

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.

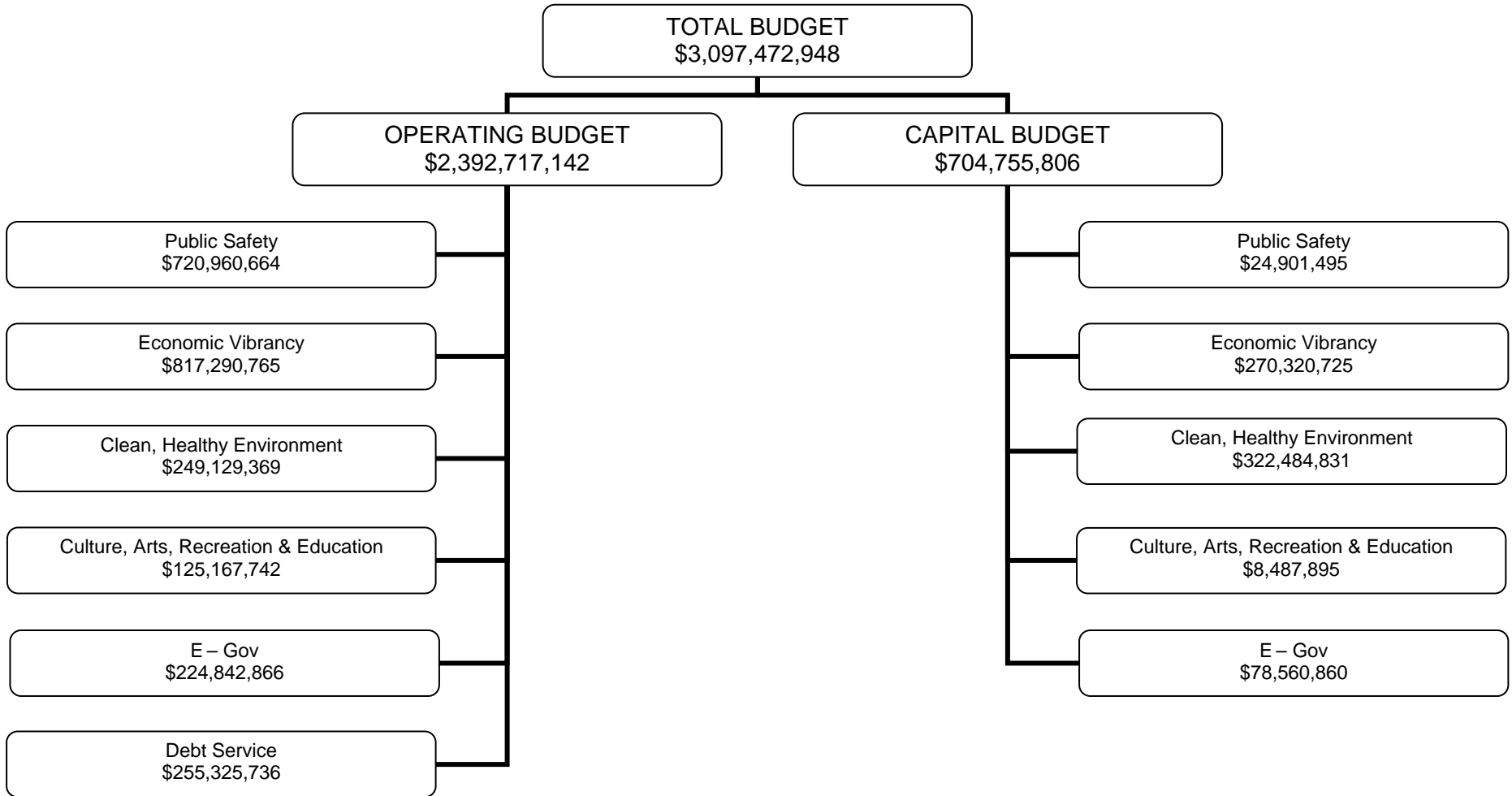
Property values increased 7.71% from \$93.14 billion in 2015 to \$100.32 billion in 2016. The adopted tax rate of \$0.7970 per \$100 valuation remains the same as the FY 2014-15 adopted tax rate. The adopted tax rate is split into two rates with \$0.5646 (70.8%) used to pay for operating and maintenance costs incurred in the General Fund, and \$0.2324 (29.2%) used to pay principal and interest on the City's outstanding general obligation debt. The City's property tax, sales tax receipts and other revenues support this budget.

Expenditures	FY 2014-15 AMENDED BUDGET*	FY 2015-16 ADOPTED BUDGET	% CHANGE
General Fund	\$1,170,363,101	\$1,144,800,000	-2.18%
Aviation	90,944,784	93,875,967	3.22%
Convention and Event Services	82,045,050	82,938,892	1.09%
Municipal Radio	2,061,761	2,054,549	-0.35%
Sanitation Services**	N/A	86,480,147	100.00%
Storm Drainage Management	53,598,761	51,416,846	-4.07%
Sustainable Development and Construction	26,838,534	30,696,618	14.38%
Water Utilities	614,521,177	645,128,387	4.98%
Debt Service	229,908,362	255,325,736	11.06%
Total Operating Budget	\$2,270,281,530	\$2,392,717,142	5.39%
Capital Budget	554,534,681	704,755,806	27.09%
Total Budget	\$2,824,816,211	\$3,097,472,948	9.65%

* FY 2014-15 budget has been restated to reflect adjustments approved by City Council on August 26, 2015.

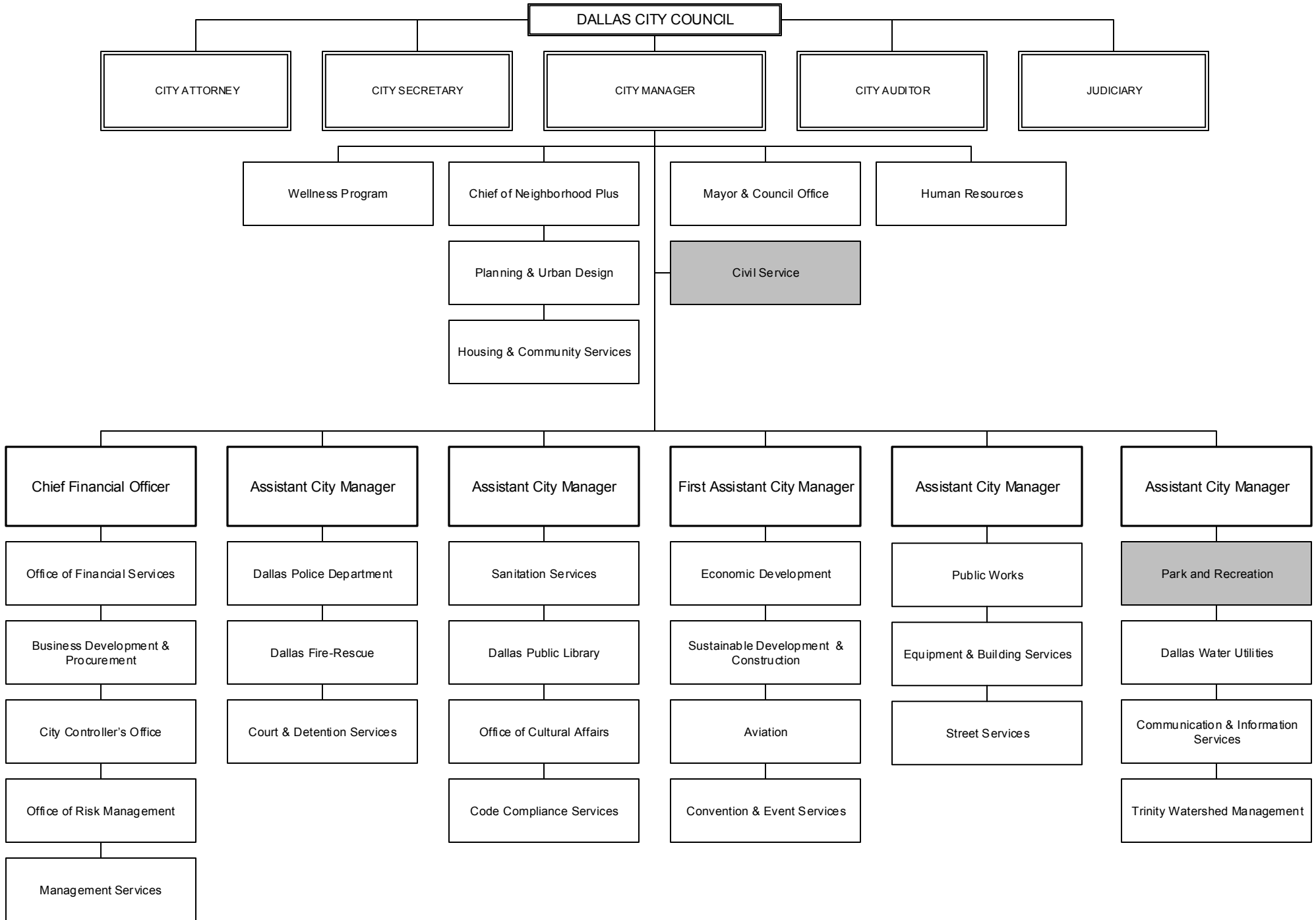
** In FY 2015-16, Sanitation Services will convert to an enterprise fund.

ORGANIZATION OF THE TOTAL BUDGET FOR FY 2015-16 BY KEY FOCUS AREA



*Operating Budget includes dollars from general fund and enterprise. Dollars from internal service funds and additional resources are not included.

CITY OF DALLAS ORGANIZATION CHART



Note: Shading Indicates Liaison Relationship

BUDGET PROCESS

Preparing the Budget

- In December, early revenue and expense projections are provided to council in a preliminary budget outlook briefing.
- In January, a City Council planning session is held and includes exercises designed for Council Members to define budget priorities and goals for the upcoming budget.
- In January, Office of Financial Services staff use preliminary revenue projections to create a starting point for the upcoming budget. Money is allocated by department.
- February-March, departments begin to submit service bids to address the City Council's Key Focus Area goals. Staff from the Office of Financial Services oversee this process.
- April-May, City management meets with departmental staff to review and discuss budget requests.

Reviewing the Budget

- In May, the City Manager presents an updated outlook to Council. A citywide citizen public hearing is held later in the month to receive citizen input. The City Manager and Office of Financial Services take the input given to them from citizens and Council and make adjustments where feasible.
- In June, a citizen budget survey is conducted to receive additional citizen input on priorities for the upcoming budget.
- By late June, a briefing is provided to Council on the preliminary budget outlook. This includes a list of services currently considered "funded". This is the first draft version of the budget seen by Council and the public.
- In August, the City Manager's Proposed Budget is presented to Council and Council Members hold Budget Town Hall Meetings with citizens in their districts to receive opinions about the City Manager's Proposed Budget.
- In late August, a budget workshop and a public hearing allow Council and citizens an opportunity to collectively share opinions on the proposed operating, capital, and grants & trust budgets.

Amending the Budget

- In September, City Council holds a Budget Amendment Workshop where Council Members submit proposed amendments to the City Manager's Proposed Budget. Proposed amendments should be balanced with revenue and/or expenditure changes. A majority straw vote decides if the amendment is included in the final budget.

Adopting the Budget

- Early September, City Council adopts the budget on its first reading.
- Late September, City Council adopts the upcoming year operating, capital and grants & trusts budget on the second reading. Any approved amendments are included in this adoption.

BUDGET PROCESS CALENDAR

The City of Dallas' budget process consists of a nine month schedule of presentations, hearings, and deliberations. The FY 2015-16 budget process dates are as follows:

<u>December 3</u>	City Council Briefing – FY 2015-16 Preliminary Outlook
<u>January 15-16</u>	City Council Planning Session
<u>February 4</u>	City Council Briefing – FY 2015-16 Budget Update
<u>February 13</u>	Budget kick-off - City departments receive instructions on development of FY 2015-16 budgets for all services
<u>March 25</u>	Public Hearing on the Operating, Capital, and Grants and Trusts Budgets
<u>April – July 31</u>	City Manager's Office holds budget deliberations including individual department presentations
<u>May 20</u>	City Council Briefing – FY 2015-16 Budget Update
<u>May 27</u>	Public hearing on the Operating, Capital, and Grants and Trust Budget City Council Consolidated Plan Budget Public Hearing
<u>June 24</u>	City Council Briefing – FY 2015-16 Budget Update
<u>August 11</u>	City Manager's FY 2015-16 Proposed Budget presented to City Council in a formal Council briefing. Council feedback is received.
<u>August 11-Sept 1</u>	City Council Budget Town Hall Meetings – Scheduled by the individual Councilmembers. Presentation of the City Manager's recommended budget to those in attendance and the Councilmember receives comments and feedback from constituents on the budget.

BUDGET PROCESS CALENDAR

August 19

City Council Budget Workshop – Specific budget related topics are briefed to the Council. Councilmembers provide comments on possible changes to the recommended budget. Discussion of FY 2015-16 tax rate.

August 26

Public Hearing on the Operating, Capital, and Grants & Trusts Budget

September 2

City Council Budget Workshop. First public hearing on property tax rate.

September 9

City Council adopts budget on first reading (requires a majority vote).

September 16

City Council Budget Amendments Workshop – Council members submit proposed amendments to the City Manager’s recommended budget. Proposed amendments should be balanced with revenue and/or expenditure changes. A majority “straw” vote is required for an amendment to be included in the recommended budget. Second public hearing on property tax rate.

September 22

City Council adopts FY 2015-16 Operating, Capital, and Grants & Trusts Budget on second reading and sets property tax rate (requires a majority vote).