



Adopted Budget

September 17, 2013

Mayor and City Council

Pat McGrail, Mayor

Debbie Bryan, City Council - Place 1

Gary Reaves, City Council - Place 2, Mayor Pro Tem

Tom Cawthra, City Council - Place 3

Bill Dodge, City Council - Place 4

John Hoffmann, City Council - Place 5

Doug Miller, City Council - Place 6

Administrative Officials

Steve Polasek, City Manager

Johnny Phifer, Director of Finance



**FISCAL YEAR
2013-2014**



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.

Section 102.007 of the Texas Local Government Code requires the following information on the cover page of the adopted budget document.

This budget will raise more revenue from property taxes than last year's budget by an amount of \$760,825, which is a 4.25 percent decrease from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$355,624.

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

FOR: P.H. McGrail, Mayor; Gary Reeves, Mayor Pro Tem and Council Member Place 2; City Council members Debbie Bryan, Place 1; Tom Cawthra, Place 3; Bill Dodge, Place 4; John Hoffmann, Place 5; and Doug Miller, Place 6.

AGAINST: None.

PRESENT and not voting: None.

ABSENT: None.

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

	<u>2013-2014</u>	<u>2012-2013</u>
Tax Rates:		
Effective Rate	\$0.43859	\$0.44623
Effective Maintenance & Operations Rate	\$0.30904	\$0.30165
Maximum Effective Maintenance & Operations Rate	\$0.33376	\$0.32578
Debt Rate	\$0.13107	\$0.13069
Rollback Rate	\$0.46483	\$0.45647

Municipal Debt Obligations – Principal and Interest:

Total Tax Supported	Total Self-Supported	Grand Total
\$46,736,004	\$69,837,364	\$116,573,368
FY2013-14 Tax Supported	FY2013-14 Self-Supported	FY2013-14 Total
\$4,985,180	\$7,073,269	\$12,582,699

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, 2013 to September 30, 2014



Left to right: Council Members Debbie Bryan, Gary Reaves (Mayor Pro Tem), Tom Cawthra, Mayor Pat McGrail, Council Members Bill Dodge, John Hoffmann and Doug Miller.

STEVE POLASEK
CITY MANAGER

JOHNNY PHIFER
DIRECTOR OF FINANCE

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 17 consecutive years (fiscal years 1997–2013). 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, 2012

Christopher P. Morill

President

Jeffrey R. Egan

Executive Director

CITY OF KELLER MISSION STATEMENT

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

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

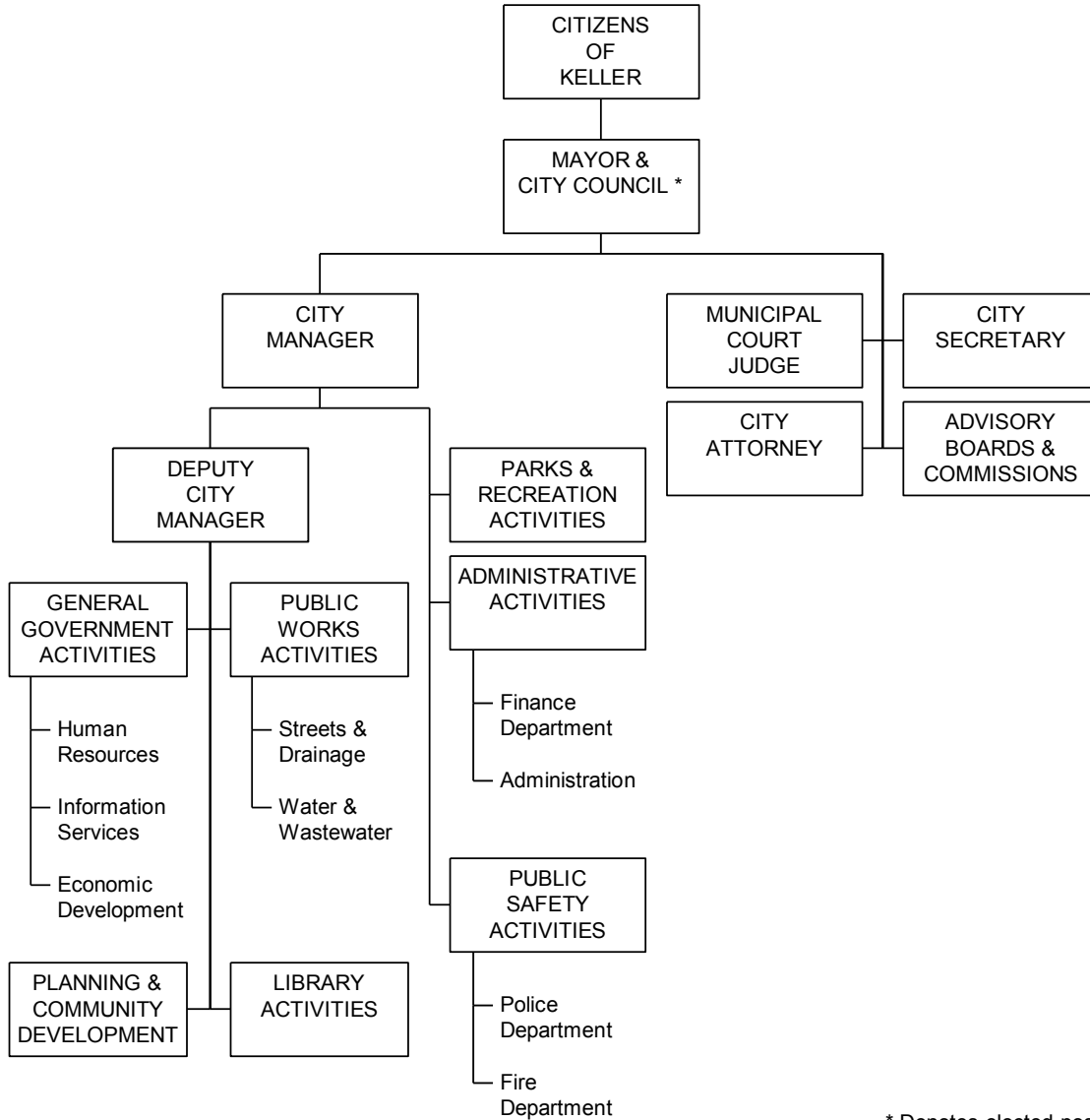
PRINCIPAL OFFICIALS September 2013

<u>Name</u>	<u>Title</u>
<u>ELECTED OFFICIALS:</u>	
Pat McGrail	Mayor
Debbie Bryan	Council Member, Place 1
Gary Reaves	Council Member, Place 2 and Mayor Pro Tem
Tom Cawthra	Council Member, Place 3
Bill Dodge	Council Member, Place 4
John Hoffmann	Council Member, Place 5
Doug Miller	Council Member, Place 6
<u>APPOINTED OFFICIALS</u>	
Steve Polasek	City Manager
Greg Dickens	Director of Public Works
Tom Elgin	Director of Community Development
Chris Fuller	Deputy City Manager
Mark Hafner	Director of Public Safety-Police Chief
David Jones	Fire Chief
Dona Roth Kinney	Director of Parks and Recreation
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
<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	March 23, 2013
Meetings with Finance Department and departmental budget staffs to distribute budget materials and instructions	March 27, 2013
Departmental budget input	April – May 2013
FY2013 revised estimates and FY2014 budget requests due in Finance Office	June 1, 2013
Departmental budget compilation by Finance Department staff resulting from initial departmental budget requests	May 11 – May 25, 2013
Review of budget requests by City Manager and meetings with departments and Finance Director to review initial budget proposals	April 30 – May 28, 2013
Council/staff budget priority workshop	June 29, 2013
Final (certified) tax values due from Tarrant Appraisal District	July 25, 2013
Final budget revisions prepared for distribution of proposed budget to City Council	July 13 – July 31, 2013
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, 2013
Hold proposed budget review workshop(s) for Council/staff and citizen input	August/September 2013
Hold two public hearings on the FY2014 proposed tax rate (if required)	September 2013
Hold public hearing on the FY2014 budget; approve ordinance to adopt both the FY2014 budget and FY2013 budget estimate; approve ordinance adopting the tax rate; and approve a resolution ratifying tax revenue (if required)	September 17, 2013
Fiscal year 2013-2014 begins	October 1, 2013

CITY OF KELLER, TEXAS ORGANIZATION CHART



* Denotes elected positions.

General Budget Information, Projections and Statistics
Fiscal Year 2013-14

Property tax rate (proposed) for FY2014	\$0.44219, per \$100 of assessed taxable valuation of property, unchanged 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	\$4,668,702,942 (appraised market value) \$4,252,692,267 (net taxable value)	
Total budget (all funds)	\$74,015,714	
Total employees (all funds)	345.41 full time equivalents	
General Fund employees per 1,000 population	5.85	
Police Department	85.5 FTEs	
Fire Department	59 FTEs	
Estimated population	40,440 at January 1, 2012 41,090 at January 1, 2013	
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	250 residential permits (\$70 million value) Non-residential permit value (\$25 million)	
Total calls received/dispatched (Police dispatch)	150,500 (Keller, Southlake and Colleyville)	
Total fire and EMS calls for service	3,340	
Lane miles of paved streets maintained	477	
Annual library materials circulation	563,000 (materials checked out)	
Library program participants	19,000	
Total park acreage	491	
Special events guests	40,363	
Total billed water sales (million gallons)	3,194.2	
average daily usage (million gallons)	8.8	
base (winter) average usage (million gallons)	4.5	
peak day water demand(million gallons)	22.0	
average monthly usage billed per customer	17,901	gallons
Total daily water capacity (million gallons)	24.0	
Average wholesale cost of water	\$2.43 per 1,000 gallons	



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INTRODUCTION

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September 18, 2013¹

To the Honorable Mayor McGrail and Members of the City Council

Re: *The Annual Budget for Fiscal Year 2013/2014*

As a city and region, we continue to rebound from the economic recession that gripped our nation beginning in 2008 and have experienced steady improvement during the last few years. That improvement has led us back to our pre-recession standing and we are poised for slow to moderate economic growth in the foreseeable future. This progress, in addition 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.

The proposed budget for the 2013-14 fiscal year maintains the 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. We also seek 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.

This proposed budget emphasizes the conservative direction provided by current and recent leadership and makes great strides in achieving the vision of Keller set forth by this Council as a city that continues to offer its citizens the best in services, amenities and overall quality of life.

Among the projects this proposed budget funds are significant investments in our parks and recreation amenities, including the Shady Grove Trail Connection, which will provide off-road accessibility throughout much of southern Keller; renovations to Bear Creek Park; the development of Shady Grove Park, including plans for community gardens; restorations to the Big Bear Creek bank to preserve existing trails; an expansion of The Keller Pointe; and a joint effort by our Parks and Public Arts leaders to bring a world-class, interactive art display to the Big Bear Creek Greenbelt. The FY 2014 budget also invites the community to invest in our parks system through a new Community Matching Grant program available for projects that would improve our public park land.

Other portions of the budget provide for important upgrades to our water, wastewater and street infrastructure, including wastewater service expansion into northern Keller; the replacement and expansion of the Alta Vista Pump Station to meet the water needs of our growing community; participation in Phase II of construction on FM 1938, which will improve accessibility along our eastern border and north to State Hwy. 114; and continued care for our roads with a focus on driver and pedestrian needs.

The City will also continue to invest in public safety. FY 2014 highlights include a replacement fire engine, a partnership that will provide our Fire Department with real-time weather radar and a new citywide emergency notification system. On the police side, funds will go toward improvements in technology that streamlines services and advances our public safety efforts, and to the renovated and expanded Regional Jail and Regional Animal Adoption Center, both set to open during calendar year 2014.

¹ The original transmittal letter dated August 9, 2013, was presented along with the original proposed budget. The budget message included in this budget document has been updated to reflect any changes resulting from the September 17, 2013 final adopted budget.

While this budget will allow our City to move steadily forward, it did not come without challenges. The most significant challenge in the development of the proposed budget has been the considerable increase in the cost of employee health insurance. With the overall costs rising more than 25 percent, or \$1 million, we begin a fundamental shift in how the City funds employee healthcare this year, with a greater percentage being assumed by the employee. Structurally, benefit packages are also beginning to transition away from preferred provider plans to high deductible health plans. This shift is centered on changes in federal health care laws and industry reaction. Our goals in addressing this challenge are twofold: 1) maintain a sustainable healthcare program for employees that will not have a detrimental financial impact on the City's future ability to deliver services to our customers; and 2) transition the increase in employee participation in a manageable fashion that impacts all classifications at a comparable level. Additionally, previous structural changes to our compensation plan affords the Council viable options for providing a reasonable pay and benefit package to our workforce.

Forged through a strong relationship and combined focus, the City Council and City staff continue to reinvent our local government to adapt to future needs without sacrificing previous gains. This proposed budget is intended to maintain and further strengthen that reputation 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.

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 employee compensation, infrastructure investments and capital replacement items. This year's budget again provides such an opportunity with the proposed purchase of a replacement fire engine, Phase I funding for the vehicle replacement program and vehicle replacements for FY 2014. We are able to accomplish this while maintaining our fund balance at a level somewhat higher than our operating expense target.

This budget is predicated on the goals as established during the February 28, 2013, Council Budget Workshop and subsequent June 28, 2013, Council Budget Workshop.

1. No increase in property tax rates or water/wastewater rates (excluding pass through costs) for the 2013-14 budget year
2. Pursue sound economic development opportunities
3. Continue regional initiatives for the provision of services and explore additional partnerships
4. Consider increasing user fees for non-resident users of City services and facilities
5. Identify public / private partnership opportunities
6. Keep annual recurring cost increases to a minimum
7. No new program expenditures
8. Potential for new positions to correspond to a change in workload
9. Continue to embrace occasions to improve efficiencies
10. Consider compensation increases for leaner organization
11. Limited use of Fund Balance for one-time non-recurring expenditures
12. Maintain funding for Economic Development initiatives

Keller endures as one of the most sought after locations to live in the Dallas-Fort Worth area. Factors such as a low crime rate, progressive approaches to public safety, good schools, outstanding parks and recreational opportunities, solid infrastructure and a highly acclaimed library all contribute to the quality of life our community enjoys. Our successes have led to recognition in a variety of areas over the last calendar year as demonstrated below.



Keep Texas Beautiful Award.
[Keep Texas Beautiful](#)



America's Top 5 "Hottest Neighborhoods."
[Realtor.com](#)



Top 20 Dallas-Fort Worth Metroplex Suburbs, D Magazine



Gold Circle Award for Financial Transparency,
Texas State Comptroller's Office



Distinguished Budget Presentation Award,
Government Finance Officers Association



Excellence in Financial Reporting,
Government Finance Officers Association



Best Community-based Program,
Club Industry



Achievement of Excellence in Libraries Award,
Texas Municipal Library Directors Association



Law Enforcement Re-Accreditation,
Commission on Accreditation for Law Enforcement Agencies, Inc.



StormReady Community,
National Weather Service



Annual Award for Innovation in Municipal Human Resources,
Texas Municipal Human Resources Association

Revenue and Population Growth

The North Central Texas Council of Governments estimates that the population of Keller as of January 2013 is 41,090. This represents a 3.7 percent increase when compared with the 2010 Census data population of 39,627.

For FY2014, total projected revenues increased by \$1,571,089, or 2.2 percent over the FY2013 adopted budget. This increase is due primarily to growth in the general fund (\$866,075) and water and wastewater fund revenue projections (\$894,460). Our total property tax revenues and net taxable value increased by 4.25 percent over the FY2013 estimate (3.9 percent over the FY2013 adopted budget), to a net taxable value of \$4.25 billion. Total charges for services increased by \$928,515 (3.2 percent) – primarily from projected increases in water and wastewater charges (\$920,000). In addition, intergovernmental revenues increased by \$200,005 (7.7 percent), primarily due to an increase in transfers from Colleyville, Southlake, and Westlake's shares of police/dispatch/jail/animal control services and funding from the Keller Independent School District (\$43,000) for a school resource officer. Sales and other taxes increased by \$748,740 – 4.9 percent – mainly due to a projected increase in sales taxes.

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 taxes increased \$628,225 (5.4 percent) from the adopted budget, of which \$751,785 (8.8 percent was from sales taxes).

Property Tax Rate and Sales Taxes

As mentioned, the taxable property value increased by 4.25 percent from the FY2013 Estimate to \$4.25 billion. The increase in taxable property value includes \$80.4 million in new construction. New construction increased by \$9.03 million (12.7 percent) from the previous year. The budget includes a tax rate of \$0.44219 per \$100 of taxable value, unchanged from the current year.

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, and by a projected 3.7 percent in FY 2013. Sales taxes for FY2014 are projected to moderately increase by 2.2 percent over the FY2013 Estimate (8.8 percent over the FY2013 Adopted budget). This continues to demonstrate a slow, but steady movement toward a more stable and growing economy.

Other General Fund Revenues

The current pace of building activity is projected to continue next year. Activity is up from 2008-09, when housing starts plummeted. Overall, an increase in development activity is expected as the housing demand improves and more permits are issued for approved developments. Future growth will be tempered with a continuing decrease in the lack of 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 typically are financed. The fund types included in this category are general, special revenue, capital projects and debt service funds.
- Proprietary funds are used to account for a government's ongoing organizations and activities which are similar to those often found in the private sector. The fund types included in this category are enterprise and internal service funds. For example, the City utilizes the following enterprise funds: Water and Wastewater Utility, and Drainage Utility funds. The City has no internal service funds.

Each fund's revenues and expenditures are depicted by columns of Actual FY 2011/2012, Budget FY 2012/2013, Estimate FY 2012/2013, and Budget FY 2013/2014. Fund summaries are provided for all revenues and expenditures applicable to each. The General Fund (tax-supported general operations) and the Water and Wastewater Utility Fund have numerous operating departments or divisions.

Additional Information

The Supplemental Data section contains general information, such as the City's miscellaneous fee schedule, budget and financial policies, the FY2014 pay plan, and a Glossary of Terms.

The Reader's Guide (pages 1-8), Keller Profile (pages 9-15), and budget Summaries (pages 17-69) that follow the Budget Message provide a wealth of historical data concerning property values, ad valorem tax analysis, property value distributions, property taxes, overlapping tax rates, sales tax collections, city workforce information and utility usage, as well as brief explanations of various miscellaneous funds. In addition, page vii provides "quick facts" for FY2014. This information can provide a quick reference concerning the city's budget process, operations and budgeted expenditures and revenues.

FY 2013/2014 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 \$0.44219 is unchanged
- Water/Wastewater rates remain unchanged
- New one-time expenditures from fund balance in the General Fund of \$1,061,595
 - Fire engine replacement (\$550,000)
 - Transfer to Fleet Replacement Fund (\$300,000)
 - Vehicle replacements (\$211,595)
- A 3 percent merit increase or a 3 percent merit stipend for employees who have reached the maximum salary for their pay-grade, to assist in keeping the City's compensation package competitive with our benchmark cities and as an investment in the "leaner" organization philosophy.
- Appropriate market adjustments and position upgrades based on surveys of our benchmark cities
- Health care cost increase of approximately \$628,000 and pass through costs of approximately \$386,000 to employees.
- The addition of 5.26 FTEs at a cost of \$188,640 (note: actual staffing levels are projected to decrease by 1.3 FTEs, or \$42,573 for FY2014, subject to a formal partnership agreement for animal shelter operations)
- Investments in capital equipment replacement and infrastructure improvements

The 2013 (FY2014) net assessed taxable valuation, after adjustments, is \$4.25 billion, an increase of \$173 million, or 4.25 percent over the 2012 (FY2013 Estimated) net value. Residential property values comprise approximately 82 percent of total property values for FY2014; however, commercial/industrial values increased by \$21.9 million (5.3 percent). A total tax rate of \$ 0.44219 per \$100 of assessed taxable valuation funds FY2014 operations, unchanged from the previous year. The tax rate distribution for FY2014 compared to FY2013 represents a slight decrease in debt service requirements due to retirement of debt and is as follows:

	<u>FY 2012/2013</u>	<u>FY 2013/2014</u>
General Fund	\$ 0.32552	\$ 0.32646
Debt Service Fund	0.11667	0.11573
Total Tax Rate	\$ 0.44219	\$ 0.44219

The total operating budget for FY2014 is \$74,015,570 including new debt requirements. This is a decrease of \$4,791,156 (6.1 percent) from the FY2013 adopted budget and a decrease of \$8,113,698 (9.88 percent) from the FY2013 estimate of \$82,129,112. Total FY2013 expenditures include one-time, non-recurring expenditures of \$911,770 from the General Fund balance.

It should be noted the FY2013 adopted budget of \$78.81 million includes \$4.29 million for the construction/expansion of the Regional Jail and Regional Animal Adoption Center.

GENERAL FUND

Quick Facts:

	FY 2013/2014 (Budget)	FY 2012/2013 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$30.70 Million*	\$31.54 Million**	(2.7%)
Revenues:	\$30.44 Million	\$29.58 Million	2.9%

* Excludes one-time Fund balance expenditures of \$4,136,130 for FY2014

** Includes one-time Fund balance expenditures of \$1,668,770 for FY2013

Summary:

The projected beginning fund balance for FY2014 of \$10,906,089 exceeds the targeted beginning fund balance by approximately 70 days of operations. The total ending fund balance at September 30, 2014, is projected to be \$10,649,332 which is \$3.8 million higher than last year's budgeted 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 actual unassigned fund balance is projected at \$10,624,332, which allows for approximately 128.6 days of operating, non-recurring expenditures, thereby exceeding the established benchmark. In summary, I am submitting a General Fund Budget for FY2014 that makes investments using the fund balance, manages expenditures without service cuts and provides the necessary revenue for debt payments resulting from capital projects.

General Fund major changes (FY2014):

Description	Amount
Merit increases for employees, including benefits	\$ 457,894
Increase in health insurance costs-all departments	501,695
Reduction for economic development initiatives in FY2013	(1,200,000)
Reduction in capital outlay in FY2013	(861,250)
Reduction for Town Hall modifications in FY2013	(150,000)
Economic Development Director-net cost	53,435
Planner I-Community Development	74,315
Reduction in information services transfers	(80,405)
Construction Manager contractual services	80,000
Additional personnel expenditures for Animal Adoption Coordinator, Kennel Technicians (3) and Detention Officer	91,255
Replace heavy-duty mowing equipment for Parks and Recreation	63,150
Replace steel roller for Public Works/Street Maintenance	60,000
Traffic control and street maintenance equipment for Street Maintenance	32,250
Transfer 1.39 FTEs in Parks Maintenance from Keller Development Corporation Fund	78,950
TOTAL	(\$ 798,711)

The following table provides a summary of changes by department in the FY2014 budget, compared to the FY2013 adopted budget.

FY2014 Changes by Department		
Department	2012-2013 Adopted Budget	
	Amount	Pct. Change
General Government/Administration	\$ 110,599	2.5%
Community Development	121,830	10.5%
Police Department	387,957	4.8%
Fire Department	133,615	1.8%
Public Works	195,865	5.1%
Keller Public Library	21,465	1.6%
Parks and Recreation	489,625	16.3%
Non-Departmental	(2,304,030)	(258.6%)
Total	\$ (843,074)	(2.8%)

Note: The Non-Departmental adopted budget included all of the one-time expenses of \$1,668,770, except the one-time employee stipend of \$286,770.

Personnel costs are a major driver of increases in the FY2013/2014 General Fund budget. Personnel services (salaries, wages and benefits) account for \$21.49 million, or 70 percent of the total expenditures of the General Fund for FY2014.

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

One-time, non-recurring expenditures of \$1,668,770 were included in the FY2013 adopted budget. These one-time expenditures included the following: economic development initiatives (\$1,200,000); a one-time employee stipend, including related benefits (\$286,770); Town Hall modifications (\$150,000); and an entry portal and wayfinding study (\$32,000).

The FY2013 estimate provides a reduced amount of \$911,770 for one-time expenditures and includes the following: intersection improvements and installation of traffic signals at the Johnson Road and Rufe Snow Drive intersection (\$350,000); parking lot improvements in Old Town Keller (\$75,000); economic development initiatives (\$50,000); a one-time employee stipend, including related benefits (\$286,770); and Town Hall modifications (\$150,000).

For FY2014, one-time expenditures of \$4,136,130 are planned from the available General Fund fund balance and **are excluded from budget totals**. FY2014 expenditures are proposed as follows: transfer to fleet replacement fund for future vehicle replacements (\$300,000); a citywide communications system upgrade, originally approved by City Council in June 2012 (\$1,644,535); economic development initiatives (\$1,200,000); economic development incentives due developers, resulting from approved development agreements (\$230,000); vehicle replacements (\$211,595); and replacement of a fire engine (\$550,000). The payment for the citywide communications system upgrade is due December 2013.

Although one-time, non-recurring expenditures are excluded from the FY2014 budget expenditure totals, after accounting for the one-time fund balance reductions of \$4,136,130, the projected ending fund balance at September 30, 2014 is \$6,488,202, exceeding the minimum fund balance target by 8.5 days.

WATER AND WASTEWATER FUND

Quick Facts:

	FY 2013/2014 (Budget)	FY 2012/2013 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$22.04 Million	\$21.17 Million	4.1%
Revenues:	\$21.06 Million	\$20.17 Million	4.4%

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 FY2014 are \$977,305. However, the projected beginning fund balance of \$6,316,880 for FY2014 exceeds the targeted beginning fund balance by approximately 39 days of operations. The total projected ending fund balance at September 30, 2014 is \$5,339,575, which is \$160,989 more than last year's budgeted amount. A \$500,000 water and wastewater rate stabilization reserve is included as a reservation of 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 \$4,839,575 represents an operating reserve of approximately 83 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 2013, water sales of 3.16 billion gallons are anticipated for FY2013. The FY2014 budget forecasts 3.19 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 FY2014, 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 frequently institutes water conservation measures, system-wide, in order to reduce peak water use demands created from extensive residential growth throughout the district and the extra-ordinary use of water for landscape irrigation; however, the conservation measures had little effect on the city's water usage or budgeted water revenues.

Except for changes in wholesale pass-through rate changes, no additional rate changes are anticipated for FY2014.

Expenditures

The most significant expenditure is wholesale water purchases. Wholesale water purchases for FY2014 are projected to be \$7.3 million or 33.1 percent of total expenditures, compared to \$6.45 million or 30.5 percent of total expenditures budgeted for FY2013. This represents an increase of \$850,000, or 13.2 percent from the FY2013 adopted budget, and an increase of \$100,000 for the upcoming FY2014 budget for wholesale water purchases (\$7,300,000) over the FY2013 estimate. Wholesale water purchases are anticipated to be 3.047 billion gallons in FY2014 and 3.152 billion gallons in FY2013.

Other major expenditures for FY2014 include operating expenses and transfers \$5.94 million (27 percent); personnel services (salaries and benefits), \$3.04 million (13.8 percent); wastewater treatment and collection services provided by the Trinity River Authority, \$2.67 million (12.1 percent); debt service on long-term debt, \$2.51 million (11.4 percent); and capital outlay, \$575,025 (2.6 percent). Capital outlay includes infrastructure improvements for water distribution and wastewater improvements (\$391,825); a water valve maintenance vehicle with a telescoping electric-powered water valve exerciser (\$125,200); and Municipal Service Center improvements (\$43,000).

The budget provides a 3 percent merit increase (\$66,475) for Water/Wastewater employees in order to maintain equity among city employees.

OTHER FUNDS

Drainage Utility Fund

Quick Facts:

	FY 2013/2014 (Budget)	FY 2012/2013 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$1,717,645	\$1,698,240	1.1%
Revenues:	\$1,570,850	\$1,550,350	1.3%

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 FY2014 are provided for personnel services (34 percent) for 8.5 full-time equivalent positions. Operations and maintenance and services and other expenditures (31 percent of the total budget) provide for both equipment maintenance and drainage channel maintenance, and includes equipment rental as needed. Capital improvements account for \$610,000 (35 percent) of the total budget, in order to fund drainage improvements in the Indian Meadows Addition.

Fiscal year 2012-2013 expenditures exclude the following budget amendments for drainage improvements: \$210,000 for the Keller Sports Park/Keller Arena Road culvert repair and \$300,000 for Meadow Knowles improvements

Keller Development Corporation Fund (KDC)

Quick Facts:

	FY 2013/2014 (Budget)	FY 2012/2013 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$1.86 Million	\$2.34 Million	(20.8%)
Revenues:	\$2.35 Million	\$2.17 Million	8.3%

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 25, 2013 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 6, 2013.

Sales tax revenues for FY2014 are anticipated to increase by 8.4 percent over the FY2013 Adopted budget. The FY2013 estimated sales tax revenues of \$2,281,000 is \$123,750 (5.7 percent) above the original adopted budget amount. Proposed expenditures of note include Pathways to Play matching funds (\$65,000) and a new community matching grant program (\$100,000).

Recreation and Aquatics Center (The Keller Pointe) Fund

Quick Facts:

	FY 2013/2014 (Budget)	FY 2012/2013 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$3.150 Million	\$3.454 Million	(8.8%)
Revenues:	\$3.154 Million	\$3.179 Million	(0.8%)

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 (51.7 percent), and facility operations and supplies (12.7 percent). Services & Other expenditures include utilities (electricity, water, natural gas) and payments to recreation program instructors and trainers (34.5 percent). Capital outlay comprises 1.1 percent of total expenditures. Additionally, \$300,000 was provided in FY2013 from this fund for the installation of a “splashpad” at The Keller Pointe; and \$35,000 is provided in FY2014 for furniture, fixtures and equipment replacement.

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 correspond to greater facility usage.

Information Services Fund

Quick Facts:

	FY 2013/2014 (Budget)	FY 2012/2013 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$1.79 Million	\$1.65 Million	8.6%
Revenues:	\$1.66 Million	\$1.81 Million	(8.4%)

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

Keller Crime Control Prevention District Fund

Quick Facts:

	FY 2013/2014 (Budget)	FY 2012/2013 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$1.08 Million	\$5.12 Million*	(78.8%)
Revenues:	\$1.07 Million	\$0.97 Million	10.3%

* Includes \$4,285,725 for the construction/expansion of the jail/animal shelter.

The Keller Crime Control Prevention District (KCCPD) was renewed by the voters for a term of fifteen (15) years on May 13, 2006. The KCCPD is funded with a ¼-cent sales tax. The KCCPD Fund provides funding for vehicle and related replacements and national accreditation. In addition, \$292,500 is budgeted for the jail expansion, facility furniture, fixtures and equipment replacements; \$186,940 for vehicle and equipment replacement; \$71,150 for technology improvements, and \$526,000 for debt service for the jail and animal shelter expansion. As required by state law, the KCCPD FY2014 Budget was considered by the City Council at the August 20, 2013 regular meeting.

DEBT SERVICE FUND

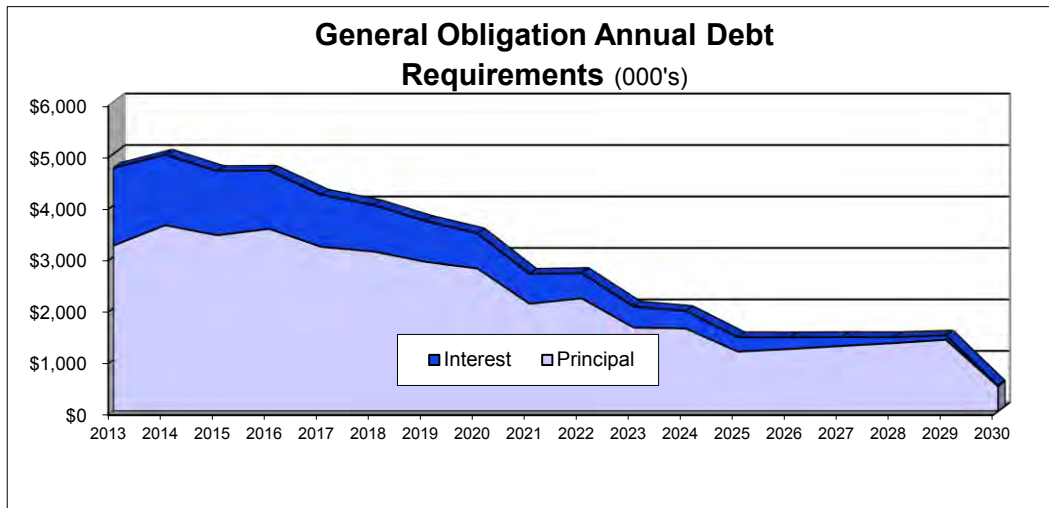
Quick Facts:

	FY 2013/2014 (Budget)	FY 2012/2013 (Budget)	Percentage Increase (Decrease)
Expenditures:	\$5.65 Million	\$5.41 Million	4.4%
Revenues:	\$5.56 Million	\$5.40 Million	3.0%

This Fund is used to account for revenues and expenditures related to the retirement of the city's tax-supported general obligation debt. FY2014 direct debt per capita is \$826, down from an estimated FY2013 debt per capita of \$978. 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 now classify the city's debt obligations as high-quality investment grade. The rating agencies realize that the city has done well managing its direct debt obligation and understands the growth demands that have necessitated extensive infrastructure development.

The chart below indicates the current annual principal and interest requirements through 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 FY2014 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, 2012). 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 FY2014.

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.

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 \$30,000 in fees will be collected in FY2014.

The Park Development Fee Fund is a clear example of the effect of the recession on city revenues. In FY2007, the City collected \$436,000 in Park Development Fees and other developer contributions, compared to the expected revenue in FY2014 of \$30,000. Proposed expenditures for FY2014 include Shady Grove Phase I park improvements (\$305,000).

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 FY2014 expenditures include street re-construction payable from the street maintenance sales tax revenue and miscellaneous sidewalk replacements and extensions. With the use of \$766,390 in available fund balance, it is estimated that \$1,840,000 will be expended in FY2014 for street re-construction/rehabilitation projects as identified in the CIP.

Sales tax revenues for FY2014 are anticipated to increase by 8.4 percent over the adopted budgeted amount. The FY2013 estimated sales tax revenues of \$1,140,500 are \$62,000 (5.7 percent) above the original adopted budget amount. Proposed expenditures for FY2014 consist primarily of street re-construction (\$1,840,000).

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 FY2014 Budget includes the replacement of two utility service vehicles (\$52,090) for the Water and Wastewater Utility Fund. Short-term capital equipment financing of \$850,000 was used in FY2013 for major capital equipment acquisition, such as service vehicles, ambulances and fire apparatus. Vehicles and equipment were replaced for the following departments: Community Development (\$20,350); Fire Department Administration (\$30,000); Fire Department Emergency Medical Services – ambulance (\$196,000); Public Works – replace 2 dump trucks (\$203,850); Parks and Recreation – replace 3 service vehicles (\$74,800), and a 15-passenger van, (\$60,000); and Wastewater Collection – a new sewer-jet vacuum truck (\$265,000).

This year's proposed budget transfer of \$300,000 from the General Fund fund balance, is phase I 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 debt-financed capital projects are proposed for FY2014. **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, yet slower pace than previous years. As a result, a conservative approach has been taken when projecting available revenues for the upcoming fiscal year in order to ensure that revenues will be available throughout the entire fiscal year to support operations 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, expressed in a percentage of operating expenditures and number of days of operating expenditures, pursuant to the approved financial policy and reflective of the City's commitment to maintaining a sound fiscal policy with emphasis on establishing reserves for future capital and equipment replacements and significantly improving the General Fund reserves.

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 service delivery processes and procedures. The chart immediately following this letter demonstrates some of the more recent and planned initiatives and their benefits in terms of cost savings, where applicable, and/or service delivery.

In Summary

It is my hope that this introduction and overview is useful and informative as you prepare to deliberate during our upcoming budget work session. In working with our department directors and their staff, I believe this proposed budget is fiscally responsible and in line with the City Council's goals and objectives, the requirements of the City and the economic challenges currently facing local governments. I and the rest of the staff look forward to participating in deliberations and working with the Council to adopt a budget that allows us to continue our current level of service delivery while positively impacting our citizens and local businesses. 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 budget.

Sincerely,



Steve Polasek
City Manager

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
Administration	Change from Public Power Pool, a power aggregation entity, to Texas Coalition for Affordable Power	Purpose of obtaining lower electricity rates	\$26,000 annually projected (\$130,000 over the 5-year contract term)
	Issuance of tablet computers to City Council and staff	Significant reduction in printed materials for agenda packets and other items	\$1,868 annually (reduction in staff time)
Community Development	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)
	Conducted Six Sigma review of development process	Affirmation that development process is very lean	N/A
	Continued use of double-sided copies for P&Z packets	Decrease in number of copies	\$500 annually
	Change of vendors for contract building inspections	Maintain current service levels for inspections while funding other needed services *(ex. portion of savings used to fund third-party commercial plan review to mitigate volume and decrease turnaround. Portion used to fund third-party inspection of commercial landscaping and make recommendations to plant lists and UDC requirements)	\$55,000 annually *
Finance	Automation of accounts payable and payroll direct deposit	Processing more vendor payments via electronic ACH resulted in reduction in check stock budget	\$2,250 annually
Fire	Revised organizational structure and left vacant Assistant Chief of Operations position	Reduction in personnel costs	\$127,855
	Reduction in response of fire apparatus to requests for medical care	Reduction in fuel costs, tire replacement needs and mileage on fire apparatus	To be determined at the end of FY13

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
Fire	Revised ambulance billing services contract with Advanced Data Processing, Inc. dba Intermedix	Reduction in associated fees for billing services from 13.75% to 5.95%	\$70,000 annually
Human Resources	Taleo online job application system	Increased efficiency and productivity by allowing additional time for remaining tasks. Reduction in phone calls, status checks and walk-ins due to online capability	\$8,000 annually (reduction in staff time)
Information Services	Network cabling and audio visual design, installation, and configuration of the new Fire Administration offices	Saved costs by performing the network cabling and the design, installation and configuration of the audio visual equipment	\$3,750
Parks & Recreation	Position reduction in favor of outsourcing	Contracted janitorial services to provide efficiency in service by reducing costs and increasing services to include the addition of a 6-hour daily day porter service at the Keller Senior Activities Center & Library	\$22,000 annually
	Grant Award for Pathways to Play	Provides additional amenities along Big Bear Creek Greenbelt that meet our healthy lifestyles initiative by creating a new recreational and educational environment for patrons of all ages	\$407,000 grant received
	Grant Award for Shady Grove Trail Connection	Provides a much needed trail connection between Shady Grove Elementary School, neighborhoods, parks and retail areas	\$401,606 grant received
	Grant Award for renovation to the Keller Senior Activities Center	Provides additional indoor space at the Keller Senior Activities Center by expanding the kitchen and serving area, providing a social meeting space, storage and handicap accessible restrooms	\$70,000 grant received

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
<i>Parks & Recreation</i>	Grant Award for Baylor Grapevine Lifestyles Improvement Challenge	As winner of the competition, allowed for the installation of outdoor fitness equipment at Johnson Road Park and The Parks at Town Center. Provides use of low-resistance fitness equipment to the public and opportunities for senior fitness programs at the Keller Senior Activities Center	\$25,000 grant received
	Removal of contract irrigation services from the Town Hall maintenance contract	Hired in-house irrigation technician, which has allowed us to better manage the irrigation system by conducting irrigation inspections and repairs more efficiently	\$20,590
	Design and installation of irrigation on Rufe Snow medians from Bursey Road to Rapp Road in-house.	Allows for enhanced familiarity with the irrigation system, reduced repairs caused by trenching and prevented mark-up of supplies and equipment	\$4,875
	Completed construction of Keller Pointe splashpad by purchasing major amenities, including the splashpad equipment and shade structures, directly through a cooperative purchasing program	Allowed us to work directly with manufacturers of the equipment to determine our needs, deliver equipment in a timely manner and achieve greater cost savings	\$15,200 estimated savings based on typical 10% contractor mark-up.
	Acquisition of archery equipment for use at The Keller Pointe	Staff completed a Train-the-Trainer course through the Texas Parks and Wildlife Department and became certified to teach archery classes. As a result, we were entered into and won a drawing for archery equipment. We are now able to provide the class more efficiently by not spending time and expenses hauling archery equipment back and forth between cities	\$5,000 worth of archery equipment donated to The Keller Pointe from Texas Parks and Wildlife

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
Parks & Recreation	Volunteer assistance with city special events	Without the numerous dedicated volunteers, we would not be able to provide over 24 special events each year	\$22,690 (2,269 volunteer hours at \$10/hr)
	Affordable temporary space for Keller Senior activities during a 45 day construction period	In addition to the use of the Keller Public Library, staff developed an agreement with the First United Methodist Church to relocate programs at least once per week free of charge. This allowed continuation of programs offsite only a short distance from the Center with no added costs	\$4,000 (\$500/day for 8 days)
Police	Police Services Agreement with the Town of Westlake	Provides an additional patrol sector in North Keller and a records clerk paid in part through program revenues	\$827,242
	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)
	City-wide replacement of the two-way radio system	By having a Regional Communications Center, Colleyville, Southlake and Westlake will be contributing toward 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

Cost Savings Initiatives

Department	Initiative	Benefit	Savings / Result
<i>Police</i>	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 Roanoke pays per arrestee/animal	\$30,000 - \$45,000 annually in revenue to offset jail/shelter expenses
	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
<i>Public Works</i>	Design and construction of Old Town Keller Public Parking Lot	By doing the project in-house, we saved 50% of the cost for construction of the pavement and striping. We also saved the cost of design equivalent to 10% of construction costs	\$48,000

**City of Keller, Texas
Strategy Map**

<i>Fiscal Accountability and Stewardship</i>	<i>Community</i>	<i>Safety and Security</i>	<i>Economic Development</i>	<i>Mobility and Infrastructure</i>	<i>Quality Services</i>
Maintain strong financial policies and flexible investment strategies	Develop and maintain a robust parks, recreation and open space system	Maintain a safe and secure environment for residents, businesses and visitors	Facilitate a diversified tax base of sustainable commercial development	Plan, provide and maintain an effective stormwater management system	Engage the community through a dynamic and interactive communications program
Identify and implement new public and private partnerships	Develop and maintain a library system that supports life-long learning and fun through books, programs and media.	Achieve the highest standards through training, accreditation and performance	Encourage the redevelopment and expansion of businesses within Old Town Keller	Improve mobility options by constructing and maintaining efficient roadways and pedestrian pathways	Provide the highest quality of customer service and exceed expectations
Optimize existing resources to achieve greater financial efficiencies and increased service levels	Create a diverse artistic environment for residents and visitors of the City	Utilize comparative performance measures to further enhance service delivery and value	Pursue a balance of uses, including retail, restaurants, medical offices and entertainment amenities within Town Center	Plan, design and provide necessary public water and sewer services	Support a high performance workforce through training, education and recognition
Leverage city revenues with other available resources	Provide and support community-based festivals, programs, concerts and other forms of activities	Engage in prevalent community relations, education and partnerships	Identify public-private economic partnerships that will diversify and enhance the city's tax base	Maintain and enhance existing infrastructure and levels of service through the provision of timely maintenance and repair	Optimize the use of technology to meet customer requests and enhance service levels

<i>Fiscal Accountability and Stewardship</i>	<i>Community</i>	<i>Safety and Security</i>	<i>Economic Development</i>	<i>Mobility and Infrastructure</i>	<i>Quality Services</i>
Maintain transparent and open financial records	Engage in beneficial partnerships with community-based organizations	Provide timely, accurate, beneficial and accessible information to the public	Market commercial development and redevelopment opportunities along major corridors	Maximize partnerships with public and private entities to finance and construct public infrastructure	Promote the City's core values as part of our staff development and customer service delivery

Core Values:

- *Excellence – A 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*

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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 FY2014. In March 2013, the budget process for fiscal year 2013-2014 (FY2014) 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 FY2014. Departments were instructed to prepare budget requests in accordance with the Council's goals and objectives, which were established at two City Council budget goal-setting workshops held on February 28 and June 28, 2013.

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 and discussed, and prioritized. As a result of Council direction, some amendments are usually made to the proposed budget. These amendments are then incorporated into an amended proposed budget. After the amendments are incorporated into the proposed budget, a public hearing on the amended proposed budget is held by the City Council in September. Prior to the public hearing, in accordance with the City's charter requirements, proper notice is published in the local newspaper encouraging interested citizens to be present and make any comments on the City's proposed budget. At the conclusion of that public hearing on the proposed budget, the City Council adopts the final budget by ordinance, including any additional modifications that may have been made as a result of the public hearing. (However, any increase in the proposed budget as a result of the modifications requires an additional public hearing to consider the proposed increase.) Subsequent to the adoption of the budget, a separate ordinance is adopted, establishing the tax rate necessary to fund the 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 FY2014 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. 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 reporting purposes. The intent of the Fund is to cover its operating costs with user fees; however, debt obligations used to fund the construction of the facility are the responsibility of the Keller Development Corporation, and are not being repaid from user fees. The Fund is shown as a user-fee supported fund, or a Special Revenue Fund throughout the budget document.

READER'S GUIDE

Fund Accounting

Governmental Fund Types – Special Revenue Funds (continued)

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

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

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

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

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

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

Special Contributions and Donations 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 2007, 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)* 2011-2012 <hr style="width: 80%; margin: 0 auto;"/> Actual (FY2012)	(2) 2012-2013 <hr style="width: 80%; margin: 0 auto;"/> Budget (FY2013)	(3) 2012-2013 <hr style="width: 80%; margin: 0 auto;"/> Estimate (FY2013)	(4) 2013-2014 <hr style="width: 80%; margin: 0 auto;"/> Budget (FY2014)
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* FY2012 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 wage and salary pay scale by pay class and a glossary of terms. Also included in this section is the miscellaneous fees schedule and statements of budget policies, explaining the policies and procedures utilized during the various stages of the budget process. The budget policies include explanations of the budget preparation process, its deliberation and adoption; the public hearing process; and policies for amending the budget subsequent to its adoption.

DEPARTMENTAL MATRIX

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

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

⁽¹⁾ Includes all budgeted Special Revenue Funds.

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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 FY2014 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 2013-2014 through 2017-2018 CIP is provided in the capital improvements section of the document.

CONCLUSION AND ACKNOWLEDGMENTS

The preparation of the FY2014 budget document was made possible by the dedicated service of the staff and the Mayor and City Council of the City. Each employee who assisted in contributing to the preparation of this annual budget has the sincere appreciation of the budget staff. Appreciation is also expressed to the Mayor and City Council for providing the necessary resources in which to maintain the integrity of the City's financial and budgetary affairs.

KELLER PROFILE

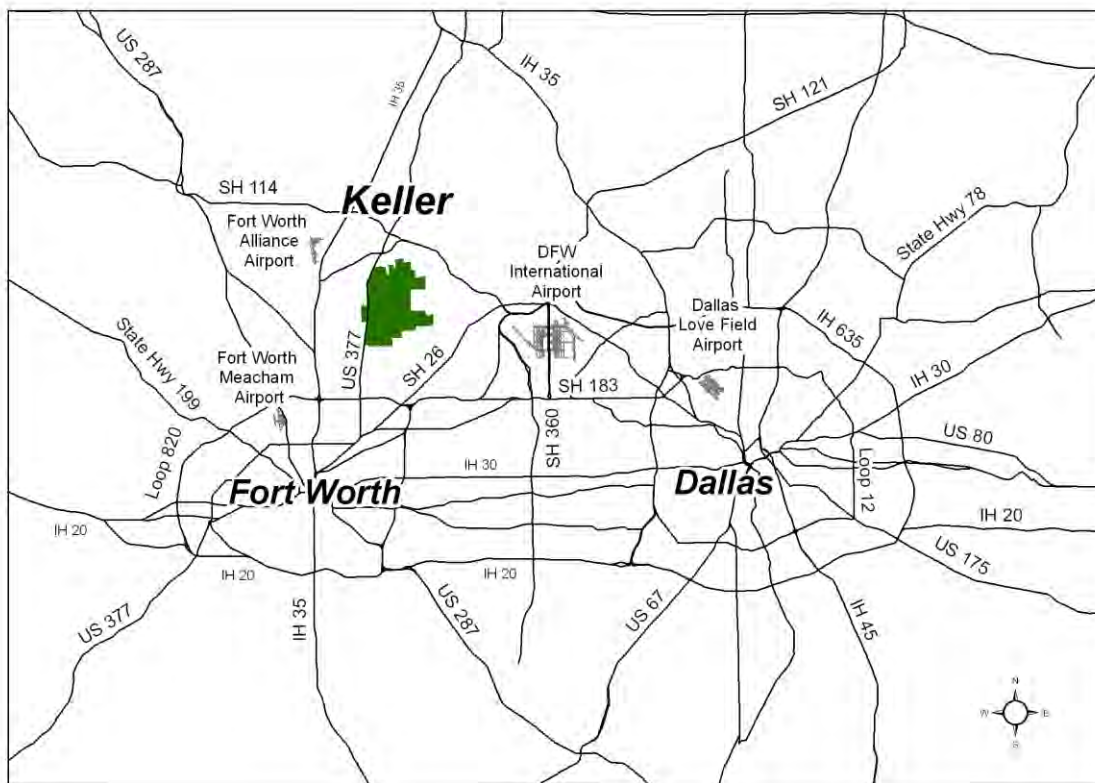
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GENERAL INFORMATION

Nestled comfortably in the heart of the Dallas-Fort Worth Metroplex, Keller has gained national attention by pairing big-city conveniences and amenities with small-town roots and an emphasis on quality of life. Located midway between the Dallas/Fort Worth International and Alliance airports, both major employers for our community, Keller's roughly 19 square miles is home to more than 41,000 people. Our city is blessed with a warm and welcoming atmosphere, an extremely low crime rate, an excellent school system, a wide variety of shopping and dining destinations, diverse and affordable housing opportunities, an expansive park and trail system, and award-winning city facilities and programs.

We celebrated the end of 2012 as the third hottest "neighborhood" in the country, according to an outlet of the National Association of Realtors, and a list of the city's accomplishments last year included everything from re-accreditation of our police department and renewed designation as a StormReady Community, to elite honors for our Parks and Recreation and Library departments, to four awards for financial excellence and transparency.

Keller has also been named to *CNN/Money Magazine's* biennial listing of "Top 100 Places to Live — America's Best Small Towns" each opportunity since 2007, including taking seventh place in 2009. And recent awards have included a spot in *D Magazine's* "Top 20 Dallas-Fort Worth Metroplex Suburbs," mentions in *Fort Worth, Texas Magazine's* "Best Places to Live" lists, recognition as an "Emerging Art Town" by *Southwest Art Magazine* and certification as a Scenic City by the Scenic Texas organization.



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

Keller Local Government: The City of Keller was incorporated in 1955 under the general laws of the State of Texas. The current home rule charter was approved by voters in 1982 and most recently amended in November 2010. The city operates under the Council-Manager form of government with the Keller City Council comprised of a mayor and six council members, all elected at-large. Council members are elected for three-year staggered terms and elections are held annually in May.

Establishing city policy is the sole responsibility of, and is vested in, the Keller City Council. The council is required by the City Charter to appoint a city manager to serve as the chief administrative and executive officer of the city, and the duties of the city manager include the appointment of all city department managers, administering the daily affairs of the city and ensuring that city policies are enforced.

Keller Town Hall and Town Hall Plaza were dedicated on April 19, 2002. The 53,000-square-foot facility houses the City Council chambers and approximately 71 employees of the administration, finance, utility billing and collections, parks and recreation administration, community development, public works administration, engineering, information services, fire department administration, economic development and human resources departments.

OPERATIONS

The City of 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 municipal library; community planning and building inspection; economic development; public works and engineering; street maintenance; water, wastewater and drainage utility services; and contracts for solid waste collection and disposal.

The FY2014 annual budget of \$74,015,714 includes a budgeted staffing level of approximately 345 full-time-equivalent employees, including 85 in the police department and 59 in the fire department.

POPULATION AND ECONOMICS

The City of Keller has experienced significant population growth since 1970, rating it among the fastest growing cities in Tarrant County. The following table presents Keller's official Census population since 1970, as well as the current year'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%
2013 Estimate	41,090	1,463	3.69%

The city is approximately 85 percent developed and continues to grow primarily as a residential community, with residents employed by major companies located within a 15-mile radius of the city. Several manufacturing firms are located in the Keller area as well as a variety of commercial establishments, restaurants, shops and food stores. Increasing residential development in North Fort Worth, adjacent to Keller's western boundary, impacts Keller in terms of commercial and governmental services and the city continues to encourage quality commercial growth, which will benefit the entire community.

POPULATION AND ECONOMICS

(Continued)

The city's residential sector continues to grow steadily in 2012 as 240 new residential permits were issued, including 40 in June alone — the most in a single month since June 2006. The average size of a new home in 2012 was 4,361 square feet compared to 4,469 square feet the year before. The average new home construction value of \$281,008 for 2012 decreased when compared to 2011's value of \$293,407. The city anticipates having steady residential and commercial growth in the coming years.

In order to keep pace with the rapid residential growth and expanding commercial areas, infrastructure improvements have continued to be a high priority. In 2012, the City of Keller completed \$5.37 million of improvements to Rufe Snow Drive between Bear Creek Parkway and Rapp Road, expanding and dividing that 1.4-mile section of Rufe Snow Drive to include additional lanes, new traffic signals and sidewalks. Also completed last year, the city expanded North Tarrant Parkway from Davis Boulevard to Whitley Road to a six-lane arterial at a cost of \$14.51 million in partnership with Tarrant County and North Richland Hills.

The city is currently undertaking major sanitary sewer expansion projects along our western border and in the north portion of the city, reviewing arterial and collector roads and intersections to stay ahead of increasing traffic demands, and planning a \$5 million replacement and expansion of the Alta Vista Pump Station. Keller is also 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 2.1 million square feet of commercial space, valued at more than \$130 million, constructed between 2006 and 2012. This growth has occurred particularly along major arterials such as FM 1709 and U.S. 377. Old Town Keller, which stretches along both sides of U.S. 377, has experienced a resurgence in office, retail and restaurant activity in the past few years. Keller Tavern, Bottlecap Alley Icehouse Grill, Bronson Rock Burgers and Brew, and Southern Breeze Market Café all opened there in FY 2011-2012 and that growth has continued in FY 2012-2013.

Keller Town Center, too, has seen a rush of activity. Recent openings include The Legacy at Bear Creek, a 51,850-square-foot assisted living and memory care facility, popular restaurant FnG Eats; a Raising Cane's restaurant; and both Keller Town Dental and Urgent Care for Kids. Upcoming projects in the Keller Town Center include Moviehouse & Eatery, an eight-screen, 42,589-square-foot movie theater and restaurant; Freddy's Frozen Custard; First Financial Bank; Chick-fil-A; and gas pumps connected to the Tom Thumb grocery store.

The city's growing population, low property tax rate, proximity to regional hospitals and attractive real estate opportunities have also contributed to growth in the medical sector beyond Keller Town Center. In fact, 17 of the 30 offices that opened in FY 2011-2012 were medical related. Keller Health Plaza, a 31,079-square-foot medical office complex, finished construction during the fiscal year and houses Metroplex Cancer Specialists, Health Care Pharmacy, Cornerstone Family & Sports Medicine and Mayfield Family Healthcare. Other medical office openings include Express Chiropractic in the Bear Creek Plaza shopping center and Baylor Institute for Rehabilitation on FM 1709 in the Shops of Cindy center.

Keller is also seeing an increase in businesses focused on technology and manufacturing; Enovative Networks IT Solutions, Red Hook Creative Group and TherapySync all opened in 2012 on FM 1709. IMF Assembly, a 9,400-square-foot design and machine engineering company, opened in February 2012 along Chisolm Trail, and Brute Outdoors, which manufactures heavy duty marine and camping coolers, moved to Davis Boulevard in September 2012.

POPULATION AND ECONOMICS

(Continued)

This growth has paid off in enhancing Keller's daytime population, which benefits the shopping and dining options that have opened in Keller over the past several years, and in sales tax revenue for the city. At \$7.6 million, the local sales and use tax rebate for calendar year 2012 was the largest rebate in Keller's history, besting its 2008 collection of more than \$7.4 million. And every month in 2012 saw an increase in sales tax revenue over the same month of the previous year.

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

Major Employers	Number of Employees	Major Local Employers	Number of Employees
AMR Corporation	24,888	Keller ISD	3,600
Bell Helicopter/Textron	3,820	City of Keller (FTEs)	341.45
Fidelity Investments	3,700	Southstar Logistics	335
ATC Logistics	3,315	Kroger	213
BNSF Railway	3,100	Home Depot	139
Sabre Holdings	2,532	Kohl's Department Store	120
Dallas/Fort Worth Airport	1,600	Lowe's	110
Healthmarkets	1,600	Tom Thumb Grocery	106
Gaylord Texan Resort	1,500		

CENSUS AND DEMOGRAPHICS

The following information for Keller is taken from the U.S. Census 2010 Data, the 2009 *American Community Survey* and demographic projections published by the North Central Texas Council of Governments.

Population Characteristics (2010):

	Population	Percent of Total
Male	19,325	48.8 %
Female	20,302	51.2 %

Age Distribution (2010):

Age	Percent of Total
0 – 19 years	32.7 %
20 – 34	10.5 %
35 – 54	36.8 %
55 – 64	11.3 %
65+	8.5 %

Race (2010):

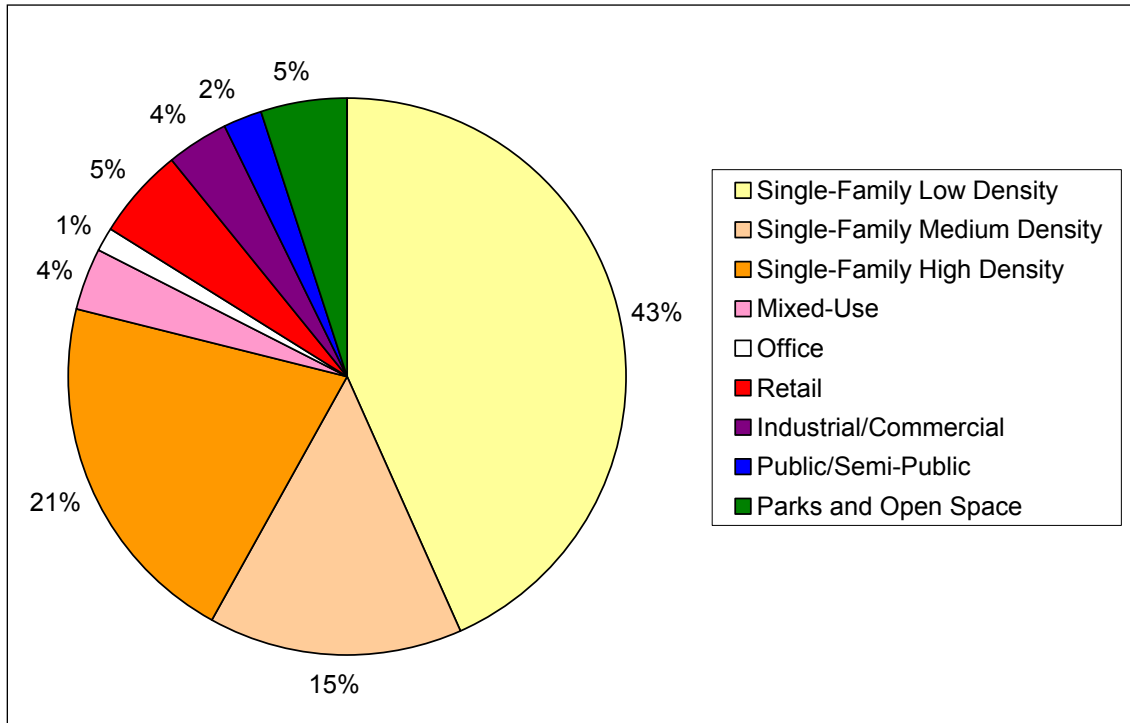
White	35,506	89.6 %
Black	945	2.4 %
Am. Indian	197	0.5 %
Asian	1,496	3.8 %
Pacific Islander	35	–
Other race	581	1.5 %
2 or more races	867	2.2 %
Hispanic origin (any race – included in above numbers)	2,924	7.4 %

Income (2010):

Med. household income(2009)	\$115,723
Per capita income(2009)	\$43,365
Average household income	\$108,000

2013 Pop. Estimate 41,090

PROPOSED LAND USE



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

EDUCATION

Education for the community is provided by the Keller Independent School District (KISD). With 39 campuses currently serving more than 33,000 students, 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. At 51 square miles, the district encompasses the third-largest land area in Tarrant County and serves children in nine cities, including all of Keller and portions of Colleyville, Fort Worth, Haltom City, North Richland Hills, Southlake, Watauga and Westlake.

KISD provides instruction for children in pre-Kindergarten through 12th grade, and employs more than 3,400 staff members, including just over 2,100 classroom instructional employees. The most recent accountability ratings from the Texas Education Agency rated the district overall as “academically acceptable” with 26 exemplary and recognized campuses. In addition to Keller ISD, several private or parochial schools in the area are available to Keller residents. Keller-based private schools include St. Elizabeth Ann Seton Catholic School and Messiah Lutheran Classical Academy.

Educational opportunities beyond high school are 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 region.

QUALITY OF LIFE

Parks and Recreation: The City of Keller, which celebrated its 20th anniversary as a Tree City USA community at the start of 2013, has 10 developed parks: Keller Sports Park (140 developed acres); Johnson Road Park (15 acres); Bear Creek Park (44 acres); The Parks at Town Center (102 acres); Burse Ranch Park (1.34 acres); Overton Ridge Park (8 acres); Chase Oaks Activity Node (5 acres); Willis Coves Open (4 acres); Veterans Memorial Park (.3 acres) and a linear park, Big Bear Creek Greenbelt (36.2 acres). These parks provide fishing areas, hike and bike trails (18.66 miles total), basketball and volleyball courts, playground areas, picnic tables, open play areas, practice areas and pavilions. The Keller Sports Park, opened in 1996, 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, including parking, restrooms and concession buildings.

The Keller Pointe, an 87,940-square-foot recreation and aquatic center with construction financed by the Keller Development Corporation's half-cent sales tax, opened in May 2004. The facility's operations are self-supported by user fees. As of July 2013, the Pointe has approximately 3,897 paid memberships and offers cardio and weight-lifting equipment, an indoor track, indoor basketball/volleyball courts, exercise classes, two pools and a splash pad.

Additionally, the Parks and Recreation Department administers the activities of the Keller Senior Activities Center, a community of residents age 55 and up for whom staff members organize recreational and fitness activities, special events and trips. And finally, the Keller Parks and Recreation Department puts on the majority of the city's special events throughout the year, and through The Pointe offers workshops, youth camps and sports leagues.

Keller Public Library: The Keller Public Library, recently honored with its third Achievement of Excellence in Libraries Award, offers a window to the world with more than 80,000 materials available for checkout and regular special programming for citizens of all ages. Last fiscal year was the busiest ever for the library with a record 522,831 materials checked out by patrons. There are 26,245 Keller citizens with a library card, and the facility saw 213,741 walk-in users last year who had the chance to select from a wide variety of media, including books, DVDs, audio books, newspapers, magazines and special online resources. The library has also been expanding its online services in the past few 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.

Special programs include story times in English and Spanish, movie nights, teen and adult programs, and a popular Summer Reading Club. The library facility is approximately 21,000 square feet, and includes 50 public computers, three meeting rooms, a large covered outdoor patio and much more.

Public Safety: Keller residents are protected by the Keller Police Department (KPD) and Keller Fire Department (KFD), both of whom enjoy national accolades. KPD, which is among the 2 percent of law enforcement agencies nationally to have accreditation from the Commission on Accreditation for Law Enforcement Agencies, recently recorded a 13-year low in its crime rate. And KFD in 2012 celebrated its third, three-year renewal as a National Weather Service StormReady Community, an honor earned by only 4 percent of communities nationally.

Regional 9-1-1 dispatch and jail for four cities — Keller, Colleyville, Southlake and Westlake — are housed at the Keller Police headquarters. And in 2012, the four cities also partnered on Animal Services. In March 2013, the City of Keller broke ground on an \$8.6 million renovation and expansion of the Regional Animal Adoption Center and Regional Jail, both of which will open in 2014.

Area Recreation and Leisure: The City of Keller offers a suburban lifestyle with varied neighborhoods and easy access to the world-class museums, sports franchises, entertainment and business empires of nearby Dallas and Fort Worth. 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 about 20 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: Fort Worth Botanical Gardens, Fort Worth Zoo, 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 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. There are also numerous minor and independent league franchises for baseball (the Fort Worth Cats) and hockey available in the area.

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.

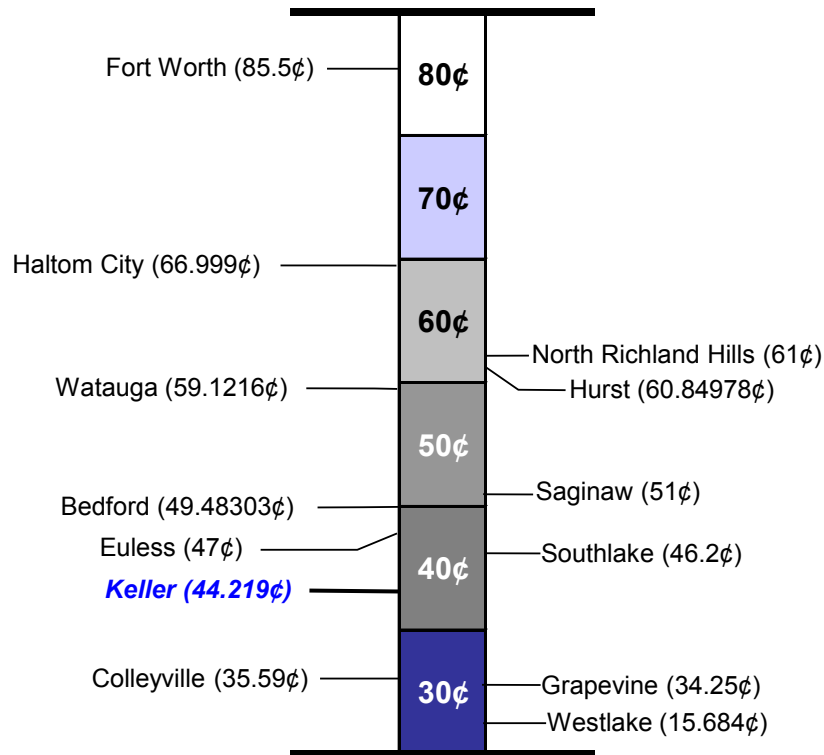
Care within the city includes the 39,000-square-foot Baylor Medical and Diagnostic Center on U.S. 377 and the 31,000-square-foot Keller Health Plaza on Bourland Road. And the city's growing medical sector discussed in the Economic portion of this profile is expected to continue expanding. Texas Walk-In & Urgent Care, a 4,487-square-foot facility located on Bandit Trail, and 6,000 square feet of new construction in the Keller Parkway Medical center opened in the fall of 2012. Cook Children's, a 6,650-square-foot facility on Keller Parkway, opened during the summer of 2013 and Baylor Emergency Medical Center, a 38,000-square-foot building under construction on South Main Street, will feature emergency care on the ground floor and specialty physicians' offices on the second floor when it opens in December 2013.

TRANSPORTATION

The City of Keller is well served by several major thoroughfares offering quick access throughout North Texas. Major north/south corridors include U.S. Highway 377, State Hwys. 121 and 26, and FM 1938. Major east/west routes include IH-820, State Hwys. 170 and 183, and FM 1709.

Air service is provided by nearby Dallas/Fort Worth International Airport, the nation's fourth busiest airport, providing service to national and international destinations. Meacham Field, approximately 5 miles away in northern Fort Worth, is a fixed-base operation for private and commercial service and provides sophisticated instrument approach facilities, lighted runways, and terminal facilities with fuel and maintenance services. Alliance Airport, located northwest of Keller, began limited operations in 1989 and is the first newly constructed industrial airport in the United States. The airport is home to a FedEx hub, BNSF Intermodal Terminal, Drug Enforcement Agency and numerous distribution company facilities.

2013 (FY2014) Tax Rates of Neighboring Northeast Tarrant County Cities
 (Rates per \$100 of Taxable Value)



For 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.

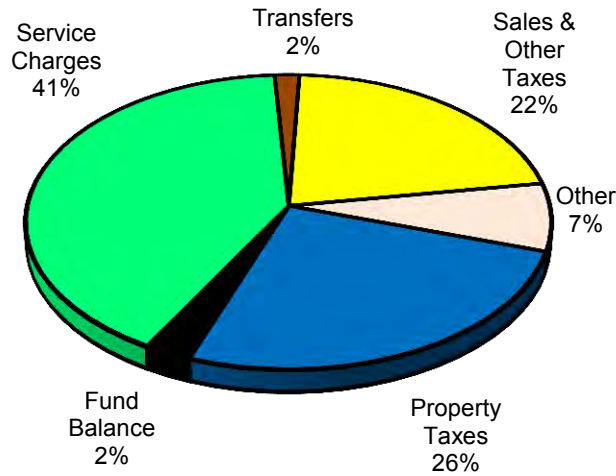
Source: Tarrant Appraisal District website.

BUDGET SUMMARY

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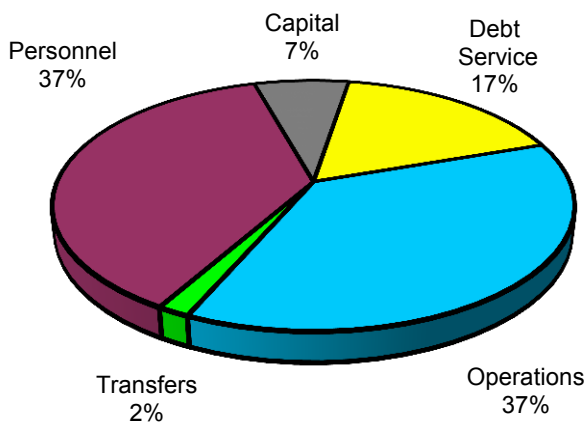
**CITY OF KELLER, TEXAS
2013-2014 BUDGET**

**SOURCES OF REVENUE
\$74,015,714**

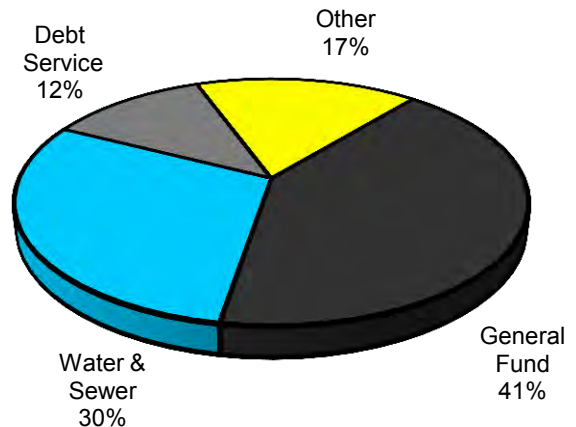


**EXPENDITURES (USES)
\$74,015,714 ***

Expenditures by Function



Expenditures by Fund



* Total expenditures exclude \$4,136,130 of one-time expenditures from the available General Fund fund balance. See Transmittal Letter and Budget Summary Section (page 35) for additional information.

BUDGET SUMMARY BY FUND TYPE

Fund Type / Fund Name	Estimated Beginning Balance 10/01/2013	Revenues And Transfers In	Expenditures And Transfers Out *	Other Reservations Of Fund Balance	Estimated Ending Balance 09/30/2014
GOVERNMENTAL FUND TYPES:					
Property-Tax Supported Funds:					
General Fund	\$ 10,906,089	\$ 30,444,316	\$ 30,701,073	\$ 25,000	\$ 10,624,332
Debt Service Fund	544,232	5,563,390	5,652,870	–	454,752
* Subtotal *	11,450,321	36,007,706	36,353,943	25,000	11,079,084
Special Revenue/Other Funds:					
Keller Development Corporation	951,708	2,350,885	1,855,450	293,861	1,153,282
The Keller Pointe (1)	1,010,034	3,154,195	3,150,211	–	1,014,018
Information Services Fund	659,221	1,655,760	1,792,640	–	522,341
Library Special Revenue Fund	93,063	53,300	135,820	–	10,543
Recreation Special Revenue Fund	55,787	160,900	164,325	37,898	14,464
Court Special Revenue Fund	103,540	93,400	89,065	–	107,875
Cable Franchise Special Revenue Fund	252,896	122,900	115,000	–	260,796
Crime Control Prevention District	2,701,504	1,070,000	1,084,990	2,547,063	139,451
Community Clean-Up Fund	63,700	32,300	30,000	–	66,000
* Subtotal *	5,891,453	8,693,640	8,417,501	2,878,822	3,288,770
Other Debt Service Funds:					
Interest & Sinking Fund – TIRZ	150,563	3,417,090	3,179,310	–	388,343
Capital Projects Funds:					
Park Development Fee Fund	237,776	67,224	305,000	–	–
Street/Drainage Improvements Fund	812,219	1,183,610	1,950,000	–	45,829
Fleet Replacement Fund	583,319	147,530	52,090	–	678,759
* Subtotal *	1,633,314	1,398,364	2,307,090	–	724,588
TOTAL GOVERNMENTAL FUNDS	19,125,651	49,516,800	50,257,844	2,903,822	15,480,785
ENTERPRISE FUNDS:					
User Fee-Supported Funds:					
Water & Wastewater Fund	6,316,880	21,062,920	22,040,225	500,000	4,839,575
Drainage Utility Fund	1,302,506	1,570,850	1,717,645	–	1,155,711
TOTAL ENTERPRISE FUNDS	7,619,386	22,633,770	23,757,870	500,000	5,995,286
TOTAL – ALL FUNDS	\$ 26,745,037	\$ 72,150,570	\$ 74,015,714	\$ 3,403,822	\$ 21,476,071

Total revenues	\$ 72,150,570
Use of available fund balances	1,865,144
Total available	<u>\$ 74,015,714</u>
Total appropriations	<u>\$ 74,015,714</u>

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

* Total expenditures exclude \$4,136,130 of one-time expenditures from the available General Fund fund balance. See Transmittal Letter and Budget Summary Section (page 35) 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.

EXPENDITURES

Total expenditures for all funds for FY2014 are \$74,015,714, a decrease of \$8,213,398, — or 10 percent — from 2012-2013 (FY2013) estimated expenditures. FY2014 expenditures are also a decrease of \$4,791,156 — or 6.1 percent — from the FY2013 original adopted budget. The budget includes operating expenditures and capital outlays for the various funds, departments and agencies of the City.

Total Expenditures by Fund – All Funds

Fund	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
General fund	\$ 28,510,808	\$ 30,006,850	\$ 30,701,073	\$ 694,223	2.3%
Water & wastewater fund	19,993,811	21,600,335	22,040,225	439,890	2.0
Drainage utility fund	959,805	2,284,650	1,717,645	(567,005)	(24.8)
Other funds	1,665,694	2,537,540	2,326,850	(210,690)	(8.3)
Keller Development Corporation	1,980,603	2,178,545	1,855,450	(323,095)	(14.8)
Crime Control Prevention District	985,417	8,231,460	1,084,990	(7,146,470)	(86.8)
The Keller Pointe	2,916,150	3,473,800	3,150,211	(323,589)	(9.3)
Debt service funds	9,057,856	8,554,790	8,832,180	277,390	3.2
Capital projects funds ⁽¹⁾	834,056	3,261,142	2,307,090	(954,052)	(29.3)
TOTAL	\$ 66,904,200	\$ 82,129,112	\$ 74,015,714	\$ (8,113,398)	(9.9%)

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

Crime Control Prevention District FY2013 Estimate includes \$7.39 million to fund improvements to the Keller Police Facility.

Total Expenditures by Function – All Funds

Function	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
Personnel services	\$ 25,203,320	\$ 25,673,705	\$ 27,557,437	\$ 1,883,732	7.3%
Operations & maintenance	3,663,085	5,144,215	5,012,665	(131,550)	(2.6)
Services & other	19,380,181	21,415,540	22,280,742	865,202	4.0
Capital outlay	4,665,876	15,804,242	5,202,835	(10,601,407)	(67.1)
Debt service	12,498,664	12,619,650	12,706,560	86,910	0.7
Interfund transfers	1,493,074	1,471,760	1,255,475	(216,285)	(14.7)
TOTAL	\$ 66,904,200	\$ 82,129,112	\$ 74,015,714	\$ (8,113,398)	(9.9%)

Capital outlay estimate includes \$7.39 million to fund improvements to the Keller Police Facility.

FY2013 expenditures **include** one-time, non-recurring expenditures of \$911,770 from the General Fund fund balance. FY2014 expenditures **exclude** one-time, non-recurring expenditures of \$4,136,130 from the General Fund fund balance.

REVENUES

Total revenues and transfers for all funds are \$72,150,570 for FY2014, an increase of \$287,592 — or 0.4 percent — from FY2013 estimated revenues, and an increase of \$1,571,089 — or 2.2 percent — over the 2012-2013 adopted budget. Revenues include property taxes, sales taxes, service charges (e.g., water and wastewater charges), interest revenue and other miscellaneous revenues.

Total Revenues by Fund – All Funds

Fund	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
General fund	\$ 27,910,187	\$ 29,442,060	\$ 30,444,316	\$ 1,002,256	3.4%
Water & wastewater fund	19,856,182	20,789,358	21,062,920	273,562	1.3
Drainage utility fund	1,520,515	1,549,050	1,570,850	21,800	1.4
Other funds	1,939,596	2,551,265	2,118,560	(432,705)	(17.0)
Keller Development Corporation	2,197,165	2,293,850	2,350,885	57,035	2.5
Crime Control Prevention District	7,421,589	1,050,000	1,070,000	20,000	1.9
The Keller Pointe	3,043,050	3,174,935	3,154,195	(20,740)	(0.7)
Debt service funds	9,038,998	8,704,090	8,980,480	276,390	3.2
Capital projects funds (1)	1,334,291	2,308,370	1,398,364	(910,006)	(39.4)
TOTAL	\$ 74,261,573	\$ 71,862,978	\$ 72,150,570	\$ 287,592	0.4%

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

Crime Control Prevention District FY2012 Actual includes \$6.4 million in proceeds from Certificates of Obligation issued to fund improvements to the Keller Police Facility, backed by the one-quarter-cent Keller Crime Control Prevention District sales tax.

Total Revenues by Source – All Funds

Revenue Source	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
Total property taxes	\$ 17,787,401	\$ 18,138,055	\$ 18,898,880	\$ 760,825	4.2%
Sales and other taxes	14,901,941	15,746,295	16,133,460	387,165	2.5
Licenses & permits	846,835	1,020,000	1,098,240	78,240	7.7
Charges for services	28,636,155	29,972,850	30,313,045	340,195	1.1
Fines & fees	1,403,635	1,420,550	1,265,714	(154,836)	(10.9)
Interest revenue	258,111	168,745	170,810	2,065	1.2
Intergovernmental	2,306,388	2,899,318	2,805,516	(93,802)	(3.2)
Miscellaneous revenues	228,033	175,405	209,430	34,025	19.4
Proceeds from debt issuance	6,400,000	850,000	-	(850,000)	(100.0)
Interfund transfers	1,493,074	1,471,760	1,255,475	(216,285)	(14.7)
TOTAL	\$ 74,261,573	\$ 71,862,978	\$ 72,150,570	\$ 287,592	0.4%

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 \$1,865,144:

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	\$10,906,089	\$10,649,332	(\$ 256,757)	Ending balance exceeds financial policy minimum balance target. (difference above excludes one-time, non-recurring expenditures of \$4,136,130) The General Fund ending fund balance, including one-time, non-recurring expenditures, also exceeds the financial policy minimum fund balance target.
Water & Wastewater Fund	6,316,880	5,339,575	(977,305)	Ending balance exceeds financial policy minimum balance target.
Drainage Utility Fund	1,602,506	1,455,711	(146,795)	Ending balance exceeds financial policy minimum balance target.
Keller Development Corporation	951,708	1,447,143	495,435	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	1,010,034	1,014,018	3,984	Funds remaining will be carried forward for future years' operations, capital replacements and/or projects.
Information Services Fund	659,221	522,341	(136,880)	Funds remaining will be carried forward for future years' operations, capital replacements and/or projects.
Keller Crime Control Prevention District	2,701,504	2,686,514	(14,990)	Funds remaining will be carried forward for future years' operations and planned capital expenditures.
Non-major special revenue funds	568,986	495,576	(71,410)	Funds remaining will be carried forward for future years' operations, capital replacements and/or projects.
Debt Service, including TIRZ Debt Service	694,795	843,095	148,300	Planned use of available balances, which can only be used for debt retirement.
Streets/Drainage Improvements Fund	812,219	45,829	(766,390)	Planned use of available balances for capital improvements.
Miscellaneous capital projects funds	821,095	678,759	(142,336)	Planned use of available balances for capital improvements.

SUMMARY OF MAJOR EXPENDITURES

PERSONNEL SERVICES

City operations are primarily service-oriented, with a focus of providing a variety of services to the citizens of Keller. As a result, personnel services (salaries, wages and benefits) account for \$27.6 million (35.3 percent) of total expenditures, compared to \$25.67 million (31 percent) of total expenditures for FY2013. Total personnel services will increase by \$1,883,732 (7.3 percent) in FY2014 over FY2013.

Included in the FY2014 budget is a 3 percent merit increase for employees hired on or before March 1, 2013. The merit increase funding also includes related benefits. A summary of the merit increase is provided in the following table (excludes The Keller Pointe):

<u>Fund</u>	<u>Total</u>
General Fund	\$ 457,894
Water & Wastewater Fund	66,475
Drainage Utility Fund	12,844
Information Services Fund	<u>18,171</u>
Total	<u>\$ 555,384</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. Employees may choose to voluntarily participate in two deferred compensation plans offered by the City.

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

<u>Fund</u>	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
General Fund	232.79	237.03	240.34	3.31	1.4%
Information Services Fund	7.00	8.00	8.00	-	-
Water & Wastewater Fund	43.17	39.80	40.17	0.37	0.9
Drainage Utility Fund	8.50	8.50	8.50	-	-
Keller Development Corp.	2.78	1.39	-	(1.39)	(100.0)
The Keller Pointe	46.56	46.73	48.40	1.67	3.6
Court Special Revenue	1.00	-	-	-	-
Total	<u>341.80</u>	<u>341.45</u>	<u>345.41</u>	<u>3.96</u>	<u>1.2%</u>

For the General Fund, employees per 1,000 residents decreased from 5.86 in FY2013 to 5.85 employees per 1,000 residents in 2014, a decrease of 0.01 employees per 1,000 residents, or 0.17 percent.

The FY2012 Actual and FY2013 Estimate personnel services amounts have been reduced to reflect savings from position vacancies and attrition, where applicable.

MAJOR EXPENDITURES
(continued)

OPERATIONS AND MAINTENANCE

Operation and maintenance expenditures include major categories of supplies, equipment, grounds, and building maintenance costs. These costs for FY2014 are \$5.01 million (6.4 percent) of total expenditures. The FY2014 budget reflects a decrease of \$131,550 (2.6 percent) from FY2013 expenditures.

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 FY2014 are \$22.28 million (28.5 percent) of total expenditures. This reflects an increase of \$865,202 (4 percent) from FY2013 expenditures (which represented 26.1 percent of total expenditures).

CAPITAL OUTLAY

Capital outlay includes expenditures for capital improvements, and new or replacement City assets. Capital outlay expenditures for FY2014 are \$5.2 million, representing 6.7 percent of total expenditures, compared to FY2013 expenditures of \$15.8 million, representing 19.2 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 FY2014 decreased \$10.6 million (67.1 percent) from FY2013. The primary reason for the decrease is that FY2013 amounts include the improvements and expansion of the Keller Police Facility.

DEBT SERVICE

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 FY2014 are \$4.99 million and comprise 6.4 percent of total expenditures. Expenditures increased by \$261,355 (5.5 percent) from FY2013.

In FY2013, the City issued \$850,000 in new obligations to fund vehicle and equipment replacements. The property tax-supported portion of the obligations is \$585,000, and the Water & Wastewater portion of the obligations is \$265,000.

The obligations funded replacement of vehicles and equipment for the following departments:

Community Development	\$ 20,350
Parks and Recreation	134,800
Fire/Emergency Medical Services	226,000
Public Works/Streets	203,850
Wastewater Collection	265,000

MAJOR EXPENDITURES
DEBT SERVICE (continued)

The City's current bond ratings are as follows:

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

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.

* As of January 2013, the City no longer has 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>FY2013</u>	<u>FY2014</u>
General obligation debt outstanding at October 1 (000's)	\$ 39,534	\$ 33,922
Estimated population, October 1	40,440	41,090
Direct debt per capita	\$ 978	\$ 826
Net taxable valuation (000's)	\$ 4,079,430	\$ 4,252,692
<i>Ratio of debt to taxable valuation</i>	<i>1.0%</i>	<i>0.8%</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)	\$ 34,838	\$ 35,691
Debt service expenditures (000's)	\$ 4,729	\$ 4,990
<i>Debt service expenditures as a percentage of total general government expenditures</i>	<i>13.6%</i>	<i>14.0%</i>
<i>Financial policy target</i>	<i>25.0%</i>	<i>25.0%</i>

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

INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

Transfers to other funds for FY2014 are \$1.26 million, representing 1.6 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 decreased by \$216,285 (14.7 percent) from FY2013 amounts.

As previously mentioned, transfers are made from other funds to the debt service fund for debt service retirement. The City periodically issues general obligation debt on behalf of other funds or operations, e.g., Water & Wastewater projects or the Keller Development Corporation. As a result, the fund benefiting from the debt issuance reimburses the debt service fund for the appropriate portion of the annual debt service requirements. The following transfers are provided for FY2013 and FY2014:

MAJOR EXPENDITURES
INTERFUND TRANSFERS (continued)

	<u>FY2013</u>	<u>FY2014</u>
Debt Service Transfers from other Funds:		
Keller Development Corporation	\$ 123,675	\$ 156,280
Capital Projects Funds	71,480	-
Water & Wastewater Fund	443,605	436,510
Debt Service Fund	33,625	-
TIRZ Interest & Sinking Fund	643,350	662,685
Subtotal	<u>1,315,735</u>	<u>1,255,475</u>
Operational Transfers from other Funds:		
General Fund	156,025	-
Subtotal	<u>156,025</u>	<u>-</u>
Total Transfers	<u>\$ 1,471,760</u>	<u>\$ 1,255,475</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>FY2013</u>	<u>FY2014</u>	<u>FY2013</u>	<u>FY2014</u>
General Fund	\$ 2,769,525	\$ 2,593,500	\$ 918,125	\$ 888,745
Keller Development Corporation	-	-	162,175	194,780
Information Services Fund	1,602,850	1,599,260	-	-
The Keller Pointe Fund	-	-	23,010	23,545
Debt Service Fund	672,385	592,790	643,350	662,685
TIRZ Interest & Sinking Fund	643,350	662,685	-	-
Fleet Replacement Fund	120,460	139,530	-	-
Capital Projects Funds	-	-	71,480	-
Water & Wastewater Fund	65,000	70,000	3,839,385	3,683,745
Drainage Utility Fund	-	-	216,045	204,265
Total Intragovernmental Transfers	<u>\$ 5,873,570</u>	<u>\$ 5,657,765</u>	<u>\$ 5,873,570</u>	<u>\$ 5,657,765</u>

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

MAJOR EXPENDITURES
INTERFUND TRANSFERS (continued)

	<u>FY2013</u>	<u>FY2014</u>
TRANSFERS TO GENERAL FUND		
Payments In-lieu of Taxes Transfers from:		
Water & Wastewater Fund	\$ 1,120,000	\$ 1,075,000
Drainage Utility Fund	<u>120,000</u>	<u>115,000</u>
Subtotal	<u>1,240,000</u>	<u>1,190,000</u>
Operational Transfers from:		
Water & Wastewater Fund	144,605	-
Drainage Utility Fund	<u>11,420</u>	<u>-</u>
Subtotal	<u>156,025</u>	<u>-</u>
Administrative Services Transfers from:		
Water & Wastewater Fund	1,335,000	1,365,000
Keller Development Corporation	<u>38,500</u>	<u>38,500</u>
Subtotal	<u>1,373,500</u>	<u>1,403,500</u>
Total Transfers to General Fund	<u><u>2,769,525</u></u>	<u><u>2,593,500</u></u>
TRANSFERS TO WATER & WASTEWATER FUND		
Administrative Services Reimbursement Transfers from:		
Drainage Utility Fund	<u>65,000</u>	<u>70,000</u>
Total Transfers to Water & Wastewater Fund	<u><u>65,000</u></u>	<u><u>70,000</u></u>
TRANSFERS TO INFORMATION SERVICES FUND		
Operating Transfers from:		
General Fund	659,950	652,875
Water & Wastewater Fund	<u>659,950</u>	<u>652,875</u>
Subtotal	<u>1,319,900</u>	<u>1,305,750</u>
Cost of Services Transfers from:		
General Fund	224,550	235,870
Water & Wastewater Fund	32,045	30,740
Drainage Utility Fund	3,345	3,355
The Keller Pointe Fund	<u>23,010</u>	<u>23,545</u>
Subtotal	<u>282,950</u>	<u>293,510</u>
Total Transfers to Information Services Fund	<u><u>1,602,850</u></u>	<u><u>1,599,260</u></u>
TRANSFERS TO FLEET REPLACEMENT FUND		
Internal Vehicle/Equipment Lease Payments from:		
Water & Wastewater Fund	104,180	123,620
Drainage Utility Fund	<u>16,280</u>	<u>15,910</u>
Total Transfers to Fleet Replacement Fund	<u><u>120,460</u></u>	<u><u>139,530</u></u>
TRANSFERS TO DEBT SERVICE FUND		
Debt Service Transfers from:		
General Fund	33,625	-
Keller Development Corporation	123,675	156,280
Water & Wastewater Fund	443,605	436,510
Capital projects funds	<u>71,480</u>	<u>-</u>
Total Transfers to Debt Service Fund	<u><u>672,385</u></u>	<u><u>592,790</u></u>
TRANSFERS TO TIRZ INTEREST & SINKING FUND		
Debt Service Transfers from:		
Debt Service Fund	<u>643,350</u>	<u>662,685</u>
Total Transfers to TIRZ Interest & Sinking Fund	<u><u>643,350</u></u>	<u><u>662,685</u></u>

SOURCES AND ESTIMATES OF MAJOR REVENUES
TAXES

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

Total property taxes (including penalties and interest) for FY2014 are \$18.9 million, and represent 26.2 percent of total revenues, compared to \$18.14 million (25.2 percent) of total revenues for FY2013. Total property tax revenues for FY2014 increased by \$760,825 (4.2 percent) over FY2013 taxes. 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 FY2014 is \$0.44219, unchanged from the FY2013 tax rate. The tax rate is comprised of a "maintenance and operations" (M&O) component (\$0.32646, or 73.8 percent of the total rate), which is allocated to the general fund, and a "debt service" component (\$0.11573, or 26.2 percent of the total rate), which is allocated to the debt service fund.

Since 1993, the tax rate has been reduced a total of \$0.10195 per \$100 of valuation (10.195 cents), or 18.7 percent. This reduction has been possible due to efficient governmental operations and cost saving initiatives, combined with growth in the assessed taxable valuation, and increases in sales and franchise taxes, and other revenues. Tax rate comparisons since 2004 are presented in the accompanying chart (per \$100 of valuation).

Year	Total Tax Rate	Percent Change
2004 (FY2005)	\$ 0.44413	1.4%
2005 (FY2006)	0.44413	-%
2006 (FY2007)	0.43219	(2.7%)
2007 (FY2008)	0.43219	-%
2008 (FY2009)	0.43219	-%
2009 (FY2010)	0.44219	2.3%
2010 (FY2011)	0.44219	-%
2011 (FY2012)	0.44219	-%
2012 (FY2013)	0.44219	-%
2013 (FY2014)	0.44219	-%

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

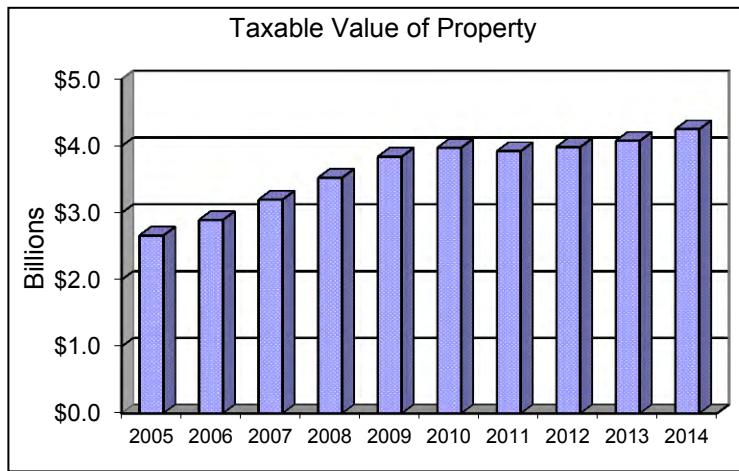
<u>Exemption Type</u>	<u>Exemption Amount</u>
Homestead exemption	1 percent of appraised value (minimum exemption – \$5,000)
Disabled citizen	\$10,000
Over age 65	\$40,000
Disabled veteran	\$5,000 to \$12,000, depending on the percentage of the person's disability. Effective June 2009, veterans who are 100 percent disabled are also eligible for a 100 percent residential homestead exemption.

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

MAJOR REVENUES (continued)

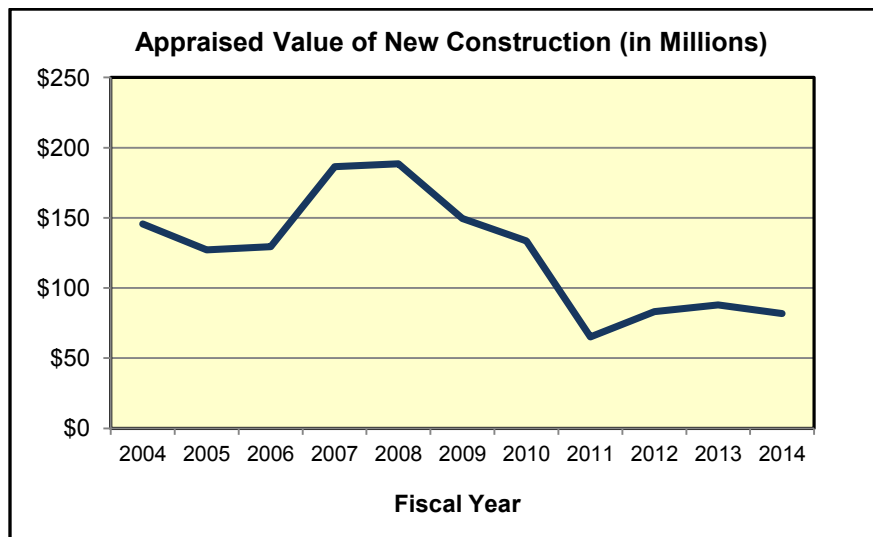
TAXES:

Each year the Tarrant Appraisal District (TAD) appraises property for all taxing entities within Tarrant County. Property appraisals are provided to the City on July 25 of each year, when the certified tax (appraisal) roll is received from TAD. The accompanying chart indicates net taxable values since 2005.



The net taxable value after exemptions and adjustments for FY2014 is \$4.25 billion. This represents an increase in taxable value of 4.25 percent, or approximately \$173.26 million, compared to an increase of \$104.1 million (2.6 percent) in FY2013. The 1.3 percent decrease in taxable value in FY2011 was the first decrease in value in Keller's history.

As shown in the above chart, Keller has experienced substantial growth in taxable value since 2004. Although the rate of growth reduced substantially from 2008 to 2011, since 2011 the rate of growth has slightly increased. The primary contributing factor to this growth has been new construction, most of which has been residential (single-family home) construction. According to the Tarrant Appraisal District, the City added almost \$82 million in new construction during calendar year 2012 (fiscal year 2013-14), compared to \$88 million in new construction added to the tax rolls the previous year (for calendar year 2011, or fiscal year 2012-2013). The chart below provides a history of new construction values, as provided by the Tarrant Appraisal District.



For FY2014, the appraised value of new residential construction in calendar year 2012 was \$70.55 million (86.3 percent of the total) and new commercial construction was \$11.2 million (13.7 percent). For the prior fiscal year (calendar year 2011), the appraised value of new residential construction was \$65.9 million (74.9 percent) and new commercial construction was \$22.1 million (25.1 percent).

MAJOR REVENUES (continued)

TAXES:

Sales and other taxes: Sales and other taxes are comprised of local sales taxes, franchise taxes from local utilities, and in-lieu of tax payments from the City's Water and Wastewater and Drainage Utility Funds. Other taxes also include assessments to participating entities in the Keller Town Center Tax Increment Reinvestment Zone (TIRZ). Total revenue for FY2014 is \$16.13 million, representing 22.4 percent of total revenues, compared to \$15.75 million, representing 21.9 percent of total revenues in FY2013. Sales and other taxes are projected to increase by \$387,165 (2.5 percent) over FY2013 amounts.

All sales taxes are remitted to the State of Texas from the sale of taxable goods and services. The State of Texas then rebates to the City the following portions of these taxes: general sales taxes – 1 percent; 0.5 percent for the Keller Development Corporation; 0.25 percent for the Keller Crime Control Prevention District; 0.25 percent street maintenance; and 15 percent of mixed beverage tax collected within 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%

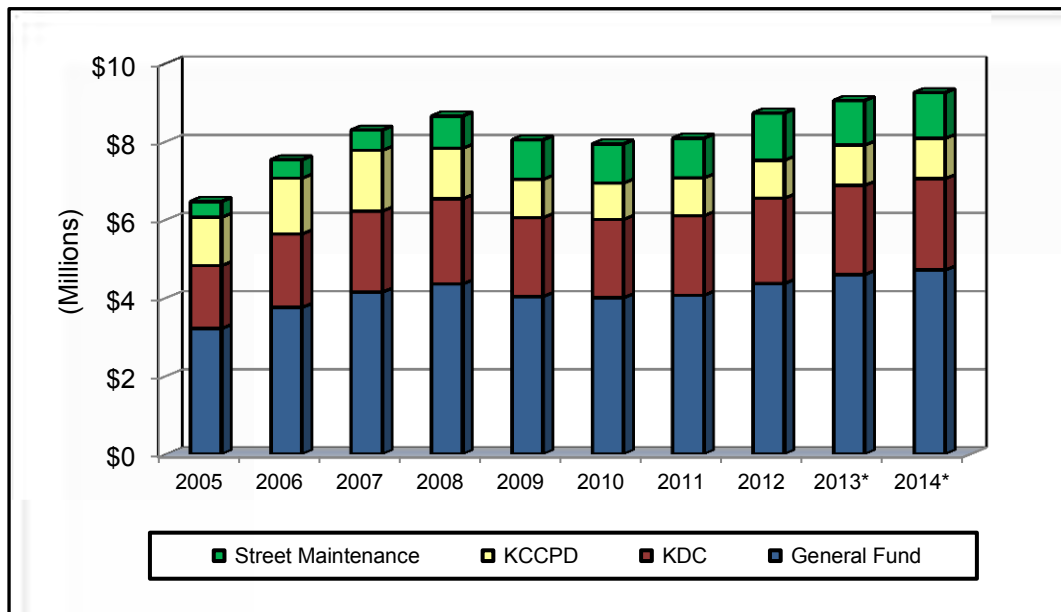
The accompanying table on the next page presents total sales tax collections for the City's general fund, the Keller Development Corporation, the Keller Crime Control & Prevention District and street maintenance sales tax (a capital projects fund). As the table indicates, sales tax revenue has shown a significant increase, primarily because of a combination of increased retail activity, along with the additional 0.375 percent KCCPD sales tax that became effective in April 2002 and the street maintenance sales tax of 0.125 percent that became effective in April 2004. In November 2007, voters reauthorized the street maintenance sales 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 reauthorized the street maintenance sales for another four years (State law requires the street maintenance sales tax to be reauthorized by voters every four years).

MAJOR REVENUES (continued)

TAXES:

The City experienced decreases in sales tax revenues in both FY2009 and FY2010 by 7 percent and 1.3 percent respectively. For FY2011, sales taxes increased slightly over the previous year (1.9 percent), while increasing substantially in FY2012 (8 percent), reaching 2008 collection levels. For FY2013 and FY2014, sales taxes are projected to increase by 3.7 percent and 2.2 percent respectively. Prior to FY2008, sales tax revenues had consistently experienced double-digit increases each year. The table below provides sales tax information by type since fiscal year 2005.

Fiscal Year	General Fund	KDC	KCCPD	Street Maintenance	Total	Pct Change
2005	\$ 3,218,819	\$ 1,609,410	\$1,237,317	\$ 402,352	\$ 6,467,898	15.7%
2006	3,757,724	1,879,424	1,427,418	469,856	7,534,422	16.5%
2007	4,148,974	2,073,910	1,553,620	518,477	8,294,981	10.1%
2008	4,360,294	2,180,147	1,289,690	824,604	8,654,735	4.3%
2009	4,037,484	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*	4,600,000	2,281,000	1,030,000	1,140,500	9,051,500	3.7%
2014*	4,715,000	2,338,025	1,030,000	1,169,010	9,252,035	2.2%



* projected

MAJOR REVENUES (continued)

SALES AND OTHER TAXES:

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 calculated on the fund's audited net asset value (historical cost less accumulated depreciation) from the prior year, multiplied by the City's property tax rate.

As a combined group, property taxes, sales taxes and franchise taxes account for \$35.03 million (48.6 percent) of total revenues for FY2014, compared to \$33.88 million (47.2 percent) of total revenues for FY2013. These revenues are projected to increase by \$1,147,990 (3.4 percent) over FY2013.

CHARGES FOR SERVICES

Charges for services primarily include water, wastewater and drainage fees, and revenues for The Keller Pointe Recreation and Aquatic Center. Total service charges for FY2014 are \$30.31 million comprising 42 percent of total revenues, compared to \$29.97 million (41.7 percent) of total revenues in FY2013.

Major charges for service revenues are comprised of water revenue (\$14.98 million); wastewater (sewer) revenue (\$5.52 million); drainage utility fees (\$1.56 million); and operating revenues for The Keller Pointe (\$3.13 million). These revenues comprise \$25.2 million (34.9 percent) of total revenues in FY2014, compared to \$24.85 million (34.6 percent) of total revenues in FY2013.

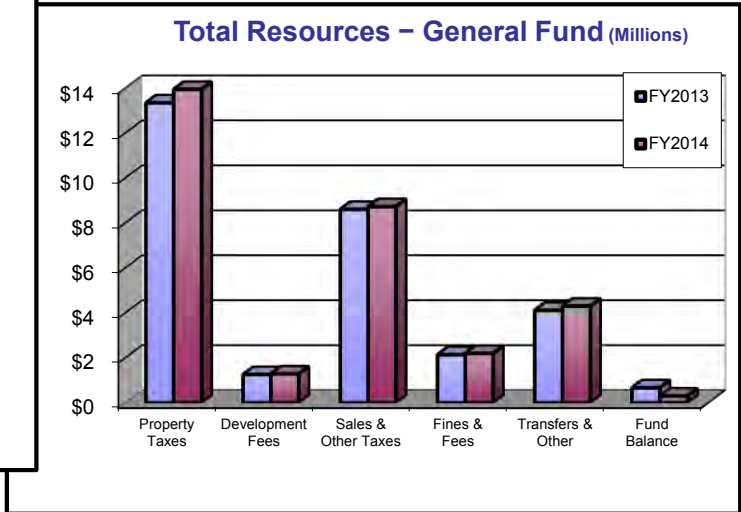
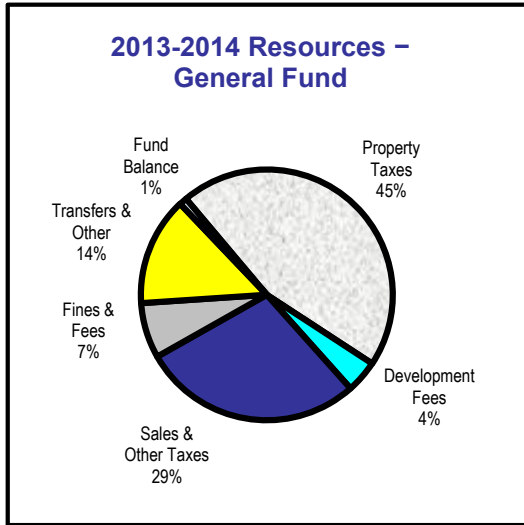
Total revenues from taxes and service charges comprise \$65.35 million (90.6 percent) of total revenues, compared to \$63.86 million (88.9 percent) of total revenues in FY2013. This represents an increase of \$1,488,185 (2.3 percent) over FY2013.

OTHER REVENUES

Other revenues include intergovernmental revenue (\$2,805,516); fines and fees (\$1,229,190), licenses and permits (\$1,098,240), interest revenue (\$170,810), miscellaneous revenue (\$209,430); and interfund (intra governmental) transfers (\$1,255,475). Licenses and permits include building permits and fees, plumbing permits, mechanical permits, electrical permits, fence permits and sign and other miscellaneous permits. These revenues total \$6.81 million (9.4 percent) of total revenues.

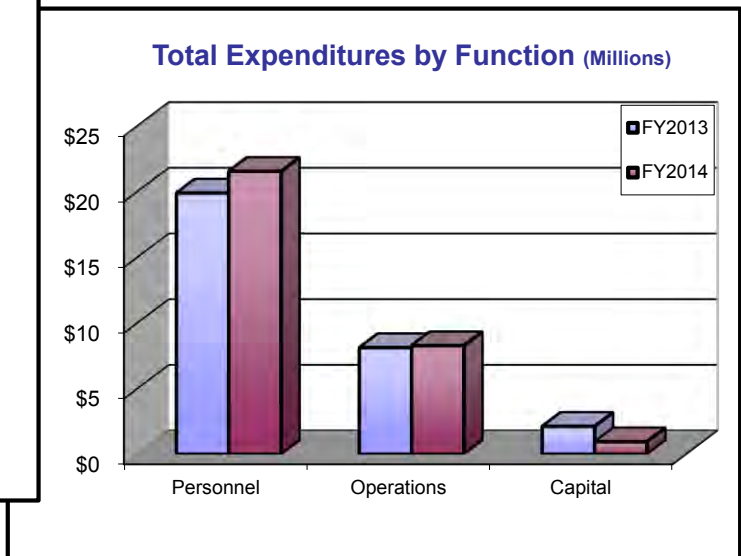
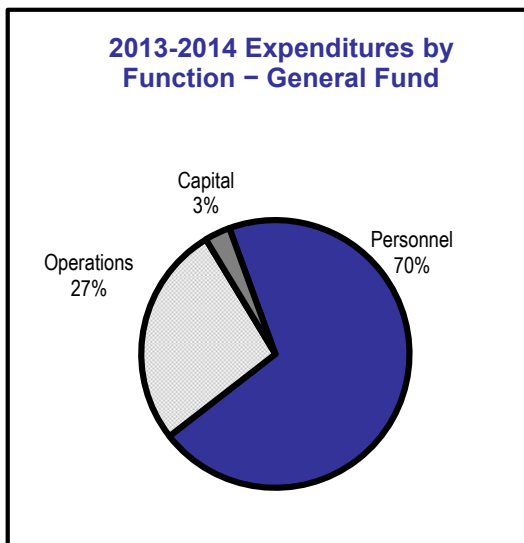
**2013-2014 BUDGET
OVERVIEW OF GENERAL FUND**

**2013-2014 RESOURCES – WHERE THE MONEY COMES FROM
\$30,701,073**



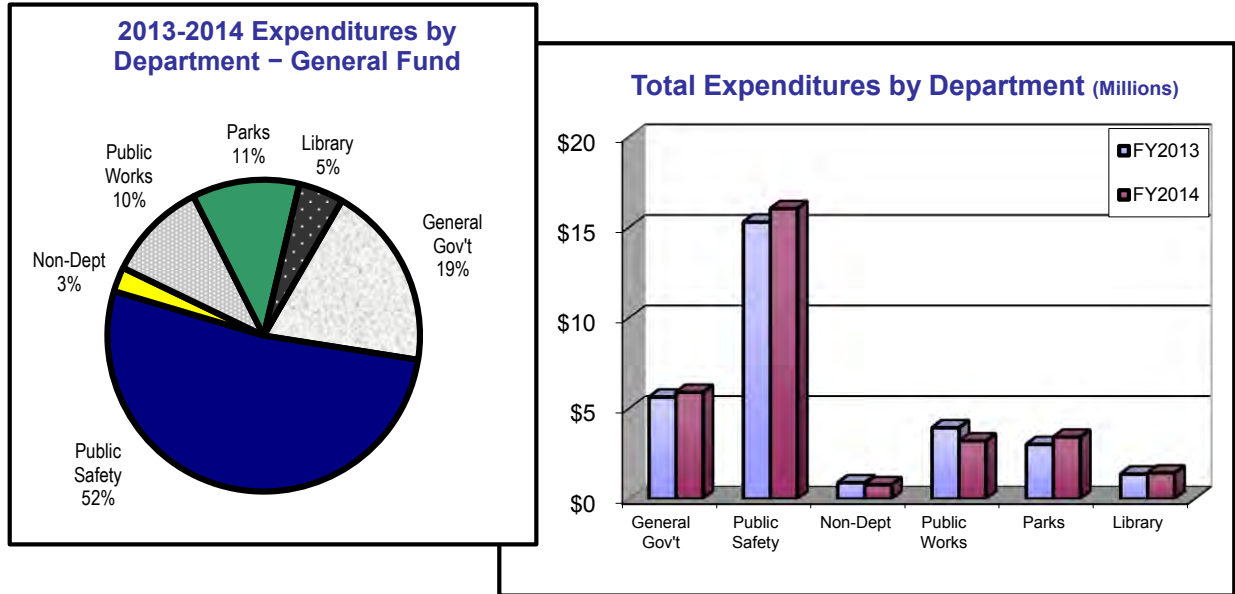
**2013-2014 EXPENDITURES – WHERE THE MONEY GOES
\$30,701,073**
(FY2014 excludes one-time expenditures from available fund balance of \$4,136,130)

Expenditures by Function



General Fund Summary (continued)

Expenditures by Department



FINANCIAL SUMMARY

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

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

General Fund Summary (continued)

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance	\$ 12,071,500	\$ 11,470,879	\$ 10,906,089	\$ (564,790)	(4.9%)
REVENUES:					
Total property taxes	12,614,247	13,339,375	13,939,280	599,905	4.5
Sales taxes	4,368,625	4,600,000	4,715,000	115,000	2.5
Other taxes	3,831,447	4,001,620	4,010,520	8,900	0.2
Fines & fees	2,171,279	2,135,450	2,196,000	60,550	2.8
Building permits/fees	846,835	1,020,000	1,098,240	78,240	7.7
Development fees	314,253	234,400	187,540	(46,860)	(20.0)
Intergovernmental revenue	2,183,286	2,397,090	2,755,946	358,856	15.0
Miscellaneous revenues	1,577,406	1,558,100	1,541,790	(16,310)	(1.0)
Interfund transfers	2,809	156,025	-	(156,025)	(100.0)
TOTAL REVENUES	27,910,187	29,442,060	30,444,316	1,002,256	3.4
TOTAL FUNDS AVAILABLE	39,981,687	40,912,939	41,350,405	437,466	1.1
EXPENDITURES:					
Personnel services	19,558,547	19,877,445	21,487,842	1,610,397	8.1
Operations & maintenance	1,776,375	2,354,050	2,270,415	(83,635)	(3.6)
Services & other	4,753,590	5,723,635	5,993,256	269,621	4.7
Capital outlay	2,284,796	2,018,095	949,560	(1,068,535)	(52.9)
Transfers to other funds	137,500	33,625	-	(33,625)	(100.0)
TOTAL EXPENDITURES	28,510,808	30,006,850	30,701,073	694,223	2.3
TOTAL ENDING BALANCE	\$ 11,470,879	\$ 10,906,089	\$ 10,649,332	\$ (256,757)	(2.4%)

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 FY2014, compared to 66 percent in FY2013. Operations & maintenance and services comprise 26.9 percent of the total FY2014 budget. Capital outlay (3.1 percent) comprises the remainder of the FY2014 budget. The FY2014 expenditures are an increase over the FY2013 estimated expenditures by \$694,223 (2.3 percent).

Full-time equivalent positions are 240.34, an increase of 3.31 FTEs (1.4 percent) from FY2013. Major changes in FTE's include the reduction of a Municipal Court staff (0.25 FTEs), resulting from the merger of Municipal Court operations with the City of Colleyville; the addition of an Economic Development Director (1 FTE) for the Economic Development Department; the addition of a Planner I (1 FTE) in the Community Development Department; the addition of a Detention Officer (1 FTE) in the Jail Operations Division of the Police Department as a result of expanding and improving the Keller Police Facility; elimination of a Maintenance Technician (1 FTE) and the transfer of 1.39 FTE's from the Keller Development Corporation in the Parks and Recreation Department. The remaining increase of 0.17 FTEs is due to partial-year funding of positions in FY2013.

General Fund Summary (continued)

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 FY2014, are \$949,560, or 3.1 percent of total General Fund expenditures. Capital outlay expenditures for FY2014 decreased \$1,168,535 (55.2 percent) from FY2013. Major capital items include: street improvements (\$758,000); replacement of a heavy-duty mower and park maintenance equipment for the Parks and Recreation Department (\$79,060); signage and lighting improvements for Old Town Keller (\$20,000); and street maintenance and signalization equipment for the Public Works Department (\$92,500), including \$60,000 to replace a steel roller.

Public Safety expenditures (Police and Fire) comprise more than \$15.98 million of General Fund expenditures (52 percent of total expenditures). General Government expenditures comprise 14.9 percent of total expenditures; Community Development, 4.3 percent; Parks & Recreation, 11.1 percent; Library, 4.7 percent; Public Works, 10.4 percent; and Non-Departmental, 2.6 percent, respectively.

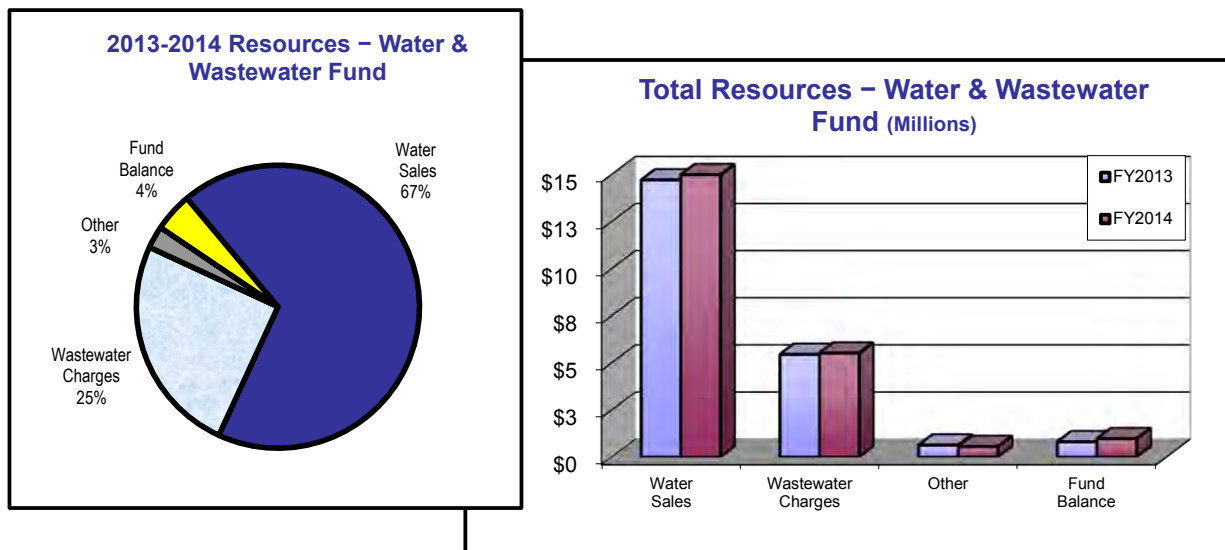
ONE-TIME, NON-RECURRING EXPENDITURES

One-time, non-recurring expenditures of \$911,770 are included in the FY2013 Estimates. FY2013 one-time expenditures included the following: intersection improvements and installation of traffic signals at the intersection of Johnson Road and Rufe Snow Drive (\$350,000); parking lot improvements in Old Town Keller (\$75,000); economic development initiatives (\$50,000); a one-time employee stipend, including related benefits (\$286,770); and Town Hall modifications (\$150,000).

For FY2014, one-time expenditures of \$4,136,130 are planned from the available General Fund fund balance, **and are excluded from budget totals**. FY2014 expenditures are proposed as follows: transfer to fleet replacement fund for future vehicle replacements (\$300,000); a city-wide communications systems upgrade, originally approved by City Council in June 2012 (\$1,644,535); economic development initiatives, (\$1,200,000); economic development incentives due developers, resulting from approved development agreements (\$230,000); vehicle replacements (\$211,595); and replacement of a fire engine (\$550,000). The payment for the city-wide communications system upgrade is due December 1, 2013.

**2013-2014 BUDGET
OVERVIEW OF WATER AND WASTEWATER FUND**

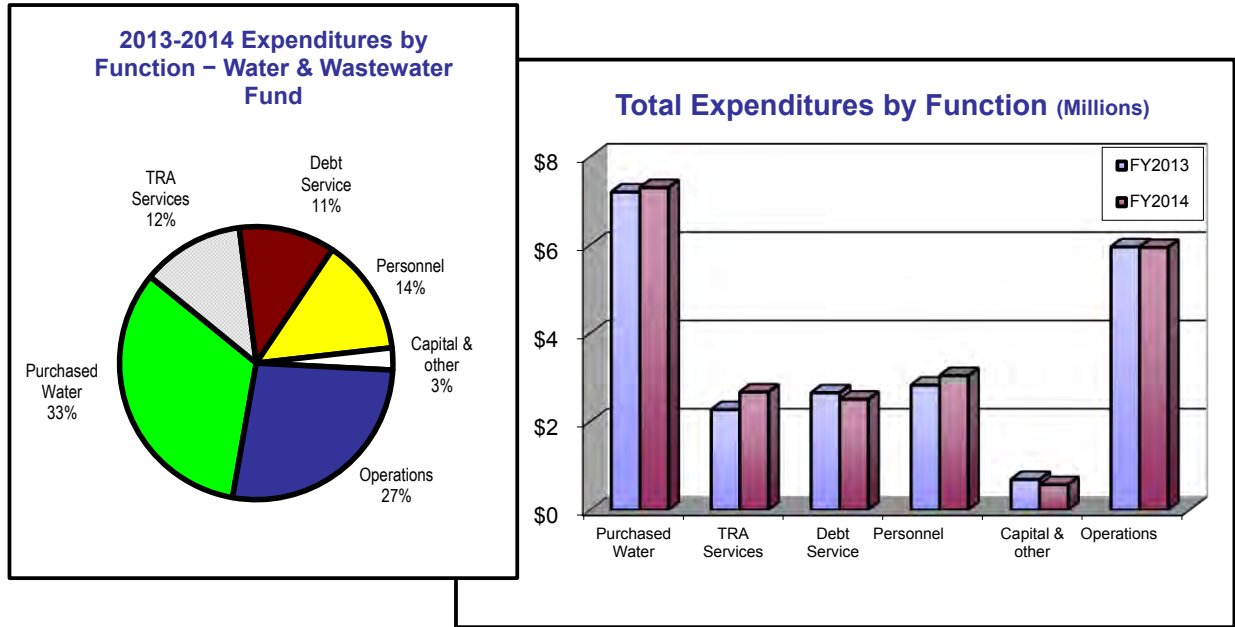
**2013-2014 RESOURCES – WHERE THE MONEY COMES FROM
\$22,040,225**



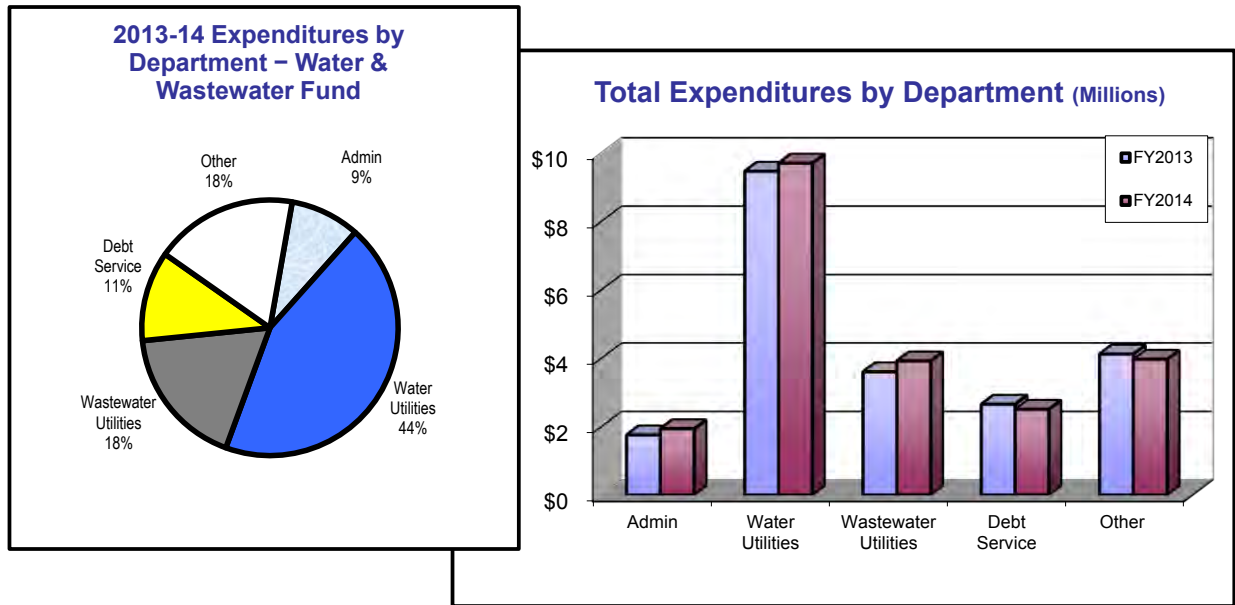
Water and Wastewater Fund Summary (continued)

2013-2014 EXPENDITURES – WHERE THE MONEY GOES
\$22,040,225

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, 2012)

	<u>Residential</u>	<u>Non-Residential</u>
0 to 2,000 gallons	\$16.88 minimum*	\$16.88 minimum*
0 to 2,000 gallons	\$1.96	\$1.96
2,001 to 10,000 gallons (per 1,000 gallons)	\$3.13	\$3.13
10,001 to 20,000 gallons (per 1,000 gallons)	\$3.45	\$3.77
20,001 to 25,000 gallons (per 1,000 gallons)	\$3.88	\$4.40
25,001 to 40,000 gallons (per 1,000 gallons)	\$4.99	\$4.99
over 40,000 gallons (per 1,000 gallons)	\$5.42	\$5.42

The above rates include the current wholesale pass-through rate of \$1.96 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, 2013)

Residential	\$11.85 minimum*, plus \$3.14 per 1,000 gallons of water usage (based on December, January and February average water usage); maximum to 20,000 gallons, or \$74.65 per month
Non-residential	\$11.85 minimum*, plus \$3.14 per 1,000 gallons of water usage. No monthly maximum.

The above rates include the current wholesale pass-through rate of \$1.51 per 1,000 gallons.

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

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
Beginning Balance	\$ 7,265,486	\$ 7,127,857	\$ 6,316,880	\$ (810,977)	(11.4%)
REVENUES:					
Water sales	14,232,690	14,702,800	14,981,500	278,700	1.9
Wastewater charges	5,159,320	5,450,000	5,520,000	70,000	1.3
Taps and miscellaneous fees	381,549	529,950	479,850	(50,100)	(9.5)
Contributions	13,077	13,108	4,570	(8,538)	(65.1)
Interest revenue	23,408	20,000	22,500	2,500	12.5
Miscellaneous revenues	46,138	73,500	54,500	(19,000)	(25.9)
TOTAL REVENUES	19,856,182	20,789,358	21,062,920	273,562	1.3
TOTAL FUNDS AVAILABLE	27,121,668	27,917,215	27,379,800	(537,415)	(1.9)
EXPENDITURES:					
Personnel services	2,725,471	2,826,470	3,043,080	216,610	7.7
Operations & maintenance	721,607	1,135,905	1,130,740	(5,165)	(0.5)
Services & other	3,668,929	4,234,810	4,376,310	141,500	3.3
Wholesale water purchased	7,147,763	7,200,000	7,300,000	100,000	1.4
Wastewater services-TRA	2,158,030	2,272,220	2,670,770	398,550	17.5
Capital outlay	518,831	689,960	575,025	(114,935)	(16.7)
Debt service	2,595,320	2,652,760	2,507,790	(144,970)	(5.5)
Transfers to other funds	457,860	588,210	436,510	(151,700)	(25.8)
TOTAL EXPENDITURES	19,993,811	21,600,335	22,040,225	439,890	2.0
TOTAL ENDING BALANCE	\$ 7,127,857	\$ 6,316,880	\$ 5,339,575	\$ (977,305)	(15.5%)

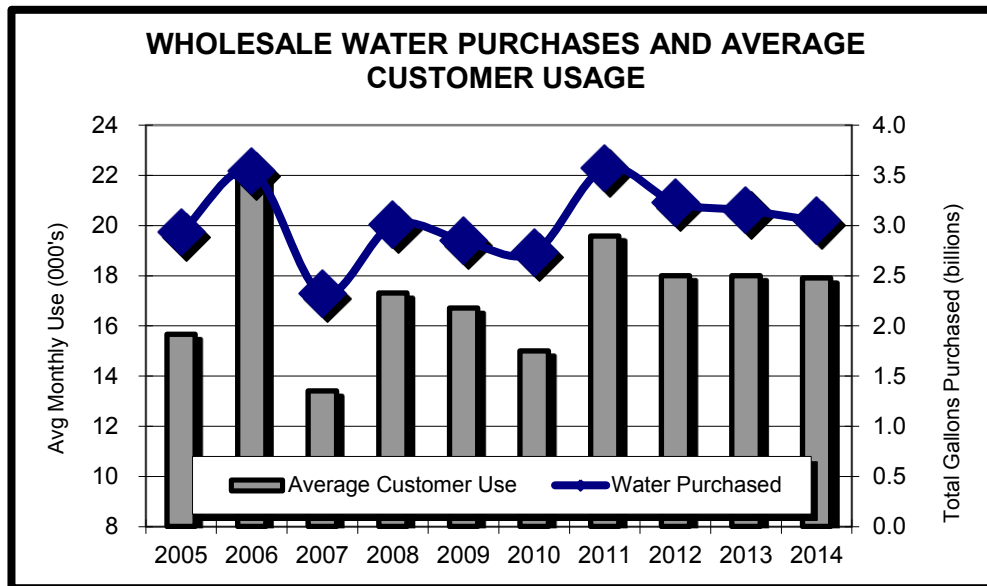
Major revenues for FY2014 are derived from water service charges (71.1 percent) and wastewater charges (26.2 percent), compared to 70.7 and 26.2 percent respectively in FY2013. These combined revenue sources account for more than 97.3 percent of fund revenues for FY2014, compared to 96.9 percent for FY2013.

Major expenditures for FY2014 are comprised of wholesale water purchases (33.1 percent); wastewater treatment and collection services provided by the Trinity River Authority (12.1 percent); debt service on long-term debt (11.4 percent); operating expenses and transfers (27 percent); personnel services (salaries and benefits), 13.8 percent, and capital outlay (2 percent).

Water and Wastewater Fund Summary (continued)

Water purchases are projected to be 3.047 billion gallons in FY2014, compared to 3.152 billion in FY2013, a decrease of 104.6 million gallons (3.3 percent). Customer consumption reached an all-time high of 3.5 billion gallons in FY2006. For FY2014, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts.

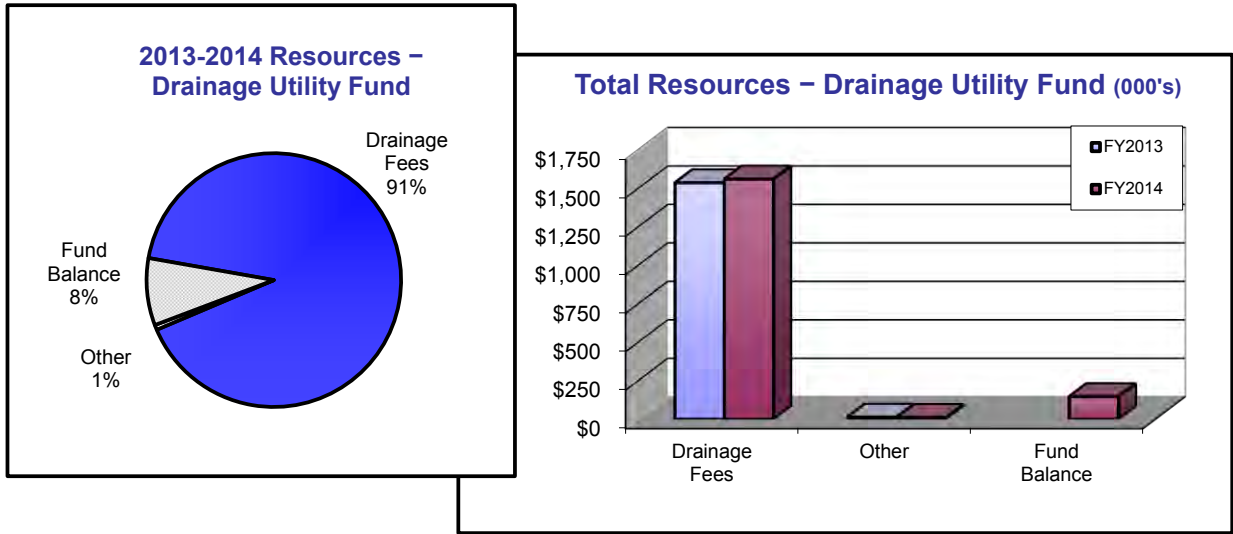
The total ending balance of \$5,339,575 includes a \$500,000 water and wastewater rate stabilization reserve. The purpose of the rate stabilization reserve is to provide funds for variations in weather conditions, specifically years having above-average rainfall (wet year) or below-average rainfall (dry year). The undesignated ending fund balance is \$4,839,575 or approximately 83 days of operations, compared to the financial policy target of 60 days.



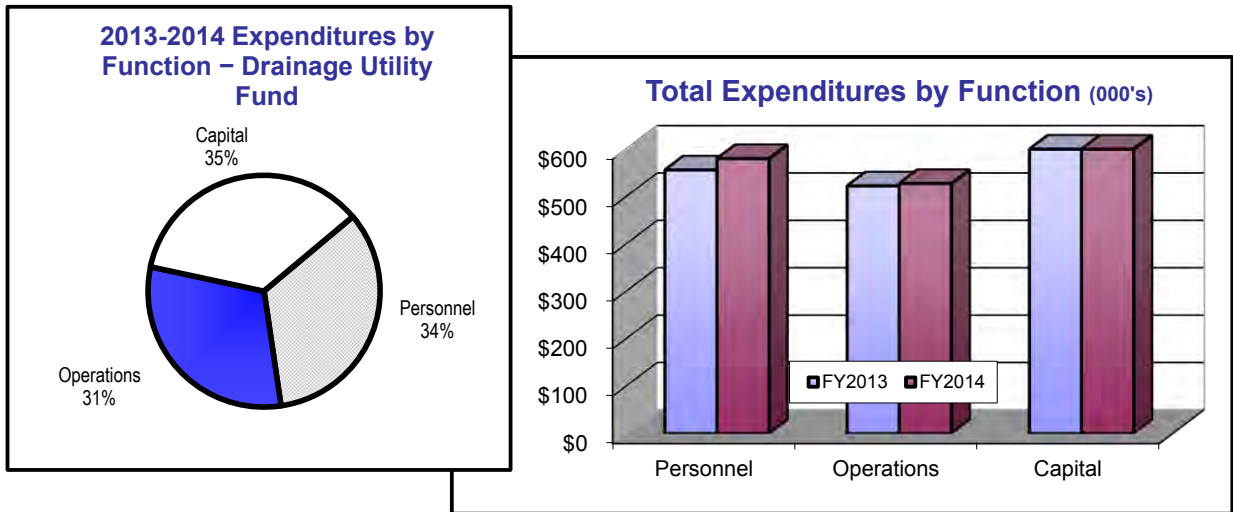
As the above graph indicates, the total number of gallons of wholesale water purchased has generally shown an increasing trend, from as high as 3.57 billion gallons in FY2011 to as low as 2.31 billion gallons in FY2007. Based on total water usage to date through June 2013, water sales of 3.162 billion gallons are anticipated for FY2013. The FY2014 budget forecasts 3.191 billion gallons of water use, and is based on normal, or average rainfall. Using this average, the annualized monthly average usage per customer is 17,901 gallons for FY2014, compared to 18,013 gallons projected for FY2013, and the actual amount of 18,054 gallons in FY2012.

**2013-2014 BUDGET
OVERVIEW OF DRAINAGE UTILITY FUND**

**2013-2014 RESOURCES – WHERE THE MONEY COMES FROM
\$1,717,645**



**2013-2014 EXPENDITURES – WHERE THE MONEY GOES
\$1,717,645**



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	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
Beginning Balance	\$ 1,477,396	\$ 2,038,106	\$ 1,302,506	\$ (735,600)	(36.1%)
REVENUES:					
Drainage fees	1,506,121	1,536,200	1,560,000	23,800	1.5
Miscellaneous revenues	–	850	850	–	–
Gain (loss) on asset disposal	3,077	2,000	–	(2,000)	(100.0)
Interest revenue	11,317	10,000	10,000	–	–
TOTAL REVENUES	1,520,515	1,549,050	1,570,850	21,800	1.4
TOTAL FUNDS AVAILABLE	2,997,911	3,587,156	2,873,356	(713,800)	(19.9)
EXPENDITURES:					
Personnel services	535,583	556,050	580,135	24,085	4.3
Operations & maintenance	99,407	90,525	153,515	62,990	69.6
Services & other	236,676	366,335	316,925	(49,410)	(13.5)
Capital outlay/improvements	33,912	1,206,090	610,000	(596,090)	(49.4)
Debt service	54,227	54,230	57,070	2,840	5.2
Transfers to other funds	–	11,420	–	(11,420)	(100.0)
TOTAL EXPENDITURES	959,805	2,284,650	1,717,645	(567,005)	(24.8)
TOTAL ENDING BALANCE	\$ 2,038,106	\$ 1,302,506	\$ 1,155,711	\$ (146,795)	(11.3%)

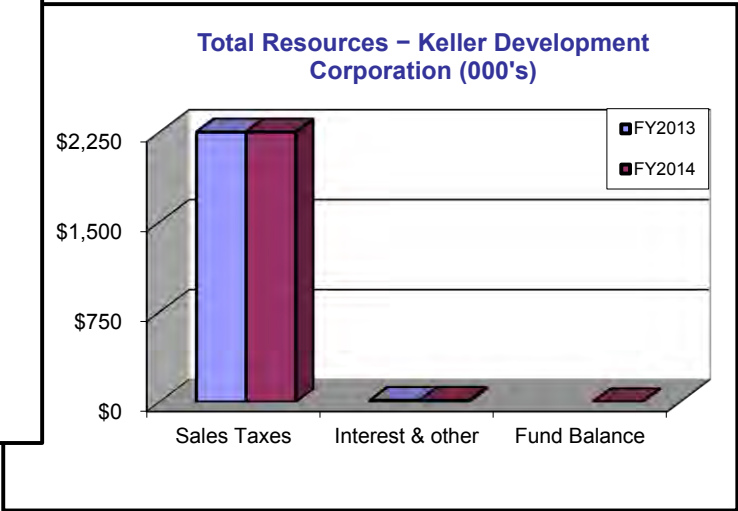
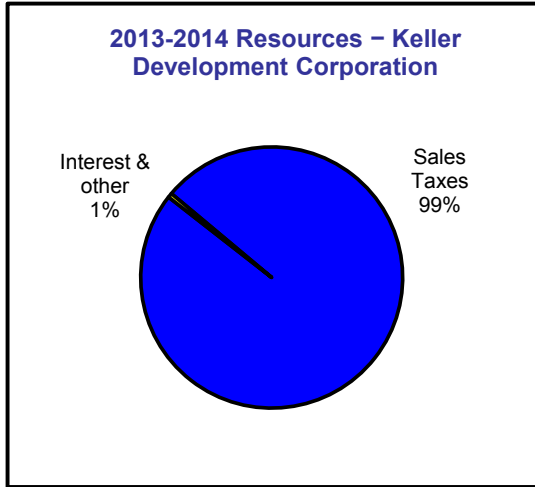
Major revenues for FY2014 are derived from drainage user fees (99.3 percent). The monthly drainage charge per ERU is currently \$8 per month, last updated in November 2009.

Major expenditures for FY2014 provided for personnel services (33.8 percent) for 8.5 full-time equivalent positions. Operations and maintenance, services and other expenditures (31 percent of the total budget) provide for both equipment maintenance and drainage channel maintenance, including equipment rentals as needed. Capital improvements comprise 35.5 percent of the total budget.

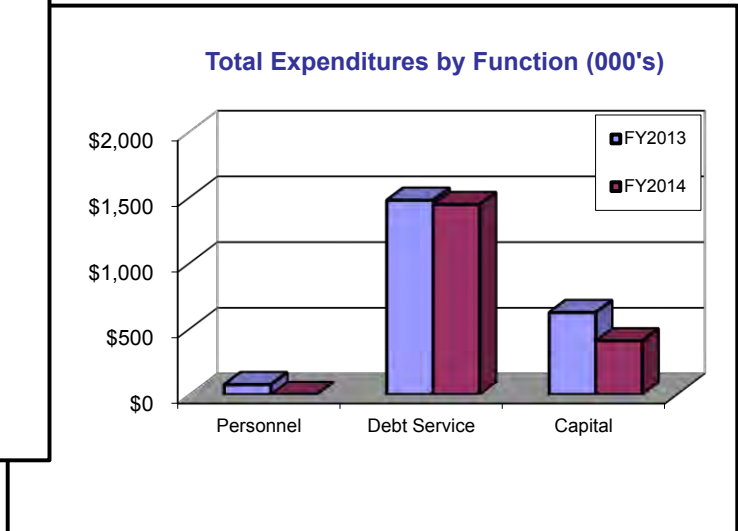
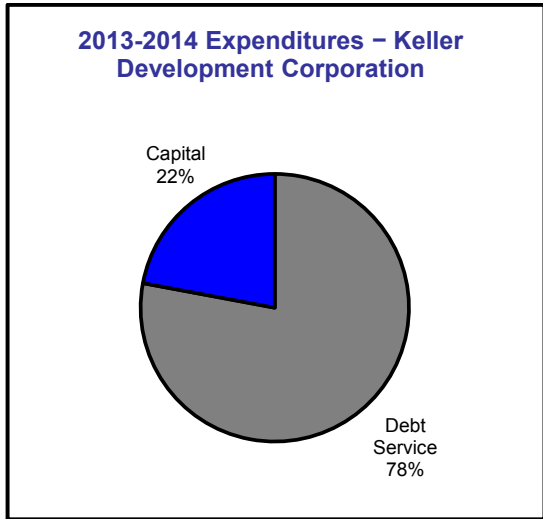
FY2013 capital improvements provide \$638,325 for Robin Court drainage improvements; \$210,000 for the Keller Sports Park/Keller Arena Road culvert repair; and \$300,000 for Meadow Knoll drainage improvements. FY2014 capital improvements provide \$610,000 for Indian Meadows Addition drainage improvements.

**2013-2014 BUDGET
OVERVIEW OF KELLER DEVELOPMENT CORPORATION**

**2013-2014 RESOURCES – WHERE THE MONEY COMES FROM
\$2,350,885**



**2013-2014 EXPENDITURES – WHERE THE MONEY GOES
\$1,855,450**



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 26, 2013. State law requires a public hearing for development corporations at least 60 days prior to the expenditure of funds. The public hearing was held on August 6, 2013.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

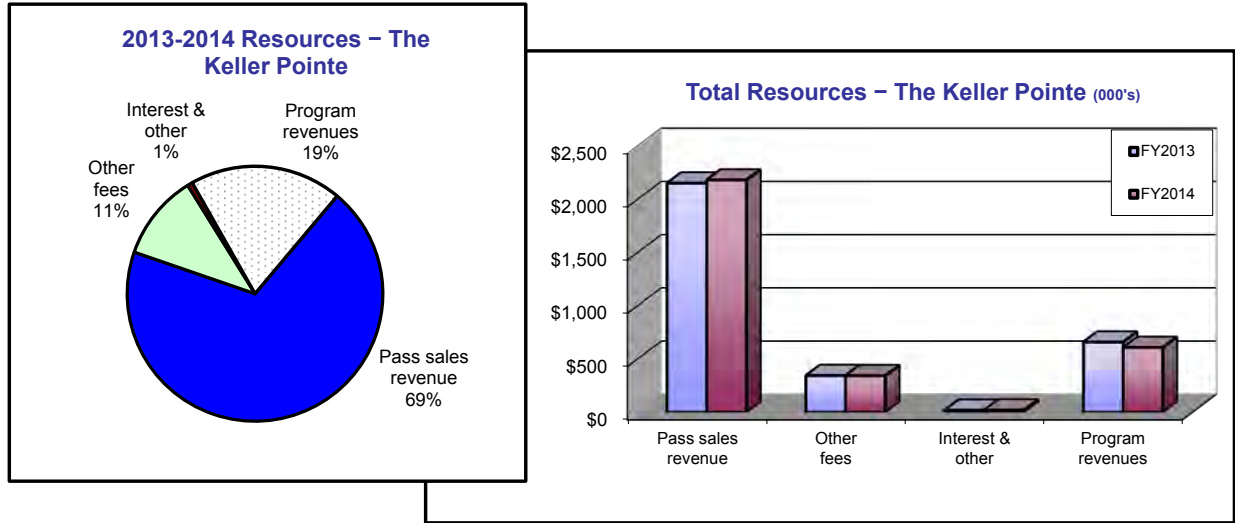
Description	2012-2013 Actual	2013-2014 Estimate	2014-2015 Budget	Increase (Decrease) Over 2013-2014	
				Amount	Percent
Beginning Balance	\$ 619,841	\$ 836,403	\$ 951,708	\$ 115,305	13.8%
REVENUES:					
Sales taxes	2,184,312	2,281,000	2,338,025	57,025	2.5
Interest revenue	853	850	860	10	1.2
Rental & other revenue	12,000	12,000	12,000	–	–
TOTAL REVENUES	2,197,165	2,293,850	2,350,885	57,035	2.5
TOTAL FUNDS AVAILABLE	2,817,006	3,130,253	3,302,593	172,340	5.5
EXPENDITURES:					
Personnel services	141,111	75,535	–	(75,535)	(100.0)
Operations & maintenance	8,759	22,270	20,465	(1,805)	(8.1)
Services & other	38,500	46,925	67,500	20,575	43.8
Capital outlay/improvements	2,343	431,440	165,000	(266,440)	(61.8)
Debt service	1,646,185	1,478,700	1,446,205	(32,495)	(2.2)
Transfers to other funds	143,705	123,675	156,280	32,605	26.4
TOTAL EXPENDITURES	1,980,603	2,178,545	1,855,450	(323,095)	(14.8)
TOTAL ENDING BALANCE	\$ 836,403	\$ 951,708	\$ 1,447,143	\$ 495,435	52.1%

Major revenues for FY2014 are comprised of sales taxes, representing 99 percent of the total budget. Rental revenue includes proceeds from the Keller Sports Park ground lease agreement with Blue Sky Sports Center.

Debt service expenditures provide for retirement of 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.

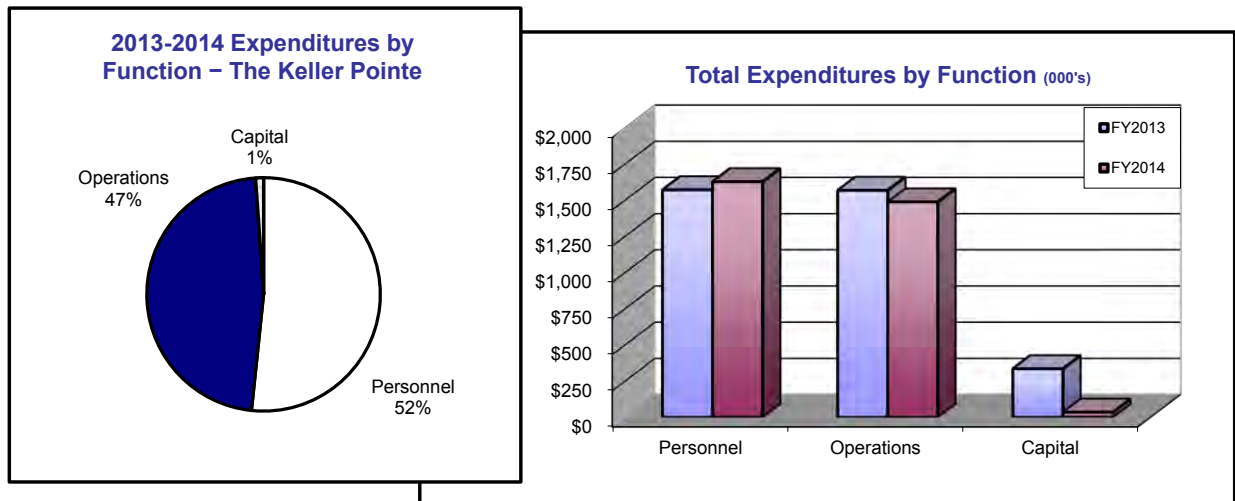
**2013-2014 BUDGET
OVERVIEW OF THE KELLER POINTE RECREATION
AND AQUATIC CENTER FUND**

**2013-2014 RESOURCES – WHERE THE MONEY COMES FROM
\$3,154,195**



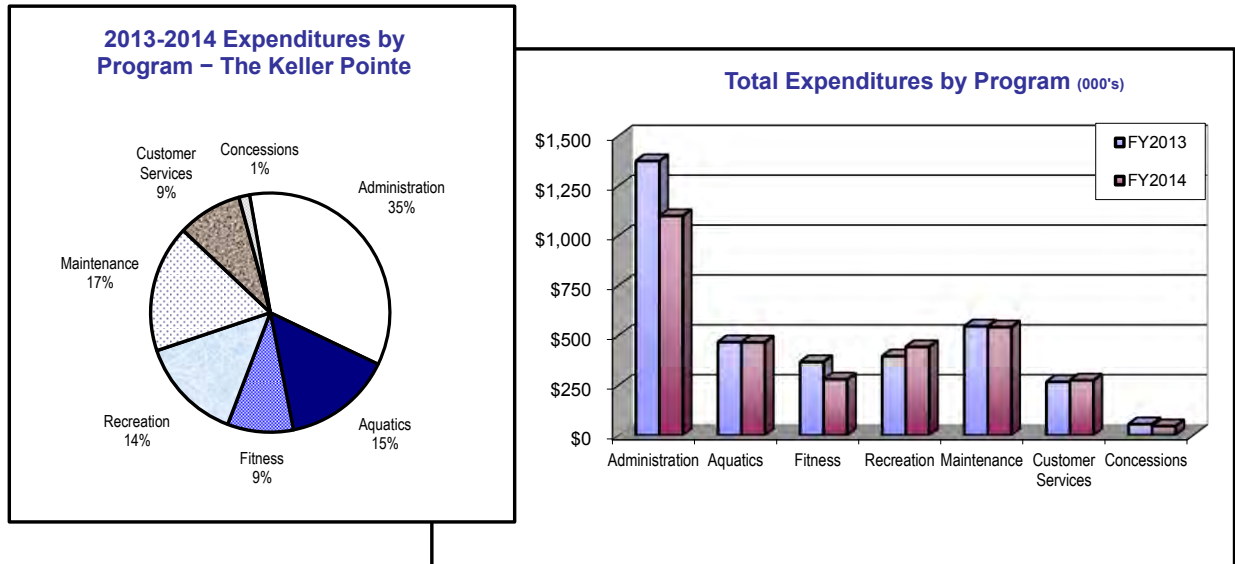
**2013-2014 EXPENDITURES – WHERE THE MONEY GOES
\$3,150,211**

Expenditures by Function



The Keller Pointe Summary (continued)

Expenditures by Division/Program



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

The Keller Pointe Recreation and Aquatic Center Fund accounts for operating revenues and costs associated with the operation of the Center. The facility opened in May 2004.

Facility construction was authorized as a result of an enterprise plan study recommendation, whereby facility operations were intended to be self-supporting through user fees and charges.

The Keller Pointe Summary (continued)

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
Beginning Balance*	\$ 1,181,999	\$ 1,308,899	\$ 1,010,034	\$ (298,865)	(22.8%)
REVENUES:					
Pass sales/program revenues	3,023,211	3,156,050	3,133,705	(22,345)	(0.7)
Miscellaneous revenue	12,935	14,590	16,190	1,600	11.0
Interest revenue	6,904	4,295	4,300	5	0.1
TOTAL REVENUES	3,043,050	3,174,935	3,154,195	(20,740)	(0.7)
TOTAL FUNDS AVAILABLE	4,225,049	4,483,834	4,164,229	(319,605)	(7.1)
EXPENDITURES:					
Personnel services	1,461,566	1,571,210	1,627,245	56,035	3.6
Operations & maintenance	420,685	432,645	399,515	(33,130)	(7.7)
Services & other	996,622	1,134,945	1,088,451	(46,494)	(4.1)
Capital outlay	37,277	335,000	35,000	(300,000)	(89.6)
TOTAL EXPENDITURES	2,916,150	3,473,800	3,150,211	(323,589)	(9.3)
TOTAL ENDING BALANCE*	\$ 1,308,899	\$ 1,010,034	\$ 1,014,018	\$ 3,984	0.4%

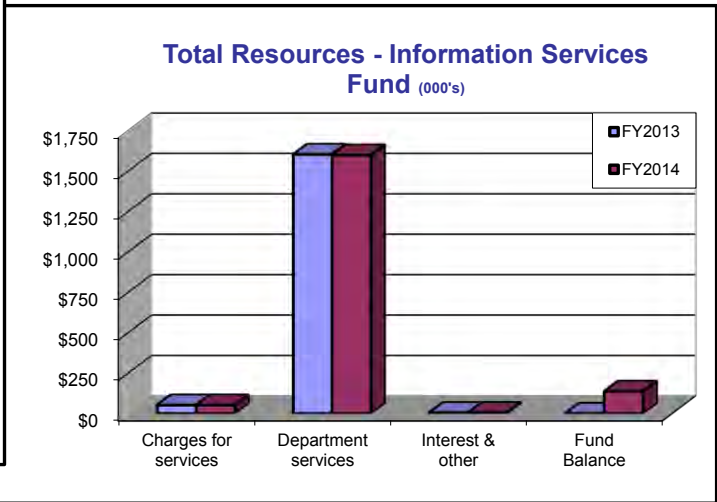
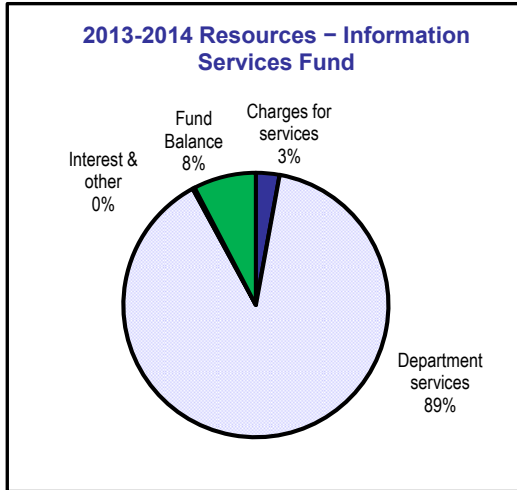
* Fund balance is cash and investments.

Major revenues for FY2014 are comprised of annual and daily passes, facility rentals, merchandise sales, and program revenues. Program revenues include aquatics, fitness (personal training), and recreation programs.

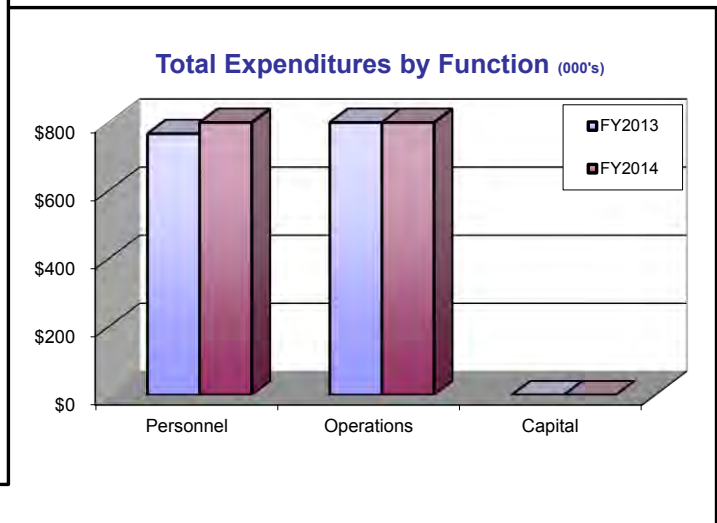
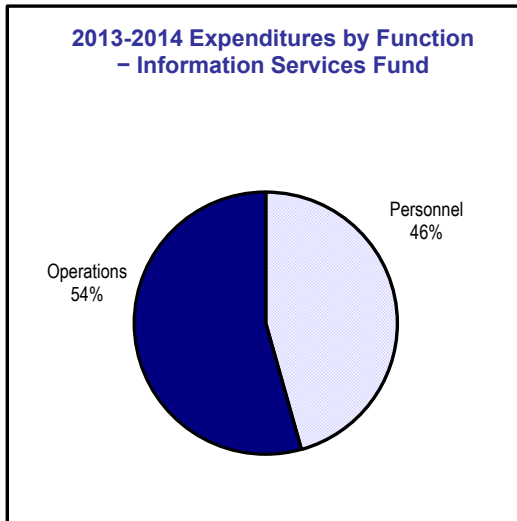
Major expenditures include personnel services for facility staffing and recreation programs (51.7 percent), and facility operations and supplies. Services & other expenditures include utilities (electricity, water, natural gas) and payments to recreation program instructors and trainers.

**2013-2014 BUDGET
OVERVIEW OF THE INFORMATION SERVICES FUND**

**2013-2014 RESOURCES – WHERE THE MONEY COMES FROM
\$1,792,640**



**2013-2014 EXPENDITURES – WHERE THE MONEY GOES
\$1,792,640**



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 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	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
Beginning Balance	\$ 472,410	\$ 544,319	\$ 521,609	\$ (22,710)	(4.2%)
REVENUES:					
Departmental charge-back fees	1,441,970	1,448,605	1,749,460	300,855	20.8
Miscellaneous revenue	400	100	-	(100)	(100.0)
Communication tower rentals	51,417	52,500	52,500	-	-
Interest revenue	5,525	6,000	6,000	-	-
TOTAL REVENUES	1,499,312	1,507,205	1,807,960	300,755	20.0
TOTAL FUNDS AVAILABLE	1,971,722	2,051,524	2,329,569	278,045	13.6
EXPENDITURES:					
Personnel services	702,142	721,470	778,405	56,935	7.9
Operations & maintenance	466,449	498,300	645,990	147,690	29.6
Services & other	200,587	220,145	226,840	6,695	3.0
Capital outlay	58,225	90,000	-	(90,000)	(100.0)
TOTAL EXPENDITURES	1,427,403	1,529,915	1,651,235	121,320	7.9
TOTAL ENDING BALANCE	\$ 544,319	\$ 521,609	\$ 678,334	\$ 156,725	30.0%

Major revenues are derived from charge-back fees to respective user departments (96.6 percent). Major expenditures include personnel services (48.6 percent) for a staff of 8 FTEs, operating, maintenance, and services costs for items such as hardware replacements, consulting services, and hardware/software maintenance (51.4 percent).

SUMMARY OF OTHER FUNDS

The City utilizes seven 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. FY2014 highlights include total revenues of \$53,300; total expenditures of \$135,820; and a \$10,543 ending fund balance. FY2014 expenditures provide funding for a radio frequency identification system for the Keller Public Library.

Other Funds (continued)

The Recreation Special Revenue Fund accounts for resources derived from donations and/or user charges that are specifically designated for recreation programs or special events, as well as tree preservation fines that are levied upon developers, and are designated for the acquisition and maintenance of trees in City parks. Total FY2014 revenues are \$160,900 and total expenditures are \$164,325, leaving an ending fund balance of \$52,362. This Fund provides for recreation programs, including “Rock the Park” and Concerts in the Park. Beginning in FY2006, recreation program revenues and expenditures are accounted for in the Recreation/Aquatic Center activities (The Keller Pointe). FY2013 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 FY2014 revenues are \$93,400, and total expenditures are \$89,065, leaving an estimated ending fund balance of \$107,875.

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 FY2014 revenues are \$122,900, and total expenditures are \$115,000, leaving an estimated ending fund balance of \$260,796.

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 \$1,030,000 are projected in FY2014. Expenditures total \$1,084,990 and include:

Vehicles and equipment replacements	\$ 186,940
Improvements to technology	71,150
Jail expansion, facility furniture, fixtures, and equipment replacement	292,500
Debt service – facility expansion debt issuance	526,000
Accreditation fees	8,400

The projected ending fund balance at September 30, 2014 is \$2,686,514. This fund balance includes reserves for capital improvements: \$1,428,017 for jail expansion, and \$1,119,046 for furniture, fixtures, and equipment, leaving an unassigned fund balance of \$139,451.

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, 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 FY2014 revenues are \$32,300, and total expenditures are \$30,000, leaving an estimated ending fund balance of \$66,000.

**2013-2014 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	2011-2012 Actual	2012-2013 Estimate	2013-2014 Budget	Increase (Decrease) Over 2012-2013	
				Amount	Percent
Beginning Balance	\$ 487,536	\$ 437,302	\$ 544,232	\$ 106,930	24.5%
REVENUES:					
Property taxes	5,173,155	4,798,680	4,959,600	160,920	3.4
Transfers from other funds	601,565	672,385	592,790	(79,595)	(11.8)
Interest revenue	57,636	10,500	11,000	500	4.8
TOTAL REVENUES	5,832,356	5,481,565	5,563,390	81,825	1.5
TOTAL FUNDS AVAILABLE	6,319,892	5,918,867	6,107,622	188,755	3.2
EXPENDITURES:					
Debt service	5,131,390	4,731,285	4,990,185	258,900	5.5
Transfers to other funds	751,200	643,350	662,685	19,335	3.0
TOTAL EXPENDITURES	5,882,590	5,374,635	5,652,870	278,235	5.2
TOTAL ENDING BALANCE	\$ 437,302	\$ 544,232	\$ 454,752	\$ (89,480)	(16.4%)

Major revenues for FY2014 are derived from property taxes (89.2 percent) and transfers from other funds (10.8 percent). Transfers from other funds are comprised of the following:

Transfer from Keller Development Corporation	\$ 156,280
Transfer from Water & Wastewater Fund	<u>436,510</u>
Total	<u>\$ 592,790</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.

FUND SUMMARIES

Summary of Revenues, Expenditures and Changes in Fund Balances

(Summaries on following pages)

- **Revenues by Source**
- **Expenditures by Function**
- **Expenditures by Department/Activity**

CITY OF KELLER, TEXAS
SUMMARY OF REVENUES BY SOURCE – ALL FUNDS
2013-2014 BUDGET

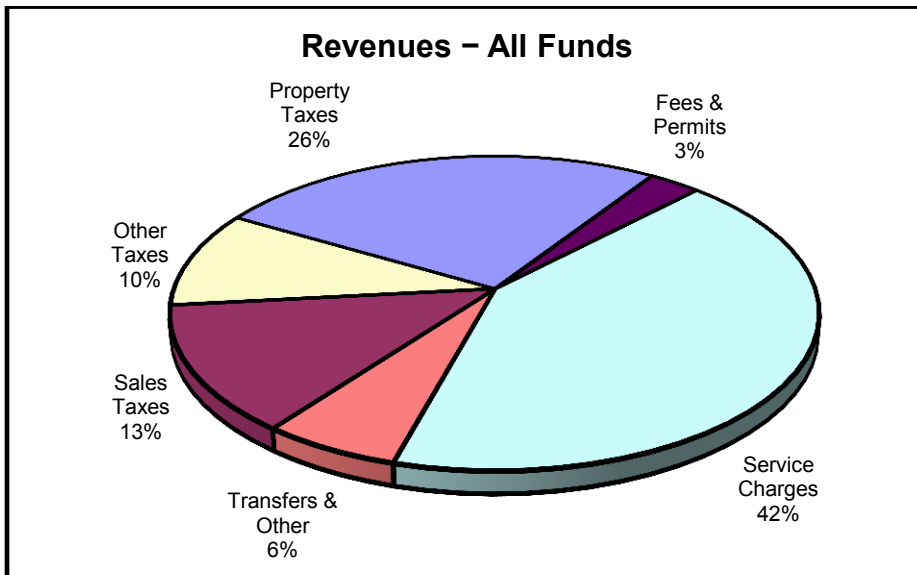
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
TOTAL BEGINNING BALANCE	\$ 10,906,089	\$ 5,891,453	\$ 694,795	\$ 1,633,314	\$ 19,125,651
REVENUES:					
Total property taxes	13,939,280	–	4,959,600	–	18,898,880
Sales taxes	4,715,000	3,368,025	–	1,169,010	9,252,035
Other taxes	4,010,520	122,000	2,748,905	–	6,881,425
Licenses & permits	1,098,240	–	–	–	1,098,240
Charges for services	2,687,900	4,938,915	–	139,530	7,766,345
Fines & fees	1,098,140	92,550	–	75,024	1,265,714
Interest revenue	90,000	22,110	16,500	9,700	138,310
Debt issuance	–	–	–	–	–
Intergovernmental	2,755,946	20,000	–	–	2,775,946
Miscellaneous revenue (expense)	49,290	17,040	–	5,100	71,430
Contributions & donations	–	113,000	–	–	113,000
TOTAL REVENUES	30,444,316	8,693,640	7,725,005	1,398,364	48,261,325
OTHER FINANCING SOURCES:					
Transfers in	–	–	1,255,475	–	1,255,475
TOTAL OTHER SOURCES	–	–	1,255,475	–	1,255,475
TOTAL RESOURCES	30,444,316	8,693,640	8,980,480	1,398,364	49,516,800
TOTAL FUNDS AVAILABLE	\$ 41,350,405	\$ 14,585,093	\$ 9,675,275	\$ 3,031,678	\$ 68,642,451

(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
\$ 6,316,880	\$ 1,302,506	\$ 7,619,386	\$ 26,745,037
-	-	-	18,898,880
-	-	-	9,252,035
-	-	-	6,881,425
-	-	-	1,098,240
20,985,850	1,560,850	22,546,700	30,313,045
-	-	-	1,265,714
22,500	10,000	32,500	170,810
-	-	-	-
29,570	-	29,570	2,805,516
25,000	-	25,000	96,430
-	-	-	113,000
21,062,920	1,570,850	22,633,770	70,895,095
-	-	-	1,255,475
-	-	-	1,255,475
21,062,920	1,570,850	22,633,770	72,150,570
\$ 27,379,800	\$ 2,873,356	\$ 30,253,156	\$ 98,895,607



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY FUNCTION – ALL FUNDS
2013-2014 BUDGET

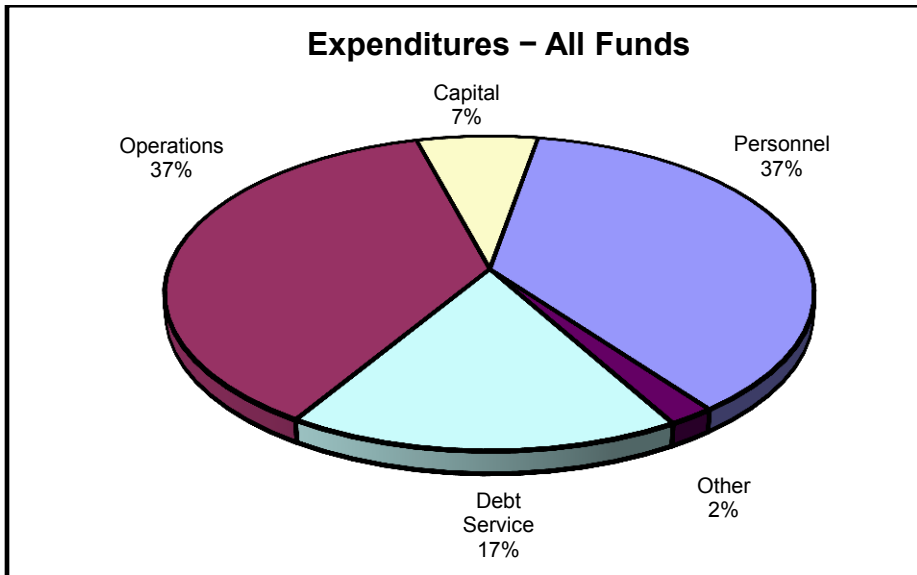
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
OPERATING EXPENSES:					
Personnel services	\$ 21,487,842	\$ 2,446,380	\$ –	\$ –	\$ 23,934,222
Operations & maintenance	2,270,415	1,377,995	–	80,000	3,728,410
Services & other	5,993,256	1,623,481	–	–	7,616,737
Capital outlay	949,560	841,160	–	2,227,090	4,017,810
Debt service	–	1,972,205	8,169,495	–	10,141,700
TOTAL EXPENDITURES	30,701,073	8,261,221	8,169,495	2,307,090	49,438,879
OTHER FINANCING USES:					
Transfers to other funds	–	156,280	662,685	–	818,965
TOTAL OTHER USES	–	156,280	662,685	–	818,965
TOTAL EXPENDITURES & OTHER USES	30,701,073	8,417,501	8,832,180	2,307,090	50,257,844
TOTAL ENDING BALANCE	10,649,332	6,167,592	843,095	724,588	18,384,607
Reserve for contingencies	–	293,861	–	–	293,861
Other reservations of fund balance	25,000	2,584,961	–	–	2,609,961
ENDING BALANCE	\$ 10,624,332	\$ 3,288,770	\$ 843,095	\$ 724,588	\$ 15,480,785

(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
\$ 3,043,080	\$ 580,135	\$ 3,623,215	\$ 27,557,437
1,130,740	153,515	1,284,255	5,012,665
14,347,080	316,925	14,664,005	22,280,742
575,025	610,000	1,185,025	5,202,835
2,507,790	57,070	2,564,860	12,706,560
21,603,715	1,717,645	23,321,360	72,760,239
436,510	–	436,510	1,255,475
436,510	–	436,510	1,255,475
22,040,225	1,717,645	23,757,870	74,015,714
5,339,575	1,155,711	6,495,286	24,879,893
–	–	–	293,861
500,000	–	500,000	3,109,961
\$ 4,839,575	\$ 1,155,711	\$ 5,995,286	\$ 21,476,071



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY DEPARTMENT/ACTIVITY – ALL FUNDS
2013-2014 BUDGET

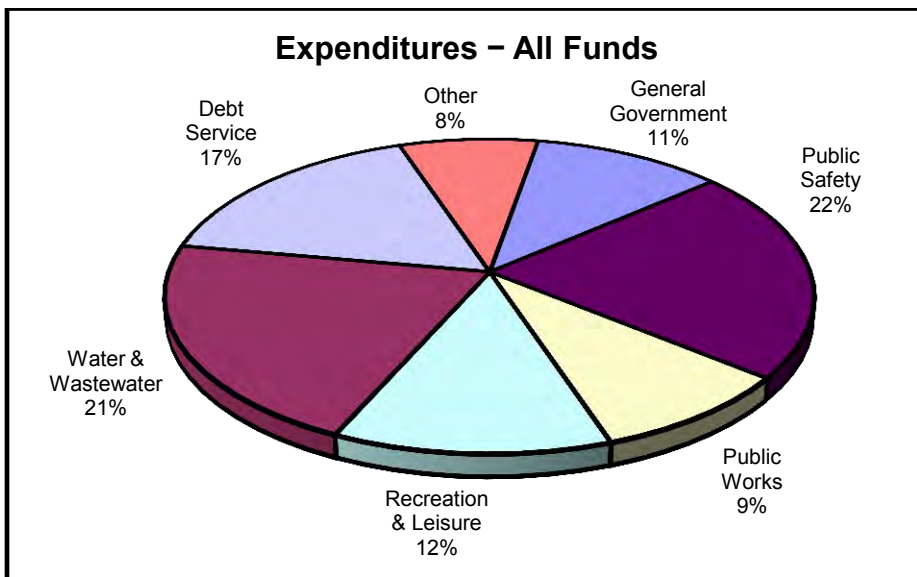
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
GENERAL GOVERNMENT:					
Administration/General Government	\$ 4,573,266	\$ 2,026,705	\$ –	\$ –	\$ 6,599,971
Community Development	1,314,990	–	–	–	1,314,990
Police Department	8,451,332	558,990	–	–	9,010,322
Fire Department	7,529,930	–	–	–	7,529,930
Public Works	3,202,165	–	–	1,950,000	5,152,165
Keller Public Library	1,432,010	135,820	–	–	1,567,830
Parks & Recreation	3,412,615	3,567,501	–	305,000	7,285,116
WATER & WASTEWATER:					
Administration/Customer Services	–	–	–	21,040	21,040
Water Utilities	–	–	–	31,050	31,050
Wastewater Utilities	–	–	–	–	–
OTHER/NON-DEPARTMENTAL:					
Debt service	–	1,972,205	8,169,495	–	10,141,700
Transfers	–	156,280	662,685	–	818,965
Non-departmental / other	784,765	–	–	–	784,765
Subtotal	30,701,073	8,417,501	8,832,180	2,307,090	50,257,844
TOTAL	\$ 30,701,073	\$ 8,417,501	\$ 8,832,180	\$ 2,307,090	\$ 50,257,844

(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
\$ -	\$ -	\$ -	\$ 6,599,971
-	-	-	1,314,990
-	-	-	9,010,322
-	-	-	7,529,930
-	1,475,575	1,475,575	6,627,740
-	-	-	1,567,830
-	-	-	7,285,116
1,938,995	-	1,938,995	1,960,035
9,702,685	-	9,702,685	9,733,735
3,920,635	-	3,920,635	3,920,635
2,507,790	57,070	2,564,860	12,706,560
436,510	-	436,510	1,255,475
3,533,610	185,000	3,718,610	4,503,375
22,040,225	1,717,645	23,757,870	74,015,714
\$ 22,040,225	\$ 1,717,645	\$ 23,757,870	\$ 74,015,714



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 FY2014 is 345.41 FTE positions. Excluding changes in FTEs for The Keller Pointe, FTEs increased 2.29 FTEs — or 0.78 percent — over the FY2013 Estimate.

Total FTE positions included in the General Fund for FY2014 are 240.34, an increase of 3.31 FTEs from FY2013 (including a transfer of 1.39 FTE's from KDC). Excluding the transfer of positions from KDC, the net increase is 1.92 FTEs (0.81 percent). The Water & Wastewater Fund totals 40.17 positions, an increase of 0.37 FTEs from FY2013 (0.9 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. A total of four FTEs were eliminated in FY2013 and FY2014 as a result of the merger of Municipal Court Operations with the City of Colleyville (three FTEs in the General Fund and one FTE in the Municipal Court Special Revenue Fund).

General Fund employees per 1,000 residents decreased from 5.86 in FY2013 to 5.85 employees per 1,000 residents in FY2014, a decrease of 0.01 employees per 1,000 residents, or 0.17 percent.

FUND/DEPARTMENT	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
GENERAL FUND:			
Administration	8.00	8.00	8.00
Town Hall Operations	2.00	3.00	3.00
Finance & Accounting	6.50	7.00	7.00
Municipal Court	3.50	0.25	-
Human Resources	5.00	5.00	5.00
Economic Development	1.00	1.50	2.50
Community Development	11.00	11.20	12.00
Police Department	82.00	84.50	85.50
Fire Department	59.00	59.00	59.00
Public Works	14.33	14.73	15.10
Keller Public Library	15.42	15.42	15.42
Parks & Recreation	25.04	27.43	27.82
TOTAL GENERAL FUND	232.79	237.03	240.34
OTHER FUNDS:			
Keller Development Corporation	2.78	1.39	-
Information Services Fund	7.00	8.00	8.00
Municipal Court Special Revenue	1.00	-	-
TOTAL OTHER FUNDS	10.78	9.39	8.00

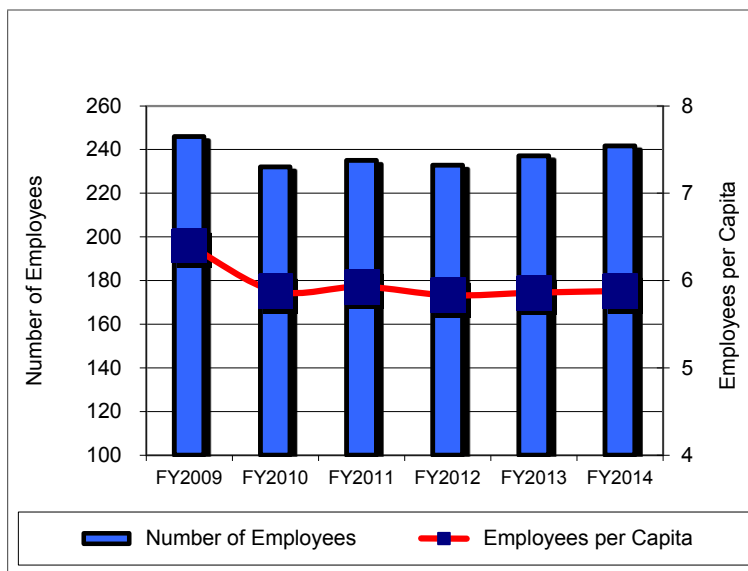
Positions include temporary/part-time positions and partial year funding for full-time positions, where applicable.

(Continued)

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

FUND/DEPARTMENT	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
WATER & WASTEWATER FUND:			
Water & Wastewater Administration	5.17	4.80	5.17
Customer Services	12.00	12.00	12.00
Water Production	2.00	2.00	2.00
Water Distribution	13.50	11.50	10.50
Wastewater Collection	9.50	8.50	9.50
Municipal Service Center Operations	1.00	1.00	1.00
TOTAL WATER & SEWER FUND	43.17	39.80	40.17
DRAINAGE UTILITY FUND:			
Drainage Maintenance	8.50	8.50	8.50
TOTAL DRAINAGE UTILITY	8.50	8.50	8.50
TOTAL CITY OF KELLER	295.24	294.72	297.01
The Keller Pointe Recreation/Aquatic Center	46.56	46.73	48.40
GRAND TOTAL	341.80	341.45	345.41
Total full-time equivalent employees per 1,000 residents	8.56	8.44	8.41
General Fund only employees per 1,000 residents	5.83	5.86	5.85

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



General Fund employees per 1,000 residents have decreased from 6.4 in FY2009 to 5.85 employees per 1,000 residents in FY2014. This is a total decrease of 0.55 FTE's or 8.6 percent.

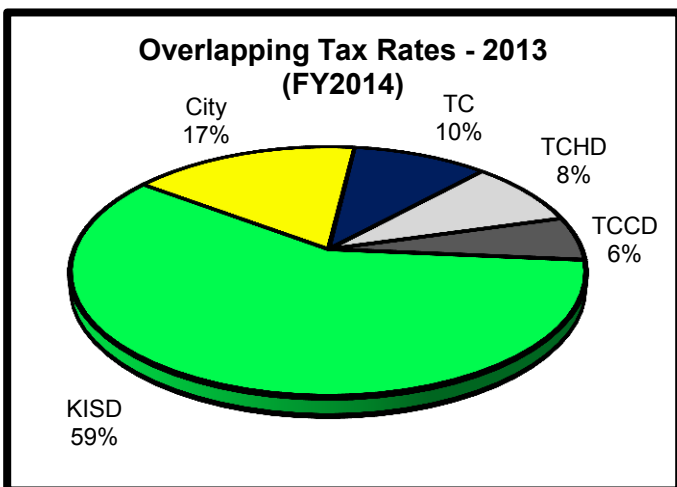
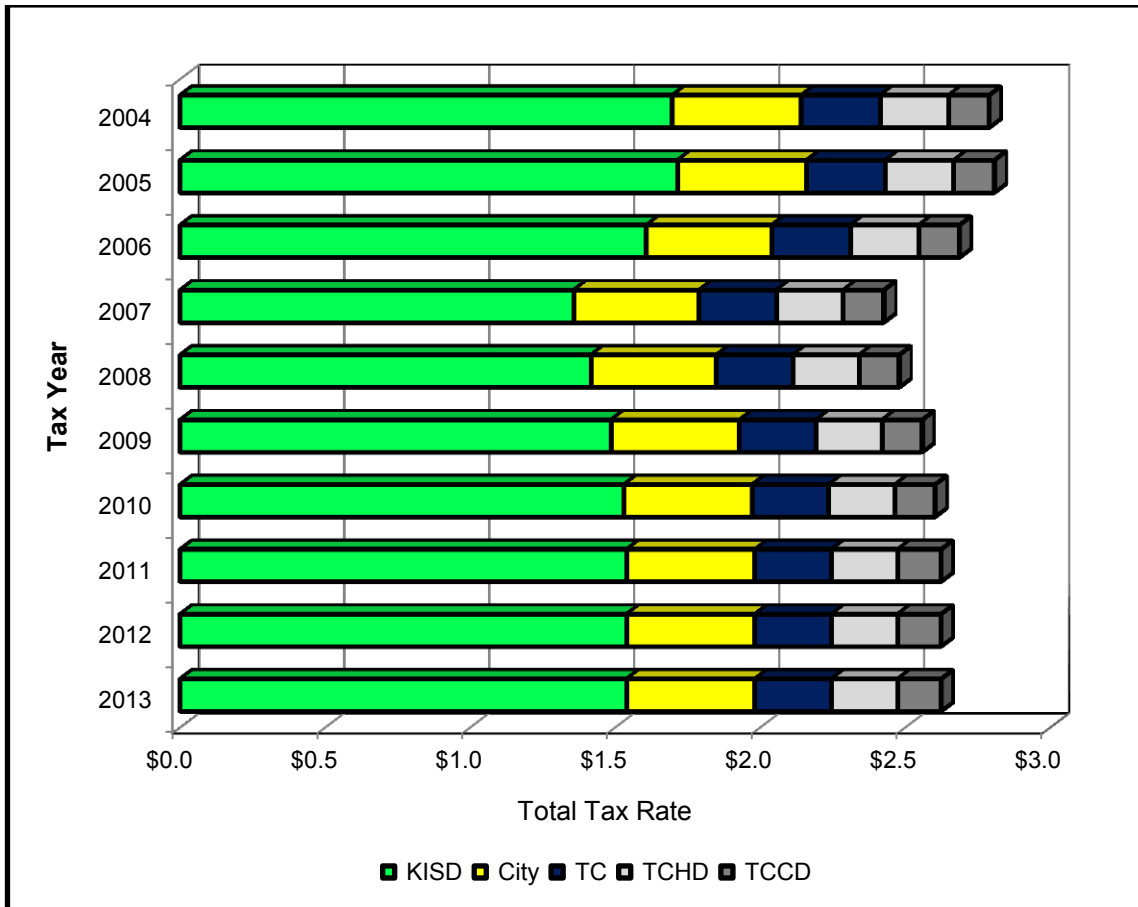
Ad Valorem Tax Analysis ⁽¹⁾

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
Total appraised value (market)	\$ 4,384,678,997	\$ 4,506,112,978	\$ 4,499,908,395	\$ 4,668,702,942
<i>Percentage change</i>	1.67%	2.53%	2.63%	3.75%
Less: Exemptions	364,990,248	380,400,816	386,029,868	384,515,585
Net taxable value	4,019,688,749	4,125,712,162	4,113,878,527	4,284,187,357
<i>Percentage change from prior year</i>	1.58%	2.24%	2.34%	4.14%
Tax rate per \$100	0.44219	0.44219	0.44219	0.44219
Gross tax revenue	17,774,662	18,243,487	18,191,159	18,944,248
Estimated valuation adjustments	0.00%	(0.14)%	0.00%	(0.00)%
Over-65 and disabled taxes limitation adjustment	33,142,541	28,394,667	34,448,800	31,490,807
Net taxable value after adjustments	3,986,546,208	4,091,445,402	4,079,429,727	4,252,692,266
<i>Percentage change from prior year</i>	1.58%	2.61%	2.33%	4.25%
Tax rate per \$100 of assessed valuation	0.44219	0.44219	0.44219	0.44219
Tax levy	17,628,109	18,091,962	18,038,830	18,804,980
Collection percentage - M&O (100% for debt service)	99.5%	99.3%	99.3%	99.3%
Current tax collections	\$ 17,538,272	\$ 17,965,318	\$ 17,912,558	\$ 18,673,380
<i>Percentage change from prior year</i>	1.89%	2.82%	2.13%	4.25%
Tax Rate Distribution:				
General Fund (M&O)	\$ 0.31355	\$ 0.32552	\$ 0.32552	\$ 0.32646
Debt Service Fund	0.12864	0.11667	0.11667	0.11573
TOTAL	0.44219	0.44219	0.44219	0.44219
<i>Percentage change from prior year</i>	0.00%	(0.00)%	(0.00)%	(0.00)%
Percentage Distribution:				
General Fund (M&O)	70.9%	73.6%	73.6%	73.8%
Debt Service Fund	29.1%	26.4%	26.4%	26.2%
TOTAL	100.0%	100.0%	100.0%	100.0%
Dollar Distribution:				
General Fund (M&O)	12,436,112	13,225,218	13,186,378	13,786,280
Debt Service Fund	5,102,160	4,740,100	4,726,180	4,887,100
TOTAL	\$ 17,538,272	\$ 17,965,318	\$ 17,912,558	\$ 18,673,380

⁽¹⁾ 2013-2014 value amounts are from the Tarrant Appraisal District September 1, 2013 Supplemental Certified Roll.

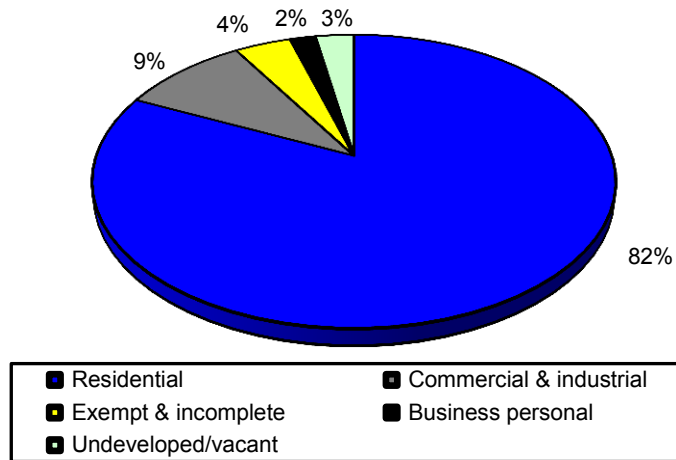
CITY OF KELLER, TEXAS OVERLAPPING (TOTAL) TAX RATES

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.



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

**FY2013 (FY2014) Distribution of Total (Appraised)
Property Values by Property Type**



<u>Property Type</u>	<u># of Accounts</u>	<u>Total Market Value (000's)</u>	<u>Percent of Total</u>
Residential	13,712	3,823,200,771	81.9%
Commercial & industrial	437	435,795.8	9.3%
Undeveloped/vacant	1,130	129,724.5	2.8%
Business personal	1,268	90,199.2	1.9%
Exempt property	135	189,782.6	4.1%
<i>TOTAL</i>	<i>16,682</i>	<i>\$ 4,668,702.9</i>	<i>100.0%</i>

Certified values as of September 2013. Residential property includes unoccupied residential property in inventory held by builders and/or developers.

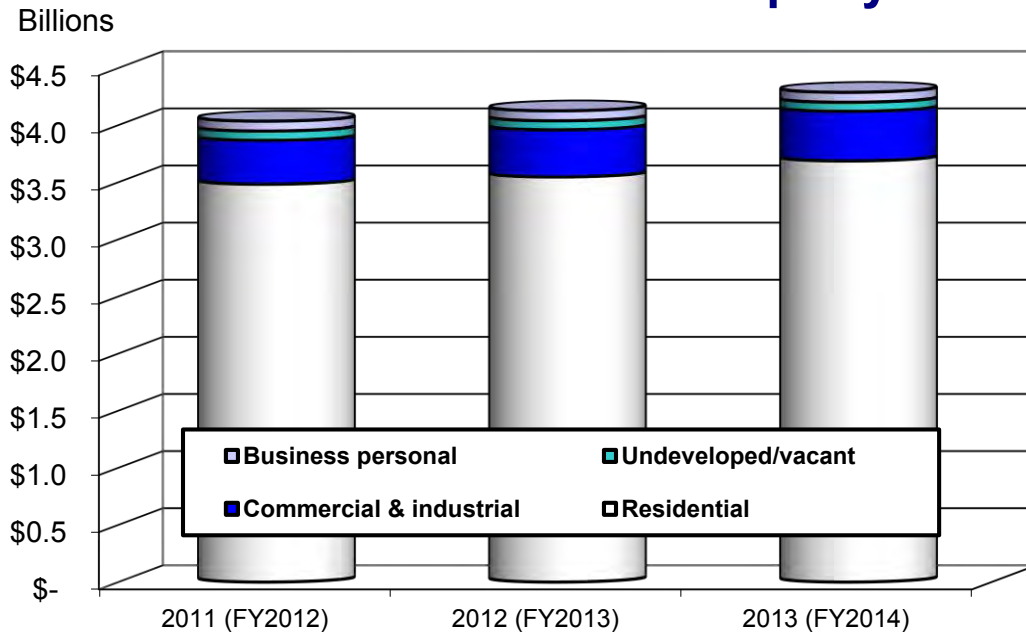
2013 (FY2014) TOP TEN TAXPAYERS

<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%
<i>TOTAL</i>	<i>187,221.4</i>	<i>4.01%</i>
Other property	4,481,481.5	95.99%
<i>TOTAL APPRAISED VALUE</i>	<i>\$ 4,668,702.9</i>	<i>100.00%</i>

* 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.

Taxable Values of Property



Property Category	FY2012 (000's)	FY2013 (000's)	Pct Change	FY2014 (000's)	Pct Change
Commercial & industrial	\$ 383,887.5	\$ 412,431.6	7.4%	\$ 434,552.8	5.4%
Business personal	87,086.7	87,122.1	0.0%	89,737.5	3.0%
Undeveloped/vacant	81,747.1	79,422.6	(2.8%)	79,656.2	0.3%
Residential	3,482,709.8	3,546,735.8	1.8%	3,680,240.8	3.8%
TOTAL	\$ 4,035,431.0	\$ 4,125,712.1	2.2%	\$ 4,284,187.4	3.8%
New construction included	78,106.5	71,388.5	(8.6%)	78,297.5	9.7%

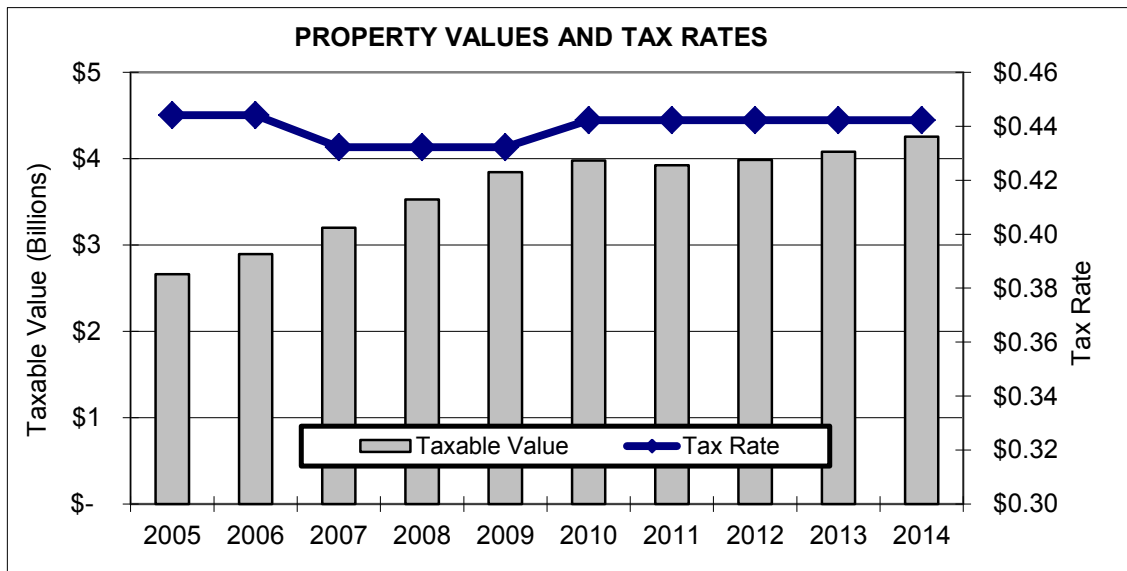
Tarrant Appraisal District certified appraised values as of September 2013. Values include \$50,467,137 in net taxable value of 137 property accounts under protest (ARB), and \$8,975,016 net taxable value of 217 incomplete property accounts.

Total taxable values increased in FY2014 by \$158.48 million (3.84 percent). Residential property values comprise 86 percent of the total taxable value, while commercial and industrial values comprise approximately 9.9 percent of total taxable values.

The taxable value of new construction increased \$6.91 million (9.68 percent) from FY2013.

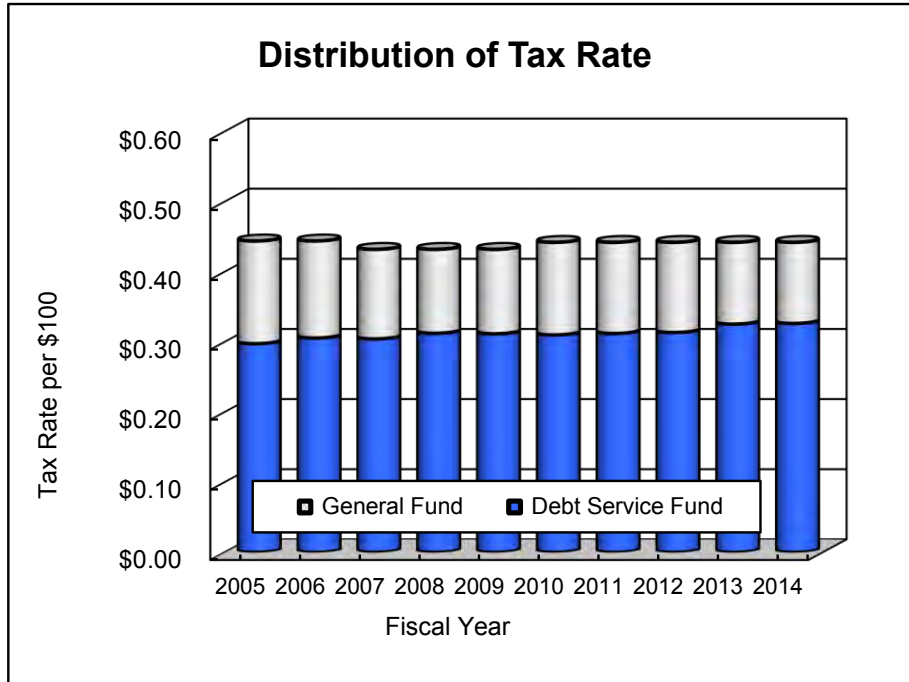
Property Valuations and Tax Levies Last Ten Years

Fiscal Year	Net Taxable Value (000's) *	Tax Rate per \$100 of Value	Total Tax Levy	Percentage of Current Collections
2004-2005	\$ 2,661,364	\$ 0.44413	\$ 11,819,916	99.3
2005-2006	2,894,771	0.44413	12,856,546	99.1
2006-2007	3,199,354	0.43219	13,827,290	99.1
2007-2008	3,528,240	0.43219	15,248,700	99.3
2008-2009	3,842,404	0.43219	16,606,487	99.1
2009-2010	3,976,548	0.44219	17,583,899	99.1
2010-2011	3,924,706	0.44219	17,354,658	99.2
2011-2012	3,986,548	0.44219	17,628,118	99.4
2012-2013	4,079,430	0.44219	18,038,833	99.3
2013-2014	4,252,692	0.44219	18,804,980	99.3



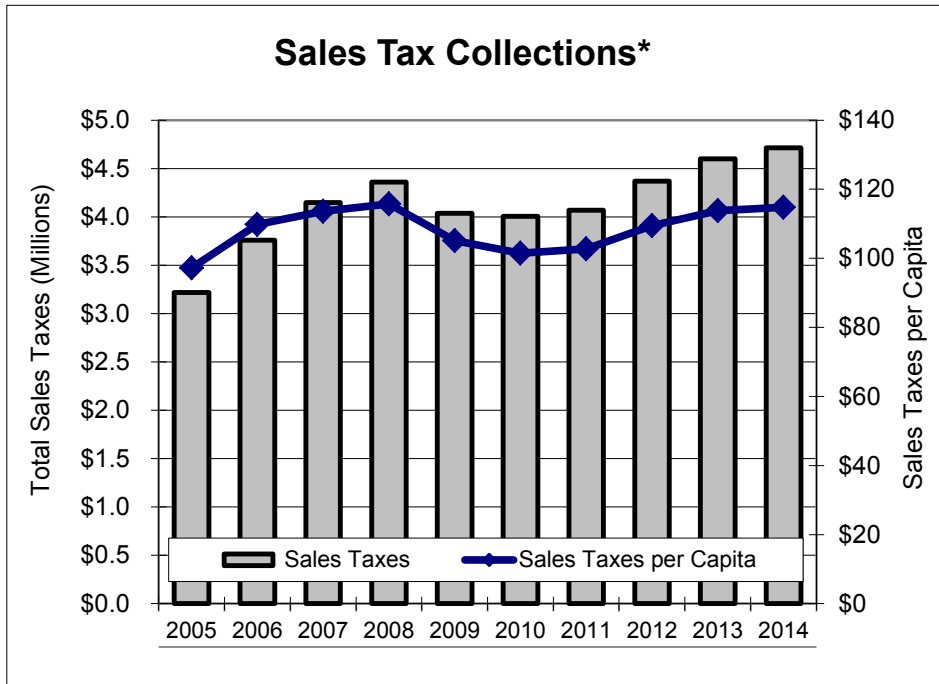
During the last ten years, taxable values have increased more than \$1.59 billion, while the tax rate per \$100 of value has decreased from \$0.54414 in FY1994 to the current rate of \$0.44219, a decrease of \$0.10195 (18.7 percent).

* After adjusting for tax ceilings and other valuation adjustments.



Fiscal Year Ending September 30	Tax Rate	Tax Rate Distribution	
		General Fund	Debt Service
2005	\$0.44413	\$0.29765	\$0.14648
2006	0.44413	0.30570	0.13843
2007	0.43219	0.30447	0.12772
2008	0.43219	0.31247	0.11972
2009	0.43219	0.31175	0.12044
2010	0.44219	0.31009	0.13210
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

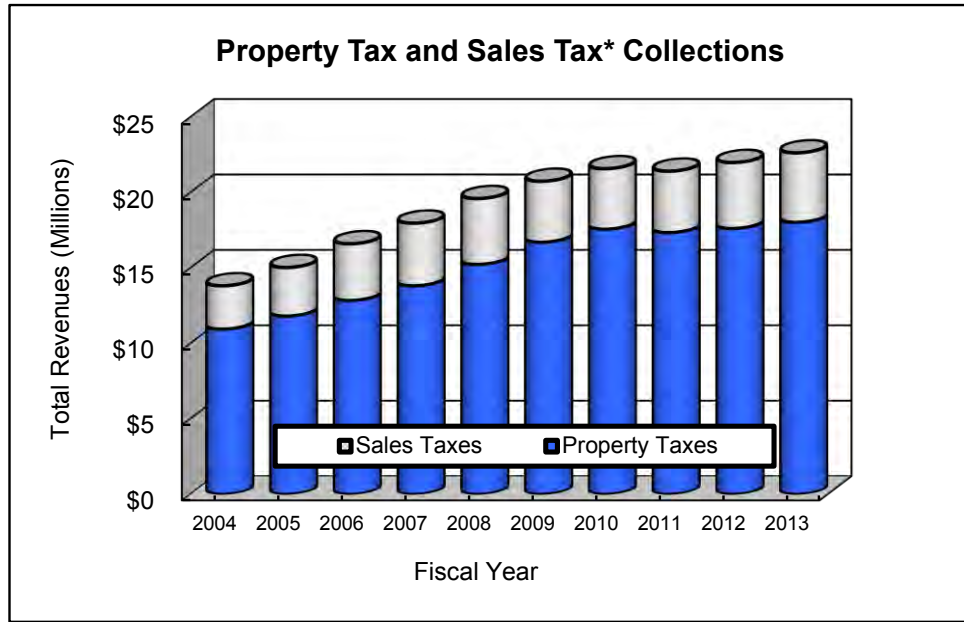
The 2013 (FY2014) property tax rate is \$0.44219, unchanged from FY2013. Due to growth in assessed taxable values, the tax rate has decreased from \$0.54414 in 1994 to \$0.44219. The debt service portion of the tax rate is legally designated for debt retirement and changes each year because of: 1) new debt obligations issued; 2) debt obligations retired; and 3) debt refundings.



Fiscal Year Ending September 30	Total Sales Tax Collected	Pct. of Ad Valorem Tax Levy	Equivalent Ad Valorem Tax Rate	Sales Taxes Per Capita
2005	\$3,218,819	27.2%	\$0.1209	\$ 97.21
2006	3,757,724	29.2%	0.1298	109.80
2007	4,148,974	30.0%	0.1297	113.65
2008	4,360,294	28.6%	0.1236	115.70
2009	4,037,484	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	4,600,000	25.5%	0.1128	113.75
2014	4,715,000	25.1%	0.1109	114.75

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

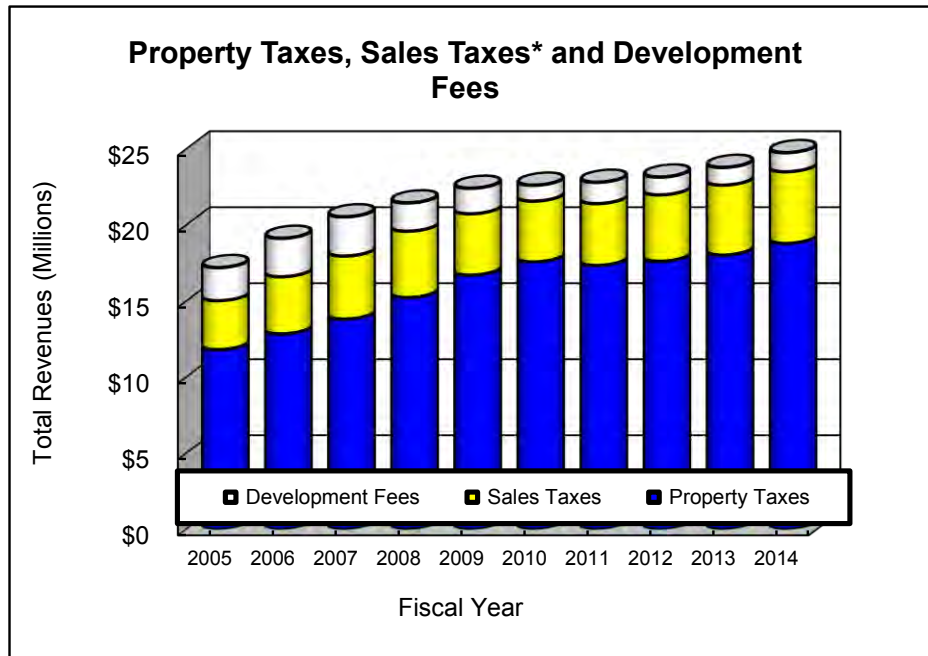
Although sales tax revenues decreased in 2009 and 2010, sales tax revenue has improved significantly since 2005 (\$1.5 million or 47 percent) because of the expansion of the retail base. The City will continue to pursue quality commercial and retail development in order to expand the sales tax base. The sales tax now equates to approximately 25.1 percent of the property tax levy, or approximately \$0.1109 (11.09 cents) of the property tax rate.



Fiscal Year Ending September 30	Sales Tax Collections*	Total Ad Valorem Tax Levy
2005	\$3,218,819	\$11,819,914
2006	3,757,724	12,856,545
2007	4,148,974	13,827,290
2008	4,360,294	15,248,703
2009	4,037,484	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	4,600,000	18,038,830
2014	4,715,000	18,804,980

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

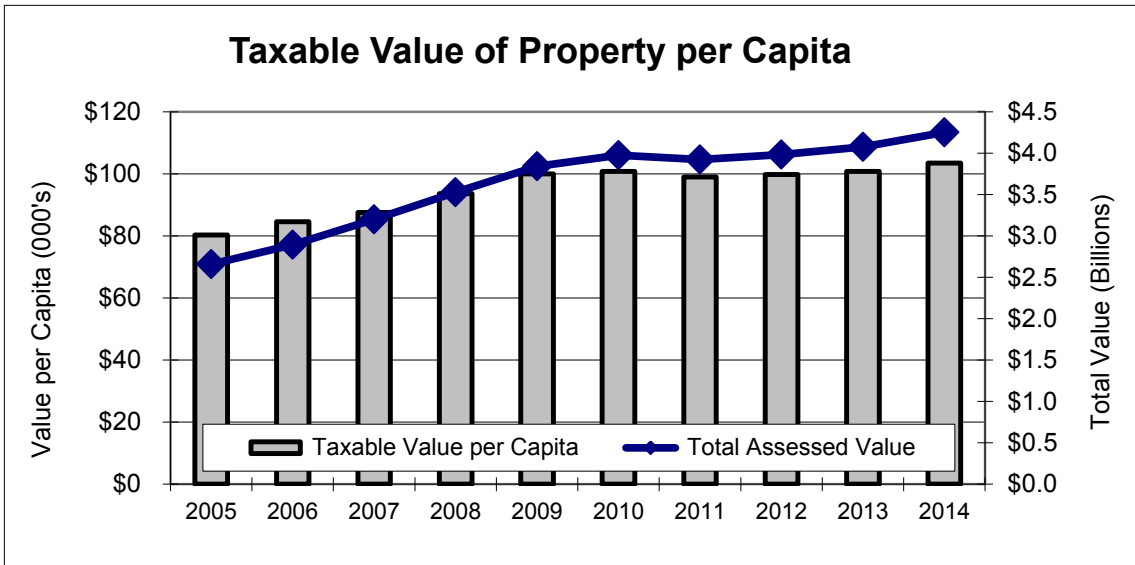
Although sales taxes decreased in 2009 and 2010, and property taxes decreased slightly in 2011, total sales and property tax collections have increased significantly since 2004. Total sales and property tax revenues are projected to increase slightly in FY2014.



Fiscal Year Ending September 30	Sales Tax Collections*	Total Ad Valorem Tax Levy	Development Fees
2005	\$ 3,218,819	\$ 11,819,914	\$ 2,525,426
2006	3,757,724	12,856,545	2,573,166
2007	4,148,974	13,827,290	1,859,802
2008	4,360,294	15,248,703	1,673,381
2009	4,037,484	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	4,600,000	18,038,830	1,254,400
2014	4,715,000	18,804,980	1,285,780

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

Property taxes, sales taxes and development fees comprise 65.5 percent of the revenues of the General Fund in FY2014. Development fees peaked in 1999 at \$2.95 million. Decreases have been anticipated in future years as residential development activity stabilizes due to the City becoming closer to build-out. Fees are projected to increase slightly in FY2014.



Fiscal Year Ending September 30	Population as of 10/01	Taxable Assessed Valuation (000's)	Taxable Valuation Per Capita
2005	33,112	\$ 2,661,364	\$ 80,375
2006	34,224	2,894,771	84,583
2007	36,508	3,199,354	87,634
2008	37,685	3,528,241	93,625
2009	38,402	3,842,404	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	4,079,430	100,876
2014	41,090	4,252,692	103,497

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 86 percent of taxable property values.



GENERAL FUND

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GENERAL FUND

SOURCES OF MAJOR REVENUES

Total General Fund revenues for FY2014 are \$30,444,316 an increase of \$1,002,256 (3.4%) over FY2013 estimated revenues and an increase of \$866,075 (2.9%) over the FY2013 original adopted budget.

PROPERTY & OTHER LOCAL TAXES

As previously mentioned in the Budget Summary section (Budget in Brief), the net assessed taxable value for FY2014 is \$4.25 billion. Property taxes comprise 45.8% of total General Fund revenues. Sales taxes for the general fund are generated from the 1% local sales tax on taxable retail sales (excluding the Keller Development Corporation, the Keller Crime Control Prevention District and street maintenance sales tax amounts) within the City limits. Sales taxes comprise 15.5% 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 FY2013 and FY2014 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 \$3,938,830 for FY2014, representing 12.9% of General Fund revenues, compared to \$3,931,340, representing 13.4% of total General Fund revenues in FY2013. 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 FY2013 and FY2014 franchise taxes by type of franchise (excludes mixed beverage taxes).

Franchise Type	FY2013	FY2014	Pct Change
Electric	\$ 1,193,340	\$ 1,217,220	2.0%
Telephone (1)	810,870	833,790	2.8%
Cable television (1)	61,840	63,390	2.5%
Keller utilities	1,240,000	1,190,000	(4.0%)
Gas utilities	365,290	374,430	2.5%
Solid waste utilities	250,000	250,000	0.0%
Other utilities	10,000	10,000	0.0%
Total	<u>\$ 3,931,340</u>	<u>\$ 3,938,830</u>	0.2%

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

Keller utilities decreased due to a reduction in water revenues in FY2012, compared to FY2011.

As a combined group, property taxes, sales taxes and franchise taxes account for 74.5% of the General Fund revenues for FY2014, compared to 74.5% of General Fund revenues for FY2013.

FINES & FEES

Fines and fees include fees charged by the City for services provided, such as ambulance billing and animal control fees, as well as fines assessed by the Municipal Court and library fines. Municipal Court fines comprise the majority of these revenues and result from Class "C" misdemeanor violations occurring within the City limits. Municipal court fines, ambulance services and other fees are projected at \$2,196,000 for FY2014, representing 7.2% of General Fund revenues and an increase of \$60,550 (2.8%) over the FY2013 estimate.

BUILDING PERMITS/FEES

Building permits and fees include plumbing permits, mechanical permits, building permits, electrical permits, fence permits and sign and other miscellaneous permits. Fees and permits are generated as a result of the building and construction activity in the City of Keller. Total revenues in this category for FY2014 are projected to be \$1,033,500, an increase of \$179,900 (21.1%) over the FY2013 estimate. The major revenue item in this category is building permits, which are projected to be \$928,000 for FY2014, representing 3.1% of total General Fund revenues.

DEVELOPMENT FEES AND OTHER REVENUE

Development fees include fees related to residential and commercial construction and development in the City. These fees include street inspection, construction plan review, zoning and platting, street lighting and street sign fees. Total development fee revenue for FY2014 is \$187,500, representing 0.6% of total General Fund revenue. The most significant revenue in this category is construction plan review fees (\$72,100). Total development fees are projected to decrease by \$46,860 (20%) from FY2013.

Other significant revenue sources include administrative service fees from the water and wastewater fund (\$1,350,000) for services and personnel for water and wastewater fund activities that are funded in the general fund; the Town of Westlake for reimbursement of police operation services resulting from a contract between Keller and Westlake executed in June 2003 (\$820,000); the City of Southlake for combined jail and communications services (\$1,110,000), resulting from the contract between the cities of Keller and Southlake executed in April 2007; the City of Colleyville (\$530,000) for combined jail and communications agreement; reimbursements from Colleyville, Southlake and Westlake for the dispatch center communications upgrades (\$236,946); the Keller Independent School District, for funding of a school resource officer (\$43,000); and interest revenue (\$90,000) for FY2014.

INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

There are no intragovernmental transfers for FY2014.

MAJOR EXPENDITURES

Note: all expenditure comparisons include one-time, non-recurring expenditures from fund balance of \$911,770 for fiscal year FY2013. The proposed FY2014 one-time, non-recurring expenditures of \$4,136,130 are excluded from budget totals.

Total General Fund expenditures for FY2014 are \$30,701,013 an increase of \$694,223 (2.3 percent) over FY2013 estimated expenditures. FY2014 expenditures represent a decrease of \$843,074 (2.7 percent) over the FY2013 adopted budget.

PERSONNEL SERVICES

The General Fund is service-oriented and primarily focused on providing a variety of services to the citizens of Keller. As a result, personnel services account for \$21.49 million, or 70% of the total expenditures of the General Fund for FY2014, compared to \$19.9 million or 66% of total expenditures for FY2013. Personnel services also include costs and expenditures for employee benefits. Total full-time equivalent positions for FY2014 are 240.34 (including a transfer of 1.39 FTEs from KDC) an increase of 3.31 FTEs (1.4%) over FY2013. Excluding the transfers from KDC, FTEs increased by 1.92 FTEs (0.81%). New positions include an Economic Development Director, a Planner I and a Detention Officer.

OPERATIONS AND MAINTENANCE

Operations and maintenance expenditures include major categories of supplies, equipment, street, grounds and building maintenance costs. These costs for FY2014 are \$2.27 million (7.4%) of total General Fund expenditures. The FY2014 budget reflects a decrease of \$83,635 (3.6%) from FY2013 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 FY2014 are \$5.99 million (19.5%) of total General Fund expenditures, an increase of \$269,621 (4.7%) over FY2013 expenditures.

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS

There are no interfund (intra governmental) transfers to other funds for FY2014.

DEBT SERVICE

There are no debt service expenditures from the General Fund for FY2014.

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 FY2013 is \$5,000. Total capital outlay expenditures for FY2014 are \$949,560, or 3.1% of total General Fund expenditures. Capital outlay expenditures for FY2014 decreased \$1,168,535 (55.2%) from FY2013. Major capital items include: street improvements (\$758,000); signage and lighting improvements for Old Town Keller (\$20,000); street maintenance and traffic control equipment for the Public Works Department (\$32,500); replacement of a steel roller for the Public Works Department (\$60,000); replacement of heavy-duty mowing equipment (\$63,150) and park maintenance equipment for the Parks and Recreation Department (\$15,910).

ONE-TIME, NON-RECURRING EXPENDITURES

One-time, non-recurring expenditures of \$911,770 are included in the FY2013 Estimates. FY2013 one-time expenditures included the following: intersection improvements and installation of traffic signals at the Johnson Road and Rufe Snow Drive intersection (\$350,000); parking lot improvements in Old Town Keller (\$75,000); economic development initiatives (\$50,000); a one-time employee stipend, including related benefits (\$286,770); and Town Hall modifications (\$150,000).

For FY2014, one-time expenditures of \$4,136,130 are planned from the available General Fund fund balance and **are excluded from budget totals**. FY2014 expenditures are proposed as follows: transfer to fleet replacement fund for future vehicle replacements (\$300,000); a city-wide communications system upgrade, originally approved by City Council in June 2012 (\$1,644,535); economic development initiatives, (\$1,200,000); economic development incentives due developers, resulting from approved development agreements (\$230,000); vehicle replacements (\$211,595); and replacement of a fire engine (\$550,000). The payment for the city-wide communications system upgrade is due December 1, 2013.

Although one-time, non-recurring expenditures are excluded from the FY2014 budget expenditure totals, after accounting for the fund balance reduction of \$4,136,130, the ending fund balance exceeds the minimum fund balance target.

FUND BALANCE RESERVES

Expenditures exceed revenues by \$256,757 for FY2014. The projected beginning fund balance for FY2014 of \$10,906,089 exceeds the targeted beginning fund balance by about 70 days of operations. The total ending fund balance at September 30, 2014 is projected to be \$10,649,332. 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 128.6 days of operating, exceeding the established benchmark.

Including the one-time, non-recurring expenditures previously mentioned, the ending fund balance is \$6,488,202, representing 78.5 days of operations, exceeding the established benchmark.

GENERAL FUND

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 12,071,500	\$ 10,122,858	\$ 11,470,879	\$ 10,906,089
Revenues and transfers	27,910,187	29,578,241	29,442,060	30,444,316
TOTAL FUNDS AVAILABLE	39,981,687	39,701,099	40,912,939	41,350,405
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out ⁽¹⁾	28,510,808	33,139,837	30,006,850	30,701,073
<u>ENDING FUND BALANCE:</u>				
Total fund balance	11,470,879	6,561,262	10,906,089	10,649,332
Assigned for special accounts	25,000	25,000	25,000	25,000
Unassigned fund balance	11,445,879	6,536,262	10,881,089	10,624,332
FUND TOTAL	\$ 39,981,687	\$ 39,701,099	\$ 40,912,939	\$ 41,350,405
One-time expenditures ⁽¹⁾	-	1,743,770	911,770	-
Net excess revenues (expenditures)	(600,621)	(1,817,826)	346,980	(256,757)

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

Number of days operating expenditures ⁽²⁾	157.9	79.2	140.1	128.6
TARGET	60.0	70.0	70.0	70.0

⁽¹⁾ FY2013 Budget and FY2013 Estimate expenditures and transfers out include one-time expenditures from fund balance. FY2014 expenditures and transfers out **exclude** one-time expenditures.

⁽²⁾ excludes capital outlay and interfund transfers.

2013-2014 One-time and carry over expenditures from fund balance:	
Transfer to Fleet Replacement Fund for future vehicle replacements	\$ 300,000
City-wide communications system upgrade (FY2013 carry over)	1,644,535
Economic development initiatives	1,200,000
Economic development incentives (approved developer agreements)	230,000
Vehicle replacements	211,595
Fire engine replacement	550,000
TOTAL ONE-TIME EXPENDITURES FROM FUND BALANCE	4,136,130
REVISED ENDING FUND BALANCE	\$ 6,488,202

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

Percent of operating expenditures	43.9%	22.0%	38.9%	21.8%
TARGET	16.7%	19.4%	16.7%	19.4%
Number of days operating expenditures	157.9	79.2	140.1	78.5
TARGET	60.0	70.0	70.0	70.0

GENERAL FUND

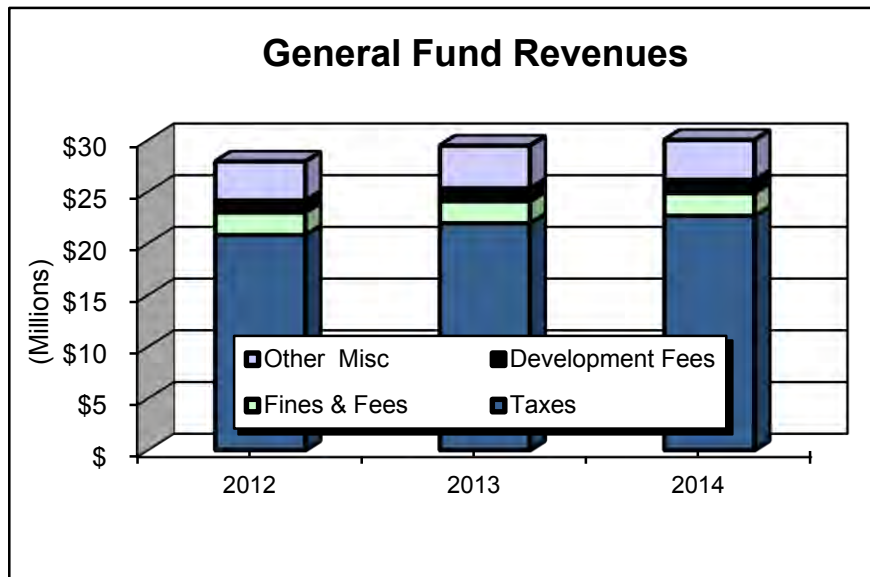
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
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SUMMARY OF GENERAL FUND REVENUES

REVENUES:

TAXES:

Total property taxes	\$ 12,614,247	\$ 13,378,300	\$ 13,339,375	\$ 13,939,280
Sales taxes	4,368,625	4,314,500	4,600,000	4,715,000
Other taxes	3,831,447	4,190,080	4,001,620	4,010,520
Subtotal	20,814,319	21,882,880	21,940,995	22,664,800
FINES & FEES	2,171,279	2,148,350	2,135,450	2,196,000
BUILDING PERMITS/FEES	846,835	1,033,500	1,020,000	1,098,240
DEVELOPMENT FEES	314,253	149,500	234,400	187,540
INTER-INTRAGOVERNMENTAL	3,549,595	4,096,211	3,926,615	4,144,446
OTHER REVENUE	213,906	267,800	184,600	153,290
TOTAL REVENUES & TRANSFERS	\$ 27,910,187	\$ 29,578,241	\$ 29,442,060	\$ 30,444,316



GENERAL FUND

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
REVENUES				
<u>PROPERTY TAXES:</u>				
Current taxes	\$ 12,436,378	\$ 13,225,300	\$ 13,186,375	\$ 13,786,280
Delinquent taxes	124,935	74,500	74,500	74,500
Accrued property tax revenue	(26,380)	-	-	-
Penalty & interest	79,314	78,500	78,500	78,500
Subtotal	12,614,247	13,378,300	13,339,375	13,939,280
<u>OTHER LOCAL TAXES:</u>				
City sales taxes	4,368,625	4,314,500	4,600,000	4,715,000
Mixed beverage taxes	61,567	58,450	70,280	71,690
Franchise & payments in-lieu of taxes:				
Franchise taxes-TXU Electric	562,058	632,500	566,780	578,120
Franchise taxes-Tri County Electric	637,399	719,500	626,560	639,100
Franchise taxes-Verizon	597,138	608,500	643,000	655,860
Franchise taxes-Atmos	412,254	422,570	365,290	374,430
Franchise taxes-TV cable	58,327	60,060	61,840	63,390
Franchise taxes-SBC/AT&T	129,451	138,500	127,870	130,430
Franchise taxes-Solid Waste	247,454	250,000	250,000	250,000
Franchise taxes-Water and W/W	960,000	1,120,000	1,120,000	1,075,000
Franchise taxes-Drainage	114,000	120,000	120,000	115,000
Franchise taxes-One Source	38,813	50,000	40,000	47,500
Franchise taxes-other	12,986	10,000	10,000	10,000
Subtotal	8,200,072	8,504,580	8,601,620	8,725,520
TOTAL TAX REVENUE	20,814,319	21,882,880	21,940,995	22,664,800
<u>FINES & FEES:</u>				
Fire inspection fees/permits	16,584	12,500	12,500	12,500
Finger printing fees	1,666	3,500	2,500	3,500
Animal control fees	24,980	16,000	16,000	16,000
Ambulance services fees	1,029,079	978,500	985,000	984,000
Open records request fees	2,948	6,000	3,500	6,000
Alarm permits & false alarm fees	23,428	82,000	67,000	68,500
Solicitor fees/permits	3,055	6,000	7,000	6,000
Special events fees/permits	490	2,100	1,000	2,100
Municipal Court fines/fees	741,781	745,000	745,000	745,000
Library fines	48,508	42,500	45,000	42,500
Library lost book revenue	1,758	2,500	2,500	2,500
Library services fees	8,115	6,000	7,500	6,000
Court fines collection fees	39,643	33,000	-	-
Facilities/park rental fees	15,385	14,000	20,000	14,000
Park rental fees-Keller Sports Park	13,994	12,500	12,500	12,500
Keller Sports Park non-resident fees	-	-	-	86,000
Facility rental fees	1,075	800	1,000	800
Communication tower rentals	135,305	102,500	115,000	104,100
Public art sales commissions	-	500	-	500
Right-of-way easements	450	450	450	450
Oil & gas royalty revenue	4	-	-	-
Other services	18,796	10,000	20,000	11,050
Keller Town Center Property Owner Ass'n	44,235	72,000	72,000	72,000
TOTAL FINES & FEES	\$ 2,171,279	\$ 2,148,350	\$ 2,135,450	\$ 2,196,000

(continued)

GENERAL FUND

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
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REVENUES

(continued)

BUILDING PERMITS/FEES:

Plumbing permits	\$ 66,924	\$ 46,000	\$ 41,000	\$ 42,230
Mechanical permits	47,329	22,000	18,000	18,540
Building permits/C.O.'s	644,253	928,000	928,000	1,003,480
Fence, sign & miscellaneous permits	24,370	21,000	21,000	21,630
Energy inspections permits	20,800	-	-	-
Electrical permits	43,159	16,500	12,000	12,360

TOTAL BUILDING PERMITS/FEES	846,835	1,033,500	1,020,000	1,098,240
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DEVELOPMENT FEES:

Paving/drainage Inspection fees	33,217	55,000	110,000	65,000
Construction plan review fees	238,485	60,000	70,000	72,100
Zoning & subdivision fees	41,065	25,000	38,000	39,140
Street lighting fees	576	9,000	11,000	11,000
Street sign fees	910	500	300	300
Opticom system fees	-	-	5,100	-

TOTAL DEVELOPMENT FEES	314,253	149,500	234,400	187,540
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INTERGOVERNMENTAL REVENUE:

Town of Westlake	768,070	775,325	775,325	820,000
KISD-School resource officer	5,320	40,000	40,000	43,000
State of Texas	38,694	-	47,260	-
Local intergovernmental revenue	11,382	-	1,590	-
City of Southlake	932,631	1,025,545	1,025,545	1,110,000
City of Roanoke	-	-	18,500	16,000
City of Colleyville	427,189	488,870	488,870	530,000
Intergovernmental-Local	-	236,946	-	236,946

TOTAL INTERGOVERNMENT REVENUE	2,183,286	2,566,686	2,397,090	2,755,946
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INTRAGOVERNMENTAL REVENUE:

Keller Water & Wastewater Utility	1,325,000	1,335,000	1,335,000	1,350,000
<i>General and administrative services</i>				
Keller Development Corporation	38,500	38,500	38,500	38,500
<i>General and administrative services</i>				

TOTAL INTRAGOVERNMENT REVENUE	1,363,500	1,373,500	1,373,500	1,388,500
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OTHER REVENUE:

Interest earnings	89,529	80,000	88,500	90,000
Gain (loss) on disposal of assets	63,784	132,500	3,500	6,500
Write-off recovery	13,838	12,500	30,000	14,000
Miscellaneous revenue	\$ 40,354	\$ 36,500	\$ 56,060	\$ 36,490
Public Arts miscellaneous revenue	736	1,800	1,000	1,800
Public Arts donations/ticket sales	5,665	4,500	5,540	4,500

TOTAL OTHER REVENUE	213,906	267,800	184,600	153,290
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REVENUES BEFORE TRANSFERS	27,907,378	29,422,216	29,286,035	30,444,316
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TRANSFERS FROM OTHER FUNDS:

Transfer from Cable Franchise fund	2,809	-	-	-
Transfer from Water and Wastewater fund	-	144,605	144,605	-
Transfer from Drainage Utility fund	-	11,420	11,420	-

TOTAL TRANSFERS	2,809	156,025	156,025	-
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TOTAL REVENUES AND TRANSFERS	\$ 27,910,187	\$ 29,578,241	\$ 29,442,060	\$ 30,444,316
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GENERAL FUND EXPENDITURES

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 19,558,547	\$ 20,273,193	\$ 19,877,445	\$ 21,487,842
Operations & maintenance	1,776,375	2,423,040	2,354,050	2,270,415
Services & other	4,753,590	7,021,239	5,723,635	5,993,256
Transfers to other funds	137,500	33,625	33,625	-
SUBTOTAL	26,226,012	29,751,097	27,988,755	29,751,513
Capital outlay	2,284,796	3,388,740	2,018,095	949,560
TOTAL	\$ 28,510,808	\$ 33,139,837	\$ 30,006,850	\$ 30,701,073

<u>EXPENDITURES BY ACTIVITY</u>				
Administration/General Government	\$ 4,093,649	\$ 4,485,142	\$ 4,455,045	\$ 4,573,266
Community Development	1,006,659	1,193,160	1,164,715	1,314,990
Public Safety	15,746,712	15,607,755	15,281,345	15,981,262
Public Works	2,945,874	3,473,085	3,830,550	3,202,165
Keller Public Library	1,322,074	1,410,630	1,373,335	1,432,010
Parks & Recreation	2,482,791	3,116,270	3,010,885	3,412,615
Non-departmental / Other	913,049	3,853,795	890,975	784,765
TOTAL	\$ 28,510,808	\$ 33,139,837	\$ 30,006,850	\$ 30,701,073

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

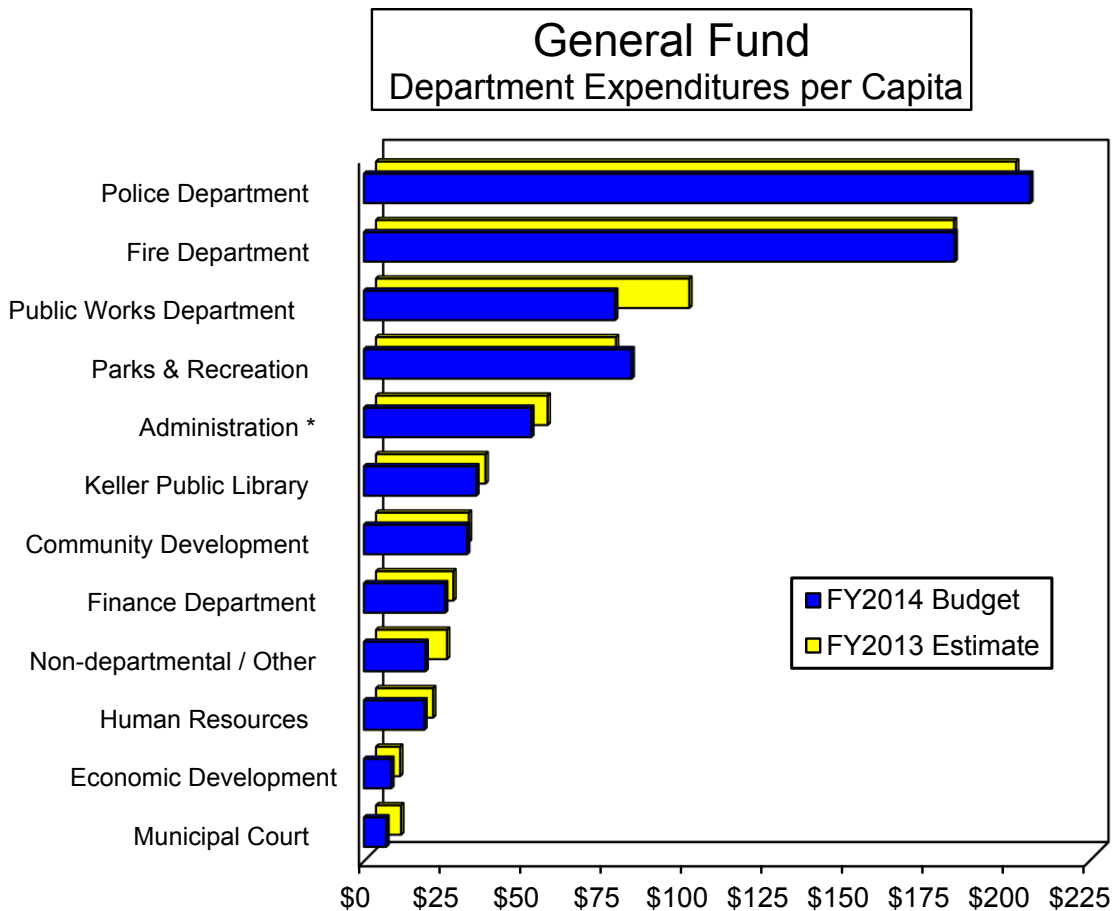
DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	8.00	8.00	8.00
Town Hall Operations	2.00	3.00	3.00
Finance & Accounting	6.50	7.00	7.00
Municipal Court	3.50	0.25	-
Human Resources	5.00	5.00	5.00
Economic Development	1.00	1.50	2.50
Community Development	11.00	11.20	12.00
Police Department	82.00	84.50	85.50
Fire Department	59.00	59.00	59.00
Public Works	14.33	14.73	15.10
Keller Public Library	15.42	15.42	15.42
Parks & Recreation	25.04	27.43	27.82
TOTAL	232.79	237.03	240.34

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
GENERAL GOVERNMENT:				
Administration	\$ 1,336,210	\$ 1,404,248	\$ 1,388,115	\$ 1,406,375
Town Hall Operations	543,131	730,500	746,530	700,330
Mayor & Council	18,832	18,210	18,210	26,410
Finance & Accounting	910,364	980,000	969,645	1,034,901
Municipal Court	425,897	304,154	314,445	285,915
Human Resources	653,461	744,870	715,365	770,730
Economic Development	205,754	303,160	302,735	348,605
Subtotal	4,093,649	4,485,142	4,455,045	4,573,266
COMMUNITY DEVELOPMENT:				
Administration	353,560	418,395	394,715	510,550
Building and Construction Services	653,099	774,765	770,000	804,440
Subtotal	1,006,659	1,193,160	1,164,715	1,314,990
PUBLIC SAFETY:				
Police Department	7,574,927	8,063,375	8,030,185	8,451,332
Fire Department	8,171,785	7,544,380	7,251,160	7,529,930
Subtotal	15,746,712	15,607,755	15,281,345	15,981,262
PUBLIC WORKS:				
Administration	337,979	291,205	286,605	334,810
Engineering & Inspections	401,500	478,020	482,715	452,000
Street Maintenance	1,744,810	2,276,585	2,633,955	1,988,080
Street Lighting	461,585	427,275	427,275	427,275
Subtotal	2,945,874	3,473,085	3,830,550	3,202,165
RECREATION & LEISURE:				
Keller Public Library	1,322,074	1,410,630	1,373,335	1,432,010
Parks & Recreation:				
Parks & Recreation-Administration	274,210	290,135	287,350	382,795
Parks & City Grounds Management	1,139,578	1,484,685	1,427,295	1,606,205
Recreation Programs	193,247	221,140	214,820	241,665
Senior Services	190,899	301,660	278,025	218,845
Keller Sports Park Maintenance	506,828	595,950	583,995	744,745
Keller Town Center Maintenance	178,029	222,700	219,400	218,360
Subtotal	2,482,791	3,116,270	3,010,885	3,412,615
Total Recreation & Leisure	3,804,865	4,526,900	4,384,220	4,844,625
OTHER/NON-DEPARTMENTAL:				
Non-departmental	913,049	3,853,795	890,975	784,765
Subtotal	913,049	3,853,795	890,975	784,765
TOTAL	\$ 28,510,808	\$ 33,139,837	\$ 30,006,850	\$ 30,701,073

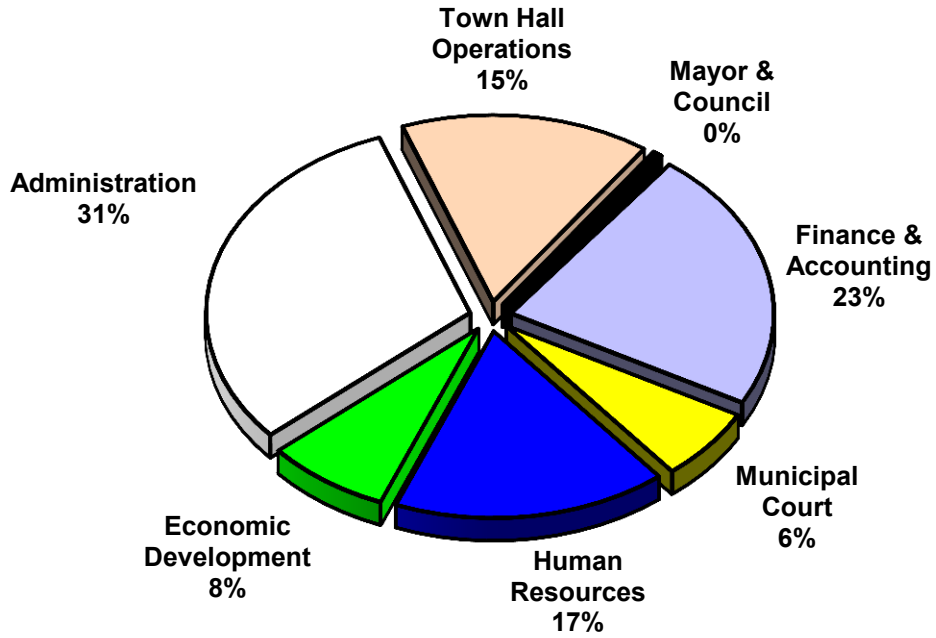
GENERAL FUND EXPENDITURES PER CAPITA

<u>DEPARTMENT</u>	<u>2012-2013 Budget</u>	<u>2012-2013 Estimate</u>	<u>2013-2014 Budget</u>
Police Department	\$ 189.75	\$ 198.57	\$ 205.68
Fire Department	204.70	179.31	183.25
Public Works Department	73.79	94.72	77.93
Parks & Recreation	62.19	74.45	83.05
Administration *	47.55	53.24	51.91
Keller Public Library	33.12	33.96	34.85
Community Development	25.22	28.80	32.00
Finance Department	22.80	23.98	25.19
Non-departmental / Other	22.87	22.03	19.10
Human Resources	16.37	17.69	18.76
Economic Development	5.15	7.49	8.48
Municipal Court	10.67	7.78	6.96
TOTAL	\$ 714.20	\$ 742.01	\$ 747.17



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

General Government

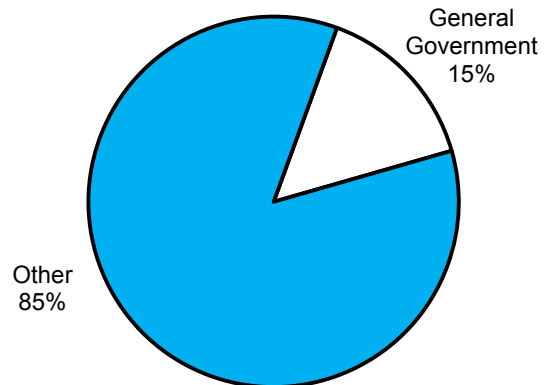


Department total: \$4,573,266

General Government

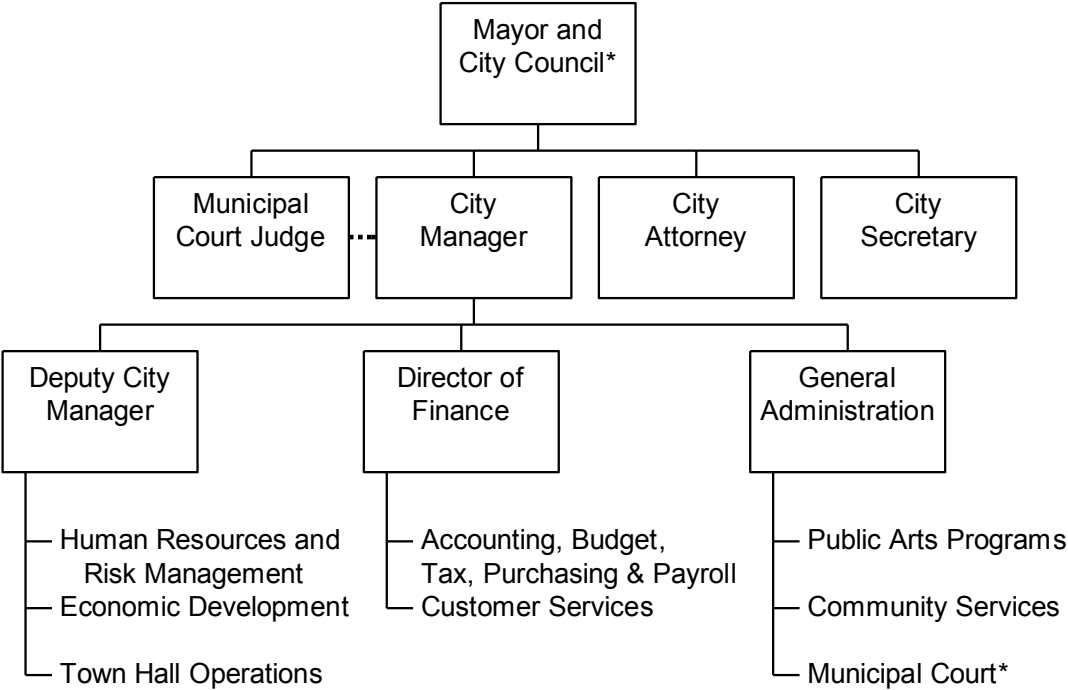
- Administration
 - Public Arts
 - Community Services
- Town Hall Operations
- Mayor & Council
- Finance & Accounting
- Municipal Court
- Human Resources
- Economic Development
 - Old Town Keller

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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 2,527,404	\$ 2,386,783	\$ 2,367,395	\$ 2,585,780
Operations & maintenance	110,474	308,430	295,970	191,270
Services & other	1,455,771	1,769,929	1,771,680	1,776,216
SUBTOTAL	4,093,649	4,465,142	4,435,045	4,553,266
Capital outlay	-	20,000	20,000	20,000
TOTAL	\$ 4,093,649	\$ 4,485,142	\$ 4,455,045	\$ 4,573,266

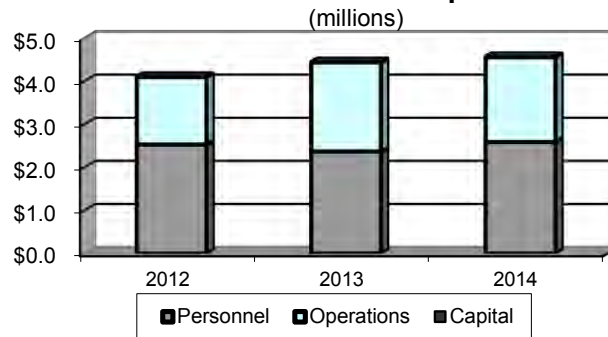
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,336,210	\$ 1,404,248	\$ 1,388,115	\$ 1,406,375
Town Hall Operations	543,131	730,500	746,530	700,330
Mayor & City Council	18,832	18,210	18,210	26,410
Finance & Accounting	910,364	980,000	969,645	1,034,901
Municipal Court	425,897	304,154	314,445	285,915
Human Resources	653,461	744,870	715,365	770,730
Economic Development	205,754	303,160	302,735	348,605
TOTAL	\$ 4,093,649	\$ 4,485,142	\$ 4,455,045	\$ 4,573,266

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	8.00	8.00	8.00
Town Hall Operations	2.00	3.00	3.00
Finance & Accounting	6.50	7.00	7.00
Municipal Court	3.50	0.25	-
Human Resources	5.00	5.00	5.00
Economic Development	1.00	1.50	2.50
TOTAL	26.00	24.75	25.50

General Government Expenditures





**ADMINISTRATION
DEPARTMENT SUMMARY**

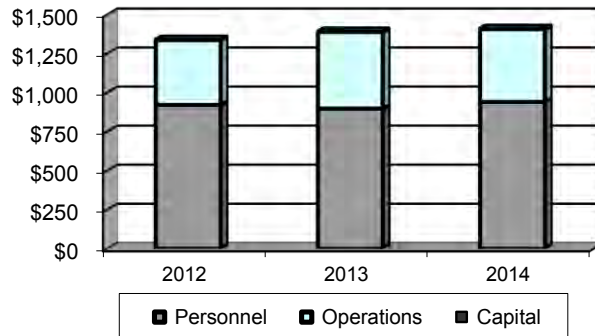
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 920,733	\$ 912,698	\$ 896,975	\$ 940,090
Operations & maintenance	44,111	63,215	63,215	52,900
Services & other	371,366	428,335	427,925	413,385
SUBTOTAL	1,336,210	1,404,248	1,388,115	1,406,375
Capital outlay	-	-	-	-
TOTAL	\$ 1,336,210	\$ 1,404,248	\$ 1,388,115	\$ 1,406,375

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,244,852	\$ 1,282,953	\$ 1,273,640	\$ 1,287,945
Public Arts Programs	27,425	36,460	36,050	36,310
Community Services	63,933	84,835	78,425	82,120
TOTAL	\$ 1,336,210	\$ 1,404,248	\$ 1,388,115	\$ 1,406,375

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

DIVISION / ACTIVITY	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	8.0	8.0	8.0
TOTAL	8.0	8.0	8.0

Administration Expenditures (000's)



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, two Executive Secretaries, Records Management Coordinator and Town Hall Receptionist. The purpose of the Department is to maintain and enhance the partnership among citizens, elected officials and city employees through efficient and effective management and delivery of all public services.

DEPARTMENT/DIVISION GOALS:

Administration Activities:

- Support the City Council's priorities, goals and objectives for fiscal year 2013-14.
- 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 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	252	286	269
 <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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 911,005	\$ 893,848	\$ 884,535	\$ 921,240
Operations & maintenance	11,447	25,715	25,715	20,150
Services & other	322,400	363,390	363,390	346,555
SUBTOTAL	1,244,852	1,282,953	1,273,640	1,287,945
Capital outlay	-	-	-	-
TOTAL	\$ 1,244,852	\$ 1,282,953	\$ 1,273,640	\$ 1,287,945

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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
Assistant City Manager	M-3	1.0	-	-
Assistant City Manager	M-3	1.0	-	-
Management Assistant	PE-7	-	1.0	1.0
Executive Secretary	A/TN-9	2.0	2.0	2.0
Records Management Coordinator	A/TN-5	1.0	1.0	1.0
Customer Services Representative	A/TN-5	-	1.0	1.0
Receptionist	A/TN-4	1.0	-	-
TOTAL		8.0	8.0	8.0

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 this 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Outputs:			
Keller Public Arts Board meetings and work sessions	11	10	11
Monthly public shows	10	10	10
Public Art pieces obtained through purchase, sponsorships or donation	-	1	-
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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	21,437	25,500	25,500	28,750
Services & other	5,988	10,960	10,550	7,560
SUBTOTAL	27,425	36,460	36,050	36,310
Capital outlay	-	-	-	-
TOTAL	\$ 27,425	\$ 36,460	\$ 36,050	\$ 36,310

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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>2011-2012 ACTUAL*</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Special event permits issued	N/A	24	25
Number of special events held	N/A	30	30
Total employee hours provided	N/A	295	300
Average employee hours per permit	N/A	12	12
Total permit revenue collected	N/A	\$150	\$100
Average fee per special event permit	N/A	\$6	\$4

* Community Services statistics were not collected until FY2013.

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Community Services

ACCOUNT:
100-100-05

**COMMUNITY SERVICES
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 9,728	\$ 18,850	\$ 12,440	\$ 18,850
Operations & maintenance	11,227	12,000	12,000	4,000
Services & other	42,978	53,985	53,985	59,270
SUBTOTAL	63,933	84,835	78,425	82,120
Capital outlay	-	-	-	-
TOTAL	\$ 63,933	\$ 84,835	\$ 78,425	\$ 82,120

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 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**

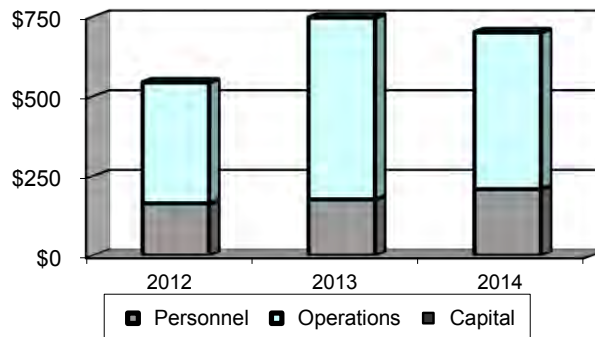
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 164,102	\$ 165,520	\$ 176,720	\$ 208,695
Operations & maintenance	30,564	192,580	182,080	92,350
Services & other	348,465	372,400	387,730	399,285
SUBTOTAL	543,131	730,500	746,530	700,330
Capital outlay	-	-	-	-
TOTAL	\$ 543,131	\$ 730,500	\$ 746,530	\$ 700,330

FY2013 Operations & maintenance budget includes one-time expenditure of \$150,000 for Town Hall modifications.

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Facilities Manager	PE-7	-	-	1.0
Facility Maintenance Supervisor	TN-10	-	1.0	-
Facility Maintenance Supervisor	TN-9	1.0	-	-
Building Maintenance Technician II	TN-5	1.0	1.0	1.0
Building Maintenance Technician I	TN-1	-	1.0	1.0
TOTAL		2.0	3.0	3.0

Town Hall Operations Expenditures
(000's)





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 60 new business openings and 15 business expansions in calendar year 2012
 - Continued investing in the growth and redevelopment of Old Town Keller by approving a record amount of Old Town Keller Facade Improvement Matching Grants
 - 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 the transfer of information between the City and its citizens:
 - Efficiently communicate citizen concerns, complaints and comments to the City Manager for resolution and follow-up
 - Approved funding for significant upgrades to the city website to improve accessibility, transparency and citizen engagement
 - Recipient of 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 2013 tax rate at \$0.44219 per \$100 of taxable value
 - Increased the General Fund reserves over the estimate by approximately \$1.4 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

(Continued)

FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

(Continued)

CITY COUNCIL GOALS/ACCOMPLISHMENTS:

- 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
- Expansion and renovation of the Keller Regional Animal Adoption Center and Keller Regional Jail

FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

**MAYOR AND CITY COUNCIL
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	7,133	7,650	7,650	8,650
Services & other	11,699	10,560	10,560	17,760
SUBTOTAL	18,832	18,210	18,210	26,410
Capital outlay	-	-	-	-
TOTAL	\$ 18,832	\$ 18,210	\$ 18,210	\$ 26,410

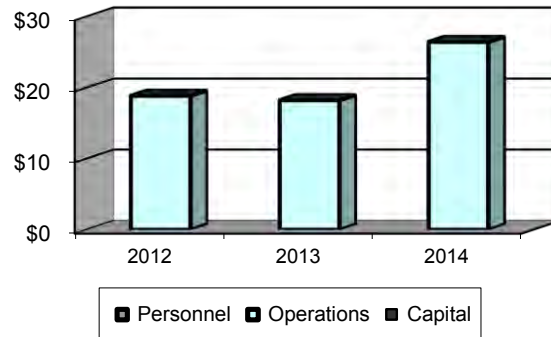
PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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No personnel services funding is provided in this program.

Mayor & City Council Expenditures
(000's)



**FINANCE & ACCOUNTING
DEPARTMENT SUMMARY**

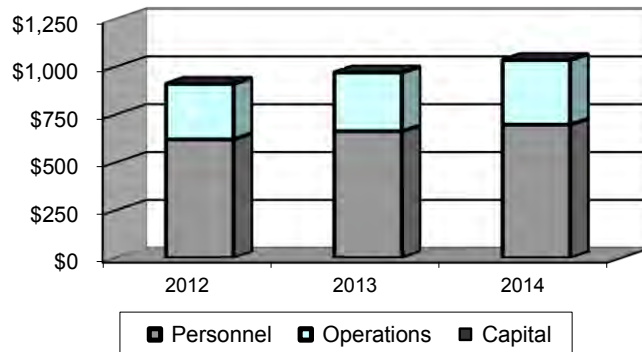
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 620,704	\$ 680,045	\$ 662,830	\$ 697,430
Operations & maintenance	14,521	16,805	14,815	12,300
Services & other	275,139	283,150	292,000	325,171
SUBTOTAL	910,364	980,000	969,645	1,034,901
Capital outlay	-	-	-	-
TOTAL	\$ 910,364	\$ 980,000	\$ 969,645	\$ 1,034,901

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 790,725	\$ 851,345	\$ 840,990	\$ 900,375
Tax	119,639	128,655	128,655	134,526
TOTAL	\$ 910,364	\$ 980,000	\$ 969,645	\$ 1,034,901

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	6.5	7.0	7.0
TOTAL	6.5	7.0	7.0

Finance & Accounting Expenditures
(000's)



FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Administration

ACCOUNT:
100-130-01

(Continued)

<u>PERFORMANCE ANALYSIS</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Debt service ratios:			
Direct tax-supported debt per capita	\$1,085	\$978	\$826
Tax-supported debt service expenditures as a % of general operating expenditures	15.0%	13.6%	12.5%
<i>Financial policy target</i>	25.0%	25.0%	25.0%
Ratio of debt to net taxable valuation	1.2%	1.0%	0.9%
<i>Financial policy target</i>	15.0%	15.0%	15.0%
Investment activities:			
Average weighted average investment yield to maturity	0.53%	0.41%	0.40%
Average spread between City yield and 3-month T- bill	0.49%	0.32%	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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 620,704	\$ 680,045	\$ 662,830	\$ 697,430
Operations & maintenance	14,223	16,505	14,515	12,000
Services & other	155,798	154,795	163,645	190,945
SUBTOTAL	790,725	851,345	840,990	900,375
Capital outlay	-	-	-	-
TOTAL	\$ 790,725	\$ 851,345	\$ 840,990	\$ 900,375

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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
Account Clerk/Finance Secretary	A/TN-6	1.0	1.0	1.0
Records/Account Clerk	A/TN-5	-	1.0	1.0
Records Clerk	A/TN-2	0.5	-	-
TOTAL		6.5	7.0	7.0

FY2014 highlights: funding of \$25,000 is provided in Services & other for professional services to initiate an internal audit program.



FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 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	16,458	16,558	16,675
Total number of over-65 and disabled accounts	1,761	1,860	1,157
Total (appraised) value of over-65 and disabled accounts (millions)	\$409.4	\$440.5	\$492.6
Total number of tax ceiling accounts	1,663	1,784	1,903
Taxable value of tax ceiling accounts (millions)	\$312.1	\$343.7	\$382.1
Total number of new residential homesteads	326	221	299
Total (appraised) value of new residential homesteads (millions)	\$110.3	\$77.4	\$70.6
Total number of new over-65 accounts	91	81	86
Total (appraised) value of new over-65 accounts (millions)	\$23.5	\$22.3	\$26.2
Total (appraised) value of new construction (millions)	\$83.2	\$88.0	\$81.7
Total (appraised) value of new residential construction (millions)	\$79.9	\$65.9	\$70.5
Total (appraised) value of new commercial construction (millions)	\$3.3	\$22.1	\$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		
	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 PROJECTED
Percentage of taxes collected (services to be provided by the Tarrant County Tax Assessor/Collector)	99.5%	99.3%	99.3%
Average appraised residential value	\$274,069	275,832	281,787
Percent change	0.3%	0.2%	2.2%
Average taxable residential value	\$263,829	265,340	270,752
Percent change	0.1%	0.1%	2.0%
Effective tax rate per \$100 of taxable value	\$0.44928	\$0.44623	\$0.43859
Actual tax rate per \$100 of taxable value	\$0.44219	\$0.44219	\$0.44219
Rollback tax rate per \$100 of taxable value	\$0.46452	\$0.46647	\$0.46483
Average City of Keller tax bill (actual rate)	\$1,166.03	\$1,173.31	\$1,197.24
Percent change	0.1%	0.1%	2.0%
Average appraised value of new residential homesteads	\$338,261	\$350,116	\$338,907
Percent change	(5.7%)	3.5%	(3.2%)
Average appraised value of new over-65 residential homesteads	\$258,214	\$275,047	\$304,749
Percent change	(3.0%)	6.5%	10.8%
Average taxable value of tax ceiling accounts	\$187,685	\$192,633	\$200,811
Percent change	2.5%	2.6%	4.2%
Percentage of taxable value of new construction by property category:			
Residential	97.4%	74.9%	86.1%
Commercial	2.6%	25.1%	13.9%

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	298	300	300	300
Services & other	119,341	128,355	128,355	134,226
SUBTOTAL	119,639	128,655	128,655	134,526
Capital outlay	-	-	-	-
TOTAL	\$ 119,639	\$ 128,655	\$ 128,655	\$ 134,526

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Number of citations processed	10,476	9,525	10,800
Number of cases requesting court dates	6,856	4,120	4,350
Number of cases with attorney representation	2,289	2,095	2,256
Number of court dockets held per year (1)	218	100	100
Number of warrants processed/issued	2,059	2,366	2,275
Number of reports generated (open records requests)	299	240	245
Number of warrants outstanding (2)	1,594	3,437	3,325
Number of defendants requesting jury trial	67	40	45

(1) FY2012 includes attorney dockets

(2) The outstanding warrants increased in FY2013 and FY2014. Warrants are now processed prior to the 61st day, prior to the addition of a collection fee.

FUND:
General

DEPARTMENT:
Municipal Court

DIVISION:
Administration

ACCOUNT:
100-160-01

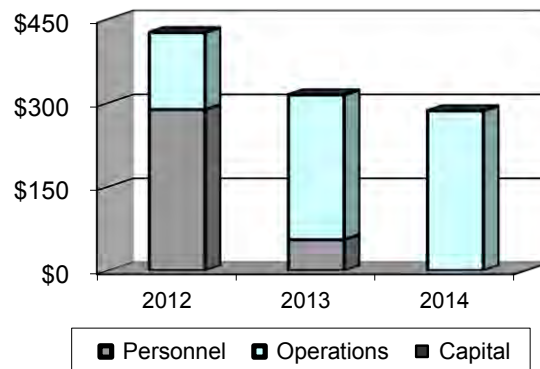
**MUNICIPAL COURT
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 288,295	\$ 44,165	\$ 55,575	\$ -
Operations & maintenance	3,867	2,360	2,360	-
Services & other	133,735	257,629	256,510	285,915
SUBTOTAL	425,897	304,154	314,445	285,915
Capital outlay	-	-	-	-
TOTAL	\$ 425,897	\$ 304,154	\$ 314,445	\$ 285,915

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Municipal Court Clerk	M-1	1.00	0.25	-
Municipal Judge	Exempt	0.50	-	-
Senior Deputy Court Clerk	A/TN-10	1.00	-	-
Deputy Court Clerk	A/TN-6	1.00	-	-
TOTAL		3.50	0.25	-

Municipal Court Expenditures (000's)



FY2013 and FY2014 funding and positions reflect changes due to the merger of Court operations with the City of Colleyville, effective October 1, 2012.



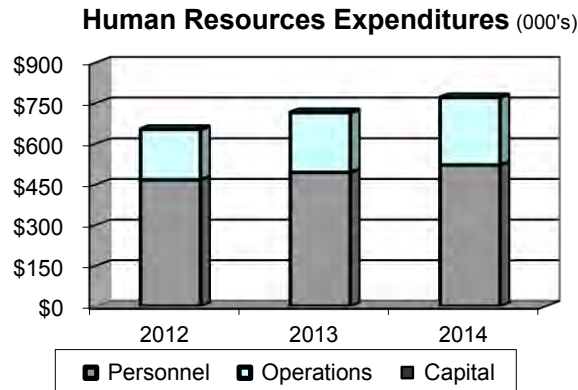
**HUMAN RESOURCES
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 467,049	\$ 504,065	\$ 494,560	\$ 521,730
Operations & maintenance	5,373	16,575	16,575	15,975
Services & other	181,039	224,230	204,230	233,025
SUBTOTAL	653,461	744,870	715,365	770,730
Capital outlay	-	-	-	-
TOTAL	\$ 653,461	\$ 744,870	\$ 715,365	\$ 770,730

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 337,803	\$ 355,990	\$ 354,745	\$ 376,085
City-wide Employee Activities	209,146	276,950	248,950	278,730
Risk Management	106,512	111,930	111,670	115,915
TOTAL	\$ 653,461	\$ 744,870	\$ 715,365	\$ 770,730

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. Leverage the City's human capital to increase the efficiency and effectiveness of the organization as a whole.
 - Ensure that the City's compensation practices and benefits are competitive.
 - Develop a formal selection program with expert selection tools.
 - Ensure the hiring of high caliber employees through effective selection expertise.
 - Develop/train our employees for current and future positions within the City.
 - Strive for the City to have the reputation of being an employer of choice.
2. Be an effective strategic partner to our customers – other City departments.
 - Provide expert consultation to departments in the areas of selection, compensation, benefits, employee relations/disciplinary, 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
General job vacancies filled	46	31	33
The Keller Pointe (TKP) job vacancies filled	129	120	120
General applications processed	1,619	1,350	1,350
TKP applications processed	394	350	350
 <u>PERFORMANCE ANALYSIS</u>			
General employee turnover rate (excluding seasonal employees)	14.74%	10%	10%
TKP employee turnover rate (excluding seasonal employees)	46.20%	21%	14%

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 327,020	\$ 335,950	\$ 334,705	\$ 356,630
Operations & maintenance	628	7,895	7,895	7,295
Services & other	10,155	12,145	12,145	12,160
SUBTOTAL	337,803	355,990	354,745	376,085
Capital outlay	-	-	-	-
TOTAL	\$ 337,803	\$ 355,990	\$ 354,745	\$ 376,085

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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.

DEPARTMENT/DIVISION GOALS:

Promote the City as an employer of choice through recognition and promotion of employees.

1. Reward and encourage employees for excellent customer service through "Quality Achievement Awards."
2. 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.
3. Employee Activity Team (EAT) coordinates activities, events, 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 and tuition reimbursement.
5. Educate employees in all City benefits to improve utilization of such benefits and manage benefit costs. Opportunities available through communication pieces, annual benefit fair, benefit meetings and annual health fair with free health screenings and health issue information.
6. Partner with our medical insurance vendor on wellness initiatives. Medical vendor will offer and coordinate on-line health risk assessments, biometric screenings at our annual health fair and on-line coaching. Human Resources and the Wellness Committee will continue to host lunch 'n learns about a variety of subjects dealing with health, exercise and nutrition as well as Wellness initiatives.

STANDARD MEASURES OF ACTIVITY:

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

<u>SERVICE ANALYSIS</u>	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Employees requesting tuition reimbursement benefit	19	16	18
Employees utilizing tuition reimbursement benefit	13	10	15
General job vacancies filled:			
Number of in-house promotions	5	7	7
Number of new hires from outside	35	24	26
Average annual training hours per employee	8	5	7

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
City-Wide Employee
Activities

ACCOUNT:
100-170-11

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 34,352	\$ 60,000	\$ 52,000	\$ 53,000
Operations & maintenance	4,484	7,300	7,300	7,300
Services & other	170,310	209,650	189,650	218,430
SUBTOTAL	209,146	276,950	248,950	278,730
Capital outlay	-	-	-	-
TOTAL	\$ 209,146	\$ 276,950	\$ 248,950	\$ 278,730

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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Originally created in FY2008, 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.

DEPARTMENT/DIVISION GOALS:

1. Protect city assets by 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. 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.
4. Investigate all workers' compensation claims, liability and property claims and report claims to appropriate service agencies in a timely manner.
5. Monitor and coordinate benefits with employees needing Family Medical Leave (FMLA), short-term disability and/or long-term disability.
6. Provide and track safety training including Texas Municipal League online training for all employees.
7. Coordinate evacuation drills in compliance with the city Evacuation Plan (implemented February 11, 2011).

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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
In-house safety training classes conducted	5	6	5
Worker compensation claims processed	55	36	40
Equipment and vehicle damage claims processed	25	42	45
Liability claims processed	25	25	25
FMLA requests processed	40	55	60
TML online training classes held	-	50	50

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Risk Management

ACCOUNT:
100-170-15

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 105,677	\$ 108,115	\$ 107,855	\$ 112,100
Operations & maintenance	261	1,380	1,380	1,380
Services & other	574	2,435	2,435	2,435
SUBTOTAL	106,512	111,930	111,670	115,915
Capital outlay	-	-	-	-
TOTAL	\$ 106,512	\$ 111,930	\$ 111,670	\$ 115,915

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Risk Manager	PE-10	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0



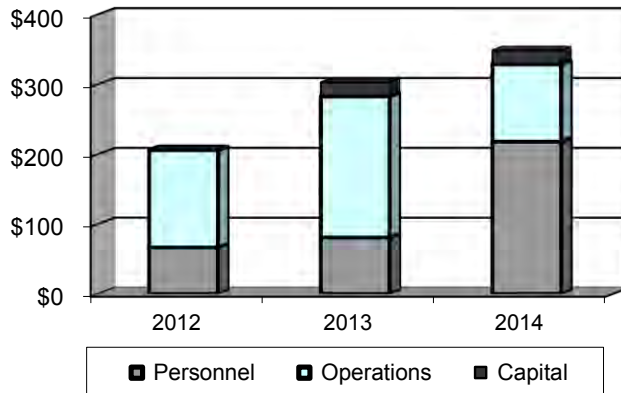
**ECONOMIC DEVELOPMENT
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 66,521	\$ 80,290	\$ 80,735	\$ 217,835
Operations & maintenance	4,905	9,245	9,275	9,095
Services & other	134,328	193,625	192,725	101,675
SUBTOTAL	205,754	283,160	282,735	328,605
Capital outlay	-	20,000	20,000	20,000
TOTAL	\$ 205,754	\$ 303,160	\$ 302,735	\$ 348,605
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 177,884	\$ 246,195	\$ 245,770	\$ 290,605
Old Town Keller	27,870	56,965	56,965	58,000
TOTAL	\$ 205,754	\$ 303,160	\$ 302,735	\$ 348,605

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration		1.0	1.5	2.5
TOTAL		1.0	1.5	2.5

Economic Development Expenditures (000's)



FUND:
General

DEPARTMENT:
Economic Development

DIVISION:
Administration

ACCOUNT:
100-190-01

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

Attraction and Retention Activities:

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

Partnerships:

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

Easier Access to Quality Information:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Retention business meetings and visits	30	50	50
Recruitment meetings, phone calls and information distribution	70	100	100
Trade shows attended	3	3	3
New businesses/expansions	81	80	80
Economic development meetings with KEDB	3	6	4
Economic Development website page views	430	600	700
Keep It In Keller website page views	14,999	18,000	20,000
Economic Development presentations	5	10	110

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 66,521	\$ 80,290	\$ 80,735	\$ 217,835
Operations & maintenance	4,202	5,245	5,275	5,095
Services & other	107,161	160,660	159,760	67,675
SUBTOTAL	177,884	246,195	245,770	290,605
Capital outlay	-	-	-	-
TOTAL	\$ 177,884	\$ 246,195	\$ 245,770	\$ 290,605

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Economic Development Director	M-3	-	-	1.0
Economic Development Coordinator	PE-5	1.0	1.0	1.0
Economic Development Marketing Intern	NA	-	0.5	0.5
TOTAL		1.0	1.5	2.5

FY2014 highlights: in addition to the above amounts, one-time, non-recurring expenditures from fund balance are provided for economic development initiatives (\$1.2 million) and for property tax and sales tax rebates for economic development agreements approved by the City Council in FY2013 (\$230,000).

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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Meet with business prospects or existing businesses to discuss opportunities for new or expanded development	10	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	15	4	4
Old Town Keller Façade improvement grants completed	13	3	4

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

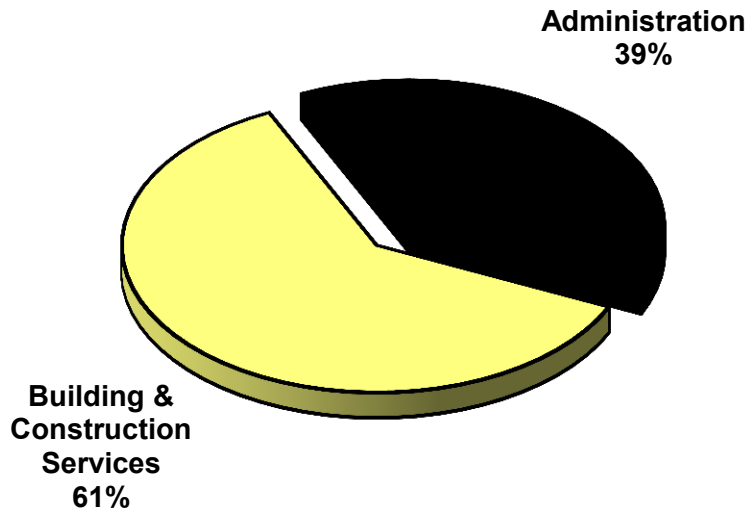
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	703	4,000	4,000	4,000
Services & other	27,167	32,965	32,965	34,000
SUBTOTAL	27,870	36,965	36,965	38,000
Capital outlay	-	20,000	20,000	20,000
TOTAL	\$ 27,870	\$ 56,965	\$ 56,965	\$ 58,000

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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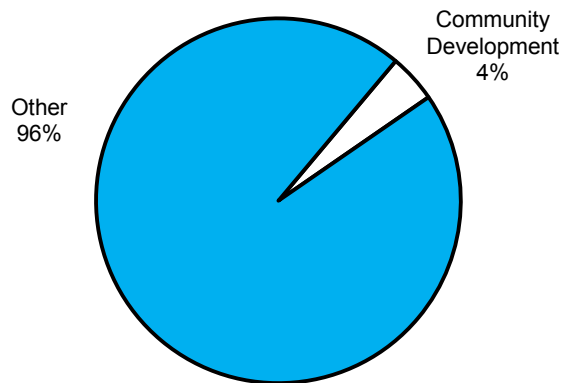
FY2013 and FY2014 highlights: capital outlay includes funding for Old Town Keller street signage and lighting.

Community Development



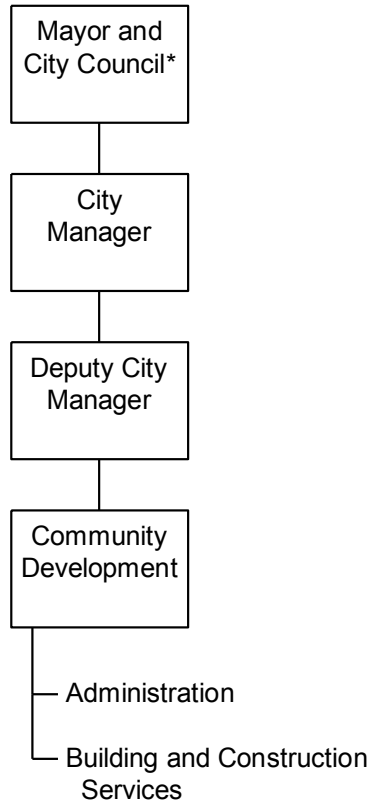
Department total: \$1,314,990

General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

COMMUNITY DEVELOPMENT



* – Denotes elected position.

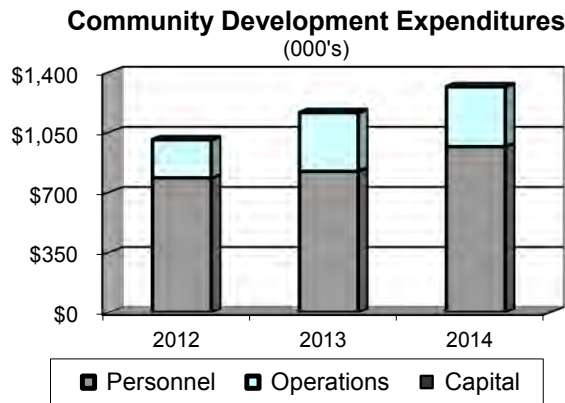
**COMMUNITY DEVELOPMENT
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 783,923	\$ 847,845	\$ 822,960	\$ 966,560
Operations & maintenance	23,329	45,625	42,240	41,200
Services & other	199,407	299,690	299,515	307,230
SUBTOTAL	1,006,659	1,193,160	1,164,715	1,314,990
Capital outlay	-	-	-	-
TOTAL	\$ 1,006,659	\$ 1,193,160	\$ 1,164,715	\$ 1,314,990

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 353,560	\$ 418,395	\$ 394,715	\$ 510,550
Building & Construction Services	653,099	774,765	770,000	804,440
TOTAL	\$ 1,006,659	\$ 1,193,160	\$ 1,164,715	\$ 1,314,990

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	4.5	4.7	5.5
Building & Construction Services	6.5	6.5	6.5
TOTAL	11.0	11.2	12.0



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. 2020 Future Land Use Plan Update; Old Town Keller Dumpster/Mailbox Study; amendments to the Unified Development Code (including update of parking standards; reformatting signage regulations; land uses and definitions; accessory building standards; masonry and stucco standards).
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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Planning & Zoning Commission (P&Z) activities:			
regular P&Z meetings held	20	20	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	16
plat applications reviewed	43	35	40
zone change requests reviewed	20	20	20
site plans reviewed	29	30	35
specific use permit applications reviewed	20	20	25
Zoning Board of Adjustments activities:			
regular meetings held	10	9	10
variance applications reviewed	13	15	14
 <u>PERFORMANCE INDICATORS</u>			
Office Staff (FTE)	4.5	4.5	4.5
Average staff processing time for initial review of zoning and Special Use Permit applications	5	5	5
Average response from applicants regarding Initial review	10	10	10
Average case preparation time for public hearings (in days)	2	2	2
Average approval time for administrative site plans (in days)	14	14	14

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Administration

ACCOUNT:
100-200-01

**COMMUNITY DEVELOPMENT ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 325,486	\$ 372,030	\$ 350,345	\$ 462,155
Operations & maintenance	1,522	3,885	3,950	2,910
Services & other	26,552	42,480	40,420	45,485
SUBTOTAL	353,560	418,395	394,715	510,550
Capital outlay	-	-	-	-
TOTAL	\$ 353,560	\$ 418,395	\$ 394,715	\$ 510,550

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Community Development Director	M-3	1.0	1.0	1.0
Planning Manager	M-1	-	-	1.0
Senior Planner	PE-8	1.0	1.0	-
Planner II	PE-7	1.0	-	-
Planner I	PE-5	-	1.0	2.0
Planning Technician	A/TN-9	-	0.7	1.0
Administrative Secretary	A/TN-8	1.0	0.5	-
Planning Intern	NA	0.5	0.5	0.5
TOTAL		4.5	4.7	5.5

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Single-family building permits issued			
number of permits	220	245	250
value of residential permits (millions)	\$61	\$68	\$70
Value of non-residential permits (millions)	\$14	\$40	\$25
Number of miscellaneous permits issued	2,337	2,267	2,300
Number of inspections performed	5,032	4,836	5,100
Plans reviewed for new construction (residential & commercial)	273	308	315
Miscellaneous plans reviewed	1,029	1,335	1,380
Certificates of occupancy issued for existing structures	90	96	95
Code enforcement activities:			
on-site inspections	710	756	800
non-permitted sign removal	2,463	2,450	2,450

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

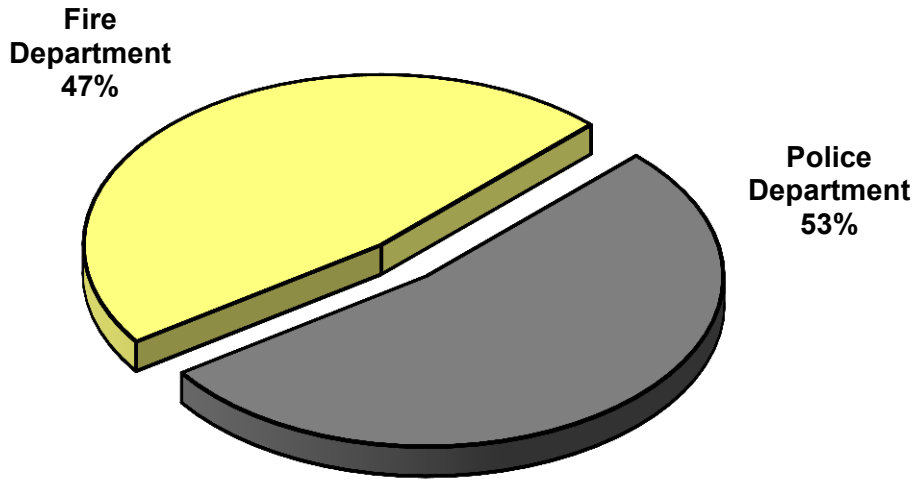
**COMMUNITY DEVELOPMENT / BUILDING & CONSTRUCTION SERVICES
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 458,437	\$ 475,815	\$ 472,615	\$ 504,405
Operations & maintenance	21,807	41,740	38,290	38,290
Services & other	172,855	257,210	259,095	261,745
SUBTOTAL	653,099	774,765	770,000	804,440
Capital outlay	-	-	-	-
TOTAL	\$ 653,099	\$ 774,765	\$ 770,000	\$ 804,440

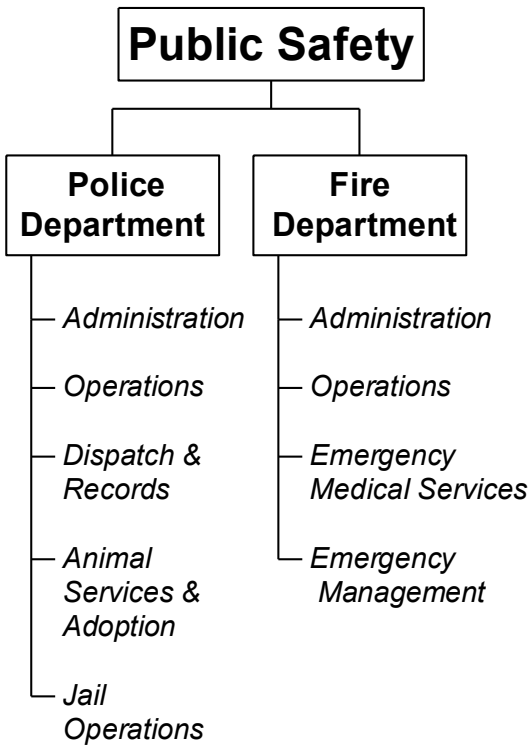
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Building Official	M-1	1.0	1.0	1.0
Plans Examiner	A/TN-11	1.0	1.0	1.0
Code Compliance Officer	A/TN-10	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Permit Technician	A/TN-5	2.0	2.0	2.0
Code Compliance Technician	TN-1	0.5	0.5	0.5
TOTAL		6.5	6.5	6.5

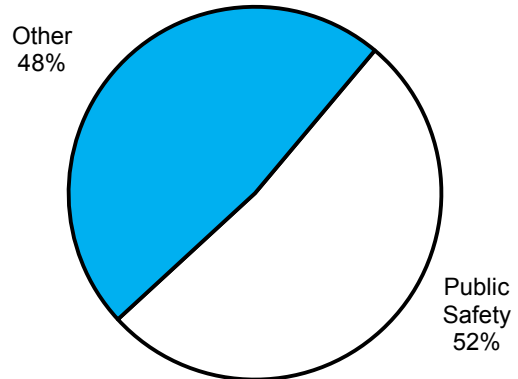
Public Safety



Department total: 15,981,262

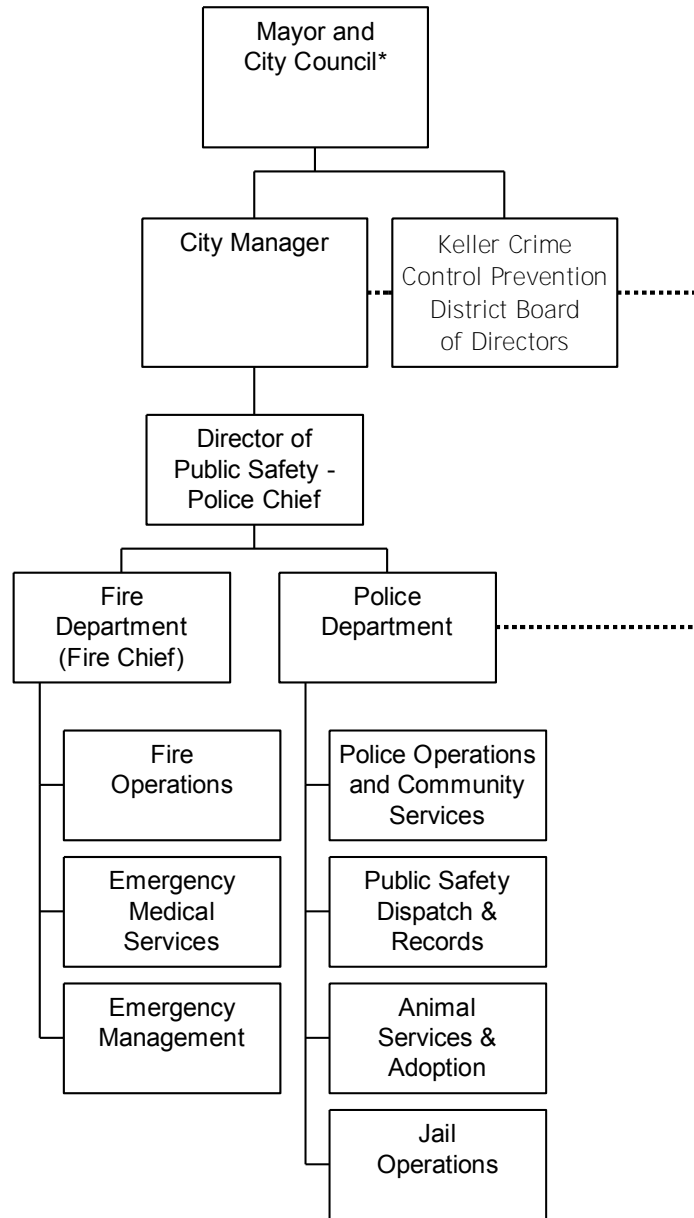


General Fund Expenditures



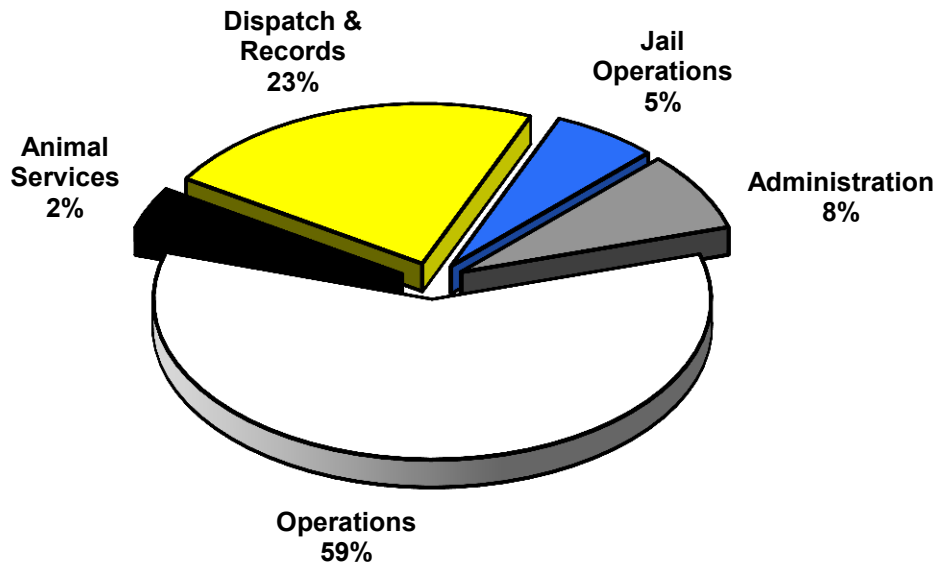
CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC SAFETY



* - Denotes elected positions.

Police Department

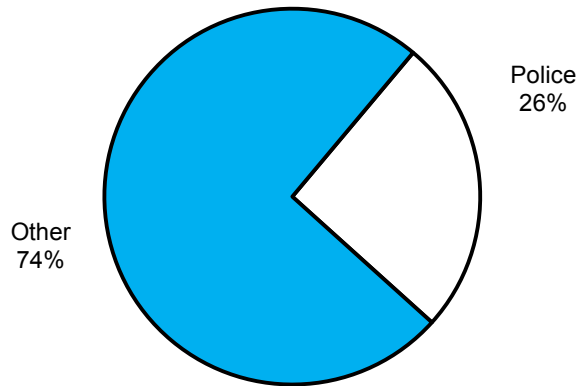


Department total: \$8,451,332

Police Department

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

General Fund Expenditures



**DEPARTMENT SUMMARY
POLICE DEPARTMENT**

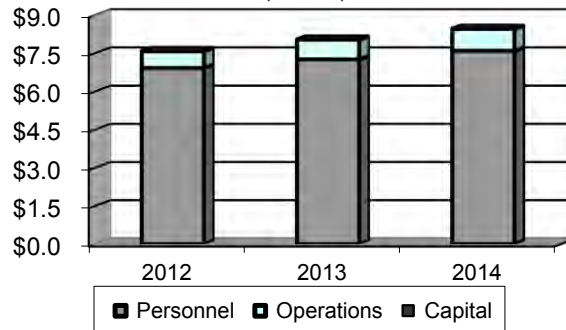
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 6,915,512	\$ 7,281,415	\$ 7,255,500	\$ 7,593,042
Operations & maintenance	340,371	385,110	379,410	409,235
Services & other	319,044	396,850	395,275	449,055
SUBTOTAL	7,574,927	8,063,375	8,030,185	8,451,332
Capital outlay	-	-	-	-
TOTAL	\$ 7,574,927	\$ 8,063,375	\$ 8,030,185	\$ 8,451,332

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 575,389	\$ 651,085	\$ 650,420	\$ 674,335
Police Operations	4,695,542	4,878,990	4,844,625	5,036,000
Public Safety Dispatch & Records	1,771,792	1,839,520	1,824,385	1,904,605
Animal Services & Adoption	113,835	254,530	258,075	312,852
Jail Operations	418,369	439,250	452,680	523,540
TOTAL	\$ 7,574,927	\$ 8,063,375	\$ 8,030,185	\$ 8,451,332

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	2.90	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	2.00	3.50	3.50
Jail Operations	6.10	6.10	7.10
TOTAL	82.00	84.50	85.50

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 the 15 benchmark cities in the Dallas/Fort Worth Metroplex.
2. Continue to emphasize crime prevention measures through our full-time community service officer using Keller Connect and other social media venues.
3. Work with the Keller Crime Control and Prevention District to efficiently and effectively manage the sales tax funds to provide technology, vehicles and the jail/animal shelter 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. Work with the Architect and General Contractor to complete the jail and animal facility on time and within budget.
6. Hire, train and open the new regional jail and animal adoption center.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Total Part I major crimes	432	425	420
Total arrests	1,426	1,500	1,535
Total traffic accidents	250	275	300
Citizen initiated calls for service	28,878	29,200	30,000
Officer initiated calls for service	60,838	64,500	65,000
E-Safe E-mails	8,951	9,100	9,500

Excludes Town of Westlake activity.

FUND:
General

DEPARTMENT:
Police

DIVISION:
Administration

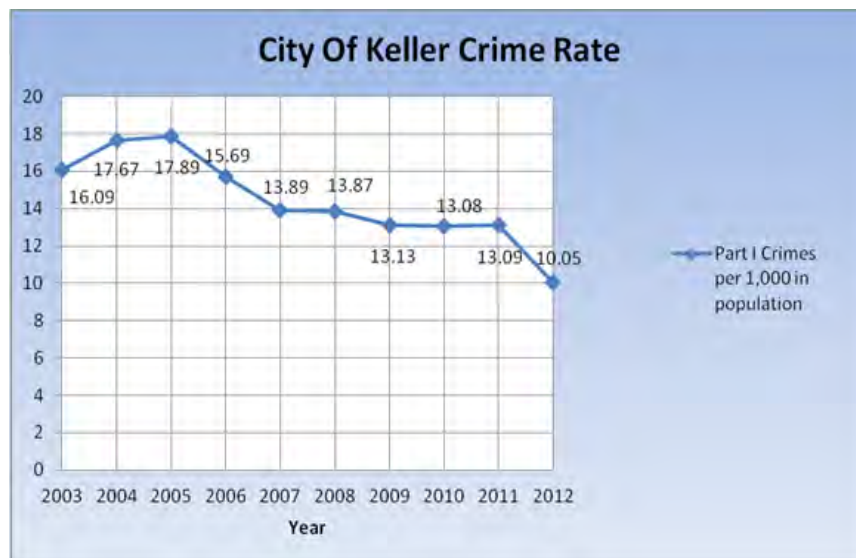
ACCOUNT:
100-300-01

**POLICE ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 425,394	\$ 446,415	\$ 443,735	\$ 472,435
Operations & maintenance	27,071	46,330	44,330	43,290
Services & other	122,924	158,340	162,355	158,610
SUBTOTAL	575,389	651,085	650,420	674,335
Capital outlay	-	-	-	-
TOTAL	\$ 575,389	\$ 651,085	\$ 650,420	\$ 674,335

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Director of Public Safety/Police Chief	M-4	1.0	1.0	1.0
Police Captain	PSE-PC	-	-	0.9
Police Lieutenant	PSE-2P	0.9	0.9	-
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Building Maintenance Tech I	TN-1	1.0	1.0	1.0
TOTAL		2.9	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 Approaches to Crime and Traffic Safety (DDACTS) crime reduction model to further reduce Part One Crime.
 - Continue to run four shifts consisting of a Sergeant, Corporal and five sector officers to facilitate police services for both Keller and Westlake.
 - The 3pm-3am 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 is to provide a heightened level of security and safety for 13 school campuses within the City of Keller and Town of Westlake jurisdictions.
 - It will be the goal of the Patrol Division to conduct 550 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.
 - 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.
4. Continue "KPD4KYD" – (Keller Police Department for Keller Youth Development). This program consists of one two-hour class, held in the community room for ages 12 – 20. The objective is to instill leadership principles 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.

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

(Continued)

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

- Conduct a second Volunteers in Policing Services (V.I.P.S.) bicycle safety course, which provides the V.I.P.S. an alternative to vehicular patrols.
- 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 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 Radar Traffic Data Collection unit to provide enhanced traffic and speed data that will assist in determining future traffic enforcement efforts.
- 9. Maintain traffic enforcement/special watch patrols and high visibility in neighborhoods and other locations of frequent traffic complaints.
 - Continue to respond to traffic complaints and schedule traffic enforcement details at high incident locations.
 - Conduct follow-up contacts with complainants to review results of our enforcement efforts.
 - Utilize portable L.E.D. speed signs for traffic calming with the assistance of the Volunteers in Policing Services.
- 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 assistance).
- 13. Further utilize the police website to include crime prevention tips and an educational piece for residents on the proper procedures for filing a police report. Introduce an informative piece to the police website for the public in regards to financial crimes, including identity theft and fraud.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Total arrests made	1,173	1,270	1,190
Total citations issued	9,166	9,173	9,300
Total cases investigated	1,647	1,690	1,725
 <u>PERFORMANCE INDICATORS</u>			
Case clearance rate	74%	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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,349,462	\$ 4,520,770	\$ 4,491,345	\$ 4,670,365
Operations & maintenance	258,463	261,485	258,985	269,535
Services & other	87,617	96,735	94,295	96,100
SUBTOTAL	4,695,542	4,878,990	4,844,625	5,036,000
Capital outlay	-	-	-	-
TOTAL	\$ 4,695,542	\$ 4,878,990	\$ 4,844,625	\$ 5,036,000

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Police Captain	PSE-PC	-	-	2.0
Police Lieutenant	PSE-2P	2.0	2.0	-
Police Sergeant	PSN-S	6.0	6.0	6.0
Corporal	PSN-CO	3.0	4.0	4.0
Criminal Investigator	PSN-PC	3.0	3.0	4.0
Police Officer	PSN-PC	34.0	33.0	32.0
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 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. Implement the P25 project Motorola Radio upgrade.
8. Identify an Automatic Vehicle Locator vendor for future implementation to coordinate with GIS and CRIMES computer aided dispatch (CAD).

DEPARTMENT/DIVISION OBJECTIVES:

1. Monitor the dispatch process for police, to insure dispatch time for emergency calls is less than 2 minutes. Work in conjunction with CRIMES to refine the CAD program.
2. Monitor the dispatch process of Fire/EMS to insure dispatch time for emergency calls within the NETCOM area is less than 1 minute. Continue to work with CRIMES to refine the CAD system.
3. Work with Southlake FD to implement recommendations from Lean Six Sigma review.
4. Answer all incoming 911 calls within 10 seconds to enhance the feeling of safety for our citizens.
5. Assist both internal and external customers through the existing records programs in CRIMES and Laserfiche. Respond to open records requests as required. Provide Uniform Crime report and records retention training for records personnel.
6. Review, update and publish communications/records standard operating procedures in accordance with accepted standards.
7. Develop a method for communications personnel to visit the Police and Fire Stations during briefings and shift changes.
8. Continue to work with City Departments, NETCO/Motorola and DFW to implement P25 radio upgrade.
9. Work with Information Technology and NETCOM Fire and Police Departments to research and identify a potential Automatic Vehicle Locator vendor for future purchase.

(continued)

FUND: General **DEPARTMENT:** Police **DIVISION:** Public Safety Dispatch & Records **ACCOUNT:** 100-300-21

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Inputs:			
Total number of authorized division personnel:	23	23	23
Manager	1	1	1
Supervisor	1	1	1
Dispatcher	19	19	19
Records Technician	2	2	2
Outputs:			
Activities processed by the NETCOM:			
Number of police calls for service			
• Keller	84,768	87,750	90,000
• Southlake	59,590	61,675	63,833
• Westlake	21,484	22,235	23,013
• Colleyville	<u>42,106</u>	<u>66,317</u>	<u>68,638</u>
Totals	229,917	237,977	245,484
Number of fire/EMS calls for service:			
• Keller	2,988	3,101	3,150
• Southlake	2,268	2,302	2,350
• Westlake	384	396	400
• Colleyville	<u>1,459</u>	<u>1,480</u>	<u>1,503</u>
Totals	7,099	7,279	7,403
Number of 9-1-1 calls received:			
• Keller	18,221	18,550	19,000
• Southlake	14,346	14,561	14,779
• Colleyville	7,668	7,783	7,899
• Westlake	<u>526</u>	<u>964</u>	<u>1,050</u>
Totals	40,761	41,858	42,728
Number of in-coming phone calls	148,575	146,500	150,500
Open record requests processed (Keller records)	2,296	2,352	2,475
Efficiency/Effectiveness:			
Average time from call receipt to dispatch:			
Police emergency calls (minutes)	1:39	1:45	1:45
Fire/EMS emergency calls (minutes)	0:43	0:59	0:58
Percent of 911 phone calls answered within 10 seconds	95.92%	95%	95%

FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch &
Records

ACCOUNT:
100-300-21

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,659,147	\$ 1,693,755	\$ 1,681,020	\$ 1,761,980
Operations & maintenance	34,535	49,985	48,785	44,100
Services & other	78,110	95,780	94,580	98,525
SUBTOTAL	1,771,792	1,839,520	1,824,385	1,904,605
Capital outlay	-	-	-	-
TOTAL	\$ 1,771,792	\$ 1,839,520	\$ 1,824,385	\$ 1,904,605

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Regional Communications Manager	M-1	1.0	1.0	1.0
Regional Communications Ass't. Manager	PE-6	-	-	1.0
Regional Communications Supervisor	PN-8	1.0	1.0	-
Dispatch Shift Supervisor	PN-4	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
Senior Records Technician	A/TN-5	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 Division provides enforcement of the animal ordinance within the cities of Colleyville, Keller and 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 October 1, 2012, the Cities of Southlake and Colleyville merged their Animal Services with Keller to form the Colleyville, Keller, Southlake Regional Animal Services. In April 2014, the department anticipates moving into a new, larger facility, increasing in size from 1,000 to 9,000 square feet. This will also require an increase in personnel and related expenditures.

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).
 - Staff the Adoption Center with one Adoption Coordinator and Kennel Technicians to greet walk-ins and handle on-site adoptions.
 - Continue to coordinate with Human Resources to provide light-duty job opportunities answering phones and greeting walk-in customers.
 - Conduct weekly inspection of the facilities to ensure cleanliness and proper care. Utilize appropriate form to capture the results.
2. Maintain the percentage of live release of animals at a minimum of 80% of total impounded animals.
 - Utilize rescue groups to place animals.
 - Utilize partner city websites and media to advertise animal adoptions.
 - Promote registration awareness.
 - Conduct proactive patrols.
 - Participate in community events where you may have an opportunity to adopt out an animal.
 - Conduct/Participate in quarterly off-site adoption events.
3. Continue volunteer staffing to assist with adoption center care.
 - Continue to actively grow the program.
 - Empower volunteers to play a greater role in promoting adoption/rescue/redemption of animals through community events, online promotion and print advertising.
 - Actively staff volunteers in positions commensurate with their skills and professional experience.
4. Increase the notification of ordinance violations.
 - Determine and make notification to owners whose animals' license has expired.
 - Adoption obligations are in compliance.
5. Continue to train Animal Control Officers with the Less Lethal Munitions and State required certifications.
6. Actively promote and administer the spay and neuter voucher program.
 - Seek 100% compliance rate.
 - Provide educational resources concerning the program to citizens.
 - Consistently follow-up to verify compliance.
 - Partner with local veterinarian professionals in spaying and neutering animals prior to adoption.

(continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Services &
Adoption

ACCOUNT:
100-300-23

(continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Stray animals impounded	606	940	970
Citations issued	4	20	30
Total calls for service	2,354	3,852	4,000
Animal bite reports taken	75	48	68
Reported rabies incidents	3	5	6
Animals adopted/redeemed/rescued/released	609	884	911
Wildlife impounded	294	624	643

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Services & Adoption

ACCOUNT:
100-300-23

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 92,545	\$ 224,380	\$ 228,900	\$ 249,857
Operations & maintenance	8,168	15,160	15,160	29,160
Services & other	13,122	14,990	14,015	33,835
SUBTOTAL	113,835	254,530	258,075	312,852
Capital outlay	-	-	-	-
TOTAL	\$ 113,835	\$ 254,530	\$ 258,075	\$ 312,852

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Animal Control Officer	TN-5	2.0	3.0	3.0
Kennel Technician	TN-1	-	0.5	0.5
TOTAL		2.0	3.5	3.5

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

DEPARTMENT/DIVISION DESCRIPTION:

The primary responsibility of the Jail Operations Division is to provide a safe, secure and humane environment for detainees 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. The department anticipates moving into a new, larger facility in February 2014. This will increase the size of the facility from 2,000 to 12,000 square feet, requiring additional staffing and related expenditures.

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. Continue to operate a safe, efficient and humane temporary holding facility.
2. Move into the new facility and train an additional staff person.
3. 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
 - Standardization of book-in and book-out procedures
 - Integration of the payment Kiosk
4. Continue to comply with accreditation standards
5. Conduct weekly inspection of the jail facility for safety purposes and cleanliness.
 - Daily task list
 - Weekly cell checks
6. Provide a positive atmosphere with other employees by following our four core values: Empathy, Edification, Enthusiasm and Excellence.
7. Continue quarterly training of Detention Officers in defensive tactics, Crimes and Live Scan, paperwork updates, Laser Fiche and customer service techniques.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Keller prisoners detained	1,173	1,270	1,190
Southlake prisoners detained	882	1,054	919
Westlake prisoners detained	255	248	252
Colleyville prisoners detained	570	418	494
Roanoke prisoners detained	14	322	350

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

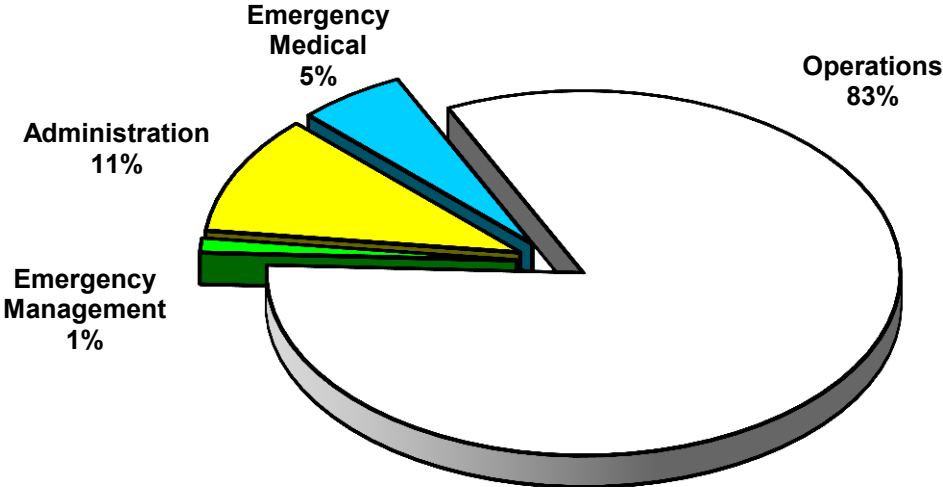
**POLICE / JAIL OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 388,964	\$ 396,095	\$ 410,500	\$ 438,405
Operations & maintenance	12,134	12,150	12,150	23,150
Services & other	17,271	31,005	30,030	61,985
SUBTOTAL	418,369	439,250	452,680	523,540
Capital outlay	-	-	-	-
TOTAL	\$ 418,369	\$ 439,250	\$ 452,680	\$ 523,540

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Police Captain	PSE-PC	-	-	0.1
Police Lieutenant	PSE-2P	0.1	0.1	-
Detention Officer	PN-2	6.0	6.0	7.0
TOTAL		6.1	6.1	7.1

Fire Department

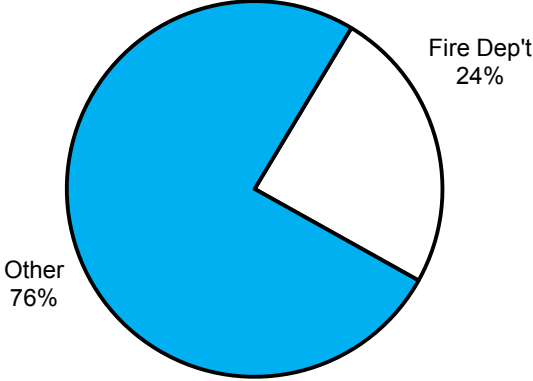


Department total: \$ 7,529,930

Fire Department

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

General Fund Expenditures



FIRE DEPARTMENT DEPARTMENT SUMMARY

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 5,770,319	\$ 5,899,645	\$ 5,659,885	\$ 6,229,640
Operations & maintenance	607,049	812,075	798,550	707,105
Services & other	434,541	624,475	599,060	593,185
SUBTOTAL	6,811,909	7,336,195	7,057,495	7,529,930
Capital outlay	1,359,876	208,185	193,665	-
TOTAL	\$ 8,171,785	\$ 7,544,380	\$ 7,251,160	\$ 7,529,930

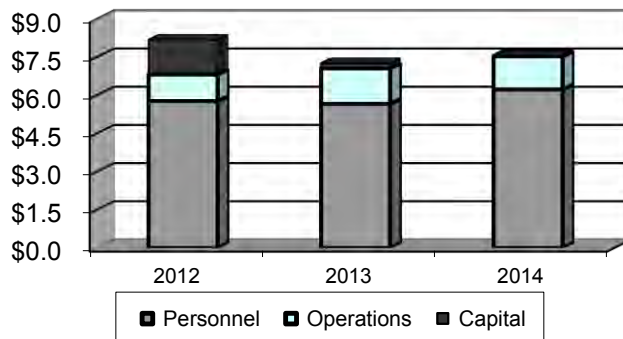
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 903,039	\$ 824,745	\$ 802,590	\$ 796,800
Fire Operations	6,726,109	6,065,085	5,800,810	6,225,520
Emergency Medical Services	510,789	520,995	516,710	413,600
Emergency Management	31,848	133,555	131,050	94,010
TOTAL	\$ 8,171,785	\$ 7,544,380	\$ 7,251,160	\$ 7,529,930

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	7.0	7.0	7.0
Fire Operations	52.0	52.0	52.0
TOTAL	59.0	59.0	59.0

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. The Fire Chief/Emergency Management Coordinator, in addition to serving as the Fire Department's Director, coordinates all activities regarding Emergency Management and Homeland Security for all City departments regarding disaster planning, preparedness, response and recovery operations. The Fire Chief also oversees direct leadership of four Battalion Fire Chiefs (one for each shift and the Battalion Chief for EMS/Training and Safety), fire officers and fire-fighters at three geographically separated fire stations and all facets of fire-fighting, rescue, supplies and rescue training budgets. The Battalion Chief for EMS/Training and Safety reports directly to the Fire Chief and oversees all aspects of the Emergency Medical Program including coordination with our Emergency Medical Director who is a contracted physician ensuring quality control over our paramedics as well as managing the department's fire suppression and rescue training and safety program. The Assistant Chief for Fire Prevention/Fire Marshal directs the efforts of the Fire Prevention/Inspection and Fire Safety Education Division which consist of one additional fire inspector who works 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. The Administrative Secretary and the Records 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.

Fire Administrative duties include:

- 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.
- Develop and implement 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 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. Aggressively seek grant funding in support of the department to include; Assistance to Fire Fighters Grant funding for Fire Fighter Operations Safety, Fire Prevention Activities and Texas Intrastate Fire Mutual Aid System grants for training and equipment.
2. Prepare for participation in the Texas Fire Chiefs Association Best Practices Program by reviewing and comparing current departmental operations with the 12 identified performance areas of the program, with the goal of obtaining recognition as an agency in fiscal year 2014-15.
3. Participate in efforts to seek cost efficiency in shared services and purchases within the City of Keller.
4. 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.
5. Develop 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.
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.
7. Participate with the Information Services department in exploring the use of tablet devices on frontline ambulances to assist with daily inventory, continuous quality improvement reviews, access to electronic medical information databases and access to patient care protocols.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Total Fire & EMS calls for service	3,013	3,203	3,340
Average overall response time (minutes)	5:16	5:20	5:20
Fire investigations conducted	17	20	20
Commercial construction plans/plats reviewed	225	501	780
Commercial fire inspections conducted	634	989	1,265
Public fire education programs conducted	108	110	120

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

**FIRE DEPARTMENT ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 785,181	\$ 648,645	\$ 667,445	\$ 674,230
Operations & maintenance	42,924	80,595	60,350	28,850
Services & other	74,934	95,505	74,795	93,720
SUBTOTAL	903,039	824,745	802,590	796,800
Capital outlay	-	-	-	-
TOTAL	\$ 903,039	\$ 824,745	\$ 802,590	\$ 796,800

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Fire Chief	M-3	1.0	1.0	1.0
Ass't Chief-Operations	M-3	1.0	1.0	1.0
Ass't Chief-Fire Marshal	M-3	1.0	1.0	1.0
Battalion Chief-EMS/Safety/Training	PSN-BC	1.0	1.0	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	1.0
TOTAL		7.0	7.0	7.0

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. 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. Maintain preplans on all commercial properties and update semi-annually.
2. Continue the fire hydrant inspection process on a semi-annual basis.
3. Continue annual Underwriters Laboratories (UL) tests on all fire pumps, aerial ladders and ground ladders.
4. Conduct monthly day and night multi-company drills.
5. Assist in the development and implementation of an employee development program.
6. Conduct monthly training and continuing education to maintain proficiency in Technical Rescue Team, Hazardous Materials, Company Officer and Driver/Operator Skills.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Calls for service (excludes EMS calls):			
Fire calls and other emergencies	743	831	881
Public service calls	282	316	336

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Fire Operations

ACCOUNT:
100-350-40

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,985,138	\$ 5,251,000	\$ 4,992,440	\$ 5,555,410
Operations & maintenance	396,755	502,950	517,170	484,970
Services & other	113,311	172,950	163,015	185,140
SUBTOTAL	5,495,204	5,926,900	5,672,625	6,225,520
Capital outlay	1,230,905	138,185	128,185	-
TOTAL	\$ 6,726,109	\$ 6,065,085	\$ 5,800,810	\$ 6,225,520

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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

FY2012 highlights: capital outlay includes one-time capital expenditures for the replacement of fire apparatus and concrete repairs for Fire Station No. 3.

FY2014 highlights: in addition to the above amounts, funding is provided from fund balance as one-time, non-recurring expenditures for replacement of two staff-support vehicles (\$87,995) and replacement of a fire engine (\$550,000).

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 minutes.
3. Establish the standard of acquiring a 12-lead electrocardiogram on cardiac patients within five minutes of patient contact.
4. Establish the standard of Cardiac Catheterization Laboratory activation within five minutes of ST-Elevation Myocardial Infarction recognition.
5. Work with local hospitals to continue to improve 911 calls to cardiologist intervention times in heart attack patients with an end goal average of 60 minutes or less.
6. Monitor the recently adopted changes to the fee schedule to determine effectiveness.
7. Increase EMS training scenarios utilizing the Simulation Mannequin 3G trainer.
8. Partner with hospitals to include blood draws in the pre-hospital care setting to help decrease the time of hospital arrival to hospital based interventions in selected patient demographics.
9. Implement updated and revised medical protocols with the advice of the Medical Director and develop an improved training program to teach and implement those protocols.
10. Continually update contingency plans to deal with anticipated and unanticipated drug shortage issues.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
EMS/Rescue calls for service	1,988	2,057	2,124
EMS total patients not transported	522	543	560
EMS total patient transports	1,466	1,514	1,565
<u>PERFORMANCE INDICATORS</u>			
EMS response time (from dispatch to on location, average minutes)	4.5	4.3	4.3
EMS down time (at hospital to available for call, average minutes)	50	48	45
EMS call time (average time from dispatch to unit is available, average minutes)	78	75	65

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	163,320	164,330	159,330	161,085
Services & other	218,498	286,665	291,900	252,515
SUBTOTAL	381,818	450,995	451,230	413,600
Capital outlay	128,971	70,000	65,480	-
TOTAL	\$ 510,789	\$ 520,995	\$ 516,710	\$ 413,600

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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Funding for emergency medical positions is included in the Fire Department/Operations division.

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

DEPARTMENT/DIVISION DESCRIPTION:

The Emergency Management Division provides planning, preparedness, response and recovery services to the City of Keller in addition to the coordination of the Keller Consolidated Emergency Operations Plan, an all-hazards approach to meet daily natural and man-made disaster threats. The dynamic nature of natural and man-made disasters requires communities to be well versed on Federal Emergency Management Agency 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, the 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. This committee 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 firefighters and the City of Fort Worth Environmental Services Department conducts 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 training and continue to track compliance with the National Incident Management System training requirements.
3. Update Emergency Management Policies and Procedures as necessary.
4. Conduct table-top and Emergency Operation Center exercises annually.
5. Seek additional Emergency Management Institute training for the Emergency Management Coordinator to facilitate better involvement in the program.
6. Maintain the Outdoor Warning System (OWS) and develop a plan to replace siren poles as necessary.
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 exciting training opportunities and events to maintain interest in CERT.
9. Participate in and utilize the Collaborative Adaptive Sensing of the Atmosphere Radar System through the North Central Texas Council of Governments to help provide early severe weather warning opportunities for the community.
10. Seek and support 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Household hazardous waste collection events	2	2	2
Keller household hazardous waste program participants (Fort Worth Environmental Collection Center)	758	800	850

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	4,050	64,200	61,700	32,200
Services & other	27,798	69,355	69,350	61,810
SUBTOTAL	31,848	133,555	131,050	94,010
Capital outlay	-	-	-	-
TOTAL	\$ 31,848	\$ 133,555	\$ 131,050	\$ 94,010

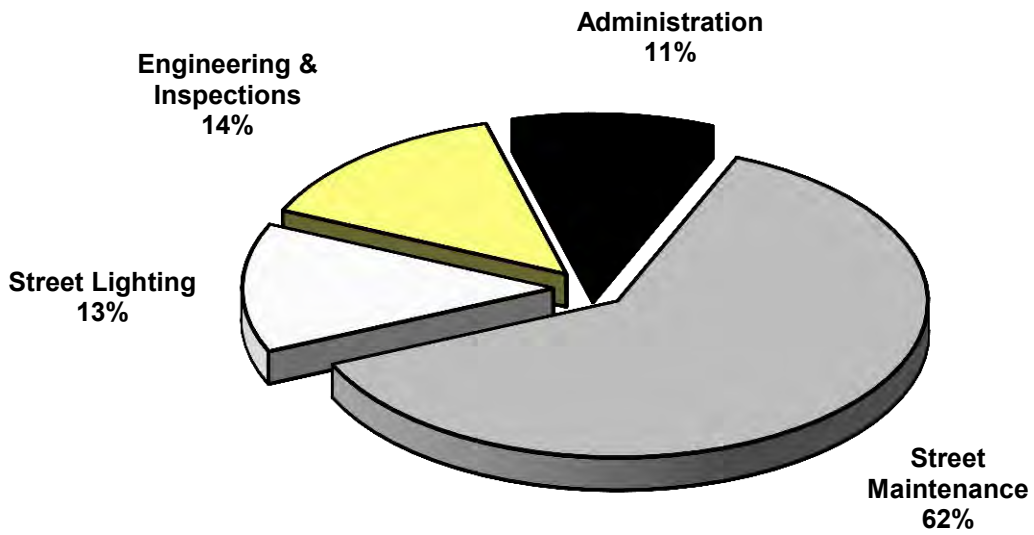
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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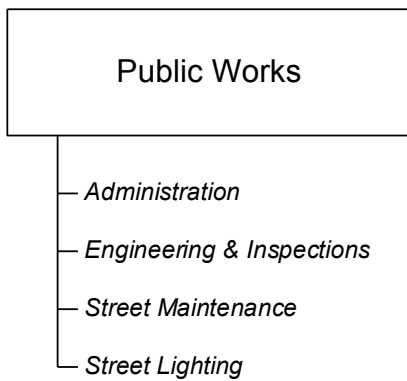
No personnel funding is provided in this program.



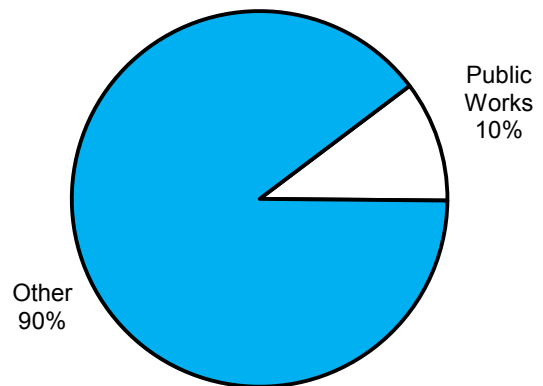
Public Works



Department total: \$3,202,165

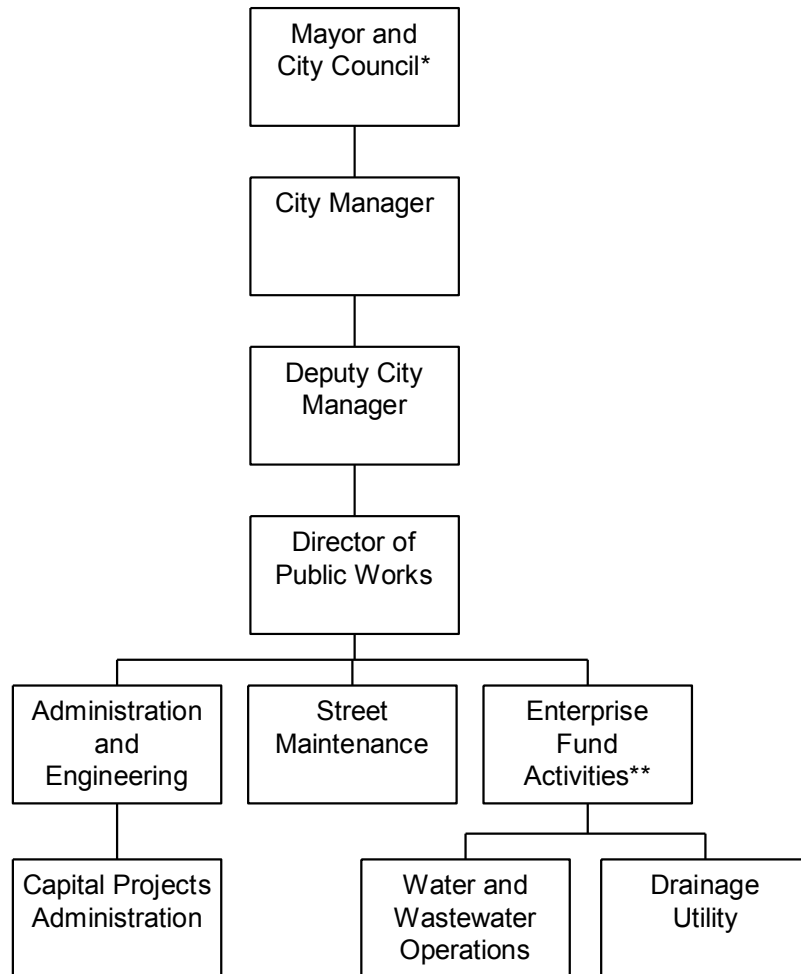


General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC WORKS



* – Denotes elected positions.

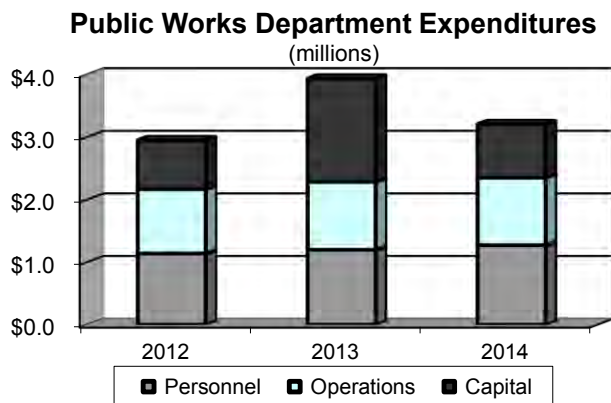
** – Enterprise fund activities are presented in the Water & Wastewater and Drainage Utility Funds.

**PUBLIC WORKS
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,139,722	\$ 1,192,580	\$ 1,198,955	\$ 1,272,400
Operations & maintenance	299,237	329,455	327,065	345,865
Services & other	729,697	755,075	758,845	733,400
SUBTOTAL	2,168,656	2,277,110	2,284,865	2,351,665
Capital outlay	777,218	1,195,975	1,545,685	850,500
TOTAL	\$ 2,945,874	\$ 3,473,085	\$ 3,830,550	\$ 3,202,165
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 337,979	\$ 291,205	\$ 286,605	\$ 334,810
Engineering & Inspections	401,500	478,020	482,715	452,000
Street Maintenance	1,744,810	2,276,585	2,633,955	1,988,080
Street Lighting	461,585	427,275	427,275	427,275
TOTAL	\$ 2,945,874	\$ 3,473,085	\$ 3,830,550	\$ 3,202,165

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	2.00	2.13	2.50
Engineering & Inspections	3.50	3.00	3.00
Street Maintenance	8.83	9.60	9.60
TOTAL	14.33	14.73	15.10



FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Administration

ACCOUNT:
100-500-01

DEPARTMENT/DIVISION DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. Continuously review and evaluate work methods and processes to determine changes needed to improve efficiency and reduce operations and maintenance cost, throughout the fiscal year.
2. Continuously review and improve customer service for the citizens of Keller by holding quarterly sessions with Public Works staff on the customer service process.
3. Provide effective and efficient guidance and supervision of the engineering, inspection, street maintenance and drainage divisions.
4. Work with the division managers toward the improvement of their professional knowledge and skills through in-house and external educational opportunities.
5. Review all budgets on a monthly basis to ensure cost containment and adherence to budget expenditure policies.
6. Respond to e-mail and citizen requests within 24 hours of message or request receipt.
7. Attempt to minimize flooding of public and private property.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Scheduled customer service meetings	4	4	4
Scheduled coordination meetings with staff	48	52	52
Schedule staff to attend external quarterly training sessions	4	4	4
Review all budgets	9	12	12

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Administration

ACCOUNT:
100-500-01

**PUBLIC WORKS ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 243,307	\$ 264,325	\$ 260,225	\$ 310,195
Operations & maintenance	1,029	2,770	2,270	2,270
Services & other	93,643	24,110	24,110	22,345
SUBTOTAL	337,979	291,205	286,605	334,810
Capital outlay	-	-	-	-
TOTAL	\$ 337,979	\$ 291,205	\$ 286,605	\$ 334,810

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Director of Public Works	M-3	1.00	1.00	1.00
Storm Water Engineer	PE-12	-	0.13	0.50
Administrative Secretary	A/TN-8	1.00	1.00	1.00
TOTAL		2.00	2.13	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 five working days of receipt.
3. Review construction plans for new residential and 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
In-house public works construction projects designed	10	6	6
Review & approve capital improvement projects designed by others	14	10	12
Street, water and wastewater map updates prepared	12	10	12
Development Review Committee items reviewed	150	180	180
Paving and utility inspections conducted for residential, commercial and capital improvement projects	6,000	7,500	7,750
Residential inspections conducted	2,100	2,400	2,800
Customer service requests completed	3,200	3,400	3,600

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Engineering & Inspections

ACCOUNT:
100-500-50

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 332,356	\$ 329,970	\$ 334,850	\$ 340,720
Operations & maintenance	5,268	9,060	8,875	9,070
Services & other	40,001	138,990	138,990	102,210
SUBTOTAL	377,625	478,020	482,715	452,000
Capital outlay	23,875	-	-	-
TOTAL	\$ 401,500	\$ 478,020	\$ 482,715	\$ 452,000

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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
Engineering Intern	NA	0.50	-	-
TOTAL		3.50	3.00	3.00

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Maintenance

ACCOUNT:
100-500-51

DEPARTMENT/DIVISION DESCRIPTION:

The Street Maintenance Division of the Public Works Department is responsible for providing a safe street and sidewalk transportation system for motorists and pedestrians in the City of Keller. To achieve this, the division maintains the transportation system through the installation 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 three 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Lane miles of paved streets to be maintained	462	470	477
Tons of hot-mix asphalt used for major street repairs*	8,649	9,120	10,000
Tons of cold-mix asphalt used for street potholes	14.9	15	15
Linear feet of sidewalks repaired	1,044	1,640	1,700
Street signs repaired/replaced	1,041	1,000	1,000
Miles of street striping completed	16	16	16
Acres of right-of-way & channels mowed	84	84	84
Miles of street sweeping completed	2.153	2,200	2,300
Lane miles of streets crack-sealed	12	14	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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 564,059	\$ 598,285	\$ 603,880	\$ 621,485
Operations & maintenance	292,940	317,625	315,920	334,525
Services & other	134,468	164,700	168,470	181,570
SUBTOTAL	991,467	1,080,610	1,088,270	1,137,580
Capital outlay	753,343	1,195,975	1,545,685	850,500
TOTAL	\$ 1,744,810	\$ 2,276,585	\$ 2,633,955	\$ 1,988,080

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Street/Drainage Superintendent	M-1	0.50	0.50	0.50
Street/Drainage Foreman	TN-10	-	1.00	1.00
Street/Drainage Foreman	TN-8	1.00	-	-
Traffic Control Technician	TN-7	-	-	1.00
Street Crewleader	TN-7	-	2.00	1.00
Street Crewleader	TN-6	2.00	-	-
Equipment Operator	TN-5	1.00	1.00	1.00
Street Maintenance Worker	TN-2	4.00	4.00	4.00
Administrative Secretary	A/TN-8	0.33	0.33	0.33
Street Maintenance Worker (Seasonal)	NA	-	0.77	0.77
TOTAL		8.83	9.60	9.60

FY2013 estimate highlights: capital outlay includes funding for street reconstruction and \$350,000 for Rufe Snow Drive and Johnson Road intersection improvements, including traffic signals.

FY2014 highlights: capital outlay includes \$758,000 for street reconstruction, \$32,500 for street maintenance equipment and \$60,000 to replace a steel roller. In addition to the above amounts, funding is provided as a one-time, non-recurring expenditure from fund balance for replacement of two departmental vehicles (\$66,600).

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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Number of street lights maintained*	2,487	2,550	2,585

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

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Lighting

ACCOUNT:
100-500-52

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

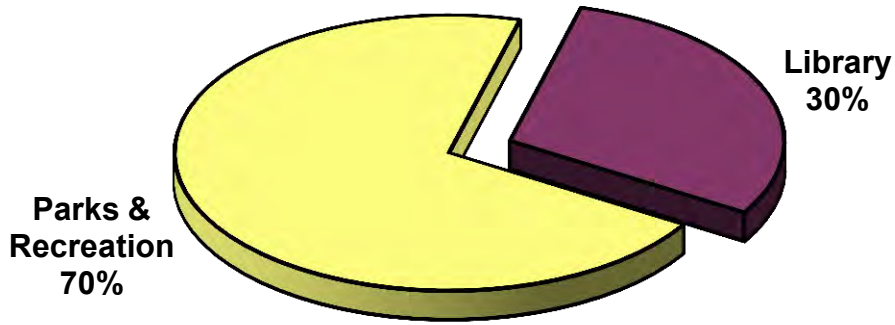
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	461,585	427,275	427,275	427,275
SUBTOTAL	461,585	427,275	427,275	427,275
Capital outlay	-	-	-	-
TOTAL	\$ 461,585	\$ 427,275	\$ 427,275	\$ 427,275

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

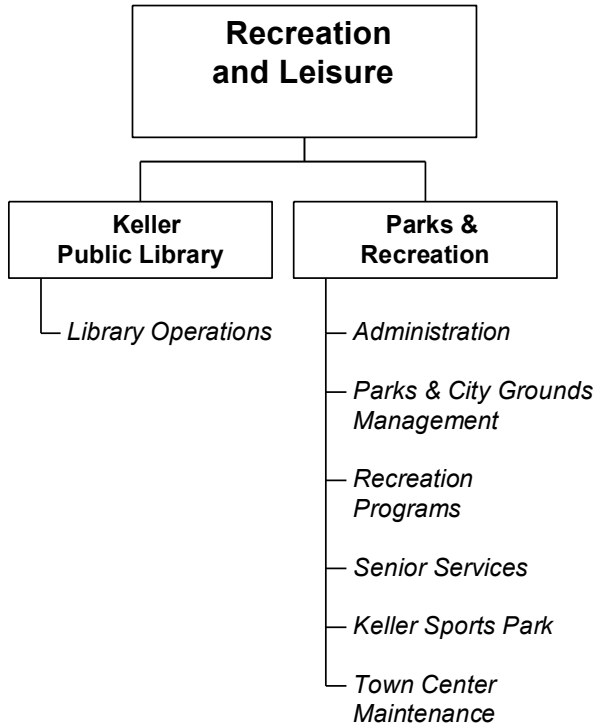
POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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No personnel funding is provided in this program.

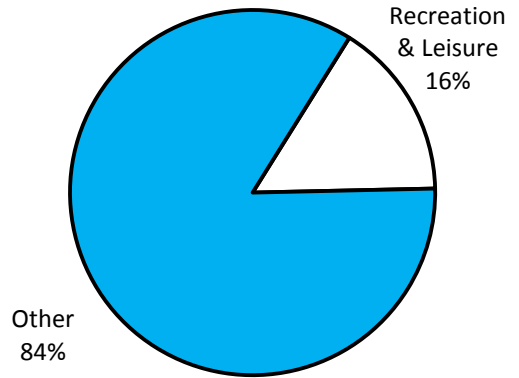
Recreation & Leisure



Department total: \$4,844,625

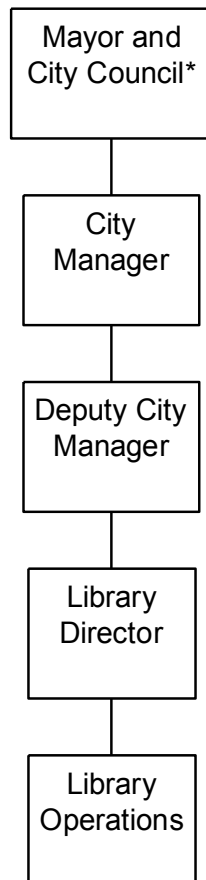


General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

KELLER PUBLIC LIBRARY



* – Denotes elected positions.

FUND:
General

DEPARTMENT:
Keller Public Library

DIVISION:
Administration

ACCOUNT:
100-600-01

DEPARTMENT/DIVISION DESCRIPTION:

The Keller Public Library supports 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. 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. Leverage the library's resources through partnerships, resource sharing and other collaborative efforts.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Visits to Library	213,741	222,600	231,500
Number of checkouts	527,403	547,000	563,000
New items added	13,265	13,560	14,000
Library program participants	18,052	18,500	19,000
 <u>PERFORMANCE MEASURES</u>			
Checkouts per FTE employees as a measure of workload (Texas average of 15,031 checkouts per FTE)	34,026	35,290	37,612
Library visits per capita (Texas average 3.28)	5.27	5.49	5.71
Library checkouts per capita (Texas average 5.1)	13.01	13.49	14.30

FUND:
General

DEPARTMENT:
Keller Public Library

DIVISION:
Administration

ACCOUNT:
100-600-01

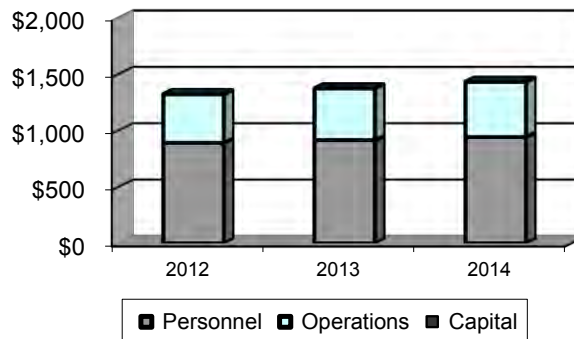
**KELLER PUBLIC LIBRARY
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 891,867	\$ 918,825	\$ 915,225	\$ 942,790
Operations & maintenance	140,697	189,405	171,190	199,330
Services & other	289,510	302,400	286,920	289,890
SUBTOTAL	1,322,074	1,410,630	1,373,335	1,432,010
Capital outlay	-	-	-	-
TOTAL	\$ 1,322,074	\$ 1,410,630	\$ 1,373,335	\$ 1,432,010

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

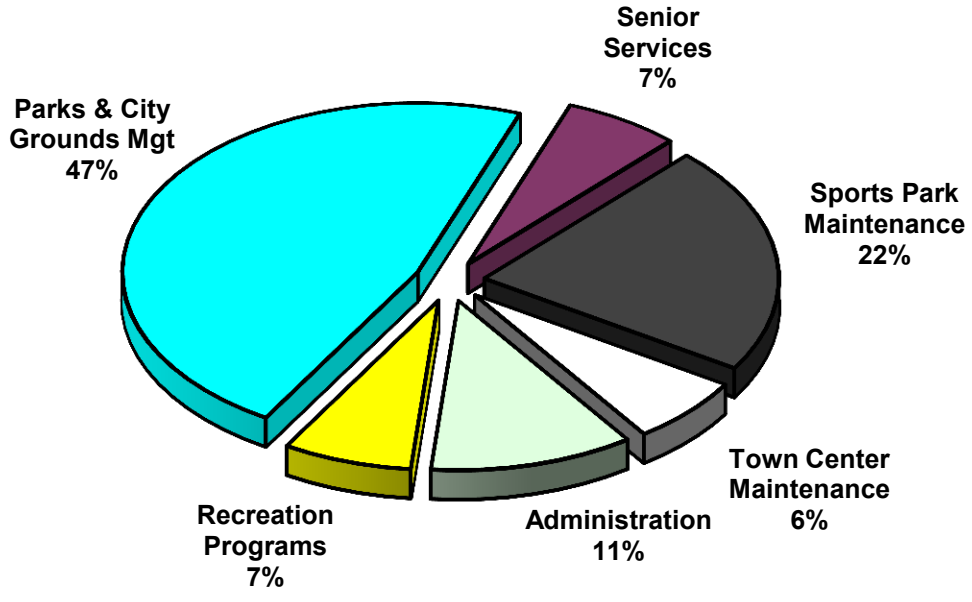
POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Library Director	M-3	1.00	1.00	1.00
Library Services Manager	PE-8	-	1.00	1.00
Public Services Manager	PE-5	1.00	-	-
Librarian (Exempt)	PE-3	3.00	3.00	3.00
Librarian (Non-Exempt)	A/TN-9	-	0.48	0.48
Circulation Supervisor	A/TN-9	1.00	1.00	1.00
Administrative Secretary	A/TN-8	1.00	1.00	1.00
Library Clerk II	A/TN-5	1.00	-	-
Library Clerk	A/TN-3	7.28	7.80	7.80
Library Aide (part-time)	NA	0.14	0.14	0.14
TOTAL		15.42	15.42	15.42

Keller Public Library Expenditures
(000's)





General Fund Parks and Recreation

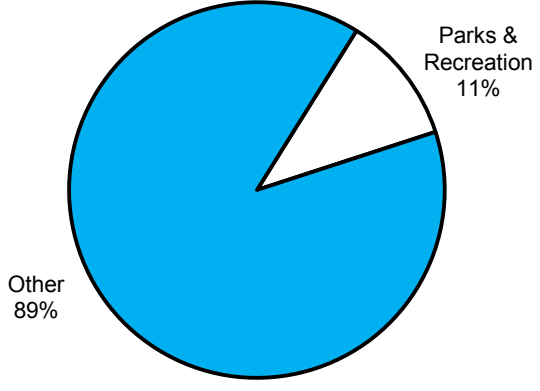


Department total: \$3,412,615

**General Fund
Parks & Recreation**

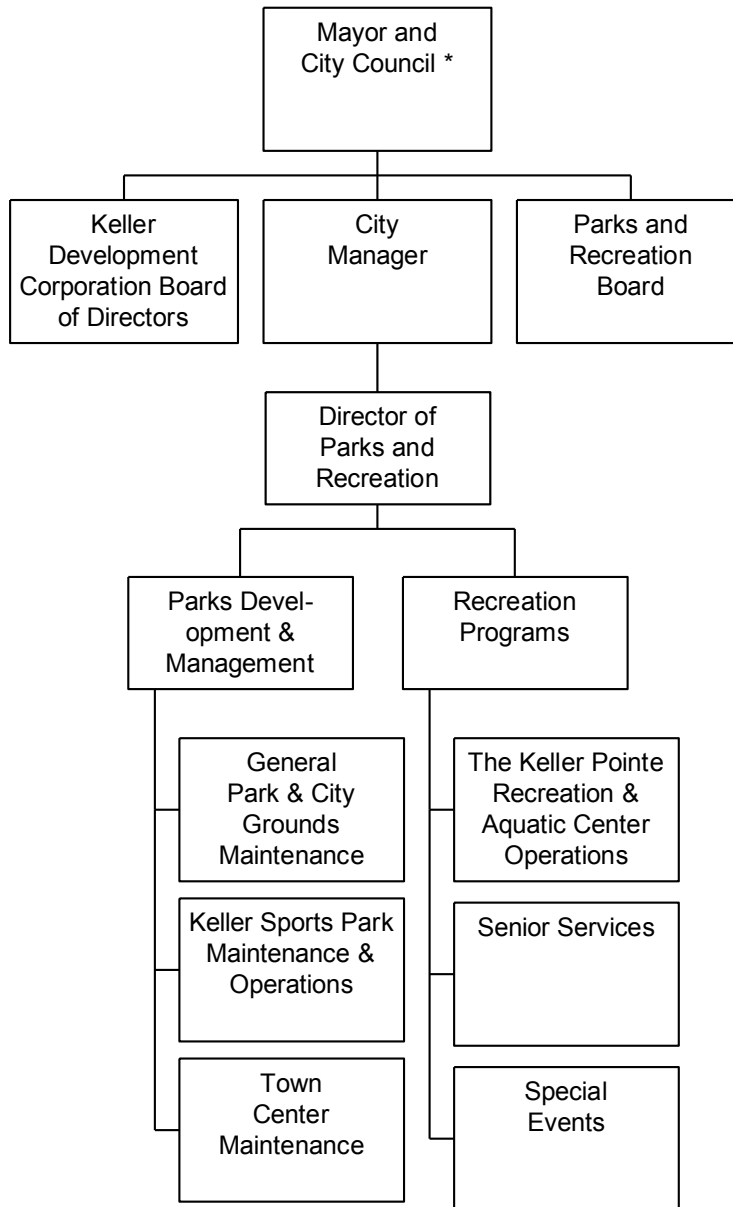
- Administration
- Parks & City Grounds Management
- Recreation Programs
- Senior Services
- Sports Park Maintenance
- Town Center Maintenance

General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

PARKS AND RECREATION



* Denotes elected positions.

Shaded boxes represent activities provided for in other funds.

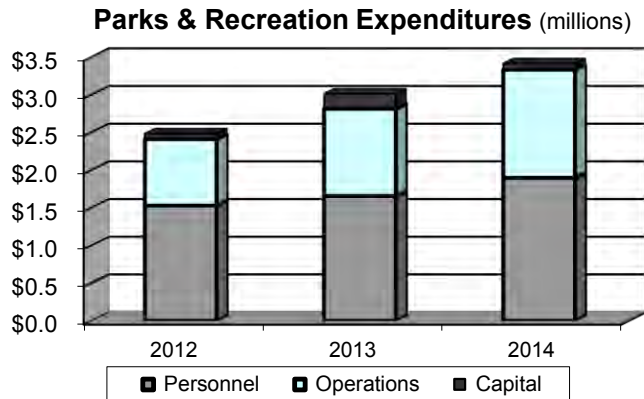
**PARKS AND RECREATION
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,529,800	\$ 1,746,100	\$ 1,657,525	\$ 1,897,630
Operations & maintenance	248,428	340,940	329,625	364,410
Services & other	633,151	838,900	826,775	1,071,515
SUBTOTAL	2,411,379	2,925,940	2,813,925	3,333,555
Capital outlay	71,412	190,330	196,960	79,060
TOTAL	\$ 2,482,791	\$ 3,116,270	\$ 3,010,885	\$ 3,412,615

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 274,210	\$ 290,135	\$ 287,350	\$ 382,795
Parks & City Grounds Management	1,139,578	1,484,685	1,427,295	1,606,205
Recreation Programs	193,247	221,140	214,820	241,665
Senior Services	190,899	301,660	278,025	218,845
Sports Park Maintenance	506,828	595,950	583,995	744,745
Town Center Maintenance	178,029	222,700	219,400	218,360
TOTAL	\$ 2,482,791	\$ 3,116,270	\$ 3,010,885	\$ 3,412,615

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	3.00	3.00	3.00
Parks & City Grounds Management	12.54	13.19	12.19
Recreation Programs	2.00	2.00	2.00
Senior Services	2.50	2.50	2.50
Sports Park Maintenance	5.00	6.39	7.78
Town Center Maintenance	-	0.35	0.35
TOTAL	25.04	27.43	27.82



FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Administration

ACCOUNT:
100-630-01

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 262,509	\$ 269,765	\$ 268,000	\$ 278,510
Operations & maintenance	1,904	2,950	2,950	3,950
Services & other	9,797	17,420	16,400	100,335
SUBTOTAL	274,210	290,135	287,350	382,795
Capital outlay	-	-	-	-
TOTAL	\$ 274,210	\$ 290,135	\$ 287,350	\$ 382,795

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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
Recreation Aide	A/TN-4	1.0	1.0	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 & Recreation facilities (with the exception of The Keller Pointe) and all landscaped street medians and rights-of-ways (street medians and rights-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 City-wide 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 in-house 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 associations.
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		
	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 PROJECTED
Total park acreage (including undeveloped land)	456	491	491
Total developed park acreage maintained by City	190.63	190.63	190.63
• Bear Creek Park acreage maintained	44	44	44
• Big Bear Creek Greenbelt acreage maintained	27	27	27
• Keller Sports Park acreage maintained	110	110	110
• Chase Oaks Activity Node acreage maintained	5	5	5
• Willis Cove open space acreage maintained	4	4	4
• Eastern Trail section acreage maintained	0.25	0.25	0.25
• Veterans Memorial Park	0.38	0.38	0.38
Total miles of hike/bike trails maintained	17.23	18.66	20
Contracted developed park acreage maintained	85	85	91
Contracted park areas include Johnson Road Park (15 ac); Meandering Trail (6.94ac); Burseley Ranch Park (1.3 ac); The Parks at Town Center (23 ac); Milestone Park (10 ac); Keller Sports Park (20 ac); Overton Ridge Park (7.88 ac)			
Undeveloped park land/open space maintained	181	215.48	209.48
The Parks at Town Center (86.73 ac); Northeast Park Property (43 ac); Cherry Grove Park (5.37 ac); Keller Sports Park (18 ac); Shady Grove Greenwalk (8.5 ac); Old Town Park (0.55 ac); Fall Creek Open Space (2 ac); Milestone Park (5 ac.); Overton Ridge Park (11.4 ac)			
Total playgrounds maintained	9	9	9
Total city grounds acreage maintained	14.55	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 (0.69 ac)			
Total City facilities square footage maintained	8,039	8,039	7,731
<u>PERFORMANCE INDICATORS</u>			
Total developed park acreage per 1,000 residents	6.9	6.8	6.9
* Parks investment per developed acre	\$5,890	\$6,899	\$7,601
* Parks investment per resident	\$21.54	\$24.91	\$27.01
* Developed park acres per full-time maintenance staff	16.23	15.33	15.33

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

**PARKS & RECREATION / PARKS & CITY GROUNDS MANAGEMENT
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 704,587	\$ 774,140	\$ 742,100	\$ 795,545
Operations & maintenance	123,634	169,655	161,395	171,330
Services & other	269,383	449,215	424,630	564,250
SUBTOTAL	1,097,604	1,393,010	1,328,125	1,531,125
Capital outlay	41,974	91,675	99,170	75,080
TOTAL	\$ 1,139,578	\$ 1,484,685	\$ 1,427,295	\$ 1,606,205

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Park Superintendent	M-1	1.00	1.00	1.00
Park Foreman	TN-10	-	1.00	1.00
Park Foreman	TN-8	1.00	-	-
Park/Landscape Crewleader	TN-7	-	2.00	2.00
Park/Landscape Crewleader	TN-6	2.00	-	-
Irrigation Technician	TN-5	-	0.65	0.65
Parks/Landscape Maintenance Worker	TN-2	7.00	7.00	7.00
Building Maintenance Technician I	TN-1	1.00	1.00	-
Parks Maintenance Worker (seasonal)	NA	0.54	0.54	0.54
TOTAL		12.54	13.19	12.19

FY2014 highlights: capital outlay is provided to replace heavy-duty mowing equipment (\$63,150) and parks maintenance equipment (\$11,930). In addition to the above amounts, one-time, non-recurring expenditures from fund balance are provided to replace two departmental vehicles (\$57,000).

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Recreation Programs

ACCOUNT:
100-630-61

DEPARTMENT/DIVISION DESCRIPTION:

The Recreation Programs division of the Parks and Recreation department provides the administration of the City's recreation programs and activities including special events, Senior Activities Center programs and The Keller Pointe operations. Special events administered by the department include Rock the Park, Holly Days, Haunted Trails, TREE-Mendous Spring Egg Scramble, Concerts in the Park, Spooky Kooky Keller Kastle, Fishing for Fun events, Daddy/Daughter Sweetheart Ball, Mother/Son "I Scream" Social, Family Fun Films, MasterWorks Music Series, Family Camp Out and the Trash Bash events. Approximately 24 percent of the funding for special events is supported by the General Fund for the community Trash-Off events (2), MasterWorks Music Series (5), a volunteer reception and a portion of Holly Days in addition to city staff. The remaining 76 percent 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 to appeal to guests of different ages and interests.
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:
 - Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - Maintaining and promoting an active and rewarding volunteer program.
 - 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.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Special events provided annually	27	27	27
Special events participants	745	760	775
Number of partnerships developed	69	150	163
Recreation leagues provided	8	8	8
Special events guests	20,340	38,441	40,363
Program volunteer hours	2,215	2,269	2,382
Partnership dollars generated	\$21,100	\$27,270	\$30,734
Recreation league participants	183	205	210

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Recreation Programs

ACCOUNT:
100-630-61

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 156,445	\$ 174,780	\$ 171,275	\$ 184,880
Operations & maintenance	6,243	9,320	6,860	9,850
Services & other	30,559	37,040	36,685	46,935
SUBTOTAL	193,247	221,140	214,820	241,665
Capital outlay	-	-	-	-
TOTAL	\$ 193,247	\$ 221,140	\$ 214,820	\$ 241,665

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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:

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 and technology classes, education and travel opportunities and special events. The facility includes a computer lab, kitchen, two small classrooms, one large banquet room and an area for socializing. The Center delivers quality customer service through its employees, its most valued resource, who care and want to make a difference by creating an environment that is safe and beneficial for all. We value the community's commitment and support, including volunteer efforts on behalf of The Keller Senior Activities Center and we constantly seek new and innovative ways to help serve the public.

Keller Senior Activities Center is an essential element of any healthy and vibrant community, providing individual, social and economic value. Seniors and their families rely on the Senior Center, Keller parks, open spaces and recreation programs for many benefits, ranging from the pursuit of health and wellness to the desire for self-education, finding a connection with the community or simply seeking a sense of belonging. Recreational programming and special events offered at this facility work to enrich the lives and provide special focus for the 55+ age population and their families.

DEPARTMENT/DIVISION GOALS:

1. Encourage healthy and active lifestyles through health and wellness, technology and enrichment classes, education and travel opportunities.
2. Develop programs that build and support the community.
3. Develop and continue to provide volunteer opportunities.
4. Partner with other City departments to support the 55 year-old+ population.
5. Continue to promote programs and activities through social, electronic and print media.
6. Continue to seek sponsorships and donations with area senior agencies and local businesses.
7. Develop a strong relationship with senior services agencies civic groups, businesses, foundations and neighboring communities that align with our core values.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Annual Senior Services programs provided	218	230	240
Number of special events offered	2	4	4
Number of trips offered	27	20	30
Number of partnerships developed	N/A	5	5
Annual facility attendance	7,500	7,500	8,000
Annual Senior Services program attendance	2,762	3,238	3,300
Special event participants	89	155	160
Trip participants	418	342	350

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Senior Services

ACCOUNT:
100-630-62

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 152,421	\$ 168,625	\$ 146,775	\$ 168,205
Operations & maintenance	9,823	15,180	15,785	11,210
Services & other	28,655	41,100	38,710	39,430
SUBTOTAL	190,899	224,905	201,270	218,845
Capital outlay	-	76,755	76,755	-
TOTAL	\$ 190,899	\$ 301,660	\$ 278,025	\$ 218,845

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Senior Activities Center Manager	PE-6	1.0	1.0	1.0
Recreation Specialist	A/TN-9	1.0	1.5	1.5
Office Assistant	RCS-2	0.5	-	-
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 property on the south end of the park featuring three youth baseball fields operated and maintained by the Keller Youth Association.

Additionally, Blue Sky Sports Center, a public/private indoor soccer complex, opened in November 2005 at Keller Sports Park. The City and Blue Sky Sports Center entered into a long-term ground lease agreement to accommodate the indoor soccer enterprise. Blue Sky manages the indoor soccer facility operations.

DEPARTMENT/DIVISION GOALS:

1. 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 children 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 and warm-up arena.
6. Provide recreational and competitive facilities for individuals to engage in league and tournament play through the management of a field and facility reservation system.
7. Enhance recreational and competitive opportunities for both youth and adults while also generating additional revenues through the management of a successful ground lease agreement with Blue Sky Sports Center.
8. Protect the city's investment in vehicles and equipment and keep repair cost minimal through a quality in-house preventative maintenance program.
9. Continue to attract individuals and businesses to the area through the provision of quality customer care in the delivery of services.
10. Implement a non-resident fee for all league activities including a \$30 per-player per-season fee with a maximum of \$90 per family per season.

(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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Total Sports Park acreage	148	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	18	52	52
Total facility square footage maintained	13,277	13,277	13,277
Non-resident participation fees	-	-	\$86,000
 <u>PERFORMANCE INDICATORS</u>			
*Sports Park operating & maintenance cost per acre	\$6,468	\$6,992	\$7,797
*Sports Park operating & maintenance cost per capita	\$17.82	\$19.02	\$20.87
*Developed Sports Park acres per maintenance staff	15.72	15.72	15.72

* – 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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 253,838	\$ 340,365	\$ 313,535	\$ 450,455
Operations & maintenance	90,346	123,830	123,630	144,970
Services & other	133,206	131,755	146,830	149,320
SUBTOTAL	477,390	595,950	583,995	744,745
Capital outlay	29,438	-	-	-
TOTAL	\$ 506,828	\$ 595,950	\$ 583,995	\$ 744,745

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Parks/Landscape Crewleader	TN-7	-	0.50	1.00
Parks/Landscape Maintenance Worker	TN-2	5.00	5.50	6.00
Parks/Landscape Maint Worker (Seasonal)	NA	-	0.39	0.78
TOTAL		5.00	6.39	7.78

FY2013 and FY2014 positions include the transfer of 2.78 FTEs from the Keller Development Corporation.

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Town Center Maintenance

ACCOUNT:
100-630-64

DEPARTMENT/DIVISION DESCRIPTION:

The Town Center Maintenance division was created to account for the activities and maintenance of Keller Town Center public areas. It includes all public rights-of-way (ROW) from the South ROW of Bear Creek Parkway to the North ROW of Keller Parkway and from the East ROW of Keller-Smithfield Road to the West ROW of Rufe Snow Drive. It does not include The Parks at Town Center, Keller Town Hall, The Keller Pointe or the Keller ISD Natatorium. The City of Keller receives revenues from the Keller Town Center Property Owner's Association to fund each individual property owner's percentage of maintenance costs, based on each owner's respective amount of land owned in Keller Town Center.

DEPARTMENT/DIVISION GOALS:

1. 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 Owner's Association through management of the collection of pro rata fees from the property owners per the Keller Town Center Property Owner's Association Developer's Agreement.
4. Promote tourism, showcase Town Center businesses and property owners and provide citizens an economical means of recreation through the financial support of the City of Keller special activities/events hosted in Keller Town Center.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Association fee revenue	\$44,235	\$72,000	\$72,000
Association meetings held	1	1	1
Total Town Center property acreage	161.6	161.6	161.6
Public property acreage	100.2	100.2	100.2
Private property acreage	61.4	61.4	61.4
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**

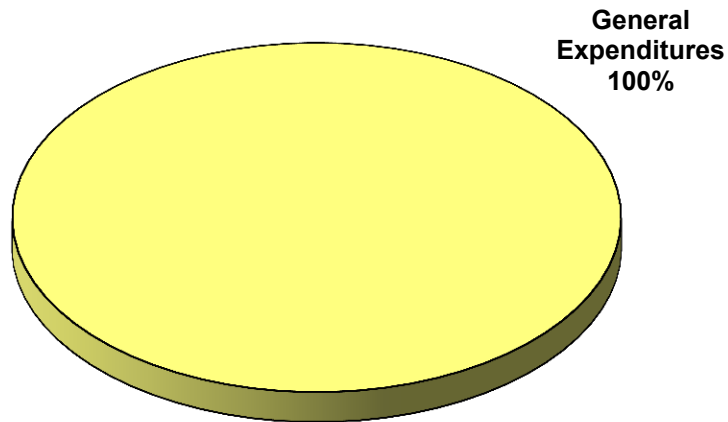
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ 18,425	\$ 15,840	\$ 20,035
Operations & maintenance	16,478	20,005	19,005	23,100
Services & other	161,551	162,370	163,520	171,245
SUBTOTAL	178,029	200,800	198,365	214,380
Capital outlay	-	21,900	21,035	3,980
TOTAL	\$ 178,029	\$ 222,700	\$ 219,400	\$ 218,360

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Irrigation Technician	TN-5	-	0.35	0.35
TOTAL		-	0.35	0.35

FY2014 highlights: capital outlay is provided to replace parks maintenance equipment (\$3,980).

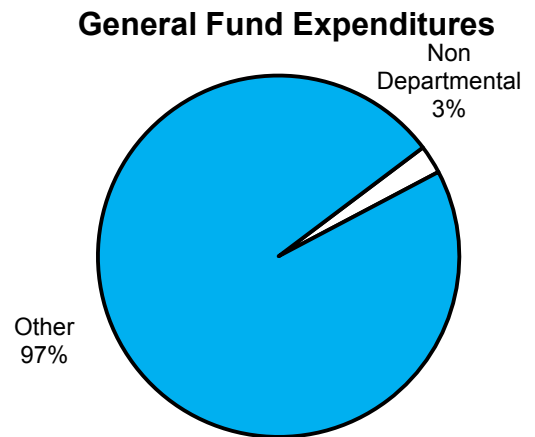
General Fund Non-Departmental



Department total: \$784,765

General Fund Non Departmental

- *General Operations*
- *Interfund Transfers*



FUND:
General

DEPARTMENT:
Non-Departmental

DIVISION:
All

ACCOUNT:
100-990-XX

DEPARTMENT DESCRIPTION:

The General Fund/Non-Departmental activity reflects expenditures of a general nature, which have not been allocated to specific departments. Included within this activity are budgeted costs for general insurance, salary contingencies and transfers to other funds.

DEPARTMENT/DIVISION GOALS:

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

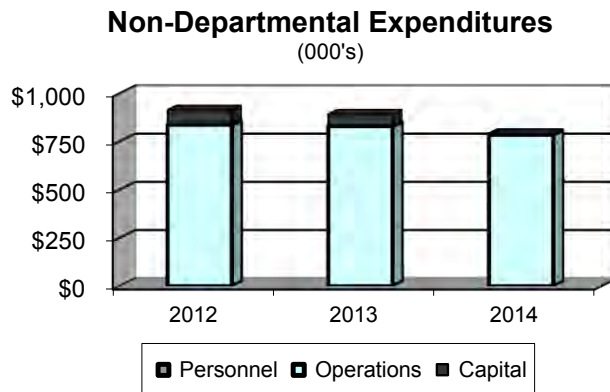
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	6,790	12,000	10,000	12,000
Services & other	692,469	2,033,920	785,565	772,765
Transfers to other funds	137,500	33,625	33,625	-
SUBTOTAL	836,759	2,079,545	829,190	784,765
Capital outlay	76,290	1,774,250	61,785	-
TOTAL	\$ 913,049	\$ 3,853,795	\$ 890,975	\$ 784,765
<u>EXPENDITURES BY DIVISION:</u>				
Transfers to other funds	\$ 137,500	\$ 33,625	\$ 33,625	\$ -
Non-Departmental	775,549	3,820,170	857,350	784,765
TOTAL	\$ 913,049	\$ 3,853,795	\$ 890,975	\$ 784,765

FY2014 highlights: In addition to the above amounts, one-time, non-recurring expenditures from fund balance in the amount of \$2,706,130 are provided as follows: transfer to the Fleet Replacement for future vehicle replacements: (\$300,000); a city-wide communications system upgrade, a FY2013 budget item carry over (\$1,644,535); replacement of vehicles for the Fire, Parks and Recreation and Public Works departments (\$211,595); and replacement of a fire engine (\$550,000).

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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No personnel funding is provided in this program.



WATER & WASTEWATER FUND

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WATER AND WASTEWATER FUND REVENUES

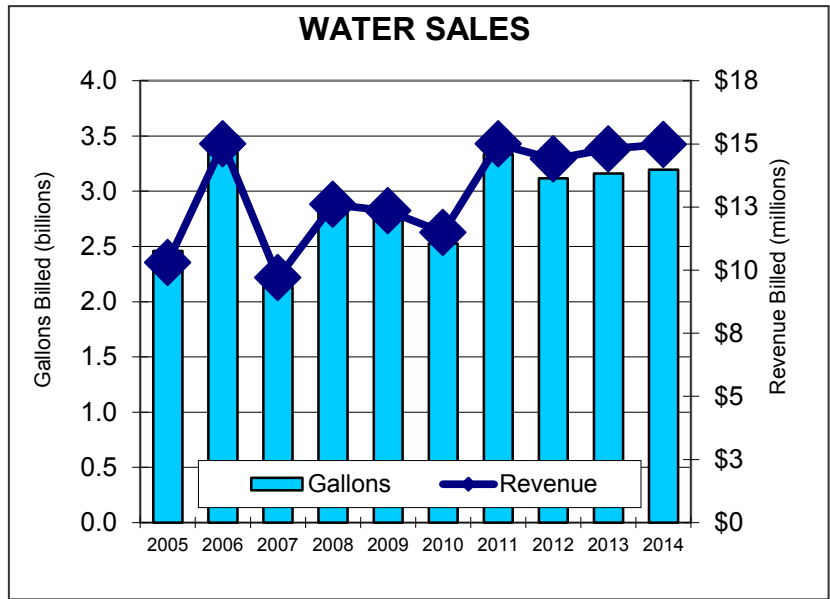
Water revenues comprise \$14.98 million – 71.1 percent – of total revenues of the fund, while wastewater (sewer) charges comprise \$5.52 million – 26.2 percent – of total revenues. Water and sewer charges combined comprise \$20.5 million – 97.3 percent – of fund revenues. The remaining resources are derived primarily from user fees and interest.

Revenue Projections and Analysis

Water revenues are primarily dependent upon the amount of rainfall received during the year and as a result are generally more volatile than General Fund revenues. FY2012 actual water usage billed to customers decreased 6.5% from FY2011, primarily because of a corresponding increase in rainfall in 2012 over FY2011, especially during the summer months. Based on current fiscal YTD usage through June 2013, the water consumption is anticipated to increase slightly to 3.162 billion gallons in FY2013, compared to 3.117 billion gallons in FY2012. Customer water usage reached an all-time high of 3.54 billion gallons in FY2006. However, during the months of July, August and September 2012, customer usage significantly exceeded comparative amounts in previous years, including FY2006. For FY2014, 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 FY2014, average monthly water customers are projected to increase to 14,870, from 14,628 in FY2013. Average monthly wastewater customers are projected to increase to 12,201 for FY2014, compared to a monthly average of 11,965 in FY2013.



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

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.

WATER AND WASTEWATER FUND EXPENDITURES

Expenditures include costs for personnel services; operations and maintenance of the water and wastewater system; services and other expenditures; wholesale purchases of water from Fort Worth; wastewater treatment and collection services with the Trinity River Authority; debt service interest and principal; transfers to other funds for general and administrative cost reimbursements and in lieu of taxes; and capital outlay. Depreciation expense is not budgeted, while debt service principal is budgeted as an expenditure.

A significant expenditure is wholesale water purchases. For FY2014, wholesale water purchases are projected to be \$7.3 million, or 33.1% of total expenditures of the fund, compared to \$7.2 million (33.3%) of total expenditures in FY2013. This represents an increase of \$100,000 (1.4 percent). The increase is because FY2014 estimates are based on a slight increase in customer usage, combined with an increase in the wholesale rate. Wholesale water purchases are anticipated to be 3.194 billion gallons in FY2014, compared to 3.162 billion gallons in FY2013. This represents an increase of 32 million gallons, or 1 percent.

The average customer water usage, for both residential and non-residential customers, is projected at 17,901 gallons per month for FY2014 compared to 18,013 gallons per month in FY2013, a decrease of 0.6 percent. Average customer water usage for FY2012 was 18,054 per month. The usage for FY2014 is based on estimates derived from anticipating normal rainfall during the year.

Operations, maintenance and services expenditures comprise 25% of the Fund's budget for FY2014 compared to 24.9% in FY2013. These expenditures 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.

Personnel services (salaries and benefits) comprise the next significant expenditure, approximately 13.8% of total expenditures of the Fund. Total full-time equivalents are 40.17 FTEs, an increase of 0.37 FTEs (0.9%) from FY2013. Personnel detail by position is included with each individual department/division budget presentation on the following pages.

Wastewater treatment and collection services, including contracted services provided by the Trinity River Authority (TRA) comprise approximately 12.1% of the Fund's budget for FY2014. 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.

Debt service costs comprise 11.4% of the Fund's budget and are committed for the retirement of long-term debt used to finance improvements and/or expansions to the City's water and wastewater system.

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 FY2014 are \$575,025 and represent 2.6% of the Fund's budget, a decrease of \$114,935 from FY2013 (16.7 percent).

FUND BALANCE RESERVES

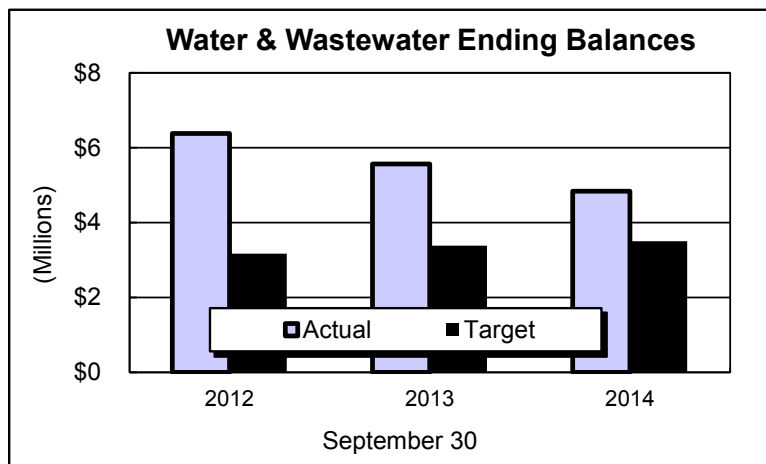
Net expenditures in excess of revenues for FY2014 are \$977,305. However, the projected beginning fund balance for FY2014 exceeds the targeted beginning fund balance by approximately 29 days of operations. The total projected ending fund balance (working capital) at September 30, 2014 is \$5,339,575, 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 undesignated ending fund balance is \$4,839,575, representing an operating reserve of 82.9 days, compared to the City's current target of 60 days.

WATER AND WASTEWATER FUND

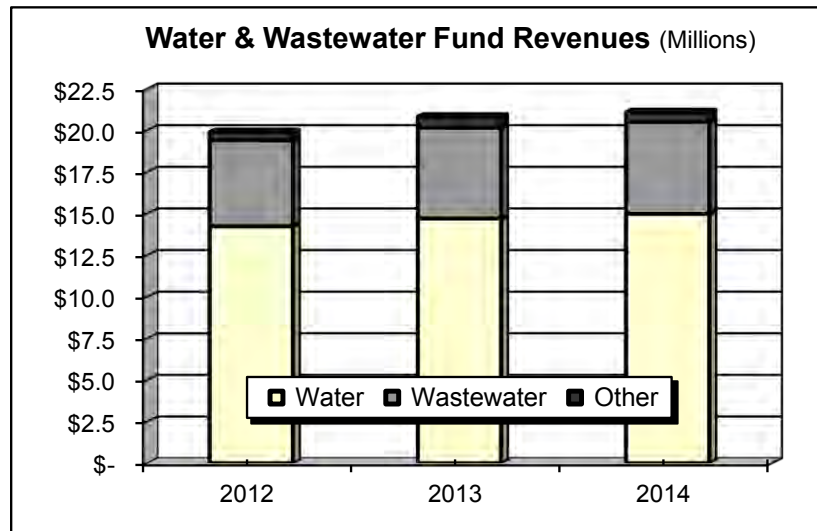
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 7,265,486	\$ 6,319,481	\$ 7,127,857	\$ 6,316,880
Revenues and transfers	19,856,182	20,168,460	20,789,358	21,062,920
TOTAL FUNDS AVAILABLE	27,121,668	26,487,941	27,917,215	27,379,800
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	19,993,811	21,309,355	21,600,335	22,040,225
<u>ENDING FUND BALANCE:</u>				
Total fund balance	7,127,857	5,178,586	6,316,880	5,339,575
Rate stabilization reserve	750,000	750,000	750,000	500,000
Unreserved fund balance	6,377,857	4,428,586	5,566,880	4,839,575
FUND TOTAL	\$ 27,121,668	\$ 26,487,941	\$ 27,917,215	\$ 27,379,800
Excess revenues (expenditures)	(137,629)	(1,140,895)	(810,977)	(977,305)
Unreserved ending fund balance:				
Percent of operating expenditures ⁽¹⁾	33.5%	22.1%	27.4%	23.0%
TARGET	16.7%	16.7%	16.7%	16.7%
Number of days operating expenditures	120.7	79.6	98.6	82.9
TARGET	60.0	60.0	60.0	60.0

(1) excludes capital outlay and interfund transfers.



WATER AND WASTEWATER FUND REVENUE SUMMARY

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>REVENUES:</u>				
OPERATING REVENUES:				
Water sales	\$ 14,232,690	\$ 14,181,500	\$ 14,702,800	\$ 14,981,500
Wastewater sales	5,159,320	5,400,000	5,450,000	5,520,000
Subtotal	19,392,010	19,581,500	20,152,800	20,501,500
OTHER REVENUES:				
Taps and miscellaneous fees	381,549	444,850	529,950	479,850
Contributions	13,077	13,110	13,108	4,570
Interest revenue	23,408	22,500	20,000	22,500
Other revenues	46,138	106,500	73,500	54,500
Subtotal	464,172	586,960	636,558	561,420
TOTAL REVENUES	\$ 19,856,182	\$ 20,168,460	\$ 20,789,358	\$ 21,062,920



WATER AND WASTEWATER FUND

REVENUES

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>OPERATING REVENUES:</u>				
Water sales	\$ 14,232,690	\$ 14,181,500	\$ 14,702,800	\$ 14,981,500
Wastewater sales	5,159,320	5,400,000	5,450,000	5,520,000
Subtotal	19,392,010	19,581,500	20,152,800	20,501,500
<u>MISCELLANEOUS FEES:</u>				
Water taps/connect fees	67,762	77,500	90,000	77,500
Fire hydrant meter rental fees	7,725	8,000	7,000	8,000
Wastewater tap fees	3,500	7,500	7,500	7,500
Industrial waste surcharge fees	-	500	-	500
Sewer camera inspection fees	6,075	47,000	49,000	47,000
Meter box/lid fees	-	500	-	500
Reconnect fees	18,260	27,500	30,000	27,500
Account activation fee	4,755	10,000	25,950	25,000
Account transfer fee	390	1,350	1,350	1,350
Inspection fees	17,197	20,000	68,000	35,000
Penalty revenue	197,746	175,000	175,000	175,000
Other services	8,059	4,500	11,000	4,500
Keller drainage utility	50,000	65,000	65,000	70,000
<i>General and administrative services</i>				
Recycling bins/lids	80	500	150	500
Subtotal	381,549	444,850	529,950	479,850
<u>CONTRIBUTIONS:</u>				
Lake Turner Municipal Utility District	13,077	13,110	13,108	4,570
Subtotal	13,077	13,110	13,108	4,570
<u>OTHER REVENUE:</u>				
Interest earnings	23,408	22,500	20,000	22,500
Gain (loss) on disposal of assets	1,126	52,000	18,500	-
Southlake wastewater reimbursement	24,105	25,000	27,500	25,000
Miscellaneous revenue (expense)	20,907	29,500	27,500	29,500
Subtotal	69,546	129,000	93,500	77,000
TOTAL REVENUES AND TRANSFERS	\$ 19,856,182	\$ 20,168,460	\$ 20,789,358	\$ 21,062,920

**WATER AND WASTEWATER FUND
EXPENDITURE SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 2,725,471	\$ 2,872,720	\$ 2,826,470	\$ 3,043,080
Operations & maintenance	721,607	1,190,395	1,135,905	1,130,740
Services & other	3,668,929	4,447,895	4,234,810	4,376,310
Wholesale water purchases	7,147,763	6,450,000	7,200,000	7,300,000
Wastewater services-TRA	2,158,030	2,417,415	2,272,220	2,670,770
Debt service	2,595,320	2,652,760	2,652,760	2,507,790
Transfers to other funds	457,860	588,210	588,210	436,510
SUBTOTAL	19,474,980	20,619,395	20,910,375	21,465,200
Capital outlay	518,831	689,960	689,960	575,025
TOTAL	\$ 19,993,811	\$ 21,309,355	\$ 21,600,335	\$ 22,040,225

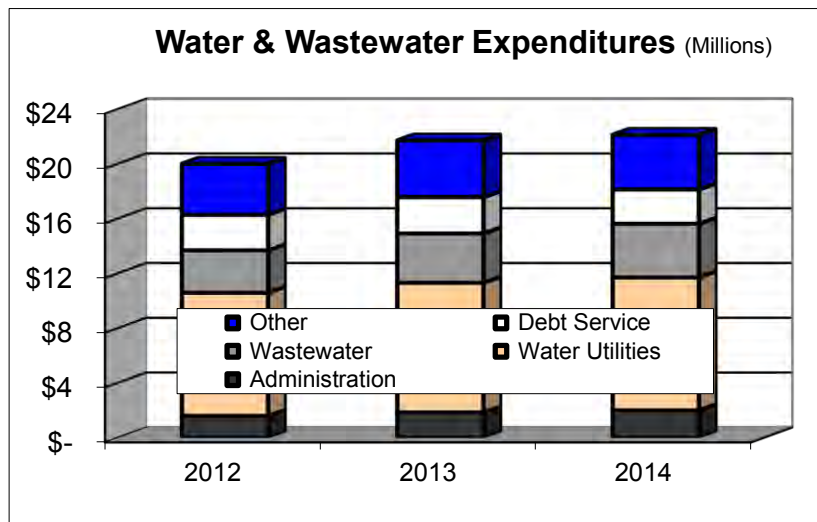
<u>EXPENDITURES BY ACTIVITY</u>				
Water & W/W Administration	\$ 484,177	\$ 707,360	\$ 592,920	\$ 702,890
Customer Services	1,116,896	1,167,295	1,163,785	1,236,105
Water Utilities	8,993,809	8,856,145	9,465,120	9,702,685
Wastewater Utilities	3,098,525	3,721,705	3,601,790	3,920,635
Municipal Service Center	270,292	308,805	307,800	353,605
Debt service	2,595,320	2,652,760	2,654,830	2,507,790
Non-departmental / Transfers / Other	3,434,792	3,895,285	3,814,090	3,616,515
TOTAL	\$ 19,993,811	\$ 21,309,355	\$ 21,600,335	\$ 22,040,225

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

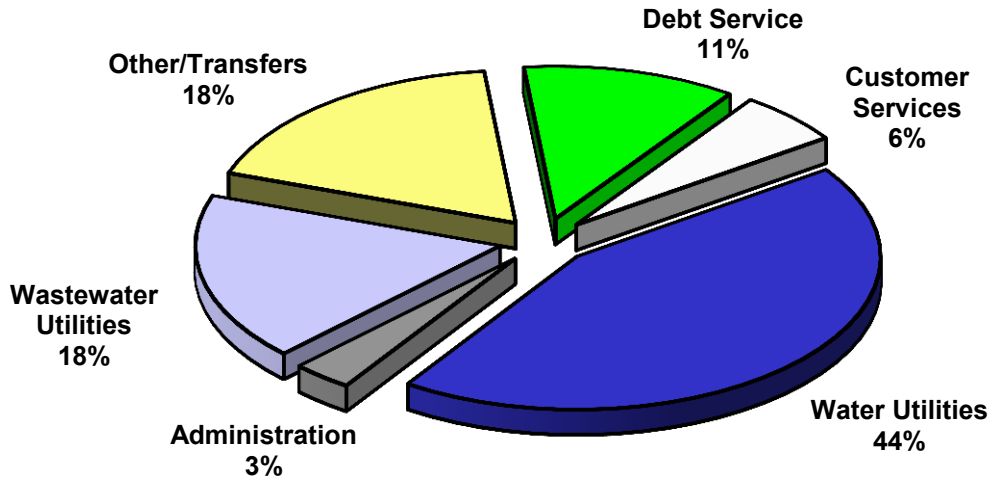
DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Water & W/W Administration	5.17	4.80	5.17
Customer Services	12.00	12.00	12.00
Water Utilities	15.50	13.50	12.50
Wastewater Utilities	9.50	8.50	9.50
Municipal Service Center	1.00	1.00	1.00
TOTAL	43.17	39.80	40.17

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

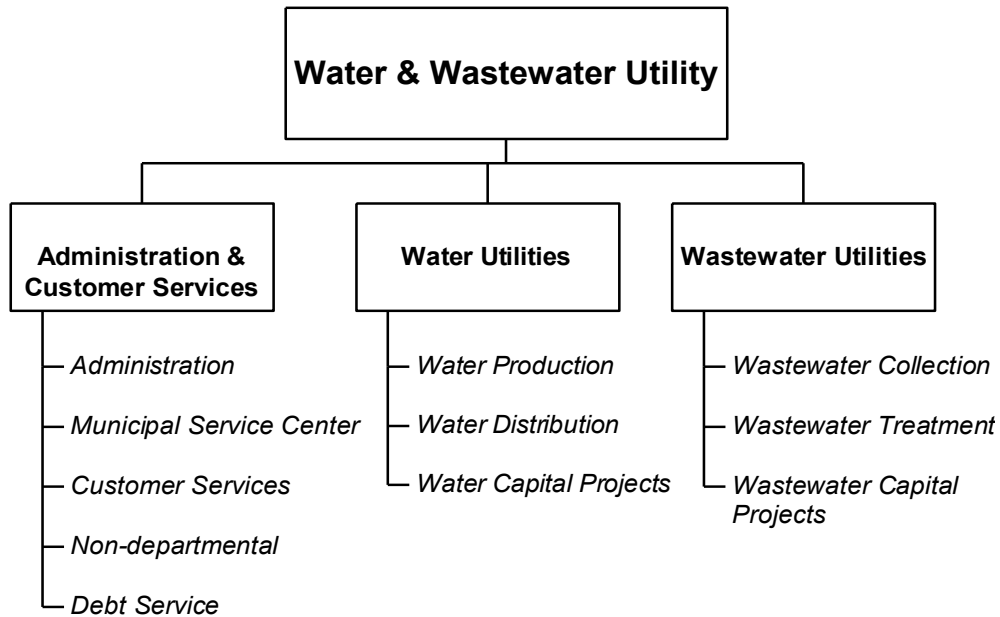
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
Water/Wastewater Administration	\$ 484,177	\$ 707,360	\$ 592,920	\$ 702,890
Customer Services:				
Administration	819,664	852,585	848,240	894,085
Field Services	297,232	314,710	315,545	342,020
Subtotal	1,116,896	1,167,295	1,163,785	1,236,105
Water Utilities:				
Water Production	7,573,316	7,065,345	7,697,775	7,880,010
Water Distribution	1,420,493	1,790,800	1,767,345	1,822,675
Subtotal	8,993,809	8,856,145	9,465,120	9,702,685
Wastewater Utilities:				
Wastewater Collection	1,020,674	1,304,290	1,329,570	1,249,865
Wastewater Treatment	2,077,851	2,417,415	2,272,220	2,670,770
Subtotal	3,098,525	3,721,705	3,601,790	3,920,635
Municipal Service Center Operations	270,292	308,805	307,800	353,605
Debt Service	2,595,320	2,652,760	2,654,830	2,507,790
Transfers to Other Funds	457,860	588,210	588,210	436,510
Non-Departmental	2,976,932	3,307,075	3,225,880	3,180,005
TOTAL	\$ 19,993,811	\$ 21,309,355	\$ 21,600,335	\$ 22,040,225



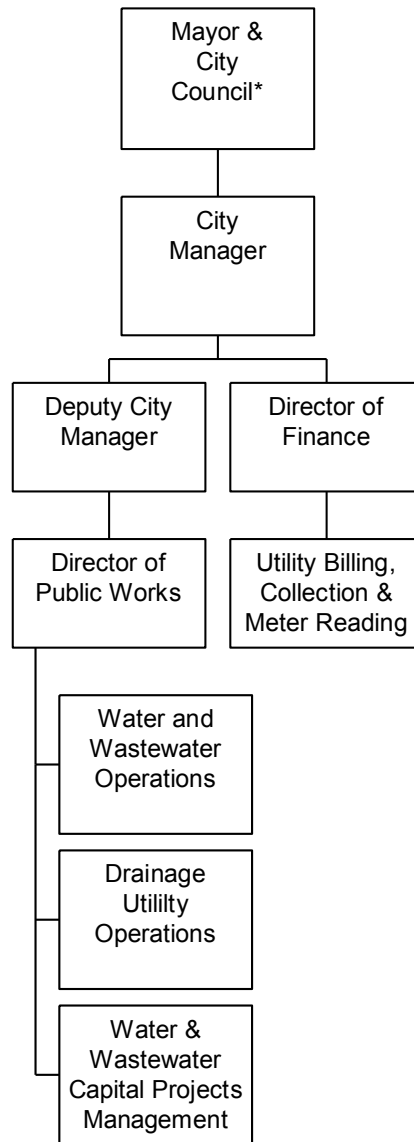
WATER & WASTEWATER



Fund total: \$22,040,225



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



* Denotes elected positions.

FUND:
Water & Wastewater

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
200-700-01

DEPARTMENT/DIVISION DESCRIPTION:

The functions of the Water & Wastewater Administration Department are under the direction of the Director of Public Works. This Division is responsible for the direction and administration of all facets of the utility operations, including customer services, supply services, work order processing, water production, water distribution and 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. Continuously review and improve customer service for the citizens of Keller by holding quarterly sessions with Water and Wastewater staff on the customer service process.
3. Provide effective and efficient guidance and supervision of the water and wastewater divisions.
4. Work with division managers on improving their professional knowledge and skills through in-house and outside educational opportunities.
5. Review all budgets on a monthly basis to ensure cost containment and adherence to budget expenditure policies.
6. Respond to email and citizen requests within 24 hours of message or request receipt.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Scheduled customer service meetings	2	4	4
Scheduled coordination meetings with staff	49	52	52
Review all budgets	10	12	12
Citizen/internal customer responses	430	500	500

FUND:
Water & Wastewater

DEPARTMENT:
Administration

DIVISION:
Administration

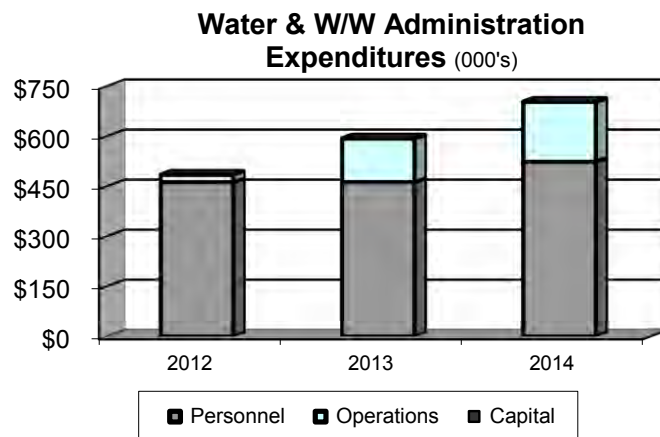
ACCOUNT:
200-700-01

**WATER & WASTEWATER ADMINISTRATION
DEPARTMENT SUMMARY**

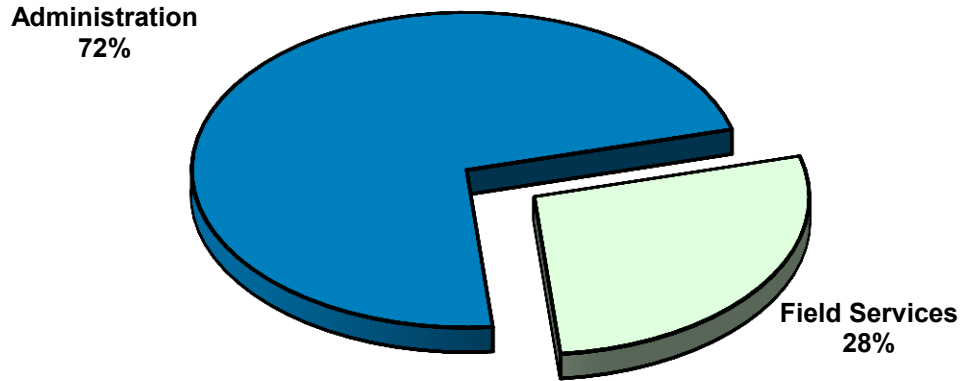
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 462,239	\$ 469,175	\$ 462,265	\$ 523,435
Operations & maintenance	1,458	7,035	4,930	5,150
Services & other	20,480	231,150	125,725	174,305
SUBTOTAL	484,177	707,360	592,920	702,890
Capital outlay	-	-	-	-
TOTAL	\$ 484,177	\$ 707,360	\$ 592,920	\$ 702,890

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

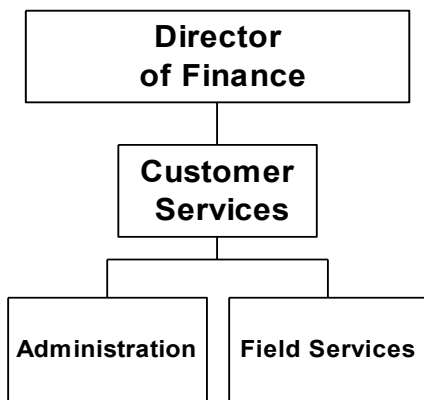
POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Water & Wastewater Superintendent	M-1	1.00	1.00	1.00
Storm Water Engineer	PE-12	-	0.13	0.50
Senior Project Engineer	PE-12	1.00	1.00	1.00
Public Works Logistics Coordinator	PE-7	1.00	1.00	1.00
Customer Service Coordinator	A/TN-10	-	-	1.00
Customer Service Supervisor	A/TN-10	1.00	1.00	-
Administrative Secretary	A/TN-8	0.67	0.67	0.67
GIS Intern	NA	0.50	-	-
TOTAL		5.17	4.80	5.17



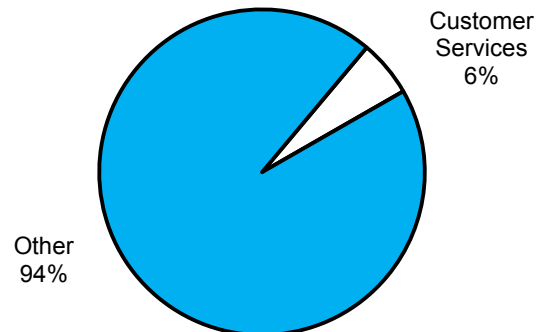
Customer Services



Department total: \$1,236,105



Water & Wastewater Fund Expenditures



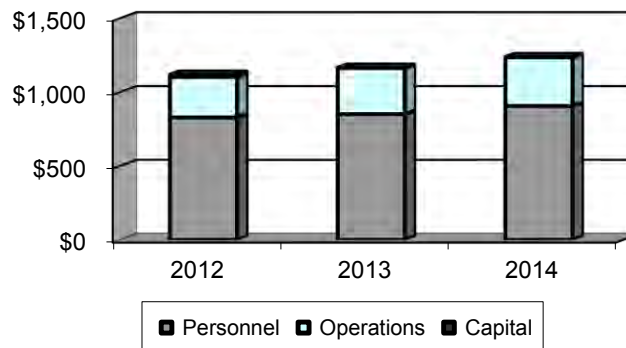
**WATER & WASTEWATER
CUSTOMER SERVICES
DEPARTMENT SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 829,244	\$ 869,685	\$ 851,795	\$ 907,140
Operations & maintenance	103,107	128,990	125,475	119,555
Services & other	170,930	168,620	186,515	209,410
SUBTOTAL	1,103,281	1,167,295	1,163,785	1,236,105
Capital outlay	13,615	-	-	-
TOTAL	\$ 1,116,896	\$ 1,167,295	\$ 1,163,785	\$ 1,236,105
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 819,664	\$ 852,585	\$ 848,240	\$ 894,085
Field Services	297,232	314,710	315,545	342,020
TOTAL	\$ 1,116,896	\$ 1,167,295	\$ 1,163,785	\$ 1,236,105

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

DIVISION / ACTIVITY	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	8.0	8.0	8.0
Field Services	4.0	4.0	4.0
TOTAL	12.0	12.0	12.0

Customer Services Expenditures (000's)



FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

DEPARTMENT DESCRIPTION:

The Customer Services/Administration Division is responsible for administering the City's revenue generation for water, wastewater, residential solid waste and drainage utilities. These activities include administrative oversight of water meter reading, billings, collections, connects and disconnects, inquiries and other service duties.

DEPARTMENT/DIVISION GOALS:

1. Continue to provide timely and efficient customer service.
2. Provide timely and accurate utility billing statements.
3. Minimize water losses by identifying slow and stopped water meters, with timely investigation and/or meter replacement.
4. Maintain and improve the automated/online payment processing to better serve utility customers.
5. Assist and educate customers with respect to water conservation and efficient uses.
6. Maintain electronic (wireless) meter reading program.
7. Work with collection agency to recover outstanding delinquent utility bills.
8. Continue to monitor the Identity Theft Prevention Program, required by law.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 PROJECTED
Customer meter reading routes maintained	70	70	70
Number of billing cycles	2	2	2
Number of annual billings:			
• water customers billed	172,676	175,530	178,440
• sewer customers billed	143,475	143,590	146,415
• drainage customers billed	165,380	167,965	170,590
• garbage customers billed	157,038	159,425	161,845
Total water gallons billed (million gallons)	3,117.4	3,161.9	3,194.2
Annual delinquent statements processed	18,950	17,800	18,000
Customer security deposits processed	1,704	1,670	1,400
Services disconnected for non-payment	1,103	1,245	1,150
Customer transfers/final accounts processed	1,821	1,730	1,600
Number of on-line/automated payments	46,064	51,888	48,000
Total amount of on-line/automated payments (000's)	\$5,562	\$5,246	\$5,200
Lockbox payments processed	34,892	33,081	35,000
Amount of lockbox payments processed (000's)	\$5,412	\$5,241	\$5,100

PERFORMANCE ANALYSIS			
Monthly average billings:			
• average monthly water customers billed	14,390	14,627	14,870
• average monthly sewer customers billed	11,956	11,966	12,200
• average monthly drainage customers billed	13,782	13,997	14,216
• average monthly garbage customers billed	13,087	13,285	13,487
Average water usage per customer	18,054	18,013	17,901
Average water bill per customer (gallons)	\$83.44	\$84.15	\$83.94
Average water revenue per 1,000 gallons billed	\$4.62	\$4.67	\$4.69
Average daily water usage billed (million gallons)	8.541	8.663	8.751
Average sewer bill per customer	\$33.18	\$37.66	\$37.83
Average drainage bill per customer	\$9.11	\$9.12	\$9.12
Average garbage bill per customer	\$11.04	\$11.04	\$11.04
Average daily phone inquiries	56	53	51

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 559,543	\$ 590,285	\$ 571,450	\$ 603,795
Operations & maintenance	82,448	104,975	101,460	90,900
Services & other	164,058	157,325	175,330	199,390
SUBTOTAL	806,049	852,585	848,240	894,085
Capital outlay	13,615	-	-	-
TOTAL	\$ 819,664	\$ 852,585	\$ 848,240	\$ 894,085

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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 timely and efficient customer service.
2. Maintain meter reading accuracy rate of at least 99.9% of total meters read by ensuring that meters are in proper working order and utilizing automated meter reading technology.
3. Minimize water losses by identifying slow and stopped water meters, with timely investigation and/or meter replacement.
4. Assist and educate customers with respect to water conservation.
5. Maintain radio (wireless) meter reading.
6. Meter replacement program average 1,400 per year, per conservation ordinance.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Customer meter reading routes maintained	70	70	70
Service calls made to customers (including re-reads)	1,005	1,020	1,100
Total water meters read (monthly average)	14,770	14,869	15,000
Work orders completed	14,803	14,532	14,900
Annual meter change outs	1,449	1,400	1,500
Annual meter sets	260	250	300
PERFORMANCE ANALYSIS			
Billing cycles read on schedule	100%	100%	100%
Meter reading accuracy rate	99.8%	99.9%	99.9%
Average hours to read a billing cycle	20.0	20.0	12.0
Manual re-reads as a percent of total meter reads	3.6%	3.3%	3.0%

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Field Services

ACCOUNT:
200-710-70

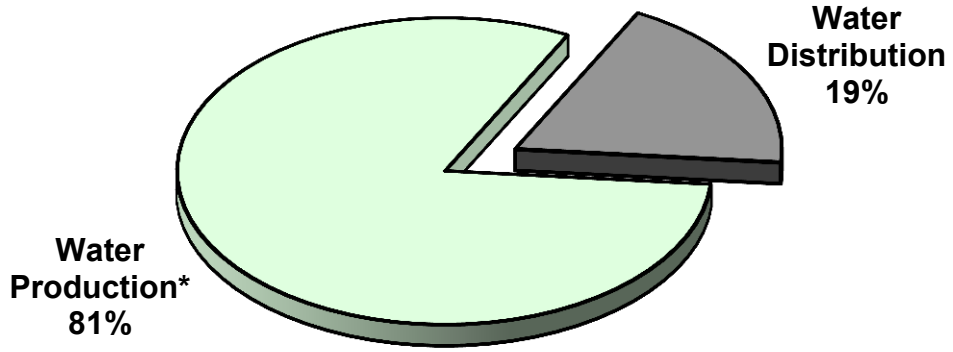
**WATER & WASTEWATER
CUSTOMER SERVICES - FIELD SERVICES
DIVISION / ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 269,701	\$ 279,400	\$ 280,345	\$ 303,345
Operations & maintenance	20,659	24,015	24,015	28,655
Services & other	6,872	11,295	11,185	10,020
SUBTOTAL	297,232	314,710	315,545	342,020
Capital outlay	-	-	-	-
TOTAL	\$ 297,232	\$ 314,710	\$ 315,545	\$ 342,020

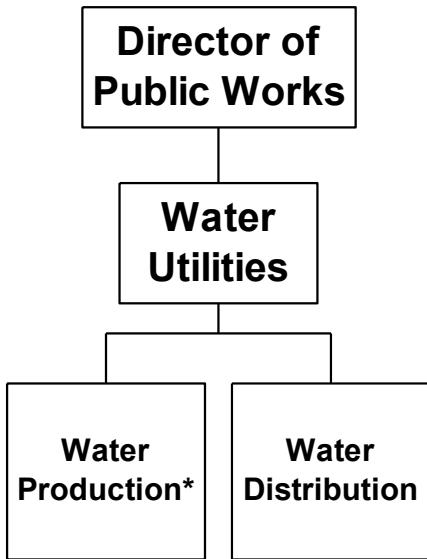
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Field Services Crew Leader	TN-7	-	1.0	1.0
Field Services Crew Leader	TN-6	1.0	-	-
Meter Maintenance Technician	TN-5	1.0	1.0	1.0
Field Services Technician	TN-3	2.0	2.0	2.0
TOTAL		4.0	4.0	4.0

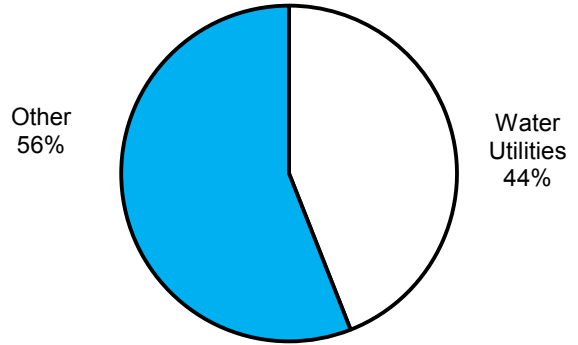
Water Utilities



Department total: \$9,702,685



Water & Wastewater Fund Expenditures



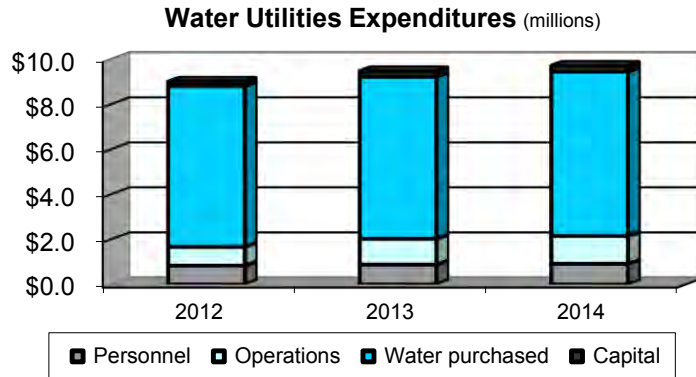
* - Includes wholesale water purchases

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 836,247	\$ 902,285	\$ 879,655	\$ 920,800
Operations & maintenance	458,675	758,780	717,720	693,360
Services & other	373,549	508,255	430,920	541,500
Wholesale water purchases	7,147,763	6,450,000	7,200,000	7,300,000
SUBTOTAL	8,816,234	8,619,320	9,228,295	9,455,660
Capital outlay	177,575	236,825	236,825	247,025
TOTAL	\$ 8,993,809	\$ 8,856,145	\$ 9,465,120	\$ 9,702,685
<u>EXPENDITURES BY DIVISION:</u>				
Water Production	\$ 7,573,316	\$ 7,065,345	\$ 7,697,775	\$ 7,880,010
Water Distribution	1,420,493	1,790,800	1,767,345	1,822,675
TOTAL	\$ 8,993,809	\$ 8,856,145	\$ 9,465,120	\$ 9,702,685

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Water Production	2.0	2.0	2.0
Water Distribution	13.5	11.5	10.5
TOTAL	15.5	13.5	12.5



FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Production

ACCOUNT:
200-730-74

DEPARTMENT/DIVISION DESCRIPTION:

The Water Production Division is responsible for providing 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.
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 ensure 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 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 pumping capacity (million gallons)	27.0	28.0	28.0
Total wholesale gallons purchased (million gallons)	3,225.9	3,152.0	3,047.3
Peak day water demand (million gallons)	22.6	22.0	22.0
<u>PERFORMANCE ANALYSIS</u>			
Average daily water usage (million gallons)	8.9	8.6	8.4
Average cost per 1,000 gallons of wholesale water purchased	\$2.22	\$2.32	\$2.43
Base (winter) average daily water demand (million gallons)	4.1	4.8	4.5
Base (winter) demand per capita (gallons)	101.4	117.8	109.5
Peak day water demand per capita (gallons)	566.1	544.0	535.4

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Production

ACCOUNT:
200-730-74

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 136,229	\$ 153,365	\$ 153,240	\$ 161,620
Operations & maintenance	51,327	131,925	90,865	88,400
Services & other	237,997	330,055	253,670	329,990
Wholesale water purchases	7,147,763	6,450,000	7,200,000	7,300,000
SUBTOTAL	7,573,316	7,065,345	7,697,775	7,880,010
Capital outlay	-	-	-	-
TOTAL	\$ 7,573,316	\$ 7,065,345	\$ 7,697,775	\$ 7,880,010

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Water Production Supervisor	TN-10	-	1.0	1.0
Water Systems Supervisor	TN-7	1.0	-	-
Water Production Operator	TN-5	-	1.0	1.0
Well Pump Operator	TN-5	1.0	-	-
TOTAL		2.0	2.0	2.0

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

DEPARTMENT/DIVISION DESCRIPTION:

The Water Distribution Division is responsible for operating and maintaining the water distribution facilities necessary to serve the City's residential, commercial and industrial water customers. Included in the division's responsibilities are installing and maintaining water meters, repairing and replacing water mains and services, water sampling and testing, installing new water mains and water taps and installing and maintaining fire hydrants.

DEPARTMENT/DIVISION GOALS:

1. 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 lines by looping to existing water lines or providing an automatic flushing device that will flush on a monthly schedule.
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 lines, 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Total miles of distribution lines maintained	280	285	290
Water samples tested	375	400	400
Fire hydrants flushed and serviced	1,300	1,300	1,300
Fire hydrants repaired/maintained/inspected	126	200	300
New fire hydrants installed	1	2	2
Fire hydrants replaced	5	3	4
Work orders completed	1,098	1,000	1,000

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

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

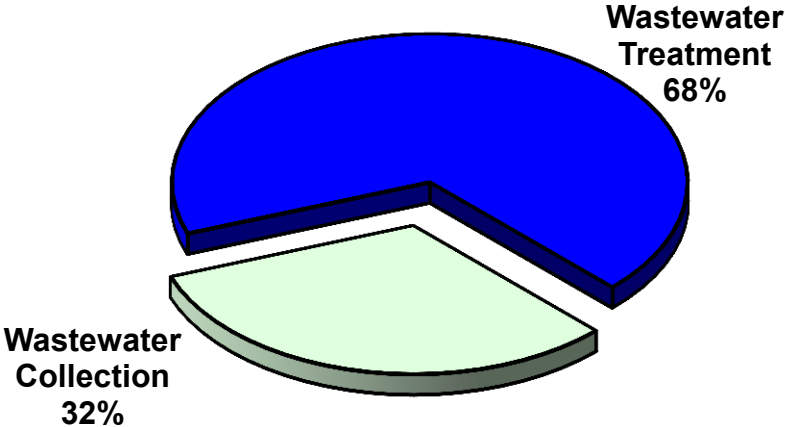
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 700,018	\$ 748,920	\$ 726,415	\$ 759,180
Operations & maintenance	407,348	626,855	626,855	604,960
Services & other	135,552	178,200	177,250	211,510
SUBTOTAL	1,242,918	1,553,975	1,530,520	1,575,650
Capital outlay	177,575	236,825	236,825	247,025
TOTAL	\$ 1,420,493	\$ 1,790,800	\$ 1,767,345	\$ 1,822,675

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

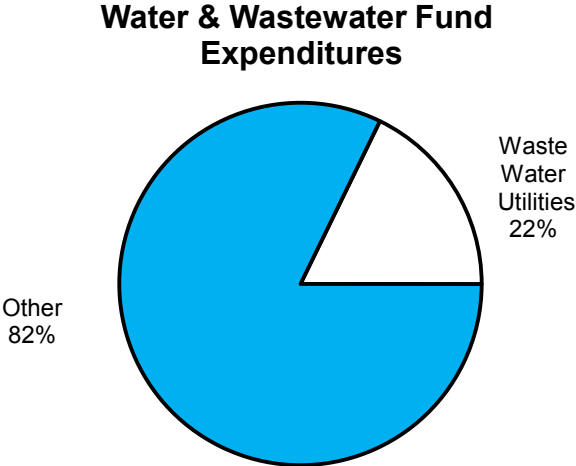
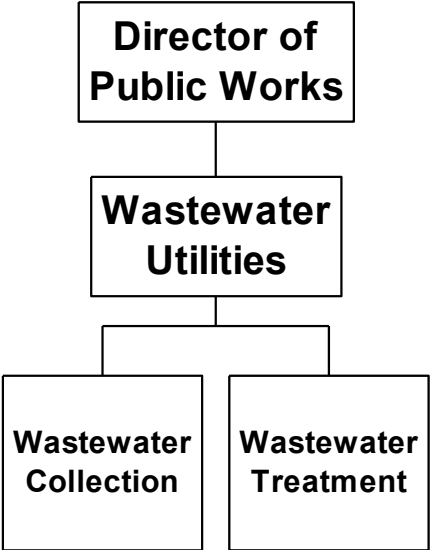
POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Construction Inspector	A/TN-11	1.0	1.0	1.0
Water/Sewer Foreman	TN-11	-	0.5	0.5
Water/Sewer Foreman	TN-9	0.5	-	-
Water/Sewer Crewleader	TN-8	-	1.0	2.0
Environmental Services Coordinator	TN-8	-	1.0	1.0
Water/Sewer Crewleader	TN-7	1.0	-	-
Environmental Services Coordinator	TN-7	1.0	-	-
SCADA Operator/Dispatcher	TN-4	3.0	1.0	1.0
Water/Sewer Maintenance Worker	TN-3	7.0	7.0	5.0
TOTAL		13.5	11.5	10.5

FY2014 highlights: capital outlay includes funding for water distribution infrastructure improvements such as water mains, water meters and fire hydrants (\$106,825); acquisition of a valve maintenance vehicle with telescoping electric-powered valve exerciser (\$125,200); and miscellaneous maintenance and safety equipment (\$15,000).

Wastewater Utilities



Department total: \$3,920,635



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

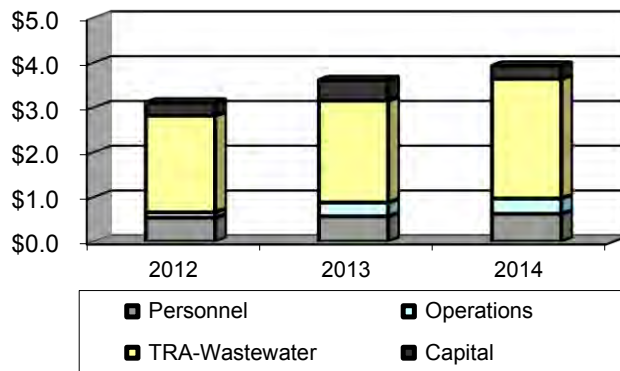
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 533,538	\$ 564,730	\$ 565,965	\$ 622,385
Operations & maintenance	96,410	186,375	186,375	214,955
Services & other	27,288	100,050	124,095	127,525
Wastewater Services-TRA	2,158,030	2,417,415	2,272,220	2,670,770
SUBTOTAL	2,815,266	3,268,570	3,148,655	3,635,635
Capital outlay	283,259	453,135	453,135	285,000
TOTAL	\$ 3,098,525	\$ 3,721,705	\$ 3,601,790	\$ 3,920,635

<u>EXPENDITURES BY DIVISION:</u>				
Wastewater Collection	\$ 1,020,674	\$ 1,304,290	\$ 1,329,570	\$ 1,249,865
Wastewater Treatment	2,077,851	2,417,415	2,272,220	2,670,770
TOTAL	\$ 3,098,525	\$ 3,721,705	\$ 3,601,790	\$ 3,920,635

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Wastewater Collection	9.50	8.50	9.50
TOTAL	9.50	8.50	9.50

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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Total miles of wastewater mains maintained	186	190	192
Total miles of wastewater mains cleaned	38	35	40
Total miles of wastewater mains inspected by video camera	12	12	12
Sewer manholes maintained	2,930	2,940	2,950
Sewer manholes inspected	260	260	260
Lift stations maintained	6	6	6
Number of active wastewater customers at Sept. 30 th	12,050	12,325	12,550
Work orders completed	1,184	1,400	1,400

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Collection

ACCOUNT:
200-750-80

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 533,538	\$ 564,730	\$ 565,965	\$ 622,385
Operations & maintenance	96,410	186,375	186,375	214,955
Services & other	27,288	100,050	124,095	127,525
Wastewater services-TRA	80,179	-	-	-
SUBTOTAL	737,415	851,155	876,435	964,865
Capital outlay	283,259	453,135	453,135	285,000
TOTAL	\$ 1,020,674	\$ 1,304,290	\$ 1,329,570	\$ 1,249,865

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Water/Sewer Foreman	TN-11	-	0.50	0.50
Water/Sewer Foreman	TN-9	0.50	-	-
Water/Sewer Crewleader	TN-8	-	3.00	2.00
Water/Sewer Crewleader	TN-7	3.00	-	-
Sewer Inspector Technician	TN-4	-	1.00	1.00
SCADA Dispatcher	TN-4	2.00	1.00	1.00
Water/Sewer Maintenance Worker	TN-3	4.00	3.00	5.00
TOTAL		9.50	8.50	9.50

FY2014 highlights: capital outlay includes funding for wastewater infrastructure improvements (\$285,000).

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Treatment

ACCOUNT:
200-750-81

DEPARTMENT/DIVISION DESCRIPTION:

The Wastewater Treatment Division is responsible for the management of the Trinity River Authority (TRA) wastewater treatment contract with the City. The City contracts with TRA to provide wastewater treatment services on behalf of the City's wastewater customers. The City's wastewater is collected in the collection system and then treated by the TRA, at its 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Total annual gallons treated (million gallons)	1,046.1 (1)	1,050.0	1,070.0
<u>PERFORMANCE ANALYSIS</u>			
Average daily gallons treated (million gallons)	2.866 (1)	2.876	2.931
Average cost per 1,000 gallons of wastewater treated	\$1.97 (1)	\$2.04	\$2.11
Average monthly wastewater gallons treated per customer	7,291	7,313	7,308

(1) Trinity River Authority audit report as of November 30, 2012. 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**

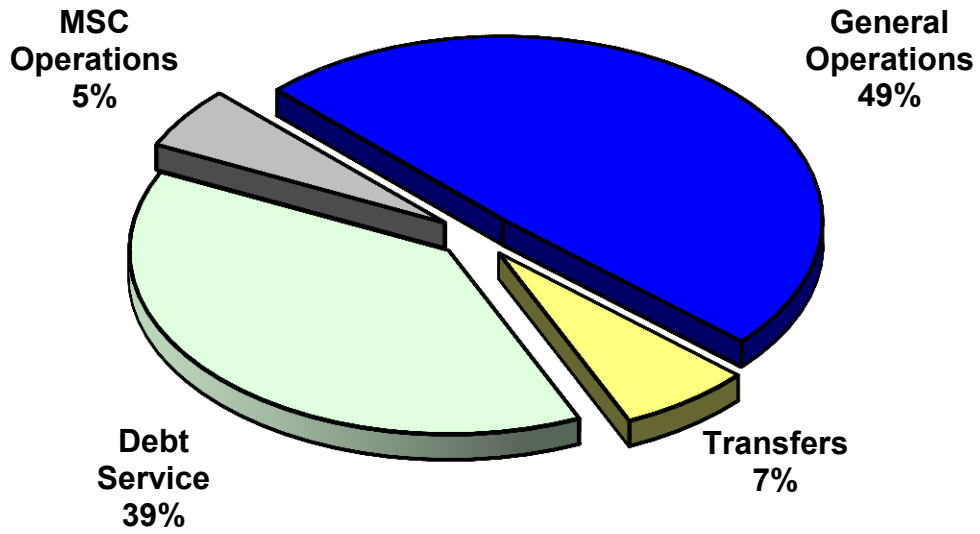
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Wastewater services-TRA	2,077,851	2,417,415	2,272,220	2,670,770
SUBTOTAL	2,077,851	2,417,415	2,272,220	2,670,770
Capital outlay	-	-	-	-
TOTAL	\$ 2,077,851	\$ 2,417,415	\$ 2,272,220	\$ 2,670,770

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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No positions are funded in this division.

Water & Wastewater Fund Other / Non-Departmental

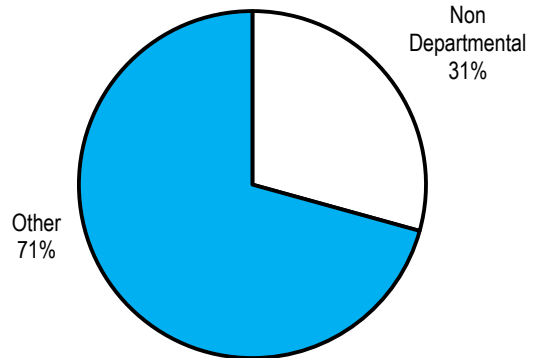


Department total: \$6,477,910

**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 that 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Vehicles/Equipment maintained	70	72	72
Fuel purchased (gallons)	117,606	119,000	119,000
Fuel usage (gallons)**	120,959	121,000	121,000
Average price per gallon (diesel and unleaded)	\$3.24	\$3.60	\$3.85

** 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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 64,203	\$ 66,845	\$ 66,790	\$ 69,320
Operations & maintenance	55,673	97,215	91,405	85,720
Services & other	106,034	144,745	149,605	155,565
SUBTOTAL	225,910	308,805	307,800	310,605
Capital outlay	44,382	-	-	43,000
TOTAL	\$ 270,292	\$ 308,805	\$ 307,800	\$ 353,605

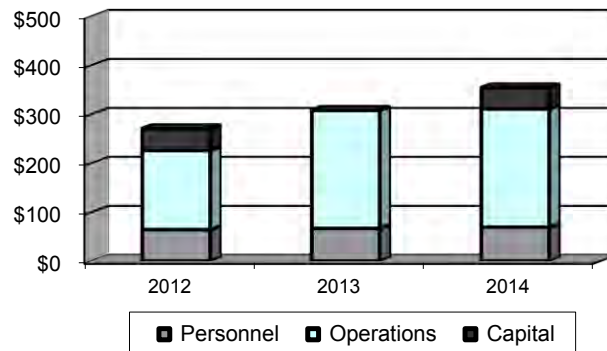
FY2014 highlights: capital outlay includes funding for improvements to the Municipal Service Center; heaters for storage buildings (\$8,000) and parking lot pavement improvements (\$35,000).

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Light Duty Mechanic	TN-7	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0

Municipal Service Center Expenditures

(000's)



FUND:

Water & Wastewater

DEPARTMENT:

Non-Departmental

DIVISION:

General Expenditures

ACCOUNT:

200-790-XX

DEPARTMENT/DIVISION DESCRIPTION:

The Non-Departmental Department reflects expenditures of a general nature, which have not been allocated to specific departments. Included within this activity are budgeted costs for general insurance, debt service and transfers to other funds.

DEPARTMENT/DIVISION GOALS:

FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
General Expenditures

ACCOUNT:
200-790-XX

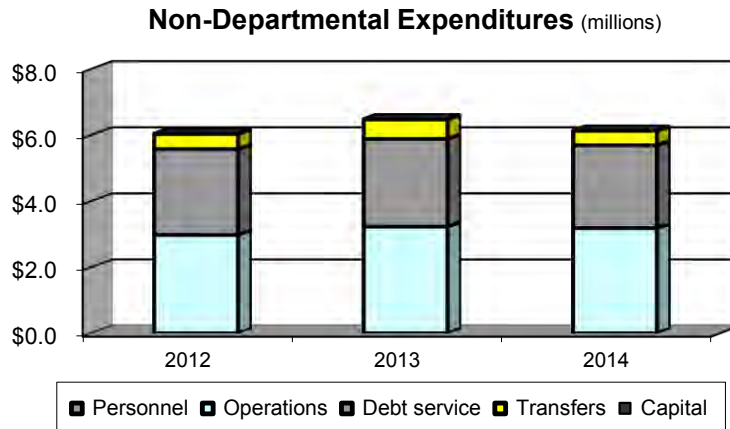
**WATER & WASTEWATER
NON-DEPARTMENTAL / GENERAL EXPENDITURES
DIVISION/ACTIVITY SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	6,284	12,000	10,000	12,000
Services & other	2,970,648	3,295,075	3,217,950	3,168,005
Debt service	2,595,320	2,652,760	2,652,760	2,507,790
Transfers to other funds	457,860	588,210	588,210	436,510
SUBTOTAL	6,030,112	6,548,045	6,468,920	6,124,305
Capital outlay	-	-	-	-
TOTAL	\$ 6,030,112	\$ 6,548,045	\$ 6,468,920	\$ 6,124,305

<u>EXPENDITURES BY DIVISION:</u>				
Debt Service	\$ 2,595,320	\$ 2,652,760	\$ 2,654,830	\$ 2,507,790
Transfers to other funds	457,860	588,210	588,210	436,510
Non-Departmental	2,976,932	3,307,075	3,225,880	3,180,005
TOTAL	\$ 6,030,112	\$ 6,548,045	\$ 6,468,920	\$ 6,124,305

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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.

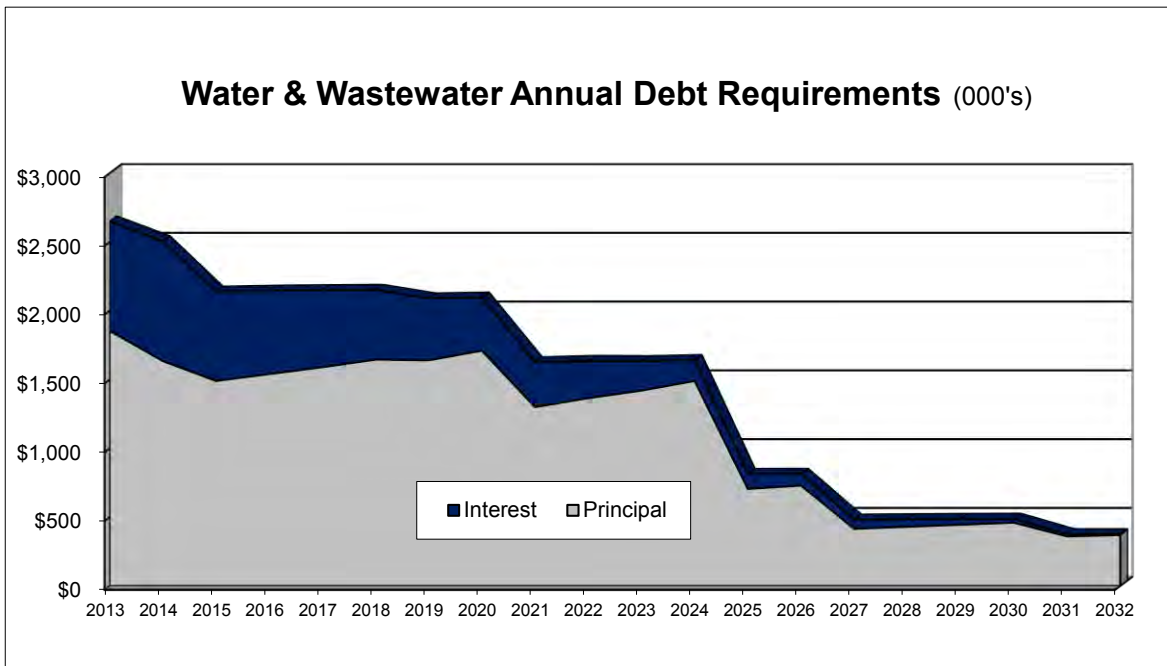
Capital project fund budgets are project-based, not fiscal-year based. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2013 will be re-appropriated into the appropriate project for the 2013-2014 fiscal year.

Water and wastewater capital projects for fiscal years 2013-14 through 2017-18 are provided in the capital improvements section of the document.

**SCHEDULE OF WATER & WASTEWATER FUND DEBT OUTSTANDING
October 1, 2013**

	<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>FY2014 Requirements</u>		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation refunding bonds:								
Series 2004 (1)	2.00 - 4.00	02/2004	02/2014	\$ 440	\$ 20	\$ 20,000	\$ 400	\$ 20,400
Series 2005	3.25 - 4.20	08/2005	02/2020	5,360	2,285	285,000	87,806	372,806
Series 2010A	2.00 - 3.50	04/2010	02/2020	1,290	575	75,000	16,625	91,625
Series 2012	0.30 - 5.00	06/2012	02/2024	7,310	6,820	175,000	287,200	462,200
Combination tax and revenue certificates of obligation:								
Series 2004 (1)	4.00 - 5.00	06/2004	02/2014	11,310	535	535,000	186,324	721,324
Series 2006	4.25 - 4.375	07/2006	02/2026	4,255	3,205	185,000	135,819	320,819
Series 2010	2.00 - 4.25	04/2010	04/2030	1,600	1,445	60,000	56,389	116,389
Series 2012	0.00 - 2.85	02/2012	04/2032	5,835	5,585	250,000	93,665	343,665
Public property finance contractual obligations:								
Series 2013	2.00	08/2013	02/2018	270	270	50,000	5,560	55,560
TOTAL				\$ 37,670	\$ 20,740	\$ 1,635,000	\$ 869,788	\$ 2,504,788

(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
2013-14	\$ 1,635,000	\$ 869,788	\$ 2,504,788	\$ 2,504,788
2014-15	1,490,000	648,160	2,138,160	2,138,160
2015-16	1,540,000	605,134	2,145,134	2,145,134
2016-17	1,590,000	558,855	2,148,855	2,148,855
2017-18	1,645,000	506,589	2,151,589	2,151,589
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	\$ 20,740,000	\$ 5,384,372	\$ 26,124,372	\$ 26,124,372



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.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
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DRAINAGE UTILITY FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 1,477,396	\$ 1,607,827	\$ 2,038,106	\$ 1,302,506
Revenues and transfers	1,520,515	1,550,350	1,549,050	1,570,850
TOTAL FUNDS AVAILABLE	2,997,911	3,158,177	3,587,156	2,873,356

USES/DEDUCTIONS:

Expenditures and transfers out	959,805	1,989,883	2,284,650	1,717,645
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ENDING FUND BALANCE:

Unreserved fund balance	2,038,106	1,168,294	1,302,506	1,155,711
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FUND TOTAL

	\$ 2,997,911	\$ 3,158,177	\$ 3,587,156	\$ 2,873,356
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Excess revenues (expenditures)	560,710	(439,533)	(735,600)	(146,795)
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Unreserved ending fund balance:

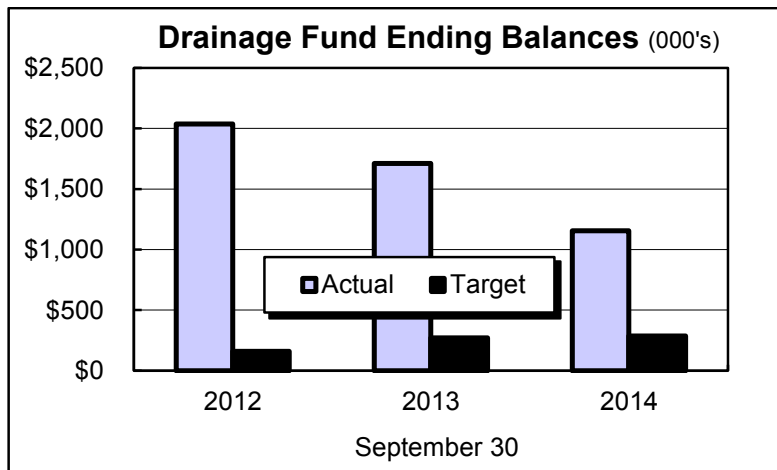
Percent of operating expenditures ⁽¹⁾	212.3%	60.9%	58.8%	67.3%
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TARGET	16.7%	16.7%	16.7%	16.7%
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Number of days operating expenditures	764.4	219.2	211.6	242.2
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TARGET	60.0	60.0	60.0	60.0
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⁽¹⁾ excludes capital outlay and interfund transfers.



FUND:
Drainage Utility

DEPARTMENT:
Drainage Maintenance

DIVISION:
* All Divisions

ACCOUNT:
400-810-XX

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 program.
3. Maintain bridges and box culverts in order to provide proper drainage of storm water.
4. Keep drainage ways clear of debris.
5. Mitigate or eliminate flooding and property damage in the City.
6. Implement channel preventative maintenance program, cleaning 5 miles of channel per year.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Miles of roadside ditches maintained/mowed	118	118	118
Miles of channel maintenance cleaned	5	6	5
Culvert debris removal per rain event	15	15	20
Miles of channels sprayed with herbicide	-	2.75	3.5
Linear feet of curb & gutter replaced	348	700	700

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
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DRAINAGE UTILITY FUND

OPERATING REVENUES:

Drainage fees	\$ 1,506,121	\$ 1,537,000	\$ 1,536,200	\$ 1,560,000
Subtotal	1,506,121	1,537,000	1,536,200	1,560,000

OTHER REVENUE:

Miscellaneous revenue (expense)	(191)	850	850	850
Interest revenue	11,317	7,500	10,000	10,000
Gain (loss) on disposal of assets	3,268	5,000	2,000	-

TOTAL REVENUES	\$ 1,520,515	\$ 1,550,350	\$ 1,549,050	\$ 1,570,850
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EXPENDITURES BY FUNCTION:

Personnel services	\$ 535,583	\$ 551,800	\$ 556,050	\$ 580,135
Operations & maintenance	99,407	93,180	90,525	153,515
Services & other	236,676	370,925	366,335	316,925
Debt service	54,227	54,235	54,230	57,070
Transfers to other funds	-	11,420	11,420	-

SUBTOTAL	925,893	1,081,560	1,078,560	1,107,645
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Capital outlay	-	60,000	57,765	-
Drainage capital improvements	33,912	848,323	1,148,325	610,000

SUBTOTAL	33,912	908,323	1,206,090	610,000
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TOTAL	\$ 959,805	\$ 1,989,883	\$ 2,284,650	\$ 1,717,645
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EXPENDITURES BY DIVISION:

Drainage Maintenance	\$ 707,666	\$ 890,905	\$ 885,675	\$ 865,575
Debt Service	54,227	54,235	54,230	57,070
Drainage Capital Improvements	33,912	848,323	1,148,325	610,000
Intragovernmental Transfers	-	11,420	11,420	-
Non-Departmental	164,000	185,000	185,000	185,000

TOTAL	\$ 959,805	\$ 1,989,883	\$ 2,284,650	\$ 1,717,645
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PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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
Street/Drainage Crewleader	TN-6	1.0	-	-
Equipment Operator	TN-5	3.0	3.0	2.0
Street/Drainage Maint. Worker	TN-2	3.0	3.0	3.0
TOTAL		8.5	8.5	8.5

FY2014 highlights: capital outlay includes funding for Indian Meadows Addition drainage improvements (\$610,000).

KELLER DEVELOPMENT CORPORATION

The Keller Development Corporation (KDC) Fund accounts for proceeds of the ½ cent local sales tax for park and recreation improvements. The KDC budget was unanimously approved by the KDC Board of Directors on July 26, 2013.

KELLER DEVELOPMENT CORPORATION SUMMARY

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 619,841	\$ 688,576	\$ 836,403	\$ 951,298
Revenues and transfers	2,197,165	2,170,100	2,293,850	2,350,885
TOTAL FUNDS AVAILABLE	2,817,006	2,858,676	3,130,253	3,302,183
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	1,980,603	2,367,505	2,178,955	1,855,450
<u>ENDING FUND BALANCE:</u>				
Total fund balance	836,403	491,171	951,298	1,446,733
Reserve for debt service (1)	89,000	89,000	-	-
Reserve for minimum fund balance	182,438	180,191	190,466	293,861
Unassigned fund balance	564,965	221,980	760,832	1,152,872
FUND TOTAL	\$ 2,817,006	\$ 2,858,676	\$ 3,130,253	\$ 3,302,183
Excess revenues (expenditures)	216,562	(197,405)	114,895	495,435

(1) 2005 Sales Tax Revenue Refunding Bonds; bonds retired in FY2013.

Fund balance reserves:

Actual number of days recurring revenues	122.5	66.7	149.3	221.6
TARGET	30.0	30.0	30.0	45.0

FUND:
Keller Development
Corporation

DEPARTMENT:
All Departments

DIVISION:
All Divisions

ACCOUNT:
110-XXX-XX

DEPARTMENT DESCRIPTION:

The Keller Development Corporation was established by Ordinance No. 670 in 1992, levying one-half of 1 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 and three citizens 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. Continue to seek funding opportunities for the development of hike and bike trails which is listed as the No. 1 facility need for outdoor and indoor recreation in accordance with the 2007 Parks, Recreation and Open Space Master Plan.
2. Manage retirement of the debt for The Keller Pointe and The Keller Sports Park.
3. Reserve funds to continue to build over the next year for future projects or land acquisition.
4. Develop a matching funds grant program for development of public park amenities.
5. Construct the Pathways to Play project on Big Bear Creek Greenbelt.

FUND:
Keller Development
Corporation

DEPARTMENT:
All Departments

DIVISION:

ACCOUNT:
110-XXX-XX

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
REVENUES				
<u>SALES TAXES:</u>				
City sales taxes	\$ 2,184,312	\$ 2,157,250	\$ 2,281,000	\$ 2,338,025
Subtotal	2,184,312	2,157,250	2,281,000	2,338,025
<u>MISCELLANEOUS REVENUES:</u>				
Rental revenue	12,000	12,000	12,000	12,000
Interest revenue	853	850	850	860
Subtotal	12,853	12,850	12,850	12,860
TOTAL REVENUES	\$ 2,197,165	\$ 2,170,100	\$ 2,293,850	\$ 2,350,885

EXPENDITURE SUMMARY

EXPENDITURES BY FUNCTION:

Personnel services	\$ 141,111	\$ 81,425	\$ 75,945	\$ -
Operations & maintenance	8,759	24,415	22,270	20,465
Services & other	38,500	46,500	46,925	67,500
Debt service	1,646,185	1,478,810	1,478,700	1,446,205
Transfers to other funds	143,705	123,675	123,675	156,280
SUBTOTAL	1,978,260	1,754,825	1,747,515	1,690,450
Capital outlay	2,343	612,680	431,440	165,000
TOTAL	\$ 1,980,603	\$ 2,367,505	\$ 2,178,955	\$ 1,855,450

EXPENDITURES BY DIVISION:

Keller Sports Park	\$ 188,370	\$ 638,421	\$ 576,580	\$ 252,965
Land Acquisition	2,343	126,599	-	-
Debt Service	1,646,185	1,478,810	1,478,700	1,446,205
Transfers to Other Funds	143,705	123,675	123,675	156,280
TOTAL	\$ 1,980,603	\$ 2,367,505	\$ 2,178,955	\$ 1,855,450

PERSONNEL SUMMARY BY DEPARTMENT

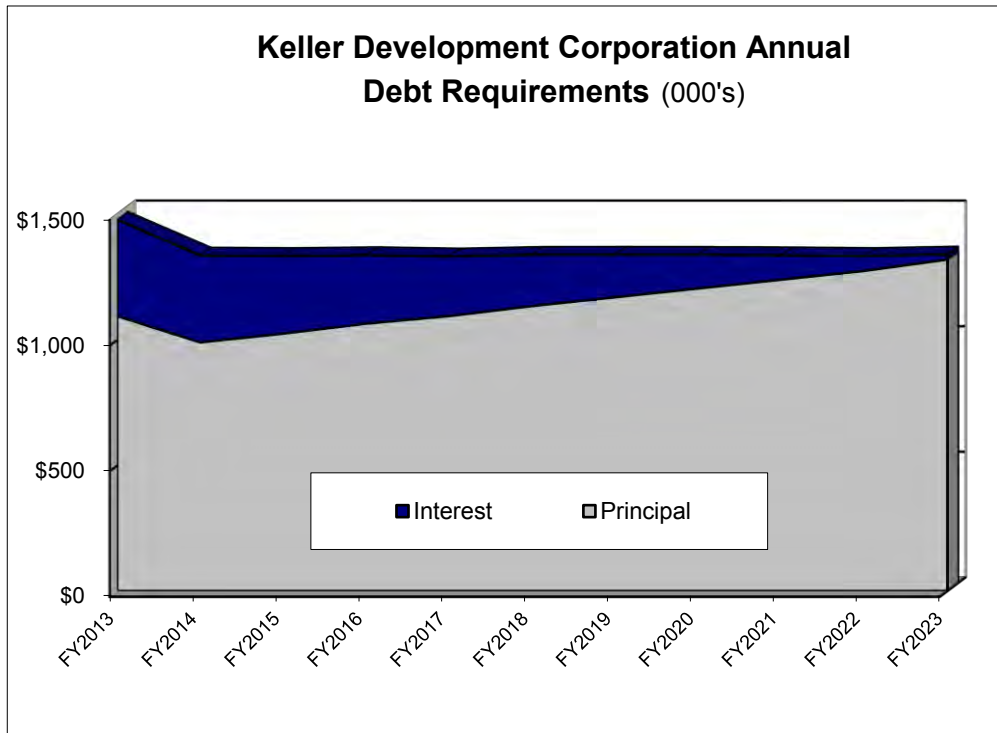
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Parks/Landscape Crewleader	TN-7	-	0.50	-
Parks/Landscape Crewleader	TN-6	1.00	-	-
Parks/Landscape Maintenance Worker	TN-2	1.00	0.50	-
Parks/Landscape Maint Worker (Seasonal)	NA	0.78	0.39	-
TOTAL		2.78	1.39	-

FY2014 highlights: All personnel have been transferred to General Fund. Capital outlay includes funding for park project matching funds grants (\$100,000) and Pathways to Play project improvements (\$65,000).

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

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2014	\$ 990,000.00	\$ 345,600.00	\$ 1,335,600.00	\$ 1,335,600.00
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	\$ 11,520,000.00	\$ 1,843,331.25	\$ 13,363,331.25	\$ 13,363,331.25



**SCHEDULE OF KELLER DEVELOPMENT CORPORATION DEBT REQUIREMENTS
October 1, 2013**

	<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>FY2014 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	\$ 8,545	\$ 35,000	\$ 254,513	\$ 289,513
Combination tax and revenue certificates of obligation: (post refunding)								
Series 2003	3.00% - 4.25%	05/2003	08/2016	18,120	2,975	955,000	91,087	1,046,087
TOTAL				\$ 27,720	\$ 11,520	\$ 990,000	\$ 345,600	\$ 1,335,600

(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>
FY2014	\$ 955,000.00	\$ 91,087.50	\$ 1,046,087.50	\$ 1,046,087.50
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	\$ 2,975,000.00	\$ 164,418.75	\$ 3,139,418.75	\$ 3,139,418.75

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
FY2014	\$ 35,000.00	\$ 254,512.50	\$ 289,512.50	\$ 289,512.50
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	\$ 8,545,000.00	\$ 1,678,912.50	\$ 10,223,912.50	\$ 10,223,912.50

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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance *	\$ 1,181,999	\$ 1,134,113	\$ 1,308,899	\$ 1,010,034
Revenues and transfers	3,043,050	3,178,830	3,174,935	3,154,195
TOTAL FUNDS AVAILABLE	4,225,049	4,312,943	4,483,834	4,164,229
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	2,916,150	3,474,370	3,473,800	3,150,211
<u>ENDING FUND BALANCE: *</u>				
Unreserved fund balance *	1,308,899	838,573	1,010,034	1,014,018
FUND TOTAL	\$ 4,225,049	\$ 4,312,943	\$ 4,483,834	\$ 4,164,229
Excess revenues (expenditures)	126,900	(295,540)	(298,865)	3,984

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

REVENUES

OPERATING REVENUES:

Daily pass revenue	\$ 199,148	\$ 213,850	\$ 208,840	\$ 216,000
Annual pass sales	1,806,645	1,811,000	1,838,450	1,861,000
Employee pass revenue	87,861	86,700	86,700	86,700
Employee dependent pass revenue	18,409	18,300	18,300	18,300
Private party revenues	123,760	137,500	123,755	125,000
Concessions	43,347	27,000	42,490	40,600
Merchandise sales-general	1,704	1,500	1,325	1,500
Merchandise sales-aquatics	7,447	13,390	13,390	13,390
Outdoor concessions	48,195	85,000	61,600	61,600
Outdoor merchandise sales	1,727	4,000	2,340	3,025
Stay 'N Play revenue	14,532	13,000	13,000	13,000
Aquatics Program revenues	136,012	142,450	146,950	142,450
Fitness Program revenues	122,937	151,240	100,000	12,000
Group exercise revenue	4,312	4,345	4,020	4,560
Personal training revenues	102,957	104,000	91,820	106,000
Recreation Programs revenues	231,244	270,500	316,330	343,400
Facility rentals	49,362	44,000	51,015	51,015
Gymnasium rentals	5,267	3,100	6,260	4,700
Pool rentals	18,345	29,415	29,465	29,465
Subtotal	3,023,211	3,160,290	3,156,050	3,133,705

OTHER REVENUE:

Interest earnings	6,904	1,800	4,295	4,300
Miscellaneous grants & donations	3,450	6,400	6,400	8,000
Gain (loss) on disposal of assets	–	2,800	–	–
Miscellaneous revenue (expense)	9,485	7,540	8,190	8,190
Subtotal	19,839	18,540	18,885	20,490

TOTAL REVENUES AND TRANSFERS **\$ 3,043,050** **\$ 3,178,830** **\$ 3,174,935** **\$ 3,154,195**

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 and 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:

1. Implement a new membership fee structure starting February 1st, 2014, marketing the changes through a last chance sale for 2013 prices. The current Annual Sale and Spring sale will be removed per recommendations of the 2012 Keller Pointe Operational Audit.
2. Achieve and maintain an annual member base of 3,500 passes
3. Increase new members while maintaining current members by developing programs, activities and events that keep members involved while maintaining a member attrition rate at 30% or less.
4. Ensure membership retention and growth by rewarding membership with program discounts in accordance with our program pricing structure.
5. Increase recreation program registration through innovative and creative programming and activities.
6. Retain loyal guests and attract new individuals and businesses by providing quality customer service that exceeds expectations resulting in a customer satisfaction survey rating of 90%.
7. Develop knowledgeable and helpful staff through the Pointes of Excellence Training.
8. Inspire healthy lifestyles, showcasing local businesses and organizations, providing citizens and members a quality recreation experience and spotlighting The Keller Pointe amenities by hosting a minimum of five special events annually.
9. Foster partnerships with civic groups, businesses and foundations that align with our core values.
10. Enhance communication regarding 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		
	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2013 PROJECTED
Completed surveys	593	550	650
Recreation programs provided (class list)	100	145	170
Leagues provided	19	19	20
Special events provided	11	14	15
Group exercise classes offered	3,012	2,808	2,704
Number of partnerships developed	20	19	22
Number of annual members	3,505	3,750	3,800
Annual attendance (day pass & member visits)	280,924	281,000	290,000
Recreation program participants (attendance)	3,372	3,676	3,707
League participants:			
Teams	59	59	60
Participants	695	891	900
Special event attendance	2,909	2,780	3,000
Facility rentals/birthday parties	1,008	965	1,000
Group exercise attendance	31,346	34,093	35,150
Partnership dollars generated	\$3,450	\$6,400	\$6,400
 <u>PERFORMANCE INDICATORS</u>			
Survey satisfaction rating (five-point scale)	N/A	4.05	4.50
Member attrition rate	37%	35%	35%

**THE KELLER POINTE
DEPARTMENT SUMMARY**

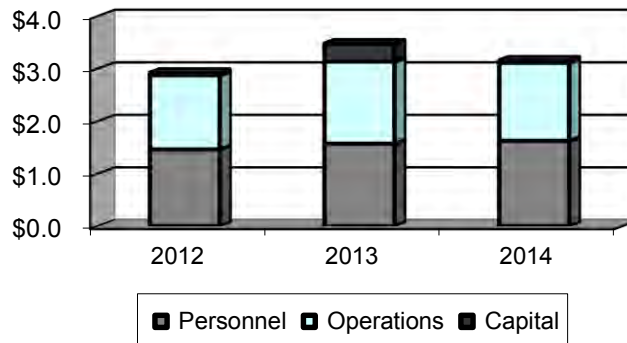
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 1,461,566	\$ 1,573,570	\$ 1,571,210	\$ 1,627,245
Operations & maintenance	420,685	435,790	432,645	399,515
Services & other	996,622	1,130,010	1,134,945	1,088,451
SUBTOTAL	2,878,873	3,139,370	3,138,800	3,115,211
Capital outlay	37,277	335,000	335,000	35,000
TOTAL	\$ 2,916,150	\$ 3,474,370	\$ 3,473,800	\$ 3,150,211

<u>EXPENDITURES BY ACTIVITY</u>				
Administration	\$ 928,232	\$ 1,351,265	\$ 1,374,320	\$ 1,098,892
Aquatics	488,621	495,610	466,845	465,929
Fitness Programs	404,848	366,515	367,115	280,435
Recreation Programs	340,120	388,990	396,195	442,750
Facility Operations & Maintenance	444,147	531,450	545,850	541,675
Customer Services	258,564	258,105	267,790	274,940
Outdoor Concessions	51,618	82,435	55,685	45,590
TOTAL	\$ 2,916,150	\$ 3,474,370	\$ 3,473,800	\$ 3,150,211

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	4.75	5.75	6.00
Aquatics	17.19	16.51	17.40
Fitness Programs	3.01	3.00	2.94
Recreation Programs	9.07	9.07	10.76
Facility Operations & Maintenance	1.00	1.00	1.00
Customer Services	11.54	9.10	9.00
Outdoor Concessions	-	2.30	1.30
TOTAL	46.56	46.73	48.40

**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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 347,912	\$ 357,465	\$ 399,255	\$ 426,800
Operations & maintenance	40,741	53,900	48,500	52,600
Services & other	531,727	604,900	591,565	584,492
SUBTOTAL	920,380	1,016,265	1,039,320	1,063,892
Capital outlay	7,852	335,000	335,000	35,000
TOTAL	\$ 928,232	\$ 1,351,265	\$ 1,374,320	\$ 1,098,892

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Recreation Manager	PE-9	1.00	1.00	1.00
Assistant Manager/Accounting	PE-6	1.00	1.00	1.00
Administrative Secretary	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
Accounting Assistant	A/TN-6	0.75	0.75	1.00
TOTAL		4.75	5.75	6.00

FY2013 highlights: capital outlay provides funding for construction of a splash pad. FY2014 capital outlay funding is provided for equipment replacement.

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

AQUATICS

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 390,720	\$ 418,740	\$ 393,645	\$ 387,180
Operations & maintenance	64,737	53,100	54,270	57,900
Services & other	20,259	23,770	18,930	20,849
SUBTOTAL	475,716	495,610	466,845	465,929
Capital outlay	12,905	-	-	-
TOTAL	\$ 488,621	\$ 495,610	\$ 466,845	\$ 465,929

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Aquatics Supervisor	PE-4	1.00	1.00	1.00
Assistant Aquatics Supervisor	A/TN-5	1.00	-	-
Head Lifeguard	RCS-3	3.98	4.00	4.05
Lifeguard	RCS-2	10.73	11.03	11.87
Water Safety Instructor	RCS-4	0.48	0.48	0.48
TOTAL		17.19	16.51	17.40

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

FITNESS PROGRAMS

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
Personnel services	\$ 161,971	\$ 185,805	\$ 186,405	\$ 181,235
Operations & maintenance	97,868	40,000	40,000	16,500
Services & other	145,009	140,710	140,710	82,700
SUBTOTAL	404,848	366,515	367,115	280,435
Capital outlay	-	-	-	-
TOTAL	\$ 404,848	\$ 366,515	\$ 367,115	\$ 280,435

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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	1.01	1.00	0.94
TOTAL		3.01	3.00	2.94

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

RECREATION PROGRAMS

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 228,245	\$ 248,240	\$ 232,525	\$ 264,560
Operations & maintenance	–	3,200	1,800	1,800
Services & other	111,875	137,550	161,870	176,390
SUBTOTAL	340,120	388,990	396,195	442,750
Capital outlay	–	–	–	–
TOTAL	\$ 340,120	\$ 388,990	\$ 396,195	\$ 442,750

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Recreation Supervisor	PE-3	1.00	1.00	1.00
Assistant Recreation Supervisor	A/TN-5	1.00	1.00	1.00
Camp Counselor	RCS-2	2.13	2.13	3.83
Maintenance Assistant	RCS-4	–	–	0.54
Athletic Assistant (seasonal)	RCS-1	1.06	1.06	1.01
Childcare Attendant	RCS-1	3.88	3.88	3.38
TOTAL		9.07	9.07	10.76

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

FACILITY MAINTENANCE

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 83,298	\$ 82,990	\$ 98,890	\$ 102,405
Operations & maintenance	157,013	226,090	226,090	216,500
Services & other	187,316	222,370	220,870	222,770
SUBTOTAL	427,627	531,450	545,850	541,675
Capital outlay	16,520	-	-	-
TOTAL	\$ 444,147	\$ 531,450	\$ 545,850	\$ 541,675

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Building Operations Supervisor	TN-11	-	1.0	1.0
Building Operations Supervisor	TN-10	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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
Personnel services	\$ 222,697	\$ 239,820	\$ 235,680	\$ 241,625
Operations & maintenance	35,431	18,050	31,785	32,540
Services & other	436	235	325	775
SUBTOTAL	258,564	258,105	267,790	274,940
Capital outlay	-	-	-	-
TOTAL	\$ 258,564	\$ 258,105	\$ 267,790	\$ 274,940

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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	6.31	7.10	7.00
Concession Stand Attendant	RCS-1	3.23	-	-
TOTAL		11.54	9.10	9.00

FUND: The Keller Pointe (Recreation & Aquatic Center) **DEPARTMENT:** The Keller Pointe (Recreation & Aquatic Center) **DIVISION:** Outdoor Concessions **ACCOUNT:** 125-650-07

OUTDOOR CONCESSIONS

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 26,723	\$ 40,510	\$ 24,810	\$ 23,440
Operations & maintenance	24,895	41,450	30,200	21,675
Services & other	-	475	675	475
SUBTOTAL	51,618	82,435	55,685	45,590
Capital outlay	-	-	-	-
TOTAL	\$ 51,618	\$ 82,435	\$ 55,685	\$ 45,590

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Concession Stand Attendant	RCS-1	-	2.30	1.30
TOTAL		-	2.30	1.30

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.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
INFORMATION SERVICES FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 544,319	\$ 532,844	\$ 647,291	\$ 659,221
Revenues and transfers	1,504,645	1,807,960	1,659,150	1,655,760
TOTAL FUNDS AVAILABLE	2,048,964	2,340,804	2,306,441	2,314,981
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	1,401,673	1,662,470	1,647,220	1,792,640
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	647,291	678,334	659,221	522,341
FUND TOTAL	\$ 2,048,964	\$ 2,340,804	\$ 2,306,441	\$ 2,314,981
Excess revenues (expenditures)	102,972	145,490	11,930	(136,880)

REVENUES

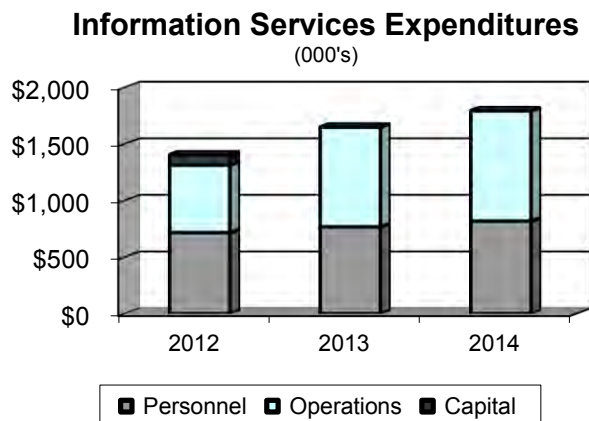
<u>OPERATING REVENUES:</u>				
Information services fees-City	\$ 1,152,060	\$ 1,466,560	\$ 1,319,900	\$ 1,305,750
General Fund lease revenue	237,405	224,550	224,550	235,870
Water/Wastewater Fund lease revenue	31,405	32,035	32,045	30,740
Drainage Utility Fund lease revenue	3,735	3,345	3,345	3,355
The Keller Pointe lease revenue	24,000	22,970	23,010	23,545
Communication tower rental fees	51,417	52,500	51,500	51,500
Subtotal	1,500,022	1,801,960	1,654,350	1,650,760
<u>OTHER REVENUE:</u>				
Interest earnings	4,559	6,000	4,800	5,000
Miscellaneous revenue (expense)	64	-	-	-
Subtotal	4,623	6,000	4,800	5,000
TOTAL REVENUES AND TRANSFERS	\$ 1,504,645	\$ 1,807,960	\$ 1,659,150	\$ 1,655,760

INFORMATION SERVICES FUND COMBINED EXPENDITURES

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 715,899	\$ 780,905	\$ 766,995	\$ 818,025
Operations & maintenance	422,038	625,990	625,990	714,450
Services & other	173,738	255,575	254,235	260,165
SUBTOTAL	1,311,675	1,662,470	1,647,220	1,792,640
Capital outlay	89,998	-	-	-
TOTAL	\$ 1,401,673	\$ 1,662,470	\$ 1,647,220	\$ 1,792,640
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,263,590	\$ 1,459,210	\$ 1,463,260	\$ 1,571,445
Geographic Information Services	138,083	203,260	183,960	221,195
TOTAL	\$ 1,401,673	\$ 1,662,470	\$ 1,647,220	\$ 1,792,640

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Administration	6.0	6.0	6.0
Geographic Information Services	1.0	2.0	2.0
TOTAL	7.0	8.0	8.0



FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

DEPARTMENT/DIVISION DESCRIPTION:

The Information Services Administration division is under the general direction of the Deputy City Manager and 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, web site development/maintenance, 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 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:
 - 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.
 - 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.
 - 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. Constantly improve the City of Keller's website by creating consistency in the appearance and functionality of all City- and department-specific websites and also enhance the economic development focus of the website.

(continued)

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

(Continued)

DEPARTMENT/DIVISION GOALS:

11. Provide clear and accurate communication related to key City services, programs, events and news to foster an engaged and informed citizenry.
12. Continually review communication tools and advancements in technology and respond to the needs of our citizens by fostering open, responsive and accessible communications.
13. Maintain the City's cable television channel to provide quality programming that informs and educates Keller citizens about city-related news.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Application/file/storage servers supported/maintained*	31	32	32
Desktop/laptop computers supported/maintained	302	302	320
Public Safety Mobile Data Computers (MDC) supported	28	29	30
Network / local printers supported/maintained	94	90	80
Telephone handsets supported/maintained	312	312	308
Network equipment/devices supported/maintained	50	46	52
Multi-function copy machines supported	14	14	14
Scanners supported/maintained	23	41	43
Tablet computers supported	6	28	32
Video security cameras supported/maintained	85	101	170

*Information Services maintains thirty-one (31) physical servers as follows:

- Six (6) physical virtual servers that host fifty seven (57) virtual servers
- Six (6) storage area network servers
- Three (3) 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
- One (1) backup servers
- Two (2) web servers
- Seven (7) database/application servers

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

**INFORMATION SERVICES FUND
ADMINISTRATION EXPENDITURES**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 629,065	\$ 634,115	\$ 639,505	\$ 663,210
Operations & maintenance	401,013	603,690	603,690	683,300
Services & other	143,514	221,405	220,065	224,935
SUBTOTAL	1,173,592	1,459,210	1,463,260	1,571,445
Capital outlay	89,998	-	-	-
TOTAL	\$ 1,263,590	\$ 1,459,210	\$ 1,463,260	\$ 1,571,445

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Information Services Director	M-3	1.0	1.0	1.0
Information Services Administrator	PE-9	1.0	1.0	1.0
Information Services Network Analyst	PE-7	1.0	1.0	1.0
Information Services Systems Analyst	PE-7	1.0	1.0	1.0
IS Communications Specialist	PE-6	1.0	1.0	1.0
Information Services Technician	A/TN-9	1.0	1.0	1.0
TOTAL		6.0	6.0	6.0

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Geographic Information
Systems

ACCOUNT:
119-180-19

DEPARTMENT/DIVISION DESCRIPTION:

The Geographic Information Systems (GIS) division is under the general direction of the Deputy City Manager and Information Services Director. GIS provides geographic information and geographic data management services to all City departments. The City's GIS operates to help analyze city infrastructure and assist citizens and employees in making informed decisions regarding existing conditions and future needs. The GIS division supports Property Assessment, Public Safety, Economic Development, Permitting, Capital Improvements, Environment, Transportation, Public Works Asset Management and many other issues related to city government. Specific services include software and data needs analysis, software support, data analysis, data conversion, map production, interactive map webpages 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 in complying 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>2011-2012 ACTUAL</u>	<u>2012-2013 ESTIMATE</u>	<u>2013-2014 PROJECTED</u>
Intranet GIS users	40	50	50
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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 86,834	\$ 146,790	\$ 127,490	\$ 154,815
Operations & maintenance	21,025	22,300	22,300	31,150
Services & other	30,224	34,170	34,170	35,230
SUBTOTAL	138,083	203,260	183,960	221,195
Capital outlay	-	-	-	-
TOTAL	\$ 138,083	\$ 203,260	\$ 183,960	\$ 221,195

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
GIS Coordinator	PE-8	1.0	1.0	1.0
GIS Technician	A/TN-9	-	1.0	1.0
TOTAL		1.0	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.

2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
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LIBRARY SPECIAL REVENUE FUND SUMMARY

RESOURCES:

Total beginning fund balance	\$ 60,436	\$ 54,461	\$ 78,478	\$ 93,063
Revenues and transfers	26,035	23,100	25,725	53,300
TOTAL FUNDS AVAILABLE	86,471	77,561	104,203	146,363

USES/DEDUCTIONS:

Expenditures and transfers out	7,993	32,050	11,140	135,820
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ENDING FUND BALANCE:

Unassigned fund balance	78,478	45,511	93,063	10,543
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FUND TOTAL

\$ 86,471	\$ 77,561	\$ 104,203	\$ 146,363
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Excess revenues (expenditures)	18,042	(8,950)	14,585	(82,520)
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REVENUES

MISCELLANEOUS REVENUES:

Utility Bill Donations	\$ 10,674	\$ 11,250	\$ 9,825	\$ 8,000
Library Donations	10,884	8,500	12,500	12,000
Non-resident fees	4,027	3,000	3,000	3,000
Interest earnings	450	350	400	300
Friends of the Library donations	-	-	-	30,000
TOTAL REVENUES	\$ 26,035	\$ 23,100	\$ 25,725	\$ 53,300

LIBRARY SPECIAL REVENUE FUND

EXPENDITURE SUMMARY

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	5,993	30,550	4,485	-
Services & other	2,000	1,500	6,655	-
SUBTOTAL	7,993	32,050	11,140	-
Capital outlay	-	-	-	135,820
TOTAL	\$ 7,993	\$ 32,050	\$ 11,140	\$ 135,820
<u>EXPENDITURES BY ACTIVITY:</u>				
Library Services	\$ 7,993	\$ 32,050	\$ 11,140	\$ 135,820
TOTAL	\$ 7,993	\$ 32,050	\$ 11,140	\$ 135,820

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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No personnel funding is provided in this Fund.

FY2014 highlights: capital outlay funding is provided for a radio frequency identification (RFID) system for the Keller Library, to automate the check-in/check-out process for library patrons.

RECREATION SPECIAL REVENUE FUND

The Recreation Special Revenue Fund accounts for specific revenues and fees resulting from the operations of the City recreation program and their related costs.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
RECREATION SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 86,391	\$ 174,751	\$ 90,677	\$ 55,787
Revenues and transfers	135,516	158,915	621,290	160,900
TOTAL FUNDS AVAILABLE	221,907	333,666	711,967	216,687
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	131,230	251,320	656,180	164,325
<u>ENDING FUND BALANCE:</u>				
Total fund balance	90,677	82,346	55,787	52,362
Assigned for:				
Rock the Park	17,019	24,245	17,319	18,119
Tree restoration	19,779	15,690	19,779	19,779
Unassigned fund balance	53,879	42,411	18,689	14,464
FUND TOTAL	\$ 221,907	\$ 333,666	\$ 711,967	\$ 216,687
Excess revenues (expenditures)	4,286	(92,405)	(34,890)	(3,425)

REVENUES

<u>RECREATION PROGRAMS REVENUE:</u>				
Texas Amateur Athletic Foundation (TAAF):				
Swimming revenue	\$ 35,260	\$ 37,000	\$ 32,000	\$ 32,000
Daddy/daughter sweetheart ball	6,176	6,300	7,395	6,700
Halloween haunted trail revenue	5,021	4,800	5,870	5,600
Holly Days in the Park revenue	4,557	3,000	4,955	4,400
Rock the Park revenue	14,161	29,000	30,500	30,500
Mother/son ice cream social revenue	1,008	1,300	1,400	1,400
Keller family campout revenue	1,892	2,100	2,145	1,750
Easter event revenue	1,300	1,300	1,885	2,100
Spooky-Kooky-Keller-Kastle revenue	1,672	1,000	800	1,250
Family fun films revenue	448	1,000	3,100	3,100
Fishing event revenue	346	500	1,000	1,100
Recreation program revenue	7,194	8,000	12,000	12,950
Senior Services program revenue	31,777	34,500	27,050	26,100
TOTAL RECREATION REVENUES	\$ 110,812	\$ 129,800	\$ 130,100	\$ 128,950

(Continued)

**RECREATION SPECIAL REVENUE FUND
REVENUES**

(Continued)

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	\$ 699	\$ 400	\$ 550	\$ 550
Miscellaneous park donations	500	2,250	8,365	2,250
Grant revenue-Pathways to Play	-	715	391,620	-
Ticket sales revenue	1,117	1,800	1,100	1,000
Concerts in the Park revenue	6,027	5,100	5,475	5,500
Utility bill donation revenue	10,675	11,000	9,825	8,000
Recreation donations	343	500	1,805	2,000
Senior Services donations	3,468	3,000	800	10,800
Veteran's Memorial donations	375	350	150	350
Tree preservation fines/fees	1,500	4,000	1,500	1,500
TOTAL MISCELLANEOUS REVENUES	24,704	29,115	421,190	31,950
<u>INTERGOVERNMENTAL:</u>				
Tarrant County	-	-	70,000	-
TOTAL OTHER RESOURCES	-	-	70,000	-
TOTAL REVENUES	\$ 135,516	\$ 158,915	\$ 621,290	\$ 160,900

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-XXX-XX

DEPARTMENT DESCRIPTIONS:

Recreation Programs:

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:

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 24 percent of the funding for special events is supported by the General Fund for the community Trash-Off events (2), MasterWorks Music Series (5), a volunteer reception and a portion of Holly Days in addition to city staff. The remaining 76 percent is generated through the 50-cent water bill donations, community partner donations/sponsorships, grants and fees.

Concerts in the Park:

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 interests.
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:
 - Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - Maintaining and promoting an active and rewarding volunteer program.
 - 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		
	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 PROJECTED
Special events provided annually	27	27	27
Recreation program volunteers	745	760	775
Recreation leagues provided	8	8	8
Recreation league participants	183	205	210
Recreation leagues provided at Keller Independent School District facilities	1	1	1
Recreation program volunteer hours	2,215	2,269	2,382
Recreation partnership dollars generated	\$21,100	\$29,270	\$30,734
Special events guests	20,340	38,441	40,363
Number of special event partnerships developed	69	150	163
Number of senior partnerships offered	-	5	5
Senior special event participants	89	155	160
Annual Senior Services programs provided	218	230	240
Senior Center special events offered	2	4	4
Senior Center annual attendance	7,500	7,500	8,000
Senior Services program annual attendance	2,762	3,238	3,300
Senior trips offered	27	20	30
Senior Center trip participants	418	342	500

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-XXX-XX

**RECREATION SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ -	\$ -	\$ -	\$ 1,110
Operations & maintenance	65,123	74,915	69,865	70,565
Services & other	66,107	81,400	84,315	92,650
SUBTOTAL	131,230	156,315	154,180	164,325
Capital outlay	-	95,005	502,000	-
TOTAL	\$ 131,230	\$ 251,320	\$ 656,180	\$ 164,325
<u>EXPENDITURES BY PROGRAM:</u>				
Senior Services Programs	\$ 41,765	\$ 99,705	\$ 108,300	\$ 46,610
Recreation Programs	40,988	41,315	44,765	49,465
Special Events	37,985	53,500	50,670	54,250
Grant and Donation Projects	-	46,250	441,915	3,750
Memorial Park Expenditures	150	650	630	350
Concerts in the Park	10,342	9,900	9,900	9,900
TOTAL	\$ 131,230	\$ 251,320	\$ 656,180	\$ 164,325

FY2013 highlights: funding is provided in the FY2013 Estimate for the Pathways to Play private grant project.

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

DEPARTMENT / DIVISION	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
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FY2014 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.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
MUNICIPAL COURT SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 216,700	\$ 132,395	\$ 191,390	\$ 103,540
Revenues and transfers	95,148	95,550	90,650	93,400
TOTAL FUNDS AVAILABLE	311,848	227,945	282,040	196,940
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	120,458	185,581	178,500	89,065
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	191,390	42,364	103,540	107,875
FUND TOTAL	\$ 311,848	\$ 227,945	\$ 282,040	\$ 196,940
Excess revenues (expenditures)	(25,310)	(90,031)	(87,850)	4,335

REVENUES

<u>MISCELLANEOUS REVENUES:</u>				
Technology fees	\$ 27,075	\$ 29,000	\$ 26,350	\$ 29,000
Building security fees	20,315	19,500	19,500	19,500
School crossing fees	9,003	8,500	7,800	8,250
Teen Court fees	2,260	1,800	1,650	1,800
Juvenile Case Manager fees	33,725	34,500	32,850	32,500
Interest earnings	2,770	2,250	2,500	2,350
TOTAL REVENUES	\$ 95,148	\$ 95,550	\$ 90,650	\$ 93,400

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**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 65,144	\$ 2,530	\$ -	\$ -
Operations & maintenance	23,767	146,790	146,590	28,000
Services & other	9,868	36,261	31,910	61,065
SUBTOTAL	98,779	185,581	178,500	89,065
Capital outlay	21,679	-	-	-
TOTAL	\$ 120,458	\$ 185,581	\$ 178,500	\$ 89,065
<u>EXPENDITURES BY DIVISION:</u>				
Building Security Account	\$ 13,825	\$ 28,110	\$ 25,580	\$ 22,360
Technology Account	43,046	121,210	121,010	28,050
Juvenile Case Manager Account	57,003	26,261	26,260	28,655
School Crossing Guard Account	6,584	10,000	5,650	10,000
TOTAL	\$ 120,458	\$ 185,581	\$ 178,500	\$ 89,065

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 BUDGET
Juvenile Case Manager	ATN/6	1.0	-	-
TOTAL		1.0	-	-

The Juvenile Case Manager position for FY2013 was eliminated due to the Colleyville-Keller Municipal Court Merger. Juvenile Case Manager activities are conducted by the Colleyville-Keller Municipal Court.

**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.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
CABLE FRANCHISE SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 2,904	\$ 112,595	\$ 146,596	\$ 252,896
Revenues and transfers	146,501	116,750	122,300	122,900
TOTAL FUNDS AVAILABLE	149,405	229,345	268,896	375,796
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	2,809	32,500	16,000	115,000
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	146,596	196,845	252,896	260,796
FUND TOTAL	\$ 149,405	\$ 229,345	\$ 268,896	\$ 375,796
Excess revenues (expenditures)	143,692	84,250	106,300	7,900
REVENUES				
<u>FRANCHISE REVENUES:</u>				
Franchise fees - Verizon	\$ 80,776	\$ 55,000	\$ 90,000	\$ 90,000
Franchise fees - TV Cable	10,696	12,000	10,500	10,000
Franchise fees - AT&T	11,593	8,000	15,000	12,000
Franchise fees - One Source	43,168	41,000	6,000	10,000
Subtotal	146,233	116,000	121,500	122,000
<u>MISCELLANEOUS REVENUES:</u>				
Interest revenue	268	750	800	900
Subtotal	268	750	800	900
TOTAL REVENUES	\$ 146,501	\$ 116,750	\$ 122,300	\$ 122,900

FUND:
Cable Franchise Special
Revenue

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
116-100-01

CABLE FRANCHISE SPECIAL REVENUE FUND

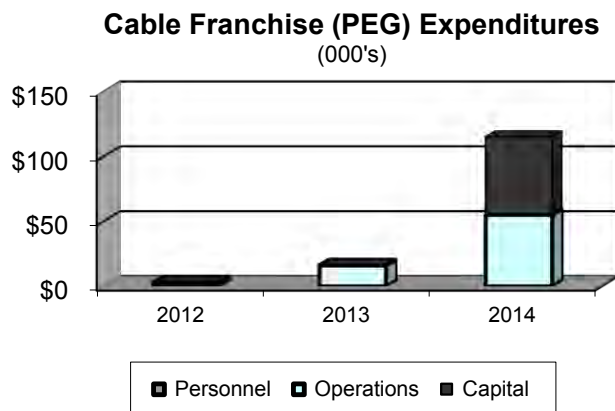
	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	25,000	12,500	55,000
Services & other	-	7,500	3,500	-
Transfers to other funds	2,809	-	-	-
SUBTOTAL	2,809	32,500	16,000	55,000
Capital outlay	-	-	-	60,000
TOTAL	\$ 2,809	\$ 32,500	\$ 16,000	\$ 115,000

FY2014 highlights: capital outlay funding is provided for audio/visual upgrades for the City Council Chamber and Pre-Council Work Session meeting room.

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

POSITION TITLE	PAY CLASS	2011-2012 ACTUAL	2012-2013 ESTIMATE	2013-2014 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.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 3,446,792	\$ 9,919,698	\$ 9,882,964	\$ 2,701,504
<u>REVENUES:</u>				
City sales taxes	970,696	950,000	1,030,000	1,030,000
Interest revenue	34,577	7,500	7,500	7,500
Debt Issuance	6,400,000	-	-	-
Miscellaneous revenue	16,316	12,500	12,500	12,500
Intergovernmental revenue:				
Southlake	-	-	-	11,000
Colleyville	-	-	-	9,000
TOTAL REVENUES	7,421,589	970,000	1,050,000	1,070,000
TOTAL FUNDS AVAILABLE	10,868,381	10,889,698	10,932,964	3,771,504
<u>EXPENDITURES:</u>				
Administration/Accreditation	\$ 9,928	\$ 8,200	\$ 8,200	\$ 8,400
Facility Improvements-CIP (1)	668,852	1,536,335	991,970	262,000
Facility Improvements-2012A CO's	(1,925)	6,386,823	6,401,925	-
Furniture/Fixtures/Equipment Replacement-CIP (1)	53,000	11,300	11,300	30,500
Technology Improvements	59,047	91,200	91,200	71,150
Police Operations	196,515	200,690	200,690	186,940
Debt Service	-	526,175	526,175	526,000
TOTAL EXPENDITURES	985,417	8,760,723	8,231,460	1,084,990
<u>ENDING FUND BALANCE:</u>				
Total fund balance	9,882,964	2,128,975	2,701,504	2,686,514
Assigned for capital improvements:				
Jail expansion (1)	2,181,987	474,987	1,690,017	1,428,017
Furniture, fixtures & equipment (1)	792,928	945,439	969,546	1,119,046
2012A CO's	6,401,925	-	-	-
Unassigned fund balance	506,124	708,549	41,941	139,451
FUND TOTAL	\$ 10,868,381	\$ 10,889,698	\$ 10,932,964	\$ 3,771,504
Excess revenues (expenditures)	6,436,172	(7,790,723)	(7,181,460)	(14,990)

(1) CIP - cumulative funds reserved for future capital improvements.

FY2014 highlights: funding is provided for routine replacement of departmental vehicles and related vehicle accessories (\$186,940); facility improvements (\$262,000); furniture, fixtures and equipment replacement (\$30,500); technology improvements (\$71,150); debt service for facility expansion (\$526,000); and accreditation fees (\$8,400).

**KELLER CRIME CONTROL PREVENTION DISTRICT
SUMMARY SCHEDULE OF DEBT REQUIREMENTS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2012**

Date	Principal Due	Coupon	Interest Due	Total Principal & Interest	Fiscal Year Total
02/15/2014	\$ 320,000.00	2.00%	\$ 103,725.00	\$ 423,725.00	
08/15/2014	-	2.00%	100,525.00	100,525.00	
09/30/2014	320,000.00		204,250.00	524,250.00	\$ 524,250.00
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	\$ 5,725,000.00		\$ 1,642,325.00	\$ 7,367,325.00	\$ 7,367,325.00

Original amount issued: \$6,000,000

Purpose: Police Department facility renovations, including a new holding facility and animal shelter/adoption center.

COMMUNITY CLEAN-UP FUND

The purpose of this program is to provide public services that assist in keeping the City of Keller free and clear of any debris, waste, refuse or other items that may cause a public safety issue, be a public nuisance or be a detriment to the aesthetics of the community. Funded through a monthly fee assessed on residential customers, this program provides for clean-up programs within the community including, but not limited to, storm debris pick-up, city-wide clean-ups and educational and promotional activities.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 29,830	\$ 31,680	\$ 60,050	\$ 63,700
<u>REVENUES:</u>				
Solid waste/garbage fees	31,406	30,000	31,850	31,950
Interest earnings	345	350	300	350
TOTAL REVENUES AND TRANSFERS	31,751	30,350	32,150	32,300
TOTAL FUNDS AVAILABLE	61,581	62,030	92,200	96,000
<u>EXPENDITURES:</u>				
Personnel services	-	-	-	-
Operations & maintenance	-	2,000	1,000	2,000
Services & other	1,531	28,000	27,500	28,000
SUBTOTAL	1,531	30,000	28,500	30,000
Capital outlay	-	-	-	-
TOTAL EXPENDITURES & TRANSFERS	1,531	30,000	28,500	30,000
ENDING BALANCE	\$ 60,050	\$ 32,030	\$ 63,700	\$ 66,000
Excess revenues (expenditures)	30,220	350	3,650	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.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 487,536	\$ 327,950	\$ 437,302	\$ 544,232
Revenues and transfers	5,832,356	5,481,565	5,481,565	5,563,390
TOTAL FUNDS AVAILABLE	6,319,892	5,809,515	5,918,867	6,107,622
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	5,882,590	5,374,635	5,374,635	5,652,870
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	437,302	434,880	544,232	454,752
FUND TOTAL	\$ 6,319,892	\$ 5,809,515	\$ 5,918,867	\$ 6,107,622
Excess revenues (expenditures)	(50,234)	106,930	106,930	(89,480)
General obligation debt outstanding, October 1	\$ 43,332,455	\$ 39,534,153	\$ 39,534,153	\$ 36,921,510
Estimated population, October 1	39,920	40,440	40,440	41,090
Direct tax-supported debt per capita	\$ 1,085	\$ 978	\$ 978	\$ 899
Ratio of debt to net taxable valuation	1.1%	1.0%	1.0%	0.9%
Financial policy target	15.0%	15.0%	15.0%	15.0%
Debt service expenditures as a percentage of total expenditures	15.0%	13.2%	13.6%	14.0%
Financial policy target	25.0%	25.0%	25.0%	25.0%

DEBT LIMITATION

The City Charter does not provide or mandate a specific debt limitation. Under provisions of state law, the maximum tax rate is limited to \$2.50 per \$100 of assessed value. Using the \$2.50 maximum tax rate, the following chart provides the City's available tax rate and levy.

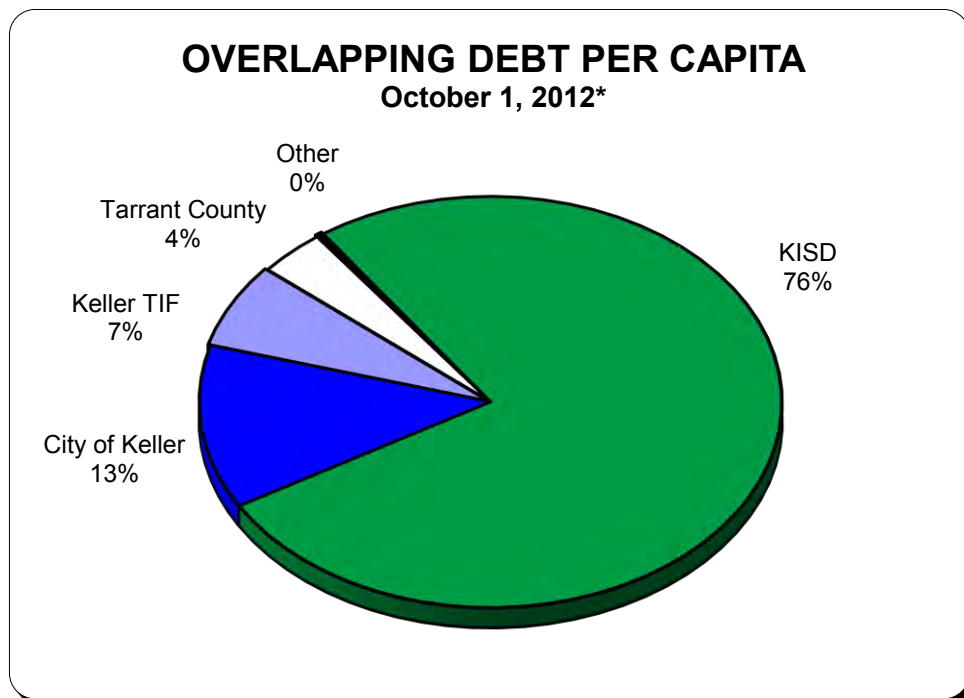
Tax rate limitation	\$ 2.50000	\$ 2.50000	\$ 2.50000	\$ 2.50000
Actual tax rate	0.44219	0.44219	0.44219	0.44219
Available rate available	\$ 2.05781	\$ 2.05781	\$ 2.05781	\$ 2.05781
Additional tax levy available	\$ 82,035,547	\$ 83,943,209	\$ 83,943,209	\$ 87,512,327

DEBT RATIOS

Important financial ratios are the debt per capita ratio and the overlapping debt per capita ratio. Debt per capita is determined by dividing the City's outstanding general obligation debt by the City's population. Overlapping debt includes not only the City's direct debt, but also includes Keller's applicable portion of the debt of all other "overlapping" taxing entities located within the City limits, such as the school district, Tarrant County, Tarrant County Hospital, etc. By including all of the overlapping entities, the total tax impact on a Keller property owner can then be calculated.

Both the City's and the overlapping entities' debt per capita continue to be above average, when compared to nationwide or state averages. As of October 1, 2012, using the estimated 2012 population of 39,920, the total overlapping debt per capita was \$7,683, of which the City's portion (excluding TIF debt) was \$990, or 12.9% of the total. Including the TIF portion of the overlapping tax rate, the City's combined debt per capita is \$1,503 or 19.6% of the total overlapping debt per capita. Total overlapping debt per capita *decreased* from the previous year by \$411 (5.1%). The City's total portion of overlapping debt decreased by \$147, or 26.1 percent.

As the following chart indicates, most (76%) of the overlapping debt per capita results from the Keller Independent School District.



* 2013 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

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
REVENUES				
<u>TAXES:</u>				
Current taxes	\$ 5,092,598	\$ 4,720,000	\$ 4,726,180	\$ 4,887,100
Delinquent taxes	51,301	40,000	40,000	40,000
Accrued property taxes	(3,244)	-	-	-
Penalty & interest	32,500	32,500	32,500	32,500
Subtotal	5,173,155	4,792,500	4,798,680	4,959,600
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	57,636	9,500	10,500	11,000
TOTAL MISCELLANEOUS REVENUES	57,636	9,500	10,500	11,000
REVENUES BEFORE TRANSFERS	5,230,791	4,802,000	4,809,180	4,970,600
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from General Fund	-	33,625	33,625	-
Transfer from Keller Development Corp.	143,705	123,675	123,675	156,280
Land Acquisition:				
2009 Certificates of Obligation				
Keller Sports Park improvements:				
2004 General obligation refunding				
2005 General obligation refunding				
Transfer from Capital Projects Fund	-	-	64,490	-
Improvements fund (<i>street assessments</i>)				
Transfer from Parks Capital Projects Fund	-	-	6,990	-
Transfer from Water & W/W Fund	457,860	443,605	443,605	436,510
Transfer from Drainage Utility Fund	-	-	-	-
TOTAL TRANSFERS	601,565	600,905	672,385	592,790
TOTAL REVENUES AND TRANSFERS	\$ 5,832,356	\$ 5,402,905	\$ 5,481,565	\$ 5,563,390

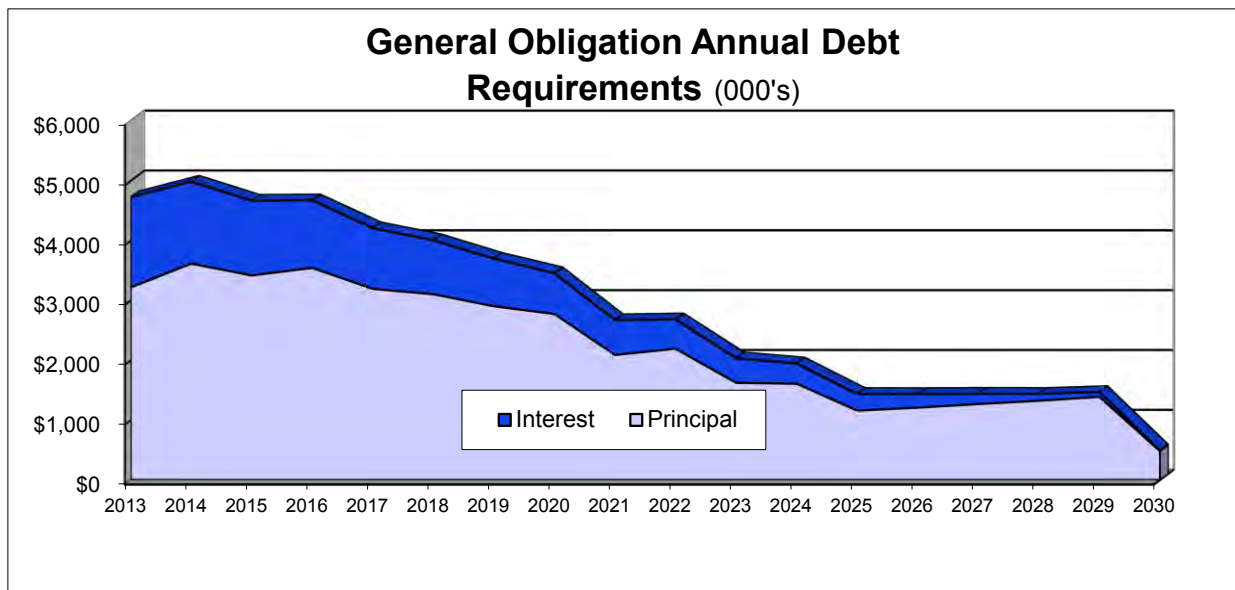
Transfers from other funds are provided for self-supporting activities for debt obligations issued on behalf of the respective fund.

DEBT SERVICE FUND

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>EXPENDITURES:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	103,724	-	2,455	-
Debt service	5,027,666	4,769,080	4,728,830	4,990,185
Transfers to other funds	751,200	643,350	643,350	662,685
SUBTOTAL	5,882,590	5,412,430	5,374,635	5,652,870
Capital outlay	-	-	-	-
TOTAL	\$ 5,882,590	\$ 5,412,430	\$ 5,374,635	\$ 5,652,870

<u>EXPENDITURES BY DIVISION:</u>				
Administration/Finance	\$ 5,131,390	\$ 4,769,080	\$ 4,731,285	\$ 4,990,185
Transfers to other funds	751,200	643,350	643,350	662,685
TOTAL	\$ 5,882,590	\$ 5,412,430	\$ 5,374,635	\$ 5,652,870

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, 2013
(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>FY2014 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	\$ 3,545	\$ 150,000	\$ 148,958	\$ 298,958
General obligation refunding bonds:								
Series 2004	2.00 - 4.00	02/2004	02/2017	11,125	1,730	735,000	54,500	789,500
Series 2005	3.25 - 4.20	08/2005	02/2020	9,980	6,625	960,000	251,055	1,211,055
Series 2010A	2.00 - 3.50	04/2010	02/2020	2,000	850	110,000	24,662	134,662
Series 2010B	2.00 - 4.00	08/2010	02/2022	5,620	4,985	485,000	135,838	620,838
Series 2011	2.00 - 3.00	09/2011	02/2023	585	580	5,000	17,137	22,137
Series 2012	0.30 - 5.00	06/2012	02/2024	4,155	4,100	-	176,150	176,150
Certificates of obligation:								
Series 2003 (1)	3.00 - 4.25	05/2003	08/2016	1,690	200	65,000	6,112	71,112
Series 2004 (1)	4.00 - 5.00	06/2004	02/2014	6,540	325	325,000	6,703	331,703
Series 2009	3.00 - 4.70	03/2009	02/2029	8,310	7,250	350,000	295,565	645,565
Series 2010	2.00 - 4.25	04/2010	02/2030	6,710	6,065	255,000	236,699	491,699
Subtotal-bonds and certificates of obligation				60,715	36,255	3,440,000	1,353,379	4,793,379
Lease-purchase obligations:								
Ladder truck for Fire Department	4.653	10/2003	10/2013	825	62	61,510	2,862	64,372
Public property finance contractual obligations:								
Series 2013	2.00	08/2013	02/2018	605	605	115,000	12,429	127,429
TOTAL				\$ 62,145	\$ 36,922	\$ 3,616,510	\$ 1,368,670	\$ 4,985,180

(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
2013-14	\$ 3,555,000	\$ 1,365,808	\$ 4,920,808	\$ 4,920,808
2014-15	3,420,000	1,246,051	4,666,051	4,666,051
2015-16	3,545,000	1,127,808	4,672,808	4,672,808
2016-17	3,195,000	1,011,720	4,206,720	4,206,720
2017-18	3,105,000	900,848	4,005,848	4,005,848
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	\$ 36,860,000	\$ 9,811,632	\$ 46,671,632	\$ 46,671,632

The municipal lease-purchase agreement obligation amounts on the following page are excluded from the above totals.

**SCHEDULE OF TAX-SUPPORTED DEBT REQUIREMENTS
MUNICIPAL LEASE-PURCHASE AGREEMENT**

Due Date	Payment	Interest	Principal	Principal Balance
10/01/2013	\$ 64,372.23	\$ 2,862.08	\$ 61,510.15	\$ -
TOTAL	\$ 64,372.23	\$ 2,862.08	\$ 61,510.15	

Amount issued: \$ 825,000 DATED: October 7, 2003
Interest rate: 4.653%
Purpose: Fire truck and equipment acquisition
Payment source: Property taxes

**SCHEDULE OF DEBT REQUIREMENTS
MUNICIPAL LEASE-PURCHASE AGREEMENT**

Due Date	Payment	Interest	Principal	Principal Balance
11/15/2013	\$ 54,227.04	\$ 2,840.12	\$ 51,386.92	\$ -
TOTAL	\$ 54,227.04	\$ 2,840.12	\$ 51,386.92	

Amount issued: \$ 244,100 DATED: November 17, 2009
Interest rate: 5.546%
Purpose: 2009 Gradall Excavator
Payment source: Drainage Utility fee revenues

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.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
INTEREST & SINKING FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 76,817	\$ 112,008	\$ 108,193	\$ 150,563
Revenues and transfers	3,206,642	3,226,240	3,222,525	3,417,090
TOTAL FUNDS AVAILABLE	3,283,459	3,338,248	3,330,718	3,567,653
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	3,175,266	3,179,255	3,180,155	3,179,310
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	108,193	158,993	150,563	388,343
FUND TOTAL	\$ 3,283,459	\$ 3,338,248	\$ 3,330,718	\$ 3,567,653
Excess revenues (expenditures)	31,376	46,985	42,370	237,780

REVENUES

<u>TIF TAXES:</u>				
Tarrant County	\$ 230,814	\$ 231,800	\$ 246,515	\$ 247,600
Tarrant County College District	180,133	202,565	200,680	218,300
Tarrant County Hospital District	165,097	196,900	194,305	209,400
Keller Independent School District	1,732,427	1,947,125	1,930,175	2,073,605
SUBTOTAL	2,308,471	2,578,390	2,571,675	2,748,905
<u>OTHER REVENUE:</u>				
Interest revenue-investments	9,471	4,500	7,500	5,500
Transfer from general fund	137,500	-	-	-
Transfer from debt service fund	751,200	643,350	643,350	662,685
SUBTOTAL	898,171	647,850	650,850	668,185
TOTAL REVENUES	\$ 3,206,642	\$ 3,226,240	\$ 3,222,525	\$ 3,417,090

TAX INCREMENT REINVESTMENT ZONE (TIF)

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
EXPENDITURES				
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	1,200	-
Debt service-current	3,175,266	3,179,255	3,178,955	3,179,310
SUBTOTAL	3,175,266	3,179,255	3,180,155	3,179,310
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 3,175,266	\$ 3,179,255	\$ 3,180,155	\$ 3,179,310

SCHEDULE OF TAX INCREMENT REINVESTMENT ZONE DEBT OUTSTANDING October 1, 2013

	<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>	FY2014 Requirements		
						<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General obligation refunding bonds:								
Series 2005	3.50 - 5.000	08/2005	08/2018	\$ 17,400	\$ 12,135	\$ 2,215,000	\$ 567,275	\$ 2,782,275
Series 2010 (1)	1.00 - 4.125	04/2010	08/2028	6,300	6,182	11,893	384,486	396,379
TOTAL				\$ 23,700	\$ 18,317	\$ 2,226,893	\$ 951,761	\$ 3,178,654

(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, 2013**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
09/30/2014	\$ 2,226,893.15	\$ 951,760.61	\$ 3,178,653.76	\$ 3,178,653.76
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	\$ 18,316,893.15	\$ 4,611,215.75	\$ 22,928,108.90	\$ 22,928,108.90

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 (2014–2018) total \$15,881,931.30, comprised of principal (\$12,736,893.15) and interest (\$3,145,038.15).

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, 2013, will automatically be re-appropriated into the appropriate project for the 2013-2014 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 FY2014 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 included in operating budgets is provided on the following pages.

CAPITAL OUTLAY IN OPERATING BUDGETS

<u>Fund and Department</u>	<u>Description</u>	<u>Amount</u>	<u>Annual Operating Budget Impact</u>
General Fund			
<i>(Includes one-time, non-recurring expenditures from fund balance)</i>			
General Government/Economic Development	Signage improvements for Old Town Keller	\$ 20,000	\$ -
	Department Total	<u>20,000</u>	<u>-</u>
Public Works - Streets	Traffic signal sensor upgrade	18,500	-
	Replace steel roller	60,000	(1,500)
	Street maintenance equipment	14,000	(250)
	Annual street/road/bridge improvements	758,000	-
	Department Total	<u>850,500</u>	<u>(1,750)</u>
Parks & Recreation	Replace mowing equipment	63,150	(2,000)
	Replace park maintenance equipment	15,910	(950)
	Department Total	<u>79,060</u>	<u>(2,950)</u>
Non-Departmental	* Vehicle replacements for Public Works Department (2)	66,600	(2,000)
	* Vehicle replacements for Parks & Recreation Department (2)	57,000	(2,000)
	* Vehicle replacements for Fire Department (2)	87,995	(2,000)
	* Replace fire engine	550,000	(3,500)
	* City-wide radio/communications systems upgrade	1,644,535	-
	Department Total	<u>2,406,130</u>	<u>(9,500)</u>
	Fund Total	<u>\$ 3,355,690</u>	<u>\$ (14,200)</u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		(12,000)
	Services & other		(2,200)
	Capital outlay		-
	Total		<u>\$ (14,200)</u>

* One-time, non-recurring expenditures from fund balance.

The operating budget impact associated with these items is minimal.

(Continued)

CAPITAL OUTLAY IN OPERATING BUDGETS

(Continued)

<u>Fund and Department</u>	<u>Description</u>	<u>Amount</u>	<u>Annual Operating Budget Impact</u>
Water & Wastewater Fund			
Water Utilities	Valve maintenance vehicle with telescoping electric-powered valve exerciser	\$ 125,200	\$ 1,500
	Funds for new and/or replacement water meters, fire hydrants and mains and services. This is an annual appropriation.	106,825	-
	Maintenance and safety equipment for department	15,000	300
	Department Total	<u>247,025</u>	<u>1,800</u>
Wastewater Collection	Funds for new/replacement wastewater mains, manholes, and services. This is an annual appropriation.	285,000	-
	Department Total	<u>285,000</u>	<u>-</u>
Municipal Service Center	Heaters for storage building	8,000	250
	Parking lot pavement improvements	35,000	-
	Department Total	<u>43,000</u>	<u>250</u>
	Fund Total	<u>\$ 575,025</u>	<u>\$ 2,050</u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		2,050
	Services & other		-
	Capital outlay		-
	Total		<u>\$ 2,050</u>
Drainage Utility Fund			
Capital Improvements	Indian Meadows Addition drainage improvements	\$ 610,000	\$ -
	Department Total	<u>610,000</u>	<u>-</u>
	Fund Total	<u>\$ 610,000</u>	<u>\$ -</u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		<u>\$ -</u>

The annual operating budget impacts are minimal.

(Continued)

CAPITAL OUTLAY IN OPERATING BUDGETS

(Continued)

<u>Fund and Department</u>	<u>Description</u>	<u>Amount</u>	<u>Annual Operating Budget Impact</u>
Keller Development Corporation			
General park improvements	Park projects matching funds program	\$ 100,000	\$ -
General park improvements	Pathways to Play project improvements	65,000	-
	Department Total	<u>165,000</u>	<u>-</u>
	Fund Total	<u>\$ 165,000</u>	<u>\$ -</u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		<u>\$ -</u>
The Keller Pointe			
Administration	Miscellaneous capital replacement (as needed)	\$ 35,000	\$ -
	Fund Total	<u>\$ 35,000</u>	<u>\$ -</u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	User fee revenue		-
	Total		<u>\$ -</u>
Library Special Revenue Fund			
Administration	Radio Frequency Identification System for the Keller Public Library	\$ 135,820	\$ -
	Fund Total	<u>\$ 135,820</u>	<u>\$ -</u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		<u>\$ -</u>

The operating budget impact associated with these items is nominal.

(Continued)

CAPITAL OUTLAY IN OPERATING BUDGETS

(Continued)

Fund and Department	Description	Amount	Annual Operating Budget Impact
Cable Franchise Fee Special Revenue Fund			
Administration	Audio/visual improvements for Council Chamber and Pre-Council Work Session meeting room	\$ 60,000	\$ -
	Fund Total	\$ 60,000	\$ -
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		\$ -
Keller Crime Control Prevention District Fund			
Facility Improvements	Facility improvements	\$ 262,000	\$ -
	Future furniture, fixtures, and equipment replacement	30,500	-
	Department Total	292,500	-
Police Operations	Annual vehicle and equipment replacement	152,840	-
	Techology equipment	-	-
	Department Total	152,840	-
	Fund Total	\$ 445,340	\$ -
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		-
	Services & other		-
	Capital outlay		-
	Total		\$ -

The operating budget impact associated with these items is nominal.

Operating budget impacts are minimal, and include annually recurring costs for hardware and software support for computer-related equipment; and increases in, or reduction of vehicle and equipment maintenance costs for replacement vehicles.

CAPITAL PROJECTS FUNDS

As previously mentioned, except for the Park Development Fee, 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 intragovern-

mental 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 primarily from a \$1,000 park development fee on each building permit. Fund revenues and expenditures are included in operating budget totals. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2013 will be re-appropriated into the appropriate project for the 2013-2014 fiscal year.

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 76,542	\$ 112,092	\$ 151,318	\$ 237,776
<u>REVENUES:</u>				
Park development fees	73,967	30,000	155,000	66,524
Interest earnings	809	100	750	700
TOTAL REVENUES	74,776	30,100	155,750	67,224
TOTAL FUNDS AVAILABLE	\$ 151,318	\$ 142,192	\$ 307,068	\$ 305,000
<u>EXPENDITURES:</u>				
Park improvements/land acquisition	\$ -	\$ 142,192	\$ 69,292	\$ 305,000
TOTAL EXPENDITURES	-	142,192	69,292	305,000
ENDING FUND BALANCE	\$ 151,318	\$ -	\$ 237,776	\$ -

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	-
Services & other	-
Capital outlay	-
Total	\$ -

Operating budget impacts are minimal, and include annually recurring estimated costs for grounds and equipment maintenance for park improvements.

**STREET / SIDEWALK / DRAINAGE
IMPROVEMENTS FUND**

The Street/Sidewalk/Drainage Improvements fund is a recurring capital project fund, funded from the street maintenance sales tax effective April 2004, developer sidewalk fees, street assessments and transfers from other funds. Street assessments are generally transferred to the Debt Service Fund for retirement of debt issued to fund the related street improvement. Expenditures are designated for street, sidewalk, and drainage improvements. Remaining funds on hand at September 30, 2013 will be re-appropriated into the appropriate project for the 2013-2014 fiscal year.

**STREET / SIDEWALK / DRAINAGE
IMPROVEMENTS FUND SUMMARY**

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Beginning fund balance	\$ 1,208,350	\$ 1,550,893	\$ 1,679,854	\$ 812,219
<u>Revenues:</u>				
Sales taxes	1,092,157	1,078,500	1,140,500	1,169,010
Sidewalk fees	8,581	8,500	32,000	8,500
Interest earnings	10,548	4,000	6,500	6,000
Miscellaneous revenue (expense)	740	-	-	-
Intergovernmental revenue	85,920	-	-	-
Street assessment interest	160	100	160	100
Total Revenues	<u>1,198,106</u>	<u>1,091,100</u>	<u>1,179,160</u>	<u>1,183,610</u>
TOTAL RESOURCES	<u>\$ 2,406,456</u>	<u>\$ 2,641,993</u>	<u>\$ 2,859,014</u>	<u>\$ 1,995,829</u>
<u>Expenditures:</u>				
Street improvements	614,077	2,280,929	1,848,070	1,840,000
Curb & gutter improvements	26,605	133,395	117,700	80,000
Sidewalk improvements	85,920	177,283	81,025	30,000
Total Expenditures	<u>726,602</u>	<u>2,591,607</u>	<u>2,046,795</u>	<u>1,950,000</u>
ENDING FUND BALANCE	<u>\$ 1,679,854</u>	<u>\$ 50,386</u>	<u>\$ 812,219</u>	<u>\$ 45,829</u>
Excess revenues (expenditures)	471,504	(1,500,507)	(867,635)	(766,390)

Operating budget impact. The operating budget impact is minimal, as street and sidewalk improvements continue to be supplemented with funds from the General Fund Street Maintenance Division.

Annual Operating Budget Impact

Personnel services	\$	-
Operations & maintenance		-
Services & other		-
Capital outlay		-
Total	<u>\$</u>	<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, 2013 will be re-appropriated into the appropriate project for the 2013-2014 fiscal year.

FLEET REPLACEMENT FUND SUMMARY

	2011-2012 ACTUAL	2012-2013 BUDGET	2012-2013 ESTIMATE	2013-2014 BUDGET
<u>RESOURCES:</u>				
Beginning fund balance	\$ 729,479	\$ 681,120	\$ 683,434	\$ 583,319
<u>REVENUES:</u>				
Proceeds from debt Issuance	-	880,000	850,000	-
Vehicle/Equipment lease revenue-Water & Wastewater Fund	48,700	80,450	104,180	123,620
Vehicle/Equipment lease revenue-Drainage Utility Fund	8,740	16,280	16,280	15,910
Gain (loss) on disposal of assets	-	-	-	5,000
Interest earnings	3,969	3,800	3,000	3,000
TOTAL REVENUES & TRANSFERS	61,409	980,530	973,460	147,530
TOTAL FUNDS AVAILABLE	790,888	1,661,650	1,656,894	730,849
<u>EXPENDITURE SUMMARY:</u>				
GENERAL GOVERNMENT:				
Community Development	-	20,000	20,350	-
TOTAL GENERAL GOVERNMENT	-	20,000	20,350	-
PUBLIC SAFETY:				
Fire Department	-	242,365	226,000	-
TOTAL PUBLIC SAFETY	-	242,365	226,000	-
PARKS AND RECREATION:				
Parks and Recreation Department	-	143,370	134,800	-
TOTAL PARKS AND RECREATION	-	143,370	134,800	-
PUBLIC WORKS:				
<i>General Fund/Public Works:</i>				
Street Maintenance	-	210,000	205,750	-
<i>Water & Wastewater:</i>				
Water & Wastewater Administration	-	26,000	24,460	-
Customer Services/Utility Billing	20,937	-	-	21,040
Water Utilities	-	176,300	176,300	31,050
Wastewater Utilities	-	260,000	264,750	-
Municipal Service Center	-	-	21,165	-
Drainage Utility	86,517	-	-	-
TOTAL PUBLIC WORKS	107,454	672,300	692,425	52,090
TOTAL EXPENDITURES	107,454	1,078,035	1,073,575	52,090
ENDING BALANCE	\$ 683,434	\$ 583,615	\$ 583,319	\$ 678,759

(Continued)

Fleet Replacement Fund:
(Continued)

Capital outlay. FY2014 capital outlay provides funding to replace service vehicles and associated equipment for the following departments: Utility Billing/Customer Services (\$21,040); and the Water Distribution Department (\$31,050).

Operating budget impact. Capital expenditures are primarily routine capital replacements, with minimal operating budget impact.

Annual operating budget impacts:

Personnel services	\$	–
Operations & maintenance		(7,500)
Services & other		–
Capital outlay		–
Total	\$	<u>(7,500)</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, 2013 will be re-appropriated into the appropriate project for the 2013-2014 fiscal year.

There is no funding anticipated for FY2014; therefore, no budget for this fund has been prepared.

USE OF IMPACT FEES FOR CAPITAL IMPROVEMENTS

Funding for an update of the Water, Wastewater, and Roadway Impact Fee Study (\$135,000) is provided. The amount of \$45,000 will be spent from each respective fund.

In addition, water impact fees of \$1,488,500 are provided for the following capital projects in FY2014: Alta Vista Pump Station Rehabilitation project (\$965,000), and Wall-Price Keller Road water improvements (\$523,500).

FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM (CIP) SUMMARY

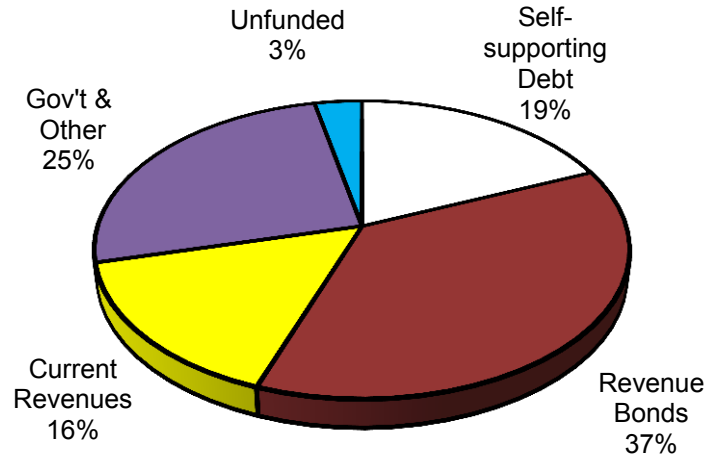
Each year the City prepares a five-year CIP. The information provided in the CIP is used as a guide for preparing future operating budgets, as well as a general planning document for capital improvements financing. Each year, the CIP is updated to address current growth patterns, timing changes in the 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 2013-14 through 2017-18 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.

Five-Year Capital Improvements Program (CIP)
(Continued)

ANTICIPATED FUNDING SOURCES
\$39,080,025



Summary of Funding Sources

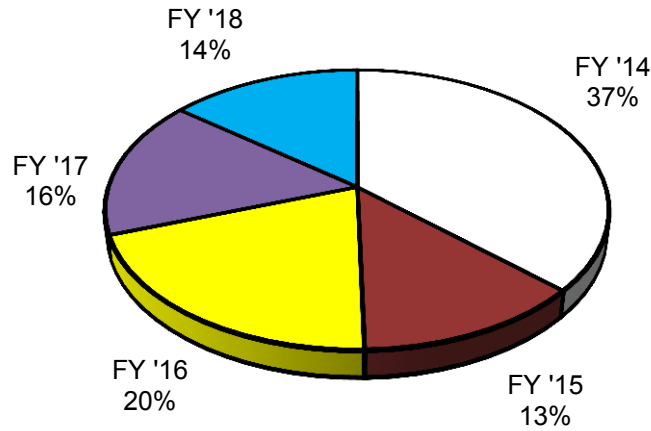
Description	2014	2015	2016	2017	2018	Total	Percent of Total
Debt Related:							
General obligation bonds/CO's	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Self-supporting bonds/CO's	3,966,985	204,605	152,300	269,730	2,675,705	7,269,325	18.6
Revenue bonds/CO's	5,876,500	2,472,000	3,739,550	1,934,800	413,000	14,435,850	36.9
Subtotal	9,843,485	2,676,605	3,891,850	2,204,530	3,088,705	21,705,175	55.5
Current Revenues/Fund Balance:							
General fund	550,000	-	-	-	-	550,000	1.4
Water and wastewater fund	265,000	265,000	265,000	265,000	265,000	1,325,000	3.4
Capital projects fund	385,000	-	-	-	-	385,000	1.0
Drainage utility fund	610,000	-	500,000	1,620,000	1,080,000	3,810,000	9.7
Subtotal	1,810,000	265,000	765,000	1,885,000	1,345,000	6,070,000	15.5
Intragovernmental:							
Park development fees/KDC	304,700	150,000	150,000	150,000	150,000	904,700	2.3
Water impact fees	1,488,500	-	629,700	558,500	-	2,676,700	6.8
Wastewater impact fees	-	824,000	756,750	22,700	70,000	1,673,450	4.3
Street maintenance sales tax	950,000	950,000	950,000	950,000	950,000	4,750,000	12.2
Subtotal	2,743,200	1,924,000	2,486,450	1,681,200	1,170,000	10,004,850	25.6
Other Sources:							
Unfunded/unidentified	-	150,000	650,000	500,000	-	1,300,000	3.3
Subtotal	-	150,000	650,000	500,000	-	1,300,000	3.3
GRAND TOTAL	\$ 14,396,685	\$ 5,015,605	\$ 7,793,300	\$ 6,270,730	\$ 5,603,705	\$ 39,080,025	100.0%

Five-Year Capital Improvements Program (CIP)
(Continued)

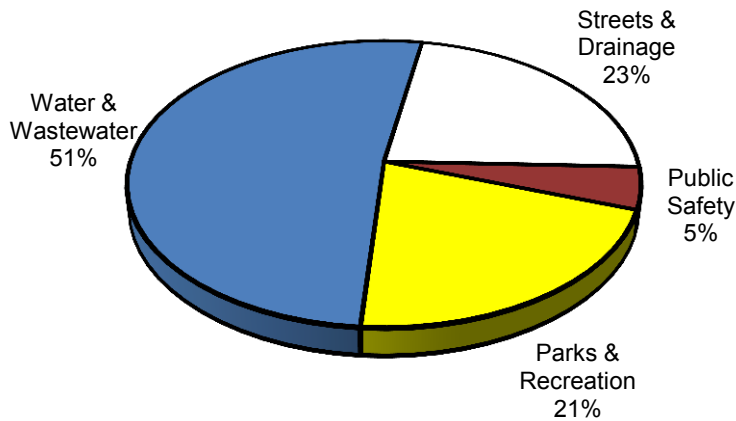
Summary of Uses by Department

Fiscal Year	Fire/EMS	Streets & Drainage	Parks and Recreation	Water & Sewer	Total
2013-2014	\$ 550,000	\$ 1,945,000	\$ 4,271,685	\$ 7,630,000	\$ 14,396,685
2014-2015	150,000	950,000	354,605	3,561,000	5,015,605
2015-2016	650,000	1,450,000	302,300	5,391,000	7,793,300
2016-2017	500,000	2,570,000	419,730	2,781,000	6,270,730
2017-2018	–	2,030,000	2,825,705	748,000	5,603,705
Total	\$ 1,850,000	\$ 8,945,000	\$ 8,174,025	\$ 20,111,000	\$ 39,080,025
<i>Percent</i>	4.7%	22.9%	20.9%	51.5%	100.0%

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	FY2014	FY2015	FY2016	FY2017	FY2018	Total	Future (Unfunded)
DRAINAGE IMPROVEMENTS							
Indian Meadows Addition Drainage Improvements	\$ 610	\$ -	\$ -	\$ -	\$ -	\$ 610	\$ -
Quail Valley Addition Drainage Improvements	-	-	-	1,620	-	1,620	-
Saddlebrook Addition Drainage Improvements	-	-	-	-	1,080	1,080	-
Comprehensive Storm Water Master Plan	-	-	500	-	-	500	-
Union Church Road Drainage Improvements	-	-	-	-	-	-	680
Department Total	610	-	500	1,620	1,080	3,810	680
FIRE/EMS							
<u>Buildings/Facilities</u>							
Fire Station 3 Remodel - Add 3rd Apparatus Bay	-	150	500	-	-	650	-
Fire Station 2 Remodel - Add 3rd Apparatus Bay	-	-	150	500	-	650	-
Subtotal	-	150	650	500	-	1,300	-
<u>Vehicles</u>							
Purchase Additional Fire Apparatus (Quint)	-	-	-	-	-	-	850
Replace Fire Engine	550	-	-	-	-	550	-
Subtotal	550	-	-	-	-	550	850
Department Total	550	150	650	500	-	1,850	850
KELLER TOWN CENTER							
<u>Park Improvements</u>							
The Parks at Town Center Amphitheater	-	-	-	-	-	-	555
Parks at Town Center Park Trail	-	-	-	-	-	-	809
Department Total	-	-	-	-	-	-	1,363
PARKS & RECREATION							
<u>Buildings/Facilities</u>							
The Keller Pointe Expansion	2,257	-	-	-	-	2,257	-
Senior Activity Center Expansion	-	-	-	-	1,972	1,972	-
Subtotal	2,257	-	-	-	1,972	4,229	-
<u>Park Improvements</u>							
Big Bear Creek Greenbelt & Trail	-	-	-	-	603	603	-
Keller Tennis Center	-	-	-	-	-	-	4,219
Park Land acquisition	-	150	150	150	150	600	23,370
Keller Sports Park Phase VI	-	-	-	-	-	-	4,345
Little Bear Creek Trail Improvements	-	-	-	-	-	-	-
Old Town Keller Park	-	-	-	-	-	-	210
Northeast Park Master Plan	-	-	-	-	-	-	65
Shady Grove Park Development	305	-	-	-	-	305	-
Hike and Bike Trail Improvements	200	-	-	-	-	200	4,828
Johnson Road Park Facility	-	-	-	-	-	-	312
Landscape Improvements	-	-	-	-	-	-	-
Johnson Road Park Landscape	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286

(Continued)

Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department (000's)
(Continued)

<u>PROJECT DESCRIPTION</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>Total</u>	<u>Future (Unfunded)</u>
<u>Park Improvements (continued)</u>							
Bear Creek Park renovations	\$ 1,216	\$ -	\$ -	\$ -	\$ -	\$ 1,216	\$ -
Citywide Park enhancements	-	-	-	-	-	-	1,483
Big Bear Creek West Creekbank Repair	294	-	-	-	-	294	-
Keller Sports Park Infrastructure Replacement	-	205	152	270	101	727	1,831
Subtotal	<u>2,015</u>	<u>355</u>	<u>302</u>	<u>420</u>	<u>854</u>	<u>3,945</u>	<u>40,949</u>
Department Total	4,272	355	302	420	2,826	8,174	40,949
STREET IMPROVEMENTS							
<u>New Street Construction</u>							
F.M. 1938 Extension - Davis Blvd. to SH 114	385	-	-	-	-	385	-
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	<u>385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>385</u>	<u>33,451</u>
<u>Street Reconstruction</u>							
FM 1709 Median Enhancements	-	-	-	-	-	-	1,000
Residential Street Reconstruction 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	\$ 1,335	\$ 950	\$ 950	\$ 950	\$ 950	\$ 5,135	\$ 34,906

(Continued)

Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department (000's)
(Continued)

<u>PROJECT DESCRIPTION</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>Total</u>	<u>Future (Unfunded)</u>
SIDEWALK IMPROVEMENTS							
<u>Sidewalk Improvements</u>							
Safe routes to schools	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,736
Subtotal	-	-	-	-	-	-	1,736
Department Total	-	-	-	-	-	-	1,736
TOTAL GENERAL GOVERNMENT	6,767	1,455	2,402	3,490	4,856	18,969	80,484
WATER UTILITIES							
<u>Water System Improvements:</u>							
Alta Vista Pump Station Rehabilitation	4,500	-	-	-	-	4,500	-
Wall-Price Keller Road Water Improvements	2,865	-	-	-	-	2,865	-
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	7,365	-	2,099	2,062	-	11,526	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
Cade Branch Interceptor	-	-	-	-	-	-	734
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	265	265	265	265	1,325	-
Department Total	265	3,561	3,292	719	748	8,585	31,035
TOTAL WATER & WASTEWATER	7,630	3,561	5,391	2,781	748	20,111	35,023
GRAND TOTAL	\$ 14,397	\$ 5,016	\$ 7,793	\$ 6,271	\$ 5,604	\$ 39,080	\$ 115,506



SUPPLEMENTAL DATA

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Keller Fee Schedule FY 2013-14

Activity

Fee Structure

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 2013-14

Activity	Fee Structure
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 million cv – First \$1 million, 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>
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>
Misc. Mechanical (HVAC) Permit	<p>\$50/permit</p> <p>* Only charged when no building permit is issued for construction</p>

Keller Fee Schedule FY 2013-14

Activity	Fee Structure
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 had been reviewed and approved for construction and changes are made to the plans by the developer/owner/builder/representative
Irrigation Permit	\$50 each – residential \$100 each – commercial
Miscellaneous Inspections	\$50 each

Keller Fee Schedule FY 2013-14

Activity	Fee Structure
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 had 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)	Short Tap and Meter Installation 5/8" - \$450.00 3/4" - \$475.00 1" - \$500.00 1 1/2" - \$900.00 2"*** - \$ 1025.00 2" Compound Meter - \$2,325 Long Tap and Meter Installation 5/8" - \$800.00 3/4" - \$825.00 1" - \$850.00 1 1/2" - \$ 1,275.00 2"*** - \$ 1,425.00 2" Compound Meter - \$2,725 Install meter only 5/8" - \$275.00 3/4" - \$300.00 1" - \$325.00 1 1/2" - \$725.00 2"*** - \$775.00 2" Compound Meter - \$2,075

Keller Fee Schedule FY 2013-14

Activity	Fee Structure
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 2013-14

Activity	Fee Structure
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 2013-14

Activity

Fee Structure

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 2013-14

Activity	Fee Structure
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 License	\$5 per animal – altered \$10 per animal – unaltered \$5 per animal replacement \$20 per animal – non-hazardous exotic \$50 per animal – dangerous dog registration
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 1 st 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

Keller Fee Schedule FY 2013-14

Activity

Fee Structure

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

\$.10 per page
\$10.00 each for video tapes
(Pursuant to the Texas Administrative Code associated with copies of public information)

Police Special Assignments (Special Events as approved under the City's Special Events Policy)

\$50/hr minimum 2 hours (all uses)

Incident Reports

\$5.00 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

Keller Fee Schedule FY 2013-14

Activity

Fee Structure

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.

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

Keller Fee Schedule FY 2013-14

Activity	Fee Structure
Fire Construction Permit Fees	<p>\$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</p> <p>\$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</p> <p>\$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</p>
Fire Operational Permit Fees	<p>Tents - \$50 each</p> <p>Open Burning - \$50 each</p>
Fire Apparatus Fees	<p>\$400 hour – Fire apparatus w/crew - 2 hour minimum</p> <p>\$200 hour – Brush truck w/crew - 2 hour minimum</p> <p>\$250 hour – Ambulance w/crew - 2 hour minimum</p> <p>\$150 hour – ATV ambulance w/crew - 2 hour minimum</p> <p>\$280 hour – K.I.S.D. football game, EMS – per game</p> <p>\$75 hour – Inspector - 2 hour minimum</p> <p>\$60 hour – Standby firefighter - 2 hour minimum</p>
Sec. 8 – Water and Sanitary Sewer Fees	
After Hours Turn On	\$50 per incident
Customer Deposit	<p>\$80 residential meter</p> <p>Multi-family and non-residential meter deposits based on estimated customer usage for a one month period.</p> <p>Fire hydrant meter rental deposit based on actual replacement cost.</p>
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.

Keller Fee Schedule FY 2013-14

Activity

Fee Structure

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.

City of Keller Proposed Fee Schedule FY 2013-14
Attachment A

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

City of Keller Fee Schedule Road Damage Remediation Calculation - Attachment B

Lowest Consumptive Use Condition

Roadway Type	Surface Material	Base Material	Roadway Lane Width	Roadway Design Life (ESAL's) ¹	Consumptive Use (ESAL's) ²	Consumptive Use (%)	Roadway Cost per lane Mile ³	Assessment Cost per lane Mile
1	10" Reinforced Concrete	8" Lime Stabilized Soil	13'	10,787,000	1,532	0.01%	\$ 375,000	\$ 53
2	8" Reinforced Concrete	9" Lime Stabilized Soil	12'	2,800,000	1,532	0.1%	\$ 285,000	\$ 156
3	6" Reinforced Concrete	6" Lime Stabilized Soil	15'	560,000	1,532	0.3%	\$ 295,000	\$ 807
4	3" HMAC	6" Cement Treated Soil	12'	50,000	1,532	3.1%	\$ 126,000	\$ 3,861
5	3" HMAC	6" Flexible Base	12'	65,000	1,532	2.4%	\$ 155,000	\$ 3,653
6	2" HMAC	8" Cement Treated Soil	12'	22,000	1,532	7.0%	\$ 115,000	\$ 8,008
7	2" HMAC	6" Cement Treated Soil	12'	17,000	1,532	9.0%	\$ 105,000	\$ 9,462
8	2" HMAC	6" Flexible Base	12'	19,000	1,532	8.1%	\$ 120,000	\$ 9,676

* Condition #1 - Frac water to be piped to site & hauled out via semi-truck with 6,000 gal. tanker trailer with production water leaving site via pipeline.

Roadway Type	Surface Material	Base Material	Roadway Lane Width	Roadway Design Life (ESAL's) ¹	Consumptive Use (ESAL's) ²	Consumptive Use (%)	Roadway Cost per lane Mile ³	Assessment Cost per lane Mile
1	10" Reinforced Concrete	8" Lime Stabilized Soil	13'	10,787,000	1,973	0.0%	\$ 375,000	\$ 69
2	8" Reinforced Concrete	9" Lime Stabilized Soil	12'	2,800,000	1,973	0.1%	\$ 285,000	\$ 201
3	6" Reinforced Concrete	6" Lime Stabilized Soil	15'	560,000	1,973	0.4%	\$ 295,000	\$ 1,039
4	3" HMAC	6" Cement Treated Soil	12'	50,000	1,973	3.9%	\$ 126,000	\$ 4,972
5	3" HMAC	6" Flexible Base	12'	65,000	1,973	3.0%	\$ 155,000	\$ 4,705
6	2" HMAC	8" Cement Treated Soil	12'	22,000	1,973	9.0%	\$ 115,000	\$ 10,313
7	2" HMAC	6" Cement Treated Soil	12'	17,000	1,973	11.6%	\$ 105,000	\$ 12,186
8	2" HMAC	6" Flexible Base	12'	19,000	1,973	10.4%	\$ 120,000	\$ 12,461

** Conditions #2 - Frac water to be hauled in & out via semi-truck with 6,000 gal. tanker trailer load with production water leaving site via pipeline.

Roadway Type	Surface Material	Base Material	Roadway Lane Width	Roadway Design Life (ESAL's) ¹	Consumptive Use (ESAL's) ²	Consumptive Use (%)	Roadway Cost per lane Mile ³	Assessment Cost per lane Mile
1	10" Reinforced Concrete	8" Lime Stabilized Soil	13'	10,787,000	2,069	0.0%	\$ 375,000	\$ 100
2	8" Reinforced Concrete	9" Lime Stabilized Soil	12'	2,800,000	2,069	0.1%	\$ 285,000	\$ 292
3	6" Reinforced Concrete	6" Lime Stabilized Soil	15'	560,000	2,069	0.5%	\$ 295,000	\$ 1,511
4	3" HMAC	6" Cement Treated Soil	12'	50,000	2,069	5.7%	\$ 126,000	\$ 7,230
5	3" HMAC	6" Flexible Base	12'	65,000	2,069	4.4%	\$ 155,000	\$ 6,841
6	2" HMAC	8" Cement Treated Soil	12'	22,000	2,069	13.0%	\$ 115,000	\$ 14,997
7	2" HMAC	6" Cement Treated Soil	12'	17,000	2,069	16.9%	\$ 105,000	\$ 17,720
8	2" HMAC	6" Flexible Base	12'	19,000	2,069	15.1%	\$ 120,000	\$ 18,120

*** Condition #3 - Frac water to be piped to site & hauled out via semi-truck with 6,000 gal. tanker trailer with production water leaving site via 6,000 gal. per truck load.

Highest Consumptive Use Condition

Roadway Type	Surface Material	Base Material	Roadway Lane Width	Roadway Design Life (ESAL's) ¹	Consumptive Use (ESAL's) ²	Consumptive Use (%)	Roadway Cost per lane Mile ³	Assessment Cost per lane Mile
1	10" Reinforced Concrete	8" Lime Stabilized Soil	13'	10,787,000	3,163	0.0%	\$ 375,000	\$ 110
2	8" Reinforced Concrete	9" Lime Stabilized Soil	12'	2,800,000	3,163	0.1%	\$ 285,000	\$ 322
3	6" Reinforced Concrete	6" Lime Stabilized Soil	15'	560,000	3,163	0.6%	\$ 295,000	\$ 1,666
4	3" HMAC	6" Cement Treated Soil	12'	50,000	3,163	6.3%	\$ 126,000	\$ 7,971
5	3" HMAC	6" Flexible Base	12'	65,000	3,163	4.9%	\$ 155,000	\$ 7,543
6	2" HMAC	8" Cement Treated Soil	12'	22,000	3,163	14.4%	\$ 115,000	\$ 16,534
7	2" HMAC	6" Cement Treated Soil	12'	17,000	3,163	18.6%	\$ 105,000	\$ 19,536
8	2" HMAC	6" Flexible Base	12'	19,000	3,163	16.6%	\$ 120,000	\$ 19,977

**** Condition #4 - Frac water to be hauled in & out via semi-truck with 6,000 gal. tanker trailer with production water leaving site via 6,000 gal. per truck load.

- Notes: 1 - See Roadway Design Life Summary in Appendix 1
- 2 - See Case Conditions in Appendix 3
- 3 - See Summary of Construction Costs Appendix 4

ATTACHMENT B

ROAD DAMAGE REMEDIATION CALCULATION



Gas Well PD Name/No. _____

Is this a multiple well site? YES NO

* If yes, are multiple wells being constructed under this permit? YES NO N/A

* Additional on-site well construction will require assessments to be paid at time of a construction

Step 1 - Determination of Case Conditions

- 1 Frac water to be piped to site & hauled out via 6,000 gallon truck with production water leaving site via pipeline.
- 2 Frac water to be hauled in & out via 6,000 gallon per truck load with production water leaving site via pipeline.
- 3 Frac water to be piped to site & hauled out via 6,000 gallon truck with production water leaving site via 6,000 gallon per truck load.
- 4 Frac water to be hauled in & out via 6,000 gallon truck with production water leaving site via 6,000 gallon per truck load.

Step 2 - Determination of Roadway Type TO WELL

- | | |
|---|---|
| 1 <input type="checkbox"/> 10" Reinforced Concrete Pavement with 8" Lime Stabilized Soil Subgrade | ### <input type="checkbox"/> 3" HMAC with 6" Flexible Base Subgrade |
| 2 <input type="checkbox"/> 8" Reinforced Concrete Pavement with 9" Lime Stabilized Soil Subgrade | ### <input type="checkbox"/> 2" HMAC with 8" Cement Treated Soil Subgrade |
| 3 <input type="checkbox"/> 6" Reinforced Concrete Pavement with 6" Lime Stabilized Soil Subgrade | ### <input type="checkbox"/> 2" HMAC with 6" Cement Treated Soil Subgrade |
| 4 <input type="checkbox"/> 3" HMAC with 6" Cement Treated Soil Subgrade | ### <input type="checkbox"/> 2" HMAC with 6" Flexible Base Subgrade |

Step 3 - Based on Case Condition & Roadway Type Determine Roadway Assessment Cost Per Lane Mile

	Case Condition 1	Case Condition 2	Case Condition 3	Case Condition 4
Roadway Type 1	\$53	\$69	\$100	\$110
Roadway Type 2	\$156	\$201	\$292	\$322
Roadway Type 3	\$807	\$1,039	\$1,511	\$1,666
Roadway Type 4	\$3,861	\$4,972	\$7,230	\$7,971
Roadway Type 5	\$3,653	\$4,705	\$6,841	\$7,543
Roadway Type 6	\$8,008	\$1,313	\$14,997	\$16,534
Roadway Type 7	\$9,462	\$12,186	\$17,720	\$19,536
Roadway Type 8	\$9,676	\$12,461	\$18,120	\$19,977

Step 4 - Compute Route Mileage Within City Limits of Keller TO WELL Miles (x.xx miles)

Step 5 - Compute Roadway Assessment Fee per Lane Mile TO WELL

Assessment Cost Per Lane Mile (Value from Step 3)	multiplied by	Route Mileage Within City of Keller (Value from Step 4)	equals	Roadway Assessment per Lane Mile TO WELL
<input type="text"/>		<input type="text"/>		<input type="text"/>
Roadway Assessment Fee TO WELL	multiplied by	<input type="text"/>	equals	<input type="text"/>
			Sub-Total TO	<input type="text" value="\$0.00"/>

Completed by on behalf of Applicant (Name/Title) _____

Approved by on behalf of City of Keller (Name/Title) _____

Date _____

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 condition, economic indicators, estimated budgetary revenue shortfalls, actions taken and expected duration will be presented to City Council.

- D. The City Council may appropriate available fund balance as needed to cover any estimated revenue shortfall. Appropriation of fund balance must be carefully weighed and long-term budgetary impacts must be considered in conjunction with the projected length of the economic downturn.

- E. Actions taken through this plan must always consider the impact on revenue generation. Actions taken should reduce expenses well in excess of resulting revenue losses.

- F. The following is a summary of classifications and the corresponding actions to be taken.

1. Level I: The estimated annual revenue is below budget projections for 3 consecutive months. Current economic conditions and indicators may continue.
 - a. Expenditures:
 - i. Freeze newly created positions.
 - ii. Implement a time delay for hiring vacant positions.
 - b. Revenues:
 - i. Identify any potential new revenue sources.
 - c. Service Level Impacts:
 - i. Minor service level disruptions and/or delays.
 - ii. New projects may be postponed or deferred.

- iii. Begin planning for Levels II through IV.
 - iv. Implement Community Communication Plan in order to communicate to citizens any service levels that may be impacted.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate normal operating procedures.
- 2. Level II: The estimated annual revenue is below budget projections for 6 consecutive months. Current economic conditions and indicators are anticipated to continue.
 - a. Expenditures:
 - i. Implement a managed-hiring program for vacant positions.
 - ii. Reduce the hours/number of part-time and seasonal employees as per Reduction In Force Policy.
 - iii. Reduce travel and training expenses.
 - iv. Review and prioritize reductions of operating and capital expenditures.
 - v. Eliminate or defer capital outlay expenses.
 - vi. Review and prioritize expenses for professional and contracted services.
 - b. Revenues:
 - i. Evaluate user fees in order to remain competitive.
 - ii. Identify and/or implement new revenue sources.
 - iii. Evaluate property tax rate increase.
 - iv. Evaluate water and wastewater rate increases.
 - v. Evaluate use of available fund balance.
 - c. Service Levels Impacts:
 - i. Cutbacks or reductions in non-essential day-to-day operations (number of times parks are mowed, hours of operations of facilities).
 - ii. Defer general (non essential) maintenance.
 - iii. Prioritize and defer or freeze vehicle replacements, computer upgrades and new computer purchases. Replacements for essential non-working equipment are allowed, subject to approval by the City Manager.
 - iv. Reduce or defer non-essential repair and maintenance expenses. Examples – vehicles, communications, office equipment, machinery and buildings. Repair and maintenance of essential non-working equipment is permitted, subject to approval by the City Manager.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level I.
- 3. Level III: The estimated annual revenue is below budget projections for 9 consecutive months, or is below budget projections by more than 6% for 6 consecutive months. Current economic conditions and indicators are anticipated to continue or possibly worsen.
 - a. Expenditures:
 - i. Prepare for implementation of a Reduction in Force Plan.
 - ii. Implement a compensation freeze.
 - iii. Identify overtime expenses that may likely be reduced.
 - iv. Reduce external program funding.
 - v. Eliminate or defer pending capital improvement projects.
 - vi. Consider deferring payments to City-owned utilities – water and wastewater services.
 - b. Revenues:
 - i. Recommend property tax increase.
 - ii. Recommend water and/or wastewater rate increase.
 - iii. Recommend new revenues, or increases in current fees.
 - iv. Recommend use of available fund balance.
 - c. Service Level Impacts:
 - i. Significant reductions in service levels.
 - ii. Evaluate and/or recommend a reduction in hours of operation at all facilities.
 - iii. Essential programs and services will be evaluated for reductions.
 - iv. Reduce energy costs through reduction in hours of operations.

- d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level II.
4. Level IV: The estimated annual revenue is below budget projections for 12 consecutive months, or is below budget projections by more than 6% for 9 consecutive months. Current economic conditions and indicators are anticipated to continue and are likely to worsen.
- a. Expenditures:
 - i. Implement Reduction in Force Plan (reduce employee personnel costs, including an employee furlough plan for time off without pay and/or four-day work weeks, laying off of personnel, etc).
 - ii. Consider other cost reduction strategies.
 - iii. Reduce departmental budgets by a fixed percentage or dollar amount.
 - iv. Eliminate external program funding.
 - v. Reduce and/or eliminate overtime expenses throughout departments.
 - b. Revenues:
 - i. Implement property tax rate increase.
 - ii. Implement water and wastewater rate increase.
 - iii. Increase user fees.
 - iv. Implement use of available fund balance.
 - c. Service Level Impacts:
 - i. Reduce hours of operations of all facilities.
 - ii. Implement service level reductions throughout all departments and/or eliminate specific programs.
 - iii. Departments will prioritize service levels and programs according to City Council goals and objectives.
 - iv. Defer infrastructure and street overlay maintenance.
 - d. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for 3 consecutive months, *and economic indicators are anticipated to continue to improve*, initiate Level III.

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 2013, based on the following assumptions:

Major Revenues:

- Growth in taxable values – 1.5% for fiscal years 2014 through 2017; 2% for fiscal year 2018
- Sales taxes – 2.5% for fiscal years 2014 through 2016; 3% for fiscal years 2017 and 2018
- Franchise and other taxes – 1% for fiscal year 2014, and 3% for years 2015 through 2018
- Building and development fees – average of 3% per year
- Intergovernmental revenues – average of 3% per year

Expenditures:

- Personnel services (including benefits) – 4% for fiscal years 2014 through 2018; no new positions included in the projections
- Operations and maintenance – 3% for fiscal years 2014 through 2018
- Services and other – 3% for fiscal year 2014 through 2018
- Capital outlay – \$1,260,000 per year
- No new programs

Debt Service:

- Assumes no new debt

(Continued)

LONG-RANGE FINANCIAL PROJECTIONS

(continued)

Projections as of April 2013, *including the 2013-14 amounts*:

	2012-13 ESTIMATE	2013-14	2014-15	2015-16	2016-17	2017-18
MULTI-YEAR FINANCIAL PROJECTIONS						
REVENUES:						
Property Taxes	\$ 18,170,800	\$ 18,382,737	\$ 18,627,071	\$ 18,869,534	\$ 19,114,348	\$ 19,461,583
Sales Taxes	4,314,500	4,422,363	4,532,922	4,668,910	4,808,977	4,953,246
Other Taxes	4,190,080	4,220,244	4,346,852	4,477,257	4,611,576	4,723,260
Fines & Fees	2,148,350	2,241,170	2,300,844	2,362,158	2,425,155	2,489,884
Building Permits/Fees	1,033,500	1,105,630	1,157,392	1,212,870	1,249,257	1,286,734
Development Fees	149,500	131,590	135,538	139,604	143,791	148,105
Inter-Intragovernmental	3,940,186	3,780,582	3,849,992	3,968,606	4,076,675	4,187,766
Other Revenue	277,300	183,159	187,694	192,344	197,117	202,013
Total Revenues Before Transfers	34,224,216	34,467,475	35,138,305	35,891,283	36,626,896	37,452,591
TRANSFERS FROM OTHER FUNDS:						
Water & Wastewater Fund	144,605	—	—	—	—	—
Debt Service Transfers	600,905	592,460	575,678	575,944	544,244	526,375
Drainage Utility Fund	11,420	—	—	—	—	—
Total Transfers	756,930	592,460	575,678	575,944	544,244	526,375
TOTAL REVENUES & TRANSFERS	\$ 34,981,146	\$ 35,059,935	\$ 35,713,983	\$ 36,467,227	\$ 37,171,140	\$ 37,978,966
EXPENDITURES:						
Personnel Services	\$ 20,273,193	\$ 20,705,805	\$ 21,534,035	\$ 22,395,395	\$ 23,291,211	\$ 24,222,858
Operations & Maintenance	2,422,450	2,331,434	2,401,374	2,473,414	2,547,617	2,624,045
Services & Other	7,098,489	6,096,135	6,279,017	6,467,385	6,661,406	6,861,250
TIRZ No. 1 Assessment	643,350	646,560	653,026	662,821	672,763	686,219
Debt Service	4,769,080	4,793,378	4,537,453	4,546,607	4,077,971	3,879,600
Refunding bonds	—	—	—	—	—	—
Capital Outlay	3,237,080	1,260,000	1,260,000	1,260,000	1,260,000	1,260,000
Total Expenditures Before Transfers	38,443,642	35,833,312	36,664,905	37,805,622	38,510,968	39,533,972
Transfers to Other Funds	33,625	—	—	—	—	—
Total Transfers	33,625	—	—	—	—	—
TOTAL EXPENDITURES & TRANSFERS	38,477,267	35,833,312	36,664,905	37,805,622	38,510,968	39,533,972
NET REVENUES (EXPENDITURES)	\$ (3,496,121)	\$ (773,377)	\$ (950,922)	\$ (1,338,395)	\$ (1,339,828)	\$ (1,555,006)

MULTI-YEAR FINANCIAL PROJECTION FUND BALANCE SUMMARY						
GENERAL FUND						
Undesignated Beginning Balance	\$ 11,587,569	\$ 8,100,973	\$ 7,327,593	\$ 6,376,643	\$ 5,038,147	\$ 3,698,143
Net Revenues (Expenditures)	(3,486,596)	(773,380)	(950,950)	(1,338,496)	(1,340,004)	(1,555,105)
Undesignated Ending Balance	8,100,973	7,327,593	6,376,643	5,038,147	3,698,143	2,143,038
Days of Operations	88	87	73	56	39	22
Percentage of Operating Expenditures	25%	24%	20%	15%	11%	6%
FUND BALANCE REQUIREMENT	\$ 6,422,736	\$ 5,909,823	\$ 6,120,027	\$ 6,338,149	\$ 6,564,490	\$ 6,799,363
Unreserved fund balance requirement of operating expenditures (number of days)	70	70	70	70	70	70
DEBT SERVICE FUND						
Beginning Balance	\$ 477,441	\$ 487,536	\$ 487,539	\$ 487,566	\$ 487,668	\$ 487,844
Net Revenues (Expenditures)	(9,525)	3	28	101	176	99
Ending Balance	467,916	487,539	487,566	487,668	487,844	487,943
Direct tax-supported debt per capita (net of self-supporting debt transfers)	\$ 758	\$ 684	\$ 605	\$ 534	\$ 461	\$ 400

The 2013-14 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 \$2.92 million. Major increases in revenues over the five-year period are as follows:

- Property taxes increase by \$1,078,846, with 100 percent of the increase attributable to growth in taxable value
- Sales taxes increase by \$530,883
- Other taxes, comprised primarily of franchise revenues, increase by \$503,016
- Inter-intragovernmental revenues increase by \$407,184; 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 \$3.7 million. Major increases in expenditures over the five-year period are as follows:

- Personnel services, including wages, salaries and benefits, increase by \$3.5 million, and includes a total of 237 full-time equivalent positions
- Services and other increase by \$765,115
- Debt service expenditures decrease by \$913,778, due to retirement of existing debt

As the projections indicate, beginning in fiscal year 2015-16 the General Fund ending fund balance will fall below the targeted balance by approximately \$1.3 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.

ORDINANCE NO. 1663

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS, ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2013 AND ENDING SEPTEMBER 30, 2014, INCLUDING THE 2014 THROUGH 2018 CAPITAL IMPROVEMENTS PROGRAM; APPROVING CERTAIN AMENDMENTS TO THE FISCAL YEAR 2012-2013 ANNUAL BUDGET; AND ADOPTING THE FISCAL YEAR 2013-2014 FEE SCHEDULE FOR THE CITY OF KELLER, TEXAS.

WHEREAS, the annual budget for the City of Keller, Texas was prepared by the City Manager and presented to the City Council by August 15, 2013, in accordance with the Charter of the City of Keller, Texas; and

WHEREAS, a public hearing on the Keller Crime Control Prevention District was held, and the Board of Directors of the Keller Crime Control Prevention District unanimously approved the budget for the Keller Crime Control Prevention District, on June 26, 2013, and subsequently, a notice of public hearing on the proposed Keller Crime Control Prevention District budget was provided, and said public hearing was held by the City Council of the City of Keller, Texas, on August 20, 2013; and

WHEREAS, the Keller Development Corporation Board of Directors approved the budget for the Keller Development Corporation, on July 25, 2013, and subsequently, a notice of public hearing on the proposed Keller Development Corporation budget was provided, and said public hearing was held by the City Council of the City of Keller, Texas, on August 6, 2013; and

WHEREAS, the proposed budget document has been made available for public review in person and on the City's Internet web site and;

WHEREAS, a notice of public hearing concerning the proposed annual City budget was published as required by State law and the City Charter of the City of Keller, and said public hearing was held by the City Council on September 17, 2013; and

WHEREAS, after review and public hearing on the proposed 2013-2014 Annual Budget, including the 2014 through 2018 capital improvements program, the 2013-2014 City of Keller Fee Schedule, and the review of the amendments to the current Fiscal Year 2012-2013 Annual Budget, it is deemed to be in the best financial interest of the citizens of the City of Keller, Texas, that the City Council should approve said budget and any amendments, as subsequently approved by the City Council, and as presented by the City Manager.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS:

Section 1: THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

Section 2: THAT, the official budget for the City of Keller, Texas, for the fiscal year beginning October 1, 2013 and ending September 30, 2014, including the 2014 through 2018 capital improvements program be hereby adopted by the City Council of the City of Keller, Texas, and the City Secretary is directed to keep and maintain a copy of such official budget on file in the office of the City Secretary, available for inspection by citizens and the general public.

Section 3: THAT, the City Council of the City of Keller, Texas, hereby approves certain amendments to the current Fiscal Year 2012-2013 Annual Budget.

Section 4: THAT, the sums specified below are hereby appropriated from the respective funds for the payment of expenditures on behalf of the city government as established in the approved budget document:

Fund	2012-2013	2013-2014
	Revised Expenditures	Expenditures
General Fund	\$ 30,006,850	\$ 30,701,073
Water & Wastewater Fund	21,600,335	22,040,225
Drainage Utility Fund	2,284,650	1,717,645
Keller Development Corporation	2,178,545	1,855,450
The Keller Pointe Recreation & Aquatic Center Fund	3,473,800	3,150,211
Information Services Special Revenue Fund	1,647,220	1,792,640
Library Special Revenue Fund	11,140	135,820
Recreation Special Revenue Fund	656,180	164,325
Municipal Court Special Revenue Fund	178,500	89,065
Cable Franchise Special Revenue Fund	16,000	115,000
Keller Crime Control Prevention District Fund	8,231,460	1,084,990
Community Clean-Up Fund	28,500	30,000
General Obligation Debt Service Fund	5,374,635	5,652,870
Tax Increment Reinvestment Zone Interest and Sinking Fund	3,180,155	3,179,310
Capital Projects Fund (transfers only)	64,490	-
Parks Capital Projects Fund (transfers only)	6,990	-
Park Development Fee Fund	69,292	305,000
Street Improvements Fund	2,046,795	1,950,000
Fleet Replacement Fund	1,073,575	52,090
TOTAL APPROPRIATIONS	\$ 82,129,112	\$ 74,015,714

Section 5: THAT, in addition to the above appropriated amounts, the following one-time, non-recurring expenditures are hereby appropriated from available fund reserves for fiscal year 2013-2014:

<u>GENERAL FUND:</u>	
Transfer to Fleet Replacement Fund for future vehicle replacements	\$ 300,000
City-wide communications system upgrade (fiscal year 2012-2013 carryover)	1,644,535
Economic development initiatives	1,200,000
Economic development incentives (approved developer agreements)	230,000
Vehicle replacements	211,595
Fire engine replacement	550,000
Total	\$4,136,130

Section 6: THAT, remaining balances of all capital project appropriations at September 30, 2013 shall be automatically re-appropriated into the respective capital project in the 2013-2014 fiscal year.

Section 7: THAT, in addition to the amounts provided above in Section 4 through Section 6, the following capital projects are hereby authorized to be funded in fiscal year 2013-2014 from general obligation bonds or certificates of obligation:

Water and Wastewater Certificates of Obligation:	
Alta Vista Pump Station Rehabilitation	\$3,535,000
Wall-Price Keller Road water improvements	2,341,500
Total Water & Wastewater	<u>\$5,876,500</u>
Keller Development Corporation Certificates of Obligation:	
The Keller Pointe expansion	\$2,257,000
Hike and bike trail improvements and Big Bear Creek West creek bank repair	494,360
Bear Creek Park renovations	<u>1,215,625</u>
Total Keller Development Corporation	<u>\$3,966,985</u>
Total Debt Obligations	<u><u>\$9,843,485</u></u>

Section 8: THAT, in addition to the amounts provided above in Section 4 through Section 7, the following capital projects are hereby appropriated in fiscal year 2013-2014 from current available resources:

ROADWAY IMPACT FEE FUND: Revenues are derived from roadway impact fees assessed on new development within the City, and expenditures are restricted to roadway capital improvement projects and/or debt service costs related to specific roadway capital improvement projects. The following capital projects are hereby appropriated in fiscal year 2013-2014 from the Roadway Impact Fee Fund:

Water, Wastewater and Roadway Impact \$ 45,000
 Fee Update Study

WATER IMPACT FEE FUND: Revenues are derived from water impact fees assessed on new development within the City, and expenditures are restricted to water capital improvement projects and/or debt service costs related to specific water capital improvement projects. The following capital projects are hereby appropriated in fiscal year 2013-2014 from the Water Impact Fee Fund:

Water, Wastewater and Roadway Impact Fee Update Study	\$ 45,000
Alta Vista Pump Station Rehabilitation	965,000
Wall-Price Keller Road water improvements	523,500
Total	\$1,533,500

WASTEWATER IMPACT FEE FUND: Revenues are derived from wastewater impact fees assessed on new development within the City, and expenditures are restricted to wastewater capital improvement projects and/or debt service costs related to specific wastewater capital improvement projects. The following capital projects are hereby appropriated in fiscal year 2013-2014 from the Wastewater Impact Fee Fund:

Water, Wastewater and Roadway Impact \$ 45,000
 Fee Update Study

PARKS CAPITAL IMPROVEMENTS FUND: Resources and associated expenditures are restricted for parks capital improvements. The following capital projects are hereby appropriated in fiscal year 2013-2014 from the Parks Capital Improvements Fund:

None

Section 9: THAT, in addition to the appropriated amounts described in Section 4 through Section 8 above for the fiscal year beginning October 1, 2013 and ending September 30, 2014, all remaining encumbrance balances at September 30, 2013 shall hereby automatically be re-appropriated into the respective fund in the 2013-2014 Fiscal Year.

Section 10: THAT, expenditures on behalf of the City of Keller, Texas for the following funds are expressly limited or restricted to specific uses by other provisions in the City of Keller Code of Ordinances or State law; therefore, no specific annual appropriation, except for interfund (intragovernmental) transfers are provided:

PUBLIC SAFETY SPECIAL REVENUE FUND:

Revenues are derived from various sources and are specifically designated for public safety (Police and Fire) related expenditures, including training of public safety personnel. Because of the uncertainty of annual revenues, no annual appropriation budget is prepared.

CONTRIBUTIONS/DONATIONS SPECIAL REVENUE

FUND: Revenues are derived primarily from donations and contributions specifically designated for related expenditures. Because of the uncertainty of annual revenues, no annual appropriation budget is prepared.

SINGLE NON-PROFIT TRUST FUND: Revenues are derived from withholdings from employees for health and life insurance premium deductions, and transfers of City-paid health and life insurance benefits on behalf of employees. Revenues are specifically designated for payment of third-party health and life indemnity insurance premiums. Because withholdings from employees for health and life insurance premium deductions are non-budgeted cash outlays, and further, that the cost of City-paid insurance premiums for employees is already provided within the budgets of the respective and various funds of the City, no annual budget appropriation is necessary for this fund.

Section 11: THAT, unless otherwise provided above, all appropriations shall lapse at the end of each respective fiscal year.

Section 12: THAT, the 2013-2014 City of Keller Fee Schedule provided in the budget document is hereby adopted for fiscal year 2013-2014.

Section 13: THAT, should any part, portion, section, or part of a section of this Ordinance be declared invalid, or inoperative, or void for any reason by a court of competent jurisdiction, such decision, opinion, or judgment shall in no way affect the remaining provisions, parts, sections, or parts of sections of this Ordinance, which provisions shall be, remain, and continue to be in full force and effect.

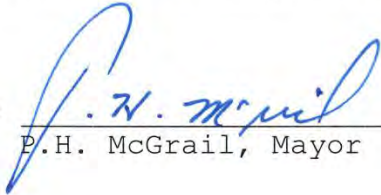
Section 14: THAT, all ordinances and appropriations for which provisions have heretofore been made are hereby expressly repealed if in conflict with the provisions of this Ordinance.

AND IT IS SO ORDAINED.

Passed and approved by a vote of 7 to 0 on this the 17th day of September, 2013.

CITY OF KELLER, TEXAS

BY:

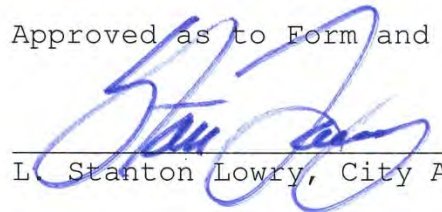

P.H. McGrail, Mayor

Record Vote: Council Member	For	Against
P. H. McGrail, Mayor	X	
Gary Reaves, Mayor Pro Tem	X	
Debbie Bryan	X	
Tom Cawthra	X	
John Hoffmann	X	
Bill Dodge	X	
Doug Miller	X	
Abstain:		
Absent:		

ATTEST:


Sheila Stephens, City Secretary

Approved as to Form and Legality:


L. Stanton Lowry, City Attorney

ORDINANCE NO. 1664

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS, LEVYING TAXES TO BE ASSESSED ON ALL TAXABLE PROPERTIES WITHIN THE CITY LIMITS OF THE CITY OF KELLER, TEXAS FOR THE TAX YEAR 2013 (FISCAL YEAR 2013-2014).

WHEREAS, a public hearing on the proposed annual budget for the City of Keller, Texas, for the fiscal year beginning October 1, 2013 and ending September 30, 2014, has been duly advertised, and hearing held on September 17, 2013; and

WHEREAS, the annual budget has been approved and adopted in an amount necessary to require the tax levy as herein stated; and

WHEREAS, two public hearings on the adoption of a tax rate exceeding the lower of the rollback rate or the effective tax rate were held on September 3, 2013 and September 10, 2013, in accordance with State law; and

WHEREAS, the notice of the date, time, and place of the two public hearings was provided in the Fort Worth *Star-Telegram*, a newspaper of general circulation within the City of Keller, and further published on the City's Internet web site, and public access television channel, in accordance with State law; and

WHEREAS, the Notice of Vote on Tax Increase providing the date, time, and location of the scheduled vote on the proposed tax rate was published in the Fort Worth *Star-Telegram*, a newspaper of general circulation within the City of Keller, and further published on the City's Internet web site, and public access television channel, in accordance with State law; and

WHEREAS, it is deemed to be in the best interest of the citizens of the City of Keller, Texas, to levy said tax on all taxable properties within the city limits of Keller in order to provide the necessary funds to provide municipal service to its citizens; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the date, time, location, and subject of said meeting, including this Ordinance, was given, all as required by the applicable provisions of the Texas Government Code, Chapter 551.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS:

Section 1: THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

Section 2: THAT, the City Council of the City of Keller, Texas, shall hereby levy the following taxes on each One Hundred Dollars (\$100.00), of taxable valuation on all taxable property within the city limits of the City of Keller, Texas, to be assessed and collected by the Tax Assessor/Collector for the tax year 2013 (Fiscal Year 2013-2014) for the purposes hereinafter stipulated:

- a. For the General Fund Maintenance and Operations levied on the \$100.00 of taxable valuation: \$0.31150
 - b. For the Interest and Sinking Fund levied on the \$100.00 of taxable valuation: \$0.13069
- Total tax rate** **\$0.44219**

Section 3: THAT, BECAUSE THIS YEAR'S TAX LEVY NECESSARY TO FUND MAINTENANCE AND OPERATIONS EXPENDITURES DOES NOT EXCEED LAST YEAR'S MAINTENANCE AND OPERATIONS TAX LEVY, THE STATEMENT AS SPECIFIED IN §26.05(B) OF THE PROPERTY TAX CODE IS NOT REQUIRED.

Section 4: THAT, there shall be exempted from the valuation of all residential homesteads for which proper application shall have been made, an amount equal to the greater of one percent (1%) of the appraised value of such residential homestead, or Five Thousand Dollars (\$5,000.00). The exemption shall be granted to any such residential homestead and the improvements qualifying for same as provided by law.

Section 5: THAT, there shall be exempted the sum of Forty Thousand Dollars (\$40,000.00) of the assessed value of residence homesteads of residents of the City of Keller, Texas, who are sixty-five (65) years of age or older, from all ad valorem taxes thereafter levied by the City of Keller, Texas.

Section 6: THAT, there shall be exempted the sum of Ten Thousand Dollars (\$10,000.00) of the assessed value of residence homesteads of residents of the City of Keller, Texas, meeting the definition of a "disabled" individual, as defined by the Texas Tax Code.

Section 7: THAT, there shall be exempted from valuation any other exemption or exemptions, which may be authorized by the Texas Tax Code for which proper application by the Taxpayer, shall have been made.

Section 8: THAT, Ordinance No. 1209, approved by the City Council of the City of Keller, Texas, on August 3, 2004, provided for the establishment of an ad valorem tax limitation on residential homesteads of disabled and persons sixty-five (65) years of age or older and their spouses, as authorized and defined by the Texas Constitution, Article VIII, Taxation and Revenue, Section 1-b, Residence Homestead Exemption, and the Texas Tax Code, Chapter 11, Taxable Property and Exemptions, Section 11.261, Limitation of County, Municipal, or Junior College District Tax on Homesteads of Disabled and Elderly.

Section 9: THAT, the taxes are hereby assessed and levied and are due and payable on October 1, 2013 and shall be payable not later than January 31, 2014. The penalties and interest provided for shall accrue after this date. However, if the entire taxes due are paid in full by January 31, 2014, no penalty or interest shall be due.

Section 10: THAT, in addition to the taxes assessed and levied herein, there is also assessed and levied a penalty for the failure to pay taxes due as State law provides.

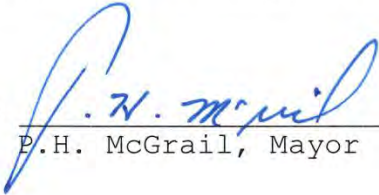
Section 11: THAT, in addition to the taxes and penalty and interest assessed and levied herein, there is also assessed and levied a twenty percent (20%) collection fee on all taxes, and penalty, and interest that become delinquent and remain unpaid on July 1, 2014.

Section 12: THAT, in accordance with Article IX, Section 9.02 of the Keller City Charter, proper notice of a public hearing has been provided; and this Ordinance shall take effect and be in full force and effect from and after its final passage.

AND IT IS SO ORDAINED.

Passed and approved by a vote of 7 to 0 on this the 17th day of September, 2013.

CITY OF KELLER, TEXAS

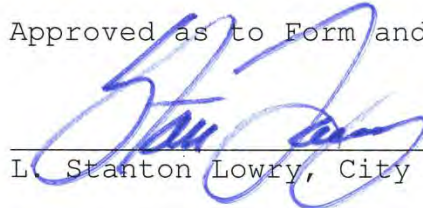
BY: 
P.H. McGrail, Mayor

Record Vote: Council Member	For	Against
P. H. McGrail, Mayor	X	
Gary Reaves, Mayor Pro Tem	X	
Debbie Bryan	X	
Tom Cawthra	X	
John Hoffmann	X	
Bill Dodge	X	
Doug Miller	X	
Abstain:		
Absent:		

ATTEST:


Sheila Stephens, City Secretary

Approved as to Form and Legality:


L. Stanton Lowry, City Attorney

RESOLUTION NO. 3418

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS, RATIFYING THE TAX REVENUE FOR THE TAX YEAR 2013 (FISCAL YEAR 2013-2014) FOR THE CITY OF KELLER, TEXAS.

WHEREAS, Section 102.007 of the Local Government Code, Subsection (c), requires a vote of the governing body to ratify the property tax revenue increase reflected in the adopted budget; and

WHEREAS, proper notice of a public hearing on the proposed budget was provided in accordance with Article VIII, City Charter of the City of Keller, Texas, and said public hearing was held on September 17, 2013; and

WHEREAS, proper notice of the vote on the tax rate was provided in accordance with Chapter 26 of the Tax Code, and said vote was held on September 17, 2013.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KELLER, TEXAS:

Section 1: THAT, the above findings are hereby found to be true and correct and are incorporated herein in their entirety.

Section 2: THAT, the City Council of the City of Keller, hereby ratifies the 2012 (fiscal year 2013-2014) property tax revenue as reflected in the adopted budget for Fiscal Year 2013-2014 for the City of Keller, Texas, as follows:

General Fund (maintenance & operations)	\$13,786,280
Debt Service Fund	<u>4,887,100</u>
Total	<u><u>\$18,673,380</u></u>

Section 3: THAT, the City Council of the City of Keller, hereby ratifies the total property tax revenue increase of \$760,825 as reflected in the adopted budget for Fiscal Year 2013-2014 for the City of Keller, Texas.

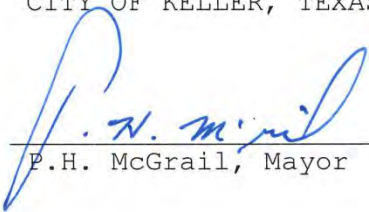
Section 4: THAT, the City Council of the City of Keller, hereby ratifies the property tax revenue increase of \$355,624 to be raised from new property added to the tax roll for Fiscal Year 2013-2014 for the City of Keller, Texas.

AND IT IS SO RESOLVED.

Passed by a vote of 7 to 0 on this the 17th day of September, 2013.

CITY OF KELLER, TEXAS

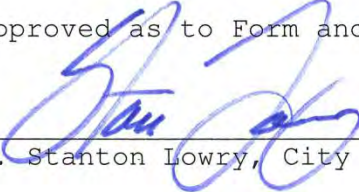
By:


P.H. McGrail, Mayor

ATTEST:


Sheila Stephens, City Secretary

Approved as to Form and Legality:


L. Stanton Lowry, City Attorney

2013 (FY2014) Property Tax Rates in the City of Keller

This notice concerns the 2013 property tax rates for City of Keller. It presents information about three tax rates. Last year's tax rate is the actual tax rate the taxing unit used to determine property taxes last year. This year's *effective* tax rate would impose the same total taxes as last year if you compare properties taxed in both years. This year's *rollback* tax rate is the highest tax rate the taxing unit can set before taxpayers start rollback procedures. In each case these rates are found by dividing the total amount of taxes by the tax base (the total value of taxable property) with adjustments as required by state law. The rates are given per \$100 of property value.

Last year's tax rate:

Last year's operating taxes	\$ 11,741,792
Last year's debt taxes	\$ 4,926,275
Last year's total taxes	\$ 16,668,067
Last year's tax base	\$ 3,769,435,537
Last year's total tax rate	\$ 0.44219/\$100

This year's effective tax rate:

Last year's adjusted taxes (after subtracting taxes on lost property)	\$ 16,000,501
÷ This year's adjusted tax base (after subtracting value of new property)	\$ 3,648,148,32
= This year's effective tax rate <i>(Maximum rate unless the City publishes notices and holds hearings.)</i>	\$ 0.43859/\$100

This year's rollback tax rate:

Last year's adjusted operating taxes (after subtracting taxes on lost property and adjusting for transferred function, tax increment financing, state criminal justice mandate, and/or enhanced indigent health care expenditures)	\$ 11,274,387
÷ This year's adjusted tax base	\$ 3,648,148,332
= This year's effective operating rate	\$ 0.30904/\$100
x 1.08 = this year's maximum operating rate	\$ 0.33376/\$100
+ This year's debt rate	\$ 0.13107/\$100
= This year's rollback rate	\$ 0.46843/\$100

Statement of Increase/Decrease

If the City adopts a 2013 tax rate equal to the effective tax rate of \$0.44623 per \$100 of value, taxes would **decrease** compared to 2012 taxes by \$314,924.

Schedule A

Unencumbered Fund Balances

The following estimated balances will be left in the City's property tax accounts at the end of the fiscal year. These balances are not encumbered by a corresponding debt obligation.

Type of Property Tax Fund	Balance
General Fund (Maintenance & Operating)	\$9,161,555
Debt Service Fund	544,232

Schedule B
2013 (FY2014) Debt Service

The City plans to pay the following amounts for long-term debts that are secured by property taxes. These amounts will be paid from property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid from Property Taxes	Interest to be Paid from Property Taxes	Other Amounts to be Paid	Total Payment
2003 Certificates of obligation	\$ 65,000	\$ 6,113	\$ -	\$ 71,113
2004 General obligation refunding bonds	735,000	54,500	-	789,500
2004 Certificates of obligation	325,000	6,703	-	331,703
Fire truck lease-purchase obligation	61,510	2,865	-	64,375
2005 General obligation refunding bonds	960,000	251,055	-	1,211,055
2005 TIRZ Certificates of obligation-refunding	531,600	136,146	-	667,746
2009 General obligation bonds	150,000	148,958	-	298,958
2009 Certificates of obligation	350,000	295,565	-	645,565
2010 Certificates of obligation	255,000	236,699	-	491,699
2010A General obligation refunding bonds	110,000	24,663	-	134,663
2010B General obligation refunding bonds	485,000	135,838	-	620,838
2011 General obligation refunding bonds	5,000	17,138	-	22,138
2012 General obligation refunding bonds	-	176,150	-	176,150
2013 Public property contractual obligations	115,000	12,430	-	127,430
Paying agent fees/other	-	-	6,000	6,000
Total required for 2014 debt service	\$ 4,148,110	\$ 1,504,823	\$ 6,000	\$ 5,658,933
- Amount (if any) paid from funds listed in Schedule A				-
- Amount (if any) paid from other sources				(771,833)
- Excess collections last year				-
= Total to be paid from taxes in 2014				4,887,100
+ Amount added in anticipation that the unit will collect 100% of its taxes in 2013				-
= Total debt levy				<u><u>\$ 4,887,100</u></u>

This notice contains a summary of actual effective and rollback tax rates calculations. You can inspect a copy of the full calculations at the Keller Town Hall, 1100 Bear Creek Parkway, Keller, Texas.

Name of person preparing this notice Donna L. Benham, RTA
 Title Revenue Manager
 Date prepared July 25, 2013

CITY OF KELLER, TEXAS
COMPENSATION PAY PLAN
Fiscal Year 2013-2014

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 which is compared to our 13 benchmark cities to remain competitive with regard to compensation as well as benefits. 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), 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 2013-2014

COMPENSATION PLAN

Pay Class	Minimum Annual	Mid-Point Annual	Maximum Annual
ADMINISTRATIVE/TECHNICAL NON-EXEMPT PAY PLAN			
A/TN-1	\$ 24,274	\$ 29,214	\$ 34,154
A/TN-2	25,730	30,961	36,192
A/TN-3	27,269	32,812	38,355
A/TN-4	28,912	34,778	40,643
A/TN-5	30,638	36,878	43,118
A/TN-6	32,469	39,073	45,677
A/TN-7	34,424	41,434	48,443
A/TN-8	36,483	43,919	51,355
A/TN-9	38,667	46,540	54,413
A/TN-10	40,997	49,338	57,678
A/TN-11	43,451	52,281	61,110
A/TN-12	46,051	55,422	64,792
TRADES NON-EXEMPT PAY PLAN			
TN-1	25,626	30,836	36,046
TN-2	27,165	32,688	38,210
TN-3	28,787	34,653	40,518
TN-4	30,514	36,712	42,910
TN-5	32,344	38,917	45,490
TN-6	34,278	41,257	48,235
TN-7	36,338	43,732	51,126
TN-8	38,522	46,353	54,184
TN-9	40,830	49,140	57,450
TN-10	43,285	52,094	60,902
TN-11	45,885	55,224	64,563
POLICE NON-EXEMPT PAY PLAN			
PSN-PR (Recruit)	45,531	N/A	N/A
PSN--PO/CI	49,462	57,252	65,042
PSN-CO	60,278	67,662	75,046
PSN-S	69,763	77,106	84,448
PN-1	30,992	36,671	42,349
PN-2	32,843	38,875	44,907
PN-3	34,819	41,195	47,570
PN-4	36,899	43,670	50,440
PN-5	39,104	46,291	53,477
PN-6	42,390	50,170	57,949
PN-7	44,928	53,175	61,422
PN-8	47,632	56,368	65,104

Pay Class	Minimum Annual	Mid-Point Annual	Maximum Annual
POLICE EXEMPT PAY PLAN			
PSE-PC	\$ 87,840	\$ 95,307	\$ 102,773
FIRE NON-EXEMPT PAY PLAN (SHIFT)			
PSN-FR (Recruit)	46,505	N/A	N/A
PSN-F	49,300	57,046	64,792
PSN-D/F	60,977	68,447	75,916
PSN-FC	73,907	81,697	89,486
PSN-BC	84,448	91,626	98,804
FIRE NON-EXEMPT PAY PLAN (NON-SHIFT)			
PSN-FI	60,977	68,447	75,916
PSN-BC	84,448	91,626	98,804
PROFESSIONAL EXEMPT PAY PLAN			
PE-1	36,512	43,939	51,366
PE-2	38,703	46,576	54,448
PE-3	41,025	49,370	57,715
PE-4	43,486	52,332	61,178
PE-5	46,095	55,472	64,849
PE-6	48,861	58,801	68,740
PE-7	51,793	62,329	72,864
PE-8	54,900	66,068	77,236
PE-9	58,194	70,032	81,870
PE-10	61,686	74,235	86,783
PE-12	69,310	80,650	91,990
DIRECTOR AND MANAGER PAY PLAN			
M-1	60,892	76,420	91,947
M-2	71,593	89,850	108,106
M-3	90,734	113,871	137,008
M-4	108,880	136,645	164,409
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			

GLOSSARY OF TERMS

The annual budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader in understanding these terms, this glossary has been included in the budget document.

-A-

ACCRUAL BASIS OF ACCOUNTING. A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred. For example, water revenues which are billed in September are recorded as revenues in September, even though payment in cash is actually received in October. Similarly, services or supplies that have been received in September, but actually paid for by the City in October, are recorded as obligations of the City (expenses) in September. Accrual accounting is used for the City's enterprise funds for financial reporting purposes.

ADOPTED BUDGET. The budget as modified and finally approved by the City Council. The adopted budget is authorized by ordinance that sets the legal spending limits for the fiscal year.

AD VALOREM TAX. A tax levied on the assessed valuation of land and improvements.

APPRAISED VALUE. The estimated value of property for the purpose of taxation, as established by the Tarrant Appraisal District.

APPROPRIATION. An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of resources. Appropriations normally are made for fixed amounts at the department level and cover, in the operating budget, a one-year period.

APPROPRIATION (BUDGET) ORDINANCE. The official enactment by the City Council establishing the legal authority for City officials to obligate and expend resources.

ASSESSED VALUATION. A value that is established for real or personal property for use as a basis for levying property taxes. Property values in Keller are established by the Tarrant Appraisal District.

ASSETS. Resources owned or held by the City that have monetary value.

AUTHORIZED POSITION(S). See *FULL-TIME EQUIVALENT POSITION*.

-B-

BALANCED BUDGET. A budget adopted by the City Council and authorized by ordinance where the proposed expenditures are equal to or less than the proposed revenues plus fund balances.

BASIS OF ACCOUNTING. A term used referring as to when revenues, expenditures, expenses, and transfers –and related assets and liabilities – are recognized in the accounts and reported in the City's financial statements.

BUDGET. The City's financial plan that contains both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives.

BUDGET ADJUSTMENT (AMENDMENT). A formal legal procedure utilized by the City to revise a budget during a fiscal year.

BUDGET CALENDAR. The schedule of dates used as a guide to complete the various steps of the budget preparation and adoption processes.

BUDGET ENHANCEMENT. A request for additional funding for a program, service, or the expansion of current services. Budget enhancements are used during the budget preparation process in order to identify specific departmental requests in the proposed budget. Budget enhancements are ranked in their order of priority by the department manager making the request. Budget enhancements are distinguished in the proposed budget separately from the "base line" or "current services" funding levels. Also see: *DECISION PACKAGE* and *SUPPLEMENTAL DECISION PACKAGE*.

BUDGET MESSAGE. The opening section of the budget document from the City Manager that provides the City Council and the public with a general summary of the most important aspects of the budget. Sometimes referred to as a "transmittal letter."

BUDGETARY CONTROL. The control of management of the organization in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

GLOSSARY OF TERMS

-C-

CAPITAL OUTLAY. An expenditure which results in the acquisition of or addition to fixed assets, and meets these criteria: having an anticipated useful life of more than one year; can be permanently identified as an individual unit of property; belonging to one of the following categories – land, buildings, machinery and equipment, vehicles, or furniture and fixtures; constitutes a tangible, permanent addition to the value of City assets; cost generally exceeds \$5,000; does not constitute repair or maintenance; and is not readily susceptible to loss. In the budget, capital outlay is budgeted as expenditures in all fund types.

CAPITAL PROJECT FUND. A fund used to account for the financial resources to be used for the acquisition or construction of major capital facilities or equipment, usually financed by the issuance of debt.

CERTIFICATES OF OBLIGATION. Tax-supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval of the City Council.

CERTIFIED APPRAISAL ROLL. The final property appraisals roll, as calculated by the Tarrant Appraisal District (TAD). The certified roll is required to be prepared by TAD by July 25 of each year.

CITY CHARTER. The document of a home rule City similar to a constitution, which establishes the City's government structure and provides for the distribution of powers and duties among the various branches of government.

CITY COUNCIL. The elected governing body of the City, consisting of the Mayor and 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.



FISCAL YEAR. The time period designated by the City signifying the beginning and ending period for the recording of financial transactions. The City's fiscal year is October 1 through September 30.

FRANCHISE FEES (TAXES). A fee (tax) paid by a public utility for the use of public property in providing their services to the citizens of Keller. The fee is typically calculated as a percentage of the utility's gross receipts.

FULL-TIME EQUIVALENT (FTE) POSITION. A position for an employee working a 40-hour work week for 52 weeks a year, i.e., 2,080 annual hours (2,912 annual hours for firefighters).

FUND. A fiscal and accounting entity established to record receipt and disbursement of income from sources set aside to support specific activities or to attain certain objectives. Each fund is treated as a distinct fiscal entity where assets equal liabilities plus fund balances.

FUND BALANCE. Unless stated otherwise, the excess of a fund's current assets over its current liabilities; sometimes called working capital in enterprise funds. Negative fund balances are referred to as a deficit.



GENERAL FUND. The fund used to account for financial resources except those funds required to be accounted for in another fund; the general fund is tax supported and includes the operations of most City services, i.e., police, fire, streets, parks and recreation, and administration.

GENERAL OBLIGATION DEBT. Money owed on interest and principal to holders of the City's general obligation bonds. The debt is supported by revenues provided from real property that is assessed through the taxation power of the City.

GOAL. A broad, general statement of each department's or divisions desired social or organizational outcomes.



IMPACT FEE. A fee imposed by the City on new development. Impact fees are collected for roadway, water and sewer improvements. Impact fees may only be used for capital improvements and/or expansion to the systems for which the impact fee originally was collected.

INFRASTRUCTURE. That portion of a City's assets located at or below ground level, including streets, water, and sewer systems.

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS. Transfers made from one City fund to another City fund for the purposes such as reimbursement of expenditures, general and administrative services, payments-in-lieu of taxes, or debt service.

INTERGOVERNMENTAL REVENUES. Revenues from other governments in the form of grants, entitlements, shared revenues or payments-in-lieu of taxes.

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-

REDUCITON 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.*



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.



UNEARNED REVENUE. See *DEFERRED REVENUE.*



WORKING CAPITAL. The current assets less the current liabilities of a fund. Working capital does not include long-term assets or liabilities. For budgetary purposes, working capital, rather than retained earnings, is generally used to reflect the available resources of enterprise funds. (See *RETAINED EARNINGS*.)