



# Budget Brief

## Fiscal Year 2018 - 2019

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 2018-2019. 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.

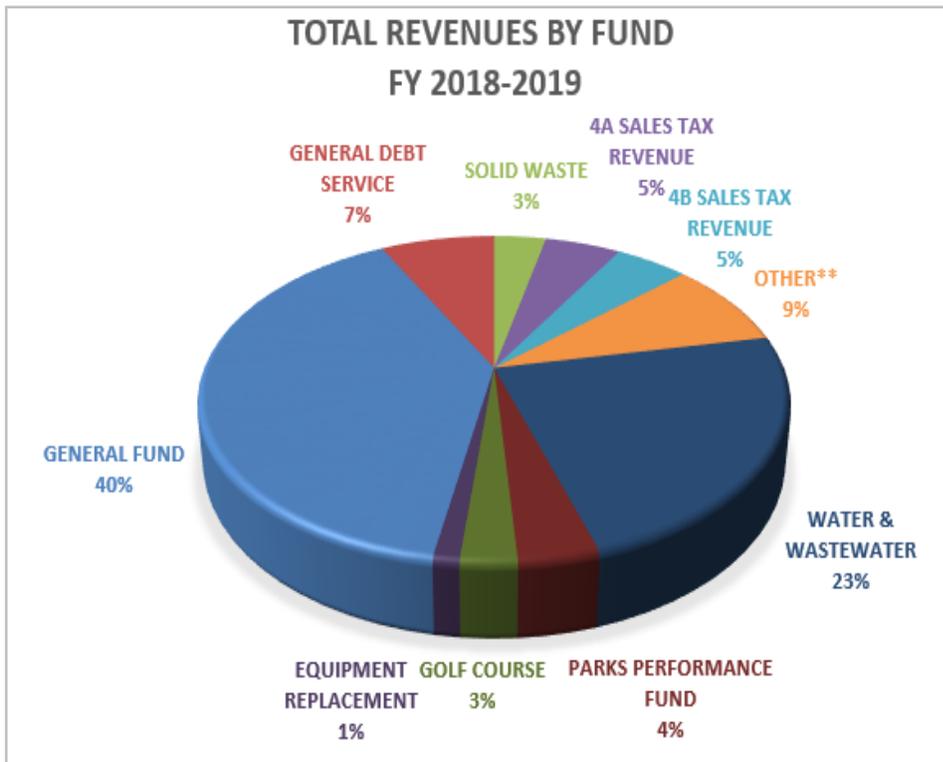
### SUMMARY

The 2018-2019 budget for all City funds totals approximately \$96.6 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 \$38.3 million. The General Fund ac-

counts 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 \$22.6 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 \$2.5 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 \$3.3 million.

The **Debt Service Fund** budget amounts to about \$7.1 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 \$475,000.

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 \$2 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 \$3.6 million, with a contribution of \$1.4 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 \$240,000 and \$882,000, 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 \$221,000 goes toward activities to promote Burleson as a tourist destination.

The **Cemetery Fund**, with a budget of \$5,250, 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 \$5.6 million. Approximately \$2 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 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 \$4.6 million. The debt service fund has a budget of about \$1.8 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 \$1,182,000.

### **GENERAL FUND**

Significant Changes:

- \$400,000 for market pay adjustments
- \$155,000 for Emergency Management Coordinator position
- \$222,000 for Sergeant School Resource Officer—50% funded by BISD
- \$485,000 increase in insurance costs in the General Fund. Citywide, insurance cost increasing \$560,000.
- \$60,000 for a Telecommunication position
- \$60,000 partial funding for a Firefighter position
- \$60,000 partial year funding for a Budget/Financial Analyst position
- \$78,000 for IT public safety technician
- \$50,000 for City rebranding project

General Fund revenue is budgeted to be \$38.06 million. This is an increase of about \$3.1 million over the 2017-2018 budget.

### **Sources of Revenue**

The largest source of General Fund revenue is Ad Valorem Taxes. The proposed 2018-2019 rate is \$0.735 per \$100 valuation. The maintenance and operations portion of the tax rate (\$0.5228/\$100) is expected to provide \$18.61 million.

The City has numerous, diverse revenue sources to try to limit its reliance on property taxes. The City expects sales tax to provide \$8.9 million, and other taxes to provide another \$265,000;

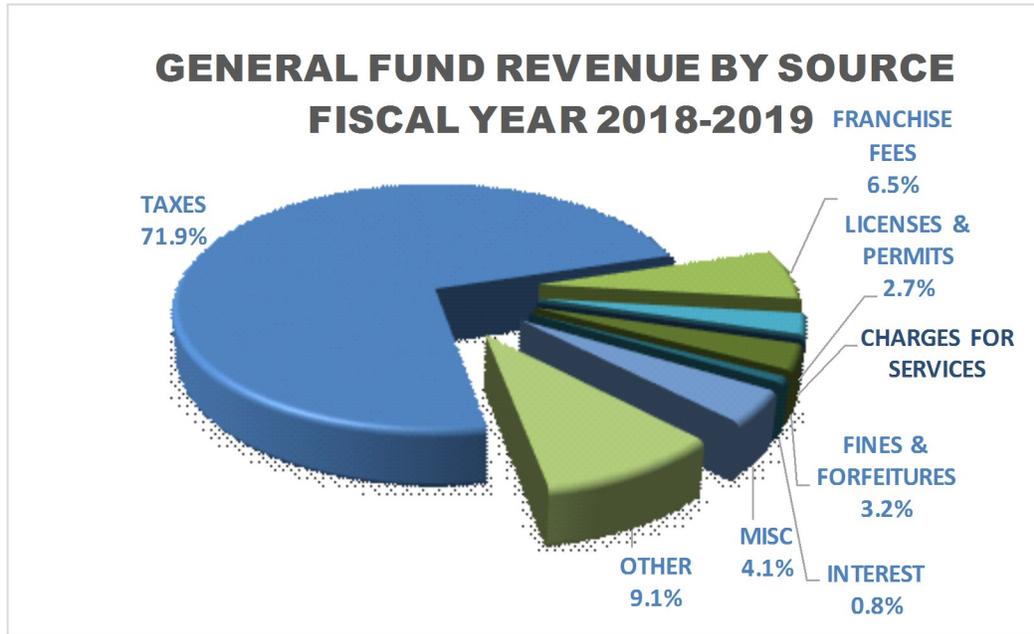
Franchise Fees \$2.5 million; License and Permit Fees \$1,016,000; Fines and Forfeitures \$1,230,000; Interest \$300,000; Miscellaneous \$1.6 million; and Other Sources \$3.6 million.

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.

**Classification of Expenditures**

The General Fund budget can be divided into six classifications of expenditures. The largest of these classifications, representing 70.8% of total expenditures, is Personal Services. This class includes the cost of all personnel salaries, benefits, payroll taxes, and training.

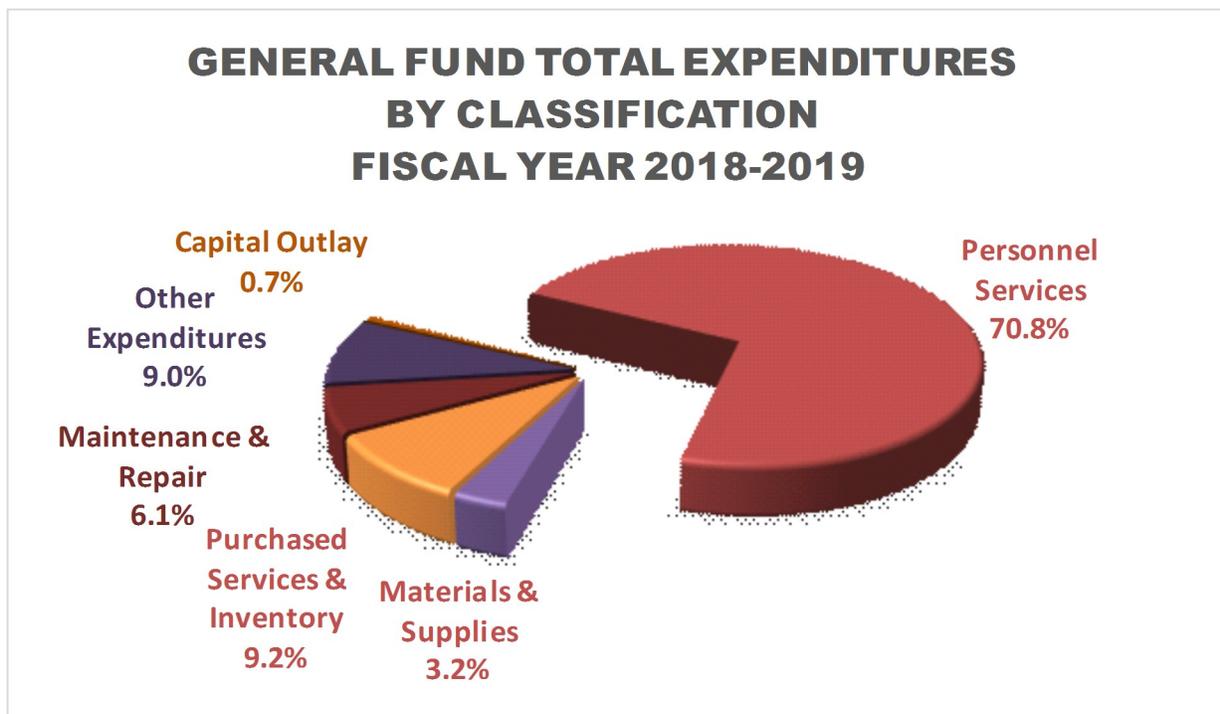
Water Rates:



**WATER & WASTEWATER FUND**

The Water & Wastewater Fund is an “enterprise”

The FY 2018-2019 budget requires a change in water rates. Both the Water and Wastewater rates are increasing 6%. The base water rates are tiered based on meter size ranging from \$16.04/month



for 3/4” meters to \$1,180.31/month for 12” meters. Monthly Volume Charges (per 1,000 gallons) will increase to \$4.91 for the first 10,000 gallons. The cost for the next 10,000 gallons used will increase to \$5.93 and anything over 20,000 gallons will cost \$6.77. Rates for water used for gas well drilling will increase to \$13.97 per 1,000 gallons.

increase to \$5.02 per 1,000 gallons.

**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.

**Wastewater Rates:**

The rate will remain the same at \$19.20 per month. Expenditures are projected at \$3,313,000. This is 2% more than the FY 2017-2018 adopted budget.

The flat base rate for all meter sizes will increase to \$18.08. The variable residential wastewater rate will

**JUST THE FACTS**

<b>TOTAL EXPENDITURES (in thousands)</b>		
	Fiscal Year 2017-18	Fiscal Year 2018-19
General Fund	35,664	38,283
Water & Wastewater Fund	20,706	22,576
Golf Course Fund	2,433	2,511
Solid Waste Fund	3,241	3,313
General Debt Service Fund	6,249	7,135
Gov’t Equip Rep Fund	1,348	882
Proprietary Equip Rep Fund	794	240
Equipment Service Fund	610	475
Hotel/Motel Fund	186	221
Cemetery Fund	5	5
4A Sales Tax Revenue Fund	5,758	5,579
4A Sales Tax Debt Svc Fund	2,063	2,043
4B Sales Tax Revenue Fund	4,231	4,643
4B Sales Tax Debt Svc Fund	1,857	1,830
Parks Performance Fund	3,727	3,599
Support Services Fund	1,999	2,048
Economic Development Fund	1,096	1,182
<b>TOTAL EXPENDITURES</b>	<b>91,967</b>	<b>96,565</b>

<b>GENERAL FUND REVENUES (in thousands)</b>		
	Fiscal Year 2017-18	Fiscal Year 2018-19
Taxes	25,272	27,811
Franchise Fees	2,316	2,492
Other Sources	3,450	3,631
Charges for Services	0	0
Fines and Forfeitures	1,195	1,230
Licenses and Permits	1,037	1,016
Interest	150	300
Miscellaneous	1,544	1,578
<b>TOTAL REVENUES</b>	<b>34,964</b>	<b>38,058</b>

<b>GENERAL FUND TAX REVENUES BY SOURCE (in thousands)</b>		
	Fiscal Year 2017-18	Fiscal Year 2018-19
General Ad Valorem	16,679	18,611
Sales Tax	8,368	8,935
Delinquent Ad Valorem	125	145
Liquor Tax	100	120
<b>TOTAL TAX REVENUES</b>	<b>25,019</b>	<b>27,811</b>