

# Memorandum



DATE: September 25, 2006

TO: Honorable Mayor and Members of the City Council

SUBJECT: FY 2006-07 Forecasted Gross Operating Revenue

## INDEPENDENT AUDITOR'S REPORT

We have examined the accompanying Forecasted Gross Operating Revenue of the City of Dallas for the Fiscal Year Ending September 30, 2007. The City of Dallas' management is responsible for the forecast. Our responsibility is to express an opinion on the forecast based on our examination.

Our examination was made in accordance with attestation standards established by the *American Institute of Certified Public Accountants* (AICPA) and in accordance with generally accepted government auditing standards, and accordingly, included such procedures, as we considered necessary to evaluate both the assumptions used by management, and the preparation and presentation of the forecast. We believe that our examination provides a reasonable basis for our opinion.

The forecasted gross operating revenue for the 2005-06 Fiscal Year is included in the report for information purposes only.

In our opinion, management's methodologies and underlying assumptions provide a reasonable basis for management's forecast. However, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

*Craig Kinton*  
Craig Kinton, CPA  
City Auditor

c: Mary K. Suhm, City Manager

CITY OF DALLAS FORECASTED GROSS OPERATING REVENUE  
FISCAL YEARS ENDING SEPTEMBER 30, 2007 AND 2006

	FY 2006-07	FY 2005-06
<b>GENERAL FUND</b>		
Ad Valorem Tax	\$414,314,143	\$381,697,671
Sales Tax	225,741,438	208,172,044
Franchise Fees	100,780,500	101,394,091
Licenses and Permits	6,795,608	6,872,747
Interest Earnings	6,047,456	4,071,795
Intergovernmental	4,844,698	4,956,949
Fines and Forfeitures	50,705,101	34,625,677
Services Fees	116,303,564	109,360,089
Interfund Revenue	37,209,998	41,377,834
One-Time Resources	0	3,311,034
Miscellaneous	15,274,570	10,222,879
Subtotal General Fund Revenue	<u>\$978,017,076</u>	<u>\$906,062,810</u>
<b>ENTERPRISE FUNDS</b>		
Aviation	35,887,456	33,264,385
Convention Center	64,814,949	65,301,681
Development Services	23,017,339	25,195,290
Municipal Radio	3,571,928	3,455,682
Storm Water	28,998,300	28,838,629
Water	466,228,669	433,559,826
Subtotal Enterprise Funds Revenue	<u>622,518,641</u>	<u>589,615,493</u>
<b>OTHER REVENUE FUNDS</b>		
Debt Service	192,443,015	165,764,261
9-1-1 System Operations	13,029,546	13,438,156
Subtotal Other Revenue Funds	<u>205,472,561</u>	<u>179,202,417</u>
<b>TOTAL FORECASTED OPERATING REVENUE <sup>{**}</sup></b>	<u><u>\$1,806,008,278</u></u>	<u><u>\$1,674,880,720</u></u>

<sup>{\*\*}</sup> Does not include Estimated Revenues for Internal Service Funds and for Other Revenue Funds  
– Risk Management and Employee Benefits.