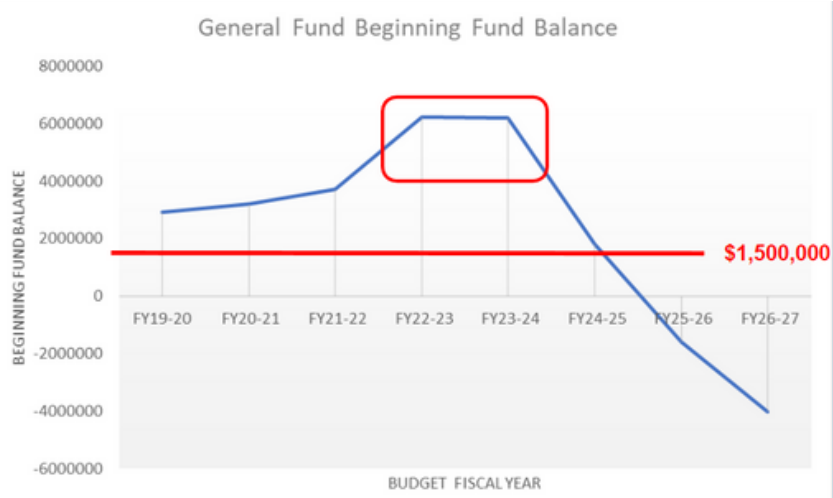


WHAT IS THE ISSUE?

The City’s trajectory for the General Fund’s beginning fund balance is forecasted on a steep decline. The factors affecting this issue include:

- Addition of paid police officers and firefighter/EMTs
- Oregon property tax measures 5 and 50
- Operation of the Dallas Aquatic Center
- The need to complete deferred capital projects and purchases, such as the replacement of emergency response vehicles, and maintenance of buildings
- Loss of industrial tax base; and,
- Inflation



Please note: The beginning fund balance in last fiscal year and in fiscal year 2023-24 is skewed much higher than is normal due to the infusion of one-time American Rescue Plan Act funding from the federal government.

As can be seen in the graph, the City’s General Fund is projected to begin fiscal year 2025-26 with a negative balance. Immediate action is needed to sustain this fund.

HOW DO WE ADDRESS THE ISSUE?

There are both long-term and immediate solutions. The long-term solution is to grow the City’s industrial and commercial tax base. The immediate solutions are to either increase general fund revenues or reduce the City’s General Fund services. The City is actively working on the long-term solution. However, this solution will take many years. Both the long-term and immediate solutions are needed to make and keep the General Fund sustainable now and into the future.

WHAT IS THE LONG-TERM SOLUTION?

The long-term solution is to grow the City’s tax base. This is best accomplished by adding and expanding commercial and industrial businesses into the Dallas economy.



IMMEDIATE SOLUTIONS:

1. Approve a Public Safety Operations Levy **and** remove the Public Safety Fee on the City Bill.
2. Create a Parks and Recreation District **and** increase the Public Safety Fee on the City Bill.
3. Approve a Public Safety Operations Levy **and** increase the Public Safety Fee on the City Bill.
4. Widespread Reductions of General Fund Services.

OPTION 1 - Public Safety Operations Levy and removing the Public Safety Fee on the City Bill

- 5-year property tax on the taxpayers inside the city limits of Dallas
- The levy would have to be approved by the registered voters inside the city limits of Dallas
- Remove the monthly public safety fee from the City Bill

COSTS:

- Public Safety Levy is \$1.90 / \$1,000 of assessed property value
 - Remove the Public Safety Fee
 - \$570 more a year in property taxes*
- *Cost based on \$300,000 in assessed property value.

OPTION 2 - Create a Parks and Recreation District and increase the Public Safety Fee on the City Bill

- A new taxing district created by a vote of the registered voters inside the district boundary
- A fixed permanent tax rate
- Increase the \$4.95 public safety fee

COSTS:

- Parks and Recreation District is \$1.25 / \$1,000 of assessed property value
 - Public Safety Fee is \$10.50 per month
 - \$441.60 more a year in property taxes* and the Public Safety Fee
- *Cost based on \$300,000 in assessed property value.



OPTION 3 - Approve a Public Safety Operations Levy and increase the Public Safety Fee on the City Bill

- 5-year property tax on the taxpayers inside the city limits of Dallas.
- Approved by the registered voters inside the city limits of Dallas
- Increase the \$4.95 public safety fee

COSTS:

- Public Safety Levy is \$1.30 / \$1,000 of assessed property value
 - Public Safety Fee would be \$10.50 per month
 - \$456.60 more a year in property taxes* and the Public Safety fee
- *Cost based on \$300,000 in assessed property value.

OPTION 4 - Widespread Reductions of General Fund Services

- Eliminate 6 positions from Fire & EMS Department
 - 3 Paramedic/EMTs, 2 Firefighter/EMTs, and 1 Division Chief
- Eliminate 6 positions from the Police Department
 - A Sergeant, Traffic Safety Officer, School Resource Officer, Detective, and 2 Patrol Officers
- Close the Aquatic Center, and eliminate 36 positions
- Close the Library on Saturdays, and eliminate 1 position
- Eliminate the Parks Manager position, 1 Code Services position, a half-time Parks Maintenance position, and a half-time Facility Maintenance position

