



CITY OF CORSICANA, TEXAS

August 17, 2012

State of the Budget

August is the time of year that the Council is diligently working to prepare a budget for operation of the City next year. Currently under consideration are the expenses and revenues for the coming 2013 budget year. The final stages are approaching and the Council will pass a balanced budget. There are reports in the media regularly about cities declaring bankruptcy. This is a tough economic time. However, citizens of Corsicana can rest at ease knowing that our city is in good financial condition. The City now operates on a debt service amount of 20%. This means that for every dollar received twenty cents goes to pay the debt owed by the city. The remaining eighty cents is used for day to day operation of the city. This is good because it gives the Council the room to make changes and prioritize based on changes in the economic climate. Cuts can be made and spending redirected as needed to best serve the citizens. The Council has worked very hard to keep the ratio in check in past years.

The budget proposes increased spending over 2011 levels. Some of the areas are:

- Part-time code compliance officer for night and weekend work
- Allowance for grant writer services for several city projects
- Storage buildings for equipment protection
- Several maintenance projects in the Utility Fund
- Rebuild of the landfill bulldozer
- City wide tree trimming
- Culvert replacement at Post Oak Creek at Northwood between Bowie Dr. & Bowie Cir.
- Construction of a new hanger at the airport
- Purchase of three new Police cars
- Replacement of several computers

In addition, the Council is dedicated to making a difference in the streets of Corsicana. Progress has been made. Approximately, \$664,000 will be dedicated to equipment that will help the City be more efficient and allow for a better job when repairing or rebuilding a street. In addition, the regular budget proposes to spend \$3.2 million on street maintenance, replacement, and repairs. The budget work session included discussion on the next street bond issue. The four million dollar issuance is scheduled for November of 2012.

A copy of the draft budget is available at the City of Corsicana Library for review. The document will also be available online at www.cityofcorsicana.com in the Finance Department section under the Budget tab. A public hearing on the budget will be held on September 4, 2012 during the regular City Council meeting at 6:00 pm. The second public hearing and final budget will be considered on September 18, 2012.

Best Regards,

Chuck McClanahan

Mayor