



# FY 2026 BUDGET

SEPTEMBER 2, 2025



# 2026 PROPOSED BUDGET

For Year Ending September 30, 2026





# FY 2026 Proposed Budget Highlights



- Reduces the property tax rate from 0.6848 to .6825
- Enhances employee pay, benefits, resources, and training to support retention and recruitment
- Commits \$45.8 million for capital expenditures including the use of reserves for public safety facilities
- Maintains disciplined financial management and healthy financial position

# Property Tax Rate Reference Points

**Current Rate: 0.684800**

Adopted by the City Council on September 3, 2024

## FY 2026

**No-new-revenue Rate (NNR): 0.662791**

The NNR tax rate is the rate the taxing unit needs to generate about the same amount of revenue they received in the previous year if the rate was applied to the same amount of properties in both years. When property values rise, the NNR tax rate goes down.

**Voter-approval tax rate (VATR): 0.708873**

Taxing units need to get voter approval before they exceed this rate. Cities can set a tax rate that is three and half percent higher than the NNR rate for operating expenses. The calculation includes additional adjustments related to sales tax and unused increment.

# Property Tax - Compliance Requirements

**The State of Texas requires multiple methods of posting notices about the tax rate before a city adopts a tax rate. These methods help ensure that the public is properly informed.**

- Transparency and Accountability
- Reaching Different Audiences
- Preventing “hidden” tax increases
- Encouraging Public Participation
- Legal Safeguards

**In summary, multiple methods are used to ensure fairness, avoid surprises, and protect taxpayers by making the budget and tax rate process as visible as possible.**

# Tax Rate History

Fiscal Year	M&O	I&S	Total Rate	Average Annual %		
				\$ Change	% Change	Change
2022	0.726565	0.034363	0.760928	-0.002	-0.31%	
2023	0.661579	0.032742	0.694321	-0.067	-8.75%	
2024	0.649853	0.030147	0.680000	-0.014	-2.06%	
2025	0.658533	0.026267	0.684800	0.0048	0.71%	
2026	0.656727	0.025773	0.682500	-0.0023	-0.34%	-2.15%

Proposed FY26 Budget recommends a tax rate of 0.6825

Proposed tax rate is 12% lower than 2021.

2<sup>nd</sup> Lowest rate in over a decade

M&O = Maintenance & Operations

I&S = Interest and Sinking Fund (Debt)

# Property Tax Rates and Revenue

(Sorted by Revenue Per Capita)

City	FY 25	Assessed Value		Levy	
	Tax Rate	(in Billions)	Tax Levy	Population	per Capita
Richardson	0.5422	\$26,459,121,662	\$143,456,065	118,221	\$1,213
Carrollton	0.5388	\$23,062,381,503	\$124,248,578	135,456	\$917
Flower Mound	0.3873	\$16,913,675,165	\$65,501,927	79,990	\$819
Lewisville	0.4224	\$22,808,819,579	\$96,352,436	135,983	\$709
Temple	0.6265	\$10,717,873,784	\$67,147,479	96,267	\$698
Bryan	0.6240	\$9,925,284,089	\$61,933,772	91,541	\$677
Round Rock	0.3600	\$25,376,593,462	\$91,355,735	135,359	\$675
Georgetown	0.3647	\$18,671,733,059	\$68,095,810	101,344	\$672
Longview	0.5619	\$9,418,946,205	\$52,925,058	83,668	\$633
San Angelo	0.7544	\$8,354,061,616	\$63,023,040	100,159	\$629
College Station	0.5131	\$14,898,528,499	\$76,442,263	128,023	\$597
Abilene	0.7577	\$9,850,090,977	\$74,634,139	130,501	\$572
Wichita Falls	0.6848	\$7,649,667,455	\$52,384,922	102,372	\$512
Odessa	0.4663	\$12,451,947,009	\$58,060,315	119,748	\$485
Tyler	0.2401	\$13,395,742,403	\$32,161,168	112,219	\$287
<b>Average</b>	<b>0.5229</b>	<b>\$15,330,297,764</b>	<b>\$75,181,514</b>	<b>111,390</b>	<b>\$673</b>