



# Burleson

## T E X A S

### Budget Brief

#### Fiscal Year 2019 - 2020

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 2019-2020. 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

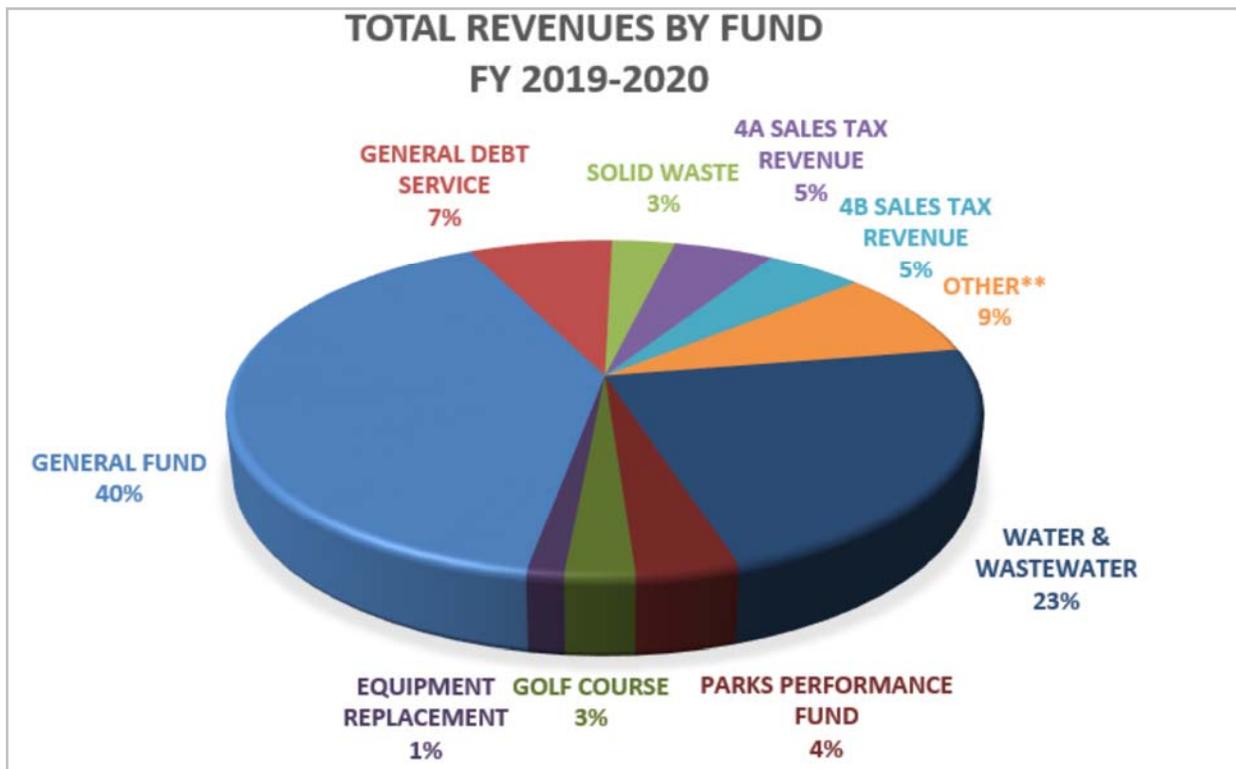
The 2019-2020 budget for all City funds totals approximately \$100.2 million. The City establishes a budget for seventeen separate funds, as illustrated in the graph below. The largest is the **General Fund** with budgeted expenditures of \$41 million. The General Fund accounts for the majority of City’s services, including Library, Parks, Police, Fire, and Streets. 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 \$22.8 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 \$2.6 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 \$3.5 million.



The **Debt Service Fund** budget amounts to nearly \$7.7 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 \$479,000.

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 \$2.5 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 \$3.9 million, with a contribution of \$1.5 million from the BCSDC.

Two funds of the City function to accumulate 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 \$272,000 and \$1,302,000, 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 \$234,000 goes toward activities to promote Burleson as a tourist destination.

The **Cemetery Fund**, with a budget of \$49,000, 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 half 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 \$3.8 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 a little over \$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 half cent Type B economic development sales tax. The Type B sales tax revenue fund has a budget of about \$4.8 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 \$1.5 million.

### GENERAL FUND

Significant Changes:

- \$470,000 cost containment (savings as a result of reduction in staffing and reorganization)
- \$1,355,000 for compensation adjustments
- \$595,736 for Police Staffing (3 officers, Records Clerk, and Victim Assistance Coordinator)
- \$73,7334 for Fire Department Emergency Medical Response Enhancement –overtime funding
- \$62,000 for Fire Department Emergency Medical Response Enhancement– Johnson County ESD #1 Station 83 firefighter
- \$145,664 for pavement maintenance crew
- \$200,000 for sidewalk improvements
- \$24,841 for net cost of Health Inspector
- \$100,000 for long range planning for technology needs

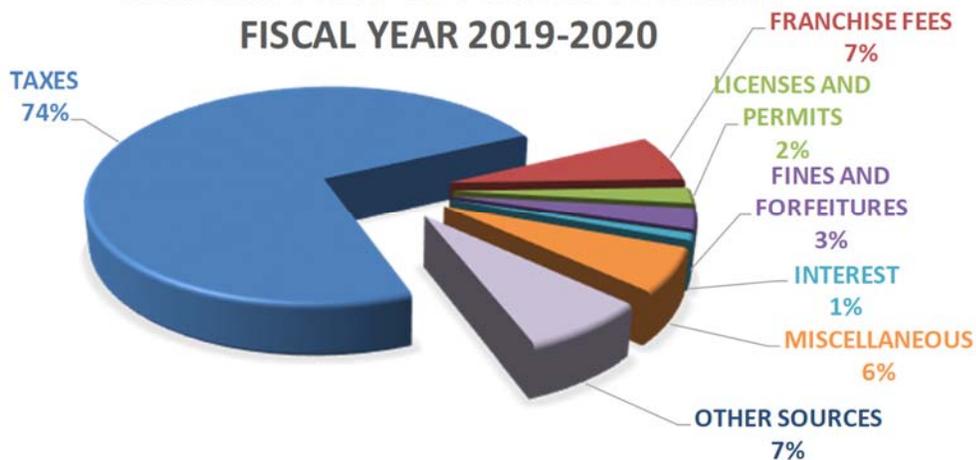
General Fund revenue is budgeted to be \$41 million. This is an increase of \$2.9 million over the 2018-2019 budget.

### Sources of Revenue

The largest source of General Fund revenue is Ad Valorem Taxes. The proposed 2019-2020 rate is \$0.720 per \$100 valuation. A drop of one and half cents per \$100 from last year's tax rate. The maintenance and operations portion of the tax rate (\$0.5106/\$100), down from (\$0.5228/\$100) is expected to provide \$20.04 million.

The City has a diverse revenue sources to try to

## GENERAL FUND REVENUE BY SOURCE FISCAL YEAR 2019-2020



limit its reliance on property taxes. The City expects sales tax to provide \$9.9 million, and other taxes to provide another \$300,000; Franchise Fees \$2.7 million; License and Permit Fees \$935,000; Fines and Forfeitures \$1.2 million; Interest \$400,000; and \$5.5 million for Miscellaneous and Other Sources.

### Classification of Expenditures

The General Fund budget can be divided into six classifications of expenditures. The largest of these classifications, representing 73% of total expenditures, is Personal Services. This class includes the cost of all personnel salaries, benefits, payroll

taxes, and training.

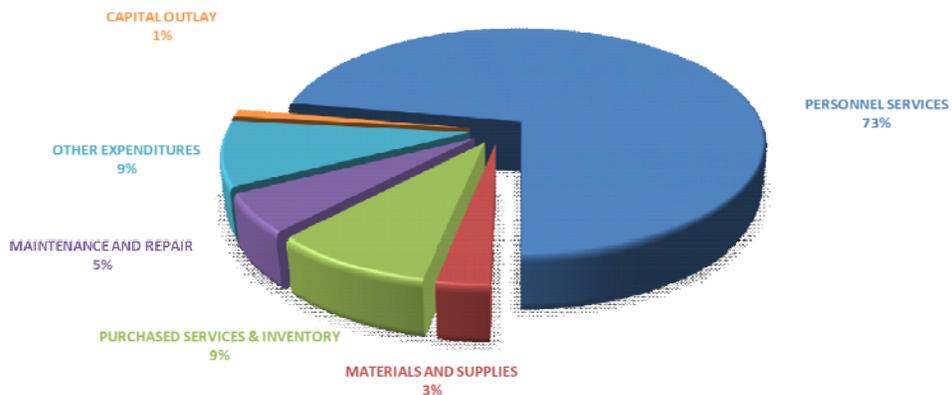
### WATER & WASTEWATER FUND

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.

Water Rates:

The FY 2019-2020 budget had no water rate changes. However, Wastewater rates are increasing 6% and the budget did not necessitate

## GENERAL FUND TOTAL EXPENDITURES BY CLASSIFICATION FISCAL YEAR 2019-2020



a change in water rates . 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 remain the same at \$4.91 for the first 10,000 gallons. The cost for the next 10,000 gallons used will stay at \$5.93 and anything over 20,000 gallons will continue to cost \$6.77. Rates for water used for gas well drilling will also stay the same at \$13.97 per 1,000 gallons.

**Wastewater Rates:**

The flat base rate for all meter sizes will increase to \$19.16 from \$18.08 last year. The variable residential

waste-water rate will increase from \$5.02 per 1,000 gallons to \$5.32 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.

The rate will decrease from \$19.20 per month to \$18.20. This saves homeowner’s \$1.00 per month. Expenditures are projected at \$3.47 million. This is 4.7% more than the FY 2018-2019 adopted budget.

**JUST THE FACTS**

<b>TOTAL EXPENDITURES (in thousands)</b>		
	Fiscal Year 2018-19	Fiscal Year 2019-20
General Fund	38,283	40,973
Water & Wastewater Fund	22,576	22,842
Golf Course Fund	2,511	2,556
Solid Waste Fund	3,313	3,469
General Debt Service Fund	7,135	7,651
Gov’t Equip Rep Fund	882	1,302
Proprietary Equip Rep Fund	240	272
Equipment Service Fund	475	479
Hotel/Motel Fund	221	234
Cemetery Fund	5	49
4A Sales Tax Revenue Fund	5,578	3,800
4A Sales Tax Debt Svc Fund	2,043	2,047
4B Sales Tax Revenue Fund	4,643	4,801
4B Sales Tax Debt Svc Fund	1,830	1,821
Parks Performance Fund	3,599	3,936
Support Services Fund	2,048	2,458
Economic Development Fund	1,182	1,496
<b>TOTAL EXPENDITURES</b>	<b>96,564</b>	<b>100,186</b>

<b>GENERAL FUND REVENUES (in thousands)</b>		
	Fiscal Year 2018-19	Fiscal Year 2019-20
Taxes	27,811	30,192
Franchise Fees	2,492	2,715
Other Sources	3,092	3,002
Charges for Services	0	0
Fines and Forfeitures	1,230	1,211
Licenses and Permits	1,016	935
Interest	300	400
Miscellaneous	2,117	2,529
<b>TOTAL REVENUES</b>	<b>38,058</b>	<b>40,984</b>

<b>GENERAL FUND TAX REVENUES BY SOURCE (in thousands)</b>		
	Fiscal Year 2018-19	Fiscal Year 2019-20
General Ad Valorem	18,611	20,041
Sales Tax	8,935	9,850
Delinquent Ad Valorem	145	161
Liquor Tax	120	140
<b>TOTAL TAX REVENUES</b>	<b>28,939</b>	<b>31,032</b>