



ADOPTED BUDGET FY 2015-2016

Big-City Comforts, Small-Town Charm



Keller is located approximately 15 miles from Fort Worth and 30 miles from Dallas. Located in the heart of the Dallas Fort Worth Metroplex, Keller is 9 miles from the Dallas/Fort Worth International Airport and 5 miles from Fort Worth Alliance Airport. Keller city limits encompasses approximately 19 square miles, and is traversed by several major traffic corridors including U.S. Highway 377 and Texas Farm-to-Market Road 1709. In addition, Interstate Highway 35W, Interstate Highway 820, State Highway 170, and State Highway 114 are also major highway corridors within easy access to Keller citizens.

Sections 102.005 and 102.007 of the Texas Local Government Code require the following information be included on the cover page of the budget document.

This budget will raise less revenue from [*current*] property taxes than last year's budget by an amount of \$-203,814, which is a 1.15 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$778,349.

The members of the governing body voted on the budget adoption as follows:

FOR: Mayor Mark Mathews, Mayor Pro Tem Rick Barnes, Debbie Bryan, Bill Dodge, Bill Hodnett and Armin Mizani.
 AGAINST: None.
 PRESENT and not voting: None.
 ABSENT: Tom Cawthra.

Property Tax Rate Comparison, per \$100 of taxable value:

	<u>2015-2016</u>	<u>2014-2015</u>
Tax Rates:		
Proposed and Adopted Rate	\$0.43469	\$0.43719
Effective Rate	\$0.44159	\$0.42862
Effective Maintenance & Operations Rate	\$0.32002	\$0.30164
Debt Rate	\$0.11152	\$0.12043
Rollback Rate	\$0.45714	\$0.44620

Municipal Debt Obligations – Principal and Interest:

Total Tax Supported	Total Self-Supported	Grand Total
\$33,438,152	\$58,799,072	\$92,237,224
FY2015-16 Tax Supported	FY2015-16 Self-Supported	FY2015-16 Total
\$4,423,980	\$7,319,539	\$11,743,519

Self-supported debt includes obligations to be repaid by water and wastewater revenues, the Keller Development Corporation half-cent sales tax, Keller Tax Increment Reinvestment Zone No. 1 assessments, the Keller Crime Control Prevention District one-quarter cent sales tax and drainage revenues. In the event such self-supported amounts are insufficient to pay debt obligations, the City is required to assess an ad valorem property tax to pay the obligations.



CITY OF KELLER, TEXAS

ANNUAL BUDGET

October 1, 2015 - September 30, 2016



Mark Mathews
Mayor



Rick Barnes
Mayor Pro Tem



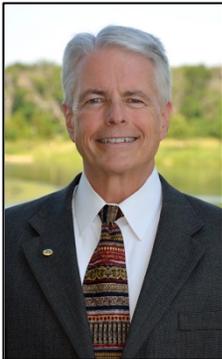
Debbie Bryan
Place 1



Armin Mizani
Place 2



Tom Cawthra
Place 3



Bill Dodge
Place 4



Bill Hodnett
Place 5

MARK HAFNER
CITY MANAGER

STEVE GROOM
CHIEF FINANCIAL OFFICER





Path to Excellence IS PAVED WITH...

OUR VISION

Keller will be the premier community in which to live, work, play and invest by balancing big-city comforts with small-town charm.

MISSION

Our mission is to support a vibrant community of high-quality neighborhoods, thriving businesses and natural beauty by setting the standard for excellence in municipal efficiency, service and innovation.

& CORE VALUES

Excellence

passion to provide exceptional service

Integrity

do the right thing, not the easy thing

Service

we care, and it makes a difference

Creativity

freedom to imagine and courage to act

Communication

open and transparent public service

Financial Accountability and Stewardship

by optimizing and leveraging existing resources, adhering to best practices, identifying new partnerships and preserving transparency.

Community

by supporting a robust parks and recreation system, library, and public arts program that provide events and programming for all ages and interests.

Safety and Security

by partnering with the community on public safety efforts, training on the latest methods and technology, and serving with empathy and enthusiasm.

Economic Development

by attracting and retaining quality commercial developments that increase our residents' property value and improve their quality of life.

Mobility and Infrastructure

by planning, constructing and maintaining efficient roads, pedestrian pathways, and water, wastewater and stormwater systems.

Quality Services

by engaging the community, exceeding their expectations, and promoting a culture of ongoing education, training and excellence.

Big-City Comforts, Small-Town Charm



DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) has presented the City of Keller with a Distinguished Budget Presentation Award for 19 consecutive years (fiscal years 1997–2015). In order to receive this award, the City must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device.

The budget as a policy document. This criterion requires including a City-wide statement (or statements) of budget policies, goals and objectives for the year, and an explanation of the budgeting process to the reader, describing the short-term and operational policies that guide the development of the budget. The criterion also relates to the longer-term City-wide policies that are expected to continue in effect for a number of years. The budget award criterion requires the inclusion of a budget message and/or transmittal letter by the City Manager.

The budget as a financial plan. This criterion requires an explanation of the financial structure and operations of the City, and the City's major revenue sources and fund structure. The budget should contain an all-inclusive financial plan for all funds and resources of the City, including projections of financial condition at the end of the fiscal year and projections of current year financial activity, and a basis for historical comparisons. The budget should also present a consolidated picture of all operations and financing activities in a condensed format and an explanation of the budgetary accounting basis, whether prepared on a generally accepted accounting principles (GAAP) basis, cash basis, modified accrual basis, or any other acceptable method.

The budget as an operations guide. This criterion requires explanations of the relationships between organizational units (departments) and programs, including an organization chart; a description of the departmental organizational structure and staffing levels, and historical comparisons of staffing levels; explanations of how capital spending decisions will affect operations; objectives and performance measures; and descriptions of the general directions given to department heads through the use of goals and objectives, reorganizations, statement of functions, or other methods.

The budget as a communications device. This criterion requires having the budget document available for public inspection; providing summary information suitable for use by interested citizens and/or the media; avoiding the use of complex technical language and terminology; explaining the basic units of the budget, including funds, departments or activities; and disclosing sources of revenues and explanations of revenue estimates and assumptions. The intent of this criterion is to enhance the communication aspects of the budget document, so that information in the budget can be communicated to a reader with a non-financial background.

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Keller
Texas**

For the Fiscal Year Beginning

October 1, 2014

Executive Director



PRINCIPAL OFFICIALS

August 2015

ELECTED OFFICIALS

<i>Position</i>	<i>Incumbent</i>	<i>Elected</i>	<i>Term Expires</i>
Mayor	Mark Mathews	May 2014	2017
Council, Place 1	Debbie Bryan	May 2013	2018
Council, Place 2	Armin Mizani	Dec 2014	2018
Council, Place 3	Tom Cawthra	May 2008	2016
Council, Place 4	Bill Dodge	May 2012	2016
Council, Place 5	Bill Hodnett	May 2014	2017
Council, Place 6	Rick Barnes	May 2014	2017

APPOINTED OFFICIALS

City Manager.....	Mark Hafner
Director of Community Services	Cody Maberry
Director of Administrative Services	Sakura Moten-Dedrick
Director of Public Services.....	Trina Zais
Public Works Director.....	Keith Fisher
Fire Chief.....	David Jones
Human Resources Director.....	Carolyn Nivens
Library Director.....	Jana Prock
City Secretary.....	Sheila Stephens
Information Technology Director	Sean Vreeland
Police Chief	Michael Wilson

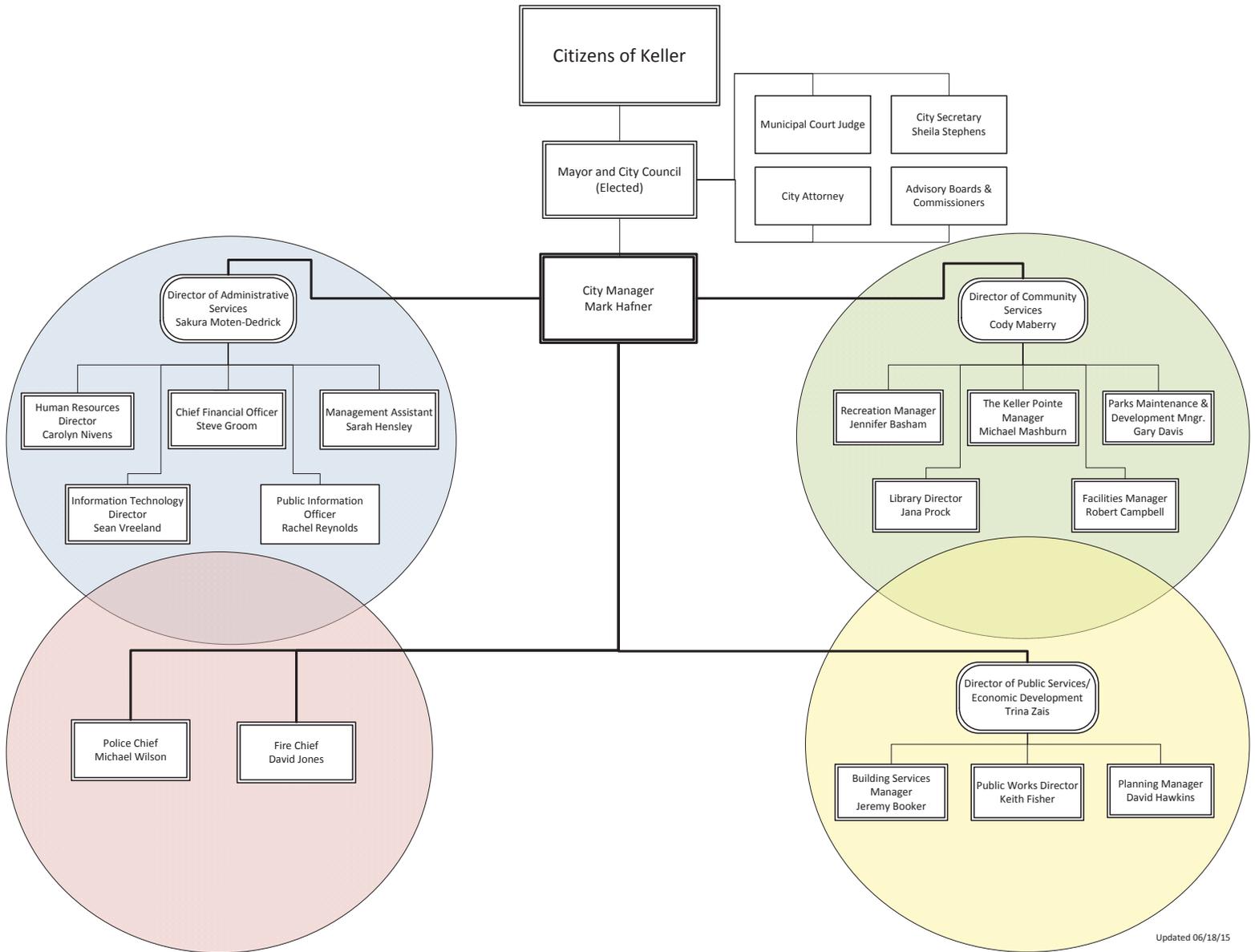
FINANCE DEPARTMENT

Chief Financial Officer.....	Steve Groom
Finance / Purchasing Manager	Pamela McGee
Administrative Secretary	Jo Ann Adair
Senior Accountant.....	Alexis Briggs
Sr. Accounting Technician	Geneva Dunn
Records Clerk	Camie Orth
Purchasing Technician.....	Karla Parker
Budget Analyst	Debbie Penaluna

BUDGET CALENDAR

<u>Description of Task/Event</u>	<u>Date(s)</u>
Council/staff budget priority workshop	February 26, 2015
Meetings with Finance Department and departmental budget staffs to distribute budget materials and instructions	March 18, 2015
Departmental budget input	April – May 2015
FY2015 revised estimates and FY2016 budget requests due in Finance Office	June 6, 2015
Departmental budget compilation by Finance Department staff resulting from initial departmental budget requests	May 9 – June 9, 2015
Review of budget requests by City Manager and meetings with departments and Finance Director to review initial budget proposals	June 12 – June 23, 2015
Council/staff budget priority workshop	July 14, 2015
Final (certified) tax values due from Tarrant Appraisal District	July 25, 2015
Final budget revisions prepared for distribution of proposed budget to City Council	July 13 – July 31, 2015
File proposed budget with City Secretary, distribute to City Council, place copy of proposed budget in the Keller Public Library, and make available on the City's website	August 15, 2015
Hold proposed budget review workshop(s) for Council/staff and citizen input	August 25, 2015
Hold two public hearings on the FY2016 proposed tax rate (if required)	September 2015
Hold public hearing on the FY2016 budget; approve ordinance to adopt both the FY2016 budget and FY2015 budget estimate; approve ordinance adopting the tax rate; and approve a resolution ratifying tax revenue (if required)	September 15, 2015
Fiscal year 2015-2016 begins	October 1, 2015

CITY OF KELLER, TEXAS ORGANIZATION CHART



General Budget Information, Projections and Statistics
Fiscal Year 2015-2016

Property tax rate (proposed) for FY2015-16	\$0.43469, per \$100 of assessed taxable valuation of property, a reduction of one-quarter cent (0.57%) from previous year.	
Total overlapping tax rate for all taxing units	\$2.616087 overlapping tax rate, including the City, KISD, and all applicable Tarrant County taxing entities	
Total value of properties within Keller	\$5,092,336,237 (appraised market value) \$4,618,756,217 (net taxable value)	
Total budget (all funds)	\$79,852,287	
Total employees (all funds)	345.97 full time equivalents	
General Fund employees per 1,000 population	5.66	
Police Department	86.48 FTEs	
Fire Department	57 FTEs	
Estimated population	42,040 at January 1, 2014 42,890 at January 1, 2015	
Sales tax rates within Keller	6.25%	State of Texas
	1.00	City of Keller
	0.50	Keller Development Corporation
	0.25	Keller Crime Control Prevention District
	<u>0.25</u>	Street maintenance sales tax
	8.25%	Total
Building permits issued	290 Residential permit value: \$91.8 million Non-residential permit value: \$35.8 million	
Total incoming calls received (Police dispatch)	154,000 (Cities of Keller, Southlake and Colleyville)	
Total fire and EMS calls for service	3,300 (City of Keller only)	
Lane miles of paved streets maintained	480	
Annual library materials circulation	500,000 (materials checked out)	
Library program participants	19,000	
Total park acreage	491	
Special events guests	33,000	
Total billed water sales (million gallons)	3,105.5	
average daily usage (million gallons)	8.7	
base (winter) average usage (million gallons)	6.4	
peak day water demand(million gallons)	24.0	
average monthly usage billed per customer	16,992	gallons
Total daily water capacity (million gallons)	27.0	
Average wholesale cost of water	\$2.36 per 1,000 gallons	

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August 15, 2015

To the Honorable Mayor Mathews and Members of the City Council

Re: *The Annual Budget for Fiscal Year 2015/2016*

In accordance with the Texas Local Government Code and the Charter of the City of Keller, the proposed annual budget for the fiscal year beginning October 1, 2015 and ending September 30, 2016, is submitted for your consideration. The budget, as filed with the City Secretary, presents in summary form the revenues and expenditures for each of the funds. The budget will be discussed with City Council during a work session and formally presented at a public hearing in September. The budget ordinance will be voted and adopted by October 1, 2015.

The proposed budget is structurally balanced and supports sound fiscal and operational policies. It is a strategic budget that aligns financial resources with the City Council's shared vision and priorities. The budget is not merely numbers, but an expression of our citizens' values and aspirations. During a planning retreat and subsequent meeting work sessions, the City Council identified the following strategic goals:

- Promote and celebrate the Keller community;
- Invest and complete signature projects that will spur economic development and enhance the quality of life;
- Maintain our unique identity;
- Adopt a productive governance model that includes financial stewardship and transparency;
- Upgrade development standards, documents and processes; and
- Employ a continuous-improvement mindset.

In the years leading up to the present, the City of Keller has always followed a path of cautious optimism, maintaining proper fund balances, holding the line on expenditures and retaining the least amount of employees needed to provide essential services to our residents. The core of our service base, though, is our commitment to efficient municipal operations, fiscal conservancy and innovative regional partnerships, which allow us to maintain and/or improve service levels without the need to seek an increase in the tax rate. In fact, this proposed budget seeks taxpayer relief by reducing the property tax rate by a ¼-cent to \$0.43469. This budget will raise less revenue from current property taxes than last year's budget by approximately \$203,000, while the property tax revenue from new property added to the tax roll this year is \$778,000. This set the effective tax rate at \$0.44159, which is higher than the proposed rate. The average home assessed at \$300,000 will see a decrease of \$8.00 in annual property taxes to the City of Keller.

This proposed budget is designed to reflect the direction of our community and makes great strides in achieving the vision for Keller set forth by this City Council as a city that continues to offer its citizens the best in services, amenities and overall quality of life. It also seeks to make sound investments in our infrastructure.

Besides funding our current level of city services, the City Council directed us to fund the following Capital Improvements for fiscal year 2015/16:

- A significant re-investment into our parks and recreation system, which includes Big Bear Creek Greenbelt Trail canopy extension expansion; Keller-Smithfield Activity Node Parking Lot; Design and Construction Consulting Fees for Keller Sports Park and Northeast Park; a Dog Park at the

rear of the Keller Pointe in the Town Center Park; and continued Trail System Expansion/Connections. The budget also continues the Community Matching Grant program, which encourages investment in our parks system by local organizations and advocates.

- Investment in upgrades and maintenance to our water, wastewater and drainage systems, including the continuation of the replacement and expansion of the Alta Vista Pump Station transmission main; a water/sewer master plan update; water line extensions along the west side of US 377 from Keller-Hicks Road to Johnson Road; a US 377 North Sanitary Sewer design; an FM 1709 Sanitary Sewer System extension; Shady Grove Lift Station improvements; and several citywide drainage improvements.
- The ongoing investment in our roadways through the annual street maintenance program funded by dedicated sales tax along with another \$700,000 from the General Fund. Also included in street projects are design improvements to the FM 1709/Rufe Snow and FM 1709/Keller-Smithfield intersections (if TXDOT participates); the expansion of Wall-Price Keller Road; and the design for the Keller-Hicks Railroad Quiet Zone. We will also fund sidewalk repairs and new sidewalk connections where gaps exist.
- Old Town Keller-West Improvements Phase I and II along with a pedestrian connection between Old Town Keller and the Keller Sports Park.
- Funding for the initial installment of portal signs at the entrances to our city.

This represents \$21 million in Capital Improvements; while about \$3.2 million in projects will require future debt issuance, the remaining \$17.8 million will be cash-funded out of available cash and fund balances.

Earlier this year, two council members participated with the Human Resources Director to study employee compensation. The ad hoc committee looked at the benchmark cities we compare our salaries against and recommended removing some cities and adding other cities from out of state. They also recommended that the proposed budget contain a two percent (2%) pay plan adjustment to keep the city competitive regionally coupled with a provision for a two percent (2%) merit increase seeking to avoid compression. The pay plan adjustment works to keep the city competitive in the marketplace by raising all salary ranges, addresses cost-of-living adjustments, and repositions the city's pay plan to begin self-correction for salary compression that occurred as a result of minimal or no pay increases in recent years.

Because of a recent reorganization among department directors and several retirements/resignations of senior, high-level managers, the proposed pay plan adjustments and merit increases in the proposed budget only increase costs 1% over last year.

Funding the rising cost of healthcare for the past five years has been a constant challenge. The soaring rise in costs over the years has given us no other alternative but to change to a high deductible plan and require more premium co-share from our employees. The current proposed budget includes an increase of 12% for healthcare. The initial renewal rate before we went out to bid was 36%. Because more of our employees opted for the higher deductible plan than what the insurance company estimated during the current fiscal year, we were able to mitigate next year's 12% increase to about \$60,000 over this year's cost.

The City of Keller participates in the Texas Municipal Retirement System (TMRS), which continues to be solidly funded at 81.7 percent (up from last year's 79%). TMRS has decreased next year's contribution rate for the city to 15.07% (from 15.67%), a reduction of about \$35,000. Due to a strong work safety approach and resulting reduction in claims over the last three years, the City of Keller continues to see success in our efforts to improve our Worker's Compensation experience modification factor, which has resulted in a decrease of \$30,000 for the proposed budget.

The proposed budget limits personnel growth to two new part-time positions, a receptionist in Town Hall and a part-time employee in Human Resources to assist with the recruiting and filling of vacancies. We are also upgrading from a part-time employee to a full-time Recreation Aide at the Keller Senior Activities Center. The total cost for these new positions is \$60,000.

Through a team atmosphere and shared direction, the City Council and city staff will continue to adapt to future needs and further enhance the services and operations that exist today. This proposed budget is intended to allow for such growth by providing the necessary funds to support the efforts of our city departments, addressing infrastructure maintenance and improvements, providing for capital replacements and supporting our ongoing economic development efforts. It is also structured to allow the city to reposition itself in order to realize greater innovations, structural efficiencies and organizational advancements.

As stated in previous budget messages, city staff's ability to manage expenditures the last several years, in conjunction with conservative revenue projections, has permitted the General Fund to accumulate a healthy fund balance. While we carefully protect our fund balance, we have previously been able to "pay as we go" for important one-time, non-recurring expenditures such as economic development initiatives, infrastructure investments and capital replacement items. Again, this year's budget provides for one-time, non-recurring expenses from the General Fund, which I will discuss later in the review section. We are able to accomplish this while maintaining our fund balance at a level above our operating expense target.

Keller continues to be one of the most sought-after locations to live in the Dallas-Fort Worth area. We continue to offer value-driven public services that result in a low crime rate, progressive approaches to public safety, outstanding parks and recreational opportunities, solid infrastructure and a highly acclaimed library, all of which contribute to the quality of life our community enjoys and anticipates.

Population Growth

The North Central Texas Council of Governments estimates that the population of Keller as of January 2015 is 42,890, a 2 percent (2%) increase over the January 2014 estimate of 42,040 and an 8.2 percent (8.2%) increase over the 2010 Census data population of 39,627. Both of these figures outpace the estimated increase in Tarrant County as a whole, which is estimated to have increased 1.1 percent over 2014 and 5.3 percent over the 2010 Census.

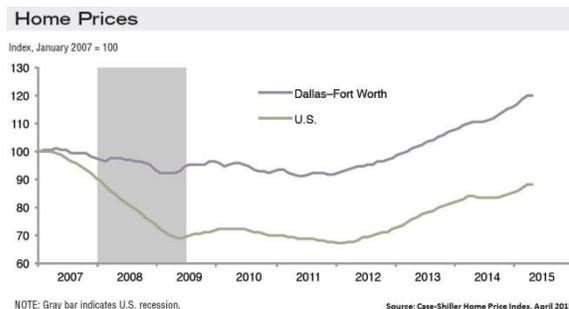
Total Projected Revenue

For FY2015-16, total projected revenues have increased by \$3.4 million, or 4.7 percent over the FY2014-15 budget. This increase is due primarily to growth in General Fund (\$2,221,819) and Keller Development Corporation (\$488,655). Our total property tax revenues and net taxable value have increased by 2.8 percent over the FY2014-15 estimated budget, to a net taxable value of \$4.6 billion. Total charges for services have decreased by \$126,330 (0.5 percent), primarily from projected decreases in water/wastewater and The Keller Pointe fees, offset by a slight increase in the Drainage Fund. And General Fund sales tax revenue has increased by \$763,316 (15.5 percent).

Property Tax Rate and Sales Taxes

According to the Tarrant Appraisal District's certified valuation, the city's net taxable property value increased by 2.8 percent over the FY2014-15 Estimate to \$4.6 billion. The increase in taxable property value includes \$179.1 million in new construction, an increase of \$81.2 million (83.0 percent) over the previous year. The FY2015/16 budget includes a tax rate of \$0.43469 per \$100 of taxable value, a ¼-cent decrease from FY2014-15.

Giving additional credence for cautious optimism, the most recent Case-Shiller Home Price index (graph at right) shows that the U.S. as a whole, and the greater DFW area, have rebounded from the 2008-2009 recession. The City of Keller's forecast for property values is based exclusively on properties within city boundaries; the comparison to the greater metropolitan area is provided as a confirming indicator that our experience on a trend basis is in the same general direction.



Total sales tax revenues this year has increased by about 10 percent over the same period last year. Sales taxes for FY2015-16 are projected more conservatively, forecasted to increase by 7 percent over

the FY2014-15 estimate. This continues to demonstrate our efforts in Economic Development to bring more business to Keller and encourage our residents to “Keep it in Keller.”

Other General Fund Revenues

The current pace of building activity is projected to continue next year with a gradual slowdown anticipated in following years as available land for residential development diminishes. Activity remains up from the 2008-09 housing stall. Overall, a steady rate in development activity is expected this year as the housing demand continues to be strong. Future commercial development along the city's major corridors of FM 1709 and US 377 could see some momentum next year as the City Council's economic development initiatives and incentives take hold. Most remaining General Fund revenues are expected to be consistent with the previous fiscal year.

Reading the Proposed Budget

In governmental accounting, the resources of the government are accounted for in various funds. Following the introductory information and budget summaries, the budget document is separated into five sections: General Fund, Water and Wastewater Utility Fund, Other Funds, Debt Service Fund and Capital Improvements Funds.

Explanation of Fund Accounting

"Funds" are defined as an independent accounting entity with a self-balancing set of accounts. Funds are categorized into fund types, each of which is associated with major services provided by the governmental unit. The equity accounts in governmental accounting are referred to as fund balance. The fund balance accounts can be divided into unreserved fund balance accounts and reserved fund balance accounts. Unreserved fund balance is the difference between assets, liabilities and fund reserves. "Reserved" indicates that a portion of the fund balance is not available for appropriation or is legally separated for a specific future use.

- Fund balance "designations" may be established to indicate managerial plans or intent. For example, a portion of the unreserved fund balance may be "designated" for future capital equipment replacement.

There are basically three groups of funds in governmental accounting: governmental funds, proprietary funds and fiduciary funds. The City of Keller does not operate a fiduciary fund.

- Governmental funds are often referred to as "source and use" funds. These are the funds through which most governmental functions are financed. The fund types included in this category are general, special revenue, capital projects and debt service funds.
- Proprietary funds are used to account for a government's ongoing organizations and activities, which are similar to those often found in the private sector. The fund types included in this category are enterprise and internal service funds. The city utilizes the following enterprise funds: Water and Wastewater Utility, and Drainage Utility. The city has no internal service funds.

Each fund's revenues and expenditures are depicted by columns of Actual FY2013/2014, Budget FY2014/2015, Estimate FY2014/2015, and Budget FY2015/2016. Fund summaries are provided for all revenues and expenditures applicable to each. The General Fund (tax-supported general operations) and the Water and Wastewater Utility Fund have numerous operating departments and/or divisions.

Additional Information

The Supplemental Data section contains general information such as the city's miscellaneous fee schedule, budget and financial policies, the FY2016 pay plan and a Glossary of Terms.

The Reader's Guide (pages 1-8), Keller Profile (pages 9-14), and Budget Summaries (pages 15-72) that follow the Budget Message provide a wealth of historical data concerning property values, ad valorem tax analysis, property value distributions, property taxes, overlapping tax rates, sales tax collections, city

workforce information and utility usage, as well as, brief explanations of various miscellaneous funds. In addition, page viii provides “quick facts” for FY2016. This information can provide a quick reference concerning the city’s budget process, operations and budgeted expenditures and revenues.

FY2015/2016 Budget Overview

The budget addresses the City Council’s goals while maintaining current service levels. The following is a summary of major initiatives or actions included in the proposed budget:

- Lowering the property tax rate by a ¼-cent to \$0.43469
- Maintaining the city portion of the Water and Wastewater rates
- New one-time expenditures from fund balance in the General Fund total \$9,419,595
 - *Economic development initiatives (\$2,000,000)*
 - *Existing economic development incentives due (\$139,045)*
 - *Old Town Keller pedestrian connection (\$4,000,000)*
 - *General Fund vehicle and equipment replacement (\$175,550)*
 - *Old Town Keller-West Improvements - Phase I & 2 (\$1,905,000)*
 - *Transfer to Fleet Replacement Fund - Phase III (\$300,000)*
 - *Keller-Hicks Quiet Zone engineering (\$200,000)*
 - *Keller city entrance portal signs (\$200,000)*
 - *Funding for FM 1709 intersection design at Keller-Smithfield and Rufe Snow Drive, pending TXDOT funding commitment (\$500,000)*
- A 2% pay plan adjustment for employees and a 2% merit increase for employees hired on or before March 1, 2015
- The addition of two part-time employees and one upgrade from part time to full time
- Investments in capital equipment replacement and infrastructure improvements of approximately \$21 million, of which only \$3.2 million will require future debt issuance.

A total tax rate of \$0.43469 per \$100 of assessed taxable valuation will fund FY2015-16 operations. The 2015 (FY2016) net assessed taxable valuation, after adjustments, is \$4.6 billion, an increase of \$126.6 million or 2.8 percent over the 2014 net value. Residential property values comprise approximately 84.6 percent of total property values for FY2015-16 and commercial/industrial values comprise 12 percent. The tax rate distribution for FY2015-16 compared to FY2014-15 includes a decrease in debt service requirements due to retirement of debt as follows:

	<u>FY14-15</u>	<u>FY15-16</u>
General Fund	\$ 0.33048	\$ 0.33638
Debt Service Fund	0.10671	0.09831
Total Tax Rate	\$ 0.43719	\$ 0.43469

GENERAL FUND

Quick Facts:

	<u>FY14-15</u> <u>(Budget)</u>	<u>FY15-16</u> <u>(Budget)</u>	<u>Percentage</u> <u>Increase</u> <u>(Decrease)</u>
Expenditures*:	\$31.7 Million	\$32.4 Million	2.3%
Revenues:	\$31.7 Million	\$34.0 Million	7.0%

* Excludes one-time Fund balance expenditures included in FY2014-15 and FY2015-16 budgets

Summary:

The projected beginning fund balance for FY2015-16 of \$15,582,231 exceeds the targeted beginning fund balance by approximately 70 days of operations. The total ending fund balance at September 30, 2016, is projected to be \$7,688,488 (includes FY2015-16 one-time expenditures from Fund Balance). The city's financial management policies establish a benchmark (target) of 70 days of operating, non-recurring expenditures as an unreserved fund balance. The unassigned fund balance projected at \$7,688,488 allows for approximately 87 days of operating expenditures, thereby exceeding the established benchmark. In summary, the proposed General Fund Budget for FY2015-16 makes investments using the fund balance as discussed and reviewed with City Council, manages expenditures and provides the necessary revenue for debt payments.

The following table provides a summary of changes by department in the FY2016 budget, compared to the FY2015 adopted budget.

FY2015-16 Changes by Department		
	<u>Vs. FY2014-15 Budget</u>	
Department	\$ Incr (Decr)	% Change
Administration/General Govt.	\$ 27,318	0.5%
Community Development	(3,605)	(0.2%)
Public Safety	97,423	0.6%
Public Works	292,280	8.1%
Library	28,615	1.9%
Parks & Recreation	209,863	5.9%
Non Departmental / Other	92,518	11.3%
Total	\$ 744,412	2.3%

Given the nature of services provided, personnel costs remain a major driver within the FY2015-16 General Fund budget. Personnel services (salaries, wages and benefits) account for \$22,424,447 million, or 70 percent of the total expenditures of the General Fund.

For FY2015-16, one-time expenditures of \$9,419,595 are planned from the available General Fund balance and are excluded from budget line item totals. These one-time expenditures include the following: Economic development initiatives (\$2,000,000), Existing economic development incentives due (\$139,045), Old Town Keller pedestrian connection (\$4,000,000), General Fund vehicle and equipment replacement (\$175,550), Old Town Keller-West Improvements Phase I & 2 (\$1,905,000), Transfer to Fleet Replacement Fund – Phase III (\$300,000), Keller-Hicks Quiet Zone engineering cost (\$200,000), Keller city entrance portal signs (\$200,000) and FM 1709 intersection design at Keller-Smithfield Road and Rufe Snow Drive (\$500,000), pending TxDOT funding commitment.

Although one-time, non-recurring expenditures are excluded from the FY2015-16 budget expenditure totals, after accounting for the one-time fund balance use of \$9,419,595, the projected ending fund balance at September 30, 2016, is projected at \$7,688,448 or 87 days, exceeding the minimum fund balance target by \$1,467,788.

WATER AND WASTEWATER FUND

Quick Facts:

	FY14-15 (Budget)	FY15-16 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$21.8 Million	\$23.2 Million	6.4%
Revenues:	\$21.6 Million	\$21.6 Million	(0.3%)

The Water and Wastewater (Utility) Fund is an enterprise fund and thereby operates on its own revenues and fees generated primarily from water and wastewater service charges.

Net expenditures in excess of revenues for FY2015-16 are \$1,614,748. However, the projected beginning fund balance of \$7,932,719 for FY2015-16 exceeds the targeted beginning fund balance by approximately 50 days of operations. The total projected ending fund balance at September 30, 2016, is \$6,317,971, which is \$2,508,403 over targeted 60 days of expenditures. A \$500,000 water and wastewater rate stabilization reserve is included as a provision of the fund balance for the purpose of providing funds for variations in weather conditions. The undesignated fund balance of \$2,508,403 represents an operating reserve of approximately 99.2 days, exceeding the current target of 60 days.

Water usage varies with levels of rainfall in addition to seasonal cyclical variations, so revenues are generally more volatile than General Fund revenues. Based on total water usage through June 2015, water sales of 2.833 billion gallons are anticipated for FY2014-15. The city is currently getting 300 new meter accounts added per year due to growth. The FY2015-16 budget forecasts 3.175 billion gallons of water usage. For FY2015-16, a conservative 5-year average water usage is forecast, with current customer growth estimates, to determine the budgeted revenue.

The city has received next year's wholesale rates for sewer service and water purchases, which are passed-through directly to the customer. The proposed FY2015-16 budget includes no further cost adjustment to the water/wastewater rates.

Expenditures

Wholesale water purchases are anticipated to be 3.175 billion gallons in FY2015-16. Wholesale water purchases, the most significant expenditure line, are projected to be \$7.24 million or 33.2 percent of total expenditures for FY2015-16. This represents an increase of \$342,647, or 8.6 percent over estimated FY2014-15.

Capital outlay includes several infrastructure improvements for water distribution and wastewater improvements (\$6,147,000), mostly notably construction costs for the Alta Vista 30" Transmission Main from the Alta Vista Pump Station to South Main Street as well as water line extension and replacement. Vehicle replacement includes four utility pickup trucks and related equipment (\$171,750 in the fleet replacement fund).

OTHER FUNDS

Drainage Utility Fund

Quick Facts:

	FY14/15 (Budget)	FY13/14 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$1.34 Million	\$1.33 Million	(0.3%)
Revenues:	\$1.60 Million	\$1.65 Million	3.1%

The Drainage Utility Fund is an enterprise fund that operates from revenues received from drainage fees of \$8 per month per household. Commercial (non-residential) properties are charged a minimum of \$8 per month to a maximum of \$66.24 per month. Average drainage fees have been consistently \$9.10 to \$9.14 per customer since 2011.

Major expenditures for FY2015-16 are provided for in personnel services (44.7 percent of budget) for 8.5 full-time equivalent positions. Operations and maintenance, and services and other expenditures (51 percent of the total budget), provide for miscellaneous small drainage improvements, equipment and drainage channel maintenance, and equipment rental as needed. Funding in the amount of \$24,500 is also budgeted within the Fleet Replacement Fund for the replacement of an F-150 truck.

Keller Development Corporation Fund (KDC)

Quick Facts:

	FY14/15 (Budget)	FY15/16 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$2.49 Million	\$2.50 Million	0.4%
Revenues:	\$2.47 Million	\$2.96 Million	19.8%

The Keller Development Corporation (KDC) is charged with the responsibility of administering the proceeds from the ½-cent local option sales tax approved by the voters in 1992 for park and recreation facility improvements. On July 20, 2015, the KDC Board of Directors reviewed and approved the KDC's proposed budget. As required by the Development Corporation Act of 1979, the City Council conducted a public hearing for the budget on July 21, 2015.

Sales tax revenues for FY2015-16 are anticipated to increase by \$437,775 (18 percent) over the FY2014-15 Adopted budget. The FY2014-15 estimated sales tax revenue of \$2,701,480 is \$189,105 (7 percent) above the original adopted budget amount. Proposed expenditures of note include Big Bear Creek Greenbelt Trail Canopy extension (\$50,000), Keller-Smithfield Activity Note parking lot (\$100,000), Dog Park (\$110,000), Design and Construction Consulting Fees for Keller Sports Park and Northeast Park (\$180,000 and \$120,000, respectively), 10-foot 5-gang rotary mower replacement (\$63,000) and continuation of the community matching grant program (\$100,000).

Recreation and Aquatics Center (The Keller Pointe) Fund

Quick Facts:

	FY14/15 (Budget)	FY15/16 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$3.193 Million	\$3.391 Million	6.2%
Revenues:	\$3.194 Million	\$3.078 Million	(3.6%)

The Recreation and Aquatics Center Fund accounts for all major direct costs associated with the operations of the recreation and aquatics center (The Keller Pointe). Major expenditures include personnel services for staffing the facility and for recreation programs (42.8 percent), and facility operations and supplies (11.9 percent). Services & Other expenditures include utilities (electricity, water, natural gas) and payments to recreation program instructors and trainers (32.7 percent). Since the opening of The Pointe in May 2004, the operating budget expenditures have increased primarily in the areas of program staffing and utility costs (electricity, water and gas), which typically correspond to greater facility usage.

Capital outlay of \$375,000 comprises 11.1 percent of total expenditures and includes \$35,000 for furniture, fixtures and equipment replacement (FFE), \$100,000 for locker room/multi-purpose room improvements, \$50,000 for acid/chemical room and \$190,000 for FFE specific to an ongoing renovation and expansion. One-time fund balance expenditures of \$210,500 are also included for recreation/aquatics.

The remaining unassigned fund balance, including funding of the one-time expenditures, is projected at \$696,500 for September 30, 2016.

Information Services Fund

Quick Facts:

	FY14/15 (Budget)	FY15/16 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$1.66 Million	\$1.75 Million	5.0%
Revenues:	\$1.53 Million	\$1.77 Million	15.1%

The Information Services (IS) Special Revenue Fund was created in 2001 to account for citywide information services/information technology operations, including geographic information services (GIS), Public Library support, Internet services and Audio Visual services. Funding is provided from transfers for support provided to General Fund programs, Water and Wastewater Fund and The Keller Pointe Fund. Expenditures provide for information technology support personnel and goods and services to be utilized on a citywide basis, including expenditures for Town Hall networking equipment with the Keller Police Department, The Pointe, the SCADA system and the Municipal Service Center.

The IS department has developed and implemented a six-year Technology Plan whereby all computer hardware and software, printer and other technology equipment is evaluated and placed on a replacement schedule. The benefit of the plan is to establish a planned and affordable replacement schedule of all technology equipment that may be budgeted on an annual basis.

Miscellaneous Other Funds

Library, Recreation, Community Clean-Up and Municipal Court funds are funded by special contributions, participation fees, donations, grants, reimbursements, interlocal agreements with other cities and other revenues such as voluntary utility bill donations. Expenditures are specifically restricted to the amount of revenue available annually and do not comprise a significant portion of the city's total annual budget.

Keller Crime Control Prevention District Fund

Quick Facts:

	FY14/15 (Budget)	FY15/16 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$0.89 Million	\$1.05 Million	17.6%
Revenues:	\$1.09 Million	\$1.32 Million	21.7%

The Keller Crime Control Prevention District (KCCPD) was renewed by voters for a term of 15 years on May 13, 2006, funded with a ¼-cent sales tax. The KCCPD Fund provides funding for vehicle and equipment replacement (\$174,830); technology improvements (\$66,700); and debt service for the jail and animal shelter expansion (\$527,850). As required by state law, the KCCPD FY2016 budget will be considered by the City Council at the August 18, 2015 regular meeting.

Debt Service Fund

Quick Facts:

	FY14/15 (Budget)	FY15/16 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$5.36 Million	\$5.12 Million	(4.4%)
Revenues:	\$5.38 Million	\$5.16 Million	(4.0%)

This Fund is used to account for revenues and expenditures related to the retirement of the city's tax-supported general obligation debt. FY2016 direct debt per capita is \$616, down from an estimated FY2015 debt per capita of \$792. Debt per capita decreased due to a combination of current year debt retirement, bond refunding and an increase in population.

The city's current bond ratings were last confirmed and upgraded in December 2014. The City's most recent ratings are "Aa1" from Moody's Investors Services and "AAA" from Standard & Poor's Rating Group. Both rating categories classify the city's debt obligations as high-quality investment grade. The rating agencies recognize the city for managing its direct debt obligation and infrastructure development necessitated by growth.

Tax Increment Reinvestment Zone No. 1 Interest and Sinking Fund

The Tax Increment Reinvestment Zone No. 1 (TIRZ No. 1) Interest and Sinking (I&S) Fund budget for FY2015-16 reflects participating taxing entities' tax contributions by City of Keller, Keller ISD, Tarrant County, Tarrant County College District and Tarrant County Hospital District.

For budget purposes, and in accordance with state law, the value of the TIRZ No. 1 district is based upon the previous year's assessed property value at the end of the calendar year (December 31, 2014). Therefore, the true assessed values of projects that are completed early in the calendar year are often not fully realized until the subsequent year's budget cycle. Given existing appraised values, the City does not anticipate, and is not budgeting for, any TIRZ subsidies from the General Fund for FY2015-16.

Reflected in the TIRZ I&S Fund for future fiscal years are annual debt service costs relating to the Combination Tax and TIRZ Revenue Certificates of Obligation.

The TIRZ will terminate on December 31, 2018 and obligations that are due after that date will be paid with remaining TIRZ funds, if available. In the event that insufficient TIRZ funds remain, the obligations will be paid with the annual interest and sinking fund ad valorem (property) tax levy.

The FY2015-16 budget provides for an excess of revenues over expenditures of \$759,900 with a September 30, 2016 anticipated fund balance of \$1,252,600, 153 days of fund balance, well above the required 30 days of expenditures, which helps to position the TIRZ well for 2018.

Fiscal Year	Cumulative Actual Incremental Property Value For City of Keller	Percentage Increase (Decrease)
FY2005-2006	\$ 78,094,777	15.9%
FY2006-2007	\$ 98,357,582	25.9%
FY2007-2008	\$105,668,793	7.4%
FY2008-2009	\$127,879,473	21.0%
FY2009-2010	\$134,453,799	5.1%
FY2010-2011	\$122,223,374	-9.1%
FY2011-2012	\$120,894,498	-1.1%
FY2012-2013	\$134,688,583	11.4%
FY2013-2014	\$143,452,802	6.5%
FY2014-2015	\$160,172,902	11.7%

Capital Improvement Funds

Capital improvements are project-based, not fiscal year-based; therefore, they are normally not included in the total operating budget. However, since the Park Development Fee Fund, the Street Improvements Fund and the Fleet Replacement Fund have recurring revenues, these budgets (revenues) are included in the operating budget totals. In addition, budgets of capital project funds do not lapse at year's end, and unspent funds are automatically re-appropriated into the next fiscal year.

Park Development Fee Fund

Park Development Fees are fees paid by new development in lieu of park land dedication. Developers are responsible for one (1) acre per thirty (30) residential dwelling units. Payment in lieu of land dedication shall be the average per-acre value of the property(ies) to be developed as assigned by the Tarrant Appraisal District's most recent appraised market land value, or \$30,000 per acre, whichever is greater, not to exceed \$50,000 per acre. Expenditures from the Fund are usually recommended by the Parks and Recreation Board and approved by the City Council through the annual budget process. It is estimated that \$180,000 in fees will be collected in FY2015-16.

Proposed expenditures (\$900,000) for FY2015-16 are anticipated for park improvement/land acquisition projects to be determined upon adoption of the Parks, Recreation and Open Space Master Plan update.

Street/Sidewalk Improvements Fund

This fund is used to account for street maintenance sales tax funds, sidewalk fees paid by development, special street assessments, transfers from other funds and other miscellaneous street-related improvement revenue. The FY2015-16 expenditures include street reconstruction payable from the street maintenance sales tax revenue and miscellaneous sidewalk replacements and extensions.

Budgeted Sales tax revenues for FY2015-16, \$1,445,291, are anticipated to increase by 17.8 percent over the FY2014-15 adopted budgeted amount of \$1,226,400. The FY2014-15 estimated sales tax revenues of \$1,350,739 is \$124,339 (10.1 percent) above the original adopted budget amount. Proposed expenditures for FY2015-16 consist primarily of street reconstruction (\$4,315,400).

Fleet Replacement Fund

This Fund is used to provide for capital equipment acquisition, primarily for the Water & Wastewater and Drainage Utility Funds. The Water & Wastewater and Drainage Utility Funds transfer payment from their respective operating budgets to fund routine vehicle and light-equipment replacements. For the Water and Wastewater Utility Fund, the FY2015-16 Budget includes the replacement of one F-650 Crew Cab truck (\$85,100) for Wastewater Utilities, one replacement F-250 truck (\$33,650) for Water Utilities and two F-150 trucks (\$26,500 each) for Customer Service, one having been deferred last year. For Drainage Utility Fund, one replacement F-150 truck (\$26,500) is budgeted.

General Fund-supported vehicle purchases totaling \$175,550 will include replacements of one F-250 4x4 Crew Cab (\$28,400), one F-250 Crew Cab (\$28,400) for Parks & Recreation; one F-250 Crew Cab (\$32,700), and two F-150 Extended Cab trucks (\$31,850 and \$27,700, considering differing equipment requirements); and one Fort Transit Van (\$26,500) for Town Hall Operations facilities maintenance. This year's proposed budget transfer of \$300,000 from the General Fund fund balance is Phase III funding for the \$900,000 General Fund Fleet Replacement program started in FY13-14 to establish permanent funding for the routine vehicle and light-equipment replacement program.

Capital Projects Fund

The Capital Projects Fund is used to account for revenues from the issuance of debt and project expenditures for specific capital improvements. A five-year capital improvements program (CIP) summary is also included in the Capital Improvements section of the document. One debt-financed capital project is contemplated for FY2015-16: the Alta Vista 30" Transmission Main water project, which exceeds impact fees, operating revenues and available fund balance. Please notice that our five (5) year CIP plan lists projects for which no funding source has been identified, and the future issuance of debt is a possibility.

Calculations and Projections

Property tax appraisal information is provided by the Tarrant Appraisal District. Historical sales tax information is provided by the State Comptroller. Franchise, municipal consent agreement and licensing fees are projected pursuant to contractual provisions with each franchisee, municipal consent or licensing

agreement and adjusted for growth. All other operating revenues and fees have been estimated by the city staff on the basis of experience and historical growth trends. Operating revenues depict cautious optimism that the local and regional economy will continue to grow at a steady pace over the next several years.

Economic ups and downs, generally, are difficult to predict but are nevertheless cyclical. We employ a conservative approach when projecting available revenues for the upcoming fiscal year in order to ensure that revenues will be available to support operations and annual debt requirements, and to preserve financial reserves for future years to be able to weather unforeseen circumstances when they occur.

All financial goals and targets have been met or exceeded for each fund. Further, they are expressed in a percentage of operating expenditures and number of days of operating expenditures. This is pursuant to the approved financial policy and reflective of the city's commitment to maintaining a sound fiscal policy with emphasis on establishing reserves for future capital and equipment replacements while maintaining the General Fund reserves.

Cost Savings and Efficiency Initiatives

The city actively seeks opportunities to deliver external and internal services more efficiently and at a lower cost. The result has been the implementation of a number of new and ongoing service delivery processes and procedures. The chart immediately following this letter demonstrates some of the recent and planned initiatives and their benefits in terms of cost savings, where applicable, and/or service delivery. We anticipate working closely with City Council during FY2015-16 to further identify, explore and implement additional cost saving and efficiency opportunities.

In Summary

I believe this proposed budget is fiscally responsible and represents the City Council's goals and objectives and the desires of our community, while also acknowledging the recent growth within our local economy. My gratitude and appreciation to the Mayor and City Council for their direction and leadership, and to all of the department directors and staff for their many contributions and diligent work on the development of this financial document.

We look forward to participating in deliberations and working with the City Council to adopt a budget that allows us to fully achieve and maintain our vision as a premier community in which to live, work, play and invest by balancing big-city comforts with small-town charm.

Sincerely,



Mark R. Hafner
City Manager

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
Administration	Interlocal Purchasing Agreement for wayfinding signage	Joint contract with North Richland Hills and Hurst to achieve economies of scale for wayfinding signage	\$16,000 in savings over Keller purchasing independently
	Vehicle Replacement Program	Right-sizing of vehicles, business need, managing maintenance cost, and maintaining a standardized replacement schedule	Extend lifecycle of vehicles 2 to 3 years
	Citywide reorganization of administrative staff, duties, and reporting structure	Salary savings help achieve Council goal of keeping increases to personnel services at or below 4% of total personnel cost	\$185,000
	Oncor Utility Audit	External review of city street light accounts (January 2002 - July 2013) to determine potential overbilling/ paid excess charges for transmission and distribution service and energy costs	\$23,235 recovered after 49% contingency fee paid to Tristem, Ltd.
Community Development	Began using iLegislate to deliver Planning and Zoning Commission agenda packets	Eliminate paper costs in preparing hard copy agenda packets and reduce staff time for making and delivering packets	\$1,000
	Staff will prepare future public hearing notifications for the Fort Worth Star-Telegram to accommodate public hearing dates for Planning and Zoning Commission and City Council meeting dates	The notifications will be on one single ad, rather than two separate ads for a cost savings of approximately \$60 per public hearing	There are an average of 7 public hearing cases per year for a total savings of approximately \$420
Fire	Eliminate Accounting Technician position (1 FTE) from the department structure	Monies reallocated to fund two position upgrades within the fire department and two additional position upgrades within other city departments as part of the budget process	\$20,853
	Cooperative purchasing agreement with the City of Cedar Hill for emergency medical services supplies	Taking advantage of decreased pricing due to economies of scale associated with bids secured by another city for some medications and supplies	\$2,500

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
Human Resources	Majority of new hire paperwork (approximately 20 pages) is now emailed to applicants to print at home and bring with them on their first day of work	This saves reams of paper and staff time spent copying forms and explaining each piece of paper	\$2,650
	The cost for employee ID badges was negotiated and reduced for 2016	The badges are costly because they are chipped for access	\$400
	Utilization of Laserfiche electronic file storage system for personnel paperwork	All files (personnel active and terms, medical, etc.) are now saved in Laserfiche and may be accessed by each staff member on their PC, at their desk. Reduced number of personnel files and storage boxes, and saves space and staff time	\$3,500
Information Services	Municipal Service Center training room projector installation	Saved costs by performing audio/video cabling and the installation and design of the audio/visual equipment	\$2,250
	Replaced 30 Library patron computers with Intel NUC mini computers	Migrated from Dell desktops to Intel NUC computers. Lower initial cost, lower power consumption and freed up usable desk space	\$5,210
	Utilized retired laptops for additional training laptops	Reduced the number of laptops purchased for training purposes by refurbishing retired laptops	\$6,800
	Utilized retired server for Library application	Reduce server costs by using retired frontline server for Library services	\$5,700
	Converted Human Resources from a stand-alone fax machine to an integrated copier/fax	Improves the speed and management of faxes within the Human Resources Department.	Improved security, specifically personally identifiable information and HIPAA information the department deals with on a daily basis.
Library	Organize a consortium to purchase Zinio, an online magazine subscription service	Reduce cost of a service already provided by the Library	\$2,500
	Interlibrary Loan Service	Patrons borrow items from other libraries, saving the Library the expense of purchasing the book	\$17,170

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
Library	Join other libraries in a group savings for the Freegal music service	Keller Public Library is able to add additional service of streaming music	\$500
	Continue in the Overdrive e-book Consortium	By joining other libraries in a consortium, the library continues to add e-books and downloadable books to their collection instead of independently subscribing to Overdrive	\$30,000
	The Hudson Foundation and Friends of the Library donations	The Hudson Foundation and Friends of the Library coordinated donations to fund the One Book, One City! program and childrens' programs	\$35,000
	Utilization of two scholarships for the Texas Library Association Conference	The library did not have to pay for the Texas Library Conference, but will benefit from the ideas transpired and implementation	\$1,000
Parks & Recreation	The Keller Pointe converted personal trainers from City of Keller employees to contracted instructors	Eliminated benefit costs associated with paying full time employees and established flat rate paid to instructors only for the hours they work	\$45,000 in 2015 and \$60,000 every year following
	The Keller Pointe converted the chlorine for the facility's pools from Acu Tabs to liquid chlorine	Significantly reduced costs of maintaining the facility's pools without affecting the quality of service	\$14,518
Police	Police Services Agreement with the Town of Westlake	Provides an additional patrol sector in north Keller and a records clerk paid in part through program revenues	\$898,000
	Communications, Animal Services and Jail Services with the Cities of Southlake and Colleyville	The participating cities share in the personnel and operational costs each year	\$1,801,000
	School Resource Officer	Keller I. S. D. pays half the cost of the officer's salary and contributes a lump sum annually towards equipment and vehicle expenses	\$54,000

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
Police	Jail and Animal Service with the City of Roanoke	Contract with Roanoke to house class C arrestees and shelter stray dogs and cats for a per arrestee/per animal fee	\$14,000
	Grant to provide Ballistic Vests for officers	By utilizing this grant, ballistic vests are replaced sooner and the department is only responsible for ½ of the purchase price	\$8,000 dependent upon budgeted ballistic vest replacements
	Partnership with Humane Society of North Texas	The Humane Society of North Texas provides the employees at the Regional Adoption Center	\$150,000
	P25 Grant provided from Tarrant County 9-1-1	This allows the department to purchase portable /mobile radios, UPS maintenance and other radio items needed for the new P25 system	\$34,904
	PSAP Grant provided from Tarrant County 9-1-1	This allows the department to purchase various items used in communications such as, maintenance agreements, office equipment, training, and backfill overtime for training that would have normally been funded by the General Fund	\$41,160
	Sell of used brass and firearms	This allows the department to purchase training supplies and equipment.	\$4,000, variable year to year based on brass collection and the going rate for brass sales
Public Works	Water line relocation completed by the Water/Wastewater Division on the F.M. 1709 Widening at U. S. 377 Project.	Using in-house staff saved costs and kept the TxDOT project from being significantly delayed	\$20,000
	Mount Gilead Grant Match from the Transportation Alternatives Program	The grant provides 80% of the funding for constructing 3,000 linear foot section of 10-foot concrete trail along the north side of Mount Gilead Road	\$480,000
	Chisolm Trail Reconstruction	Using City crews to reconstruct a half-mile stretch of roadway reduces cost and time associated with bidding the project out	\$400,000

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
<i>Public Works</i>	Starbucks-Old Town Keller location parking lot construction	Using City crews to construct a 12-space parking lot reduces cost and time associated with bidding the project out	\$10,000

READER'S GUIDE

The annual operating budget for the City of Keller (the City) is the result of many hours of deliberation by both City staff and the City Council. Organization of the budget document is designed to help the reader locate information, both financial and non-financial, in a timely manner.

This guide is included to provide the reader with an overview of the budget document, the budget process, budget implementation and reporting on budget results.

BUDGET PROCESS

Budget Calendar. The following table provides a condensed budget calendar used each year by City staff.

February – April	Forms, instructions, and directives provided to City staff and Departments
April – mid May	Departmental preparation and input of budget requests, and current year re-estimates (amendments)
April – June	City Council and staff budget goals workshop
May – June	Meetings with City Departments by City Manager and Finance Director to review budget requests and current year re-estimates (amendments)
July – August	Final budget revisions prepared by City Manager and Finance Department for distribution of proposed budget to City Council
July 25	Certified tax appraisal roll due from Tarrant Appraisal District
Early August	Calculate and publish effective tax rate
August 15	Proposed budget filed with City Secretary for public review, distributed to the City Council, and copy of proposed budget placed in the Keller Public Library, and added to the City's website
Mid August – early September	City Council budget workshop(s) to review proposed budget; hold public hearings on tax rate (if necessary)
Mid – late September	Hold public hearing and adopt the budget, set tax rate, and adopt current year budget estimates (amendments)
October – early November	Fiscal year begins October 1. Finance Department staff and City Manager make final corrections resulting from the budget adoption, and publish budget document, which is distributed usually in mid-November.

Preparation and Adoption for FY2016. In March 2015, the budget process for fiscal year 2015-2016 (FY2016) began. The Finance Department prepared and distributed budget preparation instructions and forms to each department to assist in the budget preparation and formulation. The budget instructions included expenditure request forms, current personnel staffing levels by position and other information necessary to complete budget requests for FY2016. Departments were instructed to prepare budget requests in accordance with the Council's goals and objectives, which were established at the City Council budget goal-setting workshop held on March 26.

READER'S GUIDE

BUDGET PROCESS

(continued)

Upon completion and submission of budget requests by the departments, the Finance Department then processed and compiled the budget requests and line-item expenditure details for review by the City Manager. The City Manager then reviewed each departmental expenditure request and line-item expenditure details, and current year estimates, with the respective department manager and staff. Over a period of three to four weeks, the City Manager made revisions and modifications to the original departmental requests, and current year estimates, in order to arrive at a final proposed budget. The Finance Department prepared revenue estimates using available historical data, combined with current-year projections and trend information. The City Manager also reviewed and made modifications to revenue estimates.

On or before August 15 of each year, the City Manager presents to the City Council a proposed budget for the next fiscal year. The proposed budget is also filed with the City Secretary, posted on the City's website, and placed in the Keller Public Library for public review and inspection. The City Council and staff then hold a public budget review work session, at which specifics of the proposed budget are considered, discussed and prioritized. As a result of Council direction, some amendments may be made to the proposed budget. These amendments are then incorporated into an amended proposed budget. After the amendments are incorporated into the proposed budget, a public hearing on the amended proposed budget is held by the City Council in September. Prior to the public hearing, in accordance with the City's charter requirements, proper notice is published in the local newspaper encouraging interested citizens to be present and make any comments on the City's proposed budget. At the conclusion of that public hearing on the proposed budget, the City Council adopts the final budget by ordinance, including any additional modifications that may have been made as a result of the public hearing. (However, any increase in the proposed budget as a result of the modifications requires an additional public hearing to consider the proposed increase.) Subsequent to the adoption of the budget, a separate ordinance is adopted, establishing the tax rate necessary to fund the City's operations and debt service requirements.

Budget Amendment. In accordance with Article VIII, Section 12 of the Keller Charter, the City Council may amend the budget by ordinance if the amendment will not increase total budget expenditures. If an increase in total expenditures is necessary to protect the public property or the health, safety or general welfare of the citizens of Keller, the total budget may be increased after the notice and public hearing (as prescribed for the adoption of the original budget).

BUDGET OBJECTIVES

The FY2016 budget has been prepared in an effort to communicate to the citizens and staff of the City the overall policies and goals of the City Council. The budget document includes descriptions of the City's various activities and programs (departments), goals and objectives for the current and future years, and comparative service level indicators for each program or activity, where available. This format is designed to communicate clearly to the public the goals and objectives of the City Council, thereby enabling the reader to gain more useful information about the City, without requiring detailed accounting or budgetary knowledge.

For each operational fund, the budget is prepared on a line-item basis by individual department and division/activity. The City Manager then presents budget programs, goals and objectives to the City Council. Line-item expenditure justifications are omitted from the budget document in order to focus more on the programs and objectives of the coming fiscal year. The Finance Department will provide a line-item and capital outlay detail budget upon request.

READER'S GUIDE

BUDGET PHILOSOPHY

Budget philosophy for the City depends upon the local needs and concerns of the citizens and ultimately by direction of the City Council. Other factors also affect budget philosophy, such as the state of the local economy, the demands of the public for increased services, and unfunded mandates and requirements of federal and state regulatory agencies. Even with all of these considerations, the City's budget is prepared from a conservative perspective with regard to estimating both revenues and expenditures. Although historical comparisons and trends are very useful, often current-year data and trends will take precedence over prior-year trends.

Likewise, expenditures are estimated conservatively, i.e., allowances are made for unanticipated expenditures and personnel service costs for vacant positions are funded for the entire fiscal year, except where noted otherwise. *The use of conservative budget estimates generally results in favorable budget variances at the end of the fiscal year, thereby increasing the actual fund balance.*

PRESENTATION OF FINANCIAL INFORMATION AND BASIS OF ACCOUNTING

Fund Accounting. The City utilizes fund accounting procedures to prepare the annual operating budget. By definition, a "fund" is a distinct fiscal entity, accounting for receipts and disbursements that are for specific activities. A fund is a self-balancing set of accounts, in which assets equal liabilities plus fund balance.

The City primarily uses the following fund types:

- Governmental funds
- Proprietary funds

Governmental Fund Types: Governmental fund types are those funds through which most governmental functions of the City are financed. The City uses the following four types of governmental funds:

General Fund – the general operating fund of the City, used to account for and report all financial sources not accounted for and reported in another fund. Typical governmental functions, such as police, fire, library, streets, parks, and administration, are funded in the General Fund.

Special Revenue Funds – these funds are used to account for and report proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes, other than debt service or capital projects. The City budgets for the following Special Revenue funds:

Keller Development Corporation – accounts for proceeds of the ½-cent local sales tax for park improvements.

The Keller Pointe (Recreation/Aquatic Center) Fund – accounts for the operations of The Keller Pointe Recreation and Aquatic Center, which opened for operations in May 2004. It is the intent of City management that: a) the operations of the facility will be self-supporting and funded by user fees and charges; and b) no general tax-supported revenue will be used to fund facility operations. The Fund is classified as a Special Revenue Fund for budget reporting purposes. The intent of the Fund is to cover its operating costs with user fees; however, debt obligations used to fund the original construction of the facility are the responsibility of the Keller Development Corporation, and are not being repaid from user fees. The Fund is shown as a user-fee supported fund or a Special Revenue Fund throughout the budget document.

READER'S GUIDE

Fund Accounting

Governmental Fund Types – Special Revenue Funds (continued)

Library Special Revenue Fund – accounts for special contributions and related expenditures for the Keller Public Library.

Recreation Special Revenue Fund – accounts for specific revenues resulting from the operation of the City's recreation program, and related costs.

Municipal Court Special Revenue Fund – accounts for technology, building security fees and juvenile case manager fees collected from Municipal Court citations. Expenditures from these fees are specifically designated by State law.

Public Safety Special Revenue Fund – accounts for revenues and expenditures of a specific nature for the Police and Fire Departments. Included within this fund are revenues from narcotics seizures, training cost reimbursements from the State of Texas Law Enforcement Officer Standards and Education, local, state, or federal grants, Homeland Security grants, and miscellaneous public donations to the Police and Fire Departments. Because the amount and source of revenues are unpredictable and sporadic, no annual budget is prepared or adopted for this fund.

Public Education and Government (PEG) Cable Franchise Fee Special Revenue Fund – The PEG Cable Franchise Fee Fund accounts for PEG cable franchise fees charged in accordance with Section 622(g)(2)(C) of the Cable Act (47 U.S.C. §542(g)(2)(c)). PEG fees are remitted to the City by cable television providers. Fees may be used for capital costs for PEG facilities, including purchases of equipment used in the broadcasting and/or dissemination of public information.

Information Services Special Revenue Fund – The Information Services Fund is funded primarily by transfers from both the General and Water and Wastewater Funds, as well as income received from communication tower leases on property owned by the City. These resources are used to fund the operation of a citywide information systems and information technology program.

Special Contributions and Donations Special Revenue Fund – created in FY2007 to account for public donations or other designated revenues. Because the amount and source of revenues are unpredictable and sporadic, no annual budget is prepared or adopted for this fund.

Keller Crime Control Prevention District Special Revenue Fund – a fund established in FY2002 to account for revenues derived from sales and use taxes, in accordance with Section 363 of the Texas Local Government Code, to be used for public safety crime control and prevention programs (crime tax). In November 2001, voters authorized a 3/8 of one cent (0.375%) sales and use tax for this fund. In May 2006, voters authorized the tax for an additional period of 15 years. In November 2007, voters authorized a reduction in the rate from 3/8 of one cent (0.375%) to 1/4 of one cent (0.25%).

Community Clean-Up Special Revenue Fund – created in FY2011 and accounts for resources from monthly fees assessed to residential customers that are specifically designated for clean-up programs within the community, including, but not limited to, storm debris pick-up, citywide clean-ups, and educational and promotional activities. The purpose of this program is to provide public services that assist in keeping the City free and clear of any debris, waste, refuse or other items that may cause a public safety issue, be a public nuisance or be a detriment to the aesthetics of the community.

READER'S GUIDE

Fund Accounting

Governmental Fund Types (continued)

Budgeted funds in the above group are located in the Other Funds section of the document.

Debt Service Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The City utilizes two debt service funds.

Debt Service Fund – used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. This fund does not account for debt obligations backed by revenues of the City's water and wastewater activities.

Keller Town Center Tax Increment Reinvestment Zone (TIRZ) Interest and Sinking (I&S) Fund – accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest issued by the Keller Town Center TIF. TIF assessments are paid into the I&S fund from each of the participating entities.

These two funds are located in the Debt Service section of the document. Debt service schedules for Special Revenue and Proprietary Fund Types are included within the activities of the respective fund.

Capital Projects Funds – used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Funding sources are typically bond proceeds or certificates of obligation. There are several capital project funds used by the City to fund various capital improvements, which are included in the City's audited financial statements. However, the City currently maintains only three capital project funds that are recurring in nature, i.e., financed with transfers, user fees or short-term debt. Except for intragovernmental transfers to other funds, e.g., transfers of interest earnings or impact fees from capital projects funds to debt service funds for debt retirement, only the following capital project funds are included in the City's budget totals:

Park Development Fee Fund – accounts for developer fees that are designated for funding park capital improvements.

Street/Sidewalk/Drainage Improvements Fund – accounts for developer sidewalk fees, street assessments, and the one-eighth cent (0.125%) street maintenance sales tax revenues that are designated for street, sidewalk and drainage improvements. In November 2011, voters reauthorized the tax for four additional years at one-fourth of one cent (0.25%).

Fleet Replacement Fund – accounts for the annual funding of capital equipment replaced with the issuance of short-term debt proceeds, or transfers from other funds. The equipment replaced is typically operational in nature, and therefore this fund is included in the budget total amounts.

Project-based capital projects funds are included in the City's audited financial statements, but are not necessarily subject to annual appropriations, and are therefore usually excluded from the operating budget totals. These funds include: Capital Projects Fund, Parks Capital Improvements Fund, the Roadway Impact Fee Fund, the Water Impact Fee Fund and the Wastewater Impact Fee Fund. Project information, including related current funding (if any) for some of these funds is disclosed in the Capital Improvements section of the document.

Proprietary (Business-Type) Fund Types: In addition to governmental fund types, the City also uses proprietary fund types or enterprise funds. Enterprise funds are used to account for operations that are financed in a manner similar to private business enterprises. The City utilizes the following enterprise funds:

READER'S GUIDE

Fund Accounting

Proprietary Fund Types

(continued)

Water and Wastewater Fund – accounts for and reports revenues and expenses of the City's water and wastewater activities, financed through user charges and fees for water and wastewater services. Expenses also include the related annual debt service obligations.

Drainage Utility Fund – accounts for and reports revenues and expenses of the City's drainage utility, which is financed through drainage charges. This fund is located in the Other Funds section of the document.

Budget Columns. In order to facilitate enhancing year-by-year changes, comparative financial information for the following years, is presented in the columns below:

(1)* 2013-2014 <hr style="width: 80%; margin: 0 auto;"/> Actual (FY2014)	(2) 2014-2015 <hr style="width: 80%; margin: 0 auto;"/> Budget (FY2015)	(3) 2014-2015 <hr style="width: 80%; margin: 0 auto;"/> Estimate (FY2015)	(4) 2015-2016 <hr style="width: 80%; margin: 0 auto;"/> Budget (FY2016)
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* FY2014 amounts represent the actual amounts as provided by the prior year audited financial statements.

Basis of Accounting and Budgeting. The accounts of the City are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. All funds are budgeted (except as otherwise stated earlier) and accounted for on a Generally Accepted Accounting Principles (GAAP) basis for purposes of financial statement presentation in the City's audited financial statements. The Governmental Fund Types, e.g., General and Special Revenue Funds, use a financial resources measurement focus and are accounted and budgeted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures represent a decrease in net financial resources and, other than interest on general long-term debt, are recorded when the fund liability is incurred, if measurable. Interest on general long-term debt is recorded when due.

In the City's audited financial statements, Proprietary (Enterprise) Fund types, e.g., the Water and Wastewater Fund, are accounted and budgeted on a cost of services or "capital maintenance" measurement focus, using the full accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. However, for purposes of this budget presentation, depreciation is not budgeted, and capital expenditures and bond principal payments are shown as uses of funds (expenditures). Unless otherwise noted, working capital, rather than retained earnings, is used to represent fund balance in all funds, including Enterprise Funds. Working capital is generally defined as the difference between current assets (e.g., cash and receivables, etc.) and current liabilities – excluding the current portion of principal and interest due (e.g., accounts payable) – and provides a better comparative analysis of proprietary fund reserves for budget purposes than does the presentation of retained earnings as presented in the audited financial statements. In addition, budgeting capital outlay as expenditures for budgetary purposes allows the proposed capital purchases to be reviewed and authorized by City Council each year.

BUDGET DOCUMENT PRESENTATION FORMAT

Included in the introductory section of the budget document are a citywide organization chart, a budget calendar and a list of principal officials. As in prior years, the budget contains the City Manager's budget message (transmittal letter) to the citizens and the City Council.

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BUDGET DOCUMENT PRESENTATION FORMAT (continued)

Following the introductory material in the document, citywide budget summaries, or budget-in-brief, are presented. Budget summaries include consolidated and/or condensed budget information by fund and general categories, including all revenues and expenditures, transfers and projected ending fund balances. Other summary information is also included, such as personnel and staffing position summaries by fund/department/program or activity; and an ad valorem tax summary, presenting information regarding the assessed valuation and the tax rate (levy) adopted for each year. Appropriate graphs and charts have also been included to assist the reader in the interpretation of financial data.

Financial summaries and detailed departmental information are then presented for each individual budgetary fund, where appropriate. The information presented for each fund includes a comparative fund summary with beginning and ending fund balances, and a summary of revenues and expenditures. Revenues are presented for each fund by detailed sources, while summaries of expenditures are presented for both the department/activity and function (i.e., personnel services, operations, etc.). Personnel and staffing level summaries are also presented for each individual fund and department/activity. Graphs and charts of summary data are included where appropriate.

Following the individual fund summary data, detailed departmental and activity information is presented. These presentations include a department expenditure summary and an authorized personnel/position summary for each department. A department/activity summary includes (1) a brief description of the program/activity (department), outlining the major areas of responsibility; (2) major goals for the program/activity for the year; and (3) appropriate comparative service level analysis.

The Supplementary Information section includes the City's miscellaneous fees schedule, budget policies and procedures, and Fiscal Management Contingency Plan. The budget policies include explanations of the budget preparation process, its deliberation and adoption, the public hearing process and policies for amending the budget subsequent to its adoption. Also included in this section is: a General and Debt Service Fund long-range financial projection; the compensation pay plan; a list of acronyms; and a glossary of terms.

DEPARTMENTAL MATRIX

The following table indicates the relationship of city departments between funds and fund types used in the budget document.

Department	Governmental Funds				Proprietary Funds	
	General Fund	Other Funds ⁽¹⁾	Debt Service	Capital Projects	Water & Wastewater	Drainage
Administration/General Government						
Planning & Development						
Police Department						
Fire Department						
Public Works Department						
Keller Public Library						
Parks and Recreation						
Water & Wastewater (Administration)						
Water Utilities						
Wastewater Utilities						
Drainage Utility						

⁽¹⁾ Includes all budgeted Special Revenue Funds.

READER'S GUIDE

INTEGRATION WITH THE FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM

A Five-Year Capital Improvements Program (CIP) is prepared and updated each year, and includes detailed project descriptions along with anticipated project costs and sources of project funding. Many capital projects require the issuance of debt (e.g., general obligation bonds, certificates of obligation) and are therefore currently unfunded; however, the FY2016 CIP projects (if any) are approved during the budget process. Since most projects require the issuance of debt, those projects are not funded until the Mayor and City Council take specific official action to authorize funding during a public meeting.

A summary of the 2015-2016 through 2019-2020 CIP is provided in the capital improvements section of the document.

CONCLUSION AND ACKNOWLEDGMENTS

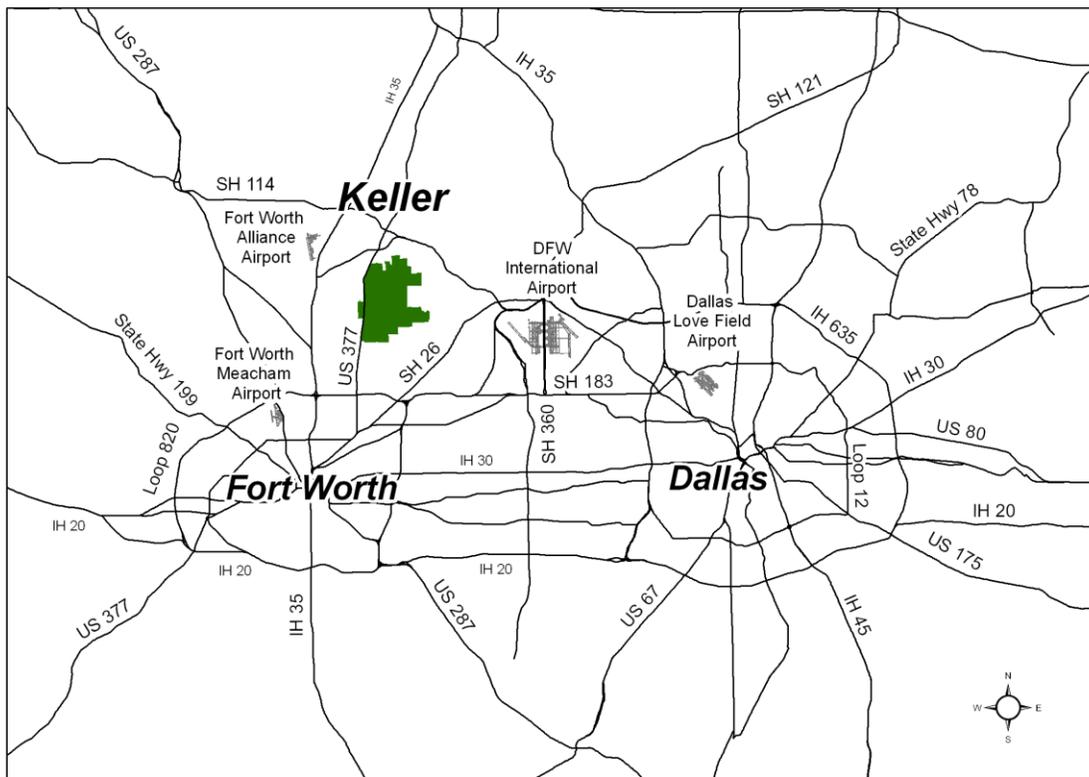
The preparation of the FY2016 budget document was made possible by the dedicated service of the staff and the Mayor and City Council of the City. Each employee who assisted in contributing to the preparation of this annual budget has the sincere appreciation of the budget staff. Appreciation is also expressed to the Mayor and City Council for providing the necessary direction and resources to maintain the integrity of the City's financial and budgetary affairs.

GENERAL INFORMATION

By successfully balancing big-city comforts with small-town charm, Keller, Texas has evolved into one of the most desirable communities in the country. High-quality neighborhoods, thriving businesses and excellence in municipal service, efficiency and innovation have earned Keller regional and national attention, and we continue those best practices today while working toward an even brighter future.

Located in the heart of the Dallas-Fort Worth Metroplex, Keller's roughly 19 square miles is home to nearly 43,000 people. The city offers a safe, welcoming atmosphere; excellent schools both public and private; a variety of shopping and dining destinations; nationally recognized parks and recreation amenities; and award-winning city facilities and programs. Beyond our borders, residents have easy access to Dallas/Fort Worth International Airport, a number of major regional thoroughfares, and the world-class museums, sports franchises and entertainment of nearby Dallas and Fort Worth.

In the past year, Keller has been recognized as one of the safest cities in Texas as well as one of the Best Cities for both young families and empty-nesters in the Lone Star State. A variety of media outlets, including *The Dallas Morning News* and *D Magazine* have also rated Keller one of the best places overall to live in the DFW region, and a mix of state and national organizations have honored the city in the areas of parks and recreation, community development, public safety, library services, management innovation, communication, and financial excellence and transparency.



GOVERNMENT AND OPERATIONS

Close proximity to the Trinity River, abundant land and plentiful game first drew settlers to Keller, originally known as Athol, during the early 1850s. The City of Keller, named for Texas Pacific Railroad foreman John C. Keller, was officially established in 1881 as the rapid development of railroad service through North Texas helped turn the city into a successful trade center. Nearly 75 years later, in 1955, the city was incorporated under the general laws of the State of Texas.

The City of Keller now operates under the Council-Manager form of government with a home rule charter approved by voters in 1982 and most recently amended in November 2010. Under the Council-Manager form of government, day-to-day operations are handled by a city manager, whom the City Council appoints to serve as the chief administrative and executive officer of the city. Meanwhile, the Keller City Council — comprised of a mayor and six council members elected at-large for three-year staggered terms during general elections held in May of each year — focuses on vision and policies, and approves the blueprint for those plans in the form of a budget each year.

Keller provides a full level of public services to its citizens, including administrative services; police, fire, animal control and emergency medical services; municipal court services; parks and recreation facilities; a public library; community planning and building inspection; economic development; public works and engineering; street maintenance; water, wastewater and drainage utility services; and contracts for solid waste collection and disposal.

POPULATION AND ECONOMICS

The City of Keller experienced significant population growth from 1970 until about 2010, rating it among the fastest growing cities in Tarrant County. The city continues to grow primarily as a residential community, with many residents employed by major companies located within a 15-mile radius of the city, and is now approximately 85 percent developed. However, the city continues to feel the effects of rapid growth in neighboring cities, particularly the area of North Fort Worth adjacent to Keller's western border.

The following table presents Keller's official Census population since 1970, as well as the current year's estimated population.

	Population	Increase (Decrease)	Pct Increase (Decrease)
1970 Census	1,474	NA	NA
1980 Census	4,156	2,682	182.0%
1990 Census	13,683	9,527	229.2%
2000 Census	27,345	13,662	99.8%
2010 Census	39,627	12,282	44.9%
2015 Estimate	42,890	3,263	8.23%

The city anticipates steady residential and commercial growth in the future. In order to keep pace, infrastructure improvements have continued to be a high priority. Following nearly \$20 million worth of improvements to two important thoroughfares — Rufe Snow Drive and North Tarrant Parkway — three years ago, Keller has focused on the reconstruction of residential streets and important thoroughfares as well as the expansions of key intersections such as Main Street/Keller Parkway and Rufe Snow/Johnson Road.

The city is also working in conjunction with local and state agencies on the expansion of FM 1938 to four lanes, which will improve access along the city's eastern boundary to State Hwy. 114, and has plans for significant public improvements in Old Town Keller aimed at spurring additional economic development and improving driver and pedestrian safety.

The city is also undertaking major sanitary sewer expansion projects along our western border and in the north portion of the city; planning the expansion of our water infrastructure to handle the city's predicted needs at build-out; and considering new, ongoing programs aimed at maintaining and growing our sidewalk network.

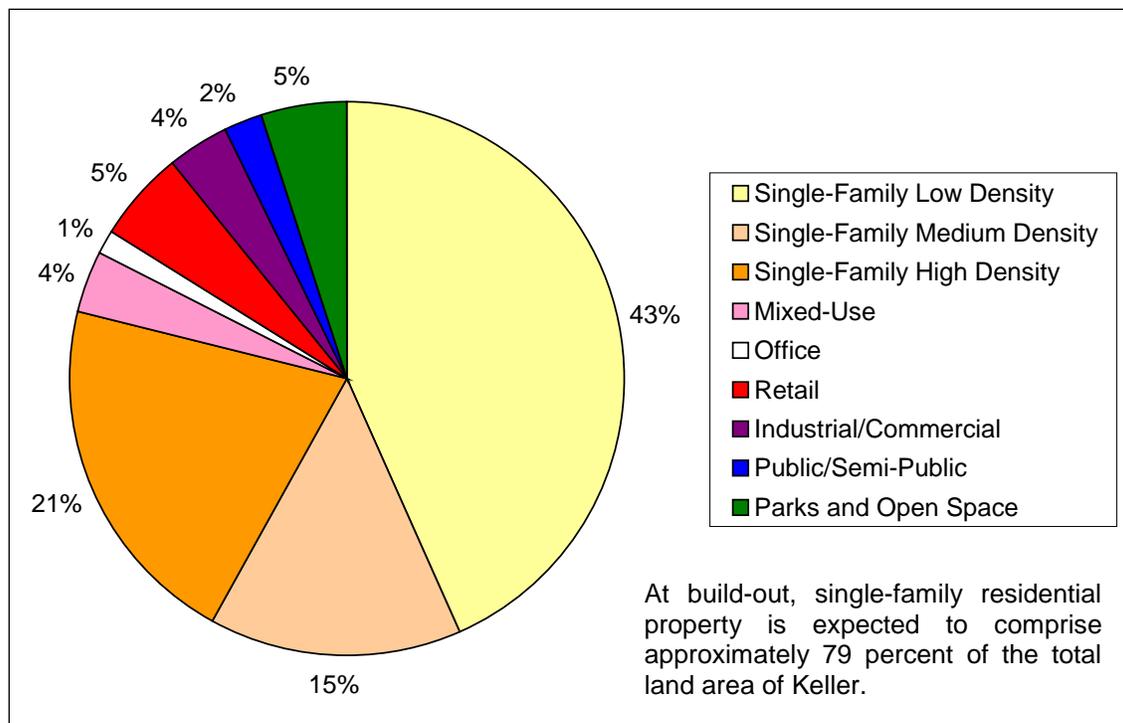
Along with its growing population, Keller continues to see growth in its commercial sector with \$88 million in new commercial construction added in Fiscal Year 2014 alone and more than \$120 million estimated in FY 2015. During FY 2016, the city anticipates another \$132.5 million in commercial growth, bringing retail

and office square footage to over 4.6 million. This growth has occurred primarily along major arterials such as FM 1709 and U.S. Hwy. 377. Old Town Keller, which stretches along both sides of Hwy. 377, has experienced a resurgence in office, retail and restaurant activity in the past few years. Recent openings have included Feedstore BBQ, Printed Threads General Store, Starbucks, Texas Bleu Steakhouse and Mexican Inn.

Keller Town Center, too, has seen a rush of activity. Recent openings have included Moviehouse & Eatery, an eight-screen dine-in movie theater and restaurant, as well as Out on a Limb boutique, Hollywood Feed pet store, Pie Five Pizza, Jersey Mike's and upscale men's salon 18/8.

At more than \$8.74 million, the total local sales and use tax rebate for calendar year 2014 provided an important boost to the city's General Fund and special revenue funds focused on park development, public safety and street maintenance. That trend of steady growth has continued in calendar year 2015, with monthly figures consistently besting those achieved in 2014.

CURRENT PROPOSED LAND USE AT BUILD-OUT



EDUCATION

The Keller community is primarily served by the Keller Independent School District, which stretches across 51 square miles to serve all or part of nine different cities in Northeast Tarrant County, including Keller, Colleyville, Fort Worth, Haltom City, Hurst, North Richland Hills, Southlake, Watauga and Westlake. The district features 39 campuses educating more than 33,700 students with an annual operating budget of nearly \$250 million, and is regularly honored for educational excellence, academics, fine arts, athletics, financial efficiency and transparency, and campus safety.

KISD provides instruction for children in pre-Kindergarten through 12th grade, and employs more than 3,850 people, including just over 2,400 teachers. Thanks to population growth throughout its service area, particularly in North Fort Worth, enrollment in Keller ISD has more than doubled during the past 10 years

and is expected to rise to more than 40,000 during the next decade, making it one of the fastest growing school districts in the state.

Families preferring a private, faith-based educational experience have their choice of Messiah Lutheran Classical Academy and St. Elizabeth Ann Seton Catholic School within Keller's city limits.

Educational opportunities beyond high school are also readily available. The Northeast campus of the Tarrant County College District is within short driving distance and several colleges and universities stand within a 40-mile radius, including Southern Methodist University, Texas Christian University, Texas Woman's University, the University of North Texas, the University of Dallas, the University of Texas at Arlington and the University of Texas at Dallas. Several trade, industrial and technical schools are also located throughout the DFW area.

QUALITY OF LIFE

Parks and Recreation: The City of Keller's award-winning parks and recreation system features more than 300 acres of developed park land and nearly 19 miles of hike and bike trails. The city's 11 developed park sites include popular Bear Creek Park (44 acres) and The Parks at Town Center (102 acres), which connect through a scenic off-road hike and bike trail and feature fishing areas, playgrounds, picnic tables, pavilions, and basketball and volleyball courts; and The Keller Sports Park, which opened in 1996 and currently provides seven baseball fields, two football/four t-ball fields, five regulation soccer fields, two youth soccer fields, two sand volleyball courts, equestrian trails and more.

The department also staffs and manages The Keller Pointe, an award-winning fitness and aquatics facility offering cardio and weight-lifting equipment, an indoor track, indoor basketball/volleyball courts, exercise classes, two pools and a splash pad; keeps residents age 55 and up having fun at the Keller Senior Activities Center; and organizes a wide variety of special community events, workshops, youth camps and sports leagues annually.

Keller Public Library: Supporting lifelong learning and fun through more than 80,000 materials and 500 annual programs, the Keller Public Library was recently honored with its fifth consecutive Achievement in Library Excellence Award from the Texas Municipal Library Directors Association, marking it as one of the best public libraries in Texas.

The 21,000-square-foot facility was incredibly popular in Fiscal Year 2014, with over 229,000 visitors helping circulate 516,000 materials. Nearly 27,300 Keller citizens own a library card. In addition to a wide variety of media, including books, DVDs, audio books, newspapers and magazines, the library has also been expanding its online services in recent years and now offers not only thousands of free e-books and audiobooks, but also digital magazines, interactive foreign language programs and free downloadable music.

Public Safety: Keller is one of the safest cities in the region, protected by the first Texas police agency to have received accreditation at both the state and national levels. With the smallest number of sworn officers per capita in the area accomplishing one of the lowest crime rates in the state, the Keller Police Department's headquarters also proudly house the Keller Regional Animal Adoption Center managed by the Humane Society of North Texas; the Keller Regional Jail; offices for Regional Animal Services; and the Northeast Tarrant Communications Center, a regional 911 dispatch center known as NETCOM.

The award-winning Keller Fire Department focuses efforts on fire prevention and education, all the while training to maintain their status as one of the most skilled fire and rescue departments in the state. Every Keller firefighter is also cross-trained as a paramedic, and the department has achieved the highest licensing possible from the Texas Department of State Health Services, qualifying KFD ambulances as Mobile Intensive Care Units.

Area Recreation and Leisure: Diversity in Keller's housing market offers something for everyone, whether a family prefers an apartment near the Town Center, a master-planned community surrounding an 18-hole championship golf course, low maintenance patio homes or a large wooded lot offering an escape from the daily bustle. In addition to the Keller-based Sky Creek Ranch golf course, which opened in 1998, several 18-hole championship golf courses are located within minutes of the city. The DFW area is also home to more than a dozen lakes offering boating, fishing, camping and picnic facilities. And the cities of Fort Worth, Arlington and Dallas, with their varied cultural opportunities of theaters, museums, zoos, botanical gardens and professional sports teams, are within 30 minutes of Keller. Major tourism attractions in the area include: the Fort Worth Botanical Gardens, the Fort Worth Zoo, the Fort Worth Stockyards, Hurricane Harbor, Six Flags over Texas, Texas Motor Speedway, the Dallas Zoo, the Dallas World Aquarium, the Perot Museum of Nature and Science, the George W. Bush Presidential Library and dozens of art museums and galleries. Professional sport franchises in the area include the Dallas Cowboys, Texas Rangers, Dallas Stars, Dallas Mavericks and FC Dallas.

MEDICAL

The DFW Metroplex area is served by more than 70 hospitals offering specialized services such as organ transplantation, major trauma care, cancer treatment, kidney dialysis, chemical dependency treatment and more, and excellent healthcare at four of the largest hospitals in Tarrant County is available within minutes of Keller.

Medical facilities have flourished in Keller over the past several years, with a variety of health needs now being served at the 39,000-square-foot Baylor Medical and Diagnostic Center on Hwy. 377, the 31,000-square-foot Keller Health Plaza on Bourland Road, the recently expanded 6,650-square-foot Cook Children's pediatric facility on Keller Parkway and the 37,579-square-foot Baylor Emergency Medical Center at Keller, an emergency and specialty medical center on South Main Street that began accepting patients — and EMS transports — around the start of 2014. In fact during 2014 alone, more than a dozen medical practices and offices became part of the Keller healthcare community. These have included specialists in counseling, dental surgery, physical therapy, radiology, eye care, dentistry and chiropractic services — even a new clinic for furry and feathered members of the family.

TRANSPORTATION

The City of Keller is well served by several major thoroughfares offering quick access throughout North Texas, including Interstates 35 and 820, U.S. Highway 377, State Highways 114, 121, 170, 183 and 26, and FM 1938 and 1709.

Located nine miles east of the city, Dallas/Fort Worth International Airport provides access to more than 200 destinations worldwide, including 57 international connections. Nearby Meacham Field is a fixed-base operation for private and commercial service, and Alliance Airport began limited operations in 1989. As the first newly constructed industrial airport in the U.S., Alliance is now home to a FedEx hub, BNSF Intermodal Terminal, Drug Enforcement Agency and numerous distribution company facilities.

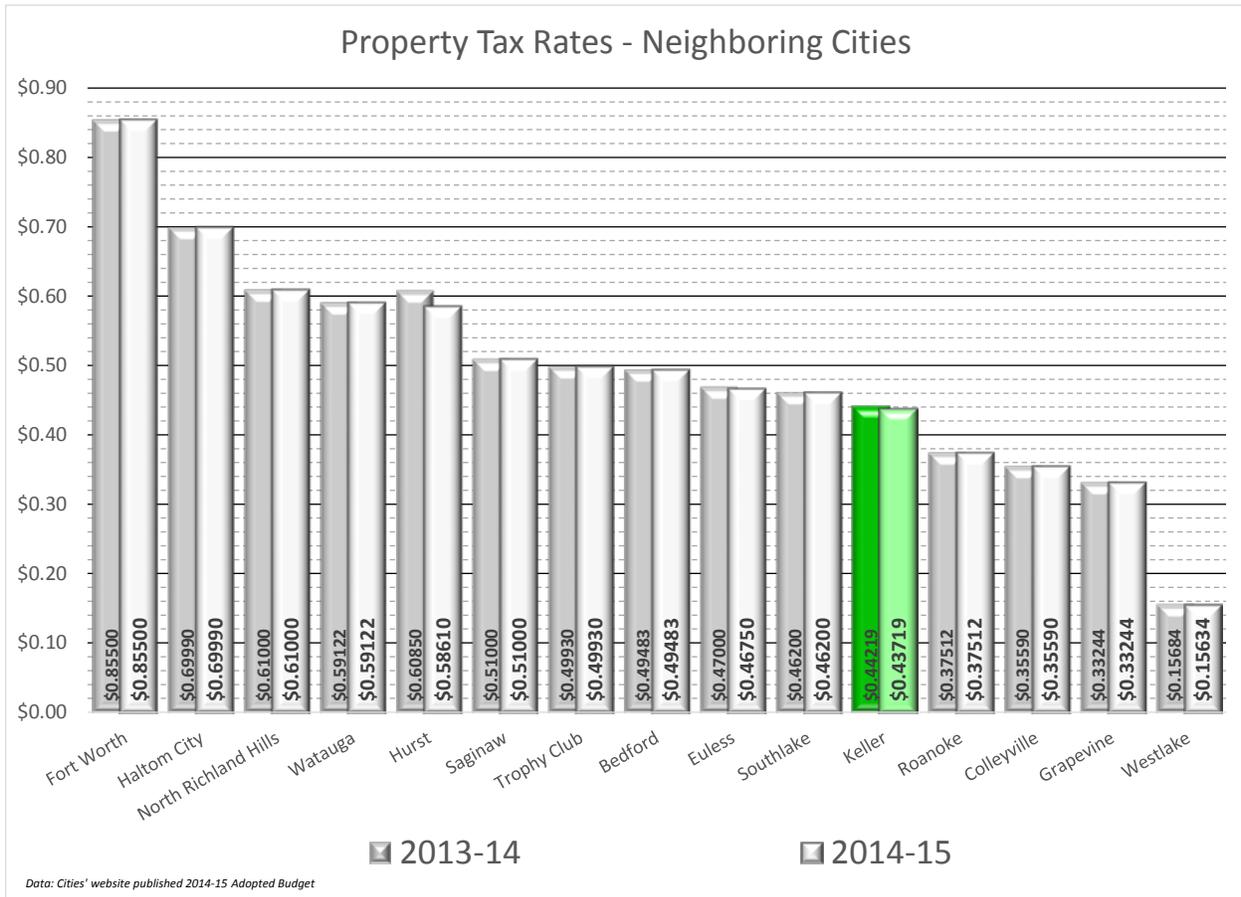
Keller also sits only 5 miles north of the Richland Hills Light Rail Station, providing access to the Trinity Railway Express (TRE) commuter rail service between Fort Worth and Dallas; Dallas Area Rapid Transit (DART), which offers public transportation access to 13 area cities across a 700-square-mile area; and the Fort Worth Transportation Authority (The T), which operates a large bus and vanpool system with plans for new commuter rail to run from downtown Fort Worth to Grapevine and the Dallas/Fort Worth International Airport by 2018.

FINANCIAL

Conservative fiscal management is a cornerstone of Keller's government; city leaders and staff are active in determining the most cost-effective ways to meet goals, began the practice of zero-based budgeting during FY2013 and maintain one of the lowest ad valorem tax rates in the region. By closely monitoring expenditures, implementing cost-saving initiatives and exploring creative partnerships, the city is able to maintain the service levels that our residents have come to expect and position Keller to thrive.

Keller's finances and transparency efforts have been recognized by the Texas Comptroller's Office, which has honored Keller for five years with its Gold Leadership Circle Award for Transparency in Financial Reporting, and by the Government Finance Officers Association, which has awarded the city its Distinguished Budget Presentation Award for 19 consecutive years and its Excellence in Financial Reporting Award for 25 consecutive years.

TAX RATES OF NEIGHBORING NORTHEAST TARRANT COUNTY CITIES (Rates per \$100 of Taxable Value)



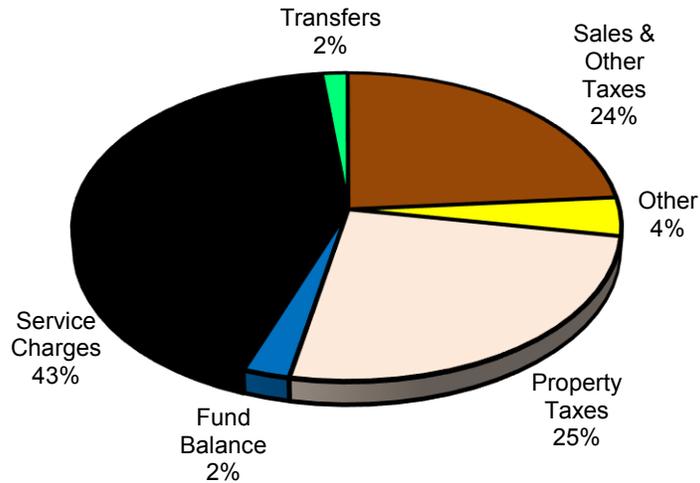
Source: Tarrant Appraisal District website

Chart shows two prior years' adopted rates; FY2015-16 proposed tax rates are unavailable at this time. As shown, tax rates typically increase or decrease slightly from year to year.

CITY OF KELLER, TEXAS 2015-2016 BUDGET

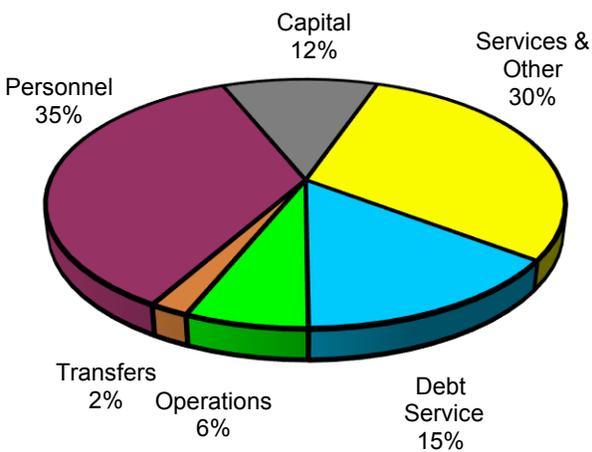
The purpose of this section is to provide an overview of the city as a whole and provide a brief summary of each fund.

SOURCES OF REVENUE \$79,852,287

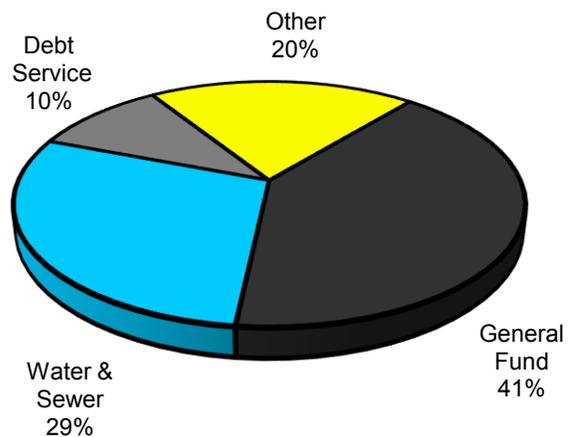


EXPENDITURES (USES) \$79,852,287*

Expenditures by Function



Expenditures by Fund



* Total expenditures exclude \$9,419,595 and \$210,460 from the available General Fund and The Keller Pointe fund balances. See Transmittal Letter and Budget Summary Section (pages 45-46) for additional information.

BUDGET SUMMARY BY FUND TYPE

Fund Type / Fund Name	Estimated Beginning Balance 10/01/2015	Revenues And Transfers In	Expenditures And Transfers Out *	Other Reservations Of Fund Balance	Estimated Ending Balance 09/30/2016
GOVERNMENTAL FUND TYPES:					
Property-Tax Supported Funds:					
General Fund	\$ 15,582,230	\$ 33,962,109	\$ 32,436,297	\$ –	\$ 17,108,042
Debt Service Fund	615,268	5,167,105	5,118,780	–	663,593
* Subtotal *	16,197,498	39,129,214	37,555,077	–	17,771,635
Special Revenue/Other Funds:					
Keller Development Corporation	2,216,947	2,956,961	2,496,125	565,242	2,112,541
The Keller Pointe ⁽¹⁾	1,008,847	3,078,080	3,390,425	–	696,502
Information Services Fund	536,136	1,765,785	1,746,314	–	555,608
Library Special Revenue Fund	24,703	20,560	7,500	–	37,763
Recreation Special Revenue Fund	323,085	238,400	232,700	170,851	157,934
Court Special Revenue Fund	89,838	123,690	156,592	–	56,936
Cable Franchise Special Revenue Fund	542,366	160,130	279,420	–	423,076
Crime Control Prevention District	3,319,585	1,324,070	1,045,745	1,868,012	1,729,898
Community Clean-Up Fund	155,243	32,440	30,000	–	157,683
* Subtotal *	8,216,750	9,700,116	9,384,821	2,604,105	5,927,940
Other Debt Service Funds:					
Interest & Sinking Fund – TIRZ	492,704	3,745,650	2,985,795	–	1,252,559
Capital Projects Funds:					
Park Development Fee Fund	924,055	181,250	900,000	–	205,305
Street/Sidewalk Improvements Fund	2,998,718	1,482,961	4,315,398	–	166,281
Fleet Replacement Fund	818,939	423,180	197,150	–	1,044,969
* Subtotal *	4,741,712	2,087,391	5,412,548	–	1,416,555
TOTAL GOVERNMENTAL FUNDS	29,648,664	54,662,371	55,338,241	2,604,105	26,368,689
ENTERPRISE FUNDS:					
User Fee-Supported Funds:					
Water & Wastewater Fund	7,932,719	21,560,125	23,174,873	–	6,317,971
Drainage Utility Fund	2,771,677	1,648,960	1,339,173	–	3,081,464
TOTAL ENTERPRISE FUNDS	10,704,396	23,209,085	24,514,046	–	9,399,435
TOTAL – ALL FUNDS	\$ 40,353,059	\$ 77,871,456	\$ 79,852,287	\$ 2,604,105	\$ 35,768,124

Total revenues	\$ 77,871,456
Use of available fund balances	1,980,831
Total available	<u>\$ 79,852,287</u>
 Total appropriations	 <u>\$ 79,852,287</u>

(1) – Fund balance is cash and investments.

* Total expenditures exclude \$9,419,595 and \$210,460 from the available General Fund and The Keller Pointe fund balances. See Transmittal Letter and Budget Summary Section (page 45-46) for additional information.

BUDGET FINANCIAL SUMMARY (BUDGET IN BRIEF)

Revenues and expenditures are presented both by fund and by function. Funds include the General Fund, Special Revenue Funds, Debt Service Fund, Enterprise (e.g., Water and Wastewater) Funds, the Keller Development Corporation Fund, the Park Development Fee Fund, The Keller Pointe Recreation/Aquatic Center Fund, and the Fleet Replacement Fund.

Budget definitions:

- **Adopted Budget** – the 2014-15 (FY2015) adopted budget approved by the City Council on September 16, 2014.
- **Revised Budget** – the FY2015 adopted budget, including authorized fiscal year-to-date transfers and amounts for capital projects, contractual agreements and purchase orders that were incomplete as of September 30, 2014.
- **Estimate(d) Budget** – Anticipated FY2015 budget estimates and projections as of June 2015.
- **Budget (2015-2016)** – proposed 2015-2016 budget as proposed by the City Manager.

Unless otherwise noted, budget amounts for fiscal years 2014-2015 and 2015-2016 exclude one-time expenditures. See pages 44-45 for additional information regarding one-time expenditures.

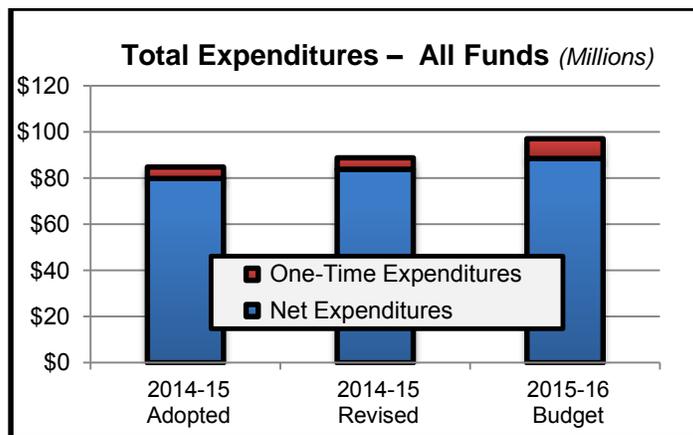
EXPENDITURES

Total expenditures for all funds for FY2016 are \$79,852,287, an increase of \$4,992,672, 6.6 percent, from 2014-2015 adopted budget of \$74,859,615.

The following table provides comparative information for both total expenditures and expenditures net of one-time expenditures for fiscal years 2015 and 2016.

Total Expenditures and Net Expenditures – All Funds
Compared to 2014-2015 Adopted Budget and 2014-15 Revised Budget

	2014-15 Adopted	2014-15 Revised	2015-16 Budget	2014-15 Increase (Decrease) Over			
				Adopted Budget		Revised Budget	
				Amount	Percent	Amount	Percent
Total expenditures	\$ 79,796,245	\$ 83,506,520	\$ 89,482,342	\$ 9,686,097	12.14%	\$ 5,975,822	7.16%
Less:							
One-time expenditures	(4,936,630)	(4,936,630)	(9,630,055)	(4,693,425)	95.07%	(4,693,425)	95.07%
Net expenditures	\$ 74,859,615	\$ 78,569,890	\$ 79,852,287	\$ 4,992,672	6.67%	\$ 1,282,397	1.63%



EXPENDITURES

(continued)

Total Expenditures by Fund – All Funds*Compared to 2014-2015 Revised Budget*

Fund	2013-2014 Actual	2014-2015 Budget	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Amount	Percent
General fund	\$ 30,755,909	\$ 36,965,190	\$ 32,436,297	\$ (4,528,893)	(12.3%)
Water & wastewater fund	21,052,125	21,953,180	23,174,873	1,221,693	5.6
Drainage utility fund	1,538,440	1,467,405	1,339,173	(128,232)	(8.7)
Other funds	2,507,076	2,323,225	2,452,526	129,301	5.6
Keller Development Corporation	1,546,216	2,544,970	2,496,125	(48,845)	(1.9)
Crime Control Prevention District	4,093,502	976,725	1,045,745	69,020	7.1
The Keller Pointe	2,691,518	3,543,695	3,390,425	(153,270)	(4.3)
Debt service funds	8,829,111	9,538,810	8,104,575	(1,434,235)	(15.0)
Capital projects funds ⁽¹⁾	852,116	4,193,320	5,412,548	1,219,228	29.1
TOTAL	\$ 73,866,013	\$ 83,506,520	\$ 79,852,287	\$ (3,654,233)	(4.4%)

(1) Includes Park Development Fee Fund, Street/Drainage Improvements Fund, Fleet Replacement Fund and transfers to other funds.

Total Expenditures by Function – All Funds*Compared to 2014-2015 Revised Budget*

Function	2013-2014 Actual	2014-2015 Budget	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Amount	Percent
Personnel services	\$ 26,205,685	\$ 28,425,670	\$ 28,423,553	\$ (2,117)	(0.0%)
Operations & maintenance	4,068,630	5,138,550	5,147,782	9,232	0.2
Services & other	21,150,488	25,889,535	23,896,034	(1,993,501)	(7.7)
Capital outlay	8,386,373	8,357,655	9,287,863	1,018,653	12.3
Debt service	12,412,843	13,132,340	11,756,570	(1,375,770)	(10.5)
Interfund transfers	1,641,994	2,562,770	1,340,485	(1,222,285)	(47.7)
TOTAL	\$ 73,866,013	\$ 83,506,520	\$ 79,852,287	\$ (3,565,788)	(4.3%)

Discussion of budget changes is included in the following pages.

Total Expenditures – Including One-Time Expenditures

For comparative purposes, all amounts in the following two tables include one-time expenditures for both FY2014-15 and FY2015-16. The FY2015-16 expenditures are an increase of \$9,686,097 – or 12.14 percent – over the FY2014-15 adopted budget. FY2015-16 expenditures are an increase of \$5,975,822 – or 7.16 percent – from the FY2014-15 revised budget. See pages 45-46 for additional information regarding one-time expenditures.

Total Expenditures by Fund – All Funds FY2014-15 and FY2015-16 Amounts Include One-Time Expenditures Compared to 2014-15 Adopted and Revised Budget

Fund	2014-2015 Adopted	2014-2015 Revised	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Adopted	Revised
General fund	\$ 36,278,515	\$ 36,965,190	\$ 41,855,892	\$ 5,577,377	\$ 4,890,702
Water & wastewater fund	21,787,825	21,953,180	23,174,873	1,387,048	1,221,693
Drainage utility fund	1,337,805	1,467,405	1,339,173	1,368	(128,232)
Other funds	2,063,905	2,323,225	2,452,526	388,621	129,301
Keller Development Corporation	2,486,555	2,544,970	2,496,125	9,570	(48,845)
Crime Control Prevention District	888,870	976,725	1,045,745	156,875	69,020
The Keller Pointe	3,543,695	3,543,695	3,600,885	57,190	57,190
Debt service funds	8,538,810	9,538,810	8,104,575	(434,235)	(1,434,235)
Capital projects funds (1)	2,870,265	4,193,320	5,412,548	2,542,283	1,219,228
TOTAL	\$ 79,796,245	\$ 83,506,520	\$ 89,482,342	\$ 9,686,097	\$ 5,975,822
			Percentage change	12.14%	7.16%

(1) Includes Park Development Fee Fund, Street/Drainage Improvements Fund, Fleet Replacement Fund and transfers to other funds.

Expenditures for the Drainage Utility Fund, Keller Development Corporation and Debt Service Funds decreased in FY2016 because of capital projects that are anticipated to be completed in FY2015.

Total Expenditures by Function – All Funds FY2015 and FY2016 Amounts Include One-Time Expenditures Compared to 2014-2015 Adopted and Revised Budget

Function	2014-2015 Adopted	2014-2015 Revised	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Adopted	Revised
Personnel services	\$ 28,392,635	\$ 28,425,670	\$ 28,423,553	\$ 30,918	\$ (2,117)
Operations & maintenance	5,119,785	5,138,550	5,447,782	327,997	309,232
Services & other	25,804,915	25,889,535	28,150,539	2,345,624	2,261,004
Capital outlay	5,783,800	8,357,655	14,363,413	8,579,613	6,005,758
Debt service	13,132,340	13,132,340	11,756,570	(1,375,770)	(1,375,770)
Interfund transfers	1,562,770	2,562,770	1,340,485	(222,285)	(1,222,285)
TOTAL	\$ 79,796,245	\$ 83,506,520	\$ 89,482,342	\$ 9,686,097	\$ 5,975,822
			Percentage change	12.14%	7.16%

REVENUES

Total revenues and transfers for all funds are \$77,871,456 for FY2015-16, an increase of \$3,695,736 — or 5.0 percent over the FY2014-15 revised budget.

Total Revenues by Fund – All Funds					
<i>Compared to 2014-2015 Revised Budget</i>					
Fund	2013-2014	2014-2015	2015-2016	Over 2014-2015	
	Actual	Budget	Budget	Amount	Percent
General fund	\$ 31,704,190	\$ 31,740,290	\$ 33,962,109	\$ 2,221,819	7.0%
Water & wastewater fund	20,574,607	21,619,100	21,560,125	(58,975)	(0.3)
Drainage utility fund	1,582,513	1,599,850	1,648,960	49,110	3.1
Other funds	2,736,705	2,007,715	2,341,005	333,290	16.6
Keller Development Corporation	2,497,435	2,468,310	2,956,961	488,651	19.8
Crime Control Prevention District	1,174,267	1,088,100	1,324,070	235,970	21.7
The Keller Pointe	3,046,903	3,194,545	3,078,080	(116,465)	(3.6)
Debt service funds	9,069,521	8,907,220	8,912,755	5,535	0.1
Capital projects funds (1)	2,117,493	1,550,590	2,087,391	536,801	34.6
TOTAL	\$ 74,503,634	\$ 74,175,720	\$ 77,871,456	\$ 3,695,736	5.0%

(1) Includes Park Development Fee Fund, Street/Drainage Improvements Fund, Fleet Replacement Fund, and transfers to other funds.

Major revenue changes include:

- **General fund:** Major revenue increases are property and sales taxes, franchise fees and mixed beverage taxes.
- **Water & wastewater fund:** Major increases are water and wastewater revenues.
- **Other funds:** Information Services Fund revenues decreased due to planned decreases in charge-back fees to other funds.

Total Revenues by Source – All Funds					
<i>Compared to 2014-2015 Revised Budget</i>					
Revenue Source	2013-2014	2014-2015	2015-2016	Increase (Decrease)	
	Actual	Budget	Budget	Over 2014-2015	Amount
Total property taxes	\$ 18,755,250	\$ 19,642,300	\$ 20,116,568	\$ 474,268	2.4%
Sales and other taxes	17,024,665	16,834,200	18,901,928	2,067,728	12.3
Licenses & permits	1,591,534	1,105,130	1,224,000	118,870	10.8
Charges for services	29,727,583	30,835,590	31,102,720	267,130	0.9
Fines & fees	2,086,261	1,369,100	1,666,450	297,350	21.7
Interest revenue	185,752	160,050	200,100	40,050	25.0
Intergovernmental	3,130,959	2,718,520	2,839,800	121,280	4.5
Miscellaneous revenues	321,056	248,060	179,405	(68,655)	(27.7)
Interfund transfers	1,680,573	1,262,770	1,640,485	377,715	29.9
TOTAL	\$ 74,503,634	\$ 74,175,720	\$ 77,871,456	\$ 3,695,736	5.0%

Major revenue changes include:

- **Property taxes:** Property taxes increase due to increase in taxable values, combined with proposed one-quarter cent tax rate reduction.
- **Sales and other taxes:** projected increase in sales tax revenues, franchise fees and mixed beverage taxes, combined with an increase in TIRZ assessments.
- **Charges for services:** projected pass-through rate increases in water and wastewater revenues.

ANALYSIS OF CHANGES IN FUND BALANCES

The following table briefly describes the impacts of the projected changes in fund balances for the year, a total decrease of \$2,192,147:

Fund	Total Beginning Fund Balance	Total Ending Fund Balance	Difference	Comments
The following funds have minimum fund balance requirements formally established by financial policies.				
General Fund	\$15,582,231	\$17,108,043	\$ 1,525,812	Ending balance exceeds financial policy minimum balance target. (difference above excludes one-time, non-recurring expenditures of \$9,419,595) The General Fund ending fund balance, including one-time, non-recurring expenditures, also exceeds the financial policy minimum fund balance target.
Water & Wastewater Fund	7,932,719	6,317,971	(1,614,748)	Ending balance exceeds financial policy minimum balance target.
Drainage Utility Fund	2,771,677	3,080,464	308,787	
Keller Development Corporation	2,216,946	2,677,800	460,854	
Financial policies do not specify a targeted fund balance for the following funds.				
The Keller Pointe Recreation & Aquatic Center	1,008,851	696,506	(522,805)	Funds remaining will be carried forward for future years' operations, capital replacements and/or projects. (difference above excludes one-time, non-recurring expenditures of \$210,460)
Information Services Fund	536,137	555,608	19,471	Funds remaining will be carried forward for future years' operations, capital replacements and/or projects.
Keller Crime Control Prevention District	3,319,583	3,598,028	278,445	
Non-Major Special Revenue Funds	1,020,690	909,560	111,130	
Debt Service	615,269	663,594	48,325	Planned use of available balances, which can only be used for debt retirement.
TIRZ (Tax Increment Reinvestment Zone)	492,704	1,252,559	759,855	
Street/Sidewalk Improvements Fund	2,998,715	166,278	(2,832,437)	
Miscellaneous Capital Projects Funds	\$1,965,706	\$1,453,144	(\$512,562)	

CITY OF KELLER, TEXAS
SUMMARY OF REVENUES BY SOURCE – ALL FUNDS
2015-2016 BUDGET

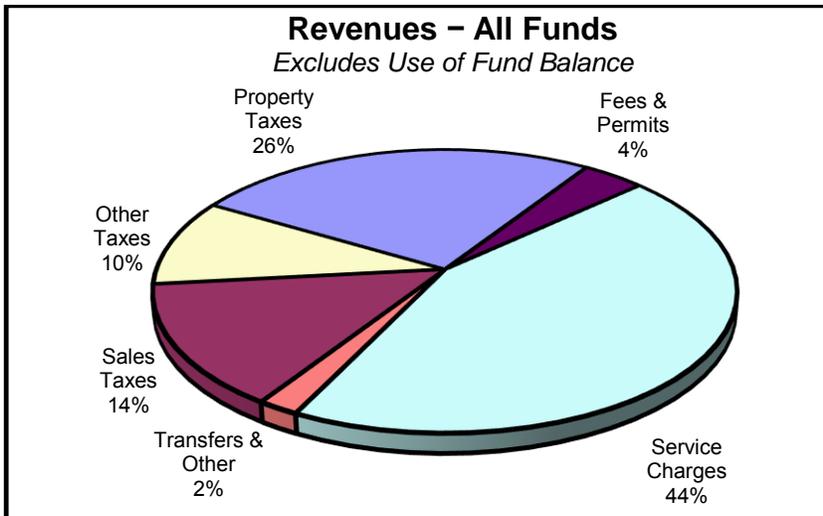
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
TOTAL BEGINNING BALANCE	\$ 15,582,230	\$ 8,216,751	\$ 1,107,972	\$ 4,741,711	\$ 29,648,664
REVENUES:					
Total property taxes	15,560,148	–	4,556,420	–	20,116,568
Sales taxes	5,668,946	4,175,271	–	1,445,291	11,289,508
Other taxes	4,407,320	158,000	3,047,100	–	7,612,420
Licenses & permits	1,224,000	–	–	–	1,224,000
Charges for services	2,841,630	5,043,075	–	95,930	7,980,635
Fines & fees	1,305,200	151,250	–	210,000	1,666,450
Interest revenue	98,140	30,710	18,750	12,500	160,100
Intergovernmental	2,784,800	20,000	–	–	2,804,800
Miscellaneous revenue (expense)	71,925	14,560	–	23,670	110,155
Contributions & donations	–	57,250	–	–	57,250
TOTAL REVENUES	33,962,109	9,650,116	7,622,270	1,787,391	53,021,886
OTHER FINANCING SOURCES:					
Transfers in	–	50,000	1,290,485	300,000	1,640,485
TOTAL OTHER SOURCES	–	50,000	1,290,485	300,000	1,640,485
TOTAL RESOURCES	33,962,109	9,700,116	8,912,755	2,087,391	54,662,371
TOTAL FUNDS AVAILABLE	\$ 49,544,339	\$ 17,916,867	\$ 10,020,727	\$ 6,829,102	\$ 84,311,035

(continued)

- (1) Includes Keller Development Corporation, The Keller Pointe, Library, Recreation, Municipal Court, Information Services, Cable Franchise Special Revenue, Keller Crime Control Prevention District Special Revenue, and Community Clean-Up Funds.
- (2) Includes Debt Service Fund and the TIRZ Interest and Sinking Fund.
- (3) Capital Project Funds are project-based budgets and therefore cover more than one fiscal year; subsequently, totals are omitted, except for the Park Development Fee Fund, Street/Drainage Improvements Fund, Fleet Replacement Fund and interfund transfers.

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ 7,932,719	\$ 2,771,677	\$ 10,704,396	\$ 40,353,059
-	-	-	20,116,568
-	-	-	11,289,508
-	-	-	7,612,420
-	-	-	1,224,000
21,488,125	1,633,960	23,122,085	31,102,720
-	-	-	1,666,450
25,000	15,000	40,000	200,100
35,000	-	35,000	2,839,800
12,000	-	12,000	122,155
-	-	-	57,250
21,560,125	1,648,960	23,209,085	76,230,971
-	-	-	1,640,485
-	-	-	1,640,485
21,560,125	1,648,960	23,209,085	77,871,456
\$ 29,492,844	\$ 4,420,637	\$ 33,913,481	\$ 118,224,515



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY FUNCTION – ALL FUNDS
2015-2016 BUDGET

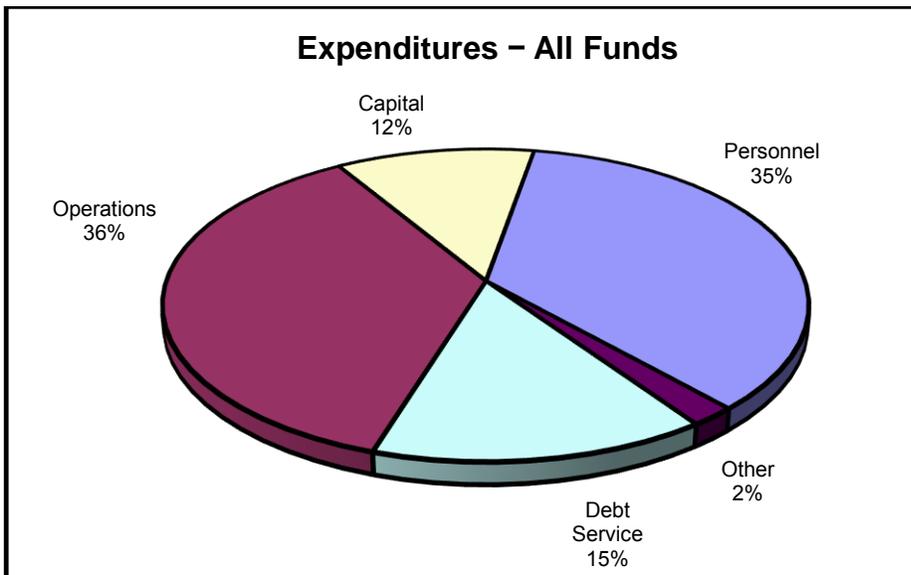
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
<u>OPERATING EXPENSES:</u>					
Personnel services	\$ 22,424,447	\$ 2,211,154	\$ –	\$ –	\$ 24,635,601
Operations & maintenance	2,284,987	1,445,240	–	80,000	3,810,227
Services & other	6,595,843	1,749,572	3,000	–	8,348,415
Capital outlay	1,131,020	1,948,970	–	5,332,548	8,412,538
Debt service	–	1,376,700	7,414,275	–	8,790,975
TOTAL EXPENDITURES	32,436,297	8,731,636	7,417,275	5,412,548	53,997,756
<u>OTHER FINANCING USES:</u>					
Transfers to other funds	–	653,185	687,300	–	1,340,485
TOTAL OTHER USES	–	653,185	687,300	–	1,340,485
<u>TOTAL EXPENDITURES & OTHER USES</u>	<u>32,436,297</u>	<u>9,384,821</u>	<u>8,104,575</u>	<u>5,412,548</u>	<u>55,338,241</u>
<u>TOTAL ENDING BALANCE</u>	17,108,042	8,532,045	1,916,152	1,416,554	28,972,793
Reserve for contingencies	–	565,242	–	–	565,242
Other reservations of fund balance	–	2,038,863	–	–	2,038,863
<u>ENDING BALANCE</u>	<u>\$ 17,108,042</u>	<u>\$ 5,927,940</u>	<u>\$ 1,916,152</u>	<u>\$ 1,416,554</u>	<u>\$ 26,368,688</u>

- (1) Includes Keller Development Corporation, The Keller Pointe, Library, Recreation, Municipal Court, Information Services, Cable Franchise Special Revenue, Keller Crime Control Prevention District Special Revenue, and Community Clean-Up Funds.
- (2) Includes Debt Service Fund and the TIRZ Interest and Sinking Fund.
- (3) Capital Project Funds are project-based budgets and therefore cover more than one fiscal year; subsequently, totals are omitted, except for the Park Development Fee Fund, Street/Drainage Improvements Fund, Fleet Replacement Fund and interfund transfers.

(continued)

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PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ 3,198,827	\$ 589,125	\$ 3,787,952	\$ 28,423,553
1,188,950	148,605	1,337,555	5,147,782
15,176,176	371,443	15,547,619	23,896,034
645,325	230,000	875,325	9,287,863
2,965,595	—	2,965,595	11,756,570
23,174,873	1,339,173	24,514,046	78,511,802
—	—	—	1,340,485
—	—	—	1,340,485
23,174,873	1,339,173	24,514,046	79,852,287
6,317,971	3,081,464	9,399,435	38,372,228
500,000	—	500,000	1,065,242
—	—	—	2,038,863
\$ 5,817,971	\$ 3,081,464	\$ 8,899,435	\$ 35,268,123



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY DEPARTMENT/ACTIVITY – ALL FUNDS
2015-2016 BUDGET

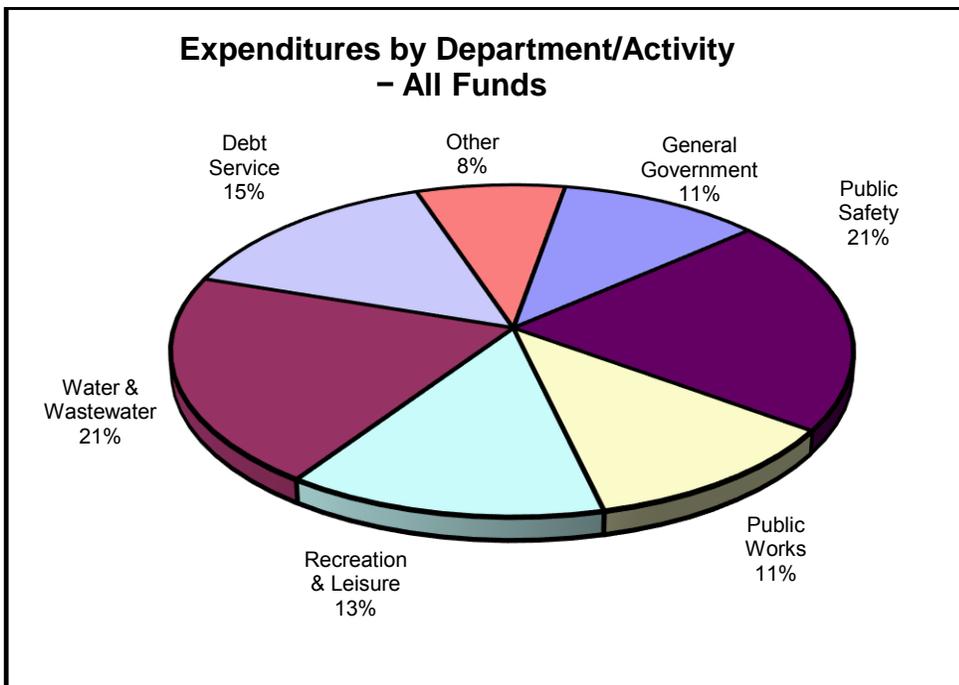
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
GENERAL GOVERNMENT:					
Administration/General Government	\$ 4,969,518	\$ 2,212,326	\$ 3,000	\$ –	\$ 7,184,844
Community Development	1,503,520	–	–	–	1,503,520
Police Department	8,937,697	517,895	–	–	9,455,592
Fire Department	7,498,561	–	–	–	7,498,561
Public Works	3,612,225	–	–	4,340,798	7,953,023
Keller Public Library	1,541,690	7,500	–	–	1,549,190
Parks & Recreation	3,557,488	4,617,215	–	900,000	9,074,703
WATER & WASTEWATER:					
Administration/Customer Services	–	–	–	53,000	53,000
Water Utilities	–	–	–	33,650	33,650
Wastewater Utilities	–	–	–	85,100	85,100
OTHER/NON-DEPARTMENTAL:					
Debt service	–	1,376,700	7,414,275	–	8,790,975
Transfers	–	653,185	687,300	–	1,340,485
Non-departmental / other	815,598	–	–	–	815,598
Subtotal	32,436,297	9,384,821	8,104,575	5,412,548	55,338,241
TOTAL	\$ 32,436,297	\$ 9,384,821	\$ 8,104,575	\$ 5,412,548	\$ 55,338,241

(continued)

- (1) Includes Keller Development Corporation, The Keller Pointe, Library, Recreation, Municipal Court, Information Services, Cable Franchise Special Revenue, Keller Crime Control Prevention District Special Revenue, and Community Clean-Up Funds.
- (2) Includes Debt Service Fund and the TIRZ Interest and Sinking Fund.
- (3) Capital Project Funds are project-based budgets and therefore cover more than one fiscal year; subsequently, totals are omitted, except for the Park Development Fee Fund, Street/Drainage Improvements Fund, Fleet Replacement Fund and interfund transfers.

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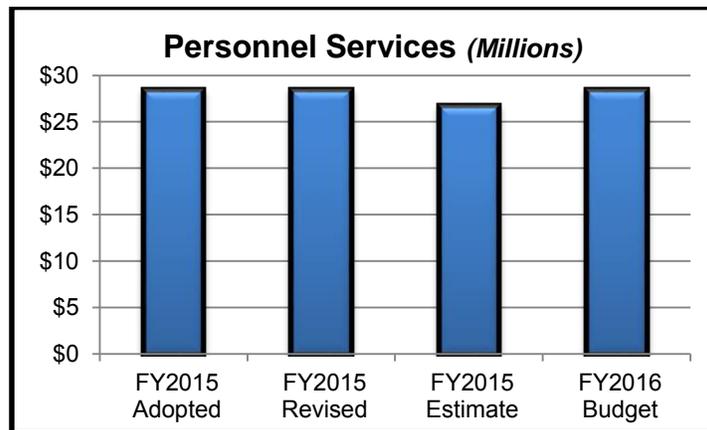
PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ -	\$ -	\$ -	\$ 7,184,844
-	-	-	1,503,520
-	-	-	9,455,592
-	-	-	7,498,561
-	1,114,475	1,114,475	9,067,498
-	-	-	1,549,190
-	-	-	9,074,703
1,929,581	-	1,929,581	1,982,581
9,591,467	-	9,591,467	9,625,117
4,680,440	-	4,680,440	4,765,540
2,967,445	-	2,967,445	11,758,420
-	-	-	1,340,485
4,005,940	224,698	4,230,638	5,046,236
<u>23,174,873</u>	<u>1,339,173</u>	<u>24,514,046</u>	<u>79,852,287</u>
\$ 23,174,873	\$ 1,339,173	\$ 24,514,046	\$ 79,852,287



SUMMARY OF MAJOR EXPENDITURES
PERSONNEL SERVICES

City operations are primarily service-oriented, with a focus of providing a variety of services to the citizens of Keller. As a result, personnel services (salaries, wages and benefits) are budgeted at \$28.4 million (32.1 percent) of total expenditures, compared to \$28.4 million (35.6 percent) of total estimated expenditures for FY2015. Personnel services increased \$1,747,588 (6.6 percent) in FY2016 over the FY2015 estimate of 26.7 million.

- Expenditures increased \$30,918 or 0.1 percent over the FY2015 adopted budget of \$28.39 million.
- Expenditures decreased \$2,117 or 0.01 percent over the FY2015 revised budget of \$28.4 million.



Included in the FY2016 budget is a 2 percent pay plan adjustment for employees and a 2 percent merit increase for employees hired on or before March 1, 2015.

Personnel services also include the cost of employee benefits. The City provides group medical, dental, life, short- and long-term disability, and worker compensation benefits for employees. Medical coverage for employees is paid by a combination of payroll deductions from employees and the City, with the City paying an average of 93 percent of employee-only coverage and an average of 66 percent of the added cost of dependent coverage. The City pays 100 percent of employee dental coverage and 50 percent of dependent dental coverage. In addition, the City matches mandatory benefits for social security, Medicare (FICA), and retirement benefits. For fiscal year 2015-16, employees will have the ability to purchase voluntary vision coverage for themselves and their dependents. The cost of the vision coverage is borne by the employee. Employees may also choose to voluntarily participate in two deferred compensation plans offered by the City.

MAJOR EXPENDITURES

(continued)

A comparative summary by fund of authorized, full-time equivalent positions, including vacant positions, is provided in the following table:

Fund	2013-2014 Actual	2014-2015 Estimate	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Amount	Percent
General Fund	240.66	241.04	242.75	1.71	0.7%
Information Services Fund	8.00	7.00	7.00	-	-
Water & Wastewater Fund	40.17	42.67	41.67	(1.00)	(2.3)
Drainage Utility Fund	8.50	8.50	8.50	-	-
Keller Development Corporation	-	-	-	-	-
The Keller Pointe	47.43	46.01	46.01	-	-
Total	344.76	345.22	345.93	0.71	0.2%

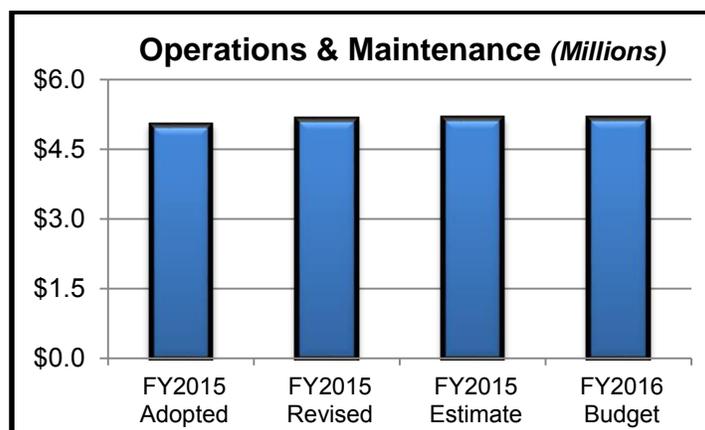
For the General Fund, employees per 1,000 residents increased from 5.74 in FY2015 to 5.77 employees per 1,000 residents in 2016, a decrease of 0.03 employees per 1,000 residents (0.5%) virtually keeping pace with population increase (0.2%).

The FY2014 Actual and FY2015 Estimate personnel services amounts have been reduced to reflect savings from position vacancies and attrition, where applicable.

OPERATIONS AND MAINTENANCE

Operations and maintenance expenditures include major categories of supplies, equipment, grounds, and building maintenance costs. These costs for FY2016 are \$5.1 million (5.8 percent of total expenditures) compared to FY2014-15 estimated expenditures of \$5.1 million (6.2 percent of total estimated expenditures). The FY2015-16 budget reflects a decrease of \$4,616 (0.1 percent) from the FY2014-15 estimated expenditures.

- Expenditures increased by \$27,997, or 0.5 percent over the FY2014 adopted budget of \$5.1 million.
- Expenditures increased \$9,232 or 0.2 percent from the FY2014 revised budget of \$5.1 million.



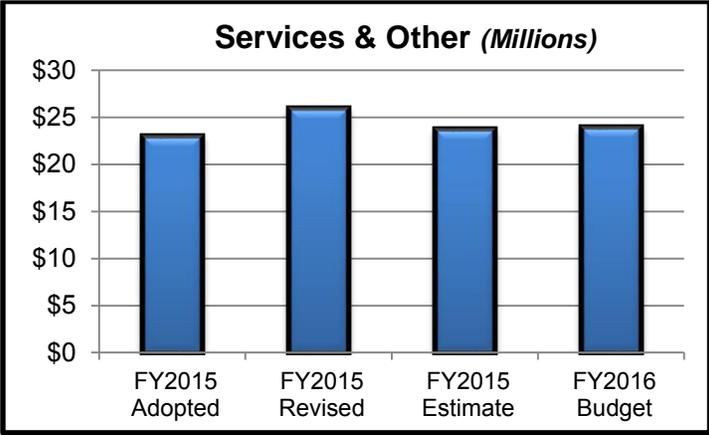
MAJOR EXPENDITURES

(continued)

SERVICES AND OTHER

Services and other expenditures include those expenditures for professional services, legal services, contractual services, engineering services, utilities, liability insurance premiums, wholesale water purchases, wastewater treatment services, and other general expenditures. Amounts for FY2015-16 are \$27.1 million (30.7 percent of total expenditures) compared to FY2014-15 estimated expenditures of \$26.5 million (31.8 percent of total expenditures). This is an increase of \$630,502 (2.4 percent) over the FY2014-15 estimate.

- Expenditures increased \$1,345,624 or 5.2 percent over the FY2014-15 adopted budget of \$25.8 million.
- Expenditures increased \$1,261,004 or 4.8 percent from the FY2014-15 revised budget of \$25.9 million.



CAPITAL OUTLAY

Capital outlay includes expenditures for capital improvements, and new or replacement city assets. Capital outlay expenditures for FY2015-16 are \$14.4 million, representing 16.2 percent of total expenditures, compared to the FY2014-15 estimate of \$11.4 million, representing 13.6 percent of total expenditures. Capital expenditures also include park improvements funded by the Keller Development Corporation, the Park Development Fee Fund, the Keller Crime Control Prevention District, as well as the Street/Drainage Improvements Fund (street maintenance sales tax), water and wastewater infrastructure improvements, and vehicle and equipment replacements funded in the Fleet Replacement Capital Projects Fund.

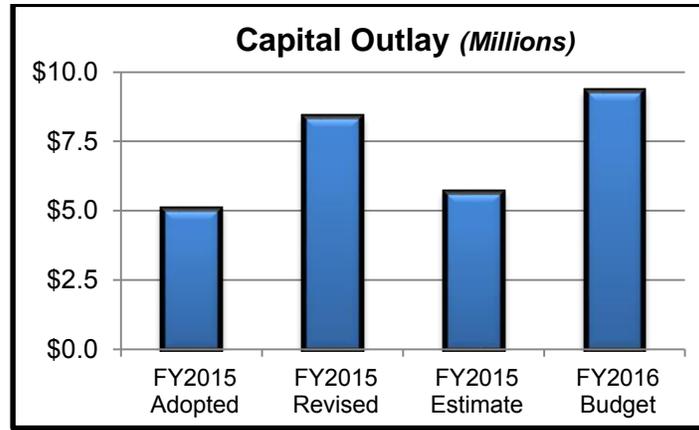
Capital outlay expenditures for FY2015-16 increased \$6.0 million (52.9 percent) from the FY2014-15 estimate. The primary reason for the decrease is because FY2014-15 amounts include funding for capital projects that are anticipated to be completed during the next fiscal year, such as street and drainage improvement projects, combined with one-time capital outlay expenditures included in the FY2014-15 estimate.

- Expenditures decreased \$8,579,613, or 148.3 percent from the FY2014-15 adopted budget of \$5.8 million.
- Expenditures increased \$6.0 million, or 52.9 percent from the FY2014-15 revised budget of \$11.98 million. The FY2014-15 revised budget increased by \$6.77 million over the adopted budget due to the addition of one-time capital outlay expenditures and capital projects that were incomplete at the end of fiscal year 2014. The one-time amounts as well as the amounts for the incomplete capital projects were carried-forward to FY2014-15 revised budget.

MAJOR EXPENDITURES

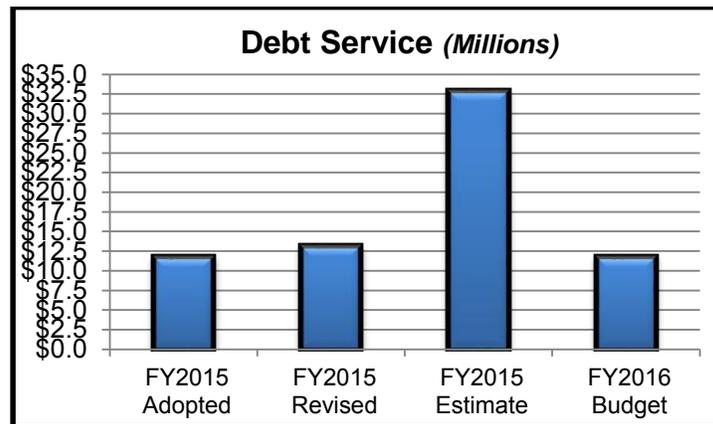
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Additional information for specific capital outlay and capital improvements is provided with the respective funding source and/or department.



DEBT SERVICE

Total debt service requirements include general obligation (property tax-supported) debt, water and wastewater supported debt, Keller Development Corporation, Tax Increment Reinvestment Zone No. 1 and Keller Crime Control and Prevention District supported debt. FY2015-16 expenditures are \$11.8 million, or 13.3 percent of total expenditures, compared to \$12.4 million or 14.9 percent of total expenditures for the FY2014-15 estimate. FY2015-16 expenditures are a decrease of \$687,885 or 5.5 percent from the FY2014-15 estimate



General obligation (property tax-supported) debt service requirements, excluding water and wastewater, Keller Development Corporation (KDC), and Tax Increment Reinvestment Zone (TIRZ) financing district debt service, for FY2015-16 are \$4.42 million and comprise 5.5 percent of total expenditures.

Due to debt refinancing obligations issued in fiscal year 2015, an increase in associated expenses (e.g., payments to bond escrow agents, etc.) were realized in the FY2014-2015 Estimate.

MAJOR EXPENDITURES

(continued)

The City's current bond ratings are as follows:

	<u>Moody's</u>	<u>Standard & Poor's</u>
Tax-supported debt	Aa1	AAA

Both Standard and Poor's and Moody's rate the City's debt obligations as high-quality investment grade. The ratings were confirmed by the respective rating agencies in December 2014, the City's most recent rating. The City has no revenue bonds outstanding.

Debt information for fiscal year 2015-2016 by type:

	<u>Total Due</u>	<u>Current Due</u>
Property-Tax Supported		
Principal	26,429,090	3,354,060
Interest	7,009,062	1,069,920
TOTAL	<u>33,438,152</u>	<u>4,423,980</u>
Self-Supporting Debt		
Water & Wastewater Fund		
Principal	17,582,157	2,432,580
Interest	3,364,307	530,015
TOTAL	<u>20,946,464</u>	<u>2,962,595</u>
Keller Development Corporation		
Principal	13,151,385	472,365
Interest	2,407,672	375,034
TOTAL	<u>15,559,057</u>	<u>847,399</u>
Tax Increment Reinvestment Zone		
Principal	13,195,000	2,430,000
Interest	2,783,226	553,445
TOTAL	<u>15,978,226</u>	<u>2,983,445</u>
Crime Control and Prevention		
Principal	5,075,000	335,000
Interest	1,240,325	191,100
TOTAL	<u>6,315,325</u>	<u>526,100</u>
Total Self-Supporting Debt		
Principal	49,003,542	5,669,945
Interest	9,795,530	1,649,594
TOTAL	<u>58,799,072</u>	<u>7,319,539</u>
GRAND TOTAL		
Principal	75,432,632	9,024,005
Interest	16,804,592	2,719,514
TOTAL	<u><u>92,237,224</u></u>	<u><u>11,743,519</u></u>

The following statistical information represents three important ratios: general obligation debt per capita, debt to assessed valuation, and debt to total general government expenditures for property tax-supported debt.

	<u>FY2015</u>	<u>FY2016</u>
General obligation debt outstanding at October 1 (000's)	\$ 33,298	\$ 26,429
Estimated population, October 1	42,040	42,890
Direct debt per capita	\$ 792	\$ 616
Net taxable valuation (000's)	\$ 4,483,286	\$ 4,618,756
<i>Ratio of debt to taxable valuation</i>	<i>0.7%</i>	<i>0.6%</i>
<i>Financial policy target</i>	<i>15.0%</i>	<i>15.0%</i>
Total general government expenditures (000's) (General Fund and Debt Service Fund)	\$ 36,361	\$ 36,868
Debt service expenditures (000's)	\$ 4,682	\$ 4,430
<i>Debt service expenditures as a percentage of total general government expenditures</i>	<i>12.9%</i>	<i>12.0%</i>
<i>Financial policy target</i>	<i>25.0%</i>	<i>25.0%</i>

As indicated above, the City's actual ratios are well within the goals and limits of the Financial Policy.

INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

Transfers to other funds for FY2015-16 are \$1.6 million, representing 1.9 percent of total expenditures. Transfers are comprised primarily of transfers from other funds to the Debt Service Fund for debt payments and transfers to capital projects funds. Transfers increased by \$77,715 (5.0 percent) over FY2014-15 budget.

Transfers are made from other funds to the debt service fund for debt service retirement. The City periodically issues combination general obligation debt on behalf of other funds or operations, e.g., Water & Wastewater projects or the Keller Development Corporation. As a result, the fund benefiting from the debt issuance reimburses the debt service fund for the appropriate portion of the annual debt service requirements.

MAJOR EXPENDITURES

(continued)

The following transfers are provided for FY2014-15 and FY2015-16:

	<u>FY2015</u>	<u>FY2016</u>
Debt Service Transfers from other Funds:		
Keller Development Corporation	\$ 134,485	\$ 653,185
Water & Wastewater Fund	440,985	-
TIRZ Interest & Sinking Fund	<u>687,300</u>	<u>687,300</u>
Total Transfers	<u>\$ 1,262,770</u>	<u>\$ 1,340,485</u>

In addition to debt service transfers, transfers are made to assist in funding for certain operational activities (intragovernmental transfers), such as transfers to the Fleet Replacement Fund for vehicle and equipment replacement, and transfers to the Information Services Fund for direct and indirect cost allocations. These expenditures are generally classified as operational transfers (services and other), while corresponding revenues are classified as charges for services.

Comparative intragovernmental transfers by fund, including debt service transfers, are provided in the following table:

<u>Fund</u>	<u>Intragovernmental Transfers From Other Funds</u>		<u>Intragovernmental Transfers To Other Funds</u>	
	<u>FY2015</u>	<u>FY2016</u>	<u>FY2015</u>	<u>FY2016</u>
General Fund	\$ 2,600,500	\$ 2,882,000	\$ 840,650	\$ 954,440
Keller Development Corporation	-	-	172,985	698,185
Information Services Fund	1,478,865	1,707,905	-	-
The Keller Pointe	-	-	26,000	21,895
Debt Service Fund	575,470	653,185	687,300	687,300
TIRZ Interest & Sinking Fund	687,300	687,300	-	-
Fleet Replacement Fund	130,520	95,930	-	-
Water & Wastewater Fund	75,000	97,000	3,617,015	3,523,620
Drainage Utility Fund	-	-	<u>203,705</u>	<u>237,880</u>
Total Intergovernmental Transfers	<u>\$ 5,547,655</u>	<u>\$ 6,123,320</u>	<u>\$ 5,547,655</u>	<u>\$ 6,123,320</u>

MAJOR EXPENDITURES

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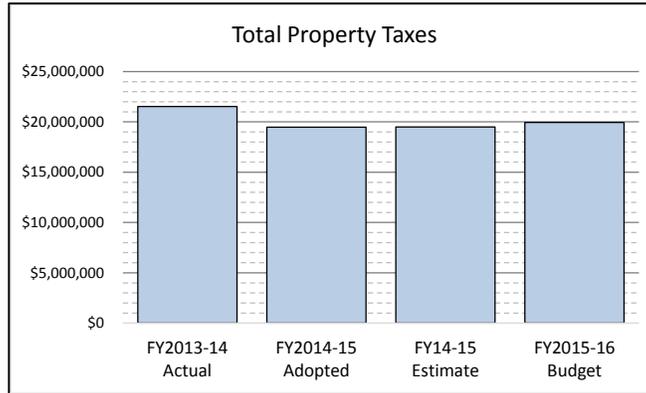
Intragovernmental transfers by function and purpose, excluding debt service transfers, are summarized below:

	<u>FY2015</u>	<u>FY2016</u>
TRANSFERS TO GENERAL FUND:		
Payments in-lieu of Taxes Transfers from:		
Water & Wastewater Fund	\$ 1,075,000	\$ 1,135,000
Drainage Utility Fund	112,000	122,000
Subtotal	<u>1,187,000</u>	<u>1,257,000</u>
Administrative Services Transfers from:		
Water & Wastewater Fund	1,375,000	1,580,000
Keller Development Corporation	38,500	45,000
Subtotal	<u>1,413,500</u>	<u>1,625,000</u>
Total Transfers to General Fund	<u>\$ 2,600,500</u>	<u>\$ 2,882,000</u>
TRANSFERS TO WATER & WASTEWATER FUND:		
Administrative Services Reimbursement Transfers from:		
Drainage Utility Fund	\$ 75,000	\$ 97,000
Total Transfers to Water & Wastewater Fund	<u>\$ 75,000</u>	<u>\$ 97,000</u>
TRANSFERS TO INFORMATION SERVICES FUND:		
Operating Transfers from:		
General Fund	\$ 575,775	\$ 696,045
Water & Wastewater Fund	575,775	696,045
Subtotal	<u>1,151,550</u>	<u>1,392,090</u>
Cost of Services Transfer from:		
General Fund	264,875	258,395
Water & Wastewater Fund	32,415	32,070
Drainage Utility Fund	4,025	3,455
The Keller Pointe	26,000	21,895
Subtotal	<u>327,315</u>	<u>315,815</u>
Total Transfers to Information Services Fund	<u>\$ 1,478,865</u>	<u>\$ 1,707,905</u>
TRANSFERS TO FLEET REPLACEMENT FUND:		
Internal Vehicle/Equipment Lease Payments from:		
Water & Wastewater Fund	117,840	80,505
Drainage Utility Fund	12,680	15,425
Total Transfers to Fleet Replacement Fund	<u>\$ 130,520</u>	<u>\$ 95,930</u>
TRANSFERS TO DEBT SERVICE FUND:		
Debt Service Transfers from:		
Keller Development Corporation	\$ 134,485	\$ 653,185
Water & Wastewater Fund	440,985	-
Total Transfers to Debt Service Fund	<u>\$ 575,470</u>	<u>\$ 653,185</u>
TRANSFERS TO TIRZ INTEREST & SINKING FUND:		
Debt Service Transfers from:		
Debt Service Fund	\$ 687,300	\$ 687,300
Total Transfers to TIRZ Interest & Sinking Fund	<u>\$ 687,300</u>	<u>\$ 687,300</u>

SOURCES AND ESTIMATES OF MAJOR REVENUES
TAXES

Revenues from taxes include property (ad valorem) taxes, sales (consumer) taxes and franchise taxes. These charges are levied to fund the general municipal services that are provided to the citizens of Keller.

Total property taxes (including penalties and interest) for FY2015-16 are \$19.9 million, and represent 25.6 percent of total revenues, compared to \$19.5 million (26.7 percent) of total revenues for FY2014-15, an increase of \$473,456 or 2.4%



Property (ad valorem) taxes are assessed, or levied, on real and personal property as of January 1 of each year. The total tax rate for FY2015-16 is \$0.43469, a reduction of \$0.0025 (¼-cent) from the FY2014-15 tax rate. The tax rate is comprised of a maintenance and operations (M&O) component (\$0.33638) which is allocated to the general fund, and a debt service component (\$0.09831) which is allocated to the debt service fund.

Property tax rate comparisons since 2006 are presented in the accompanying table (per \$100 of valuation).

Fiscal Year Ending September 30	Tax Rate	Tax Rate Distribution	
		General Fund	Debt Service
2006	\$0.44413	\$0.30570	\$0.13843
2007	0.43219	0.30447	0.12772
2008	0.43219	0.31247	0.11972
2009	0.43219	0.31175	0.12044
2010	0.44219	0.31009	0.13210
2011	0.44219	0.31219	0.13000
2012	0.44219	0.31355	0.12864
2013	0.44219	0.32552	0.11667
2014	0.44219	0.32646	0.11573
2015	0.43719	0.33048	0.10671
2016	0.43469	0.33638	0.09831

There are exemptions from property taxes allowed by the State of Texas and/or the City. Exempt amounts reduce the appraised value by the amount of the exemptions. The following exemptions are currently allowed by the City:

<u>Exemption Type</u>	<u>Exemption Amount</u>
Homestead exemption	1 percent of appraised value (minimum exemption – \$5,000)
Disabled citizen	\$10,000
Over age 65	\$40,000
Disabled veteran	\$5,000 to \$12,000, depending on the percentage of the person's disability. Veterans who are 100 percent disabled are also eligible for a 100 percent residential homestead exemption.

MAJOR REVENUES (continued)

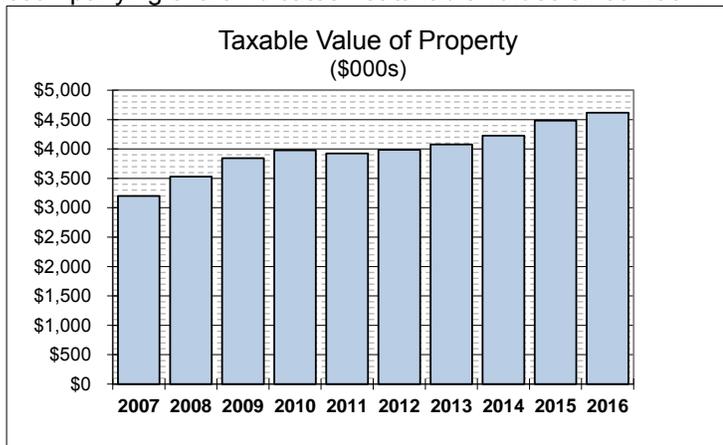
TAXES:

In August 2004, the City Council approved Ordinance No. 1209 establishing an ad valorem tax limitation on residential homesteads of the disabled and persons 65 years of age or older, and their spouses (tax ceiling) as authorized and defined by the Texas Constitution, Article VIII, Section 1-b, and the Texas Tax Code, Chapter 11. In addition, the over age 65 and disabled citizen exemptions of \$40,000 and \$10,000 respectively, remain in effect. The tax ceiling was effective for tax year 2005 (fiscal year 2005-2006).

In 2015, 2,304 of 14,830 residential homestead accounts (15.5%) have tax ceilings, compared to 1,997 of 14,671 (13.3%) in 2014.

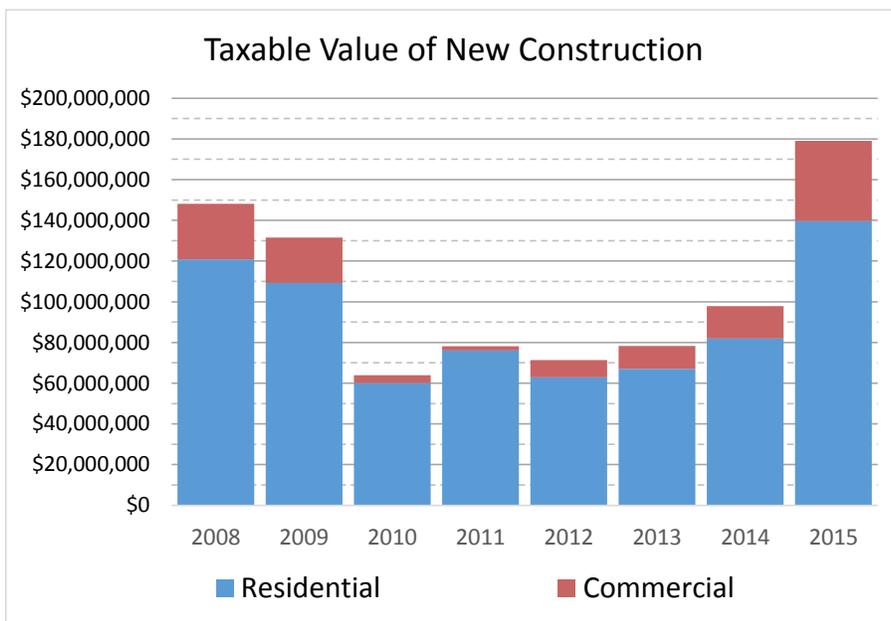
Each year the Tarrant Appraisal District (TAD) appraises property for all taxing entities within Tarrant County. Property appraisals are provided to the City on July 25 of each year, when the certified tax (appraisal) roll is received from TAD. The accompanying chart indicates net taxable values since 2007.

The net taxable value after exemptions and adjustments for FY2015 is \$4.48 billion, net of adjustments for tax ceilings. This represents an increase in taxable value of 6.07 percent, or approximately \$256.7 million, compared to an increase of \$173.26 million (4.25 percent) in FY2014. In FY2011, the City experienced the first decrease in value in Keller's history (1.3 percent).



As shown in the chart at right, Keller has experienced growth in taxable values from \$3.2 billion in 2007 to \$4.6 billion in 2016.

With reduced growth from 2009 to 2012 the rate of growth has increased since 2011, with increases of 6.1 and 3.0 percent in 2015 and 2016 respectively. According to the Tarrant Appraisal District, new construction (residential and commercial) within the city was almost \$179.0 million during calendar year 2015 (fiscal year 2015-16), compared to \$97.8 million in new construction added to the tax rolls the previous year. The chart below provides a history of new construction values, as provided by the Tarrant Appraisal District.

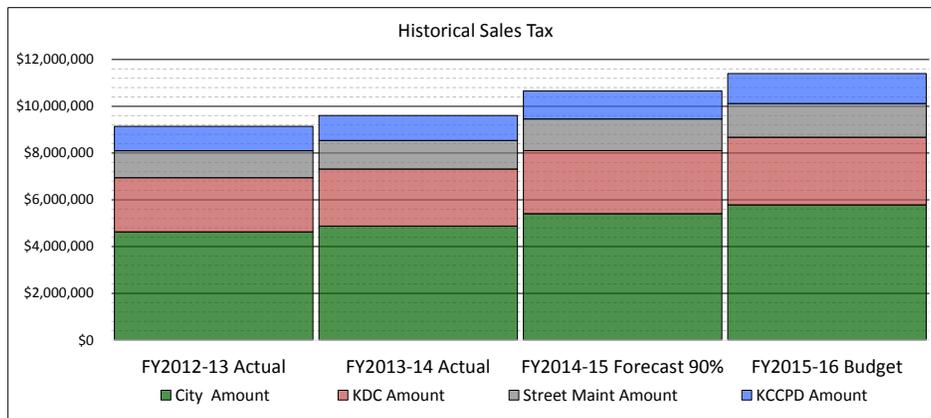


MAJOR REVENUES

TAXES: (continued)

Fiscal Year	Residential Taxable	% of Total	Commercial Taxable	% of Total	Total Taxable	Accounts
FY2015-2016	\$139,611,175	78.0%	\$39,447,152	22.0%	\$179,058,327	386
FY2014-2015	\$ 86,197,059	84.3%	\$15,960,375	15.7%	\$102,157,434	471
Increase/(Decrease)	\$ 53,414,116	69.5%	\$23,486,777	30.5%	\$ 76,900,893	(85)

Sales and other taxes: Sales and other taxes are comprised of local sales taxes, franchise taxes from local utilities and assessments to participating entities in the Keller Town Center Tax Increment Reinvestment Zone (TIRZ). Total revenue for FY2015-16 is \$17.3 million, representing 22.2 percent of total revenues, compared to 15.4 million, representing 21.1 percent of total revenues in FY2014-15.



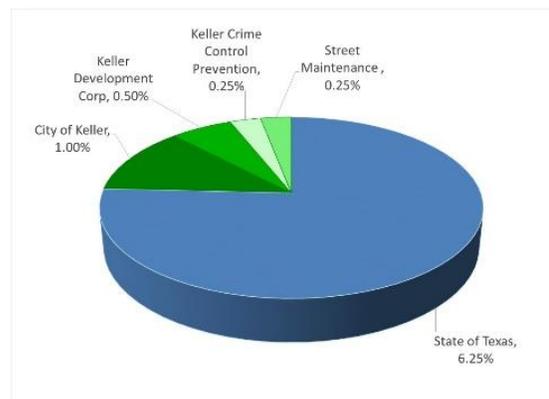
Keller amount includes payments in-lieu of taxes from the Water & Wastewater and Drainage Utility Funds. Other taxes include franchise fees and mixed beverage taxes. TIRZ includes annual assessments to participating entities.

Sales taxes collected by businesses are remitted to the State of Texas from the sale of taxable goods and services. The State of Texas then rebates the City's portion of these taxes back to the City. Mixed beverage taxes are also remitted to the State of Texas with 15 percent rebated back to the City.

The City's total sales tax rate is 8.25 percent of taxable retail sales, and is comprised of the following components:

Sales Tax Rates

6.25%	State of Texas
1.00	City of Keller
0.50	Keller Development Corporation
0.25	Keller Crime Control Prevention District
0.25	Street maintenance sales tax
8.25%	Total



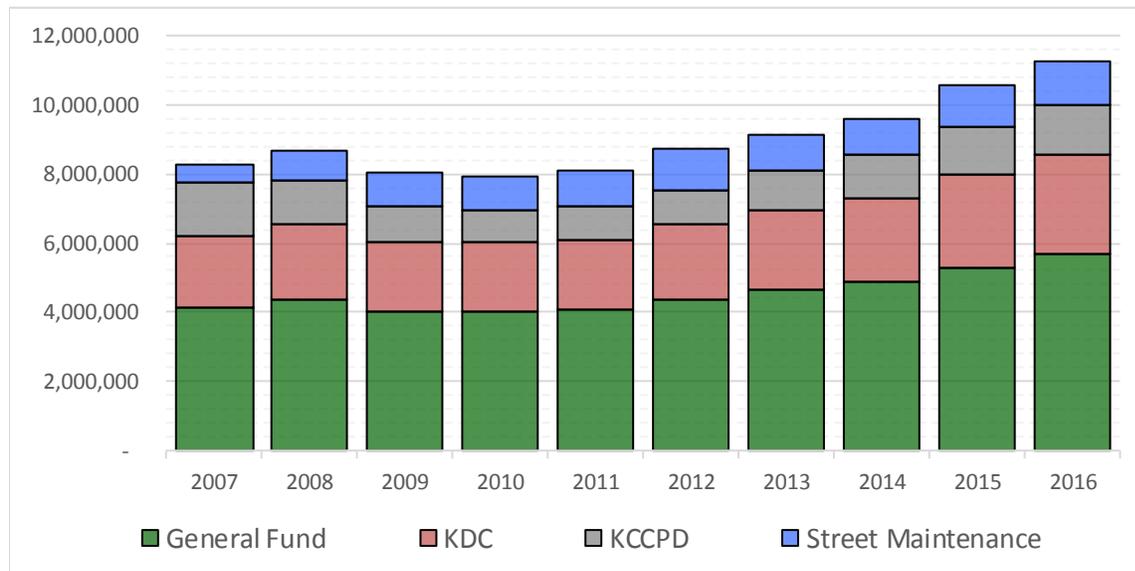
MAJOR REVENUES

TAXES: (continued)

The accompanying table below presents total sales tax collections for the City's general fund, the Keller Development Corporation, the Keller Crime Control & Prevention District and street maintenance sales tax. As the table indicates, sales tax revenue has shown a steady increase resulting from enhanced retail opportunities and activity. In November 2007, voters reauthorized the street maintenance sales tax for another four years and increased the street maintenance sales tax rate from 0.125 percent to 0.25 percent (along with a corresponding decrease in the KCCPD sales tax rate to 0.25 percent). In November 2011, voters again reauthorized the street maintenance sales tax for another four years (State law requires the street maintenance sales tax to be reauthorized by voters every four years).

The City has experienced increases in sales tax revenues since 2011. For FY2014-15 and FY2015-16, sales taxes are projected to increase by 9.8 percent and 7.0 percent respectively. The table below provides 10 years of sales tax trend data.

Fiscal Year	General Fund	KDC	KCCPD	Street Maintenance	Total	% Change
2007	4,148,974	2,073,910	1,553,620	518,477	8,294,981	10.1%
2008	4,360,294	2,180,147	1,289,690	824,604	8,654,735	4.3%
2009	4,037,484	2,018,742	979,874	1,009,371	8,045,471	-7.0%
2010	4,004,193	2,004,557	931,103	999,818	7,939,671	-1.3%
2011	4,069,146	2,034,573	966,775	1,017,287	8,087,781	1.9%
2012	4,368,625	2,184,312	970,696	1,208,350	8,731,983	8.0%
2013	4,629,749	2,314,875	1,157,437	1,038,711	9,140,772	4.7%
2014	4,877,512	2,438,756	1,219,378	1,071,060	9,606,707	5.1%
2015 *	5,298,080	2,701,478	1,350,739	1,200,645	10,550,942	9.8%
2016 *	5,668,946	2,890,581	1,445,291	1,284,690	11,289,508	7.0%

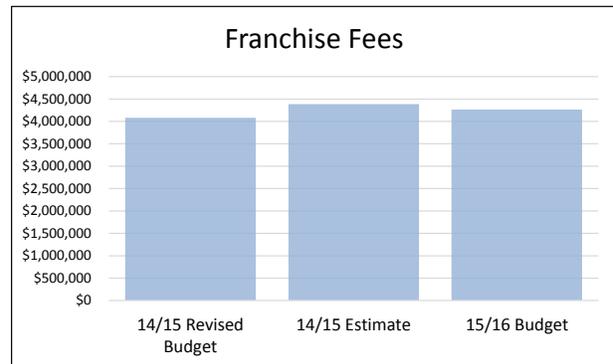


* projected

MAJOR REVENUES

TAXES: (continued)

Franchise or gross receipts taxes are fees charged for the use of public property and rights-of-way, and are collected primarily from utility companies. Fees range from 2 to 5 percent of the gross receipts of the respective utility. The City of Keller also pays a 4 percent franchise tax from the water and wastewater fund and drainage utility fund to the City's General Fund. The water and wastewater fund and drainage utility fund also provides for payments in lieu of property taxes to the City's general fund. Payments in- lieu of property taxes are based on the fund's net asset value (historical cost of assets less accumulated depreciation) from the prior year, multiplied by the City's property tax rate.



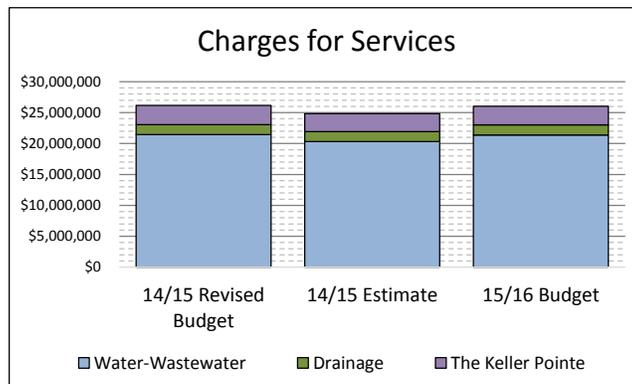
Franchise fees totaling \$4,263,320 are budgeted to increase \$183,340 or 4.5% over prior year budget but decrease \$122,420 or 2.8% compared to FY14-15 estimate.

CHARGES FOR SERVICES

Charges for services include water, wastewater and drainage fees, revenues for The Keller Pointe Recreation and Aquatic Center, internal charges to other departments for fleet replacements and information services, rental revenues from use of City property (parks and communication towers) and ambulance services revenues.

Major components of charges for services revenues include water revenue (\$14.8 million); wastewater (sewer) revenue (\$6.2 million); drainage utility fees (\$1.6 million); and operating revenues for The Keller Pointe (\$3.0 million).

- The Keller Pointe revenues, budgeted at \$3,004,490, decrease \$118,550 or 3.8% compared to prior year budget but increase \$115,945 or 4.0% over estimated FY14-15.
- Water Revenues, budgeted at \$14,823,355, decrease \$304,745 or 2.0% compared to prior year budget but increase \$825,610 or 5.9% over estimated FY14-15.
- Sewer fees, budgeted at \$6,249,720, increase \$202,720 or 3.4% over prior year budget and increase \$233,540 over estimated FY1415.
- Drainage fees, budgeted at \$1,587,000, increase 45,960 or 2.9% over prior year budget and increase \$25,680 over estimated Fy14-15.



Other charges for services include ambulance services, internal charges to other departments for fleet replacement and information services, rental revenue from use of City property.

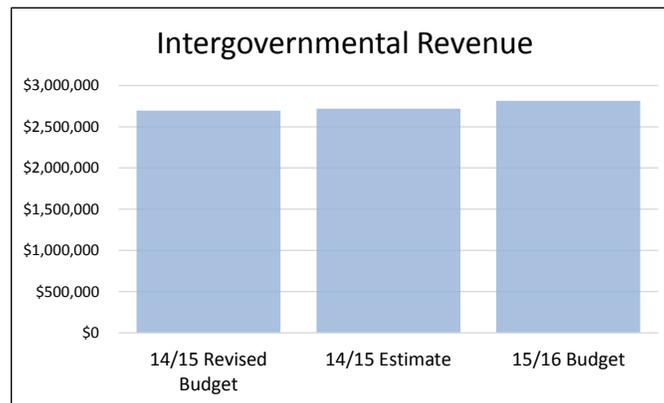
MAJOR REVENUES

(continued)

INTERGOVERNMENTAL

Intergovernmental revenue includes revenues from the Town of Westlake for reimbursement of police operation services resulting from a police services contract between Keller and Westlake; the City of Southlake for combined jail, communications and animal adoption services; the City of Colleyville for combined jail, communications and animal adoption services; and reimbursements from the Keller Independent School District for school resource officer funding. In addition, intergovernmental revenue includes grant revenue received from Federal, State or other local governmental entities.

Intergovernmental revenues for FY2015-16 are budgeted at \$2.8 million, an increase of \$117,780 or 4.4% over prior year budget and an increase of \$92,770 or 3.4% over projected FY14-15.



OTHER REVENUES

Other revenues include fines and fees, \$1,666,450; licenses and permits, \$1,224,000; interest revenue, \$200,100; and miscellaneous revenue, \$179,405. These revenues total \$3.3 million or 4.2 percent of total revenues, compared to \$3.4 million or 4.6 percent of total revenue in the FY2015 estimate. Revenues are a decrease of \$156,880 or 4.6 percent over the FY2015 estimate.

- Revenues increased \$387,615 or 13.4 percent over the FY2015 adopted and FY2015 revised budget of \$2.9 million.

Licenses and permits include building permits and fees, plumbing permits, mechanical permits, electrical permits, fence permits and sign and other miscellaneous permits.

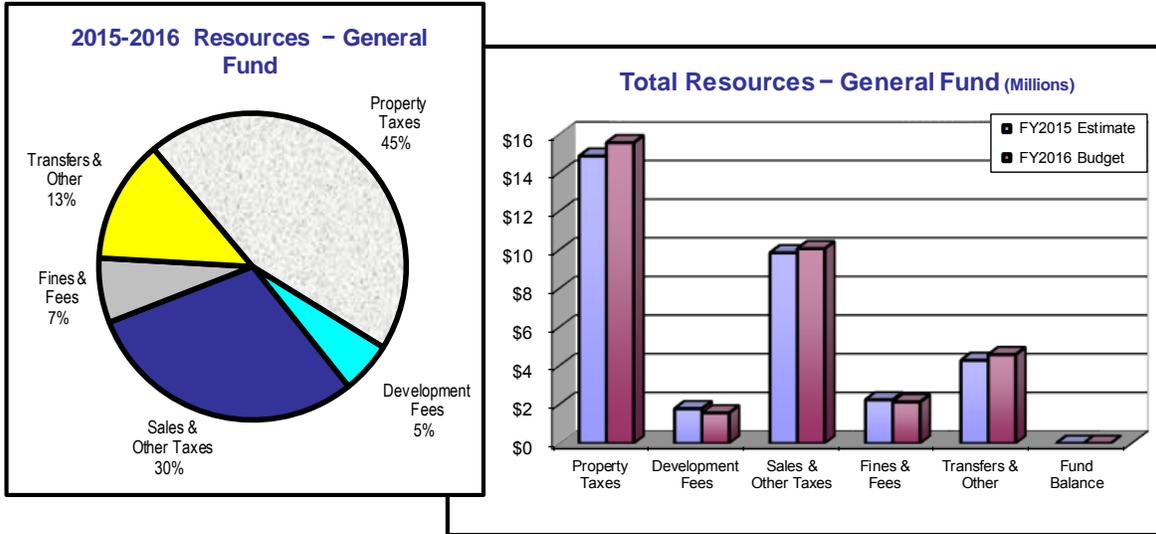
INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

Intragovernmental revenues include the following: transfers for administrative service fees from the water and wastewater fund for services and personnel for water and wastewater fund activities that are funded in the general fund;

Intragovernmental transfers for FY2016 are \$1,340,485, comprising 1.6 percent of total revenues, and are a decrease of \$1,222,285 or 0.48 percent over the FY2015 estimate.

2015-2016 BUDGET OVERVIEW OF GENERAL FUND

2015-2016 RESOURCES – WHERE THE MONEY COMES FROM \$33,962,109

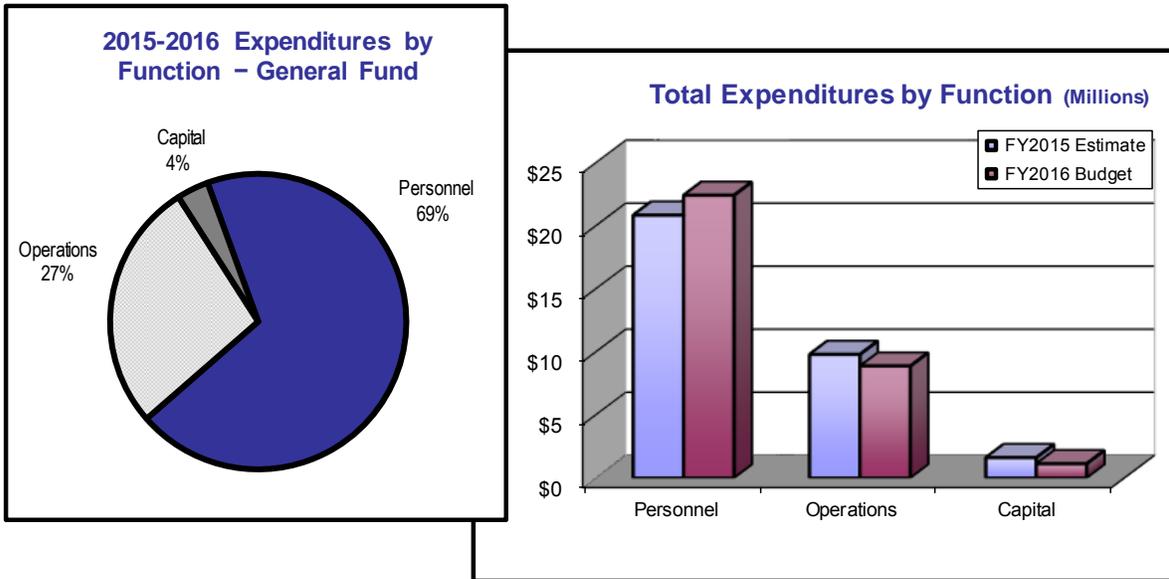


General Fund Summary
(continued)

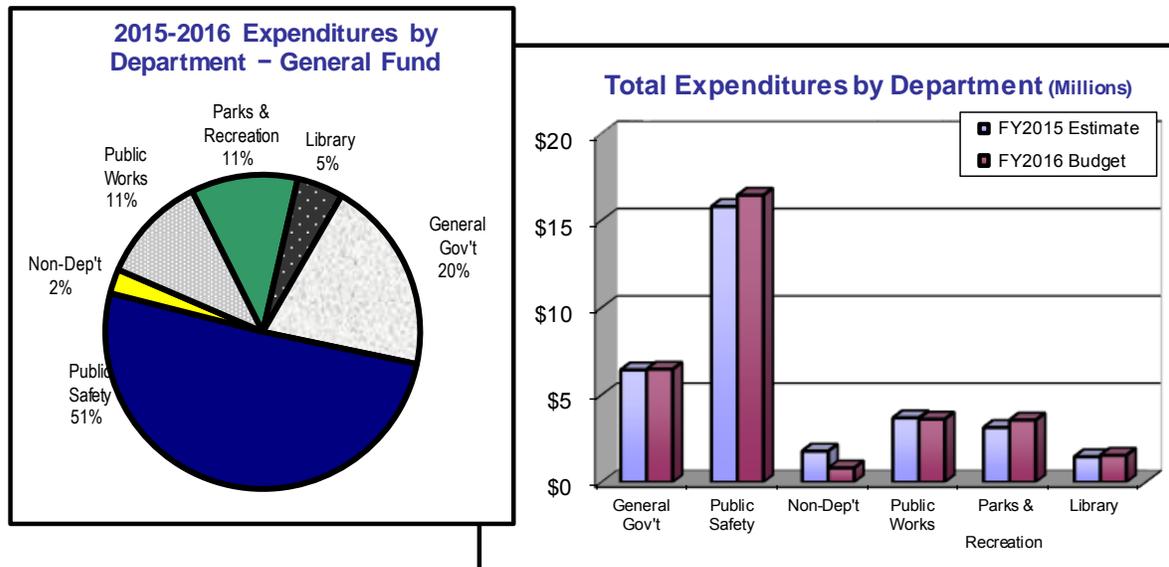
2015-2016 EXPENDITURES – WHERE THE MONEY GOES
\$32,436,297

FY2015-16 Budget excludes one-time expenditures from available fund balance of \$9,419,595
FY2014-15 Estimate includes one-time expenditures of \$1,430,630

Expenditures by Function



Expenditures by Department



FINANCIAL SUMMARY

The General Fund is the main operating fund of the City and is used to account for resources associated with traditional governmental activities that are not required to be accounted for in another fund. Revenues are derived primarily from property taxes, franchise taxes, sales taxes, development-related fees and intra-and intergovernmental revenues. Expenditures support the following major activities: general government, community development, police, fire, library, parks and recreation, and public works.

Total revenues and expenditures by function are provided in the following table.

Expenditures for the General Fund include one-time, non-recurring expenditures from fund balance of \$1,430,630 for FY2014-15. For FY2015-16 one-time, non-recurring expenditures of \$9,419,595 **are excluded from expenditures**.

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2013-2014 Actual	2014-2015 Estimate	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Amount	Percent
Beginning Balance	\$ 13,887,045	\$ 14,763,001	\$ 15,582,230	\$ 819,229	(18.3%)
REVENUES:					
Total property taxes	13,844,886	14,867,037	15,560,148	693,111	4.7
Sales taxes	4,960,591	5,298,080	5,668,946	370,866	7.0
Other taxes	4,281,225	4,565,100	4,407,320	(157,780)	(3.5)
Licenses & permits	1,591,534	1,438,000	1,224,000	(214,000)	(14.9)
Charges for services	2,665,585	2,662,975	2,841,630	178,655	6.7
Fines & fees	1,362,901	1,383,800	1,305,200	(78,600)	(5.7)
Intergovernmental revenue	2,825,780	2,692,030	2,784,800	92,770	3.4
Miscellaneous revenues	171,688	176,630	170,065	(6,565)	(3.7)
Interfund transfers	-	-	-	-	-
TOTAL REVENUES	31,704,190	33,083,652	33,962,109	878,457	2.7
TOTAL FUNDS AVAILABLE	45,591,235	47,846,653	49,544,339	1,697,686	3.5
EXPENDITURES:					
Personnel services	20,416,622	20,847,415	22,424,447	1,577,032	7.6
Operations & maintenance	1,811,520	2,355,170	2,284,987	(70,183)	(3.0)
Services & other	5,084,293	7,148,558	6,595,843	(552,715)	(7.7)
Capital outlay	3,143,474	1,613,280	1,131,020	(482,260)	(29.9)
Transfers to other funds	300,000	300,000	-	(300,000)	(100.0)
TOTAL EXPENDITURES	30,755,909	32,264,423	32,436,297	171,874	0.5
TOTAL ENDING BALANCE	\$ 14,835,326	\$ 15,582,230	\$ 17,108,042	\$ 1,525,812	9.8%

The FY2014-15 Estimate includes one-time expenditures of \$1,430,630 for FY2014 (see next page for additional information regarding one-time expenditures).

Property tax revenue increased due to growth in taxable value, combined with an increase in the maintenance and operations portion of the property tax rate (due to retirement of debt in FY2015). Building permits and fees are anticipated to decrease by \$214,000 from the FY2015 estimate; however, FY2015-16 increases by \$95,000 over the FY2014-15 adopted budget. Intergovernmental revenue increases due to a transfers from the Cities of Colleyville, Southlake, and Westlake.

General Fund Summary
(continued)

The General Fund is primarily service-oriented, and provides police, fire, parks, public works, and administrative services. Therefore, personnel services (salaries, wages and benefits) comprise the largest percentage of the budget (69.1 percent) for FY2015-16. The FY2015-16 expenditures increased by \$1,577,032 (7.6 percent) over the FY2014-15 estimated expenditures. The FY2015-16 expenditures increased by \$229,152 (1.0 percent) over the FY2014-15 adopted budget.

Total full-time equivalent positions for FY2015-16 are 242.75, an increase of 0.21 FTEs over FY2014-15 adopted budget. New positions include a part-time Town Hall Receptionist and a part-time HR Assistant. Personnel services amounts for the FY2014-15 Estimate have been reduced to reflect savings from position vacancies and attrition.

Capital outlay includes expenditures for new or replacement City assets, or improvements to existing assets. The City's personal property capitalization limit for FY2014 is \$5,000. Total capital outlay expenditures for FY2015-16 are \$1,131,020. Capital outlay expenditures for FY2015-16 decreased \$482,260 (29.9%) from FY2014-15.

Major capital items for FY2015-16 include: street improvements (\$763,000), agenda management software (\$23,150), replacement of town hall balcony railings (\$20,000), town hall office furniture (\$23,000), one replacement Public Works backhoe (\$135,000), one Parks and Recreation brush chipper (\$34,320), two zero-turn mowers (\$25,030), sports park fencing (\$22,500), one sports park maintenance mower (\$61,260).

ONE-TIME, NON-RECURRING EXPENDITURES

The table below provides comparative information for both total expenditures and expenditures, net of one-time expenditures for fiscal years 2014-15 and 2015-16.

	2014-15		2015-16	Budget		Estimate	
	Adopted	Estimate	Budget	Amount	Percent	Amount	Percent
Total expenditures	\$ 36,278,515	\$ 33,316,053	\$ 32,436,297	\$ (3,842,218)	(10.59%)	\$ (879,756)	(2.64%)
Less:							
One-time expenditures	<u>(4,586,630)</u>	<u>(1,430,630)</u>	<u>(9,419,595)</u>	<u>(4,832,965)</u>	105.37%	<u>(7,988,965)</u>	558.42%
Net expenditures	<u>\$ 31,691,885</u>	<u>\$ 31,885,423</u>	<u>\$ 23,016,702</u>	<u>\$ (8,675,183)</u>	(27.37%)	<u>\$ (8,868,721)</u>	(27.81%)

The following one-time, non-recurring expenditures of \$1,430,630 are included in the FY2014-15 Estimates:

- Vehicle and equipment replacements, \$386,630;
- Old Town Keller-West improvements, \$365,000;
- Transfer to fleet replacement fund for future vehicle replacements, \$300,000 (year two of three).
- Economic development rebates, \$379,000

General Fund Summary
(continued)

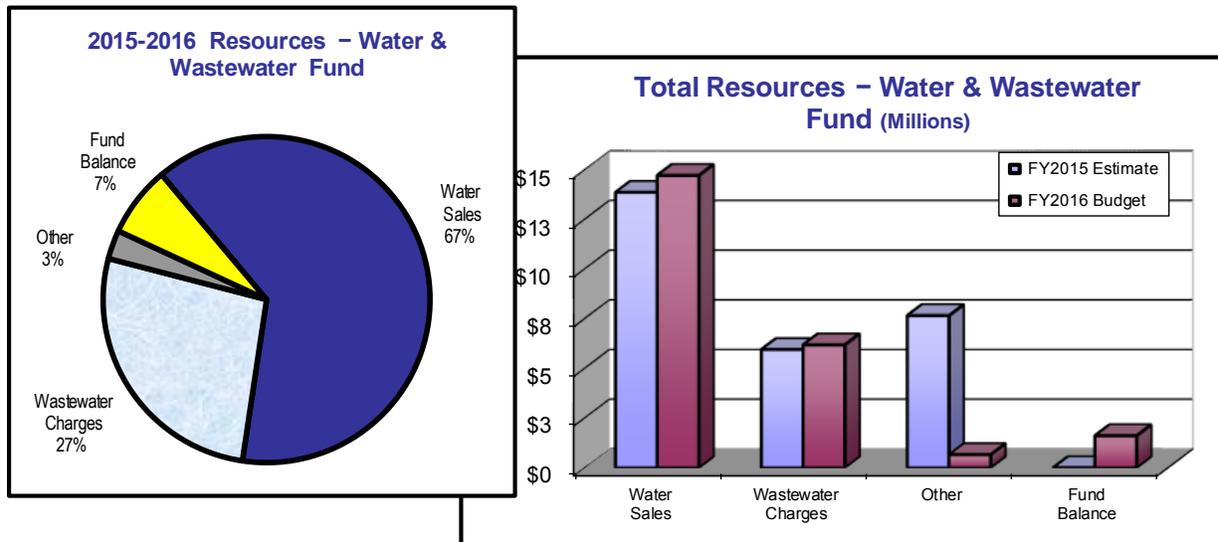
For FY2015-16, the following one-time expenditures of \$9,419,595 are planned from the available General Fund fund balance and **are excluded from budget totals**:

- Economic development initiatives (\$2,000,000)
- Existing Economic incentives due (\$139,045)
- Old Town Keller pedestrian connection (\$4,000,000)
- General Fund Vehicle and equipment replacement (\$175,550)
- Old Town Keller-West Improvements Phase I & 2 (\$1,905,000)
- Transfer to Fleet Replacement Fund - Phase III (\$300,000)
- Keller-Hicks Quiet Zone engineering cost (\$200,000)
- Keller city entrance portal signs (\$200,000)
- Funding for FM 1709 construction design at Keller-Smithfield/Rufe Snow (\$500,000), pending TXDOT funding commitment

Although one-time, non-recurring expenditures are excluded from the FY2015-16 budget expenditure totals, after accounting for the fund balance reduction of \$9,419,595, the ending fund balance exceeds the minimum fund balance target by 17 days of operations, or \$1,467,788.

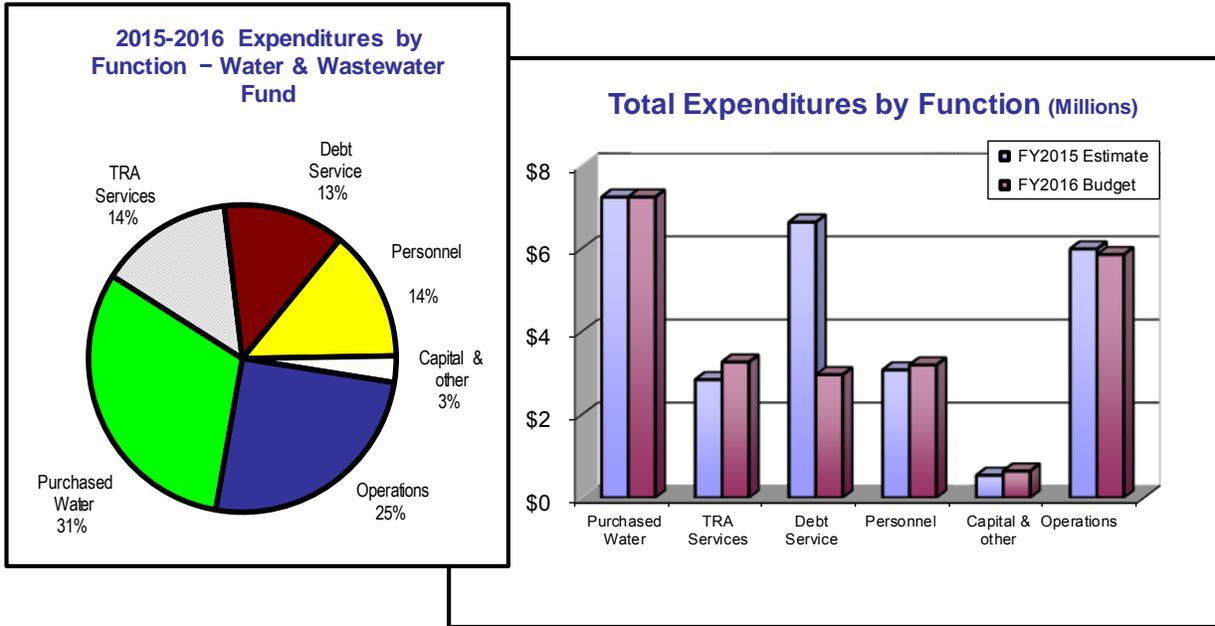
**2015-16 BUDGET
OVERVIEW OF WATER AND WASTEWATER FUND**

**2015-16 RESOURCES – WHERE THE MONEY COMES FROM
\$21,560,125**

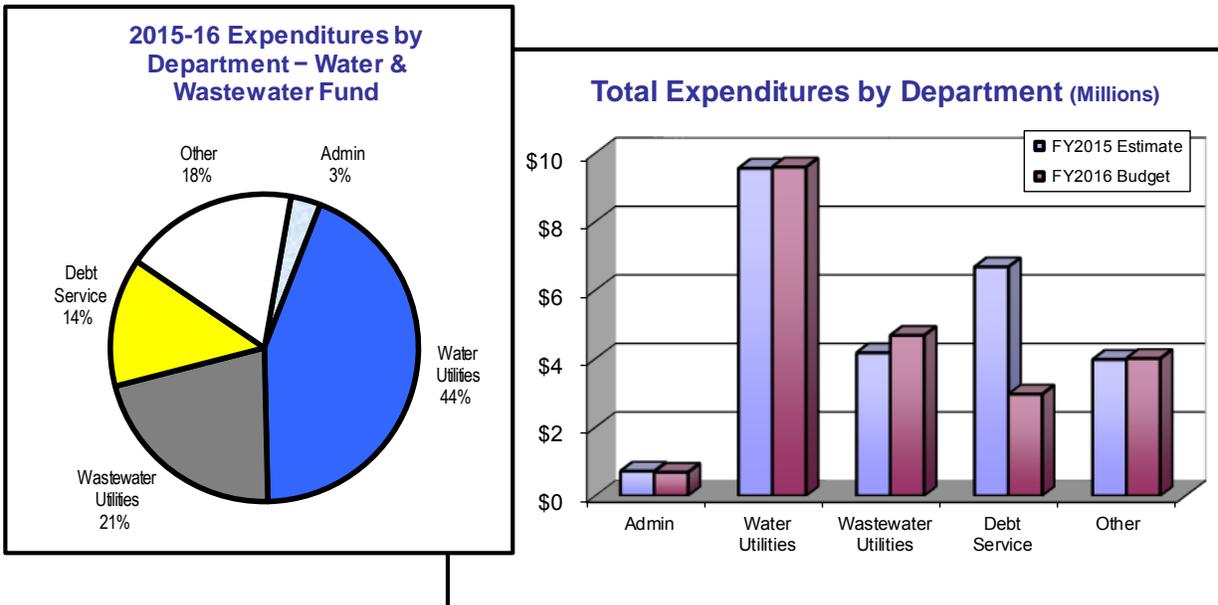


2015-16 EXPENDITURES – WHERE THE MONEY GOES
\$23,174,873

Expenditures by Function



Expenditures by Department



Water and Wastewater Fund Summary (continued)

Water and Wastewater funds and accounts are classified as enterprise funds of the City. Their purpose is to account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the City Council is that the cost of providing services to the general public on a continuing basis be financed or recovered primarily through user fees and charges. The Water and Wastewater Fund is used to account for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, debt service and billing and collection services.

The Water and Wastewater Fund includes the following accounts:

Water and Wastewater Fund (operating account) – used to account for the operating activities of water and wastewater operations.

Water and Wastewater Capital Projects Account – used to account for resources from fees and/or debt issuance to fund capital improvements to the water and wastewater system. Budget information for this account (if any) is included in the Capital Improvements section of this document.

Water Impact Fees Account – used to account for water impact fees for which expenses are restricted to funding capital improvements to the water infrastructure system. Budget information for this account (if any) is included in the Capital Improvements section of this document.

Wastewater Impact Fees Account – used to account for water impact fees for which expenses are restricted to funding capital improvements to the wastewater infrastructure system. Budget information for this account (if any) is included in the Capital Improvements section of this document.

Water & Wastewater rates. In March 2006, the City Council adopted both a water and wastewater rate increase of approximately 8 percent. In April 2010 the City Council authorized a wholesale rate pass-through ordinance for wholesale water purchases and wastewater treatment services. The wholesale pass-through rate is charged on all consumption for both residential and non-residential customers.

The City's current water and wastewater rates are as follows:

Monthly water rates:	(Effective December 1, 2014)	
	<u>Residential</u>	<u>Non-Residential</u>
0 to 2,000 gallons	\$16.96 minimum*	\$16.96 minimum*
0 to 2,000 gallons	\$2.21	\$2.21
2,001 to 10,000 gallons (per 1,000 gallons)	\$3.39	\$3.39
10,001 to 20,000 gallons (per 1,000 gallons)	\$3.71	\$4.03
20,001 to 25,000 gallons (per 1,000 gallons)	\$4.14	\$4.66
25,001 to 40,000 gallons (per 1,000 gallons)	\$5.26	\$5.26
over 40,000 gallons (per 1,000 gallons)	\$5.69	\$5.69

The above rates include the current wholesale pass-through rate.

* Minimum charge varies according to meter size. Rates indicated are for a 5/8 inch water meter.

Water and Wastewater Fund Summary (continued)

Monthly wastewater rates:

(Effective June 1, 2014)

Residential	\$11.91 minimum*, plus \$3.31 per 1,000 gallons of water usage (based on December, January and February average water usage); maximum to 20,000 gallons
Non-residential	\$11.91 minimum*, plus \$3.31 per 1,000 gallons of water usage. No monthly maximum.

The above rates include the current wholesale pass-through rate.

* Minimum charge varies according to meter size. Rates indicated are for a 5/8 inch water meter.

The FY2016 water and wastewater revenues include an anticipated pass-through rate increases of 4.28% for water from Fort Worth Water Department for wholesale water and 3.65% from Trinity River Authority for wastewater.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

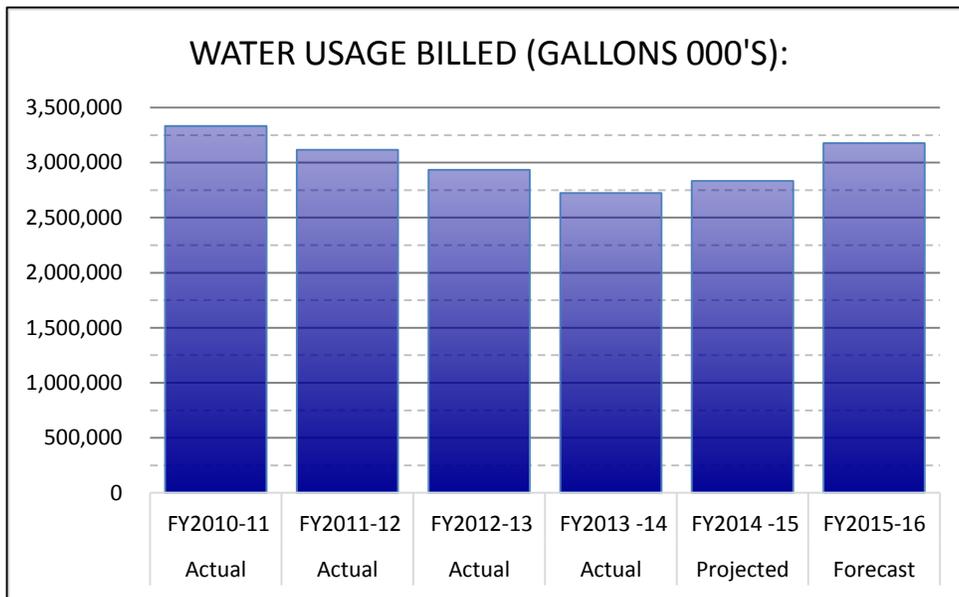
Description	2013-2014	2014-2015	2015-2016	Over 2014-2015	
	Actual	Estimate	Budget	Amount	Percent
Beginning Balance	\$ 7,168,063	\$ 6,802,358	\$ 7,932,719	\$ 1,130,361	16.6%
REVENUES:					
Water sales	13,827,779	13,857,745	14,710,855	853,110	6.2
Wastewater charges	5,991,834	5,950,180	6,184,720	234,540	3.9
Taps and miscellaneous fees	672,154	603,010	588,050	(14,960)	(2.5)
Contributions	4,571	-	-	-	0.0
Interest revenue	23,925	20,000	25,000	5,000	25.0
Miscellaneous revenues	54,344	53,010	51,500	(1,510)	(2.8)
Premium from deb Issuance	-	2,672,500	-	(2,672,500)	(100.0)
Debt Issuance - refunding bond	-	4,310,000	-	(4,310,000)	(100.0)
TOTAL REVENUES	20,574,607	27,466,445	21,560,125	(5,906,320)	(21.5)
TOTAL FUNDS AVAILABLE	27,742,670	34,268,803	29,492,844	(4,775,959)	(13.9)
EXPENDITURES:					
Personnel services	2,972,303	3,079,235	3,198,827	119,592	3.9
Operations & maintenance	872,886	1,191,750	1,188,950	(2,800)	(0.2)
Services & other	4,024,417	4,358,629	4,666,693	308,064	7.1
Wholesale water purchased	7,536,047	7,240,000	7,240,000	-	0.0
Wastewater services-TRA	2,765,329	2,845,390	3,269,483	424,093	14.9
Capital outlay	112,332	543,435	645,325	101,890	18.7
Debt service	2,332,301	6,636,660	2,965,595	(3,671,065)	(55.3)
Transfers to other funds	436,510	440,985	-	(440,985)	(100.0)
TOTAL EXPENDITURES	21,052,125	26,336,084	23,174,873	(3,161,211)	(12.0)
TOTAL ENDING BALANCE	\$ 6,690,545	\$ 7,932,719	\$ 6,317,971	\$ (1,614,748)	(20.4%)

Water and Wastewater Fund Summary (continued)

Water sales are projected to increase based on projected increase in customer base, normalized customer water usage in FY2015-16, combined with the 4.2% pass-through rate increase. Estimated water sales for FY2014-15 are below the FY2014-15 adopted budget by approximately \$317,745 million due to actual water demand being less than anticipated. Wastewater charges are projected to increase based on 3.65 percent pass-through rate increase and due to projected increase in customer base.

Water purchases are projected to be 3.175 billion gallons in FY2015-16, compared to 2.832 billion in FY2014-15, an increase of 343 million gallons (12 percent). For FY2016, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts.

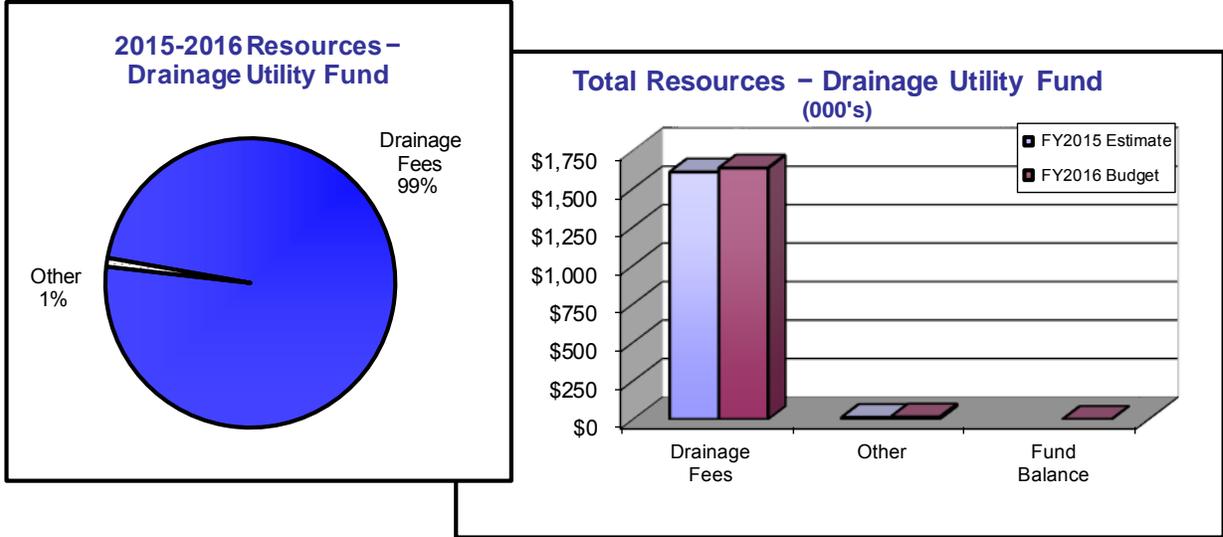
The total projected ending balance of \$6,318,000 includes a \$500,000 water and wastewater rate stabilization reserve. The purpose of the rate stabilization reserve is to provide funds for variations in weather conditions, specifically years having above-average rainfall (wet year) or below-average rainfall (dry year). The projected unreserved ending fund balance is \$5,817,971 or approximately 100 days of operations, compared to the financial policy target of 60 days.



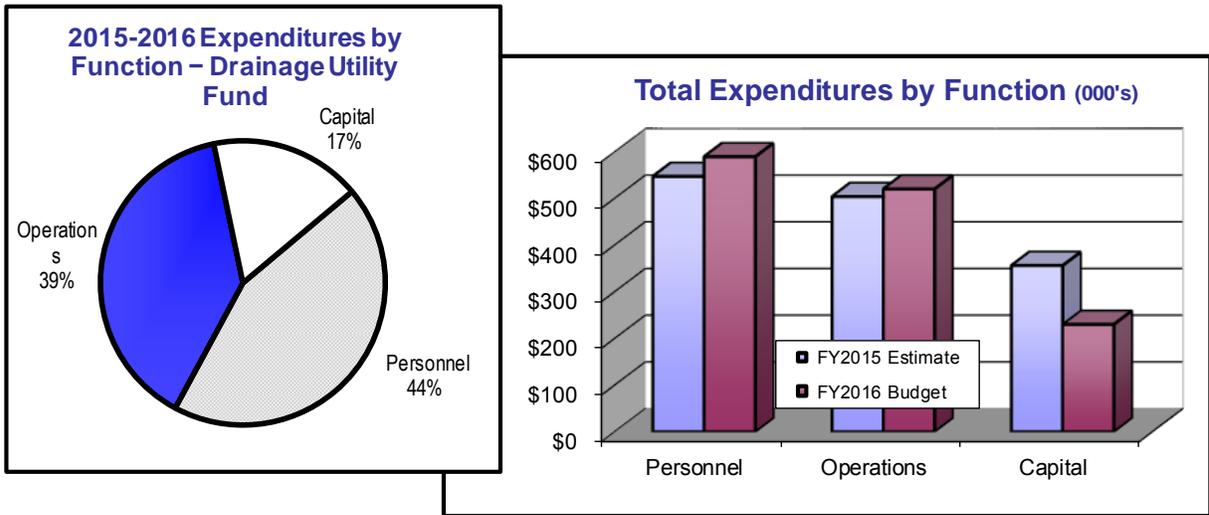
As the above graph indicates, the total number of gallons of wholesale water purchased varies. Water usage, measured in gallons, is dependent upon number of customers (number of water meters) and is affected by rainfall, although the 2015's rainfall occurred during normally-low-consumption months. For FY2016, a conservative (normalized) customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts, taking into account current fiscal YTD usage through June 2015. The total water consumption for FY2016 is anticipated to be 3.175 billion gallons, an increase of 12% over FY2015's 2.833 billion gallons.

**2015-16 BUDGET
OVERVIEW OF DRAINAGE UTILITY FUND**

**2015-16 RESOURCES – WHERE THE MONEY COMES FROM
\$1,648,960**



**2015-2016 EXPENDITURES – WHERE THE MONEY GOES
\$1,339,673**



The Drainage Utility Fund is an enterprise fund of the City. The Fund accounts for user fees charged per equivalent residential unit (ERU) to maintain and enhance drainage of properties within the City of Keller. A single-family residence is equivalent to one ERU. All activities necessary to provide such services are accounted for in this fund, primarily operations and maintenance.

Drainage Utility Fund Summary (continued)

As a result of the passage of the Municipal Drainage Utility Systems Act by the Texas State Legislature in 1987, the Drainage Utility Fund was created by the City in 1990. The Act authorized the creation of a drainage utility for the purpose of providing funding for drainage maintenance and improvements. Revenues are derived from drainage charges to residential and commercial water utility customers. Monthly drainage charges are based on the ERU for each property.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2013-2014 Actual	2014-2015 Estimate	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Amount	Percent
Beginning Balance	\$ 2,489,414	\$ 2,558,332	\$ 2,771,677	\$ 213,345	8.3%
REVENUES:					
Drainage fees	1,570,602	1,607,280	1,632,960	25,680	1.6
Miscellaneous revenues	(1,183)	1,000	1,000	-	-
Interest revenue	13,094	12,000	15,000	3,000	25.0
TOTAL REVENUES	1,582,513	1,620,280	1,648,960	28,680	1.8
TOTAL FUNDS AVAILABLE	4,071,927	4,178,612	4,420,637	242,025	5.8
EXPENDITURES:					
Personnel services	558,387	546,945	589,125	42,180	7.7
Operations & maintenance	69,051	143,660	148,605	4,945	3.4
Services & other	272,341	360,215	371,443	11,228	3.1
Capital outlay/improvements	584,434	356,115	230,000	(126,115)	(35.4)
Debt service	54,227	-	-	-	-
Prior Period Adjustment	(24,845)	-	-	-	-
Transfers to other funds	-	-	-	-	-
TOTAL EXPENDITURES	1,513,595	1,406,935	1,339,173	(67,762)	(4.8)
TOTAL ENDING BALANCE	\$ 2,558,332	\$ 2,771,677	\$ 3,081,464	\$ 309,787	11.2%

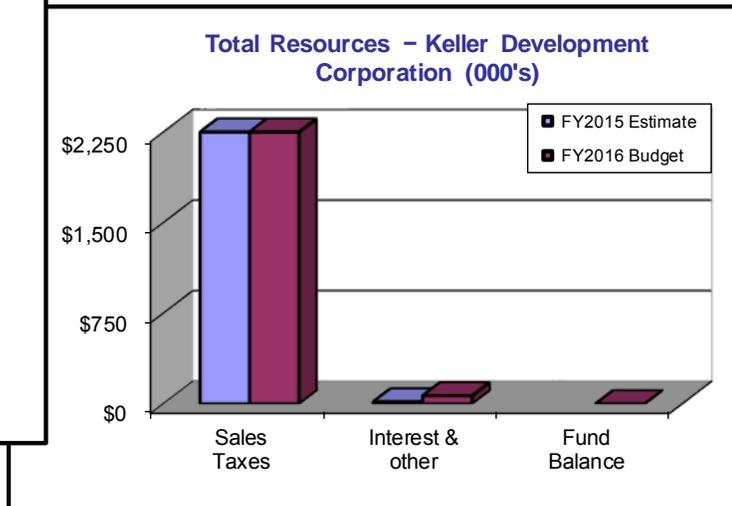
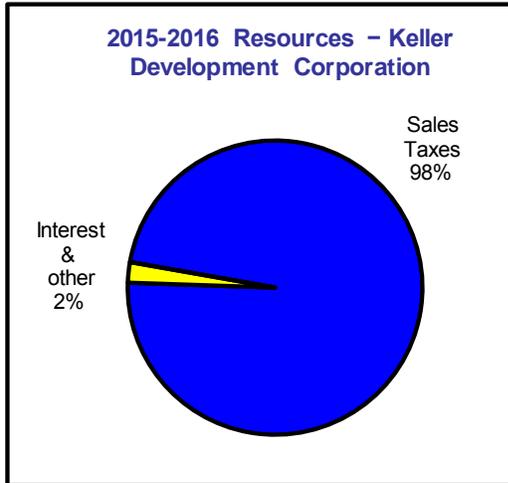
The monthly drainage charge per ERU is currently \$8 per month, last updated in November 2009.

Drainage capital outlay/improvements for FY2014-15 include the Bandit Trail Drainage Project design costs and the Sports Park / Arena Road Culvert Replacement design costs.

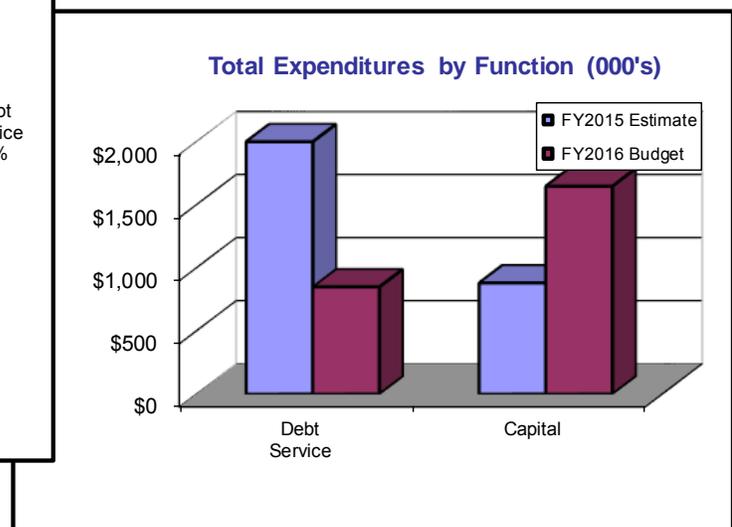
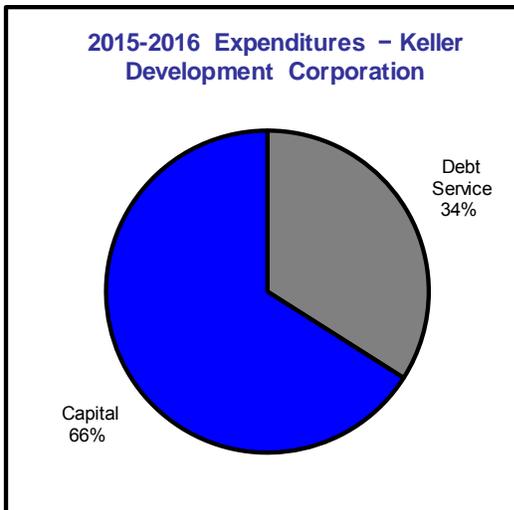
Drainage capital outlay/improvements for FY2015-16 are included for the Bandit Trail Drainage Project construction costs, Sports Park / Arena Road Culvert Replacement construction costs, design costs for the Barbara Lane Drainage Project and \$200,000 for unanticipated drainage projects.

**2015-2016 BUDGET
OVERVIEW OF KELLER DEVELOPMENT CORPORATION**

**2015-2016 RESOURCES – WHERE THE MONEY COMES FROM
\$2,956,961**



**2015-2016 EXPENDITURES – WHERE THE MONEY GOES
\$2,496,125**



Keller Development Corporation Fund Summary (continued)

The Keller Development Corporation (KDC) Fund accounts for resources associated with the additional ½ cent local sales tax, interest revenue and other resources to be used exclusively for capital improvements to Keller parks. In January 1992, residents of the City authorized the additional ½ cent sales tax to be used for the construction of recreational facilities in accordance with the provisions contained in Article 5190.6, Texas Revised Civil Statutes, Section 4B. Following the election, the City Council authorized the creation of the KDC. The KDC is governed by a seven-member Board of Directors, all of whom are appointed by the City Council. Each director must be a resident of the City, and at least four directors must be members of the Keller City Council. Since the City appoints all of the members of the KDC board, the Corporation's financial information is included as a blended component unit (Special Revenue Fund) of the City.

The KDC budget was reviewed and approved by the KDC Board of Directors on July 20, 2015. State law requires a public hearing for development corporations at least 60 days prior to the expenditure of funds. The public hearing was conducted on July 21, 2015.

**FINANCIAL SUMMARY
SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**

Description	2013-2014 Actual	2014-2015 Estimate	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Amount	Percent
Beginning Balance	\$ 1,056,137	\$ 2,007,356	\$ 2,216,946	\$ 209,590	10.4%
REVENUES:					
Sales taxes	2,480,274	2,649,040	2,890,581	241,541	9.1
Interest revenue	5,161	3,500	4,380	880	25.1
Premium on Debt Issuance	-	18,480	-	(18,480)	(100.0)
Debt Issuance - Refunding Bonds	-	1,040,000	-	(1,040,000)	(100.0)
Transfer from Pointe	-	-	50,000	50,000	-
Rental & other revenue	12,000	12,000	12,000	-	-
TOTAL REVENUES	2,497,435	3,723,020	2,956,961	(766,059)	(20.6)
TOTAL FUNDS AVAILABLE	3,553,572	5,730,376	5,173,907	(556,469)	(9.7)
EXPENDITURES:					
Personnel services	-	-	-	-	-
Operations & maintenance	5,575	21,890	21,890	-	-
Services & other	39,629	77,435	49,200	(28,235)	(36.5)
Capital outlay/improvements	7,969	646,800	973,000	326,200	50.4
Debt service	1,336,763	2,632,820	848,850	(1,783,970)	(67.8)
Transfers to other funds	156,280	134,485	603,185	468,700	348.5

Total projected revenues for FY 2016 are \$2,906,085, an increase of \$437,775 (approximately 18%) over the current year adopted budget. An increase of approximately 18% in sales tax revenues over the adopted budget is estimated for FY 2015 (the current fiscal year). Proposed sales tax revenues for FY 2016 are projected to increase approximately 7.0% over current year actuals (which is a 10.8% increase over the prior year actuals). Other Revenues includes \$12,000 for Rental Revenue, the proceeds from the Blue Sky Sports Center ground lease agreement, and \$3,500 for interest income for KDC cash balances.

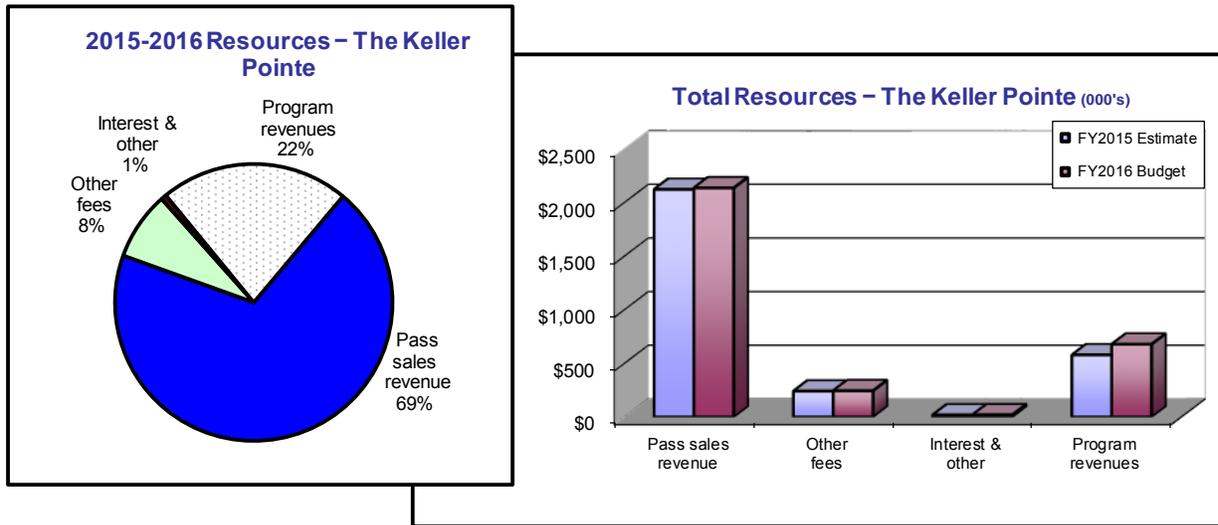
Total FY 2016 expenditures are proposed to decrease from FY2015 adopted budget by \$40,684 (approximately 2%). The proposed decrease is primarily resulting from the decrease in debt service (\$348,984 or 20%) and decrease in services and other (\$18,500 or 27%), partially offset by an increase in capital outlay (\$326,200 or 50%).

Keller Development Corporation Fund Summary (continued)

Capital outlay of \$973,000 continues funding for park project matching funds grants (\$100,000); Big Bear Creek Greenbelt Trail Canopy Extension (\$50,000), Keller-Smithfield Activity Node Parking Lot (\$100,000), Design and Construction Consulting Fees for Keller Sports Park (\$180,000) and Northeast Park (\$120,000), a Dog Park (\$110,000), Mower Replacement (\$63,000) and continued Trail System Expansion (\$250,000).

**2015-2016 BUDGET
OVERVIEW OF THE KELLER POINTE RECREATION
AND AQUATIC CENTER FUND**

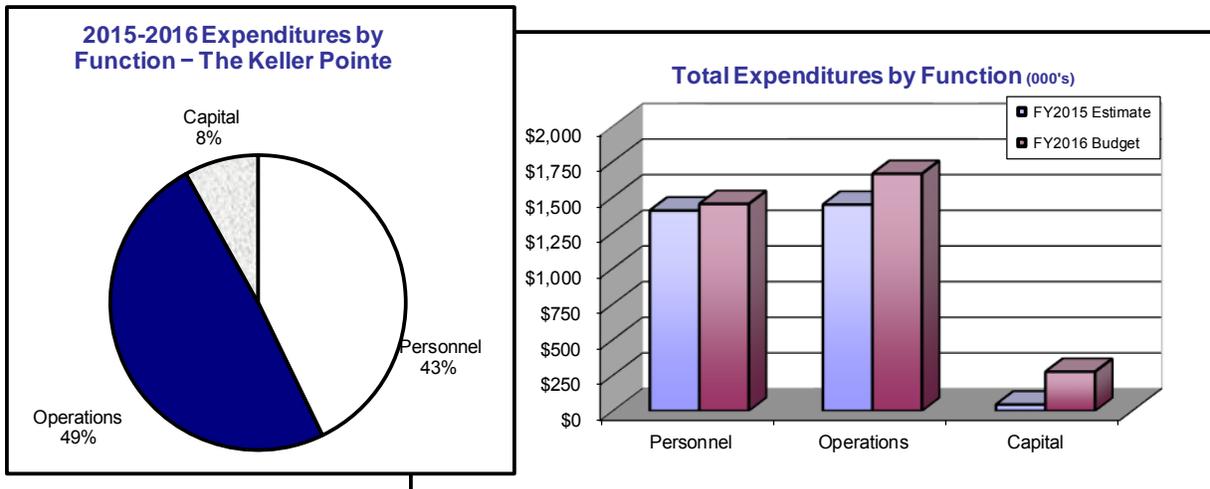
**2015-2016 RESOURCES – WHERE THE MONEY COMES FROM
\$3,078,080**



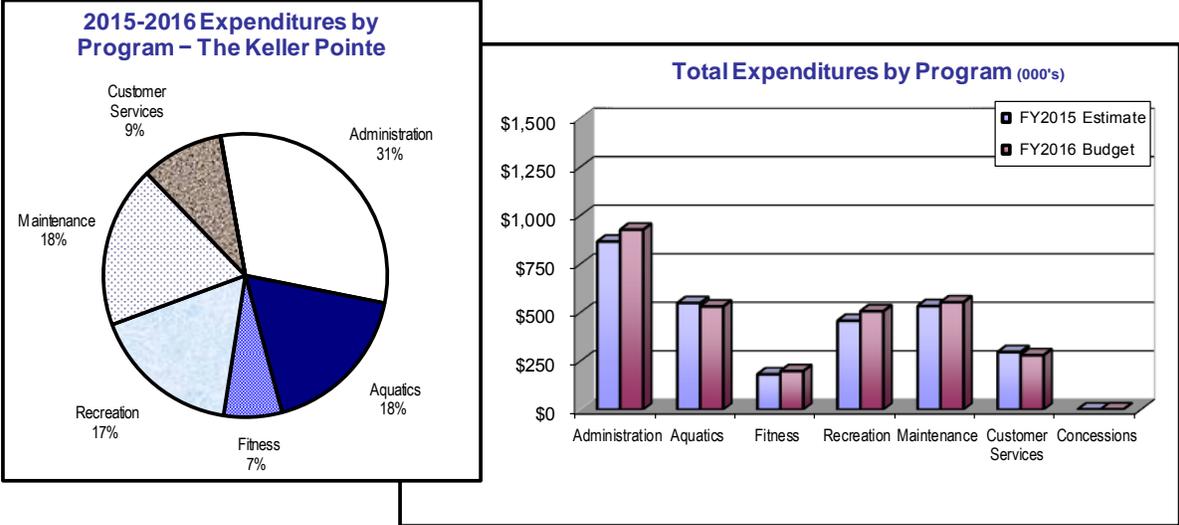
**2015-2016 EXPENDITURES – WHERE THE MONEY GOES
\$3,390,425**

(FY2015 excludes one-time expenditures from available fund balance of \$210,460)

Expenditures by Function



Expenditures by Division/Program



**THE KELLER POINTE
Recreation and Aquatic Center Fund**

The Keller Pointe Recreation and Aquatic Center Fund accounts for operating revenues and costs associated with the operation of the Center. The facility opened in May 2004. Facility construction was authorized as a result of an enterprise plan study recommendation, whereby facility operations were and have been self-supporting through user fees and charges. Facility operations supports direct operating costs, excluding debt service, funded with user fees and charges.

The Keller Pointe Summary (continued)

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2013-2014 Actual	2014-2015 Estimate	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Amount	Percent
Beginning Balance*	\$ 592,023	\$ 947,408	\$ 1,008,846	\$ 61,438	6.5%
REVENUES:					
Pass sales/program revenues	3,022,719	2,941,055	3,058,490	117,435	4.0
Miscellaneous revenue	16,496	13,915	14,210	295	2.1
Interest revenue	7,688	4,300	5,380	1,080	25.1
TOTAL REVENUES	3,046,903	2,959,270	3,078,080	118,810	4.0
TOTAL FUNDS AVAILABLE	3,638,926	3,906,678	4,086,926	180,248	4.6
EXPENDITURES:					
Personnel services	1,425,778	1,405,685	1,451,945	46,261	3.3
Operations & maintenance	309,316	455,680	404,345	(51,335)	(11.3)
Services & other	955,424	991,468	1,109,135	117,667	11.9
Capital outlay	1,000	45,000	375,000	330,000	733.3
Transfers to other funds	-	-	50,000	50,000	-
TOTAL EXPENDITURES	2,691,518	2,897,833	3,390,425	492,593	17.0
TOTAL ENDING BALANCE*	\$ 947,408	\$ 1,008,846	\$ 696,501	\$ (312,345)	(31.0%)

* Fund balance is cash and investments.

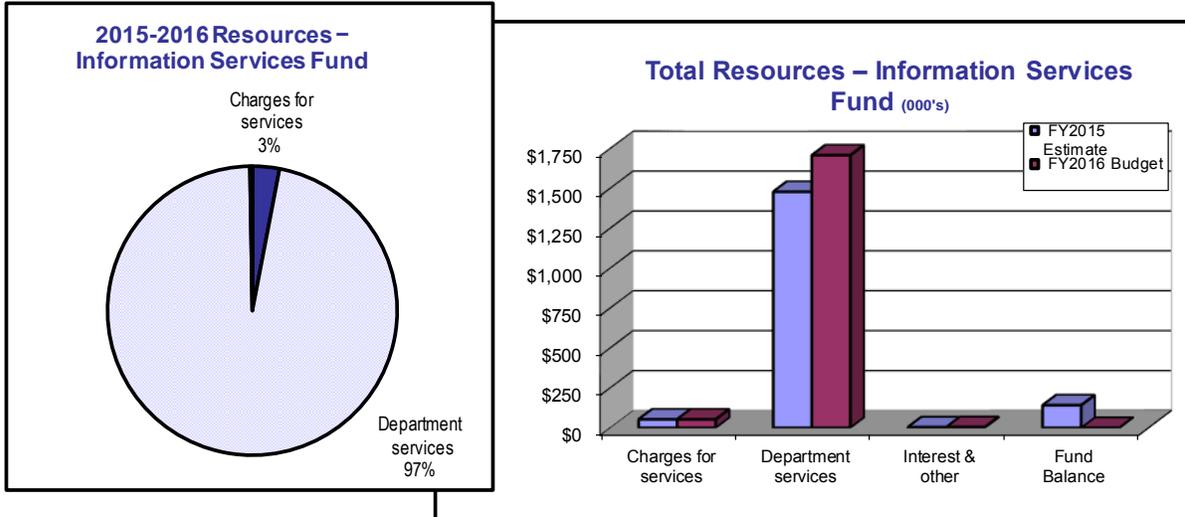
The following one-time expenditures of \$210,460 were planned in FY2016 from the available fund balance and **are excluded from budget totals**:

- Outdoor pool retile, replaster and paint (\$137,000)
- Membership promotion (\$40,000)
- Building wall, texture and paint (\$23,460)
- Membership supplies (\$10,000)

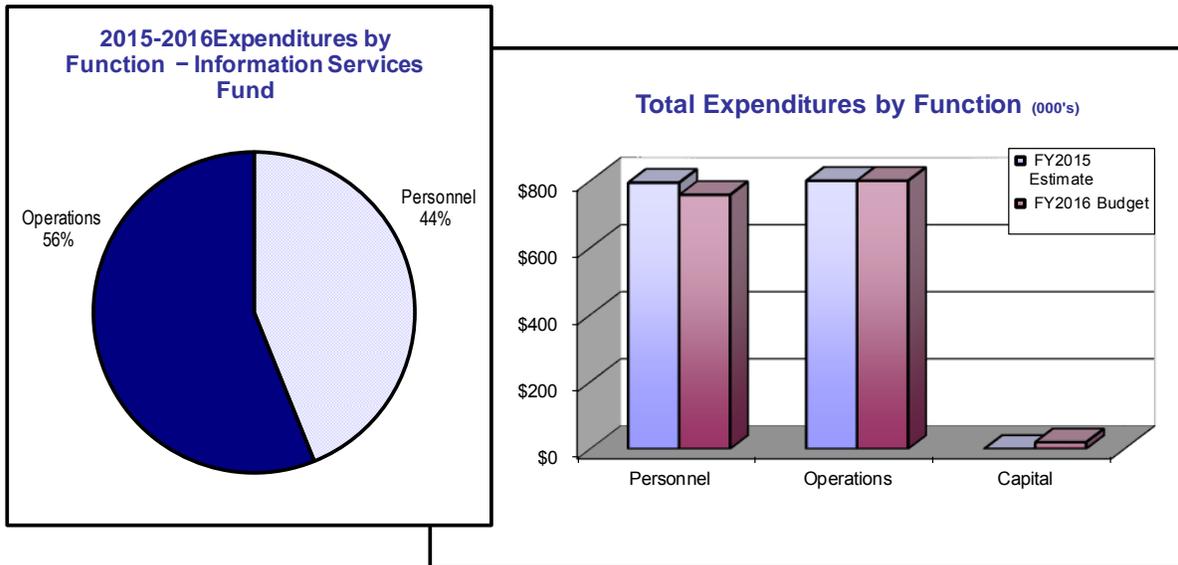
Major revenues for FY2015-16 are comprised of annual and daily passes, facility rentals, merchandise sales, and program revenues. Program revenues include aquatics, fitness (personal training), and recreation programs.

**2015-2016 BUDGET
OVERVIEW OF THE INFORMATION SERVICES FUND**

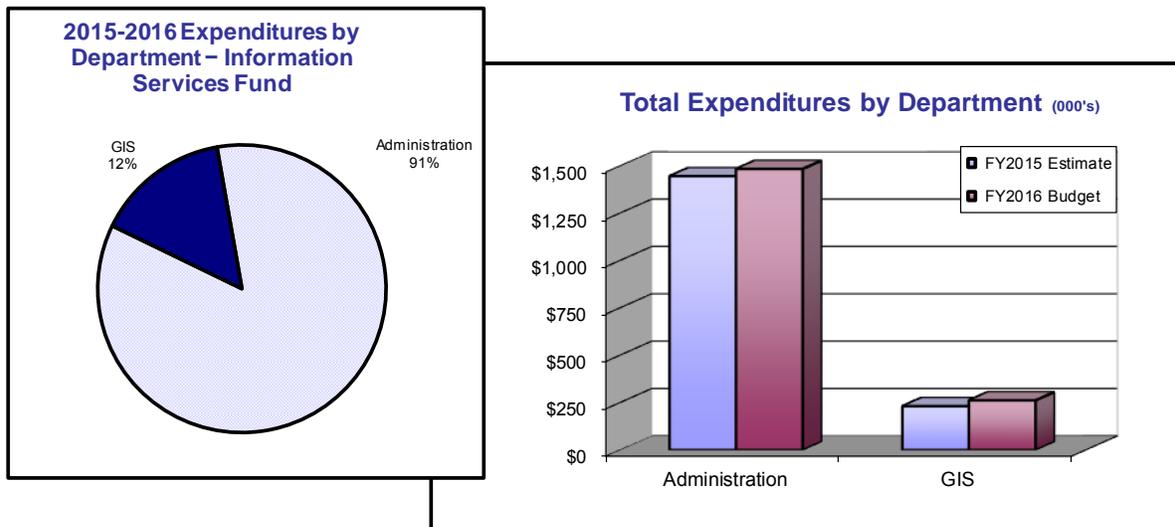
**2015-2016 RESOURCES – WHERE THE MONEY COMES FROM
\$1,765,785**



**2015-2016 EXPENDITURES – WHERE THE MONEY GOES
\$1,746,314**



Information Services Fund Summary (continued)



The Information Services Special Revenue Fund is funded jointly by transfers of charge-back fees from respective funds of the City and revenues received from communication tower leases on City-owned facilities. These resources are used to fund City-wide information systems and information technology goods and services, including expenditures for Keller Town Hall networking equipment, geographic information system (GIS) operations, Public Library support, Internet services, and Audio Visual services.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2013-2014 Actual	2014-2015 Estimate	2015-2016 Budget	Increase (Decrease) Over 2014-2015	
				Amount	Percent
Beginning Balance	\$ 790,123	\$ 677,882	\$ 536,137	\$ (141,745)	(20.9%)
REVENUES:					
Departmental charge-back fees	1,599,260	1,478,865	1,707,905	229,040	15.5
Miscellaneous revenue	-	-	-	-	-
Communication tower rentals	50,879	53,130	53,130	-	-
Interest revenue	4,038	3,800	4,750	950	25.0
TOTAL REVENUES	1,654,177	1,535,795	1,765,785	229,990	15.0
TOTAL FUNDS AVAILABLE	2,444,300	2,213,677	2,301,922	88,245	4.0
EXPENDITURES:					
Personnel services	831,405	794,205	757,809	(36,396)	(4.6)
Operations & maintenance	732,979	680,150	732,310	52,160	7.7
Services & other	212,034	203,185	236,195	33,010	16.2
Capital Outlay	-	-	20,000	-	-
Prior period adjustment	(10,000)	-	-	-	-
TOTAL EXPENDITURES	1,766,418	1,677,540	1,746,314	48,774	2.9
TOTAL ENDING BALANCE	\$ 677,882	\$ 536,137	\$ 555,608	\$ 39,471	7.4%

Information Services Fund Summary (continued)

FY2015-16 revenues increased due to planned increases in departmental charge-back fees.

Operating expenditures (operations and maintenance and services and other) increased by \$83,394 from the FY2014-15 budget, due to increases in software licensing and GIS support.

SUMMARY OF OTHER FUNDS

The City utilizes other special revenue funds. A brief description and financial summary of each fund is provided below.

The Library Special Revenue Fund accounts for public donations, grants, and other revenues designated for the Keller Public Library. FY2015-16 revenues total \$50,560 with expenditures of \$7,500, and a \$37,764 ending fund balance forecast.

The Recreation Special Revenue Fund accounts for resources derived from grants, donations, and/or user charges that are specifically designated for recreation programs or special events, as well as tree restoration fines that are levied upon developers, and are designated for the acquisition and maintenance of trees in City parks. FY2015-16 budgeted revenues are \$238,700 and total expenditures are \$232,700, budgeting a total ending fund balance of \$328,783.

The Municipal Court Special Revenue Fund accounts for technology, building security, and juvenile case manager fees collected from Municipal Court citations. Both the authority for the fees, and the related expenditures from these fees are specifically designated by State law. Total FY2015-16 revenues are \$123,960, and total expenditures are \$279,400, leaving a budgeted ending fund balance of \$56,936.

The Public Education and Government (PEG) Cable Franchise Fee Special Revenue Fund – The PEG Cable Franchise Fee Fund accounts for PEG cable franchise fees charged in accordance with Section 622(g)(2)(C) of the Cable Act (47 U.S.C. §542(g)(2)(c)). PEG fees are remitted to the City by cable television providers. Fees may be used for capital costs for PEG facilities, including purchases of equipment used in the broadcasting and/or dissemination of public information. Total FY2015-16 revenues are \$160,130, and total expenditures are \$261,900, leaving an estimated ending fund balance of \$423,095.

Keller Crime Control and Prevention Special Revenue Fund was established in FY2002 to account for revenues derived from sales and use taxes, in accordance with Section 363 of the Texas Local Government Code, to be used for public safety crime control and prevention programs. In November 2001, voters authorized three-eighths of one cent (0.375 percent) sales and use tax. The tax was authorized for an initial period of five years, with the intent of the City to utilize the proceeds to fund an expansion of the police station facility. This tax was re-authorized for an additional 15 years by voters in May 2006. In November 2007, voters authorized a reduction in the rate from 0.375 percent to 0.25 percent, effective April 2008. Sales tax revenues of \$1,324,070 are projected in FY2015-16. Expenditures total \$1,045,625 and include:

Vehicles and equipment replacements	\$ 238,920
Improvements to technology	51,100
Furniture, fixtures and equipment replacement	95,000
Debt service – facility expansion debt issuance	527,850

The projected ending fund balance at September 30, 2016 is \$3,598,028. This fund balance includes reserves for 30 days of expenditures, leaving an unassigned fund balance of \$3,512,086.

Other Funds (continued)

The Community Clean-Up Special Revenue Fund accounts for resources from monthly fees assessed to residential customers that are specifically designated for clean-up programs within the community, including, but not limited to, major storm debris pick-up, city-wide clean-ups, and educational and promotional activities. The purpose of this program is to provide public services that assist in keeping the City free and clear of any debris, waste, refuse or other items that may cause a public safety issue, be a public nuisance or be a detriment to the aesthetics of the community. Total FY2015-16 revenues are \$32,440, and total expenditures are \$30,000, leaving an estimated ending fund balance of \$157,682.

**2015-2016 BUDGET
OVERVIEW OF THE DEBT SERVICE FUND**

The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general obligation principal and interest. A portion of the ad valorem tax is levied and allocated annually to this fund in an amount sufficient to service the debt payments due for the fiscal year, net of other financing sources. Other financing sources include transfers from roadway impact fees, the Keller Development Corporation and the Water and Wastewater Fund to reimburse the Debt Service Fund for principal and interest requirements due on debt issued on behalf of these other funds.

Schedules of Water and Wastewater Fund, KDC and TIRZ debt obligations are contained in their respective sections of the budget.

**FINANCIAL SUMMARY
SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE**

Description	2013-2014	2014-2015	2015-2016	Over 2014-2015	
	Actual	Estimate	Budget	Amount	Percent
Beginning Balance	\$ 525,621	\$ 517,238	\$ 615,268	\$ 98,030	19.0%
REVENUES:					
Property taxes	4,910,364	4,804,770	4,556,420	(248,350)	(5.2)
Transfers from other funds	717,888	575,470	603,185	27,715	4.8
Net Proceeds from refunding	-	5,400,735	-	(5,400,735)	(100.0)
Interest revenue	5,593	6,000	7,500	1,500	25.0
TOTAL REVENUES	5,633,845	10,786,975	5,167,105	(5,619,870)	(52.1)
TOTAL FUNDS AVAILABLE	6,159,466	11,304,213	5,782,373	(5,521,840)	(48.8)
EXPENDITURES:					
Services and other	424.00	49,840.00	1,500.00	(48,340)	(97.0)
Debt service	4,985,398	4,599,405	4,429,980	(169,425)	(3.7)
Transfers to other funds	662,685	687,300	687,300	-	-
Transfers to escrow agent (1)	-	5,352,400	-	(5,352,400)	(100.0)
Prior period Adjustment	(6,279)	-	-	-	-
TOTAL EXPENDITURES	5,642,228	10,688,945	5,118,780	(5,570,165)	(52.1)
TOTAL ENDING BALANCE	\$ 517,238	\$ 615,268	\$ 663,593	\$ 48,325	7.9%

Debt Service Fund (continued)

Revenues for FY2015-16 are derived from property taxes, \$4,556,420 and transfers from Keller Development Corporation of \$603,185 to reimburse the Fund for tax-supported debt obligations that were issued on behalf of the respective self-supporting fund. The self-supporting funds reimburse the Debt Service Fund for their respective proportionate share of tax-supported debt service obligations that were issued on their behalf.

Expenditures are provided for retirement of principal and interest on general obligation bonds and/or certificates of obligation. A detailed list of existing debt obligations by fiscal year is provided in the Debt Service section of the budget.

SUMMARY

The above individual fund summaries provide summarized information about the City's major funds sources of revenues and major expenditures. The summary is intended to provide a brief financial overview of each individual operating fund of the City. Additional detail information regarding revenue sources and expenditures is provided elsewhere in the budget document, e.g., in the City Manager's Transmittal Letter, and also with the individual fund/department presentation throughout the document.

SUMMARY OF AUTHORIZED FULL-TIME EQUIVALENT POSITIONS

Personnel staffing levels for the City are presented in full-time equivalent (FTE) positions. For example, a position staffed for 40 hours per week for 52 weeks per year equals one full-time equivalent position. For firefighter and firefighter/paramedic positions, a FTE of 2,912 hours per year, or an average of 56 hours per week is used. A FTE position of 0.48 refers to a position that is funded for 988 hours per year (2,080 x 0.475). The personnel counts include vacant positions.

The total personnel staffing level for the City in FY2015-16 is 342.22 FTE positions. Excluding changes in FTEs for The Keller Pointe, FTEs increased .71 FTEs (.24 percent) over the FY2014-15 Estimate.

Total FTE positions included in the General Fund for FY2015-16 are 242.75, an increase of 1.71 FTEs from FY2014-15 (0.71 percent). The Water & Wastewater Fund totals 41.67 positions, a decrease of 1.0 FTEs from FY2014-15 (2.34 percent). Department summaries of authorized positions are presented below and with each individual fund summary schedule. In addition, personnel positions shown in detail are presented with each departmental budget.

General Fund employees per 1,000 residents decreased from 5.73 in FY2014-15 to 5.66 employees per 1,000 residents in FY2015-16, a decrease of 0.07 employees per 1,000 residents (1.22 percent).

Summary of Authorized Full-time Equivalent Positions:

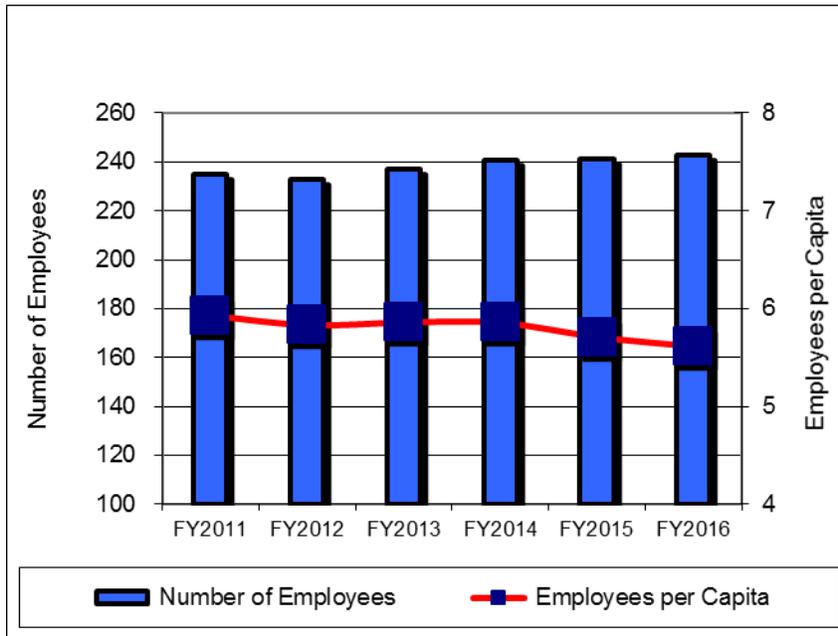
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FUND/DEPARTMENT	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
GENERAL FUND:			
Administration	8.00	9.00	9.48
Town Hall Operations	3.00	3.00	3.00
Finance & Accounting	7.00	7.50	7.50
Human Resources	5.00	5.00	5.48
Economic Development	2.48	1.78	1.78
Community Development	11.96	12.41	12.66
Police Department	85.48	86.48	86.48
Fire Department	59.00	57.00	57.00
Public Works	15.10	15.33	15.33
Keller Public Library	15.44	15.48	15.48
Parks & Recreation	28.20	28.06	28.56
TOTAL GENERAL FUND	240.66	241.04	242.75
OTHER FUNDS:			
Keller Development Corporation	-	-	-
Information Services Fund	8.00	7.00	7.00
Municipal Court Special Revenue	-	-	-
TOTAL OTHER FUNDS	8.00	7.00	7.00
WATER & WASTEWATER FUND:			
Water & Wastewater Administration	5.17	5.17	5.17
Customer Services	12.00	12.50	11.50
Water Production	2.00	2.00	2.00
Water Distribution	10.50	10.50	10.50
Wastewater Collection	9.50	11.50	11.50
Municipal Service Center Operations	1.00	1.00	1.00
TOTAL WATER & SEWER FUND	40.17	42.67	41.67
DRAINAGE UTILITY FUND:			
Drainage Maintenance	8.50	8.50	8.50
TOTAL DRAINAGE UTILITY	8.50	8.50	8.50
TOTAL CITY OF KELLER	297.33	299.21	299.92
The Keller Pointe Recreation/Aquatic Center	47.43	46.01	42.30
GRAND TOTAL	344.76	345.22	342.22
Total full-time equivalent employees per 1,000 residents	8.39	8.21	7.98
General Fund only employees per 1,000 residents	5.86	5.73	5.66

Positions include temporary/part-time positions and partial year funding for full-time positions, where applicable.

(Continued)

Summary of Authorized Full-time Equivalent Positions:
 (Continued)



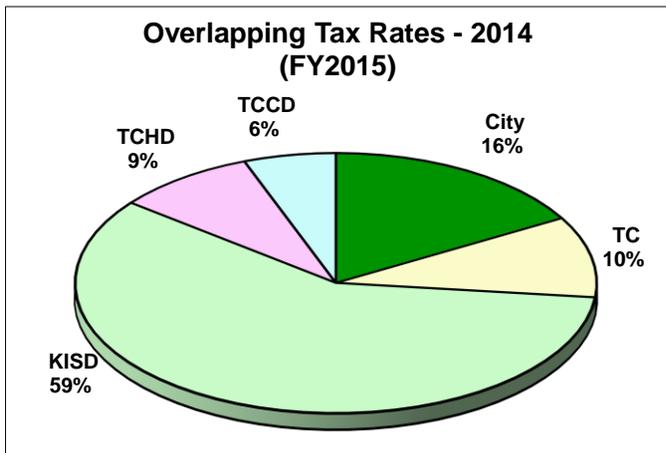
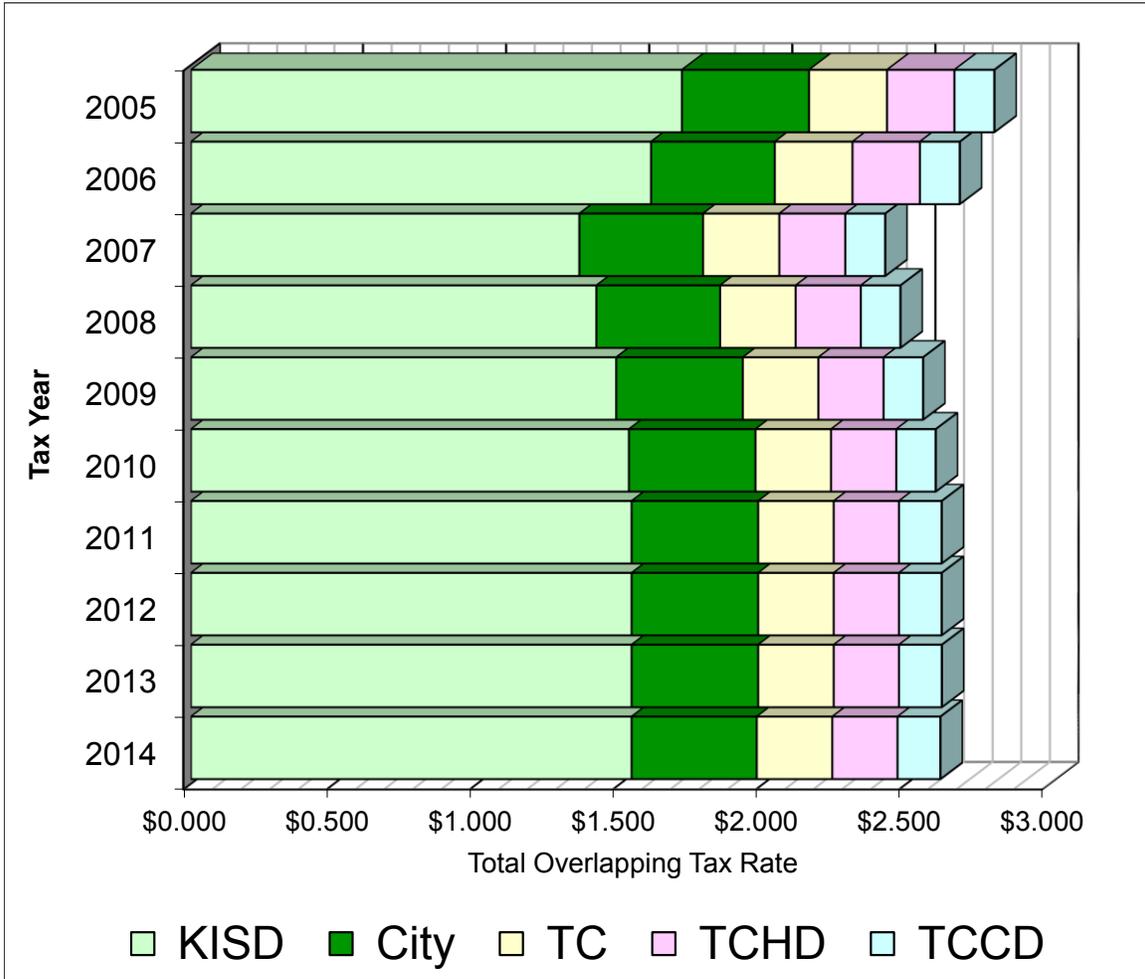
General Fund employees per 1,000 residents have decreased from 5.78 in FY2011 to 5.66 employees per 1,000 residents in FY2016. This is a total decrease of 0.12 FTE's or 2.1 percent.

Ad Valorem Tax Analysis

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
Total appraised value (market)	\$ 4,660,169,834	\$ 4,952,910,150	\$ 4,952,950,000	\$ 5,092,336,237
<i>Percentage change</i>	3.63%	6.28%	6.28%	2.81%
Less: Exemptions	392,363,361	395,621,236	392,269,749	400,653,574
Net taxable value	4,267,806,473	4,557,288,914	4,560,680,251	4,691,682,663
<i>Percentage change from prior year</i>	3.82%	6.78%	6.86%	2.87%
Tax rate per \$100	0.44219	0.43719	0.43719	0.43469
Gross tax revenue	18,871,813	19,924,011	19,938,838	20,394,275
Estimated valuation adjustments	0.00%	(0.50)%	(0.50)%	(0.50)%
Over-65 and disabled taxes limitation adjustment	41,233,970	51,216,254	45,746,701	49,468,033
Net taxable value after adjustments	4,226,572,503	4,483,286,215	4,492,130,149	4,618,756,217
<i>Percentage change from prior year</i>	3.69%	6.07%	6.28%	2.82%
Tax rate per \$100 of assessed valuation	0.44219	0.43719	0.43719	0.43469
Tax levy	18,689,481	19,600,479	19,639,144	20,077,271
Collection percentage - M&O (100% for debt service)	99.5%	99.3%	99.3%	99.3%
Current tax collections	\$ 18,596,034	\$ 19,463,312	\$ 19,501,707	\$ 19,936,768
<i>Percentage change from prior year</i>	3.62%	4.66%	4.87%	2.23%
Tax Rate Distribution:				
General Fund (M&O)	\$ 0.32646	\$ 0.33048	\$ 0.33048	\$ 0.33638
Debt Service Fund	0.11573	0.10671	0.10671	0.09831
TOTAL	0.44219	0.43719	0.43719	0.43469
<i>Percentage change from prior year</i>	0.00%	(1.13)%	(1.13)%	(1.70)%
Percentage Distribution:				
General Fund (M&O)	73.8%	75.6%	75.6%	77.4%
Debt Service Fund	26.2%	24.4%	24.4%	22.6%
TOTAL	100.0%	100.0%	100.0%	100.0%
Dollar Distribution:				
General Fund (M&O)	13,729,174	14,712,812	14,741,837	15,427,848
Debt Service Fund	4,866,860	4,750,500	4,759,870	4,508,920
TOTAL	\$ 18,596,034	\$ 19,463,312	\$ 19,501,707	\$ 19,936,768

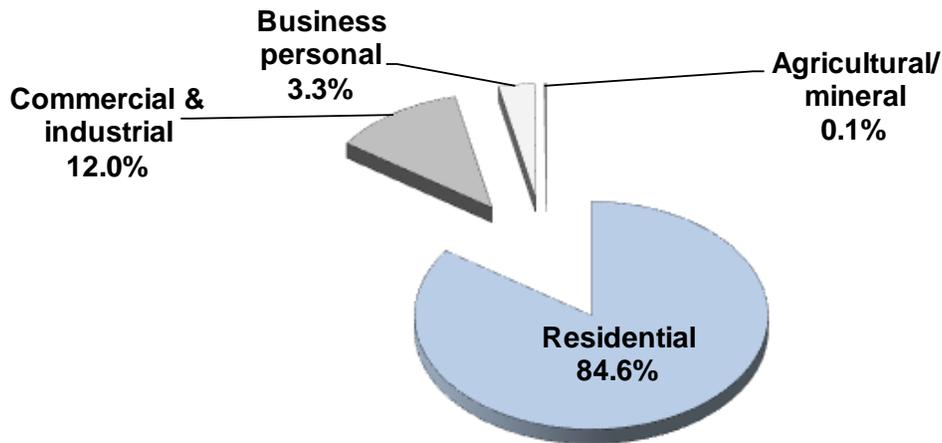
CITY OF KELLER, TEXAS OVERLAPPING (TOTAL) TAX RATES

Overlapping tax rates are property tax rates set by all taxing entities on property within the Keller City limits. The following charts present both a ten-year history as well as the distribution of the 2014 (FY2015) tax rates. The total 2014 overlapping tax rate for Keller is \$2.618587 per \$100 of taxable value, an decrease of \$0.0050 over the prior year, attributable completely to the City of Keller's ½ cent decrease. (FY2016 tax rates are not available.)



City: City of Keller
 TC: Tarrant County
 KISD: Keller Independent School District
 TCHD: Tarrant County Hospital District
 TCCD: Tarrant County College District

2015 (FY2016) Distribution of Total (Appraised) Property Values by Property Type



<u>Property Type</u>	<u># of Accounts</u>	<u>Total Market Value (000's)</u>	<u>Percent of Total</u>
Residential	14,830	4,003,991,657	84.6%
Commercial & industrial	812	567,877.9	12.0%
Business personal	1,106	155,757.2	3.3%
Agricultural/ mineral	259	4,206.2	0.1%
TOTAL	17,007	\$ 4,731,833.0	100.0%

Certified values as of July 2015. Residential property includes unoccupied residential property in inventory held by builders and/or developers.

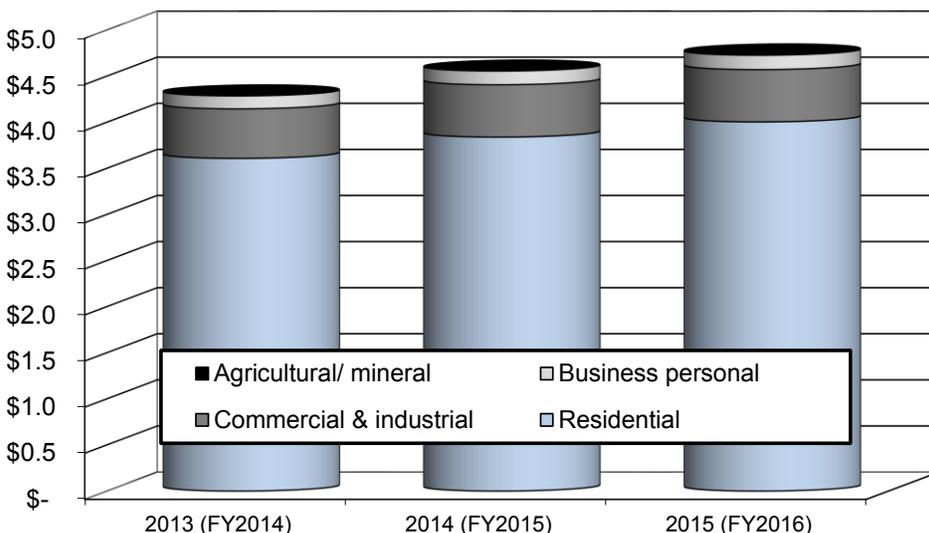
2014 (FY2015) TOP TEN TAXPAYERS

2014 (FY2015)	2013 (FY2014)	Name	Description	\$ Market Value	% of Total
1	1	SC Dominion SPE LLC	Multi-family development	34,800,000	0.70%
2	2	Amstar/Southern Art House LP	Mixed use development	25,300,000	0.51%
3	3	SC Stone Glen LP	Multi-family development	23,000,000	0.46%
4	6	Grand Peaks Estates At Keller LP	Multi-family development	18,150,000	0.37%
5	-	Conservatory Senior Housing	Multi-family development	17,935,000	0.36%
6	5	Regency Centers LP	Retail	16,330,000	0.33%
7	7	T Keller Crossing TX LLC	Retail	14,079,441	0.28%
8	9	Oncor Electric Delivery Company LLC	Electricity utility	13,298,292	0.27%
9	8	GTE Southwest Inc	Telecommunications utility	11,942,581	0.24%
10	10	Lowes Home Centers Inc	Retail	11,400,411	0.23%
		Subtotal		186,235,725	3.76%
		All other property		4,766,674,440	96.24%
		Total Appraised Value		4,952,910,165	100.00%

Conservatory Senior Housing was previously listed as KTC Seniors, Ltd., ranking 4th in 2013 (FY2014)

Billions

Taxable Values of Property



Property Category	FY2013 (000's)	FY2014 (000's)	Pct Change	FY2015 (000's)	Pct Change
Residential	\$ 3,608,583.7	\$ 3,839,270.4	6.4%	\$ 4,003,991.7	4.3%
Commercial & industrial	537,559.1	567,928.6	5.6%	567,877.9	(0.0%)
Business personal	140,059.4	148,675.4	6.2%	155,757.2	4.8%
Agricultural/ mineral	1,618.8	1,414.6	(12.6%)	4,206.2	197.3%
TOTAL	\$ 4,287,820.9	\$ 4,557,288.9	6.3%	\$ 4,731,833.0	3.8%
New construction included above	78,297.5	97,840.7	25.0%	179,058.3	83.0%

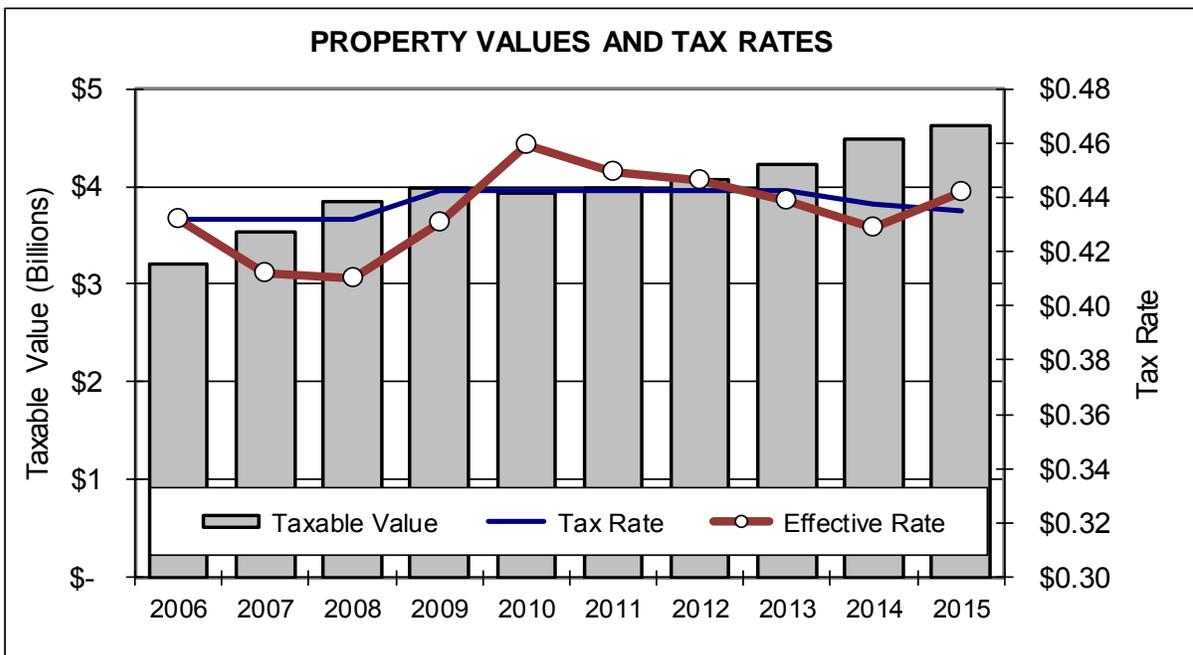
Tarrant Appraisal District certified appraised values as of July 2015. Values include \$38,947,195 in net taxable value of 124 property accounts under protest (ARB), and \$93,144,472 net taxable value of 586 incomplete property accounts.

Total taxable values increased in FY2016 by \$174.5 million (3.8 percent) from last year. Residential property values comprise 84.6 percent of the total taxable value, while commercial and industrial values comprise approximately 12.0 percent of total taxable values.

The taxable value of new construction increased \$81.2 million (83.0 percent) from FY2015.

Property Valuations and Tax Levies Last Ten Years

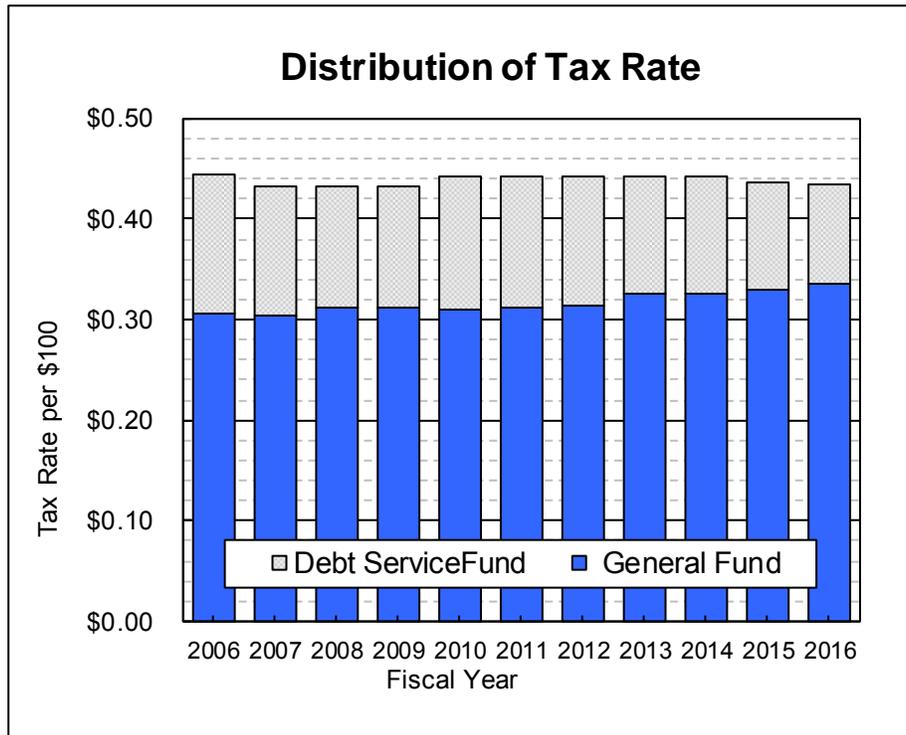
Fiscal Year	Net Taxable Value* (000's)	Tax Rate per \$100 of Value	Total Tax Levy	Percentage of Current Collections	Effective Tax Rate per \$100 of Value
2006-2007	3,199,354	0.43219	13,827,290	99.1	0.43219
2007-2008	3,528,240	0.43219	15,248,700	99.3	0.41194
2008-2009	3,842,404	0.43219	16,606,487	99.1	0.41002
2009-2010	3,976,548	0.44219	17,583,899	99.1	0.43050
2010-2011	3,924,706	0.44219	17,354,658	99.2	0.45921
2011-2012	3,986,548	0.44219	17,628,118	99.4	0.44928
2012-2013	4,076,099	0.44219	18,024,103	99.6	0.44623
2013-2014	4,226,573	0.44219	18,689,484	99.5	0.43859
2014-2015	4,483,286	0.43719	19,600,479	99.3	0.42862
2015-2016	4,618,756	0.43469	20,077,271	99.3	0.44159



*Net taxable values include adjustments for tax ceilings and other valuation adjustments.

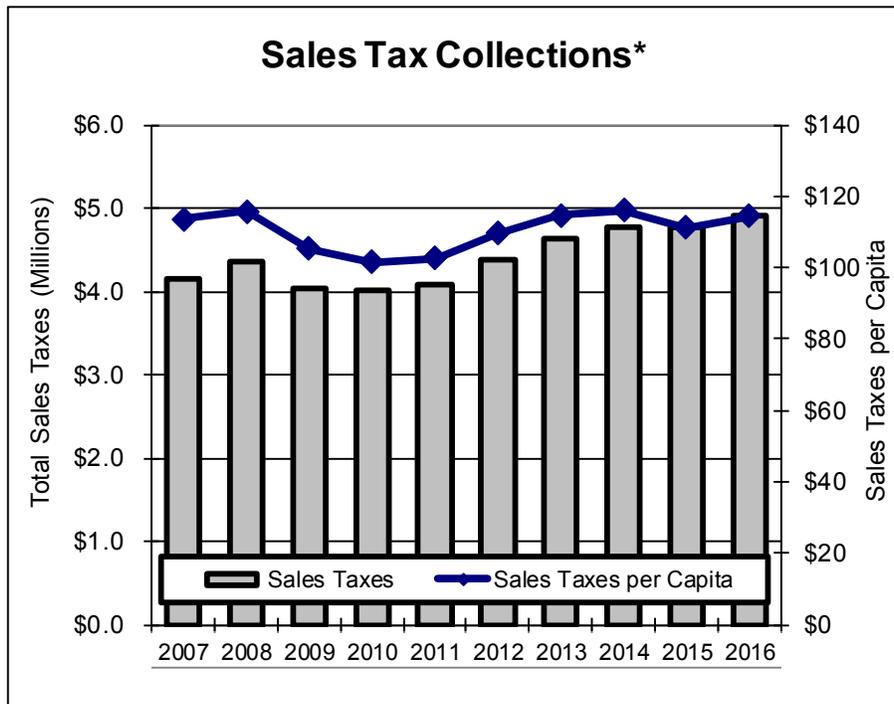
During the last ten years, taxable values have increased more than \$1.4 billion, or 44%, while the tax rate per \$100 of value has increased from \$0.43219 in FY06-07 to the current proposed rate of \$0.43469, a decrease of \$0.0025 (0.58 percent).

The effective tax rate is determined in accordance with State law, and is the tax rate that would generate the same amount of property tax revenue raised the previous year, on properties taxed in both years.



Fiscal Year Ending September 30	Tax Rate	Tax Rate Distribution	
		General Fund	Debt Service
2007	0.43219	0.30447	0.12772
2008	0.43219	0.31247	0.11972
2009	0.43219	0.31175	0.12044
2010	0.44219	0.31009	0.13210
2011	0.44219	0.31219	0.13000
2012	0.44219	0.31355	0.12864
2013	0.44219	0.32552	0.11667
2014	0.44219	0.32646	0.11573
2015	0.43719	0.33048	0.10671
2016	0.43469	0.33638	0.09831

The proposed 2015 (FY2016) property tax rate is \$0.43469, a reduction of \$0.0025 (¼ cent) from FY2015. The 10-year high was \$0.44413 in 2006; the lowest was \$0.43219 in 2008 and 2009. The debt service portion of the tax rate is legally designated for debt retirement and changes each year because of: 1) new debt obligations issued; 2) debt obligations retired; and 3) debt refundings.

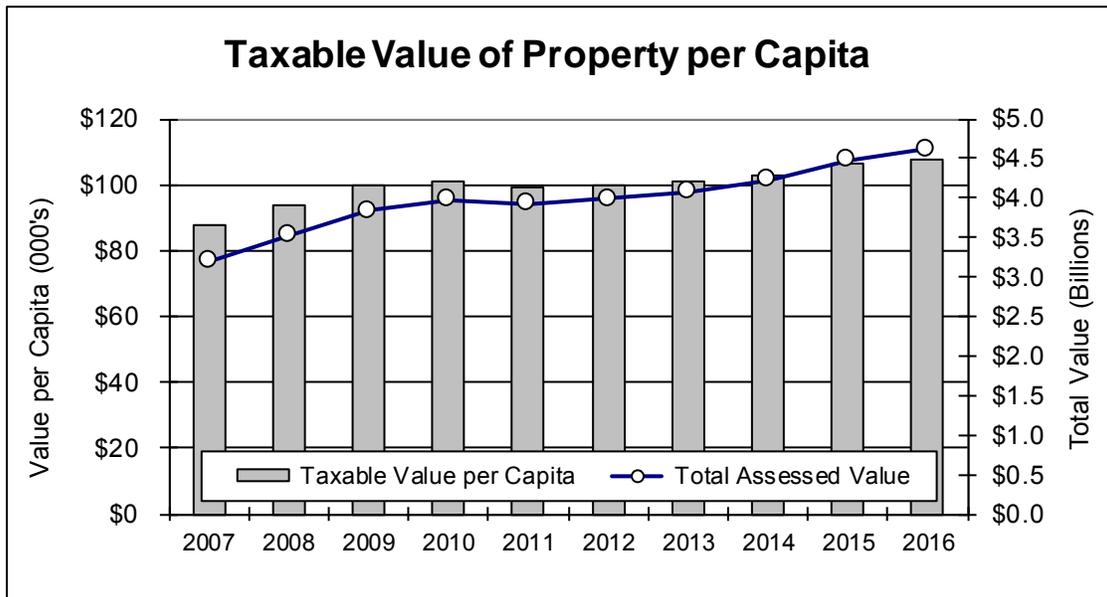


<u>Fiscal Year</u> <u>Ending</u> <u>September 30</u>	<u>Total Sales</u> <u>Tax</u> <u>Collected</u>	<u>Pct. of</u> <u>Ad Valorem</u> <u>Tax Levy</u>	<u>Equivalent</u> <u>Ad Valorem</u> <u>Tax Rate</u>	<u>Sales</u> <u>Taxes</u> <u>Per Capita</u>
2007	4,148,974	30.0%	0.1297	113.65
2008	4,360,294	28.6%	0.1236	115.70
2009	4,037,484	24.2%	0.1051	105.14
2010	4,004,193	22.8%	0.1007	101.50
2011	4,069,146	23.4%	0.1037	102.69
2012	4,368,625	24.8%	0.1096	109.43
2013	4,639,063	25.7%	0.1138	114.71
2014	4,762,750	25.5%	0.1127	115.91
2015	4,762,750	25.5%	0.1031	111.05
2016	4,905,630	25.0%	0.1062	114.38

* Excludes KDC, Keller Crime Control Prevention District, and street maintenance sales taxes.

*Excludes KDC, Keller Crime Control Prevention District and street maintenance sales taxes.

Although sales tax revenues decreased in 2009 and 2010, sales tax revenue has improved significantly since 2005. The City continues to pursue quality commercial and retail development in order to expand the sales tax base. The sales tax now equates to approximately 25 percent of the property tax levy, or approximately \$0.1094 (10.94 cents) of the property tax rate.



Fiscal Year Ending September 30	Population as of October 1	Taxable Assessed Valuation (000's)	Taxable Valuation Per Capita
2007	36,508	3,199,354	87,634
2008	37,685	3,528,241	93,625
2009	38,402	3,842,404	100,057
2010	39,450	3,976,548	100,800
2011	39,627	3,924,706	99,041
2012	39,920	3,986,546	99,863
2013	40,440	4,076,099	100,794
2014	41,090	4,226,573	102,861
2015	42,040	4,483,286	106,643
2016	42,890	4,618,756	107,688

Taxable value per capita measures the total growth in taxable value compared to the growth in the population of the City. Significant growth in the commercial and retail tax base will eventually decrease the per capita taxable value of residential taxpayers. However, residential property in Keller continues to comprise approximately 84.6 percent of taxable property values.

GENERAL FUND

SOURCES OF MAJOR REVENUES

Total General Fund revenues for FY2015-16 are \$33,962,109, an increase of \$878,457 (2.7%) over FY2014-15 estimated revenues and an increase of \$2,221,819 (7.0%) over the FY2014-15 adopted budget.

PROPERTY & OTHER LOCAL TAXES

As previously mentioned in the Budget Summary section (Budget in Brief), the net assessed taxable value for FY2015-16, after adjustments for tax ceilings, is \$4.61 billion. Property taxes comprise 45.8% of total General Fund revenues. Sales taxes for the general fund are generated from the 1% local sales tax on taxable retail sales (excluding the Keller Development Corporation, the Keller Crime Control Prevention District and street maintenance sales tax amounts) within the City limits. Sales taxes comprise 16.7% of Fund revenues.

Other local taxes are comprised of mixed beverage and franchise taxes, with franchise taxes accounting for approximately 99% of these revenues for both FY2014-15 and FY2015-16 respectively. Franchise taxes are fees charged for the continued use of public property (rights-of-way) and are collected primarily from utility companies, including the City of Keller's Water and Wastewater Utility and Drainage Utility. Fees range from 2 – 5 percent of the gross receipts of the utility. Franchise tax revenues are \$4,263,320 for FY2015-16, representing 12.6% of General Fund revenues, compared to \$4,079,980, budgeted at 12.9% of total General Fund revenues in FY2014-15. Some franchise fee revenue, such as revenues from electricity and water and wastewater sales, is impacted by local weather conditions. Franchise revenues can also be directly related to growth in Keller, as growth in the customer base results in increased gross revenues to the respective utilities. The following table presents a comparison of FY2014-15 and FY2015-16 franchise taxes by type of franchise (excludes mixed beverage taxes).

Franchise Type	FY2015	FY2016	Pct Change
Electric	\$ 1,264,120	\$ 1,225,320	(3.1%)
Telephone (1)	865,970	901,000	4.0%
Cable television (1)	62,670	68,000	8.5%
Keller utilities	1,187,000	1,257,000	5.9%
Gas utilities	440,220	540,000	22.7%
Solid waste utilities	250,000	260,000	4.0%
Other utilities	10,000	12,000	20.0%
Total	<u>\$ 4,079,980</u>	<u>\$ 4,263,320</u>	4.5%

(1) Includes Verizon FiOS© and AT&T U-Verse© telephone, cable television and Internet Service Provider franchise revenues.

As a combined group, property taxes, sales taxes and franchise taxes account for 75.5% of the General Fund revenues for FY2015-16, compared to 74.8% of General Fund revenues for the FY2014-15 estimate and 75.5% for the FY2014-15 adopted budget.

LICENSES AND PERMITS

Licenses and permits include building permits and fees, plumbing permits, mechanical permits, electrical permits, fence permits and sign and other miscellaneous permits. Total revenues in this category for FY2015-16 are projected to be \$1,224,000, a decrease of \$214,000 (14.9%) from the FY2014-15 estimate. Licenses and permits represent 3.6% of General Fund revenues for FY2015-16, compared to 4.4% of total revenues in the FY2014-15 estimate. The major revenue item in this category is building

permits, which are projected to be \$1,100,000 for FY2015-16, representing 3.2% of total General Fund revenues.

- *Revenues for FY2015-16 represent an increase of \$118,870 (10.8%) over the FY2014-15 adopted budget of \$1.105 million or 3.5% of total revenues.*

CHARGES FOR SERVICES

Charges for services include revenues from ambulance services, revenue from use of City property (park rental and communications tower leases) and general and administrative services transfers from the Water & Wastewater and Keller Development Corporation funds. Charges for services for FY2015-16 are \$2,841,630 or 8.4% of total General Fund revenues. FY2015-16 is an increase of \$178,655 or 6.7% over the FY2014-15 estimate of \$2,662,975. General and administrative services transfers are \$1,625,000. Ambulance services are \$920,000 for FY2015-16, unchanged from the FY2014-15 estimate, and a decrease of \$20,000 (2.1%) over the FY2014-15 adopted budget.

- *Revenues for FY2015-16 represent an increase of \$129,130 (4.8%) over the FY2014-15 adopted budget of \$2.71 million or 8.6% of total revenues.*

FINES & FEES

Fines and fees include Municipal Court fines, library fines, false alarm fees, animal control fees, inspection fees and construction plan review fees. Municipal Court fines comprise the majority of these revenues and result from Class "C" misdemeanor violations occurring within the City limits. Total fines and fees for FY2015-16 are \$1,305,200, representing 3.8% of General Fund revenues, and a decrease of \$78,600 (5.7%) from the FY2014-15 estimate. Fines and fees represent 3.8% of General Fund revenues for FY2015-16, compared to 4.2% of total revenues in the FY2014-15 estimate.

- *Revenues for FY2015-16 represent an increase of \$196,600 (17.7%) over the FY2014-15 adopted budget of \$1.1 million or 3.5% of revenues*

INTERGOVERNMENTAL REVENUE

Intergovernmental revenue includes revenues from the Town of Westlake for reimbursement of police operation services resulting from a contract between Keller and Westlake (\$898,000); the City of Southlake for combined jail, communications and animal adoption services (\$1,043,000); the City of Colleyville (\$758,000) for combined jail, communications and animal adoption services; and reimbursements from the Keller Independent School District, for funding of a school resource officer (\$46,800). Total intergovernmental revenue for FY2015-16 is \$2,784,800 or 8.2% of total revenues, and an increase of \$92,770 or 3.4% from the FY2014-15 estimate.

- *Revenues for FY2015-16 represent an increase of \$117,780 (4.4%) over the FY2014-15 adopted budget of \$2.7 million or 8.4% of total revenue.*

OTHER REVENUE

Other revenues include interest revenue, miscellaneous revenue and gains on disposal of assets (sale of City vehicles and equipment at public auctions). Total other revenue for FY2015-16 is \$170,065 or 0.5% of total revenues and a decrease of \$6,565 or 3.7% from the FY2014-15 estimate.

- *Revenues for FY2015-16 represent a decrease of \$22,735 (11.8%) from the FY2014-15 adopted budget of \$192,800 or 0.6% of total revenue.*

INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

There are no intra-governmental transfers for FY2015-16.

MAJOR EXPENDITURES

Total General Fund expenditures for FY2015-16 are \$32,436,297, an increase of \$171,874 (0.5%) over FY2014-15 estimated expenditures. FY2015-16 expenditures represent a decrease of \$4,528,893 (12.3%) from the FY2014-15 adopted budget.

ONE-TIME, NON-RECURRING EXPENDITURES

Expenditure comparisons include one-time, non-recurring expenditures from fund balance of \$4,586,630 for FY2014-15 adopted budget. For FY2015-16 one-time, non-recurring expenditures of \$9,419,595 are excluded from budget totals.

The table below provides comparative information for both total expenditures and expenditures, net of one-time expenditures for fiscal years 2014-15 and 2015-16.

	2014-15		2015-16 Budget	2014-15 Increase (Decrease)			
	2014-15 Budget	2014-15 Estimate		Budget		Estimate	
				Amount	Percent	Amount	Percent
Total expenditures	\$ 36,965,190	\$ 32,264,423	\$ 32,436,297	\$ (4,528,893)	(12.25%)	\$ 171,874	0.53%
Less: one-time expenditures	(4,586,630)	(1,430,630)	(9,419,595)	(4,832,965)	105.37%	(7,988,965)	558.42%
Net expenditures	<u>\$ 32,378,560</u>	<u>\$ 30,833,793</u>	<u>\$ 23,016,702</u>	<u>\$ (9,361,858)</u>	<u>(28.91%)</u>	<u>\$ (7,817,091)</u>	<u>(25.35%)</u>

The following one-time, non-recurring expenditures of \$1,430,630 are included in the FY2014-15 Estimates:

- Vehicle replacements, \$386,630;
- Transfer to fleet replacement fund for future vehicle replacements, \$300,000;
- Old Town Keller-West initiatives, \$365,000; and
- Economic development rebates, \$379,000

For FY2015-16, the following one-time expenditures of \$9,419,595 are planned from the available General Fund fund balance and **are excluded from budget totals**:

- Economic development initiatives, \$2,000,000;
- Engineering & design; Keller-Hicks quiet zone, \$200,000;
- Vehicle and equipment replacements, \$175,550;
- Old Town Keller-West improvements, \$1,905,000;
- Primary location portal signs, \$200,000
- Street improvements; FM 1709 Keller-Smithfield/Rufe Snow - \$500,000;
- Old Town Keller pedestrian connection - \$4,000,000;
- Previously authorized economic development incentives - \$139,045; and
- Transfer to fleet replacement fund for future vehicle replacements, \$300,000 (year three of three).

Although one-time, non-recurring expenditures are excluded from the FY2015-16 budget expenditure totals, after accounting for the fund balance reduction of \$9,419,595, the ending fund balance exceeds the minimum fund balance target by approximately 17 days of operations, or \$1,467,788.

PERSONNEL SERVICES

The General Fund is service-oriented and primarily focused on providing a variety of services to the citizens of Keller. Personnel services also include costs and expenditures for employee benefits. Personnel services account for \$22.4 million, 69.1% of total expenditures, of the General Fund for FY2015-16, compared to \$20.8 million, 64.6% of total estimated expenditures, for FY2014-15. Personnel services for FY2015-16 increased \$1,577,032 (7.6%) over the FY2014-15 estimate.

- *Expenditures for FY2015-16 represent an increase of \$196,117 (0.9%) over the FY2014-15 adopted budget of \$22.2 million, 60.1% of total expenditures.*

Personnel services amounts for FY2013-14 actual and the FY2014-15 estimate have been reduced to reflect savings from position vacancies and attrition.

Total full-time equivalent positions for FY2015-16 are 242.75, an increase of 1.71 FTEs (0.7%) over FY2014-15. New positions consist of one part-time Town Hall Receptionist and one part-time HR Assistant.

OPERATIONS AND MAINTENANCE

Operations and maintenance expenditures include major categories of supplies, equipment, street, grounds and building maintenance costs. These costs for FY2015-16 are \$2.28 million, 7.0% of total General Fund expenditures, compared to \$2.35 million, 7.3% of total expenditures, in the FY2014-15 estimate. The FY2015-16 budget reflects a decrease of \$70,183 (3.0%) from the FY2014-15 estimate.

- *Expenditures for FY2015-16 represent a decrease of \$63,663 (2.7%) from the FY2014-15 adopted budget of \$2.34 million, 6.4% of total expenditures.*

SERVICES AND OTHER

Services and other expenditures include expenditures for professional and legal services, utilities, liability insurance premiums and other general expenditures. Budgeted amounts for FY2015-16 are \$6,595,843, 20.3% of total General Fund expenditures, and a decrease of \$552,715 (7.7%) from the FY2014-15 estimate of \$7,148,558, 22.2% of total expenditures.

- *Expenditures for FY2015-16 represent a decrease of \$2,879,087 (30.4%) from the FY2014-15 adopted budget of \$9,474,930 or 25.6% of total expenditures.*

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS

There are no interfund (intra governmental) transfers to other funds for FY2015-16.

DEBT SERVICE

There are no debt service expenditures from the General Fund for FY2015-16.

CAPITAL OUTLAY

Capital outlay includes expenditures for new or replacement City assets, or improvements to existing assets. The City's personal property capitalization limit for FY2015-16 is \$5,000. Total capital outlay expenditures for FY2015-16 are \$1,131,020, 3.5% of total General Fund expenditures, compared to \$1,613,280, 5.0% of total expenditures, for the FY2014-15 estimate. Capital outlay expenditures for FY2015-16 decreased \$482,260 (29.9%) from the FY2014-15 estimate.

- *Expenditures for FY2015-16 represent a decrease of \$482,260 (30.0%) from the FY2014-15 adopted budget of \$1,613,280 or 4.4% of total expenditures.*

Major capital items for FY2015-16 include: street improvements (\$763,000), agenda management software (\$23,150), replacement of town hall balcony railings (\$20,000), town hall office furniture (\$23,000), one replacement Public Works backhoe (\$135,000), one Parks and Recreation brush chipper (\$34,320), two zero-turn mowers (\$25,030), sports park fencing (\$22,500), one sports park maintenance mower (\$61,260).

FUND BALANCE RESERVES

The City's financial management policies establish a benchmark (target) of 70 days of operating, non-recurring expenditures as a fund balance.

The projected beginning fund balance for FY2015-16 of \$15,582,230 (185 of expenditures) exceeds the targeted beginning fund balance by 115 days of operations.

FY2015-16 revenues exceed expenditures by \$1,525,812. The projected ending fund balance at September 30, 2016 of \$17,108,043 (197 days of expenditures) exceeds target by 127 days.

Including one-time, non-recurring expenditures, the ending fund balance of \$7,688,448 (87 days of operations) exceeds target by 17 days.

GENERAL FUND SUMMARY

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 13,887,045	\$ 11,346,511	\$ 14,763,001	\$ 15,582,230
Revenues and transfers	31,704,190	31,740,290	33,083,652	33,962,109
TOTAL FUNDS AVAILABLE	45,591,235	43,086,801	47,846,653	49,544,339
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out ⁽¹⁾	30,755,909	36,965,190	32,264,423	32,436,297
<u>ENDING FUND BALANCE:</u>				
Total fund balance	14,835,326	6,121,611	15,582,230	17,108,042
Prior period adjustments	(72,325)			
Unassigned fund balance	14,907,651	6,121,611	15,582,230	17,108,042
FUND TOTAL	\$ 45,591,235	\$ 43,086,801	\$ 47,846,653	\$ 49,544,339
One-time expenditures ⁽¹⁾	-	4,586,630	1,430,630	-
Net excess revenues (expenditures)	948,281	(638,270)	2,249,859	1,525,812
Unassigned ending fund balance, excluding one-time expenditures:				
Percent of operating expenditures ⁽²⁾	54.6%	18.0%	51.3%	54.6%
TARGET	19.4%	19.4%	19.4%	19.4%
Number of days operating expenditures ⁽²⁾	196.5	64.7	184.8	196.7
TARGET	70.0	70.0	70.0	70.0

(1) FY2014-15 Budget and FY2014-15 Estimate expenditures and transfers out include one-time expenditures from fund balance. FY2015-16 expenditures and transfers out **exclude** one-time expenditures.

(2) excludes capital outlay and interfund transfers.

2015-2016 One-time (non-recurring) expenditures from fund balance:

Transfer to Fleet Replacement Fund for future vehicle replacements – Phase	\$ 300,000
Vehicle and equipment replacements	175,550
Street/Road/Bridge Improvements	4,500,000
Street Signs (Capital)	200,000
Old Town Keller-West improvements	1,905,000
Engineering/Design Services	200,000
Economic development initiatives	2,000,000
Previously authorized economic development incentives	139,045
TOTAL ONE-TIME EXPENDITURES FROM FUND BALANCE	9,419,595
ENDING FUND BALANCE	\$ 7,688,447

Unassigned ending fund balance, **including one-time expenditures:**

Percent of operating expenditures	54.6%	18.0%	51.3%	24.6%
TARGET	19.4%	19.4%	19.4%	19.4%
Number of days operating expenditures	196.5	64.7	184.8	88.4
TARGET	70.0	70.0	70.0	70.0

GENERAL FUND

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
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SUMMARY OF GENERAL FUND REVENUES

REVENUES:

TAXES:

Total property taxes	\$ 13,844,886	\$ 14,845,800	\$ 14,867,037	\$ 15,560,148
Sales taxes	4,960,591	4,905,630	5,298,080	5,668,946
Other taxes	4,281,225	4,202,810	4,565,100	4,407,320
Subtotal	23,086,702	23,954,240	24,730,217	25,636,414

LICENSES AND PERMITS	1,591,534	1,105,130	1,438,000	1,224,000
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CHARGES FOR SERVICES	2,665,585	2,712,500	2,662,975	2,841,630
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FINES & FEES	1,362,901	1,108,600	1,383,800	1,305,200
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INTEREST REVENUE	78,531	78,500	78,500	98,140
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INTERGOVERNMENTAL	2,825,780	2,667,020	2,692,030	2,784,800
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OTHER REVENUE	93,157	114,300	98,130	71,925
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REVENUES BEFORE TRANSFERS	31,704,190	31,740,290	33,083,652	33,962,109
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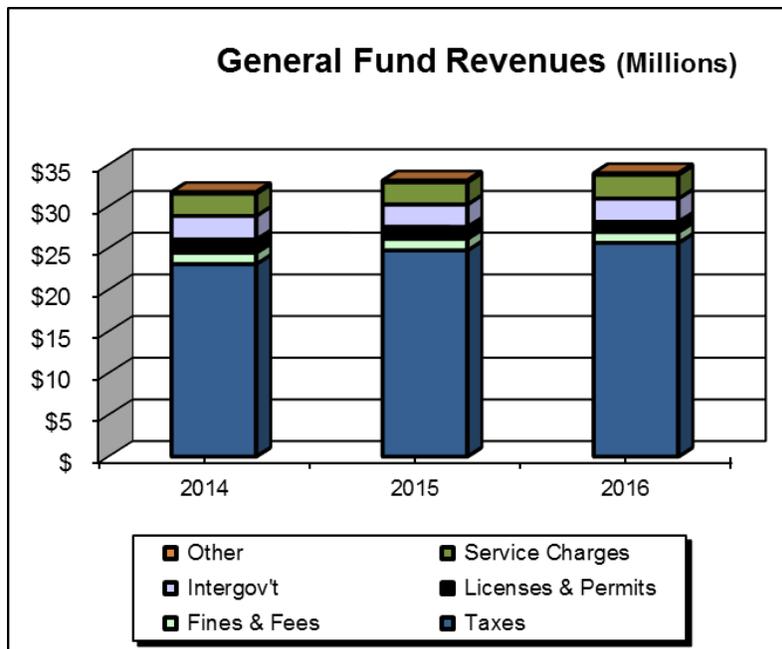
TRANSFERS FROM OTHER FUNDS:

Water & Wastewater Fund	-	-	-	-
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Transfer from Drainage Utility Fund	-	-	-	-
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TOTAL TRANSFERS	-	-	-	-
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TOTAL REVENUES & TRANSFERS	\$ 31,704,190	\$ 31,740,290	\$ 33,083,652	\$ 33,962,109
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GENERAL FUND

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
REVENUES				
<u>PROPERTY TAXES:</u>				
Current taxes	\$ 13,728,988	\$ 14,712,800	\$ 14,741,837	\$ 15,427,848
Delinquent taxes	56,345	68,000	66,000	69,700
Accrued property tax revenue	-	-	-	-
Penalty & interest	59,553	65,000	59,200	62,600
Subtotal	13,844,886	14,845,800	14,867,037	15,560,148
<u>OTHER LOCAL TAXES:</u>				
City sales taxes	4,960,591	4,905,630	5,298,080	5,668,946
Mixed beverage taxes	93,479	122,830	179,360	144,000
Franchise & payments in-lieu of taxes:				
Franchise taxes-TXU Electric	549,113	564,800	525,380	526,000
Franchise taxes-Tri County Electric	779,489	699,320	779,000	699,320
Franchise taxes-Verizon	672,644	694,160	691,000	691,000
Franchise taxes-Atmos	458,565	440,220	639,030	540,000
Franchise taxes-TV cable	71,065	62,670	67,350	68,000
Franchise taxes-SBC/AT&T	131,460	124,310	145,000	145,000
Franchise taxes-Solid Waste	242,906	250,000	255,600	260,000
Franchise taxes-Water and W/W	1,075,000	1,075,000	1,075,000	1,135,000
Franchise taxes-Drainage	115,000	112,000	112,000	122,000
Franchise taxes-One Source	79,134	47,500	84,380	65,000
Franchise taxes-other	13,370	10,000	12,000	12,000
Subtotal	9,241,816	9,108,440	9,863,180	10,076,266
TOTAL TAX REVENUE	23,086,702	23,954,240	24,730,217	25,636,414
<u>LICENSES & PERMITS:</u>				
Plumbing permits	55,895	45,000	58,000	58,000
Mechanical permits	27,080	20,000	24,000	24,000
Building permits/C.O.'s	1,465,432	1,005,000	1,314,000	1,100,000
Fence, sign & miscellaneous permits	25,722	21,630	29,000	29,000
Electrical permits	17,405	13,500	13,000	13,000
TOTAL LICENSES & PERMITS	1,591,534	1,105,130	1,438,000	1,224,000
<u>CHARGES FOR SERVICES:</u>				
Ambulance services fees	894,012	940,000	920,000	920,000
Facilities/park rental fees	22,329	22,000	19,000	19,000
Park rental fees-Keller Sports Park	18,079	12,500	11,000	11,000
Keller Sports Park non-resident fees	70,515	86,000	103,000	103,000
Facility rental fees	4,850	4,500	5,000	5,000
Communication tower rentals	134,903	110,000	80,325	51,580
Public art sales commissions	-	500	10	50
Right-of-way easements	450	450	1,000	1,000
Oil & gas royalty revenue	210	-	-	-
Other services	26,092	11,050	11,000	11,000
Keller Town Center Property Owner Ass'n	76,920	80,000	82,440	80,000
Write-off recovery	28,725	32,000	16,700	15,000
Subtotal	\$ 1,277,085	\$ 1,299,000	\$ 1,249,475	\$ 1,216,630

(continued)

GENERAL FUND

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
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REVENUES

(continued)

INTRAGOVERNMENTAL REVENUE:

Keller Water & Wastewater Utility	\$ 1,350,000	\$ 1,375,000	\$ 1,375,000	\$ 1,580,000
Keller Development Corporation	38,500	38,500	38,500	45,000
<i>General and administrative services</i>				
Subtotal	1,388,500	1,413,500	1,413,500	1,625,000
TOTAL CHARGES FOR SERVICES	2,665,585	2,712,500	2,662,975	2,841,630

FINES & FEES:

Fire inspection fees/permits	23,312	15,000	19,000	19,000
Finger printing fees	1,130	1,200	1,000	1,000
Animal control fees	28,160	19,000	200	200
Open records request fees	2,128	2,000	2,000	2,000
Alarm permits & false alarm fees	62,777	59,000	58,000	58,000
Solicitor fees/permits	6,580	7,500	7,000	7,000
Special events fees/permits	8,020	9,400	7,000	7,000
Municipal Court fines/fees	887,071	770,000	876,000	800,000
Library fines	47,850	42,500	42,000	42,000
Library lost book revenue	1,588	1,650	1,000	1,000
Library services fees	8,693	8,350	9,000	9,000
Subtotal	1,077,309	935,600	1,022,200	946,200

DEVELOPMENT FEES:

Paving/drainage Inspection fees	119,589	70,000	135,000	135,000
Construction plan review fees	94,698	68,000	165,000	165,000
Zoning & subdivision fees	55,177	30,000	49,000	49,000
Street lighting fees	8,928	5,000	10,000	10,000
Street sign fees	-	-	-	-
Opticom system fees	7,200	-	2,600	-
Subtotal	285,592	173,000	361,600	359,000
TOTAL FINES & FEES	\$ 1,362,901	\$ 1,108,600	\$ 1,383,800	\$ 1,305,200

(continued)

GENERAL FUND

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
REVENUES				
<i>(continued)</i>				
<u>INTERGOVERNMENTAL REVENUE:</u>				
Town of Westlake	\$ 825,748	\$ 868,160	\$ 863,720	\$ 898,000
KISD-School resource officer	46,045	42,000	45,000	46,800
State of Texas	63,007	-	25,000	25,000
Local intergovernmental revenue	5,347	-	-	-
City of Southlake	1,101,681	1,014,375	1,003,735	1,043,000
City of Roanoke	25,985	13,000	35,000	14,000
City of Colleyville	521,021	729,485	719,575	758,000
Intergovernmental-Federal	-	-	-	-
Intergovernmental-Local	236,946	-	-	-
TOTAL INTERGOVERNMENT REVENUE	2,825,780	2,667,020	2,692,030	2,784,800
<u>OTHER REVENUE:</u>				
Interest earnings	78,531	78,500	78,500	98,140
Gain (loss) on disposal of assets	13,490	43,000	-	-
Miscellaneous revenue	73,197	67,000	89,830	65,925
Public Arts miscellaneous revenue	920	1,800	1,000	1,000
Public Arts donations/ticket sales	5,550	2,500	7,300	5,000
TOTAL OTHER REVENUE	171,688	192,800	176,630	170,065
REVENUES BEFORE TRANSFERS	31,704,190	31,740,290	33,083,652	33,962,109
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from Water and Wastewater fund	-	-	-	-
Transfer from Drainage Utility fund	-	-	-	-
TOTAL TRANSFERS	-	-	-	-
TOTAL REVENUES AND TRANSFERS	\$ 31,704,190	\$ 31,740,290	\$ 33,083,652	\$ 33,962,109

GENERAL FUND EXPENDITURES

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 20,416,622	\$ 22,228,330	\$ 20,847,415	\$ 22,424,447
Operations & maintenance	1,811,520	2,348,650	2,355,170	2,284,987
Services & other	5,084,293	9,474,930	7,148,558	6,595,843
Transfers to other funds	300,000	1,300,000	300,000	-
SUBTOTAL	27,612,435	35,351,910	30,651,143	31,305,277
Capital outlay	3,143,474	1,613,280	1,613,280	1,131,020
TOTAL	\$ 30,755,909	\$ 36,965,190	\$ 32,264,423	\$ 32,436,297

<u>EXPENDITURES BY ACTIVITY</u>				
Administration/General Government	\$ 4,102,133	\$ 5,422,780	\$ 5,097,386	\$ 4,969,518
Community Development	1,207,596	1,507,125	1,333,085	1,503,520
Public Safety	14,862,679	16,340,570	15,787,722	16,436,258
Public Works	2,903,523	3,816,110	3,686,240	3,612,225
Keller Public Library	1,336,075	1,513,075	1,451,235	1,541,690
Parks & Recreation	2,931,309	3,431,165	3,130,170	3,557,488
Non-departmental/Other	3,412,594	4,934,365	1,778,585	815,598
TOTAL	\$ 30,755,909	\$ 36,965,190	\$ 32,264,423	\$ 32,436,297

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration		8.00	9.00	9.48
Town Hall Operations		3.00	3.00	3.00
Finance & Accounting		7.00	7.50	7.50
Human Resources		5.00	5.00	5.48
Economic Development		2.48	1.78	1.78
Community Development		11.96	12.41	12.66
Police Department		85.48	86.48	86.48
Fire Department		59.00	57.00	57.00
Public Works		15.10	15.33	15.33
Keller Public Library		15.44	15.48	15.48
Parks & Recreation		28.20	28.06	28.56
TOTAL		240.66	241.04	242.75

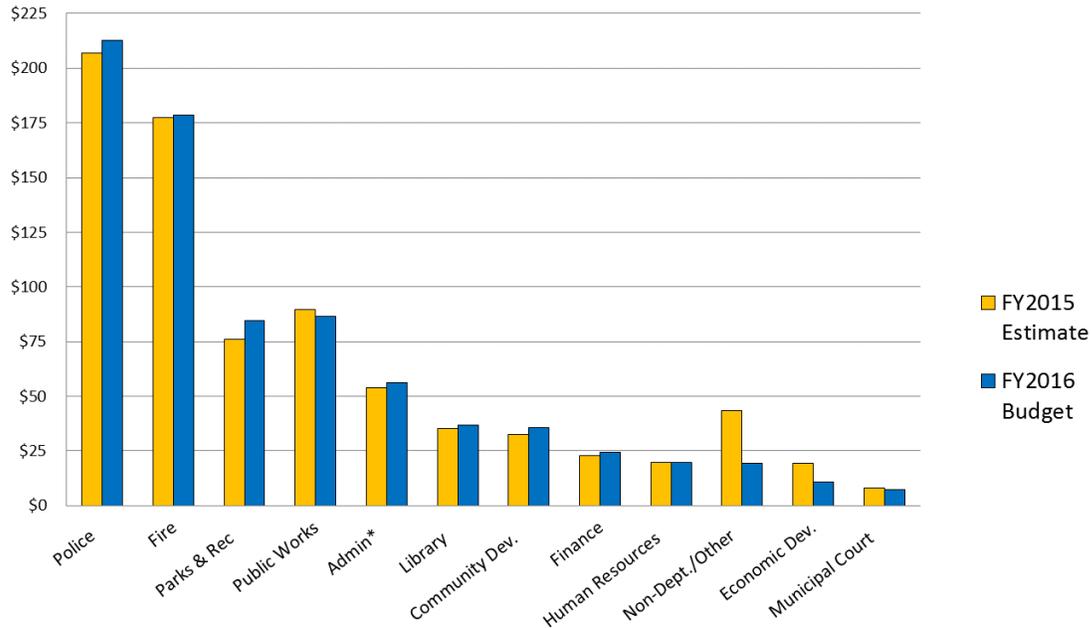
**GENERAL FUND EXPENDITURE SUMMARY
EXPENDITURES BY DEPARTMENT/ACTIVITY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
GENERAL GOVERNMENT:				
Administration	\$ 1,295,633	\$ 1,551,280	\$ 1,452,355	\$ 1,601,248
Town Hall Operations	608,214	752,815	726,856	720,400
Mayor & Council	24,065	33,955	29,695	33,945
Finance & Accounting	970,519	1,071,315	937,305	1,027,265
Municipal Court	257,173	337,550	337,550	307,489
Human Resources	690,919	799,925	811,990	822,372
Economic Development	255,610	875,940	801,635	456,799
Subtotal	4,102,133	5,422,780	5,097,386	4,969,518
COMMUNITY DEVELOPMENT:				
Administration	447,105	647,955	484,240	625,195
Building and Construction Services	760,491	859,170	848,845	878,325
Subtotal	1,207,596	1,507,125	1,333,085	1,503,520
PUBLIC SAFETY:				
Police Department	8,102,693	8,797,095	8,495,187	8,937,697
Fire Department	6,759,986	7,543,475	7,292,535	7,498,561
Subtotal	14,862,679	16,340,570	15,787,722	16,436,258
PUBLIC WORKS:				
Administration	337,203	353,725	330,060	394,045
Engineering & Inspections	376,632	520,000	502,720	481,215
Street Maintenance	1,731,538	2,468,995	2,377,560	2,237,265
Street Lighting	458,150	473,390	475,900	499,700
Subtotal	2,903,523	3,816,110	3,686,240	3,612,225
RECREATION & LEISURE:				
Keller Public Library	1,336,075	1,513,075	1,451,235	1,541,690
Parks & Recreation:				
Parks & Recreation-Administration	346,852	384,020	328,580	285,215
Parks & City Grounds Management	1,312,508	1,628,875	1,563,155	1,625,799
Recreation Programs	239,499	241,960	162,975	232,379
Senior Services	190,696	212,700	188,725	325,280
Keller Sports Park Maintenance	651,285	732,820	671,080	857,410
Keller Town Center Maintenance	190,469	230,790	215,655	231,405
Subtotal	2,931,309	3,431,165	3,130,170	3,557,488
Total Recreation & Leisure	4,267,384	4,944,240	4,581,405	5,099,178
OTHER/NON-DEPARTMENTAL:				
Non-departmental	3,412,594	4,934,365	1,778,585	815,598
Subtotal	3,412,594	4,934,365	1,778,585	815,598
TOTAL	\$ 30,755,909	\$ 36,965,190	\$ 32,264,423	\$ 32,436,297

GENERAL FUND EXPENDITURES PER CAPITA

DEPARTMENT	2014-2015 Budget	2014-2015 Estimate	2015-2016 Budget
Police Department	\$ 200.36	\$ 206.75	\$ 212.70
Fire Department	167.16	177.48	178.45
Parks & Recreation	72.49	76.18	84.66
Public Works Department	71.80	89.71	86.35
Administration *	47.67	53.76	56.06
Keller Public Library	33.04	35.32	36.69
Community Development	29.86	32.44	35.78
Finance Department	24.00	22.81	24.45
Human Resources	17.09	19.76	19.57
Non-departmental / Other	84.39	43.29	19.41
Economic Development	6.32	19.51	10.87
Municipal Court	6.36	8.21	7.32
TOTAL	\$ 760.53	\$ 785.21	\$ 772.31

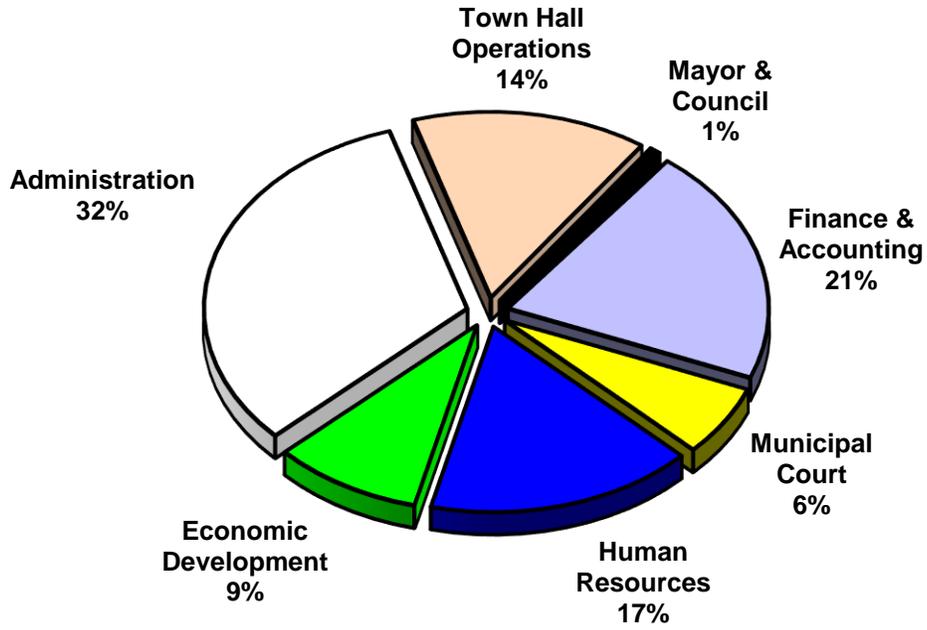
General Fund Department Expenditures Per Capita



* Includes Administration, Town Hall Operations and Mayor/Council.

Expenditures per capita decreased from \$785.21 to \$771.93 – a decrease of \$13.28, or 1%.

General Government

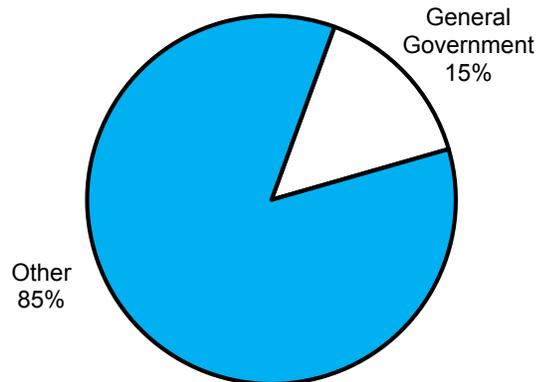


Department total: \$4,969,518

General Government

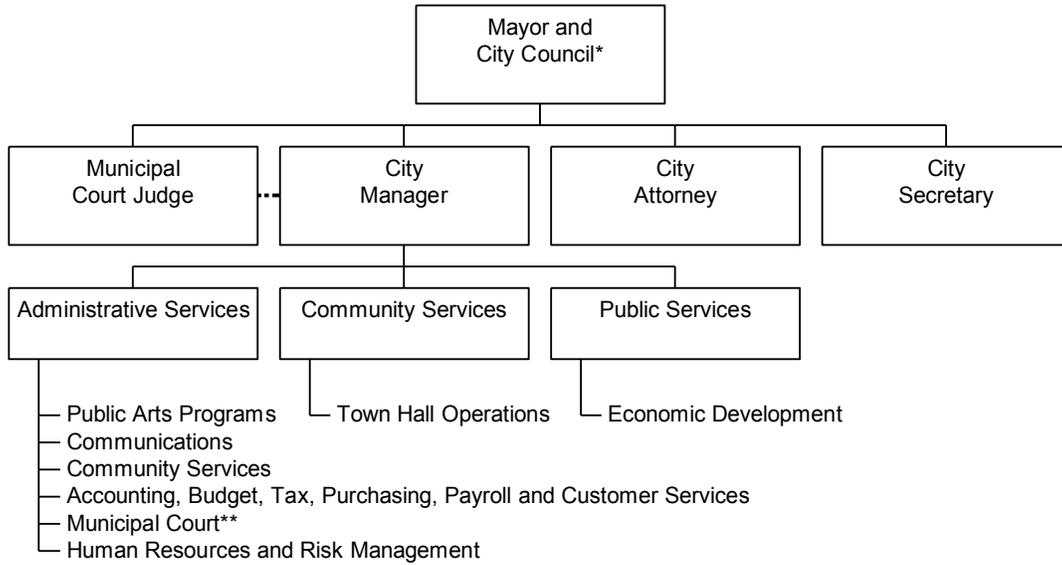
- Administration
City Secretary
Communications
- Town Hall Operations
- Mayor & Council
- Finance & Accounting
- Municipal Court
- Human Resources
- Economic Development
Old Town Keller

General Fund Expenditures



**CITY OF KELLER, TEXAS
ORGANIZATION CHART**

GENERAL GOVERNMENT



* Denotes elected position.

** On October 1, 2012, the cities of Colleyville and Keller merged their respective court operations into a single municipal court. The Municipal Court Judge, as well as Municipal Court activities, now operate from the City of Colleyville Justice Center. The Municipal Court Judge is appointed by both cities.

**GENERAL GOVERNMENT
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 2,412,213	\$ 2,733,475	\$ 2,428,305	\$ 2,668,542
Operations & maintenance	144,715	255,920	280,145	196,645
Services & other	1,545,205	2,433,385	2,388,936	2,058,181
SUBTOTAL	4,102,133	5,422,780	5,097,386	4,923,368
Capital outlay	-	-	-	46,150
TOTAL	\$ 4,102,133	\$ 5,422,780	\$ 5,097,386	\$ 4,969,518

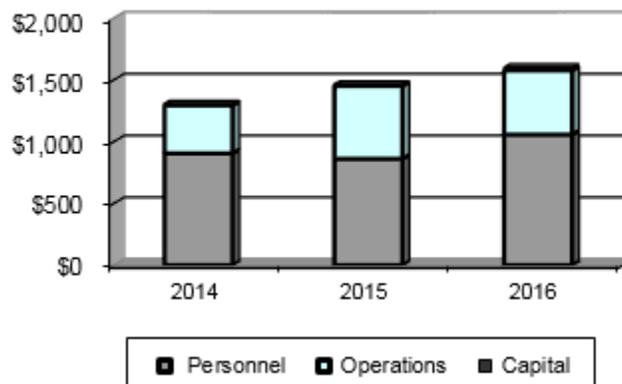
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,295,633	\$ 1,551,280	\$ 1,452,355	\$ 1,601,248
Town Hall Operations	608,214	752,815	726,856	720,400
Mayor & City Council	24,065	33,955	29,695	33,945
Finance & Accounting	970,519	1,071,315	937,305	1,027,265
Municipal Court	257,173	337,550	337,550	307,489
Human Resources	690,919	799,925	811,990	822,372
Economic Development	255,610	875,940	801,635	456,799
TOTAL	\$ 4,102,133	\$ 5,422,780	\$ 5,097,386	\$ 4,969,518

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	8.00	9.00	9.48
Town Hall Operations	3.00	3.00	3.00
Finance & Accounting	7.00	7.50	7.50
Human Resources	5.00	5.00	5.48
Economic Development	2.48	1.78	1.78
TOTAL	25.48	26.28	27.24

Administration Expenditures (000's)



**ADMINISTRATION
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
Personnel services	\$ 906,618	\$ 1,040,135	\$ 862,375	\$ 1,057,711
Operations & maintenance	36,093	56,850	79,600	43,340
Services & other	352,922	454,295	510,380	477,047
SUBTOTAL	1,295,633	1,551,280	1,452,355	1,578,098
Capital outlay	-	-	-	23,150
TOTAL	\$ 1,295,633	\$ 1,551,280	\$ 1,452,355	\$ 1,601,248

EXPENDITURES BY DIVISION:

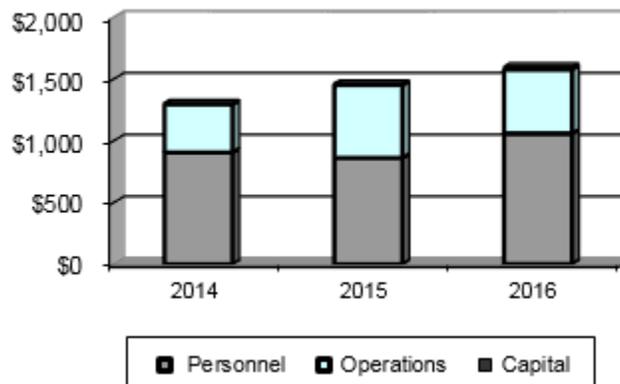
Administration	\$ 1,196,048	\$ 1,425,760	\$ 1,303,375	\$ 934,961
Public Arts Programs	32,047	38,110	36,870	39,880
City Secretary	-	-	-	359,283
Communications	-	-	-	176,053
Community Services	67,538	87,410	112,110	91,071
TOTAL	\$ 1,295,633	\$ 1,551,280	\$ 1,452,355	\$ 1,601,248

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions – Includes Vacant Positions)

DIVISION / ACTIVITY	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	8.0	9.0	9.5
TOTAL	8.0	9.0	9.5

Administration Expenditures (000's)



FUND:
General

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
100-100-01

DEPARTMENT DESCRIPTION:

The Administration Department's Administration Division consists of the City Manager, Director of Administrative Services, Management Assistant, Executive Secretary and Town Hall Receptionist. The purpose of the Division is to maintain and enhance the partnership among citizens, elected officials, and city employees through efficient and effective management and delivery of all public services to Keller residents.

DEPARTMENT/DIVISION GOALS:

Administration Activities:

- Support and implement the City Council's priorities, goals and objectives.
- Ensure efficient and effective utilization of municipal resources in accordance with approved budget documents.
- Provide timely assistance and accurate information to the City Council, boards and commissions, citizens and staff members.
- Support and provide the general direction and tools necessary for the City's various departments to achieve their goals and objectives, and continue to meet or exceed the service level expectations of the community.
- Advise the City Council on the financial condition, administrative activities and future needs of the City.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Employee newsletters published	12	12	12
City Manager staff agenda packets	50	50	50
Recycling events	2	2	2
Yard waste drop off-events	12	20	22
 <u>PERFORMANCE INDICATORS</u>			
Percent Distribution of general fund O&M to total tax	73.8%	75.6%	75.6%
Percent of solid waste concerns addressed within 24 hours	100%	100%	100%
Bond rating (Standard & Poors)	AA	AAA	AAA
Debt as a percent of total assessed valuation	1.03%	.91%	.77%

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
100-100-01

**ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 895,393	\$ 1,027,935	\$ 854,015	\$ 644,115
Operations & maintenance	12,354	14,100	10,500	\$ 12,690
Services & other	288,301	383,725	438,860	\$ 255,006
SUBTOTAL	1,196,048	1,425,760	1,303,375	911,811
Capital outlay	-	-	-	\$ 23,150
TOTAL	\$ 1,196,048	\$ 1,425,760	\$ 1,303,375	\$ 934,961

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
City Manager	Exempt	1.0	1.0	1.0
City Secretary	Exempt	1.0	1.0	-
Director of Administrative Services	M-3	-	1.0	1.0
Deputy City Manager	M-4	1.0	-	-
Public Information Officer (1)	PE-11	-	1.0	-
Management Assistant	PE-7	1.0	1.0	1.0
Executive Secretary	A/TN-9	1.0	1.0	1.0
Assistant City Secretary	A/TN-9	1.0	1.0	-
Records Management Coordinator	A/TN-5	1.0	1.0	-
Customer Services Representative	A/TN-5	1.0	1.0	1.0
PT Town Hall Receptionist	A/TN-4	-	-	0.5
TOTAL		8.0	9.0	5.5

(1) Position transferred from Information Services Fund.

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Public Arts Programs

ACCOUNT:
100-100-02

DEPARTMENT/DIVISION DESCRIPTION:

The mission of the Public Arts Program is to support and promote programs and activities that will encourage visual and performing arts in public places; and to define the policies and guidelines for acquiring and commissioning of arts of the highest standards that shall enrich the quality of life for all residents and visitors of the City.

Administration Department staff serves as the liaisons to the Public Arts Board, which consists of seven citizen members appointed by the City Council. The Board includes a chair and vice chair.

The goals of the Public Arts Program are to create a diverse artistic environment for the residents and visitors of the City and to integrate a variety of art into the development of eligible City projects, as expressed in the Public Arts Master Plan.

DEPARTMENT/DIVISION GOALS:

The following represent general goals and key policy issues as determined by the Public Arts Board:

1. Explore alternate funding sources for the public arts program with the Keller Public Arts Society;
2. Coordinate an annual schedule for programming and events;
3. Explore and introduce various forms of art;
4. Review and update the Public Arts Policy as necessary;
5. Purchase one major piece of art at least every other year;
6. Promote art within the City of Keller and work to provide educational opportunities to the public; and
7. Add a full-time staff member to lead the City's public art efforts (not funded).

DEPARTMENT/DIVISION SERVICE ANALYSIS:

SERVICES PROVIDED	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
<u>Outputs:</u>			
Keller Public Arts Board meetings and work sessions	12	12	12
Monthly public art shows	10	10	10
Public Art pieces obtained through purchase, sponsorships or donation	-	-	-
Concerts conducted	5	5	5
Public Art events and receptions held	11	12	12
Meetings, work sessions and outreach with the Keller Public Arts Society	-	21	15

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Public Arts Programs

ACCOUNT:
100-100-02

**PUBLIC ARTS PROGRAMS
DIVISION / ACTIVITY SUMMARY**

	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>BUDGET</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ 1,120	\$ 1,085
Operations & maintenance	23,739	29,750	28,100	28,100
Services & other	8,308	8,360	7,650	10,695
SUBTOTAL	32,047	38,110	36,870	39,880
Capital outlay	-	-	-	-
TOTAL	\$ 32,047	\$ 38,110	\$ 36,870	\$ 39,880

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY</u> <u>CLASS</u>	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
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No personnel funding is provided in this program.

FUND:
General

DEPARTMENT:
Administration

DIVISION:
City Secretary

ACCOUNT:
100-100-03

DEPARTMENT DESCRIPTION:

The Administration Department's City Secretary Division consists of the City Secretary, Assistant City Secretary and Records Management Coordinator. The purpose of the City Secretary Division is to support the City Council, boards, commissions, committees and City Manager by safeguarding the records management process, enhancing access to municipal records, overseeing the election process, and providing daily assistance to internal and external stakeholders.

DEPARTMENT/DIVISION GOALS:

City Secretary Activities:

- Maintain the City's official records, which include agendas, minutes, resolutions and ordinances.
- Process public information requests in accordance with State law.
- Work with the City Council, boards and commission members to complete the Texas Open Meetings Act and Texas Public Information Act training.
- Maintain and update the Code of Ordinances.
- Hold City Council general and run-off elections as well as special elections, as directed by City Council.
- Assist the City Council with board and commission appointments.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Agenda and/or information packets to City Council	52	52	52
City Council meetings and work sessions held	38	39	39
Birth/death certificates processed	191	195	200
City Council general and run-off elections conducted	1	2	2
Special elections held	1	1	1
Process and respond to open records requests	372	313	342
 <u>PERFORMANCE INDICATORS</u>			
Percent of meeting minutes presented by next meeting for approval	100%	100%	100%

FUND:
General

DEPARTMENT:
Administration

DIVISION:
City Secretary

ACCOUNT:
100-100-03

**CITY SECRETARY
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ 285,240
Operations & maintenance	-	-	-	2,050
Services & other	-	-	-	71,993
SUBTOTAL	-	-	-	359,283
Capital outlay	-	-	-	-
TOTAL	\$ -	\$ -	\$ -	\$ 359,283

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
City Secretary	Exempt	-	-	1.0
Assistant City Secretary	A/TN-9	-	-	1.0
Records Management Coordinator	A/TN-5	-	-	1.0
TOTAL		-	-	3.0

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Communications

ACCOUNT:
100-100-04

DEPARTMENT DESCRIPTION:

The Administration Department's Communications Division consists of the Public Information Officer. The purpose of the Communications Division is to lead the organization's citizen engagement efforts and dissemination of information to the public as well as work to maintain and strengthen the City's positive public image.

DEPARTMENT/DIVISION GOALS:

Communications Activities:

- Enhance community relations with citizens via surveys, citizen committees and individual requests, and respond in a timely manner through direct interaction, news releases, marketing and advertising, and Town Hall meetings.
- Manage and administer the city's website and social media outlets.
- Prepare presentations and print materials as well as spoken comments as needed for meetings, special events and city leaders' public appearances.
- Design and distribute newsletters, brochures and other marketing and advertising materials promoting community news, events and initiatives.
- Serve as a liaison between city officials, city staff, outside organizations and the media, and as the city spokesperson as appropriate.
- Recommend, oversee implementation, and develop policies and procedures for the use of communication technology and outlets.
- Handle all aspects of the city's emergency communication efforts.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Weekly E-Newsletters Published	52	52	52
Average Social Media Post Reach (Facebook)	3,914	5,500	5,750
News Items Produced for Website & Media	200	325	375
Calendar Entries Produced for Website	205	315	330
Special Publications Produced (Resident Guide, State of the City)	1	1	2
State of the City Presentations Prepared	2	2	3
Planning & Zoning Public Hearing E-Alerts	18	20	20
<u>PERFORMANCE INDICATORS</u>			
Percent of website returning visitors to total visitors	78.6%	79.5%	80.0%

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Communications

ACCOUNT:
100-100-04

**COMMUNICATIONS
DIVISION / ACTIVITY SUMMARY**

	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ 100,070
Operations & maintenance	-	-	-	500
Services & other	-	-	-	75,483
SUBTOTAL	-	-	-	176,053
Capital outlay	-	-	-	-
TOTAL	\$ -	\$ -	\$ -	\$ 176,053

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
Public Information Officer (1)	PE-11	-	-	1.0
TOTAL		-	-	1.0

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Community Services

ACCOUNT:
100-100-05

DEPARTMENT/DIVISION DESCRIPTION:

The City recognizes the value of community events and activities and seeks to work cooperatively with local nonprofit entities wishing to conduct such events and activities. The purpose of this program is to provide a methodology whereby City resources allocated for the purpose of supporting community events and activities can be reviewed, itemized and apportioned at the discretion of City Council and evaluated on an annual basis.

DEPARTMENT/DIVISION GOALS:

1. Promote a safe and enjoyable atmosphere at special events by providing friendly, efficient and coordinated customer service to all event organizers.
2. Provide guidelines by which reviews, approvals, administration, and implementation of special events are consistent in nature and attention is given to the use of City resources in support of such activities.
3. Encourage the full enjoyment of both public and private facilities by the community through the continuing efforts of the Special Events Review Team.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Special event permits issued	35	36	37
Average employee hours per permit	12	13	13
Total permit revenue collected	\$500	\$500	\$500
Average fee per special event permit	\$14	\$14	\$14

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Community Services

ACCOUNT:
100-100-05

**COMMUNITY SERVICES
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 11,225	\$ 12,200	\$ 7,240	\$ 27,201
Operations & maintenance	-	13,000	41,000	-
Services & other	56,313	62,210	63,870	63,870
SUBTOTAL	67,538	87,410	112,110	91,071
Capital outlay	-	-	-	-
TOTAL	\$ 67,538	\$ 87,410	\$ 112,110	\$ 91,071

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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Personnel services include overtime and related benefits for City staff that provide services for community events and activities. No positions are funded in this program.

FUND: General	DEPARTMENT: Town Hall Operations	DIVISION: Town Hall Operations	ACCOUNT: 100-110-92
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DEPARTMENT DESCRIPTION:

The purpose of the Town Hall Operations Department is to provide maintenance service and support to the following City facilities; Keller Town Hall, Police Department, Regional Jail, Regional Animal Adoption Center, Municipal Service Center, Fire Stations, Keller Senior Activities Center and the Keller Public Library. Duties include the general oversight of facility maintenance, preventative maintenance, general repair, HVAC systems, electrical work, plumbing, lighting and overall building operations.

DEPARTMENT/DIVISION GOALS:

1. Manage and provide for daily maintenance of designated facilities. Provide occasional facility maintenance support to Friends of the Keller Library, Old White Building 541 Keller Parkway, and the former Fire Administration building.
2. Continue to monitor building energy consumption and recommend changes to improve overall energy efficiency and conservation within City facilities.
3. Establish and maintain routine preventive maintenance of heating, ventilation, air conditioning (HVAC) and emergency generators. Ensure equipment is adequately covered under warranty or annual maintenance contracts. Perform maintenance and repair of HVAC systems as needed to augment maintenance contracts and minimize repair expenses.
4. Provide routine preventive maintenance, repair, and overall support for electrical, emergency generators, plumbing and roof systems.
5. Inspect and perform minor painting, carpentry, door maintenance and lighting system maintenance within each building.
6. Review and recommend annual service and warranty contracts for designated facilities.
7. Manage monthly art show set-ups and take downs, assist with annual art programs such as Town Hall summer music events, and coordinate setup for various events and activities.
8. Coordinate and set up conference rooms at Town Hall for meetings, training, voting and special events.
9. Monitor Town Hall's computerized building automation equipment daily. Manage door and HVAC schedules to accommodate meetings and conference room schedules.
10. Manage all facility contracts, including: janitorial services contracts for Keller Town Hall, HVAC contracts for all facilities, Fire Alarm, Fire Sprinkler, and Fire Extinguisher Contract, Generator Contract, Elevator Contract, Black flow Prevention Inspections, Floor Cleaning Contract, Window Cleaning Contract, Clock Tower Contract.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Outputs:			
Total facility square footage maintained	125,031	137,011	200,100
Overall systems maintained:			
• HVAC systems	34	55	58
• Electrical system	12	12	12
• Plumbing system	12	12	12
• Elevators	1	1	2
• Fire and sprinkler system	4	4	4
• Generator system	3	7	7
• Facility Inspections	10	12	12
• After hours events supported	15	15	25
• Janitorial contracts managed	1	1	1

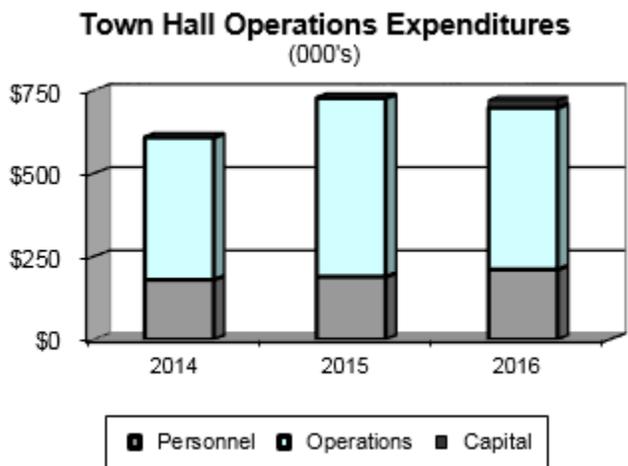
FUND: General **DEPARTMENT:** Town Hall Operations **DIVISION:** Town Hall Operations **ACCOUNT:** 100-110-92

**TOWN HALL OPERATIONS
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 180,187	\$ 205,690	\$ 189,270	\$ 210,965
Operations & maintenance	69,093	161,200	161,500	105,250
Services & other	358,934	385,925	376,086	381,185
SUBTOTAL	608,214	752,815	726,856	697,400
Capital outlay	-	-	-	23,000
TOTAL	\$ 608,214	\$ 752,815	\$ 726,856	\$ 720,400

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Facilities Manager	PE-7	1.0	-	1.0
Facility Maintenance Supervisor	TN-10	-	1.0	-
Building Maintenance Technician II	TN-5	1.0	1.0	1.0
Building Maintenance Technician I	TN-1	1.0	1.0	1.0
TOTAL		3.0	3.0	3.0



FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

DEPARTMENT DESCRIPTION:

The mission of the Mayor and Council is to create a strategic framework of goals and priorities within the budget that allow the City Manager and City staff to successfully execute the City of Keller's vision, mission and values.

The City of Keller is a Home Rule Municipality with a Council-Manager form of government operating under a Home Rule Charter adopted April 3, 1982, and most recently revised and adopted November 2, 2010. Under the provisions of the City Charter and subject only to the limitations imposed by the Texas Constitution, state law and the City Charter, the Keller City Council is responsible for enacting local legislation, adopting the City's annual operating budget and setting local policies. The Keller City Council includes a mayor and six council members, all elected at-large for staggered, three-year terms.

City Council Goals/Accomplishments:

1. Enhance economic development opportunities within the City:
 - Increased the city's tax base through sustainable residential, commercial and retail development
 - Responsible for direction resulting in 69 new business openings and 8 business expansions
 - Continued investing in the growth and redevelopment of Old Town Keller by approving a design and engineering contract for public improvements on the west side
 - Designed the Keller Economic Development Board to become an extension for the Economic Development staff and help extend the economic focus for Keller
 - Directed a complete revision of the Unified Development Code after receiving input from business owners and residents
 - Held a planning session and agreed to the "Five Bold Steps"
 - a. Convene a panel of residential development experts
 - b. Discuss and review allowable business types in the four quadrants
 - c. Receive and evaluate a Sports Park proposal
 - d. Make Old Town Keller decisions and proceed
 - e. Design and install entry portals
2. Improve communication between the City and its citizens:
 - Efficiently communicated citizen concerns, complaints and comments to the City Manager for resolution and follow-up
 - Approved funding for significant upgrades to the City communications efforts to improve accessibility, transparency and citizen engagement achieving us 1st place in the state for Best Use of Social Media
 - Earned the Gold Medal Award in Financial Transparency from the Texas State Comptroller's Office
 - Launched Open Government Financial Software that allows citizens access to City financial data
 - Established regular meetings and dialogue with Keller Independent School District, Keller Youth Sports Associations, Chamber of Commerce, and other civic and nonprofit organizations
3. Strategically enhance the City's financial position to ensure continued viability and the capacity to implement priority capital improvement projects:
 - Lowered the fiscal year 2015 tax rate to \$0.43719 per \$100 of taxable value
 - Increased the General Fund reserves over the estimate by approximately \$1.2 million
 - Improved current bond ratings to AAA (Standard & Poor's)
 - Conducted budget overview work sessions with the City Manager and staff, and worked with staff to manage expenses while responding to needs and accomplishing set goals
 - Refunded Certificates of Obligation and General Revenue Bonds creating approximately \$1.4 million savings in future interest payments
4. Complete current and future Capital Improvement Projects to include, but not limited to:
 - Drainage improvements
 - Old Town Keller public improvements
 - Street expansions and enhancements to manage growth and traffic patterns
 - Sanitary sewer extensions into North Keller
 - Continued park development and renovation
 - Water infrastructure enhancements

FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

**MAYOR AND CITY COUNCIL
DEPARTMENT SUMMARY**

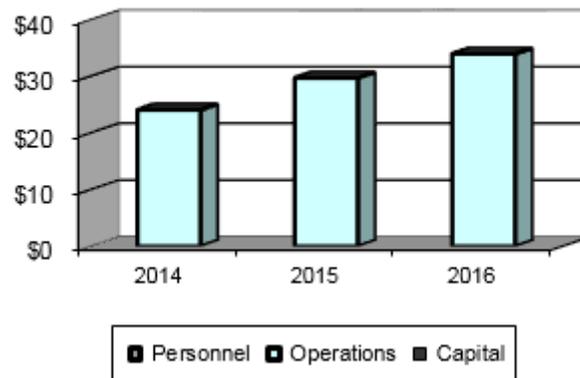
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	9,831	9,650	10,450	10,400
Services & other	14,234	24,305	19,245	23,545
SUBTOTAL	24,065	33,955	29,695	33,945
Capital outlay	-	-	-	-
TOTAL	\$ 24,065	\$ 33,955	\$ 29,695	\$ 33,945

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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No personnel services funding is provided in this program.

Mayor & City Council Expenditures
(000's)



**FINANCE & ACCOUNTING
DEPARTMENT SUMMARY**

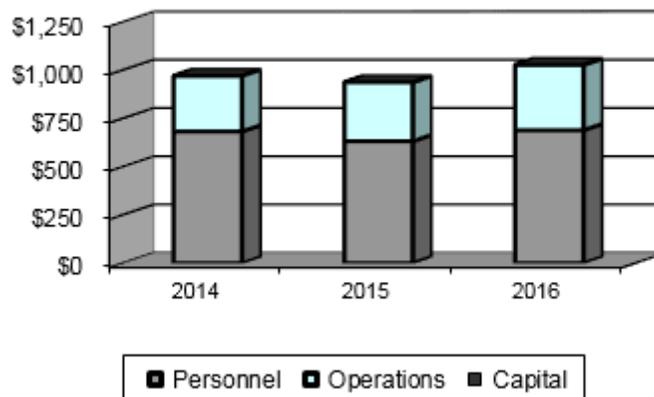
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 682,526	\$ 717,075	\$ 631,780	\$ 688,860
Operations & maintenance	11,428	3,595	5,690	13,990
Services & other	276,565	350,645	299,835	324,415
SUBTOTAL	970,519	1,071,315	937,305	1,027,265
Capital outlay	-	-	-	-
TOTAL	\$ 970,519	\$ 1,071,315	\$ 937,305	\$ 1,027,265

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 839,938	\$ 934,110	\$ 800,250	\$ 893,420
Tax	130,581	137,205	137,055	133,845
TOTAL	\$ 970,519	\$ 1,071,315	\$ 937,305	\$ 1,027,265

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	7.0	7.5	7.5
TOTAL	7.0	7.5	7.5

Finance & Accounting Expenditures
(000's)



FUND: General	DEPARTMENT: Finance & Accounting	DIVISION: Administration	ACCOUNT: 100-130-01
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DEPARTMENT DESCRIPTION:

The Finance and Accounting Department maintains oversight responsibility for management of the City's assets. The Chief Financial Officer is responsible for oversight of purchasing, accounting, payroll, accounts receivable, accounts payable, cash and investment management, capital financing and customer service (utility billing) activities. The department also provides accounting services for the Keller Development Corporation (KDC), the Keller Tax Increment Reinvestment Zone (TIRZ) and the Keller Crime Control and Prevention District (KCCPD).

DEPARTMENT/DIVISION GOALS:

1. Safeguard the City's assets by developing and/or complying with financial, investment and other related policies and procedures, and proper and timely recording of accounting transactions.
2. Ensure the City's financial accountability and responsible use of resources.
3. Maintain effective cash and investment management in order to realize a competitive rate of return, while protecting the City's safety of principal, in accordance with the City's Investment Policy and procedures.
4. Provide for the efficient and timely procurement of supplies, materials, equipment, and services for all City operations by working closely with vendors and other governmental entities to ensure that both the proper quantity and quality of materials and services are available.
5. Continue to strengthen internal control procedures by maintaining and updating formal financial management policies.

DEPARTMENT/DIVISION OBJECTIVES:

1. Complete reporting requirements to continue receiving the "Certificate of Achievement for Excellence in Financial Reporting" from the Government Finance Officers Association for the Comprehensive Annual Financial Report for the 27th consecutive year (FY1989 – FY2015).
2. Complete reporting requirements to continue to receive the "Distinguished Budget Presentation Award" from the Government Finance Officers Association for the annual budget document for the 20th consecutive year (FY1996 – FY2016).
3. Maintain or strengthen the financial status of the City with outside sources, e.g. rating agencies, investors, and other governmental agencies by providing accurate and timely financial information.
4. Continue receiving Gold Medal Award for Financial Transparency from the State Comptroller's office.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Accounting activities:			
Accounts payable checks processed	4,342	4,100	4,200
Payroll checks processed	10,987	10,900	11,000
Journal entries processed	4,597	4,300	4,500
Bank reconciliations prepared	144	144	144
Employee W-2's issued	572	572	580
Accounts Receivable Invoices	542	535	540
Amount of Accounts Receivable Invoices	\$2,900,470	\$3,100,000	\$3,150,000
Ambulance Receivable Invoices	1,485	1,500	1,500
Amount Ambulance Receivable Invoices	\$3,605,376	\$3,031,680	\$3,100,000
Purchasing activities:			
Purchase orders processed	280	285	300
Purchasing card transactions processed	7,972	7,200	7,300
Sealed bids/proposals processed	11	11	15
Banking activities:			
Number of bank deposits processed	6,790	6,500	6,200
Number of incoming wires	28	30	30
Number of outgoing wires	25	25	30

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Administration

ACCOUNT:
100-130-01

(Continued)

<u>PERFORMANCE ANALYSIS</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Quarterly investment reports prepared	4	4	4
Quarterly financial reports prepared	2	0	4
Tax-supported debt service expenditures as a % of general operating expenditures	13.3%	14.4%	14.6%
Financial policy target	25.0%	25.0%	25.0%
Ratio of debt to net taxable valuation	.9%	0.9%	0.8%
Financial policy target	15.0%	15.0%	15.0%
Investment activities:			
Average weighted average investment yield to maturity	0.35%	0.35%	0.35%
Average spread between City yield and 3-month T- bill	0.28%	0.28%	0.25%
Percent of funds invested in a daily basis	98%	98%	98%

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Administration

ACCOUNT:
100-130-01

**FINANCE & ACCOUNTING / ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 682,526	\$ 717,075	\$ 631,780	\$ 688,860
Operations & maintenance	11,130	3,295	4,890	13,690
Services & other	146,282	213,740	163,580	190,870
SUBTOTAL	839,938	934,110	800,250	893,420
Capital outlay	-	-	-	-
TOTAL	\$ 839,938	\$ 934,110	\$ 800,250	\$ 893,420

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Director of Finance	M-3	1.0	-	-
Chief Financial Officer	M-3	-	0.8	0.8
Finance/Purchasing Manager	M-1	1.0	0.8	0.8
Financial Analyst	PE-7	1.0	-	-
Budget Analyst	PE-7	-	1.0	1.0
Senior Accounting Technician	A/TN-10	1.0	1.0	1.0
Accounting/Purchasing Technician	A/TN-7	-	1.0	1.0
Purchasing Technician	A/TN-10	1.0	-	-
Purchasing Agent	A/TN-11	-	1.0	1.0
Administrative Secretary/Accounting Tech	A/TN-8	-	1.0	1.0
Account Clerk/Finance Secretary	A/TN-6	1.0	-	-
Accounting/Records Tech	A/TN-7	-	1.0	1.0
Records/Account Clerk	A/TN-5	1.0	-	-
TOTAL		7.0	7.5	7.5

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

DEPARTMENT DESCRIPTION:

The Tax Division of the Finance & Accounting Department is responsible for the assessment and collection of property and other special assessment taxes for the City. Property appraisal is the responsibility of the Tarrant Appraisal District. Effective October 1999, the Tarrant County Tax Assessor/Collector began assessing and collecting property taxes for the City of Keller. The Tarrant County Tax Assessor/Collector also assesses and collects property taxes for all other taxing units within the City of Keller.

DEPARTMENT/DIVISION GOALS:

1. Continue collection and assessing contract with Tarrant County.
2. Ensure timely assessment and collection of the City's property taxes by working closely with the Tarrant Appraisal District and generating timely and accurate tax statements.
3. Provide timely and efficient assistance and information to citizens and City staff as requested.
4. Support other City departments by providing property ownership information.
5. Ensure that all real and personal property located in the Keller Town Center Reinvestment Zone is properly recorded by the Tarrant Appraisal District.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Special assessment accounts maintained (In FY2008, all special assessment accounts transferred to the Utility Billing System for billing and collection)	2	2	2
Total property tax accounts maintained by Tarrant Appraisal District	16,913	16,675	17,087
Total number of over-65 and disabled accounts	2,084	1,976	2,161
Total (appraised) value of over-65 and disabled accounts (millions)	\$533.7	\$492.6	\$599.8
Total number of tax ceiling accounts	1,990	1,903	2,261
Taxable value of tax ceiling accounts (millions)	\$420.3	\$382.1	\$491.0
Total number of new residential homesteads	277	299	343
Total (appraised) value of new residential homesteads (millions)	\$102.0	\$70.6	\$140.0
Total number of new over-65 accounts	79	86	76
Total (appraised) value of new over-65 accounts (millions)	\$22.6	\$26.2	\$23.0
Total (appraised) value of new construction (millions)	\$88.0	\$81.7	\$179.6
Total (appraised) value of new residential construction (millions)	\$88.2	\$70.5	\$137.0
Total (appraised) value of new commercial construction (millions)	\$16.2	\$11.2	\$42.7

(Continued)

FUND:	DEPARTMENT:	DIVISION:	ACCOUNT:
General	Finance & Accounting	Tax	100-130-09

(continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>PERFORMANCE ANALYSIS</u>	SERVICE ANALYSIS		
	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 PROJECTED
Percentage of taxes collected (services to be provided by the Tarrant County Tax Assessor/Collector)	99.3%	99.3%	99.3%
Average appraised residential value	\$275,832	\$294,532	\$301,105
Percent change	0.2%	4.5%	2.2%
Average taxable residential value	\$265,340	\$282,730	\$287,593
Percent change	0.1%	4.4%	1.7%
Effective tax rate per \$100 of taxable value	\$0.44623	\$0.43859	\$0.44159
Actual tax rate per \$100 of taxable value	\$0.44219	\$0.44219	\$0.43469
Rollback tax rate per \$100 of taxable value	\$0.46647	\$0.46483	\$0.45714
Average City of Keller tax bill (actual rate)	\$1,173.31	\$1,250.20	\$1,250.14
Percent change	0.1%	2.0%	N/A
Average taxable value of tax ceiling accounts	\$187,685	\$210,049	\$217,432
Percent change	2.5%	2.6%	3.5%
Percentage of new construction by property category:			
Residential	97.4%	84.4%	93.0%
Commercial	2.6%	7.0%	7.0%

2015-16 projected based on TAD June preliminary values

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

**FINANCE & ACCOUNTING/TAX
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	298	300	800	300
Services & other	130,283	136,905	136,255	133,545
SUBTOTAL	130,581	137,205	137,055	133,845
Capital outlay	-	-	-	-
TOTAL	\$ 130,581	\$ 137,205	\$ 137,055	\$ 133,845

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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Services are provided under contract with the Tarrant Appraisal District and the Tarrant County Tax Assessor/Collector.

FUND:
General

DEPARTMENT:
Municipal Court

DIVISION:
Administration

ACCOUNT:
100-160-01

DEPARTMENT DESCRIPTION:

The Colleyville-Keller Regional Municipal Court provides the City with enforcement of Class C misdemeanor criminal laws and ordinance offenses occurring within the City limits. The Regional Municipal Court is operated through an interlocal agreement with the City of Colleyville. The Court is also responsible for maintaining accurate records of all cases, including arrest records, bond records, formal complaints, citation dispositions, school attendance offenses, state reporting, court costs, docket records, trial proceedings, refunds, forfeitures and transfer of funds for arrests of higher charges. The Regional Municipal Court processes and distributes all money collected in the jail for the City of Keller, Southlake, Colleyville and Westlake. The Regional Municipal Court is responsible for staying current with the changes of procedures and court costs that are submitted to the state with each State Legislature revision.

DEPARTMENT/DIVISION GOALS:

1. Maintain Court of Record operations in accordance with state laws, legislative updates and legal procedures.
2. Continue to utilize the teen court program with all options available designed to increase public awareness. Continue the ongoing success this program offers the community.
3. Maintain and continually update the Colleyville-Keller Regional Municipal Court Policy and Procedures manual.
4. Manage the juvenile process of required conditions of certain offenses committed by juveniles and minors such as tobacco, drug and alcohol awareness courses, mandatory community service and mandatory court appearances before the judge.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Number of citations processed	11,176	10,526	10,800
Number of cases requesting court dates	6,856	4,200	4,350
Number of cases with attorney representation	2,289	2,300	2,256
Number of court dockets held per year	218	47	70
Number of warrants processed/issued	1,950	2,000	2,275
Number of reports generated (open records requests)	299	230	245
Number of warrants outstanding (1)	1,594	3,300	3,325
Number of defendants requesting jury trial	67	40	45

- (1) Outstanding warrants have increased for the FY15 Estimate and FY16 Projected due to a change in the current warrant process. The court no longer waits for the 61st day to add the collection fee.

FUND:
General

DEPARTMENT:
Municipal Court

DIVISION:
Administration

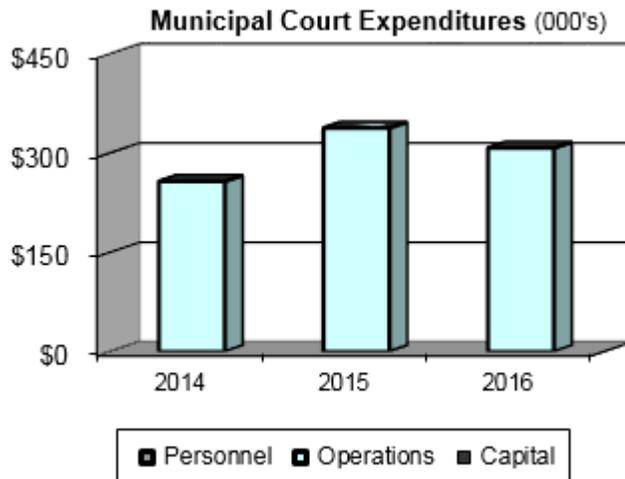
ACCOUNT:
100-160-01

**MUNICIPAL COURT
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ (1)	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	257,174	337,550	337,550	307,489
SUBTOTAL	257,173	337,550	337,550	307,489
Capital outlay	-	-	-	-
TOTAL	\$ 257,173	\$ 337,550	\$ 337,550	\$ 307,489

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Municipal Court Clerk	M-1	-	-	-
TOTAL		-	-	-



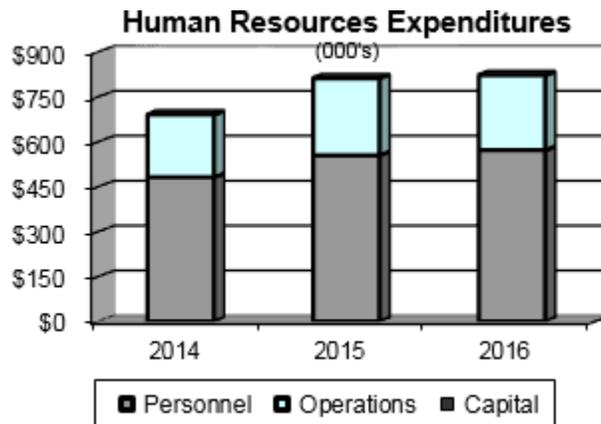
**HUMAN RESOURCES
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 482,138	\$ 553,045	\$ 555,110	\$ 572,392
Operations & maintenance	14,621	16,425	16,405	16,465
Services & other	194,160	230,455	240,475	233,515
SUBTOTAL	690,919	799,925	811,990	822,372
Capital outlay	-	-	-	-
TOTAL	\$ 690,919	\$ 799,925	\$ 811,990	\$ 822,372

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 373,021	\$ 399,755	\$ 404,740	\$ 417,672
City-wide Employee Activities	203,849	278,070	288,070	278,360
Risk Management	114,049	122,100	119,180	126,340
TOTAL	\$ 690,919	\$ 799,925	\$ 811,990	\$ 822,372

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	4.0	4.0	4.5
Risk Management	1.0	1.0	1.0
TOTAL	5.0	5.0	5.5



FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

DEPARTMENT DESCRIPTION:

The Human Resources Department is responsible for activities that are intended to influence the productivity and effectiveness of the employees of the City. Specific activities that integrate human resources with the overall effectiveness of City operations include the following: administration of policy, recruiting and selection, employee training, development and organizational development, employee relations, compensation and benefits, risk management, and compliance with federal and state laws and regulations and those of the City.

DEPARTMENT/DIVISION GOALS:

1. Leverage the City's human capital to increase the efficiency and effectiveness of the organization as a whole.
 - Ensure that the City's compensation practices and benefits are competitive.
 - Develop a formal selection program with expert selection tools.
 - Ensure the hiring of high-caliber employees through effective selection expertise.
 - Develop/train our employees for current and future positions within the City of Keller.
 - Strive for the City to have the reputation of being an employer of choice.
2. Be an effective strategic partner to our customers – our City employees.
 - Educate employees in all City benefits to ensure proper utilization and manage benefit costs.
 - Communicate benefits with employees through communication pieces, an annual benefit fair, benefit meetings and an annual health fair with free health screenings and health information.
3. Be an effective strategic partner to our customers – other City departments.
 - Provide expert consultation to departments in the areas of selection, compensation, benefits, employee relations, career advancement, disciplinary actions, training, leave, policy administration and risk management.
 - Develop HR staff expertise through effective training and certification programs.
 - Focus on continuous quality improvement in consultative services.

STANDARD MEASURES OF ACTIVITY:

The following metrics, though not measures of performance strictly speaking, are valuable indices of the degree of activity in the Human Resources department. Such indices may prove useful in identifying trends, e.g. an increase in the size of the applicant pool, or an increase in employment actions.

<u>SERVICE ANALYSIS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
General job vacancies filled	59	75	80
The Keller Pointe (TKP) job vacancies filled	160	155	165
General applications processed	2,296	1,650	1,700
The Keller Pointe (TKP) applications processed	599	600	550
Number of positions salary surveyed	152	144	144
General employee turnover rate (excluding seasonal employees)	14.51%	18.00%	19.00%
The Keller Pointe (TKP) employee turnover rate (excluding seasonal employees)	57.14%	39.00%	25.00%

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

**HUMAN RESOURCES / ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 357,024	\$ 385,795	\$ 390,780	\$ 404,032
Operations & maintenance	5,717	1,710	1,710	1,750
Services & other	10,280	12,250	12,250	11,890
SUBTOTAL	373,021	399,755	404,740	417,672
Capital outlay	-	-	-	-
TOTAL	\$ 373,021	\$ 399,755	\$ 404,740	\$ 417,672

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Director of Human Resources	M-2	1.0	1.0	1.0
Human Resources Manager	PE-6	1.0	1.0	1.0
Employment Specialist	PE-4	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Human Resources Assistant	A/TN-4	-	-	0.5
TOTAL		4.0	4.0	4.5

FUND: General	DEPARTMENT: Human Resources	DIVISION: City-Wide Employee Activities	ACCOUNT: 100-170-11
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DEPARTMENT DESCRIPTION:

The Human Resources Department is responsible for activities that are intended to influence the productivity and effectiveness of the employees of the City. These non-departmental (citywide) activities are provided to promote excellent customer service and retention of employees through recognition programs, support employees to prepare for career development, and educate employees on city benefits thereby improving utilization of benefits resulting in cost savings to the City and happier, healthier employees. In order to better define the citywide activity costs, the costs have been separated from the general expenditures of the Human Resources Department.

DEPARTMENT/DIVISION GOALS:

1. Recognize and reward employees for tenure with the City through annual service award banquet and presentation of service pins and Employee of the Year in each of the Core Values plus overall Employee of the Year.
2. Promote the City as an employer of choice through recognition and promotion of employees.
3. Reward and encourage employees for excellent customer service through "Quality Achievement Awards."
4. The Employee Activity Team (EAT) coordinates employee activities, events, lunches, etc. for employee appreciation and morale.
5. Encourage and support employees in their career development through cost-effective, quality training, the Career Advancement Program (CAP) and tuition reimbursement.
6. The Wellness Committee encourages employees on healthy initiatives. Partner with our medical insurance vendor on wellness. Medical vendor will offer and coordinate online health risk assessments, biometric screenings at our annual health fair, and online coaching. Human Resources and the Wellness Committee will continue to host lunch 'n learns about a variety of subjects dealing with health, exercise and nutrition as well as Wellness initiatives.

STANDARD MEASURES OF ACTIVITY:

The following metrics, though not measures of performance, are valuable indices of the degree of activities performed.

<u>SERVICE ANALYSIS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATED</u>	<u>2015-2016 PROJECTED</u>
Employees requesting tuition reimbursement benefit	16	11	11
Employees utilizing tuition reimbursement benefit	9	9	10
General job vacancies filled			
- Number of in-house promotions	21	27	25
- Number of outside hires	38	48	50
Average annual training hours per employee	3.8	5	6
Graduating employees from CAP	5	4	6
Employees participating in Wellness Initiatives	201	210	220
Number of EAT sponsored events	17	17	18

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
City-Wide Employee
Activities

ACCOUNT:
100-170-11

**HUMAN RESOURCES / CITY-WIDE EMPLOYEE ACTIVITIES
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 12,717	\$ 49,000	\$ 49,000	\$ 46,000
Operations & maintenance	8,406	13,275	13,255	13,275
Services & other	182,726	215,795	225,815	219,085
SUBTOTAL	203,849	278,070	288,070	278,360
Capital outlay	-	-	-	-
TOTAL	\$ 203,849	\$ 278,070	\$ 288,070	\$ 278,360

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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This program accounts for certain citywide expenditures comprised primarily of employee dues for The Keller Pointe, tuition reimbursement, unemployment compensation, training and employee recognition programs for City departments. Personnel services include unemployment compensation costs for all funds, except for The Keller Pointe.

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Risk Management

ACCOUNT:
100-170-15

DEPARTMENT DESCRIPTION:

The underlying purpose of Risk Management is to reduce unnecessary losses; the less an organization spends on losses, the more resources it has to direct toward essential services and/or benefits. Responsibilities of this Division are to: 1) protect City assets, minimizing the City's internal and external exposures associated with risk, 2) continue an effective risk management program, including but not limited to, employee safety committee for review of all potential loss events, 3) coordinate with Safety Committee on the newly created Quarterly Department Safety Review Meetings to bring safety awareness to all employees, and 4) coordinate and conduct drills in compliance with the City's Evacuation Plan (implemented 2/1/11).

DEPARTMENT/DIVISION GOALS:

1. Assist all levels of management and employees to maintain safety programs and practices that will ensure the safe and effective completion of city services and reduce accidents and injuries.
2. Investigate all workers' compensation claims, liability and property claims and report claims to appropriate service agencies in a timely manner.
3. Monitor and coordinate benefits with employees needing Family Medical Leave (FMLA), short-term disability and/or long-term disability.
4. Provide and track safety training, including Texas Municipal League (TML) onsite and online training for all employees.

STANDARD MEASURES OF ACTIVITY:

The following metrics, though not measures of performance strictly speaking, are valuable indices of the degree of activity in the Risk Management Division. Such indices may prove useful in identifying trends, e.g. limiting the number of on-the-job injuries or the need to increase safety training classes.

<u>SERVICE ANALYSIS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Department Quarterly Safety Review Meetings	36	40	40
Worker compensation claims processed	37	45	40
Equipment and vehicle damage claims processed	48	34	35
Liability claims processed	25	25	25
Property claims processed	10	6	6
FMLA requests processed	43	50	50
TML Online Training Classes Taken	1391	112	112

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Risk Management

ACCOUNT:
100-170-15

**HUMAN RESOURCES / RISK MANAGEMENT
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 112,397	\$ 118,250	\$ 115,330	\$ 122,360
Operations & maintenance	498	1,440	1,440	1,440
Services & other	1,154	2,410	2,410	2,540
SUBTOTAL	114,049	122,100	119,180	126,340
Capital outlay	-	-	-	-
TOTAL	\$ 114,049	\$ 122,100	\$ 119,180	\$ 126,340

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Risk Manager	PE-10	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0

**ECONOMIC DEVELOPMENT
DEPARTMENT SUMMARY**

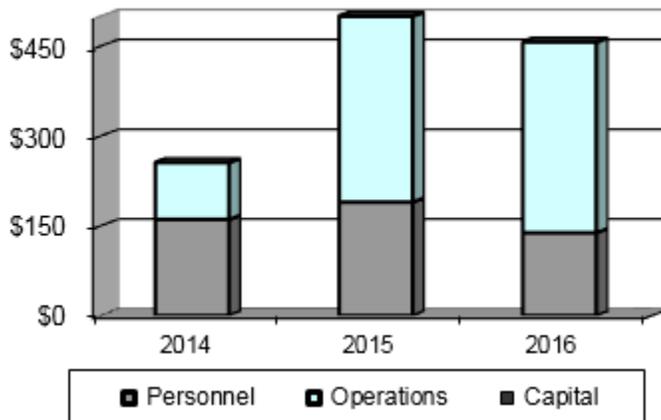
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 160,745	\$ 217,530	\$ 189,770	\$ 138,614
Operations & maintenance	3,649	8,200	6,500	7,200
Services & other	91,216	650,210	605,365	310,985
SUBTOTAL	255,610	875,940	801,635	456,799
Capital outlay	-	-	-	-
TOTAL	\$ 255,610	\$ 875,940	\$ 801,635	\$ 456,799

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 218,828	\$ 435,240	\$ 398,135	\$ 426,669
Old Town Keller	30,988	33,000	24,500	30,130
One-Time Expenditures	5,794	407,700	379,000	-
TOTAL	\$ 255,610	\$ 875,940	\$ 801,635	\$ 456,799

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration		2.48	1.78	1.78
TOTAL		2.48	1.78	1.78

Economic Development Expenditures (000's)



FUND:
General

DEPARTMENT:
Economic Development

DIVISION:
Administration

ACCOUNT:
100-190-01

DEPARTMENT DESCRIPTION:

The Economic Development Department fosters sustainable economic growth opportunities for job creation and revenue enhancement through comprehensive business expansion, attraction, and retention programs and services to ultimately increase the commercial property tax base, residents' property value and improve quality of life for all Keller residents. The department will work to create strategic partnerships by serving as liaisons with residents, businesses, agencies, groups and civic clubs to receive and evaluate economic development comments, suggestions and recommendations regarding incentive strategies and policies within the City.

DESCRIPTION OF GOALS/SERVICES

Attraction and Retention Activities:

1. Attract and retain quality commercial developments that increase our residents' property value and improve their quality of life while ultimately increasing and/or expanding the retail, commercial and residential tax base.
2. Prepare and disseminate economic incentive packages to appropriate and interested business prospects.
3. Oversee the Keep it in Keller program to support local businesses. Continue ongoing shop-local campaign and maintain the www.keepitinkeller.com website that provides residents and visitors alike a way to easily find places to shop, eat and get other business services in Keller.
4. Attend at least three (3) trade shows to market the City of Keller to prospective developers, businesses, realtors and investors.

Partnerships:

1. Work with developers, brokers and respective marketing groups to fully develop all land and buildings in Keller with emphasis in key areas.
2. Serve as a liaison between the City and Keller Economic Development Board (KEDB) and the business community.
3. Partner with the various clubs and organizations to expand development, improve the overall commercial environment and viability, and promote various special events.

Easier Access to Quality Information:

1. Create and maintain relevant and effective marketing/demographic materials, website and community profile data; prepare and update community statistics for economic development purposes.
2. Inform and educate citizens about economic development activities through various organizations and media.

(Continued)

FUND: General **DEPARTMENT:** Economic Development **DIVISION:** Administration **ACCOUNT:** 100-190-01

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Overview:			
Number of staff	2.5	2.5	2.5
Budget Amount	\$357,830	\$564,655	\$463,240
Total Population	42,040	42,890	43,748
Economic development meetings with KEDB	4	9	9
Recruitment:			
New Businesses	75	59	62
Daytime Employment	36,974	32,433	34,055
Taxable commercial real property value (in millions)	\$412.4	\$564.6	\$621.06
Taxable business personal property value (in millions)	\$87.7	\$154.3	\$169.73
New taxable commercial property value (in millions)	\$88.0	\$120.48	\$132.52
Sales and Use Tax Total Collections (in millions)	\$8.2	\$7.8	\$8.3
Gross retail square footage	2,125,255	3,257,662	3,453,121
Gross office square footage	654,982	1,118,846	1,185,977
Trade Shows attended	3	3	4
Recruitment meetings, phone calls & info distribution	78	100	100
Developer/broker forums	1	1	4
Retention and Expansion:			
Business expansions	9	6	8
Retention Business Meetings, visits and outreach	50	60	70
Grand openings/ribbon cuttings attended by staff	8	25	30
Retail Occupancy Average Rate	92.2%	94.2%	95.3%
Office Occupancy Average Rate	92.5%	90.0%	92.0%
Business roundtables with Keller businesses	NA	2	25
Welcome kits distributed	NA	5	10
Small Business Administration referrals	3	3	4
Promotion:			
Economic Development Presentations Given	19	15	20
Economic Development website sessions	3,074	2,659	3,500
Economic Development website unique visitors	2,077	1,889	2,500
Keep It In Keller website sessions	21,643	29,251	36,000
Keep It In Keller unique visitors	17,872	24,295	25,000
Keep It In Keller website page views per day	59	80	100

(Continued)

FUND:
General

DEPARTMENT:
Economic Development

DIVISION:
Administration

ACCOUNT:
100-190-01

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Promotion: (continued)			
Unique visitors to Keep It In Keller website page views per day	49	67	70
Economic Development Newsletters	6	6	6
Shopping and Dining Guides printed	20,000	20,000	20,000
Shopping and Dining online views	NA	3,207	4,000
Goals:			
Sales and Use Tax Total Collections (increase/decrease)	NA	-5.0%	3.0%
Taxable commercial property (increase/decrease)	NA	6.0%	10.0%

**ECONOMIC DEVELOPMENT / ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 160,745	\$ 217,530	\$ 189,770	\$ 138,614
Operations & maintenance	3,649	4,200	4,000	4,200
Services & other	54,434	213,510	204,365	283,855
SUBTOTAL	218,828	435,240	398,135	426,669
Capital outlay	-	-	-	-
TOTAL	\$ 218,828	\$ 435,240	\$ 398,135	\$ 426,669

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Economic Development Director	M-3	1.00	-	-
Director of Public Services/Economic Development	M-3	-	0.30	0.30
Economic Development Coordinator	PE-5	1.00	1.00	1.00
Economic Development Marketing Intern	NA	0.48	0.48	0.48
TOTAL		2.48	1.78	1.78

FY2015-16 highlights: Services & other include \$135,000 for economic project consultation and \$117,700 for economic development-related marketing, advertising and promotional activities for the City of Keller.

FUND:
General

DEPARTMENT:
Economic Development

DIVISION:
Old Town Keller

ACCOUNT:
100-190-17

DEPARTMENT DESCRIPTION:

The Old Town Keller (OTK) division was created to account for expenditures relating to the preservation of Old Town and the improvements intended to enhance and promote business development in Old Town.

DEPARTMENT/DIVISION GOALS:

1. Improve and preserve the Old Town Keller area through coordinated efforts with other departments.
2. Encourage additional retail and commercial activity in the Old Town area.
3. Improve the appearance of the original Old Town Keller area.
4. Oversee the Old Town Keller Façade Improvement Grant Program.
5. Serve as Liaison with the Old Town Keller Merchants Association.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Meet with business prospects or existing businesses to discuss opportunities for new or expanded development	16	15	15
Meet with existing business owners to seek partnership opportunities to improve the overall environment and viability of Old Town Keller	7	15	15
Old Town Keller Façade improvement grants approved by City Council	3	6	4
Old Town Keller Façade improvement grants completed	5	5	4
Attend Old Town Keller Merchants Association meetings	N/A	N/A	1

**ECONOMIC DEVELOPMENT / OLD TOWN KELLER
DIVISION / ACTIVITY SUMMARY**

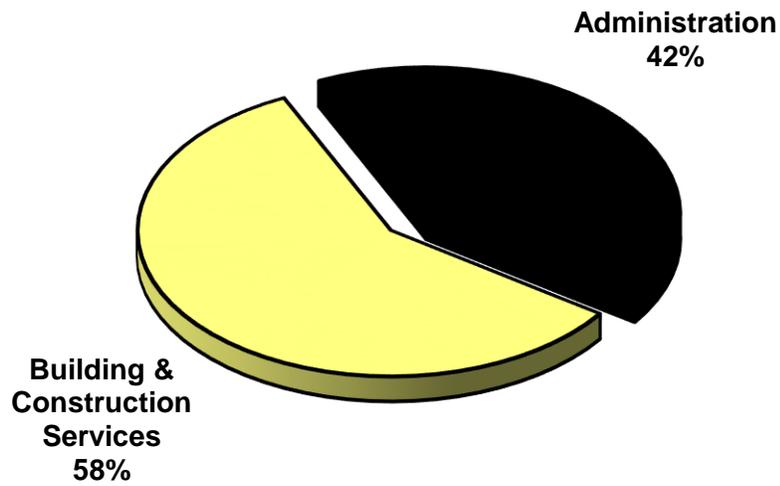
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	4,000	2,500	3,000
Services & other	30,988	29,000	22,000	27,130
SUBTOTAL	30,988	33,000	24,500	30,130
Capital outlay	-	-	-	-
TOTAL	\$ 30,988	\$ 33,000	\$ 24,500	\$ 30,130

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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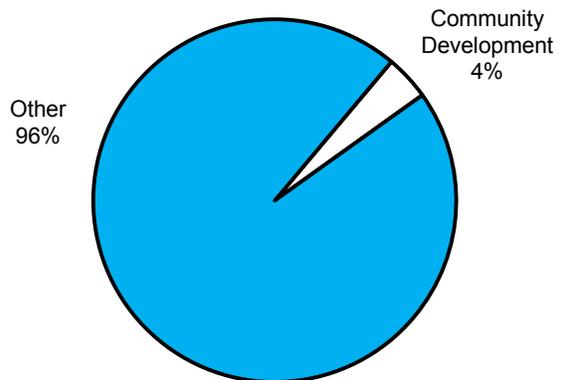
No personnel funded by this division.

Community Development



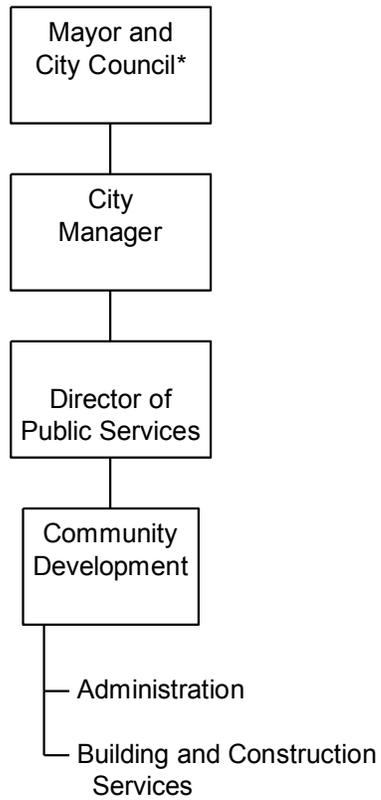
Department total: \$1,503,520

General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

COMMUNITY DEVELOPMENT



* – Denotes elected position.

**COMMUNITY DEVELOPMENT
DEPARTMENT SUMMARY**

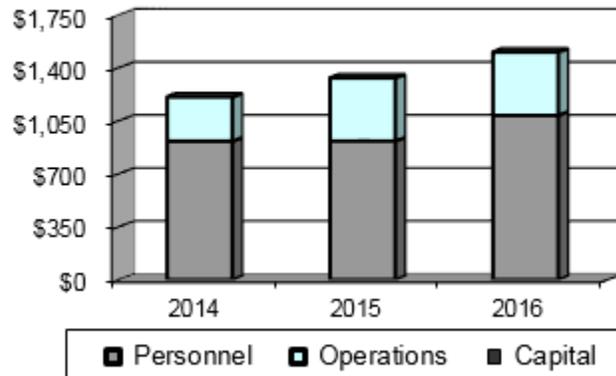
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 915,881	\$ 1,067,995	\$ 917,245	\$ 1,086,060
Operations & maintenance	17,528	14,180	12,030	12,745
Services & other	274,187	424,950	403,810	404,715
SUBTOTAL	1,207,596	1,507,125	1,333,085	1,503,520
Capital outlay	-	-	-	-
TOTAL	\$ 1,207,596	\$ 1,507,125	\$ 1,333,085	\$ 1,503,520

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 447,105	\$ 647,955	\$ 484,240	\$ 625,195
Building & Construction Services	760,491	859,170	848,845	878,325
TOTAL	\$ 1,207,596	\$ 1,507,125	\$ 1,333,085	\$ 1,503,520

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	5.48	5.18	5.18
Building & Construction Services	6.48	7.23	7.48
TOTAL	11.96	12.41	12.66

Community Development Expenditures (000's)



FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Administration

ACCOUNT:
100-200-01

DEPARTMENT DESCRIPTION:

The Community Development Department is responsible for facilitating, organizing and directing the City's growth and development. The department implements growth policies in accordance with the City Council-directed goals and objectives. The department is comprised of two divisions to include planning and development and construction services activities. The Planning and Development division is routinely involved in land use planning, thoroughfare planning, residential and commercial development plan review, zoning, and coordination and implementation of the Impact Fee Ordinance. The department provides coordination among other development-related departments through management of the Development Review Committee (DRC) in order to expedite and advance the development projects in the most efficient manner. The department supports three City-appointed boards: the Planning and Zoning Commission and the Capital Improvements Advisory Committee, which are both under the Planning and Development Division, and the Zoning Board of Adjustment, which is under Building & Construction Services.

DEPARTMENT/DIVISION GOALS:

1. Maintain and improve the level of customer service provided to the citizens, City Council, members of appointed boards and the development community.
2. Streamline and facilitate all development applications and special projects in a timely and efficient manner and within budget.
3. Assist with project management with other departments for Special Projects (e.g. Entry Portal Signs for Economic Development, Parks & Trails Master Plan Update for Parks)
4. Implement the City's Land Use Plan and other land development policies and expand programs to enhance development opportunities in the City.
5. Improve effectiveness of the department by maintaining the Unified Development Code (UDC) and other development ordinances.
6. Assist the City with implementation of ordinances and development plans for special projects (i.e. Old Town Keller-West; Unified Development Code Update; Entry Portal Signs; Parks & Trails Master Plan Update; Impact Fee Ordinance Update)
7. Provide useful information such as development applications, public hearings, policies and regulations on the City's web page for customer/public access.
8. Update demographic and population materials and community profile data; prepare and update community statistics for economic development purposes. Strengthen the effectiveness of development boards through training of members.
9. Assist Economic Development Department in updating database necessary for business recruitment efforts, such as site and building inventories, marketing information, and preparation of economic incentive packages to appropriate and interested business prospects; assist in promoting programs to attract new commercial developments to Keller.
10. Assist Utility Billing, Development Services, and Economic Development with fee assessments associated with impact and development fees for residential and non-residential building permits as well as potential development projects.
11. Improve public relations efforts with the community through outreach programs, by providing and updating the Community Development summary brochure, development activity reports, annual meetings and workshops with the development community and regular presentations regarding the City's growth and progress at various community and civic organizations.
12. Assist in the maintenance of the City's GIS program.
13. Assist Code Compliance with landscaping, signage and development regulation violations.

(Continued)

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Administration

ACCOUNT:
100-200-01

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Planning & Zoning Commission activities:			
• Regular P&Z meetings held	20	20	20
• Special meetings held for Special Projects, ordinance revisions and land use plan implementations, e.g., UDC Update, Impact Fee Ordinance and land use plan changes.	2	12	15
• Plat applications (all types) reviewed	49	50	45
• Zoning Change (straight and PDs) requests reviewed	20	20	20
• Future Land Use Plan Amendments	9	7	10
• Site Plans reviewed	30	25	25
• Specific Use Permit (SUP) reviewed	28	20	25
• UDC Variances reviewed	25	15	20
• Tree Appeals reviewed	1	3	3
• Sign Permits reviewed	257	230	230
• Code Compliance Cases	5	10	10
Capital Improvements Advisory Committee (CIAC):			
• Special CIAC meetings held	2	4	5
<u>PERFORMANCE INDICATORS</u>			
Office staff (FTE)	5.5	4	4
Average staff processing time for initial review of zoning and SUP applications (in days)	5	5	5
Average response from applicants regarding initial review (in days)	10	10	10
Average case preparation time for public hearings (in days)	2	2	2
Average approval time for administrative site plans (in days)	14	14	14

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Administration

ACCOUNT:
100-200-01

**COMMUNITY DEVELOPMENT ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 409,884	\$ 496,375	\$ 353,660	\$ 475,820
Operations & maintenance	13,304	2,910	2,410	2,810
Services & other	23,917	148,670	128,170	146,565
SUBTOTAL	447,105	647,955	484,240	625,195
Capital outlay	-	-	-	-
TOTAL	\$ 447,105	\$ 647,955	\$ 484,240	\$ 625,195

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Community Development Director	M-3	1.00	-	-
Director of Public Services/Economic Development	M-3	-	0.70	0.70
Planning Manager	M-1	1.00	1.00	1.00
Senior Planner	PE-8	-	-	-
Planner II	PE-7	1.00	1.00	1.00
Planner I	PE-5	1.00	1.00	1.00
Planning Technician	A/TN-9	1.00	1.00	1.00
Administrative Secretary	A/TN-8	-	-	-
Planning Intern	NA	0.48	0.48	0.48
TOTAL		5.48	5.18	5.18

FY2015-16 highlights: Services & other include \$100,000 for future special projects.

FUND: General	DEPARTMENT: Community Development	DIVISION: Building & Construction Services	ACCOUNT: 100-200-14
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DEPARTMENT DESCRIPTION:

The Building and Construction Services Division is responsible for regulating and controlling the design, construction, quality of materials, building use and occupancy, location and maintenance of all buildings and structures within the City. The Building & Construction Services Division is also responsible for safeguarding property and the public welfare through the enforcement of the City's building and zoning codes. This activity includes enforcement of codes for building, plumbing, gas, electrical, mechanical inspections and the Unified Development Code. This division is supplemented with an outsourced agency for inspection services and some plan review services. This allows the division to maintain cost effectiveness and efficiency during high and low peaks without any need for additional staff.

DEPARTMENT/DIVISION GOALS:

1. Provide prompt, friendly and efficient customer service to all customers, including citizens, developers, builders and contractors.
2. Conduct quality inspections through consistent interpretations of the building codes and zoning and other ordinances.
3. Increase community awareness of the department's purpose and responsibilities through public information activities and campaigns, including interactive web-based information.
4. Promote a higher quality of life through the continuing efforts of code compliance.
5. Provide division information regarding activities and code/ordinance updates and changes on the City's web page.
6. Improve building permit activities by further automating the permit process with online access and web-based software. The automation currently provides for phone, smart device, and web inspection scheduling and checking results.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Single-family building permits issued:			
number of permits	327	275	290
value of residential permits (millions)	\$91.7	\$75	\$91.8
value of non-residential permits (millions)	\$43.7	\$15	\$35.8
Number of miscellaneous permits issued	2,813	2,000	2,550
Number of inspections performed	6,002	5,500	6,330
Plans reviewed for new construction (residential & commercial)	414	325	370
Miscellaneous plans reviewed	1,312	1,280	1,360
Certificates of occupancy issued for existing structures	67	60	65
Code enforcement activities:			
on-site inspections	2,260	1,950	2,050
non-permitted sign removal	1,682	1,200	1,200
Zoning Board of Adjustment activities:			
regular meetings held	8	10	10
variance applications reviewed	15	14	15

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

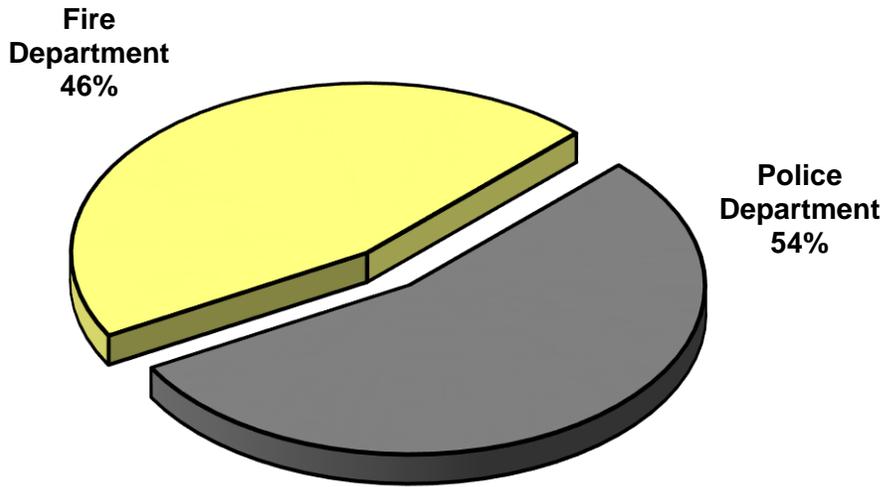
**COMMUNITY DEVELOPMENT / BUILDING & CONSTRUCTION SERVICES
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 505,997	\$ 571,620	\$ 563,585	\$ 610,240
Operations & maintenance	4,224	11,270	9,620	9,935
Services & other	250,270	276,280	275,640	258,150
SUBTOTAL	760,491	859,170	848,845	878,325
Capital outlay	-	-	-	-
TOTAL	\$ 760,491	\$ 859,170	\$ 848,845	\$ 878,325

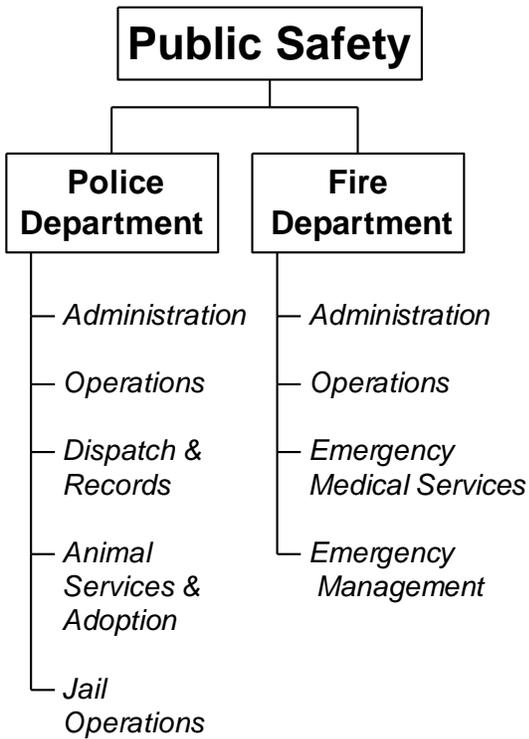
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Building Official	M-1	1.00	-	-
Building Services Manager/Chief Building Official	M-1	-	1.00	1.00
Code Compliance Coordinator	A/TN-11	-	-	1.00
Plans Examiner	A/TN-11	1.00	1.00	1.00
Code Compliance Officer	A/TN-10	1.00	1.75	1.00
Administrative Secretary	A/TN-8	1.00	1.00	1.00
Permit Technician	A/TN-5	2.00	2.00	2.00
Code Compliance Technician	TN-1	0.48	0.48	0.48
TOTAL		6.48	7.23	7.48

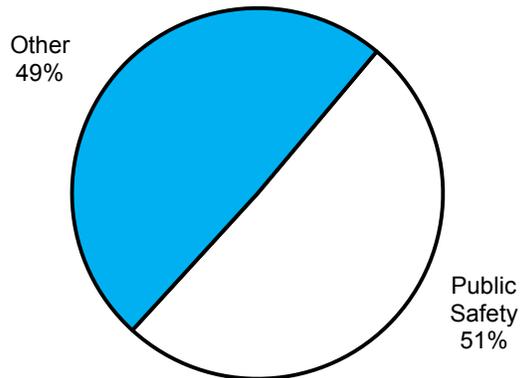
Public Safety



Department total: \$16,436,258

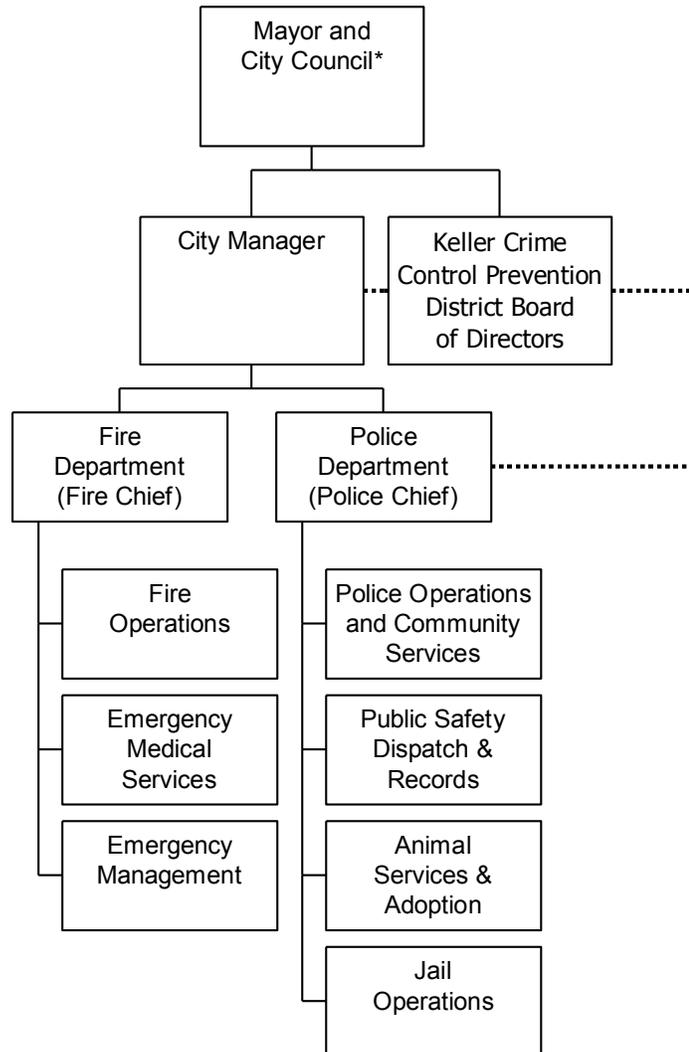


General Fund Expenditures



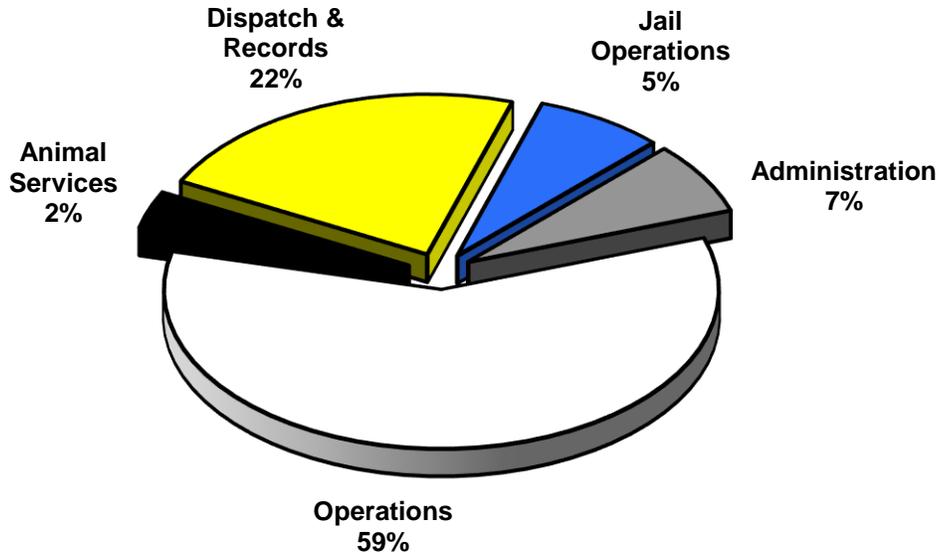
CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC SAFETY



* - Denotes elected positions.

Police Department

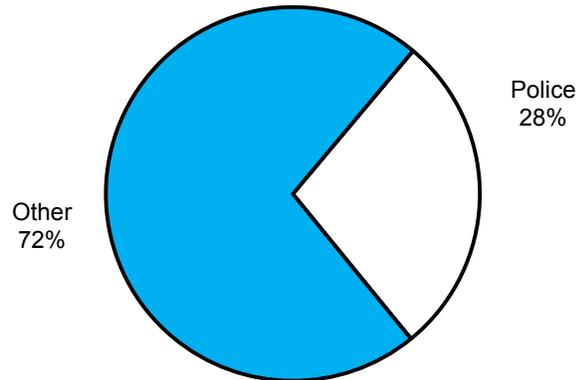


Department total: \$8,937,697

Police Department

- Administration
- Police Operations
- Dispatch & Records
- Animal Services & Adoption
- Jail Operations

General Fund Expenditures



**DEPARTMENT SUMMARY
POLICE DEPARTMENT**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 7,361,684	\$ 7,853,810	\$ 7,593,225	\$ 8,011,005
Operations & maintenance	340,110	418,860	406,300	428,072
Services & other	400,900	524,425	495,662	498,620
SUBTOTAL	8,102,694	8,797,095	8,495,187	8,937,697
Capital outlay	-	-	-	-
TOTAL	\$ 8,102,694	\$ 8,797,095	\$ 8,495,187	\$ 8,937,697

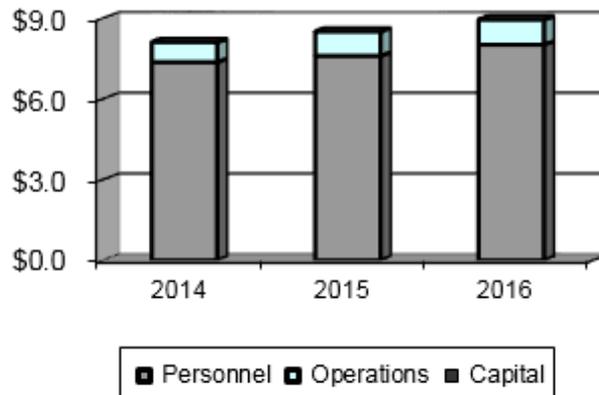
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 639,665	\$ 684,710	\$ 669,282	\$ 649,850
Police Operations	4,832,647	5,190,185	4,995,683	5,276,040
Public Safety Dispatch & Records	1,885,730	1,942,010	1,905,202	2,001,300
Animal Services & Adoption	291,096	326,040	328,680	336,332
Jail Operations	453,556	654,150	596,340	674,175
TOTAL	\$ 8,102,694	\$ 8,797,095	\$ 8,495,187	\$ 8,937,697

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	4.00	3.90	3.90
Police Operations	48.00	48.00	48.00
Public Safety Dispatch & Records	23.00	23.00	23.00
Animal Services & Adoption	3.48	3.48	3.48
Jail Operations	7.00	8.10	8.10
TOTAL	85.48	86.48	86.48

Police Department Expenditures

(millions)



FUND:
General

DEPARTMENT:
Police

DIVISION:
Administration

ACCOUNT:
100-300-01

DEPARTMENT DESCRIPTION:

The Administration Division is responsible for the overall leadership, management, and supervision of all the activities of the police department under the direction of the Chief of Police.

The Division is also responsible for the successful attainment of goals and objectives throughout the department including, but not limited to, traffic safety and regulation, uniformed patrol, community services and education, crime control, regional animal control, regional public safety dispatch and jail, and facility and equipment maintenance.

DEPARTMENT/DIVISION GOALS:

1. Continue to meet the service needs of a growing community with value-driven, customer-focused style of policing designed to improve the quality of life in Keller.
2. Continue creative funding mechanisms with a regional approach to lessen the tax burden on our residents.
3. Provide quality leadership that fosters excellence, integrity, and continuous improvement designed to retain and reward valued team members.

DEPARTMENT/DIVISION OBJECTIVES:

1. Achieve a spot in the top three cities reporting the lowest Part 1 Crime Index compared to the 15 benchmark cities in the Dallas/Fort Worth Metroplex.
2. Continue to emphasize crime prevention measures through our full-time community service officer using Keller Connect and other social media venues.
3. Work with the Keller Crime Control and Prevention District to efficiently and effectively manage the sales tax funds to provide technology, vehicles, and payback the debt for the jail/animal adoption center project.
4. Manage and monitor the long-term agreement to provide regional communications, jail services and animal services to the cities of Southlake and Colleyville, and police services to the Town of Westlake.
5. Continue to explore other regional partners for the jail and animal adoption center.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Total Part I major crimes	397	403	413
Total arrests	1298	1324	1334
Total traffic accidents	335	312	312
Citizen-initiated calls for service	26,363	26,697	27,197
Officer-initiated calls for service	66,211	66,379	66,629
E-Safe emails/Tweets/Facebook posts	35,266	36,016	36,516

Excludes Town of Westlake activity.

FUND:
General

DEPARTMENT:
Police

DIVISION:
Administration

ACCOUNT:
100-300-01

**POLICE ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>BUDGET</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 472,358	\$ 478,260	\$ 475,600	\$ 454,330
Operations & maintenance	28,443	43,160	40,660	56,525
Services & other	138,864	163,290	153,022	138,995
SUBTOTAL	639,665	684,710	669,282	649,850
Capital outlay	-	-	-	-
TOTAL	\$ 639,665	\$ 684,710	\$ 669,282	\$ 649,850

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY</u> <u>CLASS</u>	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
Director of Public Safety/Police Chief	M-4	1.0	1.0	-
Police Chief	M-3	-	-	1.0
Police Captain	PSE-PC	1.0	0.9	0.9
Police Lieutenant	PSE-2P	-	-	-
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Building Maintenance Tech I	TN-1	1.0	1.0	1.0
TOTAL		4.0	3.9	3.9

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

DEPARTMENT/DIVISION DESCRIPTION:

The Operations Division is responsible for continuously improving the quality of life for the communities of Keller and the Town of Westlake through a police services contract. The duties of the Operations Division are sector patrol and management, investigation and apprehension of criminals, case preparation, report processing, intervention and prevention of crime, traffic enforcement, motor vehicle collision investigation, bike patrol, mounted patrol, police canine, tactical operations and general community services and assistance. Operations management is responsible for the proper balance between accountability of the operations personnel and coordinating the department resources to effectively and efficiently accomplish our mission and values. This is how the department motivates its team members to enthusiastically and consistently drive our mission to make the City of Keller and the Town of Westlake better places to live, visit and conduct business

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. The Patrol Division will utilize the Data Driven Approaches to Crime and Traffic Safety (DDACTS) crime reduction model to further reduce Part 1 Crime.
 - Continue to run four shifts consisting of a Sergeant, Corporal and five sector officers to facilitate police services for both the City of Keller and the Town of Westlake. When staffing allows, each night shift will have an additional 3 p.m.-3 a.m. officer.
 - When staffing allows, the 3 p.m.-3 a.m. officers will utilize the DDACTS model to aide in concentrating police resources in geographical locations requiring additional visible patrols to lessen Part One crimes and reportable accidents in areas with higher reported incidents.
2. The Keller Police School Campus Patrol Program was initiated in April 2013. The objective of this partnership with the Keller Independent School District, local private schools and the Town of Westlake is to provide a heightened level of security and safety for 13 school campuses within the City of Keller and Town of Westlake jurisdictions.
 - It will be the goal of the Patrol Division to conduct 650 school campus patrols during this fiscal year. These patrols will provide a heightened level of security and safety for the staff and students of these campuses, thus enhancing their educational experience.
3. The Canine Unit will be available for narcotics investigations and detection. In February 2015, our canine, "Rowdy," retired after giving nine years of service. In April of 2015, a suitable replacement canine, "Rosko," was obtained for canine services. For the 2015-2016 fiscal year, we will continue to meet the below goals for the guidance and development of the canine program.
 - Continue canine demonstrations as approved by the Keller Police Department staff for the public. These demonstrations work to build relationships in the community between the Keller Police Department and the citizens of Keller and the Town of Westlake.
 - Ensure optimal scheduling of the Canine Unit for availability of interdiction patrols and regular patrol activities.
 - Continue the canine deployment program adopted in 2014 by the Keller Police Canine Program that allows for canine searches for narcotics at Deloitte University as well as other approved corporate campuses that request this service from the Keller Police Department. We will continue these programs at quarterly intervals upon request.

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

(Continued)

4. Continue "KPD4KYD" – (Keller Police Department for Keller Youth Development). This program consists of a monthly two-hour class, held in the community room for ages 12–20. The objective is to instill leadership principles and reinforce sound decision making processes while building relationships.
 - Make the class available to the Municipal Judge or regional municipal court to assign as an alternative or in addition to community service for court dispositions.
 - Offer the class free of charge to parents experiencing difficulties with wayward teenagers identified during Keller Police officers' routine community interactions.
 - Continue to monitor the number of young adults utilizing this alternative service through the regional municipal court.
5. Maintain Bicycle Officer patrols in the parks and trails systems.
 - Deploy an officer to bike patrol when weather permits and minimum staffing has been satisfied.
 - Continue to conduct IPMBA training with an in-house instructor.
 - Continue to deploy bike patrol officers during community events and parades.
 - Continue to deploy bike unit at the High School Football Stadium upon KISD request.
 - In conjunction with the Community Relations Officer, bike officers will assist in conducting child bike safety education.
6. Continue the use of the mounted patrol unit.
 - Deploy as deemed appropriate/as needed at large events in the parks and schools.
 - Continue to train annually through Alpha Omega Security Services.
 - Deploy as deemed appropriate for neighborhood patrols and civic activities.
7. Maintain officer training levels through in-house training sources.
 - Average 30 hours of in-service training per officer.
8. Reduce traffic accident rate by 5% through enforcement and education efforts.
 - Reallocate the Criminal Investigations Sergeant position to the Keller Traffic Unit to aide in obtaining the stated goals related to traffic accident reduction. This position will also be responsible for additional administrative responsibilities within the Operations Division. The re-assignment of these responsibilities and the direct supervision of the Keller traffic officers will allow for improved efficiency in the traffic unit. It will also afford clear and concise communication between city staff, event organizers and the Keller Police Department within the City of Keller.
 - The Patrol and Traffic Divisions will utilize the DDACTS crime reduction model in our efforts to reduce traffic accidents in locations with high incidents of crime and accident occurrences.
 - Continue to conduct quarterly crash analysis reports and conduct traffic enforcement details in those locations identified to be problem areas with regard to higher accident rates.
 - Utilize the departments JAMAR Technologies Radar Traffic Data Collection unit to provide enhanced traffic and speed data that will assist in determining future traffic enforcement efforts.
9. Maintain traffic enforcement/special watch patrols and high visibility in neighborhoods and other locations of frequent traffic complaints.
 - Continue to respond to traffic complaints and schedule traffic enforcement details at high incident locations.
 - Conduct follow-up contacts with complainants to review results of our enforcement efforts.
 - Utilize portable L.E.D. speed signs for traffic calming with the assistance of the Volunteers in Policing Services.
 - The Keller Police Department Traffic Division will continue its use of social media outlets to inform the motoring public of traffic enforcement locations throughout the City of Keller and the Town of Westlake. This initiative is a continuing effort to further reduce accidents by informing the public that the Keller Traffic unit is actively working traffic enforcement in both jurisdictions.

(continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

(continued)

10. Maintain enforcement of narcotic activities in the City of Keller.
 - Continue to gather intelligence, disseminate the information to patrol as needed.
 - Increase the enforcement and execution of warrants involving narcotic activity through the use of criminal investigators and patrol officers.
 - Coordinate and communicate intelligence to outside sources such as Tarrant County Task Force, Drug Enforcement Agency and Texas Alcoholic Beverage Commission.
11. Continue efforts to curb underage alcohol and tobacco use.
 - Conduct one alcohol and/or tobacco sting.
 - Continue being proactive by sending local businesses letters explaining State Law regarding sale of alcohol and tobacco to minors.
12. Continue to support and utilize Citizens Academy Volunteers on Patrol for support services (warrants, property destruction, selected patrol activities and victims assistance).
13. Continue to support the Drug Take Back by supporting the 24/7 medication drop-off program.
14. Through our Community Services, initiate the Community Camera Program. Citizens will volunteer to register their private security cameras, allowing police to gather footage in areas where offenses have occurred.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Total arrests made	1,298	1,324	1,334
Total citations issued	11,149	11,271	11,271
Total cases investigated	1,476	1,499	1,509
Alarm Responses	2,112	1,927	1,877
Volunteers in Policing total hours	2,437	2,440	2,450
Crime Prevention Presentations	180	186	196

<u>PERFORMANCE INDICATORS</u>			
Case clearance rate	66%	70%	70%
Part 1 crime clearance rate	38%	37%	38%

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

**POLICE OPERATIONS
DIVISION / ACTIVITY SUMMARY**

	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,475,823	\$ 4,791,390	\$ 4,603,070	\$ 4,871,580
Operations & maintenance	249,547	292,935	286,340	289,165
Services & other	107,277	105,860	106,273	115,295
	<hr/>	<hr/>	<hr/>	<hr/>
SUBTOTAL	4,832,647	5,190,185	4,995,683	5,276,040
Capital outlay	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	\$ 4,832,647	\$ 5,190,185	\$ 4,995,683	\$ 5,276,040

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
Police Captain	PSE-PC	2.0	2.0	2.0
Police Lieutenant	PSE-2P	-	-	-
Police Sergeant	PSN-S	6.0	6.0	6.0
Corporal	PSN-CO	4.0	4.0	4.0
Criminal Investigator	PSN-PC	5.0	5.0	5.0
Police Officer	PSN-PC	31.0	31.0	31.0
		<hr/>	<hr/>	<hr/>
TOTAL		48.0	48.0	48.0

FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch &
Records

ACCOUNT:
100-300-21

DEPARTMENT DESCRIPTION:

The Northeast Tarrant Communications Center (NETCOM) serves the cities of Keller, Southlake, Colleyville and Westlake. It is one of the few truly consolidated enhanced 911 Public Safety answering points in the state. The center is civilian staffed and dispatches emergency and non-emergency calls for Fire, Police and Emergency Medical Services. This Division serves more than 90,000 residents in an area covering 60.6 square miles. The center's staff of 23 full-time employees, including 19 dispatchers, answers hundreds of daily calls seven days a week, 365 days a year. The two civilian Records Technicians receive, process, index and file all police reports for retrieval on an as-needed basis. In addition, they must provide accurate statistical data for administrative use, access to public records, manage Solicitor's Permits, fingerprinting services, and work closely with all personnel within the City, our citizens, as well as outside agencies.

DEPARTMENT/DIVISION GOALS:

1. Contribute to the prompt response of police units by collecting necessary information from callers and dispatching emergency calls for Police service within 2 minutes on average.
2. Contribute to the prompt response of Fire/EMS units by collecting necessary information from callers and dispatching emergency calls under 1 minute on average.
3. Answer incoming 911 phone calls within 10 seconds.
4. Receive, process, index and file all police reports for retrieval on an as-needed basis. Respond to all open record requests under terms of the Texas Public Information Act.
5. Update the existing Records and Communications Standard Operating Procedures (SOPs) to reflect organizational changes and improvements in technology.
6. Provide Fire Department-specific training for communications personnel. Schedule communications personnel to attend Police Briefings and visit the Fire Stations.
7. Identify an Automatic Vehicle Locator vendor for future implementation to coordinate with GIS and CRIMES computer aided dispatch (CAD).

OBJECTIVES:

1. Monitor the dispatch process for police to ensure dispatch time for emergency calls is less than 2 minutes.
2. Monitor the dispatch process of Fire/EMS to ensure dispatch time for emergency calls within the NETCOM area is less than 1 minute. Review Lean Six Sigma data as needed.
3. Answer all incoming 911 calls within 10 seconds to enhance the feeling of safety for our citizens.
4. Assist both internal and external customers through the existing records programs in CRIMES and Laserfiche. Respond to open records requests as required. Provide Uniform Crime report and records retention training for records personnel.
5. Review, update and publish communications/records standard operating procedures in accordance with accepted standards.
6. Develop a method for communications personnel to visit the Police and Fire Stations during briefings and shift changes.
7. Work with Information Technology, NETCOM Fire and Police Departments to research and identify a potential Automatic Vehicle Locator vendor for future purchase. Develop a Pilot Project.

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch &
Records

ACCOUNT:
100-300-21

POLICE / PUBLIC SAFETY DISPATCH & RECORDS
DIVISION / ACTIVITY SUMMARY

	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>BUDGET</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,768,286	\$ 1,814,560	\$ 1,780,970	\$ 1,873,915
Operations & maintenance	32,644	25,200	21,200	25,685
Services & other	84,800	102,250	103,032	101,700
SUBTOTAL	1,885,730	1,942,010	1,905,202	2,001,300
Capital outlay	-	-	-	-
TOTAL	\$ 1,885,730	\$ 1,942,010	\$ 1,905,202	\$ 2,001,300

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY</u> <u>CLASS</u>	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
Regional Communications Manager	M-1	1.0	1.0	1.0
Regional Communications Ass't. Manager	PE-6	1.0	1.0	1.0
Regional Communications Supervisor	PN-8	-	-	-
Dispatch Shift Supervisor	PN-5	2.0	2.0	2.0
Dispatcher	PN-3	17.0	17.0	17.0
Senior Records Technician	A/TN-8	1.0	1.0	1.0
Records Technician	A/TN-5	1.0	1.0	1.0
TOTAL		23.0	23.0	23.0

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Services & Adoption

ACCOUNT:
100-300-23

DEPARTMENT/DIVISION DESCRIPTION:

The Animal Services & Adoption Department provides enforcement of the animal ordinance within the Cities of Colleyville, Keller, Southlake and the Town of Westlake. Services are generally limited to routine stray animal enforcement, bite investigations, wild animal and domestic livestock problems, and removal of dead animal carcasses from city roadways. The partnership with the Humane Society of North Texas has successfully expanded the adoption program.

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. Continue to strive for citizen satisfaction regarding animal service and adoption efforts.
 - Utilize the NETCOM Center to answer incoming calls.
 - Return voicemails within one hour while on duty (during off-duty, the phones will be answered by NETCOM Personnel).
 - Effectively deploy two Mobile Data Computers in Animal Service Vehicles to enhance response times.
 - Conduct weekly inspection of the facilities to ensure cleanliness and proper care. Utilize appropriate form to capture the results.
2. Work with the Humane Society to maintain a live release rate of animals for a minimum of 80% of total impounded domesticated animals.
 - Utilize rescue groups to place animals.
 - Launch a Lost and Found website to advertise animals reported lost and those impounded in the partner cities.
 - Promote registration awareness and offer off-site animal registration events.
 - Conduct proactive patrols.
3. Increase the notification of ordinance violations.
 - Determine and make notification to owners whose animal license has expired.
 - Proactively patrol areas of reported violations.
 - Conduct random patrols in the area parks and neighborhoods.
4. Continue to train Animal Control Officers with the Less Lethal Munitions and state-required certifications.
5. Launch an animal education program for children within partnering cities' respective school districts that teaches children how to be more aware of the dangers of wildlife and domestic animals within our jurisdiction.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Stray animals impounded	778	886	832
Citations issued	25	32	35
Total calls for service	3,597	3,606	3,600
Animal bite reports taken	92	105	100
Reported rabies incidents	11	12	10
Animals Transfers/ Reclamation	679	641	660

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Services & Adoption

ACCOUNT:
100-300-23

**POLICE / ANIMAL SERVICES & ADOPTION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 242,241	\$ 242,320	\$ 250,835	\$ 254,275
Operations & maintenance	19,555	26,265	26,800	26,112
Services & other	29,300	57,455	51,045	55,945
SUBTOTAL	291,096	326,040	328,680	336,332
Capital outlay	-	-	-	-
TOTAL	\$ 291,096	\$ 326,040	\$ 328,680	\$ 336,332

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Animal Control Officer	TN-5	3.00	3.00	3.00
Kennel Technician	TN-1	0.48	0.48	0.48
TOTAL		3.48	3.48	3.48

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

DEPARTMENT/DIVISION DESCRIPTION:

The primary responsibility of the Jail Operations Department is to provide a safe, secure and humane environment for detainees arrested in the cities of Keller, Southlake, Colleyville, Westlake and Roanoke. The detainees are temporarily held in the facility for up to 72 hours awaiting transfer to County Jail. They are monitored closely and are taken through an intake and screening process.

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. Continue to operate a safe, efficient and humane temporary holding facility.
2. Continue to improve book-in and court paperwork.
 - Continuous training on paperwork procedures.
 - Refining paperwork approval processes through the Laserfiche Workflow.
 - Creation of a Jail Supervisor position
3. Continue to comply with state and federal standards.
4. Conduct weekly inspection of the jail facility for safety and cleanliness by utilizing a daily task list and weekly cell checks.
5. Provide a positive atmosphere with other employees by following our four core values: Empathy, Edification, Enthusiasm and Excellence.
6. Continue quarterly training of Detention Officers in defensive tactics, Crimes and Live Scan, paperwork updates, Laserfiche, customer service techniques, and begin sending Detention Officers to Texas Commission on Law Enforcement (TCOLE) Jailer Training.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Keller prisoners detained	1129	1100	1115
Southlake prisoners detained	930	1029	980
Westlake prisoners detained	214	207	210
Colleyville prisoners detained	757	740	750
Roanoke prisoners detained	233	280	265

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

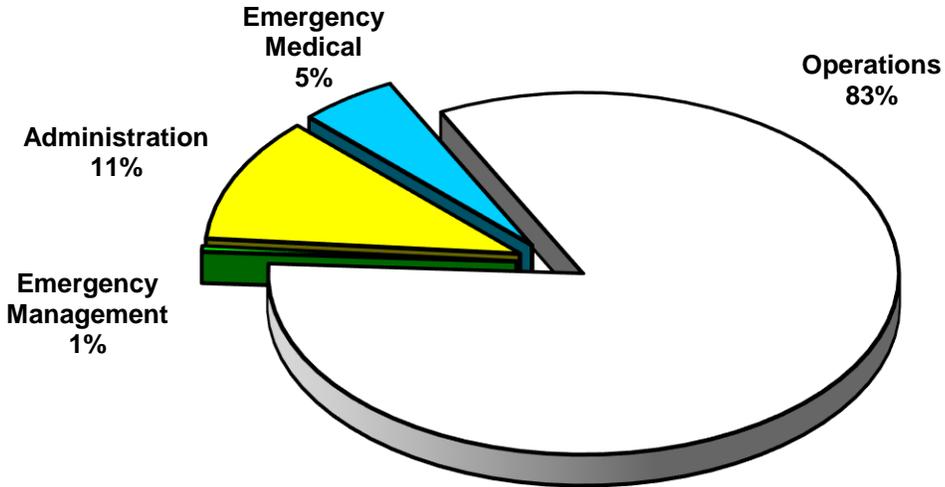
**POLICE / JAIL OPERATIONS
DIVISION / ACTIVITY SUMMARY**

	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 402,976	\$ 527,280	\$ 482,750	\$ 556,905
Operations & maintenance	9,921	31,300	31,300	30,585
Services & other	40,659	95,570	82,290	86,685
SUBTOTAL	453,556	654,150	596,340	674,175
Capital outlay	-	-	-	-
TOTAL	\$ 453,556	\$ 654,150	\$ 596,340	\$ 674,175

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
Police Captain	PSE-PC	-	0.1	0.1
Police Lieutenant	PSE-2P	-	-	-
Detention Supervisor	PN-8	-	-	1.0
Detention Officer	PN-2	7.0	8.0	7.0
TOTAL		7.0	8.1	8.1

Fire Department

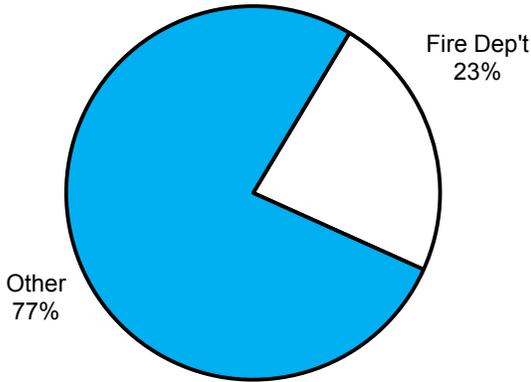


Department total: \$ 7,498,561

Fire Department

- Administration
- Fire Operations
- Emergency Medical Services
- Emergency Management

General Fund Expenditures



**FIRE DEPARTMENT
DEPARTMENT SUMMARY**

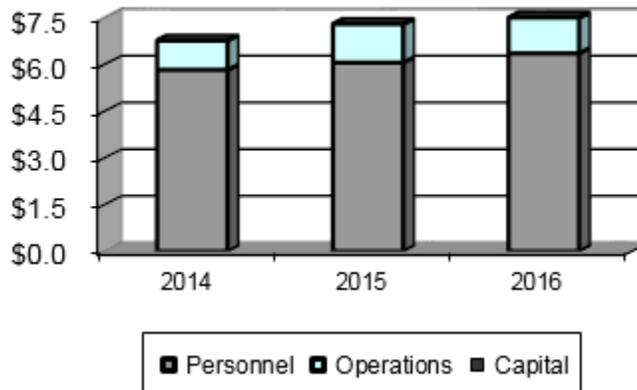
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 5,820,914	\$ 6,298,515	\$ 6,056,295	\$ 6,353,136
Operations & maintenance	521,392	672,920	668,230	640,265
Services & other	417,680	572,040	568,010	505,160
SUBTOTAL	6,759,986	7,543,475	7,292,535	7,498,561
Capital outlay	-	-	-	-
TOTAL	\$ 6,759,986	\$ 7,543,475	\$ 7,292,535	\$ 7,498,561

<i>EXPENDITURES BY DIVISION:</i>				
Administration	\$ 703,547	\$ 894,425	\$ 810,320	\$ 836,725
Fire Operations	5,715,401	6,172,255	6,008,245	6,246,151
Emergency Medical Services	263,019	384,990	386,155	379,015
Emergency Management	78,019	91,805	87,815	36,670
TOTAL	\$ 6,759,986	\$ 7,543,475	\$ 7,292,535	\$ 7,498,561

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	7.0	6.0	6.0
Fire Operations	52.0	51.0	51.0
TOTAL	59.0	57.0	57.0

Fire Department Expenditures (millions)



FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

DEPARTMENT DESCRIPTION:

The Keller Fire Department's Administration Division consists of six employees including: Fire Chief, Administration Battalion Chief, Training Officer, Fire Marshal, Fire Inspector and Administrative Secretary. The Fire Chief provides direct supervision of the department's four Battalion Chiefs, three within the Operations Division and one assigned to the Administration Division. In addition to providing direct oversight and leadership for the department, the Fire Chief also serves as the community's Emergency Management Coordinator. The Administration Battalion Chief provides direct supervision for civilian administrative staff positions within the division, manages the department's Emergency Medical Services and training activities, and coordinates with the department's Emergency Medical Director, a contracted physician ensuring quality control over our paramedics as well as patient care protocols. The Training Officer serves as the fire training coordinator for the department and as the department's accreditation manager. The Administrative Secretary is a civilian position within the department whose role is to serve as the primary focal point for citizen questions, employee issues, and coordination of the financial transactions necessary to maintain the fire protection system legally and ethically under City, State and Federal directives. The Fire Marshal directs the efforts of the Fire Prevention/Inspection and Fire Safety Education Division, which consist of one additional Fire Inspector. The Fire Marshal and Fire Inspector work closely with the City's Code Development Review Committee to ensure compliance with all fire code issues. The fire prevention staff is vital within a system that keeps developers, builders and business owners apprised of code requirements during construction to ensure life safety systems and code-mandated requirements are met.

Fire Administrative Duties:

- Provide consistent and excellent customer service to the citizens of Keller, the members of the department, and the employees of the City of Keller.
- Ensure the proper efficient, ethical and effective utilization of City of Keller resources for life safety and quality of life for citizens and visitors to Keller.
- Continuously review, update, and communicate the mission of the department to ensure adherence to the department's core values of Pride, Community, Service, Preparation, Prevention, and Education.
- Develop and implement a plan for continued quality improvement of the department through the use of performance measures.
- Aggressively seek, apply for and administer grant funding from outside funding sources.
- Encourage private and public partnerships to ensure quality training opportunities, fire safety programs, and improved quality of life within the City of Keller.
- Maintain positive liaisons with neighboring communities and fire service organizations locally, regionally and nationally to keep abreast of developments affecting the City of Keller and its emergency services.
- Ensure that our staff, both administratively and operationally, receives high-quality training to maintain a high state of readiness to meet the needs of our community and our commitment to our regional emergency services obligation.
 - North East Explosives Response Team
 - Technical Rescue Team
 - Hazardous Materials Response
 - Texas Task Force One (Urban Search and Rescue Team)
- Continuously analyze the current and future needs of the department

(Continued)

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

(Continued)

DEPARTMENT/DIVISION GOALS:

1. Participate in the Texas Fire Chiefs Association Best Practices Program, and obtain agency recognition, by reviewing and comparing current departmental operations with the 12 identified performance areas of the program.
2. Expand current fire safety and injury prevention programs through the development of a community outreach program and interaction of staff with stakeholders within the community, civic groups and the school district.
3. Review, revise, and implement Employee Development and Succession Planning programs within the department to provide a career progression template for current and new members to follow for career advancement and to establish continuity within the department.
4. Identify and establish response benchmarks during the accreditation process to be utilized as performance measurement indicators for the department.
5. Continue to annually review and revise departmental policies and procedures to ensure they are current and meet the dynamic nature of the fire service.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Total Fire & EMS calls for service	3,298	3,369	3,556
Average overall response time (minutes & seconds)	5:12	5:20	5:20
Fire Commission certifications obtained	24	24	12
Fire investigations conducted	12	15	15
Commercial construction plans/plats reviewed	430	367	400
Commercial fire inspections conducted	1,641	1,998	2,200
Public fire education programs conducted	127	140	150

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

**FIRE DEPARTMENT ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 611,961	\$ 775,685	\$ 693,430	\$ 724,325
Operations & maintenance	11,037	25,110	24,610	23,910
Services & other	80,549	93,630	92,280	88,490
SUBTOTAL	703,547	894,425	810,320	836,725
Capital outlay	-	-	-	-
TOTAL	\$ 703,547	\$ 894,425	\$ 810,320	\$ 836,725

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Fire Chief	M-3	1.0	1.0	1.0
Ass't Chief-Operations	M-3	1.0	-	-
Fire Marshal	M-3	1.0	1.0	-
Battalion Chief	PSE-BC	1.0	1.0	1.0
Training Officer	PSN-FM	-	1.0	1.0
Fire Marshal	PSN-FM	-	-	1.0
Fire Inspector	PSN-FI	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Accounting Technician	A/TN-7	1.0	-	-
TOTAL		7.0	6.0	6.0

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Fire Operations

ACCOUNT:
100-350-40

DEPARTMENT/DIVISION DESCRIPTION:

The Fire Operations Division provides emergency services to the public in areas of fire and emergency medical services, including rescue services, and supports fire administration, fire prevention, arson investigation and emergency management activities. The firefighter/paramedics are housed in three fire substations and work a three-platoon rotating 24-hour shift. The Fire Operations Division staffs and operates three fire apparatus and two ambulances as frontline units. Each shift is led by a Battalion Chief who oversees the daily staffing, operation and response activities of their respective shift. The Fire Operations Division provides specialty services such as hazardous materials, technical rescue and explosives response by participating as a member of the Northeast Fire Department Association (NEFDA) regional response teams. Fire Operations works closely with surrounding departments with both automatic and mutual aid agreements developed by the Fire Administration Division to provide the shortest response time possible on each call. Fire Operations is dispatched by the Northeast Tarrant Communications Center (NETCOM), a regional communication center in which Keller is a joint member with three other area cities.

DEPARTMENT/DIVISION GOALS:

1. Participate in the department's accreditation process through the Texas Fire Chiefs Best Practices Recognition program.
2. Conduct competency-based training and continuing education to maintain staff proficiency in specific skills sets, including: Firefighter, Paramedic, Company Officer, Driver/Operator, Fire Inspection, Technical Rescue, and Hazardous Materials Skills.
3. Assist the department in maintaining compliance through activities required to maintain Class 2 rating with the Insurance Service Organization (ISO) Public Protection Classification Program:
 - Maintain preplans on all commercial properties and update semi-annually.
 - Continue the fire hydrant inspection/testing process on a semi-annual basis.
 - Conduct monthly day and night multi-company drills.
 - Annual hose testing
4. Maintain turnout time and response times in accordance with performance measurement indicators developed by the department.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Calls for service (excludes EMS calls):			
• Fire calls and other emergencies	915	787	800
• Public service calls	270	311	350
Response Measurement:			
• Turnout Time (Dispatch to enroute in seconds):			
• FIRE (Goal 80 seconds 90% of the time)	77 sec	74 sec	70 sec
• EMS (Goal 60 seconds 90% of the time)	71 sec	65 sec	60 sec
Fire Training Classes:	4,205	4,300	4,400
Fire Training Hours:	18,918	19,000	20,000
ISO Activities:			
• Hydrant Inspection/Testing	3,491	4,190	4,190
• Commercial Preplans	2,121	2,300	2,300
• Fire Hose Sections Tested	458	351	351
• Drills Conducted	58	54	54

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Fire Operations

ACCOUNT:
100-350-40

**FIRE DEPARTMENT / OPERATIONS
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 5,208,953	\$ 5,522,830	\$ 5,362,865	\$ 5,628,811
Operations & maintenance	348,394	462,695	462,005	445,145
Services & other	158,054	186,730	183,375	172,195
SUBTOTAL	5,715,401	6,172,255	6,008,245	6,246,151
Capital outlay	-	-	-	-
TOTAL	\$ 5,715,401	\$ 6,172,255	\$ 6,008,245	\$ 6,246,151

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Battalion Chief	PSN-BC	3.0	3.0	3.0
Fire Captain	PSN-FC	9.0	9.0	9.0
Fire Equipment Driver/Engineer	PSN-D/F	9.0	9.0	9.0
Firefighter/Paramedic FTP	PSN-D/F	5.0	6.0	6.0
Firefighter/Paramedic	PSN-F	26.0	24.0	24.0
TOTAL		52.0	51.0	51.0

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

DEPARTMENT DESCRIPTION:

The Emergency Medical Services (EMS) division provides services necessary to preserve life, alleviate suffering and return individuals to a functioning part of the community. This service ranges in scope from preventive safety education through the public school system, civic, church and community groups; a cross spectrum application of emergency medical care through pre-arrival instructions from emergency medical dispatchers; first responding police and fire units; and ultimate care by a paramedic-staffed mobile intensive care unit. This service is also fulfilled through patient and provider advocacy at local, state and national levels of regulatory agencies.

DEPARTMENT/DIVISION GOALS:

1. Effectively and efficiently fulfill the obligations of delivering services at the highest levels of competency, including emergency medical care/transportation to the citizens and visitors of Keller.
2. Decrease or maintain average response time from time of dispatch to on scene at five (5) minutes.
3. Establish the standard of acquiring a 12-lead EKG on cardiac patients within 5 minutes of patient contact.
4. Establish the standard of Cardiac Cath Lab activation within 5 minutes of STEMI recognition.
5. Work with local hospitals to continue to improve first patient contact to cardiologist intervention times in heart attack patients with an end goal average of 60 minutes or less.
6. Conduct EMS training scenarios utilizing the Simulation Mannequin (SIM_MAN) 3G trainer.
7. Conduct Continuous Quality Improvement evaluations on 90% of patient charts in the following categories: Priority 1 transports, Chest Pain, Stroke, Pediatric, Helicopter transports, and Treatment No Transport

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
EMS/Rescue calls for service	2,113	2,271	2,406
EMS total patients not transported	450	500	530
EMS total patient transports	1,522	1,628	1,700
<u>PERFORMANCE INDICATORS</u>			
EMS response time (from dispatch to on location, average minutes)	5.0	5.0	5.0
EMS call time (average time from dispatch to unit is available, average minutes)	77	84	78
Patient contact to 12-lead EKG time (avg. min)	5.2	5.0	4.8
STEMI recognition to cardiac cath lab activation	4.4	4.0	3.0
Patient contact to cardiologist intervention (avg. min)	60	55	55
Simulation scenarios conducted	42	65	70
Charts reviewed for Continuous Quality Improvement	91%	90%	92%

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

**FIRE DEPARTMENT / EMERGENCY MEDICAL SERVICES
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	145,010	155,150	155,150	154,045
Services & other	118,009	229,840	231,005	224,970
SUBTOTAL	263,019	384,990	386,155	379,015
Capital outlay	-	-	-	-
TOTAL	\$ 263,019	\$ 384,990	\$ 386,155	\$ 379,015

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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Funding for emergency medical positions is included in the Fire Department/Operations Division.

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

DEPARTMENT/DIVISION DESCRIPTION:

The Emergency Management Division provides planning, preparedness, response and recovery services to the City of Keller in addition to the coordination of the Keller Consolidated Emergency Operations Plan, an all-hazards approach to meet daily natural and man-made disaster threats. The dynamic nature of natural and manmade disasters requires communities to be well versed on Federal Emergency Management Agency (FEMA) requirements and programs to assist local communities. The Keller Emergency Management Division fulfills a statutory requirement of local government that designates the Mayor as the Emergency Management Director and permits the Mayor to designate an Emergency Management Coordinator. The City of Keller Fire Chief is assigned this function. The Fire Chief, along with all City officials, works seamlessly with Tarrant County, North Central Texas Council of Governments, as well as State and Federal agencies to facilitate intergovernmental relationships. In addition to the Emergency Management function of the City, the Emergency Management Coordinator also represents the City as a member of the Tarrant County Local Emergency Planning Committee (LEPC). The LEPC supports emergency planning for chemical hazards and provides local government as well as the public with information about possible chemical hazards within their communities.

DEPARTMENT/DIVISION GOALS:

1. Continue to work to enhance the value of the Community Emergency Response Team (CERT) to the community by greater involvement and publicity.
2. Provide Incident Command System (ICS) training and continue to track compliance with the National Incident Management System (NIMS) training requirements.
3. Update Emergency Management Policies and Procedures as necessary.
4. Conduct tabletop and Emergency Operation Center (EOC) exercises annually.
5. Seek additional Emergency Management Institute (EMI) training for the Emergency Management Coordinator to facilitate better involvement in the program.
6. Maintain the Outdoor Warning Siren (OWS) system.
7. Conduct routine testing of the OWS through a collaboration of members of the Fire Operations division, other City departments and the school district.
8. Provide training opportunities and events to maintain member interest in CERT.
9. Participate in and utilize the CASA WX Radar System through the North Central Texas Council of Governments to help provide early severe weather warning opportunities for the community.
10. Support the use of a Mass Communication system to deliver time sensitive information to the community in regard to matters of public safety.
11. Provide support to the Environmental Service Division of Public Works with on-duty staff to assist with the Household Hazardous Waste mobile collection events.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
CERT Volunteer Hours	936	950	1,000
Tabletop Exercises Conducted	1	2	2
Initial CERT Training Programs	1	1	1

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

**FIRE DEPARTMENT / EMERGENCY MANAGEMENT
DIVISION / ACTIVITY SUMMARY**

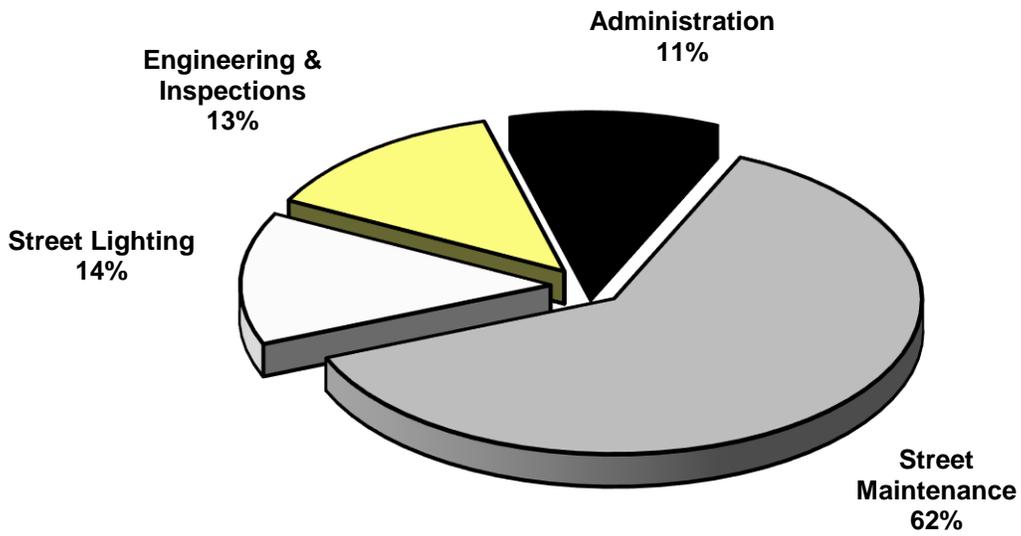
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	16,951	29,965	26,465	17,165
Services & other	61,068	61,840	61,350	19,505
SUBTOTAL	78,019	91,805	87,815	36,670
Capital outlay	-	-	-	-
TOTAL	\$ 78,019	\$ 91,805	\$ 87,815	\$ 36,670

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

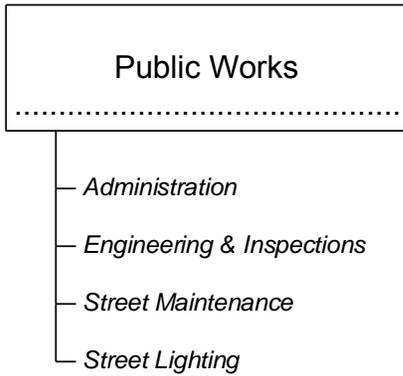
POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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No personnel funding is provided in this program.

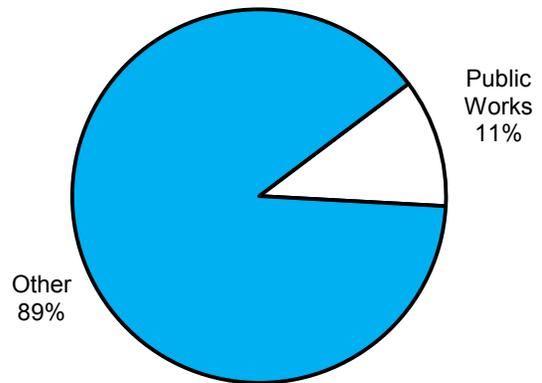
Public Works



Department total: \$3,628,225

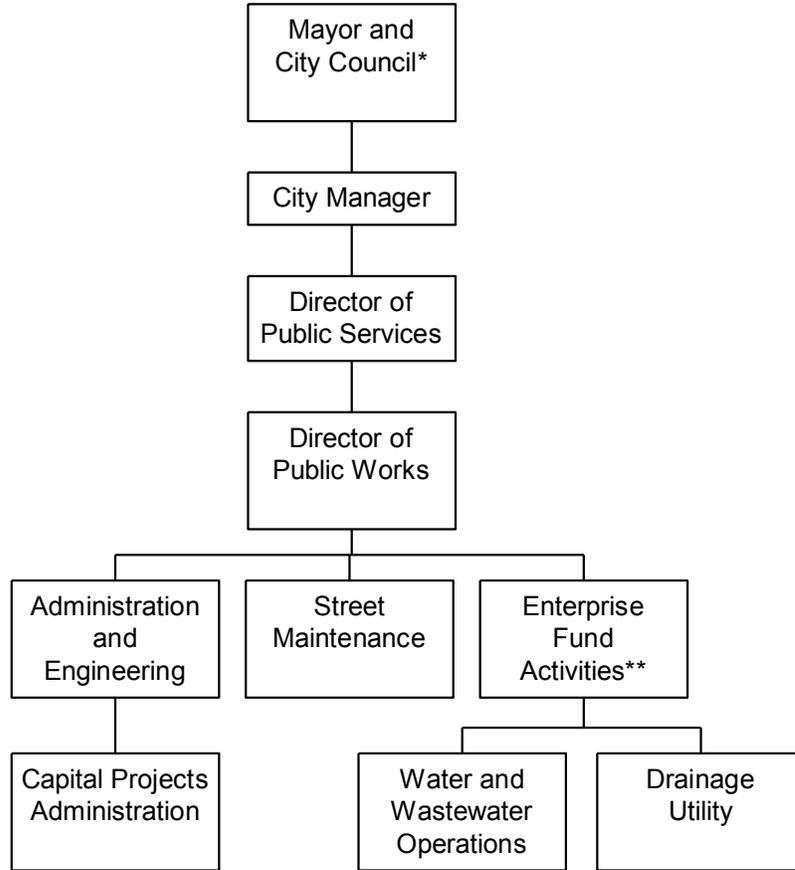


General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC WORKS



* – Denotes elected positions.

** – Enterprise fund activities are presented in the Water & Wastewater and Drainage Utility Funds.

**PUBLIC WORKS
DEPARTMENT SUMMARY**

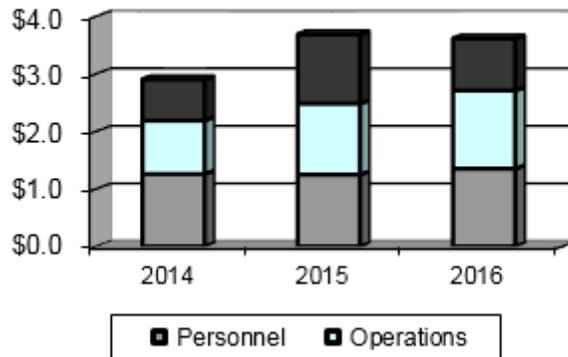
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 1,260,843	\$ 1,372,160	\$ 1,250,045	\$ 1,352,370
Operations & maintenance	277,766	395,600	400,245	397,160
Services & other	651,309	846,950	834,550	964,695
SUBTOTAL	2,189,918	2,614,710	2,484,840	2,714,225
Capital outlay	713,605	1,201,400	1,201,400	898,000
TOTAL	\$ 2,903,523	\$ 3,816,110	\$ 3,686,240	\$ 3,612,225

<i>EXPENDITURES BY DIVISION:</i>				
Administration	\$ 337,203	\$ 353,725	\$ 330,060	\$ 394,045
Engineering & Inspections	376,632	520,000	502,720	481,215
Street Maintenance	1,731,538	2,468,995	2,377,560	2,237,265
Street Lighting	458,150	473,390	475,900	499,700
TOTAL	\$ 2,903,523	\$ 3,816,110	\$ 3,686,240	\$ 3,612,225

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	2.50	2.50	2.50
Engineering & Inspections	3.00	3.00	3.00
Street Maintenance	9.60	9.83	9.83
TOTAL	15.10	15.33	15.33

**Public Works Department
Expenditures (millions)**



FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Administration

ACCOUNT:
100-500-01

DEPARTMENT/DIVISION DESCRIPTION:

The Public Works Department is under the direction of the Director of Public Works. The department is responsible for the direction and administration of all facets of engineering, inspection, street maintenance, flood plain management and street lighting activities for the City.

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes needed to improve efficiency and reduce operations and maintenance costs throughout the fiscal year.
2. Provide effective and efficient guidance and supervision of the engineering, inspection, street maintenance and drainage divisions.
3. Work with the division managers toward the improvement of their professional knowledge and skills through in house and external educational opportunities.
4. Review all budgets on a monthly basis to ensure cost containment and adherence to budget expenditure policies.
5. Respond to email and citizen requests within 24 hours of message or request receipt.
6. Attempt to minimize flooding of public and private property.
7. Improve the citizens' use of water and conservation by quarterly public education information. This information will be transmitted through all of the City's information platforms.
8. Provide the citizens with timely and current information on West Nile prevention.
9. Through the use of the current floodplain ordinance and accurate record keeping and plan review, stay in compliance with all state and federal standards.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Improve water efficiency and conservation efforts through public education and information	Quarterly	Quarterly	Quarterly
Provide Public Education/Awareness Campaigns on water conservation and West Nile prevention	3 Campaigns	3 Campaigns	4 Campaigns
Meet all state and federal standards	100 % compliance	100% compliance	100% compliance
Evaluate potential electric cost savings for pumping facilities	NA	NA	5% decrease in use

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Administration

ACCOUNT:
100-500-01

**PUBLIC WORKS ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>BUDGET</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 326,073	\$ 329,375	\$ 305,910	\$ 328,650
Operations & maintenance	1,062	2,270	1,770	1,720
Services & other	10,068	22,080	22,380	63,675
SUBTOTAL	337,203	353,725	330,060	394,045
Capital outlay	-	-	-	-
TOTAL	\$ 337,203	\$ 353,725	\$ 330,060	\$ 394,045

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
Director of Public Works	M-3	1.00	1.00	1.00
Storm Water Engineer	PE-12	0.50	-	-
Senior Project Engineer	PE-13	-	0.50	0.50
Administrative Secretary	A/TN-8	1.00	1.00	1.00
TOTAL		2.50	2.50	2.50

FUND: General	DEPARTMENT: Public Works	DIVISION: Engineering & Inspections	ACCOUNT: 100-500-50
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DEPARTMENT/DIVISION DESCRIPTION:

The Engineering & Inspections Division of the Public Works Department is responsible for plan review, project management, and inspection of water, sewer, street and drainage projects that affect the safety, health and welfare of the public. This includes residential, commercial and capital improvement projects. This division also provides technical assistance to engineers, developers and the citizens of Keller on a daily basis.

DEPARTMENT/DIVISION GOALS:

1. Provide plan review and construction management for cost-effective infrastructure improvements.
2. Review plats, site plans, and specific use permits for new development and City projects for compliance with the Unified Development Code and accepted engineering standards within five working days of receipt.
3. Review construction plans for new residential, commercial development and city capital improvement projects for compliance with the Unified Development Code, applicable City ordinances and accepted engineering standards within 10 working days of receipt.
4. Provide technical and investigative assistance to City Manager's office, citizens, developers, builders and their engineers and/or surveyors and other City departments within 48 hours of initial request.
5. Maintain reliable streets, water, and wastewater and drainage infrastructure mapping using the geographical information system.
6. Evaluate, revise and update design and construction standards and specifications, and provide updates to engineers and contractors as needed.
7. Obtain record drawings for all public improvements to assist the citizens, developers, builders and their engineers and/or surveyors and other City departments.
8. Provide at least 80% of Inspector work time in the field inspecting public water, sewer, and street and drainage facility construction.
9. Educate citizens, builders, developers and city staff regarding drainage issues and inspection goals.
10. Continue to encourage staff to attend seminars for continuing education, which will enhance their ability to perform the job duties.
11. In-house design of street reconstruction and maintenance projects, drainage projects, water and sanitary sewer projects.
12. Provide technical expertise to the Development Review Committee through plan, plat and zoning review.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
In-house public works construction projects designed	6	7	5
Review & approve capital improvement projects designed by others	12	10	10
Street, water and wastewater map updates prepared	10	10	12
Development Review Committee items reviewed	240	240	220
Paving and utility inspections conducted for residential, commercial and capital improvement projects	7,600	7,200	7,000
Residential inspections conducted	2,400	2,500	2,600
Customer service requests completed	3,500	3,600	3,700

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Engineering & Inspections

ACCOUNT:
100-500-50

**PUBLIC WORKS / ENGINEERING & INSPECTIONS
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 315,133	\$ 353,840	\$ 338,355	\$ 334,455
Operations & maintenance	6,023	9,170	8,825	7,200
Services & other	55,477	156,990	155,540	139,560
SUBTOTAL	376,633	520,000	502,720	481,215
Capital outlay	-	-	-	-
TOTAL	\$ 376,633	\$ 520,000	\$ 502,720	\$ 481,215

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
City Engineer	M-2	1.00	1.00	1.00
Engineering Project Coordinator	A/TN-11	1.00	-	-
Engineering Technician	A/TN-10	-	1.00	1.00
Construction Inspector	A/TN-11	1.00	1.00	1.00
TOTAL		3.00	3.00	3.00

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Maintenance

ACCOUNT:
100-500-51

DEPARTMENT/DIVISION DESCRIPTION:

The Street Maintenance Division of the Public Works Department is responsible for providing a safe street and sidewalk transportation system for motorists and pedestrians in the City of Keller. To achieve this, the division maintains the transportation system through the installation, preventative maintenance and repair of: asphalt and concrete street pavements, sidewalks, curb and gutter, regulatory signs, street signs, traffic signals, pavement markings, as well as pothole patching and street right-of-way mowing.

DEPARTMENT/DIVISION GOALS:

1. Continually review and evaluate work methods and procedures to determine changes that will improve efficiency and reduce operational and maintenance costs throughout the year.
2. Prepare the priority list of streets for the annual Street Maintenance Program utilizing the Pavement Condition Index from the 2010 Street Condition Rating Inspection report confirming by visual inspection pavement conditions.
3. Repair potholes and repair or replace damaged/missing regulatory signs within 24 hours of notification and street information signs within 48 hours of notification.
4. Continue and improve the sidewalk repair program, the goal of which is to identify and repair 100% of defective sidewalks annually.
5. Continue street sweeping program to sweep all City streets three times per year minimum.
6. Improve and expand division use of the "Lucity" work order database system by implementing field accessibility for all Crew Leaders.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Lane miles of paved streets to be maintained	452	485	495
Tons of asphalt used for major street repairs*	5842	9950	10,000
UPM (55lb bags) used for street potholes	419	390	450
Sidewalks repaired/replaced by contract (linear feet)	1,640	1,200	2,500
Street signs repaired/replaced	589	700	750
Sidewalks repaired/replaced in-house (linear feet)	1,769	1,500	1,000
Miles of street striping completed	10	10	16
Acres of right-of-way & channels mowed	707	707	707
Miles of street sweeping completed	950	2,000	2,000
Lane miles of streets crack-sealed	6	8	10

* – Includes major street repairs funded from street maintenance sales tax.

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Maintenance

ACCOUNT:
100-500-51

**PUBLIC WORKS / STREET MAINTENANCE
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 619,638	\$ 688,945	\$ 605,780	\$ 689,265
Operations & maintenance	270,681	384,160	389,650	388,240
Services & other	127,614	194,490	180,730	261,760
SUBTOTAL	1,017,933	1,267,595	1,176,160	1,339,265
Capital outlay	713,605	1,201,400	1,201,400	898,000
TOTAL	\$ 1,731,538	\$ 2,468,995	\$ 2,377,560	\$ 2,237,265

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Street/Drainage Superintendent	M-1	0.50	0.50	0.50
Street/Drainage Foreman	TN-11	1.00	1.00	1.00
Traffic Control Technician	TN-7	1.00	1.00	1.00
Street Crewleader	TN-7	1.00	1.00	1.00
Equipment Operator	TN-5	1.00	1.00	1.00
Street Maintenance Worker	TN-2	4.00	5.00	5.00
Administrative Secretary	A/TN-8	0.33	0.33	-
Customer Service Coordinator	A/TN-10	-	-	0.33
Street Maintenance Worker (Seasonal)	NA	0.77	-	-
TOTAL		9.60	9.83	9.83

FY2015-16 highlights: capital outlay includes \$763,000 for street reconstruction.

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Lighting

ACCOUNT:
100-500-52

DEPARTMENT/DIVISION DESCRIPTION:

The Street Lighting division of the Public Works Department provides for street lighting costs for City streets.

DEPARTMENT/DIVISION GOALS:

1. Provide safe and effective street lighting throughout the City.
2. Conduct a billing analysis of street lights to ensure accurate billing.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Number of street lights maintained*	2,512	2,605	2,625

* Number of street lights maintained based on estimates provided by TXU Energy (Oncor) and Tri-County Electric. Street lights are installed and maintained by either TXU Energy (Oncor) or Tri-County Electric and the City pays the monthly electrical costs for street lighting.

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Lighting

ACCOUNT:
100-500-52

**PUBLIC WORKS / STREET LIGHTING
DIVISION / ACTIVITY SUMMARY**

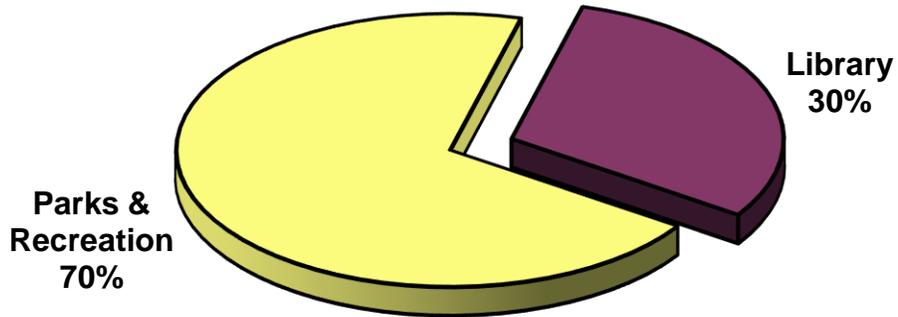
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	458,150	473,390	475,900	499,700
SUBTOTAL	458,150	473,390	475,900	499,700
Capital outlay	-	-	-	-
TOTAL	\$ 458,150	\$ 473,390	\$ 475,900	\$ 499,700

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

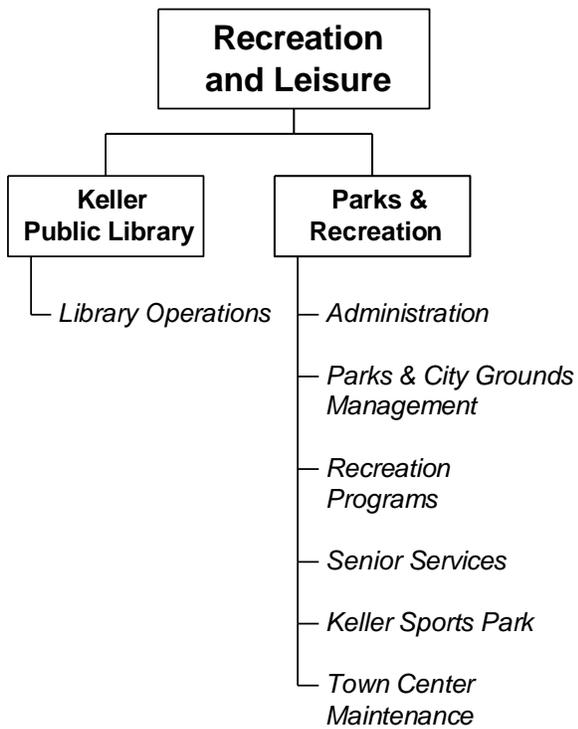
POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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No personnel funding is provided in this program.

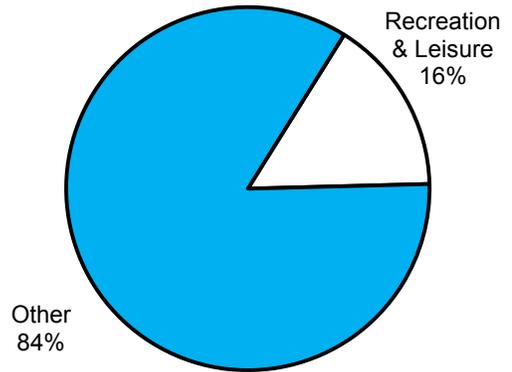
Recreation & Leisure



Department total: \$5,099,178



General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

KELLER PUBLIC LIBRARY



* – Denotes elected positions.

FUND:
General

DEPARTMENT:
Keller Public Library

DIVISION:
Administration

ACCOUNT:
100-600-01

DEPARTMENT/DIVISION DESCRIPTION:

The Keller Public Library supports lifelong learning and fun through books, programs and media.

DEPARTMENT/DIVISION GOALS:

Goals:

1. Provide a welcoming sense of place in which all members of the public can interact, exchange ideas, learn and enhance community.
2. Provide resources that inform, educate, inspire, and bring enjoyment to both individuals and the community.
3. Develop, implement and maintain an information technology that accommodates the changing requirements of delivering library services in the 21st century.
4. Protect the community's investment in facilities.
5. Create a stable and sustainable economic model of providing the community with free and equal access of information.

Objectives:

1. Ensure the library environment welcomes and respects all members of our community.
2. Offer programming and cultural opportunities for children and adults that enhance quality of life in the community.
3. Conduct ongoing assessments of new library-related technologies and their implications for delivering emerging but proven technologies.
4. Utilize environmentally friendly methods, practices and technologies in the maintenance of facilities.
5. Leverage the library's resources through partnerships, resource sharing and other collaborative efforts.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 PROJECTED
Visits to Library	229,020	227,000	228,000
Number of checkouts	516,693	495,396	500,000
New items added	11,000	11,000	11,000
Library program participants	18,487	18,500	19,000
<u>PERFORMANCE MEASURES</u>			
Checkouts per FTE employees as a measure of workload (Texas average of 12,671 loans per FTE)	32,293	30,962	31,250
Library visits per capita (Texas average 4.87)	5.3	5.2	5.3
Library checkouts per capita (Texas average 5.33)	12.04	11.5	11.6

FUND:
General

DEPARTMENT:
Keller Public Library

DIVISION:
Administration

ACCOUNT:
100-600-01

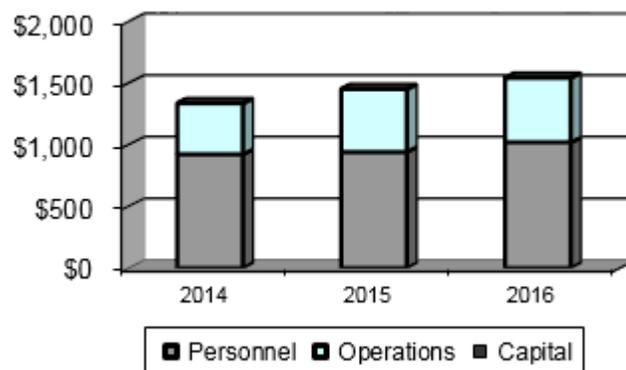
**KELLER PUBLIC LIBRARY
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 922,210	\$ 995,295	\$ 941,315	\$ 1,020,520
Operations & maintenance	163,209	222,950	220,250	217,020
Services & other	250,656	294,830	289,670	304,150
SUBTOTAL	1,336,075	1,513,075	1,451,235	1,541,690
Capital outlay	-	-	-	-
TOTAL	\$ 1,336,075	\$ 1,513,075	\$ 1,451,235	\$ 1,541,690

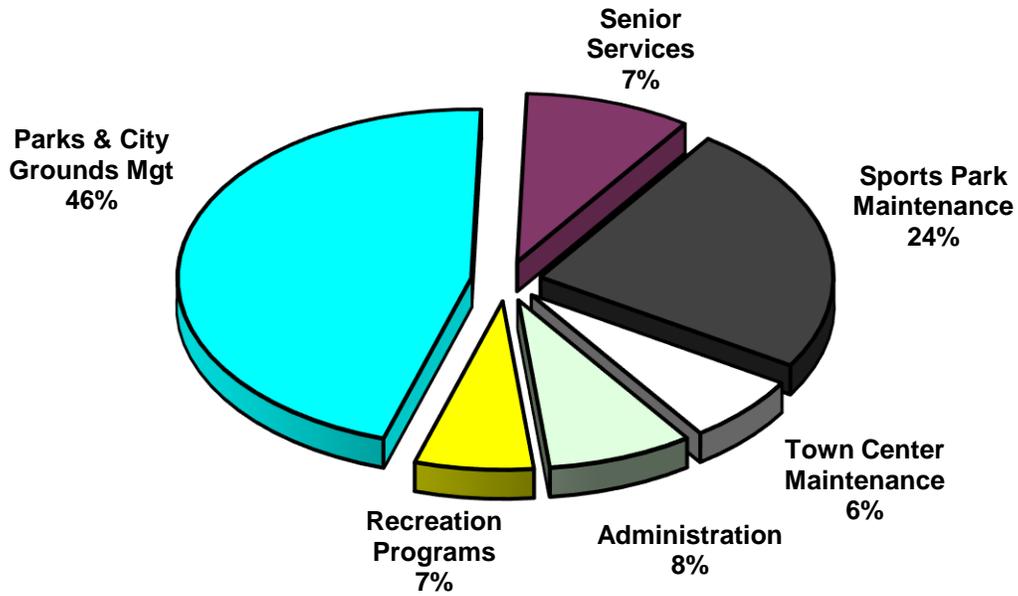
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Library Director	M-2	1.00	1.00	1.00
Library Services Manager	PE-8	1.00	1.00	1.00
Librarian (Exempt)	PE-4	-	3.00	3.00
Librarian (Exempt)	PE-3	3.00	-	-
Librarian (Non-Exempt)	A/TN-10	-	-	0.48
Circulation Supervisor	A/TN-10	1.00	1.00	1.00
Librarian (Non-Exempt)	A/TN-9	0.48	0.48	-
Circulation Supervisor	A/TN-9	-	-	-
Administrative Secretary	A/TN-8	1.00	1.00	1.00
Library Clerk	A/TN-3	7.80	7.84	7.84
Library Aide (seasonal)	NA	0.17	0.16	0.16
TOTAL		15.44	15.48	15.48

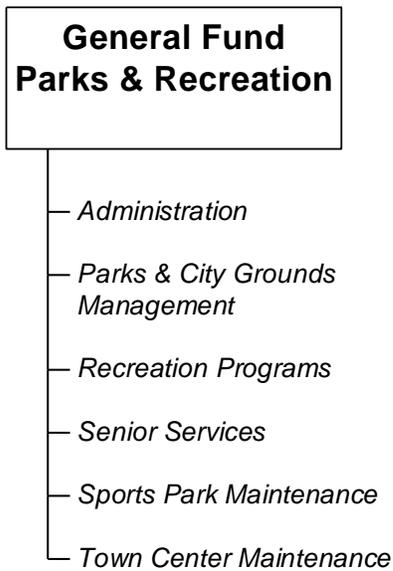
Keller Public Library Expenditures
(000's)



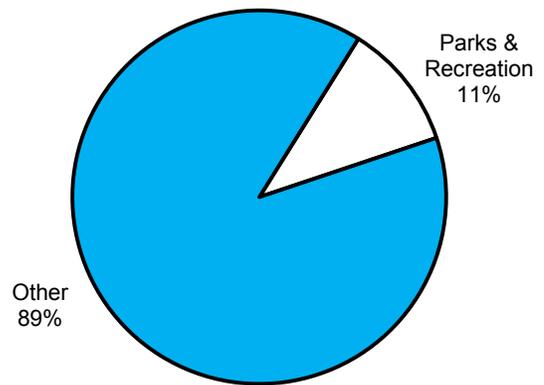
General Fund Parks and Recreation



Department total: \$3,557,488

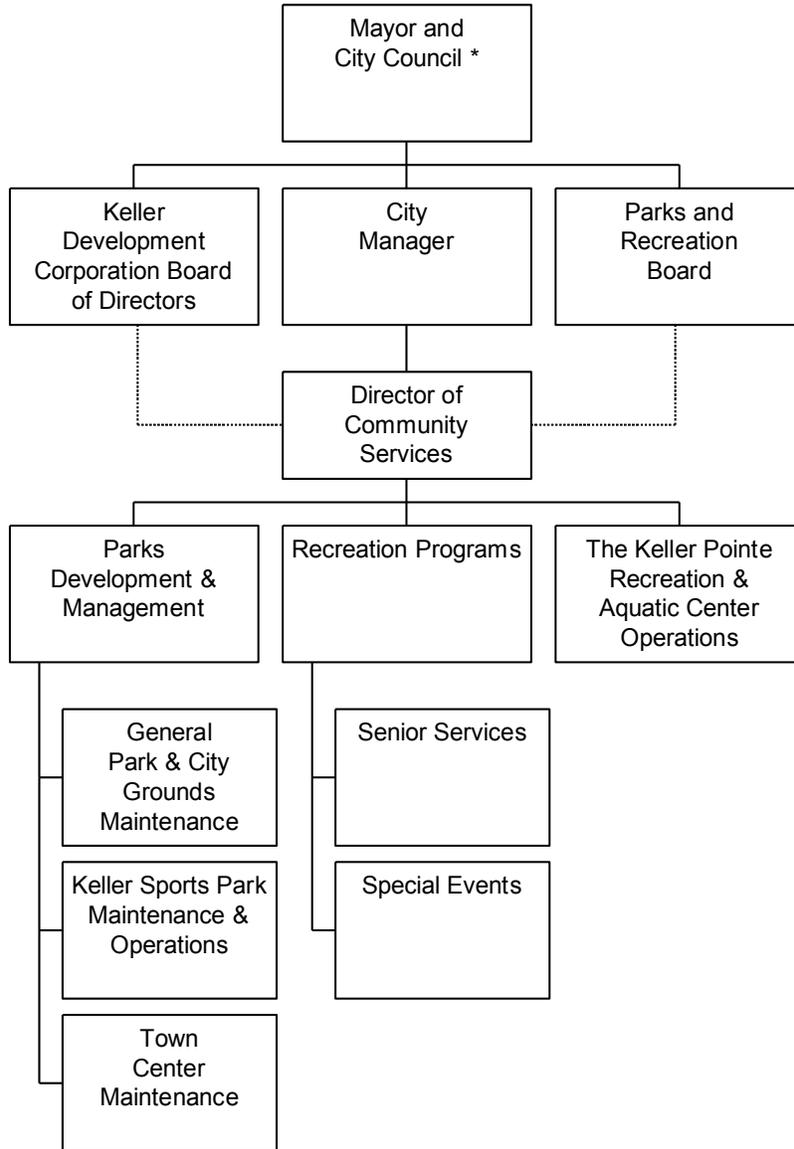


General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

PARKS AND RECREATION



* Denotes elected positions.
Shaded boxes represent activities provided for in other funds.

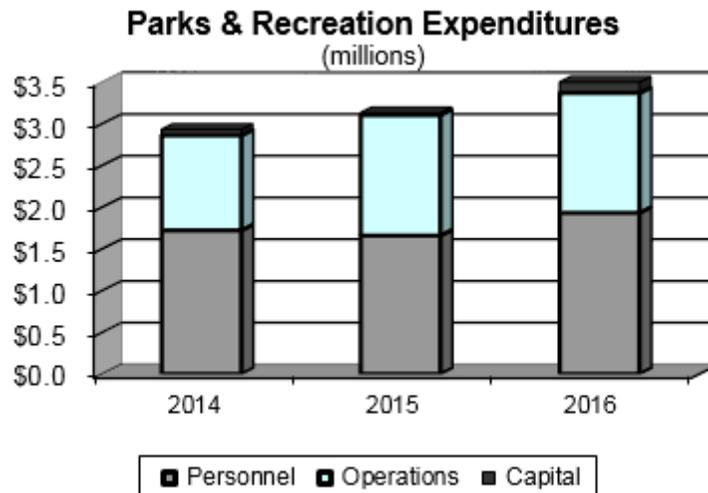
**PARKS AND RECREATION
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,722,878	\$ 1,907,080	\$ 1,660,985	\$ 1,932,814
Operations & maintenance	339,896	355,710	355,460	380,580
Services & other	797,866	1,143,125	1,088,475	1,057,224
SUBTOTAL	2,860,640	3,405,915	3,104,920	3,370,618
Capital outlay	70,669	25,250	25,250	186,870
TOTAL	\$ 2,931,309	\$ 3,431,165	\$ 3,130,170	\$ 3,557,488

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 346,852	\$ 384,020	\$ 328,580	\$ 285,215
Parks & City Grounds Management	1,312,508	1,628,875	1,563,155	1,625,799
Recreation Programs	239,499	241,960	162,975	232,379
Senior Services	190,696	212,700	188,725	325,280
Sports Park Maintenance	651,285	732,820	671,080	857,410
Town Center Maintenance	190,469	230,790	215,655	231,405
TOTAL	\$ 2,931,309	\$ 3,431,165	\$ 3,130,170	\$ 3,557,488

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	3.00	3.00	3.00
Parks & City Grounds Management	12.44	12.06	12.06
Recreation Programs	2.00	2.00	2.00
Senior Services	2.50	2.50	3.00
Sports Park Maintenance	7.91	7.80	7.80
Town Center Maintenance	0.4	0.70	0.70
TOTAL	28.20	28.06	28.56



FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Administration

ACCOUNT:
100-630-01

DEPARTMENT/DIVISION DESCRIPTION:

The mission of the Parks & Recreation Department is to enrich our community through people, parks and programs. The Administration Division provides direction and administrative oversight for all parks and city grounds management, recreation programs, facilities maintenance, special events and Senior Center operations, The Keller Pointe, Keller Town Center maintenance, park capital improvements and development, and grant programs.

The Administration Division serves as liaison to the Parks and Recreation Board, Keller Development Corporation, City Council, and special committees and task forces.

DEPARTMENT/DIVISION GOALS:

1. Create parks, trails and natural areas in accordance with the individual master plans where quality of life is protected and areas are carefully planned to provide a safe place to play, healthy lifestyles are encouraged and economic development is fostered.
2. Protect natural areas for future generations through the acquisition of park land in accordance with the Parks and Open Space Master Plan.
3. Analyze and prioritize citizens' needs, ideas and feedback related to parks and recreation by coordinating citizen boards, including the Parks and Recreation Board, Keller Development Corporation, and special committees and task forces.
4. Strive to meet needs related to parks and recreation of both current and potential residents and businesses through proper implementation of the Park Land Dedication Ordinance.
5. Cultivate partnerships with civic groups, private businesses, foundations and neighboring cities that align with our core values to expand our resources and abilities to offer services that make the community more attractive to current and potential residents and businesses.
6. Acquire and administer grants for parks and facilities that align with the updated Parks, Recreation and Open Space Master Plan when adopted.
7. Provide recreational and event locations for individuals to gather, celebrate, practice and compete through the management of a park and facility reservation system.
8. Ensure sustainability of The Keller Pointe operations through management of a self-sufficient enterprise fund to continue to prevent any subsidization from the general fund.
9. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guests' expectations.
10. Continue to enhance communication to the public regarding parks and recreation operations through social, electronic and print media.
11. Oversee facilities management to ensure the efficient operation and aesthetics of all buildings and facilities.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Board/committee meetings organized	59	42	52
Facility & Park reservations processed	975	978	1,000
<u>PERFORMANCE INDICATORS</u>			
Per capita annual investment in parks and recreation operations	\$64.36	\$63.80	62.94
Park development fees	\$226,664	\$150,000	\$180,000

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Administration

ACCOUNT:
100-630-01

**PARKS & RECREATION ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 268,454	\$ 293,590	\$ 238,450	\$ 261,895
Operations & maintenance	3,700	2,400	2,900	2,700
Services & other	74,698	88,030	87,230	20,620
SUBTOTAL	346,852	384,020	328,580	285,215
Capital outlay	-	-	-	-
TOTAL	\$ 346,852	\$ 384,020	\$ 328,580	\$ 285,215

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Director of Parks and Recreation	M-3	1.0	-	-
Director of Community Services	M-3	-	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Customer Service Representative	A/TN-5	-	1.0	1.0
Customer Service Aide	A/TN-4	1.0	-	-
Recreation Aide	A/TN-4	-	-	-
TOTAL		3.0	3.0	3.0

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Parks & City Grounds
Management

ACCOUNT:
100-630-60

DEPARTMENT/DIVISION DESCRIPTION:

The Parks & City Grounds Management division is responsible for enhancing the quality of life for Keller citizens and businesses by providing and maintaining the richness and diversity of a safe, available, accessible and affordable park system. The division maintains all City parks, park amenities and facilities, trails, all City-owned facilities grounds, Parks and Recreation facilities (with the exception of The Keller Pointe) and all landscaped street medians and landscaped right-of-ways. (Please note: Street medians and right-of-ways that only include grass are maintained by the Public Works Department.) This division is also responsible for the construction of all park projects. Finally, the division assists the Recreation Division with the implementation of citywide special events.

DEPARTMENT/DIVISION GOALS:

1. Encourage healthy lifestyles and promote economic development through the provision of professionally managed quality grounds and facilities.
2. Foster tourism, showcase local businesses and organizations, and provide citizens an economical means of recreation by assisting the Recreation Division with the implementation of citywide special events.
3. Boost economic prosperity by enhancing/maintaining real estate values; stimulating recreational equipment sales; and attracting businesses and tourism through the daily inspection, cleaning and repairing of parks and park playground equipment.
4. Maintain the city's investment in vehicles and equipment and keep repair cost minimal through a quality in-house preventative maintenance program.
5. Provide a safe and healthy environment through daily custodial services to the Senior Activities Center and park restroom/concession facilities.
6. Maintain low overhead expenses on the construction and installation of park capital improvement projects by completing the projects primarily with in-house staff.
7. Increase the overall economic value and aesthetics of the city through the provision of professionally managed landscaping in city parks, medians and city facilities.
8. Enhance recreational and competitive opportunities through professionally managed sport fields and facilities for use by the local sport organizations.
9. Continue to attract individuals and businesses to the area through the provision of quality customer care in the delivery of services that exceeds guest expectations.

(Continued)

FUND:

General

DEPARTMENT:

Parks & Recreation

DIVISION:Parks & City Grounds
Management**ACCOUNT:**

100-630-60

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 PROJECTED
Total park acreage (including undeveloped land)	491	491	491
Total developed park acreage maintained by City	190.63	196.63	196.63
• Bear Creek Park acreage maintained	44	44	44
• Big Bear Creek Greenbelt acreage maintained	27	27	27
• Keller Sports Park acreage maintained	110	110	110
• Chase Oaks Activity Node acreage maintained	5	5	5
• Willis Cove open space acreage maintained	4	4	4
• Eastern Trail section acreage maintained	0.25	0.25	0.25
• Veterans Memorial Park	0.38	0.38	0.38
• Shady Grove Gardens	N/A	6	6
Total miles of hike/bike trails maintained	18.66	20	20
Contracted developed park acreage maintained	85	91	91
Contracted park areas include Johnson Road Park (15 ac); Meandering Trail (6.94 ac); Bursey Ranch Park (1.3 ac); The Parks at Town Center (23 ac); Milestone Park (10 ac); Keller Sports Park (20 ac); Overton Ridge Park (7.88 ac)			
Undeveloped park land/open space maintained	215.48	209.48	209.48
The Parks at Town Center (86.73 ac); Northeast Park Property (43 ac); Shady Grove Gardens (6 ac- to be developed in FY15); Keller Sports Park (52 ac); Shady Grove Greenwalk (8.5 ac); Old Town Park (0.55 ac); Fall Creek Open Space (2 ac); Milestone Park (6 ac); Overton Ridge Park (11.7 ac)			
Total playgrounds maintained	9	9	9
Total city grounds acreage maintained	19.43	19.43	19.43
Keller Parkway medians (0.17 ac); Rufe Snow Drive medians south (6.27 ac); Bourland Road medians (1 ac); Other miscellaneous medians (0.11 ac); Fire Stations, Fire Administration, and Friends of Library Bldg (7 ac); Rufe Snow Drive medians north (1.58 ac); North Tarrant Pkwy medians (2.61 ac); and Marshall Ridge Pkwy landscaping (.69 ac)			
Total City facilities square footage maintained	7,731	7,731	7,731
<u>PERFORMANCE INDICATORS</u>			
Total developed park acreage per 1,000 residents	6.7	6.6	6.6
* Parks investment per developed acre	\$7,333	\$7,626	\$7,626
* Parks investment per resident	\$26.06	\$26.48	\$26.48
Developed park acres per full-time maintenance staff	15.36	15.48	15.48

*Operating costs for Keller Sports Park is not included. These costs are shown separately in the Keller Sports Park budget.

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Parks & City Grounds
Management

ACCOUNT:
100-630-60

**PARKS & RECREATION / PARKS & CITY GROUNDS MANAGEMENT
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 734,393	\$ 798,080	\$ 764,445	\$ 800,810
Operations & maintenance	146,839	188,100	188,175	160,920
Services & other	364,214	626,645	594,485	627,609
SUBTOTAL	1,245,446	1,612,825	1,547,105	1,589,339
Capital outlay	67,062	16,050	16,050	36,460
TOTAL	\$ 1,312,508	\$ 1,628,875	\$ 1,563,155	\$ 1,625,799

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Park Superintendent	M-1	1.00	-	-
Parks Maintenance & Development Manager	M-1	-	1.00	1.00
Park Foreman	TN-11	1.00	1.00	1.00
Park/Landscape Crewleader	TN-7	2.00	2.00	2.00
Irrigation Technician	TN-5	0.65	1.30	1.30
Parks/Landscape Maintenance Worker II	TN-3	-	1.00	1.00
Parks/Landscape Maintenance Worker I	TN-2	7.00	5.00	5.00
Building Maintenance Technician I	TN-1	-	-	-
Parks Maintenance Worker (seasonal)	NA	0.79	0.76	0.76
TOTAL		12.44	12.06	12.06

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Recreation Programs

ACCOUNT:
100-630-61

DEPARTMENT/DIVISION DESCRIPTION:

The Recreation Programs division of the Parks and Recreation department manages the City's recreation programs and activities, including special events and Senior Activities Center programs. Annual special events administered by the department include Rock the Park, Holly Days, Spring Egg Scramble, Concerts in the Park (2), Fishing for Fun events (3), Daddy/Daughter Sweetheart Ball, Lemonade Days, Family Fun Films (4), MasterWorks Music Series (5), Family Camp Out, Community Clean Up and the Trash Bash (2) events. Approximately 33% (\$41,810) of the funding for special events is supported by the General Fund for the community Trash-Off events (2), MasterWorks Music Series (5), volunteer recognition, and a portion of Holly Days in addition to city staff. The remaining 67% (\$84,815) is generated through 50-cent water bill donations, community partner donations/sponsorships, grants and fees.

DEPARTMENT/DIVISION GOALS:

1. Foster tourism, showcase local businesses and organizations and provide citizens an economical means of recreation through the creation and implementation of a variety of enriching programs and special events.
2. Inspire environmental stewardship and healthy lifestyles through the management of Keller Proud and Texas Amateur Athletic Federation Programs.
3. Ensure sustainability of citywide special events through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - b. Maintaining and promoting an active and rewarding volunteer program.
 - c. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services.
4. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guest expectations.
5. Continue to enhance communication regarding recreational programs, events and facilities through social, electronic and print media.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Special events provided annually	27	28	25
Recreation Program volunteers	806	800	800
Number of partnerships developed	69	148	165
Recreation leagues provided	8	8	8
 <u>PERFORMANCE INDICATORS</u>			
Special events guests	30,942	31,000	33,000
Recreation program volunteer hours	1,702	1,800	1,900
Recreation partnership dollars generated	\$66,361	\$56,000	\$65,000
Recreation league participants	200	210	230

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Recreation Programs

ACCOUNT:
100-630-61

**PARKS & RECREATION / RECREATION PROGRAMS
DIVISION / ACTIVITY SUMMARY**

	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 189,055	\$ 184,485	\$ 105,580	\$ 169,749
Operations & maintenance	7,998	10,150	10,150	11,800
Services & other	42,446	47,325	47,245	50,830
SUBTOTAL	239,499	241,960	162,975	232,379
Capital outlay	-	-	-	-
TOTAL	\$ 239,499	\$ 241,960	\$ 162,975	\$ 232,379

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
Recreation Superintendent	M-1	1.0	-	-
Recreation Manager	M-1	-	1.0	1.0
Special Events Coordinator	A/TN-10	1.0	1.0	1.0
TOTAL		2.0	2.0	2.0

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Senior Services

ACCOUNT:
100-630-62

DEPARTMENT/DIVISION DESCRIPTION:

The Keller Senior Activities Center is an essential element of a healthy and vibrant community, providing individual, social and economic value. The Senior Services division of the Parks and Recreation Department encourages individuals and groups to connect with one another to create a welcoming, diverse and fun environment by providing a wide range of health and wellness, enrichment, education, travel opportunities, and special events for the 55-plus population and their families. Meals are available three days a week to seniors for a suggested donation of \$4 each. The facility includes a computer lab, two small classrooms, one large banquet room, an area for socializing and a kitchen.

DEPARTMENT/DIVISION GOALS:

1. Encourage healthy and active lifestyles through health and wellness programs, life enrichment classes, as well as education and travel opportunities.
2. Create new technology programs that meet the needs of our aging population to include: internet, tablet and smart phones.
3. Ensure sustainability of senior adult activities and programs through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with individuals, civic groups, businesses, foundations and neighboring communities that align with our core values
 - b. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services
4. Enhance awareness of the Senior Activities Center through public events and promotion of our programs on social, electronic and print media.
5. Ensure that all guests are provided with quality customer care in the delivery of services and programs that exceeds their expectations to maintain a loyal and growing participant base.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

	SERVICE ANALYSIS		
	2013-2014	2014-2015	2015-2016
	<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>PROJECTED</u>
<u>SERVICES ANALYSIS</u>			
Number of Annual Members	732	750	785
Annual Senior Services Programs Provided	1,652	1,801	1,825
Number of Special Events Offered	6	7	6
Number of Trips Offered	38	36	38
Number of Community Partners	5	5	5
<u>PERFORMANCE ANALYSIS</u>			
Annual Facility Attendance	9,681	11,000	11,500
Annual Senior Services Program Attendance	9,470	10,985	11,000
Special Event Participants	605	750	2,500
Trip Participants	561	492	575

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Senior Services

ACCOUNT:
100-630-62

**PARKS & RECREATION / SENIOR SERVICES
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 148,336	\$ 163,050	\$ 140,020	\$ 200,030
Operations & maintenance	10,525	11,200	11,175	36,600
Services & other	31,835	38,450	37,530	40,650
SUBTOTAL	190,696	212,700	188,725	277,280
Capital outlay	-	-	-	48,000
TOTAL	\$ 190,696	\$ 212,700	\$ 188,725	\$ 325,280

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Senior Activities Center Manager	PE-6	1.0	-	-
Senior Activities Center Supervisor	PE-6	-	1.0	1.0
Recreation Specialist	A/TN-9	1.0	1.0	1.0
Recreation Aide	A/TN-4	0.5	0.5	1.0
TOTAL		2.5	2.5	3.0

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Keller Sports Park
Maintenance

ACCOUNT:
100-630-63

DEPARTMENT/DIVISION DESCRIPTION:

The Sports Park Maintenance division of the Parks and Recreation Department provides funding for the operations and maintenance costs of the Keller Sports Park. Funding for the construction and development of the Sports Park has been funded by the ½ cent sales tax (i.e. the Keller Development Corporation).

The management of the youth sports leagues and equestrian activities is provided by the Keller Youth Association, the Keller Soccer Association, Keller Horse Owners Association and the Keller Saddle Club, respectively. The associations prepare the fields for play and the division manages the general maintenance of the facilities. Adult sports, including flag football and softball, are coordinated through the Parks and Recreation Department staff. The Sports Park currently includes 4 youth baseball fields, 3 youth softball fields, 1 adult softball field, 2 football/t-ball fields, 6 soccer pads, a multi-use arena, a warm-up arena, trail, 2 playgrounds, pavilion, fishing pier and four concession/restroom buildings. Additionally, the City owns the property on the south end of the park where the Keller Youth Association operates and maintains three youth baseball fields.

Blue Sky Sports Center, a public/private indoor soccer complex, opened in November 2005 at Keller Sports Park. The City and Blue Sky Sports Center entered into a long-term ground lease agreement to accommodate the indoor soccer enterprise. Blue Sky manages the indoor soccer facility operations.

DEPARTMENT/DIVISION GOALS:

1. Enhance recreational and competitive opportunities for both youth and adults through the provision of professionally managed quality sports turf, arena, park grounds and facilities.
2. Provide a safe place to play and develop healthy lifestyles through the provision of properly maintained fields for sports leagues and camps.
3. Boost economic prosperity by enhancing/maintaining real estate values; stimulating recreational equipment sales; and attracting businesses and tourism through the daily inspection, cleaning and repairing of all Keller Sports Park areas.
4. Provide a safe and healthy environment through daily in-house custodial and maintenance services to grounds and facilities.
5. Provide individuals a safe place to engage in equestrian-related activities through the provision of a properly maintained multi-use arena, warm-up arena and equestrian trails.
6. Provide recreational and competitive facilities for individuals to engage in league and tournament play through the management of a field and facility reservation system.
7. Enhance recreational and competitive opportunities for both youth and adults while also generating additional revenues through the management of a successful ground lease agreement with Blue Sky Sports Center.
8. Protect the city's investment in vehicles and equipment and keep repair cost minimal through a quality in-house preventative maintenance program.
9. Continue to attract individuals and businesses to the area through the provision of quality customer care in the delivery of services.
10. Implement a non-resident fee for all league activities including a \$30 per player per season fee with a cap of \$90 per family per season.

(Continued)

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Keller Sports Park
Maintenance

ACCOUNT:
100-630-63

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Total Sports Park acreage	182	182	182
Total Sports Park acreage maintained by City	110	110	110
Total Sports Park acreage maintained privately	20	20	20
Total Sports Park acreage undeveloped	52	52	52
Total facility square footage maintained	13,277	13,277	13,277
 <u>PERFORMANCE INDICATORS</u>			
*Sports Park operating & maintenance cost per acre	\$7,303	\$7,476	\$7,476
*Sports Park operating & maintenance cost per capita	\$19.55	\$19.56	\$19.56
*Developed Sports Park acres per maintenance staff	14.13	14.13	14.13
Non-Resident Fees Collected	\$70,620	\$141,240	\$141,240

* Includes both General Fund and Keller Development Corporation Fund expenditures.

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Keller Sports Park
Maintenance

ACCOUNT:
100-630-63

**PARKS & RECREATION / SPORTS PARK MAINTENANCE
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 362,463	\$ 446,300	\$ 388,010	\$ 458,060
Operations & maintenance	152,743	123,560	123,060	150,260
Services & other	136,079	153,760	150,810	158,120
SUBTOTAL	651,285	723,620	661,880	766,440
Capital outlay	–	9,200	9,200	90,970
TOTAL	\$ 651,285	\$ 732,820	\$ 671,080	\$ 857,410

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Parks/Landscape Crewleader	TN-7	1.00	1.00	1.00
Parks/Landscape Maintenance Worker II	TN-3	–	1.00	1.00
Parks/Landscape Maintenance Worker I	TN-2	6.00	5.00	5.00
Parks/Landscape Maint Worker (Seasonal)	NA	0.91	0.80	0.80
TOTAL		7.91	7.80	7.80

A total of 2.78 FTEs were transferred from the Keller Development Corporation in 2013 and 2014.

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Keller Town Center
Maintenance

ACCOUNT:
100-630-64

DEPARTMENT/DIVISION DESCRIPTION:

The Town Center Maintenance division was created to account for the activities and maintenance of Keller Town Center public areas within the property owners association. It includes all public rights-of-way (ROW) from the South ROW of Bear Creek Parkway to the North ROW of Keller Parkway and from the East ROW of Keller-Smithfield Road to the West ROW of Rufe Snow Drive. It does not include The Parks at Town Center, Keller Town Hall, The Keller Pointe or the Keller ISD Natatorium. The City of Keller receives revenues from the Keller Town Center Property Owners Association to fund each individual property owner's percentage of maintenance costs, based on each owner's respective amount of land owned in Keller Town Center Property Owners Association District.

DEPARTMENT/DIVISION GOALS:

1. Analyze and prioritize Keller Town Center property owners' and citizens' needs, ideas and feedback related to the operation of the Keller Town Center Property Owners Association by coordinating regular meetings of the board.
2. Boost economic prosperity by enhancing/maintaining real estate values, attracting businesses and fostering tourism through the daily inspection, cleaning and repairing of the public rights-of-way including streets, medians and landscaping within Keller Town Center.
3. Ensure sustainability of the Keller Town Center Property Owners Association through management of the collection of pro rata fees from the property owners per the Keller Town Center Property Owners Association Developer's Agreement.
4. Promote tourism, showcase Town Center businesses and property owners and provide citizens an economical means of recreation through the financial support of the City of Keller special activities/events hosted in Keller Town Center.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Association fee revenue	\$86,052	\$86,884	\$86,884
Association meetings held	1	1	1
Total Town Center property acreage	161.6	161.6	161.6
Public property acreage	100.2	100.2	100.2
Private property acreage	61.4	61.4	61.4

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Keller Town Center
Maintenance

ACCOUNT:
100-630-64

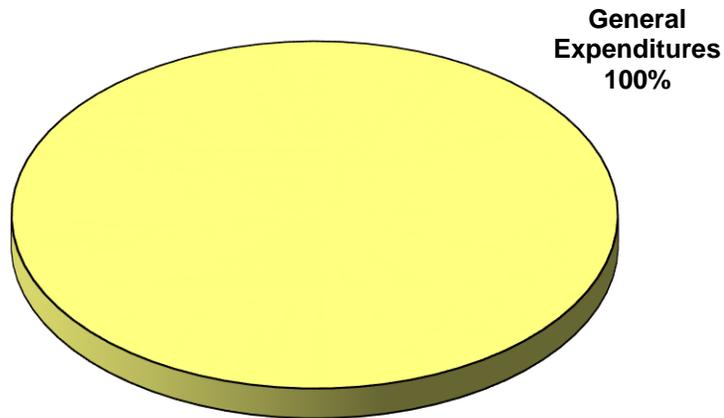
**PARKS & RECREATION / TOWN CENTER MAINTENANCE
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 20,177	\$ 21,575	\$ 24,480	\$ 42,270
Operations & maintenance	18,091	20,300	20,000	18,300
Services & other	148,594	188,915	171,175	159,395
SUBTOTAL	186,862	230,790	215,655	219,965
Capital outlay	3,607	-	-	11,440
TOTAL	\$ 190,469	\$ 230,790	\$ 215,655	\$ 231,405

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Irrigation Technician	TN-5	0.35	0.70	0.70
TOTAL		0.35	0.70	0.70

General Fund Non-Departmental

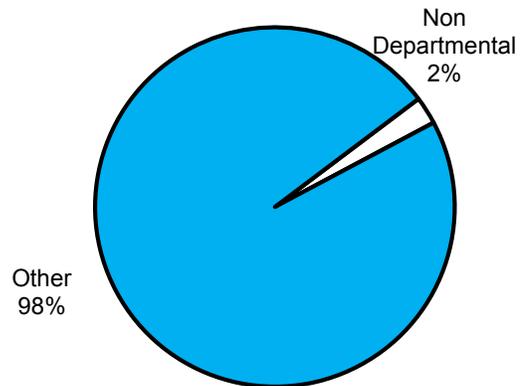


Department total: \$815,598

General Fund Non Departmental

- General Operations
- Interfund Transfers

General Fund Expenditures



FUND:
General

DEPARTMENT:
Non-Departmental

DIVISION:
All Divisions

ACCOUNT:
100-990-All

DEPARTMENT DESCRIPTION:

The General Fund/Non-Departmental activity reflects expenditures of a general nature, which have not been allocated to specific departments. Included within this activity are budgeted costs for general insurance, salary contingencies and transfers to other funds.

FUND:
General

DEPARTMENT:
Non-Departmental

DIVISION:
All Divisions

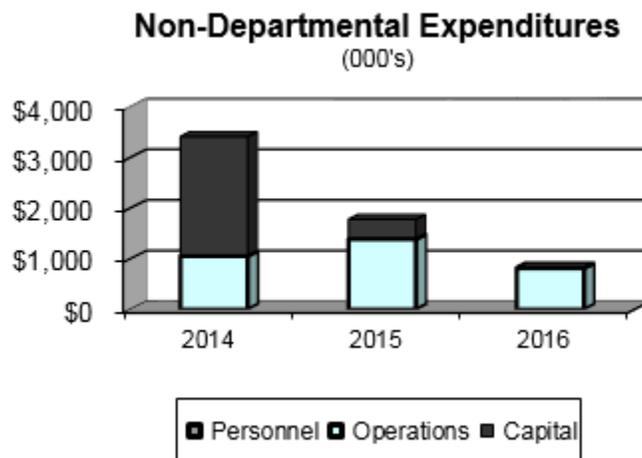
ACCOUNT:
100-990-All

**GENERAL FUND / NON-DEPARTMENTAL
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	6,904	12,510	12,510	12,500
Transfers to other funds	300,000	1,300,000	300,000	-
SUBTOTAL	1,053,394	4,547,735	1,391,955	815,598
Capital outlay	2,359,200	386,630	386,630	-
TOTAL	\$ 3,412,594	\$ 4,934,365	\$ 1,778,585	\$ 815,598

<u>EXPENDITURES BY DIVISION:</u>				
Transfers to other funds	\$ 300,000	\$ 1,300,000	\$ 300,000	\$ -
One-time expenditures	2,378,391	2,878,930	751,630	-
Non-Departmental	734,203	755,435	726,955	815,598
TOTAL	\$ 3,412,594	\$ 4,934,365	\$ 1,778,585	\$ 815,598

No personnel funding is provided in this program.



WATER AND WASTEWATER FUND REVENUES

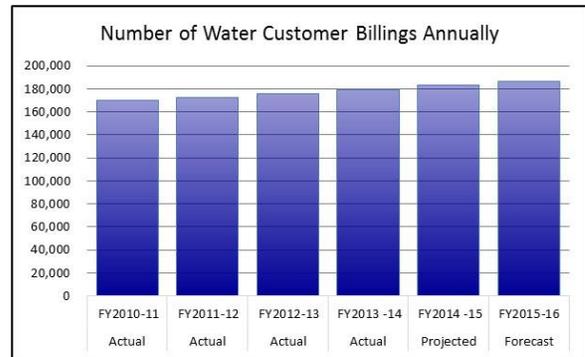
Water revenues are budgeted at \$14.7 million, making up 70.4 percent of total revenues of the fund, and wastewater (sewer) charges comprise \$6.2 million, 29.6 percent of total fund revenues. Water and sewer charges combined comprise \$20.9 million. In April 2010, the City Council adopted a wholesale rate pass-through ordinance, whereby future increases (or decreases) in wholesale water supply and wastewater treatment costs will be automatically passed through to Keller customers. Revenue is therefore a function of the cost and usage, measured as effectively and efficiently as reasonably possible.

	Projected FY2014 -15		Forecast FY2015-16	
Water	\$ 13,857,745	70.0%	\$ 14,710,855	70.4%
Wastewater	5,950,180	30.0%	6,184,720	29.6%
Total	19,807,925	100.0%	20,895,575	100%

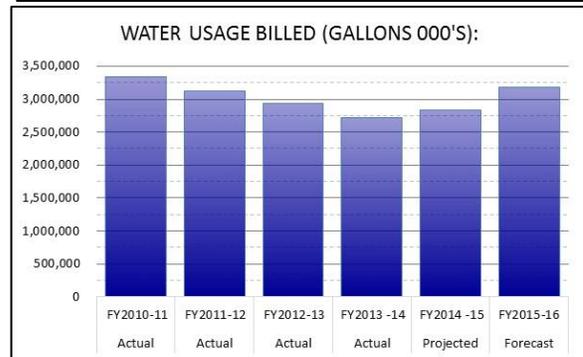
Revenue Projections and Analysis

Water revenues are dependent upon 1) customer usage, which is partially a function of the amount of rainfall received during the year, 2) number of water meters (recent growth has added roughly 300 per year) and 3) water rates, which generally are a pass-through of the City of Keller's water cost, purchased from City of Fort Worth.

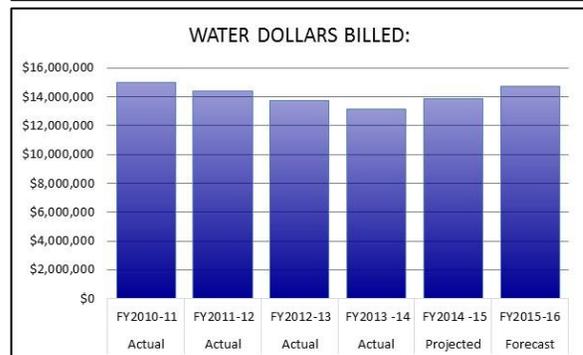
Growth in the water and wastewater system continues, although the rate of growth is slowing. In FY14, 370 additional customers raised the number of water customers from 14,766 in September 2013 to 15,136 in September 2014. We forecast an increase of 284, to 15,420, by September 2015 and an increase of 300, to 15,720, by September 2016. The number of wastewater customers is smaller, simply because some (a declining number) are not yet connected to the sewer system. Wastewater customers are projected to increase by 371, to 13,029, by September 2015 and by 428, to 13,457, by September 2016.



The number of customers billed at the beginning of the year is not the same as the number of customers billed at the end of the year. Current growth is about 25 new residential meters per month on average. Actual billings (number of bills sent over a 12-month period) for FY14 was 179,387, a 2.2 percent increase over 175,606 in FY13. The current estimate number of billings to be sent out in the current year, FY2014-15, is 183,588, a 2.3 percent increase over prior year. Forecast number of billings for FY2015-16 is an increase of 1.8 percent, or 186,870.



Water usage, measured in gallons, is dependent upon number of customers (meters) and is affected by rainfall, although the current year's rainfall occurred during normally low-consumption months. For FY2015-16, a conservative (normalized) customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts, taking into account current fiscal YTD usage through June 2015. The total water consumption for FY2015-16 is anticipated to be 3.175 billion gallons, an increase of 12 percent over FY2014-15's 2.833 billion gallons.



Total water sales in gallons is cyclical, mostly seasonal but not entirely – at the lowest every winter. In general, these increases have been driven both by growth in the customer base and fluctuations in

demand. Water usage for irrigation is also cyclical, with seasonality further affected by periods of rain or lack of rain. Knowing that high rainfall displaces irrigation, rainfall in the months of June, July, August, September and October has a higher impact on water revenue than in months of historically lower water usage. Record January rainfall in January 2012, for example, did not prevent FY12 from being a relatively high water usage year. Recent record rainfall in April and May 2015 both displaced irrigation in relatively low water usage months and replenished supply. While rainfall is taken into account in revenue projections, a 5-year average that takes the most recent rainfall into account has been used to project water usage for FY2015-16.

The FY2015-16 water revenues anticipate a 4.28 percent rate pass-through for water from Fort Worth. The rate increase is estimated to increase the average monthly utility bill by \$3.26.

The FY2015-16 wastewater revenues anticipate a 3.65 percent rate pass-through for water from the Trinity Water Authority. The rate increase is estimated to increase the average monthly utility bill by 33 cents.

WATER AND WASTEWATER FUND EXPENDITURES

Expenditures include costs for personnel services; operations and maintenance of the water and wastewater system; services and other expenditures; wholesale purchases of water from Fort Worth; wastewater treatment and collection services with the Trinity River Authority; debt service interest and principal; transfers to other funds for general and administrative cost reimbursements and in lieu of taxes; and capital outlay. Depreciation expense is not budgeted, while debt service principal is budgeted as an expenditure.

A major expenditure of the fund is wholesale water purchases. For FY2015-16, wholesale water purchases are projected to be \$7.24 million (31.5%) of total expenditures of the fund, compared to \$7.24 million (27.5%) in the FY2014-15 estimate, based on normalized customer water usage, a reduction that virtually offset an increase in the wholesale rate. Wholesale water purchases are anticipated to be 3.175 billion gallons in FY2015-16, compared to 3.206 billion gallons in FY2014-15. This represents a decrease of 31 million gallons, or 0.97 percent.

The average customer water usage, for both residential and non-residential customers, is projected at 16,993 gallons per month for FY2015-16, compared to 16,419 gallons per month in FY2014-15 (an increase of 3.5 percent). Average customer water usage for FY14 was 15,179 gallons per month. The usage for FY2015-16 is based on estimates derived from anticipating normal rainfall during the year using five-year averaging.

Operations, maintenance and services include purchases of pipe, vehicle and equipment maintenance, water meters and pipe fittings, as well as maintenance of service mains and pumps. In addition, electrical costs for pump operations are included in this category. Operations, maintenance and service expenditures for FY2015-16 are \$5.8 million and comprise 25.3% of the Fund's budget compared to \$5.5 million or 21.1% of the total budget in the FY2014-15 estimate. The FY2015-16 budget is an increase of \$305,264 or 5.5% from the FY2014-15 estimate.

- *Expenditures for FY2015-16 represent an increase of \$275,088 (4.9%) over the FY2014-15 adopted budget of \$5.5 million, representing 25.4% of total expenditures.*

Personnel services (salaries and benefits) for FY2015-16 are \$3.2 million and comprise 13.8% of total expenditures of the fund compared to \$3.2 million or 11.7% of expenditures for the FY2014-15 estimate. Personnel services for FY2015-16 are an increase of \$119,592 or 3.9% over the FY2014-15 estimate. Total full-time equivalents are 41.67 FTEs, a decrease of 1.0 FTEs from the FY2014-15 estimate. Personnel detail by position is included with each individual department/division budget presentation on the following pages.

- *Expenditures for FY2015-16 represent an increase of \$20,347 (0.6%) over the FY2014-15 adopted budget of \$3.2 million, representing 14.5% of total expenditures.*

Wastewater treatment and collection services, including contracted services provided by the Trinity River Authority (TRA), comprise approximately 14.1% of the Fund's budget for FY2015-16. The City maintains a wastewater collection crew that provides maintenance and installation of wastewater collector mains that flow into the City's main collector lines and eventually to TRA's Central Regional Treatment Plant or the Denton Creek Wastewater Treatment Plant for treatment. Once again, due to customer growth, the amount of effluent treated by the TRA continues to increase, while the average treated per customer remains relatively constant. Therefore, increase in cost is due to overall growth, not individual usage rate.

- *Expenditures for FY2015-16 represent an increase of \$424,093 (14.9%) over the FY2014-15 adopted budget of \$2.8 million, representing 13.0% of total expenditures.*

Debt service funds the retirement of long-term debt used to finance improvements and/or expansions to the City's water and wastewater system costs, matching payments with benefit. For FY2015-16, debt service costs are \$3.0 million and comprise 13.0% of the fund's FY2015-16 budget compared to \$6.6 million or 25.2% of total expenditures in the FY2014-15 estimate. Debt service for FY2015-16 decreased by \$3.6 million, or 55.3%, from the FY2014-15 estimate. Although debt was reduced in the most recent debt refunding, payments are now made entirely from the Water Wastewater fund.

- *Expenditures for FY2015-16 represent an increase of \$826,945 or 38.7% from the FY2014-15 adopted budget of \$2.1 million, representing 9.7% of total expenditures.*

Capital outlay expenditures include machinery, equipment and routine vehicle replacements, facility improvements, as well as general infrastructure improvements for new and/or major repairs to water mains and wastewater mains. Capital expenditures for FY2015-16 are \$645,325, representing 2.8% of the fund's budget compared to \$543,435 or 2.1% of expenditures in the FY2014-15 estimate, an increase of \$101,890 or 18.7%.

- *Expenditures for FY2015-16 represent an increase of \$116,205 (22.0%) from the FY2014-15 adopted budget of \$529,120, representing 2.4% of total expenditures.*

Transfers to other funds, in past year, provided for debt service transfers to the general obligation debt service fund for reimbursement of debt obligations issued on behalf of the Water and Wastewater Fund. During the last debt refunding, payments have been restructured and no longer involve transfers.

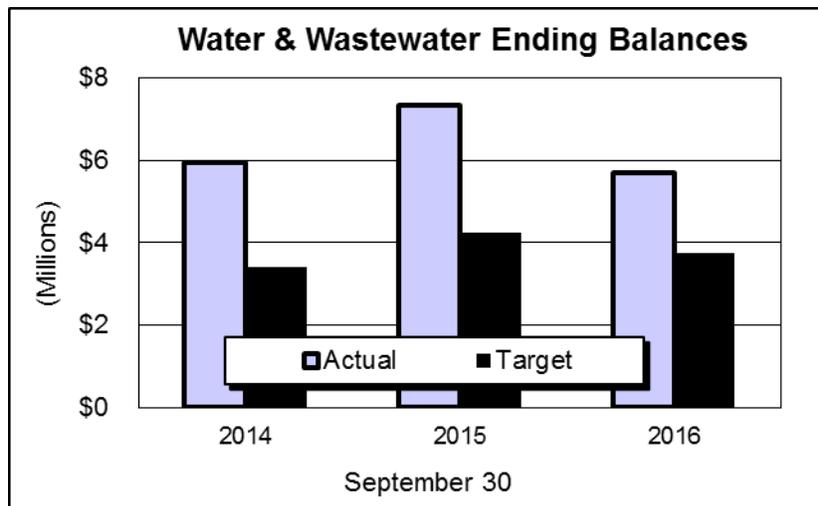
FUND BALANCE RESERVES

Net expenditures in excess of revenues for FY2015-16 are \$1,614,748. However, the projected beginning fund balance for FY2015-16 exceeds the targeted beginning fund balance of 60 days by approximately 30 days of operations. The total projected ending fund balance (working capital) at September 30, 2016 is \$6,318,000, of which \$500,000 is designated for a rate stabilization reserve. The purpose of the rate stabilization reserve is to provide funds for variations in usage.

WATER AND WASTEWATER FUND

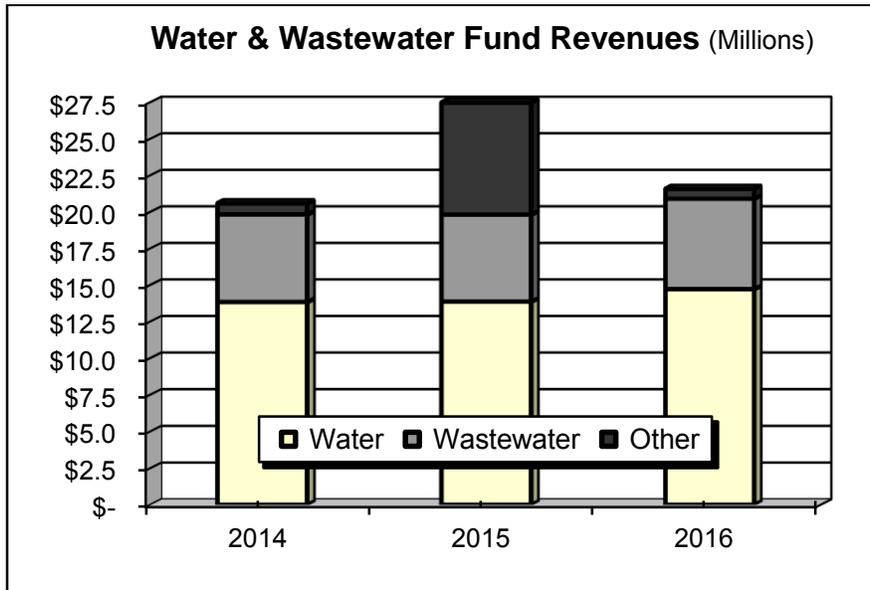
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 7,168,063	\$ 6,433,528	\$ 6,802,358	\$ 7,932,719
Revenues and transfers	20,574,607	21,619,100	27,466,445	21,560,125
TOTAL FUNDS AVAILABLE	27,742,670	28,052,628	34,268,803	29,492,844
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	21,052,125	21,953,180	26,336,084	23,174,873
<u>ENDING FUND BALANCE:</u>				
Total fund balance	6,690,545	6,099,448	7,932,719	6,317,971
Rate stabilization reserve	750,000	500,000	500,000	500,000
Prior period adjustments	111,813			
Unreserved fund balance	5,828,732	5,599,448	7,432,719	5,817,971
FUND TOTAL	\$ 27,742,670	\$ 28,052,628	\$ 34,268,803	\$ 29,492,844
Excess revenues (expenditures)	(477,518)	(334,080)	1,130,361	(1,614,748)
Unreserved ending fund balance:				
Percent of operating expenditures ⁽¹⁾	28.4%	26.7%	29.3%	25.8%
TARGET	16.7%	16.7%	16.7%	16.7%
Number of days operating expenditures	102.3	96.1	105.5	93.0
TARGET	60.0	60.0	60.0	60.0

(1) excludes capital outlay and interfund transfers.



**WATER AND WASTEWATER FUND
REVENUE SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>REVENUES:</u>				
OPERATING REVENUES:				
Water sales	\$ 13,827,779	\$ 15,028,600	\$ 13,857,745	\$ 14,710,855
Wastewater sales	5,991,834	5,980,000	5,950,180	6,184,720
Subtotal	19,819,613	21,008,600	19,807,925	20,895,575
OTHER REVENUES:				
Taps and miscellaneous fees	672,154	529,500	603,010	588,050
Contributions	4,571	-	-	-
Interest revenue	23,925	20,000	20,000	25,000
Other revenues	54,344	61,000	7,035,510	51,500
Subtotal	754,994	610,500	7,658,520	664,550
TOTAL REVENUES	\$ 20,574,607	\$ 21,619,100	\$ 27,466,445	\$ 21,560,125



WATER AND WASTEWATER FUND

REVENUES

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>OPERATING REVENUES:</u>				
Water sales	\$ 13,827,779	\$ 15,028,600	\$ 13,857,745	\$ 14,710,855
Wastewater sales	5,991,834	5,980,000	5,950,180	6,184,720
Subtotal	19,819,613	21,008,600	19,807,925	20,895,575
<u>MISCELLANEOUS FEES:</u>				
Water taps/connect fees	179,570	91,500	130,000	102,500
Fire hydrant meter rental fees	10,475	8,000	10,000	10,000
Wastewater tap fees	8,350	7,500	6,000	5,000
Industrial waste surcharge fees	-	-	-	-
Sewer camera inspection fees	71,325	59,500	60,000	60,000
Meter box/lid fees	-	150	100	100
Reconnect fees	25,625	27,500	30,000	28,000
Account activation fee	28,710	25,000	29,000	27,000
Account transfer fee	1,455	1,350	1,350	1,350
Inspection fees	77,999	51,250	80,000	75,000
Penalty revenue	188,740	175,000	175,000	175,000
Other services	9,815	7,500	6,500	7,000
Keller drainage utility	70,000	75,000	75,000	97,000
<i>General and administrative services</i>				
Recycling bins/lids	90	250	60	100
Subtotal	672,154	529,500	603,010	588,050
<u>CONTRIBUTIONS:</u>				
Lake Turner Municipal Utility District	4,571	-	-	-
Subtotal	4,571	-	-	-
<u>OTHER REVENUE:</u>				
Interest earnings	23,925	20,000	20,000	25,000
Gain (loss) on disposal of assets	9	-	-	-
Southlake wastewater reimbursement	35,144	31,500	38,000	35,000
Premium from debt Issuance	-	-	2,672,500	-
Grant revenue	-	-	-	-
Debt Issuance - Refunding bonds	-	-	4,310,000	-
Miscellaneous revenue (expense)	19,191	29,500	15,010	16,500
Subtotal	78,269	81,000	7,055,510	76,500
TOTAL REVENUES AND TRANSFERS	\$ 20,574,607	\$ 21,619,100	\$ 27,466,445	\$ 21,560,125

**WATER AND WASTEWATER FUND
EXPENDITURE SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 2,972,303	\$ 3,178,480	\$ 3,079,235	\$ 3,198,827
Operations & maintenance	872,886	1,190,155	1,191,750	1,188,950
Services & other	4,024,417	4,390,400	4,358,629	4,666,693
Wholesale water purchases	7,536,047	7,240,000	7,240,000	7,240,000
Wastewater services-TRA	2,765,329	2,845,390	2,845,390	3,269,483
Debt service (principal and interest)	2,332,301	2,138,650	6,636,660	2,965,595
Transfers to other funds	436,510	440,985	440,985	-
SUBTOTAL	20,939,793	21,424,060	25,792,649	22,529,548
Capital outlay	112,332	529,120	543,435	645,325
TOTAL	\$ 21,052,125	\$ 21,953,180	\$ 26,336,084	\$ 23,174,873

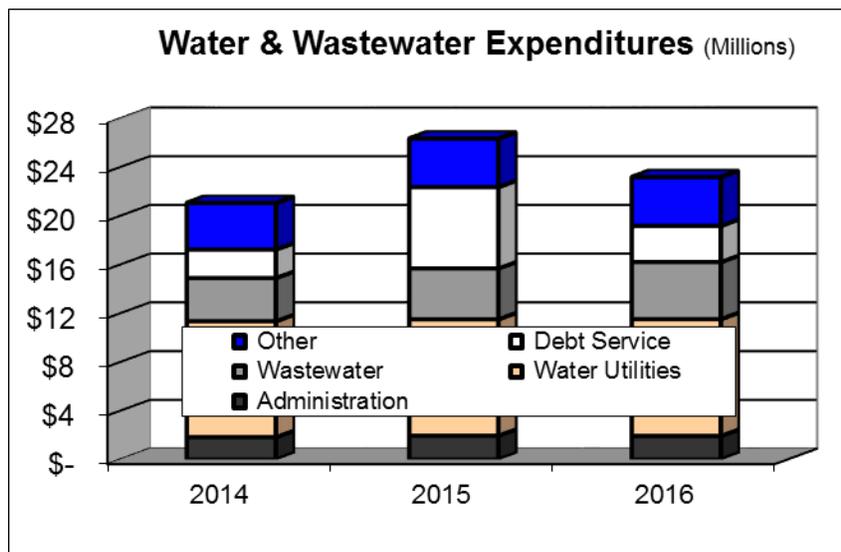
<u>EXPENDITURES BY ACTIVITY</u>				
Water & W/W Administration	\$ 627,912	\$ 757,340	\$ 717,985	\$ 687,073
Customer Services	1,200,229	1,289,330	1,233,009	1,242,508
Water Utilities	9,521,563	9,570,570	9,554,785	9,591,467
Wastewater Utilities	3,545,007	4,196,170	4,172,715	4,680,440
Municipal Service Center	259,933	402,950	389,950	459,120
Debt service	2,334,114	2,140,500	6,679,165	2,967,445
<i>Principal, interest and services</i>				
Non-departmental/Transfers/Other	3,563,367	3,596,320	3,588,475	3,546,820
TOTAL	\$ 21,052,125	\$ 21,953,180	\$ 26,336,084	\$ 23,174,873

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

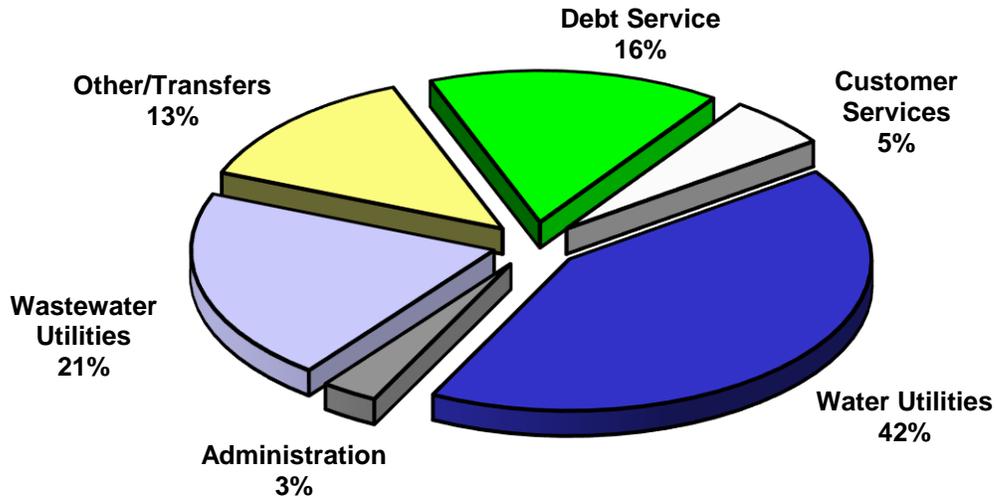
DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Water & W/W Administration	5.17	5.17	5.17
Customer Services	12.00	12.50	11.50
Water Utilities	12.50	12.50	12.50
Wastewater Utilities	9.50	11.50	11.50
Municipal Service Center	1.00	1.00	1.00
TOTAL	40.17	42.67	41.67

**WATER AND WASTEWATER FUND
EXPENDITURE SUMMARY
EXPENDITURES BY DEPARTMENT**

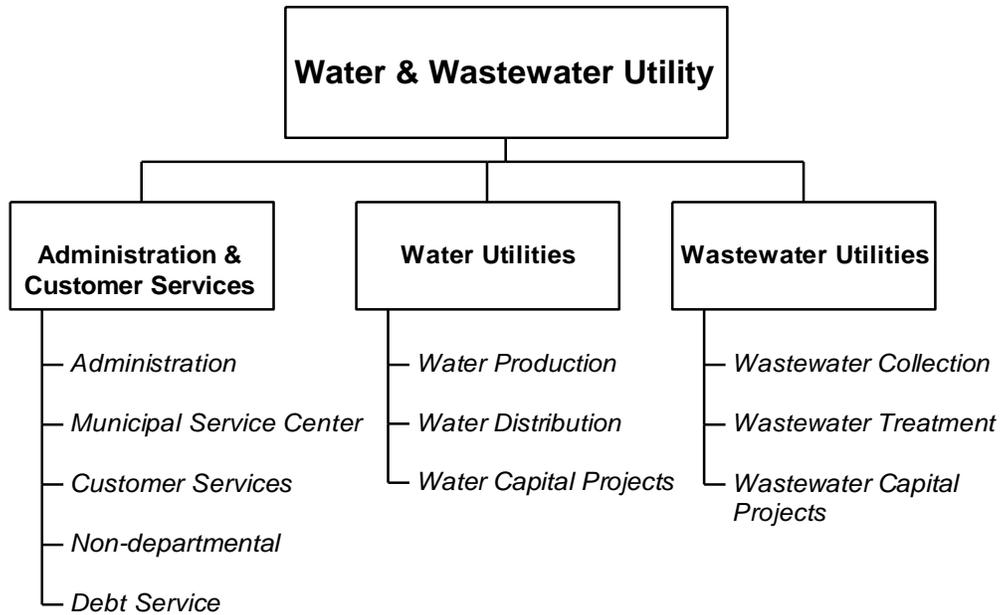
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
Water/Wastewater Administration	\$ 627,912	\$ 757,340	\$ 717,985	\$ 687,073
Customer Services:				
Administration	872,793	970,705	909,165	919,549
Field Services	327,436	318,625	323,844	322,959
Subtotal	1,200,229	1,289,330	1,233,009	1,242,508
Water Utilities:				
Water Production	8,004,825	7,782,275	7,764,190	7,780,065
Water Distribution	1,516,738	1,788,295	1,790,595	1,811,402
Subtotal	9,521,563	9,570,570	9,554,785	9,591,467
Wastewater Utilities:				
Wastewater Collection	779,678	1,350,780	1,327,325	1,410,957
Wastewater Treatment	2,765,329	2,845,390	2,845,390	3,269,483
Subtotal	3,545,007	4,196,170	4,172,715	4,680,440
Municipal Service Center Operations	259,933	402,950	389,950	459,120
Debt service (principal, interest and services)	2,334,114	2,140,500	6,679,165	2,967,445
Transfers to Other Funds	436,510	440,985	440,985	-
Non-Departmental	3,126,857	3,155,335	3,147,490	3,546,820
TOTAL	\$ 21,052,125	\$ 21,953,180	\$ 26,336,084	\$ 23,174,873



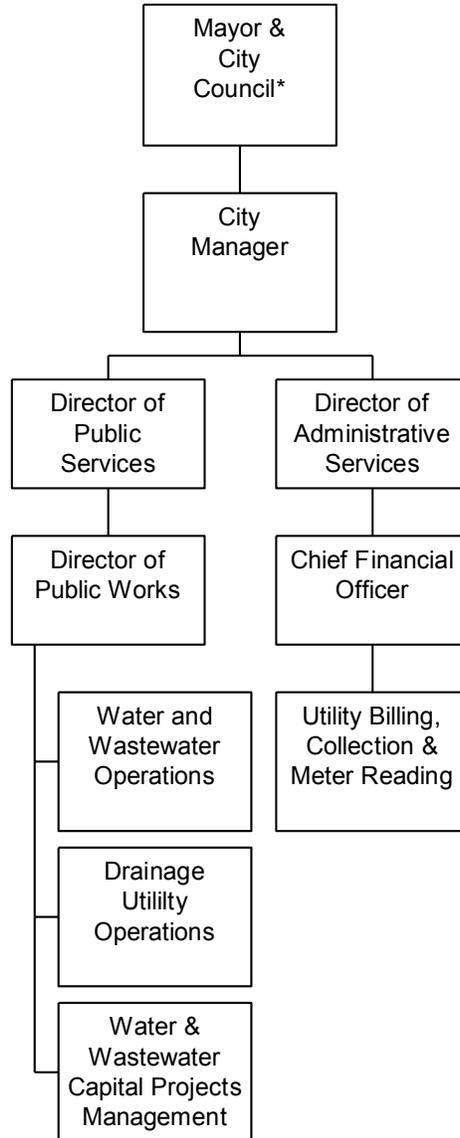
WATER & WASTEWATER



Fund total: \$23,174,873



CITY OF KELLER, TEXAS
ORGANIZATION CHART
WATER, WASTEWATER AND
DRAINAGE UTILITIES



*Elected positions.

FUND:
Water & Wastewater

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
200-700-01

DEPARTMENT/DIVISION DESCRIPTION:

The functions of the Water & Wastewater Administration Department are under the direction of the Director of Public Works. This Division is responsible for the direction and administration of all facets of the utility operations, including customer service, supply services, work order processing, water production, water distribution and wastewater collection.

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes that will result in improved efficiency and reduced operation and maintenance costs, throughout the fiscal year.
2. Provide effective and efficient guidance and supervision of the water and wastewater divisions.
3. Work with division managers in improving their professional knowledge and skills through in-house and outside educational opportunities on a monthly basis.
4. Review all budgets on a monthly basis to ensure cost containment and adherence to budget expenditure policies.
5. Respond and manage email and citizen requests within 24 hours of message or request receipt using the work order system.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Hold monthly management & training meetings	10	12	12
Review all budgets monthly	12	12	12
Manage & respond to citizen/internal customer work orders	724	580	600

FUND:
Water & Wastewater

DEPARTMENT:
Administration

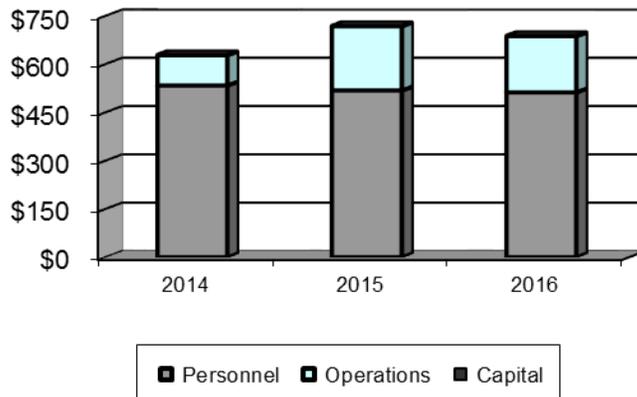
DIVISION:
Administration

ACCOUNT:
200-700-01

**WATER & WASTEWATER ADMINISTRATION
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 533,832	\$ 546,595	\$ 518,390	\$ 512,463
Operations & maintenance	890	6,300	7,150	5,905
Services & other	93,190	204,445	192,445	168,705
SUBTOTAL	627,912	757,340	717,985	687,073
Capital outlay	-	-	-	-
TOTAL	\$ 627,912	\$ 757,340	\$ 717,985	\$ 687,073

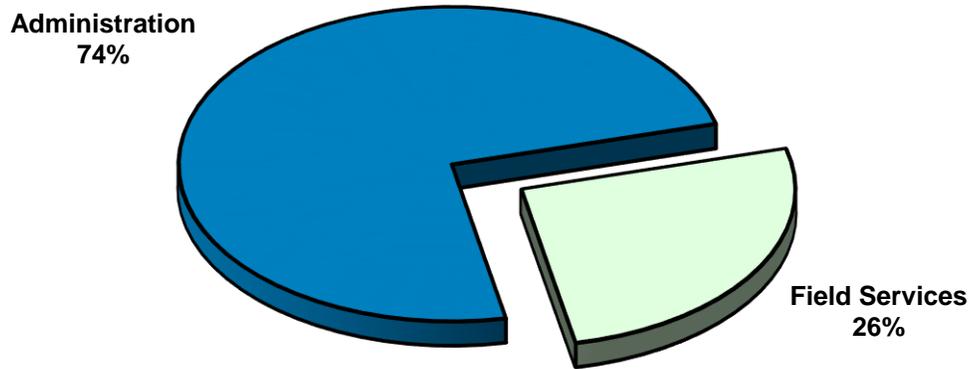
**Water & W/W Administration
Expenditures (000's)**



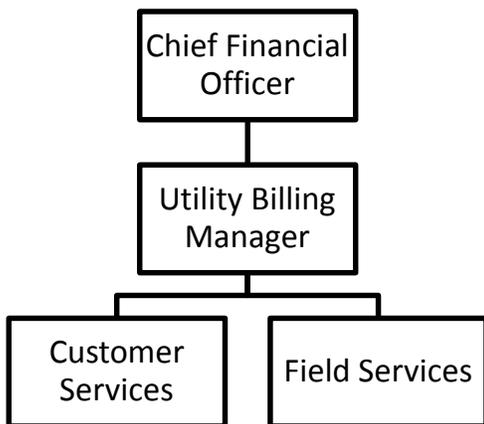
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Water & Wastewater Superintendent	M-1	1.00	1.00	1.00
Storm Water Engineer	PE-12	0.50	-	0.50
Senior Project Engineer	PE-12	1.00	1.50	1.00
Public Works Logistics Coordinator	PE-7	1.00	1.00	1.00
Customer Service Coordinator	A/TN-10	1.00	1.00	0.67
Customer Service Tech	A/TN-5	-	0.67	1.00
Administrative Secretary	A/TN-8	0.67	-	-
TOTAL		5.17	5.17	5.17

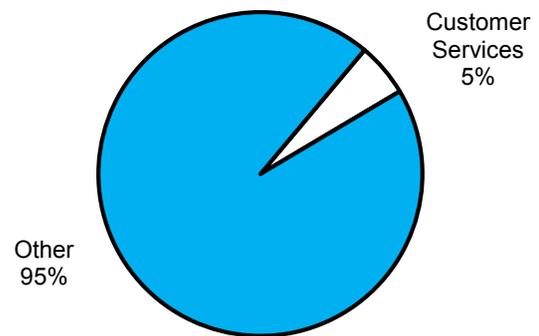
Customer Services



Department total: \$1,242,508



Water & Wastewater Fund Expenditures

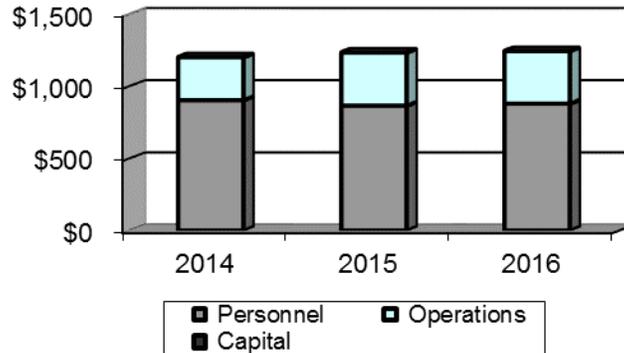


**WATER & WASTEWATER
CUSTOMER SERVICES
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 903,114	\$ 895,350	\$ 865,125	\$ 879,319
Operations & maintenance	92,834	124,555	124,455	122,186
Services & other	204,281	269,425	243,429	241,003
SUBTOTAL	1,200,229	1,289,330	1,233,009	1,242,508
Capital outlay	-	-	-	-
TOTAL	\$ 1,200,229	\$ 1,289,330	\$ 1,233,009	\$ 1,242,508

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 872,793	\$ 970,705	\$ 909,165	\$ 919,549
Field Services	327,436	318,625	323,844	322,959
TOTAL	\$ 1,200,229	\$ 1,289,330	\$ 1,233,009	\$ 1,242,508

Customer Services Expenditures
(000's)



PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DIVISION / ACTIVITY	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	8.0	8.5	7.5
Field Services	4.0	4.0	4.0
TOTAL	12.0	12.5	11.5

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

DEPARTMENT DESCRIPTION:

The Customer Services/Administration Division is responsible for administering the City's revenue generation for water, wastewater, residential solid waste and drainage utilities. These activities include administrative oversight of water meter reading, billings and collections, connect and disconnects, inquiries and other service duties.

DEPARTMENT/DIVISION GOALS:

1. Continue to provide timely and efficient customer service.
2. Provide timely and accurate utility billing statements.
3. Minimize water losses by anticipating and identifying slow and stopped water meters, with timely investigation and/or meter replacement. Replacement assumes 10-year life in most cases.
4. Maintain and improve the automated/online payment processing to better serve utility customers.
5. Assist and educate customers with respect to water conservation and efficient uses.
6. Maintain electronic (wireless) meter reading program.
7. Work with collection agency to recover outstanding delinquent utility bills.
8. Continue to monitor the Identity Theft Prevention Program, required by law.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Customer meter reading routes maintained	70	70	70
Number of billing cycles	2	2	2
Number of annual billings:			
• water customers billed	180,108	181,992	183,000
• sewer customers billed	151,416	153,624	154,000
• drainage customers billed	172,656	174,264	175,000
• garbage customers billed	163,428	165,228	166,000
Total water gallons billed (million gallons)	2,934	2,930	3,106
Annual delinquent statements processed	15,589	15,797	16,000
Emailed delinquent statements processed	2,339	1,922	2,000
Customer security deposits processed	1,928	1,700	1,800
Services disconnected for non-payment	1,075	918	1,000
Customer transfers/final accounts processed	2,001	1,720	1,900
Number of on-line/automated payments	58,977	62,400	63,000
Total amount of on-line/automated payments (000's)	\$7,333	\$7,650	\$7,000
Number of lockbox payments processed	31,972	29,178	30,000
Total amount of lockbox payments processed (000's)	\$4,395	\$3,932	\$4,100

PERFORMANCE ANALYSIS

Monthly average billings:			
• average monthly water customers billed	15,009	15,166	15,800
• average monthly sewer customers billed	12,618	12,802	13,000
• average monthly drainage customers billed	14,388	14,522	14,800
• average monthly garbage customers billed	13,619	13,769	14,000
Average water usage per customer	15,179	12,454	13,000
Average water bill per customer	\$73.28	\$63.32	\$59.63
Average water revenue per 1,000 gallons billed	\$4.83	\$5.14	\$5.00
Average daily water usage billed (million gallons)	7.45	6.24	7.00
Average sewer bill per customer	\$48.71	\$38.68	\$39.63
Average drainage bill per customer	\$9.13	\$9.15	\$9.15
Average garbage bill per customer	\$11.16	\$11.16	\$11.16
Average daily phone inquiries	43	45	60

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

**WATER & WASTEWATER
CUSTOMER SERVICES ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 605,559	\$ 619,940	\$ 584,690	\$ 595,140
Operations & maintenance	72,513	95,770	95,870	98,596
Services & other	194,721	254,995	228,605	225,813
SUBTOTAL	872,793	970,705	909,165	919,549
Capital outlay	-	-	-	-
TOTAL	\$ 872,793	\$ 970,705	\$ 909,165	\$ 919,549

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2013-2014 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
Revenue Manager	M-1	1.0	-	-
Utility Billing Supervisor	A/TN-10	-	1.0	1.0
Chief Accountant	PE-10	1.0	-	-
Utility Billing Manager	M-1	1.0	1.0	1.0
Utility Billing Technician	A/TN-7	1.0	1.0	-
Utility/Development Fee Clerk	A/TN-5	1.0	-	-
Utility Fee Technician	A/TN-7	-	1.0	1.0
Senior Accountant	PE-9	-	1.0	1.0
Chief Financial Officer	M-3	-	0.3	0.3
Finance/Purchasing Manager	M-1	-	0.3	0.3
Customer Service Representative	A/TN-5	3.0	3.0	3.0
TOTAL		8.0	8.5	7.5

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Field Services

ACCOUNT:
200-710-70

DEPARTMENT DESCRIPTION:

The Customer Services/Field Services Division is responsible for field activities for utility billing duties. Included within these activities are meter reading, customer connects and disconnects, customer transfers, and investigation of billing inquiries.

The Field Services Division is also responsible for new meter installation and meter maintenance. Included within these activities are new meter sets, state-mandated testing and replacement programs, electronic troubleshooting and meter box replacement and maintenance.

DEPARTMENT/DIVISION GOALS:

1. Continue to provide timely and efficient customer service.
2. Maintain meter reading accuracy rate of at least 99.9% of total meters read by ensuring that meters are in proper working order, and utilizing automated meter reading technology.
3. Minimize water losses by identifying slow and stopped water meters, with timely investigation and/or meter replacement.
4. Assist and educate customers with respect to water conservation.
5. Maintain radio (wireless) meter reading.
6. Meter replacement program average 1,500 per year, per conservation ordinance.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Customer meter reading routes maintained	70	70	70
Service calls made to customers (including re-reads)	804	459	600
Total water meters read (monthly average)	15,411	15,712	15,900
Work orders completed	14,894	13,952	14,000
Annual meter change outs	1,220	1,540	1,600
Annual meter sets	489	500	400
 <u>PERFORMANCE ANALYSIS</u>			
Billing cycles read on schedule	100%	100%	100%
Meter reading accuracy rate	99.6%	99.9%	99.9%
Average hours to read a billing cycle	20.0	20.0	20.0
Manual re-reads as a % of total meter reads	.05%	.03%	.04%

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Field Services

ACCOUNT:
200-710-70

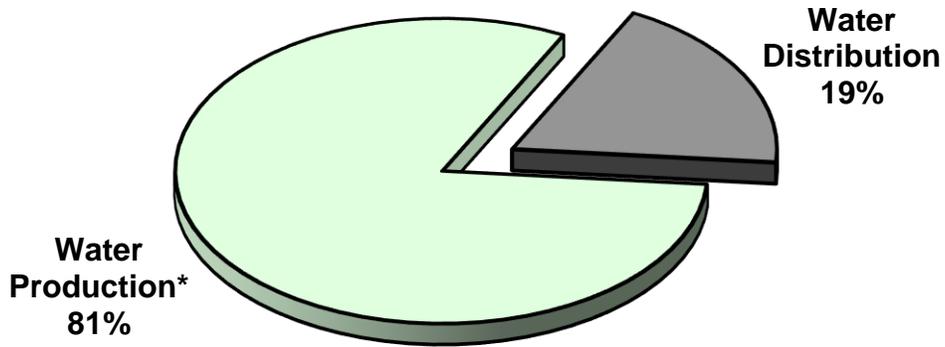
**WATER & WASTEWATER
CUSTOMER SERVICES - FIELD SERVICES
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 297,555	\$ 275,410	\$ 280,435	\$ 284,179
Operations & maintenance	20,321	28,785	28,585	23,590
Services & other	9,560	14,430	14,824	15,190
SUBTOTAL	327,436	318,625	323,844	322,959
Capital outlay	-	-	-	-
TOTAL	\$ 327,436	\$ 318,625	\$ 323,844	\$ 322,959

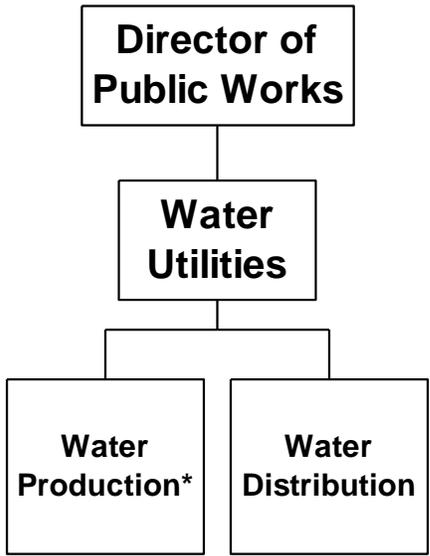
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Field Services Crew Leader	TN-6	-	-	-
Field Services Maintenance Technician	TN-5	4.0	4.0	4.0
Meter Maintenance Technician	TN-5	-	-	-
Field Services Technician	TN-3	-	-	-
TOTAL		4.0	4.0	4.0

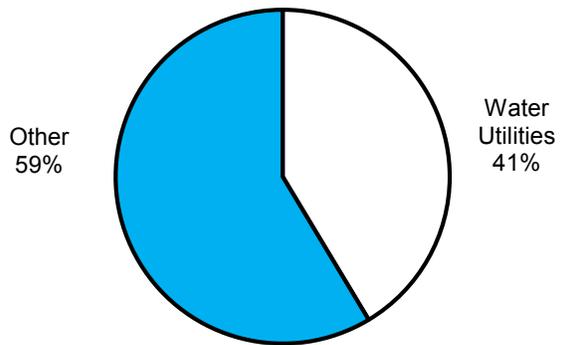
Water Utilities



Department total: \$9,591,467



Water & Wastewater Fund Expenditures



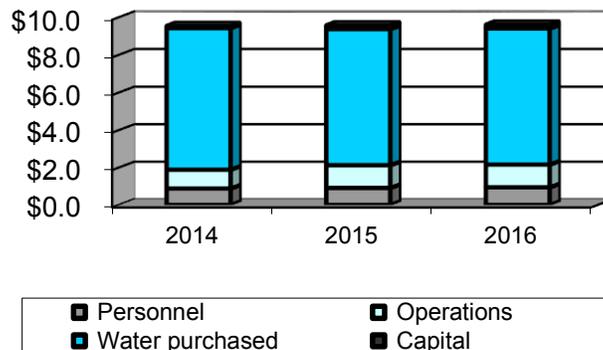
* - Includes wholesale water purchases

**WATER & WASTEWATER
WATER PRODUCTION AND WATER DISTRIBUTION
COMBINED DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 881,364	\$ 928,115	\$ 911,890	\$ 945,420
Operations & maintenance	587,384	740,035	743,085	742,117
Services & other	417,204	488,300	471,375	472,105
Wholesale water purchases	7,536,047	7,240,000	7,240,000	7,240,000
SUBTOTAL	9,421,999	9,396,450	9,366,350	9,399,642
Capital outlay	99,564	174,120	188,435	191,825
TOTAL	\$ 9,521,563	\$ 9,570,570	\$ 9,554,785	\$ 9,591,467

<i>EXPENDITURES BY DIVISION:</i>				
Water Production	\$ 8,004,825	\$ 7,782,275	\$ 7,764,190	\$ 7,780,065
Water Distribution	1,516,738	1,788,295	1,790,595	1,811,402
TOTAL	\$ 9,521,563	\$ 9,570,570	\$ 9,554,785	\$ 9,591,467

Water Utilities Expenditures (millions)



PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Water Production	2.0	2.0	2.0
Water Distribution	10.5	10.5	10.5
TOTAL	12.5	12.5	12.5

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Production

ACCOUNT:
200-730-74

DEPARTMENT/DIVISION DESCRIPTION:

The Water Production Division is responsible for providing and delivering an adequate supply of safe, potable water to meet the demands of the City's water users. The source of the City's water supply is the City of Fort Worth Water Department pursuant to a 21-year wholesale water supply contract approved in November 2010. The City of Keller owns and operates three high-service pump stations, a 50% portion of the operation/maintenance of the Keller/Southlake service pump station with the City of Southlake (which provides water to Pearson Pump Station), two 1.5-million and one 1-million gallon elevated water towers (elevated storage tanks), and two 3-million gallon ground storage tanks.

DEPARTMENT/DIVISION GOALS:

1. Ensure that the public and the citizens of Keller are provided with an adequate supply of potable water.
2. Encourage water conservation and achieve overall reduction in water consumption.
3. Constantly review and monitor the daily operations of the City's water system.
4. Continue design of all upgrades identified in the City's Water Master Plan to meet system growth demands and insure pumping efficiency in order to maintain adequate pressure in the system.
5. Maintain all pump stations and water tower sites in order to present a clean and orderly image for the City.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 PROJECTED
Elevated storage capacity (million gallons)	4.0	4.0	4.0
Ground storage capacity (million gallons)	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Total storage capacity (million gallons)	10.0	10.0	10.0
Total daily water supply (million gallons) (City of Fort Worth contract)	27.0	27.0	27.0
Total daily pumping capacity (million gallons)	21.7	21.7	21.7
Total wholesale gallons purchased (million gallons)	2,543.4	3,344.8	3,400.0
Peak day water demand (million gallons)	18.9	22.0	19.0
<u>PERFORMANCE ANALYSIS</u>			
Average daily water usage (million gallons)	7.7	7.8	7.8
Average cost per 1,000 gallons of wholesale water purchased			
Base (winter) average daily water demand (million gallons)	4.1	4.2	6.4

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Production

ACCOUNT:
200-730-74

**WATER & WASTEWATER
WATER UTILITIES - WATER PRODUCTION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 166,027	\$ 166,340	\$ 164,380	\$ 170,890
Operations & maintenance	50,042	95,150	95,150	86,900
Services & other	252,709	280,785	264,660	282,275
Wholesale water purchases	7,536,047	7,240,000	7,240,000	7,240,000
SUBTOTAL	8,004,825	7,782,275	7,764,190	7,780,065
Capital outlay	-	-	-	-
TOTAL	\$ 8,004,825	\$ 7,782,275	\$ 7,764,190	\$ 7,780,065

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Water Production Supervisor	TN-11	1.0	1.0	1.0
Water Production Operator	TN-5	1.0	1.0	1.0
TOTAL		2.0	2.0	2.0

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

DEPARTMENT/DIVISION DESCRIPTION:

The Water Distribution Division is responsible for operating and maintaining the water distribution facilities necessary to serve the City's residential, commercial and industrial water customers. Included in the division's responsibilities are installing and maintaining water meters, repairing and replacing water mains and services, water sampling and testing, installing new water mains and water taps, and installing and maintaining water valves and fire hydrants.

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes that will result in improved efficiency and reduced operations and maintenance costs throughout the fiscal year.
2. Continue to monitor and maintain a cross connection control program in order to protect the City's water supply from possible sources of contamination.
3. Develop and maintain a database for identifying properties in the City that have private water wells used for irrigation purposes.
4. Work with the Utility Billing Department to establish and maintain a water usage database to include assessment of accounted and unaccounted water loss.
5. Continue the process of identifying and eliminating dead-end water mains by looping and connecting to existing water lines.
6. Flush dead-end water lines on a monthly basis in accordance with Texas Commission on Environmental Quality regulations in order to maintain good water quality.
7. Perform necessary repairs to water mains and services, water valves, fire hydrants, and related facilities throughout the distribution system in order to minimize any disruption of service.
8. Collect all monthly and quarterly water samples to ensure compliance with Environmental Protection Agency and Texas Commission on Environmental Quality regulations.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Total miles of water mains maintained	284	286	288
Total number of water valves maintained	5,500	5,600	5,700
Total number of fire hydrants maintained	2,100	2,200	2,300
Water samples tested	699	720	720
Dead-end water lines flushed	1,300	1,300	1,300
Work orders completed	1,890	1,800	1,800

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

**WATER & WASTEWATER
WATER UTILITIES - WATER DISTRIBUTION
DIVISION / ACTIVITY SUMMARY**

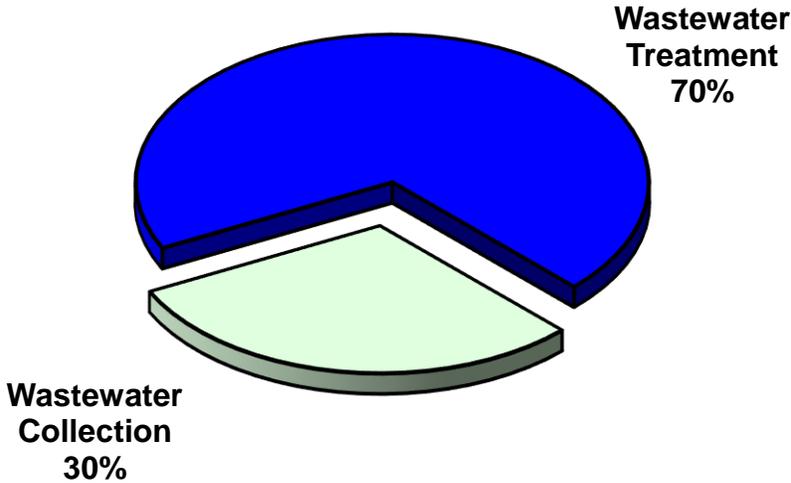
	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 715,337	\$ 761,775	\$ 747,510	\$ 774,530
Operations & maintenance	537,342	644,885	647,935	655,217
Services & other	164,495	207,515	206,715	189,830
SUBTOTAL	1,417,174	1,614,175	1,602,160	1,619,577
Capital outlay	99,564	174,120	188,435	191,825
TOTAL	\$ 1,516,738	\$ 1,788,295	\$ 1,790,595	\$ 1,811,402

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

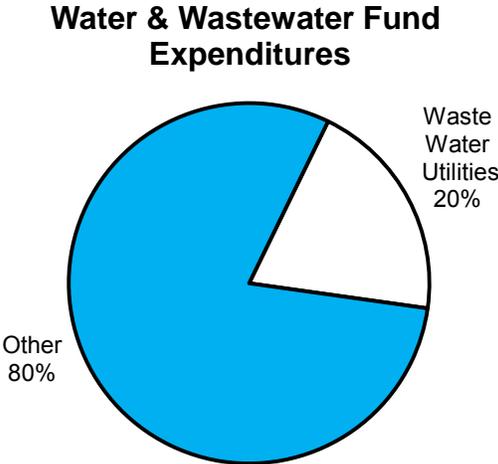
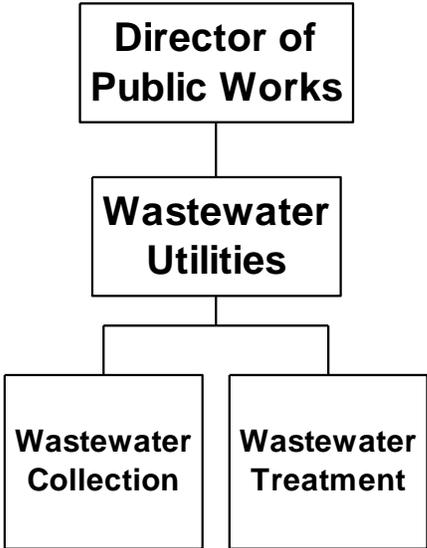
POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Construction Inspector	ATN-11	1.0	1.0	1.0
Water/Sewer Foreman	TN-12	0.5	0.5	0.5
Environmental Services Specialist	TN-9	–	1.0	1.0
Water/Sewer Crewleader	TN-8	2.0	2.0	2.0
Environmental Services Coordinator	TN-8	1.0	–	–
SCADA Operator/Dispatcher	TN-4	1.0	1.0	1.0
Water/Sewer Maintenance Worker II	TN-4	–	2.0	2.0
Water/Sewer Maintenance Worker I	TN-3	5.0	3.0	3.0
TOTAL		10.5	10.5	10.5

FY2015-16 highlights: capital outlay includes funding for water distribution infrastructure improvements such as water mains, water meters and fire hydrants (\$106,825). There is no annual operating budget impact related to these improvements.

Wastewater Utilities



Department total: \$4,680,440

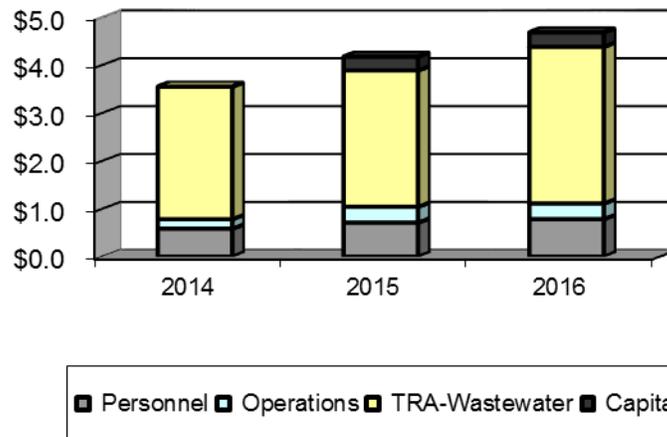


**WATER & WASTEWATER
WASTEWATER TREATMENT AND COLLECTION
COMBINED DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 585,107	\$ 734,070	\$ 711,930	\$ 784,965
Operations & maintenance	119,703	206,435	206,930	209,242
Services & other	78,323	125,275	123,465	116,750
Wastewater Services-TRA	2,765,329	2,845,390	2,845,390	3,269,483
SUBTOTAL	3,548,462	3,911,170	3,887,715	4,380,440
Capital outlay	(3,455)	285,000	285,000	300,000
TOTAL	\$ 3,545,007	\$ 4,196,170	\$ 4,172,715	\$ 4,680,440

<u>EXPENDITURES BY DIVISION:</u>				
Wastewater Collection	\$ 779,678	\$ 1,350,780	\$ 1,327,325	\$ 1,410,957
Wastewater Treatment	2,765,329	2,845,390	2,845,390	3,269,483
TOTAL	\$ 3,545,007	\$ 4,196,170	\$ 4,172,715	\$ 4,680,440

**Wastewater Utilities Expenditures
(millions)**



PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Wastewater Collection	9.50	11.50	11.50
TOTAL	9.50	11.50	11.50

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Collection

ACCOUNT:
200-750-80

DEPARTMENT/DIVISION DESCRIPTION:

The Wastewater Collection Division is responsible for the City's wastewater collection system. This includes facilities for collecting and transporting wastewater from point of origin to the main interceptor line (Trinity River Authority), while providing a safe and healthy environment. Duties of the division also include maintenance of lift stations, wastewater manholes, mains and services, and installation of new wastewater mains, taps and services.

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes that will result in improved efficiency and reduced operations and maintenance costs throughout the fiscal year.
2. Perform necessary repairs to sanitary sewer lines throughout the collection system in order to minimize any disruption of service.
3. Locate segments of the collection system that are over burdened by excessive flows and identify those segments requiring rehabilitation or upsizing.
4. Conduct internal video inspections of sanitary sewer mains and services to assess the physical condition and identify sections in need of repair or replacement.
5. Ensure that regularly scheduled cleanings of sanitary sewer mains are performed in order to mitigate sewer blockages.
6. Inspect sanitary sewer manholes and document their condition. Determine what repairs are needed to be performed in order to eliminate known sources of infiltration.

DEPARTMENT/DIVISION SERVICE ANALYSIS

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Total miles of wastewater mains maintained	195	196	197
Total miles of wastewater mains cleaned	29	40	40
Total miles of wastewater lines video inspected	11	10	10
Sewer manholes maintained	3,000	3,100	3,200
Sewer manholes inspected	240	240	240
Lift stations maintained	7	7	7
Number of active wastewater customers at Sept. 30th	12,724	13,200	13,500
Work orders completed	1,376	1,400	1,400

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Collection

ACCOUNT:
200-750-80

**WATER & WASTEWATER
WASTEWATER COLLECTION
DIVISION / ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 585,107	\$ 734,070	\$ 711,930	\$ 784,965
Operations & maintenance	119,703	206,435	206,930	209,242
Services & other	78,323	125,275	123,465	116,750
Wastewater services-TRA	–	–	–	–
SUBTOTAL	783,133	1,065,780	1,042,325	1,110,957
Capital outlay	(3,455)	285,000	285,000	300,000
TOTAL	\$ 779,678	\$ 1,350,780	\$ 1,327,325	\$ 1,410,957

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2013-2014 ESTIMATE	2015-2016 BUDGET
Water/Sewer Foreman	TN-12	0.50	0.50	0.50
Water/Sewer Crewleader	TN-8	2.00	2.00	2.00
Sewer Inspector Technician	TN-8	1.00	1.00	1.00
SCADA Dispatcher	TN-4	1.00	1.00	1.00
Water/Sewer Maintenance Worker II	TN-4	–	3.00	3.00
Water/Sewer Maintenance Worker I	TN-3	5.00	4.00	4.00
TOTAL		9.50	11.50	11.50

FY2016 highlights: Capital outlay includes funding for wastewater infrastructure improvements (\$300,000).

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Treatment

ACCOUNT:
200-750-81

DEPARTMENT/DIVISION DESCRIPTION:

The Wastewater Treatment Division is responsible for the management of the Trinity River Authority (TRA) wastewater treatment contract with the City. The City contracts with TRA to provide wastewater treatment services on behalf of the City's wastewater customers. The City's wastewater is collected in the collection system and then treated by the TRA, at their Central Regional Wastewater Treatment Plant, or the Denton Creek Wastewater Treatment Plant. Other duties of the division include accurate record keeping of wastewater flows and accurate data collection of industrial sampling, to ensure proper management of and conformance with the contract.

DEPARTMENT/DIVISION GOALS:

1. Review pretreatment sampling records to ensure compliance with state and federal rules and regulations.
2. Review monthly wastewater flows from the collection system to facilitate decisions regarding capacity of the collection system and TRA treatment plants.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 PROJECTED
Total daily treatment capacity (million gallons)	9.0	10.0	10.0
Total annual gallons treated (million gallons)	1,085.9 ⁽¹⁾	1,110.0	1,200.0
<u>PERFORMANCE ANALYSIS</u>			
Average daily gallons treated (million gallons)	2.950 ⁽¹⁾	2.950	3.290
Average cost per 1,000 gallons of wastewater treated	\$1.69 ⁽¹⁾	\$1.75	\$1.85
Average monthly wastewater gallons treated per customer	7,848	7,889	8,330

⁽¹⁾ Trinity River Authority audit report as of November 30, 2014. Remaining amounts are City estimates.

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Treatment

ACCOUNT:
200-750-81

**WATER & WASTEWATER
WASTEWATER TREATMENT
DIVISION / ACTIVITY SUMMARY**

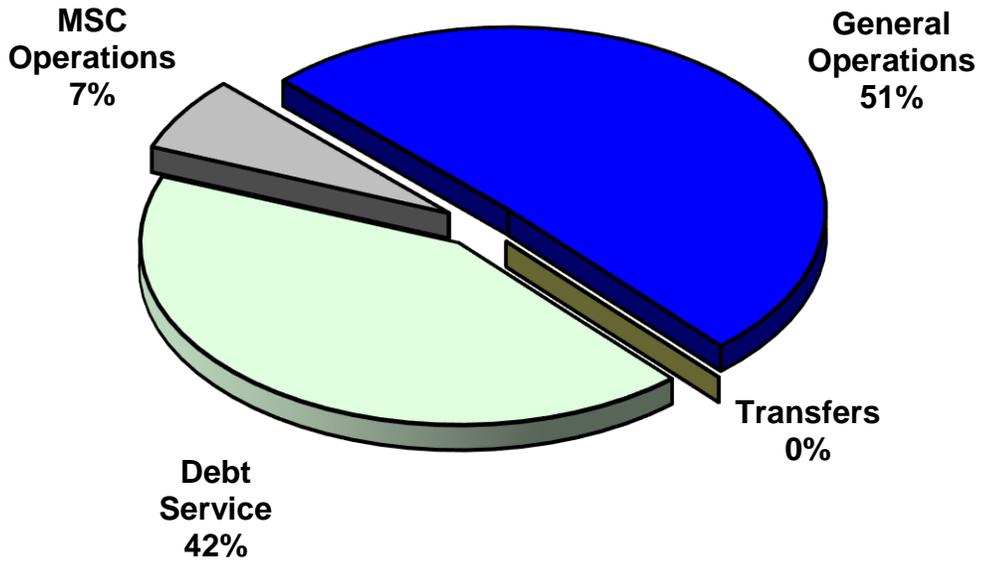
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Wastewater services-TRA	2,765,329	2,845,390	2,845,390	3,269,483
SUBTOTAL	2,765,329	2,845,390	2,845,390	3,269,483
Capital outlay	-	-	-	-
TOTAL	\$ 2,765,329	\$ 2,845,390	\$ 2,845,390	\$ 3,269,483

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
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No positions are funded in this division.

Water & Wastewater Fund Other / Non-Departmental

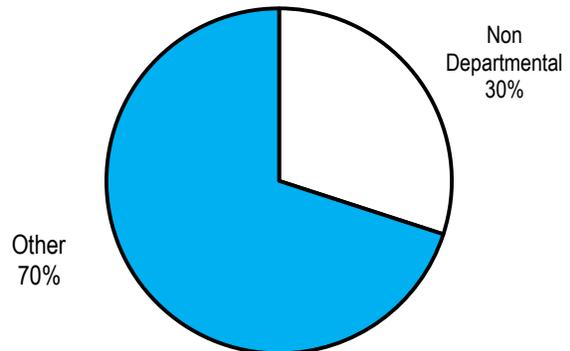


Department total: \$6,973,385

Non Departmental

- General Expenditures
- Municipal Service Center Operations
- Transfers to Other Funds
- Debt Service

Water & Wastewater Fund Expenditures



FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
MSC Operations

ACCOUNT:
200-770-93

DEPARTMENT/DIVISION DESCRIPTION:

The Municipal Service Center (MSC) Non-Departmental budget reflects expenditures of a general nature, which have not been allocated to specific departments. Included within this activity are budgeted costs for building maintenance, utility costs, grounds maintenance and janitorial services.

DEPARTMENT/DIVISION GOALS:

1. Continuously monitor a routine preventative maintenance schedule for all service vehicles stored at the Municipal Service Center by using Lucity Asset Management Program to help reduce major expenditures.
2. Provide and store adequate amounts of fuel for the needs of all City vehicles and equipment.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Public Works vehicles maintained	34	34	34
Routine maintenance work orders completed	118	120	120
Cost in routine maintenance work orders completed	\$16,085	\$15,000	\$14,500
Total PW maintenance work orders completed	250	200	200
Cost PW maintenance work orders completed	\$30,788	\$25,000	\$25,000
Fuel purchased (gallons)	131,116	131,000	131,000
Unleaded fuel usage (gallons)**	73,425	74,000	74,000
Diesel fuel usage (gallons)**	50,905	53,000	53,000
Unleaded fuel average price per gallon	\$2.96	\$2.51	\$ 3.20
Diesel fuel average price per gallon	\$3.22	\$2.96	\$ 3.50

** – Difference in fuel purchased and fuel used is the amount retained in the fuel storage tank inventory.

FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

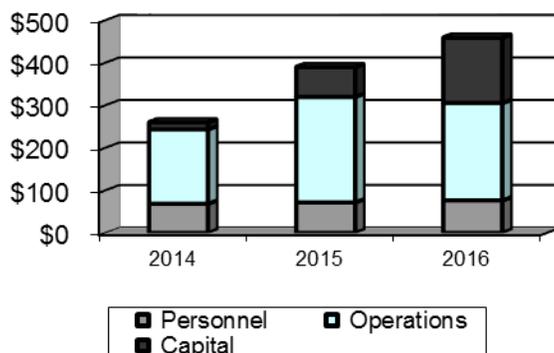
DIVISION:
MSC Operations

ACCOUNT:
200-770-93

**WATER & WASTEWATER
MUNICIPAL SERVICE CENTER OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 68,886	\$ 74,350	\$ 71,900	\$ 76,660
Operations & maintenance	66,026	100,830	98,130	97,500
Services & other	108,798	157,770	149,920	131,460
SUBTOTAL	243,710	332,950	319,950	305,620
Capital outlay	16,223	70,000	70,000	153,500
TOTAL	\$ 259,933	\$ 402,950	\$ 389,950	\$ 459,120

**Municipal Service Center
Expenditures (000's)**



FY2016 highlights: capital outlay includes funding for parking lot pavement improvements (year 3 of 5) at the Municipal Service Center, \$35,000; the enhancement of door card readers, \$18,500; and storage bay improvements, \$100,000.

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Light Duty Mechanic	TN-7	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0

FUND:	DEPARTMENT:	DIVISION:	ACCOUNT:
Water & Wastewater	Non-Departmental	General Expenditures	200-790-All

DEPARTMENT/DIVISION DESCRIPTION:

The Water & Wastewater Non-Departmental budget reflects expenditures of a general nature, which have not been allocated to specific departments. Included within this activity are budgeted costs for general insurance, debt service and transfers to other funds.

FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
General Expenditures

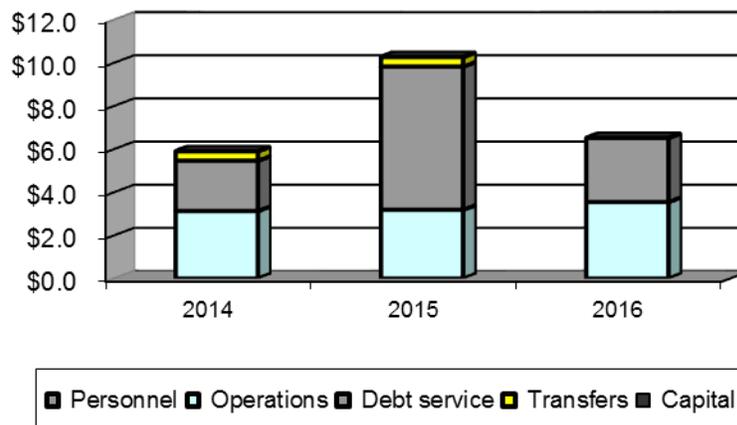
ACCOUNT:
200-790-All

**WATER & WASTEWATER
NON-DEPARTMENTAL / GENERAL EXPENDITURES
DIVISION/ACTIVITY SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	6,049	12,000	12,000	12,000
Services & other	3,122,621	3,145,185	3,177,995	3,536,670
Debt service (principal and interest)	2,332,301	2,138,650	6,636,660	2,965,595
Transfers to other funds	436,510	440,985	440,985	-
SUBTOTAL	5,897,481	5,736,820	10,267,640	6,514,265
Capital outlay	-	-	-	-
TOTAL	\$ 5,897,481	\$ 5,736,820	\$ 10,267,640	\$ 6,514,265

<u>EXPENDITURES BY DIVISION:</u>				
Debt Service	\$ 2,334,114	\$ 2,140,500	\$ 6,679,165	\$ 2,967,445
<i>Principal, interest and services</i>				
Transfers to other funds	436,510	440,985	440,985	-
Non-Departmental	3,126,857	3,155,335	3,147,490	3,546,820
TOTAL	\$ 5,897,481	\$ 5,736,820	\$ 10,267,640	\$ 6,514,265

Non-Departmental Expenditures (millions)



PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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No positions are funded in this division.

WATER & WASTEWATER CAPITAL PROJECTS

The Water & Wastewater Capital Projects account provides project funding for water and wastewater capital improvements. Funding for the projects is provided by a combination of water-and-wastewater-supported debt issuance, water and wastewater impact fees and transfers from the Water & Wastewater operations fund. The project budget amounts are not included in the operating budget totals.

Projects are primarily growth and development driven. The following projects include both new infrastructure and expansions to existing systems for both wastewater and water projects. The projects are proposed to be funded from a combination of long-term debt issuance and water and wastewater impact fees. The operating budget impact, if any, will be recorded as operations and maintenance expense in the Water and Wastewater Fund. The operating budget impact excludes annual debt service requirements for improvements that will be funded with proceeds of long-term debt.

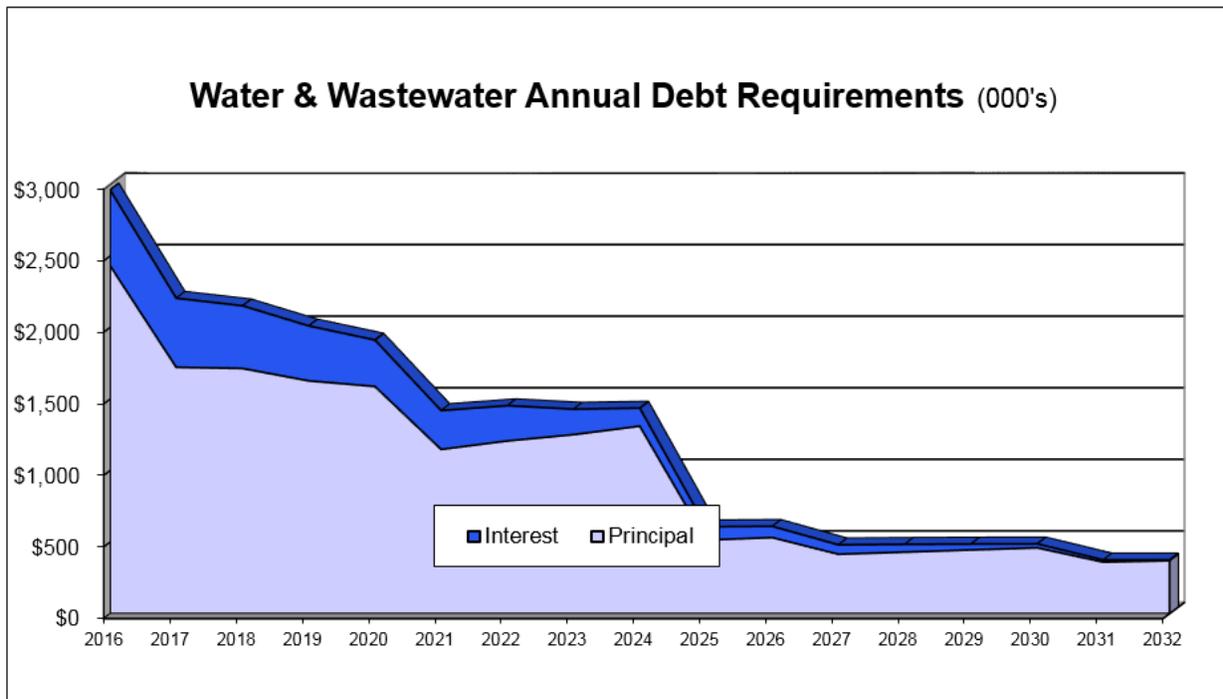
Capital project fund budgets are project-based, not fiscal-year based. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2015 will be re-appropriated into the appropriate project for the 2015-2016 fiscal year.

Water and wastewater capital projects for fiscal years 2015-16 through 2019-20 are provided in the capital improvements section of the document.

SCHEDULE OF WATER & WASTEWATER FUND DEBT OUTSTANDING
October 1, 2014

	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount Issued (000's)</u>	<u>Amount Outstanding (000's)</u>	<u>FY2016 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation refunding bonds:								
Series 2005	3.25 - 4.20	08/2005	02/2020	\$ 5,360	-			
Series 2010A	2.00 - 3.50	04/2010	02/2020	1,290	420	80,000	12,675	92,675
Series 2012	0.30 - 5.00	06/2012	02/2024	7,310	6,095	575,000	260,325	835,325
Series 2015	2.00 - 4.00	01/2015	02/2026	\$ 10,475	4,310	1,203,637	104,912	1,308,549
Combination tax and revenue certificates of obligation:								
Series 2006	4.25 - 4.375	07/2006	02/2026	4,255	3,020	200,000	4,375	204,375
Series 2010	2.00 - 4.250	04/2010	04/2030	1,600	1,320	65,000	52,239	117,239
Series 2012	0.00 - 2.850	02/2012	04/2032	5,835	5,080	255,000	93,601	348,601
Public property finance contractual obligations:								
Series 2013	0.67 - 1.63	08/2013	02/2018	270	165	53,940	1,885	55,825
TOTAL				\$ 36,395	\$ 20,410	\$ 2,432,580	\$ 530,015	\$ 2,962,595

(1) Post refunding.



**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
BY FISCAL YEAR
WATER AND WASTEWATER FUND DEBT**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
2015-16	2,432,637	587,551	3,020,188	3,020,188
2016-17	1,721,630	483,053	2,204,683	2,204,683
2017-18	1,713,537	438,156	2,151,693	2,151,693
2018-19	1,626,985	384,063	2,011,048	2,011,048
2019-20	1,587,915	324,672	1,912,587	1,912,587
2020-21	1,147,875	271,751	1,419,626	1,419,626
2021-22	1,206,990	246,525	1,453,515	1,453,515
2022-23	1,251,105	178,124	1,429,229	1,429,229
2023-24	1,310,220	126,489	1,436,709	1,436,709
2024-25	514,335	92,918	607,253	607,253
2025-26	531,392	78,847	610,239	610,239
2026-27	415,000	65,944	480,944	480,944
2027-28	430,000	54,124	484,124	484,124
2028-29	445,000	41,313	486,313	486,313
2029-30	460,000	27,546	487,546	487,546
2030-31	360,000	15,495	375,495	375,495
2031-32	370,000	5,273	375,273	375,273
TOTAL	\$ 17,524,621	\$ 3,421,843	\$ 20,946,464	\$ 20,946,464

DRAINAGE UTILITY FUND

The Drainage Utility Fund accounts for revenues and expenses of the City's drainage utility and is financed primarily through drainage fees and charges.

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
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DRAINAGE UTILITY FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 2,489,414	\$ 1,671,024	\$ 2,558,332	\$ 2,771,677
Revenues and transfers	1,582,513	1,599,850	1,620,280	1,648,960
TOTAL FUNDS AVAILABLE	4,071,927	3,270,874	4,178,612	4,420,637

USES/DEDUCTIONS:

Expenditures and transfers out	1,538,440	1,467,405	1,406,935	1,339,173
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ENDING FUND BALANCE:

Total fund balance	2,533,487	1,803,469	2,771,677	3,081,464
Prior period adjustments	24,845			
Unreserved fund balance	2,508,642	1,803,469	2,771,677	3,081,464

FUND TOTAL

	\$ 4,071,927	\$ 3,270,874	\$ 4,178,612	\$ 4,420,637
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Excess revenues (expenditures)	44,073	132,445	213,345	309,787
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Unreserved ending fund balance:

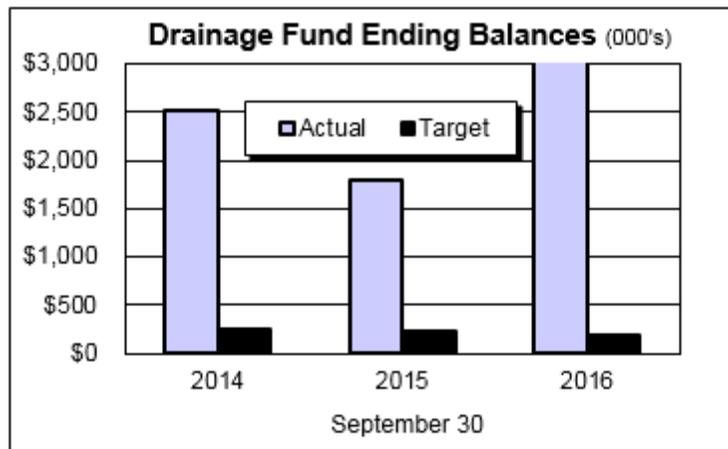
Percent of operating expenditures ⁽¹⁾	163.1%	141.0%	227.5%	265.8%
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TARGET	16.7%	16.7%	16.7%	16.7%
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Number of days operating expenditures	587.0	507.5	818.9	957.0
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TARGET	60.0	60.0	60.0	60.0
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⁽¹⁾ excludes capital outlay and interfund transfers.



FUND:
Drainage Utility

DEPARTMENT:
Drainage Maintenance

DIVISION:
* All Divisions

ACCOUNT:
400-All-All

DEPARTMENT DESCRIPTION:

The Drainage Maintenance Department is responsible for the collection and transportation of storm water in a manner that mitigates or eliminates flooding and property damage. Revenues for these services are derived primarily from drainage fees, which were established by City Ordinance No. 638, adopted November 20, 1990.

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes resulting in improved efficiency and reduced operations and maintenance costs throughout the fiscal year.
2. Continue the process of meeting the permitting regulation requirements for Phase II of the National Pollutant Discharge Elimination System (NPDES) program.
3. Maintain bridges and box culverts in order to provide proper drainage of storm water.
4. Maintain drainage structures, ditches, culverts, channels, etc.; make repairs, and clean debris and silt that restrict storm flows.
5. Mitigate or eliminate flooding and property damage in the City.
6. Continue channel preventative maintenance program utilizing herbicide treatments, mowing, repair of erosion and other work as needed.
7. Improve and expand division use of the "Lucity" work order database system by implementing field accessibility for all Crew Leaders.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>PROJECTED</u>
Miles of Roadside Ditches Maintained/Mowed	118	118	118
Acreage of Channels Mowed	382	382	382
Acreage of ROWs Mowed	325	325	325
Culverts debris removal per rain event	15	15	15
Miles of Channels sprayed with Herbicide	2.75	3.50	3.50
Linear feet of curb & gutter replaced	2,300	2,000	2,500

FUND: Drainage Utility **DEPARTMENT:** Drainage Maintenance **DIVISION:** * All Divisions **ACCOUNT:** 400-All-All

2013-2014 2014-2015 2014-2015 2015-2016
ACTUAL BUDGET ESTIMATE BUDGET

DRAINAGE UTILITY FUND

OPERATING REVENUES:

Drainage fees	\$ 1,570,602	\$ 1,587,000	\$ 1,607,280	\$ 1,632,960
Subtotal	1,570,602	1,587,000	1,607,280	1,632,960

OTHER REVENUE:

Miscellaneous revenue (expense)	(1,183)	850	1,000	1,000
Interest revenue	13,094	12,000	12,000	15,000

TOTAL REVENUES **\$ 1,582,513** **\$ 1,599,850** **\$ 1,620,280** **\$ 1,648,960**

EXPENDITURES BY FUNCTION:

Personnel services	\$ 558,387	\$ 597,835	\$ 546,945	\$ 589,125
Operations & maintenance	69,051	143,860	143,660	148,605
Services & other	272,341	370,860	360,215	371,443
Debt service	54,227	-	-	-
Transfers to other funds	-	-	-	-

SUBTOTAL 954,006 1,112,555 1,050,820 1,109,173

Capital outlay	-	188,080	188,490	180,000
Drainage capital improvements	584,434	166,770	167,625	50,000

SUBTOTAL 584,434 354,850 356,115 230,000

TOTAL **\$ 1,538,440** **\$ 1,467,405** **\$ 1,406,935** **\$ 1,339,173**

EXPENDITURES BY DIVISION:

Drainage Maintenance	\$ 714,779	\$ 1,113,635	\$ 1,052,310	\$ 1,064,475
Debt Service	54,227	-	-	-
Drainage Capital Improvements	584,434	166,770	167,625	50,000
Intragovernmental Transfers	-	-	-	-
Non-Departmental	185,000	187,000	187,000	224,698

TOTAL **\$ 1,538,440** **\$ 1,467,405** **\$ 1,406,935** **\$ 1,339,173**

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Street/Drainage Superintendent	M-1	0.5	0.5	0.5
Construction Inspector	A/TN-11	1.0	1.0	1.0
Street/Drainage Crewleader	TN-7	1.0	2.0	2.0
Equipment Operator	TN-5	3.0	2.0	2.0
Street/Drainage Maint. Worker	TN-2	3.0	3.0	3.0
<u>TOTAL</u>		<u>8.5</u>	<u>8.5</u>	<u>8.5</u>

KELLER DEVELOPMENT CORPORATION

The Keller Development Corporation (KDC) Fund accounts for proceeds of the ½ cent local sales tax for park and recreation improvements. The KDC budget was approved by the KDC Board of Directors on July 20, 2015. State law requires a public hearing for development corporations at least 60 days prior to the expenditure of funds. The public hearing was conducted on July 21, 2015.

KELLER DEVELOPMENT CORPORATION SUMMARY

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 1,056,137	\$ 1,731,332	\$ 2,007,356	\$ 2,216,946
Revenues and transfers	2,497,435	2,468,310	3,723,020	2,956,961
TOTAL FUNDS AVAILABLE	3,553,572	4,199,642	5,730,376	5,173,907
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	1,546,216	2,544,970	3,513,430	2,496,125
<u>ENDING FUND BALANCE:</u>				
Total fund balance	2,007,356	1,654,672	2,216,946	2,677,782
Reserve for debt service (1)	-	-	-	-
Reserve for minimum fund balance	311,056	411,385	444,090	565,242
Unassigned fund balance	1,696,300	1,243,287	1,772,856	2,112,540
FUND TOTAL	\$ 3,553,572	\$ 4,199,642	\$ 5,730,376	\$ 5,173,907
Excess revenues (expenditures)	951,219	(76,660)	209,590	460,836
Fund balance reserves:				
Actual number of days recurring revenues	289.4	241.3	299.5	331.6
TARGET	45.0	60.0	60.0	70.0

The KDC Board has recommended the minimum fund balance be increased from 60 days of operating expenses (FY2015) to 70 days (FY2016).

FUND:
Keller Development
Corporation

DEPARTMENT:
All Departments

DIVISION:
All Divisions

ACCOUNT:
110-All-All

DEPARTMENT DESCRIPTION:

The Keller Development Corporation was established by Ordinance No. 670 in 1992 by levying a 1/2-cent sales and use tax to provide funding for parks and recreation capital improvements as approved by voters. The Corporation is managed by a Board of Directors consisting of the Mayor, three City Council members, two Parks and Recreation Board members and one citizen at-large. A majority of the budget is currently funding debt service for capital expenses for The Keller Pointe and the Keller Sports Park. In addition to the sales tax, revenues are also received from the ground lease agreement with Blue Sky Sports Center.

DEPARTMENT/DIVISION GOALS:

1. Manage the ground lease agreement for the use and operation of a public/private indoor soccer complex at Keller Sports Park.
2. Manage retirement of the debt for The Keller Pointe and The Keller Sports Park.
3. Reserve funds to utilize as determined upon completion of the Parks, Recreation and Open Space Master Plan.
4. Develop a matching funds grant program for development of public park amenities.
5. Construct capital improvement projects including Big Bear Creek Greenbelt Trail Canopy Extension Phase II, Keller Smithfield Parking Lot Expansion, Design and Construction Administration consulting fees for the development of four Parks as outlined in the 2015 Parks and Recreation Master Plan.
6. Continue to seek funding opportunities for the development of hike and bike trails, which is listed as the number one facility need for outdoor and indoor recreation in accordance with the 2007 Parks, Recreation and Open Space Master Plan.

FUND:
Keller Development
Corporation

DEPARTMENT:
All Departments

DIVISION:

ACCOUNT:
110-All-All

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
REVENUES				
<u>SALES TAXES:</u>				
City sales taxes	\$ 2,480,274	\$ 2,452,810	\$ 2,649,040	\$ 2,890,581
Subtotal	2,480,274	2,452,810	2,649,040	2,890,581
<u>MISCELLANEOUS REVENUES:</u>				
Rental revenue	12,000	12,000	12,000	12,000
Interest revenue	5,161	3,500	3,500	4,380
Premium on Debt Issuance	-	-	18,480	-
Debt Issuance - Refunding Bonds	-	-	1,040,000	-
Transfer from Pointe	-	-	-	50,000
Subtotal	17,161	15,500	1,073,980	66,380
TOTAL REVENUES	\$ 2,497,435	\$ 2,468,310	\$ 3,723,020	\$ 2,956,961

EXPENDITURE SUMMARY

<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	5,575	21,890	21,890	21,890
Services & other	39,630	67,700	77,435	49,200
Debt service	1,336,763	1,615,680	2,632,820	848,850
Transfers to other funds	156,280	134,485	134,485	603,185
SUBTOTAL	1,538,247	1,839,755	2,866,630	1,523,125
Capital outlay	7,969	705,215	646,800	973,000
TOTAL	\$ 1,546,216	\$ 2,544,970	\$ 3,513,430	\$ 2,496,125

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions – Includes Vacant Positions)

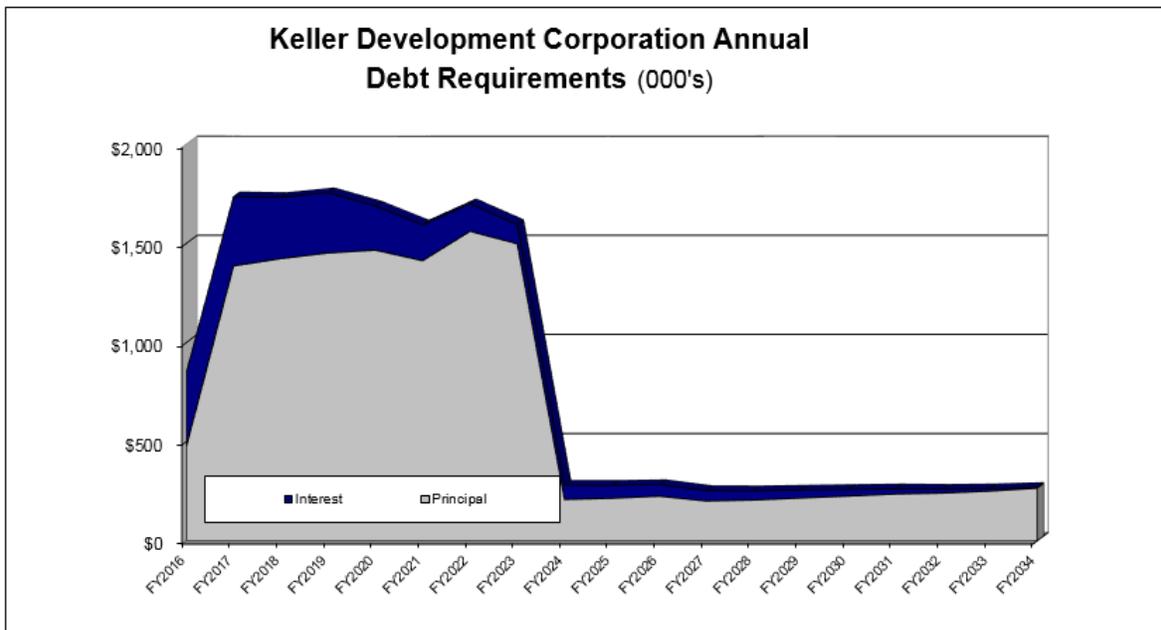
POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Parks/Landscape Crewleader	TN-7	0.50	-	-
Parks/Landscape Maintenance Worker	TN-2	0.50	-	-
Parks/Landscape Maint Worker (Seasonal)	NA	0.39	-	-
TOTAL		1.39	-	-

All personnel have been transferred to General Fund.

FY2016 highlights: Capital outlay of \$973,000 continues funding for park project matching funds grants (\$100,000); Big Bear Creek Greenbelt Trail Canopy Extension (\$50,000), Keller Smithfield Activity Node Parking Lot (\$100,000), Design and Construction Consulting Fees for Keller Sports Park (\$180,000) and Northeast Park (\$120,000), a Dog Park (\$110,000), Mower Replacement (\$63,000) and continued Trail System Expansion (\$250,000).

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER DEVELOPMENT CORPORATION**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2016	472,365	375,034	847,399	847,399
FY2017	1,385,928	349,216	1,735,144	1,735,144
FY2018	1,423,021	308,636	1,731,657	1,731,657
FY2019	1,451,527	304,009	1,755,536	1,755,536
FY2020	1,465,951	222,174	1,688,125	1,688,125
FY2021	1,412,535	180,145	1,592,680	1,592,680
FY2022	1,560,818	139,022	1,699,840	1,699,840
FY2023	1,498,345	96,604	1,594,949	1,594,949
FY2024	207,804	71,954	279,758	279,758
FY2025	213,797	65,630	279,427	279,427
FY2026	224,294	59,058	283,352	283,352
FY2027	200,000	52,694	252,694	252,694
FY2028	205,000	46,619	251,619	251,619
FY2029	215,000	40,319	255,319	255,319
FY2030	225,000	33,719	258,719	258,719
FY2031	235,000	26,819	261,819	261,819
FY2032	240,000	19,694	259,694	259,694
FY2033	250,000	12,188	262,188	262,188
FY2034	265,000	4,141	269,141	269,141
Total	\$ 13,151,385	\$ 2,407,672	\$ 15,559,057	\$ 15,559,057



SCHEDULE OF KELLER DEVELOPMENT CORPORATION DEBT REQUIREMENTS
October 1, 2015

	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount Issued (000's)</u>	<u>Amount Outstanding (000's)</u>	<u>FY2016 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation refunding bonds:								
Series 2011	1.50% - 3.00%	09/2011	02/2023	\$ 8,710	\$ 8,452	\$ 36,912	\$ 251,524	\$ 288,436
Series 2015	2.00% - 4.00%	01/2015	02/2026	10,475	2,276	290,453	25,317	315,770
Combination tax and revenue certificates of obligation: (post refunding)								
Series 2015	2.00% - 4.00%	01/2015	02/2034	3,870	3,675	145,000	98,194	243,194
TOTAL				\$ 42,065	\$ 14,403	\$ 472,365	\$ 375,034	\$ 847,399

(1) Post refunding.

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER DEVELOPMENT CORPORATION
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011**

Date	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2015	\$ 35,000.00	\$ 253,987.50	\$ 288,987.50	\$ 288,987.50
FY2016	35,000.00	253,462.50	288,462.50	288,462.50
FY2017	1,095,000.00	236,775.00	1,331,775.00	1,331,775.00
FY2018	1,135,000.00	203,325.00	1,338,325.00	1,338,325.00
FY2019	1,170,000.00	168,750.00	1,338,750.00	1,338,750.00
FY2020	1,205,000.00	133,125.00	1,338,125.00	1,338,125.00
FY2021	1,240,000.00	96,450.00	1,336,450.00	1,336,450.00
FY2022	1,275,000.00	58,725.00	1,333,725.00	1,333,725.00
FY2023	1,320,000.00	19,800.00	1,339,800.00	1,339,800.00
Total	\$ 8,510,000.00	\$ 1,424,400.00	\$ 9,934,400.00	\$ 9,934,400.00

Original amount issued: \$8,710,000

Purpose: Refund portions of Combination Tax and Revenue Certificates of Obligation, Series 2003.

**THE KELLER POINTE
RECREATION AND AQUATIC CENTER FUND**

The Recreation/Aquatic Center Fund, established in FY2003, accounts for operating revenues and costs of The Keller Pointe, which opened in May 2004. Facility operations supports direct operating costs, excluding debt service, funded with user fees and charges.

FUND SUMMARY

	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>RESOURCES:</u>				
Total beginning fund balance *	\$ 592,023	\$ 1,673,360	\$ 947,409	\$ 1,008,846
Revenues and transfers	3,046,903	3,194,545	2,959,270	3,078,080
TOTAL FUNDS AVAILABLE	3,638,926	4,867,905	3,906,679	4,086,926
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	2,691,518	3,543,695	2,897,833	3,390,425
<u>ENDING FUND BALANCE: *</u>				
Total fund balance *	947,409	1,324,210	1,008,846	696,501
FUND TOTAL	\$ 3,638,926	\$ 4,867,905	\$ 3,906,679	\$ 4,086,926
Excess revenues (expenditures)	355,386	(349,150)	61,437	(312,345)
2015-2016 Capital replacement expenditures from fund balance:				
Membership Promotion			\$ 40,000	
Outdoor Pool Retile, Replaster, Paint			137,000	
Building Wall Texture and Paint			23,460	
Membership Supplies			10,000	
TOTAL CAPITAL REPLACEMENT EXPENDITURES			210,460	
UNASSIGNED FUND BALANCE *			\$ 486,041	

* – Fund balance is cash and investments, less accounts payable.

REVENUES

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>OPERATING REVENUES:</u>				
Daily pass revenue	\$ 174,260	\$ 198,200	\$ 188,600	\$ 188,600
Annual pass sales	1,832,229	1,870,000	1,831,000	1,835,000
Employee pass revenue	86,496	90,600	84,205	94,170
Employee dependent pass revenue	19,689	18,300	17,895	18,000
Private party revenues	109,740	115,000	115,000	120,000
Concessions	36,224	41,800	14,750	2,400
Merchandise sales-general	1,358	840	1,225	650
Merchandise sales-aquatics	10,553	13,870	8,000	10,500
Outdoor concessions	35,011	58,100	3,000	3,000
Outdoor merchandise sales	2,213	2,855	-	2,000
Stay 'N Play revenue	15,886	13,300	13,300	13,300
Aquatics Program revenues	151,539	142,450	137,775	140,000
Fitness Program revenues	5,209	12,000	740	-
Group exercise revenue	3,642	4,560	3,615	4,560
Personal training revenues	73,140	106,000	35,570	125,000
Recreation Programs revenues	393,361	400,000	400,900	408,610
Facility rentals	47,888	51,015	52,510	54,000
Gymnasium rentals	7,136	5,700	7,540	8,000
Pool rentals	17,145	29,465	25,430	30,700
Subtotal	3,022,719	3,174,055	2,941,055	3,058,490
<u>OTHER REVENUE:</u>				
Interest earnings	7,688	4,300	4,300	5,380
Miscellaneous grants & donations	4,100	8,000	5,400	6,000
Gain (loss) on disposal of assets	(0)	-	-	-
Miscellaneous revenue (expense)	12,396	8,190	8,515	8,210
Subtotal	24,184	20,490	18,215	19,590
<u>TOTAL REVENUES AND TRANSFERS</u>	<u>\$ 3,046,903</u>	<u>\$ 3,194,545</u>	<u>\$ 2,959,270</u>	<u>\$ 3,078,080</u>

FUND:	DEPARTMENT:	DIVISION:	ACCOUNT:
The Keller Pointe (Recreation & Aquatic Center)	The Keller Pointe (Recreation & Aquatic Center)	All Divisions/Programs	125-650-All

DEPARTMENT DESCRIPTION:

The Keller Pointe is an enterprise facility intended to be a self-supporting operation; therefore, the revenues generated by the facility should fully support the facility's direct operating costs. The primary source of revenue is generated through pass sales, with the second largest revenue source being programs. Additional revenue sources include facility rentals, concession and merchandise sales, party reservations and personal training. Facility programming includes a wide range of programs to appeal to all age groups of recreation, aquatic and fitness users. The facility and its programs are available to members and non-members, residents and non-residents. The Keller Pointe exceeds community expectations and achieves fiscal success by providing unprecedented service and award-winning programs.

The Keller Pointe budget is divided into the following seven divisions: (a) The Administration Division includes administrative staff, office supplies and maintenance, facility marketing, utilities and general insurance; (b) the Aquatics Division includes aquatic staff and contract instructors, pool equipment maintenance and supplies, aquatic merchandise sales and aquatic program supplies; (c) the Fitness Programs Division includes fitness program staff and contract instructors, fitness equipment maintenance and fitness program supplies; (d) the Recreation Programs Division includes recreation staff and contract instructors/referees, birthday party supplies, recreation program and league supplies and gymnasium equipment; (e) the Facility Operations & Maintenance Division includes building maintenance staff and contract janitorial services, janitorial supplies, and facility maintenance; (f) the Customer Services Division includes customer service staff at the front desk, office supplies and concessions/merchandise sales, and (g) the Outdoor Concessions Division includes contracted concession sales for the outdoor concession stand.

The Keller Development Corporation provided financing for construction and capital costs of the facility (and subsequent annual principal and interest payments).

DEPARTMENT/DIVISION GOALS:

Ensure sustainability of The Keller Pointe through management of a self-sufficient enterprise fund to continue to prevent subsidization from the general fund by:

1. Implementing a brand for The Keller Pointe, and a new marketing strategy to secure state-of-the-art traditional graphic design as well as digital multimedia.
2. Maintaining an annual member base of 3,350 passes.
3. Attracting new members while retaining current members through the delivery of quality programs, activities and events to maintain a member attrition rate at 35% or less.
4. Ensuring membership retention and growth by rewarding membership with program discounts in accordance with our program pricing structure.
5. Increasing recreation program registration through innovative and creative programming and activities.
6. Retaining loyal guests and attracting new individuals and businesses by providing quality customer service that exceeds expectations resulting in a customer satisfaction survey rating of 95%.
7. Developing knowledgeable and helpful staff through program-specific staff trainings.
8. Inspiring healthy lifestyles, showcasing local businesses and organizations, providing citizens and members a quality recreation experience and spotlighting The Keller Pointe amenities by hosting a minimum of five special events annually.
9. Fostering partnerships with civic groups, businesses, and foundations that align with our core values.
10. Enhancing visual communication of The Keller Pointe's facility, programs and services through social, electronic and print media.

(Continued)

FUND:	DEPARTMENT:	DIVISION:	ACCOUNT:
The Keller Pointe (Recreation & Aquatic Center)	The Keller Pointe (Recreation & Aquatic Center)	All Divisions/Programs	125-650-All

(Continued)

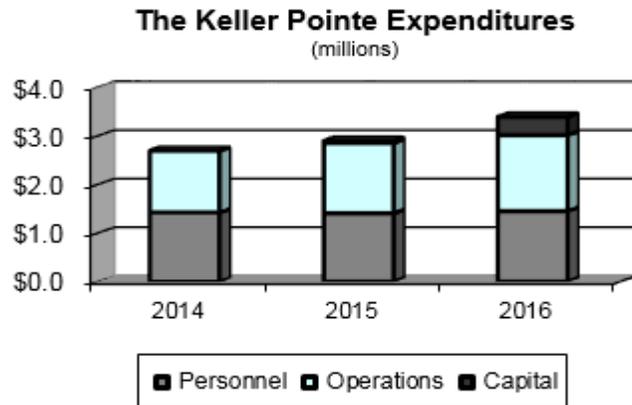
DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Completed surveys	N/A	127	400
Recreation programs provided (class list)	183	175	193
Leagues provided	17	14	17
Special events provided	12	11	12
Group exercise classes offered	2,782	2,792	2,792
Number of partnerships developed	9	4	12
Number of annual members	3,340	3,500	3,600
Annual attendance (day pass & member visits)	245,191	250,000	260,000
Recreation program participants (attendance)	3,207	3,275	3,300
League participants:			
Teams	104	116	130
Participants	1,058	1,218	1,300
Special event attendance	5,142	4,200	5,300
Facility rentals/birthday parties	1,018	2,100	2,200
Group exercise attendance	41,784	42,000	42,000
Partnership dollars generated	\$4,180	\$3,750	\$7,000
 <u>PERFORMANCE INDICATORS</u>			
Survey satisfaction rating on a five point scale	N/A	4.10	4.15
Member attrition rate	43%	35%	35%

**THE KELLER POINTE
DEPARTMENT SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 1,425,778	\$ 1,646,795	\$ 1,405,685	\$ 1,451,945
Operations & maintenance	309,316	463,665	455,680	404,345
Services & other	955,424	1,048,235	991,468	1,109,135
Transfers to other funds	-	-	-	50,000
SUBTOTAL	2,690,518	3,158,695	2,852,833	3,015,425
Capital outlay	1,000	385,000	45,000	375,000
TOTAL	\$ 2,691,518	\$ 3,543,695	\$ 2,897,833	\$ 3,390,425

<u>EXPENDITURES BY ACTIVITY</u>				
Administration	\$ 770,413	\$ 1,080,410	\$ 865,815	\$ 927,235
Aquatics	441,535	531,135	549,415	531,470
Fitness Programs	253,315	250,985	182,310	198,770
Recreation Programs	484,900	467,210	458,039	507,150
Facility Operations & Maintenance	450,440	533,290	533,824	553,300
Customer Services	257,950	279,430	297,180	280,800
Outdoor Concessions	32,965	51,235	1,250	1,700
Capital Replacement	-	350,000	10,000	340,000
Non-Departmental	-	-	-	50,000
TOTAL	\$ 2,691,518	\$ 3,543,695	\$ 2,897,833	\$ 3,390,425



PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	5.00	5.00	4.00
Aquatics	17.40	17.28	16.18
Fitness Programs	2.94	1.63	0.60
Recreation Programs	10.77	9.91	10.84
Facility Operations & Maintenance	1.00	2.00	1.60
Customer Services	9.00	8.91	9.09
Outdoor Concessions	1.30	1.28	-
TOTAL	47.40	46.00	42.30

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Administration **ACCOUNT:** 125-650-01

ADMINISTRATION

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 302,996	\$ 408,950	\$ 276,665	\$ 314,720
Operations & maintenance	27,781	100,650	93,730	68,200
Services & other	438,636	535,810	460,420	509,315
SUBTOTAL	769,413	1,045,410	830,815	892,235
Capital outlay	1,000	35,000	35,000	35,000
TOTAL	\$ 770,413	\$ 1,080,410	\$ 865,815	\$ 927,235

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Recreation Manager	M-1	1.00	1.00	1.00
Assistant Manager/Accounting	PE-6	1.00	1.00	1.00
Administrative Aide	A/TN-8	1.00	–	–
Administrative Secretary	A/TN-8	–	1.00	1.00
Sales Coordinator	A/TN-6	–	–	–
Marketing/Events Coordinator	A/TN-6	1.00	1.00	–
Accounting Assistant	A/TN-8	1.00	1.00	1.00
TOTAL		5.00	5.00	4.00

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Aquatics **ACCOUNT:** 125-650-02

AQUATICS

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 366,297	\$ 434,455	\$ 439,940	\$ 444,570
Operations & maintenance	61,939	76,115	92,010	69,600
Services & other	13,299	20,565	17,465	17,300
SUBTOTAL	441,535	531,135	549,415	531,470
Capital outlay	-	-	-	-
TOTAL	\$ 441,535	\$ 531,135	\$ 549,415	\$ 531,470

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Aquatics Supervisor	PE-4	1.00	1.00	1.00
Assistant Aquatics Supervisor	A/TN-5	-	1.00	1.00
Head Lifeguard	RCS-3	4.05	3.63	3.32
Lifeguard	RCS-2	11.87	11.17	10.42
Water Safety Instructor	RCS-4	0.48	0.48	0.44
TOTAL		17.40	17.28	16.18

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Fitness Programs **ACCOUNT:** 125-650-03

FITNESS PROGRAMS

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 134,267	\$ 151,785	\$ 59,500	\$ 16,970
Operations & maintenance	48,342	16,500	31,500	28,500
Services & other	70,706	82,700	91,310	153,300
SUBTOTAL	253,315	250,985	182,310	198,770
Capital outlay	-	-	-	-
TOTAL	\$ 253,315	\$ 250,985	\$ 182,310	\$ 198,770

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Fitness Coordinator	ATN-8	1.00	-	-
Group Exercise Coordinator	RCS-3			0.60
Personal Trainer	RCS-3	1.00	-	-
Personal Trainer (part-time)	RCS-3	0.94	1.63	-
TOTAL		2.94	1.63	0.60

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Recreation Programs **ACCOUNT:** 125-650-04

RECREATION PROGRAMS

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 275,245	\$ 281,745	\$ 259,165	\$ 298,560
Operations & maintenance	1,202	2,500	2,500	3,500
Services & other	208,453	182,965	196,374	205,090
SUBTOTAL	484,900	467,210	458,039	507,150
Capital outlay	-	-	-	-
TOTAL	\$ 484,900	\$ 467,210	\$ 458,039	\$ 507,150

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Recreation Supervisor	PE-3	1.00	1.00	1.00
Assistant Recreation Supervisor	A/TN-5	1.00	1.00	1.00
Maintenance Assistant	RCS-4	0.55	0.50	-
Recreation Coordinator	RCS-3	-	1.00	1.00
Camp Counselor	RCS-2	3.83	3.49	4.55
Recreation Assistant	RCS-1	-	0.48	0.85
Childcare Attendant	RCS-1	4.39	2.45	2.44
TOTAL		10.77	9.91	10.84

FUND: The Keller Pointe (Recreation & Aquatic Center)	DEPARTMENT: The Keller Pointe (Recreation & Aquatic Center)	DIVISION: Facility Operations & Maintenance	ACCOUNT: 125-650-05
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FACILITY OPERATIONS AND MAINTENANCE

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 101,201	\$ 104,215	\$ 109,455	\$ 113,025
Operations & maintenance	125,837	205,975	201,090	216,995
Services & other	223,402	223,100	223,279	223,280
SUBTOTAL	450,440	533,290	533,824	553,300
Capital outlay	-	-	-	-
TOTAL	\$ 450,440	\$ 533,290	\$ 533,824	\$ 553,300

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Building Operations Supervisor	PE-5	1.0	1.0	1.0
Maintenance Assistant		-	-	0.6
Building Maintenance Worker	RCS-4	-	1.0	-
TOTAL		1.0	2.0	1.6

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Customer Services **ACCOUNT:** 125-650-06

CUSTOMER SERVICES

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 231,628	\$ 242,510	\$ 260,960	\$ 264,100
Operations & maintenance	25,693	34,300	33,600	15,850
Services & other	629	2,620	2,620	850
SUBTOTAL	257,950	279,430	297,180	280,800
Capital outlay	-	-	-	-
TOTAL	\$ 257,950	\$ 279,430	\$ 297,180	\$ 280,800

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Customer Service Supervisor	PE-3	1.00	1.00	1.00
Assistant Customer Service Supervisor	ATN-5	1.00	1.00	-
Ticket Booth		-		0.77
Seasonal Customer Service Reps		1.34	1.25	1.25
Customer Service Reps II		1.14	1.14	2.51
Customer Service Representative (part-time)	RCS-2	4.52	4.52	3.56
TOTAL		9.00	8.91	9.09

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Outdoor Concessions **ACCOUNT:** 125-650-07

OUTDOOR CONCESSIONS

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 14,144	\$ 23,135	\$ -	\$ -
Operations & maintenance	18,522	27,625	1,250	1,700
Services & other	299	475	-	-
Transfers to other funds	-	-	-	-
SUBTOTAL	32,965	51,235	1,250	1,700
Capital outlay	-	-	-	-
TOTAL	\$ 32,965	\$ 51,235	\$ 1,250	\$ 1,700

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Concession Stand Attendant	RCS-1	1.30	1.28	-
TOTAL		1.30	1.28	-

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Capital Replacement **ACCOUNT:** 125-650-98

CAPITAL REPLACEMENT PROGRAM

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	100,000
Services & other	-	-	-	-
Transfers to other funds	-	-	-	-
SUBTOTAL	-	-	-	100,000
Capital outlay	-	350,000	10,000	240,000
TOTAL	\$ -	\$ 350,000	\$ 10,000	\$ 340,000

FUND:	DEPARTMENT:	DIVISION:	ACCOUNT:
The Keller Pointe (Recreation & Aquatic Center)	The Keller Pointe (Recreation & Aquatic Center)	Non-Departmental	125-990-91

INTERFUND TRANSFER

	<u>2013-2014</u> <u>ACTUAL</u>	<u>2014-2015</u> <u>BUDGET</u>	<u>2014-2015</u> <u>ESTIMATE</u>	<u>2015-2016</u> <u>BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Transfers to other funds	-	-	-	50,000
	-	-	-	50,000
SUBTOTAL	-	-	-	50,000
Capital outlay	-	-	-	-
	-	-	-	-
TOTAL	\$ -	\$ -	\$ -	\$ 50,000

INFORMATION SERVICES FUND

The Information Services Fund, created by the City in FY2001, accounts for City-wide information services/information technology operations, including Public Library support, Internet services and Audio Visual services. Funding for the Information Services Fund is provided by user fees and transfers from various operating funds, tower rental revenues and interest revenue. Expenditures provide for information technology support personnel and goods and services to be utilized on a City-wide basis.

2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
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INFORMATION SERVICES FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 790,123	\$ 595,432	\$ 677,882	\$ 536,137
Revenues and transfers	1,654,177	1,534,665	1,535,795	1,765,785
TOTAL FUNDS AVAILABLE	2,444,300	2,130,097	2,213,677	2,301,922

USES/DEDUCTIONS:

Expenditures and transfers out	1,776,418	1,693,130	1,677,540	1,746,314
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ENDING FUND BALANCE:

Total fund balance	667,882	436,967	536,137	555,608
Prior period adjustments	10,000			
Unassigned fund balance	677,882	436,967	536,137	555,608

FUND TOTAL

\$ 2,444,300	\$ 2,130,097	\$ 2,213,677	\$ 2,301,922
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REVENUES

OPERATING REVENUES:

Information services fees-City	\$ 1,305,750	\$ 1,151,550	\$ 1,151,550	\$ 1,392,090
General Fund lease revenue	235,870	264,875	264,875	258,395
Water/Wastewater Fund lease revenue	30,740	32,415	32,415	32,070
Drainage Utility Fund lease revenue	3,355	4,025	4,025	3,455
The Keller Pointe lease revenue	23,545	26,000	26,000	21,895
Communication tower rental fees	50,879	52,000	53,130	53,130
Subtotal	1,650,139	1,530,865	1,531,995	1,761,035

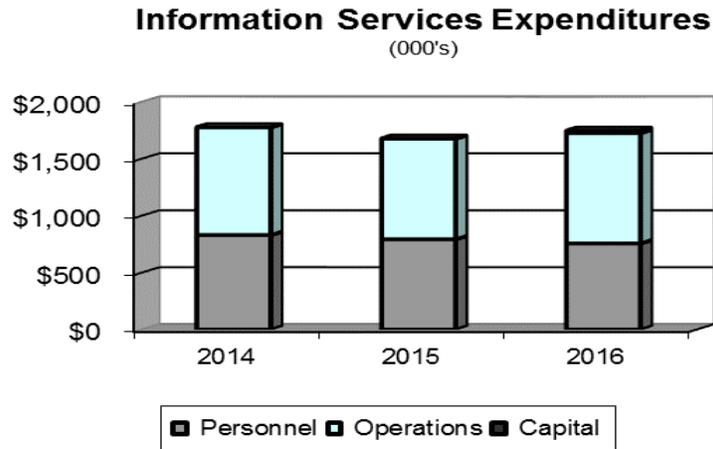
OTHER REVENUE:

Interest earnings	4,038	3,800	3,800	4,750
Gain (loss) on disposal of assets	(0)	-	-	-
Miscellaneous revenue (expense)	(0)	-	-	-
Subtotal	4,038	3,800	3,800	4,750

TOTAL REVENUES AND TRANSFERS	\$ 1,654,177	\$ 1,534,665	\$ 1,535,795	\$ 1,765,785
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**INFORMATION SERVICES FUND
COMBINED EXPENDITURES**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 831,405	\$ 773,120	\$ 794,205	\$ 757,809
Operations & maintenance	732,979	693,090	680,150	732,310
Services & other	212,034	226,920	203,185	236,195
SUBTOTAL	1,776,418	1,693,130	1,677,540	1,726,314
Capital outlay	-	-	-	20,000
TOTAL	\$ 1,776,418	\$ 1,693,130	\$ 1,677,540	\$ 1,746,314
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,562,906	\$ 1,457,180	\$ 1,445,805	\$ 1,484,045
Geographic Information Services	213,512	235,950	231,735	262,269
TOTAL	\$ 1,776,418	\$ 1,693,130	\$ 1,677,540	\$ 1,746,314



PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Administration	6.0	5.0	5.0
Geographic Information Services	2.0	2.0	2.0
TOTAL	8.0	7.0	7.0

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

DEPARTMENT/DIVISION DESCRIPTION:

The Information Technology Administration division is responsible for all information technology needs within the City of Keller. Responsibilities include networking, network security, desktop computer support, desktop applications, printer maintenance, departmental software application support, email, IP Telephony, security video camera support, cable television production, cable television programming, audio visual support, public library patron/staff support, general citywide communication, and the procurement of all hardware and software needs. Activities also include establishment and implementation of appropriate policies and procedures related to information technology.

In November 2002, geographic information system (GIS) activities were transferred from the Public Works Department to Information Technology. In October 2005, the Keller Public Library, internet services, cable television production, cable television broadcasting, and audio visual services were transferred to Information Services. Information Technology provides technical support to the Northeast Tarrant Communications Center (NETCOM) that provides dispatch, animal control, and jail services to Westlake, Southlake, Colleyville and Keller.

DEPARTMENT/DIVISION GOALS:

1. Increase productivity and decrease cost of providing city services through the implementation and support of technology based services.
2. Provide timely and efficient technical support services to all departments.
3. Maintain the Keller Technology Plan (KTP) as a prioritization and management tool for information technology (IT) projects throughout the entire organization. Key principles of KTP:
 - a. Core Principle: to consolidate the review and management of all City IT projects under one entity, Information Technology, to ensure IT projects are implemented in accordance with organization-wide goals and initiatives. Implement processes and procedures to ensure the effective and economical use of IT resources while improving staff efficiency and improving services to the citizens of Keller.
 - b. Replacement Principle: to ensure information technology (IT) equipment is utilized to its maximum useful life, but plan to have enough funds available to replace equipment when needed to ensure optimal employee efficiency. Maintain an accurate inventory and standardized replacement schedule for technology-based products.
 - c. New Request Principle: to ensure there is an adequate return on investment (ROI) on all new IT budget requests to provide a significant new service, increase staff efficiency, and/or improve services to staff and citizens. Follow city mandated purchasing policies and procedures, utilize request for proposals (RFP) to ensure that new technology requests match city business requirements, and utilize state and local purchasing agreements to leverage volume pricing.
4. Maintain the City's network/data center to reduce cost, eliminate duplication and improve performance of information technology services.
5. Ensure that all City software is properly licensed and documented.
6. Maintain comprehensive backups for all City servers, including offsite storage of all backup media.
7. Maintain the City's communication infrastructure to ensure reliable voice and data service to all City facilities.
8. Provide project management to all technology related projects within the City.
9. Maintain a document imaging system to reduce physical file storage requirements and improve access to critical information.
10. Assist the Administration department to continually review communication tools and advancements in technology and respond to the needs of our citizens by fostering open, responsive, and accessible communications.
11. Maintain the City's cable television channel to provide quality programming that informs and educates Keller citizens about city-related news.

(Continued)

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Application/file/storage servers supported/maintained*	34	37	37
Desktop/laptop computers supported/maintained**	306	309	311
Public Safety mobile data computers (MDC) maintained	26	28	28
Network / local printers supported/maintained	82	73	70
Telephone handsets supported/maintained	312	325	329
Network equipment/devices supported/maintained	60	64	64
Multi-function copy machines supported	16	16	16
Scanners supported/maintained	42	47	47
Tablet computers supported	42	56	64
Video security cameras supported/maintained	175	185	189

*Information Technology maintains thirty seven (37) physical servers as follows:

- Seven (7) physical servers that host seventy one (71) virtual servers
- Seven (7) storage area network servers
- Eight (8) video security servers
- Two (2) email security servers
- One (1) Public Safety voice recorder
- One (1) Public Safety in car video server
- Two (2) cable television programming servers
- One (1) streaming video server
- Three (3) backup servers
- Two (2) web servers
- Three (3) database/application servers

**Information Technology supports approximately twenty (20) additional desktop and laptop computers that have been previously replaced and are used for training or in a non-mission critical capacity.

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

**INFORMATION SERVICES FUND
ADMINISTRATION EXPENDITURES**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 673,276	\$ 606,200	\$ 625,400	\$ 575,920
Operations & maintenance	704,056	658,090	643,350	684,860
Services & other	185,574	192,890	177,055	203,265
SUBTOTAL	1,562,906	1,457,180	1,445,805	1,464,045
Capital outlay	-	-	-	20,000
TOTAL	\$ 1,562,906	\$ 1,457,180	\$ 1,445,805	\$ 1,484,045

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
Information Services Director	M-3	-	-	-
Director of Information Technology	M-2	1.0	1.0	1.0
Senior Systems Administrator	PE-10	-	-	-
IT Network Administrator	PE-9	-	1.0	1.0
Information Services Administrator	PE-9	1.0	-	-
IT Systems Administrator	PE-7	-	1.0	1.0
Information Services Network Analyst	PE-7	1.0	-	-
Information Services Systems Analyst	PE-7	1.0	-	-
Information Technology Systems Analyst	PE-7	-	-	1.0
IS Communications Specialist	PE-6	1.0	1.0	-
<i>Transferred to General Fund</i>				
Information Technology Specialist	ATN-11	-	-	1.0
Information Services Technician	ATN-9	1.0	1.0	-
TOTAL		6.0	5.0	5.0

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Geographic Information
Systems

ACCOUNT:
119-180-19

DEPARTMENT/DIVISION DESCRIPTION:

The Geographic Information Systems (GIS) division is under the general direction of the Director of Administrative Services and Information Technology Director. GIS provides geographic information and geographic data management services to all City departments. The City's GIS operates to help analyze city infrastructure and assist citizens and employees in making informed decisions regarding existing conditions and future needs. The GIS division supports Property Assessment, Public Safety, Economic Development, Permitting, Capital Improvements, Environment, Transportation, Public Works Asset Management, and many other issues related to city government. Specific services include system integration strategies, software and data needs analysis, software support, data analysis, data conversion, map production, interactive map web pages, and geographic database management.

DEPARTMENT/DIVISION GOALS:

1. Increase productivity and work efficiency by providing effective GIS solutions to streamline City processes in and between departments.
2. Improve GIS applications and increase the accessibility of GIS data to City staff.
3. Manage a centralized GIS database management system to ensure data integrity, accuracy and reliability of citywide infrastructure
4. Improve and enhance our existing North Central Texas Council of Government (NCTCOG) Communities GIS website.
5. Manage advance internal interactive mapping site to serve as data portal.
6. Acquire high resolution aerial imagery that can serve numerous purposes for various departments within the city and provide better data interpretations.
7. Continue to develop new GIS data layers for the Police, Fire, Economic Development, Public Works, Community Development, and Parks and Recreation departments.
8. Assist Public Works to comply with state and federal standards in storm water management.
9. Manage Public Works Lucity asset management, mobile solution system, and work order system.
10. Work with Public Safety departments to improve access to critical infrastructure information in a timely manner.
11. Provide NETCOM Dispatch Center with geofile, address verification, Automated Vehicle Locator (AVL) map and GIS support.
12. Help support City operations by providing location based analysis of City information and operations.
13. Import Tarrant County Appraisal District Tax information into GIS and provide tax analysis support.
14. Provide demographic and business geographic analysis for Economic Development.
15. Track infrastructure changes and gain future insights to anticipate future conditions through analysis of GIS datasets.
16. Provide GIS training for city departments.
17. Collaborate with other agencies through data sharing opportunities.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
Intranet GIS users	50	70	85
Advanced GIS users performing analysis and developing detailed maps	10	10	15

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Geographic Information
Systems

ACCOUNT:
119-180-19

**INFORMATION SERVICES FUND
GEOGRAPHIC INFORMATION SYSTEM EXPENDITURES**

	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 158,129	\$ 166,920	\$ 168,805	\$ 181,889
Operations & maintenance	28,923	35,000	36,800	47,450
Services & other	26,460	34,030	26,130	32,930
SUBTOTAL	213,512	235,950	231,735	262,269
Capital outlay	-	-	-	-
TOTAL	\$ 213,512	\$ 235,950	\$ 231,735	\$ 262,269

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
GIS Coordinator	PE-9	1.0	1.0	1.0
GIS Analyst	ATN-12	-	1.0	1.0
GIS Technician	ATN-9	1.0	-	-
TOTAL		2.0	2.0	2.0

LIBRARY SPECIAL REVENUE FUND

The Library Special Revenue Fund accounts for special contributions, donations and related expenditures for the Keller Public Library.

2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
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LIBRARY SPECIAL REVENUE FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 94,930	\$ 166,920	\$ 4,553	\$ 24,703
Revenues and transfers	50,369	11,450	35,150	20,560
TOTAL FUNDS AVAILABLE	145,299	178,370	39,703	45,263

USES/DEDUCTIONS:

Expenditures and transfers out	140,746	-	15,000	7,500
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ENDING FUND BALANCE:

Total fund balance	4,553	178,370	24,703	37,763
Committed for contingencies				
Designated for future expenditures				
Prior period adjustments	-	-	-	
Unassigned fund balance	4,553	178,370	24,703	37,763

FUND TOTAL

	\$ 145,299	\$ 178,370	\$ 39,703	\$ 45,263
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Excess revenues (expenditures)	(90,377)	11,450	20,150	13,060
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REVENUES

MISCELLANEOUS REVENUES:

Utility Bill Donations	\$ 7,275	\$ 8,000	\$ 7,500	\$ 7,500
Library Donations	9,787	-	25,000	10,000
Non-resident fees	2,975	3,000	2,200	2,500
Interest earnings	332	450	450	560
Friends of the Library donations	30,000	-	-	-
TOTAL REVENUES AND TRANSFERS	\$ 50,369	\$ 11,450	\$ 35,150	\$ 20,560

LIBRARY SPECIAL REVENUE FUND

EXPENDITURE SUMMARY

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	242	-	-	-
Services & other	7,104	-	15,000	7,500
SUBTOTAL	7,346	-	15,000	7,500
Capital outlay	133,400	-	-	-
TOTAL	\$ 140,746	\$ -	\$ 15,000	\$ 7,500
<u>EXPENDITURES BY ACTIVITY:</u>				
Library Services	\$ 140,746	\$ -	\$ 15,000	\$ 7,500
TOTAL	\$ 140,746	\$ -	\$ 15,000	\$ 7,500

PERSONNEL SUMMARY BY DEPARTMENT (Full-time Equivalent Positions – Includes Vacant Positions)

DEPARTMENT / DIVISION	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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No personnel funding is provided in this Fund.

RECREATION SPECIAL REVENUE FUND

The Recreation Special Revenue Fund accounts for specific revenues, including grants, tree restoration fines and miscellaneous fees and donations associated with operations and activities of the City's recreation programs.

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
RECREATION SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 101,627	\$ 367,982	\$ 353,745	\$ 323,086
Revenues and transfers	723,061	168,650	410,231	238,400
TOTAL FUNDS AVAILABLE	824,688	536,632	763,976	561,486
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	470,943	366,915	440,890	232,700
<u>ENDING FUND BALANCE:</u>				
Total fund balance	353,745	169,717	323,086	328,786
Assigned for:				
Rock the Park	(10,031)	12,397	(74,931)	(157,031)
Tree restoration	296,382	259,490	297,882	327,882
Unassigned fund balance	67,393	(102,170)	100,134	157,934
FUND TOTAL	\$ 824,688	\$ 536,632	\$ 763,976	\$ 561,486
Excess revenues (expenditures)	252,118	(198,265)	(30,659)	5,700

REVENUES

RECREATION PROGRAMS REVENUE:

Texas Amateur Athletic Foundation (TAAF):				
Swimming revenue	\$ 38,328	\$ 33,000	\$ 37,945	\$ 39,000
Miscellaneous Special Events Revenue	(12)	-	22,000	44,500
Daddy/daughter sweetheart ball	7,877	8,300	-	-
Halloween haunted trail revenue	1,526	5,600	-	-
Mother/son ice cream social revenue	-	1,400	-	-
Keller family campout revenue	1,552	1,750	-	-
Easter event revenue	3,480	2,500	-	-
Spooky-Kooky-Keller-Kastle revenue	877	1,250	-	-
Family fun films revenue	1,803	3,100	-	-
Fishing event revenue	560	1,100	-	-
Holly Days in the Park revenue	4,979	4,600	3,700	4,600
Rock the Park revenue	51,585	30,500	50,000	46,000
Senior Services program revenue	36,933	26,300	50,000	39,000
Recreation program revenue	17,077	13,000	-	-
TOTAL RECREATION REVENUES	\$ 166,565	\$ 132,400	\$ 163,645	\$ 173,100

(Continued)

**RECREATION SPECIAL REVENUE FUND
REVENUES**

(Continued)

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	\$ 2,291	\$ 1,000	\$ 1,000	\$ 1,250
Miscellaneous park donations	-	2,250	2,250	2,250
Grant revenue-Pathways to Play	245,464	-	211,536	-
Ticket sales revenue	398	500	300	300
Concerts in the Park revenue	5,138	5,500	-	-
Utility bill donation revenue	7,276	7,200	7,200	7,200
Recreation donations	-	2,000	-	-
Senior Services donations	16,484	16,000	22,500	24,000
Veteran's Memorial donations	245	300	300	300
Tree preservation fines/fees	279,200	1,500	1,500	30,000
TOTAL MISCELLANEOUS REVENUES	556,496	36,250	246,586	65,300
<u>INTERGOVERNMENTAL:</u>				
Tarrant County	-	-	-	-
TOTAL INTERGOVERNMENTAL	-	-	-	-
TOTAL REVENUES	\$ 723,061	\$ 168,650	\$ 410,231	\$ 238,400

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-All-All

DEPARTMENT DESCRIPTIONS:

Recreation Programs Division:

The Recreation Programs division is responsible for administering the activities of the programs and youth sport teams offered outside of The Keller Pointe. Administrative functions of the recreation program are included in the General Fund Parks and Recreation budget. The special revenue fund accounts for program supplies and services that are direct costs of the recreation programs and teams.

Special Events Division:

The Special Events budget accounts for special event activities administered by the department, including Rock the Park, Holly Days, Egg Scramble, Family Fun Films, Daddy/Daughter Sweetheart Ball, Family Camp Out, Outdoor Holiday Yard Decorating Contest, Lemonade Days and Fishing for Fun. Approximately 33 percent (\$41,810) of the funding for special events is supported by the General Fund for the community Trash-Off events (2), MasterWorks Music Series (5), volunteer recognition, and a portion of Holly Days in addition to city staff. The remaining 67 percent (\$84,815) is generated through 50-cent water bill donations, community partner donations/sponsorships, grants and fees.

Concerts in the Park Division:

The Concerts in the Park account provides funding for activities associated with musical entertainment and activities for three concerts held during the summer months at Bear Creek Park. Administrative staffing of the event is included in the General Fund Parks and Recreation budget.

Senior Services Programs and Trips

The Senior Services Division accounts for senior recreation programs and trips. These activities are funded by class/trip fees, sponsorships, grants and donations. Administrative staffing for these activities is included in the General Fund Parks and Recreation Budget.

DEPARTMENT/ACTIVITY GOALS:

1. Foster tourism, showcase local businesses and organizations and provide citizens an economical means of recreation through the creation and implementation of a variety of enriching programs and special events to appeal to guests of different ages and interest.
2. Inspire environmental stewardship and healthy lifestyles through the management of Keller Proud and Texas Amateur Athletic Federation Programs.
3. Ensure sustainability of citywide special events through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - b. Maintaining and promoting an active and rewarding volunteer program.
 - c. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services.
4. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guest expectations.
5. Enhance communication regarding recreational programs, events and facilities through social, electronic and print media.

(Continued)

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-All-All

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 PROJECTED</u>
City Wide Special events provided annually	27	28	25
Recreation program volunteers	806	800	800
Recreation leagues provided	8	8	8
Recreation leagues provided at KISD facilities	1	1	1
Number of special event partnerships developed	69	148	165
Number Senior Services Programs Provided	1,652	1,801	1,825
Number of Senior Center Special Events Offered	6	7	6
Number of Senior Trips Offered	38	36	38
Number of Senior Community Partnerships	5	5	5
<u>PERFORMANCE INDICATORS</u>			
City Wide Special events guests	30,942	31,000	33,000
Recreation program volunteer hours	1,702	1,800	1,900
Recreation league participants	200	210	230
Recreation partnership dollars generated	\$66,361	\$56,000	\$65,000
Annual Senior Center Facility Attendance	9,681	11,000	11,500
Annual Senior Services Program Attendance	9,470	10,985	11,000
Senior Special Event Participants	605	750	2,500
Senior Trip Participants	561	492	575
Senior Services Donations (including in-kind)	\$11,507	\$17,000	\$20,000

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-All-All

**RECREATION SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	<u>2013-2014 ACTUAL</u>	<u>2014-2015 BUDGET</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 1,191	\$ 1,110	\$ 2,480	\$ 1,400
Operations & maintenance	\$ 77,777	100,465	-	-
Services & other	\$ 151,511	98,800	218,350	231,300
SUBTOTAL	\$ 230,479	200,375	220,830	232,700
Capital outlay	\$ 240,464	166,540	220,060	-
TOTAL	\$ 470,943	\$ 366,915	\$ 440,890	\$ 232,700
<u>EXPENDITURES BY PROGRAM:</u>				
Senior Services Programs	\$ 65,229	\$ 51,460	\$ 66,180	\$ 64,850
Recreation Programs	49,127	50,865	-	-
Special Events	91,761	54,800	114,900	128,100
Grant and Donation Projects	249,861	198,790	252,610	32,550
Memorial Park Expenditures	58	300	-	-
Concerts in the Park	14,171	10,700	-	-
Non departmental	736	-	-	-
TOTAL	\$ 470,943	\$ 366,915	\$ 440,890	\$ 232,700

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

<u>DEPARTMENT / DIVISION</u>	<u>2013-2014 ACTUAL</u>	<u>2014-2015 ESTIMATE</u>	<u>2015-2016 BUDGET</u>
Personnel services expenditures include staff overtime and related benefits for senior trips.			

MUNICIPAL COURT SPECIAL REVENUE FUND

The Municipal Court Special Revenue Fund accounts for technology and building security fees collected from Municipal Court citations. Expenditures from these fees are specifically designated by state law.

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
MUNICIPAL COURT SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 106,154	\$ 85,724	\$ 113,779	\$ 89,839
Revenues and transfers	114,407	95,950	113,550	123,690
TOTAL FUNDS AVAILABLE	220,561	181,674	227,329	213,529
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	106,782	132,360	137,490	156,592
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	113,779	49,314	89,839	56,937
FUND TOTAL	\$ 220,561	\$ 181,674	\$ 227,329	\$ 213,529
Excess revenues (expenditures)	7,625	(36,410)	(23,940)	(32,902)

REVENUES

MISCELLANEOUS REVENUES:

Technology fees	\$ 33,156	\$ 30,000	\$ 30,000	\$ 31,000
Building security fees	24,867	20,000	22,000	23,000
School crossing fees	6,730	7,250	18,000	20,000
Teen Court fees	1,280	2,250	2,600	2,250
Juvenile Case Manager fees	46,137	34,500	39,000	45,000
Interest earnings	2,237	1,950	1,950	2,440
TOTAL REVENUES	\$ 114,407	\$ 95,950	\$ 113,550	\$ 123,690

The Colleyville-Keller Municipal Court collects a special court (building) security fee of \$3.00 per violation from each defendant convicted of a misdemeanor offense as allowed in Article 102.017 of the Texas Code of Criminal Procedures and approved by the Keller City Council effective September 1, 1995, in Ordinance 18-131.

Allowable expenses for this fee include:

1. purchase or repair of x-ray machines and conveying systems;
2. hand-held metal detectors;
3. walk-through metal detectors;
4. identification cards and systems;
5. electronic locking and surveillance equipment;
6. Bailiffs, Deputy Sheriffs, Deputy Constables, or contract security personnel during times when they are providing security services for the Keller Municipal Court;
7. signage;
8. confiscated weapon, inventory and tracking systems;
9. locks, chains, or other security hardware;
10. purchase or repair of bullet proof glass; or
11. Continuing education on security issues.

(Continued)

FUND:
Municipal Court Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
114-All-All

(Continued)

The Colleyville-Keller Municipal Court collects a special technology fee of \$4.00 per violation from each defendant convicted of a misdemeanor offense as allowed in Article 102.017 of the Texas Code of Criminal Procedures and approved by the Keller City Council effective September 1, 1999, in Ordinance 18-132.

Allowable expenses for this fee include:

1. computer systems;
2. computer networks;
3. computer hardware;
4. computer software;
5. imaging systems;
6. electronic kiosks;
7. electronic ticket writers; and
8. docket management systems.

The Colleyville-Keller Municipal Court also collects a special Juvenile Case Manager fee of \$5.00 per violation from each defendant convicted of a misdemeanor offense as allowed in Texas Code of Criminal Procedure Article 45.056(c), which would provide authority for Municipal Courts to employ a juvenile case manager to provide services in cases before the Court dealing with juvenile offenders, consistent with the Court's statutory powers as approved by the Keller City Council.

Allowable expenses for this fee include:

Salary and benefits for the juvenile case manager position.

**MUNICIPAL COURT SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	62,559	53,560	58,760	61,915
Services & other	44,223	49,400	49,330	62,027
SUBTOTAL	106,782	102,960	108,090	123,942
Capital outlay	-	29,400	29,400	32,650
TOTAL	\$ 106,782	\$ 132,360	\$ 137,490	\$ 156,592

<i>EXPENDITURES BY DIVISION:</i>				
Building Security Account	\$ 9,280	\$ 11,400	\$ 11,330	\$ 23,157
Technology Account	62,559	82,960	88,160	94,565
Juvenile Case Manager Account	28,654	28,000	28,000	28,870
School Crossing Guard Account	6,289	10,000	10,000	10,000
TOTAL	\$ 106,782	\$ 132,360	\$ 137,490	\$ 156,592

PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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No funding for personnel services is provided. A Juvenile Case Manager position was eliminated in 2012 due to the Colleyville-Keller Municipal Court Merger. Juvenile Case Manager activities are conducted by the Colleyville-Keller Municipal Court.

**PUBLIC EDUCATION & GOVERNMENT (PEG) CABLE
FRANCHISE SPECIAL REVENUE FUND**

The PEG Cable Franchise Fee Fund accounts for cable franchise PEG fees charged in accordance with Section 622(g)(2)(C) of the Cable Act (47 U.S.C. §542(g)(2)(c)). PEG fees are remitted to the City by cable television providers. Fees may be used for capital costs for PEG facilities, including purchases of equipment used in the broadcasting and/or dissemination of public information. The purpose of this program is to account for funds received for Public, Educational and Governmental Access Channel (PEG) Fee that is paid to municipalities by state-issued cable and video franchisees pursuant to Chapter 66, Section 66.006 (b). Chapter 66, Sec. 66.006 (b), Texas Utilities Code requires the PEG Fee to be used by a city "as allowed by federal law."¹ Generally this means the PEG Fee may be spent on capital cost items for PEG access channel facilities, otherwise they may be applied as a credit and counted as part of the 5% gross revenue franchise fee.

2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
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PUBLIC EDUCATION & GOVERNMENT CABLE FRANCHISE FEE FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 271,247	\$ 333,786	\$ 422,416	\$ 542,366
Revenues and transfers	161,249	164,700	160,700	160,130
TOTAL FUNDS AVAILABLE	432,496	498,486	583,116	702,496

USES/DEDUCTIONS:

Expenditures and transfers out	10,080	100,820	40,750	279,420
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ENDING FUND BALANCE:

Total fund balance	422,416	397,666	542,366	423,076
Reserved for contingencies				
Prior period adjustments	-	-	-	
Unassigned fund balance	422,416	397,666	542,366	423,076

FUND TOTAL

	\$ 432,496	\$ 498,486	\$ 583,116	\$ 702,496
Excess revenues (expenditures)	151,169	63,880	119,950	(119,290)

REVENUES

FRANCHISE REVENUES:

Franchise fees - Verizon	\$ 120,021	\$ 120,000	\$ 120,000	\$ 120,000
Franchise fees - TV Cable	8,630	11,500	10,000	10,000
Franchise fees - AT&T	21,428	21,000	23,000	22,000
Franchise fees - One Source	9,562	10,500	6,000	6,000
Subtotal	159,641	163,000	159,000	158,000

MISCELLANEOUS REVENUES:

Interest revenue	1,608	1,700	1,700	2,130
Grant revenue	-	-	-	-
Subtotal	1,608	1,700	1,700	2,130

TOTAL REVENUES \$ 161,249 \$ 164,700 \$ 160,700 \$ 160,130

¹ 47 U.S.C. § 521, *et seq.* (Federal Cable Law). Bearing in mind if federal law changes to either expand or further restrict the use of the PEG Fee then the state law restriction changes identically.

FUND:
Cable Franchise Special
Revenue

DEPARTMENT:
Administration

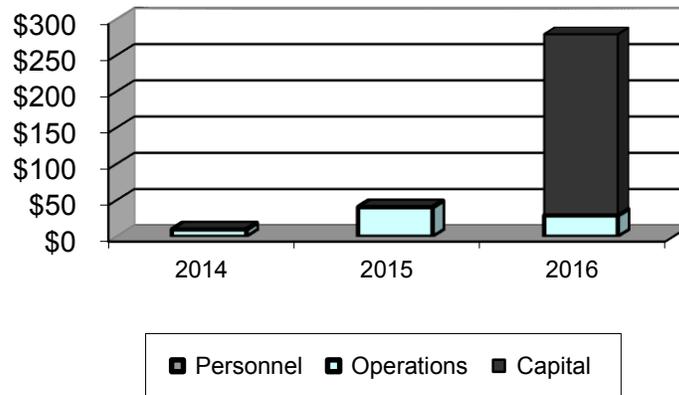
DIVISION:
Administration

ACCOUNT:
116-100-01

PUBLIC EDUCATION & GOVERNMENT CABLE FRANCHISE FEE FUND SUMMARY

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	10,080	34,275	33,250	29,420
Services & other	-	7,500	7,500	-
Transfers to other funds	-	-	-	-
SUBTOTAL	10,080	41,775	40,750	29,420
Capital outlay	-	59,045	-	250,000
TOTAL	\$ 10,080	\$ 100,820	\$ 40,750	\$ 279,420

Cable Franchise (PEG) Expenditures
(000's)



PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2013-2014 ACTUAL	2014-2015 ESTIMATE	2015-2016 BUDGET
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No funding for personnel services is provided.

KELLER CRIME CONTROL PREVENTION DISTRICT

The Keller Crime Control Prevention District Fund, created in FY2002, accounts for the resources and revenues derived from the crime control district sales tax, authorized by an election in November 2001. In May 2006, voters authorized to extend the tax by an additional 15 years. In November 2007, voters authorized a reduction in the rate from three-eighths of one percent (0.375%) to one-quarter of one percent (0.25%). This reallocation became effective April 1, 2008.

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 5,969,269	\$ 2,770,487	\$ 3,050,034	\$ 3,319,585
<u>REVENUES:</u>				
City sales taxes	1,136,707	1,050,600	1,200,645	1,284,690
Interest revenue	12,229	7,500	7,500	9,380
Miscellaneous revenue	5,331	10,000	10,000	10,000
Intergovernmental revenue:				
Southlake	11,000	11,000	11,000	11,000
Colleyville	9,000	9,000	9,000	9,000
TOTAL REVENUES	1,174,267	1,088,100	1,238,145	1,324,070
TOTAL FUNDS AVAILABLE	7,143,536	3,858,587	4,288,179	4,643,655
<u>EXPENDITURES:</u>				
Administration/Accreditation	\$ 6,197	\$ 15,100	\$ 15,100	\$ 8,400
Facility Improvements-CIP (1)	628,333	50,800	(29,636)	-
Facility Improvements-2012A CO's	2,666,763	-	-	-
Furniture/Fixtures/Equipment Replacement-CIP (1)	29,845	71,055	137,900	95,000
Technology Improvements	58,119	73,500	72,550	74,375
Police Operations	179,495	236,770	243,180	340,120
Debt Service	524,750	529,500	529,500	527,850
TOTAL EXPENDITURES	4,093,502	976,725	968,594	1,045,745
<u>ENDING FUND BALANCE:</u>				
Total fund balance	3,050,034	2,881,862	3,319,585	3,597,910
Assigned for capital improvements:				
Jail expansion (1)	524,750	552,431	529,500	529,500
Furniture, fixtures & equipment (1)	178,384	1,253,512	1,253,512	1,338,512
Unassigned fund balance	2,346,900	1,075,919	1,536,573	1,729,898
FUND TOTAL	\$ 7,143,536	\$ 3,858,587	\$ 4,288,179	\$ 4,643,655
Excess revenues (expenditures)	(2,919,235)	111,375	269,551	278,325

(1) CIP – cumulative funds reserved for future capital improvements.

FY2016 highlights: funding is provided for scheduled replacement of departmental vehicles and related vehicle accessories, \$203,320; furniture, fixtures and equipment replacement, \$95,000; technology operations, \$66,700; debt service for facility expansion, \$527,850; and expenses for accreditation and citizen surveys, \$8,400.

**KELLER CRIME CONTROL PREVENTION DISTRICT
SUMMARY SCHEDULE OF DEBT REQUIREMENTS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012**

Date	Principal Due	Coupon	Interest Due	Total Principal & Interest	Fiscal Year Total
02/15/2016	335,000.00	2.00%	97,225.00	432,225.00	
08/15/2016	-	2.00%	93,875.00	93,875.00	
09/30/2016	335,000.00		191,100.00	526,100.00	526,100.00
02/15/2017	340,000.00	5.00%	93,875.00	433,875.00	
08/15/2017	-	5.00%	90,475.00	90,475.00	
09/30/2017	340,000.00		184,350.00	524,350.00	524,350.00
02/15/2018	355,000.00	5.00%	90,475.00	445,475.00	
08/15/2018	-	5.00%	81,600.00	81,600.00	
09/30/2018	355,000.00		172,075.00	527,075.00	527,075.00
02/15/2019	370,000.00	5.00%	81,600.00	451,600.00	
08/15/2019	-	5.00%	72,350.00	72,350.00	
09/30/2019	370,000.00		153,950.00	523,950.00	523,950.00
02/15/2020	390,000.00	5.00%	72,350.00	462,350.00	
08/15/2020	-	5.00%	62,600.00	62,600.00	
09/30/2020	390,000.00		134,950.00	524,950.00	524,950.00
02/15/2021	410,000.00	5.00%	62,600.00	472,600.00	
08/15/2021	-	5.00%	52,350.00	52,350.00	
09/30/2021	410,000.00		114,950.00	524,950.00	524,950.00
02/15/2022	435,000.00	5.00%	52,350.00	487,350.00	
08/15/2022	-	5.00%	41,475.00	41,475.00	
09/30/2022	435,000.00		93,825.00	528,825.00	528,825.00
02/15/2023	455,000.00	3.00%	41,475.00	496,475.00	
08/15/2023	-	3.00%	30,100.00	30,100.00	
09/30/2023	455,000.00		71,575.00	526,575.00	526,575.00
02/15/2024	475,000.00	3.00%	30,100.00	505,100.00	
08/15/2024	-	3.00%	22,975.00	22,975.00	
09/30/2024	475,000.00		53,075.00	528,075.00	528,075.00
02/15/2025	490,000.00	3.00%	22,975.00	512,975.00	
08/15/2025	-	3.00%	15,625.00	15,625.00	
09/30/2025	490,000.00		38,600.00	528,600.00	528,600.00
02/15/2026	500,000.00	3.00%	15,625.00	515,625.00	
08/15/2026	-	3.00%	8,125.00	8,125.00	
09/30/2026	500,000.00		23,750.00	523,750.00	523,750.00
02/15/2027	520,000.00	3.125%	8,125.00	528,125.00	
08/15/2027	-	3.125%	-	-	
09/30/2027	520,000.00		8,125.00	528,125.00	528,125.00
Total	\$ 5,075,000.00		\$ 1,240,325.00	\$ 6,315,325.00	\$ 6,315,325.00

Original amount issued: \$6,000,000

Purpose: Police Department facility renovations, including a new holding facility and animal shelter/adoption center.

COMMUNITY CLEAN-UP FUND

The purpose of this program is to provide public services that assist in keeping the City of Keller free and clear of any debris, waste, refuse or other items that may cause a public safety issue, be a public nuisance or be a detriment to the aesthetics of the community. Funded through a monthly fee assessed on residential customers, this program provides for clean-up programs within the community including, but not limited to, storm debris pick-up, city-wide clean-ups and educational and promotional activities.

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 90,558	\$ 93,408	\$ 121,893	\$ 155,243
<u>REVENUES:</u>				
Solid waste/garbage fees	32,905	31,950	33,000	32,000
Interest earnings	537	350	350	440
TOTAL REVENUES AND TRANSFERS	33,442	32,300	33,350	32,440
TOTAL FUNDS AVAILABLE	124,000	125,708	155,243	187,683
<u>EXPENDITURES:</u>				
Personnel services	-	-	-	-
Operations & maintenance	-	2,000	-	2,000
Services & other	2,107	28,000	-	28,000
SUBTOTAL	2,107	30,000	-	30,000
Capital outlay	-	-	-	-
TOTAL EXPENDITURES & TRANSFERS	2,107	30,000	-	30,000
ENDING BALANCE	\$ 121,893	\$ 95,708	\$ 155,243	\$ 157,683
Excess revenues (expenditures)	31,335	2,300	33,350	2,440



DEBT SERVICE SUMMARY

The Debt Service Fund is used to account for the accumulation of resources for and the payment of, general long-term debt principal and interest. Except for interfund transfers, this fund does not account for obligations backed by self-supporting activities, such as the Water and Wastewater Fund.

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 525,621	\$ 544,232	\$ 517,238	\$ 615,268
Revenues and transfers	5,633,845	6,377,970	10,786,975	5,167,105
TOTAL FUNDS AVAILABLE	6,159,466	6,922,202	11,304,213	5,782,373
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	5,648,507	6,356,405	10,688,945	5,118,780
<u>ENDING FUND BALANCE:</u>				
Total fund balance	510,959	565,797	615,268	663,593
Prior period adjustment	6,279	-	-	
Unassigned fund balance	517,238	565,797	615,268	663,593
FUND TOTAL	\$ 6,159,466	\$ 6,922,202	\$ 11,304,213	\$ 5,782,373
Excess revenues (expenditures)	(14,662)	21,565	98,030	48,325
General obligation debt outstanding, October 1	\$ 36,921,510	\$ 33,298,000	\$ 33,298,000	\$ 26,429,090
Estimated population, October 1	41,090	42,040	42,040	42,890
Direct tax-supported debt per capita	\$ 899	\$ 792	\$ 792	\$ 616
Ratio of debt to net taxable valuation	0.9%	0.8%	0.8%	0.6%
Financial policy target	15.0%	15.0%	15.0%	15.0%
Debt service expenditures as a percentage of total expenditures	13.9%	14.5%	12.5%	12.0%
Financial policy target	25.0%	25.0%	25.0%	25.0%

DEBT LIMITATION

The City Charter does not provide or mandate a specific debt limitation. Under provisions of state law, the maximum tax rate is limited to \$2.50 per \$100 of assessed value. Using the \$2.50 maximum tax rate, the following chart provides the City's available tax rate and levy.

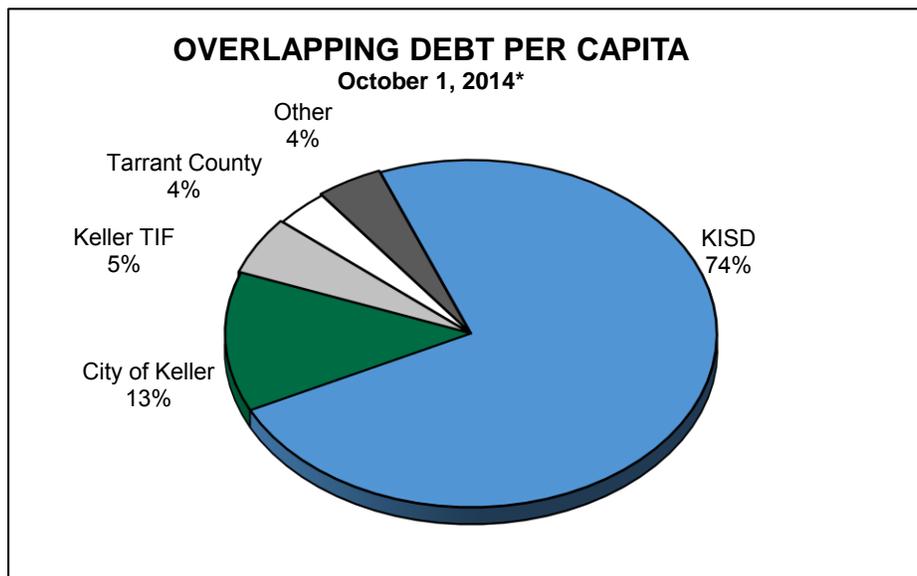
Tax rate limitation	\$ 2.50000	\$ 2.50000	\$ 2.50000	\$ 2.50000
Actual tax rate	0.44219	0.44219	0.44219	0.43469
Available rate available	\$ 2.05781	\$ 2.05781	\$ 2.05781	\$ 2.06531
Additional tax levy available	\$ 83,878,378	\$ 86,974,832	\$ 86,974,832	\$ 92,593,759

DEBT RATIOS

Important financial ratios are the debt per capita ratio and the overlapping debt per capita ratio. Debt per capita is determined by dividing the City's outstanding general obligation debt by the City's population. Overlapping debt includes not only the City's direct debt, but also includes Keller's applicable portion of the debt of all other "overlapping" taxing entities located within the City limits, such as the school district, Tarrant County, Tarrant County Hospital, etc. By including all of the overlapping entities, the total tax impact on a Keller property owner can then be calculated.

As of October 1, 2014, the total overlapping debt per capita was \$6,942, of which the City's portion (excluding TIF debt) was \$902, or 13.00% of the total. Including the TIF portion of the overlapping tax rate, the City's combined debt per capita is \$1,277 or 18.4% of the total overlapping debt per capita. Total overlapping debt per capita *increased* from the previous year by \$11 (1.2%). The City's total portion of overlapping debt decreased by \$88, or 6.5 percent.

As the following chart indicates, most (74%) of the overlapping debt per capita results from the Keller Independent School District.



* 2015 debt per capita ratios are not yet available.

Other entities include Keller Development Corporation, Carroll Independent School District, Northwest Independent School District, Tarrant County College District and Tarrant county Hospital District.

"TIF" debt represents self-supporting obligations of the City's Tax Increment Reinvestment Zone, No. 1.

The overlapping debt ratios per capita differ from the overlapping tax rate, in that the overlapping tax rate does not consider any of the debt obligations owed by the respective taxing entities.

DEBT SERVICE FUND

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
REVENUES				
<u>TAXES:</u>				
Current taxes	\$ 4,866,921	\$ 4,750,500	\$ 4,759,870	\$ 4,508,920
Delinquent taxes	11,501	26,000	24,800	26,200
Penalty & interest	21,826	20,000	20,100	21,300
Subtotal	4,910,364	4,796,500	4,804,770	4,556,420
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	5,593	6,000	6,000	7,500
Net proceeds (expense) from refunding	-	-	5,400,735	-
TOTAL MISCELLANEOUS REVENUES	5,593	6,000	5,406,735	7,500
REVENUES BEFORE TRANSFERS	4,915,957	4,802,500	10,211,505	4,563,920
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from General Fund	-	1,000,000	-	-
Transfer from Keller Development Corp.	156,280	134,485	134,485	603,185
Land Acquisition:				
2009 Certificates of Obligation				
Keller Sports Park improvements:				
2004 General obligation refunding				
2005 General obligation refunding				
Transfer from Capital Projects Fund	125,098	-	-	-
Transfer from Parks Capital Projects Fund	-	-	-	-
Transfer from Water & WW Fund	436,510	440,985	440,985	-
TOTAL TRANSFERS	717,888	1,575,470	575,470	603,185
TOTAL REVENUES AND TRANSFERS	\$ 5,633,845	\$ 6,377,970	\$ 10,786,975	\$ 5,167,105

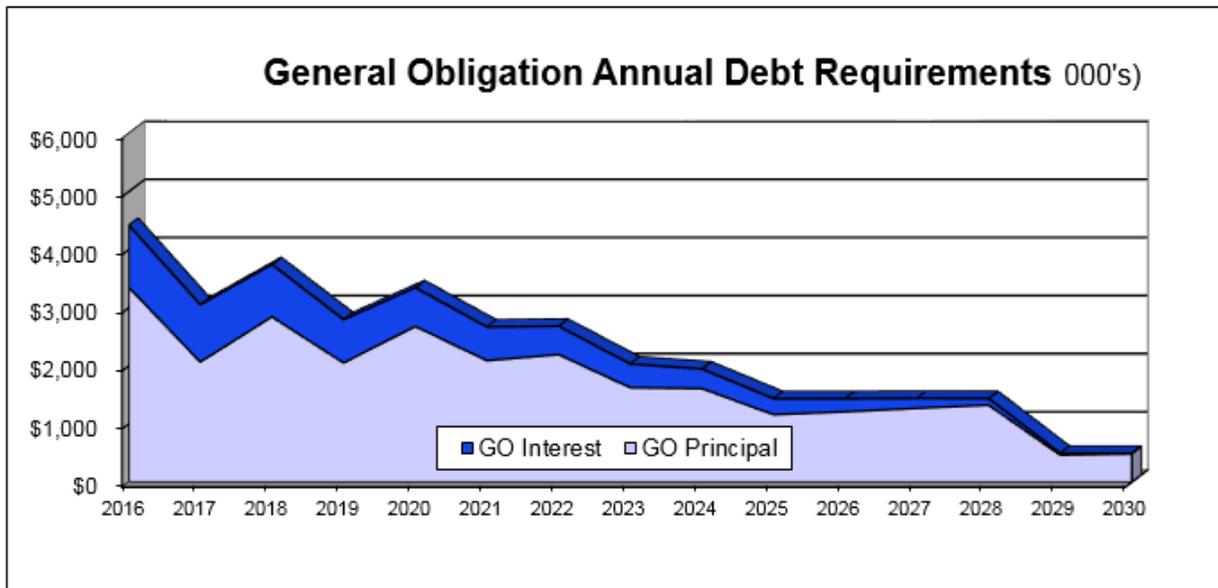
Transfers from other funds are provided for self-supporting activities for debt obligations issued on behalf of the respective fund.

DEBT SERVICE FUND

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>EXPENDITURES:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	424	1,500	49,840	1,500
Debt service	4,985,398	5,667,605	4,599,405	4,429,980
Payment to Bond escrow Agent	-	-	5,352,400	-
Transfers to other funds	662,685	687,300	687,300	687,300
SUBTOTAL	5,648,507	6,356,405	10,688,945	5,118,780
Capital outlay	-	-	-	-
TOTAL	\$ 5,648,507	\$ 6,356,405	\$ 10,688,945	\$ 5,118,780

<u>EXPENDITURES BY DIVISION:</u>				
Administration/Finance	\$ 4,985,822	\$ 5,669,105	\$ 10,001,645	\$ 4,431,480
Transfers to other funds	662,685	687,300	687,300	687,300
TOTAL	\$ 5,648,507	\$ 6,356,405	\$ 10,688,945	\$ 5,118,780

Transfers to other funds include Keller's portion of the annual required assessment/subsidy for the Tax Increment Reinvestment Zone.



SCHEDULE OF GENERAL OBLIGATION DEBT OUTSTANDING
October 1, 2015
(Excludes Self-Supporting Debt)

	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount Issued (000's)</u>	<u>Amount Outstanding (000's)</u>	<u>FY2016 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation bonds:								
Series 2009	4.00 - 4.65	03/2009	02/2029	\$ 4,000	\$ 3,235	\$ 165,000	\$ 136,258	\$ 301,258
General obligation refunding bonds:								
Series 2010A	2.00 - 3.50	04/2010	02/2020	2,000	625	115,000	18,963	133,963
Series 2010B	2.00 - 4.00	08/2010	02/2022	5,620	4,500	515,000	115,838	630,838
Series 2011	2.00 - 3.00	09/2011	02/2023	585	575	3,088	18,926	22,014
Series 2012	0.30 - 5.00	06/2012	02/2024	4,155	4,100	350,000	160,550	510,550
Series 2015	2.00 - 4.00	1/1/2015	02/2026	10,475		1,430,910	124,722	1,555,632
Certificates of obligation:								
Series 2003 ⁽¹⁾	3.00 - 4.25	05/2003	08/2016	1,690	135			-
Series 2009	3.00 - 4.70	03/2009	02/2029	8,310	654	380,000	271,065	651,065
Series 2010	2.00 - 4.25	04/2010	02/2030	6,710	5,545	275,000	219,424	494,424
Subtotal-bonds and certificates of obligation				54,185	19,369	3,233,998	1,065,744	4,299,742
Public property finance contractual obligations:								
Series 2013	0.67 - 1.63	08/2013	02/2018	605	483	120,060	4,173	124,233
Rounding Adjustment						2	3	5
TOTAL				\$ 54,790	\$ 19,852	\$ 3,354,060	\$ 1,069,920	\$ 4,423,980

⁽¹⁾ Post refunding.

The above schedule excludes self-supporting debt obligations of the Keller Development Corporation, Water and Wastewater Fund, the Keller Crime Control Prevention District and the Tax Increment Reinvestment Zone No. 1. Summaries of general obligation debt (i.e., property tax-supported debt) by fiscal year are shown on the following pages.

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
GENERAL OBLIGATION DEBT
(INCLUDES COMBINATION TAX AND REVENUE CERTIFICATES OF
OBLIGATION TO BE PAID WITH PROPERTY TAXES)**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
2015-16	3,354,060	1,069,920	4,423,980	4,423,980
2016-17	2,066,000	986,319	3,052,319	3,052,319
2017-18	2,844,030	901,096	3,745,126	3,745,126
2018-19	2,050,000	746,796	2,796,796	2,796,796
2019-20	2,680,000	666,746	3,346,746	3,346,746
2020-21	2,090,000	579,104	2,669,104	2,669,104
2021-22	2,195,000	489,309	2,684,309	2,684,309
2022-23	1,625,000	407,856	2,032,856	2,032,856
2023-24	1,610,000	336,651	1,946,651	1,946,651
2024-25	1,160,000	275,940	1,435,940	1,435,940
2025-26	1,210,000	224,946	1,434,946	1,434,946
2026-27	1,270,000	170,669	1,440,669	1,440,669
2027-28	1,325,000	113,027	1,438,027	1,438,027
2028-29	465,000	30,378	495,378	495,378
2029-30	485,000	10,306	495,306	495,306
TOTAL	\$ 26,429,090	\$ 7,009,062	\$ 33,438,152	\$ 33,438,152

TAX INCREMENT REINVESTMENT ZONE (TIRZ)

The Tax Increment Reinvestment Zone Interest and Sinking Fund accounts for the accumulation of resources for and the payment of long-term debt principal and interest issued by the Keller Town Center TIRZ. TIRZ assessments are paid (assessed) into the I&S fund from each of the participating entities. The TIRZ debt is considered self-supporting debt of the Tax Increment Reinvestment Zone.

2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
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INTEREST & SINKING FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 159,462	\$ 150,563	\$ 414,534	\$ 492,704
Revenues and transfers	3,435,676	3,529,250	13,310,525	3,745,650
TOTAL FUNDS AVAILABLE	3,595,138	3,679,813	13,725,059	4,238,354

USES/DEDUCTIONS:

Expenditures and transfers out	3,180,604	3,182,405	13,232,355	2,985,795
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ENDING FUND BALANCE:

Unassigned fund balance	414,534	497,408	492,704	1,252,559
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FUND TOTAL

	\$ 3,595,138	\$ 3,679,813	\$ 13,725,059	\$ 4,238,354
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Excess revenues (expenditures)	255,072	346,845	78,170	759,855
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REVENUES

TIF TAXES:

Tarrant County	\$ 239,941	\$ 252,250	\$ 288,800	\$ 279,300
Tarrant County College District	214,492	224,000	239,530	238,900
Tarrant County Hospital District	255,684	216,700	245,945	241,100
Keller Independent School District	2,055,966	2,140,000	2,294,950	2,287,800
SUBTOTAL	2,766,083	2,832,950	3,069,225	3,047,100

OTHER REVENUE:

Interest revenue-investments	6,908	9,000	9,000	11,250
Proceeds from debt Issuance-refunding	-	-	9,545,000	-
Transfer from debt service fund	662,685	687,300	687,300	687,300
SUBTOTAL	669,593	696,300	10,241,300	698,550

TOTAL REVENUES

	\$ 3,435,676	\$ 3,529,250	\$ 13,310,525	\$ 3,745,650
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TAX INCREMENT REINVESTMENT ZONE (TIF)

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
EXPENDITURES				
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	1,200	1,500	1,500	1,500
Debt service-current	3,179,404	3,180,905	2,984,295	2,984,295
SUBTOTAL	3,180,604	3,182,405	13,232,355	2,985,795
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 3,180,604	\$ 3,182,405	\$ 13,232,355	\$ 2,985,795

SCHEDULE OF TAX INCREMENT REINVESTMENT ZONE DEBT OUTSTANDING October 1, 2015

	Interest Rates	Date of Issue	Date of Maturity	Amount Issued (000's)	Amount Outstanding (000's)	FY2016 Requirements		
						Principal	Interest	Total
General obligation refunding bonds:								
Series 2010 (1)	1.00 - 4.125	04/2010	08/2028	6,300	6,170	145,000	237,629	382,629
Combination tax and TIRZ revenue refunding bonds:								
Series 2015	4.00 - 5.00	01/2015	08/2018	9,545	7,175	2,285,000	315,813	2,600,813
TOTAL				\$ 33,245	\$ 13,345	\$ 2,430,000	\$ 553,445	\$ 2,983,445

(1) \$5,580,000 outstanding principal callable on or after August 15, 2018.

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER TAX INCREMENT REINVESTMENT ZONE #1
Post Refunding
October 1, 2015**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
09/30/2016	\$ 2,430,000.00	\$ 553,441.26	\$ 2,983,441.26	\$ 2,983,441.26
09/30/2017	2,530,000.00	434,841.28	2,964,841.28	2,964,841.28
09/30/2018	2,655,000.00	328,766.26	2,983,766.26	2,983,766.26
09/30/2019	-	223,691.26	223,691.26	223,691.26
09/30/2020	240,000.00	223,691.26	463,691.26	463,691.26
09/30/2021	580,000.00	215,291.26	795,291.26	795,291.26
09/30/2022	600,000.00	192,091.26	792,091.26	792,091.26
09/30/2023	625,000.00	168,091.26	793,091.26	793,091.26
09/30/2024	650,000.00	143,091.26	793,091.26	793,091.26
09/30/2025	680,000.00	117,091.26	797,091.26	797,091.26
09/30/2026	705,000.00	89,891.26	794,891.26	794,891.26
09/30/2027	735,000.00	61,691.26	796,691.26	796,691.26
09/30/2028	765,000.00	31,556.26	796,556.26	796,556.26
Total	\$ 13,195,000.00	\$ 2,783,226.40	\$ 15,978,226.40	\$ 15,978,226.40

2010 Refunding Obligation Bonds of \$5.58 million are callable on or after August 15, 2018. The TIRZ will terminate on December 31, 2018. Obligations after September 30, 2018 (including interest) will be paid with remaining TIRZ funds, if available. In the event that insufficient TIRZ funds remain, the obligations will be paid with the annual interest and sinking fund ad valorem (property) tax levy.

TIRZ-supported obligations (2016–2018) total \$8,932,048, comprised of principal (\$7,615,000) and interest (\$1,317,048).

Property tax-supported obligations (2019–2028) total \$7,046,177.60, comprised of principal (\$5,580,000) and interest (\$1,466,177).



CAPITAL IMPROVEMENTS

Budgets for Capital Projects Funds are generally capital-project based and not fiscal year based. Except for the Park Development Fee Fund, the Fleet Replacement Fund and the Street/Drainage Improvements Fund, revenues and expenditures of capital project funds are not included in the City's budget totals. The Park Development Fee Fund, Fleet Replacement Fund and Street/Drainage Improvements Fund are the only capital project funds with recurring revenues, and therefore, are included in budget totals.

Unless otherwise stated, all capital projects funds are project-based and not fiscal year based, and projects normally extend beyond fiscal years. Therefore, any remaining project funds at September 30, 2015, will automatically be re-appropriated into the appropriate project for the 2015-16 fiscal year.

CAPITAL IMPROVEMENTS Operating Budget Impact

Capital improvements primarily consist of two types: (1) routine capital outlay expenditures included in departmental operating budgets, e.g., Police Department vehicle replacement; and (2) capital improvements funded from capital projects funds with the issuance of debt, e.g., new City facilities, and street and drainage improvements, etc. Capital improvements in the latter category include only general governmental improvements, not water and wastewater improvements. As an enterprise fund, capital improvements are financed with user charges, or from enterprise capital projects funds, and are therefore included as expenditures within the respective enterprise fund or enterprise capital projects fund.

The operating budget impact, if any, of these improvements has been included in the FY2016 operating budget within the respective departmental expenditures. Generally, capital outlay expenditures primarily consist of routine capital expenditures each year and have no significant impact on operating budgets. As a result, recurring operating and maintenance costs that are associated with routine capital expenditures are frequently re-allocated or re-directed to other maintenance areas of the department, and overall operating costs are usually not reduced. There are numerous improvement projects undertaken by the City where the maintenance has been deferred due to a lack of funding or available resources. Although an actual deferred maintenance amount has not been specifically calculated or budgeted, most of the deferred maintenance is associated with street and drainage projects. As a result, when a street project is improved or constructed, in most cases, maintenance costs previously spent for maintaining the improvement area (if any) are re-allocated to other street maintenance areas for which maintenance has been previously deferred.

CAPITAL OUTLAY IN OPERATING BUDGETS

Generally, capital outlay expenditures included in the departmental operating budgets provide for the replacement of existing assets or for upgrade of existing assets, e.g., replacement of police cars, replacements of machinery and other equipment, etc. Funding for new personnel in operating budgets includes all identifiable annual recurring costs, as well as capital costs associated with the new position, such as office furniture, equipment, vehicles, etc.; therefore, the operating budget impact of these new positions is reflected in the department's respective operating budget. Otherwise, for the routine replacement of existing assets, or upgrade of existing assets, there is no additional material impact on the City's operating budget.

Where a vehicle or piece of equipment is being replaced or upgraded, maintenance costs in the department will not always decrease. Since a very small percentage of each department's fleet or equipment is replaced annually, maintenance costs for the department are not usually reduced because the age and operating condition of the department's remaining fleet or equipment will continue to require funding for operating and maintenance costs. Generally, capital outlay items funded from departmental operating budgets have no material impact on the City's operating budget. Adequate operating and maintenance funding must continue to be provided at an appropriate level in order to maintain the existing fleet, which continues to age, thus increasing maintenance costs.

Capital outlay and related annual operating budget impacts (if any) are included with the respective departmental information.

CAPITAL PROJECTS FUNDS

Generally, capital projects funds do not have recurring funding sources; the Park Development Fee, Fleet Replacement and Street/ Drainage Improvement Funds are exceptions. Funding sources for other capital project funds and accounts are typically provided by proceeds of bond issues and interest income earned on invested funds. Upon completion of the project(s) for which the bond proceeds were issued, the corresponding capital project is then closed. Any excess funds remaining in the capital project budget are then transferred to the debt service fund for the retirement of debt issued to fund the project. However, for the Park Development Fee Fund, recurring revenues are received each year from the \$1000 to \$1,666 park development fee assessed on new construction. Annual appropriations are then made for this capital project fund. Resources for the Fleet Replacement Fund are provided from intragovernmental transfers, grants and/or debt issuance. Since this fund also has recurring resources, budget amounts are included in the City's budget totals, and the operating budget impact, if any, is provided in the operating budget of the respective department. Resources for the Street/Drainage Improvements fund include the street maintenance sales tax (effective April 2004), developer sidewalk fees, street assessments and intragovernmental transfers.

The following information on each of the City's capital projects funds is provided. Along with a project description, the operating budget impact, if any, is also provided.

PARK DEVELOPMENT FEE FUND

This fund is used to account for resources received from park development fees and expenditures that are restricted for park improvements. The Park Development Fee Fund is an annually-recurring capital project fund, funded from a park development fee, ranging from \$1,000 to \$1,666 on each building permit. Fund revenues and expenditures are included in operating budget totals. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2015 will be re-appropriated into the appropriate project for the 2015-16 fiscal year.

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 538,019	\$ 253,811	\$ 792,384	\$ 924,055
<u>REVENUES:</u>				
Park development fees	284,999	150,000	180,000	180,000
Interest earnings	3,260	1,000	1,000	1,250
TOTAL REVENUES	288,259	151,000	181,000	181,250
TOTAL FUNDS AVAILABLE	\$ 826,278	\$ 404,811	\$ 973,384	\$ 1,105,305
<u>EXPENDITURES:</u>				
Park improvements/land acquisition	\$ 33,894	\$ 401,800	\$ 49,329	\$ 900,000
TOTAL EXPENDITURES	33,894	401,800	49,329	900,000
ENDING FUND BALANCE	\$ 792,384	\$ 3,011	\$ 924,055	\$ 205,305
Excess revenues (expenditures)	254,365	(250,800)	131,671	(718,750)
<i>Annual operating budget impacts:</i>				
Personnel services			\$	-
Operations & maintenance				-
Services & other				-
Capital outlay				-
			\$	-

FY2016 highlights: expenditures have been allocated for park improvements and land acquisition. Specific projects will be determined upon adoption of the Parks, Recreation and Open Space Master Plan update.

**STREET / SIDEWALK
IMPROVEMENTS FUND**

The Street/Sidewalk/Drainage Improvements fund is a recurring capital project fund, funded from the street maintenance sales tax effective April 2004, developer sidewalk fees, street assessments and transfers from other funds. Street assessments are generally transferred to the Debt Service Fund for retirement of debt issued to fund the related street improvement. Expenditures are designated for street, sidewalk, and drainage improvements. Remaining funds on hand at September 30, 2015 will be re-appropriated into the appropriate project for the 2015-16 fiscal year.

**STREET / SIDEWALK
IMPROVEMENTS FUND SUMMARY**

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Beginning fund balance	\$ 2,381,729	\$ 717,931	\$ 3,030,063	\$ 2,998,718
<u>Revenues:</u>				
Sales taxes	1,240,144	1,226,400	1,350,739	1,445,291
Sidewalk fees	46,990	15,000	48,000	30,000
Interest earnings	13,325	6,000	6,000	7,500
Miscellaneous revenue (expense)	(176)	-	-	-
Intergovernmental revenue	-	-	-	-
Street assessment interest	176	170	170	170
Total Revenues	<u>1,300,459</u>	<u>1,247,570</u>	<u>1,404,909</u>	<u>1,482,961</u>
TOTAL RESOURCES	<u>\$ 3,682,188</u>	<u>\$ 1,965,501</u>	<u>\$ 4,434,972</u>	<u>\$ 4,481,679</u>
<u>Expenditures:</u>				
Street improvements	516,109	3,053,430	1,306,254	4,205,398
Curb & gutter improvements	47,123	126,520	130,000	80,000
Sidewalk improvements	2,374	52,570	-	30,000
Street/drainage improvements	-	-	-	-
Transfers to other funds	86,519	-	-	-
Total Expenditures	<u>652,125</u>	<u>3,232,520</u>	<u>1,436,254</u>	<u>4,315,398</u>
ENDING FUND BALANCE	<u>\$ 3,030,063</u>	<u>\$ (1,267,019)</u>	<u>\$ 2,998,718</u>	<u>\$ 166,281</u>
Excess revenues (expenditures)	648,334	(1,984,950)	(31,345)	(2,832,437)

Operating budget impact. The operating budget impact is minimal, as street and sidewalk improvements continue to be supplemented with funds from the General Fund Street Maintenance Division.

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	-
Services & other	-
Capital outlay	-
	<u>\$ -</u>

FLEET REPLACEMENT FUND

The Fleet Replacement Fund is a recurring capital project fund, funded by a combination of debt obligations, grant revenues, transfers from other funds, interest revenue, and other inter- or intra-governmental revenues. Expenditures provide for the acquisition and/or replacement of vehicles and equipment. Remaining funds on hand at September 30, 2015 will be re-appropriated into the appropriate project for the 2015-16 fiscal year.

FLEET REPLACEMENT FUND SUMMARY

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
<u>RESOURCES:</u>				
Beginning fund balance	\$ 536,730	\$ 681,120	\$ 899,418	\$ 818,938
<u>REVENUES:</u>				
Proceeds from debt Issuance	-	-	-	-
Vehicle/Equipment lease revenue-Water & Wastewater Fund	123,620	117,840	117,840	80,505
Vehicle/Equipment lease revenue- Drainage Utility Fund	15,910	12,680	12,680	15,425
Gain (loss) on disposal of assets	84,250	18,500	45,000	23,500
Interest earnings	4,995	3,000	3,000	3,750
TOTAL REVENUES	228,775	152,020	178,520	123,180
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from general fund	300,000	300,000	300,000	300,000
TOTAL TRANSFERS	300,000	300,000	300,000	300,000
TOTAL REVENUES & TRANSFERS	528,785	452,020	478,520	423,180
TOTAL FUNDS AVAILABLE	1,065,515	1,133,140	1,377,938	1,242,118
<u>EXPENDITURE SUMMARY:</u>				
GENERAL GOVERNMENT:				
Finance and Administration	(1,132)	-	-	-
Community Development	-	-	-	-
Information Services	-	-	-	-
TOTAL GENERAL GOVERNMENT	(1,132)	-	-	-
PUBLIC SAFETY:				
Police Department	-	-	-	-
Fire Department	12,347	-	-	-
TOTAL PUBLIC SAFETY	12,347	-	-	-
PARKS AND RECREATION:				
Parks and Recreation Department	1	-	-	-
TOTAL PARKS AND RECREATION	\$ 1	\$ -	\$ -	\$ -

(Continued)

Fleet Replacement Fund:
(Continued)

	2013-2014 ACTUAL	2014-2015 BUDGET	2014-2015 ESTIMATE	2015-2016 BUDGET
PUBLIC WORKS:				
<i>General Fund/Public Works:</i>				
Street Maintenance	\$ 105,266	\$ -	\$ -	\$ -
<i>Water & Wastewater:</i>				
Water & Wastewater Administration	-	-	-	-
Customer Services/Utility Billing	21,921	-	-	53,000
Water Utilities	27,694	25,400	25,400	33,650
Wastewater Utilities	-	362,500	362,500	85,100
Municipal Service Center	-	-	-	-
Drainage Utility	-	171,100	171,100	25,400
TOTAL PUBLIC WORKS	154,881	559,000	559,000	197,150
TOTAL EXPENDITURES	166,096	559,000	559,000	197,150
ENDING BALANCE	\$ 899,419	\$ 574,140	\$ 818,939	\$ 1,044,969

Capital outlay. FY2016 capital outlay provides funding to replace service vehicles and associated equipment. Customer Services/Utility Billing will replace a 2007 F-150 (\$26,500) and 2009 F-150 (\$26,500) truck. Water Distribution will replace a 2008 Dodge 2500 truck (\$33,650). Wastewater Utilities will replace a 2007 F-650 truck (\$85,100). Drainage Utility will replace a 2007 F-150 truck (\$25,400).

Operating budget impact. Capital expenditures are primarily routine capital replacements, with minimal operating budget impact.

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	-
Services & other	-
Capital outlay	-
	<u>\$ -</u>

PARKS CAPITAL IMPROVEMENTS FUND

This fund is used to account for resources from the issuance of debt, grants or other revenues that are restricted for the purpose of parks capital improvements. Except for intragovernmental transfers, revenues and expenditures are not included in operating budget totals. Capital project fund budgets are project-based, not fiscal year based. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2015 will be re-appropriated into the appropriate project for the 2015-2016 fiscal year.

USE OF IMPACT FEES FOR CAPITAL IMPROVEMENTS

New projects to be partially funded with impact fees include:

Roadway impact fees: Wall-Price Keller Road (\$500,000); Old Town Keller Improvements (\$400,000).

Water impact fees: Alta Vista Transmission Main (\$1,850,834); Masterplan Update (\$100,000); Creek Road/Helen Drive/Bandit Trail Water Line Extension (\$100,000); North Main Street Water Line (\$50,000); North Elm Street Water Line (\$25,000).

Wastewater impact fees: US 377 Sanitary Sewer Project (\$150,000); FM 1709 Sanitary Sewer Extension (\$600,000).

FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM (CIP) SUMMARY

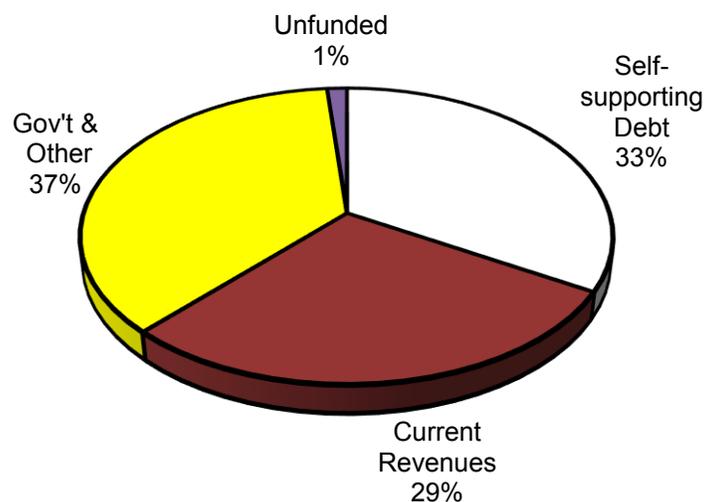
Each year the City prepares a five-year CIP. The information provided in the CIP is used as a guide for preparing future operating budgets, as well as a general planning document for capital improvements financing. Each year, the CIP is updated to address current growth patterns, timing changes in the demands for City services, etc.

The CIP is used exclusively as a financial management and planning tool, and does not commit the City to any project or funding authorization. Capital projects are authorized by the City Council as a part of the annual operating budget process, or when the related debt for the project is issued.

A summary of the proposed 2015-16 through 2019-20 CIP is provided below. The CIP project summary provides project information by fund and department, with a general description of each project. The project expenditure summary also includes unfunded (future) projects; however, funding source information is not provided for unfunded (future) projects.

ANTICIPATED FUNDING SOURCES

\$59,276,134



Five-Year Capital Improvements Program (CIP)
(Continued)

Summary of Funding Sources

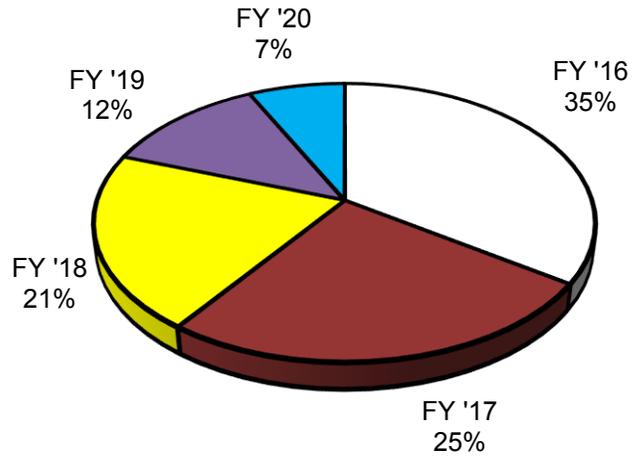
Description	2016	2017	2018	2019	2020	Total	Percent of Total
Summary of Funding Sources: (Cash flow basis)							
Debt Related:							
General obligation bonds/CO's	\$ -	\$ 2,100,000	\$ 920,000	\$ 1,625,000	\$ -	\$ 4,645,000	7.8%
Self-supporting bonds/CO's	\$ 3,188,800	\$ 2,700,000	\$ 6,900,000	\$ 1,384,600	\$ 993,900	\$ 15,167,300	25.6%
Subtotal	3,188,800	4,800,000	7,820,000	3,009,600	993,900	19,812,300	33.4
Current Revenues/Fund Balance:							
General fund	7,510,000	905,000	905,000	905,000	780,000	11,005,000	18.6
Water and wastewater fund	800,000	600,000	600,000	500,000	500,000	3,000,000	5.1
Capital projects fund	-	-	-	-	-	-	0.0
Drainage utility fund	975,000	600,000	900,000	200,000	200,000	2,875,000	4.9
Subtotal	9,285,000	2,105,000	2,405,000	1,605,000	1,480,000	16,880,000	28.5
Intergovernmental:							
Texas Dept't of Transportation	-	5,000,000	-	-	-	5,000,000	8.4
Subtotal	-	5,000,000	-	-	-	5,000,000	8.4
Intragovernmental:							
Park development fees/KDC	-	-	-	-	-	-	0.0
Water impact fees	2,125,834	400,000	500,000	400,000	400,000	3,825,834	6.5
Roadway impact fees	900,000	-	-	-	-	900,000	1.5
Wastewater impact fees	750,000	1,200,000	-	-	-	1,950,000	3.3
KDC sales tax	973,000	490,000	350,000	350,000	350,000	2,513,000	4.2
Street sales tax	3,245,000	1,075,000	1,075,000	1,075,000	1,075,000	7,545,000	12.7
Subtotal	7,993,834	3,165,000	1,925,000	1,825,000	1,825,000	16,733,834	28.2
Other Sources:							
Unfunded/unidentified	-	-	-	850,000	-	850,000	1.4
Grant revenue	-	-	-	-	-	-	0.0
Subtotal	-	-	-	850,000	-	850,000	1.4
GRAND TOTAL	\$ 20,467,634	\$ 15,070,000	\$ 12,150,000	\$ 7,289,600	\$ 4,298,900	\$ 59,276,134	100.0%

Summary of Uses by Department

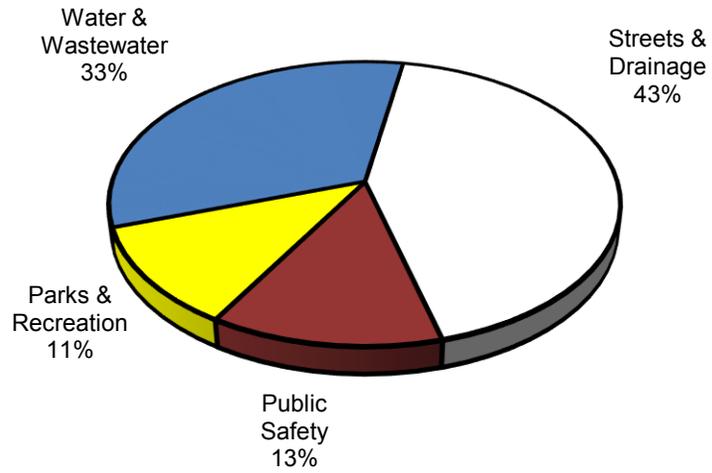
Fiscal Year	Fire/EMS	Streets & Drainage	Parks and Recreation	Municipal Facilities/ Other	Water & Sewer	Total
2015-2016	\$ -	\$ 12,630,000	\$ 973,000	\$ -	\$ 6,864,634	\$ 20,467,634
2016-2017	-	9,205,000	2,490,000	-	3,375,000	15,070,000
2017-2018	-	2,525,000	1,850,000	-	7,775,000	12,150,000
2018-2019	850,000	2,705,000	1,250,000	-	2,484,600	7,289,600
2019-2020	-	1,705,000	1,050,000	-	1,543,900	4,298,900
Total	\$ 850,000	\$ 28,770,000	\$ 7,613,000	\$ -	\$ 22,043,134	\$ 59,276,134
Percent	1.4%	48.5%	12.8%	0.0%	37.2%	100.0%

Five-Year Capital Improvements Program (CIP)
(Continued)

USE OF FUNDS BY FISCAL YEAR



USE OF FUNDS BY DEPARTMENT



Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department (000's)

PROJECT DESCRIPTION	FY2016	FY2017	FY2018	FY2019	FY2020	Total
DRAINAGE IMPROVEMENTS						
Bandit Trail Drainage Project	\$ 125	\$ -	\$ -	\$ -	\$ -	\$ 125
Sports Park / Arena Road Culvert Replace	600	-	-	-	-	600
Unanticipated Drainage Projects	200	200	200	200	200	1,000
Barbara Lane Drainage Project	50	300	-	-	-	350
Indian Meadows / Navaho Drainage Project	-	100	700	-	-	800
Department Total	975	600	900	200	200	2,875
FIRE/EMS						
<u>Buildings/Facilities</u>						
Fire Station 3 Remodel - Add 3rd Apparatus Bay	-	-	-	-	-	-
Fire Station 2 Remodel - Add 3rd Apparatus Bay	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
<u>Vehicles</u>						
Purchase Additional Fire Apparatus (Quint)	-	-	-	850	-	850
Subtotal	-	-	-	850	-	850
Department Total	-	-	-	850	-	850
KELLER TOWN CENTER						
<u>Park Improvements</u>						
The Parks at Town Center Amphitheater	-	-	-	-	-	-
Parks at Town Center Park Trail	-	-	-	-	-	-
Department Total	-	-	-	-	-	-
OLD TOWN KELLER						
<u>Improvements</u>						
Old Town Keller-West improvements	-	-	-	-	-	-
Department Total	-	-	-	-	-	-
PARKS & RECREATION						
<u>Buildings/Facilities</u>						
The Keller Pointe Expansion	-	-	-	-	-	-
Senior Activity Center Expansion	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
<u>Park Improvements</u>						
Trail Canopy Extension Phase II	50	-	-	-	-	50
Keller Smithfield Activity Node	100	-	-	-	-	100
Keller Sports Park	180	2,000	-	-	-	2,180
Northeast Park	120	-	1,500	-	-	1,620
Dog Park	110	-	-	-	-	110
Mower Replacement	63	-	-	-	-	63
Trail System Expansion	250	250	250	250	250	1,250
Overton Ridge Park	-	80	-	900	-	980
Milestone Park	-	60	-	-	700	760
Matching Grant Program	100	100	100	100	100	500
Subtotal	973	2,490	1,850	1,250	1,050	7,613
Department Total	973	2,490	1,850	1,250	1,050	7,613

(Continued)

Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department (000's)

<u>PROJECT DESCRIPTION</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>Total</u>
STREET IMPROVEMENTS						
<u>New Street Construction</u>						
FM 1709 and Keller Smithfield Road Inters	250	-	-	-	-	250
FM 1709 and Rufe Snow Drive Intersectic	250	-	-	-	-	250
Sidewalk Construction	30	30	30	30	30	150
Sidewalk Repair	50	50	50	50	50	250
Keller Wall Price Road Improvements	775	-	-	-	-	775
Keller Hicks Quiet Zone	200	1,600	-	-	-	1,800
Old Town Keller Improvements	3,600	-	-	-	-	3,600
Tarrant County Street Reconstruction	350	350	350	350	350	1,750
Old Town Keller RR Tunnel	4,000	-	-	-	-	4,000
FM 1709 and Keller Smithfield Road Inters	-	2,500	-	-	-	2,500
FM 1709 and Rufe Snow Drive Intersectic	-	2,500	-	-	-	2,500
Mt. Gilead and US 377 intersection Improvement Projec	-	500	-	-	-	500
Johnson Road/Keller Smithfield Traffic Circle	-	-	120	1,000	-	1,120
2015 Street Reconstruction Project	1,000	-	-	-	-	1,000
2016 Street Reconstruction Project	75	-	-	-	-	75
2016 Street Reconstruction Project	1,000	-	-	-	-	1,000
2017 Street Reconstruction Project	75	1,000	-	-	-	1,075
2018 Street Reconstruction Project	-	75	1,000	-	-	1,075
2019 Street Reconstruction Project	-	-	75	1,000	-	1,075
2020 Street Reconstruction Project	-	-	-	75	1,000	1,075
Subtotal	11,655	8,605	1,625	2,505	1,505	25,895
<u>Street Reconstruction</u>						
FM 1709 Median Enhancements	-	-	-	-	-	-
Residential Street Reconstruction	-	-	-	-	-	-
Reconstruction	-	-	-	-	-	-
Railroad Crossing Quiet Zones	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Department Total	11,655	8,605	1,625	2,505	1,505	25,895
SIDEWALK IMPROVEMENTS						
<u>Sidewalk Improvements</u>						
Safe routes to schools	-	-	-	-	-	-
Subtotal	-	-	-	-	-	-
Department Total	-	-	-	-	-	-
TOTAL GENERAL GOVERNMENT	\$ 13,603	\$ 11,695	\$ 4,375	\$ 4,805	\$ 2,755	\$ 37,233

(Continued)

Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department (000's)

WATER UTILITIES

Water System Improvements:

Alta Vista 30" Transmission Main	\$ 5,040	\$ -	\$ -	\$ -	\$ -	\$ 5,040
Update Water Masterplan	100	-	-	-	-	100
Creek Rd./Helen Dr./Bandit Tr. 8" Water L	100	500	-	-	-	600
N. Main St. 8" Water Line (Tommy Tackett /	50	300	-	-	-	350
N. Elm St. 8" Water Line	25	200	-	-	-	225
Water Service Replacements (FY 2017)	25	100	25	100	25	275
Large Valve Replacements (FY 2017)	25	100	25	100	25	275
Misc. A.C. Water Main Replacements (FY 2	200	50	200	50	200	700
Water Utility Relocations - Street Projects	150	150	150	150	150	750
Chisholm Tr. Water Tank Removal	-	-	100	-	-	100
Hwy. 377 12" Water Lines	-	-	100	885	-	985
Alta Vista Pump Station Construction	-	-	6,400	-	-	6,400
Johnson Rd. 12" Water Lines	-	-	-	100	744	844
Mount Gilead Rd./Bancroft Rd./Keller Smithf	-	-	-	-	250	250
Department Total	5,715	1,400	7,000	1,385	1,394	16,893

WASTEWATER UTILITIES

Wastewater System Improvements:

US 377 Sanitary Sewer Project	150	1,200				1,350
Update Sanitary Sewer Masterplan, SS Evr	200	100	100			400
FM 1709 SS Extension	600					600
Shady Hollow Lift Station Improvements	100					100
SS Utility Relocations - Street Projects	100	100	100	100	100	500
SS Pipe Bursting Project		500		500		1,000
2021 Pipe Bursting project (design)					50	50
Big Bear West Interceptor Line Replacement			75	500		575
Department Total	1,150	1,975	775	1,100	150	5,150
TOTAL WATER & WASTEWATER	6,865	3,375	7,775	2,485	1,544	22,043
GRAND TOTAL	\$ 20,468	\$ 15,070	\$ 12,150	\$ 7,290	\$ 4,299	\$ 59,276

Keller Fee Schedule FY 2015-2016

Activity

Fee Schedule

Sec. 1 - Building Services

Building Permit Fees – Residential

New Construction and Additions – Single combination permit fee (building, electrical, mechanical, plumbing, energy, fire inspection and grading) at a rate of \$0.78 per square foot with a \$50 minimum.

Accessory Buildings – Single combination permit fee (building, electrical, mechanical, plumbing, energy, fire inspection and grading) at a rate of \$0.69 per square foot with a \$50 minimum.

Alterations – Single combination permit fee (building, electrical, mechanical, plumbing, energy, fire inspections and grading) at a rate of \$12 per \$1,000 of construction value or fraction thereof with a \$50 minimum.

Building Permit Fees – Commercial

\$23.50 \$1-\$500 construction value (cv)

\$23.50 \$501-\$2,000 cv – First \$500, plus \$3.05 for each additional \$100 or fraction thereof to and including \$2,000; 65% of building permit fee (BPF) for plan review; plus \$50/year contractor registration;

\$69.25 \$2,001-\$25,000 cv – First \$2,000, plus \$14 for each additional \$1,000 or fraction thereof to and including \$25,000; 65% of BPF for plan review; plus \$50/year contractor registration;

\$391.25 \$25,001-\$50,000 cv – First \$25,000, plus \$10.10 for each additional \$1,000 or fraction thereof to and including \$50k; 65% of BPF for plan review; plus \$50/year contractor registration;

\$643.75 \$50,001-\$100,000 cv – First \$50,000, plus \$7 for each additional \$1,000 or fraction thereof, to and including \$100,000; plus 65% of BPF for plan review; plus \$50/year contractor registration;

\$993.75 \$100,001-\$500,000 cv – First \$100,000, plus \$5.60 for each additional \$1,000 or fraction thereof to and including \$500,000; plus 65% of BPF for plan review; plus \$50/year contractor registration;

\$3,233.75 \$500,001-\$1,000,000 cv – First \$500,000, plus \$4.75 for each additional \$1,000 or fraction thereof to and including \$1,000,000; plus 65% of BPF for plan review; plus \$50/year contractor registration;

\$5,608.75 Over \$1,000,000 cv – First \$1,000,000, plus \$3.65 for each additional \$1,000 or fraction thereof; plus 65% of BPF for plan review; plus \$50/year contractor registration;

Commercial (new construction, additions and alterations) -

Keller Fee Schedule FY 2015-2016

Activity	Fee Schedule
Building Permit Fees – Commercial (Cont'd.)	Based on current building valuation table created by the International Code Council (ICC) which utilizes regional building valuation data upon which commercial building permit fees will be determined (see Attachment A).
Certificate of Occupancy	\$50 – Only charged when no building permit is issued for construction.
Electrical Fee – Commercial	\$ 35/Permit – sq feet up to 500 \$ 50/Permit – sq feet up to 1,499 \$ 75/Permit – sq feet up to 1,999 \$100/Permit – sq feet up to 2,499 \$125/Permit – sq feet up to 2,999 \$125/Permit – sq feet over 3,000, plus \$20 for each additional 1,000 sq feet
Misc. Electrical Permit	\$50/permit * Only charged when no building permit is issued for construction
Grading Permit / Tree Removal – Non Building Permit Related	\$25 per lot – residential \$100 per lot – commercial \$25 per acre – agricultural / undeveloped
Mowing Fee	Actual cost for mowing property, plus \$250 administration fee
Lien Fee	Actual cost for filing lien, plus \$250 administration fee
Fence Permit (New)	\$50 (New) \$0 (Replacement)
Mechanical (HVAC) Fee – Commercial	\$ 35/Permit – sq feet up to 500 \$ 50/Permit – sq feet up to 1,499 \$ 75/Permit – sq feet up to 1,999 \$ 100/Permit – sq feet up to 2,499 \$ 125/Permit – sq feet up to 2,999 \$ 125/Permit – sq feet over 3,000, plus \$20 for each additional 1,000 sq feet
Misc. Mechanical (HVAC) Permit	\$50/permit * Only charged when no building permit is issued for construction
Mobile/Manufactured Home	\$100/Permit to include utility connection inspections
Moving Permit	\$50/Permit
Plumbing Fee – Commercial	\$ 35/Permit – sq feet up to 500 \$ 50/Permit – sq feet up to 1,499 \$ 75/Permit – sq feet up to 1,999 \$ 100/Permit – sq feet up to 2,499 \$ 125/Permit – sq feet up to 2,999 \$ 125/Permit – sq feet over 3,000, plus \$20 for each additional 1,000 sq feet

Keller Fee Schedule FY 2015-2016

Activity	Fee Schedule
Misc. Plumbing Permit	\$50/Permit – misc. plumbing (water heater/gas line to pool/spa) * Only charged when no building permit is issued for construction
Re-Inspection Fee	\$50 / for each additional re-inspection * The fee is assessed only after an inspection fails more than once for the same code violation
Sign Permit	\$50 per sign permit
Temporary Sign Permit	\$25 per sign
Pool Permit	\$500 / in-ground pools \$50 / above ground pools and spas/hot tubs
Temporary Building Permit	\$23.50
Demolition Permit	\$50
Sidewalks / Curb Cut Fees	Fees based on actual costs as derived from City's current miscellaneous concrete contract, maximum of \$1,500
Supplemental Plan Review Fee	\$50 per hour (minimum 2 hours residential and 3 hours commercial). Only assessed after original set of plans has been reviewed and approved for construction and changes are made to the plans by the developer/owner/builder/representative
Irrigation Permit	\$50 each – residential \$100 each – commercial
Miscellaneous Inspections	\$50 each
Lost Packet Fee	\$50 each
Special Event Permit Fee	\$25 No permit costs for non-profits \$250 - Security deposit \$25 per hour / 2 hour min. – Maintenance Staff Supplies at cost plus 10%

Sec. 2 - Planning and Engineering

Supplemental Plan Review Fee	\$50 per hour (minimum 2 hours residential and 3 hours commercial). Only assessed after original set of plans has been reviewed and approved for construction and changes are made to the plans by the developer/owner/builder/representative
Resubmittal Fee	\$500 per resubmittal when plans are resubmitted and 30% or more previous comments have not been addressed.

Keller Fee Schedule FY 2015-2016

Activity	Fee Schedule
Inspection Fee – Streets and Drainage	Four percent (4%) of construction value, plus \$60/hour overtime (as necessary)
Water and Sewer Inspection	Four percent (4%) of construction value, plus \$60/hour overtime (as necessary)
Water Service Tap/Meter (Corporate City Limits)	<p>Short Tap and Meter Installation</p> <p>5/8" - \$450 3/4" - \$475 1" - \$500 1 1/2" - \$900 2**** - \$ 1,025 2" Compound Meter - \$2,325</p> <p>Long Tap and Meter Installation</p> <p>5/8" - \$800 3/4" - \$825 1" - \$850 1 1/2" - \$ 1,275 2**** - \$ 1,425 2" Compound Meter - \$2,725</p> <p>Install meter only</p> <p>5/8" - \$275 3/4" - \$300 1" - \$325 1 1/2" - \$725 2**** - \$775 2" Compound Meter - \$2,075</p>
Water Service Tap/Meter (Corporate City Limits)	<p>* Water main and service on same side of street **Water service (meter installation) on opposite side of street from water main may include bore fees *** Cost includes a 2" turbine or disc-type meter</p> <p>Outside City – Cost as determined on a case by case basis by Director of Public Works based on actual costs and impact to the system</p> <p>3" or more—Actual meter cost plus service charge fees.</p>
Sewer Service Tap (Corporate City Limits)	<p>\$350 – 4-inch tap within the City (if contractor required due to extenuating circumstances, contractor costs are to be borne by the applicant)</p> <p>Actual cost – larger than 4-inch tap within the City</p> <p>Outside City – Cost as determined on a case by case basis by Director of Public Works based on actual costs and impact to the system</p>
Water/Sewer Connection Bore Costs	Bore fee to apply as needed based on actual linear foot cost

Keller Fee Schedule FY 2015-2016

Activity	Fee Schedule
Street Lights	\$10.50 per month per pole (maximum of 24 months)
Sanitary Sewer Camera Fee	\$225 each – per residential building permit
Old Town Keller Asphalt Parking	<ul style="list-style-type: none"> • Existing buildings/facilities – actual cost of materials • New buildings/facilities and existing buildings/facilities with privately funded improvements exceeding \$50,000 – no cost <p>Public parking space construction scope and schedule to be at the discretion of the Department of Public Works and dependent upon the availability of funding as determined by the City</p>
Miscellaneous right-of-way encroachment, dedication or abandonment	\$100 each
Miscellaneous easement dedication or abandonment	\$100 each
Preliminary Plat	N/A (see Plat below)
Final Plat	N/A (see Plat below)
Replat	\$400 per application plus \$20 per lot residential (exceeding one lot); \$350 per application for single family lot
Plat (Preliminary, Final, and Amended)	<p>\$300 per application plus \$20 per lot residential (exceeding one lot); \$250 per application for single residential lot</p> <p>\$300 per application plus \$20 per acre for non-residential</p>
Planned Development	<p>\$400, plus \$10 per acre for planned development, planned development amendment and future land use plan amendment</p> <p>\$250 thoroughfare plan amendment</p>
Specific Use Permit	\$350, plus \$10 per acre
Rezoning Application	\$350, plus \$10 per acre
Site Plan Application	<p>\$300 application, plus \$10 per acre</p> <p>\$200 application for minor amendments to previously approved Site Plans</p>
Variance Adjustment	\$200 application
Park Land Dedication	One (1) acre per thirty (30) residential dwelling units. Payment in lieu of land dedication shall be the average per acre value of the property(s) to be developed as assigned by the Tarrant Appraisal District's most recent appraised market land value, or \$30,000 per acre, whichever is greater, not to exceed \$50,000 per acre.

Keller Fee Schedule FY 2015-2016

Activity

Fee Schedule

Public Art Development Fee	.25% of Construction Value
Landscape/Screening Wall Plans	\$200
Gas Well Permit Fee	\$10,000 per well bore

Sec. 3 - Facility Rental Fees

Field Rentals

\$25 resident - 2 hour baseball & softball field plus \$20/2 hour for lights
\$100 non-resident - 2 hour baseball & softball field, plus \$20/2 hour for lights
\$50 per pad, per day for soccer pad, plus \$15/2 hour for lights
\$200 per pad for 5 days soccer pad, plus \$15/2 hour for lights
\$25 res - 2 hr multi use field, plus \$17/2 hour for lights
\$100 non-res - 2 hour multi-use, field plus \$17/2 hour for lights
\$200 – day for multi-use arena; practice rental \$15/3 hour; clinic rental \$100/day; half-day clinic, \$50; 6 hour event, \$100; refundable security deposit, \$100; tractor & operator fee, \$30/3 hour minimum

Refundable deposits - \$500 refundable security deposit for utilization of facility keys for Keller Sports Park

Stage Rental

Stage rental fee, \$1,000 for the first six hours or any portion thereof, (includes delivery, set-up and tear down), and \$50 for each additional hour thereafter.

Note: Accessories are only available for rent in conjunction with stage rental.

- Decorative Stage Skirting, \$15 per day
- Audio/Light Technician Stage hand, \$25 per hour (when using lights and audio, a certified stage hand must be utilized.)
 - ◆ Theater Lights, \$100 per day
- Portable Stage Sections, \$25 each per day (fee includes placement and removal.)

Picnic Facilities

Residential rental fee of \$30 for 3 hours, plus \$15 for each additional hour. Non-residential rental fee of \$40 for 3 hours, plus \$20 for each additional hour with a 3 hour minimum rental period for both.

Sec. 4 - Sports Fees

Non-Resident Fee

Long-term users shall pay the city a non-resident fee of \$30 per player per sport season to recover a portion of the maintenance and operation costs of athletic fields and facilities. Non-resident fees shall be capped at \$90 per family, per season.

Keller Fee Schedule FY 2015-2016

Activity	Fee Schedule
Sec. 5 - Facility Use Fees	
Library Meeting Room Use	free - residents \$25 for non-residents
Library Membership Fee	free - residents \$25 for non-residents, per family / year \$12.50 for non-resident seniors / year \$ 0.50 replacement card fee
Library Microfilm/fiche and flash drives	\$0.10 per page for microfilm/fiche \$8.11 each for flash drives
Library Copy Machine	\$0.10 per page for photocopy \$0.10 per page for black laser printer \$0.25 per page for color laser printer
Library Fines	\$0.20 per day for Books, Audios, Music CDs, Kits, Magazines \$1 per day for DVDs Maximum late fees: \$3 – Magazines \$5 – Children and Juvenile books, Mass Market Paperbacks \$10 – Young Adult and Adult books, DVDs, Music CDs \$15 – Children, Juvenile and YA audios, kits, MP3s \$20 – Adult audios, Playaways \$25 – ILLs Fees for damages/missing: DVD case, \$2, Audio or CD case, \$1, replacement CD from audio set, \$7.50
Library Test proctoring	\$20 each
Sec. 6 - Animal Control	
Animal Removal from Privately Owned Traps	\$30 per animal
Replacement Tag Fee	\$5 per animal
Microchip Implanting	\$25 per animal
Surrender Fee	\$30 per animal (residents only)
Euthanasia Fee	\$30 per animal (residents only)
Dead Animal Removal	\$30 per animal
Quarantine Fee	\$25 per animal, per day
Impoundment	\$ 10 daily, plus:

Keller Fee Schedule FY 2015-2016

Activity	Fee Schedule
	\$ 30 1st offense \$ 50 2nd offense \$ 75 3rd offense \$150 4th offense \$150 5th offense \$25 per animal, per year
Exotic Pet Fee, Non-Hazardous Dangerous Dog Registration	\$50 per animal
 Sec. 7 – Public Safety Fees	
Court Copy Fees	\$0.10 1 st copy \$2 each – citation list \$40 per month – citations faxed (Pursuant to the Texas Administrative Code associated with copies of public information)
Accident Report	\$5 each
Burglar Alarm	\$25 annual permit fee; 1 – 3 false alarms, included in annual permit; 4 – 5 false alarms, \$50 each; 6 – 7 false alarms, \$75 each; 8+ false alarms, \$100 each
Police Copy Fees	\$0.10 per page \$10 each for video tapes (Pursuant to the Texas Administrative Code associated with copies of public information)
Police Special Assignments (Special Events as approved under the City’s Special Events Policy)	\$50/hr minimum 2 hours (all uses)
Incident Reports	\$5 each (Pursuant to the Texas Administrative Code associated with copies of public information)
Finger Printing	\$10 per person
Solicitors License	Charitable Solicitation \$35 for the first person \$20 for each additional person \$65 background check per person Religious – No permit fee \$65 background check per person Itinerant Merchants and Publication Sales and Solicitation \$50 for the first person \$20 for each additional person \$65 background check per person

Keller Fee Schedule FY 2015-2016

Activity

Fee Schedule

Emergency Medical Services

The rate structure for pricing shall be a set fee of \$1,750, plus a mileage charge of \$15 per loaded transport mile of ambulance service. The City Manager shall be authorized to adjust the set fee structure which shall conform to the reasonable, customary, and usual charges associated with the provisions of health care.

Insurance payments, whether private or governmental (Medicare/Medicaid) shall be accepted as payment in full for ambulance service for Keller residents and non-resident employees suffering a non-work related event while on duty.

Keller residents that have no medical insurance or if payment is not received from the patient's insurance plan shall be responsible for a maximum fee for ambulance service which shall be the Federal reimbursement rate in effect at the time of service or \$300, whichever is greater.

Patients who receive ALS treatment by Keller Fire-Rescue but are not transported by Keller Fire-Rescue or a mutual-aid ambulance shall be responsible for the cost of the treatment or a fee not to exceed \$200.

Patients treated and transported by Keller Fire-Rescue that are not residents of Keller shall be held financially responsible for the outstanding balance for ambulance service not paid by insurance coverage. For Medicare/Medicaid patients this fee responsibility will be up to the Federal reimbursement rate allowable at time of service.

Fire Construction Permit Fees

\$23.50 \$1-\$500 cv

\$ 23.50 \$501-\$2,000 cv – First \$500, plus \$3.05 for each additional \$100 or fraction thereof to and including \$2,000; plus plan review fee equal to 65% of construction permit fee

\$ 69.25 \$2,001-\$25,000 cv – First \$2,000 + \$14 for each additional \$1,000 or fraction thereof to and including \$25,000; plus plan review fee equal to 65% of construction permit fee

\$ 391.25 \$25,001-\$50,000 – First \$25,000, plus \$10.10 for each additional \$1,000 or fraction thereof to and including \$50,000; plus plan review fee equal to 65% of construction permit fee

\$ 643.75 \$50,001-\$100,000 – First \$50,000, plus \$7 for each additional \$1,000 or fraction thereof to and including \$100,000; plus plan review fee equal to 65% of construction permit fee

Fire Construction Permit Fees

\$993.75 \$100,001-\$500,000 – First \$100,000, plus \$5.60 for each additional \$1,000 or fraction thereof to and

Keller Fee Schedule FY 2015-2016

Activity

Fee Schedule

including \$500,000; plus plan review fee equal to 65% of construction permit fee

\$3,233.75 \$500,001-\$1,000,000 – First \$500,000, plus \$4.75 for each additional \$1,000 or fraction thereof to and including \$1,000,000; plus plan review fee equal to 65% of construction permit fee

\$5,608.75 over \$1 million – First \$1 million, plus \$3.65 for each additional \$1,000 or fraction thereof; plus plan review fee equal to 65% of construction permit fee

Fire Operational Permit Fees

Tents - \$50 each

Open Burning - \$50 each

Fire Apparatus Fees

\$400 hour – Fire apparatus w/crew - 2 hour minimum

\$200 hour – Brush truck w/crew - 2 hour minimum

\$250 hour – Ambulance w/crew - 2 hour minimum

\$150 hour – ATV ambulance w/crew - 2 hour minimum

\$280 hour – K.I.S.D. football game, EMS – per game

\$75 hour – Inspector - 2 hour minimum

\$60 hour – Standby firefighter - 2 hour minimum

Sec. 8 – Water and Sanitary Sewer Fees

After Hours Turn On

\$50 per incident

Customer Deposit

\$80 residential meter

Multi-family and non-residential meter deposits based on estimated customer usage for a one month period.

Fire hydrant meter rental deposit based on actual replacement cost.

Master Deposit

\$80 – residential only

Delinquent Account Deposit

Applies to customers that have had their service disconnected for failure to pay or non-sufficient funds – new deposit not to exceed an amount equal to double the estimated average monthly bill for said customer.

Cleaning Deposit

One time deposit of \$20 for ten consecutive days of water meter usage. Deposit applied to final billing.

Late Utility Payment Fee

10% of outstanding balance.

Damaged/Broken Lock

\$100 each per incident.

Meter Testing

\$50 each per incident for meters 1" and less.

Meters 1 ½" and larger, fee shall be the actual cost of testing and the actual cost of installation and removal. If meter test shows it is registering more water than actually going through the meter, the fee is refunded.

Water Reconnect Fee

\$25 each per incident.

Keller Fee Schedule FY 2015-2016

<i>Activity</i>	<i>Fee Schedule</i>
Account Activation Fee	\$15 each
Account Transfer Fee	\$15 each
Damaged meter, transponder, meter box and lid	Actual cost for replacement and/or repair to include time and materials.

This table is for determining the construction valuation for use in the Commercial Building Permit Fee Schedule. The use and construction type are as defined in the 2009 International Building Code. All values are in dollars per square foot inclusive of all areas under roof. For shell construction, use 60% of table value; for interior finish-out, use 40% of table value; and for remodel, use actual contract cost. (A copy of the executed contract may be required to be submitted for documentation.) The two most common construction types are V-B and II-B. V-B is combustible construction (e.g. wood) and II-B is noncombustible (e.g. metal, concrete).

Group (2009 International Building Code)	I-A	I-B	II-A	II-B	III-A	III-B	IV	V-A	V-B
A-1 Assembly, theaters, with stage	\$213.26	\$206.02	\$200.72	\$191.95	\$180.03	\$175.03	\$185.14	\$164.60	\$157.61
A-1 Assembly, theaters, without stage	\$195.09	\$187.85	\$182.55	\$173.78	\$161.91	\$156.91	\$166.97	\$146.48	\$139.49
A-2 Assembly, nightclubs	\$164.78	\$160.08	\$155.65	\$149.42	\$140.29	\$136.53	\$143.89	\$127.27	\$122.52
A-2 Assembly, restaurants, bars, banquet halls	\$163.78	\$159.08	\$153.65	\$148.42	\$138.29	\$135.53	\$142.89	\$125.27	\$121.52
A-3 Assembly, churches	\$197.06	\$189.82	\$184.52	\$175.75	\$163.84	\$158.84	\$168.94	\$148.41	\$141.42
A-3 Assembly, general, community halls, libraries, museums	\$165.45	\$158.21	\$151.91	\$144.14	\$131.22	\$127.22	\$137.33	\$115.79	\$109.80
A-4 Assembly, arenas	\$194.09	\$186.85	\$180.55	\$172.78	\$159.91	\$155.91	\$165.97	\$144.48	\$138.49
B Business	\$166.35	\$160.31	\$154.97	\$147.38	\$133.73	\$128.86	\$141.26	\$117.56	\$112.00
E Educational	\$176.39	\$170.31	\$165.24	\$157.71	\$146.90	\$139.05	\$152.20	\$127.81	\$123.47
F-1 Factory and industrial, moderate hazard	\$98.83	\$94.20	\$88.53	\$85.28	\$76.18	\$72.96	\$81.58	\$62.78	\$59.05
F-2 Factory and industrial, low hazard	\$97.83	\$93.20	\$88.53	\$84.28	\$76.18	\$71.96	\$80.58	\$62.78	\$58.05
H-1 High Hazard, explosives	\$92.63	\$88.00	\$83.32	\$79.08	\$71.17	\$66.94	\$75.38	\$57.76	N.P.
H234 High Hazard	\$92.63	\$88.00	\$83.32	\$79.08	\$71.17	\$66.94	\$75.38	\$57.76	\$53.03
H-5 HPM	\$166.35	\$160.31	\$154.97	\$147.38	\$133.73	\$128.86	\$141.26	\$117.56	\$112.00
I-1 Institutional, supervised environment	\$166.45	\$160.61	\$156.13	\$149.36	\$137.18	\$133.55	\$145.57	\$123.08	\$118.71
I-2 Institutional, hospitals	\$279.74	\$273.70	\$268.36	\$260.77	\$246.24	N.P.	\$254.66	\$230.07	N.P.
I-2 Institutional, nursing homes	\$194.86	\$188.82	\$183.48	\$175.89	\$162.52	N.P.	\$169.77	\$146.35	N.P.
I-3 Institutional, restrained	\$189.53	\$183.49	\$178.15	\$170.56	\$158.15	\$152.28	\$164.45	\$141.98	\$134.42
I-4 Institutional, day care facilities	\$166.45	\$160.61	\$156.13	\$149.36	\$137.18	\$133.55	\$145.57	\$123.08	\$118.71
M Mercantile, Retail	\$122.74	\$118.04	\$112.61	\$107.38	\$97.91	\$95.15	\$101.85	\$84.88	\$81.13
R-1 Residential, hotels	\$167.86	\$162.02	\$157.54	\$150.77	\$138.75	\$135.13	\$147.15	\$124.65	\$120.28
R-2 Residential, multiple family	\$140.76	\$134.93	\$130.44	\$123.67	\$112.32	\$108.70	\$120.72	\$98.22	\$93.85
R-3 Residential, one- and two-family	\$132.48	\$128.87	\$125.59	\$122.47	\$117.59	\$114.66	\$118.59	\$109.86	\$102.91
R-4 Residential, care/assisted living facilities	\$166.45	\$160.61	\$156.13	\$149.36	\$137.18	\$133.55	\$145.57	\$123.08	\$118.71
S-1 Storage, moderate hazard	\$91.63	\$87.00	\$81.32	\$78.08	\$69.17	\$65.94	\$74.38	\$55.76	\$52.03
S-2 Storage, low hazard	\$90.63	\$86.00	\$81.32	\$77.08	\$69.17	\$64.94	\$73.38	\$55.76	\$51.03
U Utility, miscellaneous	\$69.66	\$65.79	\$61.57	\$58.14	\$52.18	\$48.79	\$55.35	\$40.81	\$38.65

Based on August 2011 Table Published by the International Code Council

BUDGET POLICIES

In accordance with Articles V and VIII of the Keller Charter and other related ordinances and policies, the following budget policies are followed throughout the budgetary process.

Section 5.01(c). Powers and duties of the City Manager.

- (2) Prepare the budget annually and submit to the City Council, and be responsible for its administration after adoption.
- (3) Prepare and submit to the City Council as of the end of the fiscal year a complete report on the finances and administrative activities of the City for the preceding year.
- (4) Keep the City Council advised of the financial condition and future needs of the city and make such recommendations as may seem desirable.

Section 8.02. Submission of budget and budget message.

The fiscal year of the city shall begin on the first day of October and end on the last day of the following September.

On or before August 15 of each year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year and an accompanying message in the form and with the content as prescribed by the [City] Council.

Code reference - Fiscal year established, § 2-110.

Section 8.03. Budget as a public record.

The budget and budget message and all supporting schedules shall be a public record in the office of the City Secretary open to public inspection by anyone. The City Manager shall cause sufficient copies of the budget and budget message to be prepared for distribution to the [City] Council and to the public library.

Section 8.04. Publication of notice of public hearing.

At the meeting of the [City] Council at which the budget and budget message are submitted, the [City] Council shall determine the place and time of the public hearing on the budget, and shall cause to be published a notice of the place and time of such hearing which shall be not less than seven (7) days after date of publication, at which the [City] Council will hold a public hearing.

Section 8.05. Public hearing on budget.

At the time and place so advertised, or at any time and place to which such public hearing shall from time to time be adjourned, the [City] Council shall hold a public hearing on the budget as submitted, at which all interested persons shall be given an opportunity to be heard, for or against the estimates or any item thereof.

Section 8.06. Further consideration of budget.

After the conclusion of such public hearing, the [City] Council may make such changes as it shall deem proper, except that such proposed expenditures as are fixed by law cannot be changed. Before making any change which could cause an increase in the total proposed budget, the [City] Council shall hold an additional public hearing in the same manner and with the same notice as set forth for original budget hearings.

BUDGET POLICIES

Section 8.07. Addition to budget.

After such further hearing, the [City] Council may insert the additional item or items, and make the increase or increases, to the amount in each case indicated by the published notice, or to a lesser amount, but where it shall increase the total proposed expenditures, it shall also increase the total anticipated revenue to at least equal such total proposed expenditures.

Section 8.08. Majority of full [City] Council required.

The budget shall be adopted by the favorable votes of at least a majority of all the members of the [City] Council.

Section 8.09. Date of final adoption; failure to adopt.

The budget shall be finally adopted not later than the twenty-seventh day of the last month of the fiscal year. Should the [City] Council take no final action on or prior to such date, the budget, as submitted, shall be deemed to have been finally adopted by the [City] Council.

Section 8.10. Effective date of budget certification; copies made available.

Upon final adoption, the budget shall be in effect for the budget year. A copy of the budget, as finally adopted, shall be certified by the Mayor and the City Secretary and filed in the office of the City Secretary. The budget so certified shall be printed, mimeographed or otherwise reproduced and sufficient copies thereof shall be made available for the use of all offices, departments and agencies and for the use of interested persons and civic organizations.

Section 8.11. Budget establishes appropriations.

From the effective date of the budget the several amounts stated therein as proposed expenditures shall be and become appropriated to the several objects and purposes therein named.

Section 8.12. Amendment.

The City Council may during the fiscal year amend the budget by ordinance if such amendment will not increase the total of all budget expenditures. If such expenditures are necessary to protect public property or the health, safety or general welfare of the citizens of Keller, the total budget may be increased after notice and public hearing as prescribed for adoption of the original budget.

Section 8.13. Appropriation of excess revenue.

If at any time the total accruing revenue of the City shall be in excess of the total estimated income thereof, as projected in the budget, the City Council may by ordinance amend the budget so as to appropriate such excess revenue to such purposes as they may deem appropriate after notice and public hearing as required for adoption of the original budget.

BUDGET POLICIES

Section 8.14. Accounting procedures.

Accounting procedures shall be maintained by the City adequate to record in detail all transactions affecting the acquisition, custodianship and disposition of anything of value; and the recorded facts shall be presented annually to the City Council and to the public and such summaries and analytical schedules in detailed support thereof as shall be necessary to show the full effect of such transaction for each fiscal year upon the finances of the City and the relation to each department thereof including distinct summaries for each required by law to be segregated.

Section 8.15. Independent audit.

The [City] Council shall cause an independent audit to be made of the books of account, records and transactions of all the administrative departments of the City at least once yearly. Such audit shall be made by a certified public accountant selected by and responsible to the [City] Council. The duties of the auditors so appointed shall include the certification of all statements. Such statements shall include a balance sheet, exhibiting the assets and liabilities of the City, supported by departmental schedules, and schedules for each publicly owned or operated utility, summaries of income and expenditures, supported by detailed schedules, and also comparison, in proper classification, with the last previous year. The report of such auditor or auditors for the fiscal year shall be printed and a copy thereof shall be furnished to each member of the [City] Council and the City Manager, and a copy shall be made available to each citizen who may request such. The original shall be kept among the permanent records of the City.

Section 8.16. Power to tax.

The City Council shall have the power under the provisions of state law to levy, assess and collect an annual tax upon taxable property within the City, the tax not to exceed the rate as provided for by state law governing cities with a population in excess of five thousand (5,000) inhabitants.

If for any cause the City Council shall fail to pass a tax ordinance for any one (1) year, levying taxes for that year, then and in the event the tax levying ordinance and rate established therein last passed shall and will be considered in force and effect.

Section 8.17. Defect shall not invalidate tax levy.

Defects in the form of preparation of the budget or the failure to perform any procedural requirement shall not invalidate any tax levy or the tax roll.

CITY OF KELLER
Financial Management Policies

1. Purpose of Policies.

1.1 The City of Keller (the City) is committed to sound financial management through integrity, prudent stewardship, financial planning and accountability, full disclosure, and communication. Financial Management Policies will enable the City to achieve and maintain a stable, positive financial condition, while also providing guidelines for the day-to-day planning and operations of the City's financial affairs.

1.2 The City will establish and maintain a high standard of accounting practices. The City's accounting system shall conform to generally accepted accounting principles (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB) for governmental entities.

1.3 The City will prepare and maintain in a current status written administrative procedures relating to each financial management area. The City Manager, department directors, and managers are responsible for ensuring that good internal controls are maintained and followed throughout their respective City departments, that all management directives or internal control recommendations are implemented in a timely manner, and that all independent auditor recommendations are addressed.

1.4 The City will pursue transparency with regard to disclosure of financial information. Accordingly, the City will seek to attain and maintain the "Gold" Leadership Circle award for financial transparency, awarded annually by Texas Comptroller of Public Accounts. A primary focus of financial transparency is the ability for citizens to review the City's financial information online. At a minimum, online information will include annually adopted budgets, comprehensive annual financial reports, and check registers.

1.5 These financial management policies shall remain in effect until amended by the City Council. The City Council shall review the policies annually, and amend as necessary.

2. Operating Budgets.

2.1 Annual estimates of revenue in both the general fund and enterprise funds shall be based on historical trends and a reasonable expectation of growth. A conservative approach shall be observed in estimating revenues, so that revenue estimates will not be overstated. Annual Water and Wastewater Enterprise Fund revenues shall be budgeted on the basis of a normalized year, with reasonable estimates of customer growth, not on the basis of forecasted above-average rainfall (wet year) or below-than-average rainfall (dry year).

2.2 The adoption of a balanced budget, where current resources (current revenues plus undesignated fund balances) shall be required. Current resources will equal or exceed current expenditures for each individual fund.

2.3 At the end of each fiscal year, the City shall establish a goal that the unassigned fund balances or reserves of the General Fund shall be at least seventy (70) days of fund operating expenditures (excluding non-recurring expenditures) for the same fiscal year.

2.4 The City should endeavor to maintain a diversified and stable revenue base in order to prevent overall revenue shortfalls as a result of periodic fluctuations in any one revenue source. Each existing and potential revenue source will be re-examined annually.

2. Operating Budgets.
(Continued)

2.5 The City shall use non-recurring resources and fund balances to fund non-recurring expenditures. Recurring revenues only shall be used to fund recurring expenditures.

2.6 User charges, rates and fees shall be established at a level related to the cost of providing the services. These charges, rates and fees shall be reviewed not less than annually in order to determine the appropriate level of funding anticipated to support the various related activities. In order to mitigate the magnitude of rate increases necessary for the Water and Wastewater Enterprise Fund, an independent cost of service study will be conducted at least every three (3) years to review rate methodology and ensure revenues will meet future obligations. The cost of service study shall include operating costs, anticipated capital improvements and use of associated impact fees, provision for an adequate level of working capital, and requirements necessary to meet all current and future revenue bond covenants,

2.7 Rates for water and wastewater enterprise activities shall be maintained at levels sufficient to ensure that annual revenues will be available to pay all direct and indirect costs of the enterprise activities, including costs of operation, capital improvements, maintenance, and principal and interest requirements on outstanding debt, and interest and sinking fund and reserve fund requirements. The City recognizes an obligation to provide water and sewer services to customers as economically as possible, while also maintaining the fiscal integrity of the Water and Wastewater Enterprise Fund; therefore, the City will seek to pass through (recover) increases in water supply costs and wastewater treatment services from customers of the City of Keller.

2.8 Net earnings of enterprise funds for any fiscal period should be adequate to meet all bond covenants, especially the debt coverage ratio. Net earnings shall be defined to include non-operating revenues available for debt service, excluding depreciation and transfers to other funds.

2.9 For enterprise funds, a working capital goal of at least sixty (60) days will be maintained at the end of each fiscal year. In order to mitigate the potential impact of extreme weather conditions each year, in addition to the aforementioned working capital reserve requirement, the Water and Wastewater Enterprise Fund shall maintain a rate stabilization reserve goal equal to five percent (5%) of annual water and wastewater revenues, with a minimum reserve goal of seven hundred fifty thousand dollars (\$500,000). Any use of or reduction in the rate stabilization reserve balance shall be authorized only by official action of the City Council.

2.10 Enterprise funds shall adequately compensate the General Fund (and other applicable funds) for administrative and/or management services provided to the enterprise funds. Transfers from enterprise activities to the general fund for administrative services shall not exceed the estimated costs incurred by the General Fund in providing such services. Payments in-lieu-of-taxes and franchise fee payments shall be paid by enterprise funds to other appropriate funds. The basis for each transfer shall be fully identified each year in the proposed budget.

2.11 A proposed budget for all funds shall be submitted to the City Council by the City Manager on or before August 15 of each year, for the ensuing fiscal year. [*Keller Charter, Section 8.02*]. The City Manager's proposed budget shall be filed in the Office of the City Secretary and the Keller Public Library, and posted on the City website for review and inspection by interested citizens.

2. Operating Budgets.
(Continued)

2.12 Unless otherwise noted in the annual budget document, annual fixed-dollar budgets will be adopted for all funds except capital project and trust funds for the period beginning October 1 and ending September 30 of the following year. Project budgets for capital projects are adopted on a project basis, and not a fiscal year basis.

2.13 All budget appropriations (except for capital projects funds) lapse at fiscal year-end (September 30). Any encumbered appropriations at year-end may be re-appropriated by the City Manager in the ensuing fiscal year. Such re-appropriations shall be subsequently reported to City Council.

2.14 All budgets shall be adopted on a basis of accounting consistent with GAAP, as applied to governmental entities, with the exception of Enterprise and Internal Service Funds. Revenues are budgeted as they become measurable and available. Expenditures are charged against the budget when they become measurable, or when a liability has been incurred and the liability is expected to be liquidated with available current resources. Outstanding encumbrances at year-end are re-appropriated in the budget of the ensuing fiscal year. For Enterprise and Internal Service Funds, depreciation is not budgeted, and capital improvements and debt service principal payments are budgeted as expenditures/expenses.

2.15 The budget shall be maintained at the legal level of control which is the department within the individual fund. Expenditures may not exceed the legal level of control at the department level within an individual fund without approval of the City Council. The City Manager is authorized to transfer appropriations within a department or between departments in an individual fund in accordance with these policy guidelines.

2.16 Authority to transfer appropriations *within* a fund or department. The City Manager may approve transfers of available appropriations between general classifications of expenditures within the same fund, provided the transfer amounts do not result in a net increase in total appropriations for the fund. The City Manager shall report to the City Council any transfer at the next regular Council meeting.

2.17 Authority to transfer appropriations *between* funds. Transfers of available appropriations in general classifications of expenditures between funds, shall be approved only by the City Council.

2.18 Increase in total appropriations and use of contingency funds. The City Council shall also approve any budget modification(s) resulting in a net increase in appropriations, or any proposed use of contingency funds [*Keller Charter, Section 8.12*].

2.19 The City will strive to receive and retain the Distinguished Budget Presentation Award presented annually by the Government Finance Officers Association (GFOA).

2.20 Budgets of Enterprise and Internal Service Funds shall be self-supporting, i.e., current revenues plus working capital reserves will equal or exceed current expenditures (excluding depreciation).

2.21 Budgets of Enterprise and Internal Service Funds are prepared on a working capital basis, whereby depreciation expenses are not budgeted and capital outlay and debt service principal payments are budgeted as expenses. Reserves of Enterprise and Internal Service Funds will be disclosed using working capital, rather than retained earnings.

2. Operating Budgets.
(Continued)

2.22 Budgets shall integrate performance measures, goals and objectives, service levels and productivity measures where appropriate, and provide a means of measuring and monitoring performance, goals and productivity.

2.23 New positions and programs funded in annual budgets will be disclosed at their full annual cost in the initial and subsequent years of funding, or at the respective full-time equivalent costs for new positions. Even if the positions and/or programs are anticipated to begin mid-year, the full annual costs, or the full-time equivalent costs for new positions, will be disclosed in the budget. Positions temporarily vacant will also be disclosed at their full annual cost in the annual budget.

2.24 Replacement of worn-out existing capital equipment that is costly to maintain will not be deferred in the annual budget process.

3. Capital Improvements.

3.1 The City will develop and maintain a comprehensive five-year plan for capital improvements. This plan shall be presented to and reviewed by the City Council annually. Capital improvements for planning purposes shall be considered as all land, land improvements, building projects, infrastructure (i.e., streets, water and wastewater improvements) and equipment exceeding one hundred thousand dollars (\$100,000) in cost.

3.2 All capital improvements should be made in accordance with the five-year plan as adopted or reviewed by the City Council.

3.3 The City Council shall adopt an annual capital budget that is based on the five-year capital improvement plan. This capital budget shall identify the sources of funding for each capital project authorized for the ensuing fiscal year. Assessments and pro-rata charges may be applied where applicable to fund capital projects.

3.4 The City's capital improvement program shall be coordinated with the operating budgets. Operating costs associated with each capital improvement project will be identified in the capital budget and included in the appropriate operating budget if the project is authorized.

3.5 Capital project status reports shall be prepared monthly, on a timely basis.

3.6 Interest earnings on bond proceeds shall be credited to the appropriate capital project fund(s) or debt service fund(s).

3.7 For capital budgeting purposes, capital improvement projects for facilities (fire stations, libraries, City Halls, etc.) will not only include cost of acquisition or construction of the facility, but shall also include the annual operating costs of staffing, equipping, operating and insuring of the facility. The City shall not finance annual operating costs with the issuance of debt, per Section 4.1.

3.8 The City will strive to adequately measure the condition of our infrastructure, and the degree to which the City is meeting infrastructure replacement needs.

3. Capital Improvements.
(Continued)

3.9 The City Council may establish, by resolution, policies and procedures for prioritizing capital project improvements, establishing a reserve therefore, and the funding thereof in accordance with the provisions of the City's Financial Management Policies.

4. Debt Management.

4.1 Long-term debt shall not be incurred to finance current operations. Long-term debt shall be defined as debt requiring more than five years to retire. Short-term or interim debt shall be defined as debt requiring five years or less to retire, and may be used to fund purchases of machinery, equipment (including office equipment) and vehicles.

4.2 When any debt is issued to finance capital improvements, the City shall retire the debt within a period not to exceed the expected useful life of the projects or improvements being financed.

4.3 Total debt service requirements (principal and interest) in any fiscal year should generally not exceed twenty-five percent (25%) of the City's total expenditures/expenses (excluding capital projects funds).

4.4 Total direct general obligation debt service requirements shall not exceed fifteen percent (15%) of the assessed value of taxable property.

4.5 The City shall maintain good communications with the major bond rating agencies concerning the City's financial condition, and shall follow a policy of full disclosure in every financial report and official bond statement. The City will maintain sound fiscal management practices to maintain and improve current bond ratings.

4.6 Interest and sinking fund and/or debt reserve balances shall be maintained in accordance with the City's most restrictive bond ordinances and/or covenants.

4.7 Use of impact fee revenue for debt will be evaluated during each budget year. The amount of impact fees being used for debt service shall be fully disclosed in the annual budget.

4.8 Debt issuance is costly, time-consuming and should be done no more than once a year if possible.

4.9 The percentage of the tax rate designated for debt service purposes should not exceed forty percent (40%) of the total tax rate.

5. Financial Reporting.

5.1 The City will strive to receive and retain the Certificate of Achievement for Excellence in Financial Reporting awarded annually by the Government Finance Officers Association of the United States and Canada (GFOA).

5.2 An annual independent financial audit shall be performed by a properly licensed independent public accounting firm, and results of this audit will be presented to the City Council by March 31 of the following year in the form of a Comprehensive Annual Financial Report (CAFR), in accordance with generally accepted accounting principles (GAAP) and GFOA requirements.

5.3 Timely interim financial reports will be produced for department managers for internal purposes. Departmental reports comparing budget to actual amounts shall be prepared by the Finance Department in a timely manner.

5.4 Financial statements shall be prepared on at least a quarterly basis and made available to the City Council in a condensed format. After presentation of the report to the City Council, the report shall be made available for public inspection.

5.5 Every three to five years, the City will issue requests for proposal to choose an auditor for a period not to exceed five years.

6. Purchasing.

6.1 The City Manager shall be responsible for maintaining a written purchasing policy in accordance with State statutes and City Ordinances.

6.2 The Chief Financial Officer shall be responsible for maintaining written administrative purchasing procedures in accordance with the City's Purchasing Policy. These administrative procedures must be approved by the City Manager.

6.3 Generally, purchases are authorized as follows:

6.3.1 The Chief Financial Officer and the Department Head may approve purchases for fifteen thousand dollars (\$15,000) or less.

6.3.2 Purchases greater than fifteen thousand dollars (\$15,000) but less than fifty thousand dollars (\$50,000) will require detailed specifications, and must be approved by the Department Head, the Chief Financial Officer and the City Manager.

6.3.3 Purchases exceeding fifty thousand dollars (\$50,000) will be subject to competitive bidding requirements and may be approved only by the City Council. Formal competitive bids shall be required for all purchases in excess of those limits established by State statutes. Purchases below State statute limitations may be approved by the Department Director and Chief Financial Officer, and/or the City Manager in accordance with City statutes and written purchasing policies and procedures.

6.4 Lease purchase or installment purchase agreements may be used to finance capital items with a purchase price exceeding fifty thousand dollars (\$50,000) and having a useful life in excess of one (1) year. All lease purchase agreements in excess of limits established by State statutes will be awarded by City Council.

6. Purchasing.
(Continued)

6.5 In accordance with the City's Purchasing Policy, the City may consider one or more competitive sealed bids from a bidder whose principal place of business is within the city limits, in accordance with provisions of Chapter 271, Subchapter 271.9051 of the Local Government Code.

6.6 The administrative purchasing procedures shall contain an ethics section, in accordance with State of Texas statutes and the City's Ethics Policy.

6.7 Chapter 791 of the Texas Government Code (the Interlocal Cooperation Act) authorizes government entities within the State of Texas to contract with one another for the provision of various governmental functions and the delivery of various governmental services, including those in the areas of purchasing goods, supplies and services. Therefore, in an effort to utilize resources wisely, the City will enter into interlocal agreements, when advantageous to the City, with other governmental entities such as the State of Texas, North Central Texas Council of Governments, Houston-Galveston Area Council of Governments, the City of Fort Worth, Tarrant County, or Keller Independent School District, in order to take advantage of purchasing contracts with favorable pricing arrangements.

6.8 Authorization and Approval of Change Orders. The City Council hereby grants authority to the City Manager to execute any and all change orders which involve a decrease or an increase of twenty-five thousand dollars (\$25,000) or less, provided the total contract expenditures do not exceed the budgeted amount. Any change order involving a decrease or an increase in excess of twenty-five thousand dollars (\$25,000) requires approval of the City Council, in accordance with Local Government Code, Section 252.048.

7. Cash and Investments.

7.1 The Chief Financial Officer shall be responsible for maintaining written administrative procedures for all areas of cash and investments, in accordance with State statutes, City ordinances and these policies.

7.2 The City will enter into a depository agreement with one or more banks for a specified period of time and specified fees for banking services. The term of each depository agreement shall not exceed three (3) years unless otherwise approved by the City Council.

7.3 Collection, deposit and disbursement of all funds will be scheduled to ensure maximum cash availability and investment earnings.

7.4 The City's first and foremost investment objective shall be safety of principal. To meet this objective, the City will seek to obtain a competitive, or market rate-of-return on investments, consistent with the City's investment policy.

8. General Policies.

8.1 The City Manager is authorized to write off bad debt accounts less than one thousand dollars (\$1,000) which have been delinquent for more than one hundred twenty (120) days. These accounts will be aggressively pursued for collection by any lawful and available means. Accounts which are in bankruptcy status, involving a claim of one thousand dollars (\$1,000) or less, which require the City to make an election to the bankruptcy court, will be referred to the City Manager, with a recommendation by the City Attorney. The City Manager shall report all bad debt write-offs to City Council. All accounts involving write-offs greater than one thousand dollars (\$1,000) shall be referred directly to City Council for write off, or further recommended action.

8.2 The City shall follow a policy of aggressively pursuing the collection of current and delinquent ad valorem taxes, and shall strive to maintain a current ad valorem tax collection rate equal to or exceeding ninety-seven percent (97%) of the current levy. In addition, the City will aggressively pursue collection of other debts owed to the City, e.g., water bills, ambulance billings, etc.

8.3 Sound appraisal procedures and practices will be monitored by the City in order to keep property values current. The City will annually review the various levels of property tax exemptions and abatements which may be optionally granted by the City.

8.4 The City may impose impact fees upon new development. The purposes of these fees are to pay a portion of the cost of constructing capital improvements or facility expansions necessary to serve new development.

8.5 Expenditures of impact fees are limited to paying the cost of construction or capital improvements or facility expansions and to payment of principal and interest on bonds, notes, or other obligations issued to finance eligible capital improvements.

8.6 Plans and costs of enforcement related to the passage of ordinances and/or other legislation (if any) should be disclosed to the City Council by the City Manager, prior to the passage of ordinances and/or other legislation.

8.7 Consistent efforts shall be made to reconcile the total water volume sold to the total water volume purchased or pumped. Acceptable water losses for fire-fighting, fire hydrant testing and broken lines should not exceed seven percent (7%). To achieve this goal, it is the policy of the City that all water service, including City-owned facilities, be metered appropriately.

8.8 Efforts shall be made to reconcile wastewater contributed from customers to those volumes flowing through treatment facilities. Acceptable amounts of inflow and infiltration should not exceed ten percent (10%).

8.9 Utility billing collection cycles should be as short as practical and utility security deposits should reflect those cycles in order to minimize losses to the City. Meter readings should occur in relatively uniform monthly time frames, and utility bills should be generated in a timely manner thereafter. Utility bills should be due no more than fifteen (15) days after the customer receives the bill. Delinquent notices should be mailed one day after the due date. Termination of utility service should occur no more than sixty (60) days after the meter reading date.

8. General Policies.
(Continued)

8.10 The City will evaluate privatization of services which will either maintain or improve the existing quality of services, while at the same time minimizing the cost of the service to the public. Examples of services to be evaluated for privatization are solid waste collection, engineering, and data processing services.

8.11 The City will provide adequate staffing and training to our fiscal functions in order to maintain effective internal controls, timely financial transactions and meaningful financial management information.

8.12 Utility cost subsidies should be minimized. Cost subsidies can occur between funds, i.e., General Fund and Water and Wastewater Enterprise Fund; between utilities, water utility and sewer utility; between customers, residential customers and commercial customers; and between generations, current and future generations.

8.13 The City will cautiously evaluate the granting of tax exemptions and/or abatements, which shift tax burdens, and may also eventually, raise the overall tax rate.

8.14 The City will thoroughly review state and federal legislation that will impact City services, and the potential or resulting costs to citizens.

Fiscal Management Contingency Plan

The contingency plan is a planning document that will be used in the event there is a downturn in economic conditions that will negatively impact the City of Keller budget. The City is dependent on a stable, growing economy so that budgeted revenues will be realized. It is essential that the City of Keller constantly monitor economic conditions and any possible negative impacts on the City's revenues.

The fiscal management plan will assist City management in guiding future planning efforts. The Plan is a guide only, and is intended to assist in budget balancing strategies. Depending upon management's response to economic and financial conditions, some parts of the plan may be implemented sooner or later, in accordance with direction from the City Council. Economic and budget conditions will be evaluated monthly, and any budget impacts resulting from economic conditions or trends will be identified.

Throughout the contingency plan process, the goal is to protect current service levels, while continuing to provide competitive pay and benefits to all employees.

Budgetary Revenue Shortfall Contingency Plan

- A. The City will establish a plan to address economic situations that cause revenue to be significantly less than the adopted budget revenue. The plan is comprised of the following components:

Indicators: Serve as warnings that potential budgetary revenue shortfalls are increasing in probability. Staff will monitor state and national economic indicators to identify recessionary or inflationary trends that could negatively impact consumer spending or property values.

Levels: Serve to classify and communicate the severity of the estimated budgetary revenue shortfalls and identify the actions to be taken at the given phase.

Actions: Preplanned steps to be taken in order to prudently address and counteract the estimated budgetary revenue shortfall.

- B. The actions listed in Levels I through IV are intended to be short-term in nature. In the event the underlying economic situation is expected to last for consecutive years, more permanent actions will be taken.
- C. The City Manager or designee will apprise City Council at the regular City Council meeting immediately following any action taken through this plan. Information such as underlying economic conditions, economic indicators, estimated budgetary revenue shortfalls, actions taken and expected duration will be presented to City Council.
- D. The City Council may appropriate available fund balance as needed to cover any estimated revenue shortfall. Appropriation of fund balance must be carefully weighed and long-term budgetary impacts must be considered in conjunction with the projected length of the economic downturn.
- E. Actions taken through this plan must always consider the impact on revenue generation. Actions taken should reduce expenses well in excess of resulting revenue losses.
- F. The following is a summary of classifications and the corresponding actions to be taken.
1. Level I: The estimated annual revenue is below budget projections for 3 consecutive months. Current economic conditions and indicators may continue.
 - a. Expenditures:
 - i. Freeze newly created positions.
 - ii. Implement a time delay for hiring vacant positions.
 - b. Revenues:
 - i. Identify any potential new revenue sources.
 - c. Service Level Impacts:
 - i. Minor service level disruptions and/or delays.
 - ii. New projects may be postponed or deferred.

- iii. Begin planning for Levels II through IV.
 - iv. Implement Community Communication Plan in order to communicate to citizens any service levels that may be impacted.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate normal operating procedures.
- 2. Level II: The estimated annual revenue is below budget projections for 6 consecutive months. Current economic conditions and indicators are anticipated to continue.
 - a. Expenditures:
 - i. Implement a managed-hiring program for vacant positions.
 - ii. Reduce the hours/number of part-time and seasonal employees as per Reduction In Force Policy.
 - iii. Reduce travel and training expenses.
 - iv. Review and prioritize reductions of operating and capital expenditures.
 - v. Eliminate or defer capital outlay expenses.
 - vi. Review and prioritize expenses for professional and contracted services.
 - b. Revenues:
 - i. Evaluate user fees in order to remain competitive.
 - ii. Identify and/or implement new revenue sources.
 - iii. Evaluate property tax rate increase.
 - iv. Evaluate water and wastewater rate increases.
 - v. Evaluate use of available fund balance.
 - c. Service Levels Impacts:
 - i. Cutbacks or reductions in non-essential day-to-day operations (number of times parks are mowed, hours of operations of facilities).
 - ii. Defer general (non-essential) maintenance.
 - iii. Prioritize and defer or freeze vehicle replacements, computer upgrades and new computer purchases. Replacements for essential non-working equipment are allowed, subject to approval by the City Manager.
 - iv. Reduce or defer non-essential repair and maintenance expenses. Examples – vehicles, communications, office equipment, machinery and buildings. Repair and maintenance of essential non-working equipment is permitted, subject to approval by the City Manager.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level I.
- 3. Level III: The estimated annual revenue is below budget projections for 9 consecutive months, or is below budget projections by more than 6% for 6 consecutive months. Current economic conditions and indicators are anticipated to continue or possibly worsen.
 - a. Expenditures:
 - i. Prepare for implementation of a Reduction in Force Plan.
 - ii. Implement a compensation freeze.
 - iii. Identify overtime expenses that may likely be reduced.
 - iv. Reduce external program funding.
 - v. Eliminate or defer pending capital improvement projects.
 - vi. Consider deferring payments to City-owned utilities – water and wastewater services.
 - b. Revenues:
 - i. Recommend property tax increase.
 - ii. Recommend water and/or wastewater rate increase.
 - iii. Recommend new revenues, or increases in current fees.
 - iv. Recommend use of available fund balance.
 - c. Service Level Impacts:
 - i. Significant reductions in service levels.
 - ii. Evaluate and/or recommend a reduction in hours of operation at all facilities.
 - iii. Essential programs and services will be evaluated for reductions.
 - iv. Reduce energy costs through reduction in hours of operations.

- d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level II.
4. Level IV: The estimated annual revenue is below budget projections for 12 consecutive months, or is below budget projections by more than 6% for 9 consecutive months. Current economic conditions and indicators are anticipated to continue and are likely to worsen.
- a. Expenditures:
 - i. Implement Reduction in Force Plan (reduce employee personnel costs, including an employee furlough plan for time off without pay and/or four-day work weeks, laying off of personnel, etc.).
 - ii. Consider other cost reduction strategies.
 - iii. Reduce departmental budgets by a fixed percentage or dollar amount.
 - iv. Eliminate external program funding.
 - v. Reduce and/or eliminate overtime expenses throughout departments.
 - b. Revenues:
 - i. Implement property tax rate increase.
 - ii. Implement water and wastewater rate increase.
 - iii. Increase user fees.
 - iv. Implement use of available fund balance.
 - c. Service Level Impacts:
 - i. Reduce hours of operations of all facilities.
 - ii. Implement service level reductions throughout all departments and/or eliminate specific programs.
 - iii. Departments will prioritize service levels and programs according to City Council goals and objectives.
 - iv. Defer infrastructure and street overlay maintenance.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level III.

GENERAL AND DEBT SERVICE FUND LONG-RANGE FINANCIAL PROJECTIONS

The primary purpose of the long-range financial outlook is to provide a multi-year financial overview for the General and Debt Service Funds. This outlook provides the City with projected revenues and expenditures over a five-year period.

The long-range projection is a tool for financial planning. It is not a formal forecast, and the City Council has not officially adopted these projections. The long-range projection is not intended as a budget or as a formal proposed plan. Rather, it is presented for informational and planning purposes only. The projections assist both the City Council and staff with establishing priorities and allocating resources properly.

The current outlook shows a challenging future for the City's General Fund operating budget, as projected growth in expenditures exceeds the projected growth in revenues. The projections are based on a series of conservative assumptions, and do not reflect future actions the City will take to close the projected deficits during the five-year period. Each year, the City Council will review and evaluate the proposed budget and make the corrections and adjustments necessary for meeting the Council's goals, while maintaining the required fund balance reserves.

The projections include conservative growth rate assumptions for both revenues and expenditures. Further, the projection assumes no new programs or new debt. The projections below were prepared based on the following assumptions:

Major Revenues:

- Growth in taxable values – 3.0%
- Sales taxes – 5.0%
- Other Taxes, License & Permits, Charges for Services 3.0%
- Intergovernmental revenues – average of 2.75%

Expenditures:

- Personnel services (including benefits) – 4.0%
- Operations and maintenance – 3%
- Services and other – 3.0%
- Capital outlay – same as current year
- No new programs

Debt Service:

- Assumes no new tax-supported debt

LONG-RANGE FINANCIAL PROJECTIONS
(continued)

	2014-15 ESTIMATE	2015-16	2016-17	2017-18	2018-19	2019-20
GENERAL GOVERNMENT MULTI-YEAR FINANCIAL FORECAST						
Revenues						
Property Taxes	14,867,037	15,560,148	16,027,000	16,508,000	17,003,000	17,513,000
Sales Taxes	5,298,080	5,668,946	5,952,000	6,250,000	6,563,000	6,891,000
Other Taxes	4,565,100	4,407,320	4,540,000	4,676,000	4,816,000	4,960,000
Licenses and Permits	1,438,000	1,224,000	1,261,000	1,299,000	1,338,000	1,378,000
Charges for Services	2,662,975	2,841,630	2,927,000	3,015,000	3,105,000	3,198,000
Fines & Fees	1,383,800	1,305,200	1,344,000	1,384,000	1,426,000	1,469,000
Inter-Intragovernmental	2,692,030	2,784,800	2,861,000	2,940,000	3,021,000	3,104,000
Other Revenue	176,630	170,065	173,000	176,000	180,000	184,000
Total Revenues Before Transfers	33,083,652	33,962,109	35,085,000	36,248,000	37,452,000	38,697,000
TRANSFERS FROM OTHER FUNDS						
Debt Service Transfers from Other Funds	5,513,640	5,377,970	5,217,000	5,060,000	4,908,000	4,761,000
Total Transfers	5,513,640	5,377,970	5,217,000	5,060,000	4,908,000	4,761,000
TOTAL REVENUES & TRANSFERS	38,597,292	39,340,079	40,302,000	41,308,000	42,360,000	43,458,000
EXPENDITURES						
Personnel Services	20,847,415	22,424,447	23,321,000	24,254,000	25,224,000	26,233,000
Operations & Maintenance	2,355,170	2,284,987	2,354,000	2,425,000	2,498,000	2,573,000
Services & Other	7,148,558	6,595,843	6,794,000	6,998,000	7,208,000	7,424,000
TIRZ No. 1 Assessment/Subsidy	-	-	-	-	-	-
Debt Service	5,373,303	5,652,870	5,483,000	5,319,000	5,159,000	5,004,000
One-time Expenditures	3,836,130	8,419,595	1,000,000	1,000,000	500,000	500,000
Capital Outlay	1,613,280	1,131,020	1,131,020	1,131,020	1,131,020	1,131,020
Total Expenditures Before Transfers	41,173,856	46,508,762	40,083,020	41,127,020	41,720,020	42,865,020
Transfers to Other Funds	300,000	300,000	300,000	300,000	300,000	300,000
Total Transfers	300,000	300,000	300,000	300,000	300,000	300,000
TOTAL EXPENDITURES & TRANSFERS	41,473,856	46,808,762	40,383,020	41,427,020	42,020,020	43,165,020
NET REVENUES (EXPENDITURES)	(2,876,564)	(7,468,683)	(81,020)	(119,020)	339,980	292,980
GENERAL GOVERNMENT MULTI-YEAR FINANCIAL FORECAST FUND BALANCE SUMMARY						
GENERAL FUND						
Undesignated Beginning Balance	14,763,002	15,582,231	8,113,548	8,032,528	7,913,508	8,253,488
Net Revenues (Expenditures)	819,229	(7,468,683)	(81,020)	(119,020)	339,980	292,980
Undesignated Ending Balance	15,582,231	8,113,548	8,032,528	7,913,508	8,253,488	8,546,468
Days of Operations	159.21	80.13	77.25	74.07	75.15	75.65
Percent of Operating Expenditures	44%	22%	21%	20%	21%	21%
FUND BALANCE REQUIREMENT	6,851,264	7,087,864	7,278,466	7,478,685	7,688,301	7,907,890
	70	70	70	70	70	70
DEBT SERVICE FUND						
Beginning Balance	533,472	401,467	423,032	423,032	423,032	423,032
Net Revenues (Expenditures)	(132,005)	21,565	-	-	-	-
Undesignated Ending Balance	401,467	423,032	423,032	423,032	423,032	423,032
Direct tax-supported debt per capita (net of self-supporting transfers)	619	550	528	507	487	468

The 2015-16 amounts are projections using categorical assumptions so will not tie to proposed budget

The 2014-15 amounts have not been updated with the adopted budget amounts.

2015 (FY2016) Property Tax Rates in City of Keller

This notice concerns the 2015 property tax rates for City of Keller. It presents information about three tax rates. Last year's tax rate is the actual tax rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers start rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$12,874,238
Last year's debt taxes	\$4,894,698
Last year's total taxes	\$17,768,936
Last year's tax base	\$4,064,350,969
Last year's total tax rate	\$0.43719/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$17,053,279
÷ This year's adjusted tax base (after subtracting value of new property)	\$3,861,780,486
= This year's effective tax rate (maximum rate unless unit publishes notices and holds hearings)	\$0.44159/\$100

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for any transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent healthcare expenditures)	\$12,358,607
÷ This year's adjusted tax base	\$3,861,780,486
= This year's effective operating rate	\$0.32002/\$100
x 1.08 = this year's maximum operating rate	\$0.34562/\$100
+ This year's debt rate	\$0.11152/\$100
= This year's total rollback rate	\$0.45714/\$100

Statement of Increase/Decrease

If City of Keller adopts a 2015 tax rate equal to the effective tax rate of \$0.44159 per \$100 of value, taxes would **increase** compared to 2014 taxes by \$75,004.

Schedule A - Unencumbered Fund Balance

The following estimated balances will be left in the unit's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
General Fund	\$15,582,231
Debt Fund	\$ 615,269

Schedule B - 2015 Debt Service

The unit plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

<u>Description of Debt</u>	<u>Principal or Contract Payment to be Paid from Property Taxes</u>	<u>Interest to be Paid from Property Taxes</u>	<u>Other Amounts to be Paid</u>	<u>Total Payment</u>
2009 GO BOND	\$ 165,000	\$ 136,258	-	\$ 301,258
2009 CO BOND	380,000	271,065	-	651,065
2010 CO BOND	275,000	219,424	-	494,424
2010A GO REFUNDING BOND	115,000	18,963	-	133,963
2010B GO REFUNDING BOND	515,000	115,838	-	630,838
2011 GO REFUNDING BOND	3,088	18,926	-	22,014
2012 GO REFUNDING BOND	350,000	160,550	-	510,550
2013 PUBLIC PROPERTY CO BOND	120,060	4,173	-	124,233
2015 GO REFUNDING BOND	1,430,910	124,722	-	1,555,632
2015A TIRZ CO REFUNDING BOND	603,842	83,458	-	687,300
PAYING AGENT FEES/OTHER	-	-	6,000	6,000
Total required for 2015 debt service	\$3, 957,900	\$1,153,377	\$6,000	\$5,117,277
- Amount (if any) paid from Schedule A				\$0
- Amount (if any) paid from other resources				\$610,685
- Excess collections last year				\$0
= Total to be paid from taxes in 2015				\$4,506,592
+ Amount added in anticipation that the unit will collect only 100.00% of its taxes in 2015				\$0
= Total debt levy				\$4,506,592

This notice contains a summary of actual effective and rollback tax rates' calculations. You can inspect a copy of the full calculations at Keller Town Hall, 1100 Bear Creek Parkway, Keller, TX 76248.

Name: Steve Groom, CGFM, CPFA
 Title: Chief Financial Officer
 Date Prepared: 08/10/2015

**CITY OF KELLER, TEXAS
COMPENSATION PAY PLAN**

Fiscal Year 2015-16

The City maintains a compensation plan for all employees, except the City Manager and City Secretary, whose compensation is determined by the City Council. The compensation pay plan is a broadband pay plan. All positions participate in the broadband pay plan with only minimum, midpoint, and maximum salaries.

All forms of compensation and pay increases, including (but not limited to) cost of living adjustments (COLA), pay plan adjustments, merit pay, market adjustments, and position reclassifications are subject to available funding and approved appropriation of the City Council.

Performance evaluations for all employees who have completed six months of service are performed annually in September. Upon satisfactory evaluation, employees are eligible for a merit increase which may be in the form of a percentage of pay added to base salary, percentage of pay lump sum, or a one-time specific amount lump sum.

Non-Exempt Positions. All non-exempt (hourly) positions are eligible for overtime compensation. Bi-weekly wages are based on a 40-hour work week, or 2,080 hours per year, equaling one full-time equivalent (FTE) position. This work schedule applies to all hourly regular, year-round employees, except for those employees on the Fire Pay Plan.

Non-Exempt Positions (Fire Pay Plan). Fire Department non-exempt (hourly) positions are eligible for overtime pay. Bi-weekly wages are based on 24-hour shifts averaging 56 hours per week, or 2,912 annual hours. In accordance with the provisions of Section 207(k) of the Fair Labor Standards Act, hours worked in excess of 212 hours in each 28-day work period are paid at the appropriate overtime rate.

Exempt Positions. Exempt (salaried) positions are not eligible for overtime compensation. Salary is not calculated on the number of hours worked. Exempt positions include managers and directors.

The summary compensation pay plan is provided on the following page.

**CITY OF KELLER, TEXAS
COMPENSATION PAY PLAN**

Fiscal Year 2015-16

COMPENSATION PLAN

Pay Class	Minimum Annual	Mid-Point Annual	Maximum Annual	Pay Class	Minimum Annual	Mid-Point Annual	Maximum Annual
ADMINISTRATIVE/TECHNICAL NON-EXEMPT PAY PLAN				POLICE EXEMPT PAY PLAN			
A/TN-1	\$ 25,501	\$ 30,690	\$ 35,880	PSE-PC	93,181	\$101,101	109,021
A/TN-2	27,019	32,521	38,022	FIRE NON-EXEMPT PAY PLAN (SHIFT)			
A/TN-3	28,642	34,466	40,290	PSN-FR (Recruit)	\$49,329	N/A	N/A
A/TN-4	30,389	36,546	42,702	PSN-F	52,300	60,511	68,723
A/TN-5	32,178	38,740	45,302	PSN-D/F	65,957	73,237	80,517
A/TN-6	34,112	41,049	47,986	PSN-FC	78,420	86,676	94,931
A/TN-7	36,171	43,534	50,898	PSN-BC	89,573	97,203	104,832
A/TN-8	38,334	46,145	53,955	FIRE NON-EXEMPT PAY PLAN (NON-SHIFT)			
A/TN-9	40,622	48,890	57,158	PSN-FI	65,957	73,237	80,517
A/TN-10	43,077	51,834	60,590	PSN-FM	82,326	91,000	99,674
A/TN-11	45,656	54,933	64,210	FIRE EXEMPT PAY PLAN			
A/TN-12	48,402	58,230	68,058	PSE-BC	\$89,573	\$ 97,203	\$104,832
TRADES NON-EXEMPT PAY PLAN				PROFESSIONAL EXEMPT PAY PLAN			
TN-1	26,915	32,396	37,877	PE-1	38,359	46,162	53,966
TN-2	28,538	34,341	40,144	PE-2	40,661	48,932	57,204
TN-3	30,264	36,410	42,557	PE-3	43,100	51,868	60,636
TN-4	32,053	38,574	45,094	PE-4	45,686	54,980	64,274
TN-5	33,987	40,893	47,798	PE-5	48,428	58,279	68,130
TN-6	36,005	43,347	50,690	PE-6	51,333	61,776	72,218
TN-7	38,168	45,947	53,726	PE-7	54,413	65,482	76,551
TN-8	40,477	48,703	56,930	PE-8	57,678	69,411	81,144
TN-9	42,890	51,626	60,362	PE-9	61,139	73,576	86,013
TN-10	45,469	54,725	63,981	PE-10	64,807	77,990	91,174
TN-11	48,194	58,011	67,829	PE-11	68,695	82,670	96,644
TN-12	51,085	61,495	71,906	PE-12	72,817	87,629	102,442
POLICE/FIRE PERSONNEL NON-EXEMPT PAY PLAN				DIRECTOR AND MANAGER PAY PLAN			
PN-1	32,573	38,532	44,491	M-1	63,973	80,286	96,599
PN-2	34,507	40,841	47,174	M-2	79,640	99,949	120,257
PN-3	36,566	43,274	49,982	M-3	96,727	121,392	146,057
PN-4	38,771	45,885	52,998	SEASONAL/PART-TIME NON-EXEMPT (HOURLY)			
PN-5	41,080	48,630	56,181	RCS-1	8.00	9.00	10.00
PN-6	43,534	51,522	59,509	RCS-2	9.00	10.13	11.25
PN-7	46,155	54,610	63,066	RCS-3	10.00	11.25	12.50
PN-8	48,922	57,897	66,872	RCS-4	11.00	12.38	13.75
POLICE NON-EXEMPT PAY PLAN				RCS-5	12.00	13.50	15.00
PSN-PR (Recruit)	49,254	N/A	N/A	EXEMPT (NON-CLASSIFIED) POSITIONS			
PSN--PO/CI	52,458	60,726	68,994	City Manager			
PSN-CO	63,939	71,770	79,602	City Secretary			
PSN-S	74,006	81,786	89,565				

CITY OF KELLER, TEXAS
List of Acronyms

CAD	Computer-aided Dispatch
CAFR	Comprehensive Annual Financial Report
CALEA	Commission on Accreditation for Law Enforcement Agencies
CERT	Community Emergency Response Team
CIP	Capital Improvements Program
CO	Certificate of Obligation
COLA	Cost of Living Adjustment
CPI	Consumer Price Index
DPS	Department of Public Safety
DRC	Development Review Committee
EAT	Employee Activity Team
EMS	Emergency Medical Services
FTE	Full-time equivalent
FY	Fiscal Year
FYTD	Fiscal Year-to-Date
GAAP	Generally Accepted Accounting Principles
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
GO	General Obligation
I&S	Interest and Sinking
KCCPD	Keller Crime Control Prevention District
KDC	Keller Development Corporation
KEDB	Keller Economic Development Board
KISD	Keller Independent School District
KSP	Keller Sports Park
KTC	Keller Town Center
KTP	Keller Technology Plan
M&O	Maintenance and Operations
MGD	Million Gallons per Day

CITY OF KELLER, TEXAS
List of Acronyms

MSC	Municipal Service Center
NCTCOG	North Central Texas Council of Governments
NEFDA	Northeast Fire Department Association
NETCO	Northeast Trunked Radio Consortium
NETCOM	Northeast Tarrant Communications Center
OTK	Old Town Keller
PEG	Public Education and Government
PILOT	Payment in lieu of Taxes
RIF	Reduction in Force
ROW	Right of Way
SCADA	Supervisory Control and Data Acquisition
SCBA	Self-contained Breathing Apparatus
SEC	Securities and Exchange Commission
TAD	Tarrant Appraisal District
TCEQ	Texas Commission on Environmental Quality
TML	Texas Municipal League
TMRS	Texas Municipal Retirement System
TIF	Tax Increment Financing
TIRZ	Tax Increment Reinvestment Zone
TRA	Trinity River Authority
TxDOT	Texas Department of Transportation
YTD	Year-to-Date

GLOSSARY OF TERMS

The annual budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader in understanding these terms, this glossary has been included in the budget document.

-A-

ACCRUAL BASIS OF ACCOUNTING. A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred. For example, water revenues which are billed in September are recorded as revenues in September, even though payment in cash is actually received in October. Similarly, services or supplies that have been received in September, but actually paid for by the City in October, are recorded as obligations of the City (expenses) in September. Accrual accounting is used for the City's enterprise funds for financial reporting purposes.

ADOPTED BUDGET. The budget as modified and finally approved by the City Council. The adopted budget is authorized by ordinance that sets the legal spending limits for the fiscal year.

AD VALOREM TAX. A tax levied on the assessed valuation of land and improvements.

APPRAISED VALUE. The estimated value of property for the purpose of taxation, as established by the Tarrant Appraisal District.

APPROPRIATION. An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of resources. Appropriations normally are made for fixed amounts at the department level and cover, in the operating budget, a one-year period.

APPROPRIATION (BUDGET) ORDINANCE. The official enactment by the City Council establishing the legal authority for City officials to obligate and expend resources.

ASSESSED VALUATION. A value that is established for real or personal property for use as a basis for levying property taxes. Property values in Keller are established by the Tarrant Appraisal District.

ASSETS. Resources owned or held by the City that have monetary value.

AUTHORIZED POSITION(S). See *FULL-TIME EQUIVALENT POSITION*.

-B-

BALANCED BUDGET. A budget adopted by the City Council and authorized by ordinance where the proposed expenditures are equal to or less than the proposed revenues plus fund balances.

BASIS OF ACCOUNTING. A term used referring as to when revenues, expenditures, expenses, and transfers –and related assets and liabilities – are recognized in the accounts and reported in the City's financial statements.

BUDGET. The City's financial plan that contains both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives.

BUDGET ADJUSTMENT (AMENDMENT). A formal legal procedure utilized by the City to revise a budget during a fiscal year.

BUDGET CALENDAR. The schedule of dates used as a guide to complete the various steps of the budget preparation and adoption processes.

BUDGET ENHANCEMENT. A request for additional funding for a program, service, or the expansion of current services. Budget enhancements are used during the budget preparation process in order to identify specific departmental requests in the proposed budget. Budget enhancements are ranked in their order of priority by the department manager making the request. Budget enhancements are distinguished in the proposed budget separately from the "base line" or "current services" funding levels. Also see: *DECISION PACKAGE* and *SUPPLEMENTAL DECISION PACKAGE*.

BUDGET MESSAGE. The opening section of the budget document from the City Manager that provides the City Council and the public with a general summary of the most important aspects of the budget. Sometimes referred to as a "transmittal letter."

BUDGETARY CONTROL. The control of management of the organization in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

GLOSSARY OF TERMS

-C-

CAPITAL OUTLAY. An expenditure which results in the acquisition of or addition to fixed assets, and meets these criteria: having an anticipated useful life of more than one year; can be permanently identified as an individual unit of property; belonging to one of the following categories – land, buildings, machinery and equipment, vehicles, or furniture and fixtures; constitutes a tangible, permanent addition to the value of City assets; cost generally exceeds \$5,000; does not constitute repair or maintenance; and is not readily susceptible to loss. In the budget, capital outlay is budgeted as expenditures in all fund types.

CAPITAL PROJECT FUND. A fund used to account for the financial resources to be used for the acquisition or construction of major capital facilities or equipment, usually financed by the issuance of debt.

CERTIFICATES OF OBLIGATION. Tax-supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval of the City Council.

CERTIFIED APPRAISAL ROLL. The final property appraisals roll, as calculated by the Tarrant Appraisal District (TAD). The certified roll is required to be prepared by TAD by July 25 of each year.

CITY CHARTER. The document of a home rule City similar to a constitution, which establishes the City's government structure and provides for the distribution of powers and duties among the various branches of government.

CITY COUNCIL. The elected governing body of the City, consisting of the Mayor and six (6) Council members, collectively acting as the legislative and policy-making body of the City.

CRIME CONTROL PREVENTION DISTRICT SALES TAX. (See *KELLER CRIME CONTROL PREVENTION DISTRICT*.)

CURRENT TAXES. Taxes levied and due within one year.

-D-

DEBT SERVICE. The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

DEBT SERVICE FUND. A fund used to account for resources and expenditures related to retirement of the City's general obligation debt service, sometimes referred to as a "sinking fund."

DECISION PACKAGE. A request for additional funding for a program, service, or the expansion of current services. A decision package is also required for any new personnel and capital requests. Decision packages are used during the budget preparation process in order to identify specific departmental requests in the proposed budget. Decision packages are ranked in their order of priority by the department manager making the request. Decision packages are distinguished in the proposed budget separately from the "base line" or "current services" funding levels. (See *BUDGET ENHANCEMENT*)

DEFERRED REVENUE. Cash received from customers in advance of services received. Recorded as a liability under general accepted accounting principles. Used primarily for operations of The Keller Pointe Recreation/Aquatic Center, where annual memberships are recorded as deferred revenue in 12 monthly installments. Also referred to as *Unearned Revenue*.

DELINQUENT TAXES. Taxes that remain unpaid after the date on which a penalty for nonpayment is attached. Property taxes are delinquent if not paid by January 31.

DEPARTMENT. A major administrative organizational unit of the City containing one or more divisions or activities.

GLOSSARY OF TERMS

-E-

EFFECTIVE TAX RATE. Defined by State law. In general, the tax rate that will raise the same amount of property tax revenue as the previous year, based on properties taxed in both years.

ENCUMBRANCE. An obligation, usually in the form of a purchase order, contract, or salary commitment, related to uncompleted contracts for goods or services. Used in budgeting, encumbrances are not classified as expenditures or liabilities, but are shown as a reservation of fund balance. Upon payment, encumbrances are recorded as expenditure and liquidated, thereby releasing the reservation of fund balance. Outstanding or unliquidated encumbrances at year-end are re-appropriated into the budget of the subsequent year.

ENTERPRISE FUND. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

ESTIMATED BUDGET. The City's estimated financial plan, using mid-year estimates, containing both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives. The City uses the current year estimate during the budget process in order to determine the estimated beginning fund balances for the next year. (Sometimes called *Revised Budget*.)

EXPENDITURE. The outflow of funds paid or to be paid for assets obtained or goods and services obtained regardless of when the expense is actually paid. An expenditure decreases fund balance.

-F-

FISCAL YEAR. The time period designated by the City signifying the beginning and ending period for the recording of financial transactions. The City's fiscal year is October 1 through September 30.

FRANCHISE FEES (TAXES). A fee (tax) paid by a public utility for the use of public property in providing their services to the citizens of Keller. The fee is typically calculated as a percentage of the utility's gross receipts.

FULL-TIME EQUIVALENT (FTE) POSITION.

A position for an employee working a 40-hour work week for 52 weeks a year, i.e., 2,080 annual hours (2,912 annual hours for firefighters).

FUND. A fiscal and accounting entity established to record receipt and disbursement of income from sources set aside to support specific activities or to attain certain objectives. Each fund is treated as a distinct fiscal entity where assets equal liabilities plus fund balances.

FUND BALANCE. Unless stated otherwise, the excess of a fund's current assets over its current liabilities; sometimes called working capital in enterprise funds. Negative fund balances are referred to as a deficit.

-G-

GENERAL FUND. The fund used to account for financial resources except those funds required to be accounted for in another fund; the general fund is tax supported and includes the operations of most City services, i.e., police, fire, streets, parks and recreation, and administration.

GENERAL OBLIGATION DEBT. Money owed on interest and principal to holders of the City's general obligation bonds. The debt is supported by revenues provided from real property that is assessed through the taxation power of the City.

GOAL. A broad, general statement of each department's or division's desired social or organizational outcomes.

-I-

IMPACT FEE. A fee imposed by the City on new development. Impact fees are collected for roadway, water and sewer improvements. Impact fees may only be used for capital improvements and/or expansion to the systems for which the impact fee originally was collected.

INFRASTRUCTURE. That portion of a City's assets located at or below ground level, including streets, water, and sewer systems.

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS. Transfers made from one City fund to another City fund for purposes such as reimbursement of expenditures, general and administrative services, payments-in-lieu of taxes, or debt service.

GLOSSARY OF TERMS

INTERGOVERNMENTAL REVENUES. Revenues from other governments in the form of grants, entitlements, shared revenues or payments-in-lieu of taxes.

-K-

KELLER CRIME CONTROL PREVENTION DISTRICT (KCCPD). A special taxing district authorized by an election in the City of Keller in November 2001, levying an additional 3/8-cent (0.375%) sales tax, designated for Police/Public Safety programs or capital improvements. In May 2006, voters authorized the tax for an additional 15 years. In November 2007, voters authorized a reduction in the rate to 0.25%. Sometimes referred to as "Crime Tax."

KELLER DEVELOPMENT CORPORATION (KDC). A non-profit corporation authorized by Section 4B, Article 5190.6 of the Industrial Corporation Act of 1979. The Corporation is governed by a seven-member board, consisting of four members of the City Council and three other members, who are appointed by the City Council. The Corporation receives the ½ cent sales tax, which is dedicated for park improvements. The Corporation also has the power to issue long-term debt which is payable from the ½ cent sales tax.

KELLER INDEPENDENT SCHOOL DISTRICT (KISD). The local independent school district, where an elected board of directors (trustees) provide for the administration and operation of schools within the KISD. The City of Keller is included within the boundaries of KISD, but the KISD is a separate legal entity.

-L-

LIABILITY. Debt or other legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. The term does not include encumbrances.

-M-

M&O. Acronym for "maintenance and operations." (1) The recurring costs associated with a department or activity; (2) the portion of the tax rate that is applied to the General Fund (see TAX RATE).

MIXED BEVERAGE TAX. A tax imposed on the gross receipts of a licensee for the sale, preparation or serving of mixed beverages.

MODIFIED ACCRUAL BASIS OF ACCOUNTING. A basis of accounting in which expenditures are accrued but revenues are recorded when "measurable" or are available for expenditure.

MSC. Acronym for the City's *Municipal Service Center* facility and related operations.

-N-

NEFDA. Acronym for "Northeast Fire Department Association." A regional association developed by a group of cities in Northeast Tarrant County, Texas, for the purpose of combining manpower, ideas, and education for specialty operations. There are currently 13 area cities that comprise or participate in NEFDA.

NETCO. Acronym for "Northeast Trunked Radio Consortium." An 800 MHz trunked radio system providing the infrastructure that serves the cities of Bedford, Colleyville, Euless, Grapevine, Keller and Southlake. Each participating city shares in 1/6 of the maintenance and replacement cost of the system.

NETCOM. Acronym for "Northeast Tarrant Communications Center." A combined dispatch/communications center located in Keller, that provides consolidated enhanced 911 services for the cities of Keller, Colleyville, Southlake, and Westlake.

NON-RECURRING EXPENSES/REVENUES. Resources/expenses recognized by the City that are unique and occur only one time without pattern in one fiscal year.

-O-

OBJECTIVE. A specific statement of desired end which can be measured.

OPERATING BUDGET. Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of the City are controlled. The use of annual operating budgets is required by the City's Charter and State law.

OPERATIONS AND MAINTENANCE EXPENDITURES. Expenditures for routine supplies and maintenance costs necessary for the operation of a department of the City.

GLOSSARY OF TERMS

ORDINANCE. A formal legislative enactment of the City Council.

-P-

PAYMENT-IN-LIEU OF TAXES. A payment made to the City in lieu of taxes. These payments are generally made by tax exempt entities for which the City provides specific services. The City's water and wastewater utility fund provides these payments to the City's general fund because of the fund's exemption from property taxation.

PEG FEE. Acronym for "Public Education and Government" fee. See *PUBLIC EDUCATION AND GOVERNMENT (PEG) FEE*.

PERSONNEL SERVICES. Expenditures for salaries, wages and related fringe benefits of City employees.

POSITION. See *Full-Time Equivalent*.

PROPOSED BUDGET. The financial plan initially developed by departments and presented by the City Manager to the City Council for approval.

PUBLIC EDUCATION AND GOVERNMENT (PEG) FEE. Cable franchise fees charged in accordance with Section 622(g)(2)(C) of the Cable Act (47 U.S.C. SS542(g)(2)(c)). PEG fees are remitted to the City by television cable providers. Fees may be used for capital costs for PEG facilities, including purchases of cameras and equipment used in the broadcasting and/or dissemination of public information.

-R-

REDUCTION IN FORCE (RIF). Dismissal and/or layoff of an employee or employees, usually by elimination of the position(s).

REIMBURSEMENT. Repayment to a specific fund for expenditures incurred or services performed by that fund to or for the benefit of another fund.

RESERVE. An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

RETAINED EARNINGS. The excess of total assets over total liabilities for an enterprise fund. Retained earnings include both short-term and long-term assets and liabilities for an enterprise fund. (See *WORKING CAPITAL*.)

REVENUE. Funds that the City receives as income. Revenues increase fund balance.

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund, in addition to a pledge of revenues.

-S-

SALES TAX. A general tax on certain retail sales levied on persons and businesses selling taxable items in the city limits. The City's current sales tax rate is 8.25%, consisting of 6.25% for the State of Texas; 1% for the City; 0.5% for the Keller Development Corporation, 0.25% for the Keller Crime Control Prevention District, and 0.25% for maintenance and repair of City streets.

SCADA. Acronym for *Supervisory Control and Data Acquisition*. An automated system that electronically monitors and controls water storage tanks, pumping stations, and water supply levels. The system monitors and coordinates water supply throughout the City in order to meet customer water demands, by allowing remote facilities to be operated from a central location.

SERVICES & OTHER EXPENDITURES. Costs related to services performed by the City by individuals, businesses, or utilities, and other expenditures not classified in any other category.

SPECIAL REVENUE FUND. A fund used to account for proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes, or have been segregated by financial policy to be maintained separately.

STREET MAINTENANCE SALES TAX. Local sales tax authorized by voters in November 2003, pursuant to Chapter 327 of the Texas Tax Code, as amended. A tax of 1/8 of one percent (0.125%) became effective on April 1, 2004, to be used for maintenance and repair of City streets. In November 2007, voters authorized an increase in the rate to ¼ of one percent (0.25%).

GLOSSARY OF TERMS

SUPPLEMENTAL DECISION PACKAGE. See *DECISION PACKAGE* and *BUDGET ENHANCEMENT*.

-T-

TARRANT APPRAISAL DISTRICT. The Tarrant Appraisal District is a separate legal entity that has been established in each Texas County by the State legislature for the purpose of appraising all property within the county or district. All taxing units within Tarrant County use the property values certified by the TAD. The TAD is governed by a board of directors, whose members are appointed by the individual taxing units within the district.

TAX BASE. The total value of all real and personal property in the City as of January 1st of each year, as certified by the Tarrant Appraisal District's Appraisal Review Board. The tax base represents the net taxable value after exemptions. (Also sometimes referred to as "assessed taxable value.")

TAX INCREMENT REINVESTMENT ZONE (TIRZ). A special financing and development method authorized by Section 311 of the Texas Property Tax Code. Tax increment financing involves pledging future real property tax revenues generated within the specified reinvestment zone (district). TIRZ revenues are calculated based on the cumulative increase in taxable values over the district's "base" year values. (Base year values are established upon the creation of the reinvestment zone.) Property taxes generated from the increase in the taxable values is pledged to fund improvements and development within the reinvestment zone (district). **NOTE:** The terms TIRZ and TIF are used interchangeably throughout the document.

TAX LEVY. The result of multiplying the ad valorem property tax rate per one hundred dollars times the tax base.

TAX RATE. The rate applied to all taxable property to generate revenue. The tax rate is comprised of two components: the debt service rate, and the maintenance and operations (M&O) rate.

TAX ROLL. See *TAX BASE*.

TAXES. Compulsory charges levied by the City for the purpose of financing services performed for the common benefit.

TIF. Acronym for *Tax Increment Financing* (see *TAX INCREMENT REINVESTMENT ZONE-TIRZ*).

TRINITY RIVER AUTHORITY (TRA). A separate governmental entity responsible for providing water and wastewater services in the Trinity River basin. The City contracts with TRA for treatment of wastewater as well as a portion of its wastewater collection system for the Big Bear Creek and Cade Branch interceptor sewer collection mains.

-U-

UNEARNED REVENUE. See *DEFERRED REVENUE*.

-W-

WORKING CAPITAL. The current assets less the current liabilities of a fund. Working capital does not include long-term assets or liabilities. For budgetary purposes, working capital, rather than retained earnings, is generally used to reflect the available resources of enterprise funds. (See *RETAINED EARNINGS*.)

ORDINANCE NO. 1758

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3 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KELLER,
4 TEXAS, ADOPTING THE ANNUAL BUDGET FOR THE CITY OF KELLER,
5 TEXAS, FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2015 AND
6 ENDING SEPTEMBER 30, 2016, INCLUDING THE 2016 THROUGH
7 2020 CAPITAL IMPROVEMENTS PROGRAM, AND APPROVING CERTAIN
AMENDMENTS TO THE FISCAL YEAR 2014-2015 ANNUAL BUDGET;
AND ADOPTING THE FISCAL YEAR 2015-2016 FEE SCHEDULE FOR
THE CITY OF KELLER, TEXAS.

8 WHEREAS, the annual budget for the City of Keller,
9 Texas was prepared by the City Manager and
10 presented to the City Council by August 15,
2015, in accordance with the Charter of the
City of Keller, Texas; and

11 WHEREAS, a public hearing on the Keller Crime Control
12 Prevention District was held, and the Board
13 of Directors of the Keller Crime Control
14 Prevention District unanimously approved the
15 budget for the Keller Crime Control
16 Prevention District, on June 24, 2015, and
17 subsequently, a notice of public hearing on
18 the proposed Keller Crime Control Prevention
District budget was provided, and said
public hearing was held by the City Council
of the City of Keller, Texas, on August 18,
2015; and

19 WHEREAS, the Keller Development Corporation Board of
20 Directors approved the budget for the Keller
21 Development Corporation, on July 20, 2015,
22 and subsequently, a notice of public hearing
23 on the proposed Keller Development
Corporation budget was provided, and said
public hearing was held by the City Council
of the City of Keller, Texas, on July 21,
2015; and

24 WHEREAS, the proposed budget document has been made
25 available for public review in person and on
26 the City's Internet web site and;

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WHEREAS, a notice of public hearing concerning the proposed annual City budget was published as required by State law and the City Charter of the City of Keller, and said public hearing was held by the City Council on September 15, 2015; and

WHEREAS, after review and public hearing on the proposed 2015-2016 Annual Budget, including the 2016 through 2020 capital improvements program, the 2015-2016 City of Keller Fee Schedule, and the review of the amendments to the current Fiscal Year 2014-2015 Annual Budget, it is deemed to be in the best financial interest of the citizens of the City of Keller, Texas, that the City Council should approve said budget and any amendments, as subsequently approved by the City Council, and as presented by the City Manager.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS:

Section 1: THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

Section 2: THAT, the official budget for the City of Keller, Texas, for the Fiscal Year beginning October 1, 2015 and ending September 30, 2016, including the 2016 through 2020 Capital Improvements Program be hereby adopted by the City Council of the City of Keller, Texas, and the City Secretary is directed to keep and maintain a copy of such official budget on file in the office of the City Secretary, available for inspection by citizens and the general public.

Section 3: THAT, the City Council of the City of Keller, Texas, hereby approves certain amendments to the current Fiscal Year 2014-2015 Annual Budget.

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Section 4: THAT, the sums specified below are hereby appropriated from the respective funds for the payment of expenditures on behalf of the city government as established in the approved budget document:

Fund	2014-2015 Revised Expenditures	2015-2016 Expenditures
General Fund	\$ 32,264,423	\$ 32,436,297
Water & Wastewater Fund	26,336,084	23,174,873
Drainage Utility Fund	1,406,935	1,339,173
Keller Development Corporation	3,513,430	2,496,125
The Keller Pointe Recreation & Aquatic Center Fund	2,897,833	3,390,425
Information Services Special Revenue Fund	1,677,540	1,746,314
Library Special Revenue Fund	15,000	7,500
Recreation Special Revenue Fund	440,890	232,700
Municipal Court Special Revenue Fund	137,490	156,592
Cable Franchise Special Revenue Fund	40,750	279,420
Keller Crime Control Prevention District Fund	968,594	1,045,745
Community Clean-Up Fund	-	30,000
General Obligation Debt Service Fund	10,688,945	5,118,780
Tax Increment Reinvestment Zone Interest and Sinking Fund	13,232,355	2,985,795
Park Development Fee Fund	49,329	900,000
Street Improvements Fund	1,436,254	4,315,398
Fleet Replacement Fund	559,000	197,150
TOTAL APPROPRIATIONS	\$ 95,664,852	\$ 79,852,287

Section 5: THAT, in addition to the above appropriated amounts, the following one-time, non-recurring expenditures are hereby appropriated from available fund reserves for fiscal year 2015-2016:

GENERAL FUND:

Transfer to Fleet Replacement Fund for future vehicle replacements - Phase 3	\$ 300,000
Vehicle and equipment replacements	175,550
Old Town Keller Walk Under Bridge	4,000,000
FM 1709 Keller Smithfield/Rufe Snow	500,000
Keller Hicks Quiet Zone engineering	200,000
Old Town Keller-West improvements	1,905,000
Primary Portal sign(s)	200,000
Economic development initiatives	2,000,000
Economic development incentives (approved developer agreements)	139,045
Total	\$9,419,595

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THE KELLER POINTE:

Membership Promotion	\$ 40,000
Outdoor Pool Retile, Replaster, Paint	137,000
Building Wall Texture and Paint	23,460
Membership Supplies	10,000
Total	<u>\$ 210,460</u>

Section 6: THAT, remaining balances of all capital project appropriations at September 30, 2015 shall be automatically re-appropriated into the respective capital project in the 2015-2016 fiscal year.

Section 7: THAT, in addition to the amounts provided above in Section 4 through Section 6, the following capital projects are hereby authorized to be funded in fiscal year 2015-2016 from general obligation bonds or certificates of obligation:

None.

Section 8: THAT, in addition to the amounts provided above in Section 4 through Section 7, the following capital projects are hereby appropriated in fiscal year 2015-2016 from current available resources:

ROADWAY IMPACT FEE FUND: Revenues are derived from roadway impact fees assessed on new development within the City, and expenditures are restricted to roadway capital improvement projects and/or debt service costs related to specific roadway capital improvement projects. The following capital projects are hereby appropriated in fiscal year 2015-2016 from the Roadway Impact Fee Fund:

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Wall-Price Keller Road	\$500,000
Old Town Keller Improvements	400,000
Total	<u>\$ 900,000</u>

WATER IMPACT FEE FUND: Revenues are derived from water impact fees assessed on new development within the City, and expenditures are restricted to water capital improvement projects and/or debt service costs related to specific water capital improvement projects. The following capital projects are hereby appropriated in fiscal year 2015-2016 from the Water Impact Fee Fund:

Alta Vista Transmission Main	\$ 1,850,834
Master Plan Update	100,000
Creek Road/Helen Drive/Bandit Trail Water Line Extension	100,000
North Main Street Water Line	50,000
North Elm Street Water Line	25,000
Total	<u>\$ 2,125,834</u>

WASTEWATER IMPACT FEE FUND: Revenues are derived from wastewater impact fees assessed on new development within the City, and expenditures are restricted to wastewater capital improvement projects and/or debt service costs related to specific wastewater capital improvement projects. The following capital projects are hereby appropriated in fiscal year 2015-2016 from the Wastewater Impact Fee Fund:

US 377 Sanitary Sewer Project	\$ 150,000
FM 1709 Sanitary Sewer Extension	600,000
Total	<u>\$ 750,000</u>

PARKS CAPITAL IMPROVEMENTS FUND: Resources and associated expenditures are restricted for parks capital improvements. The following capital projects are hereby appropriated in fiscal year 2015-2016 from the Parks Capital Improvements Fund:

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Matching Grant Program	\$ 100,000
Big Bear Creek Greenbelt Trail Canopy Extension	50,000
Keller Smithfield Activity Node Parking Lot	100,000
Keller Sports Park Design & Construction Consulting Fees	180,000
Northeast Park	120,000
Dog Park	110,000
Mower Replacement	63,000
Continued Trail System Expansion	250,000
Total	<u>\$ 973,000</u>

Section 9: THAT, in addition to the appropriated amounts described in Section 4 through Section 8 above for the fiscal year beginning October 1, 2015 and ending September 30, 2016, all remaining encumbrance balances at September 30, 2015 shall hereby automatically be re-appropriated into the respective fund in the 2015-2016 fiscal year.

Section 10: THAT, expenditures on behalf of the City of Keller, Texas for the following funds are expressly limited or restricted to specific uses by other provisions in the City of Keller Code of Ordinances or State law; therefore, no specific annual appropriation, except for interfund (intragovernmental) transfers are provided:

PUBLIC SAFETY SPECIAL REVENUE FUND:
Revenues are derived from various sources and are specifically designated for public safety (Police and Fire) related expenditures, including training of public safety personnel. Because of the uncertainty of annual revenues, no annual appropriation budget is prepared.

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CONTRIBUTIONS/DONATIONS SPECIAL REVENUE FUND: Revenues are derived primarily from donations and contributions specifically designated for related expenditures. Because of the uncertainty of annual revenues, no annual appropriation budget is prepared.

SINGLE NON-PROFIT TRUST FUND: Revenues are derived from withholdings from employees for health and life insurance premium deductions, and transfers of City-paid health and life insurance benefits on behalf of employees. Revenues are specifically designated for payment of third-party health and life indemnity insurance premiums. Because withholdings from employees for health and life insurance premium deductions are non-budgeted cash outlays, and further, that the cost of City-paid insurance premiums for employees is already provided within the budgets of the respective and various funds of the City, no annual budget appropriation is necessary for this fund.

Section 11: THAT, unless otherwise provided above, all appropriations shall lapse at the end of each respective fiscal year.

Section 12: THAT, the 2015-2016 City of Keller Fee Schedule provided in the budget document is hereby adopted for fiscal year 2015-2016.

Section 13: THAT, should any part, portion, section, or part of a section of this Ordinance be declared invalid, or inoperative, or void for any reason by a court of competent jurisdiction, such decision, opinion, or judgment shall in no way affect the remaining provisions, parts, sections, or parts of sections of this Ordinance, which provisions shall be, remain, and continue to be in full force and effect.

Section 14: THAT, all ordinances and appropriations for which provisions have heretofore been made are hereby expressly repealed if in conflict with the provisions of this Ordinance.

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AND IT IS SO ORDAINED.

Passed and approved by a vote of 6 to 0 on this the 15th day of September 2015.

CITY OF KELLER, TEXAS

BY: 
Mark Mathews, Mayor

Record Vote:

Council Member

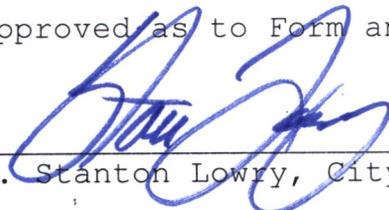
Mark Mathews, Mayor
Rick Barnes, Mayor Pro Tem
Debbie Bryan
Bill Dodge
Bill Hodnett
Armin Mizani
Abstain:
Absent: Tom Cawthra

	For	Against
Mark Mathews, Mayor	X	_____
Rick Barnes, Mayor Pro Tem	X	_____
Debbie Bryan	X	_____
Bill Dodge	X	_____
Bill Hodnett	X	_____
Armin Mizani	X	_____

ATTEST:


Sheila Stephens, City Secretary

Approved as to Form and Legality:


L. Stanton Lowry, City Attorney

ORDINANCE NO. 1759

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS, LEVYING TAXES TO BE ASSESSED ON ALL TAXABLE PROPERTIES WITHIN THE CITY LIMITS OF THE CITY OF KELLER, TEXAS FOR THE TAX YEAR 2015 (FISCAL YEAR 2015-2016).

WHEREAS, a public hearing on the proposed annual budget for the City of Keller, Texas, for the fiscal year beginning October 1, 2015 and ending September 30, 2016, has been duly advertised, and hearing held on September 15, 2015; and

WHEREAS, the annual budget has been approved and adopted in an amount necessary to require the tax levy as herein stated; and

WHEREAS, it is deemed to be in the best interest of the citizens of the City of Keller, Texas, to levy said tax on all taxable properties within the city limits of Keller in order to provide the necessary funds to provide municipal service to its citizens; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the date, time, location, and subject of said meeting, including this Ordinance, was given, all as required by the applicable provisions of the Texas Government Code, Chapter 551.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS:

Section 1: THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

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Section 2: THAT, the City Council of the City of Keller, Texas, shall hereby levy the following taxes on each One Hundred Dollars (\$100.00), of taxable valuation on all taxable property within the city limits of the City of Keller, Texas, to be assessed and collected by the Tax Assessor/Collector for the tax year 2015 (Fiscal Year 2015-2016) for the purposes hereinafter stipulated:

- a. For the General Fund Maintenance and Operations levied on the \$100.00 of taxable valuation: \$0.32317
 - b. For the Interest and Sinking Fund levied on the \$100.00 of taxable valuation: \$0.11152
- Total tax rate** **\$0.43469**

Section 3: THAT, THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S RATE. THE [MAINTENANCE AND OPERATIONS] TAX RATE WILL EFFECTIVELY BE RAISED BY .98 PERCENT [OVER THE EFFECTIVE MAINTENANCE AND OPERATIONS RATE] AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$6.41.

Section 4: THAT, there shall be exempted from the valuation of all residential homesteads for which proper application shall have been made, an amount equal to the greater of one percent (1%) of the appraised value of such residential homestead, or Five Thousand Dollars (\$5,000.00). The exemption shall be granted to any such residential homestead and the improvements qualifying for same as provided by law.

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Section 5: THAT, there shall be exempted the sum of Forty Thousand Dollars (\$40,000.00) of the assessed value of residence homesteads of residents of the City of Keller, Texas, who are sixty-five (65) years of age or older, from all ad valorem taxes thereafter levied by the City of Keller, Texas.

Section 6: THAT, there shall be exempted the sum of Ten Thousand Dollars (\$10,000.00) of the assessed value of residence homesteads of residents of the City of Keller, Texas, meeting the definition of a "disabled" individual, as defined by the Texas Tax Code.

Section 7: THAT, there shall be exempted from valuation any other exemption or exemptions, which may be authorized by the Texas Tax Code for which proper application by the Taxpayer, shall have been made.

Section 8: THAT, Ordinance No. 1209, approved by the City Council of the City of Keller, Texas, on August 3, 2004, provided for the establishment of an ad valorem tax limitation on residential homesteads of disabled and persons sixty-five (65) years or age or older and their spouses, as authorized and defined by the Texas Constitution, Article VIII, Taxation and Revenue, Section 1-b, Residence Homestead Exemption, and the Texas Tax Code, Chapter 11, Taxable Property and Exemptions, Section 11.261, Limitation of County, Municipal, or Junior College District Tax on Homesteads of Disabled and Elderly.

Section 9: THAT, the taxes are hereby assessed and levied and are due and payable on October 1, 2015 and shall be payable not later than January 31, 2016. The penalties and interest provided for shall accrue after this date. However, if the entire taxes due are paid in full by January 31, 2016, no penalty or interest shall be due.

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Section 10: THAT, in addition to the taxes assessed and levied herein, there is also assessed and levied a penalty for the failure to pay taxes due as State law provides.

Section 11: THAT, in addition to the taxes and penalty and interest assessed and levied herein, there is also assessed and levied a twenty percent (20%) collection fee on all taxes, and penalty, and interest that become delinquent and remain unpaid on July 1, 2016.

Section 12: THAT, in accordance with Article IX, Section 9.02 of the Keller City Charter, proper notice of a public hearing has been provided; and this Ordinance shall take effect and be in full force and effect from and after its final passage.

AND IT IS SO ORDAINED.

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Passed and approved by a vote of 5 to 1 on this the 15th day of September 2015.

CITY OF KELLER, TEXAS

BY: 
Mark Mathews, Mayor

Record Vote:

Council Member

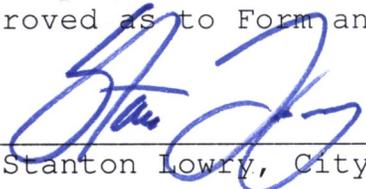
Mark Mathews, Mayor
Rick Barnes, Mayor Pro Tem
Debbie Bryan
Bill Dodge
Bill Hodnett
Armin Mizani
Abstain:
Absent: Tom Cawthra

<u>For</u>	<u>Against</u>
<u>X</u>	<u> </u>
<u>X</u>	<u> </u>
<u> </u>	<u>X</u>
<u>X</u>	<u> </u>
<u>X</u>	<u> </u>
<u>X</u>	<u> </u>

ATTEST:


Sheila Stephens, City Secretary

Approved as to Form and Legality:


L. Stanton Lowry, City Attorney

