

Memorandum



CITY OF DALLAS

DATE May 26, 2026

TO Honorable Mayor and Members of the City Council

SUBJECT **Budget Accountability Report – March 2026**

Please find attached the March Budget Accountability Report (BAR) based on information through March 31, 2026. You may view all published reports on the [Financial Transparency website](#). The monthly BAR provides a financial forecast for all operating funds, updates on General Obligation Bond spending, updates on Federal and State grant spending, economic indicators, and updates for highlighted budget initiatives.

If you have any questions, please contact me or Janette Weedon, Director of Budget and Management Services.

Service First, Now!

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland
Chief Financial Officer

Attachment

c: Kimberly Bizer Tolbert, City Manager
Bertram Vandenberg, City Attorney (I)
Mamatha Sparks, City Auditor (I)
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Baron Eliason, Inspector General (I)
Dominique Artis, Chief of Public Safety

Dev Rastogi, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Alina Ciocan, Assistant City Manager
Robin Bentley, Assistant City Manager
Ahmad Goree, Chief of Staff to the City Manager
John Johnson, Chief of Real Estate
Directors and Assistant Directors

FY 2025-26



Budget Accountability Report

As of March 31, 2026



**Budget & Management
Services**

1500 Marilla Street, 4FN
214-670-3659

EXECUTIVE SUMMARY

Financial Forecast Report

Operating Fund	Year-End Forecast vs. Budget	
	Revenues	Expenses
General Fund	☑	☑
Aviation	☑	☑
Convention and Event Services	☑	☑
Municipal Radio	☑	☑
Planning and Development	9% over budget	☑
Sanitation Services	☑	☑
Storm Drainage Management	☑	☑
Dallas Water Utilities	☑	☑
Bond and Construction Management	☑	6% under budget
Equipment and Fleet Management	☑	☑
Express Business Center	5% over budget	☑
Information Technology	☑	☑
Radio Services	☑	☑
9-1-1 System Operations	6% over budget	☑
Debt Service	☑	☑
Fair Park	☑	☑
Transportation Regulation	25% under budget	7% under budget

☑ YE forecast within 5% of budget

FINANCIAL FORECAST REPORT

The Financial Forecast Report (FFR) provides a summary of financial activity through March 31, 2026 for the General Fund and other annual operating funds of the City. The Adopted Budget column reflects the budget adopted by City Council on September 17, 2025, effective October 1, 2025 through September 30, 2026. The Amended Budget column reflects City Council-approved transfers between funds and programs, department-initiated transfers between expense objects, approved use of contingency, and other amendments supported by revenue or fund balance.

Year-to-date (YTD) actual amounts represent revenue or expenses/encumbrances that have occurred through the end of the most recent accounting period. Departments provide the year-end (YE) forecast, which projects anticipated revenues and expenditures as of September 30, 2026. The variance is the difference between the FY 2025-26 amended budget and the YE forecast. Variance notes are provided when the YE forecast is +/- five percent of the amended budget and/or if YE expenditures are forecast to exceed the amended budget.

General Fund Overview

The General Fund overview provides a summary of financial activity through March 31, 2026.

	FY 2025-26 Adopted Budget	FY 2025-26 Amended Budget	YTD Actuals & Encumbrances	YE Forecast	Variance
Beginning Fund Balance	\$338,043,273	\$338,043,273		\$354,400,838	\$16,357,565
Revenues	1,963,072,642	1,963,072,642	1,477,078,383	1,959,775,472	(3,297,170)
Expenditures	1,963,072,642	1,963,072,642	922,877,811	1,977,281,657	14,209,015
Ending Fund Balance	\$338,043,273	\$338,043,273		\$336,894,653	(\$1,148,620)

Fund Balance. Through September 30, 2025, the audited unassigned ending fund balance for FY 2024-25 is \$354,400,838 and includes FY 2024-25 YE savings.

Revenues. Through March 31, 2026, General Fund revenues are projected to be \$3,297,000 under budget due to decreased sales tax collections, partially offset by increased emergency services reimbursements from the State Fair of Texas and Dallas Fire-Rescue inspection fees.

Expenditures. Through March 31, 2026, General Fund expenditures are projected to be \$14,209,000 over budget due to increased expenses associated with uniform personnel.

FY 2025-26 Financial Forecast Report

GENERAL FUND REVENUES

Revenue Category		FY 2025-26 Adopted Budget	FY 2025-26 Amended Budget	YTD Actuals	YE Forecast	Variance
1	Property Tax	\$1,127,415,449	\$1,127,415,449	\$1,108,703,264	\$1,127,415,449	\$0
2	Sales Tax	474,300,480	474,300,480	232,080,981	468,158,149	(6,142,331)
3	Franchise & Other	131,021,590	131,021,590	53,776,593	131,954,782	933,192
4	Charges for Service	114,488,328	114,694,328	38,089,850	116,936,376	2,242,048
5	Fines & Forfeitures	19,394,949	19,394,949	8,691,429	18,906,685	(488,264)
6	Operating Transfers In	25,473,411	25,473,411	0	25,473,411	0
7	Intergovernmental	23,077,862	23,077,862	11,218,905	22,614,595	(463,267)
8	Miscellaneous	4,788,843	4,582,843	2,009,139	4,835,959	253,116
9	Licenses & Permits	15,111,730	15,111,730	9,126,524	15,480,066	368,336
10	Interest	28,000,000	28,000,000	13,381,698	28,000,000	0
Total Revenue		\$1,963,072,642	\$1,963,072,642	\$1,477,078,383	\$1,959,775,472	(\$3,297,170)

VARIANCE NOTES

General Fund revenue variance notes are provided below for revenue categories with YE forecast variances of +/- five percent and revenue with an amended budget.

2. Sales Tax

Based on actual collection trends and analysis provided by our contract economist, sales tax is projected to be \$6,142,000 under budget for FY 2025-26. Total projected year-over-year growth is 3.3% compared to FY 2024-25.

FY 2025-26 Financial Forecast Report

GENERAL FUND EXPENDITURES

	Expenditure Category	FY 2025-26 Adopted Budget	FY 2025-26 Amended Budget	YTD Actuals & Encumbrances	YE Forecast	Variance
	Civilian Pay	302,536,630	302,674,143	134,200,223	295,768,099	(6,906,044)
	Civilian Overtime	10,864,470	10,853,470	5,886,054	11,638,990	785,520
	Civilian Pension	51,141,723	51,245,035	22,623,526	51,335,786	90,751
	Uniform Pay	635,380,731	635,661,195	299,244,199	639,998,996	4,337,801
	Uniform Overtime	67,415,923	67,415,923	39,340,216	76,077,552	8,661,629
	Uniform Pension	230,873,553	230,643,234	111,882,591	230,643,234	0
	Health Benefits	104,890,796	105,048,076	54,115,963	105,048,076	0
	Workers Comp	14,897,761	14,897,761	14,897,761	14,897,761	0
	Other Personnel Services	15,584,938	15,504,294	6,845,733	15,505,413	1,119
1	Personnel Services	\$1,433,586,525	\$1,433,943,131	\$689,036,266	\$1,440,913,907	\$6,970,776
2	Supplies-Materials	98,616,519	96,585,650	41,114,280	98,449,382	1,863,732
3	Contractual-Other Services	536,740,200	538,292,263	204,863,706	542,373,195	4,080,932
4	Capital Outlay	13,626,605	13,125,667	5,125,320	13,229,200	103,533
5	Reimbursements	(119,497,207)	(118,874,069)	(17,261,762)	(117,684,027)	1,190,042
	Total Expenditures	\$1,963,072,642	\$1,963,072,642	\$922,877,811	\$1,977,281,657	\$14,209,015

VARIANCE NOTES

General Fund expenditure variance notes are provided below for expenditure categories with YE forecast variances of +/- five percent. The Amended Budget column reflects department-initiated transfers between expense objects.

1. Personnel Services

Personnel Services are projected to be \$6,971,000 over budget due to uniform overtime in Dallas Fire-Rescue related to unscheduled leave and mandatory overtime, and Dallas Police Department uniform overtime expenses related to detective case work and patrol response, salary expenses related to increased recruitment numbers, and an adjustment to the Academy schedule that shifts three class dates one pay period forward.

FY 2025-26 Financial Forecast Report

GENERAL FUND EXPENDITURES

#	Expenditure by Department	FY 2025-26 Adopted Budget	FY 2025-26 Amended Budget	YTD Actuals & Encumbrances	YE Forecast	Variance
1	Budget & Management Services	\$4,543,953	\$4,543,953	\$2,053,761	\$4,540,486	(\$3,467)
2	City Attorney's Office	23,056,648	23,056,648	9,955,217	22,650,800	(405,848)
3	City Auditor's Office	3,449,793	3,449,793	1,407,682	3,230,539	(219,254)
4	City Controller's Office	8,971,529	8,971,529	4,172,515	8,765,531	(205,998)
5	Independent Audit	793,000	793,000	793,000	793,000	0
6	City Manager's Office	3,095,190	3,095,190	1,326,998	3,091,372	(3,818)
7	City Secretary's Office	3,739,411	3,739,411	1,960,568	3,859,603	120,192
8	Elections	160,090	160,090	52,306	141,172	(18,918)
9*	Civil Service	2,978,535	2,978,535	1,232,575	2,888,486	(90,049)
10	Code Compliance	42,971,909	42,971,909	18,712,865	42,842,336	(129,573)
11	Dallas Animal Services	21,835,915	21,835,915	12,592,565	23,160,725	1,324,810
12	Dallas Fire-Rescue	453,418,515	453,418,515	230,648,005	460,961,588	7,543,073
13	Dallas Police Department	758,373,419	758,373,419	368,311,971	763,804,184	5,430,765
14	Data Analytics & Business Intelligence	5,572,379	5,572,379	2,528,979	5,873,480	301,101
15	Facilities & Real Estate Management	36,082,537	36,082,537	19,210,307	36,082,537	0
16	Human Resources	8,842,468	8,842,468	4,454,241	9,268,659	426,191
17	Judiciary	6,639,908	6,639,908	2,746,317	6,181,377	(458,531)
18	Library	43,459,765	43,459,765	19,293,111	43,419,273	(40,492)
	Management Services					
19	Communications and Customer Experience/311	9,228,550	9,228,550	4,354,183	9,431,377	202,827
20	Office of Community Police Oversight	672,350	672,350	347,790	749,056	76,706
21	Office of Emergency Management and Crisis Response	8,959,392	8,959,392	4,393,245	8,403,439	(555,953)
22	Office of Environmental Quality & Sustainability	5,592,298	5,592,298	2,703,921	5,562,041	(30,257)
23	Office of Government Affairs	994,426	994,426	385,586	955,821	(38,605)
24	Mayor & Council	7,840,173	7,840,173	3,303,519	7,436,979	(403,194)
25	Municipal Court & Detention Services	34,280,334	34,280,334	16,241,751	34,274,011	(6,323)
26	Jail Contract	8,578,250	8,578,250	4,352,941	8,571,925	(6,325)
27	Non-Departmental	128,078,711	128,078,711	19,545,650	128,078,711	0
28	Office of Arts & Culture	16,233,646	16,233,646	16,371,114	16,712,067	478,421
29	Office of Economic Development	3,789,105	3,789,105	2,320,867	3,789,105	0
30	Office of Housing & Community Empowerment	22,248,347	22,248,347	12,780,590	22,248,347	0
31	Office of the Inspector General	1,585,222	1,585,222	468,890	1,403,999	(181,223)
32	Park & Recreation	117,311,098	117,311,098	59,995,976	118,608,069	1,296,971
33	Planning & Development	6,617,691	6,617,691	3,560,403	6,617,691	0
34	Procurement Services	3,560,641	3,560,641	1,303,777	3,355,826	(204,815)
35	Transportation & Public Works	157,176,749	157,176,749	69,605,708	157,176,749	0
	Total Departments	\$1,960,731,947	\$1,960,731,947	\$923,499,496	\$1,974,940,962	\$14,209,015
36	Liability/Claims Fund Transfer	1,340,695	1,340,695	0	1,340,695	0
37	Salary & Benefit Stabilization	1,000,000	1,000,000	0	1,000,000	0
	Total Expenditures	\$1,963,072,642	\$1,963,072,642	\$923,499,496	\$1,977,281,657	\$14,209,015

*BMS did not receive a department update for the reporting month. Forecast was prepared by BMS staff.

VARIANCE NOTES

General Fund variance notes are provided below for departments with YE forecast variances of +/- five percent, amended budgets, or YE forecasts projected to exceed budget.

3. City Auditor's Office

AUD is projecting to be \$219,000 under budget due to salary savings from five vacant positions.

7. City Secretary's Office

SEC is projected to be \$120,000 over budget due to GovQA, an Open Records service contract amount which came in higher than budgeted, partially offset by salary savings from two vacant positions.

8. Elections

ELE is projected to be \$19,000 under budget due to less than expected election expenses.

11. Dallas Animal Services

DAS is projected to be \$1,325,000 over budget due to increased demand for suspected animal cruelty and public safety response services, which, in combination with sustained capacity pressures, have increased overall operational costs.

12. Dallas Fire-Rescue

DFD is projected to be \$7,543,000 over budget due to uniform overtime expenses related to unscheduled leave and mandatory overtime, along with higher medical examination costs for yearly physicals driven by increased screening frequency and added testing components.

13. Dallas Police Department

DPD is projected to be \$5,431,000 over budget due to uniform overtime expenses related to detective case work and patrol response, salary expenses related to increased recruitment numbers, and an adjustment to the Academy schedule that shifts three class dates one pay period forward.

14. Data Analytics & Business Intelligence

DBI is projected to be \$301,000 over budget due to improved hiring and retention.

16. Human Resources

PER is projected to be \$426,000 over budget due to improved hiring and retention.

17. Judiciary

CTJ is projected to be \$459,000 under budget due to salary savings from seven vacant positions.

19. Communications & Customer Experience/311

CCX is projected to be \$203,000 over budget due to improved hiring and retention, partially offset by the impact of a hiring freeze effective April 24, 2026.

20. Office of Community Police Oversight

OPO is projected to be \$77,000 over budget due to improved hiring and retention.

21. Office of Emergency Management & Crisis Response

ECR is projected to be under budget by \$556,000 due to lower than anticipated inclement weather shelter expenses.

24. Mayor & City Council

MCC is projecting to be \$403,000 under budget due to salary savings from seven vacant positions and supplies and materials savings.

28. Office of Arts & Culture

OCA is projected to be \$478,000 over budget due to increased contract staffing expenses and the enhancement of the standard for security at events partially offset by the impact of a hiring freeze effective April 24, 2026.

31. Office of the Inspector General

OIG is projected to be \$181,000 under budget due to salary savings from four vacant positions.

32. Park and Recreation

PKR is projected to be \$1,297,000 over budget due to increased temporary and contract staffing expenses and unplanned maintenance, partially offset by planned efficiencies in security services, reduced advertising, and forgone capital equipment purchases.



34. Procurement Services

Procurement Services is projected to be \$205,000 under budget due to salary savings from eight vacant positions.



FY 2025-26 Financial Forecast Report

ENTERPRISE FUNDS

Department	FY 2025-26 Adopted Budget	FY 2025-26 Amended Budget	YTD Actuals & Encumbrances	YE Forecast	Variance
1 AVIATION					
Beginning Fund Balance	\$149,717,541	\$149,717,541		\$184,148,342	\$34,430,801
Total Revenues	208,704,381	208,704,381	99,930,977	208,704,381	0
Total Expenditures	208,704,381	208,704,381	85,455,738	208,704,381	0
Ending Fund Balance	\$149,717,541	\$149,717,541		\$184,148,342	\$34,430,801
2 CONVENTION & EVENT SERVICES					
Beginning Fund Balance	\$78,328,102	\$78,328,102		\$27,888,847	(\$50,439,255)
Total Revenues	131,535,243	131,535,243	37,020,097	132,832,356	1,297,113
Total Expenditures	131,535,243	131,535,243	44,226,251	132,832,356	1,297,113
Ending Fund Balance	\$78,328,102	\$78,328,102		\$27,888,847	(\$50,439,255)
3 MUNICIPAL RADIO					
Beginning Fund Balance	\$238,560	\$238,560		\$231,625	(\$6,935)
Total Revenues	473,114	473,114	240,540	476,009	2,895
Total Expenditures	473,114	473,114	287,782	474,640	1,526
Ending Fund Balance	\$238,560	\$238,560		\$232,994	(\$5,566)
4 PLANNING & DEVELOPMENT					
Beginning Fund Balance	\$7,732,342	\$7,732,342		\$7,399,065	(\$333,277)
Total Revenues	52,482,137	52,482,137	29,039,987	57,200,084	4,717,947
Total Expenditures	52,482,137	52,482,137	20,042,632	53,962,711	1,480,574
Ending Fund Balance	\$7,732,342	\$7,732,342		\$10,636,438	\$2,904,096
5 SANITATION SERVICES					
Beginning Fund Balance	\$37,608,401	\$37,608,401		\$40,019,969	\$2,411,568
Total Revenues	165,548,703	165,548,703	89,506,199	172,059,572	6,510,869
Total Expenditures	165,548,703	165,548,703	56,405,789	165,548,703	0
Ending Fund Balance	\$37,608,401	\$37,608,401		\$46,530,838	\$8,922,437
6 STORM DRAINAGE MANAGEMENT—DALLAS WATER UTILITIES					
Beginning Fund Balance	\$13,586,533	\$13,586,533		\$11,029,627	(\$2,556,906)
Total Revenues	90,573,980	90,573,980	44,282,425	90,573,980	0
Total Expenditures	90,573,980	90,573,980	27,346,859	90,573,980	0
Ending Fund Balance	\$13,586,533	\$13,586,533		\$11,029,627	(\$2,556,906)
7 WATER UTILITIES					
Beginning Fund Balance	\$151,039,992	\$151,039,992		\$150,565,498	(\$474,494)
Total Revenues	880,895,629	880,895,629	428,065,677	880,895,629	0
Total Expenditures	880,895,629	880,895,629	360,387,319	880,895,629	0
Ending Fund Balance	\$151,039,992	\$151,039,992	\$67,678,358	\$150,565,498	(\$474,494)



FY 2025-26 Financial Forecast Report

INTERNAL SERVICE FUNDS

Department	FY 2025-26 Adopted Budget	FY 2025-26 Amended Budget	YTD Actuals & Encumbrances	YE Forecast	Variance
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8 BOND & CONSTRUCTION MANAGEMENT

Beginning Fund Balance	\$0	\$0	\$0	(\$1,141,360)	(\$1,141,360)
Total Revenues	25,726,102	25,726,102	3,386,216	25,419,877	(306,225)
Total Expenditures	25,724,902	25,726,102	9,399,404	24,278,517	(1,447,585)
Ending Fund Balance	\$1,200	\$0		\$0	\$0

9 EQUIPMENT & FLEET MANAGEMENT

Beginning Fund Balance	\$3,929,271	\$3,929,271		\$2,653,834	(\$1,275,437)
Total Revenues	74,603,075	74,603,075	1,012,141	75,427,361	824,286
Total Expenditures	74,603,075	74,603,075	29,877,219	74,603,075	0
Ending Fund Balance	\$3,929,271	\$3,929,271		\$3,478,120	(\$451,151)

10 EXPRESS BUSINESS CENTER

Beginning Fund Balance	\$7,677,204	\$7,677,204		\$7,688,427	\$11,223
Total Revenues	2,433,550	2,433,550	1,187,858	2,562,842	129,292
Total Expenditures	2,318,930	2,318,930	973,782	2,278,346	(40,584)
Ending Fund Balance	\$7,791,824	\$7,791,824		\$7,972,923	\$181,099

11 INFORMATION TECHNOLOGY

Beginning Fund Balance	\$23,674,620	\$23,674,620		\$21,299,707	(\$2,374,913)
Total Revenues	137,249,042	137,249,042	55,866,852	137,617,710	368,668
Total Expenditures	148,450,537	148,450,537	89,207,507	146,890,693	(1,559,844)
Ending Fund Balance	\$12,473,125	\$12,473,125		\$12,026,724	(\$446,401)

12 RADIO SERVICES

Beginning Fund Balance	\$15,250,155	\$15,250,155		\$14,354,551	(\$895,604)
Total Revenues	17,039,945	17,039,945	7,704,795	17,517,596	477,651
Total Expenditures	20,259,125	20,259,125	7,398,781	20,181,629	(77,496)
Ending Fund Balance	\$12,030,975	\$12,030,975		\$11,690,518	(\$340,457)



FY 2025-26 Financial Forecast Report

OTHER FUNDS

Department	FY 2025-26 Adopted Budget	FY 2025-25 Amended Budget	YTD Actuals & Encumbrances	YE Forecast	Variance
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13 9-1-1 SYSTEM OPERATIONS

Beginning Fund Balance	\$18,922,432	\$18,922,432		\$22,383,326	\$3,460,894
Total Revenues	16,083,072	16,083,072	9,307,731	17,028,399	945,327
Total Expenditures	18,258,139	18,258,139	10,078,841	18,232,829	(25,310)
Ending Fund Balance	\$16,747,365	\$16,747,365		\$21,178,896	\$4,431,531

14 DEBT SERVICE

Beginning Fund Balance	\$97,684,743	\$97,684,743		\$115,615,067	\$17,930,324
Total Revenues	477,371,642	477,371,642	421,472,899	480,964,603	3,592,961
Total Expenditures	491,015,332	491,015,332	346,817,743	491,015,332	0
Ending Fund Balance	\$84,041,053	\$84,041,053		\$105,564,338	\$21,523,285

15 EMPLOYEE BENEFITS

City Contributions	\$146,104,603	\$146,104,603	\$70,812,803	\$146,104,603	\$0
Employee Contributions	64,662,027	64,662,027	29,350,907	64,942,705	280,678
Retiree	22,463,376	22,463,376	9,874,656	20,911,845	(1,551,531)
Other	0	0	713,284	713,284	713,284
Total Revenues	\$233,230,006	\$233,230,006	\$110,751,650	\$232,672,437	(\$557,569)
Total Expenditures	\$232,177,512	\$232,177,512	\$97,666,102	\$247,272,306	\$15,094,794

Note: FY 2025-26 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects incurred but not reported (IBNR) claims.

16 RISK MANAGEMENT

Worker's Compensation	\$20,020,259	\$20,020,259	\$20,251,029	\$20,251,029	\$230,770
Third Party Liability	7,633,670	7,633,670	5,925,538	7,633,670	0
Purchased Insurance	22,885,030	22,885,030	20,689,013	22,885,030	0
Interest and Other	0	0	939,339	939,339	939,339
Total Revenues	\$50,538,959	\$50,538,959	\$47,804,919	\$51,709,068	\$1,170,109
Total Expenditures	\$65,439,828	\$65,439,828	\$34,267,462	\$61,518,204	(\$3,921,624)

Note: FY 2025-26 YE forecast reflects claim expenses expected to occur in the fiscal year. Fund balance (not included) reflects the total current liability for Risk Management (worker's compensation/liability/property insurance).

17 TRANSPORTATION REGULATION

Beginning Fund Balance	\$513,864	\$513,864		\$498,984	(\$14,880)
Total Revenues	729,332	729,332	256,153	543,500	(185,832)
Total Expenditures	729,332	729,332	316,383	680,268	(49,064)
Ending Fund Balance	\$513,864	\$513,864		\$362,216	(\$151,648)

18 FAIR PARK

Beginning Fund Balance	\$4,000,000	\$4,000,000		\$4,249,544	\$249,544
Total Revenues	18,825,809	18,825,809	5,742,445	16,467,237	(2,358,572)
Total Expenditures	18,825,809	18,825,809	4,693,382	18,825,809	0
Ending Fund Balance	\$4,000,000	\$4,000,000		\$1,890,972	(\$2,109,028)



VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summaries include the beginning fund balance with the YE revenue and expenditure forecasts. As of March 31, 2026, the beginning fund balance for the adopted and amended budgets and YE forecast represents the FY 2024-25 audited unassigned ending fund balance and includes FY 2024-25 YE savings. Variance notes are provided below for funds with a YE forecast variance of +/- five percent, YE forecast projected to exceed budget, or projected use of fund balance.

2. Convention & Event Services

CCT revenues are projected to be over budget by \$1,297,000 due to event revenue, interest earnings, and sale of surplus convention center items. CCT expenses are over budget by \$1,297,000 due to an increased capital construction transfer supported by current year excess revenues.

4. Planning & Development

PDV revenues are projected to be over budget by \$4,718,000 due to permit and inspection revenue generated by commercial construction projects. PDV expenses are also projected to be over budget by \$1,481,000, primarily due to increased demand for contractual inspection and permitting services related to the higher project volume, higher than budgeted credit card expenses, as well as retirement payouts.

5. Sanitation Services

SAN revenues are projected to be \$6,511,000 over budget due to increase in landfill activity.

8. Bond & Construction Management

BCM revenues are projected to be \$306,000 under budget. FY 2025-26 expenses are \$1,448,000 under budget, reducing charges to capital projects. This is partially offset by \$985,000 of FY 2024-25 expenses to be recovered in the current year. BCM expenses are projected to be \$1,448,000 under budget due to 41 vacant positions. BCM charges each capital project budget for project implementation costs. Savings in actual implementation expenses result in fewer charges to the capital project.

9. Equipment & Fleet Management

EFM revenues are projected to be over budget by \$824,000 due to auction revenues.

14. Debt Service

Debt service revenues are projected to be over budget by \$3,593,000 due to higher-than-budgeted interest earnings.

15. Employee Benefits

Employee Benefits expenses are forecasted to be over budget by \$15,095,000 due to higher overall health plan costs, driven in part by increased pharmacy claims and GLP-1 utilization, as well as elevated high-cost claim activity. The FY 2025-26 overage will be resolved with a department surcharge to increase the City's contribution.

16. Risk Management

Risk Management revenues are projected to be \$1,170,000 over budget due to interest earnings and increased subrogation revenue. Risk Management expenses are projected to be \$3,922,000 under budget due to a decrease in property insurance premiums.

17. Transportation Regulation

Transportation Regulation revenues are projected to be \$186,000 under budget due to forecasted fee collections. Transportation Regulation expenses are projected to be \$49,000 under budget due to salary savings from vacant positions. TPW plans to use fund balance to resolve any end of year revenue shortage.

18. Fair Park

Fair Park revenues are projected to be \$2,359,000 under budget due to lower-than-expected special event rentals, contract collections from tenant organizations, and concession revenue. PKR plans to use fund balance to resolve the revenue shortage.

FY 2025-26 Financial Forecast Report

GENERAL OBLIGATION BONDS**2024 Bond Program**

Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
A	Street and Transportation	\$521,200,000	\$211,782,737	\$48,557,843	\$5,749,489	\$157,475,405
B	Park and Recreation Facilities	345,270,000	138,469,306	27,891,873	9,128,321	101,449,111
C	Flood Protection and Storm Drainage	52,100,000	12,560,681	545,792	7,281,418	4,733,471
D	Library Facilities	43,530,000	11,234,879	733,021	1,081,548	9,420,310
E	Cultural and Performing Arts Facilities	75,200,000	22,693,194	1,185,301	875,946	20,631,947
F	Public Safety Facilities	90,000,000	58,407,900	419,427	10,309,384	47,679,089
G	Economic Development	72,300,000	12,621,922	4,136,013	0	8,485,909
H	Housing and Neighborhood Infrastructure	26,400,000	10,560,000	2,000,000	0	8,560,000
I	Homeless Assistance Facilities	19,000,000	19,000,000	190,602	551,234	18,258,164
J	Information Technology Facilities	5,000,000	5,000,000	0	0	5,000,000
Total		\$1,250,000,000	\$502,330,618	\$85,659,872	\$34,977,340	\$381,693,406

2017 Bond Program

Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
A	Street and Transportation	\$533,981,000	\$547,404,018	\$451,416,762	\$43,410,555	\$52,576,701
B	Park and Recreation Facilities*	261,807,000	255,807,000	201,302,053	12,917,973	41,586,974
C	Fair Park	50,000,000	50,000,000	46,941,332	882,000	2,176,669
D	Flood Protection and Storm Drainage	48,750,000	48,750,000	33,760,404	4,805,116	10,184,480
E	Library Facilities	15,589,000	15,791,584	14,972,569	16,900	802,115
F	Cultural and Performing Arts Facilities	14,235,000	14,413,626	13,592,045	131,857	689,724
G	Public Safety Facilities	32,081,000	32,473,023	28,191,380	333,319	3,948,324
H	City Facilities	18,157,000	19,251,894	4,871,654	841,501	13,538,739
I	Economic Development	55,400,000	55,400,000	29,661,175	3,529,559	22,209,266
J	Homeless Assistance Facilities	20,000,000	20,000,000	17,654,491	2,345,509	0
Total		\$1,050,000,000	\$1,059,291,145	\$842,363,865	\$69,214,289	\$147,712,992

*Inception-to-date appropriations were reduced by \$6,000,000 because the Midtown Project required matching funds, which were not secured by the time the City Council scheduled the 2024 bond program election.

FY 2025-26 Financial Forecast Report

GENERAL OBLIGATION BONDS**2012 Bond Program**

Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
1	Street and Transportation Improvements	\$260,625,000	\$266,938,887	\$262,173,109	\$947,858	\$3,817,921
2	Flood Protection and Storm Drainage Facilities	326,375,000	326,375,000	272,369,955	42,210,842	11,794,203
3	Economic Development	55,000,000	55,000,000	40,810,858	2,933,108	11,256,034
Total		\$642,000,000	\$648,313,887	\$574,515,369	\$46,930,360	\$26,868,158

2006 Bond Program

Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
1	Street and Transportation Improvements	\$390,420,000	\$406,490,554	\$395,451,020	\$2,769,276	\$8,270,257
2	Flood Protection and Storm Drainage Facilities**	334,315,000	342,757,166	318,521,935	7,479,179	16,756,052
3	Park and Recreation Facilities	343,230,000	353,343,060	351,474,062	1,306,523	562,475
4	Library Facilities	46,200,000	52,148,600	47,776,036	42,511	4,330,053
5	Cultural Arts Facilities	60,855,000	63,821,447	63,401,924	0	419,523
6	City Hall, City Service and Maintenance Facilities	34,750,000	36,216,478	33,876,010	628,252	1,712,215
7	Land Acquisition Under Land Bank Program	1,500,000	1,500,000	1,474,169	0	25,831
8	Economic Development	41,495,000	45,060,053	44,329,993	0	730,060
9	Farmers Market Improvements	6,635,000	6,933,754	6,584,013	0	349,741
10	Land Acquisition in the Cadillac Heights Area	22,550,000	22,727,451	11,926,425	12,055	10,788,971
11	Court Facilities	7,945,000	8,146,606	7,869,762	0	276,844
12	Public Safety Facilities and Warning Systems	63,625,000	66,072,938	65,405,081	605,631	62,227
Total		\$1,353,520,000	\$1,405,218,107	\$1,348,090,430	\$12,843,427	\$44,284,249

Note: The tables above reflect expenditures and encumbrances recorded in the City's financial system of record. They do not include commitments that have not yet been recorded in the system, such as amounts recently approved by City Council.

**The unencumbered balance increased from February to March due to the release of encumbrances for completed projects.

FY 2025-26 Financial Forecast Report

GRANT FUNDS**Federal Awards**

Funding Agency	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
The Institute of Museum and Library Services	\$27,163	\$27,163	\$0	\$0
U.S. Army Corps of Engineers	2,000,000	0	0	2,000,000
U.S. Department of Agriculture	97,855,128	80,288,896	2,082,695	15,483,536
U.S. Department of Energy	1,132,070	0	0	1,132,070
U.S. Department of Health and Human Services	1,126,563	728,220	2,909	395,435
U.S. Department of Homeland Security	22,422,314	18,939,703	1,160,290	2,322,322
U.S. Department of Housing and Urban Development	284,008,411	190,716,654	24,348,143	68,943,614
U.S. Department of Justice	37,023,503	14,408,667	149,689	22,465,147
U.S. Department of the Interior	2,250,000	50,000	0	2,200,000
U.S. Department of Transportation	282,916,043	149,661,902	9,263,417	123,990,724
U.S. Department of Treasury	458,211,039	439,963,523	13,166,354	5,081,162
U.S. Environmental Protection Agency	2,084,151	1,575,837	0	508,314
Total	\$1,191,056,385	\$896,360,565	\$50,173,496	\$244,522,324

State Awards

Funding Agency	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
Commission on State Emergency Communications	\$6,748,851	\$620,997	\$4,692,744	\$1,435,110
Motor Vehicle Crime Prevention Authority	8,660,482	5,761,869	42,078	2,856,535
North Central Texas Council of Governments	163,200	159,308	0	3,892
Texas Commission on Environmental Quality	3,400,949	2,141,846	0	1,259,103
Texas Department of Criminal Justice	2,500,000	1,928,224	506,931	64,845
Texas Department of Housing and Community Affairs	3,287,300	2,650,744	594,920	41,636
Texas Department of State Health Services	1,164,500	560,980	134,399	469,121
Texas Department of Transportation	27,930,909	627,114	2,754,704	24,549,091
Texas Office of Governor	13,409,184	7,519,381	5,680,498	209,305
Texas Parks and Wildlife Department	1,299,410	0	0	1,299,410
Texas Veterans Commission	332,913	96,982	11,159	224,772
Texas Water Development Board	23,100,000	0	22,931,007	168,993
Total	\$91,997,698	\$22,067,445	\$37,348,440	\$32,581,813

Note: The tables above reflect expenditures and encumbrances recorded in the City's financial system of record. They do not include commitments that have not yet been recorded in the system, such as amounts recently approved by City Council.

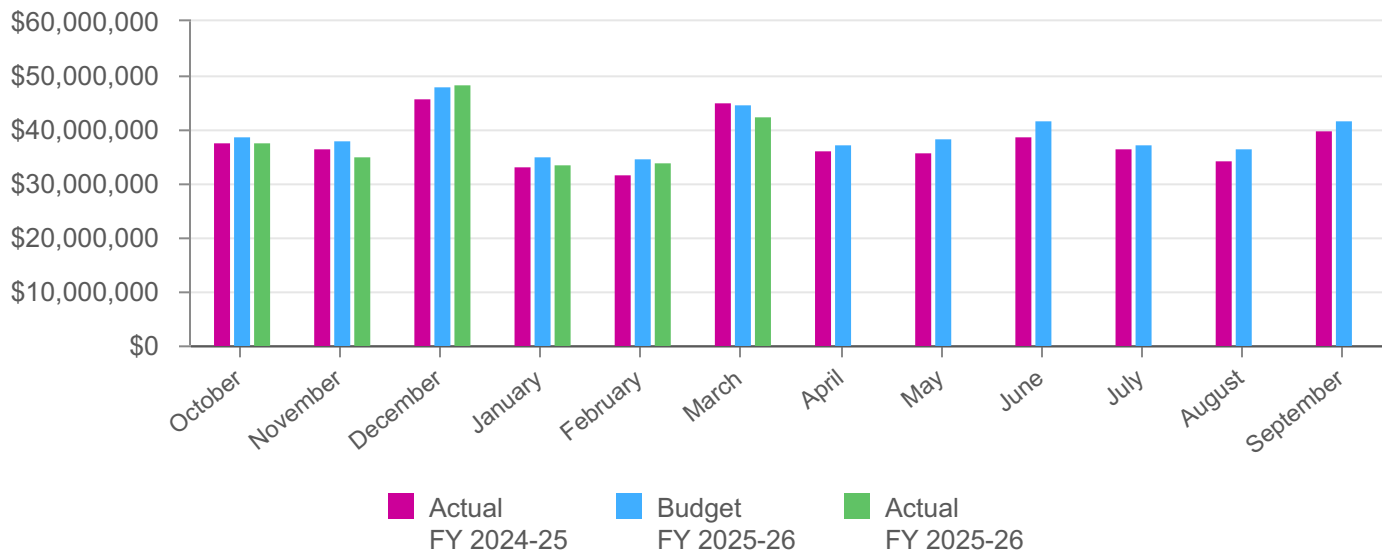
FY 2025-26 Financial Forecast Report

ECONOMIC INDICATORS

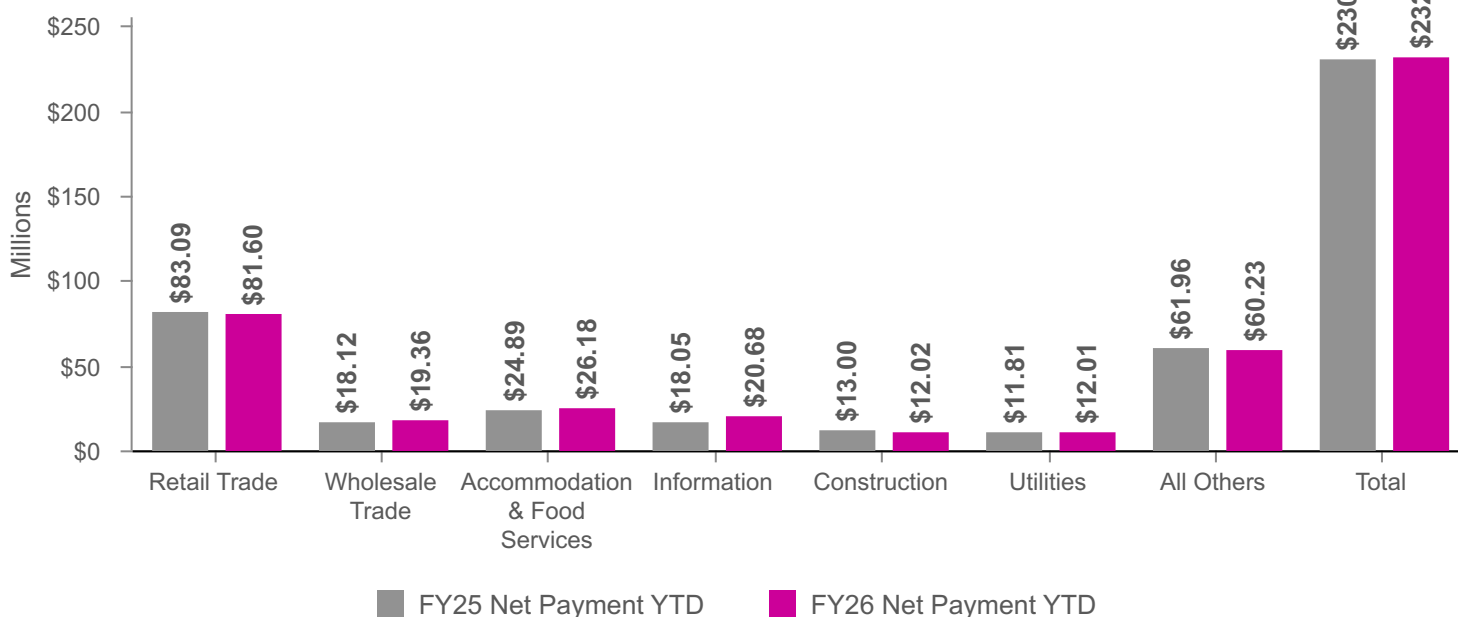
Sales Tax

The current sales tax rate is 8.25 percent - 6.25 percent goes to the state, one percent to the City, and one percent to DART. The FY 2025-26 Sales Tax Budget is \$474,300,480. As of March 31, 2026, the year-end forecast is \$468,158,149 due to actual collection trends and analysis provided by our contract economist. We will update the forecast throughout the year as additional information becomes available. The charts in this section provide more information about sales tax collections.

Sales Tax Collections Year-Over-Year



Fiscal Year-to Date Net Sales Tax Payment by Industry



FY 2025-26 Financial Forecast Report

ECONOMIC INDICATORS

Year-over-Year Change in Sales Tax Collections		
Industry	March FY26 over March FY25	FYTD26 over FYTD25
Retail Trade	0%	-2%
Wholesale Trade	3%	7%
Accommodation and Food Services	2%	5%
Information	3%	15%
Construction	-2%	-8%
Utilities	-4%	2%
All Others	-21%	-3%
Total Collections	-6%	1%

Retail Trade. Includes establishments engaged in selling (retailing) merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The retailing process is the final step in the distribution of merchandise, so retailers are organized to sell merchandise in small quantities to the general public.

Wholesale Trade. Includes establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. Wholesalers are organized to sell or arrange the purchase or sale of (a) goods for resale to other wholesalers or retailers, (b) capital or durable non consumer goods, and (c) raw and intermediate materials and supplies used in production.

Accommodation and Food Services. Includes establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption.

Information. Includes establishments engaged in (a) producing and distributing information and cultural products, (b) providing the means to transmit or distribute these products as well as data or communications, and (c) processing data.

Construction. Includes establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems). Establishments primarily engaged in the preparation of sites for new construction or in subdividing land for sale as building sites are also included in this sector.

Utilities. Includes establishments providing electric power, natural gas, steam supply, water supply, and sewage removal.

All Others. Includes but is not limited to manufacturing, professional and business services, financial activities, education and health services, and natural resources and mining.



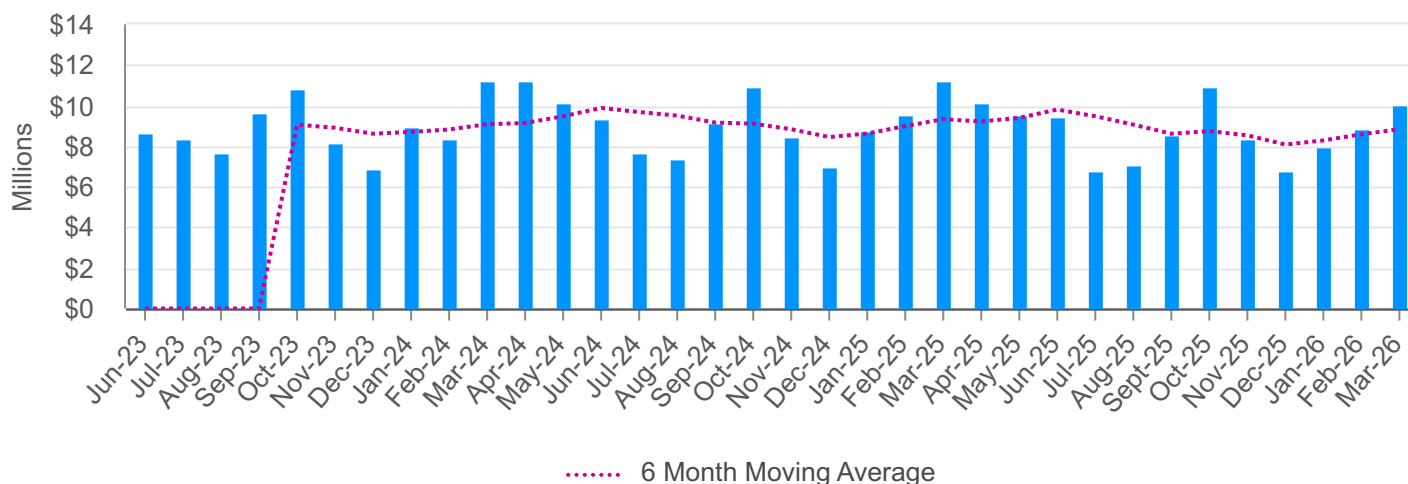
FY 2025-26 Financial Forecast Report

ECONOMIC INDICATORS

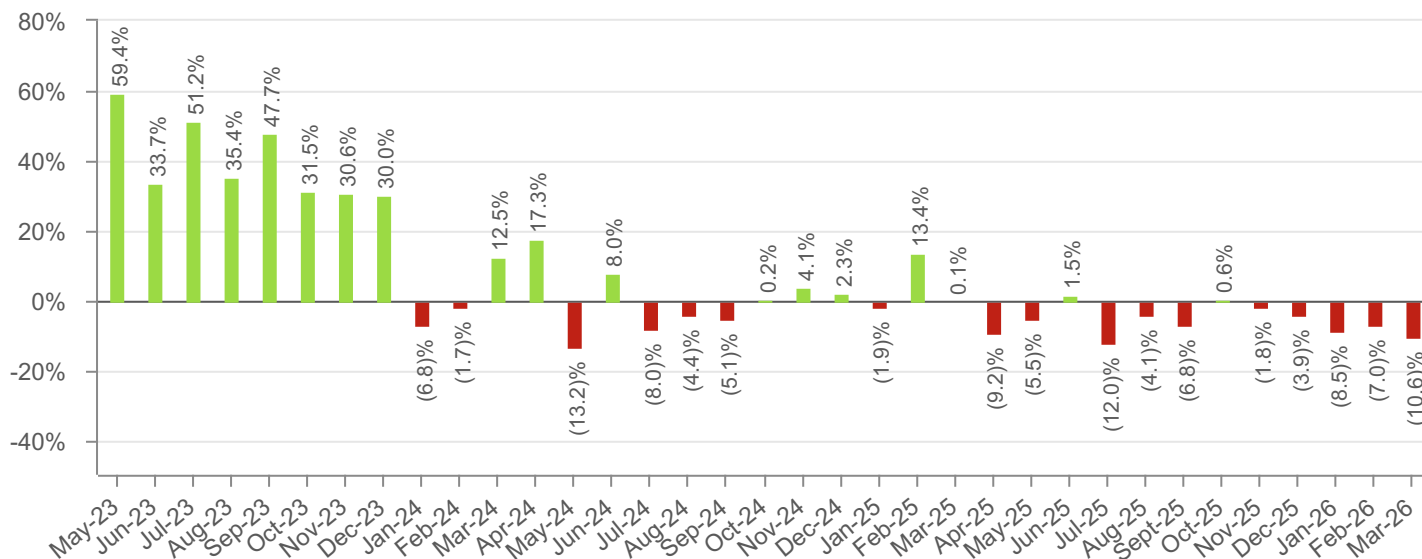
Hotel Occupancy Tax

The City collects hotel occupancy taxes (HOT) on hotel, motel, bed and breakfast, and short-term rentals in the city limits. The HOT rate in Dallas is 15 percent of the cost of the room (not including food served or personal services not related to cleaning and readying the space for the guest)-six percent goes to the state, and nine percent goes to the City. Of the nine percent to the city, two percent is to be used for the Convention Center Expansion and the Fair Park Facilities Venue Projects and seven percent is allocated for Visit Dallas, Office of Arts and Culture, and Kay Bailey Hutchison Convention Center Dallas. HOT is the largest single revenue source for the Kay Bailey Hutchison Convention Center, and data is typically updated every two months. Beginning November 2022, the HOT rate collected by the City of Dallas increased from seven to nine percent. HOT allocations including the additional two percent are reflected beginning in January 2023.

HOT Collections



Year-Over-Year Change in HOT Collections



FY 2025-26 Financial Forecast Report

ECONOMIC INDICATORS

Convention Center Event Bookings

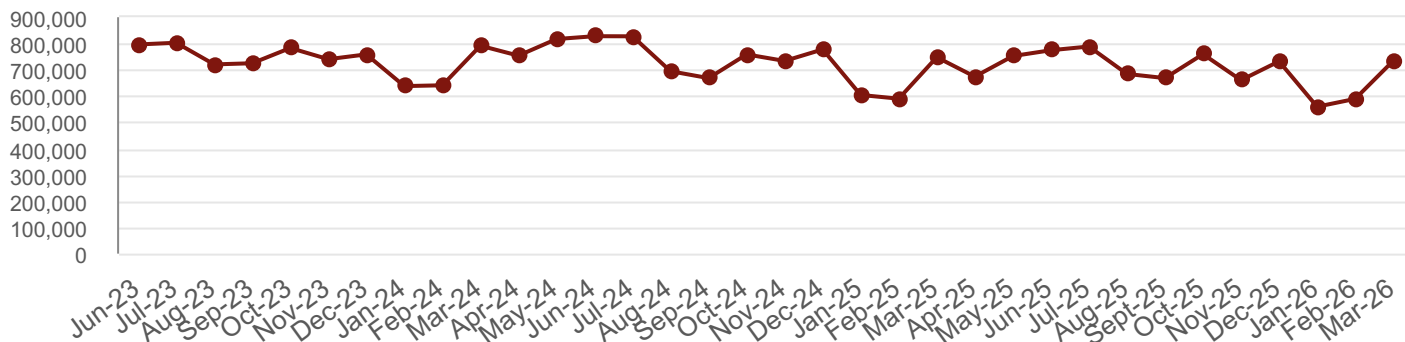
The table below lists the number of actual, planned, and forecast events at the KBHCCD for the last three fiscal years. Please note if no event takes place, it results in an equal reduction in revenue and expenses.

	FY24 Actual	FY25 Actual	FY26 Planned	FY26 Actual/Forecast
October	11	7	7	5
November	4	8	6	7
December	7	7	7	8
January	10	10	2	3
February	15	9	0	0
March	11	3	0	0
April	4	6	0	0
May	8	3	1	1
June	9	6	0	0
July	5	4	0	0
August	5	4	0	0
September	4	7	4	4
Total	93	74	27	28

Love Field Enplanements

An enplanement is when a revenue-generating passenger boards an aircraft. Enplanements are the most important air traffic metric because enplaned passengers directly or indirectly generate 80 percent of Aviation revenues. Typically, Aviation generates only 20 percent of total operating revenues from non-passenger-related activities.

Enplanements



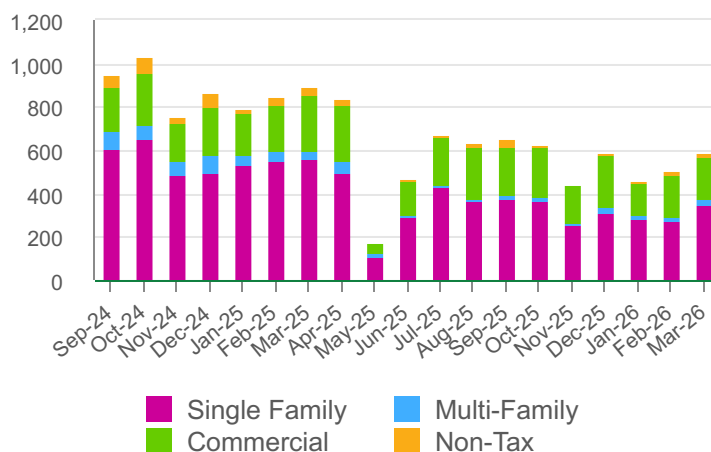
FY 2025-26 Financial Forecast Report

ECONOMIC INDICATORS

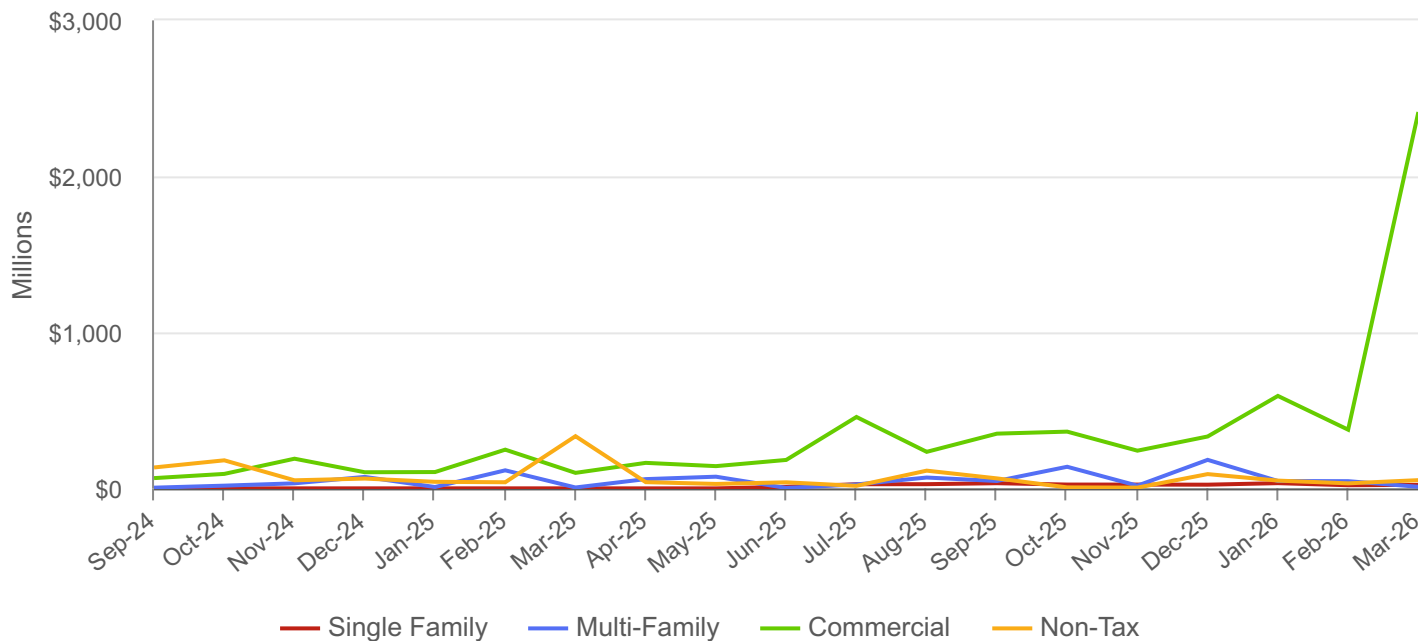
Building Permits

Building permits (required for all construction in Dallas) can provide insight into upcoming activity in the housing market and other areas of the economy. Permits are a key indicator of the confidence developers have in the economy; likewise, a decline can indicate developers do not anticipate economic growth in the near future. In some cities, this measure may be a leading indicator of property tax value growth, but in Dallas, the property tax forecast model includes other variables like wage/ job growth, housing supply, gross domestic product, population, vacancy rates, and others.

Number of Submitted Building Permits*



Submitted Building Permit Valuations*



*Data through April 2025 was sourced from POSSE Land Management software (Planning & Development). Beginning May 2025, Planning & Development transitioned to *DallasNow*.
 **Single-family home valuations are estimations only.
 *** March 2026 data includes three major permit submissions.

FY 2025-26 Budget Initiative Tracker

MULTI-YEAR INITIATIVES

The Budget Initiative Tracker (BIT) reports on activities included in the annual budget. While most initiatives can be completed in a single fiscal year, several FY 2021-22, FY 2022-23, FY 2023-24, and FY 2024-25 initiatives required additional time because of the scope and term of the project, as well as delays due to COVID-19. We will continue to report the status of these initiatives in the Multi-Year Initiatives section, using the initiative numbers from the prior reports for reference.

For each initiative included in this report, you will find the initiative number, title, description, status, and measure. At the end of each description, the responsible department is listed. Each month, the responsible department provides a current status for the initiative and indicates whether the initiative is “complete”, “on track” for completion by the end of the fiscal year or life of the program initiative, “on hold” by the City Manager’s Office, “at risk” of not being completed by the end of the fiscal year, or “canceled”.



Complete



On Track



On Hold



At Risk



Canceled

FY 2021-22

35 Water/Wastewater Service On Track

INITIATIVE Accelerate the extension of water and sewer services to all 47 occupied and unserved areas of the City (DWU). In FY22, DWU will award approximately \$9.5 million for the design of 211,219 feet and construction of 9,960 feet of new pipelines in Mesquite Heights, Killough Blvd & Wasco Lane, and Gooch Street areas (DWU).

STATUS Through March 2026, 43 identified, occupied unserved areas, including approximately 99,820 feet of new pipelines have been awarded for construction to receive water and wastewater infrastructure improvements. By the end of 2026, construction of approximately 100,000 feet of water and wastewater in 43 occupied areas will be complete. DWU is working to complete designs and right-of-way acquisitions to utilize the remaining \$1.17M with construction awards later in FY 2025-26.

FY 2022-23

2 City Development Code On Track

INITIATIVE Overhaul the City Development Codes (Chapters 51, 51A, and 51P) to develop a modern, updated, and user-friendly development code that is streamlined, consistent, clear, and aligned with all City plans and policies. In FY 2022-23, PNV will hire execute a consultant contract, work alongside the consultant to perform a technical analysis of the effectiveness of current development codes and begin the public engagement process to ultimately reduce the total land development timeline (PDV).

STATUS The team has conducted the Public Participation Process. They are beginning to discuss the Development Code changes. The department will begin public hearings in the summer of 2026 and anticipate completion in 2027.

FY 2025-26 Budget Initiative Tracker

MULTI-YEAR INITIATIVES**FY 2023-24****18 DPD Forensic Lab****On Track**

INITIATIVE Streamline the forensic analysis of digital evidence and ensure compliance with statutory regulations. In FY 2023-24, DPD will create a Forensic Lab in the Police Technology unit, hiring two Digital Forensics Analysts, two Senior Digital Forensics Analysts, and one Supervisor (DPD).

STATUS As of March 2026, both Digital Forensic Analyst I positions were filled. The remaining 3 vacant positions continue to be posted in search of qualified candidates, though the unit reports strong competition from the private market and lack of qualified candidates.

FY 2024-25**9 Youth Operations****Complete**

INITIATIVE In FY 2024-25, DPD will hire four investigative support officers and six detention officers to manage juvenile cases and reduce the backlog from 7 days to 2 days (DPD).

STATUS As of March 2026, 2 Investigative Support Specialists and 1 Detention Officer positions were filled. Of the 10 positions created this year, 5 will be re-purposed for other areas in FY26. The one remaining position should be filled by the end of March 2026. Case backlog is currently down to 2-3 days.

12 Dallas' NextGen Connections**Complete**

INITIATIVE Through the newly formed Children, Youth, and Young Adult team in the Office of Community Care & Empowerment, generate feedback on youth programs, initiatives, and priorities from 5,000+ youth and stakeholders through events, surveys, and other activities (OCC).

STATUS Staff and youth commissioners facilitated 24 engagement events and meetings which involved six internal departments and 18 external stakeholders/community partners as well as the Dallas Youth Collaborative Reconvening Meeting which had representation from 17 different organizations and 254 attendees. These events were held in addition to the 4,367 youth surveys that were completed by April 2025.

15 KBHCCD Master Plan**On Track**

INITIATIVE Continue implementation of the Kay Bailey Hutchison Convention Center Dallas (KBHCCD) Master Plan. In FY 2024-25, CCT will complete the architectural/design and preconstruction phases of the convention center, the Black Academy of Arts and Letters and the Arena components of the master plan (CCT).

STATUS The pre-construction and continued operations phases of the convention center expansion (Component 1) have been completed. Early demolition has begun and is expected to continue through calendar year 2026. The schematic design phase for Component 3 – Dallas Memorial Auditorium (Arena) has been completed, and the project is currently in design development review with ongoing pre-construction activities to prepare for construction. Pre-construction activities have also been completed for The Women's Museum (TWM) at Fair Park, TBAAL's temporary location, with construction anticipated to be complete by August 2026.



FY 2025-26 Budget Initiative Tracker

MULTI-YEAR INITIATIVES**17 Addressing Animal Cruelty****Canceled**

INITIATIVE Address Animal Cruelty-Establish a partnership with an external organization to support Dallas Animal Services (DAS) in providing services related to suspected animal cruelty. In FY 2024-25, DAS will establish a partnership that will allow DAS to prioritize public safety and life-saving initiatives while reducing costs and capacity demands (DAS).

STATUS Dallas Animal Services advertised a solicitation for contracted services related to suspected animal cruelty investigations; however, the department did not receive any bids or proposals. DAS will continue to maintain continuity of services and operational support for suspected animal cruelty cases through the use of internal resources and the Professional Employer Organization (PEO) program. While challenges related to animal capacity, shelter population levels, and overtime persist, DAS is confident that newly implemented operational processes will lead to improved outcomes compared to prior fiscal years. These efforts are an attempt to reduce overall costs and alleviate shelter capacity pressures.

20 Optimize Infrastructure at Dallas Love Field**Complete**

INITIATIVE Optimize Infrastructure at Dallas Love Field-Finalize the Dallas Love Field Terminal Area Master Plan (TAMP) to meet growing demand and establish a flexible framework to guide future development and improve the customer experience. In FY 2024-25, AVI will complete the TAMP by June, 2025 (AVI).

STATUS The Terminal Area Master Plan (TAMP), completed in December 2025, established the long-term framework for future airport improvements and identified facilities and operational areas requiring enhancement to meet projected demand. The Love Field Expansion Airport Program (LEAP) advances the improvements recommended through the Master Plan. Since completion of TAMP, Ricondo (Consultant) has continued developing Advanced Planning Documents for LEAP projects to further define project scope, requirements, and design considerations supporting future design and implementation. A contract extension for the consultant is currently under review to support ongoing work through December 31, 2026, with no additional funding requested.

29 Management of Citywide Assets**On Track**

INITIATIVE Management of Citywide Assets-Relocation the new department of Facilities and Real Estate Management (FRM) to streamline operations, improve accountability, and efficiently use existing resources and expertise to manage City real estate assets. In FY 2024-25, FRM will implement internal process improvements to improve the review of current assets and implement a third-party property maintenance model for selected assets (FRM).

STATUS An informal solicitation has been completed, and a vendor has been selected to help develop the formal specifications for the Citywide Real Estate Master Plan. The consultant is now working with City stakeholders to refine the formal solicitation to ensure it is thorough and aligned with industry best practices. Once complete, and following a formal procurement process, a contract award is anticipated in mid-2026. The contract for brokerage services was approved by Council in December 2025 and is now active.

30 Court Case Management System**On Track**

INITIATIVE Dallas Municipal Court Case Management System-Replace the legacy Incode case management system for Dallas Municipal Court. In FY 2024-25, the city will invest \$4.4 million to replace the legacy court case management system. This is a joint project between Dallas Municipal Court (CTS) and Information Technology Services (ITS/DMC).

STATUS The contract is expected to be awarded in the summer of 2026. Once the contract is awarded, a 24-month implementation period will begin.



