

**Office of the City Manager**

City of Richland Hills, Texas

## Memorandum

**To:** Honorable Mayor Edward Lopez and members of the Richland Hills City Council  
**From:** Eric Strong, City Manager  
**Date:** March 25, 2019  
**Subject:** Budget Amendment

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**City Council Action Requested:**

Consider amendment to the FY 2018-19 Annual Budget

**Background Information:**

In November of 2018, after the budget had been adopted, residents elected to reallocate the ½ cent of sales tax that was previously collected by the Fort Worth Transportation Authority back to Richland Hills for local projects. Specifically, they authorized 3/8<sup>ths</sup> cent for Street Improvements and 1/8<sup>th</sup> cent to Economic Development (this 1/8<sup>th</sup> is in addition to the 1/8<sup>th</sup> we are already collecting). This new revenue, and any associated expenses, were not included in the budget since they were approved after the budget was adopted.

Approving this ordinance will amend the budget to account for the revenue we anticipate collecting for the remainder of this year. The tax will begin to be collected in June, and is estimated to bring in \$400,000 for street improvements and 125,000 for park improvements.

In addition to increasing the revenues, this ordinance will also increase the expenses we anticipate making with these funds. However, the specific expenditures will not occur until and unless it is authorized for specific projects by the Council at a future date.

**Board/Citizen Input:** N/A

**Financial Impact:** Revenue increase of \$525,000, with associated expenses for eligible projects

**Staff Contacts:**

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**Attachments:** Ordinance

**ORDINANCE NO. 1384-19**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS, AMENDING ORDINANCE NO. 1363-18, WHICH APPROVED AND ADOPTED A GENERAL BUDGET FOR THE CITY FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2018, AND ENDING SEPTEMBER 30, 2019, BY INCREASING REVENUES AND EXPENDITURES FOR STREET IMPROVEMENTS AND ECONOMIC DEVELOPMENT; PROVIDING A SEVERABILITY CLAUSE; REPEALING ALL CONFLICTING ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Richland Hills, Texas (“City”), is a home-rule city possessing the full power of local self-government pursuant to Article 11, Section 5 of the Texas Constitution, Section 51.072 of Texas Local Government Code, and the Home Rule Charter for the City of Richland Hills, Texas; and

**WHEREAS**, the City is authorized to adopt and implement necessary and reasonable ordinances in the best interest of its citizenry; and

**WHEREAS**, Section 102.010 of the Texas Local Government Code authorizes the governing body of a municipality to make changes in the budget for municipal purposes; and

**WHEREAS**, the City Council of the City of Richland Hills, Texas (“City Council”) hereby finds and determines that it is in the best interest of the citizens of the City of Richland Hills to amend the City’s FY 2018-19 operating budget to account for new revenue and expenses that were authorized by a local election for street improvements and economic development purposes.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RICHLAND HILLS, TEXAS, THAT:**

**SECTION 1  
FINDINGS INCORPORATED**

All of the above premises are found to be true and correct factual and legislative determinations of the City of Richland Hills and are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

**SECTION 2  
AN AMENDMENT OF ORDINANCE NO. 1363-18**

The City Council hereby amends Ordinance No. 1363-18, which adopted the Fiscal Year 2018-2019 Budget of the City of Richland Hills, as follows:

- a. By increasing revenues for the Street Improvement Fund by \$400,000 for new revenue approved by voters to Fund 25: Street Improvement Fund.
- b. By increasing expenditures for street improvements out of Fund 25 to \$400,000.
- c. By increasing revenues for the Richland Hills Development Corporation by \$125,000 for new revenue approved by voters to Fund 26: Richland Hills Development Corporation.
- d. By increasing expenditures for park improvements out of Fund 26 by \$125,000.

**SECTION 3  
PROVISIONS CUMULATIVE**

This ordinance shall be cumulative of all provisions of ordinances and of the Code of Ordinances of the City of Richland Hills, Texas, as amended, except where the provisions of the ordinance are in direct conflict with the provisions of such ordinances and such Code are hereby repealed.

**SECTION 4  
PROVISIONS SEVERABLE**

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

**SECTION 5  
PUBLICATION**

The City Secretary of the City of Richland Hills is hereby directed to publish this ordinance to the extent required by law.

**SECTION 6  
EFFECTIVE DATE**

This ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

PASSED AND APPROVED ON THIS 25<sup>th</sup> DAY OF MARCH, 2019.

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THE HONORABLE MAYOR EDWARD LOPEZ

ATTEST:

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CATHY BOURG, CITY SECRETARY

EFFECTIVE DATE: \_\_\_\_\_

APPROVED AS TO FORM AND LEGALITY:

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BETSY ELAM, CITY ATTORNEY