



Proposed Budget Fiscal Year 2009-2010

Mayor and City Council

Pat McGrail, Mayor

Ray Brown, City Council - Place 1

John Baker, City Council - Place 2 and Mayor Pro Tem

Tom Cawthra, City Council - Place 3

Jim Thompson, City Council - Place 4

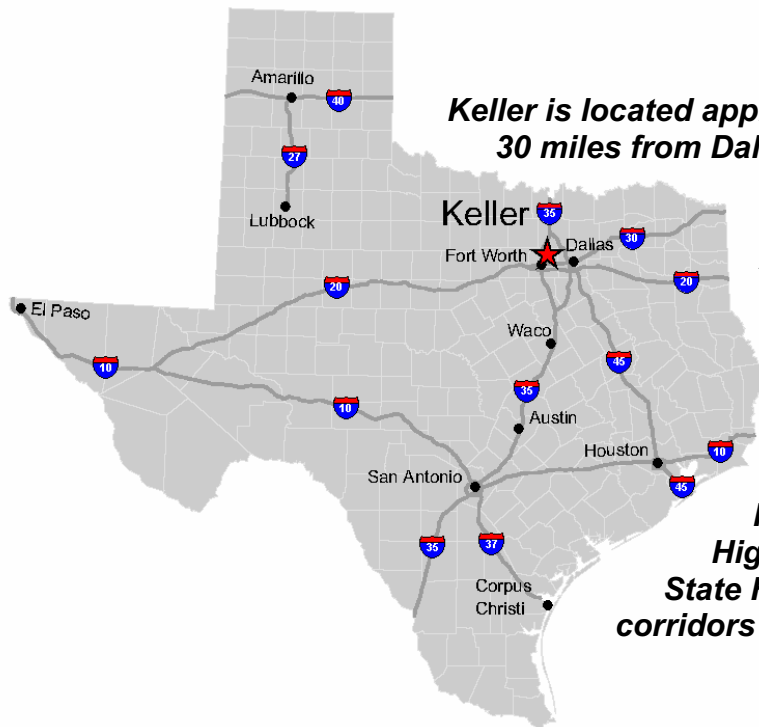
Mitch Holmes, City Council - Place 5

Administrative Officials

Dan O'Leary, City Manager

Johnny Phifer, Director of Finance





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.

CITY OF KELLER, TEXAS

ANNUAL BUDGET

October 1, 2009 to September 30, 2010

MAYOR AND CITY COUNCIL



Left to right: Council Members Ray Brown, John Baker (Mayor Pro Tem), Tom Cawthra, Mayor Pat McGrail, Council Members Jim Thompson and Mitch Holmes.

DAN O'LEARY
CITY MANAGER

JOHNNY PHIFER
DIRECTOR OF FINANCE

The following statement is provided in accordance with State law:

This budget will raise more total property taxes than last year's budget by \$1,027,803, or 6.2%, and of that amount \$582,109 is to be raised from new property added to the roll this year.

DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Keller for its annual budget for the fiscal year beginning October 1, 2008. The City has received this award for 13 consecutive years (fiscal years 1997 – 2009). In order to receive this award, the City must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

The budget as a policy document. This criterion involves 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 also requires the inclusion of a budget message and/or transmittal letter by the City Manager.

The budget as a financial plan. This criterion involves including 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, projections of current year financial activity, and provide 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 involves including information in the document explaining the relationship 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; explaining how capital spending decisions will affect operations; providing objectives and performance measures; and describing 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 relates to 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 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, 2008

President

Executive Director

CITY OF KELLER MISSION STATEMENT

The mission of the City of Keller is to ensure a safe, comfortable environment for all citizens by realizing a vision that is well planned and sensitive to the community.

We are dedicated to the provision of quality services and facilities for today and tomorrow through responsive, efficient and effective utilization of resources.

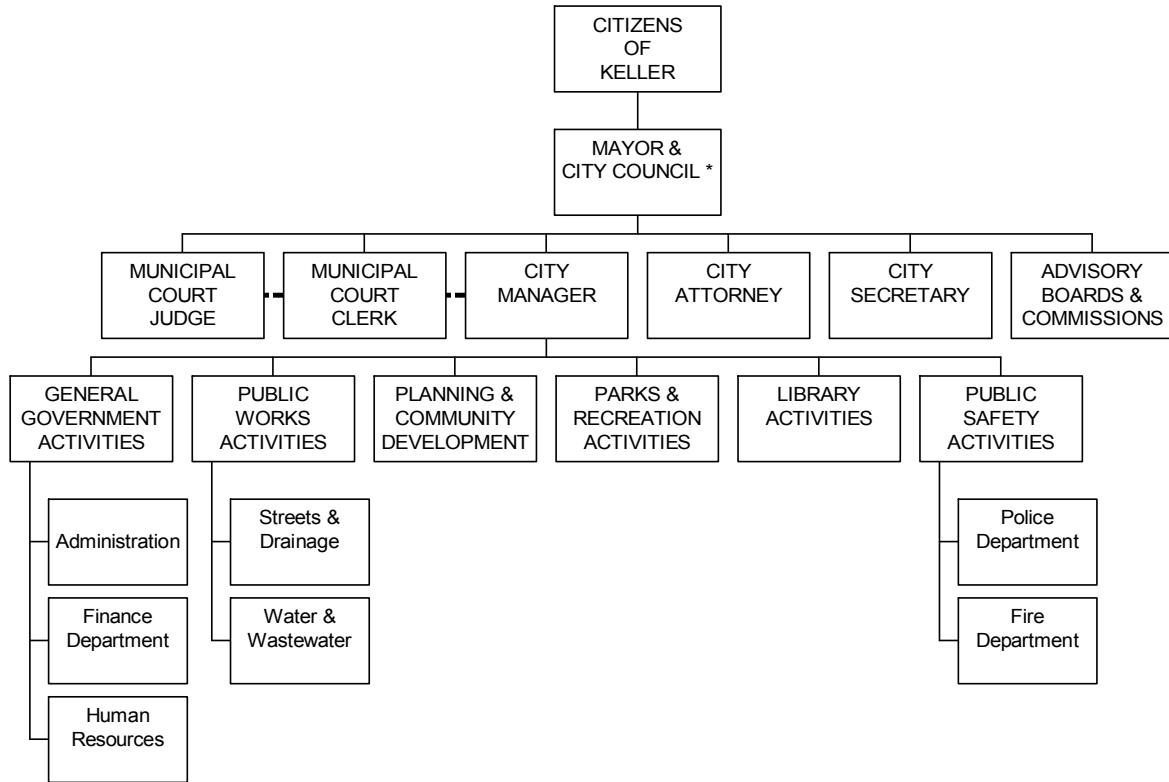
PRINCIPAL OFFICIALS

Name	Title
<u>ELECTED OFFICIALS:</u>	
Pat McGrail	Mayor
Ray Brown	Council Member, Place 1
John Baker	Council Member, Place 2 and Mayor Pro Tem
Tom Cawthra	Council Member, Place 3
Jim Thompson	Council Member, Place 4
Mitch Holmes	Council Member, Place 5
 <u>APPOINTED OFFICIALS</u>	
Dan O'Leary	City Manager
Greg Dickens	Director of Public Works
Chris Fuller	Assistant City Manager
Dan Gaumont	Fire Chief
Joseph Grisham	Director of Economic Development
Mark Hafner	Police Chief
Dona Roth Kinney	Director of Parks and Recreation
Keith Macedo	Director of Information Services
Michael Newman	Municipal Court Judge
Carolyn Nivens	Director of Human Resources
Johnny Phifer	Director of Finance
Steve Polasek	Assistant City Manager
Jana Prock	Library Director
Jeanie Roumell	Municipal Court Clerk
Sheila Stephens	City Secretary
 <u>OTHER APPOINTED OFFICIALS:</u>	
Boyle and Lowry, L.L.P.	City Attorney
First Southwest Company	Financial Advisors
First Southwest Asset Management, Inc.	Investment Advisors
McCall, Parkhurst & Horton, L.L.P.	Bond Counsel

BUDGET CALENDAR

Description of Task/Event	Date(s)
Meetings with Finance Department and departmental budget staffs to distribute budget materials and instructions	March 12, 2009
Departmental budget input training	March – April 2009
Council/staff budget priority workshop	March 6, 2009
FY2009 revised estimates and FY2010 budget requests due in Finance Office	May 18, 2009
Departmental budget compilation by Finance Department staff resulting from initial departmental budget requests	April 27 – May 23, 2009
Review of budget requests by City Manager and meetings with departments and Finance Director to review initial budget proposals	April 30 – May 29, 2009
Final (certified) tax values due from Tarrant Appraisal District	July 25, 2009
Final budget revisions prepared for distribution of proposed budget to City Council	July 9 – August 1, 2009
File proposed budget with City Secretary, distribute to City Council, and place copy of proposed budget in the Keller Public Library	August 15, 2009
Hold proposed budget review workshop(s) for Council/staff and citizen input	August/September 2009
Hold public hearings on the FY2010 budget and tax rates (if required), ordinance to adopt both the FY2010 budget and FY2009 estimate, and ordinance to adopt tax rate	September 2009
Fiscal year 2009-2010 begins	October 1, 2009

CITY OF KELLER, TEXAS ORGANIZATION CHART



* Denotes elected positions.

General Budget Information and Statistics
Fiscal Year 2009-10

Property tax rate for FY2010	\$0.44219, per \$100 of assessed taxable valuation of property, an increase of \$0.01 (one cent), or 2.3%.
Total overlapping tax rate for all taxing units	\$2.425867 overlapping tax rate, including the City, KISD, and Tarrant County taxing entities
Total value of properties within Keller	\$4,374,279,748 (appraised market value) \$3,986,271,022 (net taxable value)
Total budget (all funds)	\$67,745,227
Total employees (all funds)	367.57 full time equivalents
General Fund employees per 1,000 population	6.24
Police Department	82 FTEs
Fire Department	60.5 FTEs
Estimated population	38,402 at January 1, 2008 39,450 at January 1, 2009
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	160 residential permits (\$50 million value) Non-residential permit value – \$10 million
Total park acreage	456
Special events participants	44,582
Annual library materials circulation	450,000 (materials checked out)
Library program participants	15,000
Lane miles of paved streets maintained	418
Total fire and EMS calls for service	3,450
Total calls received/dispatched (Police dispatch)	155,124 (Keller and Southlake)
Total billed water sales (million gallons)	2,760.5
average daily usage (million gallons)	7.6
base (winter) average usage (million gallons)	5.0
peak day water demand(million gallons)	19.0
average monthly usage billed per customer	16,453 gallons
Total daily water capacity (million gallons)	24.0
Average wholesale cost of water	\$1.75 per 1,000 gallons



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INTRODUCTION

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August 14, 2009

To the Honorable Mayor McGrail and Members of the City Council

Re: *The Proposed Annual Budget for Fiscal Year 2009/2010*

“Managing in a recessionary economy” is the theme for this proposed 2009-10 budget. Record level reductions in revenue not seen for many years create challenges for the upcoming budgets. In 2009, the City of Keller experienced a reduction in sales tax revenue for the first time in history. Development related revenues have dropped to levels not seen since 1996 including a reduction of approximately 1.33 million dollars in the last two years.

In order to manage these declining revenues, this proposed budget utilizes a combination of revenue increases, expenditure cuts and the use of fund balance. The judicious use of the fund balance provides flexibility to manage revenues and expenditures over a multi-level period without drastically diminishing service levels to the community. There are three major elements to this proposed budget.

1. Revenue decreases in major categories
2. Tax rate and drainage fee increases to fund debt for capital projects
3. City-wide expenditure cuts including an across the board salary decrease for all employees

Revenue and Population Growth

The North Texas Council of Governments estimate that the population in Keller grew by approximately 2% since last year. The official population in Keller is now 39,450. This increase is one of the smallest Keller has experienced in a number of years. The slow down in the growth rate is most likely due to a slowing economy, particularly in the financial sector affecting new housing and commercial construction.

Indicative of the current national recession, total revenues declined by \$798,697 or 1.2% for FY 2010. This decrease shapes the approach to this proposed budget. Fortunately, property values continue to increase, bucking national trend. Our net taxable value increased by 3.5% mitigating other revenue decreases.

Property Tax Rate and Sales Taxes

We are pleased to report that the taxable property base increased by 3.5% to \$3.99 billion. The increased taxable property base generates new property tax revenues that mitigate more drastic cuts in expenditures in the short-term. The proposed budget includes a 1-cent tax rate increase to pay for new debt related to major projects such as the Library expansion/renovation, the new Fire Station #4 and equipment, and several storm water drainage projects.

For the first time in Keller history, sales tax revenues have declined. In contrast to double digit increases enjoyed in the past, sales tax growth is flat for FY 2010. FY 2009 reflects a decrease of 4.1% over the previous year's sales tax revenues.

Other General Fund Revenues

The slowdown in building activity is projected to continue next year. The revenues generated from development activity are expected to continue to decline. Other General Fund revenues are expected to be less next year. Building permits/development fees continue a steep decline as the proposed budget expects a decrease in FY2010 of \$849,000 or 49% from the FY 2009 adopted budget.

Reading the Proposed Budget

In governmental accounting the resources of the government are accounted for in 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; 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 typically 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. For example, the City utilizes the following enterprise funds: Water and Wastewater Utility, and the Drainage Utility funds, respectively. The City has no internal service funds.

Each Fund's revenues and expenditures are depicted by columns of Actual FY 2007/2008, Budget FY 2008/2009, Estimate FY 2008/2009, and Budget FY 2009/2010 revenue and expenditure data. 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 or divisions.

Additional Information

The Supplemental Data section contains general information, such as the City's budget and financial policies, the FY 2009/2010 pay plan, and a Glossary of Terms.

The Reader's Guide (pages 1-8), the Keller Profile (pages 9-15), and budget Summaries (pages 17-69) 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, utility usage, as well as brief explanations of various miscellaneous funds. In addition, page vii, provides "quick facts" for FY 2009/2010. This information can provide a quick reference concerning the city's budget process, operations and budgeted expenditures and revenues.

FY 2009/2010 Budget Overview

The budget attempts to address the city council's goals and the rising demands for services. The following is a summary of major initiatives or actions included in the proposed budget:

- Property tax rate increase of 1-cent (2.3%) to \$0.44219
- Increase in Drainage Utility fee by \$3.00 per month for new drainage projects
- General Fund *decrease* of 0.5% for non-personnel related expenditures
- Across-the-Board salary decrease of 3% for employees with salaries of \$40,000 or higher and 2% for employees with salaries under \$40,000
- No lay-off of employees
- Includes increased funding to operate the new Fire Station No. 4 for one full year
- Includes increased funding to operate new expanded library
- Funds increased costs for retirement costs
- Funds increased costs in fuel, asphalt, concrete, steel and other building materials
- Funds new debt service requirements for large capital projects
- General Fund and Debt Service Fund subsidize Tax Increment Finance Zone #1 shortfall

The 2009 (FY2010) net assessed taxable valuation, after adjustments, is \$3.99 billion, an increase of \$135.6 million, or 3.5 percent over the 2008 (FY2009) net value. Residential property values comprise approximately 81 percent of total property values for 2010; however, commercial/industrial values have decreased by \$3.4 million (0.8%). A total tax rate of \$ 0.44219 per \$100 of assessed taxable valuation funds FY 2009/2010 operations, and is an increase of 1-cent (2.3%). The tax rate distribution for FY 2009/2010 compared to FY 2008/2009 is as follows:

	<u>FY 2008/2009</u>	<u>FY 2009/2010</u>
General Fund	\$ 0.31175	\$ 0.31009
Debt Service Fund	<u>0.12044</u>	<u>0.13210</u>
Total Tax Rate	<u>\$ 0.43219</u>	<u>\$ 0.44219</u>

The total operating budget for FY 2009/2010 is \$67,745,227 including new debt requirements. This is an increase of \$460,844, or 0.7 percent over the 2008/2009 adopted budget.

GENERAL FUND

Quick Facts:

	<u>FY 2009/2010</u> <u>(Budget)</u>	<u>FY 2008/2009</u> <u>(Estimate)</u>	<u>Percentage</u> <u>Increase (Decrease)</u>
Expenditures:	\$27.4 Million	\$27.5 Million	(0.5%)
Revenues:	\$26.5 Million	\$25.9 Million	2.1%

Summary:

The projected beginning fund balance for FY2010 of \$6,724,943 exceeds the targeted beginning fund balance by \$3,245,444, or about 44 days of operations. The total ending fund balance at September 30, 2010 is projected to be \$5,855,848. The financial policies require a contingency reserve of 3 percent of operating expenditures, or \$795,164. The City's financial management policies also establish a benchmark (target) of 10 percent of operating, non-recurring expenditures as an unreserved fund balance. The actual unreserved fund balance is projected at \$5,035,684, which is 19 percent of operating, non-recurring expenditures, thereby exceeding the established benchmark. **In summary, a General Fund Budget for FY 2009/2010 that adapts to the current economy, manages expenditures without drastic service cuts and provides revenue for new capital projects.**

The following is a summary of the significant operating cost increases/decreases associated with the decrease of \$142,872 (3 percent) over FY2009 estimated expenditures.

General Fund major changes (FY2010):

Description	Amount
Across-the-board salary reductions	\$ (427,185)
Increase in personnel costs that are attributable to prior year (FY2009) savings from vacancies and attrition throughout all departments	369,795
Reduction in health insurance costs-all departments	(111,675)
Increase in fuel costs-all departments	133,500
Reduction in consulting services	(50,950)
Reduction in Tabini/Keller Crossing sales tax rebate (Decrease from 90% to 80% rebate)	(49,790)
Increase related to TMRS rate adjustment	119,925
Reduction in telephone/communications expenses	(30,715)
Reduction in street improvement expenditures	(67,555)
Reduction in capital outlay expenditures-all departments	(33,910)
Reduction in special/other/contractual services	(56,271)
Increase in Information Services transfer	38,520
Other miscellaneous increases (reductions)	23,439
TOTAL	<u>\$ (142,872)</u>

The following table provides a summary of changes by department in the FY2010 budget, compared to both the FY2009 adopted and the FY2009 estimated budget.

FY2010 Changes by Department				
Department	2008-2009 Adopted		2008-2009 Estimate	
	Amount	Pct. Change	Amount	Pct. Change
General Government/Administration	\$ (129,601)	(2.9%)	\$ (160,831)	(3.6%)
Community Development	(172,460)	(13.0%)	(90,420)	(7.2%)
Police Department	(207,111)	(2.8%)	(116,621)	(1.6%)
Fire Department	165,020	2.4%	217,680	3.2%
Public Works	(215,970)	(6.7%)	(39,670)	(1.3%)
Keller Public Library	42,535	3.2%	115,520	9.3%
Parks and Recreation	(85,235)	(3.2%)	(38,615)	(1.5%)
Non-Departmental	(7,110)	(1.0%)	(29,915)	(4.1%)
Total	<u>\$ (609,932)</u>	(2.2%)	<u>\$ (142,872)</u>	(0.5%)

Personnel costs are obviously the major driver of increases in the FY 2009/2010 General Fund budget. A 3 percent reduction in salaries for employees with salaries \$40,000 or more and 2% reduction in salaries for employees with salaries under \$40,000 a year is proposed. Personnel services (salaries, wages and benefits) account for \$19.39 million, or 71 percent of the total expenditures of the General Fund for FY2010.

All capital improvements and purchases will be paid from current revenues and not short-term financing.

WATER AND WASTEWATER FUND

Quick Facts:

	<u>FY 2009/2010 (Budget)</u>	<u>FY 2008/2009 (Estimate)</u>	<u>Percentage Increase (Decrease)</u>
Expenditures:	\$18.32 Million	\$18.41 Million	(0.4%)
Revenues:	\$17.81 Million	\$20.4 Million ⁽¹⁾	(12.5%)

⁽¹⁾ Includes transfers of \$2,979,449 from the Water & Wastewater Interest and Sinking Fund (\$544,345), Water Impact Fee fund (\$1,576,860) and Wastewater Impact Fee fund (\$858,244) to be used for debt retirement.

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.

Water revenues are primarily dependent upon the amount of rainfall received during the year and as a result are generally more volatile than General Fund revenues. Based on total water usage through June 2009, water sales of 2.68 billion gallons are anticipated for FY2009. The FY2010 budget forecasts 2.76 billion gallons of water usage. Customer water usage reached an all-time high of 3.5 billion gallons in FY2006, due primarily to dry weather conditions. For FY2010, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts. Therefore, if normal rainfall amounts are received during the year, revenues will not be adversely impacted.

The Fort Worth Water Department instituted water conservation measures, system-wide, in 2006 in order to reduce peak water use demands created from extensive residential growth throughout the district and the extra-ordinary use of water for landscape irrigation; however, the conservation measures had little affect on the city's budgeted water revenues.

Water rates were increased 8.5 percent in April 2006, to provide sufficient revenues to fund capital improvements paid through the issuance of \$4.25 million in Certificates of Obligation, that included the Keller-Smithfield Road South 12-inch and 16-inch water main improvement, 16-inch Keller Parkway water main improvement and the Pearson Lane pump station improvements. No rate increase is proposed for FY2010.

Expenditures

The most significant expenditure is wholesale water purchases. Wholesale water purchases are projected to be \$5,025,000 or 27.4 percent of total expenditures, compared to \$4,826,000 or 26 percent of total expenditures for FY2009. This represents an increase of \$199,000, or 4.1 percent from the FY2009 estimate. Wholesale water purchases are anticipated to be 2.877 billion gallons in FY2010 and 2.798 billion gallons in FY2009.

Other major expenditures for FY2010 are debt service on long-term debt (13.4 percent); wastewater treatment and collection services provided by the Trinity River Authority (11.3 percent); operating expenses and transfers (28.3 percent); personnel services (salaries and benefits), 16.6 percent; and capital outlay (3%).

Even though the Water and Wastewater Fund revenues are independent of the General Fund revenues, this proposed budget also includes a salary reduction for Water/Wastewater employees in order to maintain equity among city employees.

OTHER FUNDS

Drainage Utility Fund

Quick Facts:

	<u>FY 2009/2010</u> <u>(Budget)</u>	<u>FY 2008/2009</u> <u>(Estimate)</u>	<u>Percentage</u> <u>Increase (Decrease)</u>
Expenditures:	\$954,705	\$988,605	(3.4%)
Revenues:	\$1,402,600	\$905,285	54.9%

The Drainage Utility Fund is an enterprise fund that operates from revenues received from drainage fees of \$5.00 per month per household. Commercial properties are charged a minimum of \$4.13 per month to a maximum of \$41.40 per month.

Major expenditures for FY2010 are provided for personnel services (57 percent) for 8.75 full-time equivalent positions. Operations and maintenance and services and other expenditures (43 percent of the total budget) provide for both equipment maintenance and drainage channel maintenance, and includes equipment rental as needed.

If the council will be considering large drainage improvement projects, it is likely that the majority of these projects will be funded using a combination of debt and general fund revenues. **The FY2010 revenues include a monthly increase in the residential rate of \$5.00 to \$8.00 per month. This increase is anticipated to generate additional revenue of \$465,000.**

Keller Development Corporation Fund (KDC)

Quick Facts:

	<u>FY 2009/2010</u> <u>(Budget)</u>	<u>FY 2008/2009</u> <u>(Estimate)</u>	<u>Percentage</u> <u>Increase (Decrease)</u>
Expenditures:	\$2.51 Million	\$2.11 Million	18.7%
Revenues:	\$2.11 Million	\$2.11 Million	0.1%

The Keller Development Corporation (KDC) is charged with the responsibility of administering the proceeds from the one-half cent local option sales tax approved by the voters in 1992 for park and recreation facility improvements. On July 14, 2009 the Board of Directors of the KDC reviewed and approved the proposed budget. As required by the Development Corporation Act of 1979, the City Council conducted a public hearing on the budget on July 21, 2009 complying with requirement of a 60-day notice prior to the effective date of expending funds appropriated herein from the Corporation.

Debt service expenditures provide for retirement of the \$1.8 million Sales Tax Revenue Bonds originally issued in 1992 (refunded in 2005) for land acquisition and development of the Keller Sports Park, and certificates of obligation issued in 2003 and 2004 for Keller Sports Park improvements, and construction of The Keller Pointe recreation and aquatic facility. Transfers to other funds provide for transfers to the City's Debt Service Fund to reimburse the City for debt service due on debt obligations originally issued by the City on behalf of the KDC in 1996 and 1997 for Keller Sports Park improvements, and obligations issued in 2009 for acquisition of park property in 2008.

Sales tax revenues for FY2010 are anticipated to be flat. The FY2009 estimated sales tax revenues of \$2,088,000 are \$181,000 (8%) **below** the original adopted budget amount.

Recreation and Aquatics Center (The Keller Pointe) Fund

Quick Facts:

	<u>FY 2009/2010 (Budget)</u>	<u>FY 2008/2009 (Estimate)</u>	<u>Percentage Increase (Decrease)</u>
Expenditures:	\$3.31 Million	\$3.26 Million	1.4%
Revenues:	\$3.33 Million	\$3.24 Million	2.8%

The Recreation and Aquatics Center Fund was established in FY 2002/03. This Fund is intended to account for all 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 (63 percent), and facility operations and supplies. Services & other expenditures include utilities (electricity, water, natural gas) and payments to recreation program instructors and trainers. Capital outlay expenditures include \$35,000 to replace HVAC equipment at the facility and also to initiate a facility maintenance and replacement account, in accordance with the original enterprise plan.

Since the opening of The Pointe in May 2004, the operating budget expenditures have increased significantly, primarily due to increased program staffing and utility costs (electricity, water and gas).

Information Services Fund

Quick Facts:

	<u>FY 2009/2010 (Budget)</u>	<u>FY 2008/2009 (Estimate)</u>	<u>Percentage Increase (Decrease)</u>
Expenditures:	\$1.5 Million	\$1.42 Million	6.0%
Revenues:	\$1.4 Million	\$1.31 Million	7.1%

The Information Services (IS) Special Revenue Fund was created in 2001 to account for citywide information services/information technology operations. Funding sources are provided from transfers from the General Fund, Water and Wastewater Fund, and The Pointe. Expenditures provide for information technology support personnel and goods and services to be utilized on a city-wide basis, including expenditures for Town Hall networking equipment with the Keller Police Department, The Pointe, the SCADA system, and the Municipal Service Center. In November 2002, geographic information services (GIS) activities were transferred from the Public Works Department to the IS Fund and a GIS Division of the IS Fund was created.

The IS department has developed and implemented a 6-year Technology Plan whereby all computer hardware and software, printer and other technology equipment has been 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, Municipal Court, and Teen Court 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 revenues available annually and do not comprise a significant portion of the city's total annual budget

Keller Crime Control Prevention District Fund

The Keller Crime Control Prevention District (KCCPD) was renewed by the voters for a term of fifteen (15) years on May 13, 2006. The KCCPD is funded with a 1/4th of a cent sales tax. The KCCPD Fund provides funding for vehicle and related replacements, national accreditation, technology improvements, and a tactical wireless camera. In addition, \$1,750,000 and \$386,660 are included for future capital improvements for jail improvements, and furniture, fixture, and equipment replacement, respectively. As required by state law, the City Council, at the regular meeting of August 4, 2009 approved the KCCPD FY 2009/2010 Budget of \$2.44 million.

DEBT SERVICE FUND

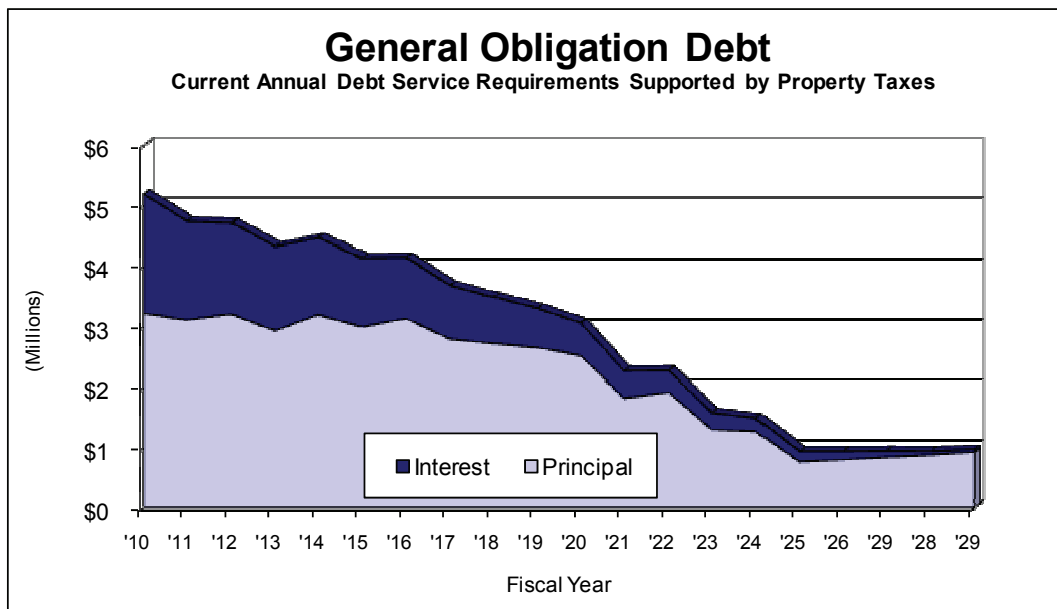
Quick Facts:

	<u>FY 2009/2010 (Budget)</u>	<u>FY 2008/2009 (Estimate)</u>	<u>Percentage Increase (Decrease)</u>
Expenditures:	\$6.11 Million	\$5.44 Million	12.3%
Revenues:	\$5.94 Million	\$5.22 Million	13.7%

This Fund is used to account for revenues and expenditures related to the retirement of the city's tax-supported general obligation debt. FY 2009/2010 direct debt per capita is \$1,090, down from Estimate FY 2008/2009 of \$1,119. The direct debt per capita increased in FY2009 due to the issuance of new debt obligations of \$12.31 million in March 2009.

The city's current bond ratings are "Aa3" from Moody's Investors Services and "AA" from Standard & Poor's Rating Group (both upgraded in February 2009). Both rating categories now classify the city's debt obligations as high-quality investment grade. The rating agencies realize that the city has done well managing its direct debt obligation and understands the growth demands that have necessitated extensive infrastructure development.

The chart below indicates the current annual principal and interest requirements through fiscal year 2028-29. The chart includes the new debt obligations issued in March 2009.



Tax Increment Reinvestment Zone No. 1 Interest and Sinking Fund

The Tax Increment Reinvestment Zone No. 1 (TIRZ No. 1) Interest and Sinking Fund budget for FY 2009/2010 reflects participating taxing entities' tax contributions.

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. That is, the value of the district upon which this fiscal year's budget is based is the captured assessed property value of the district on December 31, 2008. Therefore, the true assessed value of projects which are completed early in the calendar year are often not fully realized until the subsequent year's budget cycle. Pertinent facts on TIRZ No. 1 are:

- For FY 2009/2010 the TIRZ No. 1 district is approximately \$405,657 below its debt requirements for FY2010, compared to \$514,924 in FY2009, due to only one completed project being added to the Town Center District prior to the end of the calendar year. The Arthouse at Keller Town Center's construction schedule was substantially completed in 2008 and its value was captured in full for the 2008/2009 fiscal year.
- The delayed private development in the TIRZ district will more than likely create a need for the General Fund to subsidize the TIRZ debt for the next few years.

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, Series 1999, issued for construction of Bear Creek Parkway, Town Center Lane and Bridge, and landscaping; Series 2000A, issued for the Town Hall, Town Hall Plaza, Town Lakes, and Public Parking; Series 2001, issued for the construction of the KISD Natatorium; and Series 2002, issued for (and combined with remaining funds from the series 1999 issue) the remaining phase of Bear Creek Parkway and the Keller Parkway median construction completed in October 2002.

CAPITAL IMPROVEMENTS

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 Equipment 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 from fees paid by new development in lieu of parkland dedication. The Park Development Fee, per residential lot of \$1,000, is used for parkland acquisition and development. 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 only \$20,000 in fees will be collected in FY 2009/2010.

The Park Development Fee Fund is a clear example of the effect of the recession on city revenues. In 2006-2007, the City collected \$436,000 in Park Development Fees and other developer contributions, compared to the expected revenue in FY 2009/2010 of \$20,000.

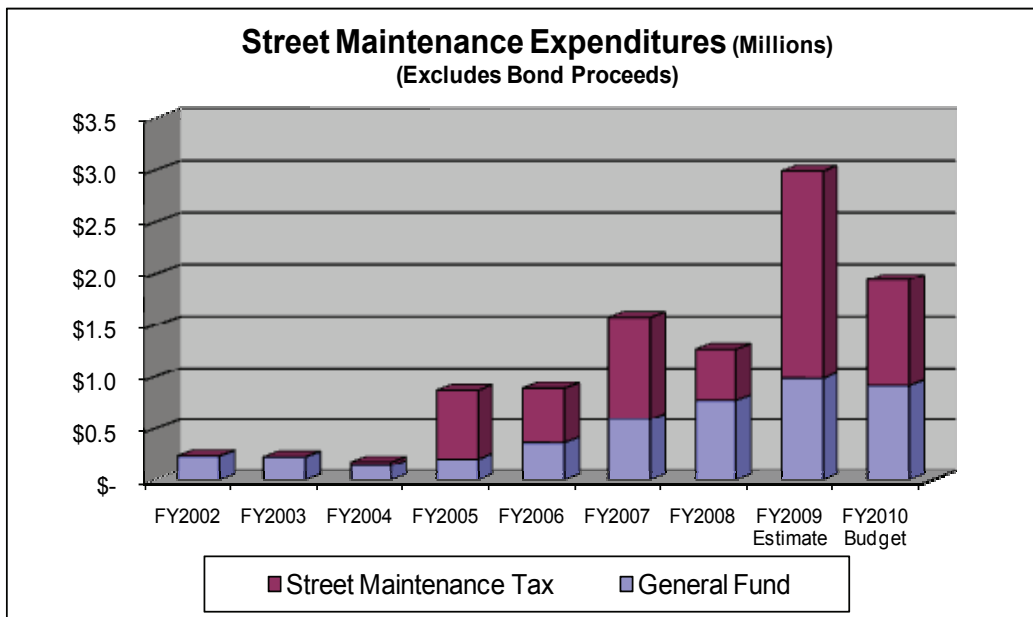
Project funding may carry over to subsequent fiscal years due to the overall length of time some projects take to complete.

Street/Drainage 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 FY 2009/2010 expenditures include street re-construction payable from the street maintenance sales tax revenue and miscellaneous sidewalk replacements and extensions. It is estimated that \$960,000 will be expended in FY 2009/2010 for street re-construction/rehabilitation projects as identified in the CIP.

The following chart depicts the city's increase in general street maintenance (General Fund) and street re-construction/rehabilitation (Street Maintenance Sales Tax).



FY2009 Estimate amount includes \$631,765 for prior year projects that were incomplete at September 30, 2008.

Sales tax revenues for FY2010 are anticipated to be flat. The FY2009 estimated sales tax revenues of \$1,044,000 are \$128,500 (11%) **below** the original adopted budget amount.

Equipment Replacement Fund

This Fund is used to short-term finance specific capital equipment purchases. The benefit of using this Fund to purchase capital equipment is that the city is generally able to invest funds at a higher rate of return than the cost of interest on the borrowed funds. The Water & Wastewater and Drainage Utility Funds transfer annual "lease" payments from their respective operating budgets to fund routine vehicle and light-equipment replacements. The FY 2009/2010 Budget includes the replacement of a backhoe/loader (\$76,000) for the Water and Wastewater Fund.

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. As previously mentioned, the City issued new debt obligations in March 2009. These obligations were used to fund construction of Fire Station No. 4 and additional required fire apparatus, the library expansion/renovation project, and drainage improvements.

A five-year capital improvements program (CIP) summary is also included in the Capital Improvements section of the document. **As you will notice, our 5 year CIP has a number of projects where no funding source has been identified.**

Calculations and Projections

Property tax appraisal information is provided by the Tarrant Appraisal District. 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 on the basis of experience and historical growth trends by the city staff. Operating revenues depict cautious optimism that the regional economy will continue to grow at a steady, yet slower pace than previous years. As a result, a conservative approach has been taken when projecting available revenues for the upcoming fiscal year in order to ensure that revenues will be available throughout the entire fiscal year to support operations, annual debt requirements and preserve financial reserve targets.

All financial targets have been met or exceeded for each fund, expressed in a percentage of operating expenditures and number of days of operating expenditures, 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 and significantly improving the General Fund reserves.

Summary

This proposed budget would not be possible without the tremendous effort of our department directors and their staffs. I hope you find this introduction and overview useful and informative as you prepare to deliberate during our upcoming budget work session. I believe this proposed budget is fiscally-responsible, and responsive to the City Council's goals and objectives. I look forward to participating in deliberations and working with the council to adopt a budget which positively impacts the services we deliver to the Citizens of Keller.

Sincerely,


Dan O'Leary
City Manager

Non-Financial Departmental Goals

Exhibit A

Department	Superior Service	Council & Citizen Communication	Fiscally Responsible	Quality Transportation and Infrastructure	High Quality Personnel	Quality (Well-Planned) Residential Housing	Quality of Life (Leisure)	Quality (Aggressive) Economic Development
City Manager/Administration ⁽¹⁾								
Finance Department ⁽¹⁾								
Municipal Court ⁽¹⁾								
Human Resources ⁽¹⁾								
Information Technology ⁽¹⁾								
Economic Development ⁽¹⁾								
Planning/Community Development								
Police Department								
Fire Department								
Public Works								
Water & Wastewater								
Parks & Recreation								
Library								

⁽¹⁾ Included in the Administration/General Government category in budget summaries.

Superior Service – Develop staff committed to serve in a professional, friendly, responsive, and customer/citizen-focused manner.

Council & Citizen Communication – Develop and maintain programs that effectively communicate and increase the public’s awareness of City services.

Fiscally Responsible – Develop, implement, and continue plans and policies that provide funds to maximize the quality of services while balancing revenue sources with cost of maintenance and operations, and debt service.

Quality Transportation and Infrastructure – To ensure the health, safety and welfare of Keller citizens through the provision of high quality Public Works Services involving an aggressive work program to design, construct, maintain and rehabilitate the street, drainage, water and sanitary sewer infrastructure in Keller.

High Quality Personnel – Hire, develop and retain high quality staff by establishing interlocal agreements or joint ventures with other municipalities to provide a quality and cost saving service to our citizens.

Quality (Well-Planned) Residential Housing – Facilitate the development of land in Keller for high quality residential (as well as non residential) use, while preserving Keller scenic character, promoting sound economic development, maintaining a thoroughfare system while protecting residential areas, promoting enhancement of neighborhoods through natural features and providing for recreational areas and open spaces.

Quality of Life (Leisure) – The Keller Public Library will strive to expand services that will keep connecting people with the information needed to live enriched, productive lives. Parks and Recreation programs are designed to enrich our community by providing recreational, entertainment and fitness opportunities; quality parks and facilities; and programs that enhance the lives of our citizens.

Quality (Aggressive) Economic Development – Promote and develop, in a proactive format, a well-balanced economic infrastructure by focusing on quality jobs and related issues that will preserve and enhance our high quality of life.



READER GUIDE

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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
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 to users usually in mid November.

Preparation and Adoption for FY2010. In March 2009, the budget process for fiscal year 2009-2010 (FY2010) 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 FY2010. Departments were instructed to prepare budget requests in accordance with the Council's goals and objectives, which were established at a City Council budget goal-setting workshop held in March, 2009. (See City Manager's transmittal letter.)

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 also 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 15th 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 Internet 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, where specifics of the proposed budget are considered and discussed, and prioritized. As a result of Council direction, some amendments are usually 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 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 notice and public hearing (as prescribed for the adoption of the original budget).

BUDGET OBJECTIVES

The FY2010 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 and 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. 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 services 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, where assets equal liabilities plus fund balance.

The City primarily uses the following fund types:

- Governmental funds; and
- 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 fund types:

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 other funds:

Keller Development Corporation – accounts for proceeds of the one-half 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 financial reporting purposes, rather than a Proprietary/Enterprise Fund. Even though the intent of the Fund is to fund its operating costs with user fees, the debt obligations used to fund the construction of the facility are the responsibility of the Keller Development Corporation, and are not being repaid from user fees. Consequently, the Fund is not classified as an Enterprise Fund. 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 (LEOSE), 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.

Teen Court Special Revenue Fund – accounts for the operations of the regional joint teen court operations with the cities of Keller, Haltom City, and Watauga, and the surrounding school districts. Initial funding for this activity was provided from a State Teen Court grant. The State Teen Court grant expired in October 2001.

Information Services Special Revenue Fund – The Information Services Fund is funded primarily by transfers from both the General Fund and Water and Wastewater Fund, 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 City-wide information systems and information technology program.

Special Contributions and Donations 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 3/8 of one cent (0.375%) sales and use tax. 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%).

Budgeted funds in this 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.

READER'S GUIDE

Fund Accounting

Governmental Fund Types

(continued)

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 (TIF) 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 for Proprietary Fund Types is included within the activities of the respective proprietary 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 parks 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 2007, voters reauthorized the tax for four additional years at 1/4 of one cent (0.25%).

Equipment 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 subject to annual appropriations, and are therefore excluded from the operating budget totals. These funds include: Capital Projects Fund, Parks Capital Improvements Fund, and the Roadway Impact Fee Fund. However, project information for some of these funds is disclosed in the Capital Improvements section of the document.

Proprietary 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:

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.

READER'S GUIDE

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)* 2007-2008 <hr style="width: 80%; margin: 0 auto;"/> Actual (FY2008)	(2) 2008-2009 <hr style="width: 80%; margin: 0 auto;"/> Budget (FY2009)	(3) 2008-2009 <hr style="width: 80%; margin: 0 auto;"/> Estimate (FY2009)	(4) 2009-2010 <hr style="width: 80%; margin: 0 auto;"/> Budget (FY2010)
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* FY2008 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., 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 is a city-wide 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.

Following the introductory material in the document, City-wide 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 summary 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 in order to assist the reader in the interpretation of financial data.

READER'S GUIDE

BUDGET DOCUMENT PRESENTATION FORMAT (continued)

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 then presented for each fund by detailed sources, while summaries of expenditures are presented for both the department/activity and function (i.e., personal 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 also 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 analyses.

The Supplementary Information section includes the City's wage and salary pay scale by individual job title and glossary of terms. Also included in this section are statements of budget policies, explaining the policies and procedures utilized during the various stages of the budget process. 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.

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 (CIP)

A separate Five-Year Capital Improvements Program (CIP) document is prepared and updated each year, and includes detailed project descriptions, along with anticipated project costs, and sources of project funding. Almost all projects require the issuance of debt (e.g., general obligation bonds, certificates of obligation). Since most of the projects require the issuance of debt, the projects are not actually approved, or funded, until the Mayor and City Council take official action to authorize funding for the project during a public meeting.

A summary of the 2009-2010 through 2013-2014 CIP is provided in the capital improvements section of the document.

CONCLUSION AND ACKNOWLEDGMENTS

The preparation of the FY2010 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 resources in which to maintain the integrity of the City's financial and budgetary affairs.



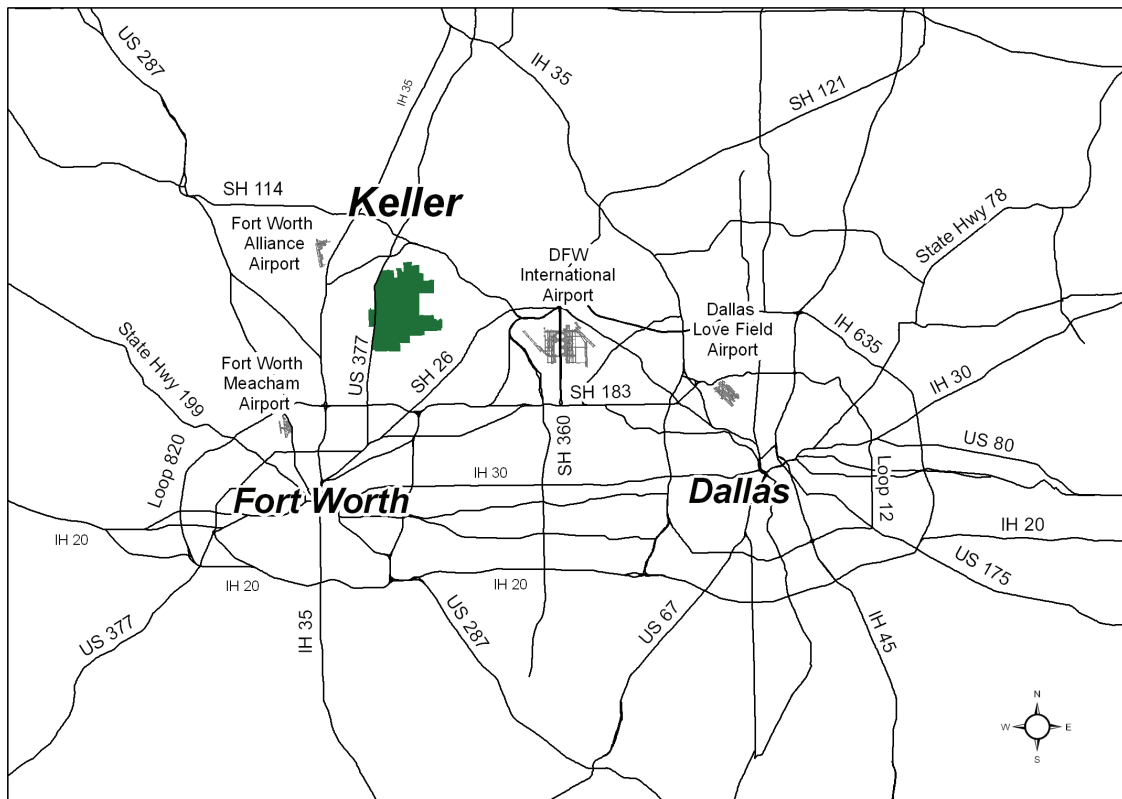
KELLER PROFILE

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KELLER PROFILE

GENERAL INFORMATION

The City of Keller was recently rated as one of the “Top 10 Places to Live” in the United States for 2009 by *Money* magazine as well as one of the top 10 suburbs in the Dallas area in 2008 by *D magazine*. Some of the items that contributed to these rankings include our extremely low crime rate, an excellent park and trail system, diverse and affordable housing opportunities, and an overall high quality of life. This ranking is a reflection of the dynamic community that Keller is becoming and its premier location in the heart of the DFW Metroplex. Keller is approximately mid-way between the Dallas/Fort Worth International and Alliance Airports, both major employers for our community. The city’s approximately 19 square miles is traversed by several major traffic corridors including U.S. 377 and Farm-to-Market 1709. The city’s quality school system, high residential growth rate, business-friendly atmosphere, low taxes, premier park system and low crime rate make Keller an inviting destination for new commercial development projects.



Keller History. Located near Double Springs, Keller was originally known as Athol and was settled in the early 1850's because of its close proximity to the Trinity River, a supply of plentiful game, and the abundance of land for cattle raising and farming. The City of Keller was officially established in 1881 during the rapid development of railroad service through the area. It was named after John C. Keller, a Texas Pacific Railroad foreman, after the site became a stop on the railroad line. While Keller's residents were originally farmers, the arrival of the railroad helped develop the city into a successful trade center where a number of businesses thrived. Many of the buildings that housed the original businesses still stand today in the Old Town Keller area.

Keller Local Government. The City was incorporated in 1955 under the general laws of the State of Texas. In 1982, voters adopted the City's Charter, becoming a Home Rule City, and subsequently began operating under the Council-Manager form of government. The City Council is comprised of a Mayor and five Council Members, elected at-large. The Council Members are elected for two-year staggered terms and elections are held annually in May.

KELLER PROFILE

GENERAL INFORMATION

(Continued)

Establishing City policy is the sole responsibility of, and is vested in, the City Council. The City Council is required by the City Charter to appoint a City Manager to serve as the Chief Administrative and Executive Officer of the City. The duties of the City Manager include the appointment of all City department managers, administering the daily affairs of the City and ensuring that City policies are enforced.

OPERATIONS

The City of Keller provides a full level of public services to its citizens, including administrative services; police, fire and emergency medical services; municipal courts service; parks and recreation facilities; a municipal 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.

The FY2010 annual budget of \$67,745,227 includes a budgeted staffing level of approximately 368 full-time equivalent employees, including 82 in the police department and 60.5 in the fire department.

POPULATION AND ECONOMICS

The City has experienced significant population growth since 1970 rating it among the fastest growing cities in Tarrant County. The following table presents Keller's official Census population since 1970, as well as the current year 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%
2009 Estimate	39,450	12,105	44.3%

The City's estimated population by 2010 is 39,827 with the expected build out population between 45,000 and 50,000.

The City is approximately 83% developed and continues to grow primarily as a residential community, with residents employed by major companies located within a 15-mile radius of the City. Several manufacturing firms are located in the Keller area, as well as a variety of commercial establishments, restaurants, shops and food stores. Increasing residential development in north Fort Worth, adjacent to Keller's boundary, impacts Keller's commercial and restaurant development due to the lack thereof in the new residential areas. The City continues to encourage quality commercial growth, which will benefit the entire community. **More than 2.1 million square feet of commercial space, valued at over \$168 million, was constructed between 2004 and 2008.** The average new home is 4,669 square feet compared to 5,296 square feet last year. The average construction value of \$303,383 compares to 2008's value of \$347,139. The City expects to have steady residential and commercial growth in the coming years.

KELLER PROFILE

POPULATION AND ECONOMICS

(Continued)

The Keller Pointe, an 87,940 square foot recreation and aquatic center financed by the Keller Development Corporation half-cent sales tax, opened in May 2004. As of July 2009 the Pointe has more than 3,508 paid memberships, the highest total since opening the facility.

Keller Town Hall and Town Hall Plaza were dedicated on April 19, 2002. The 53,000 square foot facility houses the City Council chambers and approximately 70 employees of the administration, finance, utility billing and collections, parks and recreation administration, community development, public works administration, engineering, and human resources departments. The facility is intended to have the capacity for approximately 110 employees at build-out of the City.

In order to keep pace with the rapid residential growth and expanding commercial areas, infrastructure improvements have continued to be a high priority. A 1.4-mile section of Rufe Snow Drive, a primary arterial roadway extending from IH-820 in North Richland Hills northward to the center of Keller at Keller Parkway (F.M. 1709), is currently under review for an expansion to become either a 4-lane divided or 6-lane divided road. This expansion of Rufe Snow Drive between Rapp Road and Bear Creek Parkway is scheduled to begin in the winter of 2009, with an expected completion date in 2010. Major commercial and residential projects along Rufe Snow Drive include: North Hills Family Practice, a 22,932 sq. ft. medical office development; Cobblestone Parks, a 29-lot residential development; Family Video, an 8,161 sq. ft. retail store; and Fall Creek Estates, a 131 lot residential development nearing completion. Similarly, North Tarrant Parkway is scheduled to become a 6-lane divided arterial, with construction beginning in late 2009 or early in 2010. It, along with Rufe Snow Drive, will have landscaped medians, turn lanes, traffic signals, and sidewalks. Two additional north-south arteries are either under design or under construction. First, Randol Mill Avenue (F.M. 1938) is proposed to become a 4-lane divided roadway. This proposal is currently under design and will increase access along the City's eastern boundary to SH 114. Last, U.S. Highway 377 beginning at Keller Hicks Road and extending north to State Highway 170 completed in 2009 and now provides a new 4-lane divided highway along Keller's western boundary, thus completing a major north-south arterial roadway from IH-820 to SH 170. In addition, the expanded U.S. Highway 377 will provide improved access to several miles of prime commercial frontage totaling approximately 170 acres.

Major commercial and residential projects on U.S. Highway 377 include: AUI Contractors Field Office and Warehouse, a 30,331 sq. ft. office and contractor yard; Bear Creek Plaza, Phase 3, a 101,000 sq. ft. commercial development of restaurants and shops; Care Now, a 5,575 sq. ft. medical facility; Marshall Pointe Estates, an 84-lot residential development; Marshall Ridge, Phases 1 and 3, a 453-lot residential development. The City has included on the current Thoroughfare Master Plan to construct a one-way couplet through the Old Town Keller business district, which will ultimately create three lanes of traffic moving south along U.S. Highway 377 and three lanes of traffic traveling north along the current alignment of Elm Street. The project currently has a 10-15 year planning and design time frame, and when complete will accomplish two primary goals – the improvement of traffic flow through a major bottleneck, and the preservation of our Old Town business district.

Keller Town Center is a concentrated center of business activity that creates a focal point in the City of Keller. This focal point is non-residential with residential uses allowed as part of the overall mixed-use nature of the area. For example, the Arthouse at Keller Town Center is a 240,974 sq. ft. mixed-use development with 188 residential units. Uptown Keller, Phase 1 is another mixed-use development consisting of 48 residential lots. The major component of this development is a 27,996 square-foot retail/office building that fronts Keller Parkway (F.M. 1709). Similarly, Uptown Keller, Phase 2 consists of a 54,411 square-foot, three-story "Cornerstone Building" with retail on the ground floor and residential units on the upper floors. Other developments in Town Center include Pecan Park, a 10,170 square foot office development, a Wachovia banking facility, and the Square at Keller Town Center, a 77,600 square-foot office and retail development.

KELLER PROFILE

Area Employers. There are many employers in the Dallas/Fort Worth Metroplex area, as well as Tarrant County. The largest area employers are shown in the following table:

Major Employers	Number of Employees	Major Local Employers	Number of Employees
AMR Corporation	15,143	Keller ISD	2,103
Bell Helicopter/Textron	4,873	City of Keller (FTEs)	368
ATC Logistics	3,000	Southstar Logistics	330
Sabre Holdings	3,000	Kroger	190
BNSF Railway	2,500	Home Depot	139
Fidelity Investments	2,000	Kohl's Department Store	120
Gaylord Texan Resort	1,900	Lowe's	110
Dallas/Fort Worth Airport	1,700	Tom Thumb Grocery	101
Healthmarkets	1,200		

CENSUS AND DEMOGRAPHICS

The following information for Keller is taken from the U.S. Census 2007 Data and *American Community Survey*.

Population Characteristics (2007):

	<u>Population</u>	<u>Percent of Total</u>
Male	18,730	47.3 %
Female	18,946	52.7 %

Age Distribution (2007):

<u>Age</u>	<u>Percent of Total</u>
0 – 19 years	36.3 %
20 – 64	57.7 %
65+	6.0 %

Race (2007):

White	33,821	89.8 %
Black	1,184	3.1 %
Am. Indian	239	0.6 %
Asian	965	2.6 %
Pacific Islander	16	–
Other race	773	2.1 %
2 or more races	678	1.8 %

Income (2007):

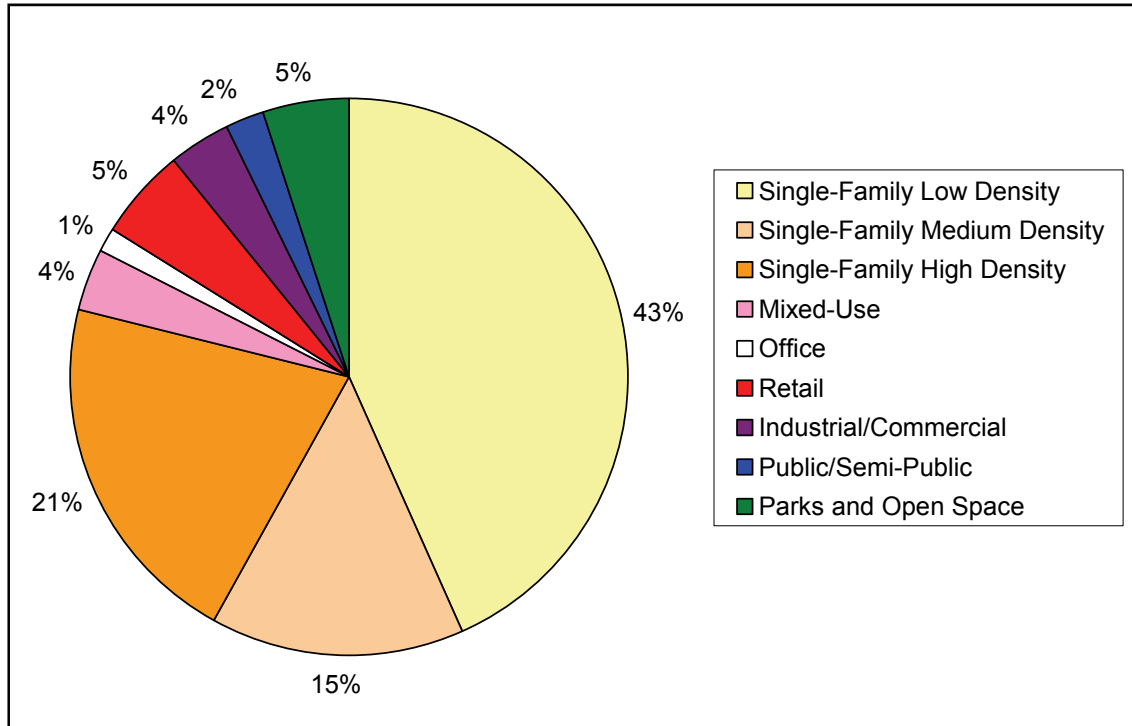
Median age:	37.3 years
Median household income	\$107,518
Per capita income	\$39,614
Average household income	\$121,512

Hispanic origin (any race – included in above numbers)	2,259	6.0 %
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2009 Estimate 39,450

KELLER PROFILE

PROPOSED LAND USE



The above chart indicates the current proposed land use mix of Keller at build-out. Single-family residential property will comprise approximately 79% of the total land area of Keller.

EDUCATION

Education for the community is provided by the Keller Independent School District (KISD), which encompasses an area of approximately 51 square miles. The KISD conducts programs for Pre K-12, and employs approximately 2,189 teachers in addition to administrative personnel and support staff. KISD has 36 school campuses, with an approximate enrollment of 30,000 students, and an alternate education center. In addition, there are several private or parochial schools in the area. KISD also has two National Blue Ribbon Schools of Excellence, 32 TEA Exemplary and Recognized schools and the 2007 Texas State Secondary Teacher of the Year.

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

KELLER PROFILE

QUALITY OF LIFE

Parks and Recreation. The City has ten developed parks: Keller Sports Park (130 acres); Johnson Road Park (15 acres); Bear Creek Park (44 acres); The Parks at Town Center (102 acres); Bursley Ranch Park (1.34 acres); Overton Ridge Park (8 acres); Chase Oaks Activity Node (5 acres); Willis Coves Open Space (4 acres); Veteran's Memorial Park (.3 acres) and a linear park, Big Bear Creek Greenbelt (26.2 acres), which includes a 5.39 mile concrete hike and bike trail. In addition to this main spine of the trail system, Keller also provides an additional twelve (12) miles of trails throughout the city. These parks provide fishing areas, hike and bike trails, basketball and volleyball courts, playground areas, picnic tables, open play areas, practice fields and pavilions. The Keller Sports Park, opened in 1996, provides soccer and football/t-ball fields, and two 4-plex fields (baseball and softball), an outdoor multi-use arena and has leased 9.9 acres for a 68,000 square foot indoor soccer arena, including two outdoor fields. As previously mentioned, the department also operates The Keller Pointe, an 87,940 square foot state of the art recreation and aquatics center, currently serving over 3,500 annual memberships equating to over 10,000 individual members. The Keller Parks and Recreation Department offers a variety of recreational programs, special events, exercise classes, sports leagues, youth camps and workshops. The Recreation Division also administers the activities of the Keller Senior Activities Center, coordinating recreational activities, events and trips.

Keller Public Library. The Keller Public Library provides programs to citizens of all ages within the community. Special programs conducted by the library include story time, school-age programs, adult programs, and a summer reading club program. The library is currently under construction and is being renovated and expanded to approximately 21,000 square feet. Construction is scheduled to be complete in Spring of 2010.

Area Recreation and Leisure. There are several 18-hole championship golf courses located within minutes of the City. The Sky Creek Ranch course, located in Keller, opened in 1998. The City offers a suburban lifestyle with varied neighborhoods. There are approximately 20 lakes located in the 11-county Dallas/Fort Worth area, offering boating, fishing, camping and picnicking facilities. The Cities of Fort Worth and Dallas with their varied cultural opportunities of theaters, museums, zoos, botanical gardens and professional sports teams are less than a 30-minute drive from the City. Major tourism attractions in the area include: Fort Worth Botanical Gardens, Fort Worth Zoo, Fort Worth Stockyards, Hurricane Harbor, Six Flags over Texas, Texas Motor Speedway, NRH₂O family water park, and The Keller Pointe Recreation and Aquatics Center. Professional ball club franchises in the area include the Dallas Cowboys, Texas Rangers, Dallas Stars, Dallas Sidekicks, Dallas Mavericks, and FC Dallas professional clubs. There are also numerous minor and independent league franchises for baseball (the Fort Worth Cats), and hockey available in the area.

MEDICAL

Excellent health care facilities are located within minutes of the City, including four of the largest hospitals in Tarrant County. The Metroplex area is served by more than 70 hospitals offering specialized services such as organ transplantation, major trauma care, cancer treatment, kidney dialysis and chemical dependency treatment. Baylor Medical and Diagnostic Center, located on U.S. Highway 377 in Keller has approximately 39,000 square-feet, and commenced operation in March 2006. Lonestar Endoscopy, also located on U.S. Highway 377 (next to Baylor Medical) is also fully operational.

TRANSPORTATION

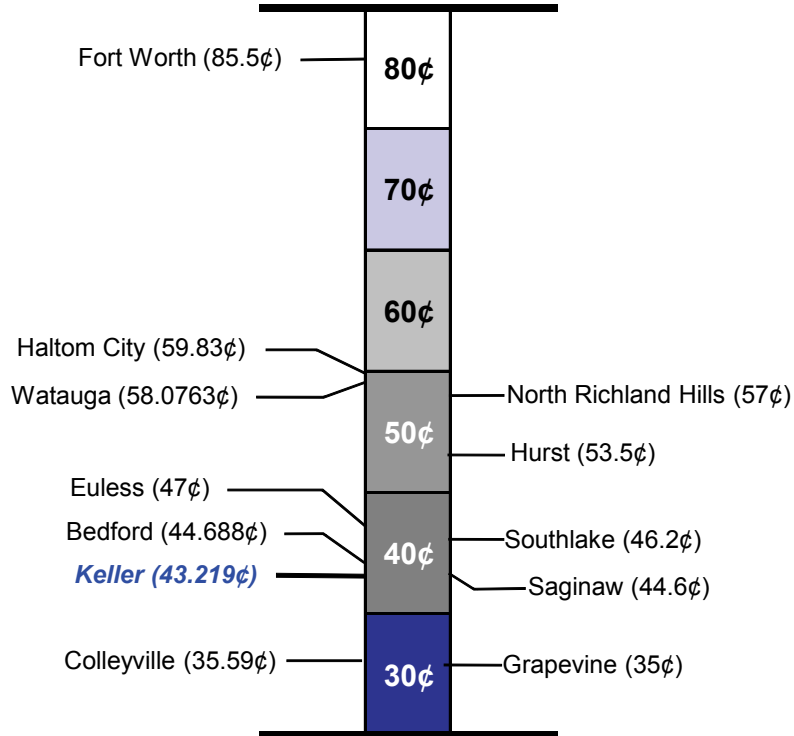
The City is well served by major highways. North/south highways include U.S. Highway 377, SH 121, SH 26, and FM 1938. The east/west highways include IH-820, SH 170, FM 1709, and SH 183. These major highways provide easy access to Dallas, Fort Worth, and the surrounding Metroplex area.

Air service is provided by nearby Dallas/Fort Worth International Airport, the nation's fourth busiest airport, providing service to national and international destinations. Meacham Field, approximately 5 miles away in northern Fort Worth is a fixed base operation for private and commercial service and provides sophisticated instrument approach facilities, lighted runways, terminal facilities and fuel and

KELLER PROFILE

maintenance services. Alliance Airport, located northwest of Keller, began limited operations in 1989, and is the first newly constructed industrial airport in the United States. The Airport is home to a FedEx hub, BNSF Intermodal Terminal, Drug Enforcement Agency, and numerous distribution company facilities.

2008 (FY2009) Tax Rates of Neighboring Northeast Tarrant County Cities (Rates per \$100 of Taxable Value)



2009 (FY2010) tax rates are unavailable.

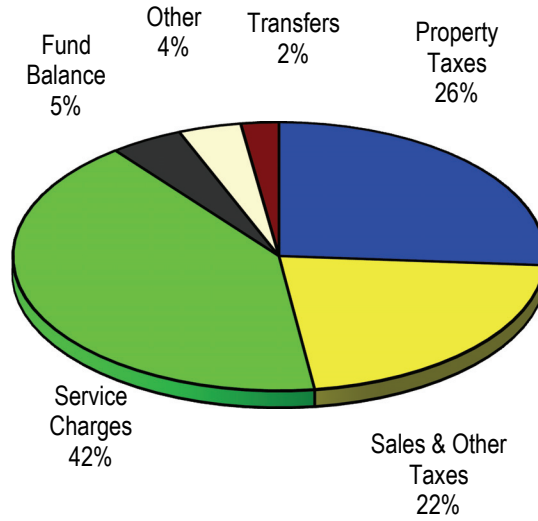


BUDGET SUMMARY

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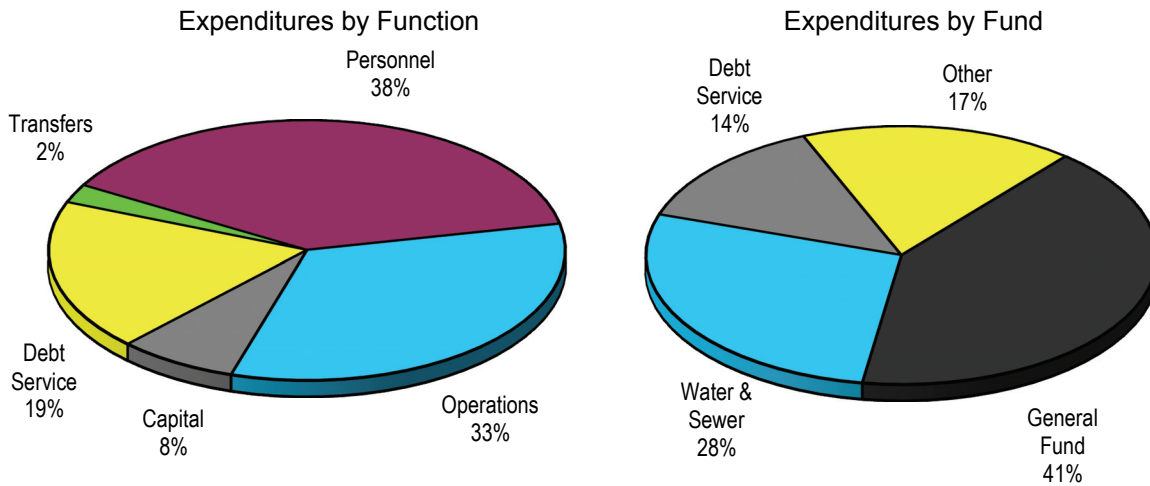
**CITY OF KELLER, TEXAS
2009-2010 BUDGET**

**SOURCES OF REVENUE
\$67,745,227**



Resources include use of fund balance.

**EXPENDITURES (USES)
\$67,745,227**



BUDGET SUMMARY BY FUND TYPE

Fund Type / Fund Name	Estimated Beginning Balance 10/01/2009	Revenues & Transfers In	Expenditures & Transfers Out	Other Reservations of Fund Balance	Estimated Ending Balance 09/30/2010
GOVERNMENTAL FUND TYPES:					
Property-Tax Supported Funds:					
General Fund	\$ 6,724,943	\$ 26,494,885	\$ 27,363,980	\$ 820,164	\$ 5,035,684
Debt Service Fund	806,382	5,938,710	6,108,100	-	636,992
* Subtotal *	7,531,325	32,433,595	33,472,080	820,164	5,672,676
Special Revenue/Other Funds:					
Keller Development Corporation	671,421	2,110,000	2,506,295	89,000	186,126
The Keller Pointe (1)	696,389	3,333,425	3,309,745	-	720,069
Information Services Fund	372,884	1,399,770	1,501,690	-	270,964
Library Special Revenue Fund	822	44,510	42,500	-	2,832
Recreation Special Revenue Fund	26,550	154,420	159,050	21,454	466
Court Special Revenue Fund	246,895	109,000	156,562	-	199,333
Teen Court Special Revenue Fund	54,383	49,125	79,925	-	23,583
Crime Control Prevention District	2,300,959	1,010,000	2,441,635	-	869,324
* Subtotal *	4,370,303	8,210,250	10,197,402	110,454	2,272,697
Other Debt Service Funds:					
Interest & Sinking Fund - TIF	33,569	3,659,470	3,647,135	-	45,904
Capital Projects Funds:					
Park Development Fee Fund	16,376	21,000	20,195	-	17,181
Street/Drainage Improvements Fund	11,333	1,065,400	1,053,000	-	23,733
Equipment Replacement Fund	658,045	139,250	76,000	-	721,295
* Subtotal *	685,754	1,225,650	1,149,195	-	762,209
TOTAL GOVERNMENTAL FUNDS	12,620,951	45,528,965	48,465,812	930,618	8,753,486
ENTERPRISE FUNDS:					
User Fee-Supported Funds:					
Water & Wastewater Fund	7,049,272	17,808,350	18,324,710	-	6,532,912
Drainage Utility Fund	191,291	1,402,600	954,705	-	639,186
TOTAL ENTERPRISE FUNDS	7,240,563	19,210,950	19,279,415	-	7,172,098
TOTAL - ALL FUNDS	\$ 19,861,514	\$ 64,739,915	\$ 67,745,227	\$ 930,618	\$ 15,925,584

Total revenues	\$ 64,739,915
Use of available fund balances	3,005,312
Total available	<u>\$ 67,745,227</u>
Total appropriations	<u>\$ 67,745,227</u>

(1) – Fund balance is cash and investments. Fund is totally supported by user fees, in accordance with the Recreation and Aquatic Center enterprise plan, but shown as a Special Revenue Fund for financial reporting and budgeting purposes.

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, and the Keller Development Corporation, the Park Development Fee Fund, The Keller Pointe Recreation/Aquatic Center Fund, and the Equipment Replacement Fund.

EXPENDITURES

Total expenditures for all funds for FY2010 are \$67,745,227, an increase of \$1,209,282, or 1.8 percent, over 2008-2009 (FY2009) estimated expenditures. FY2010 expenditures are an increase of \$460,844, or 0.7% over the FY2009 original adopted budget. The budget includes operating expenditures and capital outlays for the various funds, departments, and agencies of the City.

Total Expenditures by Fund – All Funds

Fund	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
General fund	\$ 25,602,704	\$ 27,506,852	\$ 27,363,980	\$ (142,872)	(0.5%)
Water & wastewater fund	17,889,071	18,405,270	18,324,710	(80,560)	(0.4)
Drainage utility fund	961,598	988,605	954,705	(33,900)	(3.4)
Other funds	2,245,331	2,295,853	4,381,362	2,085,509	90.8
Keller Development Corporation	2,138,299	2,110,960	2,506,295	395,335	18.7
The Keller Pointe	2,912,749	3,262,680	3,309,745	47,065	1.4
Debt service funds	8,188,438	9,055,520	9,755,235	699,715	7.7
Capital projects funds (1)	1,491,359	2,910,205	1,149,195	(1,761,010)	(60.5)
TOTAL	\$ 61,429,549	\$ 66,535,945	\$ 67,745,227	\$ 1,209,282	1.8%

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

Total Expenditures by Function – All Funds

Function	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Personnel services	\$ 23,385,747	\$ 25,563,455	\$ 25,585,330	\$ 21,875	0.1%
Operations & maintenance	3,468,448	4,117,405	4,190,557	73,152	1.8
Services & other	16,780,538	17,832,191	18,080,845	248,654	1.4
Capital outlay	3,843,785	4,949,314	5,389,590	440,276	8.9
Debt service	12,095,273	12,530,195	12,938,490	408,295	3.3
Interfund transfers (1)	1,855,761	1,543,385	1,560,415	17,030	1.1
TOTAL	\$ 61,429,552	\$ 66,535,945	\$ 67,745,227	\$ 1,209,282	1.8%

(1) FY2009 interfund transfers exclude transfers of \$2,979,449 to the Water and Wastewater Operating Fund from the Water & Wastewater Interest & Sinking Fund (\$544,345); Water Impact Fee Fund (\$1,576,860); and Wastewater Impact Fee Fund (\$858,244).

REVENUES

Total revenues and transfers for all funds are \$64,739,915 for FY2010, a decrease of \$798,697, or 1.2 percent over FY2009 estimated revenues. Revenues include property taxes, sales taxes, service charges (e.g., water and wastewater charges), interest revenue and other miscellaneous revenues.

Total Revenues by Fund – All Funds

Fund	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
General fund	\$ 26,787,918	\$ 25,942,075	\$ 26,494,885	\$ 552,810	2.1%
Water & wastewater fund	17,990,642	20,359,899	17,808,350	(2,551,549)	(12.5)
Drainage utility fund	906,233	905,285	1,402,600	497,315	54.9
Other funds	3,020,485	2,777,870	2,766,825	(11,045)	(0.4)
Keller Development Corporation	2,214,242	2,108,500	2,110,000	1,500	0.1
The Keller Pointe	3,076,089	3,244,050	3,333,425	89,375	2.8
Debt service funds	8,516,362	8,656,128	9,598,180	942,052	10.9
Capital projects funds (1)	1,179,313	1,544,805	1,225,650	(319,155)	(20.7)
TOTAL	\$ 63,691,284	\$ 65,538,612	\$ 64,739,915	\$ (798,697)	(1.2%)

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

Total Revenues by Source – All Funds

Revenue Source	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Total property taxes	\$ 15,596,844	\$ 16,671,000	\$ 17,680,000	\$ 1,009,000	6.1%
Sales and other taxes	14,928,281	14,281,403	14,741,750	460,347	3.2
Licenses & permits	1,213,480	607,000	607,000	–	0.0
Charges for services	25,236,235	25,034,155	26,151,395	1,117,240	4.5
Fines & fees	1,629,442	1,424,100	1,418,200	(5,900)	(0.4)
Interest revenue	809,319	417,990	391,750	(26,240)	(6.3)
Intergovernmental	2,121,120	2,042,155	1,966,525	(75,630)	(3.7)
Miscellaneous revenues	300,805	197,975	222,880	24,905	12.6
Proceeds from debt issuance	–	340,000	–	(340,000)	(100.0)
Interfund transfers (1)	1,855,761	4,522,834	1,560,415	(2,962,419)	(65.5)
TOTAL	\$ 63,691,287	\$ 65,538,612	\$ 64,739,915	\$ (798,697)	(1.2%)

(1) FY2009 interfund transfers include transfers of \$2,979,449 to the Water and Wastewater Operating Fund from the Water & Wastewater Interest & Sinking Fund (\$544,345); Water Impact Fee Fund (\$1,576,860); and Wastewater Impact Fee Fund (\$858,244).

ANALYSIS OF CHANGES IN FUND BALANCES

The following table indicates the reasons for projected changes in fund balances for the year, a decrease of \$3,005,312:

Fund	Beginning Fund Balance	Ending Fund Balance	Difference	Comments
General Fund	\$ 6,724,943	\$5,855,848	(\$869,095)	Ending balance exceeds financial policy minimum balance target.
Water & Wastewater Fund	7,049,272	6,532,912	(516,360)	Ending balance exceeds financial policy minimum balance target.
Drainage Utility Fund	191,291	639,186	447,895	Ending balance exceeds financial policy minimum balance target.
Keller Development Corporation	671,421	275,126	(396,295)	Planned capital and debt service expenditures. Financial policies do not specify a targeted fund balance for this fund.
The Keller Pointe Recreation & Aquatic Center (fund balance is cash and investments)	696,389	720,069	23,680	Funds remaining will be carried forward for future years' operations, capital replacements, and/or projects. Financial policies do not specify a targeted fund balance for this fund.
Information Services Fund	372,884	270,964	(101,920)	Funds remaining will be carried forward for future years' operations, capital replacements, and/or projects. Financial policies do not specify a targeted fund balance for this fund.
Keller Crime Control Prevention District	2,300,959	869,324	(1,431,635)	Planned capital expenditures. Financial policies do not specify a targeted fund balance for this fund.
Non-major special revenue funds	328,650	247,668	(80,982)	Funds remaining will be carried forward for future years' operations, capital replacements, and/or projects. Financial policies do not specify a targeted fund balance for these funds.
Debt Service	839,951	682,896	(157,055)	Planned use of available balances, which can only be used for debt retirement.
Total capital projects funds	685,754	762,209	76,455	Planned use of available balances for capital improvements.

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) account for \$26.58 million, or 37.8% of total expenditures, compared to \$25.56 million or 38.4% of total expenditures for FY2009. Total personnel services will increase by \$21,875 (0.09%) in FY2010 over FY2009. There are no new positions, pay plan adjustments or cost of living increases included in the FY2010 budget. Total full-time equivalent positions (FTEs) increased from 367.38 to 367.57, an increase of 0.2 FTEs (0.1%). The increase includes the addition of seasonal employees for The Keller Pointe. (A full-time equivalent position is equal to one employee funded for 40 hours per week for 52 weeks.)

Personnel services also include the cost of employee benefits. The City provides group health, life and dental insurance benefits for employees. Dependent coverage for employees is paid by a combination of payroll deductions from employees and the City, with employees paying 50% and the City paying 50%. In addition, the City matches mandatory benefits for worker compensation, social security, Medicare (FICA), and retirement benefits (TMRS). The City also participates in deferred compensation plans, which are paid by employee deductions.

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

Fund	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
General Fund	247.34	246.34	246.34	-	0.0%
Information Services Fund	7.50	7.50	7.50	-	-
Water & Wastewater Fund	46.42	47.42	47.42	-	-
Drainage Utility Fund	8.75	8.75	8.75	-	-
Keller Development Corp.	2.78	2.78	2.78	-	-
The Keller Pointe	47.33	52.59	52.78	0.19	0.4
Court Special Revenue	1.00	1.00	1.00	-	-
Teen Court Fund	1.00	1.00	1.00	-	-
Total	362.12	367.38	367.57	0.19	0.1%

For the General Fund, employees per 1,000 residents decreased from 6.41 in FY2009 to 6.24 in FY2010 (2.6%).

The FY2008 Actual, FY2009 Estimate, and FY2010 Proposed personnel services amounts have been decreased to reflect savings from position vacancies and attrition, where applicable.

OPERATIONS AND MAINTENANCE

Operation and maintenance expenditures include major categories of supplies, equipment, grounds, and building maintenance costs. These costs for FY2010 are \$4,190,557, or 6.3% of total expenditures. The FY2010 budget reflects an increase of \$73,152, or 1.8% over FY2009 expenditures. The increase in expenditures provides additional funding for maintenance activities for buildings and grounds, machinery and equipment, fuel, and infrastructure maintenance (streets, roads, drainage ways, etc.).

MAJOR EXPENDITURES

(continued)

SERVICES AND OTHER

Services and other expenditures include 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 FY2010 are \$18,080,845, or 27.2% of total expenditures. This reflects an increase of \$248,654, or 1.4% over FY2009 expenditures. The increase in expenditures reflects the general increase in water purchases and other service levels provided by the City. The increase in service levels is also related to the increased population and development of the City.

CAPITAL OUTLAY

Capital outlay includes expenditures for capital improvements, and new or replacement City assets. Capital outlay expenditures for FY2010 are \$4,890,185, representing 7.3% of total expenditures, compared to FY2009 expenditures of \$5,389,590, representing 8.1% 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), and equipment replacements funded in the Equipment Replacement Capital Projects Fund. Capital outlay expenditures for FY2010 increased \$440,276, or 8.9% from FY2009.

DEBT SERVICE

General obligation (property-tax supported) debt service requirements (excluding water and wastewater, Keller Development Corporation, and Tax Increment Financing district debt service) for FY2010 are \$5,186,583 and comprise 7.7% of total expenditures. Expenditures increased by \$709,215, or 15.8% over FY2009. Debt service expenditures increased due to issuance of new debt obligations.

During FY2009, the City issued an additional \$12.31 million in new debt obligations. The new obligations were issued to fund the following capital improvements:

General Obligation Bonds	\$4,000,000
Keller Public Library renovation and expansion (Bonds authorized by voters on November 6, 2007)	
Certificates of Obligation	\$8,310,000
Fire Station No. 4 construction and fire apparatus (\$5,130,000)	
Drainage improvements (\$2,014,000)	
Two new ambulances (\$340,000)	
Acquisition of park property and park improvements (\$750,000)	
Issuance and legal costs (\$76,000)	
(Certificates of Obligation authorized by Council on March 3, 2009)	

MAJOR EXPENDITURES
DEBT SERVICE (continued)

The City's current bond ratings are as follows:

	<u>Moody's</u>	<u>Standard & Poor's</u>
Tax-supported debt	Aa3	AA
Revenue bonds *	Baa	BBB

In February 2009, both Standard and Poor's and Moody's upgraded the City's bond ratings. Moody's increased the City's rating one step from A1 to Aa3, while Standard and Poor's increased the City's rating by two steps, from A+ to AA. Both rating categories now classify the City's debt obligations as high-quality investment grade. Since 2000, the City has received a total of 6 bond upgrades.

* As of October 1, 2009, the only remaining revenue bond debt outstanding is \$535,000 Keller Development Corporation Sales Tax Revenue Refunding Bonds, Series 2005. These revenue bonds will be retired in January 2013.

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>FY2009</u>	<u>FY2010</u>
General obligation debt outstanding at October 1 (000's)	\$ 42,985	\$ 42,985
Estimated population, October 1	38,402	39,450
Direct debt per capita	\$ 1,119	\$ 1,090
Net taxable valuation (000's)	\$ 3,850,649	\$ 3,986,271
<i>Ratio of debt to taxable valuation</i>	1.1%	1.1%
<i>Financial policy target</i>	15.0%	15.0%
Total general government expenditures (000's) (General Fund and Debt Service Fund)	\$ 31,984	\$ 32,551
Debt service expenditures (000's)	\$ 4,477	\$ 5,187
<i>Debt service expenditures as a percentage of total general government expenditures</i>	14.0%	15.9%
<i>Financial policy target</i>	25.0%	25.0%

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

INTERFUND TRANSFERS

Transfers to other funds for FY2010 are \$1,560,415, representing 2.3% 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 \$17,030, or 1.1% from FY2009 amounts.

As previously mentioned, transfers are made from other funds to the debt service fund for debt service retirement. The City periodically issues 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. The following transfers are provided for FY2009 and FY2010:

MAJOR EXPENDITURES
INTERFUND TRANSFERS (continued)

	<u>FY2009</u>	<u>FY2010</u>
Debt Service Transfers from other Funds:		
Keller Development Corporation	\$ 135,120	\$ 178,090
Street/Drainage Improvements Fund	6,000	3,000
Water & Wastewater Fund	412,070	447,620
TIF Interest & Sinking Fund	960,000	916,510
Subtotal	<u>1,513,190</u>	<u>1,545,220</u>
Operational Transfers from other Funds:		
Teen Court Fund	30,195	15,195
Subtotal	<u>30,195</u>	<u>15,195</u>
Total Transfers	<u>\$ 1,543,385</u>	<u>\$ 1,560,415</u>

In addition to debt service transfers, transfers are also made to assist in funding for certain operational activities (intragovernmental transfers), such as transfers to the Equipment Replacement Fund for 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>	Intragovernmental Transfers From Other Funds		Intragovernmental Transfers To Other Funds	
	<u>FY2009</u>	<u>FY2010</u>	<u>FY2009</u>	<u>FY2010</u>
General Fund	\$ 2,213,500	\$ 2,340,500	\$ 706,745	\$ 753,015
Keller Development Corporation	-	-	173,620	216,590
Information Services Fund	1,244,690	1,339,270	-	-
The Keller Pointe Fund	-	-	14,045	16,445
Teen Court Fund	30,195	15,195	-	480
Debt Service Fund	553,190	628,710	960,000	916,510
TIF Interest & Sinking Fund	960,000	916,510	-	-
Equipment Replacement Fund	50,120	74,250	-	-
Streets/Drainage Improvement Fund	-	-	6,000	3,000
Water & Wastewater Fund	30,000	30,000	3,085,220	3,294,190
Drainage Utility Fund	-	-	136,065	144,205
Total Intragovernmental Transfers	<u>\$ 5,081,695</u>	<u>\$ 5,344,435</u>	<u>\$ 5,081,695</u>	<u>\$ 5,344,435</u>

Intragovernmental transfers by function and purpose, excluding debt service transfers, are summarized on the following page as follows:

MAJOR EXPENDITURES
INTERFUND TRANSFERS (continued)

	<u>FY2009</u>	<u>FY2010</u>
TRANSFERS TO GENERAL FUND		
Payments In-lieu of Taxes Transfers from:		
Water & Wastewater Fund	\$ 855,000	\$ 1,005,000
Drainage Utility Fund	<u>90,000</u>	<u>97,000</u>
Subtotal	<u>945,000</u>	<u>1,102,000</u>
Administrative Services Transfers from:		
Water & Wastewater Fund	1,230,000	1,200,000
Keller Development Corporation	<u>38,500</u>	<u>38,500</u>
Subtotal	<u>1,268,500</u>	<u>1,238,500</u>
Total Transfers to General Fund	<u><u>2,213,500</u></u>	<u><u>2,340,500</u></u>
TRANSFERS TO WATER & WASTEWATER FUND		
Administrative Services Reimbursement Transfers from:		
Drainage Utility Fund	<u>30,000</u>	<u>30,000</u>
Total Transfers to Water & Wastewater Fund	<u><u>30,000</u></u>	<u><u>30,000</u></u>
TRANSFERS TO INFORMATION SERVICES FUND		
Operating Transfers from:		
General Fund	536,000	558,750
Water & Wastewater Fund	<u>536,000</u>	<u>558,750</u>
Subtotal	<u>1,072,000</u>	<u>1,117,500</u>
Cost of Services Transfers from:		
General Fund	140,550	179,070
Water & Wastewater Fund	17,600	24,140
Drainage Utility Fund	495	1,635
The Keller Pointe Fund	14,045	16,445
Teen Court Fund	-	480
Subtotal	<u>172,690</u>	<u>221,770</u>
Total Transfers to Information Services Fund	<u><u>1,244,690</u></u>	<u><u>1,339,270</u></u>
TRANSFERS TO EQUIPMENT REPLACEMENT FUND		
Internal Vehicle/Equipment Lease Payments from:		
Water & Wastewater Fund	34,550	58,680
Drainage Utility Fund	<u>15,570</u>	<u>15,570</u>
Total Transfers to Equipment Replacement Fund	<u><u>50,120</u></u>	<u><u>74,250</u></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 agricultural roll-back taxes, penalties and interest) for FY2010 are \$17,680,000, and represent 27.3% of total revenues, compared to \$16,671,000, or 25.4% of total revenues for FY2009. Total property tax revenues for FY2010 increased by \$1,009,000, or 6.1% over FY2009 taxes. Property (ad valorem) taxes are assessed, or levied, on real and personal property as of January 1 of each year. The tax rate for FY2010 is \$0.44219, while the effective tax rate as calculated using the *Truth-in-Tax* calculations pursuant to the Texas Property Tax Code is \$0.43050. The FY2010 tax rate represents a one-cent tax increase (2.3%) from the FY2009 tax rate. The tax rate is comprised of a "maintenance and operations" (M&O) component (\$0.31009, or 70.1% of the total rate), which is allocated to the general fund, and a "debt service" component (\$0.13210, or 29.9% of the total rate), which is allocated to the debt service fund.

Since 1993, the tax rate has been reduced a total of \$0.10195 per \$100 (10.195¢), or 18.7%. This reduction has been possible due to the growth in the assessed taxable valuation, in combination with increases in sales and franchise taxes, and other revenues. Tax rate comparisons since 2000 are presented in the accompanying chart (per \$100 of appraised values).

Year	Total Tax Rate	Percent Change
2000 (FY2001)	\$ 0.44300	(2.2%)
2001 (FY2002)	0.43800	(1.1%)
2002 (FY2003)	0.43800	-%
2003 (FY2004)	0.43800	-%
2004 (FY2005)	0.44413	1.4%
2005 (FY2006)	0.44413	-%
2006 (FY2007)	0.43219	(2.7%)
2007 (FY2008)	0.43219	-%
2008 (FY2009)	0.43219	-%
2009 (FY2010)	0.44219	2.3%

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:

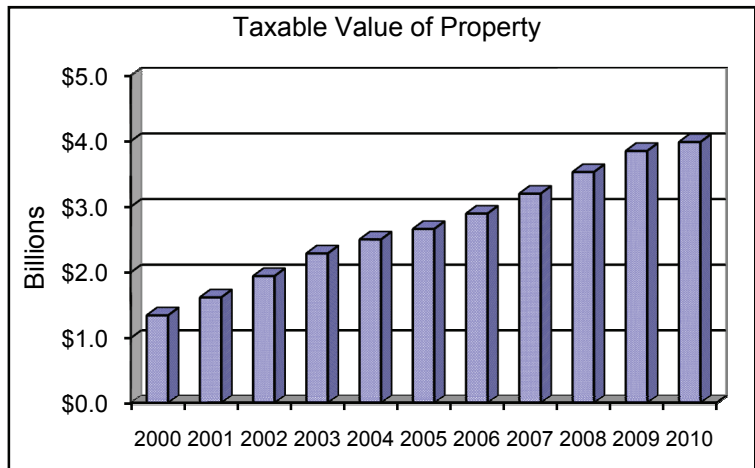
<u>Exemption Type</u>	<u>Exemption Amount</u>
Homestead exemption	1% of appraised value (minimum exemption – \$5,000)
Disabled citizen	\$10,000
Over age 65	\$40,000
Disabled veteran	\$5,000 to \$12,000, depending on the percentage of the person's disability

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).

MAJOR REVENUES (continued)

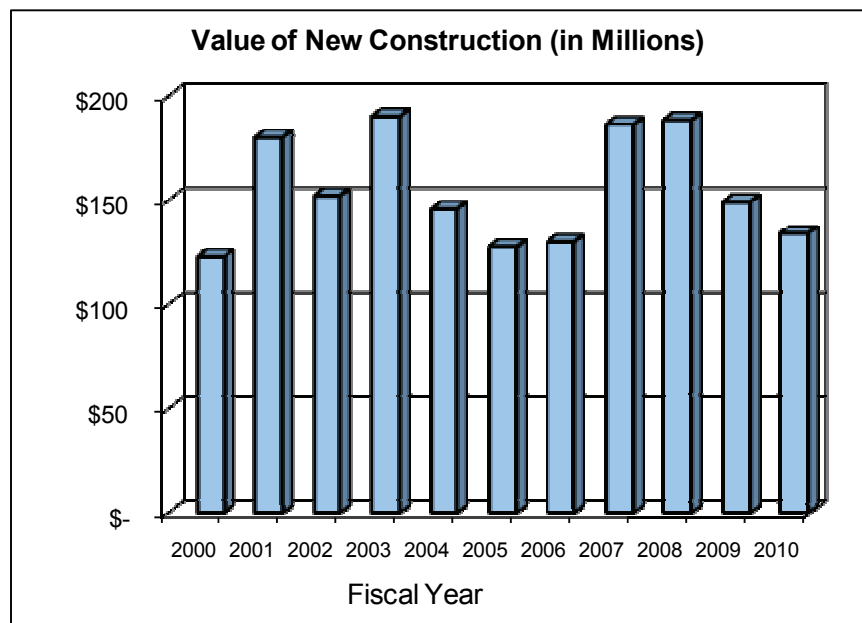
TAXES:

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 the growth in net taxable values since 2000.



The net taxable value after exemptions and adjustments for FY2010 is \$3.98 billion, and continues to increase, although at a much lower rate, with a total increase of \$135.6 million, or approximately 3.5% over the previous year, compared to an increase of \$322.4 million (9.1%) in FY2009.

Approximately 80% of the value growth for FY2010 resulted from \$133.7 million in new construction during calendar year 2008, compared to \$149.2 million in new construction added to the tax rolls last year (for calendar year 2007). The chart below provides a history of new construction values, as determined by the Tarrant Appraisal District.



For FY2010, the appraised value of new residential construction in calendar year 2008 was \$110.3 million (82%) and new commercial construction was \$23.3 million (18%). For last year (calendar year 2007), the appraised value of new residential construction was \$121.8 million (82%) and new commercial construction was \$27.4 million (18%).

MAJOR REVENUES (continued)

TAXES:

Sales and other taxes: Sales and other taxes are comprised of local sales taxes, franchise taxes from local utilities, and in-lieu of tax payments from the City's Water and Wastewater and Drainage Utility Funds. Other taxes also include assessments to participating entities in the Keller Town Center Tax Increment Reinvestment Zone (TIF). Total revenue for FY2010 is \$14,741,750, representing 22.8% of total revenues, compared to \$14,281,403, representing 21.1% of total revenues in FY2009. Sales and other taxes increased by \$460,347, or 3.2% over FY2009 amounts.

All sales taxes are remitted to the State of Texas from the sale of taxable goods and services. The State of Texas then rebates to the City the following portions of these taxes: general sales taxes – 1%; 0.5% for the Keller Development Corporation; 0.25% for the Keller Crime Control Prevention District; 0.25% street maintenance; and 15% of mixed beverage tax collected within the City. As of November 2007, the City's total sales tax rate is 8.25% of retail sales, and is comprised of the following components:

State of Texas	6.25%
City of Keller	1.00
Keller Development Corporation	0.50
Keller Crime Control Prevention District	0.25 (effective April 2008)
Street maintenance sales tax	<u>0.25 (effective April 2008)</u>
Total	8.25%

The accompanying table on the next page 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 (a capital projects fund). As the table indicates, sales tax revenue has shown a significant increase, primarily because of a combination of increased retail activity, along with the additional 0.375% KCCPD sales tax that became effective in April 2002, and the street maintenance sales tax of 0.125% that became effective in April 2004. In November 2007, voters reauthorized the street maintenance sales for another four years, and in addition increased the street maintenance sales tax rate from 0.125% to 0.25%, along with a corresponding decrease in the KCCPD sales tax rate to 0.25%.

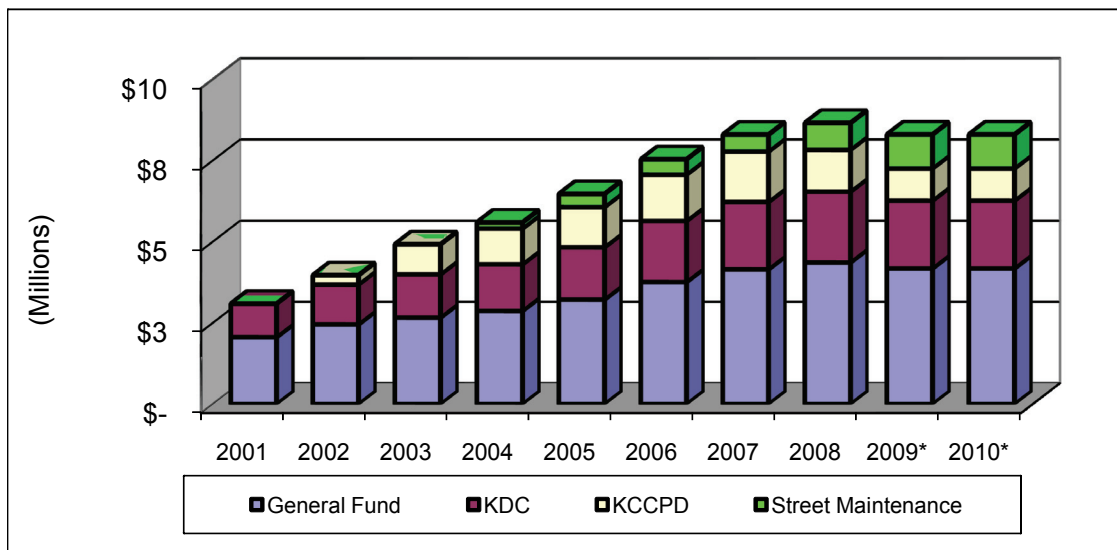
Because of the continued nationwide decrease in economic activity, sales taxes for FY2009 are anticipated to be less than the prior year's sales taxes by 4.1%. Prior to this fiscal year, sales tax revenues have consistently experienced double-digit increases each year. As a result, the City has never experienced an actual decline in actual sales tax revenue over the prior year. Total sales taxes for FY2010 are anticipated to remain unchanged over FY2009. The table reflects the reallocation of the KCCPD and street maintenance sales tax, which became effective April 1, 2008.

MAJOR REVENUES (continued)
SALES AND OTHER TAXES:

Total Sales Tax Revenue
 2001 through 2010

Fiscal Year	General Fund	KDC	KCCPD	Street Maintenance	Total	Pct Change
2001	\$ 2,059,749	\$ 1,029,874	\$ -	\$ -	\$ 3,089,623	18.3%
2002	2,453,697	1,226,848	285,443	-	3,965,988	28.4%
2003	2,662,903	1,331,301	923,881	-	4,918,085	24.0%
2004	2,869,276	1,434,788	1,101,017	185,789	5,590,870	13.7%
2005	3,218,819	1,609,410	1,237,317	402,352	6,467,898	15.7%
2006	3,757,724	1,879,424	1,427,418	469,856	7,534,422	16.5%
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*	4,176,500	2,088,000	990,000	1,044,000	8,298,500	(4.1%)
2010*	4,176,500	2,088,000	990,000	1,044,000	8,298,500	0.0%

* - projected



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% – 5% of the gross receipts of the respective utility. The City of Keller also pays a 4% 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 calculated on the fund's audited net asset value (historical cost less accumulated depreciation) from the prior year, multiplied by the City's property tax rate.

As a combined group, property taxes, sales taxes and franchise taxes account for \$32.4 million, or 50% of total revenues for FY2010, compared to \$30.95 million, or 47% of total revenues for FY2009. These revenues are projected to increase by \$1.47 million (4.8%) over FY2009.

MAJOR REVENUES (continued)

CHARGES FOR SERVICES

Charges for services include building permits and fees, plumbing permits, mechanical permits, electrical permits, fence permits and sign and other miscellaneous permits; and water, wastewater and drainage fees, and revenues for The Keller Pointe recreation and aquatic center. Total service charges for FY2010 are \$26,151,395, comprising 40.4% of total revenues, compared to \$25,034,155, or 38.2% of total revenues in FY2009.

Major charges for service revenues are comprised of water revenue (\$12,349,000); wastewater revenue (\$4,823,100); drainage utility fees (\$1,396,800); and operating revenues for The Keller Pointe (\$3,308,495). These revenues comprise \$21,877,395, or 33.8% of total revenues in FY2010, compared to \$20,863,380, or 31.8% of total revenues in FY2009.

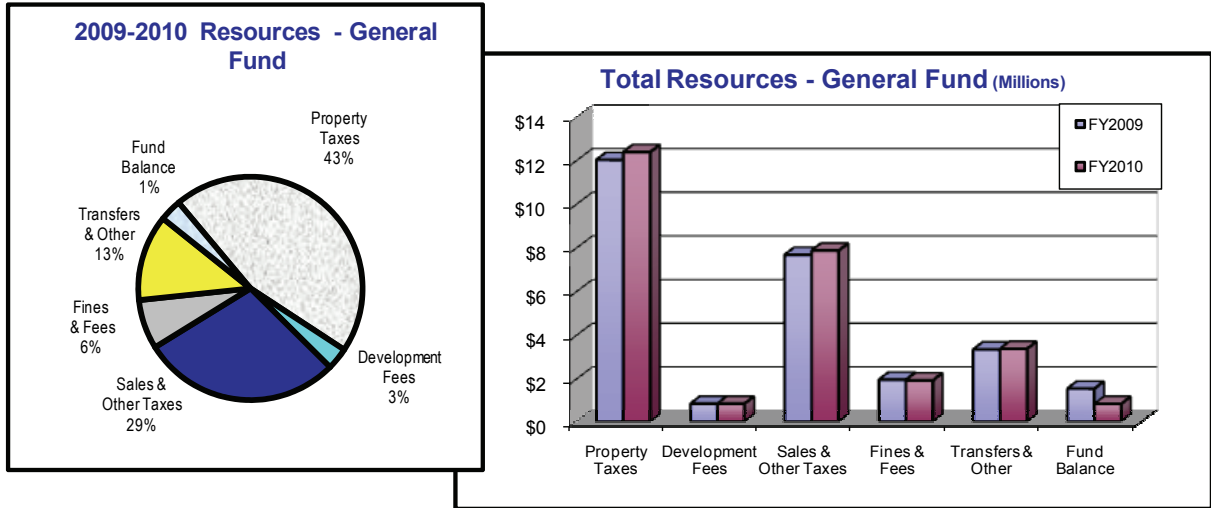
Building permits and development fees are included in the service charges category as well. These fees are projected to be \$875,200, for FY2010, a decrease of \$14,000 (0.2%) from FY2009. Building permits and development fees comprise 1.4% of total revenues in FY2010, compared to 1.3% in FY2009.

SUMMARY

Total revenues from taxes and service charges comprise \$58.6 million, or 90.5% of total revenues, compared to \$55.98 million, or 85.4% of total revenues in FY2009. The remaining revenues for FY2010 include fine and fees revenue (\$1,418,200), licenses and permits (\$607,000), interest revenue (\$391,750), miscellaneous revenue (\$222,880), intergovernmental (\$1,966,525), and interfund (intra governmental) transfers (\$1,560,415). Combined, the remaining revenues comprise \$6.2 million, or 9.5% of total revenues.

**2009-2010 BUDGET
OVERVIEW OF GENERAL FUND**

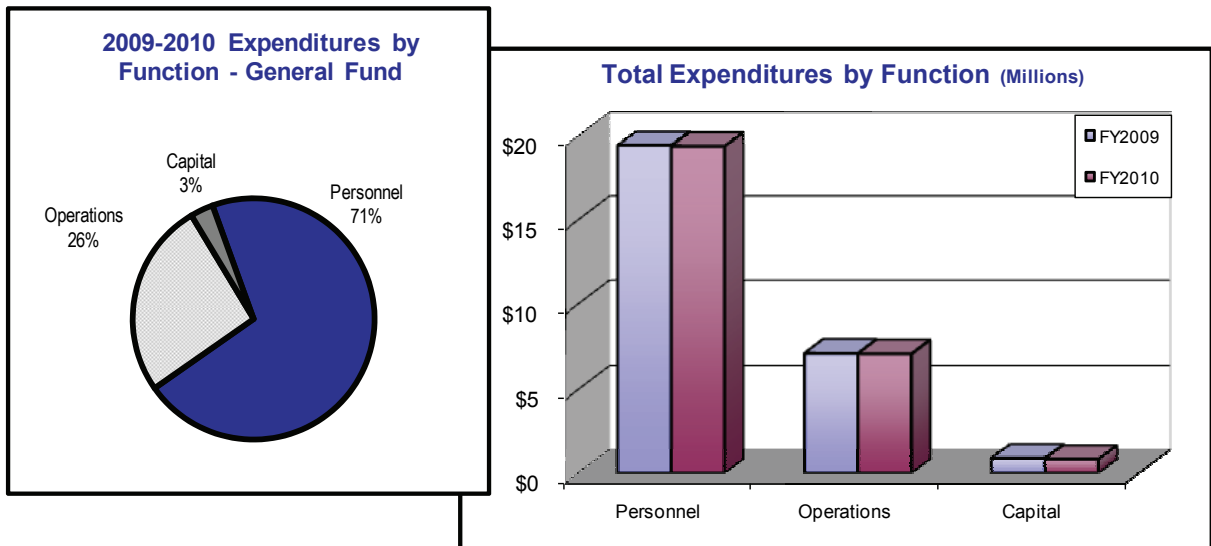
**2009-2010 RESOURCES – WHERE THE MONEY COMES FROM
\$27,363,980**



Resources include use of fund balance.

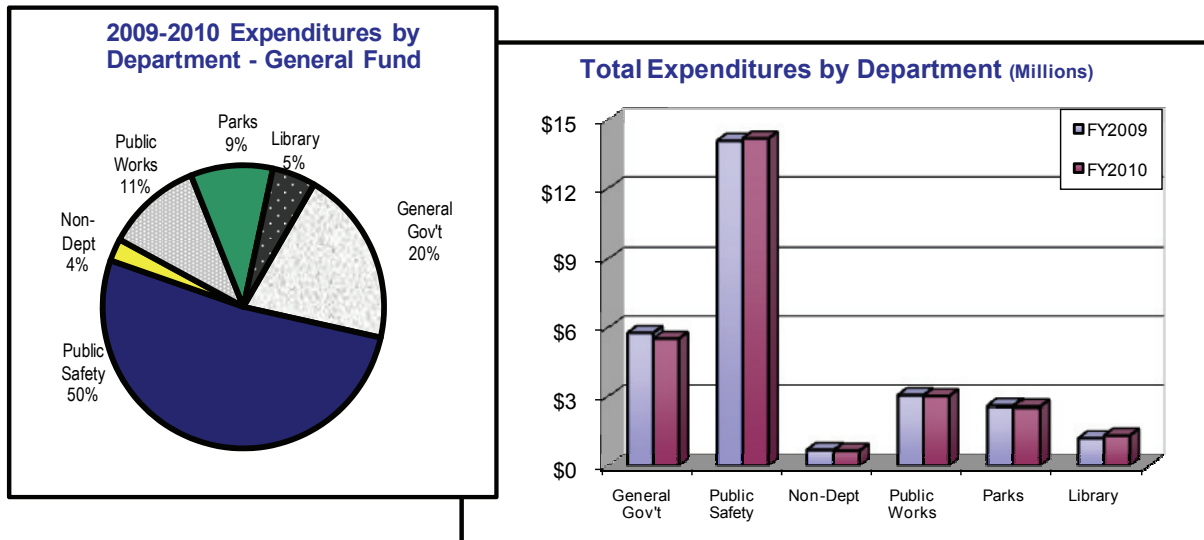
**2009-2010 EXPENDITURES – WHERE THE MONEY GOES
\$27,363,980**

Expenditures by Function



General Fund Summary (continued)

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-intergovernmental revenues. Expenditures support the following major activities: administration, general services, financial services, community development, police, fire, library, parks and recreation, and public works.

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

General Fund Summary (continued)

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Beginning Balance	\$ 7,104,505	\$ 8,289,720	\$ 6,724,943	\$ (1,564,777)	(18.9%)
REVENUES:					
Total property taxes	11,252,821	12,040,000	12,400,000	360,000	3.0
Sales taxes	4,360,294	4,176,500	4,176,500	-	-
Other taxes	3,715,256	3,516,965	3,709,790	192,825	5.5
Fines & fees	1,998,417	1,974,910	1,943,900	(31,010)	(1.6)
Building permits/fees	1,213,481	607,000	607,000	-	-
Development fees	459,900	269,600	268,200	(1,400)	(0.5)
Intergovernmental revenue	2,017,712	1,902,500	1,902,495	(5)	(0.0)
Miscellaneous revenues	1,586,365	1,454,600	1,487,000	32,400	2.2
Interfund transfers	183,673	-	-	-	-
TOTAL REVENUES	26,787,919	25,942,075	26,494,885	552,810	2.1
TOTAL FUNDS AVAILABLE	33,892,424	34,231,795	33,219,828	(1,011,967)	(3.0)
EXPENDITURES:					
Personnel services	17,859,616	19,440,825	19,391,685	(49,140)	(0.3)
Operations & maintenance	1,766,520	2,026,525	2,113,865	87,340	4.3
Services & other	4,485,521	5,105,722	4,999,900	(105,822)	(2.1)
Capital outlay	972,649	903,585	843,335	(60,250)	(6.7)
Transfers to other funds	518,398	30,195	15,195	(15,000)	(49.7)
TOTAL EXPENDITURES	25,602,704	27,506,852	27,363,980	(142,872)	(0.5)
TOTAL ENDING BALANCE	\$ 8,289,720	\$ 6,724,943	\$ 5,855,848	\$ (869,095)	(12.9%)

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 (70.8%) for FY2010, compared to 70.7% in FY2009. Operations & maintenance and services comprise 26% of the total FY2010 budget. Capital outlay (3%) and transfers to other funds (0.1%) comprise the remainder of the FY2010 budget.

Full-time equivalent positions are 246.34, unchanged from the previous year. No new positions are included in FY2010.

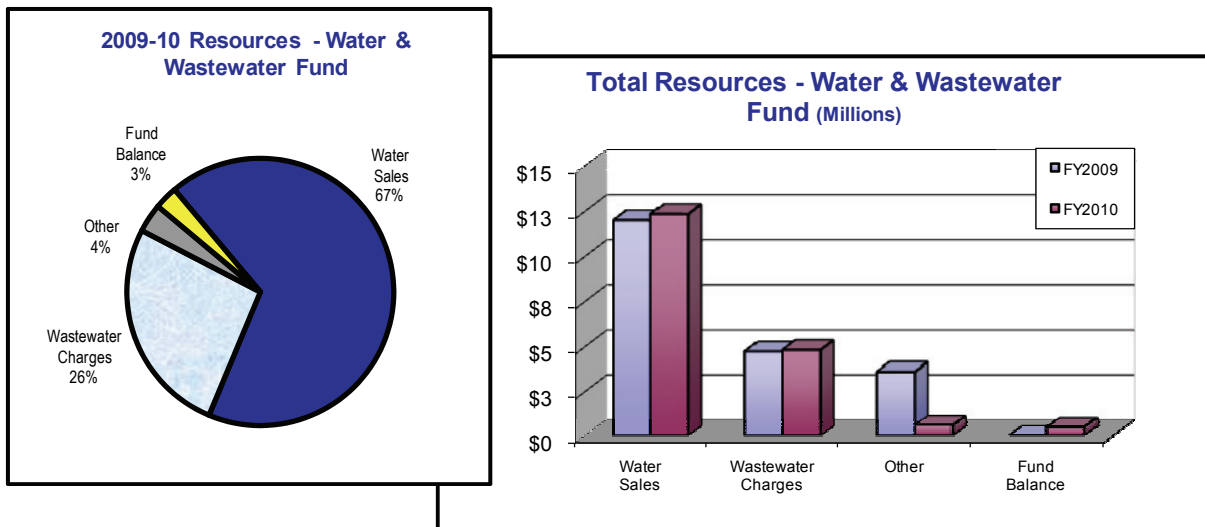
Capital outlay includes expenditures for new or replacement City assets, or improvements to existing assets. The City's personal property capitalization limit for FY2010 is \$5,000. Total capital outlay expenditures for FY2010 are \$843,335, or 3.1% of total General Fund expenditures. A discussion of specific major capital outlay items is included in the City Manager's Transmittal Letter. Capital outlay expenditures for FY2010 decreased \$60,250 (6.7%) from FY2009. Major capital items include: street improvements (\$757,385); acquisition of a pneumatic roller for the Public Works Department (\$50,000); furniture and fixtures for the new Library expansion project (\$21,000); and implementation of a document imaging system for the Fire Department (\$14,950).

General Fund Summary (continued)

Public Safety expenditures (Police and Fire) comprise over \$14.18 million of General Fund expenditures, or 52% of total expenditures. General Government expenditures comprise 16% of total expenditures; Community Development, 4.2%; Parks & Recreation, 9.4%; Library, 5%; Public Works, 11%; and Non-Departmental, 2.6%, respectively.

**2009-2010 BUDGET
OVERVIEW OF WATER AND WASTEWATER FUND**

**2009-2010 RESOURCES – WHERE THE MONEY COMES FROM
\$18,324,710**

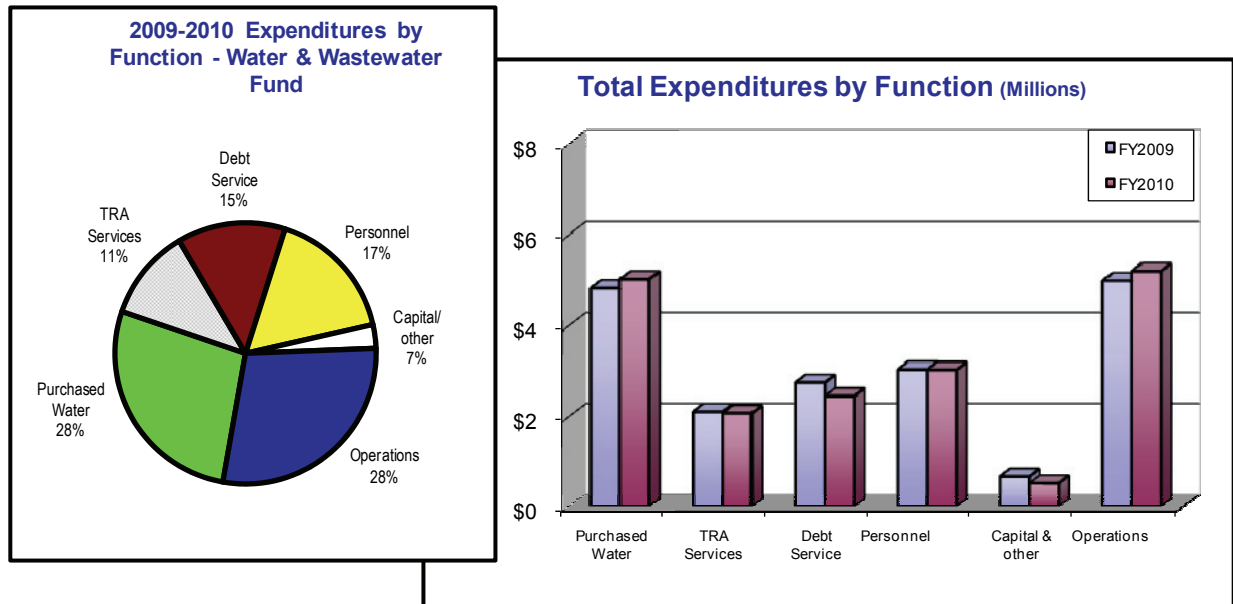


Resources include use of fund balances.

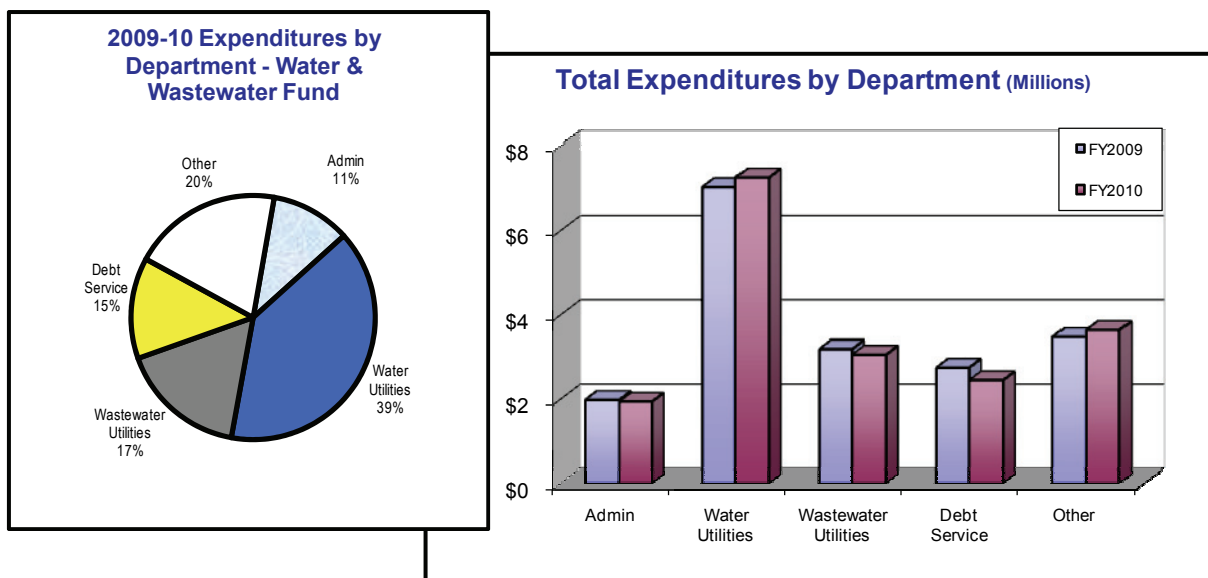
Water and Wastewater Fund Summary (continued)

2009-2010 EXPENDITURES – WHERE THE MONEY GOES
\$18,324,710

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 – where 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.

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. No budget has been prepared for this account.

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. No budget has been prepared for this account.

Water & Wastewater rates. In March 2006, the City Council adopted both a water and wastewater rate increase of approximately 8%. The City's current water and wastewater rates are as follows:

Monthly water rates:

(Effective April 1, 2006)

	<u>Residential</u>	<u>Non-Residential</u>
0 to 2,000 gallons	\$20.26 minimum*	\$20.26 minimum*
2,001 to 10,000 gallons (per 1,000 gallons)	\$2.86	\$2.86
10,001 to 20,000 gallons (per 1,000 gallons)	\$3.18	\$3.50
20,001 to 25,000 gallons (per 1,000 gallons)	\$3.61	\$4.13
25,001 to 40,000 gallons (per 1,000 gallons)	\$4.72	\$4.72
over 40,000 gallons (per 1,000 gallons)	\$5.15	\$5.15

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

Monthly wastewater rates:

(Effective April 1, 2006)

Residential	\$11.85 minimum*, plus \$2.69 per 1,000 gallons of water usage (based on December, January and February average water usage); maximum to 20,000 gallons, or \$65.65 per month.
Non-residential	\$11.85 minimum*, plus \$2.69 per 1,000 gallons of water usage, no monthly maximum.

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

Water and Wastewater Fund Summary (continued)

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

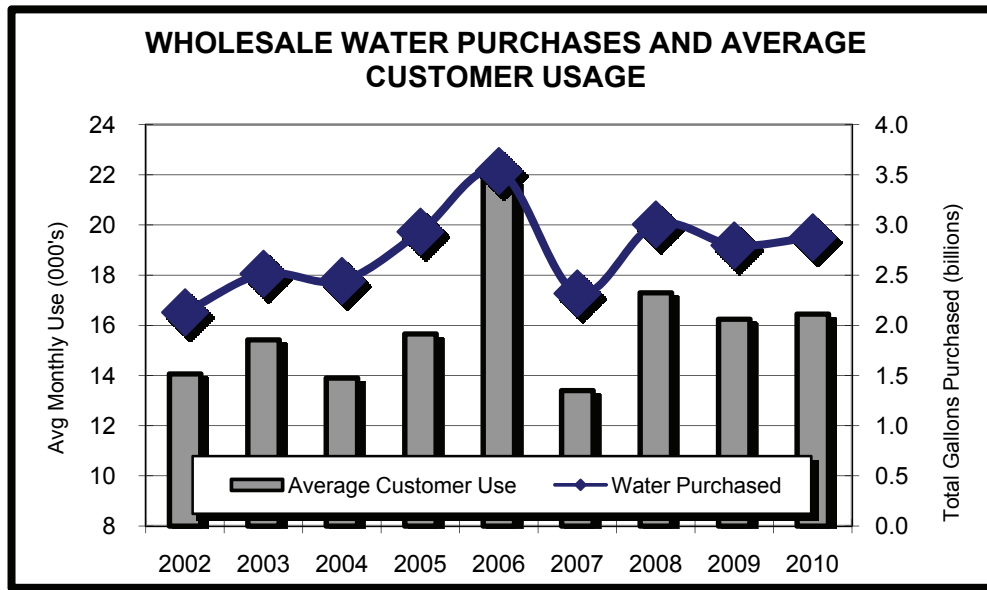
Description	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Beginning Balance	\$ 4,993,072	\$ 5,094,643	\$ 7,049,272	\$ 1,954,629	38.4%
REVENUES:					
Water sales	12,659,405	12,005,200	12,349,000	343,800	2.9
Wastewater charges	4,685,587	4,740,000	4,823,100	83,100	1.8
Taps and miscellaneous fees	500,109	512,150	513,150	1,000	0.2
Contributions	18,893	13,100	13,100	-	0.0
Interest revenue	126,649	110,000	110,000	-	0.0
Transfers from other funds	-	2,979,449	-	(2,979,449)	(100.0)
TOTAL REVENUES	17,990,643	20,359,899	17,808,350	(2,551,549)	(12.5)
TOTAL FUNDS AVAILABLE	22,983,715	25,454,542	24,857,622	(596,920)	(2.3)
EXPENDITURES:					
Personnel services	2,791,801	3,040,285	3,032,460	(7,825)	(0.3)
Operations & maintenance	574,263	759,810	761,065	1,255	0.2
Services & other	3,497,680	3,818,530	3,994,115	175,585	4.6
Wholesale water purchased	5,075,159	4,826,000	5,025,000	199,000	4.1
Wastewater services-TRA	2,071,193	2,109,125	2,075,370	(33,755)	(1.6)
Capital outlay	666,265	687,910	537,450	(150,460)	(21.9)
Debt service	2,750,301	2,751,540	2,451,630	(299,910)	(10.9)
Transfers to other funds	462,410	412,070	447,620	35,550	8.6
TOTAL EXPENDITURES	17,889,072	18,405,270	18,324,710	(80,560)	(0.4)
TOTAL ENDING BALANCE	\$ 5,094,643	\$ 7,049,272	\$ 6,532,912	\$ (516,360)	(7.3%)

Major revenues for FY2010 are derived from water service charges (69.3%) and wastewater charges (27.1%), compared to 59% and 23.9% in FY2009, respectively. These combined revenue sources account for over 96.4% of fund revenues for FY2010, compared to 82.3% for FY2009.

Major expenditures for FY2010 are comprised of wholesale water purchases (27.4%); debt service on long-term debt (13.4%); wastewater treatment and collection services provided by the Trinity River Authority (11.3%); operating expenses and transfers (28.3%); personnel services (salaries and benefits), 16.6%, and capital outlay (3%).

Water purchases are projected to be 2.877 billion gallons in FY2010, compared to 2.798 billion in FY2009, an increase of 80 million gallons, or 2.9%. Customer consumption reached an all-time high of 3.5 billion gallons in FY2006. For FY2010, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts. Therefore, if normal rainfall amounts are received during the year, revenues will not be adversely impacted.

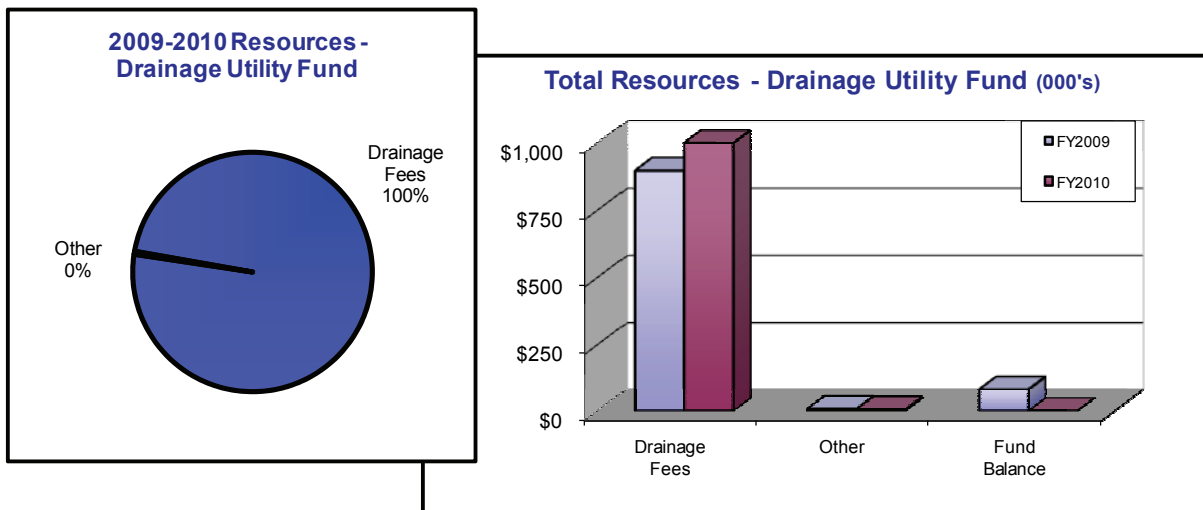
Water and Wastewater Fund Summary (continued)



As the above graph indicates, the total number of gallons of wholesale water purchased has generally shown an increasing trend, from as high as 3.5 billion gallons in FY2008 to as low as 2.05 billion gallons in FY2002. Based on total water usage to date through June 2009, water sales of 2.68 billion gallons are anticipated for FY2009. The FY2010 budget forecasts 2.76 billion gallons of water use, and is based on normal, or average rainfall. Using this average, the annualized monthly average usage per customer is 16,453, gallons for FY2010, compared to 16,250 gallons projected for FY2009, and the actual amount of 17,312 gallons in FY2008.

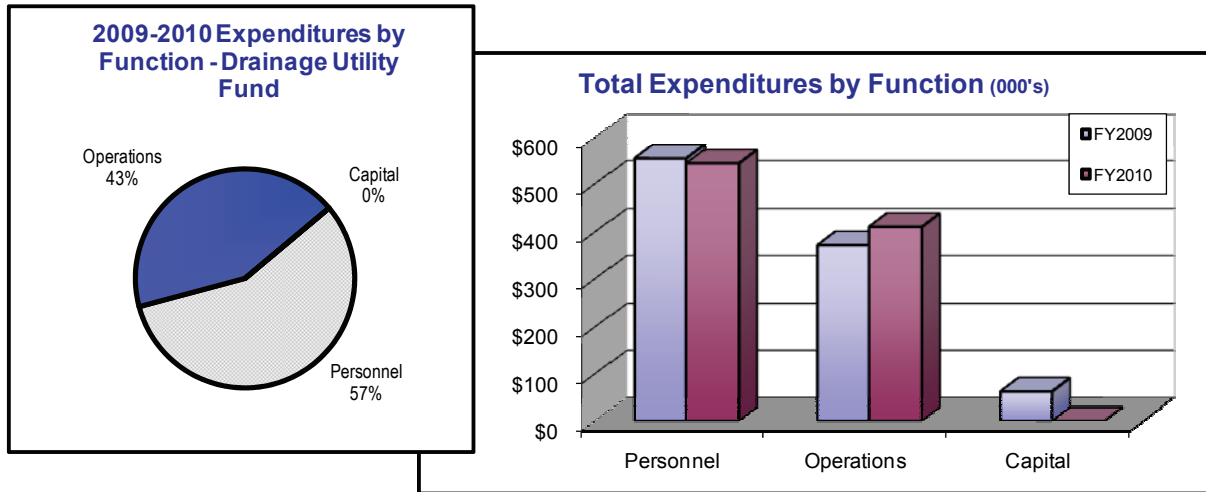
**2009-2010 BUDGET
OVERVIEW OF DRAINAGE UTILITY FUND**

**2009-2010 RESOURCES – WHERE THE MONEY COMES FROM
\$1,402,600**



Drainage Utility Fund Summary (continued)

2009-2010 EXPENDITURES – WHERE THE MONEY GOES
\$954,705



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.

The Fund was created by the City in 1990, as a result of the passage of the Municipal Drainage Utility Systems Act by the Texas State Legislature in 1987. 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.

Drainage Utility Fund Summary (continued)

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

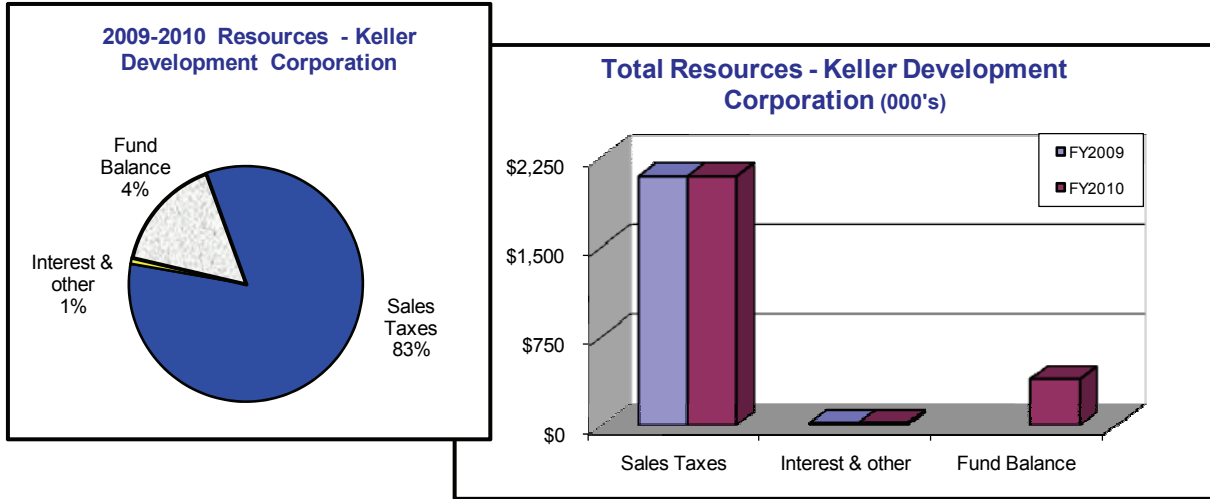
Description	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Beginning Balance	\$ 329,976	\$ 274,611	\$ 191,291	\$ (83,320)	(30.3%)
REVENUES:					
Drainage fees	880,082	898,000	1,396,800	498,800	55.5
Miscellaneous revenues	1,327	1,000	1,000	-	-
Intergovernmental-FEMA	10,040	-	-	-	-
Gain (loss) on asset disposal	3,719	1,485	-	(1,485)	(100.0)
Interest revenue	11,066	4,800	4,800	-	-
TOTAL REVENUES	906,234	905,285	1,402,600	497,315	54.9
TOTAL FUNDS AVAILABLE	1,236,210	1,179,896	1,593,891	413,995	35.1
EXPENDITURES:					
Personnel services	530,242	554,475	543,830	(10,645)	(1.9)
Operations & maintenance	115,072	94,820	121,600	26,780	28.2
Services & other	180,718	277,010	289,275	12,265	4.4
Capital outlay	104,457	62,300	-	(62,300)	(100.0)
Transfers to other funds	31,110	-	-	-	-
TOTAL EXPENDITURES	961,599	988,605	954,705	(33,900)	(3.4)
TOTAL ENDING BALANCE	\$ 274,611	\$ 191,291	\$ 639,186	\$ 447,895	234.1%

Major revenues for FY2010 are derived from drainage user fees (99%). The monthly drainage charge per ERU is currently \$5.00 per month, last updated in October 2003. The FY2010 budget includes a monthly drainage increase of \$3.00 is included. This increase is anticipated to generate additional revenue of \$465,000.

Major expenditures for FY2010 provided for personnel services (57%) for 8.75 full-time equivalent positions. Operations and maintenance and services and other expenditures (43% of the total budget) provide for both equipment maintenance and drainage channel maintenance, including equipment rentals as needed.

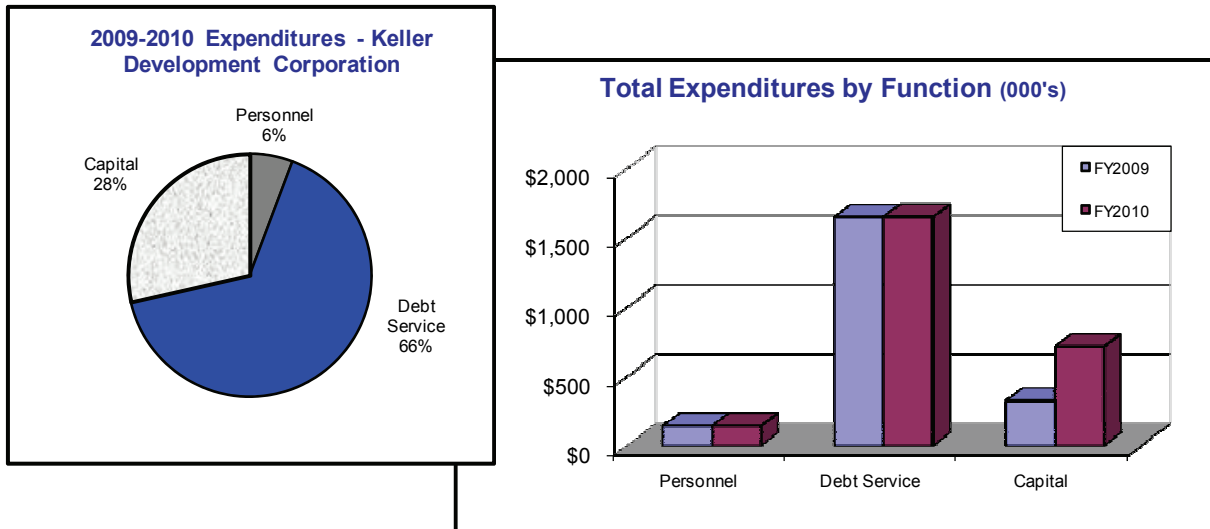
**2009-2010 BUDGET
OVERVIEW OF KELLER DEVELOPMENT CORPORATION**

**2009-2010 RESOURCES – WHERE THE MONEY COMES FROM
\$2,506,295**



Resources include use of fund balances.

**2009-2010 EXPENDITURES – WHERE THE MONEY GOES
\$2,506,295**



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 14, 2009. A public hearing as required by Article 5190.6, Texas Revised Civil Statutes, was held on July 21, 2009.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

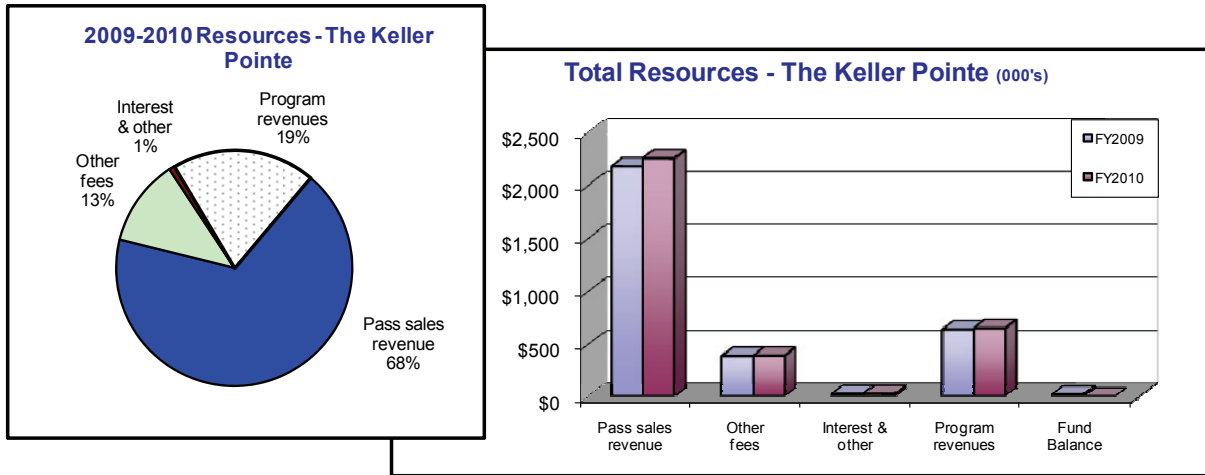
Description	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Beginning Balance	\$ 597,939	\$ 673,881	\$ 671,421	\$ (2,460)	(0.4%)
REVENUES:					
Sales taxes	2,180,147	2,088,000	2,088,000	-	-0-
Interest revenue	10,894	8,500	7,500	(1,000)	(11.8)
Rental & other revenue	23,200	12,000	14,500	2,500	20.8
TOTAL REVENUES	2,214,241	2,108,500	2,110,000	1,500	0.1
TOTAL FUNDS AVAILABLE	2,812,180	2,782,381	2,781,421	(960)	(0.0)
EXPENDITURES:					
Personnel services	131,180	143,520	143,650	130	0.1
Operations & maintenance	11,539	26,550	54,970	28,420	107.0
Services & other	39,771	40,010	41,500	1,490	3.7
Capital outlay/improvements	184,979	119,755	439,950	320,195	267.4
Debt service	1,640,660	1,646,005	1,648,135	2,130	0.1
Transfers to other funds	130,170	135,120	178,090	42,970	31.8
TOTAL EXPENDITURES	2,138,299	2,110,960	2,506,295	395,335	18.7
TOTAL ENDING BALANCE	\$ 673,881	\$ 671,421	\$ 275,126	\$ (396,295)	(59.0%)

Major revenues for FY2010 are comprised of sales taxes, representing 99% of the total budget. Rental revenue includes proceeds from the Keller Sports Park ground lease agreement with Blue Sky Sports Center.

Debt service expenditures provide for retirement of the \$1.8 million Sales Tax Revenue Bonds originally issued in 1992 (refunded in 2005) for land acquisition and development of the Keller Sports Park, and certificates of obligation issued in 2003 and 2004 for Keller Sports Park improvements, and construction of The Keller Pointe Recreation and Aquatic Center. Transfers to other funds provide for transfers to the City's Debt Service Fund to reimburse the City for debt service due on debt obligations originally issued by the City on behalf of the KDC in 1996 and 1997 for Keller Sports Park improvements, and in 2009 for park land acquisition.

**2009-2010 BUDGET
OVERVIEW OF THE KELLER POINTE RECREATION
AND AQUATIC CENTER FUND**

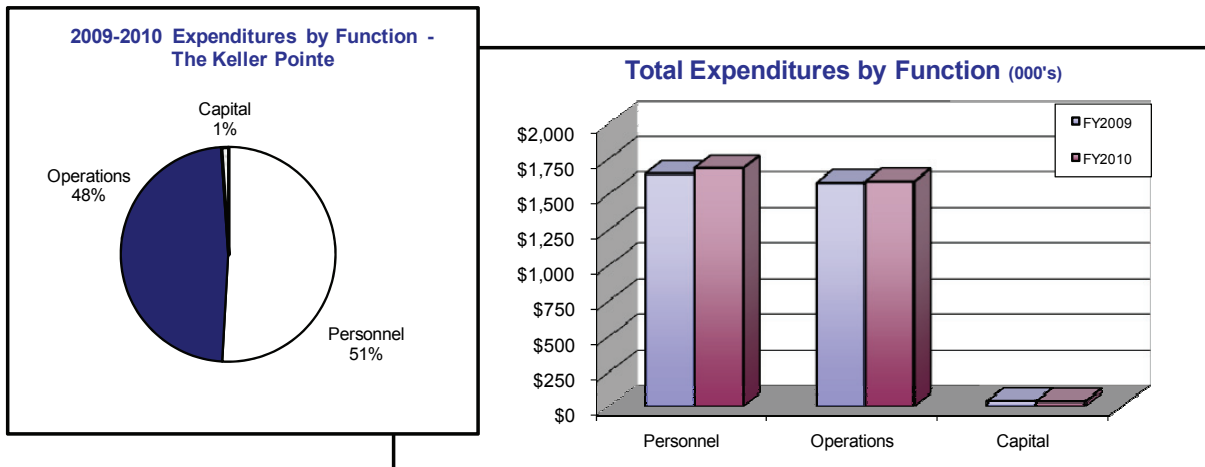
**2009-2010 RESOURCES – WHERE THE MONEY COMES FROM
\$3,333,425**



Resources include use of fund balances.

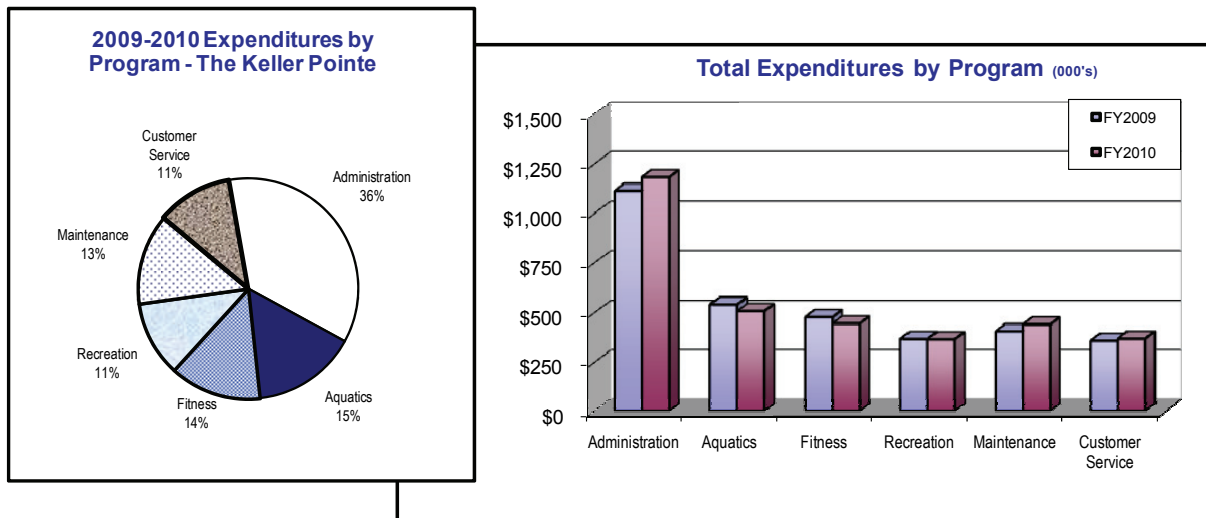
**2009-2010 EXPENDITURES – WHERE THE MONEY GOES
\$3,309,745**

Expenditures by Function



The Keller Pointe Summary (continued)

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 intended to be self-supporting through user fees and charges.

The Keller Pointe Summary (continued)

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Beginning Balance*	\$ 551,678	\$ 715,019	\$ 696,389	\$ (18,630)	(2.6%)
REVENUES:					
Pass sales/program revenues	3,036,049	3,220,180	3,308,495	88,315	2.7
Miscellaneous revenue	10,643	15,690	14,950	(740)	(4.7)
Interest revenue	29,398	8,180	9,980	1,800	22.0
TOTAL REVENUES	3,076,090	3,244,050	3,333,425	89,375	2.8
TOTAL FUNDS AVAILABLE	3,627,768	3,959,069	4,029,814	70,745	1.8
EXPENDITURES:					
Personnel services	1,387,746	1,644,490	1,684,125	39,635	2.4
Operations & maintenance	289,446	392,615	362,055	(30,560)	(7.8)
Services & other	1,089,167	1,187,575	1,228,565	40,990	3.5
Capital outlay	146,390	38,000	35,000	(3,000)	(7.9)
TOTAL EXPENDITURES	2,912,749	3,262,680	3,309,745	47,065	1.4
TOTAL ENDING BALANCE*	\$ 715,019	\$ 696,389	\$ 720,069	\$ 23,680	3.4%

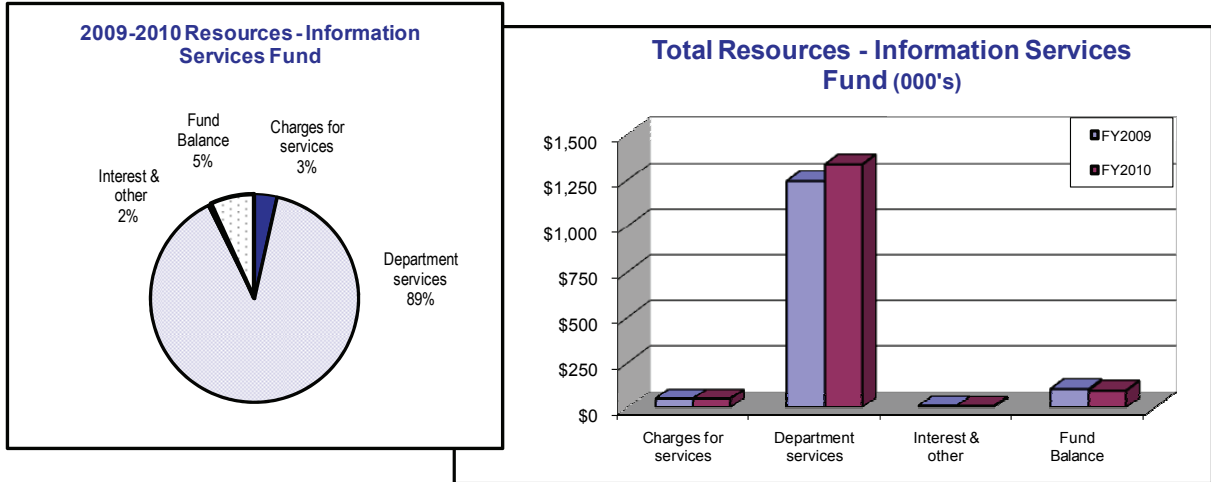
* Fund balance is cash and investments.

Major revenues for FY2010 are comprised of annual and daily passes, facility rentals, merchandise sales, and program revenues. Program revenues include aquatics, fitness (personal training), and recreation programs.

Major expenditures include personnel services for facility staffing and recreation programs (63%), and facility operations and supplies. Services & other expenditures include utilities (electricity, water, natural gas) and payments to recreation program instructors and trainers.

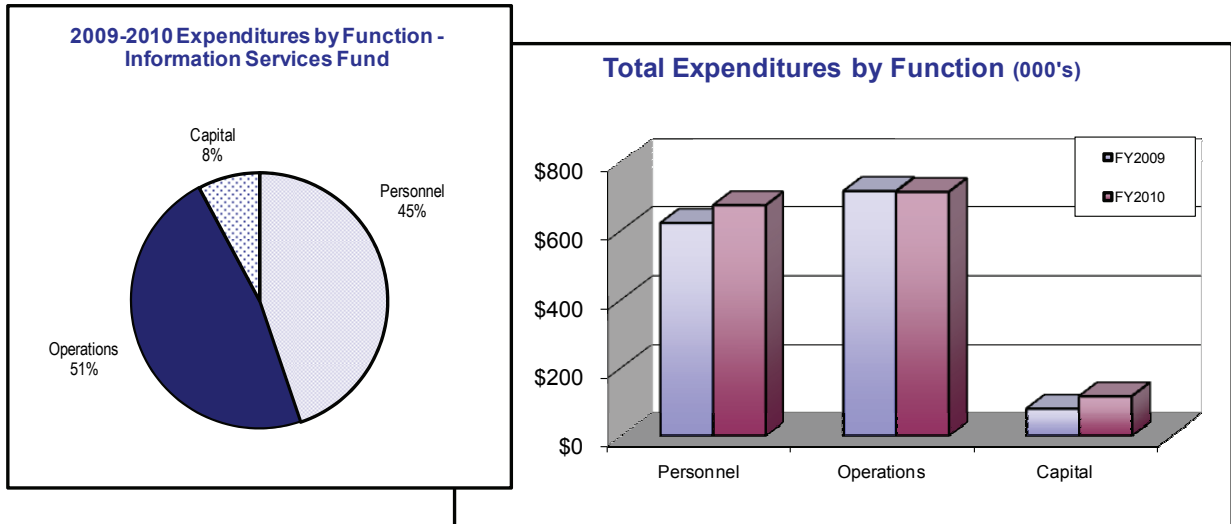
**2009-2010 BUDGET
OVERVIEW OF THE INFORMATION SERVICES FUND**

**2009-2010 RESOURCES – WHERE THE MONEY COMES FROM
\$1,501,690**



Resources include use of fund balances.

**2009-2010 EXPENDITURES – WHERE THE MONEY GOES
\$1,501,690**



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, as well as 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 Town Hall networking equipment, and geographic information system (GIS) operations.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Beginning Balance	\$ 442,973	\$ 483,449	\$ 372,884	\$ (110,565)	(22.9%)
REVENUES:					
Departmental charge-back fees	1,175,975	1,244,690	1,339,270	94,580	7.6
Miscellaneous revenue	38	-	-	-	-
Communication tower rentals	60,139	52,500	52,500	-	-
Interest revenue	22,342	9,500	8,000	(1,500)	(15.8)
TOTAL REVENUES	1,258,494	1,306,690	1,399,770	93,080	7.1
TOTAL FUNDS AVAILABLE	1,701,467	1,790,139	1,772,654	(17,485)	(1.0)
EXPENDITURES:					
Personnel services	572,745	621,565	672,830	51,265	8.2
Operations & maintenance	355,707	457,350	452,750	(4,600)	(1.0)
Services & other	233,468	256,590	258,610	2,020	0.8
Capital outlay	56,098	81,750	117,500	35,750	43.7
TOTAL EXPENDITURES	1,218,018	1,417,255	1,501,690	84,435	6.0
TOTAL ENDING BALANCE	\$ 483,449	\$ 372,884	\$ 270,964	\$ (101,920)	(27.3%)

Major revenues are derived from charge-back fees to respective user departments (95.7%). Major expenditures include personnel services (44.8%) for a staff of 7.5 FTEs, operating, maintenance, and services costs for items such as hardware replacements, consulting services, and hardware/software maintenance (47.4%). Capital outlay provides funding for additions or replacements of essential systems.

SUMMARY OF OTHER FUNDS

The City utilizes six 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. FY2010 highlights include total revenues of \$44,510; total expenditures of \$42,500; and a \$2,832 ending fund balance.

The Recreation Special Revenue Fund accounts for resources derived from donations and/or user charges that are specifically designated for recreation programs or special events, as well as tree preservation fines that are levied upon developers, and are designated for the acquisition and maintenance of trees in City parks. Total FY2010 revenues are \$154,420 and total expenditures are \$159,050, leaving an ending fund balance of \$21,920. This Fund provides for recreation programs, including the Wild West Fest and Concerts in the Park. Beginning in FY2006, recreation program revenues and expenditures are accounted for in the Recreation/Aquatic Center activities (The Keller Pointe).

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 FY2010 revenues are \$109,000, and total expenditures are \$156,562, leaving an estimated ending fund balance of \$199,333.

The Teen Court Special Revenue Fund accounts for resources from grants and other governmental revenues that are specifically designated for the operation of a regional teen court program. Total FY2010 revenues are \$49,125, and total expenditures are \$79,925, leaving an estimated ending fund balance of \$23,583.

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 3/8 of one cent (0.375%) 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 fifteen years by voters in May 2006. In November 2007, voters authorized a reduction in the rate from 0.375% to 0.25%, effective April 2008. Sales tax revenues of \$990,000 are projected in FY2010. Expenditures total \$2,441,635 and include:

Vehicles and equipment replacements	\$ 234,450
Improvements to technology	65,100
Capital fund for facility furniture, fixtures, and equipment replacement	386,660
Capital fund for jail improvements	1,750,000
Accreditation fees	5,425

The projected ending fund balance at September 30, 2009 is \$869,324.

**2009-2010 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 TIF debt obligations are contained in the respective sections of the budget.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2007-2008 Actual	2008-2009 Estimate	2009-2010 Budget	Increase (Decrease) Over 2008-2009	
				Amount	Percent
Beginning Balance	\$ 664,065	\$ 1,023,062	\$ 806,382	\$ (216,680)	(21.2%)
REVENUES:					
Property taxes	4,344,024	4,631,000	5,280,000	649,000	14.0
Transfers from other funds	1,057,580	553,190	628,710	75,520	13.7
Interest revenue	53,751	40,000	30,000	(10,000)	(25.0)
TOTAL REVENUES	5,455,355	5,224,190	5,938,710	714,520	13.7
TOTAL FUNDS AVAILABLE	6,119,420	6,247,252	6,745,092	497,840	8.0
EXPENDITURES:					
Debt service	4,539,005	4,480,870	5,191,590	710,720	15.9
Transfers to other funds	557,353	960,000	916,510	(43,490)	(4.5)
TOTAL EXPENDITURES	5,096,358	5,440,870	6,108,100	667,230	12.3
TOTAL ENDING BALANCE	\$ 1,023,062	\$ 806,382	\$ 636,992	\$ (169,390)	(21.0%)

Major revenues for FY2010 are derived from property taxes (89%) and transfers from other funds (10.6%). Transfers from other funds are comprised of the following:

Transfer from Keller Development Corporation	\$ 179,090
Transfer from Water & Wastewater Fund	447,620
Transfer from Street Improvements Fund	<u>3,000</u>
Total	<u>\$ 628,710</u>

As previously mentioned, other operating funds transfer monies into the Debt Service Fund 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.

Debt Service Fund Summary (continued)

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 fund's 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.

CITY OF KELLER, TEXAS
SUMMARY OF REVENUES – ALL FUNDS
2009-2010 BUDGET

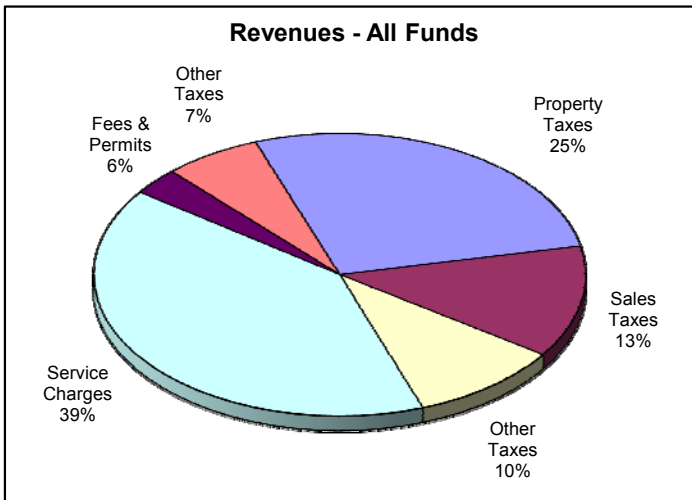
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
TOTAL BEGINNING BALANCE	\$ 6,724,943	\$ 4,370,303	\$ 839,951	\$ 685,754	\$ 12,620,951
REVENUES:					
Total property taxes	12,400,000	–	5,280,000	–	17,680,000
Sales taxes	4,176,500	3,078,000	–	1,044,000	8,298,500
Other taxes	3,709,790	–	2,730,460	3,000	6,443,250
Licenses & permits	607,000	–	–	–	607,000
Charges for services	2,199,400	4,847,695	–	74,250	7,121,345
Fines & fees	1,271,200	117,000	–	30,000	1,418,200
Interest revenue	150,000	45,450	42,500	39,000	276,950
Proceeds from debt	–	–	–	–	–
Intergovernmental	1,902,495	25,930	–	–	1,928,425
Miscellaneous revenue (expense)	78,500	22,930	–	35,400	136,830
Contributions & donations	–	58,050	–	–	58,050
TOTAL REVENUES	26,494,885	8,195,055	8,052,960	1,225,650	43,968,550
OTHER FINANCING SOURCES:					
Transfers in	–	15,195	1,545,220	–	1,560,415
TOTAL OTHER SOURCES	–	15,195	1,545,220	–	1,560,415
TOTAL RESOURCES	26,494,885	8,210,250	9,598,180	1,225,650	45,528,965
TOTAL FUNDS AVAILABLE	\$ 33,219,828	\$ 12,580,553	\$ 10,438,131	\$ 911,404	\$ 58,149,916

(continued)

- (1) Includes Keller Development Corporation, The Keller Pointe, Library, Recreation, Municipal Court, Teen Court, Information Services, and Keller Crime Control Prevention District Special Revenue Funds.
- (2) Includes Debt Service Fund and the TIF 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, Equipment Replacement Fund and interfund transfers.

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ 7,049,272	\$ 191,291	\$ 7,431,854	\$ 20,052,805
-	-	-	17,680,000
-	-	-	8,298,500
-	-	-	6,443,250
-	-	-	607,000
17,632,250	1,397,800	19,030,050	26,151,395
-	-	-	1,418,200
110,000	4,800	114,800	391,750
-	-	-	-
38,100	-	38,100	1,966,525
28,000	-	28,000	164,830
-	-	-	58,050
17,808,350	1,402,600	19,210,950	63,179,500
-	-	-	1,560,415
-	-	-	1,560,415
17,808,350	1,402,600	19,210,950	64,739,915
\$ 24,857,622	\$ 1,593,891	\$ 26,642,804	\$ 84,792,720



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES – ALL FUNDS
2009-2010 BUDGET

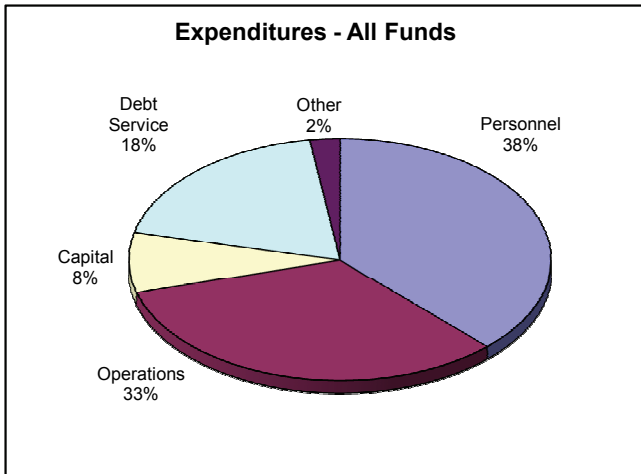
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds	Debt Service Funds	Annually Budgeted Capital Projects Funds	Total Governmental Funds
OPERATING EXPENSES:					
Personnel services	\$ 19,391,685	\$ 2,617,355	\$ –	\$ –	\$ 22,009,040
Operations & maintenance	2,113,865	1,134,027	–	60,000	3,307,892
Services & other	4,999,900	1,697,185	–	–	6,697,085
Capital outlay	843,335	2,922,610	–	1,086,195	4,852,140
Debt service	–	1,648,135	8,838,725	–	10,486,860
TOTAL EXPENDITURES	27,348,785	10,019,312	8,838,725	1,146,195	47,353,017
OTHER FINANCING USES:					
Transfers to other funds	15,195	178,090	916,510	3,000	1,112,795
TOTAL OTHER USES	15,195	178,090	916,510	3,000	1,112,795
TOTAL EXPENDITURES & OTHER USES	27,363,980	10,197,402	9,755,235	1,149,195	48,465,812
TOTAL ENDING BALANCE					
Reserve for contingencies	5,855,848	2,383,151	682,896	762,209	9,684,104
Other reservations of fund balance	800,561	21,454	–	–	822,015
	25,000	89,000	–	–	114,000
ENDING BALANCE	\$ 5,030,287	\$ 2,272,697	\$ 682,896	\$ 762,209	\$ 8,748,089

(continued)

- (1) Includes Keller Development Corporation, The Keller Pointe, Library, Recreation, Municipal Court, Teen Court, Information Services, and Keller Crime Control Prevention District Special Revenue Funds.
- (2) Includes Debt Service Fund and the TIF 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, Equipment Replacement Fund and interfund transfers.

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ 3,032,460	\$ 543,830	\$ 3,576,290	\$ 25,585,330
761,065	121,600	882,665	4,190,557
11,094,485	289,275	11,383,760	18,080,845
537,450	—	537,450	5,389,590
2,451,630	—	2,451,630	12,938,490
17,877,090	954,705	18,831,795	66,184,812
447,620	—	447,620	1,560,415
447,620	—	447,620	1,560,415
18,324,710	954,705	19,279,415	67,745,227
6,532,912	639,186	7,172,098	16,856,202
—	—	—	822,015
—	—	—	114,000
\$ 6,532,912	\$ 639,186	\$ 7,172,098	\$ 15,920,187



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY DEPARTMENT/ACTIVITY – ALL FUNDS
2009-2010 BUDGET

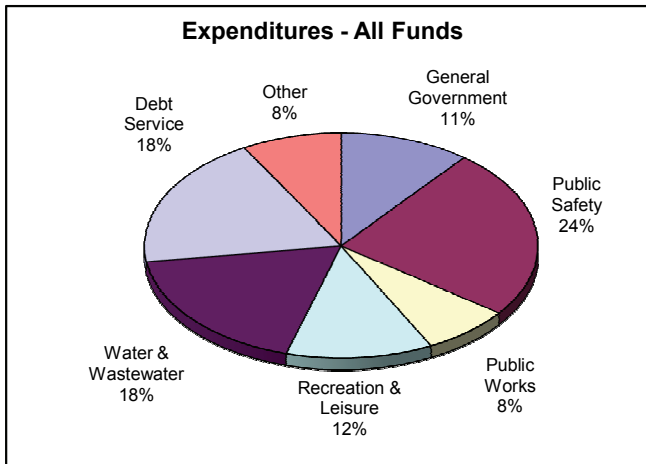
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds	Debt Service Funds	Annually Budgeted Capital Projects Funds	Total Governmental Funds
GENERAL GOVERNMENT:					
Administration/General Government	\$ 4,364,101	\$ 1,738,177	\$ –	\$ –	\$ 6,102,278
Community Development	1,157,230	–	–	–	1,157,230
Police Department	7,256,084	2,441,635	–	–	9,697,719
Fire Department	6,928,315	–	–	–	6,928,315
Public Works	3,022,315	–	–	1,050,000	4,072,315
Keller Public Library	1,361,810	42,500	–	–	1,404,310
Parks & Recreation	2,569,520	4,148,865	–	20,195	6,738,580
WATER & WASTEWATER:					
Administration/Customer Services	–	–	–	–	–
Water Utilities	–	–	–	76,000	76,000
Wastewater Utilities	–	–	–	–	–
OTHER/NON-DEPARTMENTAL:					
Debt service	–	1,648,135	8,838,725	–	10,486,860
Transfers	15,195	178,090	916,510	3,000	1,112,795
Non-departmental / other	689,410	–	–	–	689,410
Subtotal	<u>27,363,980</u>	<u>10,197,402</u>	<u>9,755,235</u>	<u>1,149,195</u>	<u>48,465,812</u>
TOTAL	<u>\$ 27,363,980</u>	<u>\$ 10,197,402</u>	<u>\$ 9,755,235</u>	<u>\$ 1,149,195</u>	<u>\$ 48,465,812</u>

(continued)

- (1) Includes Keller Development Corporation, The Keller Pointe, Library, Recreation, Municipal Court, Teen Court, Information Services, and Keller Crime Control Prevention District Special Revenue Funds.
- (2) Includes Debt Service Fund and the TIF 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, Equipment Replacement Fund and interfund transfers.

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ -	\$ -	\$ -	\$ 6,102,278
-	-	-	1,157,230
-	-	-	9,697,719
-	-	-	6,928,315
-	827,705	827,705	4,900,020
-	-	-	1,404,310
-	-	-	6,738,580
1,934,130	-	1,934,130	1,934,130
7,244,470	-	7,244,470	7,320,470
3,061,965	-	3,061,965	3,061,965
2,451,630	-	2,451,630	12,938,490
447,620	-	447,620	1,560,415
3,184,895	127,000	3,311,895	4,001,305
18,324,710	954,705	19,279,415	67,745,227
\$ 18,324,710	\$ 954,705	\$ 19,279,415	\$ 67,745,227



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 0.50 refers to a position that is funded for 1,040 hours per year (2,080 x 0.50). The personnel counts include vacant positions.

The total personnel staffing level for the City in FY2010 is 367.57 FTE positions, and represents an increase of 0.19 FTE positions or a 0.05% increase over the FY2009 Estimate. The increase of 0.19 FTE positions are for additional part-time and seasonal hours for The Keller Pointe.

Total FTE positions included in the General Fund for FY2010 are 246.34, unchanged from FY2009. The Water & Wastewater Fund totals 47.42 positions, unchanged from FY2009. 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. No new full-time positions were added in FY2010.

The number of General Fund employees per 1,000 residents decreased in FY2010. The accompanying chart on the next page depicts the change in the number of General Fund employees per 1,000 residents. General Fund employees per 1,000 residents decreased from 6.41 in FY2009 to 6.24 in FY2010, a decrease of 0.17 FTEs, or 2.6%.

	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
GENERAL FUND:			
Administration	8.50	10.00	9.00
Town Hall Operations	2.00	2.00	2.00
Finance & Accounting	7.50	7.50	7.50
Municipal Court	4.50	4.50	4.50
Human Resources	6.00	6.00	6.00
Economic Development	-	-	1.00
Community Development	14.50	13.50	13.50
Police Department	82.00	82.00	82.00
Fire Department	62.50	60.50	60.50
Public Works	17.33	17.33	17.33
Keller Public Library	15.97	15.97	15.97
Parks & Recreation	26.54	27.04	27.04
TOTAL GENERAL FUND	247.34	246.34	246.34
OTHER FUNDS:			
The Keller Pointe Recreation/Aquatic Center	47.33	52.59	52.78
Information Services Fund	7.50	7.50	7.50
Municipal Court Special Revenue	1.00	1.00	1.00
TOTAL OTHER FUNDS	55.83	61.09	61.28

* - Includes temporary/part-time positions and partial year funding for full-time positions.

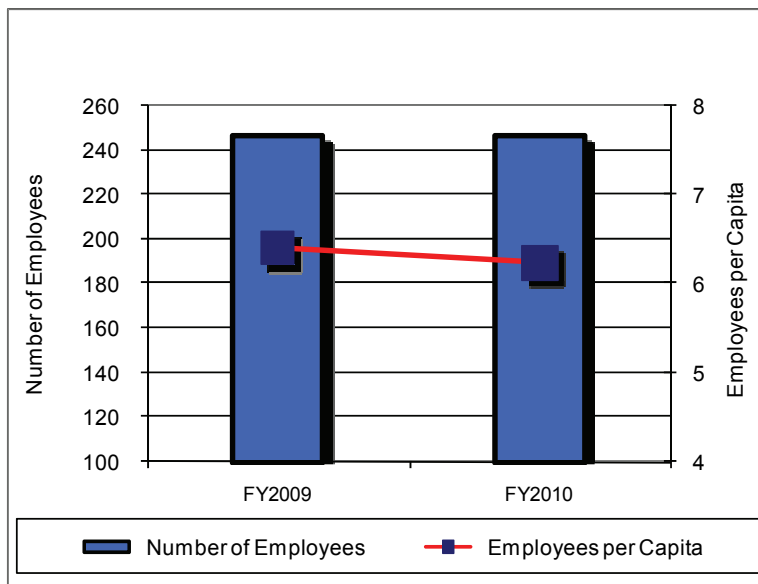
(Continued)

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

	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
OTHER FUNDS:			
The Keller Pointe Recreation/Aquatic Center	47.33	52.59	52.78
Information Services Fund	7.50	7.50	7.50
Municipal Court Special Revenue	1.00	1.00	1.00
TOTAL OTHER FUNDS	55.83	61.09	61.28
WATER & WASTEWATER FUND:			
Water & Wastewater Administration	7.42	8.42	8.42
Customer Services	13.00	13.00	13.00
Water Distribution	15.50	16.50	16.50
Wastewater Collection	9.50	8.50	8.50
Municipal Service Center Operations	1.00	1.00	1.00
TOTAL WATER & SEWER FUND	46.42	47.42	47.42
DRAINAGE UTILITY FUND:			
Drainage Maintenance	8.75	8.75	8.75
TOTAL DRAINAGE UTILITY	8.75	8.75	8.75
TOTAL CITY OF KELLER	358.34	363.60	363.79
Keller Development Corporation	2.78	2.78	2.78
Teen Court**	1.00	1.00	1.00
GRAND TOTAL	362.12	367.38	367.57
Total full-time equivalent employees per 1,000 residents	9.61	9.57	9.32
General Fund only employees per 1,000 residents	6.56	6.41	6.24

* - Includes temporary/part-time positions and partial year funding for full-time positions.

** - Includes a full time position with funding shared by the State of Texas, the cities of Keller, Watauga, and Haltom City, and the Keller and Birdville Independent School Districts.



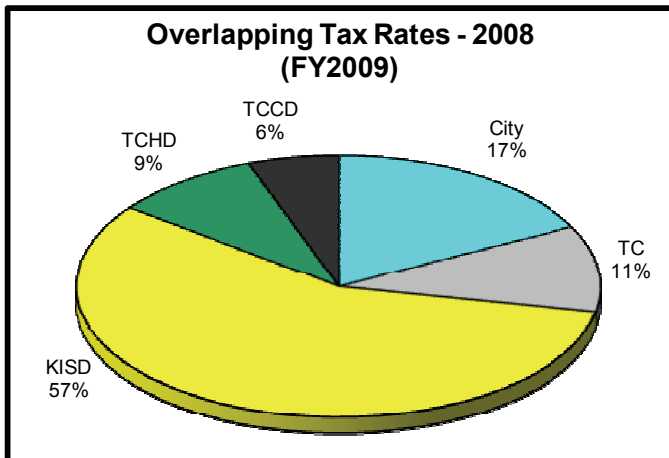
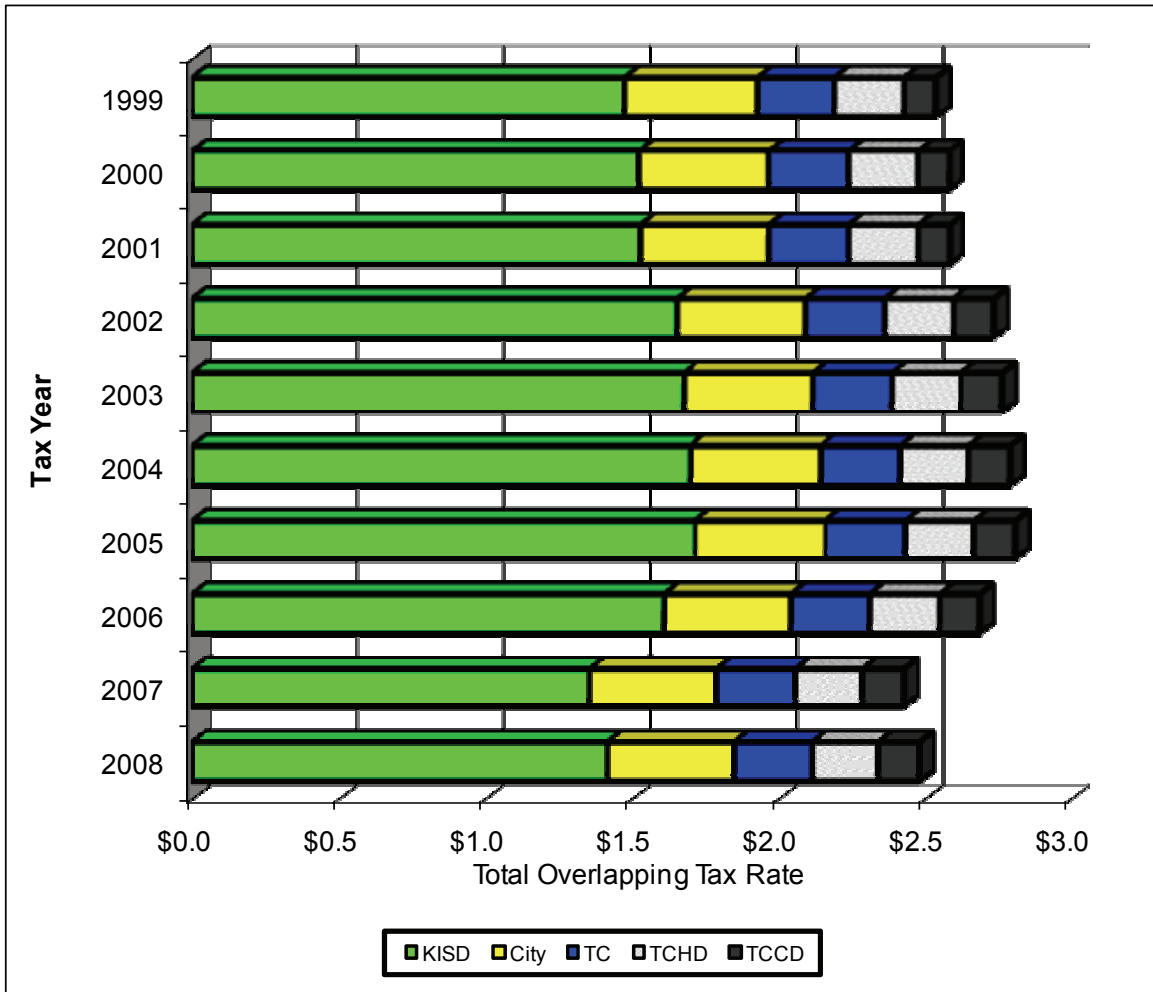
General Fund employees per 1,000 residents decreased from 6.41 in FY2009 to 6.24 employees per 1,000 residents in FY2010, a decrease of 0.17 employees per 1,000 residents, or 2.6%.

Ad Valorem Tax Analysis

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
Total appraised value (market)	\$ 3,860,670,443	\$ 4,216,636,564	\$ 4,192,356,985	\$ 4,374,279,748
<i>Percentage change</i>	10.34%	9.14%	8.59%	4.34%
Less: Exemptions	315,523,601	311,514,663	316,145,246	325,114,451
Net taxable value	3,545,146,842	3,905,121,901	3,876,211,739	4,049,165,297
<i>Percentage change from prior year</i>	10.47%	10.03%	9.34%	4.46%
Tax rate per \$100	0.43219	0.43219	0.43219	0.44219
Gross tax revenue	15,321,770	16,877,546	16,752,600	17,905,004
Estimated valuation adjustments	0.01%	(0.25)%	0.00%	(0.70)%
Over-65 and disabled taxes limitation adjustment	17,269,719	22,481,061	25,666,952	34,550,118
Net taxable value after adjustments	3,528,240,501	3,872,878,035	3,850,649,445	3,986,271,022
<i>Percentage change from prior year</i>	10.28%	9.68%	9.14%	3.52%
Tax rate per \$100 of assessed valuation	0.43219	0.43219	0.43219	0.44219
Tax levy	15,248,703	16,738,192	16,642,122	17,626,892
Collection percentage - M&O (100% for debt service)	99.3%	99.3%	99.0%	99.3%
Current tax collections	\$ 15,142,043	\$ 16,621,025	\$ 16,475,701	\$ 17,503,504
<i>Percentage change from prior year</i>	10.47%	9.68%	8.81%	6.24%
Tax Rate Distribution:				
General Fund (M&O)	\$ 0.31247	\$ 0.31175	\$ 0.31175	\$ 0.31009
Debt Service Fund	0.11972	0.12044	0.12044	0.13210
TOTAL	0.43219	0.43219	0.43219	0.44219
<i>Percentage change from prior year</i>	0.00%	0.00%	0.00%	2.31%
Percentage Distribution:				
General Fund (M&O)	72.3%	72.1%	72.1%	70.1%
Debt Service Fund	27.7%	27.9%	27.9%	29.9%
TOTAL	100.0%	100.0%	100.0%	100.0%
Dollar Distribution:				
General Fund (M&O)	10,947,583	11,989,185	11,884,351	12,274,504
Debt Service Fund	4,194,460	4,631,840	4,591,350	5,229,000
TOTAL	\$ 15,142,043	\$ 16,621,025	\$ 16,475,701	\$ 17,503,504

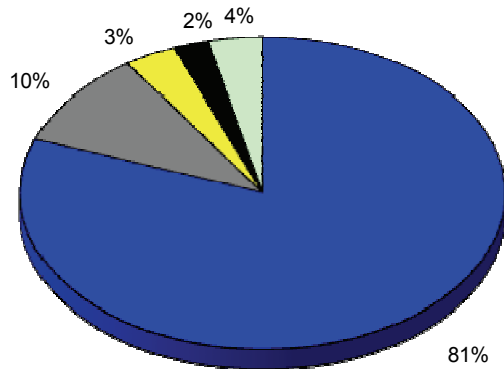
CITY OF KELLER, TEXAS OVERLAPPING TAX RATES

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 2008 (FY2009) tax rates. The total 2008 (FY2009) overlapping tax rate for Keller is \$2.478947 per \$100 of taxable value, an increase of \$0.05308, or 2.2% from the prior year. FY2010 overlapping 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

2009 (FY2010) Distribution of Total Property Values by Property Type



■ Residential	■ Commercial & industrial	■ Undeveloped/vacant
■ Business personal	■ Exempt & incomplete	

<u>Property Type</u>	<u># of Accounts</u>	<u>Total Market Value (000's)*</u>	<u>Percent of Total</u>
Residential	13,268	\$ 3,547,304.6	81.1%
Commercial & industrial	413	415,701.2	9.5%
Undeveloped/vacant	1,116	148,348.0	3.4%
Business personal	1,103	103,587.4	2.4%
Exempt & incomplete	86	159,234.5	3.6%
TOTAL	15,986	\$ 4,374,175.7	100.0%

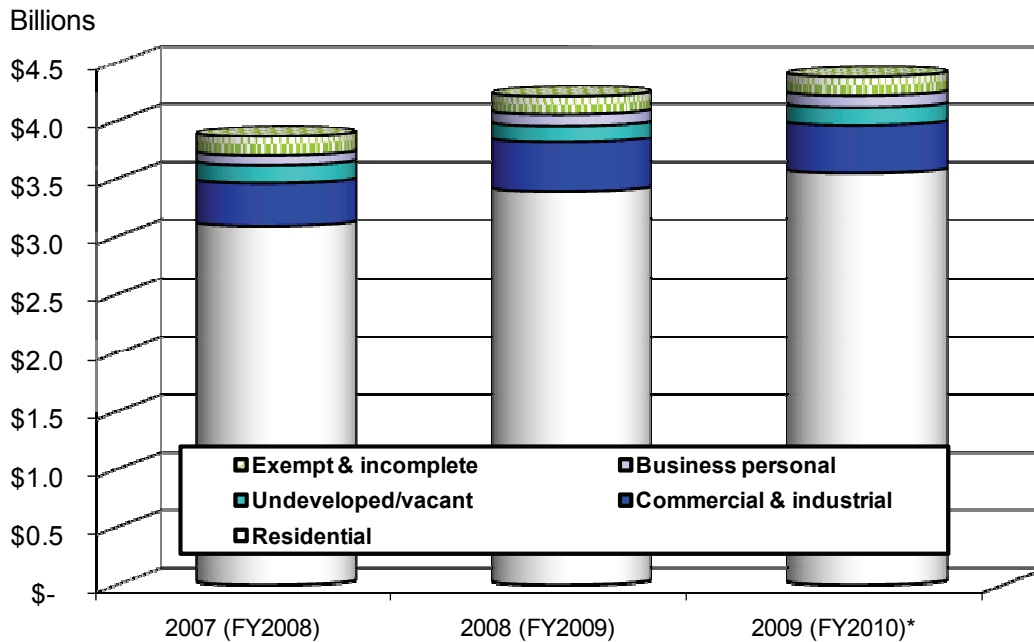
Certified values as of July 27, 2009. Residential property includes unoccupied residential property in inventory held by builders and/or developers.

2008 (FY2009) TOP TEN TAXPAYERS (FY2010 not available)

<u>Name and Description*</u>	<u>Market Value (000's)</u>	<u>Percent of Total</u>
Capri W Dtc - multi-family development/Town Center (1)	\$ 47,030.2	1.12%
GTE/Verizon - telecommunications utility (5)	22,101.1	0.53%
Ktc Seniors, Ltd. - multifamily development/Town Center (2)	17,577.8	0.42%
Art House - mixed-use development/Town Center (NA)	17,350.0	0.41%
Regency Centers LP - retail shopping/Town Center (3)	16,875.2	0.40%
Lo Land Assets - residential development/Marshall Ridge (NA)	14,570.5	0.35%
Grand Estates at Keller LP - multi-family development (7)	14,245.0	0.34%
TXU/Oncor Electric - electric utility (8)	13,956.9	0.33%
Lowe's Home Centers - retail store (6)	13,453.2	0.32%
Home Depot USA - retail store (9)	11,884.4	0.28%
TOTAL	189,044.3	4.49%
Other property	4,018,666.7	95.51%
TOTAL MARKET VALUE	\$ 4,207,711.0	100.00%

* Prior year top ten ranking shown in parentheses.

Market Values of Property



Property Category	FY2008 (000's)	FY2009 (000's)	Pct Change	FY2010* (000's)	Pct Change
Commercial & industrial	\$ 372,417.3	\$ 419,138.0	12.5%	\$ 415,701.2	(0.8%)
Business personal	83,658.8	99,075.3	18.4%	103,587.4	4.6%
Undeveloped/vacant	152,168.5	143,420.0	(5.7%)	148,348.0	3.4%
Exempt & incomplete	168,408.5	153,376.6	(8.9%)	159,234.5	3.8%
Residential	3,089,060.9	3,392,701.1	9.8%	3,547,304.6	4.6%
TOTAL	\$ 3,865,714.0	\$ 4,207,711.0	8.8%	\$ 4,374,175.7	4.0%
New construction included	188,485.9	149,049.4	(20.9%)	133,660.2	(10.3%)

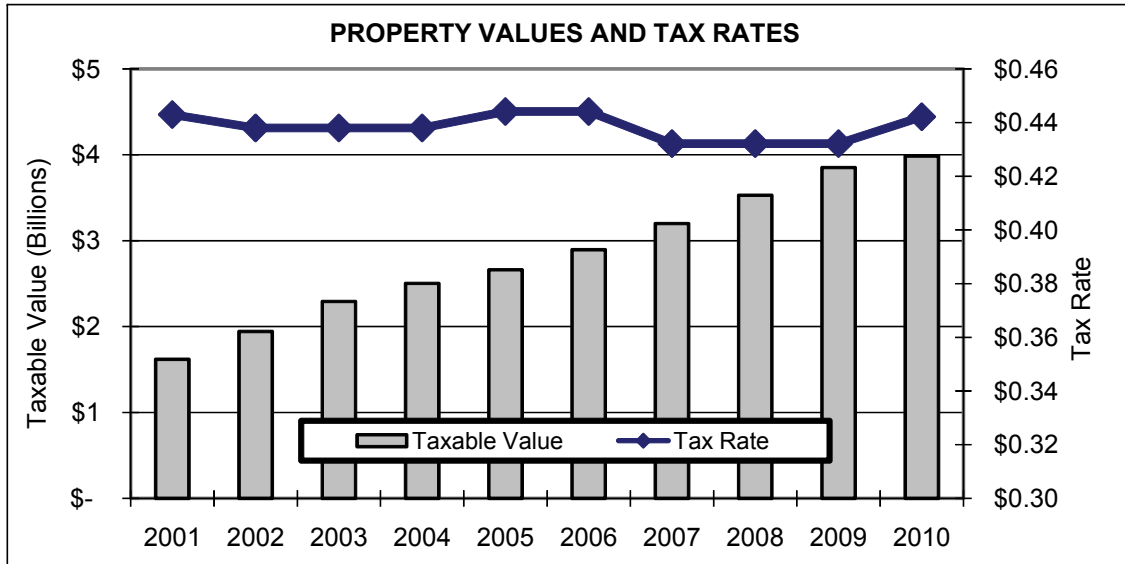
* Tarrant Appraisal District certified appraised values as of July 27, 2009. Values include \$394,825,865 in market value of 1,464 properties under protest (ARB), and \$61,811,746 market value of 458 incomplete accounts.

Total property (market) values increased in FY2010 by 4%. Residential property values continue to comprise over 80% of the total value. Although commercial and industrial values now comprise only 10% of total values, the percentage change in this property category has shown a significant increase in the last five years, reflecting the City's emphasis on expanding commercial and retail development within the City.

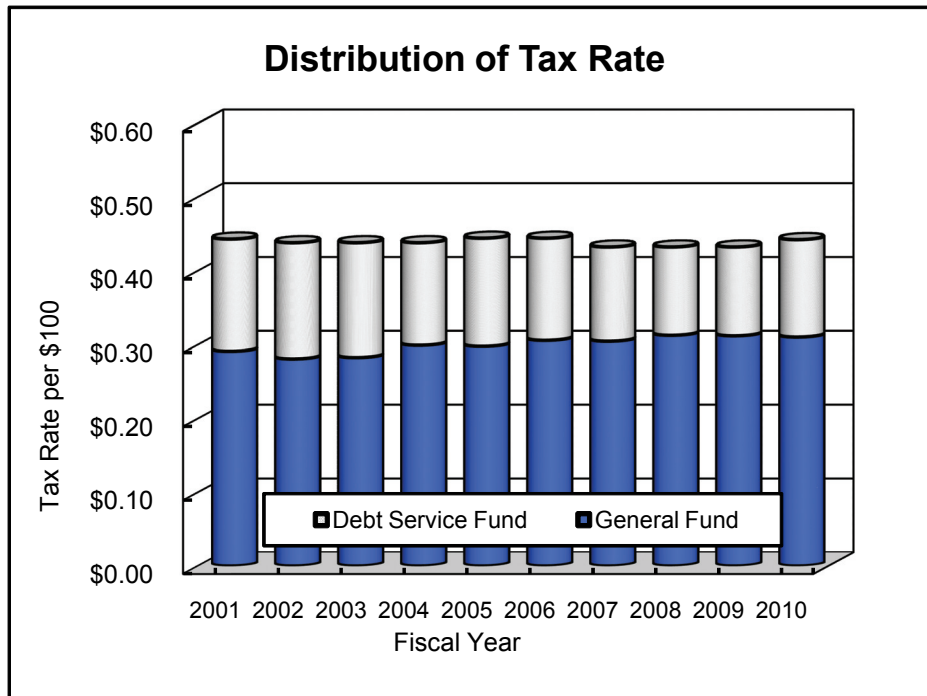
The appraised (market) value of new construction decreased \$15,389,174 (10.3%) from FY2009. However, the total amount of new construction for the last 3 years exceeds \$471 million.

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
2000-2001	\$ 1,618,784	\$ 0.44300	\$ 7,171,211	99.0%
2001-2002	1,943,633	0.43800	8,513,113	98.8
2002-2003	2,292,171	0.43800	10,039,710	99.2
2003-2004	2,503,115	0.43800	10,963,644	99.2
2004-2005	2,661,364	0.44413	11,819,916	99.3
2005-2006	2,894,771	0.44413	12,856,546	99.1
2006-2007	3,199,354	0.43219	13,827,290	99.1
2007-2008	3,528,240	0.43219	15,248,700	99.3
2008-2009	3,850,649	0.43219	16,642,121	99.0
2009-2010	3,986,271	0.44219	17,626,893	99.3

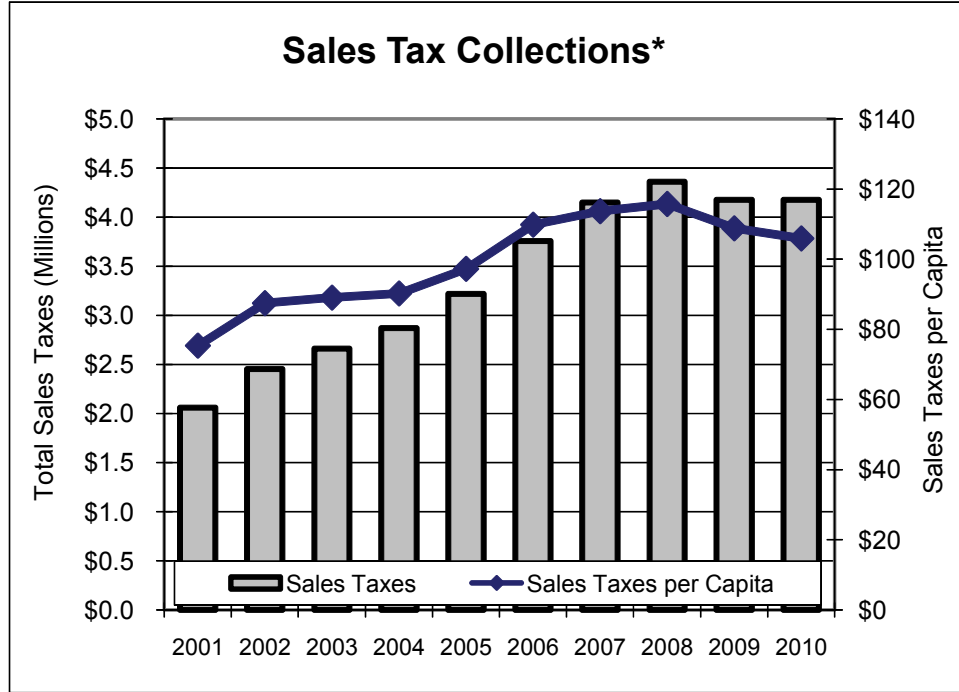


During the last ten years, taxable values have increased over \$2.37 billion, while the tax rate per \$100 of value has decreased from \$0.54414 in FY1994 to the current rate of \$0.44219, a decrease of \$0.10195, or 18.7%.



Fiscal Year Ending September 30	Tax Rate	Tax Rate Distribution	
		General Fund	Debt Service
2001	\$0.44300	\$0.29095	\$0.15205
2002	0.43800	0.28065	0.15735
2003	0.43800	0.28249	0.15551
2004	0.43800	0.29912	0.13888
2005	0.44413	0.29765	0.14648
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

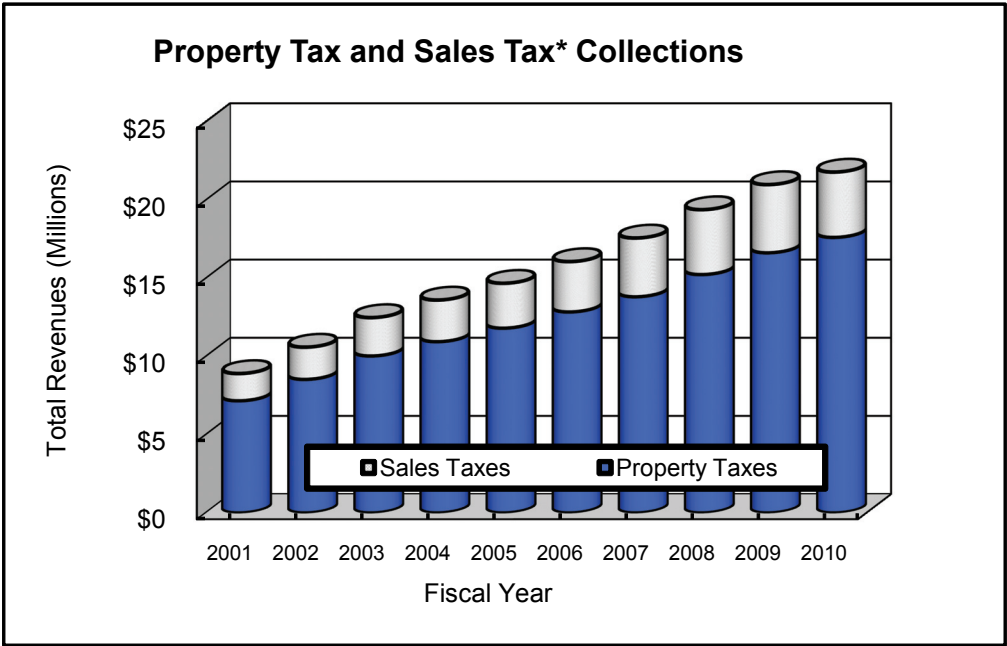
The 2009 (FY2010) property tax rate is \$0.44219, a 1-cent (2.3%) increase over FY2009. Due to growth in assessed taxable values, the tax rate has decreased from \$0.54414 in 1994 to \$0.44219. The debt service portion of the tax rate is legally designated for debt retirement, and changes each year because of: 1) new debt obligations issued; 2) debt obligations retired; and 3) debt refundings. The debt rate for FY2010 increased because of new debt obligations issued in 2009.



<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>
2001	\$2,059,749	28.7%	\$0.1272	\$ 75.32
2002	2,453,697	28.7%	0.1262	87.43
2003	2,662,903	26.5%	0.1162	89.02
2004	2,869,276	26.2%	0.1146	90.19
2005	3,218,819	27.2%	0.1209	97.21
2006	3,757,724	29.2%	0.1298	109.80
2007	4,148,974	30.0%	0.1297	113.65
2008	4,360,294	28.6%	0.1236	115.70
2009	4,176,500	25.1%	0.1085	108.76
2010	4,176,500	23.7%	0.1048	105.87

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

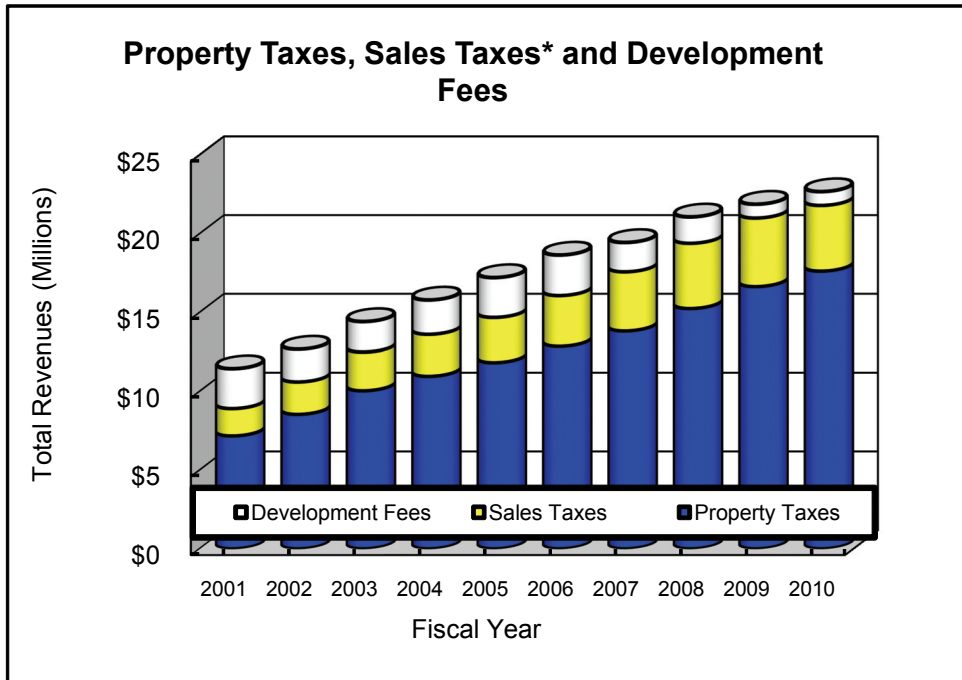
Sales tax revenues have improved significantly in the last 10 years because of the expansion of the retail base. The City will continue to pursue quality commercial and retail development in order to expand the sales tax base. The sales tax now equates to approximately 23.7% of the property tax levy, or approximately \$0.1048 (10.48¢) of the property tax rate.



Fiscal Year Ending September 30	Sales Tax Collections*	Total Ad Valorem Tax Levy
2001	\$2,059,749	\$7,171,211
2002	2,453,697	8,541,520
2003	2,662,903	10,039,710
2004	2,869,276	10,954,013
2005	3,218,819	11,819,914
2006	3,757,724	12,856,545
2007	4,148,974	13,827,290
2008	4,360,294	15,248,703
2009	4,176,500	16,642,122
2010	4,176,500	17,626,892

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

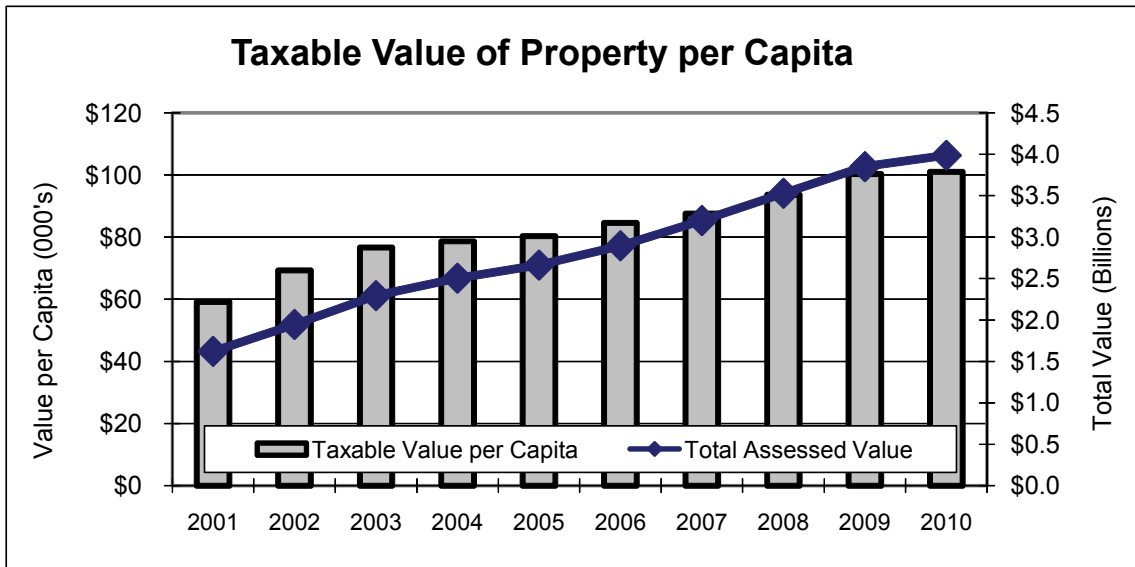
Total sales and property tax collections have increased significantly over the last ten years. This trend is anticipated to continue, and sales taxes should increase as more commercial and retail development occurs in the City.



Fiscal Year Ending September 30	Sales Tax Collections*	Total Ad Valorem Tax Levy	Development Fees
2001	\$ 2,059,749	\$ 7,171,211	\$ 2,526,474
2002	2,453,697	8,541,520	2,071,699
2003	2,662,903	10,039,710	1,927,733
2004	2,869,276	10,954,013	2,174,421
2005	3,218,819	11,819,914	2,525,426
2006	3,757,724	12,856,545	2,573,166
2007	4,148,974	13,827,290	1,859,802
2008	4,360,294	15,248,703	1,673,381
2009	4,176,500	16,642,122	876,600
2010	4,176,500	17,626,892	875,200

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

Total sales and property tax collections have increased significantly over the last ten years. When combined with development fees, these revenues comprise over 79% of the revenues of the General Fund in FY2010. Development fees peaked in 1999 at \$2.95 million. Decreases have been anticipated in future years, as residential development activity levels off, due to the City becoming closer to build out. Fees decreased significantly in FY2009 and FY2010 due to a decline in development activity.



Fiscal Year Ending September 30	Population as of 10/01	Taxable Assessed Valuation (000's)	Taxable Valuation Per Capita
2001	27,345	\$ 1,618,784	\$ 59,199
2002	28,066	1,943,633	69,252
2003	29,915	2,292,171	76,623
2004	31,814	2,503,115	78,680
2005	33,112	2,661,364	80,375
2006	34,224	2,894,771	84,583
2007	36,508	3,199,354	87,634
2008	37,685	3,528,241	93,625
2009	38,402	3,850,649	100,272
2010	39,450	3,986,271	101,046

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 taxable value per capita on residential taxpayers. However, residential property in Keller continues to comprise approximately 80% of total property values.



GENERAL FUND

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GENERAL FUND

SOURCES OF MAJOR REVENUES

Total General Fund revenues for FY2010 are \$26,494,885, an increase of \$552,810 (2.1%) over FY2009 estimated revenues, but a decrease of \$1,088,650 (3.9%) from the FY2009 original adopted budget. Major increases are projected for property taxes (8.1%) and sales taxes (3%).

PROPERTY & OTHER LOCAL TAXES

As previously mentioned in the Budget Summary section (Budget in Brief), the net assessed taxable value for FY2010 is \$3.986 billion. Property taxes comprise 46.8% 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 15.8% of Fund revenues.

Other local taxes are comprised of mixed beverage and franchise taxes, with franchise taxes accounting for 98.4% of these revenues for both FY2009 and FY2010 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% of the gross receipts of the utility. Franchise tax revenues are \$3,650,185 for FY2010, representing 13.8% of General Fund revenues, compared to \$3,459,185, representing 13.3% of total General Fund revenues in FY2009. 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, whereby growth in the customer base results in increased gross revenues to the respective utilities. The following table presents a comparison of FY2009 and FY2010 franchise taxes by type of franchise (excludes mixed beverage taxes).

<u>Franchise Type</u>	<u>FY2009</u>	<u>FY2010</u>	<u>Pct Change</u>
Electric	\$ 1,268,080	\$ 1,306,130	3.0%
Telephone (1)	455,420	444,140	(2.5%)
Cable television (1)	143,690	148,010	3.0%
Keller utilities	945,000	1,102,000	16.6%
Gas utilities	432,990	445,990	3.0%
Solid waste utilities	182,000	185,000	1.6%
Other utilities	32,005	19,000	(40.6%)
Total	<u>\$ 3,459,185</u>	<u>\$ 3,650,270</u>	5.5%

(1) Telephone franchise taxes include 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 76.6% of the General Fund revenues for FY2010, compared to 76.1% of General Fund revenues for FY2009.

FINES & FEES

Fines and fees include fees charged by the City for services provided, such as ambulance billing and animal control fees, as well as fines assessed by the Municipal Court, and library fines. Municipal Court fines comprise the majority of these revenues, and result from Class "C" misdemeanor violations occurring within the City limits. Municipal court fines, ambulance services, and other fees are projected at \$1,943,900 for FY2010, representing 7.6% of General Fund revenues, and a decrease of \$31,010 (1.6%) over FY2009.

BUILDING PERMITS/FEEES

Building permits and fees include plumbing permits, mechanical permits, building permits, electrical permits, fence permits, and sign and other miscellaneous permits. Fees and permits are generated as a direct result of the building and construction activity in the City of Keller. Total revenues in this category for FY2010 are projected to be \$607,000, unchanged from the FY2008 estimate. However, the FY2010 revenues represent a decrease of \$603,000 (50%) from the original FY2009 adopted budget amount, due to a decline in development activity. The major revenue item in this category is building permits, which are projected to be \$450,000 for FY2010, representing 1.7% of total General Fund revenues.

DEVELOPMENT FEES AND OTHER REVENUE

Development fees include fees related to residential and commercial construction and development in the City. These fees include street inspection, construction plan review, zoning and platting, street lighting, and street sign fees. Total development fee revenue for FY2010 is \$268,200, and represents 1% of total General Fund revenue. The most significant revenue in this category is construction plan review fees (\$160,000). Total development fees are projected to decrease by \$1,400 (0.5%) over FY2009.

Other significant revenues include administrative services fees from the water and wastewater fund (\$1,200,000) for services and personnel for water and wastewater fund activities that are funded in the general fund; intergovernmental revenue from the Town of Westlake for reimbursement of police operation services resulting from a contract between Keller and Westlake executed in June 2003 (\$760,105); City of Southlake for combined jail and dispatch services (\$1,024,390), resulting from the contract between the cities of Keller and Southlake executed in April 2007; and interest revenue (\$150,000) for FY2010.

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS

There are no interfund transfers to the General Fund from other funds in FY2010 or FY2009.

MAJOR EXPENDITURES

Total General Fund expenditures for FY2010 are \$27,363,980, a decrease of \$142,872 (0.5%) from FY2009 estimated expenditures. FY2010 expenditures represent a decrease of \$609,932 (2.2%) from the FY2009 adopted budget.

PERSONNEL SERVICES

The General Fund is service-oriented and primarily focused on providing a variety of services to the citizens of Keller. As a result, personnel services account for \$19.39 million, or 71% of the total expenditures of the General Fund for FY2010, compared to \$19.44 million or 70.6% of total expenditures for FY2009. Total full-time equivalent positions of 246.34 are unchanged from the previous year. Personnel services also include costs and expenditures for employee benefits.

OPERATIONS AND MAINTENANCE

Operations and maintenance expenditures include major categories of supplies, equipment, street, grounds, and building maintenance costs. These costs for FY2010 are \$2.11 million, or 7.7% of total General Fund expenditures. The FY2010 budget reflects an increase of \$87,340, or 4.3% over FY2009 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 FY2010 are \$5 million, or 18.3% of total General Fund expenditures, a decrease of \$105,822, or 2.1% from FY2009 expenditures.

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS

Interfund (intra governmental) transfers include transfers from one fund to another fund. Total transfers to other funds for FY2010 are \$15,195, and comprise 0.06% of total General Fund expenditures. Transfers for FY2010 include contributions to the Teen Court Special Revenue fund for the City's portion of the joint Teen Court funding.

DEBT SERVICE

There are no debt service expenditures for FY2010.

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 FY2010 is \$5,000. Total capital outlay expenditures for FY2010 are \$843,335, or 3.1% of total General Fund expenditures. A discussion of specific major capital outlay items is included in the City Manager's Transmittal Letter. Capital outlay expenditures for FY2010 decreased \$60,250 (6.7%) from FY2009. Major capital items include: street improvements (\$757,385); acquisition of a pneumatic roller for the Public Works Department (\$50,000); furniture and fixtures for the new Library expansion project (\$21,000); and implementation of a document imaging for the Fire Department (\$14,950).

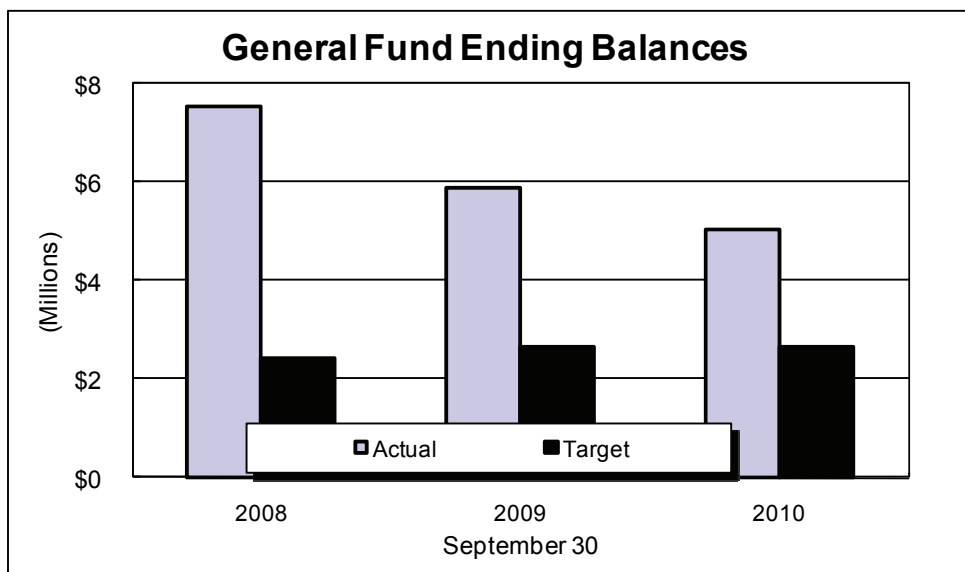
FUND BALANCE RESERVES

Expenditures exceed revenues by \$869,095 for FY2010. The projected beginning fund balance for FY2010 of \$6,724,943 exceeds the targeted beginning fund balance by \$3,245,444, or about 44 days of operations. The total ending fund balance at September 30, 2010 is projected to be \$5,855,848. The financial policies require a contingency reserve of 3% of operating expenditures, or \$795,164. The City's financial management policies also establish a benchmark (target) of 10% of operating, non-recurring expenditures as an unreserved fund balance. The unreserved fund balance is projected at \$6,177,234, which is 23.1% of operating, non-recurring expenditures, thereby exceeding the established benchmark.

GENERAL FUND

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
RESOURCES:				
Total beginning fund balance	\$ 7,104,505	\$ 7,368,992	\$ 8,289,720	\$ 6,724,943
Revenues and transfers	26,787,919	27,583,535	25,942,075	26,494,885
TOTAL FUNDS AVAILABLE	33,892,424	34,952,527	34,231,795	33,219,828
USES/DEDUCTIONS:				
Expenditures and transfers out	25,602,704	27,973,912	27,506,852	27,363,980
ENDING FUND BALANCE:				
Total fund balance	8,289,720	6,978,615	6,724,943	5,855,848
Reserved for special accounts	25,000	25,000	25,000	25,000
Reserved for contingencies	723,350	807,956	797,192	795,164
Unreserved fund balance	7,541,370	6,145,659	5,902,751	5,035,684
FUND TOTAL	\$ 33,892,424	\$ 34,952,527	\$ 34,231,795	\$ 33,219,828
Excess revenues (expenditures)	1,185,215	(390,377)	(1,564,777)	(869,095)
Unreserved ending fund balance:				
Percent of operating expenditures ⁽¹⁾	31.3%	22.8%	22.2%	19.0%
TARGET	10.0%	10.0%	10.0%	10.0%
Number of days operating expenditures	112.6	82.1	80.0	68.4
TARGET	36.0	36.0	36.0	36.0

⁽¹⁾ excluding capital outlay and interfund transfers.



GENERAL FUND

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
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SUMMARY OF GENERAL FUND REVENUES

REVENUES:

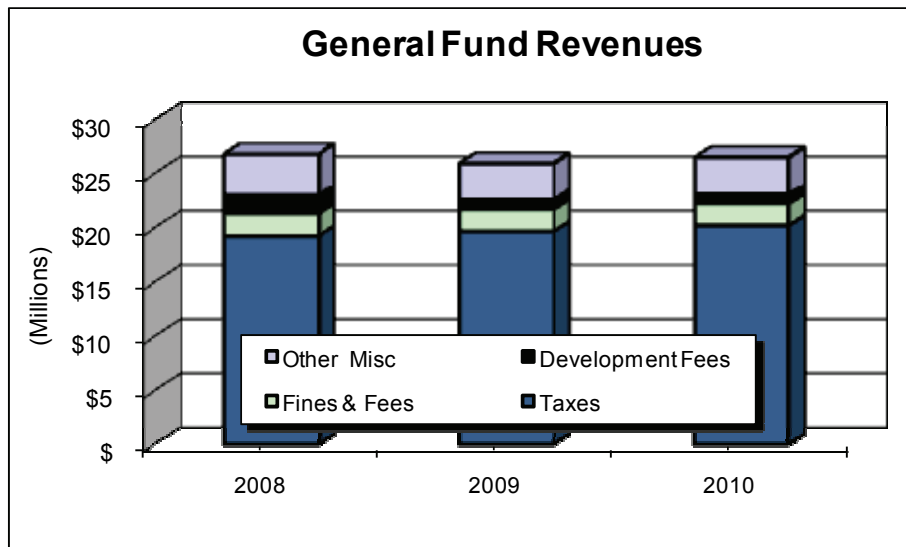
TAXES:

Total property taxes	\$ 11,252,821	\$ 12,156,000	\$ 12,040,000	\$ 12,400,000
Sales taxes	4,360,294	4,538,500	4,176,500	4,176,500
Other taxes	3,715,256	3,644,150	3,516,965	3,709,790
Subtotal	19,328,371	20,338,650	19,733,465	20,286,290
 FINES & FEES	 1,998,417	 1,870,000	 1,974,910	 1,943,900
BUILDING PERMITS/FEES	1,213,481	1,210,000	607,000	607,000
DEVELOPMENT FEES	459,900	514,200	269,600	268,200
INTER-INTRAGOVERNMENTAL	3,081,212	3,185,835	3,171,000	3,140,995
OTHER REVENUE	522,865	464,850	186,100	248,500
REVENUES BEFORE TRANSFERS	26,604,246	27,583,535	25,942,075	26,494,885

TRANSFERS FROM OTHER FUNDS:

Public Arts Special Revenue Fund	183,673	-	-	-
TOTAL TRANSFERS	183,673	-	-	-

TOTAL REVENUES & TRANSFERS \$ 26,787,919 \$ 27,583,535 \$ 25,942,075 \$ 26,494,885



GENERAL FUND

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
REVENUES				
<u>PROPERTY TAXES:</u>				
Current taxes	\$ 10,948,549	\$ 12,061,000	\$ 11,900,000	\$ 12,270,000
Delinquent taxes	48,575	35,000	60,000	45,000
Accrued property tax revenue	5,367	-	-	-
Penalty & interest	97,744	45,000	70,000	70,000
Agricultural rollback taxes	152,586	15,000	10,000	15,000
Subtotal	11,252,821	12,156,000	12,040,000	12,400,000
<u>OTHER LOCAL TAXES:</u>				
City sales taxes	4,360,294	4,538,500	4,176,500	4,176,500
Mixed beverage taxes	52,475	59,040	57,780	59,520
Franchise & In-Lieu of taxes:				
Franchise taxes-TXU Electric	576,345	590,570	521,800	537,460
Franchise taxes-Tri County Electric	816,943	899,840	746,280	768,670
Franchise taxes-Verizon	263,318	283,650	303,890	313,010
<i>Includes FIOS[®] franchise revenues</i>				
Franchise taxes-TXU/Atmos	394,134	421,730	432,990	445,990
Franchise taxes-TV cable	150,650	157,070	143,690	148,010
Franchise taxes-SBC/AT&T	44,362	46,250	86,530	89,130
<i>FY2009 and future years include U-Verse[®] franchise revenues</i>				
Franchise taxes-Solid Waste	205,224	180,000	182,000	185,000
Franchise taxes-Water and W/W	994,000	855,000	855,000	1,005,000
Franchise taxes-Drainage	89,400	90,000	90,000	97,000
Franchise taxes-One Source	75,474	42,000	65,000	42,000
Franchise taxes-litigation	27,440	-	16,005	-
Franchise taxes-other	25,491	19,000	16,000	19,000
Subtotal	8,075,550	8,182,650	7,693,465	7,886,290
TOTAL TAX REVENUE	19,328,371	20,338,650	19,733,465	20,286,290
<u>FINES & FEES:</u>				
Fire inspection fees/permits	17,259	35,000	12,000	12,500
Finger printing fees	2,590	6,500	3,000	3,500
Animal control fees	21,898	16,000	18,000	16,000
Ambulance service fees	755,450	700,000	760,000	740,000
Open records request fees	-	-	6,000	6,000
Alarm fees/permits	-	-	12,000	12,000
Solicitor fees/permits	-	-	6,000	6,000
Municipal Court fines/fees	866,547	870,000	870,000	870,000
Library fines	48,428	30,000	38,000	35,000
Library lost book revenue	2,989	2,500	2,500	2,500
Library services fees	-	-	6,000	6,000
KISD FTA Fines	-	500	500	500
Court fines collection fees	41,171	30,500	33,000	33,000
Facilities/park rental fees	11,278	8,500	11,500	9,500
Park rental fees-Keller Sports Park	13,384	12,500	12,500	12,500
Communication tower rentals	89,897	69,000	80,000	78,000
Public art sales commissions	8,853	8,000	500	8,000
Right-of-way easements	\$ 900	\$ 350	\$ 450	\$ 900

(continued)

GENERAL FUND

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
REVENUES				
<u>FINES & FEES:</u>				
(continued)				
Oil & gas royalty revenue	\$ 36	\$ -	\$ 12,960	\$ -
Other services	35,213	20,000	10,000	20,000
Keller Town Center Property Owner Ass'n	82,524	60,650	80,000	72,000
TOTAL FINES & FEES	1,998,417	1,870,000	1,974,910	\$ 1,943,900
<u>BUILDING PERMITS/FEES:</u>				
Plumbing permits	84,904	80,000	50,000	50,000
Mechanical permits	63,585	63,000	35,000	35,000
Building permits/C.O.'s	899,161	875,000	450,000	450,000
Fence, sign & miscellaneous permits	36,634	37,000	22,000	22,000
Energy inspections permits	59,374	85,000	20,000	20,000
Electrical permits	69,823	70,000	30,000	30,000
TOTAL BUILDING PERMITS/FEES	1,213,481	1,210,000	607,000	607,000
<u>DEVELOPMENT FEES:</u>				
Paving/drainage Inspection fees	42,456	80,000	80,000	80,000
Construction plan review fees	368,465	360,000	160,000	160,000
Zoning & subdivision fees	42,075	58,000	18,000	18,000
Street lighting fees	4,608	15,000	9,000	9,000
Street sign fees	196	1,200	1,600	1,200
Opticom system fees	2,100	-	1,000	-
TOTAL DEVELOPMENT FEES	459,900	514,200	269,600	268,200
<u>INTERGOVERNMENTAL REVENUE:</u>				
Town of Westlake	729,900	765,000	760,105	760,105
KISD-School resource officer	160,727	112,000	118,000	118,000
State of Texas	65,457	-	-	-
Intergovernmental-disaster recovery	48,582	-	-	-
City of Southlake	989,064	1,040,335	1,024,395	1,024,390
Intergovernmental-Local	23,982	-	-	-
TOTAL INTERGOVERNMENT REVENUE	2,017,712	1,917,335	1,902,500	1,902,495
<u>INTRAGOVERNMENTAL REVENUE:</u>				
Keller Water & Wastewater Utility	1,025,000	1,230,000	1,230,000	1,200,000
Keller Development Corporation	38,500	38,500	38,500	38,500
<i>General and administrative services</i>				
TOTAL INTRAGOVERNMENT REVENUE	1,063,500	1,268,500	1,268,500	1,238,500
<u>OTHER REVENUE:</u>				
Interest earnings	392,561	375,000	150,000	150,000
Gain (loss) on disposal of assets	8,250	3,500	3,000	3,500
Write-off recovery	14,827	-	20,000	20,000
Miscellaneous revenue	6,217	25,000	8,000	25,000
Grant proceeds-non governmental	\$ -	\$ 11,350	\$ -	\$ -

(continued)

GENERAL FUND

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
REVENUES				
<u>OTHER REVENUE:</u>				
(continued)				
Public Arts miscellaneous revenue	\$ 8,000	\$ -	\$ -	\$ -
Sculpture show sales/donations	29,510	25,000	-	25,000
Public Arts donations	63,500	25,000	5,000	25,000
Miscellaneous grants/donations	-	-	100	-
TOTAL OTHER REVENUE	522,865	464,850	186,100	248,500
REVENUES BEFORE TRANSFERS	26,604,246	27,583,535	25,942,075	26,494,885
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from Public Arts Fund	183,673	-	-	-
TOTAL TRANSFERS	183,673	-	-	-
TOTAL REVENUES AND TRANSFERS	\$ 26,787,919	\$ 27,583,535	\$ 25,942,075	\$ 26,494,885

GENERAL FUND EXPENDITURES

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 17,859,616	\$ 19,868,915	\$ 19,440,825	\$ 19,391,685
Operations & maintenance	1,766,520	2,141,655	2,026,525	2,113,865
Services & other	4,485,521	4,921,297	5,105,722	4,999,900
Transfers to other funds	518,398	30,195	30,195	15,195
SUBTOTAL	24,630,055	26,962,062	26,603,267	26,520,645
Capital outlay	972,649	1,011,850	903,585	843,335
TOTAL	\$ 25,602,704	\$ 27,973,912	\$ 27,506,852	\$ 27,363,980

<u>EXPENDITURES BY ACTIVITY</u>				
Administration/General Government	\$ 3,581,119	\$ 4,493,702	\$ 4,524,932	\$ 4,364,101
Community Development	1,281,825	1,329,690	1,247,650	1,157,230
Public Safety	12,749,902	14,226,490	14,083,340	14,184,399
Public Works	2,830,941	3,238,285	3,061,985	3,022,315
Keller Public Library	1,195,525	1,319,275	1,246,290	1,361,810
Parks & Recreation	2,494,911	2,654,755	2,608,135	2,569,520
Non-departmental / Other	1,468,481	711,715	734,520	704,605
TOTAL	\$ 25,602,704	\$ 27,973,912	\$ 27,506,852	\$ 27,363,980

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	8.50	10.00	9.00
Town Hall Operations	2.00	2.00	2.00
Finance & Accounting	7.50	7.50	7.50
Municipal Court	4.50	4.50	4.50
Human Resources	6.00	6.00	6.00
Economic Development	-	-	1.00
Community Development	14.50	13.50	13.50
Police Department	82.00	82.00	82.00
Fire Department	62.50	60.50	60.50
Public Works	17.33	17.33	17.33
Keller Public Library	15.97	15.97	15.97
Parks & Recreation	26.54	27.04	27.04
TOTAL	247.34	246.34	246.34

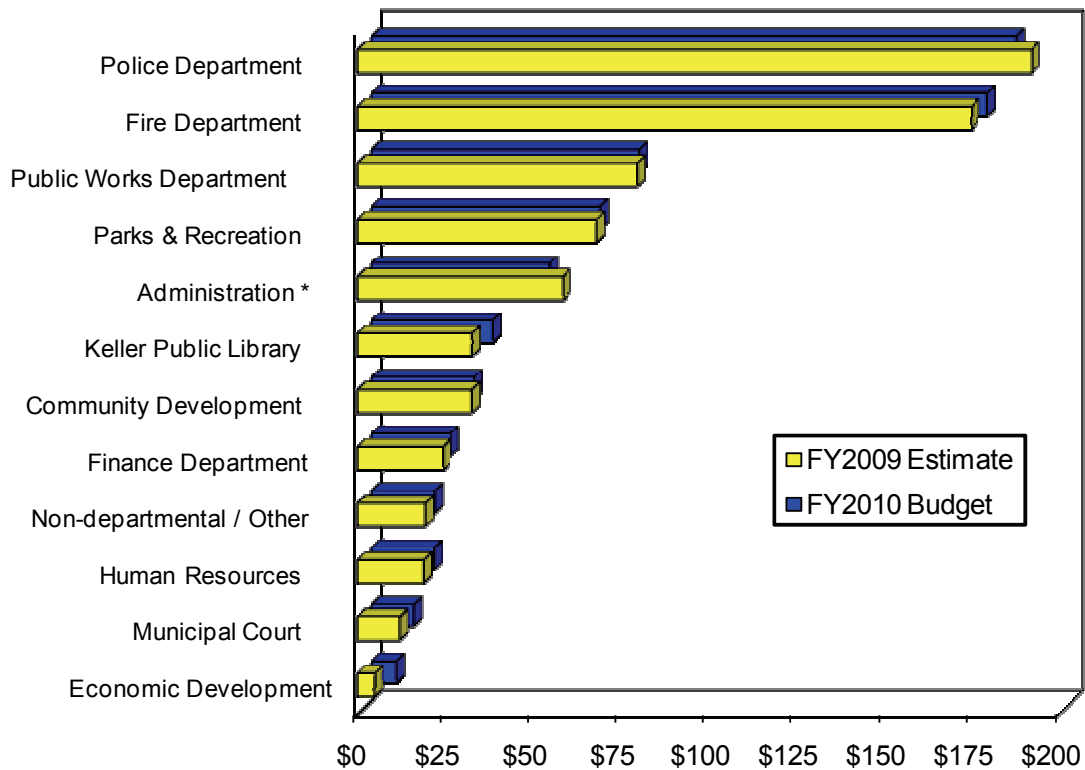
**GENERAL FUND EXPENDITURE SUMMARY
EXPENDITURES BY DEPARTMENT/ACTIVITY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
GENERAL GOVERNMENT:				
Administration	\$ 1,126,854	\$ 1,629,190	\$ 1,598,755	\$ 1,419,000
Town Hall Operations	541,310	579,950	618,350	561,745
Mayor & Council	30,669	21,440	21,420	18,805
Finance & Accounting	807,797	939,967	926,077	895,885
Municipal Court	426,403	487,340	464,105	475,916
Human Resources	648,086	762,765	715,825	700,780
Economic Development	-	73,050	180,400	291,970
Subtotal	3,581,119	4,493,702	4,524,932	4,364,101
COMMUNITY DEVELOPMENT:				
Administration	525,927	510,795	493,995	436,570
Building and Construction Services	755,898	818,895	753,655	720,660
Subtotal	1,281,825	1,329,690	1,247,650	1,157,230
PUBLIC SAFETY:				
Police Department	6,979,793	7,463,195	7,372,705	7,256,084
Fire Department	5,770,109	6,763,295	6,710,635	6,928,315
Subtotal	12,749,902	14,226,490	14,083,340	14,184,399
PUBLIC WORKS:				
Administration	236,063	249,640	244,290	240,675
Engineering & Inspections	381,647	455,115	438,080	418,160
Street Maintenance	1,760,040	2,108,530	1,954,615	1,938,480
Street Lighting	453,191	425,000	425,000	425,000
Subtotal	2,830,941	3,238,285	3,061,985	3,022,315
RECREATION & LEISURE:				
Keller Public Library	1,195,525	1,319,275	1,246,290	1,361,810
Parks & Recreation:				
Parks & Recreation-Administration	356,719	376,620	376,475	367,395
Parks Maintenance	1,166,742	1,202,055	1,166,860	1,172,470
Recreation Programs	170,294	194,785	192,315	190,695
Senior Services	194,644	224,290	215,055	188,055
Keller Sports Park Maintenance	429,866	484,445	484,640	474,155
Keller Town Center Maintenance	176,646	172,560	172,790	176,750
Subtotal	2,494,911	2,654,755	2,608,135	2,569,520
Total Recreation & Leisure	3,690,436	3,974,030	3,854,425	3,931,330
OTHER/NON-DEPARTMENTAL:				
Non-departmental	1,468,481	711,715	734,520	704,605
Subtotal	1,468,481	711,715	734,520	704,605
TOTAL	\$ 25,602,704	\$ 27,973,912	\$ 27,506,852	\$ 27,363,980

GENERAL FUND EXPENDITURES PER CAPITA

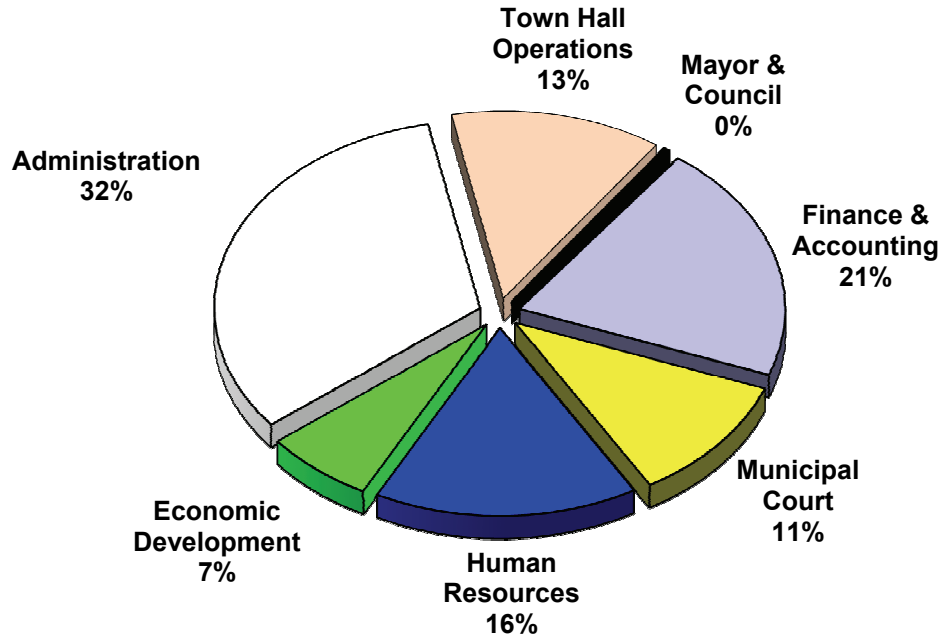
<u>DEPARTMENT</u>	<u>2008-2009 Budget</u>	<u>2008-2009 Estimate</u>	<u>2009-2010 Budget</u>
Police Department	\$ 194.33	\$ 191.99	\$ 183.93
Fire Department	176.10	174.75	175.62
Public Works Department	84.32	79.74	76.61
Parks & Recreation	69.13	67.92	65.13
Administration *	58.08	58.29	50.69
Keller Public Library	34.35	32.45	34.52
Community Development	34.62	32.49	29.33
Finance Department	24.48	24.12	22.71
Non-departmental / Other	18.53	19.13	17.86
Human Resources	19.86	18.64	17.76
Municipal Court	12.69	12.09	12.06
Economic Development	1.90	4.70	7.40
TOTAL	\$ 728.39	\$ 716.29	\$ 693.64

General Fund
Department Expenditures per Capita

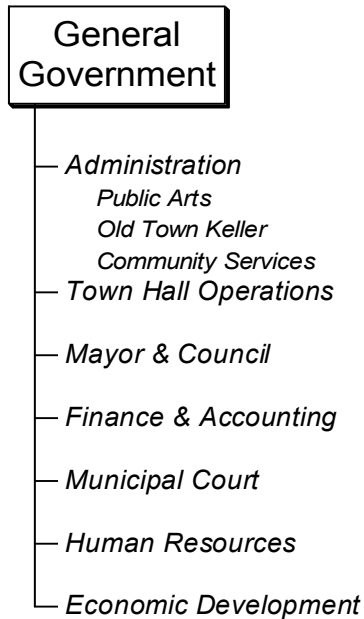


* Includes Administration, Town Hall Operations, and Mayor/Council.

General Government

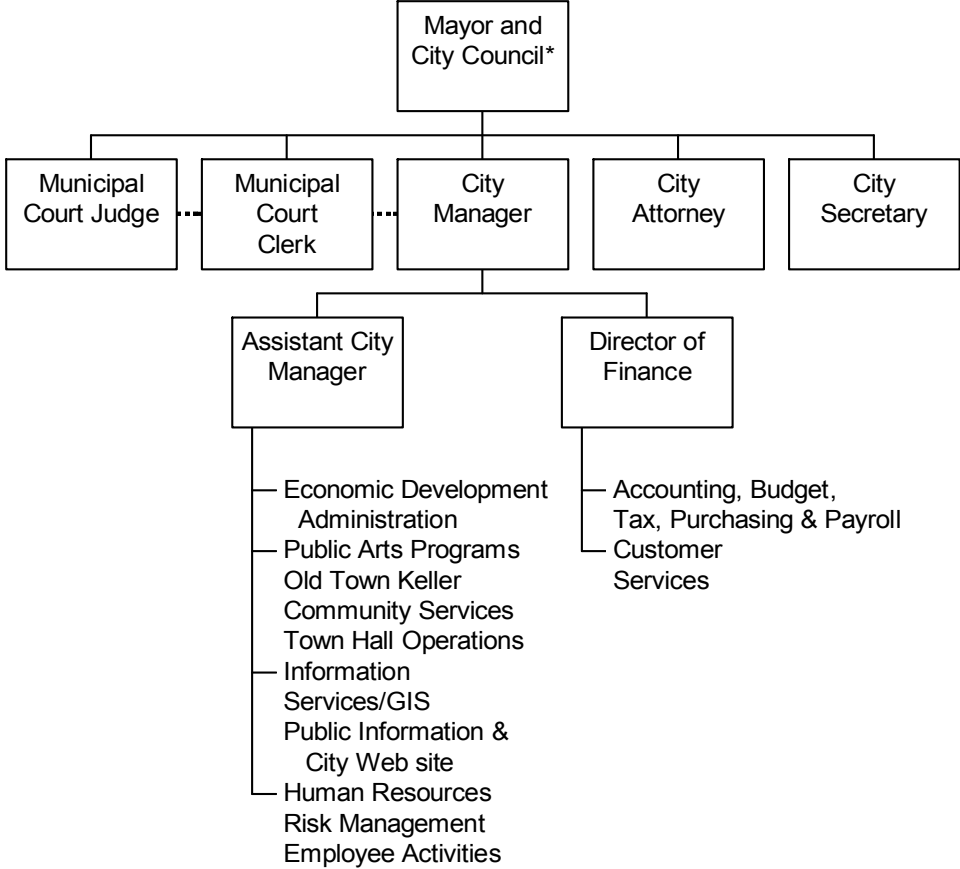


Department total: \$4,364,101



**CITY OF KELLER, TEXAS
ORGANIZATION CHART**

GENERAL GOVERNMENT



* Denotes elected position.

**GENERAL GOVERNMENT
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 2,154,499	\$ 2,736,205	\$ 2,668,355	\$ 2,618,815
Operations & maintenance	125,168	157,520	155,230	150,250
Services & other	1,216,452	1,567,477	1,668,847	1,595,036
Transfers to other funds	30,000	-	-	-
SUBTOTAL	3,526,119	4,461,202	4,492,432	4,364,101
Capital outlay	55,000	32,500	32,500	-
TOTAL	\$ 3,581,119	\$ 4,493,702	\$ 4,524,932	\$ 4,364,101

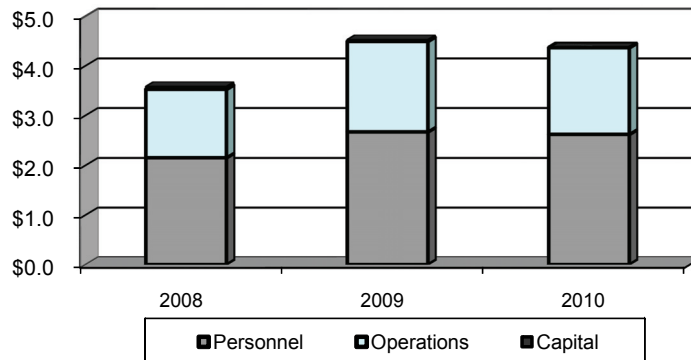
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,126,854	\$ 1,629,190	\$ 1,598,755	\$ 1,419,000
Town Hall Operations	541,310	579,950	618,350	561,745
Mayor & City Council	30,669	21,440	21,420	18,805
Finance & Accounting	807,797	939,967	926,077	895,885
Municipal Court	426,403	487,340	464,105	475,916
Human Resources	648,086	762,765	715,825	700,780
Economic Development	-	73,050	180,400	291,970
TOTAL	\$ 3,581,119	\$ 4,493,702	\$ 4,524,932	\$ 4,364,101

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	8.50	10.00	9.00
Town Hall Operations	2.00	2.00	2.00
Finance & Accounting	7.50	7.50	7.50
Municipal Court	4.50	4.50	4.50
Human Resources	6.00	6.00	6.00
Economic Development	-	-	1.00
TOTAL	28.50	30.00	30.00

General Government Expenditures (millions)



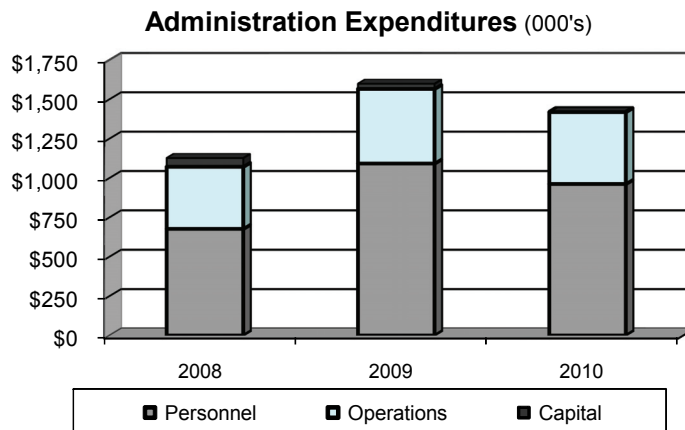
**ADMINISTRATION
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 677,277	\$ 1,105,290	\$ 1,092,370	\$ 962,350
Operations & maintenance	39,397	71,725	76,380	64,460
Services & other	325,180	419,675	397,505	392,190
Transfers to other funds	30,000	-	-	-
SUBTOTAL	1,071,854	1,596,690	1,566,255	1,419,000
Capital outlay	55,000	32,500	32,500	-
TOTAL	\$ 1,126,854	\$ 1,629,190	\$ 1,598,755	\$ 1,419,000

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 969,146	\$ 1,512,440	\$ 1,477,965	\$ 1,300,915
Public Arts Programs	121,561	73,950	73,950	36,460
Community Services	-	11,000	15,040	59,825
Old Town Keller	36,147	31,800	31,800	21,800
TOTAL	\$ 1,126,854	\$ 1,629,190	\$ 1,598,755	\$ 1,419,000

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

DIVISION / ACTIVITY	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	8.5	10.0	9.0
TOTAL	8.5	10.0	9.0



FUND:
General

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
100-100-01

DEPARTMENT DESCRIPTION:

The Administration Department consists of the City Manager, City Secretary, two Assistant City Managers, two Executive Secretaries, Administrative Assistant, Records Technician, and Town Hall Receptionist. The purpose of the Department 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.

DEPARTMENT/DIVISION GOALS:

1. **Administration Activities:**

- Support the City Council's priorities, goals, and objectives for fiscal year 2009-10.
- Ensure efficient and effective utilization of municipal resources in accordance with approved budget documents.
- Enhance community relations with citizens via surveys, citizen committees, and individual requests and respond in a timely manner through direct interaction, web site information, news releases, and Town Hall meetings.
- 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.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Coordinate, finalize and distribute:			
• Agenda and/or information packets to City Council	52	52	52
• City Manager staff agenda packets	50	50	50
• Boards and Commissions Handbook and revisions	1	1	1
Citizen Newsletters published	–	3	4
Employee Newsletters published	–	12	12
Percent of solid waste concerns addressed within 24 hours	*	100%	100%
City Council meetings and work sessions held	47	47	46
Birth/death certificates processed	1,358	1,033	1,196
City Council general and run-off elections conducted	1	–	1
Special elections held	2	–	1
Process and respond to open records requests	175	167	171
Percent of open records requests responded to within 10 days	100%	100%	100%

* – Not available

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
100-100-01

**ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 677,277	\$ 1,102,290	\$ 1,087,420	\$ 945,650
Operations & maintenance	11,669	21,925	26,580	14,160
Services & other	280,200	388,225	363,965	341,105
SUBTOTAL	969,146	1,512,440	1,477,965	1,300,915
Capital outlay	-	-	-	-
TOTAL	\$ 969,146	\$ 1,512,440	\$ 1,477,965	\$ 1,300,915

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
City Manager	Exempt	1.0	1.0	1.0
City Secretary	Exempt	1.0	1.0	1.0
Assistant City Manager	Director	1.0	1.0	1.0
Assistant City Manager (1)	Director	-	1.0	1.0
Economic Development Director (2)	Director	0.5	1.0	-
Executive Secretary	ATN-9	2.0	2.0	2.0
Administrative Assistant	ATN-9	-	1.0	1.0
Administration Secretary	ATN-8	1.0	-	-
Receptionist	A/TN-4	1.0	1.0	1.0
Records Technician	A/TN-4	1.0	1.0	1.0
TOTAL		8.5	10.0	9.0

(1) Position transferred from Community Development for fiscal year 2008-2009.

(2) Position transferred to Economic Development for fiscal year 2009-2010.

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 a process that will encourage visual and performing arts in public places; and to define the programs, 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.

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:

1. Promote community education, appreciation and the importance of public art.
2. Conduct a minimum of eight public art shows, programs, and/or activities during fiscal year 2010.
3. Partner with other organizations and special events to further promote and showcase various artistic formats.
4. Develop and implement a Public Art Master Plan document.
5. Further refine the operating procedures for programs and activities.
6. Seek alternative sources of income to help fund public art works, programs, and activities within the City.
7. Ongoing development of an annual programming schedule that is inclusive of various forms of art.
8. Review and make recommendation for modifications and enhancements to the City's Public Art Policy.
9. Purchase and/or secure a minimum of one major piece of art every other year.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Outputs:			
Keller Public Arts Board meetings and work sessions	12	12	12
Monthly public shows	2	9	10
Public Art pieces obtained through purchase, sponsorships or donation	2	1	-
Public Art events held	1	4	6

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Public Arts Programs

ACCOUNT:
100-100-02

**PUBLIC ARTS PROGRAMS
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	26,978	34,050	34,050	31,050
Services & other	39,583	7,400	7,400	5,410
SUBTOTAL	66,561	41,450	41,450	36,460
Capital outlay	55,000	32,500	32,500	-
TOTAL	\$ 121,561	\$ 73,950	\$ 73,950	\$ 36,460

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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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 those local non-profit entities wishing to conduct such events and activities. The purpose of this program is to provide a methodology whereby actual City allocated supplies, services and resources in support of community events and activities can be reviewed, itemized, and more thoroughly monitored on an annual basis.

This is a new program initiated in FY2009.

DEPARTMENT/DIVISION GOALS:

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008</u> <u>ACTUAL</u>	<u>2008-2009</u> <u>ESTIMATE</u>	<u>2009-2010</u> <u>PROJECTED</u>

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Community Services

ACCOUNT:
100-100-05

**COMMUNITY SERVICES
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ 3,000	\$ 4,950	\$ 16,700
Operations & maintenance	-	-	-	3,500
Services & other	-	8,000	10,090	39,625
SUBTOTAL	-	11,000	15,040	59,825
Capital outlay	-	-	-	-
TOTAL	\$ -	\$ 11,000	\$ 15,040	\$ 59,825

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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FUND:
General

DEPARTMENT:
Administration

DIVISION:
Old Town Keller

ACCOUNT:
100-100-17

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. Preserve the Old Town Keller area.
2. Encourage additional retail and commercial activity in the Old Town area.
3. Improve the appearance of the original Old Town Keller area.
4. Acquire property for public improvements in the Old Town area.
5. Maintain and expand train display along Lamar Street.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Partner with the Old Town Keller Merchants Association to promote and participate in various special events	*	*	12
Meet with business prospects or existing businesses to discuss opportunities for new or expanded development	15	15	15
Meet with existing business owners to seek partnership opportunities to improve the overall environment and viability of Old Town Keller	*	*	12

* – Not available

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Old Town Keller

ACCOUNT:
100-100-17

**OLD TOWN KELLER
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	750	15,750	15,750	15,750
Services & other	5,397	16,050	16,050	6,050
Transfers to other funds	30,000	-	-	-
SUBTOTAL	36,147	31,800	31,800	21,800
Capital outlay	-	-	-	-
TOTAL	\$ 36,147	\$ 31,800	\$ 31,800	\$ 21,800

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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FUND:
General

DEPARTMENT:
Town Hall Operations

DIVISION:
Town Hall Operations

ACCOUNT:
100-110-92

DEPARTMENT DESCRIPTION:

The purpose of the Department is to maintain the Keller Town Hall, as well as the Police and Courts Building, and Keller Public Library, and provide common operational services such as expenditures resulting from utilities, copier supplies, and equipment for facility operations.

DEPARTMENT/DIVISION GOALS:

1. Monitor the implementation of an Energy Management Plan for Keller Town Hall and reduce electricity consumption by 5% over the previous fiscal year. Process underway in conjunction with the Keller Improvement Team (KIT) and through an energy audit performed by Chevron Energy Solutions.
2. Manage and provide for daily facility maintenance of Keller Town Hall, Keller Police and Courts Building, and Keller Public Library.
3. Establish and maintain routine preventive maintenance of HVAC, including contract maintenance, electrical, plumbing, roof, and bell tower systems.
4. Weekly inspect and perform minor painting, carpentry, electrical, and plumbing repairs within each building.
5. Daily monitor Town Hall's computerized building automation equipment.
6. Review and recommend annual service and warranty contracts for facility maintenance of Town Hall, Police and Courts Building and Keller Public Library.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
<u>Outputs:</u>			
Total facility square footage maintained	55,000	94,176	104,176
Preventive maintenance inspections performed per facility:			
• HVAC systems	4	4	4
• Electrical system	52	52	52
• Plumbing system	52	52	52
• Elevator (Town Hall only)	12	12	12
• Fire and sprinkler system	3	3	3
• Generator system	4	4	4
• Cosmetic Inspections	52	52	52
Service calls received and handled	3,000	3,400	3,600
Energy audits performed / implemented	–	1	1
<u>Effectiveness:</u>			
% decrease in electricity consumption at Keller Town Hall	*	*	10%
% of service calls completed in less than 24 hours	*	*	95%

* – Not available.

FUND:
General

DEPARTMENT:
Town Hall Operations

DIVISION:
Town Hall Operations

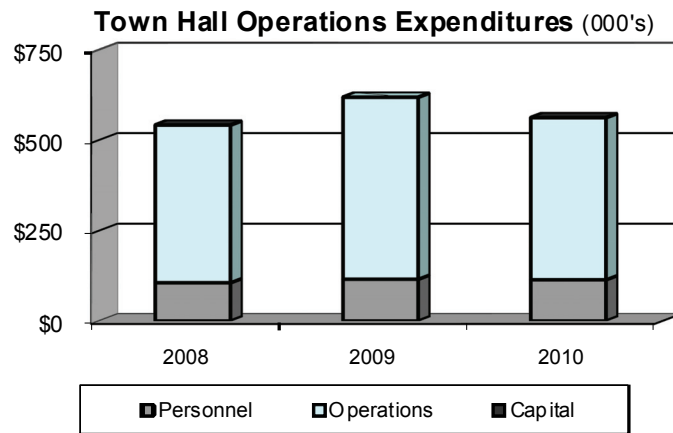
ACCOUNT:
100-110-92

**TOWN HALL OPERATIONS
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 105,847	\$ 118,185	\$ 115,540	\$ 114,070
Operations & maintenance	37,257	41,880	37,780	36,580
Services & other	398,206	419,885	465,030	411,095
SUBTOTAL	541,310	579,950	618,350	561,745
Capital outlay	-	-	-	-
TOTAL	\$ 541,310	\$ 579,950	\$ 618,350	\$ 561,745

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Facility Maintenance Supervisor	TN-9	1.0	1.0	1.0
Building Maintenance Technician II	TN-5	1.0	1.0	1.0
TOTAL		2.0	2.0	2.0



FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

DEPARTMENT DESCRIPTION:

The mission of the City of Keller is to ensure a safe, comfortable environment for all citizens by realizing a vision that is well planned and sensitive to the community

The City of Keller is a Home Rule municipality, functioning as a Council-Manager form of government and operating under a Home Rule Charter adopted April 3, 1982, with the latest revision being adopted on April 5, 1995. The Mayor and Council function as the governing body of the City, and are comprised of five (5) City Council members and a Mayor, elected at-large on a non-partisan basis by the voters of the City. The Mayor and City Council members are elected for two-year terms on a rotating basis, with the Mayor and two Council members elected in odd-numbered years, and the remaining three Council members elected in even-numbered years. The City Manager, City Secretary, Municipal Court Clerk and Municipal Judge are appointed by the City Council.

CITY COUNCIL GOALS/ACCOMPLISHMENTS:

1. Enhance economic development opportunities within the City:
 - Increase tax base through sustainable residential, commercial and retail development
 - Conduct joint meetings as needed with the Keller Economic Development Board
 - Continue involvement with the Greater Keller Chamber of Commerce
 - Promote the City of Keller at various events, activities, meetings, and programs
2. Improve the transfer of information between the City and its citizens:
 - Efficiently communicate citizen concerns, complaints, and comments to the City Manager for resolution and follow-up
 - Implemented new streaming video and corresponding agenda packet information for Council meetings as part of the City's web site enhancements
 - Developed quarterly Keller Connect community newsletter sent to all addresses with the City of Keller
 - Conducted community-wide Town Center visioning process, undertook a citizen survey on potential bond funded capital projects, and appointed community members to serve on a provisional ad-hoc oil and gas well committee
3. Strategically enhance the City's financial position to ensure continued viability and the capacity to implement priority capital improvement projects:
 - Review City-wide capital improvements program and corresponding funding considerations
 - Conducted budget overview work session with City Manager
 - Appointed City Council representative to serve on the City's Investment Committee
 - Implemented an Audit Committee and appointed two City Council representatives to serve on the committee
4. Complete current and future Capital Improvement Projects to include, but not limited to:
 - Library renovation and expansion
 - Park improvements
 - Drainage improvements
 - Street enhancements

FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

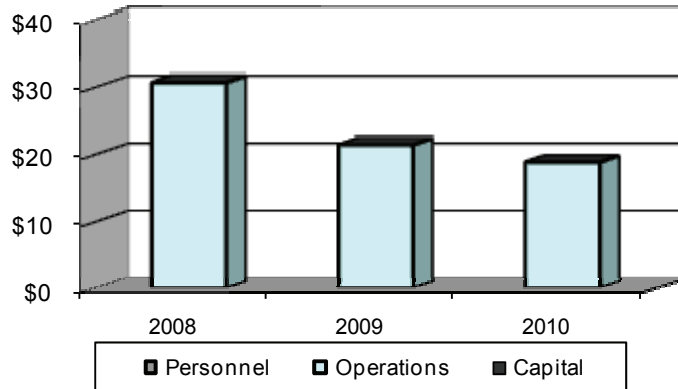
**MAYOR AND CITY COUNCIL
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	8,189	6,150	5,430	6,150
Services & other	22,480	15,290	15,990	12,655
SUBTOTAL	30,669	21,440	21,420	18,805
Capital outlay	-	-	-	-
TOTAL	\$ 30,669	\$ 21,440	\$ 21,420	\$ 18,805

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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Mayor & City Council Expenditures (000's)



**FINANCE & ACCOUNTING
DEPARTMENT SUMMARY**

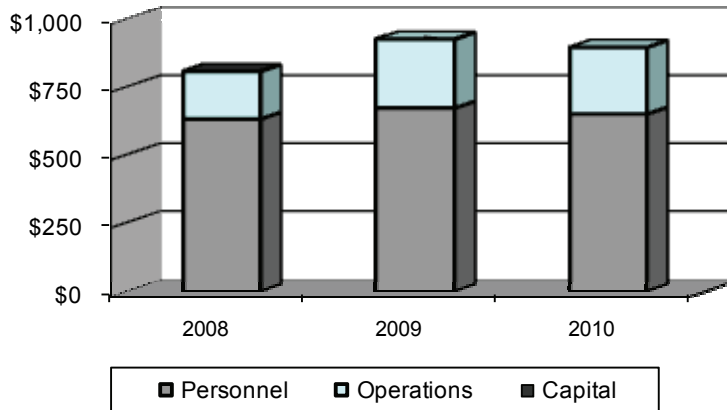
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 632,439	\$ 673,970	\$ 672,820	\$ 650,295
Operations & maintenance	9,635	5,390	4,940	8,150
Services & other	165,723	260,607	248,317	237,440
SUBTOTAL	807,797	939,967	926,077	895,885
Capital outlay	-	-	-	-
TOTAL	\$ 807,797	\$ 939,967	\$ 926,077	\$ 895,885

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 716,939	\$ 819,255	\$ 811,930	\$ 781,775
Tax	90,858	120,712	114,147	114,110
TOTAL	\$ 807,797	\$ 939,967	\$ 926,077	\$ 895,885

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	7.5	7.5	7.5
TOTAL	7.5	7.5	7.5

Finance & Accounting Expenditures (000's)



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

DEPARTMENT DESCRIPTION:

The Finance and Accounting Department maintains oversight responsibility for management of the City's assets. The Director of Finance 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 (TIF), and the Keller Crime Control 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 21st consecutive year (FY1989 – FY2009).
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 14th consecutive year (FY1997 – FY2010).
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.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Accounting activities:			
Accounts payable checks processed	5,269	5,600	5,931
Payroll checks processed	11,320	11,800	11,800
Journal entries processed	5,142	5,500	5,900
Bank reconciliations prepared	12	12	12
Employee W-2's issued	588	596	614
Purchasing activities:			
Purchase orders processed	336	359	384
Purchasing card transactions processed	7,936	8,209	8,482
Sealed bids/proposals processed	19	18	18
Banking activities:			
Number of bank deposits processed	1,599	1,870	2,141
Number of incoming wires	87	129	140
Number of outgoing wires	79	81	84
Quarterly investment reports prepared	4	4	4
Quarterly financial reports prepared	4	4	4

(Continued)

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Administration

ACCOUNT:
100-130-01

(Continued)

<u>PERFORMANCE ANALYSIS</u>	SERVICE ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Debt service ratios:			
Direct tax-supported debt per capita	\$1,058	\$1,119	\$1,090
Tax-supported debt service expenditures as a % of general operating expenditures	15.1%	14.0%	15.9%
Financial policy target	25.0%	25.0%	25.0%
Ratio of debt to net taxable valuation	1.1%	1.1%	1.1%
Financial policy target	15.0%	15.0%	15.0%
Investment activities:			
Weighted average investment yield to maturity	3.89%	1.80%	1.40%
Average spread between City yield and 3-month T- bill	1.72%	1.35%	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**

	<u>2007-2008</u> <u>ACTUAL</u>	<u>2008-2009</u> <u>BUDGET</u>	<u>2008-2009</u> <u>ESTIMATE</u>	<u>2009-2010</u> <u>PROPOSED</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 632,439	\$ 673,970	\$ 672,820	\$ 650,295
Operations & maintenance	9,337	5,090	4,640	7,850
Services & other	75,163	140,195	134,470	123,630
SUBTOTAL	716,939	819,255	811,930	781,775
Capital outlay	-	-	-	-
TOTAL	\$ 716,939	\$ 819,255	\$ 811,930	\$ 781,775

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

<u>POSITION TITLE</u>	<u>PAY</u> <u>CLASS</u>	<u>2007-2008</u> <u>ACTUAL</u>	<u>2008-2009</u> <u>ESTIMATE</u>	<u>2009-2010</u> <u>PROPOSED</u>
Director of Finance	Director	1.0	1.0	1.0
Finance/Purchasing Manager	Division Mgr	1.0	1.0	1.0
Financial Analyst	PE-7	1.0	1.0	1.0
Senior Accounting Technician	A/TN-10	1.0	1.0	1.0
Purchasing Technician	A/TN-10	1.0	1.0	1.0
Accounting Technician	A/TN-7	1.0	1.0	1.0
Account Clerk/Finance Secretary	A/TN-6	1.0	1.0	1.0
Records Clerk	A/TN-1	0.5	0.5	0.5
TOTAL		7.5	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>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Special assessment accounts maintained (In FY2007, all special assessment accounts transferred to the Utility Billing System for billing and collection)	46	30	14
Release of liens	35	16	14
Addition of liens	—	—	—
Bankruptcies filed	23	25	25
Total property tax accounts maintained by Tarrant Appraisal District	15,622	15,903	15,986
Total number of over-65 and disabled accounts	1,290	1,360	1,447
Total (appraised) value of over-65 and disabled accounts (millions)	\$266.4	\$298.2	\$331.3
Total number of tax ceiling accounts	1,202	1,264	1,385
Taxable value of tax ceiling accounts (millions)	\$194.3	\$218.8	\$256.0
Total number of new residential homesteads	414	331	338
Total (appraised) value of new residential homesteads (millions)	\$158.2	\$133.4	\$129.9
Total number of new over-65 accounts	63	63	45
Total (appraised) value of new over-65 accounts (millions)	\$14.7	\$17.1	\$10.9
Total (appraised) value of new construction (millions)	\$188.5	\$149.2	\$133.7
Total (appraised) value of new residential construction (millions)	\$154.0	\$121.8	\$110.3
Total (appraised) value of new commercial construction (millions)	\$34.5	\$27.4	\$23.3

(Continued)

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

DEPARTMENT/DIVISION SERVICE ANALYSIS:

	SERVICE ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
PERFORMANCE ANALYSIS			
Percentage of taxes collected (services to be provided by the Tarrant County Tax Assessor/Collector)	99.3%	99.0%	99.3%
Average appraised residential value	\$251,881	\$266,858	\$272,722
Percent change	6.1%	6.1%	2.2%
Average taxable residential value	\$243,198	\$258,231	\$263,218
Percent change	*	6.2%	1.9%
Effective tax rate per \$100 of taxable value	\$0.41194	\$0.41002	\$0.43050
Actual tax rate per \$100 of taxable value	\$0.43219	\$0.43219	\$0.44219
Rollback tax rate per \$100 of taxable value	\$0.43321	\$0.43389	\$0.45850
Average City of Keller tax bill (actual rate)	\$1,051.08	\$1,116.05	\$1,163.92
Percent change	6.3%	6.2%	4.3%
Average appraised value of new residential homesteads	\$382,183	\$402,990	\$386,612
Percent change	10.6%	5.4%	(5.3%)
Average appraised value of new over-65 residential homesteads	\$233,264	\$272,168	\$243,162
Percent change	1.4%	16.7%	(10.7%)
Average taxable value of tax ceiling accounts	\$168,878	\$173,118	\$184,869
Percent change	*	2.6%	6.8%
Percentage of new construction by property category:			
Residential	81.7%	81.6%	82.5%
Commercial	18.3%	18.4%	17.5%

* – information not available.

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

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

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	298	300	300	300
Services & other	90,560	120,412	113,847	113,810
SUBTOTAL	90,858	120,712	114,147	114,110
Capital outlay	-	-	-	-
TOTAL	\$ 90,858	\$ 120,712	\$ 114,147	\$ 114,110

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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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 Keller Municipal Court provides the City with enforcement of Class C misdemeanor criminal laws and ordinance offenses occurring within the City limits. The Municipal 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 Municipal Court processes and distributes all money collected in the jail for the City of Keller, Southlake and Westlake. The 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. Keep the department current with quality technology in order to provide the most efficient and accurate service.
3. Maintain the warrant collection program and continue to create ideas and incentives that increase the collection of outstanding warrants.
4. Maintain the Nisi process of forfeiting appearance bonds to ensure court appearance obligations are met and to hold the bail bondsman financially accountable if appearances are not met.
5. Ensure that all personnel in the court have the most current and updated training available. Encourage all personnel to obtain their Court Clerk Certification.
6. Continue to utilize and update the Teen Court program with all options to increase awareness and the ongoing success this program offers the community.
7. Maintain and continually update the Municipal Court Policy and Procedures manual.
8. 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>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Number of citations processed	12,755	10,500	11,800
Number of cases requesting court dates	4,915	3,981	4,000
Number of cases with attorney representation	2,272	2,479	2,500
Number of court dockets held per year	212	212	212
Number of warrants processed/issued	2,938	2,400	2,400
Number of reports generated (open records requests)	332	340	340
Number of warrants outstanding	2,279	2,000	2,100
Number of defendants requesting jury trial	65	81	81

FUND:
General

DEPARTMENT:
Municipal Court

DIVISION:
Administration

ACCOUNT:
100-160-01

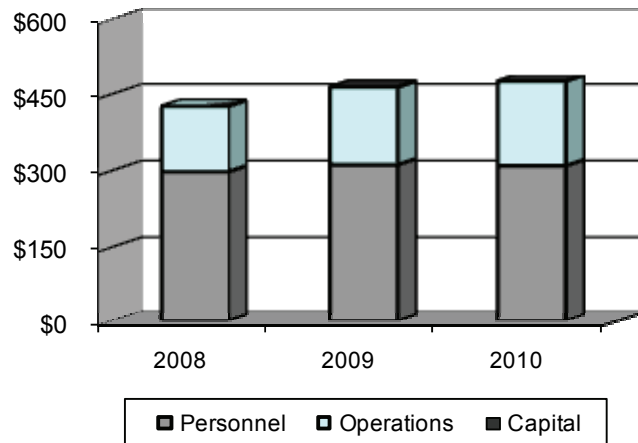
**MUNICIPAL COURT
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 298,433	\$ 318,710	\$ 312,150	\$ 309,990
Operations & maintenance	18,138	17,720	16,290	16,085
Services & other	109,832	150,910	135,665	149,841
SUBTOTAL	426,403	487,340	464,105	475,916
Capital outlay	-	-	-	-
TOTAL	\$ 426,403	\$ 487,340	\$ 464,105	\$ 475,916

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Municipal Court Clerk	Division Mgr	1.0	1.0	1.0
Municipal Judge	Exempt	0.5	0.5	0.5
Senior Deputy Court Clerk	A/TN-9	1.0	1.0	1.0
Deputy Court Clerk	A/TN-4	2.0	2.0	2.0
TOTAL		4.5	4.5	4.5

Municipal Court Expenditures (000's)





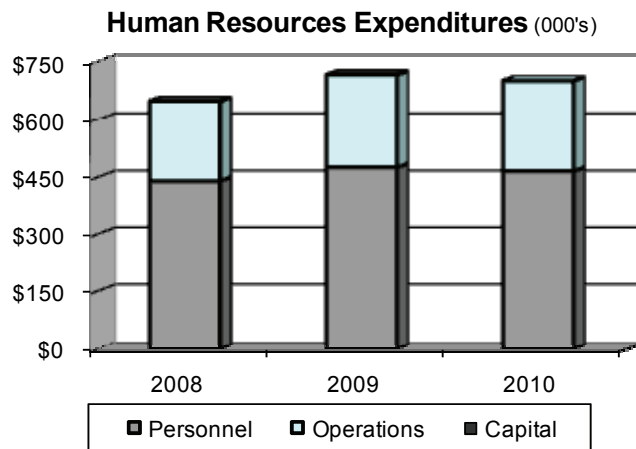
**HUMAN RESOURCES
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 440,503	\$ 520,050	\$ 475,475	\$ 465,850
Operations & maintenance	12,552	11,455	11,210	8,750
Services & other	195,031	231,260	229,140	226,180
SUBTOTAL	648,086	762,765	715,825	700,780
Capital outlay	-	-	-	-
TOTAL	\$ 648,086	\$ 762,765	\$ 715,825	\$ 700,780

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 366,937	\$ 442,750	\$ 398,245	\$ 369,025
City-wide Employee Activities	181,787	212,450	211,960	228,390
Risk Management	99,362	107,565	105,620	103,365
TOTAL	\$ 648,086	\$ 762,765	\$ 715,825	\$ 700,780

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	5.0	5.0	5.0
Risk Management	1.0	1.0	1.0
TOTAL	6.0	6.0	6.0



FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

DEPARTMENT DESCRIPTION:

The Human Resources Department is responsible for the employment-related activities involving human resources 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 development and organizational development, employment 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.
 - Help the City become an employer of choice.
2. 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/disciplinary, leaves, and risk management.
 - Develop HR staff expertise through effective training programs
 - Focus on continuous measurable 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>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
General employee turnover rate (excluding seasonal employees)	10.75%	8.00%	9.00%
The Keller Pointe (TKP) employee turnover rate (excluding seasonal employees)	50%	30%	25%
General job vacancies filled	54	35	30
TKP job vacancies filled	126	126	120
General applications processed*	1,380	500	350
TKP applications processed*	519	400	400

* For FY2008 and subsequent years, implementation of new procedures reduced the number of TKP applications processed.

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

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

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 337,935	\$ 404,025	\$ 360,660	\$ 353,460
Operations & maintenance	8,040	4,950	4,950	2,595
Services & other	20,962	33,775	32,635	12,970
SUBTOTAL	366,937	442,750	398,245	369,025
Capital outlay	-	-	-	-
TOTAL	\$ 366,937	\$ 442,750	\$ 398,245	\$ 369,025

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Director of Human Resources	Director	1.0	1.0	1.0
Human Resources Analyst	PE-5	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-6	1.0	1.0	1.0
TOTAL		5.0	5.0	5.0

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
City-Wide Employee
Activities

ACCOUNT:
100-170-11

DEPARTMENT DESCRIPTION:

The Human Resources Department is responsible for employment-related activities involving human resources that are intended to influence the productivity and effectiveness of the employees of the City. These non-departmental activities are provided to promote excellent customer service and to maintain a high retention rate of employees through the use of recognition programs and career development. Other educational opportunities prepare and support employees in various personal and professional ways. Human Resources staff encourages employees to utilize all City benefits because happy, healthy employees equate to overall cost savings to the City. In order to better define the city-wide activity costs, the costs have been separated from the general expenditures of the Human Resources Department.

DEPARTMENT/DIVISION GOALS:

1. Promote the City as an employer of choice through recognition and promotion of employees.
 - a. Reward and encourage employees for excellent customer service through "Quality Achievement Awards".
 - b. Encourage and support employees in their career development through effective training programs and tuition reimbursement.
 - c. Educate employees about all city benefits to improve utilization of such benefits and manage benefit costs. Opportunities are available through communication pieces, annual benefit fair and annual health fair that provide free health screenings and health issue information.

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>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Employees requesting tuition reimbursement benefit	25	28	23
Employees utilizing tuition reimbursement benefit	12	15	18
General job vacancies filled	57	35	19
Number of in-house promotions	3	14	3
Number of new hires from outside	48	21	16
Average annual training hours per employee *	N/A	4.65	3.0

* Beginning in FY2009, training hours are tracked in order to determine the average training hours per employee. It is anticipated that the FY2010 number will be less than the previous fiscal year because 1.25 hours of mandatory, compliance training for each employee was held in FY2009 and will not be repeated in FY2010, and because the majority of supervisors and customer service personnel have previously attended the required North Texas Municipal Alliance (NTMA) training.

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
City-Wide Employee
Activities

ACCOUNT:
100-170-11

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

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 6,346	\$ 13,000	\$ 13,000	\$ 13,000
Operations & maintenance	3,576	4,675	4,675	4,675
Services & other	171,865	194,775	194,285	210,715
SUBTOTAL	181,787	212,450	211,960	228,390
Capital outlay	-	-	-	-
TOTAL	\$ 181,787	\$ 212,450	\$ 211,960	\$ 228,390

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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This program was originally created in FY2007, by consolidating and transferring expenditures from other City funds and departments. Expenditures are primarily comprised of employee dues for The Keller Pointe, training programs, tuition reimbursement, unemployment compensation, and employee recognition programs for all City departments.

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.

DEPARTMENT/DIVISION GOALS:

Protect City Assets

- Minimize both the City's internal and external risk exposure.
- Continue effective risk management program, including the employee safety committee which reviews all potential loss events.

STANDARD MEASURES OF ACTIVITY:

The following metrics, though not measures of performance 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 the number of safety training classes.

<u>SERVICE ANALYSIS</u>	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
In-house safety training classes conducted	6	4	4
Worker compensation claims processed	43	30	35
Equipment and vehicle damage claims processed	12	30	30
Liability claims processed	28	28	30
Family Medical Leave Act (FMLA) requests processed	53	50	55

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Risk Management

ACCOUNT:
100-170-15

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

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 96,222	\$ 103,025	\$ 101,815	\$ 99,390
Operations & maintenance	936	1,830	1,585	1,480
Services & other	2,204	2,710	2,220	2,495
SUBTOTAL	99,362	107,565	105,620	103,365
Capital outlay	-	-	-	-
TOTAL	\$ 99,362	\$ 107,565	\$ 105,620	\$ 103,365

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Risk Manager	PE-10	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0

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. The department will work with the Keller Economic Development Board to create strategic partnerships with public and private entities to enhance competitiveness and entrepreneurial development.

DEPARTMENT/DIVISION GOALS:

1. Work to improve economic development conditions within the City of Keller by increasing and/or expanding the retail, commercial, and residential tax base.
2. Serve as a liaison between the City and Keller Economic Development Board (KEDB).
3. Work with Keller Center Developers and respective marketing groups to fully develop all land and buildings within Keller Town Center to maximize the economic impact of the Keller Increment Reinvestment Zone (TIF).
4. Update marketing/demographic materials, website, and community profile data; prepare and update community statistics for economic development purposes.
5. Update databases necessary for recruitment efforts, such as site and building inventories and appropriate marketing information, as well as prepare and disseminate economic incentive packages to appropriate and interested business prospects.
6. Continue the Targeted Business Program.
7. Inform and educate citizens about economic development activities through various organizations and media.
8. Continue the full implementation of the Old Town Keller Master Plan and assist the Old Town Keller Merchant's Association.
9. Oversee the Old Town Keller Façade Improvement Grant Program.
10. Oversee the Keep it in Keller program to support local businesses.
11. Attend at least four (4) trade shows to market the City of Keller to prospective developers, businesses, realtors, and investors.
12. Continue marketing Keller by developing the following objective:
 - Increase retail/commercial assessed taxable value by 7%
 - Increase sales tax revenue by 5%
 - Secure and/or announce 5 new targeted businesses
 - Increase taxable value in the Keller Town Center by \$10,000,000

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Economic development meetings with KEDB	50	52	20
Business prospect proposals distributed	189	170	200
New/expanded businesses announced and/or started	–	–	5
Marketing/Demographic brochures distributed	500	450	500
Promotional videos distributed	9	8	500
Business prospect contacts made	*	*	350
Trade shows attended	*	*	4

* – not available

FUND:
General

DEPARTMENT:
Economic Development

DIVISION:
Administration

ACCOUNT:
100-190-01

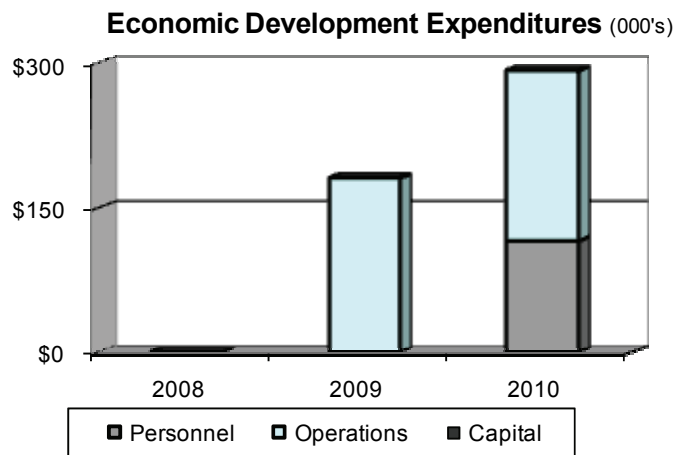
**ECONOMIC DEVELOPMENT
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ 116,260
Operations & maintenance	-	3,200	3,200	10,075
Services & other	-	69,850	177,200	165,635
SUBTOTAL	-	73,050	180,400	291,970
Capital outlay	-	-	-	-
TOTAL	\$ -	\$ 73,050	\$ 180,400	\$ 291,970

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

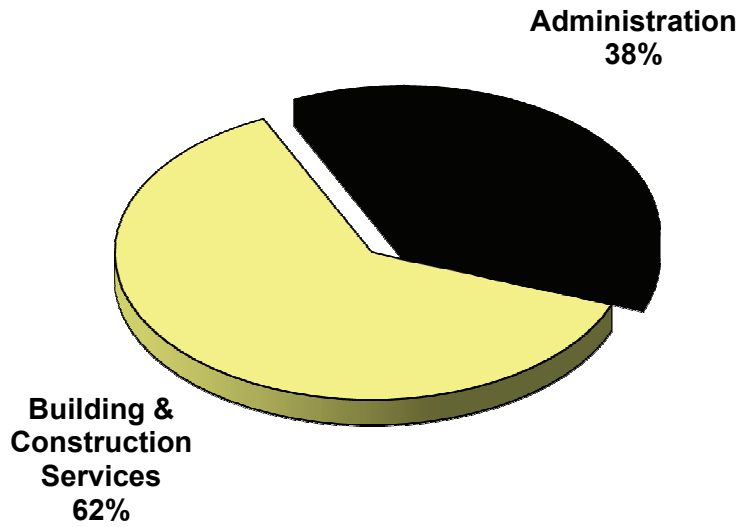
POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Economic Development Director (1)	Director	-	-	1.0
TOTAL		-	-	1.0

(1) Position transferred from General Government-Administration for fiscal year 2009-2010.



Economic development activities were accounted for in the General Government/Administration division in FY2008 and prior years.

Community Development

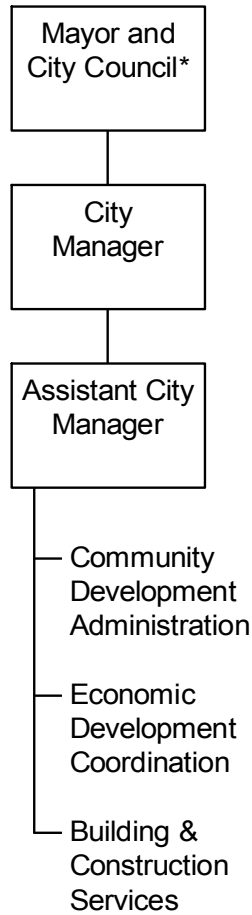


Department total: \$1,157,230



CITY OF KELLER, TEXAS ORGANIZATION CHART

COMMUNITY DEVELOPMENT



* – Denotes elected position.

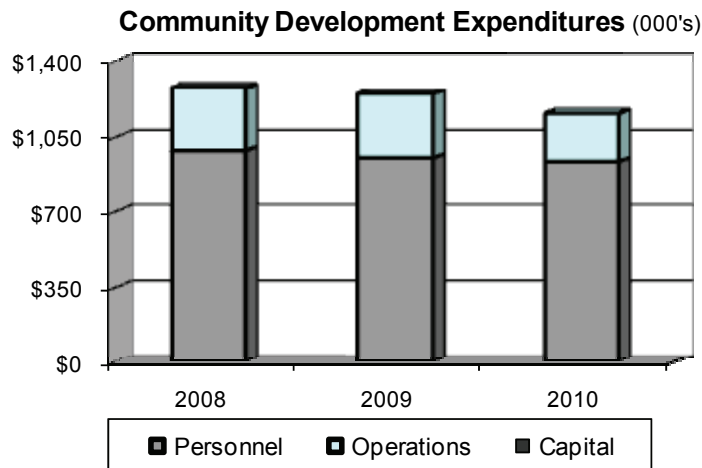
**COMMUNITY DEVELOPMENT
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 980,552	\$ 984,855	\$ 948,400	\$ 931,240
Operations & maintenance	15,260	25,320	23,185	36,670
Services & other	278,706	318,460	275,055	189,320
SUBTOTAL	1,274,518	1,328,635	1,246,640	1,157,230
Capital outlay	7,307	1,055	1,010	-
TOTAL	\$ 1,281,825	\$ 1,329,690	\$ 1,247,650	\$ 1,157,230

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 525,927	\$ 510,795	\$ 493,995	\$ 436,570
Building & Construction Services	755,898	818,895	753,655	720,660
TOTAL	\$ 1,281,825	\$ 1,329,690	\$ 1,247,650	\$ 1,157,230

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	7.0	6.0	6.0
Building & Construction Services	7.5	7.5	7.5
TOTAL	14.5	13.5	13.5



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. It 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 activities including determination of the highest and best use, and coordination and implementation of the Capital Improvements Plan and Impact Fee Ordinance. The Department provides coordination among other development related departments through management of the Development Review Committee 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, the Capital Improvements Advisory Committee, and the Zoning Board of Adjustments.

DEPARTMENT/DIVISION GOALS:

1. Maintain and improve the level of service provided to the citizens, City Council, members of appointed boards and the development community.
2. Streamline and facilitate all development projects in a timely manner.
3. Strengthen the effectiveness of development boards through training of members.
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 creating and maintaining a Unified Development Code.
6. 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.
7. Provide useful information such as development applications, policies and regulations on the City's web page for customer/ public access.
8. Assist in the implementation of the City's GIS program.
9. Assist the City with implementation of ordinances and development plans for Special Projects (i.e. Gas Well Ordinance Update; Hwy 377 North Corridor Plan; Town Center Ordinance Update; Land Use Assumptions, Roadway Capital Improvements Plan & Impact Fee Ordinance Update; TxDOT FM 1709 Median Project; Zip Code Changes).
10. Update demographic materials and community profile data; prepare and update community statistics for economic development purposes.
11. Assist Economic Development Department in updating database necessary for business recruitment efforts, such as site and building inventories, and marketing information, as well as prepare and disseminate economic incentive packages to appropriate and interested business prospects.
12. Assist Economic Development Department by providing data and information and promoting programs to attract new commercial development to Keller.

(Continued)

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Administration

ACCOUNT:
100-200-01

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Planning & Zoning Commission activities:			
regular P&Z meetings held	20	19	20
special meetings held for ordinance revisions and land use plan implementations, e.g., subdivision ordinance, impact fee ordinance and land use plan changes.	2	5	4
plat applications reviewed	56	35	40
zone change requests reviewed	9	10	15
site plans reviewed	26	15	20
specific use permit applications reviewed	24	10	15
Zoning Board of Adjustments activities:			
regular meetings held	11	10	10
variance applications reviewed	23	20	20
 <u>PERFORMANCE INDICATORS</u>			
Office Staff (FTE)	6.5	5	5
Average staff processing time for initial review of zoning and SUP applications	5	5	5
Average response from applicants regarding Initial review	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**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 477,936	\$ 444,805	\$ 418,870	\$ 409,675
Operations & maintenance	3,596	7,630	7,865	3,030
Services & other	44,395	58,360	67,260	23,865
SUBTOTAL	525,927	510,795	493,995	436,570
Capital outlay	-	-	-	-
TOTAL	\$ 525,927	\$ 510,795	\$ 493,995	\$ 436,570

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Assistant City Manager (1)	Director	1.0	-	-
Community Development Manager	Technical Mgr	-	1.0	1.0
Planning & Development Manager	Division Mgr	1.0	-	-
Senior Planner	PE-8	-	1.0	1.0
Planner II	PE-7	1.0	-	-
Planner I	PE-5	2.0	2.0	2.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Planning Intern	NA	1.0	1.0	1.0
TOTAL		7.0	6.0	6.0

(1) Position transferred to General Government/Administration for fiscal year 2008-2009.

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

DEPARTMENT DESCRIPTION:

Building and Construction Services is a division of the Community Development Department and 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 out sourced agency for inspection 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 on line access and web based software. The automation currently provides for phone and web inspection scheduling and checking on results.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Single-family building permits issued			
number of permits	277	153	160
value of residential permits (millions)	\$86	\$45	\$50
Value of non-residential permits (millions)	\$24	\$8	\$10
Number of miscellaneous permits issued	2,115	2,058	2,200
Number of inspections performed	6,896	5,205	5,600
Plans reviewed for new construction (residential & commercial)	356	272	190
Miscellaneous plans reviewed	1,547	1,490	1,550
Certificates of occupancy issued for existing structures	57	74	75
Code enforcement activities:			
on-site inspections	801	800	800
non-permitted sign removal	2,625	3,113	3,200

(Continued)

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

(Continued)

		<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>
		<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>PROJECTED</u>
PERFORMANCE INDICATORS				
Office Staff (5 FTE)	Phone calls	25,971	27,330	27,250
	Consultations/walk-ins	6,544	4,010	4,000
	Meetings	–	–	–
Inspectors (1 FTE)	Phone calls	1,209	980	980
	Consultations/walk-ins	96	110	110
	Meetings	20	26	26
Code Compliance (1.5 FTE)	Phone calls	4,628	3,028	3,028
	Consultations/walk-ins	261	192	192
	Meetings	42	26	26
Average number of days for staff to review plans and return comments to applicant:				
	Residential	10	10	10
	Signs	5	5	5
	Commercial alterations & finish-outs	15	15	15
	Percentage of code issues responded to in 24 hours	100%	100%	100%

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

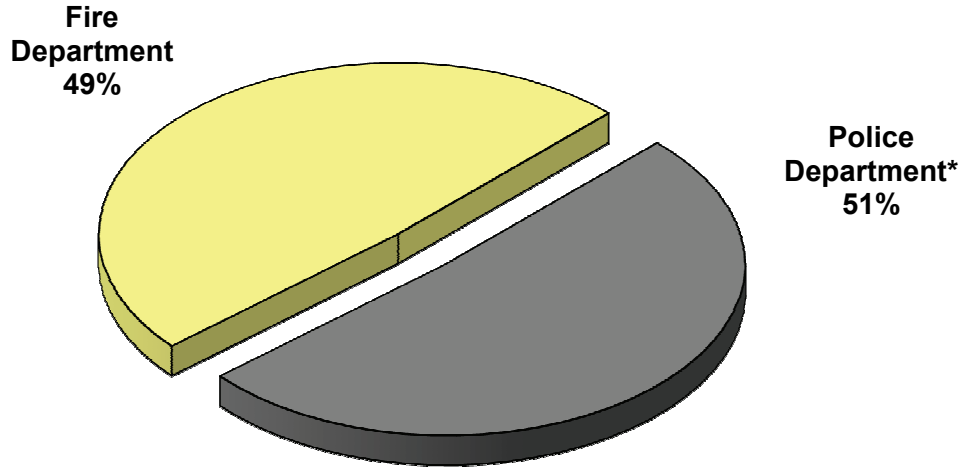
**COMMUNITY DEVELOPMENT / BUILDING & CONSTRUCTION SERVICES
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 502,616	\$ 540,050	\$ 529,530	\$ 521,565
Operations & maintenance	11,664	17,690	15,320	33,640
Services & other	234,311	260,100	207,795	165,455
SUBTOTAL	748,591	817,840	752,645	720,660
Capital outlay	7,307	1,055	1,010	-
TOTAL	\$ 755,898	\$ 818,895	\$ 753,655	\$ 720,660

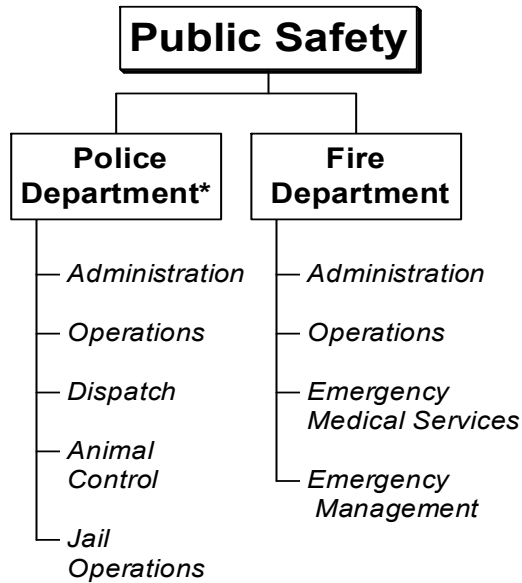
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Building Official	Division Mgr	-	1.0	1.0
Construction Services Coordinator	PE-7	1.0	1.0	1.0
Building Official	PE-7	1.0	-	-
Plans Examiner	A/TN-11	-	1.0	1.0
Code Compliance Inspector	A/TN-10	2.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	2.0	2.0
Customer Service Representative	A/TN-5	2.0	1.0	1.0
Community Development Field Worker	TN-1	0.5	0.5	0.5
TOTAL		7.5	7.5	7.5

Public Safety



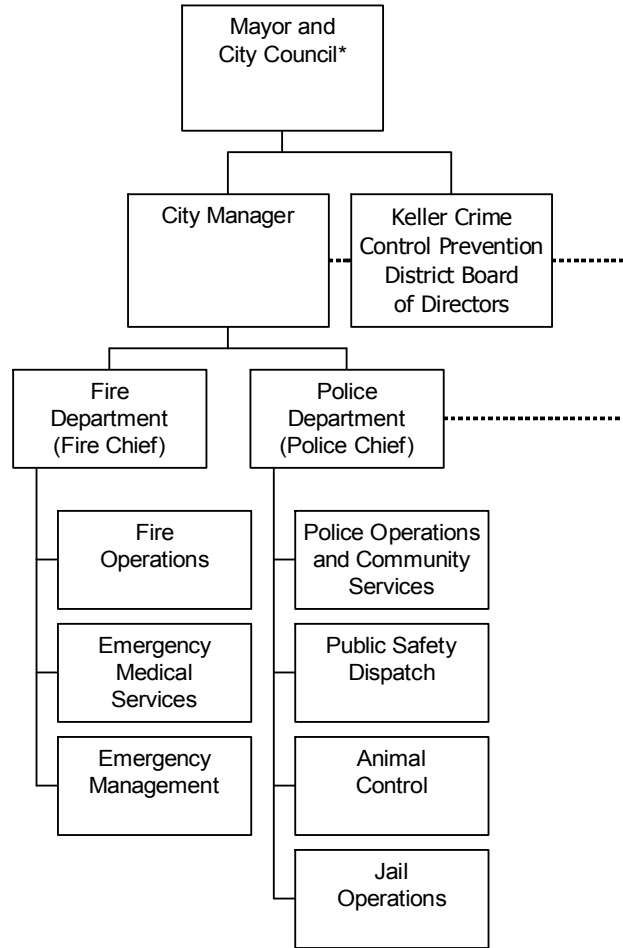
Department total: \$14,184,399



* Includes Town of Westlake and Keller/Southlake combined dispatch and jail operations.

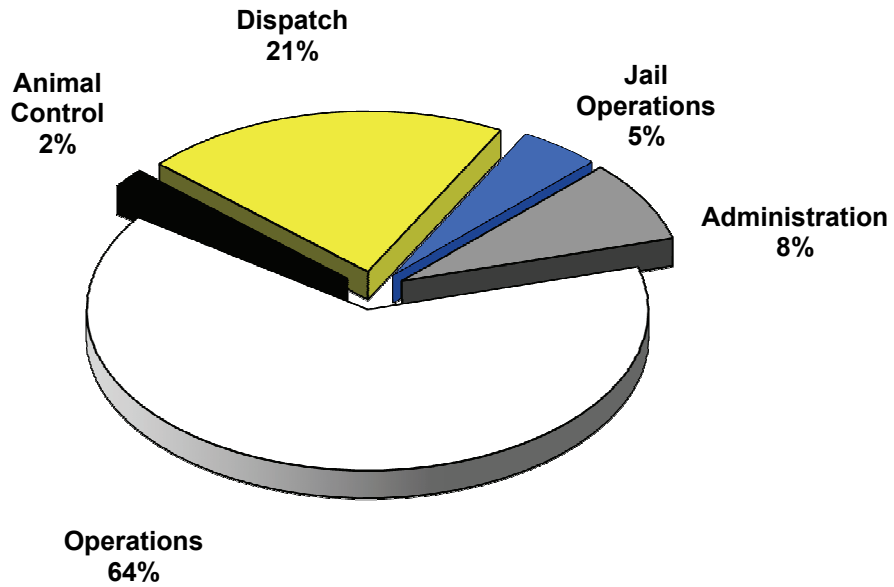
CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC SAFETY

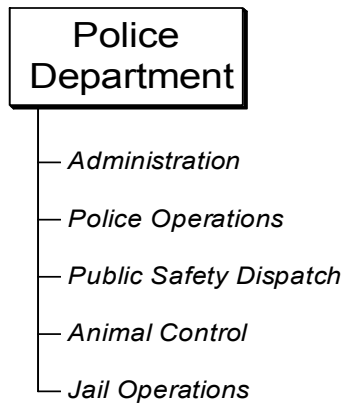


* - Denotes elected positions.

Police Department



Department total: \$7,256,084



**DEPARTMENT SUMMARY
POLICE DEPARTMENT**

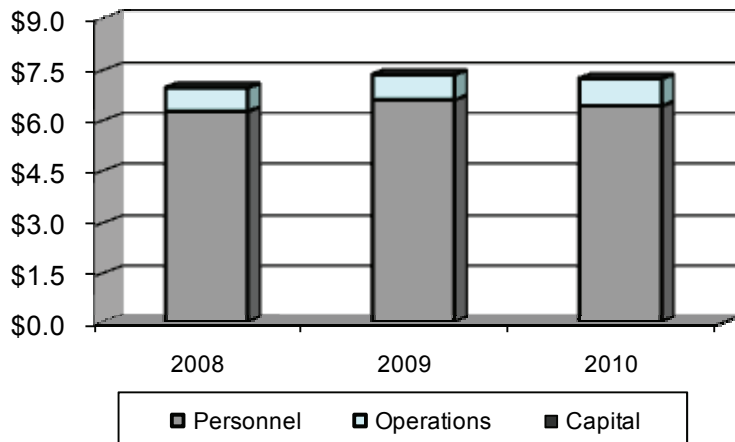
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 6,276,041	\$ 6,614,955	\$ 6,622,925	\$ 6,439,095
Operations & maintenance	331,470	419,050	369,370	415,240
Services & other	372,282	429,190	380,410	401,749
SUBTOTAL	6,979,793	7,463,195	7,372,705	7,256,084
Capital outlay	-	-	-	-
TOTAL	\$ 6,979,793	\$ 7,463,195	\$ 7,372,705	\$ 7,256,084

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 557,944	\$ 624,635	\$ 598,985	\$ 594,855
Police Operations	4,536,949	4,746,010	4,750,255	4,648,020
Public Safety Dispatch	1,405,363	1,575,950	1,522,775	1,532,728
Animal Control	134,498	151,655	149,315	142,545
Jail Operations	345,039	364,945	351,375	337,936
TOTAL	\$ 6,979,793	\$ 7,463,195	\$ 7,372,705	\$ 7,256,084

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	3.90	3.90	3.90
Police Operations	49.00	49.00	49.00
Public Safety Dispatch	22.00	22.00	22.00
Animal Control	2.00	2.00	2.00
Jail Operations	5.10	5.10	5.10
TOTAL	82.00	82.00	82.00

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 & education, crime control, animal control, public safety dispatch, and facility & equipment maintenance.

DEPARTMENT/DIVISION GOALS:

1. Continue to meet the service needs of a fast 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 five cities reporting the lowest Part 1 Crime Index compared to 15 cities we benchmark against in the Dallas/Fort Worth Metroplex.
2. Continue to emphasize crime prevention measures through our full-time community service officer using the CPTED (Crime Prevention Through Environmental Design) process working with the Community Development Department before homes and businesses are built.
3. Work with the Keller Crime Control and Prevention District to efficiently and effectively manage the sales tax funds to provide technology, vehicles, and a capital replacement fund.
4. Manage and monitor the long-term agreement to provide communications and jail services to the City of Southlake.
5. Manage, and monitor the Police Services Agreement with the Town of Westlake.
6. Plan for a regional solution to improve Animal Services.
7. Rotate bureau assignments for commanders and supervisors to properly develop personnel.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Total Part I major crimes	576	585	585
Total arrests	1,813	1,800	1,836
Total traffic accidents	327	426	435
Citizen initiated calls for service	30,851	34,000	35,000
Officer initiated calls for service	57,708	60,000	60,000
E-Safe E-mails	6,068	6,100	6,200

Excludes Town of Westlake activity.

FUND:
General

DEPARTMENT:
Police

DIVISION:
Administration

ACCOUNT:
100-300-01

**POLICE ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	<u>2007-2008</u> <u>ACTUAL</u>	<u>2008-2009</u> <u>BUDGET</u>	<u>2008-2009</u> <u>ESTIMATE</u>	<u>2009-2010</u> <u>PROPOSED</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 379,888	\$ 399,360	\$ 391,320	\$ 373,385
Operations & maintenance	34,798	49,065	44,590	48,080
Services & other	143,258	176,210	163,075	173,390
SUBTOTAL	557,944	624,635	598,985	594,855
Capital outlay	-	-	-	-
TOTAL	\$ 557,944	\$ 624,635	\$ 598,985	\$ 594,855

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

<u>POSITION TITLE</u>	<u>PAY</u> <u>CLASS</u>	<u>2007-2008</u> <u>ACTUAL</u>	<u>2008-2009</u> <u>ESTIMATE</u>	<u>2009-2010</u> <u>PROPOSED</u>
Police Chief	Director	1.0	1.0	1.0
Police Lieutenant	PSE-2P	0.9	0.9	0.9
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Building Maintenance Tech I	TN-1	1.0	1.0	1.0
TOTAL		3.9	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 a better place to live, visit, and conduct business.

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. Continue "KPYD" – (Keller Police for Youth Development). This program consists of one two-hour class held in the community room for ages 12 – 20. The objective is to instill leadership principles, while building relationships.
 - Make the class available to the Municipal Judge or court to assign as an alternative or addition to community service for court dispositions.
 - Offer the class free of charge to the parents experiencing difficulties with wayward teenagers during the officers' routine community interactions.
 - Continue to monitor the success rate and maintain the 80% rate of non-recidivism for non traffic violations.
2. Increase Bicycle Officer patrols in the parks and trails systems.
 - Deploy an officer to bike patrol for each shift when weather permits and minimum staffing has been satisfied.
 - Participate in Police Bicycle Race.
 - Conduct Semi-Annual training with an in-house instructor.
 - Deploy bike patrol officers during community events and parades.
 - Have the bike unit manage traffic at two large events.
3. Increase the use of the mounted patrol unit.
 - Deploy twice a month in commercial locations in Westlake and Keller.
 - Deploy regularly at large events in the parks and schools.
 - Conduct regular training with our in-house instructors.
4. Maintain officer-training levels through in-house training sources.
 - Average 30 hours of in-service training per officer.
5. Reduce traffic accident rate by 5% through enforcement and education efforts.
 - Respond to the routine traffic analysis and enforce intersection violations on an on-going basis.
 - Send Quarterly driving tips via the E-Safe email system.
6. Increase traffic enforcement visibility in neighborhoods and other locations of frequent traffic complaints.
 - Continue to place traffic complaints under the GEMINI traffic enforcement folder of complaints and schedule regular enforcement times at problem locations.
 - Conduct follow-up interviews with complainants to review results of the efforts.
 - Utilize portable L.E.D. speed signs for traffic calming.

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

(Continued)

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

7. Maintain a narcotics investigator position.
 - Fund and expand our current narcotics position to reduce narcotics violations and sales.
 - Work in cooperation with our school resource officers to identify investigative leads to reduce the access of drugs to our students.
8. Continue efforts to curb underage alcohol and tobacco use.
 - Conduct two alcohol/tobacco stings.
 - Reinforce efforts by training local business employees.
9. Continue to utilize Citizens Academy alumni to volunteer for support services (warrants, property destruction, and victim's assistance).

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Case clearance rate	66.8%	66.5%	66.5%
Part 1 crime clearance rate	30.0%	31.0%	32.0%
Total arrests made	1,354	1,570	1,610
Total citations issued	12,755	11,750	11,800
Total cases investigated	2,027	2,200	2,250

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

**POLICE OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
Personnel services	\$ 4,186,947	\$ 4,332,025	\$ 4,401,390	\$ 4,245,435
Operations & maintenance	248,184	301,085	252,580	298,970
Services & other	101,818	112,900	96,285	103,615
SUBTOTAL	4,536,949	4,746,010	4,750,255	4,648,020
Capital outlay	-	-	-	-
TOTAL	\$ 4,536,949	\$ 4,746,010	\$ 4,750,255	\$ 4,648,020

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Police Lieutenant	PSE-2P	2.0	2.0	2.0
Police Sergeant	PSN-11P	6.0	6.0	6.0
Criminal Investigator/Corporal	PSN-4P	6.0	6.0	6.0
Police Officer	PSN-2P	35.0	35.0	35.0
TOTAL		49.0	49.0	49.0

FUND: General	DEPARTMENT: Police	DIVISION: Public Safety Dispatch	ACCOUNT: 100-300-21
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DEPARTMENT DESCRIPTION:

The Keller-Southlake Emergency Communications Center 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 68,000 residents in an area covering 47.5 square miles. The center's staff of 22 full time employees, including 18 dispatchers, answers hundreds of daily calls, seven days a week, 365 days a year. The 2 civilian Records Technician's 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 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 in 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.
5. Respond to all record requests under terms of the Texas Public Information Act.
6. Enhance the division employee's skills in providing excellent customer service.

DEPARTMENT/DIVISION OBJECTIVES:

1. Maintain the dispatch portion of the overall police response time for emergency calls to 2 minutes.
2. Maintain the dispatch portion of the overall fire/EMS response time for emergency calls within the Keller/Southlake city limits to 1 minute.
3. Answer all incoming 911 calls within 10 seconds to enhance the feeling of safety for our citizens.
4. Continue to improve overall response times through employee training, improved vendor performance, and equipment upgrades.
5. Continue to respond to all open record requests within 10 days of receipt.
6. Maintain high levels of employee training in all communications/records related fields.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Inputs:			
Total number of authorized division personnel:	22	22	22
Manager	1	1	1
Supervisor	1	1	1
Dispatcher	18	18	18
Records Technician	2	2	2
Outputs:			
Activities processed by the KSECC:			
Number of police calls for service	151,738	147,230	155,124
Keller	88,846		
Southlake	61,986		
Westlake	906		

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch

ACCOUNT:
100-300-21

(Continued)

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Outputs:			
Number of fire/EMS calls for service	4,828	4,841	4,985
Keller	2,761		
Southlake	1,791		
Westlake	276		
Number of 911 phone calls	30,350	28,904	31,338
Number of in-coming phone calls	203,526	222,300	238,660
Open record requests processed	2,374	2,300	2,400
Effectiveness:			
Average time from call dispatch to arrival:			
Police emergency response time (minutes)	4.46	4.47	4.50
Fire/EMS emergency response time (minutes)	6.36	6.15	5.85
Efficiency:			
Average time from call receipt to dispatch:			
Police emergency calls (minutes)	1.43	1.35	1.30
Fire/EMS emergency calls (minutes)	1.19	1.15	1.00
Percentage of 911 phone calls answered within 10 seconds	100%	100%	100%

FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch

ACCOUNT:
100-300-21

**POLICE / PUBLIC SAFETY DISPATCH
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,290,977	\$ 1,437,895	\$ 1,394,350	\$ 1,401,015
Operations & maintenance	30,928	44,145	41,830	43,355
Services & other	83,458	93,910	86,595	88,358
SUBTOTAL	1,405,363	1,575,950	1,522,775	1,532,728
Capital outlay	-	-	-	-
TOTAL	\$ 1,405,363	\$ 1,575,950	\$ 1,522,775	\$ 1,532,728

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Regional Communications Manager	Division Mgr	1.0	1.0	1.0
Regional Dispatch Supervisor	PN-8	1.0	1.0	1.0
Dispatcher	PN-3	18.0	18.0	18.0
Senior Records Technician	A/TN-5	1.0	1.0	1.0
Records Technician	A/TN-4	1.0	1.0	1.0
TOTAL		22.0	22.0	22.0

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Control

ACCOUNT:
100-300-23

DEPARTMENT/DIVISION DESCRIPTION:

The Animal Control Division of the Keller Police Department provides enforcement of the animal ordinance within the City of Keller 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. Continual efforts to expand the adoption program have been successful.

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. Continue to strive for receiving no citizen dissatisfaction complaints regarding animal control efforts.
 - Answer incoming calls by the third ring.
 - Return voice mails within one hour while on duty. During off-duty the phones will be transferred to dispatch.
 - When two officers are on duty, staff the shelter with one officer to answer walk-ins, unless an emergency exists and it requires two officers to handle the call.
 - Conduct weekly inspection of the facilities to ensure cleanliness and proper care. Utilize appropriate form to capture the results.
2. Increase the number of impounds and adoptions by 8%.
 - Utilize rescue groups to adopt animals.
 - Utilize the city web-site to advertise animal adoptions.
 - Conduct proactive patrols.
 - Participate in community events where you may have an opportunity to adopt an animal.
3. Continue volunteer staffing to assist with kennel care
 - Continue to allow volunteers to answer the telephones, greet walk-ins, interact, groom, bathe friendly animals and clean the kennels.
4. Increase the notification of ordinance violations
 - Determine and make notification to owners whose animals license has expired
 - Adoption obligations are in compliance
5. Continue to train Animal Control Officers with the Less Lethal Munitions and State Required Certification.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Stray animals impounded	1,511	1,322	1,335
Citations issued	103	22	26
Total calls for service	14,926	16,680	16,846
Animal bite reports taken	74	58	86
Reported rabies incidents	—	2	1
Animals adopted/redeemed	885	924	933

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Control

ACCOUNT:
100-300-23

**POLICE / ANIMAL CONTROL
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 110,160	\$ 123,055	\$ 126,590	\$ 118,945
Operations & maintenance	8,305	13,410	12,950	13,490
Services & other	16,033	15,190	9,775	10,110
SUBTOTAL	134,498	151,655	149,315	142,545
Capital outlay	-	-	-	-
TOTAL	\$ 134,498	\$ 151,655	\$ 149,315	\$ 142,545

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Animal Control Officer	TN-5	2.0	2.0	2.0
TOTAL		2.0	2.0	2.0

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

DEPARTMENT/DIVISION DESCRIPTION:

The primary responsibility of the Jail Operations Division is to provide a safe, secure, and humane environment for detainees who are arrested by Keller, Southlake and Westlake. 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. Decrease the errors in court paperwork.
3. Continue to comply with Accreditation Standards
4. Conduct weekly inspection of the jail facility for safety purposes and cleanliness.
5. Provide a positive atmosphere with other employees by following our 4 core values, (empathy, edification, enthusiasm and excellence).
6. Continue to involve Detention Officers in defensive tactics training techniques.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Keller prisoners detained	1,498	1,400	1,450
Southlake prisoners detained	1,032	1,000	1,055
Westlake prisoners detained	349	340	350

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

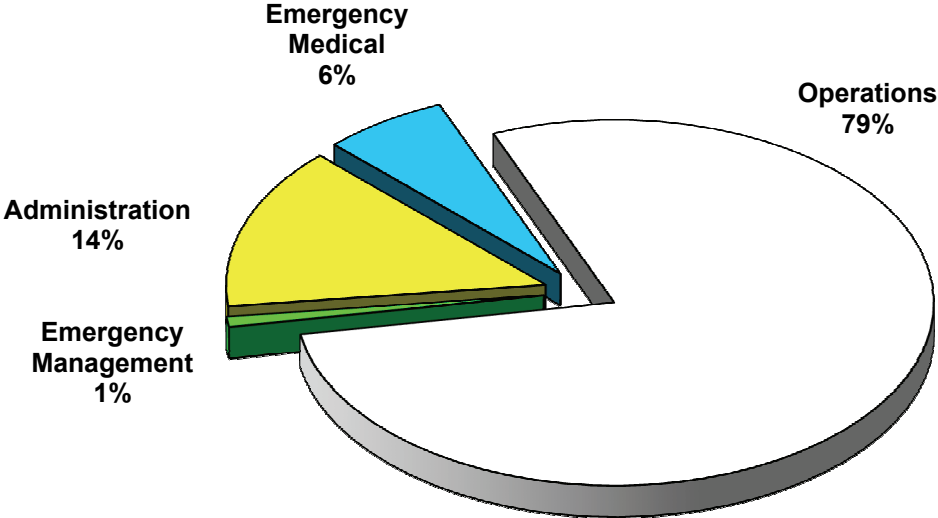
**POLICE / JAIL OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 308,069	\$ 322,620	\$ 309,275	\$ 300,315
Operations & maintenance	9,255	11,345	17,420	11,345
Services & other	27,715	30,980	24,680	26,276
SUBTOTAL	345,039	364,945	351,375	337,936
Capital outlay	-	-	-	-
TOTAL	\$ 345,039	\$ 364,945	\$ 351,375	\$ 337,936

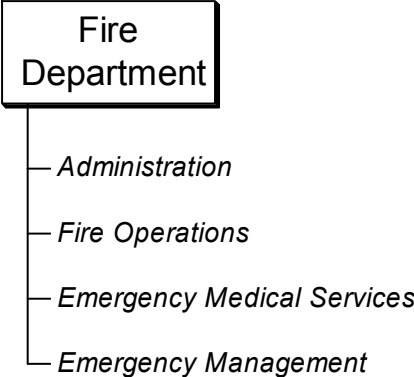
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Police Lieutenant	PSE-2P	0.1	0.1	0.1
Detention Officer	PN-2	5.0	5.0	5.0
TOTAL		5.1	5.1	5.1

Fire Department



Department total: \$ 6,928,315



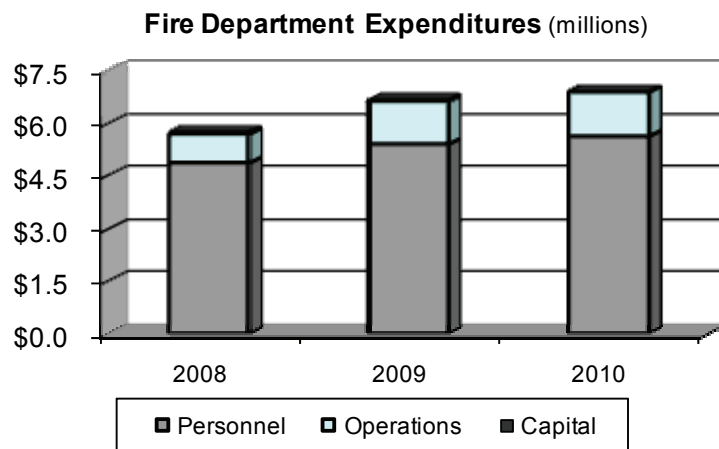
FIRE DEPARTMENT DEPARTMENT SUMMARY

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,866,526	\$ 5,605,370	\$ 5,405,525	\$ 5,634,630
Operations & maintenance	558,316	707,315	673,720	673,705
Services & other	274,053	405,575	566,040	605,030
SUBTOTAL	5,698,895	6,718,260	6,645,285	6,913,365
Capital outlay	71,214	45,035	65,350	14,950
TOTAL	\$ 5,770,109	\$ 6,763,295	\$ 6,710,635	\$ 6,928,315

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 949,665	\$ 1,036,760	\$ 882,185	\$ 996,135
Fire Operations	4,548,934	5,411,515	5,341,810	5,434,410
Emergency Medical Services	224,108	243,000	411,900	436,265
Emergency Management	47,402	72,020	74,740	61,505
TOTAL	\$ 5,770,109	\$ 6,763,295	\$ 6,710,635	\$ 6,928,315

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	8.5	8.5	8.5
Fire Operations	54.0	52.0	52.0
TOTAL	62.5	60.5	60.5



FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

DEPARTMENT DESCRIPTION:

The Keller Fire-Rescue Department's Administration Division consists of eight (8) employees. The Fire Chief/Emergency Management Coordinator who in addition to serving as the Fire Department's Director also coordinates all activities regarding Emergency Management and Homeland Security for all City departments regarding disaster planning, preparedness, response, and recovery operations. The Assistant Chief for Operations who oversees direct leadership of four Battalion Fire Chiefs (one for each shift and the Battalion Chief for EMS/Training and Safety), fire officers and fire fighters at three geographically separated fire stations and all facets of fire fighting, rescue, supplies and rescue training budgets. The Battalion Chief for EMS/Training and Safety reports directly to the Assistant Chief for Operations and oversees all aspects of the Emergency Medical Program including coordination with our Emergency Medical Director who is a contracted physician ensuring quality control over our paramedics as well managing the department's fire suppression and rescue training and safety program. The Assistant Chief for Fire Prevention/Fire Marshal directs the efforts of the Fire Prevention/Inspection and Fire Safety Education Division which consist of two additional fire inspectors who work intimately with the City's Code Development Review Committee to ensure compliance with all fire code issues. These individuals, as a team, are the linchpin in 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. Lastly, The Administrative Secretary and the Records Technician are the primary focal point for citizen questions and our employees regarding a myriad of issues while coordinating the thousands of financial transaction necessary to maintain the fire protection system legally and ethically under City, State and Federal directives.

Fire Administrative duties include:

- Provide top-notch customer service to the citizens of Keller, the members of this department, and the employees and staff of the City of Keller.
- Ensure the proper efficient, ethical and effective utilization of City of Keller resources for the life safety and quality of life for citizens and visitors to Keller.
- Plan for the continued quality improvement of the department.
- 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, 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 is receiving 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 and Heavy Rescue Teams
 - Hazardous Materials Response
 - Mass Decontamination Team
 - Mass Casualty Response Team
 - Swift water Rescue Team
 - Texas Task Force One (Urban Search and Rescue Team)
 - North Texas Type 3 Incident Management Team
- Analyze the current and future needs of the Department such as capital improvements (fire station needs and location, fire apparatus replacement and acquisition, and staffing) to ensure proper planning and financial support, through grants and budget is available to meet those needs.

(continued)

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

(Continued)

DEPARTMENT/DIVISION GOALS:

1. Aggressively seek grant funding in support of the Department to include; Assistance to Fire Fighters Grant funding for Fire Fighter Operations Safety, Fire Prevention Activities, Safe Fire Fighter Staffing and Economic Stimulus.
2. Initiate the Commission on Fire Accreditation "Self- Assessment" process with the goal of acquiring international accreditation for the Department.
3. Assessing and developing an action plan for the department and the community to lower the City's Insurance Services Office (ISO) Property Protection Code (PPC) rating to save taxpayers money and provide the City an incentive lure for new business and commercial development.
4. Seek the consolidation of the Emergency Management function with the City of Southlake to improve operational efficiency, effectiveness, and professionalism.
5. Develop an Officer Development Program within the department to provide a career progression template for current members to follow for career advancement and allow for better continuity within the department.
6. Revise departmental policies and procedures to ensure they are current and meet the dynamic nature of the fire service.
7. Upgrade the command fleet.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Total Fire & EMS calls for service	2,803	3,136	3,450
Average overall response time (minutes)	5.4	5.2	5.2
Fire investigations conducted	50	52	55
Commercial construction plans/plats reviewed	268	160	200
Commercial fire inspections conducted	516	594	620
Public fire education programs conducted	119	156	170
Gas well site inspections	36	46	55

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

**FIRE DEPARTMENT ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 803,712	\$ 877,725	\$ 718,955	\$ 830,560
Operations & maintenance	39,525	40,760	45,515	48,480
Services & other	65,365	118,275	117,715	117,095
SUBTOTAL	908,602	1,036,760	882,185	996,135
Capital outlay	41,063	-	-	-
TOTAL	\$ 949,665	\$ 1,036,760	\$ 882,185	\$ 996,135

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Fire Chief	Director	1.0	1.0	1.0
Ass't Chief-Operations	Director	1.0	1.0	1.0
Battalion Chief-EMS/Training	Director	-	1.0	1.0
EMS Division Chief	PSE-2F	1.0	-	-
Ass't Chief-Fire Prevention	PSE-2F	1.0	1.0	1.0
Fire Inspector/Investigator	PSN-2FI	1.0	1.0	1.0
Fire Inspector	PSN-1F1	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Accounting Technician	A/TN-7	1.0	1.0	1.0
Fire/Emergency Management Intern	NA	0.5	0.5	0.5
TOTAL		8.5	8.5	8.5

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 utilizes three major fire apparatus, two ambulances and two brush trucks. 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 Keller-Southlake Emergency Communications Center using an 800 MHz radio system in which Keller is a joint member with five other area cities.

DEPARTMENT/DIVISION GOALS:

1. Update and expand operational policies to meet accreditation requirements.
2. Implement changes as recommended by consultant to improve ISO rating.
3. Implement Battalion Chiefs who will serve as shift commanders on a 24 hour basis.
4. Improve efficiency in staff scheduling and payroll recordkeeping/calculating by changing from a manual system to a computerized employee management system.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Calls for service (excludes EMS calls):			
Fire calls and other emergencies	763	867	942
Public service calls	207	231	266

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Fire Operations

ACCOUNT:
100-350-40

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

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,062,814	\$ 4,727,645	\$ 4,686,570	\$ 4,804,070
Operations & maintenance	372,179	511,680	447,225	453,920
Services & other	113,941	153,115	168,015	161,470
SUBTOTAL	4,548,934	5,392,440	5,301,810	5,419,460
Capital outlay	-	19,075	40,000	14,950
TOTAL	\$ 4,548,934	\$ 5,411,515	\$ 5,341,810	\$ 5,434,410

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Battalion Chief	PSN-12F	-	3.0	3.0
Fire Captain	PSN-10F	6.0	9.0	9.0
Fire Equipment Operator	PSN-2F	6.0	9.0	9.0
Firefighter/Paramedic Field Training Officer	PSN-2F	6.0	6.0	6.0
Firefighter/Paramedic	PSN-1F	36.0	25.0	25.0
TOTAL		54.0	52.0	52.0

FY2010 highlights: capital outlay funding provides for implementation of an automated departmental records management system.

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

DEPARTMENT DESCRIPTION:

The Fire Department/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. Personnel services funding for Emergency Medical Technicians and Paramedics are included in the Fire Operations division.

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. Decrease and maintain average time in minutes for EMS down-time to forty (40) minutes.
4. Replace two (2) aging ambulances to fleet: one (1) in service at Station #4 and one (1) in service at Station #3 and utilize the two ambulances being replaced as reserve ambulances.
5. Seek grants to increase number of automated external defibrillators (AEDs) in the fire department so that all administrative and inspector's vehicles will be equipped with emergency defibrillation equipment.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
EMS/Rescue calls for service	1,833	2,038	2,242
EMS total patients not transported	438	530	583
EMS total patient transports	1,320	1,468	1,614
EMS mutual aid provided (included in above total)	118	122	134
EMS mutual aid received (included in above total)	79	81	90
<u>BENCHMARKS</u>			
EMS response time (from dispatch to on location, average minutes)	5.25	5	5
EMS down time (at hospital to available for call, average minutes)	48.5	48	40

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

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

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	137,174	133,675	159,355	160,555
Services & other	56,783	83,365	227,195	275,710
SUBTOTAL	193,957	217,040	386,550	436,265
Capital outlay	30,151	25,960	25,350	-
TOTAL	\$ 224,108	\$ 243,000	\$ 411,900	\$ 436,265

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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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 (EM) 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 man-made 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 work seamlessly with Tarrant County, North Central Texas Council of Governments, as well as State and Federal agencies to facilitate stellar intergovernmental relationships that have proven worthwhile in times of disaster. As a public service the EM Division in conjunction with Keller fire fighters and the City of Fort Worth Environmental Services Department conduct bi-annual household hazardous waste collection events each year. These events are proactive "Green Initiatives" that keep toxic waste out of the environment and make homes safer.

DEPARTMENT/DIVISION GOALS:

1. Work to enhance the value of the Community Emergency Response Team (CERT) to the community by greater involvement and publicity.
2. Continue to track compliance with NIMS training requirements.
3. Acquire advance training for staff and elected officials concerning disaster incident management
4. Hold at least one table-top and one Emergency Operation Center exercise per year.
5. Seek additional EMI training for the Emergency Management Coordinator to facilitate better involvement in the program.
6. Seek grant funding to upgrade the outdoor emergency warning siren system.
7. Explore the acquisition of a reverse 911 type system for the early warning and evacuation of citizens in times of natural and man-made disasters.
8. Provide exciting training opportunities and events to maintain interest in CERT.
9. Explore merging Emergency Management functions with City of Southlake.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Household hazardous waste collection events	2	2	2
Keller household hazardous waste program participants (Fort Worth Environmental Collection Center)	586	600	620

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

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

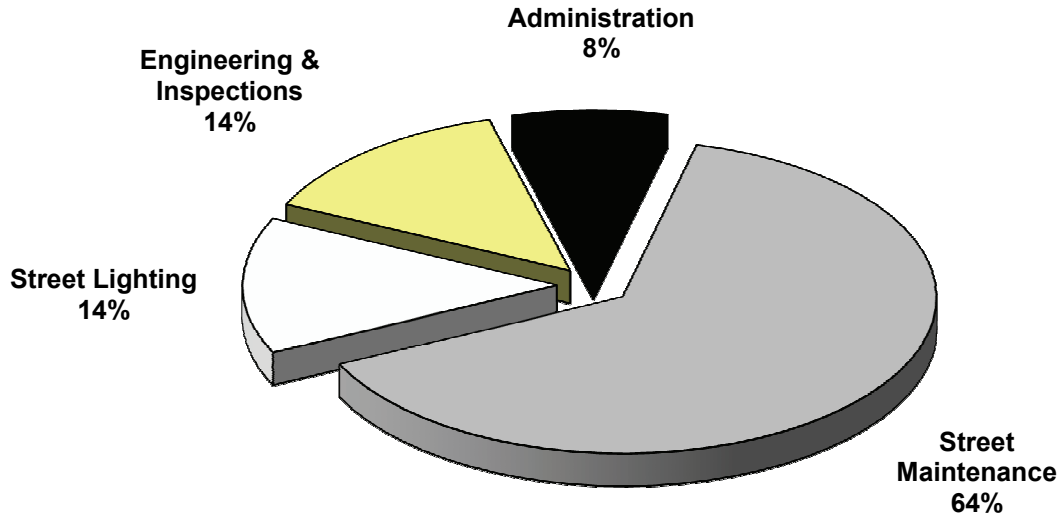
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	9,438	21,200	21,625	10,750
Services & other	37,964	50,820	53,115	50,755
SUBTOTAL	47,402	72,020	74,740	61,505
Capital outlay	-	-	-	-
TOTAL	\$ 47,402	\$ 72,020	\$ 74,740	\$ 61,505

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

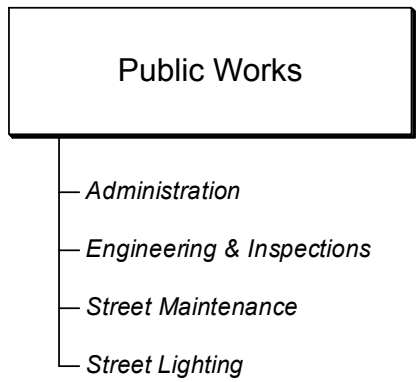
POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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Public Works

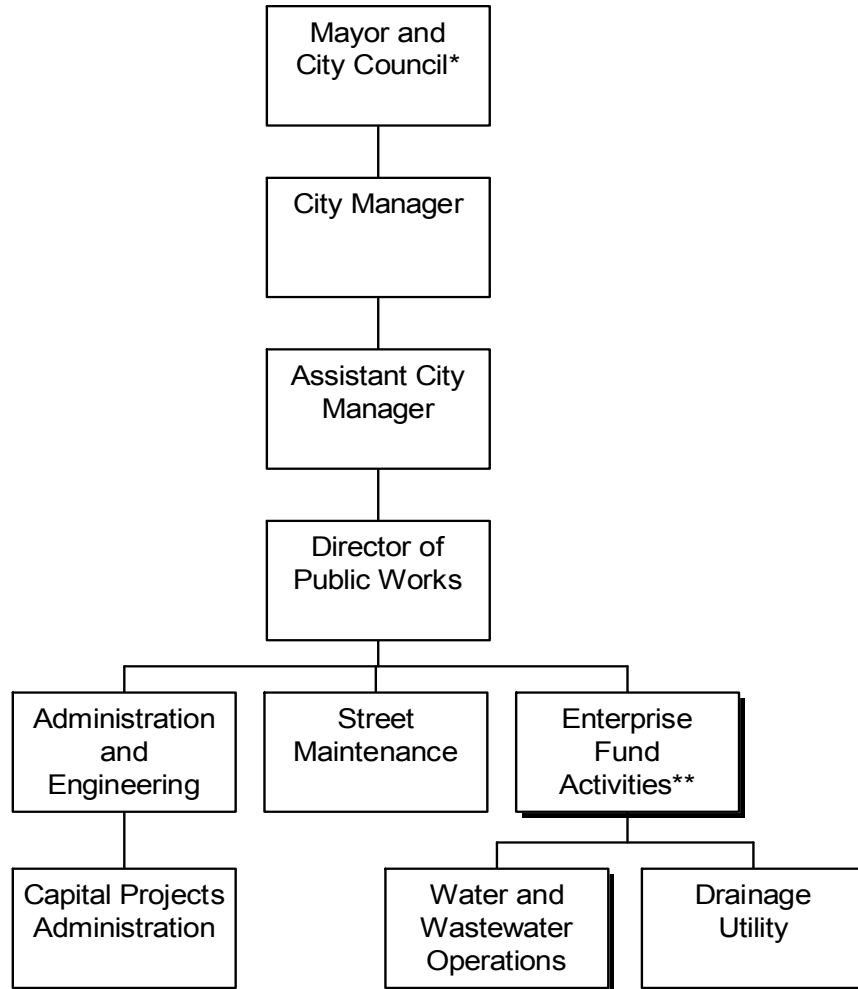


Department total: \$3,022,315



CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC WORKS



* – Denotes elected positions.

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

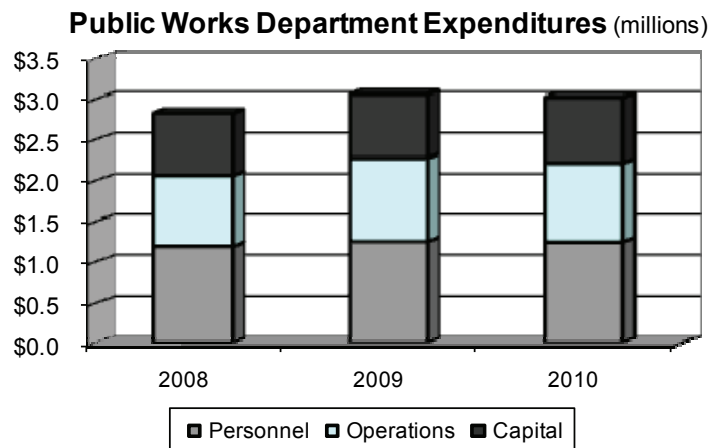
**PUBLIC WORKS
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,194,468	\$ 1,290,835	\$ 1,253,880	\$ 1,248,145
Operations & maintenance	277,631	322,910	313,285	295,250
Services & other	592,155	712,280	711,095	671,535
SUBTOTAL	2,064,254	2,326,025	2,278,260	2,214,930
Capital outlay	766,687	912,260	783,725	807,385
TOTAL	\$ 2,830,941	\$ 3,238,285	\$ 3,061,985	\$ 3,022,315

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 236,063	\$ 249,640	\$ 244,290	\$ 240,675
Engineering & Inspections	381,647	455,115	438,080	418,160
Street Maintenance	1,760,040	2,108,530	1,954,615	1,938,480
Street Lighting	453,191	425,000	425,000	425,000
TOTAL	\$ 2,830,941	\$ 3,238,285	\$ 3,061,985	\$ 3,022,315

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	2.00	2.00	2.00
Engineering & Inspections	3.50	3.50	3.50
Street Maintenance	11.83	11.83	11.83
TOTAL	17.33	17.33	17.33



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, and street lighting activities of 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 cost, throughout the fiscal year.
2. Continuously review and improve customer service for the citizens of Keller by holding quarterly sessions with Public Works staff on the customer service process.
3. Provide effective and efficient guidance and supervision of the engineering, inspection, street maintenance and drainage divisions.
4. Work with the Division Managers toward the improvement of their professional knowledge and skills through in house and external educational opportunities.
5. Review all budgets on a monthly basis to ensure cost containment and adherence to budget expenditure policies.
6. Respond to e-mail and citizen request within 24 hours of message or request receipt.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Scheduled customer service meetings	NA	2	4
Scheduled coordination meetings with staff	52	52	52
Schedule staff to attend external quarterly training sessions	4	4	4
Review all budgets	12	12	12

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Administration

ACCOUNT:
100-500-01

**PUBLIC WORKS ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 220,069	\$ 235,095	\$ 231,640	\$ 227,740
Operations & maintenance	4,763	4,000	2,980	3,200
Services & other	11,231	10,545	9,670	9,735
SUBTOTAL	236,063	249,640	244,290	240,675
Capital outlay	-	-	-	-
TOTAL	\$ 236,063	\$ 249,640	\$ 244,290	\$ 240,675

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Director of Public Works	Director	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
TOTAL		2.0	2.0	2.0

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Engineering & Inspections

ACCOUNT:
100-500-50

DEPARTMENT/DIVISION DESCRIPTION:

The Engineering & Inspection 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 5 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 infrastructure mapping and 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. Inspectors will spend 80% of their work time in the field providing inspections of public water, sewer, 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.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
In-house public works construction projects designed	10	12	14
Review & approve capital improvement projects designed by others	20	20	22
Street, water and wastewater map updates prepared	4	4	4
Development Review Committee items reviewed	165	180	190
Paving and utility inspections conducted for residential, commercial and capital improvement projects	8,000	8,200	8,400
Residential inspections conducted	2,100	2,200	2,300
Customer service requests completed	2,700	2,750	2,800

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Engineering & Inspections

ACCOUNT:
100-500-50

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

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 290,895	\$ 319,105	\$ 306,305	\$ 309,705
Operations & maintenance	9,354	10,685	8,935	9,435
Services & other	81,398	125,325	122,840	99,020
SUBTOTAL	381,647	455,115	438,080	418,160
Capital outlay	-	-	-	-
TOTAL	\$ 381,647	\$ 455,115	\$ 438,080	\$ 418,160

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
City Engineer	Technical Mgr.	1.0	1.0	1.0
Engineering Technician	A/TN-11	1.0	1.0	1.0
Construction Inspector	A/TN-11	1.0	1.0	1.0
Engineering Intern	NA	0.5	0.5	0.5
TOTAL		3.5	3.5	3.5

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 responsibility, the division maintains the transportation system through the installation and maintenance of guardrails, barricades, street signs, traffic signals, routine street maintenance, pothole patching, curb & gutter maintenance, asphalt overlay, street striping, maintenance of all dedicated street easements, and right-of-way mowing and maintenance.

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. Conduct visual asphalt and concrete roadway condition surveys of 30% of the City's roadways for conformation of annual street maintenance program.
3. Repair potholes and replace and/or repair damaged street regulatory signs within 24 hours of notification and street information signs within 48 hours of notification.
4. Continue the implementation of a sidewalk repair program, the ultimate goal of which is to identify and repair 100% of defective sidewalks annually.
5. Determine the priority of roadways to be repaired annually using different methods such as slurry seal/micro-surfacing, hot top overlays, or complete reconstruction.
6. Continue an on-going street sweeping program to clean all City streets a minimum of 3 times a year.
7. Implement a traffic sign database utilizing the GBA Master Series software system.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Lane miles of paved streets to be maintained	410	414	418
Tons of hot-mix asphalt used for major street repairs*	9,567	10,750	10,750
Tons of cold-mix asphalt used for street potholes	41	40	40
Linear feet of sidewalks repaired	454	500	575
Street signs repaired/replaced	716	700	725
Sidewalks repaired/replaced in-house (linear feet)	56	225	200
Miles of street striping completed	16	16	16
Acres of right-of-way & channels mowed	70	70	70
Miles of street sweeping completed	1,410	1,400	1,400
Lane miles of streets crack-sealed	13	17	19

* – 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**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 683,504	\$ 736,635	\$ 715,935	\$ 710,700
Operations & maintenance	263,514	308,225	301,370	282,615
Services & other	104,723	151,410	153,585	137,780
SUBTOTAL	1,051,741	1,196,270	1,170,890	1,131,095
Capital outlay	708,299	912,260	783,725	807,385
TOTAL	\$ 1,760,040	\$ 2,108,530	\$ 1,954,615	\$ 1,938,480

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Street/Drainage Superintendent	Division Mgr	0.50	0.50	0.50
Street/Drainage Foreman	TN-8	1.00	1.00	1.00
Street Crewleader	TN-6	2.00	2.00	2.00
Equipment Operator	TN-5	1.00	1.00	1.00
Sign Technician	TN-3	2.00	2.00	2.00
Street Maintenance Worker	TN-2	5.00	5.00	5.00
Administrative Secretary	A/TN-8	0.33	0.33	0.33
TOTAL		11.83	11.83	11.83

FY2010 highlights: capital outlay includes \$757,385 for street reconstruction and \$50,000 to acquire a pneumatic roller.

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 lighting costs for City streets.

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Number of street lights maintained*	2,369	2,405	2,500

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

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Lighting

ACCOUNT:
100-500-52

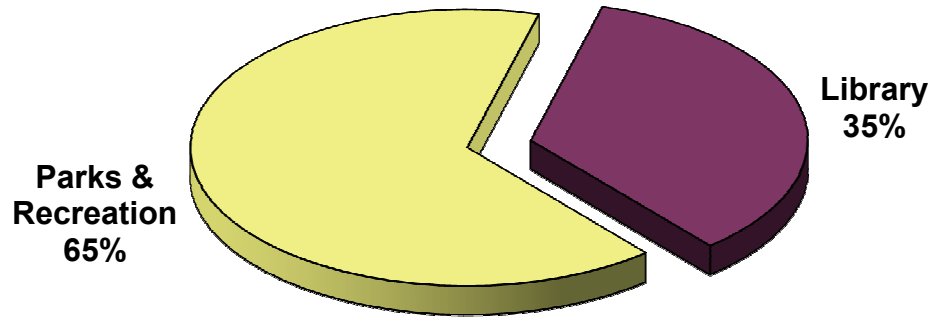
**PUBLIC WORKS / STREET LIGHTING
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	394,803	425,000	425,000	425,000
SUBTOTAL	394,803	425,000	425,000	425,000
Capital outlay	58,388	-	-	-
TOTAL	\$ 453,191	\$ 425,000	\$ 425,000	\$ 425,000

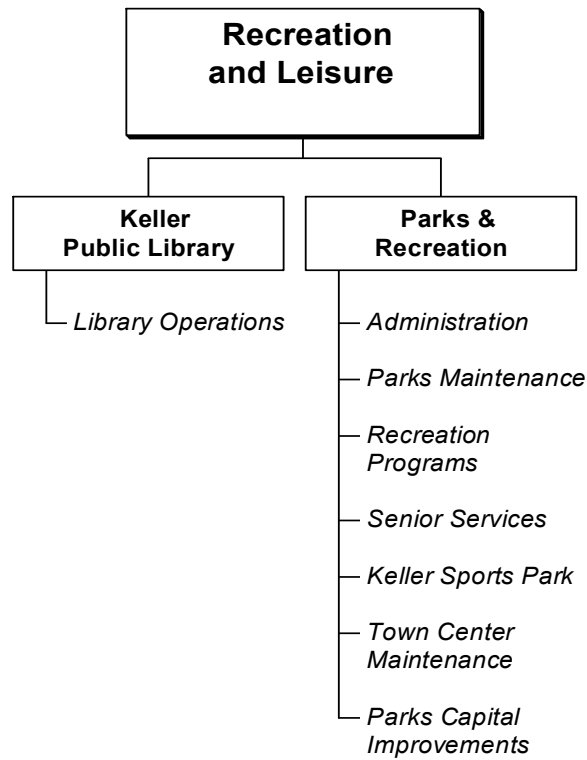
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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Recreation & Leisure

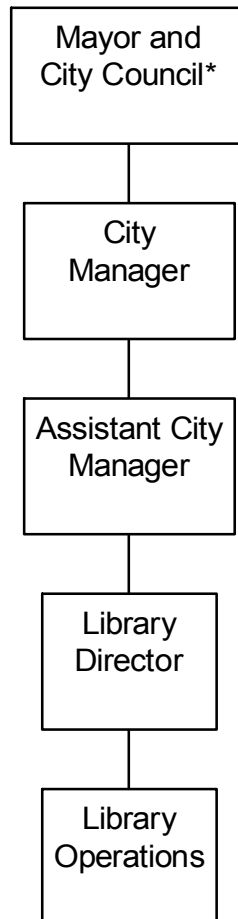


Department total: \$3,931,330



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 life-long learning and fun through books, programs and media.

DEPARTMENT/DIVISION GOALS:

Goals:

1. Improve customer convenience by targeting and addressing their desires/needs.
2. Identify and pursue expenditure savings while enhancing service.
3. Make more efficient use of space to allow for the increase in library service at the Town Hall location.
4. Develop the library collection to promote education, stimulate communication of ideas and enrich the lives of those served.
5. Obtain grants to supplement and enhance the library budget.
6. Ensure the staff has the knowledge, skills, and abilities to provide quality customer service.
7. Implement transition before the opening of the library renovation and expansion project.

Objectives:

1. Continue to receive input from the community on library service and programs via the "Patron Comments Box."
2. Continue to evaluate on-line services and how they can be used to identify and save staff time and supplies by working in a paperless environment.
3. Evaluate circulation records to determine the high-interest, high-circulation materials and summarize the scope of the library collection.
4. Continue to seek and apply for grants that will enhance library service.
5. Send library staff to local workshops to improve and advance their library service skills.
6. Encourage librarians to participate in the Texas Library Association by serving on committees and attending the annual conference.
7. Develop methods to advocate the service of the newly renovated and expanded library.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 <u>ACTUAL</u>	2008-2009 <u>ESTIMATE</u>	2009-2010 <u>PROJECTED</u>
Visits to Library	264,090	280,000	300,000
Number of checkouts	398,633	400,000	450,000
New items added	9,922	9,950	10,500
Library program participants	13,711	14,000	15,000
 <u>PERFORMANCE MEASURES</u>			
Checkouts per FTE employees as a measure of workload (Texas average of 12,697 checkouts per FTE)	24,914	25,000	28,125
Library visits per capita (Texas average 2.84)	6.93	7.35	7.87
Library checkouts per capita (Texas average 4.12)	10.46	10.50	11.81

FUND:
General

DEPARTMENT:
Keller Public Library

DIVISION:
Administration

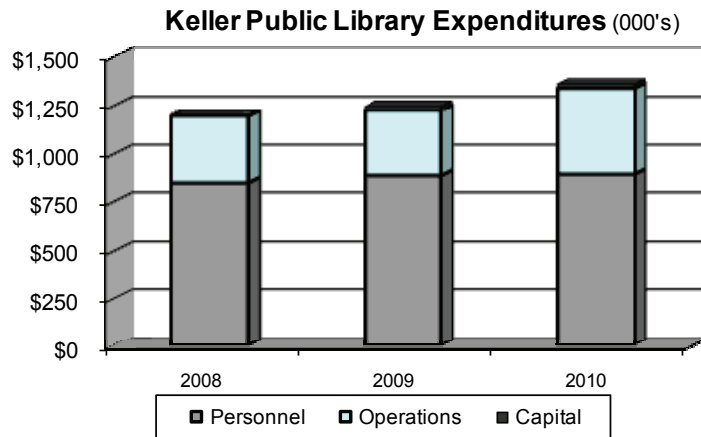
ACCOUNT:
100-600-01

**KELLER PUBLIC LIBRARY
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 854,607	\$ 961,980	\$ 892,470	\$ 898,000
Operations & maintenance	153,046	146,645	132,950	199,570
Services & other	187,872	189,650	199,870	243,240
SUBTOTAL	1,195,525	1,298,275	1,225,290	1,340,810
Capital outlay	–	21,000	21,000	21,000
TOTAL	\$ 1,195,525	\$ 1,319,275	\$ 1,246,290	\$ 1,361,810

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

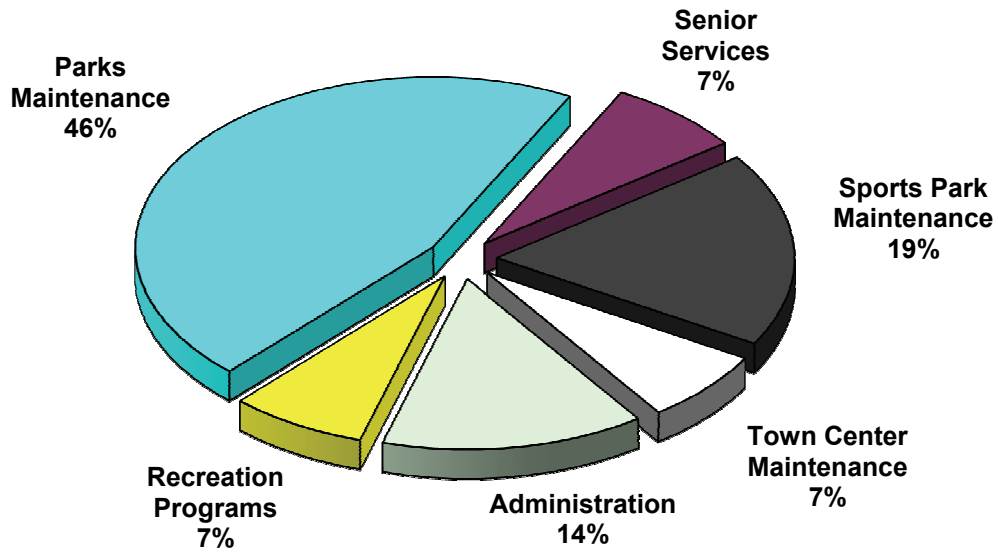
POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Library Director	Director	1.00	1.00	1.00
Public Services Manager	PE-5	1.00	1.00	1.00
Librarian	PE-3	3.00	4.00	4.00
Library Computer Technician	PE-3	1.00	–	–
Library Assistant	A/TN-6	1.00	2.00	2.00
Administrative Secretary	A/TN-8	1.00	1.00	1.00
Library Clerk II	A/TN-5	1.00	1.00	1.00
Library Clerk	A/TN-3	6.83	5.83	5.83
Library Aide (part-time)	NA	0.14	0.14	0.14
TOTAL		15.97	15.97	15.97



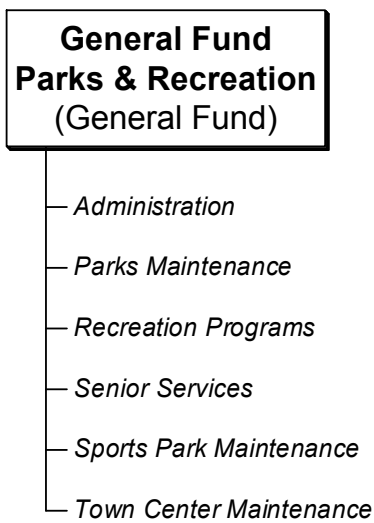
FY2010 highlights: capital outlay includes \$21,000 for furniture and fixtures for the Library renovation and expansion project.



General Fund Parks and Recreation

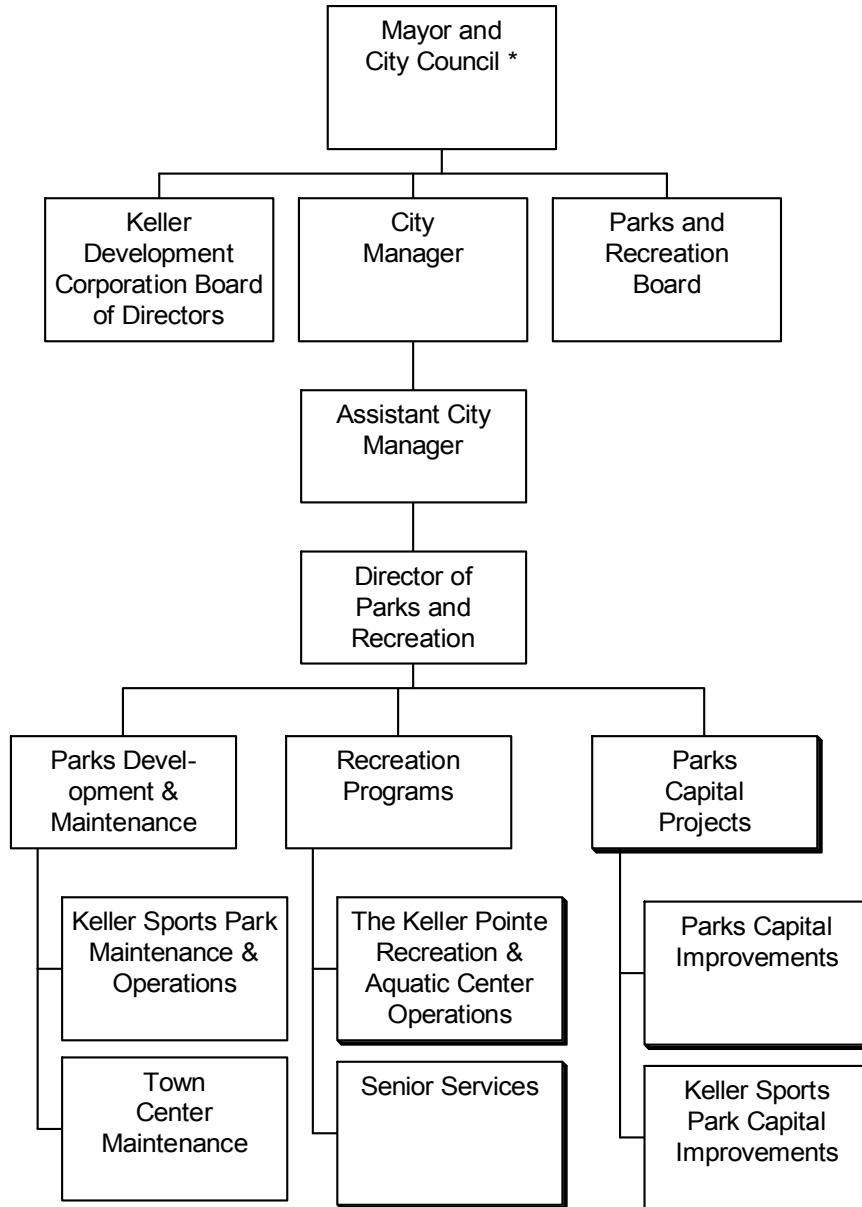


Department total: \$2,569,520



CITY OF KELLER, TEXAS ORGANIZATION CHART

PARKS AND RECREATION



* Denotes elected positions.
Shaded boxes represent activities provided for in other funds.

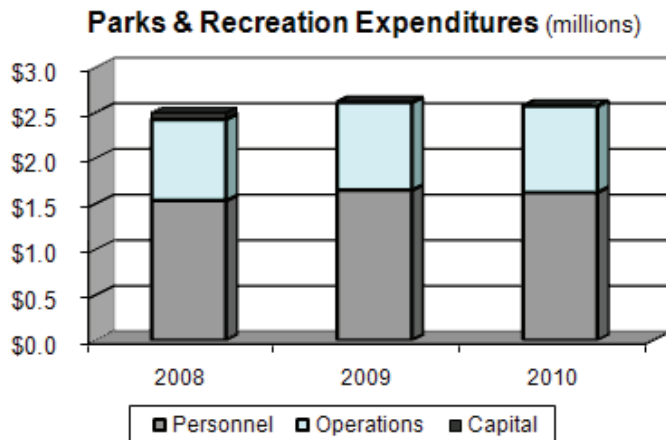
**PARKS AND RECREATION
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,532,923	\$ 1,674,715	\$ 1,649,270	\$ 1,621,760
Operations & maintenance	292,676	350,895	346,785	331,180
Services & other	596,871	629,145	612,080	616,580
SUBTOTAL	2,422,470	2,654,755	2,608,135	2,569,520
Capital outlay	72,441	-	-	-
TOTAL	\$ 2,494,911	\$ 2,654,755	\$ 2,608,135	\$ 2,569,520

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 356,719	\$ 376,620	\$ 376,475	\$ 367,395
Parks Maintenance	1,166,742	1,202,055	1,166,860	1,172,470
Recreation Programs	170,294	194,785	192,315	190,695
Senior Services	194,644	224,290	215,055	188,055
Sports Park Maintenance	429,866	484,445	484,640	474,155
Town Center Maintenance	176,646	172,560	172,790	176,750
TOTAL	\$ 2,494,911	\$ 2,654,755	\$ 2,608,135	\$ 2,569,520

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	4.00	4.00	4.00
Parks Maintenance	14.54	13.54	13.54
Recreation Programs	2.00	2.00	2.00
Senior Services	2.00	2.50	2.50
Sports Park Maintenance	4.00	5.00	5.00
TOTAL	26.54	27.04	27.04



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 maintenance, recreation programs and special events, 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. Acquire and administer grants for parks and facilities development targeting land acquisition; expansion of the trail system, Senior Activities Center, Keller Sports Park; and a tennis facility as identified in the 2007 Parks, Recreation and Open Space Master Plan.
2. Foster partnerships with the Keller Independent School District, civic groups, private businesses and neighboring cities to expand our resources.
3. Coordinate citizen boards including the Parks and Recreation Board, Keller Development Corporation and special committees and task forces.
4. Obtain land dedication and/or acquisition for park and trail development in accordance with the Parks and Open Space Master Plan.
5. Manage park and facility reservations.
6. Coordinate the park and trail system master plans with other developments within the City focusing on development of neighborhood parks.
7. Enforce the Park Dedication Ordinance and coordinate with developers for new park property and improvements.
8. Operate The Keller Pointe as an enterprise operation that is self-sufficient.
9. Provide quality customer service in the delivery of all programs and services that exceeds guest expectations.
10. Enhance communication to the public through improved maintenance of the web page.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Board/Committee meetings organized	44	41	44
Total facility reservations	646	750	775
Total in-house park projects designed	3	3	1
Total consultant-designed park projects	2	2	0
Total projects under construction	3	4	1
Total projects completed	5	4	1

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Administration

ACCOUNT:
100-630-01

**PARKS & RECREATION ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 340,818	\$ 355,410	\$ 357,825	\$ 344,435
Operations & maintenance	2,477	3,145	2,975	6,805
Services & other	13,424	18,065	15,675	16,155
SUBTOTAL	356,719	376,620	376,475	367,395
Capital outlay	-	-	-	-
TOTAL	\$ 356,719	\$ 376,620	\$ 376,475	\$ 367,395

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Director of Parks and Recreation	Director	1.0	1.0	1.0
Park Planner	PE-7	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Receptionist	A/TN-4	1.0	1.0	1.0
TOTAL		4.0	4.0	4.0



FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Parks Maintenance

ACCOUNT:
100-630-60

DEPARTMENT/DIVISION DESCRIPTION:

The Parks Maintenance Division of the Parks and Recreation Department is responsible for enhancing the quality of life in Keller 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, Park & Recreation facilities (with the exception of The Keller Pointe) and all landscaped street medians and landscaped right-of-ways. (Street medians and right-of-ways that include only grass are maintained by the Public Works Department.) Additionally, the division is responsible for construction of small park amenities. Finally, the division assists the Recreation Division with the implementation of City-wide special events.

DEPARTMENT/DIVISION GOALS:

1. Professionally manage quality grounds and facilities.
2. Assist with the implementation of City-wide special events.
3. Daily inspect, clean and repair parks and park playground equipment.
4. Daily maintain and service park maintenance vehicles and equipment.
5. Provide daily custodial services to Fire Administration, Senior Activities Center and park restroom/concession facilities.
6. Construct and install new park amenities and/or complete park capital improvements.
7. Maintain landscaping in city parks, medians and city facilities.
8. Support youth sport associations to enhance recreational opportunities.
9. Provide quality customer service in the delivery of services that exceeds guest expectations.

(Continued)

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Parks Maintenance

ACCOUNT:
100-630-60

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Total park acreage (including undeveloped land)	456	456	456
Total developed park acreage maintained by City	190.63	190.63	190.63
• 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
Total miles of hike/bike trails maintained	17	18	18
Contracted developed park acreage maintained	85	85	85
Contracted park areas include Johnson Road Park (15 ac); Meandering Trail (6.94ac); Burseley Ranch Park (1.3 ac); The Parks at Town Center (23 ac); Milestone Park (12 ac); Keller Sports Park (20 ac); Overton Ridge Park (7.88 ac)			
Undeveloped park land/open space maintained	180	180	180
The Parks at Town Center (86.73 ac); Northeast Park Property (43 ac); Cherry Grove Park (5.37 ac); Keller Sports Park (68 ac); Shady Grove Greenwalk (8.5 ac); Old Town Park (0.55 ac); Fall Creek Open Space (2 ac); Milestone Park (5 ac.); Overton Ridge Park (11.4 ac)			
Total playgrounds maintained	9	9	9
Total city grounds maintained	14	11.58	14.55
Keller Parkway medians (0.17 ac); Rufe Snow Drive medians (6.27 ac); Bourland Road medians (1 ac); Other miscellaneous medians (0.11 ac); Fire Stations, Fire Administration, and Friends of Library Building (7 ac)			
Total City facilities square footage maintained	8,039	8,039	8,039
<u>PERFORMANCE INDICATORS</u>			
Developed park acreage per 1,000 residents	7.33	7.19	7.00
*Operating & maintenance cost per developed acre	\$6,437	\$6,950	\$6,984
*Operating & maintenance cost per capita	\$24.94	\$26.43	\$25.85

* - Operating costs for Keller Sports Park is not included. These costs are shown separately in the Keller Sports Park budget.

**PARKS & RECREATION / PARKS MAINTENANCE
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 735,946	\$ 759,735	\$ 744,870	\$ 735,465
Operations & maintenance	134,290	176,515	164,385	162,935
Services & other	224,065	265,805	257,605	274,070
SUBTOTAL	1,094,301	1,202,055	1,166,860	1,172,470
Capital outlay	72,441	-	-	-
TOTAL	\$ 1,166,742	\$ 1,202,055	\$ 1,166,860	\$ 1,172,470

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Park Superintendent	Division Mgr	1.00	1.00	1.00
Park Foreman	TN-8	1.00	1.00	1.00
Park/Landscape Crewleader	TN-6	2.00	2.00	2.00
Parks/Landscape Maintenance Worker (1)	TN-2	9.00	8.00	8.00
Building Maintenance Technician I	TN-1	1.00	1.00	1.00
Parks Maintenance Worker (seasonal)	NA	0.54	0.54	0.54
TOTAL		14.54	13.54	13.54

(1) Position transferred to Sports Park Maintenance in fiscal year 2008-2009.

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 provides the administration of the City's recreation programs and activities including special events, Senior Activities Center programs and The Keller Pointe operations. Special events administered by the department include the Wild Wild West Fest, Holly Days, TREE-Mendous Arbor Day Celebration, Haunted Trails, Spring Egg Scramble, Concerts in the Park, Spooky Kooky Keller Castle, Fishing For Fun, Daddy Daughter Sweetheart Ball, Mother and Son "I Scream" Social, Family Fun Films, MasterWorks Music Series, Keller Family Canoe Trip, Family Camp Out, Get Up and Get Out series and the Community Trash-Off events. New for 2009 is KIDSfest, a two day festival dedicated to kids. Most of the special events (except for personnel support services) are funded in the Recreation Special Revenue Fund, but are administered by the Recreation Division staff.

DEPARTMENT/DIVISION GOALS:

1. Plan, administer and coordinate a variety of quality programs and special events to appeal to guests of all ages and interest.
2. Administer Keller Proud and Texas Amateur Athletic Programs.
3. Expand our resources and encourage community involvement in special events by:
 - a. Continuing to foster partnerships with Keller Independent School District, civic groups, businesses and neighboring communities.
 - b. Maintaining and promoting an active volunteer program.
 - c. Maintaining and expanding sponsorship opportunities.
4. Provide quality customer service that exceeds expectations of guests.
5. Enhance communication to the public through improved maintenance of the web page.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 <u>ACTUAL</u>	2008-2009 <u>ESTIMATE</u>	2009-2010 <u>PROJECTED</u>
Special events provided annually	31	35	41
Special events participants	21,801	24,213	44,582
Program volunteers	1,251	1,500	2,000
Program volunteer hours	2,178	2,846	4,215

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Recreation Programs

ACCOUNT:
100-630-61

**PARKS & RECREATION / RECREATION PROGRAMS
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 150,594	\$ 162,565	\$ 161,450	\$ 156,995
Operations & maintenance	8,219	9,155	10,860	12,665
Services & other	11,481	23,065	20,005	21,035
SUBTOTAL	170,294	194,785	192,315	190,695
Capital outlay	-	-	-	-
TOTAL	\$ 170,294	\$ 194,785	\$ 192,315	\$ 190,695

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Recreation Superintendent	Division Mgr	1.0	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 Senior Services division of the Parks and Recreation Department is responsible for the programming and maintenance of the Senior Activities Center (SAC). The SAC is used for senior activities, events, and programs. Senior meals are provided five days a week through a contractual agreement with Senior Citizen Services of Greater Tarrant County.

DEPARTMENT/DIVISION GOALS:

1. Professionally maintain and operate a quality senior center.
2. Provide a quality recreation program for Keller senior citizens that meets the needs of a variety of senior ages and cultures.
3. Provide quality customer service that exceeds expectations of guests.
4. Enhance communication to the public through improved maintenance of the web page.
5. Increase attendance of seniors who are between the ages of 55 and 65 years old.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Annual Senior Center program attendance	11,500	13,000	15,000
Annual Senior Center programs provided	960	975	1,050
Individuals served by transportation service	240	250	265
<u>PERFORMANCE INDICATORS</u>			
Average regular (daily) Senior Center attendance	45	50	58

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Senior Services

ACCOUNT:
100-630-62

**PARKS & RECREATION / SENIOR SERVICES
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 120,385	\$ 145,430	\$ 137,600	\$ 140,710
Operations & maintenance	25,091	18,625	19,175	16,390
Services & other	49,168	60,235	58,280	30,955
SUBTOTAL	194,644	224,290	215,055	188,055
Capital outlay	-	-	-	-
TOTAL	\$ 194,644	\$ 224,290	\$ 215,055	\$ 188,055

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Senior Center Supervisor	PE-6	1.0	1.0	1.0
Recreation Specialist	A/TN-9	1.0	1.0	1.0
Office Assistant	RCS-2	-	0.5	0.5
TOTAL		2.0	2.5	2.5

FUND: General	DEPARTMENT: Parks & Recreation	DIVISION: Sports Park Maintenance	ACCOUNT: 100-630-63
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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 paid from the 1/2 cent sales tax (i.e. the Keller Development Corporation); however, most operations and maintenance costs are funded in the General Fund.

The management of the youth sports leagues and equestrian activities is provided by the Keller Youth Association, the Keller Soccer Association, and the Keller Horse Owner's Association respectively. The associations prepare the fields for play and the division manages the general maintenance of the facilities. 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 which is the location for three youth baseball fields on the south end of the park operated and maintained by the Keller Youth Association.

Additionally, 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. Professionally manage quality sports turf, arenas, park grounds and facilities.
2. Properly maintain fields for sports leagues and camps.
3. Weekly inspect and repair general park and playground areas.
4. Provide daily custodial and maintenance services to grounds and facilities.
5. Maintain multi-use arena and warm-up arena for activities and events.
6. Coordinate the facility needs for Sports Park activities.
7. Operate a successful ground lease agreement for the use and operation of an indoor soccer facility.
8. Acquire additional land for the expansion of the Keller Sports Park.
9. Provide quality customer service in the delivery of services that exceeds guest expectations.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008	2008-2009	2009-2010
	<u>ACTUAL</u>	<u>ESTIMATE</u>	<u>PROJECTED</u>
Total Sports Park acreage	148	148	148
Total Sports Park acreage maintained by City	110	110	110
Total Sports Park acreage maintained privately	20	20	20
Total Sports Park acreage undeveloped	18	18	18
Total facility square footage maintained	13,277	13,277	13,277
PERFORMANCE INDICATORS			
*Sports Park operating & maintenance cost per acre	\$5,983	\$6,724	\$6,994
*Sports Park operating & maintenance cost per capita	\$17.47	\$19.26	\$19.51

* – Includes both General Fund and Keller Development Corporation Fund expenditures.

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Sports Park Maintenance

ACCOUNT:
100-630-63

**PARKS & RECREATION / SPORTS PARK MAINTENANCE
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 185,180	\$ 251,575	\$ 247,525	\$ 244,155
Operations & maintenance	112,933	115,405	122,640	109,085
Services & other	131,753	117,465	114,475	120,915
SUBTOTAL	429,866	484,445	484,640	474,155
Capital outlay	-	-	-	-
TOTAL	\$ 429,866	\$ 484,445	\$ 484,640	\$ 474,155

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Parks/Landscape Maintenance Worker (1)	TN-2	4.0	5.0	5.0
TOTAL		4.0	5.0	5.0

(1) Position transferred from Park Maintenance in fiscal year 2008-2009.

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
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. 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 Owner's Association to fund each individual's property owner's percentage of maintenance costs, based on each owner's respective amount of land owned in Keller Town Center.

DEPARTMENT/DIVISION GOALS:

1. Conduct regular meetings of the Keller Town Center Property Owner's Association.
2. Maintain the public rights-of-way including streets, medians and landscaping in Keller Town Center.
3. Collect fees from the property owners per the Keller Town Center Property Owners Association Developer's Agreement.
4. Support activities/events showcasing Keller Town Center.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Association fees collected	\$82,525	\$80,000	\$72,000
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:
Town Center Maintenance

ACCOUNT:
100-630-64

**PARKS & RECREATION / TOWN CENTER MAINTENANCE
DIVISION/ACTIVITY SUMMARY**

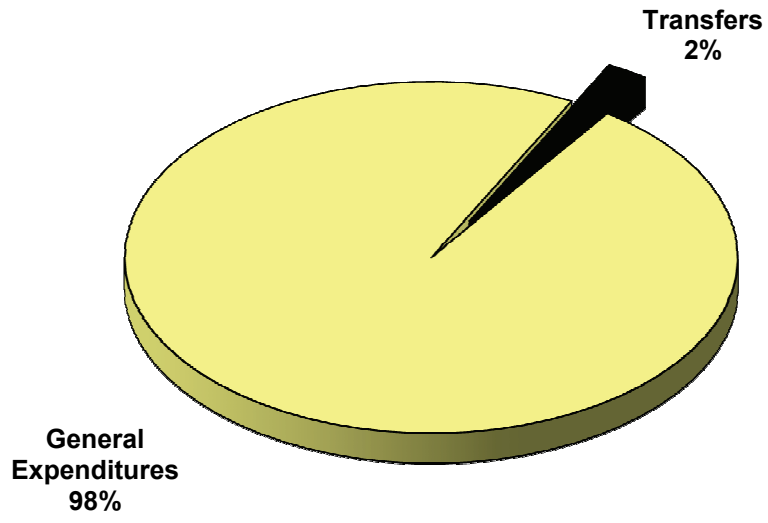
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	9,666	28,050	26,750	23,300
Services & other	166,980	144,510	146,040	153,450
SUBTOTAL	176,646	172,560	172,790	176,750
Capital outlay	-	-	-	-
TOTAL	\$ 176,646	\$ 172,560	\$ 172,790	\$ 176,750

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

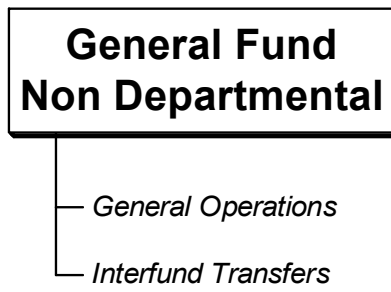
POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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General Fund Non-Departmental



Department total: \$704,605



FUND:
General

DEPARTMENT:
Non-Departmental

DIVISION:
All

ACCOUNT:
100-990-XX

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.

DEPARTMENT/DIVISION GOALS:

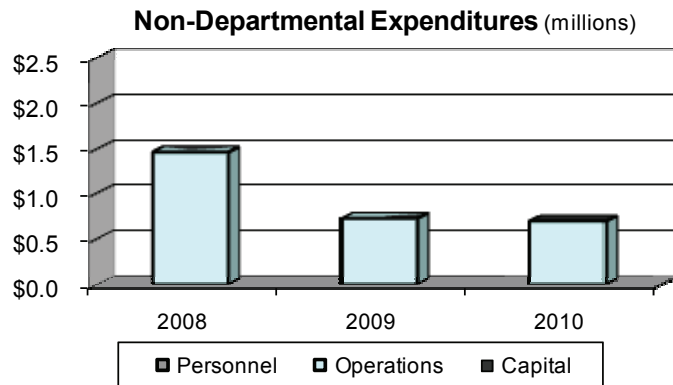
**GENERAL FUND / NON-DEPARTMENTAL
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	12,953	12,000	12,000	12,000
Services & other	967,130	669,520	692,325	677,410
Transfers to other funds	488,398	30,195	30,195	15,195
SUBTOTAL	1,468,481	711,715	734,520	704,605
Capital outlay	-	-	-	-
TOTAL	\$ 1,468,481	\$ 711,715	\$ 734,520	\$ 704,605

<u>EXPENDITURES BY DIVISION:</u>				
Transfers to other funds	\$ 488,398	\$ 30,195	\$ 30,195	\$ 15,195
Non-Departmental	980,083	681,520	704,325	689,410
TOTAL	\$ 1,468,481	\$ 711,715	\$ 734,520	\$ 704,605

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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WATER & WASTEWATER FUND

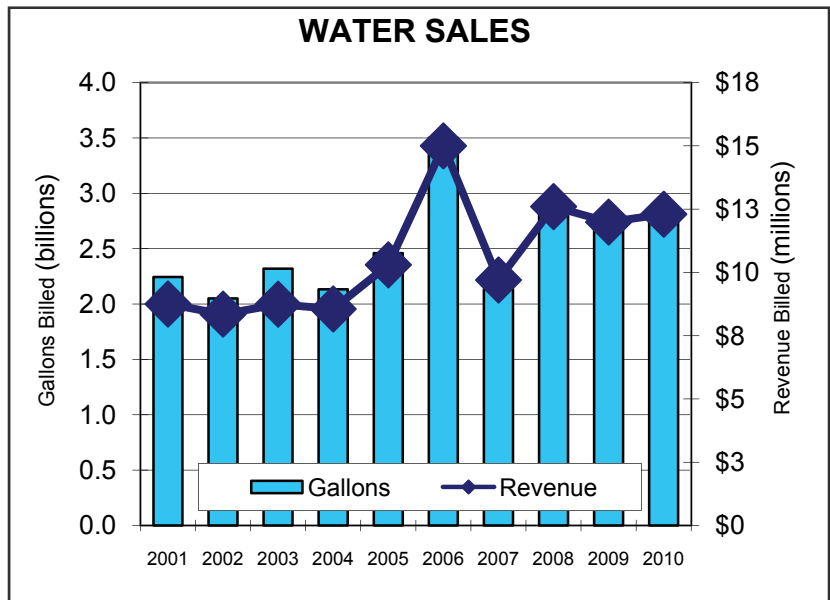
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WATER AND WASTEWATER FUND REVENUES

Water revenues comprise \$12.3 million, or 69% of total revenues of the fund, while wastewater (sewer) charges comprise \$4.8 million, or 27% of total revenues. Water and sewer charges combined comprise \$17.17 million or 96% of the revenues of the fund. The remaining resources are derived primarily from user fees and interest.

Revenue Projections and Analysis

Water revenues are primarily dependent upon the amount of rainfall received during the year and as a result are generally more volatile than General Fund revenues. FY2008 actual water usage increased from the prior year primarily because Keller received normal rainfall throughout the year, while during the summer months of 2007 the area rainfall was above normal. Based on current YTD usage through June 2009, the water consumption is anticipated to decrease slightly to 2.68 billion gallons in FY2009, compared to 2.81 billion gallons in FY2008. Customer water usage reached an all-time high of 3.5 billion gallons in FY2006. For FY2010, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts. Therefore, if normal rainfall amounts are received during the year, revenues will not be adversely impacted.



For FY2010, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts. Therefore, if normal rainfall amounts are received during the year, revenues will not be adversely impacted.

As the accompanying chart above indicates, total water sales in gallons as well as revenues have gradually increased since 2001. In general, these increases have been driven both by growth in customers as well as dry weather conditions, especially in 2006. The increase in revenues is also partly due to water rate increases (9.5% in April 2005, and 8.5% in April 2006). These rate increases were adopted primarily to fund necessary capital improvements to meet customer growth demands.

Growth in the water and wastewater system continues, although the rate of growth is slowing. For FY2010, average monthly water customers are projected to increase to 13,982 customers from 13,762 in FY2009. Average monthly wastewater customers are projected to increase to 11,619 for FY2010, compared to a monthly average of 11,332 for FY2009.

Intergovernmental revenues (contributions) include revenues from the Lake Turner Municipal Utility District. These revenues result from reimbursements of debt service issued to fund the construction of joint water improvement projects.

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 significant expenditure is wholesale water purchases. For FY2010, wholesale water purchases are projected to be \$5,025,000, or 27% of total expenditures of the fund, compared to \$4,826,000, or 26% of total expenditures for FY2009. This represents an increase of \$199,000, or 4%. The increase is because FY2010 estimates are based on a slight increase in customer usage. Wholesale water purchases are anticipated to be 2.76 billion gallons in FY2010 and 2.684 billion gallons in FY2009.

The average customer usage based on wholesale water purchased (including both residential and non-residential customers) is 16,453 gallons per month for FY2010 compared to 16,250 gallons per month for FY2009, an increase of 1.3%. Average customer usage for FY2008 was 17,312. The usage for FY2010 is based on estimates derived from anticipating normal rainfall during the year.

Operations, maintenance and services expenditures comprise 26% of the Fund's budget for FY2010 compared to 25% for FY2009. These expenditures include purchases of pipe, vehicle and equipment maintenance, water meters, pipe fittings, as well as maintenance of service mains and pumps. In addition, electrical costs for pump operations are also included in this category.

Personnel services (salaries and benefits) comprise the next significant expenditure, approximately 16.5% of total expenditures of the Fund. Total full-time equivalents are 47.42 FTEs. Personnel detail by position is included with each individual department/division budget presentation on the following pages.

Debt service costs comprise 13.4% of the Fund's budget and are committed for the retirement of long-term debt. Long-term debt is used to finance improvements and/or expansions to the City's water and wastewater system.

Wastewater treatment and collection services, including contracted services provided by the Trinity River Authority (TRA) comprise approximately 11.3% of the Fund's budget. 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 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.

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 FY2010 are \$537,450, and represent 3% of the Fund's budget and a decrease of \$150,340 from FY2009.

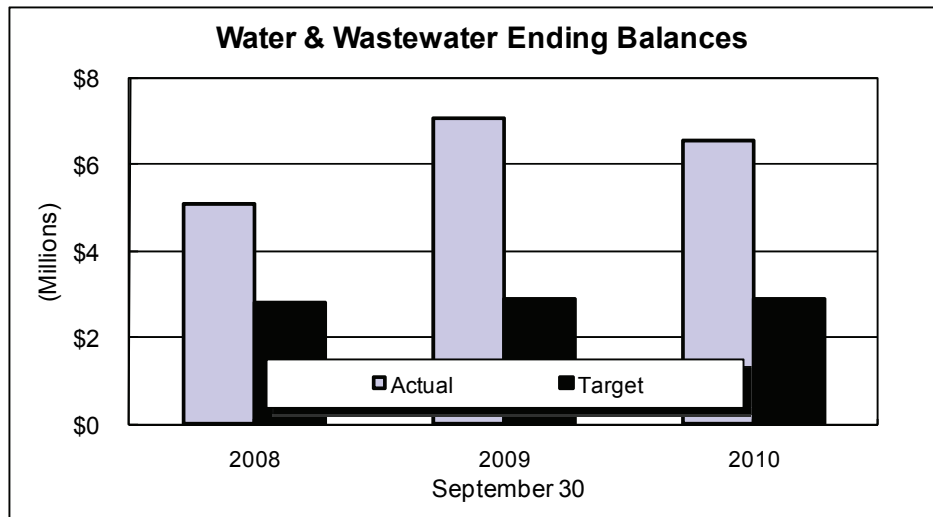
FUND BALANCE RESERVES

Net expenditures in excess of revenues for FY2010 are \$516,360. However, the projected beginning fund balance for FY2010 exceeds the targeted beginning fund balance by \$3,642,972, or about 75 days of operations. The projected ending fund balance (working capital) at September 30, 2009 is \$6,532,912 an operating reserve of 135.6 days, compared to the City's current target of 60 days.

WATER AND WASTEWATER FUND

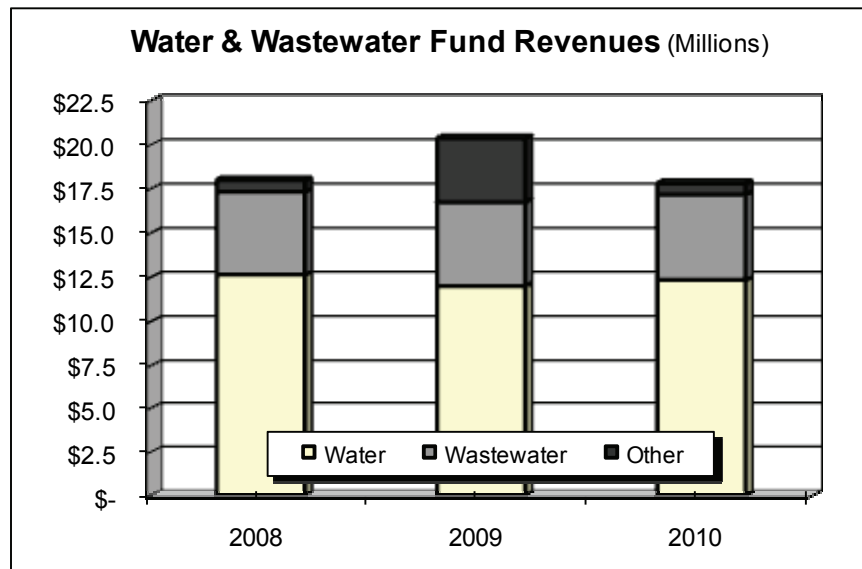
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 4,993,072	\$ 4,122,430	\$ 5,094,643	\$ 7,049,272
Revenues and transfers	17,990,643	17,850,250	20,359,899	17,808,350
TOTAL FUNDS AVAILABLE	22,983,715	21,972,680	25,454,542	24,857,622
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	17,889,072	18,788,328	18,405,270	18,324,710
<u>ENDING FUND BALANCE:</u>				
Total fund balance	5,094,643	3,184,352	7,049,272	6,532,912
FUND TOTAL	\$ 22,983,715	\$ 21,972,680	\$ 25,454,542	\$ 24,857,622
Excess revenues (expenditures)	101,571	(938,078)	1,954,629	(516,360)
Unreserved ending fund balance:				
Percent of operating expenditures ⁽¹⁾	30.4%	18.0%	40.7%	37.7%
TARGET	16.7%	16.7%	16.7%	16.7%
Number of days operating expenditures	109.4	64.8	146.6	135.6
TARGET	60.0	60.0	60.0	60.0

⁽¹⁾ excluding capital outlay and interfund transfers.



WATER AND WASTEWATER FUND REVENUE SUMMARY

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>REVENUES:</u>				
OPERATING REVENUES:				
Water sales	\$ 12,659,405	\$ 11,985,000	\$ 12,005,200	\$ 12,349,000
Wastewater sales	4,685,587	5,230,000	4,740,000	4,823,100
Subtotal	17,344,992	17,215,000	16,745,200	17,172,100
OTHER REVENUES:				
Taps and miscellaneous fees	389,398	454,150	454,150	454,150
Contributions	18,893	13,100	13,100	13,100
Interest revenue	126,649	110,000	110,000	110,000
Other revenues (expense)	110,711	58,000	58,000	59,000
Subtotal	645,651	635,250	635,250	636,250
TRANSFERS FROM OTHER FUNDS:				
Water & W/W I&S fund	-	-	544,345	-
Water Impact Fees fund	-	-	1,576,860	-
Wastewater Impact Fees fund	-	-	858,244	-
Subtotal	-	-	2,979,449	-
TOTAL REVENUES	\$ 17,990,643	\$ 17,850,250	\$ 20,359,899	\$ 17,808,350



WATER AND WASTEWATER FUND

REVENUES

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>OPERATING REVENUES:</u>				
Water sales	\$ 12,653,055	\$ 11,970,000	\$ 11,990,200	\$ 12,334,000
Unclassified water sales	6,350	15,000	15,000	15,000
Wastewater sales	4,685,587	5,230,000	4,740,000	4,823,100
Subtotal	17,344,992	17,215,000	16,745,200	17,172,100
<u>MISCELLANEOUS FEES:</u>				
Water taps/connect fees	112,954	130,000	130,000	130,000
Fire hydrant meter rental fees	7,325	8,000	8,000	8,000
Wastewater tap fees	2,750	7,500	7,500	7,500
Industrial waste surcharge fees	-	1,000	1,000	1,000
Meter box/lid fees	-	500	500	500
Reconnect fees	6,855	12,000	12,000	12,000
Inspection fees	19,062	70,000	70,000	70,000
Penalty revenue	209,172	175,000	175,000	175,000
Other services	10,360	20,000	20,000	20,000
Keller drainage utility	20,000	30,000	30,000	30,000
<i>General and administrative services</i>				
Recycling bins/lids	920	150	150	150
Subtotal	389,398	454,150	454,150	454,150
<u>CONTRIBUTIONS:</u>				
Lake Turner Municipal Utility District	18,893	13,100	13,100	13,100
Subtotal	18,893	13,100	13,100	13,100
<u>OTHER REVENUE:</u>				
Interest earnings	126,649	110,000	110,000	110,000
Gain (loss) on disposal of assets	66,338	12,000	12,000	13,000
Southlake wastewater reimbursement	23,845	25,000	25,000	25,000
Grant revenue	2,128	-	-	-
Miscellaneous revenue (expense)	18,400	21,000	21,000	21,000
Subtotal	237,360	168,000	168,000	169,000
REVENUES BEFORE TRANSFERS	17,990,643	17,850,250	17,380,450	17,808,350
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Water & W/W I&S fund	-	-	544,345	-
Water Impact Fees fund	-	-	1,576,860	-
Wastewater Impact Fees fund	-	-	858,244	-
TOTAL TRANSFERS	-	-	2,979,449	-
TOTAL REVENUES AND TRANSFERS	\$ 17,990,643	\$ 17,850,250	\$ 20,359,899	\$ 17,808,350

**WATER AND WASTEWATER FUND
EXPENDITURE SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 2,791,801	\$ 3,133,890	\$ 3,040,285	\$ 3,032,460
Operations & maintenance	574,263	801,053	759,810	761,065
Services & other	3,497,680	3,835,685	3,818,530	3,994,115
Wholesale water purchases	5,075,159	4,845,000	4,826,000	5,025,000
Wastewater services-TRA	2,071,193	2,322,810	2,109,125	2,075,370
Debt service	2,750,301	2,751,540	2,751,540	2,451,630
Transfers to other funds	462,410	412,070	412,070	447,620
SUBTOTAL	17,222,807	18,102,048	17,717,360	17,787,260
Capital outlay	666,265	686,280	687,910	537,450
TOTAL	\$ 17,889,072	\$ 18,788,328	\$ 18,405,270	\$ 18,324,710

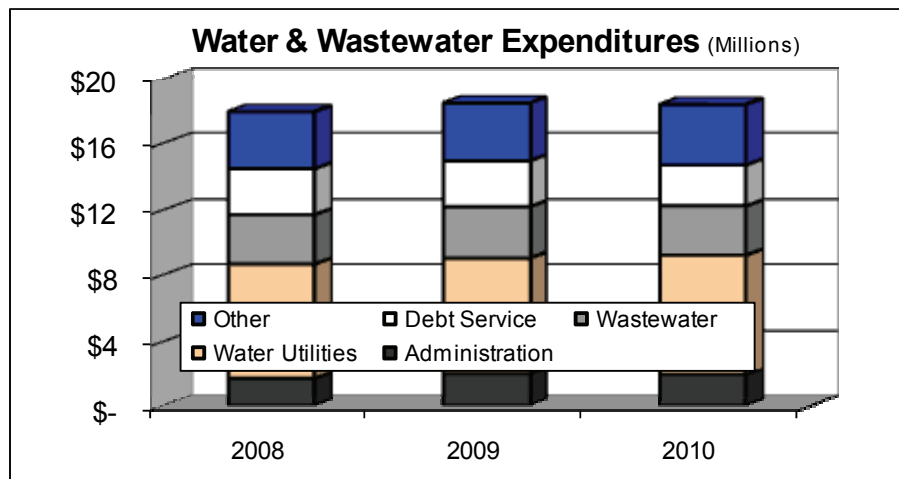
<u>EXPENDITURES BY ACTIVITY</u>				
Water & W/W Administration	\$ 639,519	\$ 874,065	\$ 821,515	\$ 819,285
Customer Services	1,045,331	1,154,553	1,154,475	1,114,845
Water Utilities	6,956,921	7,130,750	7,014,790	7,244,470
Wastewater Utilities	3,075,027	3,435,645	3,194,385	3,061,965
Municipal Service Center	353,125	285,705	286,940	269,920
Non-departmental / Other	5,819,149	5,907,610	5,933,165	5,814,225
TOTAL	\$ 17,889,072	\$ 18,788,328	\$ 18,405,270	\$ 18,324,710

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

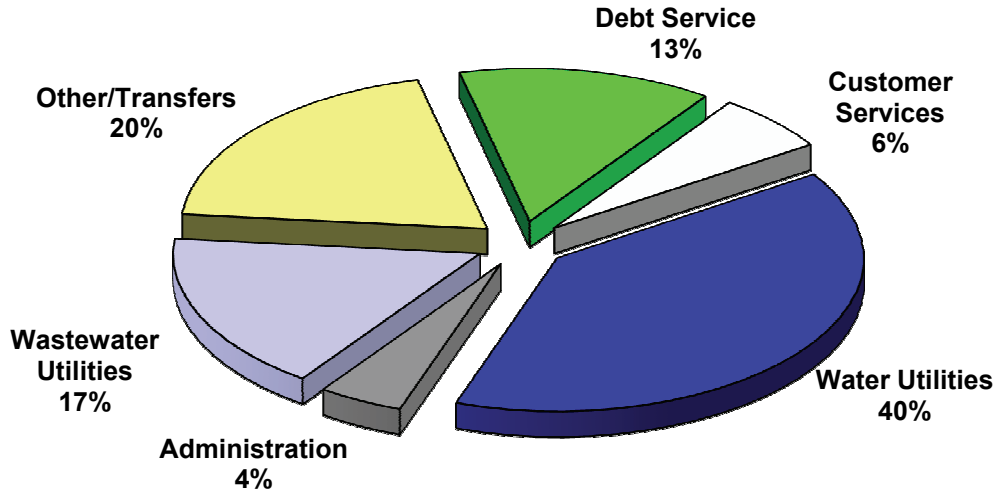
DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Water & W/W Administration	7.42	8.42	8.42
Customer Services	13.00	13.00	13.00
Water Utilities	15.50	16.50	16.50
Wastewater Utilities	9.50	8.50	8.50
Municipal Service Center	1.00	1.00	1.00
TOTAL	46.42	47.42	47.42

**WATER AND WASTEWATER FUND
EXPENDITURE SUMMARY
EXPENDITURES BY DEPARTMENT**

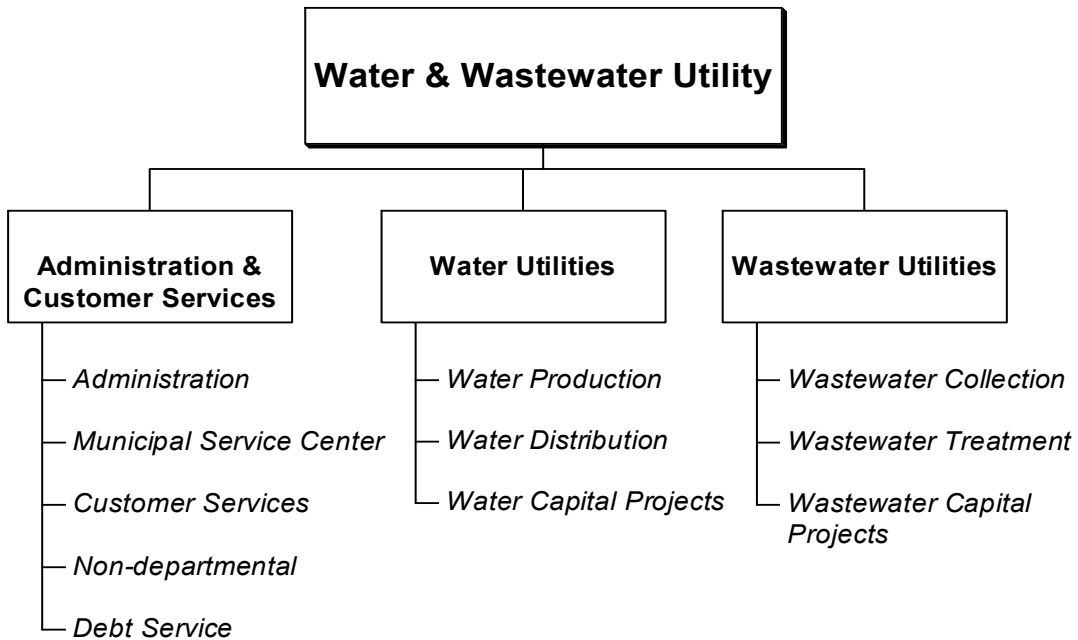
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
Water/Wastewater Administration	\$ 639,519	\$ 874,065	\$ 821,515	\$ 819,285
Customer Services:				
Administration	780,110	872,328	864,720	828,810
Field Services	265,221	282,225	289,755	286,035
Subtotal	1,045,331	1,154,553	1,154,475	1,114,845
Water Utilities:				
Water Production	5,564,357	5,423,240	5,395,845	5,546,950
Water Distribution	1,392,564	1,707,510	1,618,945	1,697,520
Subtotal	6,956,921	7,130,750	7,014,790	7,244,470
Wastewater Utilities:				
Wastewater Collection	1,511,711	1,671,960	1,644,385	1,121,565
Wastewater Treatment	1,563,316	1,763,685	1,550,000	1,940,400
Subtotal	3,075,027	3,435,645	3,194,385	3,061,965
Municipal Service Center Operations	353,125	285,705	286,940	269,920
Debt Service	2,750,301	2,751,540	2,751,540	2,451,630
Transfers to Other Funds	462,410	412,070	412,070	447,620
Non-Departmental	2,606,438	2,744,000	2,769,555	2,914,975
TOTAL	\$ 17,889,072	\$ 18,788,328	\$ 18,405,270	\$ 18,324,710



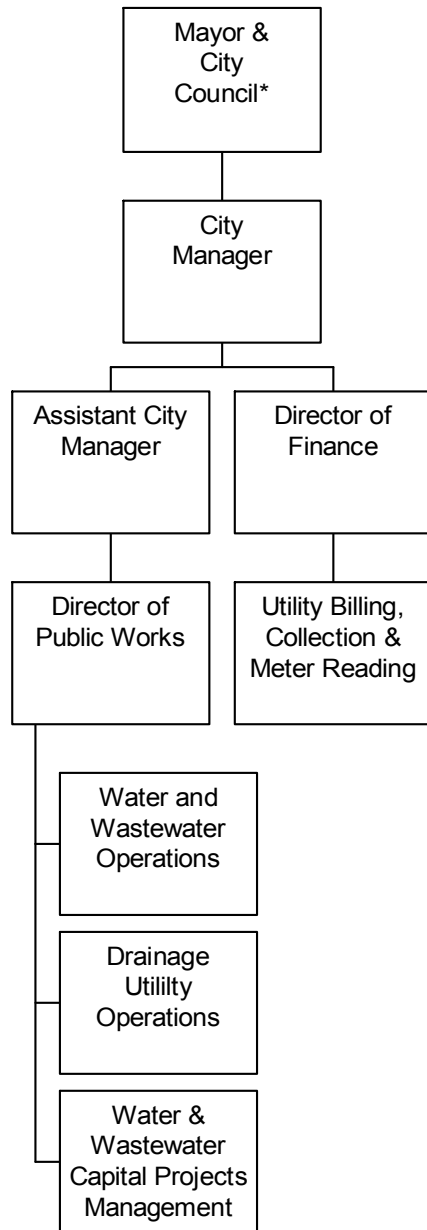
WATER & WASTEWATER



Fund total: \$18,324,710



CITY OF KELLER, TEXAS
ORGANIZATION CHART
WATER, WASTEWATER AND
DRAINAGE UTILITIES



* Denotes 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 services, supply services, work order processing, water production, water distribution, and water/wastewater collection.

DEPARTMENT/DIVISION GOALS:

1. To 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. To continuously review and improve customer service for the citizens of Keller by holding quarterly sessions with Water and Wastewater staff on the customer service process.
3. To provide effective and efficient guidance and supervision of the water and wastewater divisions.
4. To work with division managers in improving their professional knowledge and skills through in-house and outside educational opportunities.
5. To review all budgets on a monthly basis to ensure cost containment and adherence to budget expenditure policies.
6. To respond to e-mail and citizen requests within 24 hours of message or request receipt.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Scheduled customer service meetings	NA	2	4
Scheduled coordination meetings with staff	52	52	52
Schedule staff to attend outside training sessions	4	4	4
Review all budgets	12	12	12
Citizen/internal customer responses	495	525	525

FUND:
Water & Wastewater

DEPARTMENT:
Administration

DIVISION:
Administration

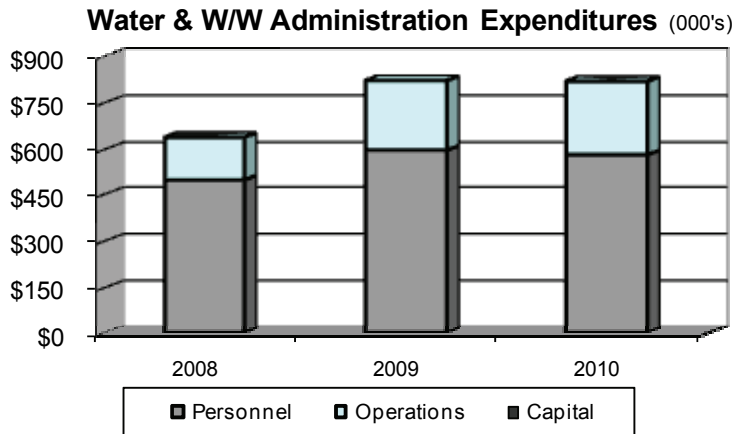
ACCOUNT:
200-700-01

**WATER & WASTEWATER ADMINISTRATION
DEPARTMENT SUMMARY**

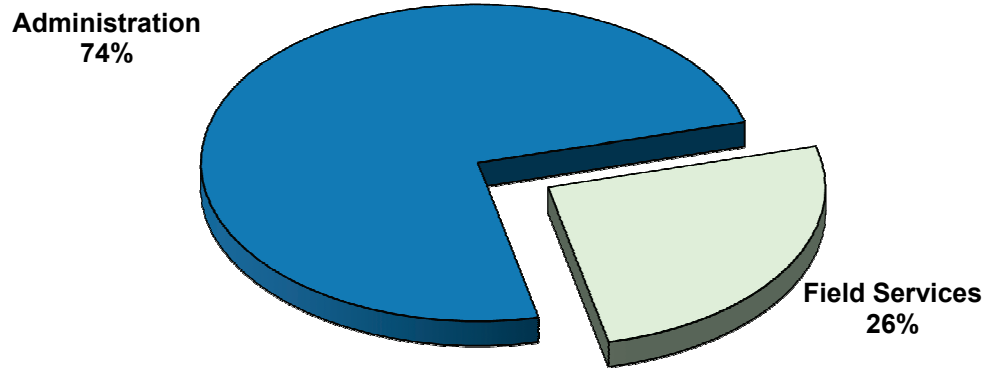
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 496,564	\$ 649,260	\$ 598,115	\$ 583,735
Operations & maintenance	4,082	7,345	9,365	6,650
Services & other	138,873	217,460	214,035	228,900
SUBTOTAL	639,519	874,065	821,515	819,285
Capital outlay	-	-	-	-
TOTAL	\$ 639,519	\$ 874,065	\$ 821,515	\$ 819,285

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

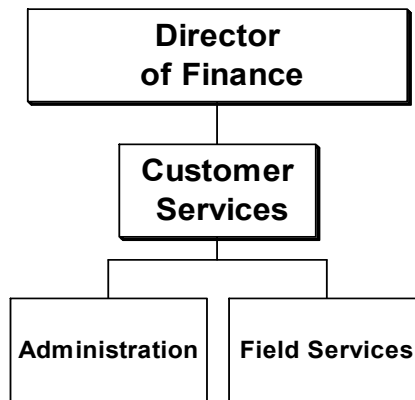
POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Water & Wastewater Superintendent	Division Mgr	1.00	1.00	1.00
Senior Project Engineer	PE-11	-	1.00	1.00
Project Engineer	PE-10	0.75	0.75	0.75
Public Works Logistics Coordinator	PE-7	1.00	1.00	1.00
Customer Service Supervisor	A/TN-10	1.00	1.00	1.00
GIS Technician	A/TN-9	1.00	1.00	1.00
Administrative Secretary	A/TN-8	0.67	0.67	0.67
Customer Service Representative	A/TN-5	2.00	2.00	2.00
TOTAL		7.42	8.42	8.42



Customer Services



Department total: \$1,114,845



**WATER & WASTEWATER
CUSTOMER SERVICES
DEPARTMENT SUMMARY**

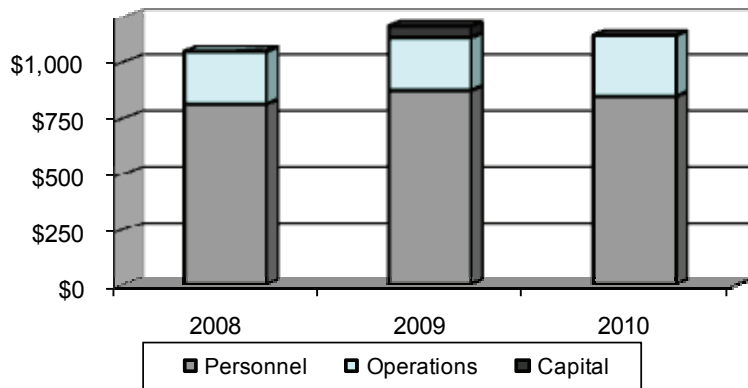
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 811,310	\$ 860,650	\$ 869,755	\$ 844,330
Operations & maintenance	82,095	112,173	102,885	119,260
Services & other	151,926	156,780	132,635	151,255
SUBTOTAL	1,045,331	1,129,603	1,105,275	1,114,845
Capital outlay	-	24,950	49,200	-
TOTAL	\$ 1,045,331	\$ 1,154,553	\$ 1,154,475	\$ 1,114,845

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 780,110	\$ 872,328	\$ 864,720	\$ 828,810
Field Services	265,221	282,225	289,755	286,035
TOTAL	\$ 1,045,331	\$ 1,154,553	\$ 1,154,475	\$ 1,114,845

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

DIVISION / ACTIVITY	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	9.0	9.0	9.0
Field Services	4.0	4.0	4.0
TOTAL	13.0	13.0	13.0

Customer Services Expenditures (000's)



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, customer billings, customer collections, customer connects, customer disconnects, customer inquiries and customer 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 identifying slow and stopped water meters, with timely investigation and/or meter replacement.
4. Maintain and improve the automated/on-line 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.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Customer meter reading routes maintained	70	70	70
Number of billing cycles	2	2	2
Number of annual billings:			
• water customers billed	162,548	165,147	167,788
• sewer customers billed	132,635	135,990	139,431
• drainage customers billed	158,815	158,741	163,262
• garbage customers billed	147,266	150,260	153,314
Monthly average billings:			
• average monthly water customers billed	13,545	13,762	13,982
• average monthly water usage per customer	17,300	16,820	16,460
• average monthly water bill per customer	\$77.44	\$76.00	\$73.50
• average monthly sewer customers billed	11,053	11,333	11,619
• average monthly sewer bill per customer	\$35.17	\$34.88	\$34.59
• average monthly drainage customers billed	13,235	13,228	13,605
• average monthly drainage bill per customer	\$5.65	\$5.68	\$8.40
• average monthly garbage customers billed	12,272	12,521	12,776
• average monthly garbage bill per customer	\$8.17	\$8.30	\$9.00
Average water revenue per 1,000 gallons billed	\$4.47	\$4.52	\$4.47
Total water gallons billed (million gallons)	2,814.1	2,777.5	2,760.5
Average daily water usage billed (million gallons)	7.710	7.610	7.563
Annual delinquent statements processed	19,975	19,812	20,000
Customer security deposits processed	1,687	1,720	1,800
Services disconnected for non-payment	612	690	650
Customer transfers/final accounts processed	1,718	1,332	1,000
Average daily phone inquiries	51	50	50
Average bill amount submitted to 3 rd -party collections	\$182	\$178	\$174
Number of on-line/automated payments	24,615	29,808	30,000
Total amount of on-line/automated payments (000's)	\$2,437	\$2,571	\$2,600

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

**WATER & WASTEWATER
CUSTOMER SERVICES ADMINISTRATION
DIVISION / ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 585,071	\$ 620,020	\$ 615,430	\$ 599,560
Operations & maintenance	60,271	83,723	79,595	90,135
Services & other	134,768	143,635	120,495	139,115
SUBTOTAL	780,110	847,378	815,520	828,810
Capital outlay	-	24,950	49,200	-
TOTAL	\$ 780,110	\$ 872,328	\$ 864,720	\$ 828,810

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Revenue Manager	Division Mgr	1.0	1.0	1.0
Chief Accountant	PE-10	1.0	1.0	1.0
Utility Billing Manager	A/TN-12	1.0	1.0	1.0
Utility Billing Technician	A/TN-7	1.0	1.0	1.0
Utility/Development Fee Clerk	A/TN-5	1.0	1.0	1.0
Customer Service Representative	A/TN-5	4.0	4.0	4.0
TOTAL		9.0	9.0	9.0

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Field Services

ACCOUNT:
200-710-70

DEPARTMENT DESCRIPTION:

The Customer Service/Field Services Division is responsible for utility billing field activities, which include meter reading, customer connects and disconnects, customer transfers, and investigation of billing inquiries.

DEPARTMENT/DIVISION GOALS:

1. Continue to provide timely and efficient customer service.
2. Maintain meter reading accuracy rate of at least 99.5% 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 system.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Customer meter reading routes maintained	72	72	70
Service calls made to customers (including re-reads)	3,760	2,400	3,000
Total water meters read (monthly average)	13,870	14,080	14,200
Work orders completed	5,438	5,000	5,000
Annual meter change outs	1,266	1,656	1,400
Annual meter sets	392	210	300
<u>PERFORMANCE ANALYSIS</u>			
Billing cycles read on schedule	100%	100%	100%
Meter reading accuracy rate	99.5%	99.9%	99.9%
Average hours to read a billing cycle	8.5	8.5	8.5
Manual re-reads as a % of total meter reads	3.0%	2.0%	2.0%

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Field Services

ACCOUNT:
200-710-70

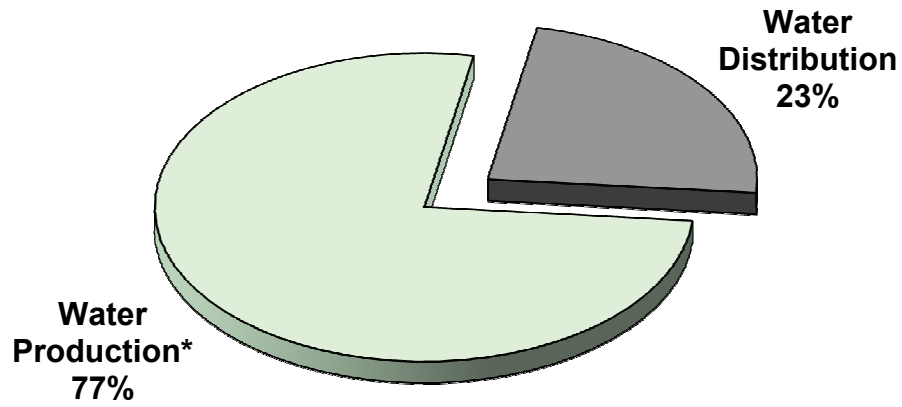
**WATER & WASTEWATER
CUSTOMER SERVICES - FIELD SERVICES
DIVISION / ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 226,239	\$ 240,630	\$ 254,325	\$ 244,770
Operations & maintenance	21,824	28,450	23,290	29,125
Services & other	17,158	13,145	12,140	12,140
SUBTOTAL	265,221	282,225	289,755	286,035
Capital outlay	-	-	-	-
TOTAL	\$ 265,221	\$ 282,225	\$ 289,755	\$ 286,035

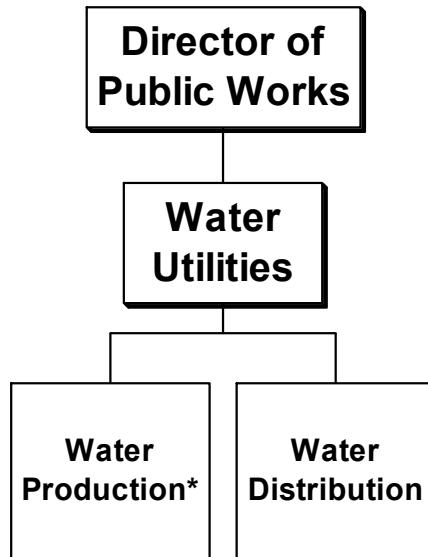
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Field Services Crew Leader	TN-6	1.0	1.0	1.0
Meter Maintenance Technician	TN-5	1.0	1.0	1.0
Field Services Technician	TN-3	2.0	2.0	2.0
TOTAL		4.0	4.0	4.0

Water Utilities



Department total: \$7,244,470



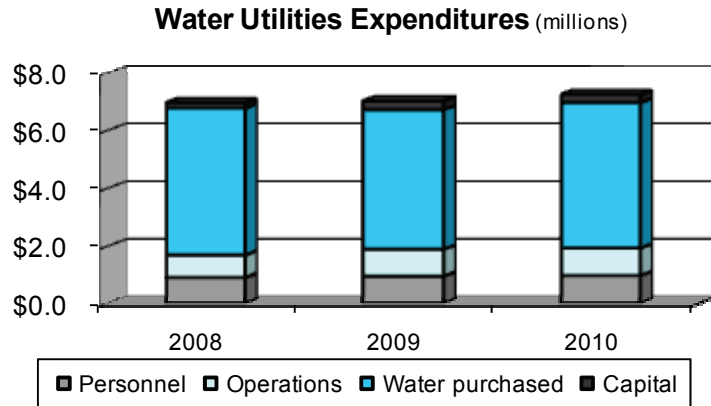
* - Includes wholesale water purchases

**WATER & WASTEWATER
WATER PRODUCTION AND WATER DISTRIBUTION
COMBINED DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 918,611	\$ 987,285	\$ 965,280	\$ 988,055
Operations & maintenance	375,447	513,370	477,745	475,725
Services & other	402,647	467,475	450,765	471,240
Wholesale water purchases	5,075,159	4,845,000	4,826,000	5,025,000
SUBTOTAL	6,771,864	6,813,130	6,719,790	6,960,020
Capital outlay	185,057	317,620	295,000	284,450
TOTAL	\$ 6,956,921	\$ 7,130,750	\$ 7,014,790	\$ 7,244,470
<u>EXPENDITURES BY DIVISION:</u>				
Water Production	\$ 5,564,357	\$ 5,423,240	\$ 5,395,845	\$ 5,546,950
Water Distribution	1,392,564	1,707,510	1,618,945	1,697,520
TOTAL	\$ 6,956,921	\$ 7,130,750	\$ 7,014,790	\$ 7,244,470

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Water Production	2.0	2.0	2.0
Water Distribution	13.5	14.5	14.5
TOTAL	15.5	16.5	16.5



FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Production

ACCOUNT:
200-730-74

DEPARTMENT/DIVISION DESCRIPTION:

The Water Production Division is responsible for providing a safe, adequate supply of 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 10-year wholesale water supply contract approved in 2000. 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 and the new low pressure plane), one 1.5 million and two 1 million gallon elevated water towers (elevated storage tanks) and two 3 million gallon ground storage tanks.

DEPARTMENT/DIVISION GOALS:

1. To insure 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 maintain a clean and orderly image for the City.
6. Complete improvements for the lower pressure plane, and begin operation.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Elevated storage capacity (million gallons)	3.0	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)	24.0	24.0	24.0
Total daily pumping capacity (million gallons)	28.0	28.0	28.0
Total wholesale gallons purchased (million gallons)	3,007.0	2,895.6	2,877.9
Average daily water usage (million gallons)	8.2	8.0	7.9
Peak day water demand (million gallons)	18.8	19.0	19.0
Base (winter) daily water demand (million gallons)	4.5	5.0	5.0
Base (winter) demand per capita (gallons)	119.4	130.2	126.7
Peak day water demand per capita (gallons)	498.9	494.8	481.6
Average cost per 1,000 gallons of wholesale water purchased	\$1.69	\$1.72	\$1.75

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Production

ACCOUNT:
200-730-74

**WATER & WASTEWATER
WATER UTILITIES - WATER PRODUCTION
DIVISION / ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 128,048	\$ 139,850	\$ 140,760	\$ 134,005
Operations & maintenance	57,517	109,310	108,690	60,060
Services & other	303,633	329,080	320,395	327,885
Wholesale water purchases	5,075,159	4,845,000	4,826,000	5,025,000
SUBTOTAL	5,564,357	5,423,240	5,395,845	5,546,950
Capital outlay	-	-	-	-
TOTAL	\$ 5,564,357	\$ 5,423,240	\$ 5,395,845	\$ 5,546,950

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Water Systems Supervisor	TN-7	-	1.0	1.0
Well Pump Operator II	TN-6	1.0	-	-
Well Pump 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 fire hydrants.

DEPARTMENT/DIVISION GOALS:

1. To 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. 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 office to establish and maintain a water usage database to include assessment of accounted and unaccounted water loss.
5. To continue the process of identifying and eliminating dead-end lines by looping to existing lines or providing an automatic flushing device which will flush on a monthly schedule.
6. Flush all dead-end lines in the City at least once a month in accordance with Texas Commission on Environmental Quality regulations. This will be accomplished by flushing 12 dead-end lines per day (3,120 flushes a year) to complete this mandatory task in order to maintain good water quality.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Total miles of distribution lines maintained	252	256	260
Water samples tested	537	590	590
Fire hydrants flushed and serviced	1,296	1,300	1,300
Fire hydrants inspected	1,296	1,300	1,300
New fire hydrants installed	89	75	75
Fire hydrants replaced	11	10	10
Work orders completed	1,416	1,200	1,400

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

**WATER & WASTEWATER
WATER UTILITIES - WATER DISTRIBUTION
DIVISION / ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 790,563	\$ 847,435	\$ 824,520	\$ 854,050
Operations & maintenance	317,930	404,060	369,055	415,665
Services & other	99,014	138,395	130,370	143,355
SUBTOTAL	1,207,507	1,389,890	1,323,945	1,413,070
Capital outlay	185,057	317,620	295,000	284,450
TOTAL	\$ 1,392,564	\$ 1,707,510	\$ 1,618,945	\$ 1,697,520

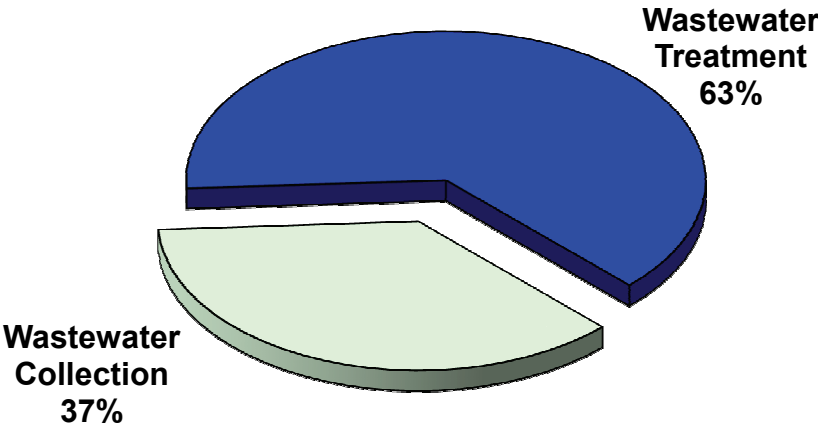
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Construction Inspector	A/TN-11	1.0	1.0	1.0
Water/Sewer Foreman	TN-9	0.5	0.5	0.5
Water/Sewer Crewleader	TN-7	2.0	2.0	2.0
Environmental Services Coordinator	TN-7	1.0	1.0	1.0
SCADA Operator/Dispatcher (1)	TN-4	2.0	3.0	3.0
Water/Sewer Maintenance Worker	TN-3	7.0	7.0	7.0
TOTAL		13.5	14.5	14.5

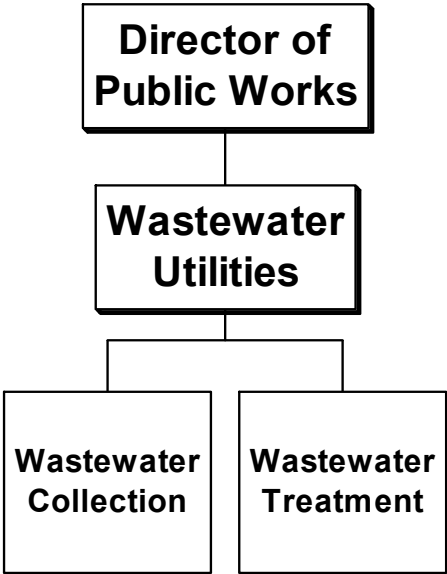
(1) One position transferred from Wastewater Utilities/Wastewater Collection for FY2009.

FY2010 highlights: capital outlay includes funding for water distribution infrastructure improvements, such as water mains, water meters, and fire hydrants. Funding is also provided in the Equipment Replacement Fund for replacement of a backhoe/loader (\$76,000).

Wastewater Utilities



Department total: \$3,061,965



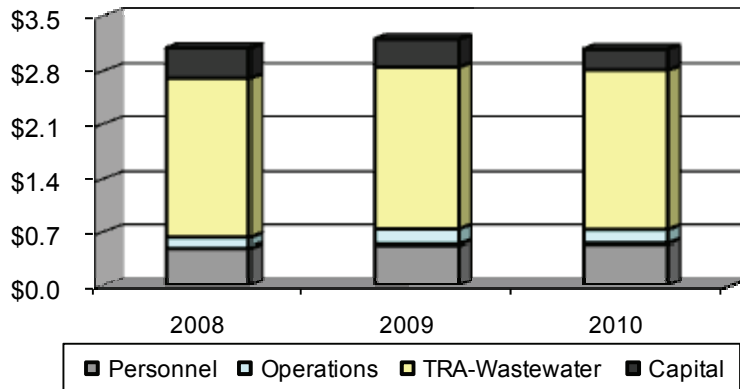
**WATER & WASTEWATER
WASTEWATER TREATMENT AND COLLECTION
COMBINED DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 504,026	\$ 572,295	\$ 543,035	\$ 554,815
Operations & maintenance	56,709	105,805	109,870	100,720
Services & other	71,239	91,025	88,645	78,060
Wastewater Services-TRA	2,071,193	2,322,810	2,109,125	2,075,370
SUBTOTAL	2,703,167	3,091,935	2,850,675	2,808,965
Capital outlay	371,860	343,710	343,710	253,000
TOTAL	\$ 3,075,027	\$ 3,435,645	\$ 3,194,385	\$ 3,061,965
<u>EXPENDITURES BY DIVISION:</u>				
Wastewater Collection	\$ 1,511,711	\$ 1,671,960	\$ 1,644,385	\$ 1,121,565
Wastewater Treatment	1,563,316	1,763,685	1,550,000	1,940,400
TOTAL	\$ 3,075,027	\$ 3,435,645	\$ 3,194,385	\$ 3,061,965

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Wastewater Collection	9.50	8.50	8.50
TOTAL	9.50	8.50	8.50

Wastewater Utilities Expenditures (millions)



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. To 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. Maintain a video records library of the physical condition of all sanitary sewer mains to be in compliance with state and federal regulatory requirements and mandates.
3. Locate segments of the collection system that are over burdened by excessive flows and identify those segments requiring rehabilitation or upsizing.
4. Review all video records of the physical condition of sanitary sewer mains to identify damaged or deteriorating sections for replacement/repair.
5. Ensure that regularly scheduled cleanings of sanitary sewer mains are preformed in order to prevent any blockage.
6. Inspect all of the manholes in the City of Keller, document their conditions and determine what repairs are needed to be performed in order to prevent infiltration.

DEPARTMENT/DIVISION SERVICE ANALYSIS

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Total miles of wastewater mains maintained	185	189	193
Total miles of wastewater mains cleaned	89	96	100
Total miles of wastewater mains inspected by a camera	25	20	20
Sewer manholes maintained	2,727	2,800	2,875
Sewer manholes inspected	1,100	1,100	1,200
Lift stations maintained	6	6	6
Number of active wastewater customers at Sept. 30 th	11,190	11,470	11,750
Work orders completed	1,489	1,600	1,600

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Collection

ACCOUNT:
200-750-80

**WATER & WASTEWATER
WASTEWATER COLLECTION
DIVISION / ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 504,026	\$ 572,295	\$ 543,035	\$ 554,815
Operations & maintenance	56,709	105,805	109,870	100,720
Services & other	71,239	91,025	88,645	78,060
Wastewater services-TRA	507,877	559,125	559,125	134,970
SUBTOTAL	1,139,851	1,328,250	1,300,675	868,565
Capital outlay	371,860	343,710	343,710	253,000
TOTAL	\$ 1,511,711	\$ 1,671,960	\$ 1,644,385	\$ 1,121,565

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Water/Sewer Foreman	TN-9	0.50	0.50	0.50
Water/Sewer Crewleader	TN-7	3.00	3.00	3.00
SCADA Dispatcher (1)	TN-4	2.00	1.00	1.00
Water/Sewer Maintenance Worker	TN-3	4.00	4.00	4.00
TOTAL		9.50	8.50	8.50

(1) One position transferred to Water Utilities/Water Distribution for FY2009.

FY2010 highlights: capital outlay includes funding for wastewater infrastructure improvements.

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		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Total annual gallons treated (million gallons)	915.2	930.0	950.0
Average daily gallons treated (million gallons)	2.542	2.548	2.603
Average cost per 1,000 gallons of wastewater treated	\$1.71	\$1.67	\$2.04
Average monthly wastewater gallons treated per customer	6,900	6,839	6,813

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Treatment

ACCOUNT:
200-750-81

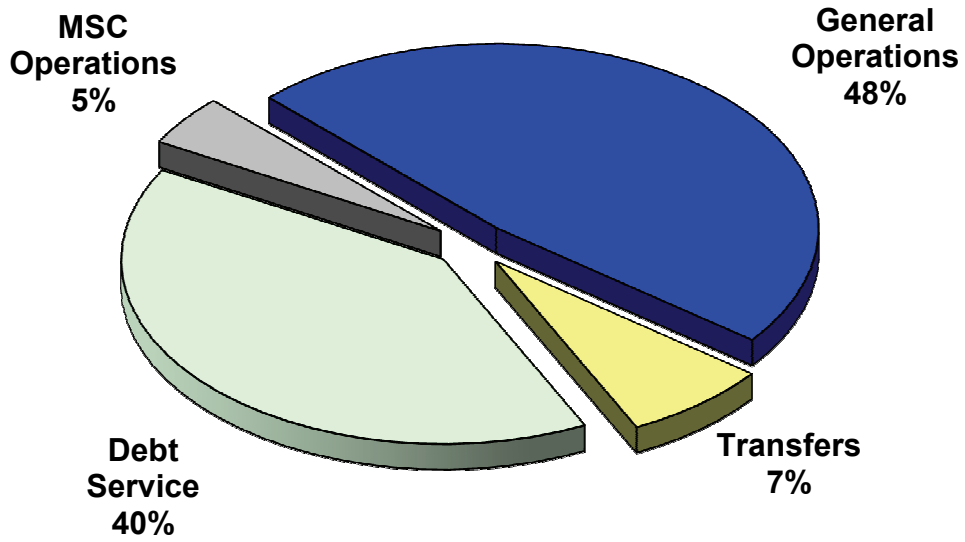
**WATER & WASTEWATER
WASTEWATER TREATMENT
DIVISION / ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Wastewater services-TRA	1,563,316	1,763,685	1,550,000	1,940,400
SUBTOTAL	1,563,316	1,763,685	1,550,000	1,940,400
Capital outlay	-	-	-	-
TOTAL	\$ 1,563,316	\$ 1,763,685	\$ 1,550,000	\$ 1,940,400

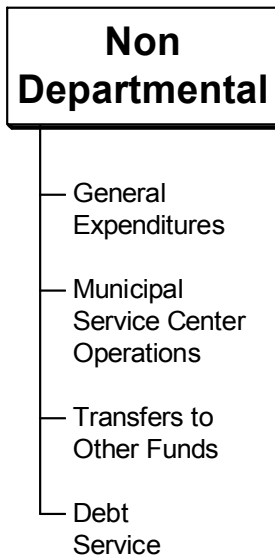
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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Water & Wastewater Fund Other / Non-Departmental



Department total: \$6,084,145



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. To provide for the comprehensive and continuous operation and maintenance of the City's Municipal Service Center in an efficient, safe, accurate and professional manner.
2. To house/store the necessary inventory and equipment needed to complete daily operations throughout the City.
3. To develop a routine preventive maintenance schedule for all service vehicles and equipment stored at the Municipal Service Center.
4. To provide and store adequate amounts of fuel for the needs of all City's vehicles and equipment.
5. To maintain GBA Master Series work order database system.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2007-2008 <u>ACTUAL</u>	2008-2009 <u>ESTIMATE</u>	2009-2010 <u>PROJECTED</u>
Vehicles/Equipment maintained	70	70	70
Fuel purchased (gallons)	124,006	122,000	122,000
Fuel usage (gallons)**	125,127	121,000	121,000
Average price per gallon (diesel and unleaded)	\$3.05	\$2.20	\$ 2.75

** – 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

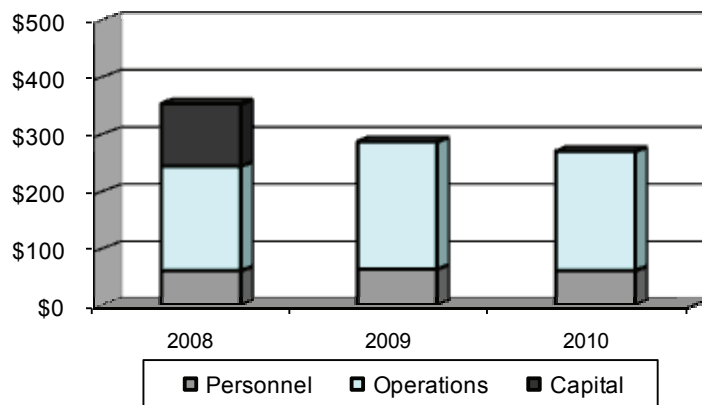
**WATER & WASTEWATER
MUNICIPAL SERVICE CENTER OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 61,290	\$ 64,400	\$ 64,100	\$ 61,525
Operations & maintenance	44,468	50,360	47,945	46,710
Services & other	138,019	170,945	174,895	161,685
SUBTOTAL	243,777	285,705	286,940	269,920
Capital outlay	109,348	-	-	-
TOTAL	\$ 353,125	\$ 285,705	\$ 286,940	\$ 269,920

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Light Duty Mechanic	TN-7	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0

Municipal Service Center Expenditures (000's)



FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
General Expenditures

ACCOUNT:
200-790-XX

DEPARTMENT/DIVISION DESCRIPTION:

The Non-Departmental Department 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.

DEPARTMENT/DIVISION GOALS:

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2007-2008</u> <u>ACTUAL</u>	<u>2008-2009</u> <u>ESTIMATE</u>	<u>2009-2010</u> <u>PROJECTED</u>

FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
General Expenditures

ACCOUNT:
200-790-XX

**WATER & WASTEWATER
NON-DEPARTMENTAL / GENERAL EXPENDITURES
DIVISION/ACTIVITY SUMMARY**

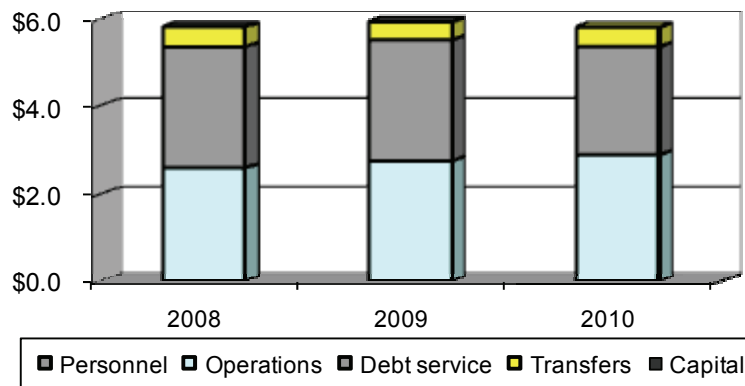
	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	11,462	12,000	12,000	12,000
Services & other	2,594,976	2,732,000	2,757,555	2,902,975
Debt service	2,750,301	2,751,540	2,751,540	2,451,630
Transfers to other funds	462,410	412,070	412,070	447,620
SUBTOTAL	5,819,149	5,907,610	5,933,165	5,814,225
Capital outlay	-	-	-	-
TOTAL	\$ 5,819,149	\$ 5,907,610	\$ 5,933,165	\$ 5,814,225

<u>EXPENDITURES BY DIVISION:</u>				
Debt Service	\$ 2,750,301	\$ 2,751,540	\$ 2,751,540	\$ 2,451,630
Transfers to other funds	462,410	412,070	412,070	447,620
Non-Departmental	2,606,438	2,744,000	2,769,555	2,914,975
TOTAL	\$ 5,819,149	\$ 5,907,610	\$ 5,933,165	\$ 5,814,225

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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Non-Departmental Expenditures (millions)



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 all 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.

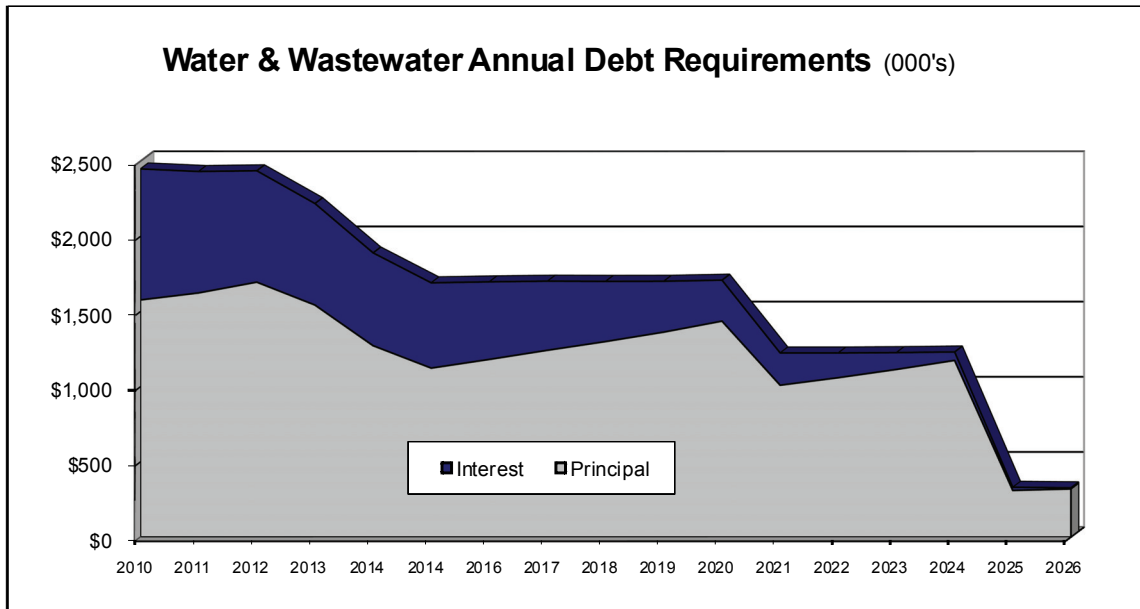
2008-09 Water & Wastewater Capital Projects

Project	Estimated Project Cost	Project Description	Operating Budget Impact
New Debt Obligations:			
Certificates of Obligation:			
Rufe Snow Drive improvements- Phase III, water improvements	\$ 500,000	Install a 12-inch water main along Rufe Snow Drive from Rapp Road to Bear Creek Parkway.	\$ -
Shady Grove Road water improvements	1,246,000	Install a 12-inch water main along Shady Grove Road as part of the improvements to the lower pressure plane.	-
Indian Knoll Trail water improvements	731,000	Install a 12-inch water main along Indian Knoll Trail as part of the improvements to the lower pressure plane.	-
North Tarrant Parkway water improvements	470,000	Install a 12-inch water main along North Tarrant Parkway, from Cat Mountain Trail, Eastward approximately 2,000 feet.	-
Total Certificates of Obligation	<u>2,947,000</u>		<u>-</u>
Water Impact Fee Projects:			
North Tarrant Parkway water improvements	95,000	Install a 12-inch water main along North Tarrant Parkway, from Cat Mountain Trail, Eastward approximately 2,000 feet.	-
Rufe Snow Drive improvements- Phase III, water improvements	100,000	Install a 12-inch water main along Rufe Snow Drive from Rapp Road to Bear Creek Parkway.	-
Total Water Impact Fees	<u>195,000</u>		<u>-</u>
Wastewater Impact Fee Projects:			
Big Bear East Branch interceptors	2,267,000	Install 18-and 15-inch wastewater interceptor mains in North Keller.	-
Total Wastewater Impact Fees	<u>\$ 2,267,000</u>		<u>\$ -</u>

Capital project fund budgets are project-based, not fiscal-year based. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2009 will be re-appropriated into the appropriate project for the 2009-2010 fiscal year. Water and wastewater capital projects for fiscal years 2009-10 through 2013-14 are provided in the capital improvements section of the document.

SCHEDULE OF WATER & WASTEWATER FUND DEBT OUTSTANDING
October 1, 2009

	<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>FY2010 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation refunding bonds:								
Series 1999	3.75% - 5.00%	05/1999	09/2020	\$ 3,222	\$ 1,561	\$ 277,258	\$ 68,110	\$ 345,368
Series 2002	3.00 - 4.00	11/2002	02/2013	5,360	2,025	425,000	69,720	494,720
Series 2004	2.00 - 4.00	02/2004	02/2017	440	105	55,000	2,631	57,631
Series 2005	3.25 - 4.20	08/2005	02/2020	5,360	3,290	235,000	127,169	362,169
Combination tax and revenue certificates of obligation:								
Series 2004	4.00 - 5.00	06/2004	02/2024	11,310	9,515	435,000	439,548	874,548
Series 2006	4.25 - 4.375	07/2006	02/2026	4,255	3,855	150,000	164,188	314,188
TOTAL				\$ 29,947	\$ 20,351	\$ 1,577,258	\$ 871,366	\$ 2,448,624



**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
2009-10	\$ 1,577,258	\$ 871,366	\$ 2,448,624	\$ 2,448,624
2010-11	1,623,932	807,366	2,431,298	2,431,298
2011-12	1,695,606	740,796	2,436,402	2,436,402
2012-13	1,543,392	675,135	2,218,527	2,218,527
2013-14	1,272,963	617,330	1,890,293	1,890,293
2014-15	1,123,800	567,039	1,690,838	1,690,838
2015-16	1,181,718	515,723	1,697,441	1,697,441
2016-17	1,242,555	459,329	1,701,884	1,701,884
2017-18	1,300,474	399,966	1,700,439	1,700,439
2018-19	1,363,392	337,816	1,701,208	1,701,208
2019-20	1,436,311	272,361	1,708,671	1,708,671
2020-21	1,010,000	214,266	1,224,266	1,224,266
2021-22	1,060,000	164,141	1,224,141	1,224,141
2022-23	1,115,000	111,469	1,226,469	1,226,469
2023-24	1,175,000	56,016	1,231,016	1,231,016
2024-25	310,000	20,781	330,781	330,781
2025-26	320,000	7,000	327,000	327,000
TOTAL	\$ 20,351,398	\$ 6,837,899	\$ 27,189,296	\$ 27,189,296



OTHER FUNDS

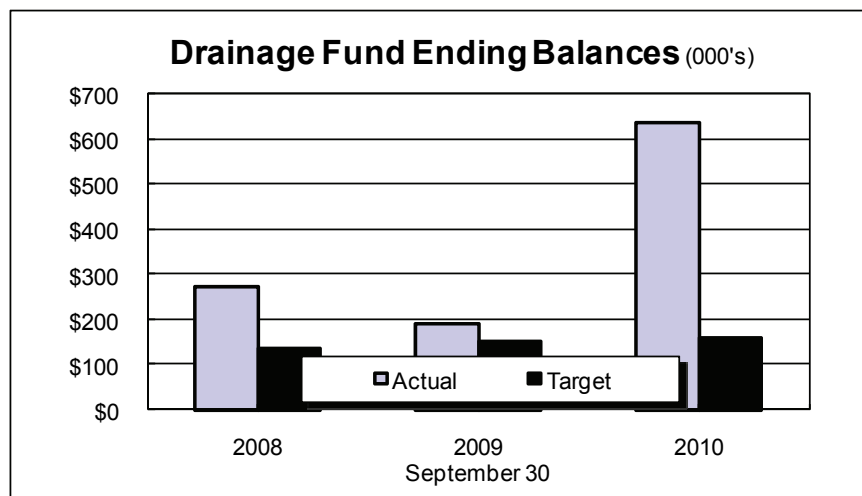
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DRAINAGE UTILITY FUND

The Drainage Utility Fund accounts for revenues and expenses of the City's drainage utility, and is financed primarily through drainage fees and charges.

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
DRAINAGE UTILITY FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 329,976	\$ 223,556	\$ 274,611	\$ 191,291
Revenues and transfers	906,234	927,850	905,285	1,402,600
TOTAL FUNDS AVAILABLE	1,236,210	1,151,406	1,179,896	1,593,891
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	961,599	977,045	988,605	954,705
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	274,611	174,361	191,291	639,186
FUND TOTAL	\$ 1,236,210	\$ 1,151,406	\$ 1,179,896	\$ 1,593,891
Excess revenues (expenditures)	(55,365)	(49,195)	(83,320)	447,895
Unreserved ending fund balance:				
Percent of operating expenditures ⁽¹⁾	33.2%	18.4%	20.7%	67.0%
TARGET	16.7%	16.7%	16.7%	16.7%
Number of days operating expenditures	119.7	66.2	74.3	241.0
TARGET	60.0	60.0	60.0	60.0

⁽¹⁾ excluding capital outlay and interfund transfers.



FUND:
Drainage Utility

DEPARTMENT:
Drainage Maintenance

DIVISION:
* All Divisions

ACCOUNT:
400-810-XX

DEPARTMENT DESCRIPTION:

The Drainage Maintenance Department is responsible for the collection and transporting 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. To continuously review and evaluate work methods and processes to determine changes resulting in improved efficiency and reduced operation and maintenance cost, 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. Keep drainage ways clear of debris.
5. Mitigate or eliminate flooding and property damage in the City.
6. Implement channel preventative maintenance program, cleaning five miles of channel per year.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 <u>ACTUAL</u>	2008-2009 <u>ESTIMATE</u>	2009-2010 <u>PROJECTED</u>
Miles of ditches maintained	118	118	118
Total linear feet of storm pipe maintained	15,000	16,000	16,000
Pipe culverts installed (linear feet)	250	200	200
Total linear feet of storm drainage cleaned	3,000	3,500	4,000
Storm inlets repaired and cleaned	70	75	75
Bridges/box culverts maintained	35	35	35
Linear feet of curb & gutter replaced	2,693	2,500	3,000
Miles of channel maintenance cleaned	5	5	5

FUND: Drainage Utility **DEPARTMENT:** Drainage Maintenance **DIVISION:** * All Divisions **ACCOUNT:** 400-810-XX

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
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DRAINAGE UTILITY FUND

OPERATING REVENUES:

Drainage fees	\$ 880,082	\$ 917,000	\$ 898,000	\$ 1,396,800
Subtotal	880,082	917,000	898,000	1,396,800

OTHER REVENUE:

Miscellaneous revenue (expense)	1,327	1,000	1,000	1,000
Intergovernmental-FEMA	10,040	-	-	-
Interest revenue	11,066	9,850	4,800	4,800
Gain (loss) on disposal of assets	3,719	-	1,485	-
Subtotal	26,152	10,850	7,285	5,800

TOTAL REVENUES	\$ 906,234	\$ 927,850	\$ 905,285	\$ 1,402,600
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EXPENDITURES BY FUNCTION:

Personnel services	\$ 530,242	\$ 560,045	\$ 554,475	\$ 543,830
Operations & maintenance	115,072	105,405	94,820	121,600
Services & other	179,276	246,265	239,880	289,275
Debt service	1,442	37,130	37,130	-
Transfers to other funds	31,110	-	-	-
SUBTOTAL	857,142	948,845	926,305	954,705

Capital outlay	104,457	28,200	62,300	-
TOTAL	\$ 961,599	\$ 977,045	\$ 988,605	\$ 954,705

EXPENDITURES BY DIVISION:

Drainage Maintenance	\$ 819,647	\$ 819,915	\$ 831,475	\$ 827,705
Debt Service	1,442	37,130	37,130	-
Intragovernmental Transfers	31,110	-	-	-
Non-Departmental	109,400	120,000	120,000	127,000
TOTAL	\$ 961,599	\$ 977,045	\$ 988,605	\$ 954,705

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Street/Drainage Superintendent	Division Mgr	0.50	0.50	0.50
Project Engineer	PE-10	0.25	0.25	0.25
Construction Inspector	A/TN-11	1.00	1.00	1.00
Street/Drainage Crewleader	TN-6	1.00	1.00	1.00
Equipment Operator	TN-5	3.00	3.00	3.00
Street/Drainage Maint. Worker	TN-2	3.00	3.00	3.00
TOTAL		8.75	8.75	8.75

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 unanimously approved by the KDC Board of Directors on July 14, 2009. A public hearing as required by Article 5190.6, Texas Revised Civil Statutes, was held on July 21, 2009.

2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
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KELLER DEVELOPMENT CORPORATION SUMMARY

RESOURCES:

Total beginning fund balance	\$ 597,939	\$ 668,264	\$ 673,881	\$ 671,421
Revenues and transfers	2,214,241	2,289,500	2,108,500	2,110,000

TOTAL FUNDS AVAILABLE	2,812,180	2,957,764	2,782,381	2,781,421
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USES/DEDUCTIONS:

Expenditures and transfers out	2,138,299	2,571,370	2,110,960	2,506,295
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ENDING FUND BALANCE:

Total fund balance	673,881	386,394	671,421	275,126
Reserved for debt service (1)	89,000	89,000	89,000	89,000
Unreserved fund balance	584,881	297,394	582,421	186,126

FUND TOTAL	\$ 2,812,180	\$ 2,957,764	\$ 2,782,381	\$ 2,781,421
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Excess revenues (expenditures)	75,942	(281,870)	(2,460)	(396,295)
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(1) 2005 Sales Tax Revenue Refunding Bonds

FUND:
Keller Development
Corporation

DEPARTMENT:
All Departments

DIVISION:
All Divisions

ACCOUNT:
110-XXX-XX

DEPARTMENT DESCRIPTION:

The Keller Development Corporation was established by Ordinance No. 670 in 1992 levying one-half of one percent sales and use tax to provide funding for park and recreation capital improvements as approved by voters. 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 be allocated for park land acquisition which was identified as the most urgent priority of the 2007 Parks, Recreation and Open Space Master Plan.

FUND:
Keller Development
Corporation

DEPARTMENT:
All Departments

DIVISION:

ACCOUNT:
110-XXX-XX

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
REVENUES				
<u>SALES TAXES:</u>				
City sales taxes	\$ 2,180,147	\$ 2,269,000	\$ 2,088,000	\$ 2,088,000
Subtotal	2,180,147	2,269,000	2,088,000	2,088,000
<u>MISCELLANEOUS REVENUES:</u>				
Rental revenue	23,200	12,000	12,000	12,000
Gain/loss on disposal of assets	-	-	-	2,500
Interest revenue	10,894	8,500	8,500	7,500
Subtotal	34,094	20,500	20,500	22,000
TOTAL REVENUES	\$ 2,214,241	\$ 2,289,500	\$ 2,108,500	\$ 2,110,000

EXPENDITURE SUMMARY

EXPENDITURES BY FUNCTION:

Personnel services	\$ 131,180	148,655	\$ 143,520	\$ 143,650
Operations & maintenance	11,539	29,430	26,550	54,970
Services & other	39,771	42,510	40,010	41,500
Debt service	1,640,660	1,646,205	1,646,005	1,648,135
Transfers to other funds	130,170	183,120	135,120	178,090
SUBTOTAL	1,953,320	2,049,920	1,991,205	2,066,345
Capital outlay	184,979	521,450	119,755	439,950
TOTAL	\$ 2,138,299	\$ 2,571,370	\$ 2,110,960	\$ 2,506,295

EXPENDITURES BY DIVISION:

Keller Sports Park/Land Acquisition	\$ 367,469	\$ 742,045	\$ 329,835	\$ 680,070
Debt Service	1,640,660	1,646,205	1,646,005	1,648,135
Transfers to Other Funds	130,170	183,120	135,120	178,090
TOTAL	\$ 2,138,299	\$ 2,571,370	\$ 2,110,960	\$ 2,506,295

PERSONNEL SUMMARY BY DEPARTMENT

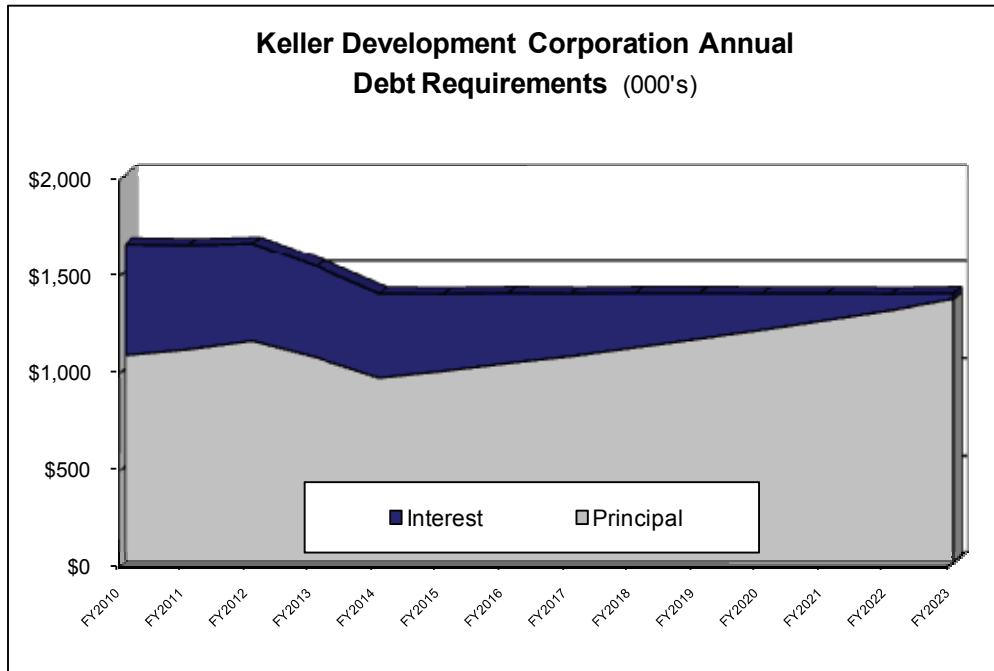
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Parks/Landscape Crewleader	TN-6	1.00	1.00	1.00
Parks/Landscape Maintenance Worker	TN-2	1.00	1.00	1.00
Parks/Landscape Maint Worker (Seasonal)	NA	0.78	0.78	0.78
TOTAL		2.78	2.78	2.78

FY2010 highlights: capital outlay includes funding for land acquisition (\$400,000), equipment replacement (\$29,200), and replacement of entry doors at the Senior Center (\$10,750).

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER DEVELOPMENT CORPORATION**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2010	\$ 1,070,000.00	\$ 577,330.76	\$ 1,647,330.76	\$ 1,647,330.76
FY2011	1,100,000.00	542,182.76	1,642,182.76	1,642,182.76
FY2012	1,145,000.00	505,245.13	1,650,245.13	1,650,245.13
FY2013	1,060,000.00	468,222.00	1,528,222.00	1,528,222.00
FY2014	955,000.00	431,225.00	1,386,225.00	1,386,225.00
FY2015	990,000.00	394,800.00	1,384,800.00	1,384,800.00
FY2016	1,030,000.00	358,806.25	1,388,806.25	1,388,806.25
FY2017	1,065,000.00	320,168.75	1,385,168.75	1,385,168.75
FY2018	1,110,000.00	278,693.75	1,388,693.75	1,388,693.75
FY2019	1,155,000.00	234,087.50	1,389,087.50	1,389,087.50
FY2020	1,200,000.00	186,987.50	1,386,987.50	1,386,987.50
FY2021	1,250,000.00	137,206.25	1,387,206.25	1,387,206.25
FY2022	1,300,000.00	84,612.50	1,384,612.50	1,384,612.50
FY2023	1,360,000.00	28,900.00	1,388,900.00	1,388,900.00
Total	\$ 15,790,000.00	\$ 4,548,468.15	\$ 20,338,468.15	\$ 20,338,468.15



**SCHEDULE OF KELLER DEVELOPMENT CORPORATION DEBT REQUIREMENTS
October 1, 2009**

	<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>FY2010 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Combination tax and revenue certificates of obligation:								
Series 2003	3.00% - 4.25%	05/2003	08/2023	\$ 18,120	\$ 14,935	\$ 840,000	\$ 546,744	\$ 1,386,744
Series 2004	4.00 - 5.00	06/2004	02/2024	755	320	100,000	10,800	110,800
Sales tax revenue refunding bonds:								
Series 2005	4.21	01/2006	01/2013	890	535	130,000	19,787	149,787
TOTAL				\$ 19,765	\$ 15,790	\$ 1,070,000	\$ 577,331	\$ 1,647,331

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER DEVELOPMENT CORPORATION
SALES TAX REVENUE REFUNDING BONDS, SERIES 2005**

<u>Date</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Principal & Interest</u>	<u>Fiscal Year Total</u>
FY2010	\$ 130,000.00	\$ 19,787.00	\$ 149,787.00	\$ 149,787.00
FY2011	130,000.00	14,314.00	144,314.00	144,314.00
FY2012	135,000.00	8,735.75	143,735.75	143,735.75
FY2013	140,000.00	2,947.00	142,947.00	142,947.00
Total	\$ 535,000.00	\$ 45,783.75	\$ 580,783.75	\$ 580,783.75

Amount issued: \$890,000
Purpose: Refund KDC 1992 Sales Tax Revenue Bonds

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER DEVELOPMENT CORPORATION
COMBINATION TAX & REVENUE CERTIFICATES
OF OBLIGATION, SERIES 2003**

Date	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2010	\$ 840,000.00	\$ 546,743.76	\$ 1,386,743.76	\$ 1,386,743.76
FY2011	865,000.00	521,168.76	1,386,168.76	1,386,168.76
FY2012	895,000.00	494,209.38	1,389,209.38	1,389,209.38
FY2013	920,000.00	465,275.00	1,385,275.00	1,385,275.00
FY2014	955,000.00	431,225.00	1,386,225.00	1,386,225.00
FY2015	990,000.00	394,800.00	1,384,800.00	1,384,800.00
FY2016	1,030,000.00	358,806.25	1,388,806.25	1,388,806.25
FY2017	1,065,000.00	320,168.75	1,385,168.75	1,385,168.75
FY2018	1,110,000.00	278,693.75	1,388,693.75	1,388,693.75
FY2019	1,155,000.00	234,087.50	1,389,087.50	1,389,087.50
FY2020	1,200,000.00	186,987.50	1,386,987.50	1,386,987.50
FY2021	1,250,000.00	137,206.25	1,387,206.25	1,387,206.25
FY2022	1,300,000.00	84,612.50	1,384,612.50	1,384,612.50
FY2023	1,360,000.00	28,900.00	1,388,900.00	1,388,900.00
Total	\$ 14,935,000.00	\$ 4,482,884.40	\$ 19,417,884.40	\$ 19,417,884.40

Amount issued: \$18,120,000

Purpose: Keller Sports Park improvements and design/construction of The Keller Pointe recreation and aquatic center.

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER DEVELOPMENT CORPORATION
COMBINATION TAX & REVENUE CERTIFICATES
OF OBLIGATION, SERIES 2004**

Date	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2010	\$ 100,000.00	\$ 10,800.00	\$ 110,800.00	\$ 110,800.00
FY2011	105,000.00	6,700.00	111,700.00	111,700.00
FY2012	115,000.00	2,300.00	117,300.00	117,300.00
Total	320,000.00	19,800.00	339,800.00	339,800.00

Amount issued: \$755,000

Purpose: Furniture, fixtures and equipment for The Keller Pointe.

**THE KELLER POINTE
RECREATION AND AQUATIC CENTER FUND**

The Recreation/Aquatic Center Fund was established for FY2003. The purpose of the fund is to account for operating revenues and costs of The Keller Pointe, which opened in May 2004. The operation of the facility is considered self-supporting, because the operating costs, excluding debt service, are funded with user fees and charges.

FUND SUMMARY

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>RESOURCES:</u>				
Total beginning fund balance *	\$ 551,678	\$ 396,213	\$ 715,019	\$ 696,389
Revenues and transfers	3,076,090	3,510,430	3,244,050	3,333,425
TOTAL FUNDS AVAILABLE	3,627,768	3,906,643	3,959,069	4,029,814
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	2,912,749	3,499,355	3,262,680	3,309,745
<u>ENDING FUND BALANCE: *</u>				
Unreserved fund balance *	715,019	407,288	696,389	720,069
FUND TOTAL	\$ 3,627,768	\$ 3,906,643	\$ 3,959,069	\$ 4,029,814
Excess revenues (expenditures)	163,341	11,075	(18,630)	23,680

* – Fund balance is cash and investments, less accounts payable.

REVENUES

OPERATING REVENUES:

Daily pass revenue	\$ 200,289	\$ 214,000	\$ 225,645	\$ 226,640
Annual pass sales	1,803,068	2,000,000	1,852,690	1,931,600
Employee pass revenue	87,062	82,480	90,660	85,520
Employee dependent pass revenue	12,123	10,530	14,115	14,100
Private party revenues	100,056	115,000	108,795	108,550
Concessions	95,729	120,000	120,625	121,100
Merchandise sales-general	6,335	14,750	14,920	14,935
Merchandise sales-aquatics	8,751	9,500	9,165	9,100
Stay 'N Play revenue	26,325	25,000	25,400	25,300
Aquatics Program revenues	129,702	142,000	142,720	142,700
Fitness Program revenues	119,082	119,700	106,680	109,850
Group exercise revenue	13,060	6,000	11,195	11,000
Personal training revenues	112,302	200,000	117,930	125,100
Recreation Programs revenues	206,068	291,000	264,870	265,900
Massage therapy revenues	35,720	45,000	26,900	30,100
Facility rentals	72,057	71,000	78,400	45,000
Gymnasium rentals	8,320	8,000	9,470	8,000
Pool rentals	–	–	–	34,000
Subtotal	3,036,049	3,473,960	3,220,180	3,308,495

OTHER REVENUE:

Interest earnings	29,398	17,820	10,690	7,000
Miscellaneous grants & donations	3,430	10,010	5,000	7,950
Miscellaneous revenue (expense)	7,213	8,640	8,180	9,980
Subtotal	40,041	36,470	23,870	24,930

TOTAL REVENUES AND TRANSFERS **\$ 3,076,090** **\$ 3,510,430** **\$ 3,244,050** **\$ 3,333,425**

FUND:	DEPARTMENT:	DIVISION:	ACCOUNT:
The Keller Pointe (Recreation & Aquatic Center)	The Keller Pointe (Recreation & Aquatic Center)	All Divisions/Programs	125-650-XX

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 sponsorships. 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 six divisions: (a) The General 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 Division includes fitness program staff and contract instructors, fitness equipment maintenance and fitness program supplies; (d) The Recreation Division includes recreation staff and contract instructors/referees, birthday party supplies, recreation program and league supplies and gymnasium equipment; (e) The Facility Maintenance Division includes building maintenance staff and contract janitorial services, janitorial supplies, and facility maintenance; and (f) The Customer Service Division includes customer service staff at the front desk, office supplies and concessions/merchandise sales.

The Keller Development Corporation provided financing for construction and capital costs of the facility (and subsequent annual principal and interest payments).

DEPARTMENT/DIVISION GOALS:

To maintain enterprise (self-supporting) operations by:

- Achieving and maintaining an annual member base of 4,200 passes
- Conducting the annual membership price special from April 15 – May 31, 2010 offering residents the group exercise upgrade for free and their choice of a personal training or massage and the resident rate to non-residents. Our goal is 500 new members, and 700 renewals.
- Maintaining a program pricing structure that offers a discount to our members to ensure membership retention and growth. This will secure financial success of both membership and programming.
- Increasing program registration by 10%
- Maintaining a customer satisfaction survey rating of at least 90%
- Continuing the institution of Pointes of Excellence Training with all staff. Adding job specific training to the Pointes of Excellence training procedure.
- Maintaining member attrition rate at 35% or less
- Providing a minimum of six yearly special events
- Providing a minimum of four pre-teen programming after-hour events

(continued)

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** All Divisions/Programs **ACCOUNT:** 125-650-XX

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Completed surveys	514	519	550
Number of annual members	3,592	3,900	4,200
Annual attendance (day pass & member visits)	289,827	298,551	309,910
Recreation programs provided (class list)	1,396	1,406	1,430
Recreation program participants (attendance)	6,318	7,179	7,600
Leagues provided	25	22	25
League participants:			
Teams	102	140	165
Participants	1,107	1,461	1,650
Special events provided	10	11	12
Special event attendance	2,268	3,528	3,700
Member attrition rate	38.65%	35.44%	30%
Facility rentals/birthday parties/classes	867	940	1,008

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** All Divisions/Programs **ACCOUNT:** 125-650-XX

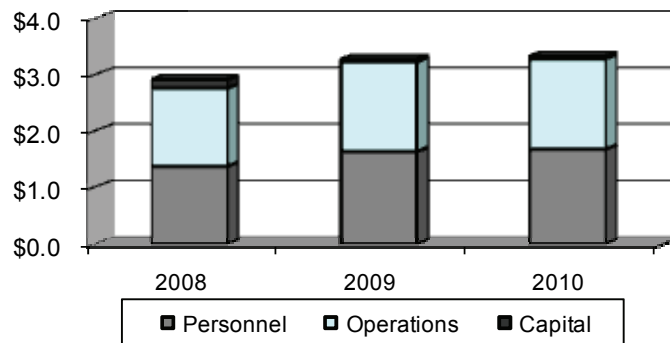
**THE KELLER POINTE
DEPARTMENT SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 1,387,746	\$ 1,856,360	\$ 1,644,490	\$ 1,684,125
Operations & maintenance	289,446	368,760	392,615	362,055
Services & other	1,074,735	1,256,235	1,187,575	1,228,565
Debt service	14,432	-	-	-
SUBTOTAL	2,766,359	3,481,355	3,224,680	3,274,745
Capital outlay	146,390	18,000	38,000	35,000
TOTAL	\$ 2,912,749	\$ 3,499,355	\$ 3,262,680	\$ 3,309,745
<u>EXPENDITURES BY ACTIVITY</u>				
Administration	\$ 958,783	\$ 1,161,005	\$ 1,113,635	\$ 1,182,575
Aquatics	628,580	496,145	541,240	508,125
Fitness Programs	368,516	612,725	477,135	444,825
Recreation Programs	326,128	396,565	367,260	365,505
Facility Operations & Maintenance	320,988	423,115	405,735	440,030
Customer Service & Concessions	309,754	409,800	357,675	368,685
TOTAL	\$ 2,912,749	\$ 3,499,355	\$ 3,262,680	\$ 3,309,745

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	5.00	5.40	5.50
Aquatics	14.90	17.98	18.36
Fitness Programs	9.54	3.66	3.62
Recreation Programs	5.26	9.47	9.24
Facility Operations & Maintenance	1.00	2.00	2.00
Customer Service & Concessions	11.63	14.08	14.06
TOTAL	47.33	52.59	52.78

The Keller Pointe Expenditures (millions)



FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Administration **ACCOUNT:** 125-650-01

ADMINISTRATION

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 316,338	\$ 398,610	\$ 380,270	\$ 390,330
Operations & maintenance	69,527	70,590	72,650	68,475
Services & other	558,486	691,805	660,715	698,770
Debt service	14,432	-	-	-
SUBTOTAL	958,783	1,161,005	1,113,635	1,157,575
Capital outlay	-	-	-	25,000
TOTAL	\$ 958,783	\$ 1,161,005	\$ 1,113,635	\$ 1,182,575

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Recreation Manager	PE-9	1.0	1.0	1.0
Assistant Manager	PE-6	1.0	1.0	1.0
Accountant	PE-4	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Sales/Marketing Coordinator	A/TN-6	1.0	1.0	1.0
Administrative Assistant	NA	-	0.4	0.5
TOTAL		5.0	5.4	5.5

FY2010 highlights: capital outlay provides funding for furniture, fixtures and equipment replacement.

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Aquatics **ACCOUNT:** 125-650-02

AQUATICS

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 406,402	\$ 433,885	\$ 416,085	\$ 430,220
Operations & maintenance	56,717	39,500	79,685	57,700
Services & other	19,071	22,760	20,470	20,205
SUBTOTAL	482,190	496,145	516,240	508,125
Capital outlay	146,390	-	25,000	-
TOTAL	\$ 628,580	\$ 496,145	\$ 541,240	\$ 508,125

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Aquatics Supervisor	PE-4	1.00	1.00	1.00
Assistant Aquatics Supervisor	A/TN-5	1.00	1.00	1.00
Head Lifeguard	RCS-3	3.03	4.20	3.98
Lifeguard	RCS-2	9.39	11.30	11.90
Water Safety Instructor	RCS-4	0.48	0.48	0.48
TOTAL		14.90	17.98	18.36

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Fitness Programs **ACCOUNT:** 125-650-03

FITNESS PROGRAMS

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 129,823	\$ 310,275	\$ 203,475	\$ 211,645
Operations & maintenance	30,129	107,290	100,800	60,000
Services & other	208,564	195,160	172,860	173,180
SUBTOTAL	368,516	612,725	477,135	444,825
Capital outlay	-	-	-	-
TOTAL	\$ 368,516	\$ 612,725	\$ 477,135	\$ 444,825

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Fitness Program Coordinator	A/TN-5	1.00	1.00	1.00
Personal Training Coordinator	A/TN-4	1.00	1.00	1.00
Personal Trainer (part-time)	RCS-3	5.12	1.66	1.62
Childcare Attendant	RCS-1	2.42	-	-
TOTAL		9.54	3.66	3.62

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Recreation Programs **ACCOUNT:** 125-650-04

RECREATION PROGRAMS

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 213,484	\$ 262,535	\$ 243,630	\$ 239,615
Operations & maintenance	45	6,000	4,530	6,000
Services & other	112,599	128,030	119,100	119,890
SUBTOTAL	326,128	396,565	367,260	365,505
Capital outlay	-	-	-	-
TOTAL	\$ 326,128	\$ 396,565	\$ 367,260	\$ 365,505

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Recreation Supervisor	PE-3	1.00	1.00	1.00
Assistant Recreation Supervisor	A/TN-5	1.00	1.00	1.00
Camp Counselor	RCS-2	1.78	2.37	2.18
Recreation Assistant (seasonal)	RCS-1	1.48	1.06	1.15
Childcare Attendant	RCS-1	-	4.04	3.91
TOTAL		5.26	9.47	9.24

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Facility Maintenance **ACCOUNT:** 125-650-05

FACILITY MAINTENANCE

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 74,162	\$ 117,855	\$ 113,415	\$ 117,210
Operations & maintenance	72,450	71,380	66,640	97,880
Services & other	174,376	215,880	212,680	214,940
SUBTOTAL	320,988	405,115	392,735	430,030
Capital outlay	-	18,000	13,000	10,000
TOTAL	\$ 320,988	\$ 423,115	\$ 405,735	\$ 440,030

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Building Operations Supervisor	TN-10	1.0	1.0	1.0
Building Maintenance Tech I	TN-1	-	1.0	1.0
TOTAL		1.0	2.0	2.0

FY2010 highlights: capital outlay includes funding to replace an air conditioning unit and/or compressor at the facility.

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Customer Service & Concessions **ACCOUNT:** 125-650-06

CUSTOMER SERVICE & CONCESSIONS

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 247,537	\$ 333,200	\$ 287,615	\$ 295,105
Operations & maintenance	60,578	74,000	68,310	72,000
Services & other	1,639	2,600	1,750	1,580
SUBTOTAL	309,754	409,800	357,675	368,685
Capital outlay	-	-	-	-
TOTAL	\$ 309,754	\$ 409,800	\$ 357,675	\$ 368,685

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Customer Service Supervisor	PE-3	-	1.00	1.00
Senior Customer Service Representative	A/TN-1	2.00	2.00	2.00
Customer Service Representative (part-time)	RCS-2	7.33	7.05	7.03
Concession Stand Attendant	RCS-1	2.30	4.03	4.03
TOTAL		11.63	14.08	14.06

INFORMATION SERVICES FUND

The Information Services Fund was created by the City in FY2001 to account for City-wide information services/information technology operations. Sources of funding for the Information Services Fund are 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. In October 2005, the Public Library support, Internet services, and Audio Visual services were transferred to Information Services.

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
INFORMATION SERVICES FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 442,973	\$ 471,663	\$ 483,449	\$ 372,884
Revenues and transfers	1,258,494	1,339,535	1,306,690	1,399,770
TOTAL FUNDS AVAILABLE	1,701,467	1,811,198	1,790,139	1,772,654
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	1,218,018	1,411,095	1,417,255	1,501,690
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	483,449	400,103	372,884	270,964
FUND TOTAL	\$ 1,701,467	\$ 1,811,198	\$ 1,790,139	\$ 1,772,654
Excess revenues (expenditures)	40,476	(71,560)	(110,565)	(101,920)
REVENUES				
<u>OPERATING REVENUES:</u>				
Information services fees-City	\$ 936,400	\$ 1,027,460	\$ 1,072,000	\$ 1,117,500
General Fund lease revenue	194,625	194,625	140,550	179,070
Water/Wastewater Fund lease revenue	28,190	28,190	17,600	24,140
Drainage Utility Fund lease revenue	1,035	1,035	495	1,635
The Keller Pointe lease revenue	15,675	15,675	14,045	16,445
Teen Court Fund lease revenue	50	50	-	480
Communication tower rental fees	60,139	52,500	52,500	52,500
Subtotal	1,236,114	1,319,535	1,297,190	1,391,770
<u>OTHER REVENUE:</u>				
Interest earnings	22,342	20,000	9,500	8,000
Miscellaneous revenue (expense)	38	-	-	-
Subtotal	22,380	20,000	9,500	8,000
TOTAL REVENUES AND TRANSFERS	\$ 1,258,494	\$ 1,339,535	\$ 1,306,690	\$ 1,399,770

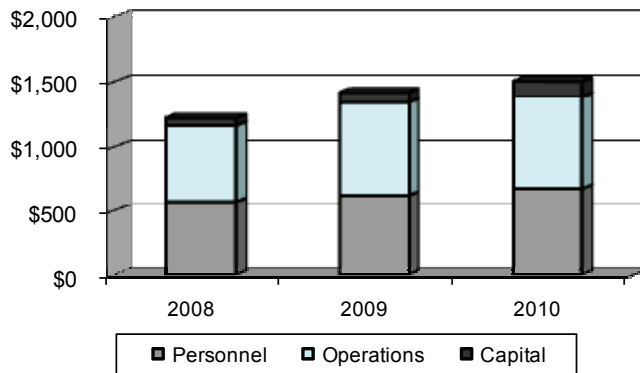
**INFORMATION SERVICES FUND
COMBINED EXPENDITURES**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 572,745	\$ 627,530	\$ 621,565	\$ 672,830
Operations & maintenance	355,707	465,095	457,350	452,750
Services & other	233,468	256,470	256,590	258,610
SUBTOTAL	1,161,920	1,349,095	1,335,505	1,384,190
Capital outlay	56,098	62,000	81,750	117,500
TOTAL	\$ 1,218,018	\$ 1,411,095	\$ 1,417,255	\$ 1,501,690
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,093,418	\$ 1,251,220	\$ 1,258,740	\$ 1,350,900
Geographic Information Services	124,600	159,875	158,515	150,790
TOTAL	\$ 1,218,018	\$ 1,411,095	\$ 1,417,255	\$ 1,501,690

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Administration	6.0	6.0	6.0
Geographic Information Services	1.5	1.5	1.5
TOTAL	7.5	7.5	7.5

Information Services Expenditures (000's)



FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

DEPARTMENT/DIVISION DESCRIPTION:

The Information Services Administration division is under the general direction of the Assistant City Manager and is responsible for hardware and software support and maintenance of all computer systems for the City of Keller. Responsibilities include networking, network security, PC support, desktop applications, printer maintenance, departmental software application support, email, IP Telephony, Web site development/maintenance, Audio Visual support, Public Library Patron/staff support, and the procurement of all hardware and software requests. 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 Services. In October 2005, the Public Library, Internet services, and Audio Visual services were transferred to Information Services.

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 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 Services, 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. Maintain and update software / hardware standardization policies for all City Departments
 6. Ensure that all City software is properly licensed and documented.
 7. Maintain comprehensive backups for all City servers including offsite storage of all backup media.
 8. Maintain the City's communication infrastructure to ensure reliable voice and data service to all City facilities.
 9. Maintain current anti-virus/anti-spam software to prevent damage to City operations.
 10. Provide project management to all technology related projects within the City.
 11. Implement a Document Imaging system to reduce physical file storage requirements and improve access to critical information.
 12. Improve the City of Keller's web site by creating consistency in the appearance and functionality of all City and department specific web sites, and also enhance the economic development focus of the web site.

(continued)

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Application/file/storage servers supported/maintained	18	22	30
Desktop/laptop computers supported/maintained	217	266	280
Network / local printers supported/maintained	102	114	100
Telephone handsets supported/maintained	230	240	280
Network equipment/devices supported/maintained	48	50	52

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

**INFORMATION SERVICES FUND
ADMINISTRATION EXPENDITURES**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 493,329	\$ 530,945	\$ 526,735	\$ 579,335
Operations & maintenance	340,789	435,500	427,360	430,350
Services & other	214,073	222,775	222,895	223,715
SUBTOTAL	1,048,191	1,189,220	1,176,990	1,233,400
Capital outlay	45,227	62,000	81,750	117,500
TOTAL	\$ 1,093,418	\$ 1,251,220	\$ 1,258,740	\$ 1,350,900

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Information Services Manager	Director	1.0	1.0	1.0
Information Services Analyst	PE-7	1.0	1.0	1.0
Information Services Network Analyst	PE-7	1.0	1.0	1.0
Information Services Systems Analyst	PE-7	1.0	1.0	1.0
Information Services Internet Analyst	PE-6	1.0	1.0	1.0
Information Services Technician	A/TN-9	1.0	1.0	1.0
TOTAL		6.0	6.0	6.0

FY2010 highlights: capital outlay includes funding for technology-related hardware replacements.

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 Assistant City Manager and Information Services Director. GIS provides geographic information and geographic data management services to City departments. Specific services include software and data needs analysis, software support, data analysis and conversion, map production, interactive map web pages, and geographic database management.

Prior to November 2002, GIS activities were included in the Public Works Department.

DEPARTMENT/DIVISION GOALS:

1. Provide effective geographic solutions to streamline City processes.
2. Improve GIS applications and increase the accessibility of GIS data to more City staff.
3. Continue to maintain all primary GIS datasets.
4. Improve/enhance our existing North Central Texas Council of Government (NCTCOG) iCommunities GIS web site.
5. Improve/enhance our existing NCTCOG Economic Development GIS website in conjunction with NCTCOG iCommunities.
6. Develop new GIS data layers for the Police, Fire, Community Development, and Parks and Recreation departments.
7. Assist Public Works with the development of a storm drainage GIS data layer.
8. Integrate GIS utilities datasets with the Public Works GBA Master Series work order system.
9. Continue to improve the GIS Intranet site to better serve internal staff with GIS data.
10. Maintain and update the GIS implementation plan as conditions warrant.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Intranet GIS users	20-25	25-30	35-40
Advanced GIS users performing analysis and developing detailed maps	5	6	7-8

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Geographic Information
Systems

ACCOUNT:
119-180-19

**INFORMATION SERVICES FUND
GEOGRAPHIC INFORMATION SYSTEM EXPENDITURES**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 79,416	\$ 96,585	\$ 94,830	\$ 93,495
Operations & maintenance	14,918	29,595	29,990	22,400
Services & other	19,395	33,695	33,695	34,895
SUBTOTAL	113,729	159,875	158,515	150,790
Capital outlay	10,871	-	-	-
TOTAL	\$ 124,600	\$ 159,875	\$ 158,515	\$ 150,790

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
GIS Coordinator	PE-8	-	1.0	1.0
GIS Analyst	PE-7	1.0	-	-
GIS Intern	NA	0.5	0.5	0.5
TOTAL		1.5	1.5	1.5

LIBRARY SPECIAL REVENUE FUND

The Library Special Revenue Fund accounts for special contributions, donations, and related expenditures for the Keller Public Library.

	2007-2008	2008-2009	2008-2009	2009-2010
	ACTUAL	BUDGET	ESTIMATE	PROPOSED

LIBRARY SPECIAL REVENUE FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ (1,747)	\$ 3,759	\$ (1,238)	\$ 822
Revenues and transfers	33,246	37,560	46,410	44,510
TOTAL FUNDS AVAILABLE	31,499	41,319	45,172	45,332

USES/DEDUCTIONS:

Expenditures and transfers out	32,737	38,000	44,350	42,500
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ENDING FUND BALANCE:

Unreserved fund balance (deficit)	(1,238)	3,319	822	2,832
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FUND TOTAL

	\$ 31,499	\$ 41,319	\$ 45,172	\$ 45,332
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Excess revenues (expenditures)	509	(440)	2,060	2,010
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REVENUES

MISCELLANEOUS REVENUES:

Utility Bill Donations	\$ 11,201	\$ 14,000	\$ 14,000	\$ 14,000
Library Donations	10,112	8,500	8,500	8,500
Non-resident fees	3,217	3,560	3,560	3,560
Interest earnings	368	2,500	500	450
Miscellaneous grant revenue	8,348	9,000	19,850	18,000
TOTAL REVENUES AND TRANSFERS	\$ 33,246	\$ 37,560	\$ 46,410	\$ 44,510

LIBRARY SPECIAL REVENUE FUND

EXPENDITURE SUMMARY

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	13,765	24,145	30,195	28,645
Services & other	3,972	4,855	5,155	4,855
Transfers to other funds	15,000	-	-	-
SUBTOTAL	32,737	29,000	35,350	33,500
Capital outlay	-	9,000	9,000	9,000
TOTAL	\$ 32,737	\$ 38,000	\$ 44,350	\$ 42,500
<u>EXPENDITURES BY ACTIVITY:</u>				
Library Services	\$ 24,389	\$ 29,000	\$ 24,500	\$ 24,500
Library Grant Expenditures	8,348	9,000	19,850	18,000
TOTAL	\$ 32,737	\$ 38,000	\$ 44,350	\$ 42,500

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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FY2010 highlights: capital outlay funding is included for library equipment and furnishings.

RECREATION SPECIAL REVENUE FUND

The Recreation Special Revenue Fund accounts for specific revenues and fees resulting from the operations of the City recreation program, and their related costs.

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
RECREATION SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 137,224	\$ 220,815	\$ 182,339	\$ 26,550
Revenues and transfers	219,305	245,338	166,325	154,420
TOTAL FUNDS AVAILABLE	356,529	466,153	348,664	180,970
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	174,190	428,728	322,114	159,050
<u>ENDING FUND BALANCE:</u>				
Total fund balance	182,339	37,425	26,550	21,920
Designated for Wild West Fest	11,175	21,066	12,175	13,175
Designated for tree preservation	10,279	-	8,279	8,279
Designated for Get up/Get Out grant	69,214	-	-	-
Unreserved fund balance	91,671	16,359	6,096	466
FUND TOTAL	\$ 356,529	\$ 466,153	\$ 348,664	\$ 180,970
Excess revenues (expenditures)	45,115	(183,390)	(155,789)	(4,630)

REVENUES

RECREATION PROGRAMS REVENUE:

Texas Amateur Athletic Foundation (TAAF):				
Swimming revenue	\$ 24,434	\$ 25,000	\$ 19,375	\$ 20,150
Track revenue	-	2,000	-	-
Daddy/daughter sweetheart ball	4,749	6,600	5,715	5,400
Halloween haunted trail revenue	3,262	3,000	4,320	3,000
Holly Days in the Park revenue	1,600	2,000	1,225	2,000
Wild West Fest revenue	32,215	29,000	29,000	29,000
Mother/son ice cream social revenue	710	1,000	1,000	1,000
Keller family campout revenue	2,360	1,750	1,750	2,000
Easter event revenue	485	800	200	500
Spooky-Kooky-Keller-Kastle revenue	100	100	375	100
Family fun films revenue	360	500	500	500
Fishing event revenue	100	500	500	500
Recreation program revenue	-	6,000	3,000	6,000
Senior Services program revenues	6,473	10,320	6,990	9,250
TOTAL RECREATION REVENUES	\$ 76,848	\$ 88,570	\$ 73,950	\$ 79,400

(continued)

**RECREATION SPECIAL REVENUE FUND
REVENUES**

(Continued)

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	\$ 6,799	\$ 3,500	\$ 3,000	\$ 2,500
Miscellaneous park donations	5,479	2,250	42,655	2,250
Charter Community grant revenue	11,353	11,353	11,350	-
Get Up/Get Out Kids Fest grant revenue	79,000	39,600	5,395	39,600
Ticket sales revenue	6,431	8,665	6,500	6,570
Concerts in the Park revenue	2,639	5,100	5,100	5,100
Utility bill donation revenue	11,203	13,000	9,000	9,000
Senior Services donations	-	300	300	2,000
Veteran's Memorial donations	-	-	1,075	-
Tree preservation fines/fees	8,200	5,000	8,000	8,000
TOTAL MISCELLANEOUS REVENUES	131,104	88,768	92,375	75,020
REVENUES BEFORE TRANSFERS	207,952	177,338	166,325	154,420
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from general fund	11,353	-	-	-
TOTAL TRANSFERS	11,353	-	-	-
<u>INTERGOVERNMENTAL:</u>				
City of Southlake	-	68,000	-	-
TOTAL OTHER RESOURCES	-	68,000	-	-
TOTAL REVENUES AND TRANSFERS	\$ 219,305	\$ 245,338	\$ 166,325	\$ 154,420

FUND: Recreation Special Revenue
DEPARTMENT: All Activities
DIVISION: All Activities
ACCOUNT: 112-XXX-XX

DEPARTMENT DESCRIPTIONS:

Recreation Programs Division:

The Recreation Programs division is responsible for administering the activities of the programs and sport leagues 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 leagues.

Special Events Division:

The Special Events budget accounts for special event activities administered by the Department, including Wild Wild West Fest, Holly Days, Haunted Trails, Egg Scramble, Family Fun Films, TREE-Mendous Arbor Day, Daddy/Daughter Sweetheart Ball, Family Camp Out, Outdoor Holiday Yard Decorating Contest, Mother/Son I Scream Social, Spooky Kooky Keller Kastle, Dog Day Afternoon and Fishing for Fun. These events are funded by the 50 cent water bill donations, sponsorships, grants, donations and booth fees. Administrative functions of the special events are included in the General Fund Parks and Recreation budget.

Concerts in the Park Division:

The Concerts in the Park account provides funding for activities associated with musical entertainment and activities for concerts held during the summer months at Bear Creek Park. Administrative functions of the event are included in the General Fund Parks and Recreation budget.

Senior Services Programs and Trips

To provide quality recreation programs and trip experiences for Keller senior citizens that meets the needs of all senior ages and cultures.

DEPARTMENT/ACTIVITY GOALS:

1. Plan, administer and coordinate a variety of quality programs, special events/activities and trips to appeal to guests of all ages and interest.
2. Administer Keller Proud and Texas Amateur Athletic Programs.
3. Expand our resources and encourage community involvement in special events by:
 - Continuing to foster partnerships with Keller Independent School District, civic groups, businesses and neighboring communities.
 - Maintaining and promoting an active volunteer program.
 - Maintaining and expanding sponsorship opportunities.
4. Provide quality customer service that exceeds expectations of guests.
5. Enhance special event activities such as Concerts in the Park and MasterWorks through the Charter Community Grant Program.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROJECTED
Special events provided annually	34	35	35
Special events participants	22,591	24,213	25,000
Recreation program volunteers	481	500	525
Recreation program volunteer hours	2,164	2,846	2,954
Recreation leagues provided	14	14	8
Recreation league participants	165	200	150
Recreation leagues provided at KISD facilities	—	1	1
Senior Center trips offered	33	35	36
Senior Center trip participants	869	880	910
Senior Center Birthday Breakfast offered	12	12	12
Senior Center Birthday Breakfast participants	240	264	280
Senior Center Thursday Night activities	50	50	50
Senior Center Thursday Night participants	842	900	930

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-XXX-XX

**RECREATION SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	97,121	87,934	93,945	46,095
Services & other	77,069	204,794	159,489	112,955
SUBTOTAL	174,190	292,728	253,434	159,050
Capital outlay	-	136,000	68,680	-
TOTAL	\$ 174,190	\$ 428,728	\$ 322,114	\$ 159,050
<u>EXPENDITURES BY PROGRAM:</u>				
Senior Services Programs	\$ 6,243	\$ 14,160	\$ 31,975	\$ 16,970
Recreation Programs	54,872	170,750	97,665	29,680
Special Events	65,901	152,850	119,074	83,450
Designated Expenditures	38,568	83,268	63,945	21,250
Concerts in the Park	8,606	7,700	9,455	7,700
TOTAL	\$ 174,190	\$ 428,728	\$ 322,114	\$ 159,050

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

DEPARTMENT / DIVISION	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
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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.

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
MUNICIPAL COURT SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 233,035	\$ 226,815	\$ 260,425	\$ 246,895
Revenues and transfers	102,802	116,790	111,000	109,000
TOTAL FUNDS AVAILABLE	335,837	343,605	371,425	355,895
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	75,412	133,165	124,530	156,562
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	260,425	210,440	246,895	199,333
FUND TOTAL	\$ 335,837	\$ 343,605	\$ 371,425	\$ 355,895
Excess revenues (expenditures)	27,390	(16,375)	(13,530)	(47,562)
REVENUES				
<u>MISCELLANEOUS REVENUES:</u>				
Technology fees	\$ 29,222	\$ 30,000	\$ 31,500	\$ 30,000
Building security fees	21,916	28,000	23,000	25,000
School crossing fees	3,475	10,000	12,500	10,000
Juvenile Case Manager fees	35,264	38,790	38,000	39,000
Interest earnings	12,924	10,000	6,000	5,000
TOTAL REVENUES AND TRANSFERS	\$ 102,802	\$ 116,790	\$ 111,000	\$ 109,000

The 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.

FUND:
Municipal Court Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
114-XXX-XX

The 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 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, benefits, and related costs associated with the juvenile case manager position.

**MUNICIPAL COURT SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 42,939	\$ 47,680	\$ 46,030	\$ 46,320
Operations & maintenance	27,332	73,580	42,370	79,862
Services & other	5,141	11,905	36,130	11,880
SUBTOTAL	75,412	133,165	124,530	138,062
Capital outlay	-	-	-	18,500
TOTAL	\$ 75,412	\$ 133,165	\$ 124,530	\$ 156,562

<u>EXPENDITURES BY DIVISION:</u>				
Building Security Account	\$ 50	\$ 4,335	\$ 4,050	\$ 22,865
Technology Account	27,265	69,880	63,810	76,162
Juvenile Case Manager Account	43,348	48,950	46,670	47,535
School Crossing Guard Account	4,749	10,000	10,000	10,000
TOTAL	\$ 75,412	\$ 133,165	\$ 124,530	\$ 156,562

FY2010 highlights: capital outlay funding is provided from the Building Security Account for Court video security camera equipment.

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Juvenile Case Manager	ATN/4	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0

TEEN COURT SPECIAL REVENUE FUND

The Teen Court Special Revenue Fund accounts for the operations of the regional joint team court operations with the cities of Keller, Haltom City and Watauga, and the surrounding school districts. The Teen Court Activity is funded by contributions from the participating entities.

2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
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TEEN COURT SPECIAL REVENUE FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 38,658	\$ 45,264	\$ 45,983	\$ 54,383
Revenues and transfers	83,394	90,050	90,050	49,125
TOTAL FUNDS AVAILABLE	122,052	135,314	136,033	103,508

USES/DEDUCTIONS:

Expenditures and transfers out	76,069	80,480	81,650	79,925
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ENDING FUND BALANCE:

Unreserved fund balance	45,983	54,834	54,383	23,583
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FUND TOTAL

	\$ 122,052	\$ 135,314	\$ 136,033	\$ 103,508
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Excess revenues (expenditures)	7,325	9,570	8,400	(30,800)
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REVENUES

MISCELLANEOUS REVENUES:

City of Haltom City contribution	\$ 30,082	\$ 31,590	\$ 31,590	\$ 15,795
City of Watauga contribution	18,421	20,265	20,265	10,135
Teen Court fines & donations	5,585	5,000	5,000	5,000
Interest revenue	2,261	3,000	3,000	3,000
Subtotal	56,349	59,855	59,855	33,930

TRANSFERS FROM OTHER FUNDS:

Transfer from general fund	27,045	30,195	30,195	15,195
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TOTAL TRANSFERS	27,045	30,195	30,195	15,195
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TOTAL REVENUES	\$ 83,394	\$ 90,050	\$ 90,050	\$ 49,125
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FUND:
 Teen Court Special
 Revenue

DEPARTMENT:
 Teen Court

DIVISION:
 Administration

ACCOUNT:
 116-160-10

DEPARTMENT/DIVISION DESCRIPTION:

The teen court program was created in 1996 by an interlocal agreement among the cities of Keller, Watauga, and Haltom City. Teen court is a volunteer program that provides juvenile Class C misdemeanor offenders an alternative to the criminal justice system. The teen court program encourages juveniles to assume responsibility for their own actions, which is accomplished by their involvement in the judicial process and community services so that offenses will not be reported to the state and become a part of their juvenile's permanent record.

DEPARTMENT/DIVISION GOALS:

1. Continue to provide a diversionary program to hold juvenile offenders responsible for their actions with logical and consistent consequences.
2. Continue to promote healthy attitudes toward authority.
3. Continue to provide an effective forum for juveniles to become familiar with the court system.
4. Continue to reduce the involvement of juvenile offenders with the criminal justice system.
5. Continue to assist juvenile offenders to recognize the effects of their behavior on the entire community.
6. Continue to involve the communities to promote understanding and deter juvenile offenders.
7. Continue the attendance in the "First Offenders Program" for teens, to encourage better communication and problem solving skills. (Parents must attend the first and last class).
8. Continue to promote adult volunteers to actively participate in court sessions; whereby, juvenile offenders can experience positive adult role models.
10. Continue to increase the number of teen volunteers to help them better understand how the legal system works and to promote community service in our community.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2007-2008 ACTUAL</u>	<u>2008-2009 ESTIMATE</u>	<u>2009-2010 PROJECTED</u>
Number of cases referred to Teen Court	415	450	500
Number of community service hours completed by defendants	12,568	12,098	13,000
Number of teen volunteers serving in Teen Court	13	17	17
Number of teens attending Options Program (ages 12 – 14) to be put in anger management	109	112	120
Number of adult volunteers serving in Teen Court	6	6	5

FUND:
Teen Court Special
Revenue

DEPARTMENT:
Teen Court

DIVISION:
Administration

ACCOUNT:
116-160-10

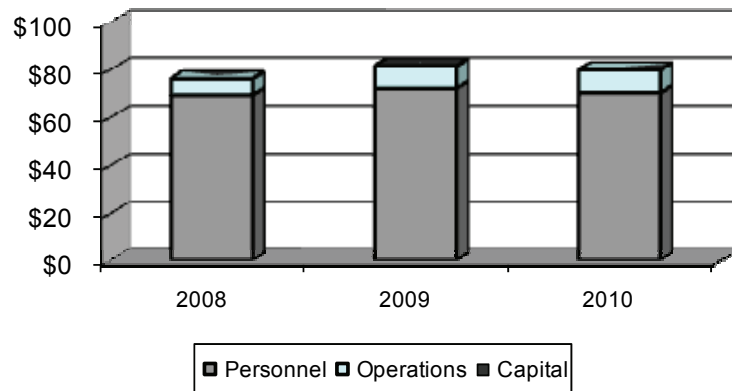
TEEN COURT SPECIAL REVENUE FUND

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 69,477	\$ 73,105	\$ 72,265	\$ 70,430
Operations & maintenance	1,178	1,300	1,300	1,300
Services & other	5,414	6,075	8,085	8,195
SUBTOTAL	76,069	80,480	81,650	79,925
Capital outlay	-	-	-	-
TOTAL	\$ 76,069	\$ 80,480	\$ 81,650	\$ 79,925

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

POSITION TITLE	PAY CLASS	2007-2008 ACTUAL	2008-2009 ESTIMATE	2009-2010 PROPOSED
Teen Court Coordinator	PE-1	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0

Teen Court Expenditures (000's)



KELLER CRIME CONTROL PREVENTION DISTRICT

The Keller Crime Control Prevention District Fund was created in FY2002 to account 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.

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 711,507	\$ 535,812	\$ 1,549,518	\$ 2,300,959
<u>REVENUES:</u>				
City sales taxes	1,289,690	990,000	990,000	990,000
Interest revenue	33,554	10,000	10,000	12,000
Miscellaneous revenue	-	-	7,695	8,000
Intergovernmental revenue - Southlake	-	-	49,700	-
TOTAL REVENUES	1,323,244	1,000,000	1,057,395	1,010,000
TOTAL FUNDS AVAILABLE	2,034,751	1,535,812	2,606,913	3,310,959
<u>EXPENDITURES:</u>				
Administration/Accreditation	\$ 4,263	\$ 11,000	\$ 10,000	\$ 5,425
Facility Improvements-CIP (1)	-	500,000	-	1,750,000
Furniture/Fixtures/Equipment Replacement-CIP (1)	14,187	200,000	1,340	386,660
Technology Improvements	221,638	80,200	75,870	65,100
Police Operations	245,145	238,960	218,744	234,450
TOTAL EXPENDITURES	485,233	1,030,160	305,954	2,441,635
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	1,549,518	505,652	2,300,959	869,324
FUND TOTAL	\$ 2,034,751	\$ 1,535,812	\$ 2,606,913	\$ 3,310,959
Excess revenues (expenditures)	838,011	(30,160)	751,441	(1,431,635)

(1) CIP - cumulative funds reserved for future capital improvements.

FY2010 highlights: funding is provided for routine replacement of departmental vehicles and related vehicle accessories (\$234,450), a tactical wireless camera (\$6,000); and cumulative funds for future facility (jail) improvements (\$1,750,000) and for furniture and fixture replacements (\$386,660).



DEBT SERVICE

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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. This fund does not account for obligations backed by self-supporting activities, such as the Water and Wastewater Fund.

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 664,065	\$ 1,026,975	\$ 1,023,062	\$ 806,382
Revenues and transfers	5,455,355	5,260,120	5,224,190	5,938,710
TOTAL FUNDS AVAILABLE	6,119,420	6,287,095	6,247,252	6,745,092
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	5,096,358	5,396,735	5,440,870	6,108,100
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	1,023,062	890,360	806,382	636,992
FUND TOTAL	\$ 6,119,420	\$ 6,287,095	\$ 6,247,252	\$ 6,745,092
Excess revenues (expenditures)	358,997	(136,615)	(216,680)	(169,390)
General obligation debt outstanding, October 1	\$ 39,854,977	\$ 36,848,396	\$ 42,985,400	\$ 42,985,400
Estimated population, October 1	37,685	38,402	38,402	39,450
Direct tax-supported debt per capita	\$ 1,058	\$ 960	\$ 1,119	\$ 1,090
Ratio of debt to net taxable valuation	1.1%	1.0%	1.1%	1.1%
Financial policy target	15.0%	15.0%	15.0%	15.0%
Debt service expenditures as a percentage of total expenditures	15.1%	14.3%	14.0%	15.9%
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.

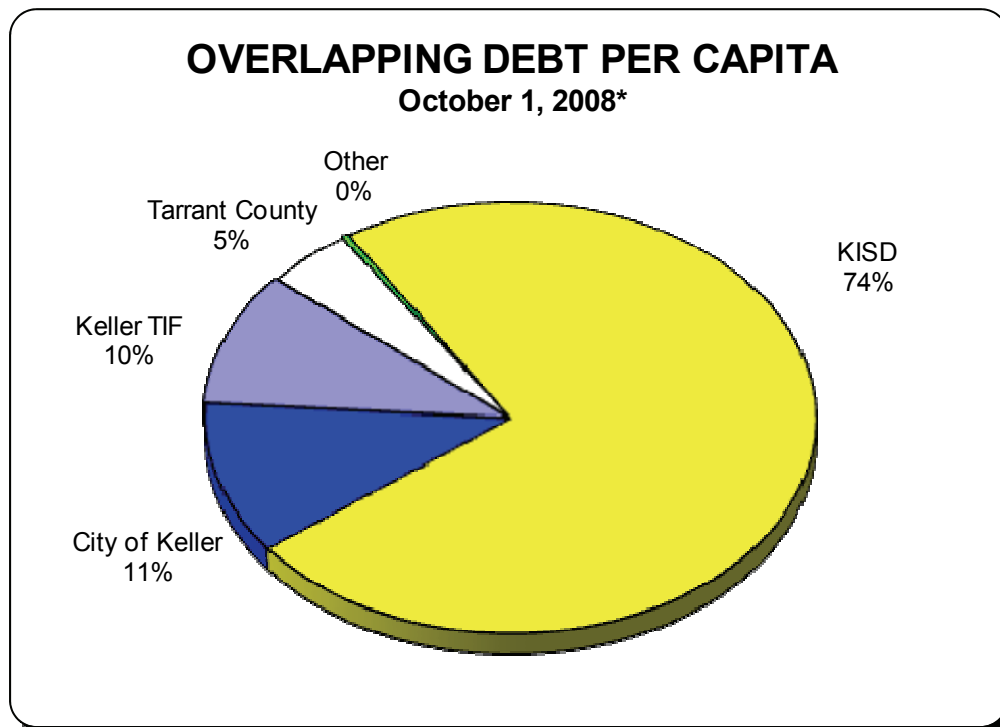
Tax rate limitation	\$ 2.50000	\$ 2.50000	\$ 2.50000	\$ 2.50000
Actual tax rate	0.43219	0.43219	0.43219	0.44219
Available rate available	<u>\$ 2.06781</u>	<u>\$ 2.06781</u>	<u>\$ 2.06781</u>	<u>\$ 2.05781</u>
Additional tax levy available	\$ 72,957,310	\$ 79,624,114	\$ 79,624,114	\$ 82,029,884

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.

Both the City's and the overlapping entity's debt per capita continue to be above-average, when compared to nation-wide or state-wide averages. As of October 1, 2008, using the estimated population of 37,685, the total overlapping debt per capita was \$7,719, of which the City's portion (excluding TIF debt) was \$883, or 11% of the total. Including the TIF portion of the overlapping tax rate, the City's combined debt per capita is \$1,659 or 21% of the total overlapping debt per capita. Total overlapping debt per capita decreased from the previous year by \$416 (5%). The City's total portion of overlapping debt *decreased* by \$179, or 9.8%.

As the following chart indicates most (74%) of the overlapping debt per capita results from the Keller Independent School District.



* Debt per capita ratios for October 1, 2009 are not yet available.

Tarrant County entities include Tarrant County, Tarrant County College District, and Tarrant County Hospital District. Other entities include Carroll Independent School District and Northwest Independent School District.

"TIF" debt represents self-supporting debt 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.

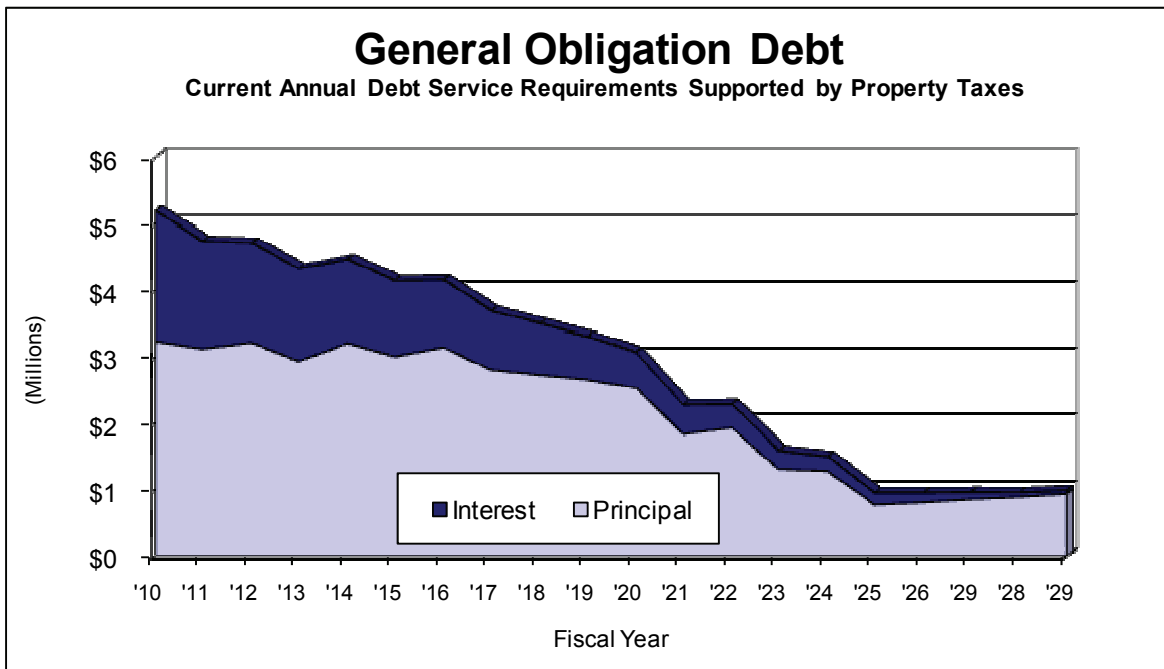
DEBT SERVICE FUND

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
REVENUES				
<u>TAXES:</u>				
Current taxes	\$ 4,194,449	\$ 4,559,930	\$ 4,572,000	\$ 5,230,000
Delinquent taxes	34,776	20,000	30,000	20,000
Accrued property taxes	1,499	-	-	-
Penalty & interest	41,040	25,000	25,000	25,000
Agricultural roll-back taxes	72,260	5,000	4,000	5,000
Subtotal	4,344,024	4,609,930	4,631,000	5,280,000
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	53,751	40,000	40,000	30,000
TOTAL MISCELLANEOUS REVENUES	53,751	40,000	40,000	30,000
REVENUES BEFORE TRANSFERS	4,397,775	4,649,930	4,671,000	5,310,000
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from General Fund	450,000	-	-	-
Transfer from Keller Development Corp.	130,170	183,120	135,120	178,090
Keller Sports Park improvements:				
2004 General obligation refunding				
2005 General obligation refunding				
Transfer from Street/Drainage Improvements fund (<i>street assessments</i>)	15,000	15,000	6,000	3,000
Transfer from water & w/w fund	462,410	412,070	412,070	447,620
TOTAL TRANSFERS	1,057,580	610,190	553,190	628,710
TOTAL REVENUES AND TRANSFERS	\$ 5,455,355	\$ 5,260,120	\$ 5,224,190	\$ 5,938,710

DEBT SERVICE FUND

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>EXPENDITURES:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Debt service	4,539,005	4,478,770	4,480,870	5,191,590
Transfers to other funds	557,353	917,965	960,000	916,510
SUBTOTAL	5,096,358	5,396,735	5,440,870	6,108,100
Capital outlay	-	-	-	-
TOTAL	\$ 5,096,358	\$ 5,396,735	\$ 5,440,870	\$ 6,108,100

<u>EXPENDITURES BY DIVISION:</u>				
Administration/Finance	\$ 4,539,005	\$ 4,478,770	\$ 4,480,870	\$ 5,191,590
Transfers to other funds	557,353	917,965	960,000	916,510
TOTAL	\$ 5,096,358	\$ 5,396,735	\$ 5,440,870	\$ 6,108,100



SCHEDULE OF GENERAL OBLIGATION DEBT OUTSTANDING
October 1, 2009
(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>FY2010 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation bonds:								
Series 1981	5.00%	05/1981	01/2020	\$ 1,150	\$ 610	\$ 40,000	\$ 30,500	\$ 70,500
Series 2009	4.00 - 4.65	03/2009	02/2029	4,000	4,000	40,000	246,874	286,874
General obligation refunding bonds:								
Series 1999	3.75 - 5.00	05/1999	09/2020	2,298	1,114	197,743	48,576	246,319
Series 2002	3.00 - 4.00	11/2002	02/2013	700	280	65,000	9,480	74,480
Series 2004	2.00 - 4.00	02/2004	02/2017	11,125	4,640	1,130,000	147,075	1,277,075
Series 2005	3.25 - 4.20	08/2005	02/2020	9,980	9,405	650,000	363,367	1,013,367
Certificates of obligation:								
Series 1998A (1)	4.00 - 6.00	12/1998	09/2013	3,000	660	150,000	25,398	175,398
Series 2002	4.00 - 5.00	07/2002	02/2022	8,615	6,580	365,000	284,847	649,847
Series 2003	3.00 - 4.25	05/2003	08/2023	1,690	1,010	55,000	37,000	92,000
Series 2004	4.00 - 5.00	06/2004	02/2024	6,540	5,835	270,000	269,541	539,541
Series 2006	4.25	07/2006	02/2011	270	115	55,000	3,719	58,719
Series 2009	3.00 - 4.70	03/2009	02/2029	8,310	8,310	115,000	482,415	597,415
Subtotal-bonds and certificates of obligation				57,684	42,559	3,132,743	1,948,792	5,081,535
Lease-purchase obligations:								
Ladder truck for Fire Department	4.653	10/2003	10/2013	825	485	85,189	19,859	105,048
TOTAL				\$ 58,509	\$ 43,043	\$ 3,217,932	\$ 1,968,651	\$ 5,186,583

(1) - post refunding

The above schedule excludes self-supporting debt obligations of the Keller Development Corporation, Water and Wastewater Fund, and the Tax Increment Reinvestment Zone No. 1. Summaries of general obligation 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
2009-10	\$ 3,132,743	\$ 1,948,792	\$ 5,081,535	\$ 5,081,535
2010-11	3,021,069	1,607,523	4,628,591	4,628,591
2011-12	3,109,395	1,493,924	4,603,318	4,603,318
2012-13	2,831,608	1,380,288	4,211,896	4,211,896
2013-14	3,132,038	1,262,723	4,394,760	4,394,760
2014-15	2,996,201	1,140,420	4,136,621	4,136,621
2015-16	3,133,282	1,015,081	4,148,363	4,148,363
2016-17	2,792,445	890,602	3,683,047	3,683,047
2017-18	2,714,527	771,909	3,486,436	3,486,436
2018-19	2,646,608	654,868	3,301,476	3,301,476
2019-20	2,518,690	540,620	3,059,309	3,059,309
2020-21	1,825,000	440,782	2,265,782	2,265,782
2021-22	1,920,000	354,651	2,274,651	2,274,651
2022-23	1,300,000	280,745	1,580,745	1,580,745
2023-24	1,270,000	221,928	1,491,928	1,491,928
2024-25	765,000	175,716	940,716	940,716
2025-26	800,000	140,823	940,823	940,823
2026-27	845,000	103,458	948,458	948,458
2027-28	880,000	63,706	943,706	943,706
2028-29	925,000	49,714	974,714	974,714
TOTAL	\$ 42,558,603	\$ 14,538,271	\$ 57,096,874	\$ 57,096,874

The following municipal lease-purchase agreement obligation amounts are excluded from the above totals.

**SCHEDULE OF DEBT REQUIREMENTS
MUNICIPAL LEASE-PURCHASE AGREEMENT**

Fiscal Year	Payment	Interest	Principal	Principal Balance
10/01/2009	\$ 105,048.32	\$ 19,858.88	\$ 85,189.44	419,390.57
10/01/2010	105,048.32	15,895.02	89,153.30	330,237.27
10/01/2011	105,048.32	11,746.72	93,301.60	236,935.67
10/01/2012	105,048.32	7,405.39	97,642.93	139,292.74
10/01/2013	64,372.23	2,862.08	61,510.15	77,782.59
TOTAL	\$ 484,565.51	\$ 57,768.09	\$ 426,797.42	

Amount issued: \$ 825,000
Interest rate: 4.653%
Purpose: Fire truck and equipment acquisition

DATED: October 7, 2003

TAX INCREMENT REINVESTMENT ZONE (TIF)

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 TIF. TIF assessments are paid (assessed) into the I&S fund from each of the participating entities. The TIF debt is considered self-supporting debt of the Tax Increment Reinvestment Zone.

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
INTEREST & SINKING FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 247,354	\$ 222,454	\$ 216,281	\$ 33,569
Revenues and transfers	3,061,007	3,470,885	3,431,938	3,659,470
TOTAL FUNDS AVAILABLE	3,308,361	3,693,339	3,648,219	3,693,039
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	3,092,080	3,615,050	3,614,650	3,647,135
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	216,281	78,289	33,569	45,904
FUND TOTAL	\$ 3,308,361	\$ 3,693,339	\$ 3,648,219	\$ 3,693,039
Excess revenues (expenditures)	(31,073)	(144,165)	(182,712)	12,335

REVENUES

<u>TIF TAXES:</u>				
City of Keller	\$ 430,000	\$ 47,140	\$ 47,140	\$ -
Tarrant County	183,755	244,500	224,455	257,480
Tarrant County College District	147,385	181,825	176,512	196,540
Tarrant County Hospital District	151,138	210,000	178,415	236,930
Keller Independent School District	1,632,982	1,866,955	1,831,416	2,039,510
SUBTOTAL	2,545,260	2,550,420	2,457,938	2,730,460
<u>OTHER REVENUE:</u>				
Interest revenue-investments	15,747	2,500	14,000	12,500
Transfer from debt service fund	500,000	917,965	960,000	916,510
SUBTOTAL	515,747	920,465	974,000	929,010
TOTAL REVENUES	\$ 3,061,007	\$ 3,470,885	\$ 3,431,938	\$ 3,659,470

EXPENDITURES

<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Debt service	3,092,080	3,615,050	3,614,650	3,647,135
SUBTOTAL	3,092,080	3,615,050	3,614,650	3,647,135
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 3,092,080	\$ 3,615,050	\$ 3,614,650	\$ 3,647,135

TAX INCREMENT REINVESTMENT ZONE (TIF)

SCHEDULE OF TAX INCREMENT REINVESTMENT ZONE DEBT OUTSTANDING October 1, 2009

	Interest Rates	Date of Issue	Date of Maturity	Amount Issued (000's)	Amount Outstanding (000's)	FY2010 Requirements		
						Principal	Interest	Total
Combination tax and tax increment reinvestment zone certificates of obligation:								
Series 1999 (1)	5.10% - 6.10%	07/1997	08/2010	\$ 6,825	\$ 435	\$ 435,000	\$ 22,185	\$ 457,185
Series 2000 (1)	5.00 - 5.75	12/2001	08/2011	17,095	2,400	1,165,000	128,738	1,293,738
Series 2001	4.25 - 5.25	04/2001	08/2018	8,735	6,960	580,000	337,887	917,887
General obligation refunding bonds:								
Series 2005	3.50 - 5.00	08/2005	08/2018	17,400	17,195	215,000	762,325	977,325
TOTAL				\$ 50,055	\$ 26,990	\$ 2,395,000	\$ 1,251,135	\$ 3,646,135

(1) - post refunding

SUMMARY SCHEDULE OF DEBT REQUIREMENTS KELLER TAX INCREMENT REINVESTMENT ZONE #1 Post Refunding October 1, 2009

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
09/30/2010	\$ 2,395,000.00	\$ 1,251,135.00	\$ 3,646,135.00	\$ 3,646,135.00
09/30/2011	2,555,000.00	1,123,450.00	3,678,450.00	3,678,450.00
09/30/2012	2,715,000.00	1,002,750.00	3,717,750.00	3,717,750.00
09/30/2013	2,850,000.00	895,837.50	3,745,837.50	3,745,837.50
09/30/2014	3,000,000.00	778,187.50	3,778,187.50	3,778,187.50
09/30/2015	3,135,000.00	653,281.26	3,788,281.26	3,788,281.26
09/30/2016	3,275,000.00	515,918.76	3,790,918.76	3,790,918.76
09/30/2017	3,445,000.00	353,250.00	3,798,250.00	3,798,250.00
09/30/2018	3,620,000.00	181,000.00	3,801,000.00	3,801,000.00
Total	\$ 26,990,000.00	\$ 6,754,810.02	\$ 33,744,810.02	\$ 33,744,810.02

Principal amount due includes original issuance amounts of \$2,839,761 for capital interest.

CAPITAL IMPROVEMENTS

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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 Equipment 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, Equipment Replacement Fund, and the Street/Drainage Improvements Fund are the only capital project funds having 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, 2009 will automatically be re-appropriated into the appropriate project for the 2009-2010 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, and 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 FY2010 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 IMPROVEMENTS
Operating Budget Impact (continued)

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 and equipment, vehicles and equipment, 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 included in operating budgets are provided on the following pages.

CAPITAL OUTLAY IN OPERATING BUDGETS

General Fund

Department	Description	FY2010	Annual Operating Budget Impact
Fire Department/Administration	Implement departmental document imaging system	\$ 14,950	\$ 500
		<u>14,950</u>	<u>500</u>
Public Works/Street Maintenance	Annual appropriation for street improvements	757,385	-
	Pneumatic roller	50,000	1,500
	Department Total	<u>807,385</u>	<u>1,500</u>
Library	Furniture, fixtures and equipment for Keller Public Library expansion/renovation project	21,000	-
	Department Total	<u>21,000</u>	<u>-</u>
	Fund Total	<u>\$ 843,335</u>	<u>\$ 2,000</u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		2,000
	Services & other		-
	Capital outlay		-
	Total		<u>\$ 2,000</u>

The operating budget impact associated with these items is minimal.

Water & Wastewater Fund

Water Distribution	Funds for new and/or replacement water meters, fire hydrants and mains and services. This is an annual appropriation.	\$ 284,450	\$ -
	Department Total	<u>284,450</u>	<u>-</u>
Wastewater Collection	Funds for new/replacement wastewater mains, manholes, and services. This is an annual appropriation	253,000	-
	Department Total	<u>253,000</u>	<u>-</u>
	Fund Total	<u>\$ 537,450</u>	<u>\$ -</u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		<u>\$ -</u>

CAPITAL OUTLAY IN OPERATING BUDGETS

Keller Development Corporation			Annual Operating Budget Impact
<u>Department</u>	<u>Description</u>	<u>FY2010</u>	
Park Maintenance/Keller Sports Park	Replace mowing equipment	\$ 29,200	\$ (300)
Senior Services	Replace entry doors at the Keller Senior Center	10,750	(300)
General park improvements	Land acquisition	400,000	-
	Department Total	<u>400,000</u>	<u>-</u>
	Fund Total	<u>\$ 439,950</u>	<u>\$ (600)</u>
Annual operating budget impacts:			
	Personnel services		\$ -
	Operations & maintenance		(600)
	Services & other		-
	Capital outlay		-
	Total		<u>\$ (600)</u>
The Keller Pointe			
Facility Maintenance	Furniture, fixtures and equipment replacement fund	\$ 25,000	\$ -
	Replace air conditioning unit	10,000	-
	Fund Total	<u>\$ 35,000</u>	<u>\$ -</u>
Annual operating budget impacts:			
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		<u>\$ -</u>

The annual operating budget impacts are minimal.

CAPITAL OUTLAY IN OPERATING BUDGETS

Information Services Fund			Annual Operating Budget Impact
<u>Department</u>	<u>Description</u>	<u>FY2010</u>	<u></u>
Information Services	Replace network routers and switches	\$ 33,500	\$ -
	Replace storage area network at Keller Town Hall	84,000	-
	Fund Total	\$ 117,500	\$ -
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		\$ -
 Library Special Revenue Fund			
Library Programs	Furnitures and fixtures	\$ 9,000	\$ -
	Fund Total	\$ 9,000	\$ -
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		\$ -

The operating budget impact associated with these items is nominal.

CAPITAL OUTLAY IN OPERATING BUDGETS

Department	Description	FY2010	Annual Operating Budget Impact
Municipal Court Special Revenue Fund			
Building Security	Court video security equipment	\$ 18,500	\$ 500
	Fund Total	\$ 18,500	\$ 500
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		500
	Services & other		-
	Capital outlay		-
	Total		<u>\$ 500</u>
Keller Crime Control Prevention District Fund			
Facility Improvements	Future facility (jail) improvements	\$ 1,750,000	\$ -
	Future furniture, fixtures, and equipment replacement	386,660	-
	Department Total	<u>2,136,660</u>	<u>-</u>
Police Operations	Annual vehicle and equipment replacement	160,000	-
	Department Total	<u>160,000</u>	<u>-</u>
Technology Improvements	Wireless camera	6,000	-
	Department Total	<u>6,000</u>	<u>-</u>
	Fund Total	\$ 2,302,660	\$ -
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		<u>\$ -</u>

Operating budget impacts are minimal, and include annually recurring costs for hardware and software support for computer-related equipment; and increases in, or reduction of vehicle and equipment maintenance costs for replacement vehicles.

CAPITAL PROJECTS FUNDS

As previously mentioned, except for the Park Development Fee, Equipment Replacement, and Street/Drainage Improvement Funds, capital projects funds do not have recurring funding sources. 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 \$1,000 park development fee assessed on new construction. Annual appropriations are then made for this capital project fund. Resources for the Equipment 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 also 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 primarily from a \$1,000 park development fee 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, 2009 will be re-appropriated into the appropriate project for the 2009-2010 fiscal year.

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 825,250	\$ 147,477	\$ 74,991	\$ 16,376
<u>REVENUES:</u>				
Park development fees	38,070	100,000	20,000	20,000
Insurance proceeds reimbursement	-	-	20,195	-
Interest earnings	20,741	20,000	1,000	1,000
TOTAL REVENUES	58,811	120,000	41,195	21,000
TOTAL FUNDS AVAILABLE	\$ 884,061	\$ 267,477	\$ 116,186	\$ 37,376

(continued)

PARK DEVELOPMENT FEE FUND:
(continued)

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
EXPENDITURES:				
Park improvements/land acquisition	\$ 463,429	\$ 117,576	\$ 7,730	\$ 20,195
Keller-Smithfield Activity Node	76,142	-	-	-
Trail development/extensions	-	49,000	52,080	-
Old Town Keller Park/Trail	-	4,000	-	-
Overton Ridge Park development	269,499	40,000	40,000	-
TOTAL EXPENDITURES	809,070	210,576	99,810	20,195
ENDING FUND BALANCE	\$ 74,991	\$ 56,901	\$ 16,376	\$ 17,181
Excess revenues (expenditures)	(750,259)	(90,576)	(58,615)	805

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	-
Services & other	-
Capital outlay	-
Total	<u><u>\$ -</u></u>

Operating budget impacts are minimal, and include annually recurring estimated costs for grounds and equipment maintenance for park improvements.

**STREET / SIDEWALK / DRAINAGE
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, 2009 will be re-appropriated into the appropriate project for the 2009-2010 fiscal year.

**STREET / SIDEWALK / DRAINAGE
IMPROVEMENTS FUND SUMMARY**

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>RESOURCES:</u>				
Beginning fund balance	\$ 936,121	\$ 1,155,200	\$ 1,232,433	\$ 11,333
<u>Revenues:</u>				
Street assessment revenue	13,030	15,000	8,000	3,000
Sales taxes	824,604	1,172,500	1,044,000	1,044,000
Sidewalk fees	26,927	50,000	9,500	10,000
Interest earnings	41,529	30,000	17,000	8,000
Miscellaneous revenue (expense)	2,830	-	-	-
Street assessment interest	924	900	500	400
Total Revenues	909,844	1,268,400	1,079,000	1,065,400
TOTAL RESOURCES	\$ 1,845,965	\$ 2,423,600	\$ 2,311,433	\$ 1,076,733
<u>Expenditures:</u>				
Street improvements	392,120	2,038,977	1,921,120	960,000
Curb & gutter improvements	99,368	84,865	84,865	60,000
Sidewalk improvements	-	147,294	147,295	30,000
Street/drainage improvements	107,044	102,958	140,820	-
Transfers to other funds	15,000	15,000	6,000	3,000
Total Expenditures	613,532	2,389,094	2,300,100	1,053,000
ENDING FUND BALANCE	\$ 1,232,433	\$ 34,506	\$ 11,333	\$ 23,733
Excess revenues (expenditures)	296,312	(1,120,694)	(1,221,100)	12,400

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 Impact

Personnel services	\$ -
Operations & maintenance	-
Services & other	-
Capital outlay	-
Total	<u>\$ -</u>

EQUIPMENT REPLACEMENT FUND

The Equipment 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, 2009 will be re-appropriated into the appropriate project for the 2009-2010 fiscal year.

EQUIPMENT REPLACEMENT FUND SUMMARY

	2007-2008 ACTUAL	2008-2009 BUDGET	2008-2009 ESTIMATE	2009-2010 PROPOSED
<u>RESOURCES:</u>				
Beginning fund balance	\$ 646,829	\$ 775,094	\$ 743,730	\$ 658,045
<u>REVENUES:</u>				
Proceeds from debt Issuance	-	340,000	340,000	-
Vehicle/Equipment lease revenue-Water & Wastewater Fund	51,040	34,550	34,550	58,680
Transfer from drainage utility fund	31,110	-	-	-
Vehicle/Equipment lease revenue- Drainage Utility Fund	22,280	15,570	15,570	15,570
Gain (loss) on disposal of assets	26,100	-	-	35,000
Interest earnings	28,735	30,000	30,000	30,000
TOTAL REVENUES	159,265	420,120	420,120	139,250
<u>MISCELLANEOUS REVENUES:</u>				
Miscellaneous revenue (expense)	6,393	-	4,490	-
TOTAL MISCELLANEOUS REVENUES	6,393	-	4,490	-
TOTAL REVENUES & TRANSFERS	165,658	420,120	424,610	139,250
TOTAL FUNDS AVAILABLE	812,487	1,195,214	1,168,340	797,295
<u>EXPENDITURE SUMMARY:</u>				
GENERAL GOVERNMENT:				
Finance and Administration	19,596	-	-	-
TOTAL GENERAL GOVERNMENT	19,596	-	-	-
PUBLIC SAFETY:				
Fire Department	4,200	365,700	363,420	-
TOTAL PUBLIC SAFETY	4,200	365,700	363,420	-
PUBLIC WORKS:				
Customer Services/Utility Billing	-	23,000	23,000	-
Water Utilities	26,574	138,500	123,875	76,000
Drainage Utility	18,387	-	-	-
TOTAL PUBLIC WORKS	44,961	161,500	146,875	76,000
TOTAL EXPENDITURES	68,757	527,200	510,295	76,000
ENDING BALANCE	\$ 743,730	\$ 668,014	\$ 658,045	\$ 721,295

Capital outlay. FY2010 capital outlay for Water Utilities includes funds to replace a backhoe/loader.

(continued)

Equipment Replacement Fund:
(continued)

Operating budget impact. Capital expenditures are primarily routine capital replacements, with minimal operating budget impact.

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	(2,000)
Services & other	-
Capital outlay	-
Total	<u><u>\$ (2,000)</u></u>

CAPITAL PROJECTS FUND

This fund is used to account for resources from the issuance of debt for the purpose of general 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, 2009 will be re-appropriated into the appropriate project for the 2009-2010 fiscal year.

2008-09 Capital Projects

Project	Estimated Project Cost	Project Description	Operating Budget Impact
New Debt Obligations:			
General Obligation Bonds:			
Keller Public Library renovations and expansion (in process)	\$ 4,000,000	Keller Public Library renovations and expansion.	\$ 35,000
Total Capital Projects Fund	<u><u>\$ 4,000,000</u></u>		<u><u>\$ 35,000</u></u>
Roadway Impact Fee Projects:			
Bourland Road extension	250,000	Cost associated with developer participation for the extension of Bourland Road.	-
Rufe Snow Drive improvements - Phase III	540,000	Right-of-way acquisition for widening of Rufe Snow Drive from Bear Creek Parkway to Rapp Road.	-
Keller-Smithfield Road-South improvements	100,000	Cost associated with developer participation for the extension of and improvements to Keller-Smithfield Road-South.	-
Total Roadway Impact Fees	<u><u>\$ 890,000</u></u>		<u><u>\$ -</u></u>

Operating budget impact.

Operating budget impacts for the Keller Public Library expansion/renovation include additional costs for utilities and building maintenance, to be included in the General Fund.

Annual Operating Budget Impact

Personnel services	\$ -
Operations	30,000
Capital outlay	-
Total	<u><u>\$ 30,000</u></u>

PARKS CAPITAL IMPROVEMENTS FUND

This fund is used to account for resources from the issuance of debt, dedicated oil and gas royalties generated from park property, grants or other revenues that are 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, 2009 will be re-appropriated into the appropriate project for the 2009-2010 fiscal year.

There is no funding anticipated for FY2010; therefore, no budget for this fund has been prepared.

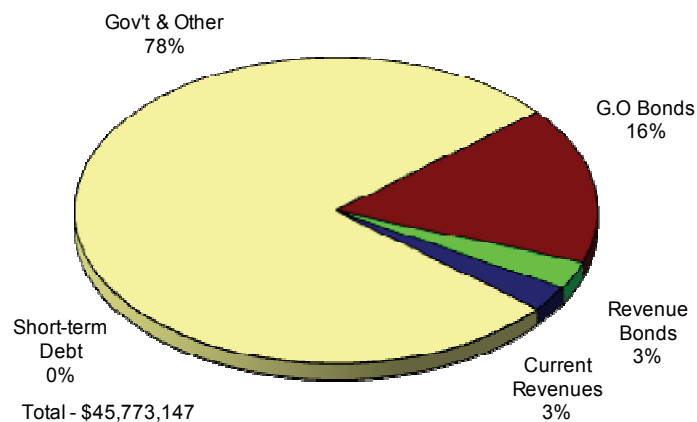
FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM (CIP) SUMMARY

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 2009-10 through 2013-14 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



Five-Year Capital Improvements Program (CIP)
(Continued)

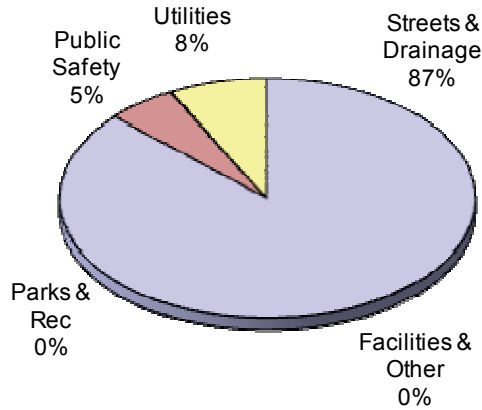
Fiscal Year	General Obligation Bonds	Revenue Bonds	Other Debt	Current Revenues (Operations)	Inter- and Intra- governmental	Other Sources	Total
SOURCES OF FUNDS:							
2009-2010	\$ 7,527,070	\$ 1,360,200	\$ -	\$ 265,000	\$ 15,854,145	\$ 375,000	\$ 25,381,415
2010-2011	70,000	-	-	190,000	13,888,595	-	14,148,595
2011-2012	-	-	-	259,000	3,246,177	-	3,505,177
2012-2013	-	-	-	235,000	1,107,901	-	1,342,901
2013-2014	-	-	-	265,000	1,130,059	-	1,395,059
Total	\$ 7,597,070	\$ 1,360,200	\$ -	\$ 1,214,000	\$ 35,226,877	\$ 375,000	\$ 45,773,147
<i>Percent</i>	<i>16.6%</i>	<i>3.0%</i>	<i>0.0%</i>	<i>2.7%</i>	<i>77.0%</i>	<i>0.8%</i>	<i>100.0%</i>

FUNDING SOURCES	FY2010	FY2011	FY2012	FY2013	FY2014	Total
City of North Richland Hills	\$ 3,111,480	\$ 3,111,480	\$ -	\$ -	\$ -	\$ 6,222,960
Crime Control District	7,500	250,000	2,160,000	-	-	2,417,500
Developer Contributions	375,000	-	-	-	-	375,000
General Fund	-	-	44,000	-	-	44,000
General Obligation Bonds/COs	7,527,070	70,000	-	-	-	7,597,070
North Central Texas COG	802,000	-	-	-	-	802,000
Revenue Bonds/COs	1,360,200	-	-	-	-	1,360,200
Roadway Impact Fees	2,011,000	-	-	-	-	2,011,000
Street Maint. Sales Tax	1,044,000	1,064,880	1,086,177	1,107,901	1,130,059	5,433,017
Tarrant County Bond Program	7,946,365	9,422,235	-	-	-	17,368,600
Wastewater Impact Fees	906,800	-	-	-	-	906,800
Water & W/W Fund	265,000	190,000	215,000	235,000	265,000	1,170,000
Water Impact Fees	25,000	40,000	-	-	-	65,000
GRAND TOTAL	\$ 25,381,415	\$ 14,148,595	\$ 3,505,177	\$ 1,342,901	\$ 1,395,059	\$ 45,773,147

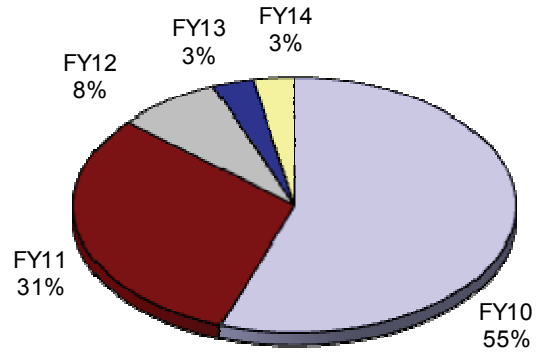
Five-Year Capital Improvements Program (CIP)
(Continued)

USES OF FUNDS

Expenditures by Department



Expenditures by Fiscal Year



Total - \$45,773,147

USES OF FUNDS:

	Police	Fire/EMS	Streets & Drainage	Parks and Recreation	Municipal Facilities/ Other	Water & Sewer	Total
2009-2010	\$ 7,500	\$ -	\$ 22,816,915	\$ -	\$ -	\$ 2,557,000	\$ 25,381,415
2010-2011	250,000	-	13,668,595	-	-	230,000	14,148,595
2011-2012	2,160,000	-	1,086,177	44,000	-	215,000	3,505,177
2012-2013	-	-	1,107,901	-	-	235,000	1,342,901
2013-2014	-	-	1,130,059	-	-	265,000	1,395,059
Total	\$ 2,417,500	\$ -	\$ 39,809,647	\$ 44,000	\$ -	\$ 3,502,000	\$ 45,773,147
Percent	5.3%	0.0%	87.0%	0.1%	0.0%	7.7%	100.0%

Five-Year Capital Improvements Program (CIP)
(Continued)

<u>PROJECT DESCRIPTION</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>Total</u>	<u>Future (Unfunded)</u>
DRAINAGE IMPROVEMENTS							
Robin Court Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,000
Unassigned	-	-	-	-	-	-	9,940,000
Department Total	-	-	-	-	-	-	10,330,000
FIRE/EMS							
<u>Buildings/Facilities</u>							
Central Fire Station Design & Construction	-	-	-	-	-	-	8,750,000
Construct New Fire Station 2/Add Bay to Station 3	-	-	-	-	-	-	5,850,000
Subtotal	-	-	-	-	-	-	14,600,000
<u>Vehicles</u>							
Purchase Multi-Attribute Command Vehicles	-	-	-	-	-	-	150,000
Purchase Additional Fire Apparatus (Quint)	-	-	-	-	-	-	850,000
Subtotal	-	-	-	-	-	-	1,000,000
Department Total	-	-	-	-	-	-	15,600,000
KELLER TOWN CENTER							
<u>Park Improvements</u>							
The Parks at Town Center Amphitheater	-	-	-	-	-	-	466,000
Parks at Town Center Park Trail	-	-	-	-	-	-	568,700
Department Total	-	-	-	-	-	-	1,034,700
MUNICIPAL FACILITIES							
<u>Buildings/Facilities</u>							
Information Services Relocation	-	-	-	-	-	-	133,600
Department Total	-	-	-	-	-	-	133,600
PARKS & RECREATION							
<u>Buildings/Facilities</u>							
Senior Activity Center Expansion	-	-	-	-	-	-	1,707,495
Subtotal	-	-	-	-	-	-	1,707,495
<u>Park Improvements</u>							
Big Bear Creek Greenbelt & Trail	-	-	-	-	-	-	497,823
Keller Tennis Center	-	-	-	-	-	-	3,546,345
Park Land acquisition	-	-	-	-	-	-	24,350,000
Keller Sports Park Phase VI	-	-	-	-	-	-	3,652,726
Old Town Keller Park	-	-	-	-	-	-	176,108
Northeast Park Master Plan	-	-	44,000	-	-	44,000	-
Hike and Bike Trail Improvements	-	-	-	-	-	-	4,058,583
Johnson Road Park Facility	-	-	-	-	-	-	262,000
Landscape Improvements	-	-	-	-	-	-	-
Johnson Road Park Landscape Renovation Phase II	-	-	-	-	-	-	240,000
Citywide Park enhancements	-	-	-	-	-	-	1,800,000
Big Bear Creek Greenbelt Restoration Engineering	-	-	-	-	-	-	29,850
Subtotal	-	-	44,000	-	-	44,000	38,613,435
Department Total	-	-	44,000	-	-	44,000	40,320,930

Five-Year Capital Improvements Program (CIP)
(Continued)

<u>PROJECT DESCRIPTION</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>Total</u>	<u>Future (Unfunded)</u>
POLICE							
<u>Buildings/Facilities</u>							
Animal Shelter enhancements	-	-	-	-	-	-	2,200,000
Jail Facility Renovation	7,500	250,000	2,160,000	-	-	2,417,500	-
Department Total	7,500	250,000	2,160,000	-	-	2,417,500	2,200,000
STREET IMPROVEMENTS							
<u>New Street Construction</u>							
North Tarrant Parkway - Phase III	12,673,715	12,603,715	-	-	-	25,277,430	-
F.M. 1938 Extension - Davis Blvd. to SH 114	500,000	-	-	-	-	500,000	-
Rufe Snow Drive - Phase III	6,547,200	-	-	-	-	6,547,200	-
U.S. Highway 377 & Elm Street One-Way Couplet	-	-	-	-	-	-	18,000,000
F.M. 1709 Widening at U.S. Hwy. 377	1,002,000	-	-	-	-	1,002,000	-
Bourland Road extension & Mt. Gilead Intersection Impr.	1,050,000	-	-	-	-	1,050,000	-
Keller-Smithfield Road - Phase III	-	-	-	-	-	-	1,296,000
Subtotal	21,772,915	12,603,715	-	-	-	34,376,630	19,296,000
<u>Street Reconstruction</u>							
FM 1709 Median enhancements	-	-	-	-	-	-	1,500,000
FY2010-2014 Residential Street Reconstruction	1,044,000	1,064,880	1,086,177	1,107,901	1,130,059	5,433,017	-
Railroad Crossing Quiet Zones	-	-	-	-	-	-	500,000
Subtotal	1,044,000	1,064,880	1,086,177	1,107,901	1,130,059	5,433,017	2,000,000
Department Total	22,816,915	13,668,595	1,086,177	1,107,901	1,130,059	39,809,647	21,296,000
TOTAL GENERAL GOVERNMENT	22,824,415	13,918,595	3,290,177	1,107,901	1,130,059	42,271,147	90,915,230

Five-Year Capital Improvements Program (CIP)
(Continued)

<u>PROJECT DESCRIPTION</u>	<u>FY2010</u>	<u>FY2011</u>	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>Total</u>	<u>Future (Unfunded)</u>
WATER UTILITIES							
<u>Water System Improvements:</u>							
Northwest Keller Improvements	125,000	-	-	-	-	125,000	-
Creek Road & Helen Street	-	40,000	-	-	-	40,000	360,000
Johnson Road Improvements	-	-	-	-	-	-	1,130,000
Mt. Gilead & Keller-Smithfield Road	-	-	-	-	-	-	2,825,000
Wall-Price Keller Road Improvements	-	-	-	-	-	-	3,149,000
Florence Road/Randol Mill Road Improvements	-	-	-	-	-	-	1,601,600
Alta Vista Pump Station Rehabilitation	-	-	-	-	-	-	4,158,000
Upper Pressure Plane Improvements	-	-	-	-	-	-	914,100
Clay Hibbins Road Improvements	-	-	-	-	-	-	327,000
Bursey Road Improvements	-	-	-	-	-	-	2,720,500
Department Total	125,000	40,000	-	-	-	165,000	17,185,200
WASTEWATER UTILITIES							
<u>Wastewater System Improvements:</u>							
Big Bear East Branch Interceptors	2,267,000	-	-	-	-	2,267,000	-
Marshall Branch East Collectors	-	-	-	-	-	-	1,890,000
Katy Road Improvements	-	-	-	-	-	-	1,733,000
Marshall Branch East Collectors	-	-	-	-	-	-	1,420,000
Big Bear East Collectors	-	-	-	-	-	-	1,925,000
Big Bear East Collectors	-	-	-	-	-	-	1,610,000
Marshall Branch West Collectors	-	-	-	-	-	-	1,139,000
Big Bear Central Branch Interceptors	-	-	-	-	-	-	3,555,000
Cade, Kirkwood, Florence Branch Interceptors	-	-	-	-	-	-	2,897,000
Big Bear South Interceptors	-	-	-	-	-	-	853,000
Big Bear Central Collectors	-	-	-	-	-	-	1,294,000
Big Bear East Collectors	-	-	-	-	-	-	1,265,000
Big Bear East Collectors	-	-	-	-	-	-	1,064,000
Kirkwood and Florence Collectors	-	-	-	-	-	-	2,783,000
Cade Branch Collectors	-	-	-	-	-	-	1,064,000
Cade Branch Collectors	-	-	-	-	-	-	995,000
Outlier Collectors	-	-	-	-	-	-	1,604,000
FY 2010-2014 Replacement projects	165,000	190,000	215,000	235,000	265,000	1,070,000	-
Department Total	2,432,000	190,000	215,000	235,000	265,000	3,337,000	27,091,000
TOTAL WATER & WASTEWATER	2,557,000	230,000	215,000	235,000	265,000	3,502,000	44,276,200
GRAND TOTAL	\$ 25,381,415	\$ 14,148,595	\$ 3,505,177	\$ 1,342,901	\$ 1,395,059	\$ 45,773,147	\$ 135,191,430



SUPPLEMENTAL DATA

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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) 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.

1.2 The City will prepare and maintain in a current status written administrative procedures relating to each financial management area.

1.3 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.

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, undesignated fund balances or reserves of operating funds shall be at least ten percent (10%) of fund operating expenditures (excluding non-recurring expenditures), or thirty-six (36) days of total fund operating 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.

2.5 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 annually in order to determine the appropriate level of funding anticipated to support the various related activities.

2.7 Rates for water and sewer 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.

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. Operating Budgets.
(Continued)

2.9 Enterprise funds will strive to maintain at least sixty (60) days of working capital.

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 contingency budget, to be used in the case of unforeseen items of expenditures, shall be established annually for operating funds. Provision shall be made in the annual budget and in the appropriation ordinance for a contingency appropriation of not more than three (3) percent of operating fund expenditures. Expenditures from this appropriation shall be made only in case of established emergencies, as authorized by the City Council. This contingency budget will be in addition to the reserve requirements specified in Section 2.3.

2.12 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 be available for review and inspection by interested citizens during normal business hours.

2.13 Annual fixed-dollar budgets are 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.

2.14 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.

2.15 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.

2.16 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 in an individual fund in accordance with these policy guidelines.

2.17 Authority to transfer appropriations within a fund/department. The City Manager may approve transfers of available appropriations between general classifications of expenditures within a fund and department, provided the transfer amounts do not result in a net increase in total appropriations for the department. All transfers shall be reported to the City Council in a timely manner.

2. Operating Budgets. (Continued)

2.18 Authority to transfer appropriations between a fund/department. Transfers of available appropriations in general classifications of expenditures between funds or departments, shall be approved only by the City Council. 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 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.

2.22 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 \$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. Capital Improvements. (Continued)

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. Note: 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.

3.9 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. Debt Management.
(Continued)

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. Purchasing.
(Continued)

6.2 The Director of Finance 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 Director of Finance and the Department Head may approve purchases for \$15,000 or less.

6.3.2 Purchases greater than \$15,000 but less than \$25,000 will require detailed specifications, and must be approved by the Department Head, the Director of Finance and the City Manager.

6.3.3 Purchases exceeding \$25,000 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 Head and Finance Director, and/or the City Manager in accordance with City statutes and written purchasing policies and procedures.

6.4 Lease purchase agreements shall only be used to finance capital items with a purchase price exceeding \$25,000 and having a useful life of at least three years. All lease purchase agreements in excess of limits established by State statutes will be awarded by City Council.

6.5 City purchases should be made from Keller businesses, provided the materials and/or services are available, and competitively priced.

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. Authorization and approval of change orders shall follow the same dollar limitations and requirements as provided above in Section 3(a) and (b). 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 \$25,000 or less, provided the total contract expenditures remain within the budgeted amount.

7. Cash and Investments.

7.1 The Director of Finance 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 \$1,000 which have been delinquent for more than 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 \$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 \$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 is 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. General Policies.
(Continued)

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.

8.10 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 Utility Fund; between utilities, water utility and sewer utility; between customers, residential customers and commercial customers; and between generations, current and future generations. The City shall have an independent utility rate study performed at least every five (5) years in order to assure that these cost subsidies are minimized.

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 condition, 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.

**CITY OF KELLER, TEXAS
COMPENSATION PAY PLAN**

October 1, 2009 through September 30, 2010

The City maintains a compensation plan for all employees, except the City Manager, City Secretary, and Municipal Judge, whose compensation is determined by the City Council. The compensation pay plan is a merit/step plan that encourages excellent performance by associating step increases to job performance, while also maintaining competitive with other area cities with regard to compensation and benefits. All positions, except for manager and director positions, participate in the merit/step pay plan. Manager and director positions are based on a broad band pay plan, with only minimum and maximum salaries.

Each year the compensation entire pay plan is adjusted for cost of living adjustment (COLA) increases. For FY2010, no COLA increase is provided.

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 step increase. Step increases generally range from 6% to 4%. In general, employees can reach the maximum salary range for their position within 8 years. In previous years, step increases have become effective mid-year; for FY2009, no step increases are included in the budget.

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 204 hours in each 27-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**

October 1, 2009 through September 30, 2010

COMPENSATION PLAN

Pay Class	Minimum Annual	Mid-Point Annual	Maximum Annual
ADMINISTRATIVE/TECHNICAL NON-EXEMPT PAY PLAN			
A/TN-1	\$ 24,274	\$ 29,214	\$ 34,154
A/TN-2	25,730	30,972	36,213
A/TN-3	27,269	32,812	38,355
A/TN-4	28,912	34,778	40,643
A/TN-5	30,638	36,878	43,118
A/TN-6	32,469	39,073	45,677
A/TN-7	34,424	41,434	48,443
A/TN-8	36,483	43,919	51,355
A/TN-9	38,667	46,540	54,413
A/TN-10	40,997	49,338	57,678
A/TN-11	43,451	52,281	61,110
A/TN-12	46,051	55,422	64,792
TRADES NON-EXEMPT PAY PLAN			
TN-1	25,626	30,836	36,046
TN-2	27,165	32,688	38,210
TN-3	28,787	34,653	40,518
TN-4	30,514	36,712	42,910
TN-5	32,344	38,917	45,490
TN-6	34,278	41,257	48,235
TN-7	36,338	43,732	51,126
TN-8	38,522	46,353	54,184
TN-9	40,830	49,140	57,450
TN-10	43,285	52,094	60,902
POLICE NON-EXEMPT PAY PLAN			
PSN-R (Recruit)	43,368	N/A	N/A
PSN-1P	45,968	53,196	60,424
PSN-2P	47,112	54,527	61,942
PSN-3P	48,526	56,150	63,773
PSN-4P	49,733	57,544	65,354
PSN-5P	51,230	59,301	67,371
PSN-6P	52,770	61,059	69,347
PSN-7P	54,350	62,889	71,427
PSN-8P	55,973	64,772	73,570
PSN-9P	57,658	66,727	75,795
PSN-10P	59,384	68,713	78,042
PSN-11P	60,861	70,440	80,018
PSN-12P	62,691	72,551	82,410
PN-1	30,992	36,671	42,349
PN-2	32,843	38,875	44,907
PN-3	34,819	41,195	47,570
PN-4	36,899	43,670	50,440
PN-5	39,104	46,291	53,477
PN-6	42,390	50,170	57,949
PN-7	44,928	53,175	61,422
PN-8	47,632	56,368	65,104
PN-9	50,482	59,748	69,014
PN-10	53,518	63,336	73,154
PN-11	56,722	67,132	77,542
PN-12	60,133	71,168	82,202
PN-13	\$ 63,731	\$ 75,431	\$ 87,131

Pay Class	Minimum Annual	Mid-Point Annual	Maximum Annual
POLICE EXEMPT PAY PLAN			
PSE-1P	\$ 68,170	\$ 76,787	\$ 85,403
PSE-2P	75,172	84,674	94,176
FIRE NON-EXEMPT PAY PLAN			
PSN-RF (Recruit)	42,282	N/A	N/A
PSN-1F	44,816	51,863	58,910
PSN-2F	48,863	56,551	64,239
PSN-3F	50,319	58,240	66,161
PSN-4F	51,834	59,988	68,141
PSN-5F	53,377	61,778	70,179
PSN-6F	54,979	63,613	72,247
PSN-7F	56,638	65,549	74,460
PSN-8F	58,327	67,486	76,644
PSN-9F	60,075	69,510	78,944
PSN-10F	61,880	71,606	81,332
PSN-11F	63,744	73,747	83,749
PSN-12F	65,666	75,975	86,283
FIRE INSPECTOR NON-EXEMPT PAY PLAN			
PSN-1FI	55,952	65,447	74,942
PSN-2FI	59,301	69,368	79,435
PSN-3FI	62,858	73,539	84,219
PSN-4FI	66,622	77,948	89,274
PSN-5FI	70,616	82,618	94,619
FIRE EXEMPT PAY PLAN			
PSE-1F	68,170	79,750	91,329
PSE-2F	72,982	82,208	91,433
PROFESSIONAL EXEMPT PAY PLAN			
PE-1	36,512	43,939	51,366
PE-2	38,703	46,576	54,448
PE-3	41,025	49,370	57,715
PE-4	43,486	52,332	61,178
PE-5	46,095	55,472	64,849
PE-6	48,861	58,801	68,740
PE-7	51,793	62,329	72,864
PE-8	54,900	66,068	77,236
PE-9	58,194	70,032	81,870
PE-10	61,686	74,235	86,783
PE-11	65,387	78,689	91,990
DIRECTOR AND MANAGER PAY PLAN			
Division Manager	56,151	72,366	88,580
Technical Manager	71,593	89,850	108,106
Director	86,413	108,449	130,484
SEASONAL/PART-TIME NON-EXEMPT (HOURLY)			
RCS-1	7.50	8.22	8.94
RCS-2	8.00	8.77	9.53
RCS-3	8.85	9.70	10.54
RCS-4	\$ 12.00	\$ 13.15	\$ 14.29
EXEMPT (NON-CLASSIFIED) POSITIONS			
City Manager			
City Secretary			
Municipal Judge			

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.

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*.

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

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. 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 five (5) 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.

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.

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 an 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.

GLOSSARY OF TERMS

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.

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.

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 divisions desired social or organizational outcomes.

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 the purposes such as reimbursement of expenditures, general and administrative services, payments-in-lieu of taxes, or debt service.

INTERGOVERNMENTAL REVENUES. Revenues from other governments in the form of grants, entitlements, shared revenues or payments-in-lieu of taxes.

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*."

GLOSSARY OF TERMS

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, which are also 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.

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&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.

NON-RECURRING EXPENSES/REVENUES. Resources/expenses recognized by the City that are unique and occur only one time without pattern in one fiscal year.

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.

ORDINANCE. A formal legislative enactment of the City Council.

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.

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.

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.

GLOSSARY OF TERMS

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund, in addition to a pledge of revenues.

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 1/4 of one percent (0.25%).

SUPPLEMENTAL DECISION PACKAGE. See *Decision Package and Budget Enhancement*.

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*).

GLOSSARY OF TERMS

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.

UNEARNED REVENUE. See *Deferred Revenue*.

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*.)