



FARMERS  
BRANCH



# FY 2017 Budget Workshop Meeting

AUGUST 2, 2016



# Strategic Planning



***“Our Mission at the City of Farmers Branch is to build a vibrant, dynamic community that consistently seeks to improve the quality of life for our residents.”***



# Key Budget Adoption Dates



- January 21<sup>st</sup> City Council Planning Retreat
- June 10<sup>th</sup> City Council Planning Retreat
- July 29<sup>th</sup> Proposed Budget to City Council
- August 2<sup>nd</sup> Budget Workshop
- August 16<sup>th</sup> Public Hearing on Tax Rate
- September 6<sup>th</sup> Public Hearings on Tax Rate & Budget
- September 20<sup>th</sup> Tax Rate/Budget Adoption
- October 1<sup>st</sup> Budget Implementation



# Agenda



- City Manager Proposed Balanced Budget Highlights
  - Council Strategic Planning Session Implementation
  - Meets Guiding Principles
- Organizational Requests



# City Manager Proposed Balanced Budget



- ✓ Promotes Council Approved Strategic Plan, Mission, Guiding Principles, and Goals
- ✓ Maintains Property Tax Rate at 60.2267¢
- ✓ Absorbs Justice Center Debt Service (\$165,000 annually)
- ✓ Implements Updated Employee Compensation System
- ✓ 9% Water & Sewer Rate Increase
- ✓ No Stormwater Fee Increase
- ✓ Improves Target Fund Balances
- ✓ Initial Building Security Funding
- ✓ Increases Service Levels



# Proposed FY 2017 Budget



General Fund	\$55,272,300
Water & Sewer Fund	\$19,786,800
Stormwater Utility Fund	\$ 1,024,800
Hotel/Motel Fund	\$ 3,511,000
Debt Service	\$ 4,695,700
Economic Development	\$ 700,000
Special Revenue Funds	<u>\$ 3,891,150</u>
Subtotal Operating	\$88,881,750
Capital Project Funds	<u>\$ 8,137,312</u>
Total Budget	\$97,019,062



# Primary General Fund Revenue & Expenditure Drivers



- Revenues
  - Property Tax Revenues – Up \$1,525,000
  - Building Permits – Up \$650,000
  - Landfill – Up \$986,000
  - Overall\* – Up \$3,051,100
  
- Expenditures
  - Updated Compensation System – Up \$1,000,000
  - Landfill Costs – Up \$648,000
  - Employee Merit – Up \$330,000
  - Contract Services (Trash Collection/Library) – Up \$310,800
  - Economic Development Fund – Up \$300,000
  - Fire Ladder Truck (100 ft) – Up \$200,000
  - Added 3 Full-Time Positions – Up \$208,290
  - Farmers Market Grove Improvements – Up \$190,000
  - Firehouse Theatre ADA Updates – Up \$100,000
  - Overall\* – Up \$2,959,300



# Major Capital Improvement Projects



- Continuation of a 10-Year Street Bond Program
- Justice Center Security Upgrades and Improvements
- Marsh Lane Bridge (southbound) Replacement
- Joint Fire Training Facility Construction
- Park & Trail Improvements
- Justice Center Security Improvements
- Utility System Replacement & Improvements
- Farmers Market Improvements





# Fund Balances

## FY 2017 – Most Realistic



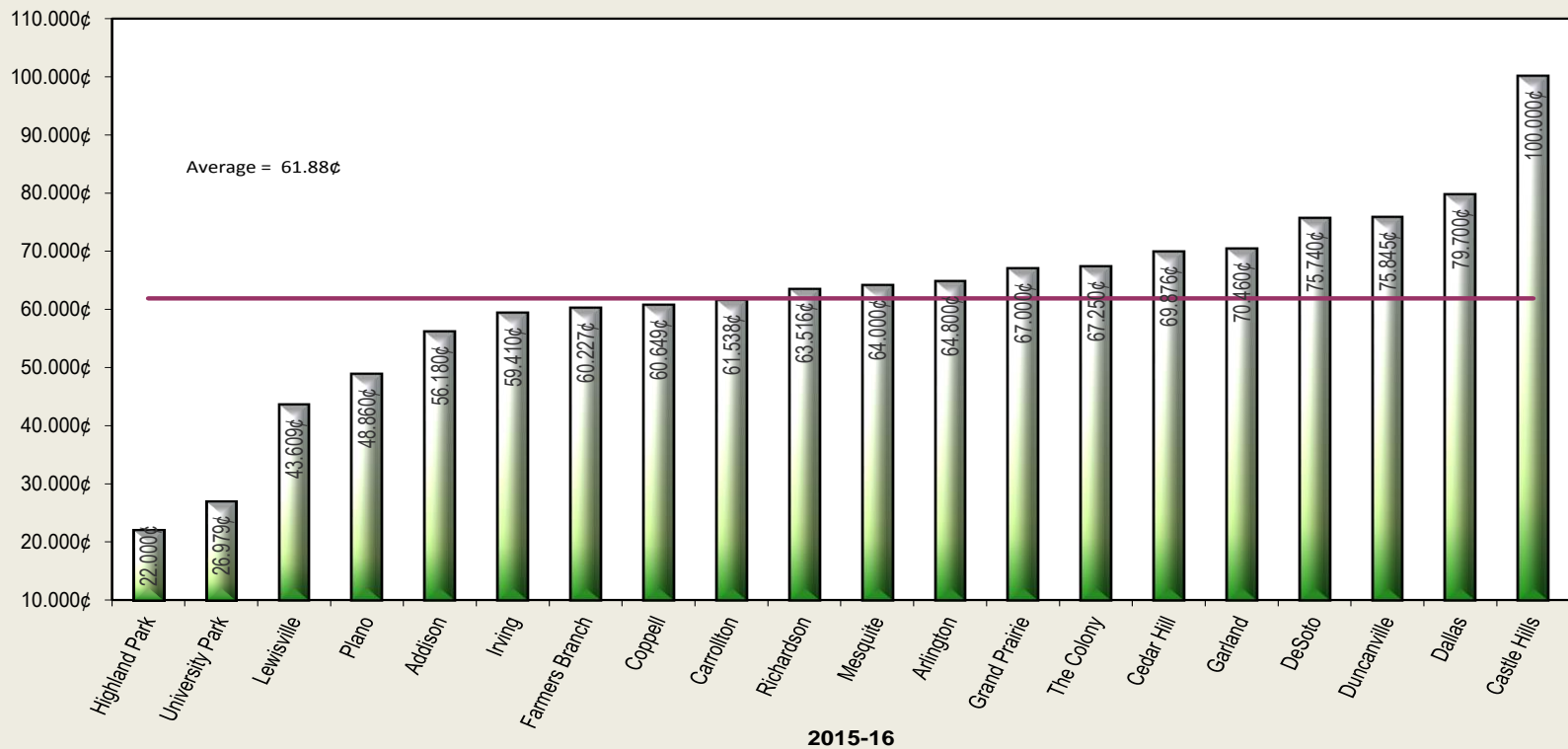
- General Fund - \$8,025,259
  - ✓ Meets Target Range
- Fixed Asset Fund - \$954,238
  - ✓ Meets Target
- Water & Sewer Fund - \$1,801,246
  - ✓ Plan to Meet Target
- Hotel/Motel Fund - \$1,121,136
  - ✓ Meets Target



# Tax Rate Comparison



## MUNICIPAL TAX RATE COMPARISON within Dallas area (per \$100 assessed valuation)



Rates are preliminary.



# Residential Property Tax Impact of Value Change



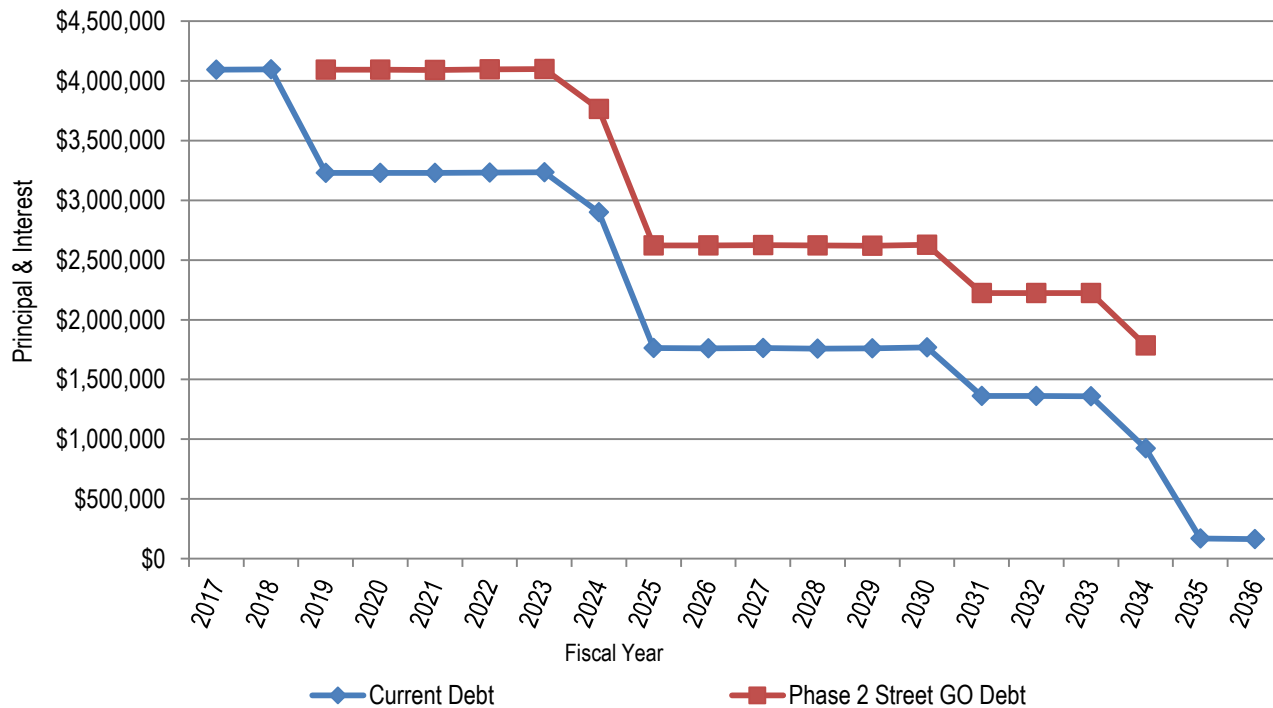
- Home Value 2015 (FY 16) = \$159,255
  - Property Taxes w/Homestead = \$767.31 (\$63.94 monthly)
  - Property Taxes w/Over-65 = \$375.84 (\$31.32 monthly)
  - Tax Rate \$.602267
  - Over-65 Exemption = \$65,000
  
- Home Value 2015 (FY 16) = \$174,672
  - Property Taxes w/Homestead = \$841.59 (\$70.13 monthly)
  - Property Taxes w/Over-65 = \$450.12 (\$37.51 monthly)
  - Tax Rate \$.602267
  - Over-65 Exemption = \$65,000
  
- Increase
  - Homestead = \$74.28
  - Homestead & Over-65 = \$74.28



# Debt Service



**Property Tax Supported  
Annual Debt Service (Current & Projected)**





# Organizational Requests

- Bea's Kids
- FB Chamber
- Metrocrest Community Clinic
- Metrocrest Services
- Metrocrest Chamber
- Family Place
- Firehouse Theater
- Total

- FY '17 Proposed Budget
- FY '16 Budget

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- \$ 10,000 Up \$2,500
- \$ 80,000
- \$ 15,000 Up \$3,000
- \$175,000
- \$ 7,500
- \$ 10,000
- \$ 15,000 Up \$15,000
- \$312,500
- \$292,000
- \$292,000



# City Manager Proposed Balanced Budget



- City Manager Proposed Balanced Budget
  - Represents Management's Professional Recommendations
  - Council Strategic Planning Session Implementation
  - Meets Guiding Principles set by Council

# QUESTIONS? DISCUSSION?



FY '18 Challenges...

Additional Workshop Dates/Locations?