

Memorandum



DATE September 19, 2025

CITY OF DALLAS

TO Honorable Mayor and Members of the City Council

SUBJECT **FY 2025-26 Adopted Budget**

Thank you for your participation and commitment to the City's budget development and approval process. On Wednesday, September 17, the City Council completed all steps required to adopt the FY 2025-26 operating, capital, and grants/trusts budgets. After receiving the City Manager's recommended budget on August 12, the City Council approved 11 amendments (attached) that were incorporated into the budget prior to final adoption. We will update both the on-line and printed budget documents to reflect the adopted budget and make those available in November.

The FY 2025-26 budget "Scores Big" for Dallas by investing in priority programs and people. The budget makes significant investments in maintenance of street infrastructure and police service which are the top two priorities of residents based on the 2025 Community Survey while at the same time delivers a tax rate reduction for the tenth consecutive year.

The FY 2025-26 budget accelerates investments in automation and technology, eliminates duplication, and centralizes overlapping functions. The budget totals \$5.20 billion including the General Fund, Enterprise Funds, and Capital Funds. In addition to this, the budget ordinance approved on September 17 included \$306.8 million of appropriations for Internal Service Funds and the Employee Retirement Fund operation that are accounted for separately. The budget appropriation ordinance totaled \$5.51 billion.

Of the 11 council-approved budget amendments, 6 of them lowered the property tax rate. The City Manager's recommended budget reduced the property tax rate by 0.5¢ from 70.47¢ to 69.97¢ per \$100 valuation. The council-approved budget amendments further reduced the tax rate by 0.09¢ for a total reduction of 0.59¢ resulting in an adopted property tax rate of 69.88¢ per \$100 valuation.

We will closely monitor revenues and expenses and significant budget initiatives and report to you monthly through the Budget Accountability Report (BAR). This report will be provided to the Finance Committee, as well as the entire City Council.

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



Jack Ireland
Chief Financial Officer

[Attachment]

c: Kimberly Bizer Tolbert, City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Dominique Artis, Chief of Public Safety
Dev Rastogi, Assistant City Manager

M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Alina Ciocan, Assistant City Manager
Donzell Gipson, Assistant City Manager
Robin Bentley, Assistant City Manager
Ahmad Goree, Chief of Staff to the City Manager
Directors and Assistant Directors

Budget Amendments - FY 2025-26 Budget

Amendments Receiving Majority Support from the Mayor and the City Council on September 3, 2025

Council Member Lead - Council Member Blair		Amendment Number		4
Source of Funds	Amount	Use of Funds	Amount	
Mayor and City Council (MCC) ARPA Funds - D8 (Fund 0A72 ARPA Redevelopment Fund) - Traffic Calming (Unit A083). One-time funding.	66,598	Mayor and City Council (MCC) - Operating expenses (maintenance, landscaping, electricity, water, gas, etc.) for District Office - 3624 Simpson Stuart. One-time funding.	66,598	
Total Source of Funds	66,598	Total Use of Funds	66,598	
City Council Action (yes/no/withdrawn)	Yes - 9/3/25	Difference	0	

Council Member Lead - Council Member Blackmon		Amendment Number		5
Source of Funds	Amount	Use of Funds	Amount	
Housing and Community Development (HOU) - ARPA Redevelopment Fund (Fund 0A72, Unit AR53) - ARPA Septic Program (direct assistance to homeowners). One-time funding.	386,612	Library - Add one-time funding to open Skillman/Southwestern Library 3 days per week, 8 hours each day, for a total of 24 hours.	386,612	
Total Source of Funds	386,612	Total Use of Funds	386,612	
City Council Action (yes/no/withdrawn)	Yes - 9/3/25	Difference	0	

Council Member Lead - Council Member Mendelsohn		Amendment Number		10
Source of Funds	Amount	Use of Funds	Amount	
Reduce Professional Development/Conference Fees (object code 3361) and Personnel Development (object code 3364) by 10% across all General Fund Departments (see amendment detail)	268,969	Transportation and Public Works - Increase funding for street maintenance.	268,969	
Total Source of Funds	268,969	Total Use of Funds	268,969	
City Council Action (yes/no/withdrawn)	Yes - 9/3/25	Difference	0	

Budget Amendments - FY 2025-26 Budget

Amendments Receiving Majority Support from the Mayor and the City Council on September 17, 2025

Submitted By - Mayor Johnson		Amendment Number		16
Source of Funds	Amount	Use of Funds	Amount	
Eliminate funding for state legislative and information services (Randy C. Cain, Attorney at Law; Burklund Consulting, LLC; Campos Consulting Group; and Kwame Walker and Associates).	339,000	Property Tax Rate - reduce the property tax rate by 0.015¢ per \$100 valuation.	339,000	
Burklund Consulting, LLC funded by Dallas Water Utilities (\$50,000).		Savings in Dallas Water Utilities (\$50,000)		
Total Source of Funds	339,000	Total Use of Funds	339,000	
City Council Action (yes/no/withdrawn)	Yes - 9/17/25	Difference	0	

Submitted By - Mayor Johnson		Amendment Number		17
Source of Funds	Amount	Use of Funds	Amount	
Library - reduce funding in Library that was added on 9/3/25 as amendment #5 to provide one-time funding to open Skillman/Southwestern Library 3 days per week, 8 hours each day, for a total of 24 hours per week.	386,612	Park and Recreation - use one-time ARPA funds to <u>replace</u> PKR General Fund dollars; and use ARPA one-time funds for PKR aquatics program in the Southern Sector.	386,612	
Note: Source of Funds used on 9/3/25 for amendment #5 was Housing and Community Development ARPA Redevelopment Fund for septic program (direct assistance to homeowners). One-time funding.		Property Tax Rate - reduce the property tax rate by 0.017¢ per \$100 valuation.		
Total Source of Funds	386,612	Total Use of Funds	386,612	
City Council Action (yes/no/withdrawn)	Yes - 9/17/25	Difference	0	

Submitted By - Mayor Pro Tem Moreno		Amendment Number		20
Source of Funds	Amount	Use of Funds	Amount	
Eliminate General Fund spending for the following memberships: (1) Texas Municipal League - \$65,589, (2) Friends of Dallas Area Transit - \$5,000, (3) Metroplex Mayors - \$1,200, (4) Tex-21 - \$25,000, (5) International Personnel Assessment Council - \$270.	97,059	Transportation & Public Works - Add funding for speed humps/speed tables, pavement markings, and crosswalks.	97,059	
Total for 5 memberships = \$97,059		Pay down Convention Center debt (\$60,000)		
Eliminate Convention & Event Services spending for the North Texas Commission membership (\$60,000)				
Total Source of Funds	97,059	Total Use of Funds	97,059	
City Council Action (yes/no/withdrawn)	Yes - 9/17/25	Difference	0	

Submitted By - Council Member Mendelsohn		Amendment Number		25
Source of Funds	Amount	Use of Funds	Amount	
General Fund - Reduce 10% across all General Fund departments for furniture object code.	110,935	Property Tax Rate - reduce the property tax rate by 0.005¢ per \$100 valuation.	110,935	
General Fund = \$1,109,346 Enterprise & Internal Service Funds = \$1,314,708				
Total Source of Funds	110,935	Total Use of Funds	110,935	
City Council Action (yes/no/withdrawn)	Yes - 9/17/25	Difference	0	

Budget Amendments - FY 2025-26 Budget

Amendments Receiving Majority Support from the Mayor and the City Council on September 17, 2025

Submitted By - Council Member Mendelsohn		Amendment Number		26
Source of Funds	Amount	Use of Funds	Amount	
General Fund - Reduce 10% across all General Fund departments for food object code. General Fund = \$613,539 Enterprise & Internal Service Funds = \$401,441	61,354	Property Tax Rate - reduce the property tax rate by 0.003¢ per \$100 valuation.	61,354	
Total Source of Funds	61,354	Total Use of Funds	61,354	
City Council Action (yes/no/withdrawn)	Yes - 9/17/25	Difference	0	

Submitted By - Council Member West and Ridley		Amendment Number		33
Source of Funds	Amount	Use of Funds	Amount	
Office of Communications & Customer Experience/311 - Reduce "Increase funding to support outsourced marketing services based on market rate estimates" from \$750,000 to \$250,000	500,000	Property Tax Rate - reduce the property tax rate by 0.023¢ per \$100 valuation.	500,000	
Total Source of Funds	500,000	Total Use of Funds	500,000	
City Council Action (yes/no/withdrawn)	Yes - 9/17/25	Difference	0	

Submitted By - Council Member Willis, West, Blackmon, and Ridley		Amendment Number		37
Source of Funds	Amount	Use of Funds	Amount	
Reduce the General Fund portion of Miscellaneous Special Services (object code 3099) by 0.5978%. General Fund = \$33,453,551	200,000	City Controller's Office - Increase CCO budget by \$200,000 to fund Pension Investment Advisory Services for both DPFPS and ERF.	200,000	
Total Source of Funds	200,000	Total Use of Funds	200,000	
City Council Action (yes/no/withdrawn)	Yes - 9/17/25	Difference	0	

Submitted By - Council Member Stewart		Amendment Number		38
Source of Funds	Amount	Use of Funds	Amount	
ARPA Redevelopment Fund for Septic Program - eliminate remaining ARPA funds allocated to the Septic Program. One-time funding.	548,457	Use one-time ARPA funds to <u>replace</u> General Fund dollars and <u>reduce</u> on-going Park and Recreation Department expenses. Use General Fund dollars to reduce the property tax rate. Property Tax Rate - reduce the property tax rate by 0.025¢ per \$100 valuation. Direct the City Manager to identify future funding to offer assistance for existing residential connection after DWU has installed wastewater infrastructure.	548,457	
Total Source of Funds	548,457	Total Use of Funds	548,457	
City Council Action (yes/no/withdrawn)	Yes - 9/17/25	Difference	0	