



**RICHARDSON**<sup>®</sup>  
T E X A S

## **NEWS RELEASE**

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### **CITY COUNCIL APPROVES FISCAL 2022-2023 BUDGET**

***Newly adopted budget includes more than \$.05 tax rate reduction and significant investments in infrastructure, public safety, and other City Council goals.***

(Richardson, TX) – Last night, the Richardson City Council unanimously approved the proposed 2022-2023 fiscal year budget presented earlier this month by City Manager Don Magner. The newly adopted budget includes a projected \$354,486,879 in operations and community projects, representing an increase of \$23,698,460, or 7.2 percent, compared to the previous year’s adopted expenditures. The budget also includes a \$0.05421 tax rate reduction, rolling the City’s tax rate back 17 years to levels last seen in 2006.

Considerations for impacts of the fire at City Hall will be considered in the coming weeks and months once damage assessment and insurance coverage information become available.

#### **Budget Overview**

The proposed budget was strategically developed to be responsive to inflationary pressures not experienced in more than four decades and one of the most competitive labor markets in the country. The City has seen significant increases in material and service costs that are impacting operations and programming. In addition, finding staff to fill critical positions, such as public safety, traffic/engineering, solid waste services and water/wastewater, continues to be problematic. Both these challenges have the potential to impact the City’s ability to deliver core services people depend on daily so aggressively responding to them is essential.

Robust performance this year for property valuations and sales tax receipts have provided resources necessary to meet current economic challenges and provide for a significant property tax rate reduction. However, budgetary precautions are also proposed to buffer possible future negative impacts that could arise due to long-term inflation and changes in the health of the local business climate.


“This budget was designed to support the initiatives outlined by the City Council’s Statement of Goals and provides resources to achieve the long-term programs to meet them,” Magner said. “The largest investments are focused on retaining and recruiting talented and committed employees, infrastructure and public safety improvements, and includes necessary tax rate decreases to keep our community competitive and able to continue to attract people and business.”

Key highlights of the Adopted 2022-2023 Budget include:

- Certified value growth of 12.20% from FY22

- Tax rate reduction of \$0.05421
- Senior tax exemption increases to \$105,000
- Creation of nine firefighter/paramedic positions to staff an additional ambulance
- Addition of three new police officers to the patrol division
- Creation of Department of Economic Development and dedication of nearly \$1.4 million for economic development initiatives
- Dedication of \$4.7 million to street maintenance and \$1.9 million to alley maintenance, a 3.5% increase from FY22
- Increase of 1.9% in water and sewer rates (average impact of \$27/year)
- Increase of \$0.50/month (average impact \$6/year) to residential drainage fee and \$0.014 per square foot increase to the monthly commercial drainage fee
- Increase of \$3/month (includes sales tax) to residential solid waste rates (average impact of \$36/year); keeps 26% senior discount
- Dedication of \$465,333 to both the City's parks multi-year maintenance strategy as well as to the facilities multi-year maintenance strategy
- 6% merit-based market pay plan adjustments for all employees and public safety steps
- Increases full-time and permanent part-time minimum starting salary to \$17.82/hour

## TYPICAL TAXPAYER IMPACT STATEMENT

Description		FY 2021-22	FY 2022-23	Annual Dollar Change	Typical Ratepayer Assumptions:
	Property Tax (City Portion)	\$1,742	\$1,829	\$87	FY22 Avg Taxable Value = \$283,129 FY23 Avg Taxable Value = \$326,132
	Water Charges	\$1,034	\$1,052	\$18	8,000 gal/month - Oct-May; 18,000 gal/month – Jun-Sep
	Sewer Charges	\$550	\$559	\$9	Based on 98% of water usage (7,840 per month)
	Drainage Fee	\$45	\$51	\$6	Flat monthly rate of \$4.25 per household
	Residential Solid Waste	\$252	\$288	\$36	Flat monthly rate of \$24 per household
<b>Total:</b>		<b>\$3,623</b>	<b>\$3,779</b>	<b>\$156</b>	



### Impacts of City Hall Fire on Adopted Budget

Costs related to the Aug. 22 fire at City Hall will have an impact on future budget outlays. At this time, estimates are not yet available due to the need for damage assessments and insurance coverages to be determined.