

GOVERNMENT



FARMERS BRANCH
TEXAS

BUDGET WORKSHOP - FY 2026-27

Budget Workshop | City Council Meeting | JUNE 16, 2026

BUDGET DISCUSSION TOPICS

- Budget Overview/Process
- Strategic Budget Priorities
- Infrastructure
- Investment in Community-Centered
Projects/Contracts
- Grants
- Fee
- Revenue/Expenditure Updates
- Tax Rate
- Staffing & Compensation
- Employee Benefits



FY 2026-27

TAX BILL DISTRIBUTION

- ❑ 27% of the property tax bill is for the City of Farmers Branch
- ❑ 73% of Farmers Branch property tax is commercial
- ❑ 68% of residents receive a 20% Homestead Exemption
- ❑ 31% of residents receive a \$100,000 Senior/Disabled Exemption

The City of Farmers Branch receives 27% of the property taxes you pay.
The rest is distributed among the other taxing entities.



*Dallas ISD = \$0.993835 => CoFB = 26%

On average, residents pay \$1,969 in property taxes to the City of Farmers Branch. That is the equivalent of about \$164 per month for City services that include:



Police, Fire & EMS
Street Maintenance
Code Enforcement

Animal Control
Trash & Recycling
Bulk Collection

Library Services
Recreation Facilities
Parks and Trails

Based on an average home value of \$452,788.

FY 2026-27

NO TAX RATE CHANGE FOR
FY 2026-27

Low Rates. Strong Exemptions. Real Savings

Farmers Branch provides one of the region's most competitive tax rates, enhanced by substantial senior and homestead exemptions that significantly reduce taxable property values for residents.

SURROUNDING CITIES	2025 Tax Rate	Avg Senior Tax Amount	Avg With Homestead
1. Frisco	0.425517	\$1,200.94	\$1,541.35
2. Plano	0.437600	\$1,410.08	\$1,585.12
3. Allen	0.415400	\$1,579.14	\$1,786.84
4. Coppell	0.444976	\$1,469.08	\$1,914.06
5. Carrollton	0.537500	\$1,355.74	\$1,946.99
6. Farmers Branch	0.543500	\$1,425.22	\$1,968.72
7. Princeton	0.440226	\$1,883.23	\$1,993.29
8. Irving	0.589100	\$1,780.44	\$2,133.90
9. Addison	0.608100	\$1,837.86	\$2,202.72
10. Richardson	0.542180	\$1,587.44	\$2,454.93
11. Wylie	0.543438	\$2,297.59	\$2,460.62
12. Dallas	0.698800	\$1,308.37	\$2,531.27

Based on an avg home value of \$452,788.



FY 2026-27

SALES TAX

Volatile but STABLE

Threatened by the Legislature & Point of Sale

Revenue Stabilization Fund

BUDGET PRIORITIES

✓ PUBLIC SAFETY

- ❑ **Pedestrian Traffic Improvements = 1.8MM** – Implement priority safety, mobility, and pedestrian infrastructure improvements identified through the City's traffic assessment. Investments will enhance pedestrian connectivity, improve accessibility and public safety, modernize traffic control infrastructure, and ensure compliance with federal standards.

✓ ECONOMIC DEVELOPMENT & NEIGHBORHOODS

- ❑ **Firehouse Theatre Sponsorship = \$25k** – for facility enhancements in lobby and kitchen area.
- ❑ **Community Garden** – Utilize community partnerships, volunteer support, donations, and in-kind contributions to minimize City costs while enhancing neighborhood engagement.
- ❑ **Minor Home Repair / Code Cares**– Continue neighborhood revitalization efforts through existing funding allocations by assisting eligible homeowners with health, safety, accessibility, and property maintenance improvements.

✓ INFRASTRUCTURE

- ❑ **City's aging infrastructure = \$9MM to 12.8MM** – Increase in investment in water/wastewater infrastructure
Water rates increase by 12%
- ❑ **IT Maintenance = \$150K** – to support ongoing technology modernization efforts through proactive maintenance.
- ❑ **City Facilities' Maintenance** – Utilize existing facility maintenance funding to prioritize necessary upgrades based on results of FY26 Facilities Assessment.

needs

FY26-27 Compensation

February 2026

Initial discussions started.
Merit-based 0-3% for general.
3% Public Safety.

March 2026

Merit-based 0-2% for general.
2% Public Safety.
No raises for CMO/Directors.
70+ city survey launched.

April/May 2026

Merit-based 0-1% for general.
1% Public Safety.
Exploration of all options:
-No raises for CMO, Directors or Deputy Directors.
-Based on job families/positions.
-Based on midpoint progression.
-At-maximum payout elimination.
70+ city survey completed.

June 2026

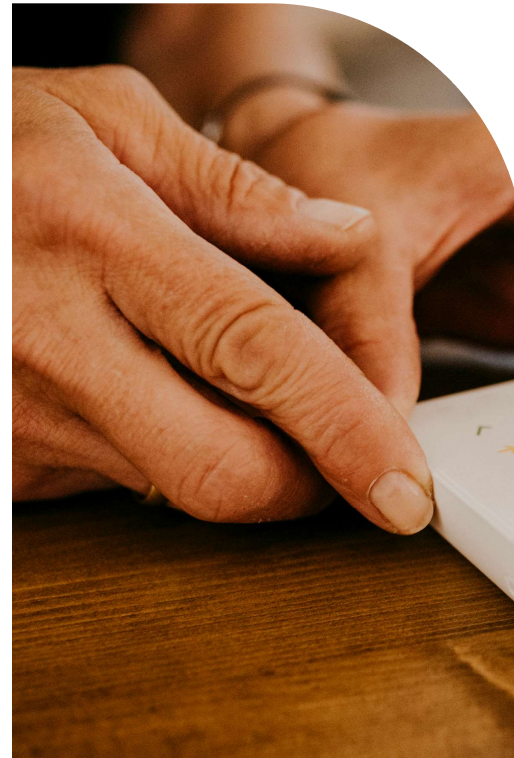
Elimination of all raises.
Public Safety steps remain funded for FY2027.

5-Year History

Fiscal Year	Police	Fire	General
2022	7%	7%	1-4%
2023	6%	6%	1-6%
2024	6%	6%	3%
2025	3%	3%	0-3%
2026	3%	3%	0-3%

FEE UPDATES

- ❑ **Solid Waste Fee to Landfill Closure Reserve Fee**
 - ❑ No change in the fee
 - ❑ Fee Verbiage Change
- ❑ **Credit Card Fee**
 - ❑ Increase from 2.5% to 3.5%
 - ❑ Majority Council consent on January 20, 2026



Questions



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