

# COUNCIL ACTION FORM

Meeting Date: July 10, 2025

Staff Contact: Leslie Herring, City Administrator

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Agenda Item: Consider Resolution No. 145-2025 to Exceed the Revenue Neutral Rate, Establish the Date and Time of a Public Hearing, and Provide for the Giving of Notice of Such Public Hearing

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## **Background/Description of Item**

Over the last several months staff have worked to develop the 2026 budget. The 2026 budget maintains the same level of services as the 2025 budget and keeps operating expenses relatively flat, but provides for increased expenditures related to personnel and certain professional services and contracts, as well as increased capital improvement costs.

Per State statute, notice and public hearing requirements are imposed on cities if their proposed budget will exceed the property tax levy's revenue neutral rate. 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 would be 18.822 mills. Since the proposed budget – as well as the current mill levy – exceeds that amount, a public hearing is required.

Notice of intent to exceed the revenue neutral rate must be provided to the County Clerk before July 20th. The hearing must take place between August 20th and September 20th. The public hearing is proposed for the City Council's regular meeting on Thursday, September 11, 2025. The budget public hearing and adoption of the 2026 budget will follow the revenue neutral rate hearing on that meeting agenda.

## **Staff Comments/Recommendation**

Approve Resolution No. 145-2025 to exceed the Revenue Neutral Rate, establish the date and time of a public hearing, and provide for the giving of notice of such public hearing.

## ***Suggested Motion***

*I move to approve Resolution No. 145-2024 to exceed the Revenue Neutral Rate, establish the date and time of a public hearing, and provide for the giving of notice of such public hearing.*