

## COUNCIL ACTION FORM

Meeting Date: September 10, 2026

Staff Contact: Katherine Carttar, City Administrator

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Agenda Item: Consider Resolution No. 157-2026 approving a tax rate in excess of the Revenue Neutral Rate for the 2027 budget year

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### **Background/Description of Item**

Over the last several months the Council and staff have worked to develop the 2027 budget. The Governing Body reviewed the recommended budget on June 11<sup>th</sup> and again on July 9<sup>th</sup>. At the July 9<sup>th</sup> meeting, the City Council approved providing public notice to exceed the Revenue Neutral Rate.

### **Staff Comments/Recommendations**

The Revenue Neutral Rate is the tax rate in mills that will generate the same property tax in dollars as the previous tax year using the current tax year's total assessed valuation. In Westwood, the Revenue Neutral Rate for fiscal year 2027 would be 24.797 mills. The 2027 recommended budget provides for a total mill rate of 27.199, increased by 2 mills from fiscal year 2026 to increase funding to the City's under-resourced Capital Improvement Fund, specifically for Facilities.

Per Senate Bill 13, the recommended budget requires a Revenue Neutral Rate hearing to exceed the revenue neutral rate provided by the County Clerk. Notice of intent to exceed the Revenue Neutral Rate was provided to the County Clerk by July 20th and the notice of public hearing was published on August 25, 2026. The public hearing will occur at the beginning of the September 10, 2026 meeting. The adoption of the 2027 budget will occur following the adoption of the Revenue Neutral Rate resolution.

Staff recommends the City Council approve a resolution adopting a tax rate in excess of the Revenue Neutral Rate for the 2027 budget year.

### ***Suggested Motion***

*I move to approve Resolution No. 157-2026 approving a tax rate or mill levy rate in excess of the Revenue Neutral Rate for the 2027 budget year.*