

APPROVED OPERATING BUDGET

**FOR FISCAL YEAR
OCTOBER 1, 2011 – SEPTEMBER 30, 2012**



**Richard Ward
Mayor**

City Council

**Charles Swearingen, Mayor Pro Tem
Nancy Welton
Bill McLendon**

**Henry Wilson
Larry Kitchens
Anna Holzer**

**Allan Weegar
City Manager**

**Clay Caruthers
Director of Finance**



CITY OF HURST
LIST OF PRINCIPAL OFFICIALS
September 30, 2011
CITY COUNCIL

Richard Ward

Charles Swearengen

Nancy Welton

Anna Holzer

Bill McLendon

Henry Wilson

Larry Kitchens

Mayor

Mayor Pro Tem

Councilmember

Councilmember

Councilmember

Councilmember

Councilmember



From Left: Anna Holzer, Larry Kitchens, Henry Wilson, Mayor Richard Ward, Bill McLendon, Mayor Pro Tem Charles Swearengen and Nancy Welton

MANAGEMENT TEAM

Allan Weegar

City Manager

Allan Heindel

Deputy City Manager

Jeff Jones

Assistant City Manager

Clay Caruthers

Director of Finance

Ron Haynes

Director of Public Works

John Brown

Fire Chief

Steve Moore

Police Chief

Rita Frick

City Secretary

Dale Harwell

IS Manager

Mike Morgan

Director of Community Development and Planning

Ashleigh Whiteman

Communications Manager

Steve Bowden

Director of Economic Development

John Boyle

City Attorney (not shown)



From Left Back Row: Clay Caruthers, Ron Haynes, Steve Moore, Mike Morgan, Dale Harwell and Steve Bowden.
From Left Front Row: John Brown, Jeff Jones, Allan Heindel, Allan Weegar, Rita Frick and Ashleigh Whiteman



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Hurst
Texas**

For the Fiscal Year Beginning

October 1, 2010



President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Hurst, Texas for its annual budget for the fiscal year beginning October 1, 2010.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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HOW TO USE THIS BUDGET DOCUMENT

The City of Hurst Budget Document provides comprehensive information about City policies, goals, objectives, financial structure, operations and an organizational framework that shows how City services are maintained and improved for fiscal year 2011-2012. A main objective of the Budget Document is to communicate this information to readers (Hurst citizens, the public and other governmental entities) in a manner that is clear, concise and understandable. At the front of the budget is a Table of Contents that will aid the reader in finding specific information quickly and also provides a summary of the major topics. At the back of the budget, the "Budget Glossary" beginning on page 577 will be helpful to a reader not familiar with governmental terms. For readers interested in a particular program or item, an index is available on page 585. After reviewing the glossary, the reader should have a better understanding of the programs, services and resources available to the City by reviewing the major sections of the budget in the order they are presented. The Budget is divided into eight major sections: Introduction, Long Term Strategic Plans, Budget Summary, General Fund, Enterprise Fund, Other Funds, Capital Improvements and Appendix. Highlights of the sections are as follows:

INTRODUCTION: The City Manager's Budget Message, pages 1 to 14, should be read first. The Message provides an overview of accomplishments for fiscal year 2010-2011, and policy decisions made during the budget preparation process that influenced the 2011-2012 budget. The message summarizes the contents of the budget with goals and objectives of the City clearly outlined. In addition, the Introduction section contains a City Organizational Chart followed by information about the City in the "Hurst Profile." The reader can read about the physical location of the City, the history of Hurst, services offered by the City and significant demographic information.

LONG TERM STRATEGIC PLANS: This section details the long-term strategic plans developed by City Council and City Management. These plans are used to shape the current budget and to prepare to meet future challenges. Strategic planning is an essential component of the annual budget and multi-year financial planning processes.

BUDGET SUMMARY: This summary section for all funds discusses the budget preparation process that begins at the first of every year and formally ends in September, with numerous steps in-between. An explanation of the financial structure of the City is provided that shows how revenues and expenditures are reported by Fund, a self-balancing set of accounts designed to track specific revenues, and the uses of those revenues. A summary of all funds on pages 141 to 142 draws the operating funds and capital funds together.

GENERAL FUND: This major section of the budget will show the reader how the General Fund receives a greater variety of revenues and finances a wider range of governmental activity than any other fund. For fiscal year 2011-2012, the General Fund budgetary process resulted in positive benefits for Hurst citizens. The City will enhance its level of services while maintaining a stable operations and maintenance tax rate. The Crime Control District (Anti-Crime), Community Services Half-Cent Sales Tax Funds and the Storm Water Management Fund will continue to provide General Fund expenditure relief.

How To Use This Budget continued

ENTERPRISE FUND: This fund encompasses the operations of the City's water and wastewater system. The name of the Enterprise Fund is derived from its establishment, as a stand-alone enterprise, where revenues are generated to cover all operating and capital expenses of the operation, much like a private business. The task of budgeting for this fund is a challenge, since the weather has an enormous impact on the consumption of water, which in turn affects the purchase of treated water and sanitary sewer treatment, the fund's largest expenditures. For example, extreme droughts in 2006 and 2010 resulted in the largest levels of water usage in the City's history. This increased the purchase and sale of water, resulting in higher expenditures and revenues respectively, but also pointed out the limited supply of fresh water. In fiscal years 2001 to 2004 and 2007, heavy rainfall during the spring and summer resulted in below average water usage resulting in lower than expected expenditures and revenues. The City is dependent upon an outside source for both water supply and wastewater treatment, and their annually adjusted service charges are difficult to predict. Sound financial management by City Officials has provided stability for this proprietary fund over the years.

OTHER FUNDS: This section provides the reader with a detailed look at the City's internal service, debt service and special revenue funds. Especially significant is information on pages 479 to 500 concerning the Community Services Half-Cent Sales Tax Fund. The revenues generated by one-half percent additional sales tax approved by voters in January of 1993 are largely responsible for the extremely positive position of the budgets since that time. The impact is felt across all funds from this revenue source and provides significant tax relief to Hurst citizens for future as well as current budgets. On September 9, 1995, voters overwhelmingly approved another one-half percent sales tax for crime control and prevention purposes. In August 2000, the anti-crime tax was renewed for an additional ten years. In May 2010, voters approved the Anti Crime sales tax for an additional twenty years. The Anti-Crime Fund is located on pages 501 to 513. The Storm Water Management Fund located on pages 464 to 478 will provide significant improvements to the City's drainage system during fiscal year 2011-2012 and for future years.

CAPITAL IMPROVEMENTS: The reader can obtain an overview of all City capital improvement projects that have been approved as funded and maintained in the City's comprehensive "Capital Improvement Program." Information is provided to the reader primarily about current Public Works and Community Services projects. These projects are funded from a variety of sources, including fund balance reserves, grants and the sale of long-term bonds. The operating impact of projects is also summarized in this section.

APPENDIX: The Appendix contains detailed information about the City's revenues and expenditures that are the basis of the Budget Document. The multi-year financial projections estimate revenues and expenditures over a five-year period. Projections are made for the General Fund and the Enterprise Fund, which comprise the majority of the City's revenues and expenditures. The reader will see that the majority of resources are expended on Personnel costs, which are necessary to provide quality services to Hurst citizens. A listing of full time positions by division is provided in the Budget Summary.

How To Use This Budget continued

The Finance Department staff works very hard to improve the Budget Document each year and participates in GFOA's Distinguished Budget Presentation Award Program. This award is the highest form of recognition in governmental budgeting. The City of Hurst has received the award for the last twenty-three consecutive years. The City's Budget Document for Fiscal Year 2002-2003 received the "Distinguished Budget Presentation Award" with a rating of "Outstanding" as a policy document. In Fiscal year 1996-1997, the Budget received a rating of "Outstanding" as a Policy Document and a Communications Device. In Fiscal Year 1995-1996, the Budget Document won the Budget award and was judged as "an Outstanding Operations Guide." For Fiscal Years 1991-1992 and 1992-1993, the City received "Especially Notable" recognition in three major categories – as a Policy Document, as an Operations Guide and as a Communications Device.

The reader is encouraged to contact the City concerning any comments or questions about this Budget Document. The City Hall mailing address is 1505 Precinct Line Road, Hurst, Texas, 76054, or call 817-788-7000, the main City Hall number. For more information about the City of Hurst, please go to www.ci.hurst.tx.us.

