<div align="center">
MINUTES OF THE CITY COUNCIL COMMITTEE
TUESDAY, SEPTEMBER 19, 2023
</div>

23-0012

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

PRESENT: [5]   West, Blackmon, Moreno, *Resendez (**1:09 p.m.), Mendelsohn

ABSENT: [0]

The meeting was called to order at 1:03 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 2:33 p.m.

_____
Chair

ATTEST:

_____   _____
City Secretary Staff   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.

OFFICE OF THE CITY SECRETARY   CITY OF DALLAS, TEXAS

E X H I B I T   A

City of Dallas

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

Government Performance and Financial Management Committee

September 19, 2023

1:00 PM

2023 CITY COUNCIL APPOINTMENTS

COUNCIL COMMITTEE	
ECONOMIC DEVELOPMENT Atkins (C), Narvaez (VC), Arnold, Bazaldua, Ridley, Stewart, West	**GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT** West (C), Blackmon (VC), Mendelsohn, Moreno, Resendez
HOUSING AND HOMELESSNESS SOLUTIONS Moreno (C), Mendelsohn (VC), Gracey, West, Willis	**PARKS, TRAILS, AND THE ENVIRONMENT** Stewart (C), Moreno (VC), Arnold, Bazaldua, Blackmon, Narvaez, West
PUBLIC SAFETY Mendelsohn (C), Stewart (VC), Atkins, Moreno, Willis	**QUALITY OF LIFE, ARTS, AND CULTURE** Bazaldua (C), Resendez (VC), Blackmon, Gracey, Ridley, Schultz, Willis
TRANSPORTATION AND INFRASTRUCTURE Narvaez (C), Gracey (VC), Atkins, Mendelsohn, Resendez, Schultz, Stewart	**WORKFORCE, EDUCATION, AND EQUITY** Schultz (C), Arnold (VC), Bazaldua, Blackmon, Resendez, Ridley, Willis
AD HOC COMMITTEE ON ADMINISTRATIVE AFFAIRS Atkins (C), Mendelsohn, Moreno,	**AD HOC COMMITTEE ON GENERAL INVESTIGATING AND ETHICS** Mendelsohn (C), Gracey, Johnson, Schultz, Stewart
AD HOC COMMITTEE ON JUDICIAL NOMINATIONS Ridley (C), Resendez, West	**AD HOC COMMITTEE ON LEGISLATIVE AFFAIRS** Mendelsohn (C), Atkins, Gracey, Narvaez, Stewart
AD HOC COMMITTEE ON PENSIONS Atkins (C), Blackmon, Mendelsohn, Moreno, Resendez, Stewart, West, Willis	**AD HOC COMMITTEE ON PROFESSIONAL SPORTS RECRUITMENT AND RETENTION** Gracey (C), Blackmon, Johnson, Moreno, Narvaez, Resendez, Schultz

(C) – Chair, (VC) – Vice Chair

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

General Information

The Dallas Council Committees regularly meet on Mondays beginning at 9:00 a.m. and 1:00 p.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council Committee agenda meetings are broadcast live on bit.ly/cityofdallastv and on Time Warner City Cable Channel 16.

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

Los Comités del Concejo de la Ciudad de Dallas se reúnen regularmente los lunes en la Cámara del consejo en el sexto piso del Ayuntamiento, 1500 Marilla, a partir de las 9:00 a.m. y la 1:00 p.m. Las reuniones de la agenda del Comité del Consejo se transmiten en vivo por la estación de bit.ly/cityofdallastv y por cablevisión en la estación *Time Warner City Cable* Canal 16.

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 retrasara o interrumpirá los procedimientos, o se negara 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 *(pagers)* 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 precisara 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 pistol 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 propriedad."

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.

The public may also listen to the meeting as an attendee at the following videoconference link:

https://dallascityhall.webex.com/dallascityhall/j.php?MTID=me80ba3df4ab4ae54dfe69d80e2c44a04

Call to Order

MINUTES

1.   23-2339   Approval of the June 13, 2023 Government Performance and Financial Management Committee Meeting Minutes

Attachments: Minutes

2.   23-2381   Approval of the August 30, 2023 Special Called Joint Government Performance and Financial Management Committee and Ad Hoc on Legislative Affairs Committee Meeting Minutes

Attachments: Minutes

BRIEFING ITEMS

A.   23-2340   Development Services Monthly Update
[City Manager's Office]

Attachments: Presentation

B.   23-2342   FY23 End of Year Appropriation Adjustments
[Janette Weedon, Director, Budget and Management Services]

Attachments: Presentation

C.   23-2382   Overview of Public Works' Real Estate Division
[Alireza Hatefi, Director, Public Works]

Attachments: Presentation

BRIEFING MEMORANDUMS

D.   [23-2383](#)   Technology Accountability Report as of August 31, 2023
                        [Information and Technology Services]

      Attachments: [Report](#)

E.   [23-2384](#)   Budget Accountability Report as of July 31, 2023
                        [Budget and Management Services]

      Attachments: [Report](#)

F.   [23-2385](#)   Quarterly Investment Report - 3rd Quarter FY23
                        [City Controller's Office]

      Attachments: [Report](#)

G.   [23-2341](#)   Office of the City Auditor Briefing and Internal Audit Reports Released
                        Between June 2, 2023 and September 8, 2023
                        [Office of the City Auditor]

      Attachments: [Report](#)

H.   [23-2386](#)   Proposed 2024 City Calendar
                        [Mayor and City Council Office]

      Attachments: [Memorandum](#)

I.   [23-2420](#)   September 27, 2023 Upcoming Agenda Items - 23-2052 and 23-2431 -
                        Ordinances Authorizing Debt Issuance for Kay Bailey Hutchison Convention
                        Center Master Plan and Fair Park Improvements
                        [City Controller's Office]

      Attachments: [Memorandum](#)

J.   [23-2388](#)   GPFM Forecast

      Attachments: [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]

EXHIBIT B

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

SEPTEMBER 19, 2023

Item 1:   Approval of the June 13, 2023 Government Performance and Financial
               Management Committee Meeting Minutes

Councilmember Mendelsohn moved to adopt the minutes as presented.

Motion seconded by Councilmember Moreno and unanimously adopted. (Moreno absent when
vote taken)

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

SEPTEMBER 19, 2023

Item 2:   Approval of the August 30, 2023 Special Called Joint Government Performance
                 and Financial Management Committee and Ad Hoc on Legislative Affairs
                 Committee Meeting Minutes

Councilmember Mendelsohn moved to adopt the minutes as presented.

Motion seconded by Councilmember Blackmon and unanimously adopted. (Moreno absent when vote taken)

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

SEPTEMBER 19, 2023

BRIEFING ITEMS

Item A: Development Services Monthly Update

The following individual briefed the committee on the item:

- Vernon Young, Assistant Director, Development Services

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

SEPTEMBER 19, 2023

BRIEFING ITEMS

Item B: FY23 End of Year Appropriation Adjustments

The following individual briefed the committee on the item:

- Janette Weedon, Director, Budget and Management Services

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

SEPTEMBER 19, 2023

BRIEFING ITEMS

Item C: Overview of Public Works' Real Estate Division

The following individuals briefed the committee on the item:

- Alireza Hatefi, Director, Public Works;
- Ashley Eubanks, Assistant Director, Public Works; and
- Robert Perez, Assistant City Manager, City Manager's Office

OFFICIAL ACTION OF THE CITY COUNCIL COMMITTEE

SEPTEMBER 19, 2023

BRIEFING MEMOS

Item D: Technology Accountability Report as of August 31, 2023

Item E: Budget Accountability Report as of July 31, 2023

Item F: Quarterly Investment Report - 3rd Quarter FY23

Item G: Office of the City Auditor Briefing and Internal Audit Reports Released Between
               June 2, 2023 and September 8, 2023

Item H: Dallas 365 Performance Measures

Item I: Proposed 2024 City Calendar

Item J: GPFM Committee Forecast

The committee discussed all items.

EXHIBIT C

File #: 23-2340

Item #: A.

Development Services Monthly Update
[City Manager's Office]

Memorandum

CITY OF DALLAS

SUBJECT **September 19, 2023, Government Performance and Financial Management (GPFM) Committee, Development Services Department Monthly Update for August 2023**
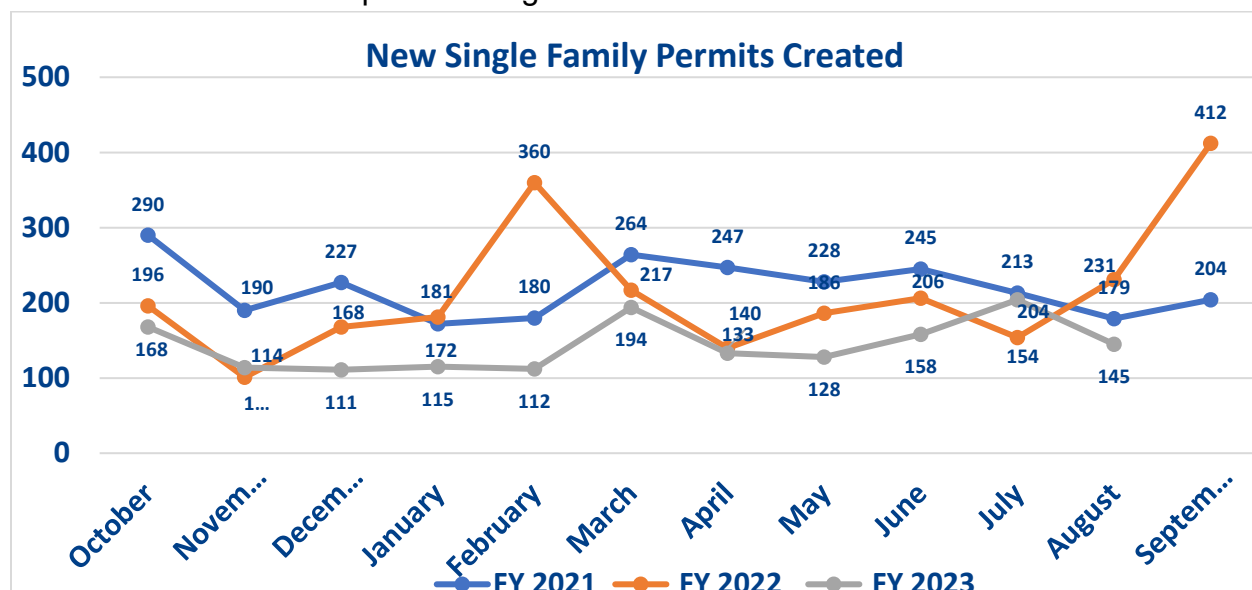
This memorandum is to provide an update to the Government Performance and Financial Management (GPFM) Committee on Development Services (DSD) technology, residential/commercial metrics, and recruitment updates.
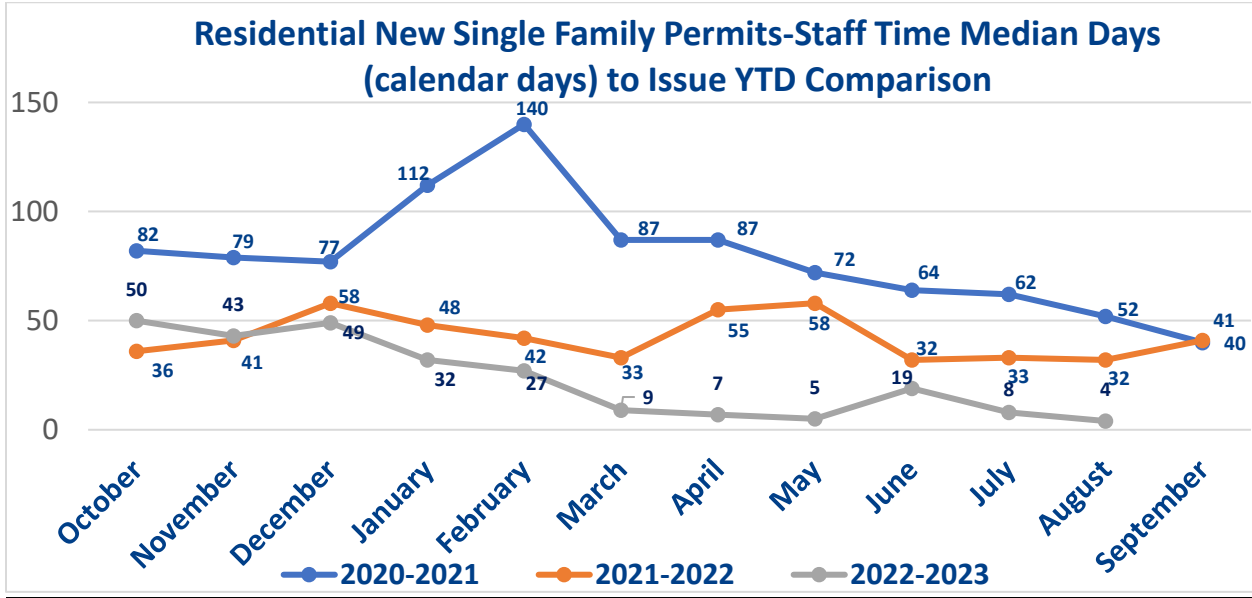
Technology

The DallasNow Project continues, and the team is beginning its fourth month of progress. The team is on track and is expected to meet its established Milestones.

Residential Metrics

In August of 2023, the total number of New Single-Family permits that were initiated decreased from **204** to **145** from the previous month. This represents a **29%** decrease. The team issued **208** New Single-Family permits. The median number of days to issue New Single-Family permits not requiring revisions decreased from **8** days to **4** days. A total of **29** New Single-Family permits were processed by the RSVP Team and were issued the same day they were received. The percentage of initial reviews completed within the established departmental goals was **100%**.

New Single Family Permits Created

FY 2021 — FY 2022 — FY 2023

DATE September 14, 2023

SUBJECT **September 19, 2023, Government Performance and Financial Management (GPFM) Committee, Development Services Department Monthly Update for August 2023**

PAGE **2 of 5**

Residential New Single Family Permits-Staff Time Median Days (calendar days) to Issue YTD Comparison
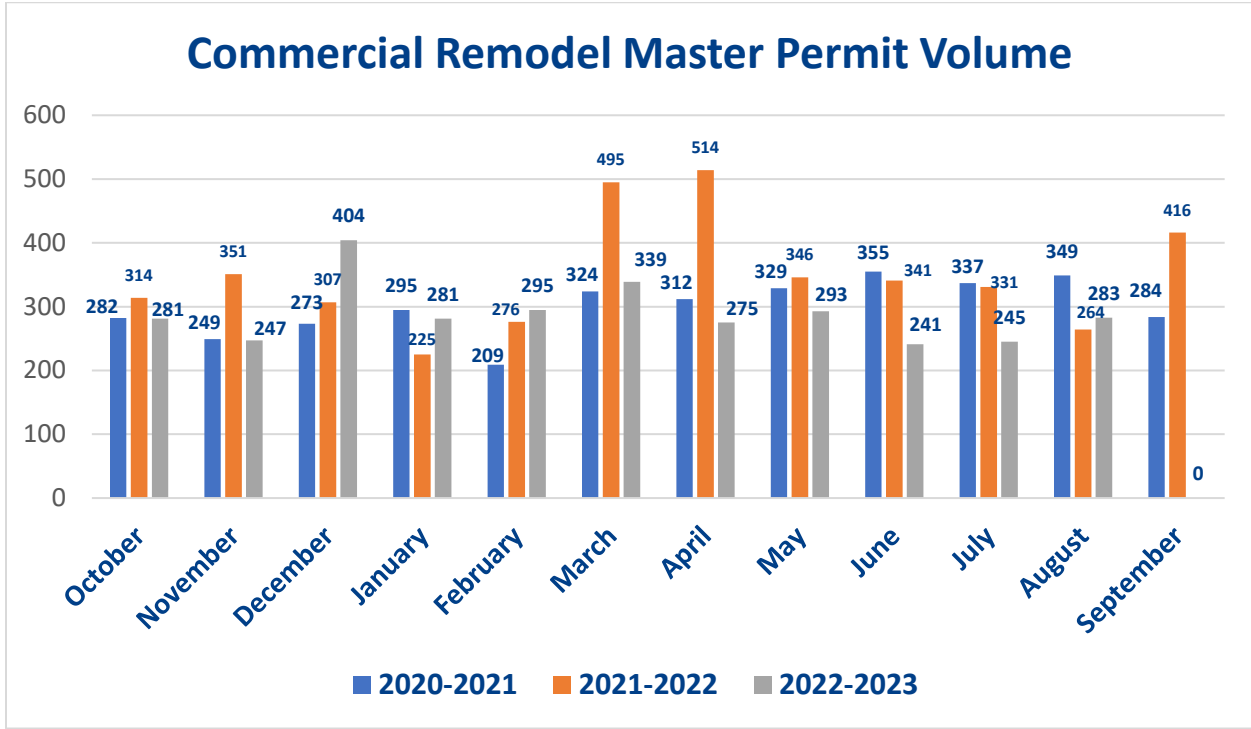
Commercial Metrics

The Department received **5** new commercial, **34** commercial additions, **283** commercial remodels, and **32** complex commercial Q-Team projects. In addition, the Department issued **37** minor commercial Q-Team project permits the same day for the month of August. All new commercial/remodels initial reviews were performed within **10** days and met the Department's performance goal. All Q-Team initial reviews were performed within **2** days.

New Commercial Project Permit Volume

Commercial Remodel Master Permit Volume
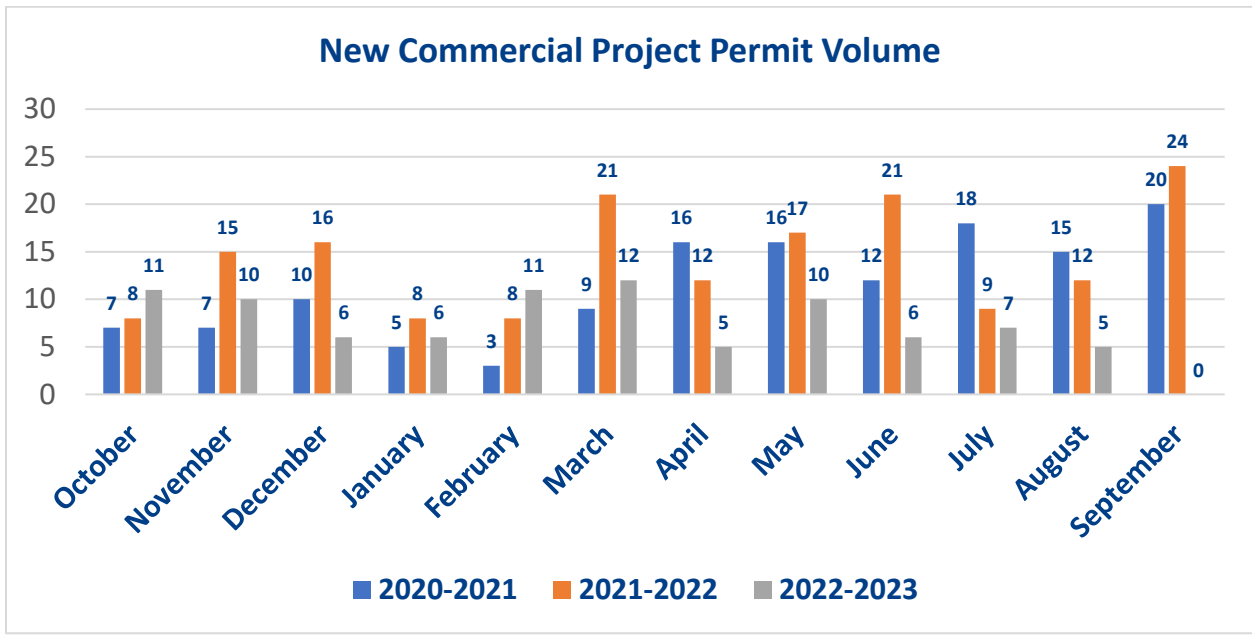
Dallas Development Services Department Performance Goals FY2022-2023			**2022**			2023								
Metrics	**Goal**	**FY2022**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**YTD**
# of Commercial Plan Review Submittals														
Commercial New	N/A	**171**	11	10	6	8	11	12	5	10	6	7	**5**	**91**
Commercial Additions	N/A	**156**	19	17	28	16	33	26	28	11	49	18	**34**	**279**
Commercial Remodels	N/A	**4,179**	281	247	404	281	295	339	275	293	241	245	283	**3,184**
Express Plan Review (Q-Team)	N/A	**842**	23	16	20	23	22	51	36	39	28	21	32	**311**
Express Plan Review Minor Commercial (Q-Team 2)	N/A	**N/A**	N/A	N/A	N/A	N/A	14	8	14	15	29	26	**37**	**143**
Average # of Days for Initial Review														
New Commercial/Remodels	15 Days	**12**	10	10	11	10	9	9	15	10	7	6	10	**10**
Express Plan Review (Q-Team)	10 Days	**7**	5	5	2	3	2	5	6	3	4	4	2	**4**
Express Plan Review Minor Commercial (Q-Team 2)	1 Day	**N/A**	N/A	N/A	N/A	N/A	1	1	1	1	1	1	1	**1**

DATE   September 14, 2023

SUBJECT   **September 19, 2023, Government Performance and Financial Management (GPFM) Committee, Development Services Department Monthly Update for August 2023**

PAGE   **4 of 5**

Recruitment

Development Services continues its hiring efforts to fill the current vacancies. As of August 31, 2023, a total of **51** positions are currently vacant as compared to the previously reported **42** vacancies from last month. This represents a Vacancy Rate of **14.7%**. The vacancy increase was largely due in part to promotions to other Departments, University Intern returning to Fall Semester, and retirements. In collaboration with Human Resources (HR) and Compensation, the Department is pleased to report that of the **51** vacancies, **10** positions are in the hiring process and onboarding process, **13** have tentative interviews scheduled, **3** are being reclassified, and **8** are currently being advertised.

Position Title	Vacancies
00701 - Engineer Assistant I	1
02527 - Project Coordinator - Development	1
16401 - Plans Examiner	1
16404 - Senior Plans Examiner	7
18034 - Senior Departmental Budget Analyst	1
24112 - Intern - Development Services Engineering	3
28043 - Senior Planner	2
31012 - Supervisor - Building Inspections Development Services	2
31015 - Senior Plans Examiner - Building Inspection	2
31017 - Senior Plans Examiner - Plumbing	2
31019 - Senior Inspector - Building Inspection	1
31023 - Inspector III - Building Inspection	2
31025 - Lead Inspector - Multidiscipline	1
31030 - Inspector III - Development	1
31031 - Inspector III - Electrical	4
31045 - Supervisor - Zoning Inspections	1
31238 - Manager - Development	1
31543 - Lead Plans Examiner - Multidiscipline	1
32209 - Executive Secretary	1
32403 - Senior Office Assistant	1
36533 - Senior Geographic Information System Support Technician	1
36619 - Supervisor - Development Services	1
36654 - Manager - Business	1
40021 - Records Technician I - Development Services	1
40050 - Senior Public Information Officer	1
42001 - Permit Clerk	6
42003 - Permit Technician	3
48607 - Senior Training Specialist - Development Services	1
Total Vacancies	**51**

Next Steps

- Finalizing Fee Study recommendations and forward to Budget Office and City Manager Office Review.
- Finalize Self-Certification Program 2nd Quarter of 2023-2024. Submitted to City Attorney and Risk Management for review.
- Develop and share Commercial Permitting Dashboard in September 2023
- September 14, 2023 – "Lunch & Learn: Overview of Dallas Green Construction Code"
- DSD is partnering with CCS to develop a memorandum of understanding of roles and responsibilities when responding to code complaints.

Should you have any questions please contact Andrew Espinoza, Director/Chief Building Official of Development Services at (214) 542-1227 or andres.espinoza@dallas.gov

Majed A. Al-Ghafry, P.E.
Assistant City Manager

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

File #: 23-2342

Item #: B.

FY23 End of Year Appropriation Adjustments
[Janette Weedon, Director, Budget and Management Services]

FY 2022-23 End of Year Budget Appropriation Adjustment

Government Performance & Financial Management Committee
September 19, 2023

Janette Weedon, Director
Ivan Guel, Assistant Director
Budget & Management Services

City of Dallas

Overview

- Background
- Overview of amendments to FY 2022-23 budget ordinance
- Recommendation and next steps

Background

- City Council adopted FY 2022-23 Operating, Grants/Trust, and Capital Budget ordinance on September 28, 2022

- City Council amended the FY 2022-23 Operating, Grants/Trust, and Capital Budget ordinance on May 10, 2023

- City Council is asked to approve additional amendments to the FY 2022-23 Operating, Grants/Trust, and Capital budget ordinance by ordinance on September 27, 2023

Background

- Amendments are required to ensure compliance with City Charter and to ensure adequate departmental appropriations are available through September 30, 2023

- City Charter Chapter XI
  - Annual appropriation ordinance approved by City Council establishes appropriations (Sec. 3)
  - City Council may transfer appropriations between departments, divisions, or purposes (Sec. 4)
  - City Council may appropriate excess revenue (Sec. 5)
  - City Charter does not allow for expenditure of City funds without sufficient appropriation (Sec. 6)

Overview of Amendments

- FY 2022-23 End of Year Appropriation Ordinance amendments reflect:
  - Appropriation of excess or unbudgeted revenue
  - Transfers between departments, division, and purpose
  - Adjustments to address forecast overruns
  - Grant and Trust Funds revenue and expenditure increases
  - Enterprise Funds revenue and expenditure increases
  - Capital appropriation adjustments
  - Appropriation adjustments previously approved by City Council resolution

Overview of Amendments ($ in millions)

Fund Category	FY 2022-23 Amended Budget*	Appropriation Amendments	FY 2022-23 Amended Budget
General Fund	$1,727.6	$1.8	$1,729.4
Grant Funds, Trust, and Other Funds	162.9	11.5	174.4
Enterprise Funds	1,395.4	27.6	1,423.0
Internal Service/Other Funds	244.2	8.5	252.8
Capital Funds	1,121.2	144.1	1,265.3
Total	$4,651.2	$193.6	$4,844.8

*Reflects amended budget approved by City Council on May 10, 2023

General Fund Amendment Overview

- Ordinance amendment will appropriate excess or unbudgeted revenue as allowed by City Charter Chapter XI (Sec. 5)
  - Through 7/31/23, General Fund excess revenue is forecast to be $2.4 million
    - Ordinance amendment will appropriate $1.8 million in excess revenue and increase the General Fund budget from $1,727.6 million to $1,729.4 million
      - Charges for Services and Interest revenue are forecast to be better than budget while Sales Tax revenue are forecast to be less than the amended budget

General Fund Amendment Overview

- Ordinance amendment will transfer appropriations between departments, divisions, or purposes as allowed by City Charter Chapter XI (Sec. 4)
  - Through 7/31/23, projected year-end overages from the following departments is forecast to be $18.8 million
    - Building Services - $2,008,000 due to unbudgeted repairs at various city facilities
    - City Attorney's Office - $181,000 due to termination payouts for retired employees
    - City Managers Office - $166,000 due to prior year organizational changes, professional development, and Youth Commission activities
    - Code Compliance - $370,000 due to increased costs for health benefits
    - Dallas Fire Rescue - $7,362,000 due to fleet maintenance, medical supplies, and increased costs for health benefits
    - Dallas Police Department - $4,142,000 due to open records reorganization, and increased costs for health benefits
    - Human Resources - $1,516,000 due to temporary staffing expenses
    - Office of Government Affairs - $15,000 due to temporary staffing and other costs associated with the Texas State Legislature session
    - Park and Recreation - $2,605,000 due to increased cost for health benefits and unbudgeted utility costs associated with Fair Park First
    - Public Works - $453,000 due to increased costs for health benefits

General Fund Amendment Overview

- The following General Fund departments' appropriation will be *decreased by $17.0 million* due to projected year-end savings

- Budget and Management Services ($220,000)
- City Auditor's Office ($350,000)
- City Controller's Office ($90,000)
- Civil Service ($350,000)
- Court & Detention Services ($860,000)
- Dallas Animal Services ($10,000)
- Data Analytics and Business Intelligence ($850,000)
- Housing and Neighborhood Revitalization ($540,000)
- Judiciary ($400,000)
- Library ($10,000)
- 311 Customer Service ($680,000)
- Communications, Outreach and Marketing ($800,000)

- Office of Community Care ($60,000)
- Office of Community Police Oversight ($240,000)
- Office of Environmental Quality and Sustainability ($880,000)
- Office of Equity and Inclusion ($150,000)
- Office of Historic Preservation ($160,000)
- Office of Integrated Public Safety Solutions ($940,000)
- Small Business Center ($320,000)
- Mayor and City Council ($216,000)
- Non-Departmental ($5,353,000)
- Planning and Urban Design ($470,000)
- Procurement Services ($250,000)
- Salary and Benefit Reserve ($2,790,000)

General Fund Amendment Overview

- Ordinance amendment authorizes the City Manager to transfer appropriations from Salary and Benefit (S&B) Stabilization to any individual department or activity in General Fund to be used for salaries and benefits as allowed by City Charter Chapter XI (Sec. 3)
  - S&B Stabilization appropriation totaling $166,000 will be transferred to the following departments for retirement pay-outs, temporary help, and salary adjustments
    - City Manager's Office - $72,000
    - City Attorney's Office - $94,000

General Fund Amendment Overview

- Excess revenue and reallocations from other General Fund departments will be used to address forecast overruns, and new initiatives

- General Fund appropriation will be <u>increased by $1.8 million</u>
  - Department forecast overruns - $18,800,000
  - Department projected year-end savings – ($17,000,000)

Grants, Trusts and Other Fund Amendment Overview

- Appropriation adjustments within Grants, Trusts, and Other Funds are supported by additional revenues that have become available during the fiscal year, transfers, or by available fund balance
  - Previously approved adjustments—$8.6 million
    - Appropriations approved by the City Council since 4/1/23
  - Budget & Management Services—$2.0 million
    - Operating Carryover Fund
    - Gifts and Donations
  - Other - $0.9 million

Enterprise/Internal Service Fund Amendment Overview

- Appropriation adjustments within Enterprise Funds, Internal Services Funds are supported by increased revenues or available fund balances
  - Convention and Event Services - $21.1 million
    - Supports increased capital construction transfer due to higher than budgeted event revenue
  - Information and Technology Services - $4.4 million
    - Supports purchase of detection hardware devices, and repayment of Coronavirus Relief Fund (CRF) payroll expenses
  - Development Services —$3.8 million
    - Supports Engineering contractual services, increased costs for health benefits, and repayment of (CRF) payroll expenses
  - Equipment and Fleet Services - $3.7 million
    - Supports increased contract labor costs, rebuilding of truck bodies, repairs at Southeast Service Center garage, and vehicle parts

Enterprise/Internal Service Fund Amendment Overview

- Appropriation adjustments within Enterprise Funds, Internal Services Funds are supported by increased revenues or available fund balances
  - Sanitation —$2.7 million
    - Supports equipment purchases, temporary labor, and contract services
  - Express Business Center - $0.5 million
    - Supports increased costs of office supplies and repayment of CRF payroll expenses
  - Municipal Radio - $0.02 million
    - Supports increased contract labor costs for furniture disposal and records cleanup
  - Employee Benefits (Administrative Fund) - $0.02 million
    - Supports increased temporary labor and health benefits costs

Capital Fund Amendment Overview

- Appropriation adjustments for capital funds reflect adjustments previously approved by City Council, new appropriation requests, and transfers between funds
  - Previously approved adjustments—$134.1 million
    - Appropriations approved by the City Council since 4/1/23
  - New appropriation requests—$10.0 million
    - Planned Capital Construction transfers - $10.0 million

Recommendation and Next Steps

- Staff recommends amending FY 2022-23 budget appropriation ordinance

- Seek City Council approval of agenda item on September 27, 2023

financialtransparency.dallascityhall.com

File #: 23-2382

Item #: C.

Overview of Public Works' Real Estate Division
[Alireza Hatefi, Director, Public Works]

Presentation Overview

- **Real Estate Overview**
- **Org Chart**
- **Budget/Revenue Overview**
- **Areas of Responsibility**
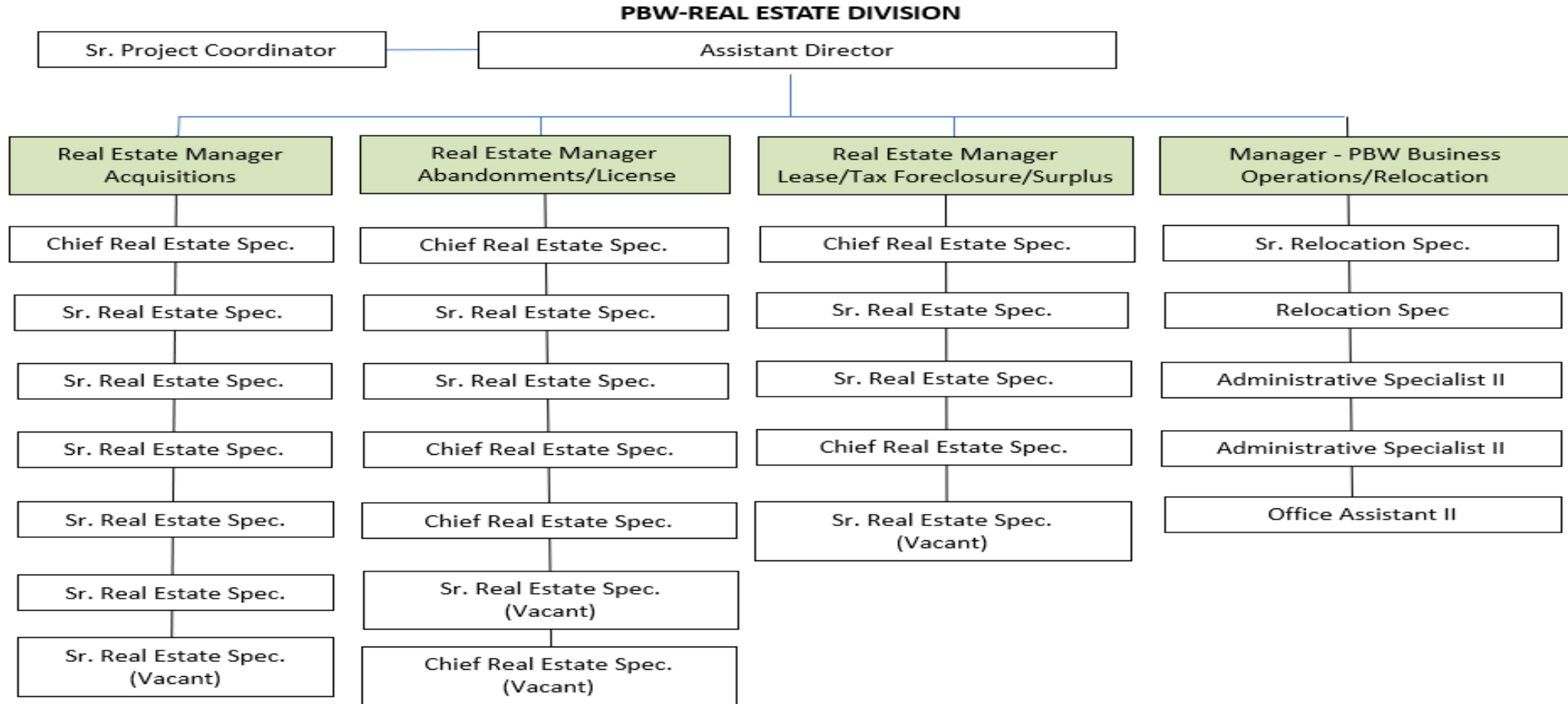- **Opportunities**
- **Questions**

Real Estate Overview

- Section 2-49 of the Dallas City Code establishes certain duties and responsibilities of the Director of Public Works for the purchase, sale, lease and management of real property on behalf of the City.

- All transactions administered through PBW-Real Estate are in accordance with State law and the Dallas City Code.

- Areas of Responsibility:
    - Acquisitions
    - Relocation
    - Leasing
    - Tax Foreclosure Property
    - Surplus Property
    - Abandonments
    - Licenses

Org Chart

PBW-REAL ESTATE DIVISION

Sr. Project Coordinator	Assistant Director

Real Estate Manager Acquisitions	Real Estate Manager Abandonments/License	Real Estate Manager Lease/Tax Foreclosure/Surplus	Manager - PBW Business Operations/Relocation
Chief Real Estate Spec.	Chief Real Estate Spec.	Chief Real Estate Spec.	Sr. Relocation Spec.
Sr. Real Estate Spec.	Sr. Real Estate Spec.	Sr. Real Estate Spec.	Relocation Spec
Sr. Real Estate Spec.	Sr. Real Estate Spec.	Sr. Real Estate Spec.	Administrative Specialist II
Sr. Real Estate Spec.	Chief Real Estate Spec.	Chief Real Estate Spec.	Administrative Specialist II
Sr. Real Estate Spec.	Chief Real Estate Spec.	Sr. Real Estate Spec. (Vacant)	Office Assistant II
Sr. Real Estate Spec.	Sr. Real Estate Spec. (Vacant)		
Sr. Real Estate Spec. (Vacant)	Chief Real Estate Spec. (Vacant)		

Budget/Revenue Overview

- Total Budget for FY23 $3,399,054
- Total Reimbursement for FY23 ($2,017,548)
- FY23 Completed Transactions - 697 (Projected)

- Total Budget for FY24 $3,472,640
- Total Reimbursement for FY24 ($1,871,909)

- Revenues: (Includes Abandonments, Licenses, Small Cells, Leases, Surplus and Tax)
  - FY23 (Projected): $15.9M
    - General Fund: $6.8M ($2.2M GCR, $4.6M GF)
    - Non-General Fund: $6.5M (Surplus/Leases - Parks, DWU, CES)
    - Other: $2.6M (Distribution pursuant to Tax Code)

Acquisitions

- Negotiating and acquiring property interests pursuant to the Dallas City Code and Texas Property Code on behalf of City Departments

    - Private development transactions (i.e. Water, Wastewater, Drainage, Sidewalk & Utility Easements, etc.)
    - Capital Improvement and other City projects (i.e. Right-of-way, Parks/Trails, DWU Property/Pipelines, etc.)

- City Council authorization
    - Acquisition transaction exceeding $10K
    - Eminent Domain (2-Step Process)

Relocation

- Relocation Assistance is available to individuals, and businesses displaced as a direct result of acquisition activities related to a City project, code enforcement, rehabilitation, or demolition activities as provided in:

  - Dallas City Code, Chapter 39A ""Relocation Assistance-Eminent Domain"
  - Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended

- Relocation Assistance includes:

  - Moving Expenses
  - Replacement Housing Payments for a 90-day homeowner
  - Rental Assistance Payments for a 90-day tenant
  - Re-establishment Costs for businesses, farms and non-profit organizations
  - Technical assistance with application and required forms
  - Referral to Social Services

- City Council authorization required on relocation expenses exceeding $100K

Leasing

- Types of Leases:
  - Income Leases (Leasing of City-owned property)
    - Texas Fire Museum
    - Hensley Field
    - Prism Building
    - Fair Park (Cell Towers)
  - Acquisition Leases (City leases from private sector)
    - WIC Clinics
    - BI District Offices
    - DPD Police Academy
    - City Store
- City Council authorization
  - Leases exceeding $10K in consideration
  - Long-Term Agreements

Tax Foreclosure Property

- The City of Dallas is Trustee of tax foreclosed, and seizure warrant properties for the County of Dallas and the Dallas Independent School District.

- The law firm of Linebarger, Goggan, Blair & Sampson, LLP., forecloses on delinquent tax properties on behalf of the taxing entities. These properties are subsequently placed in a Sheriff's Sale held on the first Tuesday of each month.

- Properties not sold through the Sheriff's Sale and within the City limits of Dallas are "struck off" to the City as Trustee

  - Properties not needed for a public purpose will be offered for re-sale via a public auction process
  - City Council, County Commissioners and DISD Board Authorization obtained to sale to highest bidder

City/Surplus Property

- Administrative Directive 6-17
  - Establishes a repository system of the City's Real property and improvements (Land and Building Management System "LBMS")
    - GIS Mapping Tool (available to public)
  - Provides for each Department Director to assign a Property Liaison to oversee its property portfolio
- Identifying Surplus property
  - Private Sector Requests
  - Annual Review Process
- Council authorization to declare property as Surplus and sold in accordance with state law.

- Primary methods to sale property:
  - If Independently developable, land is sold by public auction or by sealed bid
  - Land that cannot be developed independently due to its small or irregularly shape can be sold to the abutting property owner

Abandonments

- A property owner may apply to the City to abandon the City's interest in a utility easement, street or alley right-of-way or floodplain management area

- City Council authorization required on all abandonments

- Application and Abandonment fees are assessed and calculated, pursuant to Dallas City Code 2-26.1.

Licenses

- A property owner or a tenant, may apply to the city to use the public right-of-way for a private use for an annual or one-time fee

    - Most Common Types of Uses:

        - Sidewalk Café

        - Sign

        - Canopy/Awning

        - Streetscape Elements (landscaping, bollards, planters, etc)

- City Council authorization, if applicable, required on all long-term license agreements (i.e Bishop Arts Area – permit program, Temporary License Agreements)

- Application and license fees are assessed and determined based upon the intended use or the tax assessed value of the land abutting the public right-of-way, as required by the City Code, Chapter 43-115.

Opportunities

- Current Opportunities:
    - CBRE Brokerage Contract – 2019
        - One-year renewal option remaining
        - Initially contracted to assist with a new Development Center
        - Currently use to augment real estate services when needed (i.e Acquisition Leasing)
        - Have consulted with Departments on specialized projects
        - Current Fee Structure :
            - Disposition/Acquisitions: $0-$2M   3% commission
            - Project Management: $0-$100M 1.5-2% commission
            - Feasibility Study: (Ex. Est $175K)

- Future Opportunities:
    - Challenge Departments further during Annual Property Review Process
    - Establish a committee/task force to work with Departments to identify underutilized property and/or define a master plan for development.

QUESTIONS

Department of Public Works - Real Estate

Government Performance & Financial Management Committee
September 19, 2023

Ali Hatefi, P.E., Director
Ashley Eubanks, Assistant Director
Department of Public Works
City of Dallas

File #: 23-2383

Item #: D.

Technology Accountability Report as of August 31, 2023
[Information and Technology Services]

Memorandum

CITY OF DALLAS

Please find attached the Technology Accountability Report (TAR) based on information through August 31, 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.

Jack Ireland
Chief Financial Officer

c: TC Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor 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

Technology Accountability Report (TAR)

City of Dallas

As of August 31, 2023

Prepared by Information & Technology Services

_____

1500 Marilla Street, 4DS   214-671-9868

Dallas, TX 75201

Executive Summary

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

- Section 1: IT Programs & Projects – Since the July 2023 TAR report, two major projects were completed and removed from the report:
    - The **Remote Video Streaming** project provided equipment which allows live video and audio to be streamed from offsite locations to the COM control room in support of departmental activities. (Previously project #8 on the July 2023 TAR)
    - The **Real Time Crime Center (RTCC) Video Integration** project provides a public portal to allow residents to pay fines and fees online to the auto pound to recover their vehicle additional support for service requests registered by City residents. (Previously project #24 on the July 2023 TAR)
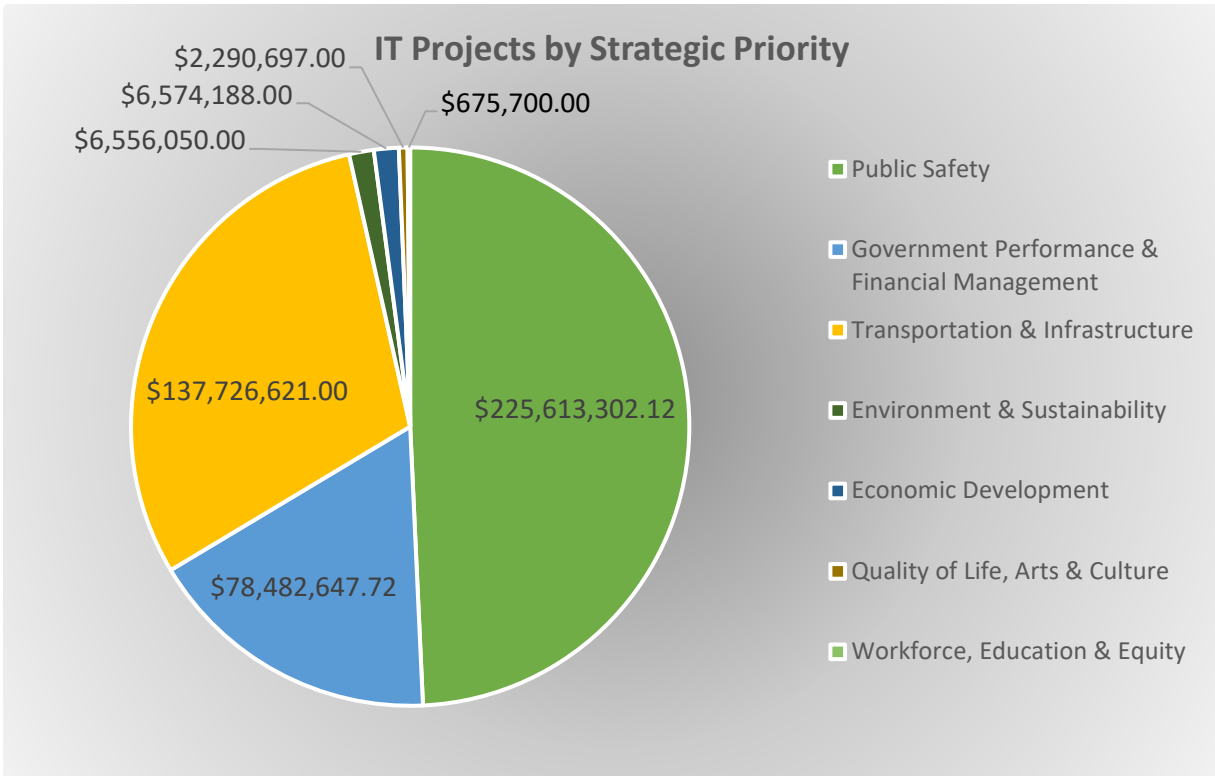
- Section 2: IT Operations – A new section has been added to the TAR providing additional performance metrics for IT operations. The City's IT Service Desk conducts surveys of employees that have submitted incident reports and service requests. These surveys are performed through the ServiceNow platform in the form of email requests directly to the individuals who submitted the request to the IT Service Desk either by calling or submitting through the online ServiceNow platform. Submitters are asked to provide feedback on the timeliness of the disposition of their request and their rating of the overall Service Desk experience. Along with the rating, submitters are asked to provide other feedback which can be used to address specific issues and to improve the overall timeliness and experience. In subsequent monthly TAR reports, it will also track trends over time from the survey data.

This page left intentionally blank.

# Section 1: IT Programs & Projects

A. Project Pipeline

1. IT Projects by Strategic Priority

IT Projects by Strategic Priority

- $2,290,697.00
- $6,574,188.00
- $6,556,050.00
- $675,700.00
- $137,726,621.00
- $225,613,302.12
- $78,482,647.72

Legend:
- ☐ Public Safety
- ☐ Government Performance & Financial Management
- ☐ Transportation & Infrastructure
- ☐ Environment & Sustainability
- ☐ Economic Development
- ☐ Quality of Life, Arts & Culture
- ☐ Workforce, Education & Equity

NOTES:
1. As of 08/31/2023, ITS has 115 approved IT projects in the pipeline.
2. The total budgeted costs for the 115 projects are $457,919,206.
3. Project pipeline includes at least one project in 7 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 30 projects at a total budgeted cost of $225.6M, followed by Government Performance & Financial Management with a total of 28 projects at a total budgeted cost of $78.4M, Transportation & Infrastructure with a total of 23 projects at a total budgeted cost of $137.8M, and Environment & Sustainability with 15 projects at a total budgeted cost of $6.6M.*

2. IT Projects and Budgeted Cost by City Department

IT Projects and Budgeted Cost by Department
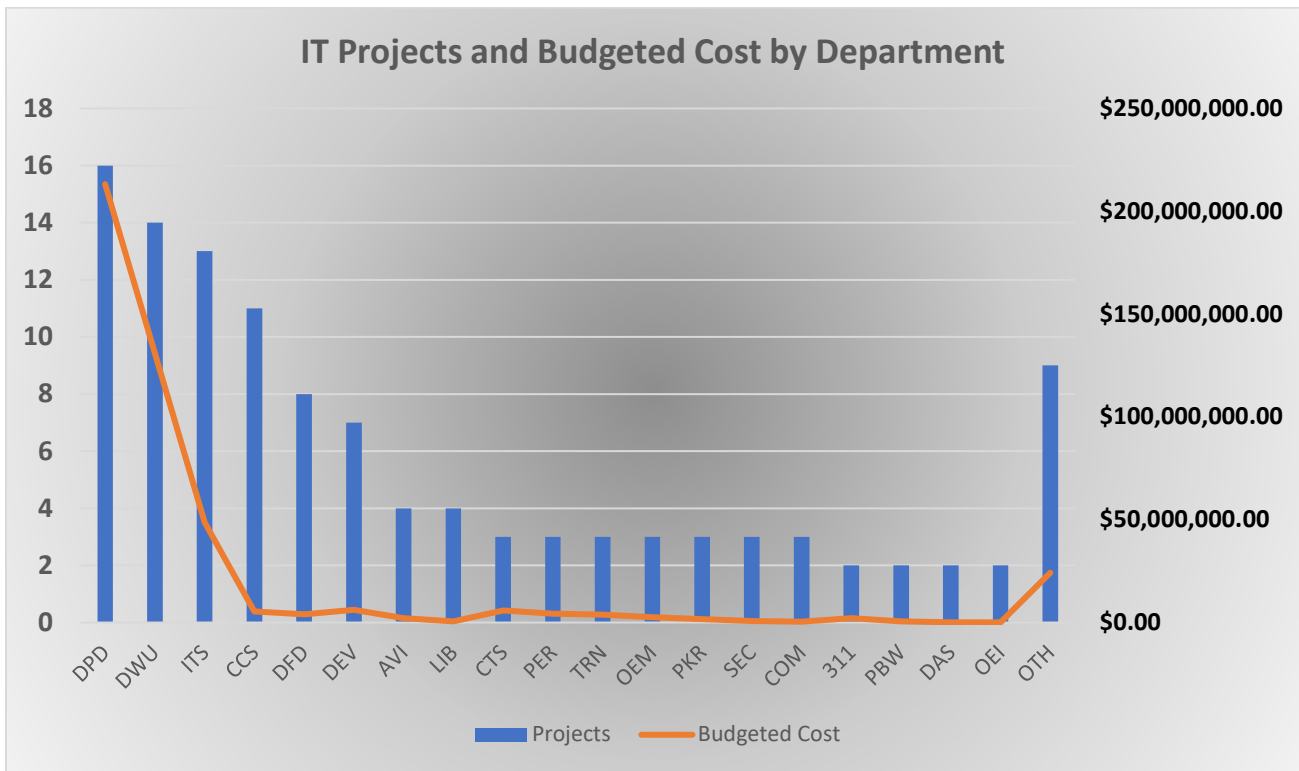
NOTES:

1. 28 City Departments are represented across the 115 approved IT projects in the pipeline.
2. Dallas Police Department has 16 active projects at a total budgeted cost of $213.1 million, followed by Dallas Water Utilities with 14 active projects at a total budgeted cost of $131.1 million, Information & Technology Services with 13 projects at a total budgeted cost of $48.7M, Code Compliance with 11 projects at a total budgeted cost of $5.4M, and Dallas Fire and Rescue with 8 active projects at a total budgeted cost of $3.9M.
3. 9 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
- : PCI project

#	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. ($2,134,245)	GPFM	311	TBD	In Process	
2.	Ethics Point Salesforce Integration	The purpose of this system is to promote and support ethical financial compliance. ($63,164)	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. ($22,095,745)	GPFM	CCO	Dec-24	In Process	
4.	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	

#	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	In Process	
6.	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	TBD	In Process	PCi
7.	Body Worn Cameras for Code Personnel (CCS)	Code Compliance is implementing body-worn cameras to enhance citizen interactions, officer safety, and provide investigatory evidence for field inspections. The department has completed a pilot with limited staff and will move forward with a phased rollout. (TBD)	Environment & Sustain	CCS	Feb-24	In Process	
8.	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	
9.	Court Case Management System: On Prem Upgrades	CCSM upgrades that was going to be done: Tyler's Municipal Justice and Content Manager, Orion and, Infax. Additionally, all servers will be updated. ($259,016)	Public Safety	CTS	Dec-23	Completed	🖥️
10.	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-25	In Process	🖥️
11.	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	
12.	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 cross-collaboration across city divisions to improve quality and efficiency of processes. ($50,000)	ECO	DEV	TBD	On Hold	
13.	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. ($60,000)	ECO	DEV	Jul-23	In Process	

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
14.	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. ($180,712)	ECO	DEV	TBD	On Hold	
15.	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. ($484,350)	ECO	DEV	TBD	On Hold	
16.	DallasNow	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. ($9,746,780)	ECO	DEV	Sep-25	In Process	
17.	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. ($170,000)	Public Safety	DFD	TBD	On Hold	
18.	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. ($111,400)	Public Safety	DFD	Sep-23	Completed	
19.	Telestaff-Workday Integration	Telestaff automated scheduling and staffing system for City of Dallas Fire Department 24-hr employees' integration with Workday Payroll System. ($731,238)	Public Safety	DFD	Oct-23	In Process	
20.	Fire 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. ($1,860,000)	Public Safety	DFD	Oct-24	In Process	
21.	IT Infrastructures For New Fire Stations 19, 21, 36, 41, 46, 58 & 59	Total of 8 new and rebuild Dallas Fire Stations are being constructed in scope Sta. 46, 36, 59, 41 Temp, 41 Replacement, 19, 58 and 21 FS/AVI Center. All new IT infrastructures including cabling, network, workstations, printers, radio Alerting system equipment, etc., will be activated in line with facility openings. ($131,688)	Public Safety	DFD	May-25	In Process	

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
22.	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. ($700,000)	Public Safety	DPD	TBD	On Hold	
23.	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. ($0)	Public Safety	DPD	TBD	In Process	
24.	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-premise solution. Current limitations require process workarounds creating potential errors and inefficiencies which will be resolved with the upgrade. ($1,010,000)	Public Safety	DPD	TBD	In Process	
25.	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. ($93,353)	Public Safety	DPD	TBD	In Process	
26.	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. ($20,160)	Public Safety	DPD	Sep-23	Completed	
27.	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. ($54,898,873)	Public Safety	DPD	Oct-23	In Process	

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
28.	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. ($217,633)	Public Safety	DPD	TBD	In Process	
29.	Fusus Devices Implementation for DPD	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. ($478,589)	Public Safety	DPD	Dec-23	In Process	
30.	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. ($16,261,454)	Public Safety	DPD	Dec-24	In Process	
31.	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. ($134,756,801)	Public Safety	DPD	Dec-24	In Process	
32.	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. ($1,383,800)	Public Safety	DPD	Jul-24	Ongoing	
33.	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. ($0)	GPFM	ITS	TBD	Ongoing	🖥️☁️
34.	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. ($685,972)	GPFM	ITS	Nov-23	In Process	🖥️☁️
35.	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. ($1,353,866)	GPFM	ITS	Sep-23	In Process	

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
36.	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. ($5,000,000)	GPFM	ITS	Nov-23	In Process	
37.	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". ($1,305,890)	GPFM	ITS	Dec-23	In Process	
38.	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. ($618,180)	GPFM	ITS	Feb-24	In Process	
39.	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. ($10,700,000)	GPFM	ITS	Apr-24	Completed	
40.	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. ($300,134)	GPFM	ITS	Nov-24	In Process	
41.	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. ($40,000,000)	GPFM	ITS	Dec-25	In Process	
42.	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. ($2,169,090)	Transport & Infra	DWU	Dec-22	In Process	
43.	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. ($4,901,864)	Transport & Infra	DWU	Sep-23	In Process	
44.	LIMS Acquisition and Implementation Phase 3	DWU is implementing a Laboratory Information Management System (LIMS) for one Analytical Lab, five treatment plants, the Water Quality Division and the Watershed-Reservoir Division to increase regulatory compliance, productivity, efficiency and effectiveness. (TBD)	Transport & Infra	DWU	May-24	In Process	

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
45.	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. ($12,989,751)	Transport & Infra	DWU	May-28	In Process	
46.	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. (TBD)	QOL	LIB	Sep-23	Completed	
47.	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	Dec-29	In Process	
48.	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	
49.	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	
50.	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	Sep-23	In Process	
51.	Replace Human Capital Management System Ph 2	This initiative involves the strategic implementation of HR modules for Performance and Talent Management, Recruiting and Onboarding, Learning Management System, Benefits Administration, and Advanced Compensation. In addition, we are orchestrating a meticulous Data Migration process, ensuring a seamless transition from legacy applications. (TBD)	GPFM	PER	Dec-24	In Process	
52.	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-24	In Process	
53.	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	DWU	Dec-23	In Process	
54.	DWU Billing CIS and Customer Portal Replacement	DWU's current CIS system, SAP, will reach its end of life in 2025. DWU must replace SAP by 2025 in order to ensure continuity of our billing. ($0)	Transport & Infra	DWU	Jul-24	In Process	

#	Project Name	Description	Strategic Priority	Dept.	Estimated Completion Date	Project Status	Value Adds
55.	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	
56.	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	
57.	Electronic Document Management - EDMS	Project Provides Electronic Document Management and Document Archive System for City Secretary's Office. ($336,562)	GPFM	SEC	Dec-24	On Hold	

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.

9. **Court Case Management System: On Prem Upgrades.** This project is in the closure phase. It will be removed from the TAR next month.

11. **DAS Inventory Management Tool.** 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.

12. **Development Services Training Simulator.** This project is on hold due to competing priorities.

15. **iNovah Upgrade.** The initial upgrade has been completed. Project is a low priority at request of the department and is placed on hold until a later date. This project will be removed from the TAR Major Project list but will continue to be tracked by ITS.

17. **Smart Device/Technology Behavioral Health App for DFR members.** Project requirements are being re-evaluated.

18. **Telestaff-Workday Integration.** Telestaff Scheduling System is operational for Dallas Fire Rescue. TeleStaff Integrations to Workday is scheduled to Go-Live September 2023.

21. **IT Infrastructures For New Fire Stations 19, 21, 36, 41, 46, 58 & 59.** Project is being implemented in an agile fashion. Next phase is expected to complete October 2023. No. of Fire Stations complete to date include Sta. 46, 36, 41 Temp, 58, 59 and 19. Remaining 41 Main and FS 21/AVI Center.

22.**Mobile Surveillance Platform Vehicles (Formerly known as Bait Car).** Awaiting funding to be identified.

24.**WEB-RMS.** This project is still in the procurement process. Purchase request has been submitted. New date will be provided when available.

27.**P25 Compliant Radio Project.** The new P25 Public Safety Radio system is now live, operational, and performing as designed. Final migration of all City of Dallas Departments is complete. Team is now working on decommissioning of old systems and equipment

28.**Ricoh-Fortis Document Management System Replacement.** This project is in the planning stages. New timeline is being developed. New date will be provided when available.

32.**Use of Force - Police Strategies LLC.** All initial project tasks have been completed. End date of project is 2026 because CoD will continue to provide data on a quarterly basis until the end of the contract.

38.**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.

39.**Data Center Improvement Program.** Project work is complete and this project is moving to closure. This project will be removed from the TAR next month.

42.**Enterprise Capital Project Management System (ECPMS) Phase 2.** PCR received by Vendor for update requirements/deliverables for linear segments, linear structures and X/Y coordinates; PCR pending review for acceptance and approvals.

46.**Infrastructure Upgrade of Dallas LIB system (formerly called E-Rate).** "Project work is complete and this project is moving to closure. This project will be removed from the TAR next month.

50. **Implement Workday Prism.** Dataset movement to Production scheduled for Sep 2023.

51.**Replace Human Capital Management System Ph 2.** New Workday modules for Recruiting/Onboarding and Talent/Performance are scheduled to complete January 2024.

55.**SEC Records Inventory Management Solution.** Requirements have been developed. Awaiting Council approval.

56.**Build an Ethics Financial Reporting Solution.** Project date will be updated after this project has completed the procurement process.

57.**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. We are currently re- validating project budget, scope, and participating department and will then re-work the schedule.

C. Changes to Major Project Status List

1. Major Projects Implemented or closed since last report.
    a. Remote Video Streaming - #8 on July 2023 TAR.
    b. Real Time Crime Center (RTCC) Video Integration (Previously Starlight) - #25 on July 2023 TAR.

2. New Projects added that are not on the Major Projects List – These projects are either Internal projects or projects that are still be developed before adding to this list.
    a. Salesforce - OPS Procurement Intake Solution
    b. Online Grant Management and Reporting Software - ARPA
    c. Smart Routing System

3. The following projects have been renamed to better represent their functionality or value to the city.
    a. Land Management System POSSE replacement project (#17 on July TAR) has been renamed DallasNow (#16 on August TAR).
    b. Telestaff (#20 on July TAR) has been renamed Telestaff-Workday Integration (#19 on August TAR).
    c. Station Alerting System (#21 on July TAR) has been renamed Fire Station Alerting System (#20 on August TAR).

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	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Total Calls	7252	7616	7151	7222	9694	6969	8230	7319	11740	5528	5698	8195
Answered	7017	6921	6132	6222	7117	6778	8048	7171	7977	5005	5513	7941
Abandoned	235	695	1019	1000	1084	191	182	148	523	523	185	254
Abandoned (<10sec)	93	273	408	380	1493	81	81	65	1398	166	172	172
Abandoned %(<10sec)	1.3	3.9	6	5	8	1	1	1	17.5	3.3	3.1	2.2

Metric	Metric	Current Month	Trend
Average Speed to Answer – Voice	Average Speed to Answer - Voice	00:13	
Password Related Incidents	Password Related Incidents	18%	25.8% 26.4% — Jun Jul Aug
First Contact Resolution - Incident	First Contact Resolution - Incident	88.36%	84% 58% — Jun Jul Aug
Average Duration – Service Desk	Average Duration - Service Desk	0.7 Days 1123 Minutes	3154 1010 1123 — Jun Jul Aug
Average Duration – Field Services	Average Duration - Field Services	3.64 Days 5246 Minutes	17605 9201 5246 — Jun Jul Aug
Average Duration - PD Field Services	Average Duration - PD Field Services	4.61 Days 6644 Minutes	22821 8913 6644 — Jun Jul Aug

NOTES:

1. In August 2023, the IT Helpdesk received 8195 calls for support. This is a significant increase over July which saw 5698 calls, and slightly above than the yearly average of ~7700 per month (excluding May and the impact of ransomware related calls).
2. First Contact Resolution (Incidents) for August, 88% was down from July, 58%, however on par with previous months.
3. Field Services (excluding DPD) average service duration of 3.4 days in August is a marked decrease over July of 6.3 days.
4. Field Services for DPD saw a similar decrease in average service duration 4.61 days in August from 6.1 days in July.

2. *Monthly Incident Report (Break/Fix "My Computer doesn't work")*

Top 15 Assignment Groups
Incidents August 2023

Assignment Group	Incidents
ITS Desktop Team	426
ITS Police Desktop	215
ITS Identity Access Management	166
ITS Workday Payroll-Civilian	131
ITS Server Team	122
ITS CAD and RMS Applications	98
ITS Network Connectivity	96
ITS Canon Team	92
ITS Workday HRIS	60
ITS Executive Support	42
ITS Workday Compensation	40
ITS SAP Vendor Support	37
ITS Database Team	36
ITS Workday Payroll-Uniform	32
ITS Security Operations Center	20

Impact Minutes by Department
Severity 1 and Severity 2
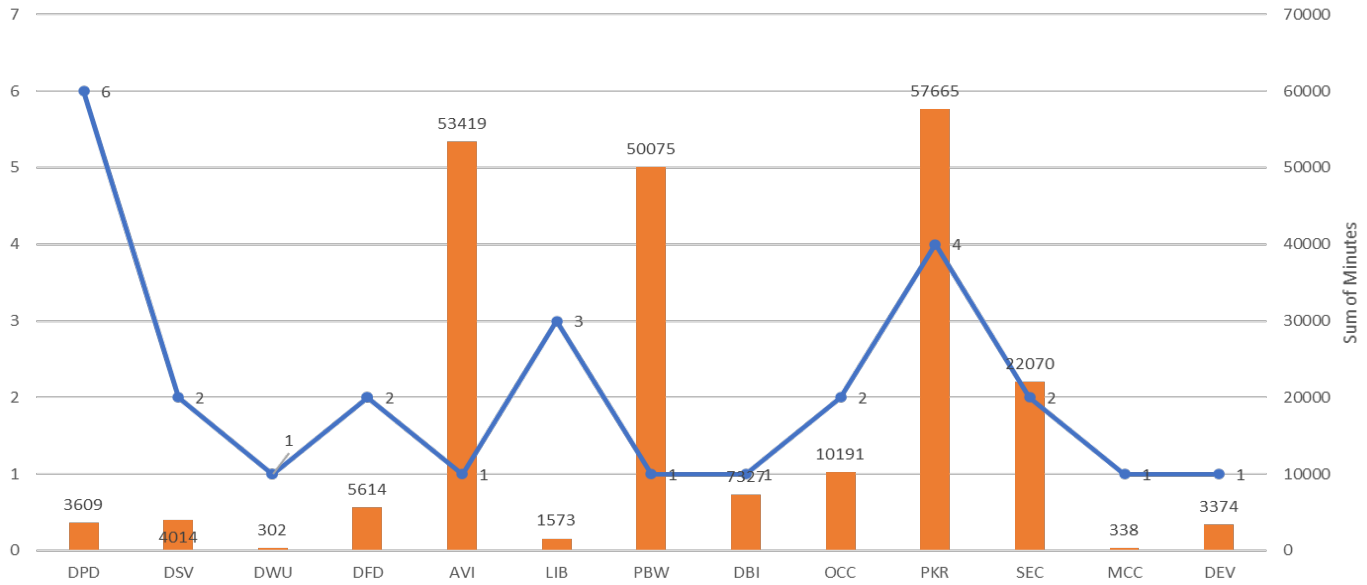
Impact Minutes by Issue Category
Severity 1 and Severity 2
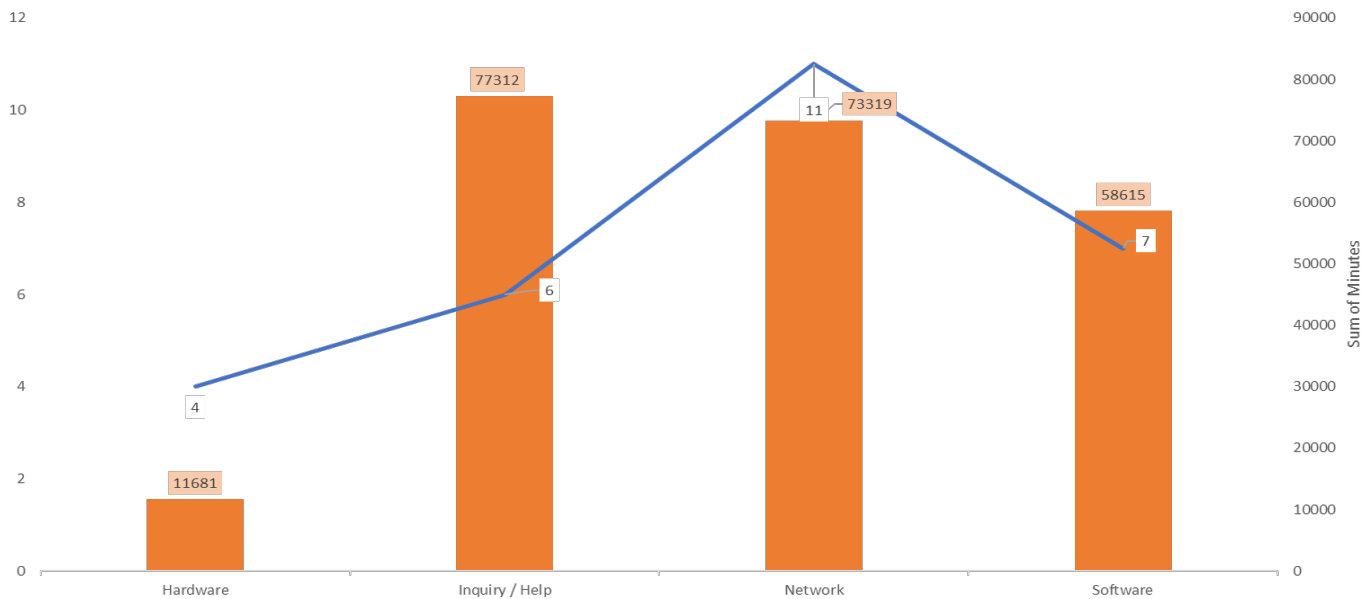
NOTES:

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. Our analysis reveals that there are incidents which are resolved but have not been timely

or appropriately closed out within the ServiceNow platform, resulting in artificially inflated resolution timeframes. ITS is working with IT service delivery managers to improve documented processes to ensure timely updates to ServiceNow in order to accurately reflect the actions for the incident and to provide a more representative experience. As is demonstrated by the reduction in MTTR over the past several months, our efforts in this area are having positive results.

Severity 1 and 2 by Issue Category
Impact in total minutes
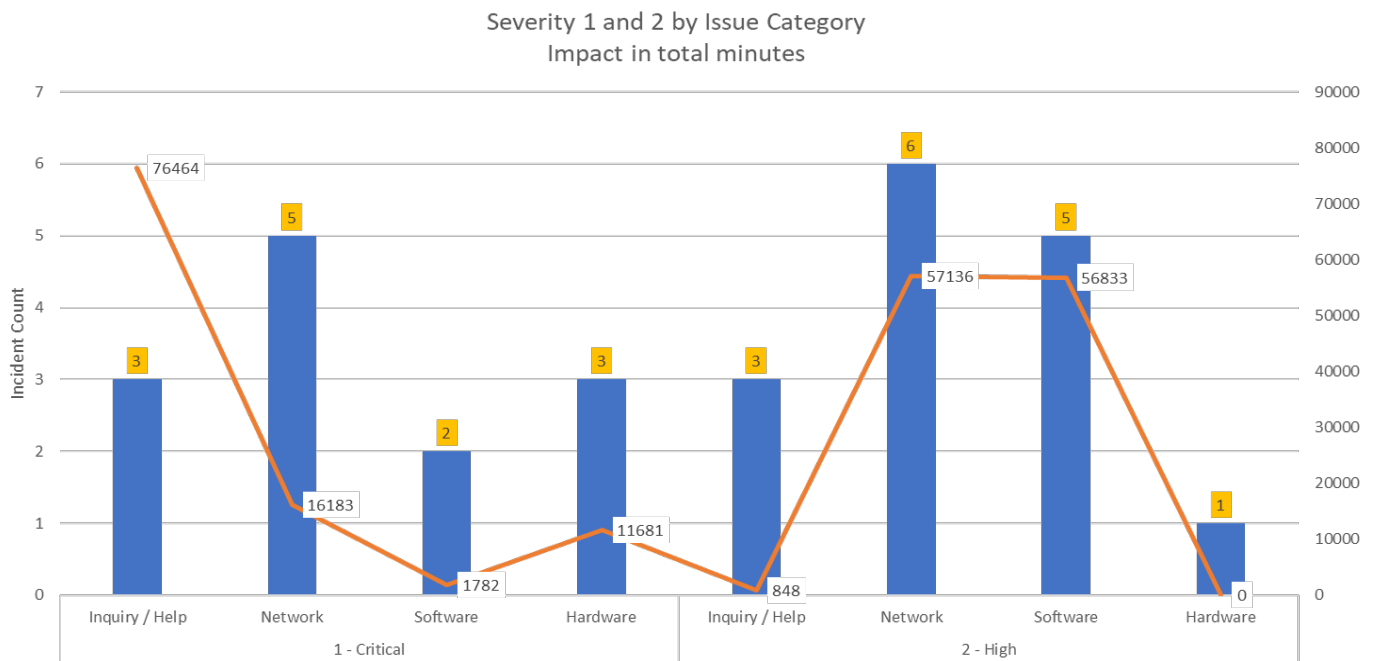
NOTES:

1. This chart provides the distribution of major incidents and impact minutes over specific services and delineated by Critical and High severity for the month of August 2023.

Monthly MTTR

Count values (orange): September 6101, October 6201, November 5505, December 5311, January 6428, February 5522, March 6171, April 5681, May 7126, June 5819, July 4904, August 6474

Avg Mttr values (blue): September 5843, October 5480, November 7115, December 7336, January 8252, February 5681, March 4881, April 5872, May 15602, June 9722, July 4838, August 1393

Overall Average: 7007

Legend: Count — Avg Mttr — Overall Average

NOTES

1. This chart provides the trendline for the average mean time to repair (MTTR) for the month of August 2023, an industry standard for tracking the timeliness of resolution on reported incidents.
2. Diligence by the technicians to document and resolve tickets in a timely manner is the primary driver of the reduction in MTTR.
3. August MTTR undergoing additional validation and will be updated in the September report.

   *Open incidents may impact August MTTR in September report

3. *Monthly Major Outage Report*

| Priority	Description	Department	Primary	Secondary	Assignment Group	Hours
1 - Critical	Tableau | Tableau Outage	DSV	Hardware	Server	ITS Server Team	62.6
1 - Critical	CAD | CAD CARD FILE IS NOT OPENING.	DPD	Software	Troubleshooting	ITS CAD and RMS Applications	22.5
1 - Critical	311 |WS****03 is not communicating with AP***25	DBI	Hardware	Server	ITS Server Team	122.1
1 - Critical	L3 | The Central L3 Server Application is not accessible	DPD	Inquiry / Help	Escalation/Status	ITS DPD Applications	9.7
1 - Critical	Network | File and Network Outage	OCC	Network	Outage	ITS Network Connectivity	21.7
1 - Critical	Network | Network outage	PKR	Inquiry / Help	Escalation/Status	ITS Network Connectivity	904.1
1 - Critical	PC Support| OnBase Unity Client for SEC Boards and Commissions is displaying a SQL Server error	SEC	Software	Troubleshooting	ITS Database Team	7.2
1 - Critical	PagerDuty: INC0214226:Network | Network outage		Network	Outage	ITS Network Connectivity	22.6
1 - Critical	Network outage | Network outage	OCC	Network	Outage	ITS Network Connectivity	148.1
1 - Critical	OnBase | City of Dallas EAC website is unreachable	SEC	Inquiry / Help	Escalation/Status	ITS Posse Apps	360.6
1 - Critical	Web | PKR User states that their Public facing website is not accessible	PKR	Hardware	Server	ITS Web Team	10.0
1 - Critical	Network: Network Outage	LIB	Network	Outage	ITS Network Connectivity	4.8
1 - Critical	Netwok | Network Outage Internet and Locution not functional	DFD	Network	Outage	ITS Network Connectivity	72.4
2 - High	CAD | no connection for CAD/FBR	DPD	Software	Troubleshooting	ITS Network Engineers	15.2
2 - High	Web Server | dallaslibrary2.org | This site can't be reached | City Wide	LIB	Hardware	Server	ITS Library Applications	#VALUE!
2 - High	Network: Network dropping in and out: L1CN	DPD	Network	Outage	ITS Network Connectivity	8.0
2 - High	ITRON MVRS | Not Accessible | L2VN	DWU	Inquiry / Help	How To	ITS Server Team	5.0
2 - High	Salesforce | can access site but does not allow to fill out permits	PBW	Software	Troubleshooting	ITS Salesforce Apps	834.6
2 - High	Network | outage at district office	MCC	Network	Outage	ITS Network Connectivity	5.6
2 - High	Web Services | DPD home Page not accessible	DPD	Inquiry / Help	How To	ITS Service Desk	4.8
2 - High	PC Support | Storage added to SQCCMS00 and APPCCMSTASVM00 servers and the CPUS to improve speed | City Hall	DSV	Inquiry / Help	How To	ITS Server Team	4.3
2 - High	PC Support | RMA for GEDServer is down	LIB	Network	Port Verification	ITS Server Team	21.4
2 - High	iNovah | Unable to sign in, gets error stating server is offline	DEV	Software	Troubleshooting	ITS Database Team	56.2
2 - High	Application | Adobe | Users unable to connect while on City Network	AVI	Network	Outage	ITS Security Engineering	890.3
2 - High	Pinnacle: Site error: City Wide	DPD	Software	Troubleshooting	ITS Identity Access Management	#VALUE!
2 - High	Network | Outage in golf course Maintenance office	PKR	Network	Outage	ITS Network Connectivity	5.8
2 - High	Server | DFRCAD***01 - unable to remote to server.	DFD	Network	Outage	ITS Server Team	21.1
2 - High	Server| unable to remote in to web server |	PKR	Software	Troubleshooting	ITS Server Team	41.3

NOTES

1. Major outages are identified as Severity1 and Severity2 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, at the time the report was generated. to identify full impact to departments

3. August saw an increase in both average time to repair and total outage time for Major Incidents compared to July. August average MTTR of 141.6 hours compared to July of 75.4 hours. August total outage 3682 hours compared to July which had 1508 hours.

4. 28 Major incidents in the month of August, 13 critical and 15 high, an increase of 7 over July of 21, 9 critical and 12 high.

B. Service Requests (including new employee onboarding)

1. New Hire Report

New Hire Requests by Department
August Total New Hires Requests 112
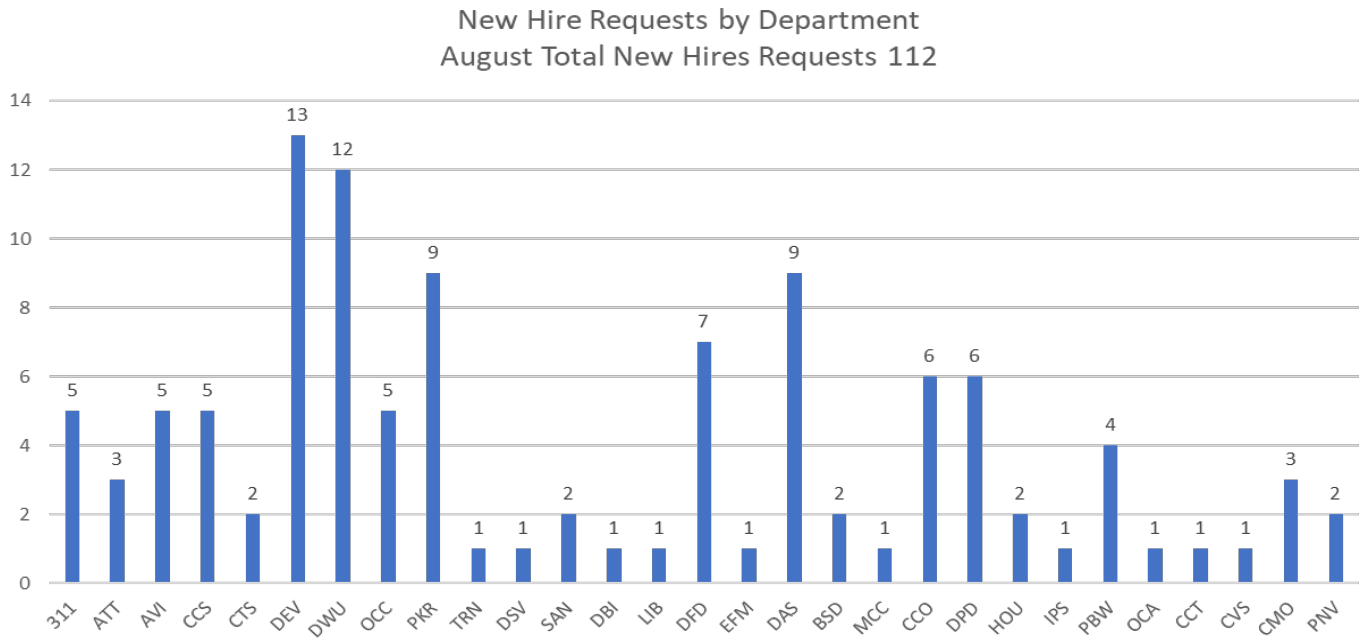
Notes

1. In the month of August 2023, a total of 112 requests were opened for new employees.
2. DEV, DWU, PKR, and DAS being the top 3 hiring departments. DWU has had 12 consecutive months in the top 3.

2. *Service Request Report (An ask for service – "I need Software Installed")*

Top 15 Requested Items
August 2023

Item	Value
POSSE	28
Enterprise GIS	29
SharePoint Access	29
VPN Access request	29
AD Account Extension	38
Salesforce	47
Executive 2-in-1 Only	53
SAP and Biller Direct	58
O365 Microsoft Licenses	81
Standard Laptop Only	89
New Hire	97
Adobe	110
Network Share Drives	114
Email Distribution List	127
I Can't Find What I'm Looking For	340
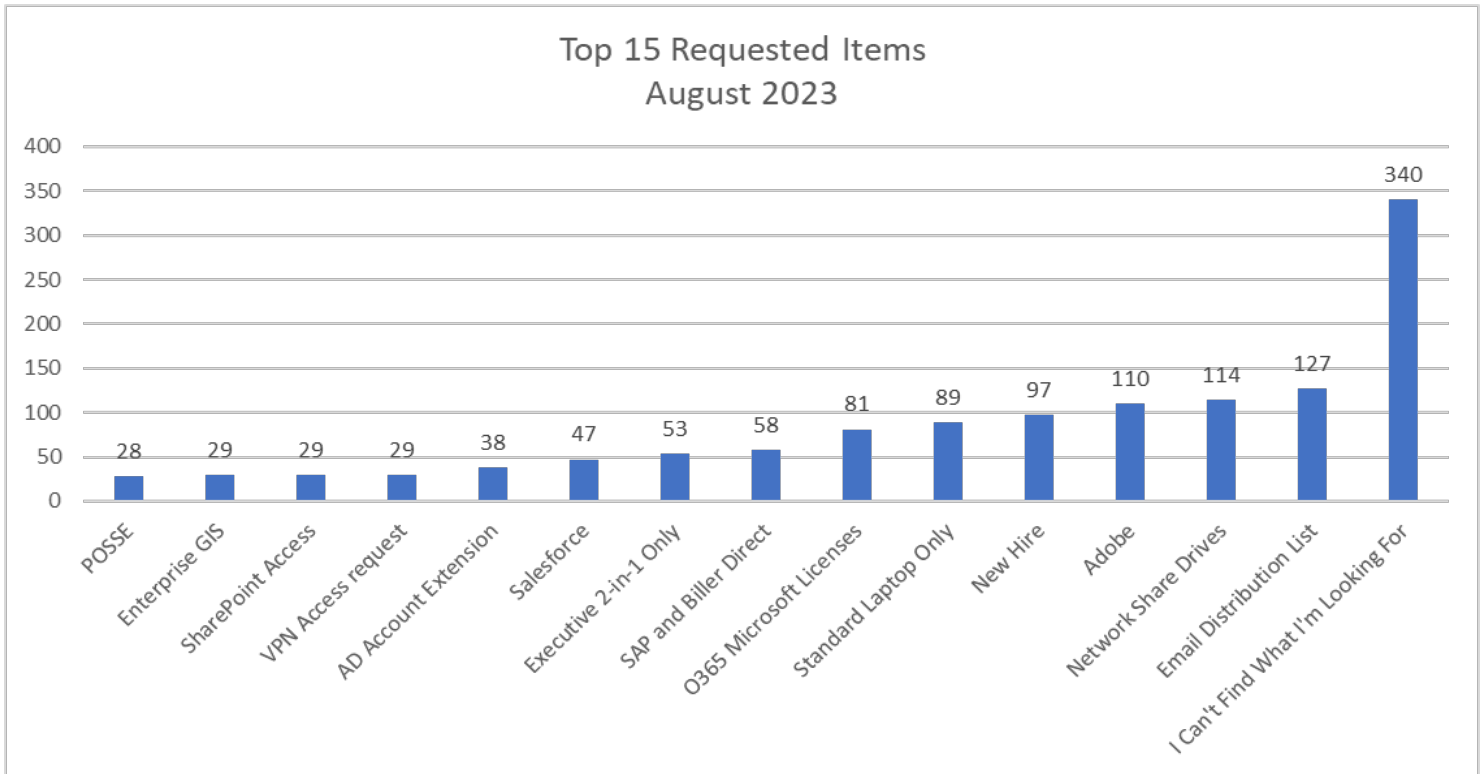
Note

1. August 2023 Service Request actions totaled 922 an increase of ~250 over July which totaled 667. 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.

Request Action by Month
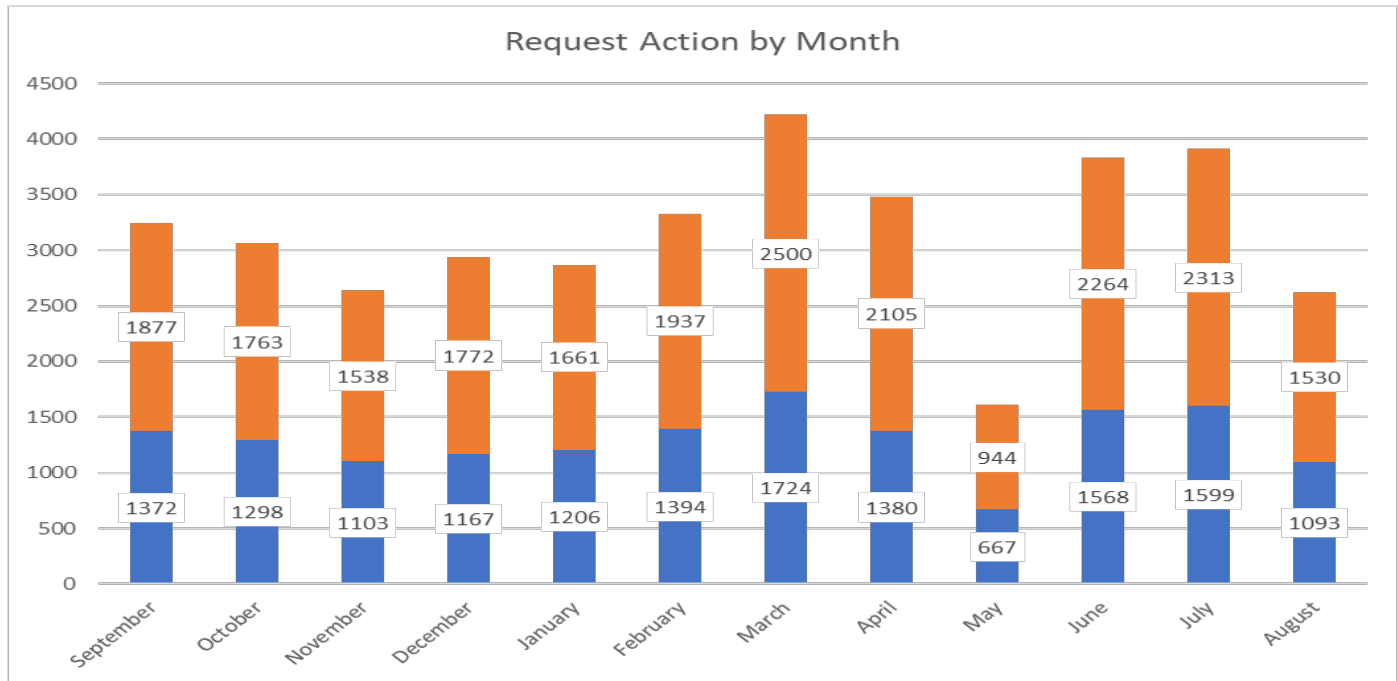
Note

1. This chart illustrates that 1093 Request Tickets in August 2023, generated 1530 Request Actions. Frequently one Request generates multiple actions to be completed by one or more teams to fulfill the ask.

C. ITS Service Desk Surveys

The City's IT Service Desk conducts surveys of employees that have submitted incident reports and service requests. These surveys are performed through the ServiceNow platform in the form of email requests directly to the individuals who submitted the request to the IT Service Desk either by calling or submitting through the online ServiceNow platform. Submitters are asked to provide feedback on the timeliness of the disposition of their request and their rating of the overall Service Desk experience. Along with the rating, submitters are asked to provide other feedback which can be used to address specific issues and to improve the overall timeliness and experience.

Starting with the August 2023 Technology Accountability Report (TAR), the monthly survey results will be provided. In subsequent monthly TAR reports, it will also track trends over time from the survey data.

1. IT Service Desk Timeliness Report
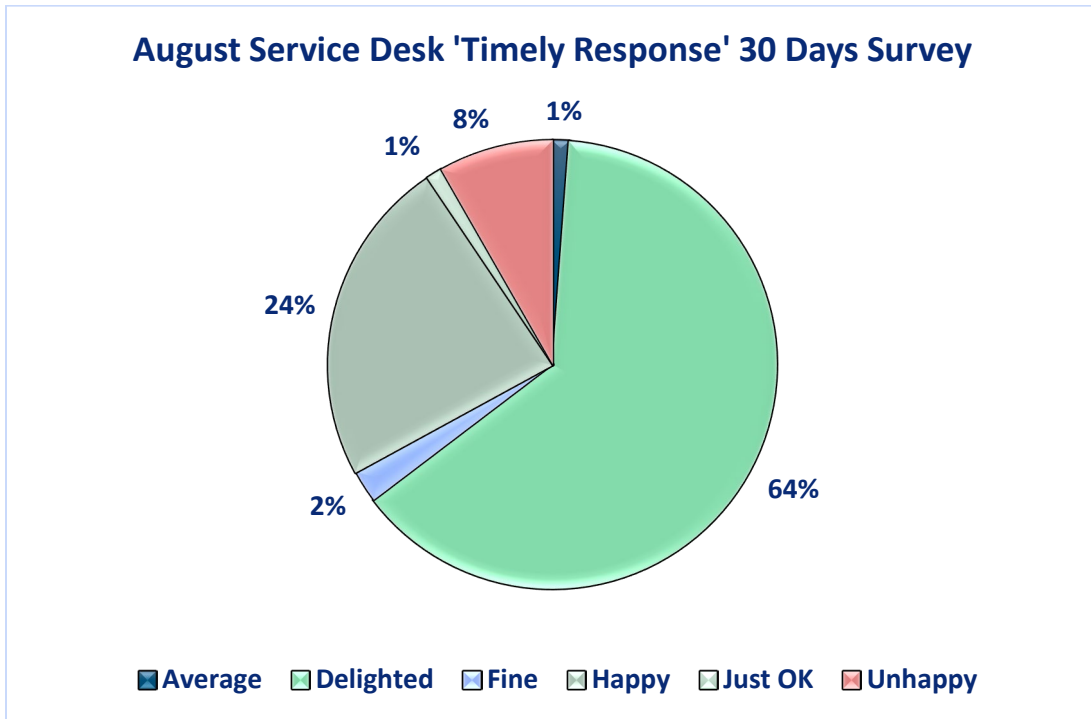
August Service Desk 'Timely Response' 30 Days Survey

1%   8%   1%

24%

2%

64%

■ Average ▨ Delighted ▨ Fine ▨ Happy ▨ Just OK ▨ Unhappy

Note

1. This chart illustrates the overall survey responses to the question of Service Desk timeliness for requests submitted in August 2023.
2. While each IT Service Desk ticket submitted results in a survey request to the submitter, not all survey requests receive a response, and these data represent the results from those responding to the survey.
3. The survey requests employees that have submitted an incident report or service request to the IT Service Desk to rate the timeliness of the service delivery on a scale along five points; Unhappy, Just OK, Average, Fine, Happy, and Delighted.
4. For the August 2023 survey, 67% of respondents rated their perception of timeliness of the service to be either Fine, Happy, or Delighted.

2. IT Service Desk Overall Experience Report
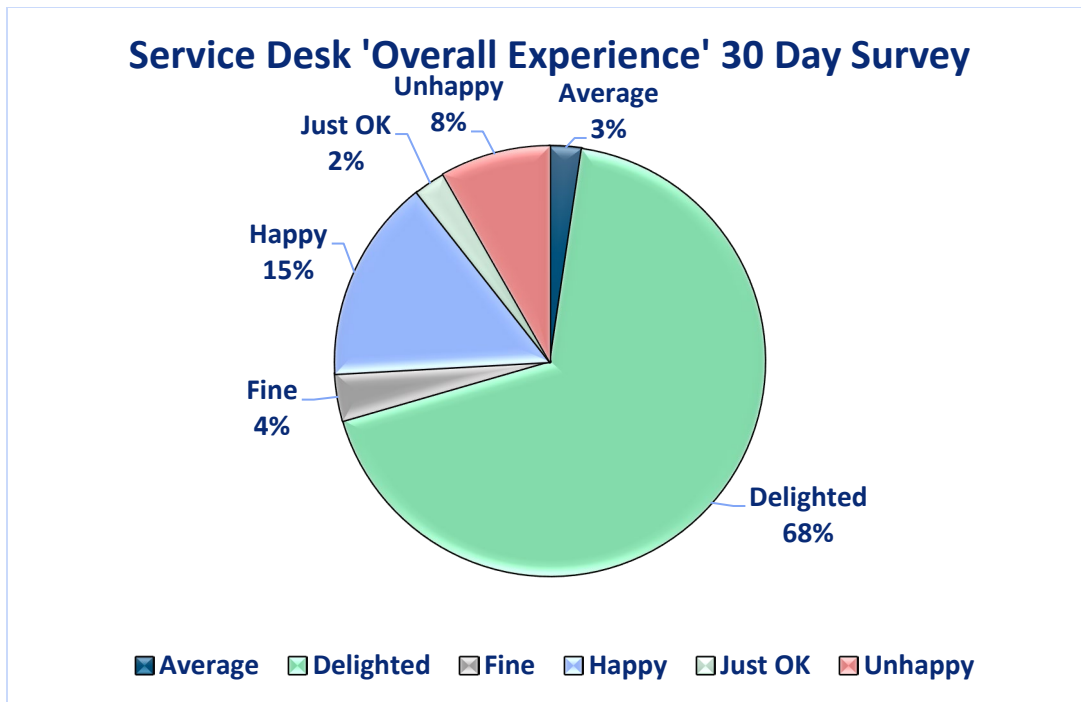
Service Desk 'Overall Experience' 30 Day Survey

Unhappy 8%
Average 3%
Just OK 2%
Happy 15%
Fine 4%
Delighted 68%

■ Average   □ Delighted   ⊠ Fine   □ Happy   □ Just OK   ⊠ Unhappy

Note

1. This chart illustrates the overall survey responses to the question of Service Desk experience for requests submitted in August 2023.
2. While each IT Service Desk ticket submitted results in a survey request to the submitter, not all survey requests receive a response, and these data represent the results from those responding to the survey.
3. The survey requests employees that have submitted an incident report or service request to the IT Service Desk to rate their overall experience of the service delivery on a scale along five points; Unhappy, Just OK, Average, Fine, Happy, and Delighted.
4. For the August 2023 survey, 87% of respondents rated their overall experience with the IT Service Desk to be either Fine, Happy, or Delighted.

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 7/31/2023. For the August 2023 TAR, the information utilizes estimates as final financial reporting was unavailable at the time of report production.

A. Contract/Procurement Management

Contracts Requiring Council Approval

Item on the September 27, 2023 Council Agenda:

AT&T Global Services – service contract for continuous maintenance and support for the City's 911 telephone system infrastructure
- 1-Year renewal option (2nd of 3)
- Contract amount $4,916,382
- System is used to process telephone and text message requests for emergency services
- Agreement includes software upgrades and patches, network monitoring, and 24 hour technical support to prevent and/or resolve outages, performance and connectivity issues, data corruption and security issues

Item approved on the September 13, 2023 Council Agenda:

International Business Machines (IBM) – agreement for the ongoing licensing, hosting and technical support for the citywide enterprise asset management system
- 5-Year agreement
- Contract amount $11,000,354
- System is a fully integrated platform to monitor the operational use and sustainment of all capital assets including:
  - Capital asset project management efforts

  - o Work orders, scheduling, and capital asset maintenance
  - o Inventory management and replacement schedules

<u>Item Approved on the August 23, 2023 Council Agenda:</u>

N Harris Computer Corporation – service contract for maintenance and technical support of the point-of-sale and online payment processing system for Development Services
- 5-Year agreement
- Contract amount $484,350
- System is used to collection payments for various permits online and at pay stations
- Technical support includes system patches, fixes, and upgrades

<u>Open Solicitation</u>

Fire Station Alerting System (BCZ23-00021813) – system to replace Locution
- Advertised and posted in Bonfire on March 30
- Site visits conducted the week of April 24
- Proposals due by September 29

B. Budget Performance & Execution

C. Fund 0191-9-1-1 System Operations Estimates as of August 2023

Expenditure Category	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
Civilian Pay	643,798	643,798	471,091	525,713	(118,085)
Pension	91,413	91,413	65,889	73,980	(17,433)
Health Benefits	54,481	54,481	40,750	61,802	7,321
Worker's Compensation	1,658	1,658	1,658	1,658	-
Other Personnel Services	14,262	14,262	118,601	118,601	104,339
Total Personnel Services	**805,612**	**805,612**	**707,913**	**775,245**	**(30,367)**
Supplies	201,465	201,465	79,659	79,659	(121,806)
Contractual Services	13,205,665	13,205,665	8,981,412	13,304,684	99,019
Capital Outlay	-	-	-	-	-
Reimbursements	-	-	-	-	-
Total Expenditures	**14,212,742**	**14,212,742**	**9,768,984**	**14,159,588**	**(53,154)**

D.

E. Fund 0197 - Communication Services (Radio Network) Estimates as of August 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	1,555,316	1,738,043	(257,434)
Overtime Pay	51,320	51,320	198,380	208,866	157,546
Pension	282,080	282,080	249,363	271,466	(10,614)
Health Benefits	234,423	234,423	208,329	234,423	-
Worker's Compensation	7,197	7,197	7,197	7,197	-
Other Personnel Services	33,819	33,819	35,193	41,368	7,549
Total Personnel Services	**2,604,316**	**2,604,316**	**2,253,779**	**2,501,362**	**(102,954)**
Supplies	1,156,482	1,156,482	463,877	829,249	(327,233)
Contractual Services	13,106,759	13,106,759	10,070,049	10,417,420	(2,689,339)
Capital Outlay	-	-	-	-	-
Reimbursements	-	-	-	-	-
Total Expenditures	**16,867,557**	**16,867,557**	**12,787,705**	**13,748,031**	**(3,119,526)**

Budget Performance & Execution (continued)

Fund 0198 – Data Services Estimates as of August 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	14,311,367	16,398,414	(3,754,280)
Overtime Pay	41,612	41,612	24,783	41,612	-
Pension	2,858,569	2,858,569	2,037,011	2,319,008	(539,561)
Health Benefits	1,609,376	1,609,376	1,349,882	1,609,365	(11)
Worker's Compensation	49,182	49,182	49,182	49,182	-
Other Personnel Services	1,036,948	1,036,948	434,177	597,848	(439,100)
Total Personnel Services	**25,748,381**	**25,748,381**	**18,206,401**	**21,015,429**	**(4,732,952)**
Supplies	759,552	759,552	967,372	967,372	207,820
Contractual Services	83,683,424	83,683,424	80,306,634	88,552,907	4,869,483
Capital Outlay	-	-	3,911,167	3,911,167	3,911,167
Reimbursements	-	-	-	-	-
Total Expenditures	**110,191,357**	**110,191,357**	**103,391,574**	**114,446,875**	**4,255,518**
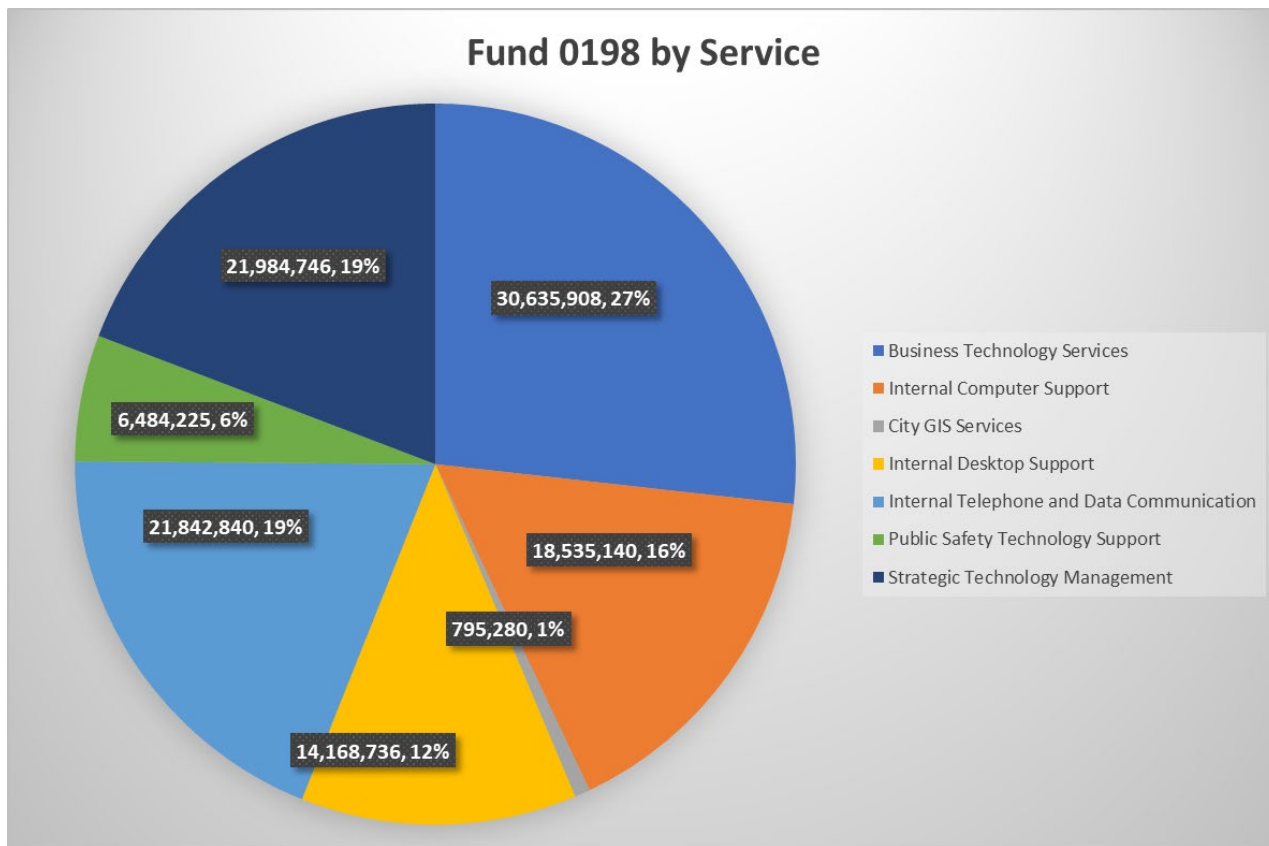
B. ITS Staffing & Hiring Report

1. *ITS Funded Staffing Levels*

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

2. *Vacancies and Hiring Activities*

- As of August 31, 2023, ITS had 58 vacancies out of the available 260 positions.
- As of August 31, 2023, of the 58 vacancies the disposition was:
  - 1 is in draft posting
  - 8 are undergoing reclassification to re-align within the ITS department
  - 4 are awaiting posting
  - 3 are actively posted
  - 20 were previously posted
    - 11 are under review
    - 13 are at the interview stage
    - 6 have pending offers with candidates

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.

Each year new or enhanced requirements from the Texas State Legislature are added 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 of employee training for the current year. The FY 2022-23 security awareness training campaign was launched on January 25, 2023, and ITS is tracking its progress and working with City employees to ensure completion. As of August 2023, 93% of the training has been completed.

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

FY 2022-23 Annual Security Awareness Training

0% 7%

93%

☐ Modules Completed   ☐ Modules In Progress   ☐ Modules Not started
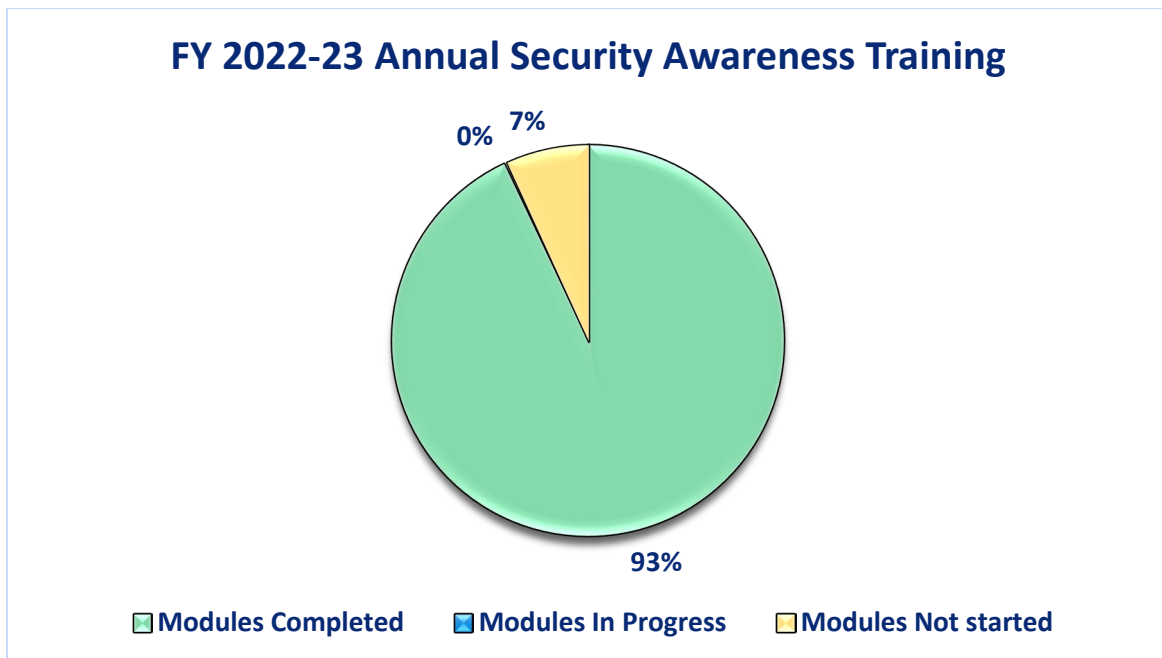
In addition, ITS continuously applies best practices to the employees around phishing and their ability to recognize and appropriately handle phishing incidents. Campaigns designed given real world scenarios, typically taken from recent events are sent out to the employee population to test their ability 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.

August 2023 All Phishing Activity

- 6%
- 12%
- 82%

☐ Deleted ☐ Failed ☐ Reported

Phishing Alert Report Comparison - Last 30 Days

— Simulated — Non Simulated
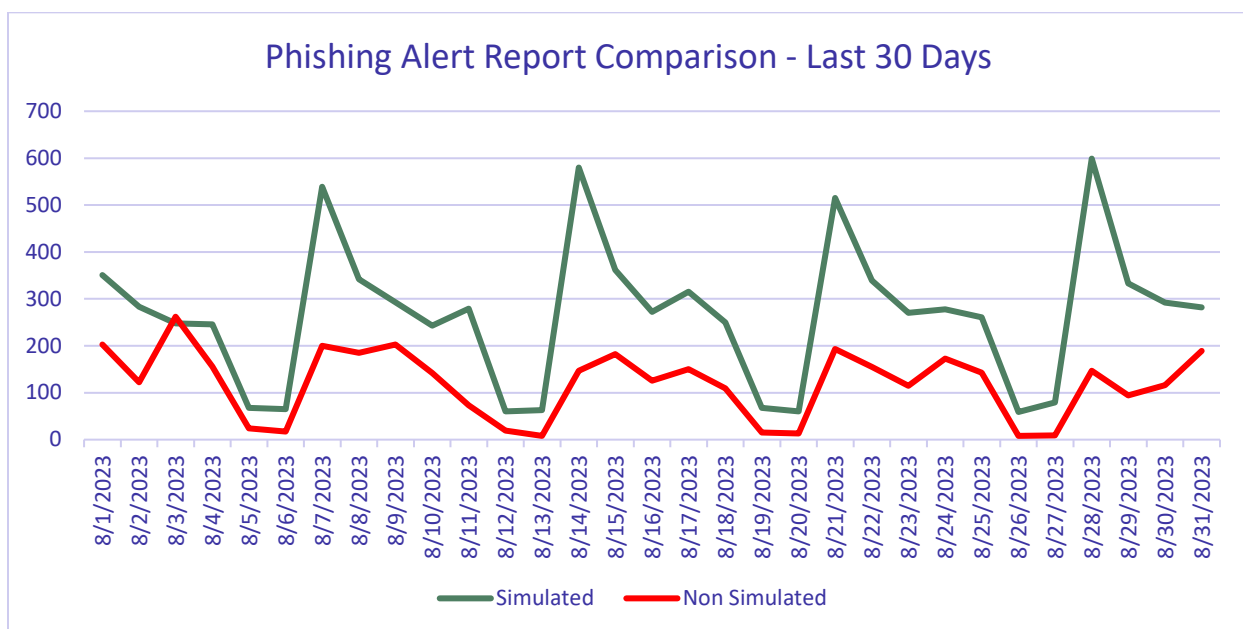
B. Situational Awareness

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.
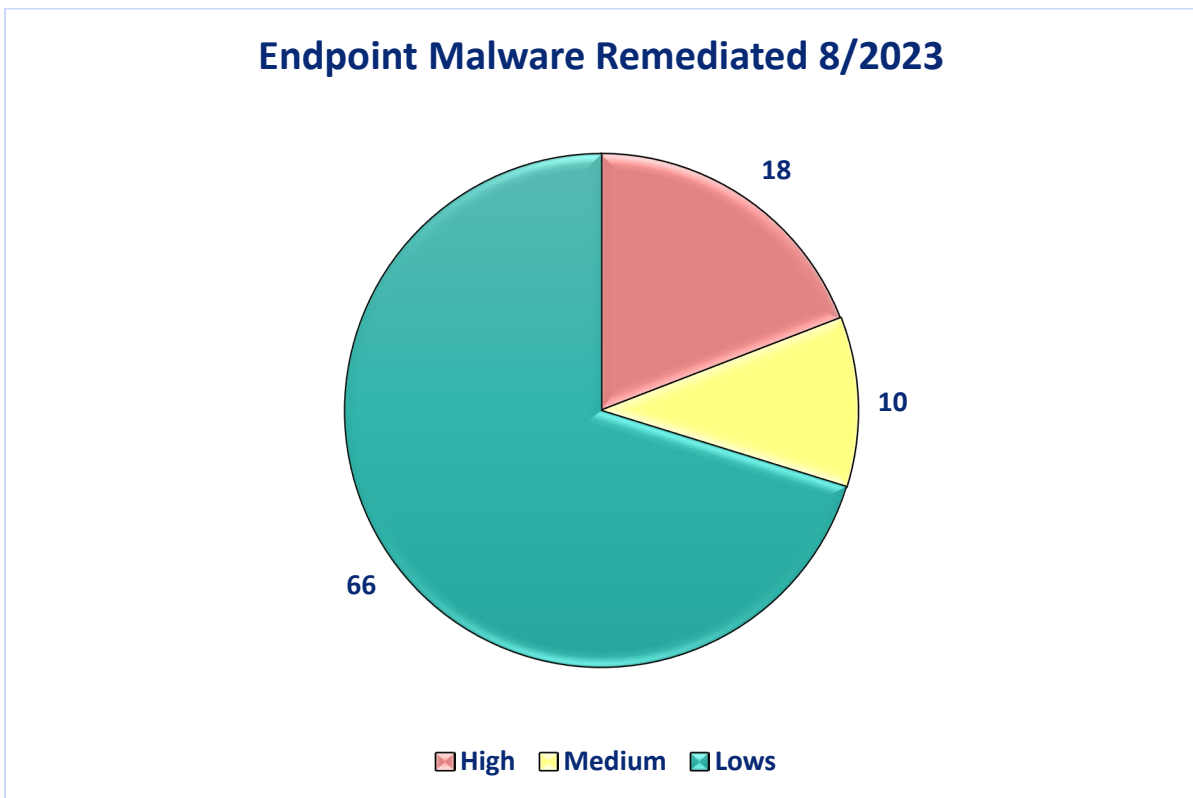
Capability Maturity Model Levels

NIST Cybersecurity Framework Functions	Level 1 Initial	Level 2 Repeatable	Level 3 Defined	Level 4 Managed	Level 5 Optimized
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 City devices (endpoints) connected 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 are in place to respond to those attacks. IT tracks and monitors attacks targeting the City's endpoint devices. Below is the August 2023 data for endpoint attack metrics.

Endpoint Malware Remediated 8/2023

18

10

66

■ High □ Medium ■ Lows

Amount of Malware attacks on Endpoints 8/2023

35000	
30000	31273
25000	
20000	22470
15000	
10000	
5000	6700
0	

Blocked   **Quarantined**   **Total Endpoint Alerts**

Webpage Requests 8/2023

Total number of Page Requests — 215,427,867

Allowed Pages — 186,426,736

Total Security Blocked — 28,628,578
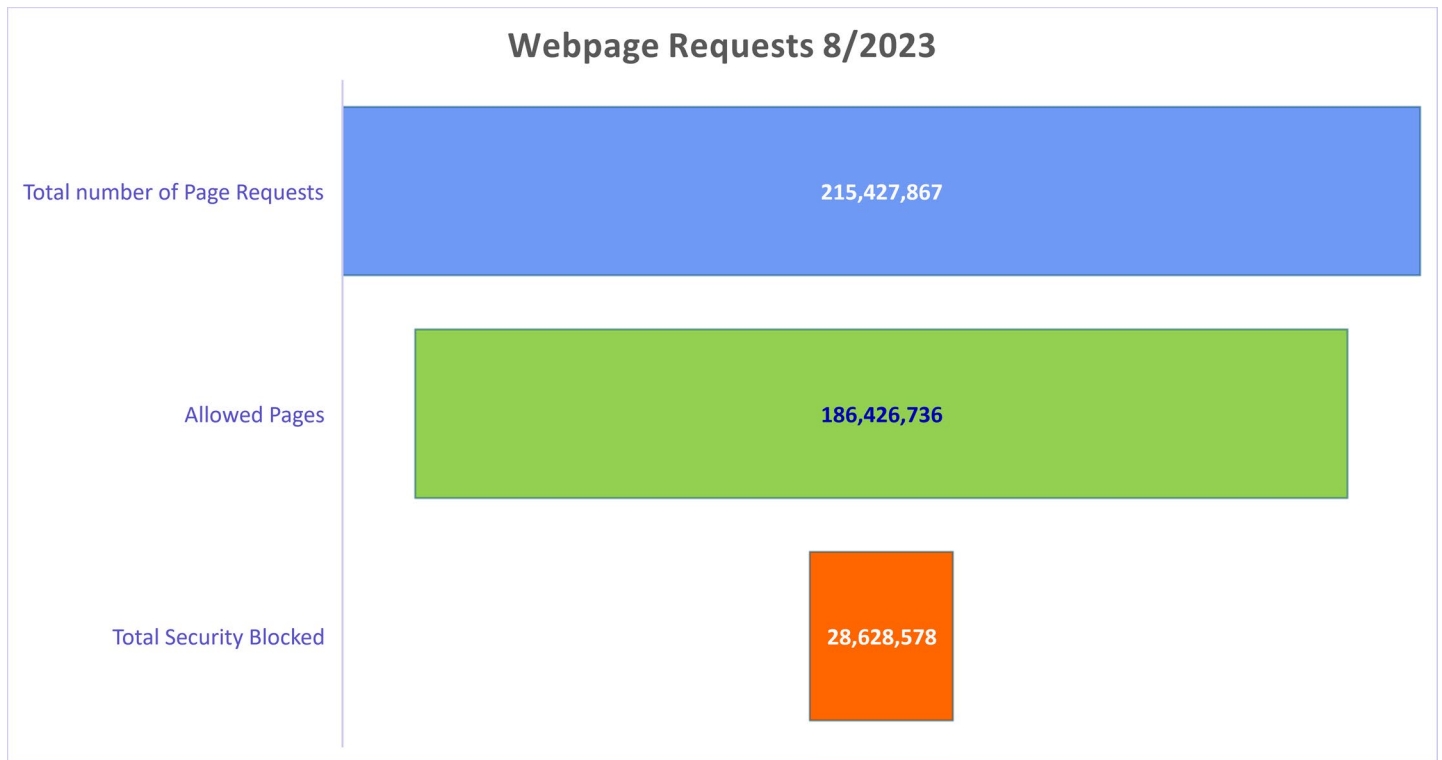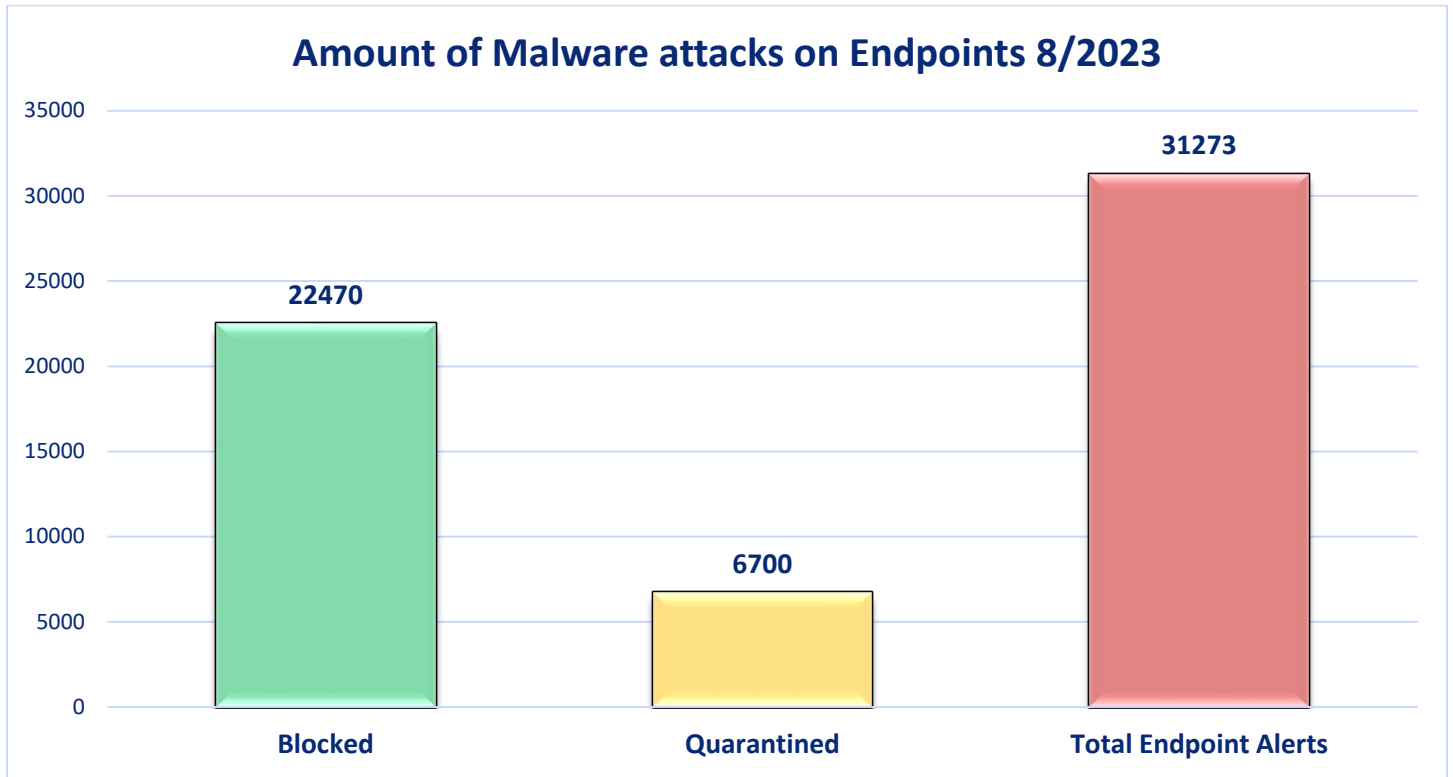
2. *Email Screening*

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.

City of Dallas Mail Processed 8/2023

	Total Attempted Incoming Mail	Clean Incoming Messages	Threat Messages	SPAM mail	Total Outgoing mail	Blocked Outgoing
Quantity	9,976,559	3,780,146	4,752,461	1,443,952	957,169	875
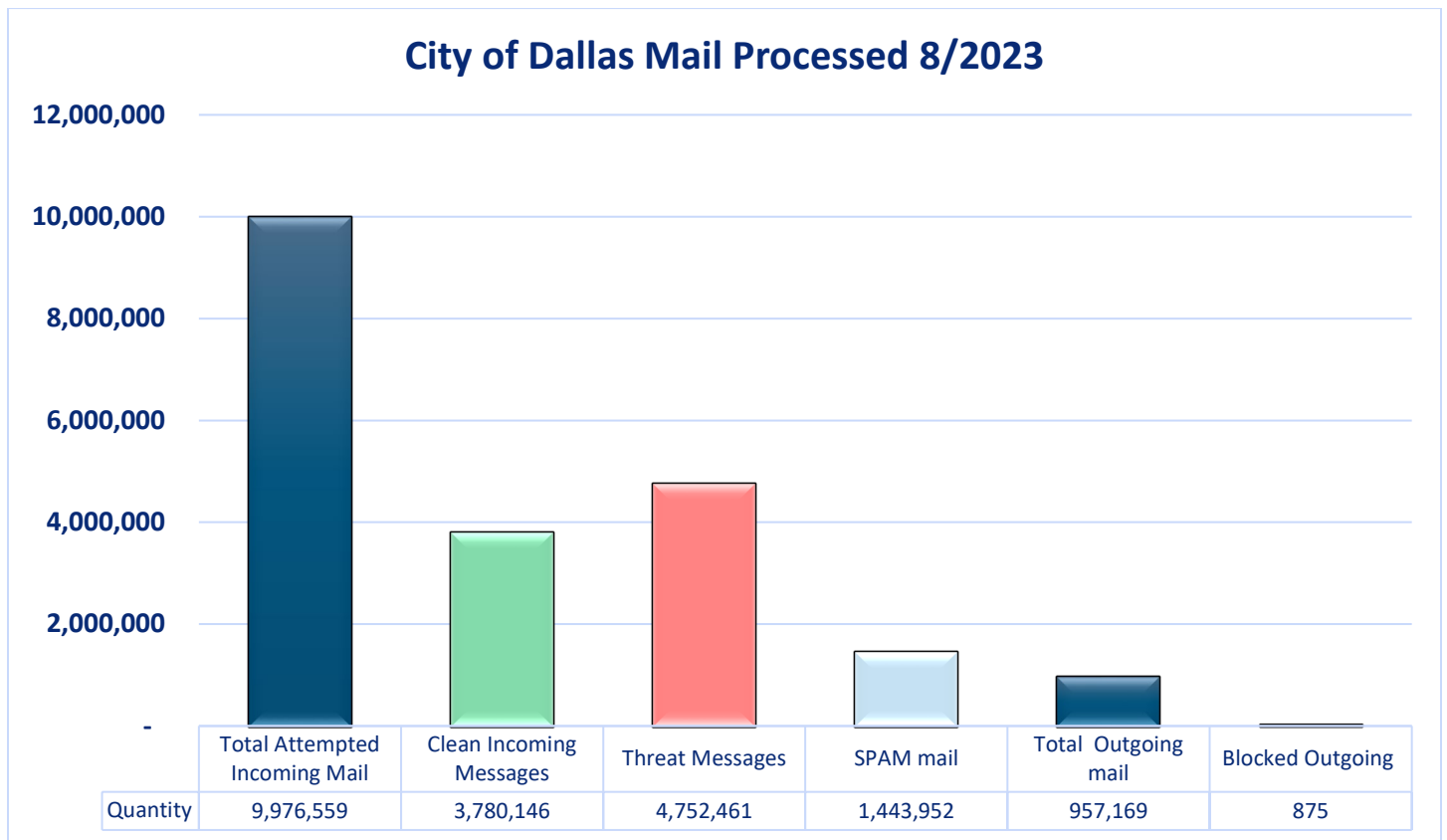
Section 5: IT Infrastructure

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.

City of Dallas System Backups completed 8/2023

Category	Value
Backups Stopped for Maintanence	452
Failed	3,235
Completed	34,622
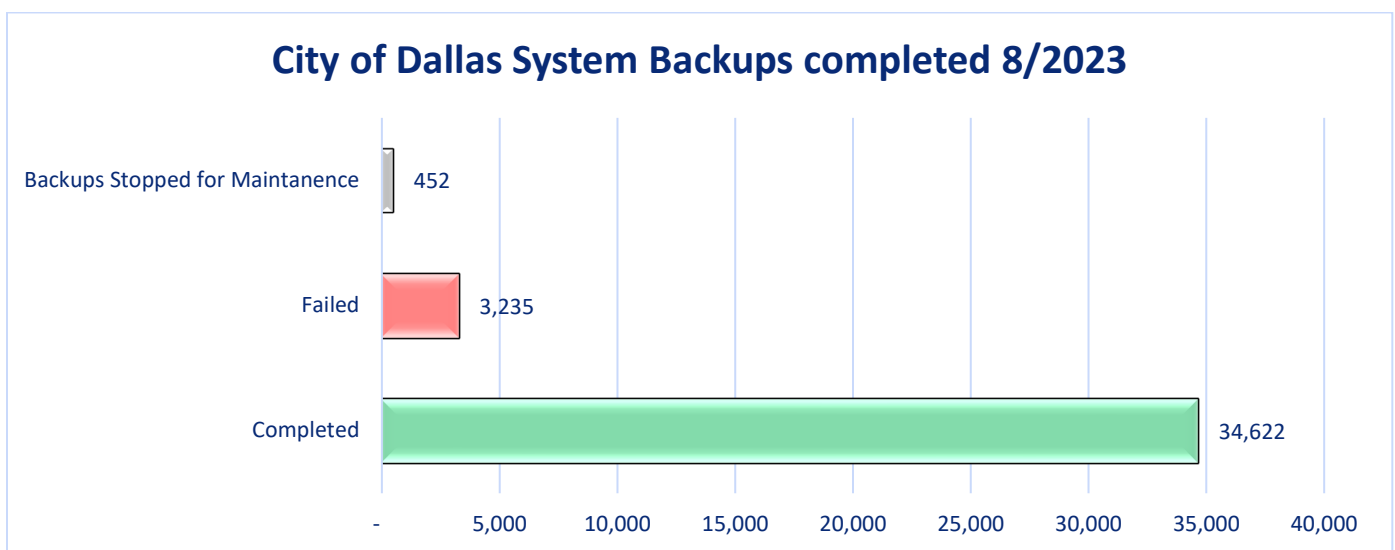
B. Audit

The ITS department strives to timely address established audit conditions impacting technology services. The following charts represent the August 2023 status of the Audit remediation efforts and stages.
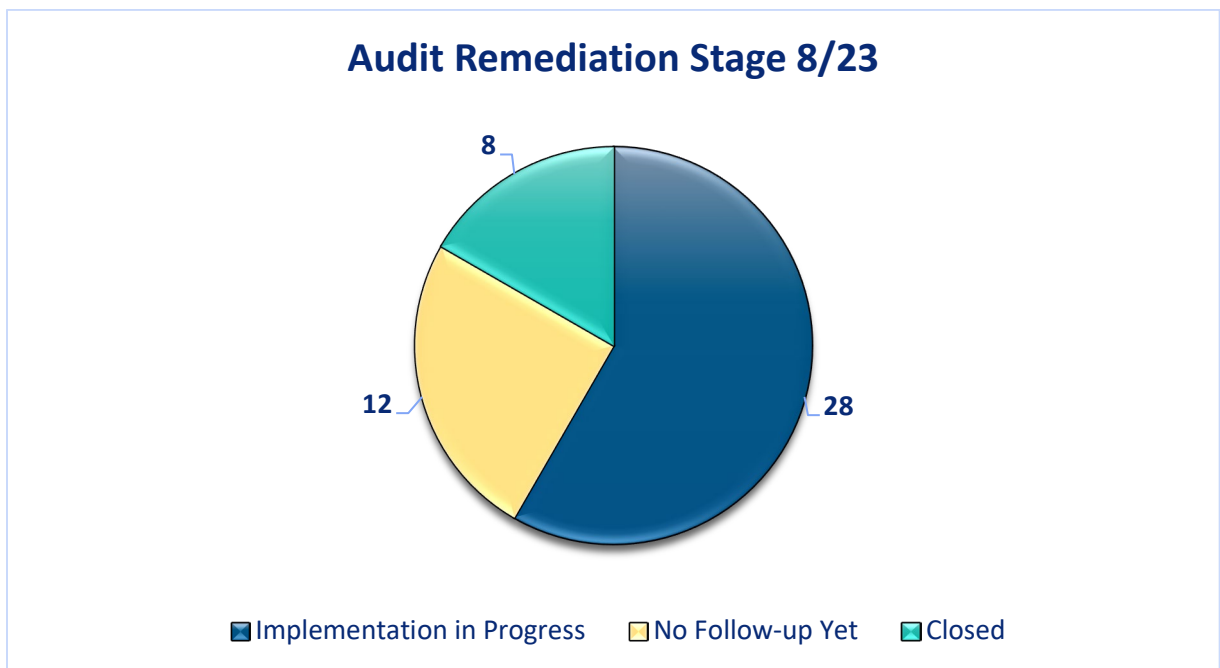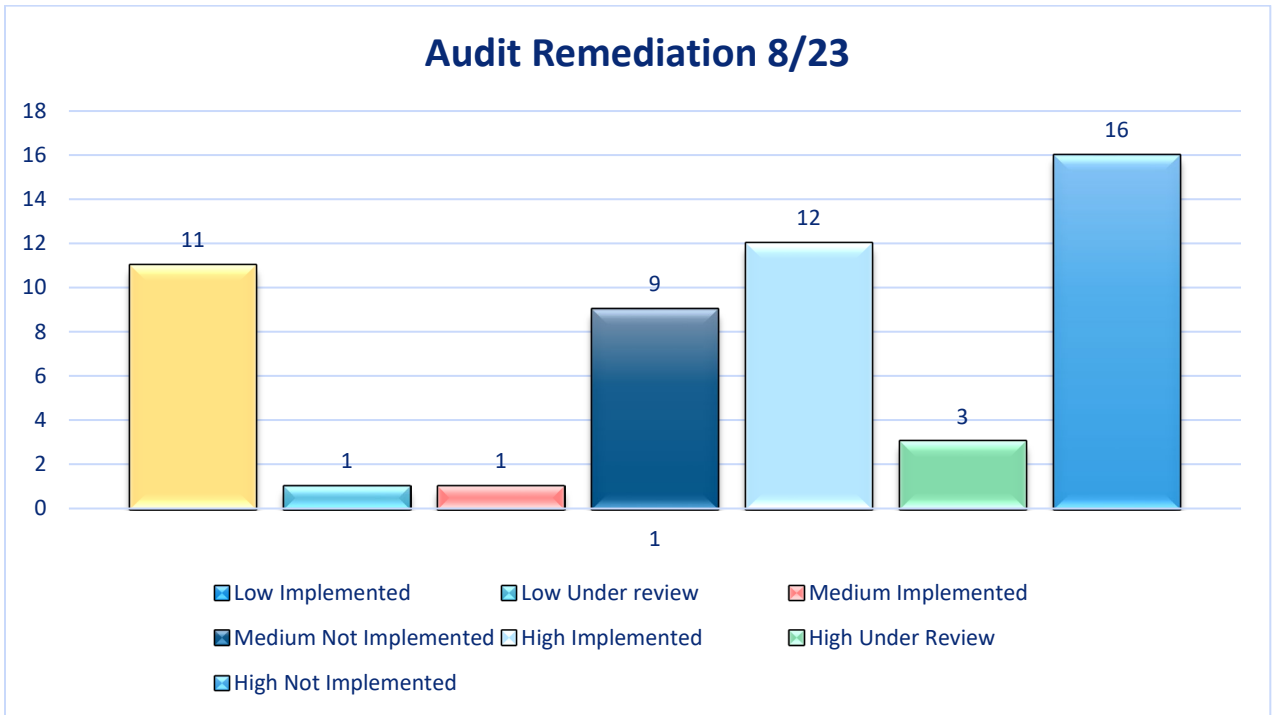
Audit Remediation 8/23

Low Implemented: 11
Low Under review: 1
Medium Implemented: 1
Medium Not Implemented: 9
High Implemented: 12
High Under Review: 3
High Not Implemented: 16

Legend:
- Low Implemented
- Low Under review
- Medium Implemented
- Medium Not Implemented
- High Implemented
- High Under Review
- High Not Implemented

Audit Remediation Stage 8/23

- Implementation in Progress: 28
- No Follow-up Yet: 12
- Closed: 8

Legend:
- Implementation in Progress
- No Follow-up Yet
- Closed

File #: 23-2384

Item #: E.

Budget Accountability Report as of July 31, 2023
[Budget and Management Services]

Memorandum

DATE September 15, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Budget Accountability Report – July 2023**

Please find attached the April Budget Accountability Report (BAR) based on information through July 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 me or Janette Weedon, Director of Budget and Management Services.

Jack Ireland
Chief Financial Officer

[Attachment

c:
T.C. Broadnax, City Manager	Majed A. Al-Ghafry, Assistant City Manager
Tammy Palomino, Interim City Attorney	M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Mark Swann, City Auditor	Dr. Robert Perez, Assistant City Manager
Bilierae Johnson, City Secretary	Carl Simpson, Assistant City Manager
Preston Robinson, Administrative Judge	Genesis D. Gavino, Chief of Staff to the City Manager
Kimberly Bizor Tolbert, Deputy City Manager	Directors and Assistant Directors
Jon Fortune, Deputy City Manager	

BUDGET ACCOUNTABILITY REPORT

As of July 31, 2023

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

Prepared by Budget & Management Services

EXECUTIVE SUMMARY
Financial Forecast Report

Operating Fund	Year-End Forecast vs. Budget	
	Revenues	*Expenses*
General Fund	✅	✅
Aviation	11% over budget	✅
Convention and Event Services	18% over budget	18% under budget
Development Services	13% over budget	7% over budget
Municipal Radio	20% under budget	✅
Sanitation Services	✅	✅
Storm Drainage Management	✅	✅
Dallas Water Utilities	✅	✅
Bond and Construction Management	✅	7% under budget
Equipment and Fleet Management	✅	5% over budget
Express Business Center	38% over budget	16% over budget
Information Technology	✅	✅
Radio Services	✅	18% under budget
9-1-1 System Operations	✅	✅
Debt Service	✅	✅

✅ YE forecast within 5% of budget

Dallas 365

Year-to-Date

✅ **23**
On Target

⚠️ **3**
Near Target

❌ **9**
Not on Target

Year-End Forecast

✅ **26**
On Target

⚠️ **1**
Near Target

❌ **8**
Not on Target

Budget Initiative Tracker

🔵 **12**
Complete

⚠️ **5**
At Risk

✅ **18**
On Track

❌ **0**
Canceled

FINANCIAL FORECAST REPORT

The Financial Forecast Report (FFR) provides a summary of financial activity through July 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 July 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	1,727,562,642	1,502,901,125	1,729,936,452	2,373,810
Expenditures	1,706,814,187	1,727,562,642	1,406,661,674	1,729,176,129	1,613,487
Ending Fund Balance	$308,405,349	$308,405,349		$323,008,889	$14,603,540

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 July 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 July 31, 2023, General Fund revenues are projected to be $2,374,000 over budget primarily due to franchise and other revenue, charges for services, and interest.

Expenditures. Through July 31, 2023, General Fund expenditures are projected to be $1,613,000 over budget primarily due to supply costs for unbudgeted maintenance and repair and a health benefits surcharge across all General Fund departments, partially offset by salary savings from vacant uniform and non-uniform positions.

FY 2022-23 Amended Budget. City Council amended the General Fund budget on:

- May 10, 2023, by ordinance #32456 in the amount of $20,748,455 due to additional sales tax revenue, miscellaneous revenue from auto pound sales, and intergovernmental revenue from DFW Airport city partners. This allocation will be used for the maintenance and operation of various departments and activities.

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	$957,572,722	$960,014,168	($1,488,712)
2	Sales Tax	417,232,383	432,750,269	282,092,904	427,410,255	(5,340,014)
3	Franchise and Other	127,865,821	127,865,821	112,727,183	129,347,079	1,481,258
4	Charges for Services	115,554,550	115,554,550	89,987,606	120,684,043	5,129,493
5	Fines and Forfeitures	23,776,847	23,776,847	19,257,910	22,360,951	(1,415,896)
6	Operating Transfers In	28,185,836	28,185,836	4,490,081	28,185,836	0
7	Intergovernmental	13,161,563	18,003,654	16,071,132	18,828,550	824,896
8	Miscellaneous	7,967,394	8,355,872	6,527,267	9,097,679	741,807
9	Licenses and Permits	5,616,913	5,616,913	3,263,523	4,853,467	(763,446)
10	Interest	5,950,000	5,950,000	10,910,798	9,154,424	3,204,424
	Total Revenue	$1,706,814,187	$1,727,562,642	$1,502,901,125	$1,729,936,452	$2,373,810

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. City Council increased the Sales Tax budget to be $432,750,269 on May 10 as part of the mid-year appropriations adjustment process, due to actual collections five months into the fiscal year. Sales Tax is projected to be under budget by $5,340,000 based on actual collection trends and analysis provided by our contract economist.

3 Franchise and Other. Franchise and Other revenue is projected to be $1,481,000 over budget primarily due to Fiber Optic revenue collections, warmer than normal weather in fall 2022, and cold spells from December 2022 to January 2023 causing increased revenues from Oncor. It is offset by a decrease in Atmos Energy due to lower gas prices and usage.

4 Charges for Services. Charges for Services revenue is projected to be $5,129,000 over budget primarily due to charges for building inspection by Public Works ($2,885,000), Emergency Ambulance ($910,000), Deployment Reimbursements ($593,000) and Fire Reinspections ($840,000) by Dallas Fire-Rescue, and a reimbursement for Park and Recreation utility costs associated with Fair Park First ($2,600,000), partially offset by a decline in Staff Taught Recreation Classes ($1,548,000) and Swimming Pool charges ($536,000).

5 Fines and Forfeitures. Fines and Forfeitures revenue is projected to be $1,416,000 under budget primarily due to declines in citations filled with the court during the May ransomware attack and number of tickets issued ($2,050,000), decrease in storage fee collections at the Dallas Auto Pound due to implementation of the new outsourcing contract ($970,000), and reduction in parking fine revenue ($876,000), partially offset by incoming revenue from wrecker fee collections at the Dallas Auto Pound ($1,460,000) and Red Light Camera Fines ($1,539,000).

7 Intergovernmental. City Council increased Intergovernmental revenue by $4,842,000 on May 10 as part of the mid-year appropriations adjustment process, due to higher than budgeted payments through the DFW Airport revenue-sharing agreements. Intergovernmental revenue is projected to be $825,000 over budget due to higher payment from the DFW Airport revenue-share from the City of Grapevine.

FY 2022-23 Financial Forecast Report
GENERAL FUND REVENUE
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.

8 Miscellaneous. City Council increased Miscellaneous revenue by $388,000 on May 10 as apart of the mid-year appropriations adjustment process. Miscellaneous revenue is projected to be $742,000 over budget primarily due to increased collections from Dallas Auto Pound auction sales ($1,364,000), partially offset by declines due to delay in implementing the vacant lot/property registration program in Code Compliance ($870,000) due to PCI compliance requirements.

9 Licenses and Permits. Licenses and Permits revenue is projected to be $763,000 under budget primarily due to lower than budgeted collections on Public Works License Fees ($309,000), Beer/Liquor Licenses ($321,000), and Home Repair Permits ($100,000).

10 Interest. Interest revenue is projected to be $3,204,000 over budget primarily due to improved market conditions.

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	$287,992,660	$215,047,567	$264,343,545	($23,649,115)
	Non-uniform Overtime	8,144,953	8,154,053	12,872,821	15,060,129	6,906,076
	Non-uniform Pension	40,352,092	40,553,632	30,890,951	38,398,671	(2,154,961)
	Uniform Pay	527,979,958	527,350,936	396,969,707	498,587,048	(28,763,888)
	Uniform Overtime	39,791,958	62,285,117	74,138,641	91,724,856	29,439,739
	Uniform Pension	182,727,572	182,510,558	137,035,611	182,118,027	(392,531)
	Health Benefits	79,837,068	79,842,051	59,662,368	90,570,806	10,728,755
	Workers Comp	11,152,531	11,152,531	11,152,531	11,152,531	0
	Other Personnel Services	13,091,916	13,228,675	10,030,898	13,269,444	40,769
1	Total Personnel Services	$1,188,305,887	$1,213,070,213	$947,801,094	$1,205,225,057	($7,845,156)
2	Supplies	84,389,204	82,578,247	76,733,005	94,161,449	11,583,203
3	Contractual Services	507,274,125	515,472,993	418,134,409	516,135,079	662,086
4	Capital Outlay	16,465,953	25,108,297	19,190,262	24,409,613	(698,684)
5	Reimbursements	(89,620,981)	(108,667,107)	(55,197,096)	(110,755,069)	(2,087,962)
	Total Expenditures	$1,706,814,187	$1,727,562,642	$1,406,661,674	$1,729,176,129	$1,613,487

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 $7,845,000 under budget primarily due to salary savings associated with vacant uniform and non-uniform positions across General Fund departments, partially offset by uniform overtime expenses in Dallas Fire-Rescue ($12,690,000), Dallas Police Department ($16,750,000), non-uniform overtime expenses, and a health benefits surcharge across all General Fund departments. DPD 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 ($2.1 million), and the speeding/racing initiative ($1.9 million). DPD uniform overtime expenses are partially offset by a budgeted American Rescue Plan Act (ARPA) reimbursement. DFR uniform overtime expenses are due to higher than anticipated attrition requiring backfill to meet minimum staffing standards, partially offset by an American Rescue Plan Act (ARPA) reimbursement.

2 Supplies. Supplies are projected to be $11,583,000 over budget primarily due to DFR expenses for fleet maintenance, repair, and emergency supplies ($2,989,000); TRN street lighting and signal maintenance ($1,919,000); reimbursed PKR utility costs associated with Fair Park First ($2,600,000); and new DPD service weapons ($299,000) and furniture costs for the DPD strategy management division ($229,000).

3 Contractual Services. Contractual Services are projected to be $662,000 over budget primarily due to increased costs for unbudgeted HVAC and plumbing repairs in BSD ($2,689,000), DFR expenses for fleet maintenance and repair ($3,179,000), DPD contracts for body worn cameras and tasers ($1,410,000), and HR temporary staffing ($1,250,000), partially offset by savings in Non-Departmental ($5,353,000) related to implementation of the new auto pound contract, commercial paper program fees, and Master Lease interest costs.

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	$4,289,014	$3,375,883	$4,067,810	($221,204)
2	Building Services	30,390,891	33,797,107	24,686,898	35,805,391	2,008,284
3	City Attorney's Office	20,971,242	21,033,650	16,776,358	21,215,068	181,418
4	City Auditor's Office	3,163,255	3,167,416	2,129,307	2,816,738	(350,678)
5	City Controller's Office	8,567,559	8,594,256	7,613,256	8,503,536	(90,720)
6	Independent Audit	755,000	755,000	755,000	755,000	0
7	City Manager's Office	3,205,072	3,114,911	2,577,722	3,280,833	165,922
8	City Secretary's Office	3,141,520	3,258,784	2,535,300	3,254,505	(4,279)
9	Elections	2,022,829	2,201,129	1,579,913	2,201,129	0
10	Civil Service	3,064,698	3,076,486	2,001,159	2,721,374	(355,112)
11	Code Compliance	41,342,433	41,565,021	32,309,504	41,934,911	369,890
12	Court & Detention Services	26,923,902	27,033,462	20,580,709	26,172,451	(861,011)
13	Jail Contract	8,344,443	8,344,443	6,258,332	8,344,443	0
14	Dallas Animal Services	17,725,448	17,812,125	15,349,478	17,792,258	(19,867)
15	Dallas Fire-Rescue	369,069,665	372,901,392	311,730,436	380,263,606	7,362,214
16	Dallas Police Department	611,908,283	612,748,297	474,225,814	616,889,896	4,141,599
17	Data Analytics & Business Intelligence	5,281,114	5,294,289	3,168,800	4,441,727	(852,562)
18	Housing & Neighborhood Revitalization	4,639,881	4,651,669	3,402,838	4,109,064	(542,605)
19	Human Resources	8,140,152	8,365,826	7,437,187	9,881,445	1,515,619
20	Judiciary	4,273,646	4,282,660	3,431,597	3,880,772	(401,888)
21	Library	37,544,060	37,751,393	27,490,798	37,739,709	(11,684)
	Management Services					
22	311 Customer Service Center	5,850,487	5,912,201	4,298,550	5,223,301	(688,900)
23	Communications, Outreach, & Marketing	3,699,446	3,464,435	2,215,540	2,655,169	(809,266)
24	Office of Community Care	9,365,486	9,392,529	5,044,157	9,332,491	(60,038)
25	Office of Community Police Oversight	811,382	812,769	416,742	569,595	(243,174)
26	Office of Emergency Management	1,344,664	1,347,438	636,605	1,347,438	0
27	Office of Environmental Quality & Sustainability	6,898,850	6,951,897	7,518,907	6,062,491	(889,406)
28	Office of Equity & Inclusion	3,809,929	3,818,250	1,999,506	3,659,504	(158,746)
29	Office of Government Affairs	956,162	974,559	855,775	989,624	15,065
30	Office of Historic Preservation	1,341,076	1,362,424	723,114	1,201,015	(161,409)
31	Office of Homeless Solutions	15,197,632	16,851,704	12,683,727	16,798,292	(53,412)
32	Office of Integrated Public Safety Solutions	5,630,099	5,649,515	2,528,370	4,700,778	(948,737)
33	Small Business Center	3,746,673	3,752,914	1,869,280	3,430,323	(322,591)
34	Mayor & City Council	6,645,643	6,940,550	4,813,669	6,669,255	(271,295)
35	Non-Departmental	135,306,683	142,306,683	128,355,349	136,953,972	(5,352,711)
36	Office of Arts & Culture	22,496,061	22,524,491	22,122,584	22,509,525	(14,966)
37	Office of Economic Development	3,918,798	4,019,415	3,872,662	4,019,415	0
38	Park & Recreation	106,863,878	111,301,421	103,073,476	113,906,451	2,605,030
39	Planning & Urban Design	5,150,852	5,177,895	4,971,798	4,703,193	(474,702)
40	Procurement Services	3,014,089	3,138,877	2,202,362	2,885,084	(253,793)
41	Public Works	89,209,383	89,445,468	82,268,573	89,898,768	453,300
42	Transportation	51,984,903	52,086,778	41,272,639	52,086,778	0
	Total Departments	**$1,697,995,188**	**$1,721,270,543**	**$1,403,159,675**	**$1,725,674,130**	**$4,403,587**
43	Financial Reserves	0	0	0	0	0
44	Liability/Claims Fund Transfer	3,501,999	3,501,999	3,501,999	3,501,999	0
45	Salary and Benefit Stabilization	5,317,000	2,790,100	0	0	(2,790,100)
	Total Expenditures	**$1,706,814,187**	**$1,727,562,642**	**$1,406,661,674**	**$1,729,176,129**	**$1,613,487**

VARIANCE NOTES

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

1 Budget & Management Services. City Council increased BMS's budget by $11,000 on May 10 by ordinance #32456 for one-time incentive payments. BMS is projecting to be $221,000 under budget primarily due to salary savings associated with nine vacant positions.

2 Building Services. City Council increased BSD's budget by $3,406,000 on May 10 by ordinance #32456 for one-time incentive payments and HVAC and heating costs at City Hall. BSD is projecting to be $2,008,000 over budget due to unbudgeted repairs and equipment replacements at the Central Library, Jack Evans Police Headquarters, and City Hall; increased maintenance and repair for HVAC and generators at various City facilities; and unbudgeted spot coolers for various Fire Stations.

3 City Attorney's Office. City Council increased CAO's budget by $62,000 on May 10 by ordinance #32456 for one-time incentive payments. CAO is projected to be $181,000 over budget primarily due to termination payouts for retiring employees and increased costs for health benefits.

4 City Auditor's Office. City Council increased AUD's budget by $4,000 on May 10 by ordinance #32456 for one-time incentive payments. AUD is projected to be $351,000 under budget primarily due to salary savings associated with four vacant positions.

5 City Controller's Office. City Council increased CCO's budget by $27,000 on May 10 by ordinance #32456 for one-time incentive payments.

7 City Manager's Office. City Council decreased CMO's budget by $90,000 on May 10 by ordinance #32456 to reallocate existing resources between various City Departments, partially offset by an increase for one-time incentive payments. CMO is projected to be $166,000 over budget primarily due to personnel costs associated with prior year organizational changes, professional development, and Youth Commission activities.

8 City Secretary's Office. City Council increased SEC's budget by $117,000 on May 10 by ordinance #32456 for one-time incentive payments and various equity adjustments.

9 Elections. City Council increased Election's budget by $178,000 on May 10 by ordinance #32456 to pay a 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.

10 Civil Service. City Council increased CVS's budget by $12,000 on May 10 by ordinance #32456 for one-time incentive payments. CVS is projected to be $355,000 under budget primarily due to salary savings associated with four vacant positions.

11 Code Compliance. City Council increased CCS's budget by $223,000 on May 10 by ordinance #32456 for one-time incentive payments. CCS is projected to be over budget by $370,000 due to increased costs for health benefits.

12 Court & Detention Services. City Council increased CTS's budget by $110,000 on May 10 by ordinance #32456 for one-time incentive payments. CTS is projected to be $861,000 under budget primarily due to salary savings associated with 83 vacant positions.

14 Dallas Animal Services. City Council increased DAS's budget by $87,000 on May 10 by ordinance #32456 for one-time incentive payments.

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.

15 Dallas Fire-Rescue. City Council increased DFR's budget by $3,832,000 on May 10 by ordinance #32456 for one-time incentive payments, uniform overtime expenses, and the increase in fuel prices. DFR is projected to be $7,362,000 over budget primarily due to in-house and outsourced fleet maintenance and repair ($4,058,000), emergency medical responses and other supplies ($1,346,000), and increased costs for health benefits ($2,285,000), partially offset by savings for warehouse rent ($326,000).

16 Dallas Police Department. City Council increased DPD's budget by $840,000 on May 10 by ordinance #32456 for one-time incentive payments, to reallocate existing resources between various City departments, equity budget adjustments for Open Records staff, and the increase in fuel prices. DPD is projected to be $4,142,000 over primarily due to increased costs for health benefits.

17 Data Analytics & Business Intelligence. City Council increased DBI's budget by $13,000 on May 10 by ordinance #32456 for one-time incentive payments. DBI is projected to be $853,000 under budget primarily due to salary savings associated with 10 vacant positions.

18 Housing & Neighborhood Revitalization. City Council increased HOU's budget by $12,000 on May 10 by ordinance #32456 for one-time incentive payments. HOU is projected to be $543,000 under budget primarily due to salary savings associated with 10 vacant positions.

19 Human Resources. City Council increased HR's budget by $226,000 on May 10 by ordinance #32456 for one-time incentive payments and to reallocate existing resources between various City departments. HR is projected to be $1,516,000 over budget primarily due to temporary staffing expenses.

20 Judiciary. City Council increased CTJ's budget by $9,000 on May 10 by ordinance #32456 for one-time incentive payments. CTJ is projected to be $402,000 under budget primarily due to salary savings associated with 13 vacant positions.

21 Library. City Council increased LIB's budget by $207,000 on May 10 by ordinance #32456 for one-time incentive payments.

22 311 Customer Service Center. City Council increased 311's budget by $62,000 on May 10 by ordinance #32456 for one-time incentive payments. 311 is projected to be $689,000 under budget primarily due to salary savings associated with 29 vacant positions, partially offset by capital improvement costs for an office reconfiguration.

23 Communications, Outreach, & Marketing. City Council decreased COM's budget by $235,000 on May 10 by ordinance #32456 for one-time incentive payments and to reallocate existing resources between various City departments. COM is projected to be $809,000 under budget primarily due to salary savings associated with seven vacant positions.

24 Office of Community Care. City Council increased OCC's budget by $27,000 on May 10 by ordinance #32456 for one-time incentive payments.

25 Office of Community Police Oversight. City Council increased OCPO's budget by $1,000 on May 10 by ordinance #32456 for one-time incentive payments. OCPO is projected to be $243,000 under budget primarily due to salary savings associated with five vacant positions.

26 Office of Emergency Management. City Council increased OEM's budget by $3,000 on May 10 by ordinance #32456 for one-time incentive payments.

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.

27 Office of Environmental Quality & Sustainability. City Council increased OEQS's budget by $53,000 on May 10 by ordinance #32456 for one-time incentive payments. OEQS is projected to be $889,000 under budget primarily due to salary savings and reduced forecasts for supplies and personnel development costs associated with 12 vacant positions.

28 Office of Equity & Inclusion. City Council increased OEI's budget by $8,000 on May 10 by ordinance #32456 for one-time incentive payments.

29 Office of Government Affairs. City Council increased OGA's budget by $18,000 on May 10 by ordinance #32456 for one-time incentive payments and to reallocate existing resources between various City departments. OGA is projected to be $15,000 over budget primarily due to temporary staffing costs and other costs associated with the Texas State Legislature session.

30 Office of Historic Preservation. City Council increased OHP's budget by $21,000 on May 10 by ordinance #32456 for one-time incentive payments and other equity adjustments. OHP is projected to be $161,000 under budget primarily due to salary savings associated with two vacant positions.

31 Office of Homeless Solutions. City Council increased OHS's budget by $1,654,000 on May 10 by ordinance #32456 for one-time incentive payments and an emergency procurement for temporary housing of 94 individuals from an encampment decommissioned by the DRTRR in January. The expense includes up to 90 days of lodging, food, and hygiene products for the clients ($923,000); security services ($216,000); and staff to monitor the shelter ($497,000).

32 Office of Integrated Public Safety Solutions. City Council increased IPSS's budget by $19,000 on May 10 by ordinance #32456 for one-time incentive payments. IPSS is projected to be $949,000 under budget primarily due to salary savings associated with nine vacant positions, program savings related to the Metrocare services contract, and the expiration of the Youth Advocate Program contract.

33 Small Business Center. City Council increased SBC's budget by $6,000 on May 10 by ordinance #32456 for one-time incentive payments. SBC is projected to be $323,000 under budget primarily due to salary savings associated with five vacant positions.

34 Mayor & City Council. City Council increased MCC's budget by $295,000 on May 10 by ordinance #32456 for one-time incentive payments, to reallocate existing resources between various City departments, and other equity adjustments.

35 Non-Departmental. City Council increased Non-D's budget by $7,000,000 on May 10 by ordinance #32456 for a transfer to the Economic Development Corporation (EDC). Non-D is projected to be $5,353,000 under budget primarily due to savings associated with reduced interest costs for Master Lease drawdowns ($1,364,000), reduced costs for contract wrecker due to implementation of the new auto pound contract ($1,600,000), and commercial paper program fees ($800,000).

36 Office of Arts & Culture. City Council increased OAC's budget by $28,000 on May 10 by ordinance #32456 for one-time incentive payments.

37 Office of Economic Development. City Council increased ECO's budget by $101,000 on May 10 by ordinance #32456 for one-time incentive payments and to reallocate existing resources between various City departments.

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.

38 Park & Recreation. City Council increased PKR's budget by $4,438,000 on May 10 by ordinance #32456 for one-time incentive payments, security and safety measures, park maintenance, temporary staffing, and the increase in fuel prices. PKR expenses are projected to be $2,605,000 over budget primarily due to increased costs for health benefits, and unbudgeted utility costs associated with Fair Park First, which is offset by additional revenue ($2,600,000).

39 Planning & Urban Design. City Council increased PUD's budget by $27,000 on May 10 by ordinance #32456 for one-time incentive payments, to reallocate existing resources between various City departments, and for professional planning and zoning services to assist with the workload of processing and reviewing zoning applications (to be reimbursed by DEV). PUD is projected to be $475,000 under budget primarily due to salary savings associated with 16 vacant positions.

40 Procurement Services. City Council increased POM's budget by $125,000 on May 10 by ordinance #32456 for one-time incentive payments and temporary staffing costs related to informal bid solicitation review. POM is projected to be $254,000 under budget due to salary savings associated with 10 vacant positions.

41 Public Works. City Council increased PBW's budget by $236,000 on May 10 by ordinance #32456 for one-time incentive payments, to reallocate existing resources between various City departments, and the increase in fuel prices. PBW is projected to be $453,000 over budget due to increased costs for health benefits.

42 Transportation. City Council increased TRN's budget by $102,000 on May 10 by ordinance #32456 for one-time incentive payments and the increase in fuel prices.

45 Salary & Benefit Stabilization. The FY 2022-23 Ordinance authorizes the City Manager to transfer appropriations from S&B to any department as allowed by City Charter Chapter XI (Sec. 3), of which, $2,424,000 was transferred to all General Fund departments for one-time incentive payments ($2,424,000) and various equity adjustments in SEC ($103,000). The remaining $2,790,000 is anticipated to be reallocated to address overages in various departments due to increased costs for equipment and automotive rental and health benefits.

FY 2022-23 Financial Forecast Report
ENTERPRISE FUNDS

Department	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
1 AVIATION					
Beginning Fund Balance	$53,227,959	$53,227,959		$75,699,313	$22,471,354
Total Revenues	158,542,590	158,542,590	162,504,580	175,383,400	16,840,810
Total Expenditures	163,476,405	163,476,405	128,421,972	163,335,760	(140,645)
Ending Fund Balance	$48,294,144	$48,294,144		$87,746,953	$39,452,809
2 CONVENTION & EVENT SERVICES					
Beginning Fund Balance	$43,463,338	$43,463,338		$56,656,767	$13,193,429
Total Revenues	113,230,392	115,690,184	65,714,230	136,788,275	21,098,091
Total Expenditures	113,231,392	115,690,184	87,057,632	136,788,275	21,098,091
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	31,141,775	40,091,026	4,750,086
Total Expenditures	43,830,455	57,082,486	50,234,741	60,883,936	3,801,450
Ending Fund Balance	$36,886,299	$23,634,268		$17,243,161	($6,391,107)
4 MUNICIPAL RADIO					
Beginning Fund Balance	$745,490	$745,490		$572,451	($173,039)
Total Revenues	1,003,095	1,100,931	588,657	877,919	(223,012)
Total Expenditures	1,003,095	1,100,931	943,242	1,121,631	20,700
Ending Fund Balance	$745,490	$745,490		$328,739	($416,751)
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	123,761,918	148,284,552	2,915,034
Total Expenditures	143,785,140	143,785,140	95,882,724	146,473,487	2,688,347
Ending Fund Balance	$20,912,620	$20,912,620		$21,439,029	$526,409
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	63,977,638	74,999,277	2,565,535
Total Expenditures	72,433,742	82,433,742	59,030,017	82,433,742	0
Ending Fund Balance	$15,732,597	$5,732,597		$12,527,936	$6,795,339
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	635,738,443	790,138,900	34,912,740
Total Expenditures	761,226,160	834,226,160	627,210,836	834,226,160	0
Ending Fund Balance	$127,050,983	$54,050,983		$123,935,798	$69,884,815

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
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	7,876,656	22,962,825	(124,321)
Total Expenditures	23,087,146	23,087,146	15,434,186	21,560,989	(1,526,157)
Ending Fund Balance	($14,768)	($14,768)		$1,332	$16,100
9 EQUIPMENT & FLEET MANAGEMENT					
Beginning Fund Balance	$10,783,384	$10,783,384		$11,008,909	$225,525
Total Revenues	61,259,566	64,921,684	36,737,436	66,925,066	2,003,382
Total Expenditures	66,600,148	69,531,067	57,221,486	73,194,904	3,663,837
Ending Fund Balance	$5,442,802	$6,174,001		$4,739,071	($1,434,930)
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	2,469,742	3,084,687	490,897
Total Expenditures	2,361,983	2,361,983	2,088,387	2,832,479	470,496
Ending Fund Balance	$5,916,624	$5,916,624		$6,192,563	$275,939
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	90,366,128	109,518,512	532,579
Total Expenditures	110,191,357	110,191,357	95,924,308	114,563,917	4,372,560
Ending Fund Balance	$7,914,413	$7,914,413		$14,967,754	$7,053,341
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	12,620,324	16,987,621	124,193
Total Expenditures	16,867,557	16,867,557	7,129,516	13,760,891	(3,106,666)
Ending Fund Balance	$1,135,186	$1,135,186		$5,938,856	$4,803,670

FY 2022-23 Financial Forecast Report
OTHER FUNDS

Department	FY 2022-23 Adopted Budget	FY 2022-23 Amended Budget	YTD Actual	YE Forecast	Variance
13 9-1-1 SYSTEM OPERATIONS					
Beginning Fund Balance	$4,180,269	$4,180,269		$6,626,869	$2,446,600
Total Revenues	12,017,444	12,017,444	10,912,711	13,617,467	1,600,023
Total Expenditures	14,212,742	14,212,742	9,388,348	14,129,054	(83,688)
Ending Fund Balance	$1,984,971	$1,984,971		$6,115,282	$4,130,311
14 DEBT SERVICE					
Beginning Fund Balance	$66,867,697	$66,867,697		$69,564,897	$2,697,200
Total Revenues	408,298,161	408,298,161	362,924,657	399,587,522	(8,710,639)
Total Expenditures	412,314,869	412,314,869	298,115,907	363,350,504	(48,964,365)
Ending Fund Balance	$62,850,989	$62,850,989		$105,801,915	$42,950,926
15 EMPLOYEE BENEFITS					
City Contributions	$108,965,789	$108,965,789	$84,088,672	$123,999,997	$15,034,208
Employee Contributions	44,675,798	44,675,798	37,487,108	45,403,470	727,672
Retiree	26,927,732	26,927,732	14,617,943	25,212,693	(1,715,039)
Other	0	0	118,314	118,314	118,314
Total Revenues	180,569,319	180,569,319	136,312,037	194,734,474	14,165,155
Total Expenditures	$189,583,785	$189,583,785	$145,004,004	$204,229,828	$14,646,043

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	$16,448,369	$16,041,001	$0
Third Party Liability	10,033,670	10,033,670	11,010,676	10,033,670	0
Purchased Insurance	13,445,548	13,445,548	13,447,522	13,445,548	0
Interest and Other	0	0	669,574	669,574	669,574
Total Revenues	39,520,219	39,520,219	41,576,141	40,189,793	669,574
Total Expenditures	$57,449,878	$57,449,878	$25,768,898	$48,094,896	($9,354,982)

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 July 31, 2023, the beginning fund balance for the adopted and amended budgets and 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 $16,841,000 over budget due to greater-than-expected revenues from garage parking, concessions, and NTTA fees.

2 Convention and Event Services. City Council increased CCT's expense budget by $2,459,000 on May 10 by ordinance #32456 for new positions for the internal master planning team. CCT revenues are projected to be over budget $21,098,000 due to higher number of events than budgeted. CCT expenses are projected to be over budget $21,098,000 due to an increase in capital transfer. Excess revenue will be transferred to the CCT capital fund.

3 Development Services. City Council increased DEV's expense budget by $5,000,000 on November 9 by resolution 22-1676 for construction services at 7800 N Stemmons; by $5,700,508 on February 22 by resolution 23-0317 for a service contract with Accela, Inc. for the purchase of initial licenses and implementation, maintenance, and support of a building permitting and land management solution; and by $129,000 on May 10 by ordinance #32456 to reimburse planning and zoning services in Planning & Urban Design (PUD). DEV revenues are projected to be $4,750,000 over budget due to an increase in permits and additional revenue not budgeted from the Rapid Single-Family VIP Program (RSVP). DEV expenses are projected to be $3,801,000 over budget due to Engineering contractual services, increased costs for health benefits, and a repayment of Coronavirus Relief Fund (CRF) payroll expenses.

4 Municipal Radio. City Council increased Municipal Radio's expense budget by $98,000 on May 10 by ordinance #32456 for the Nielsen contract buyout. OCA revenues are expected to be $223,000 under budget due to lower advertising revenue. OCA will use fund balance to reduce any fund shortfall. OCA expenses are projected to be over budget by $20,000 primarily due to temporary staffing for furniture disposal and records cleanup.

5 Sanitation Services. SAN revenues are projected to be $2,915,000 over budget driven by residential revenue due to a better than anticipated collection rate. SAN expenses are projected to be $2,688,000 over budget due to equipment purchases, temporary labor, and higher than expected contract service cost, mainly in the brush and bulky item collection service contract.

6 Storm Drainage Management. City Council increased SDM's expense budget by $10,000,000 on May 10 by ordinance #32456 for a transfer to capital construction. SDM revenues are projected to be over budget $2,566,000 due to an improved collection rate.

7 Water Utilities. DWU revenues are projected to be above budget by $5,000,000 due to higher-than-expected consumption attributed to dry weather conditions. City Council increased DWU's expense budget by $73,000,000 on May 10 by ordinance #32456 for a transfer to capital construction. DWU revenues are projected to be above budget by $34,913,000 due to higher-than consumption attributed to dry weather conditions.

8 Bond & Construction Management. BCM expenses are projected to be $1,526,000 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.

VARIANCE NOTES

9 Equipment and Fleet Management. The FY 2022-23 Adopted Budget reflects planned use of fund balance. City Council increased EFM's expense budget by $2,931,000 on May 10 by ordinance for increased fuel costs. EFM revenues are projected to be $2,003,000 over budget primarily due to additional charge-backs to cover maintenance costs as a result of extended life repairs for SAN, DWU, PBW, and TRN equipment; increase in vehicle parts pricing; and extending the maintenance schedules for SAN from four to five day. EFM expenses are projected to be $3,664,000 over budget due to contracted labor for extended life repairs, rebuilding of truck bodies, accommodations for SAN's five day schedule, repairs for Southeast Service Center garage, and vehicle parts. Prices for vehicle parts and lubricants have increased over 30 percent resulting in overages of $2,500,000.

10 Express Business Center. Express Business Center revenues are projected to be $491,000 over budget due to an increase in auto pound sales. Express Business Center expenses are projected to be over budget by $470,000 primarily due to increased costs of office supplies and a repayment of Coronavirus Relief Fund (CRF) payroll expenses.

11 Information Technology. Information Technology revenues are projected to be over budget $533,000 primarily due to an increase in interest earnings. Information Technology expenses are projected to be $4,373,000 over budget due to the repayment of Coronavirus Relief Fund (CRF) payroll expenses and the purchase of five Mix Mode threat and anomaly detection hardware devices that were not eligible for Master Lease Funding.

12 Radio Services. Radio Services revenues are projected to be $124,000 over budget due to interest earnings. Radio Services expenses are projected to be $3,107,000 under budget due to lower debt service payments for Master Lease.

13 9-1-1 System Operations. 911 System Operations revenues are projected to be $1,600,000 over budget due to an increase in 911 fee collections for both wireless and wireline phones based on year-to-date receipts.

14 Debt Service. Debt Service revenues are projected to be $8,711,000 under budget primarily due to an unrealized insurance payout. Debt Service expenses are projected to be $48,964,000 under budget primarily due to a delay in General Obligation bonds, certificates of obligation, and Master Lease issuances.

15 Employee Benefits. Employee Benefits revenues are projected to be $14,165,000 over budget due to department chargebacks required to maintain a positive ending fund balance. Employee Benefits expenses are projected to be $14,646,000 over budget primarily due to the increased cost of inpatient and outpatient medical and pharmacy claims, which have increased on a per-enrollee basis compared to historical costs.

16 Risk Management. ORM expenses are projected to be $9,355,000 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	$292,439,451	$135,618,572	$105,922,977
B	Park and Recreation Facilities	261,807,000	261,807,000	174,994,601	11,911,936	74,900,463
C	Fair Park	50,000,000	50,000,000	33,926,725	9,350,357	6,722,918
D	Flood Protection and Storm Drainage	48,750,000	48,750,000	16,163,772	12,011,733	20,574,496
E	Library Facilities	15,589,000	15,589,000	14,870,617	197,350	521,033
F	Cultural and Performing Arts Facilities	14,235,000	14,235,000	13,063,053	438,285	733,662
G	Public Safety Facilities	32,081,000	32,081,000	26,836,413	222,979	5,021,608
H	City Facilities	18,157,000	18,157,000	2,456,642	2,118	15,698,239
I	Economic Development	55,400,000	55,400,000	20,791,572	9,039,423	25,569,005
J	Homeless Assistance Facilities	20,000,000	20,000,000	17,045,921	449,985	2,504,094
Total		$1,050,000,000	$1,050,000,000	$612,588,765	$179,242,739	$258,168,496

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	$258,148,608	$5,122,645	$3,667,634
2	Flood Protection and Storm Drainage Facilities	326,375,000	326,375,000	246,962,999	67,999,096	11,412,904
3	Economic Development	55,000,000	55,000,000	38,044,338	6,140,200	10,815,462
Total		$642,000,000	$648,313,887	$543,155,945	$79,261,942	$25,896,000

2006 Bond Program

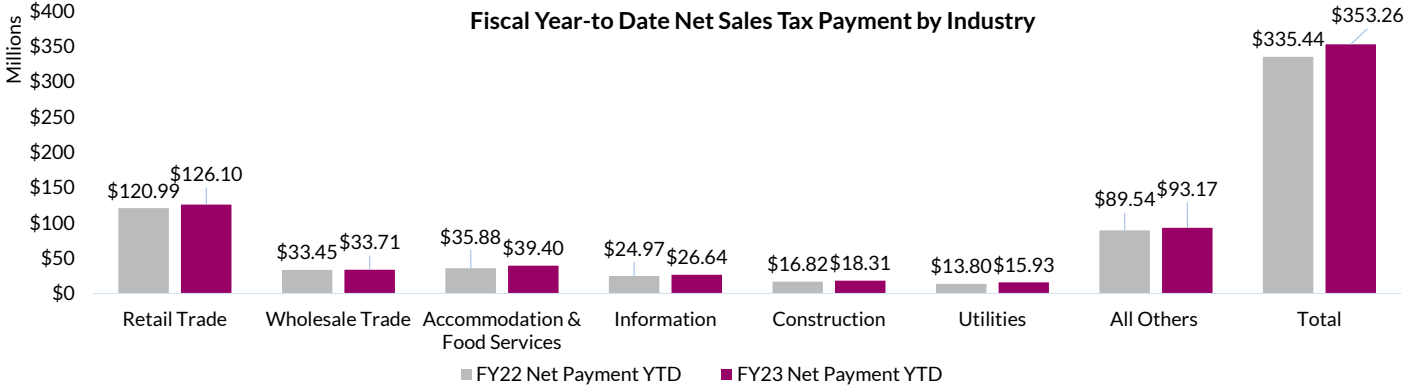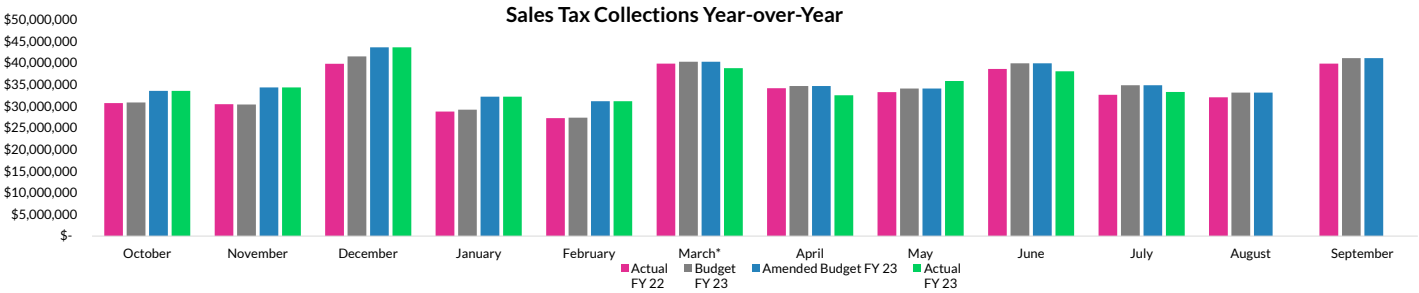| Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
1	Street and Transportation Improvements	$390,420,000	$406,490,554	$393,939,065	$8,053,362	$4,498,127
2	Flood Protection and Storm Drainage Facilities	334,315,000	342,757,166	302,212,349	13,176,578	27,368,238
3	Park and Recreation Facilities	343,230,000	353,343,060	348,243,440	1,552,202	3,547,418
4	Library Facilities	46,200,000	48,318,600	47,670,034	15,499	4,463,067
5	Cultural Arts Facilities	60,855,000	63,821,447	63,151,488	0	669,959
6	City Hall, City Service and Maintenance Facilities	34,750,000	36,216,478	32,437,578	818,892	2,960,007
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	42,735,357	922,500	1,402,196
9	Farmers Market Improvements	6,635,000	6,933,754	6,584,013	0	349,741
10	Land Acquisition in the Cadillac Heights Area	22,550,000	22,727,451	11,593,003	237,544	10,896,904
11	Court Facilities	7,945,000	8,146,606	7,869,762	0	276,844
12	Public Safety Facilities and Warning Systems	63,625,000	66,072,938	65,380,180	411,256	281,502
Total		$1,353,520,000	$1,401,388,107	$1,323,290,440	$25,187,832	$56,739,835

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.

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. The FY 2022-23, Sales Tax Budget was increased to $432,750,269 by the mid-year ordinance #32456 approved by City Council on May 10, 2023. As of July 31, 2023, the sales tax forecast is $427,410,255. The charts in this section provide more information about sales tax collections.

Sales Tax Collections Year-over-Year

Fiscal Year-to Date Net Sales Tax Payment by Industry

Industry	FY22 Net Payment YTD	FY23 Net Payment YTD
Retail Trade	$120.99	$126.10
Wholesale Trade	$33.45	$33.71
Accommodation & Food Services	$35.88	$39.40
Information	$24.97	$26.64
Construction	$16.82	$18.31
Utilities	$13.80	$15.93
All Others	$89.54	$93.17
Total	$335.44	$353.26

FY 2022-23 Financial Forecast Report
ECONOMIC INDICATORS

Year-over-Year Change in Sales Tax Collections		
Industry	July FY23 over July FY22	FYTD23 over FYTD22
Retail Trade	6%	4%
Wholesale Trade	-9%	1%
Accommodation and Food Services	5%	10%
Information	9%	7%
Construction	8%	9%
Utilities	14%	15%
All Others	-4%	4%
Total Collections	2%	5%

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.
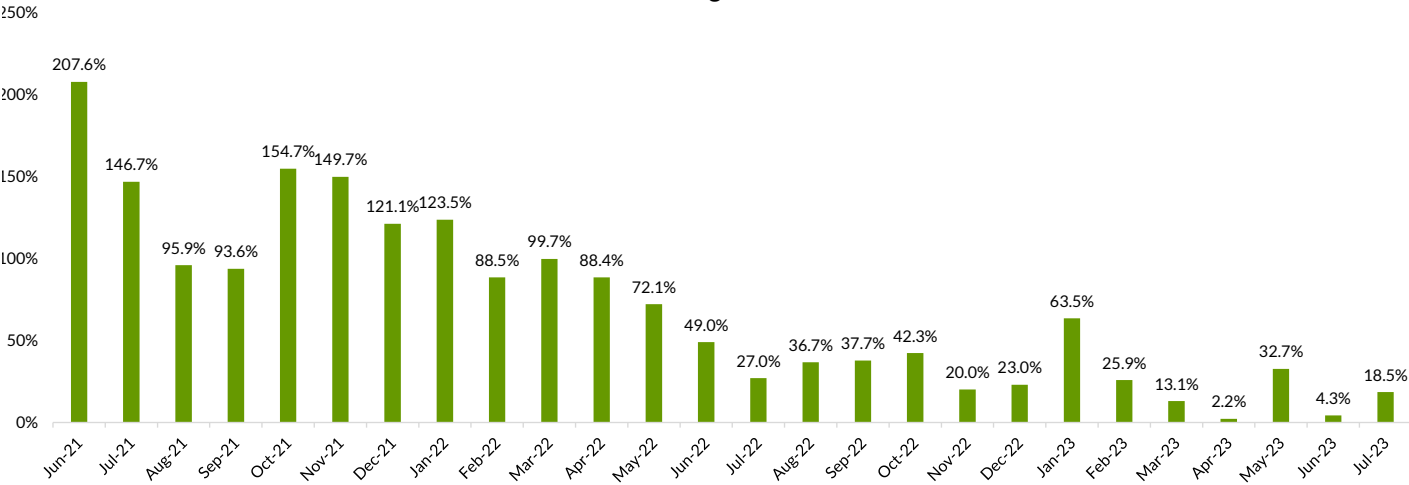
FY 2022-23 Financial Forecast Report
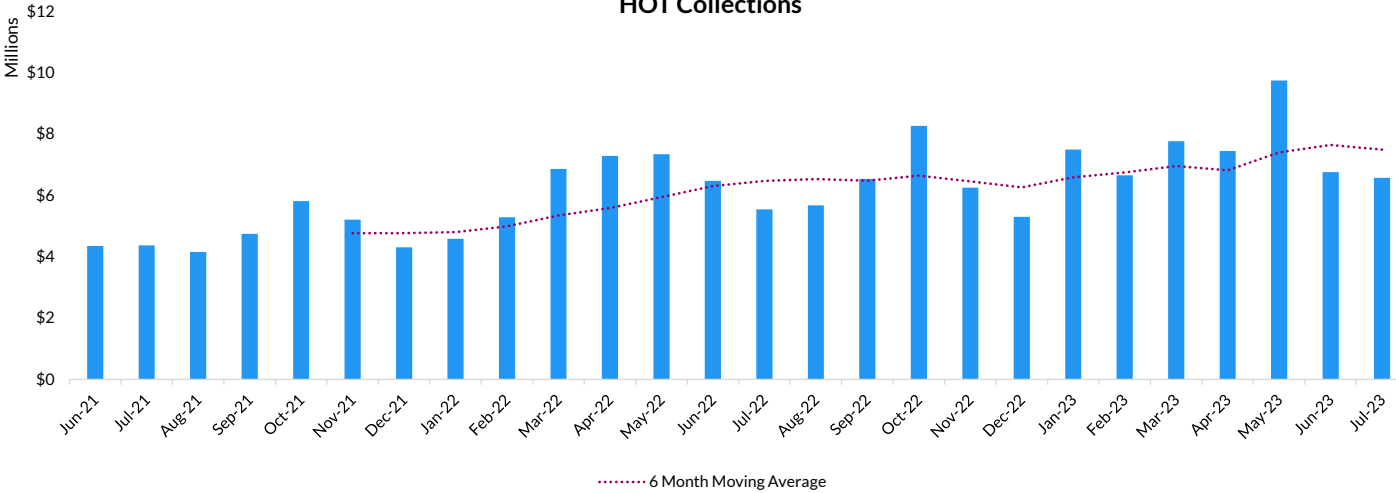# ECONOMIC INDICATORS
Hotel Occupancy Tax

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.

Year-over-Year Change in HOT Collections

HOT Collections

········· 6 Month Moving Average

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	14
March	2	13	7	10
April	1	8	5	6
May	6	6	9	10
June	7	11	9	12
July	7	4	10	5
August	4	8	5	5
September	5	10	4	4
Total	**39**	**94**	**88**	**95**

* 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.


Enplanements
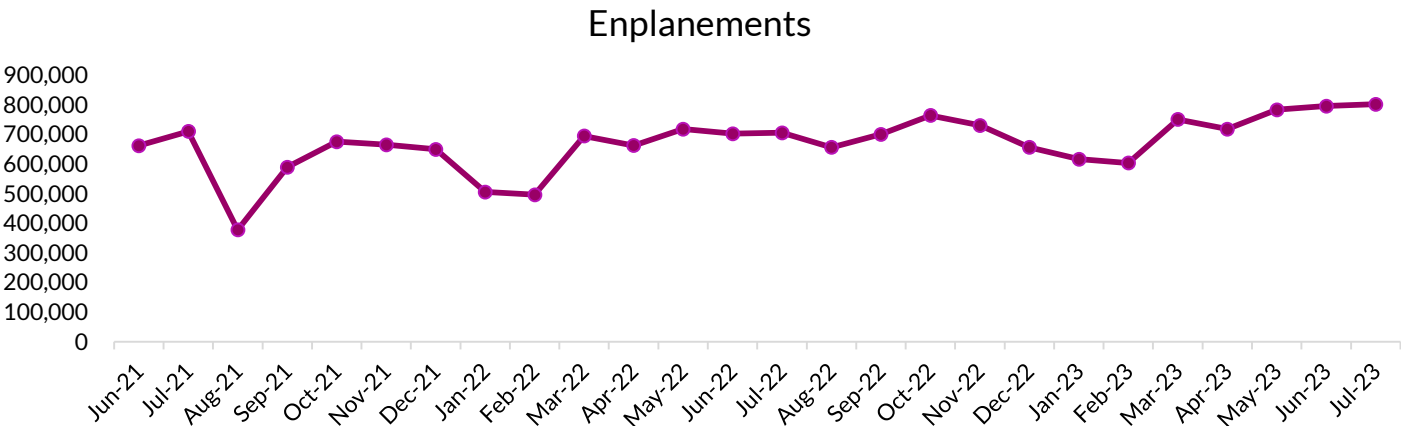
FY 2022-23 Financial Forecast Report
ECONOMIC INDICATORS
Building Permits

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.

Number of Building Permits
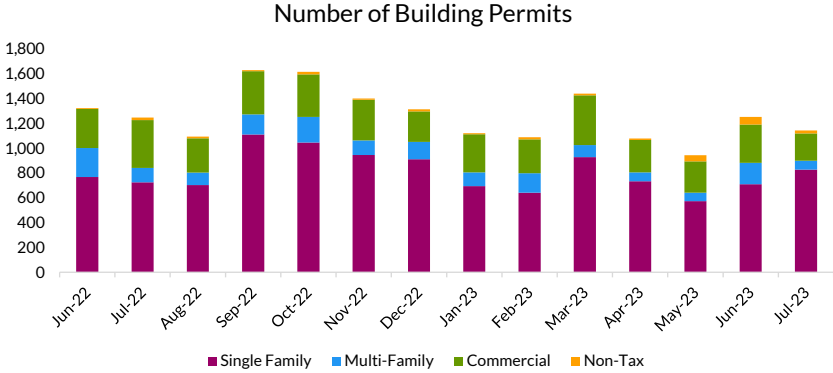
Building Permit Valuations
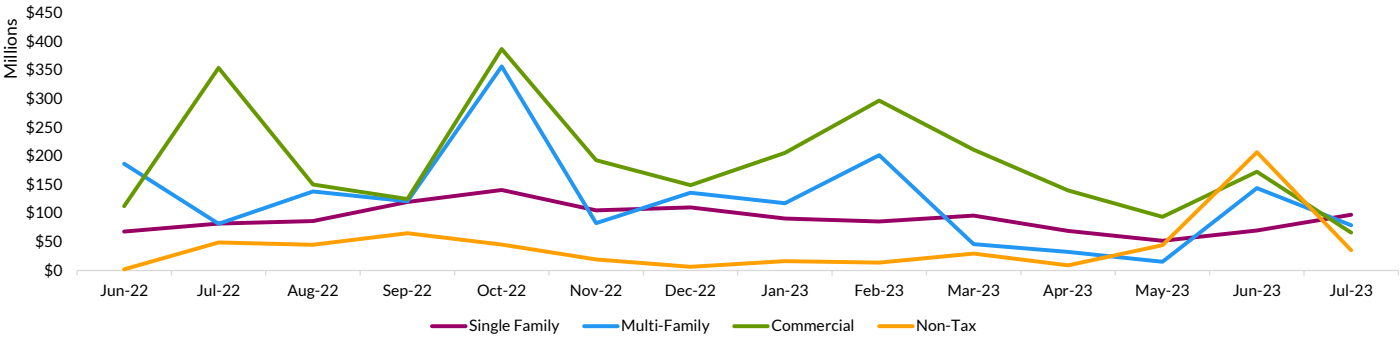
DALLAS 365

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.

Year-to-Date

✓ 23 On Target

! 3 Near Target

✗ 9 Not on Target

Year-End Forecast

✓ 26 On Target

! 1 Near Target

✗ 8 Not on Target

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 measures "Not on target" for YTD Actual and/or YE Forecast.

#	Measure	FY 2021-22 Actual	YTD Target	YTD Actual	YE Target	YE Forecast
	Economic Development					
1	Average number of business days to complete commercial permit application prescreen (Development Services)	5.7	2.0	2.0	5.0	2.0
2*	Percentage of next business day inspections performed on time (Development Services)	98.5%	98.0%	98.2%	98.0%	98.0%
3	Percentage spent with local businesses (Small Business Center)	36.7%	53.0%	60.2%	40.0%	60.2%
4	Percentage of dollars spent with local M/WBE businesses (Small Business Center)	84.6%	62.0%	80.4%	70.0%	80.4%
	Environment & Sustainability					
5	Percentage of CECAP actions underway annually (Office of Environmental Quality & Sustainability)	94.3%	54.6%	75.3%	75.3%	75.3%
6	Percentage of on-time bulk & brush collections (Sanitation Services)	99.9%	99.9%	99.8%	95.0%	99.8%
7	Residential recycling diversion rate (Sanitation Services)	18.6%	18.0%	18.7%	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
	Government Performance & Financial Management					
8	Percentage of invoices paid within 30 days (City Controller's Office)	88.1%	88.0%	83.4%	92.0%	86.6%
9	Percentage of vehicles receiving preventive maintenance on schedule (Equipment & Fleet Management)	96.2%	91.0%	96.7%	90.0%	91.0%
10	Percentage of 311 calls answered within 90 seconds (311 Customer Service Center)	42.4%	60.0%	64.0%	60.0%	64.0%
11	Percentage of informal solicitation requests (<$50k) processed within 15 business days (Procurement Services)	N/A	80.0%	23.6%	80.0%	60.0%
	Housing & Homeless Solutions					
12	Percentage of development funding leveraged by private sources (Housing & Neighborhood Revitalization)	85.6%	60.0%	91.5%	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%	84.1%	85.0%	85.0%
14	Percentage of beds utilized under the Pay-to-Stay program (Office of Homeless Solutions)	98.6%	80.0%	120.1%	80.0%	120.1%
	Public Safety					
15	Percentage of EMS responses within nine minutes or less (Dallas Fire-Rescue)	85.1%	90.0%	85.7%	90.0%	86.0%
16	Percentage of first company responses to structure fires within five minutes and 20 seconds of dispatch (Dallas Fire-Rescue)	87.5%	90.0%	87.6%	90.0%	90.0%
17*	Crimes against persons (Dallas Police Department)	2,302	2,000	2,163	2,000	2,163
18	Percentage of responses to Priority 1 calls within eight minutes or less (Dallas Police Department)	47.6%	68.3%	52.4%	60.0%	52.4%
19	Percentage of 911 calls answered within 10 seconds (Dallas Police Department)	96.4%	90.0%	93.2%	90.0%	93.2%
20	Complaint resolution rate (Office of Community Police Oversight)	82.2%	70.0%	77.2%	70.0%	77.2%
21	Percentage of crisis intervention calls handled by the RIGHT Care team (Office of Integrated Public Safety Solutions)	52.6%	73.5%	60.9%	60.0%	60.9%

* 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
	Quality of Life, Arts, & Culture					
22	Percentage of litter and high weed service requests closed within SLA (Code Compliance)	83.6%	65.0%	96.0%	65.0%	96.0%
23	Percentage increase in dogs and cats fostered (Dallas Animal Services)	33.4%	5.0%	28.4%	5.0%	28.4%
24	Percentage of technology devices checked out monthly (Hotspots and Chromebooks) (Library)	77.3%	78.5%	88.8%	75.0%	82.7%
25	Satisfaction rate with library programs (Library)	99.0%	98.0%	98.1%	93.0%	98.1%
26	Percentage of cultural services funding to ALAANA (African, Latinx, Asian, Arab, Native American) artists and organizations (Office of Arts & Culture)	30.2%	31.0%	34.4%	32.0%	32.0%
27	Average number of recreation programming hours per week (youth, seniors, and athletic leagues) (Park & Recreation)	2,192	1,615	3,210	1,615	3,210
28	Participation rate at late-night Teen Recreation (TRec) sites (Park & Recreation)	68.0%	80.0%	39.1%	80.0%	60.0%
	Transportation & Infrastructure					
29	Percentage of bond appropriations awarded (ITD) (Bond & Construction Management)	85.6%	90.0%	80.4%	97.0%	85.5%
30	Percentage of planned lane miles improved (762.7 of 11,770 miles) (Public Works)	81.6%	83.0%	73.9%	100.0%	94.4%
31	Percentage of potholes repaired within three days (Public Works)	99.0%	98.0%	97.6%	98.0%	98.0%
32	Percentage of signal malfunction responses within 120 minutes (Transportation)	91.4%	91.0%	92.6%	91.0%	92.6%
33	Percentage of faded long line pavement marking miles improved (611 of 1,223 miles) (Transportation)	83.4%	33.0%	38.5%	50.0%	50.0%
	Workforce, Education, & Equity					
34	Percentage increase of original multicultural and multilingual content (on public, educational, and government) (Communications, Outreach, & Marketing)	40.2%	110.6%	203.2%	25.0%	138.3%
35	Percentage increase of workforce development grant participants in underserved populations (Small Business Center)	N/A	60.0%	45.3%	60.0%	45.3%

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

FY 2022-23 Dallas 365
VARIANCE NOTES

8 Vacancies have resulted in a backlog of invoices processed citywide. CCO is working actively to recruit, interview, and onboard vacant positions to ensure staffing and invoice processing workload is stabilized.

11 OPS is actively onboarding and training temporary staffing to enhance support for the informal procurement process. OPS continues to hire additional staff members and anticipates an improvement in the percentage in future reports.

17 Due to the ransomware attack, DPD was limited in data collection for reporting. DPD is conducting a post ransomware audit for the Crimes Against Persons per 1,000 measure and anticipates revised data in September. July BAR data includes year-to-date actuals from October 2022 to March 2023.

18 Due to the ransomware attack, DPD was limited in data collection for reporting. DPD is verifying the accuracy of Response Time report that occurred during the network outage. DPD anticipates that the data will be available in September 2023. July BAR data includes year-to-date actuals from October 2022 to March 2023.

21 Due to the ransomware attack, IPS was unable to access data reports outlining the total calls received and the actual year-to-date percent. Based on YTD average data of 59.4 percent and remaining reporting periods, IPS is projected to meet the year-end annual target of 60 percent.

28 PKR attendance slightly increased from previous months as sites continue recruiting teens registered for the Teen All Access Pass and the Teen Summer Camp program. Program marketing efforts include attending community fairs and events throughout the city, connecting with teens, and providing resources as a way to increase participants.

29 Project contract negotiations and escalating costs of materials impact construction schedules resulting in a variance. OBP will expedite projects when feasible to meet the annual target and the implementation schedule.

30 PBW completes lane mile projects between April to September. As of July 2023, PBW has completed 563.9 lane miles out of 11,770 miles and additional lane miles are currently under construction. Due to the contractual price increase in January 2023, PBW decreased the project lane miles for FY 2022-23 to 762.7 from 787.

35 SBC grant subrecipients had no additional enrollments during July and continues to serve existing participants enrolled. Previous data reported in Dallas 365 and the BAR includes an adjusted calculation and updated YTD in grant participants. Data reported December through June has been updated to reflect the accurate percentage and year-end forecast to reflect the decrease in overall enrollment commitment from 510 to 221 participants.

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).

12 Complete   **18** On Track   **5** At Risk   **0** Canceled
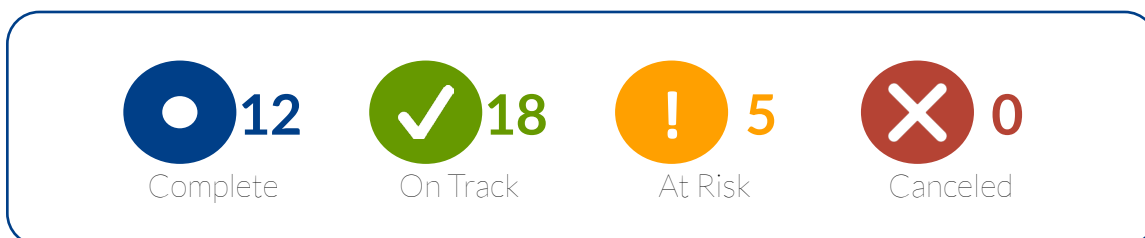
In the Spotlight

Bridging the Digital Divide

The City of Dallas recognizes that having access to the internet is critical to building a more inclusive, equitable, and resilient community. Developed during the COVID-19 pandemic, the City and its partners have been working diligently to bridge the digital divide comprehensively from access to internet connections, hardware such as home computers, and digital literacy and skills training. The launch of the Digital Navigators Program advances the recommendations identified in the City's Broadband and Digital Equity Strategic Plan. The plan identifies specific ways the City can bridge the digital divide through infrastructure investments, public-private partnerships, and programming. In March 2023, the City of Dallas partnered with Dallas Innovation Alliance to further advance connectivity and has provided resources to 782 households.

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 plans to move in phases to the "One Stop Permitting Shop" centrally located at 7800 N Stemmons in October 2023. The department continues working to fill vacant positions. DEV launched and deployed a second Q-Team and Affordable Housing Team in January 2023. DEV intends to expand and deploy a Dedicated Intake Division including paper and PDOX submittals in the first quarter of FY 2023-24. Finally, DEV is working with the Data Business Intelligence Department to develop and launch a forward facing commercial permitting dashboard to be deployed September 2023.

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 On June 15, 2023, City Council approved the consultant procurement item. Consultants have begun the diagnostic phase and have an estimated phase completion of March 2024.

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 All positions have been filled and new hires are in training.

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 was completed and the new Auto Pound Management and Tow Dispatch system went live on May 2, 2023 for non-evidentiary vehicles. Currently, DPD and the vendor are monitoring contract operations to identify and correct any further efficiencies and reviewing options for alternative storage sites for evidentiary vehicles.

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 develop the water supply plan was awarded in fall 2022. A kick-off meeting was held in February 2023 between consultants and the City team to review the current plan, analyze conservation strategies, and update and index the plan against other Southwest Cities. The data collection is coming to a close and the initial draft is currently being prepared for delivery in Summer 2023. Upon review by DWU and Water Conservation the Work Plan will be indexed to five southwestern cities.

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 and the positions in PBW and PKR have been hired and are operational. As of July 2023, PBW Forestry continues to work with the interdepartmental Forestry technical Team on outreach and education. The PKR staff Arborist will continue special assignment assessing and mapping ash trees on park properties. As of July the Arborist has surveyed about 335 parks and inventoried approximately 1,000 ash trees in the maintained portions of park properties. The Urban Biologist and City Forester positions continue working with the interdepartmental Forestry Technical Team.

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. Creative development and content has recently been completed for greenjobskills.com and wholehomedallas.com.

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 RFP solicitation was published on January 18, 2023 for a $500,000 solar PV and $500,000 battery energy storage systems. The contract has been finalized and was approved by City Council on May 24, 2023. The contractor was issued a Notice to Proceed on June 12, 2023. Estimated project completion date from the contractor is August 31, 2024. BSD has also completed weatherization activities at all of the current eight resiliency locations.

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: Two Environmental Coordinator positions have been filled for Brownfield programming. Additionally, $1.5 million in EPA Brownfield funding was awarded to the City of Dallas on May 25, 2023, for the clean up and assessment of Brownfields sites within Dallas. Eligibility criteria is currently being established and OEQS has been engaging with the community to properly asses revitalization needs. The implementation of the new assessment and clean up grant will start October 2023.

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. A fourth monitor has been installed at 5000 Scyene Road in Dison Circle neighborhood on March 3, 2023, and the fifth has been deployed at South Central Park in the Joppa neighborhood on March 12, 2023. Staff is continuing to work with affected communities, the Environmental Commission and Council Members to schedule implementation of the remaining monitors in Joppa, Floral Farms, and Dixon Circle. All installed units are operational and transmitting data. DBI is working with OEQS to create a data dashboard that will be available to the public.

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 and OEQS are in the process of scheduling interviews for the Environmental Justice Coordinator positions.

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 appropriations (approved budget amendment) and seven engines, two trucks, eleven ambulances, and three Wildland Type VI vehicles have been ordered from the remaining funding allocation. DFR was recently awarded a grant from the North Central Council of Governments that acquired three blocker vehicles to protect residents, first responders, and emergency fleet units during freeway responses. EFM has ordered 596 units using department funds totaling $67.7 million. Departments include CCS (33 units), CTS(5), AVI (8), DFD (21), DPD (286), DWU (62), EFM(13), LIB (1) OEM (1), PBW (46), PKR (25), SAN (85), SEC (2), TRN (3), DSV (1), BSD (3), CTJ (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 2,408 individuals since it's onset in October 2021 through July 2023. Of those individuals housed, 42 percent are from households consisting of adults with children and 58 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 July 2023, the three organizations contracted by OHS have provided services for 890 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 two HART teams are established in two new off-site office locations and officially began work on December 12, 2022. From December 2022 to July 2023, the HART teams have responded to 347 service requests with 79 percent of these service requests were responded within 24-48 hours and resolved within 10 days. In July, the HART teams visited 88 locations, cleaned up and/or closed 19 sites, and removed 62,000 lbs. of debris. PKR continues to work on filling four positions, the Marshal's office is currently conducting interviews for new Deputy Marshals and has hired one new Deputy who is currently in the six-month training program, and CCS continues to work on filling their two remaining open HART positions. DAS is currently using vehicles the department already owned while working with EFM to purchase the vehicles for their HART role. Similarly, CCS continues to wait on heavy equipment and is working jointly with the Nuisance Abatement Heavy Clean Teams to cover the program's needs on an as-needed basis.

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 Year to date, DPD has hired 120 officers with a goal of hiring 185 by the end of FY 2022-23. A new academy class started in June 2023 with 23 recruits and the September Academy class is projected to have 35 recruits.

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 DPD has integrated the ALPR Technology into dash cameras installed in marked squad cars. The mobile radio replacement project is complete with 3,033 radios being issued to officers and 886 radios inventoried at the Quartermaster for future issuance. Evaluations of a combined web-based RMS and CAD system are currently under review. Taser 10 is currently being reviewed as a potential upgrade option.

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 Since the commission of the Single-Role Paramedic Program on February 15, 2023, EMS is currently on track to hire 12 Single-Role Paramedics by September 20, 2023. To date, two of the five Peak Demand Units have been converted and the Single-Role Lieutenant has been added. The program is on target with hiring the additional positions, improving the operational workload and efficiency during peak hours of call volumes.

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 The launch is complete. There is a continued focus on conducting inspections in preparation for multiple upcoming community activities. 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 has initiated over 103 projects and have completed 32 and 66 projects are in the installation/construction phase. Completed projects include park lighting, surveillance systems, access controls, window treatment, radios, and garage doors.

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. CCS has hired 10 out of 16 positions. The Pro Teams are currently fulfilling the weekly expectation of 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 All 12 Code Compliance Officers have been hired and onboarded as of February. The teams are up and running as anticipated.

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 FY 2022-23 to expand hours at 15 locations. The extended hours began 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 A contract has been executed with HR&A in February 2023 to provide services to begin this work. The scope covers only the public engagement and equity/resources review for the Historic Preservation Plan. An official grant awarded for $50,000 to increase funding for the Historic Resources Survey has been received.

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 Year to date, PBW has spent $350,400 of its General Fund appropriations to complete 11 sidewalk projects and 9.16 lane miles of sidewalk improvements. PBW anticipates all projected to be completed by the end of the fiscal year.

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. As of July, PBW has spent $3.4 million and completed maintenance on 26 bridges. PBW has spent $335,512 on emergency repairs for State Highway 356 Bridge and $584,550 on emergency repairs to Ron Kirk Pedestrian Bridge.

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.

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 July, TRN has devoted $5,738,000 for this initiative. On May 10, TRN received City Council approval to accept a federal grant for signal improvements along Pine St. from U.S. 175 to Malcolm X Boulevard to along Elis Faye Heggins St. from U.S. 175 to 2nd Ave. On May 24, TRN received City Council approval to accept a federal grant for a traffic signal at Gillette St. and Lake June Rd. The project to replace traffic lights will be a multi-year effort.TRN currently has 59 signals in the design phase and 69 signals in the construction phase.

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 79.18 longline miles and 191 crosswalks were completed in total as of July 2023. 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.

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 July, 180 flashing beacons have been installed. Due to supply chain issues of specific parts, the manufacturer is behind schedule on the shipment of new equipment. At this time, TRN does not have an estimated completion date for the remaining 320 school zone flashing beacons scheduled for installation this fiscal year.

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 TRN is scheduled to present a bike plan update to the City Council on October 18. 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 SBC hosted the first networking event for the Mentor Protege Program on May 10th with 45 participants. Additionally, SBC has filled its Mentor Protege Coordinator position and has executed two of three contracts: 1) the Cen-Tex contract in the amount of $225,000 and 2) the Greater Dallas Hispanic Chamber of Commerce contract in the amount of $250,000. The third and final contract is pending to meet ORM insurance requirements and should be fulfilled by September 2023.

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 has not been able to fill the position with a qualified candidate and intends to repost the position.

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 ADA Building reviews have been completed with final reports anticipated by the end of FY 2022-23. First and second rounds of face-to-face interviews with departments have all been completed. Web Content ADA training courses remains on hold while city websites are being updated. ADA security training material remains at 90% complete and ADA 101 training was completed in May.

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 The launch of the Digital Navigators Program will advance the recommendations identified in the City's Broadband and Digital Equity Strategic Plan. The plan identifies specific ways the City can bridge the digital divide through infrastructure investments, public-private partnerships, and programming. Since launching in February 2023, the Digital Navigators Program has provided internet access, affordable and reliable computer hardware, and digital literacy skills to 782 households.

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.

2 Complete   **9** On Track   **1** At Risk   **0** Canceled
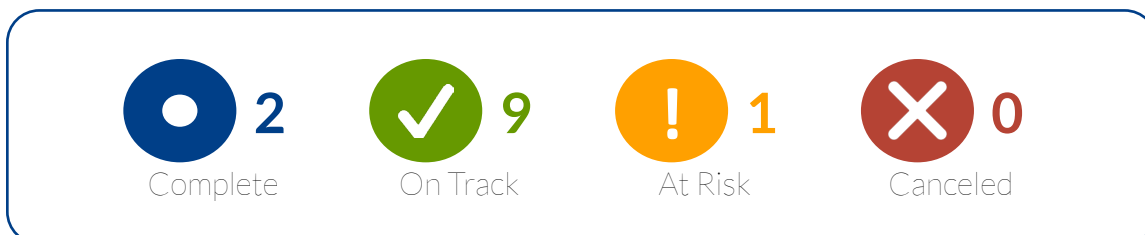
FY 2018-19

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. The final presentation to City Council has been delayed due to a pending code amendment and OHP is working with the contracted organization on completing the presentation during FY 2022-23.

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 the 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: hire a search firm for the EDC Director, hire an EDC director, and develop a strategic plan and funding plan (including budget). The EDC Board selected the CEO search firm Korn Ferry in August 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. A contract has been proposed with Restorative Farms and has been submitted to the City Attorney's Office.

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 FTEs were hired to support the program and to sample 50 sites. In FY 2022-23, DWU identified the total number of schools and daycare centers that will be impacted by the new Lead and Copper Rule Revision and developed inventory tracking and processes for these sites to be sampled accordingly. In FY 2023-24, DWU will continue sampling and tracking for compliance on city-wide Lead and Copper Regulatory Requirement and continue outreach and education programs.

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 2022-23 through 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 anticipated to begin construction in the 3rd quarter of 2023.

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 $11.25 million ARPA funding for home repairs and infrastructure improvements within specific qualified neighborhoods in Dallas. Applications opened in May 2022. The ARPA Home Repair Program has 60 active applications. To date, $1,721,115 of the $6 million committed to home repair is encumbered and $924,219 has been spent. Remaining funds are tied to addresses and will be encumbered by Spring 2024 as contracts are executed with the City Attorney's Office. 13 homes are under construction and 5 have been completed. A partnership with DWU has added over $2 million to this program. The ARPA Residential Septic Tank Program, which conducts home repairs to connect homes to City water/wastewater/sewer utilities, was approved by City Council on June 28, 2023 and the program has accepted 8 applications. The $4.5 million in infrastructure funds will be encumbered by Summer 2024.

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 during the hours of 6am-4pm daily, have been transferred from DPD to Transportation for all calls that do not need DPD to be present.

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 remaining 49 Wi-Fi sites have received Access Point equipment.

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 July, 91.5 million has been spent for 9.0 lane miles under design and 5.9 lane miles have been installed or are under construction for a total of 14.9 lane miles.

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 under construction through fall 2023. In addition, approximately 11,146 feet of new pipelines to four unserved locations that were designed in-house was awarded on November 9, 2022 and work started in March 2023. Twelve additional areas are planned for construction award in June 2023. In FY 2022-23, designs were completed for 27 project locations designated by the Unserved Areas Program. Of the 27 projects, four project sites have completed construction while 13 have been awarded for construction with a start date of September. The remaining 10 projects have completed designs that will be advertised in September for construction.

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 FY 2021-22 spend $3.5m to design 46 traffic signals to leverage federal and county funds. (Revised) (TRN)

STATUS As of July, TRN has devoted $5,738,000 for this initiative. On May 10, TRN received City Council approval to accept a federal grant for signal improvements along Pine St. from U.S. 175 to Malcolm X Boulevard to along Elis Faye Heggins St. from U.S. 175 to 2nd Ave. On May 24, TRN received City Council approval to accept a federal grant for a traffic signal at Gillette St. and Lake June Rd. The project to replace traffic lights will be a multi-year effort. TRN currently has 59 signals in the design phase and 69 signals in the construction phase

34 Accessibility ✅

INITIATIVE Implement software system to track identified American Disabilities Act (ADA) 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. The purchasing and procurement process continues. .

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 with foundation for future innovation.

The Process Improvement Team applies the DMAIC problem solving approach to dig into process issues and deliver quantifiable, sustainable results. DMAIC is a five-phase method:

- •Define – Define the problem
- •Measure – Quantify the problem
- •Analyze – Identify the cause of the problem
- •Improve – Solve the root cause, develop structured improvements, and verify improvement
- •Control – Maintain the gains and pursue perfection

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 DMAIC phase may be referenced in the status update. The Improve phase is often the most challenging to implement because it involves eliminating the root cause and implementing improvements. This phase often extends the project timeline.

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.

PROCESS IMPROVEMENT

Project Status

4 Complete	**3** On Track	**1** Delayed	**1** Cancelled	**0** Pre-Kickoff

#	Measure	Status	Timeline	Key Performance Indicators		
				Measure (Target)	**Baseline**	**Current**
1	**SFD Building Permit Process** 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
			Status Update: *Action items from the Rolling Action Items List have been completed or close to completed. Performance has been consistently at or below target for several months, with improvements sustained. Project is ready to close.*			
2	**DPD Workload Optimization** Assess current operational demands to identify process improvement opportunities for workload management (DPD)	❗	Jan 2022 – TBD	TBD	TBD	TBD
			Status Update: *Short-term action items to improve accuracy of work hour categorization have been completed. Long-term action plan has been compiled and awaiting communication with leadership for final approval of timeline.*			
3	**DFR Workload Optimization** Assess current operational demands to identify process improvement opportunities for workload management (DFR)	🔵	Jan 2022 – May 2023	Assessment completion (100%)	0%	100%
			Status Update: *Improvements to leave scheduling process have been implemented and operational data has been collected and analyzed. The controls that DFR has implemented in Telestaff to manage Emergency Response Bureau work schedules are currently adequate for minimizing overtime. BMS will continue to support DFR by conducting annual reviews of work scheduling controls to identify further improvement opportunities. Additionally, DFR will continue to monitor the staffing and overtime data monthly to understand and minimize differences between overtime expenditures and overtime forecast model.*			
4	**Contract Review and Execution** 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	N/A
			Status Update: *The remaining stages of this project are now managed by the Office of Procurement Services (OPS).*			

PROCESS IMPROVEMENT

#	Measure	Status	Timeline	Key Performance Indicators		
				Measure (Target)	Baseline	Current
5	**Risk Review & Certificate of Insurances** 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	RR=1.45 days 29:26 minutes COI=2 days 21:37 minutes	TBD
			Status Update: *The software used for Risk Review information is being customized to better serve ongoing improvements. Executive leadership has identified in excess of 30 OFI's related to customer service and processing. Enhancements are currently being implemented.*			
6	**"Lew Sterrett Officer Turnaround Process"** 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.	228 minutes/ arrest	TBD
			Status Update: *Established three highest volume arrest types accounting for more than 50 percent of the arrests made are: Warrants Only (1,774), Assault Family Violence (1,460), DWI (697) and corresponding baseline data. Average arrest takes 144 minutes to complete and 228 minutes when accounting multiple officers involved in an average arrest. There have been 15 improvement opportunities transferred to DPD for evaluation and implementation and three of the largest opportunities include custom reports for the high volume arrest types. Warrants are being looked into for the current system, while Assault Family Violence and DWI are being incorporated into the new upcoming software.*			
7	**Water/Wastewater Permit Process** 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
			Status Update: *Training documents were completed and tested in April and the executive review was held June 13.*			
8	**DWU/DEV/DFR** Map water/wastewater permitting process, from start to finish including installation of items. Cross training to provide understanding of entire process for stakeholders	✅	April 2023- Nov 2023		N/A	N/A
			Status Update: Over 40 OFI's have been identified. The team is creating a presentation for Dallas Builders Association to review and provide feedback, then presenting to executives for consideration and approval of enhancements. Customer presentation scheduled for October 17.			

#	Measure	Status	Timeline	Key Performance Indicators		
				Measure (Target)	**Baseline**	**Current**
9	**COD/DPD/Parkland/Dallas County Sheriff's Department/ Toyota** Reduce the amount of time DPD officers spend processing prisoners at Lew Sterrett	✅	July 2023 - January 2024	Cycle Time/ Arrest	228 minutes/ arrest	TBD
			Status Update: *This project was relaunched in July, originally coupled with the "Lew Sterrett Officer Turn Around Process" project. Site visits were completed in July with all participants. In August, Process Improvement will create process maps from DPD, Parkland, and Dallas County Sherriff's Office perspectives.*			

File #: 23-2385

Item #: F.

Quarterly Investment Report - 3rd Quarter FY23
[City Controller's Office]

Memorandum

DATE   September 15, 2023

TO   Honorable Members of the Government Performance and Financial Management Committee: Chad West (Chair), Paula Blackmon (Vice Chair), Cara Mendelsohn, Jesse Moreno, Jaime Resendez

SUBJECT   **Quarterly Investment Report – 3rd Quarter FY 2022-23**

Please find attached the Quarterly Investment Report for the third quarter of FY 2022-23, ending June 2023. The report was prepared by the City's Investment Advisor, Meeder Public Funds Patterson Group ("Meeder") and presented to the City's Investment Committee on September 19, 2023. This report was produced in compliance with the State of Texas Public Funds Investment Act, and the City's Investment Policy.

The Quarterly Investment Report provides information on the performance of the City's Operating portfolio. As of June 30, 2023, the Operating portfolio's balance was **$3,502,772,693**, which produced actual earnings of **$31,055,984** for the third quarter.

The Quarterly Investment Report also provides balance information for the following portfolios, which are managed internally by the Treasury Department.

- Arts Endowment
- DWU Commercial Paper Program
- GO Commercial Paper Program
- Ida Green Library Fund, and
- Water Reserve Fund

All portfolios are managed following the City's Investment Policy objectives of Safety, Liquidity, and Yield.

Portfolio Market Value by Fund	3/31/2023	6/30/2023	Change	Interest Earned
Operating Portfolio	$3,374,136,553.82	$3,502,772,692.59	$128,636,138.77	$31,055,983.82
Arts Endowment	$2,235,000.00	$2,235,000.00	$0.00	$27,972.41
DWU Commercial Paper Program	$13,960.15	$13,960.15	$0.00	$167.88
GO Commercial Paper Program	$20,688,753.36	$20,688,753.36	$0.00	$250,638.10
Ida Green Library Fund	$1,000,000.00	$1,000,000.00	$0.00	$9,648.49
Water Reserve	$90,000,000.00	$90,000,000.00	$0.00	$1,052,980.82
Total	**$3,488,074,267.33**	**$3,616,710,406.10**	**$128,636,138.77**	**$32,397,391.52**

Highlights of Quarter Operating Portfolio Performance

- During the third quarter, we moved the portfolio closer to our core targets by executing a mix of new issue high-coupon non-callable agencies as well as treasury bonds.

SUBJECT   **Quarterly Investment Report – 3rd Quarter FY 2022-23**

- We also continued to find opportunities to sell short securities and use the proceeds to buy commercial paper. Swaps completed this quarter increased both the yield and expected income of the portfolio.

- Treasury staff will continue to work with our investment advisor in the following areas:

  o to extend the portfolio to our longer-term targets while matching known future debt payments,
  o to continue to improve the cash flow analysis to better identify cash available for investments, and
  o to identify opportunities to rebalance positions in the 0–1- year maturity to take advantage of the higher interest rates.

Highlights of Year-to-Date Operating Portfolio Performance

Book Balance

- The City's overall balances continue to trend higher over the past two fiscal years.

- Book balance for the 3rd quarter of FY 2022-23 is the highest of the last four fiscal years.

BOOK BALANCE

	FY2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
1st Quarter	1,940,187,351	2,256,552,112	2,381,039,024	2,664,418,736	2,825,685,264
2nd Quarter	2,313,550,107	2,525,765,943	2,715,246,656	3,165,550,088	3,402,892,324
3rd Quarter	2,383,592,317	2,461,024,962	2,778,445,494	3,132,827,751	3,555,410,109
4th Quarter	2,198,400,458	2,255,444,189	2,534,855,951	2,891,859,149	

SUBJECT   **Quarterly Investment Report – 3rd Quarter FY 2022-23**

Interest Earned

- Interest earned for the 3rd quarter of FY 2022-23 is the highest of the last four fiscal years.

- This past quarter interest earnings were reported as $31.1 million as compared to $25.5 million the quarter before.

- We expect interest earnings to trend higher through the remainder of FY 2022-23 and into early FY 2023-24.

INTEREST EARNED

	FY2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
1st Quarter	7,751,330	10,034,643	2,497,104	908,883	12,120,281
2nd Quarter	12,024,452	10,124,618	2,251,099	1,707,755	25,485,064
3rd Quarter	13,226,052	6,066,516	1,900,203	2,590,994	31,055,984
4th Quarter	13,061,985	3,346,143	865,667	9,261,323	
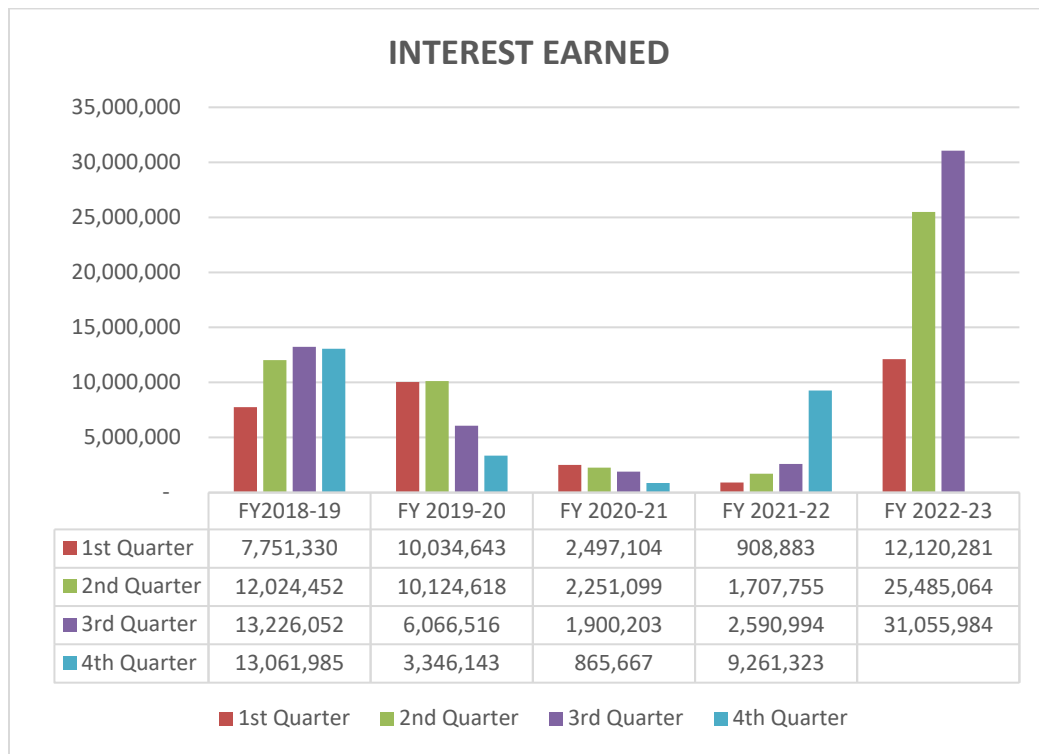
Asset Composition

- The portfolio will shift across various asset classes dependent on the value in the marketplace and areas of focus.

- During this quarter, we increased our commercial paper holdings from 7.58% to 14.36%. US Treasury and Government Agencies continue to perform stronger in the longer dated maturity ranges.

- Our top priority continues to be keeping enough liquidity on hand to meet debt payments and expenditures.

DATE   September 15, 2023

SUBJECT   **Quarterly Investment Report – 3rd Quarter FY 2022-23**

ASSET COMPOSITION

	Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3
U.S. Treasury Securities	6.66%	9.49%	8.90%	9.53%		9.52%	8.40%	1.74%	6.84%		6.48%	7.47%	11.16%	23.77%		23.46%	25.84%	27.28%
U.S. Government Agencies	35.53%	26.31%	22.43%	27.41%		35.30%	53.34%	46.70%	73.38%		75.46%	68.85%	69.42%	62.93%		60.21%	54.57%	47.51%
Municipal Obligations	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.17%		0.18%	0.29%	0.28%
Commercial Paper	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		2.62%	7.58%	14.36%
LGIPs	42.37%	44.01%	44.28%	42.92%		37.51%	32.07%	42.10%	11.99%		9.56%	22.13%	18.65%	12.98%		13.37%	11.58%	10.43%
Money Market	10.99%	13.03%	17.34%	16.16%		13.71%	2.68%	5.97%	3.98%		4.89%	1.24%	0.75%	0.12%		0.12%	0.10%	0.10%
Cash & Equivalents	4.45%	7.16%	7.05%	3.98%		3.97%	3.51%	3.49%	3.81%		3.61%	0.31%	0.03%	0.03%		0.04%	0.04%	0.04%

Weighted Average Yield

- The portfolio's weighted average yield has increased from 2.17% in the first quarter to 3.94% at the close of the third quarter.

- As the Federal Reserve continues to monitor inflation, our investment strategy will remain to lock longer term rates to allow the portfolio yield to remain elevated over a longer period of time.

WEIGHTED AVERAGE YIELD

	FY2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
1st Quarter	1.89%	1.87%	0.37%	0.19%	2.17%
2nd Quarter	2.24%	1.23%	0.32%	0.33%	3.36%
3rd Quarter	2.33%	0.78%	0.17%	0.77%	3.94%
4th Quarter	2.15%	0.49%	0.13%	1.86%	

■ 1st Quarter   ■ 2nd Quarter   ■ 3rd Quarter   ■ 4th Quarter

SUBJECT   **Quarterly Investment Report – 3ʳᵈ Quarter FY 2022-23**
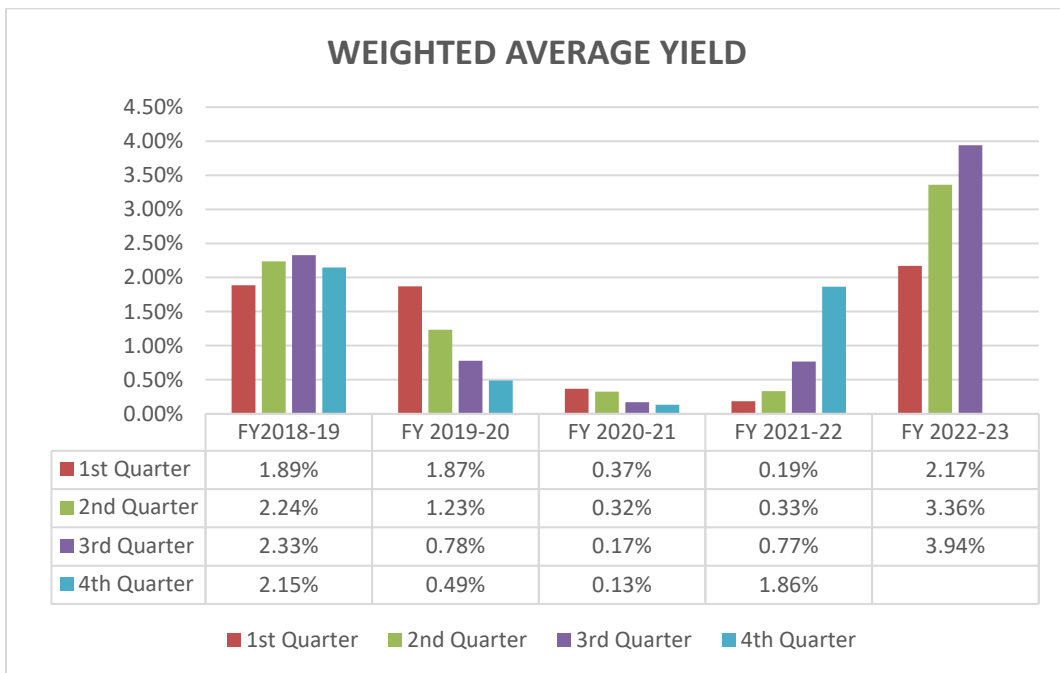
Weighted Average Maturity ("WAM")

- Weighted Average Maturity "(WAM") is the average time it takes for securities in a portfolio to mature, weighted in proportion to the dollar amount that is invested in the portfolio.

- The portfolio's Weighted Average Maturity is determined by cash flow demands, interest rate outlook and the overall size of the portfolio.

- The portfolio's WAM as of June 30, 2023 was 676 days as compared to 652 days a quarter prior.
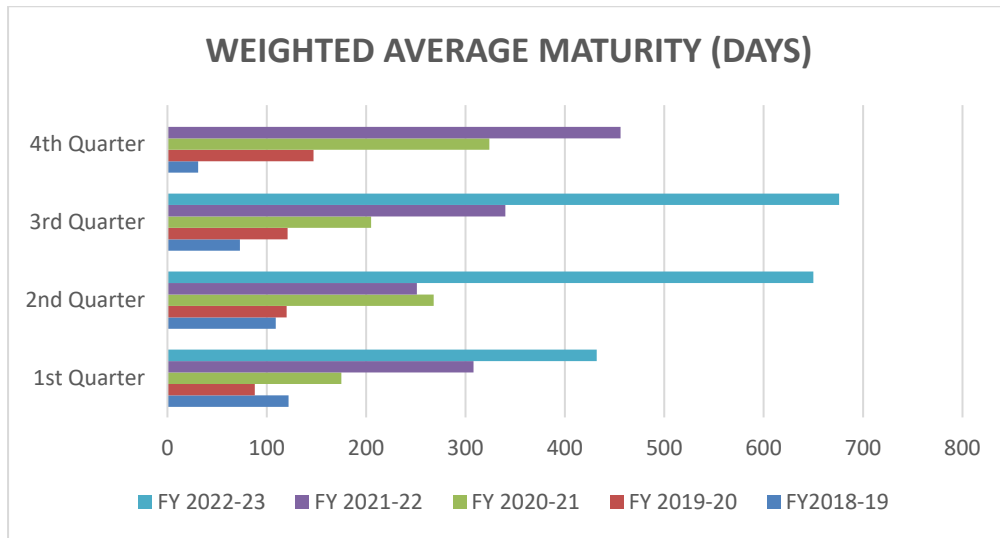
In addition to the performance of the portfolios, the Quarterly Investment Report includes an Executive Summary, an Economic Update including regional economic information, and Compliance Certification. You may access all published reports here.

If you have any questions, please contact Jenny Kerzman, Assistant Director of Treasury.

Jack Ireland
Chief Financial Officer

[Attachment]

c: Honorable Mayor and Members of the City Council   Jon Fortune, Deputy City Manager
      T.C. Broadnax, City Manager   Majed A. Al-Ghafry, Assistant City Manager
      Tammy L. Palomino, Interim City Attorney   M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
      Mark Swann, City Auditor   Robert Perez, Assistant City Manager
      Bilierae Johnson, City Secretary   Carl Simpson, Assistant City Manager
      Preston Robinson, Administrative Judge   Genesis D. Gavino, Chief of Staff to the City Manager
      Kimberly Bizor Tolbert, Deputy City Manager   Directors and Assistant Directors

Executive Summary

- The second quarter of 2023 saw interest rates move higher as solid economic data led markets to believe the Federal Reserve would not cut rates until 2024. The Federal Reserve met twice during the quarter, where they hiked rates by 0.25% in May but chose to not change rates in June. However, verbal guidance from Chairman Jerome Powell indicated that the June decision was not a pause and that more monetary tightening was needed to get inflation under control.

- During the second quarter, we continued moving the portfolio closer to our core targets. We continued to target a mix of new issue high-coupon non-callable agencies as well as treasury bonds. We also worked with our dealer network to create new agency bonds specifically for your portfolio that picked up yield over comparable securities and helped us match known debt payments in the future. We also continued to find opportunities to sell short securities and use the proceeds to buy commercial paper. The eight swaps we completed this quarter increased both the yield and expected income of the portfolio.

- In the coming quarter, the City should expect the same areas of focus: continued cash flow analysis to identify the amount to be invested in the City's core portfolio, evaluating opportunities to rebalance positions in the 0–1 year maturity range with security swaps to take advantage of the higher-yielding bonds, and extending the portfolio to our targets while matching known future debt payments.

Federal Reserve, Markets, and Economists Expecting Lower Federal Funds Rate in 2024

MEEDER

Legend: Median Dots — Median Forecast By Economist Surveyed — Fed Funds Futures
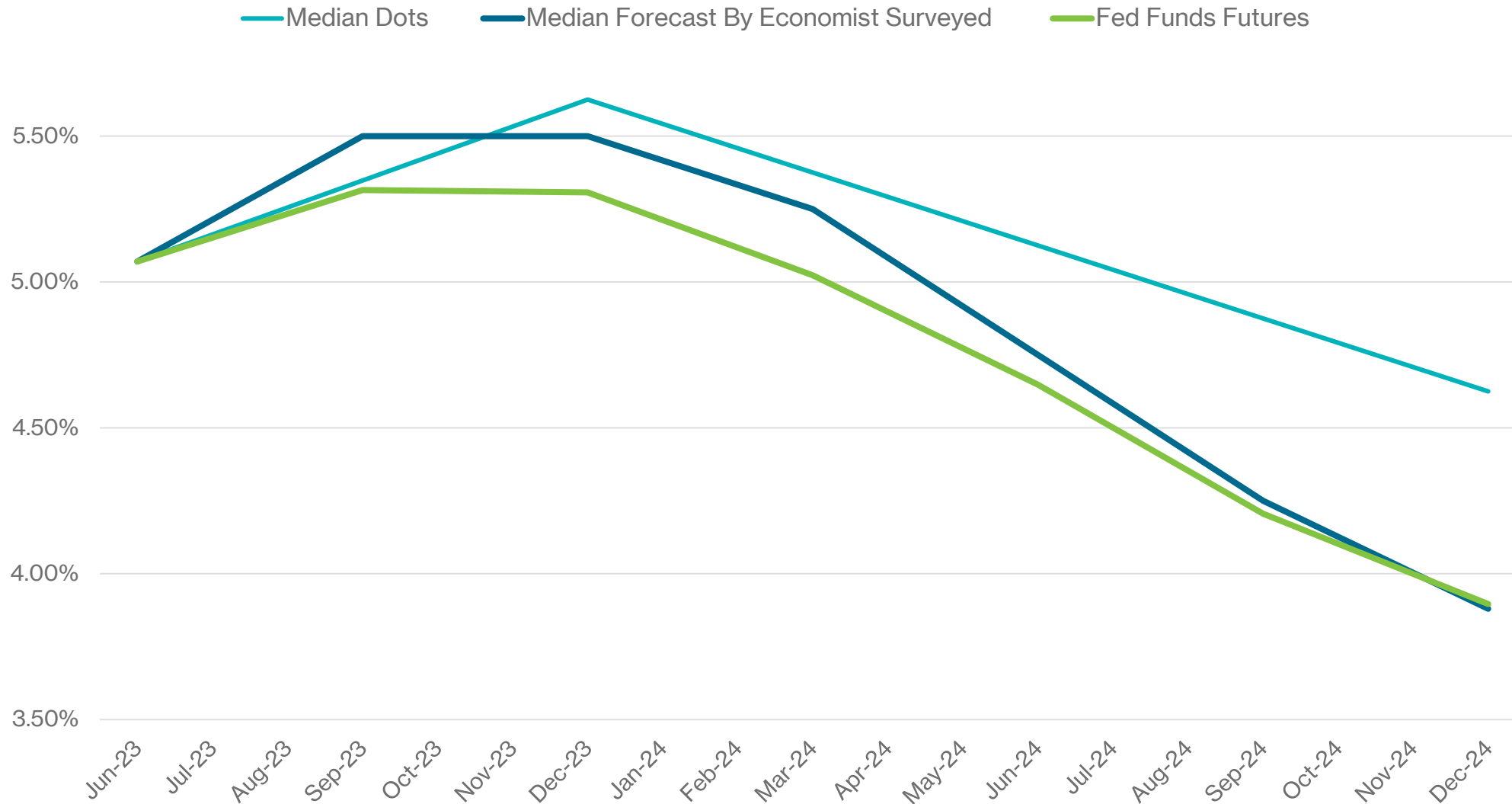
- Federal Reserve: Median Dots project 2 additional hikes.
- Market implied probabilities price in 1 additional hike.
- FOMC, Market pricing, and Economist expectations for rate cuts in 2024 and beyond.

The ISM Services Report Indicates Growth in Nearly Every Segment of the Sector is Slowing.

MEEDER

Legend: ISM Services PMI — New Orders — Business Prices — Employment

An index level above 50 indicates expansion and an index level below 50 indicates a decline in the non-manufacturing economy
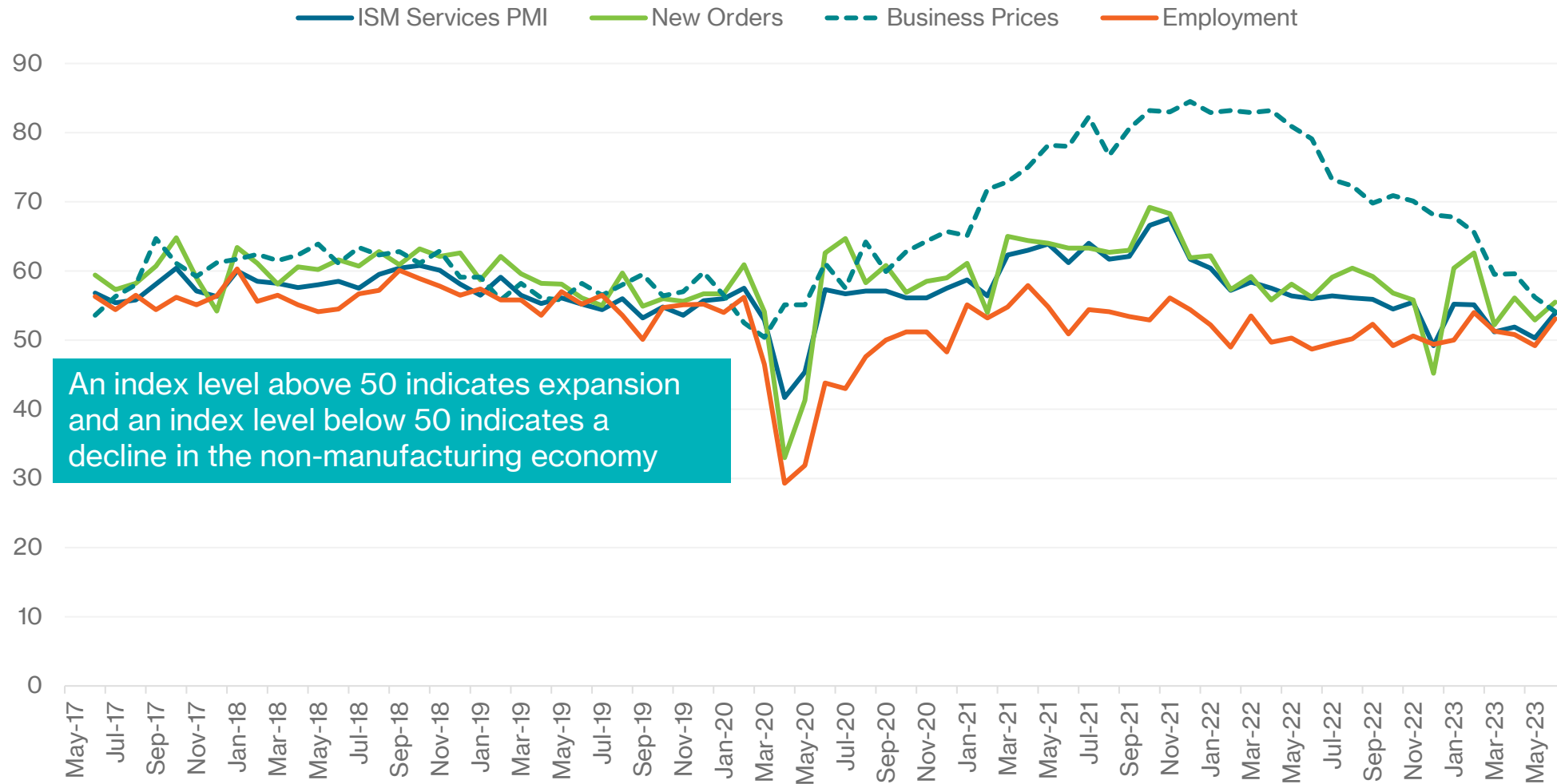
- Service sector has proven more resilient, but pace of growth is easing as ISM index hovers around 50.

- Employment component of survey has been bouncing between contractionary and non-contractionary levels.

- Continued success with inflation battle as the price component continues to fall significantly from peak in 2022.

SOURCE: BLOOMBERG, INSTITUTE OF SUPPLY CHAIN MANAGEMENT AS OF 06/30/2023

US Labor Market Continuing to Show Signs of Cooling

MEEDER

US Average Weekly Hours

US Initial Jobless Claims SA

Market Interest Rates Stop Rising and Fall Before Federal Rate Cuts Begin

MEEDER

— Federal Funds Target Rate - Upper Bound — Generic 2 Year Treasury — Generic 5 Year Treasury

1994: 5Y and 2Y Fell by 1.95% and 1.97%; 6 months before first Fed cut

2000: 5Y and 2Y Fell by 1.87% and 1.82% 7.5 months before first Fed cut

2007: 5Y and 2Y Fell by 0.63% and 0.87% 11 months before first Fed cut

2019: 5Y and 2Y Fell by 1.21% and 1.05% 9 months before first Fed cut

1998: 5Y and 2Y Fell by 1.42% and 1.31% 5 months before first Fed cut.

SOURCE: BLOOMBERG AS OF 06/30/2023

Regional Economic Information

MEEDER

Employment growth

Hourly wages dip

Month/month percent change, annualized

Legend: Dallas–Fort Worth, Texas

SOURCE: Bureau of Labor Statistics; Texas Workforce Commission; seasonal and other adjustments by the Dallas Fed.

Dollars per hour*

Labels: U.S., Dallas–Fort Worth, Texas
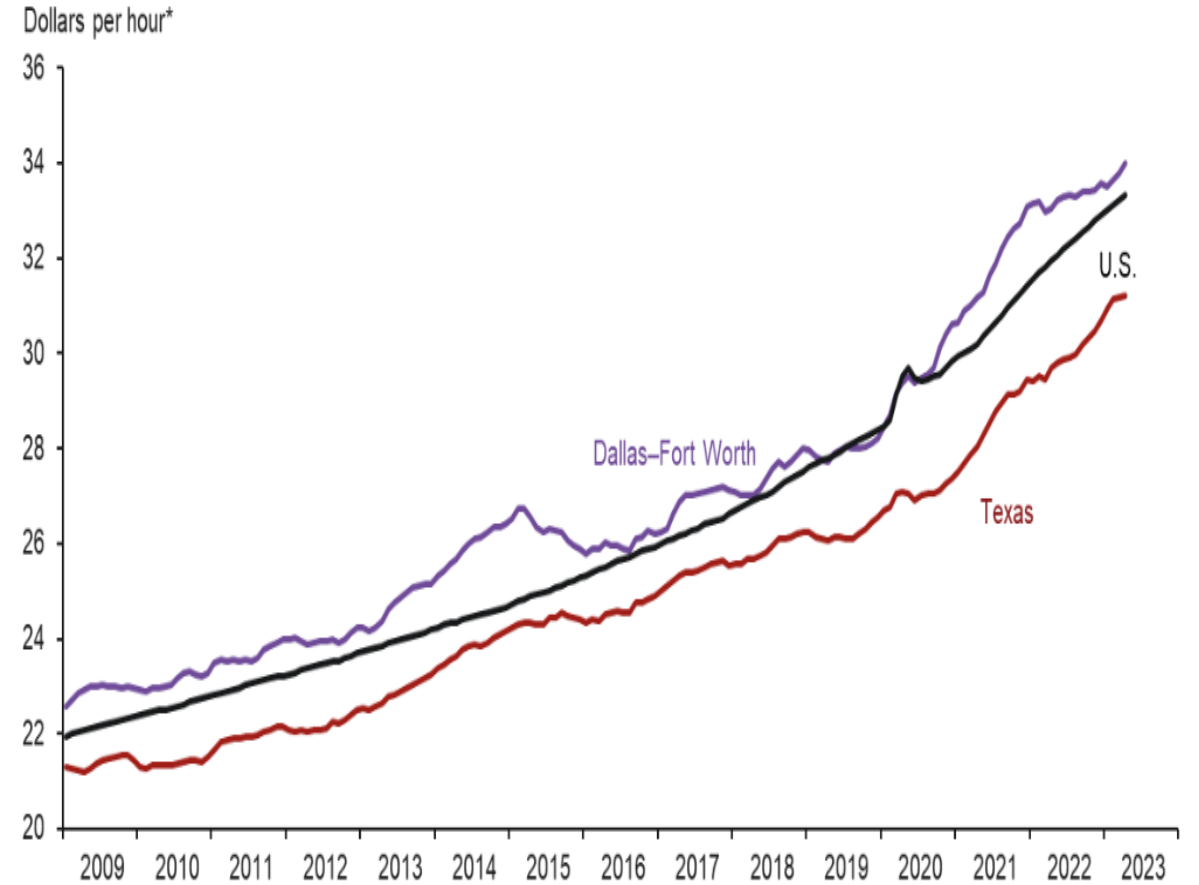
*Seasonally adjusted, three-month centered moving average.
SOURCE: Bureau of Labor Statistics; Texas Workforce Commission; adjustments by the Dallas Fed.

Regional Economic Information

MEEDER

Texas Consumer Price Index

Year-over-year percent change

Legend:
- Food
- Core CPI
- Headline CPI

Values at right end of chart: 8.9, 6.4, 4.7

X-axis: Jan-13, Oct-13, Jul-14, Apr-15, Jan-16, Oct-16, Jul-17, Apr-18, Jan-19, Oct-19, Jul-20, Apr-21, Jan-22, Oct-22
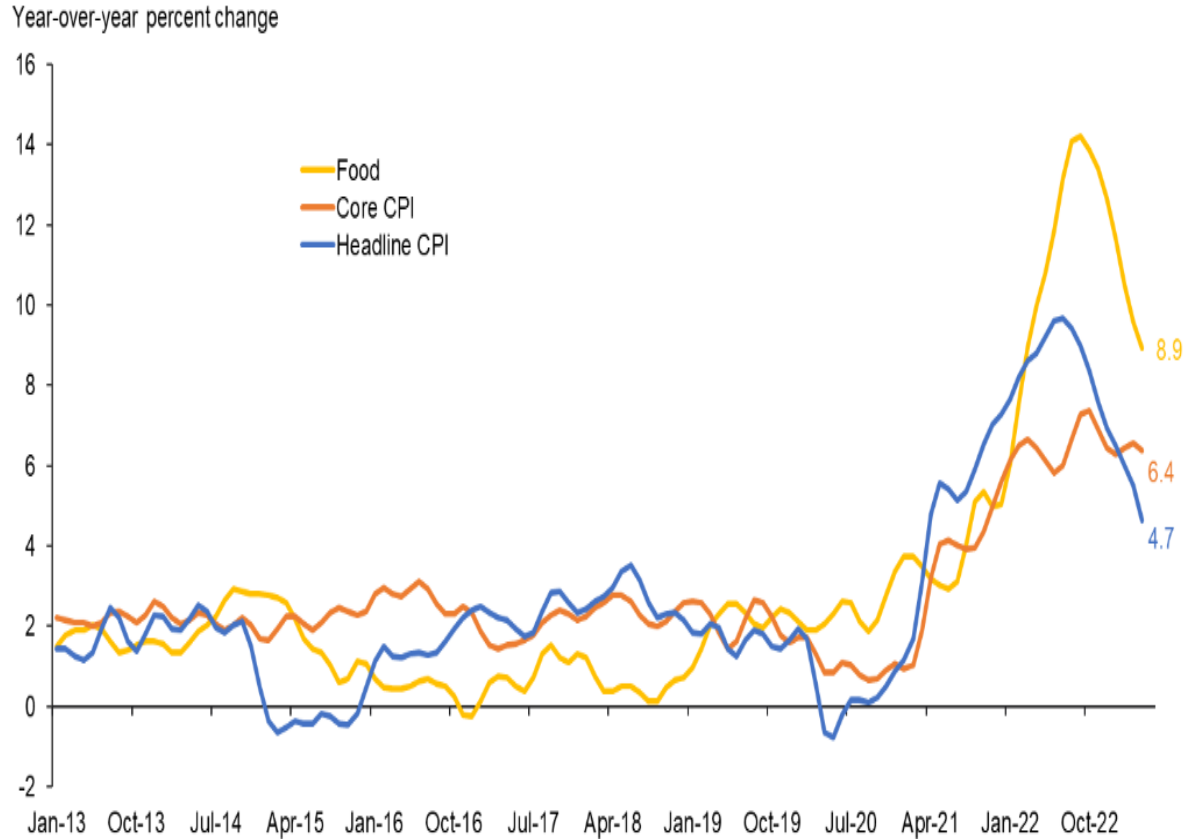
NOTE: Texas Consumer Price Index (CPI) data are through April 2023.
SOURCE: Bureau of Labor Statistics.

Existing-home sales

Index, January 2011 = 100

Labels: Dallas–Fort Worth, Texas, U.S.

X-axis: '11, '12, '13, '14, '15, '16, '17, '18, '19, '20, '21, '22, '23

SOURCE: Multiple Listing Service; Real Estate Center at Texas A&M University.

Portfolio Review

Quarterly Portfolio Summary – All Funds

MEEDER

This quarterly report is prepared in compliance with the Investment Policy and Strategy of the City of Dallas and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

Portfolio as of March 31, 2023		Portfolio as of June 30, 2023	
Beginning Book Value	$3,516,830,038	Ending Book Value	$3,669,347,823
Beginning Market Value	$3,488,074,267	Ending Market Value	$3,616,710,406
		Investment Income for the period	$32,397,392
Unrealized Gain/(Loss)	($28,755,770)	Unrealized Gain/(Loss)	($52,637,417)
		Change in Unrealized Gain/(Loss)	($23,881,646)
Weighted Average Maturity	634 days	Weighted Average Maturity	657 days
Weighted Average Yield	3.40%	Weighted Average Yield	3.97%

Portfolio Market Value by Fund	3/31/2023	6/30/2023	Change	Interest Earned
Operating Portfolio	$3,374,136,553.82	$3,502,772,692.59	$128,636,138.77	$31,055,983.82
Arts Endowment	$2,235,000.00	$2,235,000.00	$0.00	$27,972.41
DWU Commercial Paper Program	$13,960.15	$13,960.15	$0.00	$167.88
GO Commercial Paper Program	$20,688,753.36	$20,688,753.36	$0.00	$250,638.10
Ida Green Library Fund	$1,000,000.00	$1,000,000.00	$0.00	$9,648.49
Water Reserve	$90,000,000.00	$90,000,000.00	$0.00	$1,052,980.82
Total	**$3,488,074,267.33**	**$3,616,710,406.10**	**$128,636,138.77**	**$32,397,391.52**

Portfolio Summary – Investment Pool
As of 6/30/2023

MEEDER

Your Portfolio
Cash	$260,460,946
Securities Book Value	$3,294,949,163
Total Portfolio Book Value	$3,555,410,109

Your Securities
Weighted Average Maturity	1.85 years
Weighted Average Yield	3.94%

Your Asset Allocation

- US Government Agencies — 48%
- US Treasuries — 27%
- Municipal Obligations — 0.28%
- Local Government Investment Pools — 7%
- Money Market — 0.10%
- Commercial Paper — 14%
- BoA Cash — 0.03%
- TexasTERM — 3%

Your Maturity Distribution

Maturity	Amount	Percent
Overnight	260,460,946	7%
0-1 year	1,149,655,606	32%
1-2 years	694,147,843	20%
2-3 years	490,128,063	14%
3-4 years	465,753,608	13%
4-5 years	495,264,043	14%
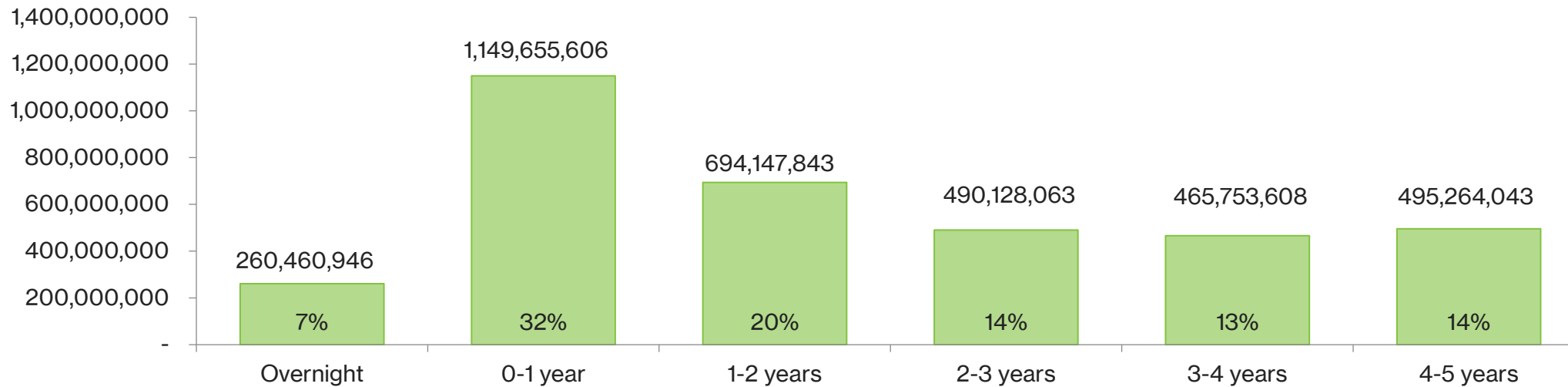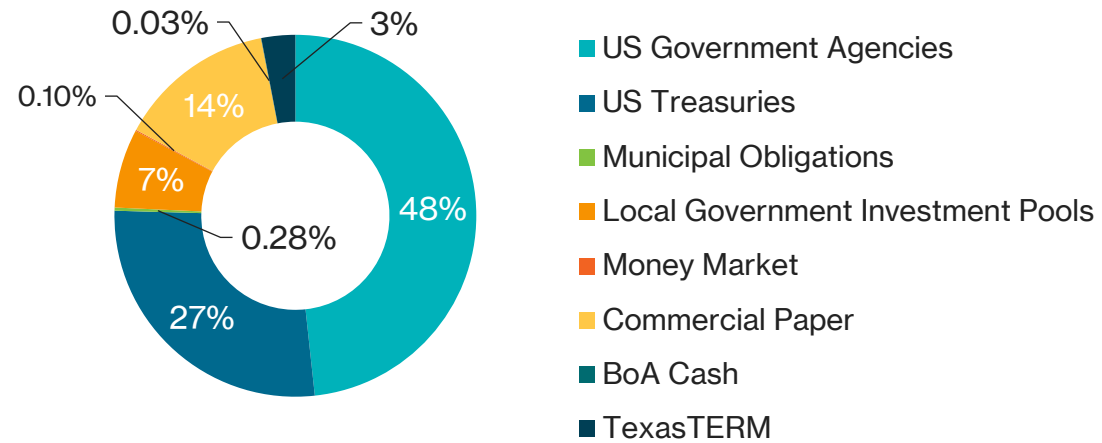
YIELD AND INTEREST INCOME INFORMATION IS ANNUALIZED. ALL YIELD INFORMATION IS SHOWN GROSS OF ANY ADVISORY AND CUSTODY FEES AND IS BASED ON YIELD TO MATURITY AT COST. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.

Asset Composition
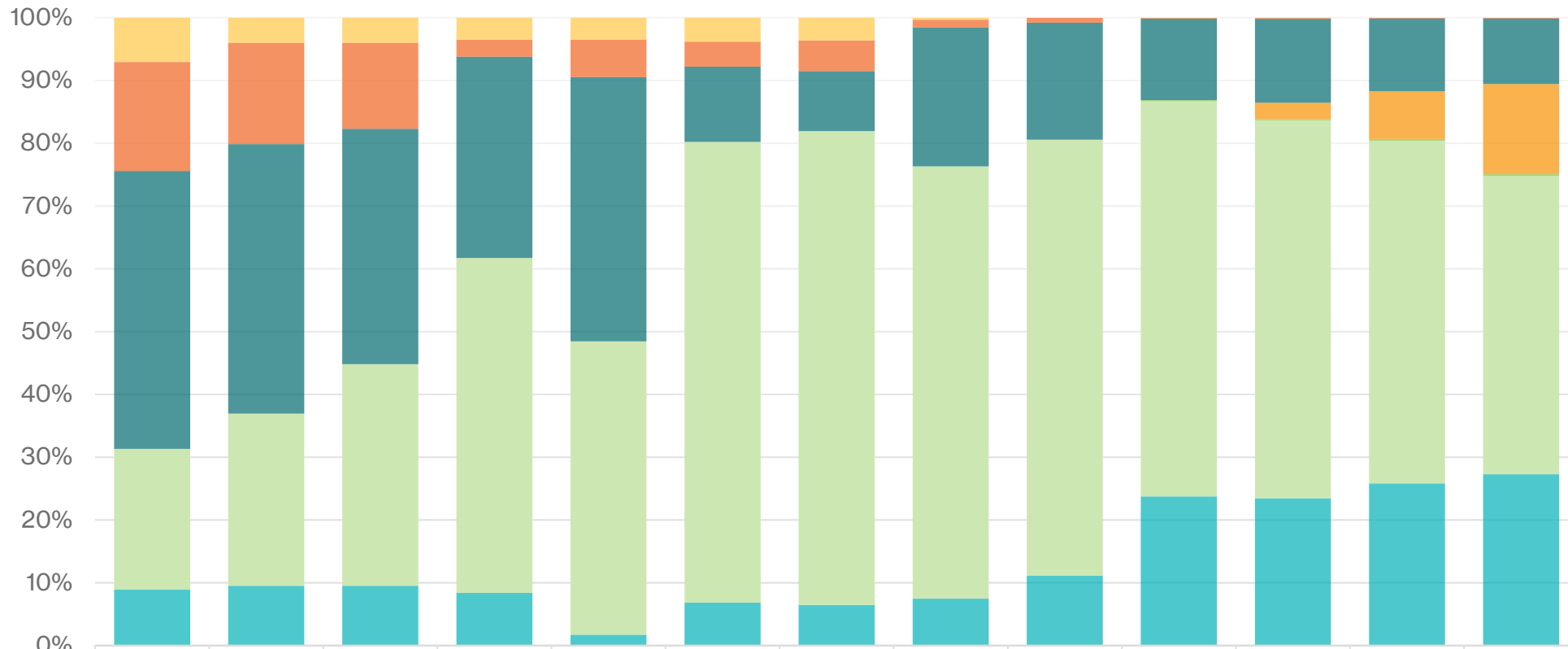
	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23
Cash & Equivalents	7.05%	3.98%	3.97%	3.51%	3.49%	3.81%	3.61%	0.31%	0.03%	0.03%	0.04%	0.03%	0.03%
Money Market	17.34%	16.16%	13.71%	2.68%	5.97%	3.98%	4.89%	1.24%	0.75%	0.12%	0.12%	0.10%	0.10%
LGIPs	44.28%	42.92%	37.51%	32.07%	42.10%	11.99%	9.56%	22.13%	18.65%	12.98%	13.37%	11.58%	10.43%
Commercial Paper	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.62%	7.58%	14.36%
Municipal Obligations	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.17%	0.18%	0.29%	0.28%
U.S. Government Agencies	22.43%	27.41%	35.30%	53.34%	46.70%	73.38%	75.46%	68.85%	69.42%	62.93%	60.21%	54.57%	47.51%
U.S. Treasury Securities	8.90%	9.53%	9.52%	8.40%	1.74%	6.84%	6.48%	7.47%	11.16%	23.77%	23.46%	25.84%	27.28%

Historical Balances – Book Value
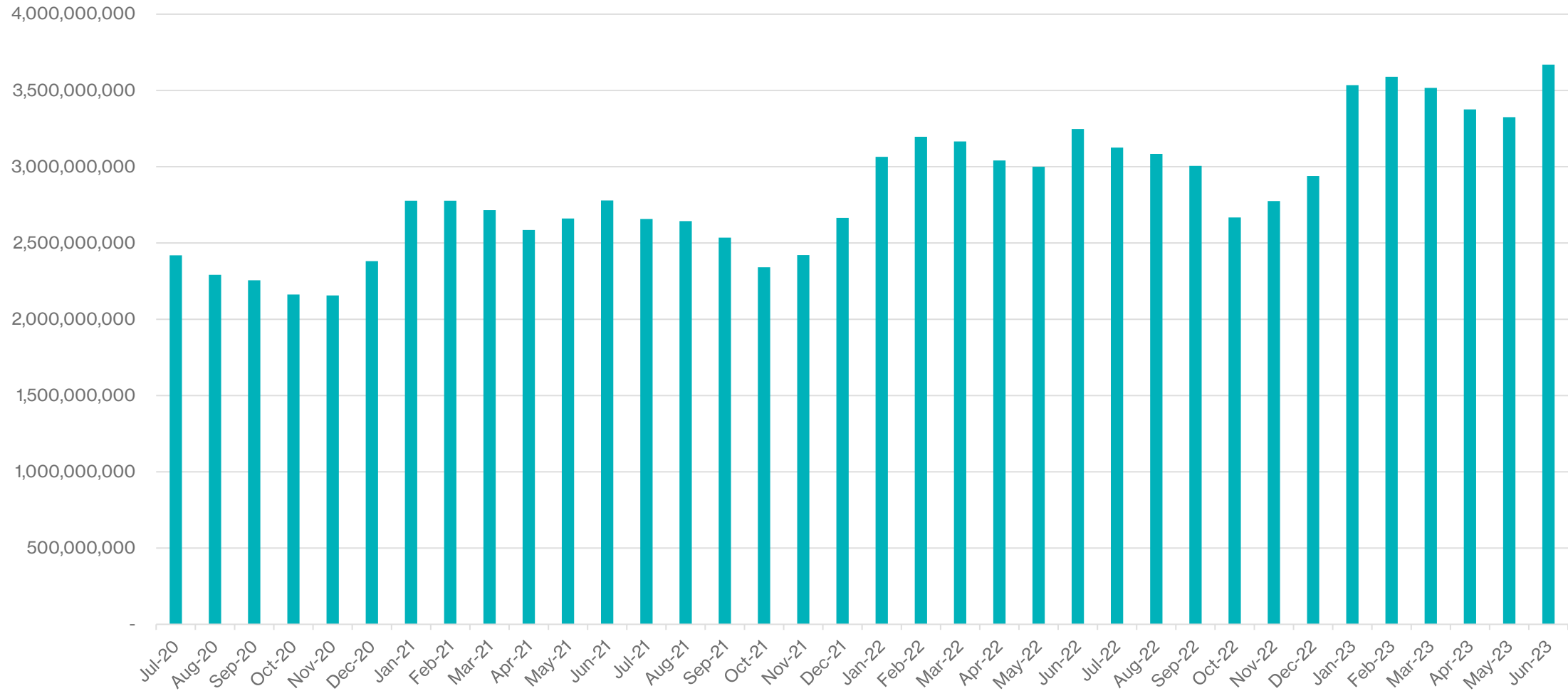
Maturity Distributions

Compliance Certification

MEEDER
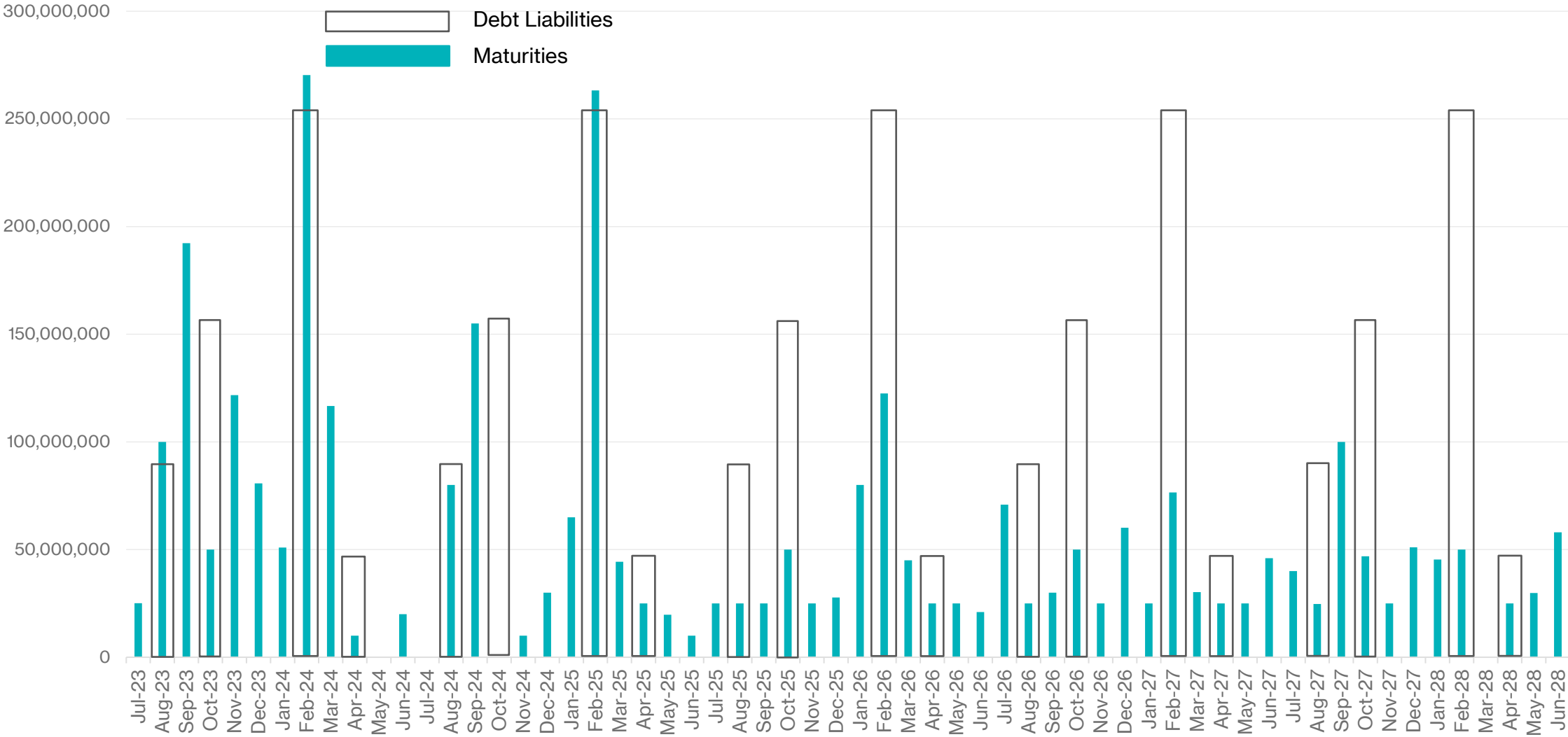
The undersigned have acknowledged that they have reviewed this quarterly investment report for the period ending June 30, 2023. The City officials designated as investment officers by the City's Investment Policy attest that all investments are in compliance with the Texas Public Funds Investment Act and the City's Investment Policy as adopted in Sec. 17.0 of the City's Investment Policy.

Jack Ireland
Chief Financial Officer

Sheri Kowalski
City Controller

Jenny Kerzman
Treasury Manager

Disclosures

MEEDER

PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.

Opinions and forecasts regarding markets, securities, products, portfolios or holdings are given as of the date provided and are subject to change at any time. No offer to sell, solicitation, or recommendation of any security or investment product is intended. Certain information and data has been supplied by unaffiliated third-parties as indicated. Although Meeder believes the information is reliable, it cannot warrant the accuracy, timeliness or suitability of the information or materials offered by third-parties.

Estimates and illustrations of expected yield for illustrated portfolios is hypothetical in nature, does not reflect actual investment results, and does not guarantee future returns. Hypothetical illustrations are offered to illustrate the yield expected from classes of securities and do not reflect actual securities available for investment. Estimates of current yield are generated from indexes and other information deemed by the adviser to provide a reliable estimate of the current yield available from investments in that asset class. Securities indices are unmanaged and investments cannot be made directly in an index. Yield assumptions were developed with the benefit of hindsight and the securities purchased for such an account may generate more or less than the illustrated yield.

Investment advisory services provided by Meeder Public Funds, Inc.

Meeder Public Funds

901 Mopac Expressway South

Building 1, Suite 300

Austin, TX 78746

866.633.3371

MEEDER

PUBLIC FUNDS

MeederInvestment.com

File #: 23-2341

Item #: G.

Office of the City Auditor Briefing and Internal Audit Reports Released Between June 2, 2023 and
September 8, 2023
[Office of the City Auditor]

Memorandum

CITY OF DALLAS

Attached for your review are three internal audit reports released between June 2, 2023, and September 8, 2023. The Executive Summaries and full reports are included in Attachment 1.

If you have any questions, please contact me at (214) 670-3222 or mark.swann@dallas.gov.

Sincerely,

Mark S. Swann
City Auditor

Attachment

C: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Bilierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizor Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager
Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis Gavino, Chief of Staff to the City Manager
Sheri Kowalski, City Controller
Directors and Assistant Directors
Jeffrey Brill, Manager – Financial Compliance, Auditing, & Monitoring

Reports Released

Executive Summary

Objective and Scope

The objectives of this audit were to evaluate whether the City Controller ensures that: (1) the population of the hotels/short-term rentals is complete for collections; and, (2) all payments from known hotels/short-term rentals are received and accurately recorded.

The audit scope included tax collections from November 1, 2019, through March 31, 2022.

Recommendations

Management should:

- Develop and implement written procedures that ensure checks for hotel occupancy tax payments are safeguarded.

- Ensure all delinquent letters are sent timely.

Background

The hotel occupancy tax rate for the City of Dallas (City) was 7 percent of the room rate charged within city limits during the audit period. The tax rate was increased to 9 percent on January 1, 2023, to support the expansion of the Kay Bailey Hutchinson Convention Center Dallas and improvements at Fair Park. The tax is collected by the hotels at the point of sale and forwarded to the City monthly. Hotel occupancy tax applies to both hotels and short-term rentals. The City Controller is responsible for collecting the hotel occupancy tax.

The actual revenues of fiscal year 2020 and 2021 were significantly less than those of fiscal year 2019 and 2022 due to the onset of COVID-19 in March 2020. In Fiscal Year 2022, the City's Hotel Occupancy Tax revenue from hotels and short-term rentals was $67.6M and $2.8M, respectively. As of March 9, 2023, the City Controller's hotel occupancy tax list consisted of 270 hotels and 1,748 short-term rentals.

Observed Conditions

The City Controller's list of hotels that must pay hotel occupancy tax is complete and accurate. The City Controller has a list of short-term rentals that must pay hotel occupancy tax. However, the number of active short-term rentals is fluid, making it difficult for the City Controller to maintain a complete, accurate, and up-to-date list.

The hotel occupancy tax payments received are accurately recorded. However, there are opportunities for improvement in the collections process of the payments.

Executive Summary

Objective and Scope

The objective of the Agreed-Upon Procedures attestation engagement is solely to assist the City of Dallas City Council in evaluating the Dallas County Election Department Final Invoice Cost for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election.

The City Secretary requested this attestation in accordance with Sections 17(b), (d), and (f) of the Election Services Contract between the City of Dallas and Dallas County.

Background

On February 24, 2021, the City of Dallas and other jurisdictions entered a contract with the Dallas County Elections Administrator for election services in accordance with Subchapter D of Chapter 31 of the *Texas Election Code* to hold an election on May 1, 2021, in accordance with Chapter 271 of the *Texas Election Code.*

The contract provided the Dallas County Elections Administrator to perform or supervise the performance of any or all the corresponding duties and functions in connection with a county-wide election.

The March 2, 2022, final invoice for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election had a net balance of $178,300.07. Due to concerns about election sites opening late, some City Council members sought to dispute paying the final invoice. The City Secretary elected to dispute the final invoice using a provision in the contract allowing for a dispute if an invoice exceeded 10 percent of the initial deposit. The final invoice met this requirement.

After fieldwork, on June 8, 2023, the Dallas County Elections Department provided a response to the City Secretary in regard to the dispute. This resulted in the amount $3,105.13 credited to the City of Dallas. The response is included in Appendix 1 of the report.

Observed Conditions

Auditors performed four of the five Agreed-Upon Procedures and identified exceptions to Agreed-Upon Procedure (d). Agreed-Upon Procedure (e) was not performed. See Attachment 1 for the full list of procedures and identified exceptions.

3

Executive Summary

Objective and Scope

The objective of this audit was to determine whether the City of Dallas has effective processes to ensure reasonable proposed budget revenues are included in the City Manager's *Fiscal Year 2023-24 Proposed Annual Budget.*

The scope of the audit was the major revenue sources included in the *Fiscal Year 2023-24 Proposed Annual Budget* and the associated supporting documentation.

Recommendations

There are no audit recommendations associated with this report.

Background

The City Council approved the *Fiscal Year 2023 Audit Work Plan* which prescribed the City Auditor to review and verify the reasonableness of the proposed budget revenues included in the City Manager's *Fiscal Year 2023-24 Proposed Annual Budget.*

Observed Conditions

The City of Dallas has effective processes to ensure reasonable proposed budget revenues are included in the *Fiscal Year 2023-24 Proposed Annual Budget.* Further, the revenue forecast methodologies and material assumptions used in developing the proposed budget revenues are reasonable and adequately supported.

Audit of Hotel Occupancy Tax

June 30, 2023

Mark S. Swann, City Auditor

Mayor	Council Members	
Eric Johnson	Adam Bazaldua	Jaime Resendez
Mayor Pro Tem	Paula Blackmon	Paul E. Ridley
Tennell Adkins	Zarin D. Gracey	Jaynie Schultz
Deputy Mayor Pro Tem	Cara Mendelsohn	Kathy Stewart
Carolyn King Arnold	Jesse Moreno	Chad West
	Omar Narvaez	Gay Donnell Willis

City of Dallas

Table of Contents

Executive Summary

Objective and Scope

The objectives of this audit were to evaluate whether the City Controller ensures that: (1) the population of the hotels/short-term rentals is complete for collections; and, (2) all payments from known hotels/short-term rentals are received and accurately recorded.

The audit scope included tax collections from November 1, 2019, through March 31, 2022.

Recommendations

Management should:

- Develop and implement written procedures that ensure checks for hotel occupancy tax payments are safeguarded.

- Ensure all delinquent letters are sent timely.

Background

The hotel occupancy tax rate for the City of Dallas (City) was 7 percent of the room rate charged within city limits during the audit period. The tax rate was increased to 9 percent on January 1, 2023, to support the expansion of the Kay Bailey Hutchinson Convention Center Dallas and improvements at Fair Park. The tax is collected by the hotels at the point of sale and forwarded to the City monthly. Hotel occupancy tax applies to both hotels and short-term rentals. The City Controller is responsible for collecting the hotel occupancy tax.

The actual revenues of fiscal year 2020 and 2021 were significantly less than those of fiscal year 2019 and 2022 due to the onset of COVID-19 in March 2020. In Fiscal Year 2022, the City's Hotel Occupancy Tax revenue from hotels and short-term rentals was $67.6M and $2.8M, respectively. As of March 9, 2023, the City Controller's hotel occupancy tax list consisted of 270 hotels and 1,748 short-term rentals.

Observed Conditions

The City Controller's list of hotels that must pay hotel occupancy tax is complete and accurate. The City Controller has a list of short-term rentals that must pay hotel occupancy tax. However, the number of active short-term rentals is fluid, making it difficult for the City Controller to maintain a complete, accurate, and up-to-date list.

The hotel occupancy tax payments received are accurately recorded. However, there are opportunities for improvement in the collections process of the payments.

Objectives and Conclusions

1. Is the City Controller's list of hotels that have to pay hotel occupancy tax complete and accurate?

    Yes. The City Controller's list of hotels is complete and accurate. According to the City Controller, as of March 9, 2023, the list consisted of 270 hotels. The City Controller follows written procedures to ensure that the list remains complete and accurate.

2. Is the City Controller's list of short-term rentals that have to pay hotel occupancy tax complete and accurate?

    Generally, no. According to City Controller, as of March 9, 2023, the City Controller's list of short-term rentals included 1,748 entries. The City Controller has a contract with GovOS to detect newly active short-term rentals by researching online advertisements. The number of newly active short-term rentals identified by the City Controller ranged from 41 to 411 a month during the audit period. However, the number of active short-term rentals is fluid, making it difficult for the City Controller to maintain a complete, accurate, and up-to-date list. (See Emerging Risk).

3. Are hotel occupancy tax payments received during the audit period accurately recorded?

    Yes. The City Controller accurately recorded hotel occupancy tax payments in the City's AMS Advantage 3 accounting system during the audit period.

4. Did the City Controller collect all the hotel occupancy tax owed to the City from hotels and short-term rentals on the City Controller's list?

    Generally, yes. The City Controller follows written procedures to ensure the collection of all hotel occupancy tax owed to the City. However, there are opportunities for improvement in the following areas:

    -    Safeguarding payments made by check. (See Observation A).

    -    Delinquent account notifications. (See Observation B)

Audit Results

Both *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 audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A: Logs for Hotel Occupancy Tax Checks

Hotels and short-term rentals pay the hotel occupancy tax using GovOS online payment system or by mailing a check to Dallas Water Utilities' Division of Special Collections. Though payments are primarily made online, in March 2022, hotel occupancy tax payments made by check amounted to $277,396, or 5.3 percent, of total payments. (See Exhibit 1 below).

Exhibit 1:

Manual (Check) and Online Hotel Occupancy Tax Payments in March 2022

	By Check	Percent of Total	Online	Percent of Total	Total
Number of Payments	21	2.6%	779	97.4%	800
Amount of Payments	$277,396	5.3%	$4,986,339	94.7%	$5,263,735

Source: City Controller

Special Collections does not record the receipt of the checks. Instead, the City Controller's staff pick up the checks from Special Collections; open the envelopes; retrieve the checks; post the amounts to the senders' accounts; and then bring the checks back to Special Collections. Once checks are returned, Special Collections records the checks in a log, and then deposits the checks. There is an increased risk that theft or loss of checks will not be prevented or detected.

Hotel occupancy tax payment checks mailed to the City may not be secure because two City departments have custody of the payment checks without recording them when received. Therefore, the City Controller cannot reliably reconcile the deposits against the checks received by Special Collections.

Criteria

❖ Standards for Internal Control in the Federal Government, *Principle 10.01 – Design Control Activities*

❖ Administrative Directive 4-09, Internal Control, *Section 5.1.3.1 – Control Activities*

❖ Administrative Directive 4-20, *Cash Handling and Cash Receipts*

Assessed Risk Rating:

Moderate

We recommend the **City Controller:**

A.1: Develop and implement written procedures that would ensure that hotel occupancy tax payment checks are safeguarded.

Observation B: Delinquent Account Notifications

The City Controller did not notify some delinquent accounts as described in their written procedures. Their written procedures note when a delinquent hotel occupancy tax is determined, the City Controller works with GovOS to send follow-up letters via e-mail to hotels/short-term rental owners.

However, follow-up letters were not sent on the first scheduled date for delinquent notices for three of the judgmental sample of 35 hotels (or 8.6 percent) selected for review. For the first account, a follow-up delinquent notice was not sent on the first scheduled date for delinquent notices (September 2020) but was sent in October 2020. The taxpayer paid the balance due on October 20, 2020. For the other two accounts, the notices were not sent on the first scheduled date (March 2021); however, the taxpayers paid the balances due before the second notices were scheduled to be sent in April 2021. If follow-up letters are not sent on time, the City may not maximize its hotel occupancy tax revenue.

The City Controller relies on GovOS to send follow-up letters to delinquent accounts but did not monitor GovOS to confirm all delinquent letters were sent promptly.

Criteria

❖ Standards for Internal Control in the Federal Government, *Principle 16.01 – Perform Monitoring Activities*

❖ City of Dallas Hotel Occupancy Tax Policies and Procedures, *Collection Process for Delinquent Taxes.*

Assessed Risk Rating:

Low

We recommend the **City Controller:**

B.1: Develop and implement written procedures that ensure monitoring of GovOS to confirm all delinquent letters are sent timely.

Emerging Risk:[1] Completeness and Accuracy of City Controller's Office's List of Short-Term Rentals

During the audit period, there was no legal requirement for short-term rental owners to register their property with the City, although they were legally required to report and remit their hotel occupancy tax to the City. Short-term rental owners can list and remove their properties on online platforms, such as Airbnb, at any time without the City's knowledge. The online listings do not include the short-term rental address, which further complicates detection. Therefore, it is difficult for the City Controller to maintain a complete, accurate, and up-to-date list of active short-term rentals required to pay hotel occupancy tax. As a result, the City could not maximize its hotel occupancy tax revenue.

The City of Dallas has a contract with GovOS, formerly known as MUNIRevs (see Background on page 7), to identify active short-term rentals that may owe hotel occupancy tax to the City. As of March 9, 2023, the City Controller's list of short-term rentals included 1,748 entries. The number of newly active short-term rentals identified by the City Controller ranged from 41 to 411 a month during the audit period.

During the June 14, 2023, City Council Agenda meeting the *Dallas City Code* was amended to add a new Chapter 42B *"Short-Term Rentals,"* which requires all short-term rental owners and hosts to:

- Register annually through an application.

- Pay the annual registration fee.

- Allow initial inspection of property upon application and for renewal.

- Include rental registration number in public listings and advertisements.

The same chapter would require hosting platforms to:

- Register with the City of Dallas.

- Not collect fees for facilitating transactions of unregistered properties.

- Provide a monthly report of active listings within the City of Dallas.

---

[1] An emerging risk could impact the internal controls, effectiveness, and efficiency of activities performed by City Controller or other City departments.

Appendix A: Background and Methodology

Background

The City's hotel occupancy tax rate was 7 percent of the room rate charged within Dallas city limits during the audit period. The tax rate was increased to 9 percent on January 1, 2023, to support the expansion of the Kay Bailey Hutchinson Convention Center Dallas and improvements at Fair Park. The tax is collected by the hotel at the point of sale and forwarded to the City on the 15th day of the month following each month in which the tax is earned. The City Controller is responsible for collecting and distributing the hotel occupancy tax.

Hotel occupancy tax revenue is the largest revenue source for the Kay Bailey Hutchison Convention Center. Of the percentage the City receives, 67.4 percent supports operations and capital improvements at the Kay Bailey Hutchison Convention Center as required by *Dallas City Code*. The Fiscal Year 2023 budget shows that 25.1 percent will be distributed to VisitDallas to market and promote Dallas as a convention and tourist destination, and 7.5 percent will be distributed as a reimbursement to the Office of Arts and Culture to encourage, promote, and improve the arts.

On April 22, 2019, the City entered into a 60-month contract with MUNIRevs for $591,000. In August 2021, MUNIRevs was acquired by GovOS. GovsOS provides an online system to process registration and payments from hotels and short-term rentals. In addition, GovOS assists the City in detecting newly active short-term rentals by researching the advertisements online, which has been contributing to the increased number of short-term rentals on the City Controller's list (see Exhibit 2).

Exhibit 2:

Hotel and Short-Term Rental Counts by Fiscal Year

	2019	2020	2021	2022	As of March 9, 2023
Hotels	274	269	266	271	270
Short-Term Rentals	73	650	917	1,457	1,748
Total:	**347**	**919**	**1,183**	**1,728**	**2,018**

Source: City Controller

Definitions of Hotel and Short-Term Rental

During the audit period, the City of Dallas used hotel and short-term rental definitions from *Texas Tax Code*, according to which a hotel means any building in which members of the public obtain sleeping accommodations for consideration. The term includes a hotel, motel, short-term rental, tourist home, tourist house, tourist court, lodging house, inn, rooming house, or bed and breakfast. A short-term rental means the rental of all or part of a residential property for 30 days

or less. This includes homes or other units, such as a garage apartment or backyard cottage, listed for rent on platform websites such as Airbnb.

The City Controller handles the discovery and maintenance of a list of major hotels and motels (non-short-term rentals) by performing periodic reviews of the Certificates of Occupancy issued to hotels by the City's Development Services Department. The City Controller works with GovOS to discover and maintain a list of short-term rentals due to their fluid nature.

The City's Hotel Occupancy Tax Revenue

Hotel occupancy tax revenue declined sharply in Fiscal Year 2020 due to the onset of COVID-19 in March 2020. The hotel occupancy tax revenue recovered significantly in Fiscal Year 2022 (see Exhibit 3).

Exhibit 3:

Hotel Occupancy Tax Revenue by Fiscal Year

	2019	2020	2021	2022	As of January 31, 2023
Hotels	$67,173,320	$40,508,629	$38,740,719	$67,559,259	$28,353,439
Short-Term Rentals	662,652	1,093,371	1,675,144	2,806,230	1,179,556
Total:	**$67,835,972**	**$41,602,000**	**$40,415,863**	**$70,365,489**	**$29,532,995**

Source: City Controller

Hotel Occupancy Tax Exemption Rules

According to the *Dallas City Code*, certain guests are exempt from paying hotel occupancy tax. There are two types of exemptions: permanent and certificate.

A "*permanent exemption*" is granted to guests who have the right to use or possess a room in a hotel for at least 30 consecutive days, so long as there is no interruption of payment for the period. The guest must notify the hotel of their intent to stay at least 30 consecutive days by providing a letter of intent.

A "*certificate exemption*" is granted to guests affiliated with certain entities who have an official Texas Hotel Occupancy Tax Exemption Certificate (*Form 12-302*) from the State of Texas Comptroller of Public Accounts.

The hotel is responsible for ensuring that granted exemptions comply with the *Dallas City Code*. If the hotel mistakenly allows an ineligible exemption, the hotel is responsible for paying the City's applicable taxes (plus penalties and interest).

Tourism Public Improvement District

In addition to the Hotel Occupancy Tax, hotel guests in several Tourism Public Improvement Districts throughout Dallas pay an additional two percent assessment to the Dallas Tourism Public Improvement District Corporation. The Corporation provides incentives and marketing to bring more conventions, meetings, and visitors to Dallas. While, in general, the same rules that

apply to the hotel occupancy tax apply to the Dallas Tourism Public Improvement District Corporation assessment fee, it is an assessment that is separate from the hotel occupancy tax and is utilized for different purposes. As such, the Dallas Tourism Public Improvement District Corporation was outside of the audit scope.

City Controller's Hotel and Short-Term Rental Audits

To detect underpayment of hotel occupancy tax, the City Controller performs audits of hotels and short-term rentals. The City Controller's audit procedures state that hotels/short-term rentals may be selected for audit based on several reasons:

- Request for certificate of no tax due
- Request for a refund
- Failure to report
- Rotation basis
- Change of ownership or management
- Hotel closure
- Suspicion of fraud

In addition, the City Controller's Office performs periodic reviews to identify major hotels in the City that are not reporting hotel occupancy taxes. This review includes leveraging data collected by the state, including the hotels' monthly room receipts. The City Controller's Office compares this data to its hotel registration list to identify discrepancies. In addition, the City Controller's Office compares a listing of certificates of occupancy issued by the City to hotels to its hotel list to identity hotels that are not remitting hotel occupancy taxes.

In 2019, during a review of certificates of occupancy, the City Controller's Office identified a major hotel that had been operating in the City since October 2017 but had not paid hotel occupancy taxes. During the audit of this major hotel, the City Controller's Office discovered the proprietors owned a second major hotel operating in the City since 2009 which had also failed to pay hotel occupancy taxes. The City Controller's Office worked with the hotels to ensure they paid the tax, and completed audits of both hotels in 2019, which resulted in hotel occupancy tax assessments and collections totaling $2,913,791.

The City Controller's Office's hotel and short-term rental audits have been effective in identifying and recovering, with the assistance of the City Attorney's Office, unpaid hotel occupancy tax assessments with the largest assessment in the amount of $3,135,916 in fiscal year 2019 (see Exhibit 4 on the next page).

Exhibit 4:

Hotel Occupancy Audit Recovery Amount by Fiscal Year

	2019	2020	2021	2022
Assessed Amount	$3,135,916	$26,833	$117,131	$587,084
Collected Amount	3,135,916	26,833	117,067	586,099
Outstanding Amount	**$0**	**$0**	**$64**	**$985**

Source: City Controller

Methodology

The audit methodology included: (1) interviewing personnel from the City Controller's Office and other city departments; (2) reviewing policies and procedures, the *Texas Tax Code,* applicable Administrative Directives, *Dallas City Code*, and Dallas City Council briefings; and (3) performing various analyses, including reviewing best practices. In addition, all five components of *Standards for Internal Control in the Federal Government* were considered.

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

Shino Knowles, CPA – In-Charge Auditor
Anatoli Douditski, MPA, CIA, CFE, ACDA – Engagement Manager

Appendix B: Management's Response

Memorandum

CITY OF DALLAS

DATE: June 22, 2023

TO: Mark S. Swann – City Auditor

SUBJECT: Response to Audit of Hotel Occupancy Tax Collections

This letter acknowledges the City Manager's Office received the *Audit of Hotel Occupancy Tax Collections* and submitted responses in consultation with the City Controller's Office (CCO).

The City Controller's Office (CCO) continually improves the Hotel Occupancy Tax collection processes. The City has a comprehensive process for identifying venues subject to hotel occupancy tax and ensuring complete and accurate tax collections. In 2022, the City's Hotel Occupancy Tax revenue totalled in excess of $70,000,000, which in turn is invested in further developing the City as a premier travel and visitor destination.

The City believes its existing processes and controls are commensurate with the risks. However, the City has or will take additional steps to further mitigate the risks identified by the auditor.

For recommendation A.1., CCO has a common and effective compensating control to mitigate the risk of a lost or stolen check. GovOS sends weekly automated notifications to hotels and short-term rentals, alerting the taxpayer if a tax return is delinquent. If a taxpayer informs CCO that they filed the HOT return and paid the tax yet received a delinquency notice, CCO will initiate an investigation to resolve the matter. Further, with checks typically accounting for less than 3% of HOT payments, CCO believes the compensating control is a cost-effective control that adequately addresses the risks identified by the auditor.

In addition, CCO will enhance existing written procedures by changing the payment address on the tax return and instructions, so that taxpayers remit payments directly to CCO for processing, rather than DWU – Special Collections. CCO is confident the existing compensating control and further enhancements to the process will adequately safeguard HOT payment checks.

For recommendation B.1, CCO implemented an automated delinquent notification process in April 2022, shortly after the audit's scope period, to ensure delinquency notices are sent timely. Further enhancements to this process were completed in September 2022.

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

Response to Audit of Hotel Occupancy Tax Collections
June 22, 2023
Page 2 of 2

Further, CCO will continue to periodically review its policies and procedures, and revise the process to respond to changes, including best practices that add value to the HOT collections process.

Sincerely,

tc broadnax (Jun 25, 2023 20:46 CDT)

T.C. Broadnax
City Manager

C: Genesis D. Gavino, Chief of Staff
    Jack Ireland, Chief Financial Officer
    Sheri Kowalski, City Controller

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

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
Moderate	We recommend the **City Controller:**				
	A.1: Develop and implement written procedures that would ensure that hotel occupancy tax payment checks are safeguarded.	**Agree**	CCO is confident existing controls adequately mitigate the risks identified by the auditor. The City has a common and effective compensating control to mitigate the risk of a lost or stolen check.

GovOS sends weekly automated notifications to hotels and short-term rentals, informing the taxpayer if a tax return is delinquent. If a taxpayer informs CCO that they filed the HOT return and paid the tax yet received a delinquency notice, CCO will initiate an investigation to resolve the matter. Further, with checks typically accounting for less than 3% of HOT payments, CCO believes the compensating control is a cost-effective control that adequately addresses the risks identified by the auditor.

However, CCO will enhance existing written procedures by changing the payment address on the tax return and instructions, so that taxpayers remit payments directly to CCO for processing, rather than DWU – Special Collections. CCO is confident the existing compensating control and further enhancements to the process will adequately safeguard HOT payment checks. | 9/30/2023 | 3/31/2024 |

Assessed Risk Rating	Recommendations	Concurrence and Action Plans		Implementation Date	Follow-Up/ Maturity Date
Low	We recommend the **City Controller:**				
	B.1: Develop and implement written procedures that ensure monitoring of GovOS to confirm all delinquent letters are sent timely.	**Agree**	During 2019, the City contracted with GovOS, formerly MUNIRevs to implement software that allows online filing and payment of HOT returns. At the beginning of the contract, GovOS had a manual process in place to email monthly notices for the delinquent accounts. In April 2022, GovOS automated the email process to send the delinquent account notices every Tuesday. The City's HOT team has thoroughly tested the automated email process and is confident the process is working as designed. The automated process only sends delinquent notifications for accounts up to six months in arrears. In September 2022, the City Controller's Office worked with GovOS to implement a monthly manual email notification process for delinquent accounts greater than six months old.	9/30/2023	9/30/2023

Memorandum

CITY OF DALLAS

DATE: July 12, 2023

TO: Bilierae Johnson, City Secretary

SUBJECT: Independent Report on Agreed-Upon Procedures for: Attestation Engagement for the Dallas County Election Department Final Invoice Cost for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election

Attached for your review is the *Independent Report on Agreed-Upon Procedures for: Attestation Engagement for the Dallas County Election Department Final Invoice Cost for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election.* The Agreed-Upon Procedures are included in Attachment 1. Exceptions were noted for Agreed-Upon Procedure (d), and Agreed-Upon Procedure (e) was not performed.

We have performed these procedures which were agreed to by the City Secretary, solely to assist the City of Dallas City Council in evaluating the Dallas County Election Department Final Invoice Cost for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election.

The agreed-upon procedures were conducted in accordance with the United States generally accepted government auditing standards.

If you have any questions, please contact me at 615-974-8700 or by email at mark.swann@dallas.gov.

Sincerely,

Mark S. Swann
City Auditor

Attachment

23

C: Honorable Mayor and Members of the City Council
   T.C. Broadnax, City Manager
   Tammy Palomino, Interim City Attorney
   Kimberly Bizor Tolbert, Deputy City Manager
   Jon Fortune, Deputy City Manager
   Genesis Gavino, Chief of Staff
   Jack Ireland, Chief Financial Officer
   Sheri Kowalski, City Controller
   Jeffrey Brill, Manager – Financial Compliance, Auditing, and Monitoring
   Michael J. Scarpello, Elections Administrator – Dallas County

Independent Report on Agreed-Upon Procedures for: Attestation Engagement for the Dallas County Election Department Final Invoice Cost for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election

July 12, 2023

Mark S. Swann, City Auditor

Mayor	Council Members	
Eric Johnson	Adam Bazaldua	Jaime Resendez
Mayor Pro Tem	Paula Blackmon	Paul E. Ridley
Tennell Atkins	Zarin D. Gracey	Jaynie Schultz
Deputy Mayor Pro Tem	Cara Mendelsohn	Kathy Stewart
Carolyn King Arnold	Jesse Moreno	Chad West
	Omar Narvaez	Gay Donnell Willis

City of Dallas

Executive Summary

Objective and Scope

The objective of the Agreed-Upon Procedures attestation engagement is solely to assist the City of Dallas City Council in evaluating the Dallas County Election Department Final Invoice Cost for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election.

The City Secretary requested this attestation in accordance with Sections 17(b), (d), and (f) of the Election Services Contract between the City of Dallas and Dallas County.

Background

On February 24, 2021, the City of Dallas and other jurisdictions entered a contract with the Dallas County Elections Administrator for election services in accordance with Subchapter D of Chapter 31 of the *Texas Election Code* to hold an election on May 1, 2021, in accordance with Chapter 271 of the *Texas Election Code.*

The contract provided the Dallas County Elections Administrator to perform or supervise the performance of any or all the corresponding duties and functions in connection with a county-wide election.

The March 2, 2022, final invoice for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election had a net balance of $178,300.07. Due to concerns about election sites opening late, some City Council members sought to dispute paying the final invoice. The City Secretary elected to dispute the final invoice using a provision in the contract allowing for a dispute if an invoice exceeded 10 percent of the initial deposit. The final invoice met this requirement.

After fieldwork, on June 8, 2023, the Dallas County Elections Department provided a response to the City Secretary in regard to the dispute. This resulted in the amount $3,105.13 credited to the City of Dallas. The response is included in Appendix 1 of the report.

Observed Conditions

Auditors performed four of the five Agreed-Upon Procedures and identified exceptions to Agreed-Upon Procedure (d). Agreed-Upon Procedure (e) was not performed. See Attachment 1 for the full list of procedures and identified exceptions.

Results

Independent Agreed-Upon Procedures Report

The Office of the City Auditor conducted the procedures described in Attachment 1, which were agreed to by the City Secretary. The City Secretary is responsible for the establishment and execution of operational procedures. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described in Attachment 1 either for the purpose for which this report has been requested or for any other purpose.

Exceptions were noted for Agreed-Upon Procedure (d), which related to incomplete or improper documentation of invoices and expenses. Agreed-Upon Procedure (e) was not performed. See Attachment 1 for the specific exceptions and a list of the procedures performed.

The City Secretary requested this attestation of Agreed-Upon Procedures on March 31, 2022, and the Office of the City Auditor completed the Agreed-Upon Procedures on January 20, 2023.

The purpose of this report on applying agreed-upon procedures is intended solely for the information and use of the Dallas City Council and City management and is not intended to be and should not be used by anyone other than these specified parties. Accordingly, this report is not suitable for any other purpose. The Office of the City Auditor was not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance. Accordingly, the Office of the City Auditor does not express such an opinion or conclusion. Had additional procedures been performed, other matters might have been identified that would have been reported.

We are required to be independent of the Office of the City Secretary and Dallas County Elections Department to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement. The agreed-upon procedures were conducted in accordance with the United States generally accepted government auditing standards which incorporate attestation standards established by the American Institute of Certified Public Accountants.

Signature:

Mark S. Swann

Mark S. Swann, CPA
City Auditor
City of Dallas, Texas

7/12/2023

Attachment 1: Agreed-Upon Procedures

Independent Report on Agreed-Upon Procedures for: Attestation Engagement for the Dallas County Election Department Final Invoice Cost for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election

7/12/2023

Agreed-Upon Procedures

(a) Obtain the Election Service Contract to understand the contract terms.

No exceptions.

(b) Obtain the Dallas County Elections Department's final cost invoices to understand the variables and mathematical formulas used to calculate joint election costs.

No exceptions.

(c) Verify the mathematical accuracy of each final cost invoice on an overall basis and each final cost invoice complies with the contract terms.

No exceptions.

(d) Judgmentally select a sample of payroll and non-payroll cost line items, verify the mathematical accuracy and obtain the documentation to support the cost.

Exceptions.

Overview

The March 2, 2022, final invoice for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election included May 1, 2021, and June 5, 2021, final cost, which includes the number of units, cost per unit, total cost, and City of Dallas share of the total cost for each cost line item listed on the invoices. Each cost line item's mathematical accuracy was verified, and all variances were explained.

Exhibit 1 on page 5 shows the 57 invoice line items sampled and the line items observed with exceptions.

The following are the exceptions noted from the review of a sample of cost line items:

1. Documentation Did Not Provide Supporting Details

The Dallas County Elections Department did not provide documentation that supports how the quantity of equipment, the number of personnel, and the quantity of supplies were determined (shown as units on the invoice).

2. Paid Vendor Invoice Not Provided

The Dallas County Elections Department provided an *Election Warehouse Equipment & Supply Distribution Form* and the *Equipment & Services Price List* to support the cost charged for various election equipment and supplies instead of a paid vendor invoice. The total cost on the *Election Warehouse Equipment & Supply Distribution Form* was verified to the final cost invoices for the Auditor sampled cost line items on the *Election Warehouse Equipment & Supply Distribution Form*.

3. Payroll Documentation Is Incomplete

Of the 8 payroll expenses tested, 3 (38 percent) lacked an explanation for overtime and approval, and timesheets were not provided for 3 (38 percent) separate expenses.

4. Improper Purchase Order Number and Expenses Category Used

There were 26 invoices totaling $26,444 (approximately 30 percent of the Custodial Charges invoice cost line item of $88,437) related to Data Entry Clerk expenses charged by a staffing agency to the County and posted to the Custodial Charges invoice cost line item. Approximately 31 percent of these invoices totaling $11,019 (12.5 percent of $88,437) had a purchase order number of "*CARES Act.*"

According to the Dallas County Elections Department, a wrong purchase order number related to CARES Act was used on these invoices, and these expenses were not reimbursed from CARES Act funding. Further, while the Dallas County Elections Department noted the Data Entry Clerks were entering data related to custodial charges, it is unclear why these expenses were posted to the Custodial Charges invoice cost line item, not administrative personnel expenses.

(e) Examine the May 1, 2021 Joint Election Day, June 5, 2021 Joint Run-Off Election Day, and early voting sites' daily performance reports for locations within the City of Dallas to quantify any non-performing voting sites for potential additional disputes.

Not Performed.

Overview

The Dallas County Elections Department did not provide the daily performance reports (incident tickets) for any voting sites or any relevant supporting documentation. As a result, potential additional disputes for non-performing voting sites could not be identified.

Subsequent to fieldwork, on June 8, 2023, the Dallas County Elections Department provided a response to the City Secretary in regard to the dispute. The response included the Dallas County Elections Department's investigation and analysis of their performance of the May 1, 2021 Joint Election. This resulted in the amount $3,105.13 credited to the City of Dallas. The response is included in Appendix 1 of the report.

Exhibit 1

<p style="text-align:center; color:#2E74B5;">Auditor Sample of Final Invoice Cost Line Items</p>

Sample Number	Voting Period	Expense Category	Estimated Total Invoice Cost	Actual Total Final Invoice Cost	City of Dallas Portion	Exceptions D.3 & 4
1	May Early Voting	EQUIPMENT RENTAL	$36,337.00	$24,791.50	$8,382.14	Yes
2	May Early Voting	EQUIPMENT RENTAL	136,880.00	17,110.00	5,784.98	Yes
3	May Early Voting	EQUIPMENT RENTAL	-	23,976.00	8,106.41	Yes
4	May Early Voting	PERSONNEL	75,000.00	19,979.54	6,755.19	Yes
5	May Early Voting	PERSONNEL	68,000.00	35,169.27	11,890.91	Yes
6	May Early Voting	PERSONNEL	20,000.00	30,080.80	10,170.48	No
7	May Early Voting	SERVICE EXPENSE	4,950.00	61,050.00	20,641.33	No
8	May Early Voting	SERVICE EXPENSE	3,300.00	25,500.00	8,621.68	No
9	May Early Voting	EQUIPMENT RENTAL	26,917.80	26,917.80	9,101.05	Yes
10	May Early Voting	EQUIPMENT RENTAL	10,788.00	14,384.00	4,863.31	Yes
11	May Early Voting	EQUIPMENT RENTAL	580.00	290.00	98.05	Yes
12	May Early Voting	SUPPLY EXPENSE	36,750.00	210.00	71.00	Yes
13	May Early Voting	SUPPLY EXPENSE	4,640.00	4,640.00	1,568.81	Yes
14	May Early Voting	SERVICE EXPENSE	16,500.00	16,500.00	5,578.74	No
15	May Early Voting	PREPARATION & TRANSPORTATION OF VOTING EQUIPMENT	5,220.00	450.00	152.15	Yes
16	May Election Day	EQUIPMENT RENTAL	270,810.00	86,313.60	29,183.08	Yes
17	May Election Day	EQUIPMENT RENTAL	213,021.90	200,491.20	67,787.13	Yes
18	May Election Day	EQUIPMENT RENTAL	-	550,175.00	186,017.06	Yes
19	May Election Day	EQUIPMENT RENTAL	246,483.00	166,917.50	56,435.68	Yes
20	May Election Day	RENTAL BUILDINGS	-	88,437.40	29,901.15	Yes
21	May Election Day	PERSONNEL	771,120.00	319,223.60	107,931.17	No
22	May Election Day	PREPARATION & TRANSPORTATION OF VOTING EQUIPMENT	28,152.00	66,000.00	22,314.95	No
23	May Election Day	SERVICE EXPENSE	127.00	12,900.00	4,361.56	No
24	May Election Day	EQUIPMENT RENTAL	36,720.00	34,560.00	11,684.92	Yes
25	May Election Day	EQUIPMENT RENTAL	113,832.00	84,878.00	28,697.70	Yes
26	May Election Day	EQUIPMENT RENTAL	2,295.00	2,160.00	730.31	Yes
27	May Election Day	SERVICE EXPENSE	3,300.00	4,950.00	1,673.62	No
28	May Election Day	SERVICE EXPENSE	24,750.00	9,900.00	3,347.24	No
29	May Election Day	PREPARATION & TRANSPORTATION OF VOTING EQUIPMENT	6,120.00	4,140.00	1,399.76	Yes
30	May Election Day	PREPARATION & TRANSPORTATION OF VOTING EQUIPMENT	1,409.75	630.00	213.01	Yes

Sample Number	Voting Period	Expense Category	Estimated Total Invoice Cost	Actual Total Final Invoice Cost	City of Dallas Portion	Exceptions D.3 & 4
31	June Early Voting	EQUIPMENT RENTAL	82,600.00	71,980.00	36,213.26	Yes
32	June Early Voting	EQUIPMENT RENTAL	8,680.00	15,128.00	7,610.92	Yes
33	June Early Voting	EQUIPMENT RENTAL	-	11,188.80	5,629.10	Yes
34	June Early Voting	PERSONNEL	130,000.00	107,043.25	53,853.64	Yes
35	June Early Voting	SERVICE EXPENSE	3,300.00	30,600.00	15,394.91	No
36	June Early Voting	EQUIPMENT RENTAL	12,994.80	12,994.80	6,537.71	Yes
37	June Early Voting	EQUIPMENT RENTAL	22,554.00	21,838.00	10,986.73	Yes
38	June Early Voting	SUPPLY EXPENSE	2,240.00	2,240.00	1,126.95	Yes
39	June Early Voting	SERVICE EXPENSE	36,000.00	20,400.00	10,263.27	No
40	June Early Voting	SERVICE EXPENSE	13,200.00	6,600.00	3,320.47	No
41	June Early Voting	SERVICE EXPENSE	3,300.00	9,900.00	4,980.71	No
42	June Early Voting	PREPARATION & TRANSPORTATION OF VOTING EQUIPMENT	2,520.00	270.00	135.84	Yes
43	June Election Day	EQUIPMENT RENTAL	127,179.50	87,262.50	43,901.91	Yes
44	June Election Day	RENTAL BUILDINGS	45,000.00	7,219.06	3,631.92	No
45	June Election Day	PERSONNEL	243,600.00	136,979.60	68,914.66	Yes
46	June Election Day	PERSONNEL	54,810.00	52,734.60	26,530.87	Yes
47	June Election Day	PERSONNEL	3,500.00	19,559.79	9,840.56	Yes
48	June Election Day	SERVICE EXPENSE	3,300.00	24,750.00	12,451.77	No
49	June Election Day	PREPARATION & TRANSPORTATION OF VOTING EQUIPMENT	14,076.00	27,000.00	13,583.74	No
50	June Election Day	SUPPLY EXPENSE	42,000.00	-	-	Yes
51	June Election Day	EQUIPMENT RENTAL	16,240.00	16,080.00	8,089.87	Yes
52	June Election Day	EQUIPMENT RENTAL	59,885.00	40,159.00	20,204.46	Yes
53	June Election Day	EQUIPMENT RENTAL	94,212.30	93,284.10	46,931.39	Yes
54	June Election Day	EQUIPMENT RENTAL	479,080.00	287,625.00	144,704.62	Yes
55	June Election Day	EQUIPMENT RENTAL	50,344.00	60,450.00	30,412.50	Yes
56	June Election Day	SERVICE EXPENSE	24,750.00	15,300.00	7,697.46	No
57	June Election Day	PREPARATION & TRANSPORTATION OF VOTING EQUIPMENT	675.00	4,140.00	2,082.84	Yes
		Total	**$3,740,044.05**	**$3,115,451.71**	**$1,248,496.65**	

Total Final Invoice Cost	**$ 4,190,231.05**	
Auditor Sample Coverage	**74.4%**	

Exceptions	Count
Yes	**40**
No	**17**

7   Independent Report on Agreed-Upon Procedures for: Attestation Engagement for the Dallas County Election Department Final Invoice Cost for the May 1, 2021 Joint Election and June 5, 2021 Joint Runoff Election

32

Appendix 1: Dallas County Elections Department Response

See attached response beginning on the next page.

DALLAS COUNTY ELECTIONS DEPARTMENT

Dear Ms. Johnson,

I am writing in response to the formal written Dispute Notice received from the City of Dallas (Dallas) on March 31, 2022, contesting the charges imposed by the Dallas County Election Department (DCED) for conducting the May 1, 2021 Joint Election.

Since receiving the Dispute Notice, DCED has cooperated with the City of Dallas Auditors Office in their financial audit of that election. Following the completion of the audit, we received a request from your office seeking a waiver of the remaining balance of $178,300.07 owed for DCED's services for conducting the June 5, 2021 Joint Runoff Election.

In your dispute, the City of Dallas claims that DCED's performance during the 2021 General/Runoff elections was unsatisfactory. These claims appear to be based upon anecdotal evidence from the media and from some off-the-cuff comments made by me during a virtual appearance at a Dallas City Council meeting on May 12, 2021.

While it is true that some errors were made by DCED on Election Day during the aforementioned election, I would like to clarify that these errors occurred due to the utilization of long-existing Election Day Help Desk processes and procedures. I also want to emphasize that our current DCED staff has since reviewed and revised these processes and procedures. Moreover, it is important to note that several of the claims made by Dallas are attributed to errors made by the presiding judge at the vote center.

Under the provisions of the Texas Election Code, presiding election judges are selected and appointed by entities other than DCED, and pursuant to Election Code 32.071, "the Presiding Judge is in charge of and responsible for the management and conduct of the election at the vote center." Therefore, DCED does not accept responsibility for presiding judges or other individuals beyond our control who:

- Fail to arrive in a timely manner
- Fail to adhere to DCED procedures
- Fail to promptly report any issues to DCED

That being said, DCED recognizes the need for improvement and has taken measures to prevent such issues from recurring. Since the 2001 election, we have revised our vote center procedures, mandated the use of judge checklists, and developed a more comprehensive judge training program. As a result of these initiatives, Election Day issues have significantly decreased.

Regarding issues within DCED's control, our policy is to initially attempt to troubleshoot any Election Day problems over the phone. If the issue cannot be resolved remotely, DCED reserves the right to a reasonable amount of time to rectify the problem in person. For the purposes of this response to the City of Dallas, we consider a reasonable amount of time to be 30 minutes

In light of your claims, DCED has conducted a thorough investigation and analysis of the May 1, 2021 Joint Election. Based on our findings, we have reached the following conclusions:

1. **Ronald E. McNair Elementary School (V3063)**
   - Claim – Voting was not available from 7:00 am to 9:15 am
   - Analysis

- At 5:53 am, DCED received a call from the judge who reported that the CradlePoint wireless router would not turn on (Ticket # 93441)
- At 6:07 am, an Election Hardware Technician attempted to walk the judge through troubleshooting, but the judge did not answer the phone
- At 6:15 am, an Election Hardware Technician was dispatched to the location to assist with troubleshooting
- At 7:19 am, DCED again received a call from the judge who reported that the CradlePoint was still not working (Ticket #93617)
- The first ballot was issued at 9:25:33 am
- At 9:28 am, the Hardware Manager "resolved" Ticket #93617 with the note: "Juana De La Cruz [an Election Hardware Technician] states that the Judge had the equipment setup wrong. Site is good to go."
- 134 ballots were issued at this site on May 1, 2021

- Conclusion – A CradlePoint connection is not needed for voters to check in, be issued a ballot, or cast a vote. All judges are taught this procedure during their training, but the judge failed to follow the procedure. DCED does not accept responsibility for a judge who fails to follow procedure. **DCED therefore rejects your claim.**

2. **Park South YMCA (V3018)**
   - Claim – Voting was not available from 7:00 am to 10:45 am
   - Analysis
     - At 6:57 am, DCED received a call from the judge who reported that three of their voting machines were giving the message "poll not found", but the DCED Help Desk operator "escalated" the ticket to the wrong response team; therefore, no action was taken
     - The first ballot was issued at 7:11 am, but the voter was unable to vote the ballot due to the non-functioning voting machines. The voter was redirected to a nearby vote center.
     - At 10:32 am, the ticket was reassigned to the correct response team
     - At 10:37 am, the Hardware Manager attempted to call the judge "multiple times but no response" and then dispatched an Election Hardware Technician to the site
     - At 10:51 am, three hours and 54 minutes after initial notification, the Hardware Manager resolved the ticket with the note "Alex [an Election Hardware Technician] has completed the job"
     - At 10:55 am, the first ballot was successfully cast, and the site continued to process voters with no other reported issues for the remainder of the day
     - 75 ballots were issued at this site on May 1, 2021
   - Conclusion – The judge is required to be on site by 6:00 am and, by 6:15 am, is expected to report any critical issues that would cause a delay in opening. However, the issue was not reported until 6:57 am, causing a delay of 42 minutes in DCED's ability to respond. Nonetheless, a DCED Technician should have resolved the issue by 7:27 am, but instead resolved it at 10:51 – a delay of three hours and 24 minutes. As a result, **DCED will credit your account in the amount of $962.20**. This amount has been calculated based on the three hours and 24 minutes of delayed response by DCED, minus the 42 minutes of delayed notification by the judge. Consequently, a credit of 2 hours and 42 minutes will be applied to account for the lost operation time.

3. **Owenwood Farm & Neighborhood Space (V1081)**
   - Claim – Voting was not available from 7:00 am to 8:15 am
   - Analysis

- o At 7:22 am, DCED received a call from the judge who reported that they could not get into the ESC, a secure mobile storage unit that holds voting machines and other election-related materials
- o An Election Hardware Technician was dispatched to the site promptly
- o At 8:35 am, one hour and 13 minutes after receiving initial notification, the site issued their first ballot
- o The site continued to process voters with no other reported issues for the remainder of the day
- o 191 ballots were issued at this site on May 1, 2021
- Conclusion – The judge is required to be on site by 6:00 am. In this case, the judge reported a critical issue that prevented the site from opening after they were supposed to be operational. Had the judge reported the issue timely, the site would not have opened late. DCED reacted promptly and will not be held responsible for the late opening. **DCED therefore rejects your claim.**

4. **Booker T. Washington High School (V3081)**
- Claim – Voting was not available from 7:00 am to 9:30 am
- Analysis
  - o At 8:43 am, an aide from Commissioner Price's office called DCED to report that this site was "still locked" and workers were unable to get inside
    - Note: This site is on the campus of a public DISD school and requires a school employee to unlock the facility
    - Note: DCED has no record of the judge contacting the Help Desk at any point on May 1, 2021
  - o At 9:46 am, one hour and three minutes after the initial notification, the site issued their first ballot
  - o At 2:05 pm, a note was added to the ticket created at 8:43 am saying "To clarify: The equipment was there, and they got in the building. The principal didn't realize today was election day. They thought it was on Tuesday!"
  - o Once unlocked, the site processed voters with no other reported issues for the remainder of the day
  - o 79 ballots were issued at this site on May 1, 2021
- Conclusion – The root cause of the late opening was the failure of DISD staff to fulfill their obligation of unlocking the facility and was compounded by the election officer failing to notify DCED. **DCED therefore rejects your claim.**

5. **E. B. Comstock Middle School (V1100)**
- Claim – Voting was not available from 7:00 am to 10:30 am
- Analysis
  - o At 9:28 am, DCED received a call from the judge who reported that they were "unable to plug anything in, only 1 plug in gym"
  - o At 10:11 am, the Hardware Manger verified that Election Hardware Technicians were on-site
  - o At 10:45 am, one hour and 17 minutes after the initial notification, the site issued their first ballot
  - o 73 ballots were issued at this site on May 1, 2021
- Conclusion – The judge is required to be on site by 6:00 am. In this case, the judge should have identified and reported this critical issue by 6:15 am. Their failure to report the issue in a timely

fashion prevented the site from opening on time. DCED is not responsible for a judge failing to arrive on time and failing to notify DCED of critical issues. **DCED therefore rejects your claim.**

6. **Skyline High School (V1087)**
   - Claim – The vote center did not open at 7:00 am
   - Analysis
     o At 6:21 am, DCED received a call from the judge who reported that one voting machine was "not displaying the correct screen" and mentioned that "another is missing a leg"
     o At 6:42 am, an Election Hardware Technician "resolved" the "not displaying the correct screen" issue, stating, "the judge needed to put [the voting machine] on voting mode"
     o The first ballot was issued at 7:39am, so the vote center was open at or near opening time
       - Note: This site was a low-turnout location, averaging only 4.25 voters per hour
     o 51 ballots were issued at this site on May 1, 2021
   - Conclusion – DCED has no record of this site experiencing an issue that would have delayed their ability to open by 7:00 am. As mentioned, this site averaged only 4.25 voters per hour and, according to their check-in report, they successfully processed three voters between 7:00 am – 8:00 am. It stands to reason that the first ballot issued at 7:39 am was not an indication of the vote center opening late, but rather the typical experience of a historically low-to-average turnout site during a Saturday election. **DCED therefore rejects your claim.**

7. **Richard Lagow Elementary School (V1107)**
   - Claim – Voting was not available from 7:00 am to 10:06 am
   - Analysis
     o At 5:58 am, DCED received a call from the judge who reported that they were missing keys to the vote tabulator, but the ticket was incorrectly "escalated" to the wrong response team; therefore, no action was taken (Ticket #93445)
     o At 6:31 am, the judge again reported missing keys, but the ticket was again "escalated" to the wrong response team; therefore, no action was taken (Ticket #93493)
     o At 9:29 am, the ticket was successfully reassigned to the correct response team
     o At 9:44 am, the Hardware Manager dispatched an Election Hardware Technician to deliver the vote tabulator keys
     o At 9:56 am, the Hardware Manager "resolved" Ticket #93445
     o The site processed voters with no other reported issues for the remainder of the day
     o 12 ballots were issued at this site on May 1, 2021
   - Conclusion – DCED struggled to appropriately escalate this location's issue to the response team that could resolve it. When the message was successfully passed to the correct response team, it was responded to promptly and "resolved" within 27 minutes. However, this resolution came two hours and 56 minutes after the polls should have opened. **DCED will credit your account in the amount of $947.58 for the two hours and 56 minutes of lost operation time.**

8. **Arcadia Park Elementary School (V4065)**
   - Claim – Voting was not available from 7:00 am to 7:58 am
   - Analysis
     o At 6:18 am, DCED received a call from the judge who reported missing voting machine cables, but the Help Desk operator who took the call accidentally "resolved" the ticket instead of "escalating" it to the proper response team; therefore, no action was taken
     o At 7:24 am, the judge again reported missing voting machine cables at which time DCED dispatched an Election Hardware Technician to deliver the missing cables

o Replacement equipment was installed at or before 9:03 am
o The first ballot was issued at 9:03:22 am
o The site continued to process voters with no other reported issues for the remainder of the day
o 28 ballots were issued at this site on May 1, 2021
- Conclusion – **DCED will credit your account in the amount of $841.51 for the two hours and 3 minutes of lost operation time.**

9. **Urban Park Elementary School (V1085)**
   - Claim – Voting was not available from 7:00 am to 10:07 am
   - Analysis
     o At 8:56:55 am, DCED received a call from the judge who "needed instructions to open polls" and requested non-essential supplies
     o The Help Desk operator answered the judge's questions about opening the polls during the call, but kept the ticket open to allow the appropriate response team to address the judge's request for non-essential supplies
     o At 10:07 am, a Warehouse worker resolved the ticket with the note "issue cleared", indicating the non-essential supplies were delivered
     o The first ballot was issued at 11:07 am
     o The site continued to process voters normally for the remainder of the day
     o 20 ballots were issued at this site on May 1, 2021
       - Note: This is a historically low-turnout vote center that received 20 or less votes in the May '21, Nov '21, May 7, 2022, May 24, 2022, and May '23 elections.
   - Conclusion – While the judge did call asking for instructions on how to open the polls, the Help Desk operator did not indicate that the vote center had been inoperable prior to the phone call. Based on past experience, we suspect that the judge was asking about how to "open the polls" on their E-Pollbook, a simple task that takes two clicks and can be completed in two seconds. In light of the operator resolving the judge's questions during the call and there being no mention of the vote center being inoperable, we find no fault on behalf of DCED. **DCED therefore rejects your claim.**

10. **Northwood Hills Elementary School (V1032)**
    - Claim – Voting was not available from 7:00 am to 11:15 am
    - Analysis
      o At 7:03 am, DCED received a call from the judge who reported missing keys, but the ticket was "escalated" to the wrong response team; therefore, no action was taken until it was reassigned to the correct response team
      o Replacement keys were delivered on or before 9:19:53 am, two hours and 16 minutes after the initial notification
      o The first ballot was issued at 9:19:53 am
      o The site continued to process voters normally for the remainder of the day with no other reported issues
      o 130 ballots were issued at this site on May 1, 2021
    - Conclusion – The judge is required to be on site by 6:00 am and, by 6:15 am, is expected to report any critical issues that would cause a delay in opening. However, the issue was not reported until 7:03 am, causing a delay of approximately 45 minutes in DCED's ability to respond. Nonetheless, a DCED Technician should have resolved the issue by 7:33 am, but instead resolved it by 9:19 – a delay of one hour and 46 minutes. As a result, **DCED will credit**

your account in the amount of $353.84. This amount has been calculated based on the one hour and 46 minutes of delayed response by DCED, minus the 45 minutes of delayed notification by the judge. Consequently, a credit of one hour and 1 minute will be applied to account for the lost operation time.

11. **John S Bradfield Elementary School (V2221)**
    - Claim – Voting was not available from 7:00 am to 9:33 am
    - Analysis
        - o The first ballot was issued at 7:03 am and an additional 63 ballots were issued by 9:33 am
        - o At 8:27 am, DCED received a call from the judge who reported that their E-Pollbook, a check-in device, was "saying the poll is not open"
            - Note: After signing into the E-Pollbook, the judge is instructed to "open the polls" on the device, per DCED's Training. Until the judge completes this action, the E-Pollbook will say that the polls are closed.
            - Note: Each vote center is given a minimum of three E-Pollbooks. The fact that this location had issued 32 ballots by 8:27 am indicates that there was at least one E-Pollbook that was properly signed into and "opened".
        - o The first ballot was issued at 7:03 am, indicating that the vote center was clearly open on time
        - o The site continued to process voters normally for the remainder of the day with no other reported issues
        - o 451 ballots were issued at this site on May 1, 2021
    - Conclusion – DCED has no record of this site experiencing an issue that would have delayed their ability to open by 7:00 am. As mentioned, the first ballot was issued at 7:03 am the site continued to issue ballots at regular intervals for the entirety of the day. It stands to reason that this site was fully operational; **DCED therefore rejects your claim.**

Summary

We have calculated the credit being given to the City of Dallas by multiplying the percentage of the 12-hour day the vote center was inoperable due to DCED's late response by the cost of the vote center:

$$Credit\ Owed = \frac{(DCED\ Late\ Response - Judge\ Late\ Notice)}{12\ hrs} \times Unit\ Cost$$

As an example, here is how the credit owed for V3018 Park South YMCA was calculated:

$$Credit\ Owed = \frac{3\ hrs\ and\ 24\min\ (204\ min) - 42\ min}{12\ hrs\ (720\ min)} \times \$4,276.46$$

$$= 22.5\% \times \$4,276.46 = \$962.20$$

Note: "Unit Cost ($)" includes all rental, custodial, and/or security costs charged by the facility, as well as the cost of the election workers and equipment used.

	VC#	Location Name	Unit Cost ($)	DCED Late Response (hh:mm)	Judge Late Notice (hh:mm)	Time to Be Credited Back to Dallas (hh:mm)	Credit Owed ($)
1.	V3063	Ronald E. McNair Elementary School	$4,925.94				$0.00
2.	V3018	Park South YMCA	$4,276.46	03:24	00:42	02:42	$962.20
3.	V1081	Owenwood Farm & Neighbor Space	$5,725.94				$0.00
4.	V3081	Booker T. Washington High School	$4,151.54				$0.00
5.	V1100	E. B. Comstock Middle School	$4,925.94				$0.00
6.	V1087	Skyline High School	$4,151.54				$0.00
7.	V1107	Richard Lagow Elementary School	$3,876.46	02:56	00:00	02:56	$947.58
8.	V4065	Arcadia Park Elementary School	$4,925.94	02:03	00:00	02:03	$841.51
9.	V1085	Urban Park Elementary School	$3,876.46				$0.00
10.	V1032	Northwood Hills Elementary School	$4,176.46	01:46	00:45	01:01	$353.84
11.	V2221	John S. Bradfield Elementary School	$4,925.94				$0.00
						Total Credit:	**$3,105.13**

This leaves an outstanding balance due to Dallas County Elections Department in the amount of $175,194.94. Please remit payment in this amount as soon possible.

Thanks for your patience and cooperation in this matter,

Michael Scarpello
Dallas County Elections Administrator

1520 Round Table Dr   Dallas, Texas 75247   (469) 627-VOTE

Audit of Proposed Budget Revenues Included in the Fiscal Year 2023-24 Proposed Annual Budget for the City of Dallas

August 31, 2023

Mark S. Swann, City Auditor

Mayor	Council Members	
Eric Johnson	Adam Bazaldua	Jaime Resendez
Mayor Pro Tem	Paula Blackmon	Paul E. Ridley
Tennell Adkins	Zarin D. Gracey	Jaynie Schultz
Deputy Mayor Pro Tem	Cara Mendelsohn	Kathy Stewart
Carolyn King Arnold	Jesse Moreno	Chad West
	Omar Narvaez	Gay Donnell Willis

City of Dallas

Table of Contents

Executive Summary

Objective and Scope

The objective of this audit was to determine whether the City of Dallas has effective processes to ensure reasonable proposed budget revenues are included in the City Manager's *Fiscal Year 2023-24 Proposed Annual Budget.*

The scope of the audit was the major revenue sources included in the *Fiscal Year 2023-24 Proposed Annual Budget* and the associated supporting documentation.

Recommendations

There are no audit recommendations associated with this report.

Background

The City Council approved the *Fiscal Year 2023 Audit Work Plan* which prescribed the City Auditor to review and verify the reasonableness of the proposed budget revenues included in the City Manager's *Fiscal Year 2023-24 Proposed Annual Budget.*

Observed Conditions

The City of Dallas has effective processes to ensure reasonable proposed budget revenues are included in the *Fiscal Year 2023-24 Proposed Annual Budget.* Further, the revenue forecast methodologies and material assumptions used in developing the proposed budget revenues are reasonable and adequately supported.

Audit Results

The Office of the City Auditor reviewed major revenue sources totaling $3.24 billion, or 77 percent of the $4.18 billion of the proposed budget revenues included in the *Fiscal Year 2023-24 Proposed Annual Budget.* The remaining $943.6 million, which is mainly derived from department reimbursements, and City of Dallas employee and retiree contributions for retirement and health benefits, was excluded from the review. The major revenue sources reviewed are identified in Exhibit 1.

Exhibit 1:

Revenue Sources Included in the Office of the City Auditor's Review

Revenue Sources	Fiscal Year 2022-23 Amended Budget	Fiscal Year 2022-23 Forecast Revenues	Fiscal Year 2023-24 Revenues
General Fund			
Ad Valorem Taxes	$961,502,880	$959,659,397	$1,054,604,850
Sales Tax	432,750,269	432,750,269	451,745,839
Franchise Fees	94,959,000	94,979,000	91,230,000
Enterprise Fund			
Water Utilities	755,226,160	763,450,514	791,276,133
Aviation – Concessions & Rentals	118,621,148	129,398,354	137,368,557
Sanitation Services	145,369,518	147,534,865	152,709,535
Convention and Event Services – Hotel Occupancy Tax	66,453,873	66,357,055	78,290,269
Stormwater Fees	72,433,742	72,433,742	80,093,972
Debt Service			
Ad Valorem Taxes	365,670,959	364,764,284	401,665,941
Revenue Sources Reviewed	3,012,987,549	3,031,327,480	3,238,985,096
Revenue Sources Not Included	855,038,446	877,656,616	943,595,154
Total Revenues	**$3,868,025,995**	**$3,908,984,096**	**$4,182,580,250**

Source: Fiscal Year 2023-24 Proposed Budget (Unaudited)

The City of Dallas has methodologies in place for forecasting revenues. The common methodologies used by the City of Dallas consist of regression analyses and/or historical trends, professional judgements, along with expertise from external consultants. Exhibit 2 below shows the total General Fund variance budgeted revenues for Fiscal Years 2020 through 2022 were less than 6.5 percent each year.

Common methodologies and a conservative approach were used to forecast revenues for Fiscal Year 2023-24 revenues.

Exhibit 2:

Fiscal Years 2020 Through 2022 General Fund Budgeted Revenues
Compared to Actual Revenues
(in thousands)

General Fund	Fiscal Year 2019-20 Budgeted Revenue	Fiscal Year 2019-20 Actual Revenue	Variance	
			Dollar	Percent
Ad Valorem Taxes	$787,420	$789,114	$1,694	0.2%
Sales Tax	325,566	310,737	-14,829	-4.6%
Franchise Fees and Other Tax	129,340	120,944	-8,396	-6.5%
License and Permits	5,154	4,486	-668	-13.0%
Intergovernmental	11,383	15,670	4,287	37.7%
Service to Others	127,077	104,353	-22,724	-17.9%
Fines and Forfeitures	27,222	24,313	-2,909	-10.7%
Investment Income	4,664	5,544	880	18.9%
Other Revenues	6,685	7,530	845	12.6%
Total Revenues	**$1,424,511**	**$1,382,691**	**-$41,820**	**-2.9%**

General Fund	Fiscal Year 2020-21 Budgeted Revenue	Fiscal Year 2020-21 Actual Revenue	Variance	
			Dollar	Percent
Ad Valorem Taxes	$825,007	$844,970	$19,963	2.4%
Sales Tax	296,324	354,288	57,964	19.6%
Franchise Fees and Other Tax	115,907	120,445	4,538	3.9%
License and Permits	5,024	5,007	-17	-0.3%
Intergovernmental	12,112	12,291	179	1.5%
Service to Others	117,518	121,730	4,212	3.6%
Fines and Forfeitures	23,555	25,074	1,519	6.4%
Investment Income	4,483	1,376	-3,107	-69.3%
Other Revenues	6,716	11,788	5,072	75.5%
Total Revenues	**$1,406,646**	**$1,496,969**	**$90,323**	**6.4%**

General Fund	Fiscal Year 2021-22 Budgeted Revenue	Fiscal Year 2021-22 Actual Revenue	Variance	
			Dollar	Percent
Ad Valorem Taxes	$876,484	$880,484	$4,000	0.5%
Sales Tax	344,283	407,309	63,026	18.3%
Franchise Fees and Other Tax	117,600	132,060	14,460	12.3%
License and Permits	5,844	11,522	5,678	97.2%
Intergovernmental	13,102	18,182	5,080	38.8%
Service to Others	120,569	119,255	-1,314	-1.1%
Fines and Forfeitures	26,391	24,083	-2,308	-8.7%
Investment Income	967	2,683	1,716	177.5%
Other Revenues	8,877	12,431	3,554	40.0%
Total Revenues	**$1,514,117**	**$1,608,009**	**$93,892**	**6.2%**

Source: City of Dallas 2020-2022 Comprehensive Annual Financial Reports

In preparing the proposed budget revenues, City management develops revenue forecast methodologies, such as regression analyses and/or historical trends, documents significant assumptions used to support the methodologies. The Office of the City Auditor's assessment

considers the reasonableness of these revenue forecast methodologies; however, neither City management nor the Office of the City Auditor guarantees the achievement of the Fiscal Year 2023-24 proposed budget revenues.

Methodology

We interviewed department personnel, reviewed revenue forecast methodologies and material assumptions for reasonableness, verified consistency of the budget documents, and performed various analyses. In addition, all five components of *Standards for Internal Control in Federal Government* were considered.

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

Carron J. Perry, CIA – In-Charge Auditor
Rory Galter, CPA – Engagement Manager
Matthew Cheadle, CIA, CFE, CGAP
Zachary Goebel
Nadia Gonzalez
Keith Maddox, CIA, CGAP
Natalie Martinez, CTCM
Jennifer Phung, CIA

Appendix A: Management's Response

Memorandum

CITY OF DALLAS

DATE: August 31, 2023

TO: Mark S. Swann – City Auditor

SUBJECT: Response to the Audit of Proposed Budget Revenues Included in the Fiscal Year 2023-24 Proposed Annual Budget for the City of Dallas

This letter acknowledges the City Manager's Office and the Office of Budget & Management Services received the *Audit of Proposed Budget Revenues Included in the Fiscal Year 2023-24 Proposed Annual Budget for the City of Dallas.*

The City has strong internal controls in place to ensure reasonable proposed budget revenues are included in the proposed annual budgets. We are pleased, but not surprised, that the City Auditor concluded that the City's revenue forecast methodologies and material assumptions are reasonable and adequately supported.

We appreciate the professionalism and quality of work demonstrated by your staff throughout this engagement.

Sincerely,

T.C. Broadnax
City Manager

C: Genesis D. Gavino, Chief of Staff
Jack Ireland, Chief Financial Officer
Janette Weedon, Director, Office of Budget & Management Services

File #: 23-2386

Item #: H.

Proposed 2024 City Calendar
[Mayor and City Council Office]

Memorandum

DATE September 19, 2023

TO Honorable Chairman Chad West and Members of the Government Performance & Financial Management Committee

SUBJECT **Proposed 2024 City Calendar**

Please find attached the draft 2024 City Calendar for your review.

Let me know if you require further information.

Nikki D. Christmas

Nikki D. Christmas
Director (i), Mayor and City Council

c: T.C. Broadnax, City Manager
    Tammy Palomino, Interim City Attorney
    Mark Swann, City Auditor
    Bilierae Johnson, City Secretary
    Preston Robinson, Administrative Judge
    Kimberly Bizor 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

January 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 **New Year's Day City Holiday** Committee Meetings moved to 1/9	**2**	**3** Council Briefing 9 a.m.	**4**	**5**	**6**
7	**8** Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**9** Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**10** Council Agenda 9 a.m.	**11** Regional Transportation Council 1 p.m.	**12**	**13**
14	**15** **Martin Luther King, Jr. Day City Holiday** Council Committee Meetings Moved to 1/16	**16** Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure Semiannual Campaign Finance Report Due	**17** Council Briefing 9 a.m.	**18**	**19**	**20**
21	**22** Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	**23**	**24** Council Agenda 9 a.m.	**25**	**26**	**27**
28	**29** Fifth Monday No Council Committee Meetings	**30**	**31** Fifth Wednesday No City Council Meetings			

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

February 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	**2**	**3**
4	**5** Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**6**	**7** Council Briefing 9 a.m.	**8** Regional Transportation Council 1 p.m.	**9**	**10**
11	**12** Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**13**	**14** Council Agenda 9 a.m.	**15**	**16**	**17**
18	**19** **Presidents' Day City Holiday** Council Committee meetings moved to 2/20	**20** Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	**21** Council Briefing 9 a.m.	**22**	**23**	**24**
25	**26** Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	**27**	**28** Council Agenda 9 a.m.	**29**		

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

March 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	**2**
3	**4** Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**5** Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**6** Council Briefing 9 a.m.	**7**	**8**	**9**
10 Ramadan Begins	**11** **Council Recess** NLC Congressional Cities Conference Council Committee meetings moved to 3/5	**12** **Council Recess** NLC Congressional Cities Conference	**13** **Council Recess** City Council meeting canceled NLC Congressional Cities Conference	**14** **Council Recess** Regional Transportation Council 1 p.m.	**15** **Council Recess**	**16**
17	**18** **Council Recess** Council Committee meetings moved to 3/26	**19** **Council Recess**	**20** **Council Recess** City Council meeting canceled	**21** **Council Recess**	**22** **Council Recess**	**23**
24	**25** Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management Spring Budget Town Halls	**26** Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure Spring Budget Town Halls	**27** Council Agenda 9 a.m. Budget Public Hearing Spring Budget Town Halls	**28** Spring Budget Town Halls	**29** Cesar E. Chavez / Dolores Huerta Day	**30**
31 Easter						

The City of Dallas maintains normal operations during periods of Council Recess.

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

April 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**2**	**3** Council Briefing 9 a.m.	**4**	**5**	**6**
7	**8** Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**9** Ramadan Ends	**10** Council Agenda 9 a.m.	**11** Regional Transportation Council 1 p.m.	**12**	**13**
14	**15** Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	**16**	**17** Council Briefing 9 a.m.	**18**	**19**	**20**
21	**22** Passover Begins at Sundown	**23** Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	**24** Council Agenda 9 a.m.	**25**	**26**	**27**
28	**29** Fifth Monday No Council Committee Meetings	**30** Passover Ends Personal Finance Statements, 15A Itemized Expense Reports, and Gift Reports Due				

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

May 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 Council Briefing 9 a.m.	**2**	**3**	**4**
5	**6** Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**7**	**8** Council Agenda 9 a.m.	**9** Regional Transportation Council 1 p.m.	**10**	**11**
12	**13** Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**14**	**15** Council Briefing 9 a.m. Budget Workshop	**16**	**17**	**18**
19	**20** Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	**21** Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	**22** Council Agenda 9 a.m. Budget Public Hearing	**23**	**24**	**25**
26	**27** **Memorial Day City Holiday** Council Committees moved to 5/21	**28**	**29** Fifth Wednesday No City Council Meetings	**30**	**31**	

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

June 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	**3** Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**4**	**5** Council Briefing 9 a.m.	**6**	**7**	**8**
9	**10** Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**11**	**12** Council Agenda 9 a.m.	**13** Regional Transportation Council 1 p.m.	**14**	**15**
16	**17** Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	**18** Council Briefing 9 a.m. Budget Workshop	**19** **Juneteenth** **City Holiday**	**20**	**21**	**22**
23	**24** Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	**25**	**26** Council Agenda 9 a.m.	**27**	**28**	**29**
30						

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

July 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 **Council Recess**	**2** **Council Recess**	**3** **Council Recess**	**4** **Independence Day** **City Holiday** **Council Recess**	**5** **Council Recess**	**6**
7	**8** **Council Recess**	**9** **Council Recess**	**10** **Council Recess**	**11** **Council Recess** Regional Transportation Council 1 p.m.	**12** **Council Recess**	**13**
14	**15** **Council Recess** Semiannual Campaign Finance Report Due	**16** **Council Recess**	**17** **Council Recess**	**18** **Council Recess**	**19** **Council Recess**	**20**
21	**22** **Council Recess**	**23** **Council Recess**	**24** **Council Recess**	**25** **Council Recess**	**26** **Council Recess**	**27**
28	**29** **Council Recess**	**30** **Council Recess**	**31** **Council Recess**			

The City of Dallas maintains normal operations during periods of Council Recess.

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

August 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5 Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	6	7 Council Briefing 9 a.m.	8 Regional Transportation Council 1 p.m.	9	10
11	12 Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	13 Council Briefing 9 a.m. Budget Workshop: City Manager's Recommended Budget	14 Council Agenda 9 a.m.	15 Budget Town Hall Meetings Begin	16	17
18	19 Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	20	21 Council Briefing 9 a.m. Budget Workshop	22	23	24
25	26 Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	27	28 Council Agenda 9 a.m. Budget Public Hearing	29 Budget Town Hall Meetings End	30	31

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

September 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 **Labor Day City Holiday** Committee Meetings moved to 9/3	3 Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	4 Council Briefing 9 a.m. Budget Workshop: Consider Amendments, Adopt Budget on First Reading	5	6	7
8	9 Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	10	11 Council Agenda 9 a.m.	12 Regional Transportation Council 1 p.m.	13	14
15	16 Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	17	18 Council Briefing 9 a.m. Budget Workshop: Adopt Budget on Second Reading, Adopt Tax Rate, and Approve Other Budget Related Items	19	20	21
22	23 Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	24	25 Council Agenda 9 a.m.	26	27	28
29	30 Fifth Monday No Council Committee Meetings					

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

October 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	**2** Council Briefing 9 a.m. Rosh Hashanah begins at sundown	**3**	**4** Rosh Hashanah ends	**5**
6	**7** <u>Council Committees</u> 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**8** Council Agenda 9 a.m.	**9** Texas Municipal League Conference	**10** Texas Municipal League Conference Regional Transportation Council 1 p.m.	**11** Texas Municipal League Conference Yom Kippur begins at sundown	**12** Yom Kippur
13	**14** **Indigenous Peoples' Day City Holiday** Council Committee Meetings Moved to 10/15	**15** <u>Council Committees</u> 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**16** Council Briefing 9 a.m.	**17**	**18**	**19**
20	**21** <u>Council Committees</u> 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	**22**	**23** Council Agenda 9 a.m.	**24**	**25**	**26**
27	**28** <u>Council Committees</u> 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	**29**	**30** Fifth Wednesday No City Council Meetings	**31**		

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

November 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	**2**
3	**4** Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**5** Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**6** Council Briefing 9 a.m.	**7** Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	**8**	**9**
10	**11** **Veterans Day** **City Holiday** Council Committee Meetings Moved to 11/5	**12** Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	**13** Council Agenda 9 a.m. NLC City Summit	**14** Regional Transportation Council 1 p.m. NLC City Summit	**15** NLC City Summit	**16**
17	**18** Council Committee Meetings Moved to 11/12	**19**	**20** City Council meeting canceled	**21**	**22**	**23**
24	**25** Council Committee Meetings Moved to 11/7	**26**	**27** City Council meeting canceled	**28** **Thanksgiving Day** **City Holiday**	**29** **Day After Thanksgiving** **City Holiday**	**30**

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES.
For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

December 2024

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	**2** Council Committees 9 a.m. Parks, Trails, & Environment 1 p.m. Economic Development	**3** Council Committees 9 a.m. Quality of Life, Arts & Culture 1 p.m. Transportation & Infrastructure	**4** Council Briefing 9 a.m.	**5**	**6**	**7**
8	**9** Council Committees 9 a.m. Workforce, Education & Equity 1 p.m. Public Safety	**10** Council Committees 9 a.m. Housing & Homelessness Solutions 1 p.m. Government Performance & Financial Management	**11** Council Agenda 9 a.m.	**12** Regional Transportation Council 1 p.m.	**13**	**14**
15	**16** Council Committee Meetings Moved to 12/3	**17**	**18** City Council meeting canceled	**19**	**20**	**21**
22	**23** Council Committee Meetings Moved to 12/10	**24** Christmas Eve	**25** **Christmas Day** **City Holiday** Hanukkah begins at sundown	**26** Kwanzaa	**27**	**28**
29	**30**	**31** New Year's Eve				

Council Agenda meetings are conducted in Council Chambers unless otherwise noted. Council Briefings and Council Committee meetings may be conducted in Room 6ES. For board and commission meeting dates, please visit https://dallascityhall.com/government/citysecretary/Pages/Public-Meetings.aspx.

File #: 23-2420

Item #: I.

September 27, 2023 Upcoming Agenda Items - 23-2052 and 23-2431 - Ordinances Authorizing Debt Issuance for Kay Bailey Hutchison Convention Center Master Plan and Fair Park Improvements [City Controller's Office]

Memorandum

CITY OF DALLAS

DATE September 19, 2023

TO Honorable Members of the Government Performance and Financial Management Committee: Chad West (Chair), Paula Blackmon (Vice Chair), Cara Mendelsohn, Jesse Moreno, and Jaime Resendez

SUBJECT **September 27, 2023 Upcoming Agenda Items – 23-2052 and 23-2431 – Ordinances Authorizing Debt Issuance for Kay Bailey Hutchison Convention Center Master Plan and Fair Park Improvements**

The September 27, 2023 City Council Agenda includes two ordinance items approving and authorizing the issuance and sale of City of Dallas, Texas, Special Tax Revenue Obligations (Kay Bailey Hutchison Convention Center Venue Project), Series 2023 in an amount not to exceed $172,000,000; and Special Tax Revenue Obligations (Fair Park Venue Project), Series 2023 in an amount not to exceed $51,000,000 (collectively, the "Bonds"). On June 14, 2023, City Council approved a resolution authorizing the preparation of plans and the payment of potential future costs and expenses for the issuance of the Bonds, as part of the KBHCCD Master Plan and Fair Park improvement projects approved by voters under Proposition A on November 8, 2022.

At the advisement of the City's Co-Financial Advisors, Hilltop Securities and Estrada Hinojosa & Co., to remain in compliance with Chapter 334 (the "Brimer Bill") and meet the needs of project design and other initial contract awards while maintaining coverage requirements for future bond issuances, the Bonds will be issued as short-term debt via private placement with a qualified bank or investors utilizing a placement agent. To maximize bonding capacity, the short-term debt will be structured with a redemption feature so that the Bonds can be refunded into long-term debt at the same time the City issues long term bonds for the Kay Bailey Hutchison Convention Center Venue Project and Fair Park Venue Project (collectively, the "Dallas Venue Projects"). Chapter 334 requires an issuance of the Dallas Venue Projects debt within one year of the Brimer Bill tax levy, which began on January 1, 2023.

The ordinances authorize City staff and co-financial advisors to work with the placement agent who will negotiate the sale and placement of the Bonds with potential purchasers. Payment of fees and expenses is contingent upon the issuance and sale of the Bonds. Following a presentation from City staff, S&P Global Ratings is scheduled to provide a credit rating for the Bonds on September 20. Pending City Council approval of the ordinances on September 27, the bonds are scheduled to price in October and are estimated to close in November 2023.

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

Please let me know if you have any questions or need additional information.

Jack Ireland
Chief Financial Officer

File #: 23-2388

Item #: J.

GPFM Forecast

GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT
COMMITTEE FORECAST

	TITLE	DEPARTMENT
MONDAY, OCTOBER 23, 2023, 1:00 P.M.		
BRIEFING ITEMS	Development Services- Monthly Update	City Manager's Office
	Review Operating Funds Not Included in BAR	Budget & Management Services
	FY24 General Fund Reserve	Budget & Management Services
	Recommended 2024 Annual Internal Audit Plan	Office of the City Auditor
BRIEFINGS BY MEMORANDUM	Technology Accountability Report (Information as of September 30, 2023)	Information & Technology Services
	Budget Accountability Report (Information as of August 31, 2023)	Budget & Management Services
	Office of the City Auditor Briefing on Internal Audit Reports Released Between September 9, 2023 and October 13, 2023	Office of the City Auditor
	M/WBE Annual Report	Small Business Center
	2016-2018 Audit Follow Up	City Controller's Office
TUESDAY, NOVEMBER 14, 2023, 1:00 P.M.		
BRIEFING ITEMS	Development Services- Monthly Update	City Manager's Office
	FY23 Financial Audit Kick-Off	City Controller's Office
	Process Improvement Team Update	Budget & Management Services
	Personnel Rule Updates	Human Resources
	G.O. Bond Program Unspent Funds	Office of Bond & Construction Management
BRIEFINGS BY MEMORANDUM	Technology Accountability Report (Information as of October 31, 2023)	Information & Technology Services
	Budget Accountability Report (Information as of September 30, 2023)	Budget & Management Services
	Office of the City Auditor Briefing on Internal Audit Reports Released Between October 14, 2023 and November 3, 2023	Office of the City Auditor