



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** August 25, 2025
SUBJECT: Public hearing on the Fiscal Year 2026 Proposed Operating and Capital Budget.

PRESENTER: Chase Fosse, Director of Budget & Research

SUMMARY:

The City Council is requested to open a public hearing and receive public comment on the FY 2026 Proposed Budget. No action is required at this hearing, as this hearing is being held for the purpose of receiving public comment.

GENERAL DESCRIPTION:

The City Council held a budget work session on Friday, August 1, 2025, to review the Fiscal Year 2026 Proposed Budget. At this work session, Council reviewed the budgets for all operating funds, capital project funds, the budget for the Crime Control and Prevention District, and the budget for the Park and Recreation Facilities Development Corporation. The City Council's feedback from that August 1st work session has been incorporated into the FY 2026 Proposed Budget.

The FY 2026 Proposed Operating Budget for all funds totals \$169,066,152. The details by fund are as follows:

Fund	FY 2026 Proposed
General Fund	\$66,958,658
Debt Service Fund	\$13,392,813
Tax Increment Financing Fund	\$327,676
Park & Rec Facilities Development Fund	\$12,942,635
Crime Control District Fund	\$9,292,976
Court Special Revenue Fund	\$313,387
Public Educational and Government Access Fund	\$193,591
Promotional Fund	\$595,026
Donations Fund	\$401,385
Special Investigations Fund	\$261,000
Drainage Utility Fund	\$4,437,090
Economic Development Fund	\$357,812

Gas Development Fund	\$397,073
Traffic Safety Fund	\$171,880
Utility Fund	\$48,905,255
Aquatic Park Fund	\$6,269,100
Golf Course Fund	\$3,848,795
Facilities/Construction Mgmt. Fund	\$3,770,203
Fleet Services Fund	\$5,452,999
Information Services Fund	\$6,491,312
Self-Insurance Fund	\$16,378,924

The Facilities/Construction Mgmt. Fund, Fleet Services Fund, Information Services Fund and Self Insurance Fund are Internal Service Funds. As such, the expenditures in these funds are already included in the expenditures of other funds and should not be included in any calculation of total budgeted expenditures.

The Proposed Capital Improvements Budget totals \$18,010,100 in new appropriations. The details by project category are as follows:

Category	Appropriation To Date	FY 2026 Proposed	Total Expenditures
Street & Sidewalk Capital Projects	\$72,341,700	\$5,311,803	\$77,653,503
Drainage Capital Projects	\$2,766,126	\$3,850,000	\$6,616,126
Utility Capital Projects	\$28,481,382	\$1,900,000	\$30,381,382
Parks & Recreation Capital Projects	\$1,977,750	\$1,452,000	\$3,429,750
Aquatic Park Capital Projects	\$8,413,310	\$1,150,000	\$9,563,310
Facility Capital Projects	\$6,816,933	\$2,122,213	\$8,939,146
Major Capital Equipment Projects	\$12,145,599	\$2,224,084	\$14,369,683
Economic Development Projects	\$640,291	\$0	\$640,291
Other Capital Projects	\$100,000	\$0	\$100,000

The notice of public hearing was published in the City's newspaper of record, the City's website, and through Citicable in accordance with State law and the City Charter. The proposed budget was filed with the City Secretary, placed at the North Richland Hills Public Library, and made available online at the City's website, www.nrhtx.com for public inspection.

The Parks & Recreation Facilities Development Corporation Board is scheduled to conduct a public hearing on the FY 2026 Proposed Budget on Monday, September 8, 2025, at 7:00 PM.

The Crime Control District (CCD) Board reviewed the FY 2026 Proposed Budget at the August 1, 2025, budget work session. The CCD Board is scheduled to conduct a public hearing on the budget on Monday, September 8, 2025, at 7:00 PM.



The City Council is scheduled to conduct a second public hearing on the FY 2026 Proposed Budget on September 8, 2025, during the regularly scheduled 7:00 PM City Council meeting. The budget will be presented for adoption at that same City Council meeting.

The City has welcomed public input regarding the proposed budget and property tax rate through the City's website, tarranttaxinfo.com, e-mail, and social media. All comments received through 4:00 PM on August 25, 2025, will be provided to City Council during the August 25, 2024 City Council meeting.

RECOMMENDATION:

Conduct a public hearing to receive comments on the Fiscal Year 2026 Proposed Operating and Capital Budget.