

COUNCIL ACTION FORM

Meeting Date: July 9, 2026

Staff Contact: Katherine Carttar, City Administrator

Agenda Item: Consider Resolution No. 156-2026 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

Background/Description of Item

Over the last several months staff have worked to develop the 2027 budget. The 2027 budget maintains the same level of services as the 2026 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 24.797 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 10, 2026. 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. 156-2026 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. 156-2026 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