



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** August 22, 2016

SUBJECT: Fiscal Year 2016/2017 Proposed and Fiscal Year 2015/2016
Revised Budget Public Hearing.

PRESENTER: Mark Mills, Budget Director

SUMMARY:

The City Council is requested to open a public hearing and receive public comment on the 2016/2017 Proposed Budget and the 2015/2016 Revised Budget. No action is required at this hearing, as this hearing is held for the purpose of receiving public comment.

GENERAL DESCRIPTION:

The City Council held a budget work session on Friday, July 29, 2016 to review the 2015/2016 Revised Budget and the 2016/2017 Proposed Budget. At this work session, Council reviewed the budgets for all operating funds, capital project funds, and the budgets for the Crime Control and Prevention District and the Park and Recreation Facilities Development Corporation. Subsequent to the work session, the recommended modifications have been incorporated into the 2016/2017 Proposed Budget. The 2016/2017 Proposed Budget is based on a tax rate of 61¢ per \$100 valuation. This is the same tax rate adopted for fiscal year 2015/2016.

The 2015/2016 Revised Annual Operating Budget and 2016/2017 Proposed Operating Budget for all funds are as follows:

Fund	2015/2016 Revised	2016/2017 Proposed
General Fund	\$48,104,690	\$45,304,685
Debt Service Fund	\$13,922,984	\$11,655,636
Tax Increment Financing Fund	\$3,052,607	\$3,010,380
Park & Rec Facilities Development Fund	\$8,585,424	\$8,825,391
Crime Control District Fund	\$5,245,331	\$6,363,357
Promotional Fund	\$258,943	\$258,089
Donations Fund	\$247,155	\$275,033

Special Investigations Fund	\$354,483	\$447,000
Drainage Utility Fund	\$866,090	\$1,172,197
Gas Development Fund	\$6,249,918	\$257,196
Traffic Safety Fund	\$1,122,053	\$1,105,044
Utility Fund	\$37,194,345	\$34,259,275
Aquatic Park Fund	\$5,050,829	\$5,449,375
Golf Course Fund	\$2,586,779	\$2,486,459
Facilities/Construction Mgmt. Fund ⁽¹⁾	\$3,594,223	\$3,123,951
Fleet Services Fund ⁽¹⁾	\$3,998,555	\$4,541,264
Information Services Fund ⁽¹⁾	\$3,337,196	\$3,291,350
Self Insurance Fund ⁽¹⁾	\$13,640,209	\$12,898,383

- ⁽¹⁾ Each of these funds are Internal Service Funds. They receive revenue in the form of allocations from the other operating funds, which are used to cover the majority of expenses within each Internal Service Fund. While necessary to appropriate the funds in the manner above, it should be noted that the majority of expenses funded within each Internal Service Fund are also reflected as expenditures/expenses (the allocation) within the contributing funds. In addition, resources such as interest income, other income and fund balance are also used to offset any expenses in excess of these allocations.

The Proposed Capital Improvements Budget totals \$14,040,972. The breakdown between project categories is as follows:

Category	2016/2017 Proposed
Street & Sidewalk Capital Projects	\$1,280,000
Drainage Capital Projects	\$695,000
Utility Capital Projects	\$1,996,000
Parks & Recreation Capital Projects	\$4,636,000
Aquatic Park Capital Projects	\$531,000
Facility Capital Projects	\$120,800
Major Capital Equipment Projects	\$4,295,000
Other Capital Projects	\$487,172

In addition, over the course of Fiscal Year 2015/2016, several projects were revised. Staff will be requesting a formal amendment to the 2015/2016 Capital Projects Budget to include the changes summarized below. Detailed revision forms have been included in the attachment to this agenda item. Only revisions altering the dollar amount of the project have been included in the summary below. Projects with a net change of \$0 resulting from the reallocation of funds within a project are included in the detailed attachment, but are not reflected on the summary below.

STREET & SIDEWALK CAPITAL PROJECTS

Project Number	Project Name	Through 2015/2016	Revision 2015/2016	Revised Budget
ST0902	Cloyce Court (820 to Maplewood)	\$950,000	(\$140,000)	\$810,000
ST1404	Jennings Dr / Dude Court	\$610,000	(\$35,000)	\$575,000
CDBG16	Lynda Court	\$226,821	\$35,000	\$261,821
PW1602	Meadow Lakes Drive / Rufe Snow Drive	\$0	\$1,315,000	\$1,315,000
ST0102	Rufe Snow Drive (Karen to 820)	\$1,385,950	\$150,000	\$1,535,950
ST0202	Rufe Snow Drive (Mid Cities to Hightower)	\$21,703,236	(\$100,000)	\$21,603,236
ST1201	Rufe Snow Drive / Glen View Drive	\$1,435,000	\$750,000	\$2,185,000

DRAINAGE CAPITAL PROJECTS

Project Number	Project Name	Adopted Through 2015/2016	Budget Revision 2015/2016	2015/2016 Revised Budget
DR1503	Calloway Branch Channel Repair	\$68,500	\$30,000	\$98,500
DR1501	Main Street Drainage Improvements	\$800,000	\$220,000	\$1,020,000
DR1004	Meadowview Channel Drainage Imp.	\$1,863,222	(\$120,000)	\$1,743,222

UTILITY CAPITAL PROJECTS

Project Number	Project Name	Adopted Through 2015/2016	Budget Revision 2015/2016	2015/2016 Revised Budget
UT1607	Walker Branch Intercept Project	\$0	\$416,525	\$416,525
UT1505	Water Line Replacement on Susan Lee	\$800,000	(\$10,000)	\$790,000

PARKS & RECREATION CAPITAL PROJECTS

Project Number	Project Name	Adopted Through 2015/2016	Budget Revision 2015/2016	2015/2016 Revised Budget
PK9601	Calloway Branch Trail Development	\$1,489,811	(\$5,500)	\$1,484,311
PK1603	Northfield Park Redevelopment	\$397,000	\$5,500	\$402,500
PK1608	Trail Head Gateways	\$110,000	\$12,260	\$122,260
PK1609	Unforseen Park Damage	\$0	\$61,535	\$61,535

AQUATIC PARK CAPITAL PROJECTS

Project Number	Project Name	Adopted Through 2015/2016	Budget Revision 2015/2016	2015/2016 Revised Budget
WP1503	Calloway Branch Trail Development	\$2,800,000	\$180,425	\$2,980,425
WP1504	Northfield Park Redevelopment	\$75,000	\$8,250	\$83,250



FACILITIES CAPITAL PROJECTS

Project Number	Project Name	Adopted Through 2015/2016	Budget Revision 2015/2016	2015/2016 Revised Budget
FC1602	Building ACM Abatement & Demolition	\$0	\$630,000	\$630,000
FC1205	City Hall (Municipal Govt. Complex)	\$69,229,337	\$54,950	\$69,284,287

MAJOR CAPITAL EQUIPMENT

Project Number	Project Name	Adopted Through 2015/2016	Budget Revision 2015/2016	2015/2016 Revised Budget
FS1601	Amulance Replacement (Unit 958)	\$240,000	\$30,000	\$270,000
FS1602	Gradall	\$375,000	\$25,000	\$400,000
FS1603	Pothole Patcher	\$172,600	\$5,800	\$178,400
FS1604	Street Sweeper Replacement (Unit 6627)	\$291,900	(\$51,900)	\$240,000

ECONOMIC DEVELOPMENT

Project Number	Project Name	Through 2015/2016	Revision 2015/2016	Revised Budget
ED1601	City Point Infrastructure	\$0	\$2,596,070	\$2,596,070
ED1002	Loop 820 Redevelopment (2010)	\$2,026,938	(\$431,366)	\$1,595,572
ED1602	Loop 820 Redevelopment (2016)	\$0	\$6,500,000	\$6,500,000

OTHER CAPITAL PROJECTS

Project Number	Project Name	Adopted Through 2015/2016	Budget Revision 2015/2016	2015/2016 Revised Budget
FC1505	North Texas Anti-Gang Center	\$1,211,751	\$295,000	\$1,506,751
FC1603	North Texas Anti-Gang Center (2016)	\$0	\$900,000	\$900,000
PW1601	TEX Rail	\$0	\$40,200	\$40,200

The notice of public hearing was published in the Star Telegram newspaper in accordance with State law and the City Charter. The public hearing for the Annual Budget was advertised to be held August 22, 2016 during the regular 7:00 p.m. City Council meeting. The proposed budget document was filed with the City Secretary and was also placed at the North Richland Hills Public Library for easy public access. The document was also made available online at the City website, www.nrhtx.com. It will be presented for adoption at the City Council meeting on Monday, September 26, 2016.

At the July 29, 2016 budget work session, the Crime Control District (CCD) Board reviewed the proposed 2016/2017 Crime Control and Prevention District Budget. The CCD Board is scheduled to conduct a public hearing on Monday, August 22, 2016 at 6:30 p.m. in the City Council Chambers.



A Parks & Recreation Facilities Development Corporation Board meeting is also scheduled for Monday, August 22, 2016. During this meeting the Board will conduct a public hearing on the Park & Recreation Facilities Development Corporation budget, beginning at 6:15 p.m. This meeting will also be held in the City Council Chambers.

RECOMMENDATION:

Open a Public Hearing, receive comments on the 2016/2017 Proposed and 2015/2016 Revised budgets, and close the public hearing.