

Office of the City Manager

City of Richland Hills, Texas

Memorandum

To: Honorable Mayor Bill Agan and members of the Richland Hills City Council
From: Curtis E. Hawk, City Manager
Date: September 3, 2013
Subject: Public Hearing on Proposed FY 2013-14 Annual Budget

City Council Action Requested:

Conduct Public Hearing on Proposed FY 2013-14 Annual Budget. This item is a public hearing only. There will be no vote taken by City Council at this meeting. The vote on the budget will take place on September 17, 2013.

Background Information:

The City Council met on July 30th in a Special Work Session to discuss the FY 2013-14 annual budget, and on July 31st the City Manager's proposed budget for FY 2013-14 was filed with the City Secretary and submitted to the City Council. The proposed budget is on the City's web site under Departments, Finance/Accounting.

A Town Hall meeting on the proposed budget was held on August 13th. The proposed budget was discussed at the August 6 and August 20th Regular Council meetings and at a Special Work Session on August 27th. As a result of the meetings with Council following the original submittal several changes to the budget have been proposed by the City Manager; however, the proposed changes can be effected with the same revenue projections for the proposed budget, within acceptable fund balances.

Both the City Charter and State law require a public hearing on the proposed budget prior to Council's adoption of the budget. This is separate from the public hearings on the tax rate. The Proposed FY 2013-14 Annual Budget is supported by the same \$0.528094 tax rate as the current year, but since the proposed \$0.528094 property tax

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rate necessary to fund the proposed budget exceeds the 2013 effective tax rate of \$0.501648 per \$100 of taxable value, two public hearings on the tax rate are required under the 2013 Truth-In-Taxation Guidelines published by the Texas Comptroller before the tax rate can be adopted. (The first public hearing on the tax rate was held at the August 20th Regular Meeting of the Council, and the second public hearing will follow this agenda item.)

Since Council cannot vote to adopt a tax rate higher than the effective tax rate at the same meeting as either public hearing on the tax rate, the vote on the 2013 tax rate will be at the September 17th Council meeting. Following tonight's public hearing on the Proposed FY 2013-14 Annual Budget, the vote on the budget will also be at the September 17th Council meeting immediately preceding the vote on the tax rate.

Board/Citizen Input:

The Town Hall Meeting was held on August 13th.

Financial Impact:

The Proposed FY 2013-14 Annual Budget will be supported by a \$0.528094 tax rate.

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