



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager    **DATE:** September 13, 2021  
**SUBJECT:** Public hearing and consideration of Ordinance No. 3710, an amendment to the FY 2021/2022 Adopted Budget.  
**PRESENTER:** Karen Manila, Assistant City Manager

### **SUMMARY:**

The City Council is requested to open a public hearing and receive public comment on an amendment to the 2021/2022 Adopted Budget. At the conclusion of the public hearing, Council is requested to consider the approval of Ordinance No. 3710, approving the proposed budget amendment.

### **GENERAL DESCRIPTION:**

The Fiscal Year 2021/2022 Budget was adopted by the City Council on August 16, 2021 and will become effective at the start of the fiscal year on October 1, 2021. Since that time, events have occurred that require an amendment to the adopted budget. The changes reflected in this amendment are summarized below.

### **BUDGET AMENDMENTS:**

Since the adoption of the Budget on August 16, 2021, staff has been able to obtain additional clarification regarding debt service supported by tax collections in a tax increment fund (TIF) and is recommending the below adjustments be made. The changes will allow for non-tax supported funds (enterprise funds) to directly fund a portion of the debt service related to tax backed bonds issued for these operations. While the debt services for these bonds is eligible for payment from property tax funds, the practice of the City of North Richland Hills is to have enterprise funds pay for debt services associated with the operations of these funds. The proposed budget amendment for the Parks & Recreation Development Fund, Utility Fund, and Fleet Fund does not change the total amount allocated for each fund; however, the proposed amendment changes the amount allocated within each fund for debt service and planned contribution to reserves.



<b>Fund</b>	<b>Adopted 2021/2022</b>	<b>9/13/2021 Amendment</b>	<b>Adopted 2021/2022</b>
General Fund	\$55,671,008	(\$2,106,960)	\$53,564,048
General Debt Service Fund	\$14,899,213	(\$1,659,215)	\$13,239,998
Parks & Recreation Dev Fund	\$9,929,222	\$0	\$9,929,222
Utility Fund	\$39,461,323	\$0	\$39,461,323
Fleet Fund	\$4,070,668	\$0	\$4,070,668
Total Expenditures	\$124,031,434	(\$3,766,175)	\$120,265,259

In order to amend the budget, the city is required to conduct a public hearing to receive public comments. A notice of public hearing was posted in the Star Telegram on Wednesday, September 1, 2021.

**RECOMMENDATION:**

Approve Ordinance No. 3710.