



# BUDGET IN BRIEF

FISCAL YEAR  
2021 - 2022

## HURST CITY COUNCIL'S STRATEGIC PRIORITIES



Economic Development



Innovation



Public Safety



Economic Vitality

Leadership



Infrastructure



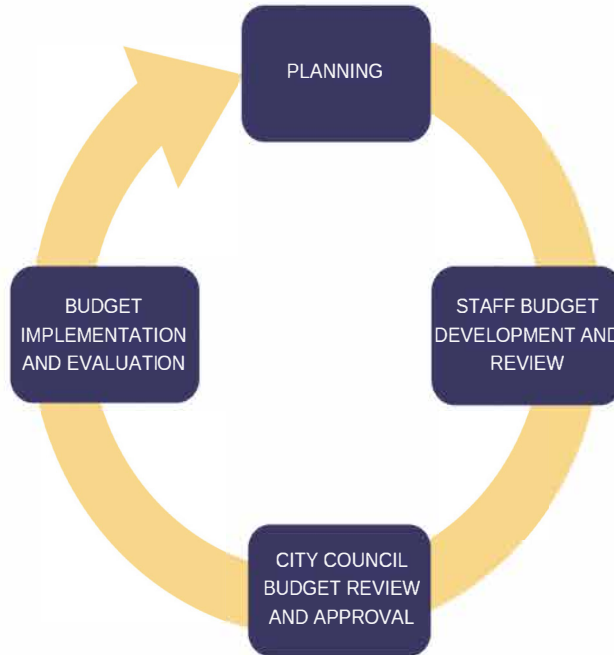
The City of Hurst is pleased to present the Fiscal Year 2022 Budget in Brief. This document provides an overview of the City's Annual Budget. It includes a snapshot of where the City's revenues come from, how they are spent, highlights from the budget, strategic goals and other important information. The choices made in the City's budget define how the City operates, how we serve our citizens and businesses, and sets our priorities as established by the City Council.

The City's annual budget is greatly influenced by the national, state, and local economy. For the past two years, the City has been coping with the COVID-19 pandemic that has effected City services and prompted adjustments in service levels. The City's budget is approached from a conservative standpoint during a regular year, but more so during the last two years. Because of the conservative position taken by the City's leadership, the City has weathered the pandemic and is ready to return to pre-pandemic level funding and staffing.

Guided by the City Council's Strategic Priorities on the cover page, the City's leadership and Finance staff created the Fiscal Year 2022 budget to reflect the City's priorities of restoring City services and employment to pre-pandemic levels. Therefore, there is an increase in the spending for FY 2022 in both major funds, the General Fund and the Enterprise Fund. However, the City's Property Tax Rate remained the same as FY 2021 at \$0.625159 while generating more revenue for the City due to rising property tax rates. This was also prompted by a shift in Property Taxes from debt to operational funding.

The City has implemented a two percent increase in water utility rates for FY 2022 to cover the costs of the wholesale water that the City purchases from the City of Fort Worth. With a continued increase in the cost of wholesale water, this was necessary to maintain the budget of the Enterprise Fund. This fund does operate as a business with the payments by citizens supporting the expenses in the fund.

The City's other two major funds, the Half-Cent Anti-Crime Fund, that supports the Police Department Operations, and the Community Services Half-Cent Fund, that supports Park and Recreation operations, are both budgeted to maintain or increase their operational budgets respectively. The Community Services Half-Cent Fund cut its operational budget significantly during the pandemic in order to maintain other services. These cuts have been restored to pre-pandemic levels.



## STRATEGIC PLAN AND BUDGET PROCESS

### PLANNING

#### **January**

- Annual report distributed

#### **February**

- Citizen survey
- Town Hall Forum

#### **March**

- Council strategic planning sessions

### STAFF BUDGET DEVELOPMENT & REVIEW

#### **April**

- Staff strategic planning session
- Budget process begins

#### **May**

- Departmental budgets & action plans completed
- City manager budget review with departments

#### **June**

- Performance measures developed
- City manager finalizes preliminary budget

### City Council Budget Review & Approval

#### **July**

- Multi-year financial planning session

#### **August**

- Council budget workshop
- Public hearings on tax rate & budget

#### **September**

- Council considers approval of budget & tax rate
- Strategic plan published

### BUDGET IMPLEMENTATION & EVALUATION

#### **October**

- New fiscal year budget begins

#### **November**

- Previous year audit process begins

# The Community Gave



Property Taxes



Sales Taxes



Water/Wastewater Fees



Park and Recreation Fees



Building and Court Fees

# We Gave Back



Safe Drinking Water



Animal Services and Adoptions



Safe Streets, Houses and Structures



Safe Parks and Recreation Spaces



Public Safety

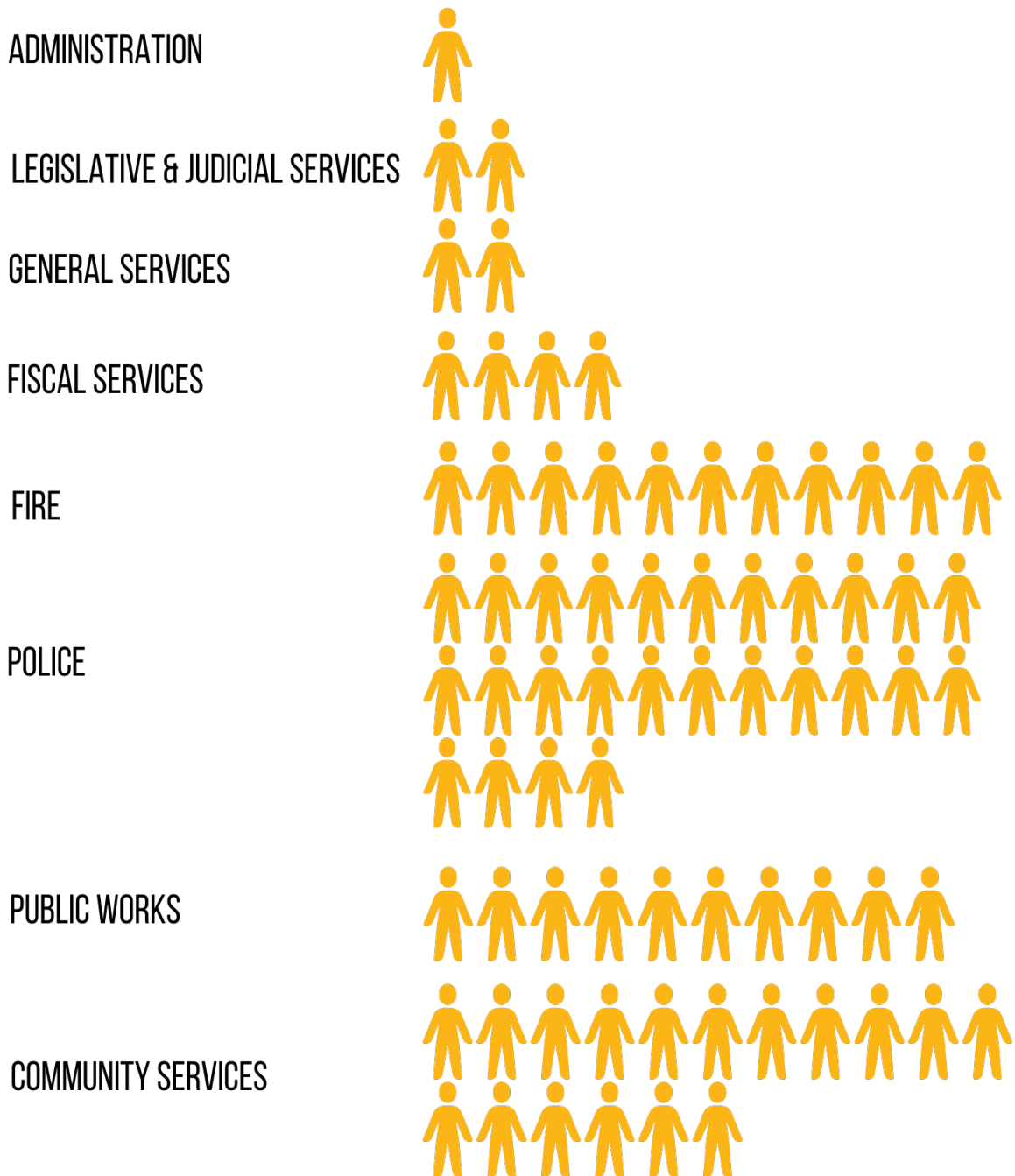


# WE WORK FOR YOU!

411 Total Employees



## POSITIONS BY DEPARTMENT



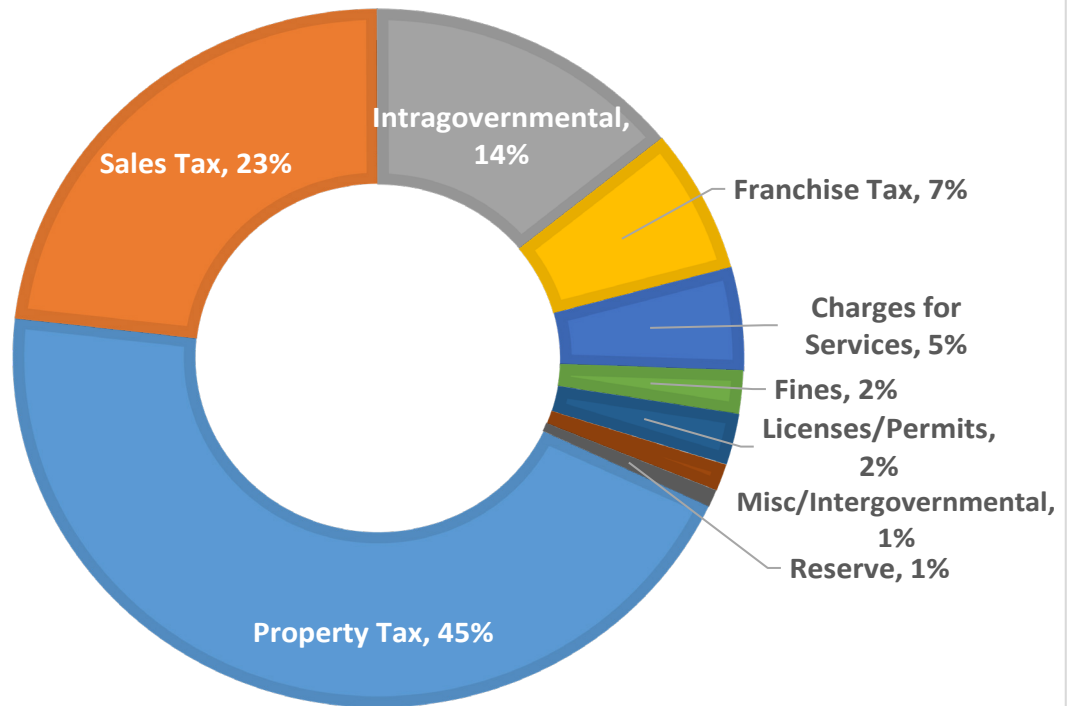
# GENERAL FUND

The General Fund is the main fund of the City. The revenues of the General Fund come mainly from Property Taxes and Sales Taxes. Services funded by the General Fund include everything from the City Manager’s office to the Police Department. If you have dealt with a main City department more than likely this department was paid for through the General Fund.

## GENERAL FUND REVENUES

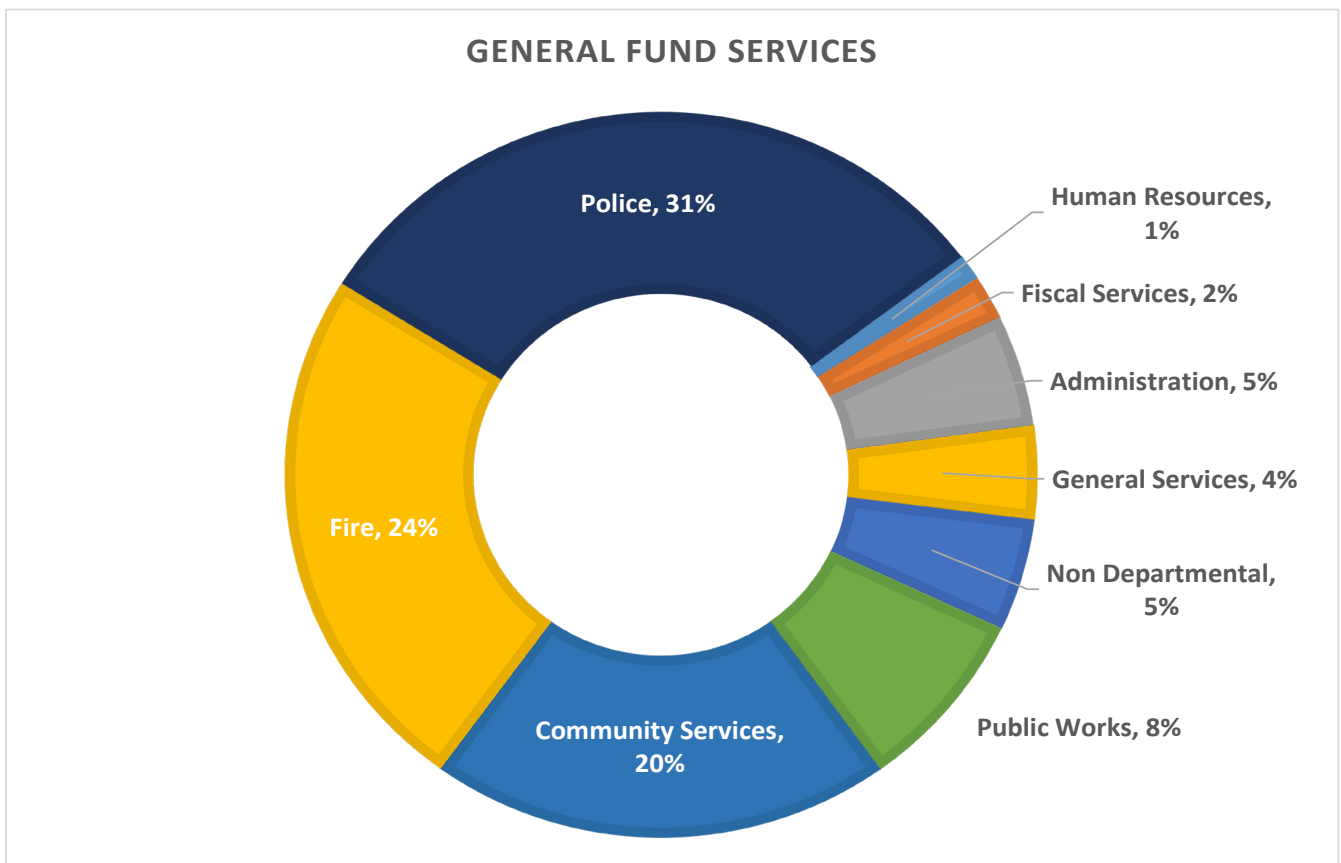
Budget Comparison of FY 2021 and FY 2022 Revenues			
TYPES OF REVENUE	2021 BUDGET	2022 BUDGET	VARIANCE
General Property Taxes	\$ 16,083,232	\$ 17,018,541	5.82%
Consumer Tax	7,881,248	8,772,509	11.31%
Franchise Taxes	2,703,000	2,515,000	-6.96%
Licenses and Permits	886,000	896,100	1.14%
Intergovernmental	291,057	272,491	-6.38%
Charges for Services	1,752,700	1,811,200	3.34%
Fines	969,490	760,580	-21.55%
Miscellaneous Revenues	216,819	195,000	-10.06%
Intragovernmental	5,394,228	5,394,604	0.01%
Emergency Reserve	150,000	299,055	99.37%
<b>Totals</b>	<b>\$ 36,327,774</b>	<b>\$ 37,935,080</b>	<b>4.42%</b>

### GENERAL FUND RESOURCES

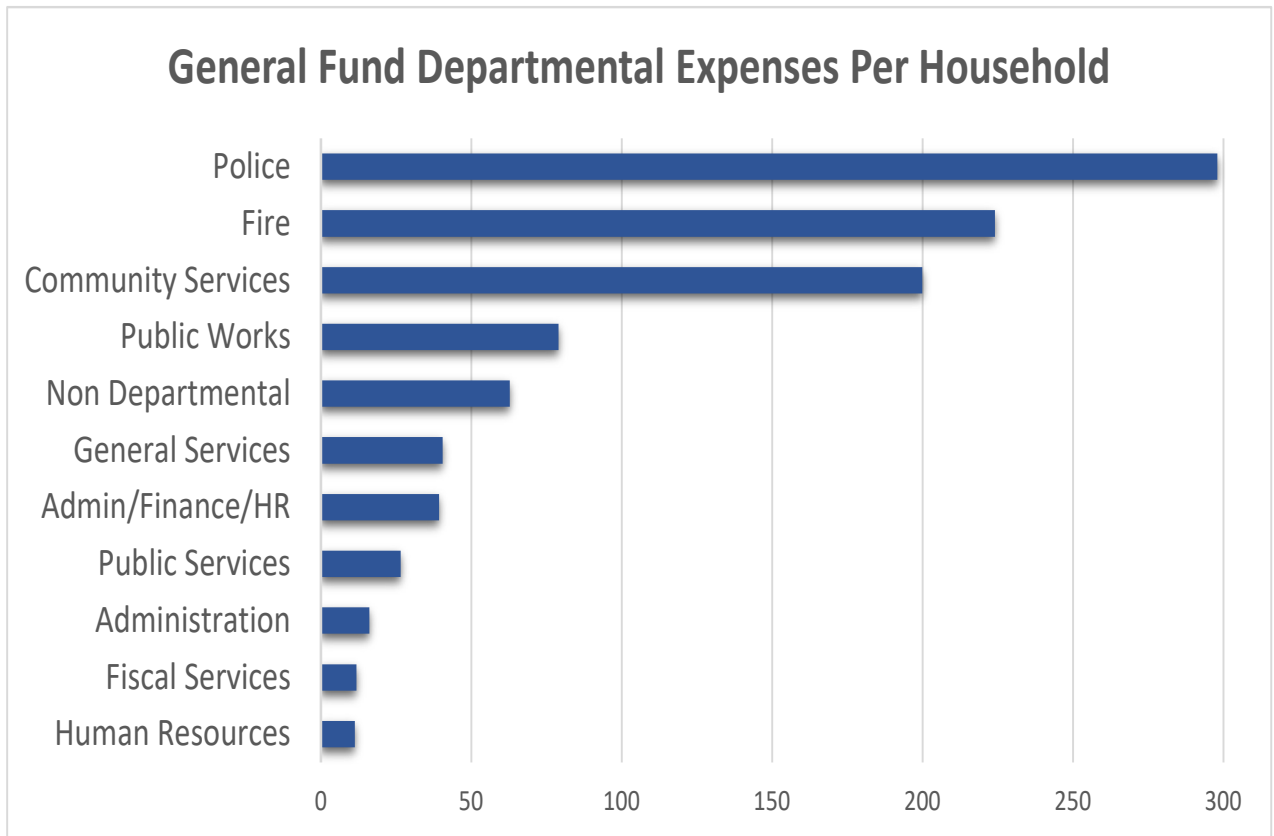


# GENERAL FUND EXPENDITURES

General Fund Expenditure by Category					
Category	Actual 2019-2020	Budget 2020-2021	Estimated 2020-2021	Adopted 2021-2022	% Distribution
Personnel Services	\$24,953,666	\$27,126,297	\$26,508,514	\$28,284,237	75%
Materials and Supplies	658,327	845,923	657,899	868,424	2%
Maintenance	1,201,126	1,445,921	1,307,935	1,624,433	4%
Sundry Charges	4,541,691	4,895,793	4,360,808	5,111,991	13%
Internal Services	2,034,683	2,013,840	2,034,164	2,045,995	5%
Capital Outlay	15,082	0	0	0	0%
	<b>\$33,404,575</b>	<b>\$36,327,774</b>	<b>\$34,869,320</b>	<b>\$37,935,080</b>	



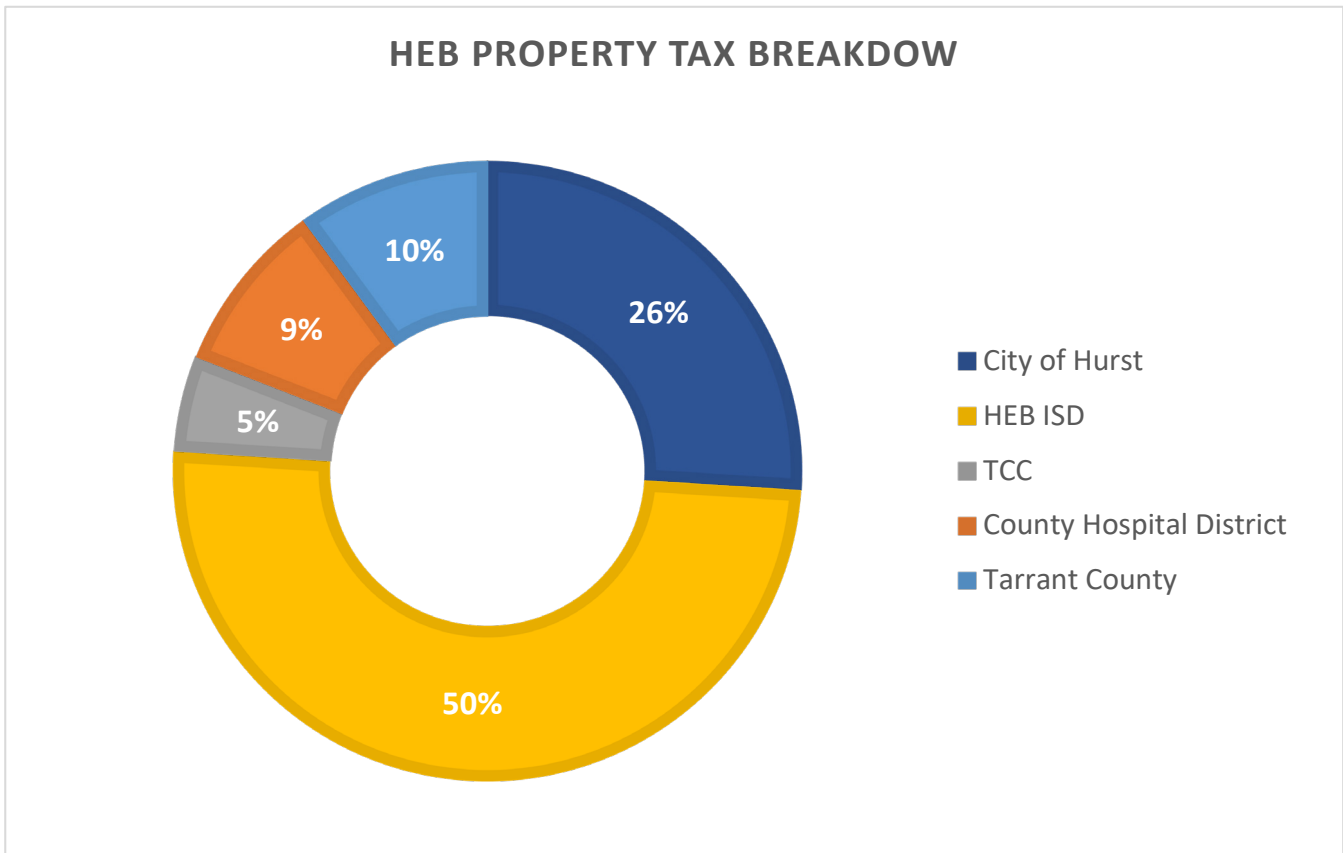
# GENERAL FUND EXPENDITURES CONT.





# OVERLAPPING TAX RATES

HEB School District Property Tax Breakdown			
Entity	Tax Rate	Tax Levy	% of Total
Hurst Adopted	\$0.625159	\$1,117	26%
Hurst ISD	1.198000	2,140	50%
TCC	0.130170	233	5%
County Hospital District	0.224429	401	9%
Tarrant County	0.229000	409	10%
<b>Total</b>	<b>\$2.406758</b>	<b>\$4,300</b>	

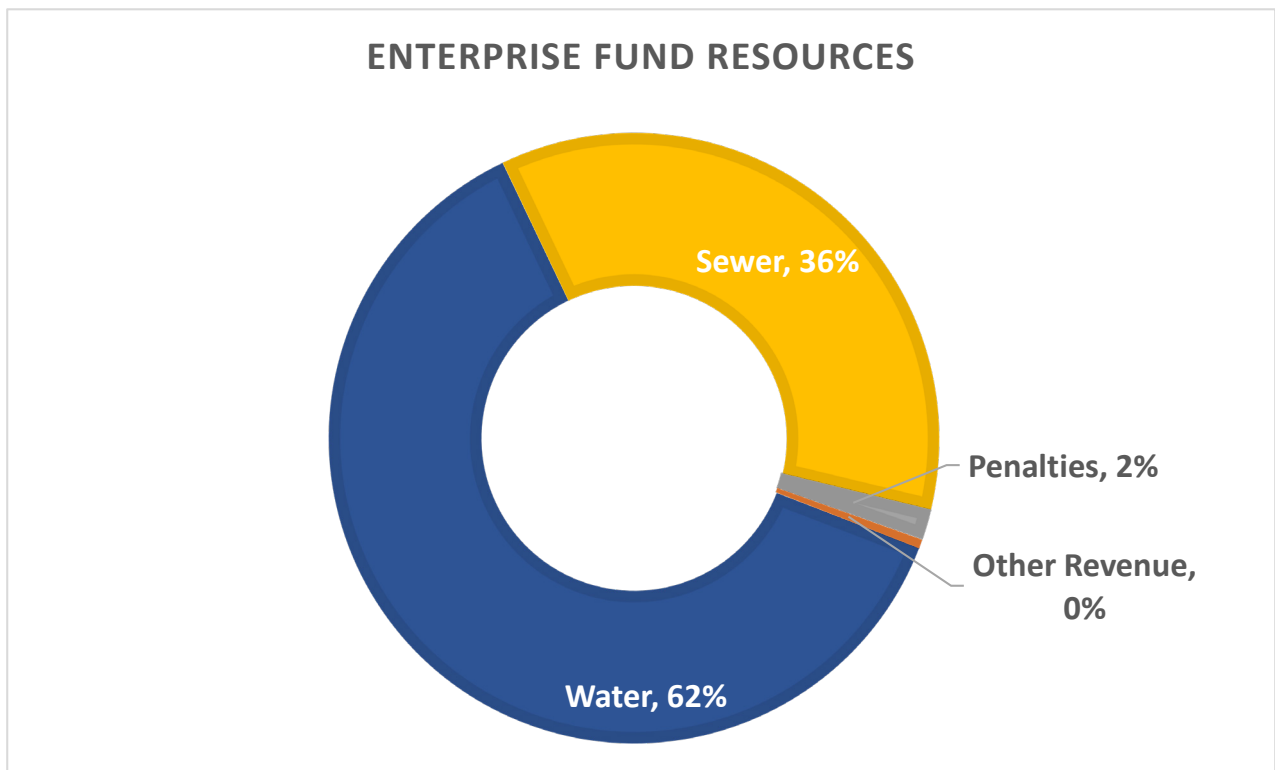


# ENTERPRISE FUND

The Enterprise Fund is used to account for the provision of water and wastewater services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, billing and collection. The operations of the Enterprise Fund are financed and operated in a manner similar to private business enterprises where the expenses (including depreciation) of providing services are recovered primarily through user charges. An overview of Water and Wastewater Systems is presented in this section. An activity schedule for each function is also included in this section.

## ENTERPRISE FUND REVENUES

Budget Comparison of FY 2021 and FY 2022 Reveue			
Type of Revenue	2021 BUDGET	2022 BUDGET	VARIANCE
Water Sales	\$ 13,959,304	\$ 14,321,707	2.60%
Sewer Charges	7,639,186	7,532,827	-1.39%
Other Cities Wastewater	669,703	740,000	10.50%
Penalties	378,000	366,500	-3.04%
Interest Earnings	13,000	50,000	285.00%
Other	55,000	59,500	8.18%
Total	\$ 22,714,193	\$ 23,070,534	1.57%



# ENTERPRISE FUND EXPENDITURES

Enterprise Fund Total Expenses by Category					
CATEGORY	ACTUAL	BUDGET	ESTIMATED	ADOPTED	2022 %
	2019 - 2020	2020 - 2021	2020 - 2021	2021 - 2022	DISTRIBUTION
PERSONNEL SERVICES	\$ 4,429,562	\$ 4,223,772	\$ 4,186,870	\$ 4,517,799	17%
MATERIALS & SUPPLIES	172,958	153,102	155,445	407,519	2%
MAINTENANCE	475,190	514,058	508,230	541,727	2%
SUNDRY CHARGES	6,157,184	6,738,912	6,306,288	6,468,719	24%
WHOLESALE COSTS	8,582,419	9,055,319	8,595,390	9,235,207	35%
INTERNAL SERVICES	302,361	302,361	302,361	311,500	1%
CAPITAL OUTLAY/PAY AS YOU GO	352,532	1,200,000	1,867,435	3,753,900	14%
DEBT SERVICE PAYMENT	1,532,818	1,415,731	1,415,731	1,236,106	5%
<b>TOTAL</b>	<b>\$ 22,005,024</b>	<b>\$ 23,603,255</b>	<b>\$ 23,337,750</b>	<b>\$ 26,472,477</b>	

The above table shows the percentage distribution of Enterprise Fund expenses. Wholesale cost are the largest expense, and includes water purchases from the City of Fort Worth and participation in regional wastewater services through Fort Worth and the Trinity River Authority. Hurst does operate and maintain six water wells that supplement the Fort Worth supply and decrease the volume of water purchased.

