

# REVENUE

## ECONOMIC SUMMARY

In FY 2019-20, the City’s revenues were negatively impacted by the COVID-19 pandemic. At the time, it was not clear whether restrictive policies would be re-enacted, additional federal stimulus would become available, or at what point vaccines would become widespread. Therefore, our revenue projection for the current year assumed that the health crisis’ economic impact would continue to linger into the fiscal year and that it might take a while for the economy to recover.

However, that was not the case. During FY 2020-21, the City’s revenue rebounded faster than originally projected. This rebound was due to disposable personal income temporarily spiking due to the federal stimulus. Simultaneously, inflationary pressures appear to be heating up also. This can be seen in the residential housing market, consumer goods, and low unemployment (which could put upward pressure on wages). Given this context, the City’s revenue forecasts have more uncertainty around it. If inflationary pressures continue to rise, while disposable personal income decreases, economic weaknesses could begin to materialize in mid-to-late FY 2021-22 or early FY 2022-23.

This biennium’s revenue forecast takes into consideration the City transition into a post-pandemic economy where the end of federal aid and inflationary pressures may lead to revenue growth albeit at a diminished rate. The upcoming biennium’s economic outlook largely hinges on whether the nation can orchestrate a smooth transition into a post-pandemic economy where revenue growth, particularly sales tax, is sustainable.

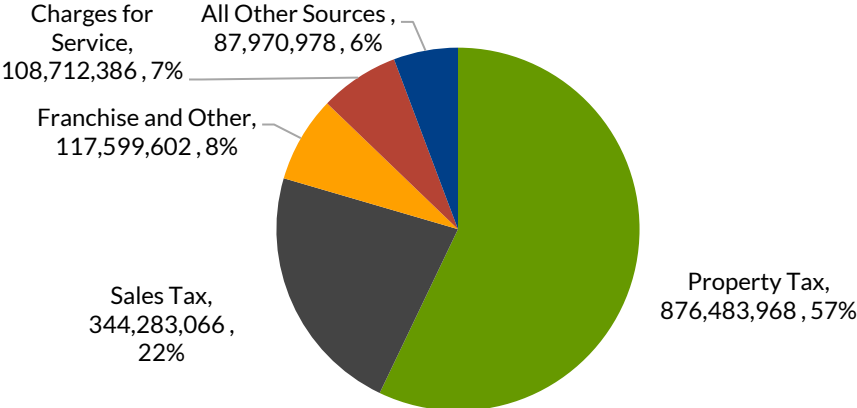
## GENERAL FUND

The revenue sources described in this section account for the City’s total General Fund operating revenues and a portion of tax-supported debt service revenues.

The table and chart below provides a summary of General Fund revenue by revenue category, and the following sections provide more insight into the City’s budget.

Source	FY 2020-21 Budgeted	FY 2020-21 Forecast	FY 2021-22 Budgeted	FY 2022-23 Planned
Property Tax	825,006,993	842,253,328	876,483,968	906,904,290
Sales Tax	305,073,041	336,011,501	344,283,066	355,282,550
Franchise and Other	115,907,401	119,756,341	117,599,602	116,570,683
Charges for Service	105,618,133	107,224,167	108,712,386	108,137,407
Fines and Forfeitures	23,554,646	24,142,521	26,361,423	26,361,423
Operating Transfers In	42,410,021	21,027,322	32,918,730	47,970,427
Intergovernmental	12,111,533	13,324,459	13,101,905	13,137,947
Miscellaneous	6,716,212	7,907,213	7,906,790	7,733,142
Licenses and Permits	5,023,871	4,694,276	6,832,130	6,832,131
Interest	4,366,308	1,324,860	850,000	1,350,000
<b>Total General Fund</b>	<b>\$1,445,788,159</b>	<b>1,477,665,988</b>	<b>\$1,535,050,000</b>	<b>\$1,590,280,000</b>

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## Property Tax

Property tax revenue consists of five categories: current year, prior year, special inventory tax, refunds, and penalty and interest revenue. In FY 2021-22, total property tax revenue accounts for \$1,198,025,889 of budgeted revenue and supports both the General Fund (\$876,483,968) and the General Obligation Debt Service Fund (\$321,541,921).

Current year property taxes are based on: (1) exemptions allowed by state law and approved by the City Council, (2) the value of property as certified by the appraisal districts, and (3) the tax rate set by the City Council each September.

Ad valorem (property) taxes act as an enforceable lien on property as of January 1 each year. The City’s property tax is levied each September on the assessed value listed as of the prior January 1 for all real property and income-producing personal property located in the city. The appraisal districts in the four counties in which Dallas is located establish the assessed values.

The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. Taxes are due October 1 after the September levy and are considered delinquent after January 31 of each year. Based upon historical collection trends, current year property tax revenues are estimated to be 98.51 percent of levy. Prior year taxes, penalties and interest, special inventory tax, and refunds produce additional revenues each year.

Residential property exemptions also reduce the tax burden on property owners by exempting a portion of their property value from being taxed. As approved by City Council on April 13, 1988, the City grants a homestead exemption of 20 percent of the market value (the maximum allowed by state law) of residence homesteads or \$5,000, whichever is greater. On June 9, 2021, City Council also passed a resolution

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increasing the tax limitation on homesteads of taxpayers who are disabled or age 65 or older from \$100,000 to \$107,000.

Beginning in FY 2020-21, the Texas Property Tax Reform and Transparency Act of 2019 (SB 2) caps the City’s ability to grow property tax revenue at 3.5 percent without seeking voter approval. Exceeding the cap requires an election on the November uniform election date. Previously, voters could petition for an election if the rate exceeded 8 percent.

Property values continue to grow and were certified by July 26, 2021 by the four appraisal districts within which Dallas resides. The appraisal review board must resolve timely protests by July 20, so the chief appraiser can approve appraisal records, certify tax rolls, and provide them to the City by July 25. The City uses the appraised values of properties in the counties of Collin, Dallas, Denton, and Rockwall.

The 2021 certified value is \$155,938,191,755 or 4.56 percent more than the 2020 supplemental values. The supplemental value as of July 2021 is being used because the 2020 certified values provided in summer 2020 by the appraisal districts were incomplete, since a large number of properties were still under protest due to COVID-19 related delays. When comparing the 2021 certified value to the 2020 certified value, the year over year increase is 5.76 percent.

Appraisal District	2020 Supplemental Value	2021 Certified Value	Value Change	Percent Change
Collin	\$5,833,298,118	\$5,944,890,728	\$111,592,610	1.91%
Dallas	\$141,558,503,787	\$148,138,418,967	\$6,579,915,180	4.65%
Denton	\$1,736,032,315	\$1,845,927,380	\$109,895,065	6.33%
Rockwall	\$8,947,100	\$8,954,680	\$7,580	0.08%
<b>Total General Fund</b>	<b>\$149,136,781,320</b>	<b>\$155,938,191,755</b>	<b>\$6,801,410,435</b>	<b>4.56%</b>

*\*Supplemental values as of July 2021*

The FY 2021-22 budget includes a reduction in the property tax rate from 77.63 cents to 77.33 cents per \$100 of valuation – a 0.30 cent decrease.

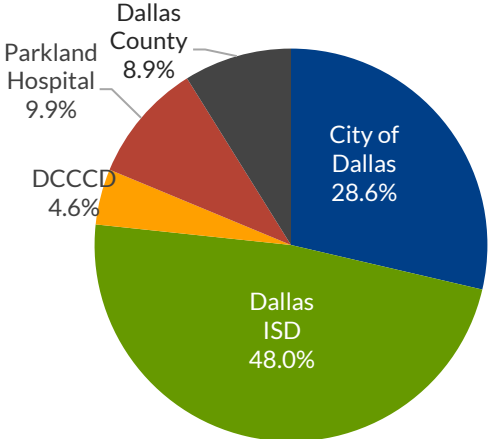
Fiscal Year	Tax Rate	Certified Value	% Change
1984-85	49.18	\$40,696,478,933	-
1985-86	49.18	\$45,065,748,235	10.74%
1986-87	50.30	\$49,348,567,661	9.50%
1987-88	53.72	\$47,215,055,132	-4.32%
1988-89	53.72	\$50,562,923,074	7.09%
1989-90	58.83	\$47,583,713,419	-5.89%
1990-91	62.97	\$46,209,305,261	-2.89%
1991-92	62.97	\$44,334,936,497	-4.06%
1992-93	67.44	\$41,575,371,885	-6.22%
1993-94	67.44	\$40,539,541,885	-2.49%
1994-95	67.44	\$40,724,172,941	0.46%

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Fiscal Year	Tax Rate	Certified Value	% Change
1995-96	67.22	\$42,227,901,516	3.69%
1996-97	67.01	\$44,050,335,895	4.32%
1997-98	65.16	\$48,049,433,329	9.08%
1998-99	64.91	\$52,677,672,716	9.63%
1999-00	66.75	\$56,109,156,774	6.51%
2000-01	66.75	\$60,178,611,626	7.25%
2001-02	66.75	\$65,218,425,933	8.37%
2002-03	69.98	\$66,483,637,119	1.94%
2003-04	69.98	\$66,501,655,057	0.03%
2004-05	71.97	\$67,579,877,637	1.62%
2005-06	74.17	\$70,843,801,880	4.83%
2006-07	72.92	\$76,792,536,880	8.40%
2007-08	74.79	\$84,526,933,754	10.07%
2008-09	74.79	\$90,477,932,550	7.04%
2009-10	74.79	\$87,264,095,461	-3.55%
2010-11	79.70	\$83,425,479,138	-4.40%
2011-12	79.70	\$81,993,746,356	-1.72%
2012-13	79.70	\$83,681,721,883	2.06%
2013-14	79.70	\$87,251,522,141	4.27%
2014-15	79.70	\$93,138,210,535	6.75%
2015-16	79.70	\$100,318,936,973	7.71%
2016-17	78.25	\$110,387,629,086	10.04%
2017-18	78.04	\$118,314,677,595	7.18%
2018-19	77.67	\$130,080,986,261	9.94%
2019-20	77.66	\$140,237,631,635	7.81%
2020-21*	77.63	\$149,136,781,320	6.35%
2021-22	77.33	\$155,938,191,755	4.56%
2022-23 projected	77.33	\$161,396,028,466	3.50%

\*Supplemental values as of July 2021. Certified values were \$147,443,517,863

Property taxes are paid not only to the City of Dallas, but also to other jurisdictions, including the school district, Dallas County, Parkland Hospital, and Dallas College (formerly DCCCD). Each jurisdiction sets its own tax rate. The largest share of a Dallas homeowner’s property taxes is for the school district. The graphic shows the share of your tax bill paid to each jurisdiction, assuming the property is located within Dallas County and Dallas Independent School District. Dallas extends to four counties and 18 school districts, so percentages may vary, depending on where your property is located.



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## Taxpayer Impact Statement

### Estimated Annual Impact of Rate and Fee Changes on a Typical Residential Ratepayer

Service or Fee	FY 2020-21 Yearly Rate	FY 2021-22 Proposed Rate	Annual Change	How we defined "typical"
Water and Wastewater	\$765.48	\$771.00	\$5.52	Residential customer usage of 8,300 gallons of water and 5,300 gallons of wastewater
Stormwater	\$100.92	\$105.84	\$4.92	Residential customer with 2,000 to 5,500 sq. ft. of impervious cover
Sanitation	\$366.24	\$411.60	\$45.36	Per single-family home
Property Tax Bill	\$1,519.93	\$1,581.99	\$62.05	A home with an estimated median taxable value of \$204,576* with a 20% homestead exemption (without senior/disabled exemption)
<b>TOTAL YEARLY IMPACT</b>	<b>\$2,752.57</b>	<b>\$2,870.43</b>	<b>\$117.85</b>	<b>Combined projected increase of 4.3%</b>

### Estimated Annual Impact of Property Tax Rate (\$0.7733) on a Typical Homestead

**NON-SENIOR HOMESTEADS** General homestead exemption of 20% of assessed value

Property Valuation			Property Tax Bill (Annual)		
Fiscal Year	Median Market Value	Assessed Value	Current vs. Proposed Tax Rate	No-New-Revenue Tax Rate**	Voter-Approval Tax Rate***
FY 2020-21	\$244,740.00	\$195,792.00	\$1,519.93	\$1,656.23	\$1,668.83
FY 2021-22	\$255,720.00	\$204,576.00	\$1,581.99	\$1,448.35	\$1,765.86

General homestead exemption of 20% of assessed value

**SENIOR HOMESTEADS** Senior/disabled homestead exemption of \$107,000

Property Valuation			Property Tax Bill (Annual)		
Fiscal Year	Median Market Value	Assessed Value	Current vs. Proposed Tax Rate	No-New-Revenue Tax Rate**	Voter-Approval Tax Rate***
FY 2020-21	\$244,740.00	\$95,792.00	\$743.63	\$810.32	\$816.48
FY 2021-22	\$255,720.00	\$97,576.00	\$754.56	\$690.81	\$842.26

#### Definitions

\*Based on 2021 preliminary median taxable value of \$204,576

\*\***No-New-Revenue Tax Rate:** Tax rate that generates the same amount of revenue in the new year on property taxed in the previous year.

\*\*\***Voter-Approval Tax Rate:** Tax rate that generates the same amount of revenue in the new year on property taxed in the previous year plus 3.5 percent growth and the additional revenue needed to pay the City's debt service.

\*\*\*\*FY 2021-22 median residential values reflect \$255,720 and historical averages have been restated to reflect this change.

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## Sales Tax

The sales tax rate in Dallas is 8.25 percent of taxable goods or services sold within city limits. The tax is collected by the retailer at the point of sale and forwarded to the Texas Comptroller on a monthly or quarterly basis. Of the 8.25 percent collected, the state retains 6.25 percent and distributes 1 percent to the City of Dallas and 1 percent to the Dallas Area Rapid Transit (DART) transportation authority.

Sales tax revenues are historically volatile; therefore, actual collections may differ significantly from budgeted. The economic impacts of COVID-19 were expected to linger into FY 2020-21, however sales tax receipts rebounded faster than previously expected. The FY 2021-22 sales tax forecast is \$344,283,066 a 2.5 percent increase from the current year forecast of \$336,011,501.

While sales tax revenue are expected to continue growing into FY 2021-22, the City is forecasting lower disposable personal income and inflationary pressures will temper this growth.

The table below shows the City's FY 2021-22 and FY 2022-23 projected sales tax revenues relative to FY 2020-21's budget and historical actuals.

Fiscal Year	Sales Tax Revenues	% Change
1984-85	\$113,944,000	-
1985-86	\$111,859,058	-1.83%
1986-87	\$104,366,695	-6.70%
1987-88	\$110,960,785	6.32%
1988-89	\$117,433,971	5.83%
1989-90	\$126,931,843	8.09%
1990-91	\$134,611,755	6.05%
1991-92	\$125,401,998	-6.84%
1992-93	\$136,252,909	8.65%
1993-94	\$144,994,725	6.42%
1994-95	\$151,147,620	4.24%
1995-96	\$164,550,047	8.87%
1996-97	\$173,032,255	5.15%
1997-98	\$188,816,678	9.12%
1998-99	\$195,402,277	3.49%
1999-00	\$216,933,486	11.02%
2000-01	\$210,748,994	-2.85%
2001-02	\$194,132,603	-7.88%
2002-03	\$183,229,590	-5.62%
2003-04	\$194,988,837	6.42%
2004-05	\$198,441,476	1.77%
2005-06	\$217,240,592	9.47%
2006-07	\$222,926,951	2.62%
2007-08	\$229,856,739	3.11%
2008-09	\$206,914,022	-9.98%

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Fiscal Year	Sales Tax Revenues	% Change
2009-10	\$204,677,318	-1.08%
2010-11	\$215,893,045	5.48%
2011-12	\$229,577,155	6.34%
2012-13	\$241,946,140	5.39%
2013-14	\$255,716,128	5.69%
2014-15	\$273,499,269	6.95%
2015-16	\$283,917,872	3.81%
2016-17	\$293,610,565	3.41%
2017-18	\$305,397,783	4.01%
2018-19	\$313,460,750	2.64%
2019-20	\$309,284,972	-1.33%
2020-21*	\$336,011,501	8.64%
2021-22**	\$344,283,066	2.46%
2022-23**	\$355,282,550	3.19%

\* Budgeted revenue for FY 2020-21 is \$305,073,041

\*\* Projected revenues

## Franchise Fee Revenue

The City maintains non-exclusive franchise agreements with utilities and other service providers that use the City’s rights-of-way to provide services to the public. These franchise ordinances provide for compensation to the City in the form of franchise fees. These fees are in lieu of all other fees and charges related to the use of the rights-of-way but in addition to sales and ad valorem taxes.

Generally, franchise fees are calculated based on a percentage of the companies’ gross receipts from doing business in Dallas. Cable TV providers such as Time Warner, AT&T, and Verizon pay a quarterly fee equal to five percent of gross receipts, due 45 days after the end of the period covered. Certified telecommunications providers, however, do not pay franchise fees to the City. Pursuant to Local Government Code 283, telecommunications providers instead compensate the City for use of right-of-way on a per-access line basis. These fees are to be paid to the City 45 days after the end of each calendar quarter.

Under Texas Senate Bill (SB) 1152, effective January 1, 2020, companies that provide both telecommunications and cable TV services are exempt from paying the lesser of these two fees. All cable TV providers currently serving Dallas also provide telecommunications services and pay both fees.

Franchise fees from Atmos Energy are also five percent of gross receipts, paid quarterly. Franchise fees from Oncor Electric Delivery are based on a fee per kilowatt hour consumed and are projected using historical data, trended forward using statistical analysis and normalized for weather.

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## *Ambulance Revenue*

Dallas Fire-Rescue provides emergency ambulance services to anyone requesting aid within city boundaries. Emergency medical staff transport the individual(s) to a hospital providing emergency aid for a transport charge, plus itemized charges. The transport charge for residents and non-residents is \$1,868 per transport to achieve 100 percent cost recovery. The fee for treatment/non-transport services is \$125.

The billing and collection of ambulance fees and additional supplemental payment from the federal government are provided by vendors contracted by the City. Historical information is used to project the gross amount billed, and a projected collection rate is applied to this amount to estimate revenue for the upcoming fiscal year.

The budget also includes projected reimbursement revenue through the Ambulance Services Supplemental Payment Program (ASSPP) approved by the federal government through the Texas Health and Human Services Commission. The ASSPP program allows governmental ambulance providers to recover a portion of the cost of providing services to Medicaid, Medicaid Managed Care, and uninsured patients. The reimbursement percentage is set by the federal government.

## *Municipal Court Revenues*

Court and Detention Services collects fines and fees on Class C misdemeanors, including traffic violations and state law/City ordinance violations. Delinquent accounts receive a warrant, have their driver's license and registration placed on hold (where applicable), and are contacted via mail and phone by an in-house collection unit. Defendants who do not respond to these efforts are pursued through the Marshal's Office and forwarded to a third-party collection agency, where a 30 percent fee is assessed to their case. The methodology used to project Municipal Court revenues is a combination of projecting future citation volumes and factoring in future collection per citation rates.



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## Security Alarm Permit Fee

The City charges an annual security alarm permit fee of \$50 for a residence and \$100 for a business. Permitted residences and businesses also incur fines for false burglar or panic/hold-up alarms, as outlined in the table.

Alarm Type	False Alarms within 12 Months	Fine
Burglar (All property types)	1-3	-
	4-6	\$50
	7-8	\$75
	9+	\$100
Panic/Hold-up (Business)	1	\$100
	2	\$200
	3	\$300
	4+	\$400
Panic/Hold-up (Residential)	1+	\$100

## Other General Fund Revenues

Finally, the City receives revenue from services such as arts programming and rentals of cultural venues and recreational facilities. We forecast an increase in these categories associated with a return to normal after the COVID-19 pandemic.

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## ANNUAL FEE CHANGES

The City’s Financial Management Performance Criterion (FMPC) #12 states an annual review of selected fees and charges is required to determine whether the City is recovering the full cost of services. Per the policy, we will review all fees at least once every four years, and we may propose changes to achieve full cost recovery or based on other City objectives. This year, we created historic preservation and vacant lot/building registration fees and made fee changes to consumer health and vice fees. Below is a list of fees reviewed during FY 2020-21 and the impact the changes may have on the various City services associated with user fees.

*Code Compliance: \$2,902,797 increase in revenue*

Fee Studied	Current Fee	Full Cost	New Fee	Recovery Rate
<b>Food Protection</b>				
Variance Fee	\$264	\$591	\$591	100%
Food Service Manager Registration	\$30	\$63	\$63	100%
Food Permit Application Fee	\$121	\$197	\$197	100%
Food Permit Application Fee (food prep/hot truck)	\$286	\$481	\$481	100%
Food Permit (Name Change Fee) - same ownership	\$127	\$220	\$220	100%
Late Food Inspection Permit Fee	\$111	\$199	\$199	100%
Annual Inspection Fee Level I 1-2,000 sq. ft.	\$154	\$283	\$283	100%
Annual Inspection Fee Level I >2,000 sq. ft.	\$174	\$310	\$310	100%
Annual Inspection Fee Level II 1-2,000 sq. ft.	\$155	\$283	\$283	100%
Annual Inspection Fee Level II >2,000 sq. ft.	\$174	\$308	\$308	100%
Annual Inspection Fee Level III 1-2,000 sq. ft.	\$280	\$468	\$468	100%
Annual Inspection Fee Level III >2,000 sq. ft.	\$318	\$513	\$513	100%
Mobile Food Unit Permit Fee (Catering Vehicle)	\$125	\$311	\$311	100%
Mobile Food Unit Permit Fee (General Service)	\$240	\$408	\$408	100%
Mobile Food Unit Permit Fee (Limited Svc Carts)	\$238	\$382	\$382	100%
Mobile Food Unit Permit Fee (Vehicle Inspection)	\$185	\$330	\$330	100%
Temporary Food Vendor Permit	\$121	\$217	\$217	100%
Temporary Food Vendor Permit (each Event Day)	\$13	\$28	\$28	100%
Temporary Food Vendor Permit (P&R Concessionaire)	\$187	\$356	\$356	100%
Temporary Food Vendor Permit (Neigh. Farmers' Market)	\$100	\$270	\$270	100%
Temporary Food Vendor Permit (School Stadium Concession)	\$223	\$388	\$388	100%
Restaurant Re-Inspection Fee	\$71	\$191	\$191	100%
Mobile Kiosk/Coffee Cart Plan Review Fee	\$205	\$562	\$562	100%
Mobile Kiosk/Coffee Cart Inspection Fee	\$240	\$404	\$404	100%
Pre-Closure	\$87	\$158	\$158	100%
Non-Time and Temperature Controlled (TCS) Product Sampling	\$74	\$204	\$204	100%
<b>Vacant Lot/Building Registration</b>				
Tier 1 - Initial Registration (voluntary registration - no fee)	\$0	\$47	\$0	0%
Tier 2 - Initial Registration (2 unresolved violations in 6 mo.)	\$0	\$51	\$51	100%
Tier 3 - Initial Registration (3 or more unresolved in 6 mo.)	\$0	\$149	\$149	100%
Tier 3 - Monitoring	\$0	\$171	\$171	100%

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*Dallas Police Department: \$39,812 decrease in revenue*

Fee Studied	Current Fee	Full Cost	New Fee	Recovery Rate
Dance Hall Class A	\$851.00	\$526.00	\$526.00	100%
Dance Hall Class B	\$851.00	\$526.00	\$526.00	100%
Dance Hall Class C	\$852.00	\$526.00	\$526.00	100%
Dance Hall Class E	\$926.00	\$526.00	\$526.00	100%
Late Hour Permit	\$926.00	\$526.00	\$526.00	100%
Sexually Oriented Business License	\$1,097.00	\$696.00	\$696.00	100%
Amusement Center License	\$48.00	\$39.00	\$39.00	100%
Billiard Hall Licenses	\$75.00	\$52.00	\$52.00	100%

*Historic Preservation: \$68,400 increase in revenue*

Fee Studied	Current Fee	Full Cost	New Fee	Recovery Rate
Certificate of Appropriateness (Type "A")	\$0.00	\$1,602.00	\$100.00	6%
Certificate of Appropriateness (Type "B") - new constructions	\$0.00	\$6,555.00	\$500.00	8%
Certificate for Demolition or Removal	\$0.00	\$3,842.00	\$400.00	10%
Certificate of Appropriateness/Certificate for Demolition or Removal (Unauthorized Work)	\$0.00	\$2,389.00	\$600.00	25%

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## ENTERPRISE CHARGES FOR SERVICES

Enterprise Funds are City operations that generate revenue through charges for specific services they provide. Enterprise Funds are fully self-supporting and include Aviation, Convention Center, Municipal Radio, Sanitation Services, Storm Drainage Management, Sustainable Development and Construction, and Dallas Water Utilities. General Fund tax dollars are not used to support the Enterprise Funds.

### Aviation

The Department of Aviation manages Dallas Love Field, Dallas Executive Airport, and the Dallas Vertiport. Love Field is one of the busiest medium hub air carrier/general aviation airports in the world and has experienced unprecedented growth in passenger traffic since the repeal of the Wright Amendment in 2014. As a result, Love Field has evolved from a regional air service to a long-haul air service airport requiring enhanced customer service and amenities to match the needs of more than 16 million travelers annually.

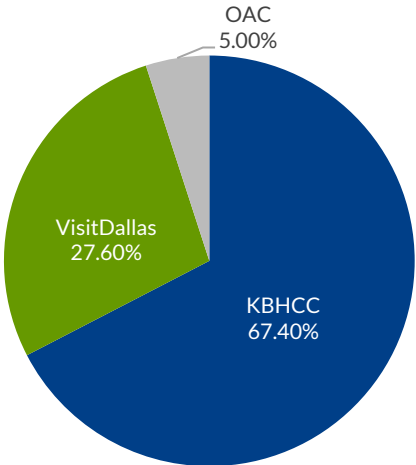
Aviation revenues include:

- Rental payments for leased property and improvements, terminal building space, and associated maintenance and warehouse space at Love Field and Dallas Executive Airport
- Airport parking revenues
- Revenues relating to concession contract agreements with airport businesses, including food and beverage services, retail stores, advertising, car rental agencies, shoeshine services, and bag cart rentals
- Landing fees paid by commercial aircraft owners to conduct operations at Love Field

### Hotel Occupancy Taxes

The City’s hotel occupancy tax (HOT) rate is 13 percent of the room rate charged within city limits. The tax is collected by the hotel at the point of sale and forwarded to the state (six percent) and City (seven percent) monthly. Of the percentage the City receives, 67.4 percent supports operations and capital improvements at the Kay Bailey Hutchison Convention Center, as required by bond ordinance. The FY 2021-22 budget assumes 27.6 percent will be distributed to VisitDallas to market and promote Dallas as a convention and tourist destination and 5.0 percent will be distributed as a reimbursement to the Office of Arts and Culture (OAC) to encourage, promote, and improve the arts. The FY 2022-23 planned budget assumes VisitDallas will

*HOT City Distribution*



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receive 25.1 percent and OAC will receive 7.5 percent. HOT revenues are historically volatile; therefore, actual collections may differ significantly from the budgeted amount.

## *Municipal Radio*

WRR 101.1 FM 24-hour broadcasts include classical music and other select musical programming. The City-owned and managed station uses a commercial radio model as licensed by the Federal Communications Commission (FCC), selling commercial airtime and sponsorships to generate revenue.

## *Sanitation Services Revenue*

Sanitation Services revenue is collected to match the cost of providing garbage, brush and bulk trash, and recyclables collection services for residential customers and a few small commercial customers. These fees are collected through monthly utility bills issued by Dallas Water Utilities (DWU). Estimated revenue is determined by multiplying the adopted residential rate by the projected number of residential customers, plus estimated fees for “pack out” service and commercial customers. The Sanitation Services rate is partially offset by revenues from the residential recycling program.

This year’s fee change is included in the table below.

FY 2020-21 Fee	FY 2021-22 Fee	Dollar Change
\$30.52	\$34.30	\$3.78

## *Private Disposal Revenue*

Private disposal revenue is collected primarily at the McCommas Bluff Landfill from private (commercial) waste haulers for the privilege of disposing of solid waste at the site; some revenue is also collected at the Bachman Transfer Station. Dallas residents hauling their own household and yard waste are exempt from the fees (with restrictions). Commercial haulers may also elect to enter into a discount disposal contract with the City, allowing for a discount from the posted rate in exchange for a guaranteed minimum amount of waste disposal during a specific period. Revenues are determined by projecting an estimate for waste tons to be delivered to the landfill multiplied by the gate rate for non-contracted customers or by discounted solid waste disposal rates for contracted customers, as well as other service and transaction fees.

This year’s fee change is included in the table below.

FY 2020-21 Fee	FY 2021-22 Fee	Dollar Change
\$34.20	\$34.88	\$0.68

# REVENUE

## Storm Drainage Management Revenues

Storm Drainage Management (SDM) revenue is derived from stormwater fees calculated based on the impervious area of a property, or the amount of land covered by features that cannot absorb water (concrete, asphalt, etc.). SDM revenue is collected to support the cost of compliance with the City's storm drainage discharge permit from the Texas Commission on Environmental Quality (TCEQ), operation, maintenance, and enhancement of the levee system, and operation and maintenance of the City's natural and improved storm drainage system. These fees are also collected through DWU's monthly utility bills.

Compliance activities include but are not limited to:

- Water quality sampling and analysis
- Creek monitoring
- Public education and outreach
- Hazardous spill response, cleanup, and disposal
- Construction compliance and industrial facility inspections
- Engineering, design, and inspection of storm sewer infrastructure

Drainage system operation and maintenance activities include but are not limited to:

- Natural and improved channel maintenance
- Creek, river, and levee maintenance
- Cleaning and maintenance of storm sewers and inlets
- Monthly sweeping of the City's major thoroughfares

SDM also pays a four percent franchise fee to the General Fund that is used to improve sidewalks and neighborhood infrastructure in low-income areas. In FY 2021-22, this is expected to yield \$2,772,583 in revenue.

This year's fee change is included in the table below.

FY 2020-21 Fee	FY 2021-22 Fee	Dollar Change
\$8.41	\$8.82	\$0.41

## Development Services

Sustainable Development and Construction provides plan review services for commercial and residential development, issues construction and trade permits, and processes Certificate of Occupancy applications for new and existing businesses.

# REVENUE

## Water/Wastewater Revenues

DWU is a self-supporting enterprise fund, owned and operated by the City. The department receives no tax dollars and earns its revenues through the sale of water and wastewater services in five customer classes: residential, general service, municipal, optional general service, and wholesale. The wholesale customer class comprises 23 communities outside the city that receive water service and 11 communities that receive wastewater service.

Rates for each class have two components: a customer charge based on meter size and a volume-based usage charge. DWU determined these rates based on a retail cost of service study that assigned costs to each class based on the department’s cost to provide these services. Readers can find current retail rates at [www.dwurates.com](http://www.dwurates.com).

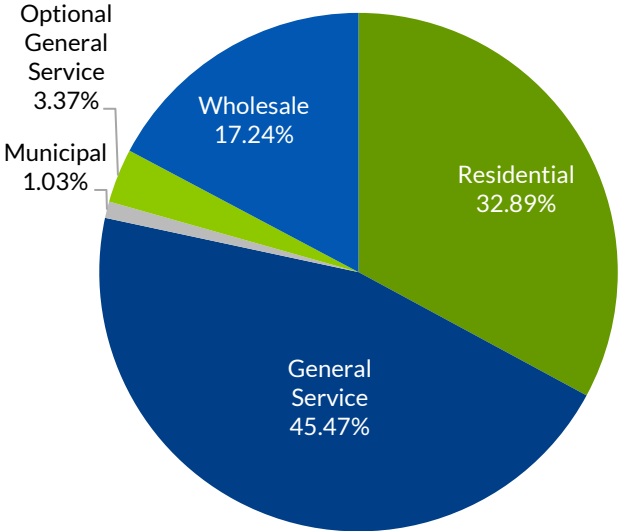
These revenues pay for:

- Operation and maintenance costs of providing water and wastewater services
- Debt service (principal and interest) on outstanding debt used to design and construct the facilities to provide these services
- Street rental payments (equivalent to franchise fees assessed to other utilities) to the General Fund for use of the City’s rights-of-way
- Cash funding for capital improvements not funded through the sale of revenue bonds or other debt

DWU receives other miscellaneous revenues, including interest earnings, connection fees, and system improvement contributions. Water revenues can fluctuate depending on summer temperatures and the amount of rainfall in the area.

This year’s fee change is included in the table below.

DWU Revenues by Customer Class



FY 2020-21 Fee	FY 2022-23 Fee	Dollar Change
\$63.79	\$64.25	\$0.46

# REVENUE

## REVENUE BY FUND AND DEPARTMENT

The table below provides a summary of all City revenue by fund and department.

Department	FY 2020-21 Budget	FY 2020-21 Forecast	FY 2021-22 Budget	FY 2022-23 Planned
<b>General Fund</b>				
Budget and Management Services	1,227,902,499	1,273,785,937	1,316,285,431	1,356,711,368
Building Services	966,362	966,918	966,123	966,123
City Attorney's Office	742,870	825,584	712,939	725,239
City Auditor's Office	0	0	0	0
City Controller's Office	514,268	514,268	514,268	514,268
City Secretary's Office	330,354	330,354	21,500	21,500
Civil Service	1,000		0	0
Code Compliance	8,367,796	8,253,450	12,443,468	12,443,468
Court and Detention Services	12,209,107	12,629,739	14,149,024	14,149,024
Dallas Animal Services	175,000	78,225	299,467	299,467
Dallas Fire-Rescue	45,070,637	50,403,181	42,095,378	41,546,089
Dallas Police Department	8,186,970	9,358,783	11,646,908	11,459,787
Development Services	2,386,576	2,974,019	0	0
Housing and Neighborhood Revitalization	0	31,056	439,451	439,451
Library	466,100	146,255	496,100	496,100
Management Services	2,822,667	2,567,528	2,414,890	0
Office of Community Care	1,541,977	1,230,323	1,185,000	1,185,000
Office of Environmental Quality and Sustainability	177,890	234,105	161,490	161,490
Office of Government Affairs	0	300	0	0
Office of Historic Preservation	102,800	0	68,400	68,400
Office of Homeless Solutions	1,000,000	1,000,000	1,000,000	1,000,000
Mayor and Council	0	11	0	0
Non-Departmental	107,772,115	92,133,062	100,028,819	115,548,250
Office of Arts and Culture	718,531	557,904	1,677,569	1,677,569
Office of Economic Development	15,000	15,000	30,000	15,000
Park and Recreation	9,728,522	9,525,037	11,552,234	11,552,234
Procurement Services	110,000	145,338	110,000	110,000
Public Works	4,024,446	2,937,268	5,889,092	5,912,834
Transportation	13,277,339	9,589,872	13,277,339	13,277,339
<b>Total General Fund</b>	<b>\$1,445,788,159</b>	<b>\$1,477,665,988</b>	<b>\$1,535,050,000</b>	<b>\$1,590,280,000</b>
<b>Enterprise Funds</b>				
Aviation	118,726,420	118,671,762	141,986,787	150,448,949
Aviation - Transportation Regulation	354,879	408,571	403,065	411,943
Convention and Event Services	85,832,581	69,859,902	100,819,948	113,231,392
Dallas Water Utilities	692,146,200	672,903,109	713,732,650	727,819,373
Dallas Water Utilities - SDM	66,355,747	66,332,748	69,314,586	72,485,742
Development Services	33,644,751	34,123,517	33,476,527	33,811,223
Municipal Radio	1,911,000	1,315,142	1,861,000	1,881,000
Sanitation Services	127,068,910	125,943,184	137,982,207	141,231,148



# REVENUE

Department	FY 2020-21 Budget	FY 2020-21 Forecast	FY 2021-22 Budget	FY 2022-23 Planned
<b>Total Enterprise Funds</b>	<b>\$1,126,040,488</b>	<b>\$1,089,557,935</b>	<b>\$1,199,576,770</b>	<b>\$1,241,320,770</b>
<b>Internal Service/Other Funds</b>				
Employee Benefits	1,631,267	1,630,609	1,936,868	1,961,326
Equipment and Fleet Management	54,714,940	55,234,095	55,306,860	56,215,388
Express Business Center	2,593,790	2,593,790	2,593,790	2,593,790
Information and Technology Services – 911	12,017,444	11,976,986	12,017,444	12,017,444
Information and Technology Services – Data	84,372,061	84,492,913	99,176,891	104,052,900
Information and Technology Services – Radio	12,843,519	12,582,362	13,248,650	12,329,561
Office of Bond and Construction Management	23,074,750	20,942,825	23,065,518	23,425,122
Office of Risk Management	5,169,162	4,831,325	5,264,453	5,557,615
<b>Total Internal/Other Funds</b>	<b>\$196,416,933</b>	<b>\$194,284,906</b>	<b>\$212,610,474</b>	<b>\$218,153,146</b>
<b>Grand Total</b>	<b>\$2,768,245,580</b>	<b>\$2,761,508,829</b>	<b>\$2,947,237,244</b>	<b>\$3,049,753,916</b>