



FISCAL YEAR 2018-2019 ADOPTED BUDGET IN BRIEF



A MESSAGE FROM THE CITY MANAGER



I am pleased to share the fiscal year (FY) 2018-19 Service First budget. This \$3.6 billion budget funds many services you have come to expect from the City, including emergency response, clean water, libraries, and parks. It also invests in solving problems our community faces, such as homelessness, affordable housing, and underserved neighborhoods.

Perhaps most importantly, it gives us an opportunity to answer the question, “What kind of city do we want Dallas to be?”

We want Dallas to be a safe city. Our budget invests heavily in public safety and our first responders. In fact, all property tax revenue and 29.8 percent of our sales tax revenue go to public safety. At 60 percent of the General Fund budget, our investment in public safety includes increased wages for first responders, recruitment and retention funding to help us stabilize police and fire staffing, increased pension contributions, and improvements to the 911 system.

We want Dallas to be an innovative city. I am establishing an Office of Innovation, which will lead City staff in efforts to improve service, increase efficiency, and be more responsive to community input. The budget includes additional resources for technology enhancements, such as Radio Frequency Identification (RFID) for the library system, and an online one-stop shop for residents and businesses to submit construction plans to the City.

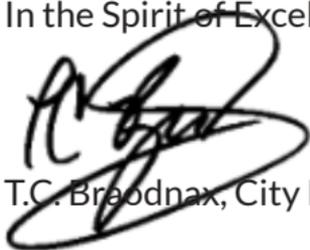
We want Dallas to be a livable city. We are addressing major infrastructure needs by implementing the bond program voters approved in November 2017, adding pay-as-you-go funding for streets, and piloting a program to address overgrown and deteriorating alleys. In neighborhoods, we are adding seven code representatives, a team focused exclusively on dangerous dogs, and new park programs. We will also focus on implementing the new housing policy and completing the Dallas Cultural Plan.

We want Dallas to be an inclusive city. This budget includes funding for initiatives addressing homelessness, as well as money to leverage the work of local organizations providing citizenship and legal services for immigrants and a “Fresh Start” re-entry program for the formerly incarcerated. The budget funds an Americans with Disabilities Act (ADA) transition plan, which will enhance the City’s ADA compliance and address accessibility issues with City facilities.

We want Dallas to be a thriving city. The Dallas economy continues to be strong and healthy. The General Fund budget includes \$727.9 million in property tax revenue and \$311.6 million in sales tax revenue, as well as \$326.4 million in other revenue such as fees and charges. Notably, this budget lowers the property tax rate by 0.37¢, while still providing funding for critical City services.

I continue to listen to and learn from community members, and I am inspired by their collective optimism and enthusiasm. As an organization, we want Dallas to be even better for residents now and in the future. I look forward to working with you to continue to put your needs first through Service First.

In the Spirit of Excellence!



T.C. Broadnax, City Manager

SERVICE FIRST

Service First is more than just the City's vision or catchphrase. Dallas' 13,000 employees know Service First is an expectation – for everything we do and everything we deliver. We work hard to meet the needs of residents every day – 365 days of the year – and adhere to our core values of empathy, ethics, excellence, and equity.

The FY 2018-19 budget of approximately \$3.6 billion is focused on providing excellent public service that is sustainable in the second year of the biennial. Perhaps most importantly, it gives us an opportunity to answer the question, “What kind of city do we want Dallas to be?”

We want Dallas to be a safe city.

We want Dallas to be an innovative city.

We want Dallas to be a livable city.

We want Dallas to be an inclusive city.

We want Dallas to be a thriving city.

As an organization, we want Dallas to be even better for residents now and in the future.



BIENNIAL BUDGET PLAN

Expenditure	FY 2017-18 Amended	FY 2018-19 Adopted	FY 2019-20 Planned
General Fund	1,282,512,888	1,365,966,274	1,420,289,245
Aviation	127,028,405	144,132,819	153,597,128
Convention and Event Services	99,371,106	108,647,915	107,667,880
Municipal Radio	2,051,318	2,076,728	2,105,637
Sanitation Services	104,419,917	112,653,465	113,539,838
Sustainable Development	32,376,190	34,571,119	34,649,765
Water Utilities	667,471,388	665,491,395	685,052,543
Storm Drainage Management *	55,936,837	58,436,837	60,936,837
Debt Service	267,322,998	296,200,044	303,438,501
Operating Budget	\$2,638,491,047	\$2,788,176,596	\$ 2,881,277,374
General Purpose Capital	320,931,791	420,377,152	396,012,859
Enterprise Capital	349,210,463	377,646,036	432,625,926
Capital Budget	\$670,142,254	\$798,023,188	\$ 828,638,785
Total Budget	\$3,308,633,301	\$3,586,199,784	\$ 3,709,916,159

* Effective October 1, 2018, Storm Drainage Management integrated into Water Utilities.

Enterprise Revenue:

Enterprise Funds are City operations that generate revenue through charges for the specific services they provide. The image below shows the changes in rates for homeowners.

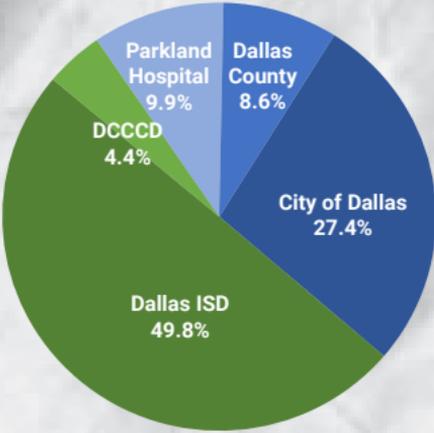
Typical Residential Monthly Bill for Each Service

Dallas Water Utilities	Sanitation Services	Storm Drainage Management
• FY18 = \$67.12	• FY18 = \$25.18	• FY18 = \$7.09
• FY19 = \$65.30	• FY19 = \$27.29	• FY19 = \$7.41
• FY20 = \$65.30	• FY20 = \$27.64	• FY20 = \$7.73

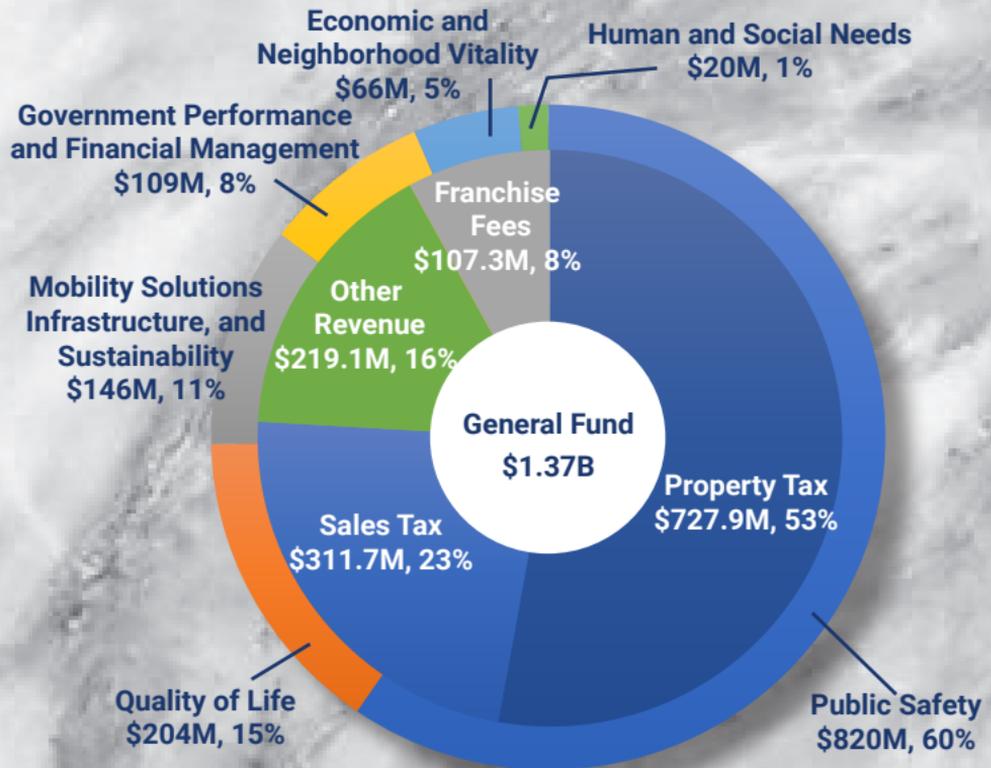
REVENUE

General Fund Revenue:

Property tax and sales tax account for 76 percent of the \$1.37 billion General Fund budget. Property values grew by 9.94 percent this year and total \$130.1 billion. The FY 2018-19 budget includes a reduction in the property tax rate from 78.04¢ to 77.67¢ per \$100 of valuation, a 0.37¢ reduction. With reductions in FY 2016-17 and 2017-18, the property tax rate will have decreased by 2.03¢ during this three-year period.



Property taxes are paid not only to the City of Dallas but also to other jurisdictions. The graphic to the left shows the share of your tax bill paid to each jurisdiction.



SIX STRATEGIC PRIORITIES

Developed by the City Council and City Manager, these strategic priorities and associated high level goal statements will continue to guide the work of City staff during the next biennium:

- Public Safety
- Mobility Solutions, Infrastructure, and Sustainability
- Economic and Neighborhood Vitality
- Human and Social Needs
- Quality of Life
- Government Performance and Financial Management



The City is also working with the larger Dallas community on Dallas 2030, a strategic planning effort not just for the local government, but also for the community, which will set the course for the City over the next 10 years. The vision for Dallas 2030 is: “To move Dallas toward a more inclusive, equitable, and socially cohesive city where all have the opportunity and ability to contribute their time, talent, and treasure that further advances Dallas toward a safe, livable, thriving community.”

It reflects community desires, bolsters the city’s unique regional position, and builds on the city’s leadership in an era of new urbanism.



PUBLIC SAFETY

Enhance the welfare and general protection of residents, visitors, and businesses in Dallas

- Increasing pay for police officers and firefighters (1) effective in October 2018 in accordance with the three-year Meet and Confer agreement which calls for double-step pay increases of approximately 10 percent, adding a 2 percent top step, and increasing starting pay to \$51,688, and (2) effective in January 2019 in accordance with the City Council budget amendment to provide a 3 percent across the board pay increase and increase minimum pay to \$60,000.
- Recruiting new police officers and firefighters to bring the number of sworn employees at the end of FY 2018-19 to 3,050 in police and 1,942 in fire.
- Contributing \$156.8 million, up \$6.1 million from the current year, to the Dallas Police and Fire Pension System to ensure a secure retirement for our first responders.
- Consolidating security for City facilities into Court and Detention Services and conducting a comprehensive risk assessment to identify future security needs for City facilities and programs.
- Investing more than \$5 million in a school crossing guard program to protect Dallas schoolchildren.

MOBILITY SOLUTIONS, INFRASTRUCTURE AND SUSTAINABILITY

Design, build, and maintain the underlying structures necessary to support Dallas' citizens

- Investing more than \$125 million of bonds and cash to improve the condition of city streets.
- Leveraging \$10 million of federal Highway Safety Improvement Program funds with approximately \$2 million in City funds to improve safety at high-crash locations.
- Creating a cross-departmental pilot program to improve alley access for residents and utilities.
- Expanding bike lanes and improving mobility by increasing the current \$500,000 budget by \$500,000 per year over each of the next three years to achieve a \$2 million per year investment starting in FY 2020-21.
- Combining water, wastewater, and stormwater into one utility to comprehensively manage Dallas' valuable water resources.



ECONOMIC AND NEIGHBORHOOD VITALITY

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

- Reducing the property tax rate by 0.37¢, making FY 2018-19 the third consecutive year with a tax rate reduction.
- Implementing the Comprehensive Housing Policy approved by City Council in May 2018 to create and preserve housing throughout the city.
- Targeting \$1 million to historically underserved areas which are at risk of displacement, because of changing market conditions, as well as areas in need of intensive environmental enhancements, master planning, and formalized neighborhood organizations.
- Offering an online one-stop shop for residents and businesses to submit construction plans to the City.
- Devoting \$100,000 to conduct a historic resource survey with private partners.



HUMAN AND SOCIAL NEEDS

Provide services and programs to meet basic human needs by focusing on prevention or resolution of systemic problems

- Addressing homelessness holistically, including \$2.3 million for strengthening the homeless response system, providing improved supportive housing for seniors, leveraging innovative and collaborative “shovel-ready” projects for affordable housing units, funding a master lease program, and developing a landlord incentive program.
- Increasing funding for the End Panhandling Now initiative to \$415,000 and continuing public education on ways to effectively assist those in need.
- Committing \$175,000 to partner with nonprofit organizations to offer civil legal services and promote citizenship to immigrants.
- Creating an Office of Equity and Human Rights to promote equity as one of the City’s core values including a focus on fair housing.
- Increasing funding by \$235,000 for the “Fresh Start” re-entry program to support the transition of formerly incarcerated individuals into the community.



QUALITY OF LIFE

Provide opportunities that enhance the standard of health, comfort, and happiness of Dallas residents

- Transitioning Fair Park's daily operation from City management to Fair Park First, a non-profit subcontracting with a private management company to expand fundraising opportunities, improve operations, and make capital improvements.
- Allocating \$410,000 to mobilize a team in Dallas Animal Services dedicated to dealing with aggressive and dangerous animals and preemptively reducing bites.
- Adding \$650,000 for seven Neighborhood Code Representatives, further improving outreach efforts and providing more liaisons to address community issues.
- Implementing a \$2 million Radio Frequency Identification (RFID) system throughout our libraries to improve security and better manage our materials and assets.
- Expediting the opening of six spraygrounds and partnering with school districts to offer more green spaces and parks.



GOVERNMENT PERFORMANCE AND FINANCIAL MANAGEMENT

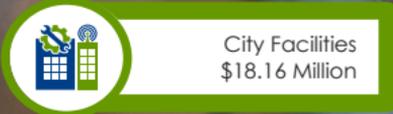
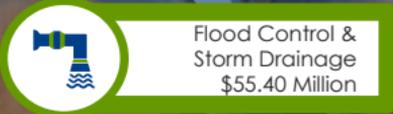
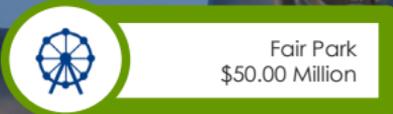
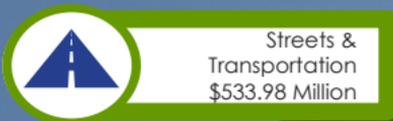
Ensure that internal operations are conducted in a manner that promote core values of empathy, ethics, excellence, and equity

- Expanding opportunities for residents and Council to engage by hosting mobile City Council meetings and expanding the district office program.
- Encouraging participation in Census 2020, including \$75,000 for the Mayor's Complete Count Committee.
- Establishing an Office of Innovation, which will lead City staff in efforts to improve service, increase efficiency, and be more responsive to community input.
- Investing \$200,000 to develop an Americans with Disabilities Act (ADA) transition plan to enhance the City's ADA compliance and address accessibility issues in City facilities.
- Conducting a minority business study to inform decision makers on how the City can better support small and local businesses.



BOND PROGRAM

November 2017, Dallas voters approved 10 bond propositions totaling \$1.05 billion and showed strong support for investing more in many City service areas, including infrastructure, parks, and cultural facilities. Below is a summary of the investments we will make toward improving Dallas as part of the 2017 Bond Program:





Mike Rawlings, Mayor	At Large
Casey Thomas, II, Mayor Pro-Tem	District 3
Adam Medrano, Deputy Mayor Pro Tem	District 2
Scott Griggs	District 1
Carolyn King Arnold	District 4
Rickey D. Callahan	District 5
Omar F. Narvaez	District 6
Kevin D. Felder	District 7
Tennell Atkins	District 8
Mark Clayton	District 9
B. Adam McGough	District 10
Lee M. Kleinman	District 11
Sandy Greyson	District 12
Jennifer S. Gates	District 13
Philip T. Kingston	District 14

T.C. Broadnax, City Manager
M. Elizabeth Reich, Chief Financial Officer
Jack Ireland, Office of Budget Director

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