Proposed Annual Budget
Fiscal Year 2026-2027

PROPOSED
FY 2026-2027 BUDGET

Section 102.005 of the Texas Local Government Code requires that the following statement be placed on the cover page of the proposed budget:

THIS BUDGET WILL RAISE MORE REVENUE FROM PROPERTY TAXES THAN LAST YEAR'S BUDGET BY AN AMOUNT OF $713,853, WHICH IS A 6.33% INCREASE FROM LAST YEAR'S BUDGET. THE PROPERTY TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR IS $324,330.

Budget Emphasis based on Town's Strategic Plan – Focus Areas

Infrastructure

- Engineering for Fairview Parkway PH2
- Latham Drive Construction
- Hart Road Planning
- Continued road maintenance plan

Public Safety

- Expanded police services by budgeting an Administrative Assistant
- Addition of police & fire equipment and training to expand capabilities
- Expansion of Police Facilities

Community Development & Economic Development

- Updates to Town ordinances
- Planning for expanded Trail/Park facilities

Budget Emphasis based on Town's Strategic Plan – Focus Areas

Fiscal Accountability

- Provide funding for employee compensation and benefits for retention and recruitment
- Provide planning for vehicle and equipment replacement
- Continued planning for updates to the Capital Improvement Plan

Community Engagement

- Upgrade to the Town website for improved citizen communication
- Develop a Town Communication Plan

Budget Highlights: General Fund

- The FY27 proposed tax rate, is $0.321483, an increase of $0.0048 from FY26
- Funds personnel items, including funds for merit and market adjustment, insurance increases, personnel adjustments
- Includes Police administrative staff, a new fire fighter/paramedic, and public safety vehicles and equipment

Budget Highlights: Utility Fund

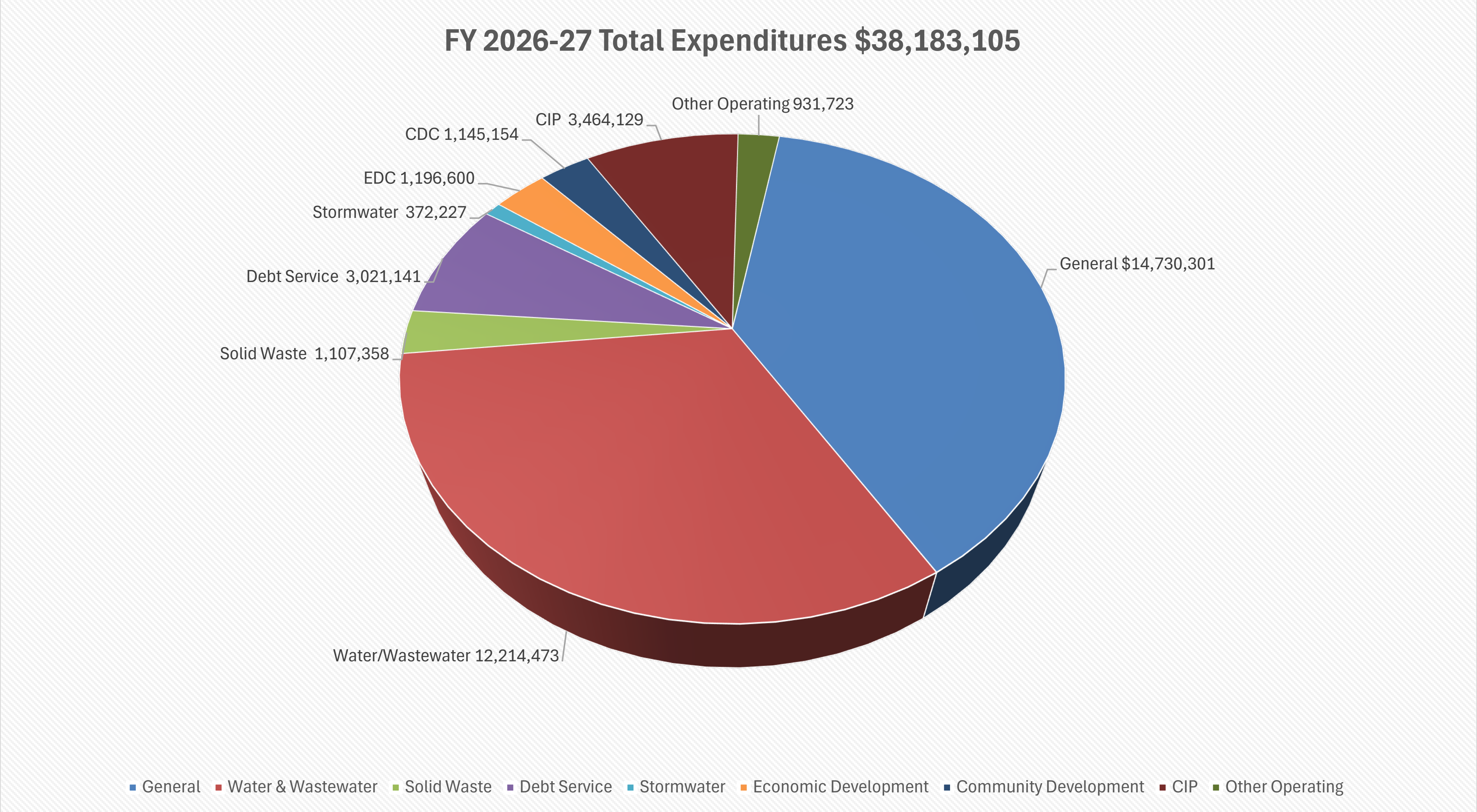
- The estimated rate increase in water and sewer rates for FY26-27 is 6.68% and 7.16%, respectively.
- The water budget includes personnel items, including funds for merit and market adjustment, insurance increases, and a new Maintenance Worker position
- Includes funds for replacement and purchase of vehicles, and equipment

FY 2026-27: Total Revenues and Expenditures

Fund	Revenues	Expenses
General	$ 14,730,557	$ 14,730,301
Water & Wastewater	12,586,965	12,214,473
Solid Waste	1,098,295	1,107,358
Debt Service	3,080,000	3,021,141
Stormwater	405,000	372,227
Economic Development	1,150,000	1,196,600
Community Development	1,150,000	1,145,154
CIP	627,165	3,464,129
Other Operating	1,762,896	931,723
Subtotal	$ 36,590,878	$ 38,183,105
Internal Transfers	(2,686,233)	(2,686,233)
Total	$ 33,904,645	$ 35,496,872

FY2026-27 Total Revenues

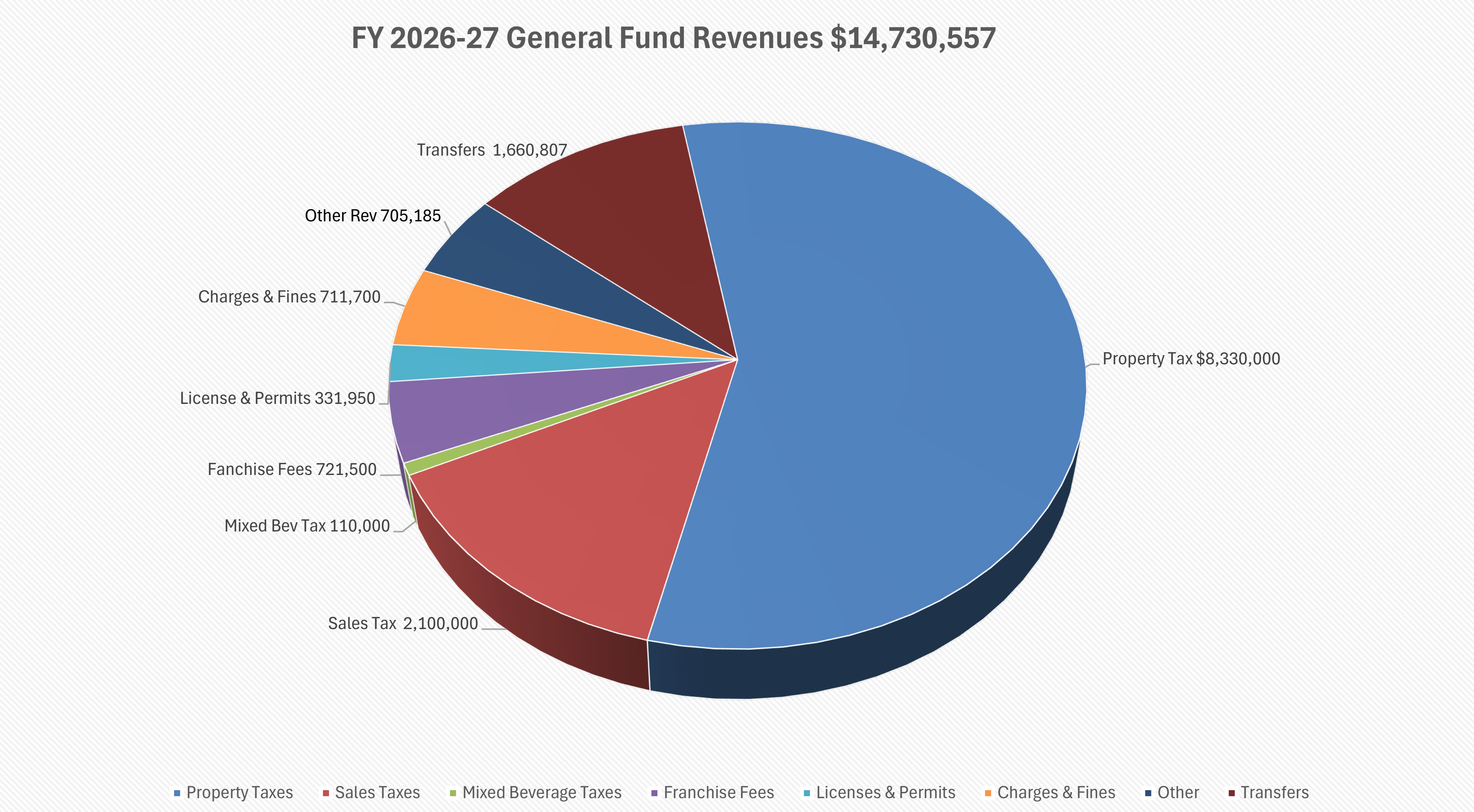
FY2026-27 Total Expenditures



General Fund Revenues

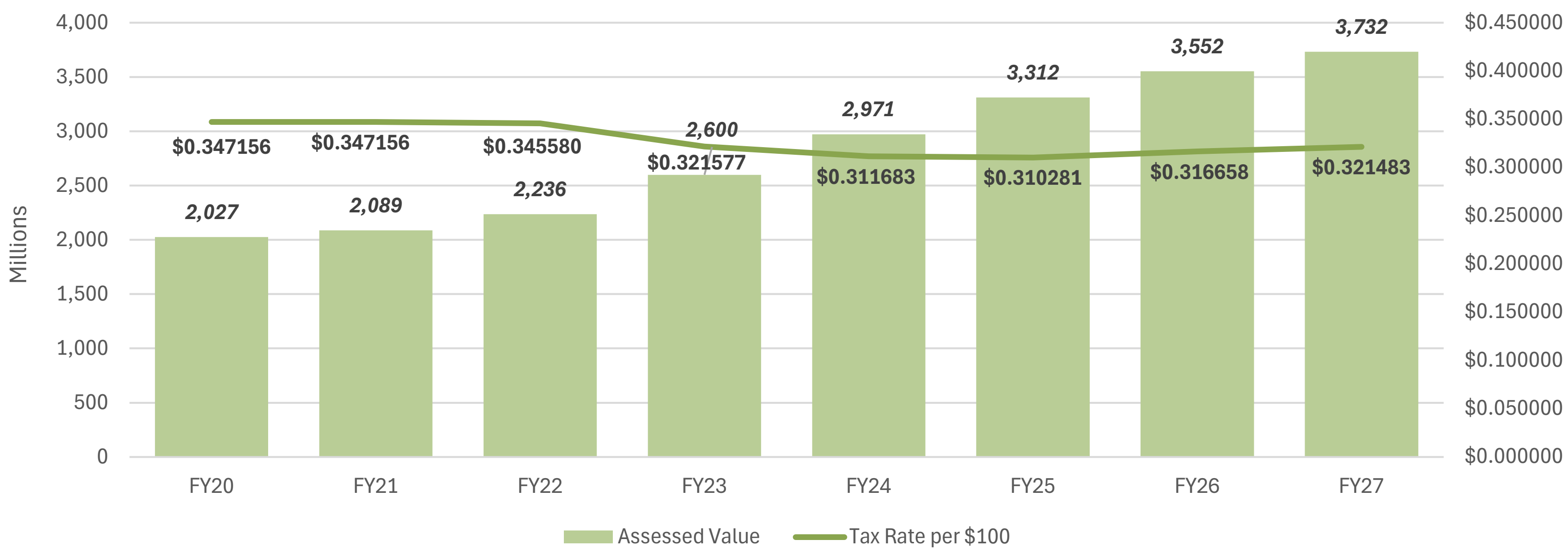
General Fund Revenues	Actual FY 2024-25	Adopted FY 2025-26	EOY Estimate FY 2025-26	Proposed FY 2026-27	Change-Prior Yr. Budget to Proposed Amount	Change-Prior Yr. Budget to Proposed Percent
Property Taxes	$7,030,910	$7,765,000	$7,792,000	$8,330,000	$565,000	7.25%
Sales Taxes	2,222,211	2,100,000	2,130,000	2,100,000	-	0.00%
Mixed Beverage Taxes	110,695	110,000	110,000	110,000	-	0.00%
Franchise Fees	843,907	701,000	726,100	721,500	20,500	2.82%
Licenses & Permits	420,333	295,550	412,760	331,950	36,400	8.82%
Charges & Fines	789,497	629,900	701,235	711,700	81,800	11.67%
Other	1,067,542	705,185	990,000	764,600	59,415	6.00%
Transfers	852,600	1,164,229	1,482,704	1,660,807	496,578	33.49%
Use of Reserves	-	-	-	-	-	0.00%
Total Revenues	$ 13,337,696	$ 13,470,864	$ 14,344,799	$ 14,730,557	$ 1,259,693	3%

General Fund Revenues



Property Values and Tax Rates

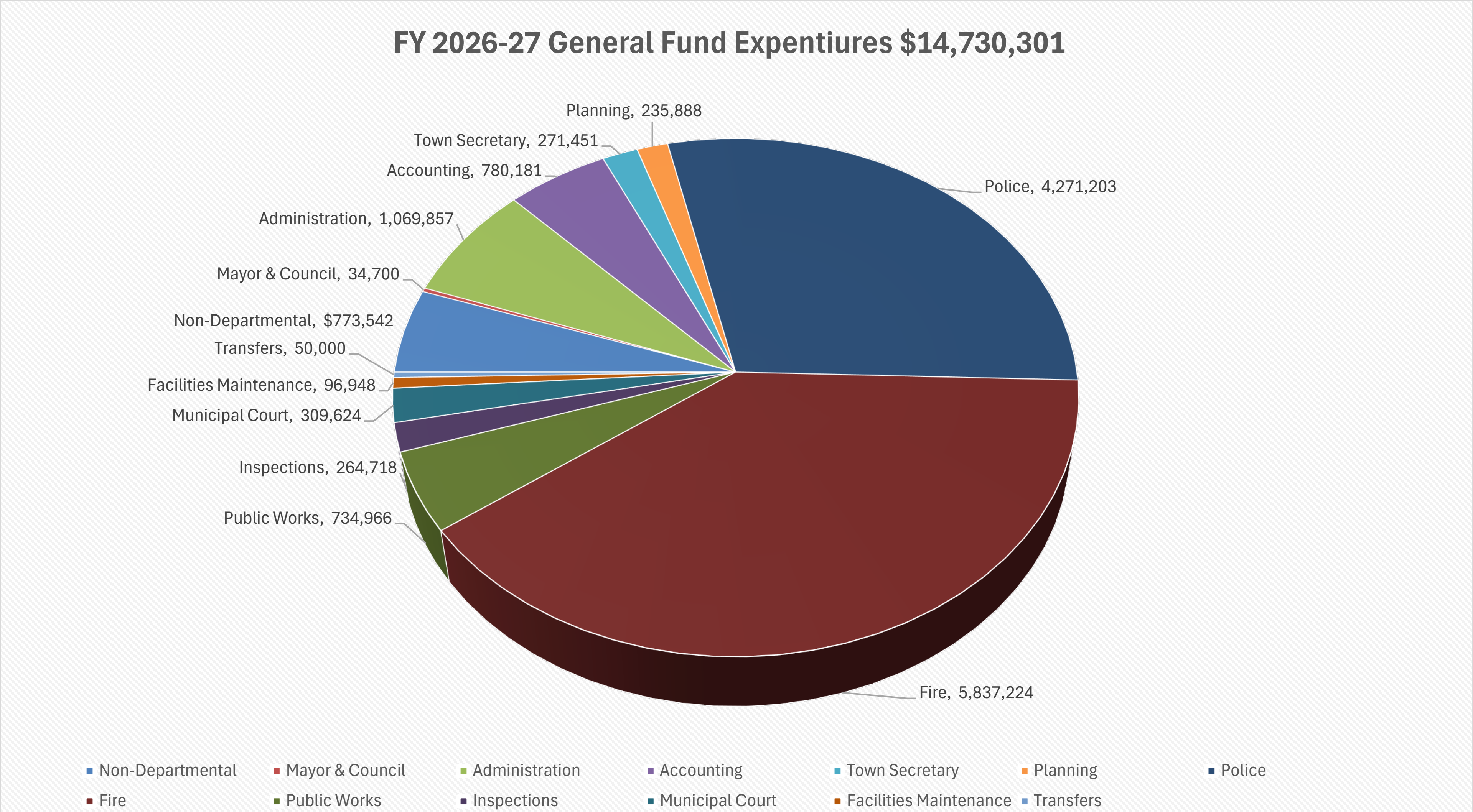
Fiscal Year	Assessed Valuation	Percent of Increase	Average Home Value	M&O Rate per $100	I&S Rate per $100	Tax Rate per $100	Average Property Tax
2019-20	2,026,829,906	4.51%	541,564	0.230180	0.116976	0.347156	1,880.07
2020-21	2,088,883,132	3.06%	533,000	0.240342	0.106814	0.34756	1,850.34
2021-22	2,236,478,486	7.07%	571,719	0.245536	0.100044	0.34558	1,975.75
2022-23	2,599,765,328	16.24%	722,630	0.238407	0.08317	0.321577	2,323.81
2023-24	2,971,150,228	14.29%	848,015	0.234200	0.077483	0.311683	2,643.12
2024-25	3,312,377,762	11.48%	910,678	0.232798	0.077483	0.310281	2,825.66
2025-26	3,551,757,106	7.23%	939,198	0.239175	0.077483	0.316658	2,974.05
2026-27	3,732,304,588	5.08%	965,291	0.244000	0.077483	0.321483	3,103.25



General Fund Expenditures

General Fund Expenditures	Actual FY 2024-25	Adopted FY 2025-26	EOY Estimate FY 2025-26	Proposed FY 2026-27	Change-Prior Yr. Budget to Proposed Amount	Change-Prior Yr. Budget to Proposed Percent
Non-Departmental	$ 762,475	$ 732,800	$ 713,130	$ 773,542	$ 40,742	5.71%
Mayor & Council	30,979	31,800	32,900	34,700	2,900	8.81%
Administration	925,735	1,016,382	990,154	1,069,857	53,475	5.40%
Accounting	739,043	784,401	730,797	780,181	(4,220)	-0.58%
Town Secretary	205,266	248,124	230,178	271,451	23,327	10.13%
Planning	197,113	207,823	215,201	235,888	28,065	13.04%
Police	3,347,138	3,775,346	3,994,061	4,271,203	495,857	12.41%
Fire	5,127,736	5,280,775	5,488,904	5,837,224	556,449	10.14%
Public Works	636,329	688,831	684,554	734,966	46,135	6.74%
Inspections	275,546	265,511	250,717	264,718	(793)	-0.32%
Municipal Court	244,059	271,182	296,458	309,624	38,441	12.97%
Facilities Maintenance	85,127	95,749	91,522	96,948	1,199	1.31%
Transfers	441,000	70,000	510,000	50,000	(20,000)	-3.92%
	$ 13,017,547	$ 13,468,724	$ 14,228,577	$ 14,730,301	$ 1,261,577	4%

General Fund Expenditures



General Fund Balance

General Fund Summary & Fund Balance	Actual FY 2024-25	Adopted FY 2025-26	EOY Estimate FY 2025-26	Proposed FY 2026-27
Beginning Fund Balance	$5,996,473	$6,044,508	$6,316,622	$6,432,844
Total Revenues	$13,337,696	$13,470,864	$14,344,799	$14,730,557
Total Expenditures	$13,017,547	$13,468,724	$14,228,577	$14,730,301
Surplus (Deficit)	$320,149	$2,140	$116,222	$256
Audit Adjustments				
Unassigned Ending Fund Balance	$6,316,622	$6,046,648	$6,432,844	$6,433,100
90-Day Expenditure Requirement	$3,254,387	$3,367,181	$3,557,144	$3,682,575
Percentage of Fund Balance	49%	45%	45%	44%

Water Rate Structure

6.68% Increase Proposed for Water Rates

Gallons Used	Current	Proposed
Residential		
Base Rate: 0 - 2,000	$30.63	$32.68
2,001 - 10,000	$6.68	$7.13
10,001 - 20,000	$8.34	$8.90
20,001 - 30,000	$10.44	$11.14
30,001 - 40,000	$11.49	$12.26
40,001 - 50,000	$12.63	$13.47
Over 50,000	$16.76	$17.88
Residential-Special		
Detached & Attached single family homes in which HOA provides, maintains & manages irrigation of all common areas & exterior lots. Rate Structure for Residential-Special will be same as Residential above except the top-tier is over 40,000 gallons.		
Commercial		
Base Rate: 0 - 1,000	$36.76	$39.22
1,001 - 30,000	$8.35	$8.91
30,001 - 40,000	$10.63	$11.34
Over 40,000	$16.75	$17.87

Wastewater Rate Structure

7.16% Increase Proposed for Sewer Rates

Gallons Used	Current	Proposed
Residential		
Base Rate: 0 - 1,000	$52.04	$55.77
1,001 - 10,000	$8.71	$9.33
Residential w/o Town water service	$149.85	$160.58
Commercial		
Base Rate: 0 - 1,000	$77.42	$82.96
Each 1,000	$8.71	$9.33

Water & Wastewater Average Bill

Effective October 1, 2026*						
Average Residential Water Usage: 10,000 gallons						
Water Rates	**Current Rates**	**Monthly Cost**		**6.68% Increase**		
Base Rate up to 2,000 gal	$30.63		$30.63	$32.68	$	32.68
2,001 - 10,000 gal	$6.68/1,000	$	53.44	$7.13/1,000	$	57.01
		$	84.07		$	89.69
Monthly Water Increase					**$**	**5.62**
Sewer Rates	**Current Rates**	**Monthly Cost**		**7.16% Increase**		
Base Rate up to 1,000 gal	$52.04		$52.04	$55.77		$55.77
1,001 - 10,000 gal	$8.71/1,000	$	78.39	9.33/1,000	$	84.00
			$130.43			$139.77
Monthly Sewer Increase						**$9.34**
Total Monthly Charges		**$**	**214.50**		**$**	**229.45**
Total Monthly Increase					**$**	**14.95**
***If approved**						

Water & Wastewater Fund Revenues

Water & Wastewater Fund Revenues	Actual	Adopted	EOY Estimate	Proposed	Change-Prior Yr. Budget to Proposed	
	FY 2024-25	FY 2025-26	FY 2025-26	FY 2026-27	Amount	Percent
Water Sales	$8,687,323	$7,950,000	$9,100,000	$9,484,534	$1,534,534	17%
Sewer Charges	2,433,299	2,548,000	2,630,000	2,743,431	195,431	7%
Lease/Rental Income	204,675	200,000	200,000	200,000	-	0%
Miscellaneous Income	153,150	122,000	166,511	129,000	7,000	4.20%
Interest Income	28,563	10,000	25,000	10,000	-	0.00%
Transfers	20,000	20,000	20,000	20,000	-	0.00%
Total Revenues	$11,527,010	$10,850,000	$12,141,511	$12,586,965	$1,736,965	28.50%

TOWN OF FAIRVIEW TEXAS

Water & Wastewater Fund Expenses

Water & Wastewater Fund Expenses	Actual	Adopted	EOY Estimate	Proposed	Change-Prior Yr. Budget to Proposed	
	FY 2024-25	FY 2025-26	FY 2025-26	FY 2026-27	Amount	Percent
Non-Departmental	$2,686,445	$2,583,436	$2,860,841	$2,788,646	$205,210	7.17%
Water Distribution	6,100,610	6,537,215	6,606,211	7,178,130	640,915	9.70%
Utility Billing	240,304	336,639	327,585	319,348	(17,291)	-5.28%
Wastewater	1,877,101	2,102,264	2,026,690	1,928,349	(173,915)	-8.58%
Total Expenses	$10,904,461	$11,559,553	$11,821,327	$12,214,473	$654,919	3.02%

Water & Wastewater Fund Cash & Investments

Water & Wastewater Fund Cash & Investment Balance	Actual FY 2024-25	Adopted FY 2025-26	EOY Estimate FY 2025-26	Proposed FY 2026-27
Beginning Cash & Investments	7,646,095	7,174,315	8,268,645	8,588,828
Total Revenues	11,527,010	10,850,000	12,141,511	12,586,965
Total Expenses	10,904,460	11,559,554	11,821,327	12,214,473
Net Income (Loss)	622,550	($709,554)	$320,184	$372,492
Non-Cash Adjustments	$0	$0	$0	$0
Ending Cash & Investments	8,268,645	$6,464,761	$8,588,828	$8,961,321
60 Days Cash Expenses	$1,817,410	$1,926,592	$1,970,221	$2,035,745
Excess	6,451,235	$4,538,169	$6,618,607	$6,925,575
Number Days Excess	273	201	262	264

Other Operating Funds

Other Operating Funds	Fund Balance 10/1/2026	FY 2026-27 Revenues	FY 2026-27 Expenditures	Fund Balance 9/30/2027
Solid Waste	$115,111	$1,098,295	$1,107,358	$106,048
Debt Service	536,458	3,080,000	3,021,141	595,317
Vehicle Replacement Fund	1,630,052	261,170	397,623	1,493,599
Stormwater	1,188,524	405,000	372,227	1,221,297
Economic Development	2,235,647	1,150,000	1,196,600	2,189,047
Community Development	1,812,771	1,150,000	1,145,154	1,817,617
Court	172,157	25,200	35,000	162,357
Technology	261,532	189,526	256,600	194,458
Fire Donation	104,993	37,000	27,500	114,493
Hotel / Motel	744,615	270,000	140,000	874,615
Fairview TIRZ #1	3,482,620	980,000	75,000	4,387,620
Relief Fund	0	0	0	0

Trash Rate Structure

4.5% Increase Proposed for Solid Waste Services

Republic Services Trash Services	Current	Proposed
Residential		
Regular Trash Collection Services	$13.13	$13.72
Senior Trash Collection Services	$11.50	$12.02
Carry Out - Handicapped Services	$13.13	$13.72
Carry Out - Non-Handicapped Services	$26.86	$28.07
Recycling Services	$6.59	$6.89
Brush/bulk Services	$2.29	$2.39
Town Administrative Fee	$1.80	$1.80
Extra Cart	$9.29	$9.71
Extra Cart (Carry Out)	$11.61	$12.13
Monthly Garbage Bill	$23.81	$24.80
Monthly Senior Garbage Bill	$22.18	$23.10
Monthly Handicapped Garbage Bill	$23.81	$24.80
Monthly Non-Handicapped Garbage Bill	$37.55	$39.15

Funded Supplemental Items

Fund	Requested	Funded	Unfunded
General	$819,335	$286,169	$533,166
Utility	76,040	76,040	-
Park Construction	20,000	20,000	-
Vehicle/Capital Replacement	397,623	397,623	-
Technology	9,400	9,400	-
Total	$1,322,198	$789,232	$533,166

Funded Capital Project Items

Project	Fund	Project Expense
Fairview Pkwy PH2 Engineering	Street Construction	$96,000
Fairview Pkwy PH2 Construction	Street Construction	1,346,000
Latham Dr. Reconstruction	Street Construction	1,000,000
Traffic Signal FV Pkwy / FV Crossing	Street Construction	400,000
Park Planning	Park Construction	200,000
Outdoor warning sirens	Capital Projects	138,451
UF Transfer for future CIP Items	Utility	550,000
	Total:	$3,730,451

Supplemental – Fire Department

- Supplemental Requests:
  - Fire Fighter / Paramedic - $134,367
  - Swift Water Rescue Certification Pay - $21,600
  - Fire Bay Fan - $11,000

- Supplemental Requests Not Funded:
  - Swift Water Rescue Certification Pay - $21,600

Supplemental – Police Department

- Supplemental Requests:
  - Police Officer x4 - $511,566
  - Administrative Assistant - $85,145
  - Lexipol Software - $16,740
  - Evidence Room Items - $10,500
  - Vehicle Graphics - $17,140
  - PD Camera & Equip - $4,000
  - Fleet Management Software - $1,062
  - Workout Equipment - $4,915
  - Boot Polisher - $1,300

- Supplemental Requests Not Funded:
  - Police Officer x4 - $511,566

Supplemental - Water

- Supplemental Requests:
  - Maintenance Worker - $76,040

- Supplemental Requests Not Funded:
  - None

Supplemental – Park Construction Fund

- Supplemental Requests:
  - Beaver Run Park Bridge Repair - $11,000
  - Playground Equipment - $9,000

- Supplemental Requests Not Funded:
  - None

Supplemental – Replacement Fund

- Supplemental Requests:
  - Fire Staff Vehicle - $55,000
  - LUCAS CPR Device - $23,623
  - Administrative Sergeant Vehicle - $55,000
  - Leak Detection Equipment - $26,000
  - Dodge 2500 Pickup x2 - $104,000
  - Emergency Generator x2 - $50,000
  - Riding Blower - $11,500
  - Gator - $21,000
  - Riding Mower (Parks) - $16,500
  - Excavation bucket attachments - $9,000
  - PW Heater Replacement - $15,000
  - Riding Mower (Facilities) – $11,000

- Supplemental Requests Not Funded:
  - None

Supplemental – Technology Fund

- Supplemental Requests:
  - Device Management Software - $2,700
  - PD Software - $1,000
  - Laptop x 2 (Fire Department) - $5,700

- Supplemental Requests Not Funded:
  - None

Next Steps:

- Record vote on proposed tax rate.
  - Tuesday August 4th 7:00p.m.

- Public Hearing on Budget and Tax Rate
  - August 18th 7:00p.m.