

# Memorandum



CITY OF DALLAS

DATE August 21, 2026

TO Honorable Mayor and Members of the City Council

SUBJECT **Budget Accountability Report – July 2026**

Please find attached the July Budget Accountability Report (BAR) based on information through July 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!



Jack Ireland  
Chief Financial Officer

Attachment

c: Kimberly Bizzor Tolbert, City Manager  
Bertram Vandenberg, City Attorney (I)  
Rory Galter, City Auditor (I)  
Billieae 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 July 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         | 16% over budget              | ☑                |
| Sanitation Services              | 6% over budget               | 6% over budget   |
| Storm Drainage Management        | ☑                            | ☑                |
| Dallas Water Utilities           | ☑                            | ☑                |
| Bond and Construction Management | 6% under budget              | 11% under budget |
| Equipment and Fleet Management   | ☑                            | ☑                |
| Express Business Center          | 11% over budget              | 13% over budget  |
| Information Technology           | ☑                            | ☑                |
| Radio Services                   | ☑                            | ☑                |
| 9-1-1 System Operations          | 16% over budget              | 21% over budget  |
| Debt Service                     | 21% over budget              | ☑                |
| Fair Park                        | 13% under budget             | ☑                |
| Transportation Regulation        | 5% under budget              | 6% under budget  |

☑ YE forecast within 5% of budget

# FINANCIAL FORECAST REPORT

The Financial Forecast Report (FFR) provides a summary of financial activity through July 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 July 31, 2026.

|                        | FY 2025-26<br>Adopted Budget | FY 2025-26<br>Amended Budget | YTD Actuals &<br>Encumbrances | YE Forecast   | Variance     |
|------------------------|------------------------------|------------------------------|-------------------------------|---------------|--------------|
| Beginning Fund Balance | \$338,043,273                | \$338,043,273                |                               | \$354,400,838 | \$16,357,565 |
| Revenues               | 1,963,072,642                | 1,966,272,642                | 1,745,581,190                 | 1,982,999,348 | 16,726,706   |
| Expenditures           | 1,963,072,642                | 1,966,272,642                | 1,638,023,915                 | 1,982,999,348 | 16,726,706   |
| Ending Fund Balance    | \$338,043,273                | \$338,043,273                |                               | \$351,200,838 | \$12,957,565 |

**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. As of July 31, 2026, the ending fund balance for the YE forecast reflects the FY 2024-25 audited unassigned ending fund balance and use of Contingency Reserve in the amount of \$200,000 as approved by the City Council on April 22, 2026 and \$3,000,000 as approved by the City Council on June 17, 2026.

**Revenues.** Through July 31, 2026, General Fund revenues are projected to be \$5,100,000 under budget due to decreased property and sales tax collections, partially offset by Dallas Fire-Rescue ambulance and inspection fees and a one-time payment related to the digital kiosk implementation. To offset revenue shortfalls and expenditure overages, Operating Transfers In has been increased by \$21.9 million.

**Expenditures.** Through July 31, 2026, General Fund expenditures are projected to be \$16,727,000 over budget due to increased expenses associated with uniform personnel and a \$13.2 million health benefit surcharge.

**FY 2025-26 Amended Budget:** City Council amended the General Fund budget on:

- April 22, 2026, by resolution 26-0741 to procure a consultant to determine the amount under Dallas City Code Section 51A-4.704(a)(1)(D)(i) for the uses located at 2600 Singleton Boulevard and 7910 South Central Expressway in Planning & Development in the amount of \$200,000.
- June 17, 2026, by resolutions 26-1006 and 26-1007 for pre-acquisition agreements to assess the relocation of 911, emergency operations, and City Hall staff from 1500 Marilla Street in the amount of \$3,000,000.
- June 24, 2026, by ordinance #33463 to reallocate funds between Dallas Police Department and City Secretary's Office to support open records.



## FY 2025-26 Financial Forecast Report

**GENERAL FUND REVENUES**

| Revenue Category |                        | FY 2025-26<br>Adopted Budget | FY 2025-26<br>Amended Budget | YTD Actuals     | YE Forecast     | Variance      |
|------------------|------------------------|------------------------------|------------------------------|-----------------|-----------------|---------------|
| 1                | Property Tax           | \$1,127,415,449              | \$1,127,415,449              | \$1,124,641,626 | \$1,121,627,751 | (\$5,787,698) |
| 2                | Sales Tax              | 474,300,480                  | 474,300,480                  | 352,594,064     | 464,907,479     | (9,393,001)   |
| 3                | Franchise & Other      | 131,021,590                  | 131,021,590                  | 100,264,164     | 134,137,195     | 3,115,605     |
| 4                | Charges for Service    | 114,488,328                  | 114,694,328                  | 94,021,650      | 119,826,923     | 5,132,595     |
| 5                | Fines & Forfeitures    | 19,394,949                   | 19,394,949                   | 17,314,878      | 20,887,169      | 1,492,220     |
| 6                | Operating Transfers In | 25,473,411                   | 28,673,411                   | 200,000         | 50,536,171      | 21,862,760    |
| 7                | Intergovernmental      | 23,077,862                   | 23,077,862                   | 22,923,673      | 24,599,637      | 1,521,775     |
| 8                | Miscellaneous          | 4,788,843                    | 4,582,843                    | 2,803,842       | 3,268,111       | (1,314,732)   |
| 9                | Licenses & Permits     | 15,111,730                   | 15,111,730                   | 12,438,963      | 15,207,804      | 96,074        |
| 10               | Interest               | 28,000,000                   | 28,000,000                   | 18,378,330      | 28,001,108      | 1,108         |
| Total Revenue    |                        | \$1,963,072,642              | \$1,966,272,642              | \$1,745,581,190 | \$1,982,999,348 | \$16,726,706  |

**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.

**1. Property Tax**

The City has seen declining revenue projections for current year property tax due to final judgments made in property dispute litigation at the Dallas County District Court which lowered certified values. The General Fund portion of property tax revenue is projected to be \$5,788,000 below budget as a result of declining collections.

**2. Sales Tax**

Based on actual collection trends and analysis provided by our contract economist, sales tax is projected to be \$9,393,000 under budget for FY 2025-26. Total projected year-over-year growth is 2.6% compared to FY 2024-25.

**4. Charges for Services**

Charges for services is projected to be \$5,133,000 over budget due to increased revenue associated with Dallas-Fire Rescue ambulance charges and emergency services at the State Fair, partially offset by a decrease in Park and Recreation aquatics, golf and recreation center revenue.

**5. Fines and Forfeitures**

Fines and Forfeitures revenue is projected to be \$1,492,000 over budget due to increased collections for traffic, civil, and parking fines, partially offset by decreased collections for auto pound.

**6. Operating Transfers In**

City Council increased Operating Transfers In revenue by \$200,000 on April 22, 2026 by resolution #26-0741 and by \$3,000,000 on June 17, 2026 by resolutions 26-1006 and 26-1007. Operating Transfers In was increased by \$19.9 million to offset declining sales and property tax revenue and projected expenditure overages and \$1.9 million for anticipated usage of General Fund Contingency Reserve for elections contracts to be considered by City Council on August 25, 2026.

**7. Intergovernmental**

Intergovernmental revenue is projected to be \$1,522,000 over budget due higher than budgeted payments from DFW Airport revenue-sharing agreements with the City of Euless, City of Grapevine, and the City of Irving, and increased mowing and litter pickup reimbursements from the Texas Department of Transportation (TxDOT).

**8. Miscellaneous**

Miscellaneous revenue is projected to be \$1,315,000 under budget primarily due to a decrease in auto auction revenue.



## FY 2025-26 Financial Forecast Report

**GENERAL FUND EXPENDITURES**

|          | Expenditure Category              | FY 2025-26<br>Adopted Budget | FY 2025-26<br>Amended Budget | YTD Actuals &<br>Encumbrances | YE Forecast            | Variance            |
|----------|-----------------------------------|------------------------------|------------------------------|-------------------------------|------------------------|---------------------|
|          | Civilian Pay                      | 300,984,760                  | 301,138,816                  | 235,912,628                   | 289,178,760            | (11,960,056)        |
|          | Civilian Overtime                 | 10,864,470                   | 10,863,622                   | 9,767,554                     | 11,341,199             | 477,577             |
|          | Civilian Pension                  | 51,141,723                   | 51,245,035                   | 39,227,249                    | 51,245,035             | 0                   |
|          | Uniform Pay                       | 636,932,601                  | 637,213,065                  | 520,883,927                   | 638,971,537            | 1,758,473           |
|          | Uniform Overtime                  | 67,415,923                   | 67,415,923                   | 73,490,429                    | 75,753,296             | 8,337,373           |
|          | Uniform Pension                   | 230,873,553                  | 230,643,234                  | 194,265,070                   | 230,770,924            | 127,690             |
|          | Health Benefits                   | 104,890,796                  | 105,048,076                  | 90,432,328                    | 118,274,463            | 13,226,387          |
|          | Workers Comp                      | 14,897,761                   | 14,897,761                   | 14,897,761                    | 14,897,761             | 0                   |
|          | Other Personnel Services          | 15,584,938                   | 15,504,294                   | 13,296,044                    | 16,097,563             | 593,269             |
| <b>1</b> | <b>Personnel Services</b>         | <b>\$1,433,586,525</b>       | <b>\$1,433,969,826</b>       | <b>\$1,192,172,990</b>        | <b>\$1,446,530,538</b> | <b>\$12,560,712</b> |
| <b>2</b> | <b>Supplies-Materials</b>         | <b>98,616,519</b>            | <b>97,920,558</b>            | <b>69,586,042</b>             | <b>98,651,928</b>      | <b>731,370</b>      |
| <b>3</b> | <b>Contractual-Other Services</b> | <b>536,740,200</b>           | <b>540,587,965</b>           | <b>414,508,760</b>            | <b>547,438,716</b>     | <b>6,850,750</b>    |
| <b>4</b> | <b>Capital Outlay</b>             | <b>13,626,605</b>            | <b>12,668,361</b>            | <b>8,784,460</b>              | <b>11,707,956</b>      | <b>(960,405)</b>    |
| <b>5</b> | <b>Reimbursements</b>             | <b>(119,497,207)</b>         | <b>(118,874,069)</b>         | <b>(47,028,337)</b>           | <b>(121,329,790)</b>   | <b>(2,455,721)</b>  |
|          | <b>Total Expenditures</b>         | <b>\$1,963,072,642</b>       | <b>\$1,966,272,642</b>       | <b>\$1,638,023,915</b>        | <b>\$1,982,999,348</b> | <b>\$16,726,706</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 \$12,561,000 over budget due to a health benefits surcharge, uniform overtime in Dallas Fire-Rescue (\$5.6 million) related to unscheduled leave and mandatory overtime, and Dallas Police Department uniform overtime expenses (\$2.7 million) 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.

**3. Contractual Services**

Contractual Services are projected to be \$6,851,000 over budget primarily due to expenses associated with the November 2026 bond election that will be realized in FY 2025-26 (\$1.9 million), a transfer to the Fair Park Fund to support operations and services for residents (\$5.9 million), and higher medical examination costs in Dallas Fire-Rescue for yearly physicals driven by increased screening frequency and added testing components (\$3.4 million).

## FY 2025-26 Financial Forecast Report

**GENERAL FUND EXPENDITURES**

| #  | Expenditure by Department                          | FY 2025-26<br>Adopted Budget | FY 2025-26<br>Amended Budget | YTD Actuals &<br>Encumbrances | YE Forecast            | Variance            |
|----|----------------------------------------------------|------------------------------|------------------------------|-------------------------------|------------------------|---------------------|
| 1  | Budget & Management Services                       | \$4,543,953                  | \$4,543,953                  | \$3,440,225                   | 4,435,570              | (\$108,383)         |
| 2  | City Attorney's Office                             | 23,056,648                   | 23,056,648                   | 17,569,411                    | 22,579,348             | (477,300)           |
| 3  | City Auditor's Office                              | 3,449,793                    | 3,449,793                    | 2,482,835                     | 3,301,279              | (148,514)           |
| 4  | City Controller's Office                           | 8,971,529                    | 8,971,529                    | 7,414,238                     | 8,561,623              | (409,906)           |
| 5  | Independent Audit                                  | 793,000                      | 793,000                      | 793,000                       | 793,000                | 0                   |
| 6  | City Manager's Office                              | 3,095,190                    | 3,095,190                    | 2,492,394                     | 3,142,773              | 47,583              |
| 7  | City Secretary's Office                            | 3,739,411                    | 3,782,758                    | 3,208,701                     | 3,843,376              | 60,618              |
| 8  | Elections                                          | 160,090                      | 160,090                      | 91,208                        | 2,086,998              | 1,926,908           |
| 9  | Civil Service                                      | 2,978,535                    | 2,978,535                    | 2,102,135                     | 2,733,947              | (244,588)           |
| 10 | Code Compliance                                    | 42,971,909                   | 42,971,909                   | 31,737,128                    | 42,427,284             | (544,625)           |
| 11 | Dallas Animal Services                             | 21,835,915                   | 21,835,915                   | 18,866,808                    | 22,903,551             | 1,067,636           |
| 12 | Dallas Fire-Rescue                                 | 453,418,515                  | 453,418,515                  | 388,810,309                   | 462,525,770            | 9,107,255           |
| 13 | Dallas Police Department                           | 758,373,419                  | 758,330,072                  | 635,147,295                   | 765,161,853            | 6,831,781           |
| 14 | Data Analytics & Business Intelligence             | 5,572,379                    | 5,572,379                    | 4,303,587                     | 5,191,061              | (381,318)           |
| 15 | Facilities & Real Estate Management                | 36,082,537                   | 39,082,537                   | 28,227,105                    | 39,082,537             | 0                   |
| 16 | Human Resources                                    | 8,842,468                    | 8,842,468                    | 7,335,607                     | 8,941,392              | 98,924              |
| 17 | Judiciary                                          | 6,639,908                    | 6,639,908                    | 4,613,513                     | 6,118,437              | (521,471)           |
| 18 | Library                                            | 43,459,765                   | 43,459,765                   | 32,992,018                    | 43,410,031             | (49,734)            |
|    | Management Services                                |                              |                              |                               |                        |                     |
| 19 | Communications and Customer Experience/311         | 9,228,550                    | 9,228,550                    | 8,055,471                     | 9,284,020              | 55,470              |
| 20 | Office of Community Police Oversight               | 672,350                      | 672,350                      | 615,021                       | 734,715                | 62,365              |
| 21 | Office of Emergency Management and Crisis Response | 8,959,392                    | 8,959,392                    | 7,007,776                     | 8,518,116              | (441,276)           |
| 22 | Office of Environmental Quality & Sustainability   | 5,592,298                    | 5,592,298                    | 4,027,985                     | 5,017,294              | (575,004)           |
| 23 | Office of Government Affairs                       | 994,426                      | 994,426                      | 681,808                       | 828,950                | (165,476)           |
| 24 | Mayor & Council                                    | 7,840,173                    | 7,840,173                    | 5,687,299                     | 7,390,622              | (449,551)           |
| 25 | Municipal Court & Detention Services               | 34,280,334                   | 34,280,334                   | 27,505,618                    | 34,146,166             | (134,168)           |
| 26 | Jail Contract                                      | 8,578,250                    | 8,578,250                    | 7,254,902                     | 8,584,575              | 6,325               |
| 27 | Non-Departmental                                   | 128,078,711                  | 128,078,711                  | 121,318,290                   | 131,900,927            | 3,822,216           |
| 28 | Office of Arts & Culture                           | 16,233,646                   | 16,233,646                   | 17,568,453                    | 16,997,767             | 764,121             |
| 29 | Office of Economic Development                     | 3,789,105                    | 3,789,105                    | 4,010,098                     | 3,633,422              | (155,683)           |
| 30 | Office of Housing & Community Empowerment          | 22,248,347                   | 22,248,347                   | 16,551,396                    | 21,108,940             | (1,139,407)         |
| 31 | Office of the Inspector General                    | 1,585,222                    | 1,585,222                    | 836,858                       | 1,335,690              | (249,532)           |
| 32 | Park & Recreation                                  | 117,311,098                  | 117,311,098                  | 102,165,683                   | 118,346,163            | 1,035,065           |
| 33 | Planning & Development                             | 6,617,691                    | 6,817,691                    | 4,869,255                     | 6,408,891              | (408,800)           |
| 34 | Procurement Services                               | 3,560,641                    | 3,560,641                    | 2,315,934                     | 3,230,364              | (330,277)           |
| 35 | Transportation & Public Works                      | 157,176,749                  | 157,176,749                  | 115,929,261                   | 156,952,203            | (224,546)           |
|    | <b>Total Departments</b>                           | <b>\$1,960,731,947</b>       | <b>\$1,963,931,947</b>       | <b>\$1,638,028,622</b>        | <b>\$1,981,658,652</b> | <b>\$17,726,705</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                             | 0                      | (1,000,000)         |
|    | <b>Total Expenditures</b>                          | <b>\$1,963,072,642</b>       | <b>\$1,966,272,642</b>       | <b>\$1,638,028,622</b>        | <b>\$1,982,999,348</b> | <b>\$16,726,706</b> |

## 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.

### 2. City Attorney's Office

ATT is projected to be \$477,000 under budget due to salary savings from 13 vacant positions, partially offset by a health benefits surcharge.

### 3. City Auditor's Office

AUD is projected to be \$149,000 under budget due to salary savings from eight vacant positions, partially offset by expenses associated with the search for a City Auditor and a health benefits surcharge.

### 4. City Controller's Office

CCO is projected to be \$410,000 under budget due to salary savings from seven vacant positions and professional services and professional development savings.

### 6. City Manager's Office

CMO is projected to be \$48,000 over budget due to termination payouts for retiring employees.

### 7. City Secretary's Office

City Council increased SEC's budget by \$43,347 on June 24, 2026, by ordinance #33463 for personnel expenses to support open records that transferred from DPD. SEC is projected to be \$61,000 over budget due to GovQA, an Open Records service contract amount which came in higher than budgeted, and an increase in commercial records storage, retrieval and reference services, partially offset by salary savings from two vacant positions.

### 8. Elections

ELE is projected to be \$1,927,000 over budget due to contracts associated with the November 2026 bond election that will be realized in FY 2025-26. On August 25, 2026, City Council will consider the elections contracts utilizing General Fund Contingency Reserve in the amount of \$1.9 million.

### 9. Civil Service

CVS is projected to be \$244,600 under budget due to salary savings from five vacant positions.

### 10. Code Compliance

CCS is projected to be \$545,000 under budget due to salary savings from eight vacant positions, partially offset by a health benefits surcharge.

### 11. Dallas Animal Services

DAS is projected to be \$1,068,000 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, and a health benefits surcharge.

### 12. Dallas Fire-Rescue

DFD is projected to be \$9,107,000 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, and a health benefits surcharge.

### 13. Dallas Police Department

City Council decreased DPD's budget by \$43,347 on June 24, 2026, by ordinance #33463 for personnel expenses to support open records that transferred to SEC. DPD is projected to be \$6,832,000 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 and a health benefits surcharge.

### 14. Data Analytics & Business Intelligence

DBI is projected to be \$381,000 under budget due to salary savings from eight vacant positions and software and professional development savings.

### 15. Facilities & Real Estate Management

City Council increased FRM's budget by \$1,000,000 on June 17, 2026, by Council Resolution 26-1007 for pre-acquisition agreements to assess the relocation of 911 emergency operations and by \$2,000,000 on June 17, by Council Resolution 26-1006 for pre-acquisition agreements to assess the relocation of City Hall staff from 1500 Marilla Street.



**16. Human Resources**

PER is projected to be \$99,000 over budget due to improved hiring and retention and a health benefits surcharge.

**17. Judiciary**

CTJ is projected to be \$521,000 under budget due to salary savings from six vacant positions.

**18. Library**

LIB is projected to be \$50,000 under budget due to salary savings from 59 vacant positions, partially offset by a health benefits surcharge.

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

CCX is projected to be \$55,000 over budget due to improved hiring and retention and a health benefits surcharge, partially offset by a reduction in outside marketing.

**20. Office of Community Police Oversight**

OPO is projected to be \$63,000 over budget due to improved hiring and retention and a health benefits surcharge.

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

ECR is projected to be \$441,000 under budget due to lower than anticipated inclement weather shelter expenses and deferral of Emergency Operations Center renovations, partially offset by a health benefits surcharge.

**22. Office of Environmental Quality & Sustainability**

OEQS is projected to be \$575,000 under budget due to salary savings from 11 positions, a pause on CECAP implementation and advertising, a deferral of the Municipal Setting Designation (MSD) program expenditures, and suspended travel.

**23. Office of Government Affairs**

OGA is projected to be \$165,000 under budget due to salary savings from two vacant positions.

**26. Jail Contract**

The Jail Contract is projected to be \$6,000 over budget due to an unbudgeted contract increase with Dallas County.

**27. Non-Departmental**

Non-Departmental is projected to be \$3,822,000 over budget due to a transfer to the Fair Park Fund to support ongoing operations, partially offset by lower than budgeted TIF district payments.

**28. Office of Arts & Culture**

OCA is projected to be \$764,000 over budget due to increased custodial contract staffing expenses, a health benefits surcharge, and the enhancement of the standard for security at events.

**29. Office of Economic Development**

ECO is projected to be \$156,000 under budget due to increased reimbursements for work performed on various economic development programs.

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

HCE is projected to be \$1,139,000 under budget due to salary savings from 14 vacant positions, the cancellation of the eviction advocacy program contract, and savings from reduced spending in membership dues, purchased transportation, repair and maintenance, and professional development.

**31. Office of the Inspector General**

OIG is projected to be \$250,000 under budget due to salary savings from three vacant positions.

**32. Park and Recreation**

PKR is projected to be \$1,035,000 over budget due to a health benefits surcharge.

**33. Planning & Development**

City Council increased PDV's budget by \$200,000 on April 22, 2026 by resolution 26-0741. PDV is projected to be \$409,000 under budget due to cancellation in spending for the Texas Historic Commission cash match, the delay in spending for the Cultural Resources Survey Update until FY 2026-27, as well as salary savings from nine vacant positions.

**34. Procurement Services**

POM is projected to be \$330,000 under budget due to salary savings from nine vacant positions.



### **37. Salary & Benefit Stabilization**

The FY 2025-26 Budget Ordinance authorizes the City Manager to transfer appropriations from S&B to any department as allowed by City Charter Chapter XI (Section 3). \$48,000 is projected to be transferred to CMO to address overages related to termination payouts, with remaining funding projected to be reallocated to address overages in various departments.

## FY 2025-26 Financial Forecast Report

**ENTERPRISE FUNDS**

| Department | FY 2025-26<br>Adopted Budget | FY 2025-26<br>Amended Budget | YTD Actuals &<br>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   | 175,353,133 | 213,385,274   | 4,680,893    |
| Total Expenditures     | 208,704,381   | 208,704,381   | 159,974,127 | 208,704,381   | 0            |
| Ending Fund Balance    | \$149,717,541 | \$149,717,541 |             | \$188,829,235 | \$39,111,694 |

**2 CONVENTION & EVENT SERVICES**

|                        |              |              |            |              |                |
|------------------------|--------------|--------------|------------|--------------|----------------|
| Beginning Fund Balance | \$78,328,102 | \$78,328,102 |            | \$27,888,847 | (\$50,439,255) |
| Total Revenues         | 131,535,243  | 132,832,356  | 85,618,286 | 128,842,242  | (3,990,114)    |
| Total Expenditures     | 131,535,243  | 132,832,356  | 73,849,705 | 128,842,242  | (3,990,114)    |
| 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   | 409,959 | 484,018   | 10,904    |
| Total Expenditures     | 473,114   | 473,114   | 405,031 | 463,935   | (9,179)   |
| Ending Fund Balance    | \$238,560 | \$238,560 |         | \$251,708 | \$13,148  |

**4 PLANNING & DEVELOPMENT**

|                        |             |             |            |              |              |
|------------------------|-------------|-------------|------------|--------------|--------------|
| Beginning Fund Balance | \$7,732,342 | \$7,732,342 |            | \$7,399,065  | (\$333,277)  |
| Total Revenues         | 52,482,137  | 53,861,948  | 51,978,680 | 62,369,231   | 8,507,283    |
| Total Expenditures     | 52,482,137  | 53,861,948  | 36,385,718 | 51,393,008   | (2,468,940)  |
| Ending Fund Balance    | \$7,732,342 | \$7,732,342 |            | \$18,375,288 | \$10,642,946 |

**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  | 149,943,168 | 176,066,883  | 10,518,180  |
| Total Expenditures     | 165,548,703  | 165,548,703  | 98,274,808  | 176,020,542  | 10,471,839  |
| Ending Fund Balance    | \$37,608,401 | \$37,608,401 |             | \$40,066,310 | \$2,457,909 |

**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   | 72,155,699 | 90,573,980   | 0             |
| Total Expenditures     | 90,573,980   | 90,573,980   | 47,453,771 | 89,803,865   | (770,115)     |
| Ending Fund Balance    | \$13,586,533 | \$13,586,533 |            | \$11,799,742 | (\$1,786,791) |

**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   | 682,554,506  | 880,895,629   | 0           |
| Total Expenditures     | 880,895,629   | 901,895,629   | 641,720,947  | 899,992,213   | (1,903,416) |
| Ending Fund Balance    | \$151,039,992 | \$130,039,992 | \$40,833,559 | \$131,468,914 | \$1,428,922 |



## FY 2025-26 Financial Forecast Report

**INTERNAL SERVICE FUNDS**

| Department | FY 2025-26<br>Adopted Budget | FY 2025-26<br>Amended Budget | YTD Actuals &<br>Encumbrances | YE Forecast | Variance |
|------------|------------------------------|------------------------------|-------------------------------|-------------|----------|
|------------|------------------------------|------------------------------|-------------------------------|-------------|----------|

**8 BOND & CONSTRUCTION MANAGEMENT**

|                        |            |            |            |               |               |
|------------------------|------------|------------|------------|---------------|---------------|
| Beginning Fund Balance | \$0        | \$0        | \$0        | (\$1,141,360) | (\$1,141,360) |
| Total Revenues         | 25,726,102 | 25,726,102 | 7,320,858  | 24,153,786    | (1,572,316)   |
| Total Expenditures     | 25,726,102 | 25,726,102 | 17,090,242 | 23,022,125    | (2,703,977)   |
| Ending Fund Balance    | \$0        | \$0        |            | (\$9,699)     | (\$9,699)     |

**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  | 35,115,408 | 75,604,488  | 1,001,413     |
| Total Expenditures     | 74,603,075  | 74,603,075  | 53,821,406 | 74,603,075  | 0             |
| Ending Fund Balance    | \$3,929,271 | \$3,929,271 |            | \$3,655,247 | (\$274,024)   |

**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   | 1,876,593 | 2,700,101   | 266,551    |
| Total Expenditures     | 2,318,930   | 2,318,930   | 1,921,603 | 2,628,054   | 309,124    |
| Ending Fund Balance    | \$7,791,824 | \$7,791,824 |           | \$7,760,474 | (\$31,350) |

**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  | 102,351,143 | 136,536,424  | (712,618)     |
| Total Expenditures     | 148,450,537  | 148,450,537  | 114,170,505 | 145,910,632  | (2,539,905)   |
| Ending Fund Balance    | \$12,473,125 | \$12,473,125 |             | \$11,925,499 | (\$547,626)   |

**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   | 12,571,445 | 17,571,982   | 532,037     |
| Total Expenditures     | 20,259,125   | 20,259,125   | 9,245,235  | 20,216,298   | (42,827)    |
| Ending Fund Balance    | \$12,030,975 | \$12,030,975 |            | \$11,710,235 | (\$320,740) |



## FY 2025-26 Financial Forecast Report

**OTHER FUNDS**

| Department | FY 2025-26<br>Adopted Budget | FY 2025-25<br>Amended Budget | YTD Actuals &<br>Encumbrances | YE Forecast | Variance |
|------------|------------------------------|------------------------------|-------------------------------|-------------|----------|
|------------|------------------------------|------------------------------|-------------------------------|-------------|----------|

**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   | 15,269,524 | 18,701,971   | 2,618,899   |
| Total Expenditures     | 18,258,139   | 18,258,139   | 14,026,173 | 22,118,892   | 3,860,753   |
| Ending Fund Balance    | \$16,747,365 | \$16,747,365 |            | \$18,966,405 | \$2,219,040 |

**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  | 429,200,365 | 477,975,718   | 604,076      |
| Total Expenditures     | 491,015,332  | 491,015,332  | 383,870,956 | 491,015,332   | 0            |
| Ending Fund Balance    | \$84,041,053 | \$84,041,053 |             | \$102,575,453 | \$18,534,400 |

**15 EMPLOYEE BENEFITS**

|                        |               |               |               |               |              |
|------------------------|---------------|---------------|---------------|---------------|--------------|
| City Contributions     | \$146,104,603 | \$146,104,603 | \$125,477,184 | \$165,940,648 | \$19,836,045 |
| Employee Contributions | 64,662,027    | 64,662,027    | 49,580,612    | 65,689,861    | 1,027,834    |
| Retiree                | 22,463,376    | 22,463,376    | 15,544,718    | 20,883,368    | (1,580,008)  |
| Other                  | 0             | 0             | 854,058       | 854,058       | 854,058      |
| Total Revenues         | \$233,230,006 | \$233,230,006 | \$191,456,571 | \$253,367,935 | \$20,137,929 |
| Total Expenditures     | \$232,177,512 | \$232,177,512 | \$174,041,953 | \$252,035,725 | \$19,858,213 |

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 | \$20,291,066 | \$20,291,066 | \$270,807     |
| Third Party Liability | 7,633,670    | 7,633,670    | 6,639,202    | 7,633,670    | 0             |
| Purchased Insurance   | 22,885,030   | 22,885,030   | 20,689,013   | 22,885,030   | 0             |
| Interest and Other    | 0            | 0            | 1,360,319    | 1,360,319    | 1,360,319     |
| Total Revenues        | \$50,538,959 | \$50,538,959 | \$48,979,600 | \$52,170,085 | \$1,631,126   |
| Total Expenditures    | \$65,439,828 | \$65,439,828 | \$49,592,865 | \$64,034,929 | (\$1,404,899) |

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   | 578,448 | 689,600   | (39,732)   |
| Total Expenditures     | 729,332   | 729,332   | 512,415 | 683,358   | (45,974)   |
| Ending Fund Balance    | \$513,864 | \$513,864 |         | \$505,226 | (\$8,638)  |

**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  | 7,023,324 | 16,467,237  | (2,358,572)   |
| Total Expenditures     | 18,825,809  | 18,825,809  | 9,891,608 | 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 July 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

City Council increased CCT's budget by \$1,297,113 on June 24, 2026, by ordinance #33463 to support the Convention Center master plan. CCT revenues are projected to be \$3,990,000 under budget due to lower-than-anticipated Hotel Occupancy Tax (HOT) collections. CCT expenses are projected to be \$3,990,000 under budget, primarily due to a reduction in the capital construction transfer to align expenditures with lower revenues.

### 4. Planning & Development

City Council increased PDV's budget by \$1,379,811 on June 24, 2026, by ordinance #33463 for increased contractual inspection and permitting services related to higher project volume, higher than budgeted credit card expenses, and retirement payouts. PDV revenues are projected to be \$8,507,000 over budget due to permit and inspection revenue generated by commercial construction projects. PDV expenses are projected to be \$2,469,000 under budget due to salary savings associated with 37 vacant positions and lower than expected contractual services expenses.

### 5. Sanitation Services

SAN revenues are projected to be \$10,518,000 over budget due to increase in landfill activity. SAN expenses are projected to be \$10,472,000 over budget primarily due to an increased capital transfer for future landfill infrastructure needs and a health benefits surcharge.

### 7. Water Utilities

City Council increased DWU's budget by \$21,000,000 on June 24, 2026, by ordinance #33463 to support DWU capital needs.

### 8. Bond & Construction Management

BCM revenues are projected to be \$1,572,000 under budget. FY 2025-26 expenses are \$2,704,000 under budget due to salary savings associated with 41 vacant positions, reducing charges to capital projects. This is partially offset by \$985,000 of FY 2024-25 expenses that will be recovered in FY 2025-26. 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 and Fleet Management

EFM revenues are projected to be over budget by \$1,001,000 due to auto auction revenues and chargebacks for fuel. EFM expenses are projected to be at budget. The per gallon blended rate for July is projected to be \$3.60 and approximately 59¢ higher than the FY26 budgeted rate of \$3.01 due to recent events in the Middle East and have offset savings from the first half of the year. The additional 59¢ has generated \$700,000 in additional costs. This is offset by savings from austerity measures implemented over the summer such as freezing overtime and temporary help and decreasing use of contracted repairs.

### 10. Express Business Center

EBC revenues are projected to be \$267,000 over budget due to interest earnings. EBC expenses are projected to be \$309,000 over budget due to contractual service obligations.

### 12. Radio Services

Radio Services revenues are projected to be \$532,000 over budget due to interest earnings.

### 13. 9-1-1 System Operations

9-1-1 System Operations revenues are projected to be \$2,619,000 over budget due to interest earnings and wireline fees. 9-1-1 System Operations expenses are projected to be \$3,861,000 over budget due to a one-time reimbursement to DPD (\$2 million) and DFR (\$2 million) to offset increased expenses associated with 9-1-1 operations.

### 14. Debt Service

Debt service revenues are projected to be over budget by \$604,000 due to interest earnings, partially offset by declining property tax collections.

**15. Employee Benefits**

Employee Benefits expenses are forecasted to be over budget by \$19,858,000 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. Employee Benefits revenues are forecasted to be over budget by \$20,138,000 to reflect a City Contribution surcharge implemented to offset these increased costs.

**16. Risk Management**

Risk Management revenues are projected to be \$1,631,000 over budget due to interest earnings. Risk Management expenses are projected to be \$1,405,000 under budget due to a decrease in property insurance premiums.

**17. Transportation Regulation**

Transportation Regulation revenues are projected to be \$40,000 under budget due to forecasted fee collections. Transportation Regulation expenses are projected to be \$46,000 under budget due to salary savings from one vacant position. 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 any end of year 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      | \$51,762,050     | \$18,250,768       | \$141,769,919 |
| B           | Park and Recreation Facilities          | 345,270,000          | 138,469,306        | 29,384,581       | 8,400,550          | 100,684,174   |
| C           | Flood Protection and Storm Drainage     | 52,100,000           | 12,560,681         | 1,314,580        | 6,512,630          | 4,733,471     |
| D           | Library Facilities                      | 43,530,000           | 11,234,879         | 1,492,098        | 367,706            | 9,375,075     |
| E           | Cultural and Performing Arts Facilities | 75,200,000           | 22,693,194         | 1,898,502        | 273,311            | 20,521,381    |
| F           | Public Safety Facilities                | 90,000,000           | 58,407,900         | 1,533,419        | 9,879,432          | 46,995,049    |
| G           | Economic Development                    | 72,300,000           | 12,621,922         | 4,578,971        | 0                  | 8,042,951     |
| H           | Housing and Neighborhood Infrastructure | 26,400,000           | 10,560,000         | 2,718,717        | 0                  | 7,841,283     |
| I           | Homeless Assistance Facilities          | 19,000,000           | 19,000,000         | 564,144          | 192,531            | 18,243,325    |
| J           | Information Technology Facilities       | 5,000,000            | 5,000,000          | 0                | 0                  | 5,000,000     |
| Total       |                                         | \$1,250,000,000      | \$502,330,618      | \$95,247,062     | \$43,876,928       | \$363,206,628 |

**2017 Bond Program**

| Proposition |                                         | Authorized by Voters | ITD Appropriations | ITD Expenditures | Current Encumbered | Unencumbered  |
|-------------|-----------------------------------------|----------------------|--------------------|------------------|--------------------|---------------|
| A           | Street and Transportation *             | \$533,981,000        | \$547,404,018      | \$461,574,590    | \$33,995,500       | \$51,833,928  |
| B           | Park and Recreation Facilities**        | 261,807,000          | 255,807,000        | 202,964,568      | 11,822,332         | 41,020,100    |
| C           | Fair Park                               | 50,000,000           | 50,000,000         | 47,128,200       | 1,243,752          | 1,628,048     |
| D           | Flood Protection and Storm Drainage     | 48,750,000           | 48,750,000         | 34,525,059       | 7,190,843          | 7,034,098     |
| E           | Library Facilities                      | 15,589,000           | 15,791,584         | 15,176,185       | 198,160            | 417,240       |
| 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         | 29,693,402       | 142,936            | 2,636,685     |
| H           | City Facilities                         | 18,157,000           | 19,251,894         | 4,916,377        | 815,596            | 13,519,921    |
| I           | Economic Development                    | 55,400,000           | 55,400,000         | 30,999,324       | 2,191,410          | 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    | \$858,224,241    | \$60,077,895       | \$140,989,010 |

\*\* The unencumbered balance increased from June to July due to the release of encumbrances for completed projects.

\* 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        | \$262,215,548        | \$908,100           | \$3,815,239         |
| 2            | Flood Protection and Storm Drainage Facilities | 326,375,000          | 326,375,000          | 280,744,941          | 33,835,856          | 11,794,203          |
| 3            | Economic Development                           | 55,000,000           | 55,000,000           | 40,810,858           | 8,575,503           | 5,613,639           |
| <b>Total</b> |                                                | <b>\$642,000,000</b> | <b>\$648,313,887</b> | <b>\$583,771,347</b> | <b>\$43,319,459</b> | <b>\$21,223,081</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          | \$396,319,355          | \$6,776,487         | \$3,394,711         |
| 2            | Flood Protection and Storm Drainage Facilities     | 334,315,000            | 342,757,166            | 320,409,566            | 6,575,122           | 15,772,478          |
| 3            | Park and Recreation Facilities                     | 343,230,000            | 353,343,060            | 351,494,898            | 1,311,567           | 536,595             |
| 4            | Library Facilities                                 | 46,200,000             | 52,148,600             | 48,002,647             | 959,501             | 3,186,451           |
| 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             | 33,886,985             | 628,252             | 1,701,240           |
| 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             | 12,681,627             | 9,550               | 10,036,274          |
| 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>\$1,351,860,020</b> | <b>\$16,866,110</b> | <b>\$36,491,975</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<br>Appropriations  | ITD<br>Expenditures  | Current<br>Encumbered | Unencumbered         |
|--------------------------------------------------|------------------------|----------------------|-----------------------|----------------------|
| U.S. Army Corps of Engineers                     | \$2,000,000            | \$0                  | \$231,667             | \$1,768,333          |
| U.S. Department of Agriculture                   | 97,765,128             | 85,796,214           | 600,045               | 11,368,869           |
| 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             | 32,119,226             | 19,147,159           | 11,292,206            | 1,679,861            |
| U.S. Department of Housing and Urban Development | 284,591,352            | 206,157,126          | 18,777,102            | 59,657,123           |
| U.S. Department of Justice                       | 20,513,379             | 13,314,426           | 873,507               | 6,325,446            |
| U.S. Department of the Interior                  | 2,200,000              | 0                    | 120,726               | 2,079,275            |
| U.S. Department of Transportation                | 306,560,101            | 163,321,462          | 5,529,628             | 137,709,011          |
| U.S. Department of Treasury                      | 458,106,470            | 454,717,608          | 2,962,943             | 425,919              |
| U.S. Environmental Protection Agency             | 877,837                | 465,292              | 0                     | 412,545              |
| <b>Total</b>                                     | <b>\$1,206,992,125</b> | <b>\$943,647,507</b> | <b>\$40,390,732</b>   | <b>\$222,953,886</b> |

**State Awards**

| Funding Agency                                    | ITD<br>Appropriations | ITD<br>Expenditures | Current<br>Encumbered | Unencumbered        |
|---------------------------------------------------|-----------------------|---------------------|-----------------------|---------------------|
| Commission on State Emergency Communications      | \$6,748,851           | \$620,997           | \$4,692,744           | \$1,435,110         |
| Motor Vehicle Crime Prevention Authority          | 7,593,267             | 4,774,741           | 697,208               | 2,121,318           |
| North Central Texas Council of Governments        | 163,200               | 159,308             | 0                     | 3,892               |
| Texas Commission on Environmental Quality         | 3,375,949             | 2,251,493           | 0                     | 1,124,456           |
| Texas Department of Criminal Justice              | 2,500,000             | 2,123,171           | 377,518               | (689)               |
| Texas Department of Housing and Community Affairs | 3,287,300             | 2,902,150           | 343,514               | 41,636              |
| Texas Department of State Health Services         | 1,164,500             | 610,006             | 101,059               | 453,435             |
| Texas Department of Transportation                | 57,730,909            | 768,261             | 4,292,557             | 52,670,091          |
| Texas Office of Governor                          | 11,492,702            | 11,279,609          | 25,250                | 187,843             |
| Texas Parks and Wildlife Department               | 1,299,410             | 0                   | 0                     | 1,299,410           |
| Texas Veterans Commission                         | 330,000               | 175,652             | 23,730                | 130,619             |
| Texas Water Development Board                     | 23,100,000            | 0                   | 22,931,007            | 168,993             |
| <b>Total</b>                                      | <b>\$118,786,087</b>  | <b>\$25,665,388</b> | <b>\$33,484,586</b>   | <b>\$59,636,113</b> |

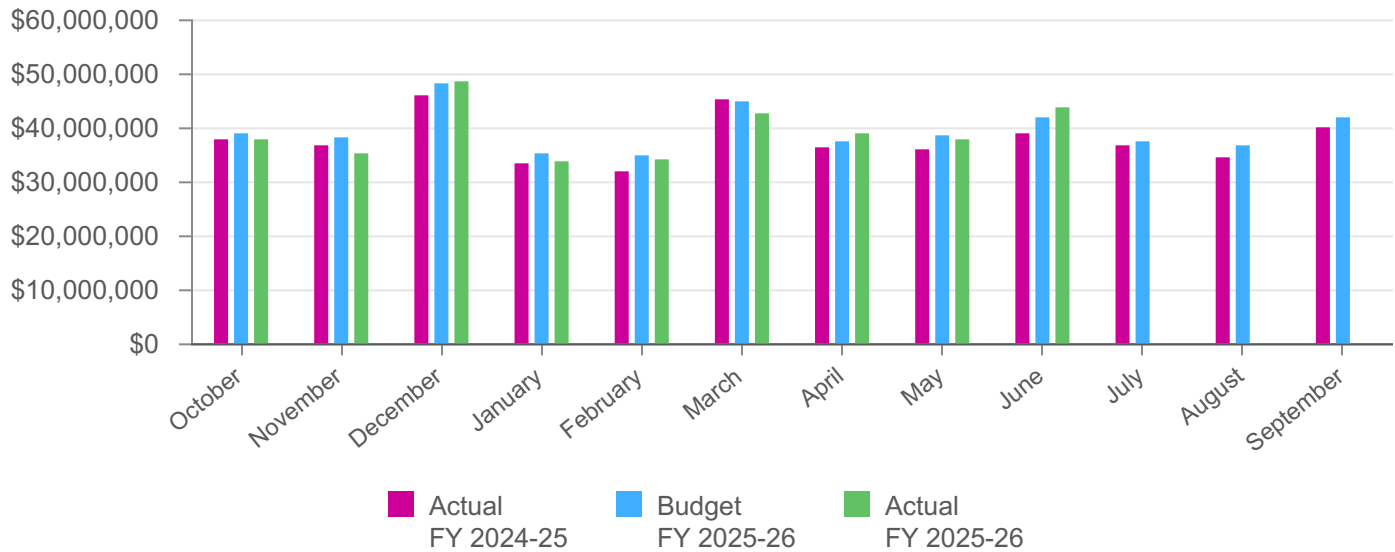
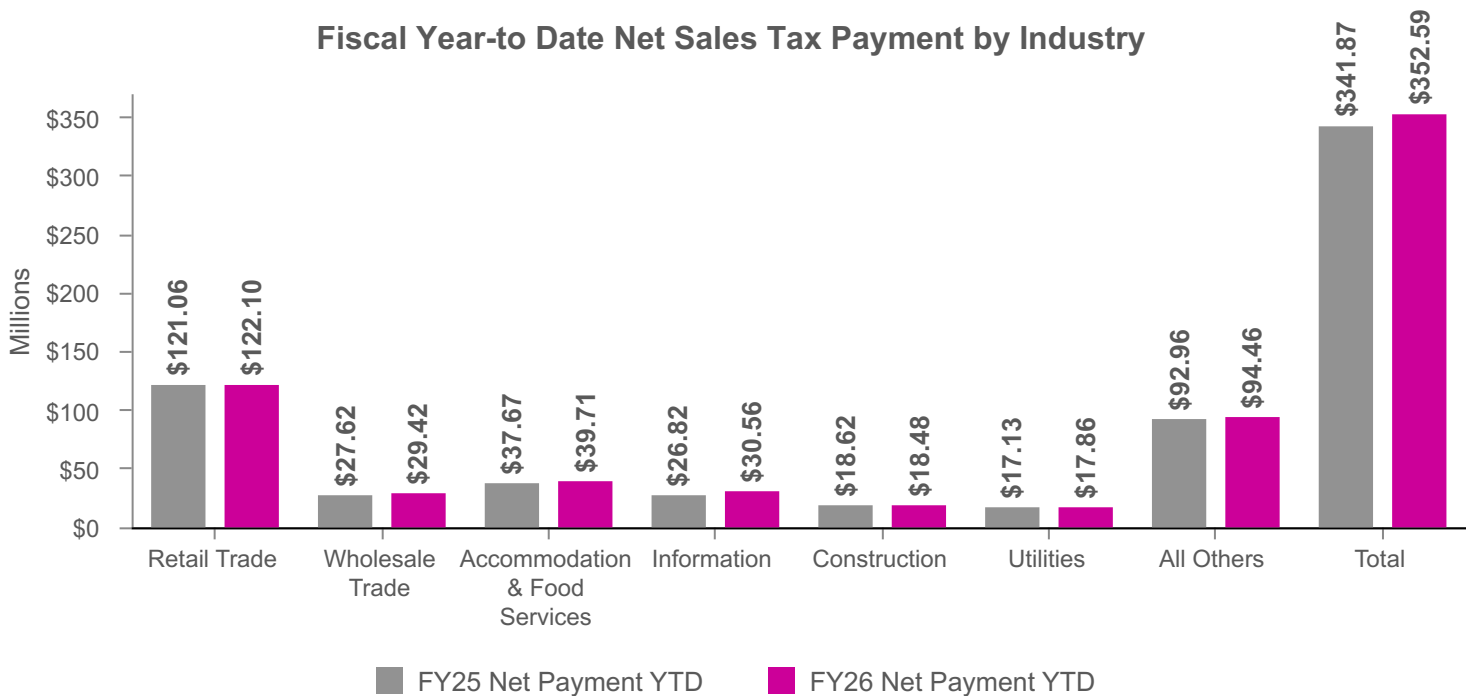
Note: The tables above reflect expenditures and encumbrances recorded in the City's financial system of record. They do not include commitments that have not yet been recorded in the system, such as amounts recently approved by City Council.



## 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 July 31, 2026, the year-end forecast is \$464,907,479 due to actual collection trends and analysis provided by our contract economist. We will update the forecast 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**

\*Sales tax data is provided by the Texas Comptroller of Public Accounts on the second Wednesday of the month and lags two months. July 2026 data will be provided on the August Budget Accountability Report.

## FY 2025-26 Financial Forecast Report

**ECONOMIC INDICATORS**

| Year-over-Year Change in Sales Tax Collections |                             |                    |
|------------------------------------------------|-----------------------------|--------------------|
| Industry                                       | June FY26 over<br>June FY25 | FYTD26 over FYTD25 |
| Retail Trade                                   | 14%                         | 1%                 |
| Wholesale Trade                                | 19%                         | 7%                 |
| Accommodation and Food Services                | 9%                          | 5%                 |
| Information                                    | 19%                         | 14%                |
| Construction                                   | 34%                         | -1%                |
| Utilities                                      | 10%                         | 4%                 |
| All Others                                     | 7%                          | 2%                 |
| Total Collections                              | 13%                         | 3%                 |

**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.

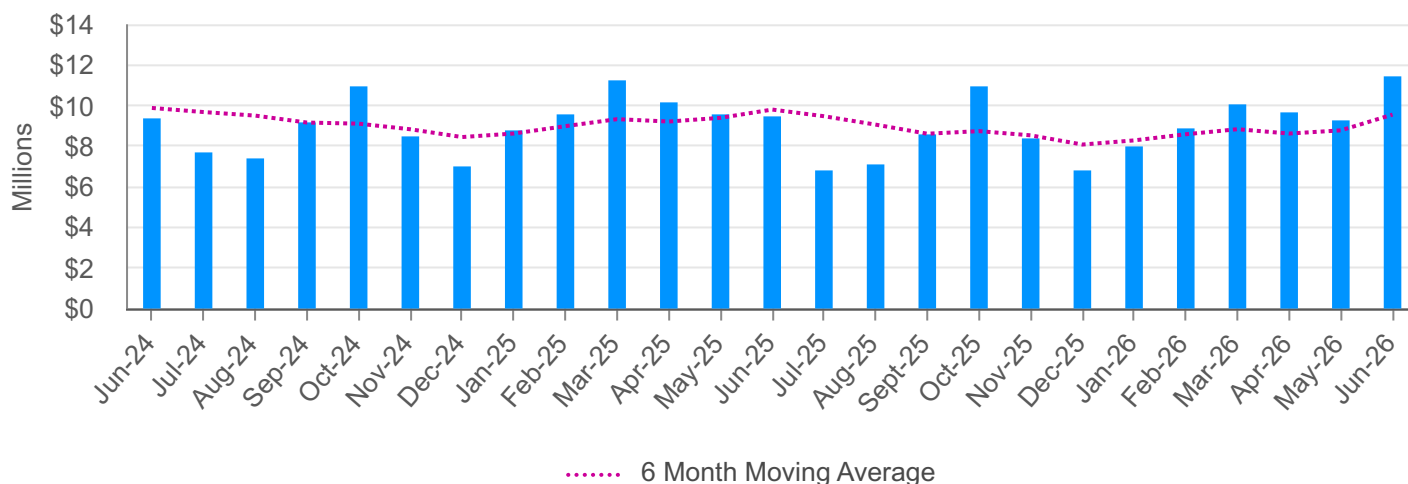
**Utilities.** Includes establishments providing electric power, natural gas, steam supply, water supply, and sewage removal.

**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**

\*Hotel Occupancy Tax data is provided by the Texas Comptroller of Public Accounts on the second Wednesday of the month and lags two months. July 2026 data will be provided on the August Budget Accountability Report.



## FY 2025-26 Financial Forecast Report

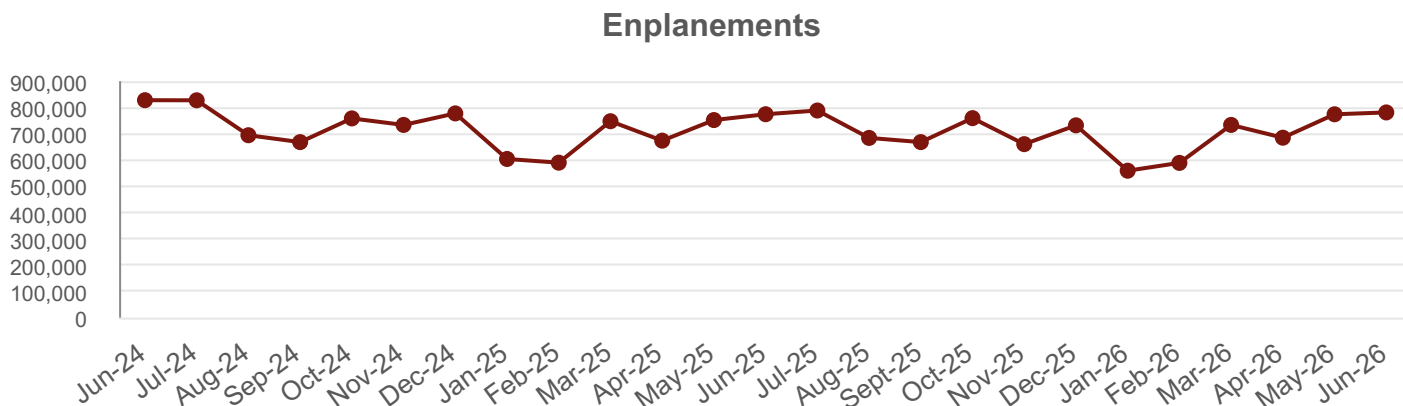
**ECONOMIC INDICATORS****Convention Center Event Bookings**

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/ <i>Forecast</i> |
|--------------|-------------|-------------|--------------|------------------------------|
| 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.



\*Love Field Enplanement data is provided by individual airlines and has been delayed. July 2026 data will be provided on the August Budget Accountability Report.

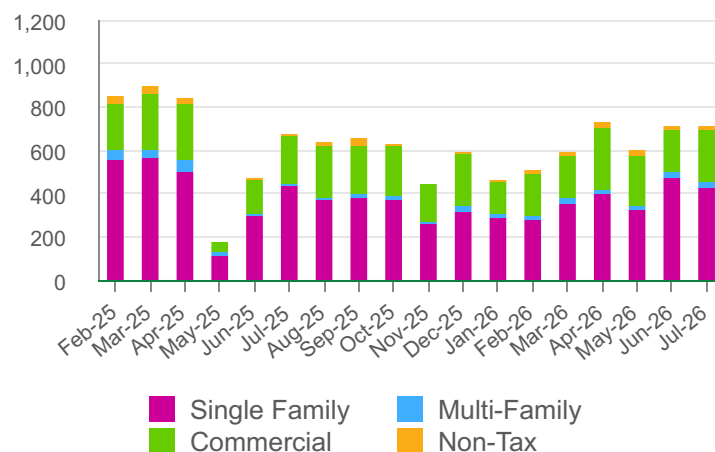
## FY 2025-26 Financial Forecast Report

# ECONOMIC INDICATORS

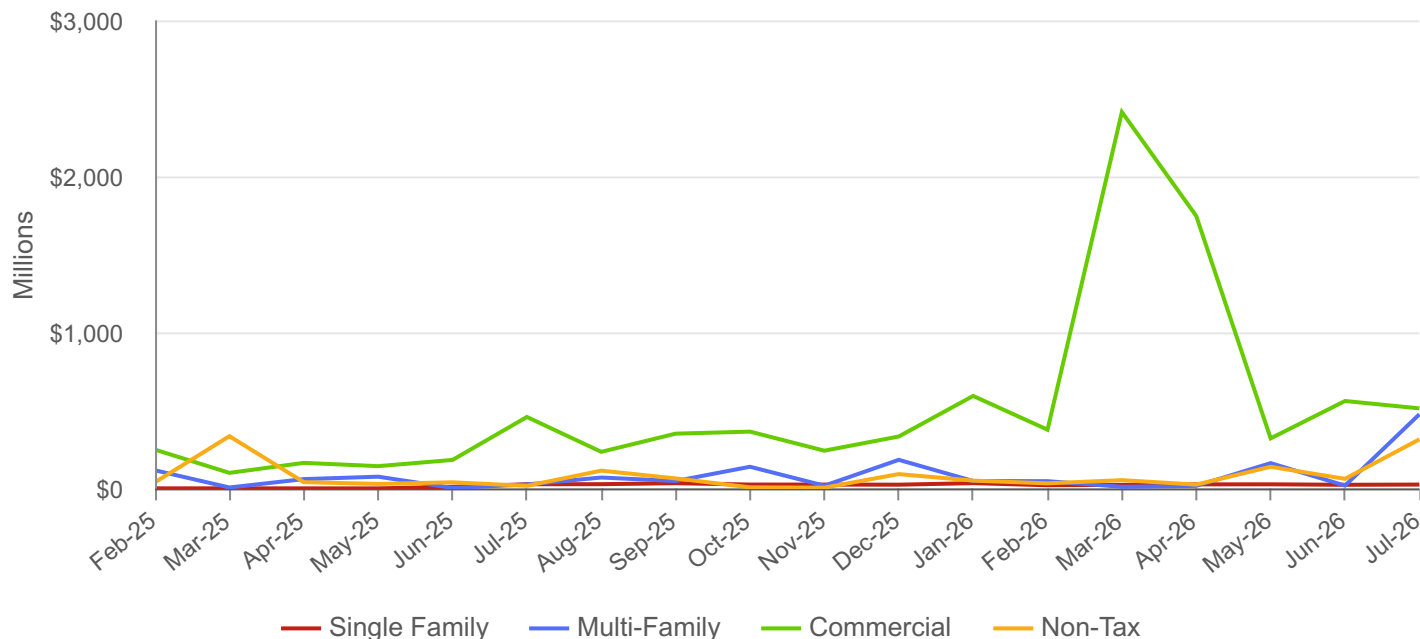
## Building Permits

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. April 2026 data includes one major permit submission.

## 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”.



3

Complete



6

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** DWU has identified 43 occupied unserved areas with approximately 99,820 feet of new pipelines being 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 funds of \$1.29M. If easements are not obtained in time to award in FY 2025-26, construction awards will be pushed to FY 2026-27. Status is unchanged and continues to track the same as prior months.

## 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 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 July 2026, both Digital Forensic Analyst I positions were filled. The three 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 July 2026, 2 Detention Officer and 3 Investigative Support Specialist positions were filled. There is a vacancy announcement for 1 Detention Officer position as of July, 2026, in Personnel to fill this position.

**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 Womens Museum (TWM) at Fair Park, TBAALs temporary location, with construction anticipated to be complete by August 2026. Status is unchanged and continues to track the same as prior months.



## 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. In May 2026, AVI finalized Advanced Planning Documents for multiple LEAP support facility projects and received City Council approval for key LEAP consultant contracts on May 27, 2026. These milestones allow AVI to move from advanced planning into program execution, including consultant onboarding, design package development, and delivery strategy coordination. A contract extension for Ricondo was conducted to support ongoing advanced planning work through December 31, 2026, with no additional funding requested. Status is unchanged and continues to track the same as prior months.

## 29 Management of Citywide Assets

On Track

**INITIATIVE** Management of Citywide Assets-Repurpose 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 by September 2026. The contract for brokerage services was approved by Council in December 2025 and is now active. FRM is tentatively scheduled to brief the Finance Committee on August 24, 2026, on efforts to strengthen real estate processes, procedures, and governance, as well as provide an update on the Real Estate Master Plan.

## 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 fall of 2026. Once the contract is awarded, a 24-month implementation period will begin.



