$266,938,887	\$256,743,250	\$6,575,140	\$3,620,497
2	Flood Protection and Storm Drainage Facilities	326,375,000	326,375,000	241,979,965	56,432,080	27,962,955
3	Economic Development	55,000,000	55,000,000	37,827,528	4,609,747	12,562,724
<b>Total</b>		<b>\$642,000,000</b>	<b>\$648,313,887</b>	<b>\$536,550,744</b>	<b>\$67,616,967</b>	<b>\$44,146,176</b>

**2006 Bond Program**

Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
1	Street and Transportation Improvements	\$390,420,000	\$406,490,554	\$393,500,520	\$8,511,434	\$4,478,599
2	Flood Protection and Storm Drainage Facilities	334,315,000	342,757,166	297,907,936	14,874,079	29,975,151
3	Park and Recreation Facilities	343,230,000	353,343,060	347,694,529	1,383,248	4,265,283
4	Library Facilities	46,200,000	48,318,600	47,669,994	10,521	638,084
5	Cultural Arts Facilities	60,855,000	63,821,447	63,151,488	398	669,561
6	City Hall, City Service and Maintenance Facilities	34,750,000	36,216,478	32,163,825	395,789	3,656,863
7	Land Acquisition Under Land Bank Program	1,500,000	1,500,000	1,474,169	0	25,831
8	Economic Development	41,495,000	45,060,053	42,405,945	922,500	1,731,608
9	Farmers Market Improvements	6,635,000	6,933,754	6,584,013	12	349,728
10	Land Acquisition in the Cadillac Heights Area	22,550,000	22,727,451	11,491,789	237,544	10,998,118
11	Court Facilities	7,945,000	8,146,606	7,869,762	120	276,724
12	Public Safety Facilities and Warning Systems	63,625,000	66,072,938	65,323,005	4,737	745,196
<b>Total</b>		<b>\$1,353,520,000</b>	<b>\$1,401,388,107</b>	<b>\$1,317,236,977</b>	<b>\$26,340,382</b>	<b>\$57,810,748</b>

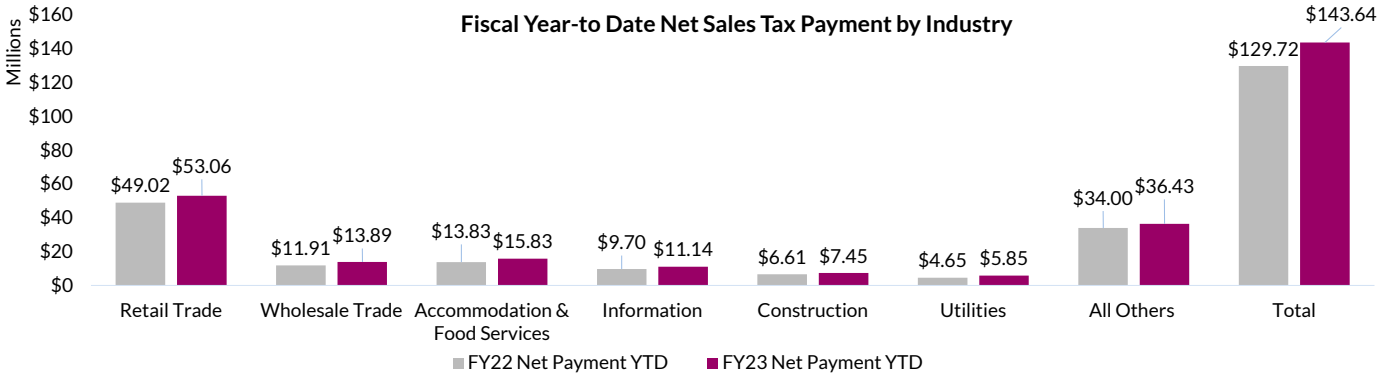
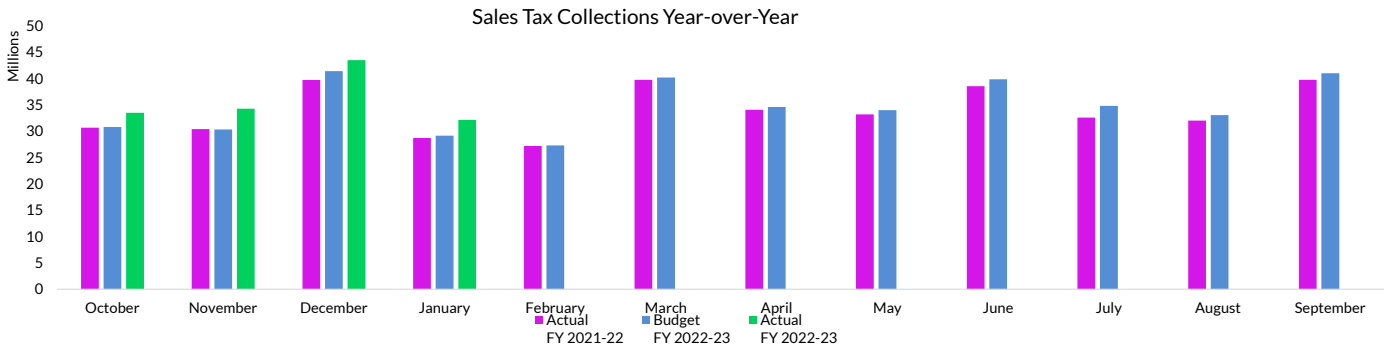
Note: The tables above reflect expenditures and encumbrances recorded in the City's financial system of record. They do not include commitments that have not yet been recorded in the system, such as amounts recently approved by City Council.

FY 2022-23 Financial Forecast Report

# ECONOMIC INDICATORS

## Sales Tax

The current sales tax rate is 8.25 percent - 6.25 percent goes to the state, one percent to the City, and one percent to DART. In FY 2022-23, Sales Tax Budget is \$417,232,383. As of January 31, 2023, the sales tax forecast is \$428,951,153. We will update the forecast throughout the year as additional information becomes available. The charts in this section provide more information about sales tax collections.



## FY 2022-23 Financial Forecast Report

**ECONOMIC INDICATORS**

Year-over-Year Change in Sales Tax Collections		
Industry	January FY23 over January FY22	FYTD23 over FYTD22
Retail Trade	19%	8%
Wholesale Trade	-4%	17%
Accommodation and Food Services	27%	14%
Information	11%	15%
Construction	13%	13%
Utilities	26%	26%
All Others	3%	7%
Total Collections	12%	11%

**Retail Trade.** Includes establishments engaged in selling (retailing) merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The retailing process is the final step in the distribution of merchandise, so retailers are organized to sell merchandise in small quantities to the general public.

**Wholesale Trade.** Includes establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. Wholesalers are organized to sell or arrange the purchase or sale of (a) goods for resale to other wholesalers or retailers, (b) capital or durable nonconsumer goods, and (c) raw and intermediate materials and supplies used in production.

**Accommodation and Food Services.** Includes establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption.

**Information.** Includes establishments engaged in (a) producing and distributing information and cultural products, (b) providing the means to transmit or distribute these products as well as data or communications, and (c) processing data.

**Construction.** Includes establishments primarily engaged in the construction of buildings or engineering projects (e.g. highways and utility systems). Establishments primarily engaged in the preparation of sites for new construction or in subdividing land for sale as building sites are also included in this sector.

**Utilities.** Includes establishments providing electric power, natural gas, steam supply, water supply, and sewage removal.

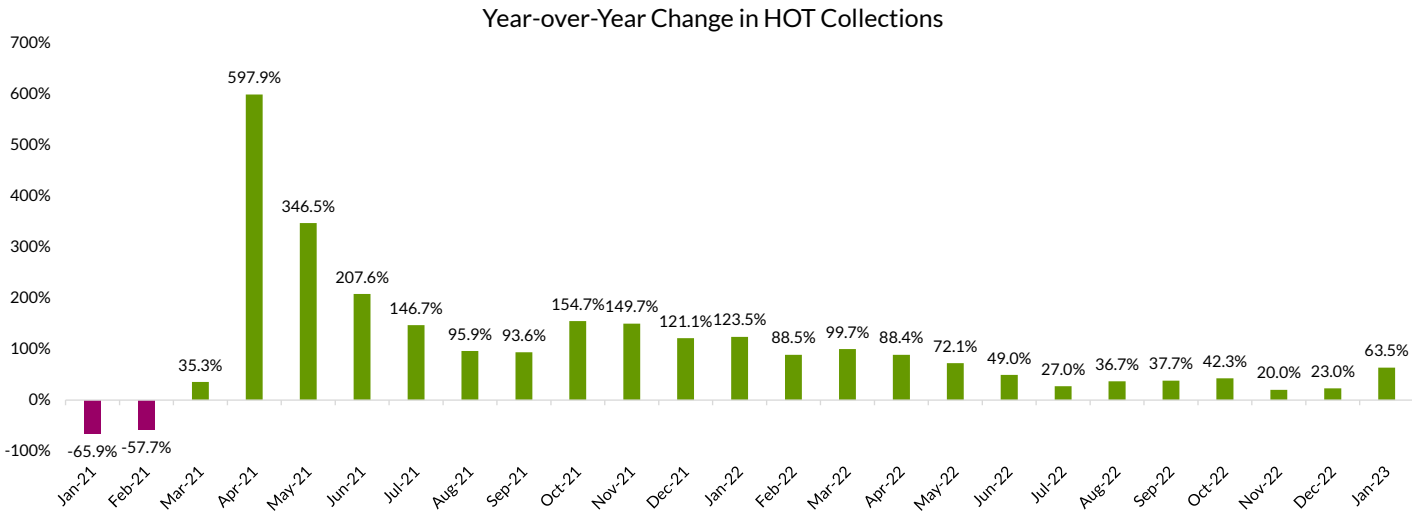
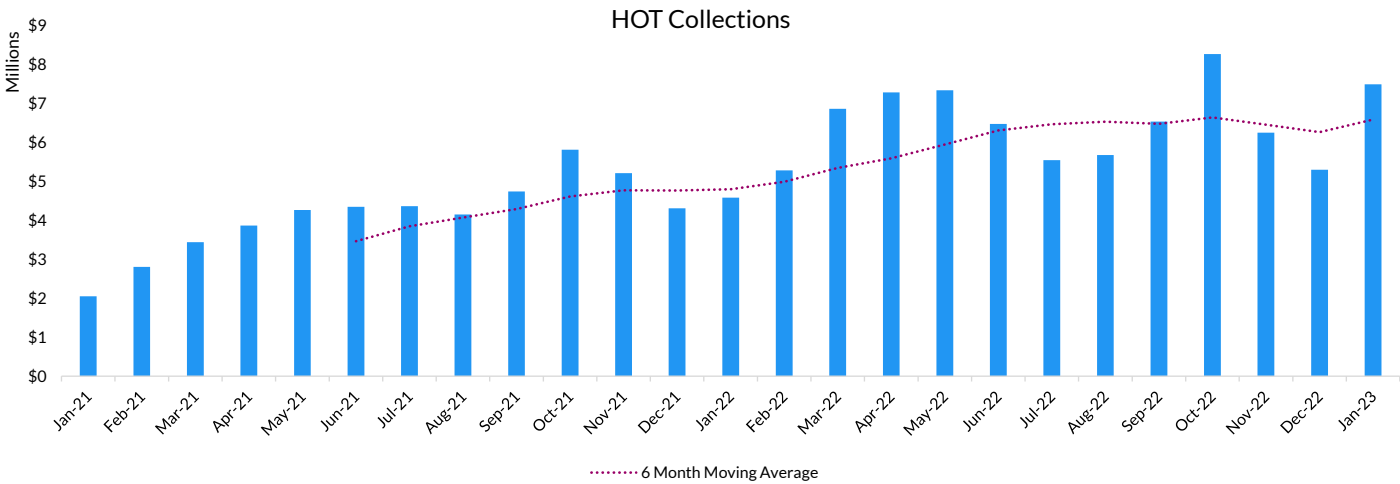
**All Others.** Includes but is not limited to manufacturing, professional and business services, financial activities, education and health services, and natural resources and mining.

FY 2022-23 Financial Forecast Report

# ECONOMIC INDICATORS

## Hotel Occupancy Tax

The City collects hotel occupancy taxes (HOT) on hotel, motel, bed and breakfast, and short-term rentals in the city limits. The HOT rate in Dallas is 15 percent of the cost of the room (not including food served or personal services not related to cleaning and readying the space for the guest)—six percent goes to the state, and nine percent goes to the City. Of the nine percent to the city, two percent is to be used for the Convention Center Expansion and the Fair Park Facilities Venue Projects and seven percent is allocated for Visit Dallas, Office of Arts and Culture, and Kay Bailey Hutchison Convention Center Dallas. HOT is the largest single revenue source for the Kay Bailey Hutchison Convention Center, and data is typically updated every two months.





FY 2022-23 Financial Forecast Report

# ECONOMIC INDICATORS

## Convention Center Event Bookings

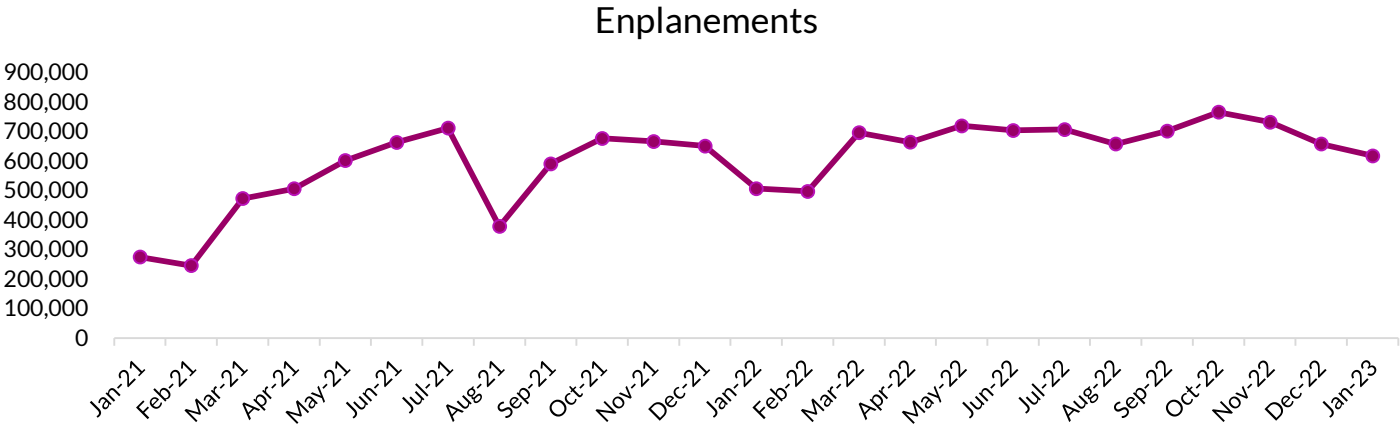
The table below lists the number of actual, planned, and forecast events at the KBHCCD for the last three fiscal years. Please note if no event takes place, it results in an equal reduction in revenue and expenses.

	FY21 Actual	FY22 Actual	FY23 Planned	FY23 Actual/Forecast*
October	3	6	10	10
November	1	5	2	2
December	2	9	11	12
January	1	4	7	5
February	0	10	9	9
March	2	13	7	7
April	1	8	5	5
May	6	6	9	9
June	7	11	9	9
July	7	4	10	10
August	4	8	5	5
September	5	10	4	4
<b>Total</b>	<b>39</b>	<b>94</b>	<b>88</b>	<b>87</b>

\* Due to shifts in cancellations and rescheduling, FY23 actuals for prior months may be updated.

## Love Field Enplanements

An enplanement is when a revenue-generating passenger boards an aircraft. Enplanements are the most important air traffic metric because enplaned passengers directly or indirectly generate 80 percent of Aviation revenues. Typically, Aviation generates only 20 percent of total operating revenues from non-passenger-related activities.

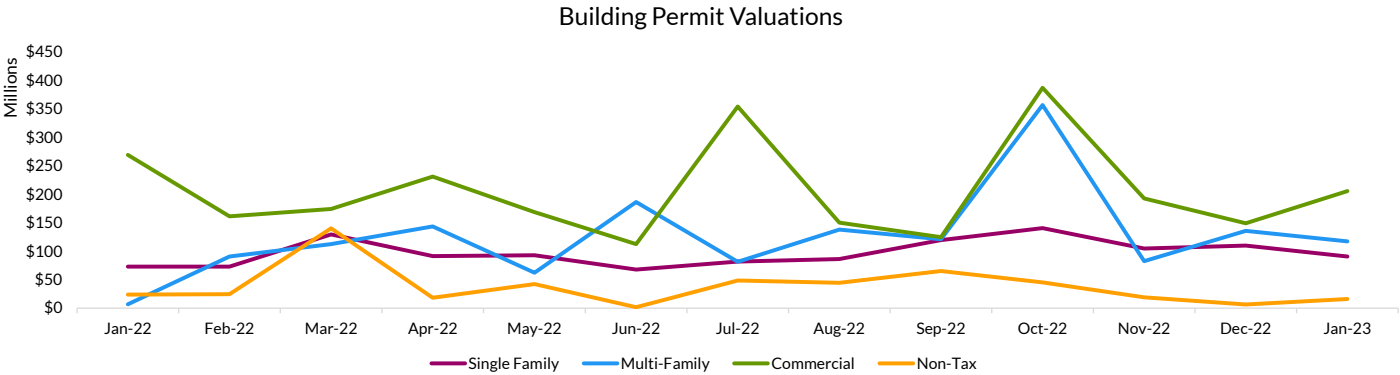
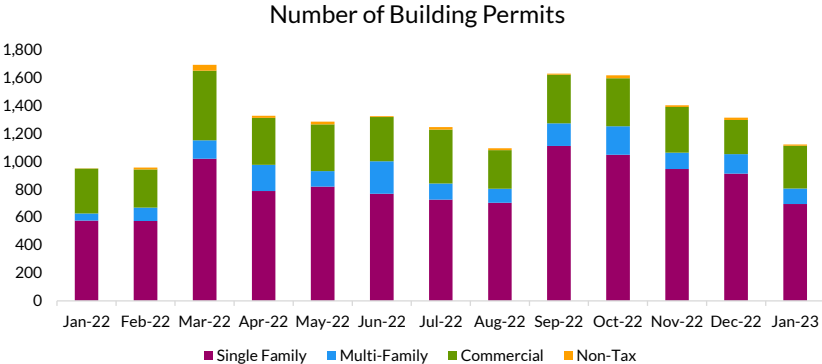


FY 2022-23 Financial Forecast Report

# ECONOMIC INDICATORS

## Building Permits

Building permits (required for all construction in Dallas) can provide insight into upcoming activity in the housing market and other areas of the economy. Permits are a key indicator of the confidence developers have in the economy; likewise, a decline can indicate developers do not anticipate economic growth in the near future. In some cities, this measure may be a leading indicator of property tax value growth, but in Dallas, the property tax forecast model includes other variables like wage/job growth, housing supply, gross domestic product, population, vacancy rates, and others.



# DALLAS 365

The Dallas 365 initiative aligns 35 key performance measures to our eight 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 2022-23 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, 2023.

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



#	Measure	FY 2021-22 Actual	YTD Target	YTD Actual	YE Target	YE Forecast
<b>Economic Development</b>						
1	Average number of business days to complete commercial permit application prescreen (Development Services)	5.7	5.0	2.0	5.0	5.0
2*	Percentage of next business day inspections performed on time (Development Services)	98.5%	98.0%	98.0%	98.0%	98.0%
3	Percentage spent with local businesses (Small Business Center)	36.7%	53.0%	59.0%	40.0%	40.0%
4	Percentage of dollars spent with local M/WBE businesses (Small Business Center)	84.6%	62.0%	60.0%	70.0%	70.0%
<b>Environment &amp; Sustainability</b>						
5	Percentage of CECAP actions underway annually (Office of Environmental Quality & Sustainability)	94.3%	54.6%	54.6%	75.3%	75.3%
6	Percentage of on-time bulk & brush collections (Sanitation Services)	99.9%	100.0%	100.0%	95.0%	95.0%
7	Residential recycling diversion rate (Sanitation Services)	18.6%	18.0%	18.0%	20.0%	20.0%

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

## FY 2022-23 Dallas 365

#	Measure	FY 2021-22 Actual	YTD Target	YTD Actual	YE Target	YE Forecast
<b>Government Performance &amp; Financial Management</b>						
8	Percentage of invoices paid within 30 days (City Controller's Office)	88.1%	92.0%	88.0%	92.0%	92.0%
9	Percentage of vehicles receiving preventive maintenance on schedule (Equipment & Fleet Management)	96.2%	91.0%	91.0%	90.0%	90.0%
10	Percentage of 311 calls answered within 90 seconds (311 Customer Service Center)	42.4%	60.0%	70.0%	60.0%	60.0%
11	Percentage of informal solicitation requests (<\$50k) processed within 15 business days (Procurement Services)	N/A	80.0%	9.0%	80.0%	80.0%
<b>Housing &amp; Homeless Solutions</b>						
12	Percentage of development funding leveraged by private sources (Housing & Neighborhood Revitalization)	85.6%	60.0%	0.0%	60.0%	60.0%
13	Percentage of unduplicated persons placed in permanent housing who remain housed after six months (Office of Homeless Solutions)	94.0%	85.0%	89.0%	85.0%	85.0%
14	Percentage of beds utilized under the Pay-to-Stay program (Office of Homeless Solutions)	98.6%	80.0%	141.3%	80.0%	80.0%
<b>Public Safety</b>						
15	Percentage of EMS responses within nine minutes or less (Dallas Fire-Rescue)	85.1%	90.0%	84.3%	90.0%	90.0%
16	Percentage of first company responses to structure fires within five minutes and 20 seconds of dispatch (Dallas Fire-Rescue)	87.5%	90.0%	90.4%	90.0%	90.0%
17*	Crimes against persons (Dallas Police Department)	2,302.0	2,000.0	2,179.0	2,000.0	2,000.0
18	Percentage of responses to Priority 1 calls within eight minutes or less (Dallas Police Department)	47.6%	60.0%	52.2%	60.0%	60.0%
19	Percentage of 911 calls answered within 10 seconds (Dallas Police Department)	96.4%	90.0%	98.2%	90.0%	90.0%
20	Complaint resolution rate (Office of Community Police Oversight)	82.2%	70.0%	71.2%	70.0%	70.0%
21	Percentage of crisis intervention calls handled by the RIGHT Care team (Office of Integrated Public Safety Solutions)	52.6%	60.0%	64.6%	60.0%	60.0%

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

## FY 2022-23 Dallas 365

#	Measure	FY 2021-22 Actual	YTD Target	YTD Actual	YE Target	YE Forecast
<b>Quality of Life, Arts, &amp; Culture</b>						
22	Percentage of litter and high weed service requests closed within SLA (Code Compliance)	83.6%	65.0%	82.7%	65.0%	65.0%
23	Percentage increase in dogs and cats fostered (Dallas Animal Services)	33.4%	5.0%	9.1%	5.0%	5.0%
24	Percentage of technology devices checked out monthly (Hotspots and Chromebooks) (Library)	77.3%	75.0%	76.3%	75.0%	75.0%
25	Satisfaction rate with library programs (Library)	99.0%	93.0%	98.1%	93.0%	93.0%
26	Percentage of cultural services funding to ALAANA (African, Latinx, Asian, Arab, Native American) artists and organizations (Office of Arts & Culture)	30.2%	25.0%	28.8%	32.0%	32.0%
27	Average number of recreation programming hours per week (youth, seniors, and athletic leagues) (Park & Recreation)	2,192	1,615	2,505	1,615	1,615
28	Participation rate at late-night Teen Recreation (TRec) sites (Park & Recreation)	68.0%	80.0%	31.0%	80.0%	80.0%
<b>Transportation &amp; Infrastructure</b>						
29	Percentage of bond appropriations awarded (ITD) (Bond & Construction Management)	85.6%	71.0%	71.6%	97.0%	97.0%
30	Percentage of planned lane miles improved (787 of 11,770 miles) (Public Works)	81.6%	1.0%	8.2%	100.0%	100.0%
31	Percentage of potholes repaired within three days (Public Works)	99.0%	98.0%	98.8%	98.0%	98.0%
32	Percentage of signal malfunction responses within 120 minutes (Transportation)	91.4%	91.0%	91.8%	91.0%	91.0%
33	Percentage of faded long line pavement marking miles improved (611 of 1,223 miles) (Transportation)	83.4%	0.0%	0.0%	50.0%	50.0%
<b>Workforce, Education, &amp; Equity</b>						
34	Percentage increase of original multicultural and multilingual content (on public, educational, and government) (Communications, Outreach, & Marketing)	40.2%	25.0%	620.0%	25.0%	25.0%
35	Percentage increase of workforce development grant participants in underserved populations (Small Business Center)	N/A	60.0%	59.9%	60.0%	60.0%

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

## FY 2022-23 Dallas 365

**VARIANCE NOTES**

**11** Due to POM staffing levels, informal solicitation requests are being carefully monitored to ensure processing within 15 business days. POM is working to address the performance variance by identifying temporary staffing to ensure timely solicitation reviews, stabilize ongoing workload, and reduce incurred delays. POM expects the percentage to improve in future reporting periods.

**12** No housing developments have been approved for funding by City Council this fiscal year. HOU brings developments to council as applications are received and processed. Winter tends to be a slower construction season. More applications are expected in the coming months.

**15** DFR continues to experience increased EMS response times due to a number of factors. Emergency call volume remains very high. Additionally, while DFR's EMS transport rate has historically been 40-45 percent, that figure is now over 60 percent. Increases in call volume and transport rates result in a decrease in the number of available units and an increase in unit hour utilization, which in turn cause increases in response times.

**17** Overall violent crime has increased to 5.99 percent for January 2023. With the focus on interrupting and disrupting violent people and places, DPD strives to continue to see a reduction in crimes against persons. DPD is targeting hot spots such as apartment complexes to decrease crime and is implementing the Place Network Investigations (PNI) plan as part of the Violent Crime Plan. DPD has seen a 20 percent decrease in Robbery offenses and a 17 percent decrease in Sexual Assault offenses, and overall crime is down. Total Crime is down (5.6) percent YTD by (500) offenses. There is an increase in Aggravated Assaults and this is due to single incidents having multiple complainants.

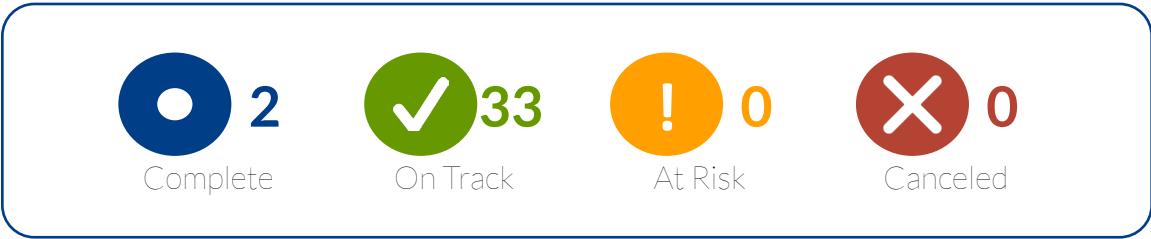
**18** DPD is 116 officers short of authorized positions and has resulted in an impact on call answering volume. One graduating class provided 21 officers to patrol staffing levels to assist with our departmental staffing goals. A recruit class began in January with 32 officers.

**28** Late Night Teen participation continues to be down due to programming only being offered on the first Friday of each month and lower levels of participation in the winter months. The TRec Program Coordinator was onboarded in January. Marketing initiatives are being developed for increased program participation as PKR approaches warmer spring months.

**30** Sixty four (64.8) lane miles have been completed out of 11,770 miles. PBW anticipates improved performance with the maintenance contract awarded in January (CR #23-0014).

# BUDGET INITIATIVE TRACKER

The Budget Initiative Tracker reports on 35 activities included in the FY 2022-23 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 track” 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).




## In the Spotlight

Like so many others, COVID-19 forced the Dallas Public Library to rapidly change and deploy a new service model in an effort to continue serving its communities. Three years later, Dallas City Council adopted the City Manager’s budget to re-introduce and expand library hours at fifteen branch locations across the city. City of Dallas’ libraries offer a plethora of resources, foster learning opportunities, welcome communities, engage residents and enhance their quality of life. Libraries are essential in providing education and workforce development, senior engagement, and poverty elimination. In FY 2022-23, Dallas Public Library hosted a two-day job fair and accepted 210 applications. On-site interviews were conducted which aided in filling all 55 new positions to support expanded hours. This expansion allows for increased children’s services, workforce development, SMART summer participation, and adult learning programs at each of these locations.



## FY 2022-23 Budget Initiative Tracker

**ECONOMIC DEVELOPMENT****1 Building Permit Process** 

**INITIATIVE** Reform the City's building permit process and improve the customer experience through investments in a new centrally located facility, enhanced technology, and expanded staffing. In FY 2022-23, Development Services will hire additional staff to expand the Project Dox Intake Division, add a Housing Team to improve quality inspections, and add a 2nd Q-Team to increase the timeliness of project completions. (DEV)

**STATUS** DEV purchased a centrally located building at 7800 N Stemmons that will be used as a "One Stop Permitting Shop". The building should be partially occupied during the late spring or early summer of 2023. DEV plans to deploy a second Q-Team and an Affordable Housing Team and have the Statement of Work for the new permitting software by February 2023. Of the 54 newly added positions, the department has filled 21 and will continue to work on filling the remaining open positions.

**2 City Development Code** 


**INITIATIVE** Overhaul the City's Development Codes (Chapters 51, 51A, and 51P) to develop a modern, updated, and user-friendly development code that is streamlined, consistent, clear, and aligned with all City plans and policies. In FY 2022-23, PNV will hire execute a consultant contract, work alongside the consultant to perform a technical analysis of the effectiveness of current development codes and begin the public engagement process to ultimately reduce the total land development timeline. (PNV)

**STATUS** Procurement for the consultant will close on February 10. The next steps will be to score, select, and negotiate the contract.

**3 Planning and Urban Design** 

**INITIATIVE** Provide critical administrative support to boards and committees supported by Planning and Urban Design. In FY 2022-23, PNV will hire four additional positions to provide administrative and technical support, which are key critical functions currently performed by planning staff, managers, and executive staff. (PNV)

**STATUS** Two positions were hired with start dates in March. One position is posted and closing soon with interviews to be conducted within the next few weeks. The final position will be posted within the next few weeks.

**4 City Auto Pound** 

**INITIATIVE** Pave the way for redevelopment of the Vilbig Auto Pound by fully implementing the terms of the service contract that includes wrecker dispatch, wrecker response, storage of vehicles, collection of fees, and disposition of unclaimed vehicles for non-evidentiary tows and implementation of fee changes for towing and storage. (DPD)

**STATUS** Implementation of the Auto Pound Management contract is underway. ITS is finalizing the first data extract for the transfer of current inventory to the new platform. OKTA/AutoReturn log in connectivity testing has completed and will begin working with ITS to begin implementation. Capital Improvements at the Ledbetter location are complete. Goodnight Ln. location fencing is 90 percent complete but DPD is waiting on permits before completing other capital improvements.



## FY 2022-23 Budget Initiative Tracker

**ENVIRONMENT & SUSTAINABILITY****5 Water Conservation Five-Year Work Plan** ✓

**INITIATIVE** Update the Water Conservation Five-Year Work Plan to be incorporated into the 2024 state required Water Conservation Plan and Long-Range Water Supply Plan that will update population, water demand and supply, and re-evaluate strategies to meet future needs for Dallas' water system. (DWU)

**STATUS** The contract to put together the water supply plan was awarded in fall 2022. A kick-off meeting will be held in February 2023 between consultants and the City team to establish final steps, deliverables, stakeholders, and modeling for technical strategies.

**6 Emerald Ash Borer (EAB) Mitigation** ✓

**INITIATIVE** Protect the City's tree canopy and slow the spread of Emerald Ash Borer (EAB) through a multi-departmental mitigation effort. In FY 2022-23, PKR will hire four positions for the Forestry EAB strike team to respond to Emerald Ash Borer deterioration effects and plant trees in city parks. In FY 2022-23, PBW will hire seven positions and focus on tree inventory and EAB treatments to slow the spread of EAB and develop a tree planting plan for citywide right-of-way and parkways. (PKR and PBW)

**STATUS** The EAB response plan has been initiated. The PKR staff Arborist will continue special assignment assessing and mapping ash trees on park properties. As of December the Arborist has surveyed about 300 parks and inventoried approximately 900 ash trees in the maintained portions of park properties. The Urban Biologist and City Forester positions continue working with the interdepartmental Forestry Technical Team. PKR will interview candidates for the Sr. Environmental Coordinator position in February 2023 with an anticipated hire date by spring 2023. The seven positions to be hired by PBW have been posted. Five positions have been filled, and the remaining two have been posted and are awaiting qualified candidates.

**7 Comprehensive Environmental & Climate Action Plan (CECAP) Outreach** ✓

**INITIATIVE** Develop a comprehensive multimedia outreach, education, and engagement program to provide information on environmental stewardship and sustainability, energy efficiency, and other related topics in the CECAP. In FY 2022-23, OEQ will implement effective community outreach in all areas of the City, including creative, media buys, banners, and other material to support greater community outreach and engagement efforts. (OEQ)

**STATUS** During the first three months of FY 2022-23 a vendor was selected to develop the marketing tool kit. The CECAP media plan is currently being consolidated into the overall OEQS department engagement plan and the effort will be facilitated by the OEQS Outreach and Engagement Team moving forward. The initial draft plan has been reviewed and there will be monthly meetings to refine and implement the media plan.

**8 Solar Energy Initiative** ✓

**INITIATIVE** Invest \$1.0 million in FY 2022-23 for a solar energy initiative, to install solar panels, energy efficient lighting, retrofit controls, and weatherization at City facilities; and invest \$500,000 for solar battery pack at a city facility. (BSD)

**STATUS** An RFP solicitation for a \$1M (\$500,000 Solar PV + \$500,000 Battery) Solar Photovoltaic and Battery Energy Storage System at the Bachman Recreation Center was opened on January 18 and closes on February 24. BSD is currently auditing the 8 resiliency centers, specifically focusing on ways to weatherize and increase energy efficiency, to determine the best use of the remaining \$500,000.

## FY 2022-23 Budget Initiative Tracker

**ENVIRONMENT & SUSTAINABILITY****9 Brownfield Program** 

**INITIATIVE** Further environmental justice efforts by setting aside \$1.5 million for educational programs and/or community-led solutions for environmental remediation projects as well as seed money for grants to build a brownfield program. In FY 2022-23, OEQ will hire two positions that will manage the program and develop a comprehensive Brownfields Program focused on community-informed solutions and potential Environmental Protection Agency (EPA) grants for environmental remediation projects to address brownfields throughout the city. (OEQ)

**STATUS:** One Environmental Coordinator position has been filled and the other is anticipated to be hired by March. Data Analytics & Business Intelligence has delivered a Dallas-based environmental justice screening tool to OEQ and staff is currently testing the tool to identify any needed modifications.

**10 Comprehensive Environmental and Climate Action Plan (CECAP)** 

**INITIATIVE** Continue advancement of various components of the CECAP including the neighborhood air quality program. In FY 2022-23, OEQ will complete the data platform and data qualification procedures to begin testing air quality in designated neighborhoods. (OEQ)

**STATUS** The first batch of monitors have been calibrated and deployed. The first three of eight are in the field and transmitting data from West Dallas and Dixon Circle. Staff are working with affected communities, Environmental Commission, and Council Members to schedule implementation of the remaining monitors in Joppa, Floral Farms, and Dixon Circle. Arrangements are being finalized for a monitor to be installed in the Joppa neighborhood, with a tentative installation of date of March 8, 2023. Additionally, a community meeting was held with the residents of the Floral Farms neighborhood on February 21, 2023. This meeting generated new information that staff is currently incorporating into future plans.

**11 Environmental Justice (EJ)** 

**INITIATIVE** With an emphasis on effectively addressing environmental justice, and the focus on using data to drive related policy, OEQ will hire one new Environmental Coordinator to develop, evaluate, and track environmental justice metrics for the department, and coordinate city-wide efforts association with EJ priorities, goals, and actions. The new position will work with other city departments to develop a Dallas-based EJ screening tool and help with the development of training to better ensure City staff integrate environmental justice into city work. (OEQ)

**STATUS** Human Resources is currently finalizing the job description for the Environmental Coordinator position. Hiring is anticipated by early spring 2023.

## FY 2022-23 Budget Initiative Tracker

# GOVERNMENT PERFORMANCE & FINANCIAL MANAGEMENT

## 12 Equipment and Fleet



**INITIATIVE** Achieve a state of good repair in five years for all City fleet vehicles, including sanitation trucks, fire apparatus, police cruisers, and heavy equipment vehicles used by Public Works and Dallas Water Utilities by investing \$72.6 million for the purchase of replacement and additional fleet and equipment. (EFM, DFR, DPD, SDM, DWU, and SAN)

**STATUS** DFR has approved the specifications for all the Engines, Trucks, and Ambulances that will be purchased with FY 2022-23 funds. One Engine has been ordered through general fund monies (approved budget amendment) and seven Engines, two Trucks, nine Ambulances, and three Wildland Type VI vehicles have been ordered from the remaining funding allocation. Purchase agreements for two remaining Ambulances are in the process of being finalized for a total of 11. DFR was recently awarded a grant from the North Central Council of Governments for the acquisition of three blocker vehicles (to be ordered and delivered in FY 2022-23) to protect residents, first responders, and emergency fleet units during freeway responses. EFM has ordered 188 units using department funds totaling \$29.1 million. Departments include CCS (18 units), CTS(3), AVI (1), DFD (9), DPD (101), DWU (3), EFM(1), OEM (1), PBW (13), PKR (4), SAN (33), SEC (1).

## FY 2022-23 Budget Initiative Tracker

**HOUSING & HOMELESSNESS SOLUTIONS****13 Addressing Homelessness** ✓

**INITIATIVE** Contribute \$25 million to leverage an additional \$47 million in public and private investment for an overall \$72 million program. The program employs housing navigation services, landlord incentives, rental subsidies, move-in kits, and case management to reduce and prevent homelessness, in partnership with Dallas County, the Dallas Housing Authority, the Metro Dallas Homeless Alliance, and other cities in Dallas County. The program began in FY 2021-22 and will be implemented over three years (FY 2021-22 – FY 2023-24). It is anticipated that over 2,700 individuals will be housed by the end of 2023. The third year (FY 2023-24) of the program will be focused solely on providing rental assistance and case management to those individuals housed in FY 2021-22 and FY 2022-23. (OHS)

**STATUS** The Dallas Rapid Rehousing Initiative has housed 1,610 individuals since its onset in October 2021 through January 2023. Of those individuals housed, 47% percent are from households consisting of adults with children and 53% percent are adults only. OHS is partnering with Housing Forward to launch the encampment decommissioning effort offering individuals in established encampments housing solutions.

**15 Healthy Community Collaborative (HCC) Program** ✓

**INITIATIVE** Invest \$1.5 million [including \$523,000 of new funding] to provide services to persons who are homeless and have a mental illness or who might also have co-occurring substance use or primary health care issues. In FY 2022-23, HCC anticipates serving 750 clients. (OHS)

**STATUS** From October 2022 to January 2023, the three organizations contracted by OHS have provided services for 525 clients.

**14 Homeless Action Response Team (HART)** ✓

**INITIATIVE** Launch a cross-departmental Homeless Action Response Team (HART) to deliver immediate interventions to expedite the improvement of unsafe encampments in need of immediate resolution, and address issues concerning panhandling. In FY 2022-23, implement a collaborative approach and hire seven positions in the Office of Homeless Solution, one position in the Office of Integrated Public Safety Solutions, seven positions in Public Works, four positions in Park and Recreation, two positions in Dallas Animal Services, four positions in Court and Detention Services, and eight positions in Code Compliance Services. (OHS, IPS, PBW, PKR, DAS, CTS, and CCS)

**STATUS** The departments involved in the HART initiative are currently all in various stages of filling positions. OHS hired seven positions in November; the IPSS position was filled and became operational in December; PBW has onboarded the supervisor position, the Crew Leader position has been filled and will start in January, four Street Maintenance Worker positions have been filled with January and February starts, and the remaining Street Maintenance Worker position has interviews scheduled for the end of March; PKR will be attending job fairs in January and February, is in the process of posting positions, and anticipates filling positions in mid-April; DAS positions were filled with current employees to move the HART initiative forward and they are using already procured vehicles while DAS works with EFM to purchase the vehicles allotted to DAS for HART. CCS has filled and onboarded four of their eight positions and plans to continue hiring efforts. While waiting on heavy equipment procurement, CCS's HART abatement team is working jointly with the Nuisance Abatement Heavy Clean Teams to cover the program's needs. CTS launched two teams in December with two existing Deputy Marshals, one new Deputy has been hired and is currently in the six-month training program, and the Marshal's Office is currently conducting interviews for the remaining positions. According to CTS, the two HART teams have visited 128 locations, cleaned up and/or closed 8 sites, and removed 37,700lbs of debris.

## FY 2022-23 Budget Initiative Tracker

**PUBLIC SAFETY****16 Police Response Times** ✓

**INITIATIVE** Improve response times to high priority calls by hiring 250 police officers in FY 2022-23 and implement retention incentive program targeted at reducing the attrition rate of experienced officers. (DPD)

**STATUS** A new Academy class started in December 2022 with 30 recruits and Class 384 graduated with 18 officers. Year to date, DPD has hired 31 officers with a goal of hiring 321 by the end of FY 2022-23. DPD anticipates ending the fiscal year with 3,200 officers, an increase of 116 officers from September 2022.

**17 Innovative Equipment and Technology** ✓

**INITIATIVE** Invest in the tools and technology to deliver effective and innovative public safety solutions within the Dallas Police Department. In FY 2022-23, DPD will integrate Automatic License Plate Reader (ALPR) technology into dash cameras installed in marked squad cars, replace over 4,000 portable and mobile radios, convert the public safety records management system to a web-based RMS system, and upgrade tasers to newer Taser 7 model. (DPD)

**STATUS** The portable radio replacement is scheduled to begin in February 2023 with the mobile radio upgrade to occur simultaneously. The new Taser 7 deployment is currently in the planning phase with a team of DPD and ITS personnel meeting weekly. DPD is currently assessing station infrastructure to ensure acceptable building conditions for charging stations.

**18 Single Function Paramedic Program** ✓

**INITIATIVE** Expand the Single Function Paramedic Program to increase recruiting flexibility, provide a more diverse workforce, improve response times, and increase operational efficiency. In FY 2022-23, DFR will invest \$3.2 million to begin conversion of five existing peak demand units into units staffed by certified uniformed paramedics whose sole focus will be to staff ambulances at peak hours of call volumes. (DFR)

**STATUS** The shift-based supervisors for the Single Function Paramedic units were put into service on February 15, 2023 to provide direct oversight for the two existing Single Function Rescues. Civil Service has closed applications and administered testing for new hires and will be providing a list of eligible candidates to DFR by the end of February. Timeline to hire new personnel is on track for the end of April.

**19 Inspection Life Safety Education Night Detail Team** ✓

**INITIATIVE** Effective safety begins with prevention and compliance with safety standards. In FY 2022-23, DFR will launch the ILSE Night Detail Team (sworn personnel) to educate, monitor, and inspect venues in the City's entertainment zones during their peak hours of operation. (DFR)


**STATUS** In the month of January, there has been an increased focus on conducting inspections in the Henderson/Greenville area in preparation for the St. Patrick's Day Parade. To date, \$20,347 has been collected in permits and fees. There have been 224 code activities that has resulted in 912 hazards identified. Additionally, the team has been able to follow up on Alternative Fire Watches (AFW), to ensure compliance with the Dallas Fire Code.

**20 City Facility Security Assessment** ✓

**INITIATIVE** In FY 2022-23, initiate \$2.9 million [of \$6.4 million allocated] of high-priority improvements identified through the City Facility Security Assessment including perimeter access control, security camera systems, radio systems, officer shelter space, vehicles access control, panic notification, lighting, weapons screening, security operating center upgrades, security staffing, and intrusion detection. (CTS)

**STATUS** CTS is continually receiving quotes and proposals for lighting, fencing, access controls and camera systems. As of January, CTS has encumbered \$1.2 million and expensed \$390,000 of the department's \$2.9 million ARPA allocation in FY 2022-23.

## FY 2022-23 Budget Initiative Tracker

**QUALITY OF LIFE, ARTS, & CULTURE****21 Proactive Team ("Pro Team")** 

**INITIATIVE** Proactively identify and abate illegal dumping sites before residents submit a service request by expanding the number of proactive teams from two to four teams assigned to each quadrant of the city. In FY 2022-23, CCS will hire sixteen positions, and develop a metric to track the effectiveness of the team. (CCS)

**STATUS** Hiring is in progress for the additional two proactive illegal dumping abatement teams. Out of the budgeted 16 positions, five have been onboarded and three are pending hires. CCS has developed performance measures for the Pro Teams that include 30 illegal dumping site abatements per week. Full deployment is scheduled for FY 2023-24 due to procurement of heavy equipment.

**22 Multi-Family Violence Crime Reduction Plan** 

**INITIATIVE** In FY 2022-23, add twelve [10 added as budget amendment] Code Compliance officers focused on the multi-family violent crime reduction plan in partnership with the Dallas Police Department and Integrated Public Safety Solutions. (CCS, and IPS)

**STATUS** Seven Code Compliance Officers have been hired as of February 1, 2023 and three offers have been extended for the remaining Code Compliance Officers. The teams are up and running as anticipated. Orientation and expected launch of all new staff are projected to begin late February.

**23 Expanding Library Access** 

**INITIATIVE** Provide Library access to invaluable resources, programs, and services. In FY 2022-23, LIB will hire 55 personnel and expand Library hours from five days per week to six days per week at 15 locations, expanding children's services, workforce development, SMART summer participation, and adult learning programs at those locations. (LIB)

**STATUS** The Library successfully filled all additional positions added in FY23 to expand hours at 15 locations. The extended hours begin January 17, 2023.

**24 Historic Resource Survey** 

**INITIATIVE** Invest \$1.0 million over the next two years to support a Historic Resource Survey and a strategic plan, which will identify historic resources, help determine what resources need to be preserved, and assist in guiding and developing local ordinances and planning efforts for preservation. In FY 2022-23, OHP will invest \$500,000 to start implementation of the survey and strategic plan. (OHP)

**STATUS** OHP has applied for a grant to increase funding for the Historic Resources Survey. The department anticipates contracting with HR&A Advisors in February to provide services to begin this work.

## FY 2022-23 Budget Initiative Tracker

**TRANSPORTATION & INFRASTRUCTURE****25 Sidewalk Master Plan** 

**INITIATIVE** Continue improving pedestrian mobility by reconstructing and repairing sidewalks in the Sidewalk Master Plan. In FY 2022-23, PBW will spend \$5.0 million in bond funds (certificate of obligation bonds), \$1.0 million in Community Development Block Grant (CDBG) funds, and \$0.3 million from the General Fund to complete 17 sidewalk projects, which equates to approximately 14.25 miles of sidewalk improvements. (PBW)

**STATUS** As of January, PBW has spent \$350,400 of its General Fund appropriations to complete three sidewalk projects and 1.89 lane miles of sidewalk improvements to date. PBW anticipates spending \$272,000 to complete 3.00 miles of sidewalk improvements in January, spending \$500,000 to complete 1.00 miles of sidewalk improvement in February, and spending \$700,000 to complete 1.15 miles of sidewalk improvements in March. After March, PBW is on track to complete the remaining 9.44 miles of sidewalk improvements by the end of September.

**27 Vision Zero Action Plan** 

**INITIATIVE** Invest funding in Dallas's mobility infrastructure, emphasizing a system focused on life-saving improvements, and infrastructure solutions that reduce the risk of serious incidents. In FY 2022-23, TRN will hire an Engineer and focus on low-cost improvements that include safety evaluations for streets prone to high rates of injury, road safety improvements, and a citywide speed limit evaluation. (TRN)

**STATUS** The Engineer started with the Planning division in December and has been working on low-cost improvements for safety evaluations, road safety, and city wide speed limit evaluation.

**29 Crosswalks** 

**INITIATIVE** This initiative began in FY 2021-22 and will be implemented over two fiscal years. In FY 2022-23, TRN will spend \$2.5 million (of \$5.0 million allocated) to restripe 320 lane miles and paint 864 crosswalks. (TRN)

**STATUS** Longline restriping and crosswalks are scheduled to start in April. TRN is on track to complete restriping of 320 miles and painting of 864 crosswalks by year end. \$2.5 million has been contracted with the vendor.

**26 Bridge Maintenance** 

**INITIATIVE** Implement an Annual Bridge Maintenance Program to address over 600 bridges and culverts inspected by the Texas Department of Transportation on a bi-annual basis. In FY 2022-23, PBW will spend \$3.4 million to maintain 20 bridges and set aside existing funding of \$1.0 million for emergency repairs. (PBW)

**STATUS** Construction on bridge maintenance began in January with invoices for expenses expected to be submitted in February. Maintenance on three bridges were completed in January, two are planned in February, and the remaining 15 are on track to be completed by September 2023. PBW received City Council authorization in November to spend \$334,250 on emergency repairs for State Highway 356 Bridge and will request authorization in February to spend \$569,500 on emergency repairs to Ron Kirk Pedestrian Bridge.

**28 Traffic Signals** 

**INITIATIVE** Devote \$14 million over three years to leverage over \$50 million in matching federal funds to replace 100 traffic signals as part of our Vision Zero Action Plan. This initiative was started in FY 2021-22 and implemented in three phases. In FY 2022-23, TRN will spend \$2.1 million to design 44 traffic signals to leverage federal and county funds. (TRN)

**STATUS** As of January, TRN received the match fund agreement from TxDOT for the design of 44 signals in total and will be going to City Council for approval in April. The project to replace traffic lights will be a multi-year effort.



## FY 2022-23 Budget Initiative Tracker

**TRANSPORTATION & INFRASTRUCTURE****30 School Zone Flashing Beacons**

**INITIATIVE** Replace 1,000 outdated school zone flashing beacons with state-of-the-art technology to protect students as they walk to school. This initiative began in FY 2021-22 and will be implemented in three phases. In FY 2022-23 spend \$2.5 million to procure equipment and complete installation for 500 school zone flashing beacons. (TRN)

**STATUS** As of January, 180 flashing beacons have been installed. TRN expects to complete installation of the 500 school zone flashing beacons by year end.

**31 Bike Lanes**

**INITIATIVE** Extend and improve the bike lane network throughout the city with an increased annual investment to \$2.5 million to design and/or implement approximately 10 lane miles of bicycle facilities per year. (TRN)

**STATUS** The bike plan consultant continues work and as expected, City Council consideration of the bike plan update is anticipated in Summer 2023. The bike plan update will inform the strategic bike lane locations to implement in the coming years. In the meantime, engineering work is being finalized on several bike lane projects with a plan for implementation in the coming months, utilizing in-house resources. Transportation staff is coordinating with the City Attorney's Office to develop a bike lane engineering contract structure that allows flexibility for upcoming projects, while complying with federal, state, and city procurement guidelines.



## FY 2022-23 Budget Initiative Tracker

**WORKFORCE, EDUCATION, & EQUITY****32 Mentor Protégé Program** 

**INITIATIVE** Establish a mentor protégé program to support equity and capacity building of small and emerging businesses. (SBC)

**STATUS** Applications for the SBC Mentor Protégé Coordinator position were reviewed in early January. Staff is also working to complete the procurement for the proposed vendor for the Mentor-Protégé Match Making system. A planning meeting to strategize the recruitment was held on January 17.

**33 Equity Education Through Engagement** 

**INITIATIVE** Hire a new Public Engagement Coordinator to effectively communicate the City's equity initiatives, programs, services and events through public awareness, outreach, engagement, and transparency. (OEI).

**STATUS** OEI plans to post the Public Engagement Coordinator position in January 2023 and anticipates a March start date.

**34 Accessibility** 

**INITIATIVE** Advance the City's compliance with the Americans with Disabilities Act by continuing to complete building assessments, review departmental policies, and provide employee training. In FY 2022-23, OEI will complete approximately 20 assessments. (OEI)

**STATUS** OEI is continuing ADA building assessments and of the 20 assessments planned, 10 completed during 2022 have revised reports being reviewed by OEI staff and 6 additional buildings have been reviewed in 2023. The department review, consisting of the collection and review of department programs, services, and activities, has been completed. OEI has received back 100% of the ADA Department surveys and department interviews are anticipated to follow in in the next few months. Online ADA training courses are being reviewed and staff will arrange for stakeholder input before the training course is finalized. Online training is anticipated in early 2023.

**35 Bridging the Digital Divide** 

**INITIATIVE** Expand efforts to bridge the digital divide by allocating \$2.0 million for Digital Navigators to make internet access to individual households affordable, install reliable computer hardware, and enhance digital literacy skills and training. (CMO)

**STATUS** Staff completed the evaluation and review of proposals submitted for the RFCSP for Digital Navigators and City Council is scheduled to award the contract in February 2023.

FY 2022-23 Budget Initiative Tracker

# MULTI-YEAR INITIATIVES

While most initiatives can be completed in a single fiscal year, several FY 2018-19, FY 2019-20, and FY 2020-21 initiatives required additional time because of the scope and term of the project, as well as delays due to COVID-19. We will continue to report the status of these seven initiatives below, using the initiative numbers from the prior reports for reference.



## FY 2018-19

### 23 Historic Resource Survey (FY 19)

**INITIATIVE** Devote \$100,000 to conduct a historic resource survey with private partners. (OHP)

**STATUS** OHP staff and external consultant presented the final report to the Landmark Commission on May 2, 2022 and to the City Plan Commission on June 2, 2022. OHP is working with the contracted organization on completing the presentation during the FY 2022-23. Concurrently with adoption, the ordinance regarding demolition delay overlays will be amended to include the Historic Resources Survey. This is being addressed currently, but there is not a projected completion date at this time.

## FY 2021-22

### 1 Economic Development Entity

**INITIATIVE** Launch the economic development entity called for in the Economic Development Policy with \$7 million over three years to pay formation costs and hire staff to begin the entity’s business and real estate development work, after which it will be self sustaining. In FY22, ECO will spend \$2.0 million to launch operations, hire a new Economic Development Corporation Director, develop a 3-year work plan, and develop an operational budget for Year 2 (FY 2022-23) and Year 3 (FY 2023-24). (ECO)

**STATUS** City Council approved creation of the Economic Development Corporation (EDC) on January 12, 2022, and the certificate of formation was filed with the State of Texas in February. The City Council approved the initial Board of Directors to the EDC on August 24, 2022. In January 2023, the EDC board prioritized the following for the upcoming year: hiring a search firm to hire an EDC Director, hiring a EDC director, and developing a strategic plan and funding plan (including budget). The search committee met earlier this month and the language for the RFP for the search firm has been drafted with the anticipation of being sent out in March 2023.

### 6 Comprehensive Food & Urban Agriculture Plan

**INITIATIVE** Prioritize Dallas communities’ access to healthy, local food by contributing \$200,000 to implement a Comprehensive Food & Urban Agriculture Plan in collaboration with external stakeholders. (OEQ)

**STATUS** OEQS staff are continuing efforts under the contract for the Comprehensive Food & Urban Agriculture Plan, including internal and external engagement with over 35 different farms (both community and commercial scale) and other Dallas food stakeholders. OEQS staff are also working with the City’s internal Food Equity Working group and the Office of Procurement efforts to pilot a project to provide small growing units for food desert homes. Once implemented, the units will be deployed on a rolling basis. On February 20 and 21, Dallas Inner City Growers Summit was convened at the Briscoe Hall at the Texas State Fairgrounds. About 150 people attended and heard presentations about farm finance, growing, farm to market opportunities, as well as walking farm tours. A post-event survey was distributed to assess feedback for programmatic planning.

## FY 2022-23 Budget Initiative Tracker

**MULTI-YEAR INITIATIVES****8 Water Distribution System** ✓

**INITIATIVE** Enhance monitoring for lead and copper in the water distribution system and develop a plan to educate and support customers in regulatory-driven programs for lead and copper monitoring within schools, childcare centers, and public spaces. In FY22, DWU will hire two FTEs and spend approximately \$75,000 to develop an outreach plan and procedures to sample both schools and day care operations; develop a data management and reporting procedure to comply with the new regulations; and begin initial sampling in the second quarter of 2022 with a goal of 50 sites sampled by September 30, 2022. (DWU)

**STATUS** The Water Quality Group has dedicated 2 FTE's for the purpose of supporting the new Lead and Copper Rule Revisions (LCRR). These two positions are developing a Service Line Inventory that will aid in identifying lead services in need of replacement. The official sampling per TCEQ requirements can begin after the lines are inventoried, which will be after October 2024. Water Quality is also developing a Lead and Copper Sampling Program for Schools and Childcare facilities and contacting these facilities to offer educational material and opportunities for free testing of lead and copper ahead of the October 2024 compliance start date of the LCRR. Currently, there are 401 Public and Charter Schools, 93 Private Schools and 458 Childcare and Daycare centers. The Water Quality group continues to offer free lead sampling when requested by any customer.

**13 Affordability Housing Units** ✓

**INITIATIVE** Incentivize developers to build affordable housing by subsidizing \$10 million worth of water and sewer infrastructure required for up to 250 new affordable single-family and 1,000 multifamily units over the life of the program (based on the mix of projects and the amount of funding requested). The program will be implemented from FY 2022-22-FY 2023-24 with new units projected in years 2 and 3 due to construction timelines. (HOU)

**STATUS** Housing is implementing this new funding along with other measures through the existing Notice of Funding Availability. On January 12, 2022, City Council approved the first project utilizing these funds, providing \$1.8 million to be used for water infrastructure related to the development of 125 for-sale single family homes. On August 24, 2022, City Council approved the second project using these funds, authorizing \$4.1 million in ARPA funds to Cypress Creek at Montfort, a mixed-income multifamily development in District 11. Both developments are still undergoing predevelopment processes and have not yet begun construction. Housing has also reallocated \$1.5 million of these program funds to support the ARPA Neighborhood Revitalization Program.

**14 Preservation of Affordable Housing** ✓

**INITIATIVE** Devote \$11.3 million for the preservation of affordable housing and investment in water and sewer infrastructure in qualified census tracts. In FY 2021-22, HOU will spend \$2 million for neighborhood infrastructure and \$2 million to preserve 20 housing units. (HOU)

**STATUS** In December 2021, City Council approved the program design to use ARPA funding for home repairs and infrastructure improvements within specific qualified neighborhoods in Dallas. The application opened in May 2022. The program has received 72 applications and staff has so far committed \$1,413,821 across 16 homes. Due to the success of the program, Housing and City Council have increased the funding available for this program by moving \$1.5 million from the ARPA development budget into the home repair program. Three councilmembers have committed \$1.35 million in discretionary funds, and a partnership with DWU has added over \$2 million into this program.

**19 Non-Emergency Enforcement** ✓

**INITIATIVE** Alleviate Police Department call volume by transferring non-emergency calls such as handicapped/fire lane parking enforcement and street blockage clearance from DPD to the Department of Transportation. (DPD, and TRN)

**STATUS** Parking violations services have been fully transferred from DPD to TRN. Road blockage calls began a partial transfer in January 2023 with an anticipated full transition in April.

## FY 2022-23 Budget Initiative Tracker

**MULTI-YEAR INITIATIVES****27 Wi-Fi at Park Facilities** ✓

**INITIATIVE** Install Wi-Fi at 63 park facilities. (PKR)

**STATUS** The cabling installation of the 14 high priority sites was completed in December 2022. PKR is waiting for the vendor's master agreement extension, then cabling and port installation can continue. The estimated delivery time of the network equipment for the remaining 49 WiFi locations is summer 2023.

**29 Traffic Signals** ✓

**INITIATIVE** Devote \$14 million over three years to leverage over \$50 million in matching federal funds to replace 100 traffic signals as part of our Vision Zero strategy. In FY22 spend \$3.5m to design 46 traffic signals to leverage federal and county funds

**STATUS** As of January, TRN received the match fund agreement from TxDOT for the design of 44 signals in total and will be going to City Council for approval in April. The project to replace traffic lights will be a multi-year effort.

**32 Bike Lanes** ✓

**INITIATIVE** Extend and improve our bike lane network throughout the City with an annual investment of \$2 million to design and/or implement approximately 18 lane miles of bicycle facilities per year. (TRN)

**STATUS** As of December, 9.0 lane miles are under design and 2.8 lane miles are being installed or installation is complete for a total of 11.8 lane miles.

**34 Accessibility** ✓

**INITIATIVE** Implement software system to track identified American Disabilities Act (ACA) compliance issues and barrier removal costs. (OEI)

**STATUS** OEI, ITS, and the proposed ADA software vendor have confirmed the ADA tracking program is compatible with the City's systems and meets security requirements. A demonstration of the software and testing of a comparative ADA tracking program have been completed. ITS has completed the documentation process and assigned an ITS project manager for the software integration and implementation. The purchasing and procurement process is planned for winter 2023.

**35 Water/Wastewater Service** ✓

**INITIATIVE** Accelerate the extension of water and sewer services to all 47 occupied and unserved areas of the City (DWU). In FY 2021-22, DWU will award approximately \$9.5 million for the design of 211,219 feet and construction of 9,960 feet of new pipelines in Mesquite Heights, Killough Blvd & Wasco Lane, and Gooch Street areas. (DWU)

**STATUS** Engineering work for the remaining occupied and unserved areas began in February 2022 and includes the design of approximately 211,219 feet of new pipelines to the remaining unserved areas. Upon completion of design, these projects will be packaged and awarded for construction beginning in FY 2022-23. Construction in the University Hills area is expected to start in October 2022. In addition, approximately 11,146 feet of new pipelines to four unserved locations that were designed in-house was awarded on November 9, 2022.

# PROCESS IMPROVEMENT

The Process Improvement Team seeks to build a culture of continuous improvement throughout the City of Dallas, partnering with departments to leverage data and research-based best practices for transformative operational success today while laying iwth foundation for future innovation.

The Process Improvement Team has focused on building awareness among departments, creating an organization-wide framework for process improvement, and establishing a cross-functional knowledge base for greater inter-departmental coordination. The following table summarizes current Process Improvement projects for FY 2022-23 which will be reported as Complete, On Track, Delayed, Cancelled, or Pre-Kickoff.

The Baseline for Key Performance Indicators is the starting point of metric to engage success for completing projects. Additional projects will be added to the list throughout the course of the fiscal year.



**Project Status**



**2**  
Complete



**4**  
On Track






**1**  
Delayed








**1**  
Cancelled



**0**  
Pre-Kickoff

#	Measure	Status	Timeline	Key Performance Indicators		
				Measure (Target)	Baseline	Current
1	<b>SFD Building Permit Process</b> Decrease building permits issuance lead time for single-family residential developments (DEV)		Feb 2022 - TBD	Permit Application Internal Processing Time (12 days)	29 days	TBD
			<b>Status Update:</b> Action items from the Rolling Action Items List have been submitted for work through ITS team and all enhancements are being worked in to the project management schedule. Project manager has been assigned and is being implemented.			
2	<b>DPD Workload Optimization</b> Assess current operational demands to identify process improvement opportunities for workload management (DPD)		Jan 2022 - TBD	TBD	TBD	TBD
			<b>Status Update:</b> Final strategies are being developed with the DPD team. Access to data has been identified as an opportunity for workload management. The Process Improvement team is actively engaged.			
3	<b>DFR Workload Optimization</b> Assess current operational demands to identify process improvement opportunities for workload management (DFR)		Jan 2022 - TBD	TBD	TBD	TBD
			<b>Status Update:</b> Several different strategies have been developed and are being vetted by the DFR team. Following the vetting process, leadership will present the most viable strategies for consideration. Timeline extended due to awaiting DFR leadership decision.			

# PROCESS IMPROVEMENT

#	Measure	Status	Timeline	Key Performance Indicators		
				Measure (Target)	Baseline	Current
4	<u><b>New Employee Onboarding</b></u> Document the current process and make the documented steps detailed enough for everyone involved to understand and follow. Establish Customer Survey for hiring managers and new hires (HR)		Aug 2022 - Dec 2022	Percentage of hiring managers providing survey feedback to HR (15%)	0%	TBD
			<b>Status Update:</b> Project complete. Open action items and out of scope action items have been turned over to the Human Resources and Civil Service team. The team has transitioned to a continuous improvement phase that will include ongoing review of data and ongoing implementation of process improvements.			
5	<u><b>Contract Review and Execution</b></u> Decrease contract review and execution lead time in order to minimize costs to the City and improve quality of procurement services from vendors. (OPS)		June 2022 - March 2022	Average number of contract development days (90 days)	190	TBD
			<b>Status Update:</b> This project was cancelled and will be internally managed by the Office of Procurement Services.			
6	<u><b>Risk Review &amp; Certificate of Insurances</b></u> Decrease the number of days and rework to process Risk Reviews and Certificates of Insurance (ORM)		Aug 2022 - March 2023	Days and time to process Risk Reviews and Certificates of Insurance, Reduce amount of backlog	TBD	TBD
			<b>Status Update:</b> The software used for Risk Review information is being customized to better serve ongoing improvements. Executive leadership has approved additional changes to be included for new business processes and standard operations developments. This project is forecast to be complete by the end of March 2023. The project completion date was extended from December 2022 to March 2023.			
7	<u><b>"Lew Sterrett Officer Turnaround Process"</b></u> Decrease the amount it takes to write arrest reports		Dec 2022 - June 2023	Streamline arrest reporting to minimize cycle time while maintaining effectiveness and accuracy.	TBD	TBD
			<b>Status Update:</b> Executive kick-off meeting scheduled for early March.			
8	<u><b>Water/Wastewater Permit Process</b></u> Reduce cycle time of Water/Wastewater Permit Application Process to decrease overall building permit lead time (DEV/DWU)		Nov 2021 - March 2022	Permit Application Cycle Time (1 day)	45 days	1 day
			<b>Status Update:</b> Complete and continuing to track progress. DEV, DWU, and BMS are working to create/document training processes to ensure project results are maintained. This process improvement will be reported until training documents are complete.			



# Memorandum



CITY OF DALLAS

DATE March 17, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Technology Accountability Report – February 2023**

Please find attached the Technology Accountability Report (TAR) based on information through February 28, 2023. The TAR is a progress report reflecting the performance and operational status of the city in purchasing, implementing, operating, and securing technology to achieve the city's priorities and service objectives.

If you have any questions, please contact William (Bill) Zielinski, Chief Information Officer and Director of Information & Technology Services.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland  
Chief Financial Officer

c: Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billieae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors



# Technology Accountability Report (TAR)



City of Dallas

**As of February 28, 2023**

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**Prepared by Information & Technology Services**

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**1500 Marilla Street, 4DS  
Dallas, TX 75201**

**214-671-9868**

# Executive Summary

The highlights of the February 2023 Technology Accountability Report (TAR) include:

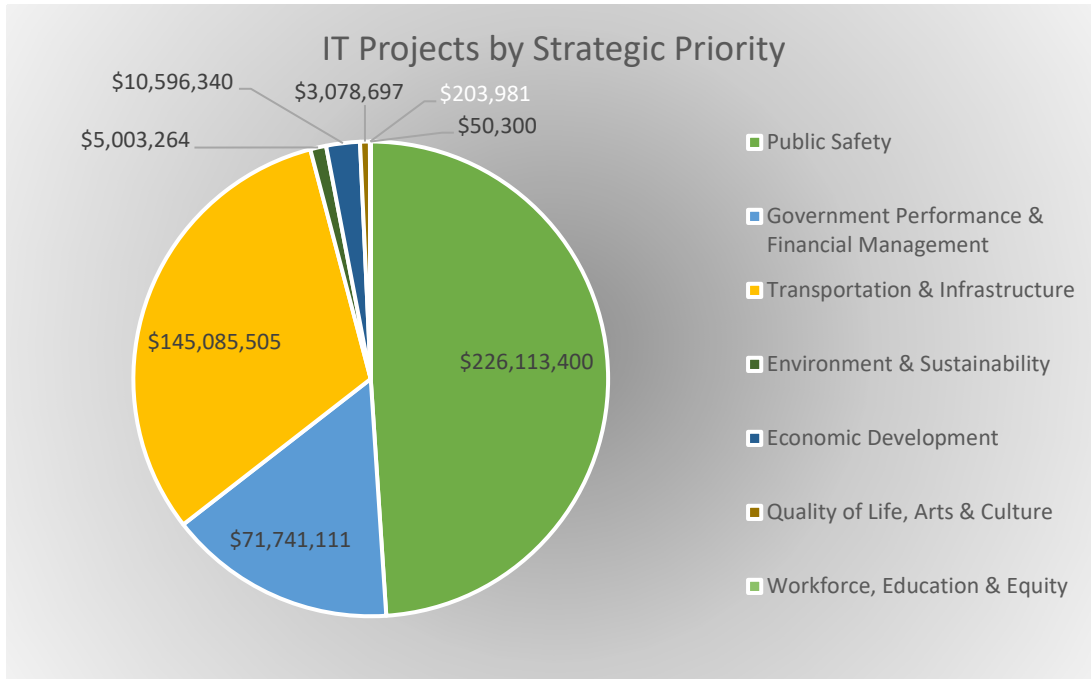
- Section 1: IT Programs & Projects – Two data points have been added to the list of major projects providing information regarding projects. First is the estimated project cost has been appended parenthetically to the project description. The second is that an additional column providing additional project attributes has been added for the major projects. For the month of February, projects which will actively reduce technical debt present in the City’s technology environment to allow Council to more readily identify those technology investments that will serve to reduce risk by removing or remediating technical debt.
- Section 1: IT Programs & Projects – During February 2023, one major project was completed and removed from the report:
  - The **Flock Safety** project replaced, upgraded, and augmented the inventory of City Automated License Plate Reader (ALPR) cameras and platform. While it is anticipated that additional ALPR cameras will be added to the inventory, the initial phase to replace and upgrade the City’s current platform has been completed and the project closed out.
- Section 1: IT Programs & Projects – During February 2023, seven projects were approved through the Information Technology Governance process and added to the project pipeline. With these additional approved projects, the project pipeline increases to 121 active IT projects with a total estimated cost of \$461 million. As these new projects are launched, project delivery and timelines will be further defined, and they will be added to the major project list and tracked in future TAR reports as appropriate.
- Section 2: IT Operations – Additional details and breakdowns of incidents and impacted departments has been added.
- Section 4: Cybersecurity Programs – Updates for the annual cyber security awareness training and additional data on website requests blocked by screening tools.
- Section 5: IT Infrastructure – New information regarding assessment of technical debt present in the technology environment.

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# Section 1: IT Programs & Projects

## A. Project Pipeline

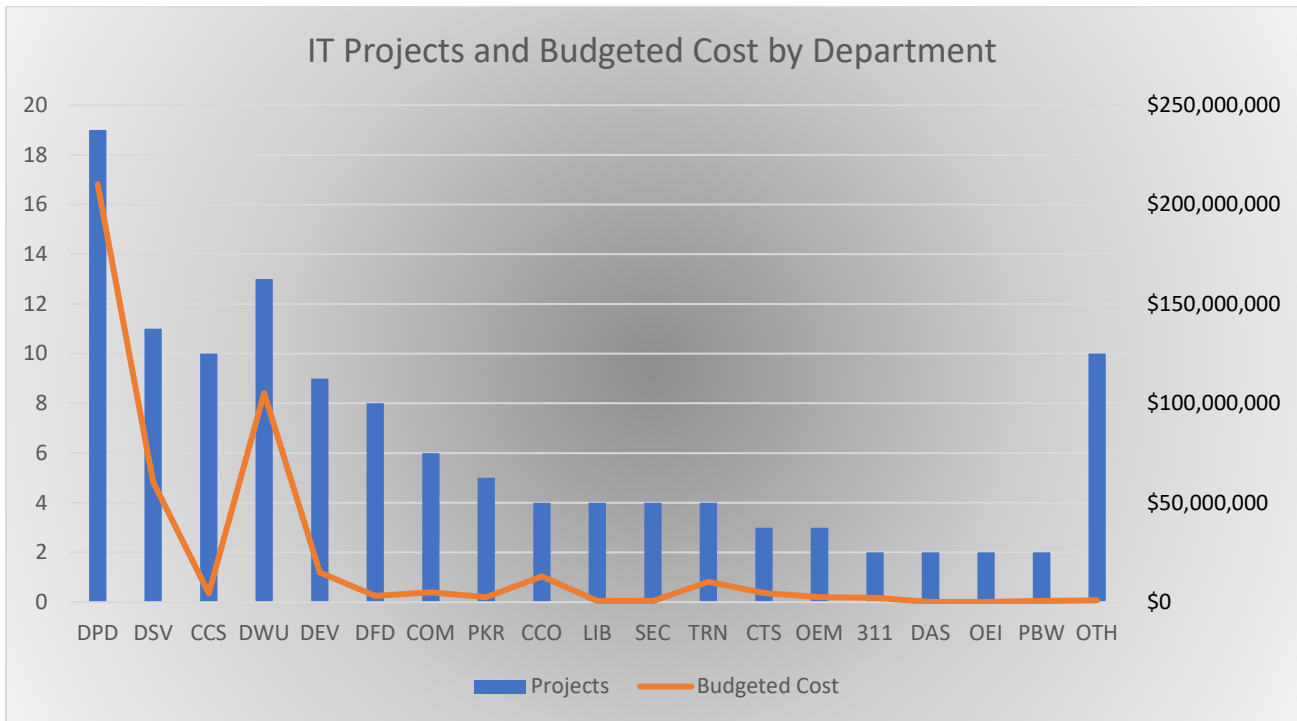
### 1. IT Projects by Strategic Priority



#### NOTES:

1. As of 02/28/2023, ITS has 121 approved IT projects in the pipeline.
2. The total budgeted costs for the 121 projects are \$461,872,598.
3. Project pipeline includes at least one project aligned to every one of the identified 8 strategic priorities.
4. The highest number of active IT projects are aligned to the Public Safety Strategic Priority with a total of 33 projects at a total budgeted cost of \$226.1M, followed by Government Performance & Financial Management with a total of 31 projects at a total budgeted cost of \$71.7M, Transportation & Infrastructure with a total of 19 projects at a total budgeted cost of \$145M, and Environment & Sustainability with 13 projects at a total budgeted cost of \$5M.

2. IT Projects and Budgeted Cost by City Department



**NOTES:**



1. 26 City Departments are represented across the 121 approved IT projects in the pipeline.
2. Dallas Police Department has 19 active projects at a total budgeted cost of \$213.6 million, followed by Information & Technology Services with 11 projects at a total budgeted cost of \$48.3M, Code Compliance with 10 projects at a total budgeted cost of \$4.7M, Dallas Water Utilities with 13 active projects at a total budgeted cost of \$130.7 million, and Development Services with 9 active projects at a total budgeted cost of \$10.2M.
3. 10 Departments have 1 active project each, making up the Other (OTH) group in figure 2 above.

## B. Major Project Status



**\*\*LEGEND:**

- **Cancelled:** The project has not finished, and work on the project will not continue.
- **Completed:** Work on the project has finished, and all deliverables/tasks have been completed.
- **Delayed:** The project is still active, but we have passed the initial estimated completion date.
- **In Process:** The project is currently being worked on by the project team.
- **On Hold:** The project has not finished, and work on the project has been suspended.
- **Ongoing:** The project consists of multiple phases or is an operational project. Some portions have been completed, but the project has not fully reached fruition.

-  : Addresses technical debt



#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
1.	Enterprise Contact Center (ECC) Solution	The Enterprise Contact Center application within the City of Dallas is a secure, reliable, and scalable call platform to meet the high call volumes and growth to meet the needs of city residents. The ECC includes Natural Language Processing (NLP), Knowledge Base, Workforce Management, Interactive Voice Response (IVR), Courtesy Call Back, and other core call center capabilities to support multiple departments across the city. <b>(\$2,134,245)</b>	GPFM	311	Jun-23	In Process	
2.	Ethics Point Salesforce Integration	The purpose of this system is to promote and support ethical financial compliance. <b>(\$63,164)</b>	GPFM	ATT	Dec-23	In Process	
3.	Core Financial System Upgrade	The CG Advantage 3 system is utilized by all departments within the City for processing and recording of all budget, procurement and financial accounting transactions and interfaces with many enterprise business applications. This major upgrade will move the City's core financial system to a cloud-based solution providing advanced capabilities and incorporating modern technologies such as robotic process automation (RPA) and machine learning (ML) to improve the quality and speed of financial transactions. <b>(\$11,823,168)</b>	GPFM	CCO	Apr-24	In Process	
4.	Code Case Management System Phase 2 (Boarding Homes)	CCMS Phase 2 provides Code Compliance Services (CCS) with an application to support all operational, mobility, integration with 311 CRM/SAN/CTS, and other supporting departments, in managing service requests from city residents. <b>(\$344,858)</b>	Environment & Sustain	CCS	Apr-23	Delayed	

## As of 2/28/23

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
5.	Asset Management System	The Code Compliance office is seeking an asset management system to manage a number of different of assets to include Ballistic vests, uniform items (pants, belts, reflective vests, shirts, jackets) that they issue officers, and other equipment deployed to their staff to perform their duties. This effort gathers requirements to conduct market research and identify potential solutions to meet the business need. (\$76,000)	Environment & Sustain	CCS	TBD	Delayed	
6.	Automated Nuisance Abatement Work Order Salesforce System	Streamline Nuisance Abatement work order creation, work order processing, and work order completion to accurately generate invoice for lien processing and to enhance operational efficiency. Implement a process within the current 311/Salesforce system to control. (\$199,000)	Environment & Sustain	CCS	Apr-23	In Process	
7.	Envision Connect Replacement Project	This project will replace the current Restaurant Inspection System - Envision Connect. Envision Connect is at the end of life for support. The vendor is requesting to move to their newer application for restaurant inspections. (\$482,611)	Environment & Sustain	CCS	Apr-23	In Process	
8.	Consumer Protection online Salesforce Application/ permitting system	This system will allow department to implement online permit process for seven applications (wood vendor, motor vehicle repairs, Credit access, electronic repairs, home repair, scrap tire). Will Allow business owners to access, complete, submit, and track their business permit applications online. (\$318,050)	Environment & Sustain	CCS	Jul-23	In Process	
9.	Remote Video Streaming	COM is currently exploring acquiring equipment that would allow live video and audio to be streamed from offsite locations to our control room. This is a frequently requested service by various departments and Council offices and aligns with COM's mission. (\$192,166)	GPFM	COM	TBD	In Process	
10.	Closed Captioning System for City Council Meetings	Closed Captioning on the live webstream/cable channel of City Council meetings will help meet ADA compliance and our Equity and Inclusion goals. (\$504,612)	GPFM	COM	Jun-23	In Process	
11.	RFCSP for Court Case Management System	The current Court Case Management System (Tyler Technologies) contract will expire June 2024. CTS wishes to conduct market research and conduct a competitive procurement to ensure the best solution is selected to upgrade and improve court case management. (\$4,371,720)	Public Safety	CTS	Dec-23	In Process	
12.	Court Case Management System: On Prem Upgrades	CCSM upgrade to move the platform from an on-premises solutions to one that is Cloud-hosted solution. (\$259,016)	Public Safety	CTS	Jun-23	In Process	
13.	DAS Inventory Management Tool	Dallas Animal Services manages a large inventory of drugs, supplies and business equipment needed to perform their functions. Currently inventory management is done through a legacy system database (animal software) or on spreadsheets, but are inadequate to provide appropriate controls and functionality. (\$14,062)	Environment & Sustain	DAS	TBD	Delayed	





## As of 2/28/23


#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
14.	iNovah Upgrade	This project upgrades existing software to most recent version and provides new hardware for iNovah, the Point of Sale/cashiering system for Sustainable Development. <b>(\$484,350)</b>	ECO	DEV	Sep-23	In Process	
15.	Expand OnBase to the entire SDC Department	The OnBase content management system was originally implemented only for the Building Inspection division within the Development Services Department (DEV). Purpose of this project is to implement the content management system to all divisions within DEV. <b>(\$180,712)</b>	ECO	DEV	May-23	In Process	
16.	Development Services Training Simulator	The building permitting and inspection process involves a number of different components operating independently on separate software platforms. The purpose of this project is to develop a training simulator that allows for collaboration across city divisions to improve quality and efficiency of processes. <b>(\$50,000)</b>	ECO	DEV	Mar-23	In Process	
17.	Customer Queuing software	Customers currently walking into the permit center need to be able to "sign in" and set appointments remotely. DEV needs to be able to offer this service to their customers to better track the data associated with their customers' experiences; volume, wait times, types of service...etc. This project will identify, procure, and implement a customer queue management solution for Development Services. <b>(\$60,000)</b>	ECO	DEV	Jul-23	In Process	
18.	Land Management System_POSSE replacement project	The city's current permitting system has reached end of life, cannot interact with the new geospatial technology standards, and is difficult to change to support new business requirements, and workflows. This project will deploy a new system to replace the existing system and to add efficiencies in the permitting process. <b>(\$9,746,780)</b>	ECO	DEV	May-25	Delayed	
19.	Telestaff	Implementation of a web-based hosting, Software as a Service (SaaS) solution Workforce TeleStaff System for automation of scheduling and staffing for City of Dallas Public Safety 24-hour employees. <b>(\$731,238)</b>	Public Safety	DFD	Sep-22	On Hold	
20.	Smart Device/Technology Behavioral Health App for DFR members	This project will provide a Peer Support Contact App for Dallas Fire-Rescue (DFR) personnel. At Dallas Fire-Rescue (DFR), the City is promoting whole-person wellness. This new application will supplement existing mental health support services available to the City's DFR members. <b>(\$170,000)</b>	Public Safety	DFD	TBD	On Hold	
21.	IT Infrastructures For New Fire Stations 19, 21, 36, 41, 46, 58 & 59	Eight new Fire Stations are being constructed: #46, #36, #59, #41 Temporary, #41 Primary, #19, #21 and #58. All new IT infrastructures including cabling, network, workstations, printers, radio equipment, etc. will be activated in line with facility openings. <b>(\$131,688)</b>	Public Safety	DFD	Apr-23	In Process	




## As of 2/28/23

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
22.	Unmanned Aerial Systems (Drones)	Unmanned Aerial Systems (UAS) may be used during crucial emergency response occurrences., giving real-time video to improve situational awareness, officer safety, and thermal assessment. They are useful in a variety of special operations, including Haz-Mat, search and rescue, water rescue, and wildland fires, allowing Incident Command and Executive Staff to perform airborne surveys of an incident. <b>(\$111,400)</b>	Public Safety	DFD	Sep-23	In Process	
23.	Station Alerting System	Dallas Fire Rescue dispatches resources from 58 fire stations strategically deployed throughout the City. To avoid response delays, DFR relies on a station Alerting System that integrates with our Computer Aided Dispatch (CAD) system to advise firefighter/paramedics of assistance calls. The current station alerting system is end of life, difficult to maintain, and lacks the full range of functionality more modern solutions provide. This project will conduct market research into, procure, and implement a new, modern station alerting system for Dallas Fire Rescue. <b>(\$1,860,000)</b>	Public Safety	DFD	Sep-23	In Process	
24.	Mobile Surveillance Platform Vehicles (Formerly known as Bait Car)	The Dallas Police Department ("DPD") currently operates a fleet of 25 Mobile Surveillance Platform vehicles. These vehicles are deployed throughout the City and serve as "bait cars". These vehicles are outfitted with covert cameras, microphones, GPS, and other capabilities. <b>(\$700,000)</b>	Public Safety	DPD	TBD	On Hold	
25.	County CAD Collaboration	Upgrade and expand the city's Computer-Aided Dispatch (CAD), extending it to the County to improve collaborate on emergency 911 call center responses. This project is also required to fully implement the upgrade of the 911 call center's telecommunications infrastructure. <b>(\$0)</b>	Public Safety	DPD	Jun-23	In Process	
26.	DPD - Auto Pound	This project provides a public portal to allow for citizens to pay fines and fees online to the auto pound in order to recover their vehicle. The information from the payment system allows for better management of the DPD Auto Pound. <b>(\$311,006)</b>	Public Safety	DPD	Dec-23	In Process	
27.	WEB-RMS	This project will migrate DPD's current law enforcement Records Management System (RMS) case management system from the current onsite solution to an upgraded Web-based system. The upgraded RMS will give the department needed functionality that is not available to the department currently in the on-premises solution. Current limitations require process workarounds creating potential errors and inefficiencies which will be resolved with the upgrade. <b>(\$1,010,000)</b>	Public Safety	DPD	TBD	In Process	
28.	Real Time Crime Center (RTCC) Video Integration (Previously Starlight)	To provide an analytics-driven video monitoring platform, capable of alerting the Dallas Police Department's Real Time Crime Center (RTCC) of criminal behavioral indicators and activity occurring at local businesses. <b>(\$747,052)</b>	Public Safety	DPD	Feb-23	In Process	


## As of 2/28/23

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
29.	Ricoh-Fortis Document Management System Replacement	The DPD Fortis document management system is at end of life and no longer supported. This project will replace and upgrade the DPD document management system. <b>(\$217,633)</b>	Public Safety	DPD	Mar-23	In Process	
30.	Axon Air (Drones)	UAS capture vital information that officers can use to resolve very dangerous situations with in the best possible way. The information can be sent, in real-time, to officers in the field. Also, the data gathered from UAS can be key in an investigation for locating suspects who are wanted for a crime. For example, murder suspect barricades himself in a residence, the UAS will be able to be sent in to let the officers in the field know if there are innocent citizens in danger or if the officers have time to deescalate and talk the suspect out. UAS technologies are used by departments and agencies across the nation. Agencies that use UAS technology have seen great benefits from the information gathered in real time situations. Combining this technology with Axon Air will provide the real time intelligence and evidentiary needs to create the holistic solution. <b>(\$20,160)</b>	Public Safety	DPD	Mar-23	In Process	
31.	COBWEBS	This project will implement social media investigative software for the Police Department (DPD). This software will provide an efficient tool for investigating social media post from potential suspects to aid in investigations. <b>(\$93,353)</b>	Public Safety	DPD	Apr-23	In Process	
32.	P25 Compliant Radio Project	The city's current public safety radio network is 40 years old and not compliant with new standards (P25) for these networks. This project installs all-new infrastructure for a fully P25 compliant radio communications system that will be used by multiple departments within the City and County of Dallas. This system is intended and designed to host external governmental agencies throughout the region. <b>(\$54,898,873)</b>	Public Safety	DPD	Apr-23	In Process	
33.	Non-City Business Live Surveillance (Fusus)	The Fūsus product suite will provide a video and data collaboration platform to expedite intelligence gathering and efficiency of response to situations as they unfold throughout the community. Further, providing a tool for identifying the location of cameras in proximity that may provide valuable information to aid in the response and/or subsequent investigation. <b>(\$478,589)</b>	Public Safety	DPD	Sep-23	In Process	
34.	Early Warning System	This project provides the Dallas Police Department a data-driven, decision-making support application that helps Police leadership systematically identify officers who are showing signs that they are at risk to citizens or of executing law enforcement objectively. The platform utilizes data from a multitude of sources to assess and score risk and provide information to DPD leadership for potential interventions. <b>(\$302,495)</b>	Public Safety	DPD	Oct-23	In Process	

## As of 2/28/23

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
35.	Surveillance Cameras and Real Time Crime Center	This project will provide a "Real Time Crime Center" capability within Jack Evans police station. It will include 1) building a new command center video room (Real Time Crime Center), 2) building camera installations, 3) video camera software, video storage and surveillance camera installations at intersections, and 4) Trailer camera installations. <b>(\$14,320,722)</b>	Public Safety	DPD	Dec-24	In Process	
36.	In Car Video - Body Worn Camera - Interview Room	There is a Federal Requirement to video record public safety stops. In car systems involve video in patrol cars. Body Worn Cameras involve wearable video cameras systems for officers. Interview Rooms involves replacement of video equipment in Public Safety interview rooms. <b>(\$134,756,801)</b>	Public Safety	DPD	Dec-24	In Process	
37.	Use of Force - Police Strategies LLC	This project will provide a data analytics platform which produces analytic dashboards which provides comparative analyses by extracting data from incident reports & officer narratives, analyzes the data using established algorithms, and produces written summary reports used by DPD leadership in focusing resources. <b>(\$1,383,800)</b>	Public Safety	DPD	Jun-23	In Process	
38.	Unsupported Software Remediation	Identify Servers running unsupported Software, DBs running unsupported versions of software, and Applications that will require modifications to bring up to supported software levels. Develop a plan to upgrade, in a sequenced fashion. <b>(\$0)</b>	GPFM	DSV	Jun-23	Ongoing	
39.	Apptio IT Financial Transparency SaaS	This project is for a cloud-based solution for the Department of Information and Technology Services (ITS) to gain detailed insight into information technology (IT) expenses, cloud infrastructure / software usage and other IT related costs. <b>(\$1,353,866)</b>	GPFM	DSV	Mar-23	In Process	
40.	Visualization Engineering Services	Purchase of Visualization Engineering services will provide an authoritative visualization of our Current State and Future States - an effort critical to information data center improvements. The outputs of this engagement will be crucial to the success of planned improvements to Application Portfolio Management in addition to the stated necessity in regard to data center improvements. <b>(\$685,972)</b>	GPFM	DSV	Apr-23	In Process	
41.	ServiceNow Phase 2	ServiceNow Phase 2 comprises 4 major tasks or subprojects - "IT Software and Hardware Asset Management", "ServiceNow Stabilization and Workflow Improvement", "ServiceNow Fedramp Cloud Migration", and "ServiceNow Version Upgrade to San Diego Q1 2022". <b>(\$1,305,890)</b>	GPFM	DSV	Jun-23	In Process	
42.	Relocate Development Services to New Facility	In September 2022, the City of Dallas purchased a new facility at 7800 N. Stemmons Freeway which will serve as the offices and storefront for the Development Services Department (DEV). This project will provide all new IT infrastructure including cabling, network, workstations, printers, radio equipment, etc. in line with the facility opening. <b>(\$5,000,000)</b>	GPFM	DSV	Nov-23	In Process	


## As of 2/28/23

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
43.	Network Unified Communications Upgrade	The City's current collaboration suite is at end of life and requires an update to maintain functionality and reduce risk. This project will upgrade the Unified Communications Management (UCM) to the latest version available. <b>(\$618,180)</b>	GPFM	DSV	Dec-23	In Process	
44.	Data Center Improvement Program	This program provides a comprehensive review, assessment, and cleanup of the City Hall Data Center and all other locations which hold primary and ancillary equipment used for IT operations in the City. <b>(\$10,700,000)</b>	GPFM	DSV	Oct-24	Ongoing	
45.	IT Project and Portfolio Management Tool	This project will implement a new Project and Portfolio Platform (PPM) tool suite to provide a centralized and automated project management portfolio, assist with project intake, and improve the tracking and management of IT projects. <b>(\$300,134)</b>	GPFM	DSV	Jun-24	In Process	
46.	Digital Equity Infrastructure	This project seeks to meet the City's vision of ensuring that all Dallas households will have high-speed, reliable internet and access to devices in their homes by seeking commercial telecommunication service providers to develop and implement digital equity infrastructure which addresses established gaps in targeted communities. <b>(\$40,000,000)</b>	GPFM	DSV	Mar-24	In Process	
47.	Enterprise Capital Project Management System (ECPMS) Phase 2	Phase 2 Implementation of the Enterprise Capital Project Management System (ECPMS), IBM Tririga, to support the DWU Capital Projects division. Also, includes the delivery of reporting enhancements and efficiencies to the Phase 1 implementation. <b>(\$2,169,090)</b>	Transport & Infra	DWU	Dec-22	In Process	
48.	Enterprise Work Order and Asset Management (EWAMS) Phase 2	Implementation of an Enterprise Work Order and Asset Management System (EWAMS), that can be utilized as the standard for the City of Dallas. The Phase 2 effort of this Enterprise platform implementation will manage Work Orders and Maintenance. <b>(\$4,901,864)</b>	Transport & Infra	DWU	Sep-23	In Process	
49.	Enterprise Work Order and Asset Management (EWAMS) Phase 3	This professional service contract allows for continuous consultant services for the expansion of the Enterprise Work Order and Asset Management System (EWAMS). Phase 3 will oversee the implementation of Dallas Water Utilities (DWU) Meter Services division. <b>(\$12,989,751)</b>	Transport & Infra	DWU	May-28	In Process	
50.	HUD Income Limits Eligibility Survey - HOU Website	Updates and enhancements to the Housing & Neighborhood Revitalization Department's (HOU) website to help reduce uncertainty or confusion amongst City of Dallas residents when determining their income eligibility for the various programs based on the Housing and Urban Development (HUD) Income Limits. <b>(\$5,300)</b>	HHS	HOU	Feb-23	In Process	
51.	Infrastructure Upgrade of Dallas LIB system (formerly called E-Rate)	This project will refresh existing, and add new components, to LIB Network Infrastructure. The upgraded infrastructure will dramatically improve the delivery of digital services to LIB patrons. <b>(TBD)</b>	QOL	LIB	Sep-23	In Process	

## As of 2/28/23

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
52.	Library Website update	The library's website needs to be updated to meet the current and future needs of the library including being able to support additional online content and online programs and education. (TBD)	QOL	LIB	Mar-24	In Process	
53.	ADA Software Tracking System	This request acquires a software system to track identified ADA Compliance issues, track barrier removal costs, and to provide public interface to show City's progress toward removing barriers. Public reporting of barrier removal is a federal requirement. (\$75,000)	WEE	OEI	Mar-23	On Hold	
54.	Neighborly Expansion - Fair Housing	The purpose of the software is to complete the Fair Housing assessment of housing projects. This ensures we affirmatively further fair housing in the City as required by the Fair Housing Act and HUD. (\$25,700)	WEE	OEI	Mar-23	Delayed	
55.	Stormwater Compliance Information Management System	OEQ staff currently manage mission-critical and legally sensitive environmental management consent decree (EMCD) /permit-required tasks though a 20-year-old "homemade" information system built on MS Access 2002 and InfoPath. This project will procure and implement a new, modern system which provides timely information through dashboards and reports. (\$49,900)	Environment & Sustain	OEQ	Mar-23	In Process	
56.	Implement Workday Prism	The Workday Prism Project will aggregate historical data from the City's prior payroll system and make it available with new payroll data in Workday. (\$68,995)	GPFM	PER	May-22	Delayed	
57.	PKR-IT Infrastructures for New Parks and Recreation Sites Phase 2	This project includes the acquisition and installation of IT infrastructure and services for new PKR facilities. New IT Infrastructures include local and metro network, internet, PCs, printers, security systems, point of sale systems, telephones, etc. (\$670,000)	QOL	PKR	Dec-22	Ongoing	
58.	IT Infrastructure for Bachman Aquatic Center	Park and Recreation is building a new Bachman Aquatic Center which provides new Digital Service to Residents or Businesses. (\$118,000)	QOL	PKR	Jun-23	In Process	
59.	PKR Recreational Management System	Dallas Park and Recreation Department is looking for a recreation management system to manage recreation activities and programs of its 43 recreation centers, 107 pavilions, 19 aquatic facilities and over 200 athletic fields. (\$0)	QOL	PKR	Dec-29	In Process	
60.	Payment Vendor (SAP Users - DWU)	This project is to migrate DWU and other user departments of online (Biller Direct) and IVR payments to a new payment platform which provides real-time information for payments and reconciliation. (\$15,000,000)	Transport & Infra	SAP	Dec-23	In Process	
61.	DWU Billing CIS and Customer Portal Replacement	DWU's current CIS system, SAP, will reach it's end of life in 2025. DWU must replace SAP by 2025 in order to ensure continuity of our billing. (\$0)	Transport & Infra	SAP	Jul-25	In Process	
62.	Electronic Document Management - EDMS	Project Provides Electronic Document Management and Document Archive System for City Secretary's Office. (\$336,562)	GPFM	SEC	TBD	On Hold	

## As of 2/28/23

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
63.	Boards and Commissions Management Solution	The business objective for this project is to assist and upgrade the City Council's Boards and Commission appointment process in 3 key areas: New Boards and Commission Application Portal, Upgraded Boards and Commission Tracking/Reporting Solution. (\$12,675)	GPFM	SEC	Mar-23	In Process	
64.	SEC Records Inventory Management Solution	Replace the current obsolete unsupported FoxPro database with a state-of-the-art software application (preferably SaaS) that provides full functionality for operating a records center. Replacing this application will improve the management of the 70,000+ (\$231,440)	GPFM	SEC	Nov-22	In Process	
65.	Build an Ethics Financial Reporting Solution	The purpose of this system is to promote and support ethical financial compliance. (\$15,000)	GPFM	SEC	Feb-23	On Hold	
66.	Advanced Traffic Management System (ATMS)	The Objective of this project is to transition from the current Analog Traffic Management System to the new Advanced Traffic Management System (ATMS). (\$6,352,990)	Transport & Infra	TRN	Mar-23	In Process	

## NOTES

- 1 Enterprise Contact Center (ECC) Solution.** Project is still in process. Anticipate approximately 3 – 6 months' work to implement Single Sign On (multi-factor authentication), for final delivery of the Lab (test portion) of the project, and potential re-evaluation of Salesforce integration.
- 3 Core Financial System Upgrade.** The contract requirements and project timeline have been finalized and the contract action is scheduled for the April 26 Council agenda.
- 4 Code Case Management System Phase 2 (Boarding Homes).** Application processing is delivered. Awaiting Payment Card Industry (PCI) compliance to deploy remaining modules.
- 5 Asset Management System.** Multiple departments have requested an asset/inventory management tool. ITS is consolidating requirements across departments to perform market research to determine whether an option for a city-wide solution can be provided.
- 9 Remote Video Streaming.** Project plan/schedule is being developed. New date will be provided when available.
- 13 DAS Inventory Management System.** Multiple departments have requested an asset/inventory management tool. ITS is consolidating requirements across departments to perform market research to determine whether an option for a city-wide solution can be provided.
- 14 iNovah Upgrade.** Project is currently in planning stage. Project date will be updated after the planning phase is complete.



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**As of 2/28/23**

- 18 Land Management System\_POSSE replacement project.** ITS, DEV and Vendor have aligned on the SOW. Contract action approved by City Council on February 22, 2023. Based on proposed high-level schedule of approximately 25 months, new end date, proposed for 05/2025, is now reflected in February TAR.
- 19 Telestaff.** Telestaff Scheduling System is operational. Telestaff integration with Workday Payroll system is on hold pending several technical corrections required.
- 20 Smart Device/Technology Behavioral Health App for DFR members.** Project requirements are being re-evaluated.
- 21 IT Infrastructures For New Fire Stations 19, 21, 36, 41, 46, 58 & 59.** Project is aligned to the construction contracts of each identified Fire Stations. Completion of IT tasks for this project is identified in each construction project plan. Multiple completions are involved with this IT project, with the final completion date aligned to the final station construction completion.
- 24 Mobile Surveillance Platform Vehicles (Formerly known as Bait Car).** Awaiting funding to be identified.
- 27 WEB-RMS.** Purchase request has been submitted. Planning commence upon contract execution.
- 32 P25 Compliant Radio Project.** Effective with August 2022, the new P25 Public Safety Radio system was live, operational, and performing as designed. Non Public Safety departments have already been migrated to the new system. Final migration of all City of Dallas Departments is ongoing. Anticipated completion of project in April 2023.
- 36 In Car Video - Body Worn Camera - Interview Room.** Budget costs reflect new 10-year contract from Council Resolution 221784 dated Dec 14, 2022.
- 37 Use of Force - Police Strategies LLC.** All initial project tasks are completed. End date of project is June 2023 for stand up of initial capability. Current contract extends to 2026 and City will continue to provide data on a quarterly basis until the end of the contract.
- 41 ServiceNow Phase 2.** This project is being implemented in an “Agile” fashion – rolling out in numerous phases. Estimated completion of next phase estimated June 2023.
- 43 Network Unified Communications Upgrade.** Project is being implemented in an agile fashion. Unity Voice Mail portion is now complete. The next phase, “Call Manager” has an estimated completion date December 2023. Next milestone will be an upgrade to Call Manager components on March 27, 2023.
- 45 IT Project and Portfolio Management Tool.** Contract action scheduled to go to City Council for review and approval in April 2023.
- 47 Enterprise Capital Project Management System (ECPMS) Phase 2.** A Project Change Request (PCR) is pending by the Vendor for updated requirements and deliverables for linear segments, linear structures and X/Y coordinates, working with DWU GIS to finalize requirements.

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**As of 2/28/23**

- 50 HUD Income Limits Eligibility Survey - HOU Website.** Project work is complete and this project is moving to closure. This project will be removed from the TAR in the March 2023 report.
- 53 ADA Software Tracking System.** Project has not yet completed the procurement process. Once contract is executed, a schedule will be developed, and project dates updated.
- 56 Implement Workday Prism.** Project On Hold awaiting new contract with Vendor for technical integration support.
- 59 PKR-IT Infrastructures for New Parks and Recreation Sites Phase 2.** Project work is complete for all but one item, awaiting hardware delivery. Timeline will be updated when equipment arrives.
- 62 Electronic Document Management - EDMS.** The EDMS project is part of a group of projects relying on the Hyland Software System, which are being developed serially. Team is currently re-validating the project budget, scope, and participating department and will then re-baseline the schedule.
- 63 Boards and Commissions Management Solution.** Project is in User Acceptance Testing. Anticipate Go-Live in March.
- 64 SEC Records Inventory Management Solution.** Requirements have been developed. Awaiting Council approval.
- 65 Build an Ethics Financial Reporting Solution.** Project date will be updated after this project has completed the procurement process.
- 66 Advanced Traffic Management System (ATMS).** The vendor has completed the required work for this project per the scope of the contract. There are several remaining functions for which ITS and TRN have worked with the vendor to establish a go-forward plan to include in subsequent releases. Project expected to be complete for March TAR report.



## 2 Changes to Major Project Status List

1. Projects Implemented since last report
  - a. None.
2. Projects removed from the Major Projects Status List
  - a. Flock Safety – New Fixed ALPR Cameras has completed and is removed from the list. Project was shown as implemented in the January TAR report.
3. New Projects added to the project Pipeline
  - a. CCS-23-002363-P - Safety Tracking, and Hazardous Identification and Inspections – was added to support Code Compliance’s monitoring of training records and certifications.
  - b. CCS-23-002364-P - eRecording Lien Filing & Receiving System – was added to support Code Compliance by automating the department’s lien filing procedures.
  - c. CCS-23-002365-P - Body Worn Cameras for Code Personnel – was added to enhance Code Compliance citizen interactions, officer safety and to provide investigatory documentation for field inspections.
  - d. DEV-23-002366-P - POSSE Environment Refresh and upgrade – was added to update and upgrade POSSE functions.
  - e. DFD-23-002367-P - Dispatch/Communications - Location Identification - Rapid SOS, and DFD-23-002368-P - Dispatch/Communications - Location Identification - What 3 Words – were added to support 911 call takers with precise locations when fielding 911 calls.
  - f. DFD-23-002369-P - Dispatch/Communications - CAD Downtime - Redundancy Software – DiVa – was added to provide a more dependable alternate solution in the event of a planned or unplanned Computer Aided Dispatch (CAD) outage.
  - g. DPD-23-002370-P - Off-Duty Job Application – was added to help Dallas Police Department manage elements of off-duty jobs for DPD employees.

## Section 2: IT Operations

IT Operations provides information and status updates on the IT operations to include outages and incidents impacting city operations. Source data is drawn from the City's ServiceNow platform which was implemented in April 2021 to better manage incident reporting and resolution and to better track and control requests for IT services. ServiceNow documents incidents and service requests and is used by technicians and departments alike to submit, track, manage, and resolve pending requests and issues.

## A. Outage Report

### 1. Monthly Help Desk Report

Category	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb
Total Calls	7502	7546	8006	7252	7616	7151	7222	9694	6969
Answered	7136	7138	7763	7017	6921	6132	6222	7117	6778
Abandoned	366	408	243	235	695	1019	1000	1084	191
Abandoned (<10sec)	166	172	115	93	273	408	380	1493	85
Abandoned %(<10sec)	2.3	2.4	1.5	1.3	3.9	6	5	8	1

Metric	Current Month	Trend						
Average Speed to Answer – Voice	0:02:19							
Password Related Incidents	6%	<table border="1"> <tr> <td>14.7%</td> <td>10.6%</td> <td>5.9%</td> </tr> <tr> <td>Dec</td> <td>Jan</td> <td>Feb</td> </tr> </table>	14.7%	10.6%	5.9%	Dec	Jan	Feb
14.7%	10.6%	5.9%						
Dec	Jan	Feb						
First Contact Resolution - Incident	71.36%	<table border="1"> <tr> <td>81%</td> <td>82%</td> <td>71%</td> </tr> <tr> <td>Dec</td> <td>Jan</td> <td>Feb</td> </tr> </table>	81%	82%	71%	Dec	Jan	Feb
81%	82%	71%						
Dec	Jan	Feb						
Average Duration – Service Desk	1.87 Days 3208 Minutes	<table border="1"> <tr> <td>2715</td> <td>4785</td> <td>3208</td> </tr> <tr> <td>Dec</td> <td>Jan</td> <td>Feb</td> </tr> </table>	2715	4785	3208	Dec	Jan	Feb
2715	4785	3208						
Dec	Jan	Feb						
Average Duration – Field Services	2.94 Days 4247 Minutes	<table border="1"> <tr> <td>4865</td> <td>4507</td> <td>4247</td> </tr> <tr> <td>Dec</td> <td>Jan</td> <td>Feb</td> </tr> </table>	4865	4507	4247	Dec	Jan	Feb
4865	4507	4247						
Dec	Jan	Feb						
Average Duration - PD Field Services	2.14 Days 3088 Minutes	<table border="1"> <tr> <td>9465</td> <td>5578</td> <td>3088</td> </tr> <tr> <td>Dec</td> <td>Jan</td> <td>Feb</td> </tr> </table>	9465	5578	3088	Dec	Jan	Feb
9465	5578	3088						
Dec	Jan	Feb						

#### NOTES:

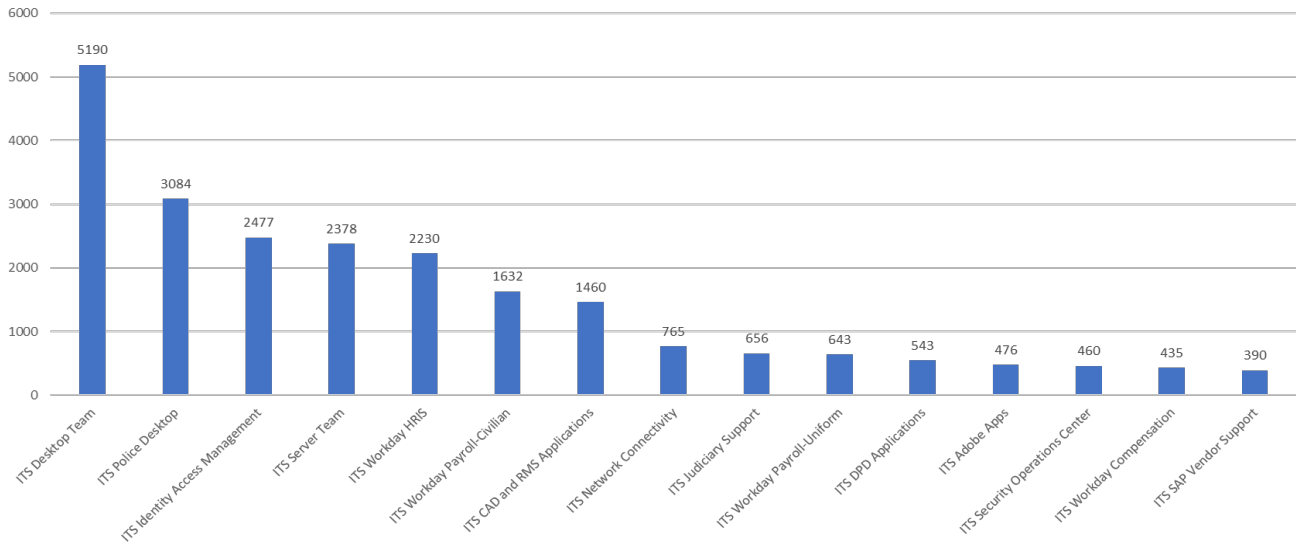
1. In February 2023, the IT Helpdesk received 6969 calls for support. This is a significant reduction over January which saw over 9600 calls.
2. First Contact Resolution (Incidents) for February is 71% a decrease from January of 82% and below the goal of 85%.

**As of 2/28/23**

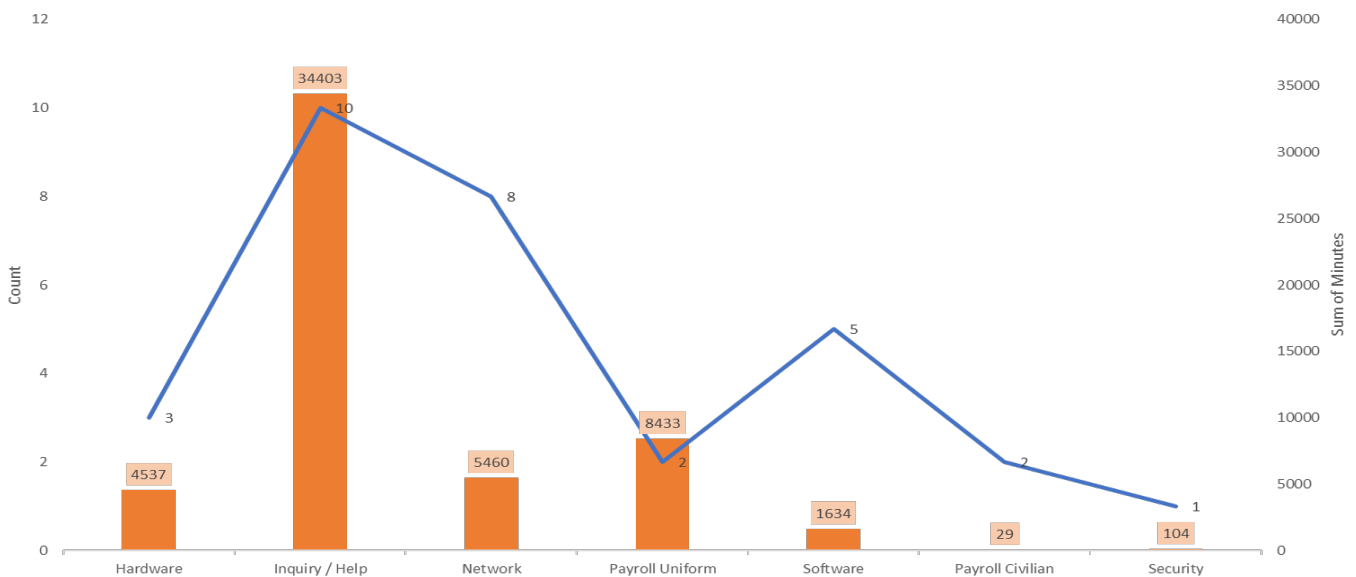
- 3. Field Services (excluding DPD) average service duration of 2.94 days in February is slight reduction form 3.32 days in January.
- 4. Field Services for DPD decreased average service duration from 3.87 days in January to 2.14 days in February.

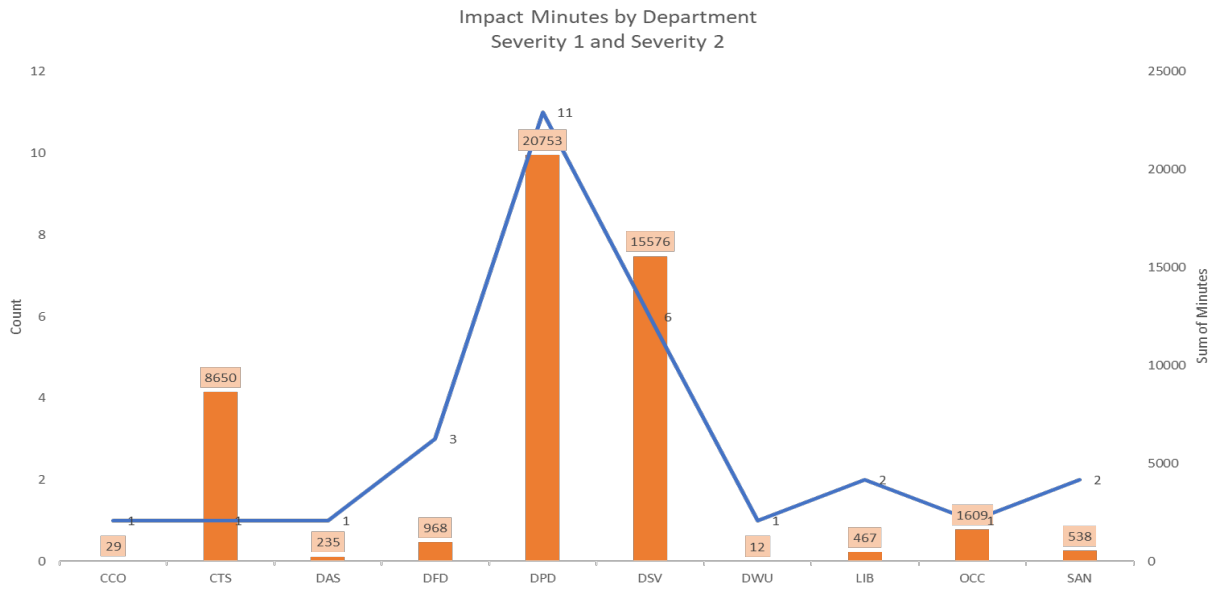
**2. Monthly Incident Report (Break/Fix “My Computer doesn’t work”)**

Top 10 Assignment Groups  
Incidents February 2023



Impact Minutes by Department  
Severity 1 and Severity 2

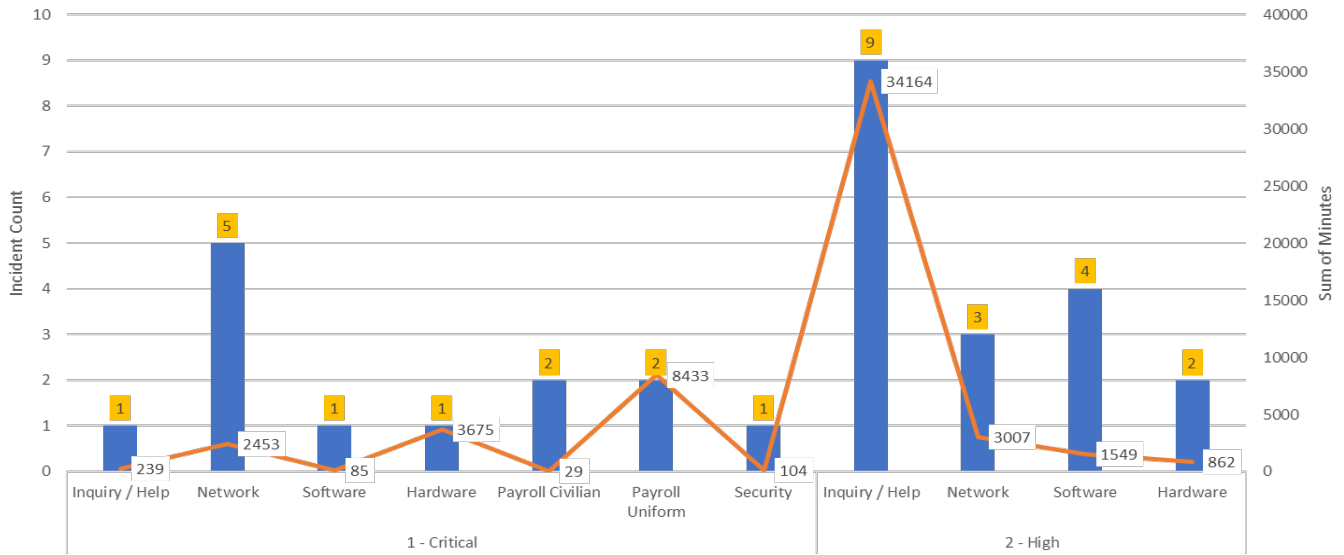




**NOTES:**

1. Severity 1 and Severity 2 incidents are the most severe and most likely result in degraded services or outages that impact the ability of City departments to fulfill their missions.
2. This chart tracks the number of reported incidents by department, along with the total number minutes the incident(s) potentially impacted them.
3. These data points are extracted from ServiceNow based upon input by city IT technicians. Continued analysis reveals that IT technicians are improving the timeliness in which incidents tickets are being updated to show resolution, resulting in a generally more accurate resolution measure.

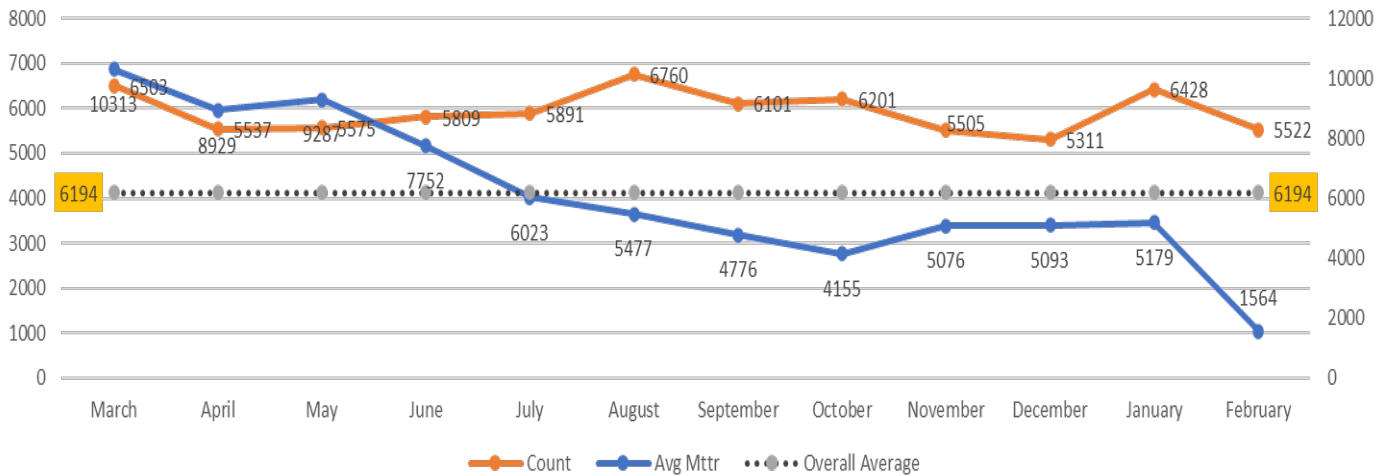
Severity 1 and 2 by Issue Category  
Impact in total minutes



**NOTE:**

1. This chart provides the distribution of incidents and impact minutes over specific services.

Monthly MTTR



**NOTES**

1. This chart provides the trendline for the average mean time to repair (MTTR), an industry standard for tracking the timeliness of resolution on reported incidents.
2. In February 2023, the MTTR saw a significant reduction just over an average of 1500 minutes, on a count similar to December of 2022 where the MTTR was in the 5000-minute range. \*Open incidents may impact February MTTR in March report

### 3. Monthly Major Outage Report

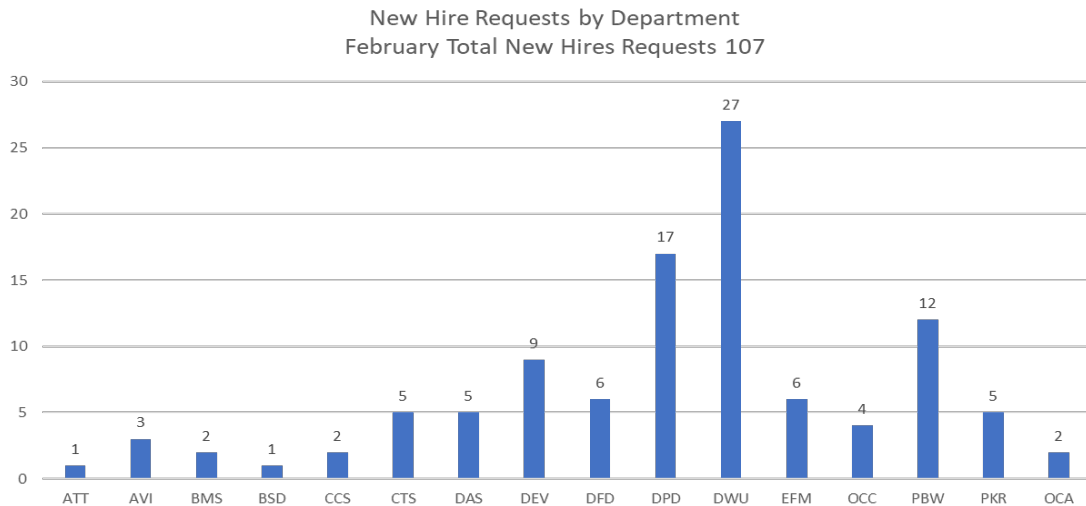
Priority	Description	Department	Primary	Secondary	Assignment Group	Hours
1 - Critical	user states The Central L3 Server Application is down	DPD	Inquiry / Help	How To	ITS DPD Applications	4.0
1 - Critical	Network: Network Outage 4610 SW Moreland	SAN	Network	Outage	ITS Network Connectivity	5.9
1 - Critical	P1 INC# network outage 1111 W Lebetter Suite 600 OCC for WIC	OCC	Network	Outage	ITS Network Connectivity	26.8
1 - Critical	Server: Server Outage (North Central Patrol)	DPD	Hardware	Server	ITS Server Team	61.3
2 - High	Server apccms01 needing to monitor  weekend courts experiencing extreme slowness/ dropping citrix connection	DSV	Network	Slow Speed	ITS Server Team	11.3
2 - High	LENEL ID Card Security System: APDPDLENEL server is down	DPD	Software	Troubleshooting	ITS Server Team	10.6
2 - High	PC Support   Server slowness	DSV	Hardware	Server	ITS Server Team	11.4
2 - High	INCODE slowness and error - read timed out. This issue for all court users.	CTS	Inquiry / Help	Escalation/Status	ITS CTS APPLICATION	144.2
2 - High	ASMARI1500-SF32-1 DOWN -- NO LINK LIGHTS	DSV	Network	Outage	ITS Network Connectivity	19.7
2 - High	Fusion server is not responding. Customers are not able to see images in the PAC - Reboot Requested	LIB	Inquiry / Help	How To	ITS Server Team	6.4
2 - High	Internal Affairs Division K: drive (iad_group(\police.dallastx.cod)(K) experiencing issues with documents.	DPD	Inquiry / Help	How To	ITS Server Team	31.1
2 - High	I cannot remote into ULSCCM01 and 02	DSV	Inquiry / Help	Policy/Procedure	ITS Server Team	205.3
2 - High	PC Support: Shared drives K L P H having troubles opening	DPD	Network	Outage	ITS Server Team	19.1
2 - High	Network Radio: Radio down for channel 5, unable to get or make calls	DPD	Inquiry / Help	How To	ITS Network Radio	168.5
2 - High	APBIT00 OS have an issue with security patch stacked and keep in a loop of rebooting OS.	DSV	Inquiry / Help	How To	ITS Server Team	10.4
2 - High	Locution Client: Station 41 - Locution system booting to blue screen - no internet message - 5807 Royal Lane	DFD	Software	Troubleshooting	ITS Desktop Team	11.0

#### NOTES

1. Major outages are identified as Severity1 that have significant impact to City services or Department's ability to perform critical functions and last over 4 hours in duration. As we mature the process this definition will be better scoped around impact and less around duration.
2. Outages with #value are incidents that had over 4 hours of impact, however are incomplete of details to identify full impact to departments

## B. Service Requests (including new employee onboarding)

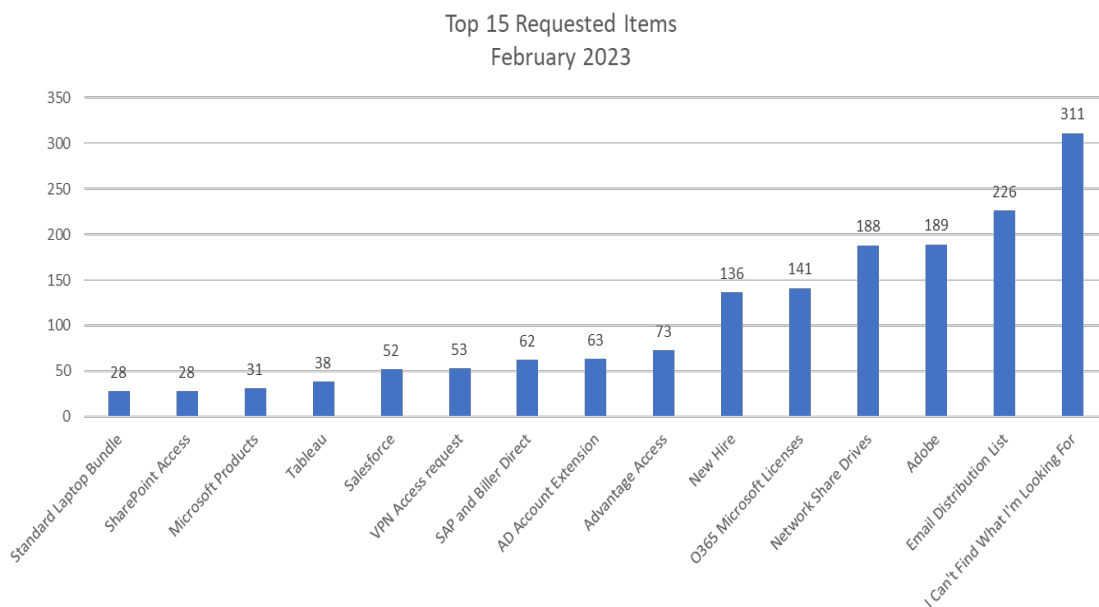
### 1. New Hire Report



### Notes

1. In the month of February, a total of 107 requests were opened for new employees.
2. DPD, DWU, and PBW being the top 3 hiring departments. DWU has had 5 consecutive months in the top 3.
3. Blank indicates no department match was available for the requested onboarding at the time the report was generated.

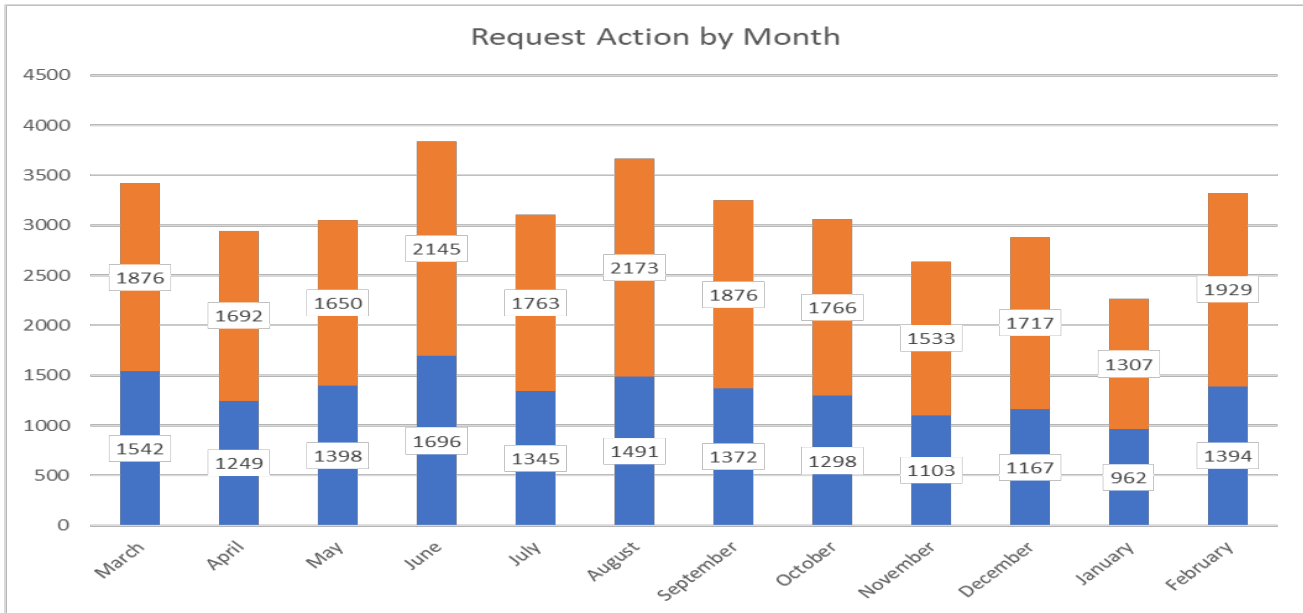
### 2. Service Request Report (An ask for service – “I need Software Installed”)





**Notes**

1. February Service Request actions totaled 1929 an increase over January which totaled 1307. This report depicts the top 15 Request by type that were selected.
2. “I Can’t Find What I’m Looking For” is a category used when a service catalog item does not exist for what the user is asking.



**Note**

1. This chart illustrates that 1394 Request Tickets, generated 1929 Request Actions. Frequently one Request generates multiple actions to be completed by one or more teams to fulfill the ask.

## Section 3: IT Budget Execution

IT Budget Execution provides information on the execution of the IT budget, the management of technology procurements, and the management of IT Human Capital. Information in this section is effective through 12/31/2022.

### A. Contract/Procurement Management

#### Upcoming Contracts Requiring Council Approval

##### Items Approved on the February 22, 2023 Agenda:

23-412 Next Generation 911 Grant – the acceptance of a grant from the U.S. Department of Treasury through the State of Texas Commission on State Emergency Communications (CSEC) for SB8 Coronavirus State Fiscal Recovery Fund to implement and operate a Next Generation 911 System for the period from November 8, 2021 through December 31, 2024

- Grant amount \$4,925,000, does not require a match
- Information and Technology Services will use the grant to complete and operate the City’s NG911 system. System deployment includes:
  - Upgrading and maintaining hardware or software required to records calls
  - Integration and testing of new modules and components
  - Expanding network technology for processing and storing video and pictures
  - GIS data conversion to the systems digital platform to provide first responders with more precise location information
  - Training

23-32 Accela, Inc – Service contract for a building permitting and land management solution

- 5-year agreement includes licenses, implementation, maintenance, and support
- Contract amount \$9,746,786.00

23-406 AT&T – Supplemental Agreement No. 3 to exercise the second of two one-year renewal options to the service contract for First Net

- Contract amount \$4,114,878.82
- Allows public safety departments and first responders to utilize their mobile devices and applications during day-to-day activities and catastrophic emergencies across the metroplex without competing with non-emergency cellular users for a cellular connection
- Additional departments have access to FirstNet Extended Primary services as well as other support services such as disaster recovery teams, infrastructure, and utilities
- This infrastructure facilitates the management of critical public safety information which includes immediate broadcast of emergency information for officers in distress, data transmission between emergency vehicles ensuring optimal response time, and other critical functions

Upcoming Council Agenda Items:

April 12 Agenda Items:

22<sup>nd</sup> Century Technologies, Inc.

- 5-year agreement
- Contract amount \$12,583,720
- Installation of a network of secondary circuits at City Hall and crucial City sites to enable the City to continue operating in the event primary circuits become inoperable as a result of a disaster

Netsync Network Solutions – purchase of hardware, installation and deployment of a backup and recovery solution

- 5-year agreement
- Contract amount \$2,173,000
- System to back up data across the City's on-premise servers, cloud environment, and in Microsoft O365

April 26 Agenda Item:

Carahsoft Technology – upgrade the existing financial system to the latest release of CGI Advantage Cloud Advantage Financial System

- 5-Year agreement
- Contract Amount - \$11,823,168
- Re-engineer the City’s highest priority business processes using Human Centered Design methodology
- Configure the upgraded CGI Advantage applications to align to the City’s business processes
- Convert the City’s highest priority reports to new dashboards, scorecards and ad hoc reports
- Identify two (2) high-value business processes for automation using Robotic Process Automation (RPA)
- Develop and execute end user training on new features and user interface for over 600 users prior to go-live

## B. Budget Performance & Execution

### Fund 0191-9-1-1 System Operations as of January 2023

Expenditure Category	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	643,798	643,798	174,310	611,122	(32,676)
Pension	91,413	91,413	25,109	86,800	(4,613)
Health Benefits	54,481	54,481	12,053	54,481	-
Worker's Compensation	1,658	1,658	1,658	1,658	-
Other Personnel Services	14,262	14,262	8,621	15,013	751
<b>Total Personnel Services</b>	<b>805,612</b>	<b>805,612</b>	<b>221,751</b>	<b>769,074</b>	<b>(36,538)</b>
Supplies	201,465	201,465	26,369	201,465	-
Contractual Services	13,205,665	13,205,665	5,606,370	13,205,665	-
Capital Outlay	-	-	-	-	-
Reimbursements	-	-	-	-	-
<b>Total Expenditures</b>	<b>14,212,742</b>	<b>14,212,742</b>	<b>5,854,491</b>	<b>14,176,204</b>	<b>(36,538)</b>

### Fund 0197 - Communication Services (Radio Network) as of January 2023

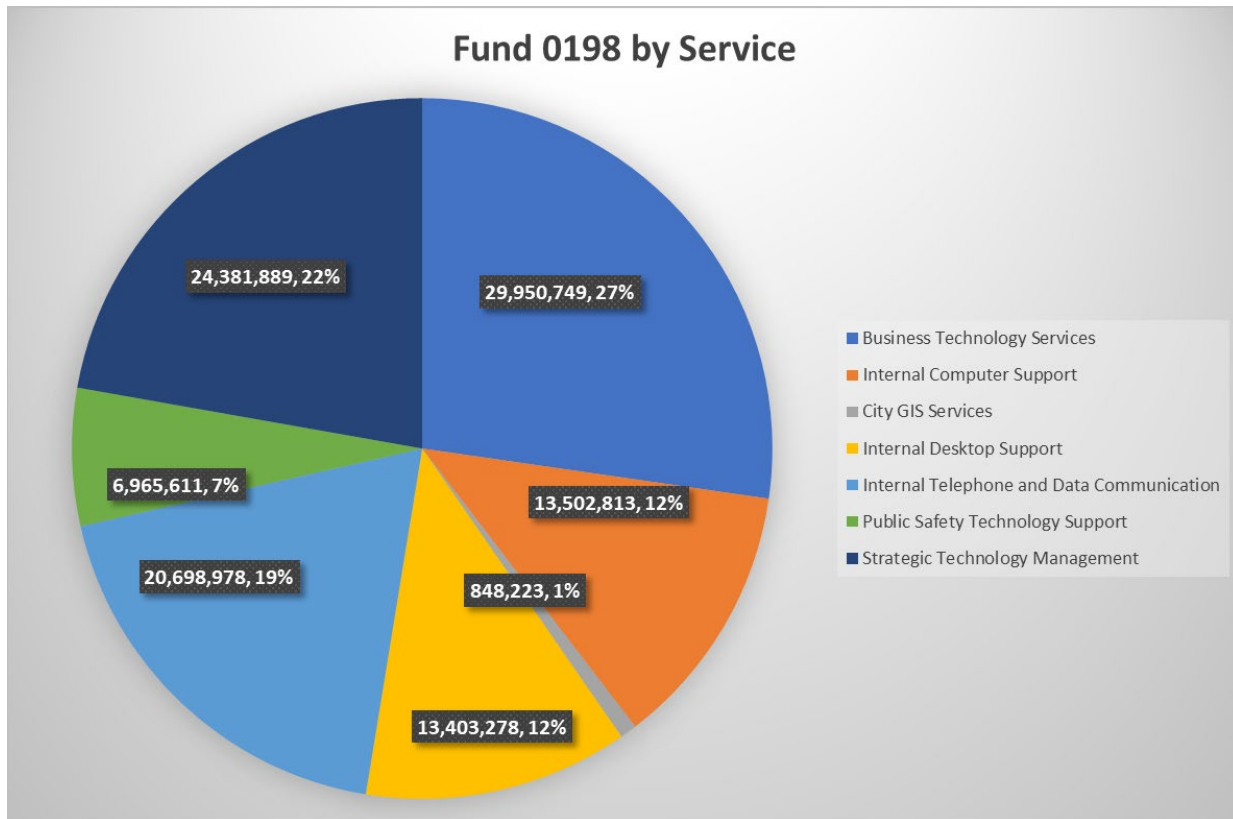
Expenditure Category	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	1,995,477	1,995,477	533,395	1,842,200	(153,277)
Overtime Pay	51,320	51,320	65,765	88,674	37,354
Pension	282,080	282,080	85,787	270,377	11,703)
Health Benefits	234,423	234,423	46,214	234,423	-
Worker's Compensation	7,197	7,197	7,197	7,197	-
Other Personnel Services	33,819	33,819	25,316	47,954	14,135
<b>Total Personnel Services</b>	<b>2,604,316</b>	<b>2,604,316</b>	<b>63,675</b>	<b>2,490,825</b>	<b>(113,491)</b>
Supplies	1,156,482	1,156,482	260,666	945,900	(210,582)
Contractual Services	13,106,759	13,106,759	3,779,777	13,377,349	270,590
Capital Outlay	-	-	-	-	-
Reimbursements	-	-	-	-	-
<b>Total Expenditures</b>	<b>16,867,557</b>	<b>16,867,557</b>	<b>4,804,118</b>	<b>16,814,074</b>	<b>(53,483)</b>

As of 2/28/23

## Budget Performance & Execution (continued)

### Fund 0198 – Data Services as of January 2023

Expenditure Category	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	20,152,694	20,152,694	4,872,625	18,282,272	(1,870,422)
Overtime Pay	41,612	41,612	6,568	41,612	-
Pension	2,858,569	2,858,569	694,513	2,615,386	(243,183)
Health Benefits	1,609,376	1,609,376	283,635	1,609,376	-
Worker's Compensation	49,182	49,182	9,182	9,182	-
Other Personnel Services	1,036,948	1,036,948	188,667	1,064,457	27,509
<b>Total Personnel Services</b>	<b>25,748,381</b>	<b>25,748,381</b>	<b>6,095,189</b>	<b>23,662,285</b>	<b>(2,086,096)</b>
Supplies	759,552	759,552	1,527,563	1,773,738	1,014,186
Contractual Services	83,683,424	83,683,424	48,743,369	84,315,519	632,095
Capital Outlay	-	-	-	-	-
Reimbursements	-	-	-	-	-
<b>Total Expenditures</b>	<b>110,191,357</b>	<b>110,191,357</b>	<b>56,366,121</b>	<b>109,751,542</b>	<b>(439,815)</b>



## B. ITS Staffing & Hiring Report

### 1. ITS Funded Staffing Levels

IT Fund	FY 20	FY 21	FY 22	FY 23	FY 24 Plan
<b>Fund 0191 - 9-1-1 Technology Support</b>	7.0	7.0	7.0	7.0	7.0
<b>Fund 0197 - Radio Communications</b>	28.0	28.0	30.0	30.0	30.0
<b>Fund 0198 - Data Services</b>	204.0	190.0	204.0	223.0	223.0
<b>Total</b>	<b>239.0</b>	<b>225.0</b>	<b>241.0</b>	<b>260.0</b>	<b>260.0</b>

### 2. Vacancies and Hiring Activities

- As of February 28, 2023, ITS had 62 vacancies out of the available 260 positions.
- As of February 28, 2023, of the 62 vacancies the disposition was:
  - 13 are in draft posting
  - 5 are undergoing reclassification to re-align within the ITS department
  - 29 are awaiting posting
  - 3 are actively posted
  - 12 were previously posted
    - 4 are under review
    - 2 are at a second round of interviews
    - 2 have pending offers with candidates
- 4 Additional positions have been added in support of the Development Services Department effective with January 2023.

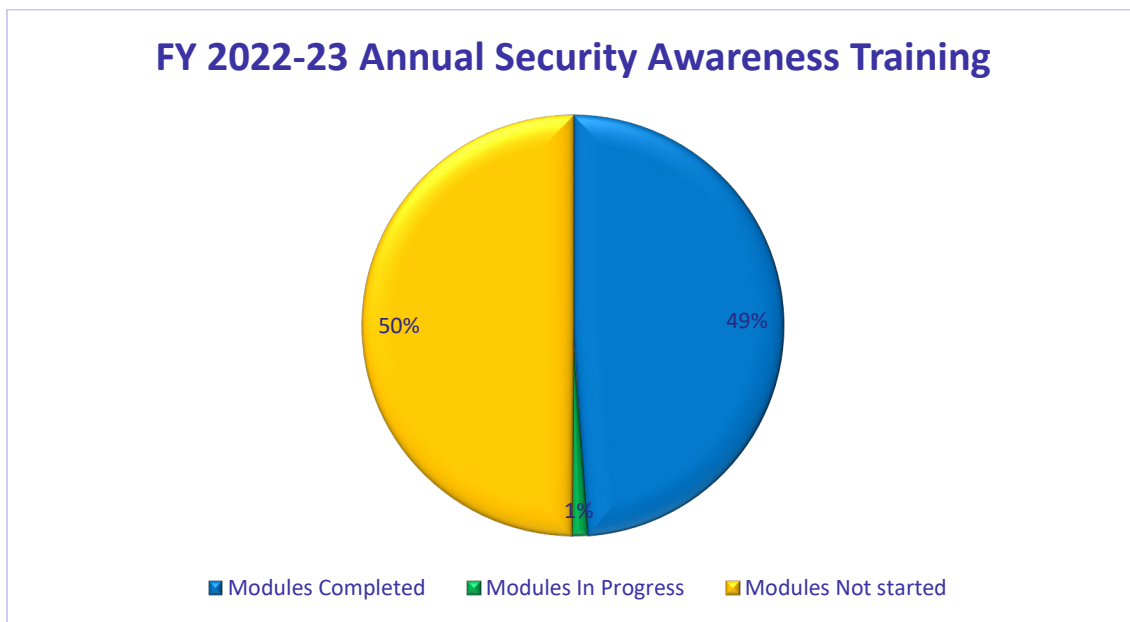
# Section 4: Cybersecurity Programs

## A. Awareness Training

Security Awareness training is measured on an annual basis. Over the last several years ITS has observed a generally positive trend in risk scoring associated with annual employee training. Beginning with each new fiscal year the City will conduct a new set of security awareness courses to meet not only the best practices, but State of Texas House Bill 3834 requirements for all government employees.

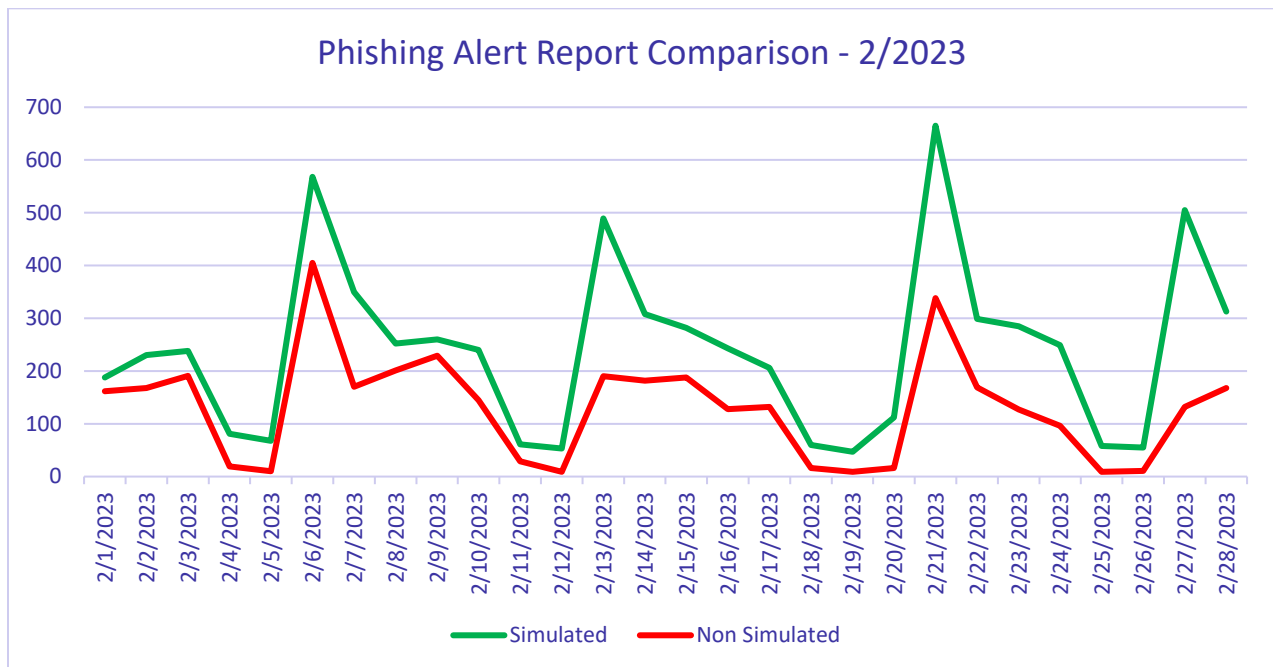
However, each year we see new or enhanced requirements from the Texas State Legislature as the risk environment evolves and becomes increasingly more threatening. As such, our security awareness training program must evolve to reflect the latest requirements and latest threats and it is critical that the security awareness training is completed each year. The information below illustrates the enrollment and completion efforts of employee training over the course of the year. For FY 2021-22 the City completed 99% of 18 training campaigns covering HIPAA, PCI, and Cybersecurity. The FY 2022-23 security awareness training campaign on January 25, 2023, and ITS is tracking its progress and working with City employees to ensure completion.

- Note employees with less than 25% of job function on technology are not required to complete cybersecurity training.





In addition, ITS continuously applies best practices to the employees around phishing and their ability to recognize and appropriately handle phishing incidents. Campaigns designed given real world scenarios, typically taken from recent events are sent out to the employee population to test their ability to distinguish and act. This provides feedback to the employees as well has increased the actual amount of true phishing reported. As well, a “Report phishing” button added to user’s Outlook has increased both the numbers of test phish and actual phishing emails.



## B. Situational Awareness

Annually ITS assess the overall Security posture of the organization based upon the NIST Cybersecurity Framework (CSF). Each category within the NIST CSF is evaluated for the current level of maturity and expectant maturity level. This process uses current and projected technologies and documented standards and procedures to complete the process. ITS utilizes both internal and external resources to conduct assessments. The results of the assessments are used by ITS to develop security strategy for cybersecurity and privacy. The below figure outlines the maturity model for the CSF. While the TAR does not provide our scores from our self-assessment, ITS can provide this information to Council members and discuss the assessments in depth as requested.

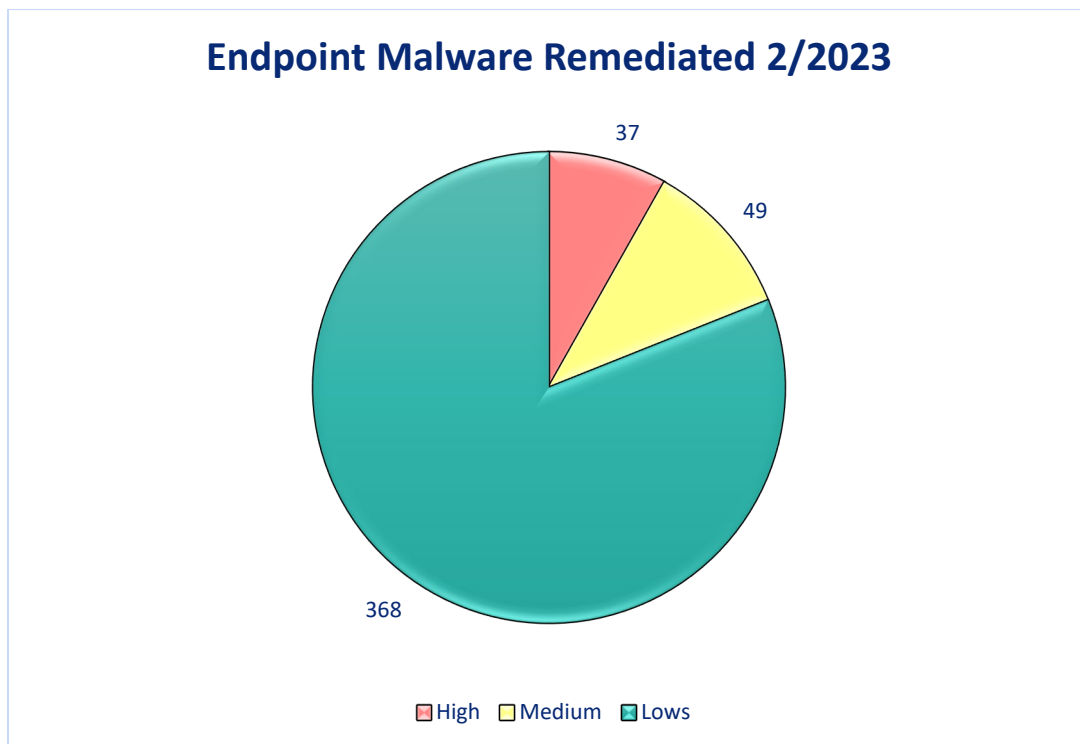
		Capability Maturity Model Levels				
		Level 1 Initial	Level 2 Repeatable	Level 3 Defined	Level 4 Managed	Level 5 Optimized
NIST Cybersecurity Framework Functions	Identify	Little to no cybersecurity risk identification.	Process for cybersecurity risk identification exists, but it is immature.	Risks to IT assets are identified and managed in a standard, well defined process.	Risks to the business environment are identified and proactively monitored on a periodic basis.	Cybersecurity risks are continuously monitored and incorporated into business decisions.
	Protect	Asset protection is reactive and ad hoc.	Data protection mechanisms are implemented across the environment.	Data is formally defined and protected in accordance with its classification.	The environment is proactively monitored via protective technologies.	Protection standards are operationalized through automation and advanced technologies.
	Detect	Anomalies or events are not detected or not detected in a timely manner.	Anomaly detection is established through detection tools and monitoring procedures.	A baseline of "normal" activity is established and applied against tools/procedures to better identify malicious activity.	Continuous monitoring program is established to detect threats in real-time.	Detection and monitoring solutions are continuously learning behaviors and adjusting detection capabilities.
	Respond	The process for responding to incidents is reactive or non-existent.	Analysis capabilities are applied consistently to incidents by Incident Response (IR) roles.	An IR Plan defines steps for incident preparation, analysis, containment, eradication, and post-incident.	Response times and impacts of incidents are monitored and minimized.	The capabilities of all IT personnel, procedures, technologies are regularly tested and updated.
	Recover	The process for recovering from incidents is reactive or non-existent.	Resiliency and recovery capabilities are applied consistently to incidents impacting business operations.	A Continuity & Disaster Recovery Plan defines steps to continue critical functions and recover to normal operations.	Recovery times and impacts of incidents are monitored and minimized.	The capabilities of all IT personnel, procedures, technologies are regularly tested and updated.

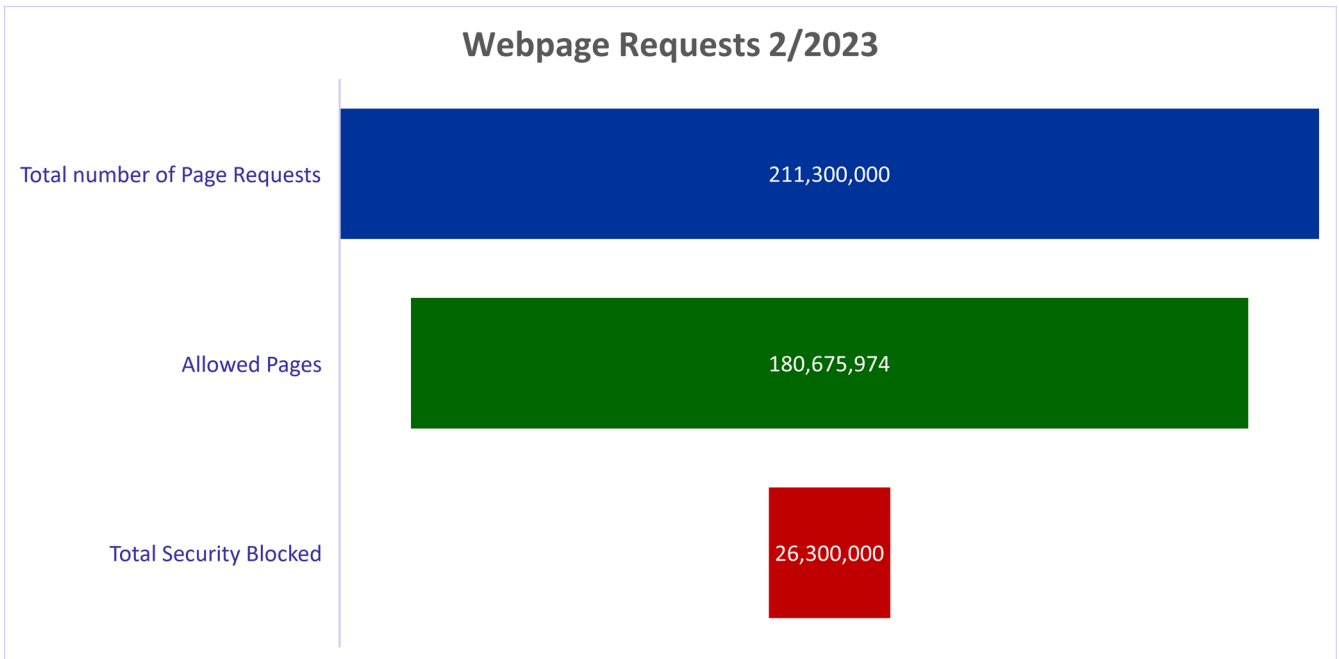
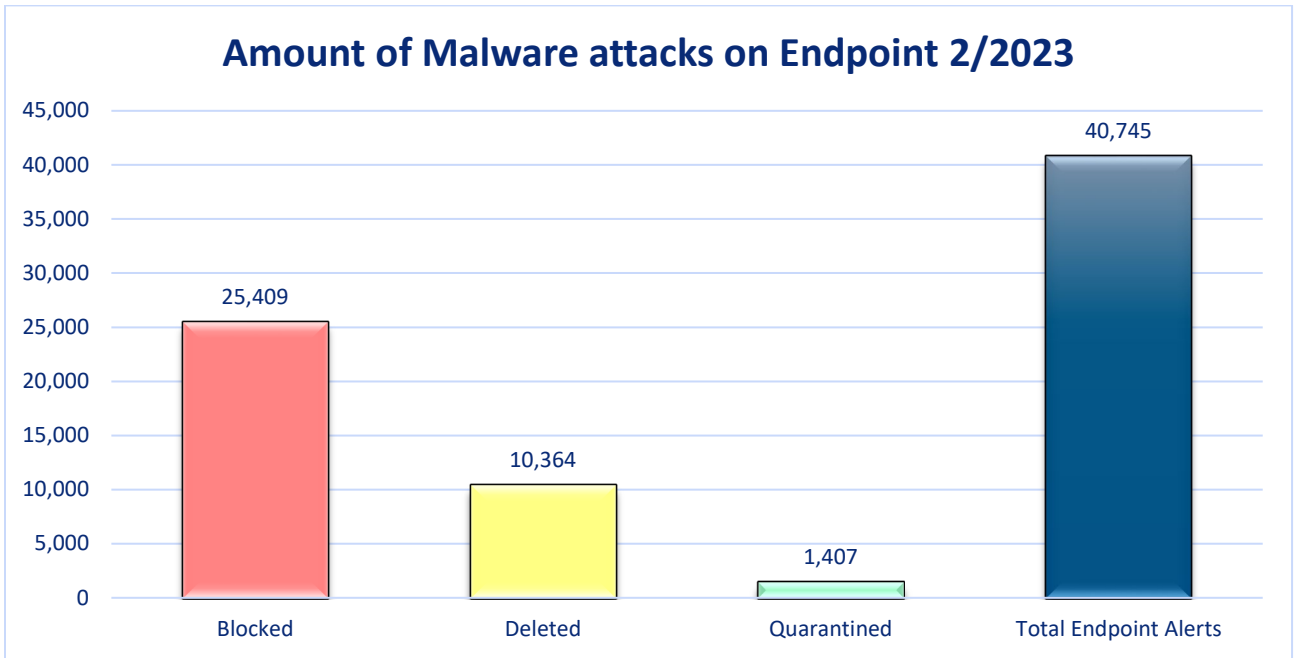
Figure 3: Assessing Cybersecurity Maturity

## C. Data Protection & Privacy

### 1. Endpoint Protection

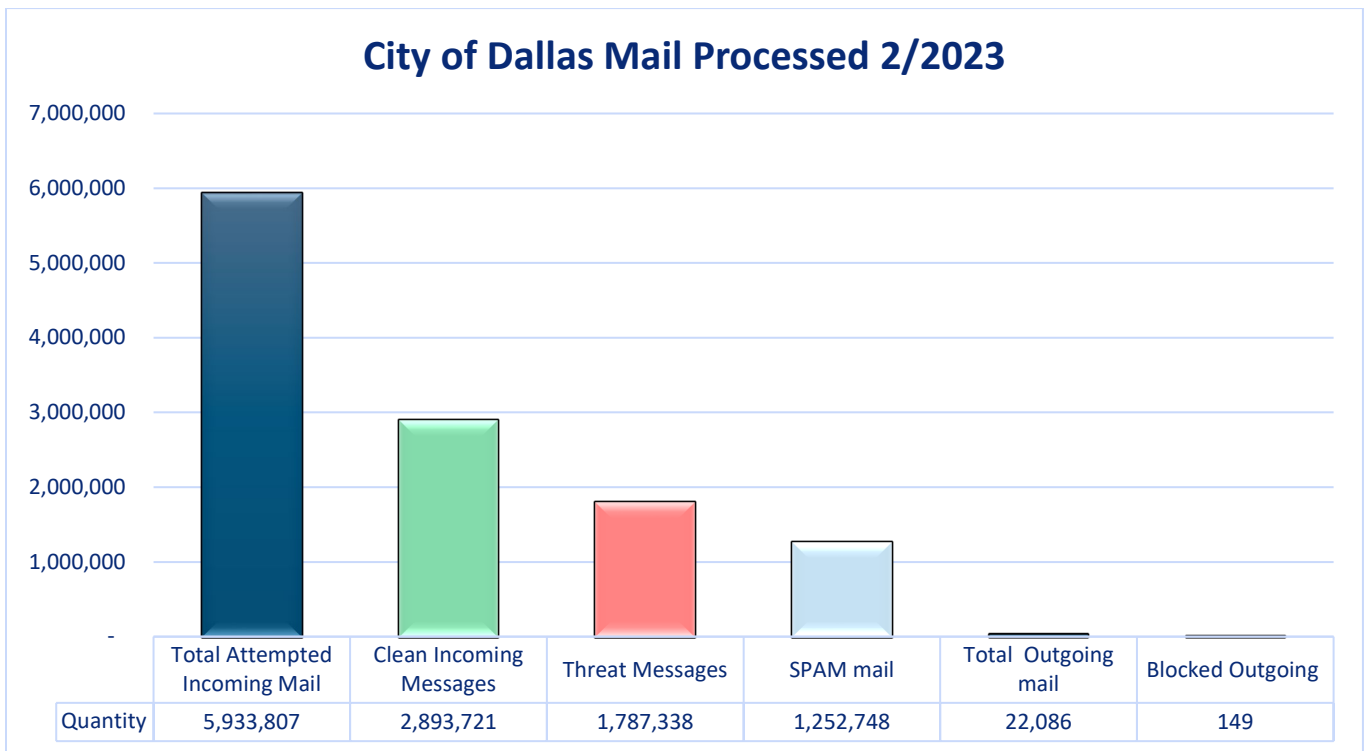
Endpoint protection is one component to the organization's ability to handle daily malware. All devices needing connection to the internet are subject to attacks. Attacks are mitigated through technologies monitoring the systems in real time reacting and responding to those attacks. Technologies like Firewall and Endpoint Detection and Response all are in place to respond to those attacks. Below is the current status for endpoint attack metrics.





## 2. Email Screening

The City of Dallas receives and send millions of emails a month. Phishing is an attack vector that is utilized by bad actors in the form of social engineering, as a means to gain internal access to the network. This can then be used to introduce malware, ransomware, and other malicious software to adversely affect City services. Below provides a picture of mail messages processed and remediated prior to user reception.



## Section 5: IT Infrastructure

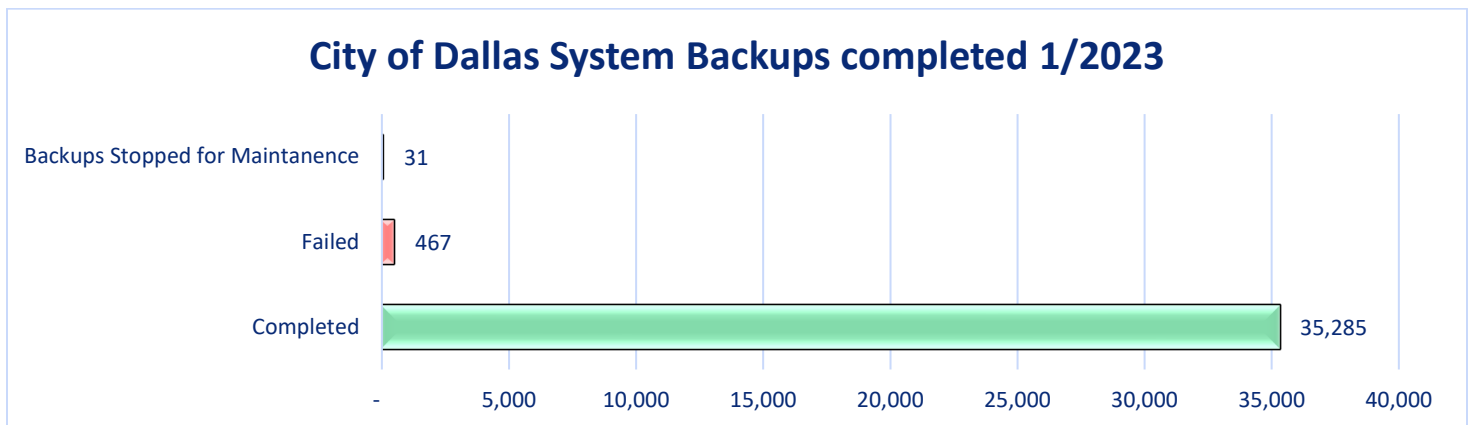
IT Infrastructure information and status updates on efforts to upgrade and improve the IT infrastructure used by the City to reduce technical debt, better meet current needs, and build for future service needs.

### A. Resiliency - Disaster Recovery and Business Continuity

Resilience is essential in the City’s IT environment because it ensures that the system can continue to function effectively and efficiently even when unexpected events occur. This can include things like hardware or software failures, power outages, natural disasters, and cyber-attacks. Lack of resiliency impacts Local government to prolonged outages, data loss, and security breaches. These can be costly in terms of services to residents, loss of public trust, and regulatory penalties.

Resiliency can be achieved through a combination of redundancy, fault tolerance, disaster recovery planning, and proactive monitoring and maintenance. By designing and implementing resilient IT systems, the City can minimize the impact of disruptions and maintain business continuity, ensuring that critical applications and services remain available. ITS has begun evaluating on opportunities to design the City’s IT environment to improve resilience.

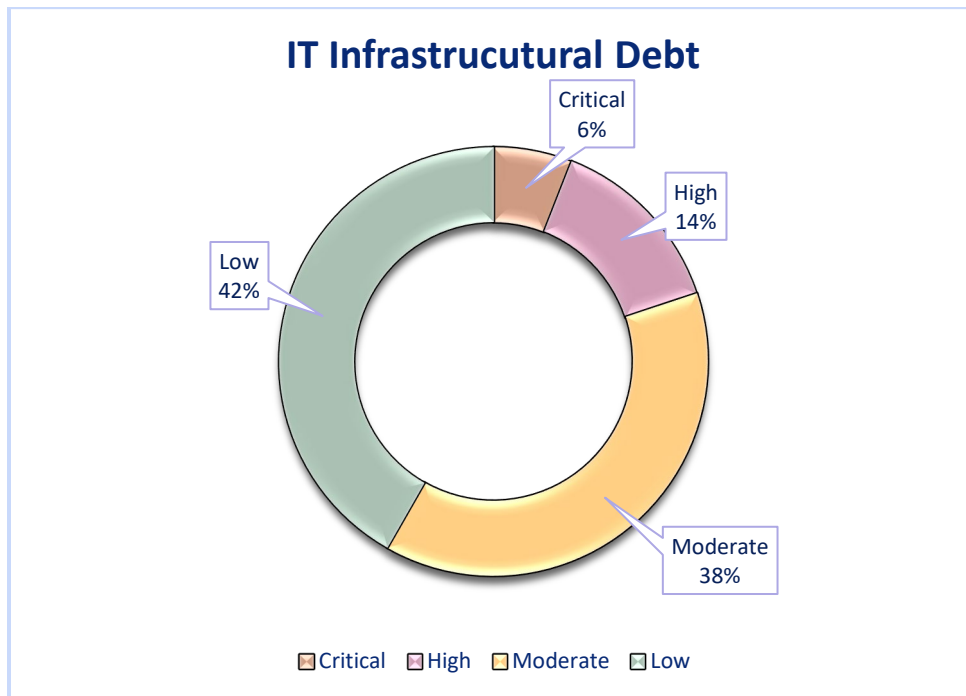
A critical component of Disaster Recovery and Business Continuity practices is backing up critical data, testing data backups, and conducting exercises to ensure that data backups can be successfully utilized to restore business services.



## B. Technical Debt

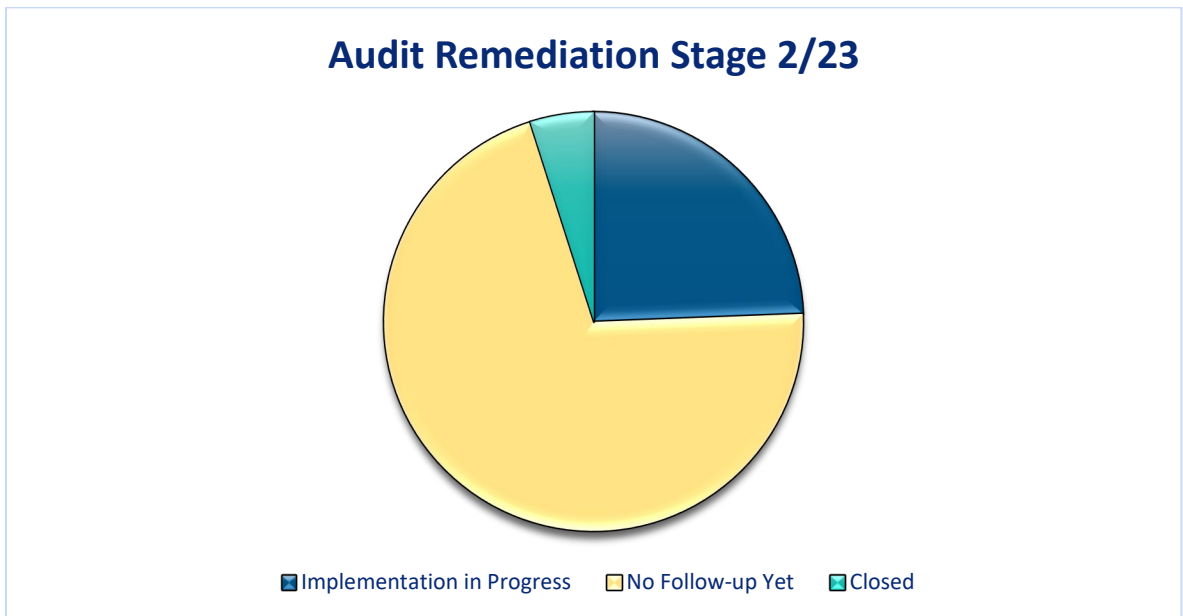
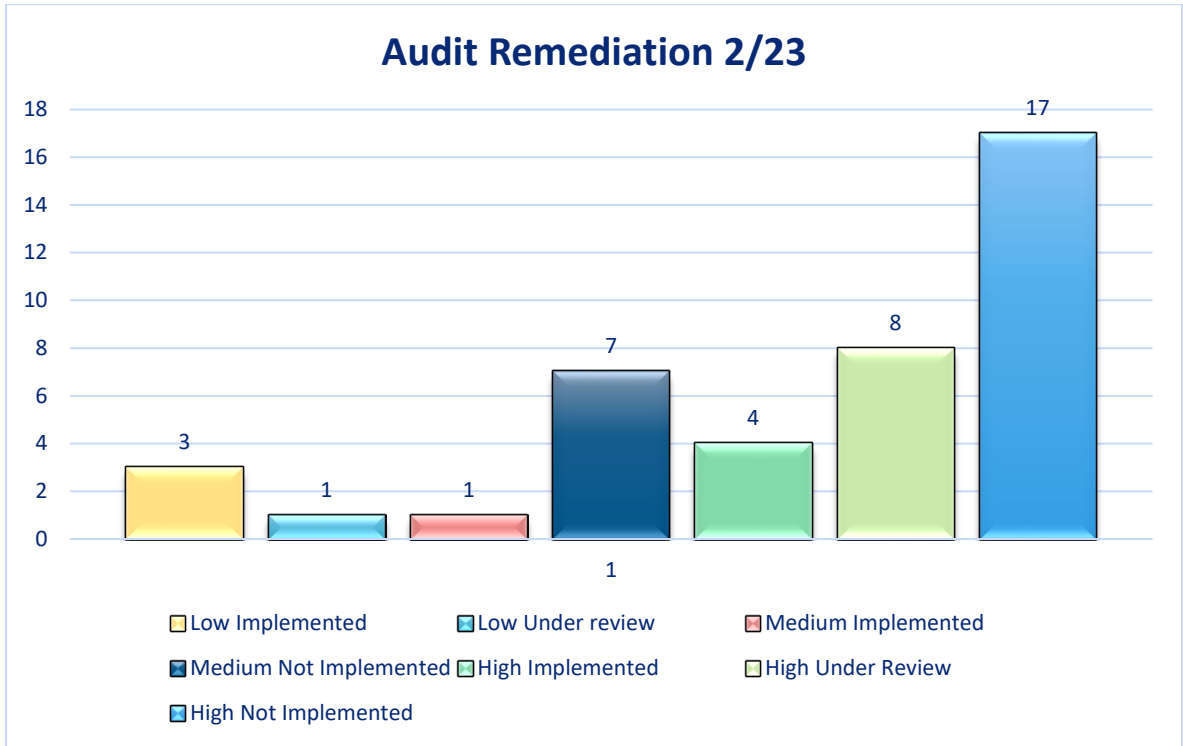
As a part of the City’s IT Infrastructure improvement direction, a proactive approach has been taken that identifies, tracks, and will communicate the potential risks and costs associated with technical debt to City departments. The City’s Technical debt has accumulated over time, reducing the IT effectiveness for services. This must involve setting aside a time and resources, specifically for the deficit. By ITS developing a comprehensive technical debt management strategy, organizations can prevent the accumulation of technical debt, reduce development costs and timelines, and improve system stability and maintainability over the long term. This leads to a long-term sustainability and maintainability.

As part of the ongoing efforts to assess the health of IT systems, a recently completed review found that up to 20% of the City’s technology systems and infrastructure can be defined at a level of “Critical” or “High” infrastructural debt, requiring attention to upgrade, replace or remediate the risks associated. Further information from the assessments will be provided in the March 2023 TAR report.



### C. Audit

Currently the ITS department is working through several audits that impact technology services. Below representative if the Audit remediation efforts and stages.





# Memorandum



CITY OF DALLAS

DATE March 9, 2023

TO Members of the Government Performance and Financial Management Committee

SUBJECT **Dallas Fort Worth (DFW) International Airport Bond Financial Package**

Dallas Fort Worth International Airport (DFW) is seeking approval of two new bond ordinances from the Owner Cities of Dallas and Fort Worth to refinance some debt, and position DFW to fund certain capital projects.

DFW anticipates passenger traffic exceeding pre-pandemic levels, and with a busy summer ahead, plans to take action in preparation for the increased customer loads. The Airport is seeking authority to: (i) refund existing bonds, Subordinate Lien Bonds and outstanding commercial paper; and (ii) potentially issue new money bonds to finance Terminal C and other aging infrastructure, assuming market rates are favorable.

The Airport Board approved the two Supplemental Bond Ordinances at its March 2, 2023, meeting. The Owner City Approval schedule is below:

- March 7 – Fort Worth City Council Work Session Briefing (via Informal Report)
- March 21 – Briefing to the Government Performance and Financial Management Committee of the Dallas City Council
- April 11 – Fort Worth City Council Agenda Meeting
- April 12 – Dallas City Council Agenda Meeting

Attached to this email you will find background information, a presentation regarding the Debt Financing Program and associated resolutions.

For more information, please contact Chris Poinatte, Executive Vice President and Chief Financial Officer at 972-973-5210 or via email at [capoinatte@dfwairport.com](mailto:capoinatte@dfwairport.com).

A handwritten signature in black ink, appearing to read 'T.C. Broadnax'.

[tc.broadnax \(Mar 9, 2023 10:16 CST\)](#)

T.C. Broadnax  
City Manager

c: Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billierae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

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# FY 2023 Debt Financing Program Overview

City of Dallas

Dallas Government Performance and Financial Management Committee

March 21, 2023

# FY2023 Financing Plan

Current planned refundings over next 12 months estimated at approximately \$1.305 billion, plus additional \$1 billion of new money if needed.

Series	Tax Status	Purpose	Approximate Par Amount
2023A July	Taxable	Takeout of subordinate lien joint revenue bond, taxable series 2021	\$225M*
2023B August	Tax-Exempt	Refund \$550M of callable bonds and \$275M of commercial paper	\$825M*
2023C August	Alternative Minimum Tax (AMT) or Taxable	Refund callable AMT bonds	\$255M*
n/a	Taxable/AMT/Tax-Exempt	Issue new money if needed or if deemed financially desirable	Up to \$1,000M*

\*Preliminary—Subject to change



# DFW Airport—Supplemental Bond Ordinance Summary

## **65<sup>th</sup> Supplemental Bond Ordinance**

- Permits the Authorized Officers to request passage of the bond ordinance by the Owner Cities
- Establishes parameters:
  - Debt issuance not to exceed \$2.305 billion
    - Refund Senior Lien Bond principal
    - Refund Subordinate Lien Commercial Paper principal
    - Refund Subordinate Lien Bond principal
    - Issue up to incremental \$1 billion of new money proceeds to provide flexibility if financially advantageous
  - Interest rates not to exceed maximum allowed under state law
  - Final maturity - not to exceed 11/1/2053

## **66<sup>th</sup> Supplemental Bond Ordinance**

- Annual request to authorize the refunding of entire commercial paper program through bonds
- Allows DFW to refund in case of a failed remarketing

# Underwriting Pool

Academy Securities\*

Bank of America Securities

Barclays

Cabrera Capital\*

Citigroup

Goldman Sachs

Jefferies

JP Morgan

Loop Capital Markets\*

Morgan Stanley

Piper Sandler

Ramirez & Co\*

Raymond James

RBC Capital

Rice Financial\*

Siebert Williams Shank\*

Stern Brothers\*

UBS

Wells Fargo



*\*MWDVBE qualified firm*





# Financing Team

---

## **Financial Advisors**

Hilltop Securities

Estrada Hinojosa

## **Bond Counsel**

McCall, Parkhurst & Horton, LLP

West and Associates, LLP

## **Disclosure Counsel**

Bracewell, LLP

Hardwick Law Firm, LLC

## **Underwriters' Counsel**

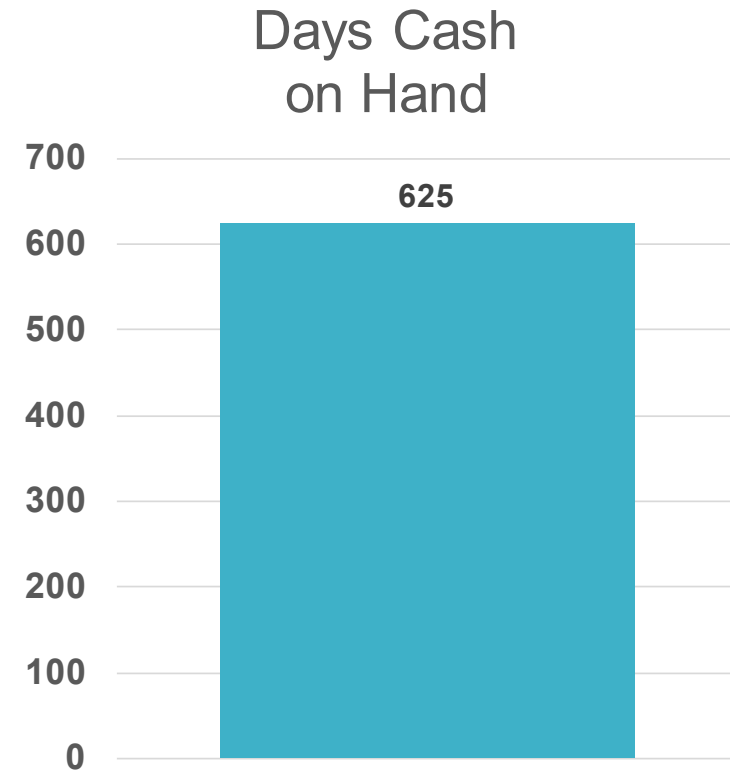
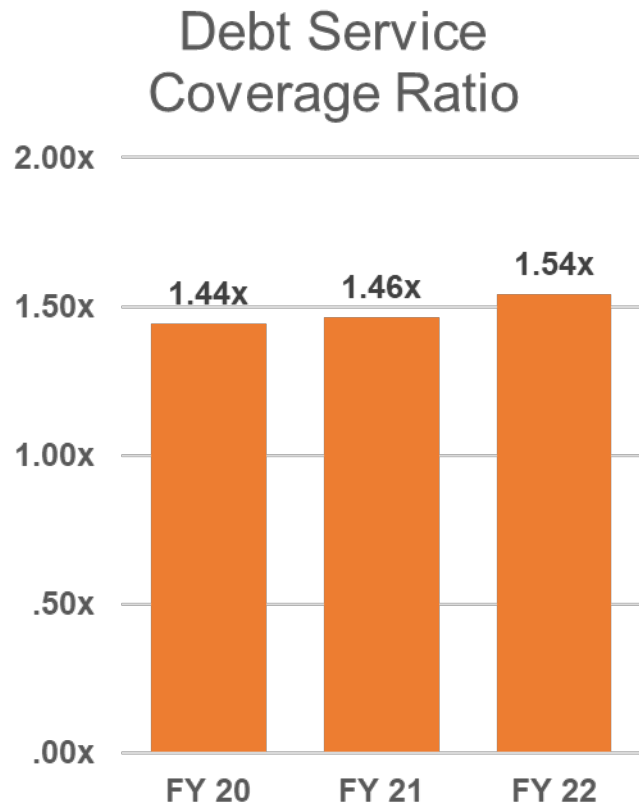
Kelly Hart & Hallman LLP

Escamilla Poneck, LLP

# Strong Debt Service Coverage and Liquidity

DFW has sufficient cash on hand to pay debt service and operating expenses for over 20 months with no new revenue.

Current Bond Ratings:  
Kroll(AA), Moody's(A1), S&P(A+), Fitch(A+)



# 2023 Bond Transaction Schedule

## DFW Board Approvals

### March

- Approve two supplemental bond ordinances (SBO)

### June

- Approve the form of the preliminary official statement for the 2023 bond transactions

## City Approvals

### Dallas

- March 21 briefing of SBOs
- April 12 approval of SBOs

### Fort Worth

- March 7 briefing of SBOs
- April 11 approval of SBOs

## Marketing/Ratings

### April

- JPM Investor Conference

### June

- Rating agency presentations

### July

- Investor Outreach

### August

- Investor Outreach

## Pricing

### July

- Taxable 2023A

### August

- Tax-Exempt 2023B
- AMT 2023C



RESOLUTION NO. 2023-\_\_ -\_\_

**APPROVING THE FORM OF THE SIXTY-FIFTH SUPPLEMENTAL CONCURRENT BOND ORDINANCE AND REQUESTING ITS PASSAGE BY THE CITY COUNCILS OF THE CITIES OF DALLAS AND FORT WORTH; AUTHORIZING THE PREPARATION OF THE OFFICIAL STATEMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO TAKE OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH**

THE STATE OF TEXAS §  
COUNTIES OF DALLAS AND TARRANT §  
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD §

WHEREAS, prior to the adoption of this resolution (herein defined and cited as the "Resolution"), the City Councils of the Cities of Dallas and Fort Worth (the "Cities") passed the Master Bond Ordinance (defined and cited herein as the "Master Bond Ordinance") relating to the Dallas Fort Worth International Airport (the "Airport"); and

WHEREAS, terms not defined herein shall have the meanings set forth in the Master Bond Ordinance; and

WHEREAS, the Master Bond Ordinance is the controlling document that relates to the financing of the Airport and that (i) prescribes the terms and conditions upon the basis of which the Additional Obligations, Credit Agreements, and Parity Credit Agreement Obligations may be issued and executed, and (ii) provides and establishes the pledge, security, and liens securing the Cities' special obligations to pay when due the Outstanding Obligations and Parity Credit Agreement Obligations, and any Additional Obligations; and

WHEREAS, this Resolution is adopted for the purposes set forth below; and

WHEREAS, in accordance with the Master Bond Ordinance, the Dallas Fort Worth International Airport Board (the "Board") has sought and obtained the preparation of a proposed ordinance to be passed concurrently by said Cities authorizing the issuance of one or more series of Dallas Fort Worth International Airport Joint Revenue Bonds (the "Bonds") which shall constitute Additional Obligations pursuant to the Master Bond Ordinance the proceeds of which will be used, among other things, to pay the cost of capital improvements at the Airport and to refund all or a portion of the obligations set forth in Schedule I of the attached Sixty-Fifth Ordinance (as defined below)(collectively, the "Refunded Bonds") and for other purposes as permitted by the Master Bond Ordinance; and

WHEREAS, it is the desire of the Board by this Resolution to approve the Sixty-Fifth Ordinance (as defined below) in substantially the form attached hereto and to respectfully request the City Councils of the Cities of Dallas and Fort Worth to pass said ordinance and thus authorize the issuance and sale of the Bonds and the other matters authorized thereby; and

WHEREAS, the Sixty-Fifth Ordinance provides parameters subject to which the Bonds are to be sold to certain purchasers in accordance with the terms of an Underwriting Agreement (in the case of a negotiated sale) or Bidding Instructions (in the case of a competitive sale); and

WHEREAS, it is the desire of the Board to authorize the preparation of such Underwriting Agreements (in the case of a negotiated sale) and Bidding Instructions (in the case of a competitive sale) and authorize their execution by the proper officers of the Board, with parameters set forth in the Sixty-Fifth Ordinance and with such subsequent modifications and terms as may be determined by the Authorized Officers; and

WHEREAS, it is the desire of the Board to authorize the preparation of one or more Official Statements to be used in connection with the issuance and sale of the Bonds; and

WHEREAS, it is the desire of the Board to authorize the preparation of one or more Escrow Agreements to be used in connection with the issuance and sale of the Bonds and the refunding of all or a portion of the Refunded Bonds; and

WHEREAS, the Board hereby determines that the meeting at which this Resolution is adopted is open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by Applicable Law;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DALLAS FORT WORTH INTERNATIONAL AIRPORT:**

Section 1. That the proposed concurrent ordinance of the City Councils of the Cities of Dallas and Fort Worth, bearing the short title "Sixty-Fifth Supplemental Concurrent Bond Ordinance" (the "Sixty-Fifth Ordinance") be and the same is hereby in all respects approved by the Board, with the parameters set forth therein and in substantially the form and substance attached hereto and made a part hereof. The Board hereby acknowledges and accepts its duties of continuing disclosure.

Section 2. That it is hereby recommended to the City Councils of the Cities of Dallas and Fort Worth that they pass the Sixty-Fifth Ordinance with the parameters set forth and in the forms attached hereto and said City Councils are hereby requested to so do.

Section 3. That the Chief Executive Officer is hereby directed to promptly forward copies of the Sixty-Fifth Ordinance to the City Councils of said Cities along with a copy of this Resolution, together with the exhibits attached hereto.

Section 4. That, in accordance with the requirements of the Contract and Agreement and the Controlling Ordinances, the Chief Executive Officer is further directed to forward by the earliest practical means a copy of the Sixty-Fifth Ordinance to the City Attorney of each of the Cities with the request that each present the same at a meeting of the respective City Council, along with the request of the Board, respectfully submitted, that the Sixty-Fifth Ordinance be approved and passed.

Section 5. That upon the passage of the Sixty-Fifth Ordinance by said City Councils the appropriate officers of this Board are hereby authorized and directed to take such steps as

may be necessary or considered appropriate to accomplish the issuance, sale and delivery of one or more series of Bonds in accordance with the Sixty-Fifth Ordinance.

Section 6. That the Chief Executive Officer is hereby authorized to prepare the Official Statements and Escrow Agreements.

Section 7. That the Official Statements, with such subsequent modifications or amendments as shall be approved by subsequent action of the Board and in writing by the Chief Executive Officer, shall be used by the Underwriters in the sale of the Bonds.

Section 8. That the Chief Executive Officer is hereby authorized to execute one or more Underwriting Agreements (in the case of a negotiated sale) or Bidding Instructions and Official Bid Forms (in the case of a competitive sale), providing for the terms of sale of the Bonds by the Cities of Dallas and Fort Worth to the purchasers therein named, at such price, in the aggregate principal amount, with such installments of principal, with such interest rates and such other matters as shall be determined in accordance with the Sixty-Fifth Ordinance, upon a determination by the Chief Executive Officer that the requirements of Article III of the Sixty-Fifth Ordinance have been met.

Section 9. That each Authorized Officer (as defined in the Sixty-Fifth Ordinance) is hereby authorized to take any other actions appropriate or necessary in connection with the issuance, sale and delivery of the Bonds, the preparation of any of the documents described or referenced herein, or the delivery of copies of any such documents to the City Councils of the Cities. In the absence of the Chief Executive Officer, the Executive Vice President and Chief Financial Officer and the Vice President of Treasury Management are hereby authorized to act in his stead with respect to such matters.

ADOPTED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD ON THIS \_\_\_\_\_, 2023.

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTIES OF DALLAS AND TARRANT §
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD §

I, the undersigned officer of said Board, hereby certifies as follows:

1. That the Dallas Fort Worth International Airport Board convened in Regular Meeting on the \_\_\_ day of \_\_\_\_\_, 2023, at the Airport Administration Building, 2400 Aviation Drive, Dallas Fort Worth Airport, Texas, its regular meeting place, and the roll was called of the duly constituted officers and members of said Board, to wit:

- Henry Borbolla III, Chair
Gloria M. Tarpley, Vice-Chair
Vernon Evans, Secretary
Mayor Eric Johnson
Mayor Mattie Parker
Vincent Hall
Ben Leal
William Meadows
Raj Narayanan
Mario Quintanilla
DeMetris Sampson
Mayor Pro Tem Darlene Freed\*

\*non-voting member

and all of said persons were present, thus constituting a quorum. Whereupon, among other business, a written resolution APPROVING THE FORM OF THE SIXTY-FIFTH SUPPLEMENTAL CONCURRENT BOND ORDINANCE AND REQUESTING ITS PASSAGE BY THE CITY COUNCILS OF THE CITIES OF DALLAS AND FORT WORTH; AUTHORIZING THE PREPARATION OF THE OFFICIAL STATEMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO TAKE OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH

was duly introduced for the consideration of said Board of Directors. It was then duly moved and seconded that said Resolution be adopted; and said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES:
NOES:
ABSTENTIONS:

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that said Resolution has been duly recorded in the minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said

Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

3. That the Resolution has not been modified, amended or repealed and is in full force and effect on and as of the date hereof.

SIGNED AND SEALED the \_\_\_\_ day of \_\_\_\_\_, 2023.

---

Staff Secretary, Dallas Fort Worth  
International Airport Board



RESOLUTION NO. 2023-\_\_ -\_\_

**APPROVING THE FORM OF THE SIXTY-SIXTH SUPPLEMENTAL CONCURRENT BOND ORDINANCE AND REQUESTING ITS PASSAGE BY THE CITY COUNCILS OF THE CITIES OF DALLAS AND FORT WORTH; AUTHORIZING THE PREPARATION OF THE OFFICIAL STATEMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO TAKE OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH**

THE STATE OF TEXAS §  
COUNTIES OF DALLAS AND TARRANT §  
DALLAS/FORT WORTH INTERNATIONAL AIRPORT BOARD §

WHEREAS, prior to the adoption of this resolution (herein defined and cited as the "Resolution"), the City Councils of the Cities of Dallas and Fort Worth (the "Cities") passed the Master Bond Ordinance (defined and cited herein as the "Master Bond Ordinance") relating to the Dallas Fort Worth International Airport (the "Airport"); and

WHEREAS, terms not defined herein shall have the meanings set forth in the Master Bond Ordinance; and

WHEREAS, the Master Bond Ordinance is the controlling document that relates to the financing of the Airport and that (i) prescribes the terms and conditions upon the basis of which the Additional Obligations, Credit Agreements, and Parity Credit Agreement Obligations may be issued and executed, and (ii) provides and establishes the pledge, security, and liens securing the Cities' special obligations to pay when due the Outstanding Obligations and Parity Credit Agreement Obligations, and any Additional Obligations; and

WHEREAS, this Resolution is adopted for the purpose of, among the other purposes set forth below, refunding all or part of the outstanding Refunded Notes, (as defined below); and

WHEREAS, in accordance with the Master Bond Ordinance, the Dallas Fort Worth International Airport Board (the "Board") has sought and obtained the preparation of a proposed ordinance to be passed concurrently by said Cities authorizing the issuance of one or more series of Dallas Fort Worth International Airport Joint Revenue Bonds (the "Bonds") which shall constitute Additional Obligations pursuant to the Master Bond Ordinance the proceeds of which will be used, among other things, to refund all or a portion of the Dallas Fort Worth International Airport Subordinate Lien Commercial Paper Notes, Series I (the "Series I Notes") and for other purposes as permitted by the Master Bond Ordinance; and

WHEREAS, it is the desire of the Board by this Resolution to approve the Sixty-Sixth Ordinance (as defined below) in substantially the form attached hereto and to respectfully request the City Councils of the Cities of Dallas and Fort Worth to pass said ordinance and thus authorize the issuance and sale of the Bonds and the other matters authorized thereby; and

WHEREAS, the Sixty-Sixth Ordinance provides parameters subject to which the Bonds are to be sold to certain purchasers in accordance with the terms of an Underwriting Agreement

(as defined in the Sixty-Sixth Ordinance) (in the case of a negotiated sale) or Bidding Instructions (as defined in the Sixty-Sixth Ordinance) (in the case of a competitive sale); and

WHEREAS, it is the desire of the Board to authorize the preparation of such Underwriting Agreements (in the case of a negotiated sale) or Bidding Instructions (in the case of a competitive sale) and authorize their execution by the proper officers of the Board, with parameters set forth in the Sixty-Sixth Ordinance and with such subsequent modifications and terms as may be determined by the Authorized Officers; and

WHEREAS, it is the desire of the Board to authorize the preparation of one or more Official Statements to be used in connection with the issuance and sale of the Bonds; and

WHEREAS, it is the desire of the Board to authorize the preparation of one or more Escrow Agreements, if applicable, to be used in connection with the issuance and sale of the Bonds and the refunding of all or a portion of the Refunded Notes; and

WHEREAS, the Board hereby determines that the meeting at which this Resolution is adopted is open to the public, and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by Applicable Law;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DALLAS FORT WORTH INTERNATIONAL AIRPORT:**

Section 1. That the proposed concurrent ordinance of the City Councils of the Cities of Dallas and Fort Worth, bearing the short title "Sixty-Sixth Supplemental Concurrent Bond Ordinance" (the "Sixty-Sixth Ordinance" be and the same is hereby in all respects approved by the Board, with the parameters set forth therein and in substantially the form and substance attached hereto and made a part hereof. The Board hereby acknowledges and accepts its duties of continuing disclosure pursuant to Rule 15c2-12, as amended from time to time, adopted by the United States Securities and Exchange Commission under the Securities Exchange Act of 1934.

Section 2. That it is hereby recommended to the City Councils of the Cities of Dallas and Fort Worth that they pass the Sixty-Sixth Ordinance with the parameters set forth and in the forms attached hereto and said City Councils are hereby requested to so do.

Section 3. That the Chief Executive Officer is hereby directed to promptly forward copies of the Sixty-Sixth Ordinance to the City Councils of said Cities along with a copy of this Resolution, together with the exhibits attached hereto.

Section 4. That, in accordance with the requirements of the Contract and Agreement and the Controlling Ordinances, the Chief Executive Officer is further directed to forward by the earliest practical means a copy of the Sixty-Sixth Ordinance to the City Attorney of each of the Cities with the request that each present the same at a meeting of the respective City Council, along with the request of the Board, respectfully submitted, that the Sixty-Sixth Ordinance be approved and passed.



Section 5. That upon the passage of the Sixty-Sixth Ordinance by said City Councils the appropriate officers of this Board are hereby authorized and directed to take such steps as may be necessary or considered appropriate to accomplish the issuance, sale and delivery of one or more series of Bonds in accordance with the Sixty-Sixth Ordinance.

Section 6. That the Chief Executive Officer is hereby authorized to prepare the Official Statements and Escrow Agreements, if applicable.

Section 7. That the Official Statements, with such subsequent modifications or amendments as shall be approved by subsequent action of the Board and in writing by the Chief Executive Officer, shall be used by the Underwriters in the sale of the Bonds.

Section 8. That the Chief Executive Officer is hereby authorized to execute one or more Underwriting Agreements (in the case of a negotiated sale) or Bidding Instructions and Official Bid Forms (in the case of a competitive sale), providing for the terms of sale of the Bonds by the Cities of Dallas and Fort Worth to the Purchasers therein named, at such price, in the aggregate principal amount, with such installments of principal, with such interest rates and such other matters as shall be determined in accordance with the Sixty-Sixth Ordinance, upon a determination by the Chief Executive Officer that the requirements of Article III of the Sixty-Sixth Ordinance have been met.

Section 9. That each Authorized Officer (as defined in the Sixty-Sixth Ordinance) is hereby authorized to take any other actions appropriate or necessary in connection with the issuance, sale and delivery of the Bonds, the preparation of any of the documents described or referenced herein, or the delivery of copies of any such documents to the City Councils of the Cities. In the absence of the Chief Executive Officer, the Executive Vice President and Chief Financial Officer, and the Vice President of Treasury Management are hereby authorized to act in his stead with respect to such matters.

ADOPTED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD  
ON THIS \_\_\_\_\_, 2023.

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
COUNTIES OF DALLAS AND TARRANT §
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD §

I, the undersigned officer of said Board, hereby certifies as follows:

1. That the Dallas Fort Worth International Airport Board convened in Regular Meeting on the \_\_\_ day of \_\_\_\_\_, 2023, at the Airport Administration Building, 2400 Aviation Drive, Dallas Fort Worth Airport, Texas, its regular meeting place, and the roll was called of the duly constituted officers and members of said Board, to wit:

- Henry Borbolla III, Chair
Gloria M. Tarpley, Vice-Chair
Vernon Evans, Secretary
Mayor Eric Johnson
Mayor Mattie Parker
Vincent Hall
Ben Leal
William Meadows
Raj Narayanan
Mario Quintanilla
DeMetris Sampson
Mayor Pro Tem Darlene Freed\*

\*non-voting member

and all of said persons were present, except \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, a written resolution APPROVING THE FORM OF THE SIXTY-SIXTH SUPPLEMENTAL CONCURRENT BOND ORDINANCE AND REQUESTING ITS PASSAGE BY THE CITY COUNCILS OF THE CITIES OF DALLAS AND FORT WORTH; AUTHORIZING THE PREPARATION OF THE OFFICIAL STATEMENT; AND AUTHORIZING THE AUTHORIZED OFFICERS TO TAKE OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH

was duly introduced for the consideration of said Board of Directors. It was then duly moved and seconded that said Resolution be adopted; and said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: —
NOES: —
ABSTENTIONS: —

2. That a true, full and correct copy of the aforesaid Resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this Certificate for Resolution; that said Resolution has been duly recorded in the minutes of said Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the minutes of said meeting pertaining to the adoption of said Resolution; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally in advance, of the time, place and purpose of the aforesaid meeting, and that said Resolution would be introduced and considered for adoption at said meeting,

and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; and that said meeting was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code, as amended.

3. That the Resolution has not been modified, amended or repealed and is in full force and effect on and as of the date hereof.

SIGNED AND SEALED the \_\_ day of \_\_\_\_\_, 2023.

---

Staff Secretary, Dallas Fort Worth  
International Airport Board

# Memorandum



CITY OF DALLAS

DATE March 21, 2023

TO Members of the Government Performance and Financial Management Committee  
Cara Mendelsohn (Chair), Gay Donnell Willis (Vice Chair), Adam Bazaldua, Adam McGough, Paul Ridley, Chad West

SUBJECT **FY 2021-22 Budget versus Actual End of Year Report**

Attached for your review is the FY 2021-22 Budget versus Actual End of Year Report.

The End of Year (EOY) Report communicates the final status of year-end total expenditures compared to appropriations, total revenues compared to budget, and significant expenditure and revenue variances (compared to budget) for all operating funds. This report is the culmination of Financial Forecast Reports provided by Budget & Management Services through the previous fiscal year. In addition, the report provides a status of compliance with the Financial Management Performance Criteria (FMPC).

The final EOY report incorporates data from our recently published Annual Comprehensive Financial Report; therefore, we are now providing the final FY 2021-22 EOY Report.

Please let me know if you need additional information.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland  
Chief Financial Officer

[Attachment]

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

# END OF YEAR REPORT

## FY 2021-22

**Budget versus Actual  
As of September 30, 2022**



Cover Photo Credit: City of Dallas - Mural by Tristan Eaton, Stack Building, Deep Ellum

**Prepared by Budget & Management Services**

1500 Marilla Street, 4FN  
Dallas, TX 75201

214-670-3659  
[financialtransparency.dallascityhall.com](http://financialtransparency.dallascityhall.com)

# GENERAL FUND OVERVIEW

	FY 2021-22 Adopted Budget	FY 2021-22 Amended Budget	Actual	Variance
Revenues	1,535,018,900	1,589,890,654	1,618,355,695	28,465,041
Expenditures	1,535,018,900	1,589,890,654	1,570,893,959	(18,996,695)
Net Excess of Revenues Over Expenditure/Transfers	\$0	\$0	\$47,461,735	\$47,461,735

## SUMMARY

The General Fund overview provides a summary of audited financial activity for Fiscal Year (FY) 2021-22. The Adopted Budget column reflects the budget adopted by City Council on September 22, 2021, effective October 1, 2021, through September 30, 2022. 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.

**Revenues.** General Fund revenues exceeded budget by \$28,465,000. This was primarily due to sales tax revenues which exceeded budget by \$13,201,000 and franchise and other revenues which exceeded budget by \$15,151,000. This was partially offset by reduced operating transfers in, which ended the year \$9,733,000 under budget.

**Expenditures.** General Fund expenditures were below budget by \$18,997,000. Most departments were under budget primarily due to salary savings from vacant uniform and non-uniform positions, as well as better than budgeted reimbursements, partially offset by uniform overtime and supplies for various General Fund departments.

**FY 2021-22 Amended Budget.** City Council amended the General Fund budget on:

- December 8, 2021, by resolution #21-2023 in the amount of \$197,558 for the establishment of the Inspector General Division.
- May 11, 2022, by ordinance #32193 in the amount of \$24,859,738 due to additional sales tax revenue and intergovernmental revenue from Dallas County. This allocation was used for the maintenance and operation of various departments and activities.
- September 28, 2022, by ordinance #32301 in the amount of \$29,814,458 due to additional sales tax revenue. This allocation was used for the maintenance and operation of various departments and activities.

# GENERAL FUND REVENUE

Revenue Category		FY 2021-22 Adopted Budget	FY 2021-22 Amended Budget	Actual	Variance
1	Property Tax	\$876,483,968	\$876,483,968	\$880,483,648	\$3,999,680
2	Sales Tax	344,283,066	394,108,522	407,309,124	13,200,602
3	Franchise and Other	117,599,602	117,599,602	132,750,263	15,150,661
4	Charges for Services	108,668,947	108,668,947	111,138,850	2,469,903
5	Fines and Forfeitures	26,390,716	26,390,716	24,081,688	(2,309,028)
6	Operating Transfers In	32,918,730	33,116,288	23,383,394	(9,732,894)
7	Intergovernmental	13,101,905	17,950,645	18,181,798	231,153
8	Miscellaneous	8,877,610	8,877,610	12,429,451	3,551,841
9	Licenses and Permits	5,844,356	5,844,356	5,960,602	116,246
10	Interest	850,000	850,000	2,636,878	1,786,878
	<b>Total Revenue</b>	<b>\$1,535,018,900</b>	<b>\$1,589,890,654</b>	<b>\$1,618,355,695</b>	<b>\$28,465,041</b>

## VARIANCE NOTES

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

**2 Sales Tax.** City Council increased the Sales Tax budget from \$344,283,066 to \$364,294,064 on May 11 as part of the mid-year appropriations adjustment process and from \$364,294,064 to \$394,108,522 on September 28 by adopting the end of the year budget ordinance. Total sales tax collections were \$13,201,000 over the amended budget.

**3 Franchise and Other.** Franchise and Other revenues were \$15,151,000 over budget primarily due to higher than budgeted street rental collections and colder than normal weather in early FY 2021-22 causing higher revenues from Oncor and Atmos.

**5 Fines and Forfeitures.** Fines and Forfeitures revenue was \$2,309,000 under budget primarily due to declines in citations filled with the court in addition to decline in parking fine activity.

**6 Operating Transfers In.** The revenue budget for Operating Transfers In was amended on December 8, 2021 by resolution #21-2023 in the amount of \$197,558 for the establishment of the Inspector General Division. Revenues were under budget by \$9,733,000 due to deferral of inter-fund transfers.

**7 Intergovernmental.** City Council increased Intergovernmental revenue by \$4,849,000 on May 11 as part of the mid-year appropriations adjustment process, due to an unbudgeted reimbursement from Dallas County, authorized on December 8, 2021 by resolution #21-1961. This reimbursement represented Dallas County's 50/50 cost participation in Public Works resurfacing projects to mutually benefit both Dallas County and the City of Dallas.

**8 Miscellaneous.** Miscellaneous revenues were \$3,552,000 over budget primarily due to auction sales exceeding the budgeted amount.

**10 Interest.** Interest revenue is projected to be \$1,787,000 over budget primarily due to improved market conditions and interest rate hikes.



# GENERAL FUND EXPENDITURES

	Expenditure Category	FY 2021-22 Adopted Budget	FY 2021-22 Amended Budget	Actual	Variance
	Non-uniform Pay	\$260,333,866	\$256,797,427	\$235,648,879	(\$21,148,548)
	Non-uniform Overtime	6,826,827	6,760,827	15,461,444	8,700,617
	Non-uniform Pension	35,609,192	37,684,595	35,866,013	(1,818,582)
	Uniform Pay	496,243,907	481,701,524	464,275,481	(17,426,043)
	Uniform Overtime	35,775,121	50,775,121	79,503,534	28,728,413
	Uniform Pension	171,394,327	171,394,327	172,304,978	910,651
	Health Benefits	73,731,868	73,765,142	72,068,906	(1,696,236)
	Workers Comp	10,115,891	10,115,891	10,115,891	0
	Other Personnel Services	12,262,614	29,555,813	31,180,290	1,624,477
1	<b>Total Personnel Services</b>	<b>\$1,102,293,613</b>	<b>\$1,118,550,666</b>	<b>\$1,116,425,416</b>	<b>(\$2,125,250)</b>
2	Supplies	75,425,847	78,880,683	88,963,456	10,082,773
3	Contractual Services	433,322,701	462,761,418	463,615,004	853,586
4	Capital Outlay	11,677,806	17,398,954	13,229,606	(4,169,348)
5	Reimbursements	(87,701,067)	(87,701,067)	(111,339,523)	(23,638,456)
	<b>Total Expenditures</b>	<b>\$1,535,018,900</b>	<b>\$1,589,890,654</b>	<b>\$1,570,893,959</b>	<b>(\$18,996,695)</b>

## VARIANCE NOTES

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

**1 Personnel Services.** Non-uniform pay was \$21,149,000 under budget primarily due to salary savings associated with vacant positions across General Fund departments, which fully offset the \$8,701,000 overrun in non-uniform overtime. Uniform overtime in the Dallas Police Department and Dallas Fire-Rescue was \$28,728,000 over budget, partially offset by \$17,426,000 in uniform salary savings.

**2 Supplies.** Supplies were \$10,083,000 over budget primarily due to radios and other expenses related to the Real-Time Crime Center; protective equipment for Dallas Police Department; various supplies for ambulance operations, in-house repairs, and preventive maintenance of Dallas Fire-Rescue fleet; supplies for Park & Recreation facilities improvements; and usage of Transportation signal systems supplies.

**4 Capital Outlay.** Capital outlay was \$4,169,000 under budget primarily due to savings associated with Park & Recreation equipment, partially offset by increased costs for renovations at Code Compliance facilities.

**5 Reimbursements.** General Fund reimbursements reflect contributions from various agencies, including federal and state funds, internal service fund departments, and enterprise fund departments. Reimbursements received were \$23,638,000 more than budget primarily due to additional reimbursements from the Coronavirus Relief Fund and American Rescue Plan Act (ARPA) for eligible Dallas Fire-Rescue and Dallas Police Department salary expenses and a deposit from Convention and Event Services to cover the November 8, 2022 joint election.



# GENERAL FUND EXPENDITURES

#	Expenditure by Department	FY 2021-22 Adopted Budget	FY 2021-22 Amended Budget	Actual	Variance
1	Arts and Culture	\$21,337,590	\$21,127,336	\$20,927,958	(\$199,378)
2	Budget and Management Services	4,512,904	4,388,156	4,201,295	(186,861)
3	Building Services	24,356,319	26,538,775	25,997,059	(541,716)
4	City Attorney	17,814,203	18,665,088	18,645,908	(19,180)
5	City Auditor	3,048,254	2,989,115	2,790,155	(198,960)
6	City Controller	7,764,698	7,804,952	7,587,551	(217,401)
7	Independent Audit	745,429	752,000	752,000	0
8	City Manager	2,933,212	3,237,300	3,235,954	(1,346)
9	City Secretary	3,050,306	3,068,256	2,933,448	(134,808)
10	Elections	104,713	283,013	137,591	(145,422)
11	Civil Service	3,021,703	2,737,119	2,438,123	(298,996)
12	Code Compliance	35,032,924	35,314,022	35,005,458	(308,564)
13	Court and Detention Services	24,077,721	24,080,238	24,007,905	(72,333)
14	Jail Contract	9,450,527	8,989,659	8,989,658	(1)
15	Dallas Animal Services	16,068,520	16,173,829	15,639,728	(534,101)
16	Dallas Fire-Rescue	335,699,096	351,663,887	345,529,293	(6,134,594)
17	Dallas Police Department	565,934,568	569,379,714	569,327,072	(52,642)
18	Data Analytics and Business Intelligence	3,988,372	3,258,538	3,200,493	(58,045)
19	Economic Development	3,252,177	3,541,806	3,536,992	(4,814)
20	Housing and Neighborhood Revitalization	3,825,426	3,715,087	3,489,206	(225,881)
21	Human Resources	7,199,251	7,312,253	6,849,610	(462,643)
22	Judiciary	3,675,924	4,220,484	3,940,017	(280,467)
23	Library	32,917,306	32,692,563	31,560,593	(1,131,970)
	Management Services				
24	311 Customer Service Center	5,079,860	5,030,513	4,449,439	(581,074)
25	Communications, Outreach, and Marketing	2,330,867	2,344,584	2,033,455	(311,129)
26	Community Care	9,204,147	9,120,978	9,012,002	(108,976)
27	Community Police Oversight	630,129	548,951	447,692	(101,259)
28	Emergency Management	1,130,290	1,135,003	1,085,568	(49,435)
29	Environmental Quality and Sustainability	4,255,762	4,249,929	3,273,936	(975,993)
30	Equity and Inclusion	2,644,998	2,716,879	2,623,964	(92,915)
31	Government Affairs	914,383	969,693	937,390	(32,303)
32	Historic Preservation	755,602	726,575	687,787	(38,788)
33	Homeless Solutions	11,913,143	11,987,770	11,602,362	(385,408)
34	Integrated Public Safety Solutions	4,969,809	4,527,006	3,205,578	(1,321,428)
35	Small Business Center	2,454,801	2,209,055	1,602,555	(606,500)
36	Mayor and City Council	5,351,007	5,432,068	5,427,632	(4,436)
37	Non-Departmental	115,542,145	138,518,281	136,143,114	(2,375,167)
38	Park and Recreation	99,627,169	102,368,491	102,354,135	(14,356)
39	Planning and Urban Design	4,209,553	6,605,112	6,341,901	(263,211)
40	Procurement Services	3,082,909	2,813,102	2,805,875	(7,227)
41	Public Works	76,357,799	81,871,019	81,849,911	(21,108)
42	Transportation	45,249,577	45,298,648	44,802,789	(495,859)
	<b>Total Departments</b>	<b>\$1,525,515,093</b>	<b>\$1,580,406,847</b>	<b>\$1,561,410,152</b>	<b>(\$18,996,695)</b>
43	Financial Reserves	0	0	0	0
44	Liability/Claims Fund Transfer	4,483,807	9,483,807	9,483,807	0
45	Salary and Benefit Stabilization	5,020,000	0	0	0
	<b>Total Expenditures</b>	<b>\$1,535,018,900</b>	<b>\$1,589,890,654</b>	<b>\$1,570,893,959</b>	<b>(\$18,996,695)</b>

## VARIANCE NOTES

General Fund variance notes are provided below for departments with YE variances of +/-five percent and departments with an Amended Budget.

**1 Arts and Culture.** City Council increased OAC's budget by \$40,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased OAC's budget by \$250,000 on September 28 by ordinance #32301 due to salary savings.

**2 Budget and Management Services.** City Council increased BMS's budget by \$28,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased BMS's budget by \$153,000 on September 28 by ordinance #32301 due to salary savings.

**3 Building Services.** City Council decreased BSD's budget by \$18,000 on May 11 by ordinance #32193 to reallocate existing resources between various City departments, partially offset by an increase for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council increased BSD's budget by \$2,200,000 on September 28 by ordinance #32301 for emergency building maintenance and an increased cost in materials due to inflation.

**4 City Attorney.** City Council increased CAO's budget by \$197,558 on December 8 by resolution #21-2023 and by \$553,000 on May 11 by ordinance #32193 for the establishment of the Inspector General Division, one-time Employee Retirement Fund (ERF) pension costs, and the Compensation Study Phase II implementation. CAO's budget was increased by \$100,000 on September 28 for retirement pay-outs via a transfer from Salary and Benefit Stabilization (S&B).

**5 City Auditor.** City Council increased AUD's budget by \$16,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased AUD's budget by \$75,000 on September 28 by ordinance #32301 due to salary savings. AUD was under budget by \$199,000 due to salary savings associated with vacant positions.

**6 City Controller.** City Council increased CCO's budget by \$40,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation, partially offset by a decrease to reallocate existing resources between various City departments.

**7 Independent Audit.** City Council increased Independent Audit's budget by \$7,000 on September 28 by ordinance #32301 for an increase in the contract cost.

**8 City Manager.** City Council increased CMO's budget by \$54,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and to reallocate existing resources between various City departments. CMO's budget was increased by \$250,000 on September 28 for retirement pay-outs via a transfer from S&B.

**9 City Secretary.** City Council increased SEC's budget by \$18,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation.

**10 Elections.** City Council increased Election's budget by \$178,000 on May 11 by ordinance #32193 due to a higher-than-anticipated contract expense with the Dallas County Elections Department for the June 5, 2021 Joint Runoff Election and advertising (\$382,000), partially offset by a refund from the May 1, 2021 Joint Election (\$203,000) due to final costs being less than the City's deposit. Elections was under budget by \$145,000 due to deferral of the contract expense for the June 5, 2021 Joint Runoff election and advertising.

## VARIANCE NOTES (continued)

**11 Civil Service.** City Council increased CVS's budget by \$15,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased CVS's budget by \$300,000 on September 28 by ordinance #32301 due to salary savings. CVS was under budget by \$299,000 due to salary savings associated with vacant positions and savings in various contractual services such as staff training and civil service testing.

**12 Code Compliance.** City Council increased CCS' budget by \$281,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation.

**13 Court and Detention Services.** City Council decreased CTS' budget by \$72,000 on May 11 by ordinance #32193 to reallocate existing resources between various City departments, partially offset by an increase for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council increased CTS' budget by \$75,000 on September 28 by ordinance #32301 for school crossing guard services.

**14 Jail Contract.** City Council decreased the Jail Contract's budget by \$461,000 on September 28 by ordinance #32301 due to savings as a result of the new contract with Dallas County.

**15 Dallas Animal Services.** City Council increased DAS's budget by \$33,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation.

**16 Dallas Fire-Rescue.** City Council increased DFR's budget by \$965,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and the increase in fuel prices. City Council increased DFR's budget by \$15,000,000 on September 28 by ordinance #32301 for uniform overtime expenses. Uniform overtime was \$10,800,000 over budget as a result of a winter surge in COVID-19 quarantines requiring backfill, higher than anticipated attrition, prolonged training timelines, and higher than anticipated injuries resulting in light duty. Eligible uniform salary expenses were offset by reimbursements from the Coronavirus Relief Fund (\$5,620,000) and American Rescue Plan Act (ARPA) (\$5,993,000). DFR was under budget by \$6,135,000 primarily due to salary savings associated with vacant uniform and non-uniform positions.

**17 Dallas Police Department.** City Council increased DPD's budget by \$945,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and the increase in fuel prices, partially offset by a decrease to reallocate existing resources between various City departments. City Council increased DPD's budget by \$2,500,000 on September 28 by ordinance #32301 for uniform overtime expenses.

**18 Data Analytics and Business Intelligence.** City Council increased DBI's budget by \$70,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and to reallocate existing resources between various City departments. City Council decreased DBI's budget by \$800,000 on September 28 by ordinance #32301 due to salary savings.

**19 Economic Development.** City Council increased ECO's budget by \$290,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and to reallocate existing resources between various City departments.

## VARIANCE NOTES (continued)

**20 Housing and Neighborhood Revitalization.** City Council decreased HOU's budget by \$10,000 on May 11 by ordinance #32193 to reallocate existing resources between various City departments, partially offset by an increase for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased HOU's budget by \$100,000 on September 28 by ordinance #32301 due to salary savings. HOU was under budget by \$226,000 due to salary savings associated with vacant positions and unspent developer loans.

**21 Human Resources.** City Council increased HR's budget by \$188,000 on May 11 by resolution ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and temporary staffing costs related to Workday implementation. City Council decreased HR's budget by \$75,000 on September 28 by ordinance #32301 due to salary savings. HR was under budget by \$463,000 primarily due to salary savings associated with vacant positions.

**22 Judiciary.** City Council increased CTJ's budget by \$175,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council increased CTJ's budget by \$275,000 on September 28 by ordinance #32301 for translation services. CTJ's budget was also increased by \$95,000 on September 28 for temporary help expenses via a transfer from S&B. CTJ was \$280,000 under budget primarily due to salary savings associated with vacant positions.

**23 Library.** City Council increased LIB's budget by \$238,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased LIB's budget by \$463,000 on September 28 by ordinance #32301 due to salary savings.

**24 311 Customer Service Center.** City Council increased 311's budget by \$51,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased 311's budget by \$100,000 on September 28 by ordinance #32301 due to salary savings. 311 was \$581,000 under budget primarily due to salary savings associated with vacant positions.

**25 Communications, Outreach, and Marketing.** City Council increased COM's budget by \$86,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and to reallocate existing resources between various City departments. City Council decreased COM's budget by \$72,000 on September 28 by ordinance #32301 due to salary savings. COM was under budget by \$311,000 primarily due to salary savings associated with vacant positions.

**26 Community Care.** City Council increased OCC's budget by \$39,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased OCC's budget by \$122,000 on September 28 by ordinance #32301 due to salary savings.

**27 Community Police Oversight.** City Council increased OCPO's budget by \$3,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased OCPO's budget by \$84,000 on September 28 by ordinance #32301 due to salary savings. OCPO was \$101,000 under budget primarily due to salary savings associated with vacant positions.

**28 Emergency Management.** City Council increased OEM's budget by \$5,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation.

## VARIANCE NOTES (continued)

**29 Environmental Quality and Sustainability.** City Council increased OEQS's budget by \$64,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased OEQS's budget by \$70,000 on September 28 by ordinance #32301 due to salary savings. OEQS was under budget by \$976,000 primarily due to salary savings associated with vacant positions and delays in CECAP program implementation.

**30 Equity and Inclusion.** City Council increased OEI's budget by \$254,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and to reallocate existing resources between various City departments. City Council decreased OEI's budget by \$182,000 on September 28 by ordinance #32301 due to salary savings. OEI was \$93,000 under budget primarily due to salary savings associated with vacant positions.

**31 Government Affairs.** City Council increased OGA's budget by \$5,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. OGA's budget was increased by \$50,000 on September 28 for retirement pay-outs via a transfer from S&B.

**32 Historic Preservation.** City Council increased OHP's budget by \$5,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased OHP's budget by \$34,000 on September 28 by ordinance #32301 due to salary savings. OHP was under budget by \$39,000 primarily due to salary savings associated with vacant positions.

**33 Homeless Solutions.** City Council increased OHS's budget by \$75,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and to reallocate existing resources between various City departments.

**34 Integrated Public Safety Solutions.** City Council increased IPSS' budget by \$14,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased IPSS' budget by \$457,000 on September 28 by ordinance #32301 due to salary savings. IPSS was under budget by \$1,321,000 primarily due to savings associated with the Violence Intervention and Mental Health Access (Metrocare) contracts. The Mental Health Access contract was approved in June 2022, and the program was launched in the last quarter of the fiscal year. The Violence Intervention Program will be redesigned in future years to better serve residents.

**35 Small Business Center.** City Council increased SBC's budget by \$54,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and to reallocate existing resources between various City departments. City Council decreased SBC's budget by \$300,000 on September 28 by ordinance #32301 due to salary savings. SBC was under budget by \$607,000 primarily due to salary savings associated with vacant positions and savings realized in the Career Pathways contract which was partially grant funded.

**36 Mayor and City Council.** City Council increased MCC's budget by \$81,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and to reallocate existing resources between various City departments.



## VARIANCE NOTES (continued)

**37 Non-Departmental.** City Council increased Non-D's budget by \$7,276,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, HRIS module implementation (\$1,939,000), and expenses associated with a new data center (\$5,200,000). City Council increased Non-D's budget by \$15,700,000 on September 28 by ordinance #32301 to transfer \$20,000,000 to a new Equity Fund for implementation of Racial Equity Plan Big Audacious Goals and \$200,000 to a new Disaster Response Fund for immediate response to disasters.

**38 Park and Recreation.** City Council increased PKR's budget by \$1,441,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, the increase in fuel prices, and partial design costs (\$600,000) for future capital improvements at Fair Park. City Council increased PKR's budget by \$1,300,000 on September 28 by ordinance #32301 for unbudgeted emergency lighting repairs and increased preventive security measures at recreation centers.

**39 Planning and Urban Design.** City Council increased PUD's budget by \$2,543,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs, the Compensation Study Phase II implementation, and zoning updates. City Council decreased PUD's budget by \$147,000 on September 28 by ordinance #32301 due to salary savings.

**40 Procurement Services.** City Council increased POM's budget by \$20,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation. City Council decreased POM's budget by \$290,000 on September 28 by ordinance #32301 due to salary savings.

**41 Public Works.** City Council increased PBW's budget by \$5,513,000 on May 11 by ordinance #32193 for street resurfacing projects including preventive maintenance, Smart Cities pilot projects, and in-house asphalt treatments, one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation, partially offset by a decrease to reallocate existing resources between various City departments.

**42 Transportation.** City Council increased TRN's budget by \$49,000 on May 11 by ordinance #32193 for one-time Employee Retirement Fund (ERF) pension costs and the Compensation Study Phase II implementation, partially offset by a decrease to reallocate existing resources between various City departments.

**44 Liability/Claims Fund Transfer.** The transfer from the General Fund to the Liability Fund was increased by \$5,000,000 on May 11 by ordinance #32193 for environmental remediation efforts and other liability considerations.

**45 Salary and Benefit Stabilization.** The FY 2021-22 budget ordinance authorized the City Manager to transfer appropriations from S&B to any department as allowed by City Charter Chapter XI (Sec. 3), of which, \$2,369,000 was transferred to General Fund departments for adjustments including truck driver pay increases (\$569,000), pay increases and temporary help expenses in Judiciary (\$248,000), other adjustments as a result of the Compensation Study (\$1,153,000), and for retirement pay-outs in CAO, CMO, and OGA (\$400,000). City Council reallocated the remaining \$2,651,000 S&B budget on September 28 by ordinance #32301 due to savings.

# ENTERPRISE FUNDS

Department	FY 2021-22 Adopted Budget	FY 2021-22 Amended Budget	Actual	Variance
<b>1 AVIATION</b>				
Total Revenues	142,389,852	151,389,852	165,100,923	13,711,071
Total Expenditures	142,389,852	151,389,852	147,596,855	(3,792,997)
Net Excess of Revenues over Expenditures	\$0	\$0	\$17,504,068	\$17,504,068

## 2 CONVENTION AND EVENT SERVICES

Total Revenues	10,819,948	110,831,405	115,197,036	4,365,631
Total Expenditures	10,819,948	110,831,405	100,459,086	(10,372,319)
Net Excess of Revenues over Expenditures	\$0	\$0	\$14,737,950	\$14,737,950

## 3 DEVELOPMENT SERVICES

Total Revenues	33,476,527	33,468,516	42,660,802	9,192,286
Total Expenditures	38,383,670	53,383,670	52,675,631	(708,039)
Net Excess of Revenues over Expenditures	(\$4,907,143)	(\$19,915,154)	(\$10,014,829)	\$9,900,325

Note: FY 2021-22 budget reflects planned use of fund balance.

## 4 MUNICIPAL RADIO

Total Revenues	1,861,000	1,861,000	1,452,543	(408,457)
Total Expenditures	1,815,740	1,815,740	1,632,174	(183,566)
Net Excess of Revenues over Expenditures	\$45,260	\$45,260	(\$179,631)	(\$224,891)

## 5 SANITATION SERVICES

Total Revenues	137,982,207	137,982,207	144,066,996	6,084,789
Total Expenditures	139,536,992	141,699,380	140,667,598	(1,031,782)
Net Excess of Revenues over Expenditures	(\$1,554,785)	(\$3,717,173)	\$3,399,399	\$7,116,572

Note: FY 2021-22 budget reflects planned use of fund balance.

## 6 STORM DRAINAGE MANAGEMENT—DALLAS WATER UTILITIES

Total Revenues	69,315,586	69,315,586	72,751,372	3,435,786
Total Expenditures	69,315,586	71,814,586	71,531,217	(283,369)
Net Excess of Revenues over Expenditures	\$0	(\$2,499,000)	\$1,220,155	\$3,719,155

## 7 WATER UTILITIES

Total Revenues	713,732,650	713,732,650	780,423,111	66,690,461
Total Expenditures	722,432,650	755,468,335	748,997,368	(6,470,967)
Net Excess of Revenues over Expenditures	(\$8,700,000)	(\$41,735,685)	\$31,425,742	\$73,161,427

Note: FY 2021-22 budget reflects planned use of fund balance.

# INTERNAL SERVICE FUNDS

Department	FY 2021-22 Adopted Budget	FY 2021-22 Amended Budget	Actual	Variance
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## 8 BOND AND CONSTRUCTION MANAGEMENT

Total Revenues	23,065,518	23,065,518	20,340,948	(2,724,570)
Total Expenditures	23,065,518	23,065,518	19,655,371	(3,410,147)
Net Excess of Revenues over Expenditures	\$0	\$0	\$685,577	\$685,577

## 9 EQUIPMENT AND FLEET MANAGEMENT

Total Revenues	55,306,860	64,993,138	63,308,290	(1,684,848)
Total Expenditures	56,541,723	66,228,001	64,203,585	(2,024,416)
Net Excess of Revenues over Expenditures	(\$1,234,863)	(\$1,234,863)	(\$895,295)	\$339,568

Note: FY 2021-22 budget reflects planned use of fund balance.

## 10 EXPRESS BUSINESS CENTER

Total Revenues	2,593,790	2,593,790	3,166,391	572,601
Total Expenditures	2,323,978	2,323,978	2,210,559	(113,419)
Net Excess of Revenues over Expenditures	\$269,812	\$269,812	\$955,832	\$686,020

## 11 INFORMATION TECHNOLOGY

Total Revenues	99,176,891	99,176,891	100,895,086	1,718,195
Total Expenditures	99,176,891	99,176,891	91,051,745	(8,125,146)
Net Excess of Revenues over Expenditures	\$0	\$0	\$9,843,341	\$9,843,341

## 12 RADIO SERVICES

Total Revenues	13,248,650	13,248,650	12,894,994	(353,656)
Total Expenditures	13,248,650	13,629,450	11,643,020	(1,986,430)
Net Excess of Revenues over Expenditures	\$0	(\$380,800)	\$1,251,974	\$1,632,774



# OTHER FUNDS

Department	FY 2021-22 Adopted Budget	FY 2021-22 Amended Budget	Actual	Variance
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## 13 9-1-1 SYSTEM OPERATIONS

Total Revenues	12,017,444	12,017,444	13,030,152	1,012,708
Total Expenditures	14,341,472	15,292,904	14,123,770	(1,169,134)
Net Excess of Revenues over Expenditures	(\$2,324,028)	(\$3,275,460)	(\$1,093,619)	\$2,181,841

Note: FY 2021-22 budget reflects planned use of fund balance.

## 14 DEBT SERVICE

Total Revenues	345,529,962	345,529,962	345,594,512	64,550
Total Expenditures	348,776,403	348,776,403	329,547,290	(19,229,113)
Net Excess of Revenues over Expenditures	(\$3,246,441)	(\$3,246,441)	\$16,047,222	\$19,293,663

Note: FY 2021-22 budget reflects planned use of fund balance.

## 15 EMPLOYEE BENEFITS

City Contributions	99,503,000	99,503,000	101,021,548	1,518,548
Employee Contributions	40,959,071	40,959,071	41,903,574	944,503
Retiree	27,867,000	27,867,000	25,948,963	(1,918,037)
Other	0	0	314,547	314,547
Total Revenues	168,329,071	168,329,071	169,188,633	859,562
Total Expenditures	176,549,294	176,549,294	182,756,818	6,207,524
Net Excess of Revenues over Expenditures	(\$8,220,223)	(\$8,220,223)	(\$13,568,185)	(\$5,347,962)

## 16 RISK MANAGEMENT

Worker's Compensation	14,085,135	14,085,135	14,844,570	759,435
Third Party Liability	11,688,742	11,688,742	17,638,963	5,950,221
Purchased Insurance	11,096,779	11,096,779	11,054,446	(42,333)
Interest and Other	0	0	111,916	111,916
Total Revenues	36,870,656	36,870,656	43,649,895	6,779,239
Total Expenditures	52,064,548	52,064,548	39,595,977	(12,468,571)
Net Excess of Revenues over Expenditures	(\$15,193,892)	(\$15,193,892)	\$4,053,918	\$19,247,810

## VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summaries include the YE revenue and expenditure variances. Variance notes are provided below for funds with a YE variance of +/- five percent, funds that exceed budget, and funds that use fund balance.

**1 Aviation.** City Council increased AVI's budget by \$9,000,000 on September 28 by ordinance #32301 for increased DPD/DFR reimbursements (\$2,000,000) and a capital construction transfer (\$7,000,000). AVI revenues were \$13,711,000 over budget primarily due to higher-than expected revenue from garage parking, concessions, terminal rentals, and general aviation landing fees.

**2 Convention and Event Services.** City Council increased CCT's budget by \$10,011,000 on September 28 by ordinance #32301 for increased Hotel Occupancy Tax (HOT) and Alcohol & Beverage Tax (ABT) collections. CCT revenues were \$4,366,000 over budget due to a projected increase in Hotel Occupancy Tax (HOT) and Alcohol & Beverage Tax (ABT) collections, which have recovered to that of pre-pandemic levels. CCT expenses were \$10,372,000 under budget primarily due to savings from the 2021 bond refunding.

**3 Development Services.** City Council increased DEV's budget by \$14,165,000 on August 10 by resolution #22-1139 for the purchase of a property for the Stemmons Project and by \$835,000 on September 28 by ordinance #32301 for additional Stemmons Project expenses and salary expenses as a result of staff added mid-year. DEV revenues were \$9,192,000 over budget due to higher than budgeted multi-family and remodel permit activity. DEV expenses were \$708,000 under budget due to salary savings associated with vacant positions, partially offset by overtime expenses and professional services costs for plan review.

**4 Municipal Radio.** WRR revenues were \$408,000 under budget primarily due to declines in arts-related advertising revenues. WRR will use fund balance to offset lost revenue. On June 9, City Council approved the transfer of operation of WRR to KERA. WRR expenses were \$184,000 under budget due to salary savings associated with a vacant position and lower-than-expected music licensing fees.

**5 Sanitation Services.** City Council increased SAN's budget by \$2,162,000 on May 11 by ordinance #32193 due to the increase in fuel prices. SAN revenues were \$6,085,000 over budget due to stronger than anticipated residential collection revenues. SAN expenses were \$1,032,000 under budget due to salary savings from vacant positions.

**6 Storm Drainage Management - Dallas Water Utilities.** City Council increased SDM's budget by \$2,500,000 on May 11 by ordinance #32193 to support capital construction and equipment purchases. The budget increase was supported by use of fund balance. SDM revenues were \$3,436,000 over budget due to higher than budgeted collection rates, ongoing state utility assistance programs, and increases in impervious area in new development.

**7 Water Utilites.** City Council increased DWU's budget by \$33,036,000 on May 11 by ordinance #32193 to support capital construction and equipment purchases. DWU revenues were \$66,690,000 over budget due to higher than expected consumption attributed to dry weather. DWU expenses were \$6,471,000 under budget due to the close out of old bond funds and the balances transferred to the debt service sinking fund and salary savings due to vacant positions, partially offset by an increased cost in fuel.

## VARIANCE NOTES

**8 Bond and Construction Management.** BCM revenues were \$2,725,000 under budget, while expenses were \$3,410,000 under budget due to salary savings associated with vacant positions. BCM charges each capital project budget for project implementation costs. Savings in actual implementation expenses result in fewer charges to the capital project.

**9 Equipment and Fleet Management.** City Council increased EFM's budget by \$7,743,000 on May 11 by ordinance #32193 and by \$1,943,000 on September 28 by ordinance #32301 for increased fuel cost and department chargebacks. EFM expenses were \$2,024,000 under budget primarily due to a larger than anticipated decrease in fuel prices after the summer months. EFM revenues were \$1,685,000 under budget, as the decrease in fuel prices resulted in reduced chargebacks to customer departments.

**10 Express Business Center.** EBC revenues were \$573,000 over budget due to an increase in auto pound sales. EBC expenses were \$113,000 under budget due to salary savings associated with vacant positions.

**11 Information Technology.** ITS expenses were \$8,125,000 under budget primarily due to salary savings associated with vacant positions and savings in professional services due to contract delays originally scheduled to be completed in FY 2021-22 but moved to FY 2022-23.

**12 Radio Services.** City Council increased Radio Services' budget by \$381,000 on May 11 by ordinance #32193 for consulting and engineering support for the P25 Radio System Project. Radio Services expenses were \$1,986,000 under budget primarily due to lower Master Lease payments.

**13 9-1-1 System Operations.** City Council increased 911's budget by \$467,000 on May 11 by ordinance #31293 for costs associated with the transition of 911 call centers from an analog network to a digital network (ESINet). 911 revenues were \$1,013,000 over budget due to increased collections for wireless and wireline fees. 911 expenses were \$1,169,000 under budget due to lower than budgeted expenses related to the Next Generation 911 project.

**14 Debt Service.** Debt Service expenses were \$19,229,000 under budget due to interest savings realized in the November 2021 bond sale and a lower than budgeted cash payment to pay off Commercial Paper, and a refunded bond series resulting in additional interest savings for FY 2021-22.

**15 Employee Benefits.** Expenses are projected to be \$6,208,000 over budget primarily due to an increase in high cost claimants in the last four months of the fiscal year. Revenues were \$860,000 over budget due to higher participation in voluntary products like dental and FSA spending accounts in which enrollees incur the full cost, partially offset by a steady decline in medical enrollment by retirees.

**16 Risk Management.** Risk Management revenues were \$6,779,000 over budget primarily due to a \$5,000,000 transfer from the General Fund to the Liability Fund for environmental remediation efforts and other liability considerations. Risk Management expenses were \$12,469,000 under budget primarily due to a delay in anticipated claims expenses and lower-than-expected payout in FY 2021-22 resulting in some claims to be moved over to FY 2022-23, partially offset by higher-than-anticipated cost in worker's compensation claims.



# FINANCIAL MANAGEMENT

# PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

## OVERVIEW

City Council originally adopted the Financial Management Performance Criteria (FMPC) on March 15, 1978, to provide standards and guidelines for the City's financial managerial decision making and to provide for a periodic review of the criteria to maintain standards and guidelines consistent with current economic conditions. The FMPC contain 55 criteria in seven different categories, in addition to 13 criteria specific to Dallas Water Utilities.

Operating Program: Criteria 1-14

Pension Program: Criteria 15-16

Budgeting and Planning: Criteria 17-25

Capital and Debt Management: Criteria 26-41

Economic Development: Criteria 42-49

Accounting, Auditing, and Financial Planning: Criteria 50-52

Grants and Trusts: Criteria 53-55

Dallas Water Utilities: Criteria DWU 1-13

City Council approved the most recent revision to the FMPC in June 2021. The status of each criterion is updated annually and presented with the annual budget, at year-end, and for each debt issuance.

Revisions:

09/27/1978

07/08/1981

09/28/2011

10/08/2014

12/13/2017

06/09/2021

8/10/2022

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

### OPERATING PROGRAM

**1. Property Tax Revenue Limit.** The year-to-year increase of actual revenue from the levy of the ad valorem tax will generally not exceed 3.5%; excluding taxable value gained through annexation or consolidation; excluding the value gained through new construction; excluding expenditure increases mandated by the voters or another governmental entity; and not excluding the valuation gained through revaluation or equalization programs.

Calculation:  
Year-to-year change in revenue: \$46.9 million  
Less  
Change in Voter Mandated Debt: \$129.3 million  
New Construction: \$24.9 million  
Adjusted Revenue: \$(107.2) million  
Percentage Change: (9.0%)

**Status:** In compliance.

**2. Unassigned Fund Balance Minimum.** The unassigned fund balance of the General Fund, which includes the Emergency and Contingency Reserves, shall be maintained within a range of not less than 50 days and not more than 70 days of the General Fund operating expenditures less debt service. Funds will be allocated from unassigned fund balance only after the City Manager has prepared an analysis and presented it to the City Council. If at any point the unassigned fund balance drops below the 50-day minimum, the City Manager will prepare a plan of how the unassigned fund balance will be brought into compliance, including over multiple years if necessary. If unassigned fund balance exceeds 70 days, the City Manager will recommend to the City Council to use the excess for one-time or non-recurring costs.

Calculation:  
FY 2021-22 (Actual) Emergency Reserve: \$50 million  
FY 2021-22 (Actual) Contingency Reserve: \$9.3 million  
FY 2021-22 (Actual) Residual: \$269.8 million  
Total: \$329.0 million (76.5 days)

**Status:** In compliance.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

**3. Contingency Reserve.** The Contingency Reserve, a component of unassigned fund balance, shall be used to provide for unanticipated needs that arise during the year; for example, expenses associated with new service needs that have been identified after the budget process, new public safety or health needs, revenue shortfalls, service enhancements, or opportunities to achieve cost savings. Funds shall be allocated from the Contingency Reserve only after an analysis has been prepared by the City Manager and presented to the City Council outlining the initial and recurring costs associated with the adopted expenditure. Additionally, these funds would be used prior to use of the Emergency Reserve Funds. Funds shall be allocated each year in the budget process to establish and maintain the balance of the Contingency Reserve at a level ranging from 0.5 percent to 1.0 percent of General Fund operating expenditures less debt service. **Status:** In compliance. The FY 2021-22 (Actual) Contingency Reserve level is \$9.3 million, or 0.59% of the FY 2021-22 General Fund Actuals.

**4. Emergency Reserve.** The Emergency Reserve, a component of unassigned fund balance, shall be used to provide for temporary financing of unanticipated or unforeseen extraordinary needs of an emergency nature; for example, costs related to a natural disaster or calamity, a 5 percent decline in property values, or an unexpected liability created by federal or state legislative action. Funds shall be allocated from the Emergency Reserve only after an analysis has been prepared by the City Manager and presented to City Council. The analysis shall provide enough evidence to establish that the remaining balance is adequate to offset potential downturns in revenue sources. The analysis shall address the natures of the adopted expenditure and the revenue requirement in subsequent budget years. Prior to allocating funds from the Emergency Reserve, the City Council shall find that an emergency or extraordinary need exists to justify the use of these funds. Management shall designate up to 5 percent of the General Fund operating expenditures less debt service but not less than \$50 million to the Emergency Reserve. Use of the Emergency Reserve shall require a supermajority of City Council. **Status:** In compliance. The FY 2021-22 (Actual) Emergency Reserve is \$50 million.

**5. Operating Reserve.** The Risk Reserve shall be maintained at a level, which, together with purchased insurance policies, adequately protects the City's assets against loss. An analysis shall be conducted every three years or when the deductible level of the City's property insurance is modified (whichever is earlier), to determine the appropriate level of this reserve. **Status:** In compliance. The FY 2021-22 (Actual) Risk Reserve is \$3.0 million.

**6. Prohibition of Debt for Operating Expenditures.** Debt will not be used to fund current operating expenditures. **Status:** In compliance.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

**7. Enterprise Funds Full Cost Funding.** Each enterprise fund of the City will maintain revenues which support the full (direct and indirect) cost of the fund. In addition, each Enterprise Fund should maintain at least 30 days of budgeted operations and maintenance expense in net working capital and avoid cash deficits. Enterprise Funds will maintain positive balances. **Status:** In compliance.

**8. Liability/Claim Fund.** A General Fund liability fund shall be budgeted annually to provide for outstanding and anticipated claims expense and resulting liabilities during the budget year. An individual judgment settlement cap is set at \$5,000,000. The Emergency Reserve will be accessed should the cap be exceeded. An independent actuarial analysis shall be conducted every two years to determine the appropriate level of this fund. Additionally, the liability fund will include an allocation for unanticipated affirmative litigation. **Status:** In compliance.

**9. Landfill Closure/Post-Closure Reserve.** Consider the establishment of a Landfill Closure/Post-Closure Reserve to provide for any future potential liabilities. Analysis will be performed periodically to determine appropriate timing and amount of funding needs. Funds could be allocated from an increase in user fees. **Status:** Establishment of reserve is not recommended at this time.

**10. Facilities Replacement versus Maintenance Analysis.** Operating expenditures will be programmed to include current costs of fully maintaining City facilities, including parks, streets, levees, vehicles, buildings, and equipment. A cost-benefit analysis will be performed on replacement cost versus projected required maintenance costs to determine the level at which City facilities should be maintained. The analysis will also determine the long-term cost of any potential deferred maintenance cost. Normal maintenance will be funded through the operating budget. **Status:** Not in compliance.

**11. Annual Assessment of Equipment and Maintenance.** An annual assessment and five-year projection for all equipment and maintenance needs should be performed, and a maintenance and replacement schedule developed based on the projection. **Status:** Not in compliance.

**12. User Fees Review.** An annual review of selected fees and charges will be conducted to determine the extent to which the full cost of associated services is being recovered by revenues. All fees and charges will be reviewed at least once every four years. Where feasible and desirable, the City shall set fees and charges to achieve full cost recovery. The



# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

City may subsidize the services funded by fees or charges based on other City objectives. If an individual fee increases to achieve full cost recovery is greater than 50 percent, the City may opt to phase the fee increase over three years. **Status:** In compliance.

**13. Employee Benefits Fund Minimum Cash Reserve.** The Employee Benefits Fund will maintain a cash reserve of at least the anticipated end-of-year claims incurred but not paid, and other current liabilities. This does not include incurred but not reported (IBNR) claims. The Employee Benefits Fund will maintain a positive cash balance. **Status:** In compliance.

**14. Internal Service Funds and Enterprise Funds Cash Balances.** Internal Service Funds and Enterprise Funds will maintain positive cash balances. **Status:** Not in compliance. Bond Program Fund cash balance is negative when accounting for encumbrances.

### PENSION PROGRAM

**15. Sufficient Funding for Retirement Systems.** All retirement systems will be financed in a manner to systematically fund liabilities. The City will assure sufficient funds are provided to pay current service plus interest on unfunded liabilities plus amortization of the unfunded liabilities over a programmed period. No less than annual reviews will be provided to City Council by the pension funds. **Status:** In compliance.

**16. Actuarial Analysis Required on Retirement Systems.** Actuarial analysis will be performed annually on all retirement systems. Adjustments in benefits and contributions will be authorized only after meeting the test of actuarial soundness. All health plans should have actuarial reviews performed at least biennially to determine the required levels of funding necessary. These health plans shall be financed in a manner to ensure sufficient funds are available to fund current liabilities and provide some reserve levels for extraordinary claims. **Status:** In compliance.

### BUDGETING AND FINANCIAL PLANNING

**17. Balanced Budget.** The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of unassigned fund balance accumulated through prior year surplus. Nonrecurring or one-time revenues should, to the extent possible, only be used for one-time expenditures (expenditures not expected to reoccur and requiring future appropriations) to avoid future shortfalls. **Status:** In compliance.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

**18. Five-Year Revenue and Expenditure Projection.** Management will project revenues and expenditures annually for at least five years beyond the current year for the General Fund and each Enterprise Fund of the City. **Status:** In compliance.

**19. Financial Monitoring.** Financial systems will be maintained to monitor expenditures, revenues, and performance of all municipal programs on an ongoing basis. **Status:** In compliance.

**20. Operating Impact of Capital Improvements.** Prior to authorization of new or replacement facilities/buildings or renovation of previously decommissioned facilities/buildings, the City Manager will provide the total estimated capital cost and five-year forecast of ongoing operating and maintenance costs to City Council. Operating expenditures will be programmed to include the cost of implementing service of the capital improvements, and future revenues necessary for these expenditures will be estimated and provided for prior to undertaking the capital improvement. The City Council will authorize each new or reopened facility/building by super-majority vote. **Status:** In compliance.

**21. Comparison of Financial Performance to FMPC.** A report reflecting end of fiscal year status of performance against these criteria will be prepared within 60 days after official presentation of the Comprehensive Annual Financial Report to the City Council. A pro forma report reflecting Adopted Budget status will be submitted with the City Manager's Adopted Budget each year. **Status:** In compliance.

**22. Two-Year Balanced Budget.** Each year, the City Manager shall develop and present to the City Council a two-year balanced budget. The City Council will adopt a one-year budget and set the property tax rate in accordance with State law annually. Expenditures shall be budgeted and controlled so as not to exceed current revenues in each year or City Council approved used of fund balance. **Status:** In compliance.

**23. Over-65 and Disabled Homestead Exemption.** The City will compare the current disabled and over-65 exemption to the most recent annual Consumer Price Index for the Elderly (CPI-E), and the year-over-year change in the average residential market value (whichever is greater) annually and provide the analysis of each scenario to City Council for consideration prior to June 30 for possible modification of this property tax exemption. Changes to property tax exemptions must be provided to the appraisal districts no later than June 30. **Status:** In compliance. Increased exemption on June 8, 2022.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

**24. No-New-Revenue Tax Rate Scenario.** The City Manager will develop an estimated No-New-Revenue Tax Rate budget scenario and, if different from the City Manager's recommended budget required by Chapter 11, Section 1 of the City Charter, will provide it to the City Council at the same time. The estimated No-New-Revenue Tax Rate budget scenario will include a prioritized list of services/expenses that could be funded and a prioritized list of services/expenses that could not be funded with the estimated no-new-revenue tax rate. **Status:** In compliance. The City Manager provided a no-new-revenue tax rate scenario for FY 2021-22.

**25. Competitive Pay.** The City shall attract, develop, motivate, reward, and retain a high-performing and diverse workforce. The City Manager shall provide analyses and recommendations for the City Council to consider each year in the budget development process to adjust employee pay. The recommendation for adjustments to uniformed employee pay will conform with the applicable meet and confer agreement. The recommendation for adjustments to non-uniformed/civilian employee pay will consider: (1) an annual survey of peer governmental entities; (2) an annual review of the Massachusetts Institute of Technology living wage; (3) a total compensation study every three years to assess market competitiveness; (4) parity with uniformed employee pay adjustments; and (5) budget capacity. **Status:** In compliance.

### CAPITAL AND DEBT MANAGEMENT

**26. Matching of Bonds and Useful Life of Project.** Any capital projects financed through the issuance of bonds shall be financed for a period not to exceed the expected useful life of the project (for example, bonds issued for street resurfacing shall be financed for a period not to exceed 10 years). **Status:** In compliance.

**27. General Obligation (GO) Debt to Market Value of Taxable Property Limit.** The net (non-self-supporting) General Obligation (GO) debt (principal) of Dallas will not exceed 4.0% of the true market valuation of the taxable property of Dallas. **Status:** In compliance. 0.9%.

**28. Direct and Overlapping Debt to Market Value of Taxable Property Limit.** Total direct plus overlapping debt shall be managed to not exceed 8% of market valuation of taxable property of Dallas. All debt, which causes total direct plus overlapping debt to exceed 6.0% of market valuation, shall be carefully planned and coordinated with all overlapping jurisdictions. **Status:** In compliance. 0.9%.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

**29. Average GO Bond Maturities.** Average (weighted) GO bond maturities (exclusive of Pension Obligation bonds) shall be kept at or below 10 years. **Status:** In compliance. 6.78 years.

**30. GO Debt Service to Governmental Fund Expenditure Limit.** Annual GO debt service (contribution), including certificates of obligation (CO) debt for risk management funding, shall not exceed 20% of the total governmental fund expenditures (composed of general fund, special funds, debt service funds, and capital project funds). **Status:** In compliance. 17.8%.

**31. Per Capita GO Debt to Personal Income Limit.** Per capita GO debt, including COs, equipment acquisition notes and GO bonds, will be managed to not exceed 10% of the latest authoritative computation of Dallas' per capita annual personal income as determined by the U.S. Department of Commerce Bureau of Economic Analysis. **Status:** In compliance. 4.4%.

**32. Debt Financing for Betterment of Capital Improvements.** Debt may be used to finance betterments intended to extend service life of original permanent capital improvements under the following conditions:

- the original improvement is at or near the end of its expected service life;
- the betterment extends the life of the original improvement by at least one-third of the original service life;
- the life of the financing is less than the life of the betterment; and
- the betterment is financed through either COs or GOs.

**Status:** In compliance.

**33. Interest Earnings from GO Bond Proceeds.** Interest earnings from GO bonds shall be used solely to fund capital expenditures, debt service, or used to fund a reserve for capital contingencies. **Status:** In compliance.

**34. Certificate of Obligation Uses.** COs should be used only to fund tax-supported projects previously approved by the voters; or for risk management funding as authorized by the City Council; or non-tax revenue-supported projects approved by City Council. **Status:** In compliance.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

**35. Certificate of Obligation (CO) Limit as Percentage of GO Debt.** CO debt, including that for risk management funding supported by an ad valorem tax pledge, should not exceed 15% of total authorized and issued GO debt. All COs issued in lieu of revenue bonds should not exceed 10% of outstanding GO debt. **Status:** In compliance. 6.3%.

**36. COs for Enterprise Projects.** COs for an enterprise system will be limited to only those projects that can demonstrate the capability to support the certificate debt either through its own revenues or another pledged source other than ad valorem taxes. **Status:** In compliance.

**37. CO Authorization Limit.** CO authorization will remain in effect for no more than five years from the date of approval by the City Council. **Status:** In compliance.

**38. CO Authorization Limit for Risk Management Funding.** COs authorized for risk management funding shall be issued for a term not to exceed 20 years. **Status:** In compliance.

**39. Advance and Current Refunding Criteria.** Advance refunding and forward delivery refunding transactions should be considered when the net present value savings as a percentage of the par amount of refunded bonds is at least 4%. Current refunding transactions should be considered when the net present value savings as a percentage of the par amount of refunded bonds is at least 3%. **Status:** In compliance.

**40. Enterprise Fund Debt Reserve Requirements.** Each Enterprise Fund (where applicable) will maintain fully funded debt service reserves. A surety bond (or other type of credit facility such as a letter of credit) may be used in lieu of funding the reserve if the former is economically advantageous. **Status:** In compliance.

**41. GO Debt Service Fund Minimum Reserve.** The City shall maintain a reserve in the General Obligation Debt Service Fund equal to 5% of the following year's annual principal and interest debt service expense. The Debt Service Fund tax rate and/or future debt will be structured to maintain this debt service reserve. **Status:** In compliance.

## ECONOMIC DEVELOPMENT

**42. Tax Increment Financing Zones Revenue Coverage.** Tax Increment Financing zones should be established where revenues will recover 1.25 times the public cost of debt to provide an adequate safety margin. **Status:** In compliance.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

**43. Tax Increment Financing Zone Residential Limit.** A Tax Increment Financing Reinvestment Zone may not be created if more than 10% of the property in the adopted zone, excluding property dedicated for public use, is used for residential purposes. “Residential purposes” includes property occupied by a house, which is less than five living units. **Status:** In compliance.

**44. Reinvestment Zones to Total Tax Base Limit.** Pursuant to the provisions of the Texas Tax Code, the City creates reinvestment zones both for tax increment financing (“TIF RZ”) and for tax abatement (“TA RZ”). TA RZs are created to grant tax abatements on real or business personal property or both located in the TA RZ. For the FMPC, TIF RZs and TA RZs shall be referred to as Reinvestment Zones (“RZ”).

No RZ can be created if the total property tax base of certain TIF RZs plus the total real property and business personal property tax base (if there is business personal property tax being abated) of TA RZs exceeds 15% of the total tax base (all real and business personal property) of the City. Reinvestment zones that are no longer collecting tax increment or abating taxes (i.e. now contributing 100% to the City of Dallas property tax revenues) will be excluded from the calculation. **Status:** In compliance.

**45. Public Improvement District (PID) and TIF Service Impact Analysis.** All Public Improvement District (PID) and TIF proposals, even “pay-as-you-go” projects, will be evaluated for service impact. A five-year fiscal note must accompany any request to establish a PID or TIF including repayment terms of any inter-fund borrowing. **Status:** In compliance.

**46. PID and TIF Debt Issuance Criteria.** All adopted PID or TIF debt issuances supported by a district's revenues are subject to the following criteria:

- Coverage Tests—The project should provide for revenues, net of overlapping taxes, of 1.25 times maximum annual debt service requirement. The issuance of TIF bonds may be considered prior to achieving coverage ratio of 1.25 if:
  - a developer or property owner provides a credit enhancement, such as a letter of credit or bond insurance from an AAA-rated financial institution, for the entire amount of the debt issue;
  - if there is insufficient TIF increment revenues to retire TIF bonds, which event consequently requires that the credit enhancement mechanism be called upon to service the TIF bonded indebtedness, contingent liability to reimburse a credit enhancer would be the sole liability of the developer or its affiliates;

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

- if there are changes in the rating of the financial institution providing credit enhancement, then that institution shall be replaced with an AAA-rated financial institution within 90 days; and
- If no replacement of an AAA-rated institution is provided, no further TIF bonds in advance of the 1.25 coverage ratio will be provided for any additional TIF projects undertaken by the developer or its affiliates.
- Additional Bonds Test—The project should include an additional bonds test parallel to the coverage test.
- Reserve Fund—The project should include a debt service reserve fund equal to the maximum annual debt service requirements.
- Limitations on Amount of PID/TIF Bonds—The total amount of PID/TIF indebtedness will be included and managed as part of the City's overlapping debt.
- The total amount of PID/TIF debt outstanding should generally not exceed 20% of the City's outstanding GO indebtedness.
- PID/TIF bonds should be limited to projects consistent with the City's previously adopted Financial Management Performance Criteria for debt issuance.
- PID bonds should be limited to those projects that can demonstrate the ability to support the debt either through its own revenues or another pledge source other than ad valorem taxes.
- PID/TIF bond authorizations should remain in effect for no more than five years from the date of City Council approval.

**Status:** In compliance.

**47. PID and TIF Debt Issuances Maturity Limit.** All adopted PID or TIF debt issuances must mature on or before the termination date of the respective PID or TIF district and, further, all bonds must also conform to the district's Financial Plan by maturing on or before the plan's projected date by which all district expenses would be paid. **Status:** In compliance.

**48. PID and TIF Unrated, High Yield Bond Limit.** The City will not propose the issuance of any unrated, high yield PID/TIF bond that could be labeled a "high-risk bond," except for small (less than \$5 million) private placements coordinated with the City's Financial Advisor. All projects must be carefully evaluated for creditworthiness and meet the criteria above, whether a credit rating is obtained. **Status:** In compliance.

**49. PID and TIF Bond Use.** The City should use PID/TIF bonds only when other options have been considered. **Status:** In compliance.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

### ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

**50. Conformance with Generally Accepted Accounting Principles (GAAP).** The City will establish and maintain a high degree of accounting practices that conform to Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB). The GASB is the independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments. **Status:** In compliance.

**51. Annual Independent Audit and Financial Report.** Management will contract with an independent public accounting firm for an annual audit, with the subsequent issuance of an official Annual Comprehensive Financial Report (ACFR) in conformity with GAAP and applicable State statutes. **Status:** In compliance.

**52. Full Disclosure in Financial Statements and Bond Representations.** Full disclosure will be provided in the annual financial statements and bond representations. **Status:** In compliance.

### GRANTS AND TRUSTS

**53. Grants and Gifts Compliance.** All grants will be managed to comply with the laws, regulations and guidance of the grantor; and all gifts and donations will be managed and expended according to the wishes and instructions of the donor. **Status:** In compliance.

**54. Pre-Acceptance Fiscal Review.** Prior to acceptance of proposed gifts and donations and governmental grants, a fiscal review will be conducted. The review should consider matching requirements, impacts on both revenues and expenditures for the next five years, whether the objectives of the gifts, donation or grants meet the strategic goals of the City, and any potential impact of loss of funds. **Status:** In compliance.

**55. Full Cost Recovery from Grants.** For each federal and state grant received by the City, staff will consider the feasibility and appropriateness of minimizing the use of local funds for indirect and/or administrative costs that are attributable to the grant and eligible or allowable expenses based on the grant agreement. Indirect and/or administrative costs will be recovered from the grant as defined by the grant agreement or as defined on the Indirect Cost Rate Proposal Plan calculated based upon the costs established in the Cost Allocation Plan (prepared annually). **Status:** In compliance.



# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

### DALLAS WATER UTILITIES (DWU)

**DWU-1. Matching of Current Revenues and Expenses.** Current revenues will be sufficient to support current expenses including debt service and other obligations of the system. **Status:** In compliance.

**DWU-2. Use of Long-Term Debt.** Long-term debt will be used only for capital expansion, replacement and improvement of plant, not for current expenses. **Status:** In compliance.

**DWU-3. Short-Term Debt Authorization.** Short-term debt, including tax-exempt commercial paper, will be used as authorized for interim financing of projects which result in capital improvements. The authorization of tax-exempt commercial paper will be limited to 20% of the 10-year capital improvement program in effect at the time of the commercial paper authorization. No commercial paper program will be authorized for more than ten years. Outstanding tax-exempt commercial paper will never exceed the amount authorized by City Council. **Status:** In compliance.

**DWU-4. Contingency Reserve Sufficiency.** Contingency reserves will be appropriated at a level sufficient to provide for unanticipated, nonrecurring expenditures. **Status:** In compliance.

**DWU-5. Debt Financing Maturity Limit.** Debt financing for capital projects will not exceed the useful life of the asset, and in no case shall the term exceed 30 years. **Status:** In compliance.

**DWU-6. Unreserved Cash Balance Minimum.** An unreserved cash balance will be maintained such that it provides a minimum quick ratio of 1.50 and at least 30 days of budgeted expenditures for operations and maintenance in net working capital. **Status:** In compliance.

**DWU-7. Debt Service Coverage Requirements.** Net revenues available for debt service should be at least 1.5 times the maximum annual principal and interest requirements of relevant outstanding revenue bonds at the end of the fiscal year, and at least 1.3 times maximum-year requirements at all times, measured during a fiscal year using the previous year net revenues available for debt service. **Status:** In compliance.

# FINANCIAL MANAGEMENT

## PERFORMANCE CRITERIA

YEAR ENDING SEPTEMBER 30, 2022 (FY 2021-22)

**DWU-8. Use of Excess Current Revenues.** Current revenues which are more than operating expenses and debt service will be used for capital expenditures and other water and wastewater purposes. **Status:** In compliance.

**DWU-9. Funding from Current Rates Relationship to Depreciation Expense.** Funds available from current rates in each fiscal year for system rehabilitation, replacement, and expansion will be appropriated equal to or more than financial statement depreciation expense reasonably estimated in the same year. **Status:** In compliance.

**DWU-10. Capital Financing Methods and Equity to Debt Ratio.** Capital financing will be provided through a combination of revenue bonds, current revenues, contributed capital, and short-term debt. An equity to debt ratio of at least 20% should be maintained on all capital projects. **Status:** In compliance.

**DWU-11. Cost of Services Studies.** Retail cost of service studies will be performed at least every two years and reviewed annually. Rate adjustments will be recommended when required, but, normally, no more frequently than annually. **Status:** In compliance.

**DWU-12. Wholesale Water and Wastewater Rates.** Wholesale treated water rates for customer cities and other governmental entities will be determined based on the inter-city agreement currently in effect. Wholesale wastewater and untreated water rates will be determined based on contractual agreements with wholesale customers. Rates shall be adjusted annually if cost of service studies indicates a need therefore. **Status:** In compliance.

**DWU-13. Use of Funds Generated by DWU.** Funds generated by DWU will be used solely for the development, operation, and maintenance of the water and wastewater utility system. **Status:** In compliance.

# Memorandum



CITY OF DALLAS

DATE March 10, 2023

TO Honorable Members of the Government Performance and Financial Management Committee: Cara Mendelsohn (Chair), Gay Donnell Willis (Vice Chair), Tennell Atkins, Adam Bazaldua, Adam McGough, Paul Ridley, Chad West

SUBJECT **Appointment of the City Auditor**

## **Background – Appointment of the City Auditor**

Dallas City Charter Chapter IX, Sec. 1 provides for the selection of a city auditor, who holds office for a period of two years and until a successor shall be chosen and shall qualify, and who is appointed by the city council after being “nominated in accordance with a nomination procedure established by ordinance.” Dallas City Code, Chapter 2, § 2-17.2 outlines the process for nomination, selection, appointment, and reappointment of the city auditor. The appointment of the city auditor does not include a written contract of employment.

In accordance with the Charter, the city auditor holds office for a period of two years and until reappointment or a successor shall be chosen and qualifies. City Auditor Mark Swann’s signed offer letter is dated March 27, 2019 and his original appointment date was amended to start May 1, 2019. Thus, the conclusion of the first two-year period was May 1, 2021. On April 28, 2021, Mr. Swan was reappointed by the City Council to serve two additional years ending on May 1, 2023.

## **Process**

Dallas City Code, Chapter 2, § 2-17.2 provides that the Government Performance and Financial Management Committee (GPFM) may act (as directed by the City Council or on its own initiative) as the nominating committee and nominate the incumbent city auditor for reappointment by the City Council. Reappointment under this process would require a majority vote of nomination by GPFM, and a majority vote of reappointment from the City Council. If the city auditor is not reappointed, the process for City Council appointment of a city auditor nominating commission must be followed, as outlined in Dallas City Code, Chapter 2, § 2-17.2(a) through (f).

## **Timeline and Next Steps**

Mr. Swann’s current two-year period concludes on May 1, 2023. If the intent is to nominate the incumbent for reappointment, the GPFM may nominate Mr. Swann as the incumbent city auditor for City Council approval. If approved by majority vote of the City Council, the incumbent will be notified of the reappointment by letter.

DATE March 10, 2023  
SUBJECT **Appointment of the City Auditor**  
PAGE **2 of 2**

Please feel free to reach out to me or Nina Arias, Director of Human Resources, if you have any questions or need additional information.



Kimberly Bizer Tolbert  
Deputy City Manager

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billierae Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

April 28, 2021

**WHEREAS**, on August 22, 2018, City Council considered appointments to the City Auditor Nominating Commission for the purpose of nominating one or more candidates for City Auditor in accordance with Section 2-17.2 of the Dallas City Code by Resolution No. 18-1196; and

**WHEREAS**, on February 21, 2019, the City Auditor Nominating Commission recommended three applicants to the City Council for consideration for appointment as Dallas City Auditor; and

**WHEREAS**, on March 27, 2019, City Council appointed Mark S. Swann as City Auditor for the City of Dallas for a two-year term and established his annual base salary of \$200,000.00, by Resolution No. 19-0466; and

**WHEREAS**, on February 22, 2021, the City Council's Government Performance and Financial Management Committee unanimously voted to serve as the nominating commission for the purpose of nominating the incumbent City Auditor, Mark S. Swann, CPA for reappointment by the full City Council to a two-year term to commence beginning May 1, 2021.

**Now, Therefore,**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:**

**SECTION 1.** That Mark S. Swann is hereby reappointed as City Auditor for the City of Dallas for a two-year term, effective May 1, 2021.

**SECTION 2.** That Mark S. Swann's annual salary remains at \$200,000.00.

**SECTION 3.** That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.





Agenda Information Sheet

File #: 21-526

Item #: 7.

**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** April 28, 2021

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Department of Human Resources

**EXECUTIVE:** Kimberly Bizer Tolbert

**SUBJECT**

A resolution reappointing Mark S. Swann, as City Auditor for a two-year term, effective May 1, 2021 - Not to exceed \$477,380.00 - Financing: General Fund

**BACKGROUND**

The Government Performance and Financial Management Committee was briefed on May 26, 2020, October 26, 2020, and January 25, 2021. Additionally, the draft update to the City Auditor Responsibilities and Administrative Procedures went through two comment periods: July 13, 2020 to August 31, 2020 and December 24, 2020 to January 11, 2021. On January 25, 2021, the Government Performance and Financial Management Committee recommended City Council approval of the Fiscal Year 2021 Audit Plan.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 24, 2021, City Council authorized an amendment to Resolution No. 90-4072, previously approved on December 12, 1990, which approved the update to the City Auditor Responsibilities and Administrative Procedures by Resolution No. 21-0432.

**FISCAL INFORMATION**

Fund	FY 2021	FY 2022	Future Years
General Fund	\$99,453.00	\$238,690.00	\$139,237.00

# Memorandum



CITY OF DALLAS

DATE March 17, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **City's Financial System Modernization and IT Services Transition to Cloud Services**

An agenda item for the upgrade of the City's core financial management system is scheduled to go before the City Council for approval on April 26, 2023.

The Advantage system is utilized by all departments within the City for recording and processing of all budget expense, procurement, and financial accounting transactions. The system includes over 30 data file integrations with many enterprise business applications such as human resources/payroll, utility billing, and banking services.

The proposed contract is a 5-year agreement to upgrade the existing applications, Financial Management, Procurement and Vendor Self Service to the latest release of CGI Advantage Cloud. This project includes the incorporation of additional modules for Travel and Expense Management, Grants Lifecycle Management for Grantee, Cash Management, including Debt Management.

The scope of the engagement includes consulting services necessary to support the upgrade by

- Re-engineering the City's highest priority business processes using Human Centered Design methodology
- Configuring the upgraded CGI Advantage applications to align to the City's business processes
- Converting the City's highest priority reports to new dashboards, scorecards and ad hoc reports
- Identifying two (2) high-value business processes for automation using Robotic Process Automation (RPA)
- Developing and executing end user training on new features and user interface for over 600 users prior to the upgraded system going live

Information & Technology Services (ITS) supports the Advantage hardware and software which was last upgraded in May 2014. The proposed upgrade will transition the City from an on-premise infrastructure to the CGI Advantage Cloud which will reduce the City's technical debt, make the system more secure, and increase operational efficiencies including easier integration with other enterprise applications.

DATE March 17, 2023  
SUBJECT **City's Financial System Modernization and IT Services Transition to Cloud Services**  
PAGE **2 of 2**

If you have any questions, please contact William (Bill) Zielinski, Chief Information Officer, and Director of Information & Technology Services at [william.zielinski@dallas.gov](mailto:william.zielinski@dallas.gov).



Jack Ireland  
Assistant City Manager

c: T.C. Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Billerae Johnson, City Secretary  
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Carl Simpson, Assistant City Manager  
Jack Ireland, Chief Financial Officer  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors



**STRATEGIC PRIORITY:** Government Performance and Financial Management  
**AGENDA DATE:** April 12, 2023  
**COUNCIL DISTRICT(S):** N/A  
**DEPARTMENT:** Office of Procurement Services  
**EXECUTIVE:** Jack Ireland

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## **SUBJECT**

Authorize Supplemental Agreement No. 1 to the City's contract for disclosure counsel legal services with Norton Rose Fulbright US LLP and Kintop Smith, PLLC, to replace Co-Disclosure Counsel, Kintop Smith, PLLC, with Hardwick Law Firm, LLC - Financing: Disclosure Counsel fees to be paid from bond proceeds, General Fund, Aviation Funds, Convention Center Funds, and/or Water Utilities Funds, contingent upon completion of each bond sale, in accordance with the hourly rates and opinion fees as set forth in Attachment A.

## **BACKGROUND**

The scope of services for this contract includes assisting City staff, together with the financial advisor and bond counsel, with meeting its disclosure obligations under federal securities laws in connection with the issuance, sale and delivery of City obligations. As an issuer of municipal bonds, the City is obligated to ensure that any offering documents used in the offering of its bonds meet the requirements of federal securities laws, as well as to annually file certain financial information and provide notice of certain events that may affect the City's ability to repay the bonds. The City must make such disclosure filings with the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access (EMMA). Substantially all of the responsibilities under this contract will be performed by attorneys.

On August 26, 2020, City Council authorized (1) a contingency fee contract for disclosure counsel legal services with Norton Rose Fulbright US LLP and co-disclosure counsel Kintop Smith, PLLC; and (2) a contingency fee contract with McCall, Parkhurst & Horton, L.L.P. and Escamilla & Poneck, LLP and a contingency fee contract with Bracewell LLP and West & Associates, LLP for bond counsel and co-bond counsel services by Resolution No. 20-1251 which will expire on August 31, 2025.

On October 7, 2021, Kintop Smith, PLLC submitted a formal Notice of Termination of the Contract to the City informing the City that, effective November 6, 2022, Kintop Smith, PLLC was discontinuing its status as a legal entity and would be unable to continue to represent the City as Co-Disclosure Counsel. Pursuant to House Bill 2826, effective

September 1, 2019, a special public notice needs to be added to the council agenda that contains City Council consideration of a contingency fee contract for legal services.

**PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On August 26, 2020, City Council authorized (1) a contingency fee contract for disclosure counsel legal services with Norton Rose Fulbright US LLP and Kintop Smith, PLLC; and (2) a contingency fee bond contract with McCall, Parkhurst & Horton, L.L.P. and Escamilla & Poneck, LLP and a contingency fee contract with Bracewell LLP and West & Associates, LLP for bond counsel and co-bond counsel services by Resolution No. 20-1251.

**FISCAL INFORMATION**

The fees for legal services provided by the disclosure counsel and co-disclosure counsel firms in connection with the issuance, sale and delivery of the City’s bonds are contingent upon the sale and delivery of the bonds and are payable from bond proceeds, General Fund, Aviation Funds, Convention Center Funds, and/or Water Utilities Funds, as applicable as follows:

**FIRM**

**FEE**

Norton Rose Fulbright US LLP  
Disclosure Counsel

Hourly rate fee for services rendered, plus an opinion fee of \$0.21 per \$1,000.00 of increment of bonds issued. See Attachment A to council resolution.

Hardwick Law Firm, LLC  
Co-Disclosure Counsel

Hourly rate fee for services rendered, plus an opinion fee of \$0.14 per \$1,000.00 of increment of bonds issued. See Attachment A to council resolution.

**OWNER**

**Norton Rose Fulbright US LLP**

Paul A. Braden, Partner, Head of Public Finance, United States

**Hardwick Law Firm, LLC**

Herbert E. Hardwick, Partner

## ATTACHMENT A

### DISCLOSURE COUNSEL AND CO-DISCLOSURE COUNSEL FEES

Contingent fees for Disclosure Counsel services, in connection with a proposed issuance of City's Bonds shall be: (1) payable at the hourly rates set forth below for Disclosure Counsel services rendered in connection with a bond issuance, plus \*(2) an additional bond disclosure opinion fee of \$.21 per \$1,000 of increment of bonds sold shall be payable for the Rule 10b-5 disclosure opinion rendered by Disclosure Counsel in connection with each issuance of City Bonds.

<b><u>Disclosure Counsel</u></b>	<b><u>Hourly Rate</u></b>
Partners/Of Counsel	\$475.00
Senior Counsel/Senior Associates	\$375.00
Associates/Counsel	\$300.00
Paralegals	\$150.00

Contingent fees for Co-Disclosure Counsel services in connection with a proposed issuance of City's Bonds shall be: (1) payable at the hourly rates set forth below for Disclosure Counsel services rendered in connection with a bond issuance, plus \*(2) an additional bond disclosure opinion fee of \$.14 per \$1,000 of increment of bonds sold shall be payable for the Rule 10b-5 disclosure opinion rendered by Disclosure Counsel in connection with each issuance of City Bonds.

<b><u>Disclosure Counsel</u></b>	<b><u>Hourly Rate</u></b>
Partners//Of Counsel	\$475.00
Senior Counsel/Senior Associates	\$375.00
Associates/Counsels	\$300.00
Paralegals	\$150.00

In addition to the above Disclosure Services, the Law Firms shall be available to provide services at the same hourly rates noted above as directed by the City Attorney that may include similar projects outside of the issuance of bonds such as training for City staff and City Council with respect to disclosure rules, regulations and responsibilities and such other matters listed in the RFQ.

\*Note: The split between Disclosure Counsel and Co-Disclosure Counsel's additional fee per \$1,000 of increment bonds shall be negotiated between the firms and the total rate submitted must be comparable to the City's current bond counsel rate but shall not exceed seventy percent (70%) of the amount the City currently pays its bond counsel. The current rate for Bond Counsel and Co-Bond counsel is \$0.50 per \$1,000 of increment of bonds. Accordingly, the total additional fee for Disclosure Services shall not exceed 70% of that amount or \$0.35 per \$1,000 of increment of bonds.

# Memorandum



CITY OF DALLAS

DATE March 10, 2023

Honorable Members of the Government Performance and Financial Management

TO Committee: Cara Mendelsohn (Chair), Gay Donnell Willis (Vice Chair), Tennell Atkins, Adam Bazaldua, Adam McGough, Paul Ridley, Chad West

SUBJECT **Approved Positions, Current Headcount, and Overtime Usage**

Prior to your recent Government Performance and Financial Management Committee meeting, Chair Mendelsohn requested the number of approved positions, current headcount, and overtime hour usage for each department. The attached spreadsheet provides the requested information:

**Column A – Departments.** List of departments includes General Fund, Enterprise Funds, and Internal Service Funds.

**Column B – Approved positions for FY 2022-23.** This represents the number of positions that a department is authorized to fill from their operating funds. The position count does not include positions that are funded through additional resources such as grant funds, private funds, or other sources.

A position is a specific job with an assigned position identification number. Full-time, part-time, seasonal, and temporary positions are included. A position does not reflect the funding that is available since many positions are funded at less than 100%. Full-time positions may include less than 100% funding to account for vacancy rate, or the fact that most new positions are not funded to begin on October 1, but at another point during the fiscal year. Part-time positions may only be funded for 20 hours a week or some other number based on the need of the department. Temporary and seasonal positions are only funded based on their anticipated usage. For example, Park and Recreation uses seasonal positions during the summer months.

Additionally, nearly 300 extra police and fire positions are included within the authorized count to accommodate their process of hiring for academies versus hiring one position at a time.

**Column C – Headcount.** Headcount reflects the number of individuals employed by the City at a specific point in time. For the purpose of this report, the non-uniform or civilian headcount was taken from the February 21 payroll while the uniform headcount was taken from the February 14 payroll. Headcount changes day by day as individuals start or end employment with the City, therefore, the numbers provided have already changed.

DATE March 10, 2023  
SUBJECT **Approved Positions, Current Headcount, and Overtime Usage**

**Column D** – **Overtime hours**. For the purpose of this report, the non-uniform or civilian overtime hours were taken from the February 21 payroll while the uniform overtime hours were taken from the February 14 payroll. The hours are “fiscal year-to-date”, therefore, they include overtime hours worked from October 1, 2022 through the most recent payroll.

**Column E** – **Grant headcount**. Employees funded through grants are accounted separately. This headcount reflects the number of individuals employed on February 21 that are funded through a grant.

**Column F** – **Grant overtime hours**. The overtime hours associated with grant funded positions is listed. This includes overtime hours worked from October 1, 2022 through the most recent payroll.

Let me know if you have additional questions.



Jack Ireland  
Chief Financial Officer

- c: TC Broadnax, City Manager  
Tammy Palomino, Interim City Attorney  
Mark Swann, City Auditor  
Biliera Johnson, City Secretary  
Preston Robinson, Administrative Judge  
Kimberly Bizer Tolbert, Deputy City Manager  
Jon Fortune, Deputy City Manager
- Majed A. Al-Ghafry, Assistant City Manager  
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager  
Dr. Robert Perez, Assistant City Manager  
Carl Simpson, Assistant City Manager  
Genesis D. Gavino, Chief of Staff to the City Manager  
Directors and Assistant Directors

A	B	C	D	E	F
Department	FY 2022-23 Approved Positions	Headcount: Civilian 2/21/23 & Uniform 2/14/23	Overtime Hours	GRANTS Headcount: Civilian 2/21/23 & Uniform 2/14/23	GRANTS Overtime Hours
<b>General Fund</b>					
Budget & Management Services	39	30	57	14	2
Building Services	198	159	4,130	-	-
City Attorney's Office	176	158	2	12	-
City Auditor's Office	21	18	-	-	-
City Controller's Office	77	63	4,578	-	-
City Manager's Office	18	15	67	-	-
City Secretary's Office	25	23	-	-	-
Civil Service	26	20	15	-	-
Code Compliance	471	389	9,654	-	-
Court & Detention Services	257	180	11,940	-	-
Dallas Animal Services	192	155	6,730	-	-
Dallas-Fire Rescue: Non-Uniform	132	96	5,274	-	-
Dallas-Fire Rescue: Uniform	2,306	2,010	344,937	-	-
Dallas Police Department: Non-Uniform	993	633	51,571	4	261
Dallas Police Department: Uniform	3,316	3,051	234,997	30	3,373
Data Analytics & Business Intelligence	45	25	-	-	-
Housing & Neighborhood Revitalization	25	20	-	25	-
Human Resources	111	60	886	-	-
Judiciary	57	44	416	-	-
Library	402	369	67	6	-
MGT - 311 Customer Service	118	112	1,662	-	-
MGT - Communications, Outreach, and Marketing	32	20	92	-	-
MGT - Office Homeless Solutions	43	38	376	2	73
MGT - Office of Community Care	49	46	682	163	5,158
MGT - Office of Community Police Oversight	7	3	28	-	-
MGT - Office of Emergency Management	6	6	-	13	7
MGT - Office of Environmental Quality/Sustainability	106	87	1,799	-	-
MGT - Office of Equity and Inclusion	23	17	1	7	36
MGT - Office of Government Affairs	8	6	12	-	-
MGT - Office of Historic Preservation	7	4	58	-	-
MGT - Office of Integrated Public Safety Solutions	33	19	144	-	-
MGT - Small Business Center	21	13	-	-	-
Mayor & City Council	65	58	588	-	-
Office of Arts & Culture	111	69	2,362	-	-
Office of Economic Development	45	32	5	-	-
Park & Recreation	1,551	800	22,123	37	11
Planning & Urban Design	63	46	102	-	-
Procurement Services	29	23	-	-	-
Public Works	491	412	65,946	-	-
Transportation	211	146	3,075	-	-
<b>General Fund Total</b>	<b>11,906</b>	<b>9,475</b>	<b>774,373</b>	<b>313</b>	<b>8,920</b>
<b>Enterprise Funds</b>					
Aviation (includes Transportation Regulation)	362	265	16,591	-	-
Convention & Event Services	34	20	113	-	-
Dallas Water Utilities - DWU	1,563	1,226	190,484	-	-
Dallas Water Utilities - SDM	281	199	7,453	-	-
Development Services	341	273	7,179	-	-
Municipal Radio	6	2	-	-	-
Sanitation Services	622	505	128,964	-	-
<b>Enterprise Funds Total</b>	<b>3,209</b>	<b>2,490</b>	<b>350,785</b>	<b>0</b>	<b>0</b>
<b>Internal Service and Other Funds</b>					
Bond & Construction Management	181	121	2,996	-	-
Employee Benefits	11	10	57	-	-
Equipment & Fleet Management	273	229	19,855	-	-
Express Business Center	10	9	17	-	-
Information & Technology Services - 911, Data, Radio	255	197	2,549	-	-
Office of Risk Management	55	43	37	-	-
<b>Internal Service and Other Funds Total</b>	<b>785</b>	<b>609</b>	<b>25,510</b>	<b>0</b>	<b>0</b>
<b>Grand Total</b>	<b>15,900</b>	<b>12,574</b>	<b>1,150,668</b>	<b>313</b>	<b>8,920</b>

# GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT COMMITTEE FORECAST

	TITLE	DEPARTMENT
<b>MONDAY, APRIL 24, 2023, 1:00 P.M.</b>		
<b>BRIEFING ITEMS</b>	Development Services- Monthly Update	City Manager's Office
	Office of the City Auditor Briefing on Internal Audit Reports Released Between March 11, 2023 and April 14, 2023	Office of the City Auditor
	Owner Controlled Insurance Program	Office of Risk Management
	FY23 Mid-Year Appropriation Adjustments	Budget & Management Services
	Financial Plan Update for KBHCC and Fair Park	City Controller's Office
<b>BRIEFINGS BY MEMORANDUM</b>	Budget Accountability Report (Information as of February 28, 2023)	Budget & Management Services
	Technology Accountability Report (Information as of February 28, 2023)	Information & Technology Services
<b>MONDAY, MAY 22, 2023, 1:00 P.M.</b>		
<b>BRIEFING ITEMS</b>	Development Services- Monthly Update	City Manager's Office
	Office of the City Auditor Briefing on Internal Audit Reports Released Between April 15, 2023 and May 12, 2023	Office of the City Auditor
	Financial Management Performance Criteria Review	Budget & Management Services
	Marketing & Outreach for New Hires	Communications, Outreach, & Marketing
	Quarterly Investment Report (Information as of March 31, 2023)	City Controller's Office
	Atmos Dallas Annual Rate Review Filing	Budget & Management Services
<b>BRIEFINGS BY MEMORANDUM</b>	Budget Accountability Report (Information as of March 31, 2023)	Budget & Management Services
	Technology Accountability Report (Information as of March 21, 2023)	Information & Technology Services
	Panhandling Diversion Update	Office of Homeless Solutions
	Timeline for Pension Review	Budget & Management Services