

EXPENDITURE AND PROPERTY TAX OVERVIEW

The City of Dallas has been consistently recognized for its judicious management of financial resources. An excellent bond rating, steady tax rate, and fair fee structures ensure the availability of necessary funds to support City services.

Property values increased 4.83% from \$67.58 billion in 2004 to \$70.84 billion in 2005, and the tax rate of the proposed budget increases from 71.97¢ to 74.17¢ per \$100 valuation. The City's property tax, sales tax receipts and other revenues support this budget.

Expenditures

	FY 2004-05 Budget	FY 2005-06 Adopted Budget	Change
General Fund	\$874,337,855	\$906,062,810	3.63%
Aviation	32,805,702	33,264,385	1.40%
Convention and Event Services	62,624,070	65,114,211	3.98%
Development Services - Enterprise	19,001,343	25,195,290	32.60%
Municipal Radio - WRR	3,064,466	3,425,500	11.78%
Storm Water Drainage Management	28,433,142	28,838,629	1.43%
Water Utilities	415,969,682	433,151,826	4.13%
Debt Service	149,285,182	193,475,922	29.60%
Total Operating Budget	\$1,585,521,442	\$1,688,528,573	6.50%
Capital Budget	464,164,292	529,816,497	14.14%
Total Budget	\$2,049,685,734	\$2,218,345,070	8.23%

Property Tax Rate

	<u>FY 04-05</u>	<u>%</u>	<u>FY 05-06</u>	<u>%</u>
General Fund	54.83 ¢	76 %	54.45 ¢	73 %
Debt Service	<u>17.14 ¢</u>	<u>24 %</u>	<u>19.72 ¢</u>	<u>27 %</u>
Total	71.97 ¢	100	74.17 ¢	100

BUDGET HIGHLIGHTS

Economic Development

- Includes \$93,718,456 for Street and Thoroughfare improvements
- Assesses Dallas Water Utilities an additional \$1,000,000 from Payment in Lieu of Taxes (PILOT) to provide a total of \$3,000,000 to support economic development initiatives in Dallas.
- Increases personnel costs by \$251,527 to implement focused Economic Development initiatives for Southern Dallas, Downtown Dallas and International initiatives.
- Adds \$300,000 for implementation of new Street Assessment Technology to survey the condition of Dallas streets and implements a bi-annual street condition survey.
- Provides \$5,679,906 for Cultural Arts Facilities improvement projects:
 - Award development design agreement with the Dallas Center for the Performing Arts and the Dallas Black Dance Theater in the Arts District
 - Phase II schematic design for the Latino Cultural Center
 - Design for the Oak Cliff Arts incubator/ Cultural Center
 - Site improvements at Old City Park
- Adds \$1,200,000 in additional capital funding for Farmers Market Shed No. 2 Improvements.
- Matches \$1,000,000 private donation for renovation of the Central Library 3rd floor.
- Issues \$6,320,500 in Certificates of Obligations continue improvements at various city facilities to ensure compliance with the Municipal Separate Storm Sewer System Permit.
- Includes a new billing and collection system and automated water meters for the Central Business District for the Water Utilities Department.
- Includes \$241,300,000 for Water Utilities capital improvement projects:
 - Construction of energy co-generation facility at the Southside Wastewater Treatment Plant
 - Construction of East Side Water Treatment Plant filter improvements
 - Construction of the Lake Fork pipeline
 - Electrical substation to support future expansion of the East Side Water Treatment Plant
 - Construction of the Camp Wisdom Water Pump Station
 - Replace approximately 85 miles of aging water and wastewater mains
 - Elm Fork Water Treatment Plant supervisory control and data acquisition system (SCADA)

Staff Accountability

- Saves the General Fund \$11,238,303 by implementing efficiency, effectiveness and other cost reduction strategies.
- Replenishes the Contingency Reserve with \$1,391,954 for unanticipated expenditures in FY2004-05 (Day Resource Center, DMA roof replacement and run-off election).
- Increases funding by \$6,114,745 for Fuel (\$4.1M) and Electricity (\$2.0M) cost increases.
- Increases General Fund contributions to the Employees' Retirement Fund by \$9,646,017 (from 11% to 15.38% of payroll) for pension fund stabilization. City employees' contribution increases from 6.5% to 9.03%.
- Includes \$2,016,880 for major maintenance for repair and replacement of major building systems for City owned facilities.
- Adds \$3,710,662 for Performance Merits to average 3% for civilian employees effective April 1, 2006.
- Includes \$400,000 to fund a Fire and Rescue Management and Efficiency Study.
- Adds \$1,000,000 to General Fund to transfer Cotton Bowl Stadium Football events previously funded by the Convention Center.
- Includes \$100,000 for a Comprehensive Fee Study (conducted every 4 years).

Neighborhood Quality of Life

- \$25,045,530 in 2003 Bond Program support for Park and Recreational Facilities, including the Elm Fork Athletic Complex, Reversion Park site improvements, restoration and conservation projects for Fair Park, Flag Pole Hill, and Lake Cliff Parks.
- \$14,600,514 in additional capital funding for design and construction of Library Facilities, including design of the new Prairie Creek Branch Library and of the replacement facility for the Pleasant Grove Branch Library and construction of the Casa View, Walnut Hill and Hampton Illinois Branch Library replacements.
- \$2,120,455 for Flood Protection and Storm Drainage Facilities Improvements.

Neighborhood Quality of Life (Continued)

- \$2,792,313 for full year operation and maintenance of new programs and facilities opened in FY2004-05, including new Multi-Family Code Enforcement Inspectors, additional courtrooms and personnel for Civil Adjudication programs, 24 hour operation for the homeless center, Police Headquarters and the Asian Otter and Interactive Bird exhibits at the Dallas Zoo.
- \$3,309,564 for operating and maintenance of facilities opening in FY2005-06, including a new fire station (Hampton and Kirnwood), four branch libraries (Hampton Illinois, Lancaster Kiest, Grauwylor/West Love Field, Timberglen), new and upgraded Park facilities (New Teagarden Place, 4 miles walking trails, 1 baseball field, 2 plazas, 4 soccer fields, 9 parking lots, security lighting at 7 sites and upgraded site furnishings at 3 sites), Northwest Service Center, and Northwest Streets Service Center.
- Awards construction for replacement of the animal shelter located at Interstate 30 and Westmoreland Road.
- \$3,566,885 generated from a \$1.34 increase in monthly residential sanitation collection fees. This represents full cost recovery of the increased operational costs and bridge funding for an improved recycling program, including an elementary education program "Too Good to Throw Away". This will increase the residential fee from \$16.54 to \$17.88.

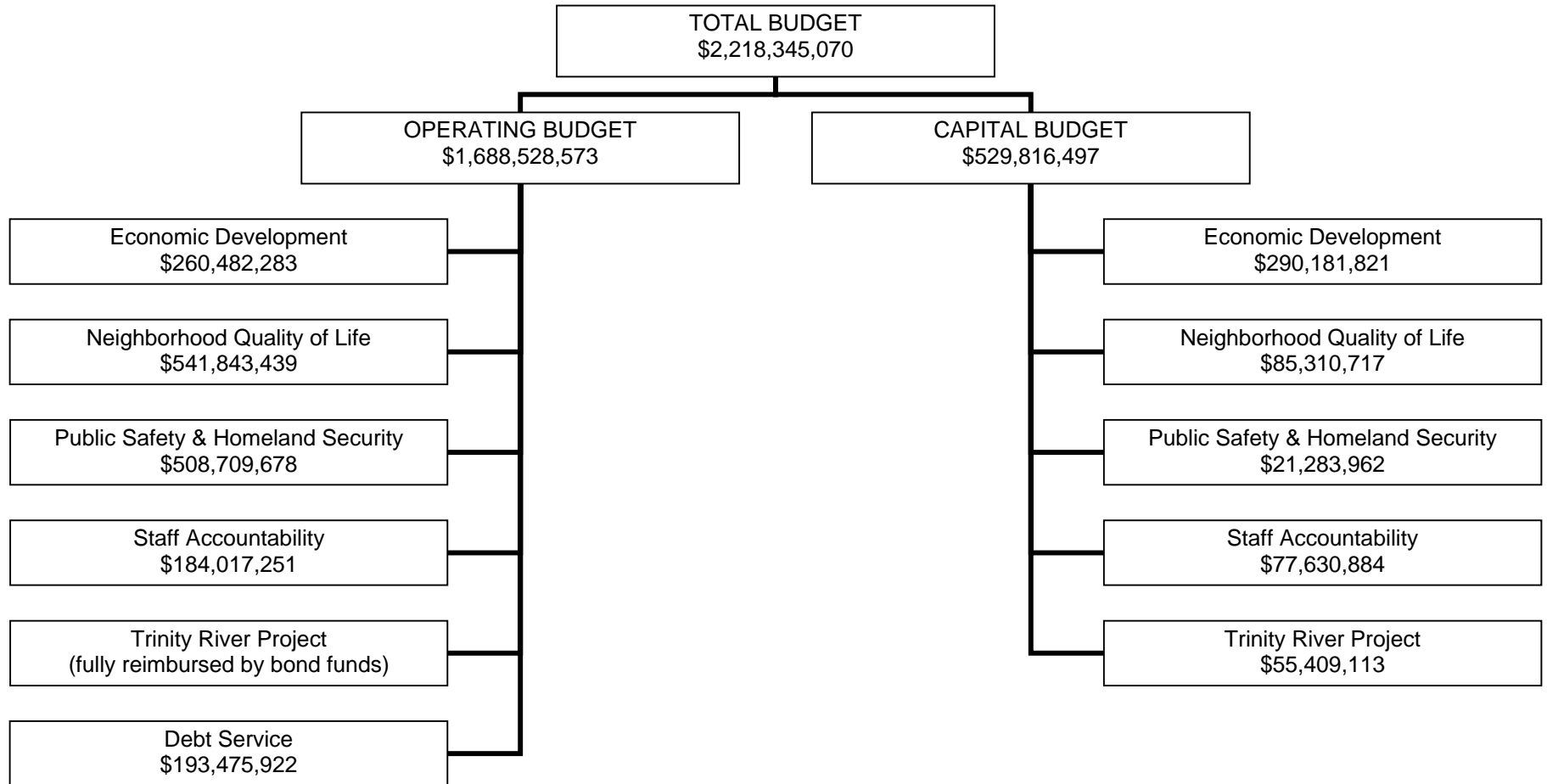
Public Safety and Homeland Security

- \$14,177,014 for Police facilities, including site acquisition for the new Police Academy, Phase 1 design for the new Police Academy and construction of the South Central Police Substation.
- \$7,321,004 for design and construction of Fire Station facilities, including design for Fire Station #33 (754 Illinois Ave.) and Fire Station #42 (W. Mockingbird at Airdrome) and construction of replacement facilities for Fire Station #35 (Walnut Hill at Mixon) and a new Fire Station #38 at Hampton and Kirnwood.
- \$34,303,718 in enhancement for the Dallas Police Department's efforts to reduce crime rates for Dallas, from the General Fund (\$7.2M), equipment purchased through Equipment Acquisition Notes (\$17.3M), equipment funded through Grants and Other Funds (\$5.1M) and Private Foundations (\$4.6M).
 - Purchase of 343 police vehicles, 10 motorcycles, and 3 helicopters to enhance Police safety efforts
- Increases revenues by \$4,109,418 for Ambulance Fee increases and establishes a new fee for "treatment with no transport" for Emergency Medical Transportation (EMT) services provided by Dallas Fire Rescue.

Trinity River Project

- \$56,590,356 in 1998 General Obligation Bonds (\$49.6M) and US Army Corps of Engineers (\$7.0M) will continue progress for the Trinity River Corridor projects, including beginning construction of Margaret Hunt Hill Bridge, continuing Elm Fork drainage & recreational improvements, beginning design of lakes and Beckley Avenue improvements and continuing right-of-way acquisition.

ORGANIZATION OF THE TOTAL BUDGET BY KEY FOCUS AREA

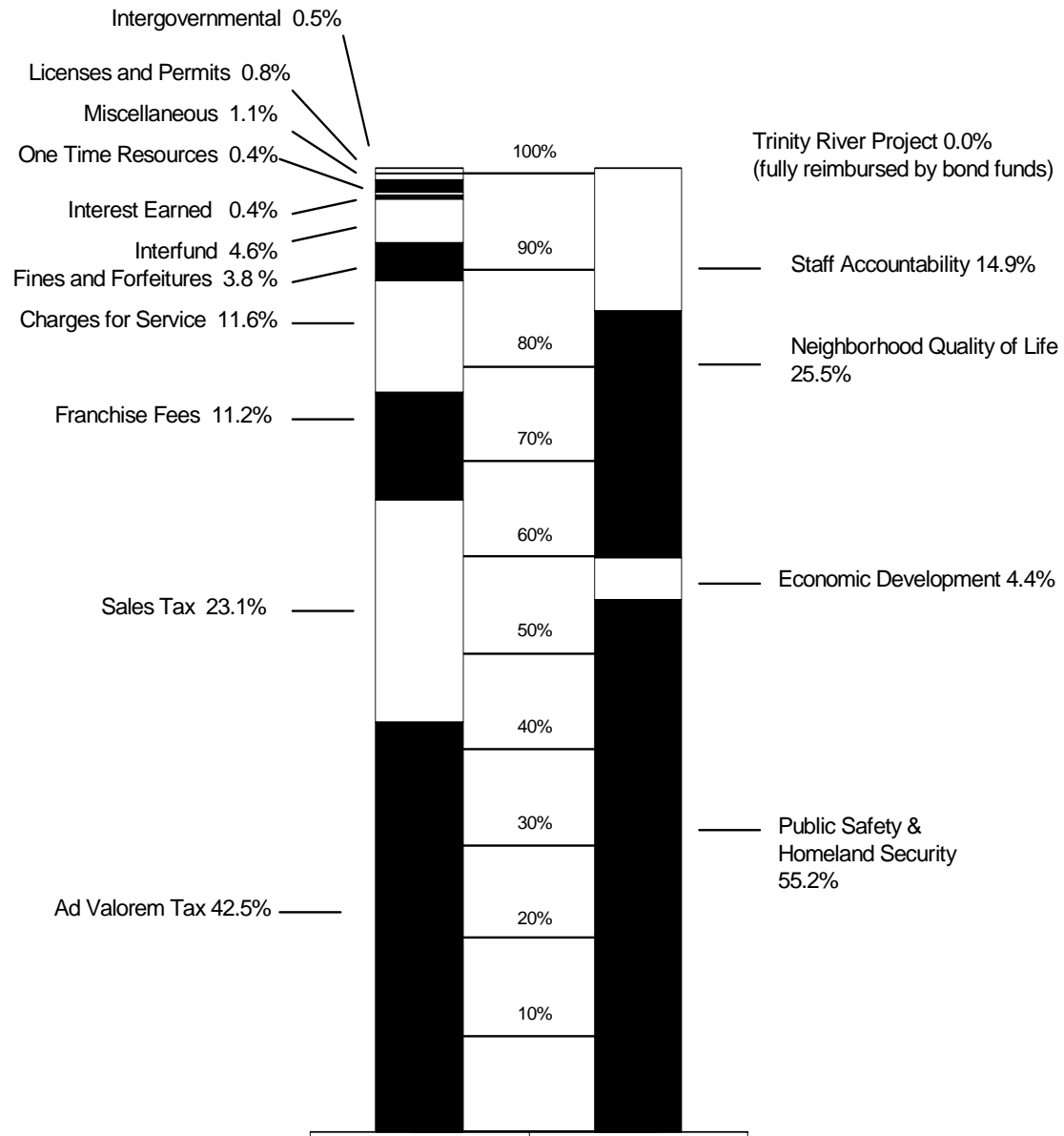


GENERAL FUND BUDGET

GENERAL FUND REVENUES \$906,062,810	GENERAL FUND EXPENDITURES \$906,062,810
AD VALOREM TAX \$381,697,671	ECONOMIC DEVELOPMENT \$40,340,724
SALES TAX \$208,172,044	NEIGHBORHOOD QUALITY OF LIFE \$231,219,085
FRANCHISE REVENUES \$101,394,091	PUBLIC SAFETY AND HOMELAND SECURITY \$499,775,503
CHARGES FOR SERVICE \$109,360,089	STAFF ACCOUNTABILITY \$134,727,498
FINES AND FORFEITURES \$34,625,677	TRINTIY RIVER PROJECT (fully reimbursed by bond funds)
INTERFUND REVENUES \$41,377,834	
OTHER \$26,124,370	
ONE TIME RESOURCES \$3,311,034	

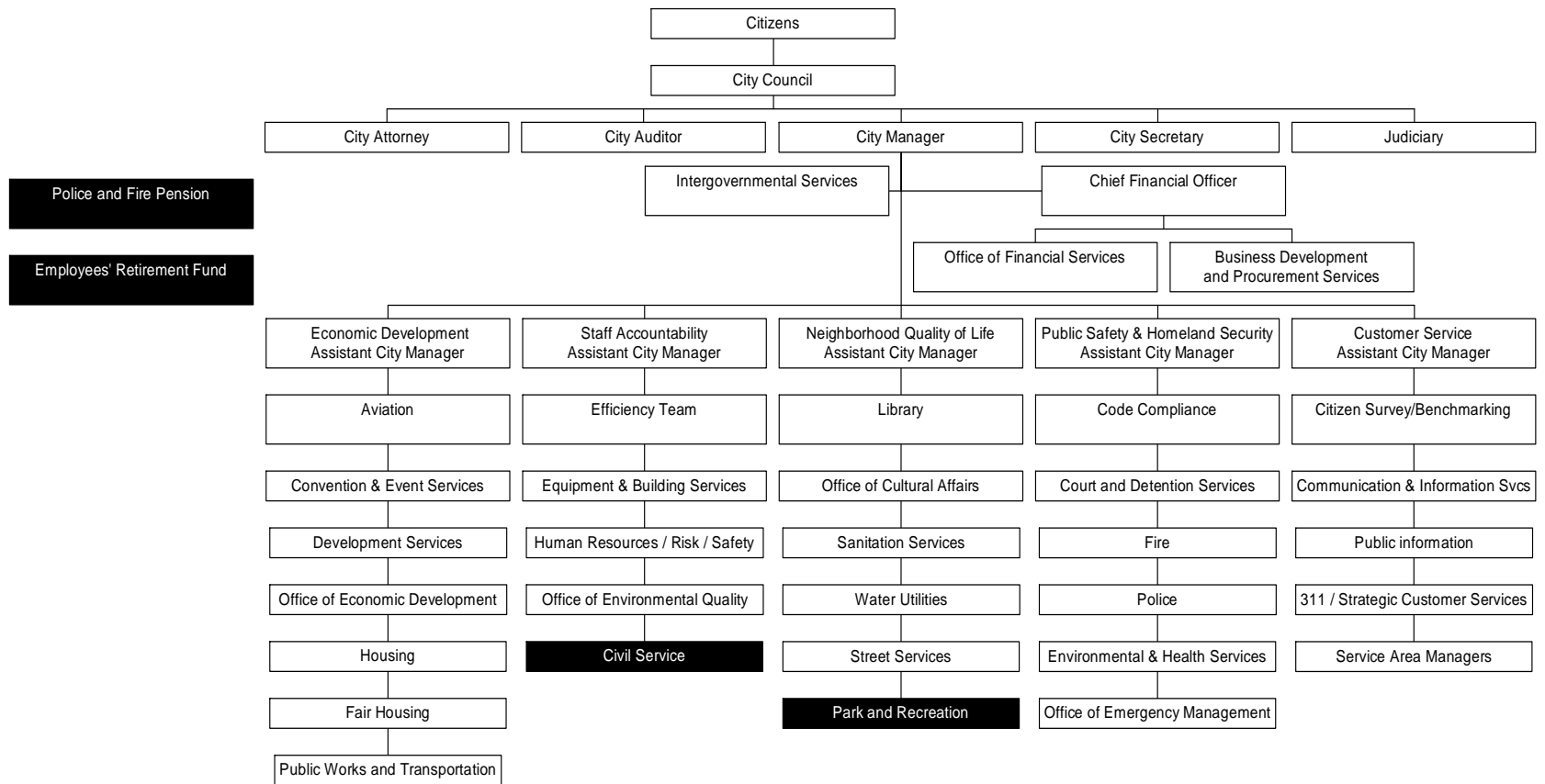
GENERAL FUND

Revenues and Expenditures by Key Focus Area



Revenues - \$906,062,810 Expenditures - \$906,062,810

FY 2005-06 CITY OF DALLAS ORGANIZATIONAL CHART



NOTE: Shading indicates Liaison Relationship