

# Memorandum



CITY OF DALLAS

DATE September 13, 2024

TO Honorable Mayor and Members of the City Council

SUBJECT **Final Steps to Adopt the FY 2024-25 Budget on September 18**

Thank you for your continued participation in the FY 2024-25 budget development process that will conclude next Wednesday, September 18. The City Manager's Recommended Biennial Budget for FY 2024-25 and FY 2025-26 was presented to the City Council on August 13. Following your community town hall meetings and much deliberation, a majority of the City Council supported three budget amendments on September 4 through the straw poll process. On that day, City Council also approved the First Reading of the budget incorporating the three approved amendments (attached). The budget ordinance was advertised in the official newspaper of the City in compliance with the City Charter.

- Agenda Item 3 - On September 18, prior to final consideration of the budget and property tax rate, a public hearing to receive comments on the property tax rate will be conducted. This public hearing was authorized by the City Council on August 28 and advertised.
- Budget Briefing A – FY 2024-25 Budget discussion and amendments. Attached are three additional amendments that were received as of noon on Friday, September 13.

After the public hearing, and after consideration of amendments, there will be a suite of budget-related items that must be approved. Because of varying legal requirements, items 4, 5, and 6 will require a record vote as indicated below while items 7, 8, 9, 10 and 11 do not require a record vote.

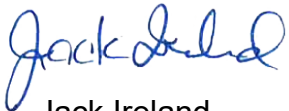
- Agenda Item 4 - Final reading and adoption of the appropriation ordinance appropriating funds for the FY 2024-25 City of Dallas Operating, Capital, and Grant & Trust Budgets will be considered next Wednesday. This item requires a record vote and must be considered before approval of the tax rate. Per the Local Government Code (102.009), the governing body may levy taxes only in accordance with the budget. The total of \$4,972,409,869 reflects the City Manager's recommended budget as amended by the City Council. Additionally, Internal Service Funds and the Employee Retirement Fund are included in the budget ordinance for your approval resulting in a total of \$5,263,461,468. The Internal Service Funds are not part of the budget document financial summaries to avoid double counting the revenue and expense but must be appropriated for separate expenditure through the budget ordinance.

- Agenda Item 5 - An ordinance setting the tax rate at \$0.7047 per \$100 assessed valuation, which includes \$0.5109 for the General Fund and \$0.1938 for Debt Service will be considered after approval of the budget. This item requires a record vote and 60 percent (9 votes) of the members of the City Council must vote in favor of the adoption of the tax rate. This year's proposed tax rate does not exceed the no-new-revenue tax rate and therefore the motion to adopt the tax rate does not require the language about "tax increase" as stated in section 26.05(b) of the Property Tax Code.
  - The motion to adopt the tax rate must be made in the following form: "I move that the property tax rate be decreased by the adoption of a tax rate of \$0.7047 per \$100 assessed valuation".
- Agenda Item 6 - A resolution to ratify the increase in total property tax revenues reflected in the FY 2024-25 budget requires a record vote. Per the Local Government Code (102.007), adoption of a budget that will require raising more revenue from property taxes than in the previous year requires a separate vote of the City Council to ratify the revenue increase reflected in the budget. This vote is in addition to and separate from the vote to set the tax rate.
- Agenda Items 7 - An ordinance amending Chapters 2, 18, 24, 28, 43, 49, 51A, and 52 of the Dallas City Code to amend fee, rates, and charges is required in support of the budget. A memo regarding this item was sent to the City Council on September 6 and can be [found here](#). An updated memo was sent on September 13 and can be [found here](#).
- Agenda Item 8 - An ordinance creating or renaming departments is presented for approval. Per City Charter Chapter X, Section 1, this item does not require a record vote. However, it does require three-fourths approval (11 votes). This item creates the Department of Transportation & Public Works by combining the Department of Public Works and the Department of Transportation; changes the name of the Department of Aviation – Transportation Regulation to the Department of Transportation & Public Works – Transportation Regulation; consolidates the functions of the Office of Emergency Management and the Office of Integrated Public Safety Solutions into the Office of Emergency Management and Crisis Response; and renames the Department of Housing and Neighborhood Revitalization to the Department of Housing & Community Development.

- Agenda Item 9 - Position changes, salary schedules, civilian merit and uniform salary increases, minimum hiring rate, and new pay schedules for uniform executives will be presented for approval in support of the budget.
- Agenda Item 10 – Amending Personnel Rules to remove holiday pay for temporary employees. This amendment aligns with standard personnel management practices across similar organizations.
- Agenda Item 11 - The Employee Health Benefit plan design effective January 1, 2025, health coverage plans, and premium rates will be presented for your approval.

**Please note, if agenda items 5, 6, or 7 fail and cause the budget to be out of balance, it will be necessary to reconsider the final reading and adoption of the budget ordinance, agenda item 4.**

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



Jack Ireland  
Chief Financial Officer

Attachments

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| Kimberly Bizzor Tolbert, City Manager (I)   | Dev Rastogi, Assistant City Manager                              |
| Tammy Palomino, City Attorney               | M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager       |
| Mark Swann, City Auditor                    | Donzell Gipson, Assistant City Manager (I)                       |
| Biliera Johnson, City Secretary             | Robin Bentley, Assistant City Manager (I)                        |
| Preston Robinson, Administrative Judge      | Elizabeth Saab, Chief of Strategy, Engagement, and Alignment (I) |
| Dominique Artis, Chief of Public Safety (I) | Directors and Assistant Directors                                |
| Alina Ciocan, Assistant City Manager        |  |

**Budget Amendments - FY 2024-25 Budget**

**Attachment A - Amendments Approved on September 4, 2024**

**FY 2024-25 Budget Amendments - Interim City Manager Kimberly Bizer Tolbert - August 30, 2024**

Interim City Manager - Kimberly Bizer Tolbert		Amendment Number	
		<b>1</b>	
Council Member Co-Sponsor(S):			
Source of Funds	Amount	Use of Funds	Amount
Budget & Management Services - Reallocate and reprogram American Rescue Plan Act (ARPA) interest earnings, and Federal Emergency Management Agency (FEMA) reimbursement for testing and vaccination funding.	5,807,570	Transportation & Public Works - Increase FY 2024-25 total investment in street maintenance by \$5,807,570 and increase proposed lane miles from 676 to 710 lane miles.	5,807,570
Total Source of Funds	5,807,570	Total Use of Funds	5,807,570
City Council Action (yes/no/withdrawn)	Yes	Difference	0

**FY 2024-25 Budget Amendments - Received on or before August 30, 2024**

Council Member Lead - Blackmon		Amendment Number	
		<b>2</b>	
Council Member Co-Sponsor(S):			
Source of Funds	Amount	Use of Funds	Amount
Office of Economic Development - Reduce the transfer to the Infrastructure Investment Fund by \$485,486 from \$5,987,810 to \$5,502,000.	485,486	Library - Add funds to restore Skillman Southwestern Library to 53 hours/week and 6 days a week including 9 staff. <b>One-Time.</b>	485,486
Total Source of Funds	485,486	Total Use of Funds	485,486
City Council Action (yes/no/withdrawn)	Yes	Difference	0

**FY 2024-25 Budget Amendments - Received on or before September 4, 2024**

Council Member Lead - West		Amendment Number	
		<b>3</b>	
Council Member Co-Sponsor(S):			
Source of Funds	Amount	Use of Funds	Amount
Facilities and Real Estate Management - Eliminate expenses for Bullington Truck and Pedestrian Terminal (includes Thanksgiving Square)	653,659	Non-Departmental - General Fund Reserve.	384,056
Facilities and Real Estate Management - Eliminate revenue associated with Bullington Truck and Pedestrian Terminal	(269,603)		
Total Source of Funds	384,056	Total Use of Funds	384,056
City Council Action (yes/no/withdrawn)	Yes	Difference	0

**Budget Amendments - FY 2024-25 Budget**

**Attachment B - Additional Amendments for Consideration on September 18, 2024**

**FY 2024-25 Budget Amendments - Council Member Blackmon - September 11, 2024**

Council Member Lead - Blackmon		Amendment Number	
		<b>4</b>	
Council Member Co-Sponsor(S):			
Source of Funds	Amount	Use of Funds	Amount
Library - Remove funding from the Infrastructure Investment Fund to restore Skillman Southwestern Library to 53 hours/week and 6 days a week including 9 staff.	485,486	Office of Economic Development - Restore funding to the Infrastructure Investment Fund by \$485,486 from \$5,502,000 to \$5,987,810.	485,486
Total Source of Funds	485,486	Total Use of Funds	485,486
City Council Action (yes/no/withdrawn)	For Staff Use	Difference	0

Council Member Lead - Blackmon		Amendment Number	
		<b>5</b>	
Council Member Co-Sponsor(S):			
Source of Funds	Amount	Use of Funds	Amount
MCC - Mayor and City Council ARPA Funds - D9 (Fund OA72 ARPA Redevelopment Fund) - Fentanyl Awareness Campaign.	50,000	Library - Add one-time funding to open Skillman/Southwestern Library 5 days per week (39 hours), and 8 positions in FY 2024-25. <b>One-Time.</b>	456,750
MCC - Mayor and City Council ARPA Funds - D9 (Fund OA72 ARPA Redevelopment Fund) - Mental Health Assistance.	50,000		
MCC - Mayor and City Council ARPA Funds - D9 (Fund OA72 ARPA Redevelopment Fund) - Home Repairs.	356,750		
Total Source of Funds	456,750	Total Use of Funds	456,750
City Council Action (yes/no/withdrawn)	For Staff Use	Difference	0

**FY 2024-25 Budget Amendments - Interim City Manager Kimberly Bizer Tolbert - September 13, 2024**

Interim City Manager - Kimberly Bizer Tolbert		Amendment Number	
		<b>6</b>	
Council Member Co-Sponsor(S):			
Source of Funds	Amount	Use of Funds	Amount
Dallas County - Increase contribution from Dallas County to the City of Dallas for The Bridge from \$1,000,000 to \$1,300,000 (contingent upon Dallas County approval on September 17, 2024).	300,000	MGT - Office of Homeless Solutions - Increase the management services contract with The Bridge by \$300,000.	300,000
Total Source of Funds	300,000	Total Use of Funds	300,000
City Council Action (yes/no/withdrawn)	For Staff Use	Difference	0