

AFTER-ACTION REPORT
FY 2026-27 BUDGET UPDATE #1

City of Farmers Branch

Date: April 21, 2026

Purpose of Update #1

The purpose of this study session was to:

- Formally initiate the FY 2026-27 budget process
- Provide a high-level overview of the budget process, timeline, and expectations
- Establish a framework for future study sessions
- Reinforce transparency and community engagement efforts
- Set expectations for ongoing, phased discussions at each Council meeting

Agenda Item Highlights and Overview

- The session opened with the City’s Budget Overview Video, which provided:
 - A high-level explanation of the City’s budget structure, including the General Fund, Utility Funds, and CIP
 - Context on how revenues are generated and allocated
 - Reinforcement of the City’s commitment to transparency and public engagement
- Following the video, the presentation focused on establishing the foundation of the budget process, emphasizing the budget:
 - Reflects Council and community priorities
 - It is a comprehensive, year-long process
 - Serves as both a financial and policy framework
- Outlined the FY 2026-27 budget development timeline, including:
 - Departmental submissions (Spring)
 - Proposed budget (July 31)
 - Council review and public engagement (August)
 - Adoption of budget and tax rate (September)
- Introduced a shift toward a multi-year (3-year) strategic planning approach to enhance long-term alignment and reduce annual rework
- Established expectations for ongoing study sessions at each Council meeting, designed to:
 - Break down complex topics into manageable discussions
 - Allow for incremental review and feedback
 - Improve overall clarity and transparency throughout the process
- Initial financial outlook discussion indicated:
 - No major risks identified at this stage
 - Continued monitoring of key revenue drivers, including:
 - Property tax valuations
 - Sales tax performance
 - Departmental budget submissions