

# Memorandum



CITY OF DALLAS

DATE March 20, 2026

TO Honorable Mayor and Members of the City Council

SUBJECT **Budget Accountability Report – January 2026**

Please find attached the January Budget Accountability Report (BAR) based on information through January 31, 2025. 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.

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

Jack Ireland  
Chief Financial Officer

#### Attachment

c: Kimberly Bizer Tolbert, City Manager  
Tammy Palomino, City Attorney  
Mark Swann, City Auditor  
Biliera 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  
Donzell Gipson, Assistant City Manager  
Robin Bentley, Assistant City Manager  
Ahmad Goree, Chief of Staff to the City Manager  
Directors and Assistant Directors

# FY 2025-26



## Budget Accountability Report

*As of January 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	☑	7% under budget
Equipment and Fleet Management	☑	☑
Express Business Center	☑	☑
Information Technology	☑	☑
Radio Services	☑	☑
9-1-1 System Operations	☑	☑
Debt Service	☑	☑
Fair Park	☑	☑
Transportation Regulation	☑	☑

☑ YE forecast within 5% of budget

# FINANCIAL FORECAST REPORT

The Financial Forecast Report (FFR) provides a summary of financial activity through January 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 January 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		\$338,043,273	\$0
Revenues	1,963,072,642	1,963,072,642	977,531,616	1,964,710,688	1,638,046
Expenditures	1,963,072,642	1,963,072,642	628,884,055	1,970,937,420	7,864,778
Ending Fund Balance	\$338,043,273	\$338,043,273		\$331,816,541	(\$6,226,732)

**Fund Balance.** As of November 30, 2025, the beginning fund balance for the adopted and amended budgets and YE forecast reflects the FY 2024-25 unaudited unassigned ending fund balance as projected during budget development (July 2025). The ending fund balance for the adopted and amended budget does not reflect changes in encumbrances or other balance sheet accounts. We anticipate updates to the beginning fund balance after the FY 2024-25 audited statements become available in April 2026.

**Revenues.** Through January 31, 2026, General Fund revenues are projected to be \$1,638,000 over budget due to increased emergency services reimbursement from the State Fair of Texas, Dallas Fire-Rescue inspection fees, and unanticipated insurance carrier payouts.

**Expenditures.** Through January 31, 2026, General Fund expenditures are projected to be \$7,865,000 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	\$750,002,406	\$1,127,415,449	\$0
2	Sales Tax	474,300,480	474,300,480	155,469,789	474,300,480	0
3	Franchise & Other	131,021,590	131,021,590	30,891,680	131,069,249	47,659
4	Charges for Service	114,488,328	114,694,328	22,226,907	116,602,101	1,907,773
5	Fines & Forfeitures	19,394,949	19,394,949	5,780,638	18,912,091	(482,858)
6	Operating Transfers In	25,473,411	25,473,411	0	25,473,411	0
7	Intergovernmental	23,077,862	23,077,862	1,080,162	22,614,595	(463,267)
8	Miscellaneous	4,788,843	4,582,843	1,244,114	4,916,805	333,962
9	Licenses & Permits	15,111,730	15,111,730	6,636,076	15,406,507	294,777
10	Interest	28,000,000	28,000,000	4,199,844	28,000,000	0
Total Revenue		\$1,963,072,642	\$1,963,072,642	\$977,531,616	\$1,964,710,688	\$1,638,046

**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.

**8. Miscellaneous**

Miscellaneous revenue is projected to be \$334,000 over budget due to unanticipated insurance carrier payouts.

## 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	306,327,891	88,848,808	303,261,029	(3,066,862)
	Civilian Overtime	10,864,470	10,853,470	3,854,998	10,435,584	(417,886)
	Civilian Pension	51,141,723	51,252,847	14,985,669	51,528,821	275,974
	Uniform Pay	635,380,731	631,923,586	199,748,154	634,124,703	2,201,117
	Uniform Overtime	67,415,923	67,415,923	26,758,033	72,506,961	5,091,038
	Uniform Pension	230,873,553	230,643,234	51,952,064	230,643,234	0
	Health Benefits	104,890,796	105,048,076	35,766,717	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	15,505,294	4,593,784	15,250,824	(254,470)
<b>1</b>	<b>Personnel Services</b>	<b>\$1,433,586,525</b>	<b>\$1,433,868,082</b>	<b>\$441,405,988</b>	<b>\$1,437,696,993</b>	<b>\$3,828,911</b>
<b>2</b>	<b>Supplies-Materials</b>	<b>98,616,519</b>	<b>96,493,368</b>	<b>26,978,916</b>	<b>96,930,900</b>	<b>437,532</b>
<b>3</b>	<b>Contractual-Other Services</b>	<b>536,740,200</b>	<b>537,388,289</b>	<b>164,462,807</b>	<b>539,060,908</b>	<b>1,672,619</b>
<b>4</b>	<b>Capital Outlay</b>	<b>13,626,605</b>	<b>14,223,667</b>	<b>2,546,772</b>	<b>14,166,193</b>	<b>(57,474)</b>
<b>5</b>	<b>Reimbursements</b>	<b>(119,497,207)</b>	<b>(118,900,764)</b>	<b>(6,510,428)</b>	<b>(116,917,574)</b>	<b>1,983,190</b>
	<b>Total Expenditures</b>	<b>\$1,963,072,642</b>	<b>\$1,963,072,642</b>	<b>\$628,884,055</b>	<b>\$1,970,937,420</b>	<b>\$7,864,778</b>

**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 \$3,829,000 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	\$1,412,142	\$4,543,953	\$0
2	City Attorney's Office	23,056,648	23,056,648	6,504,183	22,659,945	(396,703)
3	City Auditor's Office	3,449,793	3,449,793	970,270	3,358,420	(91,373)
4	City Controller's Office	8,971,529	8,971,529	2,823,940	8,449,776	(521,753)
5	Independent Audit	793,000	793,000	793,000	793,000	0
6	City Manager's Office	3,095,190	3,095,190	819,688	2,967,594	(127,596)
7	City Secretary's Office	3,739,411	3,739,411	1,390,005	3,849,561	110,150
8	Elections	160,090	160,090	34,555	158,735	(1,355)
9	Civil Service	2,978,535	2,978,535	860,225	2,944,869	(33,666)
10	Code Compliance	42,971,909	42,971,909	12,030,048	43,695,747	723,838
11	Dallas Animal Services	21,835,915	21,835,915	9,187,245	22,855,648	1,019,733
12	Dallas Fire-Rescue	453,418,515	453,418,515	147,715,700	459,219,138	5,800,623
13	Dallas Police Department	758,373,419	758,373,419	247,688,218	759,934,697	1,561,278
14	Data Analytics & Business Intelligence	5,572,379	5,572,379	1,648,638	5,572,379	0
15	Facilities & Real Estate Management	36,082,537	36,082,537	12,211,528	36,082,537	0
16	Human Resources	8,842,468	8,842,468	2,957,566	8,842,468	0
17	Judiciary	6,639,908	6,639,908	1,785,414	6,449,200	(190,708)
18	Library	43,459,765	43,459,765	12,796,683	43,459,765	0
	Management Services					
19	Communications and Customer Experience/311	9,228,550	9,228,550	2,513,270	10,017,825	789,275
20	Office of Community Police Oversight	672,350	672,350	227,617	739,575	67,225
21	Office of Emergency Management and Crisis Response	8,959,392	8,959,392	2,526,348	8,174,650	(784,742)
22	Office of Environmental Quality & Sustainability	5,592,298	5,592,298	1,733,977	5,506,137	(86,161)
23	Office of Government Affairs	994,426	994,426	252,071	984,434	(9,992)
24	Mayor & Council	7,840,173	7,840,173	2,192,884	7,469,141	(371,032)
25	Municipal Court & Detention Services	34,280,334	34,280,334	9,791,423	34,267,684	(12,650)
26	Jail Contract	8,578,250	8,578,250	2,901,961	8,705,882	127,632
27	Non-Departmental	128,078,711	128,078,711	15,866,028	128,078,711	0
28	Office of Arts & Culture	16,233,646	16,233,646	15,218,637	16,233,646	0
29	Office of Economic Development	3,789,105	3,789,105	1,521,510	3,789,105	0
30	Office of Housing & Community Empowerment	22,248,347	22,248,347	10,359,085	22,651,724	403,377
31	Office of the Inspector General	1,585,222	1,585,222	296,891	1,585,222	0
32	Park & Recreation	117,311,098	117,311,098	42,095,894	117,311,098	0
33	Planning & Development	6,617,691	6,617,691	2,118,822	6,617,691	0
34	Procurement Services	3,560,641	3,560,641	888,058	3,439,951	(120,690)
35	Transportation & Public Works	157,176,749	157,176,749	54,740,462	157,176,749	0
	<b>Total Departments</b>	<b>\$1,960,731,947</b>	<b>\$1,960,731,947</b>	<b>\$628,884,055</b>	<b>\$1,968,596,725</b>	<b>\$7,864,778</b>
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
	<b>Total Expenditures</b>	<b>\$1,963,072,642</b>	<b>\$1,963,072,642</b>	<b>\$628,884,055</b>	<b>\$1,970,937,420</b>	<b>\$7,864,778</b>

\*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.

### **4. City Controller's Office**

CCO is projecting to be under budget by \$522,000 due to vacancy savings from seven vacant positions.

### **7. City Secretary's Office**

SEC is projected to be \$110,000 over budget due to GovQA, an Open Records service contract amount which came in higher than budgeted offset by the vacancy savings of one position.

### **10. Code Compliance**

CCS is projected to be \$724,000 over budget due to a lower vacancy rate than budgeted.

### **11. Dallas Animal Services**

DAS is projected to be \$1,020,000 over budget due to an increase in suspected animal cruelty and public safety response service demand.

### **12. Dallas Fire-Rescue**

DFD is projected to be \$5,801,000 over budget due to uniform overtime expenses related to unscheduled leave and mandatory overtime and a uniform headcount that is 42 positions above budget due to decreased attrition and increased academy pass rates.

### **13. Dallas Police Department**

DPD is projected to be over budget by \$1,561,000 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.

### **19. Communications & Customer Experience/311**

CCX is projected to be \$789,000 over budget due to a lower vacancy rate than budgeted.

### **20. Office of Community Police Oversight**

OPO is projected to be \$67,000 over budget due to a lower vacancy rate than budgeted.

### **21. Office of Emergency Management & Crisis Response**

ECR is projected to be under budget by \$785,000 due to lower than anticipated inclement weather shelter expenses.

### **24. Mayor & City Council**

MCC is currently projecting to be under budget by \$371,000 due to salary savings from one vacant position.

### **26. Jail Contract**

The Jail Contract is projected to be over budget by \$128,000 due to an unbudgeted contract increase with Dallas County.

### **30. Office of Housing & Community Empowerment**

HCE is expected to be over budget by \$403,000 due to unbudgeted security services at three locations and termination payments for retiring employees.

# 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
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**1 AVIATION**

Beginning Fund Balance	\$149,717,541	\$149,717,541		\$149,717,541	\$0
Total Revenues	208,704,381	208,704,381	60,756,635	208,704,381	0
Total Expenditures	208,704,381	208,704,381	63,044,512	210,115,209	1,410,828
Ending Fund Balance	\$149,717,541	\$149,717,541		\$148,306,713	(\$1,410,828)

**2 CONVENTION & EVENT SERVICES**

Beginning Fund Balance	\$78,328,102	\$78,328,102		\$78,328,102	\$0
Total Revenues	131,535,243	131,535,243	25,050,129	132,327,983	792,740
Total Expenditures	131,535,243	131,535,243	21,325,461	131,535,243	0
Ending Fund Balance	\$78,328,102	\$78,328,102		\$79,120,842	\$792,740

**3 MUNICIPAL RADIO**

Beginning Fund Balance	\$238,560	\$238,560		\$238,560	\$0
Total Revenues	473,114	473,114	151,657	473,114	0
Total Expenditures	473,114	473,114	262,849	473,114	0
Ending Fund Balance	\$238,560	\$238,560		\$238,560	\$0

**4 PLANNING & DEVELOPMENT**

Beginning Fund Balance	\$7,732,342	\$7,732,342		\$7,732,342	\$0
Total Revenues	52,482,137	52,482,137	20,697,333	57,351,217	4,869,080
Total Expenditures	52,482,137	52,482,137	13,307,620	53,419,995	937,858
Ending Fund Balance	\$7,732,342	\$7,732,342		\$11,663,563	\$3,931,221

**5 SANITATION SERVICES**

Beginning Fund Balance	\$37,608,401	\$37,608,401		\$37,608,401	\$0
Total Revenues	165,548,703	165,548,703	58,605,717	170,640,507	5,091,804
Total Expenditures	165,548,703	165,548,703	44,928,237	166,557,529	1,008,826
Ending Fund Balance	\$37,608,401	\$37,608,401		\$41,691,379	\$4,082,978

**6 STORM DRAINAGE MANAGEMENT—DALLAS WATER UTILITIES**

Beginning Fund Balance	\$13,586,533	\$13,586,533		\$13,586,533	\$0
Total Revenues	90,573,980	90,573,980	28,413,193	90,573,980	0
Total Expenditures	90,573,980	90,573,980	18,757,407	90,573,980	0
Ending Fund Balance	\$13,586,533	\$13,586,533		\$13,586,533	\$0

**7 WATER UTILITIES**

Beginning Fund Balance	\$151,039,992	\$151,039,992		\$151,039,992	\$0
Total Revenues	880,895,629	880,895,629	268,141,307	880,895,629	0
Total Expenditures	880,895,629	880,895,629	226,168,182	880,895,629	0
Ending Fund Balance	\$151,039,992	\$151,039,992	\$41,973,125	\$151,039,992	\$0



## 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	\$0	\$0
Total Revenues	25,726,102	25,726,102	2,782,701	24,921,490	(804,612)
Total Expenditures	25,726,102	25,726,102	6,197,759	23,936,490	(1,789,612)
Ending Fund Balance	\$0	\$0		\$985,000	\$985,000

**9 EQUIPMENT & FLEET MANAGEMENT**

Beginning Fund Balance	\$3,929,271	\$3,929,271		\$3,929,271	\$0
Total Revenues	74,603,075	74,603,075	728,852	74,603,075	0
Total Expenditures	74,603,075	74,603,075	20,956,282	74,603,075	0
Ending Fund Balance	\$3,929,271	\$3,929,271		\$3,929,271	\$0

**10 EXPRESS BUSINESS CENTER**

Beginning Fund Balance	\$7,677,204	\$7,677,204		\$7,677,204	\$0
Total Revenues	2,433,550	2,433,550	784,513	2,513,326	79,776
Total Expenditures	2,318,930	2,318,930	905,681	2,315,996	(2,934)
Ending Fund Balance	\$7,791,824	\$7,791,824		\$7,874,534	\$82,710

**11 INFORMATION TECHNOLOGY**

Beginning Fund Balance	\$23,674,620	\$23,674,620		\$23,674,620	\$0
Total Revenues	137,249,042	137,249,042	32,692,956	137,568,438	319,396
Total Expenditures	148,450,537	148,450,537	74,967,311	147,622,784	(827,753)
Ending Fund Balance	\$12,473,125	\$12,473,125		\$13,620,274	\$1,147,149

**12 RADIO SERVICES**

Beginning Fund Balance	\$15,250,155	\$15,250,155		\$15,250,155	\$0
Total Revenues	17,039,945	17,039,945	3,640,682	17,485,551	445,606
Total Expenditures	20,259,125	20,259,125	3,597,880	20,114,140	(144,985)
Ending Fund Balance	\$12,030,975	\$12,030,975		\$12,621,566	\$590,591

## 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		\$18,922,432	\$0
Total Revenues	16,083,072	16,083,072	4,519,210	16,628,684	545,612
Total Expenditures	18,258,139	18,258,139	7,763,339	18,232,829	(25,310)
Ending Fund Balance	\$16,747,365	\$16,747,365		\$17,318,287	\$570,922

**14 DEBT SERVICE**

Beginning Fund Balance	\$126,407,728	\$126,407,728		\$126,407,728	\$0
Total Revenues	477,371,642	477,371,642	285,567,891	477,371,642	0
Total Expenditures	491,015,332	491,015,332	0	491,015,332	0
Ending Fund Balance	\$112,764,038	\$112,764,038		\$112,764,038	\$0

**15 EMPLOYEE BENEFITS**

City Contributions	\$146,104,603	\$146,104,603	\$45,828,348	\$146,104,603	\$0
Employee Contributions	64,662,027	64,662,027	19,232,664	64,390,214	(271,813)
Retiree	22,463,376	22,463,376	2,520,578	21,452,919	(1,010,457)
Other	0	0	438,527	438,527	438,527
Total Revenues	\$233,230,006	\$233,230,006	\$68,020,118	\$232,386,263	(\$843,743)
Total Expenditures	\$232,177,512	\$232,177,512	\$23,452,632	\$244,168,977	\$11,991,465

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	\$20,225,875	\$20,020,259	\$0
Third Party Liability	7,633,670	7,633,670	5,770,588	7,633,670	0
Purchased Insurance	22,885,030	22,885,030	20,689,013	22,885,030	0
Interest and Other	0	0	622,234	622,234	622,234
Total Revenues	\$50,538,959	\$50,538,959	\$47,307,709	\$51,161,193	\$622,234
Total Expenditures	\$65,439,828	\$65,439,828	\$29,151,494	\$65,439,828	\$0

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	\$538,277	\$538,277		\$538,277	\$0
Total Revenues	729,332	729,332	185,128	729,332	0
Total Expenditures	729,332	729,332	233,096	729,332	0
Ending Fund Balance	\$538,277	\$538,277		\$538,277	\$0

**18 FAIR PARK**

Beginning Fund Balance	\$4,000,000	\$4,000,000		\$4,000,000	\$0
Total Revenues	18,825,809	18,825,809	605,447	18,825,809	0
Total Expenditures	18,825,809	18,825,809	2,669,117	18,825,809	0
Ending Fund Balance	\$4,000,000	\$4,000,000		\$4,000,000	\$0



## VARIANCE NOTES

The Enterprise, Internal Service, and Other Funds summaries include the beginning fund balance with the YE revenue and expenditure forecasts. As of January 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.

### 1. Aviation

AVI expenses are projected to be over budget by \$1,411,000 due to increased reimbursement to Dallas Fire-Rescue for the Love Field airport standby inspection program implemented in response to repeated airport fire alarm activations.

### 2. Convention & Event Services

CCT revenues are forecasted to be over budget for \$793,000 due to event revenue, interest earnings, and sale of surplus convention center items.

### 4. Planning & Development

PDV revenue is projected to be over budget by \$4,869,000 due to permit and inspection revenue generated by commercial construction projects. PDV expenses are also projected to be over budget by \$938,000, primarily due to increased demand for contractual inspection and permitting services related to the higher project volume, as well as retirement payouts.

### 5. Sanitation Services

SAN revenue is projected to be \$5,092,000 over budget due to increase in landfill activity. SAN expenses are projected to be \$1,009,000 over budget associated with the carryforward of a FY 2024-25 capital expenditure into FY 2025-26 due to extended timeline for repair and maintenance by the vendor.

### 8. Bond & Construction Management

BCM revenues are projected to be \$805,000 under budget due to actual expenses being \$1,790,000 under budget, which reduces charges to capital projects, partially offset by \$985,000 of FY 2024-25 expenses that will be recovered in FY 2025-26. BCM expenses are projected to be \$1,790,000 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.

### 15. Employee Benefits

Employee Benefits expenses are forecasted to be over budget by \$11,991,000 due to the increased cost of inpatient, outpatient and pharmacy claims and an increased total usage headcount during the 2025 calendar year.

## 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	\$43,830,237	\$4,444,617	\$163,507,884
B	Park and Recreation Facilities	345,270,000	138,469,306	20,541,354	7,135,442	110,792,510
C	Flood Protection and Storm Drainage	52,100,000	12,560,681	350,616	7,574,638	4,635,426
D	Library Facilities	43,530,000	11,234,879	544,216	47,228	10,643,434
E	Cultural and Performing Arts Facilities	75,200,000	22,693,194	640,452	1,219,892	20,832,850
F	Public Safety Facilities	90,000,000	58,407,900	453,957	1,188,307	56,765,636
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	38,631	580,089	18,381,280
J	Information Technology Facilities	5,000,000	5,000,000	0	0	5,000,000
<b>Total</b>		<b>\$1,250,000,000</b>	<b>\$502,330,619</b>	<b>\$72,535,476</b>	<b>\$22,190,213</b>	<b>\$407,604,929</b>

**2017 Bond Program**

Proposition		Authorized by Voters	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
A	Street and Transportation	\$533,981,000	\$547,404,018	\$445,372,289	\$45,652,873	\$56,378,856
B	Park and Recreation Facilities*	261,807,000	255,807,000	199,902,330	14,318,020	41,586,650
C	Fair Park	50,000,000	50,000,000	46,912,660	910,672	2,176,669
D	Flood Protection and Storm Drainage	48,750,000	48,750,000	33,355,171	5,180,549	10,214,280
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	13,437,774	281,341	694,511
G	Public Safety Facilities	32,081,000	32,473,023	27,973,357	23,148	4,476,517
H	City Facilities	18,157,000	19,251,894	4,835,225	217,369	14,199,300
I	Economic Development	55,400,000	55,400,000	29,202,124	3,995,016	22,202,859
J	Homeless Assistance Facilities	20,000,000	20,000,000	17,497,039	2,502,961	0
<b>Total</b>		<b>\$1,050,000,000</b>	<b>\$1,059,291,145</b>	<b>\$833,460,538</b>	<b>\$73,098,849</b>	<b>\$152,731,757</b>

\*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. Additionally, the unencumbered balance increased from December to January due to the release of encumbrances for completed projects.

## 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	\$262,172,965	\$948,002	\$3,817,921
2	Flood Protection and Storm Drainage Facilities	326,375,000	326,375,000	271,128,343	43,450,454	11,796,203
3	Economic Development	55,000,000	55,000,000	40,810,858	2,933,108	11,256,034
<b>Total</b>		<b>\$642,000,000</b>	<b>\$648,313,887</b>	<b>\$574,112,166</b>	<b>\$47,331,564</b>	<b>\$26,870,158</b>

**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	\$395,355,127	\$7,685,894	\$3,449,533
2	Flood Protection and Storm Drainage Facilities	334,315,000	342,757,166	318,091,538	7,871,350	16,794,278
3	Park and Recreation Facilities	343,230,000	353,343,060	351,472,796	1,307,277	562,986
4	Library Facilities	46,200,000	52,148,600	47,760,391	2,845	4,385,364
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	33,863,974	5,563	2,346,940
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	11,919,727	12,055	10,795,668
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
<b>Total</b>		<b>\$1,353,520,000</b>	<b>\$1,405,218,107</b>	<b>\$1,347,528,495</b>	<b>\$17,490,615</b>	<b>\$40,198,995</b>

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

**GRANT FUNDS****Federal Awards**

Funding Agency	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
The Institute of Museum and Library Services	\$35,674	\$27,163	\$0	\$8,511
U.S. Army Corps of Engineers	2,000,000	0	0	2,000,000
U.S. Department of Agriculture	97,980,126	77,826,884	2,021,196	18,132,046
U.S. Department of Energy	1,132,070	0	0	1,132,070
U.S. Department of Health and Human Services	1,126,563	727,914	2,909	395,741
U.S. Department of Homeland Security	22,396,979	17,566,098	1,249,304	3,581,578
U.S. Department of Housing and Urban Development	286,277,333	181,781,358	28,820,194	75,675,781
U.S. Department of Justice	17,663,028	13,286,552	1,086,949	3,289,527
U.S. Department of the Interior	50,000	50,000	0	0
U.S. Department of Transportation	278,782,259	153,951,480	11,425,659	113,405,120
U.S. Department of Treasury	458,211,039	434,952,327	16,933,891	6,324,820
U.S. Environmental Protection Agency	2,351,855	1,915,341	0	436,514
<b>Total</b>	<b>\$1,168,006,926</b>	<b>\$882,085,117</b>	<b>\$61,540,103</b>	<b>\$224,381,707</b>

**State Awards**

Funding Agency	ITD Appropriations	ITD Expenditures	Current Encumbered	Unencumbered
Commission on State Emergency Communications	\$6,748,851	\$203,977	\$5,109,764	\$1,435,110
Motor Vehicle Crime Prevention Authority	8,660,482	5,357,089	151,871	3,151,522
North Central Texas Council of Governments	163,200	159,308	0	3,892
Texas Commission on Environmental Quality	3,400,949	2,077,845	0	1,323,104
Texas Department of Criminal Justice	2,500,000	1,845,059	489,942	164,999
Texas Department of Housing and Community Affairs	3,287,300	2,496,200	749,464	41,636
Texas Department of State Health Services	800,000	214,188	149,495	436,317
Texas Department of Transportation	28,030,909	699,467	533	27,330,909
Texas Health and Human Services Commission	364,500	331,202	494	32,805
Texas Office of Governor	13,169,375	4,603,517	6,940,241	1,625,617
Texas Parks and Wildlife Department	1,299,410	0	0	1,299,410
Texas Veterans Commission	332,913	72,523	221	260,169
Texas Water Development Board	23,100,000	0	22,931,007	168,993
<b>Total</b>	<b>\$91,857,889</b>	<b>\$18,060,375</b>	<b>\$36,523,031</b>	<b>\$37,274,482</b>

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.

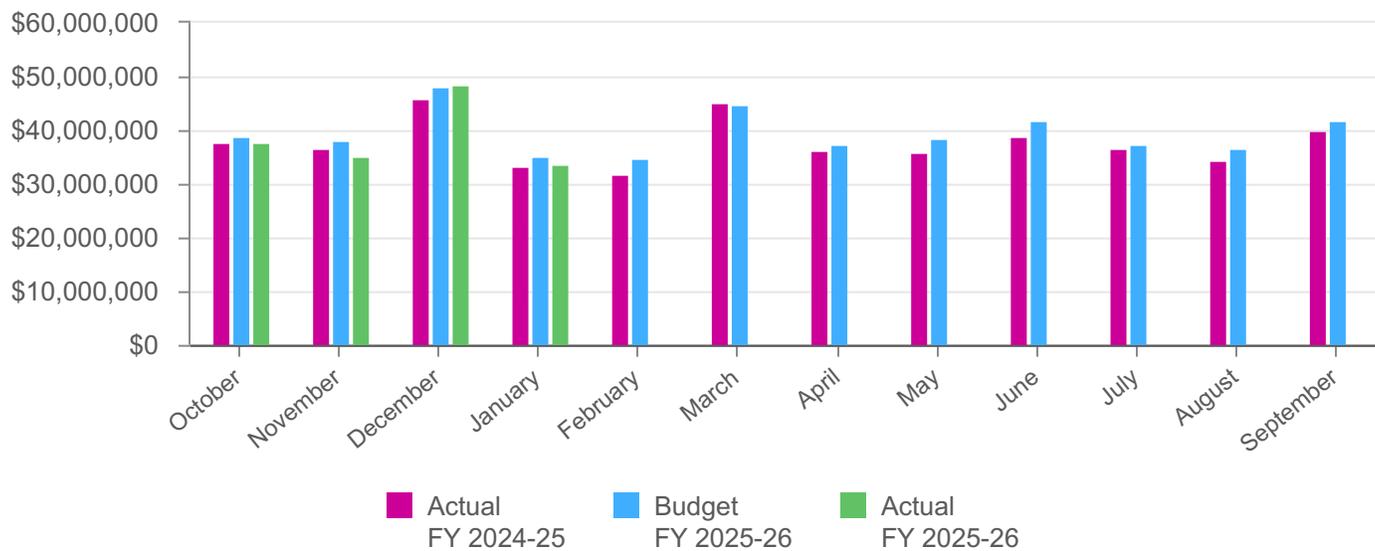
## FY 2025-26 Financial Forecast Report

# ECONOMIC INDICATORS

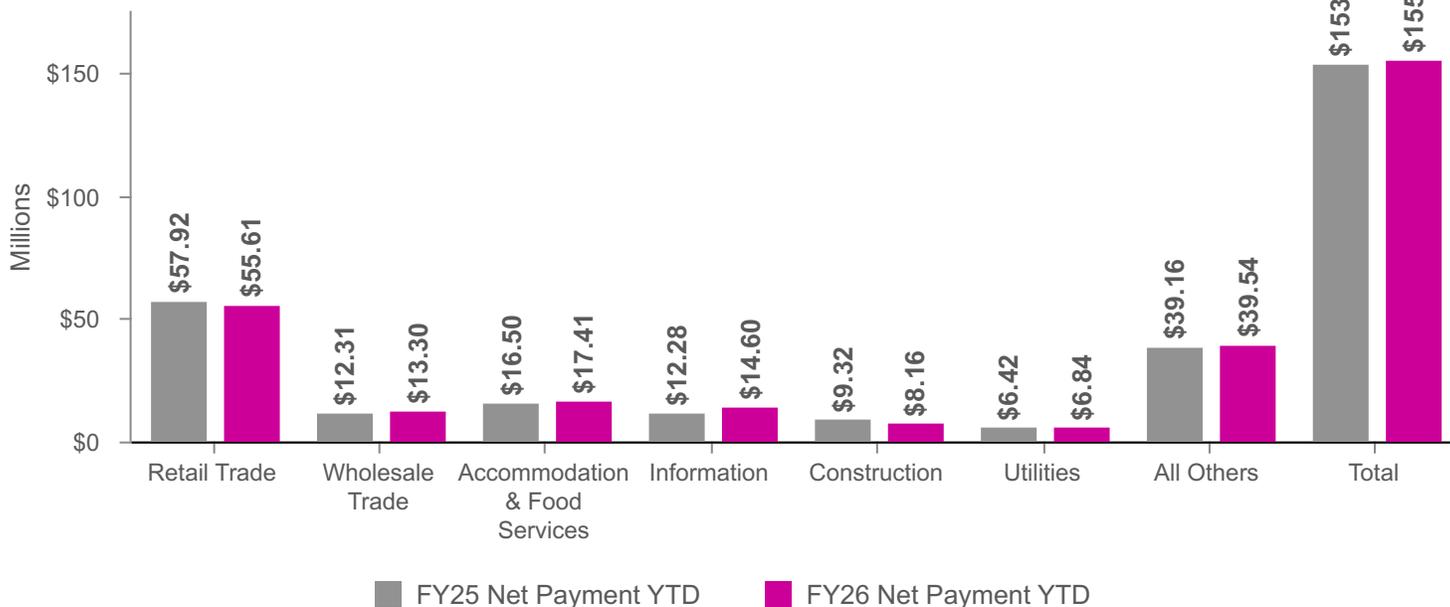
### Sales Tax

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 January 31, 2026, the year-end forecast is at budget. 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	January FY26 over January FY25	FYTD26 over FYTD25
Retail Trade	-1%	-4%
Wholesale Trade	-6%	8%
Accommodation and Food Services	3%	6%
Information	1%	19%
Construction	-15%	-12%
Utilities	-12%	7%
All Others	12%	1%
Total Collections	1%	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.

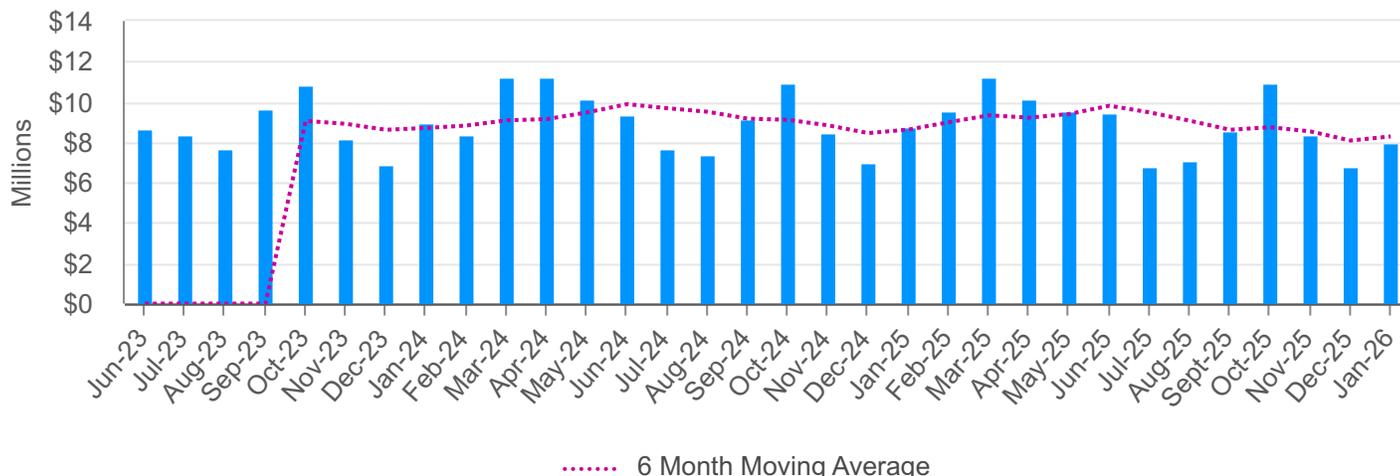
FY 2025-26 Financial Forecast Report

# ECONOMIC INDICATORS

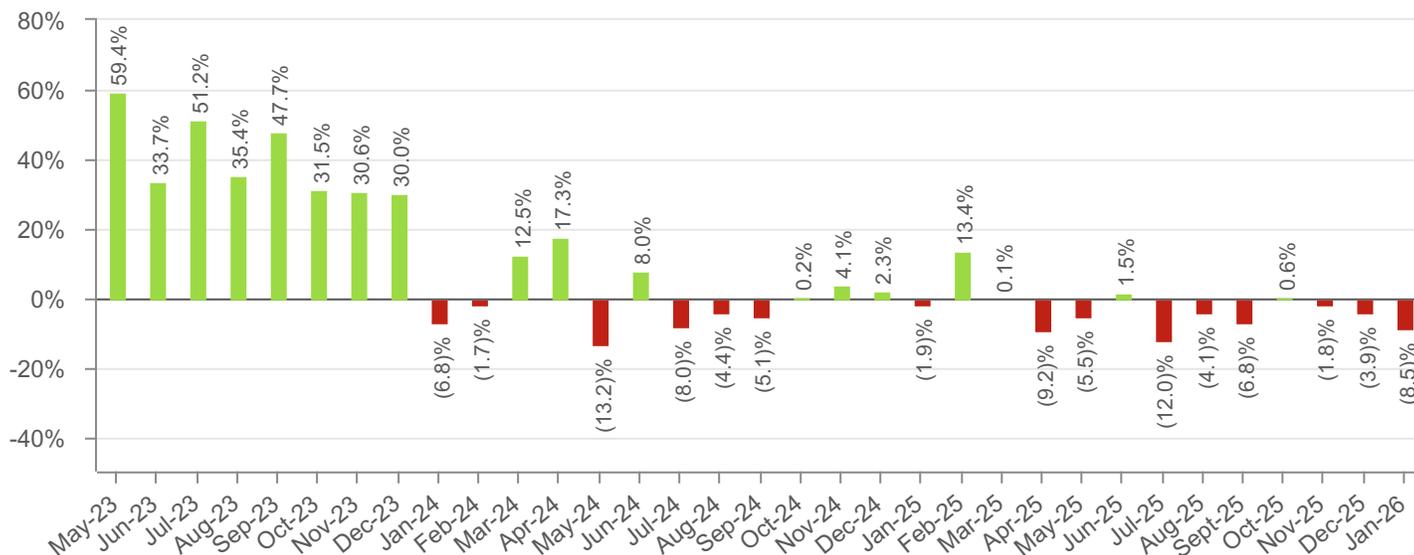
## Hotel Occupancy Tax

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

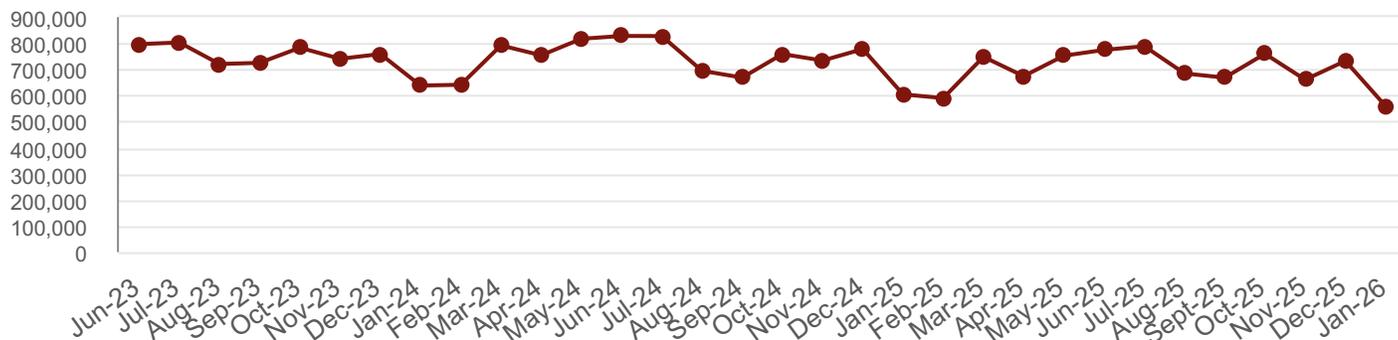
The table below lists the number of actual, planned, and forecast events at the KBHCCD for the last three fiscal years. Please note if no event takes place, it results in an equal reduction in revenue and expenses.

	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
<b>Total</b>	<b>93</b>	<b>74</b>	<b>27</b>	<b>28</b>

### 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



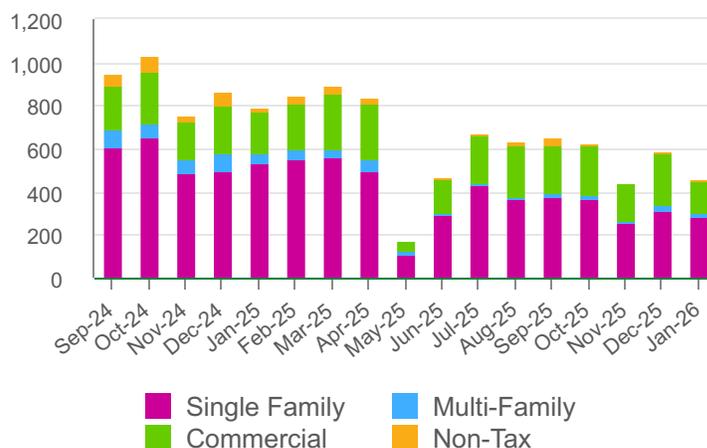
# FY 2025-26 Financial Forecast Report

## ECONOMIC INDICATORS

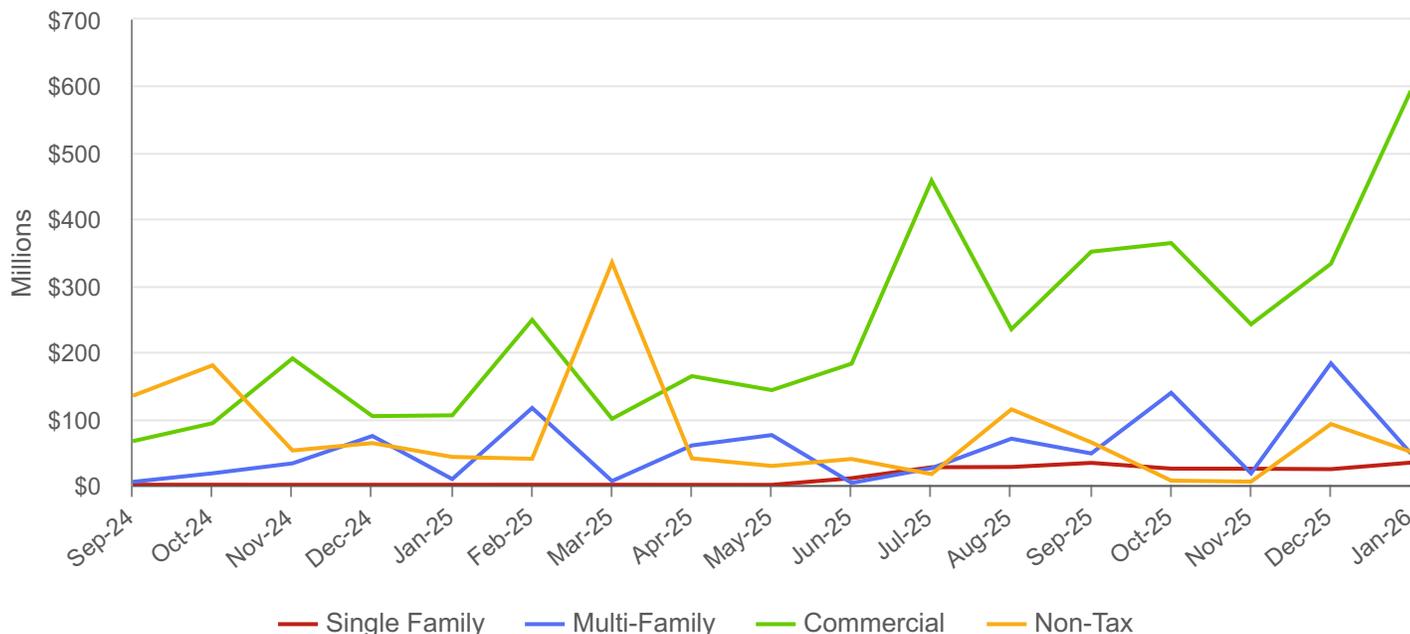
### Building Permits

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.

## 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”.



1

Complete



8

On Track



0

On Hold



0

At Risk



1

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 January 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’s 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 summer 2026 and will 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 January 2026, both Digital Forensic Analyst I positions were filled. The 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 January 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 two remaining Detention Officer positions will be filled by the end of February 2026. Case backlog is currently down to 2-3 days.

**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 architectural/design and preconstruction phases of the convention center, the Black Academy of Arts and Letters, and the Arena components of the master plan are projected to be completed in early 2027.

**12 Dallas' NextGen Connections****On Track**

**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** As of January 2026, staff and youth commissioners have 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 as of April 2025. Staff and the youth commission remain focused on ensuring meaningful engagement and long-term impact in developing the youth strategic plan which is in its final drafting phase.



## 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****On Track**

**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 Consultant (Ricondo) continues to develop and refine the Project Definition Documents for the 14 primary LEAP projects with expected completion by April 2026. In addition, the consultant is completing the environmental approvals from the FAA. The contract remains on time and budget.

**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** A vendor presentation was held on September 4, and ITS is currently waiting on a quote from the vendor. The contract is expected to be awarded in the summer of 2026. Once the contract is awarded, a 24-month implementation period will begin. The status of this project will continue to be tracked in FY 2025-26.



