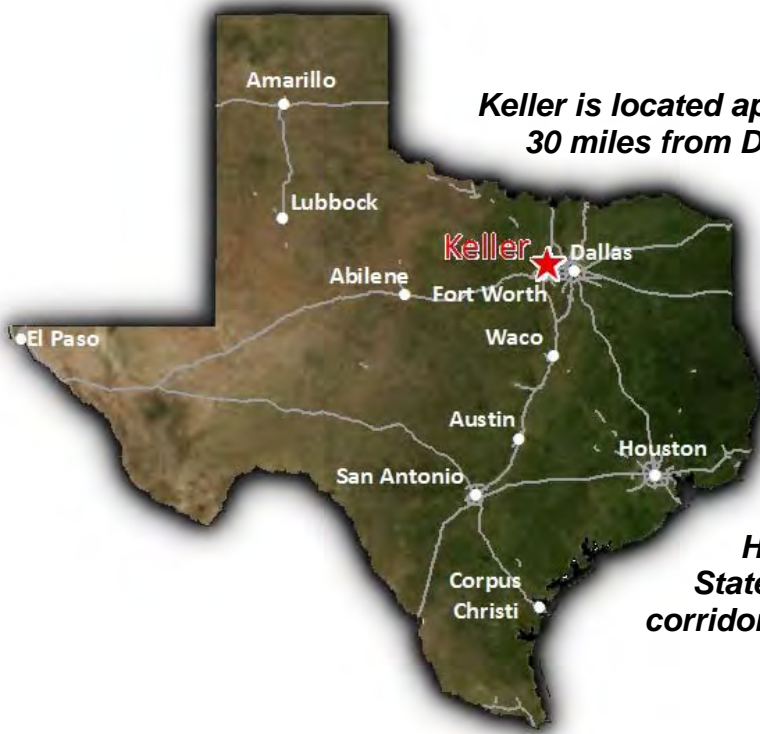




PROPOSED BUDGET FISCAL YEAR 2014-2015



Big-City Comforts, Small-Town Charm



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

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

This budget will raise more revenue from [current] property taxes than last year's budget by an amount of \$810,170, which is a 4.34 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$446,622.

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

- FOR: For budget adoption only
- AGAINST: For budget adoption only
- PRESENT and not voting: For budget adoption only
- ABSENT: For budget adoption only

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

	<u>2014-2015</u>	<u>2013-2014</u>
Tax Rates:		
Proposed and Adopted Rate	\$0.43719	\$0.44219
Effective Rate	\$0.42862	\$0.43859
Effective Maintenance & Operations Rate	\$0.30164	\$0.30907
Debt Rate	\$0.12043	\$0.13107
Rollback Rate	\$0.44620	\$0.46483

Municipal Debt Obligations – Principal and Interest:

Total Tax Supported	Total Self-Supported	Grand Total
\$41,737,136	\$62,236,002	\$103,973,138
FY2014-15	FY2014-15	FY2014-15
Tax Supported	Self-Supported	Total
\$4,661,604	\$7,177,102	\$11,838,706

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



CITY OF KELLER, TEXAS

ANNUAL BUDGET

October 1, 2014 to September 30, 2015



Left to right: Council Members Debbie Bryan, Gary Reaves, Tom Cawthra, Mayor Mark Mathews, Council Members Bill Dodge, Bill Hodnet and Rick Barnes (Mayor Pro Tem).

STEVE POLASEK
CITY MANAGER

JOHNNY PHIFER
DIRECTOR OF FINANCE



Path to Excellence IS PAVED WITH...

OUR VISION

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

MISSION

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

& CORE VALUES

Excellence

passion to provide exceptional service

Integrity

do the right thing, not the easy thing

Service

we care, and it makes a difference

Creativity

freedom to imagine and courage to act

Communication

open and transparent public service

Financial Accountability and Stewardship

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

Community

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

Safety and Security

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

Economic Development

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

Mobility and Infrastructure

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

Quality Services

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

Big-City Comforts, Small-Town Charm

DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) has presented the City of Keller with a Distinguished Budget Presentation Award for 18 consecutive years (fiscal years 1997–2014). In order to receive this award, the City must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan and a communications device.

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

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

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

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

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Keller
Texas**

For the Fiscal Year Beginning

October 1, 2013

Executive Director



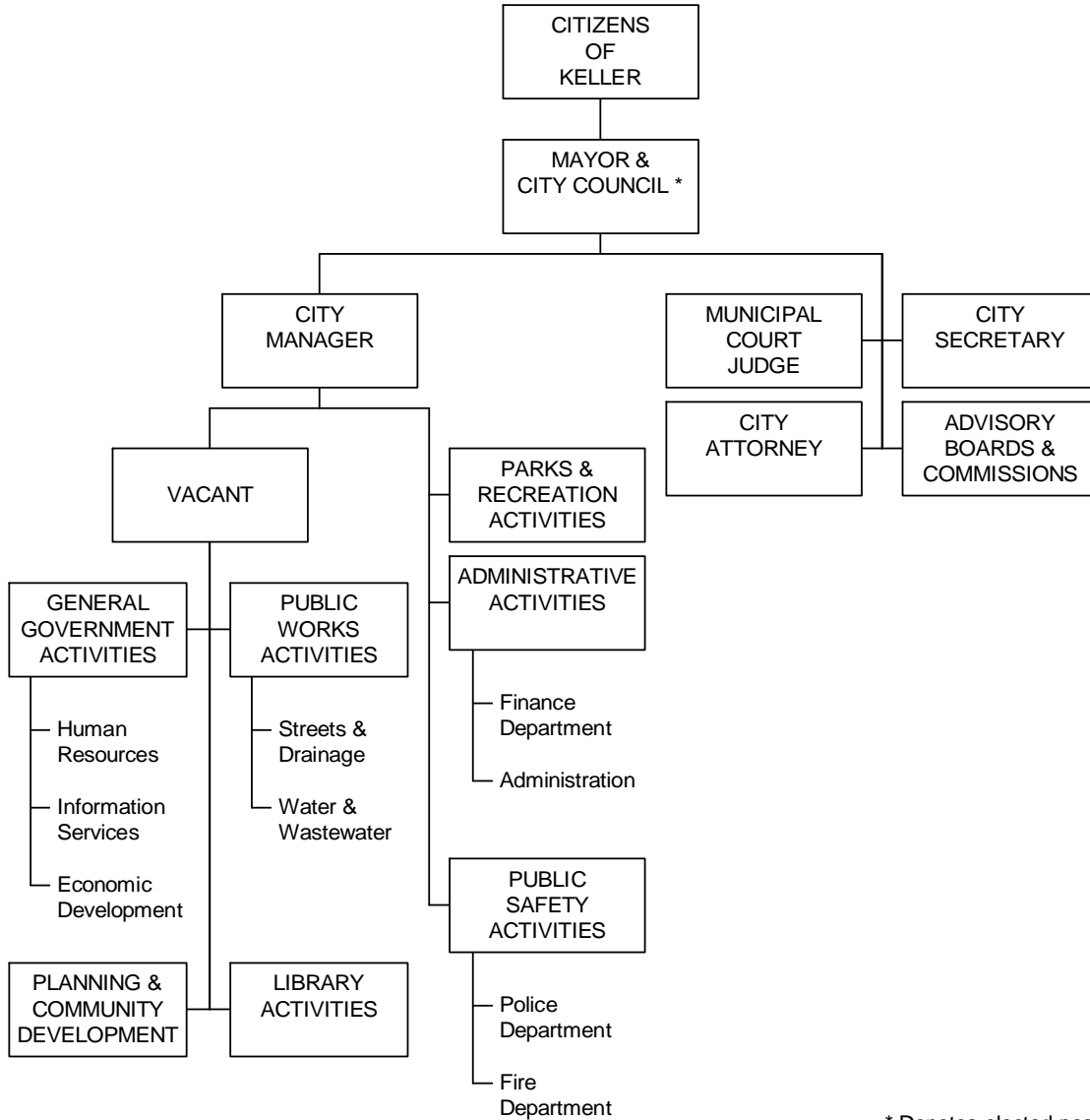
**PRINCIPAL OFFICIALS
August 2014**

<u>Name</u>	<u>Title</u>
<u>ELECTED OFFICIALS:</u>	
Mark Mathews	Mayor
Debbie Bryan	Council Member, Place 1
Gary Reaves	Council Member, Place 2
Tom Cawthra	Council Member, Place 3
Bill Dodge	Council Member, Place 4
Bill Hodnet	Council Member, Place 5
Rick Barnes	Council Member, Place 6 and Mayor Pro Tem
 <u>APPOINTED OFFICIALS</u>	
Steve Polasek	City Manager
Tom Elgin	Director of Community Development
Mark Hafner	Director of Public Safety-Police Chief
David Jones	Fire Chief
Dona Roth Kinney	Director of Parks and Recreation
Matthew Kite	Director of Public Works
Keith Macedo	Director of Information Services
Carolyn Nivens	Director of Human Resources
Johnny Phifer	Director of Finance
Jana Prock	Library Director
Sheila Stephens	City Secretary
Vacant	Deputy City Manager
 <u>OTHER APPOINTED OFFICIALS:</u>	
Boyle and Lowry, L.L.P.	City Attorney
First Southwest Company	Financial Advisors
Valley View Consulting, L.L.P.	Investment Advisors
McCall, Parkhurst & Horton, L.L.P.	Bond Counsel

BUDGET CALENDAR

<u>Description of Task/Event</u>	<u>Date(s)</u>
Council/staff budget priority workshop	February 26, 2014
Meetings with Finance Department and departmental budget staffs to distribute budget materials and instructions	March 18, 2014
Departmental budget input	April – May 2014
FY2014 revised estimates and FY2015 budget requests due in Finance Office	June 6, 2014
Departmental budget compilation by Finance Department staff resulting from initial departmental budget requests	May 9 – June 9, 2014
Review of budget requests by City Manager and meetings with departments and Finance Director to review initial budget proposals	June 12 – June 23, 2014
Council/staff budget priority workshop	July 14, 2014
Final (certified) tax values due from Tarrant Appraisal District	July 25, 2014
Final budget revisions prepared for distribution of proposed budget to City Council	July 13 – July 31, 2014
File proposed budget with City Secretary, distribute to City Council, place copy of proposed budget in the Keller Public Library, and make available on the City's website	August 15, 2014
Hold proposed budget review workshop(s) for Council/staff and citizen input	August 21, 2014
Hold two public hearings on the FY2015 proposed tax rate (if required)	September 2014
Hold public hearing on the FY2015 budget; approve ordinance to adopt both the FY2015 budget and FY2014 budget estimate; approve ordinance adopting the tax rate; and approve a resolution ratifying tax revenue (if required)	September 16, 2014
Fiscal year 2014-2015 begins	October 1, 2014

CITY OF KELLER, TEXAS ORGANIZATION CHART



* Denotes elected positions.

General Budget Information, Projections and Statistics
Fiscal Year 2014-15

Property tax rate (proposed) for FY2015	\$0.43719, per \$100 of assessed taxable valuation of property, a reduction of one-half cent (1.13%) from previous year.	
Total overlapping tax rate for all taxing units	\$2.623587 overlapping tax rate, including the City, KISD, and all applicable Tarrant County taxing entities	
Total value of properties within Keller	\$4,952,910,150 (appraised market value) \$4,483,286,215 (net taxable value)	
Total budget (all funds)	\$74,839,615	
Total employees (all funds)	348.22 full time equivalents	
General Fund employees per 1,000 population	5.77	
Police Department	86.48 FTEs	
Fire Department	58 FTEs	
Estimated population	41,090 at January 1, 2013 42,040 at January 1, 2014	
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	275 residential permits (\$75 million value) Non-residential permit value (\$15 million)	
Total incoming calls received (Police dispatch)	154,000 (Keller, Southlake and Colleyville)	
Total fire and EMS calls for service	3,300	
Lane miles of paved streets maintained	480	
Annual library materials circulation	563,000 (materials checked out)	
Library program participants	18,500	
Total park acreage	491	
Special events guests	33,000	
Total billed water sales (million gallons)	3,105.5	
average daily usage (million gallons)	8.48	
base (winter) average usage (million gallons)	4.5	
peak day water demand(million gallons)	24.0	
average monthly usage billed per customer	17,042	gallons
Total daily water capacity (million gallons)	27.0	
Average wholesale cost of water	\$2.26 per 1,000 gallons	

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INTRODUCTION

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August 15, 2014

To the Honorable Mayor Mathews and Members of the City Council

Re: *The Annual Budget for Fiscal Year 2014/2015*

Fiscal Year 2014 has been active for the City of Keller in terms of residential and commercial development. After several years of sluggish growth, the city and region are experiencing a more robust economy fueled by pent up demand for housing and retail, and greater flexibility from lenders. The city has now reached a point where we have exceeded our pre-recession standing and are poised for moderate economic growth in the foreseeable future. This progress, in addition to our commitment to efficient municipal operations, fiscal conservancy and the implementation of regional partnerships, has allowed the city to maintain or improve service levels without the need to seek an increase in the tax rate. In fact, the FY 2015 proposed budget seeks to lower the property tax rate by one-half cent from \$0.44219 to \$0.43719, an act last accomplished eight years ago in FY 2006-07.

The proposed budget for the 2014-15 fiscal year continues our tradition of conservative fiscal management and sound financial policies. Our focus remains on exploring all opportunities to provide a high level of service to our citizens in a manner that is both resourceful and fiscally responsible. We remain committed to our core values of excellence, integrity, service, creativity and communication in all that we do, and our passion to provide the highest level of customer service to our citizens, businesses and visitors leads us to frequent transformations and improvements. All of these will help us achieve our Mission to *“support a vibrant community of high-quality neighborhoods, thriving businesses and natural beauty by setting the standard for excellence in municipal efficiency, service and innovation.”*

This proposed budget is designed to reflect the direction of our community and makes great strides in achieving the vision of Keller set forth by this City Council as a city that continues to offer its citizens the best in services, amenities and overall quality of life. It also seeks to make sound investments in our infrastructure and equipment through the establishment of dedicated replacement programs, ensuring that we keep pace with replacement needs, avoid a future accumulation of unfunded liabilities and provide the necessary tools for our employees to accomplish their charges.

Among the projects this proposed budget funds are significant investments in our parks and recreation infrastructure, including the Keller Sports Park drive and parking lot improvements; Big Bear Creek Trail canopy/shelter expansion to accommodate the second Union Pacific railroad track; matching grant funds for the proposed Mount Gilead Greenwalk trail installation; and acid room, locker room and multipurpose room maintenance and renovations at The Keller Pointe. The FY 2015 budget also includes funding for furniture, fixtures and equipment associated with the planned Keller Pointe expansion and continues the Community Matching Grant program, which encourages investment in our parks system by local organizations and advocates.

The budget also provides for important upgrades to our water, wastewater, drainage and street infrastructure, including wastewater service expansion into northern Keller; the continuation of the replacement and expansion of the Alta Vista Pump Station; miscellaneous citywide drainage improvements; and ongoing investment in our roadways through the annual street maintenance program.

The city will also continue to invest in public safety. FY 2015 highlights include a proposed four percent (4%) pay plan adjustment for our police and fire personnel, bringing them more in-line with the compensation levels of our benchmark communities. We will also invest in our Fire Department through the replacement of an ambulance chassis and the refurbishment of the ambulance box. On the police side, funds will primarily be allotted for fleet replacement, improvements in technology to further advance

our public safety efforts, and debt service related to the recent renovation and expansion of the Regional Jail and Regional Animal Adoption Center, both of which opened during calendar year 2014.

The proposed budget attends to the current pay plan for civilian employees as well, by advocating a three percent (3%) adjustment. The proposed increase not only addresses cost of living adjustments, but also repositions the city's pay plan to begin self-correction for salary compression that occurred as a result of minimal or no pay increases in recent years. Further, the pay plan adjustment will keep the city competitive in the marketplace while a revised and revamped pay plan defined principally by performance is explored for implementation in FY2016.

Following the challenge that came with an increase of \$1.4 million in our FY 2014 health insurance costs, the current proposed budget includes an increase of less than one percent (1%) for healthcare. This marked reduction is directly related to several factors, including plan revisions, total migration to a high deductible health plan (HDHP) with two service levels to choose from, a significant reduction in claims, a robust employee wellness program and an industry that has become more settled with the Affordable Care Act. An increase in personnel costs for employee retirement was minimal (\$38,253) and resulted from the early implementation of the new Governmental Accounting Standards Board (GASB) actuarial accounting method. The City of Keller's retirement fund is solid and funded at 79 percent and rising. Due to a strong work safety approach and resulting reduction in claims over the last three years, the City of Keller continues to be a leader statewide when it comes to having a low Worker's Compensation modifier rate. As a result, we will achieve a budget decrease (\$6,750) in this area for the upcoming fiscal year.

Through a team atmosphere and shared direction, the City Council and city staff will continue to reinvent our local government so that we can better adapt to future needs and further enhance the services and operations that exist today. This proposed budget is intended to allow for such growth to continue by providing the necessary funds to support the efforts of our many city departments, addressing infrastructure maintenance and improvements, providing for capital replacement and supporting our ongoing economic development efforts. It is also structured to allow the city to reposition itself in order to realize greater innovations, structural efficiencies and organizational advancements in FY 2015.

As stated in previous budget messages, city staff's ability to manage expenditures the last several years, in conjunction with conservative revenue projections, has permitted the General Fund to accumulate a healthy fund balance. While we dearly protect this balance, at the same time we have previously been afforded the opportunity to "pay as we go" for important non-recurring expenditures such as economic development initiatives, infrastructure investments and capital replacement items. This year's budget again provides such an opportunity with proposed investments in Old Town Keller and Keller Town Center, economic development incentives, Phase II funding for the vehicle replacement program and vehicle replacements for FY 2015, as well as the ability to pay down debt should Council so choose. We are able to accomplish this while maintaining our fund balance at a level above our operating expense target.

This budget is founded primarily on City Council goals as established during the February 28, 2014, budget work session; the May 31, 2014 strategic planning work session; and the subsequent July 14, 2014, budget work session. In summary, the proposed budget provides:

1. A decrease in the property tax rate of one-half cent (\$0.005) from \$0.44219 to \$0.43719 for the 2014-15 budget year
2. An adjustment in the water and waste water rates of one-half percent (0.5%) estimated to increase the average monthly utility by fifty-seven cents (\$0.57)
3. Funding for the continued pursuit of sound economic development opportunities and public/private partnerships
4. Continuation of regional initiatives for the provision of services and exploration of additional partnerships
5. Annual recurring cost increases kept at a minimum level
6. No new program expenditures
7. New positions corresponding to a change in workload and initiatives
8. The ability to embrace occasions to improve efficiencies
9. Competitive compensation increases for a leaner organization
10. Limited use of Fund Balance for one-time non-recurring expenditures

Keller persists as one of the most sought after locations to live in the Dallas-Fort Worth area. We continue to offer value-driven public services that result in a low crime rate, progressive approaches to public safety, excellent schools, outstanding parks and recreational opportunities, solid infrastructure and a highly acclaimed library, all of which contribute to the quality of life our community enjoys and anticipates. Our successes have led to recognition in a variety of areas over the last calendar year as demonstrated below.

2013 Awards



Top 12 Best Places to Live, [Fort Worth, Texas Magazine](#)



50 Safest Cities in Texas, [SafeWise](#)



20 Best Cities for Homeownership in Texas, [NerdWallet](#)



Regional Cooperation Award, [North Central Texas Council of Governments](#)



Tree City USA 20th Anniversary, [Arbor Day Foundation](#)



Best Display of Public Art, [North Texas Magazine](#)



Best Place to Stay Fit, [North Texas Magazine](#)



Best Practices Accreditation, [Texas Police Chiefs Association](#)



Distinguished Budget Presentation Award, [Government Finance Officers Association](#)



Gold Circle Award for Financial Transparency, [Texas State Comptroller's Office](#)



Excellence in Financial Reporting, [Government Finance Officers Association](#)



Achievement of Library Excellence Award, [Texas Municipal Library Directors Association](#)



Best Family Aquatics Center, [Aquatics International Magazine](#)



EMSuper Star Award, [Baylor Regional Medical Center at Grapevine](#)



Lone Star Programming Achievement Award, Class IV, [Texas Recreation and Parks Society](#)

Revenue and Population Growth

The North Central Texas Council of Governments estimates that the population of Keller as of January 2014 is 42,040. This represents a 6.1 percent increase over four years when compared with the 2010 Census data population of 39,627.

For FY2015, total projected revenues increased by \$2,025,150, or 2.78 percent over the FY2014 budget. This increase is due primarily to growth in the general fund (\$1,295,974) and water and wastewater fund revenue projections (\$556,180). Our total property tax revenues and net taxable value increased by 6.78 percent over the FY2014 estimated budget, to a net taxable value of \$4.55 billion. Total charges for services increased by \$522,545 (1.7 percent), primarily from projected increases in water and wastewater charges. In addition, intergovernmental funds decreased by \$86,996 (3.1 percent), primarily due to payments received in FY2014 from Colleyville, Southlake and Westlake for their shares of the dispatch communications system upgrades. Sales and other taxes increased by \$700,740 — 4.34 percent — mainly due to a projected increase in sales tax revenues and franchise fees.

Other taxes in the budget summaries include Tax Increment Reinvestment Zone (TIRZ) assessments and payments-in-lieu of taxes (PILOTS) from the water/wastewater and drainage funds. Netting out the TIRZ assessments and PILOTS, total sales and other tax revenue increased \$619,645 (5.1 percent) from the adopted FY 2014 budget, of which \$383,355 (4.1 percent increase) was from sales taxes and \$185,150 (6.5 percent increase) was from franchise fees.

Property Tax Rate and Sales Taxes

As mentioned, the net taxable property value increased by 6.78 percent from the FY2014 Estimate to \$4.55 billion. The increase in taxable property value includes \$102.157 million in new construction, an increase of \$23.86 million (30.47 percent) over the previous year. The FY2015 budget includes a tax rate of \$0.43719 per \$100 of taxable value, a decrease of one-half cent from FY2014.

After two consecutive years of declining sales tax revenues in FY2009 and FY2010, total sales tax revenues increased slightly by 1.9 percent and 8 percent in FY2011 and FY2012, respectively, and by 5.2 percent in FY2013. Sales taxes for FY2014 are projected to moderately increase by 4.1 percent over the FY2014 Adopted budget with an additional 2.9 percent increase anticipated for FY2015. This continues to demonstrate steady growth toward a more stable economy.

Other General Fund Revenues

The current pace of building activity is projected to continue next year with a slowdown anticipated in following years as available land for residential development diminishes. Activity remains up from 2008-09, when housing starts plummeted. Overall, an increase in development activity is expected this year as the housing demand continues to improve and more permits are issued within approved developments. Future growth will be tempered by a continual decrease in land available for residential development, but could be bolstered by commercial development along the city's major corridors of FM 1709 and U.S. Hwy. 377. Most remaining General Fund revenues are expected to be relatively flat in the upcoming fiscal year.

Reading the Proposed Budget

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

Explanation of Fund Accounting

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

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

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

- Governmental funds are often referred to as "source and use" funds. These are the funds through which most governmental functions are financed. The fund types included in this category are general, special revenue, capital projects and debt service funds.

- Proprietary funds are used to account for a government's ongoing organizations and activities, which are similar to those often found in the private sector. The fund types included in this category are enterprise and internal service funds. The city utilizes the following enterprise funds: Water and Wastewater Utility, and Drainage Utility. The city has no internal service funds.

Each fund's revenues and expenditures are depicted by columns of Actual FY 2012/2013, Budget FY 2013/2014, Estimate FY 2013/2014, and Budget FY 2014/2015. Fund summaries are provided for all revenues and expenditures applicable to each. The General Fund (tax-supported general operations) and the Water and Wastewater Utility Fund have numerous operating departments and/or divisions.

Additional Information

The Supplemental Data section contains general information, such as the city's miscellaneous fee schedule, budget and financial policies, the FY2015 pay plan and a Glossary of Terms.

The Reader's Guide (pages 1-8), Keller Profile (pages 9-14), and budget Summaries (pages 15-73) that follow the Budget Message provide a wealth of historical data concerning property values, ad valorem tax analysis, property value distributions, property taxes, overlapping tax rates, sales tax collections, city workforce information and utility usage, as well as brief explanations of various miscellaneous funds. In addition, page viii provides "quick facts" for FY2015. This information can provide a quick reference concerning the city's budget process, operations and budgeted expenditures and revenues.

FY 2014/2015 Budget Overview

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

- Property tax rate of \$0.43719 is a reduction of one-half of a cent from \$0.44219
- Water/Wastewater rate increase of one-half of a percent (0.5%)
- New one-time expenditures from fund balance in the General Fund of \$4,586,630
 - *Economic development initiatives (\$1,000,000)*
 - *Economic development incentives due developers (\$300,000)*
 - *Vehicle and equipment replacement (\$386,630)*
 - *Keller Town Center core commercial viability enhancements (\$100,000)*
 - *Old Town Keller West Improvements (\$1,500,000)*
 - *Transfer to Fleet Replacement Fund – Phase II (\$300,000)*
 - *Transfer to debt service fund for debt retirement (\$1,000,000)*
- A three (3) percent pay plan adjustment to assist in keeping the city's compensation package competitive with our benchmark cities and as an investment in the "leaner" organization philosophy
- A four (4) percent pay plan adjustment for Police and Fire personnel to assist in keeping the city's compensation package competitive with our benchmark cities and protect our investment in employee training and education
- Appropriate market adjustments and position upgrades based on current scope of work and corresponding surveys of our benchmark cities
- Minimal health care cost increase of \$20,085
- The addition of 4.75 FTE's (net impact to organization of 2.71 FTE's) at a cost of \$218,170
- Investments in capital equipment replacement and infrastructure improvements

The 2014 (FY2015) net assessed taxable valuation, after adjustments, is \$4.48 billion, an increase of \$256.7 million, or 6.07 percent over the 2013 net value. Residential property values comprise approximately 82 percent of total property values for FY2015; however, commercial/industrial values increased by \$31.258 million (7.2 percent). A total tax rate of \$ 0.43719 per \$100 of assessed taxable valuation funds FY2015 operations, a reduction of one-half of a cent from FY 2014. The tax rate distribution for FY2015 compared to FY2014 represents a decrease in debt service requirements due to retirement of debt and is as follows:

	<u>FY 2013/2014</u>	<u>FY 2014/2015</u>
General Fund	\$ 0.32646	\$ 0.33048
Debt Service Fund	0.11573	0.10671
Total Tax Rate	\$ 0.44219	\$ 0.43719

The total operating budget for FY2015 is \$74,839,615. This is an increase of \$823,901 (1.1 percent) from the FY2014 adopted budget and a decrease of \$6,192,592 (7.6 percent) from the FY2014 revised budget of \$81,032,207. Total FY2014 estimated expenditures include carry forward projects and one-time, non-recurring expenditures of \$2,746,125 from the General Fund balance.

GENERAL FUND

Quick Facts:

	<u>FY 2014/2015</u> <u>(Budget)</u>	<u>FY 2013/2014</u> <u>(Budget)</u>	<u>Percentage</u> <u>Increase</u> <u>(Decrease)</u>
Expenditures*:	\$31.69 Million	\$31.47 Million	0.7%
Revenues:	\$31.74 Million	\$30.44 Million	4.26%

* Excludes one-time Fund balance expenditures included in FY 2014 and FY 2015 budgets

Summary:

The projected beginning fund balance for FY2015 of \$11,346,511 exceeds the targeted beginning fund balance by approximately 70 days of operations. The total ending fund balance at September 30, 2015, is projected to be \$11,394,916 (excluding FY 2015 expenditures from Fund Balance), which is \$48,405 higher than last year's estimated budget amount. The city's financial management policies establish a benchmark (target) of 70 days of operating, non-recurring expenditures as an unreserved fund balance. The unassigned fund balance projected at \$11,394,916 allows for approximately 132.9 days of operating expenditures, thereby exceeding the established benchmark. In summary, I am submitting a General Fund Budget for FY2015 that makes investments using the fund balance as discussed and reviewed with City Council, manages expenditures without service cuts and provides the necessary revenue for debt payments resulting from capital projects.

General Fund highlights (FY2015):

<u>Description</u>	<u>Amount</u>
Pay Plan Adjustments (3%) for civilian employees, including benefits	\$ 253,594
Pay Plan Adjustments (4%) for police and fire, including benefits	324,624
Additional Detention Officer for Regional Jail (1 FTE)	28,640
Additional Street Maintenance Worker (1 FTE)	32,860
Additional Code Compliance Officer (.75 FTE)	52,080
Planning Contract Employee – UDC review and update	100,000
Economic Development investment in marketing and advertising	138,700
Facility Maintenance access control software and exterior building repairs	48,350
Additional sand spreader and rack	\$ 32,000

The following table provides a summary of changes by department in the FY2015 budget, compared to the FY2014 adopted budget.

FY2015 Changes by Department		
	<u>Vs. FY 2013-14 Budget</u>	
Department	Amount (\$)	Pct. Change
Administration/General Govt.	\$ 111,389	2.3%
Community Development	187,645	14.0%
Public Safety	339,298	2.2%
Public Works	(565,570)	(17.0%)
Library	81,065	5.7%
Parks & Recreation	(100,400)	(3.0%)
Non Departmental / Other	618,815	7.9%
Total	\$ 672,242	1.9%

Note: The Non-Departmental adopted budget includes all one-time fund balance expenditures

Given the nature of services provided, personnel costs remain a major driver within the FY2014/2015 General Fund budget. Personnel services (salaries, wages and benefits) account for \$22.2 million, or 70 percent of the total expenditures of the General Fund for FY2015.

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

For FY2015, one-time expenditures of \$4,586,630 are planned from the available General Fund balance and are **excluded from budget line item totals**. These one-time expenditures include the following: *Economic development initiatives (\$1,000,000); Economic development incentives due developers (\$300,000); Vehicle and equipment replacement (\$386,630); Keller Town Center core commercial viability enhancements (\$100,000); Old Town Keller West Improvements (\$1,500,000); Transfer to Fleet Replacement Fund – Phase II (\$300,000); Transfer to debt service fund for debt retirement (\$1,000,000).*

Although one-time, non-recurring expenditures are excluded from the FY2015 budget expenditure totals, after accounting for the one-time fund balance use of \$4,586,630, the projected ending fund balance at September 30, 2015, is projected at \$6,808,286, exceeding the minimum fund balance target by 9.4 days.

WATER AND WASTEWATER FUND

Quick Facts:

	FY 2014/2015 (Budget)	FY 2013/2014 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$21.79 Million	\$22.07 Million	(1.3)%
Revenues:	\$21.62 Million	\$21.06 Million	2.6%

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

Net expenditures in excess of revenues for FY2015 are \$168,725. However, the projected beginning fund balance of \$6,433,528 for FY2015 exceeds the targeted beginning fund balance by approximately 46 days of operations. The total projected ending fund balance at September 30, 2015, is \$6,264,803, which is \$925,228 more than last year's budgeted amount. A \$500,000 water and wastewater rate stabilization reserve is included as a provision of the fund balance for the purpose of providing funds for variations in weather conditions, specifically years having above-average rainfall (wet year) or below-average rainfall (dry year). The undesignated fund balance of \$5,764,803 represents an operating reserve of approximately 99.2 days, exceeding the current target of 60 days.

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 2014, water sales of 3.025 billion gallons are anticipated for FY2014. The FY2015 budget forecasts 3.206 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. Customer water usage reached 3.33 billion gallons in FY2011, again due to dry weather conditions. For FY2015, 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 negatively impacted.

The Fort Worth Water Department has instituted water conservation measures, system-wide, in order to reduce peak water use demands created from drought conditions, residential growth throughout the district and the extraordinary use of water for landscape irrigation. Stage I of these conservation measures are factored in our estimates; however, additional conservation efforts beyond Stage I are not accounted for and could adversely impact water revenues.

In addition to changes in wholesale pass-through rates for sewer service and water purchases, the proposed FY 2015 budget includes a city rate adjustment in the water and wastewater rates of one-half percent (0.5%), estimated to increase the average monthly utility bill by fifty-seven cents (\$0.57).

Expenditures

The most significant expenditure is wholesale water purchases. Wholesale water purchases for FY2015 are projected to be \$7.24 million or 33.2 percent of total expenditures, compared to \$6.63 million or 31.4 percent of total expenditures estimated for FY2014. This represents an increase of \$610,000, or 9.2 percent, and an increase of \$60,000 (0.82%) over the FY2014 budget. Wholesale water purchases are anticipated to be 3.025 billion gallons in FY2014 and 3.206 billion gallons in FY2015.

Other major expenditures for FY2015 include operating expenses and transfers, \$5.52 million (25.3 percent of FY2015 expenditures); personnel services (salaries and benefits), \$3.18 million (14.6 percent); wastewater treatment and collection services provided by the Trinity River Authority, \$2.85 million (13.06 percent); debt service on long-term debt, \$2.14 million (9.82 percent); transfers to other funds, \$440,985 (2.02 percent); and capital outlay, \$426,825 (1.96 percent). Capital outlay includes infrastructure improvements for water distribution and wastewater improvements (\$391,825); a sewer camera van and related equipment (\$362,500 in the fleet replacement fund); and Municipal Service Center improvements (\$35,000).

The budget includes the addition of two full-time (2 FT) Water/Sewer Maintenance Worker I positions at a cost of \$104,590 including benefits. It also provides a three percent (3%) pay plan adjustment (\$68,779) for existing Water/Wastewater employees.

OTHER FUNDS

Drainage Utility Fund

Quick Facts:

	FY 2014/2015 (Budget)	FY 2013/14 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$1.34 Million	\$2.36 Million	(43%)
Revenues:	\$1.60 Million	\$1.57 Million	1.9%

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

Major expenditures for FY2015 are provided for in personnel services (44.7 percent of budget) for 8.5 full-time equivalent positions. Operations and maintenance, and services and other expenditures (51 percent of the total budget) provide for miscellaneous small drainage improvements, both equipment maintenance and drainage channel maintenance, as well as equipment rental as needed. Capital improvements account for \$59,800 (4.5 percent) of the total budget for an aeration system and grapple implement for the Gradall equipment. Funding in the amount of \$171,000 is also budgeted within the Fleet Replacement Fund for a tandem dump truck and the replacement of an F-450 truck.

Keller Development Corporation Fund (KDC)

Quick Facts:

	FY 2014/2015 (Budget)	FY 2013/2014 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$2.49 Million	\$1.87 Million	33.3%
Revenues:	\$2.47 Million	\$2.40 Million	3.0%

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 29, 2014, the KDC Board of Directors reviewed and approved a proposed budget. As required by the Development Corporation Act of 1979, the City Council conducted a public hearing on the budget on August 5, 2014.

Sales tax revenues for FY2015 are anticipated to increase by 5.0 percent over the FY2014 Adopted budget. The FY2014 estimated sales tax revenue of \$2,397,075 is \$46,190 (2.0 percent) above the original adopted budget amount. Proposed expenditures of note include grant matching funds for the Mount Gilead Greenwalk trail (\$120,000), Keller Sports Park parking lot and street repair (\$253,000), replacement of a "bat-wing" mower (\$61,000), replacement of a maintenance utility vehicle (\$7,800) and continuation of the community matching grant program (\$100,000).

Recreation and Aquatics Center (The Keller Pointe) Fund

Quick Facts:

	FY 2014/2015 (Budget)	FY 2013/2014 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$3.193 Million	\$3.156 Million	1.2%
Revenues:	\$3.194 Million	\$3.154 Million	1.3%

The Recreation and Aquatics Center Fund was established in FY2003. This Fund is intended to account for all major direct costs associated with the operations of the Recreation and Aquatics Center (The Keller Pointe). Major expenditures include personnel services for staffing the facility and for recreation programs (51.6 percent), and facility operations and supplies (14.6 percent). Services & Other expenditures include utilities (electricity, water, natural gas) and payments to recreation program instructors and trainers (32.9 percent). Since the opening of The Pointe in May 2004, the operating budget expenditures have increased primarily in the areas of program staffing and utility costs (electricity, water and gas), which typically correspond to greater facility usage.

Capital outlay comprises 1.1 percent of total expenditures and includes \$35,000 for typical furniture, fixtures and equipment replacement. One-time fund balance expenditures of \$350,000 are also included and consist of FFE (furniture, fixtures and equipment) for The Keller Pointe expansion and renovation (\$200,000) and acid/chemical room, locker room and multipurpose room renovations (\$150,000).

The remaining unassigned fund balance, including funding of the one-time expenditures, is projected at \$974,210 for September 30, 2015.

Information Services Fund

Quick Facts:

	FY 2014/2015 (Budget)	FY 2013/2014 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$1.66 Million	\$1.85 Million	(10.4%)
Revenues:	\$1.53 Million	\$1.66 Million	(7.3%)

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 Keller Pointe Fund. Expenditures provide for information technology support personnel and goods and services to be utilized on a citywide basis, including expenditures for Town Hall networking equipment with the Keller Police Department, The Pointe, the SCADA system and the Municipal Service Center. 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. In October 2005, the Public Library support, Internet services and Audio Visual services were transferred to Information Services.

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

Miscellaneous Other Funds

Library, Recreation, and Municipal Court funds are funded by special contributions, participation fees, donations, grants, reimbursements, interlocal agreements with other cities and other revenues such as voluntary utility bill donations. Expenditures are specifically restricted to the amount of revenues available

annually and do not comprise a significant portion of the city's total annual budget. A new Community Clean-Up Fund was added in FY2011. This fund accounts for a 20-cent monthly fee assessed to residential customers to be used for clean-up programs, such as major storm debris pick-up, as well as educational and promotional activities.

Keller Crime Control Prevention District Fund

Quick Facts:

	FY 2014/2015 <u>(Budget)</u>	FY 2013/2014 <u>(Budget)</u>	Percentage Increase <u>(Decrease)</u>
Expenditures:	\$0.89 Million	\$4.87 Million*	(81.7%)
Revenues:	\$1.09 Million	\$1.07 Million	1.7%

* Includes funding for the construction/expansion of the jail/animal shelter.

The Keller Crime Control Prevention District (KCCPD) was renewed by voters for a term of 15 years on May 13, 2006. The KCCPD is funded with a ¼-cent sales tax. The KCCPD Fund provides funding for national accreditation (\$15,100); vehicle and equipment replacement (\$241,570); technology improvements (\$68,700); and debt service for the jail and animal shelter expansion (\$529,500). As required by state law, the KCCPD FY2015 budget shall be considered by the City Council at the August 19, 2014 regular meeting.

DEBT SERVICE FUND

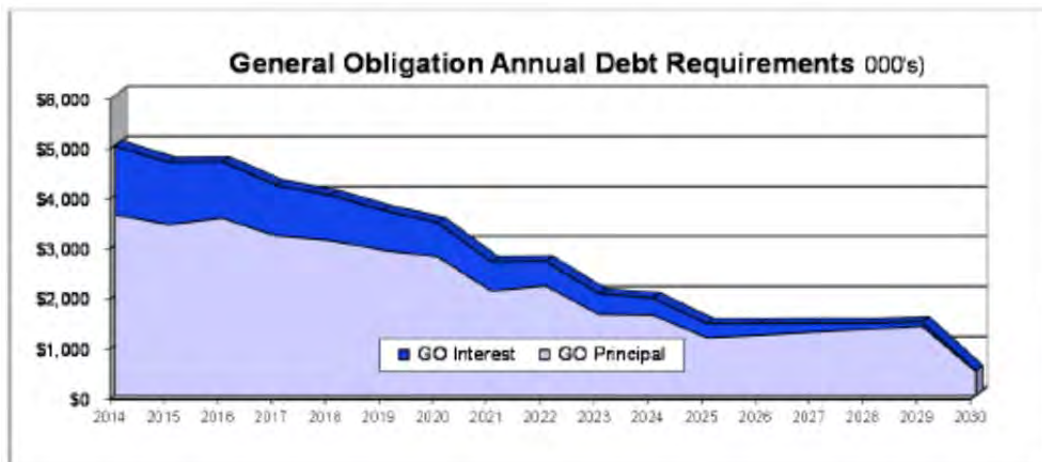
Quick Facts:

	FY 2014/2015 <u>(Budget)</u>	FY 2013/2014 <u>(Budget)</u>	Percentage Increase <u>(Decrease)</u>
Expenditures:	\$5.36 Million	\$5.65 Million	(5.2%)
Revenues:	\$5.38 Million	\$5.56 Million	(3.3%)

This Fund is used to account for revenues and expenditures related to the retirement of the city's tax-supported general obligation debt. FY2015 direct debt per capita is \$792, down from an estimated FY2014 debt per capita of \$899. Debt per capita decreased due to a combination of current year debt retirement, bond refundings and an increase in population.

The city's current bond ratings, confirmed in May 2012 (the City's most recent rating), are "Aa2" from Moody's Investors Services and "AA" from Standard & Poor's Rating Group. Both rating categories 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 indicates the current annual principal and interest requirements through FY2029-30.



Tax Increment Reinvestment Zone No. 1 Interest and Sinking Fund

The Tax Increment Reinvestment Zone No. 1 (TIRZ No. 1) Interest and Sinking (I&S) Fund budget for FY2015 reflects participating taxing entities' tax contributions (including the City of Keller's participation).

For budget purposes, and in accordance with state law, the value of the TIRZ No. 1 district is based upon the previous year's assessed property value at the end of the calendar year (December 31, 2013). Therefore, the true assessed values of projects that are completed early in the calendar year are often not fully realized until the subsequent year's budget cycle. Given existing appraised values, the City does not anticipate, and is not budgeting for, any TIRZ subsidies from the General Fund for FY2015.

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 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.

In May 2010, the City Council approved a refunding and restructuring of TIRZ debt in the amount of \$6.3 million. As a result of the restructuring, the annual TIRZ assessments are anticipated to provide sufficient annual revenues through FY2018 – requiring no City of Keller subsidy. The refunding bonds are callable on or after August 15, 2018. The TIRZ will terminate on December 31, 2018 and obligations that are due after that date will be paid with remaining TIRZ funds, if available. In the event that insufficient TIRZ funds remain, the obligations will be paid with the annual interest and sinking fund ad valorem (property) tax levy.

The FY 2015 budget provides for an excess of revenues over expenditures of \$346,845 with a September 30, 2016 anticipated unassigned fund balance of \$763,221.

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 Fleet Replacement Fund have recurring revenues, these budgets (revenues) are included in the operating budget totals. In addition, budgets of capital project funds do not lapse at year's end, and unspent funds are automatically re-appropriated into the next fiscal year.

Park Development Fee Fund

Park Development Fees are fees paid by new development in lieu of park land dedication. Developers are responsible for one (1) acre per thirty (30) residential dwelling units. Payment in lieu of land dedication shall be the average per acre value of the property(s) to be developed as assigned by the Tarrant Appraisal District's most recent appraised market land value, or \$30,000 per acre, whichever is greater, not to exceed \$50,000 per acre. 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 \$150,000 in fees will be collected in FY2015.

Proposed expenditures (\$385,765) for FY2015 are anticipated for park improvement/land acquisition projects to be determined upon adoption of the Parks, Recreation and Open Space Master Plan update.

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 FY2015 expenditures include street reconstruction payable from the street maintenance sales tax revenue and miscellaneous sidewalk replacements and extensions.

Sales tax revenues for FY2015 are anticipated to increase by 4.9 percent over the adopted budgeted amount. The FY2014 estimated sales tax revenues of \$1,190,685 is \$21,675 (2.0 percent) above the original adopted budget amount. Proposed expenditures for FY2015 consist primarily of street reconstruction (\$1,925,500).

Fleet Replacement Fund

This Fund is used to provide for capital equipment acquisition, primarily for the Water & Wastewater and Drainage Utility Funds. The Water & Wastewater and Drainage Utility Funds transfer annual "lease" payments from their respective operating budgets to fund routine vehicle and light-equipment replacements. The FY2015 Budget includes the replacement of one utility service vehicle for the environmental specialist (\$25,400) and replacement of the sewer camera van and associated equipment (\$362,500) for the Water and Wastewater Utility Fund. The Drainage Utility Fund supports the purchase of a tandem dump truck and replacement of an F-450 truck (\$171,000).

General Fund supported vehicle purchases totaling \$386,630 will include a new ambulance chassis and refurbished box (\$122,880), replacement street sweeper (\$209,850) and two maintenance trucks (\$53,900). Also, this year's proposed budget transfer of \$300,000 from the General Fund fund balance is phase II funding for the General Fund fleet replacement program. A total of approximately \$900,000 is needed to establish the necessary funding for a sound replacement program for the General 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. A five-year capital improvements program (CIP) summary is also included in the Capital Improvements section of the document. No new debt-financed capital projects are proposed for FY2015. As you will notice, our five (5) year CIP has a number of projects for which no funding source has been identified.

Calculations and Projections

Property tax appraisal information is provided by the Tarrant Appraisal District. Historical sales tax information is provided by the State Comptroller. Franchise, municipal consent agreement and licensing fees are projected pursuant to contractual provisions with each franchisee, municipal consent or licensing agreement and adjusted for growth. All other operating revenues and fees have been estimated by the city staff on the basis of experience and historical growth trends. Operating revenues depict cautious optimism that the regional economy will continue to grow at a steady pace over the next several years. As is our practice, we continue to employ a conservative approach when projecting available revenues for the upcoming fiscal year in order to ensure that revenues will be available to support operations and annual debt requirements, and to preserve financial reserve targets for future years.

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

Cost Savings and Efficiency Initiatives

The city actively seeks opportunities to deliver external and internal services more efficiently and at a lower cost. The result has been the implementation of a number of new and ongoing service delivery processes and procedures. The chart immediately following this letter demonstrates some of the recent

and planned initiatives and their benefits in terms of cost savings, where applicable, and/or service delivery. We anticipate working closely with City Council during FY2015 to further identify, explore and implement additional cost saving and efficiency opportunities.

In Summary

As an organization, we are dedicated to serving the residents and businesses of Keller in a manner that meets or exceeds their expectations. The city's annual budget provides the basis by which we are to achieve the goals set forth by City Council and accomplish our operational commitments to the community. I hope that this introduction and overview is useful and informative as you prepare to deliberate the city's FY2015 budget. In working with our various department directors and their staffs, I believe this proposed budget is fiscally responsible and represents the City Council's goals and objectives and the desires of our community, while also acknowledging the recent progress within our local economy. My gratitude and appreciation to the City Council for their direction and leadership, and to all of the department directors and staff for their many contributions and diligent work on the development of this financial document.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Steve Polasek".

Steve Polasek
City Manager

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
<i>Administration</i>	Interlocal Purchasing Agreement for wayfinding signage	Joint contract with North Richland Hills and Hurst to achieve economies of scale for wayfinding signage	\$16,000 in savings over Keller purchasing independently
	Vehicle Replacement Program	Right sizing of vehicles, business need, managing maintenance cost, and maintaining a standardized replacement schedule	Extend lifecycle of vehicles 2 to 3 years, implemented maintenance tracking system
<i>Community Development</i>	Extensive use of Laserfiche document management system scanned 15,000 sheets of commercial building plans	Rapid access to plans and files while decreasing required storage area	\$2,000 annually (reduction in staff time accessing files)
	With assistance from IT, electronic packets for the Planning and Zoning Commissioners were implemented beginning January 2014.	The electronic packets reduced staff man-hours in printing, assembly and delivery of "paper" meeting packets, substantially decreased copier expenses, and allowed staff to focus on development review.	\$3,000 annually (Primarily savings in copier and mileage expenses.)
	Executed a professional services contract with a new third-party inspection firm, County Wide Inspections, to perform all building inspections. In addition to cost savings, this contract provided more construction inspections services compared to prior contract.	Inspection contract savings allowed City to contract with a code consultant, Code Solutions, Inc., to assist with plan review on an as-needed basis. Together, these resulted in permitted increased construction inspections and plan review without adding personnel.	\$24,000 annually from the previous inspection contract. (This amount is savings of current inspection contract compared to former contract.)
<i>Economic Development</i>	Design services in-house	Design and produce marketing materials and Keep it in Keller Website	\$5,000 - \$10,000 a year
	Canceled Claritas, a demographic site	Receive the same information from GIS's community analyst	\$1,095

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
<i>Finance</i>	Converted to direct deposit for payroll checks in late 2013.	This is estimated to save on envelopes, toner, check stock, etc.	\$4,000 per year in actual costs
	E-Billing for utility bills	Utility billing advises new customers that we have the ability to email utility bills. Although most customers opt for the hard-copy bill by mail, we continue to promote the service in order to reduce postage, printing and production costs. There are about 2400-2500 customers per month opting for the e-bill.	Savings on postage, printing, envelopes, etc. approximates \$12,000 annually
<i>Fire</i>	Eliminate Accounting Technician position (1 FTE) from the department structure.	Utilization of time and experience of current Administrative Secretary allowing department to save associated costs for salary and benefits	~\$60,000
	Cooperative purchasing agreement with the City of Cedar Hill for emergency medical services supplies	Taking advantage of decreased pricing due to economies of scale associated with bids secured by another city	~\$6,800
<i>Human Resources</i>	Providing the benefit of flu shots, in-house, to our employees and their dependents	HR coordinates and budgets supplies while a paramedic administers the flu shots. Save by not paying an outside company to come on-site and administer shots. Benefits are: cost savings, less absenteeism due to the flu, and if employees had to go to their doctor to receive the flu shot, the cost would be charged to our insurance and would affect our claims experience.	Approximately \$2,800 each fiscal year by paramedic administering shots in-house. Cannot calculate actual savings resulting from less absenteeism and impact on claims experience.

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
<i>Human Resources</i>	Unpaid Human Resources Intern	Each school semester, Human Resources recruits for unpaid student intern. They receive valuable experience and exposure to all HR functions (some receive school credits) while HR benefits from their assistance, research, and help manning the office.	The cost savings is approximately \$2,900. (Minimum wage times 400 hours – average hours required by schools for credit for a semester internship). Times two for two semesters each fiscal year would be a savings of \$5,800.
<i>Information Services</i>	Phone system at Jail and Animal Services	Staff researched and implemented a less expensive model of phone within the Jail and Animal Services Expansion project	\$2,000
	Audio Visual System at Jail and Animal Services	Designed in-house, purchase, install, and configuration of Audio Visual systems within the Jail and Animal Services Expansion project	\$8,000
	Video Security System for the Jail and Animal Services	Designed in-house, purchase, install, and configuration of Video Security System for the Jail and Animal Services Expansion project	\$60,000
	Video Security installation	Install in-house new video security televisions in Police Dispatch	\$1,000
	GIS Support	Provided GIS support to Parks and Open Space Master Plan update. Saved on consulting fees by developing maps for consultant	\$1,500
	Convert Library public printer	Convert Library public printer to our copier rental agreement/maintenance program	\$4,000
	Fire Administration training room audio visual system	Designed in house, purchase, install, and configuration of new Fire Administration training room audio visual system	\$6,000

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
<i>Library</i>	Interlibrary Loan Service	Patrons borrow items from other libraries saving the Keller Library the expense of purchasing the book which would probably be used one time.	\$17,170
	<i>Parks & Recreation</i>	Newsletter Sponsorships – Senior Center	Recruiting sponsors to advertise in our quarterly newsletter. This provides the sponsor with greater exposure and the senior center doesn't need to pay for printing
	Sponsorships for Events	Businesses help support our special event services to the residents and participants of Keller Parks and Recreation Events.	We have received \$21,860 in committed money for the year so far.
	Landscape/Irrigation	Installed new irrigation bubbler system on Rufe Snow medians from Rapp Rd. to Bursey Road for the new addition of trees.	Savings to the city would be approximately \$7,000
	Keller Pointe-Purchased the full year's aquatics pro shop items on Cyber Monday.	Able to take advantage of discounts typically only offered once a year.	Saved \$4,000 over previous year.
	Keller Pointe	We eliminated the gym monitor position in July and instead will use front desk staff to walk the facility during slower periods.	Saved \$3,500
<i>Police</i>	Police Services Agreement with the Town of Westlake	Provides an additional patrol sector in north Keller and a records clerk paid in part through program revenues	\$827,242 includes a \$60,000 administrative fee.
	Communications and Jail Services with the Cities of Southlake and Colleyville	In merging communications and jail services, three cities share in the personnel and operational costs each year	\$422,000 (\$96,000 administrative fee)
	Animal Control and Shelter Services with the Cities of Southlake and Colleyville	By merging Animal Control and Shelter services we are able to eliminate one full time Animal Control Officer and share in the operational costs of operating the shelter	\$50,000 (\$9,000 administrative fee)

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
<i>Police</i>	City-Wide replacement of the two-way radio system	By having a Regional Communications Center Colleyville, Southlake, and Westlake will be contributing towards the cost of the equipment	\$236,946
	School Resource Officer	KISD pays for half the cost of the officer's salary and contributes \$6,000 annually towards equipment and vehicle costs	\$43,000
	Change Patrol Vehicles from a three to a four year cycle	Utilizing the Chevy Tahoe allows for the purchase of one less vehicle each budget year	\$20,000
	Jail Services and Animal Shelter Services to the City of Roanoke.	Contract with Roanoke to house class C arrestees and shelter stray dogs and cats. While not full partners in our Regional facilities, instead pay a per arrestee/per animal fee	\$30,000 - \$45,000 annually in revenue to offset jail/shelter expenses
	Partnership with Humane Society of North Texas	The Humane Society of North Texas provides the employees at the Regional Adoption Center.	\$150,000
	Security for City Council/P&Z Meetings/ZBA Meetings	Police Security is handled by the Command Staff of the Police Department thus eliminating overtime costs for police officers	\$14,000



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, and added to the City's website
Mid August – early September	City Council budget workshop(s) to review proposed budget; hold public hearings on tax rate (if necessary)
Mid – late September	Hold public hearing and adopt the budget, set tax rate, and adopt current year budget estimates (amendments)
October – early November	Fiscal year begins October 1. Finance Department staff and City Manager make final corrections resulting from the budget adoption, and publish budget document, which is distributed usually in mid-November.

Preparation and Adoption for FY2015. In March 2014, the budget process for fiscal year 2014-2015 (FY2015) 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 FY2015. Departments were instructed to prepare budget requests in accordance with the Council's goals and objectives, which were established at the City Council budget goal-setting workshops held on February 26 and reconfirmed at the July 14, 2014 meeting.

READER'S GUIDE

BUDGET PROCESS

(continued)

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

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

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

BUDGET OBJECTIVES

The FY2015 budget has been prepared in an effort to communicate to the citizens and staff of the City the overall policies and goals of the City Council. The budget document includes descriptions of the City's various activities and programs (departments), goals and objectives for the current and future years, and comparative service level indicators for each program or activity, where available. This format is designed to communicate clearly to the public the goals and objectives of the City Council, thereby enabling the reader to gain more useful information about the City, without requiring detailed accounting or budgetary knowledge.

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

READER'S GUIDE

BUDGET PHILOSOPHY

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

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

PRESENTATION OF FINANCIAL INFORMATION AND BASIS OF ACCOUNTING

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

The City primarily uses the following fund types:

- Governmental funds
- Proprietary funds

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

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

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

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

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

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Fund Accounting

Governmental Fund Types – Special Revenue Funds (continued)

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

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

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

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

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

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

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

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

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

READER'S GUIDE

Fund Accounting

Governmental Fund Types (continued)

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

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

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

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

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

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

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

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

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

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

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

READER'S GUIDE

Fund Accounting

Proprietary Fund Types

(continued)

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

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

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

(1)* 2012-2013 <hr style="width: 80%; margin: 0 auto;"/> Actual (FY2013)	(2) 2013-2014 <hr style="width: 80%; margin: 0 auto;"/> Budget (FY2014)	(3) 2013-2014 <hr style="width: 80%; margin: 0 auto;"/> Estimate (FY2014)	(4) 2014-2015 <hr style="width: 80%; margin: 0 auto;"/> Budget (FY2015)
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* FY2013 amounts represent the actual amounts as provided by the prior year audited financial statements.

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

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

BUDGET DOCUMENT PRESENTATION FORMAT

Included in the introductory section of the budget document are a 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.

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BUDGET DOCUMENT PRESENTATION FORMAT (continued)

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 summaries by fund/department/program or activity; and an ad valorem tax summary, presenting information regarding the assessed valuation and the tax rate (levy) adopted for each year. Appropriate graphs and charts have also been included to assist the reader in the interpretation of financial data.

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

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

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

DEPARTMENTAL MATRIX

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

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

⁽¹⁾ Includes all budgeted Special Revenue Funds.

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INTEGRATION WITH THE FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM

A Five-Year Capital Improvements Program (CIP) is prepared and updated each year, and includes detailed project descriptions along with anticipated project costs, and sources of project funding. Many capital projects require the issuance of debt (e.g., general obligation bonds, certificates of obligation) and are therefore currently unfunded; however, the FY2015 CIP projects (if any) are approved during the budget process. Since most projects require the issuance of debt, those projects are not funded until the Mayor and City Council take specific official action to authorize funding during a public meeting.

A summary of the 2014-2015 through 2018-2019 CIP is provided in the capital improvements section of the document.

CONCLUSION AND ACKNOWLEDGMENTS

The preparation of the FY2015 budget document was made possible by the dedicated service of the staff and the Mayor and City Council of the City. Each employee who assisted in contributing to the preparation of this annual budget has the sincere appreciation of the budget staff. Appreciation is also expressed to the Mayor and City Council for providing the necessary direction and resources to maintain the integrity of the City's financial and budgetary affairs.

KELLER PROFILE

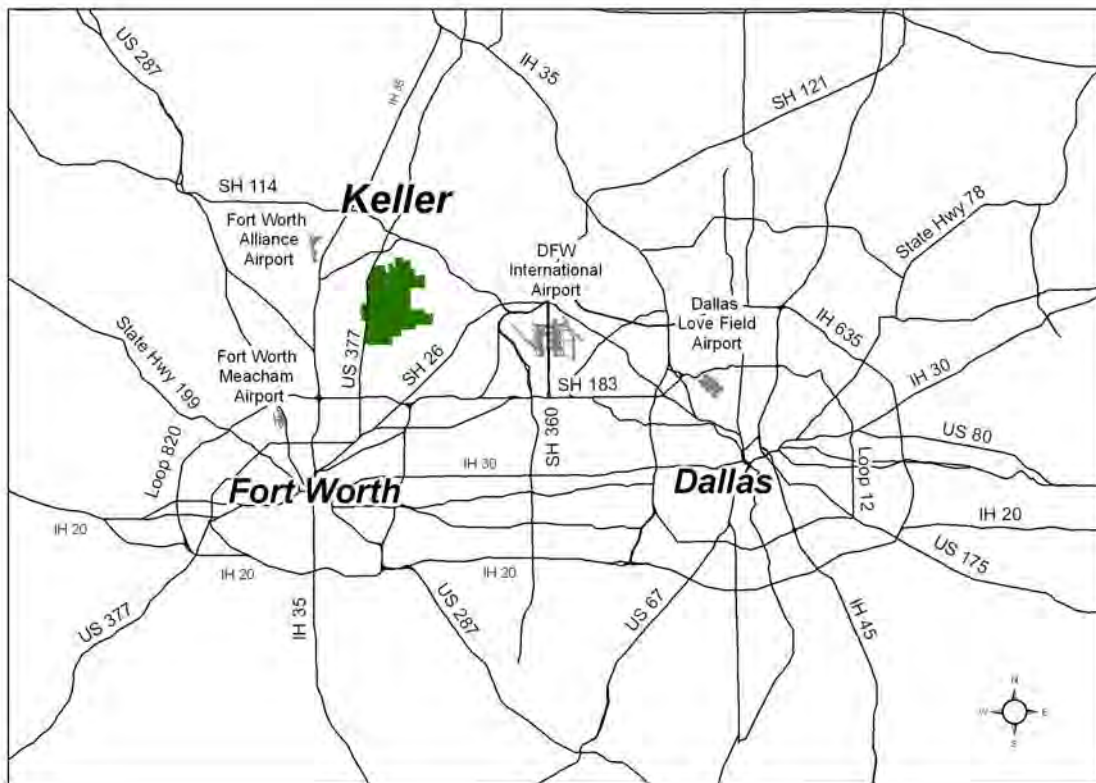
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GENERAL INFORMATION

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

Located in the heart of the Dallas-Fort Worth Metroplex, Keller's roughly 19 square miles is home to more than 42,000 people. The city offers a safe, welcoming atmosphere; excellent schools both public and private; a variety of shopping and dining destinations; nationally recognized parks and recreation amenities; and award-winning city facilities and programs. Beyond our borders, residents have easy access to Dallas/Fort Worth International Airport, a number of major regional thoroughfares, and the world-class museums, sports franchises and entertainment of nearby Dallas and Fort Worth.

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



GOVERNMENT AND OPERATIONS

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

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

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

The FY2015 annual budget of \$74,839,615 includes a budgeted staffing level of approximately 348 full-time-equivalent employees, including 86.48 in the police department and 58 in the fire department.

POPULATION AND ECONOMICS

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

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

	Population	Increase (Decrease)	Pct Increase (Decrease)
1970 Census	1,474	NA	NA
1980 Census	4,156	2,682	182.0%
1990 Census	13,683	9,527	229.2%
2000 Census	27,345	13,662	99.8%
2010 Census	39,627	12,282	44.9%
2014 Estimate	42,040	2,413	6.09%

The city anticipates steady residential and commercial growth in the future. In order to keep pace, infrastructure improvements have continued to be a high priority. Following nearly \$20 million worth of improvements to two important thoroughfares — Rufe Snow Drive and North Tarrant Parkway — two years ago, Keller has focused on the reconstruction of residential streets and important collectors like Mt. Gilead Road.

The city also completed construction of a new public parking lot in Old Town Keller in 2013, and is working on plans for significant public improvements in that area of town aimed at spurring additional economic development within this important commercial corridor.

The city is also undertaking major sanitary sewer expansion projects along our western border and in the north portion of the city; planning the replacement and expansion of one of our water pump stations to handle the city's predicted needs at build-out; and working in conjunction with local and state agencies on intersection improvements at FM 1709 and 377 and on the expansion of FM 1938 to four lanes, which will improve access along the city's eastern boundary to State Hwy. 114.

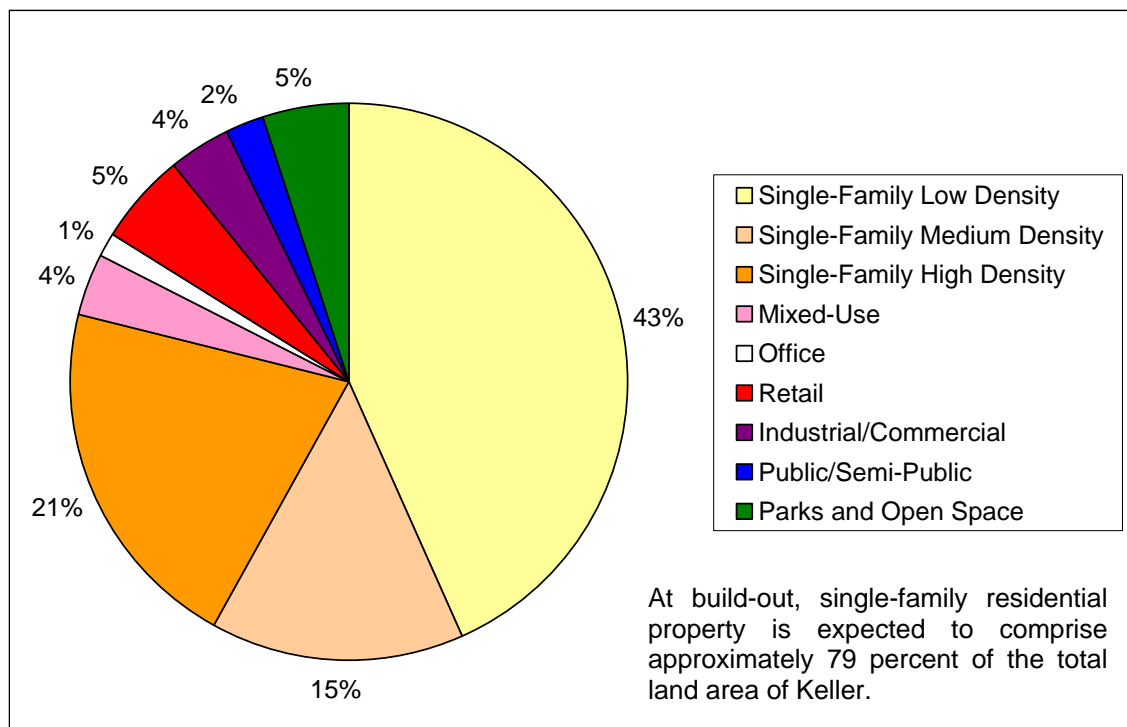
Along with its growing population, Keller continues to see growth in its commercial sector with more than

1.9 million square feet of commercial space, valued at more than \$84 million, constructed between FY 2008-09 and FY 2012-13. This growth has occurred particularly along major arterials such as FM 1709 and U.S. Hwy. 377. Old Town Keller, which stretches along both sides of Hwy. 377, has experienced a resurgence in office, retail and restaurant activity in the past few years. Recent openings have included Café Medi, La Casita, Heritage Studios and Baylor Emergency Medical Center at Keller; projects coming soon include Feedstore BBQ, Texas Bleu Steakhouse and a 6,675-square-foot multi-tenant building.

Keller Town Center, too, has seen a rush of activity. Recent openings have included Freddy's Frozen Custard and Steakburgers; First Financial Bank; Chick-fil-A; destination bike shop Knobbies and Slicks; Pedals Cycling Studio; and gas pumps connected to the Tom Thumb grocery store. Upcoming projects include Sherwin-Williams; Keller E-Care 24-Hour Emergency Center; a 10,125-square-foot multi-tenant building; and Moviehouse & Eatery, an eight-screen, 42,589-square-foot movie theater and restaurant.

At \$9.19 million, the total local sales and use tax rebate for Fiscal Year 2013 was the largest in Keller's history, besting the city's record-setting FY2012 collection of \$8.73 million. Every month in 2013 saw an increase in sales tax revenue over the same month of the previous year, and rebates continued to trend upward within FY 2014.

CURRENT PROPOSED LAND USE AT BUILD-OUT



EDUCATION

The Keller community is primarily served by the Keller Independent School District, which stretches across 51 square miles to serve all or part of nine different cities in Northeast Tarrant County, including Keller, Colleyville, Fort Worth, Haltom City, Hurst, North Richland Hills, Southlake, Watauga and Westlake. The district features 39 campuses educating more than 33,100 students with an annual operating budget of about \$229 million, and is regularly honored for educational excellence, financial efficiency and transparency, and campus safety.

KISD provides instruction for children in pre-Kindergarten through 12th grade, and employs more than 3,700 people, including just over 2,400 teachers. Thanks to population growth throughout its service area, particularly in North Fort Worth, enrollment in Keller ISD has more than doubled during the past 10 years and is expected to rise to more than 40,000 during the next decade, making it one of the fastest growing school districts in the state.

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

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

QUALITY OF LIFE

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

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

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

The 21,000-square-foot facility saw record use in 2013, with almost 238,000 visitors helping circulate 561,461 materials, and nearly 26,900 Keller citizens own a library card. In addition to a wide variety of media, including books, DVDs, audio books, newspapers and magazines, the library has also been expanding its online services in recent years and now offers not only thousands of free e-books and audiobooks, but also digital magazines, interactive foreign language programs and free downloadable music.

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

The award-winning Keller Fire Department focuses efforts on fire prevention and education, all the while training to maintain their status as one of the most skilled fire and rescue departments in the state. Every Keller firefighter is also cross-trained as a paramedic, and the department has achieved the highest

licensing possible from the Texas Department of State Health Services, qualifying KFD ambulances as Mobile Intensive Care Units.

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

MEDICAL

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

Medical facilities have flourished in Keller over the past several years, with a variety of health needs now being served at the 39,000-square-foot Baylor Medical and Diagnostic Center on Hwy. 377, the 31,000-square-foot Keller Health Plaza on Bourland Road and the recently expanded 6,650-square-foot Cook Children's pediatric facility on Keller Parkway. Since the start of 2012, more than 15 medical practices and offices have become part of the Keller healthcare community. These have included the recent additions of 6,000 square feet of new construction in the Keller Parkway Medical center; the 4,487-square-foot Texas Walk-In & Urgent Care on Bandit Trail; and most notably, the 37,579-square-foot Baylor Emergency Medical Center at Keller, an emergency and specialty medical center on South Main Street that began accepting patients — and EMS transports — around the start of 2014.

TRANSPORTATION

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

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

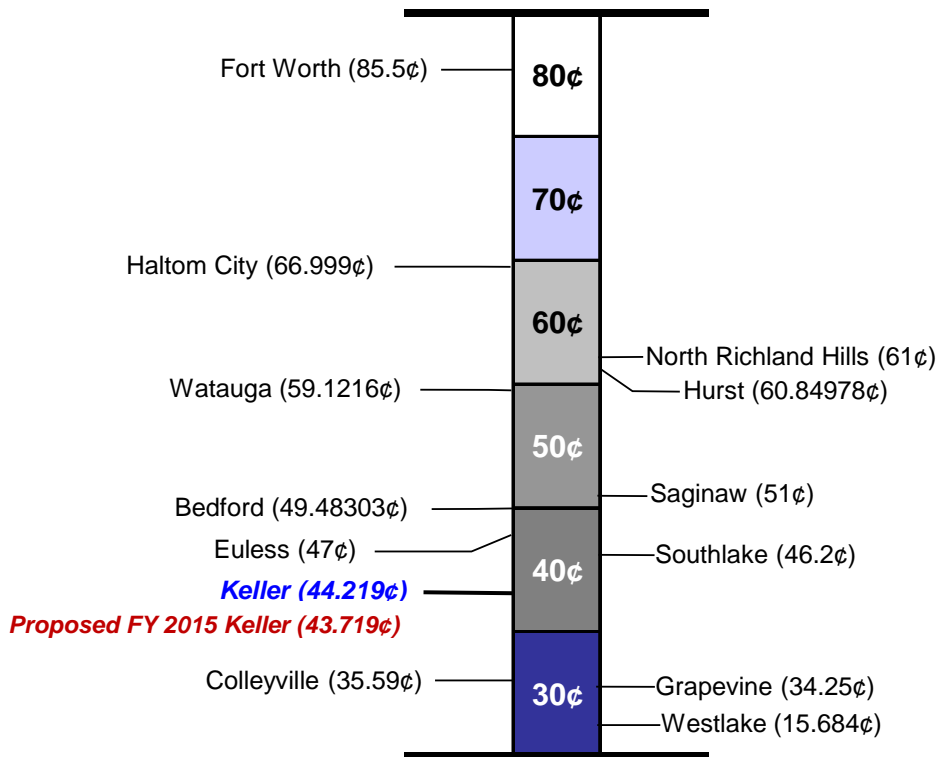
Keller also sits only 5 miles north of the Richland Hills Light Rail Station, providing access to the Trinity Railway Express (TRE) commuter rail service between Fort Worth and Dallas; Dallas Area Rapid Transit (DART), which offers public transportation access to 13 area cities across a 700-square-mile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

FINANCIAL

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

Keller's finances and transparency efforts have been recognized by the Texas Comptroller's Office, which has honored Keller for four years with its Gold Leadership Circle Award for Transparency in Financial Reporting, and by the Government Finance Officers Association, which has awarded the city its Distinguished Budget Presentation Award for 17 consecutive years and its Excellence in Financial Reporting Award for 24 consecutive years.

2013 (FY2014) TAX RATES OF NEIGHBORING NORTHEAST TARRANT COUNTY CITIES (Rates per \$100 of Taxable Value)



Source: Tarrant Appraisal District website

In FY2014, the property tax rate for the cities of Grapevine and Bedford decreased slightly, while the rate for Haltom City and Saginaw increased. Tax rates for all remaining cities were unchanged. FY2015 adopted property tax rates are unavailable.

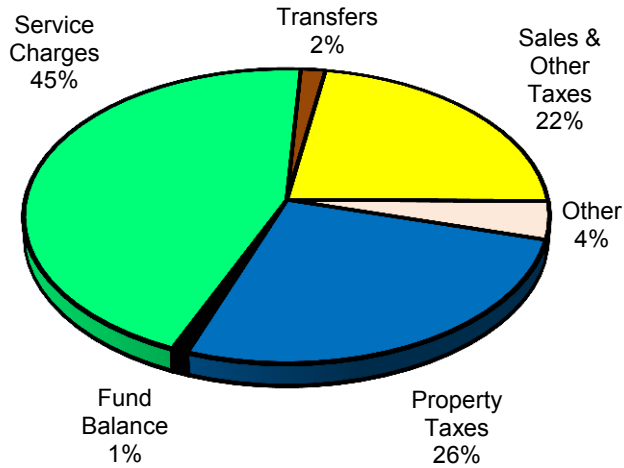
Except for the City of Keller, the FY2015 proposed tax rates are unavailable.

BUDGET SUMMARY

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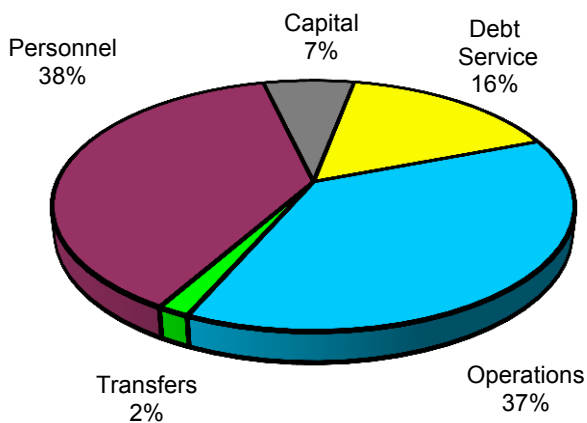
**CITY OF KELLER, TEXAS
2014-2015 BUDGET**

**SOURCES OF REVENUE
\$74,839,615**

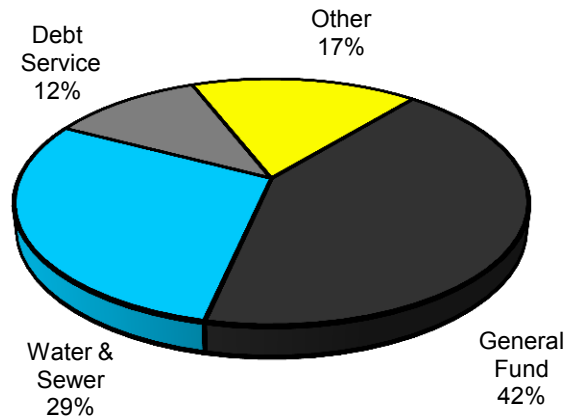


**EXPENDITURES (USES)
\$74,839,615 ***

Expenditures by Function



Expenditures by Fund



* Total expenditures exclude \$4,586,630 and \$350,000 from the available General Fund and The Keller Pointe fund balances. See Transmittal Letter and Budget Summary Section (pages 44-45) for additional information.

BUDGET SUMMARY BY FUND TYPE

Fund Type / Fund Name	Estimated Beginning Balance 10/01/2014	Revenues And Transfers In	Expenditures And Transfers Out *	Other Reservations Of Fund Balance	Estimated Ending Balance 09/30/2015
GOVERNMENTAL FUND TYPES:					
Property-Tax Supported Funds:					
General Fund	\$ 11,346,511	\$ 31,740,290	\$ 31,691,885	\$ -	\$ 11,394,916
Debt Service Fund	393,616	5,377,970	5,356,405	-	415,181
* Subtotal *	11,740,127	37,118,260	37,048,290	-	11,810,097
Special Revenue/Other Funds:					
Keller Development Corporation	1,731,332	2,468,310	2,486,555	411,385	1,301,702
The Keller Pointe ⁽¹⁾	1,323,360	3,194,545	3,193,695	-	1,324,210
Information Services Fund	595,432	1,534,665	1,662,920	-	467,177
Library Special Revenue Fund	2,761	11,450	-	-	14,211
Recreation Special Revenue Fund	367,982	168,650	200,375	271,887	64,370
Court Special Revenue Fund	107,879	95,950	129,860	-	73,969
Cable Franchise Special Revenue Fund	333,786	164,700	20,750	-	477,736
Crime Control Prevention District	2,770,487	1,088,100	888,870	1,805,943	1,163,774
Community Clean-Up Fund	93,408	32,300	30,000	-	95,708
* Subtotal *	7,326,427	8,758,670	8,613,025	2,489,215	4,982,857
Other Debt Service Funds:					
Interest & Sinking Fund - TIRZ	416,376	3,529,250	3,182,405	-	763,221
Capital Projects Funds:					
Park Development Fee Fund	384,765	151,000	385,765	-	150,000
Street/Drainage Improvements Fund	717,931	1,247,570	1,925,500	-	40,001
Fleet Replacement Fund	1,151,870	152,020	559,000	-	744,890
* Subtotal *	2,254,566	1,550,590	2,870,265	-	934,891
TOTAL GOVERNMENTAL FUNDS	21,737,496	50,956,770	51,713,985	2,489,215	18,491,066
ENTERPRISE FUNDS:					
User Fee-Supported Funds:					
Water & Wastewater Fund	6,433,528	21,619,100	21,787,825	500,000	5,764,803
Drainage Utility Fund	1,671,024	1,599,850	1,337,805	-	1,933,069
TOTAL ENTERPRISE FUNDS	8,104,552	23,218,950	23,125,630	500,000	7,697,872
TOTAL - ALL FUNDS	\$ 29,842,048	\$ 74,175,720	\$ 74,839,615	\$ 2,989,215	\$ 26,188,938

Total revenues	\$ 74,175,720
Use of available fund balances	663,895
Total available	<u>\$ 74,839,615</u>
Total appropriations	<u>\$ 74,839,615</u>

(1) - Fund balance is cash and investments.

* Total expenditures exclude \$4,586,630 and \$350,000 from the available General Fund and The Keller Pointe fund balances. See Transmittal Letter and Budget Summary Section (page 44-45) for additional information.

BUDGET FINANCIAL SUMMARY (BUDGET IN BRIEF)

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

Budget definitions:

- **Adopted Budget** – the original 2013-2014 (FY2014) adopted budget approved by the City Council on September 17, 2013.
- **Revised Budget** – the original FY2014 adopted budget, including authorized fiscal year-to-date transfers and amounts for capital projects, contractual agreements and purchase orders that were incomplete as of September 30, 2013.
- **Estimate(d) Budget** – Anticipated FY2014 budget estimates and projections as of June 2014.
- **Budget (2014-2015)** – proposed 2014-2015 budget as proposed by the City Manager.

Unless otherwise noted, budget amounts for fiscal years 2013-2014 and 2014-2015 exclude one-time expenditures. See pages 44-45 for additional information regarding one-time expenditures.

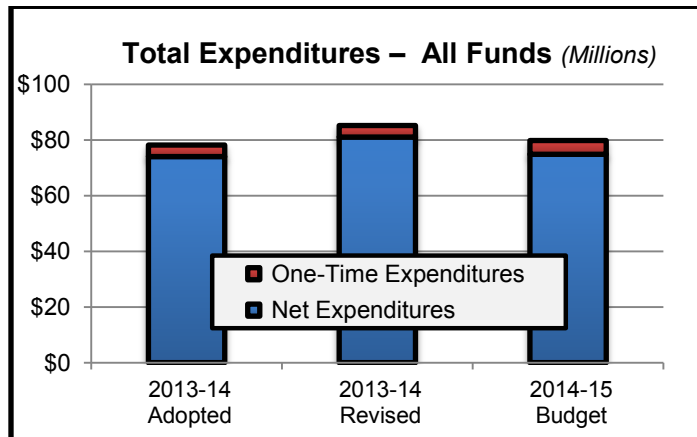
EXPENDITURES

Total expenditures for all funds for FY2015 are \$74,839,615, a decrease of \$6,192,592 – or 7.64 percent – from 2013-2014 revised budget. FY2015 expenditures are an increase of \$823,901 – or 1.11 percent – over the FY2014 original adopted budget.

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

Total Expenditures and Net Expenditures – All Funds
Compared to 2013-2014 Adopted Budget and 2013-14 Revised Budget

	2013-14 Adopted	2013-14 Revised	2014-15 Budget	2014-15 Increase (Decrease) Over			
				Adopted Budget		Revised Budget	
				Amount	Percent	Amount	Percent
Total expenditures	\$ 78,151,844	\$ 85,168,337	\$ 79,776,245	\$ 1,624,401	2.08%	\$ (5,392,092)	(6.33%)
Less:							
One-time expenditures	<u>(4,136,130)</u>	<u>(4,136,130)</u>	<u>(4,936,630)</u>	<u>(800,500)</u>	19.35%	<u>(800,500)</u>	19.35%
Net expenditures	<u>\$ 74,015,714</u>	<u>\$ 81,032,207</u>	<u>\$ 74,839,615</u>	<u>\$ 823,901</u>	1.11%	<u>\$ (6,192,592)</u>	(7.64%)



EXPENDITURES
(continued)

Total Expenditures by Fund – All Funds

Compared to 2013-2014 Revised Budget

Fund	2012-2013 Actual	2013-2014 Budget	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
General fund	\$ 27,620,984	\$ 31,470,143	\$ 31,691,885	\$ 221,742	0.7%
Water & wastewater fund	19,967,791	22,074,730	21,787,825	(286,905)	(1.3)
Drainage utility fund	1,098,544	2,355,955	1,337,805	(1,018,150)	(43.2)
Other funds	1,984,537	2,390,460	2,043,905	(346,555)	(14.5)
Keller Development Corporation	2,114,059	1,865,495	2,486,555	621,060	33.3
Crime Control Prevention District	4,998,103	4,866,609	888,870	(3,977,739)	(81.7)
The Keller Pointe	3,103,104	3,156,651	3,193,695	37,044	1.2
Debt service funds	8,553,457	8,832,180	8,538,810	(293,370)	(3.3)
Capital projects funds ⁽¹⁾	1,574,286	4,019,984	2,870,265	(1,149,719)	(28.6)
TOTAL	\$ 71,014,865	\$ 81,032,207	\$ 74,839,615	\$ (6,192,592)	(7.6%)

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

Crime Control Prevention District FY2014 Estimate includes \$3.44 million to complete the improvements to the Keller Police Facility. The Drainage utility fund FY2014 Estimate includes \$1.315 million to complete drainage improvements. The FY2014 Estimate for Capital projects funds also includes expenditures to complete street maintenance and improvement projects.

Total Expenditures by Function – All Funds

Compared to 2013-2014 Revised Budget

Function	2012-2013 Actual	2013-2014 Budget	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Personnel services	\$ 25,333,866	\$ 27,553,437	\$ 28,392,635	\$ 839,198	3.0%
Operations & maintenance	4,222,046	5,176,691	5,099,785	(76,906)	(1.5)
Services & other	19,434,668	22,364,782	22,904,915	540,133	2.4
Capital outlay	7,957,468	11,975,262	5,047,170	(6,928,092)	(57.9)
Debt service	12,595,054	12,706,560	12,132,340	(574,220)	(4.5)
Interfund transfers	1,471,763	1,255,475	1,262,770	7,295	0.6
TOTAL	\$ 71,014,865	\$ 81,032,207	\$ 74,839,615	\$ (6,192,592)	(7.6%)

Discussion of budget changes is included in the following pages.

Total Expenditures – Including One-Time Expenditures

For comparative purposes, all amounts in the following two tables include one-time expenditures for both FY2014 and FY2015. The FY2015 expenditures are an increase of \$2,624,401 — or 3.36 percent — over the FY2014 original adopted budget. FY2015 expenditures are a decrease of \$5,392,092 — or 6.33 percent — from the FY2014 revised budget. See pages 44-45 for additional information regarding one-time expenditures.

Total Expenditures by Fund – All Funds FY2014 and FY2015 Amounts Include One-Time Expenditures Compared to 2013-2014 Adopted and Revised Budget

Fund	2013-2014		2014-2015 Budget	Increase (Decrease) Over 2013-2014	
	Adopted	Revised		Adopted	Revised
General fund	\$ 34,837,203	\$ 35,606,273	\$ 36,278,515	\$ 1,441,312	\$ 672,242
Water & wastewater fund	22,040,225	22,074,730	21,787,825	(252,400)	(286,905)
Drainage utility fund	1,717,645	2,355,955	1,337,805	(379,840)	(1,018,150)
Other funds	2,326,850	2,390,460	2,043,905	(282,945)	(346,555)
Keller Development Corporation	1,855,450	1,865,495	2,486,555	631,105	621,060
Crime Control Prevention District	1,084,990	4,866,609	888,870	(196,120)	(3,977,739)
The Keller Pointe	3,150,211	3,156,651	3,543,695	393,484	387,044
Debt service funds	8,832,180	8,832,180	8,538,810	(293,370)	(293,370)
Capital projects funds (1)	2,307,090	4,019,984	2,870,265	563,175	(1,149,719)
TOTAL	\$ 78,151,844	\$ 85,168,337	\$ 79,776,245	\$ 1,624,401	\$ (5,392,092)
			<i>Percentage change</i>	2.08%	(6.33%)

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

Expenditures for the Drainage Utility Fund, Crime Control Prevention District and Capital projects funds decreased in FY2015 because of capital projects that are anticipated to be completed in FY2014.

Total Expenditures by Function – All Funds FY2014 and FY2015 Amounts Include One-Time Expenditures Compared to 2013-2014 Adopted and Revised Budget

Function	2013-2014		2014-2015 Budget	Increase (Decrease) Over 2013-2014	
	Adopted	Revised		Adopted	Revised
Personnel services	\$ 27,557,437	\$ 27,553,437	\$ 28,392,635	\$ 835,198	\$ 839,198
Operations & maintenance	5,012,665	5,176,691	5,099,785	87,120	(76,906)
Services & other	23,710,742	23,794,782	25,804,915	2,094,173	2,010,133
Capital outlay	7,608,965	14,381,392	5,783,800	(1,825,165)	(8,597,592)
Debt service	12,706,560	12,706,560	13,132,340	425,780	425,780
Interfund transfers	1,555,475	1,555,475	1,562,770	7,295	7,295
TOTAL	\$ 78,151,844	\$ 85,168,337	\$ 79,776,245	\$ 1,624,401	\$ (5,392,092)
			<i>Percentage change</i>	2.08%	(6.33%)

Increases in Personnel services include pay plan adjustments (see pages 28-29 for additional information). Services & other for FY2015 include \$1.37 million for economic development initiatives, \$108,700 for economic development marketing and promotional activities, \$174,620 for additional TRA contractual services and \$100,000 to review and update the City's unified development code. Capital outlay decreased in FY2015 due to capital projects that are anticipated to be completed in FY2014.

REVENUES

Total revenues and transfers for all funds are \$74,175,720 for FY2015, an increase of \$2,025,150 — or 2.78 percent over the FY2014 revised budget.

Total Revenues by Fund – All Funds Compared to 2013-2014 Revised Budget

Fund	2012-2013 Actual	2013-2014 Budget	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
General fund	\$ 30,039,457	\$ 30,444,316	\$ 31,740,290	\$ 1,295,974	4.3%
Water & wastewater fund	20,010,038	21,062,920	21,619,100	556,180	2.6
Drainage utility fund	1,550,061	1,570,850	1,599,850	29,000	1.8
Other funds	2,224,694	2,118,560	2,007,715	(110,845)	(5.2)
Keller Development Corporation	2,333,792	2,350,885	2,468,310	117,425	5.0
Crime Control Prevention District	1,084,407	1,070,000	1,088,100	18,100	1.7
The Keller Pointe	3,104,443	3,154,195	3,194,545	40,350	1.3
Debt service funds	8,693,044	8,980,480	8,907,220	(73,260)	(0.8)
Capital projects funds (1)	2,709,673	1,398,364	1,550,590	152,226	10.9
TOTAL	\$ 71,749,609	\$ 72,150,570	\$ 74,175,720	\$ 2,025,150	2.8%

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

Major revenue changes include:

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

Total Revenues by Source – All Funds Compared to 2013-2014 Revised Budget

Revenue Source	2012-2013 Actual	2013-2014 Budget	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Total property taxes	\$ 18,168,667	\$ 18,898,880	\$ 19,642,300	\$ 743,420	3.9%
Sales and other taxes	15,940,820	16,133,460	16,834,200	700,740	4.3
Licenses & permits	1,268,198	1,098,240	1,105,130	6,890	0.6
Charges for services	29,046,440	30,313,045	30,835,590	522,545	1.7
Fines & fees	1,876,470	1,265,714	1,369,100	103,386	8.2
Interest revenue	153,000	170,810	160,050	(10,760)	(6.3)
Intergovernmental	2,620,402	2,805,516	2,718,520	(86,996)	(3.1)
Miscellaneous revenues	330,849	209,430	248,060	38,630	18.4
Proceeds from debt issuance	873,000	–	–	–	0.0
Interfund transfers	1,471,763	1,255,475	1,262,770	7,295	0.6
TOTAL	\$ 71,749,609	\$ 72,150,570	\$ 74,175,720	\$ 2,025,150	2.8%

Major revenue changes include:

- **Property taxes:** Property taxes increase due to increase in taxable values of 6.4 percent, combined with a one-half cent tax rate reduction.
- **Sales and other taxes:** projected increase in sales tax revenues, franchise fees and mixed beverage taxes, combined with an increase in TIRZ assessments.
- **Charges for services:** projected increases in water and wastewater revenues.

ANALYSIS OF CHANGES IN FUND BALANCES

The following table briefly describes the impacts of the projected changes in fund balances for the year, a total decrease of \$663,895:

Fund	Total Beginning Fund Balance	Total Ending Fund Balance	Difference	Comments
The following funds have minimum fund balance requirements formally established by financial policies.				
General Fund	\$11,346,511	\$11,394,916	\$ 48,405	Ending balance exceeds financial policy minimum balance target. (difference above excludes one-time, non-recurring expenditures of \$4,586,630) The General Fund ending fund balance, including one-time, non-recurring expenditures, also exceeds the financial policy minimum fund balance target.
Water & Wastewater Fund	6,433,528	6,264,803	(168,725)	Ending balance exceeds financial policy minimum balance target.
Drainage Utility Fund	1,671,024	1,933,069	262,045	Ending balance exceeds financial policy minimum balance target.
Keller Development Corporation	1,731,332	1,713,087	(18,245)	The ending balance exceeds the minimum balance target.
Financial policies do not specify a targeted fund balance for the following funds.				
The Keller Pointe Recreation & Aquatic Center	1,323,360	1,324,210	850	Funds remaining will be carried forward for future years' operations, capital replacements and/or projects. (difference above excludes one-time, non-recurring expenditures of \$350,000)
Information Services Fund	595,432	467,177	(128,255)	Funds remaining will be carried forward for future years' operations, capital replacements and/or projects.
Keller Crime Control Prevention District	2,770,487	2,969,717	199,230	Funds remaining will be carried forward for future years' operations and planned capital expenditures.
Non-major special revenue funds	905,816	997,881	92,065	Funds remaining will be carried forward for future years' operations, capital replacements and/or projects.
Debt Service, including TIRZ Debt Service	809,992	1,178,402	368,410	Planned use of available balances, which can only be used for debt retirement.
Streets/Drainage Improvements Fund	717,931	40,001	(677,930)	Planned use of available balances for capital improvements.
Miscellaneous capital projects funds	\$1,536,635	\$894,890	\$(641,745)	Planned use of available balances for capital improvements.

CITY OF KELLER, TEXAS
SUMMARY OF REVENUES BY SOURCE – ALL FUNDS
2014-2015 BUDGET

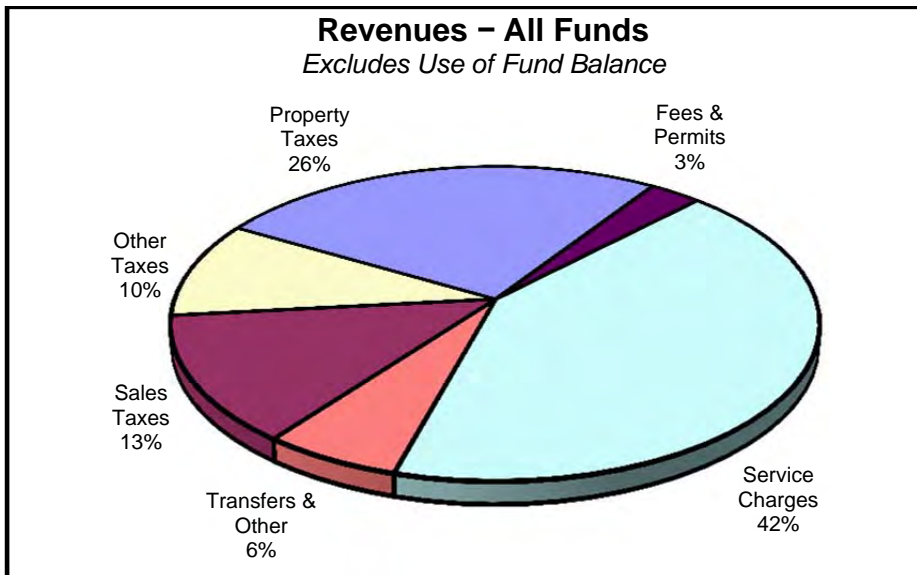
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
TOTAL BEGINNING BALANCE	\$ 11,346,511	\$ 7,326,427	\$ 809,992	\$ 2,254,566	\$ 21,737,496
<u>REVENUES:</u>					
Total property taxes	14,845,800	–	4,796,500	–	19,642,300
Sales taxes	4,905,630	3,503,410	–	1,226,400	9,635,440
Other taxes	4,202,810	163,000	2,832,950	–	7,198,760
Licenses & permits	1,105,130	–	–	–	1,105,130
Charges for services	2,712,500	4,862,120	–	130,520	7,705,140
Fines & fees	1,108,600	95,500	–	165,000	1,369,100
Interest revenue	78,500	24,550	15,000	10,000	128,050
Intergovernmental	2,667,020	20,000	–	–	2,687,020
Miscellaneous revenue (expense)	114,300	14,540	–	18,670	147,510
Contributions & donations	–	75,550	–	–	75,550
TOTAL REVENUES	31,740,290	8,758,670	7,644,450	1,550,590	49,694,000
<u>OTHER FINANCING SOURCES:</u>					
Transfers in	–	–	1,262,770	–	1,262,770
TOTAL OTHER SOURCES	–	–	1,262,770	–	1,262,770
TOTAL RESOURCES	31,740,290	8,758,670	8,907,220	1,550,590	50,956,770
TOTAL FUNDS AVAILABLE	\$ 43,086,801	\$ 16,085,097	\$ 9,717,212	\$ 3,805,156	\$ 72,694,266

(continued)

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

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ 8,766,028	\$ 1,671,024	\$ 10,437,052	\$ 32,174,548
-	-	-	19,642,300
-	-	-	9,635,440
-	-	-	7,198,760
-	-	-	1,105,130
21,542,600	1,587,850	23,130,450	30,835,590
-	-	-	1,369,100
20,000	12,000	32,000	160,050
31,500	-	31,500	2,718,520
25,000	-	25,000	172,510
-	-	-	75,550
21,619,100	1,599,850	23,218,950	72,912,950
-	-	-	1,262,770
-	-	-	1,262,770
21,619,100	1,599,850	23,218,950	74,175,720
\$ 30,385,128	\$ 3,270,874	\$ 33,656,002	\$ 106,350,268



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY FUNCTION – ALL FUNDS
2014-2015 BUDGET

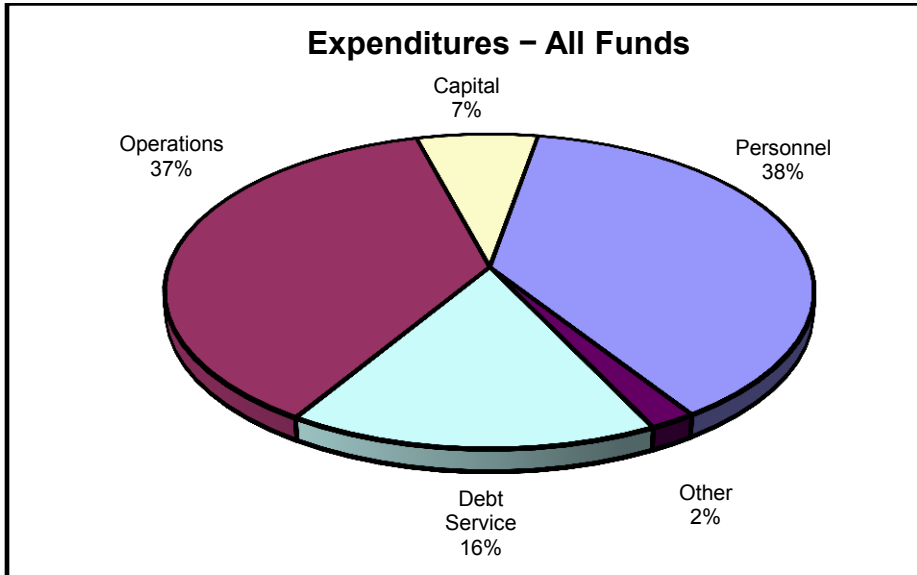
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
<u>OPERATING EXPENSES:</u>					
Personnel services	\$ 22,195,295	\$ 2,421,025	\$ –	\$ –	\$ 24,616,320
Operations & maintenance	2,262,010	1,419,020	–	80,000	3,761,030
Services & other	9,314,330	1,543,285	3,000	–	10,860,615
Capital outlay	1,206,880	1,300,030	–	2,790,265	5,297,175
Debt service	–	2,145,180	7,848,510	–	9,993,690
TOTAL EXPENDITURES	34,978,515	8,828,540	7,851,510	2,870,265	54,528,830
<u>OTHER FINANCING USES:</u>					
Transfers to other funds	1,300,000	134,485	687,300	–	2,121,785
TOTAL OTHER USES	1,300,000	134,485	687,300	–	2,121,785
TOTAL EXPENDITURES & OTHER USES	36,278,515	8,963,025	8,538,810	2,870,265	56,650,615
<u>TOTAL ENDING BALANCE</u>					
Reserve for contingencies	6,808,286	7,122,072	2,178,402	1,234,891	17,343,651
Other reservations of fund balance	–	411,385	–	–	411,385
	–	2,077,830	–	–	2,077,830
ENDING BALANCE	\$ 6,808,286	\$ 4,632,857	\$ 2,178,402	\$ 1,234,891	\$ 14,854,436

(continued)

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

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ 3,178,480	\$ 597,835	\$ 3,776,315	\$ 28,392,635
1,182,005	156,750	1,338,755	5,099,785
14,420,880	523,420	14,944,300	25,804,915
426,825	59,800	486,625	5,783,800
2,138,650	—	2,138,650	12,132,340
21,346,840	1,337,805	22,684,645	77,213,475
440,985	—	440,985	2,562,770
440,985	—	440,985	2,562,770
21,787,825	1,337,805	23,125,630	79,776,245
6,264,803	1,933,069	8,197,872	25,541,523
—	—	—	411,385
500,000	—	500,000	2,577,830
\$ 5,764,803	\$ 1,933,069	\$ 7,697,872	\$ 22,552,308



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY DEPARTMENT/ACTIVITY – ALL FUNDS
2014-2015 BUDGET

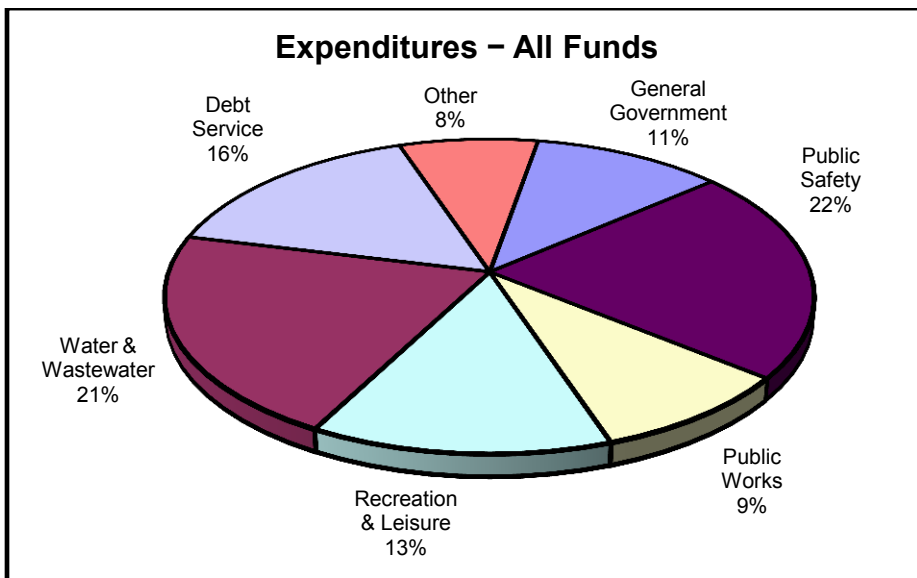
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
GENERAL GOVERNMENT:					
Administration/General Government	\$ 4,942,200	\$ 1,843,530	\$ 3,000	\$ –	\$ 6,788,730
Community Development	1,507,125	–	–	–	1,507,125
Police Department	8,795,360	359,370	–	–	9,154,730
Fire Department	7,543,475	–	–	–	7,543,475
Public Works	3,319,945	–	–	2,096,600	5,416,545
Keller Public Library	1,513,075	–	–	–	1,513,075
Parks & Recreation	3,347,625	4,130,460	–	385,765	7,863,850
WATER & WASTEWATER:					
Administration/Customer Services	–	–	–	–	–
Water Utilities	–	–	–	25,400	25,400
Wastewater Utilities	–	–	–	362,500	362,500
OTHER/NON-DEPARTMENTAL:					
Debt service	–	2,145,180	7,848,510	–	9,993,690
Transfers	–	134,485	687,300	–	821,785
Non-departmental / other	723,080	–	–	–	723,080
Subtotal	31,691,885	8,613,025	8,538,810	2,870,265	51,713,985
TOTAL	\$ 31,691,885	\$ 8,613,025	\$ 8,538,810	\$ 2,870,265	\$ 51,713,985

(continued)

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

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ -	\$ -	\$ -	\$ 6,788,730
-	-	-	1,507,125
-	-	-	9,154,730
-	-	-	7,543,475
-	1,150,805	1,150,805	6,567,350
-	-	-	1,513,075
-	-	-	7,863,850
1,992,950	-	1,992,950	1,992,950
9,494,125	-	9,494,125	9,519,525
4,196,170	-	4,196,170	4,558,670
2,140,500	-	2,140,500	12,134,190
440,985	-	440,985	1,262,770
3,523,095	187,000	3,710,095	4,433,175
21,787,825	1,337,805	23,125,630	74,839,615
\$ 21,787,825	\$ 1,337,805	\$ 23,125,630	\$ 74,839,615

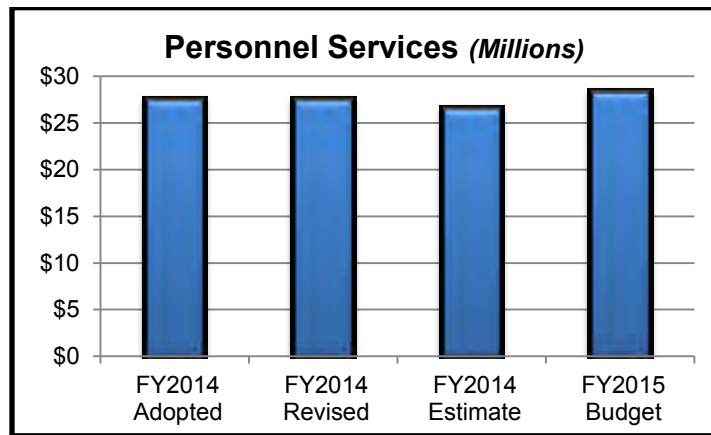


SUMMARY OF MAJOR EXPENDITURES

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 \$28.39 million (37.94 percent) of total expenditures, compared to \$26.64 million (34.05 percent) of total estimated expenditures for FY2014. Personnel services increased \$1,752,230 (6.58 percent) in FY2015 over the FY2014 estimate.

- Expenditures increased \$835,198 or 3 percent over the FY2014 adopted budget of \$27.56 million.
- Expenditures increased \$839,198 or 3.05 percent over the FY2014 revised budget of \$27.55 million.



Included in the FY2015 budget is a 3 percent pay plan adjustment for non-public safety employees and a 4 percent adjustment for public safety employees. A summary of the pay plan adjustment is provided in the following table (excludes The Keller Pointe):

Fund	Total
General Fund	\$ 578,219
Water & Wastewater Fund	68,779
Drainage Utility Fund	13,493
Information Services Fund	16,725
Total	<u>\$ 677,216</u>

Personnel services also include the cost of employee benefits. The City provides group medical, dental, life, short- and long-term disability, and worker compensation benefits for employees. Medical coverage for employees is paid by a combination of payroll deductions from employees and the City, with the City paying an average of 93 percent of employee-only coverage and an average of 58 percent of the added cost of dependent coverage. The City pays 100 percent of employee dental coverage and 50 percent of dependent dental coverage. In addition, the City matches mandatory benefits for social security, Medicare (FICA), and retirement benefits. For fiscal year 2015, employees will have the ability to purchase voluntary vision coverage for themselves and their dependents. The cost of the vision coverage is borne by the employee. Employees may also choose to voluntarily participate in two deferred compensation plans offered by the City.

MAJOR EXPENDITURES
(continued)

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

Fund	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
General Fund	236.95	240.26	242.54	2.28	0.9%
Information Services Fund	8.00	8.00	7.00	(1.00)	(12.5)
Water & Wastewater Fund	39.80	40.17	42.17	2.00	5.0
Drainage Utility Fund	8.50	8.50	8.50	-	-
Keller Development Corporation	1.39	-	-	-	-
The Keller Pointe	46.73	48.58	48.01	(0.57)	(1.2)
Total	341.37	345.51	348.22	2.71	0.8%

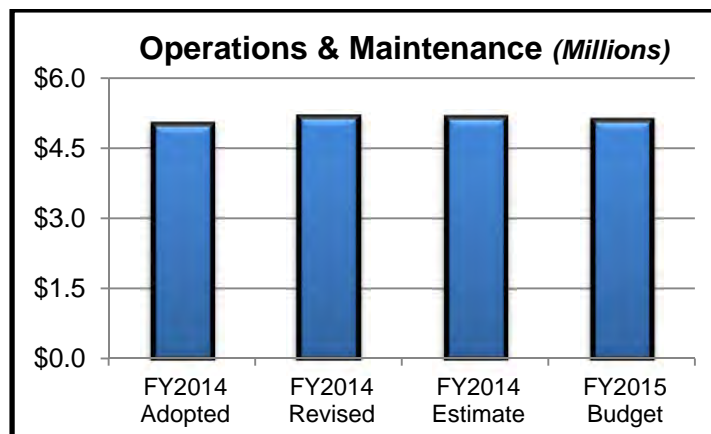
For the General Fund, employees per 1,000 residents decreased from 5.85 in FY2014 to 5.77 employees per 1,000 residents in 2015, a decrease of 0.08 employees per 1,000 residents, or 1.37 percent.

The FY2013 Actual and FY2014 Estimate personnel services amounts have been reduced to reflect savings from position vacancies and attrition, where applicable.

OPERATIONS AND MAINTENANCE

Operations and maintenance expenditures include major categories of supplies, equipment, grounds, and building maintenance costs. These costs for FY2015 are \$5.1 million (6.81 percent of total expenditures) compared to FY2014 estimated expenditures of \$5.17 million (6.6 percent of total estimated expenditures). The FY2015 budget reflects a decrease of \$66,246 (1.28 percent) from the FY2014 estimated expenditures.

- Expenditures increased by \$87,120, or 1.74 percent over the FY2014 adopted budget of \$5.01 million.
- Expenditures decreased \$76,906 or 1.49 percent from the FY2014 revised budget of \$5.18 million.

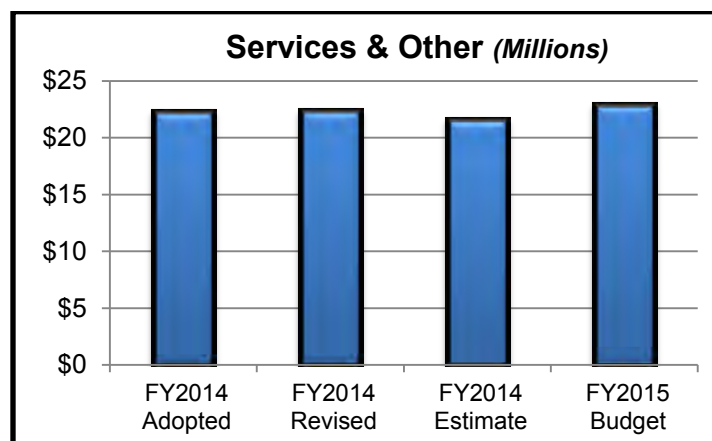


MAJOR EXPENDITURES
(continued)

SERVICES AND OTHER

Services and other expenditures include those expenditures for professional services, legal services, contractual services, engineering services, utilities, liability insurance premiums, wholesale water purchases, wastewater treatment services, and other general expenditures. Amounts for FY2015 are \$22.9 million (30.61 percent of total expenditures) compared to FY2014 estimated expenditures of \$21.59 million (27.6 percent of total expenditures). This is an increase of \$1,312,075 (6.08 percent) over the FY2014 estimate.

- Expenditures increased \$624,173, or 2.8 percent over the FY2014 adopted budget of \$22.28 million.
- Expenditures increased \$540,133 or 2.42 percent from the FY2014 revised budget of \$22.36 million.



Increases in services and other expenditures are provided for miscellaneous drainage improvements, \$200,000; services to review and update the unified development code, \$100,000; economic development marketing and promotional activities, \$108,700; and TRA wastewater services, \$174,620.

CAPITAL OUTLAY

Capital outlay includes expenditures for capital improvements, and new or replacement City assets. Capital outlay expenditures for FY2015 are \$5.05 million, representing 6.74 percent of total expenditures, compared to the FY2014 estimate of \$11.17 million, representing 14.27 percent of total expenditures. Capital expenditures also include park improvements funded by the Keller Development Corporation, the Park Development Fee Fund, the Keller Crime Control Prevention District, as well as the Street/Drainage Improvements Fund (street maintenance sales tax), water and wastewater infrastructure improvements, and vehicle and equipment replacements funded in the Fleet Replacement Capital Projects Fund.

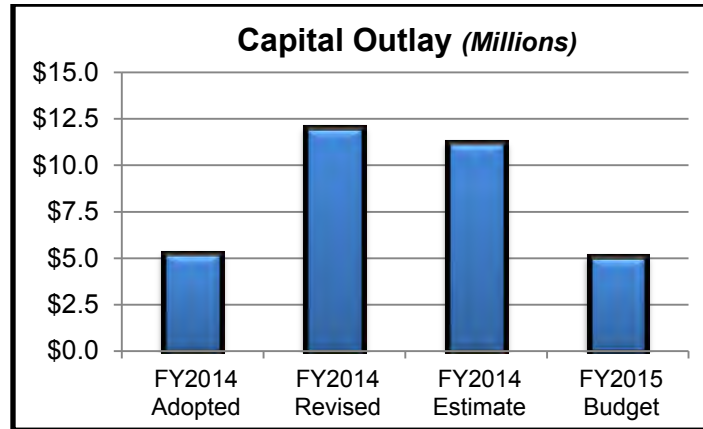
Capital outlay expenditures for FY2015 decreased \$6.18 million (54.8 percent) from the FY2014 estimate. The primary reason for the decrease is because FY2014 amounts include funding for capital projects that are anticipated to be completed during the fiscal year, such as the improvements and expansion of the Keller Police Facility and street and drainage improvement projects, combined with one-time capital outlay expenditures included in the FY2014 estimate.

- Expenditures decreased \$155,665, or 3 percent from the FY2014 adopted budget of \$5.2 million.
- Expenditures decreased \$6.93 million, or 57.85 percent from the FY2014 revised budget of \$11.98 million. The FY2014 revised budget increased by \$6.77 million over the adopted budget due to the addition of one-time capital outlay expenditures and capital projects that were incomplete at the end of fiscal year 2013. The one-time amounts as well as the amounts for the incomplete capital projects were carried-forward to FY 2014 revised budget.

MAJOR EXPENDITURES

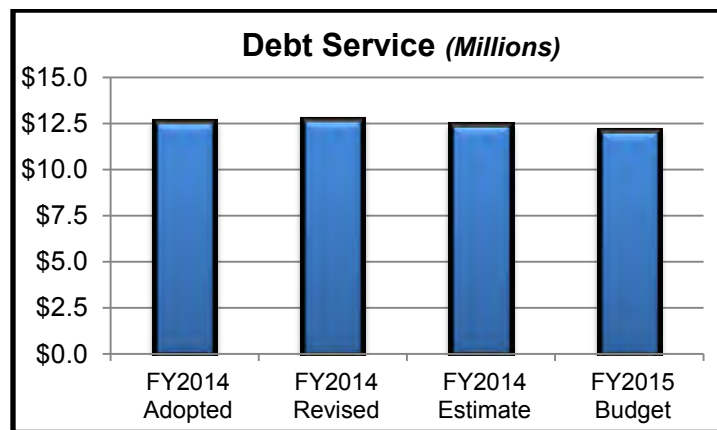
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Additional information for specific capital outlay and capital improvements is provided with the respective funding source and/or department.



DEBT SERVICE

Total debt service requirements include general obligation (property tax-supported) debt, water and wastewater supported debt, Keller Development Corporation, Tax Increment Reinvestment Zone No. 1 and Keller Crime Control and Prevention District supported debt. FY2015 expenditures are \$12.13 million, or 16.21 percent of total expenditures, compared to \$12.41 million or 15.87 percent of total expenditures for the FY2014 estimate. FY2015 expenditures are a decrease of \$280,920 or 2.26 percent from the FY2014 estimate



General obligation (property tax-supported) debt service requirements, excluding water and wastewater, Keller Development Corporation (KDC), and Tax Increment Reinvestment Zone (TIRZ) financing district debt service, for FY2015 are \$4.67 million and comprise 6.24 percent of total expenditures. Expenditures decreased by \$314,905 (6.32 percent) from the FY2014 estimate.

No new debt or debt refinancing obligations were issued in fiscal year 2014.

MAJOR EXPENDITURES
(continued)

The City's current bond ratings are as follows:

	<u>Moody's</u>	<u>Standard & Poor's</u>
Tax-supported debt	Aa2	AA

Both Standard and Poor's and Moody's rate the City's debt obligations as high-quality investment grade. The ratings were confirmed by the respective rating agencies in May 2012, the City's most recent rating.

The City has no revenue bonds outstanding.

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>FY2014</u>	<u>FY2015</u>
General obligation debt outstanding at October 1 (000's)	\$ 36,922	\$ 33,298
Estimated population, October 1	41,090	42,040
Direct debt per capita	\$ 899	\$ 792
Net taxable valuation (000's)	\$ 4,226,573	\$ 4,483,286
<i>Ratio of debt to taxable valuation</i>	<i>0.9%</i>	<i>0.7%</i>
<i>Financial policy target</i>	<i>15.0%</i>	<i>15.0%</i>
Total general government expenditures (000's) (General Fund and Debt Service Fund)	\$ 38,311	\$ 36,361
Debt service expenditures (000's)	\$ 4,983	\$ 4,682
<i>Debt service expenditures as a percentage of total general government expenditures</i>	<i>13.0%</i>	<i>12.9%</i>
<i>Financial policy target</i>	<i>25.0%</i>	<i>25.0%</i>

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

INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

Transfers to other funds for FY2015 are \$1.26 million, representing 1.69 percent of total expenditures. Transfers are comprised primarily of transfers from other funds to the Debt Service Fund for debt payments and transfers to capital projects funds. Transfers increased by \$7,295 (0.58 percent) over the FY2014 estimate.

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

MAJOR EXPENDITURES

(continued)

The following transfers are provided for FY2014 and FY2015:

	<u>FY2014</u>	<u>FY2015</u>
Debt Service Transfers from other Funds:		
Keller Development Corporation	\$ 156,280	\$ 134,485
Water & Wastewater Fund	436,510	440,985
TIRZ Interest & Sinking Fund	<u>662,685</u>	<u>687,300</u>
Total Transfers	<u>\$ 1,255,475</u>	<u>\$ 1,262,770</u>

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

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

<u>Fund</u>	<u>Intragovernmental Transfers From Other Funds</u>		<u>Intragovernmental Transfers To Other Funds</u>	
	<u>FY2014</u>	<u>FY2015</u>	<u>FY2014</u>	<u>FY2015</u>
General Fund	\$ 2,578,500	\$ 2,600,500	\$ 888,745	\$ 840,650
Keller Development Corporation	-	-	194,780	172,985
Information Services Fund	1,599,260	1,478,865	-	-
The Keller Pointe	-	-	23,545	26,000
Debt Service Fund	592,790	575,470	662,685	687,300
TIRZ Interest & Sinking Fund	662,685	687,300	-	-
Fleet Replacement Fund	139,530	130,520	-	-
Water & Wastewater Fund	70,000	75,000	3,668,745	3,617,015
Drainage Utility Fund	-	-	204,265	203,705
Total Intergovernmental Transfers	<u>\$ 5,642,765</u>	<u>\$ 5,547,655</u>	<u>\$ 5,642,765</u>	<u>\$ 5,547,655</u>

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

MAJOR EXPENDITURES
(continued)

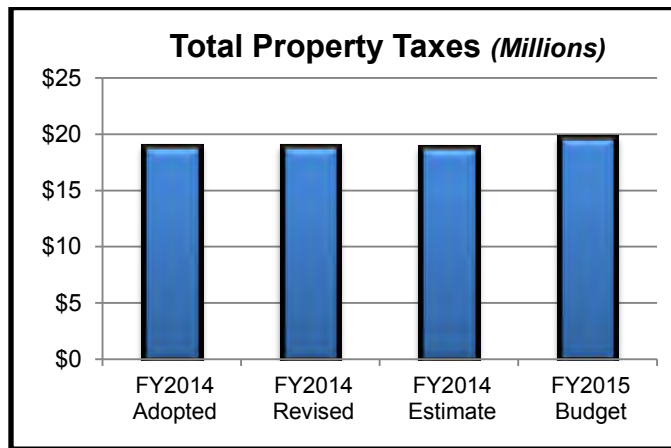
	<u>FY2014</u>	<u>FY2015</u>
TRANSFERS TO GENERAL FUND:		
Payments in-lieu of Taxes Transfers from:		
Water & Wastewater Fund	\$ 1,075,000	\$ 1,075,000
Drainage Utility Fund	115,000	112,000
Subtotal	<u>1,190,000</u>	<u>1,187,000</u>
Administrative Services Transfers from:		
Water & Wastewater Fund	1,350,000	1,375,000
Keller Development Corporation	38,500	38,500
Subtotal	<u>1,388,500</u>	<u>1,413,500</u>
Total Transfers to General Fund	<u>\$ 2,578,500</u>	<u>\$ 2,600,500</u>
TRANSFERS TO WATER & WASTEWATER FUND:		
Administrative Services Reimbursement Transfers from:		
Drainage Utility Fund	\$ 70,000	\$ 75,000
Total Transfers to Water & Wastewater Fund	<u>\$ 70,000</u>	<u>\$ 75,000</u>
TRANSFERS TO INFORMATION SERVICES FUND:		
Operating Transfers from:		
General Fund	\$ 652,875	\$ 575,775
Water & Wastewater Fund	652,875	575,775
Subtotal	<u>1,305,750</u>	<u>1,151,550</u>
Cost of Services Transfer from:		
General Fund	235,870	264,875
Water & Wastewater Fund	30,740	32,415
Drainage Utility Fund	3,355	4,025
The Keller Pointe	23,545	26,000
Subtotal	<u>293,510</u>	<u>327,315</u>
Total Transfers to Information Services Fund	<u>\$ 1,599,260</u>	<u>\$ 1,478,865</u>
TRANSFERS TO FLEET REPLACEMENT FUND:		
Internal Vehicle/Equipment Lease Payments from:		
Water & Wastewater Fund	\$ 123,620	117,840
Drainage Utility Fund	15,910	12,680
Total Transfers to Fleet Replacement Fund	<u>\$ 139,530</u>	<u>\$ 130,520</u>
TRANSFERS TO DEBT SERVICE FUND:		
Debt Service Transfers from:		
Keller Development Corporation	\$ 156,280	\$ 134,485
Water & Wastewater Fund	436,510	440,985
Total Transfers to Debt Service Fund	<u>\$ 592,790</u>	<u>\$ 575,470</u>
TRANSFERS TO TIRZ INTEREST & SINKING FUND:		
Debt Service Transfers from:		
Debt Service Fund	\$ 662,685	\$ 687,300
Total Transfers to TIRZ Interest & Sinking Fund	<u>\$ 662,685</u>	<u>\$ 687,300</u>

SOURCES AND ESTIMATES OF MAJOR REVENUES
TAXES

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

Total property taxes (including penalties and interest) for FY2015 are \$19.64 million, and represent 26.48 percent of total revenues, compared to \$18.77 million (25.78 percent) of total revenues for the FY2014 estimate. Total property tax revenues for FY2015 increased by \$876,275 (4.67 percent) over the FY2014 estimate.

- *Revenues increased \$743,420 or 3.93 percent over the FY2014 adopted and FY2014 revised budget of \$18.9 million.*



Property (ad valorem) taxes are assessed, or levied, on real and personal property as of January 1 of each year. The total tax rate for FY2015 is \$0.43719, a reduction of \$0.005 (1/2-cent) from the FY2014 tax rate. The tax rate is comprised of a maintenance and operations (M&O) component (\$0.33048, or 75.6 percent of the total rate), which is allocated to the general fund, and a debt service component (\$0.10671, or 24.4 percent of the total rate), which is allocated to the debt service fund.

Property tax rate comparisons since 2005 are presented in the accompanying table (per \$100 of valuation).

Year	Total Tax Rate	Percent Change
2005 (FY2006)	\$ 0.44413	-%
2006 (FY2007)	0.43219	(2.7%)
2007 (FY2008)	0.43219	-%
2008 (FY2009)	0.43219	-%
2009 (FY2010)	0.44219	2.3%
2010 (FY2011)	0.44219	-%
2011 (FY2012)	0.44219	-%
2012 (FY2013)	0.44219	-%
2013 (FY2014)	0.44219	-%
2014 (FY2015)	0.43719	(1.1%)

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:

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

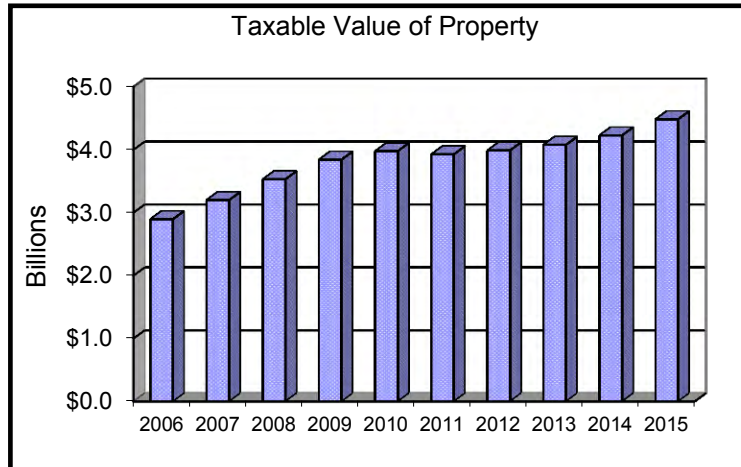
MAJOR REVENUES (continued)

TAXES:

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

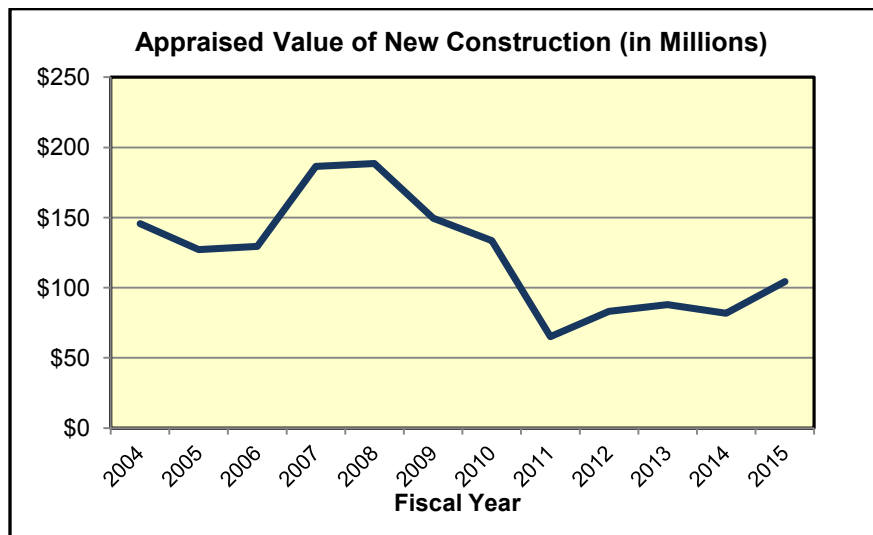
In 2015, approximately 18.4% of residential homestead accounts have tax ceilings, compared to 17.7% in 2014.

Each year the Tarrant Appraisal District (TAD) appraises property for all taxing entities within Tarrant County. Property appraisals are provided to the City on July 25 of each year, when the certified tax (appraisal) roll is received from TAD. The accompanying chart indicates net taxable values since 2006.



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

As shown in the preceding chart, Keller has experienced growth in taxable values since 2006, from \$2.89 billion in FY2006 to \$4.48 billion in FY2015. Although from 2009 to 2012 the rate of growth reduced, since 2011 the rate of growth is again increasing, with increases of 4.25 and 6.07 percent in FY2014 and FY2015. According the Tarrant Appraisal District, the City added almost \$104.3 million in new construction during calendar year 2014 (fiscal year 2014-15), compared to \$82 million in new construction added to the tax rolls the previous year (for calendar year 2012, or fiscal year 2013-2014). The chart below provides a history of new construction values, as provided by the Tarrant Appraisal District.



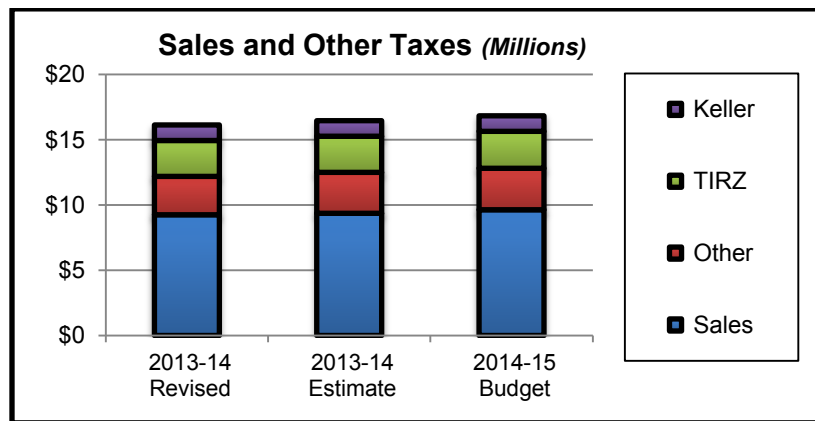
MAJOR REVENUES

TAXES: (continued)

For FY2015, the appraised value of new residential construction in calendar year 2014 was \$88.24 million (84.6 percent of the total) and new commercial construction was \$16.03 million (15.4 percent). For the prior fiscal year (calendar year 2013), the appraised value of new residential construction was \$70.55 million (86.3 percent) and new commercial construction was \$11.2 million (13.7 percent).

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 (TIRZ). Total revenue for FY2015 is \$16.83 million, representing 22.7 percent of total revenues, compared to \$16.46 million, representing 22.61 percent of total revenues in FY2014. Sales and other taxes are projected to increase by \$374,270 (2.27 percent) over the FY2014 estimate.

- Revenues increased \$700,740 or 4.34 percent over the FY2014 adopted and FY2014 revised budget of \$16.13 million.



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

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

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

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

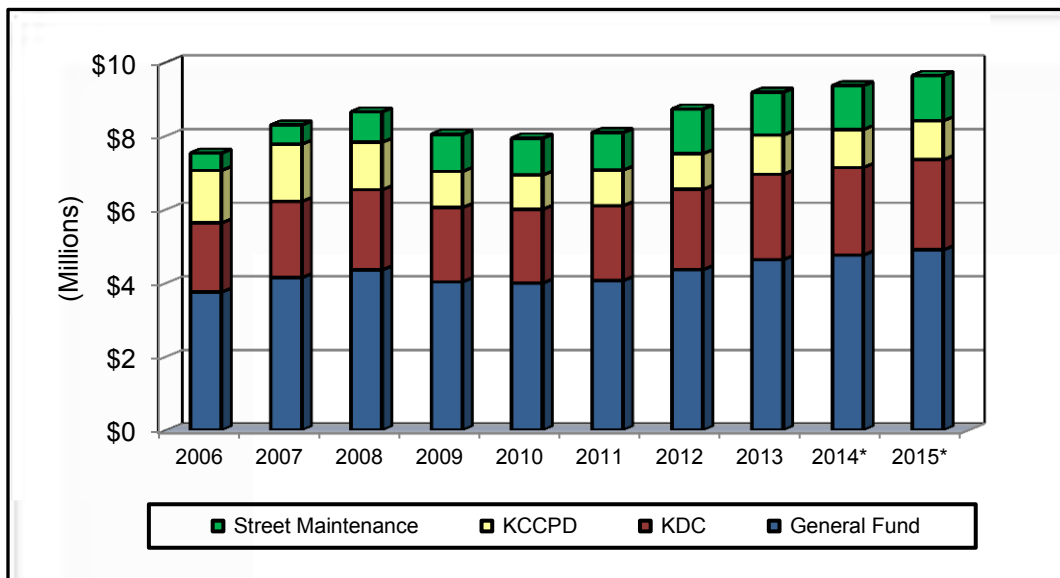
MAJOR REVENUES

TAXES: (continued)

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

The City experienced decreases in sales tax revenues in both FY2009 and FY2010 by 7 percent and 1.3 percent respectively. FY2012, sales taxes increased by 8 percent over the previous year, slightly surpassing 2008 collection levels. For FY2014 and FY2015, sales taxes are projected to increase by 2.0 percent and 2.9 percent respectively. Prior to FY2008, sales tax revenues consistently experienced double-digit increases each year. The table below provides sales tax information by type since fiscal year 2006.

Fiscal Year	General Fund	KDC	KCCPD	Street Maintenance	Total	Pct Change
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	4,037,484	2,018,742	979,874	1,009,371	8,045,471	(7.0%)
2010	4,004,193	2,004,557	931,103	999,818	7,939,671	(1.3%)
2011	4,069,146	2,034,573	966,775	1,017,287	8,087,781	1.9%
2012	4,368,625	2,184,312	970,696	1,208,350	8,731,983	8.0%
2013	4,639,063	2,319,531	1,066,527	1,159,766	9,184,887	5.2%
2014*	4,762,750	2,381,375	1,030,000	1,190,685	9,364,810	2.0%
2015*	4,905,630	2,452,810	1,050,600	1,226,400	9,635,440	2.9%



* projected

MAJOR REVENUES

TAXES: (continued)

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

As a combined group, property taxes, sales taxes and franchise taxes account for \$36.48 million (49.18 percent) of total revenues for FY2015, compared to \$35.23 million (48.39 percent) of total revenues for the FY2014 estimate. These revenues are projected to increase by \$1,250,545 (3.55 percent) over the FY2014 estimate.

- Revenues increased \$1,444,160 or 4.12 percent over the FY2014 adopted and FY2014 revised budget of \$35.03 million.

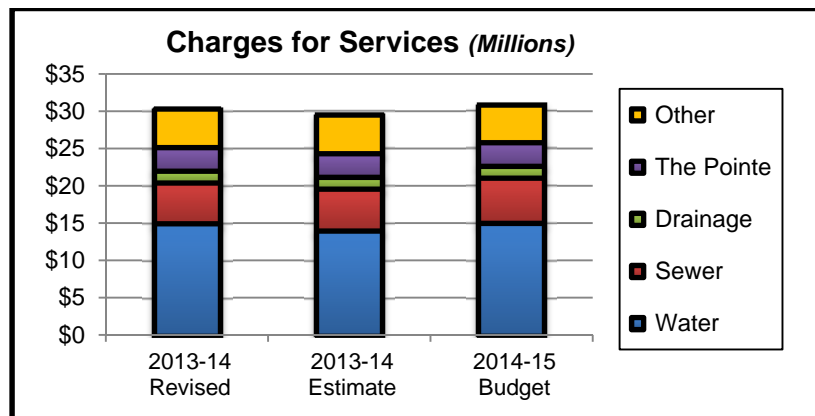
CHARGES FOR SERVICES

Charges for services include water, wastewater and drainage fees, revenues for The Keller Pointe Recreation and Aquatic Center, internal charges to other departments for fleet replacements and information services, rental revenues from use of City property (parks and communication towers) and ambulance services revenues. Total service charges for FY2015 are \$30.84 million comprising 41.57 percent of total revenues, compared to \$29.54 million (40.59 percent) of total revenues in the FY2014 estimate, an increase of \$1.29 million or 4.37 percent.

- Revenues increased \$522,545 or 1.72 percent over the FY2014 adopted and FY2014 revised budget of \$30.31 million.

Major components of charges for services revenues include water revenue (\$15.03 million); wastewater (sewer) revenue (\$5.98 million); drainage utility fees (\$1.59 million); and operating revenues for The Keller Pointe (\$3.17 million). These charges for services are \$26.31 million (34.74 percent) of total revenues in FY2015, compared to \$24.31 million (33.26 percent) of total FY2014 estimated revenues, an increase of \$1.36 million (5.46 percent).

- Service charges for water, wastewater, drainage and The Keller Pointe increased \$624,100 or 2.43 percent over the FY2014 adopted and FY2014 revised budget of \$25.68 million.



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

MAJOR REVENUES
(continued)

Total revenues from taxes and service charges comprise \$67.31 million (90.75 percent) of total revenues, compared to \$64.77 million (88.98 percent) of total revenues in the FY2014 estimate. This represents an increase of \$2,542,935 (3.93 percent) over FY2014.

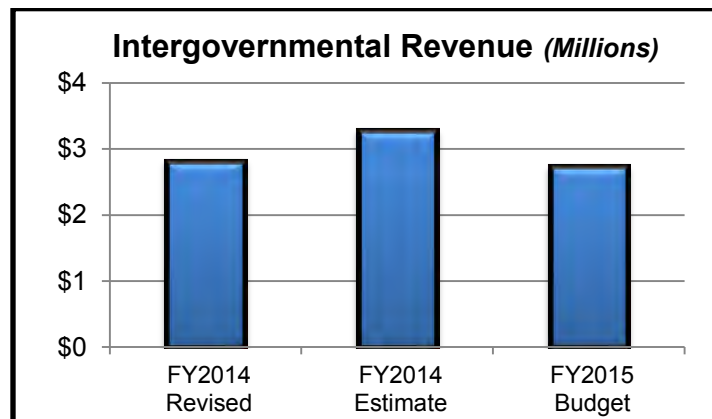
- *Revenues from taxes and service charges increased \$1,966,705 or 3.01 percent over the FY2014 adopted and FY2014 revised budget of \$65.35 million.*

INTERGOVERNMENTAL

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

Intergovernmental revenues for FY2015 are \$2.72 million or 3.66 percent of total revenues. FY2015 revenues are a decrease of \$557,696 or 17.02 percent from the FY2014 estimate of \$3.28 million. The decrease is due to one-time revenue from the City of Southlake and grant revenue for the Pathways-to-Play project received in FY2014.

- *Revenues decreased \$88,996 or 3.1 percent from the FY2014 adopted and FY2014 revised budget of \$2.81 million.*



OTHER REVENUES

Other revenues include fines and fees, \$1,369,100; licenses and permits, \$1,105,130; interest revenue, \$160,050; and miscellaneous revenue, \$248,060. These revenues total \$2.88 million or 3.89 percent of total revenues, compared to \$3.49 million or 4.79 percent of total revenue in the FY2014 estimate. FY2015 revenues are a decrease of \$607,500 or 17.41 percent over the FY2014 estimate. Major decreases include reductions for licenses and permits revenue (\$100,870), fines and fees revenue (\$71,100), tree preservation fines (\$284,900), park development fees (\$76,000) and donations from Friends of the Library (\$30,000).

- *Revenues increased \$138,146 or 5.03 percent over the FY2014 adopted and FY2014 revised budget of \$2.74 million.*

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

MAJOR REVENUES
(continued)

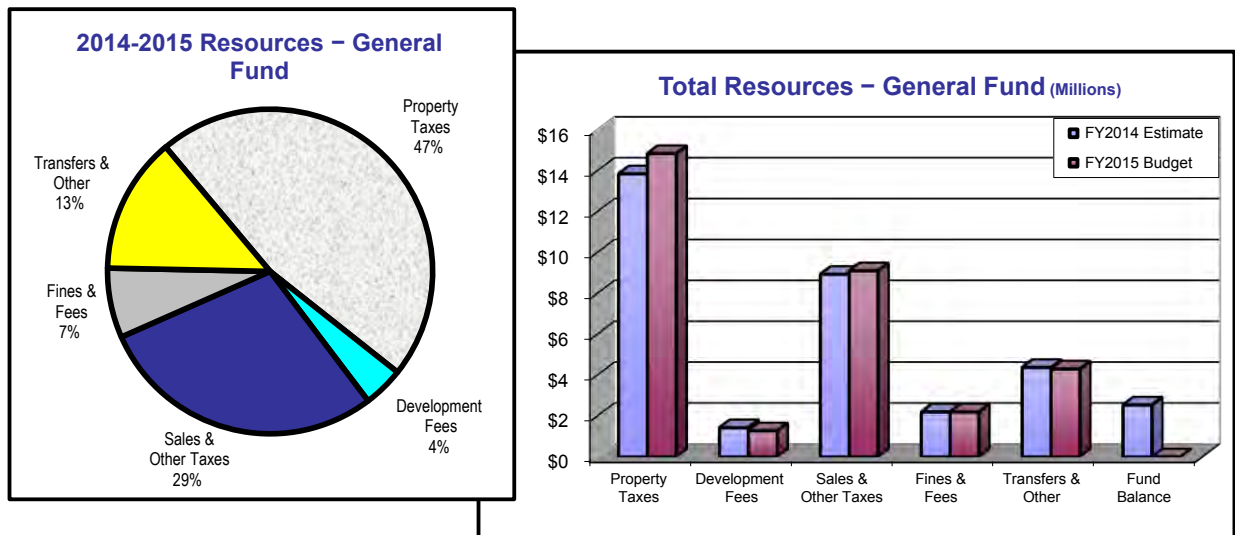
INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

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

Intragovernmental transfers for FY2015 are \$1,262,770, comprising 1.7 percent of total revenues, and are an increase of \$7,295 or 0.58 percent over the FY2014 estimate.

**2014-2015 BUDGET
OVERVIEW OF GENERAL FUND**

**2014-2015 RESOURCES – WHERE THE MONEY COMES FROM
\$31,740,290**



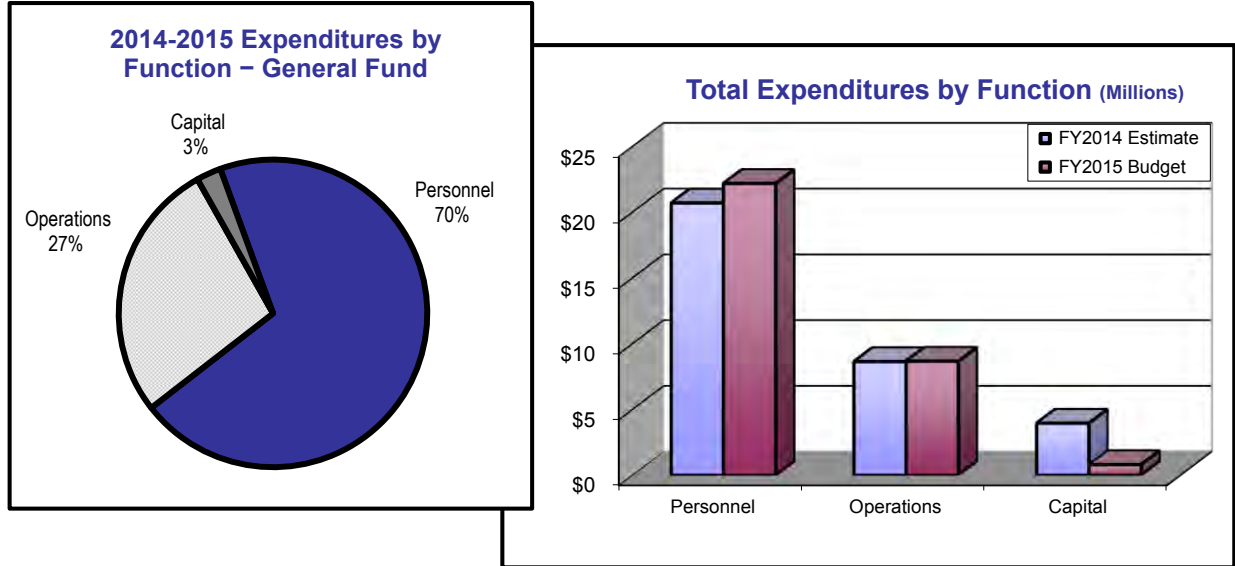
General Fund Summary
(continued)

2014-2015 EXPENDITURES – WHERE THE MONEY GOES
\$31,691,885

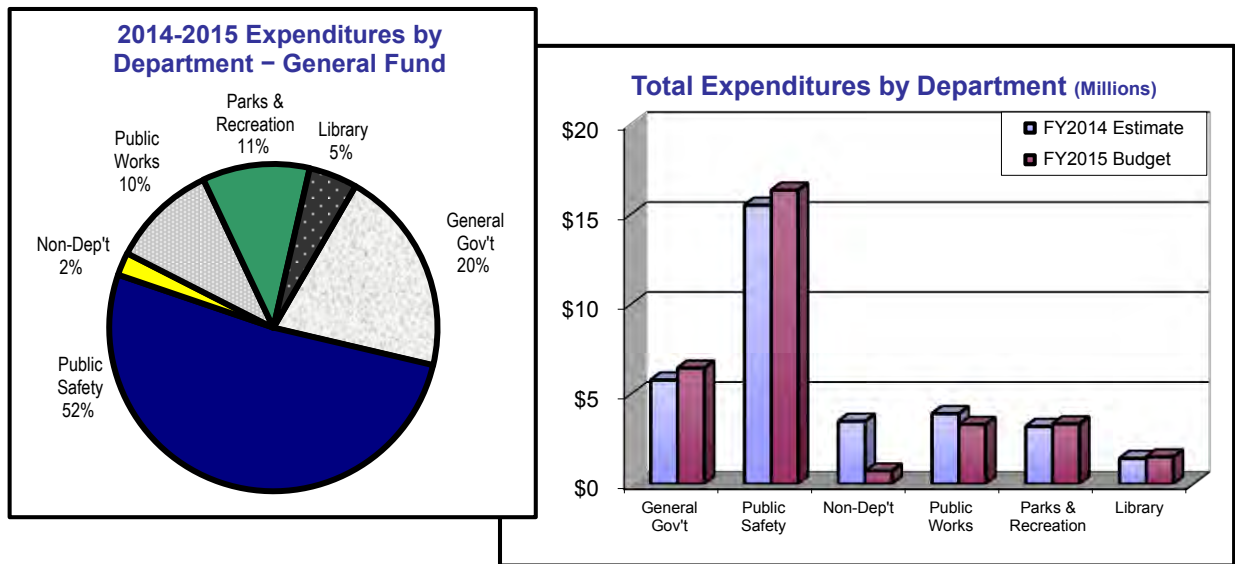
FY2015 Budget excludes one-time expenditures from available fund balance of \$4,586,630

FY2014 Estimate includes one-time expenditures of \$2,746,125

Expenditures by Function



Expenditures by Department



FINANCIAL SUMMARY

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

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

Expenditures for the General Fund include one-time, non-recurring expenditures from fund balance of \$2,746,125 for FY2014. For FY2015 one-time, non-recurring expenditures of \$4,586,630 are excluded from expenditures.

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance	\$ 11,468,572	\$ 13,887,047	\$ 11,346,513	\$ (2,540,534)	(18.3%)
REVENUES:					
Total property taxes	13,385,556	13,851,675	14,845,800	994,125	7.2
Sales taxes	4,639,063	4,762,750	4,905,630	142,880	3.0
Other taxes	4,023,677	4,170,880	4,202,810	31,930	0.8
Licenses & permits	1,268,198	1,206,000	1,105,130	(100,870)	(8.4)
Charges for services	2,600,578	2,658,310	2,712,500	54,190	2.0
Fines & fees	1,377,748	1,179,700	1,108,600	(71,100)	(6.0)
Intergovernmental revenue	2,439,066	2,803,346	2,667,020	(136,326)	(4.9)
Miscellaneous revenues	149,548	154,860	192,800	37,940	24.5
Interfund transfers	156,025	-	-	-	-
TOTAL REVENUES	30,039,459	30,787,521	31,740,290	952,769	3.1
TOTAL FUNDS AVAILABLE	41,508,031	44,674,568	43,086,803	(1,587,765)	(3.6)
EXPENDITURES:					
Personnel services	19,646,677	20,712,755	22,195,295	1,482,540	7.2
Operations & maintenance	1,956,098	2,312,985	2,262,010	(50,975)	(2.2)
Services & other	4,907,596	6,036,880	6,414,330	377,450	6.3
Capital outlay	1,076,988	3,965,435	820,250	(3,145,185)	(79.3)
Transfers to other funds	33,625	300,000	-	(300,000)	(100.0)
TOTAL EXPENDITURES	27,620,984	33,328,055	31,691,885	(1,636,170)	(4.9)
TOTAL ENDING BALANCE	\$ 13,887,047	\$ 11,346,513	\$ 11,394,918	\$ 48,405	0.4%

The FY2014 Estimate includes one-time expenditures of \$2,746,125 for FY2014 (see next page for additional information regarding one-time expenditures).

Property tax revenue increased due to growth in taxable value, combined with an increase in the maintenance and operations portion of the property tax rate (due to retirement of debt in FY2014). Building permits and fees are anticipated to decrease by \$100,870 from the FY2014 estimate; however, FY2015 is a slight increase of \$6,890 over the FY2014 adopted budget. Intergovernmental revenue decreased due to a one-time transfer from the City of Southlake received in FY2014.

General Fund Summary

(continued)

The General Fund is primarily service-oriented, and provides police, fire, parks, public works, and administrative services. Therefore, personnel services (salaries, wages and benefits) comprise the largest percentage of the budget (70 percent) for FY2015. The FY2015 expenditures increased by \$1,482,540 (7.2 percent) over the FY2014 estimated expenditures. The FY2015 expenditures increased by \$707,453 (3.29 percent) over the FY2014 adopted budget.

Total full-time equivalent positions for FY2015 are 242.54, an increase of 2.28 FTEs (0.95%) over FY2014. New positions include a Code Compliance Officer (beginning in January), a Detention Officer, and a Street Maintenance Worker. Reorganizations in the Fire Department and Street Department resulted in a decrease in 1.77 FTE's. One position, Public Information Officer, was transferred from the Information Services Fund. Personnel services amounts for the FY2014 Estimate have been reduced to reflect savings from position vacancies and attrition.

Capital outlay includes expenditures for new or replacement City assets, or improvements to existing assets. The City's personal property capitalization limit for FY2014 is \$5,000. Total capital outlay expenditures for FY2015 are \$820,250, or 2.59% of total General Fund expenditures. Capital outlay expenditures for FY2015 decreased \$3,145,185 (79.32%) from FY2014. Capital outlay expenditures for FY2015 decreased primarily due to one-time expenditures of \$2.3 million for a city-wide communications system upgrade, vehicle and equipment replacements and a new fire truck, combined with a decrease of \$713,635 for street improvements in FY2014.

Major capital items for FY2015 include: street improvements, \$763,000; street maintenance equipment for the Public Works Department (\$32,000); and park maintenance equipment for the Parks and Recreation Department (\$25,250).

ONE-TIME, NON-RECURRING EXPENDITURES

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

	2013-14 Revised	2013-14 Estimate	2014-15 Budget	2014-15 Increase (Decrease) Over			
				Budget		Estimate	
				Amount	Percent	Amount	Percent
Total expenditures	\$ 35,606,273	\$ 33,328,055	\$ 36,278,515	\$ 672,242	1.89%	\$ 2,950,460	8.85%
Less:							
One-time expenditures	<u>(4,136,130)</u>	<u>(2,746,125)</u>	<u>(4,586,630)</u>	<u>(450,500)</u>	10.89%	<u>(1,840,505)</u>	67.02%
Net expenditures	<u>\$ 31,470,143</u>	<u>\$ 30,581,930</u>	<u>\$ 31,691,885</u>	<u>\$ 221,742</u>	0.70%	<u>\$ 1,109,955</u>	3.63%

The following one-time, non-recurring expenditures of \$2,746,125 are included in the FY2014 Estimates:

- a city-wide communications system upgrade, \$1,644,530;
- vehicle replacements, \$176,595;
- transfer to fleet replacement fund for future vehicle replacements, \$300,000;
- economic development incentives due developers, resulting from approved development agreements, \$30,000;
- economic development initiatives, \$50,000; and
- fire engine replacement, \$545,000.

General Fund Summary

(continued)

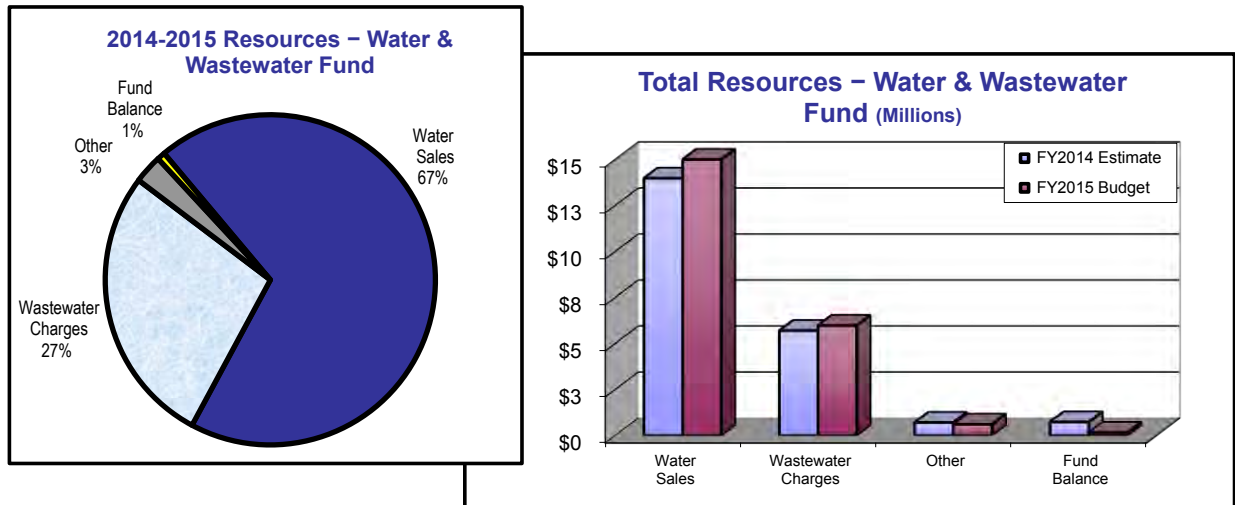
For FY2015, the following one-time expenditures of \$4,586,630 are planned from the available General Fund fund balance and **are excluded from budget totals**:

- economic development initiatives, \$1,000,000;
- economic development incentives due developers, resulting from approved development agreements, \$300,000;
- vehicle and equipment replacements, \$386,630;
- Keller Town Center Core commercial viability enhancements, \$100,000;
- Old Town Keller-West improvements, \$1,500,000;
- transfer to debt service fund for debt retirement, \$1,000,000; and
- transfer to fleet replacement fund for future vehicle replacements, \$300,000 (year two of three).

Although one-time, non-recurring expenditures are excluded from the FY2015 budget expenditure totals, after accounting for the fund balance reduction of \$4,586,630, the ending fund balance exceeds the minimum fund balance target by 9 days of operations, or \$805,468.

**2014-2015 BUDGET
OVERVIEW OF WATER AND WASTEWATER FUND**

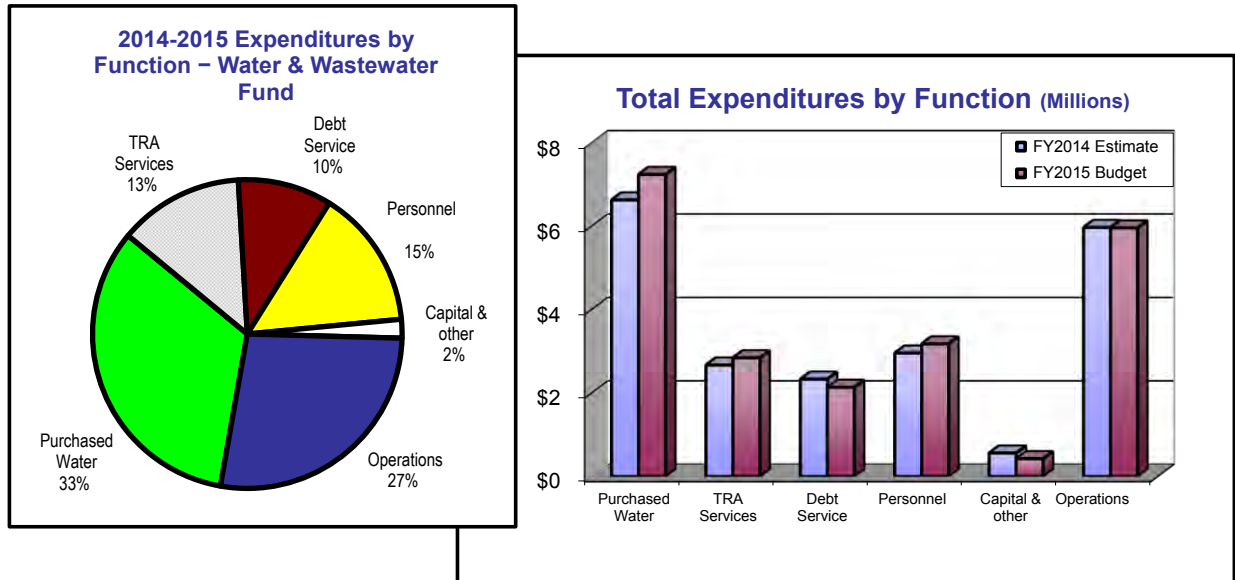
**2014-2015 RESOURCES – WHERE THE MONEY COMES FROM
\$21,787,825**



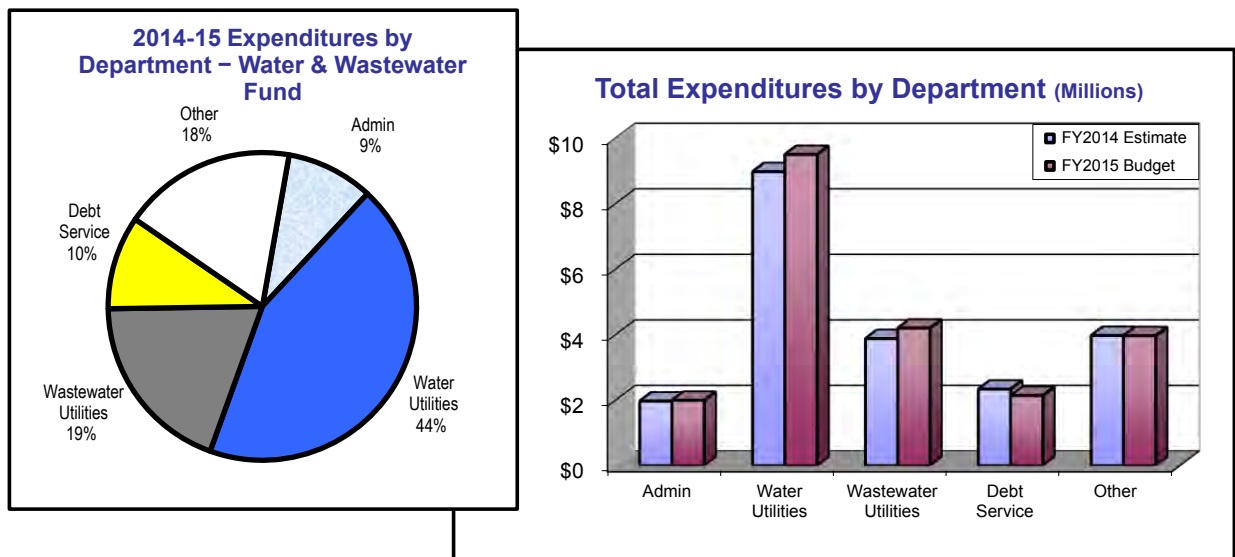
Water and Wastewater Fund Summary (continued)

2014-2015 EXPENDITURES – WHERE THE MONEY GOES
\$21,787,825

Expenditures by Function



Expenditures by Department



Water and Wastewater Fund Summary (continued)

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

The Water and Wastewater Fund includes the following accounts:

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

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

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

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

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

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

Monthly water rates:

(Effective December 1, 2013)

	<u>Residential</u>	<u>Non-Residential</u>
0 to 2,000 gallons	\$16.88 minimum*	\$16.88 minimum*
0 to 2,000 gallons	\$2.05	\$2.05
2,001 to 10,000 gallons (per 1,000 gallons)	\$3.22	\$3.22
10,001 to 20,000 gallons (per 1,000 gallons)	\$3.54	\$3.86
20,001 to 25,000 gallons (per 1,000 gallons)	\$3.97	\$4.49
25,001 to 40,000 gallons (per 1,000 gallons)	\$5.08	\$5.08
over 40,000 gallons (per 1,000 gallons)	\$5.51	\$5.51

The above rates include the current wholesale pass-through rate of \$2.05 per 1,000 gallons.

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

Water and Wastewater Fund Summary (continued)

Monthly wastewater rates:

(Effective June 1, 2014)

Residential	\$11.85 minimum*, plus \$3.30 per 1,000 gallons of water usage (based on December, January and February average water usage); maximum to 20,000 gallons
Non-residential	\$11.85 minimum*, plus \$3.30 per 1,000 gallons of water usage. No monthly maximum.

The above rates include the current wholesale pass-through rate of \$1.67 per 1,000 gallons.

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

The FY2015 water and wastewater revenues include an anticipated 0.5% water and wastewater rate increase to fund the cost of two new employees for the wastewater collection division. This is the first rate increase for the City of Keller since 2006. The rate increase is estimated to increase the average monthly utility bill by 57-cents, effective November 1, 2014.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

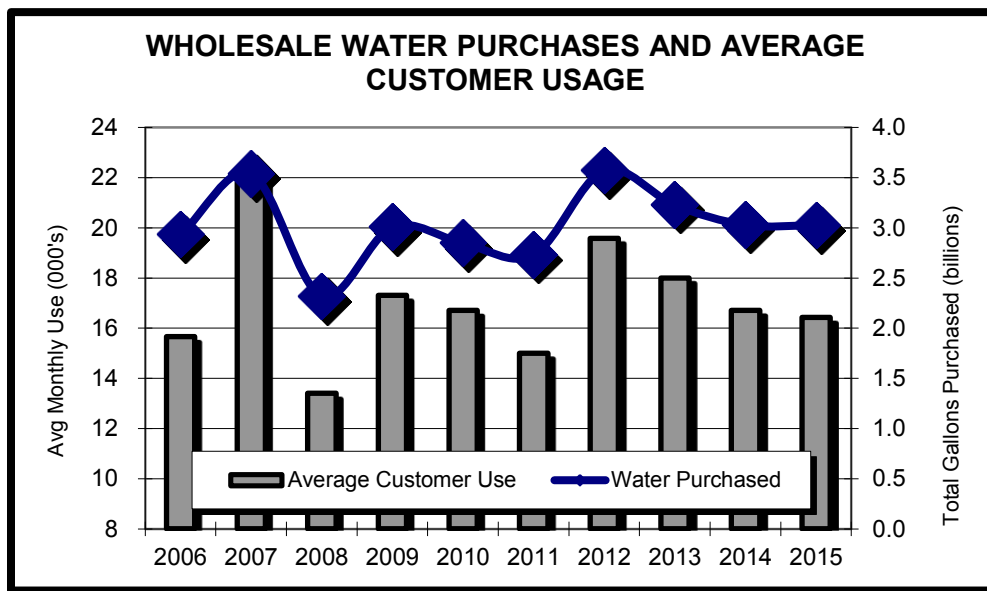
Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance	\$ 7,125,816	\$ 7,168,063	\$ 6,433,528	\$ (734,535)	(10.2%)
REVENUES:					
Water sales	13,839,656	13,979,200	15,028,600	1,049,400	7.5
Wastewater charges	5,433,541	5,700,000	5,980,000	280,000	4.9
Taps and miscellaneous fees	604,380	623,250	529,500	(93,750)	(15.0)
Contributions	13,108	4,570	-	(4,570)	(100.0)
Interest revenue	19,134	20,000	20,000	-	0.0
Miscellaneous revenues	100,219	60,500	61,000	500	0.8
TOTAL REVENUES	20,010,038	20,387,520	21,619,100	1,231,580	6.0
TOTAL FUNDS AVAILABLE	27,135,854	27,555,583	28,052,628	497,045	1.8
EXPENDITURES:					
Personnel services	2,839,215	2,957,675	3,178,480	220,805	7.5
Operations & maintenance	879,767	1,179,320	1,182,005	2,685	0.2
Services & other	4,008,932	4,354,080	4,335,490	(18,590)	(0.4)
Wholesale water purchased	6,479,095	6,630,000	7,240,000	610,000	9.2
Wastewater services-TRA	2,291,307	2,670,770	2,845,390	174,620	6.5
Capital outlay	251,817	561,200	426,825	(134,375)	(23.9)
Debt service	2,629,448	2,332,500	2,138,650	(193,850)	(8.3)
Transfers to other funds	588,210	436,510	440,985	4,475	1.0
TOTAL EXPENDITURES	19,967,791	21,122,055	21,787,825	665,770	3.2
TOTAL ENDING BALANCE	\$ 7,168,063	\$ 6,433,528	\$ 6,264,803	\$ (168,725)	(2.6%)

Water and Wastewater Fund Summary (continued)

Water sales are projected to increase based on normalized customer water usage in FY2015, combined with a 0.5 percent rate increase. Estimated water sales for FY2014 are below the FY2014 adopted budget by approximately \$1 million due to actual water demand being less than anticipated. Wastewater charges are projected to increase by 4.9 percent due to an increase in customer base, combined with a 0.5 percent rate increase. Taps and miscellaneous fees for FY2015 have been reduced by \$93,750 from the FY2014 estimate, but remain an increase of \$49,650 or 10.35 percent over the original FY2014 adopted budget.

Water purchases are projected to be 3.105 billion gallons in FY2015, compared to 2.93 billion in FY2014, an increase of 175.8 million gallons (6 percent). Customer consumption reached an all-time high of 3.5 billion gallons in FY2006. For FY2015, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts.

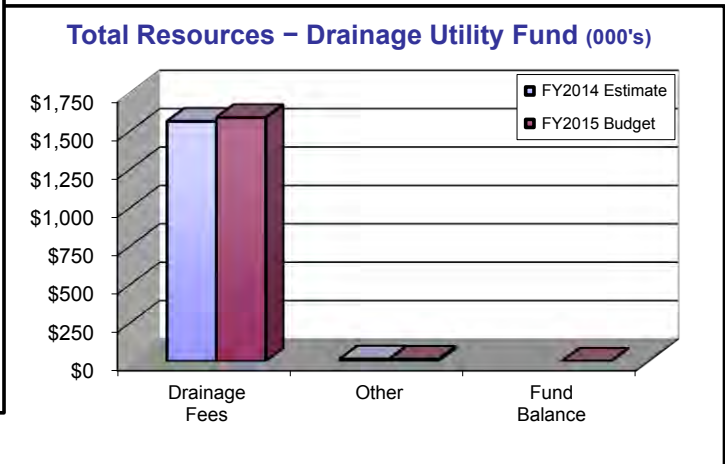
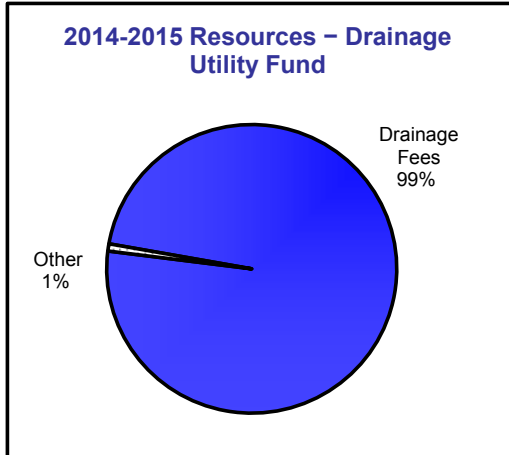
The total projected ending balance of \$6,264,803 includes a \$500,000 water and wastewater rate stabilization reserve. The purpose of the rate stabilization reserve is to provide funds for variations in weather conditions, specifically years having above-average rainfall (wet year) or below-average rainfall (dry year). The projected unreserved ending fund balance is \$5,764,803 or approximately 99 days of operations, compared to the financial policy target of 60 days.



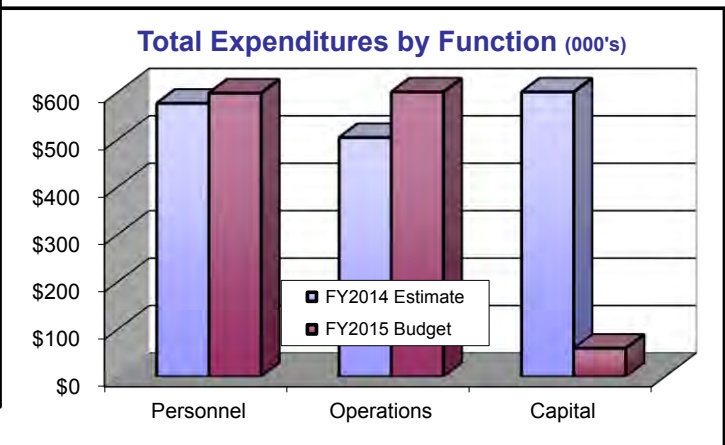
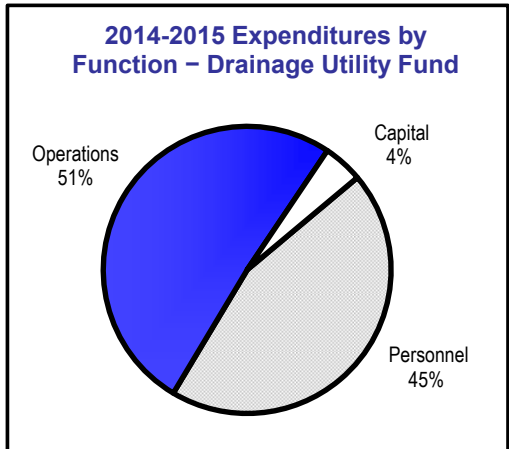
As the above graph indicates, the total number of gallons of wholesale water purchased has varied from as high as 3.57 billion gallons in FY2012 to as low as 2.31 billion gallons in FY2008. Based on total water usage to date through June 2014, water sales of 2.93 billion gallons are anticipated for FY2014. The FY2015 budget forecasts 3.105 billion gallons of water use, and is based on normal, or average rainfall. Using these assumptions, the monthly average usage per customer is 17,042 gallons for FY2015, compared to 16,419 gallons projected for FY2014, and the actual amount of 16,707 gallons in FY2013.

**2014-2015 BUDGET
OVERVIEW OF DRAINAGE UTILITY FUND**

**2014-2015 RESOURCES – WHERE THE MONEY COMES FROM
\$1,599,850**



**2014-2015 EXPENDITURES – WHERE THE MONEY GOES
\$1,337,805**



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

Drainage Utility Fund Summary (continued)

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.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance	\$ 2,037,897	\$ 2,489,414	\$ 1,671,024	\$ (818,390)	(32.9%)
REVENUES:					
Drainage fees	1,536,033	1,562,500	1,587,000	24,500	1.6
Miscellaneous revenues	4,557	1,000	850	(150)	(15.0)
Interest revenue	9,471	13,500	12,000	(1,500)	(11.1)
TOTAL REVENUES	1,550,061	1,577,000	1,599,850	22,850	1.4
TOTAL FUNDS AVAILABLE	3,587,958	4,066,414	3,270,874	(795,540)	(19.6)
EXPENDITURES:					
Personnel services	548,501	576,160	597,835	21,675	3.8
Operations & maintenance	71,948	104,125	156,750	52,625	50.5
Services & other	295,825	342,825	523,420	180,595	52.7
Capital outlay/improvements	116,832	1,315,210	59,800	(1,255,410)	(95.5)
Debt service	54,018	57,070	-	(57,070)	(100.0)
Transfers to other funds	11,420	-	-	-	-
TOTAL EXPENDITURES	1,098,544	2,395,390	1,337,805	(1,057,585)	(44.2)
TOTAL ENDING BALANCE	\$ 2,489,414	\$ 1,671,024	\$ 1,933,069	\$ 262,045	15.7%

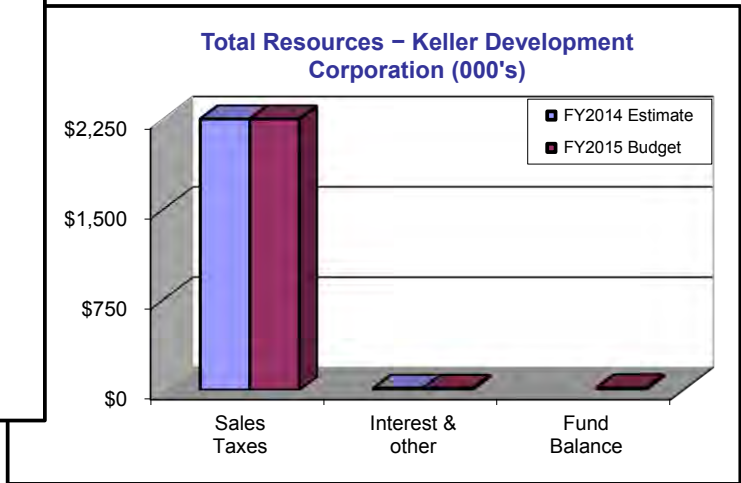
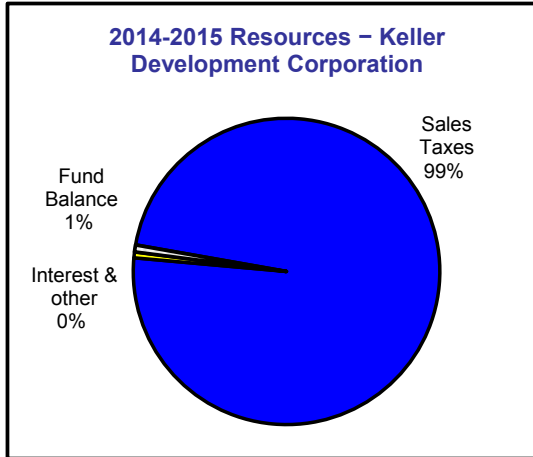
The monthly drainage charge per ERU is currently \$8 per month, last updated in November 2009.

Drainage capital outlay/improvements for FY2014 are included for the following: Robin Court, Indian Meadows improvements and Meadow Knoll improvements design costs.

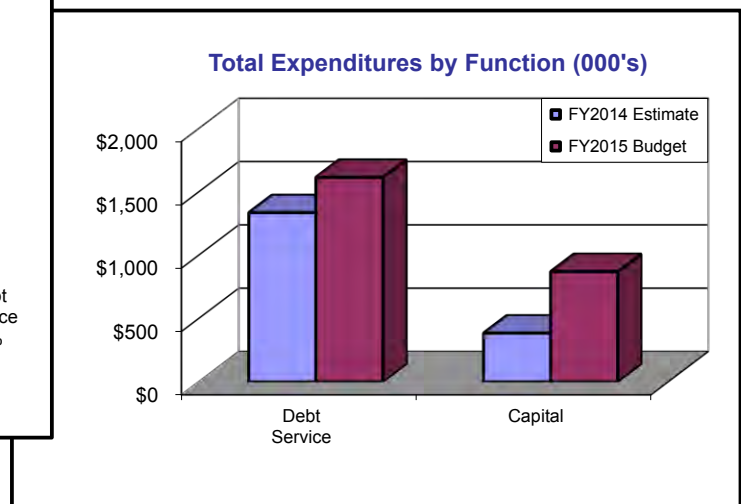
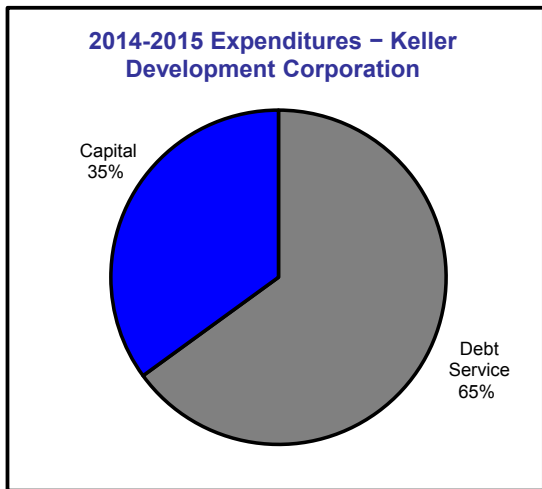
FY2015 highlights: services and other includes \$200,000 for miscellaneous drainage projects. Capital outlay includes equipment for drainage maintenance activities (\$9,800) and funding for drainage improvements at the drainage retention area on the West side of Rufe Snow Drive, across from the KISD Natatorium (\$50,000).

**2014-2015 BUDGET
OVERVIEW OF KELLER DEVELOPMENT CORPORATION**

**2014-2015 RESOURCES – WHERE THE MONEY COMES FROM
\$2,486,555**



**2014-2015 EXPENDITURES – WHERE THE MONEY GOES
\$2,486,555**



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 29, 2014. State law requires a public hearing for development corporations at least 60 days prior to the expenditure of funds. The public hearing was conducted on August 5, 2014.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance	\$ 836,404	\$ 1,056,137	\$ 1,731,332	\$ 675,195	63.9%
REVENUES:					
Sales taxes	2,319,531	2,381,375	2,452,810	71,435	3.0
Interest revenue	2,261	3,700	3,500	(200)	(5.4)
Rental & other revenue	12,000	12,000	12,000	-	-
TOTAL REVENUES	2,333,792	2,397,075	2,468,310	71,235	3.0
TOTAL FUNDS AVAILABLE	3,170,196	3,453,212	4,199,642	746,430	21.6
EXPENDITURES:					
Personnel services	72,205	-	-	-	-0-
Capital outlay/improvements	439,217	228,830	736,390	507,560	221.8
Debt service	1,478,962	1,336,770	1,615,680	278,910	20.9
Transfers to other funds	123,675	156,280	134,485	(21,795)	(13.9)
TOTAL EXPENDITURES	2,114,059	1,721,880	2,486,555	764,675	44.4
TOTAL ENDING BALANCE	\$ 1,056,137	\$ 1,731,332	\$ 1,713,087	\$ (18,245)	(1.1%)

Rental revenue includes proceeds from the Keller Sports Park ground lease agreement with Blue Sky Sports Center.

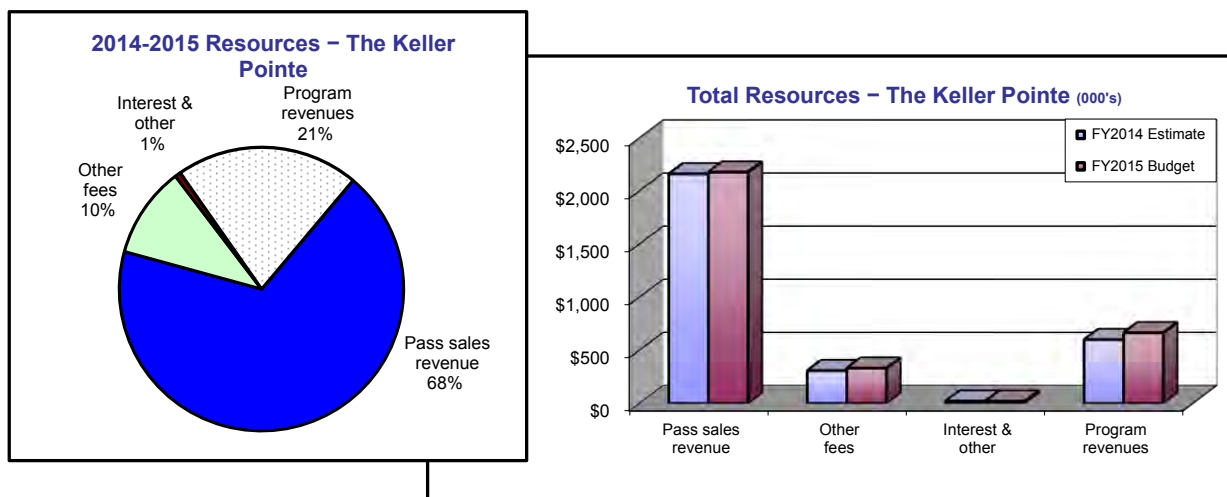
Debt service expenditures provide for retirement of certificates of obligation originally issued in 2003 and 2004 for Keller Sports Park improvements, and construction of The Keller Pointe Recreation and Aquatic Center. Transfers to other funds provide for transfers to the City's Debt Service Fund to 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. New debt obligations of \$4 million are anticipated to be issued to fund improvements to The Keller Pointe, Bear Creek Park renovations, hike and bike trails and trail connections as approved in the 2013-14 CIP budget. The FY2015 budget provides \$296,425 for principal and interest payments related to the new issue.

Keller Development Corporation Fund Summary (continued)

Capital outlay continues funding for park project matching funds grants, \$100,000; grant-matching funds to construct the Mount Gilead Greenwalk trail, \$120,000; extension of the Big Bear Creek Greenbelt trail railroad canopy/shelter, \$105,000; Keller Sports Park parking lot and driveway improvements, \$253,000; replacement of a “bat-wing” mower, \$61,000; and replacement of a sports utility vehicle at the Keller Sports Park, \$7,800.

**2014-2015 BUDGET
OVERVIEW OF THE KELLER POINTE RECREATION
AND AQUATIC CENTER FUND**

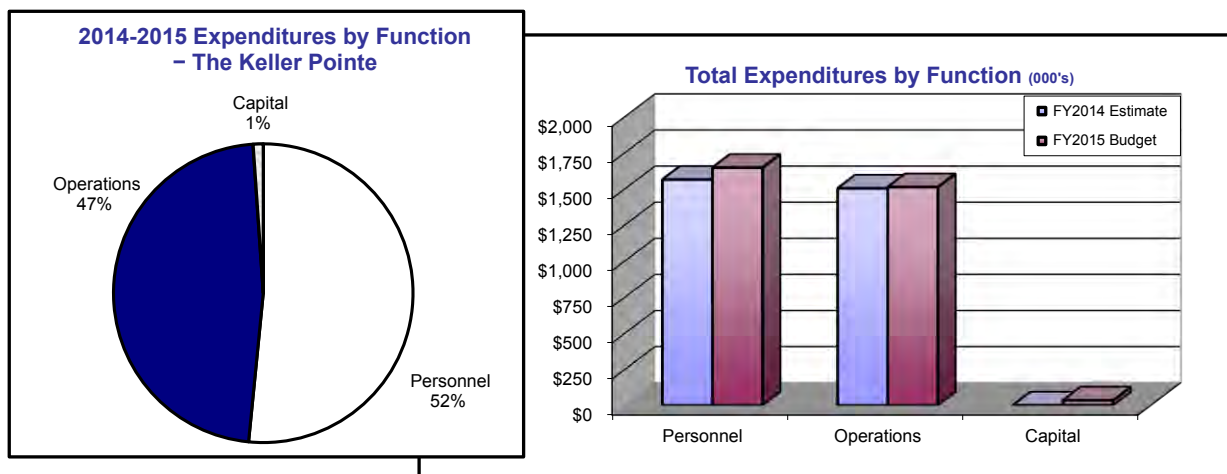
**2014-2015 RESOURCES – WHERE THE MONEY COMES FROM
\$3,194,545**



**2014-2015 EXPENDITURES – WHERE THE MONEY GOES
\$3,193,695**

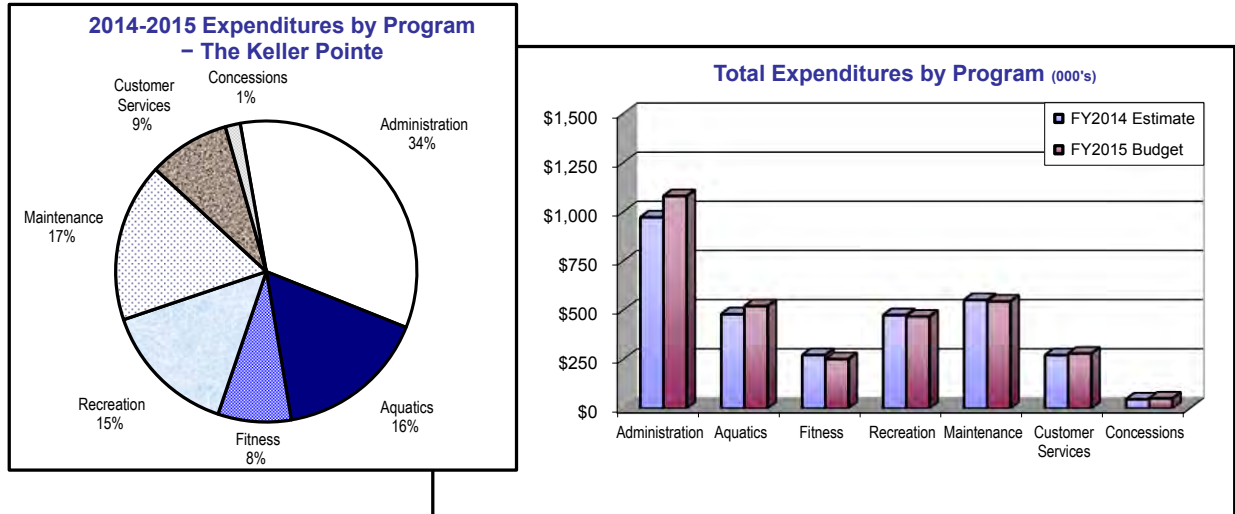
(FY2015 excludes one-time expenditures from available fund balance of \$350,000)

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 and have been self-supporting through user fees and charges.

The Keller Pointe Summary (continued)

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance*	\$ 1,298,151	\$ 1,299,490	\$ 1,323,360	\$ 23,870	1.8%
REVENUES:					
Pass sales/program revenues	3,079,616	3,070,185	3,174,055	103,870	3.4
Miscellaneous revenue	19,164	16,500	16,190	(310)	(1.9)
Interest revenue	5,663	4,800	4,300	(500)	(10.4)
TOTAL REVENUES	3,104,443	3,091,485	3,194,545	103,060	3.3
TOTAL FUNDS AVAILABLE	4,402,594	4,390,975	4,517,905	126,930	2.9
EXPENDITURES:					
Personnel services	1,449,722	1,563,560	1,646,795	83,235	5.3
Operations & maintenance	342,317	426,960	463,665	36,705	8.6
Services & other	991,763	1,076,095	1,048,235	(27,860)	(2.6)
Capital outlay	319,302	1,000	35,000	34,000	3400.0
TOTAL EXPENDITURES	3,103,104	3,067,615	3,193,695	126,080	4.1
TOTAL ENDING BALANCE*	\$ 1,299,490	\$ 1,323,360	\$ 1,324,210	\$ 850	0.1%

* Fund balance is cash and investments.

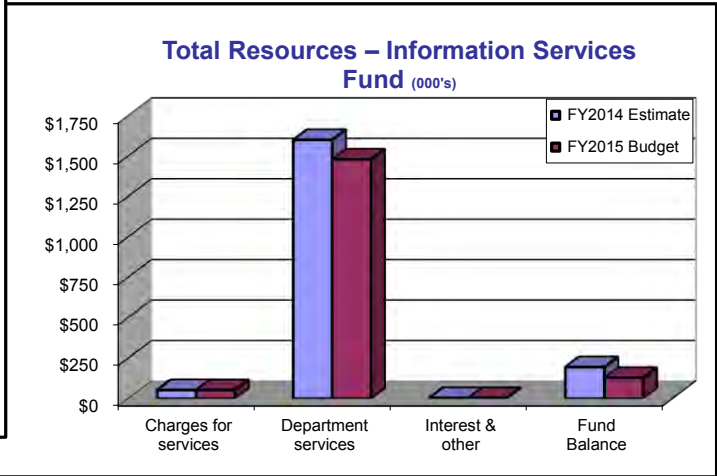
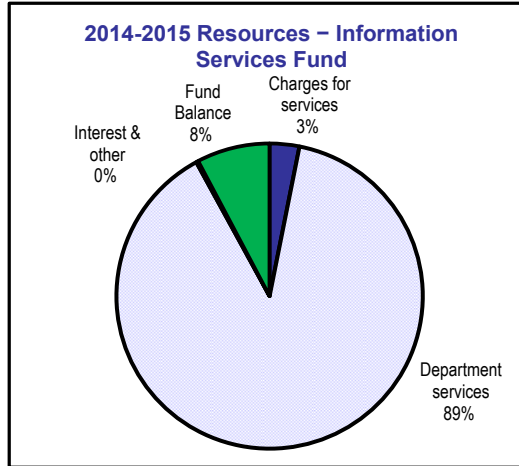
The following one-time expenditures of \$350,000 are planned in FY2015 from the available fund balance and **are excluded from budget totals**:

- Fitness area renovation (furniture, fixtures and equipment), \$200,000;
- Acid room renovation, \$50,000; and
- Locker room and Multi-Purpose room renovations, \$100,000.

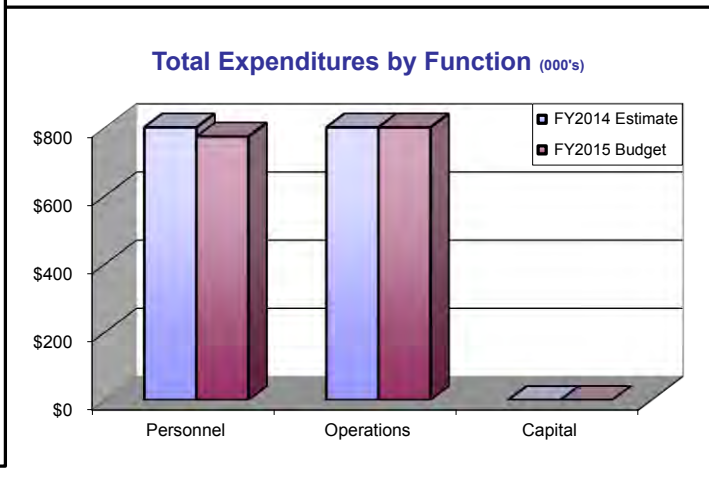
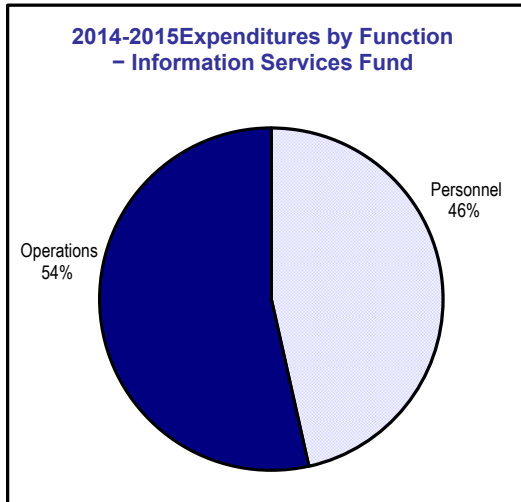
Major revenues for FY2015 are comprised of annual and daily passes, facility rentals, merchandise sales, and program revenues. Program revenues include aquatics, fitness (personal training), and recreation programs.

**2014-2015 BUDGET
OVERVIEW OF THE INFORMATION SERVICES FUND**

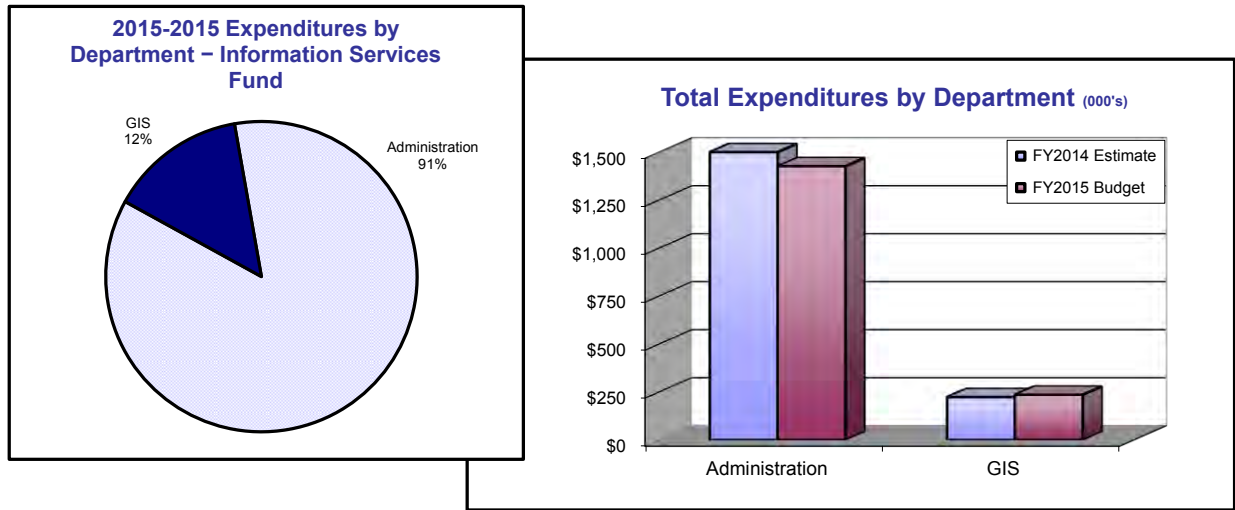
**2014-2015 RESOURCES – WHERE THE MONEY COMES FROM
\$1,662,920**



**2014-2015 EXPENDITURES – WHERE THE MONEY GOES
\$1,662,920**



Information Services Fund Summary (continued)



The Information Services Special Revenue Fund is funded jointly by transfers of charge-back fees from respective funds of the City and revenues received from communication tower leases on City-owned facilities. These resources are used to fund City-wide information systems and information technology goods and services, including expenditures for Keller Town Hall networking equipment, and geographic information system (GIS) operations. In October 2005, the Public Library support, Internet services, and Audio Visual services were transferred to Information Services.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance	\$ 647,290	\$ 790,122	\$ 595,432	\$ (194,690)	(24.6%)
REVENUES:					
Departmental charge-back fees	1,602,850	1,599,260	1,478,865	(120,395)	(7.5)
Miscellaneous revenue	2,269	-	-	-	-
Communication tower rentals	52,626	52,500	52,000	(500)	(1.0)
Interest revenue	4,245	3,950	3,800	(150)	(3.8)
TOTAL REVENUES	1,661,990	1,655,710	1,534,665	(121,045)	(7.3)
TOTAL FUNDS AVAILABLE	2,309,280	2,445,832	2,130,097	(315,735)	(12.9)
EXPENDITURES:					
Personnel services	777,444	828,985	773,120	(55,865)	(6.7)
Operations & maintenance	519,970	761,785	678,350	(83,435)	(11.0)
Services & other	221,744	259,630	211,450	(48,180)	(18.6)
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	1,519,158	1,850,400	1,662,920	(187,480)	(10.1)
TOTAL ENDING BALANCE	\$ 790,122	\$ 595,432	\$ 467,177	\$ (128,255)	(21.5%)

Information Services Fund Summary (continued)

FY2015 revenues decreased due to planned decreases in departmental charge-back fees.

Personnel services decreased due to the transfer of one full-time position to the General Fund. Operating expenditures (operations and maintenance and services and other) decreased by \$131,615 or 12.89 percent from the FY2014 estimate. These reductions are due to decreases in planned computer and network hardware replacements for FY2015 and reductions in software maintenance, website hosting and internet monitoring costs.

SUMMARY OF OTHER FUNDS

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

The Library Special Revenue Fund accounts for public donations, grants, and other revenues designated for the Keller Public Library. FY2015 highlights include total revenues of \$11,450 with no expenditures, and a \$14,211 ending fund balance.

The Recreation Special Revenue Fund accounts for resources derived from grants, donations, and/or user charges that are specifically designated for recreation programs or special events, as well as tree restoration fines that are levied upon developers, and are designated for the acquisition and maintenance of trees in City parks. Total FY2015 revenues are \$168,650 and total expenditures are \$200,375, leaving a total ending fund balance of \$336,257, with \$259,490 of the fund balance designated for tree restoration. This Fund provides for recreation programs, including Rock the Park and Concerts in the Park. FY2014 funding provides for private grant revenues for the Pathways-to-Play project.

The Municipal Court Special Revenue Fund accounts for technology, building security, and juvenile case manager fees collected from Municipal Court citations. Both the authority for the fees, and the related expenditures from these fees are specifically designated by State law. Total FY2015 revenues are \$96,950, and total expenditures are \$129,860, leaving an estimated ending fund balance of \$73,969.

The Public Education and Government (PEG) Cable Franchise Fee Special Revenue Fund – The PEG Cable Franchise Fee Fund accounts for PEG cable franchise fees charged in accordance with Section 622(g)(2)(C) of the Cable Act (47 U.S.C. §542(g)(2)(c)). PEG fees are remitted to the City by cable television providers. Fees may be used for capital costs for PEG facilities, including purchases of equipment used in the broadcasting and/or dissemination of public information. Total FY2015 revenues are \$164,700, and total expenditures are \$20,750, leaving an estimated ending fund balance of \$477,736.

Keller Crime Control and Prevention Special Revenue Fund was established in FY2002 to account for revenues derived from sales and use taxes, in accordance with Section 363 of the Texas Local Government Code, to be used for public safety crime control and prevention programs. In November 2001, voters authorized three-eighths of one cent (0.375 percent) sales and use tax. The tax was authorized for an initial period of five years, with the intent of the City to utilize the proceeds to fund an expansion of the police station facility. This tax was re-authorized for an additional 15 years by voters in May 2006. In November 2007, voters authorized a reduction in the rate from 0.375 percent to 0.25 percent, effective April 2008. Sales tax revenues of \$1,050,600 are projected in FY2015. Expenditures total \$888,870 and include:

Vehicles and equipment replacements	\$ 271,570
Improvements to technology	68,700
Furniture, fixtures and equipment replacement	34,000
Debt service – facility expansion debt issuance	529,500
Accreditation expenses and citizen surveys	15,100

Other Funds (continued)

The projected ending fund balance at September 30, 2015 is \$2,969,717. This fund balance includes reserves for capital improvements: \$552,431 for jail expansion, and \$1,253,512 for furniture, fixtures, and equipment, leaving an unassigned fund balance of \$1,163,774.

The Community Clean-Up Special Revenue Fund accounts for resources from monthly fees assessed to residential customers that are specifically designated for clean-up programs within the community, including, but not limited to, major storm debris pick-up, city-wide clean-ups, and educational and promotional activities. The purpose of this program is to provide public services that assist in keeping the City free and clear of any debris, waste, refuse or other items that may cause a public safety issue, be a public nuisance or be a detriment to the aesthetics of the community. Total FY2015 revenues are \$32,300, and total expenditures are \$30,000, leaving an estimated ending fund balance of \$95,708.

**2014-2015 BUDGET
OVERVIEW OF THE DEBT SERVICE FUND**

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

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

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

Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance	\$ 437,302	\$ 525,621	\$ 393,616	\$ (132,005)	(25.1%)
REVENUES:					
Property taxes	4,783,111	4,914,350	4,796,500	(117,850)	(2.4)
Transfers from other funds	672,388	592,790	575,470	(17,320)	(2.9)
Interest revenue	6,123	6,500	6,000	(500)	(7.7)
TOTAL REVENUES	5,461,622	5,513,640	5,377,970	(135,670)	(2.5)
TOTAL FUNDS AVAILABLE	5,898,924	6,039,261	5,771,586	(267,675)	(4.4)
EXPENDITURES:					
Debt service	4,729,953	4,982,960	4,669,105	(313,855)	(6.3)
Transfers to other funds	643,350	662,685	687,300	24,615	3.7
TOTAL EXPENDITURES	5,373,303	5,645,645	5,356,405	(289,240)	(5.1)
TOTAL ENDING BALANCE	\$ 525,621	\$ 393,616	\$ 415,181	\$ 21,565	5.5%

Debt Service Fund (continued)

Major revenues for FY2015 are derived from property taxes (89.2 percent) and transfers from other funds (10.7 percent). Transfers from other funds are comprised of the following:

Transfer from Keller Development Corporation	\$ 134,485
Transfer from Water & Wastewater Fund	<u>440,985</u>
Total	<u>\$ 575,470</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.

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

SUMMARY

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

SUMMARY OF AUTHORIZED FULL-TIME EQUIVALENT POSITIONS

Personnel staffing levels for the City are presented in full-time equivalent (FTE) positions. For example, a position staffed for 40 hours per week for 52 weeks per year equals one full-time equivalent position. For firefighter and firefighter/paramedic positions, a FTE of 2,912 hours per year, or an average of 56 hours per week is used. A FTE position of 0.50 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 FY2015 is 348.22 FTE positions. Excluding changes in FTEs for The Keller Pointe, FTEs increased 3.28 FTEs — or 1.1 percent — over the FY2014 Estimate.

Total FTE positions included in the General Fund for FY2015 are 242.54, an increase of 2.28 FTEs from FY2014, or 0.95 percent. The Water & Wastewater Fund totals 42.17 positions, an increase of 2 FTEs from FY2014 (4.98 percent). Department summaries of authorized positions are presented below and with each individual fund summary schedule. In addition, personnel positions shown in detail are presented with each departmental budget.

General Fund employees per 1,000 residents decreased from 5.85 in FY2014 to 5.77 employees per 1,000 residents in FY2015, a decrease of 0.08 employees per 1,000 residents, or 1.37 percent.

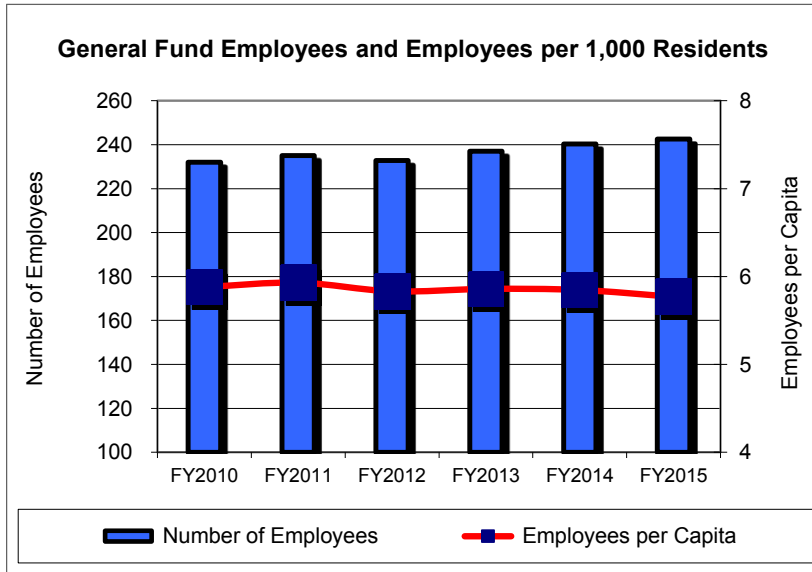
Summary of Authorized Full-time Equivalent Positions:
(Continued)

FUND/DEPARTMENT	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
GENERAL FUND:			
Administration	8.00	8.00	9.00
Town Hall Operations	3.00	3.00	3.00
Finance & Accounting	7.00	7.00	7.00
Municipal Court	0.25	-	-
Human Resources	5.00	5.00	5.00
Economic Development	1.48	2.48	2.48
Community Development	11.16	11.96	12.71
Police Department	84.48	85.48	86.48
Fire Department	59.00	59.00	58.00
Public Works	14.73	15.10	15.33
Keller Public Library	15.42	15.42	15.48
Parks & Recreation	27.43	27.82	28.06
TOTAL GENERAL FUND	236.95	240.26	242.54
OTHER FUNDS:			
Keller Development Corporation	1.39	-	-
Information Services Fund	8.00	8.00	7.00
Municipal Court Special Revenue	-	-	-
TOTAL OTHER FUNDS	9.39	8.00	7.00
WATER & WASTEWATER FUND:			
Water & Wastewater Administration	4.80	5.17	5.17
Customer Services	12.00	12.00	12.00
Water Production	2.00	2.00	2.00
Water Distribution	11.50	10.50	10.50
Wastewater Collection	8.50	9.50	11.50
Municipal Service Center Operations	1.00	1.00	1.00
TOTAL WATER & SEWER FUND	39.80	40.17	42.17
DRAINAGE UTILITY FUND:			
Drainage Maintenance	8.50	8.50	8.50
TOTAL DRAINAGE UTILITY	8.50	8.50	8.50
TOTAL CITY OF KELLER	294.64	296.93	300.21
The Keller Pointe Recreation/Aquatic Center	46.73	48.58	48.01
GRAND TOTAL	341.37	345.51	348.22
Total full-time equivalent employees per 1,000 residents	8.44	8.41	8.28
General Fund only employees per 1,000 residents	5.86	5.85	5.77

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

(Continued)

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



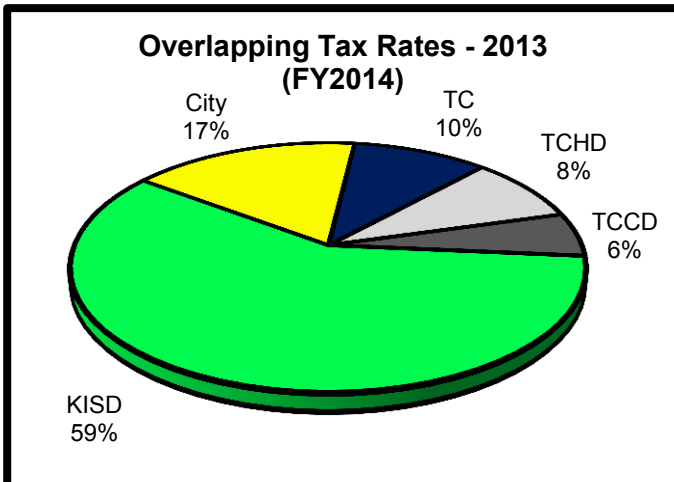
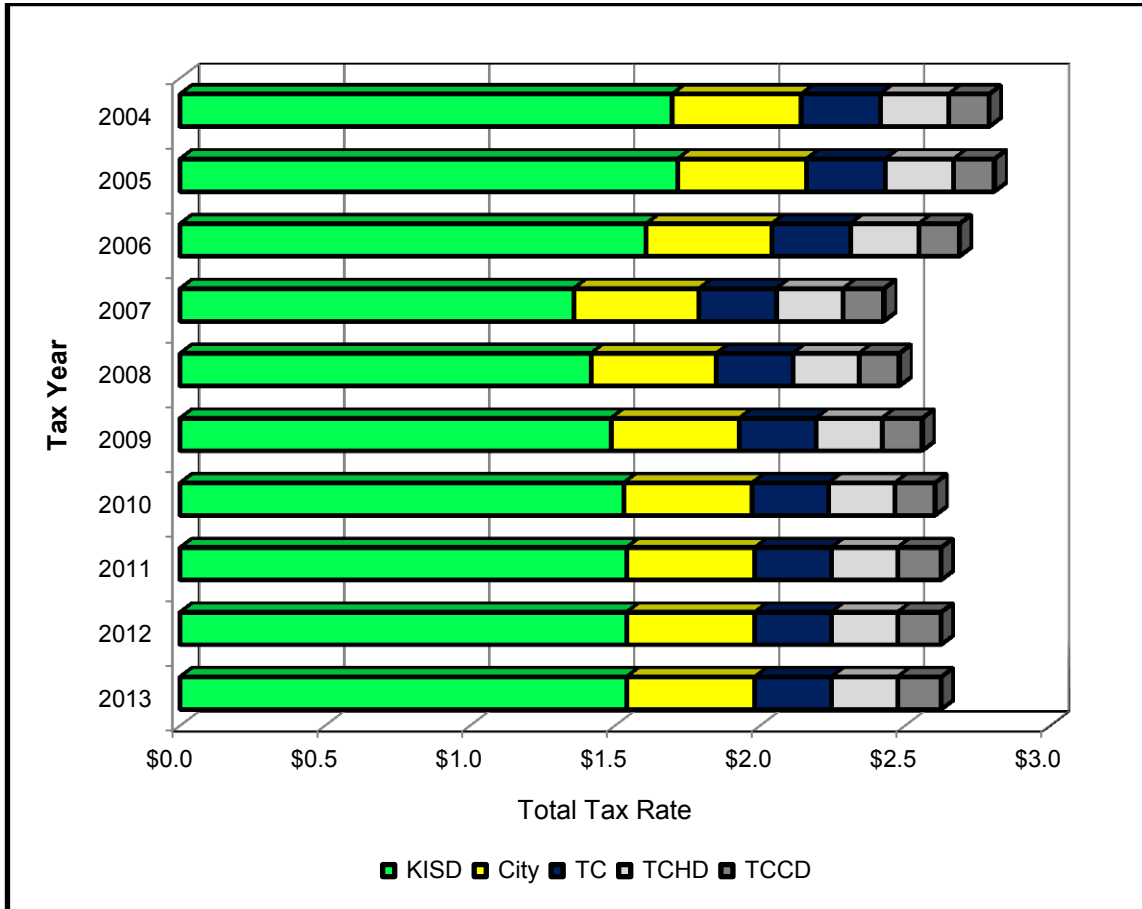
General Fund employees per 1,000 residents have decreased from 5.88 in FY2010 to 5.77 employees per 1,000 residents in FY2015. This is a total decrease of 0.11 FTE's or 1.87 percent.

Ad Valorem Tax Analysis

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
Total appraised value (market)	\$ 4,497,066,079	\$ 4,668,702,942	\$ 4,660,169,834	\$ 4,952,910,150
<i>Percentage change</i>	<i>(0.20)%</i>	<i>3.75%</i>	<i>3.63%</i>	<i>6.28%</i>
Less: Exemptions	386,408,086	384,515,585	392,363,361	395,621,236
Net taxable value	4,110,657,993	4,284,187,357	4,267,806,473	4,557,288,914
<i>Percentage change from prior year</i>	<i>(0.36)%</i>	<i>4.14%</i>	<i>3.82%</i>	<i>6.78%</i>
Tax rate per \$100	0.44219	0.44219	0.44219	0.43719
Gross tax revenue	18,176,919	18,944,248	18,871,813	19,924,011
Estimated valuation adjustments	0.00%	(0.00)%	0.00%	(0.50)%
Over-65 and disabled taxes limitation adjustment	34,558,739	31,490,807	41,233,970	51,216,254
Net taxable value after adjustments	4,076,099,254	4,252,692,266	4,226,572,503	4,483,286,215
<i>Percentage change from prior year</i>	<i>(0.38)%</i>	<i>4.25%</i>	<i>3.69%</i>	<i>6.07%</i>
Tax rate per \$100 of assessed valuation	0.44219	0.44219	0.44219	0.43719
Tax levy	18,024,103	18,804,980	18,689,481	19,600,479
Collection percentage - M&O (100% for debt service)	99.6%	99.3%	99.5%	99.3%
Current tax collections	\$ 17,946,631	\$ 18,673,380	\$ 18,596,034	\$ 19,463,312
<i>Percentage change from prior year</i>	<i>(0.10)%</i>	<i>4.25%</i>	<i>3.62%</i>	<i>4.66%</i>
Tax Rate Distribution:				
General Fund (M&O)	\$ 0.32552	\$ 0.32646	\$ 0.32646	\$ 0.33048
Debt Service Fund	0.11667	0.11573	0.11573	0.10671
TOTAL	0.44219	0.44219	0.44219	0.43719
<i>Percentage change from prior year</i>	<i>(0.00)%</i>	<i>(0.00)%</i>	<i>0.00%</i>	<i>(1.13)%</i>
Percentage Distribution:				
General Fund (M&O)	73.6%	73.8%	73.8%	75.6%
Debt Service Fund	26.4%	26.2%	26.2%	24.4%
TOTAL	100.0%	100.0%	100.0%	100.0%
Dollar Distribution:				
General Fund (M&O)	13,211,461	13,786,280	13,729,174	14,712,812
Debt Service Fund	4,735,170	4,887,100	4,866,860	4,750,500
TOTAL	\$ 17,946,631	\$ 18,673,380	\$ 18,596,034	\$ 19,463,312

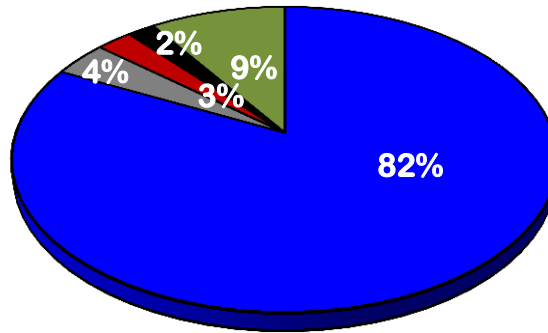
CITY OF KELLER, TEXAS OVERLAPPING (TOTAL) TAX RATES

Overlapping tax rates are property tax rates set by all taxing entities on property within the Keller City limits. The following charts present both a ten-year history as well as the distribution of the 2013 (FY2014) tax rates. The total 2013 overlapping tax rate for Keller is \$2.623587 per \$100 of taxable value, an increase of \$0.0053 (0.02%) over the prior year. (FY2015 tax rates are not available.)



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

**FY2014 (FY2015) Distribution of Total (Appraised)
Property Values by Property Type**



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

<u>Property Type</u>	<u># of Accounts</u>	<u>Total Market Value (000's)</u>	<u>Percent of Total</u>
Residential	13,960	4,082,149,570	82.4%
Commercial & industrial	452	469,441.0	9.5%
Undeveloped/vacant	1,159	121,770.5	2.5%
Business personal	1,198	93,000.0	1.9%
Exempt property	136	186,549.1	3.8%
TOTAL	16,905	\$ 4,952,910.2	100.0%

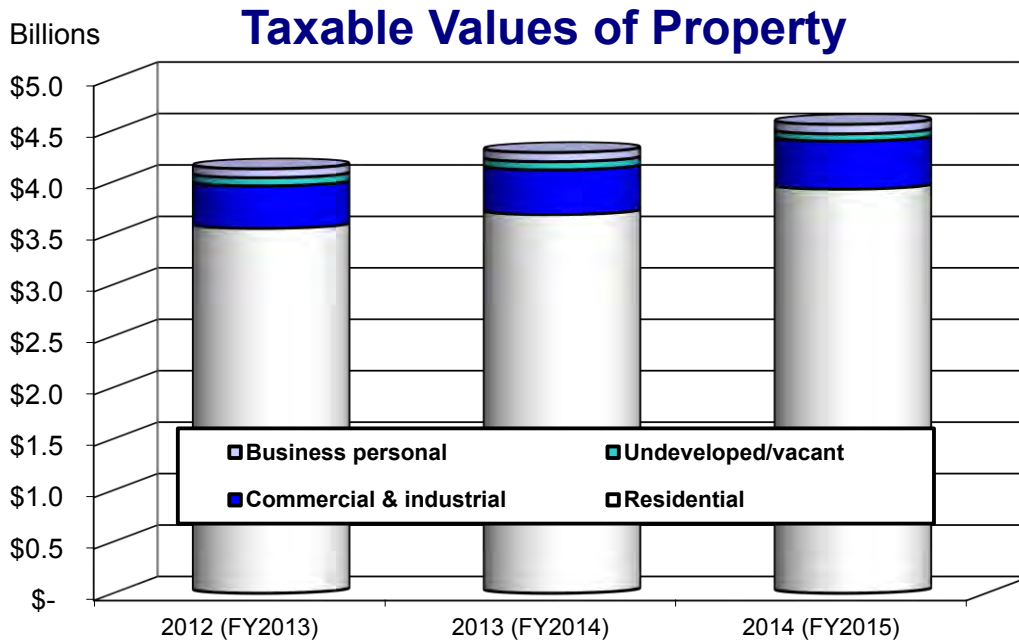
Certified values as of July 2014. Residential property includes unoccupied residential property in inventory held by builders and/or developers.

2013 (FY2014) TOP TEN TAXPAYERS (FY2015 not available)

<u>Name and Description*</u>	<u>Market Value (000's)</u>	<u>Percent of Total</u>
SC Dominion SPE - multi-family development/Town Center (NA)	\$ 32,680.0	0.70%
Art House - mixed-use development/Town Center (2)	24,200.0	0.52%
SC Stone Glen SPE - multi-family development/Town Center (NA)	22,000.0	0.47%
Ktc Seniors, Ltd. - multifamily development/Town Center (3)	20,905.0	0.45%
Regency Centers LP - retail shopping/Town Center (6)	17,480.4	0.37%
Grand Estates at Keller LP - multi-family development (5)	16,800.0	0.36%
T Keller LLC - Tabani/Keller Crossing retail (4)	15,108.7	0.32%
GTE/Verizon - telecommunications utility (8)	13,793.4	0.30%
TXU/Oncor Electric - electric utility (9)	12,990.0	0.28%
Lowe's Home Centers - retail store (10)	11,263.9	0.24%
TOTAL	187,221.4	4.01%
Other property	4,481,481.5	95.99%
TOTAL APPRAISED VALUE	\$ 4,668,702.9	100.00%

* Prior year top ten ranking shown in parentheses.

For FY2014, total appraised value of top 10 taxpayers increased by \$2.29 million (1.2 percent). SC Dominion and SC Stone Glen were previously combined as Capri W Dtc.



Property Category	FY2013 (000's)	FY2014 (000's)	Pct Change	FY2015 (000's)	Pct Change
Commercial & industrial	\$ 412,431.6	\$ 434,552.8	5.4%	\$ 465,810.7	7.2%
Business personal	87,122.1	89,737.5	3.0%	92,452.4	3.0%
Undeveloped/vacant	79,422.6	79,656.2	0.3%	71,269.9	(10.5%)
Residential	3,546,735.8	3,680,240.8	3.8%	3,927,756.0	6.7%
TOTAL	\$ 4,125,712.1	\$ 4,284,187.4	3.8%	\$ 4,557,288.9	6.4%
New construction included above	71,388.5	78,297.5	9.7%	102,157.4	30.5%

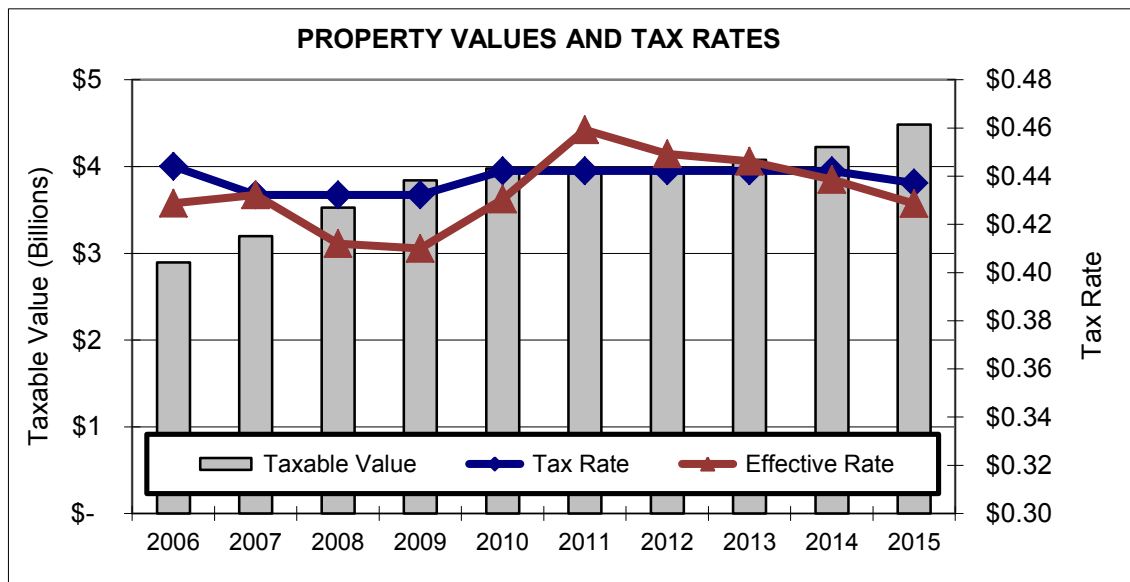
Tarrant Appraisal District certified appraised values as of July 2014. Values include \$95,077,139 in net taxable value of 329 property accounts under protest (ARB), and \$10,797,850 net taxable value of 312 incomplete property accounts.

Total taxable values increased in FY2015 by \$273.1 million (6.37 percent). Including adjustments for tax ceilings, taxable values increased \$256.7 million (6.07 percent). Residential property values comprise 82 percent of the total taxable value, while commercial and industrial values comprise approximately 9.5 percent of total taxable values.

The taxable value of new construction increased \$23.86 million (30.47 percent) from FY2014.

Property Valuations and Tax Levies Last Ten Years

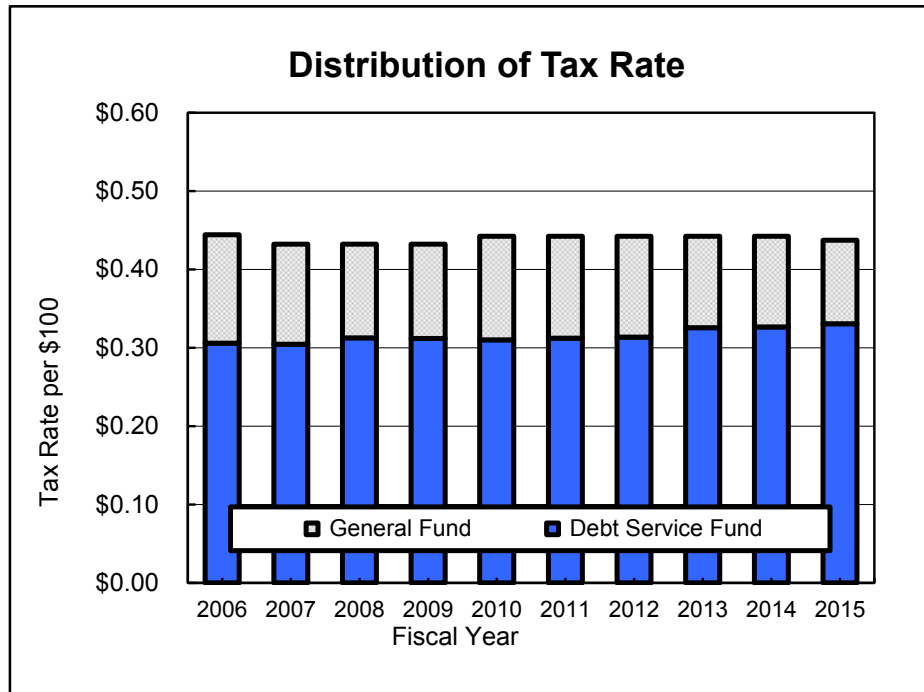
Fiscal Year	Net Taxable Value (000's)	Tax Rate per \$100 of Value	Total Tax Levy	Percentage of Current Collections	Effective Tax Rate per \$100 of Value
2005-2006	\$ 2,894,771	\$ 0.44413	\$ 12,856,546	99.1%	\$ 0.42872
2006-2007	3,199,354	0.43219	13,827,290	99.1	0.43219
2007-2008	3,528,240	0.43219	15,248,700	99.3	0.41194
2008-2009	3,842,404	0.43219	16,606,487	99.1	0.41002
2009-2010	3,976,548	0.44219	17,583,899	99.1	0.43050
2010-2011	3,924,706	0.44219	17,354,658	99.2	0.45921
2011-2012	3,986,548	0.44219	17,628,118	99.4	0.44928
2012-2013	4,076,099	0.44219	18,024,103	99.6	0.44623
2013-2014	4,226,573	0.44219	18,689,484	99.5	0.43859
2014-2015	4,483,286	0.43719	19,600,479	99.3	0.42862



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

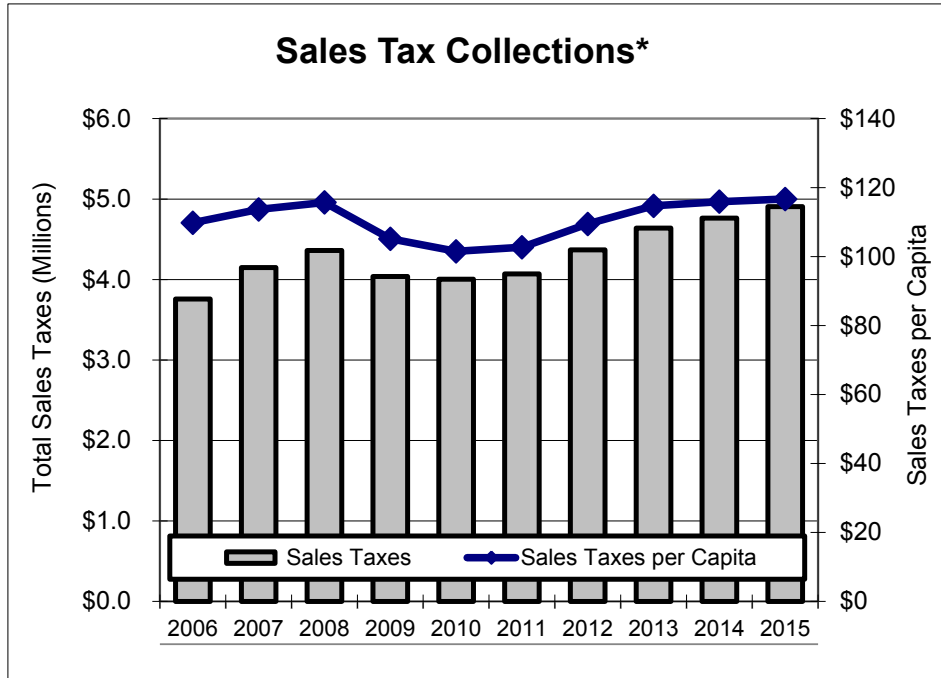
During the last ten years, taxable values have increased more than \$1.59 billion, while the tax rate per \$100 of value has decreased from \$0.54414 in FY1994 to the current rate of \$0.43719, a decrease of \$0.10695 (19.65 percent).

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



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

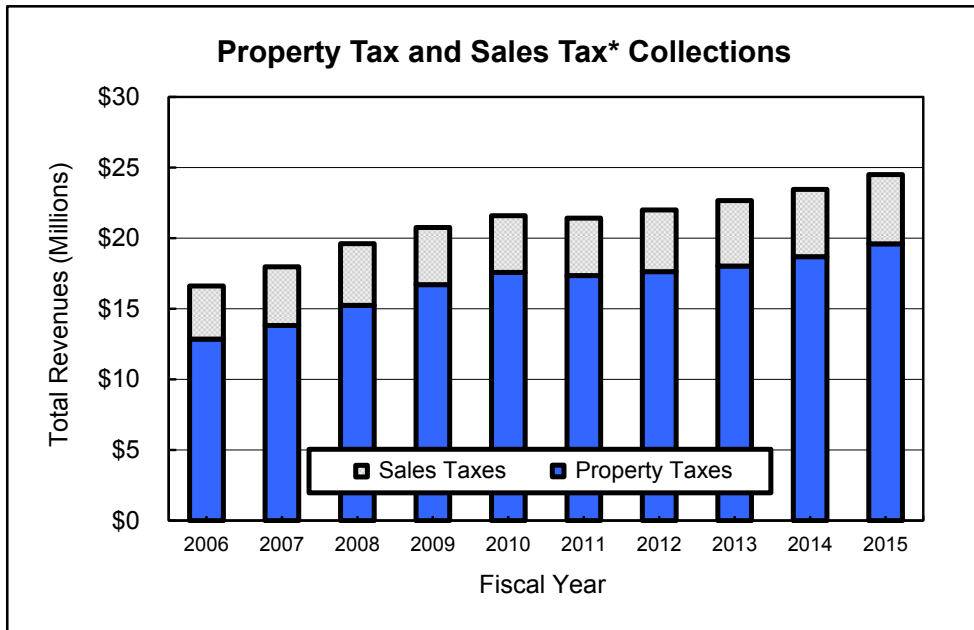
The 2014 (FY2015) property tax rate is \$0.43719, a reduction of \$0.005 (one-half cent) from FY2014. Due to growth in assessed taxable values, the tax rate has decreased from \$0.54414 in 1994 to \$0.43719. The debt service portion of the tax rate is legally designated for debt retirement and changes each year because of: 1) new debt obligations issued; 2) debt obligations retired; and 3) debt refundings.



Fiscal Year Ending September 30	Total Sales Tax Collected	Pct. of Ad Valorem Tax Levy	Equivalent Ad Valorem Tax Rate	Sales Taxes Per Capita
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	4,037,484	24.2%	0.1051	105.14
2010	4,004,193	22.8%	0.1007	101.50
2011	4,069,146	23.4%	0.1037	102.69
2012	4,368,625	24.8%	0.1096	109.43
2013	4,639,063	25.7%	0.1138	114.71
2014	4,762,750	25.5%	0.1127	115.91
2015	4,905,630	25.0%	0.1094	116.69

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

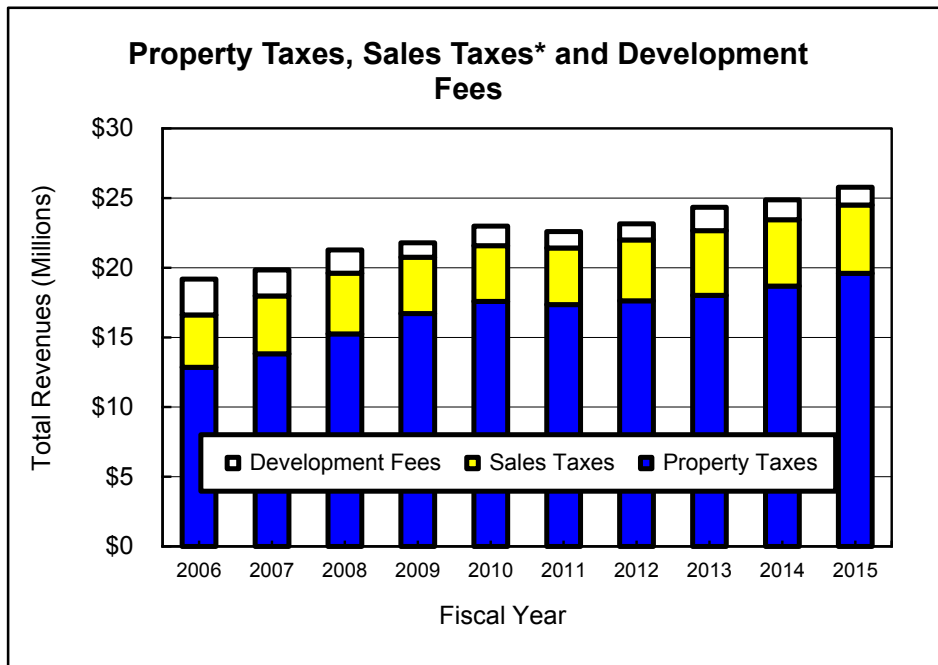
Although sales tax revenues decreased in 2009 and 2010, sales tax revenue has improved significantly since 2005. The City continues to pursue quality commercial and retail development in order to expand the sales tax base. The sales tax now equates to approximately 25 percent of the property tax levy,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



Fiscal Year Ending September 30	Sales Tax Collections*	Total Ad Valorem Tax Levy
2006	\$3,757,724	\$12,856,545
2007	4,148,974	13,827,290
2008	4,360,294	15,248,703
2009	4,037,484	16,717,185
2010	4,004,193	17,583,899
2011	4,069,146	17,354,659
2012	4,368,625	17,628,109
2013	4,639,063	18,024,103
2014	4,762,750	18,689,481
2015	4,905,630	19,600,479

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

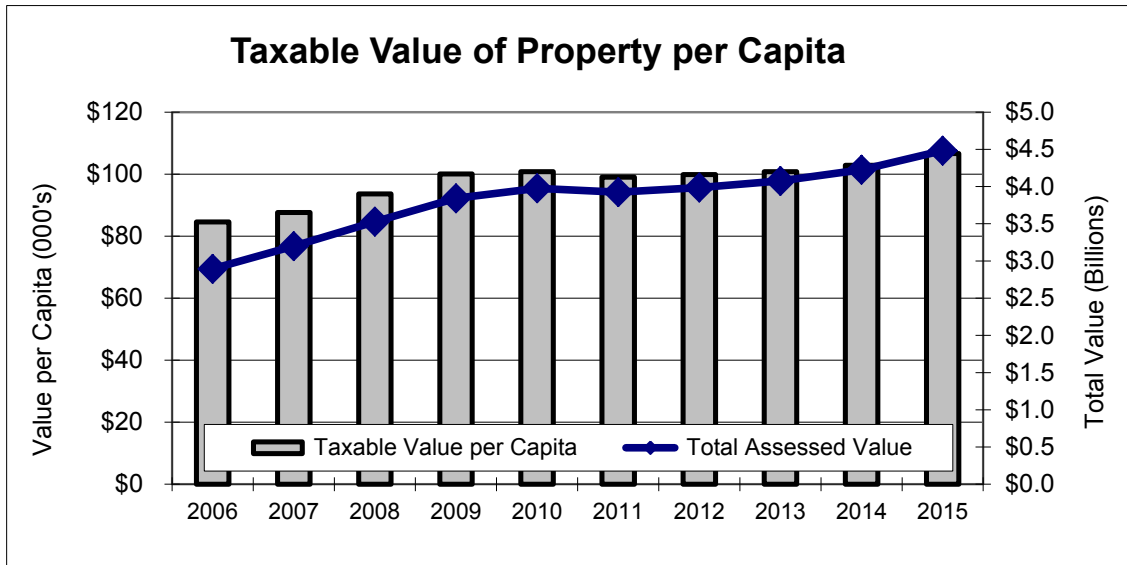
Although sales taxes decreased in 2009 and 2010, and property taxes decreased slightly in 2011, total sales and property tax collections overall have increased steadily since 2004. Total sales and property tax revenues are projected to increase by \$1.05 million (4.49 percent) in FY2015.



Fiscal Year Ending September 30	Sales Tax Collections*	Total Ad Valorem Tax Levy	Development Fees
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	4,037,484	16,717,185	1,041,153
2010	4,004,193	17,583,899	1,396,624
2011	4,069,146	17,354,659	1,168,615
2012	4,368,625	17,628,109	1,161,088
2013	4,639,063	18,024,103	1,680,478
2014	4,762,750	18,689,481	1,428,300
2015	4,905,630	19,600,479	1,278,130

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

Property taxes, sales taxes and development fees comprise 66.16 percent of the revenues of the General Fund in FY2015. Development fees peaked in 1999 at \$2.95 million. Decreases have been anticipated in future years as residential development activity stabilizes as the City approaches build-out. Development fees are projected to decrease slightly in FY2015.



Fiscal Year Ending September 30	Population as of October 1	Taxable Assessed Valuation (000's)	Taxable Valuation Per Capita
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	3,842,404	100,057
2010	39,450	3,976,548	100,800
2011	39,627	3,924,706	99,041
2012	39,920	3,986,546	99,863
2013	40,440	4,076,099	100,794
2014	41,090	4,226,573	102,861
2015	42,040	4,483,286	106,643

Taxable value per capita measures the total growth in taxable value compared to the growth in the population of the City. Significant growth in the commercial and retail tax base will eventually decrease the per capita taxable value of residential taxpayers. However, residential property in Keller continues to comprise approximately 82 percent of taxable property values.



GENERAL FUND

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GENERAL FUND

SOURCES OF MAJOR REVENUES

Total General Fund revenues for FY2015 are \$31,740,290 an increase of \$952,769 (3.09%) over FY2014 estimated revenues and an increase of \$1,295,974 (4.26%) over the FY2014 original adopted budget.

PROPERTY & OTHER LOCAL TAXES

As previously mentioned in the Budget Summary section (Budget in Brief), the net assessed taxable value for FY2015, after adjustments for tax ceilings, is \$4.48 billion. Property taxes comprise 46.77% 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 15.46% of Fund revenues.

Other local taxes are comprised of mixed beverage and franchise taxes, with franchise taxes accounting for approximately 99% of these revenues for both FY2014 and FY2015 respectively. Franchise taxes are fees charged for the continued use of public property (rights-of-way) and are collected primarily from utility companies, including the City of Keller's Water and Wastewater Utility and Drainage Utility. Fees range from 2 – 5 percent of the gross receipts of the utility. Franchise tax revenues are \$4,079,980 for FY2015, representing 12.85% of General Fund revenues, compared to \$4,050,460, representing 13.24% of total General Fund revenues in FY2014. Some franchise fee revenue, such as revenues from electricity and water and wastewater sales, is impacted by local weather conditions. Franchise revenues can also be directly related to growth in Keller, as growth in the customer base results in increased gross revenues to the respective utilities. The following table presents a comparison of FY2014 and FY2015 franchise taxes by type of franchise (excludes mixed beverage taxes).

Franchise Type	FY2014	FY2015	Pct Change
Electric	\$ 1,243,710	\$ 1,264,120	1.6%
Telephone (1)	840,050	865,970	3.1%
Cable television (1)	61,140	62,670	2.5%
Keller utilities	1,190,000	1,187,000	(0.3%)
Gas utilities	458,560	440,220	(4.0%)
Solid waste utilities	245,000	250,000	2.0%
Other utilities	12,000	10,000	(16.7%)
Total	<u>\$ 4,050,460</u>	<u>\$ 4,079,980</u>	0.7%

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

As a combined group, property taxes, sales taxes and franchise taxes account for 75.47% of the General Fund revenues for FY2015, compared to 74.01% of General Fund revenues for the FY2014 estimate and 74.45% for the FY2014 adopted budget.

LICENSES AND PERMITS

Licenses and permits include building permits and fees, plumbing permits, mechanical permits, building permits, electrical permits, fence permits and sign and other miscellaneous permits. Total revenues in this category for FY2015 are projected to be \$1,105,130, a decrease of \$100,870 (8.36%) from the FY2014 estimate. Licenses and permits represent 3.48% of General Fund revenues for FY2015, compared to 3.92% of total revenues in the FY2014 estimate. The major revenue item in this category is

building permits, which are projected to be \$1,005,000 for FY2015, representing 3.48% of total General Fund revenues.

- *Revenues for FY2015 represent an increase of \$6,890 (0.63%) over the FY2014 adopted budget of \$1.098 million or 3.61% of total revenues.*

CHARGES FOR SERVICES

Charges for services include revenues from ambulance services, revenue from use of City property (park rental and communications tower leases) and general and administrative services transfers from the Water & Wastewater and Keller Development Corporation funds. Total charges for services for FY2015 are \$2,712,500 or 8.55% of total General Fund revenues. FY2015 is an increase of \$54,190 or 2.04% from the FY2014 estimate of \$2,658,310. General and administrative services transfers are \$1,413,500, an increase of \$25,000 (1.8%) over the FY2014 estimate. Ambulance services are \$940,000 for FY2015, unchanged from the FY2014 estimate.

- *Revenues for FY2015 represent an increase of \$24,600 (0.92%) over the FY2014 adopted budget of \$2.69 million or 8.83% of total revenues.*

FINES & FEES

Fines and fees include Municipal Court fines, library fines, false alarm fees, animal control fees, inspection fees and construction plan review fees. Municipal Court fines comprise the majority of these revenues and result from Class "C" misdemeanor violations occurring within the City limits. Total fines and fees for FY2015 are \$1,108,600, representing 3.49% of General Fund revenues, and a decrease of \$71,100 (6.03%) from the FY2014 estimate. Fines and fees represent 3.49% of General Fund revenues for FY2015, compared to 3.83% of total revenues in the FY2014 estimate.

- *Revenues for FY2015 represent an increase of \$10,460 (0.95%) over the FY2014 adopted budget of \$1.098 million or 3.61% of expenditures. The FY2014 estimate has been increased because revenues from paving and drainage fees are anticipated to exceed the amount in the adopted budget.*

INTERGOVERNMENTAL REVENUE

Intergovernmental revenue includes revenues from the Town of Westlake for reimbursement of police operation services resulting from a contract between Keller and Westlake (\$868,160); the City of Southlake for combined jail, communications and animal adoption services (\$1,014,375); the City of Colleyville (\$729,485) for combined jail, communications and animal adoption services; and reimbursements from the Keller Independent School District, for funding of a school resource officer (\$42,000). Total intergovernmental revenue for FY2015 is \$2,667,020 or 8.4% of total revenues, and a decrease of \$136,326 or 4.86% from the FY2014 estimate. The FY2014 estimate includes a one-time transfer from the City of Southlake for their proportional share of Keller's city-wide communications system upgrade.

- *Revenues for FY2015 represent a decrease of \$88,926 (3.23%) from the FY2014 adopted budget of \$2.76 million or 9.05% of total revenue.*

OTHER REVENUE

Other revenues include interest revenue, miscellaneous revenue and gains on disposal of assets (sale of City vehicles and equipment at public auctions). Total other revenue for FY2015 is \$192,800 or 0.61% of total revenues and an increase of \$37,940 or 24.5% over the FY2014 estimate. The primary reason for the increase is the anticipation of an additional \$36,500 in FY2015 for asset sales/disposals.

- *Revenues for FY2015 represent an increase of \$53,510 (38.42%) over the FY2014 adopted budget of \$139,290 or 0.46% of total revenue.*

INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

There are no intragovernmental transfers for FY2015.

MAJOR EXPENDITURES

Total General Fund expenditures for FY2015 are \$31,691,885 a decrease of \$1,636,170 (4.91%) from FY2014 estimated expenditures. FY2015 expenditures represent a decrease of \$3,145,318 (9.03 percent) over the FY2014 adopted budget.

As shown below, excluding one-time, non-recurring expenditures for both FY2014 and FY2015, General Fund expenditures for FY2015 are an increase of \$221,742 or 0.7% over the FY2014 adopted budget.

ONE-TIME, NON-RECURRING EXPENDITURES

Expenditure comparisons include one-time, non-recurring expenditures from fund balance of \$2,746,125 for FY2014. For FY2015 one-time, non-recurring expenditures of \$4,586,630 are excluded from budget totals.

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

	2013-14 Budget	2013-14 Estimate	2014-15 Budget	2014-15 Increase (Decrease)			
				Budget		Estimate	
				Amount	Percent	Amount	Percent
Total expenditures	\$ 35,606,273	\$ 33,328,055	\$ 36,278,515	\$ 672,242	1.89%	\$ 2,950,460	8.85%
Less: one-time expenditures	(4,136,130)	(2,746,125)	(4,586,630)	(450,500)	10.89%	(1,840,505)	67.02%
Net expenditures	<u>\$ 31,470,143</u>	<u>\$ 30,581,930</u>	<u>\$ 31,691,885</u>	<u>\$ 221,742</u>	0.70%	<u>\$ 1,109,955</u>	3.63%

The following one-time, non-recurring expenditures of \$2,746,125 are included in the FY2014 Estimates:

- a city-wide communications system upgrade, \$1,644,530;
- vehicle replacements, \$176,595;
- transfer to fleet replacement fund for future vehicle replacements, \$300,000;
- economic development incentives due developers, resulting from approved development agreements, \$30,000;
- economic development initiatives, \$50,000; and
- fire engine replacement, \$545,000.

For FY2015, the following one-time expenditures of \$4,586,630 are planned from the available General Fund fund balance and **are excluded from budget totals**:

- economic development initiatives, \$1,000,000;
- economic development incentives due developers, resulting from approved development agreements, \$300,000;
- vehicle and equipment replacements, \$386,630;
- Keller Town Center Core commercial viability enhancements, \$100,000;
- Old Town Keller-West improvements, \$1,500,000;
- transfer to debt service fund for debt retirement, \$1,000,000; and
- transfer to fleet replacement fund for future vehicle replacements, \$300,000 (year two of three).

Although one-time, non-recurring expenditures are excluded from the FY2015 budget expenditure totals, after accounting for the fund balance reduction of \$4,586,630, the ending fund balance exceeds the minimum fund balance target by approximately 9 days of operations, or \$740,468.

PERSONNEL SERVICES

The General Fund is service-oriented and primarily focused on providing a variety of services to the citizens of Keller. Personnel services also include costs and expenditures for employee benefits. Accordingly, personnel services account for \$22.2 million, or 70.03% of the total expenditures of the

General Fund for FY2015, compared to \$20.7 million or 62.15% of total estimated expenditures for FY2014. Personnel services for FY2015 increased \$1,485,540 or 7.16% over the FY2014 estimate.

- *Expenditures for FY2015 represent an increase of \$707,453 (3.29%) over the FY2014 adopted budget of \$21.49 million or 70% of total revenues.*

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

Total full-time equivalent positions for FY2015 are 242.54, an increase of 2.28 FTEs (0.95%) over FY2014. New positions include a Code Compliance Officer (beginning in January), a Detention Officer, and a Street Maintenance Worker. Reorganizations in the Fire Department and Street Department resulted in a decrease in 1.77 FTE's. One position, a Public Information Officer, was transferred from the Information Services Fund.

OPERATIONS AND MAINTENANCE

Operations and maintenance expenditures include major categories of supplies, equipment, street, grounds and building maintenance costs. These costs for FY2015 are \$2.26 million or 7.14% of total General Fund expenditures compared to \$2.35 million or 6.61% of total expenditures in the FY2014 estimate. The FY2015 budget reflects a decrease of \$50,975 (2.2%) from the FY2014 estimate.

- *Expenditures for FY2015 represent a decrease of \$8,405 (0.37%) from the FY2014 adopted budget of \$2.27 million or 7.4% of total expenditures.*

SERVICES AND OTHER

Services and other expenditures include expenditures for professional and legal services, utilities, liability insurance premiums and other general expenditures. Budgeted amounts for FY2015 are \$6.41 million or 20% of total General Fund expenditures and an increase of \$377,450 (6.25%) over the FY2014 estimate of \$6.04 million or 18.11 percent of total expenditures.

- *Expenditures for FY2015 represent a decrease of \$1,008,926 (13.59%) from the FY2014 adopted budget of \$7.42 million or 21.31% of total expenditures. The adopted budget amount includes one-time expenditures of \$1.43 million for economic development incentives.*

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS

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

DEBT SERVICE

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

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 FY2014 is \$5,000. Total capital outlay expenditures for FY2015 are \$820,250, or 2.59% of total General Fund expenditures compared to \$3.97 million or 11.9% of total expenditures for the FY2014 estimate. Capital outlay expenditures for FY2015 decreased \$3,145,185 (79.32%) from the FY2014 estimate.

- *Expenditures for FY2015 represent a decrease of \$2,535,440 (75.56%) from the FY2014 adopted budget of \$3.36 million or 9.63% of total expenditures. The adopted budget amount includes one-time expenditures of \$2.41 million for the city-wide communications system upgrade, vehicle and equipment replacements, and replacement of a fire truck.*

Major capital items for FY2015 include: street improvements, \$763,000; street maintenance equipment for the Public Works Department (\$32,000); and park maintenance equipment for the Parks and Recreation Department (\$25,250).

FUND BALANCE RESERVES

Revenues exceed expenditures by \$48,405 for FY2015. The projected beginning fund balance for FY2015 of \$11,346,511 exceeds the targeted beginning fund balance by about 70 days of operations. The total ending fund balance at September 30, 2015 is projected to be \$11,394,916. The City's financial management policies establish a benchmark (target) of 70 days of operating, non-recurring expenditures as a fund balance. The ending (unassigned) fund balance represents 133 days of operating, exceeding the established benchmark.

Including the one-time, non-recurring expenditures previously mentioned, the ending fund balance is \$6,808,286, representing 79 days of operations, exceeding the established benchmark.

GENERAL FUND SUMMARY

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 11,468,572	\$ 11,675,159	\$ 13,887,045	\$ 11,346,511
Revenues and transfers	30,039,457	30,444,316	30,787,521	31,740,290
TOTAL FUNDS AVAILABLE	41,508,029	42,119,475	44,674,566	43,086,801
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out ⁽¹⁾	27,620,984	35,606,273	33,328,055	31,691,885
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	13,887,045	6,513,202	11,346,511	11,394,916
FUND TOTAL	\$ 41,508,029	\$ 42,119,475	\$ 44,674,566	\$ 43,086,801

One-time expenditures ⁽¹⁾	-	4,136,130	2,746,125	-
Net excess revenues (expenditures)	2,418,473	(1,025,827)	205,591	48,405

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

Percent of operating expenditures ⁽²⁾	52.4%	20.8%	39.0%	36.9%
TARGET	19.4%	19.4%	19.4%	19.4%
Number of days operating expenditures ⁽²⁾	188.6	74.9	140.5	132.9
TARGET	70.0	70.0	70.0	70.0

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

⁽²⁾ excludes capital outlay and interfund transfers.

2014-2015 One-time (non-recurring) expenditures from fund balance:

Transfer to Fleet Replacement Fund for future vehicle replacements – Phase 2	\$ 300,000
Vehicle and equipment replacements	386,630
Keller Town Center Core commercial viability enhancements	100,000
Old Town Keller-West improvements	1,500,000
Transfer to Debt Service Fund for debt retirement	1,000,000
Economic development initiatives	1,000,000
Previously authorized economic development incentives	300,000
TOTAL ONE-TIME EXPENDITURES FROM FUND BALANCE	4,586,630
ENDING FUND BALANCE	\$ 6,808,286

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

Percent of operating expenditures	52.4%	20.8%	39.0%	22.1%
TARGET	19.4%	19.4%	19.4%	19.4%
Number of days operating expenditures	188.6	74.9	140.5	79.4
TARGET	70.0	70.0	70.0	70.0

GENERAL FUND

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
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SUMMARY OF GENERAL FUND REVENUES

REVENUES:

TAXES:

Total property taxes	\$ 13,385,556	\$ 13,939,280	\$ 13,851,675	\$ 14,845,800
Sales taxes	4,639,063	4,715,000	4,762,750	4,905,630
Other taxes	4,023,677	4,010,520	4,170,880	4,202,810

Subtotal	22,048,296	22,664,800	22,785,305	23,954,240
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LICENSES AND PERMITS	1,268,198	1,098,240	1,206,000	1,105,130
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CHARGES FOR SERVICES	2,600,576	2,687,900	2,658,310	2,712,500
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FINES & FEES	1,377,748	1,098,140	1,179,700	1,108,600
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INTEREST REVENUE	66,796	90,000	78,500	78,500
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INTERGOVERNMENTAL	2,439,066	2,755,946	2,803,346	2,667,020
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OTHER REVENUE	82,752	49,290	76,360	114,300
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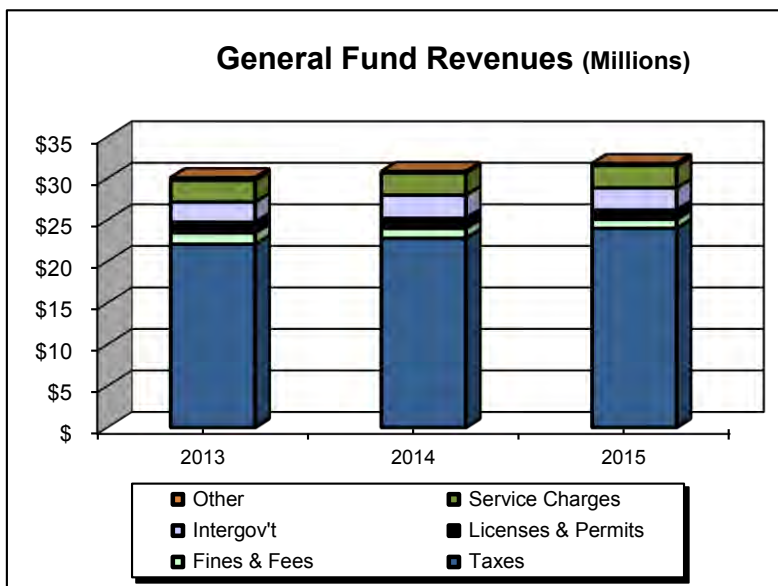
REVENUES BEFORE TRANSFERS	29,883,432	30,444,316	30,787,521	31,740,290
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TRANSFERS FROM OTHER FUNDS:

Water & Wastewater Fund	144,605	-	-	-
Transfer from Drainage Utility Fund	11,420	-	-	-

TOTAL TRANSFERS	156,025	-	-	-
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TOTAL REVENUES & TRANSFERS	\$ 30,039,457	\$ 30,444,316	\$ 30,787,521	\$ 31,740,290
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GENERAL FUND

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
REVENUES				
<u>PROPERTY TAXES:</u>				
Current taxes	\$ 13,211,997	\$ 13,786,280	\$ 13,729,175	\$ 14,712,800
Delinquent taxes	84,978	74,500	60,000	68,000
Accrued property tax revenue	28,838	-	-	-
Penalty & interest	59,743	78,500	62,500	65,000
Subtotal	13,385,556	13,939,280	13,851,675	14,845,800
<u>OTHER LOCAL TAXES:</u>				
City sales taxes	4,639,063	4,715,000	4,762,750	4,905,630
Mixed beverage taxes	92,029	71,690	120,420	122,830
Franchise & payments in-lieu of taxes:				
Franchise taxes-TXU Electric	542,993	578,120	553,710	564,800
Franchise taxes-Tri County Electric	653,240	639,100	690,000	699,320
Franchise taxes-Verizon	641,437	655,860	670,680	694,160
Franchise taxes-Atmos	365,286	374,430	458,560	440,220
Franchise taxes-TV cable	60,341	63,390	61,140	62,670
Franchise taxes-SBC/AT&T	124,197	130,430	121,870	124,310
Franchise taxes-Solid Waste	244,674	250,000	245,000	250,000
Franchise taxes-Water and W/W	1,120,000	1,075,000	1,075,000	1,075,000
Franchise taxes-Drainage	120,000	115,000	115,000	112,000
Franchise taxes-One Source	44,730	47,500	47,500	47,500
Franchise taxes-other	14,750	10,000	12,000	10,000
Subtotal	8,662,740	8,725,520	8,933,630	9,108,440
TOTAL TAX REVENUE	22,048,296	22,664,800	22,785,305	23,954,240
<u>LICENSES & PERMITS:</u>				
Plumbing permits	50,626	42,230	46,500	45,000
Mechanical permits	25,413	18,540	22,000	20,000
Building permits/C.O.'s	1,151,931	1,003,480	1,100,000	1,005,000
Fence, sign & miscellaneous permits	25,825	21,630	22,500	21,630
Electrical permits	14,403	12,360	15,000	13,500
TOTAL LICENSES & PERMITS	1,268,198	1,098,240	1,206,000	1,105,130
<u>CHARGES FOR SERVICES:</u>				
Ambulance services fees	954,250	984,000	940,000	940,000
Facilities/park rental fees	24,224	14,000	20,000	22,000
Park rental fees-Keller Sports Park	11,916	12,500	12,000	12,500
Keller Sports Park non-resident fees	-	86,000	82,000	86,000
Facility rental fees	1,946	800	3,600	4,500
Communication tower rentals	135,306	104,100	100,000	110,000
Public art sales commissions	-	500	-	500
Right-of-way easements	450	450	450	450
Oil & gas royalty revenue	-	-	210	-
Other services	26,663	11,050	11,050	11,050
Keller Town Center Property Owner Ass'n	41,964	72,000	72,000	80,000
Write-off recovery	30,357	14,000	28,500	32,000
Subtotal	\$ 1,227,076	\$ 1,299,400	\$ 1,269,810	\$ 1,299,000

(continued)

GENERAL FUND

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
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REVENUES

(continued)

INTRAGOVERNMENTAL REVENUE:

Keller Water & Wastewater Utility	\$ 1,335,000	\$ 1,350,000	\$ 1,350,000	\$ 1,375,000
Keller Development Corporation	38,500	38,500	38,500	38,500
<i>General and administrative services</i>				

Subtotal	1,373,500	1,388,500	1,388,500	1,413,500
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TOTAL CHARGES FOR SERVICES	2,600,576	2,687,900	2,658,310	2,712,500
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FINES & FEES:

Fire inspection fees/permits	13,917	12,500	18,000	15,000
Finger printing fees	1,660	3,500	1,500	1,200
Animal control fees	36,817	16,000	30,400	19,000
Open records request fees	2,417	6,000	2,500	2,000
Alarm permits & false alarm fees	77,552	68,500	62,500	59,000
Solicitor fees/permits	8,900	6,000	8,500	7,500
Special events fees/permits	1,240	2,100	7,500	9,400
Municipal Court fines/fees	764,570	745,000	775,000	770,000
Library fines	48,327	42,500	42,500	42,500
Library lost book revenue	1,422	2,500	1,500	1,650
Library services fees	8,646	6,000	7,500	8,350

Subtotal	965,468	910,600	957,400	935,600
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DEVELOPMENT FEES:

Paving/drainage Inspection fees	207,222	65,000	100,000	70,000
Construction plan review fees	124,126	72,100	60,000	68,000
Zoning & subdivision fees	52,997	39,140	47,500	30,000
Street lighting fees	17,639	11,000	8,500	5,000
Street sign fees	896	300	100	-
Opticom system fees	9,400	-	6,200	-

Subtotal	412,280	187,540	222,300	173,000
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TOTAL FINES & FEES	\$ 1,377,748	\$ 1,098,140	\$ 1,179,700	\$ 1,108,600
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(continued)

GENERAL FUND

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
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REVENUES

(continued)

INTERGOVERNMENTAL REVENUE:

Town of Westlake	\$ 786,764	\$ 820,000	\$ 820,000	\$ 868,160
KISD-School resource officer	52,496	43,000	38,500	42,000
State of Texas	56,388	-	50,600	-
Local intergovernmental revenue	3,634	-	4,800	-
City of Southlake	1,021,722	1,110,000	1,110,000	1,014,375
City of Roanoke	28,290	16,000	12,500	13,000
City of Colleyville	486,054	530,000	530,000	729,485
Intergovernmental-Federal	3,718	-	-	-
Intergovernmental-Local	-	236,946	236,946	-
TOTAL INTERGOVERNMENT REVENUE	2,439,066	2,755,946	2,803,346	2,667,020

OTHER REVENUE:

Interest earnings	66,796	90,000	78,500	78,500
Gain (loss) on disposal of assets	20,184	6,500	6,500	43,000
Miscellaneous revenue	56,331	36,490	64,000	67,000
Public Arts miscellaneous revenue	1,560	1,800	2,860	1,800
Public Arts donations/ticket sales	4,677	4,500	3,000	2,500
TOTAL OTHER REVENUE	149,548	139,290	154,860	192,800
REVENUES BEFORE TRANSFERS	29,883,432	30,444,316	30,787,521	31,740,290

TRANSFERS FROM OTHER FUNDS:

Transfer from Water and Wastewater fund	144,605	-	-	-
Transfer from Drainage Utility fund	11,420	-	-	-
TOTAL TRANSFERS	156,025	-	-	-
TOTAL REVENUES AND TRANSFERS	\$ 30,039,457	\$ 30,444,316	\$ 30,787,521	\$ 31,740,290

GENERAL FUND EXPENDITURES

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 19,646,677	\$ 21,483,842	\$ 20,712,755	\$ 22,195,295
Operations & maintenance	1,956,098	2,354,690	2,312,985	2,262,010
Services & other	4,907,596	7,453,916	6,036,880	6,414,330
Transfers to other funds	33,625	300,000	300,000	-
SUBTOTAL	26,543,996	31,592,448	29,362,620	30,871,635
Capital outlay	1,076,988	4,013,825	3,965,435	820,250
TOTAL	\$ 27,620,984	\$ 35,606,273	\$ 33,328,055	\$ 31,691,885

<u>EXPENDITURES BY ACTIVITY</u>				
Administration/General Government	\$ 4,091,348	\$ 4,830,811	\$ 4,505,555	\$ 4,942,200
Community Development	1,099,979	1,319,480	1,280,130	1,507,125
Public Safety	14,718,253	15,999,537	15,499,725	16,338,835
Public Works	2,810,135	3,885,515	3,915,245	3,319,945
Keller Public Library	1,299,961	1,432,010	1,430,040	1,513,075
Parks & Recreation	2,766,994	3,448,025	3,206,030	3,347,625
Non-departmental / Other	834,314	4,690,895	3,491,330	723,080
TOTAL	\$ 27,620,984	\$ 35,606,273	\$ 33,328,055	\$ 31,691,885

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions – Includes Vacant Positions)

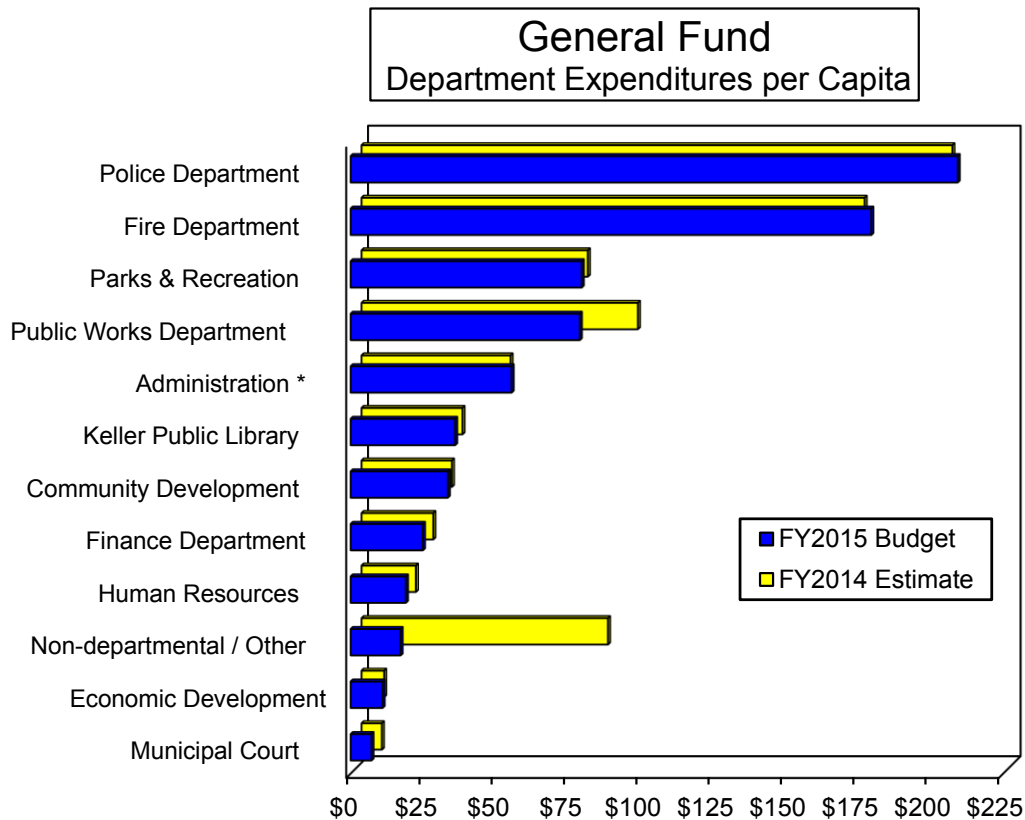
DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	8.00	8.00	9.00
Town Hall Operations	3.00	3.00	3.00
Finance & Accounting	7.00	7.00	7.00
Municipal Court	0.25	-	-
Human Resources	5.00	5.00	5.00
Economic Development	1.48	2.48	2.48
Community Development	11.16	11.96	12.71
Police Department	84.48	85.48	86.48
Fire Department	59.00	59.00	58.00
Public Works	14.73	15.10	15.33
Keller Public Library	15.42	15.42	15.48
Parks & Recreation	27.43	27.82	28.06
TOTAL	236.95	240.26	242.54

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
GENERAL GOVERNMENT:				
Administration	\$ 1,241,970	\$ 1,406,375	\$ 1,392,915	\$ 1,545,220
Town Hall Operations	667,305	714,050	693,540	752,315
Mayor & Council	14,330	26,410	25,060	33,955
Finance & Accounting	944,755	1,039,501	1,016,765	1,046,745
Municipal Court	319,078	285,915	287,665	300,800
Human Resources	664,698	770,730	769,585	799,925
Economic Development	239,212	587,830	320,025	463,240
Subtotal	4,091,348	4,830,811	4,505,555	4,942,200
COMMUNITY DEVELOPMENT:				
Administration	360,356	513,420	469,605	647,955
Building and Construction Services	739,623	806,060	810,525	859,170
Subtotal	1,099,979	1,319,480	1,280,130	1,507,125
PUBLIC SAFETY:				
Police Department	7,847,326	8,461,732	8,371,505	8,795,360
Fire Department	6,870,927	7,537,805	7,128,220	7,543,475
Subtotal	14,718,253	15,999,537	15,499,725	16,338,835
PUBLIC WORKS:				
Administration	277,143	334,810	338,025	353,725
Engineering & Inspections	433,891	477,215	444,045	465,315
Street Maintenance	1,625,958	2,646,215	2,659,675	2,027,515
Street Lighting	473,143	427,275	473,500	473,390
Subtotal	2,810,135	3,885,515	3,915,245	3,319,945
RECREATION & LEISURE:				
Keller Public Library	1,299,961	1,432,010	1,430,040	1,513,075
Parks & Recreation:				
Parks & Recreation-Administration	282,933	382,795	364,700	397,615
Parks & City Grounds Management	1,265,691	1,627,575	1,483,995	1,544,740
Recreation Programs	202,728	241,665	247,250	241,960
Senior Services	274,941	218,845	201,785	212,700
Keller Sports Park Maintenance	543,874	758,785	693,170	717,820
Keller Town Center Maintenance	196,827	218,360	215,130	232,790
Subtotal	2,766,994	3,448,025	3,206,030	3,347,625
Total Recreation & Leisure	4,066,955	4,880,035	4,636,070	4,860,700
OTHER/NON-DEPARTMENTAL:				
Non-departmental	834,314	4,690,895	3,491,330	723,080
Subtotal	834,314	4,690,895	3,491,330	723,080
TOTAL	\$ 27,620,984	\$ 35,606,273	\$ 33,328,055	\$ 31,691,885

GENERAL FUND EXPENDITURES PER CAPITA

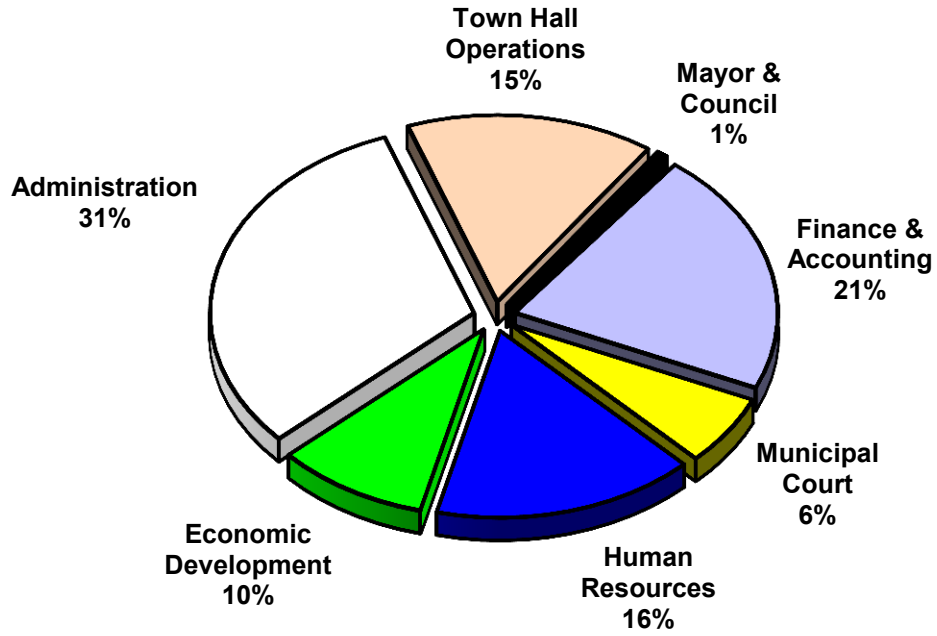
<u>DEPARTMENT</u>	<u>2013-2014 Budget</u>	<u>2013-2014 Estimate</u>	<u>2014-2015 Budget</u>
Police Department	\$ 194.05	\$ 203.74	\$ 209.31
Fire Department	169.90	173.48	179.52
Parks & Recreation	68.42	78.02	79.67
Public Works Department	69.49	95.28	79.01
Administration *	47.57	51.39	55.49
Keller Public Library	32.15	34.80	36.01
Community Development	27.20	31.15	35.87
Finance Department	23.36	24.74	24.91
Human Resources	16.44	18.73	19.04
Non-departmental / Other	20.63	84.97	17.21
Economic Development	5.92	7.79	11.02
Municipal Court	7.89	7.00	7.16
TOTAL	\$ 683.01	\$ 811.10	\$ 754.21



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

Expenditures per capita decreased from \$811.10 to \$754.21 – a decrease of \$56.89, or 7.01%.

General Government

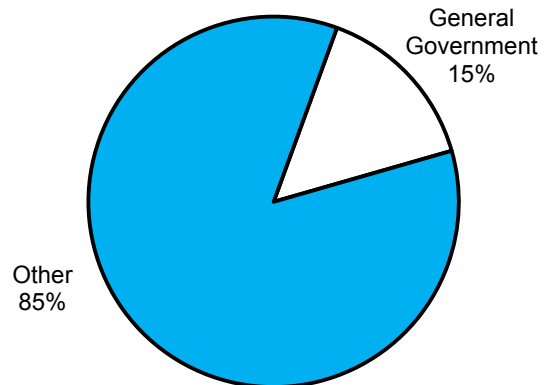


Department total: \$4,942,200

General Government

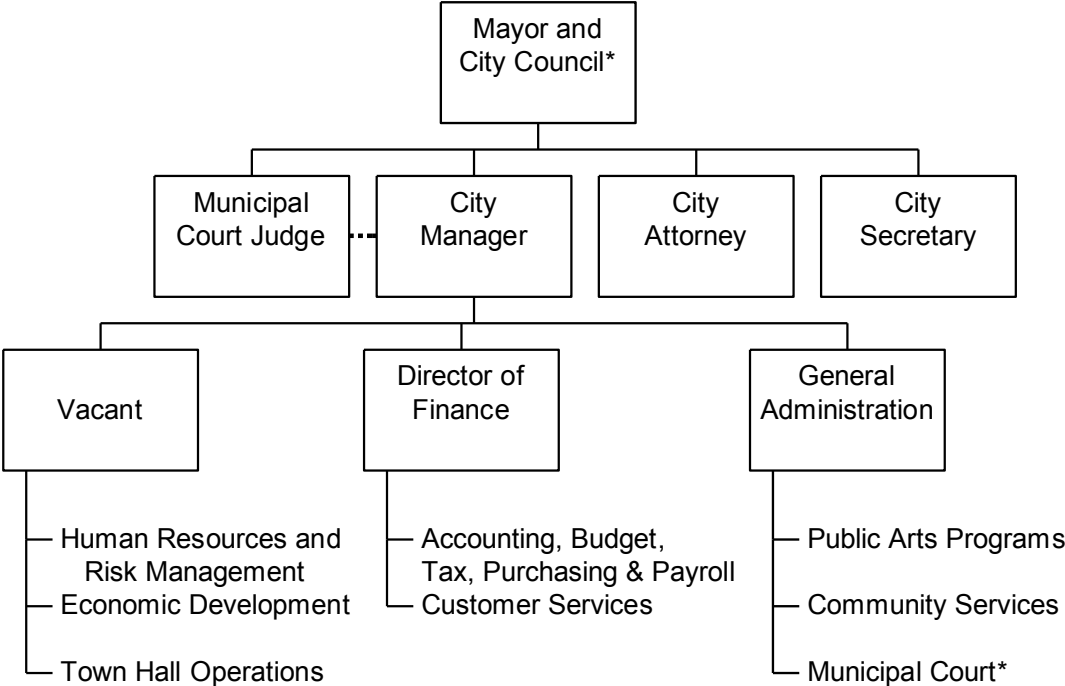
- Administration
 - Public Arts
 - Community Services
- Town Hall Operations
- Mayor & Council
- Finance & Accounting
- Municipal Court
- Human Resources
- Economic Development
 - Old Town Keller

General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

GENERAL GOVERNMENT



* Denotes elected position.

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

**GENERAL GOVERNMENT
DEPARTMENT SUMMARY**

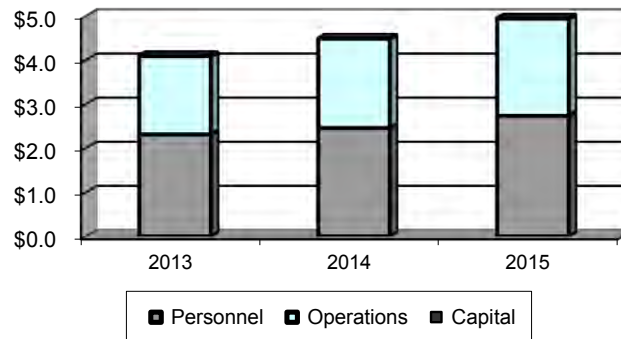
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 2,315,677	\$ 2,581,780	\$ 2,459,745	\$ 2,736,475
Operations & maintenance	242,051	212,990	211,200	222,420
Services & other	1,533,620	2,016,041	1,814,610	1,983,305
SUBTOTAL	4,091,348	4,810,811	4,485,555	4,942,200
Capital outlay	-	20,000	20,000	-
TOTAL	\$ 4,091,348	\$ 4,830,811	\$ 4,505,555	\$ 4,942,200

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,241,970	\$ 1,406,375	\$ 1,392,915	\$ 1,545,220
Town Hall Operations	667,305	714,050	693,540	752,315
Mayor & City Council	14,330	26,410	25,060	33,955
Finance & Accounting	944,755	1,039,501	1,016,765	1,046,745
Municipal Court	319,078	285,915	287,665	300,800
Human Resources	664,698	770,730	769,585	799,925
Economic Development	239,212	587,830	320,025	463,240
TOTAL	\$ 4,091,348	\$ 4,830,811	\$ 4,505,555	\$ 4,942,200

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	8.00	8.00	9.00
Town Hall Operations	3.00	3.00	3.00
Finance & Accounting	7.00	7.00	7.00
Municipal Court	0.25	-	-
Human Resources	5.00	5.00	5.00
Economic Development	1.48	2.48	2.48
TOTAL	24.73	25.48	26.48

General Government Expenditures
(millions)



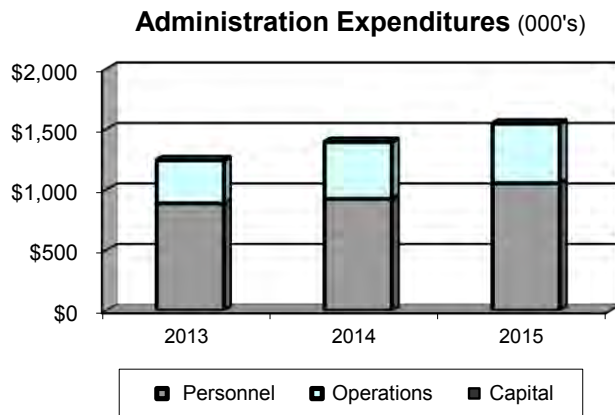
**ADMINISTRATION
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 885,923	\$ 940,090	\$ 924,485	\$ 1,053,135
Operations & maintenance	48,248	52,900	51,400	43,850
Services & other	307,799	413,385	417,030	448,235
SUBTOTAL	1,241,970	1,406,375	1,392,915	1,545,220
Capital outlay	-	-	-	-
TOTAL	\$ 1,241,970	\$ 1,406,375	\$ 1,392,915	\$ 1,545,220

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,143,908	\$ 1,287,945	\$ 1,273,730	\$ 1,420,950
Public Arts Programs	34,159	36,310	35,900	38,110
Community Services	63,903	82,120	83,285	86,160
TOTAL	\$ 1,241,970	\$ 1,406,375	\$ 1,392,915	\$ 1,545,220

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

DIVISION / ACTIVITY	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	8.0	8.0	9.0
TOTAL	8.0	8.0	9.0



FUND:
General

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
100-100-01

DEPARTMENT DESCRIPTION:

The Administration Department consists of the City Manager, City Secretary, Deputy City Manager, Management Assistant, Assistant City Secretary, Executive Secretary, Records Management Coordinator, Town Hall Receptionist and Public Information Officer. 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:

Administration Activities:

- Support the City Council's priorities, goals, and objectives for fiscal year 2014-15.
- 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.
- Hold City Council general and run-off elections as well as special elections as directed by City Council.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 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	4	4	4
Employee Newsletters published	12	12	12
City Council meetings and work sessions held	33	32	33
Birth/death certificates processed	291	436	364
City Council general and run-off elections conducted	2	1	2
Special elections held	3	1	1
Process and respond to open records requests	302	310	300
 <u>PERFORMANCE INDICATORS</u>			
Percent of solid waste concerns addressed within 24 hours	100%	100%	100%
Percent of open records requests responded to within 10 days	100%	100%	100%

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
100-100-01

**ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 885,923	\$ 921,240	\$ 904,025	\$ 1,027,935
Operations & maintenance	17,107	20,150	19,150	14,100
Services & other	240,878	346,555	350,555	378,915
SUBTOTAL	1,143,908	1,287,945	1,273,730	1,420,950
Capital outlay	-	-	-	-
TOTAL	\$ 1,143,908	\$ 1,287,945	\$ 1,273,730	\$ 1,420,950

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
City Manager	Exempt	1.0	1.0	1.0
City Secretary	Exempt	1.0	1.0	1.0
Deputy City Manager	M-4	1.0	1.0	1.0
Public Information Officer (1)	PE-11	-	-	1.0
Management Assistant	PE-7	1.0	1.0	1.0
Executive Secretary	A/TN-9	2.0	1.0	1.0
Assistant City Secretary	A/TN-9	-	1.0	1.0
Records Management Coordinator	A/TN-5	1.0	1.0	1.0
Customer Services Representative	A/TN-5	1.0	1.0	1.0
TOTAL		8.0	8.0	9.0

(1) Position transferred from Information Services Fund.

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Public Arts Programs

ACCOUNT:
100-100-02

DEPARTMENT/DIVISION DESCRIPTION:

The Public Arts Board consists of seven citizen members appointed by the City Council. The Board includes a Chair and Vice Chair. The Administration Department is the liaison to the Board.

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.

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

DEPARTMENT/DIVISION GOALS:

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

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Outputs:			
Keller Public Arts Board meetings and work sessions	11	10	11
Monthly public shows	10	10	10
Concerts conducted	6	6	7
Public Art events held	6	6	7
Outreach with Keller Public Arts Society	-	6	12

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Public Arts Programs

ACCOUNT:
100-100-02

**PUBLIC ARTS PROGRAMS
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	23,141	28,750	28,750	29,750
Services & other	11,018	7,560	7,150	8,360
SUBTOTAL	34,159	36,310	35,900	38,110
Capital outlay	-	-	-	-
TOTAL	\$ 34,159	\$ 36,310	\$ 35,900	\$ 38,110

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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No personnel funding is provided in this program.

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, allocated at the discretion of City Council and more thoroughly monitored on an annual basis.

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL*</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Special event permits issued	24	35	36
Number of special events held	30	32	32
Total employee hours provided	295	305	310
Average employee hours per permit	12	12	13
Total permit revenue collected	\$150	\$500	\$500
Average fee per special event permit	\$6	\$14	\$14

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Community Services

ACCOUNT:
100-100-05

**COMMUNITY SERVICES
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ 18,850	\$ 20,460	\$ 25,200
Operations & maintenance	8,000	4,000	3,500	-
Services & other	55,903	59,270	59,325	60,960
SUBTOTAL	63,903	82,120	83,285	86,160
Capital outlay	-	-	-	-
TOTAL	\$ 63,903	\$ 82,120	\$ 83,285	\$ 86,160

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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Personnel services include overtime and related benefits for City staff that provide services for community events and activities. No positions are funded in this program.

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

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

DEPARTMENT/DIVISION GOALS:

1. Manage and provide for daily facility maintenance of Keller Town Hall, Keller Police Building and Keller Public Library. Provide occasional facility maintenance support to Friends of the Keller Library, Municipal Service Center and Fire Administration buildings.
2. Continue to monitor building energy consumption and recommend changes to improve overall energy efficiency and conservation within City facilities.
3. Establish and maintain routine preventive maintenance of heating, ventilation, air conditioning (HVAC) and emergency generators. Ensure equipment is adequately covered under warranty or annual maintenance contracts. Perform maintenance and repair of HVAC systems as needed to augment maintenance contracts and minimize repair expenses.
4. Provide routine preventive maintenance, repair and overall support for electrical, emergency generators, plumbing and roof systems.
5. Weekly inspect and perform minor painting, carpentry, door maintenance and lighting system maintenance within each building.
6. Review and recommend annual service and warranty contracts for facility maintenance of Town Hall, Police Building and Keller Public Library.
7. Manage monthly art show set-ups and take downs, assist with annual art programs such as Jazz in June and coordinate set-up for various events and activities.
8. Coordinate and setup conference rooms at Town Hall for meetings, training, voting and special events.
9. Daily monitor Town Hall's computerized building automation equipment. Manage door and HVAC schedules to accommodate meetings and conference room schedules.
10. Manage janitorial services contracts for Keller Town Hall, Municipal Service Center and Keller Public Library.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Outputs:			
Total facility square footage maintained	104,176	104,176	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	4	4
• Generator system	4	4	4
• Cosmetic inspections	52	52	52

FUND:
General

DEPARTMENT:
Town Hall Operations

DIVISION:
Town Hall Operations

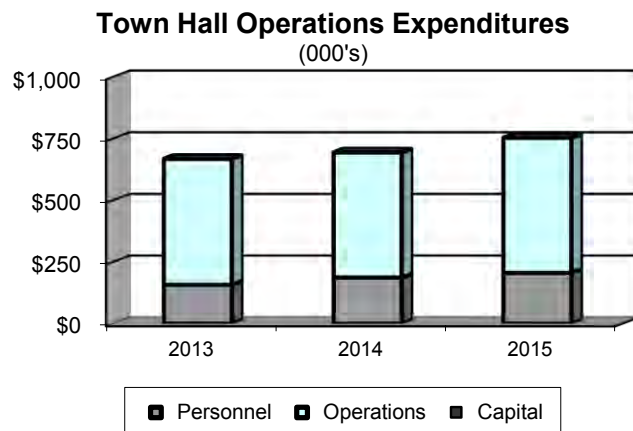
ACCOUNT:
100-110-92

**TOWN HALL OPERATIONS
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 157,632	\$ 208,695	\$ 186,660	\$ 205,690
Operations & maintenance	156,930	106,070	105,820	140,700
Services & other	352,743	399,285	401,060	405,925
SUBTOTAL	667,305	714,050	693,540	752,315
Capital outlay	-	-	-	-
TOTAL	\$ 667,305	\$ 714,050	\$ 693,540	\$ 752,315

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Facilities Manager	PE-7	-	-	1.0
Facility Maintenance Supervisor	TN-10	1.0	1.0	-
Building Maintenance Technician II	TN-5	1.0	1.0	1.0
Building Maintenance Technician I	TN-1	1.0	1.0	1.0
TOTAL		3.0	3.0	3.0



FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

DEPARTMENT DESCRIPTION:

The mission of the 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 with a Council-Manager form of government operating under a Home Rule Charter adopted April 3, 1982, and most recently revised and adopted November 2, 2010. Under the provisions of the City Charter and subject only to the limitations imposed by the Texas Constitution, state law and the City Charter, the Keller City Council is responsible for enacting local legislation, adopting the city's annual operating budget and setting local policies.

The Keller City Council includes a mayor and six council members, all elected at-large for staggered, three-year terms. City Council Place 6 was added and terms extended to three years with citizen approval of amendments to the City Charter in November 2010. With those amendments, the Mayor and Council Places 5 and 6 were elected for the initial three-year term in 2011; Council Places 1 and 2 ran through the year 2012; and Council Places 3 and 4 ran through 2013.

City Council Goals/Accomplishments:

1. Enhance economic development opportunities within the City:
 - Increased the city's tax base through sustainable residential, commercial and retail development
 - Responsible for direction resulting in 63 new business openings and 7 business expansions in calendar year 2013
 - Continued investing in the growth and redevelopment of Old Town Keller by approving a record amount of Old Town Keller Facade Improvement Matching Grants and spearheading the plan for redevelopment of Old Town Keller – West
 - Instrumental in the implementation of a bi-monthly Economic Development report
 - Approved several economic development incentive packages encouraging new businesses to build and operate in the City of Keller, expanding our tax base
2. Improve communication between the City and its citizens:
 - Efficiently communicated citizen concerns, complaints and comments to the City Manager for resolution and follow-up
 - Approved funding for significant upgrades to the City website to improve accessibility, transparency and citizen engagement
 - Earned the Gold Medal Award in Financial Transparency from the Texas State Comptroller's Office as well as a Sunny Award, honoring government transparency as determined by the national nonprofit Sunshine Review
3. Strategically enhance the City's financial position to ensure continued viability and the capacity to implement priority capital improvement projects:
 - Maintained the fiscal year 2014 tax rate at \$0.44219 per \$100 of taxable value
 - Increased the General Fund reserves over the estimate by approximately \$2.4 million
 - Maintained current bond ratings through sound fiscal management
 - Conducted budget overview work sessions with the City Manager and staff, and worked with staff to manage expenses while responding to needs and accomplishing set goals
4. Complete current and future Capital Improvement Projects to include, but not limited to:
 - Drainage improvements
 - Street expansions and enhancements to manage growth and traffic patterns
 - Sanitary sewer extensions into North Keller
 - Rights-of-way landscape enhancements
 - Continued park development and renovation
 - Water infrastructure enhancements

FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

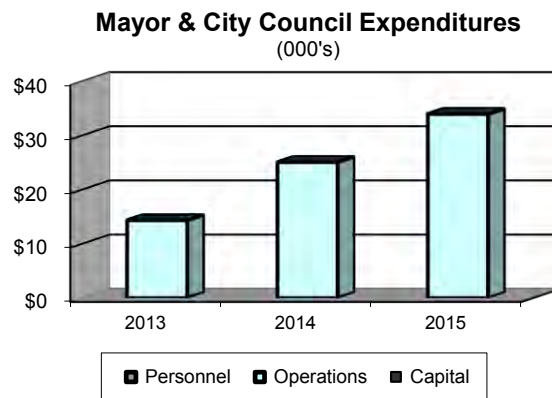
**MAYOR AND CITY COUNCIL
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	6,868	8,650	9,300	9,650
Services & other	7,462	17,760	15,760	24,305
SUBTOTAL	14,330	26,410	25,060	33,955
Capital outlay	-	-	-	-
TOTAL	\$ 14,330	\$ 26,410	\$ 25,060	\$ 33,955

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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No personnel services funding is provided in this program.



**FINANCE & ACCOUNTING
DEPARTMENT SUMMARY**

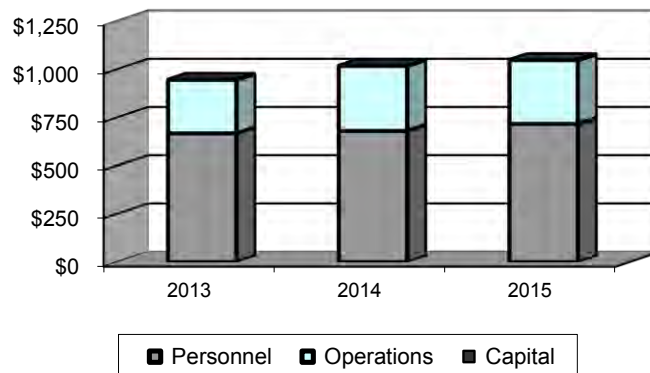
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 667,528	\$ 697,430	\$ 680,045	\$ 717,075
Operations & maintenance	10,396	12,300	15,165	3,595
Services & other	266,831	329,771	321,555	326,075
SUBTOTAL	944,755	1,039,501	1,016,765	1,046,745
Capital outlay	-	-	-	-
TOTAL	\$ 944,755	\$ 1,039,501	\$ 1,016,765	\$ 1,046,745

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 818,600	\$ 904,975	\$ 882,670	\$ 909,540
Tax	126,155	134,526	134,095	137,205
TOTAL	\$ 944,755	\$ 1,039,501	\$ 1,016,765	\$ 1,046,745

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	7.0	7.0	7.0
TOTAL	7.0	7.0	7.0

Finance & Accounting Expenditures
(000's)



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

The Finance and Accounting Department maintains oversight responsibility for management of the City's assets. The 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 (TIRZ) 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 26th consecutive year (FY1989 – FY2014).
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 19th consecutive year (FY1997 – FY2015).
3. Maintain or strengthen the financial status of the City with outside sources, e.g. rating agencies, investors and other governmental agencies by providing accurate and timely financial information.
4. Continue receiving Gold Medal Award for Financial Transparency from the State Comptroller's office.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Accounting activities:			
Accounts payable checks processed	4,277	4,400	4,500
Payroll checks processed	11,627	11,650	11,700
Journal entries processed	4,542	4,450	4,500
Bank reconciliations prepared	144	144	144
Employee W-2's issued	600	572	600
Accounts receivable invoices processed	428	400	410
Purchasing activities:			
Purchase orders processed	280	300	300
Purchasing card transactions processed	7,707	7,200	7,300
Sealed bids/proposals processed	9	10	15
Banking activities:			
Number of bank deposits processed	6,861	6,200	6,500
Number of incoming wires	21	30	30
Number of outgoing wires	26	25	30

(Continued)

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Administration

ACCOUNT:
100-130-01

(Continued)

<u>PERFORMANCE ANALYSIS</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Quarterly investment reports prepared	4	4	4
Quarterly financial reports prepared	4	2	4
Direct tax-supported debt per capita	\$978	\$899	\$792
Tax-supported debt service expenditures as a % of general operating expenditures	14.6%	13.0%	12.9%
<i>Financial policy target</i>	25.0%	25.0%	25.0%
Ratio of debt to net taxable valuation	1.0%	0.9%	0.7%
<i>Financial policy target</i>	15.0%	15.0%	15.0%
Investment activities:			
Average weighted average investment yield to maturity	0.40%	0.38%	0.36%
Average spread between City yield and 3-month T- bill	0.33%	0.31%	0.30%
Percent of total 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**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 667,528	\$ 697,430	\$ 680,045	\$ 717,075
Operations & maintenance	10,098	12,000	14,865	3,295
Services & other	140,974	195,545	187,760	189,170
SUBTOTAL	818,600	904,975	882,670	909,540
Capital outlay	-	-	-	-
TOTAL	\$ 818,600	\$ 904,975	\$ 882,670	\$ 909,540

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Director of Finance	M-3	1.0	1.0	1.0
Finance/Purchasing Manager	M-1	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
Administrative Secretary/Accounting Tech	A/TN-8	-	-	1.0
Account Clerk/Finance Secretary	A/TN-6	1.0	1.0	-
Records/Account Clerk	A/TN-5	1.0	1.0	1.0
TOTAL		7.0	7.0	7.0



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 the Tarrant County Tax Assessor/Collector.
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>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Special assessment accounts maintained (In FY2008, all special assessment accounts transferred to the utility billing system for billing and collection)	2	2	2
Total property tax accounts maintained by Tarrant Appraisal District	16,558	16,675	16,905
Total number of over-65 and disabled accounts	1,860	1,860	1,907
Total (appraised) value of over-65 and disabled accounts (millions)	\$440.5	\$492.6	\$553.6
Total number of tax ceiling accounts	1,784	1,903	1,997
Taxable value of tax ceiling accounts (millions)	\$343.7	\$382.1	\$422.5
Total number of new residential homesteads	221	299	299
Total (appraised) value of new residential homesteads (millions)	\$77.4	\$70.6	\$70.6
Total number of new over-65 accounts	81	86	86
Total (appraised) value of new over-65 accounts (millions)	\$22.3	\$22.2	\$26.2
Total (appraised) value of new construction (millions)	\$88.0	\$81.7	\$81.7
Total (appraised) value of new residential construction (millions)	\$65.9	\$70.5	\$70.5
Total (appraised) value of new commercial construction (millions)	\$22.1	\$11.2	\$11.2

(Continued)

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

DEPARTMENT/DIVISION SERVICE ANALYSIS:
(Continued)

<u>PERFORMANCE ANALYSIS</u>	SERVICE ANALYSIS		
	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 PROJECTED
Percentage of taxes collected (services to be provided by the Tarrant County Tax Assessor/Collector)	99.6%	99.5%	99.3%
Average appraised residential value	\$275,832	281,787	295,895
Percent change	0.2%	2.2%	5.0%
Average taxable residential value	\$265,340	270,752	284,237
Percent change	0.1%	2.0%	5.0%
Effective tax rate per \$100 of taxable value	\$0.44623	\$0.43859	\$0.42862
Actual tax rate per \$100 of taxable value	\$0.44219	\$0.44219	\$0.43719
Rollback tax rate per \$100 of taxable value	\$0.46647	\$0.46483	\$0.44620
Average City of Keller tax bill (actual rate)	\$1,173.31	\$1,197.24	\$1,242.66
Percent change	0.1%	2.0%	3.8%
Average appraised value of new residential homesteads	\$350,116	\$338,907	\$370,220
Percent change	3.5%	3.5%	9.2%
Average appraised value of new over-65 residential homesteads	\$275,047	\$304,749	\$288,108
Percent change	6.5%	10.8%	(5.4%)
Average taxable value of tax ceiling accounts	\$192,633	\$200,811	\$211,588
Percent change	2.6%	4.2%	5.4%
Percentage of taxable value of new construction by property category:			
Residential	88.4%	86.1%	84.4%
Commercial	11.6%	13.9%	15.6%

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	298	300	300	300
Services & other	125,857	134,226	133,795	136,905
SUBTOTAL	126,155	134,526	134,095	137,205
Capital outlay	-	-	-	-
TOTAL	\$ 126,155	\$ 134,526	\$ 134,095	\$ 137,205

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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Services are provided under contract with the Tarrant Appraisal District and the Tarrant County Tax Assessor/Collector.

FUND:
General

DEPARTMENT:
Municipal Court

DIVISION:
Administration

ACCOUNT:
100-160-01

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Number of citations processed	10,476	10,400	10,800
Number of cases requesting court dates	6,856	4,200	4,350
Number of cases with attorney representation	2,289	2,300	2,256
Number of court dockets held per year	218	47	70
Number of warrants processed/issued	1,950	2,000	2,275
Number of reports generated (open records requests)	299	230	245
Number of warrants outstanding	1,594	3,300	3,325
Number of defendants requesting jury trial	67	40	45

FUND:
General

DEPARTMENT:
Municipal Court

DIVISION:
Administration

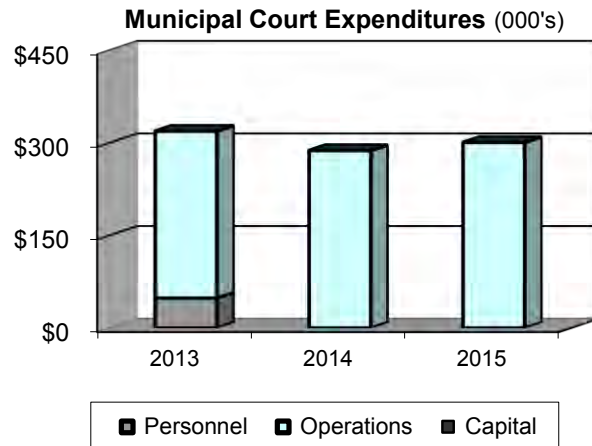
ACCOUNT:
100-160-01

**MUNICIPAL COURT
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 48,516	\$ -	\$ -	\$ -
Operations & maintenance	2,360	-	-	-
Services & other	268,202	285,915	287,665	300,800
SUBTOTAL	319,078	285,915	287,665	300,800
Capital outlay	-	-	-	-
TOTAL	\$ 319,078	\$ 285,915	\$ 287,665	\$ 300,800

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Municipal Court Clerk	M-1	0.25	-	-
TOTAL		0.25	-	-





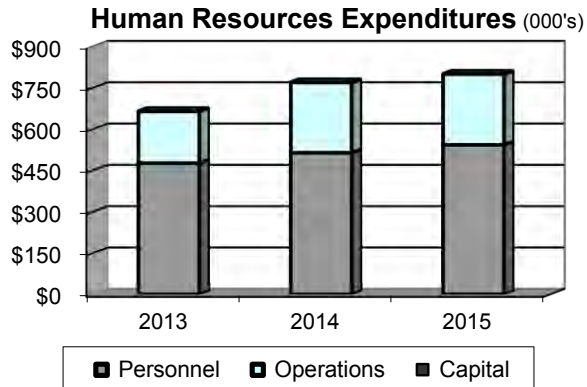
**HUMAN RESOURCES
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 476,412	\$ 517,730	\$ 514,380	\$ 543,045
Operations & maintenance	12,692	23,975	23,815	16,425
Services & other	175,594	229,025	231,390	240,455
SUBTOTAL	664,698	770,730	769,585	799,925
Capital outlay	-	-	-	-
TOTAL	\$ 664,698	\$ 770,730	\$ 769,585	\$ 799,925

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 351,104	\$ 376,085	\$ 374,690	\$ 389,755
City-wide Employee Activities	203,854	278,730	279,095	288,070
Risk Management	109,740	115,915	115,800	122,100
TOTAL	\$ 664,698	\$ 770,730	\$ 769,585	\$ 799,925

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	4.0	4.0	4.0
Risk Management	1.0	1.0	1.0
TOTAL	5.0	5.0	5.0



FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

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

DEPARTMENT/DIVISION GOALS:

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

STANDARD MEASURES OF ACTIVITY:

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

<u>SERVICE ANALYSIS</u>	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
General job vacancies filled	43	70	75
The Keller Pointe (TKP) job vacancies filled	92	130	160
General applications processed	1,710	1,800	2,000
TKP applications processed	361	417	425
Number of positions salary surveyed	142	150	150
General employee turnover rate (excluding seasonal employees)	7.03%	10%	11%
TKP employee turnover rate (excluding seasonal employees)	14%	18%	14%

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 335,002	\$ 356,630	\$ 355,395	\$ 375,795
Operations & maintenance	5,950	7,295	7,135	1,710
Services & other	10,152	12,160	12,160	12,250
SUBTOTAL	351,104	376,085	374,690	389,755
Capital outlay	-	-	-	-
TOTAL	\$ 351,104	\$ 376,085	\$ 374,690	\$ 389,755

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Director of Human Resources	M-3	1.0	1.0	1.0
Human Resources Manager	PE-6	1.0	1.0	1.0
Employment Specialist	PE-4	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
TOTAL		4.0	4.0	4.0

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
City-Wide Employee
Activities

ACCOUNT:
100-170-11

DEPARTMENT DESCRIPTION:

The Human Resources Department is responsible for activities that are intended to influence the productivity and effectiveness of the employees of the City. These non-departmental (city-wide) activities are provided to promote excellent customer service and retention of employees through recognition programs, support employees to prepare for career development, and to educate employees on city benefits thereby improving utilization of benefits resulting in cost savings to the City and happier, healthier employees. In order to better define the city-wide activity costs, the costs have been separated from the general expenditures of the Human Resources Department. Recognize and reward employees for tenure with the City through annual service award banquet and presentation of service pins and Employee of the Year in each of the Core Values plus overall Employee of the Year.

DEPARTMENT/DIVISION GOALS:

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

STANDARD MEASURES OF ACTIVITY:

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

<u>SERVICE ANALYSIS</u>	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Employees requesting tuition reimbursement benefit	18	18	11
Employees utilizing tuition reimbursement benefit	11	11	11
General job vacancies filled:			
Number of in-house promotions	8	14	15
Number of outside hires	30	74	70
Average annual training hours per employee provided through Human Resources	3.4	3.8	4.0
Employees participating in wellness Initiatives	133	180	200
Graduating employees from CAP	8	5	4
Number of EAT sponsored events	17	17	18

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
City-Wide Employee
Activities

ACCOUNT:
100-170-11

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 33,406	\$ 49,000	\$ 47,000	\$ 49,000
Operations & maintenance	6,268	15,300	15,300	13,275
Services & other	164,180	214,430	216,795	225,795
SUBTOTAL	203,854	278,730	279,095	288,070
Capital outlay	-	-	-	-
TOTAL	\$ 203,854	\$ 278,730	\$ 279,095	\$ 288,070

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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This program accounts for certain City-wide expenditures comprised primarily of employee dues for The Keller Pointe, tuition reimbursement, unemployment compensation, training and employee recognition programs for City departments. Personnel services include unemployment compensation costs for all funds, except for The Keller Pointe.

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Risk Management

ACCOUNT:
100-170-15

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

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

STANDARD MEASURES OF ACTIVITY:

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

<u>SERVICE ANALYSIS</u>	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
In-house safety training classes conducted	4	4	4
Worker compensation claims processed	30	34	32
Equipment and vehicle damage claims processed	43	40	38
Liability claims processed	25	25	25
FMLA requests processed	55	55	55
TML online training classes held	393	1,123	350

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Risk Management

ACCOUNT:
100-170-15

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 108,004	\$ 112,100	\$ 111,985	\$ 118,250
Operations & maintenance	474	1,380	1,380	1,440
Services & other	1,262	2,435	2,435	2,410
SUBTOTAL	109,740	115,915	115,800	122,100
Capital outlay	-	-	-	-
TOTAL	\$ 109,740	\$ 115,915	\$ 115,800	\$ 122,100

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Risk Manager	PE-10	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0



**ECONOMIC DEVELOPMENT
DEPARTMENT SUMMARY**

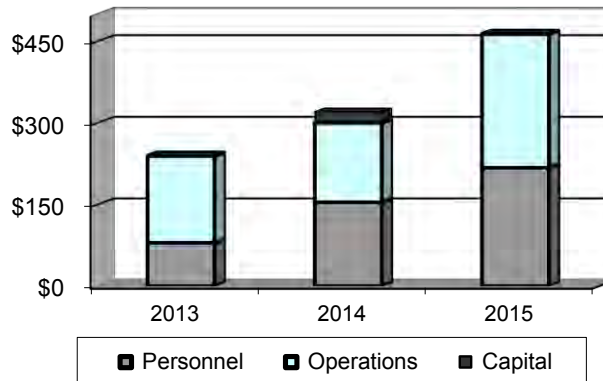
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 79,666	\$ 217,835	\$ 154,175	\$ 217,530
Operations & maintenance	4,557	9,095	5,700	8,200
Services & other	154,989	340,900	140,150	237,510
SUBTOTAL	239,212	567,830	300,025	463,240
Capital outlay	-	20,000	20,000	-
TOTAL	\$ 239,212	\$ 587,830	\$ 320,025	\$ 463,240

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 218,173	\$ 294,830	\$ 230,275	\$ 435,240
Old Town Keller	21,039	63,000	59,750	28,000
One-Time Expenditures	-	230,000	30,000	-
TOTAL	\$ 239,212	\$ 587,830	\$ 320,025	\$ 463,240

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration		1.48	2.48	2.48
TOTAL		1.48	2.48	2.48

Economic Development Expenditures (000's)



FUND:
General

DEPARTMENT:
Economic Development

DIVISION:
Administration

ACCOUNT:
100-190-01

DEPARTMENT DESCRIPTION:

The Economic Development Department works to ensure that Keller maintains a dynamic and sustainable business climate. The Department provides many services to current businesses within the city limits and to businesses seeking to expand, relocate or start a new business in Keller. The Department strives to recruit, retain and expand quality commercial businesses that will serve the needs of the community and improve the quality of life for the citizens of Keller. The Department will utilize the 2014 Economic Development Strategic Plan to assist the City of Keller in the following areas

- Focus on attracting top-tier businesses
- Work to ensure the strength and sustainability of existing businesses
- Expand the commercial property tax base
- Enhance retail opportunities that will assist in the increase of the local sales and use tax
- Create job opportunities through the recruitment of large employers
- Encourage patronage from those living outside of Keller

DESCRIPTION OF GOALS/SERVICES

Recruitment Activities:

The Department will utilize the 2014 Economic Development Strategic Business Plan to assist in the following goals.

1. Continue to establish and strengthen relationships with site selectors, regional developers and commercial brokers.
2. Attend targeted business industry trade shows.
3. Through existing business communications, identify potential new businesses that have support relationships with existing businesses.
4. Continue to work with the Office of the Governor Economic Development & Tourism (EDT) to identify domestic and international expansion and recruitment opportunities for which the City of Keller could be a potential site.
5. Actively recruit corporate headquarters and regional offices.
6. Identify desired uses for targeted commercial areas within Keller.

Retention and Expansion Activities:

The Department will utilize the 2014 Economic Development Strategic Business Plan to assist in the following goals.

1. Continue to develop a business retention and expansion plan which will strengthen involvement with the local business community and ensure existing local businesses – including office, retail, restaurants, industry and service – remain successful and continue to contribute to the City of Keller's economy.
2. Develop a business visitation program.
3. Develop a partnership with the Small Business Administration what would assist current Keller businesses.
4. Continue to strengthen the shop-local campaign, Keep It In Keller, which includes the www.KeepItInKeller.com website which provides residents and visitors alike a way to easily find places to shop, eat and find services in Keller.
5. Develop a business recognition program.
6. Establish incentives that can apply to expansion of existing businesses.

Partnerships:

1. Serve as a liaison between the City and Keller Economic Development Board (KEDB).
2. Partner with the various clubs and organizations to expand development, improve the overall commercial environment and viability and promote various special events.

(Continued)

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

(Continued)

Easier Access to Quality Information:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Overview:			
Number of staff	1.5	2.5	2.5
Budget Amount	\$239,212	\$320,025	\$463,240
Total Population	41,090	42,040	42,500
Economic development meetings with KEDB	5	5	9
Recruitment:			
New Businesses	75	70	70
Daytime Employment	38,000	46,641	48,000
Taxable commercial real property value (in millions)	\$412.4	\$435.8	\$481.7
Taxable business personal property value (in millions)	\$87.7	\$90.2	\$90.
New taxable commercial property value (in millions)	\$88.0	\$81.8	\$104.2
Sales and Use Tax Total Collections (in millions)	\$8.2	\$8.5	\$8.7
Gross retail square footage	2,125,255	2,142,267	2,160,000
Gross office square footage	654,982	682,654	690,000
Trade Shows attended	3	3	5
Recruitment meetings, phone calls & info distribution	78	100	100
Developer/broker forums	1	1	4
Retention and Expansion:			
Business expansions	9	10	8
Retention Business Meetings, visits and outreach	50	60	70
Grand openings/ribbon cuttings attended by staff	8	20	25
Retail Occupancy Average Rate	92.2%	92.8%	93.3%
Office Occupancy Average Rate	92.5%	90%	92.0%
Business roundtables with Keller businesses	NA	2	8
Welcome kits distributed	NA	NA	70
Small Business Administration referrals	3	5	10
Promotion:			
Economic Development Presentations Given	19	20	20
Economic Development website sessions	3,074	3,500	4,000
Economic Development website unique visitors	2,077	2,100	2,500
Keep It In Keller website sessions	21,643	30,000	50,000
Keep It In Keller unique visitors	17,872	20,000	25,000
Keep It In Keller website page views per day	169	170	175

(Continued)

FUND:

General

DEPARTMENT:

Economic Development

DIVISION:

Administration

ACCOUNT:

100-190-01

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Promotion: (continued)			
Unique visitors to Keep It In Keller website page views per day	49	51	55
Economic Development Newsletters	6	6	6
Shopping and Dining Guides printed	1,000	10,000	20,000
Shopping and Dining online views	NA	3,500	5,000
Goals:			
Sales and Use Tax Total Collections (increase/decrease)	NA	3.0%	3.0%
Taxable commercial property (increase/decrease)	NA	5.5%	10.5%

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 79,666	\$ 217,835	\$ 154,175	\$ 217,530
Operations & maintenance	4,557	5,095	4,200	4,200
Services & other	133,950	71,900	71,900	213,510
SUBTOTAL	218,173	294,830	230,275	435,240
Capital outlay	-	-	-	-
TOTAL	\$ 218,173	\$ 294,830	\$ 230,275	\$ 435,240

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Economic Development Director	M-3	-	1.00	1.00
Economic Development Coordinator	PE-5	1.00	1.00	1.00
Economic Development Marketing Intern	NA	0.48	0.48	0.48
TOTAL		1.48	2.48	2.48

In addition to the above amounts for FY2014, one-time, non-recurring expenditures from fund balance are provided for property tax and sales tax rebates for economic development agreements approved by the City Council (\$30,000).

In addition to the above amounts for FY2015, one-time, non-recurring expenditures from fund balance are provided for economic development initiatives (\$1 million) and for property tax and sales tax rebates for economic development agreements approved by the City Council (\$300,000).

FY2015 highlights: Services & other include \$138,700 for economic development-related marketing, advertising and promotional activities for the City of Keller.

FUND:
General

DEPARTMENT:
Economic Development

DIVISION:
Old Town Keller

ACCOUNT:
100-190-17

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. 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. Oversee the Old Town Keller Façade Improvement Grant Program.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Meet with business prospects or existing businesses to discuss opportunities for new or expanded development	16	15	15
Meet with existing business owners to seek partnership opportunities to improve the overall environment and viability of Old Town Keller	7	15	15
Old Town Keller Façade improvement grants approved by City Council	3	6	4
Old Town Keller Façade improvement grants completed	5	5	4

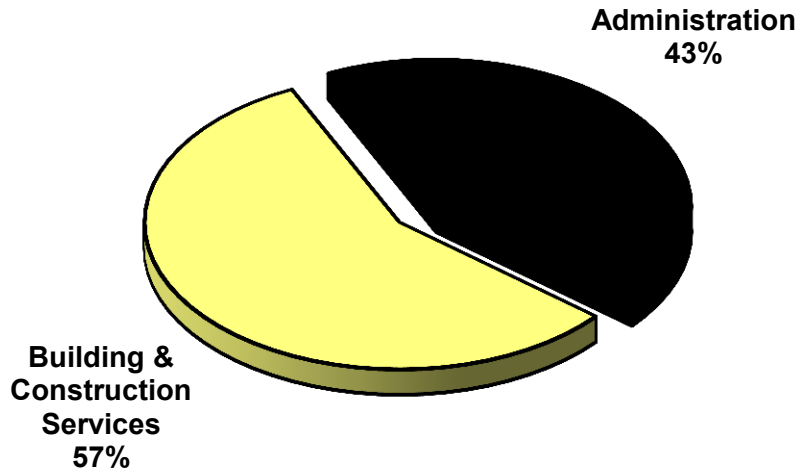
**ECONOMIC DEVELOPMENT / OLD TOWN KELLER
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	4,000	1,500	4,000
Services & other	21,039	39,000	38,250	24,000
SUBTOTAL	21,039	43,000	39,750	28,000
Capital outlay	-	20,000	20,000	-
TOTAL	\$ 21,039	\$ 63,000	\$ 59,750	\$ 28,000

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

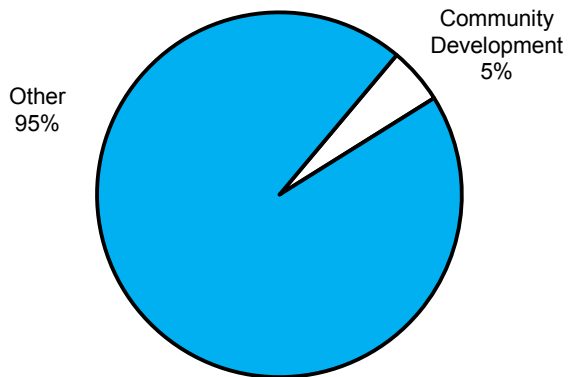
POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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Community Development



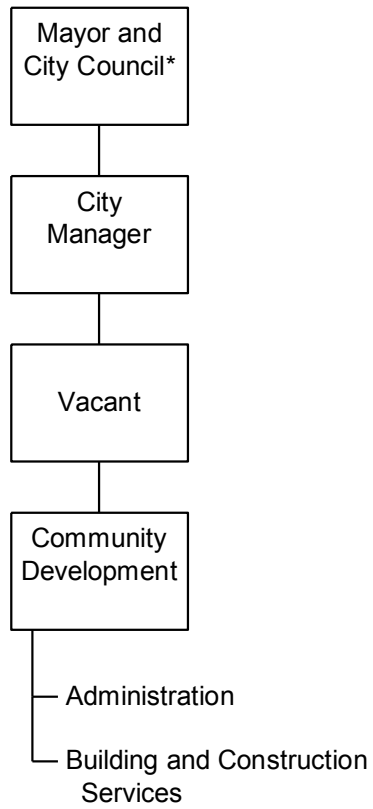
Department total: \$1,507,125

General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

COMMUNITY DEVELOPMENT



* – Denotes elected position.

**COMMUNITY DEVELOPMENT
DEPARTMENT SUMMARY**

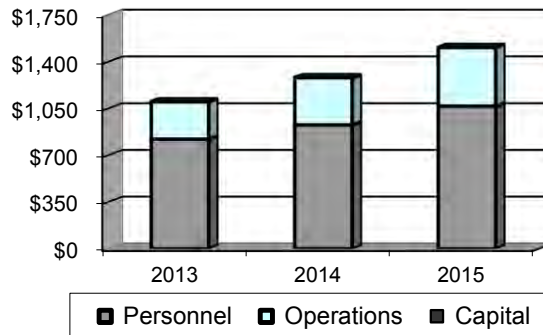
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 820,466	\$ 966,560	\$ 926,985	\$ 1,067,995
Operations & maintenance	33,614	53,070	49,070	14,180
Services & other	245,899	299,850	304,075	424,950
SUBTOTAL	1,099,979	1,319,480	1,280,130	1,507,125
Capital outlay	-	-	-	-
TOTAL	\$ 1,099,979	\$ 1,319,480	\$ 1,280,130	\$ 1,507,125

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 360,356	\$ 513,420	\$ 469,605	\$ 647,955
Building & Construction Services	739,623	806,060	810,525	859,170
TOTAL	\$ 1,099,979	\$ 1,319,480	\$ 1,280,130	\$ 1,507,125

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	4.68	5.48	5.48
Building & Construction Services	6.48	6.48	7.23
TOTAL	11.16	11.96	12.71

Community Development Expenditures
(000's)



FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Administration

ACCOUNT:
100-200-01

DEPARTMENT DESCRIPTION:

The Community Development Department is responsible for facilitating, organizing and directing the City's growth and development. The department implements growth policies in accordance with the City Council directed goals and objectives. 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, 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 maintaining the Unified Development Code (UDC) and other development ordinances.
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 maintenance of the City's GIS program.
9. Assist the City with implementation of ordinances and development plans for special projects (i.e. Old Town Keller – West planning and development and amendments to the Unified Development Code.
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, marketing information, and preparation of 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

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Planning & Zoning Commission (P&Z) activities:			
regular P&Z meetings held	20	21	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	10	4
plat applications reviewed	43	40	30
zone change requests reviewed	20	15	10
site plans reviewed	29	35	25
specific use permit (SUP) applications reviewed	20	30	20
Zoning Board of Adjustments activities:			
regular meetings held	10	12	10
variance applications reviewed	13	18	14

<u>PERFORMANCE INDICATORS</u>			
Office Staff - full time employees (FTE)	6.5	5.5	5.5
Average staff processing time for initial review of zoning and Special Use Permit applications (days)	5	5	5
Average response from applicants regarding Initial review (days)	10	10	10
Average case preparation time for public hearings (days)	2	2	2
Average approval time for administrative site plans (days)	14	14	14

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Administration

ACCOUNT:
100-200-01

**COMMUNITY DEVELOPMENT ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 346,075	\$ 462,155	\$ 418,225	\$ 496,375
Operations & maintenance	2,533	14,780	14,780	2,910
Services & other	11,748	36,485	36,600	148,670
SUBTOTAL	360,356	513,420	469,605	647,955
Capital outlay	-	-	-	-
TOTAL	\$ 360,356	\$ 513,420	\$ 469,605	\$ 647,955

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Community Development Director	M-3	1.00	1.00	1.00
Planning Manager	M-1	-	1.00	1.00
Senior Planner	PE-8	1.00	-	-
Planner II	PE-7	-	-	1.00
Planner I	PE-5	1.00	2.00	1.00
Planning Technician	A/TN-9	0.70	1.00	1.00
Administrative Secretary	A/TN-8	0.50	-	-
Planning Intern	NA	0.48	0.48	0.48
TOTAL		4.68	5.48	5.48

FY2015 highlights: \$100,000 is provided for services to review and/or update the City's Unified Development Code.

FUND:
Gneral

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, smart device, and web inspection scheduling and checking results.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Single-family building permits issued number of permits	264	300	275
Value of residential permits (millions)	\$70	\$82	\$75
Value of non-residential permits (millions)	\$37	\$40	\$15
Number of miscellaneous permits issued	2,345	2,065	2,000
Number of inspections performed	5,214	5,535	5,500
Plans reviewed for new construction (residential & commercial)	334	385	325
Miscellaneous plans reviewed	1,263	1,285	1,280
Certificates of occupancy issued for existing structures	84	65	60
Code enforcement activities:			
on-site inspections	2,344	1,865	3,000
non-permitted sign removal	1,682	1,390	1,600

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

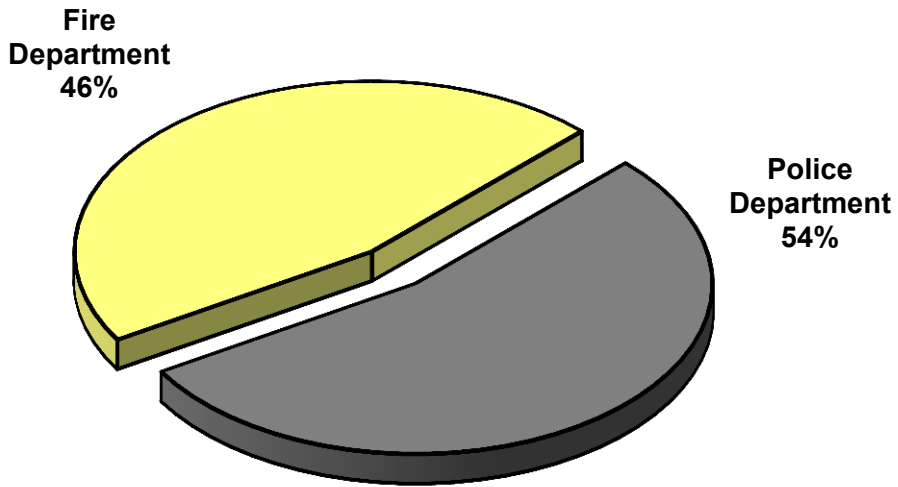
**COMMUNITY DEVELOPMENT / BUILDING & CONSTRUCTION SERVICES
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 474,391	\$ 504,405	\$ 508,760	\$ 571,620
Operations & maintenance	31,081	38,290	34,290	11,270
Services & other	234,151	263,365	267,475	276,280
SUBTOTAL	739,623	806,060	810,525	859,170
Capital outlay	-	-	-	-
TOTAL	\$ 739,623	\$ 806,060	\$ 810,525	\$ 859,170

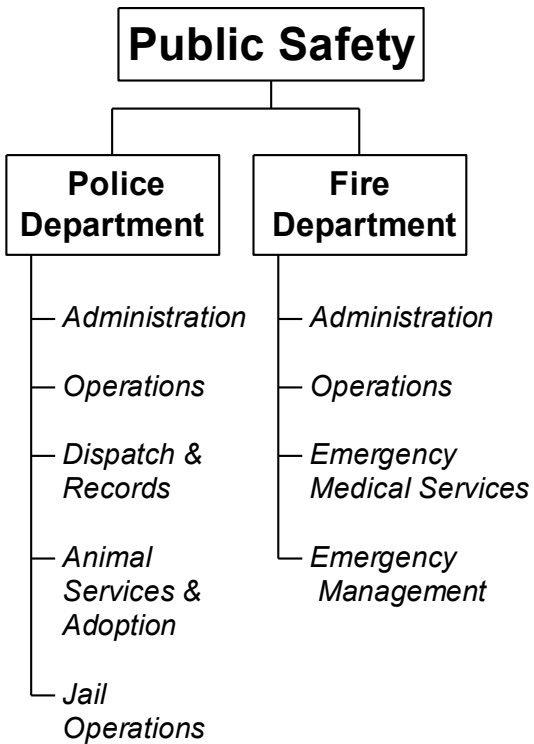
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Building Official	M-1	1.00	1.00	1.00
Code Compliance Coordinator	A/TN-11	-	-	1.00
Plans Examiner	A/TN-11	1.00	1.00	1.00
Code Compliance Officer	A/TN-10	1.00	1.00	0.75
Administrative Secretary	A/TN-8	1.00	1.00	1.00
Permit Technician	A/TN-5	2.00	2.00	2.00
Code Compliance Technician	TN-1	0.48	0.48	0.48
TOTAL		6.48	6.48	7.23

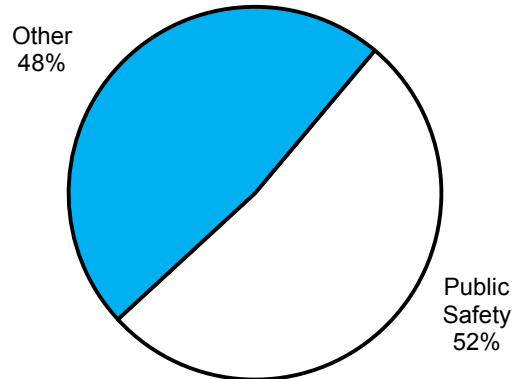
Public Safety



Department total: \$16,338,835

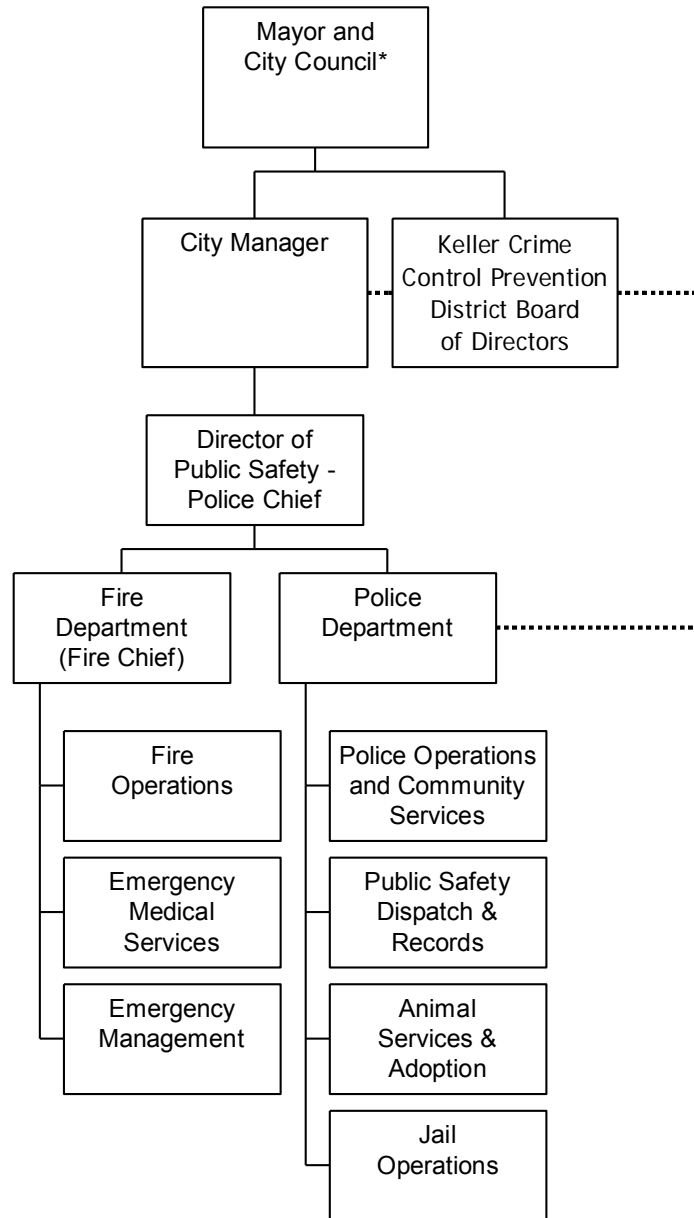


General Fund Expenditures



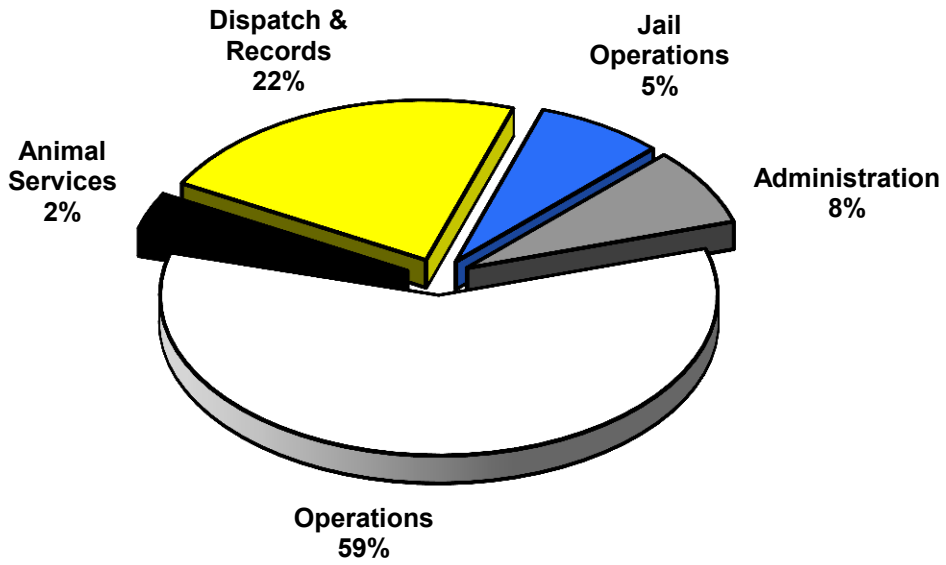
CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC SAFETY



* - Denotes elected positions.

Police Department

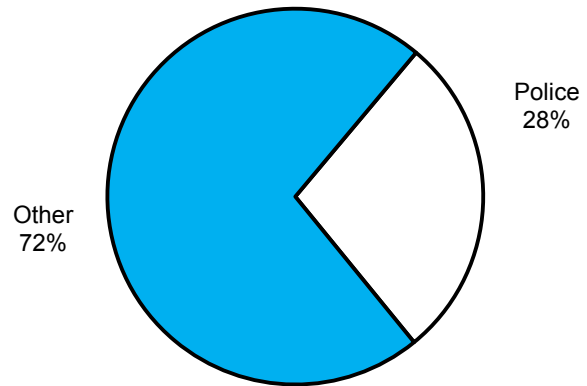


Department total: \$8,795,360

Police Department

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

General Fund Expenditures



**DEPARTMENT SUMMARY
POLICE DEPARTMENT**

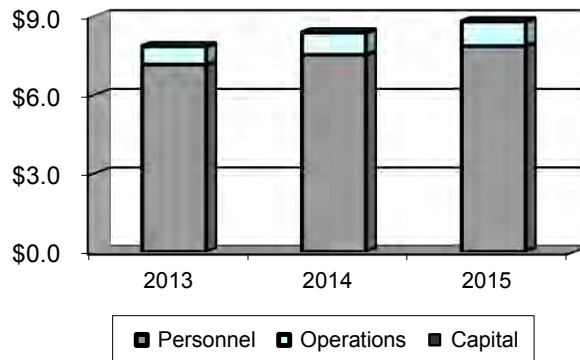
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 7,151,864	\$ 7,593,042	\$ 7,523,030	\$ 7,853,810
Operations & maintenance	349,398	419,635	403,420	417,125
Services & other	346,064	449,055	445,055	524,425
SUBTOTAL	7,847,326	8,461,732	8,371,505	8,795,360
Capital outlay	-	-	-	-
TOTAL	\$ 7,847,326	\$ 8,461,732	\$ 8,371,505	\$ 8,795,360

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 617,766	\$ 674,335	\$ 667,505	\$ 684,710
Police Operations	4,766,159	5,039,450	5,003,485	5,188,450
Public Safety Dispatch & Records	1,787,070	1,911,555	1,903,915	1,942,010
Animal Services & Adoption	260,407	312,852	303,560	326,040
Jail Operations	415,924	523,540	493,040	654,150
TOTAL	\$ 7,847,326	\$ 8,461,732	\$ 8,371,505	\$ 8,795,360

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	3.90	3.90	3.90
Police Operations	48.00	48.00	48.00
Public Safety Dispatch & Records	23.00	23.00	23.00
Animal Services & Adoption	3.48	3.48	3.48
Jail Operations	6.10	7.10	8.10
TOTAL	84.48	85.48	86.48

Police Department Expenditures (millions)



FUND:
General

DEPARTMENT:
Police

DIVISION:
Administration

ACCOUNT:
100-300-01

DEPARTMENT DESCRIPTION:

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

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION OBJECTIVES:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Total Part I major crimes	411	420	430
Total arrests	1,514	1,540	1,550
Total traffic accidents	323	300	300
Citizen initiated calls for service	29,666	30,000	30,500
Officer initiated calls for service	64,582	64,750	65,000
E-Safe E-mails	38,250	39,000	39,500

Excludes Town of Westlake activity.

FUND:
General

DEPARTMENT:
Police

DIVISION:
Administration

ACCOUNT:
100-300-01

**POLICE ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 449,275	\$ 472,435	\$ 472,840	\$ 478,260
Operations & maintenance	33,212	43,290	39,840	43,160
Services & other	135,279	158,610	154,825	163,290
SUBTOTAL	617,766	674,335	667,505	684,710
Capital outlay	-	-	-	-
TOTAL	\$ 617,766	\$ 674,335	\$ 667,505	\$ 684,710

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Director of Public Safety/Police Chief	M-4	1.0	1.0	1.0
Police Captain	PSE-PC	-	0.9	0.9
Police Lieutenant	PSE-2P	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. The Patrol Division will utilize the Data-Driven Approach to Crime and Traffic Safety (DDACTS) crime reduction model to further reduce Part 1 Crime.
 - Continue to run four shifts consisting of a Sergeant, Corporal and five sector officers to facilitate police services for both the City of Keller and the Town of Westlake.
 - The 3:00pm-3:00am officers will continue to utilize the DDACTS model to aide in concentrating police resources in geographical locations requiring additional visible patrols to lessen Part One crimes and reportable accidents in areas with higher reported incidents.
2. The Keller Police School Campus Patrol Program was initiated in April 2013. The objective of this partnership with the Keller Independent School District (KISD) is to provide a heightened level of security and safety for thirteen school campuses within the City of Keller and Town of Westlake jurisdictions.
 - It will be the goal of the Patrol Division to conduct six-hundred school campus patrols during this fiscal year. These patrols will provide a heightened level of security and safety for the staff and students of these campuses thus enhancing their educational experience.
3. The Canine Unit will be available for narcotics investigations and detection.
 - During the 2014-2015 fiscal year we will re-evaluate the Keller Police Canine Program. Our current canine, "Rowdy" is nearing retirement and a suitable replacement canine and police officer will have to be identified for this program to continue. Upon these requirements being met the below goals will continue to be in place for the guidance and development of the canine program.
 - Continue a quarterly canine demonstration model. This will control the frequency of demonstrations for organizations and special events that wish to see the Canine Unit and its capabilities. This implementation will lessen the risks associated with the overall health and safety of our canine officer and the police canine.
 - Ensure optimal scheduling of the Canine Unit for availability of interdiction patrols and regular patrol activities.
 - In 2014 the Keller Police Canine Program adopted plans to conduct canine searches for drugs at Deloitte University as well as at the Keller High School at the request of these two entities. We will continue these programs at quarterly and bi-monthly intervals respectively.

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

(Continued)

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

4. Continue "KPD4KYD" – (Keller Police Department for Keller Youth Development). This program consists of one – two hour class, once monthly, held in the community room for ages 12 – 20. The objective is to instill leadership principles, and re-enforce sound decision making processes, while building relationships.
 - Make the class available to the Municipal Judge or regional municipal court to assign as an alternative or in addition to community service for court dispositions.
 - Offer the class free of charge to the parents experiencing difficulties with wayward teenagers during the officers' routine community interactions.
 - Continue to monitor the number of young adults utilizing this alternative service through the regional municipal court.
5. Maintain Bicycle Officer patrols in the parks and trails systems.
 - Deploy an officer to bike patrol when weather permits and minimum staffing has been satisfied.
 - Continue to conduct International Police Mountain Bike Association (IPMBA) training with an in-house instructor.
 - Continue to deploy bike patrol officers during community events and parades.
 - Continue to deploy bike unit at the High School Football Stadium upon KISD request.
 - In conjunction with the Community Relations Officer, Bike Officers will assist in conducting child bike safety education.
6. Continue the use of the mounted patrol unit.
 - Deploy as deemed appropriate/as needed at large events in the parks and schools.
 - Continue to train annually through Alpha Omega Security Services.
7. Maintain officer-training levels through in-house training sources.
 - Average 30 hours of in-service training per officer.
8. Reduce traffic accident rate by 5% through enforcement and education efforts.
 - The Patrol and Traffic Divisions will utilize the Data-Driven Approach to Crime and Traffic Safety (DDACTS) crime reduction model in our efforts to reduce traffic accidents in locations with high incidents of crime and accident occurrences.
 - Continue to conduct quarterly crash analysis reports and conduct traffic enforcement details in those locations identified to be problem areas with regard to higher accident rates.
 - Utilize the departments newly acquired JAMAR Technologies Radar Traffic Data Collection unit to provide enhanced traffic and speed data that will assist in determining future traffic enforcement efforts
9. Maintain traffic enforcement/special watch patrols and high visibility in neighborhoods and other locations of frequent traffic complaints.
 - Continue to respond to traffic complaints and schedule traffic enforcement details at high incident locations.
 - Conduct follow-up contacts with complainants to review results of our enforcement efforts.
 - Utilize portable light emitting diode (L.E.D.) speed signs for traffic calming with the assistance of the Volunteers in Policing Services.
 - The Keller Police Department Traffic Division started utilizing social media outlets to inform the motoring public of traffic enforcement locations throughout the City of Keller and the Town of Westlake. This initiative is an effort to further reduce accidents by informing the public that we are actively working traffic enforcement in both jurisdictions.

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

(Continued)

10. Maintain enforcement of narcotic activities in the City of Keller.
 - Continue to gather intelligence, disseminate the information to patrol as needed.
 - Increase the enforcement and execution of warrants involving narcotic activity through the use of Criminal Investigators and Patrol Officers.
 - Coordinate and communicate intelligence to outside sources such as Tarrant County Task Force and the Drug Enforcement Agency.
11. Continue efforts to curb underage alcohol and tobacco use.
 - Conduct one alcohol and or tobacco sting.
 - Continue being proactive by sending local businesses letters explaining State Law regarding sale of alcohol and tobacco to minors.
12. Continue to utilize Citizens Academy Volunteers on Patrol for support services (warrants, property destruction, selected patrol activities and victim's assistance).
13. Utilize the Police web-site by adding an education piece for the public in regards to Financial Crimes, including identity theft and fraud. How to file a report and prevention tips.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Total arrests made	1,514	1,540	1,550
Total citations issued	10,378	10,500	10,500
Total cases investigated	1,502	1,525	1,535
Alarm responses	2,355	2,250	2,200
Volunteers in policing total hours	2,190	2,220	2,230
Crime Prevention presentations	189	190	200
 <u>PERFORMANCE INDICATORS</u>			
Case clearance rate	77%	75%	75%
Part 1 crime clearance rate	36%	35%	36%

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

**POLICE OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,422,832	\$ 4,670,365	\$ 4,626,820	\$ 4,791,390
Operations & maintenance	255,482	272,985	268,535	291,200
Services & other	87,845	96,100	108,130	105,860
SUBTOTAL	4,766,159	5,039,450	5,003,485	5,188,450
Capital outlay	-	-	-	-
TOTAL	\$ 4,766,159	\$ 5,039,450	\$ 5,003,485	\$ 5,188,450

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Police Captain	PSE-PC	-	2.0	2.0
Police Lieutenant	PSE-2P	2.0	-	-
Police Sergeant	PSN-S	6.0	6.0	6.0
Corporal	PSN-CO	4.0	4.0	4.0
Criminal Investigator	PSN-PC	3.0	4.0	5.0
Police Officer	PSN-PC	33.0	32.0	31.0
TOTAL		48.0	48.0	48.0



FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch &
Records

ACCOUNT:
100-300-21

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

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

OBJECTIVES:

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

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch &
Records

ACCOUNT:
100-300-21

(Continued)

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 PROJECTED
Total number of authorized division personnel:	23	23	23
Manager	1	1	1
Assistant Manager	1	1	1
Dispatcher	19	19	19
Records Technician	2	2	2
Police Activities processed by NETCOM:			
Dispatched Calls, Traffic and Officer Self-Initiated			
• Keller	94,420	96,000	98,000
• Southlake	112,864	120,000	122,000
• Westlake	21,203	19,000	21,500
• Colleyville	<u>80,635</u>	<u>75,000</u>	<u>77,000</u>
Total	309,122	302,250	310,500
Number of Fire/EMS calls for service			
• Keller	3,030	3,250	3,300
• Southlake	2,350	2,855	2,900
• Westlake	517	540	575
• Colleyville	<u>1,478</u>	<u>1,550</u>	<u>1,575</u>
Total	7,375	8,195	8,350
Number of 9-1-1 calls received			
• Keller	15,773	16,550	17,000
• Southlake	13,708	14,568	15,000
• Colleyville	7,240	8,038	8,250
• Westlake (Westlake had been included with KPD)	<u>938</u>	<u>608</u>	<u>750</u>
Total	37,659	39,764	41,000
Number of in-coming phone calls			
Open record requests processed (Keller Records)	158,437	152,500	154,000
	2,491	2,350	2,505
Efficiency/Effectiveness:			
<i>Average time from call receipt to dispatch:</i>			
Police emergency calls (minutes)	1:32	1.14	1.45
Fire/EMS emergency calls (minutes)	:45	.49	.55
Percent of 911 phone calls answered within 10 seconds.	96.12%	95%	95%

FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch &
Records

ACCOUNT:
100-300-21

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,669,182	\$ 1,761,980	\$ 1,760,645	\$ 1,814,560
Operations & maintenance	37,669	51,050	47,800	25,200
Services & other	80,219	98,525	95,470	102,250
SUBTOTAL	1,787,070	1,911,555	1,903,915	1,942,010
Capital outlay	-	-	-	-
TOTAL	\$ 1,787,070	\$ 1,911,555	\$ 1,903,915	\$ 1,942,010

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Regional Communications Manager	M-1	1.0	1.0	1.0
Regional Communications Ass't. Manager	PE-6	-	1.0	1.0
Regional Communications Supervisor	PN-8	1.0	-	-
Dispatch Shift Supervisor	PN-5	2.0	2.0	2.0
Dispatcher	PN-3	17.0	17.0	17.0
Senior Records Technician	A/TN-7	1.0	1.0	1.0
Records Technician	A/TN-4	1.0	1.0	1.0
TOTAL		23.0	23.0	23.0

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Services & Adoption

ACCOUNT:
100-300-23

DEPARTMENT/DIVISION DESCRIPTION:

The Animal Services & Adoption Department provides enforcement of the animal ordinance within the Cities of Colleyville, Keller, Southlake, and the Town of Westlake. Services are generally limited to routine stray animal enforcement, bite investigations, wild animal and domestic livestock problems, and removal of dead animal carcasses from city roadways. Continual efforts to expand the adoption program have been successful. On May 1, 2014, the regional partners expanded the partnership to include the Humane Society of North Texas. The Humane Society will operate the new Regional Adoption Center and care for all adoptable animals impounded in the partner cities.

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. Continue to strive for receiving no citizen dissatisfaction complaints regarding animal service and adoption efforts.
 - Utilize the NETCOM Center to answer in-coming calls.
 - Return voice mails within one hour while on duty, (during off-duty the phones will be answered by NETCOM Personnel).
 - Conduct weekly inspection of the facilities to ensure cleanliness and proper care. Utilize appropriate form to capture the results.
2. Work with the Humane Society to maintain a live release rate of animals at a minimum of 80% of total impounded domesticated animals.
 - Utilize rescue groups to place animals.
 - Utilize a Lost and Found website to advertise animals reported lost and those impounded in the partner cities.
 - Promote registration awareness and offer off-site animal registration events.
 - Conduct proactive patrols.
3. Increase the notification of ordinance violations.
 - Determine and make notification to owners whose animal license has expired.
 - Proactively patrol areas of reported violations.
 - Conduct random patrols in the area parks and neighborhoods.
4. Continue to train Animal Control Officers with the Less Lethal Munitions and State Required certifications.
5. Launch an animal education program for children within the partnering cities respective school districts that teach children how to be more aware of the dangers of wildlife and domestic animals within our jurisdiction.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013</u> <u>ACTUAL</u>	<u>2013-2014</u> <u>ESTIMATE</u>	<u>2014-2015</u> <u>PROJECTED</u>
Stray animals impounded	840	850	800
Citations issued	4	32	50
Total calls for service	4,034	3,900	3,967
Animal bite reports taken	76	82	78
Reported rabies incidents	10	14	12
Animals adopted/redeemed/rescued/released	671	720	725
Wildlife Impound and Relocation	648	504	576

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Services & Adoption

ACCOUNT:
100-300-23

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 229,280	\$ 249,857	\$ 243,565	\$ 242,320
Operations & maintenance	14,802	29,160	27,595	26,265
Services & other	16,325	33,835	32,400	57,455
SUBTOTAL	260,407	312,852	303,560	326,040
Capital outlay	-	-	-	-
TOTAL	\$ 260,407	\$ 312,852	\$ 303,560	\$ 326,040

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Animal Control Officer	TN-5	3.00	3.00	3.00
Kennel Technician	TN-1	0.48	0.48	0.48
TOTAL		3.48	3.48	3.48

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

DEPARTMENT/DIVISION DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. Continue to operate a safe, efficient, and humane temporary holding facility.
2. Continue to work to decrease the errors in book-in and court paperwork.
 - Continuous training on frequent paperwork errors.
 - Refining paperwork approval processes through the Laser Fiche Workflow.
3. Continue to comply with state and federal standards.
4. Conduct weekly inspection of the jail facility for safety purposes and cleanliness.
 - Daily task list
 - Weekly cell checks
5. Provide a positive atmosphere with other employees by following our four core values: Empathy, Edification, Enthusiasm and Excellence.
6. Continue quarterly training of Detention Officers in defensive tactics, Crimes and Live Scan, paperwork updates, Laser Fiche, customer service techniques, and send 2 Detention Officers to State Mandated Jailer Training.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Keller prisoners detained	1,235	1,300	1,320
Southlake prisoners detained	995	1,024	1,035
Westlake prisoners detained	266	270	275
Colleyville prisoners detained	599	595	600
Roanoke prisoners detained	267	250	260

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

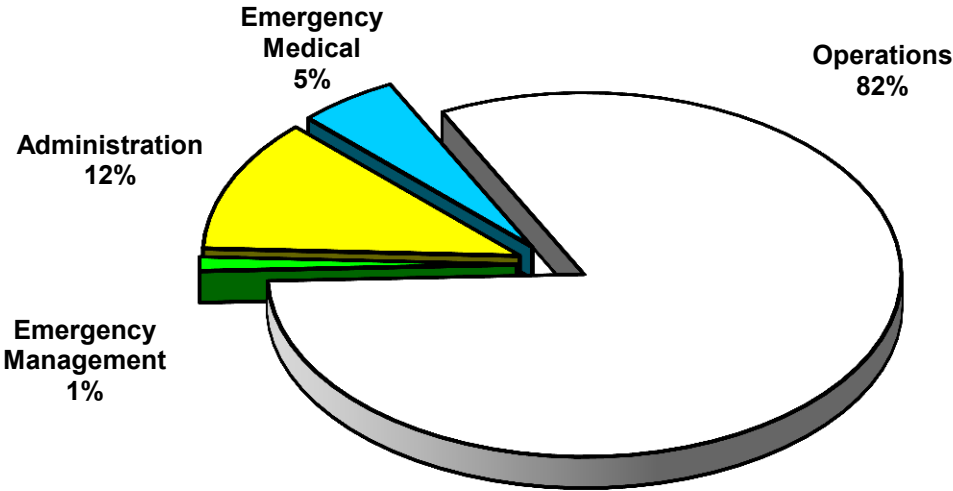
**POLICE / JAIL OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 381,295	\$ 438,405	\$ 419,160	\$ 527,280
Operations & maintenance	8,233	23,150	19,650	31,300
Services & other	26,396	61,985	54,230	95,570
SUBTOTAL	415,924	523,540	493,040	654,150
Capital outlay	-	-	-	-
TOTAL	\$ 415,924	\$ 523,540	\$ 493,040	\$ 654,150

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Police Captain	PSE-PC	-	0.1	0.1
Police Lieutenant	PSE-2P	0.1	-	-
Detention Officer	PN-2	6.0	7.0	8.0
TOTAL		6.1	7.1	8.1

Fire Department

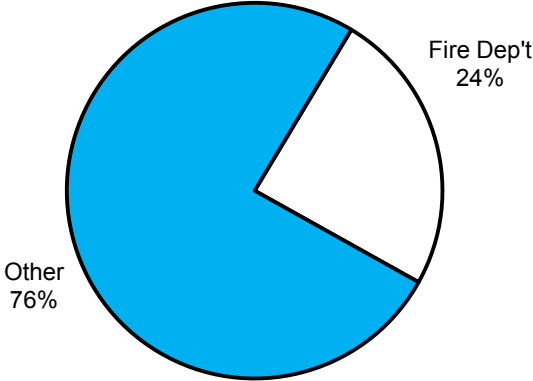


Department total: \$ 7,543,475

Fire Department

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

General Fund Expenditures



**FIRE DEPARTMENT
DEPARTMENT SUMMARY**

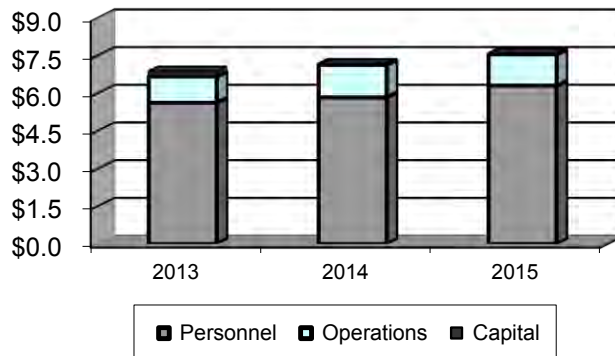
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 5,616,972	\$ 6,229,640	\$ 5,834,930	\$ 6,298,515
Operations & maintenance	607,225	714,980	706,585	672,920
Services & other	440,688	593,185	586,705	572,040
SUBTOTAL	6,664,885	7,537,805	7,128,220	7,543,475
Capital outlay	206,042	-	-	-
TOTAL	\$ 6,870,927	\$ 7,537,805	\$ 7,128,220	\$ 7,543,475

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 743,200	\$ 796,800	\$ 740,345	\$ 894,425
Fire Operations	5,619,847	6,233,395	5,886,240	6,172,255
Emergency Medical Services	399,863	413,600	407,950	384,990
Emergency Management	108,017	94,010	93,685	91,805
TOTAL	\$ 6,870,927	\$ 7,537,805	\$ 7,128,220	\$ 7,543,475

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	7.0	7.0	6.0
Fire Operations	52.0	52.0	52.0
TOTAL	59.0	59.0	58.0

Fire Department Expenditures (millions)





FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

DEPARTMENT DESCRIPTION:

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

Fire Administrative Duties:

- Provide consistent and excellent customer service to the citizens of Keller, the members of the department, and the employees and staff of the City of Keller.
- Ensure the proper efficient, ethical and effective utilization of City of Keller resources for life safety and quality of life for citizens and visitors to Keller.
- Continuously review, update, and communicate the mission of the department to ensure adherence to the department's core values of Pride, Community, Service, Preparation, Prevention, and Education.
- Development and implementation of a plan for continued quality improvement of the department through the use of performance measurement.
- 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, receives high quality training to maintain a high state of readiness to meet the needs of our community and our commitment to our regional emergency services obligation.
 - North East Explosives Response Team
 - Technical Rescue Team
 - Hazardous Materials Response
 - Texas Task Force One (Urban Search and Rescue Team)
- Continuously analyze the current and future needs of the department

(Continued)

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

(Continued)

DEPARTMENT/DIVISION GOALS:

1. Participate in the Texas Fire Chiefs Association Best Practices Program, and obtain agency recognition, by reviewing and comparing current departmental operations with the twelve identified performance areas of the program.
2. Add a Training Officer position within the Administration Division to manage the training element of the department, serve as the department's accreditation manager, and assist the emergency management element within the community by maintaining the City's Emergency Management Plan.
3. Expand current fire safety and injury prevention programs through the development of a community outreach program and interaction of staff with stakeholders within the community, civic groups, and the school district.
4. Review, revise, and implement Employee Development and Succession Planning programs within the department to provide a career progression template for current and new members to follow for career advancement and to establish continuity within the department.
5. Identify and establish response benchmarks during the accreditation process to be utilized as performance measurement indicators for the department.
6. Continue to annually review and revise departmental policies and procedures to ensure they are current and meet the dynamic nature of the fire service.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Total Fire & EMS calls for service	3,110	3,288	3,503
Average overall response time (minutes & seconds)	5:19	5:20	5:20
Fire Commission certifications obtained	29	29	12
Fire investigations conducted	17	20	20
Commercial construction plans/plats reviewed	418	501	521
Commercial fire inspections conducted	1,044	1,316	1,500
Public fire education programs conducted	110	140	150

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

**FIRE DEPARTMENT ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 643,753	\$ 674,230	\$ 616,165	\$ 775,685
Operations & maintenance	35,880	28,850	25,250	25,110
Services & other	63,567	93,720	98,930	93,630
SUBTOTAL	743,200	796,800	740,345	894,425
Capital outlay	-	-	-	-
TOTAL	\$ 743,200	\$ 796,800	\$ 740,345	\$ 894,425

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Fire Chief	M-3	1.0	1.0	1.0
Ass't Chief-Operations	M-3	1.0	1.0	-
Fire Marshal	M-3	1.0	1.0	-
Battalion Chief	PSE-BC	-	-	1.0
Training Officer	PSN-FM	1.0	1.0	1.0
Fire Marshal	PSN-FM	-	-	1.0
Fire Inspector	PSN-FI	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Accounting Technician	A/TN-7	1.0	1.0	-
TOTAL		7.0	7.0	6.0

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Fire Operations

ACCOUNT:
100-350-40

DEPARTMENT/DIVISION DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Calls for service (excludes EMS calls):			
• Fire calls and other emergencies	858	1,004	1,185
• Public service calls	236	240	245
Response Measurement:			
• Turnout Time – dispatch to enroute (in seconds)			
• FIRE – goal is 80 seconds 90% of the time	82	74	70
• EMS – goal is 60 seconds 90% of the time	82	69	60
Fire Training Classes	4,551	4,218	4,500
Fire Training Hours	17,138	19,212	20,940
ISO Activities:			
• Hydrant Inspection/Testing	3,598	4,190	4,190
• Commercial Preplans	2,226	2,300	2,300
• Fire Hose Sections Tested	291	344	351
• Drills Conducted	51	52	54

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Fire Operations

ACCOUNT:
100-350-40

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,973,219	\$ 5,555,410	\$ 5,218,765	\$ 5,522,830
Operations & maintenance	391,205	492,845	492,845	462,695
Services & other	119,359	185,140	174,630	186,730
SUBTOTAL	5,483,783	6,233,395	5,886,240	6,172,255
Capital outlay	136,064	-	-	-
TOTAL	\$ 5,619,847	\$ 6,233,395	\$ 5,886,240	\$ 6,172,255

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Battalion Chief	PSN-BC	3.0	3.0	3.0
Fire Captain	PSN-FC	9.0	9.0	9.0
Fire Equipment Driver/Engineer	PSN-D/F	9.0	9.0	9.0
Firefighter/Paramedic FTP	PSN-D/F	6.0	6.0	6.0
Firefighter/Paramedic	PSN-F	25.0	25.0	25.0
TOTAL		52.0	52.0	52.0

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

DEPARTMENT DESCRIPTION:

The Emergency Medical Services (EMS) Division provides services necessary to preserve life, alleviate suffering, and return individuals to a functioning part of the community. This service ranges in scope from preventive safety education through the public school system, civic, church and community groups; a cross spectrum application of emergency medical care through pre-arrival instructions from emergency medical dispatchers; first responding police and fire units; and ultimate care by a paramedic staffed mobile intensive care unit. This service is also fulfilled through patient and provider advocacy at local, state, and national levels of regulatory agencies. Personnel services funding is 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. Establish the standard of acquiring a 12 lead EKG on cardiac patients within 5 minutes of patient contact.
4. Establish the standard of Cardiac Cath Lab activation within 5 minutes of ST elevation myocardial infarction (STEMI) recognition.
5. Work with local hospitals to continue to improve first patient contact to cardiologist intervention times in heart attack patients with an end goal average of 60 minutes or less.
6. Conduct EMS training scenarios utilizing the Simulation Mannequin (SIM_MAN) 3G trainer.
7. Conduct Continuous Quality Improvement evaluations on 50% of all patient charts.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
EMS/Rescue calls for service	2,016	2,044	2,073
EMS total patients not transported	425	386	418
EMS total patient transports	1,508	1,478	1,482
 <u>PERFORMANCE INDICATORS</u>			
EMS response time (from dispatch to on location, average minutes)	5.0	5.0	5.0
EMS call time (average time from dispatch to unit is available, average minutes)	78	75	65
Patient contact to 12 lead EKG time (average minutes)	6.8	6.0	5.0
STEMI recognition to cardiac cath lab activation	3.5	3.0	2.5
Patient contact to cardiologist intervention (average minutes)	68	64	60
Simulation scenarios conducted	65	65	70
Charts reviewed for Continuous Quality Improvement	577	720	900

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	133,741	161,085	156,790	155,150
Services & other	196,144	252,515	251,160	229,840
SUBTOTAL	329,885	413,600	407,950	384,990
Capital outlay	69,978	-	-	-
TOTAL	\$ 399,863	\$ 413,600	\$ 407,950	\$ 384,990

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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Funding for emergency medical positions is included in the Fire Department/Operations Division.

FY2015 highlights: in addition to the above amounts, funding is provided from fund balance as one-time, non-recurring expenditures to replace an ambulance. A 2007 ambulance will be removed from service; however the ambulance "box" will be removed and refurbished, then reinstalled on a new ambulance chassis (\$122,880). Refurbishing and reinstalling the ambulance box is anticipated to result in a cost savings of \$50,000 when compared to the cost of purchasing both a new chassis and ambulance box. The annual operating budget impact for the remount and refurbishment is less than \$500.

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

DEPARTMENT/DIVISION DESCRIPTION:

The Emergency Management Division provides planning, preparedness, response and recovery services to the City of Keller in addition to the coordination of the Keller Consolidated Emergency Operations Plan, an all-hazards approach to meet daily natural and man-made disaster threats. The dynamic nature of natural and 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 intergovernmental relationships that have proven worthwhile in times of disaster. In addition to the Emergency Management function of the City, the Emergency Management Coordinator also represents the City as a member of the Tarrant County Local Emergency Planning Committee (LEPC). The LEPC supports emergency planning for chemical hazards and provides local government as well as the public with information about possible chemical hazards within their communities. As a public service the Emergency Management 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. Continue to work to enhance the value of the Community Emergency Response Team (CERT) to the community by greater involvement and publicity.
2. Provide Incident Command System (ICS) training and continue to track compliance with the National Incident Management System (NIMS) training requirements.
3. Update Emergency Management Policies and Procedures as necessary.
4. Conduct table-top and Emergency Operation Center (EOC) exercises annually.
5. Seek additional Emergency Management Institute (EMI) training for the Emergency Management Coordinator to facilitate better involvement in the program.
6. Maintain the Outdoor Warning Siren (OWS) system.
7. Conduct routine testing of the OWS through a collaboration of members of the Fire Operations division, other City departments, and the school district.
8. Provide training opportunities and events to maintain member interest in CERT.
9. Participate in and utilize the CASA WX Radar System through the North Central Texas Council of Governments to help provide early severe weather warning opportunities for the community.
10. Implement the use of a Mass Communication system to deliver time sensitive information to the community in regard to matters of public safety.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Household hazardous waste collection events	2	2	2
Participants – Household Hazardous Waste program (Events and Fort Worth Environmental Collection Center)	860	950	1,000

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	46,399	32,200	31,700	29,965
Services & other	61,618	61,810	61,985	61,840
SUBTOTAL	108,017	94,010	93,685	91,805
Capital outlay	-	-	-	-
TOTAL	\$ 108,017	\$ 94,010	\$ 93,685	\$ 91,805

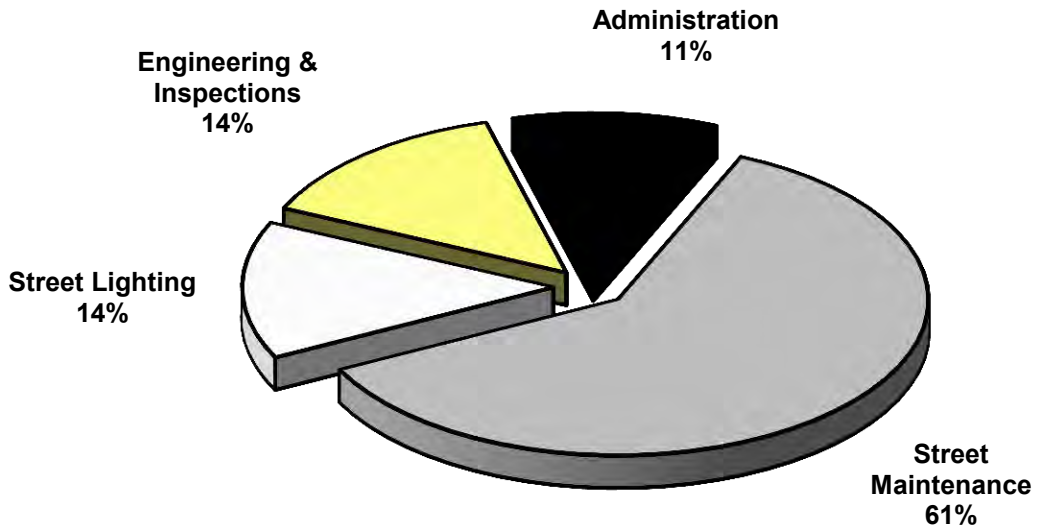
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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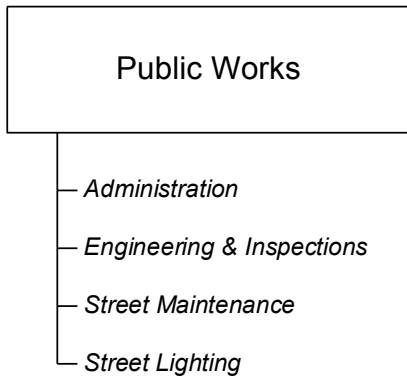
No personnel funding is provided in this program.



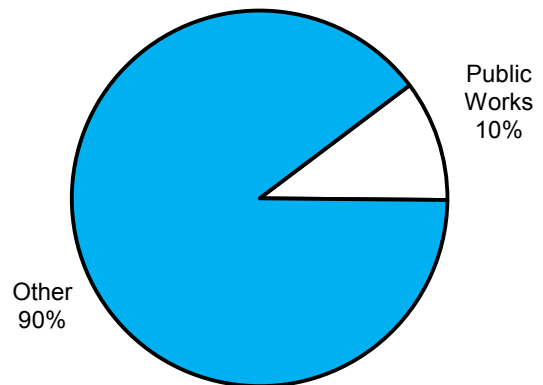
Public Works



Department total: \$3,319,945

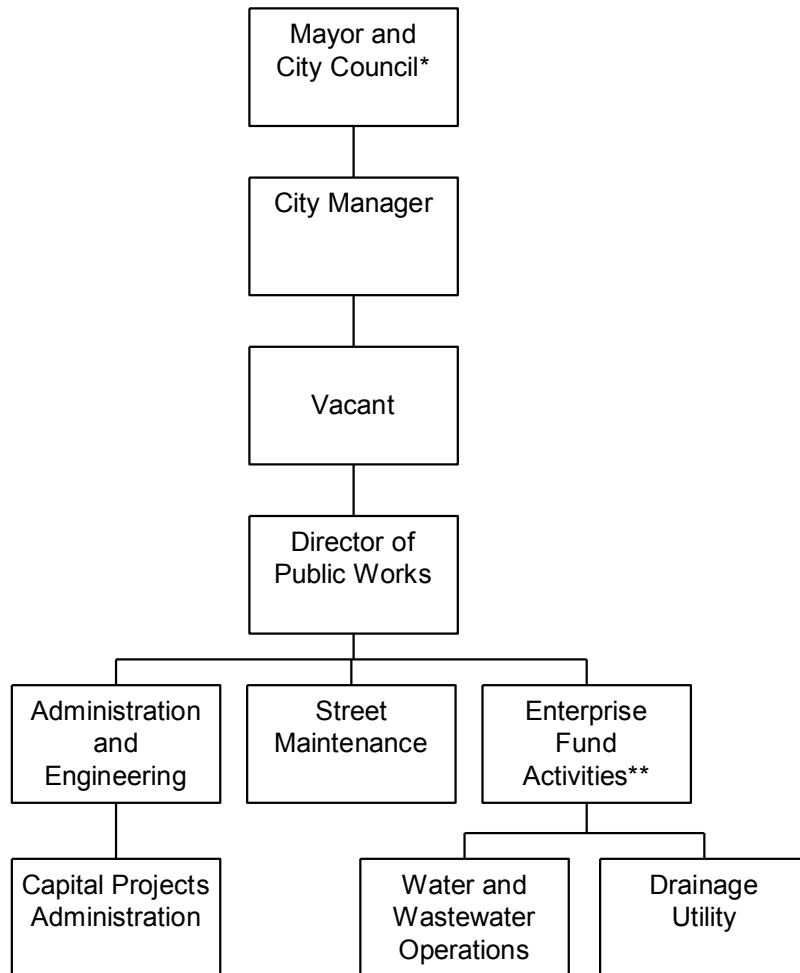


General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC WORKS



* – Denotes elected positions.

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

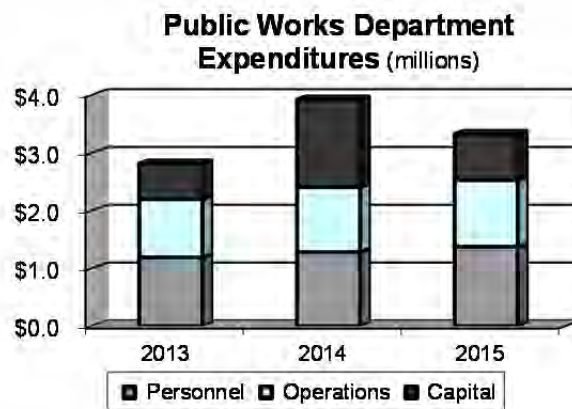
**PUBLIC WORKS
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,189,336	\$ 1,272,400	\$ 1,279,615	\$ 1,372,160
Operations & maintenance	304,253	345,865	343,865	365,200
Services & other	702,156	758,615	783,130	787,585
SUBTOTAL	2,195,745	2,376,880	2,406,610	2,524,945
Capital outlay	614,390	1,508,635	1,508,635	795,000
TOTAL	\$ 2,810,135	\$ 3,885,515	\$ 3,915,245	\$ 3,319,945

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 277,143	\$ 334,810	\$ 338,025	\$ 353,725
Engineering & Inspections	433,891	477,215	444,045	465,315
Street Maintenance	1,625,958	2,646,215	2,659,675	2,027,515
Street Lighting	473,143	427,275	473,500	473,390
TOTAL	\$ 2,810,135	\$ 3,885,515	\$ 3,915,245	\$ 3,319,945

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	2.13	2.50	2.50
Engineering & Inspections	3.00	3.00	3.00
Street Maintenance	9.60	9.60	9.83
TOTAL	14.73	15.10	15.33



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, flood plain management, street lighting, water & wastewater, and drainage 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. Provide effective and efficient guidance and supervision of the engineering, inspection, street maintenance and drainage divisions.
3. Work with the division managers toward the improvement of their professional knowledge and skills through in house and external educational opportunities.
4. Review all budgets on a monthly basis to ensure cost containment and adherence to budget expenditure policies.
5. Respond to e-mail and citizen requests within 24 hours of message or request receipt.
6. Attempt to minimize flooding of public and private property.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Improve water efficiency and conservation efforts through public education and information (daily gallons per capita)	NA	NA	203
Public Education/Awareness Campaigns on water conservation and West Nile prevention provided	NA	NA	3
Meet all state and federal standards (percentage compliance)	100%	100%	100%
Evaluate potential electric cost savings for pumping facilities (percentage decrease in use)	NA	NA	5%

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Administration

ACCOUNT:
100-500-01

**PUBLIC WORKS ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 263,081	\$ 310,195	\$ 324,145	\$ 329,375
Operations & maintenance	1,520	2,270	2,270	2,270
Services & other	12,542	22,345	11,610	22,080
SUBTOTAL	277,143	334,810	338,025	353,725
Capital outlay	-	-	-	-
TOTAL	\$ 277,143	\$ 334,810	\$ 338,025	\$ 353,725

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Director of Public Works	M-3	1.00	1.00	1.00
Storm Water Engineer	PE-12	0.13	0.50	0.50
Administrative Secretary	A/TN-8	1.00	1.00	1.00
TOTAL		2.13	2.50	2.50

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Engineering & Inspections

ACCOUNT:
100-500-50

DEPARTMENT/DIVISION DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. Provide plan review and construction management for cost-effective infrastructure improvements.
2. Review plats, site plans, and specific use permits for new development and City projects for compliance with the Unified Development Code and accepted engineering standards within 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. Provide at least 80% of Inspector work time in the field inspecting public water, sewer, and street and drainage facility construction.
9. Educate citizens, builders, developers and city staff regarding drainage issues and inspection goals.
10. Continue to encourage staff to attend seminars for continuing education which will enhance their ability to perform the job duties.
11. In-house design of street reconstruction and maintenance projects, drainage projects, water and sanitary sewer projects.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
In-house public works construction projects designed	6	7	7
Review & approve capital improvement projects designed by others	10	12	10
Street, water and wastewater map updates prepared	10	10	12
Development Review Committee items reviewed	180	240	240
Paving and utility inspections conducted for residential, commercial and capital improvement projects	7,200	7,600	7,200
Residential inspections conducted	2,200	2,400	2,500
Customer service requests completed	3,300	3,500	3,600

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Engineering & Inspections

ACCOUNT:
100-500-50

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 338,423	\$ 340,720	\$ 310,720	\$ 353,840
Operations & maintenance	6,644	9,070	7,620	9,170
Services & other	88,824	127,425	125,705	102,305
SUBTOTAL	433,891	477,215	444,045	465,315
Capital outlay	-	-	-	-
TOTAL	\$ 433,891	\$ 477,215	\$ 444,045	\$ 465,315

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
City Engineer	M-2	1.00	1.00	1.00
Engineering Project Coordinator	A/TN-11	1.00	1.00	1.00
Construction Inspector	A/TN-11	1.00	1.00	1.00
TOTAL		3.00	3.00	3.00

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Maintenance

ACCOUNT:
100-500-51

DEPARTMENT/DIVISION DESCRIPTION:

The Street Maintenance Division of the Public Works Department is responsible for providing a safe street and sidewalk transportation system for motorists and pedestrians in the City of Keller. To achieve this 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 and 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 Lucity software system.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Lane miles of paved streets to be maintained	470	475	480
Tons of hot-mix asphalt used for major street repairs*	4,461	14,374	16,330
UPM (55lb bags) used for street potholes	353	450	450
Sidewalks repaired/replaced by contractor (linear feet)	1,350	1,640	1,700
Street signs repaired/replaced	879	850	900
Sidewalks repaired/replaced in-house (linear feet)	1,280	1,500	1,300
Miles of street striping completed	16	16	16
Acres of right-of-way & channels mowed	707	707	707
Miles of street sweeping completed	2,153	2,375	2,400
Lane miles of streets crack-sealed	6	12	14

* – 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**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 587,832	\$ 621,485	\$ 644,750	\$ 688,945
Operations & maintenance	296,089	334,525	333,975	353,760
Services & other	127,647	181,570	172,315	189,810
SUBTOTAL	1,011,568	1,137,580	1,151,040	1,232,515
Capital outlay	614,390	1,508,635	1,508,635	795,000
TOTAL	\$ 1,625,958	\$ 2,646,215	\$ 2,659,675	\$ 2,027,515

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Street/Drainage Superintendent	M-1	0.50	0.50	0.50
Street/Drainage Foreman	TN-11	1.00	1.00	1.00
Traffic Control Technician	TN-7	–	1.00	1.00
Street Crewleader	TN-7	2.00	1.00	1.00
Equipment Operator	TN-5	1.00	1.00	1.00
Street Maintenance Worker	TN-2	4.00	4.00	5.00
Administrative Secretary	A/TN-8	0.33	0.33	0.33
Street Maintenance Worker (Seasonal)	NA	0.77	0.77	–
TOTAL		9.60	9.60	9.83

FY2015 highlights: capital outlay includes \$763,000 for street reconstruction and \$32,000 for street maintenance equipment. In addition to the above amounts, funding is also provided from one-time, non-recurring expenditure from fund balance to replace a 2002 street sweeper (\$209,850). The annual operating budget impact associated with these capital items is anticipated to result in a net savings of \$1,500.

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Lighting

ACCOUNT:
100-500-52

DEPARTMENT/DIVISION DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Number of street lights maintained*	2,395	2,487	2,505

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

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Lighting

ACCOUNT:
100-500-52

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

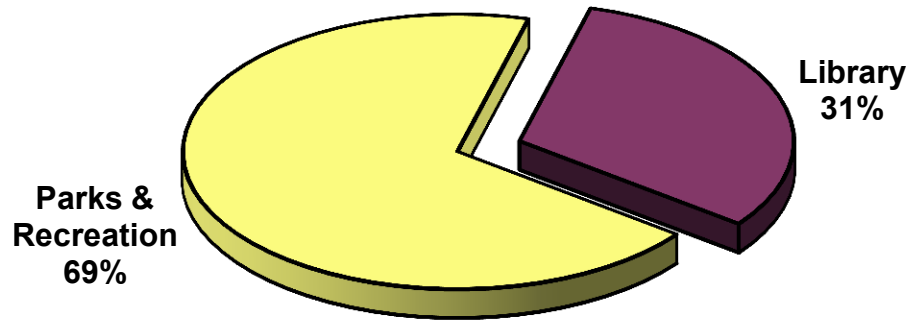
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	473,143	427,275	473,500	473,390
SUBTOTAL	473,143	427,275	473,500	473,390
Capital outlay	-	-	-	-
TOTAL	\$ 473,143	\$ 427,275	\$ 473,500	\$ 473,390

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

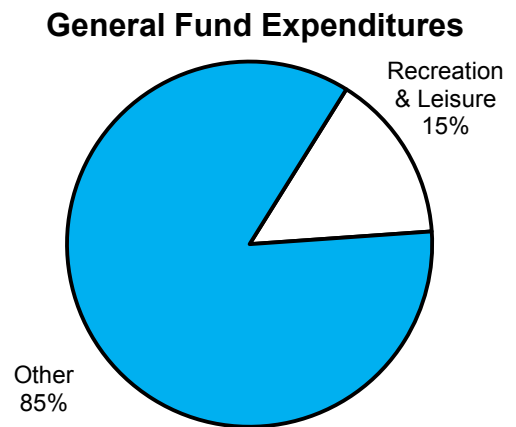
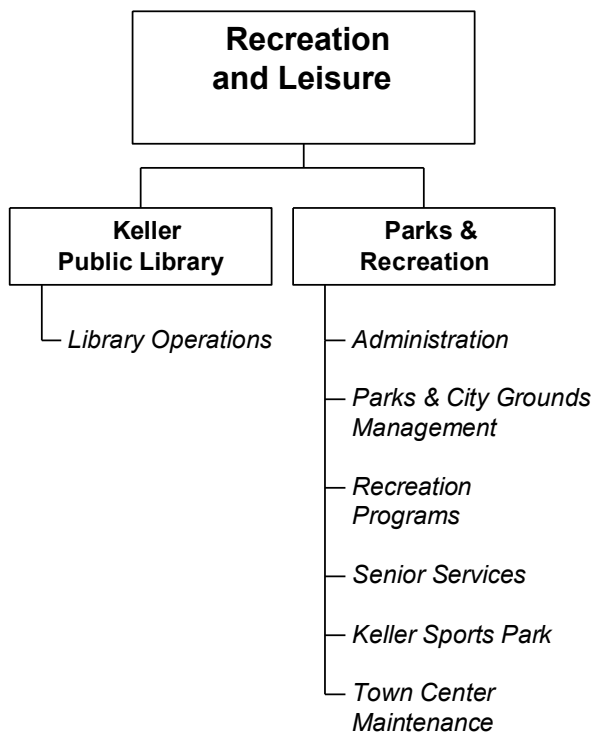
POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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No personnel funding is provided in this program.

Recreation & Leisure

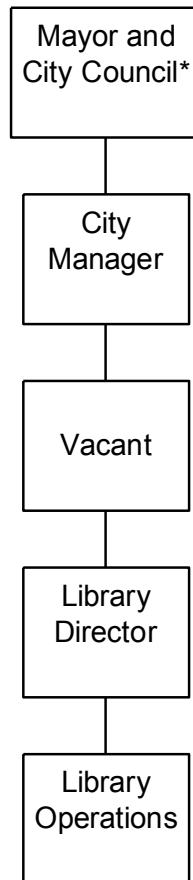


Department total: \$4,860,700



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

Objectives:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Visits to Library	237,088	238,000	239,000
Number of checkouts	561,475	562,000	563,000
New items added	13,265	13,300	13,400
Library program participants	18,268	18,300	18,500
 <u>PERFORMANCE MEASURES</u>			
Checkouts per FTE employees as a measure of workload (Texas average of 15,031 checkouts per FTE)	35,581	36,000	37,000
Library visits per capita (Texas average 3.3)	5.65	5.70	5.80
Library checkouts per capita (Texas average 4.91)	13.39	13.40	13.45

FUND:
General

DEPARTMENT:
Keller Public Library

DIVISION:
Administration

ACCOUNT:
100-600-01

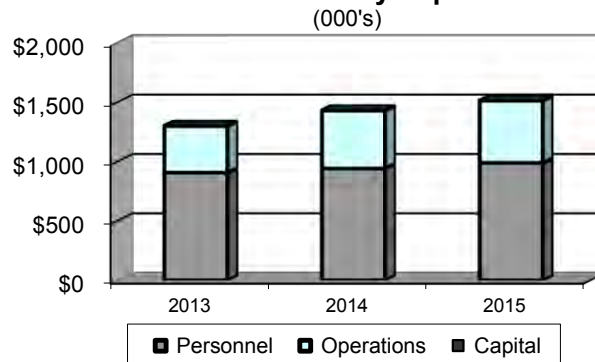
**KELLER PUBLIC LIBRARY
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 907,018	\$ 942,790	\$ 942,880	\$ 989,260
Operations & maintenance	151,400	199,330	194,080	220,985
Services & other	241,543	289,890	293,080	302,830
SUBTOTAL	1,299,961	1,432,010	1,430,040	1,513,075
Capital outlay	-	-	-	-
TOTAL	\$ 1,299,961	\$ 1,432,010	\$ 1,430,040	\$ 1,513,075

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

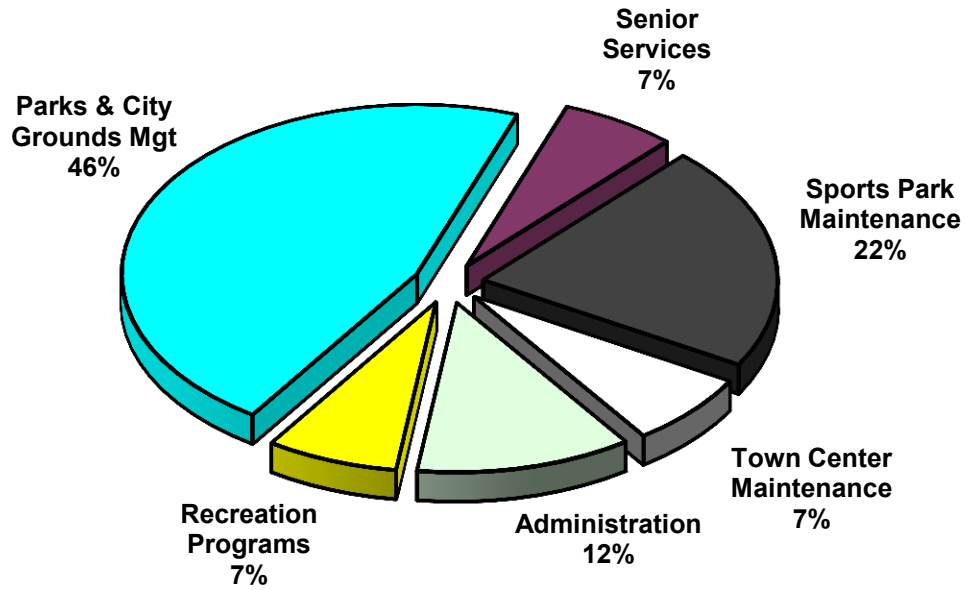
POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Library Director	M-3	1.00	1.00	1.00
Library Services Manager	PE-8	1.00	1.00	1.00
Librarian (Exempt)	PE-4	-	-	3.00
Librarian (Exempt)	PE-3	3.00	3.00	-
Librarian (Non-Exempt)	A/TN-10	-	-	0.48
Circulation Supervisor	A/TN-10	-	-	1.00
Librarian (Non-Exempt)	A/TN-9	0.48	0.48	-
Circulation Supervisor	A/TN-9	1.00	1.00	-
Administrative Secretary	A/TN-8	1.00	1.00	1.00
Library Clerk	A/TN-3	7.80	7.80	7.84
Library Aide (seasonal)	NA	0.14	0.14	0.16
TOTAL		15.42	15.42	15.48

Keller Public Library Expenditures

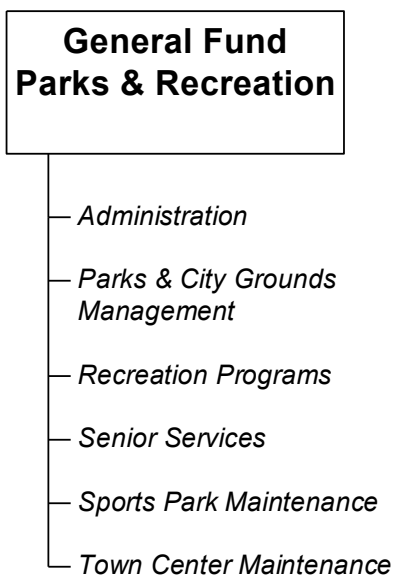




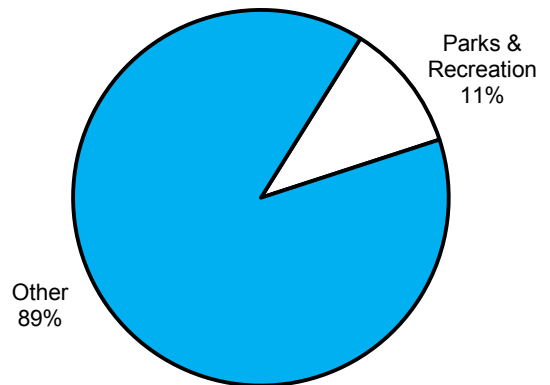
General Fund Parks and Recreation



Department total: \$3,347,625

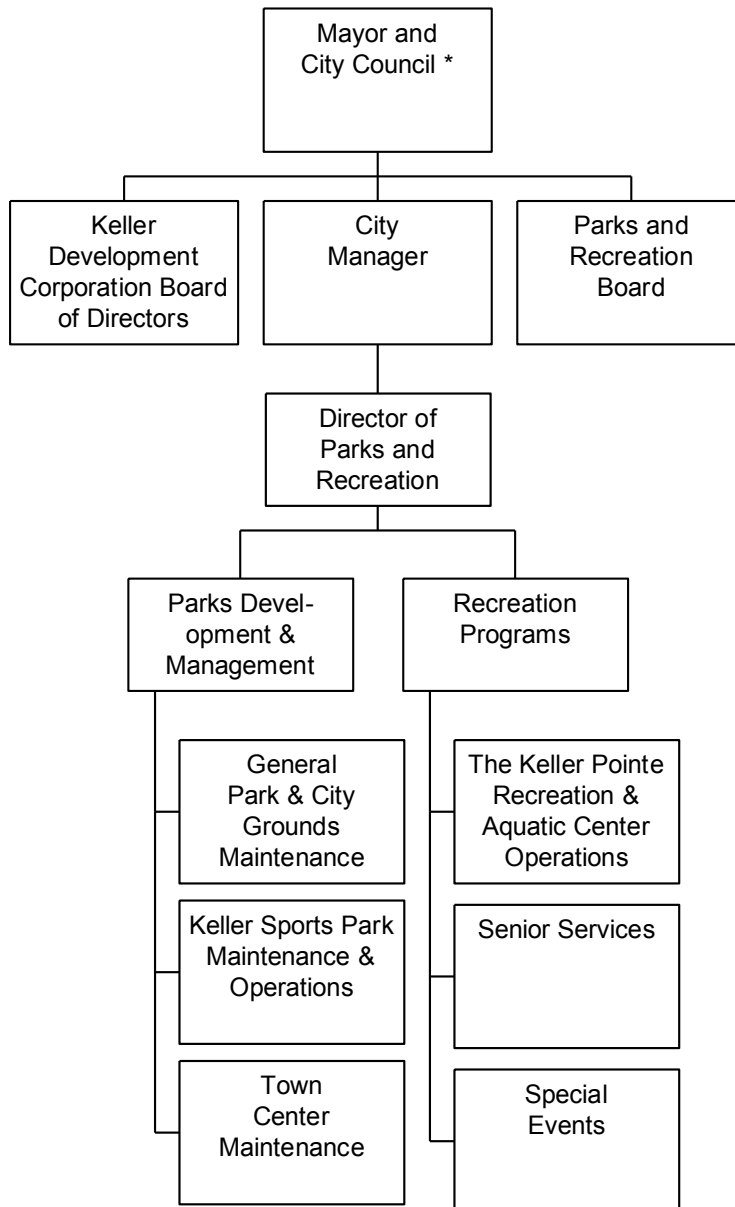


General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

PARKS AND RECREATION



* Denotes elected positions.

Shaded boxes represent activities provided for in other funds.

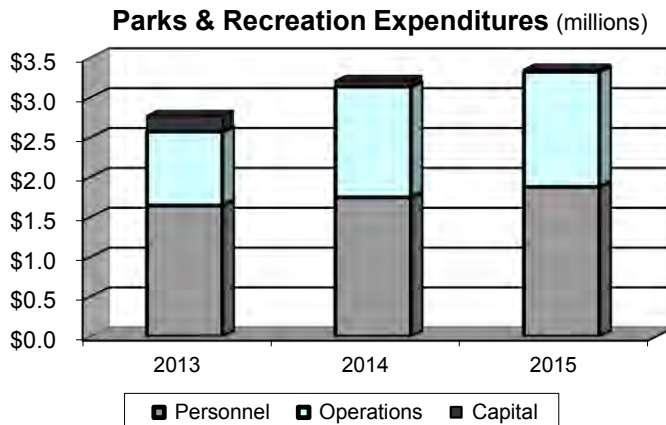
**PARKS AND RECREATION
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,645,344	\$ 1,897,630	\$ 1,745,570	\$ 1,877,080
Operations & maintenance	260,263	396,820	392,765	336,670
Services & other	666,613	1,074,515	997,020	1,108,625
SUBTOTAL	2,572,220	3,368,965	3,135,355	3,322,375
Capital outlay	194,774	79,060	70,675	25,250
TOTAL	\$ 2,766,994	\$ 3,448,025	\$ 3,206,030	\$ 3,347,625

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 282,933	\$ 382,795	\$ 364,700	\$ 397,615
Parks & City Grounds Management	1,265,691	1,627,575	1,483,995	1,544,740
Recreation Programs	202,728	241,665	247,250	241,960
Senior Services	274,941	218,845	201,785	212,700
Sports Park Maintenance	543,874	758,785	693,170	717,820
Town Center Maintenance	196,827	218,360	215,130	232,790
TOTAL	\$ 2,766,994	\$ 3,448,025	\$ 3,206,030	\$ 3,347,625

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	3.00	3.00	3.00
Parks & City Grounds Management	13.19	12.19	12.41
Recreation Programs	2.00	2.00	2.00
Senior Services	2.50	2.50	2.50
Sports Park Maintenance	6.39	7.78	7.80
Town Center Maintenance	0.4	0.35	0.35
TOTAL	27.43	27.82	28.06



FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Administration

ACCOUNT:
100-630-01

DEPARTMENT/DIVISION DESCRIPTION:

The mission of the Parks & Recreation Department is to enrich our community through people, parks and programs. The Administration Division provides direction and administrative oversight for all parks and city grounds management, recreation programs 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. Create parks, trails and natural areas in accordance with the individual master plans where quality of life is protected and areas are carefully planned to provide a safe place to play, healthy lifestyles are encouraged and economic development is fostered.
2. Protect natural areas for future generations through the acquisition of park land in accordance with the Parks and Open Space Master Plan.
3. Analyze and prioritize citizens' needs, ideas and feedback related to parks and recreation by coordinating citizen boards including the Parks and Recreation Board, Keller Development Corporation and special committees and task forces.
4. Strive to meet needs related to parks and recreation of both current and potential residents and businesses through proper implementation of the Park Land Dedication Ordinance.
5. Cultivate partnerships with civic groups, private businesses, foundations and neighboring cities that align with our core values to expand our resources and abilities to offer services that make the community more attractive to current and potential residents and businesses.
6. Acquire and administer grants for parks and facilities that align with the updated Parks, Recreation and Open Space Master Plan when adopted.
7. Provide recreational and event locations for individuals to gather, celebrate, practice and compete through the management of a park and facility reservation system.
8. Ensure sustainability of The Keller Pointe operations through management of a self-sufficient enterprise fund to continue to prevent any subsidization from the general fund.
9. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guests' expectations.
10. Continue to enhance communication to the public regarding parks and recreation operations through social, electronic and print media.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Board/committee meetings organized	36	59	42
Facility & Park reservations processed	973	975	978
<u>PERFORMANCE INDICATORS</u>			
Per capita annual investment in parks and recreation operations	\$57.76	\$64.36	\$63.80
Park development fees	\$385,419	\$226,665	\$150,000

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Administration

ACCOUNT:
100-630-01

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 269,381	\$ 278,510	\$ 266,895	\$ 293,590
Operations & maintenance	2,165	3,950	4,875	2,400
Services & other	11,387	100,335	92,930	101,625
SUBTOTAL	282,933	382,795	364,700	397,615
Capital outlay	-	-	-	-
TOTAL	\$ 282,933	\$ 382,795	\$ 364,700	\$ 397,615

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Director of Parks and Recreation	M-3	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Customer Service Representative	A/TN-5	-	-	1.0
Customer Service Aide	A/TN-4	-	1.0	-
Recreation Aide	A/TN-4	1.0	-	-
TOTAL		3.0	3.0	3.0



FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Parks & City Grounds
Management

ACCOUNT:
100-630-60

DEPARTMENT/DIVISION DESCRIPTION:

The Parks & City Grounds Management division of the Parks and Recreation Department is responsible for enhancing the quality of life for Keller citizens and businesses by providing and maintaining the richness and diversity of a safe, available, accessible, and affordable park system. The division maintains all City parks, park amenities and facilities, trails, all City-owned facilities grounds, Park and Recreation facilities (with the exception of The Keller Pointe) and all landscaped street medians and landscaped right-of-ways. (Please note: Street medians and right-of-ways that only include grass are maintained by the Public Works Department.) This division is also responsible for the construction of small park projects. Finally, the division assists the Recreation Division with the implementation of Citywide special events.

DEPARTMENT/DIVISION GOALS:

1. Encourage healthy lifestyles and promote economic development through the provision of professionally managed quality grounds and facilities.
2. Foster tourism, showcase local businesses and organizations and provide citizens an economical means of recreation by assisting the Recreation Division with the implementation of City-wide special events.
3. Boost economic prosperity by enhancing/maintaining real estate values; stimulating recreational equipment sales; and attracting businesses and tourism through the daily inspection, cleaning and repairing of parks and park playground equipment.
4. Maintain the city's investment in vehicles and equipment and keep repair cost minimal through a quality in-house preventative maintenance program.
5. Provide a safe and healthy environment through daily custodial services to the Senior Activities Center and park restroom/concession facilities.
6. Maintain low overhead expenses on the construction and installation of small park capital improvement projects by completing the projects with in-house staff.
7. Increase the overall economic value and aesthetics of the city through the provision of professionally managed landscaping in city parks, medians and city facilities.
8. Enhance recreational and competitive opportunities through professionally managed sport fields and facilities for use by the local sport organizations.
9. Continue to attract individuals and businesses to the area through the provision of quality customer care in the delivery of services that exceeds guest expectations.

(Continued)

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Parks & City Grounds
Management

ACCOUNT:
100-630-60

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 PROJECTED
Total park acreage (including undeveloped land)	491	491	491
Total developed park acreage maintained by City	190.63	190.63	196.63
• Bear Creek Park acreage maintained	44	44	44
• Big Bear Creek Greenbelt acreage maintained	27	27	27
• Keller Sports Park acreage maintained	110	110	110
• Chase Oaks Activity Node acreage maintained	5	5	5
• Willis Cove open space acreage maintained	4	4	4
• Eastern Trail section acreage maintained	0.25	0.25	0.25
• Veterans Memorial Park	0.38	0.38	0.38
• Shady Grove Gardens	N/A	N/A	6
Total miles of hike/bike trails maintained	18.66	18.66	20
Contracted developed park acreage maintained	85	85	91
Contracted park areas include Johnson Road Park (15 ac); Meandering Trail (6.94ac); Bursley Ranch Park (1.3 ac); The Parks at Town Center (23 ac); Milestone Park (10 ac); Keller Sports Park (20 ac); Overton Ridge Park (7.88 ac)			
Undeveloped park land/open space maintained	215.48	215.48	209.48
The Parks at Town Center (86.73 ac); Northeast Park Property (43 ac); Shady Grove Gardens (6 ac- to be developed in FY15); Keller Sports Park (52 ac); Shady Grove Greenwalk (8.5 ac); Old Town Park (0.55 ac); Fall Creek Open Space (2 ac); Milestone Park (6 ac.); Overton Ridge Park (11.7 ac)			
Total playgrounds maintained	9	9	9
Total city grounds acreage maintained	19.43	19.43	19.43
Keller Parkway medians (0.17 ac); Rufe Snow Drive medians south (6.27 ac); Bourland Road medians (1 ac); Other miscellaneous medians (0.11 ac); Fire Stations, Fire Administration, and Friends of Library Bldg (7 ac); Rufe Snow Drive medians north (1.58 ac); North Tarrant Pkwy medians (2.61 ac); and Marshall Ridge Pkwy landscaping (.69 ac)			
Total City facilities square footage maintained	8,039	7,731	7,731
<u>PERFORMANCE INDICATORS</u>			
Total developed park acreage per 1,000 residents	6.8	6.7	6.6
* Parks investment per developed acre	\$6,384	\$7,333	\$7,626
* Parks investment per resident	\$23.05	\$26.06	\$26.48
Developed park acres per full-time maintenance staff	15.36	15.36	15.48

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

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Parks & City Grounds
Management

ACCOUNT:
100-630-60

**PARKS & RECREATION / PARKS & CITY GROUNDS MANAGEMENT
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 734,071	\$ 795,545	\$ 730,185	\$ 783,080
Operations & maintenance	114,982	189,700	188,410	167,060
Services & other	317,451	567,250	498,335	578,550
SUBTOTAL	1,166,504	1,552,495	1,416,930	1,528,690
Capital outlay	99,187	75,080	67,065	16,050
TOTAL	\$ 1,265,691	\$ 1,627,575	\$ 1,483,995	\$ 1,544,740

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Park Superintendent	M-1	1.00	1.00	1.00
Park Foreman	TN-11	1.00	1.00	1.00
Park/Landscape Crewleader	TN-7	2.00	2.00	2.00
Irrigation Technician	TN-5	0.65	0.65	0.65
Parks/Landscape Maintenance Worker II	TN-3	-	-	1.00
Parks/Landscape Maintenance Worker I	TN-2	7.00	7.00	6.00
Building Maintenance Technician I	TN-1	1.00	-	-
Parks Maintenance Worker (seasonal)	NA	0.54	0.54	0.76
TOTAL		13.19	12.19	12.41

FY2015 highlights: capital outlay is provided to replace parks maintenance equipment (\$16,050). In addition to the above amounts, one-time, non-recurring expenditures from fund balance are provided to replace a departmental vehicle (\$28,400). The annual operating budget impact is anticipated to be a reduction of less than \$500 in maintenance and operations costs.

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. Annual special events administered by the department include Rock the Park, Holly Days, Haunted Trails, TREE-Mendous Spring Egg Scramble, Concerts in the Park (3), Spooky Kooky Keller Kastle, Fishing for Fun events (3), Daddy/Daughter Sweetheart Ball, Mother/Son "I Scream" Social, Family Fun Films (4), MasterWorks Music Series (5), Family Camp Out, and the Trash Bash (2) events. Approximately 33% (\$41,810) of the funding for special events excluding staff costs is supported by the General Fund for the community Trash-Off events (2), MasterWorks Music Series (5), a volunteer recognition, and a portion of Holly Days. The remaining 67% (\$84,815) is generated through the 50-cent water bill donations, community partner donations/sponsorships, grants and fees.

DEPARTMENT/DIVISION GOALS:

1. Foster tourism, showcase local businesses and organizations and provide citizens an economical means of recreation through the creation and implementation of a variety of enriching programs and special events.
2. Inspire environmental stewardship and healthy lifestyles through the management of Keller Proud and Texas Amateur Athletic Federation Programs.
3. Ensure sustainability of citywide special events through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - b. Maintaining and promoting an active and rewarding volunteer program.
 - c. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services.
4. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guest expectations.
5. Continue to enhance communication regarding recreational programs, events and facilities through social, electronic and print media.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Special events provided annually	27	28	28
Recreation Program volunteers	806	800	800
Number of partnerships developed	69	150	163
Recreation leagues provided	8	8	8
Special events guests	22,103	30,942	33,000
Recreation program volunteer hours	1,548	1,702	1,873
Recreation program volunteer dollars	\$11,223	\$12,340	\$13,580
Recreation partnership dollars generated	\$34,995	\$30,866	\$33,952
Recreation league participants	249	200	210

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Recreation Programs

ACCOUNT:
100-630-61

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 173,688	\$ 184,880	\$ 192,880	\$ 184,485
Operations & maintenance	5,361	9,850	9,570	10,150
Services & other	23,679	46,935	44,800	47,325
SUBTOTAL	202,728	241,665	247,250	241,960
Capital outlay	-	-	-	-
TOTAL	\$ 202,728	\$ 241,665	\$ 247,250	\$ 241,960

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Recreation Superintendent	M-1	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:

Keller Senior Activities Center is an essential element of a healthy and vibrant community, providing individual, social and economic value. The Senior Services division of the Parks and Recreation Department encourages individuals and groups to connect with one another to create a welcoming, diverse and fun environment by providing a wide range of health and wellness, enrichment, education, travel opportunities, and special events for the 55 plus population and families. Meals are available three days a week to seniors for a suggested donation of five dollars each. The facility includes a computer lab, two small classrooms, one large banquet room, an area for socializing and a kitchen.

DEPARTMENT/DIVISION GOALS:

1. Encourage healthy and active lifestyles through health and wellness programs, life enrichment classes, as well as education and travel opportunities.
2. Create new technology programs that meet the needs of our aging population to include: internet, tablet, and smart phones.
3. Ensure sustainability of senior adult activities and programs through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with individuals, civic groups, businesses, foundations, and neighboring communities that align with our core values
 - b. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services
4. Establish a participant panel to enhance the programs, events and operations at the Senior Activities Center.
5. Enhance awareness of the Senior Activities Center through public events and promotion of our programs on social, electronic and print media.
6. Ensure that all guests are provided with quality customer care in the delivery of services and programs that exceeds their expectations to maintain a loyal and growing participant base.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

SERVICES ANALYSIS	SERVICE ANALYSIS		
	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 PROJECTED
Number of Annual Members	559	622	650
Annual Senior Services Programs Provided	1,596	1,630	1,700
Number of Special Events Offered	4	6	7
Number of Trips Offered	20	39	42
Number of Community Partners	5	5	5
Annual Facility Attendance	7,750	9,382	10,000
Annual Senior Services Program Attendance	3,238	3,224	3,300
Special Event Participants	155	605	700
Trip Participants	342	563	600

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Senior Services

ACCOUNT:
100-630-62

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 148,807	\$ 168,205	\$ 152,215	\$ 163,050
Operations & maintenance	14,884	11,210	11,210	11,200
Services & other	36,697	39,430	38,360	38,450
SUBTOTAL	200,388	218,845	201,785	212,700
Capital outlay	74,553	-	-	-
TOTAL	\$ 274,941	\$ 218,845	\$ 201,785	\$ 212,700

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Senior Activities Center Manager	PE-6	1.0	1.0	1.0
Recreation Specialist	A/TN-9	1.5	1.5	1.5
TOTAL		2.5	2.5	2.5



FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Sports Park Maintenance

ACCOUNT:
100-630-63

DEPARTMENT/DIVISION DESCRIPTION:

The Sports Park Maintenance division of the Parks and Recreation Department provides funding for the operations and maintenance costs of the Keller Sports Park. Funding for the construction and development of the Sports Park has been paid from the ½ cent sales tax (i.e. the Keller Development Corporation).

The management of the youth sports leagues and equestrian activities is provided by the Keller Youth Association, the Keller Soccer Association, Keller Horse Owner's Association and the Keller Saddle Club respectively. The associations prepare the fields for play and the division manages the general maintenance of the facilities. Adult sports including flag football and softball are coordinated through the Parks and Recreation Department staff. The Sports Park currently includes 4 youth baseball fields, 3 youth softball fields, 1 adult softball field, 2 football/t-ball fields, 6 soccer pads, a multi-use arena, a warm-up arena, trail, 2 playgrounds, pavilion, fishing pier and four concession/restroom buildings. Additionally, the city owns the property 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 the Keller Sports Park. The City and Blue Sky Sports Center entered into a long term ground lease agreement to accommodate the indoor soccer enterprise. Blue Sky manages the indoor soccer facility operations.

DEPARTMENT/DIVISION GOALS:

1. Enhance recreational and competitive opportunities for both youth and adults through the provision of professionally managed quality sports turf, arena, park grounds and facilities.
2. Provide a safe place to play and develop healthy lifestyles through the provision of properly maintained fields for sports leagues and camps.
3. Boost economic prosperity by enhancing/maintaining real estate values; stimulating recreational equipment sales; and attracting businesses and tourism through the daily inspection, cleaning and repairing of all Keller Sports Park areas.
4. Provide a safe and healthy environment through daily in-house custodial and maintenance services to grounds and facilities.
5. Provide individuals a safe place to engage in equestrian related activities through the provision of a properly maintained multi-use arena, warm-up arena an equestrian trails.
6. Provide recreational and competitive facilities for individuals to engage in league and tournament play through the management of a field and facility reservation system.
7. Enhance recreational and competitive opportunities for both youth and adults while also generating additional revenues through the management of a successful ground lease agreement with Blue Sky Sports Center.
8. Protect the city's investment in vehicles and equipment and keep repair cost minimal through a quality in-house preventative maintenance program.
9. Continue to attract individuals and businesses to the area through the provision of quality customer care in the delivery of services.

(Continued)

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Sports Park Maintenance

ACCOUNT:
100-630-63

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Total Sports Park acreage	182	182	182
Total Sports Park acreage maintained by City	110	110	110
Total Sports Park acreage maintained privately	20	20	20
Total Sports Park acreage undeveloped	52	52	52
Total facility square footage maintained	13,277	13,277	13,277
*Sports Park operating & maintenance cost per acre	\$6,539	\$7,303	\$7,476
*Sports Park operating & maintenance cost per capita	\$17.79	\$19.55	\$19.56
*Developed Sports Park acres per maintenance staff	14.13	14.13	14.13
Non-Resident Fees Collected	N/A	\$70,620	\$141,240

* 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**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 301,538	\$ 450,455	\$ 383,125	\$ 431,300
Operations & maintenance	114,770	159,010	155,680	123,560
Services & other	127,566	149,320	154,365	153,760
SUBTOTAL	543,874	758,785	693,170	708,620
Capital outlay	-	-	-	9,200
TOTAL	\$ 543,874	\$ 758,785	\$ 693,170	\$ 717,820

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Parks/Landscape Crewleader	TN-7	0.50	1.00	1.00
Parks/Landscape Maintenance Worker II	TN-3	-	-	1.00
Parks/Landscape Maintenance Worker I	TN-2	5.50	6.00	5.00
Parks/Landscape Maint Worker (Seasonal)	NA	0.39	0.78	0.80
TOTAL		6.39	7.78	7.80

A total of 2.78 FTEs were transferred from the Keller Development Corporation in 2013 and 2014.

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Town Center Maintenance

ACCOUNT:
100-630-64

DEPARTMENT/DIVISION DESCRIPTION:

The Town Center Maintenance division was created to account for the activities and maintenance of Keller Town Center public areas within the property owners association. It includes all public rights-of-way (ROW) from the South ROW of Bear Creek Parkway to the North ROW of Keller Parkway, and from the East ROW of Keller-Smithfield Road to the West ROW of Rufe Snow Drive. It does not include The Parks at Town Center, Keller Town Hall, The Keller Pointe or the Keller ISD Natatorium. The City of Keller receives revenues from the Keller Town Center Property Owner's Association to fund each individual property owner's percentage of maintenance costs, based on each owner's respective amount of land owned in Keller Town Center Property Owners Association District.

DEPARTMENT/DIVISION GOALS:

1. Analyze and prioritize Keller Town Center property owners' and citizens' needs, ideas and feedback related to the operation of the Keller Town Center Property Owner's Association by coordinating regular meetings of the board.
2. Boost economic prosperity by enhancing/maintaining real estate values, attracting businesses and fostering tourism through the daily inspection, cleaning and repairing of the public rights-of-way including streets, medians and landscaping within Keller Town Center.
3. Ensure sustainability of the Keller Town Center Property Owners Association through management of the collection of pro rata fees from the property owners per the Keller Town Center Property Owners Association Developer's Agreement.
4. Promote tourism, showcase Town Center businesses and property owners and provide citizens an economical means of recreation through the financial support of the City of Keller special activities/events hosted in Keller Town Center.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 PROJECTED
Association fee revenue	\$41,964	\$86,052	\$86,884
Association meetings held	1	1	1
Total Town Center property acreage	161.6	161.6	161.6
Public property acreage	100.2	100.2	100.2
Private property acreage	61.4	61.4	61.4
Number of special events supported	1	1	1

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Town Center Maintenance

ACCOUNT:
100-630-64

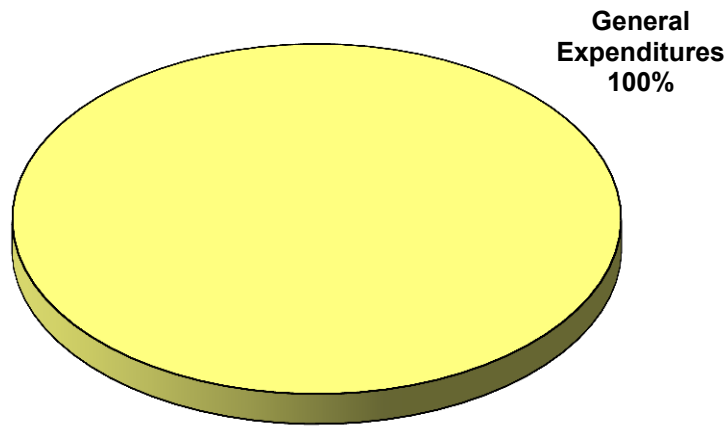
**PARKS & RECREATION / TOWN CENTER MAINTENANCE
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 17,859	\$ 20,035	\$ 20,270	\$ 21,575
Operations & maintenance	8,101	23,100	23,020	22,300
Services & other	149,833	171,245	168,230	188,915
SUBTOTAL	175,793	214,380	211,520	232,790
Capital outlay	21,034	3,980	3,610	-
TOTAL	\$ 196,827	\$ 218,360	\$ 215,130	\$ 232,790

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Irrigation Technician	TN-5	0.35	0.35	0.35
TOTAL		0.35	0.35	0.35

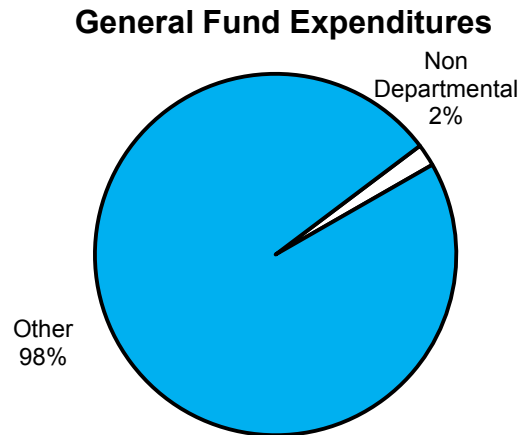
General Fund Non-Departmental



Department total: \$723,080

General Fund Non Departmental

- *General Operations*
- *Interfund Transfers*



FUND:
General

DEPARTMENT:
Non-Departmental

DIVISION:
All Divisions

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:

FUND:
General

DEPARTMENT:
Non-Departmental

DIVISION:
All Divisions

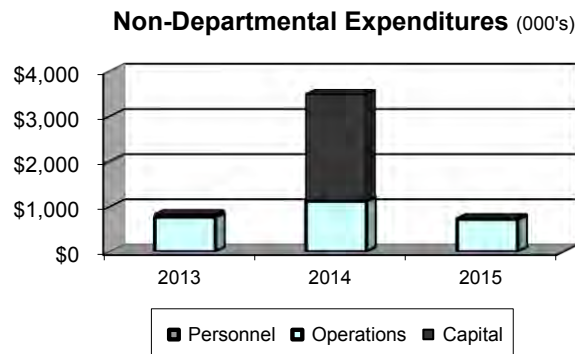
ACCOUNT:
100-990-XX

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	7,894	12,000	12,000	12,510
Transfers to other funds	33,625	300,000	300,000	-
SUBTOTAL	772,532	2,284,765	1,125,205	723,080
Capital outlay	61,782	2,406,130	2,366,125	-
TOTAL	\$ 834,314	\$ 4,690,895	\$ 3,491,330	\$ 723,080
<u>EXPENDITURES BY DIVISION:</u>				
Transfers to other funds	\$ 33,625	\$ 300,000	\$ 300,000	\$ -
One-time expenditures	-	3,606,130	2,416,125	-
Non-Departmental	800,689	784,765	775,205	723,080
TOTAL	\$ 834,314	\$ 4,690,895	\$ 3,491,330	\$ 723,080

FY2015 highlights: In addition to the above amounts, one-time, non-recurring expenditures from fund balance in the amount of \$4,586,630 are provided as follows; transfer to fleet replacement fund for future vehicle replacements, \$300,000 (year two of three); replacement of vehicles and equipment for Town Hall Operations, Parks and Recreation, Fire and Public Works departments, \$386,630; economic development initiatives, \$1,000,000; property and sales tax rebates for economic development agreements approved by City Council, \$300,000; Keller Town Center Core commercial viability enhancements, \$100,000; transfer to debt service for debt retirement, \$1,000,000; and Old Town Keller-West improvements, \$1,500,000.

No personnel funding is provided in this program.



WATER & WASTEWATER FUND

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WATER AND WASTEWATER FUND REVENUES

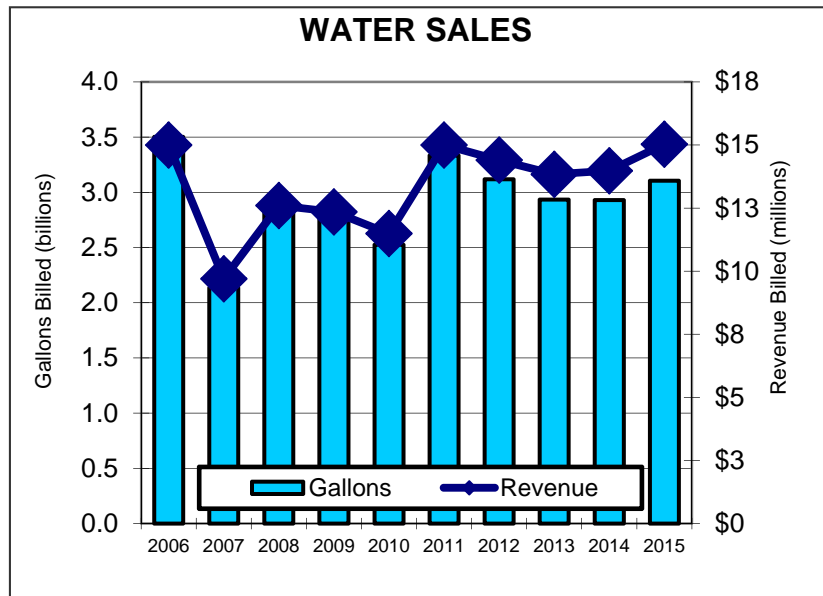
Water revenues comprise \$15.03 million — 69.52 percent — of total revenues of the fund, while wastewater (sewer) charges comprise \$5.98 million — 27.66 percent — of total revenues. Water and sewer charges combined comprise \$21 million — 97.18 percent — of fund revenues. The remaining resources are derived primarily from user fees (e.g., tap fees, reconnect fees, inspection fees and penalty revenue) and interest revenue.

- Total revenues for FY2015 represent an increase of \$556,180 (2.64%) over the FY2014 adopted budget of \$21.06 million.

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. FY2013 actual water usage billed to customers decreased 5.9% from FY2012, primarily because of watering restrictions combined with a corresponding increase in rainfall in 2013 over FY2012, especially during the summer months, which resulted in less demand for water. Based on current fiscal YTD usage through June 2014, the water consumption for FY2014 is anticipated to approximate the FY2013 usage of 2.934 billion gallons. Customer water usage reached an all-time high of 3.54 billion gallons in FY2006. For FY2015, a conservative (normalized) customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts.

As the accompanying chart indicates, total water sales in gallons as well as revenues peaked in FY2006 and with the exception of FY2007 and FY2010, have gradually increased. In general, these increases have been driven both by growth in the customer base as well as dry weather conditions, especially in 2006 and 2011.



Growth in the water and wastewater system continues, although the rate of growth is slowing. For FY2015, average monthly water customers are projected to increase to 15,185, from 14,944 in FY2014 (1.6%).

Average monthly wastewater customers are projected to increase to 12,680 for FY2015, compared to a monthly average of 12,435 in FY2014 (1.9%).

In April 2010, the City Council adopted a wholesale rate pass-through ordinance, whereby future increases (or decreases) in wholesale water supply and wastewater treatment costs will be automatically passed through to Keller customers.

The FY2015 water and wastewater revenues also include an anticipated 0.5% water and wastewater rate increase to fund the cost of two new employees for the wastewater collection division. This is the first rate increase for the City of Keller since 2006. Including the two new positions, total positions funded in FY2015 are 42.17 FTEs, 4.25 FTEs less than FY2008. The rate increase is estimated to increase the average monthly utility bill by 57-cents.

WATER AND WASTEWATER FUND EXPENDITURES

Expenditures include costs for personnel services; operations and maintenance of the water and wastewater system; services and other expenditures; wholesale purchases of water from Fort Worth; wastewater treatment and collection services with the Trinity River Authority; debt service interest and principal; transfers to other funds for general and administrative cost reimbursements and in lieu of taxes; and capital outlay. Depreciation expense is not budgeted, while debt service principal is budgeted as an expenditure.

A major expenditure of the fund is wholesale water purchases. For FY2015, wholesale water purchases are projected to be \$7.24 million, or 33.23% of total expenditures of the fund, compared to \$6.63 million (31.39%) of total expenditures in the FY2014 estimate. This represents an increase of \$610,000 (9.2 percent). The FY2015 increase is based on normalized customer water usage, combined with an increase in the wholesale rate. Wholesale water purchases are anticipated to be 3.206 billion gallons in FY2015, compared to 3.025 billion gallons in FY2014. This represents an increase of 181 million gallons, or 5.98 percent.

- *Expenditures for FY2015 represent an increase of \$60,000 (0.82%) over the FY2014 adopted budget of \$7.3 million, representing 33.12% of total expenditures.*

The average customer water usage, for both residential and non-residential customers, is projected at 17,042 gallons per month for FY2015 compared to 16,419 gallons per month in FY2014, an increase of 3.79 percent. Average customer water usage for FY2013 was 16,707 per month. The usage for FY2015 is based on estimates derived from anticipating normal rainfall during the year.

Operations, maintenance and services include purchases of pipe, vehicle and equipment maintenance, water meters and pipe fittings, as well as maintenance of service mains and pumps. In addition, electrical costs for pump operations are included in this category. Operations, maintenance and services expenditures for FY2015 are \$5.517 million and comprise 25.32% of the Fund's budget compared to \$5.533 million or 26.2% of the total budget in the FY2014 estimate. The FY2015 budget is a decrease of \$15,905 or 0.29% from the FY2014 estimate.

- *Expenditures for FY2015 represent an increase of \$10,445 (0.19%) over the FY2014 adopted budget of \$5.507 million, representing 25% of total expenditures.*

Personnel services (salaries and benefits) for FY2015 are \$3.18 million and comprise 14.59% of total expenditures of the Fund compared to \$2.96 million or 14% of expenditures for the FY2015 estimate. Personnel services for FY2015 are an increase of \$220,805 or 7.47% over the FY2014 estimate. Total full-time equivalents are 42.17 FTEs, an increase of 2 FTEs (4.98%) from the FY2014 estimate. Personnel detail by position is included with each individual department/division budget presentation on the following pages.

- *Expenditures for FY2015 represent an increase of \$135,400 (4.45%) over the FY2014 adopted budget of \$3.04 million, representing 13.81% of total expenditures.*

Wastewater treatment and collection services, including contracted services provided by the Trinity River Authority (TRA) comprise approximately 13.06% of the Fund's budget for FY2015. The City maintains a wastewater collection crew that provides maintenance and installation of wastewater collector mains that flow into the City's main collector lines and eventually to TRA's Central Regional Treatment Plant or the Denton Creek Wastewater Treatment Plant for treatment. Once again, due to customer growth, the amount of effluent treated by the TRA continues to increase, while the average treated per customer remains relatively constant.

- *Expenditures for FY2015 represent an increase of \$174,620 (6.54%) over the FY2014 adopted budget of \$2.67 million, representing 12.1% of total expenditures.*

Debt service funds the retirement of long-term debt used to finance improvements and/or expansions to the City's water and wastewater system costs. For FY2015, debt service costs are \$2.14 million and comprise 9.82% of the Fund's 2015 budget compared to \$2.33 million or 11.04% of total expenditures in the FY2014 estimate. Debt service for FY2015 decreased by \$193,850 or 8.31% from the FY2014 estimate due to retirement of debt in FY2014.

- *Expenditures for FY2015 represent a decrease of \$369,140 (14.72%) from the FY2014 adopted budget of \$2.51 million, representing 11.38% of total expenditures.*

Capital outlay expenditures include machinery, equipment and routine vehicle replacements, facility improvements, as well as general infrastructure improvements for new and/or major repairs to water mains and wastewater mains. Capital expenditures for FY2015 are \$426,825 representing 1.96% of the Fund's budget compared to \$561,200 or 2.66% of expenditures in the FY2015 estimate, a decrease of \$134,375 or 23.94%.

- *Expenditures for FY2015 represent a decrease of \$148,200 (25.77%) from the FY2014 adopted budget of \$575,025, representing 2.61% of total expenditures.*

Transfers to other funds provide for debt service transfers to the general obligation debt service fund for reimbursement of debt obligations issued on behalf of the Water and Wastewater Fund. Transfers to other funds for FY2015 are \$440,985 and represent 2.02% of the Fund's budget compared to \$436,510 or 2.07% of expenditures for the FY2015 estimate. FY2015 is increase of \$4,475 or 1.03% over the FY2014 estimate.

- *Expenditures for FY2015 also represent an increase of \$4,475 (1.03%) over the FY2014 adopted budget of \$436,510, representing 1.98% of total expenditures.*

FUND BALANCE RESERVES

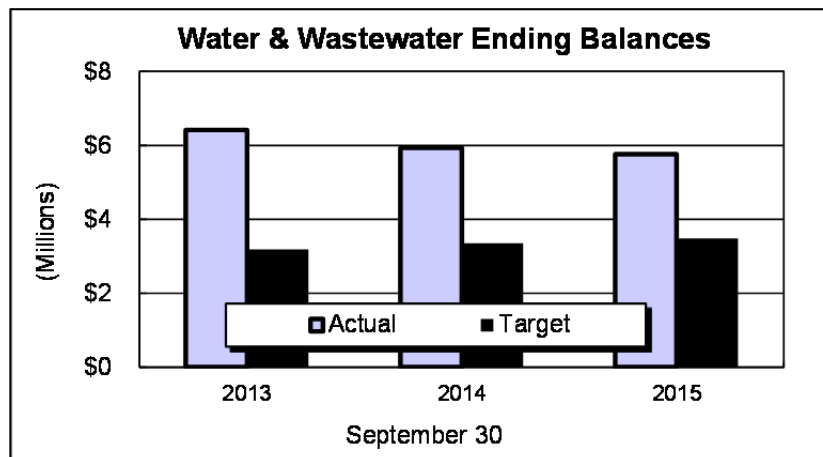
Net expenditures in excess of revenues for FY2015 are \$168,725. However, the projected beginning fund balance for FY2015 exceeds the targeted beginning fund balance of 60 days by approximately 46 days of operations. The total projected ending fund balance (working capital) at September 30, 2015 is \$6,264,803, of which \$500,000 is designated for a rate stabilization reserve. The purpose of the rate stabilization reserve is to provide funds for variations in weather conditions, specifically for years having above-average rainfall (wet year) or below-average rainfall (dry year).

The unreserved ending fund balance is \$5,764,803, representing an operating reserve of 99.2 days, compared to the City's current target of 60 days.

WATER AND WASTEWATER FUND

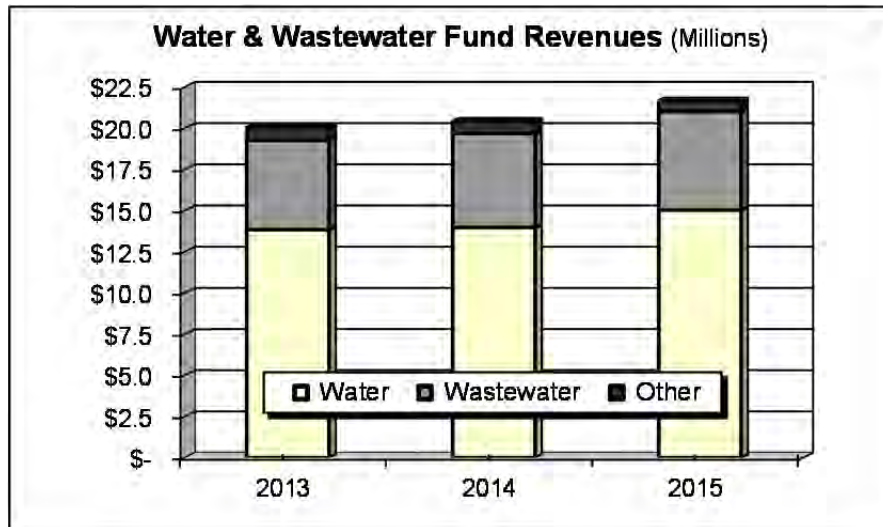
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 7,125,816	\$ 6,351,385	\$ 7,168,063	\$ 6,433,528
Revenues and transfers	20,010,038	21,062,920	20,387,520	21,619,100
TOTAL FUNDS AVAILABLE	27,135,854	27,414,305	27,555,583	28,052,628
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	19,967,791	22,074,730	21,122,055	21,787,825
<u>ENDING FUND BALANCE:</u>				
Total fund balance	7,168,063	5,339,575	6,433,528	6,264,803
Rate stabilization reserve	750,000	500,000	500,000	500,000
Unreserved fund balance	6,418,063	4,839,575	5,933,528	5,764,803
FUND TOTAL	\$ 27,135,854	\$ 27,414,305	\$ 27,555,583	\$ 28,052,628
Excess revenues (expenditures)	42,247	(1,011,810)	(734,535)	(168,725)
Unreserved ending fund balance:				
Percent of operating expenditures ⁽¹⁾	33.6%	23.0%	29.5%	27.6%
TARGET	16.7%	16.7%	16.7%	16.7%
Number of days operating expenditures	120.8	82.7	106.1	99.2
TARGET	60.0	60.0	60.0	60.0

(1) excludes capital outlay and interfund transfers.



WATER AND WASTEWATER FUND REVENUE SUMMARY

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
REVENUES:				
OPERATING REVENUES:				
Water sales	\$ 13,839,656	\$ 14,981,500	\$ 13,979,200	\$ 15,028,600
Wastewater sales	5,433,541	5,520,000	5,700,000	5,980,000
Subtotal	19,273,197	20,501,500	19,679,200	21,008,600
OTHER REVENUES:				
Taps and miscellaneous fees	604,380	479,850	623,250	529,500
Contributions	13,108	4,570	4,570	-
Interest revenue	19,134	22,500	20,000	20,000
Other revenues	100,219	54,500	60,500	61,000
Subtotal	736,841	561,420	708,320	610,500
TOTAL REVENUES	\$ 20,010,038	\$ 21,062,920	\$ 20,387,520	\$ 21,619,100



WATER AND WASTEWATER FUND

REVENUES

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>OPERATING REVENUES:</u>				
Water sales	\$ 13,839,656	\$ 14,981,500	\$ 13,979,200	\$ 15,028,600
Wastewater sales	5,433,541	5,520,000	5,700,000	5,980,000
Subtotal	19,273,197	20,501,500	19,679,200	21,008,600
<u>MISCELLANEOUS FEES:</u>				
Water taps/connect fees	112,705	77,500	158,750	91,500
Fire hydrant meter rental fees	7,325	8,000	9,500	8,000
Wastewater tap fees	5,250	7,500	8,000	7,500
Industrial waste surcharge fees	-	500	-	-
Sewer camera inspection fees	55,925	47,000	62,750	59,500
Meter box/lid fees	-	500	-	150
Reconnect fees	28,100	27,500	27,500	27,500
Account activation fee	29,205	25,000	25,000	25,000
Account transfer fee	1,575	1,350	1,200	1,350
Inspection fees	99,851	35,000	75,500	51,250
Penalty revenue	192,488	175,000	176,000	175,000
Other services	6,830	4,500	8,800	7,500
Keller drainage utility	65,000	70,000	70,000	75,000
<i>General and administrative services</i>				
Recycling bins/lids	126	500	250	250
Subtotal	604,380	479,850	623,250	529,500
<u>CONTRIBUTIONS:</u>				
Lake Turner Municipal Utility District	13,108	4,570	4,570	-
Subtotal	13,108	4,570	4,570	-
<u>OTHER REVENUE:</u>				
Interest earnings	19,134	22,500	20,000	20,000
Gain (loss) on disposal of assets	49,994	-	-	-
Southlake wastewater reimbursement	28,573	25,000	31,000	31,500
Miscellaneous revenue (expense)	21,652	29,500	29,500	29,500
Subtotal	119,353	77,000	80,500	81,000
TOTAL REVENUES AND TRANSFERS	\$ 20,010,038	\$ 21,062,920	\$ 20,387,520	\$ 21,619,100

**WATER AND WASTEWATER FUND
EXPENDITURE SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<i>EXPENDITURES BY FUNCTION</i>				
Personnel services	\$ 2,839,215	\$ 3,043,080	\$ 2,957,675	\$ 3,178,480
Operations & maintenance	879,767	1,138,065	1,179,320	1,182,005
Services & other	4,008,932	4,402,290	4,354,080	4,335,490
Wholesale water purchases	6,479,095	7,300,000	6,630,000	7,240,000
Wastewater services-TRA	2,291,307	2,670,770	2,670,770	2,845,390
Debt service (principal and interest)	2,629,448	2,507,790	2,332,500	2,138,650
Transfers to other funds	588,210	436,510	436,510	440,985
SUBTOTAL	19,715,974	21,498,505	20,560,855	21,361,000
Capital outlay	251,817	576,225	561,200	426,825
TOTAL	\$ 19,967,791	\$ 22,074,730	\$ 21,122,055	\$ 21,787,825

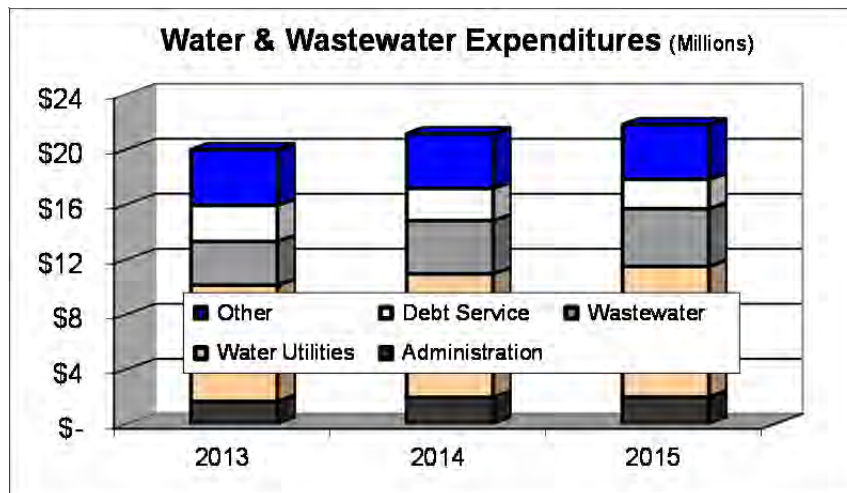
<i>EXPENDITURES BY ACTIVITY</i>				
Water & W/W Administration	\$ 493,590	\$ 729,390	\$ 725,005	\$ 730,060
Customer Services	1,176,427	1,236,105	1,245,550	1,262,890
Water Utilities	8,466,303	9,707,165	8,970,125	9,494,125
Wastewater Utilities	3,168,422	3,916,835	3,876,195	4,196,170
Municipal Service Center	243,720	360,930	359,825	367,950
Debt service <i>Principal, interest and services</i>	2,631,518	2,507,790	2,334,315	2,140,500
Non-departmental / Transfers / Other	3,787,811	3,616,515	3,611,040	3,596,130
TOTAL	\$ 19,967,791	\$ 22,074,730	\$ 21,122,055	\$ 21,787,825

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

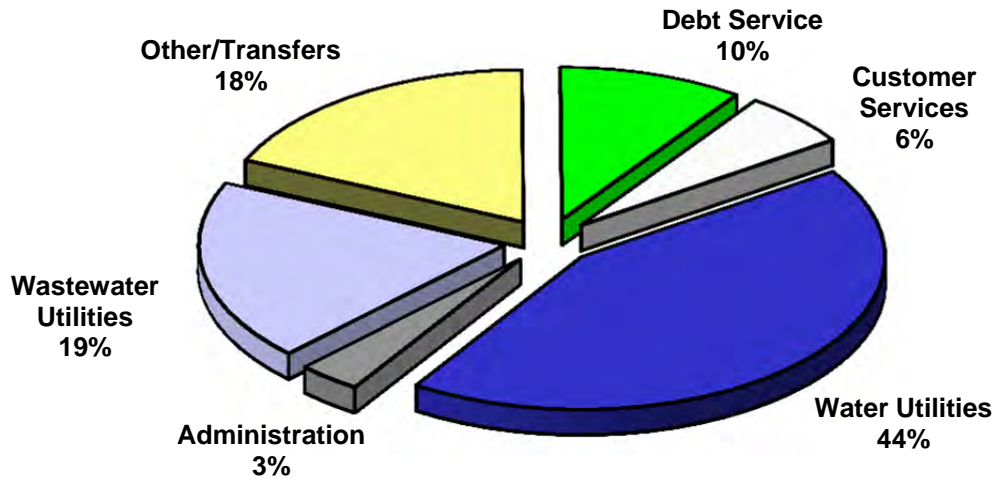
DEPARTMENT / DIVISION	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Water & W/W Administration	4.80	5.17	5.17
Customer Services	12.00	12.00	12.00
Water Utilities	13.50	12.50	12.50
Wastewater Utilities	8.50	9.50	11.50
Municipal Service Center	1.00	1.00	1.00
TOTAL	39.80	40.17	42.17

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

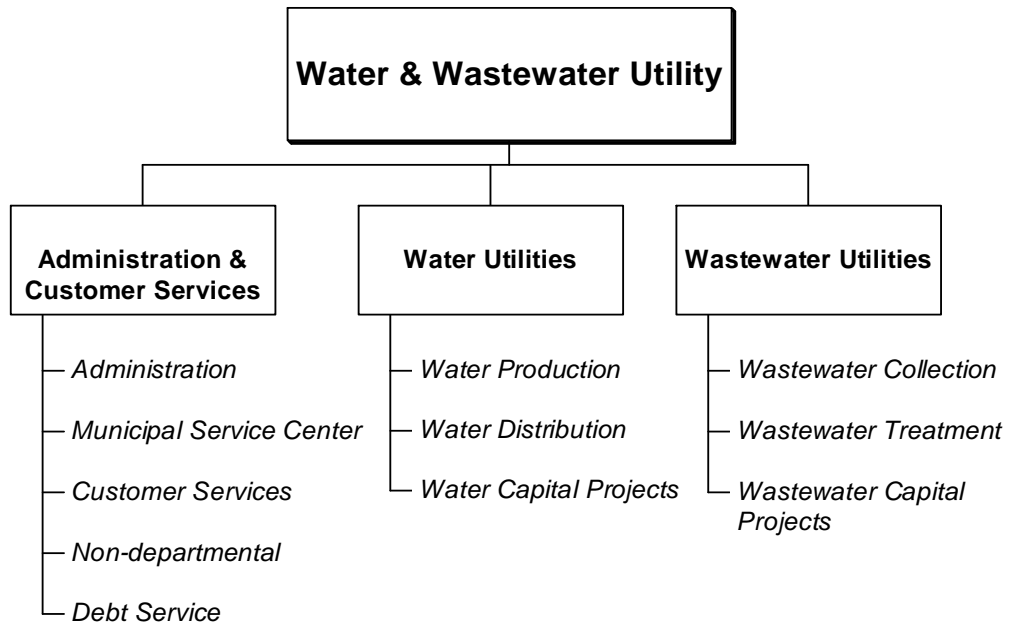
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
Water/Wastewater Administration	\$ 493,590	\$ 729,390	\$ 725,005	\$ 730,060
Customer Services:				
Administration	858,700	894,085	908,095	944,265
Field Services	317,727	342,020	337,455	318,625
Subtotal	1,176,427	1,236,105	1,245,550	1,262,890
Water Utilities:				
Water Production	6,941,310	7,880,010	7,169,960	7,774,125
Water Distribution	1,524,993	1,827,155	1,800,165	1,720,000
Subtotal	8,466,303	9,707,165	8,970,125	9,494,125
Wastewater Utilities:				
Wastewater Collection	864,052	1,246,065	1,205,425	1,350,780
Wastewater Treatment	2,304,370	2,670,770	2,670,770	2,845,390
Subtotal	3,168,422	3,916,835	3,876,195	4,196,170
Municipal Service Center Operations	243,720	360,930	359,825	367,950
Debt service (principal, interest and services)	2,631,518	2,507,790	2,334,315	2,140,500
Transfers to Other Funds	588,210	436,510	436,510	440,985
Non-Departmental	3,199,601	3,180,005	3,174,530	3,155,145
TOTAL	\$ 19,967,791	\$ 22,074,730	\$ 21,122,055	\$ 21,787,825



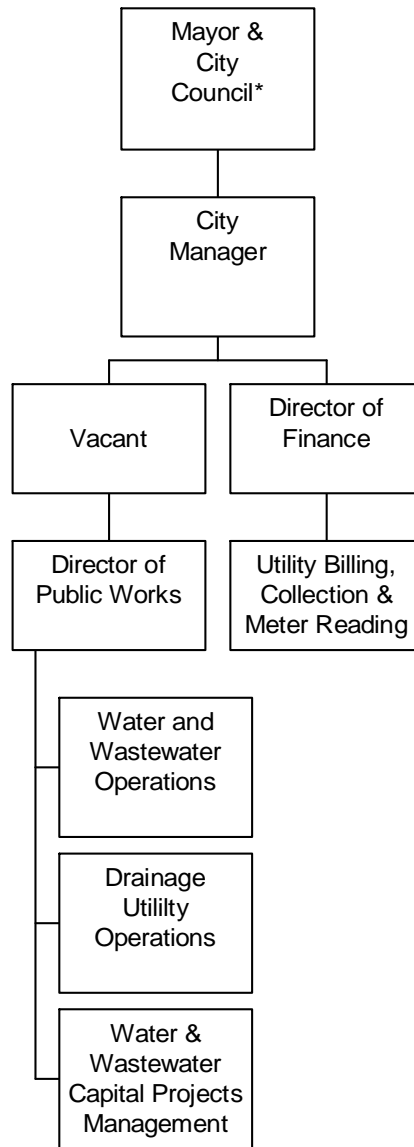
WATER & WASTEWATER



Fund total: \$21,787,825



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

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes that will result in improved efficiency and reduced operation and maintenance costs, throughout the fiscal year.
2. Provide effective and efficient guidance and supervision of the water and wastewater divisions.
3. Work with division managers in improving their professional knowledge and skills through in-house and outside educational opportunities.
4. Review all budgets on a monthly basis to ensure cost containment and adherence to budget expenditure policies.
5. 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>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Hold monthly management & training meetings	10	12	12
Review all budgets monthly	12	12	12
Manage & respond to citizen/internal customer work orders	724	580	600

FUND:
Water & Wastewater

DEPARTMENT:
Administration

DIVISION:
Administration

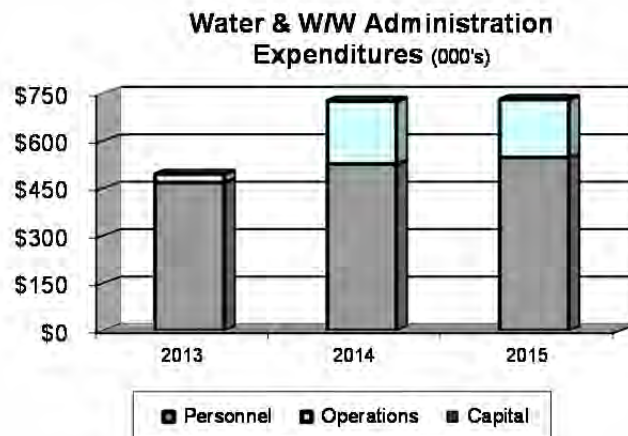
ACCOUNT:
200-700-01

**WATER & WASTEWATER ADMINISTRATION
DEPARTMENT SUMMARY**

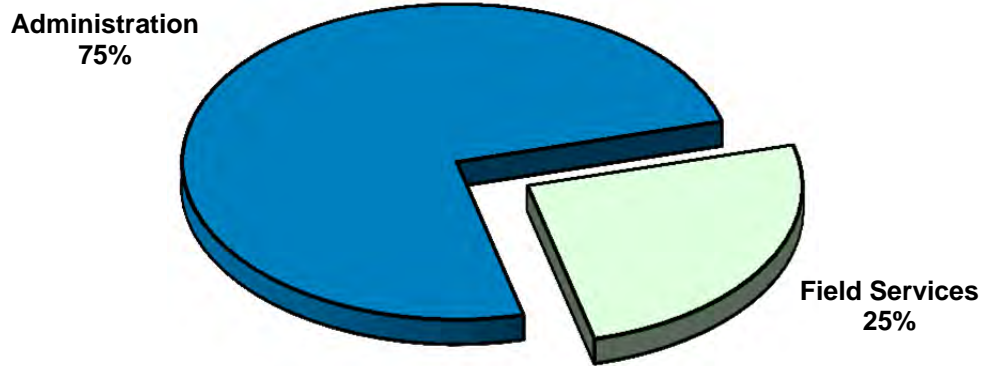
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 467,280	\$ 523,435	\$ 525,865	\$ 546,595
Operations & maintenance	2,072	5,150	4,325	6,300
Services & other	24,238	200,805	194,815	177,165
SUBTOTAL	493,590	729,390	725,005	730,060
Capital outlay	-	-	-	-
TOTAL	\$ 493,590	\$ 729,390	\$ 725,005	\$ 730,060

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

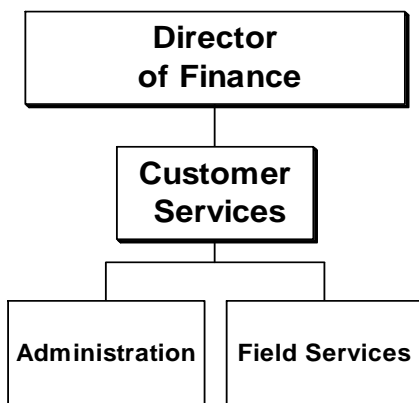
POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Water & Wastewater Superintendent	M-1	1.00	1.00	1.00
Storm Water Engineer	PE-12	0.13	0.50	0.50
Senior Project Engineer	PE-12	1.00	1.00	1.00
Public Works Logistics Coordinator	PE-7	1.00	1.00	1.00
Customer Service Coordinator	A/TN-10	-	1.00	1.00
Customer Service Supervisor	A/TN-10	1.00	-	-
Administrative Secretary	A/TN-8	0.67	0.67	0.67
TOTAL		4.80	5.17	5.17



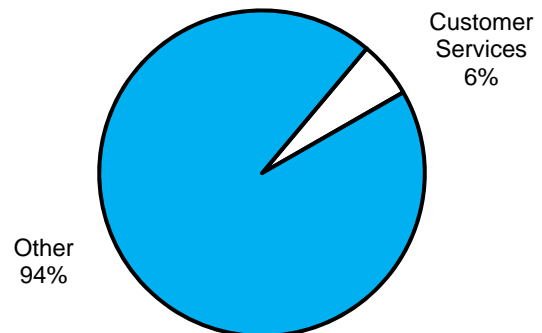
Customer Services



Department total: \$1,262,890



Water & Wastewater Fund Expenditures



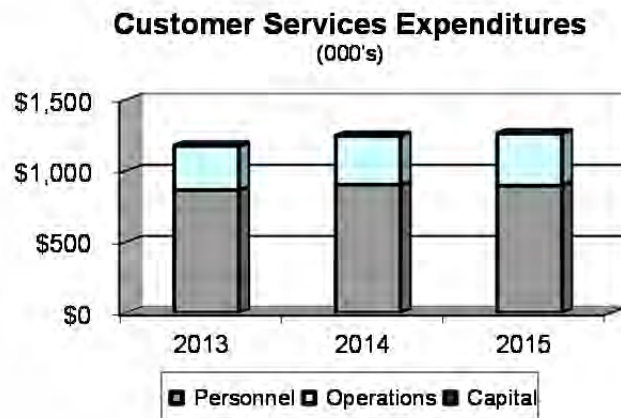
**WATER & WASTEWATER
CUSTOMER SERVICES
DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 864,825	\$ 907,140	\$ 901,715	\$ 895,350
Operations & maintenance	115,927	119,555	116,690	124,555
Services & other	195,675	209,410	227,145	242,985
SUBTOTAL	1,176,427	1,236,105	1,245,550	1,262,890
Capital outlay	-	-	-	-
TOTAL	\$ 1,176,427	\$ 1,236,105	\$ 1,245,550	\$ 1,262,890

<i>EXPENDITURES BY DIVISION:</i>				
Administration	\$ 858,700	\$ 894,085	\$ 908,095	\$ 944,265
Field Services	317,727	342,020	337,455	318,625
TOTAL	\$ 1,176,427	\$ 1,236,105	\$ 1,245,550	\$ 1,262,890

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

DIVISION / ACTIVITY	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Administration	8.0	8.0	8.0
Field Services	4.0	4.0	4.0
TOTAL	12.0	12.0	12.0



FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

DEPARTMENT DESCRIPTION:

The Customer Services/Administration Division is responsible for administering the City's revenue generation for water, wastewater, residential solid waste and drainage utilities. These activities include administrative oversight of water meter reading, billings and collections, connect and disconnects, inquiries and other service related duties.

DEPARTMENT/DIVISION GOALS:

1. Continue to provide high quality customer service.
2. Provide accurate utility billing statements.
3. Minimize water losses by identifying slow and stopped water meters, with timely investigation and/or meter replacement.
4. Maintain, improve and promote 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.
8. Continue to monitor the Identity Theft Prevention Program required by law.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 PROJECTED
Customer meter reading routes maintained	70	70	70
Number of monthly customer billing cycles	2	2	2
Number of annual billings:			
• water customers billed	175,606	178,440	182,225
• sewer customers billed	146,323	149,220	152,175
• drainage customers billed	168,409	171,040	173,725
• garbage customers billed	159,662	162,110	164,610
Total water gallons billed (million gallons)	2,933.9	2,929.7	3,105.5
Annual delinquent statements processed	17,320	17,750	18,000
E-mailed delinquent statements processed	1,240	1,600	1,700
Customer security deposits processed	2,020	1,850	1,500
Services disconnected for non-payment	1,170	1,450	1,300
Customer transfers/final accounts processed	2,035	1,970	2,000
Number of on-line/automated payments	53,617	57,790	60,000
Total amount of on-line/automated payments (000's)	\$1,270	\$1,348	\$1,500
Number of lockbox payments processed	32,900	33,900	34,000
Total amount of lockbox payments processed (000's)	\$4,833	\$4,416	\$4,800

PERFORMANCE ANALYSIS			
Monthly average billings:			
• average monthly water customers billed	14,634	14,870	15,185
• average monthly sewer customers billed	12,194	12,435	12,680
• average monthly drainage customers billed	14,034	14,253	14,475
• average monthly garbage customers billed	13,305	13,505	13,715
Average water usage per customer	16,707	16,419	17,042
Average water bill per customer	\$78.29	\$78.14	\$82.69
Average water revenue per 1,000 gallons billed	\$4.69	\$4.76	\$4.85
Average daily water usage billed (million gallons)	8.04	8.13	8.48
Average sewer bill per customer	\$37.00	\$38.51	\$39.46
Average drainage bill per customer	\$9.12	\$9.14	\$9.14
Average garbage bill per customer	\$11.10	\$11.16	\$11.16
Average daily phone inquiries	67	89	95

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 579,430	\$ 603,795	\$ 600,910	\$ 619,940
Operations & maintenance	94,062	90,900	89,705	95,770
Services & other	185,208	199,390	217,480	228,555
SUBTOTAL	858,700	894,085	908,095	944,265
Capital outlay	-	-	-	-
TOTAL	\$ 858,700	\$ 894,085	\$ 908,095	\$ 944,265

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Revenue Manager	M-1	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	3.0	3.0	3.0
TOTAL		8.0	8.0	8.0

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Field Services

ACCOUNT:
200-710-70

DEPARTMENT DESCRIPTION:

The Customer Services/Field Services Division is responsible for field activities for utility billing duties. Included within these activities are meter reading, customer connects and disconnects, customer transfers, and investigation of billing inquiries.

The Field Services Division is also responsible for new meter installation and meter maintenance. Included within these activities are new meter sets, state mandated testing and replacement programs, electronic troubleshooting, meter box replacement and maintenance.

DEPARTMENT/DIVISION GOALS:

1. Continue to provide high quality customer service by completing all field services customer requests within one business day.
2. Maintain meter reading accuracy rate of at least 99.9% of total meters read by ensuring that meters are in proper working order, and utilizing automated meter reading technology.
3. Minimize water losses by identifying slow and stopped water meters, with timely investigation and/or meter replacement.
4. Assist and educate customers with respect to water conservation.
5. Maintain radio (wireless) meter reading.
6. Continue water meter replacement program by replacing 10% (1,500) of water meters each year, in accordance with water conservation ordinance.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Customer meter reading routes maintained	70	70	70
Service calls made to customers (including re-reads)	1,142	1,112	1,100
Total water meters read (monthly average)	15,036	15,208	15,800
Work orders completed	13,701	13,408	13,700
Annual meter change outs	1,443	1,500	1,600
Annual meter sets	329	300	300
 <u>PERFORMANCE ANALYSIS</u>			
Billing cycles read on schedule	100%	100%	100%
Meter reading accuracy rate	99.6%	99.9%	99.9%
Average hours to read a billing cycle	20.0	20.0	20.0
Manual re-reads as a percentage of total meter reads	2.9%	3.2%	3.0%

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Field Services

ACCOUNT:
200-710-70

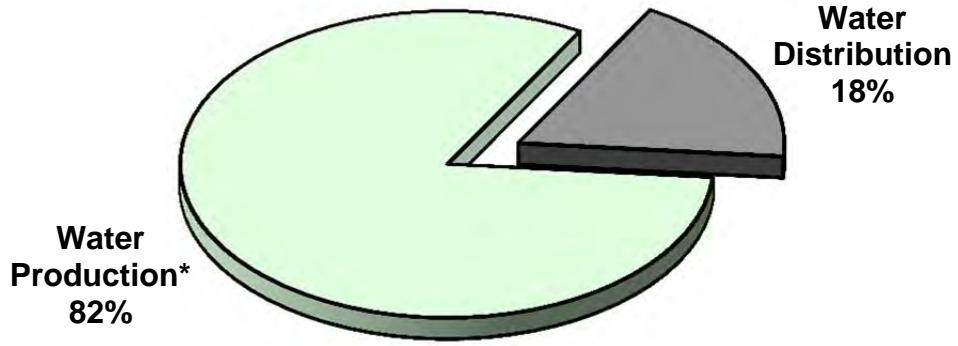
**WATER & WASTEWATER
CUSTOMER SERVICES - FIELD SERVICES
DIVISION / ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 285,395	\$ 303,345	\$ 300,805	\$ 275,410
Operations & maintenance	21,865	28,655	26,985	28,785
Services & other	10,467	10,020	9,665	14,430
SUBTOTAL	317,727	342,020	337,455	318,625
Capital outlay	-	-	-	-
TOTAL	\$ 317,727	\$ 342,020	\$ 337,455	\$ 318,625

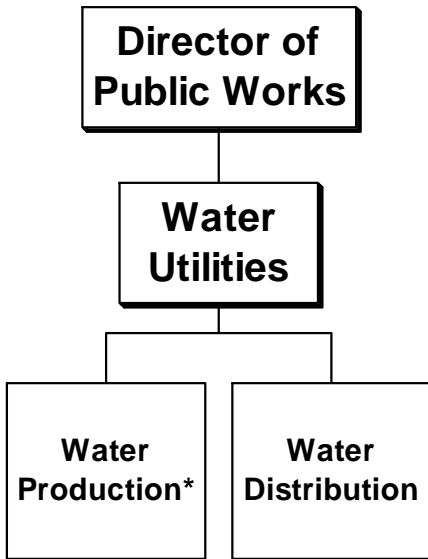
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Field Services Crew Leader	TN-6	1.0	-	-
Field Services Maintenance Technician	TN-5	-	4.0	4.0
Meter Maintenance Technician	TN-5	1.0	-	-
Field Services Technician	TN-3	2.0	-	-
TOTAL		4.0	4.0	4.0

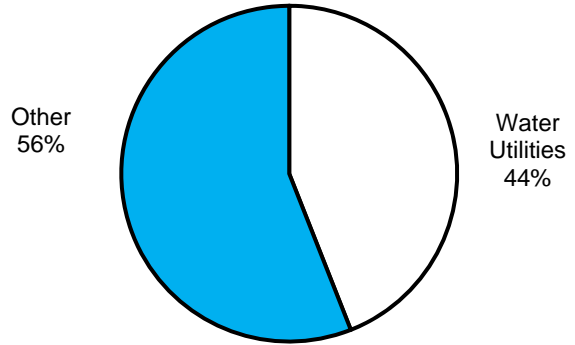
Water Utilities



Department total: \$9,494,125



Water & Wastewater Fund Expenditures



* - Includes wholesale water purchases

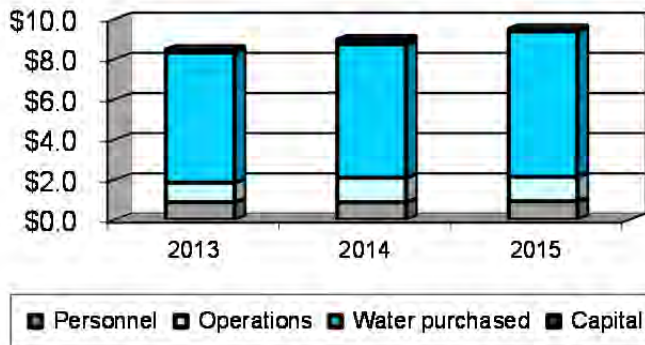
**WATER & WASTEWATER
WATER PRODUCTION AND WATER DISTRIBUTION
COMBINED DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 882,483	\$ 920,800	\$ 879,490	\$ 928,115
Operations & maintenance	567,616	693,360	733,075	731,885
Services & other	399,826	545,980	494,360	487,300
Wholesale water purchases	6,479,095	7,300,000	6,630,000	7,240,000
SUBTOTAL	8,329,020	9,460,140	8,736,925	9,387,300
Capital outlay	137,283	247,025	233,200	106,825
TOTAL	\$ 8,466,303	\$ 9,707,165	\$ 8,970,125	\$ 9,494,125
<i>EXPENDITURES BY DIVISION:</i>				
Water Production	\$ 6,941,310	\$ 7,880,010	\$ 7,169,960	\$ 7,774,125
Water Distribution	1,524,993	1,827,155	1,800,165	1,720,000
TOTAL	\$ 8,466,303	\$ 9,707,165	\$ 8,970,125	\$ 9,494,125

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Water Production	2.0	2.0	2.0
Water Distribution	11.5	10.5	10.5
TOTAL	13.5	12.5	12.5

Water Utilities Expenditures (millions)



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 21-year wholesale water supply contract approved in November 2010. The City of Keller owns and operates three high service pump stations, a 50% portion of the operation/maintenance of the Keller/Southlake service pump station with the City of Southlake (which provides water to Pearson Pump Station and the new low pressure plane), two 1.5 million and one 1 million gallon elevated water towers (elevated storage tanks) and two 3 million gallon ground storage tanks.

DEPARTMENT/DIVISION GOALS:

1. Ensure that the public and the citizens of Keller are provided with an adequate supply of potable water, meeting all Federal and State standards and regulations.
2. Encourage water conservation and achieve overall reduction in water consumption.
3. Constantly review and monitor the daily operations of the City's water system.
4. Continue design of all upgrades identified in the City's Water Master Plan to meet system growth demands and insure pumping efficiency in order to maintain adequate pressure in the system.
5. Maintain all pump stations and water tower sites in order to present a clean and orderly image for the City.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Elevated storage capacity (million gallons)	4.0	4.0	4.0
Ground storage capacity (million gallons)	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Total storage capacity (million gallons)	10.0	10.0	10.0
Total daily water supply (million gallons) (City of Fort Worth contract)	27.0	27.0	27.0
Total daily pumping capacity (million gallons)	27.0	27.0	27.0
Total wholesale gallons purchased (million gallons)	3,028.5	3,024.9	3,206.5
Peak day water demand (million gallons)	23.5	22.0	24.0
<u>PERFORMANCE ANALYSIS</u>			
Average daily water usage (million gallons)	8.4	8.4	8.9
Average cost per 1,000 gallons of wholesale water purchased	\$2.14	\$2.20	\$2.26
Base (winter) average daily water demand (million gallons)	4.8	4.1	4.5
Base (winter) demand per capita (gallons)	117.8	100.4	107.0
Peak day water demand per capita (gallons)	581.1	535.4	570.1

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Production

ACCOUNT:
200-730-74

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 155,638	\$ 161,620	\$ 166,010	\$ 166,340
Operations & maintenance	37,411	88,400	84,900	87,000
Services & other	269,166	329,990	289,050	280,785
Wholesale water purchases	6,479,095	7,300,000	6,630,000	7,240,000
SUBTOTAL	6,941,310	7,880,010	7,169,960	7,774,125
Capital outlay	-	-	-	-
TOTAL	\$ 6,941,310	\$ 7,880,010	\$ 7,169,960	\$ 7,774,125

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Water Production Supervisor	TN-11	1.0	1.0	1.0
Water Production Operator	TN-5	1.0	1.0	1.0
TOTAL		2.0	2.0	2.0

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

DEPARTMENT/DIVISION DESCRIPTION:

The Water Distribution Division is responsible for operating and maintaining the water distribution facilities necessary to serve the City's residential, commercial and industrial water customers. Included in the division's responsibilities are installing and maintaining water meters, repairing and replacing water mains and services, water sampling and testing, installing new water mains and water taps, and installing and maintaining water valves and fire hydrants.

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes that will result in improved efficiency and reduced 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 Department to establish and maintain a water usage database to include assessment of accounted and unaccounted water loss.
5. Continue the process of identifying and eliminating dead-end water mains by looping and connecting to existing water lines.
6. Flush dead-end water lines on a monthly basis in accordance with Texas Commission on Environmental Quality regulations in order to maintain good water quality.
7. Perform necessary repairs to water mains and services, water valves, fire hydrants, and related facilities throughout the distribution system in order to minimize any disruption of service.
8. Collect all monthly and quarterly water samples to ensure compliance with Environmental Protection Agency and Texas Commission on Environmental Quality regulations.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Total miles of water mains maintained	285	288	292
Total number of water valves maintained	6,000	6,100	6,200
Total number of fire hydrants maintained	2,100	2,150	2,200
Water samples tested	660	750	780
Dead-end water lines flushed	1,300	1,300	1,300
Work orders completed	1,790	1,800	1,800

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

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

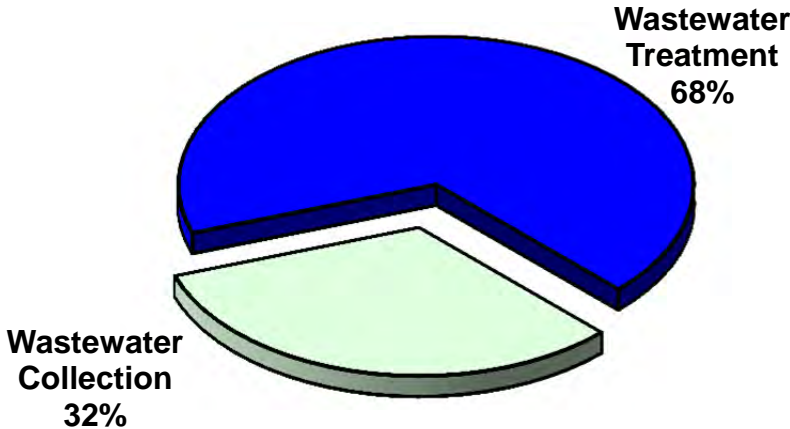
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 726,845	\$ 759,180	\$ 713,480	\$ 761,775
Operations & maintenance	530,205	604,960	648,175	644,885
Services & other	130,660	215,990	205,310	206,515
SUBTOTAL	1,387,710	1,580,130	1,566,965	1,613,175
Capital outlay	137,283	247,025	233,200	106,825
TOTAL	\$ 1,524,993	\$ 1,827,155	\$ 1,800,165	\$ 1,720,000

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

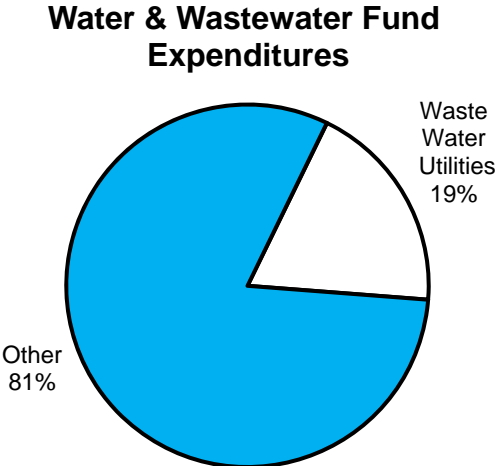
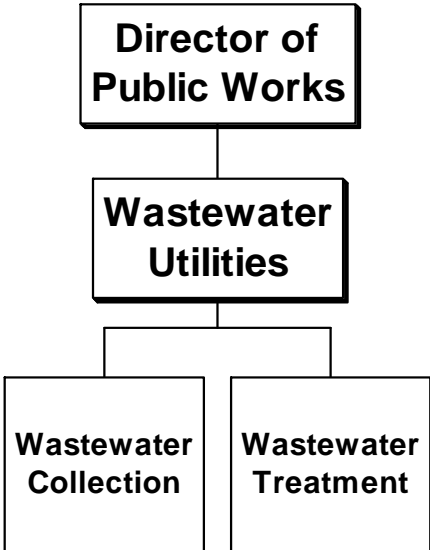
POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Construction Inspector	A/TN-11	1.0	1.0	1.0
Water/Sewer Foreman	TN-12	0.5	0.5	0.5
Environmental Services Specialist	TN-9	–	–	1.0
Water/Sewer Crewleader	TN-8	1.0	2.0	2.0
Environmental Services Coordinator	TN-8	1.0	1.0	–
SCADA Operator/Dispatcher	TN-4	1.0	1.0	1.0
Water/Sewer Maintenance Worker II	TN-4	–	–	2.0
Water/Sewer Maintenance Worker I	TN-3	7.0	5.0	3.0
TOTAL		11.5	10.5	10.5

FY2015 highlights: capital outlay includes funding for water distribution infrastructure improvements such as water mains, water meters and fire hydrants (\$106,825). There is no annual operating budget impact related to these improvements.

Wastewater Utilities



Department total: \$4,196,170



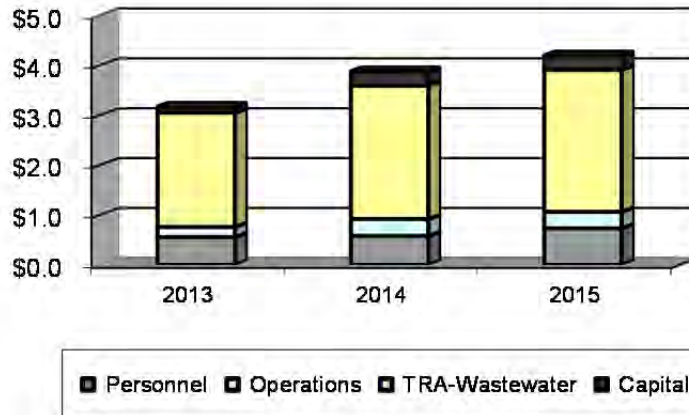
**WATER & WASTEWATER
WASTEWATER TREATMENT AND COLLECTION
COMBINED DEPARTMENT SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 557,007	\$ 622,385	\$ 581,805	\$ 734,070
Operations & maintenance	121,245	214,955	219,555	206,435
Services & other	84,329	122,525	119,065	125,275
Wastewater Services-TRA	2,291,307	2,670,770	2,670,770	2,845,390
SUBTOTAL	3,053,888	3,630,635	3,591,195	3,911,170
Capital outlay	114,534	286,200	285,000	285,000
TOTAL	\$ 3,168,422	\$ 3,916,835	\$ 3,876,195	\$ 4,196,170
<u>EXPENDITURES BY DIVISION:</u>				
Wastewater Collection	\$ 864,052	\$ 1,246,065	\$ 1,205,425	\$ 1,350,780
Wastewater Treatment	2,304,370	2,670,770	2,670,770	2,845,390
TOTAL	\$ 3,168,422	\$ 3,916,835	\$ 3,876,195	\$ 4,196,170

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Wastewater Collection	8.50	9.50	11.50
TOTAL	8.50	9.50	11.50

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. 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. Perform necessary repairs to sanitary sewer lines throughout the collection system in order to minimize any disruption of service.
3. Locate segments of the collection system that are over-burdened by excessive flows and identify those segments requiring rehabilitation or upsizing.
4. Conduct internal video inspections of sanitary sewer mains and services to assess the physical condition and identify sections in need of repair or replacement.
5. Ensure that regularly scheduled cleanings of sanitary sewer mains are performed in order to mitigate sewer blockages.
6. Inspect sanitary sewer manholes and document their condition. Determine what repairs are needed to be performed in order to eliminate known sources of infiltration.

DEPARTMENT/DIVISION SERVICE ANALYSIS

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013</u> <u>ACTUAL</u>	<u>2013-2014</u> <u>ESTIMATE</u>	<u>2014-2015</u> <u>PROJECTED</u>
Total miles of wastewater mains maintained	190	193	195
Total miles of wastewater mains cleaned annually	30	30	30
Total miles of wastewater lines video inspected annually	14	12	12
Sewer manholes maintained	3,000	3,050	3,100
Sewer manholes inspected annually	260	260	260
Lift stations maintained	6	7	7
Work orders completed annually	1,399	1,400	1,400

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Collection

ACCOUNT:
200-750-80

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 557,007	\$ 622,385	\$ 581,805	\$ 734,070
Operations & maintenance	121,245	214,955	219,555	206,435
Services & other	84,329	122,525	119,065	125,275
Wastewater services-TRA	(13,063)	-	-	-
SUBTOTAL	749,518	959,865	920,425	1,065,780
Capital outlay	114,534	286,200	285,000	285,000
TOTAL	\$ 864,052	\$ 1,246,065	\$ 1,205,425	\$ 1,350,780

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Water/Sewer Foreman	TN-12	0.50	0.50	0.50
Water/Sewer Crewleader	TN-8	3.00	2.00	2.00
Sewer Inspector Technician	TN-4	1.00	1.00	1.00
SCADA Dispatcher	TN-4	1.00	1.00	1.00
Water/Sewer Maintenance Worker II	TN-4	-	-	3.00
Water/Sewer Maintenance Worker I	TN-3	3.00	5.00	4.00
TOTAL		8.50	9.50	11.50

FY2015 highlights: capital outlay includes funding for wastewater infrastructure improvements (\$285,000). There is no annual operating budget impact related to these 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>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Total annual gallons treated (million gallons)	1,059.0 ⁽¹⁾	1,070.0	1,085.0
<u>PERFORMANCE ANALYSIS</u>			
Average daily gallons treated (million gallons)	2.941 ⁽¹⁾	2.972	3.014
Average cost per 1,000 gallons of wastewater treated	\$2.21 ⁽¹⁾	\$2.30	\$2.35
Average monthly wastewater gallons treated per customer	6,959	7,031	7,130

⁽¹⁾ Trinity River Authority audit report as of November 30, 2013. Remaining amounts are City estimates.

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Treatment

ACCOUNT:
200-750-81

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

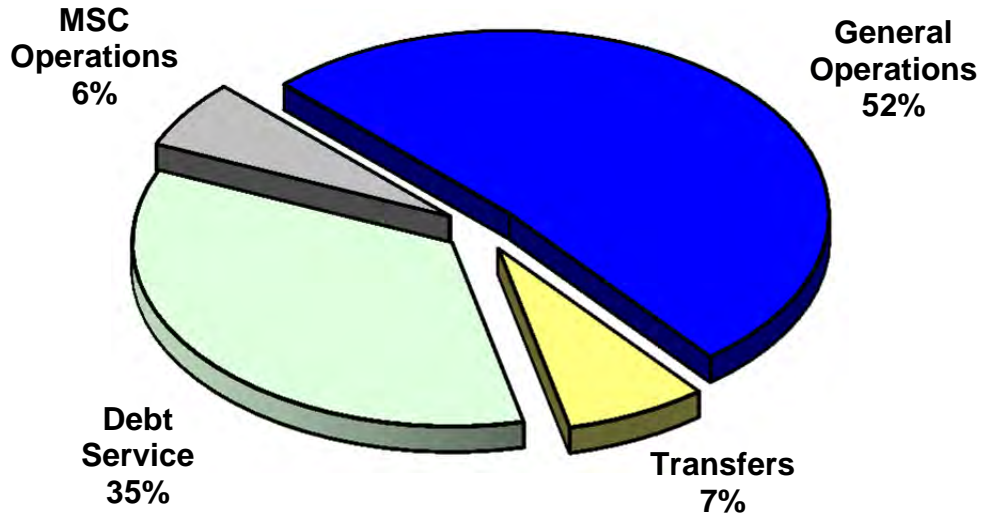
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Wastewater services-TRA	2,304,370	2,670,770	2,670,770	2,845,390
SUBTOTAL	2,304,370	2,670,770	2,670,770	2,845,390
Capital outlay	-	-	-	-
TOTAL	\$ 2,304,370	\$ 2,670,770	\$ 2,670,770	\$ 2,845,390

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
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No positions are funded in this division.

Water & Wastewater Fund Other / Non-Departmental

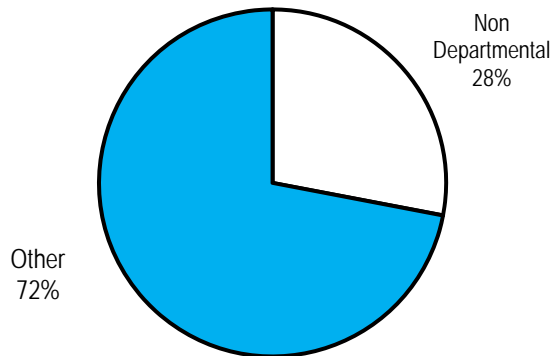


Department total: \$6,104,580

Non Departmental

- General Expenditures
- Municipal Service Center Operations
- Transfers to Other Funds
- Debt Service

Water & Wastewater Fund Expenditures



FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
MSC Operations

ACCOUNT:
200-770-93

DEPARTMENT/DIVISION DESCRIPTION:

The Municipal Service Center (MSC) Non-Departmental budget reflects expenditures of a general nature, which have not been allocated to specific departments. Included within this activity are budgeted costs for building maintenance, utility costs, grounds maintenance, and janitorial services.

DEPARTMENT/DIVISION GOALS:

1. 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. House/store the necessary inventory and equipment needed to complete daily operations throughout the City.
3. Develop a routine preventive maintenance schedule for all service vehicles and equipment stored at the Municipal Service Center.
4. Provide and store adequate amounts of fuel for the needs of all City vehicles and equipment.
5. Maintain Lucity work order database system.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Vehicles/Equipment maintained	71	72	72
Fuel purchased (gallons)	123,421	124,000	124,000
Unleaded fuel usage (gallons)**	74,390	74,000	74,000
Diesel fuel usage (gallons)**	53,938	54,000	54,000
Unleaded fuel average price per gallon	\$3.11	\$3.05	\$3.20
Diesel fuel average price per gallon	\$3.33	\$3.30	\$ 3.50

** – Difference in fuel purchased and fuel used is the amount retained in the fuel storage tank inventory.

FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
MSC Operations

ACCOUNT:
200-770-93

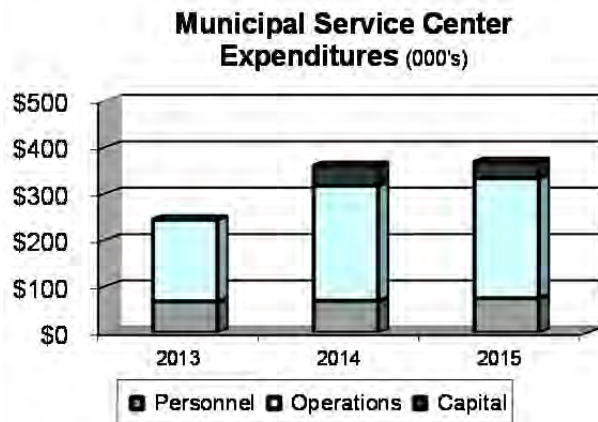
**WATER & WASTEWATER
MUNICIPAL SERVICE CENTER OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 67,620	\$ 69,320	\$ 68,800	\$ 74,350
Operations & maintenance	65,485	93,045	93,675	100,830
Services & other	110,615	155,565	154,350	157,770
SUBTOTAL	243,720	317,930	316,825	332,950
Capital outlay	-	43,000	43,000	35,000
TOTAL	\$ 243,720	\$ 360,930	\$ 359,825	\$ 367,950

FY2015 highlights: capital outlay includes funding for parking lot pavement improvements at the Municipal Service Center, \$35,000. There is no annual operating budget impact related to these improvements.

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
Light Duty Mechanic	TN-7	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0



FUND: Water & Wastewater	DEPARTMENT: Non-Departmental	DIVISION: General Expenditures	ACCOUNT: 200-790-XX
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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.

FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
General Expenditures

ACCOUNT:
200-790-XX

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

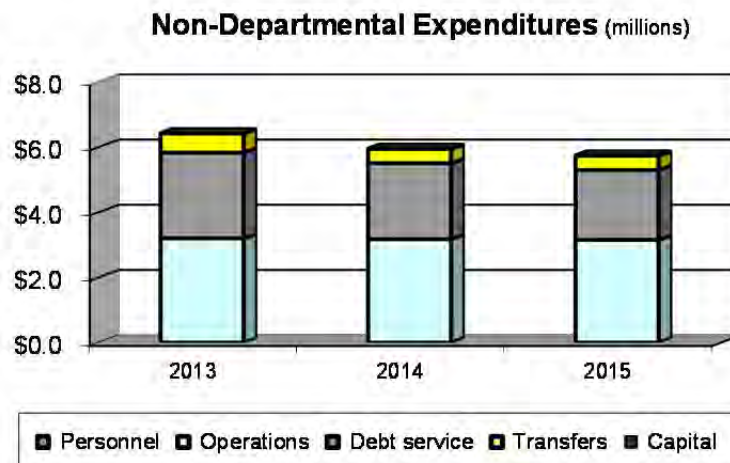
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	7,422	12,000	12,000	12,000
Services & other	3,194,249	3,168,005	3,164,345	3,144,995
Debt service (principal and interest)	2,629,448	2,507,790	2,332,500	2,138,650
Transfers to other funds	588,210	436,510	436,510	440,985
SUBTOTAL	6,419,329	6,124,305	5,945,355	5,736,630
Capital outlay	-	-	-	-
TOTAL	\$ 6,419,329	\$ 6,124,305	\$ 5,945,355	\$ 5,736,630

<u>EXPENDITURES BY DIVISION:</u>				
Debt Service	\$ 2,631,518	\$ 2,507,790	\$ 2,334,315	\$ 2,140,500
<i>Principal, interest and services</i>				
Transfers to other funds	588,210	436,510	436,510	440,985
Non-Departmental	3,199,601	3,180,005	3,174,530	3,155,145
TOTAL	\$ 6,419,329	\$ 6,124,305	\$ 5,945,355	\$ 5,736,630

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2012-2013 ESTIMATE	2014-2015 BUDGET
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No positions are funded in this division.



WATER & WASTEWATER CAPITAL PROJECTS

The Water & Wastewater Capital Projects account provides project funding for water and wastewater capital improvements. Funding for the projects is provided by a combination of water-and-wastewater-supported debt issuance, water and wastewater impact fees and transfers from the Water & Wastewater operations fund. The project budget amounts are not included in the operating budget totals.

Projects are primarily growth and development driven. The following projects include both new infrastructure and expansions to existing systems for both wastewater and water projects. The projects are proposed to be funded from a combination of long-term debt issuance and water and wastewater impact fees. The operating budget impact, if any, will be recorded as operations and maintenance expense in the Water and Wastewater Fund. The operating budget impact excludes annual debt service requirements for improvements that will be funded with proceeds of long-term debt.

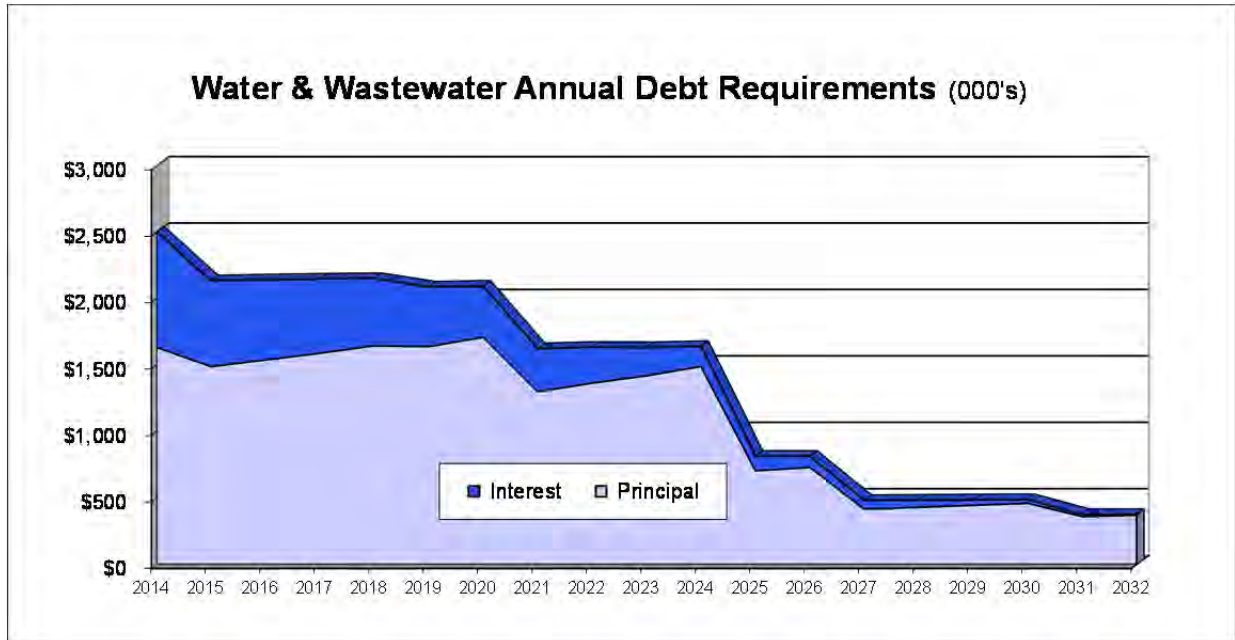
Capital project fund budgets are project-based, not fiscal-year based. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2014 will be re-appropriated into the appropriate project for the 2014-2015 fiscal year.

Water and wastewater capital projects for fiscal years 2014-15 through 2018-19 are provided in the capital improvements section of the document.

**SCHEDULE OF WATER & WASTEWATER FUND DEBT OUTSTANDING
October 1, 2014**

	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount Issued (000's)</u>	<u>Amount Outstanding (000's)</u>	<u>FY2015 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation refunding bonds:								
Series 2005	3.25 - 4.20	08/2005	02/2020	\$ 5,360	2,000	\$ 295,000	\$ 76,206	\$ 371,206
Series 2010A	2.00 - 3.50	04/2010	02/2020	1,290	500	80,000	14,875	94,875
Series 2012	0.30 - 5.00	06/2012	02/2024	7,310	6,645	550,000	277,200	827,200
Combination tax and revenue certificates of obligation:								
Series 2006	4.25 - 4.375	07/2006	02/2026	4,255	3,020	190,000	127,850	317,850
Series 2010	2.00 - 4.250	04/2010	04/2030	1,600	1,385	65,000	54,514	119,514
Series 2012	0.00 - 2.850	02/2012	04/2032	5,835	5,335	255,000	93,665	348,665
Public property finance contractual obligations:								
Series 2013	2.00	08/2013	02/2018	270	219	54,000	2,338	56,338
TOTAL				\$ 25,920	\$ 19,104	\$ 1,489,000	\$ 646,648	\$ 2,135,648

(1) Post refunding.



**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
BY FISCAL YEAR
WATER AND WASTEWATER FUND DEBT**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
2014-15	\$ 1,489,000	\$ 646,648	\$ 2,135,648	\$ 2,135,648
2015-16	1,539,000	604,276	2,143,276	2,143,276
2016-17	1,590,000	558,475	2,148,475	2,148,475
2017-18	1,646,000	506,495	2,152,495	2,152,495
2018-19	1,640,000	449,077	2,089,077	2,089,077
2019-20	1,710,000	385,496	2,095,496	2,095,496
2020-21	1,300,000	324,749	1,624,749	1,624,749
2021-22	1,365,000	270,332	1,635,332	1,635,332
2022-23	1,420,000	212,650	1,632,650	1,632,650
2023-24	1,490,000	151,554	1,641,554	1,641,554
2024-25	705,000	108,268	813,268	813,268
2025-26	730,000	84,026	814,026	814,026
2026-27	415,000	65,944	480,944	480,944
2027-28	430,000	54,124	484,124	484,124
2028-29	445,000	41,313	486,313	486,313
2029-30	460,000	27,546	487,546	487,546
2030-31	360,000	15,495	375,495	375,495
2031-32	370,000	5,273	375,273	375,273
TOTAL	\$ 19,104,000	\$ 4,511,741	\$ 23,615,741	\$ 23,615,741

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.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
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DRAINAGE UTILITY FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 2,037,897	\$ 1,940,816	\$ 2,489,414	\$ 1,671,024
Revenues and transfers	1,550,061	1,570,850	1,577,000	1,599,850
TOTAL FUNDS AVAILABLE	3,587,958	3,511,666	4,066,414	3,270,874

USES/DEDUCTIONS:

Expenditures and transfers out	1,098,544	2,355,955	2,395,390	1,337,805
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ENDING FUND BALANCE:

Unreserved fund balance	2,489,414	1,155,711	1,671,024	1,933,069
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FUND TOTAL

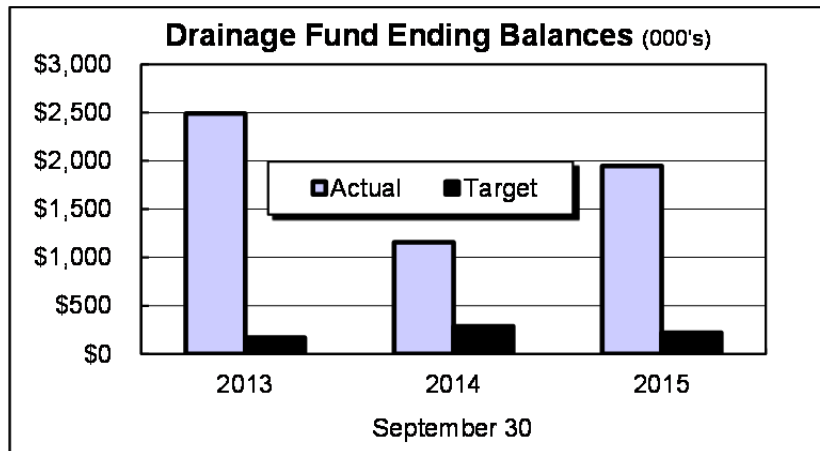
	\$ 3,587,958	\$ 3,511,666	\$ 4,066,414	\$ 3,270,874
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Excess revenues (expenditures)	451,517	(785,105)	(818,390)	262,045
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Unreserved ending fund balance:

Percent of operating expenditures ⁽¹⁾	241.8%	49.1%	69.8%	145.6%
TARGET	16.7%	16.7%	16.7%	16.7%
Number of days operating expenditures	870.6	176.6	251.1	524.0
TARGET	60.0	60.0	60.0	60.0

⁽¹⁾ excludes capital outlay and interfund transfers.



FUND:
Drainage Utility

DEPARTMENT:
Drainage Maintenance

DIVISION:
* All Divisions

ACCOUNT:
400-All-All

DEPARTMENT DESCRIPTION:

The Drainage Maintenance Department is responsible for the collection and transportation of storm water in a manner that mitigates or eliminates flooding and property damage. Revenues for these services are derived primarily from drainage fees which were established by City Ordinance No. 638, adopted November 20, 1990.

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes resulting in improved efficiency and reduced 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. Continue with channel preventative maintenance program utilizing herbicide treatments.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Miles of roadside ditches maintained/mowed	118	118	118
Acreage of channels mowed/cleared	382	382	382
Acreage of ROW's mowed	325	325	325
Culverts debris removal per rain event	15	15	15
Miles of channels sprayed with herbicide	2.75	3.50	3.50
Linear feet of curb & gutter replaced	6,300	6,000	6,000

FUND: Drainage Utility	DEPARTMENT: Drainage Maintenance	DIVISION: * All Divisions	ACCOUNT: 400-All-All
		2012-2013 ACTUAL	2013-2014 BUDGET
		2013-2014 ESTIMATE	2014-2015 BUDGET

DRAINAGE UTILITY FUND

OPERATING REVENUES:

Drainage fees	\$ 1,536,033	\$ 1,560,000	\$ 1,562,500	\$ 1,587,000
Subtotal	1,536,033	1,560,000	1,562,500	1,587,000

OTHER REVENUE:

Miscellaneous revenue (expense)	4,557	850	1,000	850
Interest revenue	9,471	10,000	13,500	12,000

TOTAL REVENUES	\$ 1,550,061	\$ 1,570,850	\$ 1,577,000	\$ 1,599,850
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EXPENDITURES BY FUNCTION:

Personnel services	\$ 548,501	\$ 580,135	\$ 576,160	\$ 597,835
Operations & maintenance	71,948	109,350	104,125	156,750
Services & other	295,825	342,825	342,825	523,420
Debt service	54,018	57,070	57,070	—
Transfers to other funds	11,420	—	—	—

SUBTOTAL	981,712	1,089,380	1,080,180	1,278,005
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Capital outlay	57,760	—	—	9,800
Drainage capital improvements	59,072	1,266,575	1,315,210	50,000

SUBTOTAL	116,832	1,266,575	1,315,210	59,800
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TOTAL	\$ 1,098,544	\$ 2,355,955	\$ 2,395,390	\$ 1,337,805
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EXPENDITURES BY DIVISION:

Drainage Maintenance	\$ 789,034	\$ 847,310	\$ 838,110	\$ 1,100,805
Debt Service	54,018	57,070	57,070	—
Drainage Capital Improvements	59,072	1,266,575	1,315,210	50,000
Intragovernmental Transfers	11,420	—	—	—
Non-Departmental	185,000	185,000	185,000	187,000

TOTAL	\$ 1,098,544	\$ 2,355,955	\$ 2,395,390	\$ 1,337,805
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PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions – Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Street/Drainage Superintendent	M-1	0.5	0.5	0.5
Construction Inspector	A/TN-11	1.0	1.0	1.0
Street/Drainage Crewleader	TN-7	1.0	2.0	2.0
Equipment Operator	TN-5	3.0	2.0	2.0
Street/Drainage Maint. Worker	TN-2	3.0	3.0	3.0
TOTAL		8.5	8.5	8.5

Drainage capital improvements are included in the FY2014 estimate for the following areas: Robin Court, and Indian Meadows improvements and Meadow Knoll improvements (design costs).

FY2015 highlights: services and other includes \$200,000 for miscellaneous drainage projects. Capital outlay includes equipment for drainage maintenance activities (\$9,800) and funding for drainage improvements to the drainage retention area on the West side of Rufe Snow Drive, across from the KISD Natatorium, \$50,000. No annual operating budget impact related to these improvements is anticipated.

KELLER DEVELOPMENT CORPORATION

The Keller Development Corporation (KDC) Fund accounts for proceeds of the ½ cent local sales tax for park and recreation improvements. The KDC budget was approved by the KDC Board of Directors on July 29, 2014.

KELLER DEVELOPMENT CORPORATION SUMMARY

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 836,404	\$ 961,343	\$ 1,056,137	\$ 1,731,332
Revenues and transfers	2,333,792	2,350,885	2,397,075	2,468,310
TOTAL FUNDS AVAILABLE	3,170,196	3,312,228	3,453,212	4,199,642
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	2,114,059	1,865,495	1,721,880	2,486,555
<u>ENDING FUND BALANCE:</u>				
Total fund balance	1,056,137	1,446,733	1,731,332	1,713,087
Reserve for minimum fund balance	193,783	293,861	299,634	411,385
Unassigned fund balance	862,354	1,152,872	1,431,698	1,301,702
FUND TOTAL	\$ 3,170,196	\$ 3,312,228	\$ 3,453,212	\$ 4,199,642
Excess revenues (expenditures)	219,733	485,390	675,195	(18,245)
Fund balance reserves:				
Actual number of days recurring revenues	162.9	221.6	260.0	249.9
TARGET	30.0	45.0	45.0	60.0

The KDC Board has recommended the minimum fund balance be increased from 30 to 90 days over a period of five years. In order to achieve this, the minimum fund balance is being incrementally increased by fifteen days each year, through fiscal year 2016-2017.

FUND:
Keller Development
Corporation

DEPARTMENT:
All Departments

DIVISION:
All Divisions

ACCOUNT:
110-All-All

DEPARTMENT DESCRIPTION:

The Keller Development Corporation was established by Ordinance No. 670 in 1992 levying one-half of one percent sales and use tax to provide funding for park and recreation capital improvements as approved by voters. The Corporation is managed by a Board of Directors consisting of the mayor, three City Council members, two Parks and Recreation Board members and one citizen at-large. A majority of the budget is currently funding debt service for capital expenses for The Keller Pointe and the Keller Sports Park. In addition to the sales tax, revenues are also received from the ground lease agreement with Blue Sky Sports Center.

DEPARTMENT/DIVISION GOALS:

1. Manage the ground lease agreement for the use and operation of a public/private indoor soccer complex at Keller Sports Park.
2. Manage retirement of the debt for The Keller Pointe and The Keller Sports Park.
3. Reserve funds to utilize as determined upon completion of the Parks, Recreation and Open Space Master Plan.
4. Promote the matching funds grant program for development of public park amenities.
5. Construct capital improvement projects including Big Bear Creek Greenbelt Trail Canopy Extension, Mount Gilead Greenwalk, reconstruction of Keller Sports Park west soccer parking lot, and Line Drive overlay.
6. Continue to seek funding opportunities for the development of hike and bike trails which is listed as the number one facility need for outdoor and indoor recreation in accordance with the current Parks, Recreation and Open Space Master Plan.

FUND: Keller Development Corporation
DEPARTMENT: All Departments
DIVISION:
ACCOUNT: 110-All-All

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
REVENUES				
<u>SALES TAXES:</u>				
City sales taxes	\$ 2,319,531	\$ 2,338,025	\$ 2,381,375	\$ 2,452,810
Subtotal	2,319,531	2,338,025	2,381,375	2,452,810
<u>MISCELLANEOUS REVENUES:</u>				
Rental revenue	12,000	12,000	12,000	12,000
Interest revenue	2,261	860	3,700	3,500
Subtotal	14,261	12,860	15,700	15,500
TOTAL REVENUES	\$ 2,333,792	\$ 2,350,885	\$ 2,397,075	\$ 2,468,310

EXPENDITURE SUMMARY

<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 72,205	\$ -	\$ -	\$ -
Operations & maintenance	16,388	20,465	21,200	21,890
Services & other	41,719	67,500	42,630	67,700
Debt service	1,478,962	1,446,205	1,336,770	1,615,680
Transfers to other funds	123,675	156,280	156,280	134,485
SUBTOTAL	1,732,949	1,690,450	1,556,880	1,839,755
Capital outlay	381,110	175,045	165,000	646,800
TOTAL	\$ 2,114,059	\$ 1,865,495	\$ 1,721,880	\$ 2,486,555

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

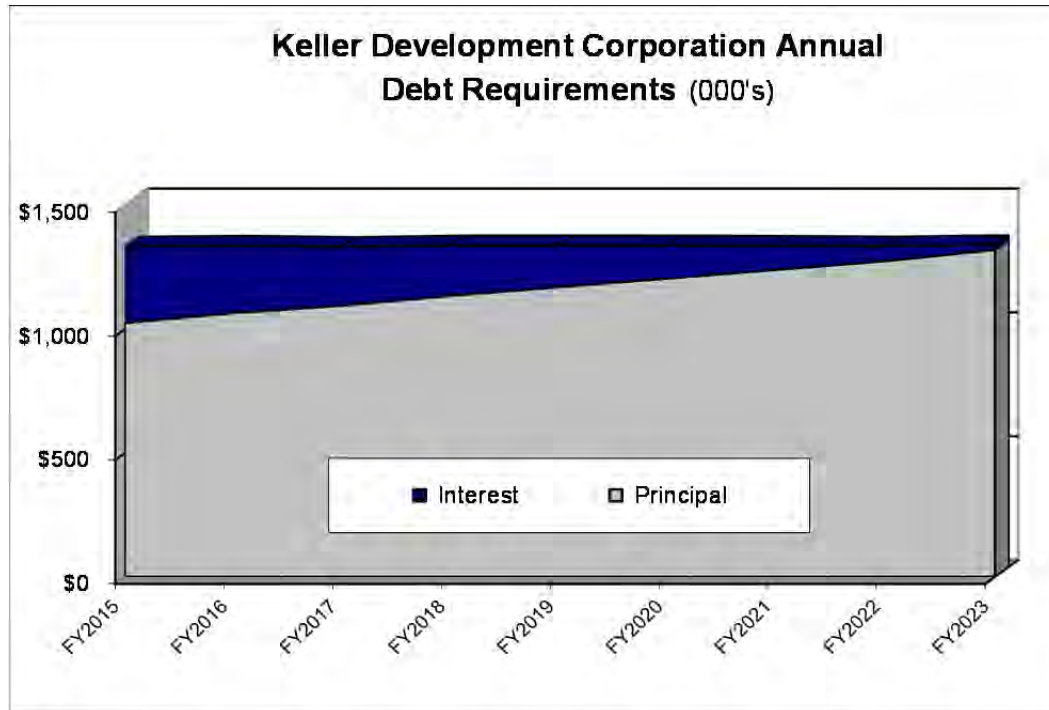
POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Parks/Landscape Crewleader	TN-7	0.50	-	-
Parks/Landscape Maintenance Worker	TN-2	0.50	-	-
Parks/Landscape Maint Worker (Seasonal)	NA	0.39	-	-
TOTAL		1.39	-	-

All personnel have been transferred to General Fund.

FY2015 highlights: Capital outlay continues funding for park project matching funds grants, \$100,000; grant-matching funds for construction of the Mount Gilead Road Greenwalk trail, \$120,000; extension of the Big Bear Creek Greenbelt trail railroad canopy/shelter, \$105,000; Keller Sports Park parking lot and driveway improvements, \$253,000; replacement of a “bat-wing” mower, \$61,000; and replacement of a sports utility vehicle at the Keller Sports Park, \$7,800. The annual operating budget impact related to these improvements and replacements is projected to be a net decrease of approximately \$1,500.

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

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2015	\$ 1,025,000.00	\$ 308,650.00	\$ 1,333,650.00	\$ 1,333,650.00
FY2016	1,065,000.00	272,131.25	1,337,131.25	1,337,131.25
FY2017	1,095,000.00	236,775.00	1,331,775.00	1,331,775.00
FY2018	1,135,000.00	203,325.00	1,338,325.00	1,338,325.00
FY2019	1,170,000.00	168,750.00	1,338,750.00	1,338,750.00
FY2020	1,205,000.00	133,125.00	1,338,125.00	1,338,125.00
FY2021	1,240,000.00	96,450.00	1,336,450.00	1,336,450.00
FY2022	1,275,000.00	58,725.00	1,333,725.00	1,333,725.00
FY2023	1,320,000.00	19,800.00	1,339,800.00	1,339,800.00
Total	\$ 10,530,000.00	\$ 1,497,731.25	\$ 12,027,731.25	\$ 12,027,731.25



Excludes new debt.

**SCHEDULE OF KELLER DEVELOPMENT CORPORATION DEBT REQUIREMENTS
October 1, 2014**

	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount Issued (000's)</u>	<u>Amount Outstanding (000's)</u>	<u>FY2015 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation refunding bonds:								
Series 2011	1.50% - 3.00%	09/2011	02/2023	\$ 8,710	\$ 8,510	\$ 35,000	\$ 253,988	\$ 288,988
Combination tax and revenue certificates of obligation: (post refunding)								
Series 2003	3.00% - 4.25%	05/2003	08/2016	18,120	2,020	990,000	54,662	1,044,662
TOTAL				\$ 27,720	\$ 10,530	\$ 1,025,000	\$ 308,650	\$ 1,333,650

(1) Post refunding.

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

<u>Date</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Principal & Interest</u>	<u>Fiscal Year Total</u>
FY2015	\$ 990,000.00	\$ 54,662.50	\$ 1,044,662.50	\$ 1,044,662.50
FY2016	1,030,000.00	18,668.75	1,048,668.75	1,048,668.75
Total	\$ 2,020,000.00	\$ 73,331.25	\$ 2,093,331.25	\$ 2,093,331.25

Original amount issued: \$18,120,000

Purpose: Keller Sports Park improvements and design/construction of The Keller Pointe Recreation and Aquatic Center.

On September 15, 2011, \$8,440,000 in outstanding principal was refunded.

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER DEVELOPMENT CORPORATION
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011**

Date	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2015	\$ 35,000.00	\$ 253,987.50	\$ 288,987.50	\$ 288,987.50
FY2016	35,000.00	253,462.50	288,462.50	288,462.50
FY2017	1,095,000.00	236,775.00	1,331,775.00	1,331,775.00
FY2018	1,135,000.00	203,325.00	1,338,325.00	1,338,325.00
FY2019	1,170,000.00	168,750.00	1,338,750.00	1,338,750.00
FY2020	1,205,000.00	133,125.00	1,338,125.00	1,338,125.00
FY2021	1,240,000.00	96,450.00	1,336,450.00	1,336,450.00
FY2022	1,275,000.00	58,725.00	1,333,725.00	1,333,725.00
FY2023	1,320,000.00	19,800.00	1,339,800.00	1,339,800.00
Total	\$ 8,510,000.00	\$ 1,424,400.00	\$ 9,934,400.00	\$ 9,934,400.00

Original amount issued: \$8,710,000

Purpose: Refund portions of Combination Tax and Revenue Certificates of Obligation, Series 2003.

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

The Recreation/Aquatic Center Fund was established in 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 direct operating costs, excluding debt service, are funded with user fees and charges.

FUND SUMMARY

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance *	\$ 1,298,151	\$ 1,016,474	\$ 1,299,490	\$ 1,323,360
Revenues and transfers	3,104,443	3,154,195	3,091,485	3,194,545
TOTAL FUNDS AVAILABLE	4,402,594	4,170,669	4,390,975	4,517,905
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	3,103,104	3,156,651	3,067,615	3,193,695
<u>ENDING FUND BALANCE: *</u>				
Unassigned fund balance *	1,299,490	1,014,018	1,323,360	1,324,210
FUND TOTAL	\$ 4,402,594	\$ 4,170,669	\$ 4,390,975	\$ 4,517,905
Excess revenues (expenditures)	1,339	(2,456)	23,870	850
 2014-2015 Capital replacement expenditures from fund balance:				
Fitness area renovation (furniture, fixtures and equipment)				\$ 200,000
Acid room renovation				50,000
Locker room and Multi-Purpose room renovations				100,000
TOTAL CAPITAL REPLACEMENT EXPENDITURES				350,000
UNASSIGNED FUND BALANCE *				\$ 974,210

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

REVENUES

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>OPERATING REVENUES:</u>				
Daily pass revenue	\$ 194,554	\$ 216,000	\$ 195,000	\$ 198,200
Annual pass sales	1,869,193	1,861,000	1,861,000	1,870,000
Employee pass revenue	88,138	86,700	86,700	90,600
Employee dependent pass revenue	18,544	18,300	18,300	18,300
Private party revenues	114,702	125,000	101,200	115,000
Concessions	49,317	40,600	41,500	41,800
Merchandise sales-general	1,112	1,500	1,250	840
Merchandise sales-aquatics	7,511	13,390	13,390	13,870
Outdoor concessions	28,401	61,600	61,600	58,100
Outdoor merchandise sales	2,218	3,025	3,025	2,855
Stay 'N Play revenue	13,318	13,000	13,000	13,300
Aquatics Program revenues	137,647	142,450	142,450	142,450
Fitness Program revenues	100,572	12,000	10,060	12,000
Group exercise revenue	4,150	4,560	2,970	4,560
Personal training revenues	77,134	106,000	68,515	106,000
Recreation Programs revenues	299,459	343,400	376,325	400,000
Facility rentals	52,273	51,015	46,000	51,015
Gymnasium rentals	7,060	4,700	4,700	5,700
Pool rentals	14,313	29,465	23,200	29,465
Subtotal	3,079,616	3,133,705	3,070,185	3,174,055
<u>OTHER REVENUE:</u>				
Interest earnings	5,663	4,300	4,800	4,300
Miscellaneous grants & donations	3,648	8,000	6,000	8,000
Gain (loss) on disposal of assets	3,200	-	-	-
Miscellaneous revenue (expense)	12,316	8,190	10,500	8,190
Subtotal	24,827	20,490	21,300	20,490
TOTAL REVENUES AND TRANSFERS	\$ 3,104,443	\$ 3,154,195	\$ 3,091,485	\$ 3,194,545

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; (f) the Customer Service Division includes customer service staff at the front desk, office supplies and concessions/merchandise sales and (g) the Seasonal Outdoor Concession Division includes staff, supplies and outdoor concession/merchandise sales for the outdoor concession stand.

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

DEPARTMENT/DIVISION GOALS:

Ensure sustainability of The Keller Pointe through management of a self-sufficient enterprise fund to continue to prevent subsidization from the general fund by:

- o Implementing a brand for The Keller Pointe and a new marketing strategy to secure state of the art traditional graphic design as well as digital multimedia.
- o Maintaining an annual member base of 3,500 passes.
- o Attracting new members while retaining current members through the delivery of quality programs, activities, and events to maintain a member attrition rate at 35% or less.
- o Ensuring membership retention and growth by rewarding membership with program discounts in accordance with our program pricing structure.
- o Increasing recreation program registration through innovative and creative programming and activities.
- o Retaining loyal guests and attracting new individuals and businesses by providing quality customer service that exceeds expectations resulting in a customer satisfaction survey rating of 90% or higher.
- o Developing knowledgeable and helpful staff through program specific staff trainings.
- o Inspiring healthy lifestyles, showcasing local businesses and organizations, providing citizens and members a quality recreation experience and spotlighting The Keller Pointe amenities by hosting a minimum of five special events annually.
- o Fostering partnerships with civic groups, businesses, and foundations that align with our core values.
- o Enhancing visual communication of The Keller Pointe's facility, programs and services through social, electronic and print media.

(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		
	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 PROJECTED
Completed surveys	550	672	650
Recreation programs provided (class list)	98	94	100
Leagues provided	19	19	20
Special events provided	12	10	11
Group exercise classes offered	2,782	2,725	2,725
Number of partnerships developed	19	27	30
Number of annual members	3,668	3,377	3,500
Annual attendance (day pass & member visits)	268,410	255,000	280,000
Recreation program participants (attendance)	3,676	3,676	3,707
League participants:			
Teams	59	101	110
Participants	891	943	1,063
Special event attendance	2,800	1,886	3,000
Facility rentals/birthday parties	908	780	1,000
Group exercise attendance	33,545	35,956	36,000
Partnership dollars generated	\$2,350	\$6,000	\$8,000
<u>PERFORMANCE INDICATORS</u>			
Survey satisfaction rating on a five point scale	4.05	3.86	4.10
Member attrition rate	35%	40%	35%

**THE KELLER POINTE
DEPARTMENT SUMMARY**

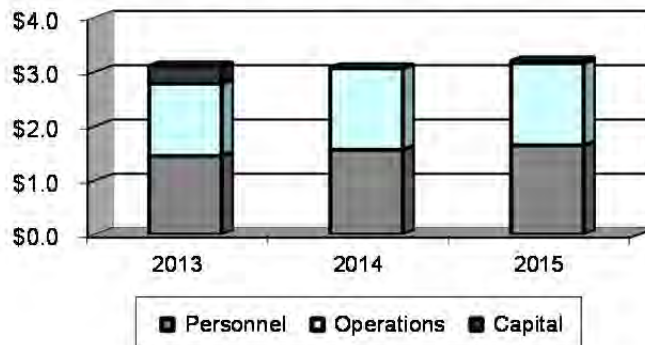
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 1,449,722	\$ 1,627,245	\$ 1,563,560	\$ 1,646,795
Operations & maintenance	342,317	426,130	426,960	463,665
Services & other	991,763	1,088,451	1,076,095	1,048,235
SUBTOTAL	2,783,802	3,141,826	3,066,615	3,158,695
Capital outlay	319,302	14,825	1,000	35,000
TOTAL	\$ 3,103,104	\$ 3,156,651	\$ 3,067,615	\$ 3,193,695

<u>EXPENDITURES BY ACTIVITY</u>				
Administration	\$ 1,223,179	\$ 1,078,717	\$ 971,890	\$ 1,080,410
Aquatics	428,126	465,929	479,955	520,120
Fitness Programs	309,711	307,050	271,680	250,985
Recreation Programs	411,815	442,750	474,805	467,210
Facility Operations & Maintenance	448,466	541,675	551,605	544,305
Customer Services	249,711	274,940	271,315	279,430
Outdoor Concessions	32,096	45,590	46,365	51,235
TOTAL	\$ 3,103,104	\$ 3,156,651	\$ 3,067,615	\$ 3,193,695

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	5.75	6.00	6.00
Aquatics	16.51	17.40	17.28
Fitness Programs	3.00	3.12	3.63
Recreation Programs	9.07	10.76	9.91
Facility Operations & Maintenance	1.00	1.00	1.00
Customer Services	9.10	9.00	8.91
Outdoor Concessions	2.30	1.30	1.28
TOTAL	46.73	48.58	48.01

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 382,966	\$ 426,800	\$ 380,545	\$ 408,950
Operations & maintenance	35,803	52,600	37,205	100,650
Services & other	485,108	584,492	553,140	535,810
SUBTOTAL	903,877	1,063,892	970,890	1,045,410
Capital outlay	319,302	14,825	1,000	35,000
TOTAL	\$ 1,223,179	\$ 1,078,717	\$ 971,890	\$ 1,080,410

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Recreation Manager	PE-9	1.00	1.00	1.00
Assistant Manager/Accounting	PE-6	1.00	1.00	1.00
Administrative Aide	A/TN-8	1.00	1.00	1.00
Sales Coordinator	A/TN-6	1.00	1.00	1.00
Marketing/Events Coordinator	A/TN-6	1.00	1.00	1.00
Accounting Assistant	A/TN-6	0.75	1.00	1.00
TOTAL		5.75	6.00	6.00

FY2015 capital outlay funding is provided for equipment replacement. There is no annual operating budget impact anticipated.

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

AQUATICS

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 346,792	\$ 387,180	\$ 387,430	\$ 434,455
Operations & maintenance	63,092	57,900	72,625	65,100
Services & other	18,242	20,849	19,900	20,565
SUBTOTAL	428,126	465,929	479,955	520,120
Capital outlay	-	-	-	-
TOTAL	\$ 428,126	\$ 465,929	\$ 479,955	\$ 520,120

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Aquatics Supervisor	PE-4	1.00	1.00	1.00
Assistant Aquatics Supervisor	A/TN-5	-	-	1.00
Head Lifeguard	RCS-3	4.00	4.05	3.63
Lifeguard	RCS-2	11.03	11.87	11.17
Water Safety Instructor	RCS-4	0.48	0.48	0.48
TOTAL		16.51	17.40	17.28

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

FITNESS PROGRAMS

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 130,941	\$ 181,235	\$ 146,165	\$ 151,785
Operations & maintenance	45,902	43,115	44,615	16,500
Services & other	132,868	82,700	80,900	82,700
SUBTOTAL	309,711	307,050	271,680	250,985
Capital outlay	-	-	-	-
TOTAL	\$ 309,711	\$ 307,050	\$ 271,680	\$ 250,985

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Fitness Coordinator	A/TN-8	1.00	1.00	1.00
Personal Trainer	RCS-3	1.00	1.00	1.00
Personal Trainer (part-time)	RCS-3	1.00	1.12	1.63
TOTAL		3.00	3.12	3.63

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

RECREATION PROGRAMS

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 257,498	\$ 264,560	\$ 275,300	\$ 281,745
Operations & maintenance	111	1,800	1,800	2,500
Services & other	154,206	176,390	197,705	182,965
SUBTOTAL	411,815	442,750	474,805	467,210
Capital outlay	-	-	-	-
TOTAL	\$ 411,815	\$ 442,750	\$ 474,805	\$ 467,210

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Recreation Supervisor	PE-3	1.00	1.00	1.00
Assistant Recreation Supervisor	A/TN-5	1.00	1.00	1.00
Maintenance Assistant	RCS-4	-	0.54	0.50
Recreation Coordinator	RCS-3	-	-	1.00
Camp Counselor	RCS-2	2.13	3.83	3.49
Recreation Assistant	RCS-1	1.06	1.01	0.48
Childcare Attendant	RCS-1	3.88	3.38	2.44
TOTAL		9.07	10.76	9.91

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

FACILITY OPERATIONS AND MAINTENANCE

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 99,614	\$ 102,405	\$ 111,905	\$ 104,215
Operations & maintenance	148,087	216,500	216,500	216,990
Services & other	200,765	222,770	223,200	223,100
SUBTOTAL	448,466	541,675	551,605	544,305
Capital outlay	-	-	-	-
TOTAL	\$ 448,466	\$ 541,675	\$ 551,605	\$ 544,305

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Building Operations Supervisor	PE-5	-	1.0	1.0
Building Operations Supervisor	TN-11	1.0	-	-
TOTAL		1.0	1.0	1.0

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

CUSTOMER SERVICES

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 218,791	\$ 241,625	\$ 238,750	\$ 242,510
Operations & maintenance	30,528	32,540	31,790	34,300
Services & other	392	775	775	2,620
SUBTOTAL	249,711	274,940	271,315	279,430
Capital outlay	-	-	-	-
TOTAL	\$ 249,711	\$ 274,940	\$ 271,315	\$ 279,430

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Customer Service Supervisor	PE-3	1.00	1.00	1.00
Assistant Customer Service Supervisor	A/TN-5	1.00	1.00	1.00
Customer Service Representative (part-time)	RCS-2	7.10	7.00	6.91
TOTAL		9.10	9.00	8.91

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Outdoor Concessions **ACCOUNT:** 125-650-07

OUTDOOR CONCESSIONS

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 13,120	\$ 23,440	\$ 23,465	\$ 23,135
Operations & maintenance	18,794	21,675	22,425	27,625
Services & other	182	475	475	475
SUBTOTAL	32,096	45,590	46,365	51,235
Capital outlay	-	-	-	-
TOTAL	\$ 32,096	\$ 45,590	\$ 46,365	\$ 51,235

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Concession Stand Attendant	RCS-1	2.30	1.30	1.28
TOTAL		2.30	1.30	1.28

INFORMATION SERVICES FUND

The Information Services Fund was created by the City in FY2001 to account for City-wide information services/information technology operations. Funding for the Information Services Fund is provided by user fees and transfers from various operating funds, tower rental revenues and interest revenue. Expenditures provide for information technology support personnel and goods and services to be utilized on a City-wide basis. In October 2005, the Public Library support, Internet services and Audio Visual services were transferred to Information Services.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
INFORMATION SERVICES FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 647,290	\$ 585,219	\$ 790,122	\$ 595,432
Revenues and transfers	1,661,990	1,655,760	1,655,710	1,534,665
TOTAL FUNDS AVAILABLE	2,309,280	2,240,979	2,445,832	2,130,097
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	1,519,158	1,856,250	1,850,400	1,662,920
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	790,122	384,729	595,432	467,177
FUND TOTAL	\$ 2,309,280	\$ 2,240,979	\$ 2,445,832	\$ 2,130,097
Excess revenues (expenditures)	142,832	(200,490)	(194,690)	(128,255)

REVENUES

<u>OPERATING REVENUES:</u>				
Information services fees-City	\$ 1,319,900	\$ 1,305,750	\$ 1,305,750	\$ 1,151,550
General Fund lease revenue	224,550	235,870	235,870	264,875
Water/Wastewater Fund lease revenue	32,045	30,740	30,740	32,415
Drainage Utility Fund lease revenue	3,345	3,355	3,355	4,025
The Keller Pointe lease revenue	23,010	23,545	23,545	26,000
Communication tower rental fees	52,626	51,500	52,500	52,000
Subtotal	1,655,476	1,650,760	1,651,760	1,530,865
<u>OTHER REVENUE:</u>				
Interest earnings	4,245	5,000	3,950	3,800
Gain (loss) on disposal of assets	2,250	-	-	-
Miscellaneous revenue (expense)	19	-	-	-
Subtotal	6,514	5,000	3,950	3,800
TOTAL REVENUES AND TRANSFERS	\$ 1,661,990	\$ 1,655,760	\$ 1,655,710	\$ 1,534,665

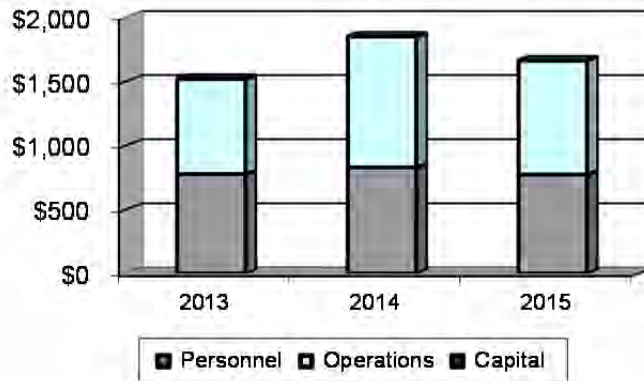
**INFORMATION SERVICES FUND
COMBINED EXPENDITURES**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 777,444	\$ 818,025	\$ 828,985	\$ 773,120
Operations & maintenance	519,970	776,560	761,785	678,350
Services & other	221,744	261,665	259,630	211,450
SUBTOTAL	1,519,158	1,856,250	1,850,400	1,662,920
Capital outlay	-	-	-	-
TOTAL	\$ 1,519,158	\$ 1,856,250	\$ 1,850,400	\$ 1,662,920
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,345,287	\$ 1,635,055	\$ 1,626,900	\$ 1,426,970
Geographic Information Services	173,871	221,195	223,500	235,950
TOTAL	\$ 1,519,158	\$ 1,856,250	\$ 1,850,400	\$ 1,662,920

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Administration	6.0	6.0	5.0
Geographic Information Services	2.0	2.0	2.0
TOTAL	8.0	8.0	7.0

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 responsible for all information technology needs within the City of Keller. Responsibilities include networking, network security, desktop computer support, desktop applications, printer maintenance, departmental software application support, email, IP Telephony, security video camera support, cable television production, cable television programming, audio visual support, public library patron/staff support, general City wide communication, and the procurement of all hardware and software needs. Activities also include establishment and implementation of appropriate policies and procedures related to information technology.

In November 2002, geographic information system (GIS) activities were transferred from the Public Works Department to Information Services. In October 2005, the Keller Library, internet services, cable television production, cable television broadcasting, and audio visual services were transferred to Information Services. Oversight of general city wide communications was transferred to Information Services in January of 2008. Information Services provides technical support to the Northeast Tarrant Communications Center (NETCOM) that provides dispatch, animal control, and jail services to Westlake, Southlake, Colleyville, and Keller.

DEPARTMENT/DIVISION GOALS:

1. Increase productivity and decrease cost of providing city services through the implementation and support of technology based services.
2. Provide timely and efficient technical support services to all departments.
3. Maintain the Keller Technology Plan (KTP) as a prioritization and management tool for information technology (IT) projects throughout the entire organization.
Key principles of KTP:
 - a. Core Principle: to consolidate the review and management of all City IT projects under one entity, Information 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. Ensure that all City software is properly licensed and documented.
6. Maintain comprehensive backups for all City servers including offsite storage of all backup media.
7. Maintain the City's communication infrastructure to ensure reliable voice and data service to all City facilities.
8. Provide project management to all technology related projects within the City.
9. Maintain a document imaging system to reduce physical file storage requirements and improve access to critical information.
10. Assist the Administration department to continually review communication tools and advancements in technology and respond to the needs of our citizens by fostering open, responsive, and accessible communications.
11. Maintain the City's cable television channel to provide quality programming that informs and educates Keller citizens about city related news.

(Continued)

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Application/file/storage servers supported/maintained*	31	37	37
Desktop/laptop computers supported/maintained**	302	312	314
Public Safety mobile data computers (MDC) maintained	28	30	31
Network / local printers supported/maintained	94	80	77
Telephone handsets supported/maintained	312	312	325
Network equipment/devices supported/maintained	50	60	62
Multi-function copy machines supported	14	16	16
Scanners supported/maintained	23	47	47
Tablet computers supported	6	42	48
Video security cameras supported/maintained	85	175	183

*Information Services maintains thirty seven (37) physical servers as follows:

- Seven (7) physical servers that host sixty three (63) virtual servers
- Eight (8) storage area network servers
- Eight (8) video security servers
- Two (2) email security servers
- One (1) Public Safety voice recorder
- One (1) Public Safety in car video server
- Two (2) cable television programming servers
- One (1) streaming video server
- Two (2) backup servers
- Two (2) web servers
- Three (3) database/application servers

**Information Services supports approximately twenty (20) additional desktop and laptop computers that have been previously replaced and are used for training or in a non-mission critical capacity.

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

**INFORMATION SERVICES FUND
ADMINISTRATION EXPENDITURES**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 644,787	\$ 663,210	\$ 671,865	\$ 606,200
Operations & maintenance	504,283	745,410	730,635	643,350
Services & other	196,217	226,435	224,400	177,420
SUBTOTAL	1,345,287	1,635,055	1,626,900	1,426,970
Capital outlay	-	-	-	-
TOTAL	\$ 1,345,287	\$ 1,635,055	\$ 1,626,900	\$ 1,426,970

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Information Services Director	M-3	1.0	1.0	1.0
Senior Systems Administrator	PE-10	-	-	1.0
Network Administrator	PE-9	-	-	1.0
Information Services Administrator	PE-9	1.0	1.0	-
Information Services Network Analyst	PE-7	1.0	1.0	-
Information Services Systems Analyst	PE-7	1.0	1.0	1.0
IS Communications Specialist	PE-6	1.0	1.0	-
<i>Transferred to General Fund</i>				
Information Services Specialist	A/TN-10	-	-	1.0
Information Services Technician	A/TN-9	1.0	1.0	-
TOTAL		6.0	6.0	5.0

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Geographic Information
Systems

ACCOUNT:
119-180-19

DEPARTMENT/DIVISION DESCRIPTION:

The Geographic Information Systems (GIS) division provides geographic information and geographic data management services to all City departments. The City's GIS operates to help analyze city infrastructure and assist citizens and employees in making informed decisions regarding existing conditions and future needs. The GIS division supports Property Assessment, Public Safety, Economic Development, Permitting, Capital Improvements, Environment, Transportation, Public Works Asset Management, and many other issues related to city government. Specific services include software and data needs analysis, software support, data analysis, data conversion, map production, interactive map web pages, and geographic database management.

DEPARTMENT/DIVISION GOALS:

1. Provide effective GIS solutions to streamline City processes in and between departments.
2. Improve GIS applications and increase the accessibility of GIS data to City staff.
3. Manage a centralized GIS database management system to ensure data integrity, accuracy and reliability of citywide infrastructure
4. Improve and enhance our existing North Central Texas Council of Government (NCTCOG) iCommunities GIS web site.
5. Continue to develop new GIS data layers for the Police, Fire, Economic Development, Public Works, Community Development, and Parks and Recreation departments.
6. Assist Public Works to comply with state and federal standards in storm water management.
7. Manage Public Works Lucity asset management and work order system.
8. Continue to improve browser based GIS mapping access to better serve internal staff with GIS data.
9. Work with Public Safety departments to improve access to critical infrastructure information in a timely manner.
10. Provide NETCOM Dispatch Center with geofile, address verification, and GIS support.
12. Help support City operations by providing location based analysis of City information and operations.
13. Import Tarrant County Appraisal District Tax information into GIS and provide tax analysis support.
14. Provide demographic and business geographic analysis for Economic Development.
15. Track infrastructure changes and gain future insights to anticipate future conditions through analysis of GIS datasets.
16. Collaborate with other agencies through data sharing opportunities.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
Intranet GIS users	40	50	70
Advanced GIS users performing analysis and developing detailed maps	10	10	10

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Geographic Information
Systems

ACCOUNT:
119-180-19

**INFORMATION SERVICES FUND
GEOGRAPHIC INFORMATION SYSTEM EXPENDITURES**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 132,657	\$ 154,815	\$ 157,120	\$ 166,920
Operations & maintenance	15,687	31,150	31,150	35,000
Services & other	25,527	35,230	35,230	34,030
SUBTOTAL	173,871	221,195	223,500	235,950
Capital outlay	-	-	-	-
TOTAL	\$ 173,871	\$ 221,195	\$ 223,500	\$ 235,950

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
GIS Coordinator	PE-8	1.0	1.0	1.0
GIS Analyst	A/TN-11	-	-	1.0
GIS Technician	A/TN-9	1.0	1.0	-
TOTAL		2.0	2.0	2.0

LIBRARY SPECIAL REVENUE FUND

The Library Special Revenue Fund accounts for special contributions, donations and related expenditures for the Keller Public Library.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
LIBRARY SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 78,478	\$ 93,063	\$ 94,931	\$ 2,761
Revenues and transfers	30,688	53,300	51,450	11,450
TOTAL FUNDS AVAILABLE	109,166	146,363	146,381	14,211
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	14,235	135,820	143,620	-
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	94,931	10,543	2,761	14,211
FUND TOTAL	\$ 109,166	\$ 146,363	\$ 146,381	\$ 14,211
Excess revenues (expenditures)	16,453	(82,520)	(92,170)	11,450

REVENUES

<u>MISCELLANEOUS REVENUES:</u>				
Utility Bill Donations	\$ 9,338	\$ 8,000	\$ 8,000	\$ 8,000
Library Donations	17,488	12,000	10,000	-
Non-resident fees	3,488	3,000	3,000	3,000
Interest earnings	374	300	450	450
Friends of the Library donations	-	30,000	30,000	-
TOTAL REVENUES AND TRANSFERS	\$ 30,688	\$ 53,300	\$ 51,450	\$ 11,450

LIBRARY SPECIAL REVENUE FUND

EXPENDITURE SUMMARY

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	5,082	-	4,300	-
Services & other	9,153	-	3,500	-
SUBTOTAL	14,235	-	7,800	-
Capital outlay	-	135,820	135,820	-
TOTAL	\$ 14,235	\$ 135,820	\$ 143,620	\$ -
<u>EXPENDITURES BY ACTIVITY:</u>				
Library Services	\$ 14,235	\$ 135,820	\$ 143,620	\$ -
TOTAL	\$ 14,235	\$ 135,820	\$ 143,620	\$ -

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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No personnel funding is provided in this Fund.

RECREATION SPECIAL REVENUE FUND

The Recreation Special Revenue Fund accounts for specific revenues, including grants, tree restoration fines and miscellaneous fees and donations fees associated with operations and activities of the City's recreation programs and their related costs.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
RECREATION SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 90,676	\$ 55,787	\$ 101,627	\$ 367,982
Revenues and transfers	260,014	160,900	848,615	168,650
TOTAL FUNDS AVAILABLE	350,690	216,687	950,242	536,632
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	249,063	164,325	582,260	200,375
<u>ENDING FUND BALANCE:</u>				
Total fund balance	101,627	52,362	367,982	336,257
Assigned for:				
Rock the Park	10,797	18,119	11,597	12,397
Tree restoration	18,990	19,779	287,990	259,490
Unassigned fund balance	71,840	14,464	68,395	64,370
FUND TOTAL	\$ 350,690	\$ 216,687	\$ 950,242	\$ 536,632
Excess revenues (expenditures)	10,951	(3,425)	266,355	(31,725)
REVENUES				
Texas Amateur Athletic Foundation (TAAF):				
Swimming revenue	\$ 38,330	\$ 32,000	\$ 32,000	\$ 33,000
Daddy/daughter sweetheart ball	7,391	6,700	7,875	8,300
Halloween haunted trail revenue	5,869	5,600	1,525	5,600
Holly Days in the Park revenue	7,082	4,400	3,975	4,600
Rock the Park revenue	23,395	30,500	30,500	30,500
Mother/son ice cream social revenue	380	1,400	1,400	1,400
Keller family campout revenue	2,231	1,750	1,500	1,750
Easter event revenue	2,022	2,100	3,255	2,500
Spooky-Kooky-Keller-Kastle revenue	800	1,250	875	1,250
Family fun films revenue	3,188	3,100	3,100	3,100
Fishing event revenue	400	1,100	560	1,100
Recreation program revenue	18,502	12,950	13,000	13,000
Senior Services program revenue	25,882	26,100	26,300	26,300
TOTAL RECREATION REVENUES	\$ 135,472	\$ 128,950	\$ 125,865	\$ 132,400

(Continued)

**RECREATION SPECIAL REVENUE FUND
REVENUES**

(Continued)

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	\$ 923	\$ 550	\$ 1,000	\$ 1,000
Miscellaneous park donations	8,360	2,250	2,250	2,250
Miscellaneous revenue (expense)	211	-	-	-
Grant revenue-Pathways to Play	22,123	-	407,000	-
Ticket sales revenue	373	1,000	500	500
Concerts in the Park revenue	8,210	5,500	5,500	5,500
Utility bill donation revenue	9,351	8,000	7,200	7,200
Recreation donations	2,438	2,000	2,000	2,000
Senior Services donations	528	10,800	16,000	16,000
Veteran's Memorial donations	225	350	300	300
Tree preservation fines/fees	1,800	1,500	281,000	1,500
TOTAL MISCELLANEOUS REVENUES	54,542	31,950	722,750	36,250
<u>INTERGOVERNMENTAL:</u>				
Tarrant County	70,000	-	-	-
TOTAL INTERGOVERNMENTAL	70,000	-	-	-
TOTAL REVENUES	\$ 260,014	\$ 160,900	\$ 848,615	\$ 168,650

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 youth sport teams offered outside of The Keller Pointe. Administrative functions of the recreation program are included in the General Fund Parks and Recreation budget. The special revenue fund accounts for program supplies and services that are direct costs of the recreation programs and teams.

Special Events Division:

The Special Events budget accounts for special event activities administered by the department, including Rock the Park, Holly Days, Haunted Trails, TREE-Mendous Egg Scramble, Family Fun Films, Daddy/Daughter Sweetheart Ball, Family Camp Out, Outdoor Holiday Yard Decorating Contest, Mother/Son I Scream Social, Spooky Kooky Keller Kastle and Fishing for Fun. Approximately 33 percent (\$41,810) of the funding for special events is supported by the General Fund for the community Trash-Off events (2), MasterWorks Music Series (5), volunteer recognition, and a portion of Holly Days in addition to city staff. The remaining 67 percent (\$84,815) is generated through the 50-cent water bill donations, community partner donations/sponsorships, grants and fees.

Concerts in the Park Division:

The Concerts in the Park account provides funding for activities associated with musical entertainment and activities for three concerts held during the summer months at Bear Creek Park. Administrative staffing of the event is included in the General Fund Parks and Recreation budget.

Senior Services Programs and Trips

The Senior Services Division accounts for senior recreation programs and trips. These activities are funded by class/trip fees, sponsorships, grants and donations. Administrative staffing for these activities is included in the General Fund Parks and Recreation Budget.

DEPARTMENT/ACTIVITY GOALS:

1. Foster tourism, showcase local businesses and organizations and provide citizens an economical means of recreation through the creation and implementation of a variety of enriching programs and special events to appeal to guests of different ages and interest.
2. Inspire environmental stewardship and healthy lifestyles through the management of Keller Proud and Texas Amateur Athletic Federation Programs.
3. Ensure sustainability of citywide special events through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - b. Maintaining and promoting an active and rewarding volunteer program.
 - c. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services.
4. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guest expectations.
5. Enhance communication regarding recreational programs, events and facilities through social, electronic and print media.

(Continued)

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-XXX-XX

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2012-2013 ACTUAL</u>	<u>2013-2014 ESTIMATE</u>	<u>2014-2015 PROJECTED</u>
City Wide Special events provided annually	27	28	28
Recreation program volunteers	806	800	800
Recreation leagues provided	8	8	8
Recreation leagues provided at KISD facilities	1	1	1
Number of special event partnerships developed	69	150	163
Number Senior Services Programs Provided	1,596	1,630	1,700
Number of Senior Center Special Events Offered	4	6	7
Number of Senior Trips Offered	20	39	42
Number of Senior Community Partnerships	5	5	5
City Wide special events guests	22,103	30,942	33,000
Recreation program volunteer hours	1,548	1,702	1,875
Recreation league participants	249	200	210
Recreation partnership dollars generated	\$34,995	\$30,866	\$33,952
Annual Senior Center Facility attendance	7,750	9,382	10,000
Annual Senior Services Program attendance	3,238	3,224	3,300
Senior Special Event participants	155	605	700
Senior Trip participants	342	563	600
Senior Services Donations (including in-kind)	NA	\$11,507	\$12,000

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-XXX-XX

**RECREATION SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 104	\$ 1,110	\$ 1,270	\$ 1,110
Operations & maintenance	62,075	70,565	83,800	101,865
Services & other	94,761	92,650	90,190	97,400
SUBTOTAL	156,940	164,325	175,260	200,375
Capital outlay	92,123	-	407,000	-
TOTAL	\$ 249,063	\$ 164,325	\$ 582,260	\$ 200,375
<u>EXPENDITURES BY PROGRAM:</u>				
Senior Services Programs	\$ 107,231	\$ 46,610	\$ 49,670	\$ 51,460
Recreation Programs	41,737	49,465	44,980	50,865
Special Events	53,766	54,250	57,160	54,800
Grant and Donation Projects	30,538	3,750	421,250	32,250
Memorial Park Expenditures	627	350	300	300
Concerts in the Park	15,164	9,900	8,900	10,700
TOTAL	\$ 249,063	\$ 164,325	\$ 582,260	\$ 200,375

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

DEPARTMENT / DIVISION	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
Personnel services expenditures include staff overtime and related benefits for senior trips.			

MUNICIPAL COURT SPECIAL REVENUE FUND

The Municipal Court Special Revenue Fund accounts for technology and building security fees collected from Municipal Court citations. Expenditures from these fees are specifically designated by state law.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
MUNICIPAL COURT SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 191,390	\$ 103,540	\$ 106,154	\$ 107,879
Revenues and transfers	88,512	93,400	101,500	95,950
TOTAL FUNDS AVAILABLE	279,902	196,940	207,654	203,829
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	173,748	89,065	99,775	129,860
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	106,154	107,875	107,879	73,969
FUND TOTAL	\$ 279,902	\$ 196,940	\$ 207,654	\$ 203,829
Excess revenues (expenditures)	(85,236)	4,335	1,725	(33,910)

REVENUES

<u>MISCELLANEOUS REVENUES:</u>				
Technology fees	\$ 25,353	\$ 29,000	\$ 30,500	\$ 30,000
Building security fees	19,014	19,500	22,000	20,000
School crossing fees	8,803	8,250	6,000	7,250
Teen Court fees	1,590	1,800	2,400	2,250
Juvenile Case Manager fees	31,691	32,500	38,500	34,500
Interest earnings	2,061	2,350	2,100	1,950
TOTAL REVENUES	\$ 88,512	\$ 93,400	\$ 101,500	\$ 95,950

The Colleyville-Keller Municipal Court collects a special court (building) security fee of \$3 per violation from each defendant convicted of a misdemeanor offense as allowed in Article 102.017 of the Texas Code of Criminal Procedures and approved by the Keller City Council effective September 1, 1995, in Ordinance 18-131.

Allowable expenses for this fee include:

1. Purchase or repair of X-ray machines and conveying systems;
2. Hand-held metal detectors;
3. Walk-through metal detectors;
4. Identification cards and systems;
5. Electronic locking and surveillance equipment;
6. Bailiffs, Deputy Sheriffs, Deputy Constables, or contract security personnel during times when they are providing security services for the Keller Municipal Court;
7. Signage;
8. Confiscated weapon, inventory and tracking systems;
9. Locks, chains, or other security hardware;
10. Purchase or repair of bullet proof glass; or
11. Continuing education on security issues.

(Continued)

FUND:
Municipal Court Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
114-XXX-XX

(Continued)

The Colleyville-Keller Municipal Court collects a special technology fee of \$4 per violation from each defendant convicted of a misdemeanor offense as allowed in Article 102.017 of the Texas Code of Criminal Procedures and approved by the Keller City Council effective September 1, 1999, in Ordinance 18-132.

Allowable expenses for this fee include:

1. Computer systems;
2. Computer networks;
3. Computer hardware;
4. Computer software;
5. Imaging systems;
6. Electronic kiosks;
7. Electronic ticket writers; and
8. Docket management systems.

The Colleyville-Keller Municipal Court also collects a special Juvenile Case Manager fee of \$5 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 juvenile case manager expenses.

**MUNICIPAL COURT SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	140,894	28,000	38,760	51,060
Services & other	32,854	61,065	61,015	49,400
SUBTOTAL	173,748	89,065	99,775	100,460
Capital outlay	-	-	-	29,400
TOTAL	\$ 173,748	\$ 89,065	\$ 99,775	\$ 129,860
<u>EXPENDITURES BY DIVISION:</u>				
Building Security Account	\$ 26,527	\$ 22,360	\$ 22,360	\$ 11,400
Technology Account	115,316	28,050	38,760	80,460
Juvenile Case Manager Account	26,259	28,655	28,655	28,000
School Crossing Guard Account	5,646	10,000	10,000	10,000
TOTAL	\$ 173,748	\$ 89,065	\$ 99,775	\$ 129,860

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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No funding for personnel services is provided. A Juvenile Case Manager position was eliminated in 2012 due to the Colleyville-Keller Municipal Court Merger. Juvenile Case Manager activities are conducted by the Colleyville-Keller Municipal Court.

FY2015 highlights: Capital outlay includes funding for Keller's portion of audio/visual upgrades for the Colleyville Municipal Court room.

**PUBLIC EDUCATION AND GOVERNMENT (PEG) CABLE
FRANCHISE SPECIAL REVENUE FUND**

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
CABLE FRANCHISE SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 146,596	\$ 112,595	\$ 271,246	\$ 333,786
Revenues and transfers	151,706	122,900	157,540	164,700
TOTAL FUNDS AVAILABLE	298,302	235,495	428,786	498,486
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	27,056	115,000	95,000	20,750
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	271,246	120,495	333,786	477,736
FUND TOTAL	\$ 298,302	\$ 235,495	\$ 428,786	\$ 498,486
Excess revenues (expenditures)	124,650	7,900	62,540	143,950
REVENUES				
<u>FRANCHISE REVENUES:</u>				
Franchise fees - Verizon	\$ 114,831	\$ 90,000	\$ 115,000	\$ 120,000
Franchise fees - TV Cable	10,726	10,000	11,000	11,500
Franchise fees - AT&T	19,565	12,000	20,600	21,000
Franchise fees - One Source	5,683	10,000	9,500	10,500
Subtotal	150,805	122,000	156,100	163,000
<u>MISCELLANEOUS REVENUES:</u>				
Interest revenue	901	900	1,440	1,700
Subtotal	901	900	1,440	1,700
TOTAL REVENUES	\$ 151,706	\$ 122,900	\$ 157,540	\$ 164,700

FUND:
Cable Franchise Special
Revenue

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
116-100-01

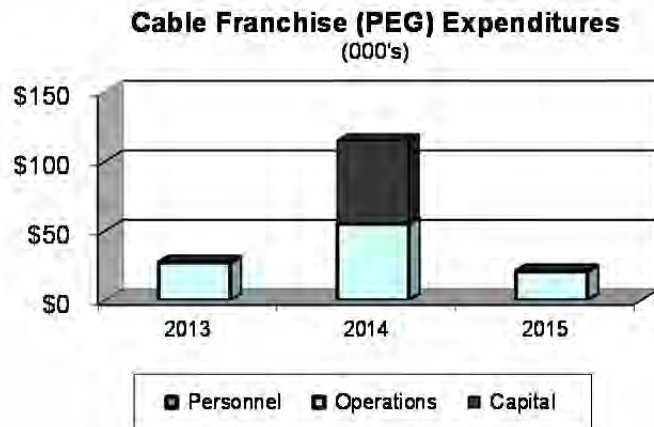
CABLE FRANCHISE SPECIAL REVENUE FUND

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	17,514	55,000	55,000	13,250
Services & other	9,542	-	-	7,500
Transfers to other funds	-	-	-	-
SUBTOTAL	27,056	55,000	55,000	20,750
Capital outlay	-	60,000	60,000	-
TOTAL	\$ 27,056	\$ 115,000	\$ 115,000	\$ 20,750

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

POSITION TITLE	PAY CLASS	2012-2013 ACTUAL	2013-2014 ESTIMATE	2014-2015 BUDGET
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No funding for personnel services is provided.



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.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 9,882,965	\$ 6,483,123	\$ 5,969,269	\$ 2,770,487
<u>REVENUES:</u>				
City sales taxes	1,066,527	1,030,000	1,030,000	1,050,600
Interest revenue	17,880	7,500	9,500	7,500
Miscellaneous revenue	-	12,500	10,000	10,000
Intergovernmental revenue:				
Southlake	-	11,000	11,000	11,000
Colleyville	-	9,000	9,000	9,000
TOTAL REVENUES	1,084,407	1,070,000	1,069,500	1,088,100
TOTAL FUNDS AVAILABLE	10,967,372	7,553,123	7,038,769	3,858,587
<u>EXPENDITURES:</u>				
Administration/Accreditation	\$ 7,068	\$ 8,400	\$ 8,400	\$ 15,100
Facility Improvements-CIP (1)	301,016	1,334,744	930,619	-
Facility Improvements-2012A CO's	3,895,982	2,672,110	2,505,943	-
Furniture/Fixtures/Equipment Replacement-CIP (1)	6,783	66,965	40,000	34,000
Technology Improvements	80,025	71,150	71,150	68,700
Police Operations	181,054	187,240	187,170	241,570
Debt Service	526,175	526,000	525,000	529,500
TOTAL EXPENDITURES	4,998,103	4,866,609	4,268,282	888,870
<u>ENDING FUND BALANCE:</u>				
Total fund balance	5,969,269	2,686,514	2,770,487	2,969,717
Assigned for capital improvements:				
Jail expansion (1)	1,906,424	1,428,017	552,431	552,431
Furniture, fixtures & equipment (1)	966,145	1,119,046	1,107,512	1,253,512
2012A CO's	2,505,943	-	-	-
Unassigned fund balance	590,757	139,451	1,110,544	1,163,774
FUND TOTAL	\$ 10,967,372	\$ 7,553,123	\$ 7,038,769	\$ 3,858,587
Excess revenues (expenditures)	(3,913,696)	(3,796,609)	(3,198,782)	199,230

(1) CIP – cumulative funds reserved for future capital improvements.

FY2015 highlights: funding is provided for routine replacement of departmental vehicles and related vehicle accessories, \$241,570; furniture, fixtures and equipment replacement, \$34,000; technology operations, \$68,700; debt service for facility expansion, \$529,500; and expenses for accreditation and citizen surveys, \$15,100.

**KELLER CRIME CONTROL PREVENTION DISTRICT
SUMMARY SCHEDULE OF DEBT REQUIREMENTS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012**

Date	Principal Due	Coupon	Interest Due	Total Principal & Interest	Fiscal Year Total
02/15/2015	\$ 330,000.00	2.00%	\$ 100,525.00	\$ 430,525.00	
08/15/2015	-	2.00%	97,225.00	97,225.00	
09/30/2015	330,000.00		197,750.00	527,750.00	\$ 527,750.00
02/15/2016	335,000.00	2.00%	97,225.00	432,225.00	
08/15/2016	-	2.00%	93,875.00	93,875.00	
09/30/2016	335,000.00		191,100.00	526,100.00	526,100.00
02/15/2017	340,000.00	5.00%	93,875.00	433,875.00	
08/15/2017	-	5.00%	90,475.00	90,475.00	
09/30/2017	340,000.00		184,350.00	524,350.00	524,350.00
02/15/2018	355,000.00	5.00%	90,475.00	445,475.00	
08/15/2018	-	5.00%	81,600.00	81,600.00	
09/30/2018	355,000.00		172,075.00	527,075.00	527,075.00
02/15/2019	370,000.00	5.00%	81,600.00	451,600.00	
08/15/2019	-	5.00%	72,350.00	72,350.00	
09/30/2019	370,000.00		153,950.00	523,950.00	523,950.00
02/15/2020	390,000.00	5.00%	72,350.00	462,350.00	
08/15/2020	-	5.00%	62,600.00	62,600.00	
09/30/2020	390,000.00		134,950.00	524,950.00	524,950.00
02/15/2021	410,000.00	5.00%	62,600.00	472,600.00	
08/15/2021	-	5.00%	52,350.00	52,350.00	
09/30/2021	410,000.00		114,950.00	524,950.00	524,950.00
02/15/2022	435,000.00	5.00%	52,350.00	487,350.00	
08/15/2022	-	5.00%	41,475.00	41,475.00	
09/30/2022	435,000.00		93,825.00	528,825.00	528,825.00
02/15/2023	455,000.00	3.00%	41,475.00	496,475.00	
08/15/2023	-	3.00%	30,100.00	30,100.00	
09/30/2023	455,000.00		71,575.00	526,575.00	526,575.00
02/15/2024	475,000.00	3.00%	30,100.00	505,100.00	
08/15/2024	-	3.00%	22,975.00	22,975.00	
09/30/2024	475,000.00		53,075.00	528,075.00	528,075.00
02/15/2025	490,000.00	3.00%	22,975.00	512,975.00	
08/15/2025	-	3.00%	15,625.00	15,625.00	
09/30/2025	490,000.00		38,600.00	528,600.00	528,600.00
02/15/2026	500,000.00	3.00%	15,625.00	515,625.00	
08/15/2026	-	3.00%	8,125.00	8,125.00	
09/30/2026	500,000.00		23,750.00	523,750.00	523,750.00
02/15/2027	520,000.00	3.125%	8,125.00	528,125.00	
08/15/2027	-	3.125%	-	-	
09/30/2027	520,000.00		8,125.00	528,125.00	528,125.00
Total	<u>\$ 5,405,000.00</u>		<u>\$ 1,438,075.00</u>	<u>\$ 6,843,075.00</u>	<u>\$ 6,843,075.00</u>

Original amount issued: \$6,000,000

Purpose: Police Department facility renovations, including a new holding facility and animal shelter/adoption center.

COMMUNITY CLEAN-UP FUND

The purpose of this program is to provide public services that assist in keeping the City of Keller free and clear of any debris, waste, refuse or other items that may cause a public safety issue, be a public nuisance or be a detriment to the aesthetics of the community. Funded through a monthly fee assessed on residential customers, this program provides for clean-up programs within the community including, but not limited to, storm debris pick-up, city-wide clean-ups and educational and promotional activities.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 60,051	\$ 63,700	\$ 90,558	\$ 93,408
<u>REVENUES:</u>				
Solid waste/garbage fees	31,448	31,950	32,400	31,950
Interest earnings	336	350	450	350
TOTAL REVENUES AND TRANSFERS	31,784	32,300	32,850	32,300
TOTAL FUNDS AVAILABLE	91,835	96,000	123,408	125,708
<u>EXPENDITURES:</u>				
Personnel services	-	-	-	-
Operations & maintenance	-	2,000	2,000	2,000
Services & other	1,277	28,000	28,000	28,000
SUBTOTAL	1,277	30,000	30,000	30,000
Capital outlay	-	-	-	-
TOTAL EXPENDITURES & TRANSFERS	1,277	30,000	30,000	30,000
ENDING BALANCE	\$ 90,558	\$ 66,000	\$ 93,408	\$ 95,708
Excess revenues (expenditures)	30,507	2,300	2,850	2,300



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. Except for interfund transfers, this fund does not account for obligations backed by self-supporting activities, such as the Water and Wastewater Fund.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<i>RESOURCES:</i>				
Total beginning fund balance	\$ 437,302	\$ 544,232	\$ 525,621	\$ 393,616
Revenues and transfers	5,461,622	5,563,390	5,513,640	5,377,970
TOTAL FUNDS AVAILABLE	5,898,924	6,107,622	6,039,261	5,771,586
<i>USES/DEDUCTIONS:</i>				
Expenditures and transfers out	5,373,303	5,652,870	5,645,645	5,356,405
<i>ENDING FUND BALANCE:</i>				
Unassigned fund balance	525,621	454,752	393,616	415,181
FUND TOTAL	\$ 5,898,924	\$ 6,107,622	\$ 6,039,261	\$ 5,771,586
Excess revenues (expenditures)	88,319	(89,480)	(132,005)	21,565
General obligation debt outstanding, October 1	\$ 39,534,153	\$ 36,921,510	\$ 36,921,510	\$ 33,298,000
Estimated population, October 1	40,440	41,090	41,090	42,040
Direct tax-supported debt per capita	\$ 978	\$ 899	\$ 899	\$ 792
Ratio of debt to net taxable valuation	1.0%	0.9%	0.9%	0.7%
<i>Financial policy target</i>	15.0%	15.0%	15.0%	15.0%
Debt service expenditures as a percentage of total expenditures	14.6%	14.3%	13.0%	12.8%
<i>Financial policy target</i>	25.0%	25.0%	25.0%	25.0%

DEBT LIMITATION

The City Charter does not provide or mandate a specific debt limitation. Under provisions of state law, the maximum tax rate is limited to \$2.50 per \$100 of assessed value. Using the \$2.50 maximum tax rate, the following chart provides the City's available tax rate and levy.

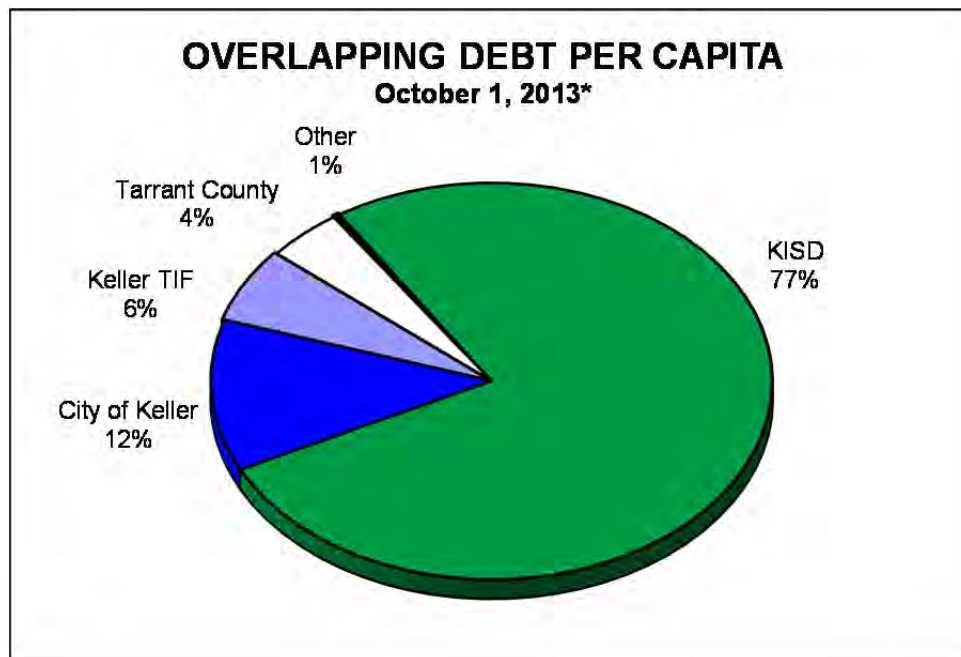
Tax rate limitation	\$ 2.50000	\$ 2.50000	\$ 2.50000	\$ 2.50000
Actual tax rate	0.44219	0.44219	0.44219	0.43719
<i>Available rate available</i>	<u>\$ 2.05781</u>	<u>\$ 2.05781</u>	<u>\$ 2.05781</u>	<u>\$ 2.06281</u>
<i>Additional tax levy available</i>	\$ 83,878,378	\$ 86,974,832	\$ 86,974,832	\$ 91,377,332

DEBT RATIOS

Important financial ratios are the debt per capita ratio and the overlapping debt per capita ratio. Debt per capita is determined by dividing the City's outstanding general obligation debt by the City's population. Overlapping debt includes not only the City's direct debt, but also includes Keller's applicable portion of the debt of all other "overlapping" taxing entities located within the City limits, such as the school district, Tarrant County, Tarrant County Hospital, etc. By including all of the overlapping entities, the total tax impact on a Keller property owner can then be calculated.

As of October 1, 2013, the total overlapping debt per capita was \$7,382, of which the City's portion (excluding TIF debt) was \$913, or 12.37% of the total. Including the TIF portion of the overlapping tax rate, the City's combined debt per capita is \$1,366 or 18.5% of the total overlapping debt per capita. Total overlapping debt per capita *decreased* from the previous year by \$202 (2.67%). The City's total portion of overlapping debt decreased by \$118, or 23.2 percent.

As the following chart indicates, most (77%) of the overlapping debt per capita results from the Keller Independent School District.



* 2014 debt per capita ratios 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

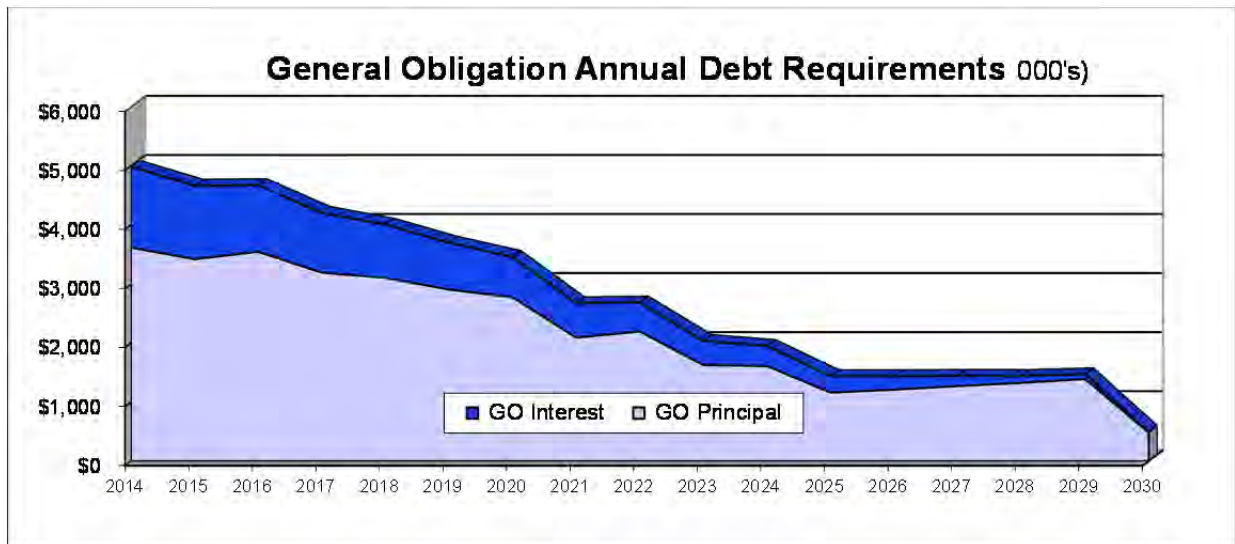
	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
REVENUES				
<u>TAXES:</u>				
Current taxes	\$ 4,734,634	\$ 4,887,100	\$ 4,866,850	\$ 4,750,500
Delinquent taxes	24,855	40,000	26,000	26,000
Penalty & interest	23,622	32,500	21,500	20,000
Subtotal	4,783,111	4,959,600	4,914,350	4,796,500
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	6,123	11,000	6,500	6,000
TOTAL MISCELLANEOUS REVENUES	6,123	11,000	6,500	6,000
REVENUES BEFORE TRANSFERS	4,789,234	4,970,600	4,920,850	4,802,500
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from General Fund	33,625	-	-	-
Transfer from Keller Development Corp.	123,675	156,280	156,280	134,485
Land Acquisition:				
<i>2009 Certificates of Obligation</i>				
Keller Sports Park improvements:				
<i>2004 General obligation refunding</i>				
<i>2005 General obligation refunding</i>				
Transfer from Capital Projects Fund	64,491	-	-	-
Transfer from Parks Capital Projects Fund	6,992	-	-	-
Transfer from Water & W/W Fund	443,605	436,510	436,510	440,985
TOTAL TRANSFERS	672,388	592,790	592,790	575,470
TOTAL REVENUES AND TRANSFERS	\$ 5,461,622	\$ 5,563,390	\$ 5,513,640	\$ 5,377,970

Transfers from other funds are provided for self-supporting activities for debt obligations issued on behalf of the respective fund.

DEBT SERVICE FUND

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>EXPENDITURES:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	2,456	-	450	1,500
Debt service	4,727,497	4,990,185	4,982,510	4,667,605
Transfers to other funds	643,350	662,685	662,685	687,300
SUBTOTAL	5,373,303	5,652,870	5,645,645	5,356,405
Capital outlay	-	-	-	-
TOTAL	\$ 5,373,303	\$ 5,652,870	\$ 5,645,645	\$ 5,356,405
<u>EXPENDITURES BY DIVISION:</u>				
Administration/Finance	\$ 4,729,953	\$ 4,990,185	\$ 4,982,960	\$ 4,669,105
Transfers to other funds	643,350	662,685	662,685	687,300
TOTAL	\$ 5,373,303	\$ 5,652,870	\$ 5,645,645	\$ 5,356,405

Transfers to other funds include Keller's portion of the annual required assessment/subsidy for the Tax Increment Reinvestment Zone.



SCHEDULE OF GENERAL OBLIGATION DEBT OUTSTANDING
October 1, 2014
(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>FY2015 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation bonds:								
Series 2009	4.00 - 4.65	03/2009	02/2029	\$ 4,000	\$ 3,395	\$ 160,000	\$ 142,758	\$ 302,758
General obligation refunding bonds:								
Series 2004	2.00 - 4.00	02/2004	02/2017	11,125	995	475,000	30,300	505,300
Series 2005	3.25 - 4.20	08/2005	02/2020	9,980	5,665	1,010,000	211,655	1,221,655
Series 2010A	2.00 - 3.50	04/2010	02/2020	2,000	740	115,000	22,125	137,125
Series 2010B	2.00 - 4.00	08/2010	02/2022	5,620	4,500	500,000	125,987	625,987
Series 2011	2.00 - 3.00	09/2011	02/2023	585	575	5,000	17,062	22,062
Series 2012	0.30 - 5.00	06/2012	02/2024	4,155	4,100	345,000	170,975	515,975
Certificates of obligation:								
Series 2003 ⁽¹⁾	3.00 - 4.25	05/2003	08/2016	1,690	135	65,000	3,675	68,675
Series 2009	3.00 - 4.70	03/2009	02/2029	8,310	6,900	360,000	284,015	644,015
Series 2010	2.00 - 4.25	04/2010	02/2030	6,710	5,810	265,000	228,899	493,899
Subtotal-bonds and certificates of obligation				54,175	32,815	3,300,000	1,237,451	4,537,451
Public property finance contractual obligations:								
Series 2013	2.00	08/2013	02/2018	605	483	119,000	5,153	124,153
TOTAL				\$ 54,780	\$ 33,298	\$ 3,419,000	\$ 1,242,604	\$ 4,661,604

⁽¹⁾ Post refunding.

The above schedule excludes self-supporting debt obligations of the Keller Development Corporation, Water and Wastewater Fund, the Keller Crime Control Prevention District and the Tax Increment Reinvestment Zone No. 1. Summaries of general obligation debt (i.e., property tax-supported debt) by fiscal year are shown on the following pages.

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
GENERAL OBLIGATION DEBT
(INCLUDES COMBINATION TAX AND REVENUE CERTIFICATES OF
OBLIGATION TO BE PAID WITH PROPERTY TAXES)**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
2014-15	\$ 3,419,000	\$ 1,242,604	\$ 4,661,604	\$ 4,661,604
2015-16	3,545,000	1,125,773	4,670,773	4,670,773
2016-17	3,191,000	1,010,761	4,201,761	4,201,761
2017-18	3,103,000	900,601	4,003,601	4,003,601
2018-19	2,905,000	791,311	3,696,311	3,696,311
2019-20	2,775,000	680,186	3,455,186	3,455,186
2020-21	2,090,000	579,104	2,669,104	2,669,104
2021-22	2,195,000	489,309	2,684,309	2,684,309
2022-23	1,625,000	407,856	2,032,856	2,032,856
2023-24	1,610,000	336,651	1,946,651	1,946,651
2024-25	1,160,000	275,940	1,435,940	1,435,940
2025-26	1,210,000	224,946	1,434,946	1,434,946
2026-27	1,270,000	170,669	1,440,669	1,440,669
2027-28	1,325,000	113,027	1,438,027	1,438,027
2028-29	1,390,000	80,091	1,470,091	1,470,091
2029-30	485,000	10,306	495,306	495,306
TOTAL	\$ 33,298,000	\$ 8,439,136	\$ 41,737,136	\$ 41,737,136

TAX INCREMENT REINVESTMENT ZONE (TIRZ)

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

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
INTEREST & SINKING FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 108,193	\$ 150,563	\$ 159,461	\$ 416,376
Revenues and transfers	3,231,422	3,417,090	3,437,525	3,529,250
TOTAL FUNDS AVAILABLE	3,339,615	3,567,653	3,596,986	3,945,626
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	3,180,154	3,179,310	3,180,610	3,182,405
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	159,461	388,343	416,376	763,221
FUND TOTAL	\$ 3,339,615	\$ 3,567,653	\$ 3,596,986	\$ 3,945,626
Excess revenues (expenditures)	51,268	237,780	256,915	346,845

REVENUES

<u>TIF TAXES:</u>				
Tarrant County	\$ 251,759	\$ 247,600	\$ 242,000	\$ 252,250
Tarrant County College District	200,683	218,300	214,490	224,000
Tarrant County Hospital District	198,830	209,400	255,685	216,700
Keller Independent School District	1,930,179	2,073,605	2,055,965	2,140,000
SUBTOTAL	2,581,451	2,748,905	2,768,140	2,832,950
<u>OTHER REVENUE:</u>				
Interest revenue-investments	6,621	5,500	6,700	9,000
Transfer from debt service fund	643,350	662,685	662,685	687,300
SUBTOTAL	649,971	668,185	669,385	696,300
TOTAL REVENUES	\$ 3,231,422	\$ 3,417,090	\$ 3,437,525	\$ 3,529,250

TAX INCREMENT REINVESTMENT ZONE (TIF)

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
EXPENDITURES				
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	1,200	-	1,200	1,500
Debt service-current	3,178,954	3,179,310	3,179,410	3,180,905
SUBTOTAL	3,180,154	3,179,310	3,180,610	3,182,405
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 3,180,154	\$ 3,179,310	\$ 3,180,610	\$ 3,182,405

SCHEDULE OF TAX INCREMENT REINVESTMENT ZONE DEBT OUTSTANDING October 1, 2014

	Interest Rates	Date of Issue	Date of Maturity	Amount Issued (000's)	Amount Outstanding (000's)	FY2015 Requirements		
						Principal	Interest	Total
General obligation refunding bonds:								
Series 2005	3.50 - 5.000	08/2005	08/2018	\$ 17,400	\$ 9,920	\$ 2,310,000	\$ 478,675	\$ 2,788,675
Series 2010 (1)	1.00 - 4.125	04/2010	08/2028	6,300	6,170	150,000	241,379	391,379
TOTAL				\$ 23,700	\$ 16,090	\$ 2,460,000	\$ 720,054	\$ 3,180,054

(1) \$5,580,000 outstanding principal callable on or after August 15, 2018.

**SUMMARY SCHEDULE OF DEBT REQUIREMENTS
KELLER TAX INCREMENT REINVESTMENT ZONE #1
Post Refunding
October 1, 2014**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
09/30/2015	\$ 2,460,000.00	\$ 720,053.76	\$ 3,180,053.76	\$ 3,180,053.76
09/30/2016	2,555,000.00	618,128.76	3,173,128.76	3,173,128.76
09/30/2017	2,680,000.00	493,278.76	3,173,278.76	3,173,278.76
09/30/2018	2,815,000.00	361,816.26	3,176,816.26	3,176,816.26
09/30/2019	-	223,691.26	223,691.26	223,691.26
09/30/2020	240,000.00	223,691.26	463,691.26	463,691.26
09/30/2021	580,000.00	215,291.26	795,291.26	795,291.26
09/30/2022	600,000.00	192,091.26	792,091.26	792,091.26
09/30/2023	625,000.00	168,091.26	793,091.26	793,091.26
09/30/2024	650,000.00	143,091.26	793,091.26	793,091.26
09/30/2025	680,000.00	117,091.26	797,091.26	797,091.26
09/30/2026	705,000.00	89,891.26	794,891.26	794,891.26
09/30/2027	735,000.00	61,691.26	796,691.26	796,691.26
09/30/2028	765,000.00	31,556.26	796,556.26	796,556.26
Total	<u>\$ 16,090,000.00</u>	<u>\$ 3,659,455.14</u>	<u>\$ 19,749,455.14</u>	<u>\$ 19,749,455.14</u>

2010 Refunding Obligations of \$5.58 million are callable on or after August 15, 2018. The TIRZ will terminate on December 31, 2018. Obligations after September 30, 2018 (including interest) will be paid with remaining TIRZ funds, if available. In the event that insufficient TIRZ funds remain, the obligations will be paid with the annual interest and sinking fund ad valorem (property) tax levy.

TIRZ-supported obligations (2015–2018) total \$12,703,277.54, comprised of principal (\$10,510,000) and interest (\$2,193,277.54).

Property tax-supported obligations (2019–2028) total \$7,046,177.60, comprised of principal (\$5,580,000) and interest (\$1,466,177.60).



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 Fleet Replacement Fund and the Street/Drainage Improvements Fund, revenues and expenditures of capital project funds are not included in the City's budget totals. The Park Development Fee Fund, Fleet Replacement Fund and Street/Drainage Improvements Fund are the only capital project funds with recurring revenues, and therefore, are included in budget totals.

Unless otherwise stated, all capital projects funds are project-based and not fiscal year based, and projects normally extend beyond fiscal years. Therefore, any remaining project funds at September 30, 2014, will automatically be re-appropriated into the appropriate project for the 2014-2015 fiscal year.

CAPITAL IMPROVEMENTS Operating Budget Impact

Capital improvements primarily consist of two types: (1) routine capital outlay expenditures included in departmental operating budgets, e.g., Police Department vehicle replacement; and (2) capital improvements funded from capital projects funds with the issuance of debt, e.g., new City facilities, and street and drainage improvements, etc. Capital improvements in the latter category include only general governmental improvements, not water and wastewater improvements. As an enterprise fund, capital improvements are financed with user charges, or from enterprise capital projects funds, and are therefore included as expenditures within the respective enterprise fund or enterprise capital projects fund.

The operating budget impact, if any, of these improvements has been included in the FY2015 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, equipment, vehicles, etc.; therefore, the operating budget impact of these new positions is reflected in the department's respective operating budget. Otherwise, for the routine replacement of existing assets, or upgrade of existing assets, there is no additional material impact on the City's operating budget.

Where a vehicle or piece of equipment is being replaced or upgraded, maintenance costs in the department will not always decrease. Since a very small percentage of each department's fleet or equipment is replaced annually, maintenance costs for the department are not usually reduced because the age and operating condition of the department's remaining fleet or equipment will continue to require funding for operating and maintenance costs. Generally, capital outlay items funded from departmental operating budgets have no material impact on the City's operating budget. Adequate operating and maintenance funding must continue to be provided at an appropriate level in order to maintain the existing fleet, which continues to age, thus increasing maintenance costs.

Capital outlay and related annual operating budget impacts (if any) are included with the respective departmental information.

CAPITAL PROJECTS FUNDS

As previously mentioned, except for the Park Development Fee, Fleet 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 Fleet Replacement Fund are provided from intragovernmental transfers, grants and/or debt issuance. Since this fund also has recurring resources, budget amounts are included in the City's budget totals, and the operating budget impact, if any, is provided in the operating budget of the respective department. Resources for the Street/Drainage Improvements fund include the street maintenance sales tax (effective April 2004), developer sidewalk fees, street assessments and intragovernmental transfers.

The following information on each of the City's capital projects funds is provided. Along with a project description, the operating budget impact, if any, is also provided.

PARK DEVELOPMENT FEE FUND

This fund is used to account for resources received from park development fees and expenditures that are restricted for park improvements. The Park Development Fee Fund is an annually recurring capital project fund, funded from a park development fee, ranging from \$1,000 to \$1,666 on each building permit. Fund revenues and expenditures are included in operating budget totals. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2014 will be re-appropriated into the appropriate project for the 2014-2015 fiscal year.

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 151,318	\$ 307,068	\$ 538,019	\$ 384,765
<u>REVENUES:</u>				
Park development fees	385,419	66,524	226,665	150,000
Interest earnings	1,282	700	2,300	1,000
TOTAL REVENUES	386,701	67,224	228,965	151,000
TOTAL FUNDS AVAILABLE	\$ 538,019	\$ 374,292	\$ 766,984	\$ 535,765
<u>EXPENDITURES:</u>				
Park improvements/land acquisition	\$ -	\$ 374,292	\$ 382,219	\$ 385,765
TOTAL EXPENDITURES	-	374,292	382,219	385,765
ENDING FUND BALANCE	\$ 538,019	\$ -	\$ 384,765	\$ 150,000
Excess revenues (expenditures)	386,701	(307,068)	(153,254)	(234,765)
<i>Annual operating budget impacts:</i>				
Personnel services			\$ -	
Operations & maintenance			-	
Services & other			-	
Capital outlay			-	
			\$ -	

FY2015 highlights: expenditures have been allocated for park improvements and land acquisition. Specific projects will be determined upon adoption of the Parks, Recreation and Open Space Master Plan update.

**STREET / SIDEWALK / 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, 2014 will be re-appropriated into the appropriate project for the 2014-2015 fiscal year.

**STREET / SIDEWALK / DRAINAGE
IMPROVEMENTS FUND SUMMARY**

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Beginning fund balance	\$ 1,679,855	\$ 2,321,442	\$ 2,381,729	\$ 717,931
<u>Revenues:</u>				
Sales taxes	1,159,766	1,169,010	1,190,685	1,226,400
Sidewalk fees	25,052	8,500	25,000	15,000
Interest earnings	7,166	6,000	9,500	6,000
Miscellaneous revenue (expense)	(233)	-	-	-
Intergovernmental revenue	47,532	-	10,300	-
Street assessment interest	176	100	175	170
Total Revenues	<u>1,239,459</u>	<u>1,183,610</u>	<u>1,235,660</u>	<u>1,247,570</u>
TOTAL RESOURCES	<u>\$ 2,919,314</u>	<u>\$ 3,505,052</u>	<u>\$ 3,617,389</u>	<u>\$ 1,965,501</u>
<u>Expenditures:</u>				
Street improvements	399,919	3,288,155	2,728,390	1,815,500
Curb & gutter improvements	90,134	107,566	107,566	80,000
Sidewalk improvements	47,532	63,502	63,502	30,000
Total Expenditures	<u>537,585</u>	<u>3,459,223</u>	<u>2,899,458</u>	<u>1,925,500</u>
ENDING FUND BALANCE	<u>\$ 2,381,729</u>	<u>\$ 45,829</u>	<u>\$ 717,931</u>	<u>\$ 40,001</u>
Excess revenues (expenditures)	701,874	(2,275,613)	(1,663,798)	(677,930)

Operating budget impact. The operating budget impact is minimal, as street and sidewalk improvements continue to be supplemented with funds from the General Fund Street Maintenance Division.

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	-
Services & other	-
Capital outlay	-
	<u>\$ -</u>

FLEET REPLACEMENT FUND

The Fleet Replacement Fund is a recurring capital project fund, funded by a combination of debt obligations, grant revenues, transfers from other funds, interest revenue, and other inter- or intra-governmental revenues. Expenditures provide for the acquisition and/or replacement of vehicles and equipment. Remaining funds on hand at September 30, 2014 will be re-appropriated into the appropriate project for the 2014-2015 fiscal year.

FLEET REPLACEMENT FUND SUMMARY

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
<u>RESOURCES:</u>				
Beginning fund balance	\$ 683,435	\$ 815,499	\$ 801,730	\$ 1,151,870
<u>REVENUES:</u>				
Proceeds from debt Issuance	873,000	-	-	-
Vehicle/Equipment lease revenue-Water & Wastewater Fund	104,180	123,620	123,620	117,840
Vehicle/Equipment lease revenue- Drainage Utility Fund	16,280	15,910	15,910	12,680
Gain (loss) on disposal of assets	88,290	5,000	73,100	18,500
Interest earnings	1,763	3,000	4,500	3,000
TOTAL REVENUES	1,083,513	147,530	217,130	152,020
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from general fund	-	300,000	300,000	-
TOTAL TRANSFERS	-	300,000	300,000	-
TOTAL REVENUES & TRANSFERS	1,083,513	447,530	517,130	152,020
TOTAL FUNDS AVAILABLE	1,766,948	1,263,029	1,318,860	1,303,890
<u>EXPENDITURE SUMMARY:</u>				
GENERAL GOVERNMENT:				
Finance and Administration	23,000	-	-	-
Community Development	20,340	-	-	-
Information Services	-	-	-	-
TOTAL GENERAL GOVERNMENT	43,340	-	-	-
PUBLIC SAFETY:				
Police Department	-	-	-	-
Fire Department	205,779	12,350	12,350	-
TOTAL PUBLIC SAFETY	205,779	12,350	12,350	-
PARKS AND RECREATION:				
Parks and Recreation Department	135,923	-	-	-
TOTAL PARKS AND RECREATION	\$ 135,923	\$ -	\$ -	\$ -

(Continued)

Fleet Replacement Fund:
(Continued)

	2012-2013 ACTUAL	2013-2014 BUDGET	2013-2014 ESTIMATE	2014-2015 BUDGET
PUBLIC WORKS:				
<i>General Fund/Public Works:</i>				
Street Maintenance	\$ 111,799	\$ 103,185	\$ 105,270	\$ -
<i>Water & Wastewater:</i>				
Water & Wastewater Administration	25,132	-	-	-
Customer Services/Utility Billing	-	21,040	21,920	-
Water Utilities	157,456	49,894	27,450	25,400
Wastewater Utilities	264,623	-	-	362,500
Municipal Service Center	21,166	-	-	-
Drainage Utility	-	-	-	171,100
TOTAL PUBLIC WORKS	<u>580,176</u>	<u>174,119</u>	<u>154,640</u>	<u>559,000</u>
TOTAL EXPENDITURES	<u>965,218</u>	<u>186,469</u>	<u>166,990</u>	<u>559,000</u>
ENDING BALANCE	<u>\$ 801,730</u>	<u>\$ 1,076,560</u>	<u>\$ 1,151,870</u>	<u>\$ 744,890</u>

Capital outlay. FY2015 capital outlay provides funding to replace service vehicles and associated equipment for the Water Distribution Department (\$25,400). The Wastewater Collection Department funding of \$362,500 is provided to replace the sewer camera van and related equipment. Drainage utility funding of \$171,100 is provided to acquire a new tandem dump truck and replace a 10-year old Ford F-450 truck.

Operating budget impact. Capital expenditures are primarily routine capital replacements, with minimal operating budget impact.

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	(2,500)
Services & other	-
Capital outlay	-
	<u>\$ (2,500)</u>

PARKS CAPITAL IMPROVEMENTS FUND

This fund is used to account for resources from the issuance of debt, grants or other revenues that are restricted for the purpose of parks capital improvements. Except for intragovernmental transfers, revenues and expenditures are not included in operating budget totals. Capital project fund budgets are project-based, not fiscal year based. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2014 will be re-appropriated into the appropriate project for the 2014-2015 fiscal year.

Grant funding of \$480,000 is anticipated in FY2015 to construct the Mount Gilead Road Greenwalk trail, from Bourland Road to Woodborough Lane (approximately 3,000 linear feet). The City's grant-match of \$120,000 is included in the Keller Development Corporation budget.

USE OF IMPACT FEES FOR CAPITAL IMPROVEMENTS

New projects to be partially funded with impact fees include:

Roadway Impact fees: none

Water impact fees: Wall-Price Keller Road water improvements, \$523,500

Wastewater impact fees: Marshall Branch-North Collectors, \$824,000

FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM (CIP) SUMMARY

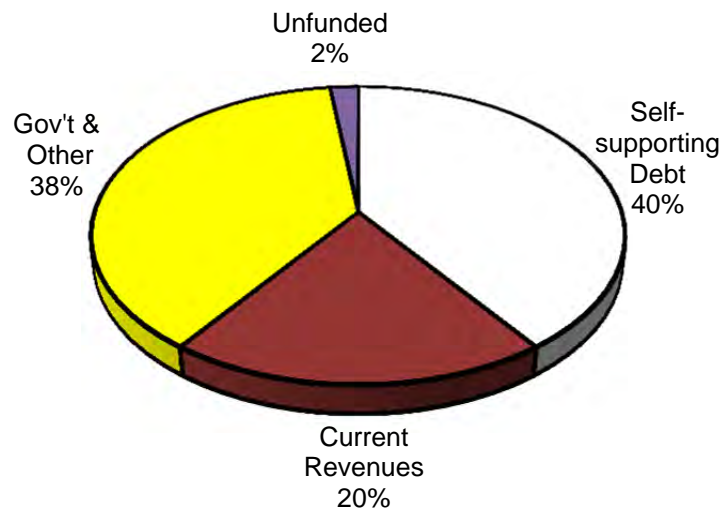
Each year the City prepares a five-year CIP. The information provided in the CIP is used as a guide for preparing future operating budgets, as well as a general planning document for capital improvements financing. Each year, the CIP is updated to address current growth patterns, timing changes in the demands for City services, etc.

The CIP is used exclusively as a financial management and planning tool, and does not commit the City to any project or funding authorization. Capital projects are authorized by the City Council as a part of the annual operating budget process, or when the related debt for the project is issued.

A summary of the proposed 2014-15 through 2018-19 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

\$27,783,094



Five-Year Capital Improvements Program (CIP)
(Continued)

Summary of Funding Sources

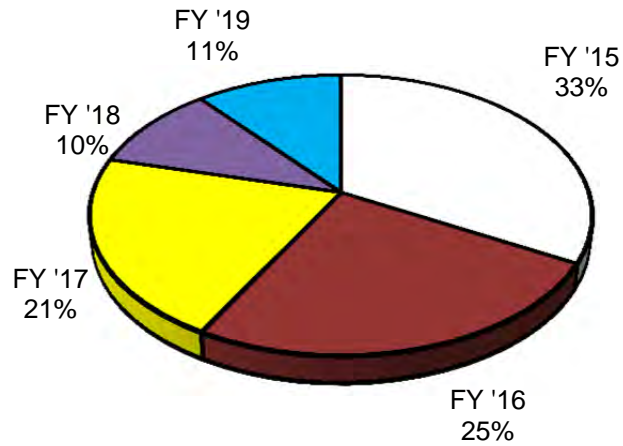
Description	2015	2016	2017	2018	2019	Total	Percent of Total
Debt Related:							
Self-supporting bonds/CO's	\$ 4,911,829	\$ 3,739,550	\$ 1,934,800	\$ 413,000	\$ -	\$ 10,999,179	39.6%
Subtotal	4,911,829	3,739,550	1,934,800	413,000	-	10,999,179	39.6
Current Revenues/Fund Balance:							
Water and wastewater fund	265,000	-	530,000	-	530,000	1,325,000	4.8
Drainage utility fund	-	500,000	1,620,000	1,080,000	680,000	3,880,000	14.0
The Keller Pointe	200,000	-	-	-	-	200,000	0.7
Subtotal	465,000	500,000	2,150,000	1,080,000	1,210,000	5,405,000	19.5
Intragovernmental:							
Park development fees/KDC	963,765	150,000	100,000	100,000	100,000	1,413,765	5.1
Water impact fees	523,500	629,700	558,500	-	-	1,711,700	6.2
Wastewater impact fees	824,000	756,750	22,700	70,000	-	1,673,450	6.0
Street maintenance sales tax	950,000	950,000	950,000	950,000	950,000	4,750,000	17.1
Subtotal	3,261,265	2,486,450	1,631,200	1,120,000	1,050,000	9,548,915	34.4
Other Sources:							
Unfunded/unidentified	-	-	-	-	850,000	850,000	3.1
Grant revenue	580,000	100,000	100,000	100,000	100,000	980,000	3.5
Subtotal	580,000	100,000	100,000	100,000	950,000	1,830,000	6.6
GRAND TOTAL	\$ 9,218,094	\$ 6,826,000	\$ 5,816,000	\$ 2,713,000	\$ 3,210,000	\$ 27,783,094	100.0%

Summary of Uses by Department

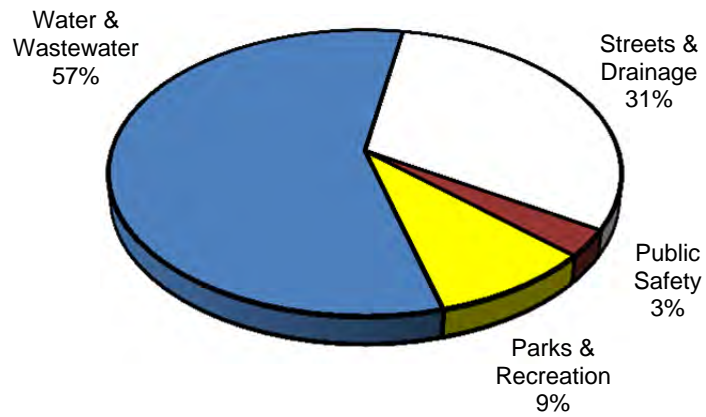
Fiscal Year	Fire/EMS	Streets & Drainage	Parks and Recreation	Water & Sewer	Total
2014-2015	\$ -	\$ 950,000	\$ 1,743,765	\$ 6,524,329	\$ 9,218,094
2015-2016	-	1,450,000	250,000	5,126,000	6,826,000
2016-2017	-	2,570,000	200,000	3,046,000	5,816,000
2017-2018	-	2,030,000	200,000	483,000	2,713,000
2018-2019	850,000	1,630,000	200,000	530,000	3,210,000
Total	\$ 850,000	\$ 8,630,000	\$ 2,593,765	\$ 15,709,329	\$ 27,783,094
<i>Percent</i>	3.1%	31.1%	9.3%	56.5%	100.0%

Five-Year Capital Improvements Program (CIP)
(Continued)

USE OF FUNDS BY FISCAL YEAR



USE OF FUNDS BY DEPARTMENT



Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department (000's)

PROJECT DESCRIPTION	FY2015	FY2016	FY2017	FY2018	FY2019	Total	Future (Unfunded)
DRAINAGE IMPROVEMENTS							
Comprehensive Storm Water Master Plan	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500	\$ -
Quail Valley Additon Drainage Improvements	-	-	1,620	-	-	1,620	-
Saddlebrook Addition Drainage Improvements	-	-	-	1,080	-	1,080	-
Union Church Road Drainage Improvements	-	-	-	-	680	680	-
Department Total	-	500	1,620	1,080	680	3,880	-
FIRE/EMS							
<u>Buildings/Facilities</u>							
Fire Station 3 Remodel - Add 3rd Apparatus Bay	-	-	-	-	-	-	750
Fire Station 2 Remodel - Add 3rd Apparatus Bay	-	-	-	-	-	-	750
Subtotal	-	-	-	-	-	-	1,500
<u>Vehicles</u>							
Purchase Additional Fire Apparatus (Quint)	-	-	-	-	850	850	-
Subtotal	-	-	-	-	850	850	-
Department Total	-	-	-	-	850	850	1,500
KELLER TOWN CENTER							
<u>Park Improvements</u>							
The Parks at Town Center Amphitheater	-	-	-	-	-	-	571
Parks at Town Center Park Trail	-	-	-	-	-	-	833
Department Total	-	-	-	-	-	-	1,404
OLD TOWN KELLER							
<u>Improvements</u>							
Old Town Keller-West improvements	-	-	-	-	-	-	-
Department Total	-	-	-	-	-	-	-
PARKS & RECREATION							
<u>Buildings/Facilities</u>							
The Keller Pointe Expansion	200	-	-	-	-	200	-
Senior Activity Center Expansion	-	-	-	-	-	-	2,091
Subtotal	200	-	-	-	-	200	2,091
<u>Park Improvements</u>							
Big Bear Creek Greenbelt & Trail	-	-	-	-	-	-	640
Keller Tennis Center	-	-	-	-	-	-	4,346
Park Land acquisition	50	-	-	-	-	50	24,300
Keller Sports Park Phase VI	-	-	-	-	-	-	4,476
Old Town Keller Park	-	-	-	-	-	-	216
Northeast Park Master Plan	-	-	-	-	-	-	67
Hike and Bike Trail Improvements	600	-	-	-	-	600	4,348
Johnson Road Park Facility Landscape Improvements	-	-	-	-	-	-	321
Johnson Road Park Landscape Renovation Phase II	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295

(Continued)

Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department (000's)

<u>PROJECT DESCRIPTION</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>Total</u>	<u>Future (Unfunded)</u>
<u>Park Improvements (continued)</u>							
Citywide Park enhancements	\$ 336	\$ -	\$ -	\$ -	\$ -	\$ 336	\$ 1,528
Matching funds program	200	200	200	200	200	1,000	200
Keller Sports Park Infrastructure Replacement	253	-	-	-	-	253	2,354
Bear Creek Park Greenbelt canopy	105	50	-	-	-	155	-
Subtotal	<u>1,544</u>	<u>250</u>	<u>200</u>	<u>200</u>	<u>200</u>	<u>2,394</u>	<u>43,090</u>
Department Total	1,744	250	200	200	200	2,594	45,180
STREET IMPROVEMENTS							
<u>New Street Construction</u>							
Lamar St-Pecan St-Olive St on West Side of US 377	-	-	-	-	-	-	1,484
Elm Street-Pecan Street on East Side of US 377	-	-	-	-	-	-	1,345
Rapp Road Realignment @ Rufe Snow Drive & Shady Grove	-	-	-	-	-	-	2,371
Rapp Road at Whitley Road Intersection Improvements	-	-	-	-	-	-	506
Rapp Road Extension to US Hwy 377	-	-	-	-	-	-	2,685
Wall-Price Keller Road Widening - US 377 to Whitley	-	-	-	-	-	-	950
Shady Grove Road Expansion - Rufe Snow to Smithfield	-	-	-	-	-	-	4,900
Keller-Smithfield Road - Bear Run to Shady Grove	-	-	-	-	-	-	6,050
Willis Lane - Rapp Road to Bursey Road	-	-	-	-	-	-	4,040
FM 1709 @ Rufe Snow Drive - Dual Left Turn Lanes	-	-	-	-	-	-	2,200
Bear Creek Parkway @ Elm Street/ Whitley Road Intersection Improvements	-	-	-	-	-	-	506
Keller-Smithfield Road @ Johnson Road Intersection Improvements	-	-	-	-	-	-	549
Keller-Smithfield Road @ Bear Creek Parkway/North Signals	-	-	-	-	-	-	243
FM 1709 @ Keller-Smithfield Road- Dual Left Turns	-	-	-	-	-	-	2,200
Rufe Snow Drive Widening - Keller Parkway to Johnson Road	-	-	-	-	-	-	2,598
Shady Grove Road Improvements - Keller-Smithfield Rd to Sara Brooks	-	-	-	-	-	-	824
Subtotal	-	-	-	-	-	-	33,451
<u>Street Reconstruction</u>							
FM 1709 Median Enhancements	-	-	-	-	-	-	1,000
Residential Street Reconstruction	950	950	950	950	950	4,750	-
Railroad Crossing Quiet Zones	-	-	-	-	-	-	455
Subtotal	<u>950</u>	<u>950</u>	<u>950</u>	<u>950</u>	<u>950</u>	<u>4,750</u>	<u>1,455</u>
Department Total	950	950	950	950	950	4,750	34,906
SIDEWALK IMPROVEMENTS							
<u>Sidewalk Improvements</u>							
Safe routes to schools	-	-	-	-	-	-	1,736
Subtotal	-	-	-	-	-	-	1,736
Department Total	-	-	-	-	-	-	1,736
TOTAL GENERAL GOVERNMENT	<u>\$ 2,694</u>	<u>\$ 1,700</u>	<u>\$ 2,770</u>	<u>\$ 2,230</u>	<u>\$ 2,680</u>	<u>\$ 12,074</u>	<u>\$ 84,726</u>

(Continued)

Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department (000's)

PROJECT DESCRIPTION	FY2015	FY2016	FY2017	FY2018	FY2019	Total	Future (Unfunded)
WATER UTILITIES							
<u>Water System Improvements:</u>							
Alta Vista Pump Station Rehabilitation	\$ 1,274	\$ -	\$ -	\$ -	\$ -	\$ 1,274	\$ -
Wall-Price Keller Road Water Improvements	1,689	-	-	-	-	1,689	-
Mt. Gilead & Keller-Smithfield Road Impr.	-	2,099	-	-	-	2,099	-
Johnson Road Water Improvements	-	-	1,632	-	-	1,632	1,082
Creek Road & Helen Street Impr.	-	-	430	-	-	430	-
Florence Road Water Improvements	-	-	-	-	-	-	1,195
Clay Hibbins Road Water Improvements	-	-	-	-	-	-	327
Bursey Road Water Improvements	-	-	-	-	-	-	620
Bear Creek Parkway Water Improvements	-	-	-	-	-	-	764
Department Total	2,963	2,099	2,062	-	-	7,124	3,988
WASTEWATER UTILITIES							
<u>Wastewater System Improvements:</u>							
Big Bear East Branch Interceptor	-	-	-	-	-	-	-
Marshall Branch North Collectors	3,296	-	-	-	-	3,296	-
Big Bear East Collectors	-	3,027	-	-	-	3,027	-
Big Bear West Interceptor Replacement	-	-	454	-	-	454	-
Big Bear Southwest Interceptor Replacement	-	-	-	483	-	483	-
Big Bear Central Branch Interceptors	-	-	-	-	-	-	1,657
Big Bear South 1 Interceptor Replacement	-	-	-	-	-	-	329
Little Bear East Interceptor Replacement	-	-	-	-	-	-	397
Big Bear South 2 Interceptor Replacement	-	-	-	-	-	-	251
Big Bear East Interceptor Extension	-	-	-	-	-	-	1,009
Melody Hills Estates Collectors	-	-	-	-	-	-	2,249
Northern Big Bear East Collectors	-	-	-	-	-	-	894
Eastern Big Bear East Collectors	-	-	-	-	-	-	1,370
Big Bear Southwest Interceptor Extension	-	-	-	-	-	-	329
Cade Branch Interceptor Replacement	-	-	-	-	-	-	587
Big Bear Central Collectors	-	-	-	-	-	-	1,502
Southern Cade Branch Collectors	-	-	-	-	-	-	2,122
Northern Big Bear Central Collectors	-	-	-	-	-	-	2,655
Florence Branch Collectors	-	-	-	-	-	-	565
Kirkwood Branch Collectors	-	-	-	-	-	-	5,606
Florence Branch Lift Station & Force Main	-	-	-	-	-	-	565
Marshall Branch West & Cade Branch Collectors	-	-	-	-	-	-	2,409
Quest Court Collector Line & Lift Station Removal	-	-	-	-	-	-	580
Keller Parkway Collectors	-	-	-	-	-	-	598
Pearson Lane South Collector	-	-	-	-	-	-	565
Little Bear East Collectors	-	-	-	-	-	-	1,007
Western Big Bear Southeast Collectors	-	-	-	-	-	-	2,090
Eastern Big Bear Southeast Collectors	-	-	-	-	-	-	965
Wastewater Improvement projects	265	-	530	-	530	1,325	-
Department Total	3,561	3,027	984	483	530	8,585	30,301
TOTAL WATER & WASTEWATER	6,524	5,126	3,046	483	530	15,709	34,289
GRAND TOTAL	\$ 9,218	\$ 6,826	\$ 5,816	\$ 2,713	\$ 3,210	\$ 27,783	\$ 119,015

SUPPLEMENTAL DATA

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Keller Fee Schedule FY 2014-15

Activity

Fee Schedule

Sec. 1 - Building Services

Building Permit Fees – Residential

New Construction and Additions – Single combination permit fee (building, electrical, mechanical, plumbing, energy, fire inspection and grading) at a rate of \$0.78 per square foot with a \$50 minimum.

Accessory Buildings – Single combination permit fee (building, electrical, mechanical, plumbing, energy, fire inspection and grading) at a rate of \$0.69 per square foot with a \$50 minimum.

Alterations – Single combination permit fee (building, electrical, mechanical, plumbing, energy, fire inspections and grading) at a rate of \$12.00 per \$1,000 of construction value or fraction thereof with a \$50 minimum.

Building Permit Fees – Commercial

\$23.50 \$1-\$500 construction value (cv)

\$23.50 \$501-\$2,000 cv – First \$500, plus \$3.05 for each additional \$100 or fraction thereof to and including \$2,000; 65% of building permit fee (BPF) for plan review; plus \$50/year contractor registration;

\$69.25 \$2,001-\$25,000 cv – First \$2,000, plus \$14 for each additional \$1,000 or fraction thereof to and including \$25,000; 65% of BPF for plan review; plus \$50/year contractor registration;

\$391.25 \$25,001-\$50,000 cv – First \$25,000, plus \$10.10 for each additional \$1,000 or fraction thereof to and including \$50k; 65% of BPF for plan review; plus \$50/year contractor registration;

\$643.75 \$50,001-\$100,000 cv – First \$50,000, plus \$7 for each additional \$1,000 or fraction thereof, to and including \$100,000; plus 65% of BPF for plan review; plus \$50/year contractor registration;

\$993.75 \$100,001-\$500,000 cv – First \$100,000, plus \$5.60 for each additional \$1,000 or fraction thereof to and including \$500,000; plus 65% of BPF for plan review; plus \$50/year contractor registration;

Keller Fee Schedule FY 2014-15

Activity	Fee Schedule
Building Permit Fees – Commercial (Cont'd.)	<p>\$3,233.75 \$500,001-\$1,000,000 cv – First \$500,000, plus \$4.75 for each additional \$1,000 or fraction thereof to and including \$1,000,000; plus 65% of BPF for plan review; plus \$50/year contractor registration;</p> <p>\$5,608.75 Over \$1,000,000 cv – First \$1,000,000, plus \$3.65 for each additional \$1,000 or fraction thereof; plus 65% of BPF for plan review; plus \$50/year contractor registration;</p> <p>Commercial (new construction, additions and alterations) - Based on current building valuation table created by the International Code Council (ICC) which utilizes regional building valuation data upon which commercial building permit fees will be determined (see Attachment A).</p>
Certificate of Occupancy	\$50 – Only charged when no building permit is issued for construction.
Electrical Fee – Commercial	<p>\$ 35/Permit – sq feet up to 500</p> <p>\$ 50/Permit – sq feet up to 1,499</p> <p>\$ 75/Permit – sq feet up to 1,999</p> <p>\$100/Permit – sq feet up to 2,499</p> <p>\$125/Permit – sq feet up to 2,999</p> <p>\$125/Permit – sq feet over 3,000, plus \$20 for each additional 1,000 sq feet</p>
Misc. Electrical Permit	<p>\$50/permit</p> <p>* Only charged when no building permit is issued for construction</p>
Grading Permit / Tree Removal – Non Building Permit Related	<p>\$25 per lot – residential</p> <p>\$100 per lot – commercial</p> <p>\$25 per acre – agricultural / undeveloped</p>
Mowing Fee	Actual cost for mowing property, plus \$250 administration fee
Lien Fee	Actual cost for filing lien, plus \$250 administration fee
Fence Permit (New)	<p>\$50 (New)</p> <p>\$0.00 (Replacement)</p>
Mechanical (HVAC) Fee – Commercial	<p>\$ 35/Permit – sq feet up to 500</p> <p>\$ 50/Permit – sq feet up to 1,499</p> <p>\$ 75/Permit – sq feet up to 1,999</p> <p>\$ 100/Permit – sq feet up to 2,499</p> <p>\$ 125/Permit – sq feet up to 2,999</p> <p>\$ 125/Permit – sq feet over 3,000, plus \$20 for each additional 1,000 sq feet</p>

Keller Fee Schedule FY 2014-15

Activity	Fee Schedule
Misc. Mechanical (HVAC) Permit	\$50/permit * Only charged when no building permit is issued for construction
Mobile/Manufactured Home	\$100/Permit to include utility connection inspections
Moving Permit	\$50/Permit
Plumbing Fee – Commercial	\$ 35/Permit – sq feet up to 500 \$ 50/Permit – sq feet up to 1,499 \$ 75/Permit – sq feet up to 1,999 \$ 100/Permit – sq feet up to 2,499 \$ 125/Permit – sq feet up to 2,999 \$ 125/Permit – sq feet over 3,000, plus \$20 for each additional 1,000 sq feet
Misc. Plumbing Permit	\$50/Permit – misc. plumbing (water heater/gas line to pool/spa) * Only charged when no building permit is issued for construction
Re-Inspection Fee	\$50 / for each additional re-inspection * The fee is assessed only after an inspection fails more than once for the same code violation
Sign Permit	\$50 per sign permit
Temporary Sign Permit	\$25 per sign
Pool Permit	\$500 / in-ground pools \$50 / above ground pools and spas/hot tubs
Temporary Building Permit	\$23.50
Demolition Permit	\$50
Sidewalks / Curb Cut Fees	Fees based on actual costs as derived from City's current miscellaneous concrete contract, maximum of \$1,500
Supplemental Plan Review Fee	\$50 per hour (minimum 2 hours residential and 3 hours commercial). Only assessed after original set of plans has been reviewed and approved for construction and changes are made to the plans by the developer/owner/builder/representative
Irrigation Permit	\$50 each – residential \$100 each – commercial

Keller Fee Schedule FY 2014-15

Activity	Fee Schedule
Miscellaneous Inspections	\$50 each
Lost Packet Fee	\$50 each
Special Event Permit Fee	\$25 No permit costs for non-profits \$250 - Security deposit \$25 per hour / 2 hour min. – Maintenance Staff Supplies at cost plus 10%

Sec. 2 - Planning and Engineering

Supplemental Plan Review Fee	\$50 per hour (minimum 2 hours residential and 3 hours commercial). Only assessed after original set of plans has been reviewed and approved for construction and changes are made to the plans by the developer/owner/builder/representative
Inspection Fee – Streets and Drainage	Four percent (4%) of construction value
Water and Sewer Inspection	Four percent (4%) of construction value
Water Service Tap/Meter (Corporate City Limits)	<p>Short Tap and Meter Installation</p> <p>5/8" - \$450.00 3/4" - \$475.00 1" - \$500.00 1½" - \$900.00 2"*** - \$ 1025.00 2" Compound Meter - \$2,325</p> <p>Long Tap and Meter Installation</p> <p>5/8" - \$800.00 3/4" - \$825.00 1" - \$850.00 1½" - \$ 1,275.00 2"*** - \$ 1,425.00 2" Compound Meter - \$2,725</p> <p>Install meter only</p> <p>5/8" - \$275.00 3/4" - \$300.00 1" - \$325.00 1½" - \$725.00 2"*** - \$775.00 2" Compound Meter - \$2,075</p>

Keller Fee Schedule FY 2014-15

Activity	Fee Schedule
Water Service Tap/Meter (Corporate City Limits)	<p>* Water main and service on same side of street **Water service (meter installation) on opposite side of street from water main may include bore fees *** Cost includes a 2" turbine or disc-type meter</p> <p>Outside City – Cost as determined on a case by case basis by Director of Public Works based on actual costs and impact to the system</p> <p>3" or more—Actual meter cost plus service charge fees.</p>
Sewer Service Tap (Corporate City Limits)	<p>\$350 – 4-inch tap within the City (if contractor required due to extenuating circumstances, contractor costs are to be borne by the applicant)</p> <p>Actual cost – larger than 4-inch tap within the City</p> <p>Outside City – Cost as determined on a case by case basis by Director of Public Works based on actual costs and impact to the system</p>
Water/Sewer Connection Bore Costs	Bore fee to apply as needed based on actual linear foot cost
Street Lights	\$10.50 per month per pole (maximum of 24 months)
Sanitary Sewer Camera Fee	\$225 each – per residential building permit
Old Town Keller Asphalt Parking	<ul style="list-style-type: none"> • Existing buildings/facilities – actual cost of materials • New buildings/facilities and existing buildings/facilities with privately funded improvements exceeding \$50,000 – no cost <p>Public parking space construction scope and schedule to be at the discretion of the Department of Public Works and dependent upon the availability of funding as determined by the City</p>
Miscellaneous right-of-way encroachment, dedication or abandonment	\$100 each
Miscellaneous easement dedication or abandonment	\$100 each
Preliminary Plat	N/A (see Plat below)
Final Plat	N/A (see Plat below)
Replat	N/A (see Plat below)

Keller Fee Schedule FY 2014-15

Activity	Fee Schedule
Plat (Preliminary, Final, Amended and Replat)	\$200 per application plus \$20 per lot residential \$200 per application plus \$20 acre for non-residential
Planned Development	\$250, plus \$10 per acre for planned development, planned development amendment and future land use plan amendment \$250 thoroughfare plan amendment
Specific Use Permit	\$250, plus \$10 per acre
Rezoning Application	\$250, plus \$10 per acre
Site Plan Application	\$300 application, plus \$10 per acre \$200 application for minor amendments to previously approved Site Plans
Variance Adjustment	\$200 application
Park Land Dedication	One (1) acre per thirty (30) residential dwelling units. Payment in lieu of land dedication shall be the average per acre value of the property(s) to be developed as assigned by the Tarrant Appraisal District's most recent appraised market land value, or \$30,000 per acre, whichever is greater, not to exceed \$50,000 per acre.
Appeal to Tree Board	Application - \$200 \$100 per caliper inch mitigation
Gas Well Permit Fee	\$10,000 per well bore

Sec. 3 - Facility Rental Fees Field Rentals

\$25 resident - 2 hour baseball & softball field plus \$20/2 hour for lights
 \$100 non-resident - 2 hour baseball & softball field, plus \$20/2 hour for lights
 \$50 per pad, per day for soccer pad, plus \$15/2 hour for lights
 \$200 per pad for 5 days soccer pad, plus \$15/2 hour for lights
 \$25 res - 2 hr multi use field, plus \$17/2 hour for lights
 \$100 non-res - 2 hour multi-use, field plus \$17/2 hour for lights
 \$200 – day for multi-use arena; practice rental \$15/3 hour; clinic rental \$100/day; half-day clinic, \$50; 6 hour event, \$100; refundable security deposit, \$100; tractor & operator fee, \$30/3 hour minimum

Refundable deposits - \$500 refundable security deposit for utilization of facility keys for Keller Sports Park

Keller Fee Schedule FY 2014-15

Activity

Fee Schedule

Stage Rental

Stage rental fee, \$1,000.00 for the first six hours or any portion thereof, (includes delivery, set-up and tear down), and \$50.00 for each additional hour thereafter.

Note: Accessories are only available for rent in conjunction with stage rental.

- Decorative Stage Skirting, \$15.00 per day
- Audio/Light Technician Stage hand, \$25.00 per hour (when using lights and audio a certified stage hand must be utilized.)
 - ◆ Sound System, \$200.00 per day (including channel mixer, speakers, microphones, and microphone stands)
 - ◆ Theater Lights, \$100.00 per day
- Portable Stage Sections, \$25.00 each per day (fee includes placement and removal.)

Picnic Facilities

Residential rental fee of \$30 for 3 hours, plus \$15 for each additional hour. Non-residential rental fee of \$40 for 3 hours, plus \$20 for each additional hour with a 3 hour minimum rental period for both.

Sec. 4 - Sports Fees

Non-Resident Fee

Long-term users shall pay the city a non-resident fee of \$30.00 per player per sport season to recover a portion of the maintenance and operation costs of athletic fields and facilities. Non-resident fees shall be capped at \$90.00 per family, per season.

Sec. 5 - Facility Use Fees

Library Meeting Room Use

free - residents
\$25 for non-residents

Library Membership Fee

free - residents
\$25 for non-residents, per family / year
\$12.50 for non-resident seniors / year
\$ 0.50 replacement card fee

Library Microfilm/fiche and flash drives

\$0.10 per page for microfilm/fiche
\$8.11 each for flash drives

Library Copy Machine

\$0.10 per page for photocopy
\$0.10 per page for black laser printer
\$0.25 per page for color laser printer

Keller Fee Schedule FY 2014-15

Activity

Fee Schedule

Library Fines

\$0.20 per day – Books; max 1/2 of price except magazines; maximum for magazines is \$3
\$0.20 per day – Audio cassette; max 1/2 price
\$1.00 per day – Video cassette; max 1/2 price

Fees for damaged/missing: plastic jacket \$1; plastic hanging bag \$1; video/DVD case \$2; audio case \$1; CD case \$1; CD from an audio set \$7.50; rebinding \$7.00.

Library Test proctoring

\$20 each

Sec. 6 - Animal Control Adoption

\$85 per animal – includes neuter, rabies vaccine, microchip, heart worm test and booster, 1 year registration

Microchip Implanting

\$25 per animal

Surrender Fee

\$30 per animal (residents only)

Dead Animal Removal

\$30 per animal

Animal Removal from Privately Owned Traps

\$30 per animal

Quarantine Fee

\$25 per animal, per day

Impoundment

\$ 10 daily, plus:
\$ 30 1st offense
\$ 50 2nd offense
\$ 75 3rd offense
\$150 4th offense
\$150 5th offense

Sec. 7 – Public Safety Fees

Court Copy Fees

\$0.10 1st copy
\$2.00 each – citation list
\$40.00 per month – citations faxed
(Pursuant to the Texas Administrative Code associated with copies of public information)

Accident Report

\$5.00 each

Burglar Alarm

\$25 annual permit fee; 1 – 3 false alarms, included in annual permit; 4 – 5 false alarms, \$50 each; 6 – 7 false alarms, \$75 each; 8+ false alarms, \$100 each

Police Copy Fees

\$0.10 per page
\$10.00 each for video tapes
(Pursuant to the Texas Administrative Code associated with copies of public information)

Keller Fee Schedule FY 2014-15

Activity

Fee Schedule

Police Special Assignments (Special Events as approved under the City's Special Events Policy)

\$50/hr minimum 2 hours (all uses)

Incident Reports

\$5.00 each
(Pursuant to the Texas Administrative Code associated with copies of public information)

Finger Printing

\$10 per person

Solicitors License

Charitable Solicitation
\$35.00 for the first person
\$20.00 for each additional person
\$65.00 background check per person

Religious – No permit fee
\$65.00 background check per person

Itinerant Merchants and Publication Sales and Solicitation
\$50.00 for the first person
\$20.00 for each additional person
\$65.00 background check per person

Emergency Medical Services

The rate structure for pricing shall be a set fee of \$1,750.00, plus a mileage charge of \$15.00 per loaded transport mile of ambulance service. The City Manager shall be authorized to adjust the set fee structure which shall conform to the reasonable, customary, and usual charges associated with the provisions of health care.

Insurance payments, whether private or governmental (Medicare/Medicaid) shall be accepted as payment in full for ambulance service for Keller residents.

Keller residents that have no medical insurance or if payment is not received from the patient's insurance plan shall be responsible for a maximum fee for ambulance service which shall be the Federal reimbursement rate in effect at the time of service or \$300.00 whichever is greater.

Patients who receive ALS treatment by Keller Fire-Rescue but are not transported shall be responsible for the cost of the treatment or a fee not to exceed \$200.00.

Patients treated and transported by Keller Fire-Rescue that are not residents of Keller shall be held financially responsible for the outstanding balance for ambulance service not paid by insurance coverage. For Medicare/Medicaid patients this fee responsibility will be up to the Federal reimbursement rate allowable at time of service.

Keller Fee Schedule FY 2014-15

Activity

Fee Schedule

Fire Construction Permit Fees

\$ 23.50 \$1-\$500 cv

\$ 23.50 \$501-\$2,000 cv – First \$500, plus \$3.05 for each additional \$100 or fraction thereof to and including \$2,000; plus plan review fee equal to 65% of construction permit fee

\$ 69.25 \$2,001-\$25,000 cv – First \$2,000 + \$14 for each additional \$1,000 or fraction thereof to and including \$25,000; plus plan review fee equal to 65% of construction permit fee

\$ 391.25 \$25,001-\$50,000 – First \$25,000, plus \$10.10 for each additional \$1,000 or fraction thereof to and including \$50,000; plus plan review fee equal to 65% of construction permit fee

\$ 643.75 \$50,001-\$100,000 – First \$50,000, plus \$7 for each additional \$1,000 or fraction thereof to and including \$100,000; plus plan review fee equal to 65% of construction permit fee

Fire Construction Permit Fees

\$993.75 \$100,001-\$500,000 – First \$100,000, plus \$5.60 for each additional \$1,000 or fraction thereof to and including \$500,000; plus plan review fee equal to 65% of construction permit fee

\$3,233.75 \$500,001-\$1,000,000 – First \$500,000, plus \$4.75 for each additional \$1,000 or fraction thereof to and including \$1,000,000; plus plan review fee equal to 65% of construction permit fee

\$5,608.75 over \$1 million – First \$1 million, plus \$3.65 for each additional \$1,000 or fraction thereof; plus plan review fee equal to 65% of construction permit fee

Fire Operational Permit Fees

Tents - \$50 each

Open Burning - \$50 each

Fire Apparatus Fees

\$400 hour – Fire apparatus w/crew - 2 hour minimum

\$200 hour – Brush truck w/crew - 2 hour minimum

\$250 hour – Ambulance w/crew - 2 hour minimum

\$150 hour – ATV ambulance w/crew - 2 hour minimum

\$280 hour – K.I.S.D. football game, EMS – per game

\$75 hour – Inspector - 2 hour minimum

\$60 hour – Standby firefighter - 2 hour minimum

Keller Fee Schedule FY 2014-15

Activity

Fee Schedule

Sec. 8 – Water and Sanitary Sewer Fees

After Hours Turn On

\$50 per incident

Customer Deposit

\$80 residential meter

Multi-family and non-residential meter deposits based on estimated customer usage for a one month period.

Fire hydrant meter rental deposit based on actual replacement cost.

Master Deposit

\$80 – residential only

Delinquent Account Deposit

Applies to customers that have had their service disconnected for failure to pay or non-sufficient funds – new deposit not to exceed an amount equal to double the estimated average monthly bill for said customer.

Cleaning Deposit

One time deposit of \$20 for ten consecutive days of water meter usage. Deposit applied to final billing.

Late Utility Payment Fee

10% of outstanding balance.

Damaged/Broken Lock

\$100 each per incident.

Meter Testing

\$50 each per incident for meters 1" and less.

Meters 1 ½" and larger, fee shall be the actual cost of testing and the actual cost of installation and removal. If meter test shows it is registering more water than actually going through the meter, the fee is refunded.

Water Reconnect Fee

\$25 each per incident.

Account Activation Fee

\$15 each

Account Transfer Fee

\$15 each

Damaged meter, transponder, meter box and lid

Actual cost for replacement and/or repair to include time and materials.

This table is for determining the construction valuation for use in the Commercial Building Permit Fee Schedule. The use and construction type are as defined in the 2009 International Building Code. All values are in dollars per square foot inclusive of all areas under roof. For shell construction, use 60% of table value; for interior finish-out, use 40% of table value; and for remodel, use actual contract cost. (A copy of the executed contract may be required to be submitted for documentation.) The two most common construction types are V-B and II-B. V-B is combustible construction (e.g. wood) and II-B is noncombustible (e.g. metal, concrete).

Group (2009 International Building Code)	I-A	I-B	II-A	II-B	III-A	III-B	IV	V-A	V-B
A-1 Assembly, theaters, with stage	\$213.26	\$206.02	\$200.72	\$191.95	\$180.03	\$175.03	\$185.14	\$164.60	\$157.61
A-1 Assembly, theaters, without stage	\$195.09	\$187.85	\$182.55	\$173.78	\$161.91	\$156.91	\$166.97	\$146.48	\$139.49
A-2 Assembly, nightclubs	\$164.78	\$160.08	\$155.65	\$149.42	\$140.29	\$136.53	\$143.89	\$127.27	\$122.52
A-2 Assembly, restaurants, bars, banquet halls	\$163.78	\$159.08	\$153.65	\$148.42	\$138.29	\$135.53	\$142.89	\$125.27	\$121.52
A-3 Assembly, churches	\$197.06	\$189.82	\$184.52	\$175.75	\$163.84	\$158.84	\$168.94	\$148.41	\$141.42
A-3 Assembly, general, community halls, libraries, museums	\$165.45	\$158.21	\$151.91	\$144.14	\$131.22	\$127.22	\$137.33	\$115.79	\$109.80
A-4 Assembly, arenas	\$194.09	\$186.85	\$180.55	\$172.78	\$159.91	\$155.91	\$165.97	\$144.48	\$138.49
B Business	\$166.35	\$160.31	\$154.97	\$147.38	\$133.73	\$128.86	\$141.26	\$117.56	\$112.00
E Educational	\$176.39	\$170.31	\$165.24	\$157.71	\$146.90	\$139.05	\$152.20	\$127.81	\$123.47
F-1 Factory and industrial, moderate hazard	\$98.83	\$94.20	\$88.53	\$85.28	\$76.18	\$72.96	\$81.58	\$62.78	\$59.05
F-2 Factory and industrial, low hazard	\$97.83	\$93.20	\$88.53	\$84.28	\$76.18	\$71.96	\$80.58	\$62.78	\$58.05
H-1 High Hazard, explosives	\$92.63	\$88.00	\$83.32	\$79.08	\$71.17	\$66.94	\$75.38	\$57.76	N.P.
H234 High Hazard	\$92.63	\$88.00	\$83.32	\$79.08	\$71.17	\$66.94	\$75.38	\$57.76	\$53.03
H-5 HPM	\$166.35	\$160.31	\$154.97	\$147.38	\$133.73	\$128.86	\$141.26	\$117.56	\$112.00
I-1 Institutional, supervised environment	\$166.45	\$160.61	\$156.13	\$149.36	\$137.18	\$133.55	\$145.57	\$123.08	\$118.71
I-2 Institutional, hospitals	\$279.74	\$273.70	\$268.36	\$260.77	\$246.24	N.P.	\$254.66	\$230.07	N.P.
I-2 Institutional, nursing homes	\$194.86	\$188.82	\$183.48	\$175.89	\$162.52	N.P.	\$169.77	\$146.35	N.P.
I-3 Institutional, restrained	\$189.53	\$183.49	\$178.15	\$170.56	\$158.15	\$152.28	\$164.45	\$141.98	\$134.42
I-4 Institutional, day care facilities	\$166.45	\$160.61	\$156.13	\$149.36	\$137.18	\$133.55	\$145.57	\$123.08	\$118.71
M Mercantile, Retail	\$122.74	\$118.04	\$112.61	\$107.38	\$97.91	\$95.15	\$101.85	\$84.88	\$81.13
R-1 Residential, hotels	\$167.86	\$162.02	\$157.54	\$150.77	\$138.75	\$135.13	\$147.15	\$124.65	\$120.28
R-2 Residential, multiple family	\$140.76	\$134.93	\$130.44	\$123.67	\$112.32	\$108.70	\$120.72	\$98.22	\$93.85
R-3 Residential, one- and two-family	\$132.48	\$128.87	\$125.59	\$122.47	\$117.59	\$114.66	\$118.59	\$109.86	\$102.91
R-4 Residential, care/assisted living facilities	\$166.45	\$160.61	\$156.13	\$149.36	\$137.18	\$133.55	\$145.57	\$123.08	\$118.71
S-1 Storage, moderate hazard	\$91.63	\$87.00	\$81.32	\$78.08	\$69.17	\$65.94	\$74.38	\$55.76	\$52.03
S-2 Storage, low hazard	\$90.63	\$86.00	\$81.32	\$77.08	\$69.17	\$64.94	\$73.38	\$55.76	\$51.03
U Utility, miscellaneous	\$69.66	\$65.79	\$61.57	\$58.14	\$52.18	\$48.79	\$55.35	\$40.81	\$38.65

Based on August 2011 Table Published by the International Code Council

BUDGET POLICIES

In accordance with Articles V and VIII of the Keller Charter and other related ordinances and policies, the following budget policies are followed throughout the budgetary process.

Section 5.01(c). Powers and duties of the City Manager.

- (2) Prepare the budget annually and submit to the City Council, and be responsible for its administration after adoption.
- (3) Prepare and submit to the City Council as of the end of the fiscal year a complete report on the finances and administrative activities of the City for the preceding year.
- (4) Keep the City Council advised of the financial condition and future needs of the city and make such recommendations as may seem desirable.

Section 8.02. Submission of budget and budget message.

The fiscal year of the city shall begin on the first day of October and end on the last day of the following September.

On or before August 15 of each year, the City Manager shall submit to the City Council a budget for the ensuing fiscal year and an accompanying message in the form and with the content as prescribed by the [City] Council.

Code reference - Fiscal year established, § 2-110.

Section 8.03. Budget as a public record.

The budget and budget message and all supporting schedules shall be a public record in the office of the City Secretary open to public inspection by anyone. The City Manager shall cause sufficient copies of the budget and budget message to be prepared for distribution to the [City] Council and to the public library.

Section 8.04. Publication of notice of public hearing.

At the meeting of the [City] Council at which the budget and budget message are submitted, the [City] Council shall determine the place and time of the public hearing on the budget, and shall cause to be published a notice of the place and time of such hearing which shall be not less than seven (7) days after date of publication, at which the [City] Council will hold a public hearing.

Section 8.05. Public hearing on budget.

At the time and place so advertised, or at any time and place to which such public hearing shall from time to time be adjourned, the [City] Council shall hold a public hearing on the budget as submitted, at which all interested persons shall be given an opportunity to be heard, for or against the estimates or any item thereof.

Section 8.06. Further consideration of budget.

After the conclusion of such public hearing, the [City] Council may make such changes as it shall deem proper, except that such proposed expenditures as are fixed by law cannot be changed. Before making any change which could cause an increase in the total proposed budget, the [City] Council shall hold an additional public hearing in the same manner and with the same notice as set forth for original budget hearings.

BUDGET POLICIES

Section 8.07. Addition to budget.

After such further hearing, the [City] Council may insert the additional item or items, and make the increase or increases, to the amount in each case indicated by the published notice, or to a lesser amount, but where it shall increase the total proposed expenditures, it shall also increase the total anticipated revenue to at least equal such total proposed expenditures.

Section 8.08. Majority of full [City] Council required.

The budget shall be adopted by the favorable votes of at least a majority of all the members of the [City] Council.

Section 8.09. Date of final adoption; failure to adopt.

The budget shall be finally adopted not later than the twenty-seventh day of the last month of the fiscal year. Should the [City] Council take no final action on or prior to such date, the budget, as submitted, shall be deemed to have been finally adopted by the [City] Council.

Section 8.10. Effective date of budget certification; copies made available.

Upon final adoption, the budget shall be in effect for the budget year. A copy of the budget, as finally adopted, shall be certified by the Mayor and the City Secretary and filed in the office of the City Secretary. The budget so certified shall be printed, mimeographed or otherwise reproduced and sufficient copies thereof shall be made available for the use of all offices, departments and agencies and for the use of interested persons and civic organizations.

Section 8.11. Budget establishes appropriations.

From the effective date of the budget the several amounts stated therein as proposed expenditures shall be and become appropriated to the several objects and purposes therein named.

Section 8.12. Amendment.

The City Council may during the fiscal year amend the budget by ordinance if such amendment will not increase the total of all budget expenditures. If such expenditures are necessary to protect public property or the health, safety or general welfare of the citizens of Keller, the total budget may be increased after notice and public hearing as prescribed for adoption of the original budget.

Section 8.13. Appropriation of excess revenue.

If at any time the total accruing revenue of the City shall be in excess of the total estimated income thereof, as projected in the budget, the City Council may by ordinance amend the budget so as to appropriate such excess revenue to such purposes as they may deem appropriate after notice and public hearing as required for adoption of the original budget.

BUDGET POLICIES

Section 8.14. Accounting procedures.

Accounting procedures shall be maintained by the City adequate to record in detail all transactions affecting the acquisition, custodianship and disposition of anything of value; and the recorded facts shall be presented annually to the City Council and to the public and such summaries and analytical schedules in detailed support thereof as shall be necessary to show the full effect of such transaction for each fiscal year upon the finances of the City and the relation to each department thereof including distinct summaries for each required by law to be segregated.

Section 8.15. Independent audit.

The [City] Council shall cause an independent audit to be made of the books of account, records and transactions of all the administrative departments of the City at least once yearly. Such audit shall be made by a certified public accountant selected by and responsible to the [City] Council. The duties of the auditors so appointed shall include the certification of all statements. Such statements shall include a balance sheet, exhibiting the assets and liabilities of the City, supported by departmental schedules, and schedules for each publicly owned or operated utility, summaries of income and expenditures, supported by detailed schedules, and also comparison, in proper classification, with the last previous year. The report of such auditor or auditors for the fiscal year shall be printed and a copy thereof shall be furnished to each member of the [City] Council and the City Manager, and a copy shall be made available to each citizen who may request such. The original shall be kept among the permanent records of the City.

Section 8.16. Power to tax.

The City Council shall have the power under the provisions of state law to levy, assess and collect an annual tax upon taxable property within the City, the tax not to exceed the rate as provided for by state law governing cities with a population in excess of five thousand (5,000) inhabitants.

If for any cause the City Council shall fail to pass a tax ordinance for any one (1) year, levying taxes for that year, then and in the event the tax levying ordinance and rate established therein last passed shall and will be considered in force and effect.

Section 8.17. Defect shall not invalidate tax levy.

Defects in the form of preparation of the budget or the failure to perform any procedural requirement shall not invalidate any tax levy or the tax roll.

CITY OF KELLER
Financial Management Policies

1. Purpose of Policies.

1.1 The City of Keller (the City) is committed to sound financial management through integrity, prudent stewardship, financial planning and accountability, full disclosure, and communication. Financial Management Policies will enable the City to achieve and maintain a stable, positive financial condition, while also providing guidelines for the day-to-day planning and operations of the City's financial affairs.

1.2 The City will establish and maintain a high standard of accounting practices. The City's accounting system shall conform to generally accepted accounting principles (GAAP), as prescribed by the Governmental Accounting Standards Board (GASB) for governmental entities.

1.3 The City will prepare and maintain in a current status written administrative procedures relating to each financial management area. The City Manager, department directors, and managers are responsible for ensuring that good internal controls are maintained and followed throughout their respective City departments, that all management directives or internal control recommendations are implemented in a timely manner, and that all independent auditor recommendations are addressed.

1.4 The City will pursue transparency with regard to disclosure of financial information. Accordingly, the City will seek to attain and maintain the "Gold" Leadership Circle award for financial transparency, awarded annually by Texas Comptroller of Public Accounts. A primary focus of financial transparency is the ability for citizens to review the City's financial information online. At a minimum, online information will include annually adopted budgets, comprehensive annual financial reports, and check registers.

1.5 These financial management policies shall remain in effect until amended by the City Council. The City Council shall review the policies annually, and amend as necessary.

2. Operating Budgets.

2.1 Annual estimates of revenue in both the general fund and enterprise funds shall be based on historical trends and a reasonable expectation of growth. A conservative approach shall be observed in estimating revenues, so that revenue estimates will not be overstated. Annual Water and Wastewater Enterprise Fund revenues shall be budgeted on the basis of a normalized year, with reasonable estimates of customer growth, not on the basis of forecasted above-average rainfall (wet year) or below-than-average rainfall (dry year).

2.2 The adoption of a balanced budget, where current resources (current revenues plus undesignated fund balances) shall be required. Current resources will equal or exceed current expenditures for each individual fund.

2.3 At the end of each fiscal year, the City shall establish a goal that the unassigned fund balances or reserves of the General Fund shall be at least seventy (70) days of fund operating expenditures (excluding non-recurring expenditures) for the same fiscal year.

2.4 The City should endeavor to maintain a diversified and stable revenue base in order to prevent overall revenue shortfalls as a result of periodic fluctuations in any one revenue source. Each existing and potential revenue source will be re-examined annually.

2. Operating Budgets.
(Continued)

2.5 The City shall use non-recurring resources and fund balances to fund non-recurring expenditures. Recurring revenues only shall be used to fund recurring expenditures.

2.6 User charges, rates and fees shall be established at a level related to the cost of providing the services. These charges, rates and fees shall be reviewed not less than annually in order to determine the appropriate level of funding anticipated to support the various related activities. In order to mitigate the magnitude of rate increases necessary for the Water and Wastewater Enterprise Fund, an independent cost of service study will be conducted at least every three (3) years to review rate methodology and ensure revenues will meet future obligations. The cost of service study shall include operating costs, anticipated capital improvements and use of associated impact fees, provision for an adequate level of working capital, and requirements necessary to meet all current and future revenue bond covenants,

2.7 Rates for water and wastewater enterprise activities shall be maintained at levels sufficient to ensure that annual revenues will be available to pay all direct and indirect costs of the enterprise activities, including costs of operation, capital improvements, maintenance, and principal and interest requirements on outstanding debt, and interest and sinking fund and reserve fund requirements. The City recognizes an obligation to provide water and sewer services to customers as economically as possible, while also maintaining the fiscal integrity of the Water and Wastewater Enterprise Fund; therefore, the City will seek to pass through (recover) increases in water supply costs and wastewater treatment services from customers of the City of Keller.

2.8 Net earnings of enterprise funds for any fiscal period should be adequate to meet all bond covenants, especially the debt coverage ratio. Net earnings shall be defined to include non-operating revenues available for debt service, excluding depreciation and transfers to other funds.

2.9 For enterprise funds, a working capital goal of at least sixty (60) days will be maintained at the end of each fiscal year. In order to mitigate the potential impact of extreme weather conditions each year, in addition to the aforementioned working capital reserve requirement, the Water and Wastewater Enterprise Fund shall maintain a rate stabilization reserve goal equal to five percent (5%) of annual water and wastewater revenues, with a minimum reserve goal of seven hundred fifty thousand dollars (\$750,000). Any use of or reduction in the rate stabilization reserve balance shall be authorized only by official action of the City Council.

2.10 Enterprise funds shall adequately compensate the General Fund (and other applicable funds) for administrative and/or management services provided to the enterprise funds. Transfers from enterprise activities to the general fund for administrative services shall not exceed the estimated costs incurred by the General Fund in providing such services. Payments in-lieu-of-taxes and franchise fee payments shall be paid by enterprise funds to other appropriate funds. The basis for each transfer shall be fully identified each year in the proposed budget.

2.11 A proposed budget for all funds shall be submitted to the City Council by the City Manager on or before August 15 of each year, for the ensuing fiscal year. [*Keller Charter, Section 8.02*]. The City Manager's proposed budget shall be filed in the Office of the City Secretary and the Keller Public Library, and posted on the City website for review and inspection by interested citizens.

2. Operating Budgets.
(Continued)

2.12 Unless otherwise noted in the annual budget document, annual fixed-dollar budgets will be adopted for all funds except capital project and trust funds for the period beginning October 1 and ending September 30 of the following year. Project budgets for capital projects are adopted on a project basis, and not a fiscal year basis.

2.13 All budget appropriations (except for capital projects funds) lapse at fiscal year-end (September 30). Any encumbered appropriations at year-end may be re-appropriated by the City Manager in the ensuing fiscal year. Such re-appropriations shall be subsequently reported to City Council.

2.14 All budgets shall be adopted on a basis of accounting consistent with GAAP, as applied to governmental entities, with the exception of Enterprise and Internal Service Funds. Revenues are budgeted as they become measurable and available. Expenditures are charged against the budget when they become measurable, or when a liability has been incurred and the liability is expected to be liquidated with available current resources. Outstanding encumbrances at year-end are re-appropriated in the budget of the ensuing fiscal year. For Enterprise and Internal Service Funds, depreciation is not budgeted, and capital improvements and debt service principal payments are budgeted as expenditures/expenses.

2.15 The budget shall be maintained at the legal level of control which is the department within the individual fund. Expenditures may not exceed the legal level of control at the department level within an individual fund without approval of the City Council. The City Manager is authorized to transfer appropriations within a department or between departments in an individual fund in accordance with these policy guidelines.

2.16 Authority to transfer appropriations *within* a fund or department. The City Manager may approve transfers of available appropriations between general classifications of expenditures within the same fund, provided the transfer amounts do not result in a net increase in total appropriations for the fund. The City Manager shall report to the City Council any transfer at the next regular Council meeting.

2.17 Authority to transfer appropriations *between* a fund. Transfers of available appropriations in general classifications of expenditures between funds, shall be approved only by the City Council.

2.18 Increase in total appropriations and use of contingency funds. The City Council shall also approve any budget modification(s) resulting in a net increase in appropriations, or any proposed use of contingency funds [*Keller Charter, Section 8.12*].

2.19 The City will strive to receive and retain the Distinguished Budget Presentation Award presented annually by the Government Finance Officers Association (GFOA).

2.20 Budgets of Enterprise and Internal Service Funds shall be self-supporting, i.e., current revenues plus working capital reserves will equal or exceed current expenditures (excluding depreciation).

2.21 Budgets of Enterprise and Internal Service Funds are prepared on a working capital basis, whereby depreciation expenses are not budgeted and capital outlay and debt service principal payments are budgeted as expenses. Reserves of Enterprise and Internal Service Funds will be disclosed using working capital, rather than retained earnings.

2. Operating Budgets.
(Continued)

2.22 Budgets shall integrate performance measures, goals and objectives, service levels and productivity measures where appropriate, and provide a means of measuring and monitoring performance, goals and productivity.

2.23 New positions and programs funded in annual budgets will be disclosed at their full annual cost in the initial and subsequent years of funding, or at the respective full-time equivalent costs for new positions. Even if the positions and/or programs are anticipated to begin mid-year, the full annual costs, or the full-time equivalent costs for new positions, will be disclosed in the budget. Positions temporarily vacant will also be disclosed at their full annual cost in the annual budget.

2.24 Replacement of worn-out existing capital equipment that is costly to maintain will not be deferred in the annual budget process.

3. Capital Improvements.

3.1 The City will develop and maintain a comprehensive five-year plan for capital improvements. This plan shall be presented to and reviewed by the City Council annually. Capital improvements for planning purposes shall be considered as all land, land improvements, building projects, infrastructure (i.e., streets, water and wastewater improvements) and equipment exceeding one hundred thousand dollars (\$100,000) in cost.

3.2 All capital improvements should be made in accordance with the five-year plan as adopted or reviewed by the City Council.

3.3 The City Council shall adopt an annual capital budget that is based on the five-year capital improvement plan. This capital budget shall identify the sources of funding for each capital project authorized for the ensuing fiscal year. Assessments and pro-rata charges may be applied where applicable to fund capital projects.

3.4 The City's capital improvement program shall be coordinated with the operating budgets. Operating costs associated with each capital improvement project will be identified in the capital budget and included in the appropriate operating budget if the project is authorized.

3.5 Capital project status reports shall be prepared monthly, on a timely basis.

3.6 Interest earnings on bond proceeds shall be credited to the appropriate capital project fund(s) or debt service fund(s).

3.7 For capital budgeting purposes, capital improvement projects for facilities (fire stations, libraries, City Halls, etc.) will not only include cost of acquisition or construction of the facility, but shall also include the annual operating costs of staffing, equipping, operating and insuring of the facility. The City shall not finance annual operating costs with the issuance of debt, per Section 4.1.

3.8 The City will strive to adequately measure the condition of our infrastructure, and the degree to which the City is meeting infrastructure replacement needs.

3. Capital Improvements.
(Continued)

3.9 The City Council may establish, by resolution, policies and procedures for prioritizing capital project improvements, establishing a reserve therefore, and the funding thereof in accordance with the provisions of the City's Financial Management Policies.

4. Debt Management.

4.1 Long-term debt shall not be incurred to finance current operations. Long-term debt shall be defined as debt requiring more than five years to retire. Short-term or interim debt shall be defined as debt requiring five years or less to retire, and may be used to fund purchases of machinery, equipment (including office equipment) and vehicles.

4.2 When any debt is issued to finance capital improvements, the City shall retire the debt within a period not to exceed the expected useful life of the projects or improvements being financed.

4.3 Total debt service requirements (principal and interest) in any fiscal year should generally not exceed twenty-five percent (25%) of the City's total expenditures/expenses (excluding capital projects funds).

4.4 Total direct general obligation debt service requirements shall not exceed fifteen percent (15%) of the assessed value of taxable property.

4.5 The City shall maintain good communications with the major bond rating agencies concerning the City's financial condition, and shall follow a policy of full disclosure in every financial report and official bond statement. The City will maintain sound fiscal management practices to maintain and improve current bond ratings.

4.6 Interest and sinking fund and/or debt reserve balances shall be maintained in accordance with the City's most restrictive bond ordinances and/or covenants.

4.7 Use of impact fee revenue for debt will be evaluated during each budget year. The amount of impact fees being used for debt service shall be fully disclosed in the annual budget.

4.8 Debt issuance is costly, time-consuming and should be done no more than once a year if possible.

4.9 The percentage of the tax rate designated for debt service purposes should not exceed forty percent (40%) of the total tax rate.

5. Financial Reporting.

5.1 The City will strive to receive and retain the Certificate of Achievement for Excellence in Financial Reporting awarded annually by the Government Finance Officers Association of the United States and Canada (GFOA).

5.2 An annual independent financial audit shall be performed by a properly licensed independent public accounting firm, and results of this audit will be presented to the City Council by March 31 of the following year in the form of a Comprehensive Annual Financial Report (CAFR), in accordance with generally accepted accounting principles (GAAP) and GFOA requirements.

5.3 Timely interim financial reports will be produced for department managers for internal purposes. Departmental reports comparing budget to actual amounts shall be prepared by the Finance Department in a timely manner.

5.4 Financial statements shall be prepared on at least a quarterly basis and made available to the City Council in a condensed format. After presentation of the report to the City Council, the report shall be made available for public inspection.

5.5 Every three to five years, the City will issue requests for proposal to choose an auditor for a period not to exceed five years.

6. Purchasing.

6.1 The City Manager shall be responsible for maintaining a written purchasing policy in accordance with State statutes and City Ordinances.

6.2 The 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 fifteen thousand dollars (\$15,000) or less.

6.3.2 Purchases greater than fifteen thousand dollars (\$15,000) but less than fifty thousand dollars (\$50,000) will require detailed specifications, and must be approved by the Department Head, the Director of Finance and the City Manager.

6.3.3 Purchases exceeding fifty thousand dollars (\$50,000) will be subject to competitive bidding requirements and may be approved only by the City Council. Formal competitive bids shall be required for all purchases in excess of those limits established by State statutes. Purchases below State statute limitations may be approved by the Department Director and Finance Director, and/or the City Manager in accordance with City statutes and written purchasing policies and procedures.

6.4 Lease purchase or installment purchase agreements may be used to finance capital items with a purchase price exceeding fifty thousand dollars (\$50,000) and having a useful life in excess of one (1) year. All lease purchase agreements in excess of limits established by State statutes will be awarded by City Council.

6. Purchasing.
(Continued)

6.5 In accordance with the City's Purchasing Policy, the City may consider one or more competitive sealed bids from a bidder whose principal place of business is within the city limits, in accordance with provisions of Chapter 271, Subchapter 271.9051 of the Local Government Code.

6.6 The administrative purchasing procedures shall contain an ethics section, in accordance with State of Texas statutes and the City's Ethics Policy.

6.7 Chapter 791 of the Texas Government Code (the Interlocal Cooperation Act) authorizes government entities within the State of Texas to contract with one another for the provision of various governmental functions and the delivery of various governmental services, including those in the areas of purchasing goods, supplies and services. Therefore, in an effort to utilize resources wisely, the City will enter into interlocal agreements, when advantageous to the City, with other governmental entities such as the State of Texas, North Central Texas Council of Governments, Houston-Galveston Area Council of Governments, the City of Fort Worth, Tarrant County, or Keller Independent School District, in order to take advantage of purchasing contracts with favorable pricing arrangements.

6.8 Authorization and Approval of Change Orders. The City Council hereby grants authority to the City Manager to execute any and all change orders which involve a decrease or an increase of twenty-five thousand dollars (\$25,000) or less, provided the total contract expenditures do not exceed the budgeted amount. Any change order involving a decrease or an increase in excess of twenty-five thousand dollars (\$25,000) requires approval of the City Council, in accordance with Local Government Code, Section 252.048.

7. Cash and Investments.

7.1 The 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 one thousand dollars (\$1,000) which have been delinquent for more than one hundred twenty (120) days. These accounts will be aggressively pursued for collection by any lawful and available means. Accounts which are in bankruptcy status, involving a claim of one thousand dollars (\$1,000) or less, which require the City to make an election to the bankruptcy court, will be referred to the City Manager, with a recommendation by the City Attorney. The City Manager shall report all bad debt write-offs to City Council. All accounts involving write-offs greater than one thousand dollars (\$1,000) shall be referred directly to City Council for write off, or further recommended action.

8.2 The City shall follow a policy of aggressively pursuing the collection of current and delinquent ad valorem taxes, and shall strive to maintain a current ad valorem tax collection rate equal to or exceeding ninety-seven percent (97%) of the current levy. In addition, the City will aggressively pursue collection of other debts owed to the City, e.g., water bills, ambulance billings, etc.

8.3 Sound appraisal procedures and practices will be monitored by the City in order to keep property values current. The City will annually review the various levels of property tax exemptions and abatements which may be optionally granted by the City.

8.4 The City may impose impact fees upon new development. The purposes of these fees are to pay a portion of the cost of constructing capital improvements or facility expansions necessary to serve new development.

8.5 Expenditures of impact fees are limited to paying the cost of construction or capital improvements or facility expansions and to payment of principal and interest on bonds, notes, or other obligations issued to finance eligible capital improvements.

8.6 Plans and costs of enforcement related to the passage of ordinances and/or other legislation (if any) should be disclosed to the City Council by the City Manager, prior to the passage of ordinances and/or other legislation.

8.7 Consistent efforts shall be made to reconcile the total water volume sold to the total water volume purchased or pumped. Acceptable water losses for fire-fighting, fire hydrant testing and broken lines should not exceed seven percent (7%). To achieve this goal, it is the policy of the City that all water service, including City-owned facilities, be metered appropriately.

8.8 Efforts shall be made to reconcile wastewater contributed from customers to those volumes flowing through treatment facilities. Acceptable amounts of inflow and infiltration should not exceed ten percent (10%).

8.9 Utility billing collection cycles should be as short as practical and utility security deposits should reflect those cycles in order to minimize losses to the City. Meter readings should occur in relatively uniform monthly time frames, and utility bills should be generated in a timely manner thereafter. Utility bills should be due no more than fifteen (15) days after the customer receives the bill. Delinquent notices should be mailed one day after the due date. Termination of utility service should occur no more than sixty (60) days after the meter reading date.

8. General Policies.
(Continued)

8.10 The City will evaluate privatization of services which will either maintain or improve the existing quality of services, while at the same time minimizing the cost of the service to the public. Examples of services to be evaluated for privatization are solid waste collection, engineering, and data processing services.

8.11 The City will provide adequate staffing and training to our fiscal functions in order to maintain effective internal controls, timely financial transactions and meaningful financial management information.

8.12 Utility cost subsidies should be minimized. Cost subsidies can occur between funds, i.e., General Fund and Water and Wastewater Enterprise Fund; between utilities, water utility and sewer utility; between customers, residential customers and commercial customers; and between generations, current and future generations.

8.13 The City will cautiously evaluate the granting of tax exemptions and/or abatements, which shift tax burdens, and may also eventually raise the overall tax rate.

8.14 The City will thoroughly review state and federal legislation that will impact City services, and the potential or resulting costs to citizens.

Fiscal Management Contingency Plan

The contingency plan is a planning document that will be used in the event there is a downturn in economic conditions that will negatively impact the City of Keller budget. The City is dependent on a stable, growing economy so that budgeted revenues will be realized. It is essential that the City of Keller constantly monitor economic conditions and any possible negative impacts on the City's revenues.

The fiscal management plan will assist City management in guiding future planning efforts. The Plan is a guide only, and is intended to assist in budget balancing strategies. Depending upon management's response to economic and financial conditions, some parts of the plan may be implemented sooner or later, in accordance with direction from the City Council. Economic and budget conditions will be evaluated monthly, and any budget impacts resulting from economic conditions or trends will be identified.

Throughout the contingency plan process, the goal is to protect current service levels, while continuing to provide competitive pay and benefits to all employees.

Budgetary Revenue Shortfall Contingency Plan

- A. The City will establish a plan to address economic situations that cause revenue to be significantly less than the adopted budget revenue. The plan is comprised of the following components:

Indicators – Serve as warnings that potential budgetary revenue shortfalls are increasing in probability. Staff will monitor state and national economic indicators to identify recessionary or inflationary trends that could negatively impact consumer spending or property values.

Levels – Serve to classify and communicate the severity of the estimated budgetary revenue shortfalls and identify the actions to be taken at the given phase.

Actions – Preplanned steps to be taken in order to prudently address and counteract the estimated budgetary revenue shortfall.

- B. The actions listed in Levels I through IV are intended to be short-term in nature. In the event the underlying economic situation is expected to last for consecutive years, more permanent actions will be taken.

- C. The City Manager or designee will apprise City Council at the regular City Council meeting immediately following any action taken through this plan. Information such as underlying economic conditions, economic indicators, estimated budgetary revenue shortfalls, actions taken and expected duration will be presented to City Council.

- D. The City Council may appropriate available fund balance as needed to cover any estimated revenue shortfall. Appropriation of fund balance must be carefully weighed and long-term budgetary impacts must be considered in conjunction with the projected length of the economic downturn.

- E. Actions taken through this plan must always consider the impact on revenue generation. Actions taken should reduce expenses well in excess of resulting revenue losses.

- F. The following is a summary of classifications and the corresponding actions to be taken.

1. Level I: The estimated annual revenue is below budget projections for 3 consecutive months. Current economic conditions and indicators may continue.
 - a. Expenditures:
 - i. Freeze newly created positions.
 - ii. Implement a time delay for hiring vacant positions.
 - b. Revenues:
 - i. Identify any potential new revenue sources.
 - c. Service Level Impacts:
 - i. Minor service level disruptions and/or delays.
 - ii. New projects may be postponed or deferred.

- iii. Begin planning for Levels II through IV.
 - iv. Implement Community Communication Plan in order to communicate to citizens any service levels that may be impacted.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate normal operating procedures.
- 2. Level II: The estimated annual revenue is below budget projections for 6 consecutive months. Current economic conditions and indicators are anticipated to continue.
 - a. Expenditures:
 - i. Implement a managed-hiring program for vacant positions.
 - ii. Reduce the hours/number of part-time and seasonal employees as per Reduction In Force Policy.
 - iii. Reduce travel and training expenses.
 - iv. Review and prioritize reductions of operating and capital expenditures.
 - v. Eliminate or defer capital outlay expenses.
 - vi. Review and prioritize expenses for professional and contracted services.
 - b. Revenues:
 - i. Evaluate user fees in order to remain competitive.
 - ii. Identify and/or implement new revenue sources.
 - iii. Evaluate property tax rate increase.
 - iv. Evaluate water and wastewater rate increases.
 - v. Evaluate use of available fund balance.
 - c. Service Levels Impacts:
 - i. Cutbacks or reductions in non-essential day-to-day operations (number of times parks are mowed, hours of operations of facilities).
 - ii. Defer general (non-essential) maintenance.
 - iii. Prioritize and defer or freeze vehicle replacements, computer upgrades and new computer purchases. Replacements for essential non-working equipment are allowed, subject to approval by the City Manager.
 - iv. Reduce or defer non-essential repair and maintenance expenses. Examples – vehicles, communications, office equipment, machinery and buildings. Repair and maintenance of essential non-working equipment is permitted, subject to approval by the City Manager.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level I.
- 3. Level III: The estimated annual revenue is below budget projections for 9 consecutive months, or is below budget projections by more than 6% for 6 consecutive months. Current economic conditions and indicators are anticipated to continue or possibly worsen.
 - a. Expenditures:
 - i. Prepare for implementation of a Reduction in Force Plan.
 - ii. Implement a compensation freeze.
 - iii. Identify overtime expenses that may likely be reduced.
 - iv. Reduce external program funding.
 - v. Eliminate or defer pending capital improvement projects.
 - vi. Consider deferring payments to City-owned utilities – water and wastewater services.
 - b. Revenues:
 - i. Recommend property tax increase.
 - ii. Recommend water and/or wastewater rate increase.
 - iii. Recommend new revenues, or increases in current fees.
 - iv. Recommend use of available fund balance.
 - c. Service Level Impacts:
 - i. Significant reductions in service levels.
 - ii. Evaluate and/or recommend a reduction in hours of operation at all facilities.
 - iii. Essential programs and services will be evaluated for reductions.
 - iv. Reduce energy costs through reduction in hours of operations.

- d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level II.
4. Level IV: The estimated annual revenue is below budget projections for 12 consecutive months, or is below budget projections by more than 6% for 9 consecutive months. Current economic conditions and indicators are anticipated to continue and are likely to worsen.
- a. Expenditures:
 - i. Implement Reduction in Force Plan (reduce employee personnel costs, including an employee furlough plan for time off without pay and/or four-day work weeks, laying off of personnel, etc.).
 - ii. Consider other cost reduction strategies.
 - iii. Reduce departmental budgets by a fixed percentage or dollar amount.
 - iv. Eliminate external program funding.
 - v. Reduce and/or eliminate overtime expenses throughout departments.
 - b. Revenues:
 - i. Implement property tax rate increase.
 - ii. Implement water and wastewater rate increase.
 - iii. Increase user fees.
 - iv. Implement use of available fund balance.
 - c. Service Level Impacts:
 - i. Reduce hours of operations of all facilities.
 - ii. Implement service level reductions throughout all departments and/or eliminate specific programs.
 - iii. Departments will prioritize service levels and programs according to City Council goals and objectives.
 - iv. Defer infrastructure and street overlay maintenance.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level III.

GENERAL AND DEBT SERVICE FUND LONG-RANGE FINANCIAL PROJECTIONS

The primary purpose of the long-range financial outlook is to provide a multi-year financial overview for the General and Debt Service Funds. This outlook provides the City with projected revenues and expenditures over a five-year period.

The long-range projection is a tool for financial planning. It is not a formal forecast, and the City Council has not officially adopted these projections. The long-range projection is not intended as a budget or as a formal proposed plan. Rather, it is presented for informational and planning purposes only. The projections assist both the City Council and staff with establishing priorities and allocating resources properly.

The current outlook shows a challenging future for the City's General Fund operating budget, as projected growth in expenditures exceeds the projected growth in revenues. The projections are based on a series of conservative assumptions, and do not reflect future actions the City will take to close the projected deficits during the five-year period. Each year, the City Council will review and evaluate the proposed budget and make the corrections and adjustments necessary for meeting the Council's goals, while maintaining the required fund balance reserves.

The projections include conservative growth rate assumptions for both revenues and expenditures. Further, the projection assumes no new programs or new debt. The projections below were prepared in April 2014, based on the following assumptions:

Major Revenues:

- Growth in taxable values – 2.25% for fiscal year 2015; 2.5% for fiscal year 2016; 2.25% for fiscal years 2017 and 2017; and 2% for fiscal year 2018
- Sales taxes – 3% for fiscal years 2015 through 2019
- Franchise and other taxes – 1% for fiscal year 2015, and 3% for years 2016 through 2019
- Building and development fees – average of 3% per year
- Intergovernmental revenues – average of 3% per year

Expenditures:

- Personnel services (including benefits) – 3% for fiscal year 2015; 4% for fiscal years 2016 through 2019; no new positions included in the projections
- Operations and maintenance – 2% for fiscal years 2015 through 2019
- Services and other – 2% for fiscal year 2015 through 2019
- Capital outlay – \$1,260,000 per year
- No new programs

Debt Service:

- Assumes no new tax-supported debt

(Continued)

LONG-RANGE FINANCIAL PROJECTIONS

(continued)

Projections as of April 2014, *including the 2014-15 amounts:*

	2013-14 ESTIMATE	2014-15	2015-16	2016-17	2017-18	2018-19
GENERAL GOVERNMENT MULTI-YEAR FINANCIAL FORECAST						
REVENUES:						
Property Taxes	\$ 18,898,880	\$ 19,054,746	\$ 19,531,103	\$ 19,966,266	\$ 20,411,120	\$ 20,810,357
Sales Taxes	4,715,000	4,856,450	5,002,144	5,152,208	5,306,774	5,465,977
Other Taxes	4,010,520	4,107,794	4,222,185	4,339,920	4,461,094	4,559,280
Fines & Fees	2,196,000	2,270,447	2,330,998	2,393,216	2,457,148	2,522,839
Building Permits/Fees	1,098,240	1,173,591	1,229,124	1,288,440	1,327,093	1,366,905
Development Fees	187,540	196,786	202,690	208,771	215,034	221,486
Inter-Intragovernmental	4,144,446	3,998,970	4,092,692	4,202,769	4,315,917	4,432,225
Other Revenue	164,290	162,134	166,080	170,126	174,275	178,529
Total Revenues Before Transfers	35,414,916	35,820,918	36,777,016	37,721,716	38,668,455	39,557,598
TRANSFERS FROM OTHER FUNDS:						
Debt Service Transfers from Other Funds	592,790	629,619	631,916	566,177	547,197	464,189
Total Transfers	592,790	629,619	631,916	566,177	547,197	464,189
TOTAL REVENUES & TRANSFERS	\$ 36,007,706	\$ 36,450,537	\$ 37,408,932	\$ 38,287,893	\$ 39,215,652	\$ 40,021,787
EXPENDITURES:						
Personnel Services	\$ 21,487,842	\$ 22,123,882	\$ 23,008,835	\$ 23,929,187	\$ 24,886,355	\$ 25,881,806
Operations & Maintenance	2,337,690	2,384,444	2,432,135	2,480,778	2,530,394	2,581,000
Services & Other	6,036,916	6,157,656	6,280,808	6,406,422	6,534,549	6,665,242
TIRZ No. 1 Assessment/Subsidy	662,685	670,776	677,484	687,646	697,961	711,920
Debt Service	4,990,185	4,717,943	4,726,665	4,258,033	4,060,059	3,696,310
One-time Expenditures	3,836,130	-	-	-	-	-
Capital Outlay	1,607,695	1,260,000	1,260,000	1,260,000	1,260,000	1,260,000
Total Expenditures Before Transfers	40,959,143	37,314,702	38,385,927	39,022,066	39,969,318	40,796,278
Transfers to Other Funds	300,000	300,000	300,000	225,000	225,000	225,000
Total Transfers	300,000	300,000	300,000	225,000	225,000	225,000
TOTAL EXPENDITURES & TRANSFERS	41,259,143	37,614,702	38,685,927	39,247,066	40,194,318	41,021,278
NET REVENUES (EXPENDITURES)	\$ (5,251,437)	\$ (1,164,165)	\$ (1,276,994)	\$ (959,173)	\$ (978,665)	\$ (999,491)

GENERAL GOVERNMENT MULTI-YEAR FINANCIAL FORECAST FUND BALANCE SUMMARY						
GENERAL FUND						
Undesignated Beginning Balance	\$ 13,851,140	\$ 8,689,183	\$ 7,525,073	\$ 6,247,864	\$ 5,288,874	\$ 4,310,297
Net Revenues (Expenditures)	(5,161,957)	(1,164,110)	(1,277,209)	(958,990)	(978,577)	(999,691)
Undesignated Ending Balance	8,689,183	7,525,073	6,247,864	5,288,874	4,310,297	3,310,606
Days of Operations	93	85	68	56	44	33
Percentage of Operating Expenditures	25%	24%	19%	16%	12%	9%
FUND BALANCE REQUIREMENT	\$ 6,865,109	\$ 6,207,830	\$ 6,413,124	\$ 6,625,964	\$ 6,846,641	\$ 7,075,454
Unreserved fund balance requirement of operating expenditures (number of days)	70	70	70	70	70	70
DEBT SERVICE FUND						
Beginning Balance	\$ 533,472	\$ 443,992	\$ 443,937	\$ 444,152	\$ 443,968	\$ 443,880
Net Revenues (Expenditures)	(89,480)	(55)	215	(183)	(88)	200
Ending Balance	443,992	443,937	444,152	443,968	443,880	444,080
Direct tax-supported debt per capita (net of self-supporting debt transfers)	\$ 619	\$ 550	\$ 480	\$ 414	\$ 351	\$ 297

The 2014-15 amounts have not been updated with the adopted budget amounts.

(Continued)

LONG-RANGE FINANCIAL PROJECTIONS

(continued)

Revenues:

Based on the assumptions shown above, during the five-year projection period, total revenues and transfers are projected to increase by \$3.57 million. Major increases in revenues over the five-year period are as follows:

- Property taxes increase by \$1,755,611, with 100 percent of the increase attributable to growth in taxable value
- Sales taxes increase by \$609,527
- Other taxes, comprised primarily of franchise revenues, increase by \$451,486
- Inter-intragovernmental revenues increase by \$433,255; these revenues are comprised of general and administrative charges to other funds, as well as intergovernmental revenues received from contracting cities (Southlake, Westlake and Colleyville) for public safety services (police, dispatch, jail) provided by City of Keller employees

Expenditures:

Based on the assumptions shown above, during the five-year projection period, total expenditures and transfers are projected to increase by \$3.41 million. Major increases in expenditures over the five-year period are as follows:

- Personnel services, including wages, salaries and benefits, increase by \$3.76 million, and includes a total of 237 full-time equivalent positions
- Services and other increase by \$507,586
- Debt service expenditures decrease by \$1,024,633, due to retirement of existing debt

As the projections indicate, beginning in fiscal year 2016-17 the General Fund ending fund balance will fall below the targeted balance by approximately \$1.34 million (14 days). As stated earlier, the projections do not reflect future actions the City will take to close the projected deficits during the five-year period. Each year, the City Council will review and evaluate the proposed budget and make the necessary corrections and adjustments needed in order to meet the Council's goals and priorities, while maintaining the required fund balance reserves.

CITY OF KELLER, TEXAS
COMPENSATION PAY PLAN
Fiscal Year 2014-2015

The City maintains a compensation plan for all employees, except the City Manager and City Secretary, whose compensation is determined by the City Council. The compensation pay plan is a broadband pay plan. All positions participate in the broadband pay plan with only minimum, midpoint, and maximum salaries.

All forms of compensation and pay increases, including (but not limited to) cost of living adjustments (COLA), pay plan adjustments, merit pay, market adjustments, and position reclassifications are subject to available funding and approved appropriation of the City Council.

Performance evaluations for all employees who have completed six months of service are performed annually in September. Upon satisfactory evaluation, employees are eligible for a merit increase which may be in the form of a percentage of pay added to base salary, percentage of pay lump sum, or a one-time specific amount lump sum.

Non-Exempt Positions. All non-exempt (hourly) positions are eligible for overtime compensation. Bi-weekly wages are based on a 40-hour work week, or 2,080 hours per year, equaling one full-time equivalent (FTE) position. This work schedule applies to all hourly regular, year-round employees, except for those employees on the Fire Pay Plan.

Non-Exempt Positions (Fire Pay Plan). Fire Department non-exempt (hourly) positions are eligible for overtime pay. Bi-weekly wages are based on 24-hour shifts averaging 56 hours per week, or 2,912 annual hours. In accordance with the provisions of Section 207(k) of the Fair Labor Standards Act, hours worked in excess of 212 hours in each 28-day work period are paid at the appropriate overtime rate.

Exempt Positions. Exempt (salaried) positions are not eligible for overtime compensation. Salary is not calculated on the number of hours worked. Exempt positions include managers and directors.

The summary compensation pay plan is provided on the following page.

**CITY OF KELLER, TEXAS
COMPENSATION PAY PLAN**

Fiscal Year 2014-2015

COMPENSATION PLAN

Pay Class	Minimum Annual	Mid-Point Annual	Maximum Annual
ADMINISTRATIVE/TECHNICAL NON-EXEMPT PAY PLAN			
A/TN-1	\$ 25,002	\$ 30,087	\$ 35,173
A/TN-2	26,499	31,886	37,274
A/TN-3	28,080	33,790	39,499
A/TN-4	29,786	35,828	41,870
A/TN-5	31,554	37,981	44,408
A/TN-6	33,446	40,248	47,050
A/TN-7	35,464	42,682	49,899
A/TN-8	37,586	45,240	52,894
A/TN-9	39,832	47,934	56,035
A/TN-10	42,224	50,814	59,405
A/TN-11	44,762	53,851	62,941
A/TN-12	47,424	57,075	66,726
TRADES NON-EXEMPT PAY PLAN			
TN-1	26,395	31,762	37,128
TN-2	27,976	33,665	39,354
TN-3	29,661	35,693	41,725
TN-4	31,429	37,814	44,200
TN-5	33,322	40,092	46,862
TN-6	35,298	42,494	49,691
TN-7	37,419	45,042	52,666
TN-8	39,686	47,746	55,806
TN-9	42,058	50,617	59,176
TN-10	44,574	53,654	62,733
TN-11	47,258	56,878	66,498
TN-12	50,086	60,289	70,491
POLICE/FIRE PERSONNEL NON-EXEMPT PAY PLAN			
PN-1	31,928	37,773	43,618
PN-2	33,821	40,040	46,259
PN-3	35,859	42,432	49,005
PN-4	38,002	44,980	51,958
PN-5	40,269	47,674	55,078
POLICE NON-EXEMPT PAY PLAN			
PSN-PR (Recruit)	47,362	N/A	N/A
PSN--PO/CI	51,438	59,540	67,642
PSN-CO	62,691	70,366	78,042
PSN-S	72,550	80,184	87,818
POLICE EXEMPT PAY PLAN			
PSE-PC	91,354	99,119	106,884
FIRE NON-EXEMPT PAY PLAN (SHIFT)			
PSN-FR (Recruit)	\$ 48,368	N/A	N/A
PSN-F	51,280	59,332	67,384
PSN-D/F	63,423	71,184	78,944
PSN-FC	76,877	84,972	93,068
PSN-BC	87,826	95,295	102,764
FIRE NON-EXEMPT PAY PLAN (NON-SHIFT)			
PSN-FI	63,423	71,184	78,944
PSN-FM	80,704	89,211	97,718
FIRE EXEMPT PAY PLAN			
PSE-BC	87,826	95,295	102,764
PROFESSIONAL EXEMPT PAY PLAN			
PE-1	37,607	45,257	52,907
PE-2	39,864	47,973	56,082
PE-3	42,255	50,851	59,447
PE-4	44,791	53,902	63,014
PE-5	47,478	57,136	66,795
PE-6	50,327	60,564	70,802
PE-7	53,346	64,198	75,050
PE-8	56,547	68,050	79,553
PE-9	59,940	72,133	84,327
PE-10	63,536	76,461	89,386
PE-11	67,348	81,049	94,749
PE-12	71,389	85,911	100,434
DIRECTOR AND MANAGER PAY PLAN			
M-1	62,719	78,712	94,705
M-2	73,741	92,545	111,349
M-3	93,455	117,287	141,118
M-4	112,147	140,744	169,341
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	10.25	11.23	12.21
RCS-5	12.00	13.15	14.29
EXEMPT (NON-CLASSIFIED) POSITIONS			
City Manager			
City Secretary			

CITY OF KELLER, TEXAS
List of Acronyms

CAD	Computer-aided Dispatch
CAFR	Comprehensive Annual Financial Report
CALEA	Commission on Accreditation for Law Enforcement Agencies
CERT	Community Emergency Response Team
CIP	Capital Improvements Program
CO	Certificate of Obligation
COLA	Cost of Living Adjustment
CPI	Consumer Price Index
DPS	Department of Public Safety
DRC	Development Review Committee
EAT	Employee Activity Team
EMS	Emergency Medical Services
FTE	Full-time equivalent
FY	Fiscal Year
FYTD	Fiscal Year-to-Date
GAAP	Generally Accepted Accounting Principles
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
GO	General Obligation
I&S	Interest and Sinking
KCCPD	Keller Crime Control Prevention District
KDC	Keller Development Corporation
KEDB	Keller Economic Development Board
KISD	Keller Independent School District
KIT	Keller Improvement Team
KSP	Keller Sports Park
KTC	Keller Town Center
KTP	Keller Technology Plan
M&O	Maintenance and Operations

CITY OF KELLER, TEXAS
List of Acronyms

MGD	Million Gallons per Day
MSC	Municipal Service Center
NCTCOG	North Central Texas Council of Governments
NEFDA	Northeast Fire Department Association
NETCO	Northeast Trunked Radio Consortium
NETCOM	Northeast Tarrant Communications Center
OTK	Old Town Keller
PEG	Public Education and Government
PILOT	Payment in lieu of Taxes
RIF	Reduction in Force
ROW	Right of Way
SCADA	Supervisory Control and Data Acquisition
SCBA	Self-contained Breathing Apparatus
SEC	Securities and Exchange Commission
TAD	Tarrant Appraisal District
TCEQ	Texas Commission on Environmental Quality
TML	Texas Municipal League
TMRS	Texas Municipal Retirement System
TIF	Tax Increment Financing
TIRZ	Tax Increment Reinvestment Zone
TRA	Trinity River Authority
TxDOT	Texas Department of Transportation
YTD	Year-to-Date

GLOSSARY OF TERMS

The annual budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader in understanding these terms, this glossary has been included in the budget document.

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-A-

ACCRUAL BASIS OF ACCOUNTING. A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred. For example, water revenues which are billed in September are recorded as revenues in September, even though payment in cash is actually received in October. Similarly, services or supplies that have been received in September, but actually paid for by the City in October, are recorded as obligations of the City (expenses) in September. Accrual accounting is used for the City's enterprise funds for financial reporting purposes.

ADOPTED BUDGET. The budget as modified and finally approved by the City Council. The adopted budget is authorized by ordinance that sets the legal spending limits for the fiscal year.

AD VALOREM TAX. A tax levied on the assessed valuation of land and improvements.

APPRAISED VALUE. The estimated value of property for the purpose of taxation, as established by the Tarrant Appraisal District.

APPROPRIATION. An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of resources. Appropriations normally are made for fixed amounts at the department level and cover, in the operating budget, a one-year period.

APPROPRIATION (BUDGET) ORDINANCE. The official enactment by the City Council establishing the legal authority for City officials to obligate and expend resources.

ASSESSED VALUATION. A value that is established for real or personal property for use as a basis for levying property taxes. Property values in Keller are established by the Tarrant Appraisal District.

ASSETS. Resources owned or held by the City that have monetary value.

AUTHORIZED POSITION(S). See *FULL-TIME EQUIVALENT POSITION*.

-B-

BALANCED BUDGET. A budget adopted by the City Council and authorized by ordinance where the proposed expenditures are equal to or less than the proposed revenues plus fund balances.

BASIS OF ACCOUNTING. A term used referring as to when revenues, expenditures, expenses, and transfers –and related assets and liabilities – are recognized in the accounts and reported in the City's financial statements.

BUDGET. The City's financial plan that contains both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives.

BUDGET ADJUSTMENT (AMENDMENT). A formal legal procedure utilized by the City to revise a budget during a fiscal year.

BUDGET CALENDAR. The schedule of dates used as a guide to complete the various steps of the budget preparation and adoption processes.

BUDGET ENHANCEMENT. A request for additional funding for a program, service, or the expansion of current services. Budget enhancements are used during the budget preparation process in order to identify specific departmental requests in the proposed budget. Budget enhancements are ranked in their order of priority by the department manager making the request. Budget enhancements are distinguished in the proposed budget separately from the "base line" or "current services" funding levels. Also see: *DECISION PACKAGE* and *SUPPLEMENTAL DECISION PACKAGE*.

BUDGET MESSAGE. The opening section of the budget document from the City Manager that provides the City Council and the public with a general summary of the most important aspects of the budget. Sometimes referred to as a "transmittal letter."

BUDGETARY CONTROL. The control of management of the organization in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

GLOSSARY OF TERMS

-C-

CAPITAL OUTLAY. An expenditure which results in the acquisition of or addition to fixed assets, and meets these criteria: having an anticipated useful life of more than one year; can be permanently identified as an individual unit of property; belonging to one of the following categories – land, buildings, machinery and equipment, vehicles, or furniture and fixtures; constitutes a tangible, permanent addition to the value of City assets; cost generally exceeds \$5,000; does not constitute repair or maintenance; and is not readily susceptible to loss. In the budget, capital outlay is budgeted as expenditures in all fund types.

CAPITAL PROJECT FUND. A fund used to account for the financial resources to be used for the acquisition or construction of major capital facilities or equipment, usually financed by the issuance of debt.

CERTIFICATES OF OBLIGATION. Tax-supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval of the City Council.

CERTIFIED APPRAISAL ROLL. The final property appraisals roll, as calculated by the Tarrant Appraisal District (TAD). The certified roll is required to be prepared by TAD by July 25 of each year.

CITY CHARTER. The document of a home rule City similar to a constitution, which establishes the City's government structure and provides for the distribution of powers and duties among the various branches of government.

CITY COUNCIL. The elected governing body of the City, consisting of the Mayor and 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.

-D-

DEBT SERVICE. The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

DEBT SERVICE FUND. A fund used to account for resources and expenditures related to retirement of the City's general obligation debt service, sometimes referred to as a "sinking fund."

DECISION PACKAGE. A request for additional funding for a program, service, or the expansion of current services. A decision package is also required for any new personnel and capital requests. Decision packages are used during the budget preparation process in order to identify specific departmental requests in the proposed budget. Decision packages are ranked in their order of priority by the department manager making the request. Decision packages are distinguished in the proposed budget separately from the "base line" or "current services" funding levels. (See *BUDGET ENHANCEMENT*)

DEFERRED REVENUE. Cash received from customers in advance of services received. Recorded as a liability under general accepted accounting principles. Used primarily for operations of The Keller Pointe Recreation/Aquatic Center, where annual memberships are recorded as deferred revenue in 12 monthly installments. Also referred to as *Unearned Revenue*.

DELINQUENT TAXES. Taxes that remain unpaid after the date on which a penalty for nonpayment is attached. Property taxes are delinquent if not paid by January 31.

DEPARTMENT. A major administrative organizational unit of the City containing one or more divisions or activities.

-E-

EFFECTIVE TAX RATE. Defined by State law. In general, the tax rate that will raise the same amount of property tax revenue as the previous year, based on properties taxed in both years.

GLOSSARY OF TERMS

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.

ENTERPRISE FUND. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

ESTIMATED BUDGET. The City's estimated financial plan, using mid-year estimates, containing both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives. The City uses the current year estimate during the budget process in order to determine the estimated beginning fund balances for the next year. (Sometimes called *Revised Budget*.)

EXPENDITURE. The outflow of funds paid or to be paid for assets obtained or goods and services obtained regardless of when the expense is actually paid. An expenditure decreases fund balance.

-F-

FISCAL YEAR. The time period designated by the City signifying the beginning and ending period for the recording of financial transactions. The City's fiscal year is October 1 through September 30.

FRANCHISE FEES (TAXES). A fee (tax) paid by a public utility for the use of public property in providing their services to the citizens of Keller. The fee is typically calculated as a percentage of the utility's gross receipts.

FULL-TIME EQUIVALENT (FTE) POSITION. A position for an employee working a 40-hour work week for 52 weeks a year, i.e., 2,080 annual hours (2,912 annual hours for firefighters).

FUND. A fiscal and accounting entity established to record receipt and disbursement of income from sources set aside to support specific activities or to attain certain objectives. Each fund is treated as a distinct fiscal entity where assets equal liabilities plus fund balances.

FUND BALANCE. Unless stated otherwise, the excess of a fund's current assets over its current liabilities; sometimes called working capital in enterprise funds. Negative fund balances are referred to as a deficit.

-G-

GENERAL FUND. The fund used to account for financial resources except those funds required to be accounted for in another fund; the general fund is tax supported and includes the operations of most City services, i.e., police, fire, streets, parks and recreation, and administration.

GENERAL OBLIGATION DEBT. Money owed on interest and principal to holders of the City's general obligation bonds. The debt is supported by revenues provided from real property that is assessed through the taxation power of the City.

GOAL. A broad, general statement of each department's or divisions desired social or organizational outcomes.

-I-

IMPACT FEE. A fee imposed by the City on new development. Impact fees are collected for roadway, water and sewer improvements. Impact fees may only be used for capital improvements and/or expansion to the systems for which the impact fee originally was collected.

INFRASTRUCTURE. That portion of a City's assets located at or below ground level, including streets, water, and sewer systems.

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS. Transfers made from one City fund to another City fund for 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.

GLOSSARY OF TERMS

-K-

KELLER CRIME CONTROL PREVENTION DISTRICT (KCCPD). A special taxing district authorized by an election in the City of Keller in November 2001, levying an additional 3/8-cent (0.375%) sales tax, designated for Police/Public Safety programs or capital improvements. In May 2006, voters authorized the tax for an additional 15 years. In November 2007, voters authorized a reduction in the rate to 0.25%. Sometimes referred to as "*Crime Tax*."

KELLER DEVELOPMENT CORPORATION (KDC). A non-profit corporation authorized by Section 4B, Article 5190.6 of the Industrial Corporation Act of 1979. The Corporation is governed by a seven-member board, consisting of four members of the City Council and three other members, 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.

-L-

LIABILITY. Debt or other legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. The term does not include encumbrances.

-M-

M&O. Acronym for "*maintenance and operations*." (1) The recurring costs associated with a department or activity; (2) the portion of the tax rate that is applied to the General Fund (see *TAX RATE*).

MIXED BEVERAGE TAX. A tax imposed on the gross receipts of a licensee for the sale, preparation or serving of mixed beverages.

MODIFIED ACCRUAL BASIS OF ACCOUNTING. A basis of accounting in which expenditures are accrued but revenues are recorded when "measurable" or are available for expenditure.

MSC. Acronym for the City's *Municipal Service Center* facility and related operations.

-N-

NEFDA. Acronym for "Northeast Fire Department Association." A regional association developed by a group of cities in Northeast Tarrant County Texas for the purpose of combining manpower, ideas, and education for specialty operations. There are currently 13 area cities that comprise or participate in NEFDA.

NETCO. Acronym for "Northeast Trunked Radio Consortium." An 800 MHz trunked radio system providing the infrastructure that serves the cities of Bedford, Colleyville, Euless, Grapevine, Keller and Southlake. Each participating city shares in 1/6 of the maintenance and replacement cost of the system.

NETCOM. Acronym for "Northeast Tarrant Communications Center." A combined dispatch/communications center located in Keller, that provides consolidated enhanced 911 services for the cities of Keller, Colleyville, Southlake, and Westlake.

NON-RECURRING EXPENSES/REVENUES. Resources/expenses recognized by the City that are unique and occur only one time without pattern in one fiscal year.

-O-

OBJECTIVE. A specific statement of desired end which can be measured.

OPERATING BUDGET. Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of the City are controlled. The use of annual operating budgets is required by the City's Charter and State law.

GLOSSARY OF TERMS

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.

-P-

PAYMENT-IN-LIEU OF TAXES. A payment made to the City in lieu of taxes. These payments are generally made by tax exempt entities for which the City provides specific services. The City's water and wastewater utility fund provides these payments to the City's general fund because of the fund's exemption from property taxation.

PEG FEE. Acronym for "Public Education and Government" fee. See *PUBLIC EDUCATION AND GOVERNMENT (PEG) FEE*.

PERSONNEL SERVICES. Expenditures for salaries, wages and related fringe benefits of City employees.

POSITION. See *Full-Time Equivalent*.

PROPOSED BUDGET. The financial plan initially developed by departments and presented by the City Manager to the City Council for approval.

PUBLIC EDUCATION AND GOVERNMENT (PEG) FEE. Cable franchise fees charged in accordance with Section 622(g)(2)(C) of the Cable Act (47 U.S.C. SS542(g)(2)(c)). PEG fees are remitted to the City by television cable providers. Fees may be used for capital costs for PEG facilities, including purchases of cameras and equipment used in the broadcasting and/or dissemination of public information.

-R-

REDUCTION IN FORCE (RIF). Dismissal and/or layoff of an employee or employees, usually by elimination of the position(s).

REIMBURSEMENT. Repayment to a specific fund for expenditures incurred or services performed by that fund to or for the benefit of another fund.

RESERVE. An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

RETAINED EARNINGS. The excess of total assets over total liabilities for an enterprise fund. Retained earnings include both short-term and long-term assets and liabilities for an enterprise fund. (See *WORKING CAPITAL*.)

REVENUE. Funds that the City receives as income. Revenues increase fund balance.

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund, in addition to a pledge of revenues.

-S-

SALES TAX. A general tax on certain retail sales levied on persons and businesses selling taxable items in the city limits. The City's current sales tax rate is 8.25%, consisting of 6.25% for the State of Texas; 1% for the City; 0.5% for the Keller Development Corporation, 0.25% for the Keller Crime Control Prevention District, and 0.25% for maintenance and repair of City streets.

SCADA. Acronym for *Supervisory Control and Data Acquisition*. An automated system that electronically monitors and controls water storage tanks, pumping stations, and water supply levels. The system monitors and coordinates water supply throughout the City in order to meet customer water demands, by allowing remote facilities to be operated from a central location.

SERVICES & OTHER EXPENDITURES. Costs related to services performed by the City by individuals, businesses, or utilities, and other expenditures not classified in any other category.

SPECIAL REVENUE FUND. A fund used to account for proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes, or have been segregated by financial policy to be maintained separately.

GLOSSARY OF TERMS

STREET MAINTENANCE SALES TAX. Local sales tax authorized by voters in November 2003, pursuant to Chapter 327 of the Texas Tax Code, as amended. A tax of 1/8 of one percent (0.125%) became effective on April 1, 2004, to be used for maintenance and repair of City streets. In November 2007, voters authorized an increase in the rate to ¼ of one percent (0.25%).

SUPPLEMENTAL DECISION PACKAGE. See *DECISION PACKAGE and BUDGET ENHANCEMENT.*

-T-

TARRANT APPRAISAL DISTRICT. The Tarrant Appraisal District is a separate legal entity that has been established in each Texas County by the State legislature for the purpose of appraising all property within the county or district. All taxing units within Tarrant County use the property values certified by the TAD. The TAD is governed by a board of directors, whose members are appointed by the individual taxing units within the district.

TAX BASE. The total value of all real and personal property in the City as of January 1st of each year, as certified by the Tarrant Appraisal District's Appraisal Review Board. The tax base represents the net taxable value after exemptions. (Also sometimes referred to as "assessed taxable value.")

TAX INCREMENT REINVESTMENT ZONE (TIRZ). A special financing and development method authorized by Section 311 of the Texas Property Tax Code. Tax increment financing involves pledging future real property tax revenues generated within the specified reinvestment zone (district). TIRZ revenues are calculated based on the cumulative increase in taxable values over the district's "base" year values. (Base year values are established upon the creation of the reinvestment zone.) Property taxes generated from the increase in the taxable values is pledged to fund improvements and development within the reinvestment zone (district). **NOTE:** The terms TIRZ and TIF are used interchangeably throughout the document.

TAX LEVY. The result of multiplying the ad valorem property tax rate per one hundred dollars times the tax base.

TAX RATE. The rate applied to all taxable property to generate revenue. The tax rate is comprised of two components: the debt service rate, and the maintenance and operations (M&O) rate.

TAX ROLL. See *TAX BASE.*

TAXES. Compulsory charges levied by the City for the purpose of financing services performed for the common benefit.

TIF. Acronym for *Tax Increment Financing* (see *TAX INCREMENT REINVESTMENT ZONE-TIRZ*).

TRINITY RIVER AUTHORITY (TRA). A separate governmental entity responsible for providing water and wastewater services in the Trinity River basin. The City contracts with TRA for treatment of wastewater as well as a portion of its wastewater collection system for the Big Bear Creek and Cade Branch interceptor sewer collection mains.

-U-

UNEARNED REVENUE. See *DEFERRED REVENUE.*

-W-

WORKING CAPITAL. The current assets less the current liabilities of a fund. Working capital does not include long-term assets or liabilities. For budgetary purposes, working capital, rather than retained earnings, is generally used to reflect the available resources of enterprise funds. (See *RETAINED EARNINGS*.)