

Memorandum



DATE August 28, 2025

TO City Manager Kimberly Tolbert, Chief Financial Officer Jack Ireland, Honorable Mayor Johnson, and City Council Members

SUBJECT Initial Proposal for Targeted Budget Cuts: Advocating for Fiscal Responsibility and Program Review in FY25-26 and FY26-27

Dear Colleagues,

As we approach the finalization of the City of Dallas budget for Fiscal Years 2025-26 and 2026-27, I believe it is imperative that we engage in a thoughtful and transparent conversation about streamlining our expenditures to ensure taxpayer dollars are allocated efficiently and effectively. In light of ongoing economic pressures, including inflation, rising operational costs, and the need to prioritize core municipal services such as public safety, infrastructure maintenance, and essential utilities, I am proposing the elimination of several non-essential programs. These cuts total \$13,118,570 in FY25-26 and \$13,389,775 in FY26-27, representing a meaningful step toward fiscal prudence without compromising the city's fundamental responsibilities. My rationale for these recommendations stems from a careful review of each program's alignment with federal mandates, potential duplication of services provided by other governmental entities, and the overall necessity in a constrained budget environment. **Due to the complexity of the budget and the limited review time, I expect to provide additional suggested cuts and revenue opportunities in subsequent budget memorandums.** Below, I outline each proposed elimination, elaborating on why these programs are unnecessary at this time and how their removal could free up resources for higher-priority needs.

1. **Business Enterprise Hub (\$808,520 FY25-26 | \$808,286 FY26-27):** This program does not comply with evolving federal mandates on DEI, potentially jeopardizing our access to federal grants and funding streams. In the current budget year, with heightened scrutiny from federal oversight bodies, maintaining such initiatives could lead to audits or funding clawbacks. Instead, we should rely on established federal and state programs that support business development without adding municipal risk or cost.
2. **Office of Community Police Oversight (\$673,836 FY25-26 | \$699,780 FY26-27):** The U.S. Department of Justice already serves as the primary federal authority for investigating police complaints, civil rights violations, excessive force, and systemic abuses. This office duplicates those federal efforts, creating unnecessary administrative overlap. In a budget-constrained environment, we should consolidate oversight under existing federal mechanisms to avoid redundant spending while ensuring accountability remains robust.

3. **Office of Ethics and Compliance (\$150,345 FY25-26 | \$154,526 FY26-27):** Ethics and compliance matters can be effectively managed within the Human Resources Department, which is already equipped to handle such issues through standard policies and training. Placing this function under the City Manager's Office adds an unneeded layer of bureaucracy. Basic ethical practices should be ingrained as common sense across all departments, making a dedicated office superfluous in the upcoming fiscal years.
4. **Total Rewards & Wellness (\$1,084,110 FY25-26 | \$1,084,110 FY26-27):** Subsidizing employee physical fitness programs is a luxury that the city can no longer afford amid rising costs for essential services. Employees can pursue wellness activities through private means, such as gym memberships or community programs, without taxpayer support. This elimination aligns with a focus on core compensation and benefits rather than ancillary perks.
5. **Public Art for Dallas (\$305,087 FY25-26 | \$309,675 FY26-27):** Public art enhances our city's cultural landscape, but it should be funded through private donations, philanthropic grants, or community partnerships rather than the general fund. In a tight budget year, redirecting these funds to infrastructure or safety priorities makes more sense, allowing art enthusiasts to contribute voluntarily.
6. **Cultural Service Contracts (\$362,436 FY25-26 | \$372,436 FY26-27):** Similar to public art, cultural services can thrive with private funding from donors, foundations, and ticket sales. City subsidies in this area are not essential when we face pressing needs elsewhere, and shifting to private support would encourage innovation and sustainability in the arts sector.
7. **Climate Action Planning (\$2,614,693 FY25-26 | \$2,687,810 FY26-27):** Initiatives like fleet electrification and energy audits, while well-intentioned, impose significant upfront costs without immediate, tangible returns. Given current economic challenges, these efforts are too costly to prioritize now. We can revisit climate strategies once federal incentives or grants become more accessible, but for FY25-27, they represent an avoidable expense.
8. **Community Care Social Services (\$845,884 FY25-26 | \$886,880 FY26-27):** Providing subsidies for utilities, rent, HOPWA (Housing Opportunities for Persons with AIDS), and emergency shelters exceeds the city's core role and duplicates services offered by Dallas County and federal programs. In the interest of fiscal efficiency, these should be handled through county or state channels, allowing the city to focus on municipal-specific services.
9. **Development Services – Affordable Housing (\$934,727 FY25-26 | \$986,193 FY26-27):** This function overlaps with the Dallas Housing Authority and the Texas Department of Housing and Community Affairs, which are better positioned to manage affordable housing initiatives. Our department's inability to develop a searchable database highlights inefficiencies, making elimination a practical choice to avoid duplication in the budget.

10. **Drivers of Opportunity (\$1,451,316 FY25-26 | \$1,459,107 FY26-27):** Like the Business Enterprise Hub, this program risks non-compliance with federal DEI mandates, potentially endangering federal funding. In a year of budget scrutiny, we must prioritize compliant, essential programs over those that could invite legal challenges.
11. **Economic Mobility (\$901,072 FY25-26 | \$960,768 FY26-27):** This initiative also falls short of federal DEI compliance standards, posing risks to our funding. Eliminating it would safeguard our fiscal position while redirecting resources to proven economic development strategies.
12. **Welcoming Dallas (\$1,196,416 FY25-26 | \$1,189,414 FY26-27):** Immigrant and refugee resettlement is primarily a state, county, and federal responsibility, not a municipal one. The city should not bear this cost when other levels of government are equipped to handle it, especially as we manage local priorities like roads and public safety.
13. **Southern Skates (\$192,883 FY25-26 | \$192,883 FY26-27):** Operating a roller rink is not a core government function and should be managed privately. This would reduce operational burdens on the city and allow for entrepreneurial innovation in recreational spaces.
14. **Vision Zero (\$1,597,245 FY25-26 | \$1,597,907 FY26-27):** With an existing overview from Vision Dallas on reducing traffic fatalities, this program's goals can be integrated into broader transportation planning without a dedicated budget line. We can revisit it later if needed, but for now, it's an area ripe for consolidation.

These proposed cuts are not made lightly but are driven by a commitment to responsible stewardship of public funds. By eliminating these programs, we can reallocate savings to critical areas such as bolstering police and fire services, repairing aging infrastructure, restoring library funding and providing property tax relief to residents. I recognize that I may not have full visibility into every nuance of these initiatives. I welcome constructive feedback from my colleagues, city staff, and stakeholders on whether I have overlooked the importance of any program. Let's use this as an opportunity for open dialogue to refine these ideas and ensure our budget reflects the true needs of Dallas. I look forward to discussing this further and working collaboratively toward a balanced, efficient budget.

Sincerely,
Councilman William Roth
District 11
City of Dallas

