

**MINUTES OF THE CITY COUNCIL OF THE
CITY OF NORTH RICHLAND HILLS, TEXAS
HELD IN THE CITY HALL 4301 CITY POINT DRIVE
SEPTEMBER 8, 2022**

SPECIAL MEETING

A. CALL TO ORDER

Mayor Trevino called the meeting to order September 8, 2022 at 7:00 p.m.

Present:	Oscar Trevino	Mayor
	Rita Wright Oujesky	Place 2
	Suzy Compton	Place 3
	Mason Orr	Place 4
	Kelvin Deupree	Deputy Mayor Pro Tem, Place 7
Absent:	Tito Rodriguez	Mayor Pro Tem, Place 1
	Scott Turnage	Associate Mayor Pro Tem, Place 6
Vacant:	Place 5	
Staff Members:	Mark Hindman	City Manager
	Alicia Richardson	City Secretary/Chief Governance Officer
	Maleshia B. McGinnis	City Attorney

A.1 INVOCATION

Deputy Mayor Pro Tem Deupree gave the invocation.

A.2 PLEDGE

Deputy Mayor Pro Tem Deupree led the Pledge of Allegiance to the United States and Texas flags.

A.3 CITIZENS PRESENTATION

There were no requests to speak from the public.

A.4 PUBLIC COMMENTS

There were no requests to speak from the public.

B. PUBLIC HEARINGS

B.1 CONDUCT A PUBLIC HEARING ON THE TAX YEAR 2022 (FISCAL YEAR 2022/2023) PROPOSED TAX RATE.

Mayor Trevino opened the public hearing and called on Director of Budget and Research Trudy Lewis to present the item.

Ms. Lewis stated tonight's item is to conduct a public hearing on the Tax Year 2022 Tax Rate. The tax rate will support the Fiscal Year 2022-2023 proposed budget. In accordance with State law, the public hearing was advertised in the Fort Worth Star Telegram and on the city's website. Public comments could be submitted through the city's website, social media channels, via taxinfo@nrhtx.com, on Tarrant County's tax notification site, and in person tonight during the public hearing. The proposed tax rate for Tax Year 2022 is \$0.547972 per \$100 of valuation. The proposed tax rate is a decrease of \$0.024212 or a 4.23% from the Tax Year 2021 adopted tax rate. The Tax Year 2022 No-New-Revenue tax rate is \$0.519595 and the Tax Year 2022 voter approval tax rate is \$0.547972 cents. The city's proposed tax rate this fiscal year is above the No-New-Revenue tax rate, but does not exceed the Voter-Approval tax rate. The city offers a number of exemptions to eligible residents that reduce the tax burden. The City Council recently increased the homestead exemption from 15% to 20%. The average homeowner will save \$320.12 for Tax Year 2022 as a result of the city's 20% homestead exemption (based on average taxable value of \$233,379). The city also offers a tax exemption of \$36,000 and tax ceiling for property taxes paid by eligible seniors or disabled residents. The property tax rate adopted by the city includes a portion to support debt and another portion to support annual operations of the city. The proposed operations and maintenance rate accounts for 63% of the total rate and is expected to generate \$25,536,879 in property tax revenue for the general fund. The debt service portion is 37% of the total 0.547972 tax rate and will generate \$13,507,630 in tax revenue for debt service. The city's property tax rate accounts for approximately 23% of the total tax rate. The vast majority of the total property tax rate goes to the school district and Tarrant county. The City Council will take action on the tax rate at their September 12, 2022 meeting.

Mayor Trevino asked the City Secretary to call on those who completed a public meeting appearance form to speak during the public hearing.

Mr. Jared Ross, 6024 Morningside Drive, North Richland Hills, TX spoke in favor of the item.

There being no one else wishing to speak, Mayor Trevino closed the public hearing.

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Mayor Trevino announced there is no further action required from City Council tonight. On Monday, September 12 at 7:00 p.m. the City Council will vote on the adoption of the tax rate.

B.2 CONDUCT A PUBLIC HEARING ON THE FISCAL YEAR 2022/2023 PROPOSED BUDGET.

Mayor Trevino called on City Manager Mark Hindman to make introductory comments.

City Manager Mark Hindman commented that the proposed budget was developed and based on input from citizens from the citizen survey, phone calls and social media platforms. The budget includes essential services (public safety, transportation, parks and health) provided to the public. Based on citizen input, the city is investing additional resources in the transportation system (increase in street preventative maintenance and accelerate street bond projects) and code enforcement. The city will enhance technology/cybersecurity and citizen communication. The city is affected by the inflation increase for fuel, equipment parts and construction materials. The city is contending with a tight labor market, which has made it difficult to recruit and retain employees. The City Council approved an increase in the homestead exemption from 15% to 20%. With the rising appraisals in home values, the lower tax rate combined with the additional 5% in homestead exemption, approximately 70% of homeowners will pay the same or less in property taxes than the previous year.

Mayor Trevino opened the public hearing and called on Director of Budget and Research Trudy Lewis to present the item.

Mayor Trevino recessed the meeting at 7:19 p.m.

Mayor Trevino reconvened the meeting at 7:29 p.m., with the same members present.

Ms. Lewis presented the item. The city's total Fiscal Year 2022-2023 proposed operating budget totals \$143,396,855, excluding Internal Service Funds and Tax Increment Financing Funds. The 2022-2023 budget includes a number of programs and initiatives and she outlined the significant changes. An increase of \$5 million in street maintenance; market based compensation for employee recruitment and retention; inflationary impact of goods and services; technology purchases; events and resident programs return to pre-pandemic activities for the year; new positions in police, public works, planning, code enforcement, information technology, fire and communications; increase focus on seeking grants for eligible programs and projects; facility maintenance; and stormwater projects.

Mayor Trevino asked the City Secretary to call on those who completed a public meeting appearance form to speak during the public hearing. There being no forms submitted,

Mayor Trevino asked if there was anyone in the audience wishing to speak for or against the item to come forward. There being no one wishing to speak, Mayor Trevino closed the public hearing.

Mayor Trevino announced no further action is required by the City Council tonight. On Monday, September 12 at 7:00 p.m., City Council will vote on the adoption of the 2022-2023 proposed budget.

C. ADJOURNMENT

Mayor Trevino adjourned the meeting at 7:45 p.m.

Oscar Trevino, Mayor

ATTEST:

Alicia Richardson
City Secretary/Chief Governance Officer