

City Manager's Budget Proposal

CITY MANAGER GEORGE CAMPBELL | FRIDAY, SEPTEMBER 1, 2017

QUESTIONS?

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UPCOMING DATES

City Hall (405 Municipal Drive)

Thursday, September 7 at

5:30 p.m.: Public Hearing on the Proposed **Budget & First Public Hearing** on the 2017 **Tax Rate**

Thursday, September 14 at

5:30 p.m.: Second Public Hearing on the 2017 **Tax Rate**

City Council Regular Meeting

Monday, September 18 at 7:00

p.m. (Work Session at 5:30 p.m.)

Consideration of adoption of the FY17-18 Budget and 2017 Tax Rate

Current FY16-17 Tax Rate

\$0.767500 (per \$100 of taxable value)
\$1,726.88 (home valued at \$225,000)

FY17-18 Effective Tax Rate

\$0.726970 (per \$100 of taxable value)
\$1,635.68 (home valued at \$225,000)

FY17-18 Proposed Tax Rate

\$0.787500 (per \$100 of taxable value)
\$1,771.88 (home valued at \$225,000)

CITY MANAGER'S PROPOSED BUDGET
AND STAFF MEMOS AND PRESENTATIONS:
CITYOFKENNEDALE.COM/BUDGET

I shared a letter yesterday outlining the budgeting process and the details of the budget that I have proposed to Council, which is based on revenues and those services identified by department heads as being needed or desired by the community we serve. In that letter, I also encouraged anyone with questions about the budget or tax rate to contact the City Manager's Office or the Director of Finance directly.

In an effort to help the community better understand the discussions and considerations involved in this budgeting process, I have also posted three staff memos responding in significant detail to questions from Council members about specific line items and related practices and procedures, including the City's relationship to separate entities like the Economic Development Corporation (EDC).

Again, I encourage interested citizens to contact staff or to rely on the accurate and timely information at www.cityofkennedale.com/budget. I feel led to reemphasize this after a mailer was sent to our community this week that included inaccurate or misleading information that may clearly leave the wrong impression as to the efforts being made by Council and staff to provide a comprehensive and transparent budget.

Specifically, I want to take this opportunity to reassure residents that:

- As the City Manager, I have recommended a two-cent increase to the ad valorem (or property) tax rate in an effort to restore the General Fund's fund balance to adopted policy levels (of 18-25% of annual expenditures), while preserving an adequate level of service delivery. To my knowledge, neither the Mayor nor any member of the Council has yet committed to supporting that proposal. I would not anticipate such a decision or final commitment until after Council hears from citizens at the public hearings, scheduled for September 7th and 14th.
- The budget that I have recommended does include reductions in total water and sewer rates for all citizens and, to my knowledge, neither the Mayor nor any member of the Council has suggested an increase in any of those rates.
- In my examination of the Water Utility Fund, it was determined that there was a budgeting error that resulted in an inaccurate representation of the working capital (fund balance) that was actually available for use in the event of an unexpected need. There was, however, no "lost money" as represented in the mailer citizens may have received.

As this City administration makes every effort to be open and transparent to the citizens of Kennedale, I again urge reliance upon the City's official web page for accurate, impartial, and objective information. Thank you for your continued interest in your local government and in accurate and transparent reporting of our financial management.

Sincerely,
George Campbell, City Manager

P R E S S C O N T A C T

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