

**JUNE 18, 2019 CITY COUNCIL BRIEFING AGENDA  
CERTIFICATION**

This certification is given pursuant to Chapter XI, Section 9 of the City Charter for the City Council Briefing Agenda dated June 18, 2019. We hereby certify, as to those contracts, agreements, or other obligations on this Agenda authorized by the City Council for which expenditures of money by the City are required, that all of the money required for those contracts, agreements, and other obligations is in the City treasury to the credit of the fund or funds from which the money is to be drawn, as required and permitted by the City Charter, and that the money is not appropriated for any other purpose.



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T.C. Broadnax  
City Manager



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Date



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Elizabeth Reich  
Chief Financial Officer



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Date

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CITY SECRETARY  
DALLAS, TEXAS

## City of Dallas

1500 Marilla Street  
Dallas, Texas 75201



## COUNCIL BRIEFING AGENDA

June 18, 2019

(For General Information and Rules of Courtesy, Please See Opposite Side.)  
(La Información General Y Reglas De Cortesía Que Deben Observarse  
Durante Las Asambleas Del Consejo Municipal Aparecen En El Lado Opuesto, Favor De Leerlas.)

## General Information

The Dallas City Council regularly meets on Wednesdays beginning at 9:00 a.m. in the Council Chambers, 6th floor, City Hall, 1500 Marilla. Council agenda meetings are broadcast live on WRR-FM radio (101.1 FM) and on Time Warner City Cable Channel 16. Briefing meetings are held the first and third Wednesdays of each month. Council agenda (voting) meetings are held on the second and fourth Wednesdays. Anyone wishing to speak at a meeting should sign up with the City Secretary's Office by calling (214) 670-3738 by 5:00 p.m. of the last regular business day preceding the meeting. Citizens can find out the name of their representative and their voting district by calling the City Secretary's Office.

If you need interpretation in Spanish language, please contact the City Secretary's Office at 214-670-3738 with a 48 hour advance notice.

Sign interpreters are available upon request with a 48-hour advance notice by calling (214) 670-3738 V/TDD. The City of Dallas is committed to compliance with the Americans with Disabilities Act.

**The Council agenda is available in alternative formats upon request.**

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

## Rules of Courtesy

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

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

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

## Información General

El Ayuntamiento de la Ciudad de Dallas se reúne regularmente los miércoles en la Cámara del Ayuntamiento en el sexto piso de la Alcaldía, 1500 Marilla, a las 9 de la mañana. Las reuniones informativas se llevan a cabo el primer y tercer miércoles del mes. Estas audiencias se transmiten en vivo por la estación de radio WRR-FM 101.1 y por cablevisión en la estación *Time Warner City Cable* Canal 16. El Ayuntamiento Municipal se reúne el segundo y cuarto miércoles del mes para tratar asuntos presentados de manera oficial en la agenda para su aprobación. Toda persona que desee hablar durante la asamblea del Ayuntamiento, debe inscribirse llamando a la Secretaría Municipal al teléfono (214) 670-3738, antes de las 5:00 pm del último día hábil anterior a la reunión. Para enterarse del nombre de su representante en el Ayuntamiento Municipal y el distrito donde usted puede votar, favor de llamar a la Secretaría Municipal.

Si necesita interpretación en idioma español, por favor comuníquese con la oficina de la Secretaría del Ayuntamiento al 214-670-3738 con notificación de 48 horas antes.

Intérpretes para personas con impedimentos auditivos están disponibles si lo solicita con 48 horas de anticipación llamando al (214) 670-3738 (aparato auditivo V/TDD). La Ciudad de Dallas está comprometida a cumplir con el decreto que protege a las personas con impedimentos, *Americans with Disabilities Act*. **La agenda del Ayuntamiento está disponible en formatos alternos si lo solicita.**

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

## Reglas de Cortesía

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

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

"Los ciudadanos y visitantes presentes durante las asambleas del Ayuntamiento Municipal deben 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 esté presidiendo la asamblea así lo ordena. Además, se le prohibirá continuar participando en la audiencia ante el Ayuntamiento Municipal. Si el oficial que preside la asamblea no toma acción, cualquier otro miembro del Ayuntamiento Municipal puede tomar medidas para hacer cumplir las reglas establecidas, y el voto afirmativo de la mayoría del Ayuntamiento Municipal precisará al oficial que esté 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."*

9:00 a.m. Invocation and Pledge of Allegiance 6ES

Special Presentations

Open Microphone Speakers

VOTING AGENDA 6ES

1. 19-910 Approval of Minutes of the June 5, 2019 City Council Meeting
2. 19-911 Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

BRIEFINGS 6ES

A. FY 2019-20 and FY 2020-21 Budget Overview

Open Microphone Speakers

6ES

The above schedule represents an estimate of the order for the indicated briefings and is subject to change at any time. Current agenda information may be obtained by calling (214) 670-3100 during working hours.

Note: An expression of preference or a preliminary vote may be taken by the Council on any of the briefing items.

**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]



# City of Dallas

1500 Marilla Street  
Dallas, Texas 75201

## Agenda Information Sheet

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**File #:** 19-910

**Item #:** 1.

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**SUBJECT**

Approval of Minutes of the June 5, 2019 City Council Meeting



# City of Dallas

1500 Marilla Street  
Dallas, Texas 75201

## Agenda Information Sheet

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**File #:** 19-911

**Item #:** 2.

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**AGENDA DATE:** June 18, 2019

**DEPARTMENT:** City Secretary

**COUNCIL DISTRICT(S):** N/A

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**SUBJECT**

Consideration of appointments to boards and commissions and the evaluation and duties of board and commission members (List of nominees is available in the City Secretary's Office)

# **FY 2019-20 and FY 2020-21 Budget Overview**

**City Council Briefing  
June 18, 2019**

**M. Elizabeth Reich, CFO**

**Jack Ireland, Office of Budget, Director**

**Janette Weedon, Office of Budget,  
Assistant Director**



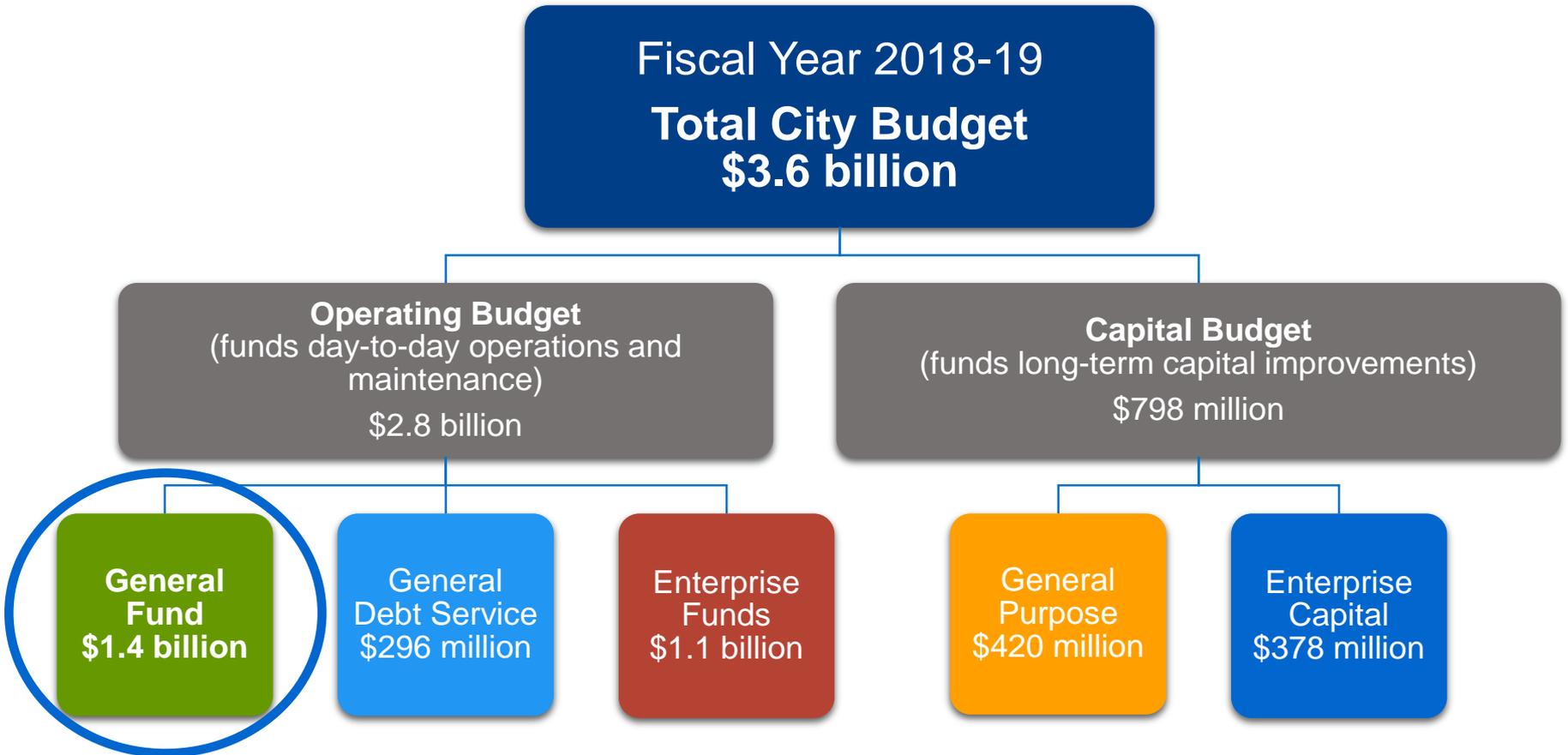
# Overview

- Review background for biennial budget for FY 2018-19 (FY19) and FY 2019-20 (FY20)
- Discuss City Council and community engagement considerations
- Discuss factors that may affect General Fund revenues and expenses
- Discuss Enterprise Fund preliminary fee changes
- Review budget development schedule

# Background—Budget Process

- City Manager recommended balanced budget on 8/14/18 for the FY19 and FY20 biennial
- City Council made amendments and adopted the FY19 annual budget on 9/18/18 totaling \$3.6B
- Current fiscal year began 10/1/18 and runs through 9/30/19
  - Staff are currently implementing programs and services funded in City Council-approved budget
  - Financial status is reported to GPFM committee each month in the Budget Accountability Report (BAR)

# Background—FY19 Adopted Budget

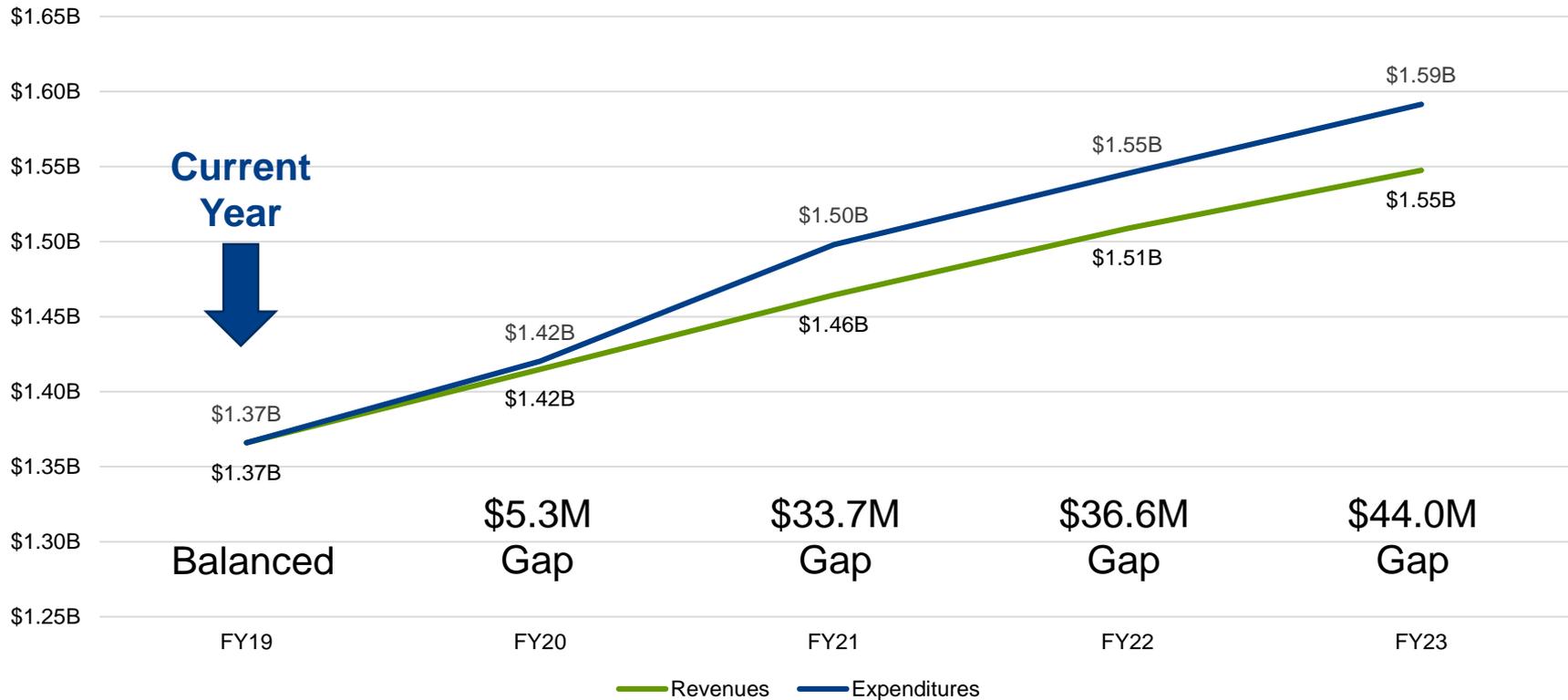


# Background—Biennial Budget

- Budget development process is already underway for next budget recommendation
- Biennial budget will roll forward one year and include updates for FY20 and additional recommendations for FY21
- City Manager will recommend balanced biennial budget to City Council on 8/13/19
  - Although General Fund for FY20 planned year was balanced when presented, a City Council amendment to increase police and fire pay resulted in a structural imbalance for FY20
- Per state law, City Council will adopt only FY20

# Background—Five-Year Forecast

Five-Year Forecast of  
GF Revenues & Expenditures



# City Council and Community Engagement Considerations



# City Council Planning Session

- City Council identified priorities and set policy direction at annual planning session on 2/20/19
- City Council members' top 10 preferences for initiatives are detailed on the next slide
- These priorities will be considered during budget development over the next two months

# City Council Planning Session

FY19	FY20	Initiative
8	6	Housing/affordable and mixed-income housing development/programs to improve city's housing stock
6	7	Parks and recreation/youth activities
7	5	Develop contractor accountability guidelines
4	7	Develop tax relief and spending control strategy
8	2	Economic development/targeted economic development programs
6	2	Grocery store/strategy to eliminate food deserts in southern Dallas
6	2	Equity/equity programs/equity review of all policies
3	3	Implement homeless encampment site reclamation program
1	5	Develop gentrification mitigation strategy
2	4	Launch Civic Innovation Lab/small business innovation hub





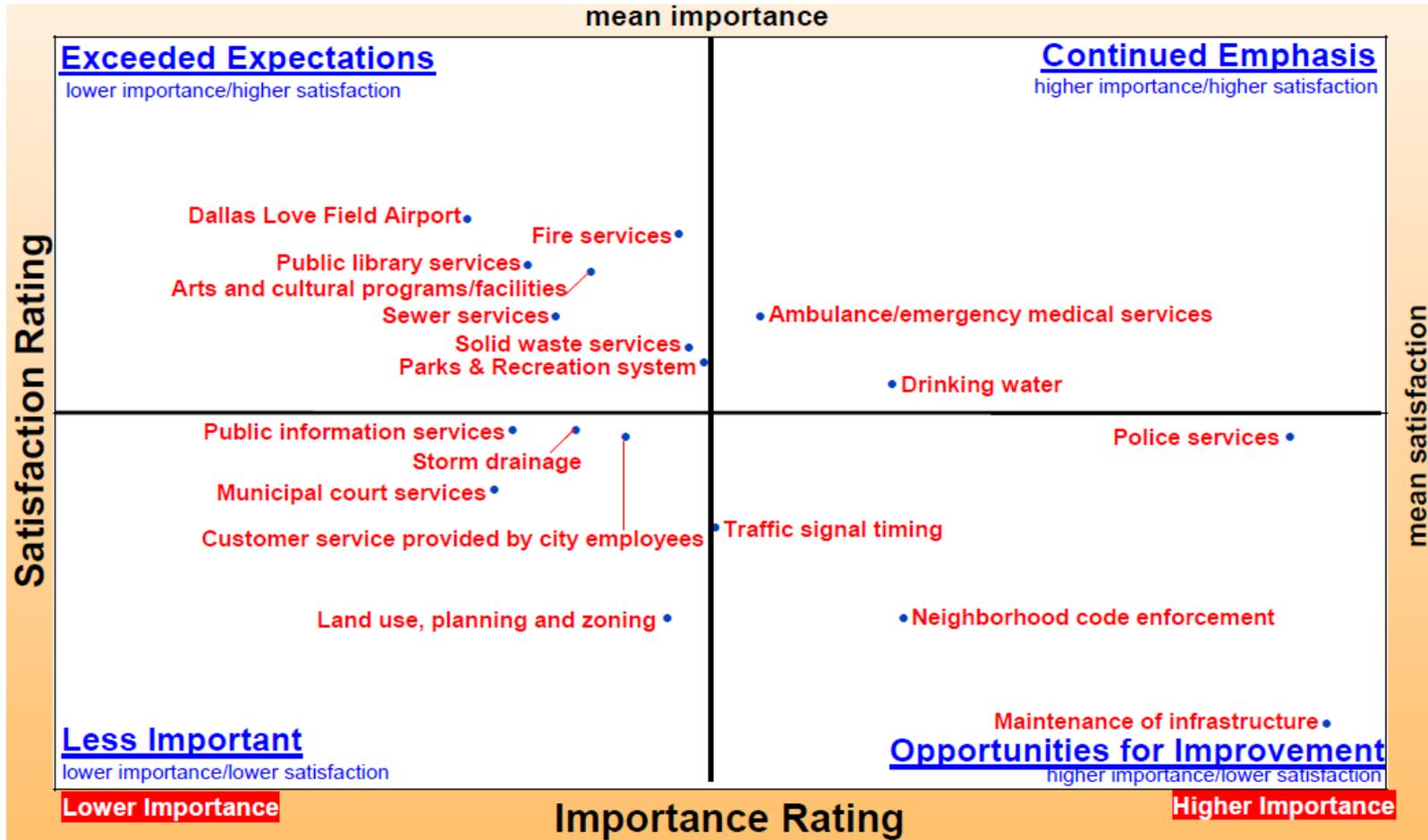
# Community Engagement

- ETC Institute is a national leader in market research for local governments and has been engaged by the City to conduct the biannual Community Survey
- [2018 survey](#) used random sampling to produce results that are statistically significant at the 95% confidence level, with a +/- 2.6% margin of error (overall)
- 2018 survey sample size was 1,442 completed surveys, with at least 100 in each City Council district

# Community Engagement

- Summary and conclusions presented by ETC Institute on 5/2/18:
  - Residents have a positive perception of the City
    - 72% rated the overall quality of life as “excellent” or “good”; only 4% gave a rating of “poor”
  - Overall satisfaction with City services is 9% above the national average for large U.S. cities
  - Dallas is setting the standard for customer service among large U.S. cities
  - Top priorities for residents were:
    - Infrastructure maintenance
    - Police services
    - Code enforcement

# Importance-Satisfaction Assessment Matrix



Source: ETC Institute (2018)

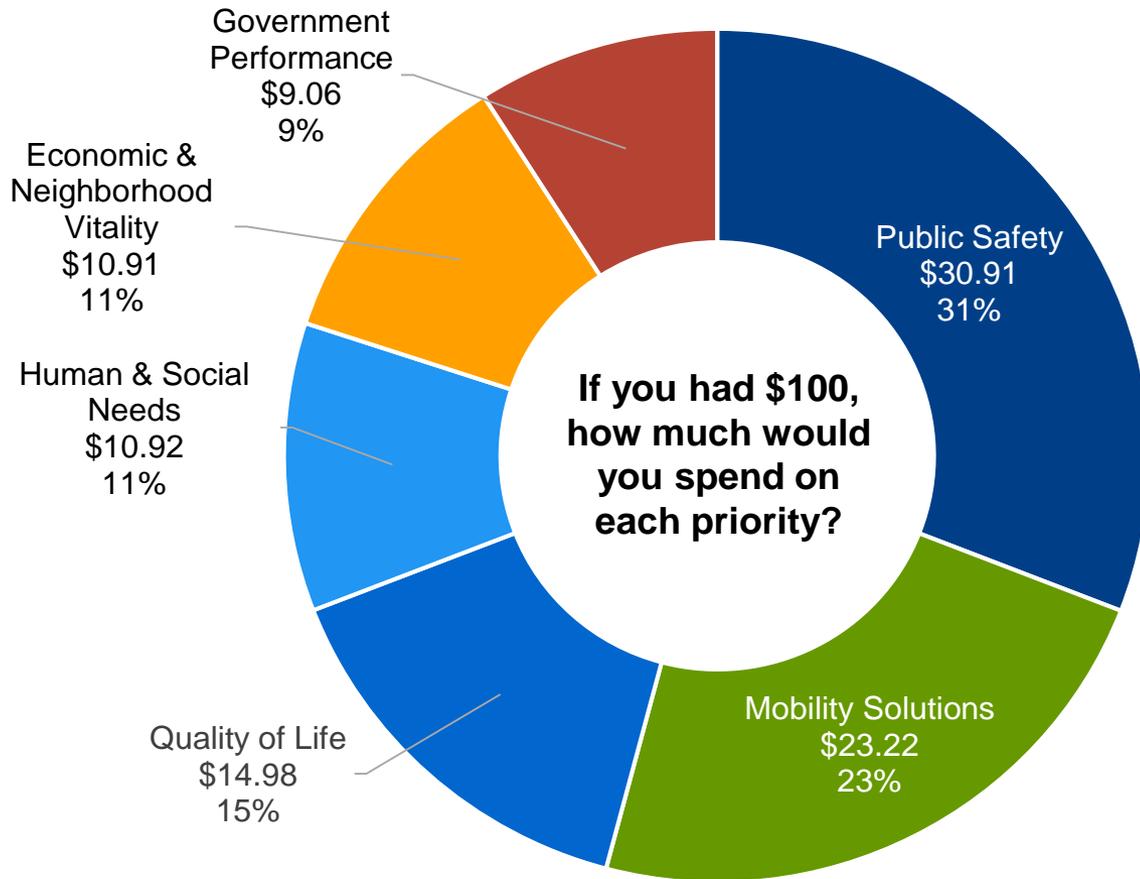
# Community Engagement

- Three public hearings are held before City Council each year: March, May, and August
  - Historically, these are poorly attended with only two speakers at all three meetings last year and no speakers thus far this year
- Additional meetings and a survey are conducted each spring to give residents another means of providing input
- During spring 2019, approximately 1,000 residents participated in the budget development process
  - An informal budget survey available March 11-31
    - 848 online and 60 paper responses
    - Not statistically significant
  - 14 community meetings
    - Livestreamed meetings online and on City cable channel
    - Conducted one set of meetings in Spanish
    - 89 attendees and 303 livestream views
- Results of the survey and engagement meeting exercises are included on following slides

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# Community Engagement



Strategic Areas	FY19 Actual Allocation
Public Safety	60%
Mobility Solutions	11%
Quality of Life	15%
Human & Social Needs	1%
Economic & Neighborhood	5%
Gov't Performance	8%



# Community Engagement

## What City services are most important to you? (choose up to three)

Police services	67.7%
Repairing and maintaining streets	52.5%
Fire services	30.3%

## Thinking about all City services, what sentence do you agree with most?

I prefer to lower taxes, even if it means cutting City services.	21.1%
I prefer to keep taxes and City services about the same.	56.2%
I prefer to raise taxes to allow the City to offer more services.	22.7%

# Community Engagement

- City Council members typically host Budget Town Hall meetings each August and seek resident input on the City Manager's recommended budget
- Staff will be available to support City Council members at these meetings from August 15-29
- Traditional (in-person) and/or virtual meetings may be scheduled
  - Virtual meetings historically reach more residents
- City Council members should submit dates/times/locations for August Budget Town Hall meetings by July 3

# Factors That May Impact General Fund Revenue

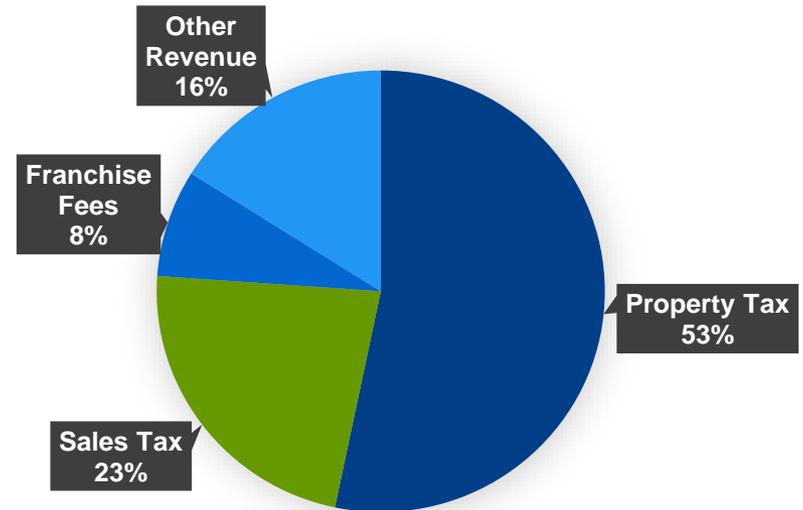


# 65/Older or Disabled Property Tax Exemption

- Property tax exemptions reduce a property owner's liability but also reduce revenues that come to the City to support services
- On 6/12/19, City Council approved an increase of the 65/older or disabled person exemption from \$90,000 to \$100,000
  - \$3.4M projected revenue foregone for this exemption
- City's 20% homestead exemption remains the same, as approved by City Council on 4/13/88, which is maximum allowed by state law
- In the current year, all partial and total exemptions reduced City revenue by \$280.1M (\$36.9B value exempt from being taxed)

# FY20 and FY21 Budget Development

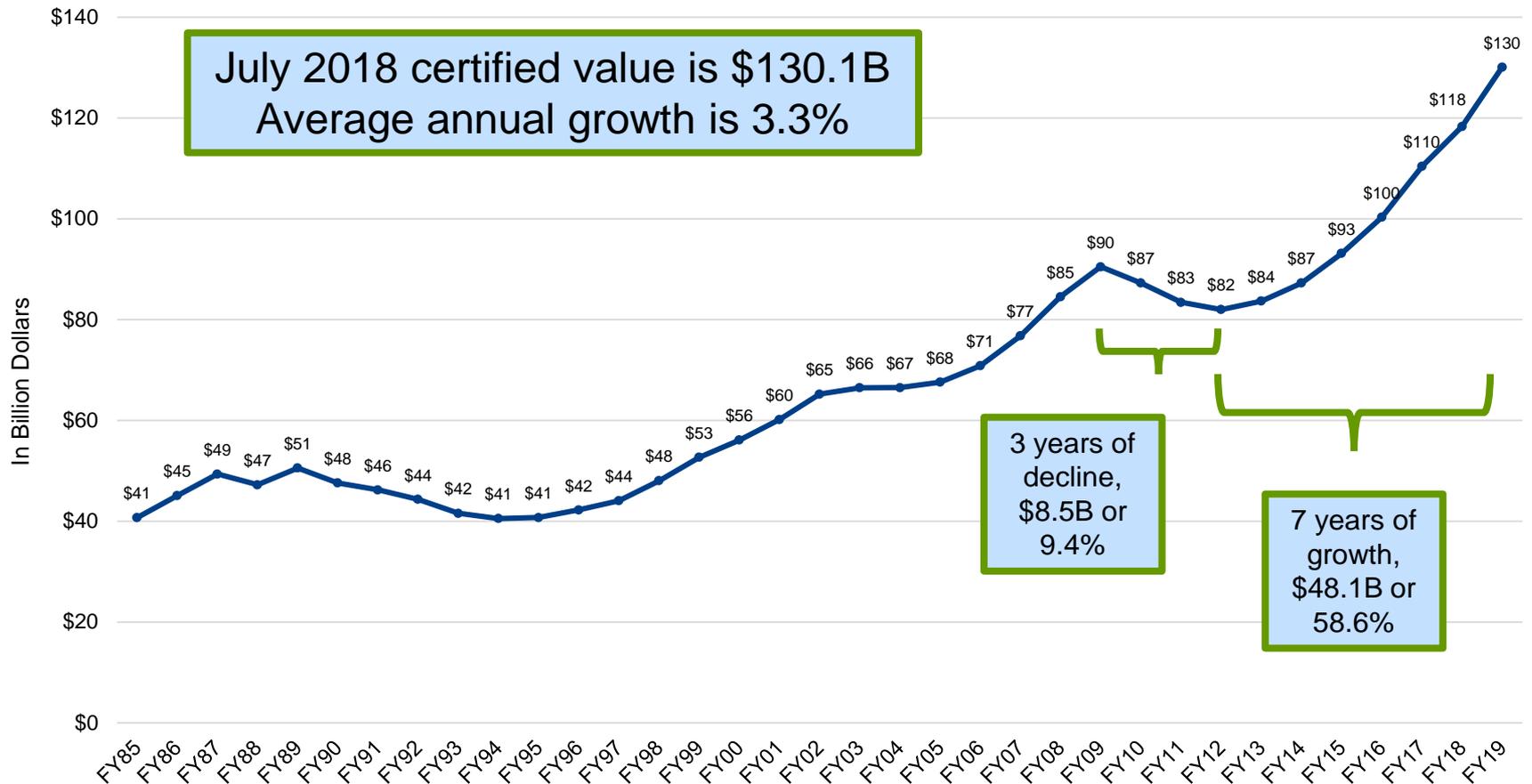
- Budget development for FY20 and future years must consider two significant factors affecting General Fund revenues:
  - Economic condition
  - State legislation
- These will impact the two largest revenues:
  - Property tax
  - Sales tax



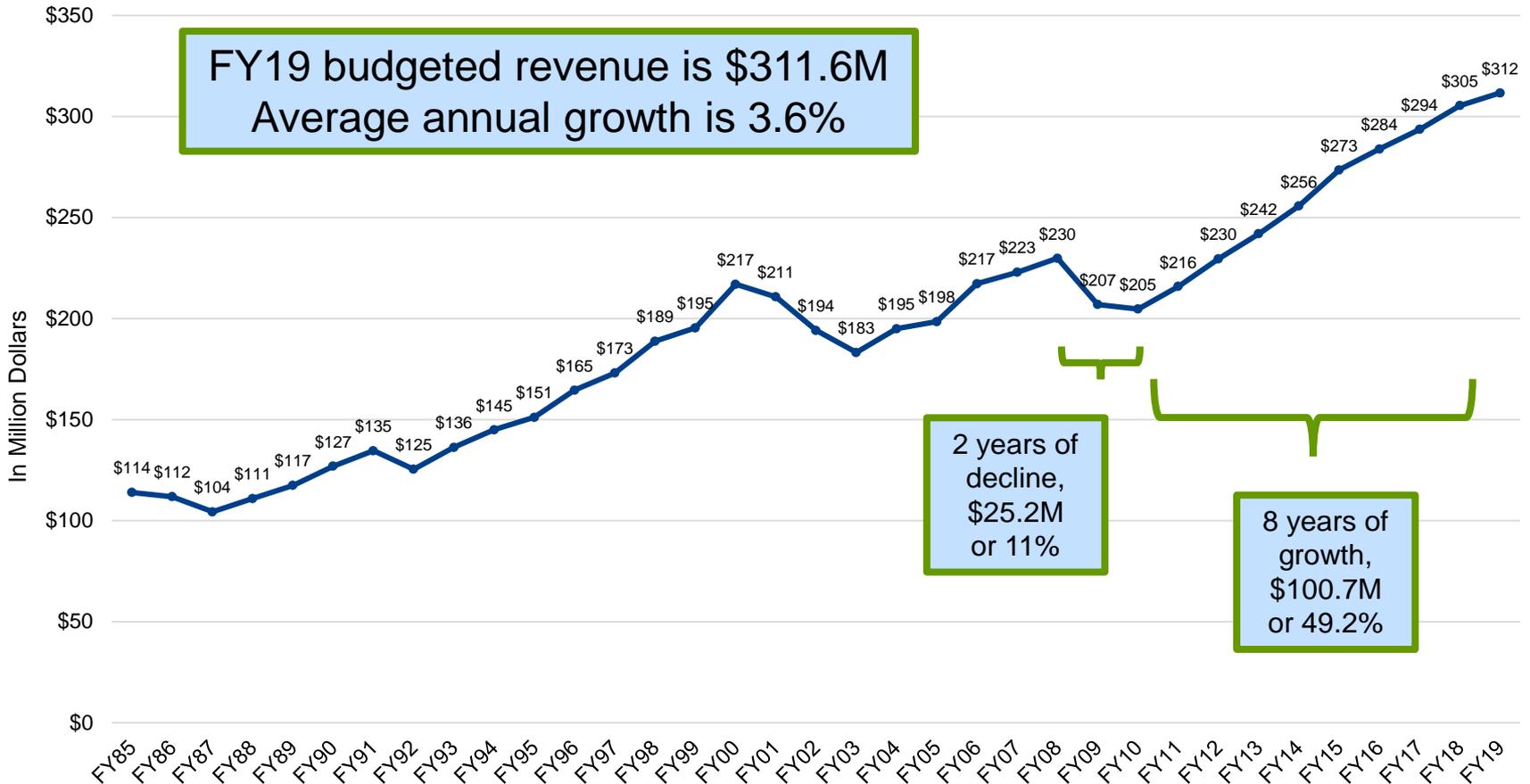
# Economic Forecast

- Since 76% of General Fund revenue is property tax (53%) and sales tax (23%), independent consultant is used to provide an economic forecast
- TXP Consulting provided forecasts in June 2018 and again in June 2019
  - National outlook—positive national growth now, but slowing next year
  - Regional outlook—continued overall growth, but slowing for both retail and real estate
- Next slides provide historical context of property tax and sales tax through economic cycles

# Property Tax Base Value (FY85–FY19)



# Sales Tax Revenue (FY85–FY19)



# Economic Forecast

Fiscal Year		Property Tax Values	Sales Tax Revenue
FY17	Actual	10.0%	3.4%
FY18		7.2%	4.0%
FY19		9.9%	3.0%
FY20	Consultant Forecast	9.6%	2.1%
FY21		7.6%	2.4%
FY22		5.8%	2.5%
FY23		3.8%	2.5%
FY24		2.3%	2.6%

Notes:

- TXP Consulting uses a regression analytics model to forecast with a 95% confidence level
- FY19 sales tax is based on six months actual

# Legislative Change: SB2

- Texas Property Tax Reform and Transparency Act of 2019 (SB2) will cap the City's ability to grow property tax revenue at 3.5% instead of 8% without seeking voter approval
  - Applies to reappraisals for the General Fund
  - Continues to exclude revenue needed to pay voter-approved debt
  - Growth from new construction does not count against the cap

# Legislative Change: SB2

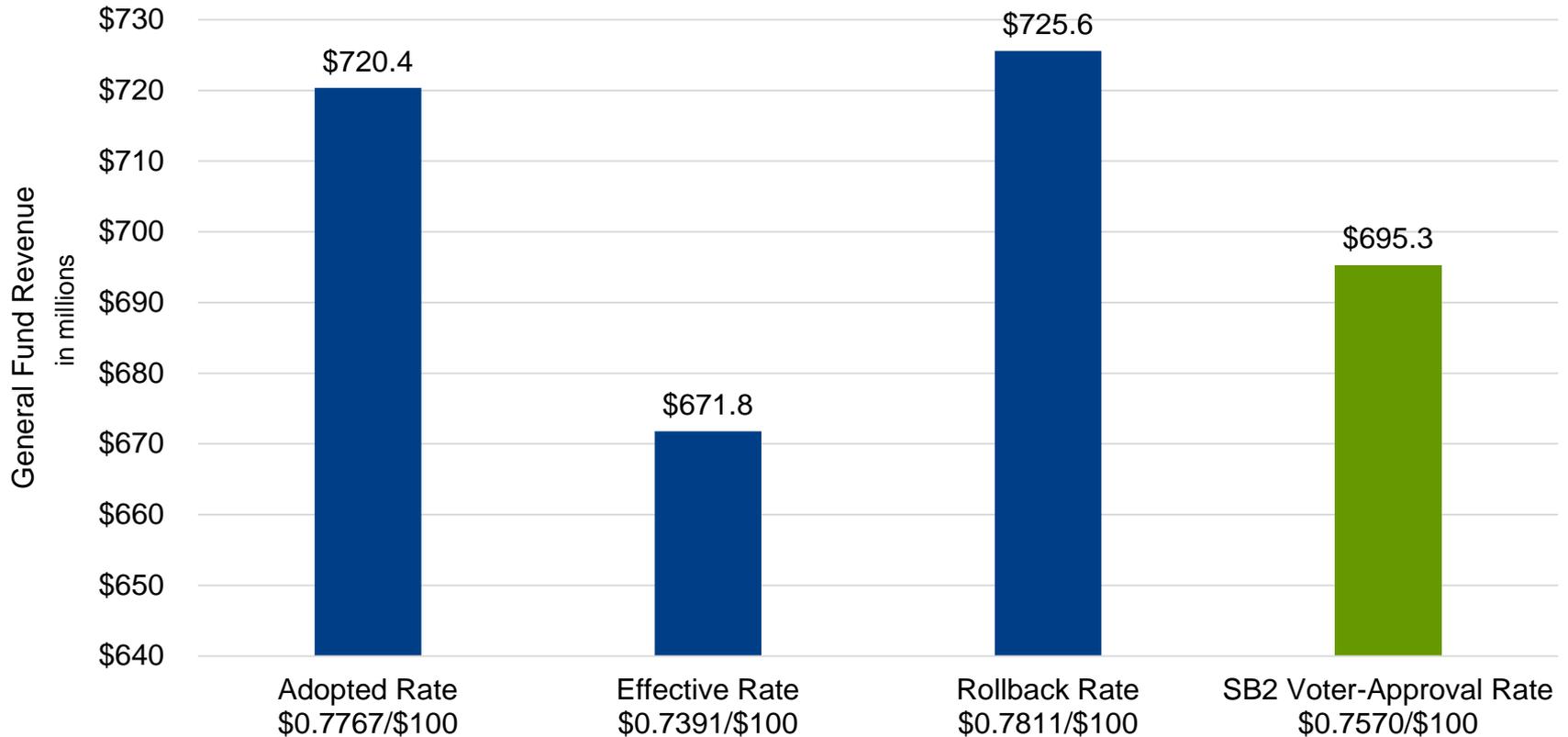
- Exceeding the 3.5% cap is allowed, but requires an election on the November uniform election date
- City Council must adopt the budget before it adopts the tax rate
- City Council must adopt the tax rate no later than the 71st day before the November uniform election date (mid- to late August)

# Legislative Change: SB2

- SB2 will not affect FY20 but will affect FY21 (effective date 1/1/20)
  - Although property tax values are forecast to grow 7.6% for FY21, City will likely be unable to take advantage of all growth without voter approval
  - City may be required to reduce the property tax rate to avoid exceeding revenue cap
- If SB2 had been in effect September 2018, \$25.1M in revenue and expense reductions would have been required to balance FY19 budget

# Legislative Change: SB2

## Tax Rate Scenarios for FY19



# Legislative Change: HB1525 and HB2153

- Sales tax collections have historically applied to “brick and mortar” stores, not online sales
- Supreme Court decision in South Dakota v. Wayfair, Inc. (6/21/18) determined states may charge tax on purchases from out-of-state sellers, even if the seller does not have a physical presence in the state
- Many of the largest online retailers, including Amazon, already voluntarily collect Texas sales and use taxes

# Legislative Change: HB1525 and HB2153

- Effective 10/1/19, out-of-state internet retailers with at least \$500K in Texas sales in the prior 12 months will be required to collect and remit local sales and use taxes, per HB1525
- HB2153 provides options for retailers to calculate taxes using:
  - The combined rate of all applicable local taxes OR
  - A single local use tax rate equal to the average of all local tax rates in Texas in the prior fiscal year
- FY20 planned budget already included an adjustment in anticipation of this change in state law, and the TXP forecast also considered the impact

# Legislative Change: SB1152

- Companies that provide both telecommunications and cable TV services are exempt from paying the lesser of:
  - Telecommunications right-of-way (ROW) fees (fixed rate per access line)
  - Cable TV franchise fees (5% of gross receipts)
- All cable TV providers currently serving Dallas also provide telecommunications services and pay both fees
- Based on SB1152, Time Warner Cable (Spectrum) and Grande Communications may be exempt from telecommunications ROW fees, and AT&T and Frontier Communications (Verizon) may be exempt from cable TV franchise fees
- An effective date of 1/1/20 will reduce revenue for both years of the upcoming biennial
  - FY20 = \$6.6M decrease
  - FY21 = \$9M decrease (total)

# Legislative Change: HB1631

- Effective 6/1/19, the City will no longer operate its red-light camera program or issue citations for violations based on a photographic enforcement system
- Legislative change will reduce revenue
  - FY19 (current year) = \$1M net decrease
  - FY20 = \$2.4M net decrease
    - Decrease \$7.5M revenue and \$5.1M expense

# Factors That May Impact General Fund Expenses



# Equity in Budget Development

- FY20 budget process will begin to consider opportunities to provide resources and services that address historical and systemic practices and policies that have produced inequitable conditions in our community
- Equity will be considered when allocating new resources throughout FY20 budget process
  - All General Fund departments have considered equity when requesting additional funds to enhance services and when offering reductions
  - Eight departments will receive additional review related to the allocation of existing departmental resources
- City Manager's recommended budget presented on 8/13/19 will highlight these efforts

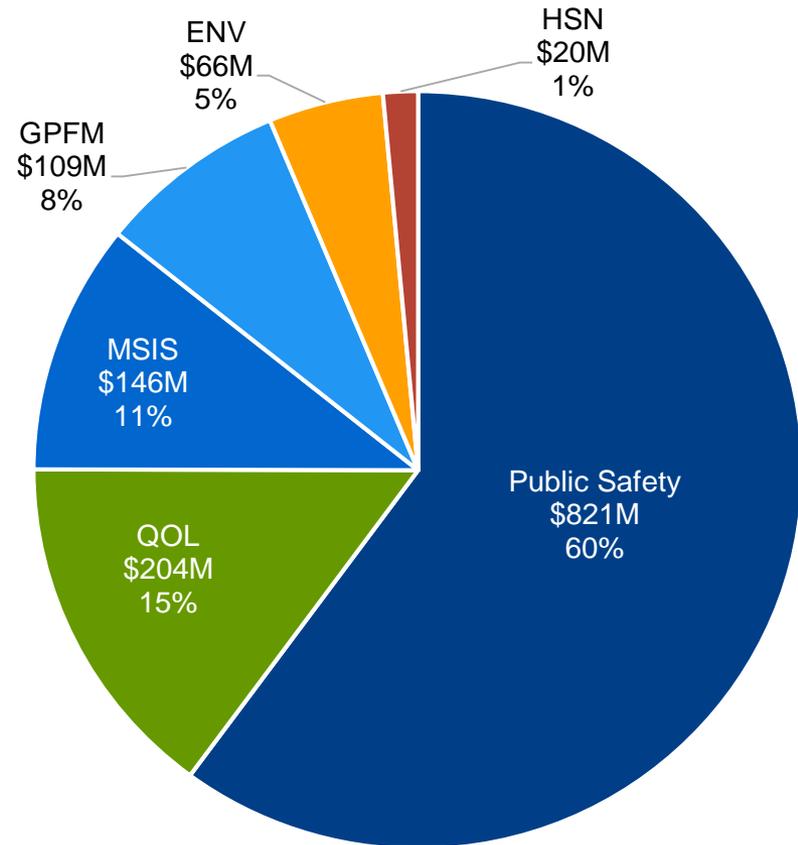
# Strategic Priorities

General Fund expenses align to six strategic priorities:

1. Public Safety (PS)—Enhance the welfare and general protection of residents, visitors, and businesses in Dallas
2. Mobility Solutions, Infrastructure, and Sustainability (MSIS)—Design, build, and maintain the underlying structures necessary to support Dallas' residents
3. Economic and Neighborhood Vitality (ENV)—Strengthen and grow the business community while planning and strengthening the long-term vitality of Dallas neighborhoods by expanding housing options and creating job opportunities
4. Human and Social Needs (HSN)—Provide services and programs to meet basic human needs by focusing on prevention or resolution of systemic problems
5. Quality of Life (QOL)—Provide opportunities that enhance the standard of health, comfort, and happiness of Dallas residents
6. Government Performance and Financial Management (GPFM)—Ensure that internal operations are conducted in a manner that promotes our core values of empathy, ethics, excellence, and equity

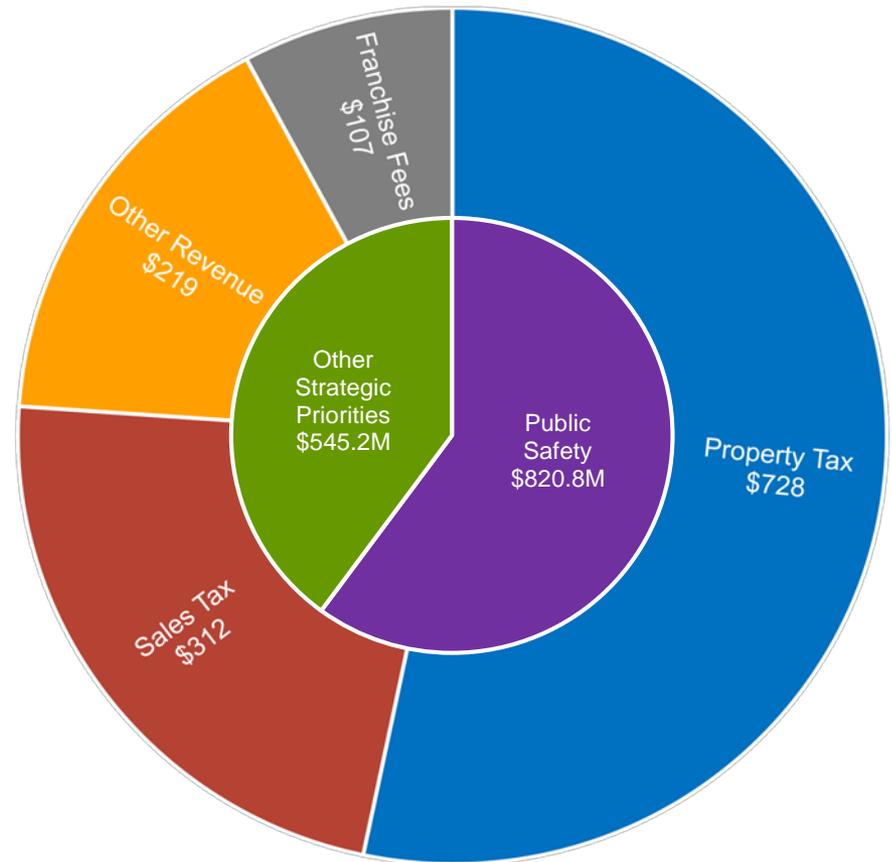
# Strategic Priorities

- Public safety has been the City's top priority
- 60% of the General Fund pays for police, fire, ambulances, courts, and other public safety programs
  - DPD and DFR together total \$781.2M (57.2%) of General Fund



# Strategic Priorities

- It takes 100% of our property tax and almost 30% of sales tax to pay just for public safety
- Recruitment and retention of first responders is a key priority for the upcoming budget
  - Meet & Confer negotiations are underway
  - Cost for FY20 and future years not yet known
- Balancing public safety needs with other needs of the City will be a challenge especially when revenue caps go into effect



# Personnel Costs

- \$995.8M or about 73% of the General Fund is spent on employee compensation including pay, pension, health benefits, worker's compensation, etc.
- This cost is necessary for 5,393 uniform and 5,576 civilian positions to provide a vast array of services including police, fire, code, streets, parks, libraries, animal services, courts, cultural arts, etc.
- Current initiatives could affect these costs:
  - HR is completing a comprehensive study of the City's position classification and compensation systems
  - DPD is conducting a uniform staffing study
  - Meet & Confer negotiations are underway

# Personnel Costs

- City wages have not kept up with market pay
- To address pay equity for lower-paid positions, City has made adjustments to entry level pay over the last few years
  - Current minimum pay is \$11.50 per hour
  - An increase to \$15.00 per hour would affect 1,470 employees (933 General Fund) and have a cost impact of \$5.7M (\$3.9M General Fund)
- Employee health and life insurance plans are being reviewed to determine if changes are warranted
  - Considering a tiered premium model for health benefits based on pay to benefit lower-paid employees

# Other Expense Drivers

- Fleet Management Study results were briefed to City Council on 12/5/18 and identified 1,911 vehicles eligible for replacement this year at a cost of \$142M
  - \$300M in replacement needs over next five years
  - FY20 budget will increase funding for fleet replacement but still address this issue through a phased approach
- City Council approved a one-year consultant contract on 5/22/19 for a security assessment of City facilities and development of a Citywide security strategy

# Other Expense Drivers

- FY20 budget will include funding to address the Drivers of Poverty with a focus on reducing and/or eliminating barriers to work
  - City Council amendment to the FY20 CDBG budget on 5/15/19 prioritized spending federal grant funds on Community Courts and using City General Fund to address the Drivers of Poverty
- Investments in technology will continue to be a part of the upcoming budget to replace/update existing systems and seek opportunities to improve efficiencies

# Other Expense Drivers

- Recommendations from current and upcoming plans/studies may affect the budget during the FY20 and FY21 biennial
  - Comprehensive Environmental and Climate Action Plan
  - Comprehensive Housing Policy
  - Cultural Arts Plan
  - Dallas 2030
  - Economic Development Strategic Plan
  - Mobility Strategic Plan

# Enterprise Fund Preliminary Fee Changes

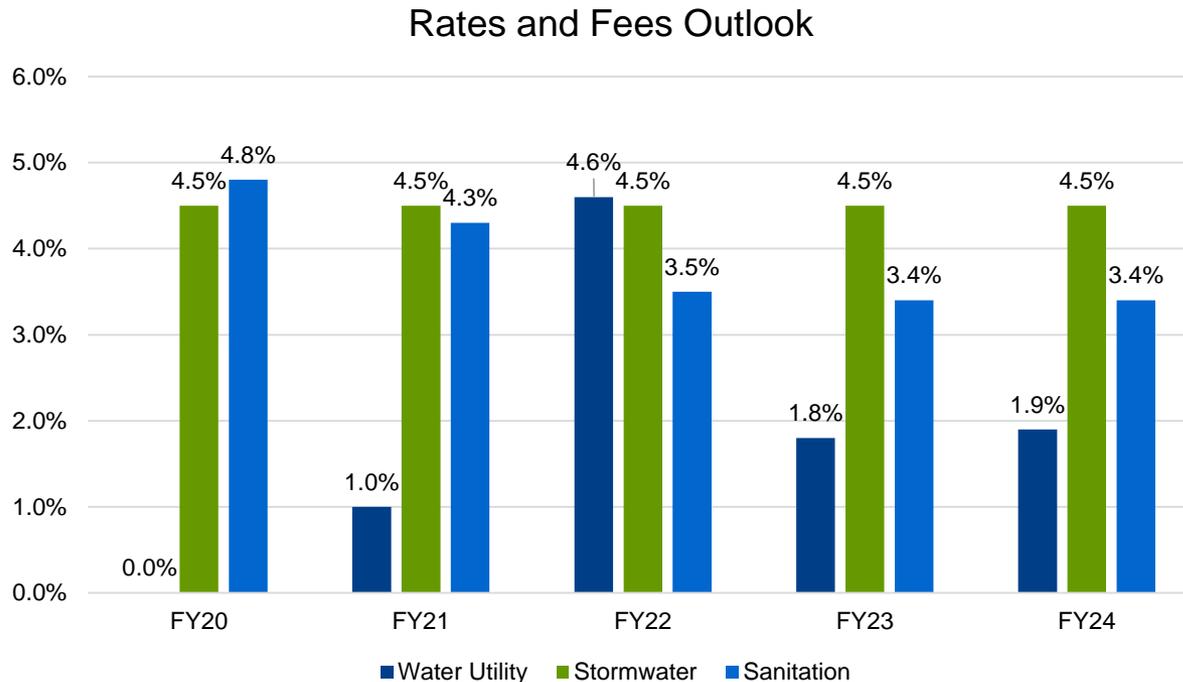


# Enterprise Fund Fees

- Dallas Water Utilities' retail cost of service study and settlement of Sabine River Authority litigation resulted in no rate increase until FY21
  - Future increases primarily driven by capital investment in water/wastewater system including pipeline replacement, infrastructure maintenance, and Elm Fork WTP water quality improvements
- Stormwater fee increase is primarily due to “pay-as-you-go” capital projects and neighborhood drainage maintenance
- Sanitation residential fee increase is primarily driven by personnel cost, living wage increase for temporary labor, fleet, and fuel costs

# Enterprise Fund Fees

- Preliminary update for Enterprise Fund fees is provided below
- Amounts listed may change to account for additional expenses still under consideration and/or service delivery changes



# Enterprise Fund Fees

## Projection for Monthly Residential Utilities Bill as of June 18, 2019

	FY18	FY19	FY20*	FY21	FY22	FY23	FY24
Water & Wastewater	\$67.12	\$65.30	\$62.62	\$63.25	\$66.16	\$67.35	\$68.63
Stormwater	\$7.09	\$7.41	\$7.74	\$8.09	\$8.46	\$8.84	\$9.23
Sanitation	\$25.18	\$27.29	\$28.60	\$29.83	\$30.87	\$31.91	\$33.01
<b>Total Utilities Bill</b>	<b>\$99.39</b>	<b>\$100.00</b>	<b>\$98.96</b>	<b>\$101.17</b>	<b>\$105.48</b>	<b>\$108.09</b>	<b>\$110.87</b>
Increase	-	\$0.61	\$(1.04)	\$2.20	\$4.31	\$2.61	\$2.78
Percent Change	-	0.6%	-1.0%	2.2%	4.3%	2.5%	2.6%
5-Year Average Annual Change	-	-	-	-	-	1.7%	2.1%

\*Reduction in winter months average

# Budget Development Schedule



# Budget Development Schedule

Date	Event—City Council and Community
February 20	City Council planning session
March 11-31	Budget engagement meetings and informal survey
March 27	Budget public hearing
May 8	Budget public hearing
June 18	Budget Workshop
July 3	City Council submits dates/times/locations for August budget Town Hall meetings
August 13	Budget Workshop: City Manager's Recommended Budget
August 15-29	Budget Town Hall meetings
August 21	Budget Workshop
August 26	Budget Workshop: Consider budget amendments (straw votes anticipated)

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# Budget Development Schedule

Date	Event—City Council and Community
August 28	Budget public hearing
September 4	Budget Workshop: Consider amendments and adopt budget on first reading  Tax rate public hearing #1 (if needed)
September 10	Budget Workshop (optional)
September 11	Tax rate public hearing #2 (if needed)
September 18	Budget Workshop: Adopt budget on second reading, adopt tax rate, and approve other budget-related items
October 1	Begin FY20

# **FY 2019-20 and FY 2020-21 Budget Overview**

**City Council Briefing  
June 18, 2019**

**M. Elizabeth Reich, CFO**

**Jack Ireland, Office of Budget, Director**

**Janette Weedon, Office of Budget,  
Assistant Director**

