

CITY OF FARMERS BRANCH

FISCAL YEAR
2025-26

ANNUAL OPERATING BUDGET



FARMERS BRANCH
TEXAS

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**FARMERS
BRANCH**

Due to the passage of S.B. No. 656, Section 102.007 of the Texas Local Government Code was amended to require that the following information be included as the cover page for a budget document:

FISCAL YEAR 2025-26 BUDGET

(Estimated) This budget will raise more revenue from property taxes than last year's budget by an amount of \$2,387,191 which is a 5.05% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$314,542.

Upon calling for a vote for approval of an ordinance adopting the City of Farmers Branch 2025-26 Fiscal Year Budget, the members of the City Council voted as follows:

City Council	Aye	Nay
Terry Lynne, Mayor		
Omar Roman, Councilmember, District 1		
Tina Bennett Burton, Mayor Pro Tem, District 2		
David Reid, Councilmember, District 3		
Elizabeth Villafranca, Councilmember, District 4		
Roger Neal, Deputy Mayor Pro Tem, District 5		

The municipal property tax rates for the preceding four fiscal years, and each municipal property tax rate that has been proposed, adopted or calculated for the current fiscal year, include:

Tax Year	2025	2024	2023	2022	2021
Fiscal Year	2025-26	2024-25	2023-24	2022-23	2021-22
Proposed Rate [MAXIMUM]		\$ 0.604075	\$ 0.573559	\$ 0.589000	\$ 0.589000
Total Rate (Used for Budget Preparation)	\$ 0.543500	\$ 0.543500	\$ 0.569000	\$ 0.589000	\$ 0.589000
Operating Rate (Estimated)	\$ 0.484575	\$ 0.489265	\$ 0.520357	\$ 0.530823	\$ 0.527248
Debt Rate (Estimated)	\$ 0.058925	\$ 0.054235	\$ 0.048643	\$ 0.058177	\$ 0.061752
No-New-Revenue (aka Effective Tax Rate) (Estimated)	\$ 0.519089	\$ 0.548515	\$ 0.469818	\$ 0.501005	\$ 0.559575
No-New-Revenue Maintenance & Operations Rate (aka Effective M&O Rate) (Estimated)	\$ 0.496265	\$ 0.549840	\$ 0.452356	\$ 0.496904	\$ 0.484505
Debt Tax Rate (I&S) (Estimated)	\$ 0.058925	\$ 0.054235	\$ 0.048643	\$ 0.058177	\$ 0.061752
Voter-Approval (aka Rollback Tax Rate) (Estimated)	\$ 0.572558	\$ 0.604075	\$ 0.573559	\$ 0.671514	\$ 0.679647

The total amount of outstanding municipal debt obligations (principal & interest) is as follows:

Type of Debt	Outstanding Debt	Current Year Debt
Property Tax Supported	\$ 66,605,514.90	\$ 5,641,306.53
Self-Supporting	\$ 36,694,102.47	\$ 2,243,218.10
Total Debt	\$ 103,299,617.37	\$ 7,884,524.63

Note: The total amount of outstanding debt obligations considered self-supporting are currently secured by lease payments. In the event such amount is insufficient to pay debt service, the City will be required to assess an ad valorem tax to pay such obligations. The City's debt is rated AAA by both Fitch and Standard & Poor's.

Senate Bill No. 622 provides that the budget of a political subdivision include a line item indicating expenditures for legally required newspaper notices that allows as clear a comparison as practicable between the expenditures in the budget and actual expenditures for the same purpose in the preceding year. (Effective for budgets beginning on or after January 1, 2018.)

In addition, the 86th Legislature passed House Bill 1495 to increase the transparency of local government lobbying. In accordance with Section 140.0045 of the Texas Local Government Code as amended by House Bill 1495 – Itemization of Certain Expenditures Required in Certain Political Subdivision Budgets – expense line items for public notices and lobbying efforts are provided below:

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
GENERAL GOVERNMENT							
Legal - Special (Lobbying)	\$ 0	\$ 0	\$ 50,000	\$ 50,000	\$ 0	-100.00%	\$ (50,000)
Legally Required Newspaper Notice	141,300	139,228	52,200	52,200	60,900	16.67%	8,700
Total Budget	<u>\$ 141,300</u>	<u>\$ 139,228</u>	<u>\$ 52,200</u>	<u>\$ 52,200</u>	<u>\$ 60,900</u>	<u>16.67%</u>	<u>\$ 8,700</u>

In accordance with Senate Bill No. 656 of the 83rd legislative session (May 2013), the budget cover page is required to have specific wording and calculations for property tax revenue in the budget adoption process. This calculation is designed to be a one-size fits all approach that shows all potential property tax revenue sources. Because of the variety of cities/budgets in Texas and the many nuances to the budget, this calculation does not accurately reflect the property tax revenue for the City of Farmers Branch or most cities. This page works to bridge the difference from the budget cover page of \$2,387,191 as required by Senate Bill No. 656 and the actual property tax revenue increase of \$120,500 that is included in the budget.

Table 1 below is a reconciliation of Senate Bill No. 656 to the Truth-in-Taxation (TNT) calculation upon which our calculations in the budget are based. The largest reconciliation difference is the Value of Properties Under Protest that are included in the TNT calculation and used in calculating the “increase” in taxable value.

Additionally, Tax Increment Financing (TIF) funds of \$3,199,258 are also separated in our budget calculations as they are restricted in use. The City contributes 40% of TIF 3 property tax collections to alleviate the Public Improvement District (PID) assessments for property owners of the City’s West Side; 25% of TIF 2 property tax collections for the DART station area; and, 100% of TIF 4 property tax collections along the Valwood and I-35 corridor. The City also anticipates increases in its existing tax incentive agreements and/or additional incentive agreements.

Table 1

		Value
SB No. 656 Calculation		\$ 2,387,191
Taxes Paid to TIF Funds [Line 31B]		2,701,778
2025 Taxes Payable to TIF Funds (Certified 2025 TIF Zone Summary)		(3,199,258)
Value of Properties Under Protest Included in CY Total Taxable (Line 19)	\$ 230,732,377	(1,254,030)
Anticipated New Incentives and Demo Rebuild Projects		(163,050)
General Fund Property Tax Increase	\$ 120,500	<u>\$ 472,631</u>

Line references are from Truth-in-Taxation Schedules



**FARMERS
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CITY OF FARMERS BRANCH, TEXAS

Fiscal Year 2025-26 Budget

City Council

Terry Lynne	Mayor
Omar Roman	Councilmember, District 1
Tina Bennett Burton	Mayor Pro Tem, District 2
David Reid	Councilmember, District 3
Elizabeth Villafranca	Councilmember, District 4
Roger Neal	Deputy Mayor Pro Tem, District 5



(From Left) Deputy Mayor Pro Tem Roger Neal, Councilmember David Reid, Mayor Terry Lynne, Mayor Pro Tem Tina Bennett-Burton, Councilmember Omar Roman, Councilmember Elizabeth Villafranca

City Manager

Benjamin Williamson

Prepared by

Finance Department

Jawaria Tareen & Suzanne Prichard



**FARMERS
BRANCH**

CITY OF FARMERS BRANCH, TEXAS

Fiscal Year 2025-26 Budget

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**CITY OF FARMERS BRANCH, TEXAS
LIST OF PRINCIPAL OFFICIALS**

City Council

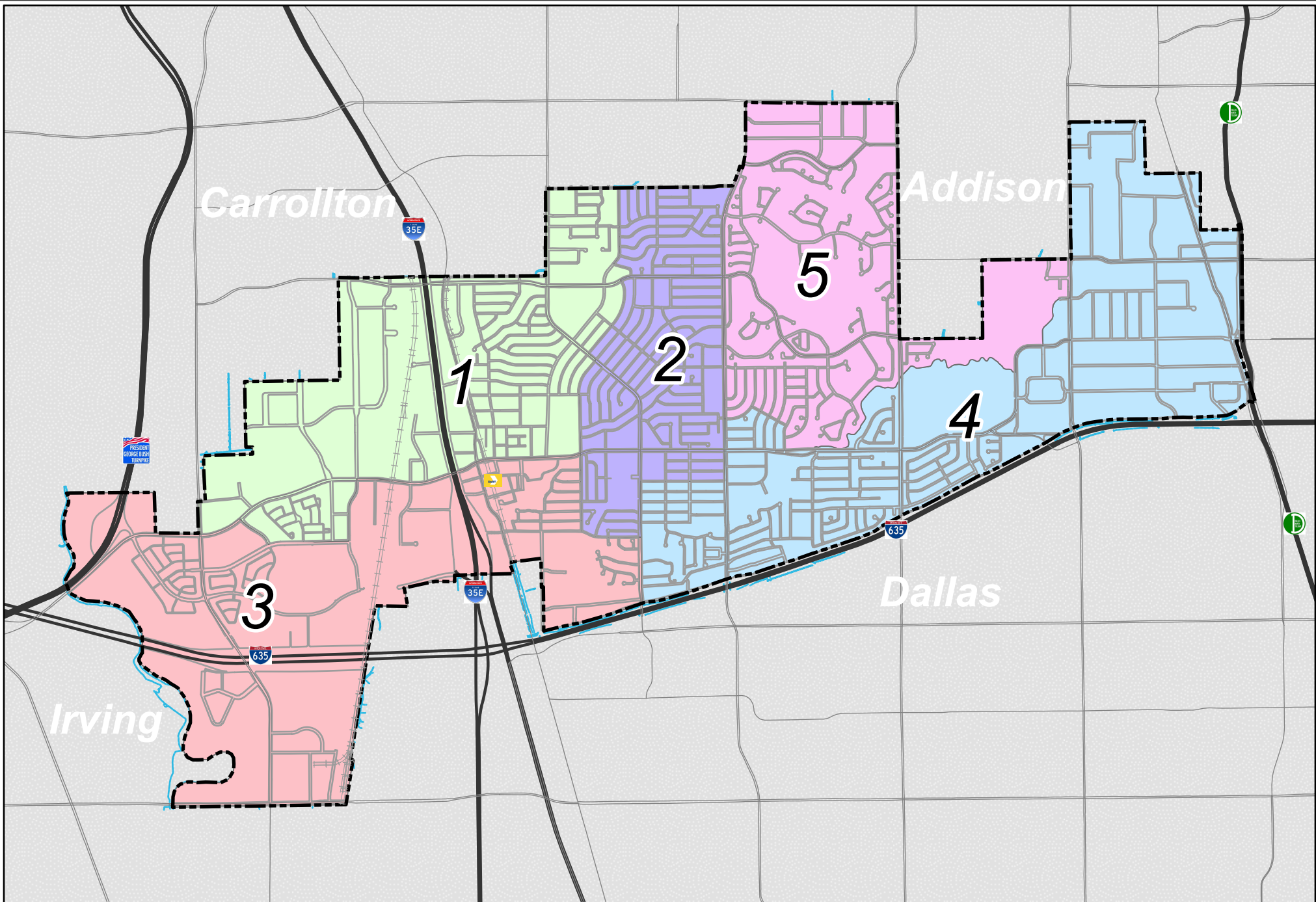
City Council	Position	District	First Elected	Term Expires
Terry Lynne	Mayor	N/A	2023	2026
Omar Roman	Councilmember	District 1	2022	2028
Tina Bennett Burton	Mayor Pro Tem	District 2	2023	2026
David Reid	Councilmember	District 3	2024	2027
Elizabeth Villafranca	Councilmember	District 4	2025	2028
Roger Neal	Deputy Mayor Pro Tem	District 5	2024	2027

City Management

Benjamin Williamson	City Manager
Jawaria Tareen	Deputy City Manager

Executive Leadership

Stacy Henderson	Administrative Services Director
Samuel Chavez	Community Services Interim Director
City Management	Finance & Fleet
Daniel Latimer	Fire Chief
Jeffrey Ross	Human Resources Director
Joey Brock	Innovation & Technology Director
Robert Diaz	Parks & Recreation Director
Kevin McCoy	Police Chief
Ray Silva-Reyes	Public Works Director



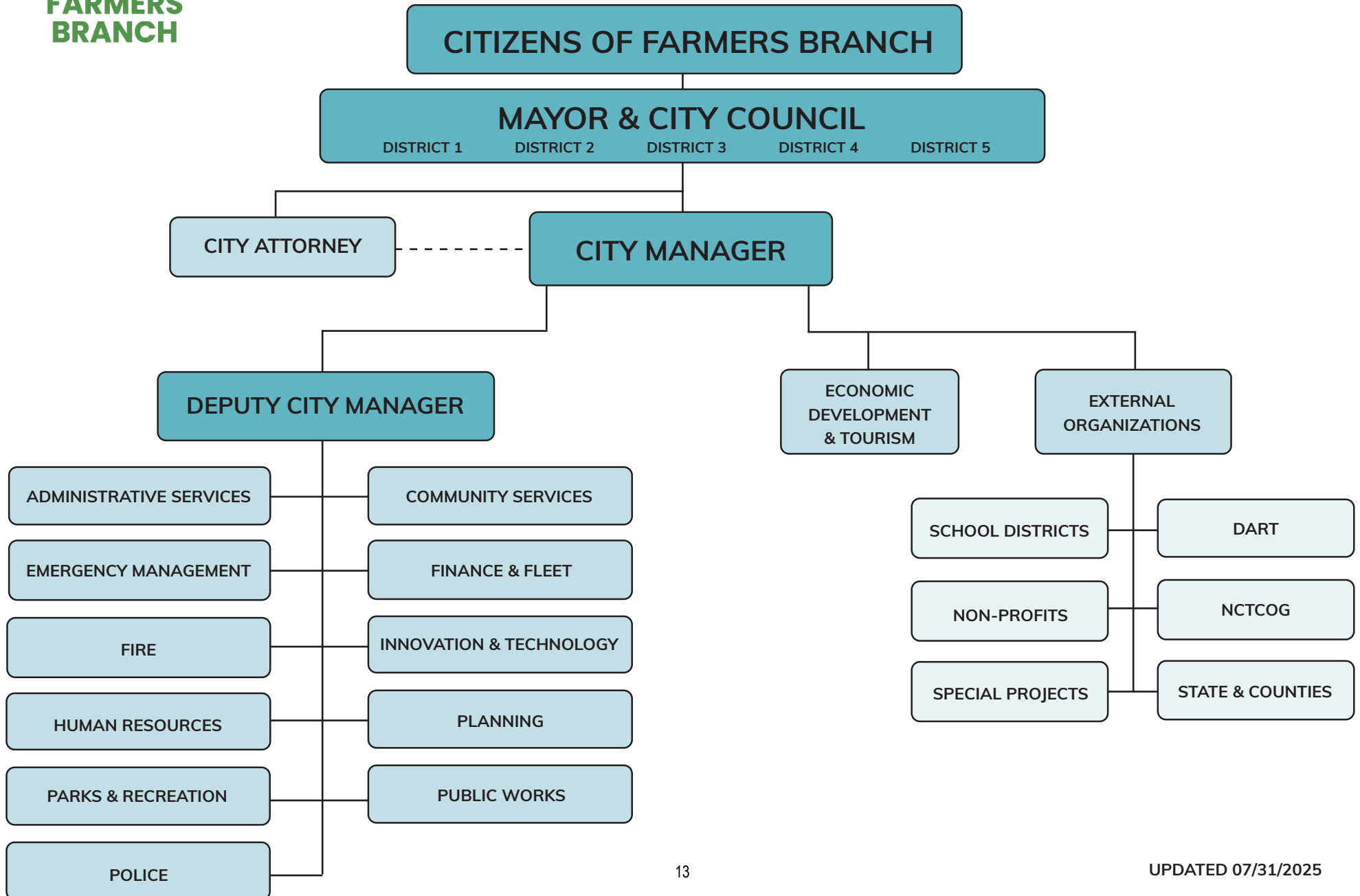
City Council Districts

Adopted on November 15, 2022

This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. Texas HB1147, Effective 9/1/2011



CITY OF FARMERS BRANCH 2025-26 ORGANIZATION CHART



BUDGET AWARD PLACEHOLDER

AUDIT AWARD PLACEHOLDER

The Texas Comptroller of Public Accounts awards the **City of Farmers Branch** the **Traditional Finances Star**

for exemplary efforts in creating financial transparency around public services and spending decisions. The Transparency Stars program recognizes local governments across Texas that are striving to meet a high standard for financial transparency online. These efforts provide citizens with clear, consistent information about public spending in user-friendly formats.



The Texas Comptroller of Public Accounts awards the **City of Farmers Branch** the **Debt Obligations Star**

for exemplary efforts in creating financial transparency around public debt. The Transparency Stars program recognizes local governments across Texas that are striving to meet a high standard for financial transparency online. These efforts provide citizens with clear, consistent information about public spending in user-friendly formats.





**FARMERS
BRANCH**



City of Farmers Branch
13000 William Dodson Parkway
Farmers Branch, Texas 75234

July 31, 2025

The Honorable Mayor Terry Lynne and
Members of the City Council,

On behalf of the Farmers Branch City Management team, I am honored to present the Fiscal Year 2025 - 26 Proposed Operating and Capital Improvement Budget. This document reflects our continued commitment to fiscal transparency and responsibility, strategic investment, and delivering high-quality services that enhance the quality of life for all who live, work, and visit our City.

This budget was developed in alignment with City Council priorities, community feedback, and our organizational mission to build a dynamic and resilient community. The proposed budget of \$169,968,734 reflects a balanced and forward-looking financial plan that continues to support vital services, improve infrastructure, and invest in our greatest resources, our people and businesses.

Navigating Economic Headwinds with Strategic Resilience

While the region faces a slowing economic environment, Farmers Branch is well-positioned to weather these headwinds. Our conservative financial management during periods of growth has provided the stability necessary to respond to emerging challenges without compromising service levels or dipping into critical reserves. The City has set aggressive targets for fund balances and paying future liabilities, ensuring the financial resiliency of Farmers Branch now and into the future.

This year's budget is both responsive and responsible. It reflects thoughtful adjustments that preserve fiscal integrity while investing in areas of greatest community impact. These include infrastructure modernization, neighborhood revitalization, public safety enhancements, economic development, and expanded partnerships to support vulnerable populations.

PROSPERITY PLAN: Investing in Council Priorities that Matter

These initiatives reflect our strategic focus on community safety, connectivity, and technology and are guided by the values and expectations of our residents and businesses. The FY 2025–26 budget prioritizes the following key initiatives:

- P – Performance & Accountability:** Promote accountability, performance, and service excellence through effective organizational management.
- R – Recruit & Retain Talent:** Attract and retain skilled employees while ensuring fair compensation.
- O – Optimize Financial Resilience:** Align future financial resiliency through target fund balances.
- S – Strengthen Community Ties:** Continue support for neighborhood partnerships.
- P – Pedestrian & Traffic Safety:** Safer streets, sidewalks, traffic, and facility audits to guide future investments.
- E – Economic Development:** Focus on economic growth to attract investments and amenities.
- R – Right-Size Police staffing:** Optimize staffing for proactive public safety.
- I – Infrastructure Integrity:** Ensure the integrity of our water and wastewater infrastructure.

T – Technology-Forward City: Leverage emerging tech such as blockchain and AI to modernize services.

Y – Youth & Parks Access: Complete parks in underserved areas, including Mercer and Squire Parks.

P – Public Lighting & Safety: Expand lighting in neighborhoods and parks to enhance safety.

L – Livability Through Housing: Ensuring access to safe, affordable, and well-located homes that support a high quality of life for all. Support the unhoused in partnership with local agencies such as Housing Forward, Metrocrest Services, and DART.

A – Asset Modernization: Modernize and sustain the City's fleet and other key assets.

N – Neighborhood Revitalization: Increased investment in neighborhood and street revitalization and station area planning.

Responsible Financial Stewardship

Farmers Branch faces a complex fiscal landscape shaped by property valuation fluctuations, sales tax volatility, persistent inflation, and State legislative constraints, compounded by shifts in commercial real estate demand, rising utility costs, regional economic uncertainties, and intense labor market pressures, all of which challenge the City's ability to fund essential services and attract top talent sustainably. The proposed budget reflects prudent financial planning, including:

- A General Fund revenue increase of \$3.6 million, primarily due to new construction, robust sales tax, court receipts, interest rates, and fees for service.
- An increase in the cost of consumables, contracts, and services.
- Consideration of economic uncertainties now and into the future.
- To support the long-term financial stability of the Water & Sewer Fund and align rates with the actual cost of service, a cumulative rate adjustment of approximately 15% across all customer classes is recommended. The City has not adjusted its water and wastewater rates since FY 2019–20 and has since absorbed significant increases in wholesale costs from Dallas Water Utilities and the Trinity River Authority.
- Salary adjustments and merit increases to support employee recruitment and retention in a competitive labor market.
- Continued investment in our Capital Improvement Program (CIP), with more than \$20 million in projects ranging from street rehabilitation to park enhancements and utility improvements.

CITY STRATEGIC PLAN: A Budget Rooted in Vision, Mission, Values, and Results

Each year, City staff work in partnership with the City Council to develop a budget that reflects the community's values, input, and aspirations. This year's budget process was shaped by resident feedback from surveys and public meetings, as well as by our Strategic Plan, which outlines our mission, vision, and strategic focus areas.

Every program, position, and capital investment included in this budget was evaluated through the lens of the Council-identified strategic objectives.



Vision Statement – to be a forward-looking City with a vibrant and diverse economy that supports safe neighborhoods and great amenities.

Mission Statement – to build a dynamic community that consistently seeks to improve the quality of life for all who live, work, and visit.

Core Values – Accountability, Excellence, Innovation, Leadership, Respect, Service.

Strategic Objectives

❖ Serve our Customers

- C1. Achieve the highest standards of safety and security
- C2. Provide attractive, unique, and connected spaces for community interaction
- C3. Promote opportunities for community participation in government
- C4. Be open, accessible, and transparent
- C5. Attract and retain top-tier businesses to drive a unique and sustainable economic environment

❖ Manage the Business

- B1. Achieve best-in-class status in all City disciplines
- B2. Enhance service delivery through continual process improvement
- B3. Optimize the use of technology
- B4. Ensure constant and effective communication both internally and externally
- B5. Adhere to the strategic management system

❖ Provide Financial Stewardship

- F1. Invest in maintaining and providing high-quality public assets
- F2. Seek out and maintain alternative funding resources
- F3. Provide services in the most efficient and effective manner possible
- F4. Adhere to financial management principles and budget
- F5. Establish and maintain effective internal controls

❖ Promote Learning and Growth

- L1. Ensure our team understands our strategy and how they contribute to it
- L2. Enhance leadership capabilities to deliver results and develop bench strength
- L3. Attract, develop, and retain employees who embrace our values
- L4. Recognize and reward top performers
- L5. Foster positive employee engagement

LOCAL ECONOMY

(per Federal Reserve Bank of Dallas as of May 2025)

DFW Economy - The Dallas–Fort Worth economy expanded in April as employment grew across most sectors. Retail sales tax collections rose, but home sales and home prices fell.

DFW Labor Market: Employment in Dallas–Fort Worth grew 2.3 percent (8,000 jobs) in April after rising 2.0 percent in March (Chart 1). Job growth was mostly broad-based across the major sectors during the three months ending in April, with the strongest gains in the construction and mining, leisure and hospitality, and information sectors. The unemployment rate in the metro area ticked up to 3.9 percent in April. Employment in Texas rose 4.6 percent in April.



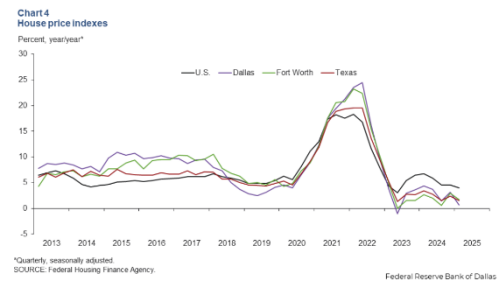


Sales Tax Collections: In April, Dallas-Fort Worth sales tax collections rose 1.6 percent to \$259 million (Chart 2). Sales tax collections rose 1.2 percent in Dallas, 2.2 percent in Fort Worth and 0.4 percent in Texas. Year over year, sales tax collections were up 3.4 percent in DFW and 5.0 percent statewide.

Existing-Home Sales Slow Further: Housing demand remained weak in April. Dallas-Fort Worth existing-home sales fell 1.8 percent and have been trending down since the beginning of the year (Chart 3). Statewide, sales grew 1.6 percent in April, while they fell 0.5 percent nationally. Existing-home inventories in Dallas-Fort Worth ticked up to 4.7 months, while Texas inventories ticked up to 5.5 months.



Home Prices Dip in The First Quarter: Home prices in Dallas-Fort Worth fell in the first quarter but were up from year-ago levels, according to recently released data from the Federal Housing Finance Agency. Compared with the fourth quarter, prices fell 1.4 percent in Dallas, were flat in Fort Worth and Texas and rose 0.7 percent in the U.S. Year over year, home prices rose 0.6 percent in Dallas, 1.7 percent in Fort Worth and 1.6 percent in Texas, all still lower than the nation's 4.0 percent increase (Chart 4).



FISCAL SUMMARY

These considerations result in a Fiscal Year 2025-26 total combined expenditure budget of \$169,968,734. These expenses account for the implementation of public safety salary adjustments, adjustments to general schedule employees to remain competitive with the market, and funding to address and plan for aging infrastructure — including City facilities, streets, neighborhoods, and public safety. The following is a summary of the budget for each of the operating and capital funds group contained in the budget.

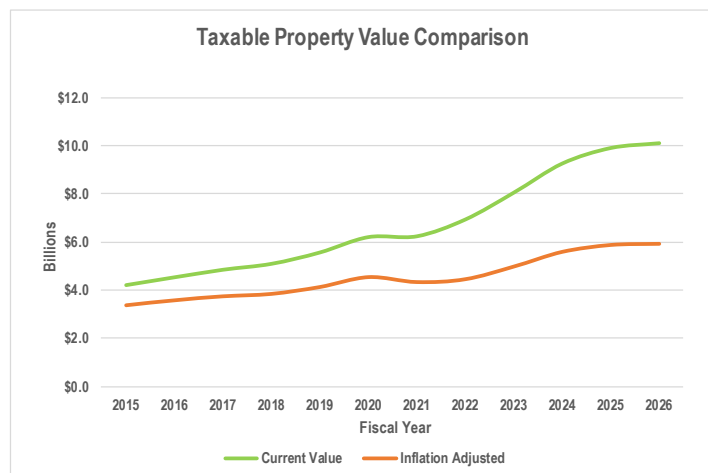
FISCAL YEAR 2025-26 BUDGET REVENUES						
	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
General Fund	\$ 92,315,096	\$ 88,352,100	\$ 88,352,100	\$ 91,999,900	3,647,800	4.1287%
Water & Sewer Fund	31,400,915	30,706,500	30,706,500	35,322,900	4,616,400	15.03%
Stormwater Utility Fund	1,807,753	1,798,000	1,798,000	1,798,000	-	0.00%
Hotel/Motel Fund	3,943,121	3,466,100	3,466,100	3,892,400	426,300	12.30%
Debt Service Funds	4,912,994	7,983,000	7,983,000	7,831,400	(151,600)	-1.90%
Economic Development Fund	1,600,000	900,000	900,000	900,000	-	0.00%
Revenue Stabilization Fund	2,847,044	-	-	30,000	30,000	0.00%
Special Revenue Funds	11,860,873	4,662,700	4,662,700	4,854,627	191,927	4.12%
Subtotal Operating Funds	\$ 150,687,796	\$ 137,868,400	\$ 137,868,400	\$ 146,629,227	8,760,827	6.35%
Capital Projects Funds	32,653,795	27,221,565	33,021,565	16,107,505	(16,914,060)	-51.22%
Total Budget	\$ 183,341,591	\$ 165,089,965	\$ 170,889,965	\$ 162,736,732	\$(8,153,233)	-4.77%

FISCAL YEAR 2025-26 BUDGET EXPENDITURES						
	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
General Fund	\$ 90,830,941	\$ 88,352,100	\$ 89,527,653	\$ 91,771,200	\$ 2,243,547	2.51%
Water & Sewer Fund	29,089,707	30,706,500	30,776,173	35,146,400	4,370,227	14.20%
Stormwater Utility Fund	1,674,615	1,798,000	1,803,439	1,798,000	(5,439)	-0.30%
Hotel/Motel Fund	3,527,068	3,575,800	3,797,605	3,737,600	(60,005)	-1.58%
Debt Service Funds	6,644,058	7,133,000	7,133,000	7,916,200	783,200	10.98%
Economic Development Fund	1,457,114	1,400,000	1,469,889	1,655,000	185,111	12.59%
Revenue Stabilization Fund	10,595	1,151,100	1,151,100	1,061,100	(90,000)	-7.82%
Special Revenue Funds	10,593,751	5,486,836	5,820,028	6,275,027	455,000	7.82%
Subtotal Operating Funds	\$ 143,827,849	\$ 139,603,336	\$ 141,478,887	\$ 149,360,527	7,881,640	5.57%
Capital Projects Funds	39,663,235	29,751,631	29,751,631	20,608,207	(9,143,424)	-30.73%
Total Budget	\$ 183,491,084	\$ 169,354,967	\$ 171,230,518	\$ 169,968,734	\$ (1,261,784)	-0.74%

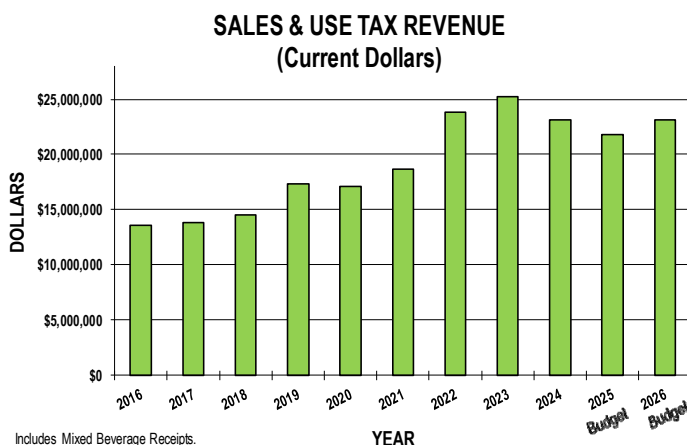
Assumptions

Revenues and expenditures are developed on the basis of certain economic assumptions. These assumptions are, at best, an estimate as conditions can change significantly. Nevertheless, some assumptions must be used in developing a budget. City Administration attempts to conservatively estimate revenue and expenditure projections to assure a reasonable and sustainable fiscal plan. Given the uncertainty of the economy, the proposed budget takes a cautious approach to the future.

This budget reflects an increase in General Fund revenues of approximately \$3,647,800 when compared to the previous year's adopted budget and is primarily due to increased sales tax, landfill revenue, and court revenue. Property tax and sales tax revenue represent 75.00% of total General Fund Revenues, reflective of a strong tax base.

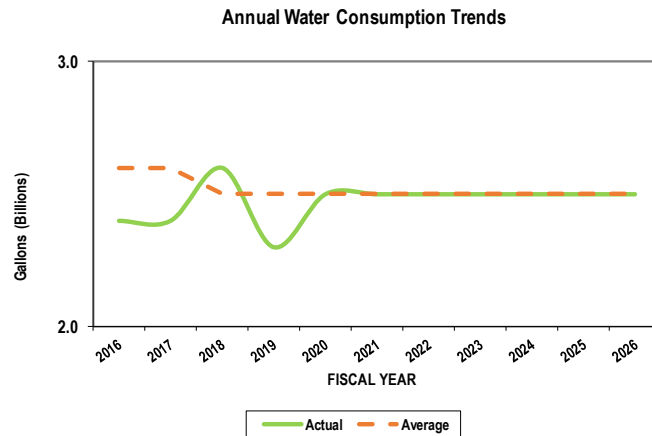


The Dallas Central Appraisal District has provided the City with certified property values. The certified taxable value utilized in preparing this budget is approximately \$10.13 billion, which represents a 2.05% increase in prior year taxable values. New construction is valued at \$52,839,596. The commercial tax base, including real and business personal property, represents a strong 72.60% of taxable value.



While sales tax revenue growth remained strong through this fiscal year, this budget anticipates the leveling off of revenue in anticipation of an economic downturn and a slowdown in consumer spending. A Revenue Stabilization Fund was established in 2022-23 to preserve sales tax revenue exceeding \$23M.

The budget assumes annual sales of 2.5 billion gallons of water – consistent with consumption averages of the past five years. Water consumption is highly dependent on the weather and conservation efforts and is budgeted in a conservative manner. A \$2-\$2.5 million fund balance target provides help in evening out the fluctuations between “wet” and “dry” years. Moderate weather conditions, conservation efforts and increasing use of high-efficiency appliances have combined to stabilize annual sales at a historic 2.5 billion-gallon average.



Revenues – Major Operating Funds

This balanced budget is possible due to the continuing strength of the local and state economy in 2024-25. While revenue growth remained somewhat strong this fiscal year, the budget details General Fund revenues at \$91,999,900 or \$3,647,800 more than the 2024-25 adopted budget, but we anticipate a stabilizing of local revenues in anticipation of an economic downturn and slowdown in consumer spending. Our financial forecast anticipates revenues returning to normal growth trends.

The budget details Enterprise Fund revenues at approximately \$4,616,400 more than the 2024-25 adopted budget due to a proposed 15% water and sewer rate increase, which is necessary to keep pace with continued price increases from Dallas Water Utilities and the Trinity River Authority.

Revenues from Hotel/Motel taxes are anticipated to continue a trend of rebound. The budget details Hotel/Motel Fund revenues at \$426,300 more than the 2024-25 adopted budget, due primarily to the normalizing of hotel tax receipts.

Proposed Expenditures – Major Operating Funds

This year’s expenditures are focused on our workforce, inflationary increases impacting our core services and capital assets, and funding City Council and citizen priorities. Hiring and retaining skilled staff is crucial to providing quality service to our citizens and visitors. Increased competition for top-quality talent makes this a very aggressive market across all job sectors. This budget prioritizes expenditures to hire and retain top-quality staff to provide service for our residents and visitors to help make the City of Farmers Branch an employer of choice as we seek to fill positions.

This budget details General Fund operating expenditures at \$91,771,200 or \$3,419,100 (3.87%) more than the 2024-25 adopted budget due primarily to increases in legal and merchant processing fees, increases in contract related fees and additional funding for a number of programs and projects to address City Council and citizen priorities, and new positions for Police.

Enterprise Fund operating expenditures are budgeted at \$36,944,400 or \$4,439,900 (13.66%) more than the 2024-25 adopted budget due primarily to increased rates for treated sewer from the Trinity River Authority and the purchase of water from Dallas Water Utilities.

Hotel/Motel Fund operating expenditures are budgeted at \$3,737,600 or \$161,800 (4.52%) more than the 2024-25 adopted budget.

Fund Balances

This budget meets all multi-year financial objectives approved by the City Council. The current financial management policy notes that the City will maintain an unassigned fund balance to be used for unanticipated emergencies and needs of approximately 15% (approximately 54 days) to 20% (approximately 75 days) of the operating budget of the

General Fund. However, the City Council has expressed a desire to increase the target to a preferred 90-120 day reserve, which would be equivalent to 25.0%-33.0%, respectively.

The City defines a balanced budget as an operating budget where revenues equal or exceed expenditures and no use of fund balance is required. One of the City's multi-year financial objectives is to "formulate future budgets so that no use of fund balance will be required in the final operating results." The estimated final operating results are detailed as an exhibit to the budget, which illustrates the "most realistic scenario." For the General Fund, the most realistic scenario represents the expectation that actual expenditures will be \$500,000 less than budgeted due to cost savings, vacancies or contingency items that will not be needed.

By the end of the fiscal year, the General Fund is expected to have a fund balance of approximately \$21,264,850, with a more realistic estimate closer to \$22,264,850. The proposed budget projects an increase to the fund balance of \$228,700, but based on realistic projections, this increase could be as high as \$728,700. The targeted range for the General Fund fund balance is between \$13,025,055 and \$17,366,740.

This range will ensure the City maintains a healthy financial cushion for operations and emergencies. If the fund balance reaches the most realistic projection of \$22,264,850 it would represent 25.79% of the General Fund's operating expenditures (excluding costs related to fleet and equipment transfers). This percentage indicates a strong financial position relative to City spending. Notably, the City plans to formally set a target General Fund balance equivalent to 90 days of operating expenditures, which provides a prudent financial cushion to ensure continuity of services in the event of revenue disruptions or emergencies.

The Water & Sewer Fund targeted fund balance is \$4 million. This budget estimates that this fund balance will be \$6,623,957 at the end of the fiscal year, with a most realistic scenario of \$6,823,957. The Water & Sewer Fund budget details an addition to fund balance of \$176,500 and a most realistic projection of \$276,500.

This budget estimates that the Hotel/Motel Fund's most realistic fund balance will be \$2,471,602 at the end of the fiscal year with a target balance of \$1 million. The primary revenues for this fund are hotel occupancy taxes, which are restricted by State law as to their use. City Administration continues to review ways to use these revenues most effectively in accordance with State law.

Investment in Services, Facilities & People

This budget includes a proposal for a 3% step adjustment for all public safety employees and up to a 3% merit increase for non-sworn staff. A major compensation study is anticipated every five years with the next one planned for the 2026-27 fiscal year.

The City's TMRS retirement plan is in excellent shape, with a 90.8% funded ratio, which is well above the 80% benchmark for financial health. The \$31.47 million unfunded liability reflects a standard one-year reporting lag. The City follows ERBC guidelines and will monitor trends, with adjustments considered only if negative patterns persist for three years. Additionally, the City continues its policy of overfunding contributions when possible, helping to accelerate the reduction of unfunded liabilities and further strengthen the plan.

This budget reflects an addition of five public safety officers, three of which are being requested through a grant. General Fund personnel costs represent 55.86% of General Fund expenditures.

Capital Improvement & Fixed Asset Programs

The Capital Improvement Program (CIP) Funds detail major capital spending plans during the next seven years along with pay-as-you-go funding for major new facilities and public improvements. This budget includes \$20,608,207 for capital improvement projects. Some of the projects included in the multi-year Capital Improvement Program (CIP) Budget are:

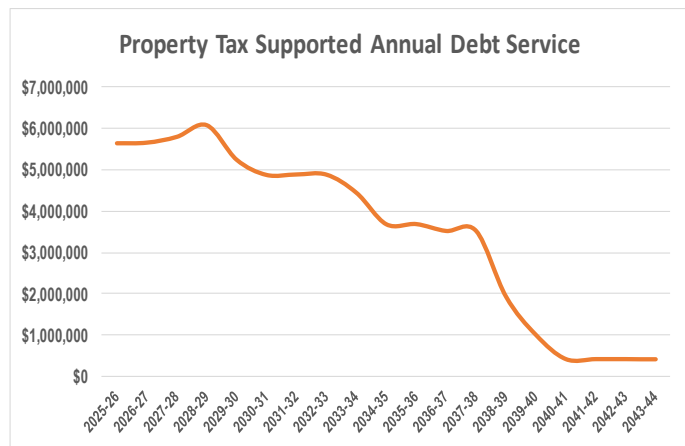
- Bridge Assessments
- Drainage Improvements

- Park Field Light Replacements
- Parks Masterplan Initiatives & Potential Project at Joya Park
- Station Area Engineering Initiatives
- Street Revitalization and Improvement
- Traffic Assessments
- Traffic Signal Rehabilitation
- Traffic Signals and School Beacons Remote Connectivity
- Trails and Connectivity Projects
- Utility Replacement and I&I Projects
- Water and Sewer Infrastructure Improvements (previously authorized bond funding)

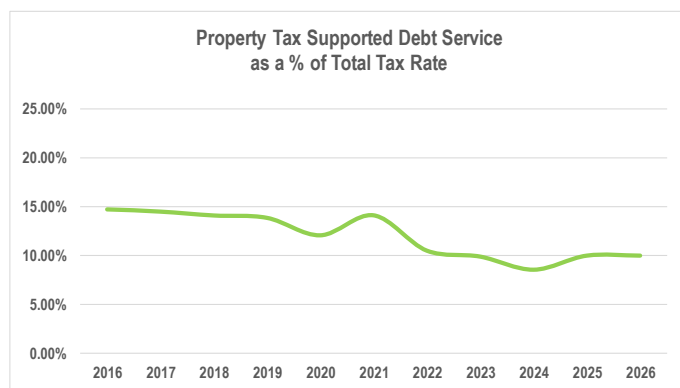
The Fixed Asset Funds are being phased out and fleet vehicle and equipment replacements will be budgeted directly in the Fleet Management Internal Service Fund according to the City's 2030 Asset Replacement Plan. Plans are to attempt to stabilize replacement costs according to the City's 2030 Asset Replacement Plan to avoid costly peaks in a particular budget year. This budget contains \$2,870,000 for the replacement of City vehicles and equipment.

Debt Service

The City's Debt Service Funds provide for repayment of outstanding debt obligations. These debt obligations are categorized as property tax supported debt and self-supporting debt. The property tax supported debt is repaid through the debt service portion of the property tax rate. Currently, there are eleven property tax supported bond issues outstanding with the longest final maturity in year 2043-44. In the 2025-26 fiscal year, approximately 10.84% of the proposed \$0.5435 property tax rate will be used to support debt service. The City's financial policy strives to limit general obligation annual debt service requirements to 20% of general governmental expenditures.



Self-supporting debt is generally repaid through either rental income (from the facility constructed with the debt proceeds), hotel occupancy taxes or increases in revenue related to issuance of the debt. Currently, there are two *self-supporting debt* issues outstanding with the longest anticipated final maturity in fiscal year 2046-47. The City follows a pay-as-you-go policy for Water & Sewer Fund operations. The Water & Sewer Fund is currently debt free and has been for more than 50 years.



ACKNOWLEDGMENT: A Collective Effort and Shared Success

This proposed budget is the result of thoughtful planning, teamwork, and an unwavering focus on serving our current and future residents and businesses. I want to extend my sincere thanks to Deputy City Manager Jawaria Tareen, Budget Manager Suzanne Prichard, our executive team, and the dedicated staff who contributed to the development of this budget. Their professionalism, discipline, and passion for public service are evident throughout this document.

I would also like to express my appreciation to the City Council for their clear direction, steadfast support, and commitment to responsible governance. Together, we are working to shape a future for our City that is financially strong, operationally sustainable, and responsive to the evolving needs of our growing community. We look forward to working collaboratively throughout the budget adoption process and to another successful year of serving this great community.

Respectfully submitted,

A handwritten signature in cursive script that reads "Benjamin W. Williamson".

Benjamin Williamson

City Manager, City of Farmers Branch



CITY OF FARMERS BRANCH

STRATEGIC PLAN 2026



FARMERSBRANCHTX.GOV
972-247-3131



FARMERS BRANCH

City Council



Terry Lynne
Mayor



Omar Roman
Councilmember
District 1



Tina Bennett-Burton
Mayor Pro Tem
District 2



David Reid
Councilmember
District 3



Elizabeth Villafranca
Councilmember
District 4



Roger Neal
Deputy Mayor Pro Tem
District 5



An aerial photograph of a lush green park. In the center, there is a calm pond with a small, active fountain in the middle. To the left of the pond, there is a sandy playground area with various play structures. A winding path runs along the edge of the pond, where many people are walking and sitting on the grass. The park is surrounded by dense green trees, and the overall atmosphere is peaceful and family-friendly.

THE BRANCH STORY

Located in the heart of the Dallas-Fort Worth metroplex lies an oasis of small-town charm—Farmers Branch. Surrounded by major freeways and vibrant commercial development, Farmers Branch has preserved a close-knit, family-friendly atmosphere while embracing innovation and progress.

With a low tax rate, 30 award-winning parks, miles of scenic trails, and a 104-acre nature preserve, the City offers a unique blend of natural beauty and urban convenience. It's a place where children thrive in top-rated local schools, families gather at the one-of-a-kind Joya Park, and neighbors truly know each other.

For the approximately 36,000 residents who call it home, Farmers Branch is more than just a location—it's a community. The City takes pride in fostering a welcoming and inclusive environment where homeowners, renters, business owners, workers, and visitors all belong.

To maintain and enhance this sense of community, the City continues to invest in public spaces, walkability, and connectivity. These efforts reflect our shared commitment to a high quality of life—one that blends tradition with thoughtful planning for the future.

That vision is guided by the City's Strategic Plan, which sets clear, measurable goals to ensure continued excellence in service and infrastructure. By staying focused on what matters most to our residents, Farmers Branch remains one of the most desirable and dynamic communities in North Texas.

MISSION

Our mission at the City of Farmers Branch is to be a forward-looking City with a vibrant and diverse economy that supports safe neighborhoods and great amenities.

VISION

Our vision is to build a dynamic community that consistently seeks to improve the quality of life for all who live, work, and visit.

CORE VALUES

Accountability

Leadership

Excellence

Respect

Innovation

Service



**FARMERS
BRANCH**

ABOUT THE STRATEGIC PLAN

This document does not mark the end of the strategic planning process; rather, it indicates that the work has just begun. This Strategic Plan is a living document that will be updated regularly to reflect changing conditions and challenges. The success of the planning process lies in the execution and implementation of the strategies moving forward and requires the collaborative efforts of our leaders and the community to achieve the goals set forward.

Developing and prioritizing strategic goals is the first step toward making decisions. The City’s Council determines priorities once staff has been able to articulate budget and operational impacts, policy implications, and timing. Measurement of the goals is equally important and is provided in the following performance targets. The following section lists the objectives and outcomes, describes the municipal strategic planning process, followed by the strategy map and strategic objectives.

2026 OBJECTIVES & OUTCOMES

Establish a shared understanding of the City’s priorities through collaborative council and staff dialogue.

Reaffirm or revise the City’s mission, vision, and values to align with the current community’s expectations.

Identify actionable strategic priorities that serve as a framework for departmental planning and budgeting.

Develop accountability mechanisms to track progress and ensure transparency.

CITY COUNCIL PRIORITIES

MAYOR

- **Strong & Diverse Economy**
 - Economic Revival
- **Connected Neighborhoods**
 - Trails
 - Parks
- **Public Safety**
 - Traffic Control & Calming Measures
 - Traffic Signage
 - Speeding
 - Road Reconfiguration
 - Unhoused Population
- **Customer Service**
 - Communication Signage throughout the City
 - Solid Waste - Bulk & Trash
 - Code Enforcement

D1

- **Mission & Vision**
- **Strong & Diverse Economy**
 - Economic Revival
 - Businesses - Grocery Stores
- **Connected Neighborhoods**
 - Trails
 - Parks
- **Public Safety**
 - Traffic Control & Calming Measures
 - Speeding
 - Road Reconfiguration
 - Crosswalks
- **High Performance**
 - Comprehensive Organizational Review

D2

- **Strong & Diverse Economy**
 - Economic Revival
 - Small Businesses
- **Connected Neighborhoods**
 - Sidewalks - Broken
 - Parks
- **Public Safety**
 - Traffic Control & Calming Measures
 - Speeding
 - Street & Trail Lights
 - Crosswalks

D3

- **Strong & Diverse Economy**
 - Economic Revival
- **Connected Neighborhoods**
 - Sidewalks
 - Parks
- **Public Safety**
 - Traffic Control & Calming Measures
 - Speeding
 - Road Reconfiguration
 - Unhoused Population

D4

- **Connected Neighborhoods**
 - Sidewalks
 - Parks
 - Community Partnership
- **Public Safety**
 - Traffic Control & Calming Measures
 - Speeding
 - Road Reconfiguration
 - Street/Trail Lights
 - Unhoused Population

D5

- **Strong & Diverse Economy**
 - Economic Revival
- **Connected Neighborhoods**
 - Sidewalks
 - Parks
- **Public Safety**
 - Traffic Control & Calming Measures
 - Speeding
 - Street & Trail Lights
- **Customer Service**
 - Communication Signage throughout the City
 - Solid Waste - Bulk & Trash
 - Code Enforcement

THE STRATEGIC PLANNING PROCESS

The City uses strategic planning as a structured framework to communicate priorities, guide decision-making, and facilitate ongoing feedback and adjustment. This process begins with the City Council articulating a long-term vision that sets the direction for the organization. This vision is typically developed during Council Strategic Planning Sessions and through dialogue with departments.



City staff are responsible for translating the Council’s vision into a strategic plan. This plan is created collaboratively with the Council to ensure a shared understanding of the desired outcomes, defined goals, and actionable strategies. The strategic plan serves as the foundation for operational alignment and performance measurement.

To be effective, the Council’s vision must align with the City’s mission, core values, and the demonstrated needs of the community. In turn, departmental goals, objectives, and initiatives must align with the adopted vision. Integrating the strategic plan with the City’s annual budget is essential to ensure resources are allocated in a manner that supports the achievement of strategic priorities.

Sustaining alignment requires active management. Leadership must continuously assess internal and external factors, adapt the vision as necessary, and recalibrate the plan accordingly. Regular communication between the Council and staff is essential for evaluating progress, addressing emerging challenges, and maintaining strategic focus.

During the budget development process, the Strategic Plan serves as a reference point for resource allocation. While the plan does not predetermine budget outcomes, it informs prioritization by framing the discussion around available resources and competing needs. This structured approach enhances transparency, strengthens accountability, and reinforces the City’s commitment to long-term goals.

FARMERS BRANCH STRATEGY MAP

The City's Strategy Map serves as a high-level framework that connects long-term vision to day-to-day action.

FOCUS AREAS These reflect the City Council's broader priorities and policy direction.



STRONG & DIVERSE ECONOMY



CONNECTED NEIGHBORHOODS



CUSTOMER SERVICE



HIGH PERFORMANCE



SUSTAINABILITY



PUBLIC SAFETY

Serve Our Customers (C)

C1. Achieve the Highest Standards of Safety and Security

C2. Provide Attractive, Unique, and Connected Spaces for Community Interaction

C3. Promote Opportunities for Community Participation in Government

C4. Be Open, Accessible, and Transparent

C5. Attract and Retain Top-Tier Businesses to Drive a Unique and Sustainable Economic Environment

Manage the Business (B)

B1. Achieve Best-in-Class Status in All City Disciplines

B2. Enhance Service Delivery through Continual Process Improvement

B3. Optimize the Use of Technology

B4. Ensure Constant and Effective Communication Both Internally and Externally

B5. Adhere to the Strategic Management System

Provide Financial Stewardship (F)

F1. Invest to Maintain and Provide High-Quality Public Assets

F2. Seek Out and Maintain Alternative Funding Resources

F3. Provide Services in the Most Efficient and Effective Manner Possible

F4. Adhere to Financial Management Principles and Budget

F5. Establish and Maintain Effective Internal Controls

Promote Learning and Growth (L)

L1. Ensure Our Team Understands Our Strategy and How They Contribute to It

L2. Enhance Leadership Capabilities to Deliver Results and Develop Bench Strength

L3. Attract, Develop, and Retain Employees Who Embrace Our Values

L4. Recognize and Reward Top Performers

L5. Foster Positive Employee Engagement

C

SERVE OUR CUSTOMERS

C1. Achieve the Highest Standards of Safety and Security

- Implement road safety and speed mitigation measures.
- Complete a sidewalk and traffic condition audit to prioritize improvements.
- Expand neighborhood and trail lighting in collaboration with Oncor.
- Partner with Housing Forward, Metrocrest Services, and DART to coordinate support for the unhoused.
- Implement data-driven policing techniques to target high-crime areas and suppress violent and property crime by establishing a Criminal Intelligence unit.
- Continue utilizing the traffic unit to focus on enforcement of speeding, red light, and stop sign violations on City streets.
- Expand traffic unit functions to include commercial vehicle enforcement to reduce crashes and increase public safety.
- Installation of telematic devices in city vehicles to monitor driver behavior, provide feedback, and improve safety monitoring.
- Continued compliance with security and data compliance standards, such as, CJIS (Criminal Justice Information Services), HIPAA (Health Insurance Portability and Accountability Act), and PCI DSS (Payment Card Industry Data Security Standard).
- Achieve Lead and Copper Rule Revision (LCRR) Phase 4-5 compliance .
- Complete annual fire prevention inspections.
- Initiate programming for electric vehicle fire response.
- Enhance the safety and security of all City buildings through camera upgrades and eliminating blind spots with improved coverage.
- Continue to Build Emergency Planning, Training, and Exercise programs, and Special Event Planning.
- Ensure the City has effective sheltering and reunification capability.

C2. Provide Attractive, Unique, and Connected Spaces for Community Interaction

- Relocate and expand the community garden at the Rose Garden.
- Install identity signage and activate public spaces through community initiatives.
- Participate in community events, perform community outreach through targeted events such as Coffee with a Cop, and provide community education through the Crime Prevention Officer and departmental programs.
- Support City departments by providing and maintaining City vehicles.
- Enhance game fields at Farmers Branch Park to support residential & tournament needs as the City becomes an economic development sports hub.
- Update and enhance all major thoroughfares, medians, and City entrances.
- Update and enhance all City facilities exteriors, including landscape.
- Continue expansion of “Whole Community” approach to Emergency Management.

C3. Promote Opportunities for Community Participation in Government

- Partner with CFBISD and local groups to enhance shared programming.
- Partner with departments to make services more easily available.
- Deliver positive community engagement programming.
- Use an events advisory committee that includes community members, allowing direct influence on community events.

C4. Be Open, Accessible, and Transparent

- Increase Police Department efforts to be open, accessible, and transparent by assigning staff to manage open records requests and digital evidence retention.
- Provide accurate data on fleet performance, costs, and environmental impact to inform city-wide strategic decisions and meet demands for transparency. Utilize the Fleetio management system to track and report on vehicle data, maintenance, and other key metrics.
- Replace the City's aging AV broadcast system.
- Educate and Inform on CWD Route Revisions.

C5. Attract and Retain Top-Tier Businesses to Drive a Unique and Sustainable Economic Environment

- Develop and implement a business retention and expansion program.
- Conduct a citywide market and feasibility study targeting anchor tenants (e.g., Trader Joe's, H-E-B).
- Launch incentive programs for business attraction, retention, and façade improvements.
- Develop a city-wide tourism brand by building a compelling tourism identity.
- Partner with TXDOT to reimagine the I-35 corridor for economic redevelopment.

B

MANAGE THE BUSINESS

B1. Achieve Best-in-Class Status in All City Disciplines

- Conduct a citywide organizational review for efficiency and alignment.
- Realign departments for cross-functional collaboration and service integration.
- Modernize the fleet by replacing aging vehicles with more fuel-efficient and technologically advanced models. Implement and improve modern technology systems, including Fleetio for management and Samsara for telematics. Provide ongoing training and certification opportunities (GM Mega Fleet, TAEVT, ASE) to ensure mechanics are skilled in new technologies and best practices.
- Continue implementation of a data governance strategy.
- Invest in firefighter health and safety.
- Begin the process of aligning Parks Department processes to achieve National Parks and Recreation Association Accreditation Agency status. Goal to achieve agency accreditation by FY28.

B2. Enhance Service Delivery through Continual Process Improvement

- Review and modernize internal policies and standard operating procedures.
- Streamline the work order process within Fleetio to reduce paperwork and improve efficiency.
- Develop standardized procedures for vehicle inspections and preventative maintenance.
- Refine vehicle replacement protocols to account for current industry standards. Transition to an in-house parts program to reduce downtime caused by parts shortages.
- Expand Utilization of Smart Meters.
- Track the progress of stormwater permitting.
- Complete Stormwater rate study.
- Complete water and sanitary sewer improvements.
- Use listen 360 survey or other digital platforms to collect feedback from park visitors and program participants.
- Utilize data analytics to track usage patterns, program effectiveness, and facility conditions, allowing for informed decisions that improve service quality and resource allocation.

B3. Optimize the Use of Technology

- Modernize and improve website functionality and content delivery
- Develop virtual town halls and/or optimize virtual attendance, performance dashboards, and public feedback systems
- Upgrade IT infrastructure and data systems for performance management
- Launch new agenda, voting, and video software to enhance Council meeting viewing and technology experience.
- Utilize the Fleetio software system to track maintenance schedules, repairs, vehicle performance, and work orders. Leverage the Samsara telematics system to monitor driver behavior, improve safety, and gather data for utilization studies. Implement the Dover DX Fleet fuel management system to monitor consumption and identify inefficiencies.
- Update phone system to better facilitate a modern workforce.
- Update server architecture to stay current and improve disaster preparedness.
- Innovative technology needs at library include installing a new self-checkout station on the lower level and replacing the patron commercial printer.
- Offer secure, online payment options for memberships, classes, facility reservations and events, making it easier for users to complete transactions efficiently and at their convenience.
- Develop GIS, Teams, SharePoint, and other computer-based tools to assist with preparedness, response, and recovery operations

B4. Ensure Constant and Effective Communication Both Internally and Externally

- Introduce welcome initiatives for new residents and businesses.
- Expand communication tools to reach all Farmers Branch community members, including multi-family and business members, through geotargeting efforts and newsletter enhancements.
- Continue public engagement and outreach efforts through HOAs, apartment communities, and neighborhood groups.
- Continue to expand social media presence to increase engagement and recruiting efforts.
- Conduct regular meetings with key internal stakeholders to discuss fleet-related items.
- Continue to improve on-boarding and off-boarding processes.
- Build and develop team relationships.
- Ensure court processes support the municipal court judge and prosecutors, limit case backlogs, and facilitate adjudication of citations issued.
- Update and reconcile capital projects quarterly.

B5. Adhere to the Strategic Management System

- Build Upon Citywide Succession Planning for Business Continuity – Establish succession planning alignments across all City functional areas to maintain operational continuity and enhance efficiency. Build and establish succession plans for key positions in each department, establish organizational charts, provide leadership development/training sessions, and integrate Monday.com for streamlined task management.
- Invest in Our Employees – Support the City’s mission by investing in the professional development and training of our workforce via classification and compensation, professional development and employee training, and performance management.





PROVIDE FINANCIAL STEWARDSHIP

F1. Invest to Maintain and Provide High-Quality Public Assets

- Fulfill the core responsibility of maintaining a significant portion of the City's assets, specifically its vehicles and heavy equipment. Enhance preventative maintenance programs to reduce vehicle downtime and extend the lifespan and quality of these assets. Implement a comprehensive vehicle replacement plan to modernize the fleet.
- Replace aging Fire fleet.
- Continue to follow and assess the asset replacement schedule.
- Rehabilitate and revitalize streets via streets improvements.
- Farmers Branch Creek: Ford Road Repairs
- Farmers Branch Creek: Reach 4 Repairs
- Farmers Branch Creek: Reach 2 Repairs
- In District 1, complete design for Cox and Oran Good Parks in conjunction with redevelopment of Farmers Branch Elementary. Identify funding needed for the park improvements.
- Revitalize Squire Park to create a safe, welcoming space.
- Complete Mercer Park.
- Invest in long-term planning to gradually replace or renovate aging infrastructure. Set aside a portion of funds annually for large-scale capital improvement projects to avoid sudden, large financial burdens on general fund.
- Begin process of researching how library services can be made available to more parts of the City. I.e. bookmobiles.
- Continue support of the Community Garden for an additional year as they move to a non-profit organizational status.
- Conduct comprehensive facility condition assessments for all city-owned buildings.

F2. Seek Out and Maintain Alternative Funding Resources

- Explore funding opportunities for proposed changes through grants and partnerships. Leverage cooperative bidding to ensure we are obtaining the best value for the city when making purchases.
- Assist with departmental grants from both a financial and managerial perspective.

F3. Provide Services in the Most Efficient and Effective Manner Possible

- Enhance fuel efficiency and lower operational costs by upgrading vehicles, introducing a new fuel management system, and promoting fuel-efficient driving habits. Optimize fleet utilization by conducting studies to identify and eliminate under utilized or oversized vehicles. Negotiate favorable contracts with vendors for parts and services to generate cost savings.
- Continually review and renegotiate contracts to provide the best value to the city.
- Continue to move all facility reservations online.

F4. Adhere to Financial Management Principles and Budget

- Manage and control costs through fleet data analysis, contract management, and efficient budgeting.
- Assist departments with budgets, cash receipting, procurement, p-cards, and long-term planning.
- Manage cash and investments by maintaining appropriate cash flow and maximizing investment income.
- Manage depository, external auditor, financial advisor, investment advisor, and merchant services contract relationships.
- Comply with Federal statutes and regulations, Texas statutes and regulations.
- Develop clear, itemized preventative maintenance budget.
- Develop clear, itemized Recreation Center equipment, and Aquatic infrastructure replacement budget.

F5. Establish and Maintain Effective Internal Controls

- Utilize the software systems to track assets, monitor maintenance schedules, control parts inventory, and oversee fuel consumption.



PROMOTE LEARNING AND GROWTH

L1. Ensure Our Team Understands Our Strategy and How They Contribute to It

- Redefine and reaffirm organizational values, mission, and vision in collaboration with employees, stakeholders, and the City Council. Implement and integrate mission, vision, and values in all facets of City operations and procedures.
- Implement cross-training to ensure staff understand various essential functions and how they support the department's continuity of operations.
- Evolve staff training to be learning path centric.

L2. Enhance Leadership Capabilities to Deliver Results and Develop Bench Strength

- Launch a tiered leadership academy, executive tracks, and succession plans.
- Leverage behavioral analysis profiles to understand core communication and behavioral strengths, gaps, and opportunities, creating more self-aware and emotionally intelligent leaders.
- Provide clear, concise, and resource-rich guides, SOPs, training, and best practices to supervisors for all technical, legal, and policy-related topics.
- Actively cross-train staff to create leadership succession.
- Continue exploration of product features and training resources available.
- Develop skills via specialized rescue training.
- Offer continuous leadership training in decision-making, conflict resolution, team building, and communication to equip current and future leaders to manage challenges and inspire their teams effectively.
- Encourage regular collaboration between facility maintenance, parks and recreation teams to share insights, align goals, and tackle community challenges together, improving service delivery.

L2. (Continued) Enhance Leadership Capabilities to Deliver Results and Develop Bench Strength

- Encourage all parks and recreation management staff to achieve status of a Certified Parks and Recreation Professional or Executive, to maintain a high level of industry professional standards.

L3. Attract, Develop, and Retain Employees Who Embrace Our Values

- Plan and execute an organizational stay survey, utilizing qualitative and quantitative survey methodologies to gather empirical and actionable data about what matters most to employees.
- Organizational Training & Development Needs Analysis – Identify the training and development needs of the organization. Develop and implement learning sessions that meet the needs identified in the analysis.
- Promote physical wellness and provide ongoing mental wellness support for public safety staff.
- Provide ongoing training and professional development opportunities to keep staff skills current and enhance job satisfaction.
- Ensure salaries are comparable to other municipalities and the private sector when an equivalent position exists.
- Build upon leadership retention and succession planning and develop team relationships.

L4. Recognize and Reward Top Performers

- Provide opportunities for advancement and promotion from within the department.
- Seek and apply for prevention excellence awards.
- Acknowledge team achievements in meetings, digital newsletters, or on social media.
- Sponsor attendance at conferences, workshops, or classes to help employees grow in their careers and bring back new ideas to the city.

L5. Foster Positive Employee Engagement

- Create and structure a cross-departmental C-Suite shadowing program with front-line workers/public safety.
- Consider hosting bi-monthly anniversary breakfasts hosted by the City Manager with an open Q/A session.
- Create, promote, and provide resources to non-HR engagement programs hosted by City employees.
- Celebrate employee achievement and excellence via annual public safety awards banquets.
- Invest in staff through ongoing training and professional development. Provide employees with modern, well-equipped facilities and advanced technology tools.
- Streamline and optimize the IT support process.
- Create monthly department engagements to enable employees to cross-promote work areas and enhance team collaboration.
- Encourage leadership roles to promote diversity and inclusion by creating a supportive and respectful environment where everyone feels valued and heard.

Relationship Between the City of Farmers Branch Strategic Objectives and Departmental Performance Goals

<u>Strategic Objectives</u> Serve our Customers (C) Manage the Business (B) Provide Financial Stewardship (F) Promote Learning and Growth (L)	City Manager's Office	City Secretary & Administration Services	Community Services	Economic Development & Tourism	Finance	Fire	Fleet & Facilities Services	Human Resources	Innovation & Technology	Animal Services	Parks	Planning	Police	Public Works
C.1 Achieve the highest standards of safety and security	X		X			X	X		X	X			X	X
C.2 Provide attractive, unique, and connected spaces for community interaction	X		X	X						X	X			X
C.3 Promote opportunities for participation in government	X	X	X			X				X	X		X	
C.4 Be open, accessible, and transparent	X													X
C.5 Attract and retain top-tier businesses to drive a unique and sustainable economic environment	X			X								X		
B.1 Achieve best-in-class status in all City disciplines	X			X		X		X						
B.2 Enhance service delivery through continual process improvement	X		X	X	X			X	X	X	X	X		X
B.3 Optimize the use of technology	X	X	X				X		X	X				
B.4 Ensure constant and effective communication both internally and externally	X	X	X		X	X				X	X			
B.5 Adhere to the strategic management system	X	X	X	X	X	X	X	X	X	X	X	X	X	X
F.1 Invest to maintain high quality public assets	X				X	X	X							X
F.2 Seek out and maintain alternative funding resources	X			X										
F.3 Provide services in the most efficient and effective manner possible	X						X							
F.4 Adhere to financial management principles and budget	X				X									
F.5 Establish and maintain effective internal controls	X													
L.1 Ensure our team understands our strategy and how they contribute to it	X								X					
L.2 Enhance leadership capabilities to deliver results and develop bench strength	X	X				X		X				X		
L.3 Attract, develop, and retain employees that embrace our values	X	X	X	X	X	X	X	X	X	X	X	X	X	X
L.4 Recognize and reward top performers	X					X		X						
L.5 Foster positive employee engagement	X	X	X	X	X	X	X	X	X	X	X	X	X	X

BUDGET FACTS

(Commonly Asked Questions)

FISCAL YEAR 2025-26 BUDGET

	FISCAL YEAR 2025-26 BUDGET	FISCAL YEAR 2024-25 BUDGET
<u>Budgeted Expenditures</u>		
Total Budget	\$ 169,968,734	\$ 169,354,967
Operating Budget (includes transfers)	\$ 149,360,527	\$ 139,603,336
Capital Budget (includes transfers)	\$ 20,608,207	\$ 29,751,631
 <u>Property Taxes ⁽¹⁾</u>		
	<u>Certified Estimate</u>	<u>Certified Estimate</u>
Total Residential Taxable Value	\$ 2,776,020,270	\$ 2,734,044,405
Total Commercial Real Taxable Value	\$ 6,037,427,132	\$ 5,829,688,118
Total Business Personal Property Taxable Value	\$ 1,317,757,382	\$ 1,363,473,224
Total Taxable Value *	\$ 10,131,204,784	\$ 9,927,205,747
Total Exemptions Value *	\$ 1,993,037,876	\$ 2,072,539,703
Tax Rate (per \$100 assessed value)	\$ 0.543500	\$ 0.543500
Average Home Market Value	\$ 452,788	\$ 441,002
Property Tax Homestead Exemption	20% (Min \$5,000)	20% (Min \$5,000)
New Construction Value	\$ 52,839,596	\$ 139,511,100
 Property Tax Over-65 Exemption	 \$ 100,000	 \$ 100,000
Property Tax Disabled Exemption	\$ 100,000	\$ 100,000
Estimated Population (per NCTCOG) ⁽¹⁾	40,246	39,070

	FISCAL YEAR 2025-26 BUDGET		FISCAL YEAR 2024-25 BUDGET	
	Budget	Full-Time Equivalents (FTE) ⁽²⁾	Budget	Full-Time Equivalents (FTE) ⁽²⁾
Full-Time	443.00	443.00	446.00	446.00
Part-Time	65.00		77.00	
Full-Time Equivalent (FTE) ⁽²⁾		29.25		34.65
	508.00	472.25	523.00	480.65

* Excludes Values in Protest

(1) The estimated population is provided by the North Central Texas Council of Governments (NCTCOG) each January.

(2) Full-time equivalents are calculated by totaling part-time budgeted positions by 45%. Seasonal positions are excluded.

Farmers Branch Profile

The City of Farmers Branch is a political subdivision and home rule municipal corporation of the State, duly organized and existing under the laws of the State, including the City's Home Rule Charter. The City was incorporated in 1946 with an election on February 23rd and first adopted its Home Rule Charter in 1956. The City operates under a Council/Manager form of government governed by an elected Mayor and a five-member council representing single member districts. The term of office is three years with the terms of two members expiring each year. The City Manager is the Chief Executive Officer for the City. Some of the services that the City provides are: public safety (police and fire protection), streets, water and sanitary sewer utilities, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. The population during the City's year of incorporation was 800. The 2010 U.S. Census population for the City is 28,616 while the estimated 2020 U.S. Census population estimate is 35,985. The current estimate provided by the North Central Texas Council of Governments (NCTCOG) is 40,246.

History

Farmers Branch was settled in 1842 by Thomas Keenan and his wife Sarah. The area was called Mustang, as part of Peter's Colony, but later changed to Farmers Branch due to the rich soil and flourishing crops. The settlement originally included all of the land between White Rock Creek on the east, the Elm Fork of the Trinity River on the west, the Dallas County line on the north, and Cedar Springs on the south.

John Keenan was the first child born in Farmers Branch, but died two months later. He is buried in the Keenan Cemetery located on Valley View Lane, part of the original Keenan land.

Farmers Branch was widely advertised both in the East and in Europe. During the years 1845-1850, it was the best known of all of the Texas settlements. The settlers were, for the most part, fairly well educated.

A blacksmith shop and gristmill were started in 1845 by the Reverend William Bowles, a Baptist minister. The same year, Isaac Webb donated land for Webb Chapel Methodist Church, which also served as the first school in the county. Mr. Webb also served as the first postmaster when the Farmers Branch Post Office was established in 1848. The Webb Chapel Methodist Church closed its doors after a final worship service on April 24, 2021, due to declining membership and the impact of the COVID pandemic.

Other early settlers include Dr. Samuel Gilbert and his wife Julia. The couple lived with Isaac Webb until their home was completed in a grove of stately Post Oak trees. The Gilbert House consists of two-foot thick limestone walls and chestnut plank floors. The Gilbert House, located in the Farmers Branch Historical Park, is the oldest rock structure in Dallas County that is still on its original foundation.

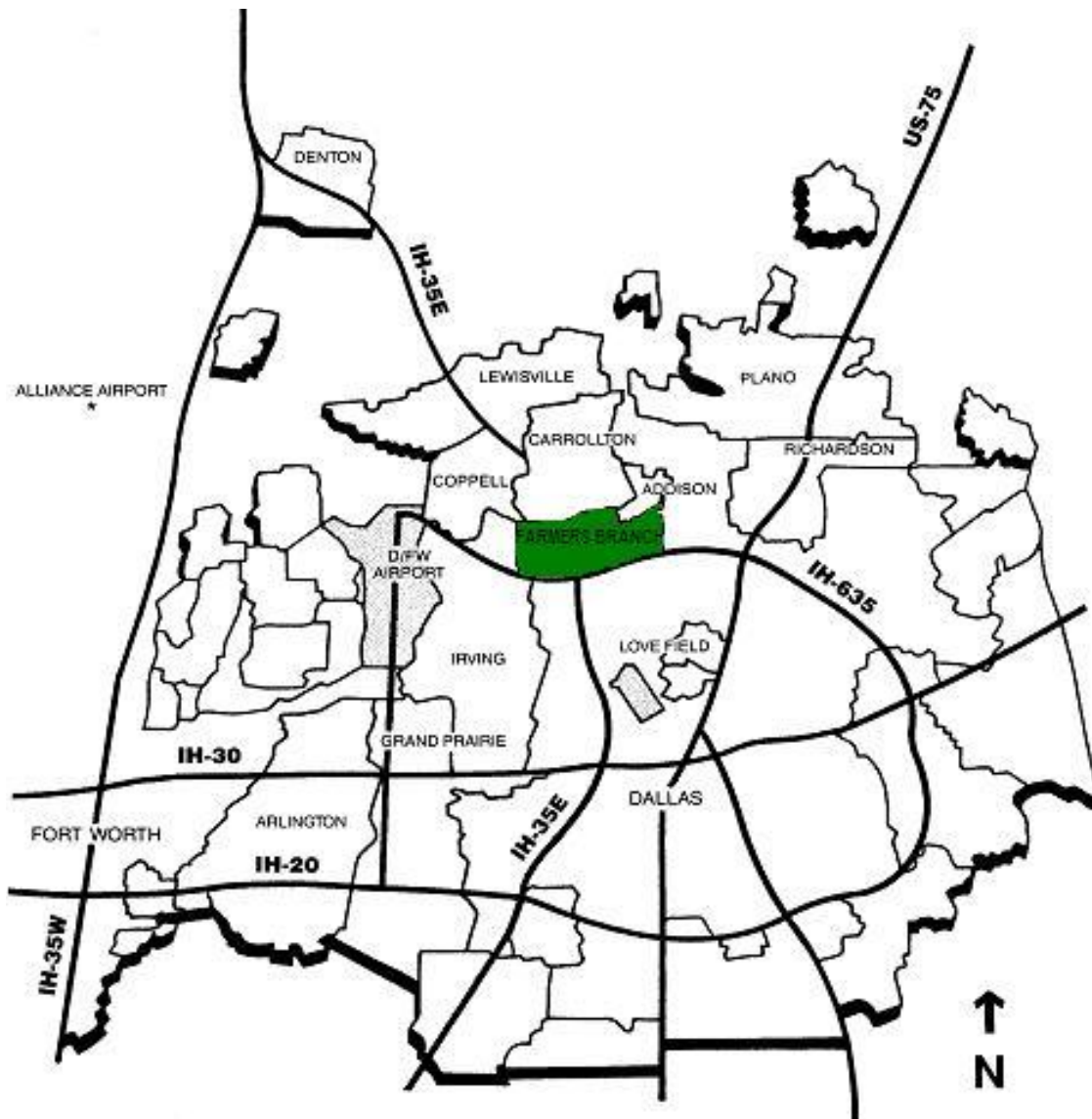
The first school was not well located, and a new one was built about a mile northwest of the first on Rawhide Creek. Rawhide Creek was named from the first tanning yard in the county built by R.J. West. Due to the demand for leather, Mr. West did not allow the hides to cure in the vats long enough so that when they became dry - they were extremely hard.

In 1874, to assure that railroads would come to Farmers Branch, Dr. Gilbert and other local settlers sold right-of-way through their land. Around 1877, the Dallas and Wichita Railroad built a depot. The original depot has been restored and relocated to the Farmers Branch Historical Park.

There are many interesting tales of happenings in the Farmers Branch settlement, Indian raids on pumpkin patches, bears in the wilderness, and the like. The last buffalo seen east of the Elm Fork of the Trinity River was killed in early 1846 in a small glade about two miles southwest of the town now known as Farmers Branch. (This is approximately present-day Royal Lane and Luna Road.)

The City

The City of Farmers Branch is a dynamic powerhouse business center in North Dallas and is centrally located in the Metroplex – covering approximately 12.1 square miles. The City is bordered by two interstate highways and two toll roads and is less than 15 minutes from both Dallas/Fort Worth International Airport and Dallas Love Field. In addition, the service provided by the Dallas Area Rapid Transit's Light Rail Green Line further enhances Farmers Branch's reputation as a premier transportation hub for North Texas.



Farmers Branch is the picture-perfect place to live, work, and play and is home to more than 4,000 companies and more than 250 corporate headquarters. Farmers Branch is an extraordinary community with a small-town feel and big-city convenience.

Three creeks traverse the City and there are 30 parks filled with picnic areas, bridges, playgrounds, walking areas and natural surroundings, as well as numerous walking trails and a 104-acre nature preserve. Farmers Branch has preserved history in its 27-acre Historical Park that takes visitors on a “walk back through time” to the days of the early settlers in the 1800s. The Historical Park is also the site for many of the City’s special events and may be reserved for weddings, parties, family reunions and other special gatherings. In 2024, the City added a new addition to the Historical Park, Venue 1842, which is the perfect marriage of vintage charm and modern elegance and an ideal location for weddings, corporate retreats and family gatherings. Venue 1842 is an 8,100 square foot event venue and has the capacity for up to 200 seated guests.

Tax Base

Farmers Branch is able to provide many top-quality services to residents because 72.60% of the tax base comes from the business community. The top ten largest property taxpayers for the previous tax year are as follows:

TAXPAYER	NATURE OF PROPERTY	TAXABLE VALUE	PERCENTAGE OF TOTAL CERTIFIED TAXABLE VALUE
WRIA 2017 LP	Real Estate Development	\$ 199,500,000	2.01%
JDFW Boardwalk LLC	Real Estate Development	198,450,000	2.00%
Luxia Gallery House LLC	Apartment Complex	173,000,000	1.74%
Royal TX Partners LLC	Real Estate - Office/Showroom	136,000,000	1.37%
UDR Canal I LLC	Real Estate Development	128,000,000	1.29%
Mercer Acquisition LLC	Real Estate Development	113,500,000	1.14%
VAF2 Mack Lakeside LLC	Real Estate Development	106,000,000	1.07%
Lakeview at Parkside	Apartment Complex	102,000,000	1.03%
International Plaza I	Real Estate Development	101,000,000	1.02%
5005 LBJ Tower LLC	Office Tower - Class A	99,926,650	1.01%
		<u>\$ 1,357,376,650</u>	<u>13.68%</u>

Special Services

Some of the special services offered in Farmers Branch include twice-weekly garbage collection, pickup of recyclables and brush once-a-week, and pickup of bulky items once-a-month. Beginning in Fiscal Year 2024-25, the City implemented a \$5.00 fee (\$2.50 for resident seniors and disabled persons) for these special services. The fee will be used to support future landfill closure/post-closure costs. Citizens also enjoy informational programs seven days a week on the City's Cable Access Channel 16 – FBTv, WPIW 1670 AM radio station and receive a monthly City newsletter. The Police Department offers a free House Watch program for residents who are away from home, as well as other specialized services.

Education

Education for school-age children in Farmers Branch is provided by two different school districts dependent upon where a family resides. The City is served by the Carrollton-Farmers Branch and Dallas Independent School District's. The majority of the City's residents are part of the Carrollton-Farmers Branch ISD, which encompasses a 53.42 square mile area and provides a quality educational system that believes in the importance of a strong community-school relationship. This belief, combined with a strong financial base, makes the Carrollton-Farmers Branch ISD a star attraction in the Dallas-Fort Worth metroplex. Some of the best K-12 private schools in the Dallas area are in or in close proximity to Farmers Branch. The Carrollton-Farmers Branch ISD created the R.L. Turner High School Academies for Biomedical Professions and Media Arts & Technology to serve growing demand for these professions.

Nine major Texas universities and colleges are located within easy driving distance of Farmers Branch. They include Dallas College Brookhaven Campus, the University of Dallas, Texas Christian University, Texas Woman's University, Southern Methodist University, the University of North Texas, the University of Texas at Arlington, the University of Texas Southwest Medical Center, and the University of Texas at Dallas.

Health Care

Farmers Branch is fortunate to have top-quality medical facilities like Dallas Medical Center. There are numerous other major medical facilities only minutes away.

Community Services

Above are just a few of the special benefits offered in Farmers Branch. However, what makes Farmers Branch so unique is its residents. The people of Farmers Branch are concerned, involved and proud of their community. That's what makes us, "A Cut Above the Rest!"

Stay Connected

To learn more about the City of Farmers Branch, please visit the City's website at www.farmersbranchtx.gov or connect with us through one of the following platforms at <https://www.farmersbranchtx.gov/181/Communications>:

- **Branch Bulletin**
To keep up with the ever-increasing demand for news and information, the City of Farmers Branch offers news and information (delivered electronically) directly to your fingertips via the Branch Bulletin.
- **Farmers Branch TV**
FBTV (Farmers Branch Television) is the source for local news and information on city services, events, and activities. FBTV can be found on cable channel 16 in Farmers Branch and streamed live, in real-time, 24 hours a day on the City's website.
- **Newsroom**
To keep up with the ever-increasing demand for news and information, the City of Farmers Branch offers news and information through the City's newsroom.
- **Social Media**
Access social media accounts for various departments in Farmers Branch.
- **Sign up for E-News and Branch Alerts**
- **Branch Review Newsletter**
View the most recent Branch Review monthly newsletter in English or Spanish.

Census Snapshot

DEMOGRAPHICS			
	2000	2010	2020
City Population	27,508	28,616	35,985
Area (Square Miles)	12.1	12.1	12.1
Median Age	34.7	35.6	34.1
Percent of Population by Age Group			
Residents of Ages 0 to 19	28.52%	26.46%	24.00%
Residents of Ages 20 to 34	21.99%	22.64%	27.80%
Residents of Ages 35 to 54	28.01%	27.34%	25.50%
Residents of Ages 55 to 64	9.33%	10.28%	10.40%
Residents of Ages 65 and Older	12.13%	13.28%	12.10%
Total Persons of Working Age (16 years & older)	21,553	23,017	33,957
Employment by Occupations ⁽¹⁾			
Mgmt., Profess. & Related Occupations	32.30%	29.50%	42.70%
Service	13.30%	15.30%	15.50%
Sales and Office	29.70%	26.20%	21.70%
Farming and Forestry	0.20%	0.10%	N/A
Natural Resources, Construction & Maintenance	9.40%	14.90%	8.20%
Production, Trans. & Material Moving	15.20%	14.00%	11.90%
Population by Income Level ⁽¹⁾			
Per Capita Income	\$ 24,921	\$ 27,258	\$ 36,311
Median Family Income	\$ 57,531	\$ 54,665	\$ 83,605
Population by Highest Education Level ⁽¹⁾ (% of Population 25 Years & Older)			
Less Than 9th Grade	11.9%	12.5%	10.0%
9th to 12th Grade, No Diploma	11.9%	12.6%	6.8%
High School Graduate (includes equiv.)	21.9%	24.0%	17.3%
Some College, No Degree	22.8%	18.8%	15.9%
Associate's Degree	4.2%	4.9%	5.0%
Bachelor's Degree	19.4%	18.7%	29.9%
Graduate or Professional Degree	7.8%	8.5%	15.2%
Population by Race & Ethnicity			
White	78.4%	73.4%	64.7%
Black or African American	2.4%	4.8%	8.3%
American Indian	0.5%	0.7%	1.0%
Asian or Pacific Islander	3.0%	4.4%	10.7%
Other	13.0%	13.8%	6.5%
Persons Reporting Two or More Races	2.7%	2.9%	8.8%
Hispanic or Latino (of any race)	37.2%	45.4%	44.3%
Occupied Housing Units	9,766	10,797	35,860
Owner-Occupied Housing Units	6,642	6,515	19,368
Renter-Occupied Housing Units	3,124	4,282	16,492
Households by Income ⁽¹⁾			
Less than \$10,000	3.70%	4.00%	2.10%
\$10,000 to \$14,999	3.00%	2.90%	1.70%
\$15,000 to \$24,999	8.30%	9.70%	5.40%
\$25,000 to \$34,999	12.20%	11.90%	7.50%
\$35,000 to \$49,999	17.00%	18.50%	11.80%
\$50,000 to \$74,999	23.60%	18.90%	22.40%
\$75,000 to \$99,999	12.50%	12.60%	14.60%
\$100,000 to \$149,999	11.90%	13.80%	18.40%
\$150,000 to \$199,999	4.00%	3.70%	8.40%
\$200,000 or more	3.80%	3.90%	7.70%

Source: U.S. Census Bureau

Miscellaneous Data

BUSINESS CATEGORIES ⁽²⁾	
Based on Quarters 1 thru 4 of 2024	
Business Classification	Taxable Sales
Retail Trade	\$ 359,070,876
Administrative and Support and Waste Management and Remediation Services	291,926,885
Wholesale Trade	287,343,943
Construction	285,816,474
Professional, Scientific and Technical Services	102,017,477
Accommodation and Food Services	98,376,273
Other Services (except Public Administration)	43,627,613
Information	31,561,476
Manufacturing	29,953,535
Real Estate and Rental and Leasing	26,008,554
Management of Companies and Enterprises	12,190,412
Arts, Entertainment and Recreation	10,054,856
Educational Services	4,808,450
Warehousing and Transportation	807,337
Health Care and Social Assistance	47,914
Number of Ballots Cast in May 2025 Election:	1,244
District 1:	366
District 4:	878
Number of Registered Voters in May 2025 Election:	8,752
District 1:	3,496
District 4:	5,256
Estimated Population per January 2025 City Population	40,246
Estimate - North Central Texas Council of Governments	
Estimated Daytime Population ⁽¹⁾	66,000

⁽¹⁾ Source for selected economic characteristics is based on the latest version of the American Community Survey 5-Year Estimates report.

⁽²⁾ Source for Business Categories is the Texas State Comptroller's Office.

What is a Municipal Budget?

The municipal budget details all of the expenses and revenues that the City of Farmers Branch needs to provide quality services for its citizens for a full fiscal year (October 1st - September 30th). The fiscal year name is based on the calendar year when the fiscal year ends. So, Fiscal Year 2026 ends on September 30, 2026. The municipal budget is considered a financial plan, policy plan, operating guide, and communications device.

The municipal budget is similar to a family budget that you might create to ensure that the money you earn adequately covers the money you spend. Unlike your family budget though, the City of Farmers Branch's budget is a legally adopted document, which means that it can only be changed through an act of the City Council.



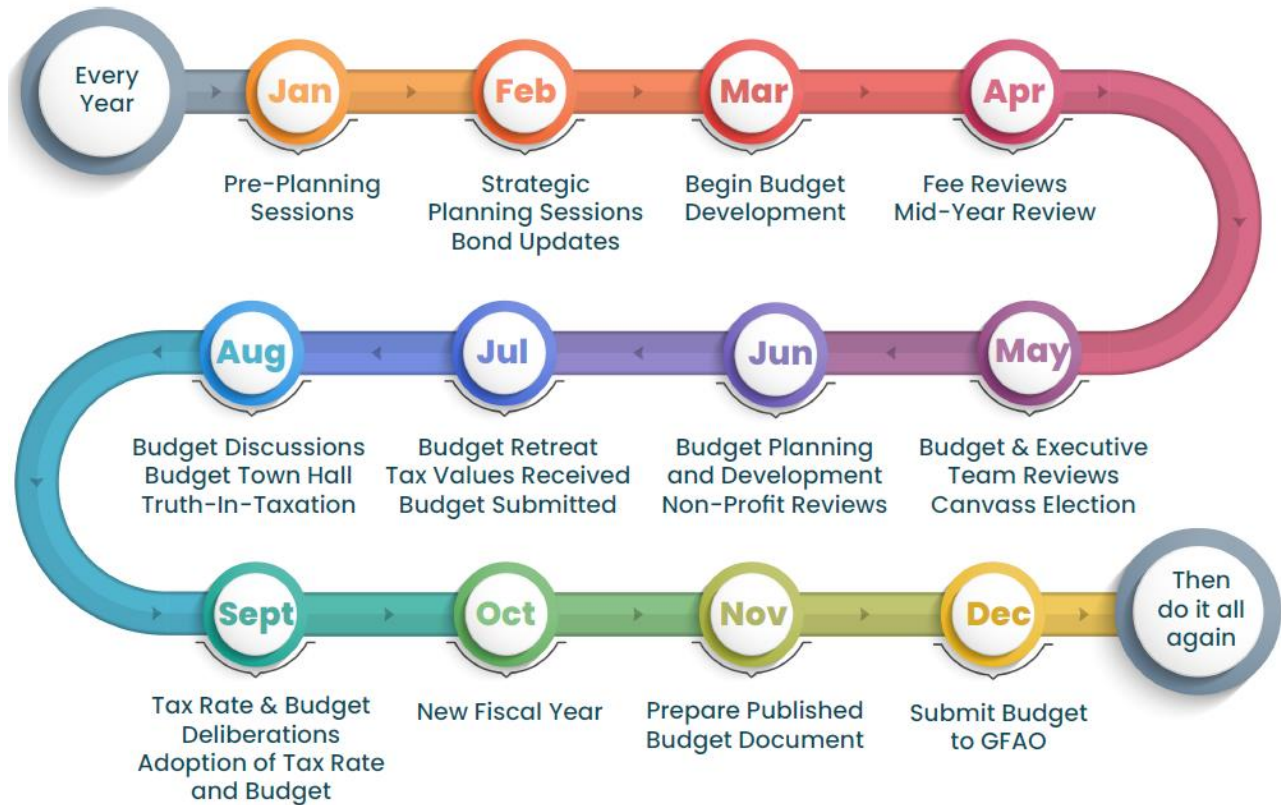
The goal of the budget is to ensure sustainable future growth of the City of Farmers Branch. Sustainable growth starts with best-in-class services, such as safe neighborhoods, reliable roads, and great schools. These best-in-class services drive population growth, as more and more people and businesses want to be a part of our community. Population growth drives growth in real estate values, whether that be new houses being built or rising demand for existing inventory. This growth in real estate values ensures rising tax revenue, which pays for the inflation-based cost increases of our best-in-class city services with minimal impact to the property tax rate.

The property tax rate is an important factor in budget conversations because it is the single largest source of revenue that the City can use to pay for its expenses.

The property rate is broken down into three categories:

- School
- City
- County (includes County hospital)

Budget Process Overview



In the U.S., local governments include counties, municipalities (including cities, villages and boroughs), townships, special districts (e.g., water and sewage authorities, parks and recreation), and school districts. Most local governments have multiple funds, or budgets, that keep designations for public money organized and transparent. Each major department of the local government has a line-item budget that tracks every dollar spent for personnel, operating and equipment costs.

What is the City's Annual Budget Process?

A local government's annual (or in some cases biennial) budget indicates a community's civic priorities, projected revenue and costs and plans for the future (what revenue will pay for which departmental services and for whom those services exist). Development of the annual budget in the public sector is more than just number crunching; the budget reflects a strategic plan, and its conception should consider the needs and priorities of all stakeholders, from government administrators and employees to citizens and business leaders. The development, approval and implementation of a public agency's budget are all critical steps of the budget process.

A city cannot spend money unless it is appropriated within the budget. An appropriation is the legal approval given by the City Council to spend money for a specific purpose. The budget also contains an estimate of revenues to be received during the same time period. The legal authorization to collect revenues, such as property tax, utility charges, franchise fees, and user fees, is provided by the City Council through an ordinance. Also included in the budget is an estimate of monies left over from the prior fiscal year that can be spent and appropriated in the new year. This money is available and is called unassigned or unreserved fund balance. The City of Farmers Branch City Charter provides that a portion of unassigned fund balance may be set aside to meet unexpected and unforeseen contingencies in the current operating costs of any budget project.



So, what is the City's annual budget process? The City's budget process is highly complex and, while the specific departments, services and budget calendars may differ from other cities, it generally includes the following stages:

- Budget Development
- Budget Approval, Adoption and Implementation
- Citizen Engagement
- Communication

Budget Development

The first step of the budget preparation process is identifying budget objectives and operating budget requests. The city manager drafts a recommended budget through the finance/budget office. Department directors solicit input from program managers within their department. These budget requests are submitted to the finance/budget office for review. The city manager reviews the budget requests (typically submitted by mid-May) with a management team. Meetings are held with the department directors and the management team to review requests. Once the city manager drafts a proposed budget, it goes to the legislative body (e.g. City Council) for approval. This process can take several months and is defined in more detail below.



Graphic provided by Civics Academy

Budget Approval, Adoption and Implementation

When the budget is provided to the City Council, each member of the City Council reviews the budget in detail (during what are known as work sessions) and hosts a public budget hearing and information session for public input.

Who Approves the Annual Budget?

After community input and review, the City Council will adopt the budget. Typically, this takes place in late September before the fiscal year begins.

After the budget is implemented, the finance/budget office duties include monitoring expenditures and ensuring that funds are spent as intended. At the end of the fiscal year, the City Council will approve a final budget reconciliation, among other year-end accounting modifications to the budget. An independent auditor will review the Annual Comprehensive Financial Report (ACFR) and determine compliance.

Citizen Engagement/Communicating the Budget is Key

It is important that community members provide input throughout the budget planning process. Soliciting their input in the City's choices further strengthens trust and buy-in. Ways to engage residents in the process include:

- Town Hall Meetings
- Focused Discussion Sessions
- Need(s) Surveys

The annual budget directly affects where citizens live and work and should be influenced by their needs and concerns.



Graphic provided by Civics Academy

What is the Budget Timeline?

The annual budget process typically begins in late March or mid-April and usually takes between four and five months from initial planning to final approval. To ensure the timely preparation of the annual budget, a budget calendar is prepared outlining important dates and events. This calendar is distributed organization-wide and is closely followed during the budgeting process.

Strategic Planning – Ideal Timeline

January	-	Pre-Planning Sessions
February	-	City Council Strategic Planning Retreat • Review of the City's Financial Condition • Review of Citizen Survey Results • City Council Goal Setting
March	-	Department Head Planning Retreat • Objective Setting to Advance Council Goals • Identification of Specific Projects / Initiatives to Meet City Council Goals Refine Performance Measures Based on City Council Goals
April (late)	-	City Council Review of Annual Comprehensive Financial Report Begin Annual Budget Process Review City Fees
May	-	City Council Elections Preliminary Tax Roll Due [Mid-May] Preliminary Budget Reviews Budget Files Closed
June	-	Finance Sends Budget Requests to City Manager Management Team Budget Reviews
July	-	Final Budget Changes Due Finance to Begin Preparation of Preliminary Budget for City Council Establish Narratives, Goals & Objectives Tax Roll Certified by Dallas Central Appraisal District [approximately July 25] City Manager's Proposed Budget Submitted to City Council [prior to August 1st]
August	-	Truth-in-Taxation Calculations due from Dallas County City Council Work Sessions/Retreat & Preliminary Budget Presentations & Deliberations Vote Setting Proposed Maximum Tax Rate, Public Hearing Date and Date for Approval of Proposed Tax Rate and Budget (if required) City Council Budget Retreat
September	-	Public Hearing on Proposed Budget and Tax Rate (if required) Adopt Budget and Tax Rate
October	-	Fiscal Year Begins Begin Tracking New Performance Measures National Night Out Neighborhood Gatherings Conduct Citizen Survey
December	-	City Council Goals Evaluation and Report Performance Measure Summary Report (from prior fiscal year)

Overview

The process of preparing and finalizing the annual municipal budget can be broken down into the following steps, which are detailed below:

- Maintenance of Effort – Operating Budget Development
- Budgeting for Capital Improvements
- City Manager's Budget Finalized
- Budget Presentation
- Budget Deliberation & Public Participation
- Budget Approval
- Budget Amendments
- Budgetary Controls

Maintenance of Effort – Operating Budget Development

The City Charter names the city manager or his designee as the budget officer of the City. The city manager and management team work with each department to develop departmental budgets that maintain existing efforts. In other words, how much will it cost next year to keep doing what the City Council approved for the City to do this year? This is called the Maintenance of Effort (MOE) budget.

The formal annual budget process is initiated by the finance department each spring. The City promotes an open forum of budget preparation to enhance organization communication. The finance department initiates the annual budget process by providing each department director with a budget packet, which includes budget preparation instructions, a budget calendar, payroll projection schedule(s), and any other informational materials designed to assist with budget preparation.

During this phase, each department director meets with the city manager and management team to review budget requests and, more specifically, discuss any proposed new programs or additions for the upcoming year. This is defined as any proposed change in program emphasis, expenditure of funds, and allocation of personnel or equipment that will result in a change in the level of service currently being delivered. All requests for new personnel, fleet or equipment that represents a net addition to a department's operations are reviewed by the management team. Departments are asked to describe all new programs, itemize all new costs and proposed personnel, and justify the need for the request. Justification should detail how the addition relates to the strategic business plan and should detail any service change(s). Upon completion of the budget review phase, the management team makes recommendations as to which items to include in the budget. The city manager then submits a recommended budget to the City Council prior to August 1st.

Concurrent with this phase, the finance department, in conjunction with affected departments, prepares year-end estimates of revenues and a projection of revenues for the upcoming year. The City's fee structure is also reviewed to determine any necessary rate changes.

Budgeting for Capital Improvements

In addition to the requirements to develop, adopt and implement an annual fiscal budget, the City Charter also requires the development of a Capital Improvement Budget. Accordingly, the capital budgeting process occurs concurrently with the budgeting process for operations.

During the capital budgeting process, management will determine the available debt capacity for the upcoming fiscal year. Meetings are held with departments to update and prioritize a multi-year capital improvement plan, paying strict attention to the upcoming



Graphic provided by Civics Academy

fiscal year priorities. Throughout this process, any impacts from capital improvements on the operating budget are determined. The finance department prepares a capital budget for the upcoming fiscal year, which is ultimately presented concurrently with the recommended operating budget, for City Council approval.

City Manager's Budget Finalized

Based on City Council goals, city growth, citizen requests or new regulations from the State or Federal Government, departments might need to expand their budget. All budget changes are submitted to the city manager for consideration. The city manager assesses many different factors to prioritize these requests and to determine which ones will be approved as part of the final budget.

Once all departments have firmed up their budgets, a recommended budget is prepared and provided to the City Council prior to August 1st as required by the City Charter.

Budget Presentation

In July, the city manager and finance director will present the City of Farmers Branch budget. This is the best presentation to get a comprehensive look at the budget for the coming year, including key challenges the City is facing and how strategic planning has influenced the budget planning process.

During August, the finance director and department heads present their budgets to the City Council. Departments look forward to this opportunity to update the public on major accomplishments and challenges.

Budget Deliberation and Public Participation

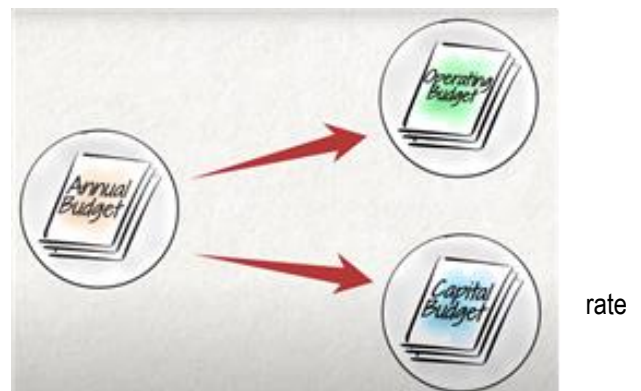


Graphic provided by Civics Academy

The City Council reviews the proposed budget, provides direction for any changes and holds an official budget hearing before the final budget adoption. Ready to make your voice heard? Public comment is allowed near the beginning of every City Council meeting. Formal public hearings on the entire budget and tax rate are generally scheduled for the first and/or second City Council meeting in September. Plan to watch the meeting via the City's website or participate!

Budget Approval

Throughout the summer months, the City Council will hold work sessions and in September, the City Council will vote to formally approve the new fiscal year budget. The final approval includes approval of requests from the city's non-profit organizations, the operating department budgets and the capital improvement program budget. Together, these requests are referred to as the City's Annual Budget, which is then approved through the favorable passage of a budget appropriation ordinance and an ad valorem tax ordinance.



Graphic provided by Civics Academy

Budget Amendments

After adoption, a budget may be amended by ordinance any time during the fiscal year to account for unusual or unforeseen conditions that may have occurred subsequent to the original budget adoption. The budget is evaluated throughout the year and is amended at year-end. The Year-End Amended Budget is based upon estimated current year actuals.

The procedure for amending the budget depends upon the type of change that is needed. The budget ordinance gives specific authority to the city manager to: a) transfer appropriations budgeted from one account classification to another account classification within the same department; b) transfer appropriations from designated appropriations from one department or activity to another department or activity within the same fund; c) transfer unencumbered appropriations within a department; and, d) to make transfers from the General Fund and all other Funds of unexpended appropriations and excess revenues for the previous fiscal year.

The second type of budget amendment brings about a change in the total appropriation for a fund. An example of this includes the appropriation of additional funding if expenditures are projected to exceed current budget amounts. This type of change requires City Council approval in the form of an ordinance.

The Budget Document

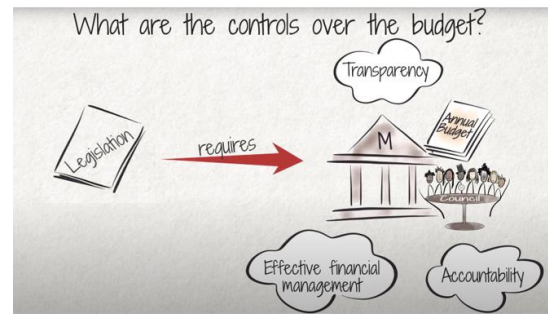
The budget document begins with a transmittal letter from the city manager. This letter summarizes the contents of the budget and provides an explanation of the rationale used during the budget development process. The city manager also outlines the administration's work program for the upcoming year.

The budget document is divided into nine sections. The first section contains an overview of the budget through the budget transmittal letter, strategic planning process, budget process, and organizational charts, as well as budget summary information in graph and table form on all operating funds of the City. Also included in this section is a detail of budgetary policies relating to financial management and accounting practices. The next seven sections each concentrate on a particular fund of the City. The final section contains a summary of fund balances for key funds; a financial forecast; financial condition analysis; personnel staffing summaries; City Charter information related to the budget document; truth-in-taxation documents; ordinances related to the budget, tax rate and exemptions; and a glossary.

Accounting System & Budgetary Controls

The finance director and finance staff exercise budgetary control. A system of internal controls has been developed to safeguard assets and ensure timely, accurate financial reporting. In addition, budgetary controls for all departments supplement internal controls and are enforced throughout the organization as a whole.

Farmers Branch's accounting and financial reporting system follows the principles established by the Governmental Accounting Standards Board (GASB). An annual audit of the City's financial system is performed by an independent public accounting firm with the subsequent issuance of an Annual Comprehensive Financial Report (ACFR).



Graphic provided by Civics Academy

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenses/expenditures.

Measurement focus refers to what is being measured and basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made (when financial transactions are recorded), regardless of the measurement focus applied. The two main bases are cash basis and accrual basis. Cash basis records transactions when cash changes hands, while accrual basis records them when they occur, regardless of cash flow. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. Debt service expenditures and expenditures related to compensated absences, claims and judgments are recorded only when payment is due.

Property, franchise, sales and hotel occupancy taxes, and investment income (including unrealized gains and losses) are all considered to be susceptible to accrual and so are recognized as revenues of the current fiscal period. The portion of special assessments receivable due within the current fiscal period are considered susceptible to accrual as revenue of the current period. All other revenue items are considered measurable and available only when cash is received by the government.

The City's Proprietary Fund Types are accounted for on a cost-of-service or "capital maintenance" measurement focus, using the accrual basis of accounting, under which revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

The budgetary basis of accounting follows the Generally Accepted Accounting Practices (GAAP) basis of accounting with the following exceptions: Annual operating budgets are prepared on a budgetary basis of accounting for all governmental funds, whereby year-end encumbrances are recognized as expenditures in the current year budget. At fiscal year-end, open purchase orders may be carried forward into the new fiscal year along with a matching budget amount. Capital project funds are budgeted over the life of the respective project and not on an annual basis. Proprietary Funds are budgeted using an accrual basis, except for capital expenses, depreciation and debt service payments, which are budgeted on a cash basis. Unexpended appropriations for budgeted funds lapse at fiscal year-end. Encumbrance accounting is used for all funds.

Funds Overview

The basic building block of governmental finance and budgeting is the “fund.” Each fund is independent of all others and is created to account for the receipt and use of specific revenues. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances/retained earnings, revenues, and expenditures/expenses. The City exercises budgetary control over governmental and proprietary fund types. A description of each fund and fund type is as follows:

Governmental Fund Types

Governmental funds have revenue sources that are used for specific purposes and represent traditional governmental operations including the General Fund.

General Fund - The General Fund is the main operating fund of the City. The fund is used to account for the current day-to-day operations of the City, which are financed from property taxes and other general revenues, and all financial resources not accounted for in other funds. Activities financed by the General Fund include those of all line and staff departments within the City, except for such activities financed for in the proprietary and special revenue funds.

Fixed Asset Fund (General) – A transfer is made to this fund from the General Fund to finance fleet related assets. For annual comprehensive financial reporting purposes, the General Fixed Asset Fund is consolidated into one summarized General Fund. [Note: This fund is being phased out and non-fleet (heavy equipment and vehicles) will be expensed directly in department operating budgets. Heavy equipment and vehicle replacement will be expensed directly in the Fleet Management department, which is an Internal Service Fund.]

Economic Development Fund - Used to stimulate economic growth and stability in the community by assisting homeowners and private employers who are located, or plan to locate, or substantially expand operations in the City. The fund invests in projects that support the development of the economy and the building of community capacity and finances projects and programs that create and/or retain jobs, improve the local and/or regional tax base or otherwise enhance the quality of life in the community. For annual comprehensive financial reporting purposes, the Economic Development Fund is consolidated into one summarized General Fund.

Revenue Stabilization Fund – Used to reduce the impact of volatile revenue on the government and the economy. The fund is designed to grow in years when collections from the City’s most volatile revenue sources are above recent averages. For annual comprehensive financial reporting purposes, the Revenue Stabilization Fund is consolidated into one summarized General Fund. For annual comprehensive financial reporting purposes, the Economic Development Fund is consolidated into one summarized General Fund.

Special Revenue Funds - The Special Revenue Funds account for the accumulation and disbursement of restricted resources other than debt service or capital projects. Special Revenue Funds consist of the following funds:

Hotel/Motel Fund – Used to account for the accumulation of resources from the hotel/motel tax assessment levied by the City. These monies are to be spent to promote the progress, development or growth of the City within the guidelines set forth on disposition of revenues collected under the authority of the Texas Hotel Occupancy Tax Act. The hotel occupancy tax rate for the City’s hotels is 7%.

Fixed Asset Fund (Hotel/Motel) - Appropriate transfers are made to this fund from operating Hotel/Motel Fund department budgets to finance fixed asset replacements. For annual comprehensive financial reporting purposes, the Hotel/Motel Fixed Asset Fund is consolidated into one summarized Hotel/Motel Fund. [Note: This fund is being phased out and fixed asset purchases will be expensed directly in department operating budgets.]

Police Forfeiture Fund(s) – Used to account for proceeds from the sale of assets seized in connection with drug arrests. Revenues are restricted to law enforcement expenditures.

Donations Fund – Used to account for voluntary contributions for various expenditures.

Local Truancy Prevention/Juvenile Justice Fund – Fund required by Code of Criminal Procedures to account for certain proceeds from ticket fees, which must be used to finance the salary, benefits, training (etc.) relating to a juvenile case manager employed under Article 45.056, Code of Criminal Procedure.

Youth Scholarship Fund – Used to account for voluntary contributions for youth scholarships that allow resident youths to access non-City sponsored programs.

Grants Fund – Used to account for grant related programs.

Building Security Fund – Fund required by Code of Criminal Procedures to account for certain proceeds from ticket fees, which must be used for building security purposes.

Court Technology Fund – Fund required by Code of Criminal Procedures to account for certain proceeds from ticket fees, which must be used for technological enhancements.

Consolidated Court Tech & Security Fund – Fund required by Code of Criminal Procedures to account for certain proceeds from ticket fees, which must be used for building security or technological enhancements. This account is required per House Bill 1950, which was signed by the governor on May 29, 2025, to introduce a new funding structure for municipal courts in cities under 100,000 in population. Proceeds from ticket fees prior to May 29, 2025, must remain in previously established separate Building Security and Court Technology Funds and all proceeds after May 29, 2025, shall be credited to the newly consolidated fund.

Municipal Jury Fund – Fund required by Code of Criminal Procedures to fund juror reimbursements and otherwise finance jury services.

Landfill Closure/Post-Closure Fund and Huffines Extension Fund – Used to account for resources needed for future landfill final closure and post-closure costs.

Cemetery Fund – Used to account for grounds maintenance of Keenan Cemetery.

Photographic Light System Fund – Used to account for red light enforcement revenues and expenditures. *[Note: Program ended in June 2019 due to legislative changes.]*

PEG Access Channel Fund – Used to account for PEG (Public, Educational, Governmental) access channel capital support. Funding source is 1% of cable franchisees' gross revenue.

Joint Fire Training Facility Fund – Used to account for the operating revenues and expenditures of the Joint Fire Training Facility.

TIRZ District No. 3 Fund – Used to account for the operating revenues and expenditures of the Tax Increment Reinvestment Zone (TIRZ) District No. 3.

Residential Revitalization Bond Fund – Used to finance the City's programs for economic development, single-family residential redevelopment and revitalization in the City.

Debt Service Funds - The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds - The Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital assets and facilities by the City. These funds are budgeted on a multi-year basis as project expenditures normally cross over fiscal years. The following is a description of the City's Capital Projects Funds:

Non-Bond Capital Improvement Program (CIP) Fund – Used to account for the financing and construction of major capital facilities by the City, except for those financed by general obligation bonds or by the Water & Sewer Fund. Funded primarily by operating transfers from the General Fund.

Hotel/Motel Capital Improvement Program (CIP) Fund – Used to account for the financing and construction of historical park improvements. Funded by hotel/motel tax revenues.

Radio System Bond Capital Improvement Program (CIP) Fund – Used to account for the financing of an upgrade of the analog radio system used by fire and police departments to a digital system. The system is shared with the City of Carrollton, Town of Addison, and City of Coppell. Certificates of obligation were issued for the project in fiscal year 2012-13. [Note: Fund is now closed.]

Dispatch/Emergency Services Bond Capital Improvement Program (CIP) Fund – Used to 1) acquire land and fund the design, development, construction and equipping of public safety facilities, including a public safety community facility and dispatch center, and 2) acquire vehicles and equipment for public safety - including fire, police and emergency services.

Fire Station No. 2 Relocation/Landfill Bond Capital Improvement Program (CIP) Fund – Used to account for the relocation and construction of a new fire station including land acquisition, design and construction. Fire Station No. 2 was relocated from 3940 Spring Valley Road to a more centralized City-owned property to improve fire and emergency medical service delivery. Funding for the project was from certificates of obligation. [Note: Fund is now closed.]

Dallas Stars Facility Bond Capital Improvement Program (CIP) Fund – Used to fund the design, development, construction and equipping of a public recreational multisport and fitness facility, including volleyball and basketball courts, related parking and public infrastructure.

Aquatics Center Bond Capital Improvement Program (CIP) Fund – Used to account for the financing of the demolition of the Don Showman pool located at 14032 Heartside Place and the design, construction and equipping of a new Aquatics Center at the same location. [Note: Fund is now closed.]

Branch Connection Bond Capital Improvement Program (CIP) Fund – Used to provide funds for designing, constructing, renovating, improving, and equipping The Branch Connection Active Adult Center.

Consolidated Dispatch Bond Capital Improvement Program (CIP) Fund – Used to account for the acquisition, equipping or constructing of a joint public safety dispatch, communication and training facility. [Note: Fund is now closed.]

Tax Increment Finance District No. 1 Capital Improvement Program (CIP) Fund – Used to account for infrastructure construction in the Mercer Crossing Tax Increment Financing (TIF) district. Funded by developers' contributions and incremental property tax programs. [Note: Fund is now closed.]

Tax Increment Finance District No. 2 Capital Improvement Program (CIP) Fund – Used to account for infrastructure construction in the Old Farmers Branch Tax Increment Financing (TIF) district. Funded by developers' contributions and advances and incremental property tax payments. Participation in the TIF District expired on December 31, 2020; however, on November 17, 2020, the City extended its participation until December 31, 2031, at a participation rate of 25% commencing January 1, 2021.

Tax Increment Finance District No. 4 Capital Improvement Program (CIP) Fund – Established in April 2022 to revitalize the Valwood Park residential neighborhood and covers approximately 778 acres of land generally located along the area that corresponds approximately to the IH-35E Corridor Vision Study plus the Valwood Park residential area east of IH-35E and west of Dennis Lane. The City is currently the only participating entity in TIF No. 4 at a participation rate of 100%. Termination of the TIF shall occur on December 31, 2046, or at an earlier time designated by subsequent ordinance of the City Council, or at such time, subsequent to the issuance of any tax increment bonds, if any, that all project costs, tax increment bonds, notes or other obligations of the zone, and the interest thereon, has been paid in full.

Justice Center Security Bond Upgrades Capital Improvement Program (CIP) Fund – Used to pay for security upgrades, expansion and modernization of the Farmers Branch Justice Center. [Note: Fund is now closed.]

Street Improvement Bond Capital Improvement Program (CIP) Fund – Used to pay for street projects pursuant to a bond election held May 10, 2014. [Note: Fund is now closed.]

Trail Improvements Bond Capital Improvement Program (CIP) Fund – Used to improve the availability and quality of sidewalks in the central part of the City and to further implement the John F. Burke Nature Preserve Master Plan.

Pike Street Bond Capital Improvement Program (CIP) Fund – Used to fund improvements for the betterment of Pike Street in and around the Dallas Area Rapid Transit (DART) station.

Proprietary Fund Types

Enterprise Funds - The Enterprise Funds are used to account for water and sewer utility operations that are financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs of providing utility services to the general public on a continuing basis be financed or recovered primarily through user charges (utility bills). For annual comprehensive financial reporting purposes, the following Enterprise Funds are reported as either Water and Sewer or Stormwater Utility Enterprise Funds, as appropriate.

Water & Sewer Fund – Used to account for the current day-to-day utility operations of the City, which are financed from utility user charges.

Stormwater Utility Fund – Used to account for the current day-to-day stormwater utility operations of the City, which are financed from a stormwater utility fee.

Non-Bond Utility Capital Improvement Program (CIP) Fund – Used to account for the financing and construction of major water and sewer distribution and storage facilities by the City. Funded primarily by transfers from the Water & Sewer Fund.

Stormwater Capital Improvement Program (CIP) Fund – Used to account for drainage improvements and creek maintenance. Funded primarily by transfers from the General Fund and stormwater utility fees.

Water Transmission and Distribution/Infrastructure Bond Capital Improvement Program (CIP) Fund – Used to account for designing, constructing and equipping the City's water transmission and distribution infrastructure. Funded exclusively by bond proceeds.

Fixed Asset Funds (Water & Sewer and Stormwater Utility) - Appropriate transfers are made to these funds from operating Enterprise Fund department budgets to finance fixed asset replacement(s). [Note: These funds are being phased out and non-fleet (heavy equipment and vehicles) will be expensed directly in department operating budgets.]

Internal Service Funds - The Internal Service Funds account for the financing services provided by one department to other departments of the City on a cost reimbursement basis. The following is a description of the City's Internal Service Funds:

Fleet Management Fund – Used to account for materials and supplies provided exclusively to other funds and departments of the City.

Workers' Compensation Fund – Used to account for the City's workers' compensation self-insurance program.

Fixed Asset Fund (Internal Service) - Appropriate transfers are made to this fund from operating department budgets to finance fixed asset replacement(s). [Note: This fund is being phased out and non-fleet (heavy equipment and vehicles) will be expensed directly in department operating budgets. Heavy fleet equipment and vehicle replacement for the General Fund will be expensed directly in the Fleet Management Fund. Non General Fund purchases may be expensed directly in the respective operating department for the particular fund.]]

Health Claims Fund – Used to account for group health insurance for employees and their immediate families.

Operational Structure

Each operational fund is comprised of departments, which are major organizational units of the City, and each department has overall management responsibility for one or more divisions. A summary description stating key processes, strategic initiatives, total full-time equivalent (FTE) position counts, key positions, and a brief summary descriptive of programs/function is presented for all departments.

Expenditure summaries list the subtotal expenditures/expenses by department and division for categories such as personal services/benefits, supplies, repairs and maintenance, and capital outlay. Operational units by fund are listed following this section. General Fund expenditures can be summarized in several ways, each providing information with a different focus.

Several summaries are presented in the General Fund section of the budget, including:

Summary by Department - Shows who in the City organizational chart is most directly responsible for control and management of the various activities.

Summary by Function - Shows the purpose of each City activity in categories specified by State reporting requirements. Grouping activities in the functional areas of general government, public works, public safety, culture and parks, and special expenditures allows for comparisons with other local governments in the State.

Summary by Type of Expenditure - Shows how the City plans to accomplish its strategic initiatives and/or goals and objectives in the categories of salaries/benefits, professional services, supplies, services, repairs and maintenance, production and disposal, contracts, other objects, special incentives, etc., and transfers to other funds.

GENERAL FUND

GENERAL GOVERNMENT

Budget \$27,329,500

GENERAL GOVERNMENT

- General Government
- Legal
- General Contracts
- Non-Departmental

GENERAL ADMIN & COMMUNICATIONS

ECONOMIC DEVELOPMENT, PLANNING

SUPPORT SERVICES

HUMAN RESOURCES

FINANCE

- Accounting
- Purchasing
- Finance Administration
- Municipal Court

INNOVATION & TECHNOLOGY

COMMUNITY SERVICES,
BUILDING INSPECTION
AND CODE ENFORCEMENT

ANIMAL SERVICES

PUBLIC WORKS

Budget \$10,292,600

PUBLIC WORKS

Public Works Administration
Street Maintenance

SUSTAINABILITY &
PUBLIC HEALTH

PUBLIC SAFETY

Budget \$37,435,900

POLICE

Police Administration
Police Investigations
Police Patrol
Police Detention
Police Communications

FIRE

Fire Administration
Fire Prevention
Fire Operations

CULTURE & RECREATION

Budget \$16,713,200

PARKS & RECREATION

Facilities Management
Parks Administration
Park Maintenance
Recreation Center
Aquatics Center
The Branch Connection
Events
Parks Boards

LIBRARY

INTERNAL SERVICE FUND

INTERNAL SERVICES

Budget \$6,172,900

FLEET
MANAGEMENT

WCF

Budget \$601,700

WORKERS'
COMPENSATION
FUND

HCF

Budget \$5,420,300

HEALTH
CLAIMS
FUND

ENTERPRISE FUND

PUBLIC WORKS

Budget \$36,944,400

PUBLIC WORKS

Water & Sewer Administration
Water & Sewer Operations
Stormwater Utilities

HOTEL/MOTEL FUND

CULTURE & RECREATION

Budget \$3,737,600

TOURISM

Historical Preservation
Event Center

Tourism
Convention Center

OTHER FUNDS

DEBT SERVICE

Budget \$7,916,200

Property Tax
Supported Debt Self
Supporting Debt

ECO DEVO

Budget \$1,655,000

Purchase/Sale of Property
Development Incentives

SPECIAL REVENUE

Budget \$6,275,027

Forfeitures; Donations;
Grants;PID/TIRZ;
Legally Req'd Funding

FIXED ASSETS

Funds are being
phased out.

REVENUE STABILIZATION

Budget \$1,061,100

Sales Tax Liabilities
Separation Reserves
Neighborhood Partnerships

Combined Funds Overview

The following tables illustrate the revenue and expenditure distributions from all funds combined for the total adopted budget. [Note: Internal Service Fund and Fixed Asset Funds are excluded as these costs are allocated to other funds and to include them would be accounting for the costs twice.]

FISCAL YEAR 2025-26 BUDGET REVENUES						
	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
General Fund	\$ 92,315,096	\$ 88,352,100	\$ 88,352,100	\$ 91,999,900	\$ 3,647,800	4.1287%
Water & Sewer Fund	31,400,915	30,706,500	30,706,500	35,322,900	4,616,400	15.03%
Stormwater Utility Fund	1,807,753	1,798,000	1,798,000	1,798,000	-	0.00%
Hotel/Motel Fund	3,943,121	3,466,100	3,466,100	3,892,400	426,300	12.30%
Debt Service Funds	4,912,994	7,983,000	7,983,000	7,831,400	(151,600)	-1.90%
Economic Development Fund	1,600,000	900,000	900,000	900,000	-	0.00%
Revenue Stabilization Fund	2,847,044	-	-	30,000	30,000	0.00%
Special Revenue Funds	11,860,873	4,662,700	4,662,700	4,854,627	191,927	4.12%
Subtotal Operating Funds	\$ 150,687,796	\$ 137,868,400	\$ 137,868,400	\$ 146,629,227	8,760,827	6.35%
Capital Projects Funds	32,653,795	27,221,565	33,021,565	16,107,505	(16,914,060)	-51.22%
Total Budget	\$ 183,341,591	\$ 165,089,965	\$ 170,889,965	\$ 162,736,732	\$ (8,153,233)	-4.77%

FISCAL YEAR 2025-26 BUDGET EXPENDITURES						
	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
General Fund	\$ 90,830,941	\$ 88,352,100	\$ 89,527,653	\$ 91,771,200	\$ 2,243,547	2.51%
Water & Sewer Fund	29,089,707	30,706,500	30,776,173	35,146,400	4,370,227	14.20%
Stormwater Utility Fund	1,674,615	1,798,000	1,803,439	1,798,000	(5,439)	-0.30%
Hotel/Motel Fund	3,527,068	3,575,800	3,797,605	3,737,600	(60,005)	-1.58%
Debt Service Funds	6,644,058	7,133,000	7,133,000	7,916,200	783,200	10.98%
Economic Development Fund	1,457,114	1,400,000	1,469,889	1,655,000	185,111	12.59%
Revenue Stabilization Fund	10,595	1,151,100	1,151,100	1,061,100	(90,000)	-7.82%
Special Revenue Funds	10,593,751	5,486,836	5,820,028	6,275,027	455,000	7.82%
Subtotal Operating Funds	\$ 143,827,849	\$ 139,603,336	\$ 141,478,887	\$ 149,360,527	7,881,640	5.57%
Capital Projects Funds	39,663,235	29,751,631	29,751,631	20,608,207	(9,143,424)	-30.73%
Total Budget	\$ 183,491,084	\$ 169,354,967	\$ 171,230,518	\$ 169,968,734	\$ (1,261,784)	-0.74%

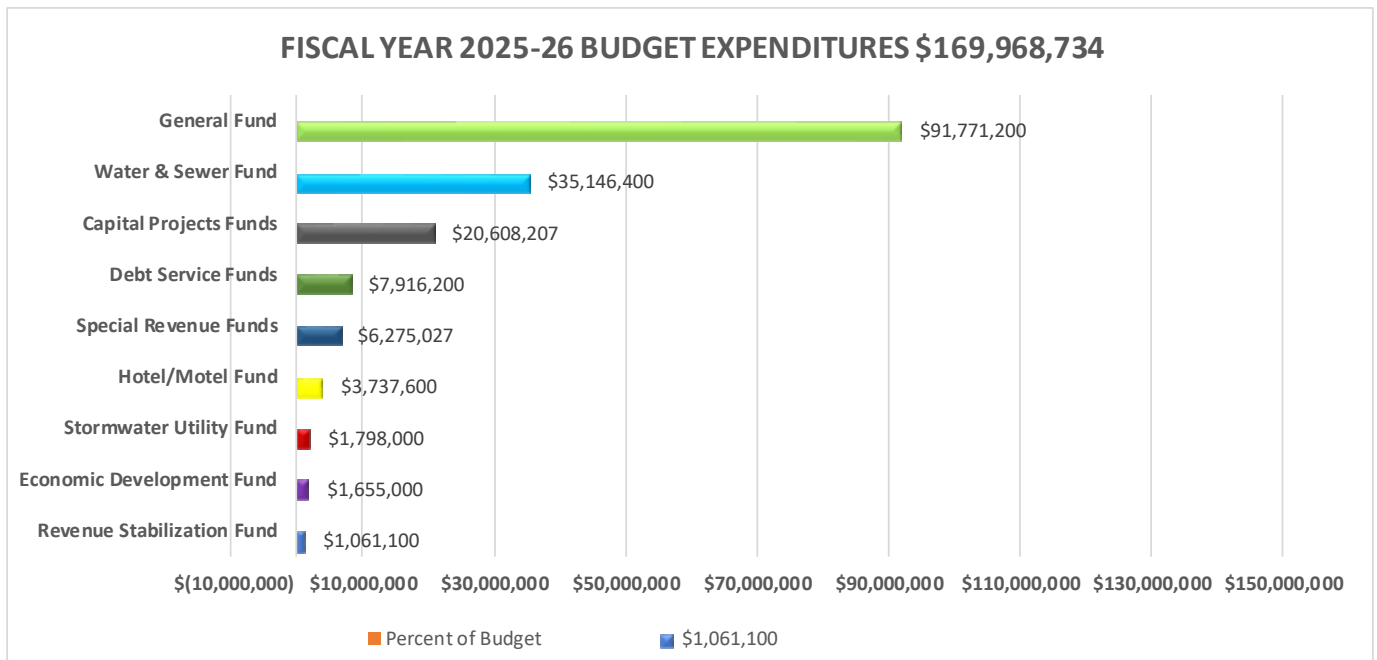
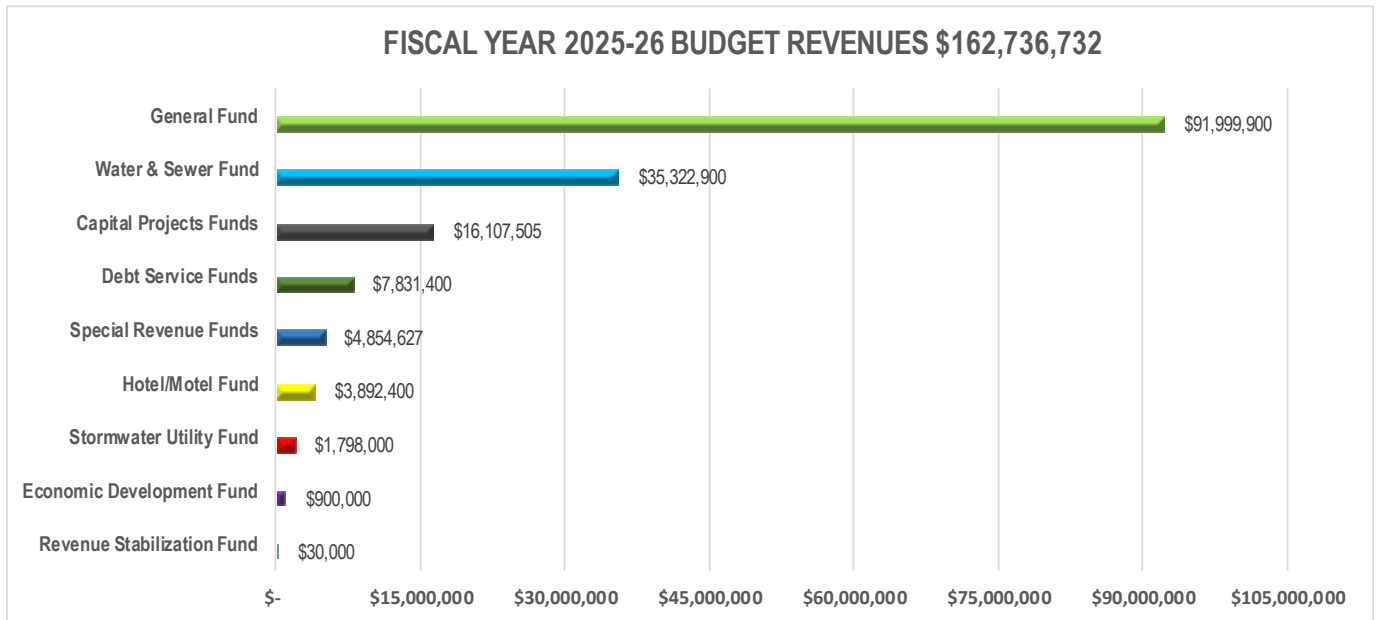
For the past several State legislative sessions, bills have been introduced to reduce or cap the growth of local government revenues and/or expenditures. These bills have the potential to significantly impact the City's ability to meet growth demands while still maintaining the high service levels expected by our residents. The City Council has adopted a position strongly against State control of local finances. On April 19, 2019, the full Texas Senate approved the passage of Senate Bill 2, the Property Tax Reform & Relief Act of 2019. Among other things, the bill lowered the rollback rate, now called the "voter-approval" from 8% to 3.5% for cities based on the property valuations certified in 2020 and beyond. The City continues to monitor the implementation of legislation that would adversely impact the ability of elected officials to control finances.

CONSOLIDATED SUMMARY OF REVENUES & EXPENDITURES
(PLACEHOLDER – DATA HAS NOT BEEN COMPILED YET)

COMBINED SUMMARY OF REVENUES & EXPENDITURES
(PLACEHOLDER – DATA HAS NOT BEEN COMPILED YET)

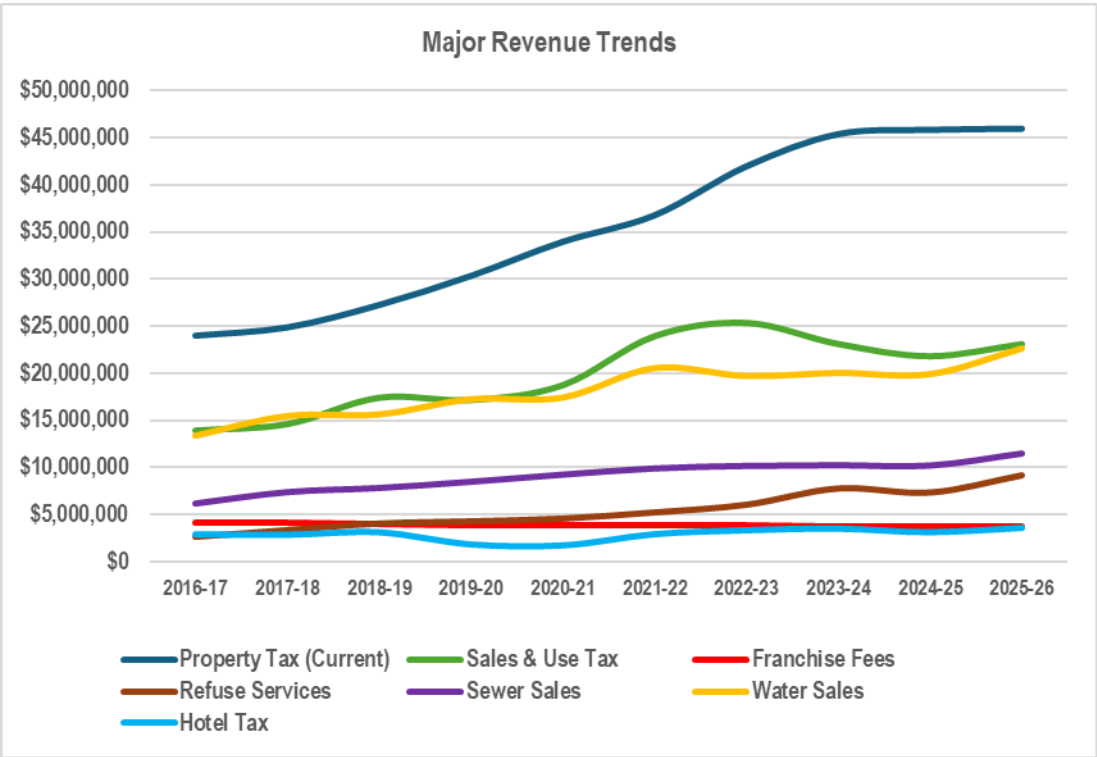
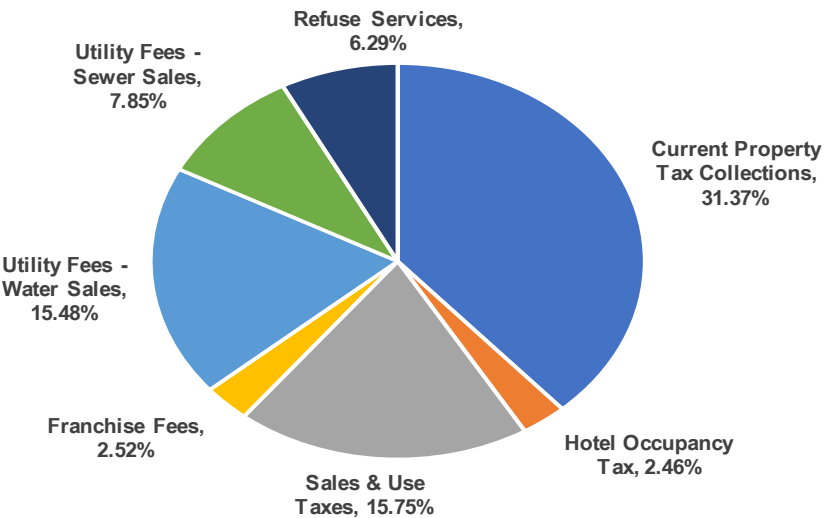
Combined Fund Summaries

The following charts reflect each fund's percentage of total revenues and total operating expenditures.



Major Revenue Sources

The revenue sources described in this section account for approximately \$119.8 million or 81.72% of the City's operating revenues (excludes bond proceeds, capital projects and interfund transfers/charges). A ten-year trend for the major revenue sources described in this section is displayed below.



Property (Ad Valorem) Taxes

Property tax is the City's largest single source of revenue and commonly refers to the property tax on real and personal property. For property owners, this is the most noticeable of all City revenues. This tax is used because a majority of services provided by the City are in the interest of public good and are not divisible or chargeable as a service to individual persons.

The City of Farmers Branch must base its ad valorem tax rate on the certified tax roll provided by the Dallas Central Appraisal District (DCAD) and the collection rate is set by Dallas County. Thus, the only variables set by the City are the tax exemption(s) granted and the tax rates. Dallas County has historically set the City's collection rate at 100%.

Values: The City of Farmers Branch contracts with the Dallas Central Appraisal District (DCAD) to appraise property values within the City. DCAD is required by State law to repeat the appraisal process for property at least once every three years. DCAD's policy is to appraise approximately one-third business personal property, commercial real property and residential real property each year. Residential and commercial real property includes land and buildings. Business personal property is defined by the tax code as any business property that is not real property. This type of property can include furniture, computer systems, vehicles, etc. Properties are appraised as of January 1 each year and the appraised value is used as the basis for tax billing the following October 1.

To save time and money, the appraisal district uses mass appraisal to appraise large numbers of properties. In a mass appraisal, the appraisal district first collects detailed descriptions of each taxable property in the district. It then classifies properties according to a variety of factors, such as size, use, and construction type. Using data from recent property sales, the district appraises the value of typical properties in each class. Considering differences such as age, location, etc., the district uses typical property values to appraise all properties within a given class.

DCAD contracts with the University of Texas at Dallas to conduct a residential appraisal study. This study compares market value (sales) data to appraised value by neighborhood using a statistical model to determine value in neighborhoods that did not have a recent sale. The resulting property values are then adjusted based on a conditions-index that is determined by DCAD during neighborhood inspection. Improvements to a home such as a new roof or a kitchen remodel may affect the overall conditions-index. New construction such as a pool or a home addition would immediately impact the appraised value of a home whether or not the home is in an area targeted for appraisal.

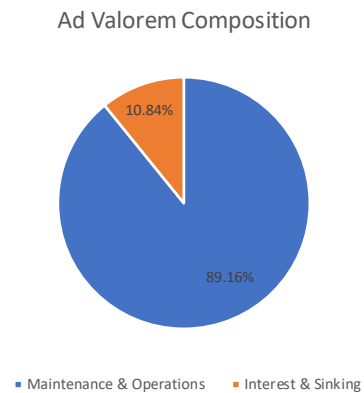
Circuit Breaker Limitation: Beginning in 2024, real property valued at \$5 million or less will benefit from a 20% limitation on the net appraised value of the property used to calculate property taxes. Each property that qualifies will receive a Notice of Appraised Value, typically in April, that specifies the market value of the property as of January 1. These properties will also have a net appraised value that will be the lesser amount of:

- last year's net appraised value plus 20% of that value plus the market value of all new improvements on the property, or
- this year's market value
-

You must own the property for at least one full calendar year (January through December) before you are eligible for a 20% limitation. Properties already receiving a homestead exemption are not eligible and will continue to receive the standard 10% limitation on their net appraised value.

If you sell your property, remove your homestead exemption and continue to own the property, or purchase a new property, any existing limitations on the property's value will be removed and the tax base will increase to the current market value. The property will benefit from a limitation after one full calendar year. The Texas Legislature has currently only authorized the circuit breaker limitation for the 2024, 2025 and 2026 tax years. The appraisal district will automatically apply and calculate these benefits every year.

Tax Rate & Revenues: The property tax rate consists of two components: Maintenance & Operations (M&O) and Interest & Sinking (I&S). The M&O portion of the tax rate funds General Fund operations and is shown in the General Fund budget as property tax revenue. The I&S portion of the tax rate funds debt service on General Obligation or Certificate of Obligation Bonds. These bonds are backed by the City's property tax base. The property tax revenue from the debt service part of the tax rate is shown in the Debt Service Fund budget as property tax revenue. The combined total of property tax revenues in the General and Debt Service Funds is called the City's tax levy.



The City's tax rate of \$0.543500 per \$100 property value allocates 10.84% to the Debt Service Fund for general obligation long-term debt. Any reduction to the tax rate must be from the General Fund, as the debt service rate may not be reduced below the level necessary to fund the City's annual debt service. The City is permitted by Article XI, Section 5, of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services including the payment of principal and interest on general obligation long-term debt.

Property (ad valorem) taxes attach as an enforceable lien on property as of each January 1. The City's property tax is billed each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Assessed values are established by the Dallas Central Appraisal District at 100% of the estimated market value and certified by the Appraisal Review Board. The Certified taxable value for the tax roll provided to the City is \$10,131,204,784. This amount is net of \$1,993,037,876 (representing 19.67% of taxable value) in agricultural, homestead, over-65, and disabled veteran exemptions. The certified tax roll is 2.05% more than the previous year's certified tax roll.

Taxes are due January 31 following the October 1 billing date and are considered delinquent after January 31 of each year. Based upon historical collection trends, current tax collections are estimated to be approximately 100% of levy when including the minimum value for protested accounts and are expected to generate \$46,000,000 in General Fund revenue, excluding penalties and interest.

The City offers a 20% homestead exemption (but not less than \$5,000) and a \$100,000 exemption for a senior citizen or disabled person.

Sales & Use Tax

In the January 3, 2020 issue of the Texas Register, the Texas Comptroller published proposed rule changes to amend the Texas Administrative Code (34 TAC §3.334) in order to implement a U.S. Supreme Court decision and two State laws:

- South Dakota v. Wayfair, Inc., a June 2018 U.S. Supreme Court ruling finding "that states can mandate that businesses without a physical presence in a state with more than 200 transactions or \$100,000 in-state sales collect and remit sales taxes on transactions in the state." The ruling pertains to interstate - not intrastate - internet sales. (Federal Legislative Update on Post-Wayfair, AICPA, 2019))
- House Bill 1525 (86th Texas Legislature) by Rep. Burrows, regarding collecting tax on the sale of items through a marketplace.
- House Bill 2153 (86th Texas Legislature) by Rep. Burrows, regarding creating a single local use tax rate as an alternative for remote sellers.

Unfortunately, the Comptroller's proposed rule changes go beyond the regulatory implementation of the Wayfair decision and State law. Specifically, the proposed rule would change local sales tax sourcing from being origin-based to destination-based for internet transactions. In addition, the proposed rule would severely limit sales tax rebates under Chapter 380 of the Texas Local Government Code. While the proposed rule allows a temporary grace period for existing agreements through December 31, 2022, the rule effectively places a restriction on a critical economic development tool and as a result may hinder the ability of cities to maintain a competitive edge in developing existing businesses and in attracting new business and projects to the community. These rule changes are currently being protested by area cities.

The effective date for amendments to 34 TAC § 3.334, affecting sales tax sourcing and allocation rules were intentionally scheduled to go into effect on October 1, 2021, providing the Texas Legislature an opportunity to amend or even eliminate the new rules. Due to the uncertainty surrounding these rule changes, this budget does not include changes to sales tax revenue as a result of the rule changes. In December 2024, the City was notified that the Comptroller of Public Accounts of the State of Texas was permanently enjoined from enforcing 34 TAC § 3.334, subsections (a)(9), (a)(18), (b)(5), and (c), effective July 4, 2024, and those subsections are hereby remanded to the Comptroller of Public Accounts of the State of Texas for further consideration not inconsistent with Chapters 151, 321, and 323 of the Texas Tax Code. Despite this ruling, the City expects future fights on this battlefield in the future.

The sales tax in Farmers Branch is 8.25% of goods or services sold within the City's boundaries. The tax is collected by businesses making the sale and is remitted to the State Comptroller of Public Accounts on a monthly, or in some cases, quarterly basis. Of the 8.25% tax, the State retains 6.25% and distributes 1.0% to the City of Farmers Branch and 1.0% to the Dallas Area Rapid Transit (DART) mass transportation authority. The State Comptroller's office distributes tax proceeds to local entities within 40 days following the period for which the tax is collected by the businesses.

Another sales tax levied by the State is the mixed beverage tax, which is applied against all mixed drinks and packaged liquor sold in the City. Prior to January 1, 2014, all mixed beverage and private club permit holders were required to remit to the State Comptroller a 14% gross receipts tax on their mixed beverage sales each month. Effective January 1, 2014, the gross receipts tax was lowered to 6.7% and an 8.25% mixed beverage sales tax was added to the price of each mixed beverage sold. The City's share of the dollar revenues generated by the tax is 10.7143%.

The City expects to receive \$23,095,000 in General Fund sales and use and mixed drink tax revenue for the upcoming budget year. This amount represents a 5.88% increase over the previous year's amended budget. Sales tax revenue can fluctuate greatly due to national, state and local economic conditions. The City plans to allocate sales tax revenue over \$23 million to the Revenue Stabilization Fund.

Franchise Fees

The City of Farmers Branch maintains franchise agreements with utilities that use the City's roadway rights-of-way to conduct their business. Besides defining the responsibilities of the utilities in maintaining their assets, the agreements contain a franchise fee clause that requires the utilities to compensate the City for the use of the rights-of-way. Generally, the fees are based upon a percentage of a utility's gross receipts (generated by customers located within the City's corporate limits), which range from 4% to 10%. The franchise agreement with Southwestern Bell Telephone established a different method for calculating the franchise fee. Under the agreement, the City receives a base annual fee in quarterly payments with a growth factor for subsequent years.

General Fund revenues from the natural gas, electric, telephone, cable television, and commercial garbage franchises are anticipated to total \$3,690,000 in this budget, which represents a -2.25% decrease from the previous year's amended budget.

Refuse Services

The City of Farmers Branch owns a sanitary landfill site located in the City of Lewisville, Texas, which is managed and operated under the terms of a ten-year renewable contract. The City receives revenues under the contract based on an annual usage fee and a royalty fee, determined as a percentage of the facilities gross revenue generated by the volume of waste entering the facility. Additionally, the City negotiated a contract for a landfill gas-to-energy project, whereby landfill gas is sold for the production of electricity.

Revenues for these activities are anticipated to total \$9,217,000 for the General Fund budget, which represents a 25.16% increase from the previous year's amended budget. This increase in revenues is largely due to the anticipated closure of a nearby landfill facility, which will result in an increase in revenue relative to the volume of waste entering the collection facility. Plans are in place to direct any significant portion of new revenue growth towards prepaying landfill closure/post-closure costs. Additionally, beginning in January 2025, the City began collecting a small trash pickup fee of \$5.00 (\$2.50 for seniors and disabled persons') to directly support future landfill closure/post-closure costs.

Utility Fees

The City of Farmers Branch charges fees for the provision of water and sewer services to residents and businesses located within the City. The City utilizes a comprehensive utility rate structure that is based upon charging minimum bills for customers, dependent upon meter size, with escalating tiered volume charges depending upon the demand each customer places upon the utility system. This structure allows the fund to equitably recover a greater portion of its fixed expenses through a relatively constant revenue stream. This budget includes a 15% increase in water and sewer rates to address rising costs from Dallas Water Utilities and the Trinity River Authority.

Under these rates, each customer pays a minimum monthly bill depending upon their meter size. For example, a customer with a 3/4-inch standard size meter would normally pay \$51.73 for water and sewer, which includes the consumption of 2,000 gallons of water. At the opposite end of the scale, a customer with an 8-inch meter normally pays \$706.66, which also includes the consumption of 2,000 gallons of water. Water in excess of 2,000 gallons is billed at \$6.91 per 1,000 gallons up to 10,000 gallons; \$7.74 per 1,000 gallons from 10,001-20,000 gallons; and \$8.06 per 1,000 gallons over 20,001 gallons consumption. Sewer charges are dependent upon the volume of water consumed and the rates are structured similar to the water rates. The exception to this rule is for residential customers who cease paying sewer fees once water consumption exceeds 10,000 gallons. The combined monthly water and sewer bill for an average residential customer based on 6,000 gallons consumption is \$51.73.

The City's Water & Sewer Fund anticipates receiving \$22,694,000 from water sales and \$11,507,000 from sewer service fees. These revenues represent a 13.56% increase in water service fees and a 12.46% increase in sewer service fees compared to the previous year's amended budget. The budget assumes annual sales of 2.5 billion gallons and peak water requirements of 17.0 million gallons a day (MGD). Utility rates are anticipated to increase at the same rate as cost increases for water and wastewater treatment during the next few years.

Hotel/Motel Occupancy Tax

An occupancy tax is levied by both the City and the State on the gross occupancy receipts of a hotel or motel. The City's portion is collected on a monthly basis. The City's tax is 7% and is levied with the State's 6% rate. Revenue generated by the tax is restricted by State law to directly enhance and promote the tourist, convention and hotel industry. The City expects to receive \$3,600,000 in Hotel/Motel Fund occupancy tax receipts. This amount represents a 15.02% increase from the previous year's amended budget.

Property Tax Analysis

State “Truth-in-Taxation” laws give taxpayers a voice in decisions that affect their property tax rates. During the 86th Texas Legislative Session, Senate Bill 2 was passed representing one of the most comprehensive rewrites of Texas property tax law in many years. The effective tax rate was replaced by the no new revenue rate. The most significant impact of the bill included a mandatory election if the maintenance and operations (M&O) property tax revenue increased by more than 3.5% from the previous year, also known as the voter-approval rate.

If the 3.5% increase in M&O is not taken in one year, an equivalent amount can be taken within the next three years without triggering an election - and is referred to as the “Unused Increment or Forgone Revenue.” Calculations related to the no new revenue tax rate and voter approval tax rate can be found in the Appendix section of this document.

The calculation process begins after the chief appraiser delivers the certified appraisal roll (or in some circumstances, the certified estimate of taxable value) and the estimated values of properties under protest to the taxing unit, which is typically by July 25th each year. Then, beginning in early August, the City takes the first step toward adopting a tax rate and complying with Truth-in-Taxation laws by calculating and publishing the no-new-revenue tax rate and the voter-approval tax rate (previously referred to as effective and rollback tax rates, respectively) based on the appraisal roll received.

The no-new-revenue tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year, based on a tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years. To do this, several adjustments must be made. The formula assumes that if values increase, the tax rate should decrease to create the same amount of revenue as it did the year before, or if values decrease, the tax rate will increase to produce the same amount of revenue.

The voter-approval tax rate is the highest tax rate the City may adopt without holding an election to seek voter approval of the rate. This rate provides the City with approximately the same amount of tax revenue it spent the previous year for day-to-day operations plus an extra three and one-half percent (3.5%) cushion, and sufficient funds to pay its debts in the coming year. If the City adopts a tax rate that exceeds the voter-approval tax rate, in most cases it must automatically hold an election for voters to approve the tax increase. An election permits voting for or against the tax-rate proposition. If the majority of votes are cast in opposition to the adopted tax rate, the election limits the tax rate for the current year to the voter-approval tax rate.

If required to hold an election to approve the tax rate, the governing body shall hold the election on the uniform election date in November of the applicable tax year. It must adopt the rate no later than the 71st day before the next November uniform election date and the order calling the election may not be issued later than the 78th day before the date of the election.

The City’s property tax rate compares favorably with other area cities.

MUNICIPAL TAX RATE COMPARISON PLACEHOLDER

(Data has not been released yet.)

HOW DO WE COMPARE WITH OUT NEIGHBORS?

(PLACEHOLDER – DATA HAS NOT BEEN RELEASED YET)

Financial Management Policies

Purpose

The financial management policies of the City are designed to ensure the financial integrity of the City's government and assist the City in achieving the following:

- * Quality City services that meet the needs and desires of the citizens.
- * A financial base sufficient to maintain or enhance City assets required to support community service demands.
- * Prudent and professional financial management practices to assure residents of Farmers Branch and the financial community that City government is well-managed and in sound fiscal condition.
- * Cost effective services to citizens through cooperation with other government entities.
- * A Capital Improvement Program that maintains and enhances the public's assets.

General Goals

The City follows a five-year review and rotation evaluation of an outside (independent) auditor. The auditor must demonstrate breadth and depth of staff necessary to handle the City's audit in a timely manner. The audited financial statements are required by City Charter to be prepared consistent with deadlines established by State law.

Annual reporting will be done within the guidelines set forth in the Governmental Accounting and Auditing Financial Review (GAAFR) and under the standards currently being set by the Governmental Accounting Standards Board (GASB). Interim activity reports will be made available to City Council and management. Financial systems will be maintained to monitor expenditures and revenues on a monthly basis with a thorough analysis at the end of each quarter. Budgets for all funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Annual appropriated budgets are adopted for all funds. Appropriations may remain open for 90 days subsequent to year-end unless related to a multi-year capital project.

The City will strive to maintain accounting policies and practices in the preparation of its annual comprehensive financial report. The report will be presented to the Government Finance Officers Association (GFOA) for review of qualifications that meet those necessary to obtain the Certificate of Achievement for Excellence in Financial Reporting. The City will also submit its annual budget to GFOA for review of qualifications that meet those necessary to obtain the Distinguished Budget Presentation Award.

Revenue Objectives

The City will strive to operate a revenue system that is simple and reliable so that assurances can be provided that the revenue base will materialize according to budget planning. Consistent monitoring and collection policies will be maintained to ensure the integrity of the revenue system. The City will periodically review its fee structure to ensure that revenue collections are adequate to meet corresponding expenditures (cost-of-service concept).

The Enterprise Funds and Internal Service Funds engage in transactions with other funds of the City. All services rendered by these two funds for other funds of the City should be billed at predetermined rates and all services received by these funds from other funds should be paid on the same basis that other users are charged.

The Enterprise Fund will pay a franchise fee based on the same rationale as used with electric, gas and telephone companies. A franchise fee is paid to compensate the City for street and alley usage. Payment-In-Lieu-Of-Tax (P-I-L-O-T) is charged to offset the ad valorem taxes lost due to the non-profit status of the fund. This P-I-L-O-T is computed by applying the property tax rate to the book value of the fund's assets since there is no market value. Administrative costs are charged for services of general overhead such as administration, finance, customer billing, personnel, data processing, legal counsel, and other costs as appropriate. Charges are determined through an indirect cost allocation following accepted practices and procedures.

Expenditure Issues

Expenditures will be made in accordance with the City Charter, budget ordinance and City & State purchasing guidelines.

Budget Concepts & Multi-Year Planning

The budget process is part of a multi-year plan including multi-year financial objectives. Objectives for the General Governmental Funds are to: 1.) Formulate future budgets so that no unplanned use of fund balance will be required in the final operating results. 2.) Provide sufficient funds to maintain the City's streets in terms of pavement structure, rideability and appearance. 3.) Provide, from operating revenues, funding for new major capital improvement projects consistent with the future capital projects plan. 4.) To follow a pay-as-you-go capital financing strategy. Objectives for the Enterprise Funds are to: 1.) Maintain a self-sufficient fund so as to avoid General Fund subsidies. 2.) Provide, from operating revenues, funding for new capital projects consistent with a long-range capital projects plan. 3.) Provide, from current operating revenues, reinvestment in the existing water and sewer system (target level of funding is to be a minimum of the annual depreciation amount in the fund with the knowledge that the assets being depreciated are valued at historical [original] values and are not reflective of current replacement values). 4.) Provide for water and sewer rate increases when necessary to cover costs increases to the City.

Fund Balance/Operating Position Concepts

In the General Fund, the City will strive to maintain an unassigned fund balance to be used for unanticipated emergencies within a target range of approximately 15% or approximately 54 days (low-end) and 20% or approximately 72 days (high-end) of the actual GAAP basis expenditures and other financing sources and uses. In 2023-24, the City Council added a preferred range for the General Fund of 25% or the equivalent of 90 days. A net current assets balance of \$2.0-\$2.5 million is targeted for the Water & Sewer Fund, which is equivalent to approximately 45 days' worth of working capital (for the low-end). "Net current assets" is an amount derived by subtracting current liabilities from current assets. This amount is the best approximation in an enterprise-type fund of spendable resources, which are available for appropriation. These monies will be used to avoid cash-flow interruptions, generate interest income, reduce the need for short-term borrowing, and assist in maintaining an investment-grade rating. Each fund may borrow internally from other funds to provide for cash flow requirements. These loans will be on a short-term basis. Funds of the City will not be operated on a deficit basis.

A balanced budget is an adopted operating budget whereby revenues equal or exceed expenditures and no use of fund balance is required in the final operating results.

Capital Infrastructure and Fixed Asset Financing Strategy

The City will strive to direct revenue growth towards reinvestment in capital infrastructure and fixed assets. This use of operating revenues offers flexibility to the City in using a pay-as-you-go cash financing strategy. The advantages of this flexibility include allowing capital projects to be added if additions to fund balance increase or deferred if economic conditions change. The cash financing strategy also allows projects to be changed and/or substituted from year to year.

Fixed asset funding is provided through an appropriate transfer to the Fleet Management division for the replacement of fleet equipment and vehicles. The goal is to provide an internal financing mechanism to finance the replacement of equipment and vehicles for the City at the operationally optimum time. The timing of fixed asset purchases may coincide with the fiscal year in which a transfer is made. However, expensive or infrequent purchases may be paid for over several fiscal years. For financial reporting purposes, the Fixed Asset Fund is consolidated with the actual operating fund into one summarized fund. [Note: The City is in the process of phasing out Fixed Asset Funds and all fleet equipment and vehicles will be purchased through the Fleet Management division [an Internal Service Fund] and the cost will be recovered from a related transfer-in from the respective fund receiving the benefit of the asset purchased.]

Debt/Capital Planning Criteria

Historically, the City has followed a pay-as-you-go financing concept to set aside funding for major capital projects. This has resulted in low overall debt levels and no debt in the Water & Sewer Fund. Occasionally, bonds are issued to take advantage of unique circumstances (i.e., low interest rates, multijurisdictional consolidation opportunities, etc.). Whenever possible, the City will use special assessment revenue or other self-supporting bonds instead of general obligation bonds so that those benefiting from the improvements will bear all or part of the cost of the project financed. Optional redemption features will be considered for all bond issues depending upon market conditions and/or the needs of the City. Complex derivative-based strategies such as “swaps” are not authorized. The City will annually review all debt issues for arbitrage rebate filing, investment and compliance requirements.

When applicable, the City shall review its outstanding debt annually for the purpose of determining if the financial marketplace will afford the City the opportunity to refund an issue and lessen its debt service costs. In order to consider the possible refunding of an issue, a “present value” savings of three percent over the life of the respective issue, at a minimum, must be attainable.

The City will maintain good communications with bond rating agencies regarding its financial condition. The City will follow a policy of full disclosure on every financial report and borrowing prospectus. The City will strive to limit general obligation annual debt service requirements to 20% of general governmental expenditures. Revenue bond coverage (Water & Sewer) shall be maintained at a minimum of 1.5% or as stipulated by bond covenants. Bonds should generally be sold on a competitive basis.

Long-term debt shall not be used for operating purposes. The life of bonds shall not exceed the useful life of the projects.

The City will strive to maintain a bond rating of at least an “AA” for General Obligation debt and a rating of “A1” for any future Water & Sewer Revenue debt. Credit enhancement products such as bond insurance are generally not cost effective at this strength of bond rating. The City’s debt is rated AAA, which is the highest achievable bond rating. The ratings per issuance are as follows (note the Series 2011 and 2013 debt were not rated by Fitch):

	<u>Fitch Ratings</u>	<u>Date Assigned/Affirmed</u>	<u>Standard & Poor's</u>	<u>Date Assigned/Affirmed</u>
General obligation bonds				
2011 General obligation refunding bonds, taxable	N/A	N/A	AAA	July 28, 2025
2013 Certificates of obligation	N/A	N/A	AAA	July 28, 2025
2014 General obligation	AAA	July 29, 2025	AAA	July 28, 2025
2016 Certificates of obligation	AAA	July 29, 2025	AAA	July 28, 2025
2018 Certificates of obligation	AAA	July 29, 2025	AAA	July 28, 2025
2018 General obligation	AAA	July 29, 2025	AAA	July 28, 2025
2020 General obligation refunding bonds	AAA	July 29, 2025	AAA	July 28, 2025
2020 General obligation improvement bonds	AAA	July 29, 2025	AAA	July 28, 2025
2022 Combination tax and revenue, taxable	AAA	July 29, 2025	AAA	July 28, 2025
2024 General obligation	AAA	July 29, 2025	AAA	July 28, 2025
2024 Combination tax and revenue	AAA	July 29, 2025	AAA	July 28, 2025
2025 General obligation bonds	AAA	July 29, 2025	AAA	July 28, 2025

The City Charter of the City of Farmers Branch, Texas, does not provide a debt limit. Under the provision of State law (Article XI, Section 5, of the State of Texas Constitution), the maximum tax rate is limited to \$2.50 per \$100 assessed valuation. The maximum annual debt service amount that can be supported by this maximum tax rate is \$253,280,120 based on the appraisal districts Certification of Appraisal Roll of \$10,131,204,784 in taxable value. The City’s proposed tax rate is \$0.543500 per \$100 of assessed valuation. This tax rate supports general governmental operations and approximately \$5.39 million in annual debt service. The actual debt service for the fiscal year is \$5,671,400 with the difference supported by the prior year’s excess debt collection of \$283,769 as reported by Dallas County. [Note: The City intends to issue remaining voter-authorized unissued debt in September 2025 in the amount of \$5.5 million for water and sewer infrastructure improvements.]

Dividend Plan

On February 3, 1997, the City Council approved a plan to annually review and analyze the fiscal condition of the City's General Fund and establish a framework for declaring a dividend. The dividend plan has been used effectively in good economic times and has helped the City maintain financial stability and strength.

The criteria for declaring a dividend include meeting the following:

1. An audit for the prior fiscal year has been completed that details unassigned General Fund fund balances.
2. The City's fund balance reserve requirement has been met.
3. All multi-year financial objectives are met.
4. The pay-as-you-go capital plan is appropriately funded.
5. Liabilities have been reviewed for appropriate funding.
6. Needs or opportunities that arise after the adoption of the current budget are considered.
7. The prior year addition to the General Fund fund balance remaining after the above criteria have been met would be available for dividend distribution consideration.
8. Dividends will be paid to taxpayers on an equitable basis.

The adopted budget may be amended during the year if the criteria noted above is evaluated and met in order to provide for a dividend.

Cash and Investment Management Concepts

The City shall manage and invest its cash in accordance with City Investment Policy guidelines and State law. The City shall maintain a comprehensive cash management program that includes collection of accounts receivable, vendor payment in accordance with invoice terms and prudent investment of available cash.

Interest earned from investment of available funds, whether pooled or not, shall be distributed to the funds from which monies were provided to be invested.

Compensation Practice Philosophy

The basic philosophy of the City is to provide an equitable compensation program for all employees. The basic concept of the pay system is that job responsibility and job performance will be the key determinants of an employee's salary. The purpose of the City's performance-based pay system is to attract, retain and motivate employees through the payment of financial compensation that is commensurate with the individuals' ability, responsibility and contribution toward the City's goals. The program is concerned with providing a compensation framework to inspire the development and progress of each employee. It is further designed to recognize and reward outstanding performance and achieve internally equitable and externally competitive compensation.

In order to keep the City's compensation system current, a mini-compensation survey will be conducted annually using key employee positions as benchmarks in order to determine if the pay structure is still competitive. Additionally, an annual North Central Texas Council of Governments (NCTCOG) survey is available in June of each year and will be used to review planned merit-based pay increases for the upcoming fiscal year within the region. A full independent compensation study was completed in fiscal year 2020-21 and implemented in 2021-22. Further studies are anticipated every five years.

Texas Municipal Retirement System

The Texas Constitution created the Texas Municipal Retirement System (TMRS). In the 1960's, cities were allowed to withdraw employees from Social Security and enroll them in alternative public pension systems. In 1964, the Farmers Branch City Council reviewed the costs and benefits associated with Social Security compared to TMRS and passed Ordinance 526 enrolling all employees in the TMRS system. Simultaneously, the City withdrew from Social Security, making employees (in most conditions) ineligible to receive this benefit. Decisions relating to contribution levels and benefit provisions are governed differently across Texas' diverse public retirement systems. However, the City's match was (in large part) decided based on the decision to withdraw from the Social Security system.

TMRS is a cash-balance defined benefit retirement plan used by over 900 cities in Texas. The annuity amount an employee receives at retirement is based upon the amount contributed jointly by the employee and the employer during the term of employment, plus interest earnings. The longer an employee works and contributes to the system, the greater the amount of their annuity at retirement. Like Social Security, this benefit is reviewed annually for cost-of-living adjustments (COLA). By State statute, employee contribution rates can be 5, 6, or 7% and, beginning September 1, 2025, a new 8% contribution level will be available for consideration due to the signing of House Bill 3161. Employer matching contribution rates can be 1:1, 1.5:1, or 2:1. The City Council approved an employee contribution rate of 7% and a 2:1 match. Every city in Dallas County (with the exception of Glenn Heights at 6%) has adopted the benefit level in place in Farmers Branch. The majority of participating cities have a 2:1 match and many of those cities also contribute to Social Security or a Retirement Security Plan (RSP), and even a match to a Deferred Comp Plan, and Supplemental Death Benefits [SDB] (note the City of FB discontinued funding the SDB for retirees). The City of Farmers Branch does not contribute to Social Security, does not have an RSP, and does not match any amount of Deferred Compensation. Farmers Branch's TMRS-funded status is 90.8% which is considered quite healthy. Detailed TMRS financial information is available in the City's recent Annual Comprehensive Financial Report.

In 2011, the City Council authorized the creation of, and appointed members to, an Employee Retirement Benefits Committee for the purpose of researching and reviewing various options available under Federal and/or State law regarding the provision of employee retirement benefits. In March 2012, the committee submitted a final report of findings, which was received by the City Council on April 3, 2012, consisting of the following:

1. That the City continue to participate in the Texas Municipal Retirement System (TMRS) versus alternative options.
2. That no immediate action be taken at this time with respect to matching ratio options, cost-of-living adjustment options, or updated service credit options.
3. That immediate action should be taken if any one or more of the following events occur: a) if the funded ratio of the TMRS obligation drops below 80%; b) if, in any three year period, there is a consecutive decline in the funded ratio of the TMRS obligation signaling a negative trend or missed assumptions in the actuarial calculation that predicts a 100% funded TMRS obligation over 26 years; c) if the City of Farmers Branch/taxpayer General Fund contribution to the TMRS exceeds 12% of the General Fund budget.
4. Should one or any combination of the above-described events occur, an immediate reduction in the updated service credit options should be taken that is commensurate with correcting the associated event.
5. Should reducing the updated service credit option to the lowest allowed percentage not be sufficient to correct the associated event, additional action should be taken to reduce the cost-of-living option to correct the associated event.
6. Once an associated event is deemed to have been corrected, any reduction to cost-of-living option and/or updated service credit should revert to the level prior to the reduction.

Risk Management

The City will aggressively pursue every opportunity to provide for the public's and City employee's safety and to manage its risks. The goal shall be to minimize the risk of loss or resources through liability claims with an emphasis on safety programs. All reasonable options will be investigated to finance risks. Such options may include risk transfer, insurance and risk retention. Where risk is retained, reserves will be established based upon actuarial determinations and will not be used for purposes other than for financing losses.

GENERAL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>TAXES</u>							
PROPERTY TAXES	\$ 45,265,300	\$ 45,419,467	\$ 45,879,500	\$ 45,879,500	\$ 46,000,000	0.26%	\$ 120,500
SALES & USE	23,000,000	23,000,000	21,731,800	21,731,800	23,000,000	5.84%	1,268,200
MIXED BEVERAGE	98,700	105,421	80,000	80,000	95,000	18.75%	15,000
FRANCHISE FEES	3,770,700	3,787,886	3,775,000	3,775,000	3,690,000	-2.25%	(85,000)
PENALTIES & INTEREST	169,400	168,184	125,000	125,000	125,000	0.00%	0
SUB-TOTAL	72,304,100	72,480,957	71,591,300	71,591,300	72,910,000	1.84%	1,318,700
<u>LICENSES & PERMITS</u>							
HEALTH	102,700	110,750	90,000	90,000	95,000	5.56%	5,000
BUILDING	1,357,800	1,387,216	1,283,800	1,283,800	1,273,800	-0.78%	(10,000)
PLUMBING	134,500	140,725	130,000	130,000	130,000	0.00%	0
ELECTRICAL	167,600	176,217	175,000	175,000	150,000	-14.29%	(25,000)
HVAC	99,200	105,038	110,000	110,000	100,000	-9.09%	(10,000)
MULTI-FAMILY INSPECTION	159,600	228,725	175,000	175,000	190,000	8.57%	15,000
SUB-TOTAL	2,021,400	2,148,671	1,963,800	1,963,800	1,938,800	-1.27%	(25,000)
<u>CHARGES FOR SERVICES</u>							
ZONING	15,900	19,276	11,500	11,500	11,300	-1.74%	(200)
PRINTING & DUPLICATING	9,700	10,506	7,300	7,300	11,300	54.79%	4,000
POLICE SERVICES	118,600	103,513	130,000	130,000	115,000	-11.54%	(15,000)
EMERGENCY SERVICES	1,422,900	1,482,744	1,215,000	1,215,000	1,245,000	2.47%	30,000
FIRE SERVICES	151,000	158,659	160,000	160,000	190,000	18.75%	30,000
REFUSE SERVICES	7,669,900	7,808,822	7,364,000	7,364,000	9,217,000	25.16%	1,853,000
HEALTH & INSPECTION FEE	42,600	42,855	113,500	113,500	113,500	0.00%	0
ANIMAL CONTROL & SHELTER	24,200	25,837	30,000	30,000	15,000	-50.00%	(15,000)
AQUATIC CENTER FEES	530,900	541,399	575,000	575,000	580,000	0.87%	5,000
SENIOR CENTER FEES	45,000	45,707	75,000	75,000	75,000	0.00%	0
PARKS & REC CONCESSIONS	204,500	217,452	298,000	298,000	226,700	-23.93%	(71,300)
BUILDING USE FEES - PARK PROG.	1,506,800	1,534,436	1,523,300	1,523,300	1,600,000	5.04%	76,700
EVENTS	40,000	36,356	88,200	88,200	63,200	-28.34%	(25,000)
SUB-TOTAL	11,782,000	12,027,563	11,590,800	11,590,800	13,463,000	16.15%	1,872,200
<u>FINES, FORFEITS & ASSESSMENTS</u>							
COURT	1,913,700	2,050,920	1,571,200	1,571,200	1,876,000	19.40%	304,800
LIBRARY	6,200	6,672	6,000	6,000	6,000	0.00%	0
SUB-TOTAL	1,919,900	2,057,592	1,577,200	1,577,200	1,882,000	19.33%	304,800

GENERAL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>INTEREST/RENTS/CONTRIBUTIONS</u>							
INTEREST	2,471,300	2,687,420	1,250,000	1,250,000	1,300,000	4.00%	50,000
RENTS	289,900	213,664	227,000	227,000	278,000	22.47%	51,000
SUB-TOTAL	2,761,200	2,901,084	1,477,000	1,477,000	1,578,000	6.84%	101,000
<u>MISCELLANEOUS</u>							
PAY PHONE COMMISSIONS	2,100	2,251	1,500	1,500	2,000	33.33%	500
RECYCLING	16,400	17,847	10,000	10,000	14,000	40.00%	4,000
MISCELLANEOUS	50,500	56,823	50,500	50,500	59,100	17.03%	8,600
EV CHARGING FEES	8,000	9,935	0	0	9,000	0.00%	9,000
SALE OF ASSETS	37,000	36,974	0	0	0	0.00%	0
INSURANCE RECOVERY	32,000	31,983	0	0	0	0.00%	0
TRANSFER IN - HOTEL/MOTEL	90,000	90,000	90,000	90,000	90,000	0.00%	0
TRANSFER IN - SPECIAL REVENUE	0	0	0	0	63,000	0.00%	63,000
SUB-TOTAL	228,000	235,784	152,000	152,000	228,100	50.07%	13,100
GRAND TOTAL	\$ 91,016,600	\$ 91,851,651	\$ 88,352,100	\$ 88,352,100	\$ 91,999,900	4.13%	\$ 3,647,800

GENERAL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
GENERAL GOVERNMENT							
GENERAL GOVERNMENT	\$ 359,572	\$ 295,119	\$ 461,700	\$ 469,331	\$ 322,100	-31.37%	\$ (147,231)
GENERAL CONTRACTS	543,214	284,186	250,000	421,788	250,000	-40.73%	(171,788)
LEGAL	497,900	487,255	544,000	552,493	710,900	28.67%	158,407
NON-DEPARTMENTAL	6,132,820	6,206,072	5,430,800	5,458,508	9,355,800	71.40%	3,897,292
SUB-TOTAL	7,533,506	7,272,631	6,686,500	6,902,119	10,638,800	54.14%	3,736,681
GENERAL ADMINISTRATION & COMMUNICATIONS							
GENERAL ADMINISTRATION	1,358,223	1,318,314	1,245,300	1,284,000	1,503,900	17.13%	219,900
COMMUNICATIONS	754,316	681,516	725,400	747,556	766,900	2.59%	19,344
SUB-TOTAL	2,112,538	1,999,829	1,970,700	2,031,556	2,270,800	11.78%	239,244
ECONOMIC DEVELOPMENT							
ECONOMIC DEVELOPMENT	699,000	634,451	653,500	686,843	536,200	-21.93%	(150,643)
SUB-TOTAL	699,000	634,451	653,500	686,843	536,200	-21.93%	(150,643)
CUSTOMER SUCCESS							
	[1]						
CUSTOMER SUCCESS	0	0	545,100	545,100	630,500	15.67%	85,400
SUB-TOTAL	0	0	545,100	545,100	630,500	15.67%	85,400
HUMAN RESOURCES							
HUMAN RESOURCES	1,303,244	1,224,095	1,293,400	1,358,051	1,242,500	-8.51%	(115,551)
SUB-TOTAL	1,303,244	1,224,095	1,293,400	1,358,051	1,242,500	-8.51%	(115,551)
FINANCE							
FINANCE ADMINISTRATION	1,283,096	1,174,038	1,428,000	1,428,000	1,592,100	11.49%	164,100
ACCOUNTING	918,300	901,279	1,089,700	1,091,793	1,037,500	-4.97%	(54,293)
PURCHASING	147,625	141,607	146,200	146,200	151,000	3.28%	4,800
MUNICIPAL COURT	721,500	688,804	691,400	694,365	704,800	1.50%	10,435
SUB-TOTAL	3,070,521	2,905,729	3,355,300	3,360,358	3,485,400	3.72%	125,042
INNOVATION & TECHNOLOGY							
INNOVATION & TECHNOLOGY	5,231,000	4,629,109	4,927,400	5,169,549	5,313,600	2.79%	144,051
SUB-TOTAL	5,231,000	4,629,109	4,927,400	5,169,549	5,313,600	2.79%	144,051
COMMUNITY SERVICES							
COMMUNITY SERVICES	1,041,569	998,197	1,103,000	1,120,965	1,079,300	-3.72%	(41,665)
CODE ENFORCEMENT	735,868	700,804	835,500	836,500	599,500	-28.33%	(237,000)
SUB-TOTAL	1,777,437	1,699,002	1,938,500	1,957,465	1,678,800	-14.24%	(278,665)
ANIMAL SERVICES							
ANIMAL SERVICES	981,585	956,167	832,900	833,256	862,700	3.53%	29,444
SUB-TOTAL	981,585	956,167	832,900	833,256	862,700	3.53%	29,444

GENERAL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
PLANNING							
PLANNING	650,000	514,710	652,700	662,590	670,200	1.15%	7,611
SUB-TOTAL	650,000	514,710	652,700	662,590	670,200	1.15%	7,611
PUBLIC WORKS							
PUBLIC WORKS ADMINISTRATION	809,120	759,046	847,300	848,871	841,500	-0.87%	(7,371)
STREET MAINTENANCE	5,555,840	5,309,783	5,192,600	5,270,130	4,243,400	-19.48%	(1,026,730)
SUSTAINABILITY/SOLID WASTE	8,065,078	7,945,165	5,024,400	5,059,956	5,207,700	2.92%	147,744
ENVIRONMENTAL SERVICES	526,660	392,727	0	97,304	0	-100.00%	(97,304)
SUB-TOTAL	14,956,697	14,406,708	11,064,300	11,276,262	10,292,600	-8.72%	(983,662)
POLICE							
POLICE ADMINISTRATION	2,415,700	2,280,453	2,472,900	2,489,095	2,252,200	-9.52%	(236,895)
POLICE INVESTIGATIONS	2,424,800	2,272,821	2,792,200	2,795,866	2,972,900	6.33%	177,034
POLICE PATROL	11,151,426	10,932,703	11,140,400	11,180,698	10,495,900	-6.12%	(684,798)
POLICE DETENTION	1,705,600	1,680,260	1,711,200	1,711,200	2,043,500	19.42%	332,300
POLICE COMMUNICATIONS	2,536,100	2,493,856	2,684,500	2,684,500	2,970,300	10.65%	285,800
POLICE TRAINING	245,700	238,406	281,300	281,300	0	-100.00%	(281,300)
COURT SERVICES	181,700	170,277	273,200	276,400	0	-100.00%	(276,400)
SUB-TOTAL	20,661,026	20,068,777	21,355,700	21,419,058	20,734,800	-3.19%	(684,258)
FIRE							
FIRE ADMINISTRATION	1,680,789	1,663,838	1,794,200	1,795,944	1,332,800	-25.79%	(463,144)
FIRE PREVENTION	1,086,563	1,057,536	1,099,500	1,102,052	986,100	-10.52%	(115,952)
FIRE OPERATIONS	15,103,013	14,774,358	14,755,500	14,797,573	14,382,200	-2.81%	(415,373)
SUB-TOTAL	17,870,365	17,495,731	17,649,200	17,695,569	16,701,100	-5.62%	(994,469)
PARKS & RECREATION							
FACILITIES MANAGEMENT	0	0	0	0	3,993,700	0.00%	3,993,700
PARKS & RECREATION ADMIN	621,700	617,189	511,900	513,580	431,600	-15.96%	(81,980)
PARK MAINTENANCE	8,358,460	8,062,525	7,097,300	7,218,759	6,018,000	-16.63%	(1,200,759)
RECREATION CENTER	2,222,806	2,148,425	2,195,700	2,197,517	1,430,400	-34.91%	(767,117)
AQUATICS CENTER	1,327,100	1,304,768	1,476,800	1,480,041	1,268,000	-14.33%	(212,041)
BRANCH CONNECTION / SR CENTER	1,661,600	1,520,803	839,700	882,443	582,700	-33.97%	(299,743)
PARK BOARD	7,900	6,840	10,900	10,900	3,500	-67.89%	(7,400)
SENIOR ADVISORY BOARD	4,400	3,618	3,900	3,900	3,500	-10.26%	(400)
EVENTS	1,345,032	1,204,409	1,179,900	1,209,764	1,218,800	0.75%	9,037
LIBRARY	2,271,829	2,155,423	2,110,800	2,112,974	1,763,000	-16.56%	(349,974)
SUB-TOTAL	17,820,827	17,024,001	15,426,900	15,629,877	16,713,200	6.93%	1,083,323
GRAND TOTAL	\$ 94,667,747	\$ 90,830,941	\$ 88,352,100	\$ 89,527,653	\$ 91,771,200	2.51%	\$ 2,235,937

[1] Customer Success is the consolidation of customer service personnel to one division and results in no increase to headcount.

GENERAL FUND EXPENDITURE SUMMARY Summarized by Function

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>GENERAL GOVERNMENT</u>						
GENERAL GOVERNMENT	\$ 295,119	\$ 461,700	\$ 469,331	\$ 322,100	-31.37%	\$ (147,231)
GENERAL CONTRACTS	284,186	250,000	421,788	250,000	-40.73%	(171,788)
LEGAL	487,255	544,000	552,493	710,900	28.67%	158,407
NON-DEPARTMENTAL	6,206,072	5,430,800	5,458,508	9,355,800	71.40%	3,897,292
GENERAL ADMINISTRATION	1,318,314	1,245,300	1,284,000	1,503,900	17.13%	219,900
COMMUNICATIONS	681,516	725,400	747,556	766,900	2.59%	19,344
ECONOMIC DEVELOPMENT	634,451	653,500	686,843	536,200	-21.93%	(150,643)
CUSTOMER SUCCESS	0	545,100	545,100	630,500	15.67%	85,400
HUMAN RESOURCES	1,224,095	1,293,400	1,358,051	1,242,500	-8.51%	(115,551)
FINANCE ADMINISTRATION	1,174,038	1,428,000	1,428,000	1,592,100	11.49%	164,100
ACCOUNTING	901,279	1,089,700	1,091,793	1,037,500	-4.97%	(54,293)
PURCHASING	141,607	146,200	146,200	151,000	3.28%	4,800
MUNICIPAL COURT	688,804	691,400	694,365	704,800	1.50%	10,435
INNOVATION & TECHNOLOGY	4,629,109	4,927,400	5,169,549	5,313,600	2.79%	144,051
COMMUNITY SERVICES	998,197	1,103,000	1,120,965	1,079,300	-3.72%	(41,665)
CODE ENFORCEMENT	700,804	835,500	836,500	599,500	-28.33%	(237,000)
ANIMAL SERVICES	956,167	832,900	833,256	862,700	3.53%	29,444
PLANNING	514,710	652,700	662,590	670,200	1.15%	7,611
TOTAL GENERAL GOV'T	21,321,014	22,203,300	22,844,297	26,659,300	16.70%	3,815,003
<u>PUBLIC WORKS</u>						
PUBLIC WORKS ADMINISTRATION	759,046	847,300	848,871	841,500	-0.87%	(7,371)
STREET MAINTENANCE	5,309,783	5,192,600	5,270,130	4,243,400	-19.48%	(1,026,730)
SUSTAINABILITY/SOLID WASTE	7,945,165	5,024,400	5,059,956	5,207,700	2.92%	147,744
ENVIRONMENTAL SERVICES	392,727	0	97,304	0	-100.00%	(97,304)
TOTAL PUBLIC WORKS	14,406,708	11,064,300	11,276,262	10,292,600	-8.72%	(983,662)
<u>PUBLIC SAFETY</u>						
POLICE ADMINISTRATION	2,280,453	2,472,900	2,489,095	2,252,200	-9.52%	(236,895)
POLICE INVESTIGATIONS	2,272,821	2,792,200	2,795,866	2,972,900	6.33%	177,034
POLICE PATROL	10,932,703	11,140,400	11,180,698	10,495,900	-6.12%	(684,798)
POLICE DETENTION	1,680,260	1,711,200	1,711,200	2,043,500	19.42%	332,300
POLICE COMMUNICATIONS	2,493,856	2,684,500	2,684,500	2,970,300	10.65%	285,800
POLICE TRAINING	238,406	281,300	281,300	0	-100.00%	(281,300)
COURT SERVICES	170,277	273,200	276,400	0	-100.00%	(276,400)
FIRE ADMINISTRATION	1,663,838	1,794,200	1,795,944	1,332,800	-25.79%	(463,144)
FIRE PREVENTION	1,057,536	1,099,500	1,102,052	986,100	-10.52%	(115,952)
FIRE OPERATIONS	14,774,358	14,755,500	14,797,573	14,382,200	-2.81%	(415,373)
TOTAL PUBLIC SAFETY	37,564,508	39,004,900	39,114,627	37,435,900	-4.29%	(1,678,727)

**GENERAL FUND
EXPENDITURE SUMMARY
Summarized by Function**

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>CULTURE & RECREATION</u>						
FACILITIES MANAGEMENT	0	0	0	3,993,700	0.00%	3,993,700
PARKS & RECREATION ADMIN	617,189	511,900	513,580	431,600	-15.96%	(81,980)
PARK MAINTENANCE	8,062,525	7,097,300	7,218,759	6,018,000	-16.63%	(1,200,759)
RECREATION CENTER	2,148,425	2,195,700	2,197,517	1,430,400	-34.91%	(767,117)
AQUATICS CENTER	1,304,768	1,476,800	1,480,041	1,268,000	-14.33%	(212,041)
BRANCH CONNECTION / SR CENTER	1,520,803	839,700	882,443	582,700	-33.97%	(299,743)
PARK BOARD	6,840	10,900	10,900	3,500	-67.89%	(7,400)
SENIOR ADVISORY BOARD	3,618	3,900	3,900	3,500	-10.26%	(400)
EVENTS	1,204,409	1,179,900	1,209,764	1,218,800	0.75%	9,037
LIBRARY	2,155,423	2,110,800	2,112,974	1,763,000	-16.56%	(349,974)
TOTAL CULTURE & RECREATION	17,024,001	15,426,900	15,629,877	16,713,200	6.93%	(2,910,377)
GRAND TOTAL	\$ 90,316,231	\$ 87,699,400	\$ 88,865,063	\$ 91,101,000	2.52%	\$ (1,757,763)

GENERAL FUND
EXPENDITURE SUMMARY
Summarized by Type of Expenditure

EXPENDITURES BY TYPE	ACTUAL 2023-24		ADOPTED BUDGET 2024-25		YEAR-END AMENDED BUDGET 2024-25		PROPOSED BUDGET 2025-26	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Personal Services/Benefits								
Full-Time	\$ 34,180,074	37.63%	\$ 35,957,800	40.70%	\$ 35,904,800	40.10%	\$ 36,573,800	39.85%
Part-Time	1,356,022	1.49%	1,549,400	1.75%	1,574,400	1.76%	1,624,400	1.77%
Overtime	1,319,680	1.45%	1,249,300	1.41%	1,251,300	1.40%	1,299,900	1.42%
Life & Health	3,739,365	4.12%	4,229,000	4.79%	4,251,700	4.75%	4,625,900	5.04%
TMRS	7,300,582	8.04%	7,672,200	8.68%	7,672,200	8.57%	7,783,800	8.48%
Medicare	510,933	0.56%	564,100	0.64%	564,500	0.63%	566,900	0.62%
Workers' Compensation	396,400	0.44%	396,400	0.45%	396,400	0.44%	0	0.00%
Car Allowance	161,137	0.18%	171,900	0.19%	171,900	0.19%	134,400	0.15%
Transfers (Personnel Related)	(1,528,700)	-1.68%	(1,528,700)	-1.73%	(1,528,700)	-1.71%	(1,346,000)	-1.47%
Sub-Total	47,435,493	52.22%	50,261,400	56.89%	50,258,500	56.14%	51,263,100	55.86%
Purchased Prof & Tech Services	5,593,672	6.16%	5,951,700	6.74%	6,403,024	7.15%	6,698,100	7.30%
Supplies	2,292,413	2.52%	2,665,500	3.02%	2,970,538	3.32%	2,161,500	2.36%
Repairs & Maintenance	8,576,243	9.44%	9,623,600	10.89%	9,733,834	10.87%	5,862,900	6.39%
Services	9,734,662	10.72%	11,247,400	12.73%	11,556,825	12.91%	13,862,200	15.11%
Production & Disposal	19,397	0.02%	44,500	0.05%	59,706	0.07%	44,500	0.05%
Building/Infrastructure	0	0.00%	0	0.00%	0	0.00%	1,510,000	1.65%
Other Fixed Assets	0	0.00%	739,700	0.84%	739,700	0.83%	627,500	0.68%
Contracts	284,186	0.31%	250,000	0.28%	421,788	0.47%	250,000	0.27%
Events	493,438	0.54%	336,500	0.38%	343,613	0.38%	581,500	0.63%
Other Objects	2,742,775	3.02%	3,672,000	4.16%	3,674,325	4.10%	3,124,000	3.40%
Transfers	13,658,663	15.04%	3,559,800	4.03%	3,365,800	3.76%	5,785,900	6.30%
Sub-Total	43,395,448	47.78%	38,090,700	43.11%	39,269,153	43.86%	40,508,100	44.14%
Total Appropriations	<u>\$ 90,830,941</u>	<u>100.00%</u>	<u>\$ 88,352,100</u>	<u>100.00%</u>	<u>\$ 89,527,653</u>	<u>100.00%</u>	<u>\$ 91,771,200</u>	<u>100.00%</u>

GENERAL GOVERNMENT

Who we are:

General Government comprises four divisions: General Government, General Contracts, Legal, and Non-Departmental. The General Government budget accounts for the expenses of the City Council. The General Contracts budget accounts for services provided to citizens by City Council-approved non-profit organizations. The Legal budget accounts for expenses associated with the City's contracted legal counsel. The Non-Departmental budget accounts for expenditures and inter-fund transfers that benefit the entire General Fund and cannot readily be allocated to a specific department.

Key Processes:

- The City Council (General Government division) adopts all City ordinances and resolutions
- The City Council makes policy decisions for implementation by the City Manager
- The City Council approves major expenditure items and annually establishes the City's programs and services by adopting the annual budget
- The City Council participates in the development of a framework to guide the decisions of both elected officials and staff
- Non-profit organizations (General Contracts) provide support to citizens in need
- Legal provides advice and legal services to officials, departments, and others with City-related business to protect the rights of the City and its citizens and reduce the City's legal liability

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OUR CORE VALUES

Accountability

Excellence

Innovation

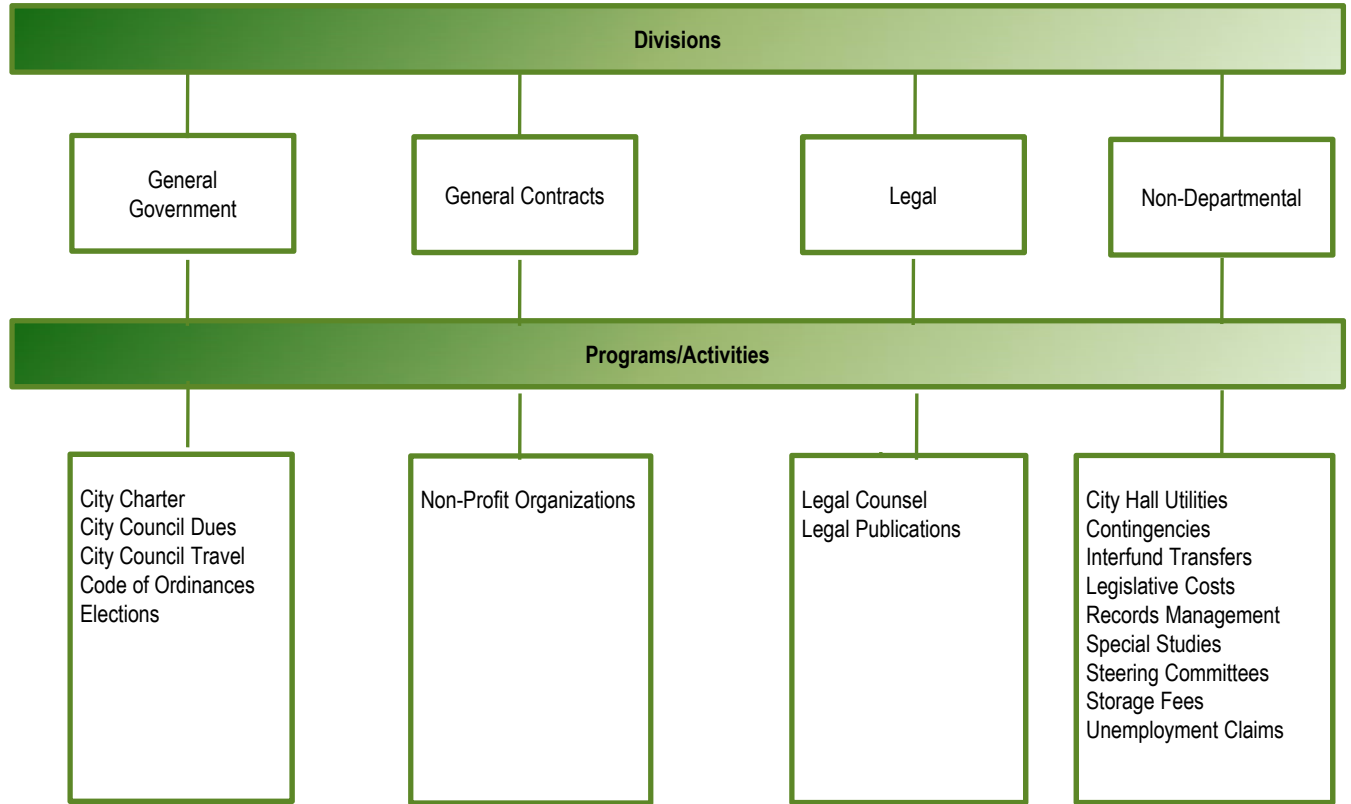
Leadership

Respect

Service.

General Government

Benjamin Williamson
City Manager
FTE 0.00



GENERAL GOVERNMENT SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
Personal Services/Benefits	\$ 3,300	\$ 3,243	\$ 18,300	\$ 18,700	\$ 17,600	-5.88%	\$ (1,100)
Purchased Prof & Tech Services	497,900	487,255	544,000	552,493	710,900	28.67%	158,407
Supplies	10,700	8,758	11,800	13,360	20,600	54.19%	7,240
Repairs & Maintenance	322,700	313,240	357,100	363,990	0	-100.00%	(363,990)
Services	611,872	459,512	741,200	759,806	3,257,600	328.74%	2,497,794
Contracts	543,214	284,186	250,000	421,788	250,000	-40.73%	(171,788)
Other Objects	2,714,360	2,717,874	3,622,000	3,629,882	3,074,000	-15.31%	(555,882)
Transfers	2,829,460	2,998,563	1,142,100	1,142,100	3,308,100	189.65%	2,166,000
Total Budget	\$ 7,533,506	\$ 7,272,631	\$ 6,686,500	\$ 6,902,119	\$ 10,638,800	54.14%	\$ 3,736,681

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
GENERAL GOVERNMENT							
Personal Services/Benefits	\$ 3,300	\$ 3,243	\$ 18,300	\$ 18,700	\$ 17,600	-5.88%	\$ (1,100)
Supplies	10,700	8,758	11,800	13,360	20,600	54.19%	7,240
Services	345,572	283,118	431,600	437,271	283,900	-35.07%	(153,371)
Total Budget	<u>\$ 359,572</u>	<u>\$ 295,119</u>	<u>\$ 461,700</u>	<u>\$ 469,331</u>	<u>\$ 322,100</u>	<u>-31.37%</u>	<u>\$ (147,231)</u>
GENERAL CONTRACTS							
Contracts	\$ 543,214	\$ 284,186	\$ 250,000	\$ 421,788	\$ 250,000	-40.73%	\$ (171,788)
Total Budget	<u>\$ 543,214</u>	<u>\$ 284,186</u>	<u>\$ 250,000</u>	<u>\$ 421,788</u>	<u>\$ 250,000</u>	<u>-40.73%</u>	<u>\$ (171,788)</u>
LEGAL							
Purchased Prof & Tech Services	\$ 497,900	\$ 487,255	\$ 544,000	\$ 552,493	\$ 710,900	28.67%	\$ 158,407
Total Budget	<u>\$ 497,900</u>	<u>\$ 487,255</u>	<u>\$ 544,000</u>	<u>\$ 552,493</u>	<u>\$ 710,900</u>	<u>28.67%</u>	<u>\$ 158,407</u>
NON-DEPARTMENTAL							
Repairs & Maintenance	\$ 322,700	313,240	\$ 357,100	\$ 363,990	\$ 0	-100.00%	\$ (363,990)
Services	266,300	176,394	309,600	322,535	2,973,700	821.98%	2,651,165
Other Objects	2,714,360	2,717,874	3,622,000	3,629,882	3,074,000	-15.31%	(555,882)
Transfers	2,829,460	2,998,563	1,142,100	1,142,100	3,308,100	189.65%	2,166,000
Total Budget	<u>\$ 6,132,820</u>	<u>\$ 6,206,072</u>	<u>\$ 5,430,800</u>	<u>\$ 5,458,508</u>	<u>\$ 9,355,800</u>	<u>71.40%</u>	<u>\$ 3,897,292</u>

CITY MANAGER'S OFFICE

Who we are:

The City of Farmers Branch operates under a Council-Manager form of government, where the Mayor and City Council establish policy direction for the community, and the City Manager is responsible for implementing that policy through effective administration.

The City Manager's Office (CMO) provides strategic leadership and oversight for all city departments, ensuring alignment with the City Council's priorities. The CMO is responsible for preparing and presenting a structurally balanced budget and a comprehensive strategic plan, both of which are directly tied to the Council's long-term vision. In partnership with the Council, the CMO supports the development of policies, goals, and performance objectives while maintaining clear and consistent communication on key community matters. Additionally, the CMO manages core organizational functions, including legislative support, public communications, and legal services, ensuring efficient, transparent, and accountable governance.

Key Processes:

- Implementation of Council policies and initiatives
- Strategic planning and performance management
- Community engagement and stakeholder communication
- Employee engagement and organizational development
- Ongoing evaluation and continuous process improvement

Strategic Initiatives:

- Strengthen citywide succession planning to ensure business continuity
- Promote fiscal responsibility through long-term financial planning
- Deliver services efficiently and responsibly to meet community needs
- Maintain a strong focus on public safety as a core priority

Key Performance Measures:

- Develop a transparent and fiscally responsible City budget aligned with City Council's strategic priorities and inclusive of public input mechanisms
- Create departmental business plans that reflect citywide strategic goals and support efficient, effective service delivery
- Maintain appropriate public safety staffing levels to meet operational and community demands

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Accountability

Excellence

Innovation

Leadership

Respect

Service.

Benjamin Williamson, City Manager

ADMINISTRATIVE SERVICES

CITY SECRETARY'S OFFICE

Who we are:

Administrative Services, including the City Secretary's Office (CSO), is a division under the City Manager's Office and utilizes the same budget accounts. The CSO's mission is to support the City Council and promote open government. The CSO serves as a resource for citizens and as a link between citizens and the city organization.

The CSO manages citywide elections, oversees citywide Board and Commission appointments, serves as the custodian of citywide records, manages record retention and destruction, processes city public information requests, and prepares meeting agendas, packets, and minutes of all City Council regular and special meetings. The CSO holds and maintains the city seal.

Key Processes:

- City elections
- Records management
- Boards and commissions
- Public information requests
- Council/Meeting agendas

Strategic Initiatives:

- Oversight of the board and commissions
- Provide orientation training for appointed officials
- Continue process improvement for records management and records destruction
- Conduct efficient city elections
- Manage efficient public meetings

Key Performance Measures:

- Develop a process to maintain effective oversight of boards and commissions per state laws
- Orientation materials reviewed and updated annually
- Conduct at least one internal audit of record management compliance per year
- Timely completion of open records requests according to State law
- Number of open record requests
- Compliance with all state election deadlines and requirements
- Meeting agendas posted at least 3 business days in advance

Stacy Henderson, Director

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ADMINISTRATIVE SERVICES/ COMMUNICATIONS

Who we are:

The Administrative Services Department includes the Communications Division. The mission of the Communications Division is to tell the City's story. This is accomplished by providing current and accurate information about City of Farmers Branch programs, activities, services, events, and news-making occurrences.

Information is presented to community members, media, and employees through various newsletters, FBTV, the City's main website at www.farmersbranchtx.gov, Branch Mail e-mail news notifications, video programs, news releases, and social media. Communications executes public information campaigns and serves as the media relations representative both daily and in emergency situations.

Key Processes:

- City website
- Media Relations
- Communication of City news and information
- Community engagement

Strategic Initiatives:

- Improve city website functionality and accessibility
- Enhance communication tools to proactively keep community members informed through social media and other platforms
- Promote opportunities with community partners

Key Performance Measures:

- Enhance community engagement with targeted forms of communication.
- Social media Branch life open rate
- Branch Enews open rate
- Number of website visits
- Number of Branch Bulletin subscribers

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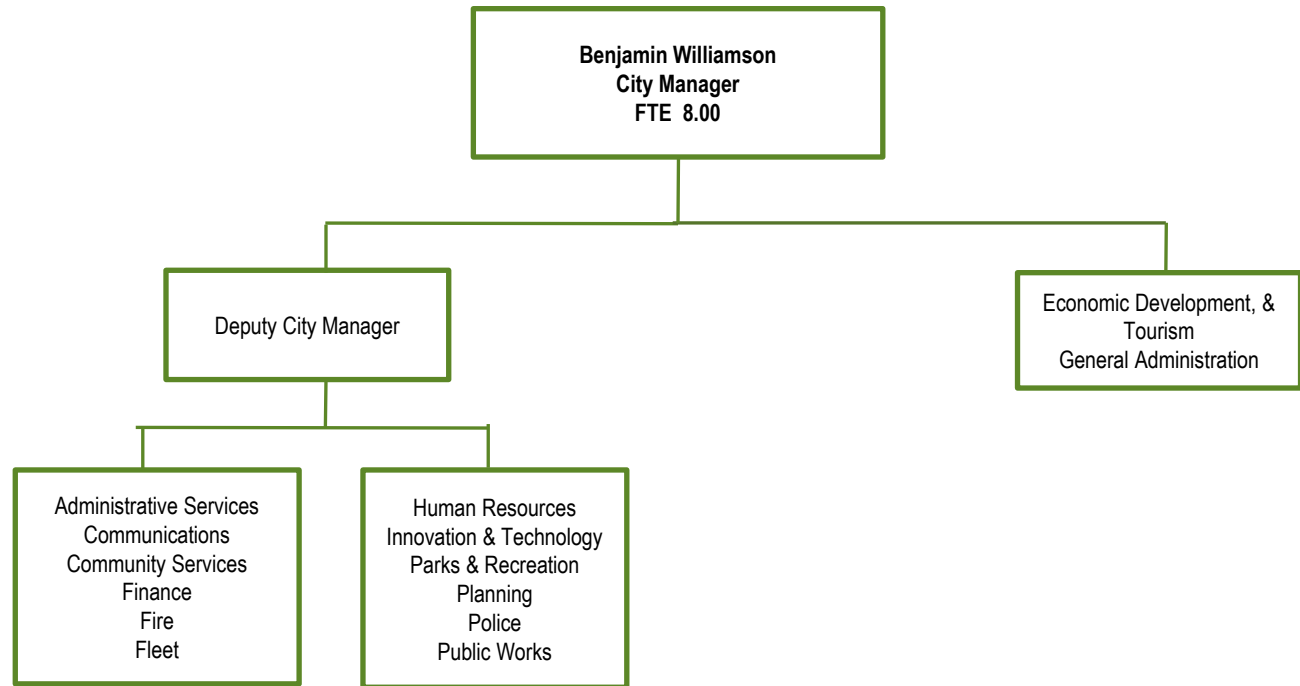
Innovation

Leadership

Respect

Service.

Administration



GENERAL ADMINISTRATION SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
Personal Services/Benefits	\$ 1,242,523	\$ 1,239,365	\$ 1,135,400	\$ 1,160,100	\$ 1,409,200	21.47%	\$ 249,100
Purchased Prof & Tech Services	10,000	7,456	0	0	0	0.00%	0
Supplies	19,600	16,948	23,600	23,600	26,100	10.59%	2,500
Repairs & Maintenance	1,200	1,200	1,200	1,200	15,500	1191.67%	14,300
Services	84,900	53,344	85,100	99,100	53,100	-46.42%	(46,000)
Total Budget	\$ 1,358,223	\$ 1,318,314	\$ 1,245,300	\$ 1,284,000	\$ 1,503,900	17.13%	\$ 219,900

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
GENERAL ADMINISTRATION							
Personal Services/Benefits	\$ 1,242,523	\$ 1,239,365	\$ 1,135,400	\$ 1,160,100	\$ 1,409,200	21.47%	\$ 249,100
Purchased Prof & Tech Services	10,000	7,456	0	0	0	0.00%	0
Supplies	19,600	16,948	23,600	23,600	26,100	10.59%	2,500
Repairs & Maintenance	1,200	1,200	1,200	1,200	15,500	1191.67%	14,300
Services	84,900	53,344	85,100	99,100	53,100	-46.42%	(46,000)
Total Budget	<u>\$ 1,358,223</u>	<u>\$ 1,318,314</u>	<u>\$ 1,245,300</u>	<u>\$ 1,284,000</u>	<u>\$ 1,503,900</u>	<u>17.13%</u>	<u>\$ 219,900</u>
COMMUNICATIONS							
Personal Services/Benefits	\$ 300,300	\$ 294,854	\$ 304,700	\$ 304,700	\$ 347,000	13.88%	\$ 42,300
Purchased Prof & Tech Services	215,000	170,483	190,000	199,700	190,000	-4.86%	(9,700)
Supplies	7,600	7,068	7,100	7,100	7,100	0.00%	0
Repairs & Maintenance	45,200	45,436	40,000	40,000	50,000	25.00%	10,000
Services	186,216	163,674	183,600	196,056	172,800	-11.86%	(23,256)
Total Budget	<u>\$ 754,316</u>	<u>\$ 681,516</u>	<u>\$ 725,400</u>	<u>\$ 747,556</u>	<u>\$ 766,900</u>	<u>2.59%</u>	<u>\$ 19,344</u>

ECONOMIC DEVELOPMENT & TOURISM

Who we are:

The Economic Development & Tourism Office serves as the development representative for the city and is responsible for implementing the vision set forth by the city council. This is accomplished through various programs and efforts aimed at recruiting and retaining businesses, as well as redeveloping commercial and residential areas. Attracting large groups to generate hotel room nights contributes to the hotel occupancy tax fund, which in turn impacts local events and culture.

Key Processes:

- Recruit Businesses
- Retain Businesses
- Redevelopment of residential properties
- Redevelopment of commercial properties
- Promote tourism

Strategic Initiatives:

- Promote the Station Area for development
- Improve Community Attractiveness via Commercial Façade Grant Program
- Drive Tourism to Increase Hotel Room Night Count and Revenue
- Launch a city-led BRE program to meet regularly with key employers
- Offer customized assistance (based on the outcome of BRE) – e.g., any expansion support that the council may consider, permitting guidance, etc.
- Maintain a business health database to track local business trends
- Provide quarterly updates to the City Council
- Collaborate with Parks to create a city event calendar to promote consistency and cross-promotion

Key Performance Measures:

- TIF 2 study to support Station Area development
- Achieve at least an 80% completion rate of approved façade grant projects per fiscal year
- Increase hotel room night count year over year
- Conduct regular meetings with at least 100 key employers annually
- Update business health indicators quarterly, e.g., business closures/starts, sales tax, etc.
- Business engagement visits
- Demo/Rebuild program participation
- Corporate Appreciation Events

Benjamin Williamson, City Manager

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Excellence

Innovation

Leadership

Respect

Service.

Economic Development & Tourism

Benjamin Williamson
City Manager
FTE 3.00 (General Fund)

Tourism
(Hotel/Motel Fund)

Programs

Attraction & Retention
Business Services
Demo/Rebuild Program
Economic Development
Revitalization
Tax Increment Financing

ECONOMIC DEVELOPMENT SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Personal Services/Benefits</i>	\$ 509,800	\$ 495,596	\$ 446,400	\$ 446,400	\$ 343,900	-22.96%	\$ (102,500)
<i>Purchased Prof & Tech Services</i>	3,800	553	10,000	10,000	10,000	0.00%	0
<i>Supplies</i>	8,800	3,657	6,900	6,900	8,700	26.09%	1,800
<i>Services</i>	176,600	134,646	190,200	223,543	173,600	-22.34%	(49,943)
Total Budget	\$ 699,000	\$ 634,451	\$ 653,500	\$ 686,843	\$ 536,200	-21.93%	\$ (150,643)

The Economic Development & Tourism office also includes Tourism activities, which are detailed in the Hotel/Motel Fund section of this document.

HUMAN RESOURCES

Who we are:

Human Resources (HR) supports the City's mission, values, and strategic goals by recruiting a qualified, competent, and diverse workforce to deliver exceptional services to Farmers Branch residents, visitors, and businesses. In addition, HR develops and implements programs, policies, and practices that help retain and reward a highly competent workforce. HR partners with all departments and employees to drive a strong culture and provide excellent guidance and direction for all Human Resources needs.

Key Processes:

- Recruitment, Engagement and Retention
- Employee Relations, Policy and Compliance
- Performance Management
- Employee and Organizational Development
- Compensation and Classification
- Benefits, Retirement and Wellness
- Risk Management and Employee/Driver Safety
- Technology and HRIS (Human Resource Information Systems)
- Payroll

Strategic Initiatives:

- People & Culture: Attract, engage and retain a diverse and highly talented workforce through measurable and actionable workplace initiatives. A specific focus on the healthy engagement of the workplace, to include targeted employee events and programs and a renewed focus on engagement and connection from the senior and executive leadership teams.
- Invest in Our Employees: Invest in our workforce through thoughtful, practical and behavioral and outcome-focused training programs for all levels and roles within the workforce. Continually assess and reassess our benefit, wellness and retirement offerings to fit a growing and evolving workforce.
- HR Best Practices: Continual assessment of all HR best practices in all HR areas, to include continual updates to personnel policies, compliance, pay practices, employee issues and performance management strategies, data and privacy, and more based on a "research and respond" mindset.

Key Performance Measures:

- Data from the Citywide Stay Survey that drive action, change and strategy.
- Employee Turnover Rate: Measures the rate at which people leave the City for all reasons.
- Time to hire rate: Measures the time/cost it takes to hire from posting to start date
- Employee Relations Quotient – Measures time/cost spent on managing employee issues.
- Quarterly Risk Assessments – Tracks reports on injuries and accidents and identifies opportunities for prevention.
- HR Employee Experience Score: Measures the service level provided by HR staff through the new HR Customer Satisfaction Survey.
- Internal Mobility Rate: Percentage of opportunities filled by qualified internal candidates.
- Total volunteer hours and estimated salary savings.

Jeffrey Ross, Director

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Accountability

Excellence

Innovation

Leadership

Respect

Service

Human Resources

Jeffrey Ross
Director
FTE 7.00

Human Resources
Manager

Programs

Benefits & Compensation Administration
Claims Management
Employee Relations & Compliance
Health & Development/Wellness Programs
Loss Control
Payroll
Policy/Procedure Development
Property/Casualty Insurance
Recruitment & Selection
Training & Development
Workers' Compensation

HUMAN RESOURCES SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
Personal Services/Benefits	\$ 804,500	\$ 800,103	\$ 817,400	\$ 842,400	\$ 832,400	-1.19%	\$ (10,000)
Purchased Prof & Tech Services	33,528	44,526	0	0	0	0.00%	0
Supplies	36,446	25,695	29,500	29,727	26,500	-10.86%	(3,227)
Services	393,270	328,871	396,500	441,482	333,600	-24.44%	(107,882)
Other Objects	35,500	24,900	50,000	44,443	50,000	12.50%	5,557
Total Budget	\$ 1,303,244	\$ 1,224,095	\$ 1,293,400	\$ 1,358,051	\$ 1,242,500	-8.51%	\$ (115,551)

FINANCE

Who we are:

The Finance Department serves as a strategic partner in supporting the City's fiscal integrity and long-term sustainability. Comprised of four divisions: Finance Administration, Accounting, Purchasing, and Municipal Court, the department is responsible for managing all financial operations of the City. This includes delivering accurate, timely, and transparent financial information to both internal and external stakeholders while ensuring compliance with regulatory standards and best practices.

Key Processes:

- Development and oversight of the City's annual budget
- Management of procurement and purchasing activities
- Establishment and enforcement of internal financial controls
- Administration of Municipal Court operations
- Oversight of utility billing and collections

Strategic Initiatives:

- Collaborate with City Management to develop and monitor a performance-based, structurally balanced budget, including necessary amendments during the Year-End process
- Hire a new audit firm and ensure the timely completion of the annual audit
- Maintain strong investment strategies and financial policy compliance
- Monitor cash flow and expenditures for all capital improvement projects
- Develop and implement succession planning for key departmental roles

Key Performance Measures:

- Quarterly financial reports submitted on schedule and presented to the City Council
- Year-end budget amendments completed within required deadlines
- Audit firm hired and audit finalized within 180 days of fiscal year-end
- Completion of annual financial policy review by year-end
- General Fund balance maintained at or above the 90-day reserve target
- Texas Municipal Retirement System (TMRS) funding ratio monitored and maintained per ERBC guidelines
- City maintains or improves current bond rating
- At least two successors identified per key role, with cross-training implemented to ensure operational continuity

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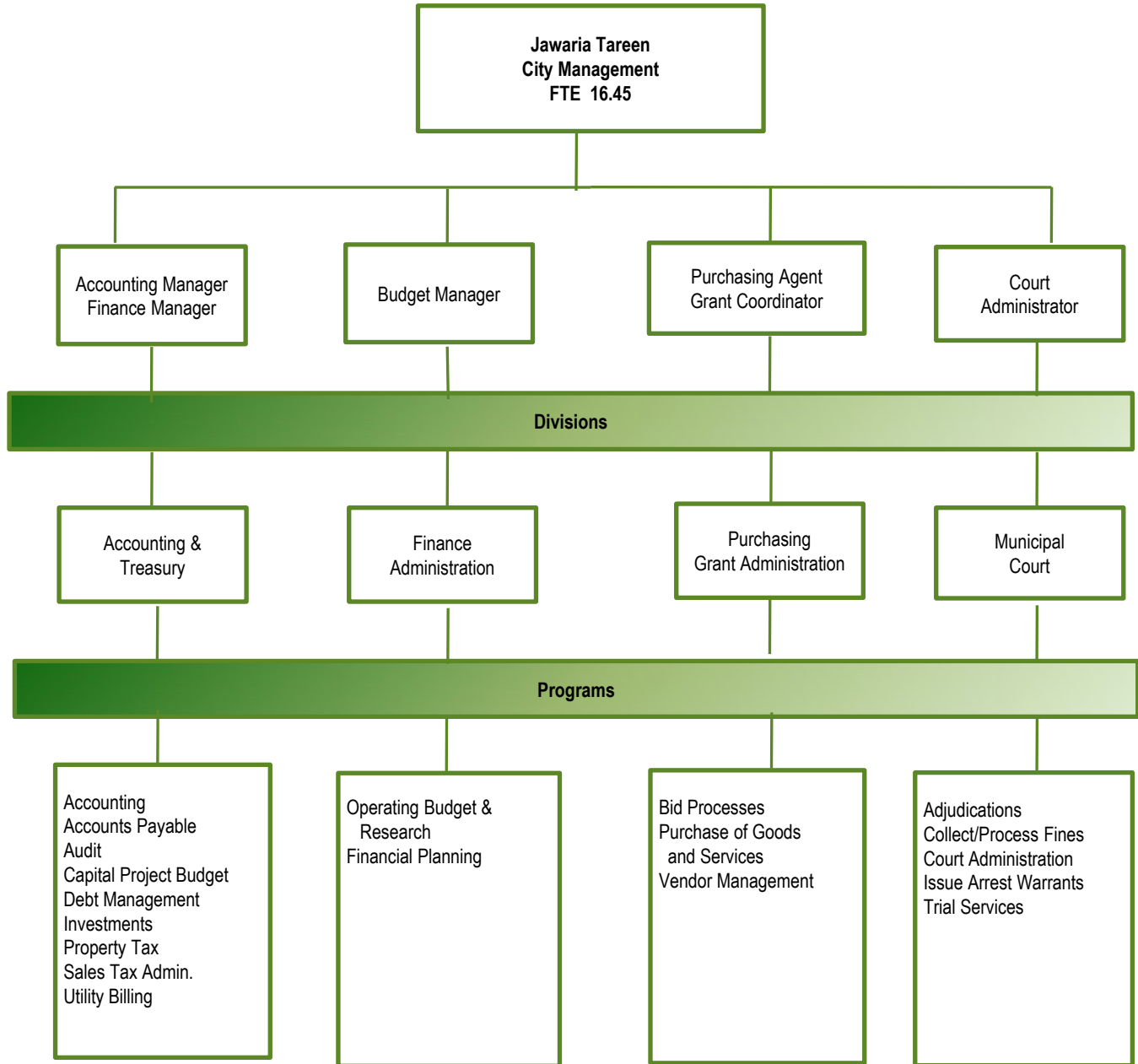
Innovation

Leadership

Respect

Service.

Finance



FINANCE SUMMARY	YEAR-END			YEAR-END			VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
	AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26			
Personal Services/Benefits	\$ 1,950,200	\$ 1,931,761	\$ 2,198,300	\$ 1,948,300	\$ 2,061,400	5.81%	\$ 113,100	
Purchased Prof & Tech Services	773,296	672,535	789,400	1,039,400	1,118,200	7.58%	78,800	
Supplies	65,300	44,320	62,900	66,958	63,300	-5.46%	(3,658)	
Repairs & Maintenance	67,800	67,728	37,300	37,300	37,300	0.00%	0	
Services	178,925	154,384	267,400	268,400	205,200	-23.55%	(63,200)	
Transfers	35,000	35,000	0	0	0	0.00%	0	
Total Budget	\$ 3,070,521	\$ 2,905,729	\$ 3,355,300	\$ 3,360,358	\$ 3,485,400	3.72%	\$ 125,042	

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
FINANCE ADMINISTRATION							
Personal Services/Benefits	\$ 537,400	\$ 530,045	\$ 660,100	\$ 510,100	\$ 515,800	1.12%	\$ 5,700
Purchased Prof & Tech Services	685,496	604,462	701,600	851,600	1,030,400	21.00%	178,800
Supplies	18,400	10,765	19,600	19,600	19,600	0.00%	0
Services	41,800	28,767	46,700	46,700	26,300	-43.68%	(20,400)
Total Budget	<u>\$ 1,283,096</u>	<u>\$ 1,174,038</u>	<u>\$ 1,428,000</u>	<u>\$ 1,428,000</u>	<u>\$ 1,592,100</u>	<u>11.49%</u>	<u>\$ 164,100</u>
ACCOUNTING							
Personal Services/Benefits	\$ 748,800	\$ 742,427	\$ 879,600	\$ 779,600	\$ 853,300	9.45%	\$ 73,700
Purchased Prof & Tech Services	0	0	0	100,000	0	-100.00%	(100,000)
Supplies	15,000	10,733	15,000	16,093	15,000	-6.79%	(1,093)
Repairs & Maintenance	2,500	2,500	2,500	2,500	2,500	0.00%	0
Services	117,000	110,619	192,600	193,600	166,700	-13.89%	(26,900)
Transfers	35,000	35,000	0	0	0	0.00%	0
Total Budget	<u>\$ 918,300</u>	<u>\$ 901,279</u>	<u>\$ 1,089,700</u>	<u>\$ 1,091,793</u>	<u>\$ 1,037,500</u>	<u>-4.97%</u>	<u>\$ (54,293)</u>
PURCHASING							
Personal Services/Benefits	\$ 139,100	\$ 137,919	\$ 138,500	\$ 138,500	\$ 142,900	3.18%	\$ 4,400
Supplies	2,600	1,103	2,600	2,600	3,000	15.38%	400
Services	5,925	2,585	5,100	5,100	5,100	0.00%	0
Total Budget	<u>\$ 147,625</u>	<u>\$ 141,607</u>	<u>\$ 146,200</u>	<u>\$ 146,200</u>	<u>\$ 151,000</u>	<u>3.28%</u>	<u>\$ 4,800</u>
MUNICIPAL COURT							
Personal Services/Benefits	\$ 524,900	\$ 521,371	\$ 520,100	\$ 520,100	\$ 549,400	5.63%	\$ 29,300
Purchased Prof & Tech Services	87,800	68,073	87,800	87,800	87,800	0.00%	0
Supplies	29,300	21,719	25,700	28,665	25,700	-10.34%	(2,965)
Repairs & Maintenance	65,300	65,228	34,800	34,800	34,800	0.00%	0
Services	14,200	12,413	23,000	23,000	7,100	-69.13%	(15,900)
Total Budget	<u>\$ 721,500</u>	<u>\$ 688,804</u>	<u>\$ 691,400</u>	<u>\$ 694,365</u>	<u>\$ 704,800</u>	<u>1.50%</u>	<u>\$ 10,435</u>

INNOVATION & TECHNOLOGY

Who we are:

The Innovation & Technology department manages and maintains all technology for the City of Farmers Branch. The mission of the department is to provide secure, high-quality technology-based services in a cost-effective manner, be a leader in customer service, and establish services, systems, and solutions based on best practices and industry standards. Innovation & Technology's vision is to help departments use technology to transform the way they work and deliver services to our citizens.

Key Processes:

- Project management
- Contract management
- Network resiliency
- Business continuity
- Cybersecurity management
- Technology service and maintenance

Strategic Initiatives:

- Leverage Artificial Intelligence (AI) to improve efficiency and drive innovation
- Ensure organizational cybersecurity and risk mitigation
- Replace and upgrade key technology infrastructure
- Establish an enterprise applications strategy
- Implement an organizational data strategy

Key Performance Measures:

- Help desk survey results
- Average time to close incidents and requests
- Number of opened incidents and requests
- Number of closed incidents and requests

OUR MISSION

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OUR VISION

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OUR CORE VALUES

Accountability

Excellence

Innovation

Leadership

Respect

Service.

Innovation & Technology

Joey Brock
Director
FTE 18.00

Programs

Data Processing
GIS
Information Technology
Network Operations
PC Support/Training
Programming
Research & Development
Support Services
Telecommunications

INNOVATION & TECHNOLOGY SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Personal Services/Benefits</i>	\$ 2,290,700	\$ 2,270,690	\$ 2,447,300	\$ 2,447,800	\$ 2,459,300	0.47%	\$ 11,500
<i>Purchased Prof & Tech Services</i>	320,000	246,937	344,700	413,888	392,000	-5.29%	(21,888)
<i>Supplies</i>	237,700	77,381	90,700	249,879	93,700	-62.50%	(156,179)
<i>Repairs & Maintenance</i>	1,315,500	985,487	1,620,400	1,627,298	1,843,700	13.30%	216,402
<i>Services</i>	222,100	203,614	226,300	232,684	516,900	122.15%	284,216
<i>Other Fixed Assets</i>	0	0	193,000	193,000	8,000	-95.85%	(185,000)
<i>Transfers</i>	845,000	845,000	5,000	5,000	0	-100.00%	(5,000)
Total Budget	\$ 5,231,000	\$ 4,629,109	\$ 4,927,400	\$ 5,169,549	\$ 5,313,600	2.79%	\$ 144,051

COMMUNITY SERVICES

Who we are:

Community Services oversees building inspections, permitting, plan reviews, public health, and code enforcement, ensuring the built environment in Farmers Branch remains safe, sustainable, and in compliance with all applicable regulations.

- **Building Services** ensures safe structures through regional code adoption, plan review, and professional inspections.
- **Code Enforcement** protects health and welfare by ensuring properties are well-maintained through inspections, education, and corrective actions.
- **Public Health** Public health safeguards the well-being of our communities by enforcing health regulations/policies, monitoring vector control, and promoting safe, healthy environments.

Together, we maintain the standards that support a vibrant, safe, and well-functioning community.

Key Processes

- Guide and ensure the quality of the permit and licensing processes
- Ensure property standards are maintained by inspecting private property
- Community outreach and education
- Protect public health
- Enforcing various codes while respecting all local, state, and federal requirements
- Attending local events and engaging with community partner organizations

Strategic Initiatives

- Revise and create new workflows for permits, licenses, and inspections
- Revise civic access permits for an easier customer experience
- Update processes and procedures as the industry changes
- Community outreach, education, and engagement

Key Performance Measures

Building Inspections, Permits, and Plan Review

- Total number of inspections and permits
- Inspection by type
- Permits by type
- Time to issue permits

Code Enforcement

- Voluntary Compliance rate
- Total code cases closed
- Multi-Family inspections

Public Health

- Inspection scores
- Total number of plan reviews
- Total number of permits
- Number of investigations

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OUR CORE VALUES

Accountability

Excellence

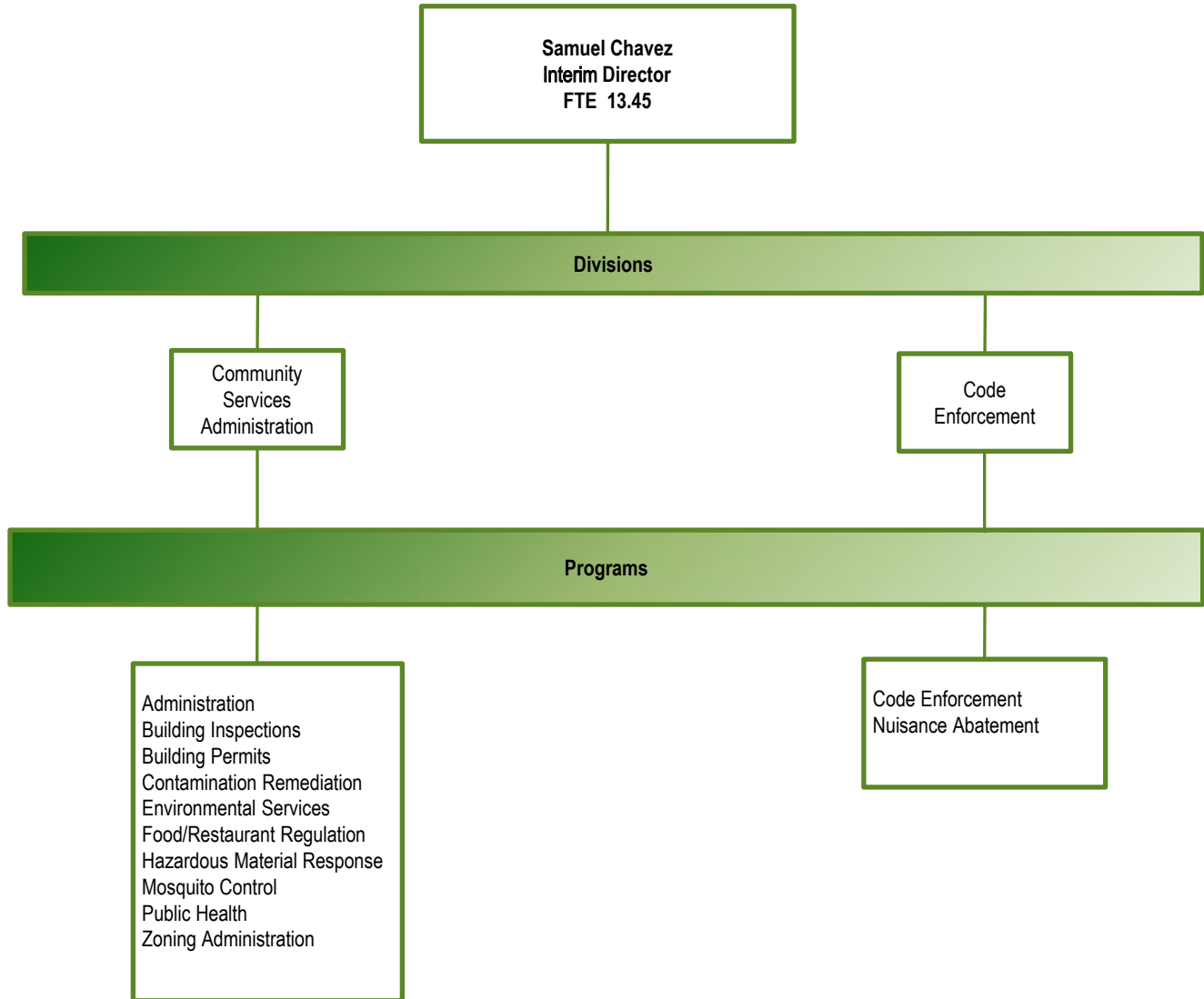
Innovation

Leadership

Respect

Service.

Community Services



COMMUNITY SERVICES SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
Personal Services/Benefits	\$ 1,483,300	\$ 1,450,828	\$ 1,457,000	\$ 1,457,500	\$ 1,266,100	-13.13%	\$ (191,400)
Supplies	66,937	54,094	51,800	54,133	37,900	-29.99%	(16,233)
Repairs & Maintenance	36,300	36,300	41,700	41,700	7,500	-82.01%	(34,200)
Services	190,900	157,780	388,000	404,133	367,300	-9.11%	(36,833)
Total Budget	\$ 1,777,437	\$ 1,699,002	\$ 1,938,500	\$ 1,957,465	\$ 1,678,800	-14.24%	\$ (278,665)

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
COMMUNITY SERVICES & BUILDING INSPECTION							
Personal Services/Benefits	\$ 867,900	\$ 858,192	\$ 785,500	\$ 785,500	\$ 723,600	-7.88%	\$ (61,900)
Supplies	31,569	22,046	26,200	28,533	20,200	(0)	(8,333)
Repairs & Maintenance	15,400	15,400	20,800	20,800	7,500	-63.94%	(13,300)
Services	126,700	102,559	270,500	286,133	328,000	14.63%	41,867
Total Budget	<u>\$ 1,041,569</u>	<u>\$ 998,197</u>	<u>\$ 1,103,000</u>	<u>\$ 1,120,965</u>	<u>\$ 1,079,300</u>	<u>-3.72%</u>	<u>\$ (41,665)</u>
CODE ENFORCEMENT							
Personal Services/Benefits	\$ 615,400	\$ 592,635	\$ 671,500	\$ 672,000	\$ 542,500	-19.27%	\$ (129,500)
Supplies	35,368	32,048	25,600	25,600	17,700	-30.86%	(7,900)
Repairs & Maintenance	20,900	20,900	20,900	20,900	0	-100.00%	(20,900)
Services	64,200	55,221	117,500	118,000	39,300	-66.69%	(78,700)
Total Budget	<u>\$ 735,868</u>	<u>\$ 700,804</u>	<u>\$ 835,500</u>	<u>\$ 836,500</u>	<u>\$ 599,500</u>	<u>-28.33%</u>	<u>\$ (237,000)</u>

ANIMAL SERVICES

Who We Are:

Animal Services promotes the health, safety, and well-being of both animals and the residents who care for them. Our work includes proactive education, responsive enforcement, and the delivery of high-quality services such as microchipping, humane capture of stray animals, and mitigation of animal-related hazards. We operate the City's Animal Adoption Center, providing compassionate care and rehoming services for animals in need.

Key Processes

- Protect Public Health and Safety by
 - Responding to stray or dangerous animal calls
 - Managing rabies exposure risk and bite investigations
- Animal Welfare and Shelter Operations
 - Providing care and medical attention to shelter animals
 - Operating a clean, humane, and safe Adoption Center
- Community Education and Engagement
 - Attending public events, promoting pet responsibility
 - Partnering with rescue groups and community organizations
- Ordinances and Regulations
 - Enforcing state and local animal-related ordinances
 - Investigating cruelty and neglect cases
- Customer Service Delivery
 - Assisting the public with adoptions, licenses, and complaints
 - Providing clear communication and support

Strategic Initiatives

- Build and develop an adoption center volunteer program
- Launch shelter expansion/renovation
- Community outreach and engagement

Key Performance Measures

- Number of active volunteers and hours served
- Construction milestones met
- Increased capacity
- Increased community events and education programs
- Increase in pet adoptions
- Feral cats in trap neuter release program

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OUR CORE VALUES

Accountability

Excellence

Innovation

Leadership

Respect

Service.

Animal Services

Samuel Chavez
Interim Director
FTE 8.45

Programs

Animal Control
Animal Shelter

ANIMAL SERVICES SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Personal Services/Benefits</i>	\$ 590,600	\$ 583,374	\$ 628,300	\$ 628,300	\$ 595,100	-5.28%	\$ (33,200)
<i>Supplies</i>	42,185	39,999	37,500	37,500	44,000	17.33%	6,500
<i>Repairs & Maintenance</i>	95,200	89,920	48,500	48,500	600	-98.76%	(47,900)
<i>Services</i>	153,600	142,874	118,600	118,956	223,000	87.46%	104,044
<i>Transfers</i>	100,000	100,000	0	0	0	0.00%	0
Total Budget	\$ 981,585	\$ 956,167	\$ 832,900	\$ 833,256	\$ 862,700	3.53%	\$ 29,444

PLANNING

Who we are:

The Planning department plays a central role in the growth and development of our City by managing the City's land development process and coordinating the long-range comprehensive planning process. The department processes new development applications through Specific Use Permits, zoning amendments, detailed site plans and plats, and provides technical support to the Planning and Zoning Commission and City Council, maintains the Comprehensive Plan, prepares ordinances, and conducts special land use and demographic studies, as necessary.

Key Processes:

- Manage land development
- Prepare the City's comprehensive plan
- Prepare district plans

Our Strategic Initiatives:

- Coordinate the development of the City's Comprehensive Plan
- Streamline the Development Review Process
- Comprehensive Zoning Ordinance (CZO) Amendment - Attainable Housing
- IH-35E Corridor Vision Study Recommendations - Rezone Target Area 2
- Subdivision Regulations: Design, Develop online plat applications
- Dallas County Housing Replacement Program

Key Performance Measures:

- Management of city-initiated Comprehensive Plan recommendations and Comprehensive Zoning Ordinance and Subdivision Ordinance amendments
- Site Plans - First review comments issued within seven (7) business days
- Site Plan Reviews - Percent taking three (3) or less reviews
- Specific Use Permit (SUP) - First review comments issued within seven (7) business days
- Specific Use Permit (SUP) Reviews - Percent taking three (3) or less reviews
- Zoning Amendment Cases - First review comments issued within seven (7) business days
- Zoning Amendment Case Reviews - Percent taking three (3) or less reviews
- Number of open record requests completed within ten (10) business days
- Number of zoning verification letters requests completed within seven (7) business days
- Support the replacement of qualifying homes through the Replacement Housing Program by maintaining compliance with Dallas County reporting and eligibility guidelines

Jawaria - I deleted items related to the number of submissions since we have no control as to the number of applications/requests we receive

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Service.

Samuel Chavez, Interim Director

Planning

Samuel Chavez
Interim Director
FTE 4.00 (General Fund)

Programs

Development Reviews
Manage Land Development
Prepare Comprehensive Plan
Prepare District Plans
Zoning

PLANNING SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Personal Services/Benefits</i>	\$ 419,100	\$ 393,146	\$ 426,500	\$ 426,500	\$ 460,600	8.00%	\$ 34,100
<i>Supplies</i>	16,100	6,520	6,500	6,500	8,000	23.08%	1,500
<i>Repairs & Maintenance</i>	800	800	800	800	800	0.00%	0
<i>Services</i>	214,000	114,243	218,900	228,790	200,800	-12.23%	(27,990)
Total Budget	\$ 650,000	\$ 514,710	\$ 652,700	\$ 662,590	\$ 670,200	1.15%	\$ 7,611

PUBLIC WORKS

Who we are:

Public Works is responsible for the day-to-day maintenance and operation of the city's infrastructure services, such as street maintenance, storm and sanitary sewer operations, water and wastewater functions, and traffic signals. In addition to maintaining infrastructure, Public Works handles engineering and capital improvement planning for the city, as well as performs inspections on all ongoing construction in the city.

The Sustainability and Solid Waste division manages garbage, recycling, brush, and bulk collection. The city-owned municipal solid waste landfill is operated by a private company. The division also administers environmental programs and services, including industrial pretreatment, stormwater permitting and inspections, chemical spill response in public rights-of-way, and inspections related to the fat, oil, and grease program.

The Customer Success division streamlines residents' interactions with City services by providing a central hub for tasks, including paying water bills, obtaining permits, filing public information requests, and addressing city-related questions. This division focuses on providing a smooth, user-friendly experience. With a dedicated team committed to excellence, the Customer Success division aims to deliver top-notch service, ensuring all residents can easily access and benefit from the City's full range of services.

Key Processes:

- Construction inspections and R.O.W. permits
- Infrastructure maintenance and repairs
- Capital improvement projects
- Brush and bulk operations
- Landfill operations
- Trails
- Environmental services
- Utility billing payment
- Customer service assistance

Strategic Initiatives:

- Educate and Inform on CWD Route Revisions
- Complete Training for CSR Permit Certification and Customer Service
- Recruit and Retain Top Public Works Talent
- Rehabilitate and Revitalize Streets based on pavement study
- Repairs to Farmers Branch Creek
- Initiate intersection improvements design study
- Execute water and wastewater Improvements
- Execute traffic signal upgrades citywide
- Execute pavement markings citywide

Key Performance Measures:

- Amount of wastewater line cleaned
- Number of curb miles swept
- Gallons of water consumed
- Square yards of sidewalks repaired
- Square yards of streets repaired

Ray Silva-Reyes, Director

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Customer Success

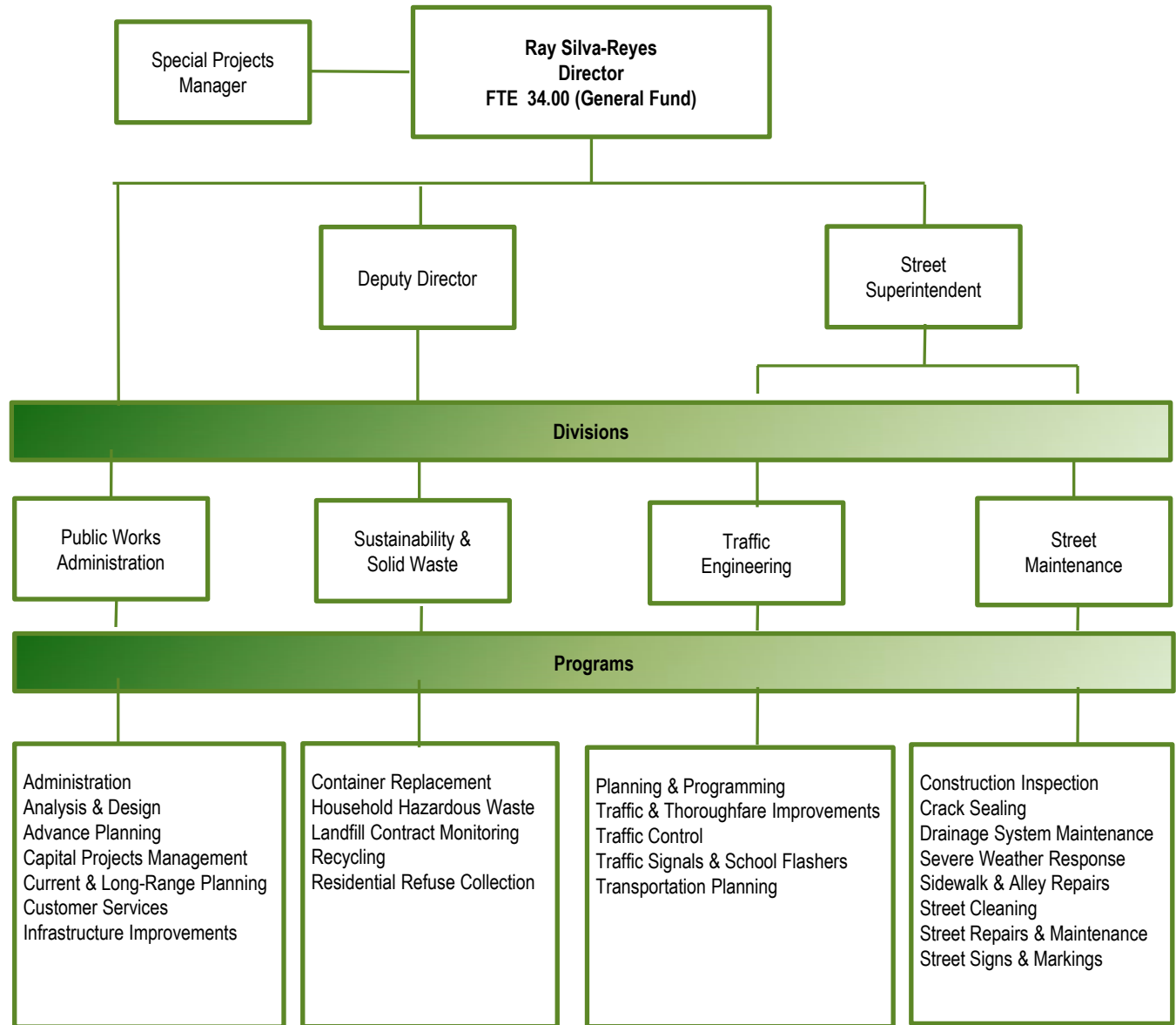
Ray Silva-Reyes
Director
7.00 FTE

Programs

Customer Service
Public Information Requests
Retrieve Permits
Utility Payments

CUSTOMER SUCCESS SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
Personal Services/Benefits	\$ 0	\$ 0	\$ 526,200	\$ 526,200	\$ 615,900	17.05%	\$ 89,700
Supplies	0	0	4,800	4,800	4,800	0.00%	0
Repairs & Maintenance	0	0	1,000	1,000	1,000	0.00%	0
Services	0	0	13,100	13,100	8,800	-32.82%	(4,300)
Total Budget	\$ 0	\$ 0	\$ 545,100	\$ 545,100	\$ 630,500	15.67%	\$ 85,400

Public Works & Sustainability



PUBLIC WORKS & SUSTAINABILITY SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
Personal Services/Benefits	\$ 3,693,200	\$ 3,575,509	\$ 3,469,900	\$ 3,469,900	\$ 3,446,700	-0.67%	\$ (23,200)
Purchased Prof & Tech Services	1,876,973	1,827,618	1,872,800	1,900,869	1,972,300	3.76%	71,431
Supplies	217,620	190,515	210,300	212,771	98,500	-53.71%	(114,271)
Repairs & Maintenance	2,731,949	2,519,793	2,687,600	2,751,143	2,140,400	-22.20%	(610,743)
Services	2,659,055	2,540,476	2,456,400	2,559,072	2,284,900	-10.71%	(274,172)
Production & Disposal	44,500	19,397	44,500	59,706	44,500	-25.47%	(15,206)
Other Fixed Assets	0	0	97,800	97,800	80,300	-17.89%	(17,500)
Transfers	3,733,400	3,733,400	225,000	225,000	225,000	0.00%	0
Total Budget	\$ 14,956,697	\$ 14,406,708	\$ 11,064,300	\$ 11,276,262	\$ 10,292,600	-8.72%	\$ (983,662)

The Public Works department also includes Customer Success (General Fund – General Government Function) and Water & Sewer Administration, Water & Sewer Operations, and Stormwater Utilities (Enterprise Fund – Public Utilities).

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
PUBLIC WORKS ADMINISTRATION							
Personal Services/Benefits	\$ 725,500	\$ 703,917	\$ 777,500	\$ 777,500	\$ 786,600	1.17%	\$ 9,100
Purchased Prof & Tech Services	20,000	1,595	0	248	0	-100.00%	(248)
Supplies	18,520	14,243	10,500	11,824	10,700	-9.50%	(1,124)
Repairs & Maintenance	4,100	3,800	4,100	4,100	3,800	-7.32%	(300)
Services	41,000	35,492	55,200	55,200	40,400	-26.81%	(14,800)
Total Budget	<u>\$ 809,120</u>	<u>\$ 759,046</u>	<u>\$ 847,300</u>	<u>\$ 848,871</u>	<u>\$ 841,500</u>	<u>-0.87%</u>	<u>\$ (7,371)</u>
STREET MAINTENANCE							
Personal Services/Benefits	\$ 1,711,500	\$ 1,659,605	\$ 1,753,500	\$ 1,753,500	\$ 1,737,800	-0.90%	\$ (15,700)
Purchased Prof & Tech Services	29,800	16,960	0	12,840	0	-100.00%	(12,840)
Supplies	94,500	85,702	94,500	95,648	42,100	-55.98%	(53,548)
Repairs & Maintenance	2,289,440	2,120,984	2,350,100	2,413,643	2,131,300	-11.70%	(282,343)
Services	653,200	649,131	684,700	684,700	39,900	-94.17%	(644,800)
Other Fixed Assets	0	0	84,800	84,800	67,300	-20.64%	(17,500)
Transfers	777,400	777,400	225,000	225,000	225,000	0.00%	0
Total Budget	<u>\$ 5,555,840</u>	<u>\$ 5,309,783</u>	<u>\$ 5,192,600</u>	<u>\$ 5,270,130</u>	<u>\$ 4,243,400</u>	<u>-19.48%</u>	<u>\$ (1,026,730)</u>
SUSTAINABILITY/SOLID WASTE COLLECTION							
Personal Services/Benefits	\$ 1,077,900	\$ 1,043,095	\$ 938,900	\$ 938,900	\$ 922,300	-1.77%	\$ (16,600)
Purchased Prof & Tech Services	1,744,673	1,741,613	1,872,800	1,874,171	1,972,300	5.24%	98,129
Supplies	94,900	88,768	105,300	105,300	45,700	-56.60%	(59,600)
Repairs & Maintenance	431,509	392,109	333,400	333,400	5,300	-98.41%	(328,100)
Services	1,715,596	1,704,182	1,716,500	1,735,479	2,204,600	27.03%	469,121
Production & Disposal	44,500	19,397	44,500	59,706	44,500	-25.47%	(15,206)
Other Fixed Assets	0	0	13,000	13,000	13,000	0.00%	0
Transfers	2,956,000	2,956,000	0	0	0	0.00%	0
Total Budget	<u>\$ 8,065,078</u>	<u>\$ 7,945,165</u>	<u>\$ 5,024,400</u>	<u>\$ 5,059,956</u>	<u>\$ 5,207,700</u>	<u>2.92%</u>	<u>\$ 147,744</u>
ENVIRONMENTAL SERVICES							
Personal Services/Benefits	\$ 178,300	\$ 168,892	\$ 0	\$ 0	\$ 0	0.00%	\$ 0
Purchased Prof & Tech Services	82,500	67,450	0	13,610	0	-100.00%	(13,610)
Supplies	9,700	1,814	0	0	0	0.00%	0
Repairs & Maintenance	6,900	2,900	0	0	0	0.00%	0
Services	249,260	151,671	0	83,694	0	-100.00%	(83,694)
Total Budget	<u>\$ 526,660</u>	<u>\$ 392,727</u>	<u>\$ 0</u>	<u>\$ 97,304</u>	<u>\$ 0</u>	<u>-100.00%</u>	<u>\$ (97,304)</u>

POLICE

Who we are:

The mission of the Police department is to assure each citizen the opportunity to enjoy life in peace free from criminal acts. Through a commitment to work in partnership with citizens to provide courteous professional services, the department will fairly and impartially carry out its mission with P.R.I.D.E. (Partnership, Respect, Innovation, Dedication, and Excellence).

The department's functions are divided into seven sections under the two divisions of Support Services and Patrol, with each division commanded by an Assistant Chief. The sections include Administration, Patrol, Traffic, Investigations, Training, Detention, Court Services, and Records.

Key Processes:

- Police response and patrol
- Traffic enforcement
- Community outreach
- Community programs
- Investigations
- Court services

Strategic Initiatives:

- Provide and deliver staff education and development
- Recruit for and add positions aligning with community needs
- Utilize data-driven approaches to suppress crime
- Develop programmatic initiatives to control traffic and increase safety
- Promote programming and training related to police officer mental wellness
- Provide community engagement and education

Key Performance Measures:

- Total calls for service
- Total self-initiated contacts (including traffic stops)
- Total training hours reported
- National Incident-Based Reporting System (NIBRS) Part A Offenses per 1,000 residents
- NIBRS Part A Offenses clearance rate
- Total NIBRS Part A offenses
- Proactive (uncommitted) patrol time
- Number of community engagement and education events attended or hosted

Kevin McCoy, Police Chief

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Accountability

Excellence

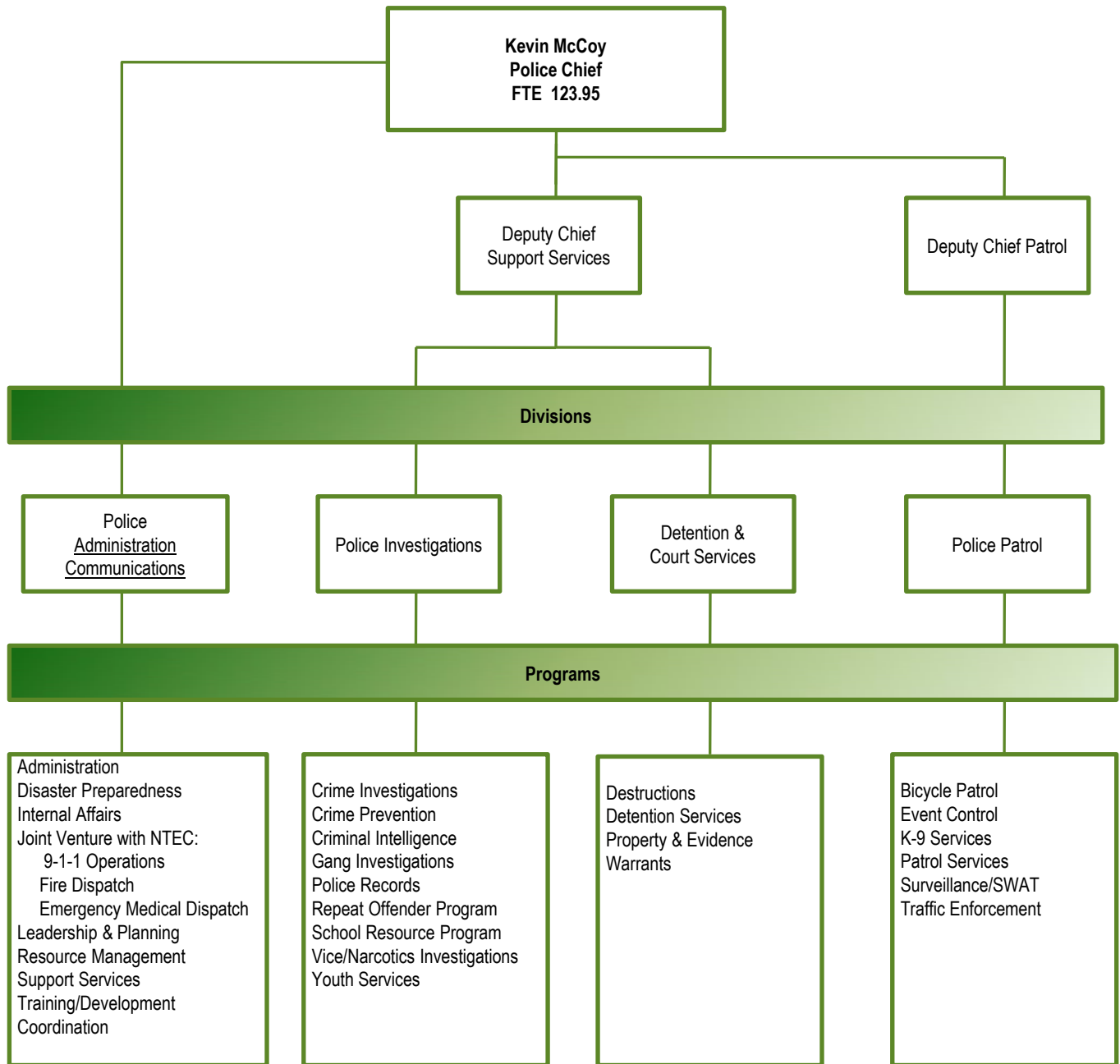
Innovation

Leadership

Respect

Service.

Police



POLICE SUMMARY	YEAR-END			YEAR-END			VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
	AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26			
Personal Services/Benefits	\$ 15,051,400	\$ 14,663,643	\$ 15,771,700	\$ 15,966,200	\$ 15,844,400	-0.76%	\$	(121,800)
Supplies	516,226	463,359	560,000	590,104	367,600	-37.71%		(222,504)
Repairs & Maintenance	1,330,900	1,312,953	1,367,500	1,367,500	507,600	-62.88%		(859,900)
Services	3,204,500	3,070,821	3,462,500	3,495,254	3,667,200	4.92%		171,946
Transfers	558,000	558,000	194,000	0	348,000	0.00%		348,000
Total Budget	\$ 20,661,026	\$ 20,068,777	\$ 21,355,700	\$ 21,419,058	\$ 20,734,800	-3.19%	\$	(684,258)

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
POLICE ADMINISTRATION							
Personal Services/Benefits	\$ 1,620,500	\$ 1,563,959	\$ 1,613,700	\$ 1,613,700	\$ 1,906,100	18.12%	\$ 292,400
Supplies	70,200	69,411	66,700	67,390	73,700	9.36%	6,310
Repairs & Maintenance	269,800	264,260	330,800	330,800	19,100	-94.23%	(311,700)
Services	455,200	382,823	461,700	477,205	253,300	-46.92%	(223,905)
Total Budget	<u>\$ 2,415,700</u>	<u>\$ 2,280,453</u>	<u>\$ 2,472,900</u>	<u>\$ 2,489,095</u>	<u>\$ 2,252,200</u>	<u>-9.52%</u>	<u>\$ (236,895)</u>
POLICE INVESTIGATIONS							
Personal Services/Benefits	\$ 2,155,300	\$ 2,013,734	\$ 2,510,800	\$ 2,510,800	\$ 2,727,600	8.63%	\$ 216,800
Supplies	32,200	27,435	29,200	32,866	19,200	-41.58%	(13,666)
Repairs & Maintenance	64,600	64,600	65,000	65,000	400	-99.38%	(64,600)
Services	172,700	167,052	187,200	187,200	225,700	20.57%	38,500
Total Budget	<u>\$ 2,424,800</u>	<u>\$ 2,272,821</u>	<u>\$ 2,792,200</u>	<u>\$ 2,795,866</u>	<u>\$ 2,972,900</u>	<u>6.33%</u>	<u>\$ 177,034</u>
POLICE PATROL							
Personal Services/Benefits	\$ 9,237,300	\$ 9,079,618	\$ 9,468,900	\$ 9,663,400	\$ 9,230,600	-4.48%	\$ (432,800)
Supplies	375,726	334,268	421,200	446,948	241,200	-46.03%	(205,748)
Repairs & Maintenance	879,600	879,600	868,100	868,100	474,200	-45.37%	(393,900)
Services	100,800	81,218	188,200	202,250	201,900	-0.17%	(350)
Transfers	558,000	558,000	194,000	0	348,000	0.00%	348,000
Total Budget	<u>\$ 11,151,426</u>	<u>\$ 10,932,703</u>	<u>\$ 11,140,400</u>	<u>\$ 11,180,698</u>	<u>\$ 10,495,900</u>	<u>-6.12%</u>	<u>\$ (684,798)</u>
POLICE DETENTION							
Personal Services/Benefits	\$ 1,629,800	\$ 1,610,716	\$ 1,649,900	\$ 1,649,900	\$ 1,980,100	20.01%	\$ 330,200
Supplies	31,300	25,970	30,100	30,100	33,500	11.30%	3,400
Repairs & Maintenance	33,000	33,000	19,700	19,700	13,900	-29.44%	(5,800)
Services	11,500	10,574	11,500	11,500	16,000	39.13%	4,500
Total Budget	<u>\$ 1,705,600</u>	<u>\$ 1,680,260</u>	<u>\$ 1,711,200</u>	<u>\$ 1,711,200</u>	<u>\$ 2,043,500</u>	<u>19.42%</u>	<u>\$ 332,300</u>
POLICE COMMUNICATIONS							
Repairs & Maintenance	\$ 79,800	\$ 67,393	\$ 79,800	\$ 79,800	\$ 0	-100.00%	\$ (79,800)
Services	2,456,300	2,426,463	2,604,700	2,604,700	2,970,300	14.04%	365,600
Total Budget	<u>\$ 2,536,100</u>	<u>\$ 2,493,856</u>	<u>\$ 2,684,500</u>	<u>\$ 2,684,500</u>	<u>\$ 2,970,300</u>	<u>10.65%</u>	<u>\$ 285,800</u>
POLICE TRAINING							
Personal Services/Benefits	\$ 239,300	\$ 234,200	\$ 275,500	\$ 275,500	\$ 0	-100.00%	\$ (275,500)
Supplies	2,500	1,975	3,500	3,500	0	-100.00%	(3,500)
Services	3,900	2,231	2,300	2,300	0	-100.00%	(2,300)
Total Budget	<u>\$ 245,700</u>	<u>\$ 238,406</u>	<u>\$ 281,300</u>	<u>\$ 281,300</u>	<u>\$ 0</u>	<u>-100.00%</u>	<u>\$ (281,300)</u>
COURT SERVICES							
Personal Services/Benefits	\$ 169,200	\$ 161,417	\$ 252,900	\$ 252,900	\$ 0	-100.00%	\$ (252,900)
Supplies	4,300	4,300	9,300	9,300	0	-100.00%	(9,300)
Repairs & Maintenance	4,100	4,100	4,100	4,100	0	-100.00%	(4,100)
Services	4,100	460	6,900	10,100	0	-100.00%	(10,100)
Total Budget	<u>\$ 181,700</u>	<u>\$ 170,277</u>	<u>\$ 273,200</u>	<u>\$ 276,400</u>	<u>\$ 0</u>	<u>-100.00%</u>	<u>\$ (276,400)</u>

FIRE

Who we are:

The Fire Department's primary function and responsibility to the citizens of Farmers Branch is to protect lives and property from fire and to provide emergency medical assistance. The department has three divisions: Administration, Operations, and Fire Prevention. The department is responsible for fire suppression, emergency medical services, rescue operations, fire safety inspections, public fire prevention education programs, building and site plan review, fire investigations, and training of personnel. We will be servant leaders who will seek to put others above self.

Key Processes:

- Emergency response: Fire, Rescue, and EMS
- Community outreach
- Fire safety inspections
- Building and site plan reviews
- Delivering world-class customer service

Strategic Initiatives:

- Build Upon Leadership Retention and Succession Planning
- Complete Annual Fire Prevention Inspections
- Deliver Positive Community Engagement Programming
- Invest in Firefighter Health & Safety
- Seek and Apply for Prevention Excellence Awards
- Initiate Programming for Electric Vehicle Fire Response
- Develop Skills via Specialized Rescue Training
- Replace Aging Fire Fleet
- Continue to Follow and Assess the Asset Replacement Schedule

Key Performance Measures:

- Fire total response time
- EMS total response time
- Total calls for service
- Calls for service by type
- Fire inspections

OUR MISSION

To build a dynamic community that consistently seeks to improve the quality of life for all who live, work, and visit.

OUR VISION

Our vision is to be a forward-looking City with a vibrant and diverse economy that supports safe neighborhoods and great amenities.

OUR CORE VALUES

Accountability

Excellence

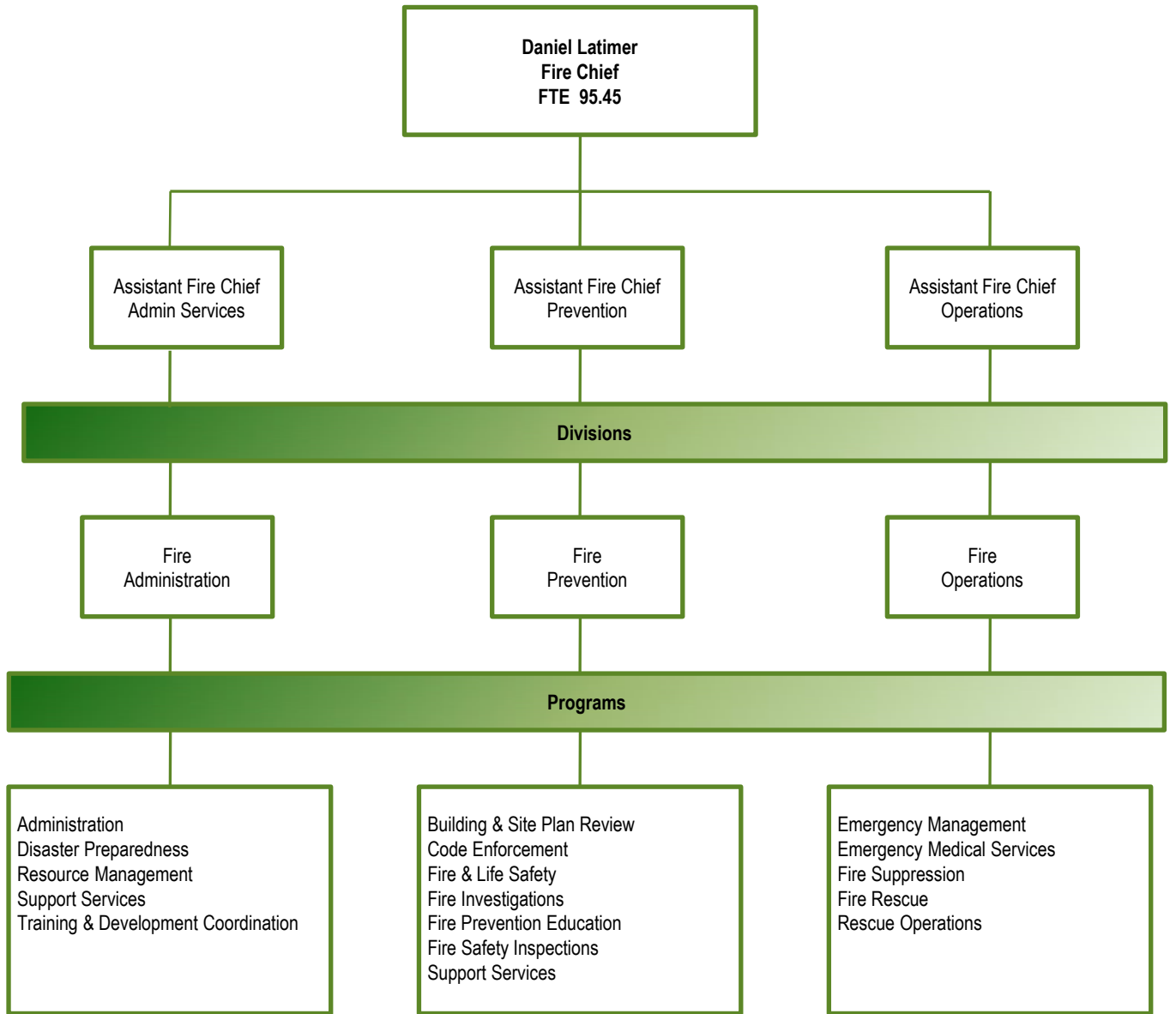
Innovation

Leadership

Respect

Service.

Fire



FIRE SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
Personal Services/Benefits	\$ 14,933,400	\$ 14,686,880	\$ 15,150,500	\$ 15,150,500	\$ 15,498,300	2.30%	\$ 347,800
Supplies	630,776	557,684	657,800	704,169	570,300	-19.01%	(133,869)
Repairs & Maintenance	1,085,189	1,059,613	1,125,700	1,125,700	163,600	-85.47%	(962,100)
Services	508,000	478,555	634,500	634,500	468,900	-26.10%	(165,600)
Other Fixed Assets	0	0	80,700	80,700	0	-100.00%	(80,700)
Transfers	713,000	713,000	0	0	0	0.00%	0
Total Budget	\$ 17,870,365	\$ 17,495,731	\$ 17,649,200	\$ 17,695,569	\$ 16,701,100	-5.62%	\$ (994,469)

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
FIRE ADMINISTRATION							
Personal Services/Benefits	\$ 1,105,000	\$ 1,098,720	\$ 1,100,700	\$ 1,100,700	\$ 1,072,900	-2.53%	\$ (27,800)
Supplies	47,739	40,915	25,000	26,744	26,900	0.58%	156
Repairs & Maintenance	378,950	377,833	434,000	434,000	9,500	-97.81%	(424,500)
Services	149,100	146,369	234,500	234,500	223,500	-4.69%	(11,000)
Total Budget	<u>\$ 1,680,789</u>	<u>\$ 1,663,838</u>	<u>\$ 1,794,200</u>	<u>\$ 1,795,944</u>	<u>\$ 1,332,800</u>	<u>-25.79%</u>	<u>\$ (463,144)</u>
FIRE PREVENTION							
Personal Services/Benefits	\$ 986,700	\$ 965,048	\$ 1,009,200	\$ 1,009,200	\$ 928,400	-8.01%	\$ (80,800)
Supplies	45,363	40,909	43,800	46,352	35,300	-23.84%	(11,052)
Repairs & Maintenance	22,300	21,801	14,300	14,300	0	-100.00%	(14,300)
Services	32,200	29,777	32,200	32,200	22,400	-30.43%	(9,800)
Total Budget	<u>\$ 1,086,563</u>	<u>\$ 1,057,536</u>	<u>\$ 1,099,500</u>	<u>\$ 1,102,052</u>	<u>\$ 986,100</u>	<u>-10.52%</u>	<u>\$ (115,952)</u>
FIRE OPERATIONS							
Personal Services/Benefits	\$ 12,841,700	\$ 12,623,111	\$ 13,040,600	\$ 13,040,600	\$ 13,497,000	3.50%	\$ 456,400
Supplies	537,674	475,859	589,000	631,073	508,100	-19.49%	(122,973)
Repairs & Maintenance	683,939	659,980	677,400	677,400	154,100	-77.25%	(523,300)
Services	326,700	302,409	367,800	367,800	223,000	-39.37%	(144,800)
Other Fixed Assets	0	0	80,700	80,700	0	-100.00%	(80,700)
Transfers	713,000	713,000	0	0	0	0.00%	0
Total Budget	<u>\$ 15,103,013</u>	<u>\$ 14,774,358</u>	<u>\$ 14,755,500</u>	<u>\$ 14,797,573</u>	<u>\$ 14,382,200</u>	<u>-2.81%</u>	<u>\$ (415,373)</u>

PARKS & RECREATION

Who we are:

The Parks & Recreation department provides beautifully maintained natural environments, parks, rights of way, and green space, and a wide variety of quality recreational and entertainment opportunities for all ages. Parks and Recreation is composed of four functional divisions that each play a vital role in the successful provision of services for Farmers Branch residents: administration, parks maintenance, facility maintenance, and recreation. The City's Manske Library also falls under the Parks and Recreation umbrella.

Key Processes:

- Ensure parks and facilities are well-kept and safe for visitors.
- Provide programming for residents at various recreation facilities.
- Host special events, entertainment, or education at parks and facilities.
- Care for landscaping on city-owned properties, medians, and rights-of-way.
- Provide free and equal access to information resources, technologies, educational programs, and community spaces.

Strategic Initiatives:

- Foster active community engagement with special events.
- Enhance medians in Farmers Branch.
- Enhance security at the City facilities.
- Provide ongoing support for established programs.
- Begin to review options for updates to athletic facilities.
- Continue to utilize public outreach methods to assess facility needs and customer feedback.
- Implementation of new online solutions to improve customer experiences.
- Review facility infrastructure to determine long-term budget impacts.

Key Performance Measures:

- Completion of park and facility projects in a timely manner.
- Attendance at special events hosted or participated in by Parks & Recreation and the Library.
- Net promoter scores at various Parks & Recreation facilities.

OUR MISSION

To build a dynamic community that consistently seeks to improve the quality of life for all who live, work, and visit.

OUR VISION

Our vision is to be a forward-looking City with a vibrant and diverse economy that supports safe neighborhoods and great amenities.

OUR CORE VALUES

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Excellence

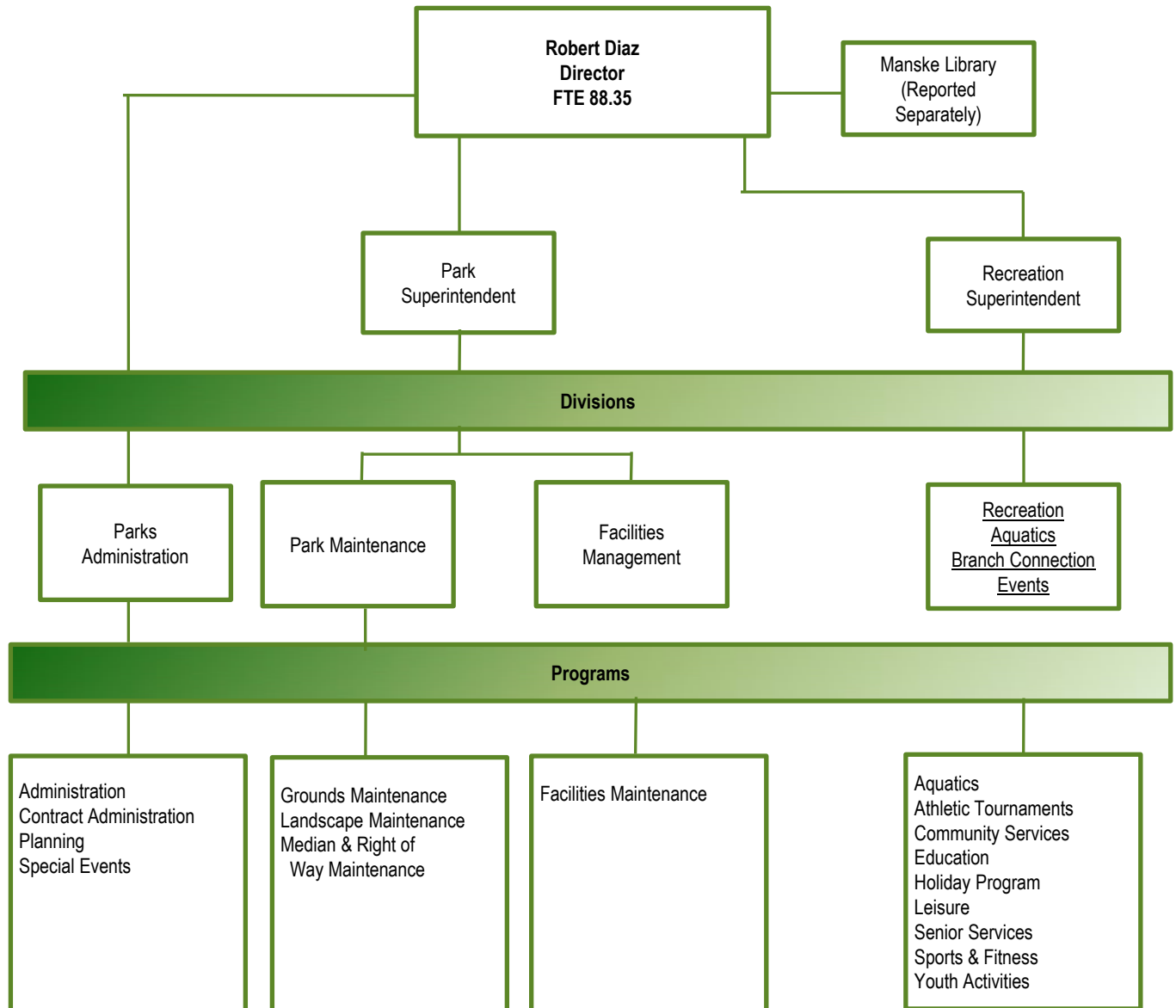
Innovation

Leadership

Respect

Service.

Parks & Recreation



PARKS & RECREATION SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
Personal Services/Benefits	\$ 6,657,861	\$ 6,575,200	\$ 6,992,200	\$ 6,993,700	\$ 7,411,200	5.97%	\$ 417,500
Purchased Prof & Tech Services	809,760	652,028	736,700	822,575	811,300	-1.37%	(11,275)
Supplies	900,100	741,210	855,700	912,262	735,300	-19.40%	(176,962)
Repairs & Maintenance	2,007,141	1,851,572	1,976,000	2,008,902	1,094,900	-45.50%	(914,002)
Services	1,758,977	1,649,629	1,795,800	1,812,651	1,919,500	5.89%	106,849
Building/Infrastructure	0	0	0	0	1,510,000	0.00%	1,510,000
Other Fixed Assets	0	0	158,200	158,200	327,700	107.14%	169,500
Events	509,660	493,438	336,500	343,613	581,500	69.23%	237,887
Transfers	2,905,500	2,905,500	465,000	465,000	558,800	20.17%	93,800
Total Budget	\$ 15,548,998	\$ 14,868,578	\$ 13,316,100	\$ 13,516,903	\$ 14,950,200	10.60%	\$ 1,433,297

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
FACILITIES MANAGEMENT							
Personal Services/Benefits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 535,400	0.00%	\$ 535,400
Supplies	0	0	0	0	60,000	0.00%	60,000
Repairs & Maintenance	0	0	0	0	489,000	0.00%	489,000
Services	0	0	0	0	1,249,300	0.00%	1,249,300
Building/Infrastructure	0	0	0	0	1,510,000	0.00%	1,510,000
Other Fixed Assets	0	0	0	0	150,000	0.00%	150,000
Total Budget	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,993,700</u>	<u>0.00%</u>	<u>\$ 3,993,700</u>
PARKS & RECREATION ADMINISTRATION							
Personal Services/Benefits	\$ 556,000	\$ 555,280	\$ 435,700	\$ 435,700	\$ 362,500	-16.80%	\$ (73,200)
Supplies	16,400	16,159	18,100	18,100	18,100	0.00%	0
Repairs & Maintenance	3,600	3,600	3,500	3,500	3,500	0.00%	0
Services	45,700	42,151	54,600	56,280	47,500	-15.60%	(8,780)
Total Budget	<u>\$ 621,700</u>	<u>\$ 617,189</u>	<u>\$ 511,900</u>	<u>\$ 513,580</u>	<u>\$ 431,600</u>	<u>-15.96%</u>	<u>\$ (81,980)</u>
PARK MAINTENANCE							
Personal Services/Benefits	\$ 3,378,300	\$ 3,369,272	\$ 3,691,900	\$ 3,692,900	\$ 3,859,600	4.51%	\$ 166,700
Purchased Prof & Tech Services	666,055	546,487	604,700	678,075	679,300	0.18%	1,226
Supplies	395,300	353,453	435,500	449,682	384,000	-14.61%	(65,682)
Repairs & Maintenance	1,118,306	976,972	1,047,100	1,080,002	481,000	-55.46%	(599,002)
Services	850,200	866,041	853,100	853,100	72,600	-91.49%	(780,500)
Other Fixed Assets	0	0	0	0	16,500	0.00%	16,500
Transfers	1,950,300	1,950,300	465,000	465,000	525,000	12.90%	60,000
Total Budget	<u>\$ 8,358,460</u>	<u>\$ 8,062,525</u>	<u>\$ 7,097,300</u>	<u>\$ 7,218,759</u>	<u>\$ 6,018,000</u>	<u>-16.63%</u>	<u>\$ (1,200,759)</u>
RECREATION CENTER							
Personal Services/Benefits	\$ 1,069,761	\$ 1,067,414	\$ 1,101,900	\$ 1,101,900	\$ 1,040,200	-5.60%	\$ (61,700)
Supplies	179,900	159,360	181,700	182,837	85,600	-53.18%	(97,237)
Repairs & Maintenance	462,335	460,705	497,700	497,700	29,300	-94.11%	(468,400)
Services	319,610	269,747	353,200	353,880	211,100	-40.35%	(142,780)
Other Fixed Assets	0	0	61,200	61,200	64,200	4.90%	3,000
Transfers	191,200	191,200	0	0	0	0.00%	0
Total Budget	<u>\$ 2,222,806</u>	<u>\$ 2,148,425</u>	<u>\$ 2,195,700</u>	<u>\$ 2,197,517</u>	<u>\$ 1,430,400</u>	<u>-34.91%</u>	<u>\$ (767,117)</u>
AQUATICS CENTER							
Personal Services/Benefits	\$ 847,600	\$ 831,434	\$ 900,100	\$ 900,100	\$ 900,800	0.08%	\$ 700
Supplies	102,300	101,937	112,000	112,000	112,000	0.00%	0
Repairs & Maintenance	183,000	182,980	170,000	170,000	75,000	-55.88%	(95,000)
Services	194,200	188,416	197,700	200,941	83,200	-58.59%	(117,741)
Other Fixed Assets	0	0	97,000	97,000	97,000	0.00%	0
Total Budget	<u>\$ 1,327,100</u>	<u>\$ 1,304,768</u>	<u>\$ 1,476,800</u>	<u>\$ 1,480,041</u>	<u>\$ 1,268,000</u>	<u>-14.33%</u>	<u>\$ (212,041)</u>
BRANCH CONNECTION / SENIOR CENTER							
Personal Services/Benefits	\$ 348,300	\$ 336,558	\$ 362,200	\$ 362,700	\$ 367,100	1.21%	\$ 4,400
Supplies	206,100	110,201	108,300	149,543	75,500	-49.51%	(74,043)
Repairs & Maintenance	193,400	180,815	206,900	206,900	17,100	-91.74%	(189,800)
Services	149,800	129,229	162,300	163,300	89,200	-45.38%	(74,100)
Transfers	764,000	764,000	0	0	33,800	0.00%	33,800
Total Budget	<u>\$ 1,661,600</u>	<u>\$ 1,520,803</u>	<u>\$ 839,700</u>	<u>\$ 882,443</u>	<u>\$ 582,700</u>	<u>-33.97%</u>	<u>\$ (299,743)</u>

SUMMARY BUDGET CATEGORIES

General Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
PARK BOARD							
Services	\$ 7,900	\$ 6,840	\$ 10,900	\$ 10,900	\$ 3,500	-67.89%	\$ (7,400)
Total Budget	<u>\$ 7,900</u>	<u>\$ 6,840</u>	<u>\$ 10,900</u>	<u>\$ 10,900</u>	<u>\$ 3,500</u>	<u>-67.89%</u>	<u>\$ (7,400)</u>
SENIOR ADVISORY BOARD							
Services	\$ 4,400	\$ 3,618	\$ 3,900	\$ 3,900	\$ 3,500	-10.26%	\$ (400)
Total Budget	<u>\$ 4,400</u>	<u>\$ 3,618</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>	<u>\$ 3,500</u>	<u>-10.26%</u>	<u>\$ (400)</u>
EVENTS							
Personal Services/Benefits	\$ 457,900	\$ 415,242	\$ 500,400	\$ 500,400	\$ 345,600	-30.94%	\$ (154,800)
Purchased Prof & Tech Services	143,705	105,541	132,000	144,500	132,000	-8.65%	(12,500)
Supplies	100	100	100	100	100	0.00%	0
Repairs & Maintenance	46,500	46,500	50,800	50,800	0	-100.00%	(50,800)
Services	187,167	143,588	160,100	170,350	159,600	-6.31%	(10,750)
Events	509,660	493,438	336,500	343,613	581,500	69.23%	237,887
Total Budget	<u>\$ 1,345,032</u>	<u>\$ 1,204,409</u>	<u>\$ 1,179,900</u>	<u>\$ 1,209,764</u>	<u>\$ 1,218,800</u>	<u>0.75%</u>	<u>\$ 9,036</u>
LIBRARY							
Purchased Prof & Tech Services	\$ 1,594,806	\$ 1,484,282	\$ 1,464,100	\$ 1,464,100	\$ 1,493,400	2.00%	\$ 29,300
Supplies	57,423	55,204	48,600	50,774	49,100	-3.30%	(1,674)
Repairs & Maintenance	292,200	292,200	318,800	318,800	0	-100.00%	(318,800)
Services	85,900	82,238	69,300	69,300	9,000	-87.01%	(60,300)
Other Fixed Assets	0	0	210,000	210,000	211,500	0.71%	1,500
Transfers	241,500	241,500	0	0	0	0.00%	0
Total Budget	<u>\$ 2,271,829</u>	<u>\$ 2,155,423</u>	<u>\$ 2,110,800</u>	<u>\$ 2,112,974</u>	<u>\$ 1,763,000</u>	<u>-16.56%</u>	<u>\$ (349,974)</u>



**FARMERS
BRANCH**

ENTERPRISE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>WATER & SEWER FUND</u>							
<u>INTEREST/RENTS/CONTRIBUTIONS</u>							
INTEREST & OTHER	\$ 599,600	\$ 525,205	\$ 180,000	\$ 180,000	\$ 330,000	83.33%	\$ 0
SUB-TOTAL	599,600	525,205	180,000	180,000	330,000	83.33%	150,000
<u>MISCELLANEOUS</u>							
MISCELLANEOUS	0	0	5,100	5,100	800	-84.31%	(4,300)
SALE OF ASSETS	0	0	1,000	1,000	1,000	0.00%	0
SUB-TOTAL	0	0	6,100	6,100	1,800	-70.49%	(4,300)
<u>CHARGES FOR SERVICES</u>							
WATER SERVICE	18,983,200	20,111,364	19,985,000	19,985,000	22,694,000	13.56%	2,709,000
SEWER SERVICE	9,593,400	10,269,155	10,232,400	10,232,400	11,507,000	12.46%	1,274,600
TAPPING FEES	8,900	8,946	2,000	2,000	2,000	0.00%	0
FATS, OIL, GREASE PERMIT/INSECTION	0	0	0	0	62,100	0.00%	62,100
RECONNECTS/SERVICE CHARGE	69,900	73,695	45,000	45,000	70,000	55.56%	25,000
LATE FEES	132,400	153,377	225,000	225,000	225,000	0.00%	0
CREDIT CARD FEES	0	0	0	0	400,000	0.00%	400,000
INSPECTIONS	2,200	2,200	1,000	1,000	1,000	0.00%	0
BACKFLOW PROGRAM	35,900	40,185	30,000	30,000	30,000	0.00%	0
SUB-TOTAL	28,825,900	30,658,922	30,520,400	30,520,400	34,991,100	14.65%	4,470,700
TOTAL WATER & SEWER FUND	\$ 29,425,500	\$ 31,184,127	\$ 30,706,500	\$ 30,706,500	\$ 35,322,900	15.03%	\$ 4,616,400
<u>STORMWATER UTILITY FUND</u>							
<u>INTEREST/RENTS/CONTRIBUTIONS</u>							
INTEREST	\$ 17,000	\$ 17,493	\$ 5,000	\$ 5,000	\$ 5,000	0.00%	\$ 0
SUB-TOTAL	17,000	17,493	5,000	5,000	5,000	0.00%	0
<u>MISCELLANEOUS</u>							
<u>CHARGES FOR SERVICES</u>							
STORMWATER	1,774,100	1,787,038	1,793,000	1,793,000	1,793,000	0.00%	0
SUB-TOTAL	1,774,100	1,787,038	1,793,000	1,793,000	1,793,000	0.00%	0
TOTAL STORMWATER UTILITY FUND	\$ 1,791,100	\$ 1,804,531	\$ 1,798,000	\$ 1,798,000	\$ 1,798,000	0.00%	\$ 0
GRAND TOTAL	\$ 31,216,600	\$ 32,988,658	\$ 32,504,500	\$ 32,504,500	\$ 37,120,900	14.20%	\$ 4,616,400

ENTERPRISE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>WATER & SEWER FUND</u>							
<u>PUBLIC WORKS</u>							
WATER & SEWER ADMINISTRATION	\$ 6,138,093	\$ 5,979,725	\$ 6,100,200	\$ 6,141,188	\$ 6,643,400	8.18%	\$ 502,213
WATER & SEWER OPERATIONS	23,114,944	23,109,982	24,606,300	24,634,986	28,503,000	15.70%	3,868,014
TOTAL WATER & SEWER FUND	<u>\$ 29,253,037</u>	<u>\$ 29,089,707</u>	<u>\$ 30,706,500</u>	<u>\$ 30,776,173</u>	<u>\$ 35,146,400</u>	<u>14.20%</u>	<u>\$ 4,370,227</u>
<u>STORMWATER UTILITY FUND</u>							
<u>PUBLIC WORKS</u>							
STORMWATER UTILITIES	\$ 1,751,550	\$ 1,674,615	\$ 1,798,000	\$ 1,803,439	\$ 1,798,000	-0.30%	\$ (5,439)
TOTAL STORMWATER UTILITY FUND	<u>\$ 1,751,550</u>	<u>\$ 1,674,615</u>	<u>\$ 1,798,000</u>	<u>\$ 1,803,439</u>	<u>\$ 1,798,000</u>	<u>-0.30%</u>	<u>\$ (5,439)</u>
 GRAND TOTAL	 <u><u>\$ 31,004,587</u></u>	 <u><u>\$ 30,764,322</u></u>	 <u><u>\$ 32,504,500</u></u>	 <u><u>\$ 32,579,612</u></u>	 <u><u>\$ 36,944,400</u></u>	 <u><u>13.40%</u></u>	 <u><u>\$ 4,364,788</u></u>

PUBLIC WORKS

Who we are:

Public Works is responsible for the day-to-day maintenance and operation of the city's infrastructure services, such as street maintenance, storm and sanitary sewer operations, water and wastewater functions, and traffic signals. In addition to maintaining infrastructure, Public Works handles engineering and capital improvement planning for the city, as well as performs inspections on all ongoing construction in the city.

The Sustainability and Solid Waste division manages garbage, recycling, brush, and bulk collection. The city-owned municipal solid waste landfill is operated by a private company. The division also administers environmental programs and services, including industrial pretreatment, stormwater permitting and inspections, chemical spill response in public rights-of-way, and inspections related to the fat, oil, and grease program.

The Customer Success division streamlines residents' interactions with City services by providing a central hub for tasks, including paying water bills, obtaining permits, filing public information requests, and addressing city-related questions. This division focuses on providing a smooth, user-friendly experience. With a dedicated team committed to excellence, the Customer Success division aims to deliver top-notch service, ensuring all residents can easily access and benefit from the City's full range of services.

Key Processes:

- Construction inspections and R.O.W. permits
- Infrastructure maintenance and repairs
- Capital improvement projects
- Brush and bulk operations
- Landfill operations
- Trails
- Environmental services
- Utility billing payment
- Customer service assistance

Strategic Initiatives:

- Educate and Inform on CWD Route Revisions
- Complete Training for CSR Permit Certification and Customer Service
- Recruit and Retain Top Public Works Talent
- Rehabilitate and Revitalize Streets based on pavement study
- Repairs to Farmers Branch Creek
- Initiate intersection improvements design study
- Execute water and wastewater Improvements
- Execute traffic signal upgrades citywide
- Execute pavement markings citywide

Key Performance Measures:

- Amount of wastewater line cleaned
- Number of curb miles swept
- Gallons of water consumed
- Square yards of sidewalks repaired
- Square yards of streets repaired

Ray Silva-Reyes, Director

OUR MISSION

To build a dynamic community that consistently seeks to improve the quality of life for all who live, work, and visit.

OUR VISION

Our vision is to be a forward-looking City with a vibrant and diverse economy that supports safe neighborhoods and great amenities.

OUR CORE VALUES

Accountability

Excellence

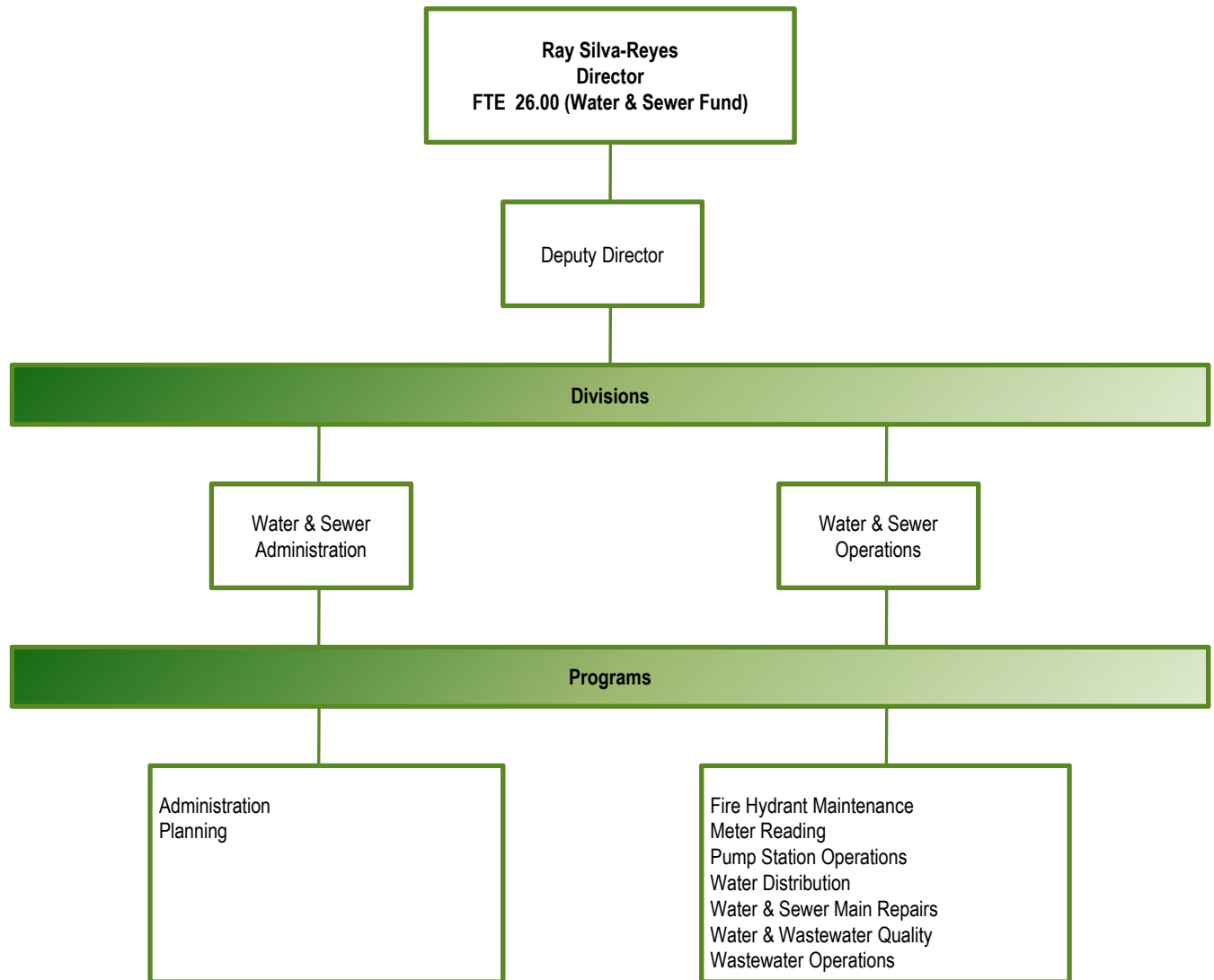
Innovation

Leadership

Respect

Service.

Public Works



WATER & SEWER SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Personal Services/Benefits</i>	\$ 2,602,000	\$ 2,631,634	\$ 2,679,500	\$ 2,679,500	\$ 2,472,300	-7.73%	\$ (207,200)
<i>Purchased Prof & Tech Services</i>	525,900	473,512	124,900	124,900	600,000	380.38%	475,100
<i>Supplies</i>	350,600	288,772	366,200	375,941	369,100	-1.82%	(6,841)
<i>Repairs & Maintenance</i>	979,139	921,488	1,016,000	1,034,870	1,076,300	4.00%	41,430
<i>Services</i>	509,900	471,495	446,600	487,663	533,300	9.36%	45,638
<i>Production & Disposal</i>	12,560,898	12,659,800	14,128,000	14,128,000	15,070,400	6.67%	942,400
<i>Other Objects</i>	112,000	30,406	267,400	267,400	482,900	80.59%	215,500
<i>Transfers</i>	11,612,600	11,612,600	11,677,900	11,677,900	14,542,100	24.53%	2,864,200
Total Budget	\$ 29,253,037	\$ 29,089,707	\$ 30,706,500	\$ 30,776,173	\$ 35,146,400	14.20%	\$ 4,370,227

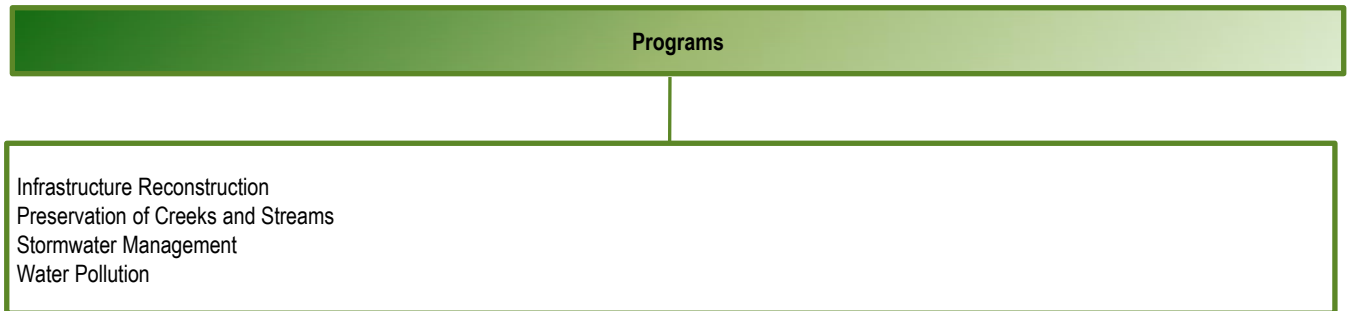
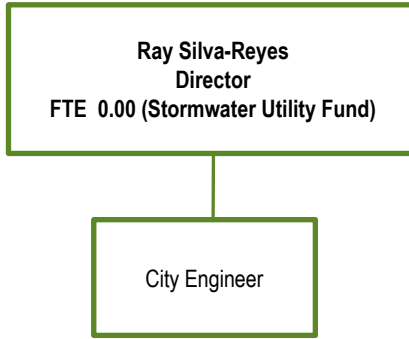
The Public Works department also includes Customer Success (General Fund – General Government Function), Public Works Administration and Street Maintenance, which are detailed in the General Fund section of this document.

SUMMARY BUDGET CATEGORIES

Enterprise Funds

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
WATER & SEWER ADMINISTRATION							
Personal Services/Benefits	\$ 201,000	\$ 197,422	\$ 199,600	\$ 199,600	\$ 201,700	1.05%	\$ 2,100
Purchased Prof & Tech Services	525,900	473,512	124,900	124,900	600,000	380.38%	2,100
Supplies	97,400	74,969	75,400	75,400	87,700	16.31%	12,300
Repairs & Maintenance	59,100	59,100	64,400	64,400	98,500	52.95%	34,100
Services	113,100	62,583	71,300	112,288	73,900	3.65%	(38,388)
Production & Disposal	76,993	73,139	98,700	98,700	95,900	-2.84%	(2,800)
Other Objects	29,500	3,900	45,000	45,000	23,000	-48.89%	(22,000)
Transfers	5,035,100	5,035,100	5,420,900	5,420,900	5,462,700	0.77%	41,800
Total Budget	<u>\$ 6,138,093</u>	<u>\$ 5,979,725</u>	<u>\$ 6,100,200</u>	<u>\$ 6,141,188</u>	<u>\$ 6,643,400</u>	<u>8.18%</u>	<u>\$ 27,113</u>
WATER & SEWER OPERATIONS							
Personal Services/Benefits	\$ 2,401,000	\$ 2,434,212	\$ 2,479,900	\$ 2,479,900	\$ 2,270,600	-8.44%	\$ (209,300)
Supplies	253,200	213,803	290,800	300,541	281,400	-3.23%	(19,141)
Repairs & Maintenance	920,039	862,388	951,600	970,470	977,800	0.76%	7,330
Services	396,800	408,912	375,300	375,375	459,400	22.41%	84,025
Production & Disposal	12,483,905	12,586,662	14,029,300	14,029,300	14,974,500	6.74%	945,200
Other FXA - Equipment	0	0	0	0	0	0.00%	0
Other FXA - Vehicle	0	0	0	0	0	0.00%	0
Other Fixed Assets	0	0	0	0	0	0.00%	0
Other Objects	82,500	26,506	222,400	222,400	459,900	106.79%	237,500
Transfers	6,577,500	6,577,500	6,257,000	6,257,000	9,079,400	45.11%	2,822,400
Total Budget	<u>\$ 23,114,944</u>	<u>\$ 23,109,982</u>	<u>\$ 24,606,300</u>	<u>\$ 24,634,986</u>	<u>\$ 28,503,000</u>	<u>15.70%</u>	<u>\$ 3,868,014</u>
STORMWATER UTILITIES							
Purchased Prof & Tech Services	\$ 18,750	\$ 8,750	\$ 51,200	\$ 51,200	\$ 51,200	0.00%	\$ 0
Repairs & Maintenance	100,000	28,640	100,000	105,439	100,000	-5.16%	(5,439)
Other Objects	0	4,425	0	0	0	0.00%	0
Transfers	1,632,800	1,632,800	1,646,800	1,646,800	1,646,800	0.00%	0
Total Budget	<u>\$ 1,751,550</u>	<u>\$ 1,674,615</u>	<u>\$ 1,798,000</u>	<u>\$ 1,803,439</u>	<u>\$ 1,798,000</u>	<u>-0.30%</u>	<u>\$ (5,439)</u>
GRAND TOTAL	<u>\$ 31,004,587</u>	<u>\$ 30,764,322</u>	<u>\$ 32,504,500</u>	<u>\$ 32,579,612</u>	<u>\$ 36,944,400</u>	<u>13.40%</u>	<u>\$ 3,889,688</u>

Public Works



STORMWATER UTILITIES SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Purchased Prof & Tech Services</i>	\$ 18,750	\$ 8,750	\$ 51,200	\$ 51,200	\$ 51,200	0.00%	\$ 0
<i>Repairs & Maintenance</i>	100,000	28,640	100,000	105,439	100,000	-5.16%	(5,439)
<i>Other Objects</i>	0	4,425	0	0	0	0.00%	0
<i>Transfers</i>	1,632,800	1,632,800	1,646,800	1,646,800	1,646,800	0.00%	0
Total Budget	\$ 1,751,550	\$ 1,674,615	\$ 1,798,000	\$ 1,803,439	\$ 1,798,000	-0.30%	\$ (5,439)

The Public Works department also includes Customer Success (General Fund – General Government Function), Public Works Administration and Street Maintenance operations (General Fund – Public Works Function) that are detailed in the General Fund section of this document.

INTERNAL SERVICE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>FLEET & FACILITIES MANAGEMENT FUND</u>							
<u>CHARGES FOR SERVICES</u>							
FLEET SERVICES	\$ 3,842,900	\$ 3,370,400	\$ 3,796,000	\$ 3,796,000	\$ 620,600	-83.65%	\$ (3,175,400)
FACILITIES SERVICES	2,252,500	2,060,741	2,528,600	2,528,600	0	-100.00%	(2,528,600)
TRANSFER IN GENERAL FUND	0	0	0	0	5,552,300	0.00%	5,552,300
TOTAL FLEET & FACILITIES FUND	<u>\$ 6,095,400</u>	<u>\$ 5,431,141</u>	<u>\$ 6,324,600</u>	<u>\$ 6,324,600</u>	<u>\$ 6,172,900</u>	<u>-2.40%</u>	<u>\$ (151,700)</u>
<u>WORKERS' COMPENSATION FUND</u>							
<u>MISCELLANEOUS</u>							
MISCELLANEOUS	\$ 0	\$ 42,657	\$ 0	\$ 0	\$ 60,000	0.00%	\$ 60,000
INTERFUND TRANSFERS	501,800	501,800	501,800	501,800	601,700	19.91%	99,900
TOTAL WORKERS' COMP FUND	<u>\$ 501,800</u>	<u>\$ 544,457</u>	<u>\$ 501,800</u>	<u>\$ 501,800</u>	<u>\$ 661,700</u>	<u>31.87%</u>	<u>\$ 159,900</u>
<u>HEALTH CLAIMS FUND</u>							
<u>INTEREST/RENTS/CONTRIBUTIONS</u>							
MEDICAL CONTRIBUTIONS	\$ 5,209,100	\$ 4,590,138	\$ 5,420,300	\$ 5,420,300	\$ 5,420,300	0.00%	\$ 0
SUB-TOTAL	<u>5,209,100</u>	<u>4,590,138</u>	<u>5,420,300</u>	<u>5,420,300</u>	<u>5,420,300</u>	<u>0.00%</u>	<u>0</u>
<u>MISCELLANEOUS</u>							
INTERFUND TRANSFERS	376,800	376,800	0	0	0	0.00%	0
TRANSFER IN - SPECIAL REVENUE	0	0	0	0	35,000	0.00%	35,000
SUB-TOTAL	<u>376,800</u>	<u>376,800</u>	<u>0</u>	<u>0</u>	<u>35,000</u>	<u>0.00%</u>	<u>35,000</u>
TOTAL HEALTH CLAIMS FUND	<u>\$ 5,585,900</u>	<u>\$ 4,966,938</u>	<u>\$ 5,420,300</u>	<u>\$ 5,420,300</u>	<u>\$ 5,455,300</u>	<u>0.65%</u>	<u>\$ 35,000</u>
GRAND TOTAL	<u>\$ 12,183,100</u>	<u>\$ 10,942,536</u>	<u>\$ 12,246,700</u>	<u>\$ 12,246,700</u>	<u>\$ 12,289,900</u>	<u>0.35%</u>	<u>\$ 43,200</u>

INTERNAL SERVICE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>FLEET & FACILITIES MANAGEMENT FUND</u>							
<u>FLEET & FACILITIES MANAGEMENT</u>							
FACILITIES MANAGEMENT	\$ 2,268,824	\$ 2,257,561	\$ 2,528,600	\$ 2,529,596	\$ 0	-100.00%	\$ (2,529,596)
FLEET MANAGEMENT	3,856,778	3,468,185	3,796,000	3,919,517	6,172,900	57.49%	2,253,383
TOTAL FLEET & FACILITIES FUND	<u>\$ 6,125,602</u>	<u>\$ 5,725,746</u>	<u>\$ 6,324,600</u>	<u>\$ 6,449,113</u>	<u>\$ 6,172,900</u>	<u>-4.28%</u>	<u>\$ (276,213)</u>
<u>WORKERS' COMPENSATION FUND</u>							
<u>INTERNAL SERVICE</u>							
WORKERS' COMPENSATION	\$ 501,800	\$ 303,211	\$ 501,800	\$ 501,800	\$ 601,700	19.91%	\$ 99,900
TOTAL WORKERS' COMP FUND	<u>\$ 501,800</u>	<u>\$ 303,211</u>	<u>\$ 501,800</u>	<u>\$ 501,800</u>	<u>\$ 601,700</u>	<u>19.91%</u>	<u>\$ 99,900</u>
<u>HEALTH CLAIMS FUND</u>							
<u>INTERNAL SERVICE</u>							
HEALTH CLAIMS	\$ 5,133,200	\$ 5,106,625	\$ 4,818,700	\$ 4,978,175	\$ 5,420,300	8.88%	\$ 442,125
TOTAL HEALTH CLAIMS FUND	<u>\$ 5,133,200</u>	<u>\$ 5,106,625</u>	<u>\$ 4,818,700</u>	<u>\$ 4,978,175</u>	<u>\$ 5,420,300</u>	<u>8.88%</u>	<u>\$ 442,125</u>
GRAND TOTAL	<u>\$ 11,760,602</u>	<u>\$ 11,135,582</u>	<u>\$ 11,645,100</u>	<u>\$ 11,929,088</u>	<u>\$ 12,194,900</u>	<u>2.23%</u>	<u>\$ 265,812</u>

FLEET MANAGEMENT

Who we are:

The Fleet Management department is a customer service-oriented Internal Service Fund responsible for the maintenance, repair, fueling, and replacement of the City's fleet. The department operates in a business-oriented method, by structuring the customer billing system to emulate business practices to ensure the department is competitive. The department provides service to its customers while striving towards the lowest possible fleet costs by designing and implementing a comprehensive management program. In addition, the department is responsible for operating the City warehouse, which purchases and stocks materials for all departments.

Key Processes:

- Vehicle management and maintenance
- Project management
- Contract management
- Central warehouse operations

Strategic Initiatives:

- Vehicle and equipment to be replaced based on department life cycle and usage
- Create and utilize the internal work order process by department
- Explore city vehicle accident policies and costs with risk management
- Develop and maintain fleet replacement schedule

Key Performance Measures:

- Fleet – Preventative maintenance compliance rate
- Fleet – Total number of work orders
- Fleet – Uptime percent

OUR MISSION

To build a dynamic community that consistently seeks to improve the quality of life for all who live, work, and visit.

OUR VISION

Our vision is to be a forward-looking City with a vibrant and diverse economy that supports safe neighborhoods and great amenities.

OUR CORE VALUES

Accountability

Excellence

Innovation

Leadership

Respect

Service.

Fleet Management

Jawaria Tareen
City Management
FTE 7.45

Programs

Fleet Maintenance & Operations
Fleet Parts Supply
Fuel Services
Vehicle Acquisition

FLEET MANAGEMENT SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Personal Services/Benefits</i>	\$ 986,400	\$ 958,812	\$ 1,259,300	\$ 1,259,300	\$ 766,900	-39.10%	\$ (492,400)
<i>Supplies</i>	57,500	37,848	43,600	43,604	35,500	-18.59%	(8,104)
<i>Repairs & Maintenance</i>	948,800	900,190	747,700	784,035	63,400	-91.91%	(720,635)
<i>Services</i>	1,458,024	1,403,867	1,353,000	1,365,617	215,000	-84.26%	(1,150,617)
<i>Inventory Usage</i>	2,673,878	2,425,029	2,666,000	2,741,557	2,248,900	-17.97%	(492,657)
<i>Other Fixed Assets - Equipment</i>	0	0	0	0	115,000	0.00%	115,000
<i>Other Fixed Assets - Vehicle</i>	0	0	0	0	2,685,000	0.00%	2,685,000
<i>Other Objects</i>	1,000	0	50,000	50,000	25,000	-50.00%	(25,000)
<i>Transfers</i>	0	0	205,000	205,000	18,200	-91.12%	(186,800)
Total Budget	\$ 6,125,602	\$ 5,725,746	\$ 6,324,600	\$ 6,449,113	\$ 6,172,900	-4.28%	\$ (276,213)

Workers' Compensation

The Workers' Compensation Fund is used to account for the City's workers' compensation self-insurance plan.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has established a Workers' Compensation Fund (an Internal Service Fund) to account for workers' compensation uninsured risks of loss. Under this program, the Workers' Compensation Fund provides coverage for up to a maximum of \$350,000 for each workers' compensation occurrence claim. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The costs associated with this self-insurance plan are reported as interfund transactions. Accordingly, they are treated as operating revenues of the Workers' Compensation Fund and operating expenditures (expenses) of the other funds. Claims payable include provisions for claims reported and claims incurred, but not yet reported. The provision for reported claims is computed by the City's third-party administrator based upon standard actuarial principles. The provision for claims incurred, but not yet reported is estimated based on the City's experience and an actuarial study that is performed in odd numbered years. State law provides that the City is relieved of liability if a notice of employee injury is not received within 30-days of the date on which the injury occurs.

WORKERS' COMPENSATION SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Purchased Prof & Tech Services</i>	\$ 5,000	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000	0.00%	\$ 0
<i>Workers' Compensation</i>	496,800	303,211	496,800	496,800	596,700	20.11%	99,900
Total Budget	\$ 501,800	\$ 303,211	\$ 501,800	\$ 501,800	\$ 601,700	19.91%	\$ 99,900

Health Claims

The Health Claims Fund is used to account for the provision of group health insurance coverage for employees, their dependents and retirees. The health insurance program is a self-insured plan funded by both the City and participating employees. The City makes a predetermined contribution to the plan each pay-period for group health insurance coverage for qualifying City employees and a subsidy toward employee dependent coverage. Employees contribute through payroll deductions for the balance of employee and dependent health insurance coverage. The City's health insurance program includes stop loss coverage.

All claims are reviewed and processed by an independent insurance company. The insurance company pays claims based on the health plan and the City reimburses the insurance company for the amount of each claim paid. The insurance company charges the City a fee for each claim processed.

HEALTH CLAIMS SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Claims Incurred</i>	\$ 4,709,000	\$ 4,449,702	\$ 3,720,000	\$ 3,878,234	\$ 4,521,600	16.59%	\$ 643,366
<i>Insurance Premiums</i>	103,700	187,482	551,200	552,200	551,200	-0.18%	(1,000)
<i>Fees</i>	120,500	269,440	347,500	347,740	347,500	-0.07%	(240)
<i>Other Objects</i>	200,000	200,000	200,000	200,000	0	-100.00%	(200,000)
Total Budget	\$ 5,133,200	\$ 5,106,625	\$ 4,818,700	\$ 4,978,175	\$ 5,420,300	8.88%	\$ 442,125

HOTEL/MOTEL FUND REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>TAXES</u>							
HOTEL/MOTEL TAX	\$ 3,136,000	\$ 3,515,051	\$ 3,130,000	\$ 3,130,000	\$ 3,600,000	15.02%	\$ 470,000
SUB-TOTAL	3,136,000	3,515,051	3,130,000	3,130,000	3,600,000	15.02%	470,000
<u>CHARGES FOR SERVICES</u>							
EVENTS	113,200	123,025	111,600	111,600	47,900	-57.08%	(63,700)
SUB-TOTAL	113,200	123,025	111,600	111,600	47,900	-57.08%	(63,700)
EVENT CENTER	7,500	7,500	127,000	127,000	127,000	0.00%	0
SUB-TOTAL	7,500	7,500	127,000	127,000	127,000	0.00%	0
<u>INTEREST/RENTS/CONTRIBUTIONS</u>							
INTEREST	163,600	224,029	70,000	70,000	80,000	14.29%	10,000
SUB-TOTAL	163,600	224,029	70,000	70,000	80,000	14.29%	10,000
<u>MISCELLANEOUS</u>							
MISCELLANEOUS	1,100	1,133	1,000	1,000	1,000	0.00%	0
FIREHOUSE THEATRE	0	0	0	0	20,000	0.00%	20,000
HISTORICAL PARK RENTALS	21,700	24,338	20,000	20,000	10,000	-50.00%	(10,000)
HISTORICAL PARK TEAS	6,800	6,780	6,500	6,500	6,500	0.00%	0
SUB-TOTAL	29,600	32,251	27,500	27,500	37,500	36.36%	10,000
GRAND TOTAL	\$ 3,449,900	\$ 3,901,856	\$ 3,466,100	\$ 3,466,100	\$ 3,892,400	12.30%	\$ 426,300

HOTEL/MOTEL FUND EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<u>PARKS & RECREATION</u>							
HISTORICAL PRESERVATION	\$ 1,643,149	\$ 1,427,741	\$ 1,587,100	\$ 1,556,538	\$ 1,336,400	-14.14%	\$ (220,138)
EVENT CENTER	464,500	920,638	376,900	381,153	297,600	-21.92%	(83,553)
SUB-TOTAL	<u>2,107,649</u>	<u>2,348,379</u>	<u>1,964,000</u>	<u>1,937,691</u>	<u>1,634,000</u>	<u>-15.67%</u>	<u>(303,691)</u>
<u>ECONOMIC DEVELOPMENT & TOURISM</u>							
PROMOTION OF TOURISM	\$ 1,500,976	\$ 1,172,989	\$ 1,483,100	\$ 1,729,745	\$ 1,940,900	12.21%	\$ 211,155
CONVENTION CENTER	19,000	5,700	128,700	130,169	162,700	24.99%	32,531
SUB-TOTAL	<u>1,519,976</u>	<u>1,178,689</u>	<u>1,611,800</u>	<u>1,859,914</u>	<u>2,103,600</u>	<u>13.10%</u>	<u>243,686</u>
 GRAND TOTAL	 <u><u>\$ 3,627,625</u></u>	 <u><u>\$ 3,527,068</u></u>	 <u><u>\$ 3,575,800</u></u>	 <u><u>\$ 3,797,605</u></u>	 <u><u>\$ 3,737,600</u></u>	 <u><u>-1.58%</u></u>	 <u><u>\$ (303,691)</u></u>

PARKS & RECREATION

Who we are:

The Parks & Recreation department provides beautifully maintained natural environments, parks, rights of way, and green space, and a wide variety of quality recreational and entertainment opportunities for all ages. Parks and Recreation is composed of four functional divisions that each play a vital role in the successful provision of services for Farmers Branch residents: administration, parks maintenance, facility maintenance, and recreation. The City's Manske Library also falls under the Parks and Recreation umbrella.

Key Processes:

- Ensure parks and facilities are well-kept and safe for visitors.
- Provide programming for residents at various recreation facilities.
- Host special events, entertainment, or education at parks and facilities.
- Care for landscaping on city-owned properties, medians, and rights-of-way.
- Provide free and equal access to information resources, technologies, educational programs, and community spaces.

Strategic Initiatives:

- Foster active community engagement with special events.
- Enhance medians in Farmers Branch.
- Enhance security at the City facilities.
- Provide ongoing support for established programs.
- Begin to review options for updates to athletic facilities.
- Continue to utilize public outreach methods to assess facility needs and customer feedback.
- Implementation of new online solutions to improve customer experiences.
- Review facility infrastructure to determine long-term budget impacts.

Key Performance Measures:

- Completion of park and facility projects in a timely manner.
- Attendance at special events hosted or participated in by Parks & Recreation and the Library.
- Net promoter scores at various Parks & Recreation facilities.

OUR MISSION

To build a dynamic community that consistently seeks to improve the quality of life for all who live, work, and visit.

OUR VISION

Our vision is to be a forward-looking City with a vibrant and diverse economy that supports safe neighborhoods and great amenities.

OUR CORE VALUES

Accountability

Excellence

Innovation

Leadership

Respect

Service.

Parks & Recreation

Robert Diaz
Director
FTE 8.70 (Hotel/Motel Fund)

Programs

Historical Preservation
Hospitality Development
Special Events
Event Center/Venue

HISTORICAL PRESERVATION/ SPECIAL EVENTS SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Personal Services/Benefits</i>	\$ 703,500	\$ 687,323	\$ 861,700	\$ 845,320	\$ 730,100	-13.63%	\$ (115,220)
<i>Salaries</i>	545,500	535,498	681,100	664,720	583,400	-12.23%	(81,320)
<i>Benefits</i>	158,000	151,824	180,600	180,600	146,700	-18.77%	(33,900)
<i>Purchased Prof & Tech Services</i>	115,500	47,600	9,400	25,780	5,000	-80.61%	(20,780)
<i>Supplies</i>	182,209	124,388	83,900	83,900	48,900	-41.72%	(35,000)
<i>Repairs & Maintenance</i>	277,400	159,260	281,600	306,673	336,400	9.69%	29,727
<i>Services</i>	237,500	163,457	245,400	247,900	205,300	-17.18%	(42,600)
<i>Other Fixed Assets - Equipment</i>	0	0	0	0	20,000	0.00%	20,000
<i>Other Fixed Assets - Vehicle</i>	0	0	0	0	50,000	0.00%	50,000
<i>Other Fixed Assets</i>	1,000	995	25,000	25,000	105,000	320.00%	80,000
<i>Special Events</i>	330,540	322,139	332,000	278,118	41,000	-85.26%	(237,118)
<i>Other Objects</i>	25,000	0	10,000	10,000	0	-100.00%	(10,000)
<i>Transfers</i>	235,000	820,715	115,000	115,000	92,300	-19.74%	(22,700)
Total Budget	\$ 2,107,649	\$ 2,325,877	\$ 1,964,000	\$ 1,937,691	\$ 1,634,000	-15.67%	\$ (303,691)

The Parks & Recreation Department General Fund activities are reported in the General Fund section of this document.

SUMMARY BUDGET CATEGORIES

Hotel/Motel Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
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HISTORICAL PRESERVATION / SPECIAL EVENTS

Personal Services/Benefits	\$ 584,600	\$ 576,790	\$ 720,200	\$ 703,820	\$ 590,800	-17.97%	\$ (113,020)
Purchased Prof & Tech Services	109,000	47,600	2,900	19,280	5,000	72.41%	(14,280)
Supplies	38,109	35,906	38,900	38,900	42,400	9.00%	3,500
Repairs & Maintenance	251,100	152,342	269,200	292,520	329,000	12.47%	36,480
Services	158,800	146,968	163,900	163,900	151,300	-7.69%	(12,600)
Other Fixed Assets - Equipment	0	0	0	0	20,000	0.00%	20,000
Other Fixed Assets - Vehicle	0	0	0	0	50,000	0.00%	50,000
Other Fixed Assets	1,000	995	25,000	25,000	105,000	320.00%	80,000
Special Events	330,540	322,139	332,000	278,118	41,000	-87.65%	(237,118)
Other Objects	25,000	0	10,000	10,000	0	-100.00%	(10,000)
Transfers	145,000	145,000	25,000	25,000	1,900	-92.40%	(23,100)
Total Budget	<u>\$ 1,643,149</u>	<u>\$ 1,427,741</u>	<u>\$ 1,587,100</u>	<u>\$ 1,556,538</u>	<u>\$ 1,336,400</u>	<u>-14.14%</u>	<u>\$ (107,118)</u>

EVENT CENTER

Personal Services/Benefits	\$ 118,900	\$ 110,533	\$ 141,500	\$ 141,500	\$ 139,300	-1.55%	\$ (2,200)
Purchased Prof & Tech Services	6,500	0	6,500	6,500	0	-100.00%	(6,500)
Supplies	144,100	88,482	45,000	45,000	6,500	-85.56%	(38,500)
Repairs & Maintenance	26,300	6,918	12,400	14,153	7,400	-40.32%	(6,753)
Services	78,700	16,489	81,500	84,000	54,000	-35.71%	(30,000)
Debt Service Interest	0	22,502	0	0	0	0.00%	0
Transfers	90,000	675,715	90,000	90,000	90,400	0.44%	400
Total Budget	<u>\$ 464,500</u>	<u>\$ 920,638</u>	<u>\$ 376,900</u>	<u>\$ 381,153</u>	<u>\$ 297,600</u>	<u>-21.92%</u>	<u>\$ (81,353)</u>

ECONOMIC DEVELOPMENT & TOURISM

Who we are:

The Economic Development & Tourism Office serves as the development representative for the city and is responsible for implementing the vision set forth by the city council. This is accomplished through various programs and efforts aimed at recruiting and retaining businesses, as well as redeveloping commercial and residential areas. Attracting large groups to generate hotel room nights contributes to the hotel occupancy tax fund, which in turn impacts local events and culture.

Key Processes:

- Recruit Businesses
- Retain Businesses
- Redevelopment of residential properties
- Redevelopment of commercial properties
- Promote tourism

Strategic Initiatives:

- Promote the Station Area for development
- Improve Community Attractiveness via Commercial Façade Grant Program
- Drive Tourism to Increase Hotel Room Night Count and Revenue
- Launch a city-led BRE program to meet regularly with key employers
- Offer customized assistance (based on the outcome of BRE) – e.g., any expansion support that the council may consider, permitting guidance, etc.
- Maintain a business health database to track local business trends
- Provide quarterly updates to the City Council
- Collaborate with Parks to create a city event calendar to promote consistency and cross-promotion

Key Performance Measures:

- TIF 2 study to support Station Area development
- Achieve at least an 80% completion rate of approved façade grant projects per fiscal year
- Increase hotel room night count year over year
- Conduct regular meetings with at least 100 key employers annually
- Update business health indicators quarterly, e.g., business closures/starts, sales tax, etc.
- Business engagement visits
- Demo/Rebuild program participation
- Corporate Appreciation Events

Benjamin Williamson, City Manager

OUR MISSION

To build a dynamic community that consistently seeks to improve the quality of life for all who live, work, and visit.

OUR VISION

Our vision is to be a forward-looking City with a vibrant and diverse economy that supports safe neighborhoods and great amenities.

OUR CORE VALUES

Accountability

Excellence

Innovation

Leadership

Respect

Service.

Economic Development & Tourism

Benjamin Williamson
City Manager
FTE 0.00 (Hotel/Motel Fund)

Programs

Convention Center
Hospitality Development

ECONOMIC DEVELOPMENT & TOURISM SUMMARY	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
<i>Supplies</i>	\$ 3,500	\$ 899	\$ 6,500	\$6,500	\$ 6,500	\$0	\$ 0
<i>Repairs & Maintenance</i>	2,000	0	91,900	91,900	91,900	0.00%	0
<i>Services</i>	29,800	14,066	40,300	41,769	74,300	77.88%	32,531
<i>Marketing</i>	1,108,676	787,723	833,100	1,079,745	1,158,100	7.26%	78,355
<i>Other Objects</i>	0	0	0	0	100,000	0.00%	100,000
<i>Transfers</i>	376,000	376,000	640,000	640,000	672,800	5.13%	32,800
Total Budget	\$ 1,519,976	\$ 1,178,689	\$ 1,611,800	\$ 1,859,914	\$ 2,103,600	13.10%	\$ 243,686

The Economic Development & Tourism office also includes Economic Development & Planning activities, which are detailed in the General Fund section of this document.

SUMMARY BUDGET CATEGORIES

Hotel/Motel Fund

DEPARTMENT/DIVISION	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
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PROMOTION OF TOURISM

Supplies	\$ 2,500	\$ 899	\$ 3,000	\$ 3,000	\$ 3,000	0.00%	\$ 0
Services	13,800	8,366	7,000	7,000	7,000	0.00%	0
Marketing	1,108,676	787,723	833,100	1,079,745	1,158,100	39.01%	78,355
Other Objects	0	0	0	0	100,000	0.00%	100,000
Transfers	376,000	376,000	640,000	640,000	672,800	5.13%	32,800
Total Budget	<u>\$ 1,500,976</u>	<u>\$ 1,172,989</u>	<u>\$ 1,483,100</u>	<u>\$ 1,729,745</u>	<u>\$ 1,940,900</u>	<u>12.21%</u>	<u>\$ 211,155</u>

CONVENTION

Supplies	\$ 1,000	\$ 0	\$ 3,500	\$ 3,500	\$ 3,500	0.00%	\$ 0
Repairs & Maintenance	2,000	0	91,900	91,900	91,900	0.00%	0
Services	16,000	5,700	33,300	34,769	67,300	102.10%	32,531
Total Budget	<u>\$ 19,000</u>	<u>\$ 5,700</u>	<u>\$ 128,700</u>	<u>\$ 130,169</u>	<u>\$ 162,700</u>	<u>24.99%</u>	<u>\$ 32,531</u>

DEBT SERVICE

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. The City has both tax-supported debt and self-supporting debt.

General obligation debt can be in the form of bonds, certificates of obligation or tax notes. Bonds must be approved by vote of the general population prior to issuance. Certificates of obligation do not require voter approval, are generally short term in nature, and are frequently used to fund capital improvements not anticipated at the time of the latest bond election. Tax notes are similar to certificates of obligation in that there is no requirement for voter approval and they are generally short-term in nature.

The City has the following outstanding debt issues:

\$7,035,000 General Obligation Refunding Bonds, Taxable Series 2011

To be used to refund the City's outstanding \$7,895,000 Combination Tax and Revenue Certificates of Obligation, Taxable Series 2004, in order to lower the overall debt service requirements of the City.

There are currently \$590,000 bonds outstanding. These bonds will be fully matured and paid on November 1, 2025.

\$6,500,000 Combination Tax & Revenue Certificates of Obligation – Series 2013

To be used to pay contractual obligations to be incurred for designing, constructing and equipping an aquatics facility in the City, including site preparation, and to pay the costs associated with the issuance of the certificates.

There are currently \$3,115,000 bonds outstanding. These bonds will be fully matured and paid on November 1, 2032.

\$13,920,000 General Obligation Bonds – Series 2014

To be used to pay for street projects pursuant to a bond election held May 10, 2014, authorizing bonds in the aggregate principal amount of \$23,500,000. The remaining bonds, totaling \$9,000,000, were issued in 2018.

There are currently \$5,865,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2034.

\$2,545,000 Combination Tax and Revenue Certificates of Obligation – Series 2016

To be used to pay contractual obligations to be incurred for designing, constructing, improving, renovating, expanding, equipping and furnishing police facilities and acquiring police equipment and supporting systems, including improvements to the Farmers Branch Justice Center, and the acquisition of land therefor, and to pay the costs associated with the issuance of the certificates.

There are currently \$1,550,000 bonds outstanding. These bonds will be fully matured and paid on May 1, 2036.

\$13,540,000 General Obligation Bonds – Series 2018

To be used to pay for street projects pursuant to a bond election held May 10, 2014, authorizing bonds in the aggregate principal amount of \$23,500,000. This issuance reflects the remaining authorized, but unissued bonds, totaling \$9,000,000. In addition, pursuant to a bond election held November 7, 2017, Quality of Life Bonds in the amount of \$15,000,000 were authorized for infrastructure improvements (\$4,000,000), parks and open space (\$7,000,000), and neighborhood development (\$4,000,000). Of the November 7, 2017 authorized amount, this

issuance represents \$4,000,000 for parks and open space and \$1,000,000 for neighborhood development. The remaining bonds totaling \$10,000,000 were issued in 2020.

There are currently \$12,110,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2038.

\$5,360,000 Combination Tax and Revenue Certificates of Obligation – Series 2018

To be used to pay contractual obligations to be incurred for designing, constructing, renovating, improving, and equipping Fire Station No. 2.

There are currently \$4,400,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2038.

\$2,895,000 General Obligation Refunding Bonds – Series 2020

To be used to refund \$3,295,000 in Series 2010 General Obligation Refunding & Improvement Bonds (Original Amount of Issue \$5,470,000) in order to lower the overall debt service requirements of the City.

There are currently \$1,595,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2030.

\$9,410,000 General Obligation Improvement Bonds – Series 2020

This issuance reflects the remaining authorized, but unissued Quality of Life bonds, pursuant to a bond election held November 7, 2017. This issuance represents \$3,000,000 for parks and open space, \$3,000,000 for neighborhood development, and \$4,000,000 for infrastructure improvements.

There are currently \$7,870,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2039.

\$23,810,000 Combination Tax and Revenue Certificates of Obligation – Taxable Series 2022

To be used to pay contractual obligations to be incurred for designing, developing, constructing, and equipping a public recreational multi-sport and fitness facility, including volleyball and basketball courts, and related parking and public infrastructures and professional services incurred in connection with such projects and to pay the costs associated with the issuance of the certificates. This self-supporting debt is paid for by commercial lease payments.

There are currently \$22,600,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2047.

\$2,500,000 General Obligation Bonds – Series 2024

To be used to provide funds for (i) an economic development fund to finance the City's programs for economic development for single-family residential and revitalization in the City, (ii) designing, constructing, renovating, improving and equipping the Branch Connection Active Adult Center, and (iii) paying the costs associated with the issuance of the Bonds. Pursuant to a bond election held May 4, 2024, \$500,000 would fund the continuance of a Demo-Rebuild program, \$2,000,000 would provide funding for the continuing renovations of The Branch Connection, and the remaining \$5,500,000 would provide funding for water infrastructure improvements.

There are currently \$2,500,000 (\$2,310,000 par amount) in bonds outstanding. These bonds will be fully matured and paid on February 15, 2039.

\$10,000,000 Combination Tax and Revenue Certificates of Obligation – Taxable Series 2024 [Two issues,]

To be used to provide funds for (i) designing, constructing, developing and equipping public safety facilities, including a public safety communication facility and dispatch center, and the acquisition of land therefor; (ii) acquiring vehicles and equipment for public safety, including fire, police and emergency services (items (i) and (ii), collectively, the “Project”); (iii) professional services incurred in connection with the Project, and (iv) paying the costs associated with the issuance of the Certificates.

There are currently \$8,725,000 bonds outstanding. These bonds will be fully matured and paid on February 15, 2044.

\$5,500,000 General Obligation Bonds – Series 2025

To be used to provide funds for (i) water infrastructure improvements and (ii) paying the costs associated with the issuance of the Bonds, pursuant to a bond election held May 4, 2024,

The issuance of these bonds is anticipated in September 2025.

DEBT SERVICE FUND

SUMMARY OF REVENUES AND EXPENDITURES

		ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
<u>PROPERTY TAX SUPPORTED DEBT</u>					
ESTIMATED BEGINNING FUND BALANCE		\$ 1,229,334	\$ 1,258,409	\$ 1,288,920	\$ 1,322,574
EXCESS DEBT COLLECTIONS (per Tax Assessor)/Audit Adjustment	[1]	10,875	43,754	43,754	283,769
BUDGETED REVENUES					
ESTIMATED PROPERTY TAX REVENUE		4,515,622	4,863,000	4,863,000	5,671,400
ESTIMATED PRIOR YEAR TAX		(81,871)	20,000	20,000	20,000
TOTAL REVENUE		4,450,881	4,883,000	4,883,000	5,691,400
BUDGETED EXPENDITURES					
DEBT SERVICE REQUIREMENTS	[2]	4,402,170	4,893,100	4,893,100	5,671,400
TOTAL EXPENDITURES		4,402,170	4,893,100	4,893,100	5,671,400
INCREASE (DECREASE) IN FUND BALANCE		59,586	(10,100)	(10,100)	20,000
ESTIMATED ENDING FUND BALANCE		<u>\$ 1,288,920</u>	<u>\$ 1,292,063</u>	<u>\$ 1,322,574</u>	<u>\$ 1,626,343</u>
<u>SELF-SUPPORTING DEBT</u>					
ESTIMATED BEGINNING FUND BALANCE		\$ (954,282)	\$ 1,179,381	\$ (2,732,182)	\$ (1,872,082)
ADJUSTMENT SUBSEQUENT TO AUDIT		1,875			
BUDGETED REVENUES					
STARS FUND INTEREST REVENUE		206,536	100,000	100,000	100,000
COMMERCIAL RENT / LEASE PAYMENTS (Stars)		255,577	600,000	600,000	600,000
COMMERCIAL RENT / LEASE PAYMENTS (Multi-Sport)		0	2,400,000	2,400,000	1,440,000
TOTAL REVENUE		462,113	3,100,000	3,100,000	2,140,000
BUDGETED EXPENDITURES					
DEBT SERVICE REQUIREMENTS	[3]	2,241,888	2,239,900	2,239,900	2,244,800
TOTAL EXPENDITURES		2,241,888	2,239,900	2,239,900	2,244,800
INCREASE (DECREASE) IN FUND BALANCE		(1,777,900)	860,100	860,100	(104,800)
ESTIMATED ENDING FUND BALANCE	[4]	<u>\$ (2,732,182)</u>	<u>\$ 2,039,481</u>	<u>\$ (1,872,082)</u>	<u>\$ (1,976,882)</u>

[1] Dallas County reported excess debt collections, which must be used in the subsequent tax year and results in less of the City's tax rate being allocated towards debt service.

[2] Includes approximately \$20,000 for paying agent fees and arbitrage calculation services.

[3] Includes approximately \$3,000 for paying agent fees and arbitrage calculation services.

[4] The negative fund balances for self-supporting debt will be adjusted at year-end to recognize previously considered unearned revenue due to delays in opening the multi-sport facility.

NOTE: The City anticipates authorizing debt in 2024-25. Final debt pricing will be received after the budget is submitted for approval and may require a temporary draw upon fund balance.

SUMMARY
PROPERTY TAX SUPPORTED DEBT
PRINCIPAL & INTEREST REQUIREMENTS
Includes Preliminary Anticipated Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 3,715,000.00	\$ 1,926,306.53	\$ 5,641,306.53
2026-27	3,865,000.00	1,789,500.28	5,654,500.28
2027-28	4,165,000.00	1,629,909.78	5,794,909.78
2028-29	4,625,000.00	1,452,818.78	6,077,818.78
2029-30	3,960,000.00	1,282,131.53	5,242,131.53
2030-31	3,740,000.00	1,136,078.15	4,876,078.15
2031-32	3,895,000.00	992,506.77	4,887,506.77
2032-33	4,035,000.00	848,944.27	4,883,944.27
2033-34	3,735,000.00	713,200.02	4,448,200.02
2034-35	3,095,000.00	592,331.27	3,687,331.27
2035-36	3,210,000.00	479,134.39	3,689,134.39
2036-37	3,165,000.00	360,134.38	3,525,134.38
2037-38	3,285,000.00	239,900.00	3,524,900.00
2038-39	1,795,000.00	142,368.75	1,937,368.75
2039-40	930,000.00	85,050.00	1,015,050.00
2040-41	375,000.00	56,100.00	431,100.00
2041-42	390,000.00	40,800.00	430,800.00
2042-43	405,000.00	24,900.00	429,900.00
2043-44	420,000.00	8,400.00	428,400.00
Total	\$ 52,805,000.00	\$ 13,800,514.90	\$ 66,605,514.90

**COMBINATION TAX and REVENUE
CERTIFICATES OF OBLIGATION
SERIES 2013
AMOUNT OF ISSUE: \$6,500,000
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 355,000.00	\$ 83,737.50	\$ 438,737.50
2026-27	365,000.00	74,737.50	439,737.50
2027-28	370,000.00	65,550.00	435,550.00
2028-29	380,000.00	55,700.00	435,700.00
2029-30	395,000.00	45,043.75	440,043.75
2030-31	405,000.00	33,537.50	438,537.50
2031-32	415,000.00	20,718.75	435,718.75
2032-33	430,000.00	6,987.50	436,987.50
Total	\$ 3,115,000.00	\$ 386,012.50	\$ 3,501,012.50

**GENERAL OBLIGATION BONDS
SERIES 2014
AMOUNT OF ISSUE: \$13,920,000
PRINCIPAL & INTEREST REQUIREMENTS**
Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 570,000.00	\$ 186,269.00	\$ 756,269.00
2026-27	590,000.00	168,869.00	758,869.00
2027-28	605,000.00	150,566.00	755,566.00
2028-29	630,000.00	130,875.00	760,875.00
2029-30	650,000.00	109,669.00	759,669.00
2030-31	670,000.00	86,975.00	756,975.00
2031-32	695,000.00	63,088.00	758,088.00
2032-33	715,000.00	38,413.00	753,413.00
2033-34	740,000.00	12,950.00	752,950.00
Total	\$ 5,865,000.00	\$ 947,674.00	\$ 6,812,674.00

**COMBINATION TAX and REVENUE
CERTIFICATES OF OBLIGATION
SERIES 2016
AMOUNT OF ISSUE: \$2,545,000
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 120,000.00	\$ 44,625.00	\$ 164,625.00
2026-27	125,000.00	41,625.00	166,625.00
2027-28	130,000.00	38,500.00	168,500.00
2028-29	130,000.00	35,250.00	165,250.00
2029-30	135,000.00	31,350.00	166,350.00
2030-31	140,000.00	27,300.00	167,300.00
2031-32	145,000.00	23,100.00	168,100.00
2032-33	150,000.00	18,750.00	168,750.00
2033-34	155,000.00	14,250.00	169,250.00
2034-35	160,000.00	9,600.00	169,600.00
2035-36	160,000.00	4,800.00	164,800.00
Total	\$ 1,550,000.00	\$ 289,150.00	\$ 1,839,150.00

**GENERAL OBLIGATION BONDS
SERIES 2018
AMOUNT OF ISSUE: \$13,540,000
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 735,000.00	\$ 431,118.76	\$ 1,166,118.76
2026-27	760,000.00	401,218.76	1,161,218.76
2027-28	795,000.00	370,118.76	1,165,118.76
2028-29	825,000.00	337,718.76	1,162,718.76
2029-30	860,000.00	304,018.76	1,164,018.76
2030-31	895,000.00	268,918.76	1,163,918.76
2031-32	930,000.00	232,418.76	1,162,418.76
2032-33	965,000.00	198,137.51	1,163,137.51
2033-34	1,000,000.00	165,956.26	1,165,956.26
2034-35	1,030,000.00	132,075.01	1,162,075.01
2035-36	1,065,000.00	96,721.88	1,161,721.88
2036-37	1,105,000.00	59,412.50	1,164,412.50
2037-38	1,145,000.00	20,037.50	1,165,037.50
Total	\$ 12,110,000.00	\$ 3,017,871.98	\$ 15,127,871.98

Interest Rates:

2018-19 thru 2031-32	-	4.000%
2032-33	-	3.250%
2033-34	-	3.300%
2034-35 thru 2035-36	-	3.375%
2036-37 thru 2037-38	-	3.500%

**COMBINATION TAX and REVENUE
CERTIFICATES OF OBLIGATION
SERIES 2018
AMOUNT OF ISSUE: \$5,360,000 (1)
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 270,000.00	\$ 150,756.26	\$ 420,756.26
2026-27	280,000.00	137,006.26	417,006.26
2027-28	295,000.00	124,106.26	419,106.26
2028-29	305,000.00	112,106.26	417,106.26
2029-30	315,000.00	101,281.26	416,281.26
2030-31	325,000.00	91,478.13	416,478.13
2031-32	340,000.00	81,087.50	421,087.50
2032-33	350,000.00	70,087.50	420,087.50
2033-34	360,000.00	58,550.00	418,550.00
2034-35	370,000.00	46,687.50	416,687.50
2035-36	385,000.00	34,178.13	419,178.13
2036-37	395,000.00	21,015.63	416,015.63
2037-38	410,000.00	7,175.00	417,175.00
Total	\$ 4,400,000.00	\$ 1,035,515.69	\$ 5,435,515.69

Interest Rates:

2018-19 thru 2026-27	-	5.000%
2027-28 thru 2028-29	-	4.000%
2029-30	-	3.000%
2030-31 thru 2031-32	-	3.125%
2032-33 thru 2034-35	-	3.250%
2035-36 thru 2036-37	-	3.375%
2037-38	-	3.500%

(1) The total issue amount for the Series 2018 Combination Tax and Revenue Certificates of Obligation was \$10,515,000, of which \$5,155,000 was reported as Self-Supporting Debt and was used to support improvements at the Camelot Landfill. [Note: The debt for the Camelot Landfill has been paid.]

**GENERAL OBLIGATION
REFUNDING BONDS
SERIES 2020
AMOUNT OF ISSUE: \$2,895,000 (1)
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 295,000.00	\$ 57,900.00	\$ 352,900.00
2026-27	305,000.00	45,900.00	350,900.00
2027-28	315,000.00	33,500.00	348,500.00
2028-29	330,000.00	20,600.00	350,600.00
2029-30	350,000.00	7,000.00	357,000.00
Total	\$ 1,595,000.00	\$ 164,900.00	\$ 1,759,900.00

Interest Rates:

2019 -2030 - 4.000%

(1) This issuance is being used to refund \$3,295,000 in Series 2010 General Obligation Refunding & Improvement Bonds (Original Amount of Issue \$5,470,000) supporting the design, construction and relocation of Fire Station No. 1.

**GENERAL OBLIGATION BONDS
IMPROVEMENT BONDS
SERIES 2020
AMOUNT OF ISSUE: \$9,410,000
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 450,000.00	\$ 213,293.76	\$ 663,293.76
2026-27	470,000.00	194,893.76	664,893.76
2027-28	490,000.00	175,693.76	665,693.76
2028-29	510,000.00	155,693.76	665,693.76
2029-30	530,000.00	134,893.76	664,893.76
2030-31	545,000.00	116,118.76	661,118.76
2031-32	565,000.00	99,468.76	664,468.76
2032-33	580,000.00	85,193.76	665,193.76
2033-34	590,000.00	73,493.76	663,493.76
2034-35	600,000.00	61,593.76	661,593.76
2035-36	615,000.00	49,059.38	664,059.38
2036-37	630,000.00	35,831.25	665,831.25
2037-38	640,000.00	21,937.50	661,937.50
2038-39	655,000.00	7,368.75	662,368.75
Total	\$ 7,870,000.00	\$ 1,424,534.48	\$ 9,294,534.48

Interest Rates:

2019-20 thru 2029-30	-	4.000%
2030-31 thru 2031-32	-	3.000%
2032-33 thru 2034-35	-	2.000%
2035-36 thru 2036-37	-	2.125%
2037-38 thru 2038-39	-	2.250%

**GENERAL OBLIGATION BONDS
SERIES 2024
AMOUNT OF ISSUE: \$2,500,000 (Par Amount \$2,310,000)
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$	\$ 115,500.00	\$ 115,500.00
2026-27		115,500.00	115,500.00
2027-28	145,000.00	111,875.00	256,875.00
2028-29	150,000.00	104,500.00	254,500.00
2029-30	160,000.00	96,750.00	256,750.00
2030-31	165,000.00	88,625.00	253,625.00
2031-32	175,000.00	80,125.00	255,125.00
2032-33	185,000.00	71,125.00	256,125.00
2033-34	195,000.00	61,625.00	256,625.00
2034-35	205,000.00	51,625.00	256,625.00
2035-36	215,000.00	41,125.00	256,125.00
2036-37	225,000.00	30,125.00	255,125.00
2037-38	240,000.00	18,500.00	258,500.00
2038-39	250,000.00	6,250.00	256,250.00
Total	\$ 2,310,000.00	\$ 993,250.00	\$ 3,303,250.00

NOTE: Preliminary Anticipated Debt. Final Pricing Due 10/10/2024, which is after the budget adoption date.

**CERTIFICATES OF OBLIGATION
SERIES 2024
AMOUNT OF ISSUE: \$5,000,000
PRINCIPAL & INTEREST REQUIREMENTS**
Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$	\$ 217,750.00	\$ 217,750.00
2026-27		217,750.00	217,750.00
2027-28		217,750.00	217,750.00
2028-29		217,750.00	217,750.00
2029-30	220,000.00	212,250.00	432,250.00
2030-31	230,000.00	201,000.00	431,000.00
2031-32	245,000.00	189,125.00	434,125.00
2032-33	255,000.00	176,625.00	431,625.00
2033-34	270,000.00	163,500.00	433,500.00
2034-35	285,000.00	149,625.00	434,625.00
2035-36	300,000.00	135,000.00	435,000.00
2036-37	315,000.00	119,625.00	434,625.00
2037-38	330,000.00	103,500.00	433,500.00
2038-39	345,000.00	86,625.00	431,625.00
2039-40	360,000.00	70,800.00	430,800.00
2040-41	375,000.00	56,100.00	431,100.00
2041-42	390,000.00	40,800.00	430,800.00
2042-43	405,000.00	24,900.00	429,900.00
2043-44	420,000.00	8,400.00	428,400.00
Total	\$ 4,745,000.00	\$ 2,608,875.00	\$ 7,353,875.00

NOTE: Preliminary Anticipated Debt. Final Pricing Due 10/10/2024, which is after the budget adoption date.

**CERTIFICATES OF OBLIGATION
SERIES 2024
AMOUNT OF ISSUE: \$5,000,000
PRINCIPAL & INTEREST REQUIREMENTS**
Property Tax Supported Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 920,000.00	\$ 176,000.00	\$ 1,096,000.00
2026-27	970,000.00	128,750.00	1,098,750.00
2027-28	1,020,000.00	79,000.00	1,099,000.00
2028-29	1,070,000.00	26,750.00	1,096,750.00
Total	\$ 3,980,000.00	\$ 410,500.00	\$ 4,390,500.00

Interest Rates: TBD

(1) Preliminary estimate. For fleet equipment.

NOTE: Preliminary Anticipated Debt. Final Pricing Due 10/10/2024, which is after the budget adoption date.

**GENERAL OBLIGATION BONDS
SERIES 2025
AMOUNT OF ISSUE: \$5,500,000 (Estimated Par Amount \$5,265,000)
PRINCIPAL & INTEREST REQUIREMENTS
Property Tax Supported Debt**

Preliminary Anticipated Estimate

YEAR	ANTICIPATED PRINCIPAL	ANTICIPATED INTEREST	ANTICIPATED TOTAL
2025-26	\$	\$ 249,356.25	\$ 249,356.25
2026-27		263,250.00	263,250.00
2027-28		263,250.00	263,250.00
2028-29	295,000.00	255,875.00	550,875.00
2029-30	345,000.00	239,875.00	584,875.00
2030-31	365,000.00	222,125.00	587,125.00
2031-32	385,000.00	203,375.00	588,375.00
2032-33	405,000.00	183,625.00	588,625.00
2033-34	425,000.00	162,875.00	587,875.00
2034-35	445,000.00	141,125.00	586,125.00
2035-36	470,000.00	118,250.00	588,250.00
2036-37	495,000.00	94,125.00	589,125.00
2037-38	520,000.00	68,750.00	588,750.00
2038-39	545,000.00	42,125.00	587,125.00
2039-40	570,000.00	14,250.00	584,250.00
Total	\$ 5,265,000.00	\$ 2,522,231.25	\$ 7,787,231.25

**SUMMARY
SELF-SUPPORTING DEBT
PRINCIPAL & INTEREST REQUIREMENTS**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 1,230,000.00	\$ 1,013,218.10	\$ 2,243,218.10
2026-27	665,000.00	978,088.73	1,643,088.73
2027-28	685,000.00	953,586.16	1,638,586.16
2028-29	715,000.00	927,580.66	1,642,580.66
2029-30	740,000.00	899,997.76	1,639,997.76
2030-31	770,000.00	870,748.36	1,640,748.36
2031-32	800,000.00	839,433.56	1,639,433.56
2032-33	835,000.00	805,798.41	1,640,798.41
2033-34	870,000.00	769,745.96	1,639,745.96
2034-35	910,000.00	731,125.76	1,641,125.76
2035-36	950,000.00	689,749.36	1,639,749.36
2036-37	995,000.00	645,757.56	1,640,757.56
2037-38	1,040,000.00	598,602.86	1,638,602.86
2038-39	1,095,000.00	548,248.88	1,643,248.88
2039-40	1,145,000.00	495,418.48	1,640,418.48
2040-41	1,200,000.00	440,111.66	1,640,111.66
2041-42	1,260,000.00	382,092.56	1,642,092.56
2042-43	1,320,000.00	320,451.26	1,640,451.26
2043-44	1,385,000.00	255,030.83	1,640,030.83
2044-45	1,455,000.00	186,345.43	1,641,345.43
2045-46	1,525,000.00	114,274.13	1,639,274.13
2046-47	1,600,000.00	38,696.00	1,638,696.00
Total	\$ 23,190,000.00	\$ 13,504,102.47	\$ 36,694,102.47

GENERAL OBLIGATION REFUNDING BONDS
TAXABLE SERIES 2011
AMOUNT OF ISSUE: \$7,035,000
PRINCIPAL & INTEREST REQUIREMENTS
Self-Supporting Debt

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 590,000.00	\$ 11,800.00	\$ 601,800.00
Total	\$ 590,000.00	\$ 11,800.00	\$ 601,800.00

**COMBINATION TAX and REVENUE
CERTIFICATES OF OBLIGATION
SERIES 2022
AMOUNT OF ISSUE: \$23,810,000
PRINCIPAL & INTEREST REQUIREMENTS
Self-Supporting Debt**

YEAR	PRINCIPAL	INTEREST	TOTAL
2025-26	\$ 640,000.00	\$ 1,001,418.10	\$ 1,641,418.10
2026-27	665,000.00	978,088.73	1,643,088.73
2027-28	685,000.00	953,586.16	1,638,586.16
2028-29	715,000.00	927,580.66	1,642,580.66
2029-30	740,000.00	899,997.76	1,639,997.76
2030-31	770,000.00	870,748.36	1,640,748.36
2031-32	800,000.00	839,433.56	1,639,433.56
2032-33	835,000.00	805,798.41	1,640,798.41
2033-34	870,000.00	769,745.96	1,639,745.96
2034-35	910,000.00	731,125.76	1,641,125.76
2035-36	950,000.00	689,749.36	1,639,749.36
2036-37	995,000.00	645,757.56	1,640,757.56
2037-38	1,040,000.00	598,602.86	1,638,602.86
2038-39	1,095,000.00	548,248.88	1,643,248.88
2039-40	1,145,000.00	495,418.48	1,640,418.48
2040-41	1,200,000.00	440,111.66	1,640,111.66
2041-42	1,260,000.00	382,092.56	1,642,092.56
2042-43	1,320,000.00	320,451.26	1,640,451.26
2043-44	1,385,000.00	255,030.83	1,640,030.83
2044-45	1,455,000.00	186,345.43	1,641,345.43
2045-46	1,525,000.00	114,274.13	1,639,274.13
2046-47	1,600,000.00	38,696.00	1,638,696.00
Total	\$ 22,600,000.00	\$ 13,492,302.47	\$ 36,092,302.47

Interest Rates:

2023-24 - 3.366%	2037-38 thru 2041-42 - 4.717%
2024-25 - 3.473%	2042-43 thru 2046-47 - 4.837%
2025-26 - 3.555%	
2026-27 - 3.595%	
2027-28 - 3.664%	
2028-29 - 3.764%	
2029-30 - 3.818%	
2030-31 - 3.928%	
2031-32 - 4.048%	
2032-33 - 4.178%	
2033-34 - 4.278%	
2034-35 - 4.398%	
2035-36 - 4.498%	
2036-37 - 4.548%	



**FARMERS
BRANCH**

ECONOMIC DEVELOPMENT FUND

Fiscal Year 2025-26 Budget

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE - ASSIGNED TO ECONOMIC DEVELOPMENT	\$ 1,479,856	\$ 1,236,118	\$ 1,622,742	\$ 1,052,852
BUDGETED REVENUES				
Transfer In - General Fund	1,600,000	900,000	900,000	900,000
TOTAL BUDGETED REVENUES	<u>1,600,000</u>	<u>900,000</u>	<u>900,000</u>	<u>900,000</u>
BUDGETED EXPENDITURES				
Economic Development Agreements (Tax Incentives)	1,035,570	1,400,000	1,464,570	1,580,000
Economic Development Land Purchases	(26,414)		5,319	
Neighborhood Partnership Program	3,467			
Redevelopment Operations - Commercial Façade Grant Program	268,004			
Minor Home Repair Program				75,000
Demo/Rebuild	176,487			
TOTAL BUDGETED EXPENDITURES	<u>1,457,114</u>	<u>1,400,000</u>	<u>1,469,889</u>	<u>1,655,000</u>
PROJECTED ENDING FUND BALANCE	<u>\$ 1,622,742</u>	<u>\$ 736,118</u>	<u>\$ 1,052,852</u>	<u>\$ 297,852</u>

REVENUE STABILIZATION FUND

Fiscal Year 2025-26 Budget

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 1,600,000	\$ 4,586,450	\$ 4,586,450	\$ 4,470,995
BUDGETED REVENUES				
Transfer In - General Fund	1,440,000			
Sales tax	1,300,804			
Interest	89,715			30,000
TOTAL BUDGETED REVENUES	2,830,520			30,000
BUDGETED EXPENDITURES				
Special Services	10,595	1,151,100	1,151,100	1,061,100
Sales Tax Contingencies		189,400	189,400	189,400
Sales Tax Analysis	10,595			
Separation Pay Reserve		400,000	400,000	400,000
Neighborhood Partnerships Reserve		561,700	561,700	471,700
TOTAL BUDGETED EXPENDITURES	10,595	1,151,100	1,151,100	1,061,100
Fund Balance Transfer			1,035,645	
Innovation & Technology Reserves	150,000			
Unrealized Gain/Loss	16,525			
PROJECTED ENDING FUND BALANCE	\$ 4,586,450	\$ 3,435,350	\$ 4,470,995	\$ 3,439,895

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used by the City to account for the accumulation and disbursement of restricted resources. The following is a description of the City's currently budgeted Special Revenue Funds:

Police Forfeitures - to account for proceeds from the sale of assets seized in connection with drug arrests. Revenues are restricted to law enforcement expenditures.

Donations - to account for voluntary contributions for community improvement.

Local Truancy Prevention – new fund required by Code of Criminal Procedure to finance the salary, benefits, training (etc.) relating to a juvenile case manager employed under Article 45.056, Code of Criminal Procedure.

Youth Scholarship - to account for voluntary contributions for youth scholarship.

Grants - to account for grant revenues and expenditures.

Building Security – to account for the municipal court building security fee dedicated to courthouse security.

Court Technology – to account for the municipal court technology fee for the purchase of technological enhancements.

Consolidated Building Security/Court Technology – new fund established in May 2025 per Code of Criminal Procedures to account for certain proceeds from ticket fees, which must be used for building security or technological enhancements. This account is required per House Bill 1950, which was signed by the governor on May 29, 2025 to introduce a new funding structure for municipal courts in cities under 100,000 in population. Proceeds from ticket fees prior to May 29, 2025, must remain in previously established separate Building Security and Court Technology Funds and all proceeds after May 29, 2025 shall be credited to the newly consolidated fund.

Municipal Jury Fund – new fund required by Code of Criminal Procedure that may only be used to fund juror reimbursements and otherwise finance jury services.

Landfill Closure/Post-Closure – used to account for future landfill costs. Beginning in Fiscal Year 2025, a refuse collection fee will be collected in the amount of \$5.00 (\$2.50 for over-65 and disabled persons) to offset future landfill closure/post-closure costs.

Cemetery – to account for grounds maintenance of Keenan Cemetery.

Photographic Light System – to account for penalties and fees collected and all costs associated with the operation and enforcement of the photographic traffic monitoring system. [Program ended June 1, 2019.]

PEG Access Channel – to account for Public, Educational, Governmental (PEG) access channel capital support. Funding source is 1% of cable franchisees' gross revenue.

Joint Fire Training Facility – to account for the operating revenues and expenditures of the Joint Fire Training facility.

TIRZ District No. 3 – to account for the operating revenues and expenditures of the Tax Increment Reinvestment Zone (TIRZ) District No. 3.

Residential Revitalization Bond – to finance the City's programs for economic development for single-family residential redevelopment and revitalization in the City.

SPECIAL REVENUE FUNDS REVENUE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
POLICE FORFEITURE FUND	\$ 70,600	\$ 74,165	\$ 175,000	\$ 175,000	\$ 51,000	-70.86%	\$ (124,000)
DONATIONS FUND	385,516	382,803	342,000	342,000	64,200	-81.23%	(277,800)
LOCAL TRUANCY PREVENTION FUND	54,700	59,430	24,500	24,500	24,500	0.00%	0
YOUTH SCHOLARSHIP FUND	1,500	1,650	200	200	200	0.00%	0
GRANTS FUND	9,029,947	6,494,002	1,217,600	1,217,600	1,897,027	55.80%	679,427
BUILDING SECURITY FUND	53,100	58,115	26,800	26,800	800	-97.01%	(26,000)
COURT TECHNOLOGY FUND	43,600	48,959	14,000	14,000	1,000	-92.86%	(13,000)
CONSOLIDATED BLDG SEC/CT TECH FUND [1]	0	0	0	0	103,500	0.00%	103,500
MUNICIPAL JURY FUND	1,100	1,181	600	600	1,000	66.67%	400
LANDFILL CLOSURE/POST-CLOSURE FUND	3,061,500	3,149,501	486,000	486,000	573,000	17.90%	87,000
CEMETERY FUND	1,800	2,007	1,400	1,400	1,700	21.43%	300
PHOTOGRAPHIC LIGHT SYSTEM FUND	0	0	0	0	0	0.00%	0
PEG ACCESS CHANNEL FUND	57,600	61,031	42,000	42,000	50,000	19.05%	8,000
JOINT FIRE TRAINING FACILITY FUND	102,800	103,754	116,600	116,600	116,700	0.09%	100
TIRZ DISTRICT NO. 3 FUND	1,286,700	1,419,429	1,715,000	1,715,000	1,970,000	14.87%	255,000
RESIDENTIAL REVITALIZATION BOND FUND	4,300	4,846	501,000	501,000	0	-100.00%	(501,000)
GRAND TOTAL	\$ 14,154,763	\$ 11,860,873	\$ 4,662,700	\$ 4,662,700	\$ 4,854,627	4.12%	\$ 191,927

[1] The Consolidated Building Security & Court Technology is a new fund required by legislation. Effective May 2025, proceeds originally deposited in the Building Security and Court Technology Funds shall be deposited into a new joint fund. Proceeds prior to May 2025 shall be credited to the original funds.

SPECIAL REVENUE FUNDS EXPENDITURE SUMMARY

	YEAR-END AMENDED BUDGET 2023-24	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26	VARIANCE % (PROPOSED TO AMENDED)	VARIANCE \$ (PROPOSED TO AMENDED)
POLICE FORFEITURE FUND	\$ 145,500	\$ 98,494	\$ 480,200	\$ 495,765	\$ 100,000	-79.83%	\$ (395,765)
DONATIONS FUND	1,829,482	1,792,865	390,200	390,200	314,800	-19.32%	(75,400)
YOUTH SCHOLARSHIP FUND	0	0	6,000	6,000	17,000	183.33%	11,000
GRANTS FUND	9,029,947	6,897,722	1,217,600	1,236,928	1,897,027	53.37%	660,099
BUILDING SECURITY FUND	10,100	10,100	13,100	13,100	110,100	740.46%	97,000
COURT TECHNOLOGY FUND	0	0	56,000	56,000	85,000	51.79%	29,000
CONSOLIDATED BLDG SEC/CT TECH FUND	0	0	0	0	60,000	0.00%	60,000
LANDFILL CLOSURE/POST-CLOSURE FUND	1,370,781	162,139	928,000	1,225,501	1,300,000	6.08%	74,499
PHOTOGRAPHIC LIGHT SYSTEM FUND	63,000	62,874	29,542	29,542	0	-100.00%	(29,542)
PEG ACCESS CHANNEL FUND	372,800	154,751	45,094	45,892	250,000	444.76%	204,108
JOINT FIRE TRAINING FACILITY FUND	107,800	96,308	116,100	116,100	116,100	0.00%	0
TIRZ DISTRICT NO. 3 FUND	1,321,500	1,318,499	1,705,000	1,705,000	1,945,000	14.08%	240,000
RESIDENTIAL REVITALIZATION BOND FUND	46,757	0	500,000	500,000	80,000	-84.00%	(420,000)
GRAND TOTAL	\$ 14,297,667	\$ 10,593,751	\$ 5,486,836	\$ 5,820,028	\$ 6,275,027	7.82%	\$ 455,000

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Police Forfeiture Funds

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 304,269	\$ 296,765	\$ 279,940	\$ (40,824)
State Forfeitures	47,856		47,643	88,643
Federal Forfeitures	256,413		232,298	(129,467)
BUDGETED REVENUES				
State:				
Court Ordered Forfeitures	23,539	65,000	65,000	20,000
Interest	3,630	1,000	1,000	1,000
Federal:				
Federal Equitable Sharing	30,416	100,000	100,000	25,000
Interest	13,437	9,000	9,000	5,000
TOTAL BUDGETED REVENUES	71,022	175,000	175,000	51,000
BUDGETED EXPENDITURES				
State:				
Supplies - Fixed Assets	19,152	5,000	5,000	
Vehicle Maintenance	1,598			
Operating	7,301	20,000	20,000	50,000
Federal:				
Supplies - Fixed Assets	10,369	95,200	95,200	
Community Program	4,266	35,000	35,000	
Travel and Training	3,032	50,000	50,000	
Firearms and Weapons	26,141	55,000	70,565	
Vehicle Maintenance	803	10,000	10,000	
Other Law Enforcement Services	1,650	50,000	50,000	50,000
Credit Card		2,000	2,000	
Communications and Computer	24,182	55,000	55,000	
Body Armor and Gear		95,000	95,000	
Other Law Enforcement Court Costs		8,000	8,000	
TOTAL BUDGETED EXPENDITURES	98,494	480,200	495,765	100,000
Unrealized Gain/(Loss) - State Forfeitures	669			
Unrealized Gain/(Loss) - Federal Forfeitures	2,475			
PROJECTED ENDING FUND BALANCE	\$ 279,940	\$ (8,435)	\$ (40,824)	\$ (89,824)

Note: Negative fund balance will be corrected with year-end adjustment.

SPECIAL REVENUE FUND Fiscal Year 2025-26 Budget

Donations Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 1,887,677	\$ 443,712	\$ 477,614	\$ 401,250
BUDGETED REVENUES				
Animal Care Donations - General	4,357	10,000	10,000	2,000
Branch Connection Donations	6,100	4,000	4,000	1,000
Event Center Donations		1,000	1,000	
Fire - TCOLE Donations	754	1,700	1,700	1,700
Fire Donations	79,113	10,000	10,000	10,000
Historical Park Donations		1,000	1,000	
Interest and Unrealized Gain/Loss	68,712	15,000	15,000	15,000
Juror Donations for Animal Care	1,566	1,000	1,000	1,000
Library General Donations	1,220	300	300	300
Opioid Settlement	5,773	89,000	89,000	28,200
Park Donations	6	165,000	165,000	1,000
Police Donations	10,364	4,000	4,000	4,000
Public Works Donations	6,375			
Texas 9-1-1	198,462			
Transfer in - General Fund		40,000	40,000	
TOTAL BUDGETED REVENUES	382,802	342,000	342,000	64,200
BUDGETED EXPENDITURES				
Animal Adoption - Juror Donations		1,000	1,000	1,000
Animal Care - General	6,999	129,700	129,700	59,400
Animal Care Transfer - CIP	1,488,500			
Branch Connection	12,161	33,900	33,900	20,000
Event Center - Misc		1,000	1,000	
Fire Operations	84,038	10,000	10,000	5,000
Fire Prevention	700	1,700	1,700	1,700
Historical Park - General		1,000	1,000	3,000
Library - Other				28,500
Parks	80	207,000	207,000	49,000
Police Training	750	4,000	4,000	74,000
Services - Opioid Abatement Fire	1,174		14,082	14,100
Services - Opioid Abatement Police			14,082	14,100
Texas 9-1-1	198,462			
Transfer to Health Claims				35,000
Wellness Program		900	900	10,000
TOTAL BUDGETED EXPENDITURES	1,792,865	390,200	418,364	314,800
PROJECTED ENDING FUND BALANCE	\$ 477,614	\$ 395,512	\$ 401,250	\$ 150,650
Projected fund balance is as follows:				
Animal Care	\$ 184,078	\$ 67,642	\$ 64,378	\$ 6,978
Animal Care Endowment	17,931		17,931	17,931
Branch Connection	53,193	6,241	23,293	4,293
FB Community Foundation	21,486	11,697	20,586	10,586
Fire	3,640	(1,395)	34,058	39,058
Fire - TCOLE	243	(101)	243	243
Fishin' Fun	3,516	2,899	3,516	3,516
Flexible Spending Medical Reimbursement	36,962	35,602	36,962	1,962
Historical Park	4,085	3,368	4,085	1,085
Library	29,322	23,938	29,622	1,422
Park Improvements	50,505	36,540	48,505	505
Police	65,209	47,698	95,627	25,627
Public Works	7,446		7,446	7,446
Other		155,781	15,000	30,000
	\$ 477,614	\$ 395,512	\$ 401,250	\$ 150,650

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Local Truancy Prevention/Juvenile Justice Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 100,187	\$ 97,948	\$ 159,617	\$ 184,117
BUDGETED REVENUES				
Truancy Prevention	51,711	23,000	23,000	23,000
Interest	6,518	1,500	1,500	1,500
TOTAL BUDGETED REVENUES	58,229	24,500	24,500	24,500
BUDGETED EXPENDITURES				
TOTAL BUDGETED EXPENDITURES				
Unrealized Gain/(Loss)	1,201			
PROJECTED ENDING FUND BALANCE	<u>\$ 159,617</u>	<u>\$ 122,448</u>	<u>\$ 184,117</u>	<u>\$ 208,617</u>

This fund is required by legislation. Currently, the City does not have the type of expenditures that can be expensed to this type of fund.

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Youth Scholarship Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 21,992	\$ 21,773	\$ 23,642	\$ 17,842
BUDGETED REVENUES				
Youth Scholarship	267			
Interest	1,168	200	200	200
TOTAL BUDGETED REVENUES	1,435	200	200	200
BUDGETED EXPENDITURES				
Scholarships		6,000	6,000	17,000
TOTAL BUDGETED EXPENDITURES		6,000	6,000	17,000
Unrealized Gain/(Loss)	215			
PROJECTED ENDING FUND BALANCE	\$ 23,642	\$ 15,973	\$ 17,842	\$ 1,042

SPECIAL REVENUE FUND
Fiscal Year 2025-26 Budget
Grants Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 566,376	\$ 0	\$ 162,656	\$ 143,328
BUDGETED REVENUES				
Federal Grant - ARPA Funds	5,078,575			
Federal Grant - EECGB	59,839	76,600	76,600	
Federal Grant - IIJA		50,000	50,000	
Federal Grant - COPS		125,000	125,000	125,000
Federal Grant - Police Uniforms	13,827	15,000	15,000	14,127
Federal Grant - ARPA/CSEC 911	18,437			
Federal Grant - ARPA/DLCTY-FRMHP	5,000			
State Grant - NCT Trauma	2,612	4,000	4,000	4,000
State Grant - Texas Event Trust		400,000	400,000	600,700
State Grant - Dallas County Cares		209,000	209,000	
State Grant - MVCPA		75,000	75,000	400,000
Transfer In - Hotel/Motel		64,000	64,000	96,200
Transfer In - General Fund - General		5,000	5,000	
Transfer In - General Fund Public Safety		194,000	194,000	348,000
Federal Grant - Event Center	673,664			
State Grant - Regional Transportation				309,000
State Grant - E-Rate Internet	25,675			
State Grant - Dallas County Garden	(1,637)			
State Grant - Texas Book Festival	2,500			
State Grant - TPWD	615,509			
TOTAL BUDGETED REVENUES	6,494,002	1,217,600	1,217,600	1,897,027
BUDGETED EXPENDITURES				
ARPA Transfer To - CIP	5,078,575			
Economic Development - Dallas County CARES		319,000	319,000	373,000
Federal Grant - ARPA/CSEC 911	18,437			
Innovation & Technology - Internet Grant		55,000	55,000	
Dallas Cty Cares - Street Transfer to CIP		209,000	209,000	
Repair & Maintenance - CCC Building				309,000
Repair & Maintenance - Light Repair	85,514	76,600	95,486	
Supplies - Uniforms				14,127
Police State Criminal Justice Grant - Training Uniforms	13,827	15,000	15,443	
Supplies - Miscellaneous - Cameras		75,000	75,000	500,000
Supplies - Medical	2,612	4,000	4,000	4,000
Services - Fire Travel & Training	5,000			
TPWD Grant - Transfer to CIP	615,509			
Supplies - Miscellaneous	2,499			
Supplies - Sport Events		464,000	464,000	696,900
Event Center Grant - Transfer to Hotel/Motel CIP	1,075,748			
TOTAL BUDGETED EXPENDITURES	6,897,722	1,217,600	1,236,928	1,897,027
PROJECTED ENDING FUND BALANCE	\$ 162,656	\$ -	\$ 143,328	\$ 143,328

Notes: Deficits in beginning or ending fund balance are a result of a timing difference between grant expenditures incurred and the filing of requests for reimbursements.

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Building Security Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 88,538	\$ 86,281	\$ 136,553	\$ 150,253
BUDGETED REVENUES				
Building Security	51,547	26,000	26,000	
Interest	5,547	800	800	800
TOTAL BUDGETED REVENUES	57,093	26,800	26,800	800
BUDGETED EXPENDITURES				
Supplies		3,000	3,000	100,000
Equipment Repairs and Maintenance	10,100	10,100	10,100	10,100
TOTAL BUDGETED EXPENDITURES	10,100	13,100	13,100	110,100
Unrealized Gain/(Loss)	1,022			
PROJECTED ENDING FUND BALANCE	\$ 136,553	\$ 99,981	\$ 150,253	\$ 40,953

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Court Technology Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 78,849	\$ 76,871	\$ 127,808	\$ 85,808
BUDGETED REVENUES				
Court Ordered Forfeitures	42,845	13,000	13,000	
Interest	5,164	1,000	1,000	1,000
TOTAL BUDGETED REVENUES	48,008	14,000	14,000	1,000
BUDGETED EXPENDITURES				
Supplies				17,000
Equipment Repairs and Maintenance		56,000	56,000	5,000
TOTAL BUDGETED EXPENDITURES		56,000	56,000	22,000
Unrealized Gain/(Loss)	951			
PROJECTED ENDING FUND BALANCE	\$ 127,808	\$ 34,871	\$ 85,808	\$ 64,808

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Consolidated Building Security/Court Technology Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 0	\$ 0	\$ 0	\$ 0
BUDGETED REVENUES				
Court Fines				100,000
Interest				3,500
TOTAL BUDGETED REVENUES				103,500
BUDGETED EXPENDITURES				
Supplies				60,000
TOTAL BUDGETED EXPENDITURES				60,000
PROJECTED ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ 43,500

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Municipal Jury Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 1,883	\$ 1,898	\$ 3,064	\$ 3,664
BUDGETED REVENUES				
Municipal Jury Receipts	1,034	600	600	1,000
Interest	124			
TOTAL BUDGETED REVENUES	1,158	600	600	1,000
BUDGETED EXPENDITURES				
Unrealized Gain/(Loss)	23			
PROJECTED ENDING FUND BALANCE	\$ 3,064	\$ 2,498	\$ 3,664	\$ 4,664

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Landfill Closure/Post-Closure Fund & Huffines Extension Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 4,889,752	\$ 4,566,690	\$ 7,877,113	\$ 7,137,611
Landfill Closure/Post-Closure Fund	3,848,141	3,790,013	7,042,784	6,303,282
Huffines Extension Fund	785,433	776,677	834,329	834,329
Reserve for Encumbrances	256,178			
BUDGETED REVENUES				
Landfill Closure/Post-Closure Fund:				
Sale of Assets	35,408			
Interest	223,948			75,000
Transfer In - General Fund	2,800,000			
Refuse Service Fee		486,000	486,000	486,000
Huffines Extension Fund:				
Interest	41,291			12,000
TOTAL BUDGETED REVENUES	3,100,647	486,000	486,000	573,000
BUDGETED EXPENDITURES				
Landfill Closure/Post-Closure Fund:				
Landfill Gas Collection System Expansion	162,139	928,000	1,225,501	1,000,000
Other Object - Contingency				300,000
TOTAL BUDGETED EXPENDITURES	162,139	928,000	1,225,501	1,300,000
Unrealized Gain/(Loss) - Landfill Closure/Post-Closure	41,249			
Unrealized Gain/(Loss) - Huffines Extension	7,605			
PROJECTED ENDING FUND BALANCE	\$ 7,877,113	\$ 4,124,690	\$ 7,137,611	\$ 6,410,611

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Cemetery Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 12,279	\$ 12,158	\$ 14,286	\$ 15,686
BUDGETED REVENUES				
Cemetery Fees	1,200	1,200	1,200	1,200
Interest	682	200	200	500
TOTAL BUDGETED REVENUES	1,882	1,400	1,400	1,700
BUDGETED EXPENDITURES				
TOTAL BUDGETED EXPENDITURES				
Unrealized Gain/(Loss)	126			
PROJECTED ENDING FUND BALANCE	\$ 14,286	\$ 13,558	\$ 15,686	\$ 17,386

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Photographic Light System Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 92,541	\$ 39,000	\$ 29,668	\$ 126
Photographic Light System Unreserved	18,268			
Reserve for Encumbrances	74,273			
 BUDGETED REVENUES				
 TOTAL BUDGETED REVENUES				
 BUDGETED EXPENDITURES				
Supplies	62,874			
Operating		29,542	29,542	
TOTAL BUDGETED EXPENDITURES	62,874	29,542	29,542	
 PROJECTED ENDING FUND BALANCE	\$ 29,668	\$ 9,458	\$ 126	\$ 126

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

PEG Access Channel Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 318,293	\$ 300,351	\$ 224,573	\$ 220,681
PEG Access Channel	311,450		216,931	
Reserve for Encumbrances	6,843		7,642	
BUDGETED REVENUES				
Cable Franchise - Access Channel Fee	41,067	40,000	40,000	40,000
Interest	16,859	2,000	2,000	10,000
TOTAL BUDGETED REVENUES	57,926	42,000	42,000	50,000
BUDGETED EXPENDITURES				
Supplies - Contingency for Equipment Failures/Upgrades	154,751	45,094	45,892	250,000
TOTAL BUDGETED EXPENDITURES	154,751	45,094	45,892	250,000
Unrealized Gain/(Loss)	3,105			
PROJECTED ENDING FUND BALANCE	\$ 224,573	\$ 297,257	\$ 220,681	\$ 20,681

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Joint Fire Training Facility Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 8,602	\$ 2,778	\$ 16,048	\$ 16,548
BUDGETED REVENUES				
Local Shared Revenue	102,007	116,100	116,100	116,100
Interest	1,476	500	500	600
TOTAL BUDGETED REVENUES	103,482	116,600	116,600	116,700
BUDGETED EXPENDITURES				
Services - Fire Training All Cities	96,308	116,100	116,100	116,100
TOTAL BUDGETED EXPENDITURES	96,308	116,100	116,100	116,100
Unrealized Gain/(Loss)	272			
PROJECTED ENDING FUND BALANCE	\$ 16,048	\$ 3,278	\$ 16,548	\$ 17,148

SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

TIRZ District No. 3 Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING FUND BALANCE	\$ 296,049	\$ 232,959	\$ 396,979	\$ 406,979
BUDGETED REVENUES				
Tax Increment Financing	1,246,461	1,630,000	1,630,000	1,850,000
Administrative Contribution	77,964	75,000	75,000	80,000
Interest	80,226	10,000	10,000	40,000
TOTAL BUDGETED REVENUES	1,404,652	1,715,000	1,715,000	1,970,000
BUDGETED EXPENDITURES				
Special Services	72,037	75,000	75,000	95,000
Other Objects - Rebate Assessments	1,246,461	1,630,000	1,630,000	1,850,000
TOTAL BUDGETED EXPENDITURES	1,318,499	1,705,000	1,705,000	1,945,000
Unrealized Gain/(Loss)	14,777			
PROJECTED ENDING FUND BALANCE	\$ 396,979	\$ 242,959	\$ 406,979	\$ 431,979

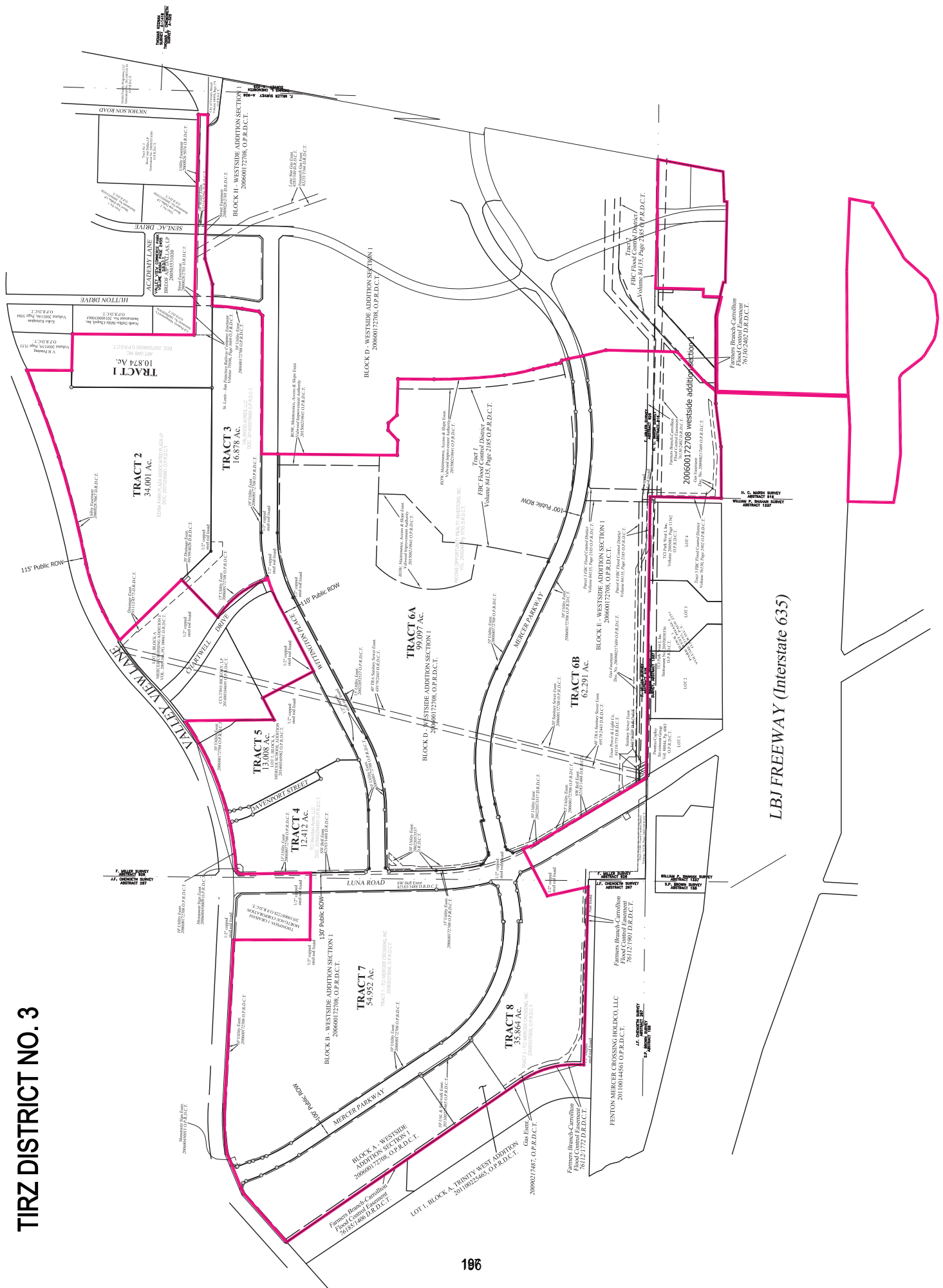
SPECIAL REVENUE FUND

Fiscal Year 2025-26 Budget

Residential Revitalization Bond Fund

	ACTUAL 2023-24	ADOPTED BUDGET 2024-25	YEAR-END AMENDED BUDGET 2024-25	PROPOSED BUDGET 2025-26
PROJECTED BEGINNING BALANCE - INVENTORY OF LAND HELD FOR RESALE	\$ 1,718,800	\$ 1,047,291	\$ 1,718,800	\$ 1,718,800
Change in Inventory				
PROJECTED ENDING BALANCE - INVENTORY OF LAND HELD FOR RESALE	<u>1,718,800</u>	<u>1,047,291</u>	<u>1,718,800</u>	<u>1,718,800</u>
 PROJECTED BEGINNING FUND BALANCE	 \$ 82,539	 \$ 703,267	 \$ 87,385	 \$ 88,385
Fund Balance	35,782		40,628	
Fund Balance - Carry-Forwards	46,757		46,757	
 BUDGETED REVENUES				
Interest	4,092	1,000	1,000	
Bonds Issued		500,000	500,000	
TOTAL BUDGETED REVENUES	<u>4,092</u>	<u>501,000</u>	<u>501,000</u>	
 BUDGETED EXPENDITURES				
Other Objects - Residential Demo/Rebuild		500,000	500,000	80,000
TOTAL BUDGETED EXPENDITURES		<u>500,000</u>	<u>500,000</u>	<u>80,000</u>
 Unrealized Gain/(Loss)	754			
 PROJECTED ENDING FUND BALANCE	 <u>\$ 87,385</u>	 <u>\$ 704,267</u>	 <u>\$ 88,385</u>	 <u>\$ 8,385</u>

TIRZ DISTRICT NO. 3



FIXED ASSET REPLACEMENT SCHEDULE
for FISCAL YEAR 2025-26
(Fleet & Equipment Assets)

DEPARTMENT/UNIT IDENTIFIC	ESTIMATED REPLACEMENT COST	YEAR	MAKE	MODEL	DESCRIPTION OF ASSET	AGE	
GENERAL FUND:							
3017 - Code Enforcement							
2130317 (17007)	\$	55,000	2013	FORD	F150 - EC	TRUCK- 1/2 TON EXT-CAB PICKUP	12.01
2160417 (17006)	\$	55,000	2013	FORD	F150 - EC	TRUCK- 1/2 TON EXT-CAB PICKUP	11.93
3019 - Animal Services							
2130119 (19004)	\$	150,000	2013	CHEVROLET	C1500	TRUCK- 1/2 TON- EXT-CAB- ANIMAL CONTROL	12.32
4124 - Solid Waste							
7940129 (29005)	\$	10,000	1994	S & H	VAN TRAILER	TRAILER- ENCLOSED	30.99
4027 - Streets							
5160327 (27028)	\$	250,000	2015	KENWORTH	T470	TRUCK- HD- CONCRETE	9.74
4531 - Police Investigation							
1130131 (31005)	\$	60,000	2013	CHEVROLET	IMPALA	PSEDAN- FULL-SIZE- UNMARKED- INVEST/DET	12.16
4532 - Police Patrol							
2220332 (32015)	\$	85,000	2022	CHEVROLET	TAHOE PPV	SUV - POLICE PATROL	4.19
2220532 (32006)	\$	85,000	2022	CHEVROLET	TAHOE PPV	SUV - POLICE PATROL	4.19
2960132 (32030)	\$	75,000	1996	FORD	E350	SURVEILLANCE VAN	28.74
ADD - Comm Vehicle Enf	\$	100,000					
2231032 (32011)	\$	85,000	2023	CHEVROLET	TAHOE PPV	SUV - POLICE PATROL	1.54
2231132 (32025)	\$	85,000	2023	CHEVROLET	TAHOE PPV	SUV - POLICE PATROL	1.54
2231232 (32026)	\$	85,000	2023	CHEVROLET	TAHOE PPV	SUV - POLICE PATROL	1.54
2230732 (32009)	\$	85,000	2023	CHEVROLET	TAHOE PPV	SUV - POLICE PATROL	1.54
2230932 (32041)	\$	85,000	2023	CHEVROLET	TAHOE PPV	SUV - POLICE PATROL	1.39
ADD - Traffic Supervisor	\$	85,000					
6051 - Parks Maintenance							
2130751 (51052)	\$	95,000	2013	FORD	F250	TRUCK- 3/4 TON- FLATBED BODY- GAS	11.8
2130851 (51068)	\$	95,000	2013	FORD	F350 - CC	TRUCK- 1 TON- CREW-CAB- UTIL BODY- GAS-	11.91
2131151 (51040)	\$	95,000	2013	FORD	F250	TRUCK- 3/4 TON- PICKUP- GAS	11.9

FIXED ASSET REPLACEMENT SCHEDULE
for FISCAL YEAR 2025-26
(Fleet & Equipment Assets)

DEPARTMENT/UNIT IDENTIFIC	ESTIMATED REPLACEMENT COST	YEAR	MAKE	MODEL	DESCRIPTION OF ASSET	AGE
2070651 (51050)	\$ 150,000	2007	FORD	F550	TRUCK- 1-1/2 TON- CHEMICAL SPRAYER	11.8
2131051 (51075)	\$ 95,000	2013	FORD	F350	TRUCK- 1 TON- EXT-CAB- UTIL BODY- GAS- D	11.91
7110351 (51164)	\$ 10,000	2011	PJ TRAILERS	UTILITY TRAILER	TRAILER- FLATBED - 5-000 GVWR	13.62
2120651 (51036)	\$ 60,000	2012	FORD	F150 - EC	TRUCK- 1/2 TON EXT-CAB PICKUP	12.75
2081251 (51049)	\$ 95,000	2008	FORD	F350 - CC	TRUCK- 1 TON- CREW-CAB PICKUP- GAS	16.98
2120551 (51051)	\$ 95,000	2012	FORD	F350 - CC	TRUCK- 1 TON- CREW-CAB- UTIL BODY- GAS-	12.37
2060851 (51101)	\$ 50,000	2006	FORD	ESCAPE HYBRID	SUV- COMPACT- HYBRID	19.13
8100151 (51127)	\$ 40,000	2010	TORO	MULTI-PRO 1250	CART- SPRAY RIG	14.79
2070451 (51180)	\$ 100,000	2007	FORD	F450	TRUCK- 1-1/2 TON DUMP BODY- 2 YD	18.77
2070551 (51061)	\$ 100,000	2007	FORD	F450	TRUCK- 1-1/2 TON DUMP BODY- 2 YD	18.46
2120451 (51097)	\$ 100,000	2012	FORD	F450	TRUCK. 1-1/2 TON-EXT CAB- UTILITY BODY	12.4
8120351 (51004)	\$ 20,000	2012	TORO	3040 SAND PRO	BALL FIELD DRAG	12.53

General Fund allocation to cover fleet equipment. (Fleet Management is an Internal Service Fund as expenses must be allocated out to net to \$0.)

Fleet Allocation

	\$ 35,000
Contingencies	\$ 130,000
General Fund Total	\$ 2,800,000

FLEET MANAGEMENT FUND:

7080 - Fleet Management

7070180 (80070)	\$ 25,000	2007	WILLBORN BROS	520 FUEL KART	TRAILER- FUEL TANK DELIVERY SYSTEM (500	18.26
8200280 (80005)	\$ 10,000	2020	Xilin	CTD10R-E	Forklift	3.16
Subtotal Fleet Management	\$ 35,000					
Less General Fund Allocation	\$ (35,000)					
Fleet Management Fund Total	\$ -					

Fleet Management is an Internal Service Fund as expenses must be allocated out to net to \$0.

Hotel/Motel Fund:

9092 - Historical Park

2060192 (92100)	\$ 50,000	2006	FORD	RANGER	TRUCK - COMPACT- PICKUP	19.07
8090192 (92003)	\$ 20,000	2009	EZ-GO	ST SPORT	CART- DUMP BODY- MANUAL	15.86
Hotel/Motel Fund Total	\$ 70,000					

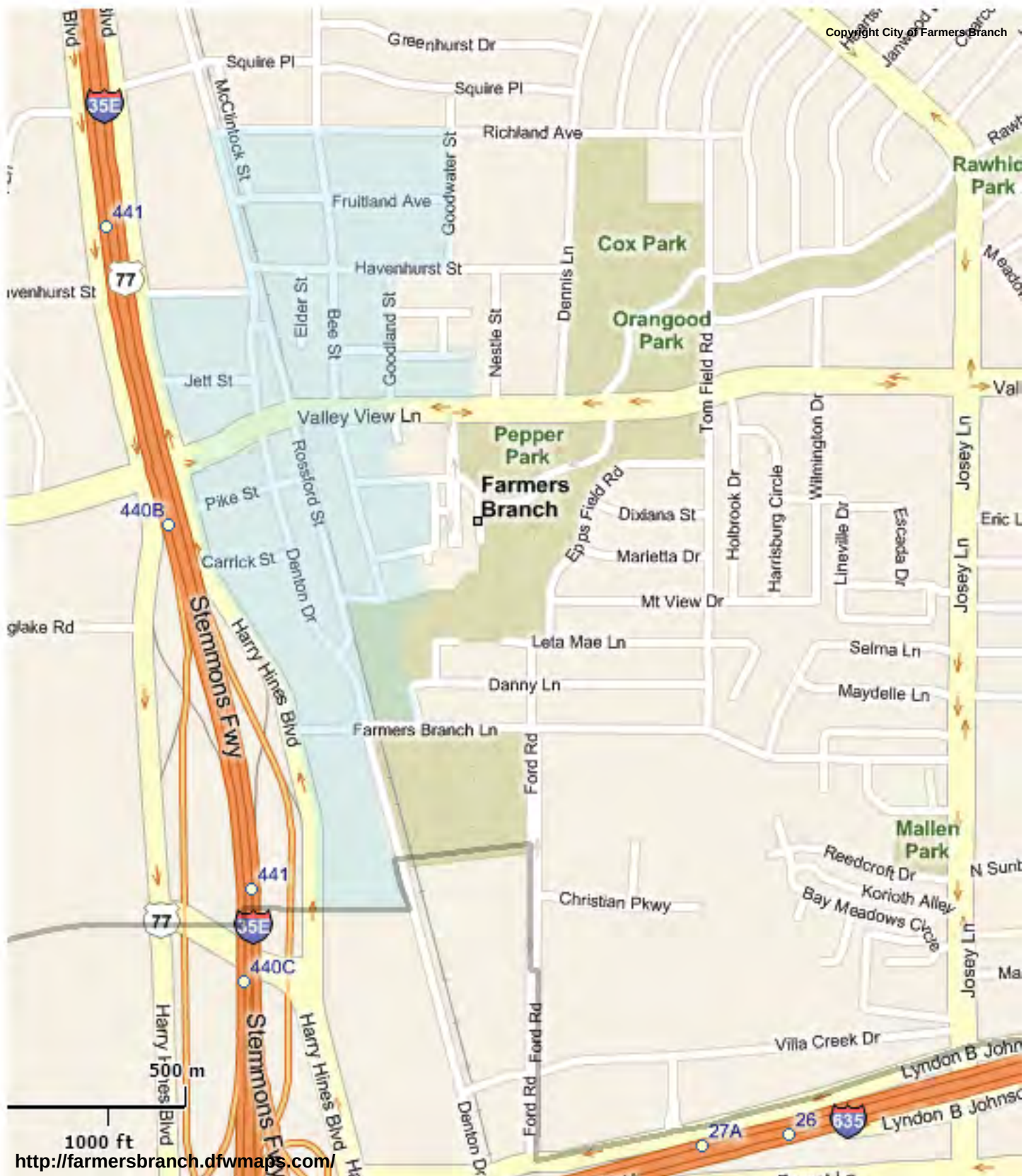
The CIP Process and its Relationship to Operating Budgets

The Capital Improvement Program (CIP) is a financial plan for the development, design and construction of major infrastructure improvements and projects in the City of Farmers Branch. This program encompasses projects funded through the sale of general obligation bonds, interest earnings and available fund balances from the General Fund, Water & Sewer Fund, Stormwater Utility Fund, and HotelMotel Fund.

All CIP projects are identified through a long-range strategic planning process involving the City Council and all departments of the City. Projects for rehabilitation as well as new projects for growth and development are identified and prioritized based on needs. Funding is identified and projects are based on funding availability. Projects are spaced over-time in order to achieve maximum construction with minimum tax rate or user charge impact.

The Capital Improvement Program can significantly impact the operating budget. The City relies heavily on General Fund, Water & Sewer Fund and Stormwater Utility Fund transfers to fund the CIP. Revenue growth and conservative spending patterns have allowed the City to make these transfers in the past and departments can fund day-to-day operations for the improvements through their existing operating budgets. In many instances, operating costs have been reduced by these improvements. For example, rebuilding older roadways reduces maintenance costs and the replacement of old water and sewer lines has reduced leakage and inflow/infiltration problems.

Further detail related to the operating cost impact of new capital improvement projects can be found in the project descriptions located at the beginning of this section. A “minimal” operating budget impact is defined as \$20,000 or less in operating cost.

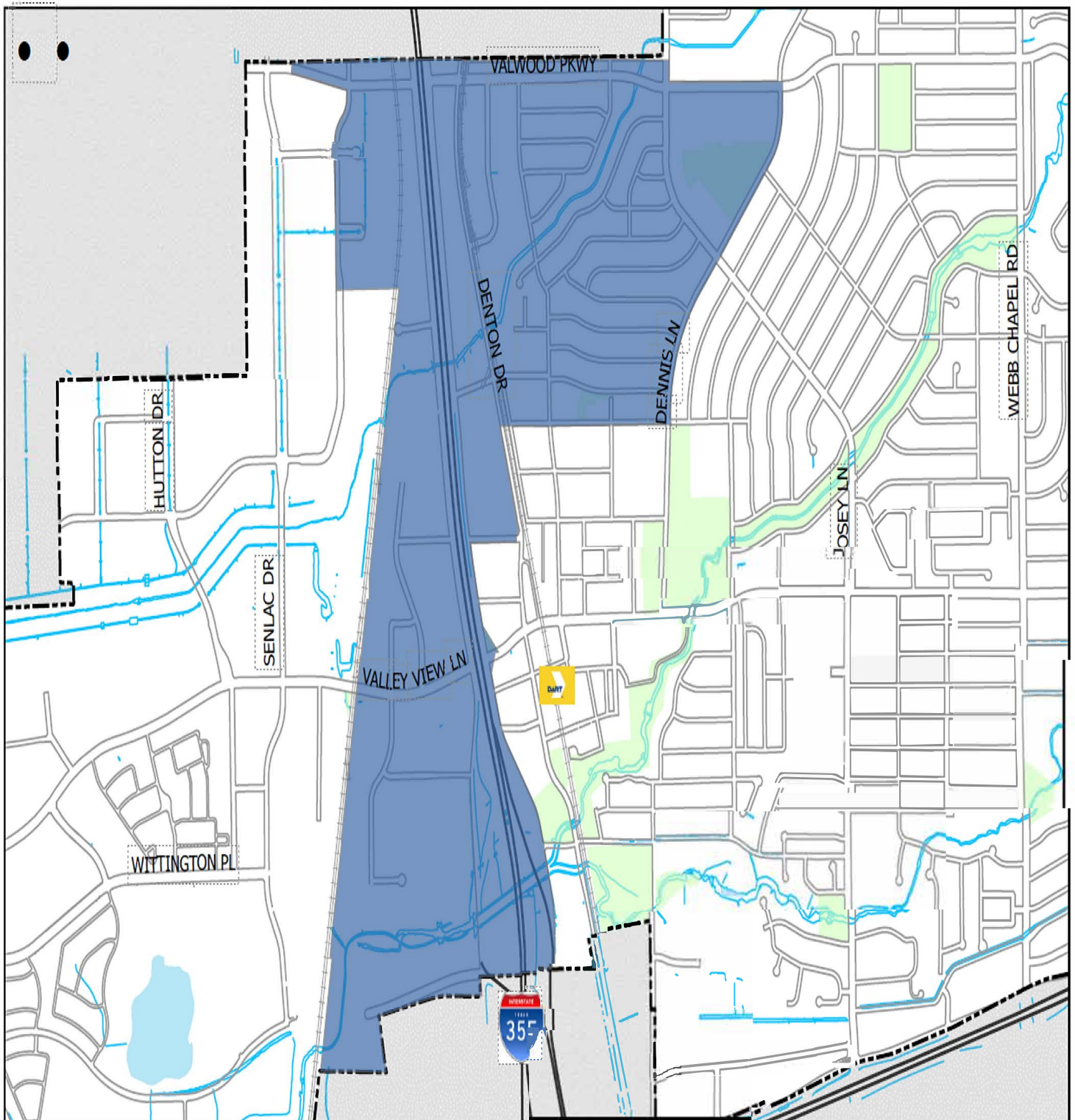


TIF NO 2

<http://farmersbranch.dfwmaps.com/>

DISCLAIMER

This data has been compiled for City of Farmers Branch. Various official and unofficial sources were used to gather this information. Every effort was made to ensure the accuracy of this data, however, no guarantee is given or implied as to the accuracy of said data.



TIF Zone No. 4

This product is for informational purposes only and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.
Texas HB1147, Effective 9/1/2011

CAPITAL IMPROVEMENT PROGRAM BUDGET

Fiscal Year Budget 2024-25

The Capital Improvement Program (CIP) consists of budgets for the City's capital improvement funds that represent the capital spending plan for the City. The first four funds listed represent the City's Pay-As-You-Go Program. The capital improvement funds include:

Non-Bond Capital Improvement Program (CIP) Fund: The revenues are primarily from General Fund transfers. Expenditures are for improvements to municipal facilities, parks, land acquisition, the Street Resurfacing and Reconstruction Programs, and other capital improvement projects not included in one of the other funds.

Hotel/Motel Capital Improvement Program (CIP) Fund: This fund was previously identified as the Historical Park Fund. The revenues are exclusively from the Hotel/Motel Fund. Expenditures are for improvements to the Historical Park.

Non-Bond Utility Capital Improvement Program (CIP) Fund: The revenues consist primarily of transfers from the Water & Sewer Fund. Expenditures are for water and sanitary sewer improvements. The budget has been expanded to begin funding capital replacement at levels based on the annual depreciation of the water and sanitary sewer systems.

Stormwater Capital Improvement Program (CIP) Fund: The revenues consist primarily of transfers from the General Fund and stormwater charges received from property owners. Expenditures are for drainage improvements and creek maintenance.

Tax Increment Finance District No. 1 Capital Improvement Program (CIP) Fund: Used to account for infrastructure construction in the Mercer Crossing tax increment financing (TIF) district. Funded by developers' contributions and incremental property tax programs. [Note: Fund is now closed.]

Tax Increment Finance District No. 2 Capital Improvement Program (CIP) Fund: Used to account for infrastructure construction in the Old Farmers Branch tax increment financing (TIF) district. Funded by developers' contributions and advances and incremental property tax payments. Participation in the TIF District expired on December 31, 2020; however, on November 17, 2020, the City extended its participation until December 31, 2031, at a participation rate of 25% commencing January 1, 2021.

Tax Increment Reinvestment Zone (TIRZ) No. 3 *(Located in the Special Revenue Funds)*. Through FY 2052 the City will contribute 40% of the incremental tax revenue generated by the City's ad valorem tax associated with the growth of the tax base in TIRZ No.3 to a Special Revenue Fund to reduce the public improvement district assessments associated with the zone. [This fund is described here for ease of reference.]

Tax Increment Finance District No. 4 Capital Improvement Program (CIP) Fund: Established in April 2022 to revitalize the Valwood Park residential neighborhood and covers approximately 778 acres of land generally located along the area that corresponds approximately to the IH-35E Corridor Vision Study plus the Valwood Park residential area east of IH-35E and west of Dennis Lane. The City is currently the only participating entity in TIF No. 4 at a participation rate of 100%. Termination of the TIF shall occur on December 31, 2046, or at an earlier time designated by subsequent ordinance of the City Council, or at such time, subsequent to the issuance of any tax increment bonds, if any, that all project costs, tax increment bonds, notes or other obligations of the zone, and the interest thereon, has been paid in full.

Street Improvement Bond Capital Improvement Program (CIP) Fund: Voter approved General Obligation bonds issued for \$13.92 million (plus premium) in 2014. These funds are to be used in addition to non-bond funds having \$5 million for residential streets. Voter approved General Obligation bonds were issued for \$9.58 million (plus premium) in 2018.

Trail Improvements Bond Capital Improvement Program (CIP) Fund: The revenues consist primarily of bond proceeds. Improve the availability and quality of sidewalks in the central part of the City and to further implement the John F. Burke Nature Preserve Master Plan.

Pike Street Bond Capital Improvement Program (CIP) Fund: The revenues consist primarily of bond proceeds. Expenditures are for the betterment of Pike street in and around the Dallas Area Rapid Transit station.

Dallas Stars Facility Bond Capital Improvement Program (CIP) Fund: The revenues consist primarily of bond proceeds. Expenditures are for the construction of a multi-use Dallas Stars facility.

Dispatch/Emergency Services Bond Capital Improvement Program (CIP) Fund: Expenses associated with (i) designing, constructing, developing and equipping public safety facilities, including a public safety communication facility and dispatch center, and the acquisition of land therefore (ii) acquiring vehicles and equipment for public safety, including fire, police and emergency services. The revenues consist primarily of bond proceeds.

Branch Connection Bond Capital Improvement Program (CIP) Fund: The revenues consist primarily of bond proceeds. Expenditures are for the construction of phase two of the Branch Connection/Senior Center remodel.

Water Transmission and Distribution/Infrastructure Bond Capital Improvement Program (CIP) Fund: To provide funds for (i) improving and equipping the City's water transmission and distribution infrastructure and (ii) paying costs associated with the issuance of Bonds, pursuant to a bond election held May 4, 2024. Revenues consist primarily of bond proceeds.

**City of Farmers Branch
Capital Improvement Program**

Project: Street Revitalization		Responsible Dept: Public Works							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 16,758,095	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 34,958,095
Description:									
Residential Street Overlay Program, Traffic Measures									
 Estimated Project Cost: Bridge Assessment & Engineering Traffic Assessments @ 23 Intersections Traffic Signals/School Beacons Remote Connectivity Design Construction Total \$ 65,000 340,000 840,000 500,000 33,213,095 \$ 34,958,095 Funding Source(s): General Fund									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Street Revitalization	\$ 16,758,095	\$ 1,355,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 33,713,095
Bridge Assessment & Engineering Fee	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000
Traffic Assessments @ 23 Intersections	\$ -	\$ 340,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340,000
Traffic Signals/School Beacons Remote Connect	\$ -	\$ 840,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 840,000
Total:	\$ 16,758,095	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$ 34,958,095

City of Farmers Branch
Capital Improvement Program

Project: Park Field Light Replacement		Responsible Dept: Parks & Recreation							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 2,773,631	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 4,348,631
Description:									
Athletic field lighting structure upgrade and replacement.									
 Estimated Project Cost: Design\$ 200,000 Construction4,148,631 Total\$ 4,348,631 Project Schedule: Design: Bid Award: Construction: Funding Source(s): General Fund									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Park Field Light Replacements	\$ 2,773,631	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 4,348,631
Total:	\$ 2,773,631	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 4,348,631
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	Negligible impact. Upgrades are to lighting structures to prevent future failure								

**City of Farmers Branch
Capital Improvement Program**

Project: Parks Master Plan		Responsible Dept: Parks & Recreation							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 1,730,000	\$ 300,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 3,230,000
Description: General improvement of City parks.									
 Estimated Project Cost: Previous Master Plan PK042002 \$ 1,530,000 Construction (New Master Plan PK042004) 1,600,000 Special Project (To be determined.) 100,000 Total \$ 3,230,000 Funding Source(s): General Fund									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Park Improvements (Master Plan PK 042002)	\$ 1,530,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,530,000
Park Master Plan PK042004	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,600,000
Special Project (To be determined.)	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Total:	\$ 1,730,000	\$ 300,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 3,230,000
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	Negligible impact. New equipment requires same maintenance.								

**City of Farmers Branch
Capital Improvement Program**

Project: Traffic Signals Rehabilitation		Responsible Dept: Public Works							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 589,806	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 2,164,806
Description: Replace and update existing traffic signals.									
 Estimated Project Cost: Design \$200,000 Construction 1,964,806 Total \$2,164,806 Project Schedule: Design: Bid Award: Construction: Funding Source(s): General Fund									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Traffic Signal Rehabilitation Program	\$ 589,806	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 2,164,806
Total:	\$ 589,806	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 2,164,806
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	Negligible impact. Upgrades are to traffic signals to prevent future failure.								

**City of Farmers Branch
Capital Improvement Program**

Stormwater Capital Improvement		Responsible Dept: Public Works							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 7,864,479	\$ 1,700,000	\$ 1,700,000	\$ 1,540,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 19,604,479
Description: Expenditures are for drainage improvements and creek maintenance.									
 Estimated Project Cost: Drainage Projects (Public) \$ 19,558,474 Floodway Mitigation 46,005 Total \$ 19,604,479 Funding Source(s): General Fund and Stormwater Fees (This project also had previous funding in the Grant Fund.)									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Drainage Projects (public)	\$ 7,818,474	\$ 1,700,000	\$ 1,700,000	\$ 1,540,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 19,558,474
Floodway Mitigation Cooks Branch	\$ 46,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,005
Total:	\$ 7,864,479	\$ 1,700,000	\$ 1,700,000	\$ 1,540,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 19,604,479
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	Potential reduction in maintenance costs and improved efficiency.								

**City of Farmers Branch
Capital Improvement Program**

Project: Utility Replacement & Improvement		Responsible Dept: Public Works							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 52,557,597	\$ 7,630,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 88,387,597
Description: This project funds the rehabilitation and replacement of water and sanitary sewer lines throughout the city.									
 Estimated Project Cost: Construction \$ 88,387,597 Total \$ 88,387,597 Funding Source(s): Water and Sewer Fund									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Water and sewer line improvements.	\$ 52,557,597	\$ 7,630,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 88,387,597
Total:	\$ 52,557,597	\$ 7,630,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 4,700,000	\$ 88,387,597
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	Cost savings due to reduction of treatment of water are dependent on size of pipe, precipitation and usage.								

**City of Farmers Branch, Texas
Capital Improvement Program**

Project: I & I Repairs		Responsible Dept: Public Works							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 14,103,063	\$ 1,300,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 22,783,063
Description: This is a yearly program that will provide for inflow and infiltration reduction improvements on the sanitary sewer system. Expenditures in future years will focus on identifying problems areas within the city so repairs can be made.									
 Estimated Project Cost: Construction Total \$ 22,783,063 \$ 22,783,063 Funding Source(s): Water and Sewer Fund									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
1. Completed Projects	\$ 14,103,063	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,103,063
2. Future Projects	\$ -	\$ 1,300,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 8,680,000
Total:	\$ 14,103,063	\$ 1,300,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 1,230,000	\$ 22,783,063
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	Potential reduction in maintenance and repair costs dependent upon usage.								

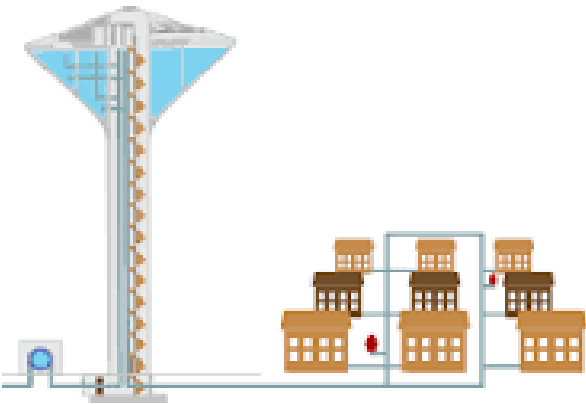
**City of Farmers Branch, Texas
Capital Improvement Program**

Project: Motor/Tank/Pump Improvements		Responsible Dept: Public Works							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 4,675,327	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 5,165,327
Description: This project will rehabilitate and/or replace major components of the water distribution system. The improvements focus on improving system reliability by lowering maintenance costs, reducing power outages, increasing efficiency, and extending the useful lives of equipment and facilities.									
		Estimated Project Cost: Construction Total \$ 5,165,327 \$ 5,165,327							
		Funding Source(s): Water and Sewer Fund							
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
1. Prior Years	\$ 4,675,327	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,675,327
2. Future Projects	\$ -	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 490,000
Total:	\$ 4,675,327	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 70,000	\$ 5,165,327
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	Potential reduction in maintenance costs and improved efficiency.								

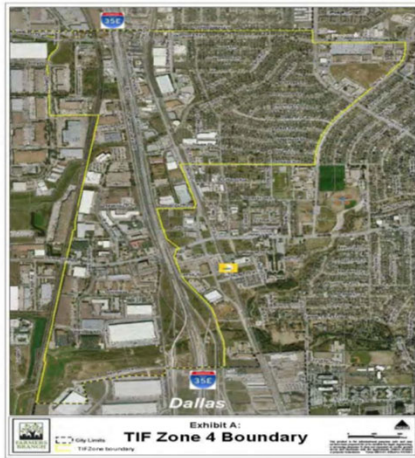
**City of Farmers Branch
Capital Improvement Program**

Project: Station Area Engineering Services		Responsible Dept's: To Be Determined							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Description: Engineering services for station area.									
 Estimated Project Cost: Engineering Services Total \$ 200,000 \$ 200,000 Project Schedule: Design: Bid Award: Construction: Funding Source(s): Tax Increment Finance District No. 2 Funds									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Station Area Engineering Services	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 200,000
Total:	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	To be determined.								

**City of Farmers Branch
Capital Improvement Program**

Project: Water Infrastructure Improvements		Responsible Dept: Public Works							
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
	\$ 75,000	\$ 5,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,575,000
Description: This is to establish funds for designing, constructing, renovating, improving and equipping the City's water transmission and distribution infrastructure.									
 Estimated Project Cost: Construction \$ 5,500,000 Bond Issuance Costs (Estimated) 75,000 Total \$ 5,575,000 Funding Source(s): Bond Proceeds									
Project Listing:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total
Water Transmission and Distribution	\$ -	\$ 5,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,500,000
Bond Issuance Costs (Estimated)	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Total:	\$ 75,000	\$ 5,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,575,000
Operating Budget Impact:	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total

City of Farmers Branch, Texas
Capital Improvement Program

Project: Tax Increment Finance District No. 4			Responsible Dept: Public Works								
Projected Financial Plan	Prior Yrs	25/26	26/27	27/28	28/29	29/30	30/31	31/32	Total		
	\$ 952,141	\$ 858,207	\$ 886,802	\$ 913,434	\$ 940,837	\$ 969,063	\$ 998,134	\$ 1,035,526	\$ 7,554,144		
Description:											
Revitalization of Valwood Parks Residential Neighborhood											
	Estimated Project Cost:										
	Design								\$	50,000	
	Construction									7,504,144	
	Total								\$	7,554,144	
Funding Source(s):											
Tax Increment Finance District No. 4 Funds											

CAPITAL IMPROVEMENT PROGRAM BUDGET SUMMARY

FUND NUMBER	FUND DESCRIPTION	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES										
301	NON-BOND	\$ 151,902,823	\$ 129,091,823	\$ 3,570,000	\$ 3,215,000	\$ 3,213,500	\$ 3,212,500	\$ 3,210,000	\$ 3,195,000	\$ 3,195,000
303	HOTEL/MOTEL	6,559,612	6,559,612	-	-	-	-	-	-	-
309	RADIO BOND	3,118,010	3,118,010	-	-	-	-	-	-	-
310	DISPATCH/EMERGENCY SERVICES BOND	10,175,663	10,174,663	1,000	-	-	-	-	-	-
320	FIRE STATION NO. 2 RELOCATION/LANDFILL BOND	12,299,005	12,257,005	6,000	6,000	6,000	6,000	6,000	6,000	6,000
321	DALLAS STARS FACILITY BOND	26,065,743	25,965,743	100,000	-	-	-	-	-	-
323	AQUATICS CENTER BOND	8,910,011	8,910,011	-	-	-	-	-	-	-
324	BRANCH CONNECTION BOND	2,000,000	2,000,000	-	-	-	-	-	-	-
325	NON-BOND STORMWATER	20,960,677	9,780,677	1,615,000	1,615,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000
327	NON-BOND UTILITY	131,900,266	85,775,266	9,200,000	6,175,000	6,150,000	6,150,000	6,150,000	6,150,000	6,150,000
328	TAX INCREMENT FINANCE DISTRICT NO. 1	28,123,693	28,123,693	-	-	-	-	-	-	-
329	TAX INCREMENT FINANCE DISTRICT NO. 2	11,928,887	9,255,704	320,633	322,696	346,966	373,663	403,029	435,332	470,865
330	CONSOLIDATED DISPATCH BOND	2,087,072	2,087,072	-	-	-	-	-	-	-
331	JUSTICE CENTER BOND	2,750,021	2,750,021	-	-	-	-	-	-	-
332	STREET IMPROVEMENT BOND	24,672,838	24,672,838	-	-	-	-	-	-	-
333	TRAIL IMPROVEMENTS BOND	7,792,216	7,770,216	10,000	7,000	5,000	-	-	-	-
334	PIKE STREET BOND	4,486,580	4,474,580	7,000	5,000	-	-	-	-	-
335	TAX INCREMENT FINANCE DISTRICT NO. 4	11,161,872	1,863,177	1,129,372	1,192,319	1,259,067	1,329,410	1,394,981	1,461,730	1,531,816
336	WATER TRANS & DIST INFRASTRUCTURE BOND	5,727,500	5,575,000	148,500	4,000	-	-	-	-	-
SUBTOTAL REVENUES		472,622,489	380,205,111	16,107,505	12,542,015	12,570,533	12,661,573	12,754,010	12,838,061	12,943,681

CAPITAL IMPROVEMENT PROGRAM BUDGET SUMMARY

FUND NUMBER	FUND DESCRIPTION	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
EXPENDITURES										
301	NON-BOND	144,095,671	121,245,671	3,350,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000
303	HOTEL/MOTEL	6,558,612	6,558,612	-	-	-	-	-	-	-
309	RADIO BOND	3,117,336	3,117,336	-	-	-	-	-	-	-
310	DISPATCH/EMERGENCY SERVICES BOND	10,130,000	10,130,000	-	-	-	-	-	-	-
320	FIRE STATION NO. 2 RELOCATION/LANDFILL BOND	12,059,237	12,059,237	-	-	-	-	-	-	-
321	DALLAS STARS FACILITY BOND	24,540,300	24,540,300	-	-	-	-	-	-	-
323	AQUATICS CENTER BOND	8,910,011	8,910,011	-	-	-	-	-	-	-
324	BRANCH CONNECTION BOND	2,000,000	2,000,000	-	-	-	-	-	-	-
325	NON-BOND STORMWATER	19,188,963	7,448,963	1,700,000	1,700,000	1,540,000	1,700,000	1,700,000	1,700,000	1,700,000
327	NON-BOND UTILITY	130,775,266	85,775,266	9,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
328	TAX INCREMENT FINANCE DISTRICT NO. 1	28,123,693	28,123,693	-	-	-	-	-	-	-
329	TAX INCREMENT FINANCE DISTRICT NO. 2	7,799,523	7,599,523	200,000	-	-	-	-	-	-
330	CONSOLIDATED DISPATCH BOND	2,087,072	2,087,072	-	-	-	-	-	-	-
331	JUSTICE CENTER BOND	2,750,021	2,750,021	-	-	-	-	-	-	-
332	STREET IMPROVEMENT BOND	24,661,587	24,661,587	-	-	-	-	-	-	-
333	TRAIL IMPROVEMENTS BOND	7,323,783	7,323,783	-	-	-	-	-	-	-
334	PIKE STREET BOND	4,059,000	4,059,000	-	-	-	-	-	-	-
335	TAX INCREMENT FINANCE DISTRICT NO. 4	7,554,144	952,141	858,207	886,802	913,434	940,837	969,063	998,134	1,035,526
336	WATER TRANS & DIST INFRASTRUCTURE BOND	5,575,000	75,000	5,500,000	-	-	-	-	-	-
SUBTOTAL EXPENDITURES		451,309,219	359,417,216	20,608,207	11,836,802	11,703,434	11,890,837	11,919,063	11,948,134	11,985,526
ROLL-FORWARD		\$ 21,313,269	\$ 20,787,895	\$ 16,287,193	\$ 16,992,406	\$ 17,859,504	\$ 18,630,240	\$ 19,465,187	\$ 20,355,114	\$ 21,313,269

CAPITAL IMPROVEMENT PROGRAM BUDGET

NON-BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
REVENUE SOURCES PRIOR TO 2016 (OLD SYSTEM)	\$ 47,427,384	\$ 47,427,384	\$	\$	\$	\$	\$	\$	\$
REVENUE ROLL-FORWARD FOR CURRENT YEAR	19,694,500	19,694,500							
ASSESSMENT INTEREST	269	269							
ASSESSMENT PAYMENTS	1,271	1,271							
CDBG FUNDS	209,000	209,000							
DEVELOPER CONTRIBUTIONS	1,343,514	1,343,514							
INSURANCE RECOVERY	175,000	175,000							
INTEREST	9,001,339	7,690,339	220,000	190,000	188,500	187,500	185,000	170,000	170,000
OTHER GOVT - DALLAS COUNTY	1,939,718	1,939,718							
OTHER GOVT - DART	4,078,769	4,078,769							
OTHER GOVT - TXDOT	813,010	813,010							
SPECIAL ASSESSMENTS	1,284,782	1,284,782							
TRANSFER IN - GRANT FUND	3,435,107	3,435,107							
TRANSFER IN - HOTEL/MOTEL	1,170,000	1,170,000							
TRANSFER IN - NON-DEPARTMENTAL	46,614,500	28,414,500	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
TRANSFER IN - PARK MAINTENANCE	9,635,000	6,560,000	525,000	425,000	425,000	425,000	425,000	425,000	425,000
TRANSFER IN - PARKS EVENTS	360,000	360,000							
TRANSFER IN - REC CENTER	1,212,000	1,212,000							
TRANSFER IN - SPECIAL REVENUE	1,912,831	1,912,831							
TRANSFER IN - STREETS	600,000	375,000	225,000						
TRANSFER IN - SUSTAINABILITY	956,000	956,000							
UNREALIZED GAIN/(LOSS)	38,829	38,829							
SUBTOTAL REVENUES	151,902,823	129,091,823	3,570,000	3,215,000	3,213,500	3,212,500	3,210,000	3,195,000	3,195,000
EXPENDITURES									
ARPA - ADMINISTRATION COSTS	27,500	27,500							
ARPA - JUSTICE CENTER RENOVATIONS	3,178,050	3,178,050							
ARPA - RECREATION CTR RENOVATIONS (PH2)	2,238,748	2,238,748							
ARPA - SIGNATURE PARK (PH1)	5,200,707	5,200,707							
BRANCH CONNECTION RENOVATION	1,391,380	1,391,380							
BRIDGE ASSESSMENT & ENGINEERING FEE	65,000	-	65,000						
CDBG 14-15 SHOREDALE W&S	219,753	219,753							

CAPITAL IMPROVEMENT PROGRAM BUDGET

NON-BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
CDBG 18-19 HAVENHURST	209,082	209,082							
CDBG 20-21 BEE/SPRINGVALE-CONSTRUCTION	227,300	227,300							
CDBG 20-21 CARES DENNIS LN - CONSTRUCTION	80,518	80,518							
CDBG 2021-22 CARES II (HOLLANDALE WATER LINE)	378,260	378,260							
CDBG 2022-23 BRANDYWINE/SPRING VALLEY	205,100	205,100							
CDBG 2023-24 RICHLAND TO SQUIRE (SEWER)	209,000	209,000							
CITY HALL FOYER IMPROVEMENTS	1,200,000	1,200,000							
CREEK PROJECTS	1,240,000	1,240,000							
DART REIMBURSEMENT PHASE 1	2,865,000	2,865,000							
DART REIMBURSEMENT PHASE 2	2,250,000	2,250,000							
DART REIMBURSEMENT PHASE 3	785,000	785,000							
DENTON DRIVE EXPANSION	2,641,725	2,641,725							
FARMERS BRANCH CREEK WELL	912,711	912,711							
FARMERS BRANCH STATION STREETS	324,464	324,464							
FARMERS MARKET MUSTANG TRAIL	321,632	321,632							
JOHN BURKE NATURE PRESERVE IMPROVEMENTS	348,758	348,758							
JUSTICE CENTER RENOVATIONS	1,305,000	1,305,000							
MERCER PARK	972,500	972,500							
MONUMENT SIGNS (LBJ/JOSEY/WEBB CHAPEL)	50,850	50,850							
MONUMENT SIGNS PARKS	33,830	33,830							
OAKBROOK STREET REVITALIZATION	651,900	651,900							
PARK FIELD LIGHT REPLACEMENT	4,348,631	2,773,631	225,000	225,000	225,000	225,000	225,000	225,000	225,000
PARK IMPROVEMENTS	1,530,000	1,530,000							
PARKS MAINTENANCE - SOCCER	105,000	105,000							
PARKS MAINTENANCE - DOG PARK	233,764	233,764							
PARKS MASTER PLAN	1,600,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
PARKS SPECIAL PROJECT - TBD	100,000	-	100,000						
PLAYGROUND EQUIPMENT REPLACEMENT	312,239	312,239							
PLAYGROUND RENOVATIONS	616,885	616,885							
PUBLIC SAFETY RADIOS	1,750,000	1,750,000							
QUIET ZONES	122,029	122,029							
RAWHIDE CREEK LIGHTING	170,000	170,000							
RECREATION CENTER RENOVATION	3,131,363	3,131,363							
SIGNATURE PARK - PHASE 2 JOYA	1,500,000	1,500,000							

CAPITAL IMPROVEMENT PROGRAM BUDGET

NON-BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
SOLAR UPGRADES	1,287,000	1,287,000							
SOLARIUM	1,505,818	1,505,818							
SQUIRE PARK SPLASH PAD	1,000,000	1,000,000							
STREET REVITALIZATION	33,713,095	16,758,095	1,355,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
STREETSCAPE ENHANCEMENTS	75,000	75,000							
TRAFFIC ASSESSMENTS @ 23 INTERSECTIONS	340,000	-	340,000						
TRAFFIC COUNTS	26,283	26,283							
TRAFFIC SIGNALS REHABILITATION	2,164,806	589,806	225,000	225,000	225,000	225,000	225,000	225,000	225,000
TRAFFIC SIGNALS/SCHOOL BEACONS	840,000	-	840,000						
TRAIL IMPROVEMENTS	3,942,797	3,942,797							
VALLEY VIEW TRAIL CONNECTOR	280,000	280,000							
VALWOOD MEDIAN ENHANCEMENTS	331,000	331,000							
WESTSIDE ART (PHASE 1)	4,500,000	4,500,000							
WOODED CREEK WALL	63,000	63,000							
CARRY-FORWARDS OPEN/CLOSED TO NEXT YEAR	(6,994,086)	(6,994,086)							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	6,396,837	6,396,837							
PRIOR YEARS COMPLETED PROJECTS	49,570,443	49,570,443							
SUBTOTAL EXPENDITURES	144,095,671	121,245,671	3,350,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000	3,250,000
ROLL-FORWARD	\$ 7,807,152	\$ 7,846,152	\$ 8,066,152	\$ 8,031,152	\$ 7,994,652	\$ 7,957,152	\$ 7,917,152	\$ 7,862,152	\$ 7,807,152

CAPITAL IMPROVEMENT PROGRAM BUDGET

HOTEL/MOTEL CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES:									
APPROPRIATED FUND BALANCE	\$ 543,818	\$ 543,818	\$	\$	\$	\$	\$	\$	\$
HOTEL/MOTEL TRANSFERS	50,000	50,000							
HOTEL/MOTEL TRANSFER FROM NON-BOND CIP	25,000	25,000							
INTEREST	237,251	237,251							
SPECIAL REVENUE DONATIONS	75,000	75,000							
TRANSFER IN -DEBT SERVICE - STARS CENTER	600,000	600,000							
TRANSFER IN - GENERAL FUND	1,550,000	1,550,000							
TRANSFER IN - GRANT FUND	343,491	343,491							
TRANSFER IN - HOTEL/MOTEL	3,134,715	3,134,715							
UNREALIZED GAIN/(LOSS)	337	337							
SUBTOTAL REVENUES	6,559,612	6,559,612	-	-	-	-	-	-	-
EXPENDITURES									
HISTORICAL PARK EVENT CENTER	4,000,061	4,000,061							
HISTORICAL PARK PATHWAYS & BRIDGES	412,004	412,004							
HISTORICAL PARK STRUCTURE REPAIR	809,027	809,027							
STARS CENTER UPGRADE	986,000	986,000							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	172,096	172,096							
PRIOR YEARS COMPLETED PROJECTS	179,424	179,424							
SUBTOTAL EXPENDITURES	6,558,612	6,558,612	-	-	-	-	-	-	-
ROLL-FORWARD	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000

CAPITAL IMPROVEMENT PROGRAM BUDGET

RADIO BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BOND PROCEEDS	\$ 3,000,000	\$ 3,000,000	\$	\$	\$	\$	\$	\$	\$
INTEREST	61,059	61,059							
MISCELLANEOUS	63,632	63,632							
UNREALIZED GAIN/(LOSS)	(6,681)	(6,681)							
SUBTOTAL REVENUES	3,118,010	3,118,010	-	-	-	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	34,618	34,618							
RADIO UPGRADE PROJECT	2,713,348	2,713,348							
TRITECH RECORDS MANAGEMENT SYSTEM	193,868	193,868							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	117,514	117,514							
PRIOR YEARS COMPLETED PROJECTS	57,988	57,988							
SUBTOTAL EXPENDITURES	3,117,336	3,117,336	-	-	-	-	-	-	-
ROLL-FORWARD	\$ 674	\$ 674	\$ 674	\$ 674	\$ 674	\$ 674	\$ 674	\$ 674	\$ 674

CAPITAL IMPROVEMENT PROGRAM BUDGET

DISPATCH/EMERGENCY SERVICES BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BONDS ISSUED	\$ 10,000,000	\$ 10,000,000	\$	\$	\$	\$	\$	\$	\$
INTEREST	1,000	-	1,000						
TRANSFER IN - GENERAL FUND	174,663	174,663							
SUBTOTAL REVENUES	10,175,663	10,174,663	1,000	-	-	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	130,000	130,000							
MISCELLANEOUS EMERGENCY EQUIPMENT	5,000,000	5,000,000							
NORTH TEXAS EMERGENCY COMM CTR 2	5,000,000	5,000,000							
SUBTOTAL EXPENDITURES	10,130,000	10,130,000	-	-	-	-	-	-	-
ROLL-FORWARD	\$ 45,663	\$ 44,663	\$ 45,663	\$ 45,663	\$ 45,663	\$ 45,663	\$ 45,663	\$ 45,663	\$ 45,663

CAPITAL IMPROVEMENT PROGRAM BUDGET

FIRE STATION NO. 2 RELOCATION / LANDFILL BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BONDS ISSUED	\$ 10,515,000	\$ 10,515,000	\$	\$	\$	\$	\$	\$	\$
DEVELOPER CONTRIBUTIONS	602,684	602,684							
INTEREST	469,083	427,083	6,000	6,000	6,000	6,000	6,000	6,000	6,000
MISCELLANEOUS	36,404	36,404							
PREMIUMS ON BONDS ISSUED	665,013	665,013							
UNREALIZED GAIN/(LOSS)	10,821	10,821							
SUBTOTAL REVENUES	12,299,005	12,257,005	6,000	6,000	6,000	6,000	6,000	6,000	6,000
EXPENDITURES									
BOND ISSUANCE COSTS	197,433	197,433							
FIRE STATION NO. 2 RELOCATION	5,528,891	5,528,891							
LANDFILL	5,732,913	5,732,913							
TRANSFER OUT	300,000	300,000							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	300,000	300,000							
SUBTOTAL EXPENDITURES	12,059,237	12,059,237	-	-	-	-	-	-	-
ROLL-FORWARD	\$ 239,768	\$ 197,768	\$ 203,768	\$ 209,768	\$ 215,768	\$ 221,768	\$ 227,768	\$ 233,768	\$ 239,768

CAPITAL IMPROVEMENT PROGRAM BUDGET

DALLAS STARS FACILITY BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BONDS ISSUED	\$ 23,810,000	\$ 23,810,000	\$	\$	\$	\$	\$	\$	\$
INTEREST	1,928,332	1,828,332	100,000						
MISCELLANEOUS	18,732	18,732							
UNREALIZED GAIN/(LOSS)	308,679	308,679							
SUBTOTAL REVENUES	26,065,743	25,965,743	100,000	-	-	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	319,500	319,500							
STARS MULTI-SPORT FACILITY	24,269,950	24,269,950							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	(49,150)	(49,150)							
SUBTOTAL EXPENDITURES	24,540,300	24,540,300	-	-	-	-	-	-	-
ROLL-FORWARD	\$ 1,525,443	\$ 1,425,443	\$ 1,525,443	\$ 1,525,443	\$ 1,525,443	\$ 1,525,443	\$ 1,525,443	\$ 1,525,443	\$ 1,525,443

CAPITAL IMPROVEMENT PROGRAM BUDGET

AQUATICS CENTER BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BOND PROCEEDS	\$ 6,500,000	\$ 6,500,000	\$	\$	\$	\$	\$	\$	\$
INTEREST	62,282	62,282							
PREMIUMS ON BONDS ISSUED	648,755	648,755							
TRANSFER IN - NON-BOND UTILITIES	1,700,000	1,700,000							
UNREALIZED GAIN/(LOSS)	(1,026)	(1,026)							
SUBTOTAL REVENUES	8,910,011	8,910,011	-	-	-	-	-	-	-
EXPENDITURES									
AQUATICS CENTER	17,298,057	17,298,057							
BOND ISSUANCE COSTS	147,715	147,715							
TRANSFER OUT	7,800	7,800							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	(8,543,561)	(8,543,561)							
SUBTOTAL EXPENDITURES	8,910,011	8,910,011	-	-	-	-	-	-	-
ROLL-FORWARD	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)

CAPITAL IMPROVEMENT PROGRAM BUDGET

BRANCH CONNECTION BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BONDS ISSUED	\$ 2,000,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SUBTOTAL REVENUES	2,000,000	2,000,000	-	-	-	-	-	-	-
EXPENDITURES									
BRANCH CONNECTION (PHASE 2)	2,000,000	2,000,000	-	-	-	-	-	-	-
SUBTOTAL EXPENDITURES	2,000,000	2,000,000	-	-	-	-	-	-	-
ROLL-FORWARD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL IMPROVEMENT PROGRAM BUDGET

NON-BOND STORMWATER CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
DEVELOPER CONTRIBUTIONS	\$ 12,950	\$ 12,950	\$	\$	\$	\$	\$	\$	\$
INTEREST	686,893	286,893	75,000	75,000	50,000	50,000	50,000	50,000	50,000
TRANSFER IN - GRANT FUND	196,654	196,654							
TRANSFER IN - STORMWATER	20,120,000	9,340,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000	1,540,000
UNREALIZED GAIN/(LOSS)	(55,820)	(55,820)							
SUBTOTAL REVENUES	20,960,677	9,780,677	1,615,000	1,615,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000
EXPENDITURES									
DRAINAGE PROJECTS (PUBLIC)	19,558,474	7,818,474	1,700,000	1,700,000	1,540,000	1,700,000	1,700,000	1,700,000	1,700,000
FLOODWAY MITIGATION COOKS BRANCH	46,005	46,005							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	(415,516)	(415,516)							
SUBTOTAL EXPENDITURES	19,188,963	7,448,963	1,700,000	1,700,000	1,540,000	1,700,000	1,700,000	1,700,000	1,700,000
ROLL-FORWARD	\$ 1,771,714	\$ 2,331,714	\$ 2,246,714	\$ 2,161,714	\$ 2,211,714	\$ 2,101,714	\$ 1,991,714	\$ 1,881,714	\$ 1,771,714

CAPITAL IMPROVEMENT PROGRAM BUDGET

NON-BOND UTILITY CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
CDBG	\$ 282,305	\$ 282,305	\$	\$	\$	\$	\$	\$	\$
DEVELOPER CONTRIBUTIONS	95,316	95,316							
INTEREST	5,489,098	4,364,098	200,000	175,000	150,000	150,000	150,000	150,000	150,000
TML REIMBURSEMENTS	415,864	415,864							
TRANSFER IN - FIXED ASSET FUND	213,166	213,166							
TRANSFER IN - SEWER INTERCEPTOR FUND	1,495,069	1,495,069							
TRANSFER IN - WATER & SEWER FUND	117,797,840	72,797,840	9,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
TRANSFER IN - WATER & SEWER FUND BALANCE	6,200,000	6,200,000							
UNREALIZED GAIN/(LOSS)	(88,393)	(88,393)							
SUBTOTAL REVENUES	131,900,266	85,775,266	9,200,000	6,175,000	6,150,000	6,150,000	6,150,000	6,150,000	6,150,000
EXPENDITURES									
FARMERS BRANCH STATION STREETS	890,199	890,199							
I & I REPAIRS	22,783,063	14,103,063	1,300,000	1,230,000	1,230,000	1,230,000	1,230,000	1,230,000	1,230,000
L-T PLANT & INFRASTRUCTURE IMPROVEMENTS	2,150,000	2,150,000							
MOTOR TANK PUMP IMPROVEMENT	5,165,327	4,675,327	70,000	70,000	70,000	70,000	70,000	70,000	70,000
OAKBROOK METER REPLACEMENT	70,000	70,000							
SENLAC SERVICE CENTER	12,108,676	12,108,676							
TECHNOLOGY IMPROVEMENTS	3,324,049	3,324,049							
UTILITY REPLACEMENT & IMPROVEMENTS	88,387,597	52,557,597	7,630,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000
WATER METER REPLACEMENT	3,000,000	3,000,000							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	(15,881,680)	(15,881,680)							
PRIOR YEARS COMPLETED PROJECTS	8,778,034	8,778,034							
SUBTOTAL EXPENDITURES	130,775,266	85,775,266	9,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
ROLL-FORWARD									
	\$ 1,125,000	\$ (0)	\$ 200,000	\$ 375,000	\$ 525,000	\$ 675,000	\$ 825,000	\$ 975,000	\$ 1,125,000

CAPITAL IMPROVEMENT PROGRAM BUDGET

TAX INCREMENT FINANCE DISTRICT NO. 1 CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
CFBISD (100%)	\$ 21,503,265	\$ 21,503,265	\$	\$	\$	\$	\$	\$	\$
CITY OF FARMERS BRANCH (35%)	4,414,089	4,414,089							
DALLAS COUNTY HOSPITAL DISTRICT (34%)	2,125,410	2,125,410							
DALLAS COUNTY (34%)	1,752,132	1,752,132							
DALLAS COUNTY COMMUNITY COLLEGE (35%)	196,583	196,583							
DALLAS INDEPENDENT SCHOOL DISTRICT (35%)	191,607	191,607							
DEVELOPER ADVANCE	(3,257,978)	(3,257,978)							
INTEREST	765,031	765,031							
SPECIAL ASSESSMENTS	113,215	113,215							
VALWOOD IMPROVEMENT AUTH (50% - M&O RATE)	319,342	319,342							
UNREALIZED GAIN/(LOSS)	997	997							
SUBTOTAL REVENUES	28,123,693	28,123,693	-	-	-	-	-	-	-
EXPENDITURES									
CITY AND SCHOOL ADMINSTRATIVE FEES	1,779,588	1,779,588							
ZONE SCHOOL CFBISD TIF NO. 1	13,987,668	13,987,668							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	(9,484,465)	(9,484,465)							
PRIOR YEARS COMPLETED PROJECTS	21,840,902	21,840,902							
SUBTOTAL EXPENDITURES	28,123,693	28,123,693	-	-	-	-	-	-	-
ROLL-FORWARD	\$ (0)	\$ (0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL IMPROVEMENT PROGRAM BUDGET

TAX INCREMENT FINANCE DISTRICT NO. 2 CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
CFBISD (EXPIRED 2019)	\$ 1,018,882	\$ 1,018,882	\$	\$	\$	\$	\$	\$	\$
CITY OF FARMERS BRANCH (100%)	2,618,584	525,401	220,633	242,696	266,966	293,663	323,029	355,332	390,865
DALLAS COUNTY (EXP 2020)	116,527	116,527							
DALLAS COUNTY COMMUNITY COLLEGE (EXP 2014)	53,258	53,258							
DALLAS COUNTY HOSPITAL DISTRICT (EXP 2020)	139,985	139,985							
INTEREST	1,037,740	457,740	100,000	80,000	80,000	80,000	80,000	80,000	80,000
TAX INCREMENT FINANCING	6,966,699	6,966,699							
UNREALIZED GAIN/(LOSS)	(22,786)	(22,786)							
SUBTOTAL REVENUES	11,928,887	9,255,704	320,633	322,696	346,966	373,663	403,029	435,332	470,865
EXPENDITURES									
BEE STREET DEVELOPMENT	1,700,000	1,700,000							
CITY AND SCHOOL ADMINISTRATIVE FEES	147,235	147,235							
ECONOMIC DEVELOPMENT AGREEMENT	300,000	300,000							
FARMERS BRANCH STATION STREETS	3,901	3,901							
STATION AREA ART	1,290,233	1,290,233							
STATION AREA ENGINEERING SERVICES	200,000	-	200,000						
STATION STREETS	244,690	244,690							
WESTERN SECURITIES	2,551,084	2,551,084							
ZONE SCHOOL CFBISD TIF NO. 2	2,152,751	2,152,751							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	(2,029,894)	(2,029,894)							
PRIOR YEARS COMPLETED PROJECTS	1,239,522	1,239,522							
SUBTOTAL EXPENDITURES	7,799,523	7,599,523	200,000	-	-	-	-	-	-
ROLL-FORWARD	\$ 4,129,364	\$ 1,656,181	\$ 1,776,814	\$ 2,099,510	\$ 2,446,476	\$ 2,820,139	\$ 3,223,168	\$ 3,658,499	\$ 4,129,364

CAPITAL IMPROVEMENT PROGRAM BUDGET

CONSOLIDATED DISPATCH BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BOND PREMIUM	\$ 152,906	\$ 152,906	\$	\$	\$	\$	\$	\$	\$
BOND PROCEEDS	1,890,000	1,890,000							
INTEREST	50,875	50,875							
UNREALIZED GAIN/(LOSS)	(6,709)	(6,709)							
SUBTOTAL REVENUES	<u>2,087,072</u>	<u>2,087,072</u>	-	-	-	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	44,796	44,796							
CONSOLIDATED DISPATCH TRAINING FACILITY	1,564,708	1,564,708							
FIRE TRAINING FACILITY	363,372	363,372							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	114,197	114,197							
SUBTOTAL EXPENDITURES	<u>2,087,072</u>	<u>2,087,072</u>	-	-	-	-	-	-	-
ROLL-FORWARD	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>

CAPITAL IMPROVEMENT PROGRAM BUDGET

JUSTICE CENTER BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BOND PREMIUM	\$ 149,083	\$ 149,083	\$	\$	\$	\$	\$	\$	\$
BOND PROCEEDS	2,545,000	2,545,000							
INTEREST	42,088	42,088							
MISCELLANEOUS	25,813	25,813							
UNREALIZED GAIN/(LOSS)	(11,963)	(11,963)							
SUBTOTAL REVENUES	<u>2,750,021</u>	<u>2,750,021</u>	-	-	-	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	96,628	96,628							
JUSTICE CENTER UPGRADES	2,607,746	2,607,746							
TRANSFER OUT	45,647	45,647							
SUBTOTAL EXPENDITURES	<u>2,750,021</u>	<u>2,750,021</u>	-	-	-	-	-	-	-
ROLL-FORWARD	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ (0)</u>

CAPITAL IMPROVEMENT PROGRAM BUDGET

STREET IMPROVEMENT BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BOND PROCEEDS	\$ 22,624,286	\$ 22,624,286	\$	\$	\$	\$	\$	\$	\$
BOND PREMIUM	1,203,530	1,203,530							
INTEREST	844,727	844,727							
MISCELLANEOUS	29,785	29,785							
UNREALIZED GAIN/(LOSS)	(29,489)	(29,489)							
SUBTOTAL REVENUES	24,672,838	24,672,838	-	-	-	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	328,110	328,110							
MARSH LANE BRIDGE SOUTH	2,270,288	2,270,288							
PUBLIC WAY IMPROVEMENTS	589,957	589,957							
STREET IMPROVEMENTS	32,776,452	32,776,452							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	(11,303,220)	(11,303,220)							
SUBTOTAL EXPENDITURES	24,661,587	24,661,587	-	-	-	-	-	-	-
ROLL-FORWARD	\$ 11,251	\$ 11,251	\$ 11,251	\$ 11,251	\$ 11,251	\$ 11,251	\$ 11,251	\$ 11,251	\$ 11,251

CAPITAL IMPROVEMENT PROGRAM BUDGET

TRAIL IMPROVEMENTS BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BONDS ISSUED	\$ 6,691,571	\$ 6,691,571	\$	\$	\$	\$	\$	\$	\$
INTEREST	757,684	735,684	10,000	7,000	5,000				
MISCELLANEOUS	13,238	13,238							
PREMIUMS ON BONDS ISSUED	413,328	413,328							
UNREALIZED GAIN/(LOSS)	(83,606)	(83,606)							
SUBTOTAL REVENUES	7,792,216	7,770,216	10,000	7,000	5,000	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	110,551	110,551							
JOHN BURKE NATURE PRESERVE	2,877,432	2,877,432							
TRAILS & SIDEWALKS	4,409,270	4,409,270							
CONTRA EXPENSE (NONCAPITAL)/TRANSFERS	(73,470)	(73,470)							
SUBTOTAL EXPENDITURES	7,323,783	7,323,783	-	-	-	-	-	-	-
ROLL-FORWARD	\$ 468,433	\$ 446,433	\$ 456,433	\$ 463,433	\$ 468,433	\$ 468,433	\$ 468,433	\$ 468,433	\$ 468,433

CAPITAL IMPROVEMENT PROGRAM BUDGET

PIKE STREET BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BONDS ISSUED	\$ 3,764,000	\$ 3,764,000	\$	\$	\$	\$	\$	\$	\$
INTEREST	465,791	453,791	7,000	5,000					
PREMIUMS ON BONDS ISSUED	294,991	294,991							
UNREALIZED GAIN/(LOSS)	(38,201)	(38,201)							
SUBTOTAL REVENUES	4,486,580	4,474,580	7,000	5,000	-	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	59,000	59,000							
PIKE ST-STATION AREA IMPROVEMENTS	3,531,814	3,531,814							
STATION STREETS BETTERMENTS	468,186	468,186							
SUBTOTAL EXPENDITURES	4,059,000	4,059,000	-	-	-	-	-	-	-
ROLL-FORWARD	\$ 427,580	\$ 415,580	\$ 422,580	\$ 427,580	\$ 427,580	\$ 427,580	\$ 427,580	\$ 427,580	\$ 427,580

CAPITAL IMPROVEMENT PROGRAM BUDGET

TAX INCREMENT FINANCE DISTRICT NO. 4 CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
INTEREST	\$ 391,415	\$ 35,023	\$ 31,080	\$ 39,112	\$ 48,200	\$ 58,000	\$ 60,000	\$ 60,000	\$ 60,000
TAX INCREMENT FINANCING	10,764,006	1,821,703	1,098,292	1,153,207	1,210,867	1,271,410	1,334,981	1,401,730	1,471,816
UNREALIZED GAIN/(LOSS)	6,451	6,451							
SUBTOTAL REVENUES	11,161,872	1,863,177	1,129,372	1,192,319	1,259,067	1,329,410	1,394,981	1,461,730	1,531,816
EXPENDITURES									
VALWOOD PARK	7,554,144	952,141	858,207	886,802	913,434	940,837	969,063	998,134	1,035,526
SUBTOTAL EXPENDITURES	7,554,144	952,141	858,207	886,802	913,434	940,837	969,063	998,134	1,035,526
ROLL-FORWARD	\$ 3,607,728	\$ 911,036	\$ 1,182,201	\$ 1,487,718	\$ 1,833,351	\$ 2,221,924	\$ 2,647,842	\$ 3,111,438	\$ 3,607,728

CAPITAL IMPROVEMENT PROGRAM BUDGET

WATER TRANSMISSION & DISTRIBUTION/INFRASTRUCTURE BOND CAPITAL IMPROVEMENT PROGRAM FUND	PROJECT BUDGET	PRIOR YEARS	BUDGET 2026	BUDGET 2027	BUDGET 2028	BUDGET 2029	BUDGET 2030	BUDGET 2031	BUDGET 2032
REVENUES									
BONDS ISSUED	\$ 5,500,000	\$ 5,500,000	\$	\$	\$	\$	\$	\$	\$
INTEREST	156,000	3,500	148,500	4,000					
PREMIUMS ON BONDS ISSUED	71,500	71,500							
SUBTOTAL REVENUES	5,727,500	5,575,000	148,500	4,000	-	-	-	-	-
EXPENDITURES									
BOND ISSUANCE COSTS	75,000	75,000							
WATER INFRASTRUCTURE IMPROVEMENTS	5,500,000	-	5,500,000						
SUBTOTAL EXPENDITURES	5,575,000	75,000	5,500,000	-	-	-	-	-	-
ROLL-FORWARD	\$ 152,500	\$ 5,500,000	\$ 148,500	\$ 152,500	\$ 152,500	\$ 152,500	\$ 152,500	\$ 152,500	\$ 152,500



**FARMERS
BRANCH**

COMBINED SUMMARY OF ESTIMATED REVENUES, EXPENDITURES AND FUND BALANCES - SELECT FUNDS

FISCAL YEAR 2025-26 BUDGET

		GENERAL FUND	WATER & SEWER FUND	HOTEL/ MOTEL FUND	STORMWATER FUND
FUND BALANCE 9/30/2024	[1]	\$ 22,211,703	\$ 6,517,130	\$ 2,498,307	\$ 450,989
2024-25 ESTIMATED REVENUES		88,352,100	30,706,500	3,466,100	1,798,000
2024-25 ESTIMATED EXPENDITURES		89,527,653	30,776,173	3,797,605	1,803,439
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL	[2]	(1,175,553)	(69,673)	(331,505)	(5,439)
ESTIMATED FUND BALANCE 9/30/2025		\$ 21,036,150	\$ 6,447,457	\$ 2,166,802	\$ 445,550
2025-26 ESTIMATED REVENUES		91,999,900	35,322,900	3,892,400	1,798,000
2025-26 ESTIMATED EXPENDITURES		91,771,200	35,146,400	3,737,600	1,798,000
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL	[2]	228,700	176,500	154,800	0
ESTIMATED FUND BALANCE 9/30/2026		\$ 21,264,850	\$ 6,623,957	\$ 2,321,602	\$ 445,550
TARGET BALANCES					
Preferred 90 Days	[3]	\$ 21,708,425	\$ 4,000,000	\$ 1,000,000	\$ 1,000,000
High 72 Days	[3]	\$ 17,366,740	\$ 2,500,000	\$ 1,000,000	\$ 400,000
Low 54 Days	[3]	\$ 13,025,055	\$ 2,000,000	\$ 600,000	\$ 200,000

This chart illustrates a partial listing of select major operating funds of the City. The chart is used to quickly compare revenues, expenditures, and fund balances for the budget year with the prior year. Special expenditures are one-time uses of fund balance, which are approved by the City Council consistent with fund balance target objectives.

[1] Actual per 9/30/24 Annual Comprehensive Financial Report.

[2] Reflects a planned use of fund balance for the amended budget.

[3] A General Fund fund balance target is defined as a target range with a low end of 15% (approximately 54 days) and a high end of 20% (approximately 72 days) of the actual GAAP basis expenditures and other financing sources and uses, while the preferred range represents 90 days or 25% of actual GAAP basis expenditures and other financing sources and uses.

**MOST REALISTIC
COMBINED SUMMARY OF ESTIMATED REVENUES,
EXPENDITURES AND FUND BALANCES - SELECT FUNDS**

FISCAL YEAR 2025-26 BUDGET

		GENERAL FUND	WATER & SEWER FUND	HOTEL/ MOTEL FUND	STORMWATER FUND
FUND BALANCE 9/30/2024	[1]	<u>\$ 22,211,703</u>	<u>\$ 6,517,130</u>	<u>\$ 2,498,307</u>	<u>\$ 450,989</u>
2024-25 ESTIMATED REVENUES		88,352,100	30,706,500	3,466,100	1,798,000
2024-25 ESTIMATED EXPENDITURES		<u>89,027,653</u>	<u>30,676,173</u>	<u>3,722,605</u>	<u>1,803,439</u>
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL	[2]	<u>(675,553)</u>	<u>30,327</u>	<u>(256,505)</u>	<u>(5,439)</u>
ESTIMATED FUND BALANCE 9/30/2025		<u>\$ 21,536,150</u>	<u>\$ 6,547,457</u>	<u>\$ 2,241,802</u>	<u>\$ 445,550</u>
2025-26 ESTIMATED REVENUES		91,999,900	35,322,900	3,892,400	1,798,000
2025-26 ESTIMATED EXPENDITURES		<u>91,271,200</u>	<u>35,046,400</u>	<u>3,662,600</u>	<u>1,798,000</u>
ADDITION TO (USE OF) FUND BALANCE SUB-TOTAL	[2]	<u>728,700</u>	<u>276,500</u>	<u>229,800</u>	<u>0</u>
ESTIMATED FUND BALANCE 9/30/2026		<u><u>\$ 22,264,850</u></u>	<u><u>\$ 6,823,957</u></u>	<u><u>\$ 2,471,602</u></u>	<u><u>\$ 445,550</u></u>
TARGET BALANCES					
Preferred 90 Days		\$ 21,583,425 [3]	\$ 4,000,000	\$ 1,000,000	\$ 1,000,000
High 72 Days		\$ 17,266,740 [3]	\$ 2,500,000	\$ 1,000,000	\$ 400,000
Low 54 Days		\$ 12,950,055 [3]	\$ 2,000,000	\$ 600,000	\$ 200,000

This chart illustrates a partial listing of select major operating funds of the City. The chart is used to quickly compare revenues, expenditures, and fund balances for the budget year with the prior year. Special expenditures are one-time uses of fund balance, which are approved by the City Council consistent with fund balance target objectives.

[1] Actual per 9/30/24 Annual Comprehensive Financial Report.

[2] Reflects a planned use of fund balance for the amended budget.

[3] A General Fund fund balance target is defined as a target range with a low end of 15% (approximately 54 days) and a high end of 20% (approximately 72 days) of the actual GAAP basis expenditures and other financing sources and uses, while the preferred range represents 90 days or 25% of actual GAAP basis expenditures and other financing sources and uses.

General Fund Six-Year Financial Plan Overview

In accordance with the City's financial policies, the budget was developed in the context of long-range financial plans. The plans anticipate funding needs and available revenues and forecast methods for matching future revenues and expenses. A six-year projection plan has been developed for the City's General Fund. The plan presents the fund over eight fiscal years: two previous years and six projected years. There are many benefits to these plans. First, the plans give staff and City Council a valuable perspective when considering budgets within the planned six-year horizon. Second, the plans enable staff and City Council to understand the "compounding" effect of revenue and expenditure decisions made over time.

Major assumptions have been footnoted in the six-year financial plan. Annual increase in projections for each revenue or expenditure category is shown in a column entitled "Proj % Yr 2-6". This column refers to projection assumptions for Years 2-6 of the financial plan.

General Fund Six-Year Financial Plan
City of Farmers Branch

	Proj % Yr 2-6	Actual 2023-24	Estimated Actual 2024-25	Year 1 Projected 2025-26	Year 2 Projected 2026-27	Year 3 Projected 2027-28	Year 4 Projected 2028-29	Year 5 Projected 2029-30	Year 6 Projected 2030-31
Proj Most Realistic Beginning Unassigned Fund Balance		\$ 23,413,424	\$ 22,211,703	\$ 21,036,150	\$ 21,264,850	\$ 22,942,793	\$ 23,850,009	\$ 23,963,929	\$ 23,261,373
Revenues:									
Sales tax *	0.0%	\$ 23,105,421	\$ 21,811,800	\$ 23,095,000	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000
Property tax	2.0%	45,587,651	46,004,500	46,125,000	47,047,500	47,988,450	48,948,219	49,927,183	50,925,727
Franchise tax	0.3%	3,787,886	3,775,000	3,690,000	3,699,225	3,708,473	3,717,744	3,727,039	3,736,356
Licenses and permits	0.5%	2,148,671	1,963,800	1,938,800	1,948,494	1,958,236	1,968,028	1,977,868	1,987,757
Charges for services	0.5%	12,027,563	11,590,800	13,463,000	13,530,315	13,597,967	13,665,956	13,734,286	13,802,958
Fines and forfeitures	1.0%	2,057,592	1,577,200	1,882,000	1,900,820	1,919,828	1,939,026	1,958,417	1,978,001
Investment income	2.0%	2,901,084	1,477,000	1,578,000	1,609,560	1,641,751	1,674,586	1,708,078	1,742,240
Miscellaneous	Flat Amount	235,784	152,000	228,100	228,100	228,100	228,100	228,100	228,100
Total Revenues		91,851,651	88,352,100	91,999,900	92,964,014	94,042,806	95,141,660	96,260,971	97,401,138
Expenditures:									
Personal services	2.5%	47,435,493	50,258,500	51,263,100	52,544,678	53,858,294	55,204,752	56,584,871	57,999,492
Professional services	1.0%	5,593,672	6,403,024	6,698,100	6,765,081	6,832,732	6,901,059	6,970,070	7,039,770
Supplies	1.7%	2,292,413	2,970,538	2,161,500	2,198,246	2,235,616	2,273,621	2,312,273	2,351,581
Repairs & maintenance	2.0%	8,576,243	9,733,834	5,862,900	5,980,158	6,099,761	6,221,756	6,346,192	6,473,115
Services	2.0%	9,734,662	11,556,825	13,862,200	14,139,444	14,422,233	14,710,678	15,004,891	15,304,989
Production & disposal	3.0%	19,397	59,706	44,500	45,835	47,210	48,626	50,085	51,588
Building/Infrastructure	1.0%			1,510,000	1,525,100	1,540,351	1,555,755	1,571,312	1,587,025
Other fixed assets	Varies		739,700	627,500					
Contracts	Flat Amount	284,186	421,788	250,000	250,000	250,000	250,000	250,000	250,000
Events	2.0%	493,438	343,613	581,500	593,130	604,993	617,092	629,434	642,023
Other objects	Varies	2,742,775	3,674,325	3,124,000	3,124,000	3,124,000	3,124,000	3,124,000	3,124,000
Transfers		13,658,663	3,365,800	5,785,900	4,120,400	4,120,400	4,120,400	4,120,400	4,120,400
Total Expenditures		\$ 90,830,941	\$ 89,527,653	\$ 91,771,200	\$ 91,286,071	\$ 93,135,590	\$ 95,027,739	\$ 96,963,527	\$ 98,943,984
Reserves/Designations/Adjustments		(2,222,431)							
Proj Ending Fund Balance		\$ 22,211,703	\$ 21,036,150	\$ 21,264,850	\$ 22,942,793	\$ 23,850,009	\$ 23,963,929	\$ 23,261,373	\$ 21,718,527
Most-Realistic Projection ⁽¹⁾		\$ (500,000)	\$ (500,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)	\$ (300,000)
Proj Most Realistic Ending Fund Balance⁽¹⁾		\$ 22,211,703	\$ 21,536,150	\$ 22,264,850	\$ 23,514,093	\$ 24,721,309	\$ 25,135,229	\$ 24,732,673	\$ 23,489,827

		Estimated	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected
	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Calculation of available funds (most realistic basis)								
Ending Fund Balance - Most Realistic	\$ 22,211,703	\$ 21,536,150	\$ 22,264,850	\$ 23,514,093	\$ 24,721,309	\$ 25,135,229	\$ 24,732,673	\$ 23,489,827
120-Day Requirement 30%	\$ 27,196,883	\$ 26,708,296	\$ 25,489,710	\$ 27,295,821	\$ 27,850,677	\$ 28,418,322	\$ 28,999,058	\$ 29,593,195
90-Day Requirement 25%	\$ 22,664,069	\$ 22,256,913	\$ 21,241,425	\$ 22,746,518	\$ 23,208,897	\$ 23,681,935	\$ 24,165,882	\$ 24,660,996
75-Day Requirement 20%	\$ 18,131,256	\$ 17,805,531	\$ 16,993,140	\$ 18,197,214	\$ 18,567,118	\$ 18,945,548	\$ 19,332,705	\$ 19,728,797
60-Day Requirement 17%	\$ 15,103,336	\$ 14,832,007	\$ 14,155,286	\$ 15,158,279	\$ 15,466,409	\$ 15,781,641	\$ 16,104,144	\$ 16,434,088
54-Day Requirement 15%	\$ 13,598,442	\$ 13,354,148	\$ 12,744,855	\$ 13,647,911	\$ 13,925,338	\$ 14,209,161	\$ 14,499,529	\$ 14,796,598

(1) The "Estimated Actual" and "Year 1 Projected" expenditures assume actual expenditures will be \$500,000 less than budgeted. Future year's "Projected" expenditures reflect "Most-Realistic" Projected Ending Fund Balances, which assumes actual expenditures will be \$300,000 less than budgeted.

* Sales tax revenue is capped at \$23 million. Revenue exceeding this amount is credited to the Revenue Stabilization Fund, which is consolidated with the General Fund during the City's annual audit process.

Assumptions:

Personal Services 2.5% increase includes merit increases and a slight growth in employment due to an increasing population.



**FARMERS
BRANCH**

Financial Condition Analysis

This document is presented as of September 30, 2024 (a fiscal year-end) incorporating data from the adopted budget for the year then ended. Current and developing events and their economic impact will continue to play a role throughout fiscal year 2025-2026.

The City of Farmers Branch strives to be an accessible, accountable and transparent organization. In fulfilling our functions, we are committed to being responsive to the public and those whom we serve. As part of this commitment, we recognize that financial management is one of the most challenging responsibilities facing local governments and cities across the country are more aware than ever that they must achieve a level of fiscal health to be sustainable over the long-term.

With these goals in mind, the following Financial Condition Analysis is designed to help City officials and the public make sense of the many factors that affect fiscal health and develop quantifiable indicators that can be tracked over time. Tracking these variables will allow the City to have a better understanding of its overall financial condition and trends, which will allow the City to better serve the public and plan for the City's future.

The basic questions that all City officials must consider regarding its fiscal health are:

- Can the City continue to pay for what it is now doing?
- Are there reserves or other vehicles for financing emergencies?
- Is there enough financial flexibility to allow adjustments for change?
- Is the City adequately investing in and preparing for its future?

If a government can meet these challenges, it is in a sound financial position. If it cannot this may indicate financial problems.

BACKGROUND

This report was accomplished primarily through the use of the Financial Trends Monitoring System (FTMS) developed by the International City/County Management Association (ICMA). The ICMA system identifies and organizes the factors that affect financial condition so that they can be measured and analyzed by municipalities. It is a management tool that pulls together information from the City's budgetary and financial reports, combines it with economic and demographic data, and creates a series of financial indicators that, when plotted over time, can be used to monitor changes in financial condition and alert the government to future problems.

To further develop the City's monitoring system, staff reviewed numerous other sources of information, including procedures and indicators developed and published by Dr. Kenneth Brown of Southwest Missouri State University; procedures and indicators used throughout other states; and, information from various publications issued by the Governmental Accounting Standards Board and the North Central Texas Council of Governments (NCTCOG). Many of the financial indicators selected have been identified by ICMA, credit rating agencies, and other governmental professional associations as factors most relevant in determining the financial condition of local governments.

The City's assessment is based on the development of financial ratios and environmental trends from City financial documents as well as relevant economic and demographic data from a variety of sources. All of the data used to create this report is available to the public; data sources and where they can be found are indicated throughout the report. The ratio and trend indicators included in this section are grouped into five categories, these include:

- Community Needs and Resources Indicators
- Revenue Indicators
- Expenditure Indicators
- Operating Position Indicators
- Debt Structure Indicators

Multiple indicators are provided for each of these categories in an effort to provide a series of financial measures and demographic indicators that may help highlight issues and trends in the City's operations and provide sufficient information to analyze the City's underlying financial condition. It should be noted that individual indicators may be meaningful only when viewed in conjunction with other indicators. Accordingly, an overall organization-wide perspective is essential in obtaining a comprehensive representation of the City's financial condition.

It should also be noted that in order for financial information to be comparable over a number of years, the information must be adjusted to reflect constant dollars. More specifically, the distortion created by the effects of inflation must be removed in indicators comparing dollars to non-dollars. The Finance Department chose the base year for this report as 2004 with an index of 100. The year 2004 was selected because it was a more stable year economically as the great recession began shortly after. In other words, the effect of inflation (and deflation) since 2004 has been removed so that the dollar amounts of any year presented are comparable to 2004 dollars. Inflation adjusted schedules are noted as Constant Dollars.

Although the national economic recession ended, the economic impact of the pandemic began in 2020 creating financial and psychological hurdles for the community. Despite these hurdles, the City continues working towards re-energizing and revitalizing the community through economic incentives for new businesses and residential development.

COMMUNITY NEEDS AND RESOURCE INDICATORS

Community needs and resource indicators encompass various economic and demographic characteristics that determine the resources available to the community (i.e., revenues that can be generated within a community to finance service provision efforts) as well as the service demands that may be required by the community (i.e., demands for public safety, capital improvements, and social services). Community needs and resources are closely interrelated and affect each other in a continuous cycle of cause and effect and changes in these characteristics tend to be cumulative.

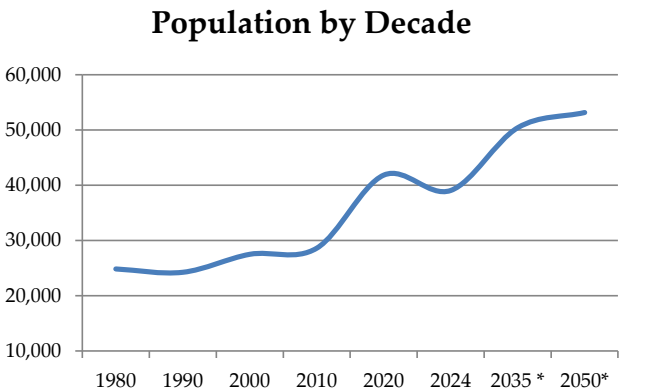
Demographics help to measure a community’s needs and resources. As populations grow, shrink or change in composition, the government’s role also changes. For example, a community with a growing population of children may need to increase recreation services or a community with a high unemployment rate may need to work on bringing new industry or educational facilities to the community. Additionally, community demographics also determine a community’s wealth and its ability to generate revenue. These indicators often provide the best “early warning” of future fiscal stress as fiscal stress is often apparent in these measures long before it is evident in financial data.

Population Change by Decade, 1980-2050

Is Farmers Branch growing? Empirical evidence indicates that changes in population can have a direct effect on a locality’s revenue because of the impact upon related issues, such as employment, income, and property value. Sudden increases in population can create immediate pressures for new capital outlays for infrastructure and for higher levels of service, particularly in the areas of public safety and culture & recreation.

A locality faced with a declining population is rarely able to reduce expenditures in the same proportion as it is losing population. Many expenditures, such as debt service and salaries, are fixed and cannot effectively be reduced in the short run. In addition, because of the interrelationship between population levels and other economic and demographic factors, a decline in population tends to have a cumulative negative effect on revenues - the further the decline, the more adverse the effect on employment, income, housing and business activity. Also, if out-migration is composed of middle-and upper-income households, then those remaining in the community are likely to be the low income and aged, who depend the most on government services.

Measurement: The official estimated population of the City is determined by the United States Census Bureau and actual results are used for Census years. Non-Census year data is derived from estimates provided via the North Central Texas Council of Governments (NCTCOG) annual Population Estimates Publication, which is also presented in the City’s audited financial statements. This forecast uses an estimated housing unit method for estimating the current year population, wherein the estimated household population equals the estimated units multiplied by an estimated occupancy rate that is then multiplied by estimated persons per occupied unit. (Regional, state and national data is obtained from entity financial reports.)



* Estimated

	2000	2005	2010	2015	2020	2024
Farmers Branch	27,508	27,595	28,616	30,350	35,985	39,070
Dallas County	2,062,100	2,330,050	2,368,139	2,518,638	2,635,516	2,606,358
Texas	20,946,000	22,897,000	25,245,717	27,345,000	29,146,000	30,618,000
United States	282,217,000	296,460,000	309,347,057	320,742,673	331,449,281	340,110,988

Financial Condition Analysis

The City also measures its daytime population, which is currently estimated at 61,214 per the NCTCOG 2023 *Daytime Population (5-Year ACS)* publication. The most current NCTCOG demographic forecast estimates a population of 50,430 in the year 2035 and an estimated population of 53,187 in the year 2050. Long-range forecasting is inherently subject to error due to the uncertainty associated with an extended timeframe and the inability to accurately account for unforeseen events. Indeed, modeling is necessary precisely because the future is unknowable. The demographic forecasting model provided by NCTCOG is informed by substantial information about historical development patterns and permissible future activities. The goal is to allocate given levels of activity in such a way that the resulting development pattern is both reasonable and likely given current, known circumstances. There is no pretense that the NCTCOG demographic forecasting model will accurately predict all levels of activity for all areas.

Warning Signs: A stable trend is a positive sign for a municipality. An increasing population is generally considered positive as long as the City is prepared to take on the added service responsibilities. However, rapid increases or decreases could have a pronounced negative effect on a community as timely reaction to extreme and sudden change can be difficult and may require additional services to compensate for the negative social and demographic effects of the rapid change. The City has been actively preparing for the growth that it is currently experiencing.

Analysis: Positive Trend. The City’s population has been increasing at a sustainable pace over the past two decades. The City anticipates a continuation of this sustained pace of growth in population over the next couple of decades. Land availability for residential development in the community has been limited, however, development on the Westside of the City has been a key initiative for the City. Additionally, the City has been taking aggressive steps toward attracting new business and industry, jumpstarting housing development, and creating facilities that make Farmers Branch an attractive choice when choosing a home. The City is also working on branding and marketing initiatives so that more people know about the great things in the City. It is estimated that the City’s population will increase slowly to an estimated 50,430 in 2035 and an estimated 53,187 in 2050 based on the *2050 NCTCOG Demographic Forecast for City’s*, which includes population estimates for 2035 and 2050 as well as total employment estimates. (Note: The US Census Bureau subsequently lowered their original 2020 population estimate in July 2021.)

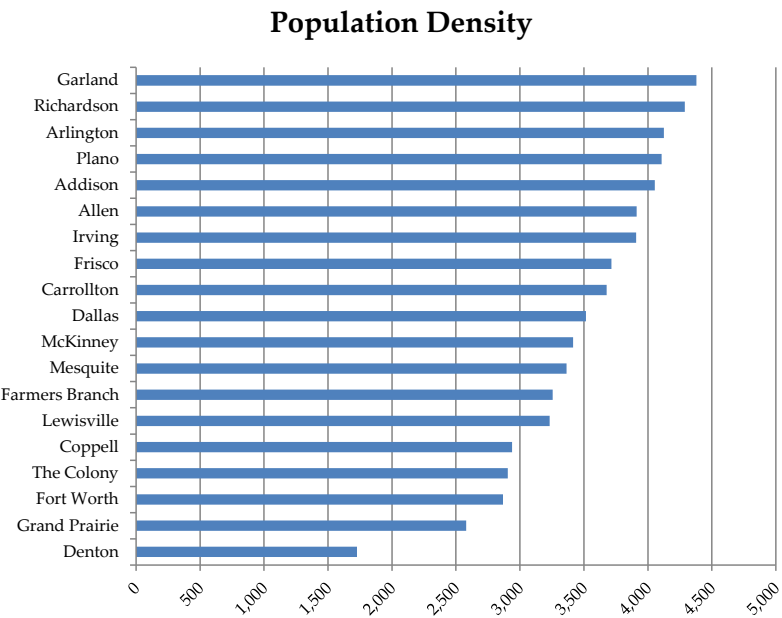
Population Density (Population per Square Mile)

How large is the City’s coverage area? Population density or population per square mile is one condition that affects the cost of providing public services. A City with compact boundaries and high population density can provide street maintenance and fire and police protection for less cost per household than if that same population is spread out over twice as much land area. Extremely high densities often lead to higher costs as well, a function of the extra burden of social problems in densely populated central cities.

Measurement: Area cities population divided by area cities jurisdiction area in square miles. (Source: North Central Texas Council of Governments (NCTCOG) *Population Estimates as of January 2024*)

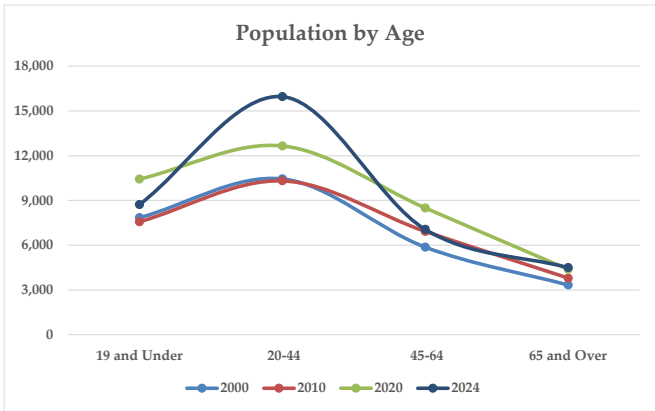
Warning Signs: Decreasing population density.

Analysis: Information Trend. With approximately 57% of the General Fund budget dedicated to fire, police and public works, exploiting ways to export costs and import revenues from non-residents is essential for long-term fiscal stability. Compared to peer cities, Farmers Branch has fewer residents to pay for roads and police and fire protection.



Population by Age

Who is living in Farmers Branch? Taking a closer look at who comprises Farmers Branch’s population allows the City to see what areas of the population are growing or shrinking. From a financial standpoint, this indicator helps to measure the level of current and future needs of the community.



Census	Population	Under 20	20-44	45-64	Over 64
2000	27,508	7,847	10,446	5,876	3,339
2010	28,616	7,571	10,317	6,929	3,799
2020	35,991	10,437	12,660	8,503	4,391

recreation, educational, after-school or library programs. As this segment of the population grows, the City will have to grow these amenities, which will cost money.

Conversely, an aging population, may require additional services as well. This could cost the City in the expense of an expanded senior center, additional public transportation needs, etc. The City should also prepare by making sure adequate housing is available for an aging population.

Personal Income Per Capita

How much do families have to spend? Personal income per capita is an important variable to measure because it gives an indication of how much money residents will be able to spend in the community. If income is declining, for example, sales tax is also likely to decline. Generally, the higher the per capita income, the more property taxes and sales taxes the City can generate. If income is distributed evenly, a higher per capita income may mean a lower dependency on governmental services, depending on the mix of services provided. Credit rating firms use per capita income as an important measure of the health of the local economy.

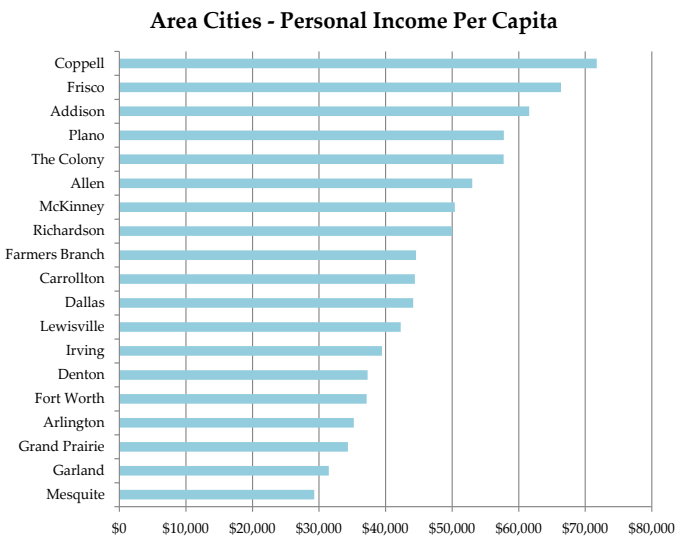
Having a higher income will make Farmers Branch a more competitive location for attracting restaurants and retail businesses, and will come back to the City in higher property taxes (from people building, buying and improving homes) and higher sales taxes (from people spending more within the City). As the City works to build its local economy and grow employment opportunities, it also needs to work to be a desirable location for families to live so that the City can attract and retain higher-income households. Services and capital infrastructure may need to be evaluated and upgraded, and adequate housing stock must be available for middle-to-upper income households.

Measurement: Population levels divided by population. (Source: US Census Bureau)

Warning Signs: Increasing percentage of population under 18 or over 64.

Analysis: **Positive Trend.** From 2000 to 2020, the division of Farmers Branch’s population has been fairly stable. The most notable change, when factoring changes in overall population, is the increase in growth in the number of individuals in all age ranges from 2010 to 2020. The estimated population for 2024 reflects a reduction in the Under 20 and 45-64 Age groups, while the 20-44 group reflects an increase of approximately 10%.

Changes in population may require different and perhaps additional services. Attracting young families to the area may require updated playground and park facilities or additional



Source: US Census Bureau

Financial Condition Analysis

Measurement: Personal income per capita is provided by the U.S. Census Bureau, which has a one-year lag. This information is also presented in the City’s Annual Comprehensive Financial Report.

Warning Signs: A decline in per capita income results in a loss of consumer purchasing power and can provide advance notice that businesses, especially in the retail sector, will suffer a decline that can ripple through the rest of the local economy.

Analysis: Positive Trend. At \$44,577, the City’s per capita income is slightly higher than national (\$43,289), state (\$39,446) and county (\$41,272) levels. Income indicators are important for the City because of their relationship to sales tax, one of the City’s largest single sources of revenue. The current median household income is \$87,702.

Percent of Poverty Families

Is our proportion of poverty families growing? This indicator measures the percentage of families in the community with a total income that falls below the poverty line established by the Federal Government. Communities with a significant percentage of poverty families face difficulties due to an inability to generate resources combined with a high demand for municipal and social services.

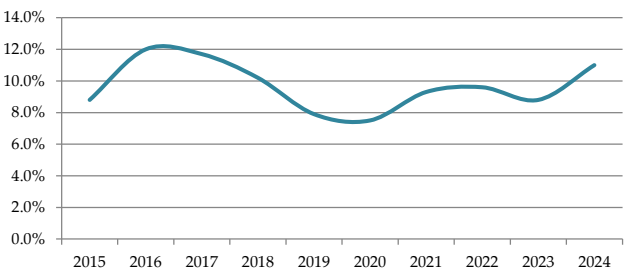
Measurement: Percent of poverty families is provided by the U.S. Census Bureau’s American Community Survey – 5 Year Estimates.

Warning Signs: The lower this number - the better, both in terms of the ability to generate resources and in terms of the services needed by the community.

An increasing trend can signal a future increase in the level and unit cost of some services because poverty exacerbates issues related to public safety and numerous other community dynamics. An increasing trend is a signal that the City may face future additional service demands as more families cope with the problems associated with financial stress combined with fewer resources that can be generated by the community for municipal service provision efforts.

Analysis: Monitor Trend. The City has very few families below the poverty line when compared to regional and state levels. The percentage of families below poverty in the community peaked in 2016 to 12%, but was still below national, regional and state levels. As with measures of personal income, if the trend of more families below poverty continues to increase it could signal future increases in the level and demands for municipal services.

Percent of Families Below Poverty Level

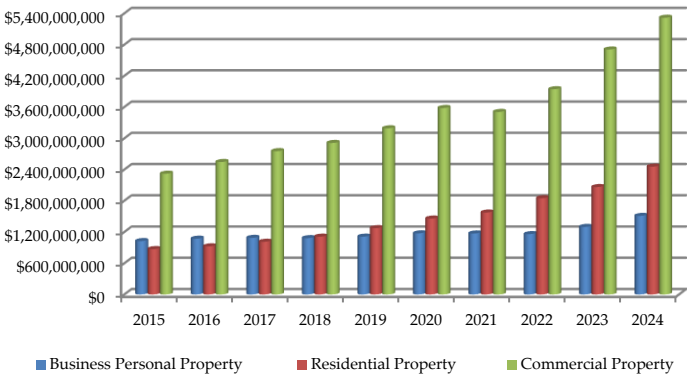


	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Farmers Branch	8.8%	12.0%	11.7%	10.2%	7.9%	7.5%	9.3%	9.6%	8.8%	11.0%
Dallas County	16.4%	17.9%	16.3%	17.7%	14.2%	14.0%	13.7%	14.4%	14.2%	13.8%
Texas	13.6%	15.9%	15.6%	16.0%	14.9%	13.6%	13.4%	14.2%	14.0%	13.7%
United States	11.6%	13.5%	14.0%	14.6%	11.8%	10.5%	11.4%	11.6%	11.5%	11.1%

Taxable Assessed Valuation Per Capita (Constant Dollars)

How much is Farmers Branch’s property worth? Changes in property value are important to track because local governments depend on property taxes for a substantial portion of revenue. For example, fiscal year-end 2024 property tax revenue represented 49.73% of the City’s General Fund revenues. If property assessments dip, the government feels the effects in the budget. Property value is an important indicator of the health of the local economy and reflects the overall strength of a community’s real estate market. This market, in turn, reflects the strength of a city as a whole.

Real & Business Personal Property Values



Property values are also an important indicator of a community’s ability to generate resources for core municipal services such as public safety and streets. Positive changes (growth) in the assessed value of a municipality indicate that property values in the

Financial Condition Analysis

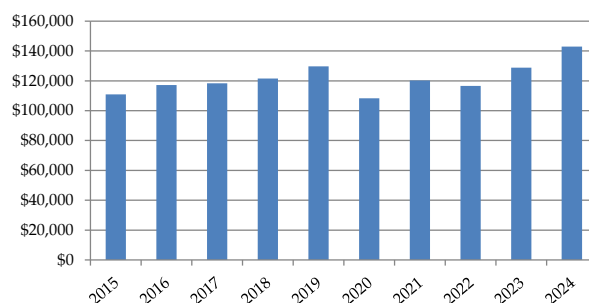
community are continuing to increase and is also indicative of a healthy community that is an attractive place to live and do business (population increases and economic growth can increase property values as demand drives prices up). Declining property values are often a symptom, rather than a cause, of other underlying problems. Fluctuations in property values is important because most cities depend on property taxes as a substantial portion of their revenue base. Credit rating agencies review the property tax base to assess the financial health and debt capacity of a city.

Measurement: The assessed value of the City is adjusted annually by the Dallas Central Appraisal District for properties located in Dallas County. Properties in the City are assessed at 100% of the market value. The City is notified of the assessed value of properties within the City in late July each year and bills residents the following October. This indicator is measured by dividing the City's assessed value, adjusted for inflation, by the population. (Source: *City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: A plateau or drop in the taxable assessed value tends to indicate a lowering of demand for real estate located in the City. Such a decline in property value is a warning trend, as it is most likely a symptom of other underlying problems. This would be a prime indicator of economic and social challenges in the future.

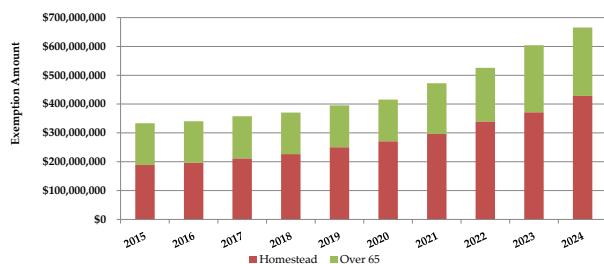
Analysis: Positive Trend. Assessed valuation per capita, in constant dollars, is improving. Farmers Branch remains a desirable place to live and operate a business. The decline in 2020 is a direct result of a high census population estimate provided by the US Census Bureau, which was later adjusted from 41,848 to 36,570.

Assessed Valuation Per Capita
(Constant Dollars)

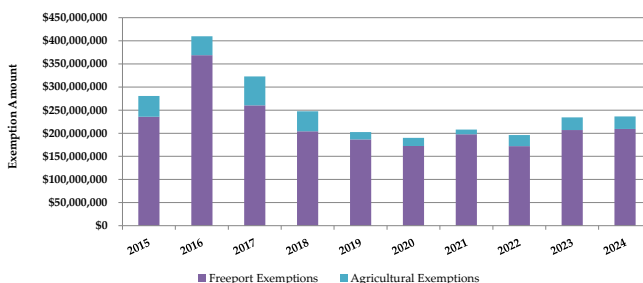


Farmers Branch's access to the DART rail, two major interstates, and the George Bush, Sam Rayburn and Dallas North Tollways, make it an attractive location for many businesses. Over the past several years, the City has been working diligently to spur retail development, increase marketing efforts to attract new residents, and develop housing initiatives to help spur the development of new homes and multi-family housing. The best way to protect property value is to grow the community's population; by continuing to aggressively pursue economic development, gaining new retail establishments, filling empty building spaces, building new homes, and marketing our community, the City is working to continually improve property values in the City.

Property Tax Exemptions
Residential



Property Tax Exemptions
Commercial



Top Ten Taxpayers

Is the City too reliant on a few major taxpayers? This indicator measures the concentration of property values in the community and helps to analyze the vulnerability of the economic base to the fortunes of a few taxpayers. Credit rating agencies use this information to determine the degree of concentration, wherein the leading taxpayers are profiled and assessed for their direct and indirect effects on the economy.

Measurement: Total assessed value for top ten taxpayers divided by total assessed valuation. (Source: *Dallas County*)

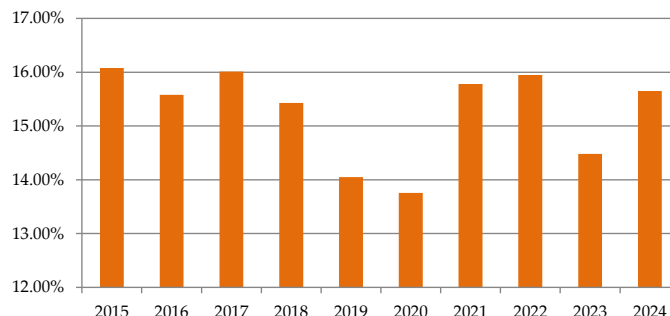
Warning Signs: High percentage or increasing percentage of overall assessed valuation owned by a few taxpayers. It is often cause for concern if the top five taxpayers of a city hold more than 20% of the community's total valuation.

Financial Condition Analysis

Top Ten Taxpayers

Name of Taxpayer	Nature of Property	Taxable Value	% of Total Taxable Assessed Valuation
Southern Glazers Wine and Spirits	Spirit and Wine Distribution	\$ 199,162,980	2.15%
JDFW Boardwalk LLC	Real Estate Development	193,000,000	2.08%
WRIA 2017 2 LP	Real Estate Development	190,704,030	2.05%
Luxia Gallery Homes LLC	Real Estate Development	181,500,000	1.96%
Royal TX Partners LLC	Real Estate - Office/Showroom	136,000,000	1.47%
UDR Canal LLC	Real Estate Development	125,000,000	1.35%
VAF2 Mack Lakeside LLC	Real Estate Development	113,620,000	1.22%
Mercer Acquisition LLC	Office Tower - Class A	110,000,000	1.19%
EOS Properties at Providence Towers	Office Tower - Class A	102,000,000	1.10%
Lakeview at Parkside	Apartment Complex	100,000,000	1.08%
		<u>\$ 1,450,987,010</u>	<u>15.65%</u>

Top Ten Taxpayers
as a Percentage of Assessed Value



Analysis: Positive Trend. The City publishes its top ten taxpayers in its annual audited financials. The current top ten taxpayers represent 15.65% of the total certified taxable assessed valuation; the top five taxpayers represent 9.71%. Historically, the City's top ten taxpayers have held less than 20% of the total assessed valuation. The reliance on one company (or only a few companies) is dangerous for cities because it makes a city vulnerable to any changes those taxpayers make. Farmers Branch has a relatively diversified tax base, which will help to give the City stability.

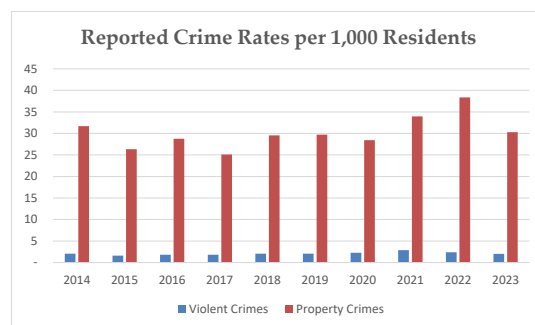
Crime Rate

Is Farmers Branch a safe place to live? Crime rate captures a negative aspect of a community that can affect its present and future economic development potential. The crime rate in the community represents the number of misdemeanor and felony offenses that occur within the corporate boundaries of the City and is strongly indicative of future demands for police and public services. The crime rate also measures demand on public services in the form of public safety expenditures. A rising crime rate, in extreme circumstances, can jeopardize the long-term health of the community by driving away existing businesses, discouraging new business, and straining the local government's budget with increased expenditures.

Measurement: The crime rate is measured by the City's National Incident Based Reports System (NIBRS) filed with the State each year and is based on a calendar year to allow for comparison with other entities. Property crimes include burglary, larceny-theft, motor vehicle theft, and arson. The violent crime category includes murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault. (Source: FBI; one year lag in data availability)

Warning Signs: An increase in the number of misdemeanor or felony offenses.

Analysis: Monitor Trend. For the reporting year 2023, the City's violent crime rate per 1,000 population is 2.02 and property crimes per 1,000 population totaled 30.27. The current crime rate in Texas is 4.7 violent crimes per 1,000 population. Additionally, the State has recently seen 28.4 property crimes per 1,000 population. Low crime rates are an indicator of the overall social and economic health of the community.



Unemployment Rate

Can Farmers Branch residents find work? The unemployment rate in the community is a traditional indicator of the relative economic health of the community. Changes in unemployment impact personal income, and are consequently a measure of, and an influence on, the community's ability to support its business sector. A high unemployment rate indicates that residents of the community will be facing financial challenges and may not be able to contribute resources towards municipal services. In addition, a high unemployment rate produces social stress in the community and among families as financial challenges for those who are unemployed mount. This social stress can increase the demand for services and may have an impact on a community's crime rate.

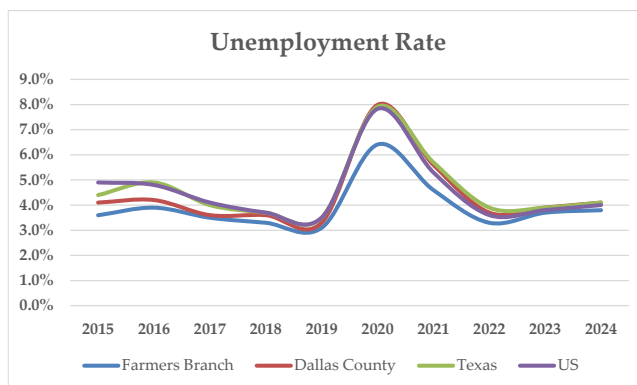
Financial Condition Analysis

A reduced percentage of employed citizens can be an early sign that overall economic activity is declining, which would likely have a negative impact on government revenues. Rising unemployment can lead to a greater need for services and a migration in population. Conversely, lower unemployment rates can bring a population influx, reduce the need for services and bring an increase in revenues. Credit rating agencies consider the employment base the primary measure of a City's ability to attract future economic growth and viability.

Measurement: The unemployment rate is measured by the Texas Workforce Commission. (Values are as of September each year.)

Warning Signs: A sustained increase in the unemployment rate that is not reflective of the trends in the national or regional economy may indicate that residents of the community have lost some competitiveness in comparison to residents of the DFW Metropolitan Area. An unemployment rate that is higher than state or national averages may indicate that residents of the community are facing difficulties in comparison to overall averages. Increasing unemployment is a sign of a weak economy.

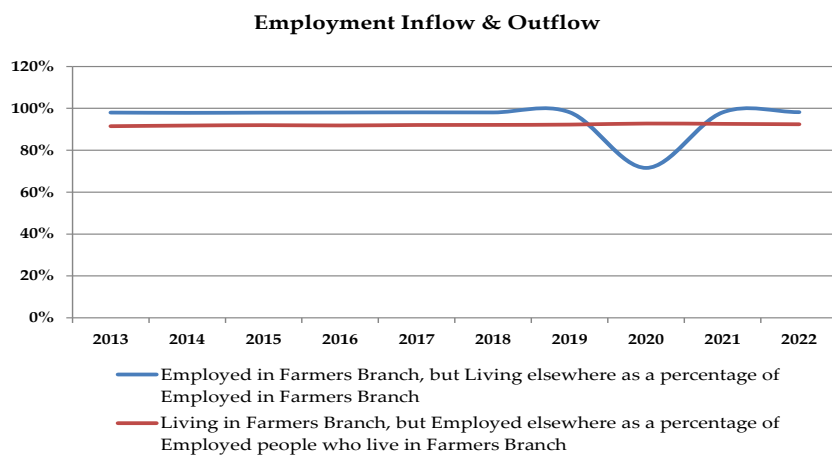
Analysis: Monitor Trend. The effects of the nationwide recession from the COVID-19 pandemic are clearly seen in the unemployment rate, with unemployment climbing to 6.4% in 2020, before beginning to decline as the community began to recover and more businesses moved into the area. The City's unemployment rate, in the 10-year period represented, reflects a high of 6.4% in 2020 and a low of 3.1% in 2019. The current unemployment rate of 3.8% is slightly lower than regional and national averages (4.1%, and 4.0% respectively), but reflects a slowing economy. Residents have been affected by the economic turbulence of the last few years. Reducing the unemployment rate will increase the health of the community and the financial condition of the City, because people will be more able to buy homes and will have more expendable income, which will help generate additional property and sales tax revenues for the City.



Unemployment Rate	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Farmers Branch	3.6%	3.9%	3.5%	3.3%	3.1%	6.4%	4.6%	3.3%	3.7%	3.8%
Dallas County	4.1%	4.2%	3.6%	3.6%	3.3%	8.0%	5.6%	3.7%	3.9%	4.1%
Texas	4.4%	4.9%	4.0%	3.7%	3.5%	7.9%	5.7%	3.9%	3.9%	4.1%
US	4.9%	4.8%	4.1%	3.7%	3.5%	7.8%	5.3%	3.6%	3.8%	4.0%

Employment Inflow and Outflow

How many commuters does Farmers Branch have? Employment inflow and outflow is the measurement of people who commute into Farmers Branch to work and people who live in Farmers Branch, but commute out to another city to work. Farmers Branch's proximity to Dallas and Fort Worth naturally creates a fairly large population of individuals who either commute from or commute to the metroplex.



Measurement: The inflow and outflow of commuters is measured by U.S. Census on the Map (onthemap.ces.census.gov). Data for this measurement has a two-year delay.

Warning Signs: A growing percentage of the workforce choosing to live in Farmers Branch and work elsewhere and/or a declining percentage of those employed in Farmers Branch who choose to live elsewhere are both positive trends.

Financial Condition Analysis

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Employed in Farmers Branch	57,970	59,146	62,441	67,396	69,624	69,328	71,796	66,231	72,932	74,253
Employed in Farmers Branch, but Living elsewhere	56,790	57,866	61,153	66,051	68,279	67,962	70,433	47,401	71,517	72,886
Employed in Farmers Branch, but Living elsewhere as a percentage of Employed in Farmers Branch	97.96%	97.84%	97.94%	98.00%	98.07%	98.03%	98.10%	71.57%	98.06%	98.16%
Employed people who live in Farmers Branch	13,830	15,562	16,021	16,424	16,896	17,245	17,554	18,830	19,076	17,971
Living in Farmers Branch, but Employed elsewhere	12,650	14,282	14,733	15,079	15,551	15,879	16,191	17,463	17,661	16,604
Living in Farmers Branch, but Employed elsewhere as a percentage of Employed people who live in Farmers Branch	91.47%	91.77%	91.96%	91.81%	92.04%	92.08%	92.24%	92.74%	92.58%	92.39%
Living and Employed in Farmers Branch	1,180	1,280	1,288	1,345	1,345	1,366	1,363	1,367	1,415	1,367

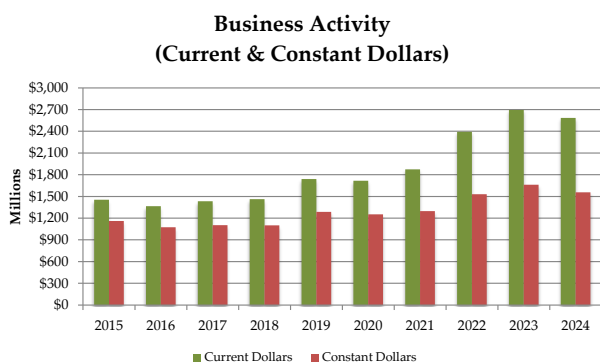
Analysis: Monitor Trend. Farmers Branch has a high level of commuters, with many people commuting into Farmers Branch to work, and many commuting out of Farmers Branch to other cities. As the graph indicates, 98% of people who work in Farmers Branch do not live in Farmers Branch. This rate declined in 2020 from a reasonably stable rate of 98%, with the majority of the City's workforce commuting into town. This declining percentage is a good sign because people who work here are choosing to live here. However, this also shows that there is a relatively large population the City can market to as new housing subdivisions and/or multi-family housing is developed, and new housing opportunities emerge. The percentage of people living in Farmers Branch and commuting out of the community is also high, with close to 93% of Farmers Branch workers commuting out.

Business Activity

How healthy is our local economy? Business activity in the community provides a measure of the economic health of the community. The level of business activity affects a locality's financial condition in two ways. First, it directly affects revenue yields as sales taxes and gross receipts taxes are products of business activity. In a thriving community, business activity is vibrant as residents spend their disposable income in the community. Second, the effect of these indicators may be indirect to the extent that a change in business activity affects other demographic and economic areas such as employment base, personal income or property values. A decline in business activity may be an indicator of either a poor business environment in the City and/or a decline in the disposable income of residents and will tend to have a negative impact on employment base, personal income and/or commercial property values. This in turn can cause a decline in local revenues generated by businesses.

Measurement: Business activity is measured by the receipt of sales tax by the City. The City receives 1% of the retail sale of goods and services in the City. By dividing the City's sales tax receipts by 1%, the total amount of goods and services sold at retail in the City can be measured. This indicator is measured in both current and constant (adjusted for inflation) dollars. (Source: Texas State Comptroller)

Warning Signs: Drops in the total amount of goods and services sold at retail in the City; this is an especially important indicator if the drops are not reflective of trends in the regional, state or national economies.



Analysis: Positive Trend. Retail sales, in constant dollars, increased from \$1,161 billion in 2015 to \$1,555 billion in 2024. The average annual retail sales increased (after the effect of inflation is removed) by 4.32%. In 2020, retail sales started to show the effect of a slowing economy brought on by the pandemic with a 1.41% decrease in 2019 (current dollars). Beginning in 2022, the City hired a sales tax consulting firm to audit local business sales tax receipts to ensure the proper allocation to the City. This initiative, in part, resulted in an increase in sales tax revenue received by the State Comptroller in 2022 (27.7%) and 2023 (12.61%) as errors in sales tax allocations were corrected. Most of these corrections were a result of businesses relocating to the City that had not updated their sales

tax permits or software allocation codes to remit tax from retail sales to the proper entity. When these corrections are identified, the State may go back four years to correct the allocations; therefore, it is not reasonable to expect such significant increases going forward.

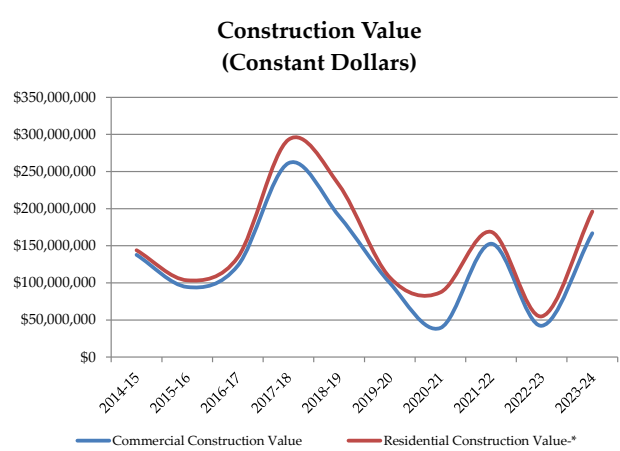
Financial Condition Analysis

Construction Value

Is Farmers Branch growing? Construction value is an important measure of, and leading indicator for, economic activity. If commercial and residential growths are occurring, other revenue sources will grow positively as well.

Measurement: Construction activity is measured by the City’s Community Services Department.

Warning Signs: Declining constant dollar construction.



Analysis: **Monitor Trend.** Residential and commercial new construction, in constant dollars, while erratic from year to year, does reveal a steady increase from 2014-15 through 2017-18. The new commercial construction market dramatically rebounded in 2014-15, resulting from a surge in mixed-use and multi-family developments, while residential construction represented a slight decline in activity. An increase in permit fees took place in 2017-18. Decrease in commercial construction in 2018-2019 signaled the completion of Mustang Station. A declining trend in both commercial and residential construction activity was also anticipated with the completion of expansion on the City’s west side. Construction was adversely affected in 2019-2020 by the pandemic, which also impacted 2020-2021 due to a shortage of construction supplies as well as increased costs for both material and labor. Construction activity is currently increasing and has exceeded 2014-15 levels.

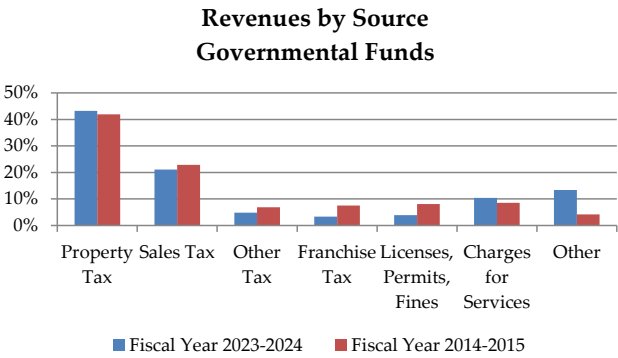
REVENUE INDICATORS

These indicators analyze the capacity of a municipal government to provide services and highlight the growth, flexibility, elasticity, dependability, and diversity of the City’s revenue base. Tracking revenues is important so that the City can effectively plan how it will maintain, expand or reduce service levels.

Revenues by Source

Where does the City’s money come from? The trend and distribution of revenues can be used to analyze the City’s capacity to provide services. Revenues should be free from spending restrictions to allow adjustments to changing conditions. They should be balanced between sources that fluctuate with the economy (elastic) and sources that do not (inelastic) to mitigate the effect of economic growth and decline. Revenue sources should also be diversified so they are not overly dependent on one sector or one tax base, or external funding sources (such as federal grants).

It is desirable to have a balance between elastic and inelastic revenues to limit the impact of sudden fluctuations in the tax base or inflation. However, during inflationary periods, it is helpful to have a higher percentage of elastic revenues. As inflationary pressures drive up the cost of doing business, the same pressures will increase the City’s revenues, thus offsetting the expenditure increase. These same elastic revenues will work against the City in periods of slow growth or recession; thus, inelastic revenues such as user fees will be more beneficial. The majority of the City’s elastic revenues come from sales tax and license and permit revenues.



Measurement: Governmental Fund revenues are detailed in the statistical section of the City’s Annual Comprehensive Financial Report. Major revenue sources are displayed both in current and constant, inflation adjusted, dollars.

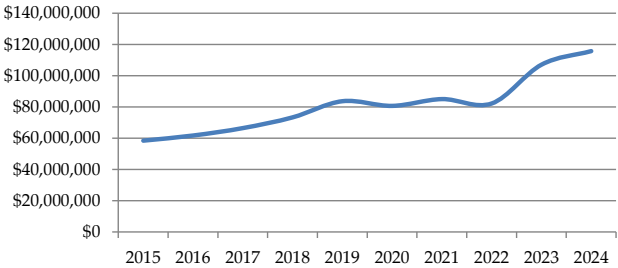
Warning Signs: An imbalance between elastic (e.g. sales tax, licenses & permits) and inelastic (e.g. property tax) revenues.

Financial Condition Analysis

Analysis: Monitor Trend. The City strives to maintain a diversification of revenue sources, balancing elastic and inelastic revenue sources, particularly in the General Fund, while recognizing that cyclical, sectorial and population shifts could impact revenue diversification. Although Farmers Branch is a very stable community, macroeconomic trends such as inflation, unemployment, and, in particular, retail sales, do affect the City's financial condition. Other independent variables such as weather also affect collections of certain revenues.

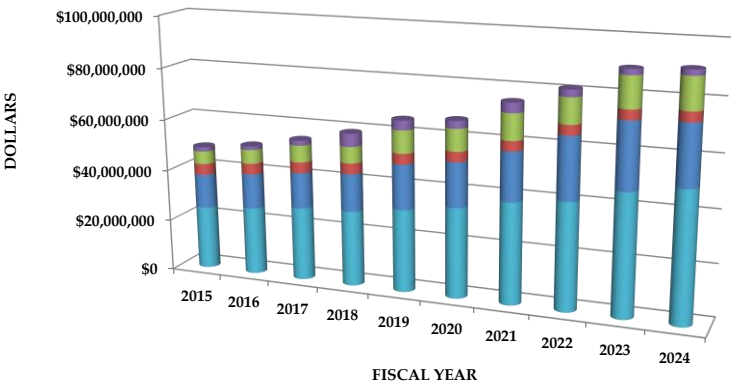
Property tax and sales and use tax collections continue to be the most important sources of revenues in the City's diversified revenue base. Property taxes are relatively low and a majority of other revenues are partially paid by non-residents using City services, easing the overall burden on the City's taxpayers. The pandemic had the largest effect on hotel/motel tax revenue which dropped from \$3.1 million in 2019 to \$1.6 million in 2021.

Total Revenues
Governmental Funds



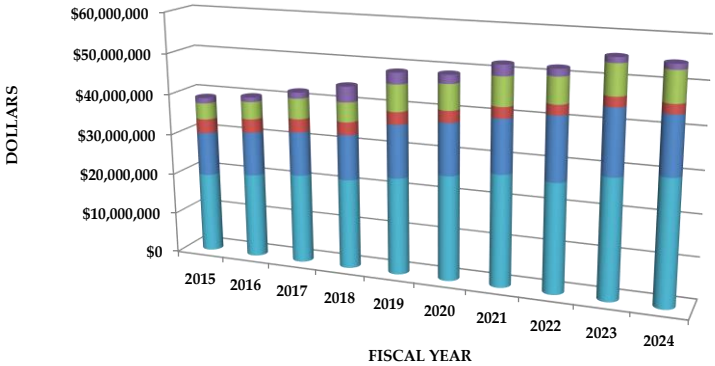
Revenues Per Capita, Constant Dollars, General Fund (Including & Excluding Tax Supported Debt Service)

Major Revenue Sources - General Fund
(Current Dollars)



■ Property Tax ■ Sales Tax ■ Franchise Fees ■ Charges for Service ■ Licenses & Permits

Major Revenue Sources - General Fund
(Constant Dollars)



■ Property Tax ■ Sales Tax ■ Franchise Fees ■ Charges for Service ■ Licenses & Permits

Are revenues changing in accordance with the population? Revenues per capita measures the change in General Fund operating revenues, both including and excluding property tax revenue allocated to fund debt service, relative to changes in population size over time. Theoretically, as the population increases, the total amount of service provided must increase in order to maintain the same amount of service per capita. To allow for this increase in service, revenues must increase as well. A decrease in revenues per capita should signal the need to find new revenue sources or develop cost-cutting strategies to get more mileage out of the existing revenues.

Revenues should grow enough each year to offset those factors which increase service costs: inflation and population growth. Revenue growth to cover capital improvements is also especially important. Historically, General Fund revenues have been the largest portion of Capital Improvement Program funding. Ideally, real per capita revenues should remain constant over time. Declining real per capita revenues indicate a warning trend and may reflect a weak local economy, high tax delinquencies or a reliance on revenues that do not grow with the economy. Real per capita revenues that are increasing may also be a warning trend if the increases reflect non-recurring revenues, increasing tax burdens or expenditure pressures from new development.

Measurement: This ratio is measured by dividing General Fund operating revenues and property tax revenue allocated to fund

Financial Condition Analysis

debt service [including debt service] by the City's population. These figures are then adjusted for inflation to reflect constant dollars. (Source: City of Farmers Branch Annual Comprehensive Financial Report)

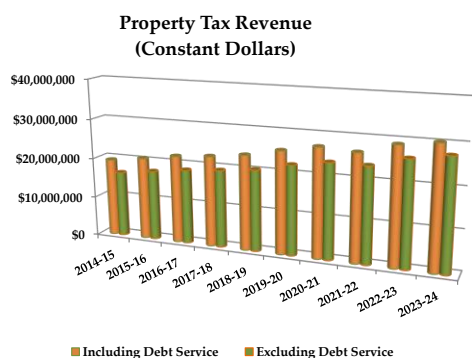
Warning Signs: A declining trend would indicate that the City's revenue base is declining on a per resident basis and may indicate that the City will not be able to maintain its current level of services due to a decline in the resources available to support those services.

Analysis: Monitor Trend. As demonstrated in the graph, City revenues (excluding debt service) per capita adjusted for inflation (constant dollars) have decreased from a high of \$1,477 per resident in 2018-19 (pre-pandemic) to an estimated \$1,423 per resident in 2023-24. When including debt service, constant dollar revenue per capita decreased from \$1,583 in 2018-19 (pre-pandemic) to \$1,492 in 2023-24.

Although total City revenues have increased throughout most of the reporting period, once the effect of inflation and population increases are factored in, actual City revenues are not keeping pace with the increase in demand for services and the cost for those services. This is indicative of the economic challenges the City faces as the receipt of elastic revenues, especially sales tax, has been significantly reduced on a per capita basis when compared to the late 1990's and early 2000's. An overall flattening of revenues is a trend that would require close monitoring.

Property Tax Revenues in Constant Dollars, General Fund (Including & Excluding Tax Supported Debt Service)

How healthy is Farmers Branch's local economy? Measuring property tax revenue provides an indicator of the expansion in the City's resource base and its ability to maintain or improve upon the services it provides to residents. In addition, this statistic provides information about the City's ability to maintain and invest in the capital infrastructure in the community (i.e., streets, sidewalks, streetlights, sewers, bikeways, etc.). The City relies substantially on property tax revenue for the yearly budget. Frequent or increasing declines in property tax revenue can provide a warning that the City may have to cut programs and services in the future if the trend does not reverse.



Measurement: This ratio is measured by summing General Fund and Debt Service Fund property tax revenue for the past ten years and adjusting to reflect constant, inflation adjusted, dollars. (Source: City of Farmers Branch Annual Comprehensive Financial Report)

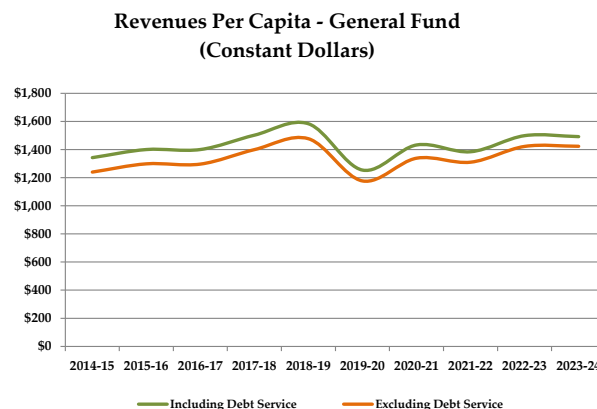
Warning Signs: A decrease in property tax revenues in constant dollars would indicate that the City's ability to maintain governmental services and invest in capital infrastructure in the community is eroding.

Analysis: Positive Trend. Property tax revenue has continued steady growth due in large part to development on the City's west side. Expiring

tax abatement agreements have also helped to mitigate a substantial increase in totally exempt parcels. As the City continues bringing in new housing development, it is anticipated that this trend will continue.

Sales Tax Revenue Per Capita, Current and Constant Dollars, General Fund

How healthy is Farmers Branch's local economy? Changes in economic conditions are evident in terms of changes in sales tax collections. When consumer confidence is high, people spend more on goods and services and local governments benefit through increases in sales tax collections. Prior to the recession, consumer spending was fueled by a stronger real estate market that provided additional wealth to homeowners. The struggling economy and the declining real estate market have reduced consumer confidence, resulting in less consumer spending and declining sales tax revenues nationwide.

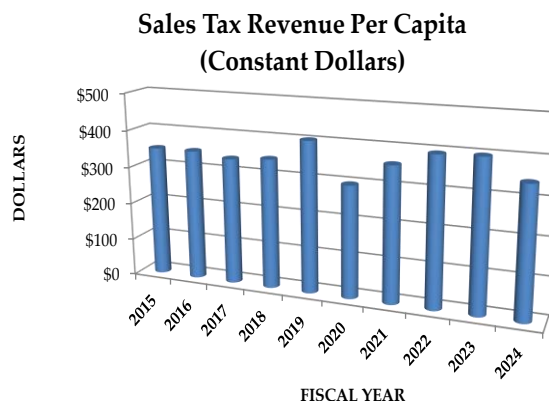
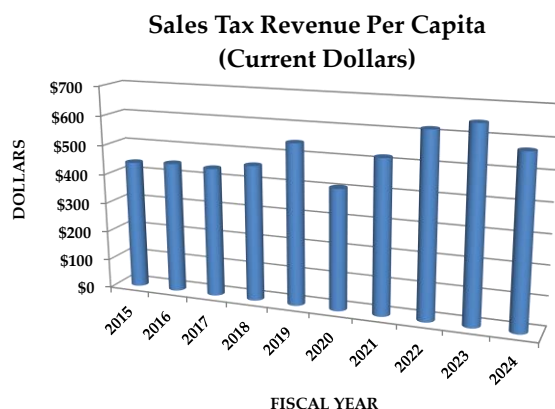


Financial Condition Analysis

Sales tax is also affected by overall labor market conditions. If consumers have uncertainty in their employment, they are likely to reduce their spending. Although the City receives a portion of its sales tax from tourists, economic conditions in the areas from which the tourist come can also impact sales taxes received by the City.

Measurement: This ratio is measured by dividing General Fund sales tax revenue by the population. Sales tax revenue is measured in both current dollars and constant, inflation adjusted, dollars. (Source: *City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: A decline or negative growth in sales and use tax revenue.



Analysis: Monitor Trend. Sales tax is a significant General Fund revenue source and makes up the second largest revenue source for the City, representing an average of 26% of actual operating revenues. In constant dollars, adjusted to a 2004 basis, sales tax revenue shows only slight changes until the recession. Sales tax revenue has begun rebounding since the recession showing a gradual increase in both current and constant dollars from 2020 through 2023. Sales tax revenue per capita was projected to decrease in 2024 due to sales tax audits in both 2022 and 2023, which resulted in a significant increase in sales tax allocations to the City. Going forward, the City is expecting sales tax revenue to flatten as revenue from existing businesses is expected to rise, but will be offset by the beginning of a retention incentive rebate for the City's largest taxpayers and an increasing population base. Sales tax is a key factor to watch moving forward because it is representative of the health of the local economy. (Note: Growth in sales tax beginning in 2022 was primarily a result of a sales tax audit to correct business allocations that should have been remitted to the City. The "look-back" period for this audit was for four years.)

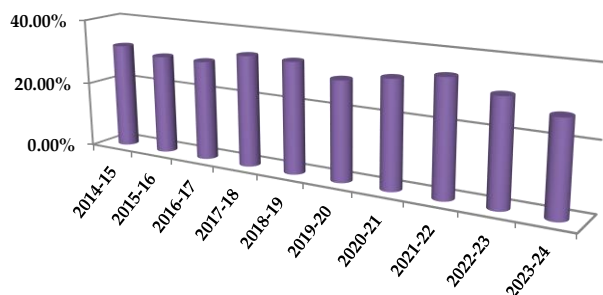
Elastic Revenues as a Percentage of Total Revenues, General Fund

Are the City's revenues diversified? Elastic revenues, such as sales tax, are defined as those revenue sources that are highly responsive to changes in the economic base and inflation. Elastic revenues expand or contract readily in response to national and regional economic trends. Elastic revenue as a percent of total revenue is an important indicator of the City's reliance on volatile revenue sources that may contract rapidly in response to a decline in economic activity. Credit rating agencies believe that diverse revenue sources strengthen financial performance.

Measurement: This ratio is measured by dividing General Fund elastic revenue sources (the major elastic revenue sources include sales tax and permits/fees) by General Fund operating revenues. (Source: *City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: The goal of the City should be to maintain a stable balance between elastic and inelastic revenues to mitigate the effects of economic growth or decline. An increase in the percentage of elastic revenue sources as a portion of total revenues means the City is becoming more reliant on volatile revenue sources that may contract suddenly. A decrease in the percentage of elastic revenue sources as a portion of total revenues may indicate financial stress if the decrease is in response to economic events. A decrease may also indicate a structural decline in the City's elastic revenue sources and this would mean that the City is becoming more dependent on inelastic revenues. An enhanced reliance on inelastic revenues can be detrimental because they do not expand rapidly in response to economic events and this decreases the City's ability to offset increasing operating costs in times of economic inflation.

**Elastic Revenue
% of Total Revenue**



Analysis: Monitor Trend. Elastic revenues as a percentage of total revenues reflect a decline in 2019-20 as a direct result of the pandemic, but began increasing in 2020 as economic conditions began to show signs of improvement. It should also be noted that the Internal Revenue Service began sending Economic Impact Payments (stimulus checks) during the COVID 19 pandemic. The first round of stimulus checks began in March 2020, the second in December 2020, and the third in March 2021. The third round was part of the American Rescue Plan Act, with payments authorized up to \$1,400 per eligible individual and dependent.

Values reported for 2022 and 2023 are skewed due to the result of sales tax audits that resulted in sales tax reallocations to the City for up to a period of four years. The effect of the sales tax reallocation began normalizing in 2024, but building permit

activity began declining as construction activity on the City's west side began to slow down, which was expected. An average rating for this ratio is appropriate as the City has maintained a relatively stable range of approximately 31.24% throughout the ten-year period analyzed. The fluctuation in elastic revenues has not had a negative impact.

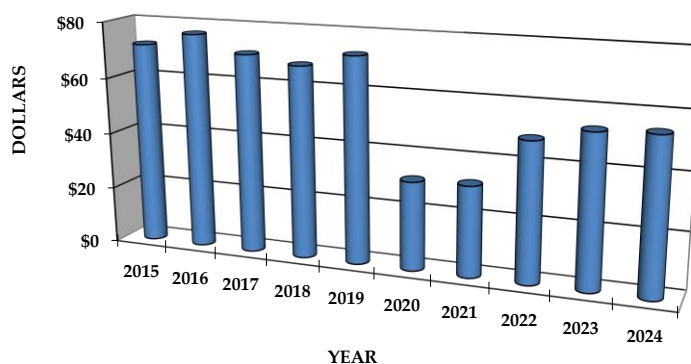
Hotel (Transient) Occupancy Tax Revenue Per Capita, Governmental Funds – Special Revenue Funds

How healthy is Farmers Branch's local economy? Hotel occupancy tax (or "transient occupancy tax") revenue per capita is an important indicator of the City's Hotel/Motel Fund revenue sources. While State law restricts use of the transient occupancy tax, the funds benefit attracting tourism and quality of life. Transient occupancy tax has a direct correlation to increases in sales tax as visitors come to Farmers Branch, stay in Farmers Branch hotels, shop at Farmers Branch businesses, and dine in Farmers Branch restaurants. Tourism and transient occupancy tax means people outside the area supplement and complement our quality of life by leaving tax dollars in the local economy.

Measurement: This ratio is measured by dividing total transient (hotel) occupancy tax revenue by the population and adjusting to reflect constant, inflation adjusted, dollars. (Source: City of Farmers Branch Annual Comprehensive Financial Report)

Warning Signs: A decrease in transient occupancy tax revenue per capita may affect the ability to attract regional, state and national events and result in a loss of economic competitiveness, which potentially could undermine the City's ability to meet changing service needs.

**Transient Occupancy Tax Revenue
Revenues Per Capita
(Constant Dollars)**



Analysis: Stable Trend. In the years following the recession, both state and local governments saw plummeting tax revenues from almost all sources. Most cities planned for the 2015 fiscal year conservatively, rather than relying on a rebounding local economy. However, in 2015 both sales tax revenue and transient occupancy tax revenues reflected positive growth for the City and an increase in the number of visitors to local hotels. In 2020 and 2021, the hotel industry was hit hard by the global pandemic due to State mandated restrictions. On February 23, 2021, restaurants and other businesses could increase their operating capacity from 50% to 75% since the percentage of hospital beds devoted to the COVID-19 pandemic in the State remained below 15% for seven consecutive days. On March 2, 2021, Governor Greg Abbott issued an order ending the statewide mask mandate and allowed all businesses to open at 100% capacity beginning March 10, 2021. This revenue source is starting to normalize, but is hard to see due to a 31% increase in population estimates during the period covered.

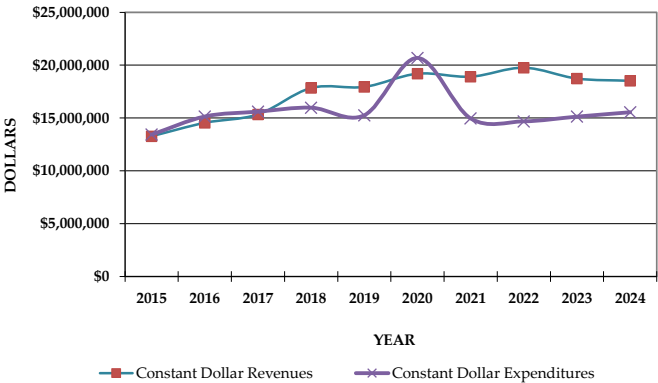
User Charges by Operating Expenses, Enterprise Funds

Is the City's Water & Sewer Fund self-sufficient? Enterprise activities generate revenues by providing services to citizens, either directly or through another agency, and are intended to operate more like a business than a public entity supported by taxes. User fees and charges are established in enterprise funds to promote efficiency by shifting payment of costs to specific users of services and to avoid general taxation. Rate increases are generally included as part of the budget to offset increasing operating costs, mandated environmental standard compliance, and pay-as-you-go capital costs attributable to repair and replacement of infrastructure. Charges for the services are set to cover most costs including equipment repair and replacement and debt service. Enterprise activities include sanitary sewer and clean water. This is an indicator of the long-term financial viability of the City's Enterprise Funds and indicates the ability of the City to maintain the infrastructure of the Enterprise Funds.

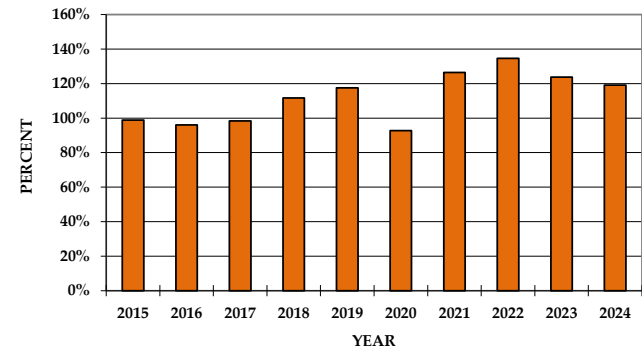
Measurement: Measure of operating revenues (charges for services only) divided by total operating expenses. In analyzing this indicator, an adjustment is made to normal coverage functions to include General Fund transfers in expenditure figures. (Source: City of Farmers Branch Annual Comprehensive Financial Report)

Warning Signs: A decreasing trend (i.e., user charges are offsetting less and less operating expenses over time) is indicative of future challenges and may indicate the need to generate additional revenue to ensure the future viability of the enterprise operation. Keeping this indicator above 100% is important because investments in capital infrastructure have to be financed by the Enterprise Fund and depreciation expense (which is a measure of the amount the City should be investing in its capital infrastructure each year) is incorporated into operating expenses. As long as the fund is generating revenues that are sufficient to offset total operating expenses including depreciation, the Enterprise Fund should have sufficient cash flow to invest in the capital infrastructure of the system. If coverage is less than 100%, fees and charges are not sufficient to cover operating expenditures, which translates to operating deficits.

Enterprise Revenue & Expense
Constant Dollars



User Charges by Operating Expenses
Enterprise Fund



Analysis: Monitor Trend. Both revenue and expenses are directly impacted by weather patterns. With the exception of General Fund transfers and capital replacement funding, the City has little or no influence in the short-term in controlling costs such as purchasing water, treating sewage, and electrical costs. The City, like most other cities, pays for water on a two-pronged system in which they are billed for a “demand charge” in addition to the actual water used, the “volume charge”. In 2010, the City negotiated a new 30-year contract with the City of Dallas, which significantly decreased the demand cost component of purchasing treated water. However, the City is required to pay the demand charge regardless of how little water is used.

In 1973, the City entered into a 50-year contract with the Trinity River Authority whereby the Authority was to provide and operate a regional wastewater treatment plant and wastewater conveyance facility. Although this contract period has expired, the City continues its contract with the Trinity River Authority for treatment services based on a usage formula that provides reimbursement for operations, maintenance and debt service payments. The City's proportionate share of costs is determined annually according to its contributing flow to the system.

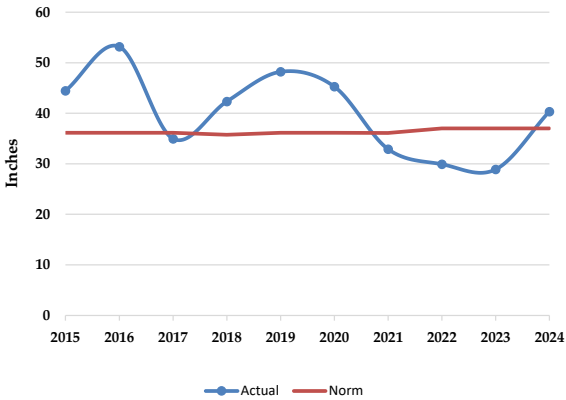
Financial Condition Analysis

The user charge ratio peaked in 2019 due to the pandemic, which resulted in more usage due to residents working from home. As residents began to return to work, water usage began to normalize – returning to pre-pandemic levels. The City increased both water and sewer rates each year beginning in 2015 through 2020 to keep up with rising costs. However, the City is again beginning to realize significant rate increases for the cost of water and sewer treatment and expects the need for a rate increase in the near future. The City spent slightly more than it generated in operating revenues in 2016 due to higher than average rainfall, which resulted in less consumption and reduced revenue. The City monitors this fund closely in an attempt to keep expenditures balanced with revenues.

The City operates this fund on a pay-as-you-go philosophy for maintenance and support expenses. This is achieved without issuance of debt through annual transfers from the General Fund. Fiscal year 2019 revenue increased approximately 9% to offset costs from water & sewer operating expenditures due to increased costs for purchased water resulting from legal proceedings with the Sabine River Authority. Additionally, during 2016-17, the City’s wastewater treatment through the Trinity River Authority increased from 2.25 million gallons per month to approximately 5.0 million gallons per month due to increased meter accuracy.

Also of note, the DFW area experienced above-normal rainfall in 2024, with a total of 40.34 inches recorded at DFW Airport. The average annual rainfall for DFW is approximately 37.00 inches. With the exception of February, every month in 2024 saw rainfall above the normal for that month. May was particularly wet, with 7.80 inches of rain, a surplus of 3.02 inches above the normal for May. The first half of 2024 was noted as being the 5th wettest on record for DFW, surpassing the annual totals of 41 other years. The wet conditions led to concerns about mosquito populations and disruption to spring activities.

Fiscal Year Rainfall



Uncollected Property Taxes as a Percentage of Adjusted Tax Levy

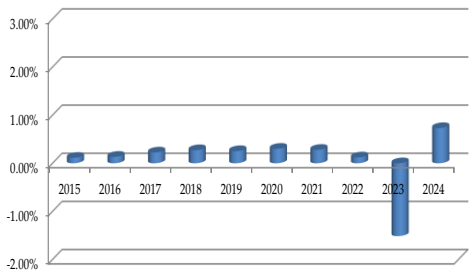
Are residents able to pay their taxes? Every year, a percentage of property owners are unable to pay property taxes. If this percentage increases over time, it may indicate an overall decline in the local government’s economic health. Additionally, as uncollected property taxes rise, liquidity is decreased, and there is less cash on hand to pay bills or to invest.

Credit rating firms assume that a local government normally will be unable to collect from 2% to 3% of its property taxes within the year that taxes are due. If uncollected property taxes rise to more than 5% to 8%, rating firms consider this a negative factor because it signals potential instability in the property tax base. An increase in the rate of delinquency for two consecutive years is also considered a negative factor.

Measurement: This indicator is measured by subtracting total tax collections from the adjusted property tax levy and then dividing by the adjusted property tax levy. The City’s original tax levy is based on certified taxable values as of July each year. The original tax levy is then subsequently adjusted throughout the years by the Dallas County Tax Office as disputes and/or protests are resolved. Subsequent adjustments are continual and often result in a change to data reported in prior years. (Note: Information reported for the current year is always based on the original tax levy as subsequent adjustments are not reported until the following year.) (Source: City of Farmers Branch Annual Comprehensive Financial Report)

Warning Signs: Increasing amount of uncollected property tax as a percentage of taxes levied.

Total Uncollected Property Taxes as % of Adjusted Tax Levy



Financial Condition Analysis

Analysis: Monitor Trend. The 2021, 2022, and 2023 tax rolls were impacted by values in dispute due to extended times to dispute appraisals and these assessments were still in dispute when the appraisal district certified the tax rolls for these periods. The appraisal district still maintains a large number of values in dispute as reflected in fiscal year 2023. Additionally, Farmers Branch's Mercer-Crossing development resulted in levies being added after certification. The current year percentage is based on the original tax levy and year-over-year subsequent adjustments. The collection rate for the period 2015 through 2024 has averaged 99+%, which is an excellent record. The City's ability to collect delinquent taxes is well within credit rating industry standards.

EXPENDITURE INDICATORS

Expenditures are a rough measure of a City's service provision efforts and are an important indicator of financial condition. Generally, the more a government spends in constant dollars, the more services it provides. This reasoning does not take into account how effective the services are or how efficiently they are delivered. Revenue status should be reviewed in conjunction with expenditure growth to evaluate appropriate expenditure levels.

The following section is a profile of the City's expenditures. Taking a closer look at the expenditures will allow the City to recognize potential problems before they arise. Since the goal is to provide quality services while spending responsibly, it is important to examine the City's expenditure profile so that excessive or unexpected expenditure growth, undesirable increases in fixed costs or declines in personal productivity can be identified early.

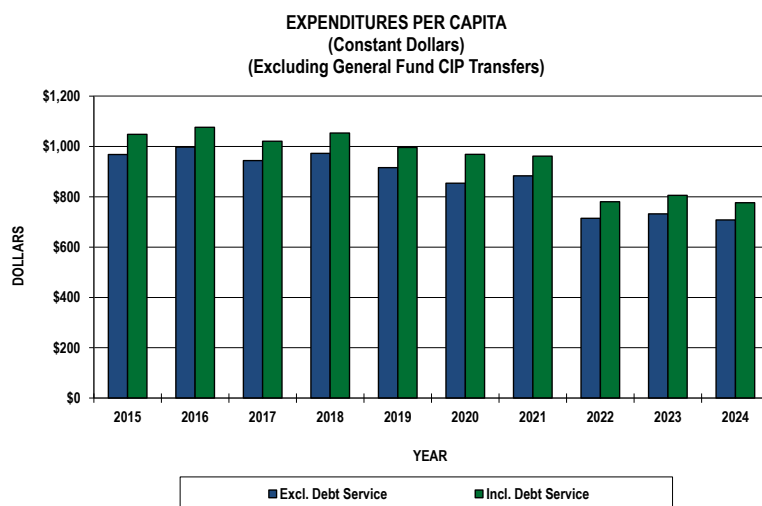
Operating Expenditures Per Capita

Are expenditures changing in accordance with the population? Examining per capita expenditures shows changes in expenditures relative to changes in population. Increasing per capita expenditures can indicate that the cost of providing services is outstripping the community's ability to pay. Likewise, decreasing expenditures can indicate that the City is not investing adequately in the community. This provides information that can be used to compare current and projected expenditure patterns to previous years and to provide a basis for analyzing increases or decreases in expenditures.

Measurement: General Fund operating expenditures (less transfers for CIP), including and excluding expenditures for debt service and adjusted for inflation, are divided by the City's estimated population for each year. (*Source: City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: Substantial increases or decreases in any one year or a sustained trend of increases or decreases (unless the decreases do not correspond to a decrease in service levels). If an increase in spending is greater than that which can be accounted for by inflation, population or new programs, it may indicate that the City is spending more funds to support the same level of services or the methods of providing the services are inefficient. Likewise, decreasing expenditures may indicate that the City is experiencing challenges in maintaining service levels and/or is not investing adequately in the community.

Analysis: Positive Trend. Operating expenditures per capita, both including and excluding debt service and adjusted for inflation have, on average, declined from 2018 through 2024. The City actively implemented cost containment measures to reduce its expenditures in response to the decrease in revenue experienced during the recession. As a result, the City is significantly more efficient as the decline in operating expenditures has not corresponded to a decrease in service levels. When excluding debt service expenditures, the City has been able to reduce and maintain expenditures per capita without significantly impacting services provided to the community. Fluctuations in expenditures, including debt service, are related to the issuance of new debt every two years



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beginning in 2014 through 2024. The City should continue to monitor expenditures per capita in the coming years. If this indicator begins to show growth (even gradually), this may evolve into a warning trend and steps to reverse the trend may have to be taken. Additionally, as the City's population ages, expenditures per capita may naturally increase, because older populations have a greater need for many City services. The City should start planning for how it will make up for this potential increase in expenditures now, so that it does not lead to unexpected financial strains in the future.

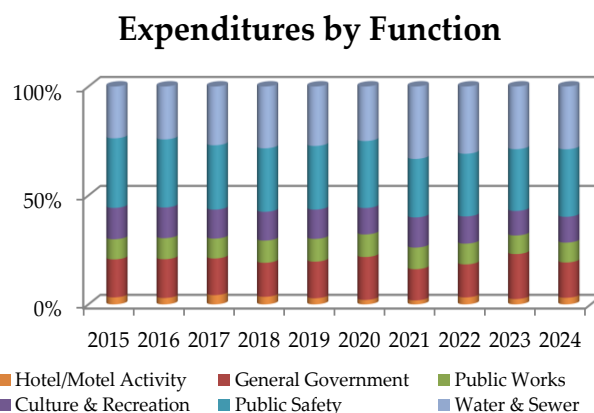
Operating Expenditures by Function

How does the City spend its resources? Operating expenditures by function shows a breakdown of what the City's expenditures are going towards and allows the government to identify where increases in expenditures are coming from. This ratio measures how the City is allocating its resources in its service provision efforts. A change may be indicative of a change in the way the City is choosing to provide services.

Measurement: Due to a software change, this measure was restated in 2024 to measure by comparing GAAP (generally accepted accounting principles) basis actual expenditures for all of the City's expenditure classifications. This restatement was for the period beginning 2015 and forward. The primary difference for this measurement is that under GAAP basis, encumbrances are not classified as expenditures because the liability hasn't yet been incurred. Prior to 2015's data, this indicator was measured utilizing the budget basis, whereby expenditures were treated as expenditures. (Source: *Annual City budget documents.*)

Warning Signs: Substantial increases or decreases in any one year or a sustained trend of increases or decreases in any function. Shifts in expenditures from one function to another, especially if expenditures shift towards general government, may indicate that the City is having a difficult time meeting all of its obligations and is shifting resources to more high priority areas.

Analysis: Positive Trend. As clearly demonstrated in this chart, the City historically expends the majority of its resources on public safety and water and sewer activity. This is an important indicator of the City's commitment to providing a high level of service to residents. General government expenditures (those associated with administration) average 17% of total City expenditures. As the City moves forward, it wants to provide first-rate service while maintaining the budget responsibly. This means the City needs to maintain a productive staff, keep up with technology that will help to improve productivity, and evaluate the benefit of programs to make sure they are still serving the public effectively. This is a positive trend for the City because it highlights that none of the City's departments have experienced sudden changes or significant expenditure growth.



Employees Per Capita

Is the City labor intensive? The employee's per capita statistic ratio is an important indicator of operating expenditures as personnel costs are generally the largest portion of a local government's operating budget. If employees per capita increase, this may indicate difficulty in balancing revenues and expenditures in the future unless new revenue sources are obtained to finance the additional employees. An increase in employees per capita is not negative if a direct correlation can be made to increased services. Decreases in employees per capita may indicate that the City will have a difficult time sustaining current levels of service.

Measurement: This ratio is calculated by dividing the City's total full-time equivalents per year by the estimated population (per 1,000) for each year. Population estimates are provided by the North Central Texas Council of Governments (NCTCOG) with the exception of Census years. (Source: *City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: Substantial increases or decreases in a year or a sustained trend of increases or decreases per 1,000 population.

Analysis: Positive Trend. Farmers Branch has demonstrated a relatively stable ratio of employees per 1,000 population. This ratio

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averages 12.88 full-time equivalents per 1,000 population. Decreases in staffing ratios are a result of improved efficiency efforts and have not resulted in a decrease in services provided to the community. Overall, the City shows a stable trend working within a range of 10.76 to 14.42 employees per 1,000 population for the entire period.

Employee Costs Per Capita – General Fund

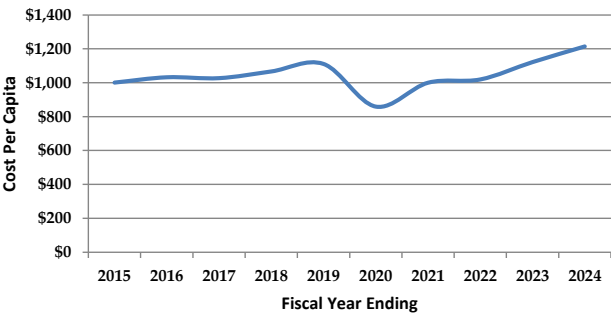
Are personnel costs changing in accordance with the population? This indicator measures personnel costs (salaries + benefits) per capita. Personnel costs are a major portion of the City’s operating budget. An increase in employee costs per capita may indicate that the government is becoming more labor intensive, personnel productivity is declining, or the population is changing in a way that requires more services out of the local government.

Considering this indicator, the City cannot simply view increasing employee costs as an inherently negative trend. An investment in employees can also indicate a commitment by the government to target problems. For example, if crime is an ongoing problem and the City increases its number of police officers, employee costs per capita may rise, but this is a positive sign because the City has stepped up in order to solve a problem.

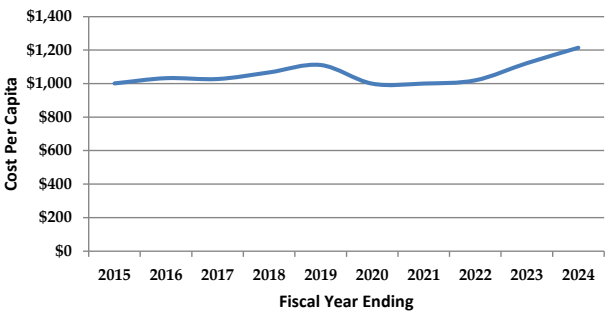
Measurement: This ratio is calculated by dividing the City’s General Fund annual personnel services costs (budget basis actual costs adjusted for internal transfers related to staff support to other funds) by the estimated population for each year. Population estimates are provided by the North Central Texas Council of Governments (NCTCOG) with the exception of census years. (Source: City of Farmers Branch Annual Comprehensive Financial Report)

Fiscal Year Ending	FTE's	Population	Full-Time Equivalents Per 1,000 Population
2015	431.78	30,350	14.23
2016	439.56	30,480	14.42
2017	427.73	31,560	13.55
2018	439.66	31,590	13.92
2019	434.24	31,780	13.66
2020	450.22	41,848	10.76
2021	444.75	36,570	12.16
2022	457.22	38,143	11.99
2023	464.22	38,615	12.02
2024	474.22	39,070	12.14

Employee Costs Per Capita - General Fund



Employee Costs Per Capita - General Fund (Revised Census)



Warning Signs: Substantial increases or decreases in a year or a sustained trend of increases or decreases per 1,000 population.

Analysis: **Positive Trend.** During the review period, employee costs per capita remained relatively stable. Data for the fiscal year ending 2020, however, was skewed due to a Census population that estimated the City’s population to have increased by 31.68%. The census data was revised years later, resulting in a change in per capita cost mirroring that of 2021. The Fiscal Year 2021-22 budget included funding for 12 new positions and merit increases of 1%-4%. In 2022-23, funding for 9 new positions were added as well as a pay adjustment of 7% plus two 1% adjustments (total of 9%) was approved for sworn public safety personnel and up to a 6% performance-based increase was approved for non-sworn personnel. In 2023-24, funding for 7 new positions was added as well as a pay adjustment of 6% for sworn public safety personnel and up to a 3% performance-based increase for non-sworn personnel. In 2024-25, funding for 10 new positions was added as well as a 3% pay adjustment for sworn public safety personnel and up to a 3% performance-based increase for non-sworn personnel. Most of the position additions during the periods referred to were for public safety employees.

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OPERATING POSITION INDICATORS

This section is an analysis of the City's operating position trends. The term "operating position" refers to a local government's ability to (1) balance its budget on a current basis, (2) maintain reserves for emergencies, and (3) maintain sufficient cash (liquidity) to pay its obligations on time.

An analysis of operating position can help to identify the following situations:

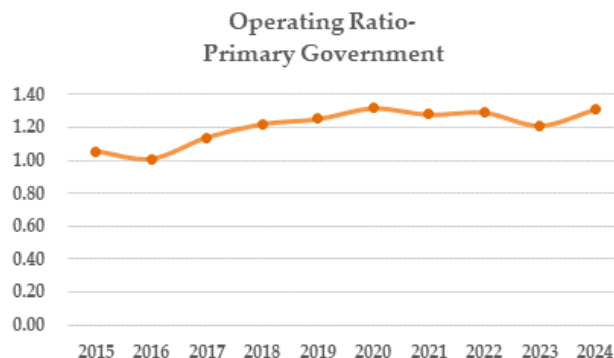
- A pattern of continuous operating deficits
- A decline in reserves
- A decline in liquidity
- Ineffective revenue forecasting techniques
- Ineffective budgetary controls

Operating Ratio – Primary Government

Is the City estimating its budget correctly? During a typical year, a government generates either an operating surplus or an operating deficit. An operating surplus develops when current revenues exceed current expenditures. An operating deficit develops when the reverse occurs. An operating surplus or deficit may be created intentionally, by a policy decision, or unintentionally, because of the difficulty of precisely predicting revenues and expenditures or trends in the underlying local and national economies. Deficits are usually funded from unreserved fund balances; surpluses are usually used to increase fund balances. The accumulation of operating surpluses builds reserves, which provide a financial cushion against the loss of a revenue source; an economic downturn; unanticipated expenditures required by natural disasters and the like; unexpected capital expenditures; uneven cash flows; and similar items. An operating deficit in any one year may not be cause for concern, but frequent and increasing deficits can indicate that current revenues do not support current expenditures and that serious problems may lie ahead or it could simply represent changes in policy decisions.

Measurement: Total primary government revenues divided by total primary government expenses. (Source: *Statement of Activities – Primary Government, City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: Credit rating agencies consider the following occurrences to be warning trends: two consecutive years of operating deficits, a current deficit greater than the previous year, deficits in two or more of the last five years, or an abnormally large deficit (greater than 10% of revenues) in any one year.



Analysis: Positive Trend. By industry standards, the City's operating ratio is considered a positive trend as the City has incurred operating surpluses for the last ten years.

Fund Balance as a Percentage of Net Operating Revenue, Governmental Funds

How does our budgetary carryover position look? This statistic measures the amount of resources available to meet City obligations in the Governmental Funds in comparison to annual revenues in these funds.

Measurement: Total Governmental Fund ending fund balances divided by total Governmental Fund revenues. (Source: *Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds, City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: A substantial decrease in any one year or a trend of decreases could indicate the City's ability to meet its obligations was being eroded.

Financial Condition Analysis

Analysis: Monitor Trend. The City has a healthy level of Governmental Fund fund balance, which provides sufficient resources to respond to emergencies or the loss of a major revenue source. The decline in 2015, 2016 and 2017 fund balances was primarily due to use of bond proceeds from debt issued in previous years for construction projects including street improvements and an aquatics facility. In 2020 revenues decreased from 2019 due to the economic impact of the pandemic. The City has also intentionally used fund balance over the past few years to fund projects desired by our community. The City always considers this a trend to monitor, nonetheless.

Unassigned Fund Balance as a Percentage of Revenues & Expenditures, General Fund

How much money does the City have available for appropriation in the General Fund? The financial health of the City is partly determined by the level of fund balances available to cushion revenue shortfalls caused by economic downturns, emergencies or uneven cash flows. To determine the appropriate level of reserves, a government should analyze the elasticity of the revenue base, the level of insurance it maintains, the likelihood and magnitude of natural disasters, and the government's liquidity and ability to borrow.

In October 2012, the City Council passed an ordinance defining a General Fund fund balance target as a target range with a low end of 15% and a high end of 20% of actual GAAP (generally accepted accounting principles) basis expenditures and other financing sources and uses. The City intends to change the target balance to a 90-day reserve beginning in 2025-26.

Measurement: Total General Fund unassigned fund balance divided by General Fund revenues and General Fund expenditures plus other financing sources (uses). (Source: Governmental Funds Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances, City of Farmers Branch Annual Comprehensive Financial Report)

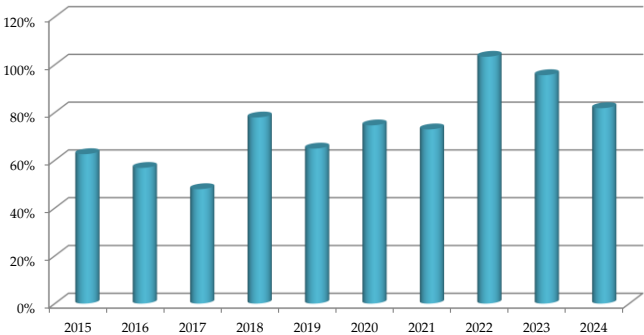
Warning Signs: A declining fund balance or insufficient level of fund balance or sustained trend of decreases. The ICMA considers an unassigned fund balance at or below 5% of net revenues to signal that a City is in financial distress. The ICMA considers a strong fund reserve balance to be at or above 15% of net revenues.

Analysis: Positive Trend. The General Fund unassigned fund balance has been above the targeted range throughout the review period and is considered a strong fund balance by industry standards.

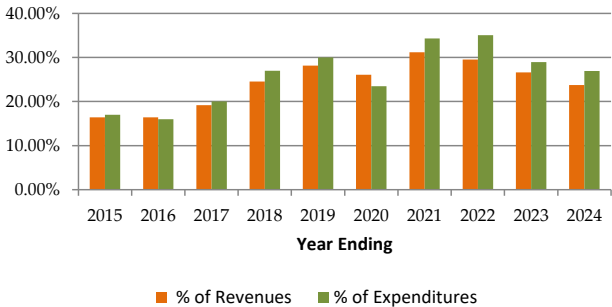
Liquidity – Primary Government

What is the City's cash position? A good measure of a local government's short-run financial condition is its cash position. Cash position, which includes cash on hand and in the bank, as well as other assets that can be easily converted to cash, determines a government's ability to pay its short-term obligations. This is also known as liquidity, and the immediate effect of insufficient liquidity is insolvency – the inability to pay bills. Liquidity ratios, therefore, are concerned with a government's ability to pay for its most immediate obligations. The ratios can help determine if, over the next year (or less), a government will have enough cash (or assets that can be quickly converted to cash) on hand to pay bills that come due. A larger value in the ratios indicates that a larger amount of assets are available to cover liabilities, thus a higher level of cash solvency or liquidity. The "cash ratio" and "current ratio" are two common measures of liquidity. The "cash ratio" measures the ratio of cash, cash equivalents and investments to current liabilities and the "current ratio" measures the ratio of current assets to current liabilities to determine net

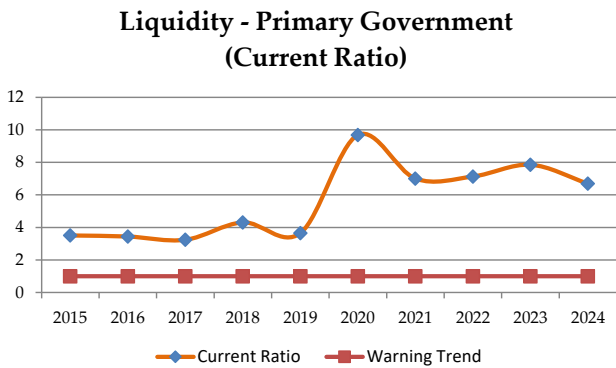
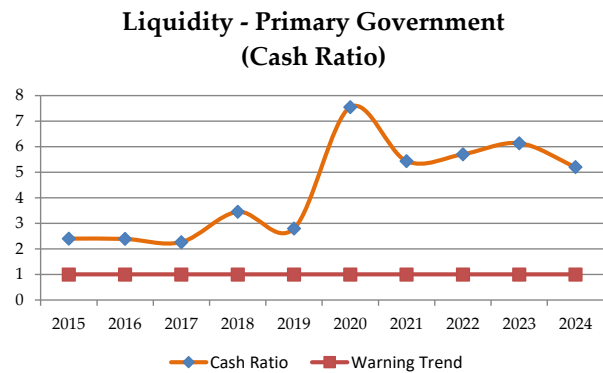
Governmental Fund Balance as a Percent of Revenues



Unassigned Fund Balance as a Percentage of Revenues & Expenditures - General Fund



position. Credit agencies review the liquidity of a local government as one of the focuses of their balance sheet examination. This indicator helps to assess the City’s ability to sustain a strong financial position.



Measurement: This indicator is measured using the “cash ratio” [cash, cash equivalents and investments ÷ current liabilities] (includes all liabilities except those listed as noncurrent liabilities) and the “current ratio” [current assets ÷ current liabilities] for the City’s primary government. (Source: *Statement of Net Position – Primary Government, City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: A substantial decrease in one year or a trend of low or declining liquidity may indicate that the City has overextended itself in the long-run and will have trouble meeting obligations in the future. A 1:1 ratio of cash and short-term investments to current liabilities means the City has enough cash on hand to cover accounts payable and other liabilities due within one year. If this ratio is less than 1:1 (or less than 100%), the entity is considered to be facing liquidity problems.

Analysis: Positive Trend. The City has a high level of liquidity, and this is reflected by the City’s ability to meet current operating expenditures without having to resort to short-term borrowing. The City’s liquidity ratio has remained well above the warning ratios for the entire review period and is considered to be at a healthy level. Utilizing the cash ratio, which is a narrower measure that compares only the most liquid assets of the government, primary government activities current assets for the year ending 2020 are two times greater than current liabilities – meaning the City has over \$7 in assets that can be converted rapidly to cash for every \$1 of liabilities. Utilizing the current ratio, primary government activities current assets for the year ending 2020 were four times greater than current liabilities – meaning the City had \$10 in assets for every \$1 of current liabilities. The 2024 Cash Ratio is 5.20 and the Current Ratio is 6.69.

Solvency – Primary Government

What is our future spending ability? Solvency and liquidity are both terms that refer to a state of financial health, but with some notable differences. Solvency refers to the capacity to meet long-term financial commitments. Liquidity refers to the ability to meet short-term obligations and refers to the ability to sell assets quickly to raise cash. A solvent government is one that owns more than it owes; in other words, it has a positive net worth and a manageable debt load. On the other hand, a government with adequate liquidity may have enough available to pay its bills, but it may be heading for financial disaster down the road. Solvency and liquidity are equally important, and healthy governments are both solvent and possess adequate liquidity.

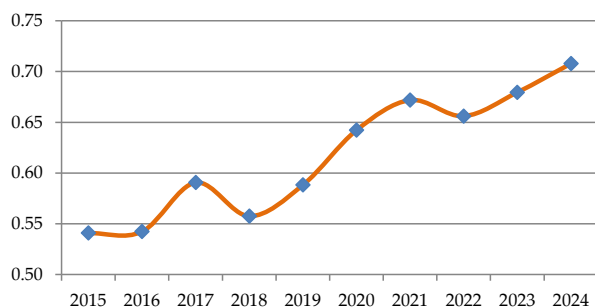
Long-run solvency is measured using the “net assets ratio” and “long-term liability ratio.” The “net assets ratio” measures the portion of net assets compared to total assets and determines what percentage of total assets are paid for and what percentage of total assets is classified as a liability. The “net assets ratio” is designed to provide a clear picture of a government’s future spending and ability, as well as the ability to overcome emergencies and down cycles in the economy. A larger “net assets ratio” indicates a higher level of long-run solvency. The “long-term liability ratio” measures a government’s ability to pay long-term debt by comparing long-term liabilities to total assets. A higher ratio for the “long-term liability ratio” indicates a lower level of ability to pay off long-term debt or a strain on future resources as well as increasing levels of long-term obligation.

Measurement: This indicator is measured using the “net assets ratio” [net assets ÷ total assets] and “long-term liability ratio” (long-term liabilities ÷ total assets) for the City’s primary government. (Source: *Statement of Net Position – Primary Government, City of Farmers Branch Annual Comprehensive Financial Report*)

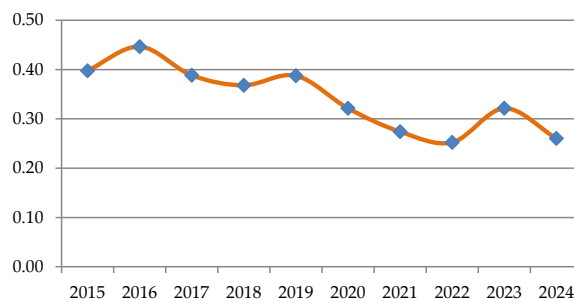
Financial Condition Analysis

Warning Signs: A low “net assets ratio” indicates a low level of long-run solvency, whereas, a high “long-term liability ratio” indicates a lower level of ability to payoff long-term debt or a strain on future resources. [It should be noted that the net assets and long-term liability ratios should maintain a negative relationship to each other. When combined, the total ratio should be near “1” with current liabilities making up the difference.]

**Solvency - Primary Government
(Net Assets Ratio)**



**Solvency - Primary Government
(Long-Term Liability Ratio)**



Analysis: Positive Trend. The net assets ratio indicates a high level of long-run solvency, and the long-term liability ratio indicates a higher ability to pay off long-term debt. Net assets ratio for 2020 increased slightly. However, net assets increased by \$23.3 million. This was offset by an increase of net position of \$31.4 million. The City held a quality of life bond election in November of 2017 to issue \$15M in additional general obligation debt.

Operating Income in Constant Dollars, Water & Sewer Fund

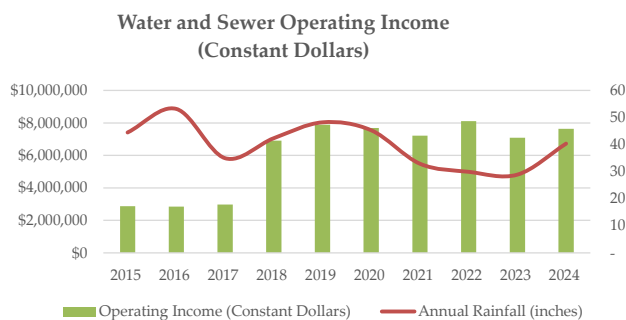
What is the operating position of the Water & Sewer Fund? This indicator provides information about the ability of the Water & Sewer Fund to generate sufficient operating revenues to offset operating expenses. Measuring the Water & Sewer Fund operating income is important because unlike other City government funds, a local government cannot raise taxes to increase support for an Enterprise Fund – enterprises are subject to the laws of supply and demand.

One of the many challenges in managing a Water & Sewer Fund is that water demand, and thus revenues, vary with weather patterns. Customer water use patterns and conservation efforts also have a very strong influence on revenues and, by extension, on financial performance. Managing the price-usage nexus is critical when navigating between conservation goals and revenue requirements. When sales fall, revenues typically fall with them. But a decrease in water sales, however, does not lead to a commensurate reduction in utility expenses. Without constant attention to pricing levels and structures, consistent decreases in water use from year-to-year can lead to significant revenue shortfalls. While many local governments have an expressed goal of reducing water usage, excessive declines in water use over recent years have caught many cities off-guard, as revenues have fallen below predicted levels.

Measurement: Operating revenues less operating expenses in constant dollars. (Source: *Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds, City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: A substantial decrease in operating income in one year or a trend of decreasing operating income over several years. Either of these situations would indicate that the ability of the Water & Sewer Fund to continue operations is being eroded.

Analysis: Monitor Trend. The City’s water and sewer operating income stream has fluctuated considerably over the past ten years and steeply decreased in 2015 through 2017 despite significant rate increases in each of the respective years (12%, 15% and 9%). The average rainfall throughout the review



Financial Condition Analysis

period was 40.04". As can be seen in the graph, higher levels of rainfall generally result in lower operating income, while lower levels of rainfall usually result in higher operating income. Despite the declines, the Water & Sewer Fund has continued to run on a surplus, with operating revenues exceeding operating expenditures, due to consistent monitoring of accounts. However, the City is beginning to see significant rate increases from Dallas Water Utilities and the Trinity River Authority for the cost of water and treatment of sewer. The City intends to offset a portion of the supplier rate increases by increasing water and sewer rates in the near future. (See *User Charges by Operating Expenses, Enterprise Fund* for notation on Sabine River Authority dispute)

DEBT STRUCTURE INDICATORS

Debt is an effective way to finance capital improvements, and may even be used to stabilize short-term revenue fluctuations. Its misuse, however, can cause serious financial problems. Even a temporary inability to repay can result in loss of credit rating and increased cost of future borrowing. The most common forms of long-term debt are general obligations, special obligations and revenue bonds. Even when these types of debt are used exclusively for capital projects, the outstanding debt cannot exceed the ability to repay as measured by the wealth of the community in the form of property value or personal income. Another method to evaluate ability to repay is to consider the amount of principal and interest or "debt service" that is obligated to be repaid each year. Also to be considered is "overlapping debt", which is the debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community.

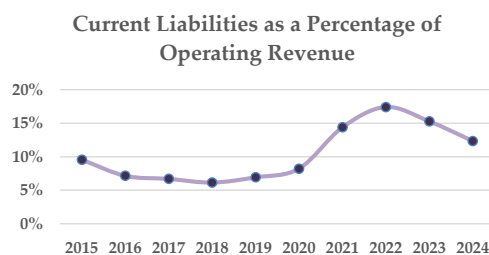
Current Liabilities as a Percentage of Net Operating Revenues

Can the City afford to pay its bills? This ratio indicates the ability of the City to meet its future liabilities with operating revenues. Current liabilities are those that the City has an obligation to pay within one fiscal year.

Measurement: Current liabilities divided by net operating revenues. [Net operating revenues are defined as the total revenues to the General, Special Revenue and Debt Service funds (includes self-supporting debt) before any interfund transfer and less those revenues legally restricted to capital improvements or other special purposes.] (Source: *City of Farmers Branch Annual Comprehensive Financial Report*)

Warning Signs: A trend of increases in current liabilities as a percentage of revenues may indicate that the City will not be able to meet its future liabilities due to the lack of sufficient revenues. Credit industry benchmarks consider short-term debt exceeding 5% of operating revenues and a two-year trend of increasing short-term debt outstanding at the end of the fiscal year to be negative factors.

Analysis: Monitor Trend. This ratio increased from a low of 6.17% in 2018 to a high of 17.43% in 2022. However, the City did add new debt beginning in 2014 and every two years thereafter. The largest debt issuance of \$23,810,000 was in 2022 for the Dallas Stars Multi-Sport Facility, which is considered self-supporting debt. Self-supporting debt means that the debt is paid from a lease agreement, or some other arrangement and the City is only liable for the payments should the lease holder default. The current ratio is 12.37%, which is less than the high in 2022. The City's current liabilities as a percentage of net operating revenues averaged 10.43% over the past ten years, which means that City revenues were always at or more than ten times the amount of its current liabilities. Although this ratio would be considered strong by many cities, credit industry benchmarks consider a ratio above 5% to be a negative factor.

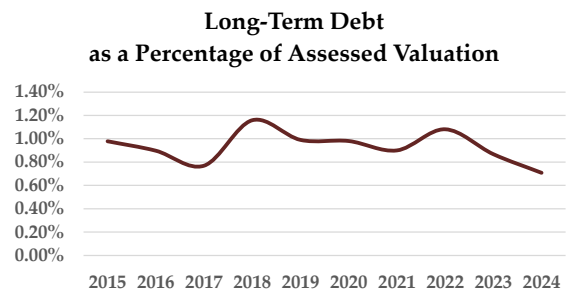


Long-Term Debt as a Percentage of Assessed Valuation

How much does the City owe? This statistic compares the City's assessed valuation to long-term debt and provides an analytical measure of the City's ability to service its current debt obligations as well as its ability to incur further debt if necessary. Daily operating expenditures generally produce benefits in the current period and are funded by current operating revenues. Conversely, capital expenditures produce long-term benefits and are funded over the long-term by issuing debt. Direct long-term debt is bonded debt for which the local government has pledged its full faith and credit. The City has included self-supporting debt in this analysis even though the debt is repaid from lease agreements because all City debt is pledged by the full faith and credit of the City. The inclusion of self-supporting debt also makes it easier to align with the debt values reflected in the City's audited financial statements.

Financial Condition Analysis

For this analysis long-term debt is General Obligation bonds which are both tax supported and self-supporting and have no sinking fund adjustment. An increase in direct debt as a percentage of assessed valuation can indicate that the government’s ability to repay is diminishing—because the government depends on property tax to pay its debts. Increasing debt as a percentage of assessed valuation is a warning sign. However, in analyzing this indicator, it is more complicated than just “the lower, the better” because a low debt profile may indicate underinvestment in public infrastructure and capital facilities. Investment in the community enhances growth prospects for the community both in attracting residents and in attracting new businesses.



Measurement: Net direct debt divided by the City’s assessed value.
(Source: City of Farmers Branch Annual Comprehensive Financial Report)

Warning Signs: A trend of increases in bonded debt as a percentage assessed value may indicate that the City will have trouble meeting its future debt obligations and will not be able to incur further debt; however, the overall debt outstanding and the purposes served by that debt must also be taken into account when rating this indicator.

Analysis: Positive Trend. This indicator puts into perspective the City’s outstanding long-term debt in relationship to taxable assessed valuation, thus allowing the City to determine if there is sufficient power to afford current and future debt. Debt issued between fiscal year 2014, 2018, 2019, 2020, 2022, and 2024 caused an increase in this trend; however, the trend remains below industry benchmarks and approximately 37% of current debt represents self-supporting debt repaid from a lease agreement with the Dallas Stars for the issuance of debt related to the construction of a multi-sport complex.

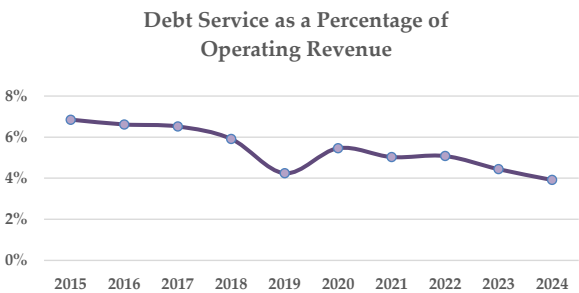
Debt Service

What are the fixed debt service costs? Debt service, in this indicator, is the amount of principal and interest that the City must pay each year on net direct bonded long-term debt plus the interest it must pay on direct short-term debt. Increasing debt service reduces expenditure flexibility by adding to the government’s obligations. Increasing debt service costs may also indicate excessive debt and fiscal strain. [Net direct debt is direct debt minus self-supporting debt and is funded by a percentage of property tax exclusively.]

Measurement: Net direct debt service (annual principal and interest payments on debt) divided by net operating revenues. [Net operating revenues are defined as the total revenues to the General, Special Revenue and Debt Service funds before any interfund transfer and less those revenues legally restricted to capital improvements or other special purposes.] (Source: City of Farmers Branch Annual Comprehensive Financial Report and annual budget documents)

Warning Signs: Increasing net direct debt as a percentage of net operating revenues. Credit industry benchmarks consider debt exceeding 20% of operating revenues a potential problem; 10% is considered acceptable.

Analysis: Positive Trend. The City’s assessed value is able to sustain significant debt; however, the impact of debt service on operating revenues is important. Since 1992, debt service as a percentage of operating revenues has consistently been below the credit rating benchmark of 20% and has decreased from 25% in 1990 to 3.92% in 2024. This is a positive trend for the City because it indicates that the City has been borrowing responsibly; too little debt service may indicate that a City is not investing in its future, while too much debt service may indicate financial irresponsibility.



Overlapping & Overall Net Debt

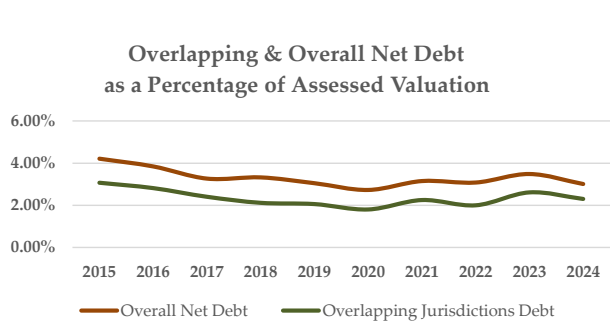
How much do we owe if overlapping jurisdictions default on their debt? Overlapping debt is the net direct bonded debt of another jurisdiction that is issued against a tax base within part or all of the boundaries of the community. The level of overlapping debt is only that debt applicable to the property shared by both jurisdictions. The overlapping debt indicator measures the ability of the community’s tax base to repay the debt obligations issued by all of its governmental and quasi-governmental jurisdictions. If

Financial Condition Analysis

other jurisdictions default, a community may have a contingent, moral or political obligation to assume the debt, provide the services, or both.

Credit industry benchmarks for assessing long-term debt often include the net direct bonded debt of the local government, as well as the bonded debt of geographically overlapping jurisdictions that are applicable to the local government. This is referred to as overall net debt.

Measurement: Long-term overlapping bonded debt and overall net debt (City net debt + long-term overlapping bonded debt) divided by total assessed valuation. (Source: City of Farmers Branch Annual Comprehensive Financial Report)



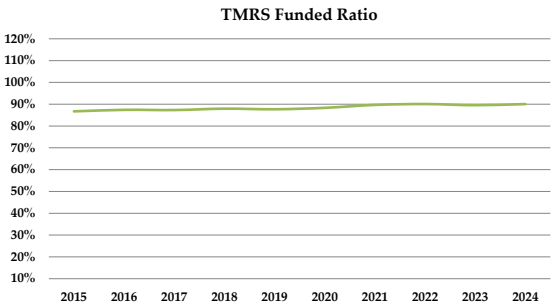
Warning Signs: Increasing long-term overlapping bonded debt as a percentage of assessed valuation; overall net debt exceeding 10% of assessed valuation or that reflects an increase of 20% over the previous year. Continuing increases in this trend may signal a need for the various local governments to coordinate their efforts in terms of long-term financing initiatives.

Analysis: **Positive Trend.** Overlapping jurisdiction debt has averaged 2.35%, while overall net debt of the City has averaged 3.32% for the ten year review period, both of which are below credit industry benchmarks.

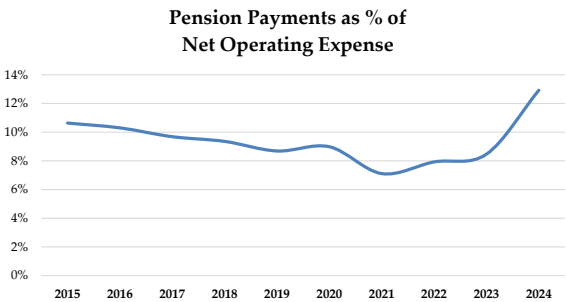
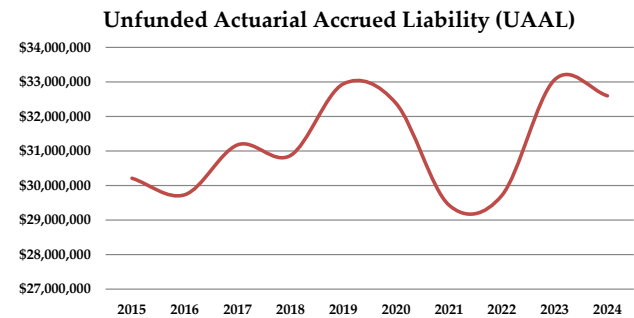
Other Long-Term Liabilities, Pensions

What are some of the other long-term debts the City is obligated to pay? The City provides pension benefits for all eligible employees through a nontraditional, joint contributory, hybrid defined plan in the state-wide Texas Municipal Retirement System (TMRS). The City does not participate in the Social Security system. The City monitors its pension funding and cost levels to ensure both a financially sustainable employee benefit as well as a wise use of taxpayer dollars.

Measurement: All long-term liabilities associated with the City’s pension include contributions to a pension plan based on actuarial estimates. The funded ratio is calculated by dividing assets by liabilities and, basically, reflects the dollar amount that is required to meet future benefits of current participants. This ratio should increase over time until fully funded. A public pension system is considered healthy at a ratio of 80% or greater – the City’s ratio is currently 90.1%.



Pension payments can be a major component of costs. Measured as a percentage of net operating expenses. A rising percentage is an indication of fiscal strain.



Warning Signs: Underfunded pension plans add to obligations the City must already meet and reduces its ability to fund current operations.

Financial Condition Analysis

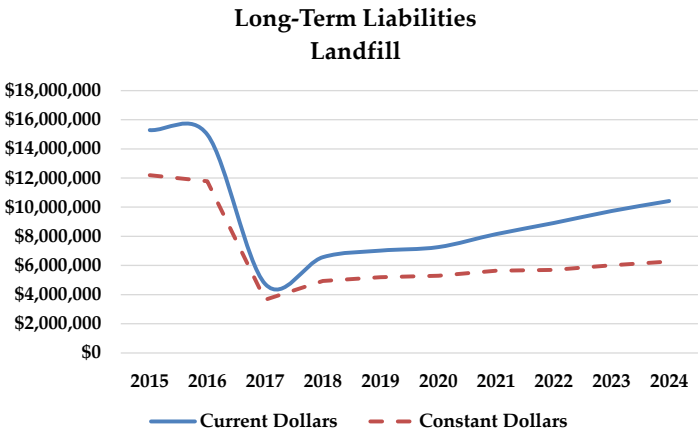
Analysis: Positive Trend. The trends for pension, on average, remain stable. Since 2015, the funded TMRS ratio has been on a steady increase as the percentage of payments to net operating expenses has remained relatively stable. The City continues to follow a policy of overfunding contributions with any surplus that may result at year-end if actual TMRS costs are less than budget. This overfunding accelerates the elimination of unfunded liabilities associated with the plan. Any pension system with greater than 80% funded status is considered financially healthy. The sharp rise in 2023 reflects a change in the City’s plan to move from a 25-year plan to a 20-year plan. This increase is expected to normalize over the next few years due to a one-year lag in actuarials.

Other Long-Term Liabilities, Landfill

Long-term liabilities that are anticipated for the closure of the City owned Camelot landfill. Increases in landfill liability reduce resources available to other City projects. The amount recognized as a liability is based on the landfill capacity used as of the balance sheet date. In 2017, the Texas Commission on Environmental Quality (TCEQ) approved a major improvement amendment application which increased the site capacity from 24.5 million cubic yards to 53.2 million cubic yards and reduced the City’s immediate liability. The site capacity of 53.2 million cubic yards will be reached in approximately 30 years. The City recognizes a portion of the final closure and post-closure care liability in each operating period even though actual final payout will not occur until the landfill is completely closed. The estimated cost of closure and post-closure care are subject to changes such as the effects of inflation, revision of laws, and other variables.

Measurement: Liabilities associated with anticipated closure and post-closure care costs of the City owned Camelot landfill.

Analysis: Monitor Trend. The City previously funded this liability with transfers from the General Fund stemming from payments received from the landfill service provider. Beginning in 2025, the City is implementing a trash fee to support the closure and post-closure care costs, which will also help to stabilize growth in liability costs. From 2015 to 2017 the trend shows a reduction in current dollar liabilities; however, when adjusted for inflation the liabilities associated with the Camelot landfill were flat. With the TCEQ more than doubling the landfill capacity, therefore reducing the liability, the trend is expected to stabilize from 2017 forward.





**FARMERS
BRANCH**

City of Farmers Branch - Position Summary

	Amended 2023-24	Amended 2024-25	Proposed 2025-26
General Administration & Communications			
Full-Time	9.00	11.00	11.00
Part-Time	0.00	0.00	0.00
Economic Development			
Full-Time	3.00	3.00	3.00
Part-Time	0.00	0.00	0.00
Planning			
Full-Time	4.00	4.00	4.00
Part-Time	0.00	0.00	0.00
Customer Success			
Full-Time	6.00	7.00	7.00
Part-Time	0.00	0.00	0.00
Human Resources			
Full-Time	7.00	7.00	7.00
Part-Time	0.00	0.00	0.00
Finance			
Full-Time	17.00	15.00	16.00
Part-Time	1.00	1.00	1.00
Innovation & Technology			
Full-Time	17.00	18.00	18.00
Part-Time	1.00	0.00	0.00
Community Services			
Full-Time	15.00	13.00	13.00
Part-Time	1.00	1.00	1.00
Animal Services			
Full-Time	8.00	8.00	8.00
Part-Time	1.00	1.00	1.00
Public Works			
Full-Time	35.00	34.00	34.00
Part-Time	0.00	0.00	0.00
Police			
Full-Time	115.00	114.00	119.00
Part-Time	11.00	11.00	11.00
Fire			
Full-Time	94.00	95.00	95.00
Part-Time	2.00	2.00	1.00
Parks & Recreation - General Fund			
Full-Time	61.60	63.00	69.00
Part-Time	49.00	43.00	43.00
Public Works - Utilities			
Full-Time	26.00	26.00	26.00
Part-Time	0.00	0.00	0.00
Fleet Management (previously Fleet & Facilities Management)			
Full-Time	11.00	13.00	7.00
Part-Time	1.00	1.00	1.00
Parks & Recreation - Hotel/Motel			
Full-Time	6.40	6.00	6.00
Part-Time	5.00	8.00	6.00
<i>Total Full-Time Positions</i>	435.00	437.00	443.00
<i>Total Part-Time Positions</i>	72.00	68.00	65.00
<i>Total Full-Time Equivalents</i>	467.40	467.60	472.25

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
GENERAL ADMINISTRATION & COMMUNICATIONS					
1002	General Administration				
	Administrative Assistant II	1.00	1.00	0.00	0.00
	Assistant to the City Manager	1.00	1.00	0.00	0.00
	City Manager	1.00	1.00	1.00	1.00
	Deputy City Manager	1.00	1.00	1.00	1.00
	Deputy Director of Administrative Services/Deputy City Secretary	1.00	1.00	1.00	1.00
	Director of Administrative Services & Communications /City Secretary	1.00	1.00	1.00	1.00
	Emergency Management Coordinator	0.00	0.00	1.00	1.00
	Management Analyst	0.00	0.00	1.00	1.00
	Senior Administrative Assistant	0.00	0.00	1.00	1.00
	Special Project Manager	0.00	0.00	1.00	1.00
	Full-Time Total	6.00	6.00	8.00	8.00
	Part-Time Total **	0.00	0.00	0.00	0.00
1104	Communications				
	Public Information Officer	1.00	1.00	1.00	1.00
	Marketing Manager	1.00	1.00	1.00	1.00
	Communications Specialist	1.00	1.00	1.00	1.00
	Full-Time Total	3.00	3.00	3.00	3.00
	Part-Time Total **	0.00	0.00	0.00	0.00
	General Administration & Communications Full-Time	9.00	9.00	11.00	11.00
	General Administration & Communications Part-Time	0.00	0.00	0.00	0.00
1205	ECONOMIC DEVELOPMENT				
	Economic Development				
	Business Development Specialist	1.00	1.00	0.00	0.00
	Deputy Director of Economic Development	0.00	0.00	1.00	1.00
	Economic Development Coordinator	1.00	1.00	0.00	0.00
	Economic Development Director	1.00	1.00	0.00	0.00
	Economic Development Manager	0.00	0.00	1.00	1.00
	Senior Administrative Assistant	0.00	0.00	1.00	1.00
	Full-Time Total	3.00	3.00	3.00	3.00
	Part-Time Total **	0.00	0.00	0.00	0.00
3115	PLANNING				
	Deputy Director of Planning	1.00	1.00	1.00	1.00
	Planner	1.00	1.00	1.00	1.00
	Lead Planner	1.00	1.00	1.00	1.00
	Planning Technician, Senior	1.00	1.00	1.00	1.00
	Full-Time Total	4.00	4.00	4.00	4.00
	Part-Time Total **	0.00	0.00	0.00	0.00
	Economic Development & Planning Full-Time	7.00	7.00	7.00	7.00
	Economic Development & Planning Part-Time	0.00	0.00	0.00	0.00
1410	CUSTOMER SUCCESS				
	Customer Success Billing Supervisor	1.00	1.00	1.00	1.00
	Customer Success Representative I	4.00	4.00	5.00	5.00
	Managing Superintendent	1.00	1.00	1.00	1.00
	Full-Time Total	6.00	6.00	7.00	7.00
	Part-Time Total **	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
1509	HUMAN RESOURCES				
	Administrative Assistant II	1.00	1.00	1.00	1.00
	Benefits & Compensation Analyst	1.00	1.00	1.00	1.00
	Deputy Director of Human Resources	1.00	1.00	1.00	1.00
	Director of Human Resources	1.00	1.00	1.00	1.00
	Human Resources Analyst	2.00	2.00	2.00	2.00
	Payroll Systems Administrator	1.00	1.00	0.00	0.00
	Strategic Relations Specialist	0.00	0.00	1.00	1.00
	Full-Time Total	7.00	7.00	7.00	7.00
	Part-Time Total **	0.00	0.00	0.00	0.00
	FINANCE				
2010	Finance Administration				
	Budget Coordinator/Budget Analyst	0.00	1.00	0.00	0.00
	Budget Manager	1.00	1.00	1.00	1.00
	Business/Financial Analyst	1.00	0.00	0.00	0.00
	Director of Finance	1.00	1.00	1.00	1.00
	Treasury Manager/Financial Analyst	1.00	1.00	0.00	0.00
	Full-Time Total	4.00	4.00	2.00	2.00
	Part-Time Total **	0.00	0.00	0.00	0.00
2014	Accounting				
	Accounts Payable/Finance Specialist	1.00	1.00	1.00	1.00
	Accounts Receivable Clerk/Customer Success Representative	0.00	1.00	1.00	1.00
	Accounting Manager	1.00	1.00	1.00	1.00
	Assistant Controller	0.00	0.00	0.00	1.00
	Finance Manager	0.00	1.00	1.00	0.00
	Customer Service Representative	1.00	0.00	0.00	0.00
	Customer Billing Specialist	1.00	1.00	1.00	1.00
	Customer Billing Supervisor	1.00	0.00	0.00	0.00
	Finance Manager/Controller	0.00	0.00	0.00	1.00
	Grant Coordinator	1.00	1.00	1.00	1.00
	Senior Accountant	1.00	1.00	1.00	1.00
	Full-Time Total	7.00	7.00	7.00	8.00
	Part-Time Total **	0.00	0.00	0.00	0.00
2011	Purchasing				
	Purchasing Agent	1.00	1.00	1.00	1.00
	Full-Time Total	1.00	1.00	1.00	1.00
	Part-Time Total **	0.00	0.00	0.00	0.00
2033	Municipal Court				
	Court Administrator	1.00	1.00	1.00	1.00
	Court Assistant Administrator	1.00	1.00	1.00	1.00
	Court Clerk I	3.00	3.00	3.00	3.00
	City Judge P/T **	1.00	1.00	1.00	1.00
	Full-Time Total	5.00	5.00	5.00	5.00
	Part-Time Total **	1.00	1.00	1.00	1.00
	Finance Full-Time	17.00	17.00	15.00	16.00
	Finance Part-Time	1.00	1.00	1.00	1.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
INNOVATION & TECHNOLOGY					
2112	Innovation & Technology				
	Business Intelligence Analyst	1.00	1.00	1.00	1.00
	Cybersecurity Manager	1.00	1.00	1.00	1.00
	Deputy Director of Innovation & Technology	0.60	1.00	1.00	1.00
	Director of Innovation & Technology	1.00	1.00	1.00	1.00
	Enterprise Applications Administrator	1.00	1.00	1.00	1.00
	Enterprise Applications Lead	1.00	1.00	1.00	1.00
	Enterprise Applications Manager	1.00	1.00	1.00	1.00
	ERP and Enterprise Applications Lead	1.00	1.00	1.00	1.00
	GIS Administrator	1.00	1.00	1.00	1.00
	GIS Specialist	0.00	0.00	1.00	1.00
	GIS Technician	1.00	1.00	0.00	0.00
	IT Coordinator	1.00	1.00	1.00	1.00
	IT Support Manager	0.00	1.00	1.00	1.00
	Public Safety Technology Specialist	1.00	1.00	1.00	1.00
	Senior Business Technical Analyst	1.00	1.00	1.00	1.00
	Senior Systems Administrator	1.00	1.00	1.00	1.00
	Systems Support Specialist	2.00	2.00	2.00	2.00
	Systems Support Supervisor	1.00	1.00	1.00	1.00
	Technical Operations Manager	0.40	0.00	0.00	0.00
	GIS Analyst - P/T **	1.00	0.00	0.00	0.00
	Full-Time Total	17.00	18.00	18.00	18.00
	Part-Time Total **	1.00	0.00	0.00	0.00
COMMUNITY SERVICES					
3016	Community Services Administration				
	Administrative Assistant III/Senior Administrative Assistant	1.00	1.00	1.00	1.00
	Building Inspector	1.00	1.00	0.00	0.00
	Building Inspector, Senior	1.00	1.00	0.00	0.00
	Community Services Manager	0.00	0.00	1.00	1.00
	Deputy Director of Community Services	1.00	1.00	1.00	1.00
	Director of Community Services	1.00	1.00	1.00	1.00
	Environmental Health Manager	1.00	1.00	1.00	1.00
	Plans Examiner	1.00	1.00	1.00	1.00
	Intern P/T **	1.00	1.00	1.00	1.00
	Full-Time Total	7.00	7.00	6.00	6.00
	Part-Time Total **	1.00	1.00	1.00	1.00
3017	Code Enforcement				
	Code Enforcement Manager	1.00	1.00	0.00	0.00
	Code Enforcement Officer	4.00	5.00	5.00	5.00
	Code Enforcement Officer, Sr. - Community Compliance	1.00	1.00	1.00	1.00
	Code Enforcement Officer, Senior - Community Engagement	1.00	1.00	1.00	1.00
	Code Enforcement Supervisor	1.00	1.00	0.00	0.00
	Full-Time Total	8.00	9.00	7.00	7.00
	Part-Time Total **	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
	Community Services Full-Time	15.00	16.00	13.00	13.00
	Community Services Part-Time**	1.00	1.00	1.00	1.00
3019/4128	ANIMAL SERVICES				
	Animal Services Assistant	3.00	3.00	3.00	3.00
	Animal Services Manager	1.00	1.00	0.00	0.00
	Animal Services Officer	4.00	4.00	4.00	4.00
	Animal Services Supervisor	0.00	0.00	1.00	1.00
	Animal Services Assistant P/T **	1.00	1.00	1.00	1.00
	Full-Time Total	8.00	8.00	8.00	8.00
	Part-Time Total **	1.00	1.00	1.00	1.00
	PUBLIC WORKS				
4020	Public Works Administration				
	Administrative Assistant III/Sr Administrative Assistant	1.00	1.00	1.00	1.00
	Business Analyst	1.00	1.00	1.00	1.00
	Director of Public Works	1.00	1.00	1.00	1.00
	Graduate Engineer	1.00	1.00	1.00	1.00
	Special Projects Manager	1.00	1.00	1.00	1.00
	Stormwater/Civil Engineer	1.00	1.00	1.00	1.00
	Full-Time Total	6.00	6.00	6.00	6.00
	Part-Time Total **	0.00	0.00	0.00	0.00
4027	Street Maintenance				
	Construction Inspector	2.00	2.00	2.00	2.00
	Construction Manager	1.00	1.00	1.00	1.00
	Crew Leader	3.00	3.00	3.00	3.00
	Equipment Operator II	1.00	1.00	1.00	1.00
	Equipment Operator III	3.00	3.00	3.00	3.00
	Maintenance Worker	2.00	2.00	3.00	3.00
	Maintenance Worker, Sr.	2.00	2.00	2.00	2.00
	Operations Manager	1.00	1.00	1.00	1.00
	Senior Traffic Signal Technician	1.00	1.00	1.00	1.00
	Street Superintendent	1.00	1.00	1.00	1.00
	Traffic Signal Technician	2.00	2.00	2.00	2.00
	Full-Time Total	19.00	19.00	20.00	20.00
	Part-Time Total **	0.00	0.00	0.00	0.00
	SUSTAINABILITY				
4124	Sustainability & Public Health				
	Administrative Assistant II	1.00	1.00	0.00	0.00
	Deputy Director of Public Works (Sustainability)	1.00	1.00	1.00	1.00
	Equipment Operator I	2.00	1.00	0.00	0.00
	Equipment Operator III	3.00	3.00	4.00	4.00
	Solid Waste Supervisor	1.00	1.00	1.00	1.00
	Solid Waste / Special Projects Manager	1.00	1.00	1.00	1.00
	Sustainability Manager	1.00	1.00	1.00	1.00
	Full-Time Total	10.00	9.00	8.00	8.00
	Part-Time Total **	0.00	0.00	0.00	0.00
	Public Works Full-Time	35.00	34.00	34.00	34.00
	Public Works Part-Time **	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
	POLICE				
4530	Police Administration				
	Administrative Assistant III / Senior Administrative Assistant	1.00	1.00	1.00	1.00
	Assistant Police Chief	2.00	2.00	2.00	2.00
	Civilian Background Investigator	0.00	0.00	0.00	1.00
	Crime Analyst	1.00	1.00	1.00	1.00
	Media Specialist	1.00	1.00	1.00	1.00
	Police Chief	1.00	1.00	1.00	1.00
	Police Lieutenant	1.00	1.00	1.00	1.00
	Police Records Manager	1.00	1.00	1.00	1.00
	Police Records Specialist	2.00	2.00	2.00	2.00
	Police Sergeant	0.00	0.00	0.00	1.00
	Full-Time Total	10.00	10.00	10.00	12.00
	Part-Time Total **	0.00	0.00	0.00	0.00
4531	Police Investigations				
	Police Crime Prevention Officer	1.00	1.00	1.00	1.00
	Police Intel Officer	0.00	0.00	0.00	1.00
	Police Lieutenant	1.00	1.00	1.00	1.00
	Police Officer (Detective)	10.00	10.00	8.00	8.00
	Police Officer (SRO)	2.00	2.00	2.00	2.00
	Police Sergeant	3.00	3.00	3.00	3.00
	Public Service Officer	1.00	1.00	0.00	0.00
	School Crossing Guard P/T **	0.00	0.00	0.00	9.00
	Full-Time Total	18.00	18.00	15.00	16.00
	Part-Time Total **	0.00	0.00	0.00	9.00
4532	Police Patrol				
	Police Lieutenant	4.00	4.00	4.00	4.00
	Police Officer	50.00	50.00	50.00	50.00
	Police Officer - Commercial Vehicle Inspector	0.00	0.00	0.00	1.00
	Police Officer [Over hires - not funded]	2.00	2.00	2.00	2.00
	Police Officer - Traffic/Community Policing (Grant Funded)	0.00	3.00	0.00	3.00
	Police Sergeant	8.00	8.00	8.00	8.00
	Police Sergeant - Traffic/Court	0.00	1.00	1.00	1.00
	Public Safety Enforcement Officer	2.00	2.00	2.00	2.00
	Public Service Officer	0.00	0.00	1.00	1.00
	School Crossing Guard P/T **	10.00	10.00	9.00	0.00
	Full-Time Total (excludes over hires)	64.00	68.00	66.00	70.00
	Part-Time Total **	10.00	10.00	9.00	0.00
4534	Police Detention				
	Court Services Officer	0.00	0.00	0.00	2.00
	Police Detention Officer	12.00	12.00	12.00	12.00
	Police Detention Officer Supervisor	4.00	4.00	4.00	4.00
	Police Lieutenant	1.00	1.00	1.00	1.00
	Property & Evidence Specialist	2.00	2.00	2.00	2.00
	Court Bailiff P/T **	0.00	0.00	0.00	2.00
	Full-Time Total	19.00	19.00	19.00	21.00
	Part-Time Total **	0.00	0.00	0.00	2.00
4536	Police Training				
	Civilian Background Investigator	1.00	1.00	1.00	0.00
	Police Sergeant	1.00	1.00	1.00	0.00
	Full-Time Total	2.00	2.00	2.00	0.00
	Part-Time Total **	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
4539	Court Services				
	Court Services Officer	2.00	2.00	2.00	0.00
	Court Bailiff P/T **	1.00	1.00	2.00	0.00
	Full-Time Total	2.00	2.00	2.00	0.00
	Part-Time Total **	1.00	1.00	2.00	0.00
	 <i>Police Full-Time</i>	 115.00	 119.00	 114.00	 119.00
	<i>Police Part-Time **</i>	11.00	11.00	11.00	11.00
	 FIRE				
5540	Administration				
	Administrative Assistant III / Senior Administrative Assistant	1.00	1.00	1.00	1.00
	Administrative Coordinator	0.00	0.00	1.00	1.00
	Assistant Fire Chief Administrative Services	1.00	1.00	1.00	1.00
	Assistant Fire Chief Operations	1.00	1.00	1.00	1.00
	Business Analyst	1.00	1.00	0.00	0.00
	Fire Captain - EMS	1.00	1.00	1.00	1.00
	Fire Chief	1.00	1.00	1.00	1.00
	Full-Time Total	6.00	6.00	6.00	6.00
	Part-Time Total **	0.00	0.00	0.00	0.00
5541	Prevention				
	Arson Investigator	1.00	1.00	1.00	1.00
	Assistant Fire Chief - Prevention	1.00	1.00	1.00	1.00
	Assistant Fire Marshal - Division Chief	1.00	1.00	1.00	1.00
	Emergency Management Coordinator	1.00	1.00	0.00	0.00
	Fire Inspector	2.00	2.00	1.00	1.00
	Fire Prev. Training Coordinator	1.00	1.00	1.00	1.00
	Fire Prevention Inspector P/T **	1.00	1.00	1.00	1.00
	Fire Prevention Intern P/T **	1.00	1.00	1.00	0.00
	Full-Time Total	7.00	7.00	5.00	5.00
	Part-Time Total **	2.00	2.00	2.00	1.00
5542	Fire Operations				
	Fire Battalion Chief	3.00	3.00	3.00	3.00
	Fire Captain	15.00	15.00	15.00	15.00
	Fire Driver	12.00	12.00	12.00	12.00
	Firefighter	51.00	54.00	54.00	54.00
	Full-Time Total	81.00	84.00	84.00	84.00
	Part-Time Total **	0.00	0.00	0.00	0.00
	 <i>Fire Full-Time</i>	 94.00	 97.00	 95.00	 95.00
	<i>Fire Part-Time</i>	2.00	2.00	2.00	1.00
	 PARKS AND RECREATION				
6018	Facilities Management				
	Facilities Manager	0.00	0.00	0.00	1.00
	Facilities Supervisor	0.00	0.00	0.00	1.00
	Facilities Technician	0.00	0.00	0.00	3.00
	Fleet & Facilities Coordinator	0.00	0.00	0.00	1.00
	Full-Time Total	0.00	0.00	0.00	6.00
	Part-Time Total **	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
6050	Parks and Recreation Administration				
	Administrative Assistant III/Senior Administrative Assistant	1.00	1.00	1.00	1.00
	Development Manager/Budget Manager	1.00	0.00	0.00	0.00
	Director of PARD	1.00	1.00	1.00	1.00
	Administrative Assistant I PT **	1.00	1.00	1.00	1.00
	Park Program Assistant P/T **	1.00	1.00	1.00	1.00
	Full-Time Total	3.00	2.00	2.00	2.00
	Part-Time Total **	2.00	2.00	2.00	2.00
6051	Park Maintenance				
	Athletic Fields Specialist I	2.00	2.00	2.00	2.00
	Athletic Fields Specialist II	1.00	1.00	1.00	1.00
	Chemical Specialist I	1.00	1.00	1.00	1.00
	Chemical Specialist II	1.00	1.00	1.00	1.00
	Crew Leader	7.00	8.00	7.00	7.00
	Crew Leader (CDL)	3.00	3.00	3.00	3.00
	Crew Team Leader	2.00	2.00	2.00	2.00
	Equipment Operator II, Parks	1.00	1.00	1.00	1.00
	Irrigation Specialist	1.00	1.00	1.00	1.00
	Irrigation Specialist II	1.00	1.00	1.00	1.00
	Maintenance Worker	14.00	16.00	16.00	16.00
	Maintenance Worker, Senior	1.00	1.00	2.00	2.00
	Park Maintenance Manager	3.00	3.00	3.00	3.00
	Park Maintenance Supervisor	1.00	1.00	1.00	1.00
	Parks Planner	1.00	1.00	1.00	1.00
	Park Superintendent	1.00	1.00	1.00	1.00
	Project Specialist I	2.00	2.00	2.00	2.00
	Project Specialist II	1.00	1.00	1.00	1.00
	Park Laborer P/T **	12.00	12.00	3.00	3.00
	Full-Time Total	44.00	47.00	47.00	47.00
	Part-Time Total **	12.00	12.00	3.00	3.00
6052	Recreation				
	Assistant Recreation Manager	1.00	1.00	1.00	1.00
	Recreation Analyst	1.00	1.00	1.00	1.00
	Recreation Center Manager	1.00	1.00	1.00	1.00
	Recreation Superintendent	1.00	1.00	1.00	1.00
	Recreation Supervisor	1.00	1.00	1.00	1.00
	Recreation Supervisor - Fitness/Athletics	0.60	0.60	1.00	1.00
	Recreation Leader [OBRA] P/T **	9.00	9.00	11.00	11.00
	Recreation Specialist [TMRS] P/T **	2.00	2.00	2.00	2.00
	Recreation Team Lead [TMRS] P/T **	5.00	5.00	5.00	5.00
	Full-Time Total	5.60	5.60	6.00	6.00
	Part-Time Total **	16.00	16.00	18.00	18.00
6053	Aquatics Center				
	Aquatics Coordinator	1.00	1.00	1.00	1.00
	Aquatics Manager	1.00	1.00	1.00	1.00
	Assistant Aquatics Manager	1.00	1.00	1.00	1.00
	Aquatics Leader (TMRS) P/T **	5.00	5.00	5.00	5.00
	Aquatics Specialist P/T **	1.00	1.00	1.00	1.00
	Head Guard - Indoor (TMRS) P/T **	3.00	3.00	4.00	4.00
	Lifeguard - Yr Round (TMRS) P/T **	5.00	5.00	2.00	2.00
	Full-Time Total	3.00	3.00	3.00	3.00
	Part-Time Total **	14.00	14.00	12.00	12.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
6054	Branch Connection (Senior Center)				
	Recreation Supervisor	1.00	1.00	1.00	1.00
	Assistant Branch Connection Manager	1.00	1.00	1.00	1.00
	Branch Connection Manager	1.00	1.00	1.00	1.00
	Recreation Leader P/T **	5.00	5.00	6.00	6.00
	Full-Time Total	3.00	3.00	3.00	3.00
	Part-Time Total **	5.00	5.00	6.00	6.00
6057	Events				
	Community Events Coordinator	0.00	0.00	1.00	1.00
	Community Events Manager	0.00	0.00	1.00	1.00
	Events Manager	1.00	1.00	0.00	0.00
	Marketing Manager	1.00	1.00	0.00	0.00
	Senior Market/Sponsorship Coordinator	1.00	1.00	0.00	0.00
	Special Events Assistant P/T ** [TMRS]	0.00	0.00	2.00	2.00
	Full-Time Total	3.00	3.00	2.00	2.00
	Part-Time Total **	0.00	0.00	2.00	2.00
	Parks Full-Time	61.60	63.60	63.00	69.00
	Parks Part-Time **	49.00	49.00	43.00	43.00
	PUBLIC WORKS - UTILITIES				
8085	Water & Sewer Administration				
	Deputy Director - Utility & Engineering (Previously City Engineer)	1.00	1.00	1.00	1.00
	Full-Time Total	1.00	1.00	1.00	1.00
	Part-Time Total **	0.00	0.00	0.00	0.00
8086	Water & Sewer Operations				
	Camera Technician	1.00	1.00	1.00	1.00
	Construction Inspector - Utilities	1.00	1.00	1.00	1.00
	Crew Leader	5.00	5.00	5.00	5.00
	Equipment Operator II	2.00	2.00	2.00	2.00
	Equipment Operator III	2.00	2.00	2.00	2.00
	Maintenance Worker - Utilities	4.00	4.00	4.00	4.00
	Meter Reader	3.00	3.00	3.00	3.00
	Meter Reader Supervisor	1.00	1.00	1.00	1.00
	Operations Manager - Utilities	1.00	1.00	1.00	1.00
	Pump Station Operator	2.00	2.00	2.00	2.00
	Pump Station Supervisor	1.00	1.00	1.00	1.00
	Utilities Compliance and Contract Coordinator	1.00	1.00	1.00	1.00
	Utilities Superintendent	1.00	1.00	1.00	1.00
	Full-Time Total	25.00	25.00	25.00	25.00
	Part-Time Total **	0.00	0.00	0.00	0.00
	Public Works - Utilities Full-Time	26.00	26.00	26.00	26.00
	Public Works - Utilities Part-Time	0.00	0.00	0.00	0.00
	FLEET MANAGEMENT (previously FLEET & FACILITIES MANAGEMENT)				
7018	Facilities Management				
	Facilities Manager	1.00	1.00	1.00	0.00
	Facilities Supervisor	1.00	1.00	1.00	0.00
	Facilities Technician	3.00	3.00	3.00	0.00
	Fleet & Facilities Coordinator	1.00	1.00	1.00	0.00
	Full-Time Total	6.00	6.00	6.00	0.00
	Part-Time Total **	0.00	0.00	0.00	0.00

City of Farmers Branch - Position Summary

Dept./ Division	Position	Amended 2023-24	Adopted 2024-25	Amended 2024-25	Proposed 2025-26
7080	Fleet Management				
	Emergency Vehicle Technician	0.00	0.00	1.00	1.00
	Fleet Operations Manager	1.00	1.00	1.00	1.00
	Fleet Service Lead/Fleet Foreman	1.00	1.00	1.00	1.00
	Fleet Technician	3.00	3.00	3.00	3.00
	Fleet Inventory Coordinator	0.00	1.00	1.00	1.00
	Fleet Support Assistant P/T **	1.00	1.00	1.00	1.00
	Full-Time Total	5.00	6.00	7.00	7.00
	Part-Time Total **	1.00	1.00	1.00	1.00
	Fleet & Facilities Management Full-Time	11.00	12.00	13.00	7.00
	Fleet & Facilities Management Part-Time	1.00	1.00	1.00	1.00
PARKS AND RECREATION					
9092	Historical Preservation				
	Historical Museum Educator	1.00	1.00	1.00	1.00
	Historical Park Coordinator	1.00	1.00	1.00	1.00
	Historical Park Cultural Specialist	1.00	1.00	1.00	1.00
	Historical Park Manager	1.00	1.00	1.00	1.00
	Historical Park Maintenance Technician	1.00	1.00	1.00	1.00
	Recreation Supervisor - Fitness/Athletics	0.40	0.40	0.00	0.00
	Historical Park Maintenance Assistant P/T **	0.00	1.00	1.00	0.00
	Historical Park Museum Specialist P/T **	0.00	1.00	1.00	0.00
	Historical Park Docent P/T **	0.00	4.00	0.00	0.00
	Park Attendant P/T **	3.00	3.00	3.00	3.00
	Full-Time Total	5.40	5.40	5.00	5.00
	Part-Time Total **	3.00	9.00	5.00	3.00
9095	Event Center				
	Event Center Manager	1.00	1.00	1.00	1.00
	Special Events Assistant P/T **	2.00	2.00	3.00	3.00
	Full-Time Total	1.00	1.00	1.00	1.00
	Part-Time Total **	2.00	2.00	3.00	3.00
	Parks Full-Time	6.40	6.40	6.00	6.00
	Parks Part-Time	5.00	11.00	8.00	6.00
	General Fund Full-Time Total	391.60	398.60	392.00	401.00
	General Fund Part-Time Total **	66.00	65.00	59.00	58.00
	Water & Sewer Fund Full-Time Total	26.00	26.00	26.00	26.00
	Water & Sewer Fund Part-Time Total **	0.00	0.00	0.00	0.00
	Internal Service Fund Full-Time Total	11.00	12.00	13.00	7.00
	Internal Service Fund Part-Time Total **	1.00	1.00	1.00	1.00
	Hotel/Motel Fund Full-Time Total	6.40	6.40	6.00	6.00
	Hotel/Motel Fund Part-Time Total **	5.00	11.00	8.00	6.00
	Special Revenue Fund Full-Time Total	0.00	3.00	0.00	3.00
	Special Revenue Fund Part-Time Total **	0.00	0.00	0.00	0.00
	ALL FUNDS FULL-TIME TOTAL	435.00	446.00	437.00	443.00
	ALL FUNDS PART-TIME TOTAL **	72.00	77.00	68.00	65.00
	ALL FUNDS FULL-TIME EQUIVALENT (FTE)	467.40	480.65	467.60	472.25

(1) In 2022-23 thru 2024-25, the Police department added two additional non-funded over hire positions. These positions do not increase position count.

Note: Seasonal Recreation and Aquatics division staff operate off of a set amount of funding, which results in estimated hours worked. These positions are filled based on availability. For the periods presented, seasonal positions have been excluded. All part-time staff are estimated at 0.45 FTE's (18 hours for

** Denotes Part-Time Positions

COMPENSATION PLAN

Class	Grade	Minimum	Midpoint	Maximum	Class	Grade	Minimum	Midpoint	Maximum
Exempt	1001	\$ 53,124.97	\$ 66,411.59	\$ 79,698.23	Part-Time	6001	\$ 10.93	\$ 13.66	\$ 16.39
	1002	55,795.22	69,738.64	83,682.06		6002	11.48	14.34	17.20
	1003	58,573.13	73,216.42	87,859.70		6003	12.05	15.05	18.07
	1004	61,501.79	79,956.64	98,411.48		6004	12.65	15.81	18.97
	1005	64,581.18	83,951.24	103,321.29		6005	13.28	16.60	19.92
	1006	67,811.32	88,150.42	108,489.50		6006	13.95	17.43	20.92
	1007	71,213.73	92,564.93	113,916.13		6007	14.65	18.30	21.96
	1008	74,766.88	97,194.80	119,622.70		6008	15.38	19.21	23.06
	1009	78,492.30	102,050.76	125,609.22		6009	16.15	20.18	24.22
	1010	83,079.10	107,488.15	131,897.22		6010	16.95	21.19	25.43
	1011	86,546.11	112,505.63	138,465.16		6020	21.64	27.04	32.45
	1012	90,874.49	118,136.84	145,399.19					
	1013	95,418.22	124,047.99	152,677.76					
	1014	101,146.32	131,488.07	161,829.81					
	1015	107,218.98	139,380.37	171,541.76					
	1016	113,636.18	147,735.66	181,835.12					
	1017	120,462.53	156,596.99	192,731.45					
	1018	127,698.04	165,996.69	204,295.33					
	1019	147,337.27	191,460.93	235,584.59					
	1020	165,813.65	215,425.22	265,036.80					
Non-Exempt	2001	\$ 32,614.40	\$ 40,768.00	\$ 48,921.60					
	2002	34,257.60	42,806.40	51,396.80					
	2003	35,963.20	44,948.80	53,934.40					
	2004	37,772.80	47,216.00	55,702.40					
	2005	39,644.80	49,566.40	59,467.20					
	2006	41,662.40	51,041.60	62,441.60					
	2007	43,721.60	54,641.60	65,582.40					
	2008	45,926.40	57,387.20	68,848.00					
	2009	48,193.60	60,236.80	72,280.00					
	2010	50,606.40	63,252.80	75,920.00					
	2011	53,123.20	66,414.40	79,705.60					
	2012	55,806.40	69,742.40	83,678.40					
Position	Grade	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Police Officer	3100	\$ 84,440.51	\$ 88,253.20	\$ 92,206.23	\$ 96,369.78	\$ 100,697.06	\$ 105,211.47	\$ 109,959.79	
Police Sergeant	3300	120,041.20	122,427.05	124,883.07	127,385.88	129,935.47	-	-	
Police Lieutenant	3400	139,666.01	142,449.50	145,279.78	148,180.23	151,174.24	-	-	
		-	-	-	-	-	-	-	
Firefighter	4100	\$ 82,874.50	\$ 87,027.52	\$ 91,397.49	\$ 95,953.42	\$ 100,757.30	\$ -	\$ -	
Fire Driver	4200	104,569.40	106,645.91	108,784.41	110,922.90	113,154.38	-	-	
Fire Captain	4400	130,882.20	132,183.90	133,516.58	134,849.27	136,181.97	-	-	
Fire Battalion Chief	4500	148,021.18	150,996.48	154,002.77	157,102.04	160,232.30	-	-	
		-	-	-	-	-	-	-	
Fire Inspector	5100	\$ 83,621.84	\$ 87,808.78	\$ 92,206.23	\$ 96,814.20	\$ 101,632.70	\$ -	\$ -	
Training Coordinator	5100	83,621.84	87,808.78	92,206.23	96,814.20	101,632.70	-	-	
Arson Investigator	5200	106,714.32	112,050.04	117,652.54	123,535.17	129,711.93	-	-	
EMS Captain	5400	130,882.20	132,183.90	133,516.58	134,849.27	136,181.97	-	-	
Asst. Fire Marshal	5500	148,021.18	150,996.48	154,002.77	157,102.04	160,232.30	-	-	
Division Chief	5500	148,021.18	150,996.48	154,002.77	157,102.04	160,232.30	-	-	



**FARMERS
BRANCH**

CITY CHARTER

§ 4-1

§ 4-5

ARTICLE IV. Budget**Sec. 4.01. Fiscal Year: Budget Year; Accounting Year.**

The fiscal year of the City government shall begin on the first day of October and shall end on the last day of September of each calendar year. The fiscal year shall constitute the budget and the accounting year.

Sec. 4.02. Preparation and Submission of Budget.

Prior to the 1st day of August in each year, the City Manager shall prepare, file with the City Secretary, and furnish to each member of the Council a carefully itemized budget outlining anticipated receipts and proposed expenditures of the City, showing as definitely as possible appropriations desired for each project and the operation for the next succeeding fiscal year, comparing the same with the budget of the then current fiscal year, and stating the estimated receipts and expenditures of the current year. Concurrently with the submission of an operating budget, the City Manager shall prepare and present a capital projects budget outlining all proposed capital projects and sources of funding for a period of at least three years. The City Manager shall also outline all debt service payments and sources of funding. Each employee, officer, board and department shall furnish the City Manager such information as may be required by the City Manager for the proper preparation of each budget. The proposed budget shall contain an estimate of the rate of tax required for the then current calendar year.

(Amd. no. 10, 1-15-1983; amd. nos. 11, 12, 28, 1-21-1989; amd. no. 8, 5-1-1999; Ord. No. 3240, Exh. A, 8-20-2013; Ord. No. 3252, Exh. A, 11-19-2013)

Sec. 4.03. Budget Form.

At the head of the budget there shall appear a summary of the budget in such a manner as to present to taxpayers a simple and clear summary of the detailed estimates of the budget. The City Manager shall at the same time submit a budget message explaining the need of the requested appropriations and stating what pending capital projects, if any, will likely require the issuance of bonds or warrants. (Amd. no. 14, 5-9-2009)

Sec. 4.04. Budget a Public Record.

The budget and budget message and all supporting schedules shall be a public record in the office of the City Secretary open to public inspection by anyone.

Sec. 4.05. Publication and Notice of Public Hearing.

The budget shall be filed with the City Secretary before the 30th day before the City establishes and sets its tax rate. The City Council shall call and hold a public hearing on the budget after the 25th day after the budget is filed with the City Secretary. Notice of the public hearing shall be published at least one time in a newspaper of general circulation not earlier than thirty (30) days nor later than ten (10) days before the date of the public hearing. (Amd. no. 5, 4-20-1968; amd. no. 2, 5-1-1999)

CITY CHARTER

§ 4-6

§ 4-11

ARTICLE IV. Budget**Sec. 4.06. Hearing and Adoption of Budget.**

At the time advertised or at any time to which public hearing shall be adjourned, the Council shall hold a public hearing on the budget as submitted, at which all interested persons shall be given an opportunity to be heard for or against the estimates or any item therein. After the conclusion of such public hearing, the Council may make such changes, if any, in the budget as in their judgment the law warrants and the best interests of the taxpayers of the City demand. The budget, as amended, if there be changes, shall then be adopted by Ordinance which shall also fix the tax rate per \$100.00 assessed value which shall apply to the current tax year. The City Manager shall file a copy of the budget with the County Clerk of Dallas County and with the Comptroller of the State of Texas.

Sec. 4.07. Budget Establishes Appropriations and Amount to be Raised by Ad Valorem Taxation.

The budget shall state the amount of money to be raised by ad valorem taxation. (Amd. nos. 13, 14, 1-21-1989)

Sec. 4.08. Unallocated Reserve Fund.

When recommended by the City Manager and in the discretion of the Council, the budget may contain a reasonable sum set aside as an unallocated reserve fund to meet unexpected and unforeseen contingencies in current operating costs of any budget project.

Sec. 4.09. Amendment and Supplemental Budgets.

In case of grave public necessity, emergency expenditures to meet unusual and unforeseen conditions which could not, by reasonable diligent thought and attention, have been included in the original budget may from time to time be authorized, upon the affirmative vote of a majority of a quorum of the Council, as amendments or supplements to the original budget. Such supplements and amendments shall be approved in an Ordinance and shall be filed with the original budget. (Amd. no. 10, 1-15-1983)

Sec. 4.10. Defect Shall not Invalidate Tax Levy.

Defects in the form or preparation of the budget or the failure to perform any procedural requirement shall not invalidate any tax levy or the tax roll.

Sec. 4.11. Budget Establishes Appropriations; Transfer of Unencumbered Appropriations.

Amounts set forth in the budget as approved expenditures shall be appropriated to the objects and purposes identified therein. The City Council may authorize the City Manager to transfer unencumbered appropriations within a department to an extent identified by the Council in its grant of such authorization. The Council, by ordinance, may amend the budget by transferring any unencumbered amounts within any fund of the City. (Amd. no. 14, 1-21-1989)



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF FARMERS BRANCH, TEXAS, APPROVING AND ADOPTING A BUDGET AND STRATEGIC PLAN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2025 AND ENDING SEPTEMBER 30, 2026; PROVIDING THAT EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; APPROPRIATING AND SETTING ASIDE THE NECESSARY FUNDS OUT OF THE GENERAL AND OTHER REVENUES OF THE CITY OF FARMERS BRANCH FOR SAID FISCAL YEAR FOR THE MAINTENANCE AND OPERATION OF VARIOUS DEPARTMENTS AND FOR VARIOUS ACTIVITIES AND IMPROVEMENTS OF THE CITY; APPROPRIATING THE VARIOUS AMOUNTS REQUIRED FOR SUCH BUDGET; AMENDING THE 2024-2025 ADOPTED BUDGET; PROVIDING FOR A REPEALING CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, as required by Section 4.02 of the City Charter, the City Manager has prepared and submitted to the City Council a proposed budget of the revenues and expenditures of conducting the affairs of the City for the fiscal year beginning October 1, 2025, and ending September 30, 2026; and

WHEREAS, as required by Section 3.02(2) of the City Charter, the City Manager has prepared and submitted to the City Council a proposed budget that includes a listing of the offices, departments, or agencies recommended for inclusion in the budget; and

WHEREAS, the City Council has received presentations and recommendations from staff as to the guiding principles of the City in developing a strategic plan; and

WHEREAS, the City Council's objective is to define a General Fund balance target within a range of approximately 90 days operating expenditures to provide for emergencies, working capital, and unanticipated one-time expenditures; and,

WHEREAS, the City Council has received the City Manager's proposed budget and strategic plan, a copy of which, with all supporting schedules, has been filed with the City Secretary of the City of Farmers Branch, Texas, as required by law; and

WHEREAS, the City Council finds that public hearing notices were published and posted and that public hearings were held, as required by law; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. The proposed budget of the revenue and expenditures necessary for conducting the affairs of the City of Farmers Branch, Texas, providing a complete financial plan for the ensuing fiscal year beginning October 1, 2025 and ending September 30, 2026, as submitted to the City Council by the City Manager, a copy of which is on file in the City Secretary's Office and incorporated herein by reference, be and the same is hereby adopted and approved as the budget of the City of Farmers Branch, Texas, for the fiscal year beginning October 1, 2025 and ending September 30, 2026.

SECTION 2. The expenditures during the fiscal year beginning October 1, 2025 and ending September 30, 2026 shall be made in accordance with the budget approved by this Ordinance unless otherwise authorized by a duly enacted ordinance of the City of Farmers Branch, Texas.

SECTION 3. For the purpose of providing guiding principles for the fiscal year beginning October 1, 2025 and ending September 30, 2026, the strategic plan, as submitted to the City Council by the City Manager, a copy of which is on file in the City Secretary's Office and incorporated herein by reference, be and the same is hereby adopted and approved as the strategic plan of the City of Farmers Branch, Texas, for the fiscal year beginning October 1, 2025 and ending September 30, 2026.

SECTION 4. All budget amendments and transfers of appropriations budgeted from one account or activity to another within any individual activity for the fiscal year 2024-2025 are hereby ratified, and the budget Ordinance for fiscal year 2024-2025, heretofore enacted by the City Council, be and the same is hereby amended to the extent of such transfer and amendments for all purposes.

SECTION 5. That specific authority is given to the City Manager to make the following adjustments:

1. Transfer of appropriations budgeted from one account classification to another account classification within the same department;
2. Transfer of appropriations from designated appropriations from one department or activity to another department or activity within the same fund;
3. Transfer of unencumbered appropriations within a department; and
4. Transfers from the General Fund and all other Funds of unexpended appropriations and excess revenues for the fiscal year 2024-2025.

SECTION 6. Upon approval of the budget, the budget officer shall file a true and certified copy thereof with the County Clerk of Dallas County, Texas.

SECTION 7. Should any word, sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be unconstitutional, illegal or invalid.

SECTION 8. All provisions of the Ordinances of the City of Farmers Branch, Texas, in conflict with the provisions of this Ordinance be, and the same are hereby, repealed, and all other provisions of the Ordinances of the City of Farmers Branch, Texas, not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 9. This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law and charter in such case provide.

UPON CALLING FOR A VOTE FOR APPROVAL OF THIS ORDINANCE, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:

	Aye	Nay
Omar Roman, Councilmember - District 1		
Tina Bennett-Burton, Mayor Pro Tem - District 2		
David Reid, Councilmember – District 3		
Elizabeth Villafranca, Councilmember – District 4		
Roger Neal, Deputy Mayor Pro Tem – District 5		
Mayor Terry Lynne (voting in case of absence or tie)		

WITH ___ VOTING “AYE” AND ___ VOTING “NAY,” THIS ORDINANCE IS DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THE 16TH DAY OF SEPTEMBER 2025.

ATTEST:

APPROVED:

Stacy Henderson, City Secretary

Terry Lynne, Mayor

APPROVED AS TO FORM:

City Attorney

()



**FARMERS
BRANCH**



ORDINANCE NO. ____

AN ORDINANCE OF THE CITY OF FARMERS BRANCH LEVYING THE AD VALOREM TAXES FOR THE TAX YEAR 2025 (FISCAL YEAR 2025-2026) AT A RATE OF \$ ____ PER ONE HUNDRED DOLLARS (\$100) ASSESSED VALUATION ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF FARMERS BRANCH AS OF JANUARY 1, 2025, TO PROVIDE REVENUE FOR THE PAYMENT OF CURRENT EXPENSES; PROVIDING FOR AN INTEREST AND SINKING FUND FOR ALL OUTSTANDING DEBT OF THE CITY OF FARMERS BRANCH; PROVIDING FOR DUE AND DELINQUENT DATES TOGETHER WITH PENALTIES AND INTEREST; APPROVING THE 2025 TAX ROLL CERTIFIED BY THE CHIEF APPRAISER OF THE DALLAS CENTRAL APPRAISAL DISTRICT; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, assessments and renditions of all taxable property in the City of Farmers Branch have been made for the year 2025 by the Chief Appraiser of the Dallas Central Appraisal District; and

WHEREAS, the City Council of the City of Farmers Branch finds it to be in the public interest to accept and approve the estimated ad valorem tax roll certified by the Chief Appraiser of the Dallas Central Appraisal District for 2025; and

WHEREAS, the City Council has approved Ordinance No. ____ adopting the City's annual budget for fiscal year 2025-2026; and

WHEREAS, the City Council has determined that a total tax rate of \$ ____ per \$100 assessed valuation should be adopted in order to provide funds necessary for the operations and maintenance obligations of the City and to fund required debt payments; and

WHEREAS, the City has published the public notices as required by law and voluntarily conducted a public hearing; and

WHEREAS, the City Council of the City of Farmers Branch, Texas, upon full consideration of the matter, is of the opinion that the tax rate hereinafter set forth is proper and should be approved and adopted.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. Assessments and renditions for Tax Year 2025 on all taxable property and the Certification of Appraisal Roll for Tax Year 2025, as certified by the Chief Appraiser of the Dallas Central Appraisal District and summarized in Exhibit "A", attached hereto, together with any supplements thereto, be and the same are hereby approved.

SECTION 2. There be and is hereby levied for the tax year 2025 on all taxable property, real, personal, and mixed, situated within the corporate limits of the City of Farmers Branch, Texas, and not exempt by the Constitution of the State and valid State laws, a tax of \$_____ on each one hundred dollars (\$100) assessed valuation of taxable property, which shall be apportioned and distributed as follows:

- (a) For the purpose of defraying the current expenditures of the municipal government of the City of Farmers Branch, a tax of \$_____ on each one hundred dollars (\$100) assessed value on all taxable property.
- (b) For the purpose of creating a sinking fund to pay the interest and principal maturities of all outstanding debt of the City of Farmers Branch, not otherwise provided for, a tax of \$_____ on each one hundred dollars (\$100) assessed value of taxable property within the City of Farmers Branch and shall be applied to the payment of interest and maturities of all such outstanding debt.

SECTION 3. All ad valorem taxes shall become due and payable on October 1, 2025, and all ad valorem taxes for the year shall become delinquent if not paid prior to February 1, 2026. There shall be no discount for payment of taxes prior to February 1, 2026. A delinquent tax shall incur all penalty and interest authorized by law, to wit:

- (a) A penalty of six percent on the amount of the tax for the first calendar month it is delinquent, plus one percent for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent.
- (b) Provided, however, a tax delinquent on July 1, 2026, incurs a total penalty of twelve percent of the amount of delinquent tax without regard to the number of months the tax has been delinquent. A delinquent tax shall also accrue interest at the rate of one percent for each month or portion of a month the tax remains unpaid. Taxes for the year 2025 and taxes for all future years that become delinquent on or after February 1 but not later than May 1, that remain delinquent on July 1 of the year in which they become delinquent, incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty, and interest due, pursuant to Texas Property Tax Code Section 6.30 and 33.07, as amended. Taxes assessed against tangible personal property for the year 2025 and for all future years that become delinquent on or after February 1 of a year incur an additional penalty on the later of the date the personal property taxes become subject to the delinquent tax attorney's contract, or 60 days after the date the taxes become delinquent, such penalty to be in the amount of twenty percent (20%) of taxes, penalty and interest due, pursuant to Texas Property Tax Code Section 33.11. Taxes for the year 2025 and taxes for all future years that remain delinquent on or after June 1 under Texas Property Tax Code Sections 26.07(f), 26.15(e), 31.03, 31.031, 31.032 or 31.04 incur an additional penalty in the amount of twenty percent (20%) of taxes, penalty, and interest due, pursuant to Texas Property Tax Code Section 6.30 and Section 33.08, as amended.

SECTION 4. The City shall have available all the rights and remedies provided by law for the enforcement of the collection of taxes levied under this ordinance.

SECTION 5. Should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal or invalid, the same shall not affect the validity of this Ordinance as a whole or any part or provision thereof other than the part thereof decided to be unconstitutional, illegal or invalid.

SECTION 6. This Ordinance shall take effect immediately from and after its passage, as the law and City Charter in such cases provide.

UPON CALLING FOR A VOTE FOR APPROVAL OF THIS ORDINANCE, THE MEMBERS OF THE CITY COUNCIL VOTED AS FOLLOWS:

	Aye	Nay
Omar Roman, Councilmember - District 1		
Tina Bennett-Burton, Mayor Pro Tem - District 2		
David Reid, Councilmember – District 3		
Elizabeth Villafranca, Councilmember – District 4		
Roger Neal, Deputy Mayor Pro Tem – District 5		
Mayor Terry Lynne (voting in case of absence or tie)		

WITH ___ VOTING “AYE” AND ___ VOTING “NAY”, THIS ORDINANCE NO. 3881 IS DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THE 16TH DAY OF SEPTEMBER 2025.

ATTEST:

APPROVED:

Stacy Henderson, City Secretary

Terry Lynne, Mayor

APPROVED AS TO FORM:

City Attorney
()

ORDINANCE NO. _____
EXHIBIT "A"



**DALLAS CENTRAL APPRAISAL DISTRICT
CERTIFICATION OF APPRAISAL ROLL**

Year: 2025

Jurisdiction: City of FARMERS BRANCH

In accordance with the requirements of the Texas Property Tax Code, Chapter 26, Section 26.01, paragraphs (A) and (B), the following values are hereby certified:

Market Value of all Real & Business Personal Property Before Qualified Exemptions*	\$12,124,242,660
Taxable Value of all Real & Business Personal Property	\$10,131,204,784

In accordance with the requirements of the Texas Property Tax Code, Chapter 26, Section 26.01, paragraph (C), the following values are hereby certified as disputed values and are not included in the above totals:

	Market Value	Taxable Value
Values under protest as determined by the Appraisal District**	\$392,210,800	\$329,617,682
Values under protest as claimed by property owner or estimated by Appraisal District in event property owner's claim is upheld	\$274,597,804	\$230,732,377
Freeport Estimated Loss		\$0
Estimated Net Taxable		\$230,732,377

I, Shane Docherty, Executive Director/Chief Appraiser of the Dallas Central Appraisal District, do hereby certify the aforementioned values and totals to the taxing jurisdiction indicated above, in accordance with the requirements of the laws of the State of Texas on this 25th day of July, 2025 .

Dallas Central Appraisal District

Shane Docherty
Executive Director/Chief Appraiser

*Total Value of New Construction in Certified Market Value above	\$52,839,596
**Value of Disputed New Construction in Protested Market Value Above	\$5,033,800

ORDINANCE NO. 3750

AN ORDINANCE OF THE CITY OF FARMERS BRANCH, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF FARMERS BRANCH, TEXAS, CHAPTER 78, "TAXATION", ARTICLE II "AD VALOREM TAX" BY AMENDING SECTION 78-57 "EXEMPTION FOR INDIVIDUALS SIXTY-FIVE OR OLDER" AND SECTION 78-58 "EXEMPTION FOR DISABLED PERSONS" BY INCREASING THE AMOUNT OF SAID RESIDENCE HOMESTEAD EXEMPTIONS TO ONE HUNDRED THOUSAND DOLLARS (\$100,000.00); PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Texas Constitution and Section 11.13 (d) of the Texas Property Tax Code authorize the City Council of the City of Farmers Branch, Texas, to provide for an exemption from taxation by the City of a portion of the appraised value of a residence homestead of individuals who are sixty-five (65) years of age or older and for individuals who are disabled; and

WHEREAS, the City Council of the City of Farmers Branch, Texas, desires to increase the amount of the residence homestead exemption for individuals who are sixty-five (65) years of age or older and for individuals who are disabled.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, THAT:

SECTION 1. The Code of Ordinances of the City of Farmers Branch, Texas, Chapter 78 "Taxation", Article II Ad Valorem Tax" is amended by amending Section 78-57 "Exemption for Individuals Sixty-Five or Older" and Section 78-58 "Exemption for Disabled Persons" to read as follows:

Sec. 78-57. - Exemption for individuals sixty-five or older.

Pursuant to the Texas Constitution and V.T.C.A., Property Tax Code § 11.13(d), \$100,000.00 of the appraised value of the residence homestead of an individual who is 65 years of age, or older, shall be exempt from ad valorem taxes beginning tax year 2022 and continuing thereafter, provided such person qualifies and makes application for the exemption in accordance with the Texas Property Tax Code.

Sec. 78-58. - Exemption for disabled persons.

Pursuant to the Texas Constitution and V.T.C.A., Property Tax Code § 11.13(d), \$100,000.00 of the appraised value of the residence homestead of an individual who is disabled, shall be exempt from ad valorem taxes beginning tax year 2022 and continuing thereafter, provided such person qualifies and makes application for the exemption in accordance with the Texas Property Tax Code.

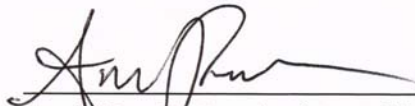
SECTION 2. All provisions of the ordinances of the City of Farmers Branch in conflict with the provisions of this Ordinance be, and the same are hereby, repealed, and all other provisions of the ordinances of the City of Farmers Branch not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 3. Should any sentence, paragraph, subdivision, clause, phrase, or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional.

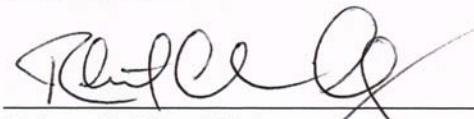
SECTION 4. This Ordinance shall take effect immediately from and after its passage as the law and charter in such cases provide.

DULY PASSED BY THE CITY COUNCIL OF THE CITY OF FARMERS BRANCH, TEXAS, ON THIS THE 5TH DAY OF JULY 2022.

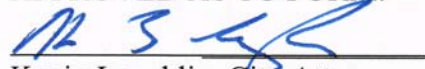
ATTEST:


Argie Ree Potter, Assistant City Secretary

APPROVED:


Robert C. Dye, Mayor

APPROVED AS TO FORM:


Kevin Laughlin, City Attorney
(PGS:6-30-22:TM 130401)

AR 7/28 1:58

Form 50-856

2025 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

City of Farmers Branch

972.247.3131

Taxing Unit Name

Phone (area code and number)

13000 William Dodson Pkwy, Farmers Branch TX 75234

www.farmersbranchtx.gov

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 7,382,965,579
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 0
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 7,382,965,579
4.	Prior year total adopted tax rate.	\$ 0.543500 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values: \$ 1,280,835,980 B. Prior year values resulting from final court decisions: - \$ 1,152,703,190 C. Prior year value loss. Subtract B from A. ³	\$ 128,132,790
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value: \$ 2,523,671,747 B. Prior year disputed value: - \$ 504,734,349 C. Prior year undisputed value. Subtract B from A. ⁴	\$ 2,018,937,398
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 2,147,070,188

¹ Tex. Tax Code §26.012(14)² Tex. Tax Code §26.012(14)³ Tex. Tax Code §26.012(13)⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 9,530,035,767
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵	\$ 0
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ 3,380,824 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 23,321,317 C. Value loss. Add A and B. ⁶	\$ 26,702,141
11.	Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ 0 B. Current year productivity or special appraised value: - \$ 0 C. Value loss. Subtract B from A. ⁷	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 26,702,141
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 1,059,982,288
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 8,443,351,338
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 45,889,614
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 1,270,842
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 47,160,456
18.	Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 10,131,204,784 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0 D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² - \$ 1,218,832,425 E. Total current year value. Add A and B, then subtract C and D.	\$ 8,912,372,359

⁵ Tex. Tax Code §26.012(15)⁶ Tex. Tax Code §26.012(15)⁷ Tex. Tax Code §26.012(15)⁸ Tex. Tax Code §26.03(c)⁹ Tex. Tax Code §26.012(13)¹⁰ Tex. Tax Code §26.012(13)¹¹ Tex. Tax Code §26.012, 26.04(c-2)¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³	
A.	Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴	\$ 230,732,377
B.	Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵	+ \$ 0
C.	Total value under protest or not certified. Add A and B.	\$ 230,732,377
20.	Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 0
21.	Current year total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 9,143,104,736
22.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ¹⁸	\$ 0
23.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ¹⁹	\$ 57,873,396
24.	Total adjustments to the current year taxable value. Add Lines 22 and 23.	\$ 57,873,396
25.	Adjusted current year taxable value. Subtract Line 24 from Line 21.	\$ 9,085,231,340
26.	Current year NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 0.519089 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²¹	\$ _____ /\$100

SECTION 2: Voter Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.489265 /\$100
29.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,530,035,767

¹³ Tex. Tax Code §26.01(c) and (d)

¹⁴ Tex. Tax Code §26.01(c)

¹⁵ Tex. Tax Code §26.01(d)

¹⁶ Tex. Tax Code §26.012(6)(B)

¹⁷ Tex. Tax Code §26.012(6)

¹⁸ Tex. Tax Code §26.012(17)

¹⁹ Tex. Tax Code §26.012(17)

²⁰ Tex. Tax Code §26.04(c)

²¹ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	Total prior year M&O levy. Multiply Line 28 by Line 29 and divide by \$100.	\$ 46,627,129
31.	Adjusted prior year levy for calculating NNR M&O rate.	
	A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year. + \$ 1,161,423 B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0. - \$ 2,701,778 C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. \$ -1,540,355 E. Add Line 30 to 31D.	\$ 45,086,774
32.	Adjusted current year taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,085,231,340
33.	Current year NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.496264 /\$100
34.	Rate adjustment for state criminal justice mandate. ²³	
	A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0 B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
35.	Rate adjustment for indigent health care expenditures. ²⁴	
	A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0 B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose. - \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100

²² [Reserved for expansion]²³ Tex. Tax Code §26.044²⁴ Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵ A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose. \$ 0 B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose. \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100 D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100 E. Enter the lesser of C and D. If not applicable, enter 0.	\$ 0.000000 /\$100
37.	Rate adjustment for county hospital expenditures. ²⁶ A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year. \$ 0 B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2023 and ending on June 30, 2024. \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100 D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100. \$ 0.000000 /\$100 E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0.000000 /\$100
38.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year. \$ 0 B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100 \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
39.	Adjusted current year NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ 0.496264 /\$100
40.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent. \$ 0 B. Divide Line 40A by Line 32 and multiply by \$100 \$ 0.000000 /\$100 C. Add Line 40B to Line 39.	\$ 0.496264 /\$100
41.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$ 0.513633 /\$100

²⁵ Tex. Tax Code §26.0442²⁶ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. ²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ 0.000000 /\$100
42.	Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes; (2) are secured by property taxes; (3) are scheduled for payment over a period longer than one year; and (4) are not classified in the taxing unit's budget as M&O expenses. A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸ Enter debt amount \$ 5,671,400 B. Subtract unencumbered fund amount used to reduce total debt. - \$ 0 C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0 D. Subtract amount paid from other resources - \$ 0 E. Adjusted debt. Subtract B, C and D from A.	\$ 5,671,400
43.	Certified prior year excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 283,768
44.	Adjusted current year debt. Subtract Line 43 from Line 42E.	\$ 5,387,632
45.	Current year anticipated collection rate. A. Enter the current year anticipated collection rate certified by the collector. ³⁰ 100.00 % B. Enter the prior year actual collection rate 95.50 % C. Enter the 2023 actual collection rate. 98.46 % D. Enter the 2022 actual collection rate. 102.33 % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹	100.00 %
46.	Current year debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 5,387,632
47.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,143,104,736
48.	Current year debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.058925 /\$100
49.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 41 and 48.	\$ 0.572558 /\$100
D49.	Disaster Line 49 (D49): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ 0.000000 /\$100

²⁷ Tex. Tax Code §26.042(a)²⁸ Tex. Tax Code §26.012(7)²⁹ Tex. Tax Code §26.012(10) and 26.04(b)³⁰ Tex. Tax Code §26.04(b)³¹ Tex. Tax Code §§26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.000000 /\$100

SECTION 3: NNR Tax Rate and Voter Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ 0
52.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³³ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁴ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 0
53.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,143,104,736
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ 0.000000 /\$100
55.	Current year NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.519089 /\$100
56.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	\$ 0.519089 /\$100
57.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.572558 /\$100
58.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ 0.572558 /\$100

SECTION 4: Voter Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$ 0
60.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,143,104,736
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ 0.000000 /\$100

³² Tex. Tax Code §26.041(d)

³³ Tex. Tax Code §26.041(i)

³⁴ Tex. Tax Code §26.041(d)

³⁵ Tex. Tax Code §26.04(c)

³⁶ Tex. Tax Code §26.04(c)

³⁷ Tex. Tax Code §26.045(d)

³⁸ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ 0.572558 /\$100

SECTION 5: Voter Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.³⁹ The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.⁴⁰

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴¹
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴² or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴³

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁴

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value A. Voter-approval tax rate (Line 68) B. Unused increment rate (Line 67) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2024 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.604075 /\$100 \$ 0.000000 /\$100 \$ 0.604075 /\$100 \$ 0.543500 /\$100 \$ 0.060575 /\$100 \$ 8,941,211,419 \$ 5,416,138
64.	Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2023 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.573559 /\$100 \$ 0.056728 /\$100 \$ 0.516831 /\$100 \$ 0.569000 /\$100 \$ -0.052169 /\$100 \$ 8,586,607,148 \$ 0
65.	Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2022 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.671514 /\$100 \$ 0.116433 /\$100 \$ 0.555081 /\$100 \$ 0.589000 /\$100 \$ -0.033919 /\$100 \$ 7,662,550,400 \$ 0
66.	Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G	\$ 5,416,138 /\$100
67.	2025 Unused Increment Rate. Divide Line 66 by Line 21 of the <i>No-New-Revenue Rate Worksheet</i> . Multiply the result by 100	\$ 0.059237 /\$100
68.	Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	\$ 0.631795 /\$100

³⁹ Tex. Tax Code §26.013(b)

⁴⁰ Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

⁴¹ Tex. Tax Code §§26.04(c)(2)(A) and 26.042(a)

⁴² Tex. Tax Code §26.0501(a) and (c)

⁴³ Tex. Local Gov't Code §120.007(d)

⁴⁴ Tex. Local Gov't Code §26.04(c)(2)(B)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁵ This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁶

Line	De Minimis Rate Worksheet	Amount/Rate
69.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.496264 /\$100
70.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,143,104,736
71.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 70 and multiply by \$100.	\$ 0.005468 /\$100
72.	Current year debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.058925 /\$100
73.	De minimis rate. Add Lines 69, 71 and 72.	\$ 0.000000 /\$100

SECTION 7: Voter Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁷

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁸

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
74.	2024 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.543500 /\$100
75.	Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. ⁴⁹ If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵⁰ Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0.000000 /\$100
76.	Increase in 2024 tax rate due to disaster. Subtract Line 75 from Line 74.	\$ 0.000000 /\$100
77.	Adjusted 2024 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 8,443,351,338
78.	Emergency revenue. Multiply Line 76 by Line 77 and divide by \$100.	\$ 0
79.	Adjusted 2024 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 9,085,231,340
80.	Emergency revenue rate. Divide Line 78 by Line 79 and multiply by \$100. ⁵⁰	\$ 0.000000 /\$100

⁴⁵ Tex. Tax Code §26.012(8-a)

⁴⁶ Tex. Tax Code §26.063(a)(1)

⁴⁷ Tex. Tax Code §26.042(b)

⁴⁸ Tex. Tax Code §26.042(f)

⁴⁹ Tex. Tax Code §26.042(c)

⁵⁰ Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	\$ 0.631795 /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.519089 /\$100

As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).

Indicate the line number used: 26

Voter-approval tax rate. \$ 0.631795 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax),
Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).Indicate the line number used: 27

De minimis rate. \$ 0.000000 /\$100

If applicable, enter the current year de minimis rate from Line 73.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵¹

**print
here**

John R. Ames, PCC, CTA

Printed Name of Taxing Unit Representative

**sign
here**

Taxing Unit Representative

Date

7.29.25

**sign
here**

Taxing Unit Representative

Date

⁵¹ Tex. Tax Code §§26.04(c-2) and (d-2)

Glossary

Accounts Payable - A liability account reflecting amounts on open account owing to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

Accounts Receivable - An asset account reflecting amounts owing to open accounts from private persons or organizations for goods and services furnished by a government.

Accrual Accounting - Basis of accounting under which revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

ACFR - An acronym for the City's Annual Comprehensive Financial Report (formerly Comprehensive Annual Financial Report), which refers to the City's audited financial statements for each year fiscal year beginning on October 1 and ending on September 30.

Actual - Actual, as used in the fund summaries and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a GAAP basis, with the exception that depreciation and amortization are not budgeted and principal payments on debt in the enterprise funds are budgeted as expenses.

Ad Valorem Tax - A tax computed from the assessed valuation of land and improvements.

Adopted - Adopted, as used in the fund summaries and department and division summaries within the budget document, represents the budget as approved by the City Council.

Appropriation - An authorization made by the legislative body of a government that permits officials to incur obligations against and to make expenditures of governmental resources. Specific appropriations are usually made at the fund level and are granted for a one-year period.

Appropriation Ordinance - The official enactment by the legislative body establishing the legal authority for officials to obligate and expend resources.

Assessed Valuation - A government sets a valuation upon real estate or other property as a basis for levying taxes. An assessed valuation represents the appraised valuation less any exemptions.

Assets - Resources owned or held by the City, which have monetary value.

Assigned Fund Balance - Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Audit - An examination of an organization's financial statements and the utilization of resources.

Balanced Budget - An operating budget where revenues equal or exceed expenditures and no use of fund balance is required.

Beginning Balance - The beginning balance is the residual non-restricted funds brought forward from the previous fiscal year (ending balance).

Bond - A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are General Obligation and Revenue Bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

Bond Proceeds - Funds received from the sale of any bond issue.

Budget - The City's financial plan for a specific fiscal year that contains both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives.

Budget Calendar - The schedule of key dates or milestones that City departments follow in the preparation, adoption, and administration of the budget.

Budget Message - The opening section of the budget that provides the City Council and the public with a general summary of the most important aspects of the budget, changes from the current and previous fiscal years, as well as the views and recommendation of the City Manager.

Budgetary Basis - Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP), with the exception that (1) encumbrances are considered to be an expenditure chargeable to appropriations; (2) no depreciation is budgeted for proprietary funds; and (3) bond principal in the enterprise funds is subject to appropriation.

Capital Outlay - Includes the purchase of land, the purchase or construction of buildings, structures, and facilities of all types, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: 1) have an estimated useful life of more than one year; 2) typically have a unit cost of \$5,000 or more; and 3) be a betterment or improvement. Replacement of a capital item is classified as a capital outlay under the same code as the original purchase. Replacement or repair parts are classified under commodities.

Capital Improvement Plan (CIP) - A capital improvements plan is a comprehensive plan which projects the capital needs of the community. Generally, it is a cyclical process that projects the needs for a set number of years. Capital improvements plans are essential to sound infrastructure and financial planning. The annual capital budget is derived from the long-term CIP.

Capital Project - Any project having assets of significant value and having a useful life of five years or more. Capital projects include the purchase of land, design, engineering and construction of buildings, and infrastructure items such as streets, bridges, drainage, street lighting, and water systems.

Capital Projects Funds - Funds used to account for all resources used for the acquisition and/or construction of major capital facilities by the City, except those financed by the Enterprise Fund.

CDBG - Acronym for Community Development Block Grant.

Certificates of Obligation - Similar to general obligation bonds except the certificates require no voter approval.

CIP - Acronym for Capital Improvement Program, a multi-year schedule of capital improvement projects. This is a flexible budget document that is used as a planning tool for needed improvements. Amounts approved in the CIP are considered guidelines and are not officially adopted as budgeted amounts until they are incorporated in the operating budget of one of the City's funds.

Committed Fund Balance - Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Commodities - Commodities are expendable items purchased through the City-approved centralized purchasing process. This classification includes supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not of a capital nature.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services - Includes expenditures for services performed by firms, individuals, or other City departments. Supplies are not included in the contractual services accounts.

Cost - The amount of money or other consideration exchanged for property or services. Costs may be incurred even before money is paid; that is, as soon as a liability is incurred.

CPI - An acronym for Consumer Price Index.

Current Taxes - Taxes that are levied and due within one year.

DART - Acronym for Dallas Area Rapid Transit, a mass transit authority serving the Dallas metroplex, which is funded through a 1% sales tax levied in participating cities.

DCAD - Acronym for Dallas Central Appraisal District.

Debt Service - The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Deficit - An excess of expenditures over revenues in a given period.

Delinquent Taxes - Taxes remaining unpaid on and after the date for which a penalty for non-payment is attached.

Department - The combination of divisions of the City headed by a department head with a specific and unique set of goals/objectives (e.g., Police, Fire, Finance, Public Works, etc.).

Depreciation - The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Division - A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Elastic Revenues - Revenues that are highly responsive to changes in the economy or inflation, such as sales tax, permits, and fees.

EMS - An acronym for emergency medical services.

Encumbrance - Includes obligations in the form of purchase orders, contracts or other commitments. They cease to be encumbrances when paid, canceled, or when the actual liability is established.

Ending Balance - The residual non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Enterprise Fund - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise Funds in Farmers Branch are established for water and sewer service.

Estimated - Represents the original adopted budget plus any approved changes and anticipated year-end savings.

Expenditures - This term refers to the outflow of funds paid or to be paid for an asset obtained or goods and services obtained regardless of when the expense is actually incurred. This term applies to all funds.

Expenses - Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest, and other charges.

Fees - Charges for specific services.

Financial Policy - A government's directive with respect to revenues, spending, reserves, and debt management as these relate to government services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of government budgets and its funding.

Fiscal Year - A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Farmers Branch's fiscal year is October 1 through September 30.

Fixed Asset - Asset of a long-term character that is intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery, and equipment.

Fixed Asset Fund - Account group used to record the purchase of a fixed asset.

Forecast - A prediction of a future outcome based on known and unknown factors.

Franchise - A special privilege granted by a government permitting the continuing use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

Franchise Fee -
Reimbursement for a utility's use of City streets and rights-of-way.

Fringe Benefits - Contributions made by a government to meet commitments or obligations for employee-related expenses. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

Full-Time Equivalent (FTE) - A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing number of hours budgeted by 2,080.

Fund - A fiscal and accounting entity with a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance - The balance of net financial resources that are spendable or available for appropriation.

Fund Summary - A combined statement of revenues, expenditures, and changes in fund balance for the prior year's actual, adopted, and estimated budgets, and the current year's adopted budgets.

GAAFR - Acronym for Governmental Accounting and Auditing Financial Review.

GAAP - Acronym for Generally Accepted Accounting Practices.

GAAP Adjustments - Differences arising from the use of a basis of accounting for budgetary purposes that differs from the basis of accounting applicable when reporting on operations in conformity with Generally Accepted Accounting Principles (GAAP). For example, depreciation and amortization in Enterprise Funds are not considered expenses on the budget basis of accounting, but are considered expenses on the GAAP basis.

GASB - Acronym for Government Accounting Standards Board, an independent, non-profit agency responsible for the promulgation of accounting and financial reporting procedures for governmental entities.

General Fund - The General Fund accounts for many of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance administration, park and recreation, libraries, streets, buildings, and land.

General Long-Term Debt - Represents any unmatured debt not considered to be a fund liability.

General Obligation Bonds - Bonds that finance a variety of public projects such as streets, buildings, and improvements. The repayment of these bonds is usually made from the General Fund and these bonds are backed by the full faith and credit of the issuing government.

Generally Accepted Accounting Principles (GAAP) - The uniform minimum standards and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provides standards by which to measure financial presentations.

GFOA - An acronym for Government Finance Officers Association of the United States and Canada.

Goal - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Governmental Funds - Those funds through which most governmental functions are typically financed. The acquisition, use, and financial resources and the related current liabilities are accounted for through governmental funds (General, Debt Service, Special Revenue, Capital Projects).

Grant - A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (e.g., education or drug enforcement), but it is sometimes for general purposes.

ICMA - Acronym for International City Management Association.

Indirect Cost Allocation - Funding transferred to the general fund from enterprise funds for specific central administrative functions which benefit those funds (e.g., City Manager, Financial Services Department, Human Resources, Legal, etc.).

Infrastructure - The basic facilities on which a city, state, etc. depends, such as roads and bridges.

Internal Service Fund - A fund used to account for the financing of goods or services provided by one City department or cost center to another department, on a cost-reimbursement basis.

LAP - Acronym for Local Assistance Program, a grant program funded by DART for local transportation capital improvements.

Liabilities - Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date.

Line Item Budget - A budget format that summarizes the object codes of expenditures for goods and services that the City intends to purchase during the fiscal year.

Long-Term Debt - Debt with a maturity of more than one year after the date of issuance.

Modified Accrual Accounting - Basis of accounting whereby revenues are recorded when susceptible to accrual (i.e. both measurable and available). Available, in this sense, means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, if measurable.

NCTCOG - Acronym for North Central Texas Council of Governments.

Nonspendable Fund Balance - Amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.

Objective - Something to be accomplished in specific, well defined, and measurable terms and that is achievable within a specific time frame.

Operating Budget - The portion of the budget that pertains to daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel.

Operating Fund - The City classifies General Fund and Enterprise Funds as operating funds.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance - A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Outstanding Debt - The balance due at any given time resulting from the borrowing of money or from the purchase of goods and services.

Pay-as-you-go Capital Improvement Projects - Capital projects whose funding source is derived from City revenue sources other than through the sale of voter-approved bonds.

PC Replacement Program - Established to centralize the responsibility for personal computer service and maintenance of computer and printer inventories. Departments are assessed an annual fee based upon their inventory of PCs and printers in use. The charge is accumulated in the PC Replacement Fund and used to replace printers and desktop/laptop computers on a standard replacement schedule.

Performance Measures - Specific quantitative and qualitative measures of work performed as an objective of the department.

Personal Services - Include the salaries and wages paid to employees plus the City's contribution for fringe benefits such as retirement, health and Workers' Compensation insurance.

PID - An acronym for Public Improvement District. The PID was established on the City's east side to provide a funding mechanism for the construction of a sewer interceptor tunnel.

PILOT - Acronym for Payment-in-Lieu-of-Tax representing a transfer of funds from the Water & Sewer Fund to the General Fund, calculated as an estimate of what the Water & Sewer Fund would pay to the City in ad valorem and franchise taxes if it were a separate entity.

Property Tax - Property taxes are levied on both real and personal property according to the property's valuation and the tax rate.

Proprietary Funds - Funds that account for government operations that are financed and operated in a manner similar to a private business.

Refunding - A procedure whereby an issuer refinances an outstanding bond issue by issuing new bonds. There are generally two major reasons for refunding: (1) to reduce the issuer's interest costs or (2) to remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced. The proceeds of the new bonds are either deposited into escrow to pay the debt service on the outstanding obligations when due, or they are used to immediately retire the outstanding obligations. The new obligations are referred to as the refunding bonds and the outstanding obligations being refinanced are referred to as the refunded bonds or the prior issue.

Reserve - An account which records a portion of the fund balance which must be segregated for some future use and which is, therefore, not available for further appropriation or expenditure.

Resolution - A legislative enactment by the governing board of a municipality, which requires less legal formality and has a lower legal status than that of an ordinance.

Restricted Fund Balance - Amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or enabling legislation.

Retained Earnings - The difference between proprietary fund assets and liabilities. The term fund balance or fund equity is used in governmental fund types.

Revenue - Funds that the government receives as income. Revenue includes such items as tax payments, fees from specific services, receipts from other governments, fines, forfeitures, grants, and interest income.

Revenue Bonds - Bonds usually sold for constructing a project that will produce revenue for the government. All or part of the revenue is used to pay the principal and interest of the bond.

Self-Insurance - The retention by an entity of a risk of loss arising out of the ownership of property or from some other cause instead of transferring that risk through the purchase of an insurance policy.

Sinking Fund - An account into which a debt issuer makes periodic deposits to ensure the timely availability of sufficient monies for the payment of debt service requirements. The revenues to be deposited into the sinking fund and payments therefrom are determined by the terms of the bond contract.

Special Assessment - A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Fund - Fund used to account for the accumulation and disbursement of restricted sources.

Supplies - A cost category for minor items (individually priced at less than \$5,000) required by departments to conduct their operations, which are not generally permanent in nature.

Tax Rate - A percentage applied to all taxable property to raise general revenue. It is derived by dividing the total tax levy by the taxable net property valuation.

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

TIF - Acronym for Tax Increment Financing, which is funded from bonds, developers' contributions and advances, and/or property tax payments to account for infrastructure construction in special districts within the City.

TIRZ - Acronym for Tax Increment Reinvestment Zones (TIRZs), which are special zones created by City Council to attract new investment in an area. These zones help finance costs of redevelopment and promote growth in areas that would otherwise not attract sufficient market development in a timely manner. Taxes attributable to new improvements (tax increments) are set-aside in a fund to finance public improvements within the boundaries of the zone.

Transfers - Money transferred between funds (operating transfers in to one fund and operating transfers out to another fund).

TxDOT - Acronym for Texas Department of Transportation, a state government agency.

Unassigned Fund Balance - Amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

User Fee - The fee charged for services to the party or parties who directly benefits.