THE CITY OF BURLESON TEXAS

Department Memo

City Council Regular Meeting

DEPARTMENT: **Finance**

FROM: **Kevin Hennessey, Director of Finance**

MEETING: **September 8, 2026**

SUBJECT:

Consider and take possible action on an ordinance adopting the budget for Fiscal Year 2026-2027 beginning October 1, 2026, and terminating September 30, 2027, and making appropriations for each fund; repealing conflicting ordinances; providing a savings clause and an effective date; and finding that the meeting at which this ordinance is passed is open to the public. This budget will raise more total property taxes than last year's budget by an amount of $991,712, which is a 2.12 percent increase, and of that amount $543,173 is tax revenue to be raised from new property added to the tax roll this year. (First Reading) *(Staff Contact: Kevin Hennessey, Director of Finance)*

STRATEGIC PRIORITY AND GOAL(S):

Strategic Priority	Strategic Goal
High Performing City Organization Providing Exceptional, People Focused Services	1.4 Be a responsible steward of the city's financial resources by providing rates and fees that represent a strong value to our citizens; providing timely, accurate and transparent financial reporting; and utilizing long-range planning.

SUMMARY:

The City's annual budget process begins early in the calendar year and includes multiple levels of departmental, Finance, City Manager's Office, Finance Committee, and City Council review. Departments began developing their FY 2027 budgets following the March Budget Kickoff, with submissions completed in April. Finance and the City Manager's Office then conducted detailed reviews of departmental submissions, including line-item budgets, strategic plans, personnel and benefit requests, supplemental requests, revenue projections, and proposed fee changes. There have been ongoing budget presentations and discussions with City Council throughout the summer, with feedback and direction incorporated into the development of the proposed budget submitted in August.

On August 3, 2026, the City Manager formally filed the proposed annual budget for Fiscal Year 2026-2027 and provided a copy of the proposed budget to the City Council in accordance with the City's annual budget development and adoption process. The proposed budget establishes the financial framework for providing municipal services, funding operational priorities, and implementing the City Council's strategic objectives during the upcoming fiscal year.

At the August 10, 2026, Special City Council meeting, the City Manager presented the proposed budget to the City Council and members of the public. As part of the City's consideration of the proposed budget and property tax rate, the City Council voted to establish a proposed maximum tax rate for Tax Year 2026. Establishing the proposed maximum tax rate identifies the highest property tax rate the City Council may consider for adoption as the budget and tax rate process moves forward. The City Council may ultimately adopt a tax rate that is lower than the proposed maximum tax rate but may not adopt a rate exceeding the proposed maximum without restarting the applicable statutory process.

RECOMMENDATION:

Approve the ordinance adopting the budget for Fiscal Year 2026-2027 beginning October 1, 2026, and terminating September 30, 2027.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

At the June 1, 2026, City Council meeting, Finance staff presented the budget calendar, tax rate, capital improvement program, and 5-year forecast for the General Fund, Water and Wastewater Fund, 4A Fund, 4B Fund, (In combination with Golf Fund, Park Performance Funds, Bartlett Park Soccer Complex Fund, and Chisenhall Sport Complex Fund), and TIF2 Fund (Tax Increment Financing) to the council and members of the public.

At the June 15, 2026, City Council meeting, Finance staff presented the 5-year forecasts for the General Debt Service Fund, Health Insurance Fund, IT Support Service Fund, Medical Transport Fund, Hotel/Motel Fund, Public Education Government Fund, Municipal Court Funds, Solid Waste Fund, Cemetery Operating Fund, Cemetery Endowment Fund, Equipment Replacement Funds, and Equipment Services Fund.

At the July 15, 2026, Finance Committee meeting, the City Manager presented the proposed supplemental requests for the FY 2026-2027 budget, and Finance staff presented the proposed FY 2026-2027 fee schedule.

At the August 3, 2026, City Council meeting, Finance staff presented the TNT calculated tax rates for the 2026 tax year.

At the August 5, 2026, Finance Committee meeting, Finance staff presented the TNT calculated tax rates for the 2026 tax year, and the City Manager presented the proposed budget.

At the August 10, 2026, Special City Council meeting, the City Manager presented the proposed budget to the council and members of the public.

REFERENCE:

N/A

FISCAL IMPACT:

N/A

STAFF CONTACT:

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