

Memorandum



CITY OF DALLAS

DATE May 24, 2024

TO Honorable Mayor and Members of the City Council

SUBJECT **Follow-up to the May 15, 2024, City Council Budget Briefing,
FY 2024-25 and FY 2025-26 Biennial Budget Update**

On May 15, 2024, the City Council was provided with an update on the FY 2024-25 and FY 2025-26 Biennial Budget. The following information is provided in response to questions posed by members of the City Council on the Biennial Budget update.

- 1. Provide the percentage change for each revenue category on slides 12 (Historical General Fund Revenue) and 13 (Forecast General Fund Revenue).**

Slide 12

Revenue Category	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Adopted
Ad Valorem Tax	729,595,992	789,114,183	844,970,151	880,483,648	957,934,404	1,047,595,636
% Change		8%	7%	4%	9%	9%
Sales Tax	313,460,750	310,737,497	354,287,641	407,309,124	425,543,231	451,745,839
% Change		-1%	14%	15%	4%	6%
Franchise and Other	135,697,060	120,944,398	120,444,838	132,750,263	133,602,354	126,633,664
% Change		-11%	0%	10%	1%	-5%
Service To Others	101,378,339	92,497,979	108,505,231	111,138,850	115,898,767	117,236,140
% Change		-9%	17%	2%	4%	1%
Fines & Forfeitures	35,829,025	24,318,076	25,074,409	24,081,688	21,639,956	20,117,759
% Change		-32%	3%	-4%	-10%	-7%
Operating Transfers In	24,092,615	25,694,604	21,027,322	23,383,394	25,982,265	28,086,049
% Change		7%	-18%	11%	11%	8%
Intergovernmental	10,178,117	15,669,512	12,290,776	18,181,798	19,242,127	16,177,900
% Change		54%	-22%	48%	6%	-16%
Miscellaneous	10,010,500	7,824,023	11,787,655	12,429,451	12,431,870	9,882,543
% Change		-22%	51%	5%	0%	-21%
Licenses & Permits	6,593,687	4,485,774	5,007,378	5,960,602	5,031,247	6,100,940
% Change		-32%	12%	19%	-16%	21%
Interest	8,025,476	5,399,335	1,342,331	2,636,878	14,866,217	14,000,000
% Change		-33%	-75%	96%	464%	-6%
TOTAL	1,374,861,561	1,396,685,381	1,504,737,732	1,618,355,695	1,732,172,438	1,837,576,470
% Change		2%	8%	8%	7%	6%

DATE May 24, 2024

SUBJECT **Follow-up to the May 15, 2024, City Council Budget Briefing,
FY 2024-25 and FY 2025-26 Biennial Budget Update**

Slide 13

Revenue Category	FY24 Adopted	FY24 Forecast	FY25 Planned	FY26 Planned	FY27 Planned	FY28 Planned
Ad Valorem Tax	1,047,595,636	1,047,595,636	1,104,168,297	1,121,647,603	1,160,673,067	1,201,062,100
% Change			5%	2%	3%	3%
Sales Tax	451,745,839	451,745,839	476,575,898	495,742,673	515,921,137	535,460,290
% Change			5%	4%	4%	4%
Franchise and Other	126,633,664	126,597,421	125,997,225	125,997,225	125,997,225	125,997,225
% Change			-1%	0%	0%	0%
Service To Others	117,236,140	118,100,490	116,859,673	118,028,270	119,208,552	120,400,638
% Change			0%	1%	1%	1%
Fines & Forfeitures	20,117,759	18,715,663	20,117,759	20,117,759	20,117,759	20,117,759
% Change			0%	0%	0%	0%
Operating Transfers In	28,086,049	28,086,049	25,303,599	25,556,635	25,812,201	26,070,323
% Change			-10%	1%	1%	1%
Intergovernmental	16,177,900	18,050,807	16,177,900	16,339,679	16,503,076	16,668,107
% Change			0%	1%	1%	1%
Miscellaneous	9,882,543	8,987,445	10,315,862	10,315,862	10,315,862	10,315,862
% Change			4%	0%	0%	0%
Licenses & Permits	6,100,940	6,935,176	6,080,257	6,141,060	6,202,470	6,264,495
% Change			0%	1%	1%	1%
Interest	14,000,000	14,000,000	13,000,000	13,000,000	12,000,000	11,000,000
% Change			-7%	0%	-8%	-8%
TOTAL	1,837,576,470	1,838,814,526	1,914,596,470	1,952,886,766	2,012,751,349	2,073,356,799
% Change			4%	2%	3%	3%

2. What is the reappraisal strategy of the Dallas Central Appraisal District (DCAD)?

Dallas Central Appraisal District briefed the Government Performance and Financial Management Committee on February 26 on their 2024/2025 Proposed Budget and Reappraisal Plans - <https://cityofdallas.legistar.com/View.ashx?M=F&ID=12707330&GUID=62AEE82B-80DD-47C1-BB37-FF372608EED9>.

The proposed plan assumed the following:

- Residential 236,854
 - Commercial 12,827*
 - Business Personal Property 45,667
- *All Commercial active areas will be reappraised in 2024

DATE May 24, 2024

SUBJECT **Follow-up to the May 15, 2024, City Council Budget Briefing,
FY 2024-25 and FY 2025-26 Biennial Budget Update**

3. Provide a breakdown of Totally Exempt Property (by Category Type).

The table below shows preliminary 2024 tax year data for Totally Exempt Property. Records provided by Dallas Central Appraisal District (DCAD) were categorized while records provided by Collin Central Appraisal District and Denton Central Appraisal District were not categorized. Over the last ten years, the “Totally Exempt” category represents, on average, 49 percent of all tax exemptions categories.

Appraisal Year	Central Appraisal District	Reason	Number of Accounts	Market Value
2024	Dallas	CEMETERY	127	462,136,340
2024	Dallas	CHARITY	1,080	4,744,363,510
2024	Dallas	CITY PROPERTY	4,342	6,209,954,650
2024	Dallas	COUNTY PROPERTY	170	2,668,589,020
2024	Dallas	FEDERAL PROPERTY	118	257,927,930
2024	Dallas	MINERALS	35	4,370
2024	Dallas	MISCELLANEOUS	22	3,625,130
2024	Dallas	NONPROFIT COMMUNITY ORG	12	3,148,090
2024	Dallas	OTHER PUBLIC PROPERTY	846	2,929,464,940
2024	Dallas	PRIMARILY CHARITABLE	22	32,101,300
2024	Dallas	PRIVATE SCHOOL	247	1,190,834,410
2024	Dallas	RELIGIOUS	2,664	3,411,612,760
2024	Dallas	SCHOOL PROPERTY	583	5,501,454,180
2024	Dallas	STATE PROPERTY	279	2,168,427,210
2024	Dallas	YOUTH DEVELOPMENT ASSOCIATION	57	122,844,850
2024	Collin	N/A	234	224,717,482
2024	Denton	N/A	68	178,926,291
TOTALS			10,906	30,110,132,463

Data Source: Dallas Central Appraisal District (DCAD), Collin Central Appraisal District, and Denton Central Appraisal District

Note: Information for 2024 tax year.

DATE May 24, 2024

SUBJECT **Follow-up to the May 15, 2024, City Council Budget Briefing,
FY 2024-25 and FY 2025-26 Biennial Budget Update**

4. What is the historical split between residential and non-residential properties?

Residential properties are categorized into 28 different building classifications and include single family residences, townhomes, condominiums, duplexes and fourplexes, mobile homes, and residential zoned vacant lots.

Non-residential properties include Commercial and Business Personal Property (BPP). Commercial properties are categorized into 86 different building classifications and include office buildings, apartment complexes, shopping centers (retail properties), warehouses (industrial properties) as well as all commercial type buildings, properties built on commercially zoned land, and land tracts with commercial zoning or agricultural uses. BPP has over 400 different business identification types and includes movable items used in the course of business not permanently affixed to, or part of, the real estate (furniture, machinery and equipment, computers, vehicles, inventory, raw materials, supplies).

The table below shows the percentage share of certified taxable values by property type for the past ten years.

Fiscal Year	Tax Year	Residential	Commercial	Business Personal Property
FY15	2014	45%	42%	14%
FY16	2015	44%	43%	13%
FY17	2016	44%	43%	12%
FY18	2017	44%	44%	12%
FY19	2018	44%	45%	11%
FY20	2019	45%	44%	11%
FY21	2020	45%	45%	10%
FY22	2021	45%	45%	10%
FY23	2022	45%	45%	10%
FY24	2023	45%	45%	10%

DATE May 24, 2024

SUBJECT **Follow-up to the May 15, 2024, City Council Budget Briefing,
FY 2024-25 and FY 2025-26 Biennial Budget Update**

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



Jack Ireland
Chief Financial Officer

c: Kimberly Bizer Tolbert, City Manager (I)
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Jon Fortune, Deputy City Manager
Majed A. Al-Ghafry, Assistant City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Donzell Gipson, Assistant City Manager (I)
Robin Bentley, Assistant City Manager (I)
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors