



Budget Public Hearing for Fiscal Year October 1, 2011 - September 30, 2012

Budget Preparation Process

- February 24 City Council Strategic Planning Session
- March 2 - 4 Staff Strategic Planning Session
- April 29 Depts. Submit Budget
- May - June Budgets Reviewed
- June - July Preliminary Budget Prepared
- July 25 Certified Tax Roll Received from TAD
- July 30 Multi-Year Financial Planning Work Session
- August 13 City Council Budget Workshop
- **August 23 Public Hearing Held on Budget**
- September 13 First Reading, Budget Adoption
- September 27 Final Reading, Budget Adoption

Budget Preparation Process*

- GENERAL FUND
- DEBT SERVICE FUND
- COMMUNITY SERVICES HALF CENT SALES TAX FUND
- ANTI-CRIME HALF CENT SALES TAX FUND (Public Hearing Held & Adoption)
- ENTERPRISE FUND

* Primary Operating Funds - Other operating funds are included in the preliminary budget located on the City's website and filed with the City Secretary's Office and Library.

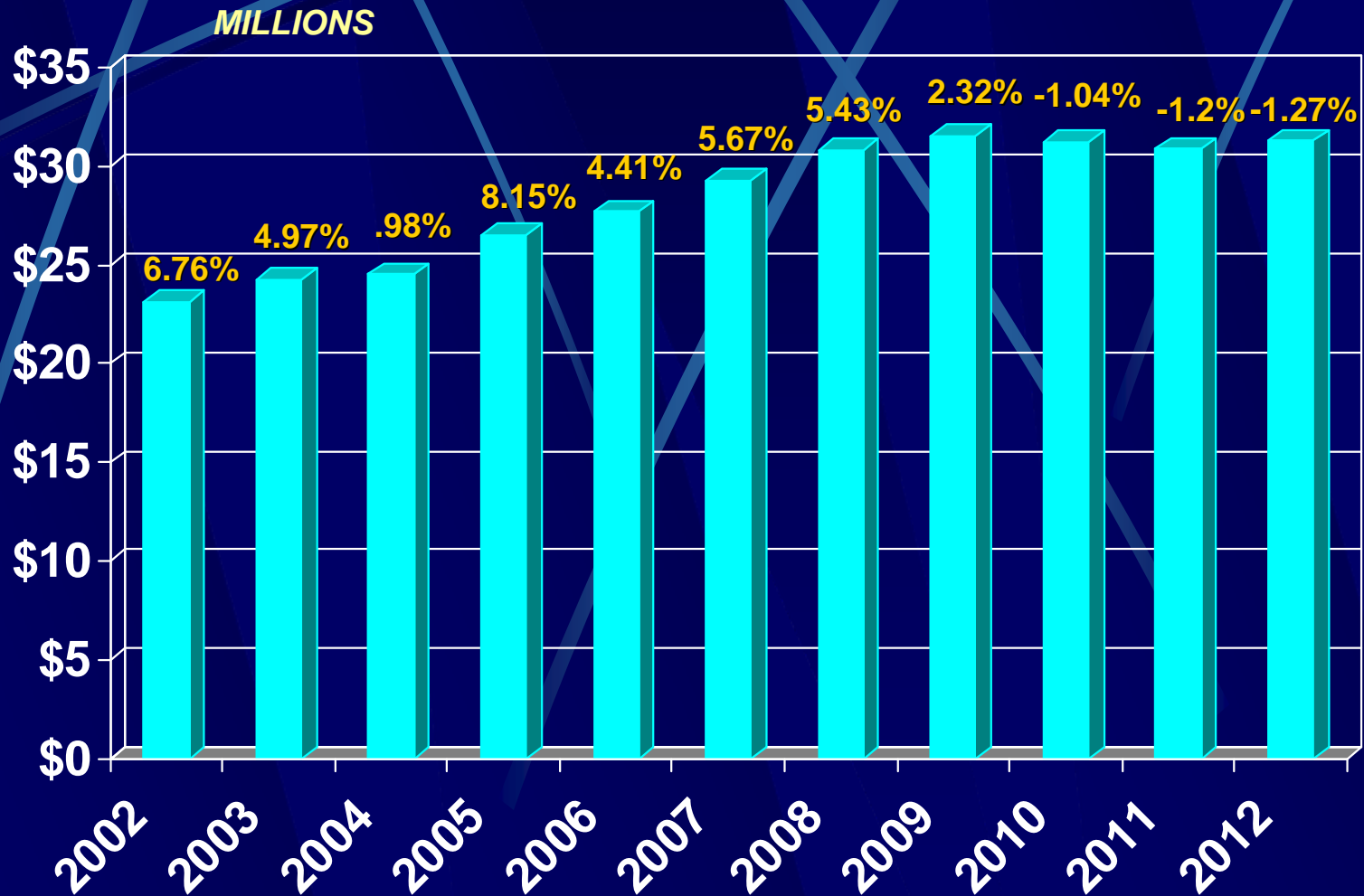
General Fund



\$31,246,025

1.27% Increase

General Fund Budget Changes 2002 - 2012



Budget vs. Municipal Cost Index (MCI)

Type	2007	2008	2009	2010	2011	Avg.
MCI % Change	3.49%	8.11%	-4.33%	3.41%	4.99%	3.13%
Budget % Change	5.67%	5.43%	2.32%	-1.04%	-1.02%	2.27%

Primary Increases/Decreases Over Multiple Years

- New Senior Center; New Fire Station; TMRS
- Added 7 Firefighters, 3 Police Officers, 2 Warrant Officers, 1 EMS Coordinator
- New Programs (e.g., TRE, Communications, Leadership Development)
- New Equipment and Information Systems
- Cost Reductions: Finance Reorg, SDU Cost Sharing, Remove Staff Vacancies

General Fund Expenditures

Primary Changes:

Reductions

- ⇒ Street System Maint.
- ⇒ Misc. Capital Outlay
- ⇒ Other Budget Reductions

Enhancements

- ⇒ Capital Outlay (Public Safety)
- ⇒ Economic Dev. Activity
- ⇒ Personnel Changes
- ⇒ New/Expanded Facility Maintenance & Hours

General Fund 2011-2012 Proposed Budget Expenditure Changes

Capital Outlay & Equipment (Public Safety)	\$187,895
Economic Development Activity	131,495
Tree Lighting, Citizen Academy, VIA Mana, Snr Lunches	63,950
Extended Senior Center Hours & Lunches	47,500
Library Expansion Maintenance & Supplies	40,677
Capital Outlay & Equipment (Streets)	36,085
Personnel Changes	25,287
Legal Fees	25,000
IS Allocation Fees	15,797
Inspection Official Radios	13,272
Miscellaneous Capital Outlay	(49,100)
Supplies, Maintenance, Other Budget Reductions	(64,913)
Street System Maintenance	(80,000)

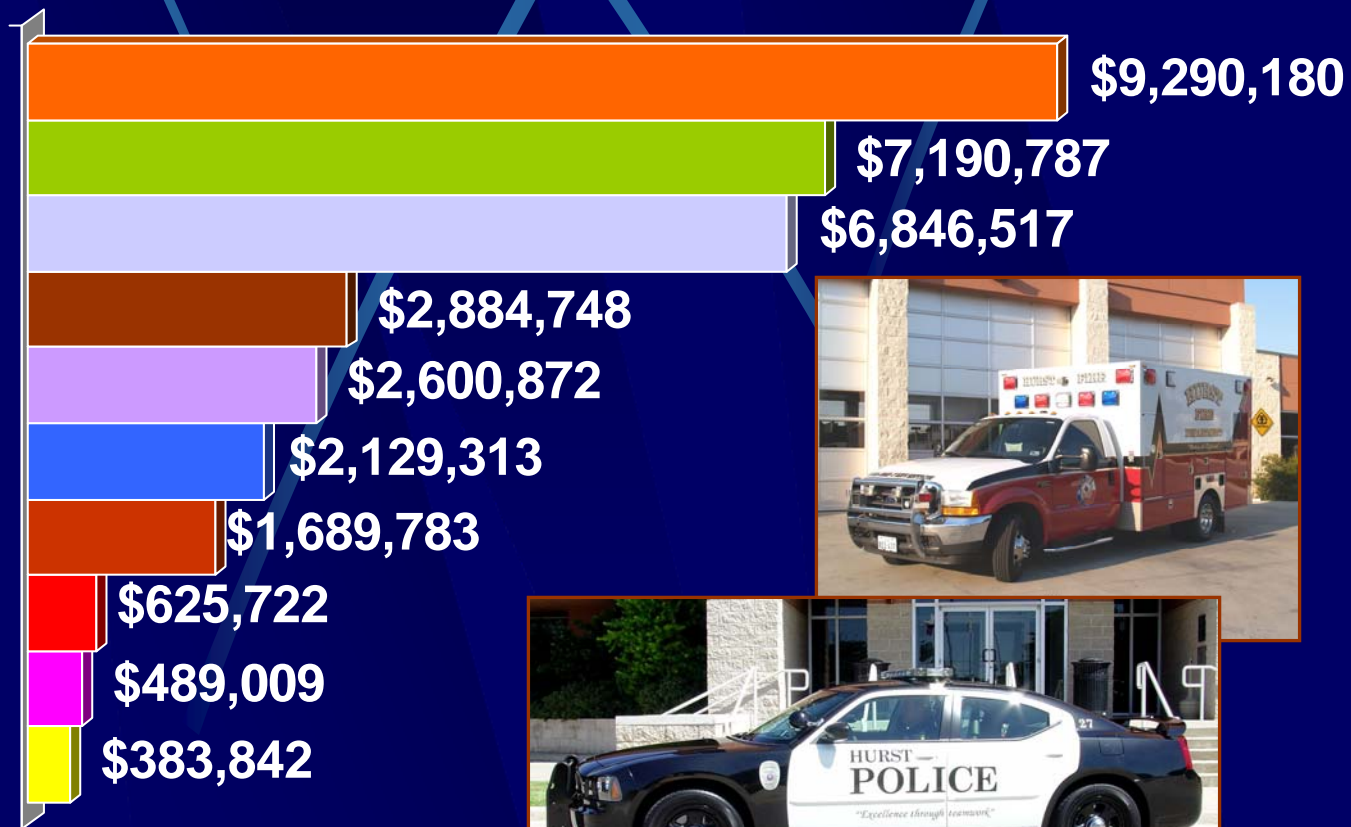
TOTAL EXPENDITURE CHANGES

\$392,945

GENERAL FUND

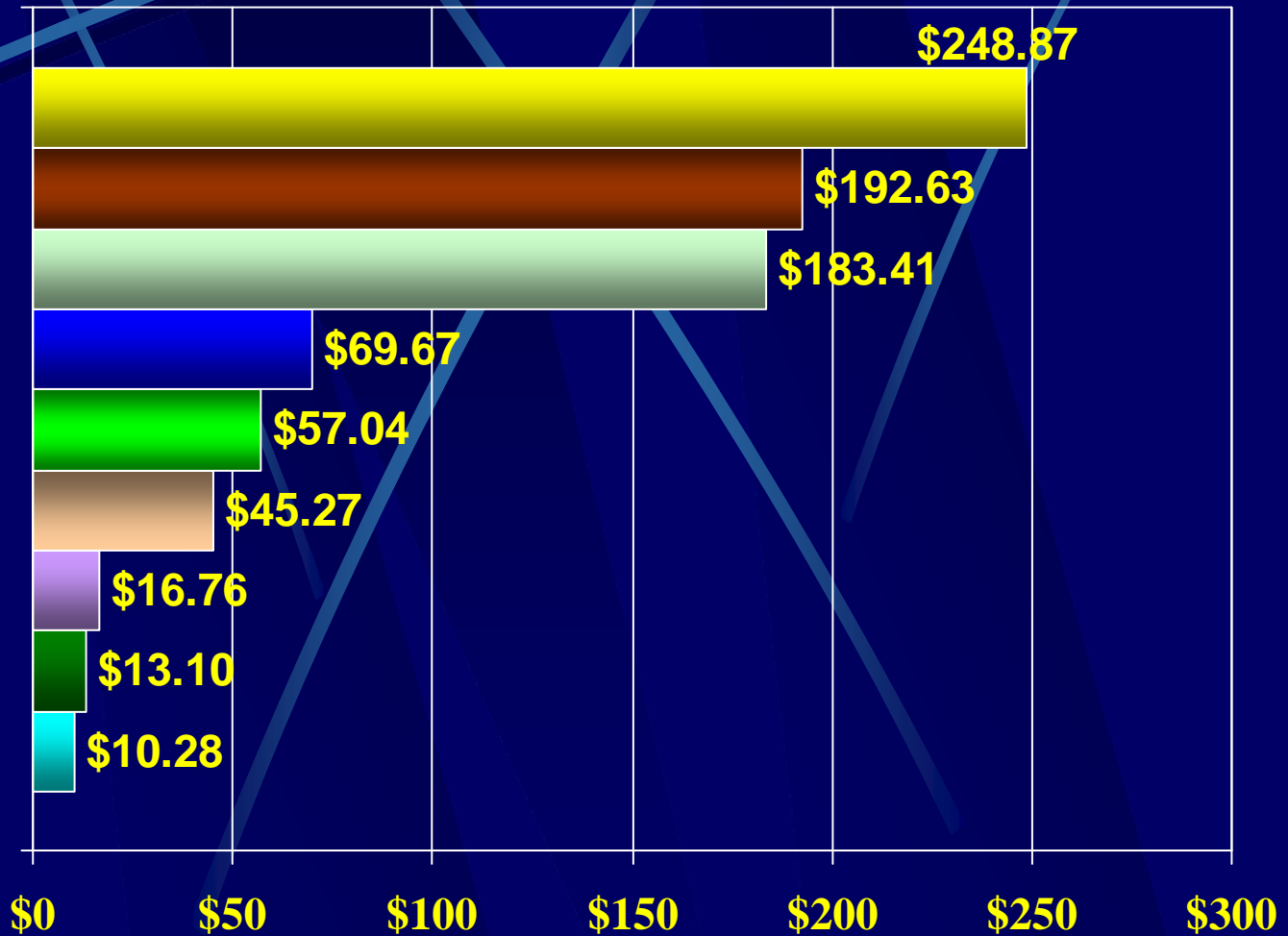
“WHERE THE MONEY GOES”

- POLICE**
- FIRE**
- COMMUNITY SERVICES**
- DEBT SERVICE**
- PUBLIC WORKS**
- NON DEPARTMENTAL**
- GENERAL SERVICES**
- FISCAL SERVICES**
- ADMINISTRATION**
- PUBLIC SERVICES**



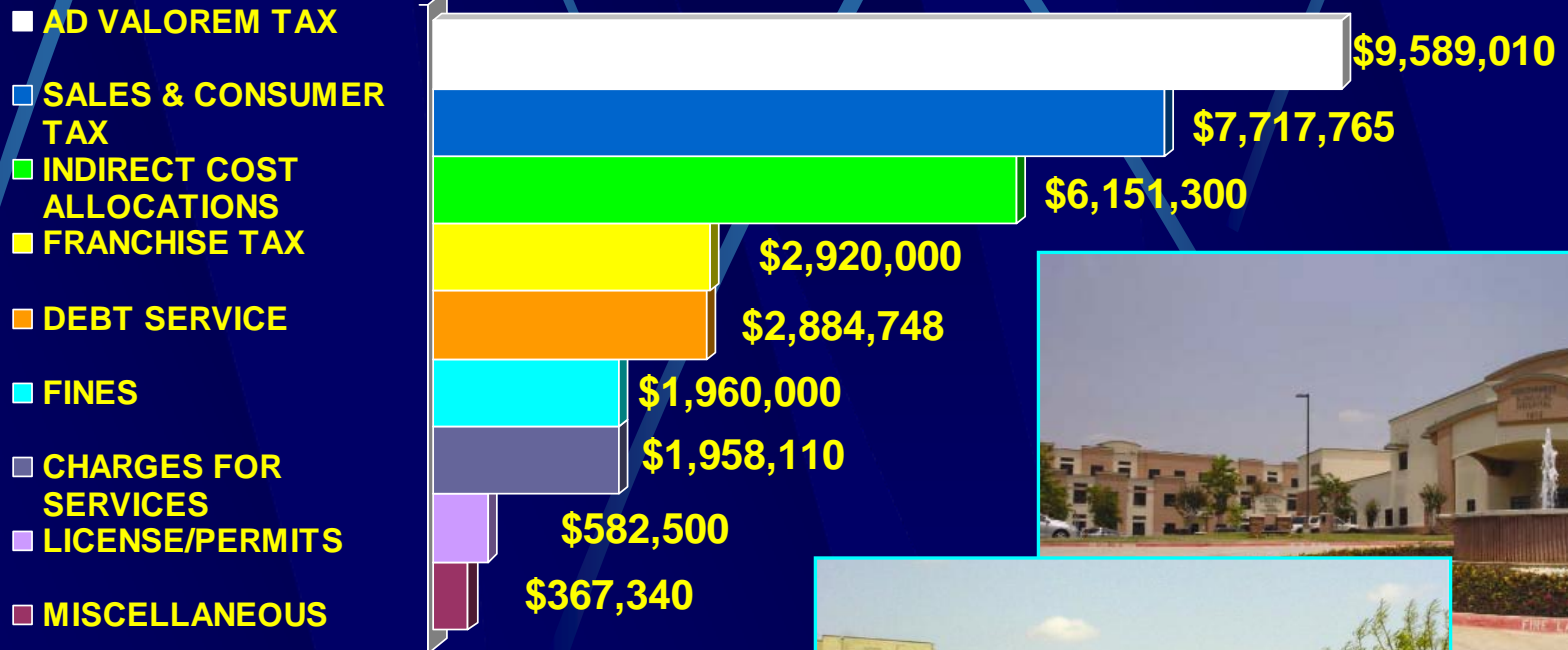
Projected Per Capita Cost

- Police
- Fire
- Community Svcs.
- Public Works
- Non Departmental
- General Services
- Fiscal Services
- Administration
- Public Services



GENERAL FUND

“WHERE THE MONEY COMES FROM”

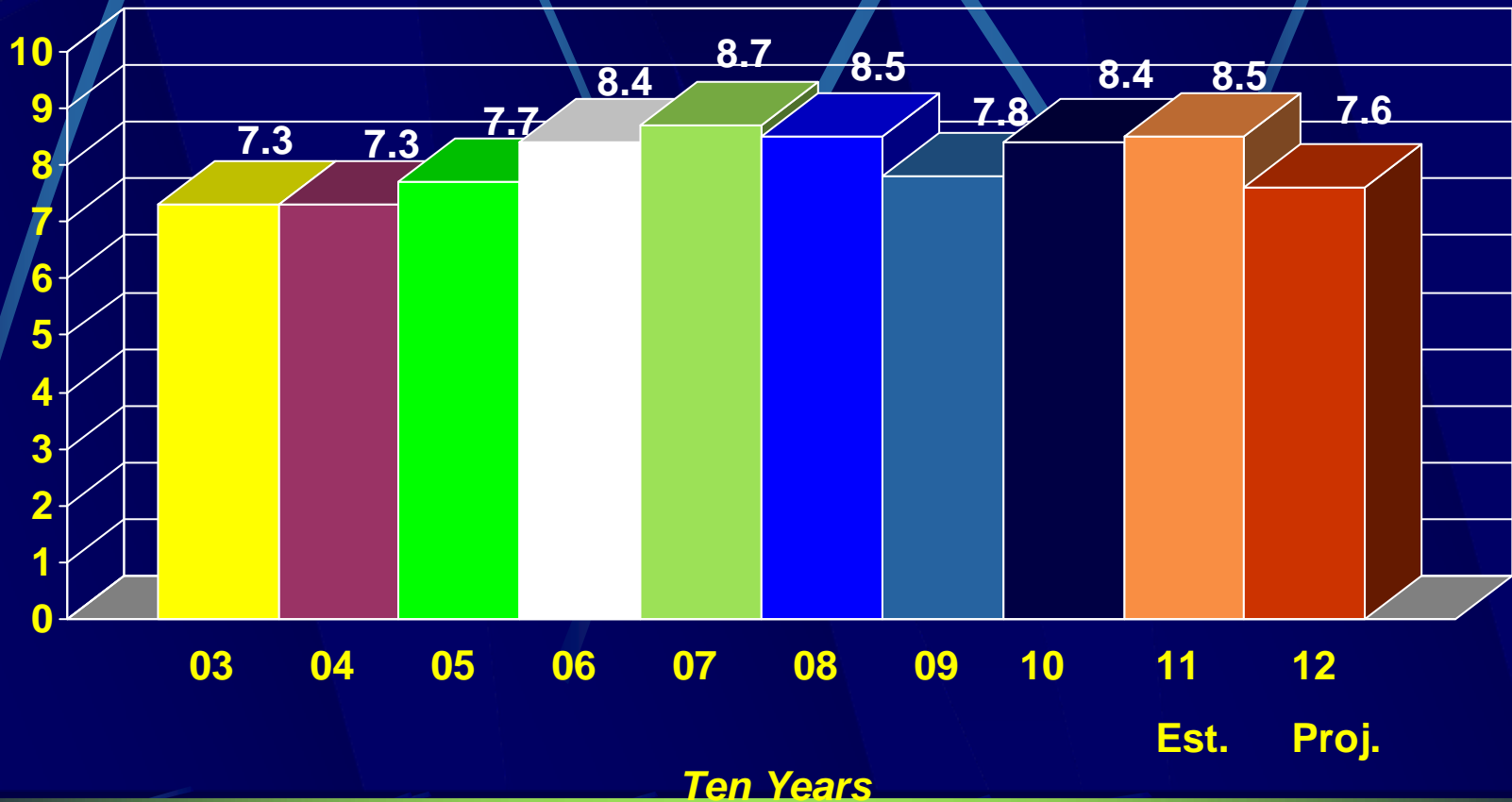


General Fund 2011-2012 Proposed Budget Revenue Changes

<i>Taxes</i>		<i>\$200,205</i>
➤ <i>Property</i>	<i>\$100,705</i>	
➤ <i>Sales/Consumer Taxes</i>	<i>(\$10,500)</i>	
➤ <i>Simon Agreement</i>	<i>(\$20,000)</i>	
➤ <i>Franchise</i>	<i>\$130,000</i>	
<i>Municipal Court Fines</i>		<i>\$42,858</i>
<i>Indirect Cost</i>		<i>\$98,962</i>
<i>Interest Revenue</i>		<i>(\$23,000)</i>
<i>Aquatics</i>		<i>\$50,000</i>
<i>Meeting Room Rental</i>		<i>\$10,800</i>
<i>Senior Citizen Center</i>		<i>\$6,005</i>
<i>Miscellaneous</i>		<i>\$7,115</i>
<i>Total Revenue Changes</i>		<i>\$392,945</i>

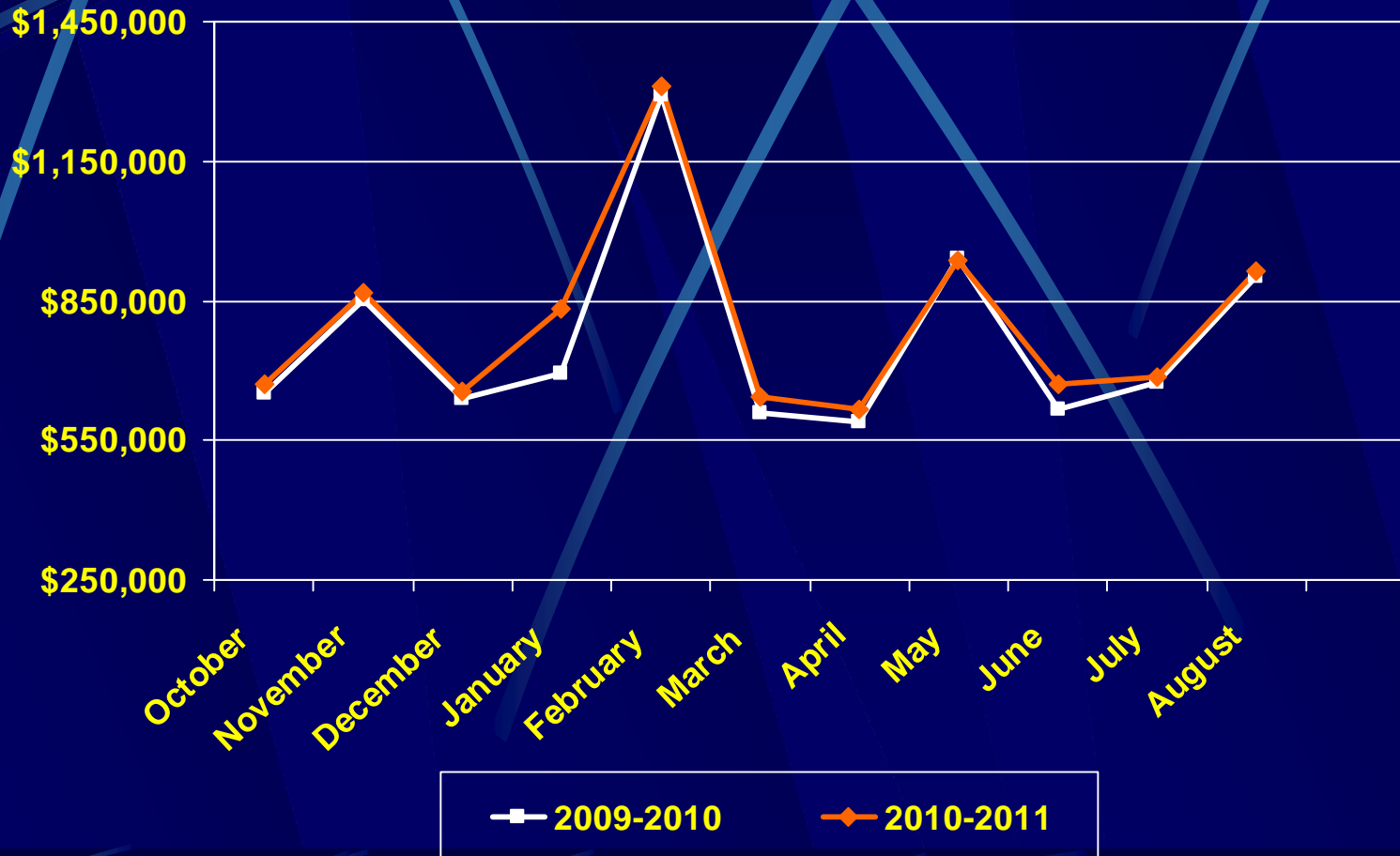
General Fund Sales Tax Revenues

In Millions of Dollars



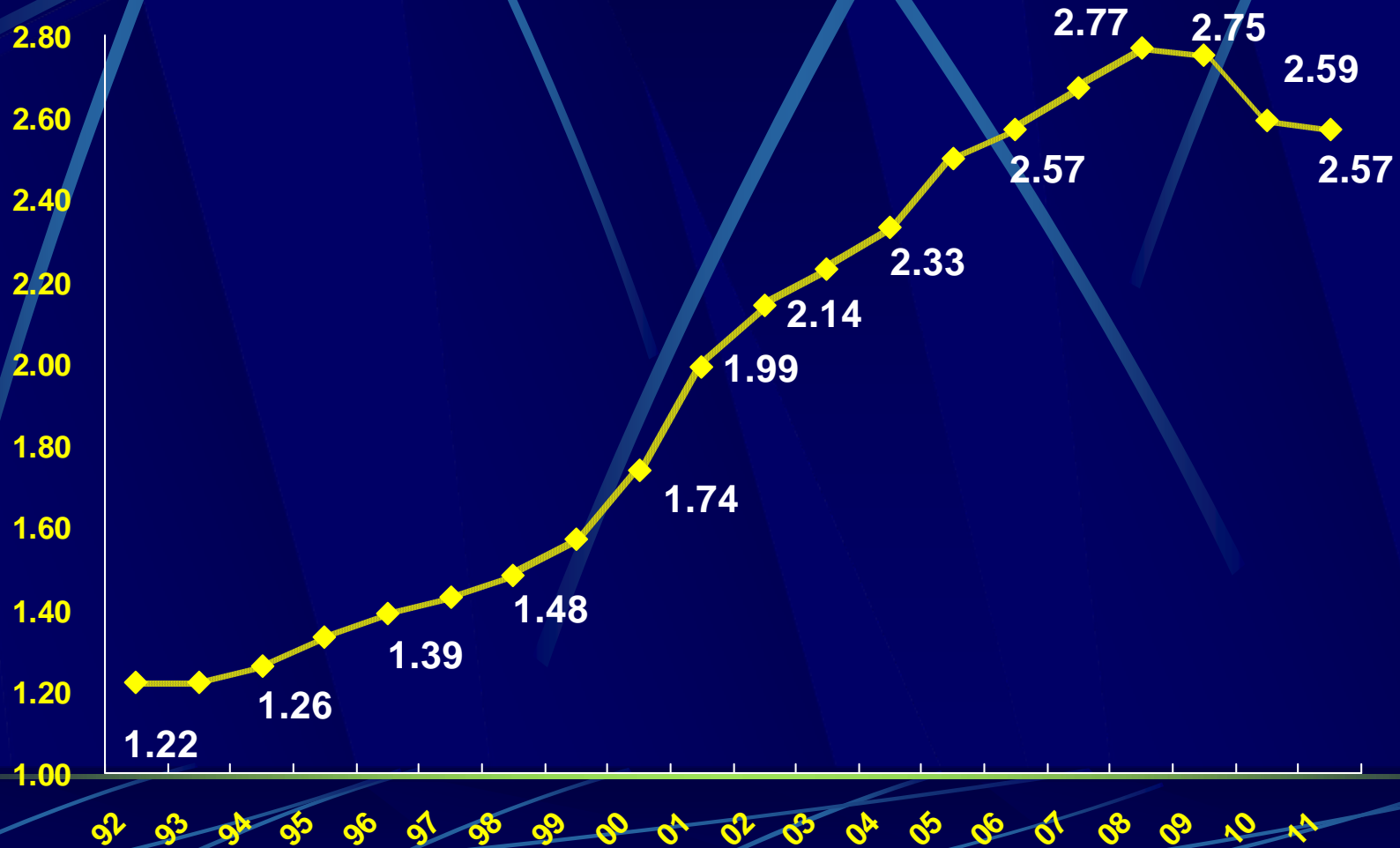
Amounts are net of Simon payments 2003-2012

GENERAL FUND *Sales Tax Receipts* Comparison to Previous Year



Appraised Property Valuation

\$ Billions



APPRAISED VALUE CHANGES

	2011	2010
APPRAISAL	(\$17,000,000)	(\$178,700,000)
NEW CONSTRUCTION	\$10,700,000	\$17,700,000
TOTAL INCREASE/(DECREASE)	(\$6,300,000)	(\$161,000,000)

0.25% TOTAL DECREASE



AVERAGE HOME VALUE \$132,482 (0.9% Decrease)

Effective Tax Rate Calculation

2011 Effective Tax Rate	\$0.584773
Rollback Rate	\$0.619164
Proposed Tax Rate	\$0.578

Proposed Tax Rate Change

Rate

Current Rate

\$0.578

Proposed Rate

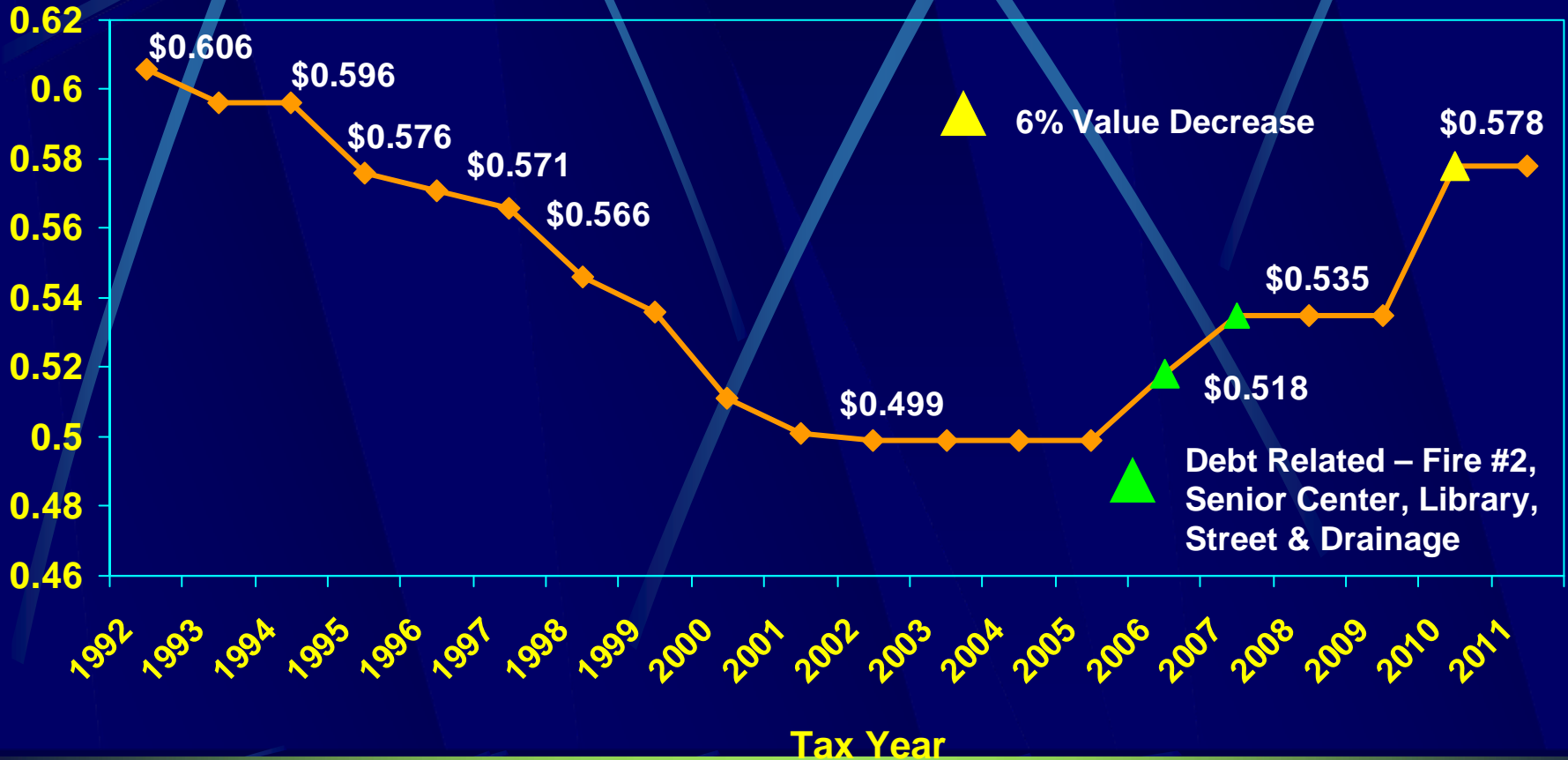
\$0.578

No Change

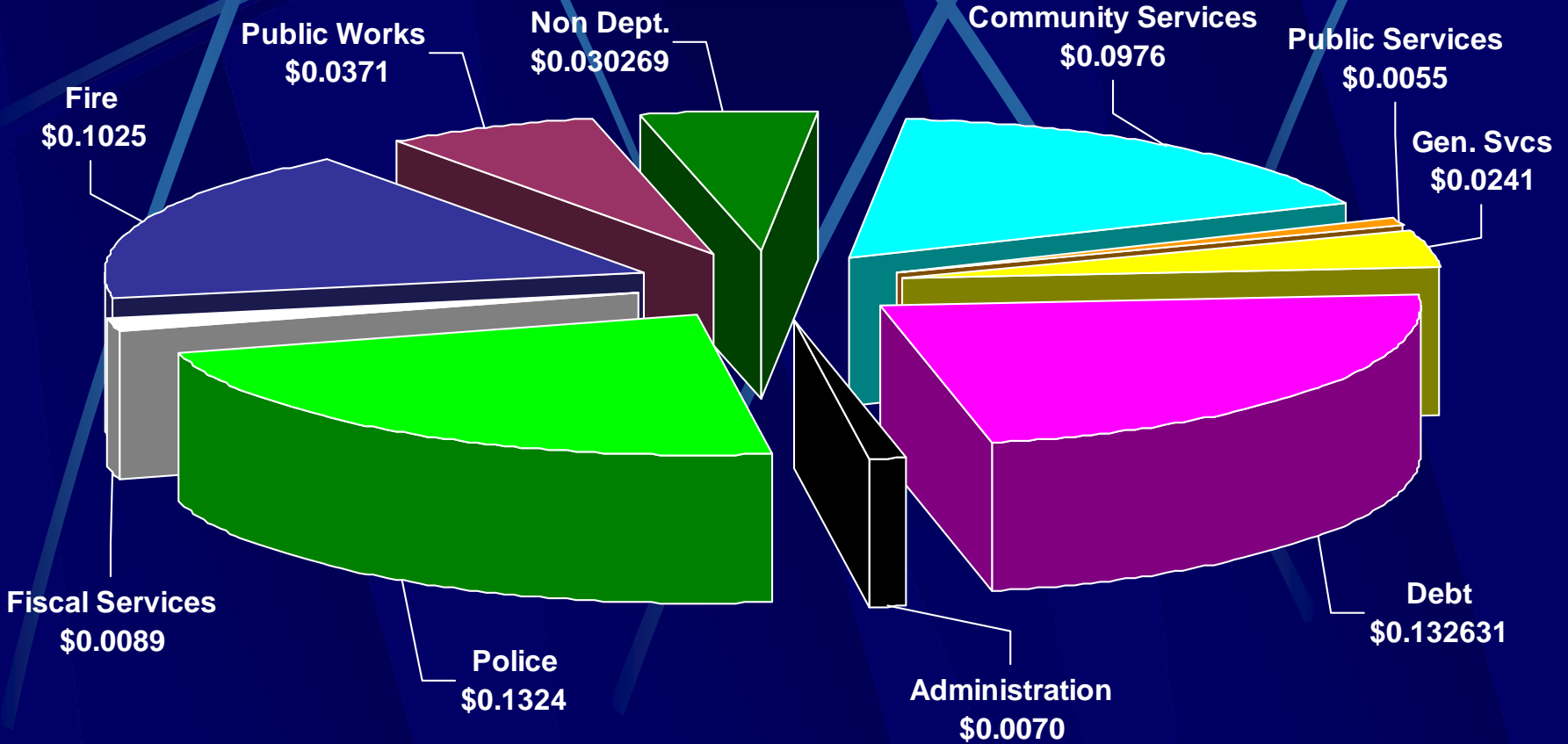
TAX RATE HISTORY

- 2.8 Cent Tax Rate Decrease Over 20 Years
Over \$20 million in taxpayer savings

Tax Rate



Property Tax Rate \$.578 Distribution

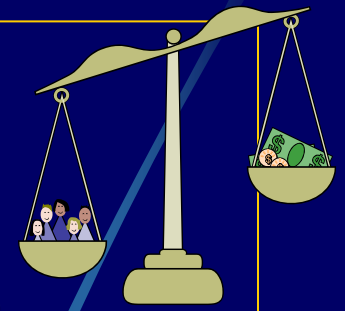


DISTRIBUTION OF .578 PROPERTY TAX RATE

	Rate	Percent	Levy
M & O	\$.4453690	77.05%	\$9,686,868
Debt Service	\$.1326310	22.95%	\$2,884,748



PROPOSED Tax Rate Comparison Area Cities



<u>CITY</u>	<u>CURRENT</u>	<u>PROPOSED</u>	<u>CHANGE</u>
HURST	57.8 ¢	57.8 ¢	0 ¢
Haltom City	64.637 ¢	65.174 ¢	0.537 ¢
NRH	57 ¢	57 ¢	0 ¢
Eules	47 ¢	47 ¢	0 ¢
Bedford	49.1609 ¢	50.4329 ¢	1.272 ¢
Southlake	46.2 ¢	46.2 ¢	0 ¢
Keller	44.219 ¢	44.219 ¢	0 ¢
Grapevine	35 ¢	35 ¢	0 ¢

Exemption Comparison

<u>CITY</u>	<u>HOME-STEAD EXEMPTION</u>	<u>SENIOR CITIZEN EXEMPTION</u>	<u>DISABLED PERSON EXEMPTION</u>	<u>SENIOR TAX FREEZE</u>
Grapevine	20%	\$60,000	\$10,000	NO
Hurst	20%	35,000	35,000	YES
Eules	20%	35,000	0	YES
NRH	15%	36,000	36,000	YES
Haltom City	10%	50,000	40,000	YES
Keller	1%	40,000	10,000	YES
Southlake	0%	75,000	75,000	YES
Bedford	0%	50,000	0	YES

Exemptions Effect on Appraised Value

	2011	2010	Change
Agricultural	\$ 1,363,000	\$ 1,363,000	\$ 0
Disabled Veteran	5,125,000	5,175,000	(50,000)
Over 65	106,195,000	104,827,000	1,368,000
Homestead	238,677,000	243,898,000	(5,221,000)
Disabled Persons	5,186,000	5,476,000	(290,000)
Community Housing Development	8,290,000	12,442,000	(4,152,000)
Pollution Control	600	25,000	(24,400)
Other	649,000	0	649,000
TOTAL	\$365,485,600	\$373,206,000	(\$7,720,400)
REVENUE IMPACT	(\$2,112,500)	(\$2,157,130)	\$44,630

* All Figures Rounded to Nearest Thousand

Senior Citizen and Disabled Citizen

Tax Freeze Impact to 2011-2012 Budget

2011 Net Taxable Value Frozen	\$	16,986,892
Tax Rate of \$0.578 Applied	X	<u>0.578/100</u>
Estimated Tax Relief	\$	98,184

Overlapping Tax Rates

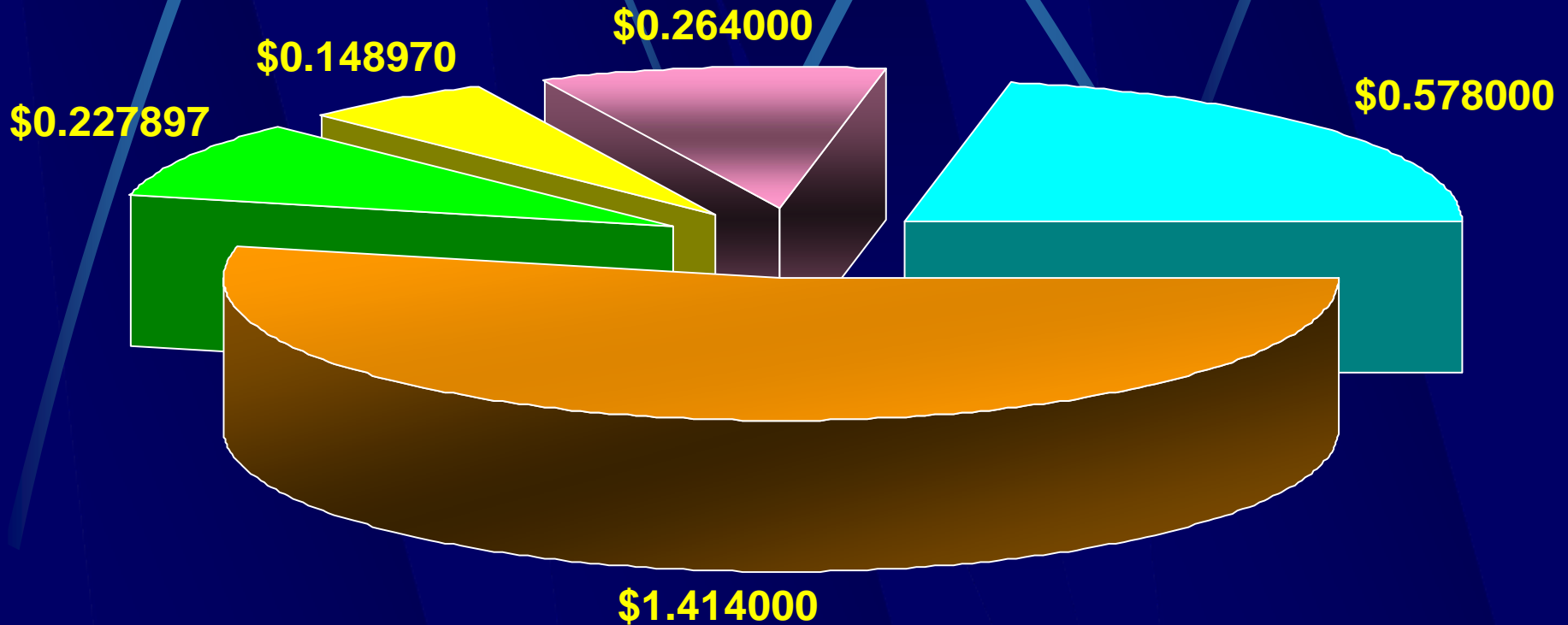
	CURRENT	PROPOSED
	(11)	(12)
City	\$.578	\$.578
HEB ISD	1.288189	1.414
BISD	1.425	TBD
College	.13764	.14897
Hospital	.2279	.2279
County	.264	TBD

Overlapping Tax Rates - HEB

Total Property Tax Rate = \$2.63

HEB ISD Tax Rate

53.8% of Total Tax



County

City

School

Hospital

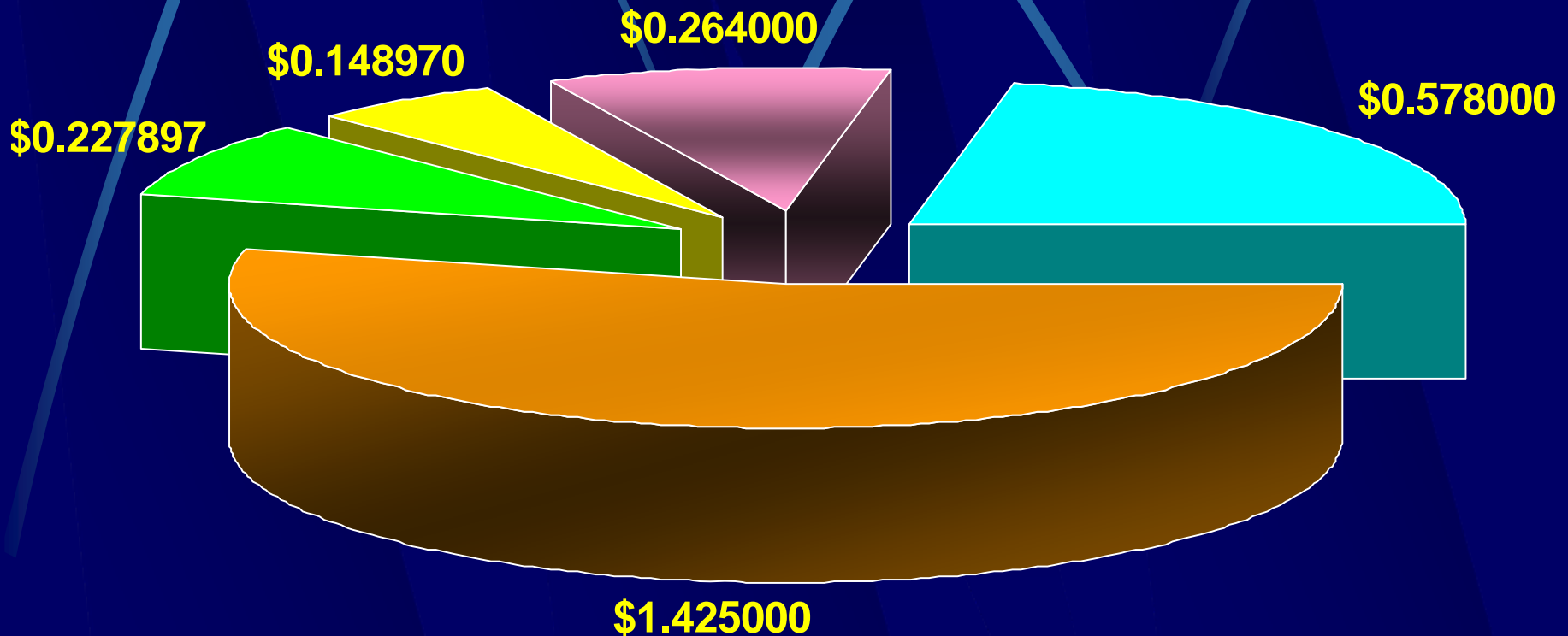
College

Overlapping Tax Rates - Birdville

Total Property Tax Rate = \$2.64

Birdville ISD Tax Rate

54.0% of Total Tax



County City School Hospital College

City's Share of Tax Burden 10-Year History

Year	%
2002	18.1
2003	17.8
2004	17.4
2005	17.3
2006	18.7
2007	20.6
2008	21.7
2009	21.7
2010	23.1
2011	22.0

Total Tax Bill on \$132,482 Home *Homestead Only*

	HEB ISD	Birdville ISD
City	\$613	\$613
County/TCC/ Hospital	\$849	\$849
School	\$1,660	\$1,675
TOTAL	\$3,122	\$3,137



Residential Homeowners' City Tax Bill Comparison *Based on Avg. Home Values*

City	Tax Rate	Change	Homestead	Tax Bill
Southlake	46.2 ¢	0 ¢	0%	\$2,295
Keller	44.219 ¢	0 ¢	1%	\$1,197
Bedford	50.4329 ¢	1.272 ¢	0%	\$797
NRH	57 ¢	0 ¢	15%	\$726
Grapevine ¹	35 ¢	0 ¢	20%	\$621
Hurst	57.8 ¢	0 ¢	20%	\$613
Eules ²	47 ¢	0 ¢	20%	\$536
Haltom City	65.174¢	0.537 ¢	10%	\$475

1 – Grapevine does not offer the senior and disabled tax freeze.

2 – Eules' gas royalties and airport auto lease revenues are equivalent to a tax rate of 5.75 cents in Hurst.

Citizen Stockholder Certificate



For an average annual investment of \$613*, the Citizens of Hurst are entitled to receive these quality services:

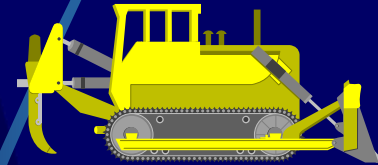
Service	Monthly Cost	Annual Cost
Police	\$11.67	\$140
Capital Projects	\$11.67	\$140
Fire/EMS	\$9.08	\$109
Community Services	\$8.58	\$103
Other Public Services	\$5.83	\$70
Public Works/BINS	\$4.25	\$51
TOTAL	\$51.08	\$613

*** Based on Average Value of \$132,482**

Average Property Owner Spends Per Month

\$ 51

City Services



\$ 60

Dinner for Four



\$ 75

Cellular Phone Service



\$ 75

Digital TV (Avg. Bill)

\$ 65

1 Round of Golf



\$160

Gasoline

\$225

Electricity (Avg. Bill)

DEBT SERVICE FUND

Total Required For Debt Service \$ 2,884,748

Total To Be Paid From Taxes \$ 2,884,748

Previous Year's Debt \$ 2,907,493

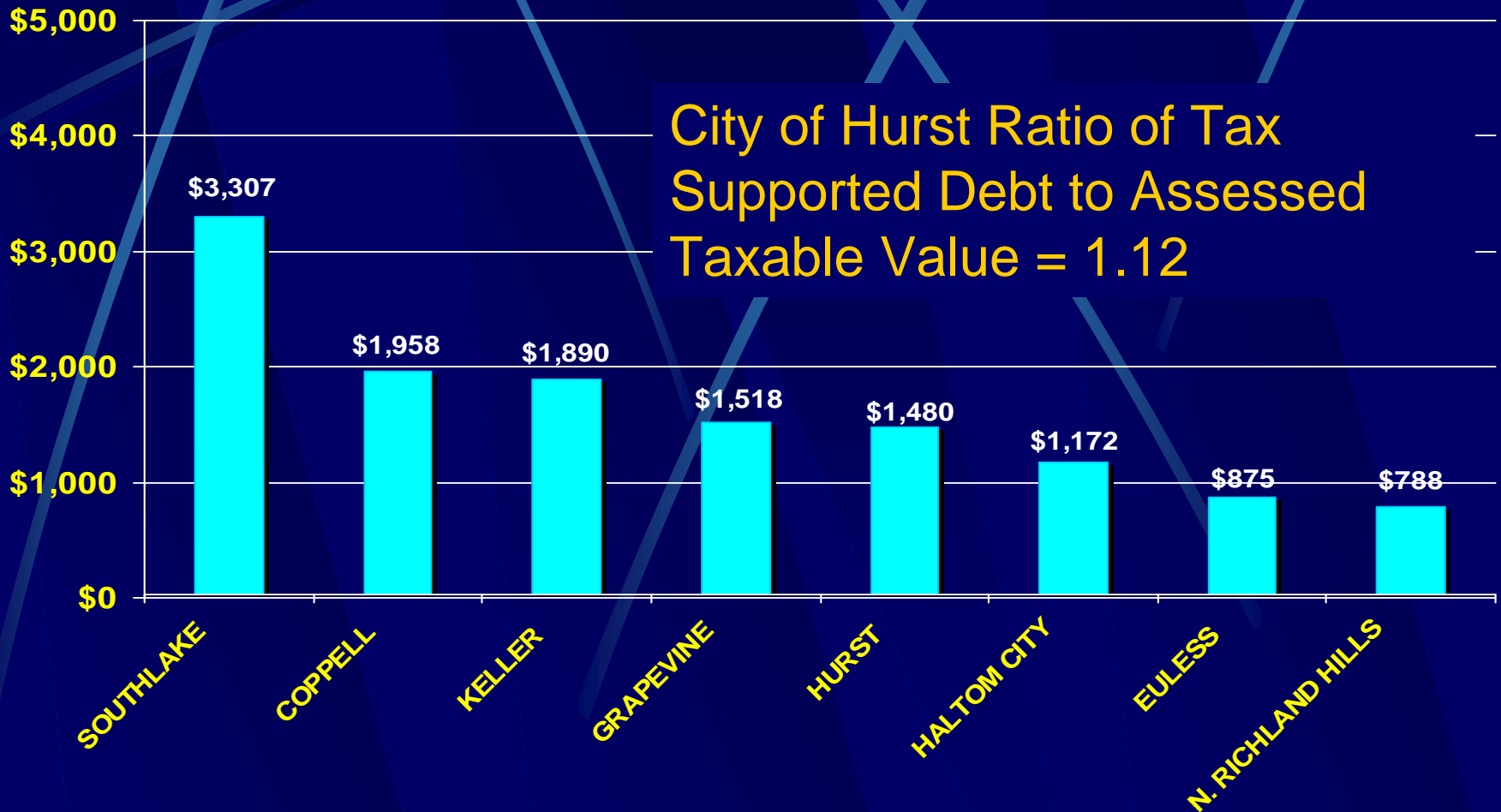
GENERAL FUND

PAY AS YOU GO

Street & Drainage Systems	\$692,960
Building & Equipment Maintenance	507,441
Fleet & Computer Services	1,819,068
Capital Outlay	<u>157,545</u>
TOTAL	\$3,177,014



Net Bonded Debt Per Capita



Community Services Half Cent Sales Tax Fund





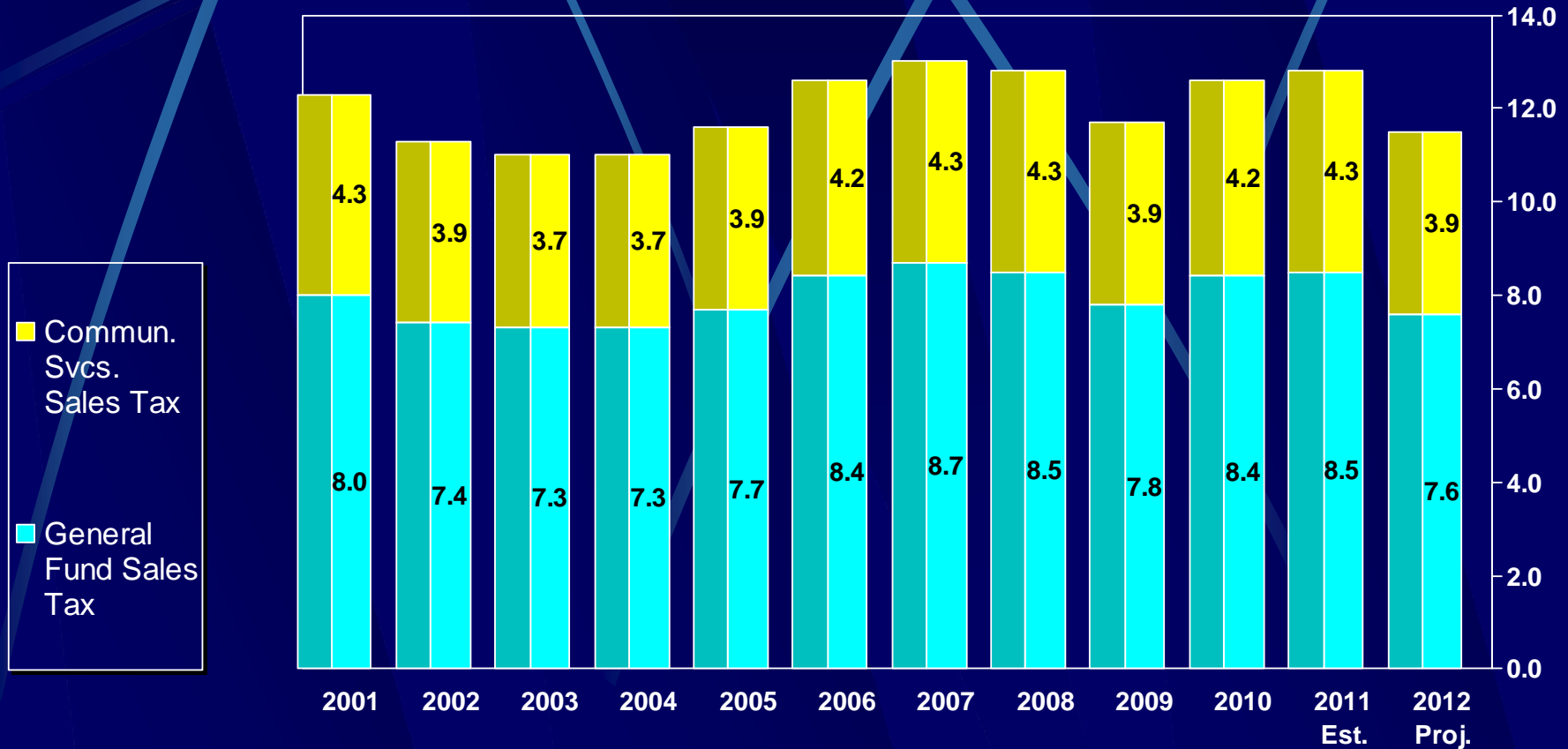
**Community Services
Half Cent Sales Tax
Revenues**

\$3,965,500



TOTAL SALES TAX REVENUES

*In Millions of Dollars
Excluding Anti-Crime Sales Tax*



COMMUNITY SERVICES HALF CENT SALES TAX FUND

Beginning Balance 10/01/2011*		\$2,725,659
Sales Tax Receipts	\$3,935,500	
Interest Earnings	30,000	
		\$3,965,500
Expenditures		
Parks	\$1,432,242	
Recreation	388,409	
Aquatics	284,646	
Library	468,377	
Total Expenditures		\$2,573,674
Pay As You Go Capital		\$1,335,000
Debt Service		\$1,112,607
FUND BALANCE 9/30/2012*		\$1,669,878



**Includes Project Encumbrances from Prior Years*

COMMUNITY SERVICES HALF CENT *PAY AS YOU GO*

Maintenance	\$ 314,400
CIP Projects	1,335,000
Capital Outlay	<u>77,283</u>
TOTAL	\$1,726,683





Community Services

Half Cent Sales Tax

**Positive Effect On Tax
Rate**

23 Cents



Tax Rate Impact Without ½ Cent Sales Tax

- \$0.578 Proposed
- \$0.230 Community Services
- \$0.220 Crime
- \$1.028

\$1.028

ENTERPRISE FUND

\$19,770,582

2.63% Increase

ENTERPRISE FUND

Major Cost Components as of July 31

WATER - Overall Increase 11.3%

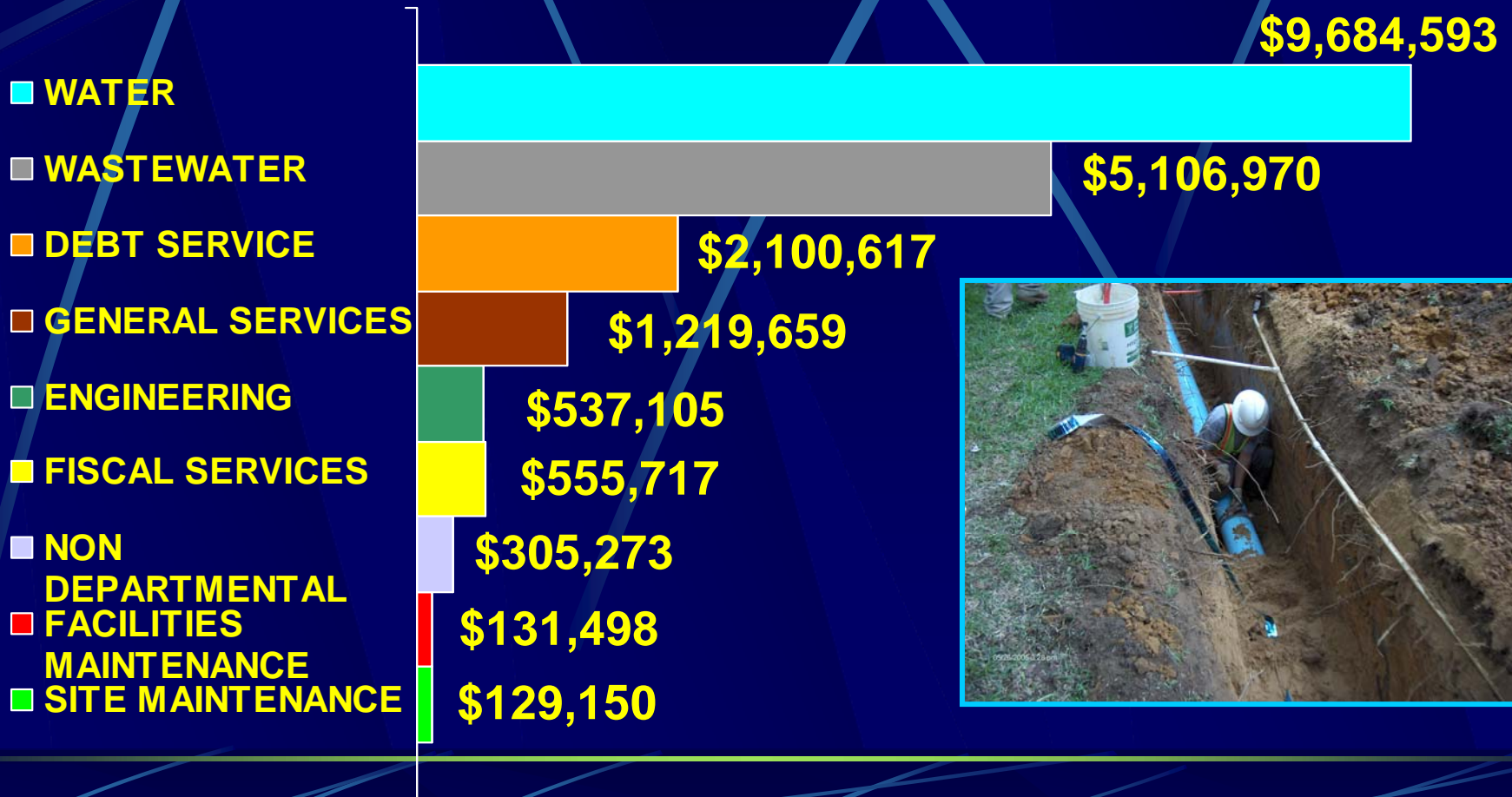
- Water treatment by the City of Fort Worth 7.3%
- Untreated water from the Tarrant County Water District 13.5%
- Excess Maximum Day Charge 21.2%
- Excess Maximum Hour Charge (55.4)%

WASTEWATER - Overall Decrease (5.4)%

- Treatment by the City of Fort Worth (6.75)%
- BOD 14.62%
- TSS (30.24)%

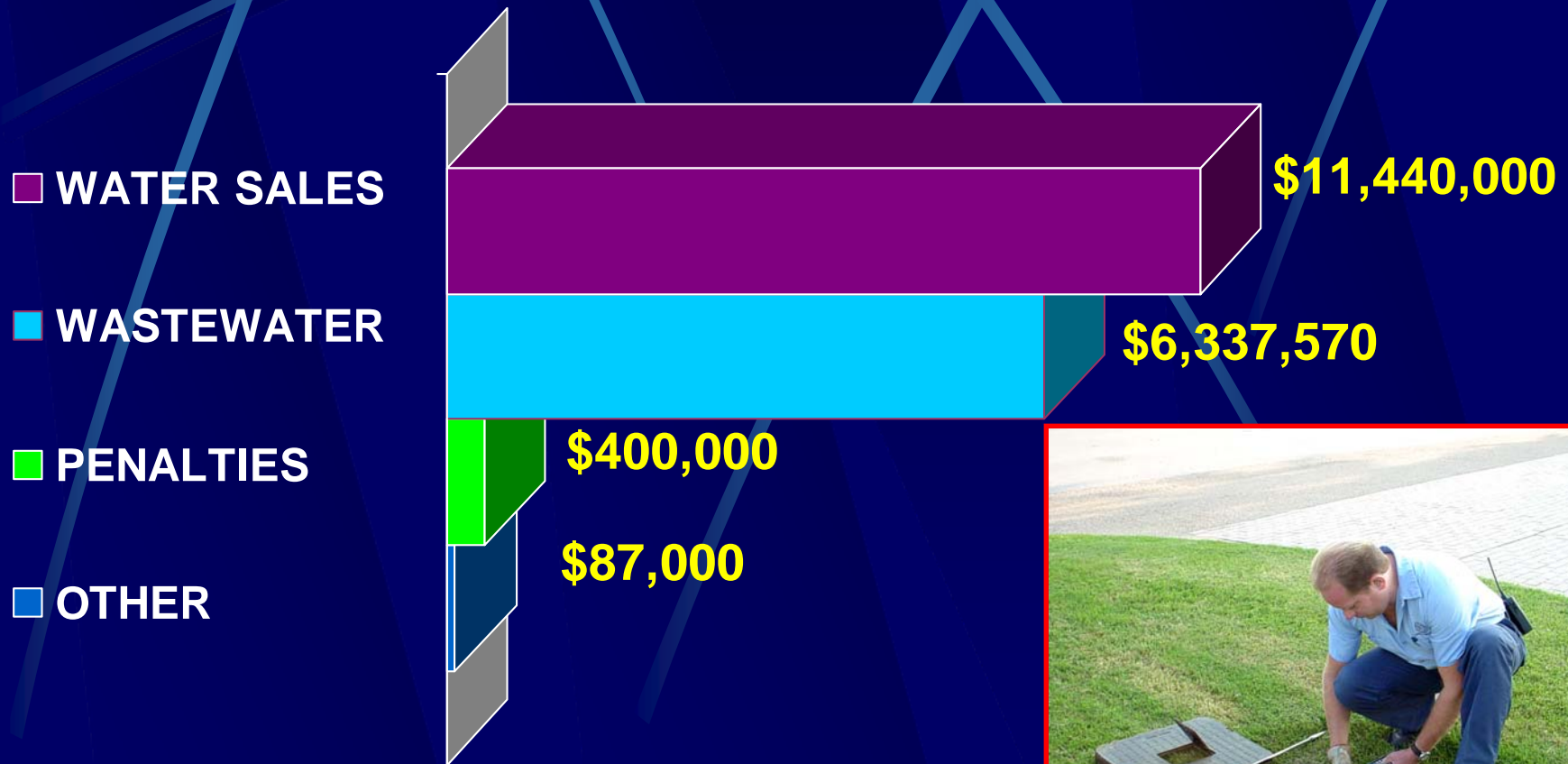
ENTERPRISE FUND

"WHERE THE MONEY GOES "



ENTERPRISE FUND

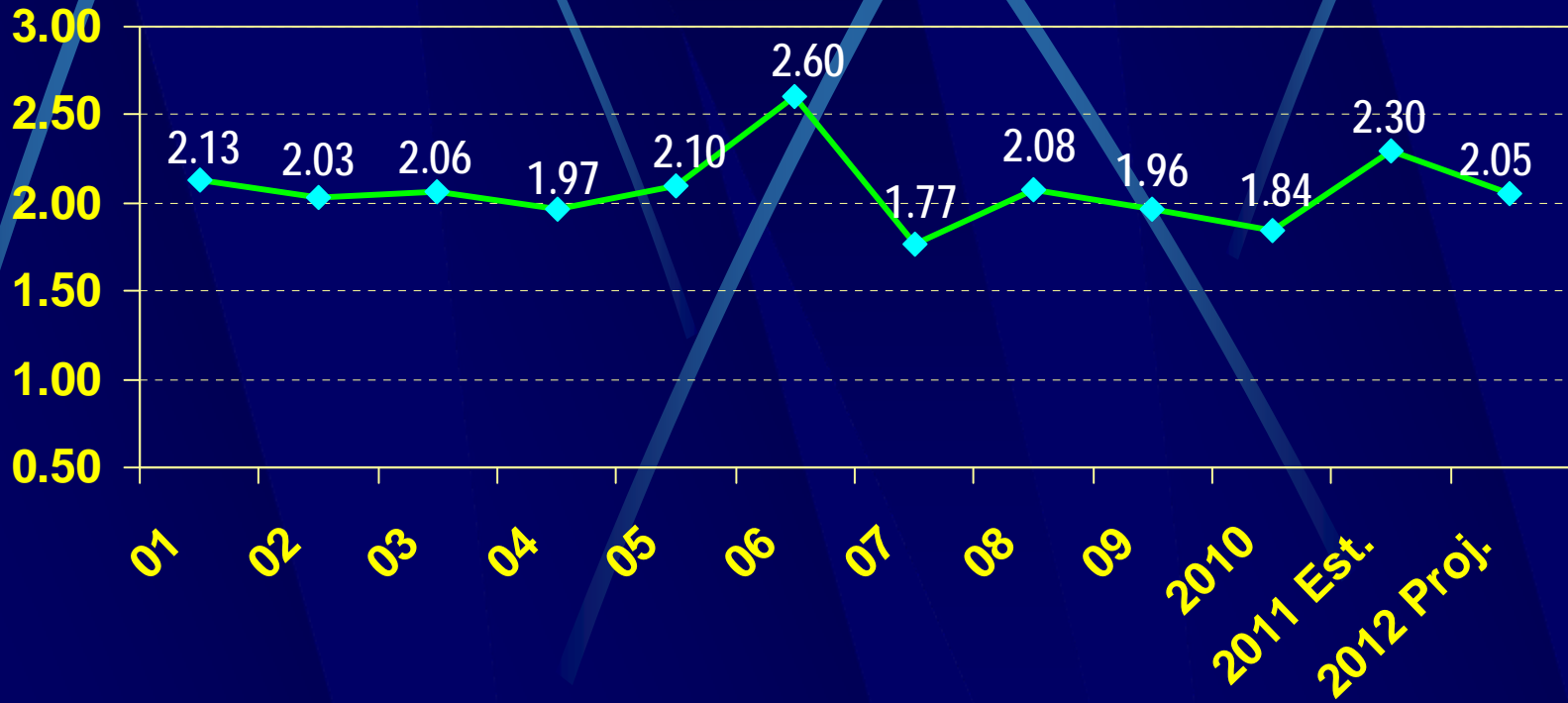
“WHERE THE MONEY COMES FROM”





Water Sales

Billions of Gallons



IMPACT ON RESIDENTIAL CUSTOMERS

Water and Sewer Rates

3.5% Increase

Weather Variable Rate Smoothing

Wholesale Water Rate Increase



ENTERPRISE FUND *PAY AS YOU GO* CIP PROJECTS

Water Systems	\$145,245
Wastewater Systems	65,000
Building & Equipment Maintenance	544,587
Capital Outlay	<u>55,600</u>
TOTAL	\$810,432



CITY-WIDE PAY AS YOU GO CIP PROJECTS 2011-2012



General Fund	\$3,177,014
Enterprise Fund	810,432
SDU	571,905
Anti-Crime Half Cent	41,610
Community Services Half Cent	<u>1,726,683</u>
	\$6,327,644



PROPOSED BUDGET SUMMARY

(Primary Operating Funds & Debt Service)

General Fund	\$31,246,025
Enterprise Fund	19,770,582
Anti-Crime Fund	5,191,919
CS Half-Cent Sales Tax Fund	5,021,281
Debt Service Fund	2,884,748

Fiscal Year 2012 **\$64,114,555**

0.03% Increase

PROPOSED BUDGET SUMMARY

(Other Enterprise & Special Revenue Funds)

Hurst Conference Center	\$1,614,567
Storm Drainage Utility Fund	1,088,965
Grant/Other Special Revenue Funds	944,794
Fiscal Year 2012	\$3,648,326

1.9% Decrease



BUDGET CUTS

Final Review



General Fund	(\$861,389)
Enterprise Fund	(429,090)
Community Services	(336,300)
Anti-Crime	(221,885)
SDU	(207,994)
Information Services	(164,386)
Court Security	(3,534)
TOTAL	(\$2,224,578)





2011-2012 Budget Recap

● The 11-12 Budget Allows the City To:

- Maintain Minimum Reserves for 90 Days Operation
- Continue Providing Outstanding Public Safety, Public Works & Other Services under the Code of Ideals
- Enhance Tourism & Economic Development
- Enhance Library and Senior Services
- Expand Community Events
- Continue to Retain Quality Employees

