

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

PRESENTED TO

City of Burleson,
Texasfor the Fiscal Year Ended
September 30, 2008
President
Jeffrey L. Esser
Executive Director**DIRT WILL MOVE AT HIGHPOINT**

The unemployment rate has increased to 6.7 percent in Burleson and 10 percent nationally. But City officials are working to turn those numbers around locally with the construction of HighPoint Business Park of Burleson.

In 2007, the City purchased 159 acres adjacent to I-35W, north of FM 917 and south of Bethesda Road, to develop a business park that would stimulate economic growth for the City



Map of business park in relation to major roads and airports

CONTINUED ON PAGE 8

OVERVIEW ... CITY COSTS AND CITY FUNDING

The City of Burleson offers a wide range of services to its 34,000-plus residents, from police and fire protection, animal control, code enforcement, water and sewer service, garbage collection and recycling, and street construction, maintenance and repair, to amenities such as a public library, parks and recreation, and a golf course. These are funded through a variety of revenues, including property tax, sales tax, user fees, and grants and contributions.

The 2009 Annual Financial Report is presented in a newsletter format and is intended to give you an overview of services delivered by the City to the citizens in fiscal year 2009, what the services cost, and how they were paid for. The financial information is taken from the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year that ended Sept. 30, 2009. The CAFR, produced by the City's finance department in accordance with the Generally Accepted Accounting Principles that guide municipal financial reporting, is audited by an independent accounting firm selected by city council.

Included is information about the new fire station, Chisenhall Fields (formerly Chisenhall Park) and the Burleson Recreation Center as well as the City's new HighPoint Business Park that will be constructed at I-35W and CR 711.

The council and the City's management staff hope this report provides insight into how City's services are financed. I want to thank the management and staff of the finance department for excellent work in reporting on our municipal finances, as evidenced by being awarded the Popular Annual Financial Reporting award for the 11th consecutive year.

Curtis Hawk, city manager

INSIDE ...**ROAD
CONSTRUCTION** 2**ASSETS, REVENUES,
EXPENSES** 3**GENERAL FUND** 4**WATER/
WASTEWATER FUND** 5**GROWTH OF
THE CITY** 6**PROJECT UPDATES** 7

STREETS ARE PAVED WITH YOUR TAX DOLLARS

Nothing is a more visible illustration of how your tax dollars are spent than road construction. And Burleson was under construction in fiscal year 2009-2010.

Irene Street, Gardens Boulevard, Gregory Street and the connecting residential streets saw storm drainage improvements, waterline replacements, and street reconstruction.

The project that affected the commercial customers the most in 2009 was the reconstruction of Alsbury Boulevard between I-35W and Douglas Street. The boulevard was repaved and the median adjacent to the service road was narrowed to make room for a dedicated right turn lane for eastbound traffic.



Renfro Street even saw some construction between Alsbury and Downwood Street, in conjunction with the Alsbury Boulevard project.

The City also participated (design and construction funding) with the Texas Department of Transportation on construction of the traffic signals at FM 3391 (East Renfro) and South Hurst Road and East Renfro at Cardinal Ridge.

Look for more this year as the construction on Alsbury between Edgehill Road and Summercrest wraps up and the extension of Arnold Avenue to Hwy. 174 continues. The City is also participating with the Burleson Independent School District (construction funding) on the widening of North Hurst Road at the

new Centennial High School. That project is still under construction.

FUND BALANCE: WHAT IS IT AND WHY IS IT IMPORTANT?

Fund balance is the amount by which a fund's assets exceed its liabilities. It is basically the accumulated excess of inflows over outflows. Fund balance increases when revenues exceed expenditures, and decreases when expenditures exceed revenues.

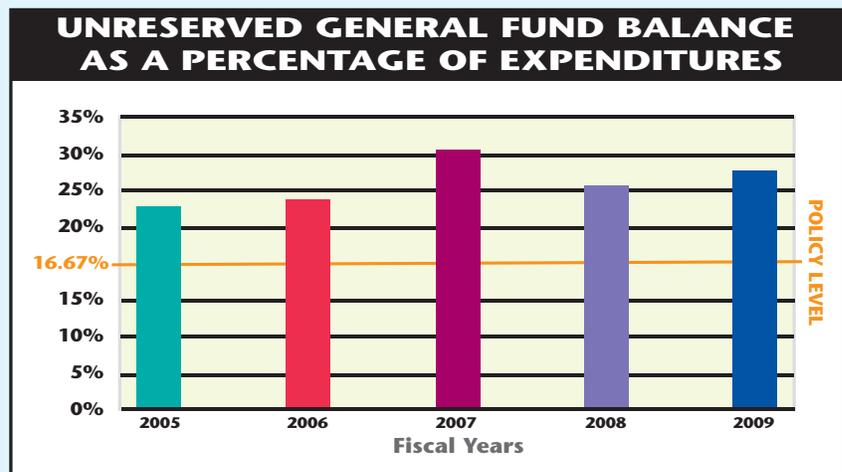
Reserved fund balance is the portion of fund balance that is dictated to be spent for a particular reason, such as debt payments, capital expenditures, prepaids and encumbrances. Unreserved fund balance is the portion of fund balance that is available for any purpose.

Fund balance is a critical factor in financial planning and budgeting. It is important to maintain fund balance in the major operating funds at a level that would be sufficient to provide a financial cushion in the event of unanticipated events, such as a loss or major reduction of a revenue source, a sudden economic downturn, or natural disaster.

Fund balance also demonstrates financial stability, which enhances bond rating, thereby lowering debt issuance costs. Bond rating agencies regard the level of fund balance in the general fund as an indicator of the quality of the City's financial management.

It is the City's policy that the unreserved fund balance should be at least 16.67 percent of the general fund annual expenditures. This percentage is the equivalent of 60 days operating expenditures.

Similarly to the general fund, the enterprise funds working capital should also be maintained at least at the 16.67 percent of total operating expenditures or the equivalent of 60 days. Financial prudence dictates that these funds should also maintain a reasonable level of net assets to cover unanticipated costs.



Government-wide Financial Statements

Government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two presented as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing related to cash flows. Thus, revenues and expenses are reported in this statement for items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave). The change in net assets is not reported here, but is the difference of total revenues and total expenses. This year, the change in net assets increased by \$11,768,302.

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law or bond covenants. The Burleson City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

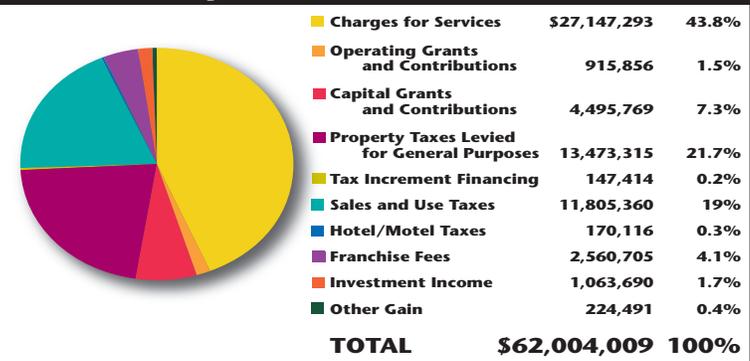
The City has two types of funds: governmental funds and proprietary funds. This report presents only the operating statements of the general fund, water and wastewater fund, and the solid waste fund. For information on the other funds as well as more detailed information on the funds presented here, a copy of the City's Comprehensive Annual Financial Report may be picked up from the finance department at Burleson City Hall, 141 W. Renfro St., and is also available online at www.burlesontx.com.

Citywide Net Assets

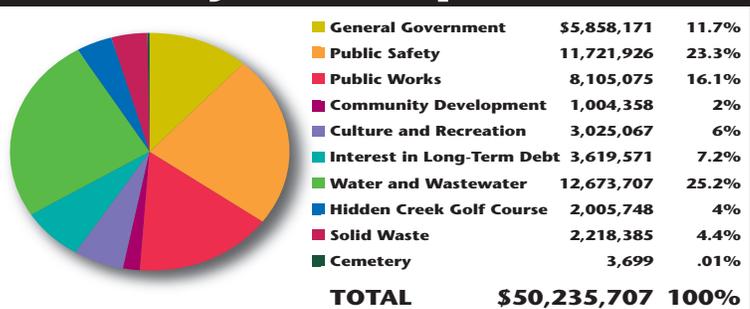
	FY 2008	FY 2009
Current and Other Assets	\$108,381,251	\$ 91,032,394
Capital Assets	186,135,725	212,531,019
TOTAL ASSETS	294,516,976	303,563,413
Noncurrent Liabilities - due in more than one year	130,729,222	125,438,123
Other Liabilities	14,518,396	17,087,631
TOTAL LIABILITIES	145,247,618	142,525,754
Net Assets:		
Invested in Capital Assets, Net of Related Debt	114,627,013	125,652,978
Restricted	10,075,119	8,930,092
Unrestricted	24,567,226	26,454,590
TOTAL NET ASSETS	\$149,269,358	\$161,037,660

The statement of net assets presents information on all of the City's assets and liabilities, with the difference between the two presented as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

Citywide Revenues



Citywide Expenses



Revenues and expenses are for the fiscal year ended September 30, 2009.

CITY OF BURLESON, TEXAS
General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
 for the Year Ended September 30, 2009

	FY 2008	FY 2009
REVENUES		
Property Taxes and Special Assessments	\$9,071,383	\$10,487,824
Sales Taxes	5,628,525	5,763,919
Franchise Fees	2,309,467	2,516,642
Licenses and Permits	886,238	1,336,454
Intergovernmental Revenue	154,036	169,182
Fines and Forfeitures	1,240,706	1,102,874
Charges for Services	1,476,841	1,597,794
Interest Income	249,929	97,577
Miscellaneous	1,417,323	751,295
TOTAL REVENUES	22,434,448	23,823,561
EXPENDITURES		
General Government	4,948,677	5,300,258
Public Safety	10,527,365	10,754,829
Public Works	4,773,860	4,644,616
Community Development	349,238	558,592
Culture and Recreation	2,444,971	2,369,867
TOTAL EXPENDITURES	23,044,111	23,628,162
Excess (deficiency) of Revenues Over Expenditures	(609,663)	195,399
OTHER FINANCING SOURCES (USES)		
Transfers In	337,700	526,127
Transfers Out	(274,941)	(151,826)
Capital Lease Proceeds	-	-
TOTAL OTHER FINANCING SOURCES (USES)	62,759	374,301
NET CHANGE IN FUND BALANCES	(546,904)	569,700
Fund Balance - Beginning	6,710,471	6,163,567
FUND BALANCE - ENDING	\$6,163,567	\$6,733,267

Governmental Funds

These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows of spendable resources as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is more narrow than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, citizens may better understand the long-term impact of the government's near-term financing decisions.

The City of Burleson maintains 14 individual governmental funds. Included in this special newsletter is the general fund statement of revenues, expenditures and changes in fund balance with comparative data from fiscal year 2008. Largest of the City's funds, the general fund accounts for the majority of City services, including library, parks, police, fire, street maintenance and administrative services.

CITY'S FINANCE DEPARTMENT EARNS MULTIPLE KUDOS

The City received the Certificate of Achievement for Excellence in Financial Reporting for the 2007-2008 Comprehensive Annual Financial Report and the award for Outstanding Achievement in Popular Annual Financial Reporting for the fiscal year

ending Sept. 30, 2008. Both honors are awarded by the Government Finance Officers Association (GFOA). The finance department has received both GFOA awards for 11 consecutive years. Texas Comptroller Susan Combs has applauded the City for its financial

transparency with her office's highest Leadership Circle Level – Gold. The City of Burleson has also been spotlighted on the Texas Transparency Check-Up web site, www.window.state.tx.us/comptrol/checkup/.

City Water Customers

2000	7,655
2001	7,968
2002	8,460
2003	9,042
2004	9,620
2005	10,265
2006	10,962
2007	11,440
2008	12,000
2009	12,157

Proprietary Funds

The City of Burleson maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the fund-wide financial statements. Enterprise funds are used to account for water and wastewater, golf, solid waste and cemetery operations.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. Burleson uses internal service funds to account for the acquisition and replacement of major pieces of equipment used throughout the organization, such as the fleet of City vehicles, as well as for the repair and maintenance of significant pieces of equipment used by the organization. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The water and wastewater fund statement of revenues, expenditures and changes in fund balance is presented in this special newsletter with comparative data from fiscal year 2008.

CITY OF BURLESON, TEXAS		
Water and Wastewater Fund		
Statement of Revenues, Expenditures and Changes in Fund Balance for the Year Ended September 30, 2009		
	FY 2008	FY 2009
OPERATING REVENUES		
Charges for Services	\$11,872,270	\$13,762,295
Penalties and Interest	395,409	411,413
Impact Fee Revenue	597,779	337,613
Miscellaneous	53,096	22,825
TOTAL OPERATING REVENUES	12,918,554	14,534,146
OPERATING EXPENSES		
Water and Wastewater Services	8,049,264	8,203,747
Cost of Collecting Revenues and Other		
Administrative Expenses	982,191	974,030
Depreciation	1,570,427	1,667,092
TOTAL OPERATING EXPENSES	10,601,882	10,844,869
NET OPERATING INCOME (LOSS)	2,316,672	3,689,277
NONOPERATING REVENUES (EXPENSES)		
Investment Income	654,873	232,829
Interest Expense	(1,829,705)	(1,874,106)
TOTAL NONOPERATING REVENUES (EXPENSES)	(1,174,832)	(1,641,277)
Income (loss) Before Capital Contributions and Transfers	1,141,840	2,048,000
Transfers to Other Funds	(330,000)	(385,000)
Capital Contributions	2,242,694	1,461,885
NET INCOME	3,054,534	3,124,885
Net Assets (liabilities) at Beginning of Year	42,723,797	45,778,331
NET ASSETS AT END OF YEAR	\$45,778,331	\$48,903,216

While this presentation does not conform to Generally Accepted Accounting Principles (GAAP), the purpose of these statements is to provide the citizen with a selection of the information contained within the City's Comprehensive Annual Financial Report (CAFR). The City's accounting policies do conform to GAAP as set forth by the Governmental Accounting Standards Board. The City's separately prepared and audited CAFR offers a complete description of the City's significant accounting policies and other disclosures required by GAAP, as well as a more detailed analysis of the City's financial position. A copy of the CAFR can be picked up at the finance department at Burleson City Hall (141 W. Renfro St.) or log on to www.burlesontx.com and click on the finance department's web page under the "Departments" link.

A LOOK BACK AT THE LAST 10 YEARS

The City of Burleson has seen tremendous growth over the last decade, not only in population, but in growth of city services. Below is a comparison of certain statistics for this past fiscal year and a decade ago.

City Statistics	2000	2009
Population	21,150	34,350
Area Incorporated (square miles)	21.97	26.04
Public Safety		
Number of police calls	40,462	55,000
Number of fire calls	2,014	3,300
Public Works		
Number of street lights	829	1,357
Miles of streets	107.25	200.00
Community Development		
Permits issued	2,578	6,316
Inspections made	11,055	12,444
Animal Control		
Animals adopted	285	700
Animals impounded	1,322	2,900
Culture and Recreation		
Special event participants	18,000	32,565
Swim lesson participants	280	415
Senior citizen participants	22,155	31,000
Number of park acres	168	334
Library		
Books in collection	33,840	64,800
Materials borrowed	127,321	313,762
Water and Sewer		
Number of water customers	7,655	12,157
Number of sewer connections	7,345	11,250
Miles of water mains	103.57	175.00
Miles of sewers (sanitary and storm)	100.51	214.20

WE WOULD LIKE TO ACKNOWLEDGE ...

The presentation and development of this report would not have been possible without the special efforts of the Finance Committee and cooperation of contributing staff members. We would also like to express our appreciation to the mayor, city council, and city manager for their interest and support regarding City financial operations.

The Government Finance Officers Association of the United States and Canada has given an award for Outstanding Achievement in Popular Annual Financial Reporting to the City of Burleson for its Popular Annual Financial Report for the fiscal year that ended Sept. 30, 2008. This prestigious national award recognizes conformance with the highest standards for preparation of state and local government popular reports.

CITY OF BURLESON, TEXAS		
Solid Waste Fund		
Statement of Revenues, Expenditures and Changes in Fund Balance for the Year Ended September 30, 2009		
	FY 2008	FY 2009
OPERATING REVENUES		
Charges for Services	\$2,429,079	\$2,606,816
OPERATING EXPENSES		
Solid Waste Operations	2,172,338	2,195,302
Depreciation	77,685	55,763
Total Operating Expenses	2,250,023	2,251,065
Net Operating Income (loss)	179,056	355,751
NONOPERATING REVENUES (EXPENSES)		
Loss on Disposition of Fixed Assets	-	(119,157)
Investment Income	6,336	7,221
Total Nonoperating Revenue (expense)	6,336	(111,936)
Income (loss) Before Capital Contributions and Transfers	185,392	243,815
Transfers In	626,998	-
Transfers Out	(112,748)	(301,432)
Net Income	699,642	(57,617)
Net Assets (liabilities) at Beginning of Year	0	699,642
Net Assets at End of Year	\$699,642	\$642,025

On June 1, 2009, the City entered into an agreement with I.E.S.I. Tx Corporation for solid waste collections. As a result of this agreement, the residents of Burleson saw a \$3.31 decrease in the monthly total solid waste collection rate from \$19.73 to \$16.42.

2010 IS THE YEAR OF THE PARKS

The year 2010 is a banner one for the City's parks and recreation department. The Burleson Recreation Center (BRiCk) will host a soft opening in May with a grand opening slated for June 5 at 550 N.W. Summercrest Blvd. Chisenhall Fields will host an end-of-season baseball tournament in July, and then will have a full opening in September at 500 Hidden Creek Parkway.

The City is in the process of hiring approximately 70 employees to staff the BRiCk. Corporate membership rates will be announced late this month. Everything but the outdoor pool will be open in May. The two-story 65,000-square-foot recreation center is being constructed within the 34 acres that were once home to softball and baseball fields.

Chisenhall Fields will feature 10 baseball fields and three softball fields, all lighted; two practice softball fields; one football field; two concession stands; and double the parking that was available at Bartlett Park. There will be two entrances, both accessed from Hidden Creek Parkway. Chisenhall Fields has the potential of hosting multiple state and national tournaments.

Chisenhall Fields was part of the May 2007 bond election approved by voters. The BRiCk is funded by sales tax and gas royalties.



Burleson Recreation Center (Top)
Chisenhall Fields (Left)



SALES TAX DOLLARS PAID FOR NEWEST FIRE STATION

Since September 2009, the fire fighters at Fire Station #3 have responded to more than 210 calls for service from citizens. The fact that the fire station is open and fire fighters are responding is thanks to all of the people who shop in Burleson.

The grand opening for the 9,900-square-foot station was Sept. 23, 2009. The \$2.22 million funding for the newest headquarters on Lakewood Drive, north of Hwy. 174, came from 4A half cent sales tax funds (the station was adopted as a 4A project in 2001; the land was adopted as a 4A project in 2002). That means everyone who eats, shops and plays in Burleson chipped in on the structure. The City's newest station is providing fire and emergency response to the southwest part of the city, which includes North Joshua Elementary and Caddo Grove Elementary, both in the Joshua Independent School District.

The station houses Engine 371, Engine 33 (reserve truck), and Brush Truck 371. Three fire fighters, in 24 hour shifts, man the fire station 24 hours a day, seven days a week. The station features a workout room, kitchen, sleeping quarters for seven, a lieutenant's office and an apparatus bay.

An official publication of the City of Burleson

City Council

Mayor Ken Shetter, Mayor Pro Tem Stuart Gillaspie,
Jim Wadlow, Matt Powell, Carter Mahanay, Dan McClendon
and Chip Stephens

The Burleson City Council normally meets on the first and third Monday of each month at 7 p.m. at Burleson City Hall, 141 W. Renfro St. Call 817-426-9622 for meeting dates, or visit the City web site at www.burlesontx.com and click on "Agendas and Minutes" in the blue online feature box on the home page.

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Director of Finance Rhett Clark



Printed on recycled paper.

DIRT WILL MOVE AT HIGHPOINT CONTINUED

and region. HighPoint Business Park, named for its relatively high elevation, is strategically located to provide easy access from I-35W – a significant factor when businesses consider where to locate.

Bonds issued by the Burleson Economic Development Corporation in 2006 paid more than \$5.5 million for the extension of sewer facilities from east of I-35W and south of Renfro more than 24,000 feet to the business park's property line. The new sewer line will allow the site to develop into a mix of businesses, distribution centers, light manufacturing facilities, and flex space buildings, as well as support further development along I-35W.

The sewer extension, coupled with an existing 12-inch water main in the area, are the critical infrastructure components needed to support large-scale employment growth in the area.

The business park has already attracted significant interest from businesses locally, as well as businesses looking to move operations from out-of-state. The City expects more than 1.4 million square feet of building space will be developed within the 159-acre area. Also, the City is encouraged by the possibility of landowners in the area developing land in coordination with the uses and principles of the business park.

Dirt will start moving during 2010. The City has an existing land sale contract with a large employer. That

contract is expected to close in the second quarter of 2010. The business will start site development during the summer, with the goal of opening its initial phase of operation by summer of 2011. Upon completion of all phases, the business could bring as many as 350 full-time jobs to the business park.

The Business Park Master Plan calls for additional development at the site to include the expansion of CR 711 to a four-lane divided roadway, the creation of a new roadway to connect CR 711 to Bethesda Road, and minor improvements to Bethesda Road. The Phase 1 improvements to the county road will include approximately 1,400 feet of roadway from the I-35W service road to the proposed new roadway (north-south collector).



Business Park Master Plan, Potential Land Use Diagram

For more information about the business park or other economic development initiatives, go to the City's web site, www.burlesontx.com, or call Bradley Ford at 817-426-9623.