

Memorandum



CITY OF DALLAS

DATE September 4, 2020

TO Honorable Mayor and Members of the City Council

SUBJECT **Agenda Item #39 September 9, 2020 - End of Year Ordinance**

On Wednesday, September 9, 2020, your City Council agenda includes item number 39, which is the FY 2019-20 End of Year Ordinance. This ordinance amends Ordinance number 31330, previously approved on September 18, 2019, as amended by Ordinance number 31553, previously approved on June 10, 2020.

The ordinance provided for your consideration on September 9 includes strikethroughs and underlines for changes to the budget ordinance since June 10, 2020 when the City Council amended the original ordinance. I have attached a briefing that outlines the changes for your review.

Please contact me if you need additional information.

A handwritten signature in blue ink that reads "M. Elizabeth Reich".

M. Elizabeth Reich
Chief Financial Officer

Attachment

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
Laila Aleqresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors



City of Dallas

**FY 2019-20
End of Year
Appropriation
Adjustments**

September 4, 2020

**M. Elizabeth Reich
Chief Financial Officer**

Overview



- Background
- Overview of amendments to the FY 2019-20 budget ordinance
- Recommendation and next steps



Background



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



Background



- City Council adopted the FY 2019-20 Operating, Grants/Trust, and Capital budget ordinance on September 18, 2019
- City Council amended the FY 2019-20 Operating, Grants/Trust, and Capital budget ordinance on June 10, 2020
- City Council is asked to approve additional amendments to the FY 2019-20 Operating, Grants/Trust, and Capital budget by ordinance on September 9, 2020



Overview of Amendments



- Ordinance amendment reflects:
 - Grant and Trust funds revenue and expenditure increases
 - Enterprise funds revenue and expenditure increases
 - Capital appropriation adjustments
 - Appropriation adjustments previously approved by City Council resolutions
- No changes to the General Fund are requested



Overview of Amendments



- Overview by Fund Category:

\$ in Millions			
Fund Category	FY 2019-20 Current Budget	Appropriation Adjustment	FY 2019-20 Amended Budget
General Fund	\$1,429.5	\$0	\$1,429.5
Grant Funds	\$0.3	\$0	\$0.3
Trust and Other Funds	\$67.0	\$39.2	\$106.2
Enterprise/Internal Service/Other Funds	\$1,372.7	\$4.6	\$1,377.3
Capital Funds	\$904.2	\$56.9	\$961.1



Overview of Amendments



Trust and Other Funds

- Appropriation adjustments within grants, trust, and other funds are supported by additional revenues that have become available during the fiscal year or available fund balance
 - Arts Endowment Fund - \$0.2 million
 - *Funding supports small and mid-size arts organizations*
 - PEG Access Fund - \$1.0 million
 - *Funding supports capital cost for studio, broadcast, production, etc.*
 - Operating Carryover Fund - \$1.5 million
 - *Funding supports integration of the Compensation Study into Workday; and the Landlord Subsidized Leasing Program*



Overview of Amendments



Trust and Other Funds

- Information Technology Equipment - \$3.9 million
 - *Funding supports servers, computer equipment, storage, etc.*
- Convention Hotel Tax Rebate Fund - \$8.1 million
 - *Funding supports repayment of debt for the Convention Center Hotel*
- Revenue Stabilization Fund - \$24.5 million
 - *Funding supports General Fund activities in FY 2020-21 and FY 2021-22*



Overview of Amendments



Enterprise Funds

- Appropriation adjustments within Enterprise Funds are supported by increased revenues or available fund balances
 - Storm Water Drainage Management - \$4.6 million
 - *Additional funding supports fleet and capital contingency*



Overview of Amendments



Capital Funds

- Appropriation adjustments for capital funds reflect adjustments previously approved by City Council, new appropriation request, and transfers between funds
 - Adjustments Previously Approved - \$27.1 million
 - *Projects whose appropriations were approved by the City Council since June 10, 2019*
 - New Appropriation Request - \$14.7 million
 - *Supports Certificates of Obligation to fund replacement of a fire station - \$14.7 million*
 - Transfers Between Funds - \$15.1 million
 - *Request to facilitate transfers between funds*
 - *Transfer from General Fund to new multi-year Bike Lane Fund - \$0.2 million*
 - *Transfer from Convention Center Capital Construction to Convention Center Operating Fund to mitigate the impact of the FY 2019-20 revenue shortfall - \$4.0 million*
 - *Transfer from General Capital Reserve Fund to Capital Construction in FY 2020-21 - \$5.0 million*
 - *Transfer from Storm Water Drainage Management Operating Fund to Capital Construction for fleet and capital contingency - \$4.6 million*
 - *Other transfers - \$1.3 million*



Recommendation and Next Steps



- Staff recommends amending the FY 2019-20 budget appropriation ordinance
- Seek City Council approval of agenda item 39 on September 9





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**M. Elizabeth Reich
Chief Financial Officer**