

TYLER

Budget 2026–2027



Public Safety

Police

- ❁ 5th year AXON subscription - \$523,768
(General Capital Projects, Fund 102)

Fire

- ❁ Commencement of Fire Station 2 demolition and reconstruction - \$8,000,000 (Half Cent, Fund 231)
- ❁ Commencement of Fire Training Facility - \$5,800,000 (Half Cent, Fund 231)
- ❁ Second payment on Fire Engines - \$604,191 (General Capital Projects, Fund 102)

Code Enforcement

- ❁ Continue demolition of commercial substandard structures - \$200,000 (Solid Waste, Fund 560)



Public Safety Needs

Police

- 🌸 Several Specialized Police Vehicles - \$2,300,000

Fire

- 🌸 6 Fire Engines - \$6,000,000
- 🌸 2 Ladder Trucks - \$4,000,000



Quality of Life

Downtown

- 🌸 Maintenance to completed areas
\$252,232 (TIRZ #4, Fund 217)

Rose Complex

- 🌸 Phase 4 Stamped Concrete Bed Replacement \$50,000
(Tourism, Fund 219)
- 🌸 Continue demolition and improvements of old Fair Ground facilities – Phase 2
\$245,000 (Hotel Occupancy Tax, Fund 211)
- 🌸 Continue Rose Garden Center Holiday Decorations Master Plan
\$30,000 (Tourism, Fund 219)
- 🌸 Rose Garden Center flooring upgrade to Azalea Room, Women's Lounge, breakroom, and offices \$9,000 (Tourism, Fund 219)

Quality of Life

Parks

- 🌸 Stewart Park Improvements
\$802,500 (Park Improvement, Fund 206)
- 🌸 Replace Glass Recreation Chiller
(Facilities Fund, Fund 663)
- 🌸 Reinstating mowing crew
(General, Fund 101)
 - 5 New Positions - \$298,740
 - 1 Crew Leader
 - 4 Maintenance Technicians
 - Equipment - \$175,497

Estimated Savings

Fiscal Year	Contract	In House	Savings
2027	539,523.00	474,237.00	65,286.00
2028	566,499.15	340,534.53	225,964.62
2029	594,824.11	342,851.00	251,973.11

Infrastructure Investment

Streets

- ✿ Adding new crew to assist with crack seal and base repair projects.
- ✿ Savings of \$200,000 on the first year, and subsequent years' estimated savings of \$500,000.

	Contract	In House	Difference
26-27 Budget	\$1,247,719.00	\$1,041,021.00	-\$206,698.00
Lane Miles: Asphalt Enhancement	19.83	27.50	+ 7.68
Lane Miles: Seal-Coat	21.87	38.77	+ 16.90



Infrastructure Investment

Streets

- ❁ Samsara Ground Intelligence Technology Software – (VES, Fund 640)

Traffic

- ❁ Traffic Signal Maintenance Funding Year 7 (year total \$208,000) - \$31,500 (General, Fund 101)

Quality Street Commitment Fund

- ❁ \$1,500,348 funding for crack seal
- ❁ \$869,772 in funding for brick street repairs and maintenance
- ❁ \$165,000 in funding for public alley repairs and maintenance

Infrastructure Investment

Water Utilities

- ❁ \$173,665 increase to the operations budget to include the replacement of:
 - Turbidimeters, electric surge protection, and chlorine analyzers to maintain the quality and dependability of the Water system.
- ❁ \$13.6 million in cash-funded improvement projects for Water and Wastewater systems
 - \$6.07 million for Wastewater System
 - \$7.53 million for Water System
 - Protecting water quality
 - Maintaining reliable service
 - Replacing critical aging infrastructure



Infrastructure Investment

Stormwater

- ❁ Stormwater Capital Projects
\$768,198 (Stormwater, Fund 575)
- ❁ Drainage Capital Improvements
\$5,800,000 (Half Cent, Fund 231)

Solid Waste

- ❁ Evaluate Sustainable Solid Waste Operations
- ❁ Purchase of Route Efficiency Software
\$130,000 (Solid Waste, Fund 560)



Development and Growth

Development and Growth

- 🌸 Watershed Timing - \$110,000 (Development Services, Fund 202)
- 🌸 Infrastructure Plan Review Services to support staff - \$70,000 (Development Services, Fund 202)
- 🌸 Update to the Unified Development Code - \$200,000 (General Land Office grant)

TYLER TOMORROW
City of Tyler, TX | Comprehensive Plan



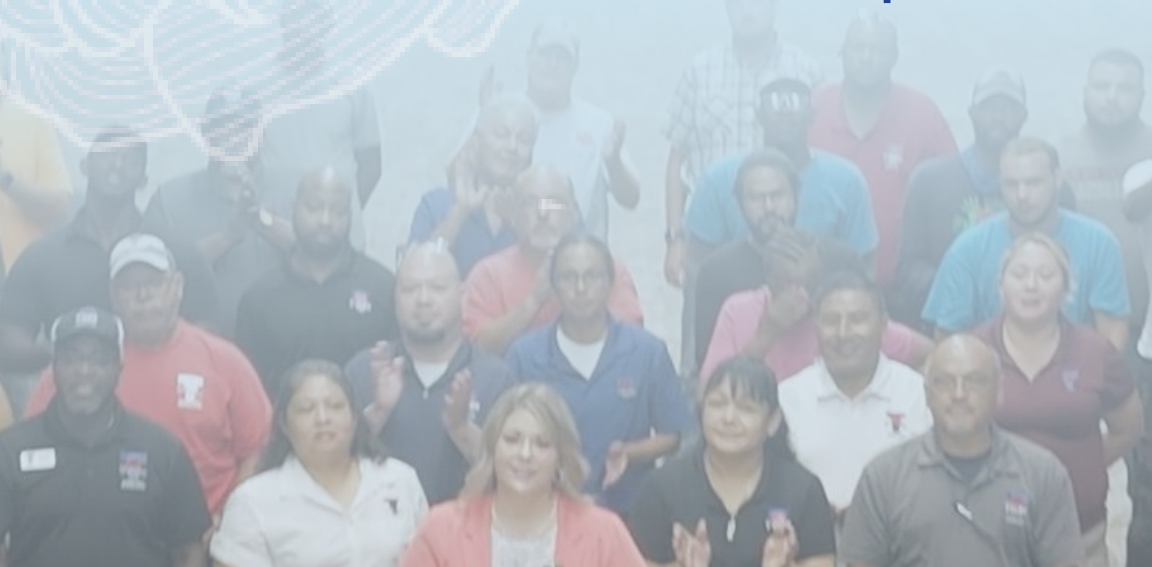
Personnel

Compensation

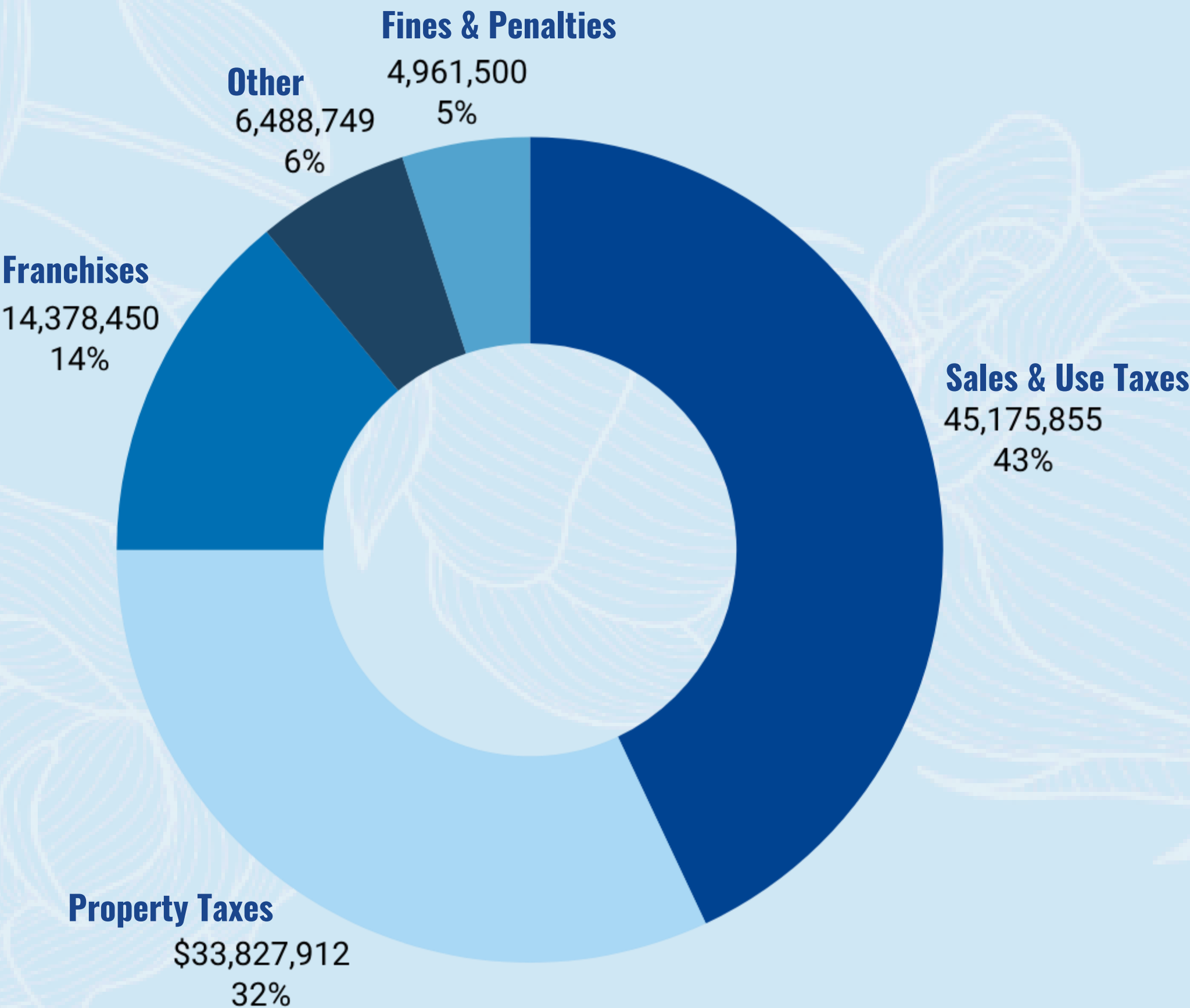
- ❁ Total cost with estimated benefits - \$1,863,766.
 - 2% increase to civil service employees
 - 2% merit based increases to non-civil service employees

Health Premium

- ❁ Increase in each plan
 - Bluebonnet Plans – \$10 per month
 - Azalea Plan - \$20 per month
 - Rose Plan - \$40 per month



General Fund Revenues



● **Sales & Use Taxes**

Main source of funds.
Affected by shifts in the economy.

● **Property Taxes**

Funds from taxes on properties within the City.

● **Franchises**

Fees for using City-owned properties.

● **Other**

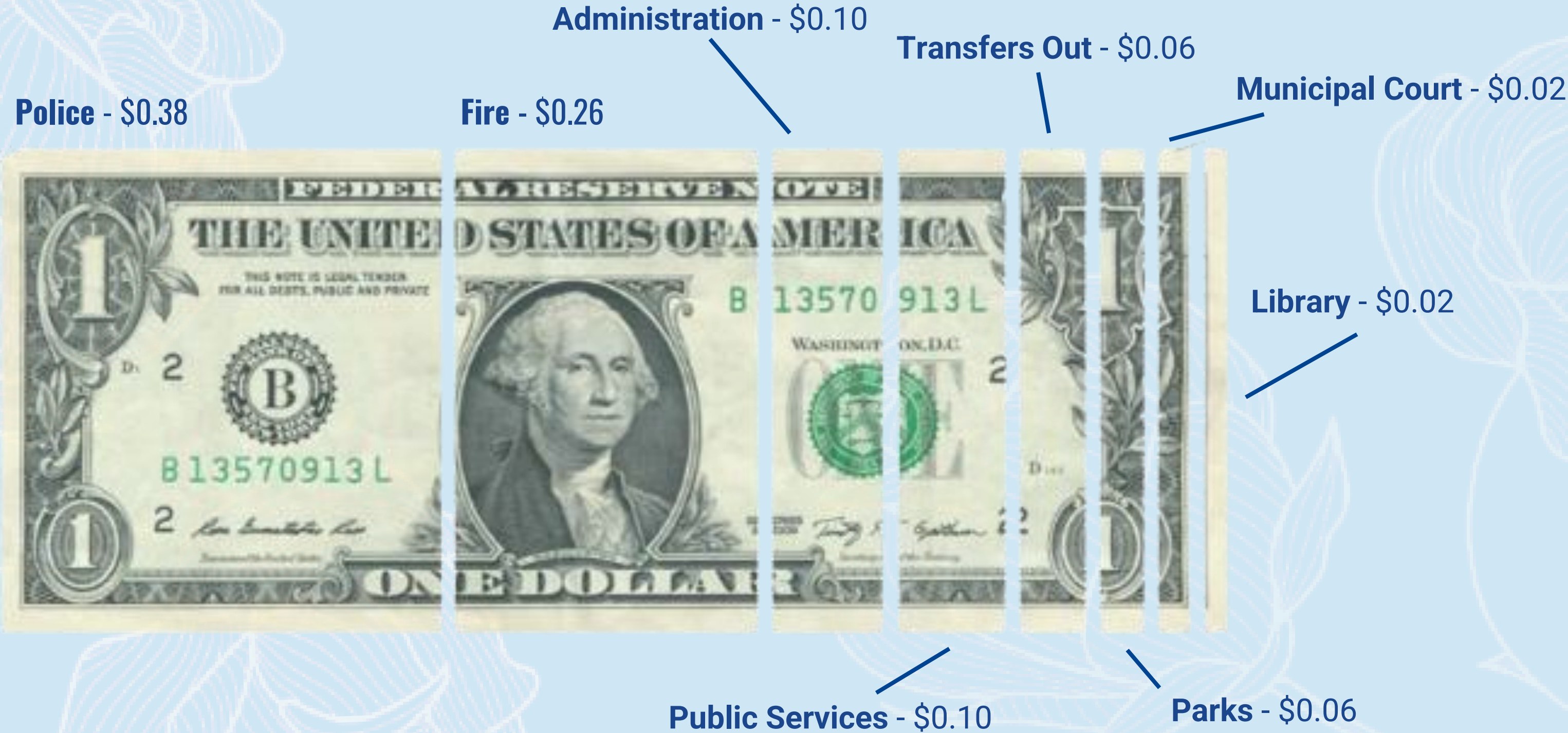
Revenues from all other sources.

● **Fines & Penalties**

Revenues for fines and other citations.

General Fund Expenditures

Where each dollar goes



Tax Rate

	Tax Year 2025	Tax Year 2026	Change
Total Tax Rate (per \$100 of value)	\$0.236452	\$0.242063	Increase of \$.005611, or 2.37%.
Average Homestead Taxable Value	\$272,661	\$286,241	Increase of \$13,580, or 4.98%.
Tax on Average Homestead	\$644.71	\$692.88	Increase of \$48.17, or 7.47%.
Total Tax Levy on All Properties	\$32,255,731	\$33,967,639	Increase of \$1,711,908 or 5.31%.

Water Rate Changes

Volume Charge Per 1,000 Gallons

	Residential and Commercial Rates				Industrial Rates			
	Inside City Limits		Outside City Limits		Inside City Limits		Outside City limits	
Volume	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
First 2k	3.75	3.75	5.63	5.63	3.18	3.41	4.77	5.12
Next 23k	3.75	3.75	5.63	5.63	3.41	3.41	5.12	5.12
Next 975k	3.29	3.75	4.94	5.63	2.8	3.41	4.2	5.12
Next 4mil	3.14	3.44	4.71	5.16	2.67	3.04	4.01	4.56
Over 5mil	3.11	3.44	4.67	5.16	2.64	3.04	3.96	4.56

Wastewater Rate Changes

Volume Charge Per 1,000 Gallons

	Residential and Commercial Rates				Industrial Rates			
	Inside City Limits		Outside City Limits		Inside City Limits		Outside City limits	
	Current	Proposed	Current	Proposed	Current	Proposed	Current	Proposed
First 2k	4.10	4.10	6.15	6.15	3.48	3.48	5.22	5.22
Next 23k	4.10	4.10	6.15	6.15	2.89	3.48	4.34	5.22
Next 975k	3.52	4.10	5.28	6.15	2.89	3.48	4.34	5.22
Next 4mil	3.24	3.67	4.86	5.51	2.75	3.12	4.13	4.68
Over 5mil	3.06	3.67	4.59	5.51	2.68	3.12	4.02	4.68

Utility Bill Adjustments

Regulatory Compliance Fee

Current Regulatory Compliance Fee	Fee on October 1, 2026	Fee on January 1, 2027
\$26.17	\$31.17	\$36.17

Other Fees

- 🌸 Commercial Waste Hauler Fee increasing by 6%.
- 🌸 Water Franchise Fees increasing by 1%.

Utility Bill Adjustments

Stormwater Fee

🌸 Current Method

- 7% surcharge on water/sewer/irrigation bills
- Based on water use. Varies seasonally and promotes inequity.

🌸 Recommended Method

- Fee based on impervious area using ERUs.
 - Rate: \$4.90 per ERU.
 - 1 ERU = 3,454 sq ft impervious area.
 - Residential: Rounded ERUs (min 1).
 - Non-residential: Actual ERUs, no rounding.

🌸 Benefit

- More equitable
- Aligns cost with actual stormwater impact

🌸 Implementation

- January 1, 2027



Development Services

🌸 Permit fee for new residential builds

- Increase from \$0.35 to \$0.47 per square foot for 60% cost recovery using the International Code Council's formula.
 - Example: For a 2,500 sqft house, it increases the permit fee by \$372 or 26%.
- The last time they were increased was in 2024.

🌸 Zoning Sign Fee

- Increase from \$20 to \$50 to recover the increased cost of producing and maintaining larger zoning notice signs required by House Bill 24 that went into effect in September 2025.

Landfill Revenue

Landfill Fees

- 🌸 Increasing Gate Rate Fee (Landfill Royalty Fee) by \$19
 - October 1, 2026 – Increase of \$12
 - April 1, 2027 – Increase of \$7
- 🌸 Increasing Access/Tipping Fee from \$15 to \$25 \$500,000 (Parks Capital Fund, Fund 206)

Fiscal Year 2026-2027 Budget Timeline

Below is a quick overview of the City of Tyler budget process.

The dates for our public meetings are included below. Both hearings and the adoption of the budget and tax rate will occur during the regularly scheduled City Council meetings on those dates. Those meetings occur on the second and fourth Wednesdays of every month. They are held in the City Council chambers at City Hall (located at 212 N. Bonner Ave.) and begin at 9 a.m.

