



CITY OF
FARMERS BRANCH
TEXAS

FY2025 Budget Retreat

Budget Retreat | July 09, 2024



Discussion and Review

Discussion

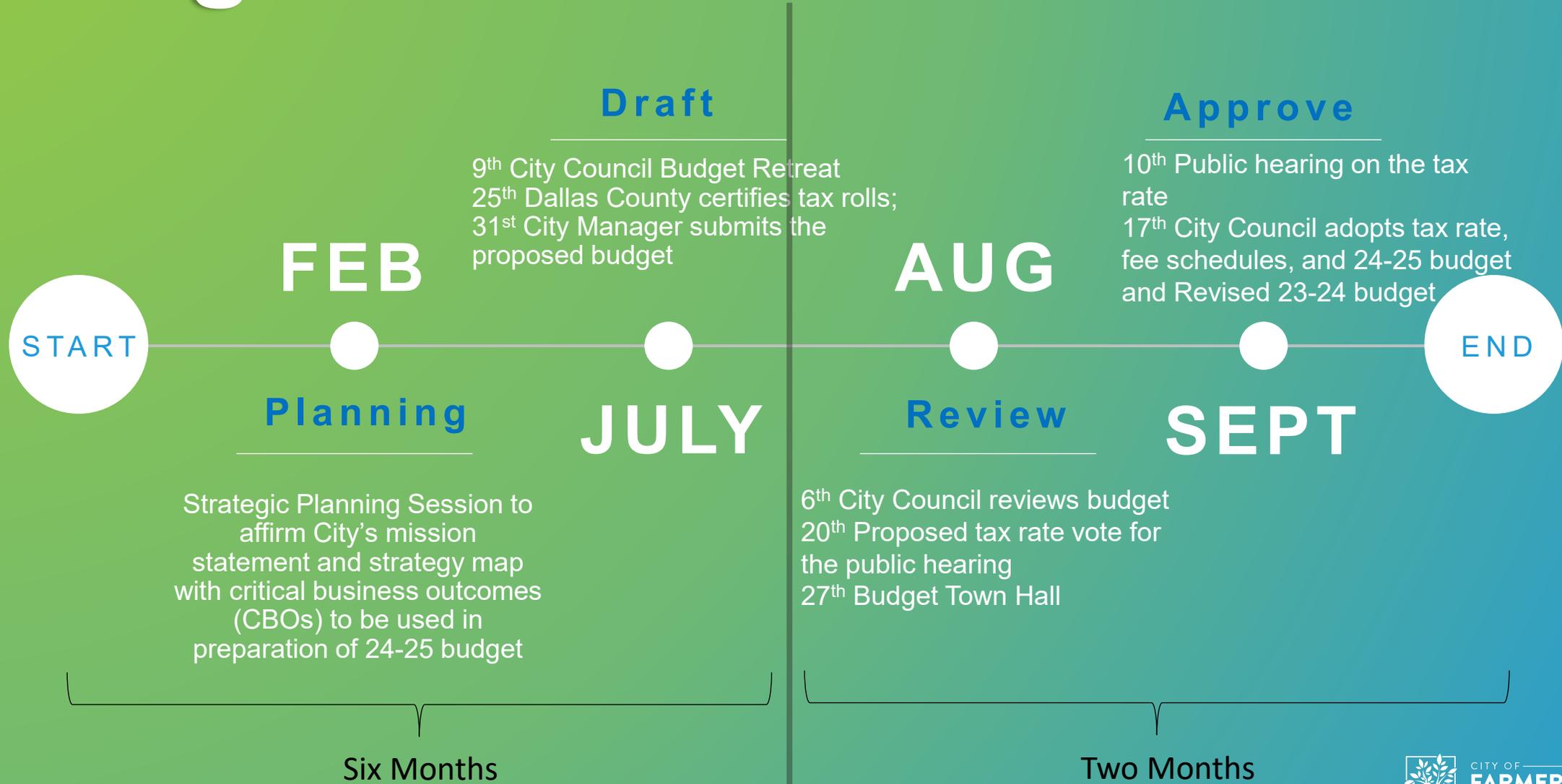
- Financial Transparency
<https://www.farmersbranchtx.gov/177/Financial-Transparency>
- Closure/Post-Closure

Updates

- Woven Health – presenting to Council July 16th
- Changes in hours of operation for Parks' facilities



Budget Timeline



BUDGET PLANNING PROCESS

Critical Business Outcomes

CBO1 - Ensure strategic planning alignment to the current status of the City & mission/vision

CBO2 – Improve access to responsible & diverse housing

CBO3 – Plan for, build & maintain high quality public Assets & Infrastructure

CBO4 – Support the evolution of the Arts, Culture, Entertainment & Recreation in Farmers Branch

CBO5 – Improve overall & targeted community Engagement & Communication

Our vision is to be a city of the future with a vibrant and diverse economy that supports beautiful parks, great amenities, and friendly neighborhoods.

Today & Beyond



Budget Retreat Topics:

- Review Budget Changes
- Review Service Levels
- Review Actions Taken
- Community Outreach

**Budget Townhall – Community Input
August 27, 2024**

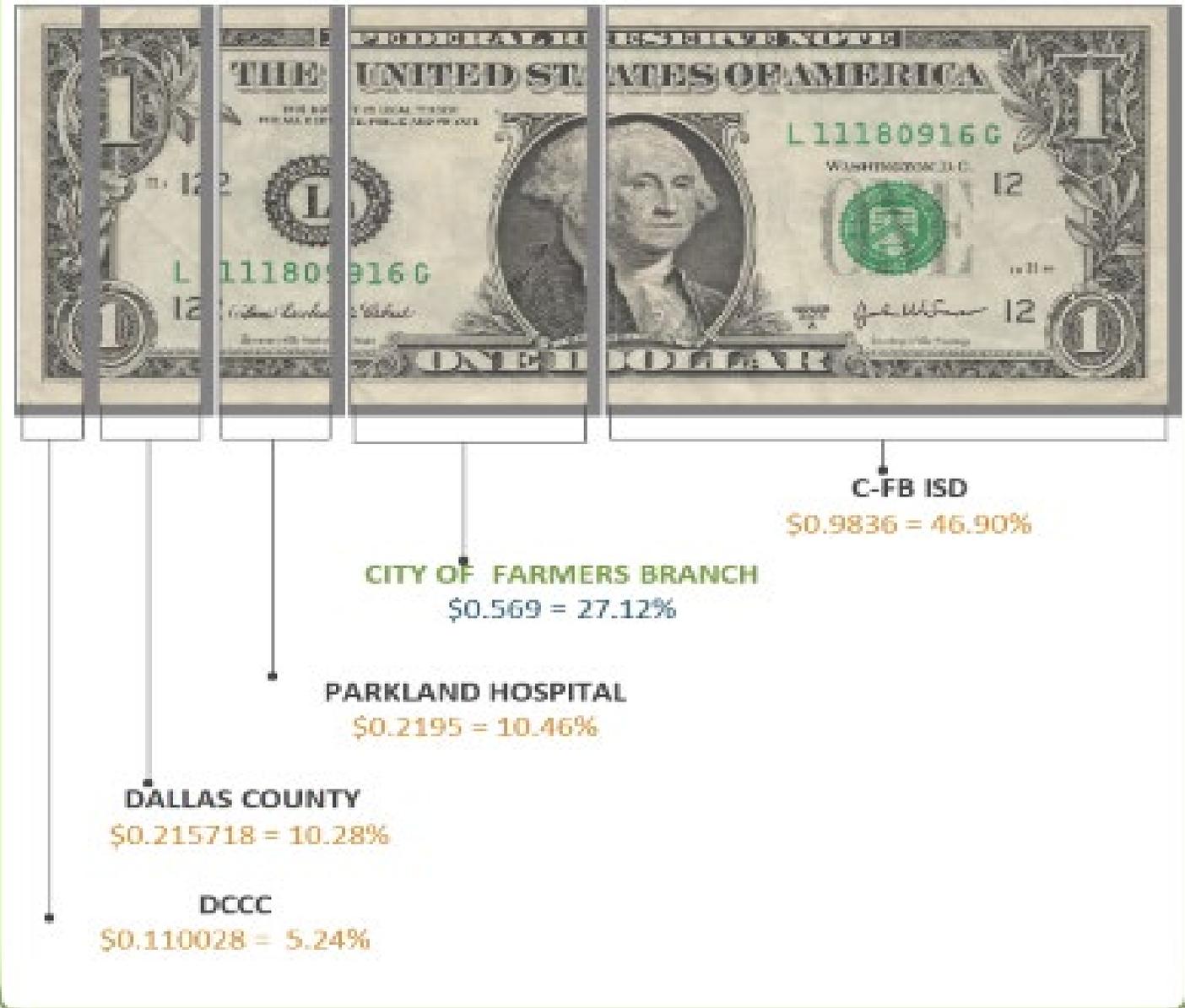
Budget Public Hearing – September 10th

Budget and Tax-Rate Adoption – September 17th

THE TAX BILL IS ALL THE CITY'S MONEY

- ❑ 27.12% of property tax bill is for the City of Farmers Branch
- ❑ 74% of Farmers Branch property tax is commercial
- ❑ 67% of residents receive 20% Homestead Exemption
- ❑ 29.4% of residents receive \$100,000 Senior/Disabled Exemption

Distribution of Your Total Tax Bill



FARMERS BRANCH PROPERTY TAX HISTORY

FACTORS

- City growth
- 40 different elected officials
- Recessions
 - Double-Dip Recession
 - Gulf War Recession
 - Dot-com Recession
 - The Great Recession
 - The COVID-19 Recession
- Growth in service level expectations.

Fiscal Year	Tax Rate	Change	Inflation
1982-83	0.4		
1983-84	0.4	0	4.3
1984-85	0.4	0	3.6
1985-86	0.4	0	1.9
1986-87	0.4	0	3.6
1987-88	0.4	0	4.1
1988-89	0.4	0	4.8
1989-90	0.4	0	5.4
1990-91	0.4	0	4.2
1991-92	0.44	0.04	3
1992-93	0.44	0	3
1993-94	0.44	0	2.6
1994-95	0.44	0	2.8
1995-96	0.44	0	3
1996-97	0.44	0	2.3
1997-98	0.44	0	1.6
1998-99	0.44	0	2.2
1999-00	0.44	0	3.4
2000-01	0.44	0	2.8
2001-02	0.44	0	1.6
2002-03	0.44	0	2.3
2003-04	0.46	0.02	2.7
2004-05	0.4945	0.0345	3.4

Fiscal Year	Tax Rate	Change	Inflation
2005-06	0.4945	0	3.2
2006-07	0.4945	0	2.8
2007-08	0.4945	0	3.8
2008-09	0.4945	0	-0.4
2009-10	0.5195	0.025	1.6
2010-11	0.5295	0.01	3.2
2011-12	0.5295	0	2.1
2012-13	0.5295	0	1.5
2013-14	0.5531	0.0236	1.6
2014-15	0.602267	0.049167	0.1
2015-16	0.602267	0	1.3
2016-17	0.602267	0	2.1
2017-18	0.602267	0	2.4
2018-19	0.599507	-0.00276	1.8
2019-20	0.599507	0	1.2
2020-21	0.589	-0.01051	4.7
2021-22	0.589	0	8
2022-23	0.589	0	4.1
2023-24	0.569	-0.02	3.3*
2024-25**	0.539	-0.03	
*year-to-date			
**proposed			

REVENUE PLANNING



Propose another Tax Rate decrease.

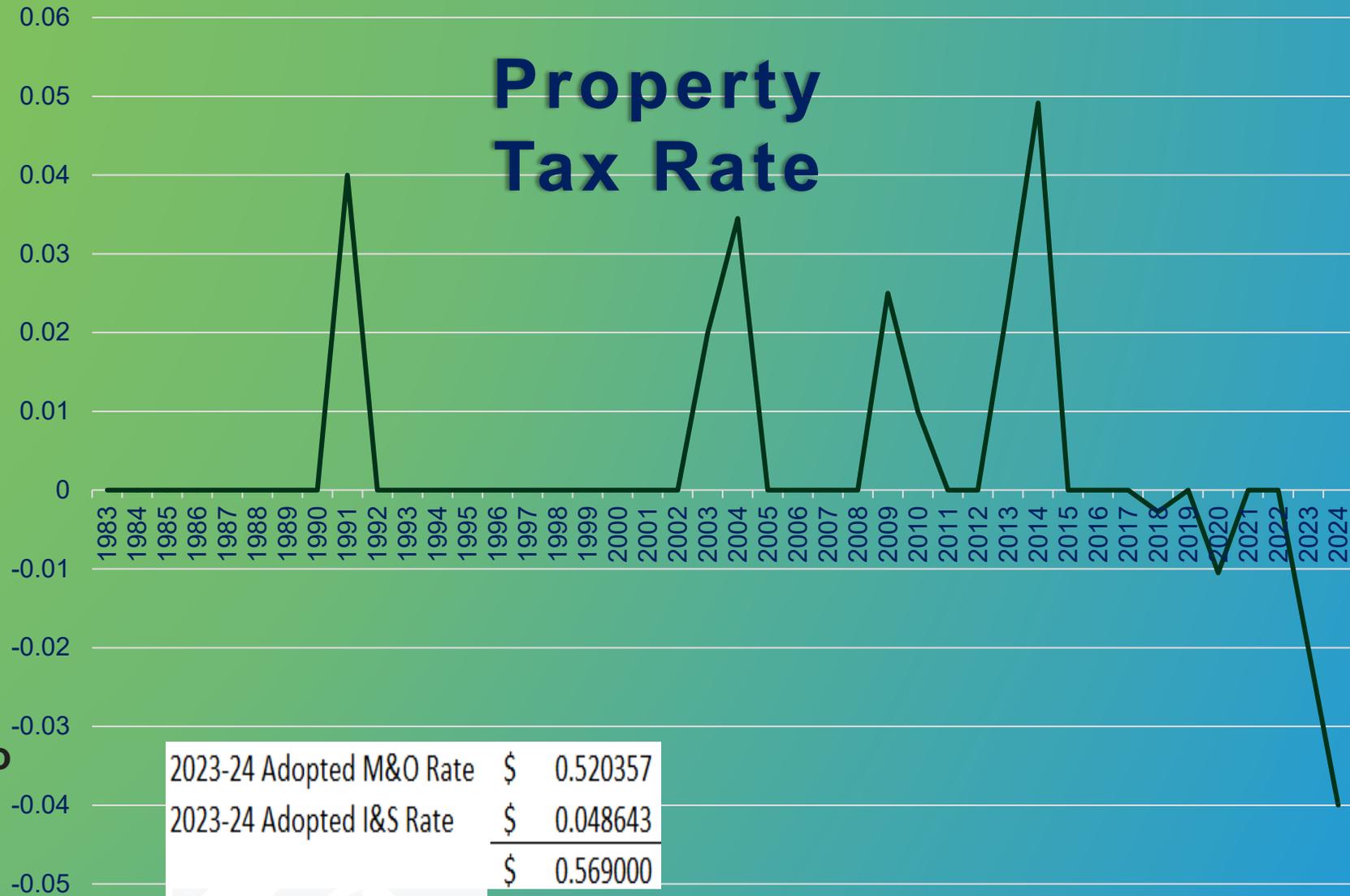


Current rate is 0.569 with Homestead Exemption = 20% Senior/Disable Exempt=\$100K



Senate Bill 2 is shifting cities to increasing I&S rates with cap on M&O rate

Property Tax Rate



2023-24 Adopted M&O Rate	\$	0.520357
2023-24 Adopted I&S Rate	\$	0.048643
	\$	0.569000

*M&O = Maintenance & Operations
 **I&S = Interest & Sinking (Debt)



FARMERS
BRANCH

CITY OF FARMERS BRANCH | FISCAL YEAR BUDGET 2024-25

How We Compare

RANKED BY LOWEST TO HIGHEST HOMESTEAD AND SENIOR TAX AMOUNT

	Homestead	Senior	2023 Tax Rate	Average Home Price	Homestead Amount	Senior Amount	Taxable Value	Senior Tax	Rental Properties	Difference	Homestead	Difference
1. Highland Park	0.2	\$50,000	0.220530	\$380,531	\$304,424.80	\$330,531	\$254,424.80	\$561.08	\$839.19	49.57%	\$671.35	20%
2. University Park	0.2	\$616,000	0.236226	\$380,531	\$304,424.80	-\$235,469	-\$311,575.20	N/A	\$898.91	N/A	\$719.13	N/A
3. Grapevine	0.2	\$60,000	0.250560	\$380,531	\$304,424.80	\$320,531	\$244,424.80	\$612.43	\$953.46	55.68%	\$762.77	25%
4. Plano	0.2	\$40,000	0.417600	\$380,531	\$304,424.80	\$340,531	\$264,424.80	\$1,104.24	\$1,589.10	43.91%	\$1,271.28	15%
5. Combine	0	\$35,000	0.350000	\$380,531	\$380,531.00	\$345,531	\$345,531.00	\$1,209.36	\$1,331.86	10.13%	\$1,331.86	10%
6. Sunnyvale	0.2	\$65,000	0.453000	\$380,531	\$304,424.80	\$315,531	\$239,424.80	\$1,084.59	\$1,723.81	58.94%	\$1,379.04	27%
7. Frisco	0.15	\$80,000	0.432205	\$380,531	\$323,451.35	\$300,531	\$243,451.35	\$1,052.21	\$1,644.67	56.31%	\$1,397.97	33%
8. Wilmer	0.1	\$24,000	0.439130	\$380,531	\$342,477.90	\$356,531	\$318,477.90	\$1,398.53	\$1,671.03	19.48%	\$1,503.92	8%
9. Allen	0.05	\$50,000	0.420500	\$380,531	\$361,504.45	\$330,531	\$311,504.45	\$1,309.88	\$1,600.13	22.16%	\$1,520.13	16%
10. Lewisville	0	\$60,000	0.419079	\$380,531	\$380,531.00	\$320,531	\$320,531.00	\$1,343.28	\$1,594.73	18.72%	\$1,594.73	19%
11. Farmers Branch 4c	0.2	\$100,000	0.529000	\$380,531	\$304,424.80	\$280,531	\$204,424.80	\$1,081.41	\$2,013.01	86.15%	\$1,610.41	49%
12. McKinney	0	\$85,000	0.427513	\$380,531	\$380,531.00	\$295,531	\$295,531.00	\$1,263.43	\$1,626.82	28.76%	\$1,626.82	29%
13. Farmers Branch 3c	0.2	\$100,000	0.539000	\$380,531	\$304,424.80	\$280,531	\$204,424.80	\$1,101.85	\$2,051.06	86.15%	\$1,640.85	49%
14. Princeton	0	\$25,000	0.440226	\$380,531	\$380,531.00	\$355,531	\$355,531.00	\$1,565.14	\$1,675.20	7.03%	\$1,675.20	7%
15. Carrollton	0.2	\$87,000	0.553750	\$380,531	\$304,424.80	\$293,531	\$217,424.80	\$1,203.99	\$2,107.19	75.02%	\$1,685.75	40%
16. Farmers Branch '24	0.2	\$100,000	0.569000	\$380,531	\$304,424.80	\$280,531	\$204,424.80	\$1,163.18	\$2,165.22	86.15%	\$1,732.18	49%
17. Coppell	0.05	\$100,000	0.491818	\$380,531	\$361,504.45	\$280,531	\$261,504.45	\$1,286.13	\$1,871.52	45.52%	\$1,777.94	38%
18. Irving	0.2	\$50,000	0.589100	\$380,531	\$304,424.80	\$330,531	\$254,424.80	\$1,498.82	\$2,241.71	49.57%	\$1,793.37	20%
19. Ferris	0.04	\$10,000	0.494700	\$380,531	\$365,309.76	\$370,531	\$355,309.76	\$1,757.72	\$1,882.49	7.10%	\$1,807.19	3%
20. Addison	0.2	\$60,000	0.609822	\$380,531	\$304,424.80	\$320,531	\$244,424.80	\$1,490.56	\$2,320.56	55.68%	\$1,856.45	25%

The Journey to 3 Cents

Improving Efficiency and Service Alignment

ACTION	SAVINGS
Close the Citizen Collection Center and reduce one position	\$82,897
Reduce Hours at the Recreation Center, Aquatics Center, Branch Connection, and the Historical Park*	\$238,538
Reduced the number of events	8 events \$394,900
Remove The Branch Connection bus from the fleet	\$120,000
Remove the fountain at Webb Chapel and Valley View	\$11,685
Remove the City Hall fountain	\$40,000
Cancel the Chamber of Commerce contracts	\$45,000
Remove mosquito monitoring and reduce spraying	\$50,000
Remove additional blade entryway monuments	\$185,000
Implement a subsidized trash fee	\$486,000
End our contract with the City Clinic	\$200,000
	\$1,854,020

*restricted revenue

The Journey To 3 Cents (OUTCOMES from 7/27 Meeting)

Improving Efficiency and Service Alignment

ACTION		SAVINGS
Close the Citizen Collection Center and reduce one position	✓	\$82,897
Reduce Hours at the Recreation Center, Aquatics Center and Branch Connection	✓	\$71,600
Reduced the number of events	✓	4 events \$154,500
Remove The Branch Connection bus from the fleet	✓	\$120,000
Remove the fountain at Webb Chapel and Valley View	✓	\$11,685
Remove the City Hall fountain	✓	\$40,000
Cancel the Chamber of Commerce contracts	✓	\$45,000
Remove mosquito monitoring and reduce spraying	✓	\$50,000
Remove additional blade entryway monuments	✓	\$185,000
Implement a subsidized trash fee	✓	\$486,000
End our contract with the City Clinic	✓	\$200,000
\$407,338 Difference		\$1,446,682

OUTCOMES FROM SPECIAL CALLED MEETING

ACTION		SAVINGS/(INCREASE)
Reduce Trails	✓	\$100,000
The Family Place	✓	\$15,000
The Woven Health Clinic	✓	\$25,000
Remove the HR position	✓	\$56,000
Rose Garden	✗	(\$280,490)
Remove sponsorship of the Community Garden	✓	\$33,000*
Reduce the Parks Master Plan	✓	\$400,000
Difference b/w Staff vs. Contracting for Medians	✓	(\$64,000)
LIBRARY - Reduction of 10% of the contract	✓	\$100,000
		\$384,510

*Includes staff time that will be absorbed in other City Parks and Maintenance.

PARKS: RECREATION BUDGET REDUCTION

EVENTS

- Family Night events and 2 dog park events - Reduced \$40,500
- Denton Drive Live events - Reduced \$50,000
- Halloween in the Park - Reduced \$64,000

AQUATICS (Indoor only)

- Reducing total operating hours by 13 hours from 82 to 69 - Reduced \$38,000

RECREATION CENTER

- Reducing total operating hours by 6 hours from 75 to 69 - Reduced \$16,300

THE BRANCH CONNECTION

- Reducing total operating hours by 7 hours from 49 to 42 - Reduced \$17,300

Closure/Post-Closure

Trash Fee

- Effective Oct 1st for \$5/2.50 per month residents/seniors
- Revenues of \$486,000 for FY'25

Closure/Post-Closure Account

- Transfer of \$2,000,000 this fiscal year
- Good base reserves for on-going landfill costs and future closure



Budget Communications Plan



Platforms

- Video with Council
- Trifold handout
- E-newsletters & Email
- Infographic
- Social media



Themes

- Comps to other cities
- At least 3-cent reduction
- Dollar chart w breakdown
- Pie Charts for Budget



Town Hall

- Venue 1842
- Show Budget Video
- Boards on easels
- Q & A
- Email questions



Questions/Discussion

Budget Retreat | July 09, 2024