



Burleson

TEXAS

Budget Brief

Fiscal Year 2017-2018

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 2017-2018. 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 2017-2018 budget for all City funds totals approximately \$92 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 \$35.7 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 \$20.7 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 \$2.4 million. It accounts for the maintenance, operations, and debt service of Hidden Creek Golf Course.

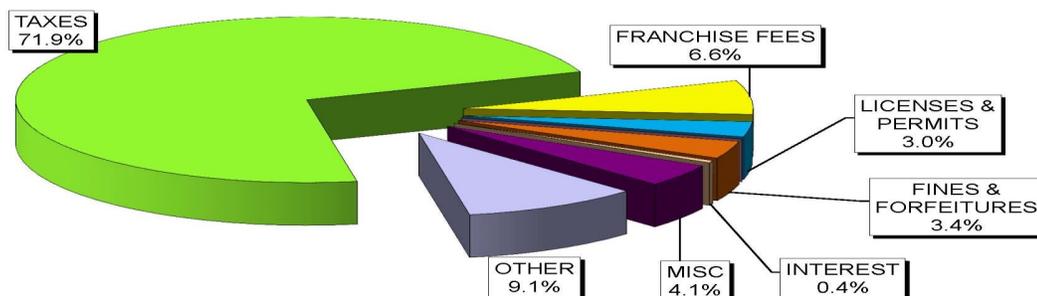
The **Solid Waste Fund** accounts for the operation of the City's solid waste collection service. This year, the Solid Waste budget is \$3.2 million.

The **Debt Service Fund** budget amounts to about \$6.2 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 \$609,917.

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 \$2.0 million.

GENERAL FUND REVENUE BY SOURCE FISCAL YEAR 2017-2018



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 \$3.7 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 \$794,000 and \$1,348,000 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 \$186,000 goes toward activities to promote Burleson as a tourist destination.

The **Cemetery Fund**, with a budget of \$5,200, 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 \$5.8 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 \$4.2 million. The debt service fund has a budget of about \$1.9 million.

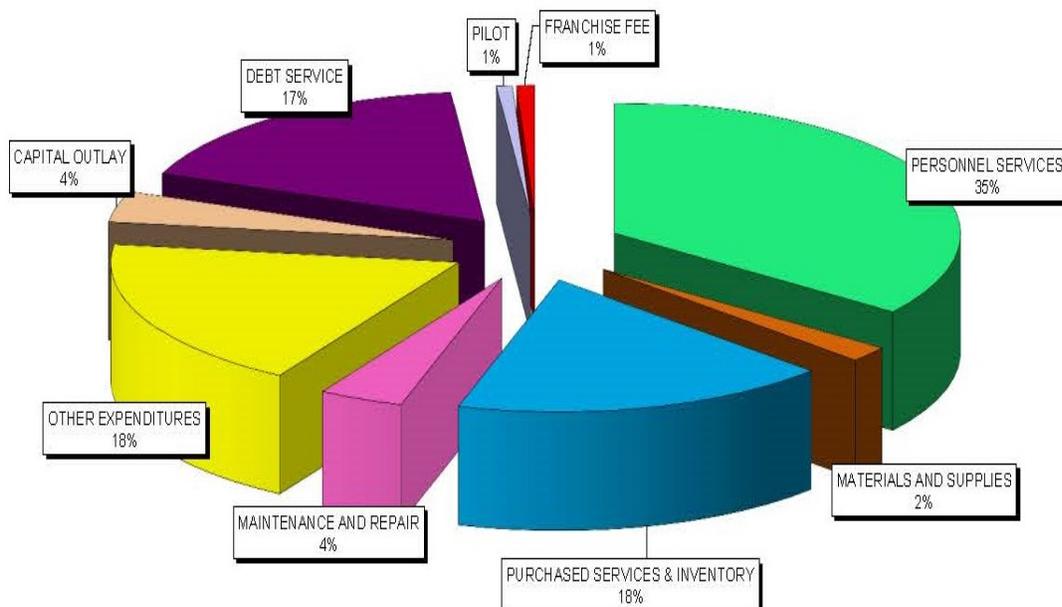
The **Economic Development Incentive Fund** accounts for the cost of incentives offered by the City of Burleson to encourage economic development. Expenditures in this fund are budgeted at \$1,096,000.

GENERAL FUND

Significant Changes:

- \$835,000 for the Public Safety step plan
- \$59,000 for partial year funding for Criminal Investigation Division position. Additional \$38,000 budget for vehicle and related one-time expenditures.
- \$50,000 for partial year funding for a Firefighter
- \$600,000 increase in insurance costs in the Gen-

EXPENDITURES BY CLASSIFICATION



eral Fund. Citywide, insurance cost increasing \$814,000.

- \$72,000 for a Plans Examiner position; most of this position is funded by fee increase
- \$50,000 for street subgrade repairs
- \$68,000 GIS position in Support Services (IT) Fund
- \$113,000 additional revenue by providing IT services to other governmental entities
- \$42,000 for Fire Shift Commanders
- \$30,000 for Oak Valley repairs to be funded to other governmental entities

Revenues projected in the 2017-2018 General Fund budget total \$34.96 million. This is an increase of about \$1.91 million over the 2016-2017 budget.

Sources of Revenue

The largest source of General Fund revenue is Ad Valorem Taxes. The proposed 2017-2018 rate is \$0.735 per \$100 valuation. The maintenance and operations portion of the tax rate (\$0.5228/\$100) is expected to provide \$16.9 million.

The City has numerous, diverse revenue sources to try to limit its reliance on property taxes. The City expects sales tax to provide \$8.4 million, and other taxes to provide another \$225,000; Franchise Fees \$2.3 million; License and Permit Fees \$1,037,000; Fines and Forfeitures \$1,195,000; Interest \$150,000; Miscellaneous \$1.5 million; and Other Sources \$3.4 million.

Classification of Expenditures

The General Fund budget can be divided into six classifications of expenditures. The largest of these classifications, representing 71.9% of total expendi-

tures, 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 2017-2018 budget requires a change in water rates. Both the Water and Wastewater rates are increasing 5.5%. The base water rates are tiered based on meter size ranging from \$15.13/month for 3/4” meters to \$1,113.50/month for 12” meters. Monthly Volume Charges (per 1,000 gallons) will increase to \$4.63 for the first 10,000 gallons. The cost for the next 10,000 gallons used will increase to \$5.59 and anything over 20,000 gallons will cost \$6.39. Rates for water used for gas well drilling will increase to \$13.18 per 1,000 gallons.

Wastewater Rates:

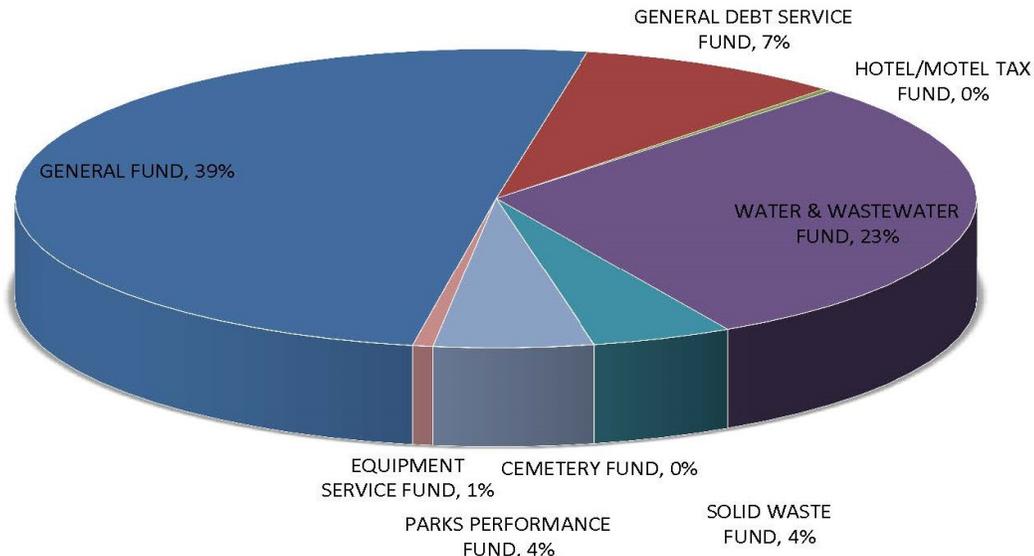
The flat base rate for all meter sizes will increase to \$17.06. The variable residential wastewater rate will increase to \$4.74per 1,000 gallons.

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 remain the same at \$19.20 per month.

Revenue by Fund 2017-2018



JUST THE FACTS

TOTAL EXPENDITURES (in thousands)

	Fiscal Year	Fiscal Year
	2016-17	2017-18
General Fund	33,323	35,664
Water & Wastewater Fund	19,520	20,706
Golf Course Fund	2,369	2,433
Solid Waste Fund	3,193	3,241
General Debt Service Fund	5,967	6,249
Gov Equip Rep Fund	1,558	1,348
Proprietary Equip Rep Fund	354	794
Equipment Service Fund	473	610
Hotel/Motel Fund	203	186
Cemetery Fund	5	5
4A Sales Tax Revenue Fund	5,351	5,758
4A Sales Tax Debt Svc Fund	2,075	2,063
4B Sales Tax Revenue Fund	4,228	4,231
4B Sales Tax Debt Svc Fund	1,896	1,857
Parks Performance Fund	3,526	3,727
Support Services Fund	1,837	1,999
Economic Development Fund	966	1,096
TOTAL EXPENDITURES	86,844	91,967

GENERAL FUND REVENUES (in thousands)

	Fiscal Year	Fiscal Year
	2016-17	2017-18
Taxes	23,759	25,272
Franchise Fees	2,492	2,316
Other Sources	3,399	3,450
Charges for Services	0	0
Fines and Forfeitures	1,100	1,195
Licenses and Permits	953	1,037
Interest	35	150
Miscellaneous	1,312	1,544
TOTAL REVENUES	33,050	34,964

GENERAL FUND TAX REVENUES BY SOURCE (in thousands)

	Fiscal Year	Fiscal Year
	2016-17	2017-18
General Ad Valorem	15,404	16,679
Sales Tax	8,115	8,368
Library Ad Valorem	0	0
Delinquent Ad Valorem	140	125
Liquor Tax	100	100
TOTAL	23,759	25,019



CITY OF
BURLESON
Texas