



Burleson

TEXAS

Budget Brief Fiscal Year 2012-2013

The purpose of this Budget Brief is to give the citizens of Burleson a general overview of the City’s proposed budget for Fiscal Year 2012-2013. In addition, this Brief will highlight some of the more significant changes to the City’s budget. If a more detailed understanding of the budget information is desired, a copy of the complete budget may be obtained from the City Secretary at City Hall, or online at the following address:

<http://www.burlesontx.com/index.aspx?NID=1194>.

SUMMARY

The 2012-2013 budget for all City funds totals approximately \$71 million. The City establishes a budget for seventeen separate funds, as illustrated in the following graph. The largest of these is the **General Fund** with budgeted expenditures of \$27.2 million. The General Fund accounts for the majority of City services, including Library, Parks, Police, Fire, Streets, and Administrative Services. The General Fund will be discussed in more detail later, as will the Water and Wastewater Fund.

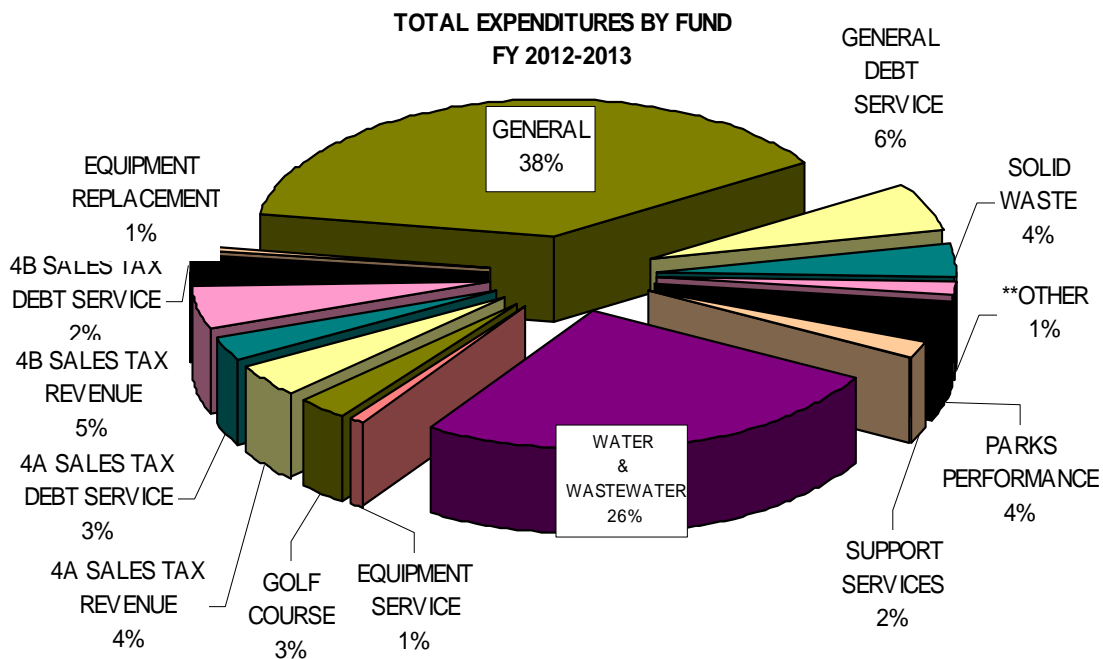
The second largest fund is the **Water and Wastewater Fund** with budgeted expenditures of \$18.7 million. The Water and Wastewater Fund accounts for the maintenance and upkeep of the City’s water and wastewater system, as well as the purchase of water service and wastewater disposal services provided through long term contracts with the City of Fort Worth.

The **Hidden Creek Golf Course Fund** expenditure budget is \$2.1 million. It accounts for the maintenance, operations, and debt service of Hidden Creek Golf Course.

The **Solid Waste Fund** accounts for the operation of the City’s solid waste collection service. This year, the Solid Waste budget is about \$2.8 million.

The **Debt Service Fund** budget amounts to about \$4.2 million. This provides for the servicing of the City’s general obligation debt.

The **Equipment Services Fund** is an internal service fund that accounts for the maintenance of the City’s



fleet of vehicles and equipment. The Equipment Services Fund has a budget of about \$493,000. Likewise, the **Support Services Fund** is an internal service fund that accounts for the support, maintenance, and replacement of the City's technology systems. This fund's budget is \$1.3 million.

The **Parks Performance Fund** is a special revenue fund that accounts for the operations of the "pay for play" parks facilities. This fund has a budget of \$3 million, with a contribution of \$1.1 million from the BCSDC.

There are two funds of the City whose function is the accumulation of money for replacement of City-owned vehicles and equipment. The **Proprietary Equipment Replacement Fund** is an internal service fund that accounts for the replacement of the equipment and vehicles used by business-type City departments such as the Water and Wastewater departments.

The **Governmental Equipment Replacement Fund** is an internal service fund that accounts for the replacement of the equipment and vehicles used by other City departments. The Proprietary and Governmental Equipment Replacement Funds have expenditure budgets of \$471,000 and \$111,000, respectively.

The **Hotel/Motel Tax Fund** accounts for the expenditure of revenues derived from a tax imposed on visitors to local hotels and motels. Its budget of \$90,000 goes toward activities to promote Burleson as a tourist destination.

The **Cemetery Fund**, with a budget of \$7,000, accounts for the upkeep of the Burleson Memorial Cemetery.

The Burleson 4A Economic Development

Corporation is represented in the budget by two funds. The first fund is a special revenue fund that accounts for the revenue from the 1/2 cent sales tax approved by voters in 2001 and the transfer of this revenue to the debt service fund or capital projects funds. This fund's budget is about \$2.7 million. Approximately \$2.1 million is being transferred to the debt service fund. The debt service fund accounts for the payment of the bonds that are supported by the Type A sales tax. This fund's budget is about \$2.1 million.

The Burleson Community Services Development Corporation is also represented in the budget by a revenue fund and a debt service fund. Formed in 1993, the BCSDC administers the 1/2 cent Type B economic development sales tax. The Type B sales tax revenue fund has a budget of about \$3.5 million. The debt service fund has a budget of about \$1.9 million.

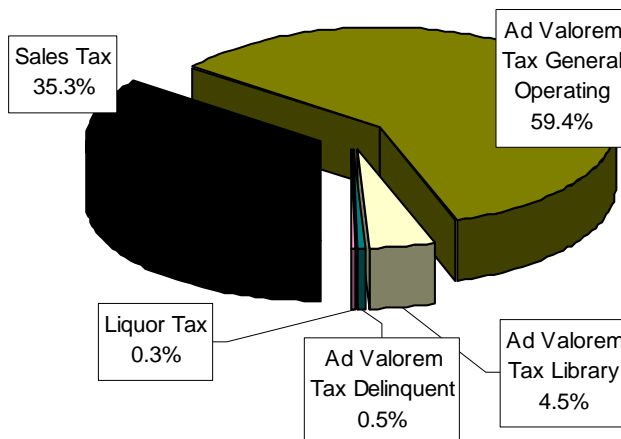
The Economic Development Incentive Fund accounts for the cost of incentives offered by the City of Burleson to encourage economic development. Expenditures in this fund are budgeted at \$755,000.

GENERAL FUND

Significant Changes:

- A 3% "across-the-board" pay raise for all non-public safety.
- Reinstating the Public Safety Step Plan in a modified manner.
- Funding for overall evaluation of compensation.
- Funding for an update of our zoning ordinance and other planning related documents.
- Funding for continuous process improvement and employee suggestion programs.
- Funding for retail and industry analysis.
- Funding for interactive Town Hall meetings.
- Funding for increased focus on performance measures utilizing tools available through the International City/County Management Association.
- Addresses Municipal Court and other facility-related issues.
- Begin the process to replace the City's municipal software suite.

**TAX REVENUES BY SOURCE
FISCAL YEAR 2012-2013**



Sources of Revenue

Revenues projected in the 2012-2013 General Fund budget total \$27.2 million. This is an increase of about \$1.9 million over the 2011-2012 budget.

The largest source of General Fund revenue is Ad Valorem Taxes. The proposed 2012-2013 rate is \$0.69 per \$100 valuation. The maintenance and operations portion of the tax rate (\$0.5278/\$100) is expected to provide \$12 million.

The City has numerous, diverse revenue sources to try to limit its reliance on property taxes. The City expects sales tax to provide \$6.6 million, and other taxes to provide another \$152,000;

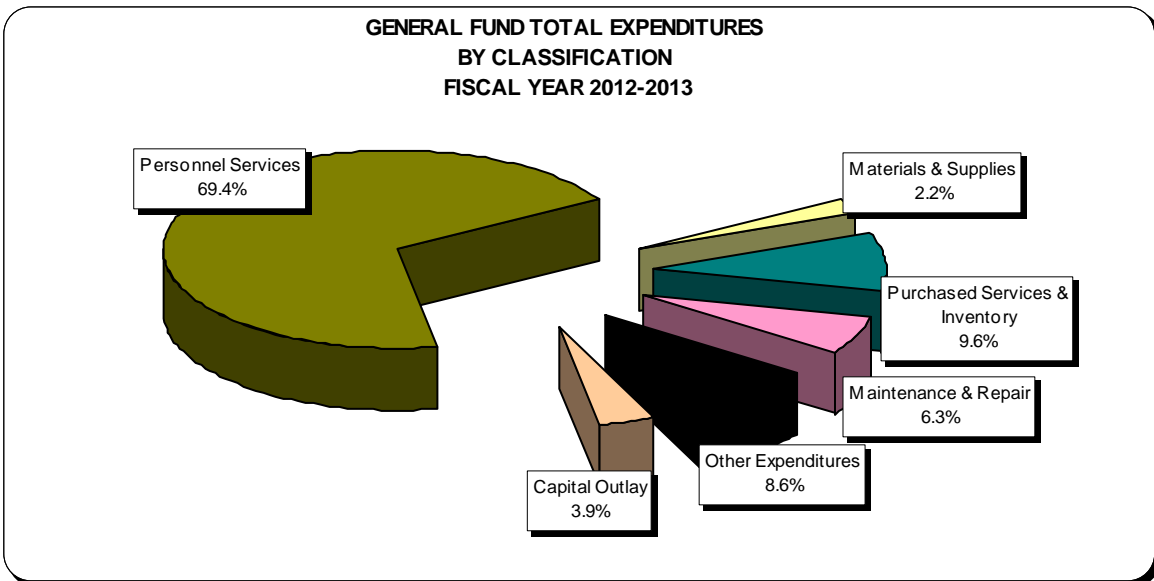
Franchise Fees \$2.1 million; License and Permit Fees \$644,000; Fines and Forfeitures \$995,000; Interest \$27,000; Miscellaneous \$1.1 million; and Other Sources \$2.4 million.

Water Rates:

The FY 2012-2013 budget requires a 3% increase in the volumetric water rates. The base water rates, which will not change are tiered based on meter size ranging from \$11.00/month for 3/4” meters to \$819.70/month for 12” meters. Monthly Volume Charges (per 1,000 gallons) will become \$3.50 for the first 10,000 gallons. The cost for the next 10,000 gallons used will become \$4.22 and anything over 20,000 gallons will cost \$4.89. Rates for water used for gas well drilling will remain the same at \$11.39 per 1,000 gallons.

Wastewater Rates:

The 2012-2013 budget includes no change in the wastewater rates. The flat base rate for all meter sizes is \$15.25. The variable residential wastewater rate is \$4.44 per 1,000 gallons. With an average residence contributing 5,500 gallons of wastewater



Classification of Expenditures

The General Fund budget can be divided into six classifications of expenditures. The largest of these classifications, representing 69.4% of total expenditures, is Personal Services. This class includes the cost of all personnel salaries, benefits, payroll taxes, and training.

WATER & WASTEWATER FUND

The Water & Wastewater Fund is an “enterprise” fund. An enterprise fund runs as a business and is expected to be self-supporting, without requiring tax subsidy. The City purchases its water and wastewater treatment from the City of Fort Worth.

per month (winter average), this increase will cost an average residence about \$3.59 per month.

SOLID WASTE FUND

The purpose of the enterprise fund for Solid Waste is to fully account for all costs associated with the City’s solid waste collection operations.

The proposed budget assumes an increase of the current rates (\$17.00/month) to \$18.10 a month. The rate increase assumes expected changes in the cost of these services.

Expenditures are projected at \$2,787,000. This is 5% more than the FY 2011-2012 adopted budget. The primary reason for this increase is the increase in the cost of waste collection services.

JUST THE FACTS

TOTAL EXPENDITURES (in thousands)

| | Fiscal Year 2011-12 | Fiscal Year 2012-13 |
|----------------------------|------------------------|------------------------|
| General Fund | 25,355 | 27,212 |
| Water & Wastewater Fund | 15,930 | 18,699 |
| Golf Course Fund | 2,034 | 2,091 |
| Solid Waste Fund | 2,641 | 2,787 |
| General Debt Service Fund | 4,445 | 4,161 |
| Gov Equip Rep Fund | 487 | 471 |
| Proprietary Equip Rep Fund | 45 | 111 |
| Equipment Service Fund | 490 | 493 |
| Hotel/Motel Fund | 65 | 90 |
| Cemetery Fund | 8 | 7 |
| 4A Sales Tax Revenue Fund | 2,742 | 2,701 |
| 4A Sales Tax Debt Svc Fund | 1,863 | 2,096 |
| 4B Sales Tax Revenue Fund | 3,170 | 3,500 |
| 4B Sales Tax Debt Svc Fund | 1,913 | 1,911 |
| Parks Performance Fund | 2,718 | 3,049 |
| Support Services Fund | 1,581 | 1,284 |
| Economic Development Fund | 638 | 755 |
| TOTAL EXPENDITURES | 66,125 | 71,418 |

GENERAL FUND REVENUES (in thousands)

| | Fiscal Year 2011-12 | Fiscal Year 2012-13 |
|-----------------------|------------------------|------------------------|
| Taxes | 17,532 | 18,778 |
| Franchise Fees | 2,196 | 2,155 |
| Other Sources | 2,119 | 2,388 |
| Charges for Services | 120 | 0 |
| Fines and Forfeitures | 976 | 995 |
| Licenses and Permits | 667 | 644 |
| Interest | 45 | 27 |
| Miscellaneous | 1,700 | 1,083 |
| TOTAL REVENUES | 25,355 | 26,070 |

GENERAL FUND TAX REVENUES BY SOURCE (in thousands)

| | Fiscal Year 2011-12 | Fiscal Year 2012-13 |
|-----------------------|------------------------|------------------------|
| General Ad Valorem | 10,785 | 11,148 |
| Sales Tax | 5,732 | 6,630 |
| Library Ad Valorem | 853 | 848 |
| Delinquent Ad Valorem | 100 | 100 |
| Liquor Tax | 62 | 52 |
| TOTAL | 17,532 | 18,778 |

