

Fiscal Year 2012-2013



Proposed Budget

Mayor and City Council

Pat McGrail, Mayor

Ray Brown, City Council - Place 1

Gary Reaves, City Council - Place 2

Tom Cawthra, City Council - Place 3 and Mayor Pro Tem

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





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

CITY OF KELLER, TEXAS

ANNUAL BUDGET

October 1, 2012 to September 30, 2013



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

STEVE POLASEK
CITY MANAGER

JOHNNY PHIFER
DIRECTOR OF FINANCE

The following statement is provided in accordance with State law:

This budget will raise more total property taxes than last year's budget by \$472,426, or 2.6%, and of that amount \$325,256, to be raised from new property added to the roll this year.

DISTINGUISHED BUDGET PRESENTATION AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Keller for its annual budget for the fiscal year beginning October 1, 2010. The City has received this award for 15 consecutive years (fiscal years 1997 – 2012). In order to receive this award, the City must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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

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

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

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

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Keller

Texas

For the Fiscal Year Beginning

October 1, 2011

Linda C. Danison Jeffrey R. Egan

President

Executive Director

CITY OF KELLER MISSION STATEMENT

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

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

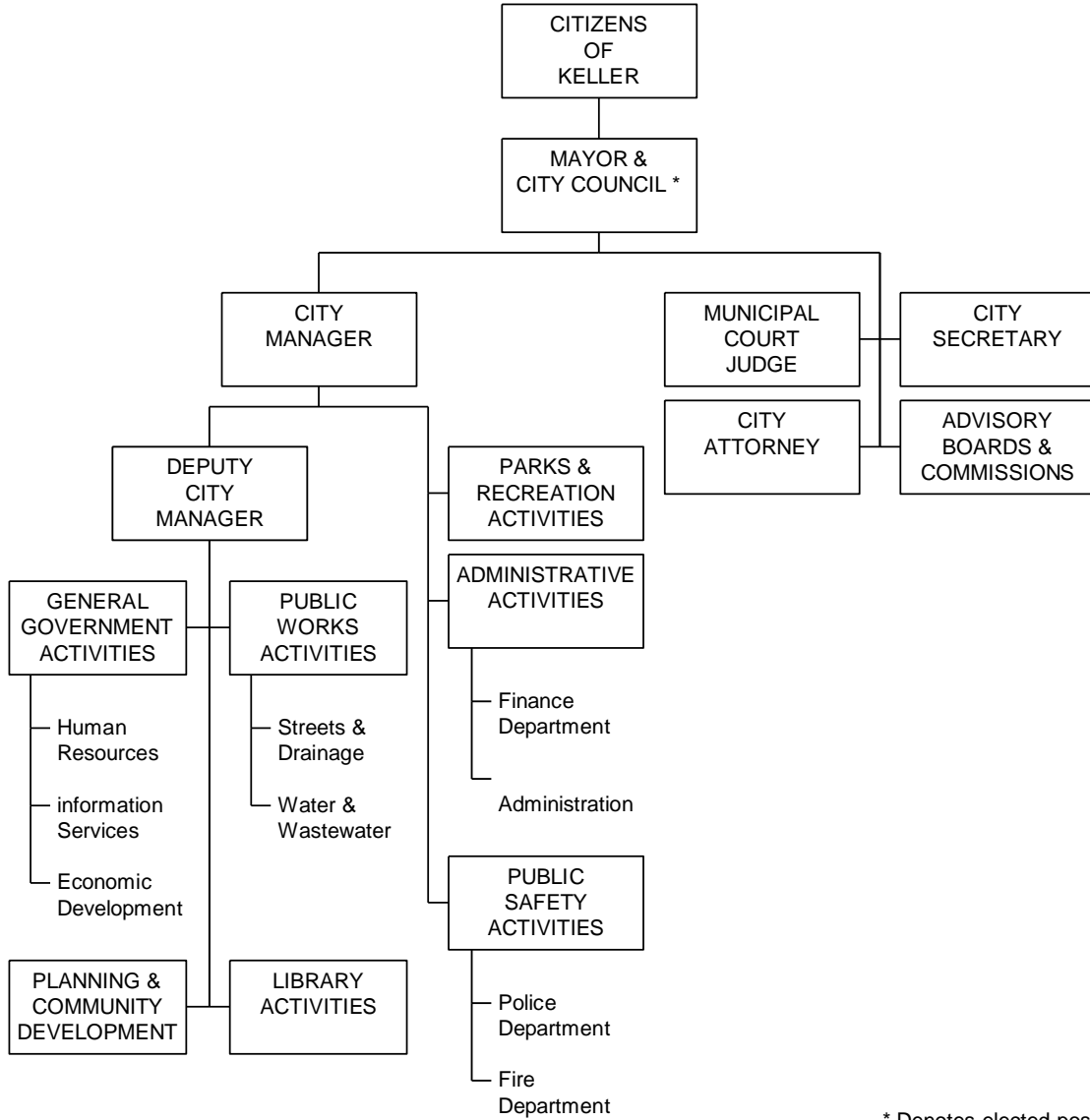
PRINCIPAL OFFICIALS August 2012

Name	Title
<u>ELECTED OFFICIALS:</u>	
Pat McGrail	Mayor
Ray Brown	Council Member, Place 1
Gary Reaves	Council Member, Place 2
Tom Cawthra	Council Member, Place 3 and Mayor Pro Tem
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
Dan Gaumont	Fire Chief
Mark Hafner	Director of Public Safety-Police Chief
Dona Roth Kinney	Director of Parks and Recreation
Keith Macedo	Director of Information Services
Michael Newman	Municipal Court Judge
Carolyn Nivens	Director of Human Resources
Johnny Phifer	Director of Finance
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
Aliquantus Consulting-Alison Benton	Economic Development Consultant

BUDGET CALENDAR

<u>Description of Task/Event</u>	<u>Date(s)</u>
Council/staff budget priority workshop	March 23, 2012
Meetings with Finance Department and departmental budget staffs to distribute budget materials and instructions	March 27, 2012
Departmental budget input	April – May 2012
FY2012 revised estimates and FY2013 budget requests due in Finance Office	June 1, 2012
Departmental budget compilation by Finance Department staff resulting from initial departmental budget requests	May 11 – May 25, 2012
Review of budget requests by City Manager and meetings with departments and Finance Director to review initial budget proposals	April 30 – May 28, 2012
Council/staff budget priority workshop	June 29, 2012
Final (certified) tax values due from Tarrant Appraisal District	July 25, 2012
Final budget revisions prepared for distribution of proposed budget to City Council	July 13 – July 31, 2012
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, 2012
Hold proposed budget review workshop(s) for Council/staff and citizen input	August/September 2012
Hold public hearings on the FY2013 budget and tax rates (if required), ordinance to adopt both the FY2013 budget and FY2012 estimate, and ordinance to adopt tax rate	September 20, 2012
Fiscal year 2012-2013 begins	October 1, 2012

CITY OF KELLER, TEXAS ORGANIZATION CHART



* Denotes elected positions.

General Budget Information and Statistics
Fiscal Year 2012-13

Property tax rate (proposed) for FY2013	\$0.44219, per \$100 of assessed taxable valuation of property, unchanged from previous year.
Total overlapping tax rate for all taxing units	\$2.623057 overlapping tax rate, including the City, KISD, and Tarrant County taxing entities
Total value of properties within Keller	\$4,512,204,008 (appraised market value) \$4,091,445,402 (net taxable value)
Total budget (all funds)	\$78,807,505
Total employees (all funds)	341.75 full time equivalents
General Fund employees per 1,000 population	5.87
Police Department	84.5 FTEs
Fire Department	59 FTEs
Estimated population	39,920 at January 1, 2011 40,440 at January 1, 2012
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 (\$10 million)
Total park acreage	456
Special events guests	33,000
Annual library materials circulation	579,500 (materials checked out)
Library program participants	19,000
Lane miles of paved streets maintained	477
Total fire and EMS calls for service	3,100
Total calls received/dispatched (Police dispatch)	150,000 (Keller, Southlake and Colleyville)
Total billed water sales (million gallons)	3,079.9
average daily usage (million gallons)	8.4
base (winter) average usage (million gallons)	4.5
peak day water demand(million gallons)	22.0
average monthly usage billed per customer	17,518 gallons
Total daily water capacity (million gallons)	24.0
Average wholesale cost of water	\$2.06 per 1,000 gallons



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INTRODUCTION

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August 13, 2012

To the Honorable Mayor McGrail and Members of the City Council

Re: *The Proposed Annual Budget for Fiscal Year 2012/2013*

As a region, we have weathered the economic recession in far better shape than other areas of the country. Progress in job creation, new home starts and expendable income has helped to dampen the impacts of a recession. Over the last twelve months we have experienced an increase in both sales tax and property values, this following a previous period of little or no growth. While current economic indicators show improvement, they should be tempered with caution given uncertainties that still persist in the global markets. Further, the moderate growth we are experiencing, while very welcome, still falls dramatically short when compared to the growth years experienced prior to 2008. Meager economic advances countered with the prudent use of resources will position our City to face future challenges with confidence while maintaining the high standards our community has come to expect.

With the issues previously mentioned, we continue to manage conservatively in this new economy. 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 seek to make investments in our infrastructure and equipment to ensure that we keep pace with replacement needs and avoid a future accumulation of unfunded liabilities.

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. This has allowed the City to "pay as you go" for important non-recurring expenditures such as infrastructure investments and funding for employee compensation. Our window for closing large deficits and aggressively growing the fund balance is diminishing as the budget becomes more finely tuned and previously delayed expenditures are coming due.

This proposed budget emphasizes the conservative direction provided by current and recent leadership. We are fortunate that employee health benefit increases are relatively moderate (6%) for the upcoming fiscal year. Additionally, previous structural changes to our compensation plan afford 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 budget is predicated on the goals as established during the March 2012 Council Budget Workshop.

1. No increase in property tax rates or water/wastewater rates (excluding pass through costs) for the 2012-13 budget year.
2. Pursue sound economic development opportunities
3. Continue identifying regional initiatives for the provision of services
4. Consider increasing user fees for non-resident users of City services and facilities
5. Keep annual recurring cost increases to a minimum
6. No new program expenditures
7. No new positions (*without off-setting revenue and/or ability to defray expenditures*)
8. Continue to embrace occasions to improve efficiencies
9. Consider compensation increases for leaner organization
10. Judicious use of fund balances for non-recurring expenditures

Revenue and Population Growth

The North Central Texas Council of Governments estimates that the population of Keller as of January 2012 is 40,440. This represents a 2.05% increase when compared with the 2010 Census data population of 39,627.

For FY2013 total projected revenues increased by \$5,294,521 or 8.14% over the FY2012 adopted budget. This increase is due primarily to growth in the general fund (\$2.14 million) and water and wastewater fund revenue projections (\$1.84 million). Our net taxable value and total property tax revenues increased by 2.6% to \$4.09 billion. Total charges for services increased by \$2.3 million (8.6%) – primarily from projected increases in water and wastewater charges (\$1.7 million). In addition, intergovernmental revenues increased by \$383,916 (17.6%) primarily due to an increase in transfers from Colleyville, Southlake, and Westlake's share of police/dispatch/jail services (\$106,915) and each city's proportional share of the radio/communications upgrade (\$236,946). Sales and other taxes increased by \$631,960 or 4.3% 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 \$411,920 (3.7%) from the adopted budget, of which \$324,000 (4% was from sales taxes).

Property Tax Rate and Sales Taxes

As mentioned, the taxable property value increased by 2.6% to \$4.09 billion. The increase in taxable property value includes \$73.5 million in new construction. New construction decreased by \$4.55 million (5.8%) 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% and 2.8% in FY2011 and FY2012, respectively. Sales tax projections for FY2013 are projected to moderately increase by 2.2%. 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. When compared to recent fiscal years the revenues generated from development activities are expected to decrease. This is a result of changes to the City's fee structure within the Community Development Department. Conversely, these fee structure changes result in offsetting revenues from building permits/development fees which are anticipated to increase in FY2013. Overall, a slight increase in development activity is expected as the housing demand improves. Future growth, however, will be tempered with a continuing decrease in the lack of land available for development. 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 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. New this year to the budget is the inclusion of the City's Fee Schedule.

Explanation of Fund Accounting

"Funds" are defined as an independent accounting entity with a self-balancing set of accounts. Funds are categorized into fund types each of which is associated with major services provided by the governmental unit. The equity accounts in governmental accounting are referred to as fund balance. The fund balance accounts can be divided into unreserved fund balance accounts and reserved fund balance accounts.

Unreserved fund balance is the difference between assets, liabilities and fund reserves. "Reserved" indicates that a portion of the fund balance is not available for appropriation or is legally separated for a specific future use.

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

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

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

Each Fund's revenues and expenditures are depicted by columns of Actual FY 2010/2011, Budget FY 2011/2012, Estimate FY 2011/2012, and Budget FY 2012/2013 revenue and expenditure data. Fund summaries are provided for all revenues and expenditures applicable to each. The General Fund (tax-supported general operations) and the Water and Wastewater Utility Fund have numerous operating departments or divisions.

Additional Information

The Supplemental Data section contains general information, such as the City's miscellaneous fee schedule, budget and financial policies, the FY2012 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, utility usage, as well as brief explanations of various miscellaneous funds. In addition, page vii, provides "quick facts" for FY2013. This information can provide a quick reference concerning the city's budget process, operations and budgeted expenditures and revenues.

FY 2012/2013 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
- One-time expenditures from fund balance in General Fund of \$1,636,770
- A two percent (2%) merit increase, or a \$1,000 one-time merit stipend for employees who have reached the maximum salary for their pay-grade, and a \$1,000 one-time stipend for all employees to assist in keeping the City's compensation package competitive with our benchmark cities and as an investment in the "leaner" organization philosophy. This represents only the second across the board salary adjustment since October of 2008.
- The addition of 2.25 FTE's at a cost of \$59,190 (net staffing levels for FY2013 vs. FY2012 is plus .95 FTE with a decrease in employees per 1,000 residents from 8.54 to 8.45)
- Investments in capital equipment replacement and infrastructure improvements

The 2012 (FY2013) net assessed taxable valuation, after adjustments, is \$4.09 billion, an increase of \$104 million, or 2.6% over the 2011 (FY2012) net value. Residential property values comprise

approximately 82% of total property values for FY2013; however, commercial/industrial values increased by \$30.5 million (8.0%). A total tax rate of \$ 0.44219 per \$100 of assessed taxable valuation funds FY2013 operations, unchanged from the previous year. The tax rate distribution for FY2013 compared to FY2012 represents a slight decrease in debt service requirements due to retirement of debt and is as follows:

	<u>FY 2011/2012</u>	<u>FY 2011/2012</u>
General Fund	\$ 0.31355	\$ 0.32552
Debt Service Fund	<u>0.12864</u>	<u>0.11667</u>
Total Tax Rate	\$ 0.44219	\$ 0.44219

The total operating budget for FY2012 is \$78,807,505 including new debt requirements. This is an increase of \$8,260,006 (11.7%) over the FY2012 adopted budget and an increase of \$3,048,707 (4%) over the FY2012 estimate of \$75,758,798. Total FY2013 expenditures include one-time, non-recurring expenditures of \$1,636,770 from the General Fund balance. Excluding the one-time expenditures, total expenditures would have increased \$6.62 million, or (9.4%) over the FY2012 adopted budget or \$1.41 million, or (3%) over the FY2012 estimate.

It should be noted, the proposed FY2013 budget of \$78.8 million dollars includes \$4.3 million for the construction of the jail/animal shelter, an increase of \$2.0 million in projected water and wastewater purchases and sales, and the phase II funding for the city-wide radio system in the amount of \$947,810. All totaled, these expenditures total approximately \$7.25 million and account for a majority of the operating budget increase.

GENERAL FUND

Quick Facts:

	<u>FY 2012/2013</u> <u>(Budget)</u>	<u>FY 2011/2012</u> <u>(Budget)</u>	<u>Percentage</u> <u>Increase (Decrease)</u>
Expenditures:	\$29.94 Million*	\$28.18 Million	6.2%
Revenues:	\$29.53 Million	\$27.39 Million	7.8%

* Excluding one-time Fund balance expenditures of \$1,636,770.

Summary:

The projected beginning fund balance for FY2013 of \$8,527,168 exceeds the targeted beginning fund balance by approximately 39.4 days of operations. The total ending fund balance at September 30, 2013 is projected to be \$8,131,136 which is \$1.3 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 unreserved fund balance is projected at \$8,106,136, which allows for approximately 104 days of operating, non-recurring expenditures, thereby exceeding the established benchmark. In summary, I am submitting a General Fund Budget for FY2013 that makes investments using the fund balance, manages expenditures without service cuts and provides the necessary revenue for debt payments resulting from capital projects.

Total proposed expenditures for FY2013 (including one-time fund balance expenditures) decreased \$231,162 (0.7%) versus the FY2012 budget (as amended by Council during the year). The following is a summary of the significant budgeted operating cost increases/decreases associated with this year's General Fund budget, and offsetting revenues.

General Fund major changes (FY2013):

Description	Amount
Merit increases for employees	\$ 285,669
Phase II funding for city-wide radio system*	947,810
Increase in health insurance costs-all departments	134,157
Regional municipal court operations (year one adjusted)	(100,000)
Additional building inspection services	48,000
Animal Services regionalization operating increases*	94,040
Fire Department Life-Pak Heart Monitor replacements	70,000
Addition of outdoor warning siren for Marshall Ridge area	48,500
Electronic message sign	15,000
Transfer 1.39 FTE in Parks Maintenance from Keller Development Corporation Fund	78,945
TOTAL	<u><u>\$ 894,229</u></u>

* Offsetting intergovernmental revenues of \$366,946 associated with these expenditures

The following table provides a summary of changes by department in the FY2013 budget, compared to the FY2012 adopted budget.

FY2013 Changes by Department		
Department	2011-2012 Adopted Budget	
	Amount	Pct. Change
General Government/Administration	\$ 24,663	0.5%
Community Development	85,425	7.8%
Police Department	157,670	2.0%
Fire Department	(1,476,350)	(16.7%)
Public Works	35,155	1.0%
Keller Public Library	(20,660)	(1.5%)
Parks and Recreation	(56,355)	(1.9%)
Non-Departmental	2,665,655	155.8%
Total	<u><u>\$ 1,415,203</u></u>	4.5%

Note: Non-Departmental includes all of the 1-time expenses (\$1.64 million) and phase II funding for city-wide radio system (\$947,810)

Personnel costs are a major driver of increases in the FY2012/2013 General Fund budget. Personnel services (salaries, wages and benefits) account for \$20.315 million, or 64.3% of the total expenditures of the General Fund for FY2013.

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

In addition to the above amounts, \$1,636,770 is proposed from the available General Fund balance. The one-time expenditures are as follows: employee one-time stipend and related benefits (\$286,770); economic development initiatives (\$1,200,000); and Town Hall modifications (\$150,000). If these non-recurring expenditures are funded, the revised ending unreserved fund balance is \$6,469,366, representing approximately 83 days of operating, non-recurring expenditures, exceeding the established benchmark.

WATER AND WASTEWATER FUND

Quick Facts:

	<u>FY 2012/2013</u> <u>(Budget)</u>	<u>FY 2011/2012</u> <u>(Budget)</u>	<u>Percentage</u> <u>Increase (Decrease)</u>
Expenditures:	\$21.17 Million	\$19.42 Million	8.3%
Revenues:	\$20.17 Million	\$18.33 Million	9.2%

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 FY2013 are \$1,002,735. However, the projected beginning fund balance of \$6,181,321 for FY2013 exceeds the targeted beginning fund balance by approximately 41 days of operations. The total projected ending fund balance at September 30, 2012 is \$5,178,586, which is \$90,982 more than last year's budgeted amount. A \$750,000 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 \$4,428,586 represents an operating reserve of approximately 80 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 2012, water sales of 3.05 billion gallons are anticipated for FY2012. The FY2013 budget forecasts 2.949 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 FY2013, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts. Therefore, if normal rainfall amounts are received during the year, revenues will not be adversely impacted.

The Fort Worth Water Department instituted water conservation measures, system-wide, in 2006 and 2011 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 FY2013.

Expenditures

The most significant expenditure is wholesale water purchases. Wholesale water purchases for FY2012 are projected to be \$6,640,000 or 33.5% of total expenditures, compared to \$5,450,000 or 29.3% of total expenditures budgeted for the FY2012. This represents an increase of \$1,190,000, or 21.8% from the FY2012 adopted budget, but a decrease of \$190,000 for the upcoming FY2013 budget for wholesale water purchases (\$6,450,000). Wholesale water purchases are anticipated to be 3.123 billion gallons in FY2013 and 3.202 billion gallons in FY2012.

Other major expenditures for FY2013 include capital outlay for water distribution and wastewater infrastructure improvements (\$400,000); replacement of heavy equipment (\$115,000); initial payment on a \$295,000 sewer-jet vacuum truck (\$35,000 with balance financed over 5-year period); an electronic message sign (\$15,000); debt service on long-term debt (12.5%); wastewater treatment and collection services provided by the Trinity River Authority (11.4%); operating expenses and transfers (29.4%); personnel services (salaries and benefits) (13.6%); and capital outlay (2.6%).

The budget provides a 2% merit increase (\$13,111) and a one-time lump-sum \$1,000 stipend (\$49,164) for Water/Wastewater employees in order to maintain equity among city employees.

OTHER FUNDS

Drainage Utility Fund

Quick Facts:

	<u>FY 2012/2013</u> <u>(Budget)</u>	<u>FY 2011/2012</u> <u>(Budget)</u>	<u>Percentage</u> <u>Increase (Decrease)</u>
Expenditures:	\$1,698,240	\$1,714,985	(0.9%)
Revenues:	\$1,550,350	\$1,530,800	1.3%

The Drainage Utility Fund is an enterprise fund that operates from revenues received from drainage fees of \$8.00 per month per household. Commercial (non-residential) properties are charged a minimum of \$8.00 per month to a maximum of \$66.24 per month.

Major expenditures for FY2013 are provided for personnel services (32%) for 8.5 full-time equivalent positions. Operations and maintenance and services and other expenditures (27.1% of the total budget) provide for both equipment maintenance and drainage channel maintenance, and includes equipment rental as needed. Debt service accounts for 3.1% of total expenditures.

The majority of the increase in expenditures is directly related to capital outlay which provides \$60,000 for equipment replacement and \$560,000 for Robin Court drainage improvements.

Keller Development Corporation Fund (KDC)

Quick Facts:

	<u>FY 2012/2013</u> <u>(Budget)</u>	<u>FY 2011/2012</u> <u>(Budget)</u>	<u>Percentage</u> <u>Increase (Decrease)</u>
Expenditures:	\$2.341 Million	\$2.364 Million	(1.0%)
Revenues:	\$2.17 Million	\$2.08 Million	4.3%

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 26, 2012 the Board of Directors of the KDC reviewed and approved a proposed budget. As required by the Development Corporation Act of 1979, the City Council will conduct a public hearing on the budget on August 21, 2012.

Sales tax revenues for FY2013 are anticipated to increase slightly by 4.3%. The FY2012 estimated sales tax revenues of \$2,104,500 is \$37,500 (1.8%) above the original adopted budget amount. Proposed expenditures of note include funding for park land acquisition (\$380,000), Bear Creek Park and Keller Sports Park parking lot repairs (\$50,000), Keller Sports Park maintenance equipment (\$45,000), and a replacement maintenance/storage facility at Bear Creek Park (\$114,000).

Recreation and Aquatics Center (The Keller Pointe) Fund

Quick Facts:

	<u>FY 2012/2013 (Budget)</u>	<u>FY 2011/2012 (Budget)</u>	<u>Percentage Increase (Decrease)</u>
Expenditures:	\$3.45 Million	\$3.49 Million	(1.1%)
Revenues:	\$3.18 Million	\$3.13 Million	1.6%

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 (45.5%), and facility operations and supplies (12.6%). Services & Other expenditures include utilities (electricity, water, natural gas) and payments to recreation program instructors and trainers (32.1%). Capital outlay comprises 9.6% of total expenditures. Additionally, \$300,000 is provided for the installation of a "sprayground" at The Keller Pointe; and \$35,000 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:

	<u>FY 2012/2013 (Budget)</u>	<u>FY 2011/2012 (Budget)</u>	<u>Percentage Increase (Decrease)</u>
Expenditures:	\$1.65 Million	\$1.54 Million	7.1%
Revenues:	\$1.81 Million	\$1.51 Million	19.8%

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 6-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:

	<u>FY 2012/2013 (Budget)</u>	<u>FY 2011/2012 (Budget)</u>	<u>Percentage Increase (Decrease)</u>
Expenditures:	\$5.12 Million	\$7.27 Million	(29.57%)
Revenues:	\$.970 Million	\$7.36 Million	(86.9%)

The Keller Crime Control Prevention District (KCCPD) was renewed by the voters for a term of fifteen (15) years on May 13, 2006. The KCCPD is funded with a 1/4th of a cent sales tax. The KCCPD Fund provides funding for vehicle and related replacements and national accreditation. In addition, \$4,297,025 is for the jail and animal shelter expansion, \$91,200 for technology improvements, and \$526,175 for debt service for the jail and animal shelter expansion. As required by state law, the KCCPD FY2013 Budget will be considered by the City Council at the August 21, 2012 regular meeting.

DEBT SERVICE FUND

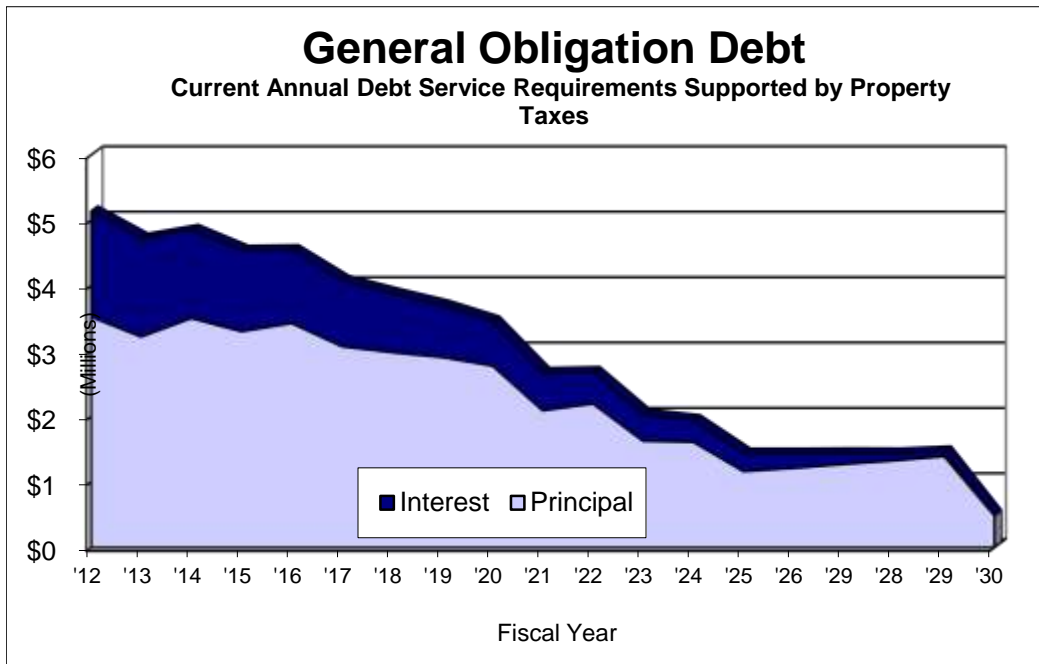
Quick Facts:

	<u>FY 2012/2013 (Budget)</u>	<u>FY 2011/2012 (Budget)</u>	<u>Percentage Increase (Decrease)</u>
Expenditures:	\$5.41 Million	\$5.90 Million	(8.2%)
Revenues:	\$5.40 Million	\$5.77 Million	(6.6%)

This Fund is used to account for revenues and expenditures related to the retirement of the city's tax-supported general obligation debt. FY2013 direct debt per capita is \$978, down from an estimated FY2012 debt per capita of \$1,085. 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 of 2012, 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 FY2013 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, 2011). Therefore, the true assessed values of projects which 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 FY2013.

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 September 30, 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 Equipment Replacement Fund have recurring revenues, these budgets (revenues) are included in the operating budget totals. In addition, budgets of capital project funds do not lapse at year's end, and unspent funds are automatically re-appropriated into the next fiscal year.

Park Development Fee Fund

Park Development Fees are from fees paid by new development in lieu of parkland dedication. 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 FY2013.

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 FY2013 of \$30,000. Proposed expenditures for FY2013 include city-wide park enhancements (\$69,292).

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 FY2013 expenditures include street re-construction payable from the street maintenance sales tax revenue and miscellaneous sidewalk replacements and extensions. With the use of \$644,286 in available fund balance, it is estimated that \$1,685,000 will be expended in FY2013 for street re-construction/rehabilitation projects as identified in the CIP.

Sales tax revenues for FY2013 are anticipated to increase slightly by 4.2% over the budgeted amount. The FY2012 estimated sales tax revenues of \$1,052,250 are \$19,250 (1.86%) above the original adopted budget amount. Proposed expenditures for FY2013 consist primarily of street improvements (\$1,575,000).

Equipment 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 FY2013 Budget includes the replacement of two utility service vehicles (\$54,000) and two heavy-duty trucks (\$176,300) for the Water and Wastewater and Drainage Utility Funds. Additionally, the Fund anticipates short-term capital equipment financing of \$880,000 for major capital equipment acquisition, such as service vehicles, ambulances and fire apparatus. Equipment for the following departments are proposed for financing: Community Development (\$20,000); Fire Department Administration (\$32,365); Fire Department Emergency Medical Services – ambulance (\$210,000); replace 2 dump trucks for the Public Works Department (\$210,000); replace 3 service vehicles for the Parks and Recreation Department, including a 15-passenger van, (\$143,370); and a new sewer-jet vacuum truck for the Wastewater Collection Department (\$260,000).

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 FY2013. **As you will notice, our five (5) year CIP has a number of projects where no funding source has been identified.**

Calculations and Projections

Property tax appraisal information is provided by the Tarrant Appraisal District. 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, annual debt requirements and 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 which 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

Department	Initiative	Benefit
Administration	Consolidation of Municipal Courts	\$146,000 annual savings
Administration	Administration Reorganization	\$55,000 annual savings
Community Development	Replace 10+ year old pickup truck with V-8 engine with 4-cylinder mini-SUV	Reduction in fuel usage
Community Development	Re-organized to "flatten" hierarchy and enable speedier decision-making	Improved customer service
Finance (city-wide)	Implementation of the Municipal Cooperative Purchasing Team (MCPT) with Grapevine, Southlake, Colleyville, and Keller	Anticipate shared purchasing opportunities and better pricing through economies of scale
Finance (city-wide)	Implementation of the electronic bidding and vendor registration.	Improved service and ease of convenience resulting in greater number of qualified bidders
Fire	Switched fleet maintenance to new vendor through a joint bid with Southlake and Colleyville	Lower maintenance cost, better maintained vehicles
Fire	Relocation of Administration to Keller Town Hall	Reduction in annual operating costs of approximately \$30,000
Geographic Information Services	Printing of The Pointe banners and marketing documents	\$750 annual savings
Human Resources	Employee Handbook - elimination of hard copy versions. Converted to on-line, paperless access	\$2,250 annual savings plus staff time
Information Services	Converted Keller Public Library from Fort Worth network to Keller Network.	\$8,736 annual savings
Information Services	Internal installation and operation of IP Video Security Cameras	\$50,000 savings on installation. \$5,500 annual savings.
Information Services	Installation and configuration of Council Chamber voting system including computers, monitors, and voting system display installs	\$7,000 one time savings
Information Services	Installation and configuration of electronic signage at The Pointe, Senior Center, and Library	\$3,000 one time savings
Information Services	Installed 5 video security display monitors and 1 television within the Dispatch center. Project includes procurement, configuration, and installation of monitors and equipment	\$3,000 one time savings
Information Services	Converted all 13 Police vehicles from a rear mounted laptop, with a front mounted display, to a front mounted laptop. Staff installed all new mounts and equipment	\$24,700 in equipment savings. Staff installation savings \$6,500
Information Services	Information Services staff installed all network cabling and Audio Visual equipment within Fire Station #4	\$10,000 one time savings

Department	Initiative	Benefit
Information Services	Information Services staff installed and configured all mounts and laptops in all 13 Fire Department vehicles	\$6,500 one time savings
Information Services	Eliminated Audio Visual contractor responsible for broadcasting of public meeting. Utilize Information Services staff, by paying Information Services Technician overtime, to broadcast public meetings	\$4,000 annual savings
Information Services	Order computer RAM from 3rd party instead of utilizing Dell RAM.	\$1,500 annual savings
Library	Information Services Department worked with the Library in dropping the T1 Line for the network to the public and staff	\$10,227 annual savings
Parks and Recreation	Replaced hard copy brochure with digital brochure	\$14,761 annual savings
Parks and Recreation	Through the composting program we have produced three products that we previously purchased	\$15,375 to date
Parks and Recreation	Reduce cost of postage for Senior Activities Center newsletter	\$1,045 annual savings
Police	Animal Control and Shelter Services with the Cities of Southlake and Colleyville	\$50,000 annual savings includes \$9,000 administrative fee
Police	Citywide replacement of the two-way radio system.	\$236,946 one time
Police	Change patrol vehicles from a three to a four year cycle by utilizing the Chevy Tahoe	\$20,000 annual savings
Police	Jail Services and Animal Shelter Services to the City of Roanoke	\$30,000 - \$45,000 annual savings
Public Works	"In-House" Water and Sewer Line Construction Projects	Cost savings will vary based on type of project, but will typically be between 35% - 50%
Public Works	Purchasing Lucity Asset Management Software has organized and saved money for the City in regards to Inventory Control	A total reduction of inventory levels in four (4) years of \$131,422.
Public Works	Fixing "water ponding" by raising the concrete pavement panels by injecting polyurethane foam under the concrete pavement	Method of repair is 40% less expensive than sawcut removal and replacement method and includes a 10 year warranty
Utility Billing/Customer Service	Upgrade online payment portal	Projected savings of \$5,000 annually (dependent upon level of customer participation)

Non-Financial Departmental Goals

Exhibit A

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

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

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

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

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

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

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

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

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

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

READER GUIDE

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READER'S GUIDE

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

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

BUDGET PROCESS

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

February – April	Forms, instructions, and directives provided to City staff and Departments
April – mid May	Departmental preparation and input of budget requests, and current year re-estimates (amendments)
April – June	City Council and staff budget goals workshop
May – June	Meetings with City Departments by City Manager and Finance Director to review budget requests and current year re-estimates (amendments)
July – August	Final budget revisions prepared by City Manager and Finance Department for distribution of proposed budget to City Council
July 25	Certified tax appraisal roll due from Tarrant Appraisal District
Early August	Calculate and publish effective tax rate
August 15	Proposed budget filed with City Secretary for public review, distributed to the City Council, and copy of proposed budget placed in the Keller Public Library, 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 to users usually in mid November.

Preparation and Adoption for FY2013. In April 2012, the budget process for fiscal year 2012-2013 (FY2013) 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 FY2013. 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 May 23 and June 29, 2012.

READER'S GUIDE

BUDGET PROCESS

(continued)

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

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

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

BUDGET OBJECTIVES

The FY2013 budget has been prepared in an effort to communicate to the citizens and staff of the City the overall policies and goals of the City Council. The budget document includes descriptions of the City's various activities and programs (departments), goals and objectives for the current and future years, and comparative service level indicators for each program or activity, where available. This format is designed to communicate clearly to the public the goals and objectives of the City Council, thereby enabling the reader to gain more useful information about the City, without requiring detailed accounting or budgetary knowledge.

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

READER'S GUIDE

BUDGET PHILOSOPHY

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

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

PRESENTATION OF FINANCIAL INFORMATION AND BASIS OF ACCOUNTING

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

The City primarily uses the following fund types:

- Governmental funds; and
- Proprietary funds

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

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

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

Keller Development Corporation – accounts for proceeds of the 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.

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Fund Accounting

Governmental Fund Types – Special Revenue Funds (continued)

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

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

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

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

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. SS542(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 cameras and 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 3/8 of one cent (0.375%) sales and use tax. In May 2006, voters authorized the tax for an additional period of 15 years. In November 2007, voters authorized a reduction in the rate from 3/8 of one cent (0.375%) to 1/4 of one cent (0.25%).

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.

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

These two funds are located in the Debt Service section of the document. Debt service 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 parks capital improvements.

Street/Sidewalk/Drainage Improvements Fund – accounts for developer sidewalk fees, street assessments, and the one-eighth cent (0.125%) street maintenance sales tax revenues that are designated for street, sidewalk, and drainage improvements. In November 2007, voters reauthorized the tax for four additional years at ¼ of one cent (0.25%).

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

Project-based capital projects funds are included in the City's audited financial statements, but are not 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 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:

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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)* 2010-2011 <hr style="width: 80%; margin: 0 auto;"/> Actual <hr style="width: 80%; margin: 0 auto;"/> (FY2011)	(2) 2011-2012 <hr style="width: 80%; margin: 0 auto;"/> Budget <hr style="width: 80%; margin: 0 auto;"/> (FY2012)	(3) 2011-2012 <hr style="width: 80%; margin: 0 auto;"/> Estimate <hr style="width: 80%; margin: 0 auto;"/> (FY2012)	(4) 2012-2013 <hr style="width: 80%; margin: 0 auto;"/> Budget <hr style="width: 80%; margin: 0 auto;"/> (FY2013)
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* FY2011 amounts represent the actual amounts as provided by the prior year audited financial statements.

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

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

BUDGET DOCUMENT PRESENTATION FORMAT

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

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

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

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

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 FY2012 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 2012-2013 through 2016-2017 CIP is provided in the capital improvements section of the document.

CONCLUSION AND ACKNOWLEDGMENTS

The preparation of the FY2013 budget document was made possible by the dedicated service of the staff and the Mayor and City Council of the City. Each employee who assisted in contributing to the preparation of this annual budget has the sincere appreciation of the budget staff. Appreciation is also expressed to the Mayor and City Council for providing the necessary resources in which to maintain the integrity of the City's financial and budgetary affairs.



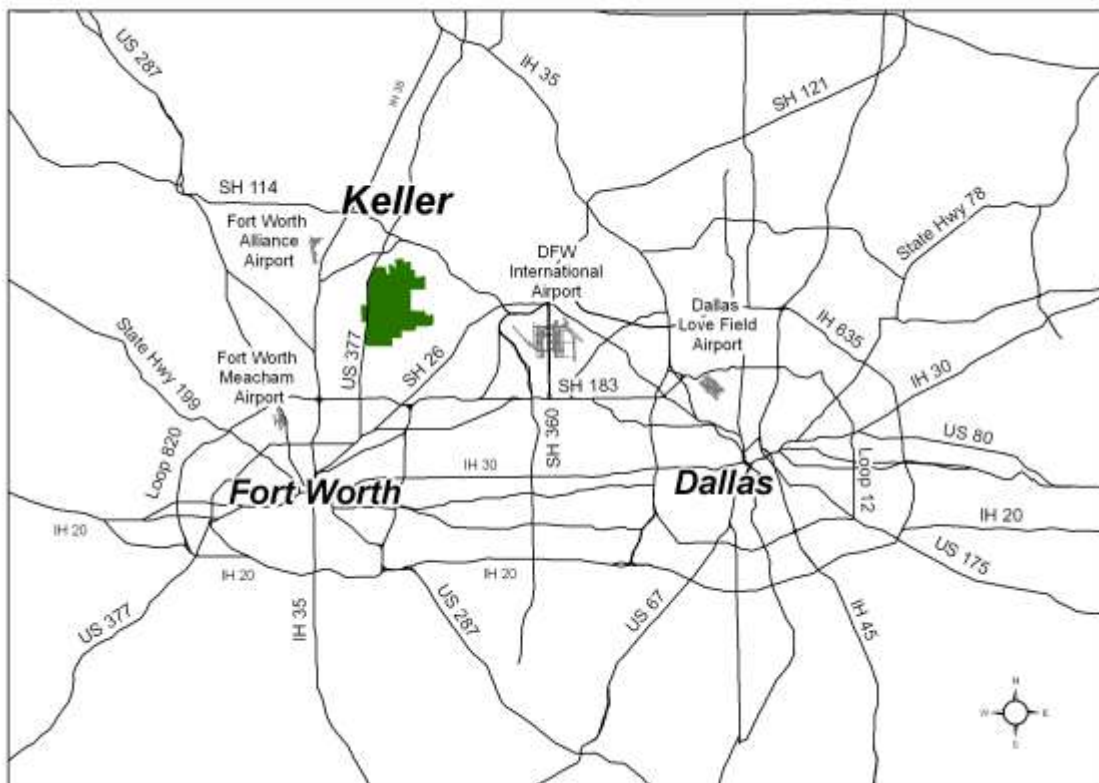
KELLER PROFILE

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KELLER PROFILE

GENERAL INFORMATION

For the sixth consecutive year, the City of Keller was recognized as a top 100 “Best Places to Live” by CNN Money Magazine in 2011. Keller also received recognition as one of the “Top 10 Places to Live” in the United States for 2009 by Money magazine as well as one of the top 10 suburbs in the Dallas area in 2008 by D magazine. Some of the items that contributed to these rankings include our extremely low crime rate, an excellent park and trail system, diverse and affordable housing opportunities, and an overall high quality of life. This ranking is a reflection of the dynamic community that Keller is becoming and its premier location in the heart of the DFW Metroplex. Keller is approximately mid-way between the Dallas/Fort Worth International and Alliance Airports, both major employers for our community. The city’s approximately 19 square miles is traversed by several major traffic corridors including U.S. 377 and Farm-to-Market 1709. The city’s quality school system, high residential growth rate, business-friendly atmosphere, low taxes, premier park system and low crime rate make Keller an inviting destination for new commercial development projects.



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

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

OPERATIONS

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

The FY2012 annual budget of \$78,807,505 includes a budgeted staffing level of approximately 342 full-time equivalent employees, including 85 in the police department and 59 in the fire department.

POPULATION AND ECONOMICS

The City has experienced significant population growth since 1970 rating it among the fastest growing cities in Tarrant County. The following table presents Keller's official Census population since 1970, as well as the current year estimated population.

	Population	Increase (Decrease)	Pct Increase (Decrease)
1970 Census	1,474	NA	NA
1980 Census	4,156	2,682	182.0%
1990 Census	13,683	9,527	229.2%
2000 Census	27,345	13,662	99.8%
2010 Census	39,627	12,282	44.9%
2012 Estimate	40,440	813	2.05%

The City is approximately 85% developed and continues to grow primarily as a residential community, with residents employed by major companies located within a 15-mile radius of the City. Several manufacturing firms are located in the Keller area, as well as a variety of commercial establishments, restaurants, shops and food stores. Increasing residential development in north Fort Worth, adjacent to Keller's boundary, impacts Keller in terms of commercial and governmental services. The City continues to encourage quality commercial growth, which will benefit the entire community. More than 2.7 million square feet of commercial space, valued at over \$172 million, was constructed between 2005 and 2011. The average size of a new home for 2011 is 4,469 square feet compared to 4,463 square feet last year. The average new home construction value of \$293,407 for 2011 has increased when compared to 2010's value of \$290,401. The City anticipates having steady residential and commercial growth in the coming years.

KELLER PROFILE

POPULATION AND ECONOMICS

(Continued)

The Keller Pointe, an 87,940 square foot recreation and aquatic center with construction financed by the Keller Development Corporation half-cent sales tax, opened in May 2004. The facility's operations are self-supported by user fees. As of July 2012 the Pointe has approximately 3,504 paid memberships.

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 65 employees of the administration, finance, utility billing and collections, parks and recreation administration, community development, public works administration, engineering, information services, economic development and human resources departments. The facility is intended to have the capacity for approximately 110 employees at build-out of the City.

In order to keep pace with the rapid residential growth and expanding commercial areas, infrastructure improvements have continued to be a high priority. A 1.4-mile section of Rufe Snow Drive, a primary arterial roadway extending from IH-820 in North Richland Hills northward to the center of Keller at Keller Parkway (F.M. 1709), is currently under construction for an expansion to become a 4-lane divided and 6-lane divided road. This expansion of Rufe Snow Drive between Rapp Road and Bear Creek Parkway is scheduled to be completed in the summer of 2012. Major commercial and residential projects along or near Rufe Snow Drive include: North Hills Family Practice, a 22,932 sq. ft. medical office development; Cobblestone Parks, a 29-lot residential development; and Mustang Creek, a 102-unit assisted living facility nearing completion. Similarly, North Tarrant Parkway which was completed in 2012, and was expanded to a 6-lane divided arterial. This street, along with Rufe Snow Drive, will have landscaped medians, turn lanes, traffic signals and sidewalks. Two additional north-south arteries are either under design or under construction. First, Randol Mill Avenue (F.M. 1938; aka Davis Boulevard) is proposed to become a 4-lane divided roadway. This proposal is currently under design and will increase access along the City's eastern boundary to SH 114. Lastly, U.S. Highway 377 beginning at Keller Hicks Road and extending north to State Highway 170 was completed in 2009 and now provides a new 4-lane divided highway along Keller's western boundary, thus completing a major north-south arterial roadway from IH-820 to SH 170. In addition, the expanded U.S. Highway 377 will provide improved access to several miles of prime commercial frontage totaling approximately 170 acres.

Major commercial and residential projects on Davis Boulevard (FM 1938) include: Salons of Volterra, a 11,333 sq. ft. office and retail development; Villas of Volterra, Phase I, a 20-lot patio home development; Cottages of Lyndhurst, a senior independent living development consisting of 20 townhomes under construction; Creekview, Phase I, a 38-lot, private and gated residential subdivision under construction; a 4,500 square foot medical office building under construction within the Davis Boulevard Medical Office development; and Homestyle Care of Keller, a 4,849 square foot assisted living facility.

Major commercial and residential projects on U.S. Highway 377 include: AUI Contractors Field Office and Warehouse, a 30,331 sq. ft. office and contractor yard; Bear Creek Plaza, Phase 3, a 101,000 sq. ft. commercial development of restaurants and shops; Care Now, a 5,575 sq. ft. medical facility; Keller Retail Building, a 5,700 square foot retail building under construction; Marshall Pointe Estates, an 84-lot residential development; and Marshall Ridge, a 527-lot residential development. There are also a number of new restaurants such as Keller Tavern, Bottlecap Alley, Bronson Rock, and a future Buffalo Cantina that have located within the Old Town Keller district. In April 2012, the City removed the two-way couplet through the Old Town Keller business district from the current Thoroughfare Master Plan, which would have ultimately created three lanes of traffic moving south along U.S. Highway 377 and three lanes of traffic traveling north along the current alignment of Elm Street.

Keller Town Center is a concentrated center of business activity that creates a focal point in the City of Keller. This focal point is non-residential with residential uses allowed as part of the overall mixed-use nature of the area. For example, the Arthouse at Keller Town Center is a 240,974 sq. ft. mixed-use development with 188 residential units. Uptown Keller, Phase 1 is another mixed-use development consisting of 48 residential lots and a future 12,240 square foot First Choice Emergency Room medical and retail facility. Other developments in Town Center include the Keller Town Center Assisted Living and

KELLER PROFILE

Memory Care, a 51,850 square foot nursing facility under construction; Raising Cane's, a 2,724 square foot restaurant under construction; and a 1,449 square foot expansion of the McDonald's restaurant.

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

Major Employers	Number of Employees	Major Local Employers	Number of Employees
AMR Corporation	24,888	Keller ISD	3,600
Bell Helicopter/Textron	3,820	City of Keller (FTEs)	341.75
ATC Logistics	3,315	Southstar Logistics	335
Sabre Holdings	2,532	Kroger	213
BNSF Railway	3,100	Home Depot	139
Fidelity Investments	3,700	Kohl's Department Store	120
Gaylord Texan Resort	1,500	Lowe's	110
Dallas/Fort Worth Airport	1,600	Tom Thumb Grocery	106
Healthmarkets	1,600		

CENSUS AND DEMOGRAPHICS

The following information for Keller is taken from the U.S. Census 2010 Data and 2009 *American Community Survey*.

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 %

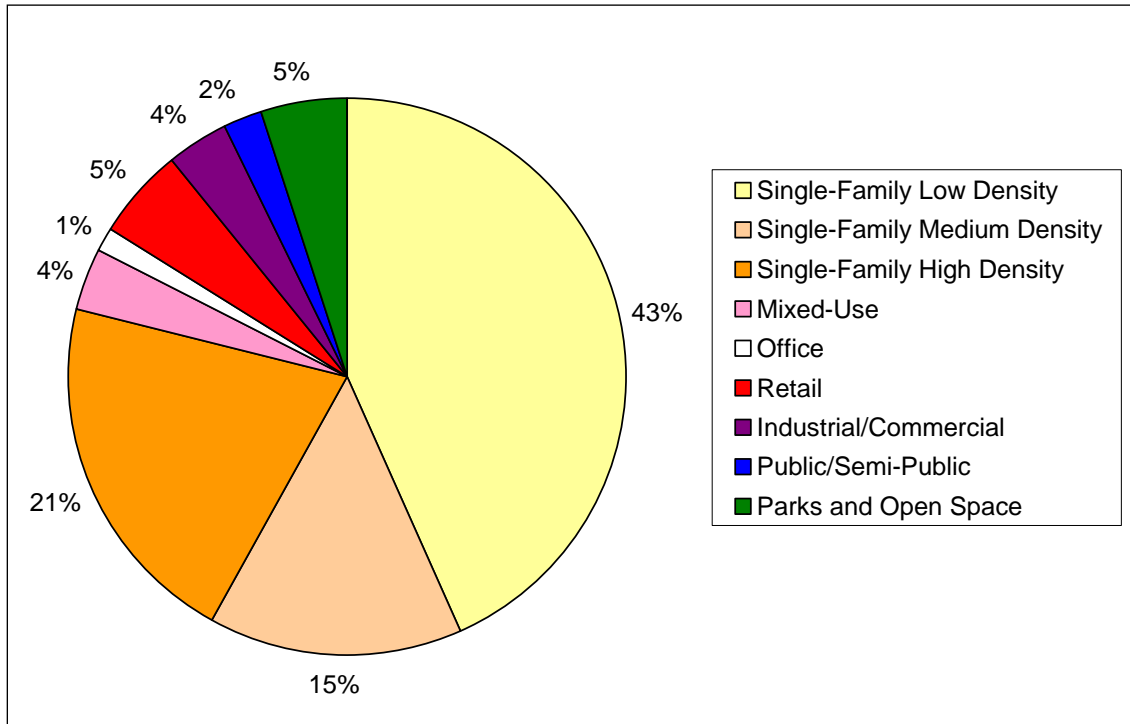
Income (2010):

Median age:	39.9 years
Med. household income(2009)	\$115,723
Per capita income(2009)	\$43,365
Average household income	\$108,000

2012 Pop. Estimate 40,440

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PROPOSED LAND USE



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

EDUCATION

Education for the community is provided by the Keller Independent School District (KISD), which encompasses an area of approximately 51 square miles. The KISD conducts programs for Pre K-12, and employs approximately 2,189 teachers in addition to administrative personnel and support staff. KISD has 36 school campuses, with an approximate enrollment of slightly over 30,000 students, and an alternate education center. In addition, there are several private or parochial schools in the area. KISD also has two National Blue Ribbon Schools of Excellence, 26 TEA Exemplary and Recognized schools, the 2007 Texas State Secondary Teacher of the Year and the 2008 Texas State Elementary Teacher of the Year.

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

QUALITY OF LIFE

Parks and Recreation. The City has ten developed parks: Keller Sports Park (130 acres); Johnson Road Park (15 acres); Bear Creek Park (44 acres); The Parks at Town Center (102 acres); Bursey Ranch Park (1.34 acres); Overton Ridge Park (8 acres); Chase Oaks Activity Node (5 acres); Willis Coves Open Space (4 acres); Veteran's Memorial Park (.3 acres) and a linear park, Big Bear Creek Greenbelt (26.2 acres), which includes a 5.39 mile concrete hike and bike trail. In addition to this main spine of the trail system, Keller also provides an additional twelve (12) miles of trails throughout the city. These parks

KELLER PROFILE

provide fishing areas, hike and bike trails, basketball and volleyball courts, playground areas, picnic tables, open play areas, practice areas and pavilions. The Keller Sports Park, opened in 1996, provides soccer and football/t-ball fields, and two 4-plex fields (baseball and softball), an outdoor multi-use arena and has leased 9.9 acres for a 68,000 square foot indoor soccer arena, including two outdoor fields. As previously mentioned, the department also operates The Keller Pointe, an 87,940 square foot state of the art recreation and aquatics center, currently serving over 3,600 annual memberships equating to over 10,000 individual members. The Keller Parks and Recreation Department offers a variety of recreational programs, special events, exercise classes, sports leagues, youth camps and workshops. The Recreation Division also administers the activities of the Keller Senior Activities Center, coordinating recreational activities, events and trips.

Keller Public Library. The Keller Public Library provides materials for checkout and programs for citizens of all ages within the community. Special programs include story times, movie nights, teen and adult programs, and a summer reading club. Online resources available with a library card are databases, downloadable audio books and e-books. 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.

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

Excellent health care facilities are located within minutes of the City, including four of the largest hospitals in Tarrant County. The Metroplex area is served by more than 70 hospitals offering specialized services such as organ transplantation, major trauma care, cancer treatment, kidney dialysis and chemical dependency treatment. Baylor Medical and Diagnostic Center, located on U.S. Highway 377 in Keller has approximately 39,000 square-feet, and commenced operation in March 2006. Lonestar Endoscopy, also located on U.S. Highway 377 (next to Baylor Medical) is also fully operational. Keller Medical Plaza, a 31,000 square foot medical office facility recently opened in 2012 and is located on Bourland Road.

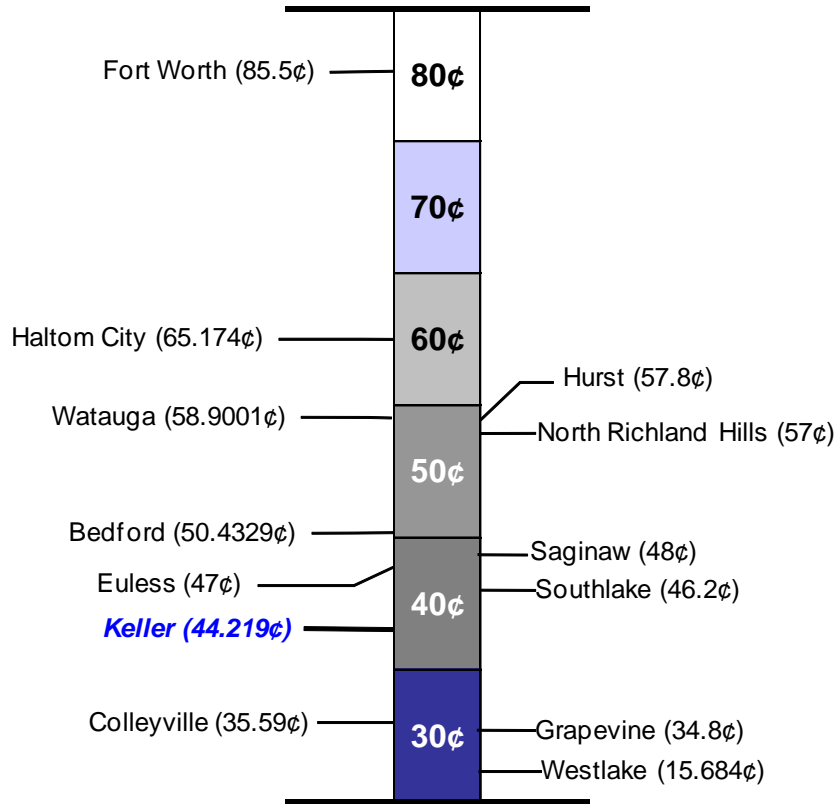
TRANSPORTATION

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

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

KELLER PROFILE

2011 (FY2012) Tax Rates of Neighboring Northeast Tarrant County Cities (Rates per \$100 of Taxable Value)



For FY2012, property tax rates for cities of Grapevine and Westlake decreased slightly, while rates for Bedford, Saginaw, Haltom City, and Hurst increased. Tax rates for all remaining cities were unchanged. Tax rates for FY2013 are unavailable.

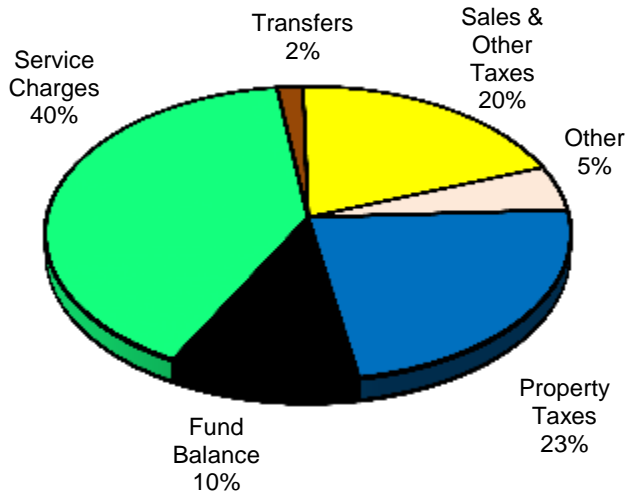


BUDGET SUMMARY

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**CITY OF KELLER, TEXAS
2012-2013 BUDGET**

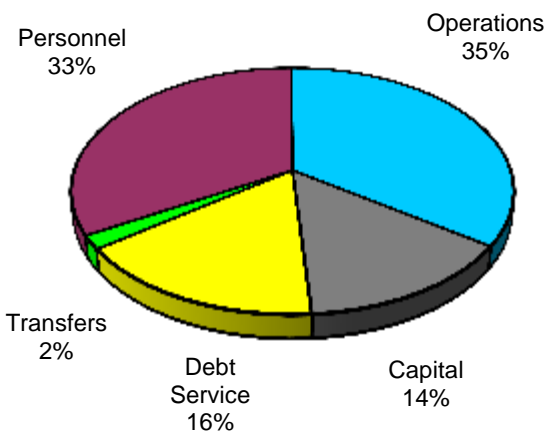
**SOURCES OF REVENUE
\$78,807,505**



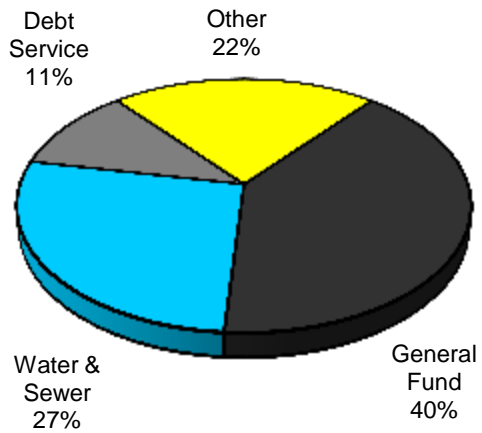
Resources include use of fund balance.

**EXPENDITURES (USES)
\$78,807,505**

Expenditures by Function



Expenditures by Fund



BUDGET SUMMARY BY FUND TYPE

Fund Type / Fund Name	Estimated Beginning Balance 10/01/2012	Revenues And Transfers In	Expenditures And Transfers Out	Other Reservations Of Fund Balance	Estimated Ending Balance 09/30/2013
GOVERNMENTAL FUND TYPES:					
Property-Tax Supported Funds:					
General Fund	\$ 8,527,168	\$ 29,538,241	\$ 31,571,043	\$ 25,000	\$ 6,469,366
Debt Service Fund	365,745	5,402,905	5,412,430	-	356,220
* Subtotal *	8,892,913	34,941,146	36,983,473	25,000	6,825,586
Special Revenue/Other Funds:					
Keller Development Corporation	662,416	2,170,100	2,341,345	269,118	222,053
The Keller Pointe ⁽¹⁾	1,113,613	3,178,830	3,453,870	-	838,573
Information Services Fund	521,609	1,807,960	1,651,235	-	678,334
Library Special Revenue Fund	54,461	23,100	32,050	-	45,511
Recreation Special Revenue Fund	79,746	158,915	156,315	39,935	42,411
Court Special Revenue Fund	95,485	95,550	122,410	-	68,625
Cable Franchise Special Revenue Fund	112,595	116,750	32,500	-	196,845
Crime Control Prevention District	6,282,265	970,000	5,123,290	1,420,426	708,549
Community Clean-Up Fund	31,680	30,350	30,000	-	32,030
* Subtotal *	8,953,870	8,551,555	12,943,015	1,729,479	2,832,931
Other Debt Service Funds:					
Interest & Sinking Fund - TIF	112,008	3,226,240	3,179,255	-	158,993
Capital Projects Funds:					
Park Development Fee Fund	39,192	30,100	69,292	-	-
Street/Drainage Improvements Fund	644,286	1,091,100	1,685,000	-	50,386
Equipment Replacement Fund	681,120	980,530	1,078,035	-	583,615
* Subtotal *	1,364,598	2,101,730	2,832,327	-	634,001
TOTAL GOVERNMENTAL FUNDS	19,323,389	48,820,671	55,938,070	1,754,479	10,451,511
ENTERPRISE FUNDS:					
User Fee-Supported Funds:					
Water & Wastewater Fund	6,181,321	20,168,460	21,171,195	750,000	4,428,586
Drainage Utility Fund	1,858,793	1,550,350	1,698,240	-	1,710,903
TOTAL ENTERPRISE FUNDS	8,040,114	21,718,810	22,869,435	750,000	6,139,489
TOTAL - ALL FUNDS	\$ 27,363,503	\$ 70,539,481	\$ 78,807,505	\$ 2,504,479	\$ 16,591,000

Total revenues	\$ 70,539,481
Use of available fund balances	8,268,024
Total available	<u>\$ 78,807,505</u>
 Total appropriations	 <u>\$ 78,807,505</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 financial reporting and budgeting purposes.

BUDGET FINANCIAL SUMMARY (BUDGET IN BRIEF)

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

EXPENDITURES

Total expenditures for all funds for FY2013 are \$78,807,505, an increase of \$3,048,707, or 4 percent, over 2011-2012 (FY2012) estimated expenditures. FY2013 expenditures are also an increase of \$8,260,006, or 11.7 percent over the FY2012 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	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
General fund	\$ 26,437,387	\$ 31,219,825	\$ 31,571,043	\$ 351,218	1.1%
Water & wastewater fund	20,511,666	20,593,895	21,171,195	577,300	2.8
Drainage utility fund	881,562	1,153,415	1,698,240	544,825	47.2
Other funds	1,847,016	1,981,644	2,024,510	42,866	2.2
Keller Development Corporation	1,982,217	2,074,775	2,341,345	266,570	12.8
Crime Control Prevention District	339,272	4,684,370	5,123,290	438,920	9.4
The Keller Pointe	2,875,228	3,161,675	3,453,870	292,195	9.2
Debt service funds	9,299,966	9,072,885	8,591,685	(481,200)	(5.3)
Capital projects funds ⁽¹⁾	854,755	1,816,314	2,832,327	1,016,013	55.9
TOTAL	\$ 65,029,069	\$ 75,758,798	\$ 78,807,505	\$ 3,048,707	4.0%

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

Total Expenditures by Function – All Funds

Function	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
Personnel services	\$ 24,600,248	\$ 25,730,120	\$ 26,173,798	\$ 443,678	1.7%
Operations & maintenance	3,721,481	4,412,880	5,256,260	843,380	19.1
Services & other	19,804,525	20,459,360	22,211,365	1,752,005	8.6
Capital outlay	2,348,569	11,058,339	11,105,487	47,148	0.4
Debt service	12,633,881	12,605,025	12,660,315	55,290	0.4
Interfund transfers	1,920,365	1,493,074	1,400,280	(92,794)	(6.2)
TOTAL	\$ 65,029,069	\$ 75,758,798	\$ 78,807,505	\$ 3,048,707	4.0%

FY2012 expenditures include proposed one-time, non-recurring expenditures of \$3,007,550 from the General Fund fund balance. FY2013 expenditures include proposed one-time, non-recurring expenditures of \$1,636,770 from the General Fund fund balance. Excluding the one-time expenditures for both years, for comparative purposes, total expenditures would have increased \$4.42 million, or 6.1%.

REVENUES

Total revenues and transfers for all funds are \$70,539,481 for FY2013, a decrease of \$2,974,654, or 4.1% from FY2012 estimated revenues, but are an increase of \$5,294,521, or 8.1% over the 2011-2012 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	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
General fund	\$ 27,718,243	\$ 27,673,124	\$ 29,538,241	\$ 1,865,117	6.7%
Water & wastewater fund	20,898,842	19,641,825	20,168,460	526,635	2.7
Drainage utility fund	1,496,272	1,522,850	1,550,350	27,500	1.8
Other funds	1,906,171	1,936,640	2,232,625	295,985	15.3
Keller Development Corporation	2,047,761	2,117,350	2,170,100	52,750	2.5
Crime Control Prevention District	1,009,335	7,380,000	970,000	(6,410,000)	(86.9)
The Keller Pointe	3,024,431	3,089,520	3,178,830	89,310	2.9
Debt service funds	9,326,531	8,986,286	8,629,145	(357,141)	(4.0)
Capital projects funds ⁽¹⁾	1,152,837	1,166,540	2,101,730	935,190	80.2
TOTAL	\$ 68,580,423	\$ 73,514,135	\$ 70,539,481	\$ (2,974,654)	(4.0%)

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

Crime Control Prevention District FY2012 Estimate includes \$6.4 million proceeds from Certificates of Obligation issued to fund improvements to the Keller Police Facility, and backed by the ¼-cent Keller Crime Control Prevention District sales tax.

Total Revenues by Source – All Funds

Revenue Source	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
Total property taxes	\$ 17,480,328	\$ 17,759,875	\$ 18,170,800	\$ 410,925	2.3%
Sales and other taxes	14,512,321	14,703,971	15,384,720	680,749	4.6
Licenses & permits	850,616	853,600	1,033,500	179,900	21.1
Charges for services	29,762,935	28,444,160	29,384,530	940,370	3.3
Fines & fees	1,315,900	1,327,100	1,242,400	(84,700)	(6.4)
Interest revenue	238,746	163,920	152,150	(11,770)	(7.2)
Intergovernmental	2,323,386	2,194,080	2,565,511	371,431	16.9
Miscellaneous revenues	175,826	174,355	325,590	151,235	86.7
Proceeds from debt issuance	–	6,400,000	880,000	(5,520,000)	(86.3)
Interfund transfers	1,920,365	1,493,074	1,400,280	(92,794)	(6.2)
TOTAL	\$ 68,580,423	\$ 73,514,135	\$ 70,539,481	\$ (2,974,654)	(4.0%)

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 \$8,268,024:

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	\$ 8,527,168	\$6,494,366	(\$2,032,802)	Ending balance exceeds financial policy minimum balance target.
(includes one-time, non-recurring expenditures of \$1,636,770)				
Water & Wastewater Fund	6,181,321	5,178,586	(1,002,735)	Ending balance exceeds financial policy minimum balance target.
Drainage Utility Fund	1,858,793	1,710,903	(147,890)	Ending balance exceeds financial policy minimum balance target.
Keller Development Corporation	662,416	491,171	(171,245)	Planned capital and debt service expenditures. 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	1,113,613	838,573	(275,040)	Funds remaining will be carried forward for future years' operations, capital replacements, and/or projects.
Information Services Fund	521,609	678,334	156,725	Funds remaining will be carried forward for future years' operations, capital replacements, and/or projects.
Keller Crime Control Prevention District	6,282,265	2,128,975	(4,153,290)	Funds remaining will be carried forward for future years' operations and planned capital expenditures.
Non-major special revenue funds	373,967	425,357	51,390	Funds remaining will be carried forward for future years' operations, capital replacements, and/or projects.
Debt Service, including TIRZ Debt Service	477,753	521,217	37,460	Planned use of available balances, which can only be used for debt retirement.
Streets/Drainage Improvements Fund	644,286	50,386	(593,900)	Planned use of available balances for capital improvements.
Miscellaneous capital projects funds	720,312	583,615	(136,697)	Planned use of available balances for capital improvements.

SUMMARY OF MAJOR EXPENDITURES

PERSONNEL SERVICES

City operations are primarily service-oriented, with a focus of providing a variety of services to the citizens of Keller. As a result, personnel services (salaries, wages and benefits) account for \$26.2 million, or 33.3% of total expenditures, compared to \$25.7 million or 34% of total expenditures for FY2012. Total personnel services will increase by \$443,678 (1.7%) in FY2013 over FY2012.

Included in the FY2013 budget is a one-time lump-sum payment of \$1,000 for regular full-time employees and \$500 for regular part-time employees. In addition, funding is included for a 2% merit increase for employees hired on or before March 1, 2012, or a \$1,000 one-time lump-sum payment to employees who have reached the maximum for their pay grade. Funding for both the lump-sum payment and merit increase also includes related benefits. A summary by fund of the lump-sum and merit is provided in the following table (excludes The Keller Pointe):

<u>Fund</u>	<u>Merit</u>	<u>Lump-Sum</u>	<u>Total</u>
General Fund	\$ 286,870	\$ 288,010	\$ 574,880
Water & Wastewater Fund	42,105	49,165	91,270
Drainage Utility Fund	8,375	10,700	19,075
Keller Development Corporation	1,200	1,240	2,440
Information Services Fund	9,595	8,600	18,195
Total	<u>\$ 348,145</u>	<u>\$ 357,715</u>	<u>\$ 705,860</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. Dependent coverage for employees is paid by a combination of payroll deductions from employees and the City, with employees paying approximately 43% and the City paying approximately 57%. In addition, the City matches mandatory benefits for social security, Medicare (FICA), and retirement benefits (TMRS). Employees may choose to voluntarily participate in three 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>	2010-2011 <u>Actual</u>	2011-2012 <u>Estimate</u>	2012-2013 <u>Budget</u>	Increase (Decrease) <u>Over 2011-2012</u>	
				<u>Amount</u>	<u>Percent</u>
General Fund	234.79	234.79	237.33	2.54	1.1%
Information Services Fund	7.00	7.00	8.00	1.00	14.3
Water & Wastewater Fund	43.17	40.17	39.80	(0.37)	(0.9)
Drainage Utility Fund	8.50	8.50	8.50	-	-
Keller Development Corp.	2.78	2.78	1.39	(1.39)	(50.0)
The Keller Pointe	46.97	46.56	46.73	0.17	0.4
Court Special Revenue	1.00	1.00	-	(1.00)	(100.0)
Teen Court Fund	1.00	-	-	-	-
Total	<u>345.21</u>	<u>340.80</u>	<u>341.75</u>	<u>0.95</u>	<u>0.3%</u>

For the General Fund, employees per 1,000 residents decreased from 5.88 in FY2012 to 5.87 employees per 1,000 residents in 2013, a decrease of 0.01 employees per 1,000 residents, or 0.2%.

The FY2011 Actual and FY2012 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 FY2013 are \$5,256,260, or 6.7% of total expenditures. The FY2013 budget reflects an increase of \$843,380, or 19.1% from FY2012 expenditures.

SERVICES AND OTHER

Services and other expenditures include expenditures for professional services, legal services, contractual services, engineering services, utilities, liability insurance premiums, wholesale water purchases, wastewater treatment services, and other general expenditures. Amounts for FY2013 are \$22,211,365, or 28.3% of total expenditures. This reflects an increase of \$1,752,005 (8.6%) from FY2012 expenditures, which represented 28.8% of total expenditures.

CAPITAL OUTLAY

Capital outlay includes expenditures for capital improvements, and new or replacement City assets. Capital outlay expenditures for FY2013 are \$11,105,487, representing 14.1% of total expenditures, compared to FY2012 expenditures of \$11,058,339, representing 14.6% 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 equipment replacements funded in the Equipment Replacement Capital Projects Fund. Capital outlay expenditures for FY2013 increased \$47,148, or 0.4% from FY2012.

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 FY2013 are \$4,769,080 and comprise 6.1% of total expenditures. Expenditures decreased by \$377,225, or 7.3% from FY2012.

In FY2012, the City issued the following:

During FY2012, the City issued new obligations to fund the following capital improvements and also obligations that refunded existing outstanding issues. Details of issues are provided below:

2011 General Obligation Refunding Bonds-Authorized September 20, 2011:

Certificates of Obligation, Series 2003	\$9,295,000
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The original certificates were issued in 2003 to fund architectural/design and engineering services for municipal facilities and infrastructure, equipment replacement, Keller Sports Park improvements, and design/construction of The Keller Pointe. These certificates are supported by property taxes and the Keller Development Corporation. The refunded certificates were comprised of \$585,000 (6.3%) supported by property taxes, and \$8.71 million (93.7%) supported by the Keller Development Corporation. The refunding resulted in average annual savings of \$50,000 through FY2023.

Final settlement for the refunding occurred on October 19, 2011.

MAJOR EXPENDITURES
DEBT SERVICE (continued)

2012 Certificates of Obligation-authorized January 17, 2012	\$5,835,000
Water & Wastewater Projects (supported by user fees):	
Phase 1 – Katy Road Sanitary Sewer Improvements	
Phase 2 – Big Bear East Branch Collectors	
Phase 3 – Marshall Branch East Collectors	

The certificates were purchased by the Texas Water Development Board Clean Water State Revolving Loan Fund, at the true interest cost of 2.2706305 percent. Estimated interest savings over the 20-year term of the CO's are approximately \$932,300 (\$46,615 annually).

2012A Certificates of Obligation-authorized June 5, 2012	\$6,400,000
Supported by Keller Crime Control Prevention District ¼-cent sales taxes	

Proceeds will be used to fund improvements to the Keller Police Facility, including the construction of a 12,000 square-foot building that will serve as the new jail, which will hold short-term detainees for up to three days. The existing jail and court space (approximately 9,000 square feet) will be renovated to accommodate an animal shelter/adoption center that will serve at least four communities.

2012 General Obligation Refunding Bonds-authorized June 5, 2012:	
General Obligation Refunding Bonds, Series 2002	\$ 700,000
Certificates of Obligation, Series 2004	<u>10,765,000</u>
Total	<u>\$11,465,000</u>

The 2002 Keller GO Refunding Bonds were property-tax supported. The 2004 certificates were originally issued to fund street and traffic signalization improvements (\$6.54 million – supported by property taxes) and water and wastewater improvements (\$11.31 million – supported by Water and Wastewater user fees). The refunded certificates were comprised of \$4.155 million (36%) supported by property taxes, and \$7.31 million (64%) supported by Water and Wastewater user fees.

The true interest cost for the refunded bonds is 2.2868953 percent. Total interest savings through 2024 are approximately \$1.28 million (\$98,820 annually).

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 *	Baa	BBB

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

* As of October 1, 2012, the only remaining revenue bond debt outstanding is \$140,000 Keller Development Corporation Sales Tax Revenue Refunding Bonds, Series 2005. These revenue bonds will be retired in January 2013.

MAJOR EXPENDITURES
DEBT SERVICE (continued)

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>FY2012</u>	<u>FY2013</u>
General obligation debt outstanding at October 1 (000's)	\$ 43,332	\$ 39,534
Estimated population, October 1	39,920	40,440
Direct debt per capita	\$ 1,085	\$ 978
Net taxable valuation (000's)	\$ 3,987,324	\$ 4,091,445
<i>Ratio of debt to taxable valuation</i>	1.1%	1.0%
<i>Financial policy target</i>	15.0%	15.0%
Total general government expenditures (000's) (General Fund and Debt Service Fund)	\$ 36,366	\$ 36,340
Debt service expenditures (000's)	\$ 5,146	\$ 4,769
<i>Debt service expenditures as a percentage of total general government expenditures</i>	14.2%	13.1%
<i>Financial policy target</i>	25.0%	25.0%

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

INTERFUND (INTRAGOVERNMENTAL) TRANSFERS

Transfers to other funds for FY2013 are \$1,400,280, representing 1.8% 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 \$92,794, or 6.2% from FY2012 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 FY2012 and FY2013:

	<u>FY2012</u>	<u>FY2013</u>
Debt Service Transfers from other Funds:		
Keller Development Corporation	\$ 143,705	\$ 123,675
Water & Wastewater Fund	457,860	443,605
Debt Service Fund	137,500	33,625
TIF Interest & Sinking Fund	751,200	643,350
Subtotal	<u>1,490,265</u>	<u>1,244,255</u>
Operational Transfers from other Funds:		
General Fund	-	156,025
Cable Franchise (PEG) Fee Fund	2,809	-
Subtotal	<u>2,809</u>	<u>156,025</u>
Total Transfers	<u><u>\$ 1,493,074</u></u>	<u><u>\$ 1,400,280</u></u>

MAJOR EXPENDITURES
INTERFUND TRANSFERS (continued)

In addition to debt service transfers, transfers are also made to assist in funding for certain operational activities (intragovernmental transfers), such as transfers to the Equipment Replacement Fund for equipment replacement, and transfers to the Information Services Fund for direct and indirect cost allocations. These expenditures are generally classified as operational transfers (services and other), while corresponding revenues are classified as charges for services. Comparative intragovernmental transfers by fund, including debt service transfers are provided in the following table:

Fund	Intragovernmental Transfers From Other Funds		Intragovernmental Transfers To Other Funds	
	FY2012	FY2013	FY2012	FY2013
	General Fund	\$ 2,440,309	\$ 2,769,525	\$ 950,935
Keller Development Corporation	–	–	182,205	162,175
Information Services Fund	1,448,605	1,749,460	–	–
The Keller Pointe Fund	–	–	24,000	22,970
Cable Franchise (PEG fee) Fund	–	–	2,809	–
Debt Service Fund	601,565	600,905	751,200	643,350
TIF Interest & Sinking Fund	888,700	643,350	–	–
Equipment Replacement Fund	57,440	96,730	–	–
Water & Wastewater Fund	50,000	65,000	3,398,995	3,888,975
Drainage Utility Fund	–	–	176,475	216,045
Total Intragovernmental Transfers	<u>\$ 5,486,619</u>	<u>\$ 5,924,970</u>	<u>\$ 5,486,619</u>	<u>\$ 5,924,970</u>

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

	FY2012	FY2013
TRANSFERS TO GENERAL FUND		
Payments In-lieu of Taxes Transfers from:		
Water & Wastewater Fund	\$ 960,000	\$ 1,120,000
Drainage Utility Fund	114,000	120,000
Subtotal	<u>1,074,000</u>	<u>1,240,000</u>
Operational Transfers from:		
Cable Franchise (PEG fee) Fund	2,809	–
Water & Wastewater Fund	–	144,605
Drainage Utility Fund	–	11,420
Subtotal	<u>2,809</u>	<u>156,025</u>
Administrative Services Transfers from:		
Water & Wastewater Fund	1,325,000	1,335,000
Keller Development Corporation	38,500	38,500
Subtotal	<u>1,363,500</u>	<u>1,373,500</u>
Total Transfers to General Fund	<u>2,440,309</u>	<u>2,769,525</u>
TRANSFERS TO WATER & WASTEWATER FUND		
Administrative Services Reimbursement Transfers from:		
Drainage Utility Fund	50,000	65,000
Total Transfers to Water & Wastewater Fund	<u>50,000</u>	<u>65,000</u>

(Continued)

MAJOR EXPENDITURES
INTERFUND TRANSFERS (continued)

	<u>FY2012</u>	<u>FY2013</u>
TRANSFERS TO INFORMATION SERVICES FUND		
Operating Transfers from:		
General Fund	\$ 576,030	\$ 733,280
Water & Wastewater Fund	<u>576,030</u>	<u>733,280</u>
Subtotal	1,152,060	1,466,560
Cost of Services Transfers from:		
General Fund	237,405	224,550
Water & Wastewater Fund	31,405	32,035
Drainage Utility Fund	3,735	3,345
The Keller Pointe Fund	24,000	22,970
Subtotal	<u>296,545</u>	<u>282,900</u>
Total Transfers to Information Services Fund	<u><u>1,448,605</u></u>	<u><u>1,749,460</u></u>
TRANSFERS TO EQUIPMENT REPLACEMENT FUND		
Internal Vehicle/Equipment Lease Payments from:		
Water & Wastewater Fund	48,700	80,450
Drainage Utility Fund	<u>8,740</u>	<u>16,280</u>
Total Transfers to Equipment Replacement Fund	<u><u>57,440</u></u>	<u><u>96,730</u></u>
TRANSFERS TO DEBT SERVICE FUND		
Debt Service Transfers from:		
General Fund	-	33,625
Keller Development Corporation	143,705	123,675
Water & Wastewater Fund	<u>457,860</u>	<u>443,605</u>
Total Transfers to Debt Service Fund	<u><u>601,565</u></u>	<u><u>600,905</u></u>
TRANSFERS TO TIF INTEREST & SINKING FUND		
Debt Service Transfers from:		
General Fund	137,500	-
Debt Service Fund	<u>751,200</u>	<u>643,350</u>
Total Transfers to TIF Interest & Sinking Fund	<u><u>888,700</u></u>	<u><u>643,350</u></u>

SOURCES AND ESTIMATES OF MAJOR REVENUES
TAXES

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

Total property taxes (including agricultural roll-back taxes, penalties and interest) for FY2013 are \$18,170,800, and represent 25.6% of total revenues, compared to \$17,759,875, or 24.2% of total revenues for FY2012. Total property tax revenues for FY2013 increased by \$410,925, or 2.3% over FY2012 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 FY2013 is \$0.44219, unchanged from the FY2012 tax rate. The tax rate is comprised of a "maintenance and operations" (M&O) component (\$0.32552, or 73.6% of the total rate), which is allocated to the general fund, and a "debt service" component (\$0.11667, or 26.4% of the total rate), which is allocated to the debt service fund.

MAJOR REVENUES (continued)

TAXES:

Since 1993, the tax rate has been reduced a total of \$0.10195 per \$100 (10.195¢), or 18.7%. This reduction has been possible due to the growth in the assessed taxable valuation, in combination with increases in sales and franchise taxes, and other revenues. Tax rate comparisons since 2001 are presented in the accompanying chart (per \$100 of appraised values).

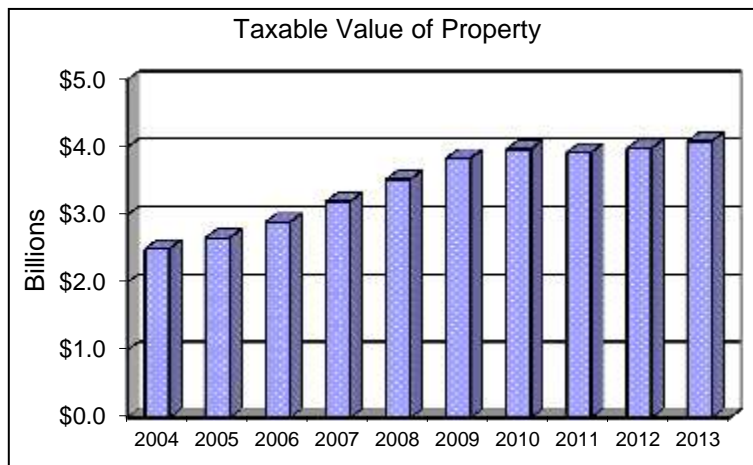
Year	Total Tax Rate	Percent Change
2003 (FY2004)	\$ 0.43800	-%
2004 (FY2005)	0.44413	1.4%
2005 (FY2006)	0.44413	-%
2006 (FY2007)	0.43219	(2.7%)
2007 (FY2008)	0.43219	-%
2008 (FY2009)	0.43219	-%
2009 (FY2010)	0.44219	2.3%
2010 (FY2011)	0.44219	-%
2011 (FY2012)	0.44219	-%
2012 (FY2013)	0.44219	-%

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% 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% disabled are also eligible for a 100% 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).

Each year the Tarrant Appraisal District (TAD) appraises property for all taxing entities within Tarrant County. Property appraisals are provided to the City on July 25 of each year, when the certified tax (appraisal) roll is received from TAD. The accompanying chart indicates the growth in net taxable values since 2004.

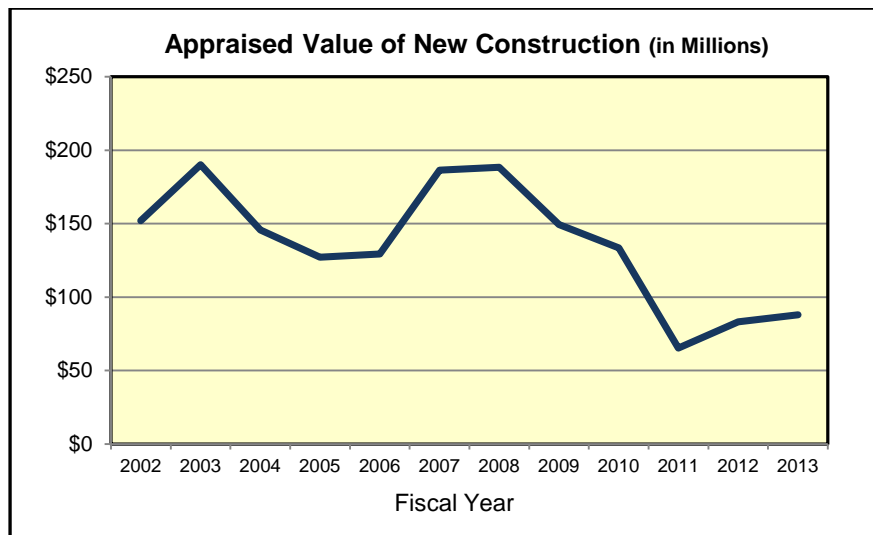


The net taxable value after exemptions and adjustments for FY2013 is \$4.09 billion. This represents an increase in taxable value of 2.6%, or approximately \$104.1 million, compared to an increase of \$68.9 million (1.8%) in FY2012. The 1.3% decrease in taxable value in FY2011 was the first decrease in value in Keller's history.

MAJOR REVENUES (continued)

TAXES:

As shown in the above chart, Keller has experienced substantial growth in taxable value since 2004, although the rate of growth has reduced substantially since 2009. The primary contributing factor to this growth has been new construction, most of which has been residential (single-family home) construction. According the Tarrant Appraisal District, the City added almost \$88 million new construction in calendar year 2011 (fiscal year 2012-13), compared to \$83 million in new construction added to the tax rolls last year (for calendar year 2011, or fiscal year 2011-2012). The chart below provides a history of new construction values, as provided by the Tarrant Appraisal District.



For FY2013, the appraised value of new residential construction in calendar year 2011 was \$65.9 million (74.9%) and new commercial construction was \$22.1 million (25.1%). For the prior fiscal year (calendar year 2010), the appraised value of new residential construction was \$79.9 million (96.1%) and new commercial construction was \$3.28 million (3.9%).

Sales and other taxes: Sales and other taxes are comprised of local sales taxes, franchise taxes from local utilities, and in-lieu of tax payments from the City's Water and Wastewater and Drainage Utility Funds. Other taxes also include assessments to participating entities in the Keller Town Center Tax Increment Reinvestment Zone (TIF). Total revenue for FY2013 is \$15,384,720, representing 21.8% of total revenues, compared to \$14,703,971, representing 20% of total revenues in FY2012. Sales and other taxes increased by \$680,749, or 4.6% over FY2012 amounts.

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

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

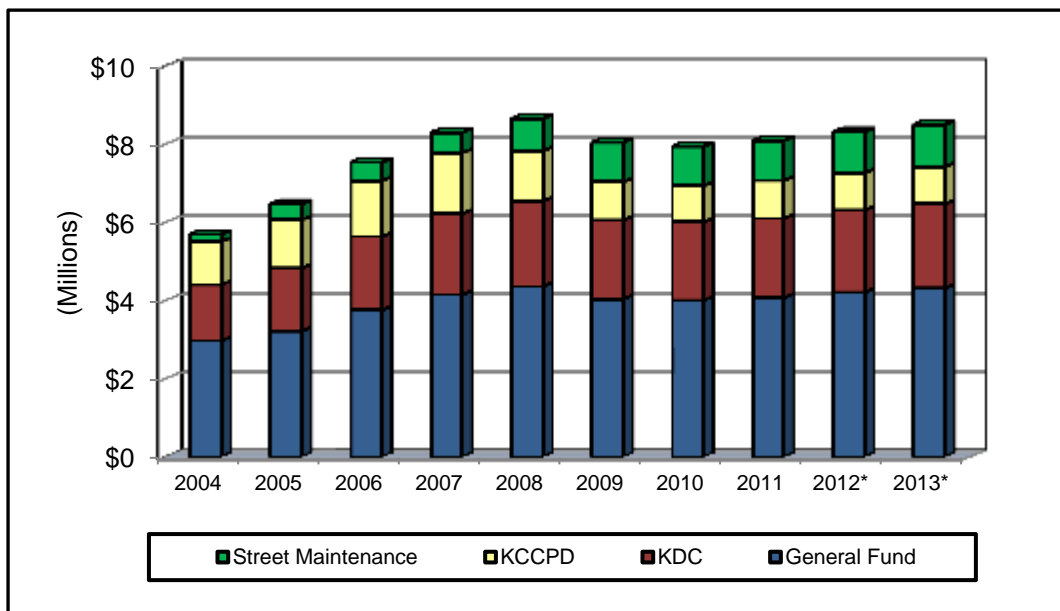
MAJOR REVENUES (continued)

TAXES:

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

The City experienced decreases in sales tax revenues in both FY2009 and FY2010 by 7% and 1.3% respectively. For FY2011, sales taxes increased slightly (1.9%). For FY2012 and FY2013, sales taxes are projected to increase by 2.8% and 2.2% respectively. Prior to FY2009, sales tax revenues had consistently experienced double-digit increases each year. The table below provides sales tax information by type since FY2004. The table reflects the reallocation of the KCCPD and street maintenance sales tax, which became effective April 1, 2008.

Fiscal Year	General Fund	KDC	KCCPD	Street Maintenance	Total	Pct Change
2004	\$ 2,869,276	\$ 1,434,788	\$1,101,017	\$ 185,789	\$ 5,590,870	13.7%
2005	3,218,819	1,609,410	1,237,317	402,352	6,467,898	15.7%
2006	3,757,724	1,879,424	1,427,418	469,856	7,534,422	16.5%
2007	4,148,974	2,073,910	1,553,620	518,477	8,294,981	10.1%
2008	4,360,294	2,180,147	1,289,690	824,604	8,654,735	4.3%
2009	4,037,484	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*	4,209,500	2,104,500	950,000	1,052,250	8,316,250	2.8%
2013*	4,314,500	2,157,250	950,000	1,078,500	8,500,250	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% – 5% of the gross receipts of the respective utility. The City of Keller also pays a 4% franchise tax from the water and wastewater fund and drainage utility fund to the City's General Fund. The water and wastewater fund and drainage utility fund also provides for payments in-lieu of property taxes to the City's general fund. Payments in lieu of property taxes are calculated on the fund's audited net asset value (historical cost less accumulated depreciation) from the prior year, multiplied by the City's property tax rate.

As a combined group, property taxes, sales taxes and franchise taxes account for \$33.56 million, or 47.6% of total revenues for FY2013, compared to \$32.45 million, or 44.2% of total revenues for FY2012. These revenues are projected to increase by \$1,091,674 (3.4%) over FY2012.

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 FY2013 are \$29,384,530 comprising 41.7% of total revenues, compared to \$28,444,160 or 38.7% of total revenues in FY2012.

Major charges for service revenues are comprised of water revenue (\$14,181,500); wastewater revenue (\$5,400,000); drainage utility fees (\$1,537,000); and operating revenues for The Keller Pointe (\$3,160,290). These revenues comprise \$24,278,790, or 34.1% of total revenues in FY2013, compared to \$23,765,620, or 32.3% of total revenues in FY2012.

Total revenues from taxes and service charges comprise \$62.94 million, or 89.2% of total revenues, compared to \$60.9 million, or 82.9% of total revenues in FY2012.

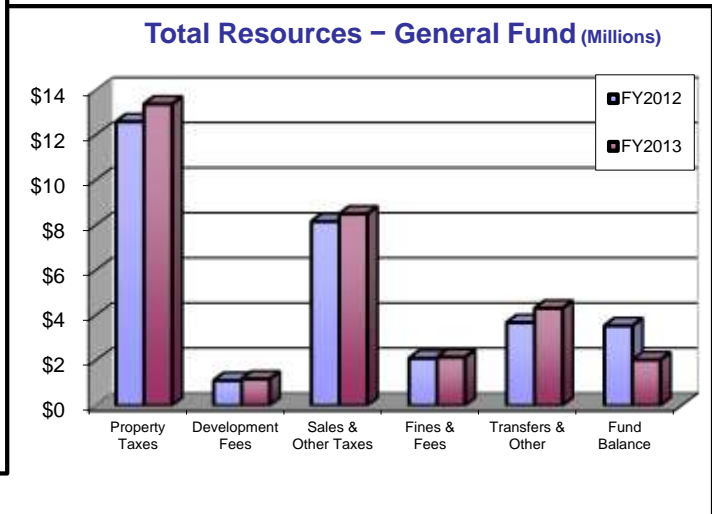
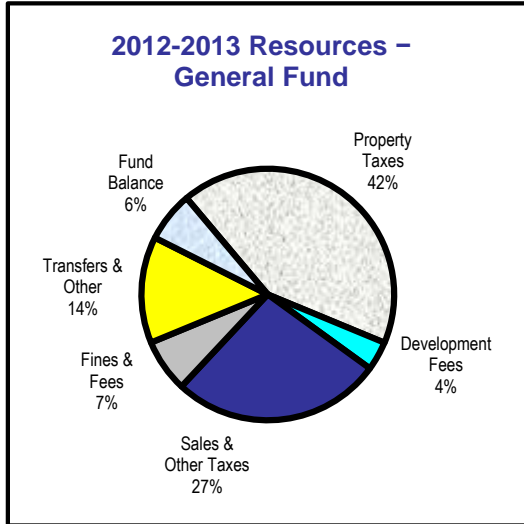
OTHER REVENUES

Other revenues include fines and fees (\$1,242,400), licenses and permits (\$1,033,500), interest revenue (\$152,150), miscellaneous revenue (\$325,590), intergovernmental (\$2,565,511); proceeds from debt issuance (\$880,000); and interfund (intra governmental) transfers (\$1,400,280). 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 \$7.6 million, or 10.8% of total revenues.

**2012-2013 BUDGET
OVERVIEW OF GENERAL FUND**

**2012-2013 RESOURCES – WHERE THE MONEY COMES FROM
\$31,571,043**

(includes one-time expenditures from available fund balance of \$1,636,770)

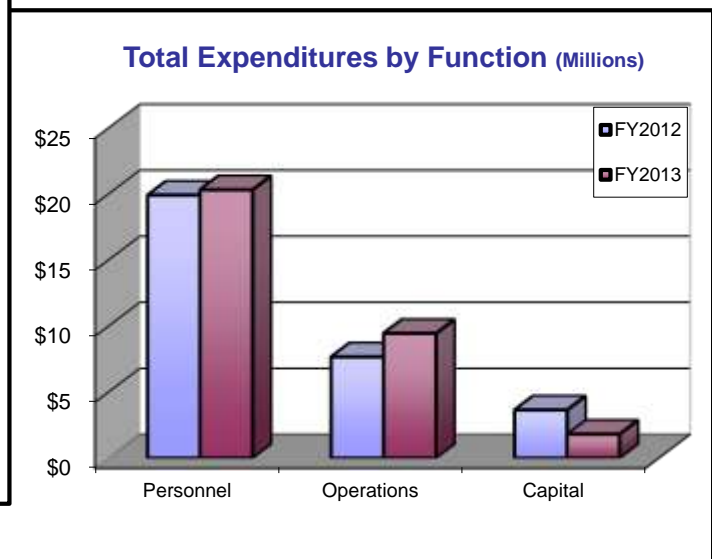
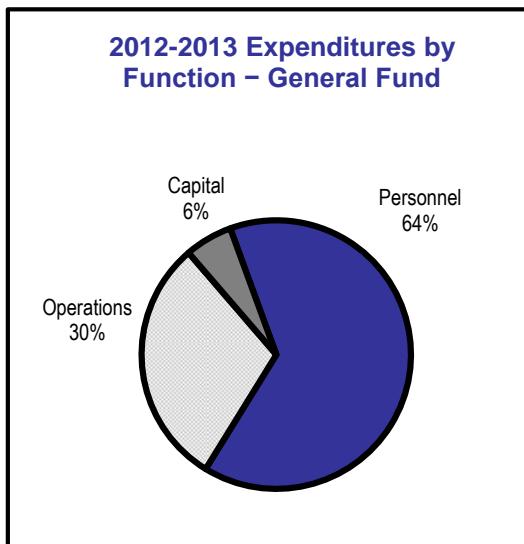


Resources include use of fund balance.

**2012-2013 EXPENDITURES – WHERE THE MONEY GOES
\$31,571,043**

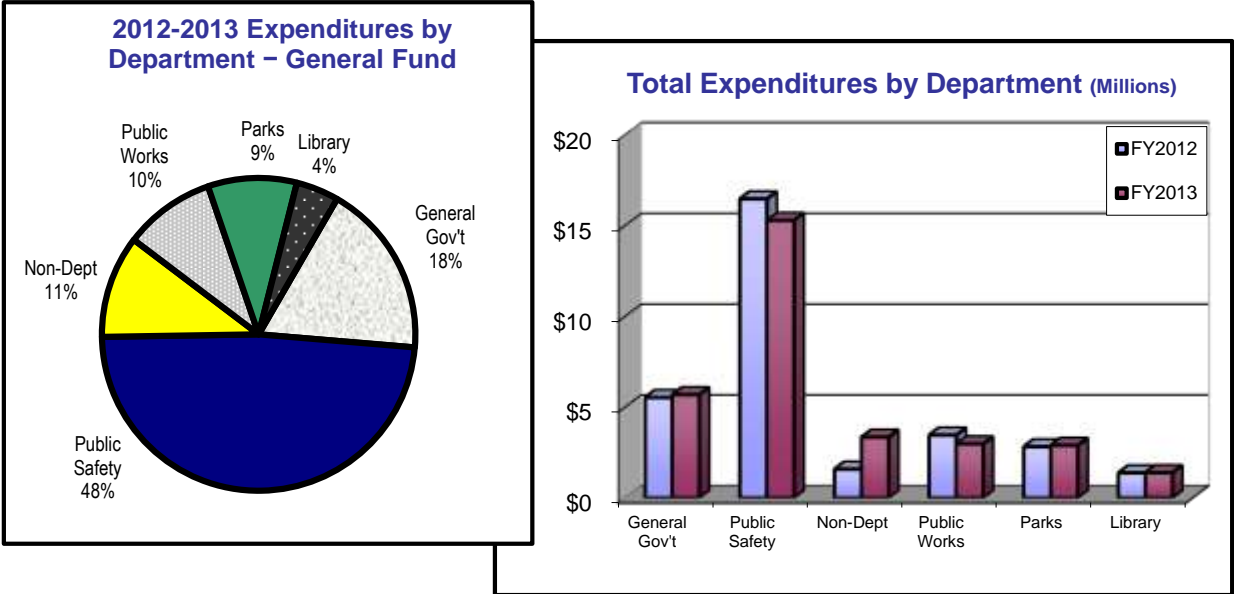
(includes one-time expenditures from available fund balance of \$1,636,770)

Expenditures by Function



General Fund Summary (continued)

Expenditures by Department



FINANCIAL SUMMARY

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

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

General Fund Summary (continued)

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

Description	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
Beginning Balance	\$ 10,793,013	\$ 12,073,869	\$ 8,527,168	\$ (3,546,701)	(29.4%)
REVENUES:					
Total property taxes	12,339,659	12,594,725	13,378,300	783,575	6.2
Sales taxes	4,069,146	4,209,500	4,314,500	105,000	2.5
Other taxes	4,127,858	3,962,350	4,190,080	227,730	5.7
Fines & fees	2,086,234	2,102,020	2,148,350	46,330	2.2
Building permits/fees	850,616	853,600	1,033,500	179,900	21.1
Development fees	317,999	265,580	149,500	(116,080)	(43.7)
Intergovernmental revenue	2,275,797	2,155,290	2,526,686	371,396	17.2
Miscellaneous revenues	1,640,434	1,527,250	1,641,300	114,050	7.5
Interfund transfers	10,500	2,809	156,025	153,216	5454.5
TOTAL REVENUES	27,718,243	27,673,124	29,538,241	1,865,117	6.7
TOTAL FUNDS AVAILABLE	38,511,256	39,746,993	38,065,409	(1,681,584)	(4.2)
EXPENDITURES:					
Personnel services	18,989,980	19,909,800	20,315,828	406,028	2.0
Operations & maintenance	1,837,637	2,132,465	2,398,880	266,415	12.5
Services & other	4,663,558	5,393,735	7,011,900	1,618,165	30.0
Capital outlay	555,282	3,646,325	1,810,810	(1,835,515)	(50.3)
Transfers to other funds	390,930	137,500	33,625	(103,875)	(75.5)
TOTAL EXPENDITURES	26,437,387	31,219,825	31,571,043	351,218	1.1
TOTAL ENDING BALANCE	\$ 12,073,869	\$ 8,527,168	\$ 6,494,366	\$ (2,032,802)	(23.8%)

FY2012 Expenditures include \$3,007,550 in one time (non-recurring) expenditures from fund balance. FY2013 includes \$1,636,770 of one time (non-recurring) expenditures for the following purposes: economic development initiatives (\$1,200,000); Town Hall modifications (\$150,000); and a one-time employee stipend, including related benefits (\$286,770).

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 (64.4%) for FY2013, compared to 63.8% in FY2012. Operations & maintenance and services comprise 29.8% of the total FY2013 budget. Capital outlay (5.7%) and transfers to other funds (0.1%) comprise the remainder of the FY2013 budget. The FY2013 expenditures are less than the FY2012 estimated expenditures by \$351,218 (1.1%).

Full-time equivalent positions are 237.33, an increase of 2.54 FTE's, or 1.1% from FY2012. Changes in FTE's include the reduction of 3 Municipal Court staff (2.75 FTE's, excluding the Municipal Judge), as a result of the consolidation of Municipal Court operations with the City of Colleyville; the addition of 0.5 FTE's in the Finance Department resulting from upgrading a part-time Records Clerk to a full-time position; addition of 0.5 FTE's for a Marketing intern in the Economic Development Department; reduction of 0.5 FTE's for elimination of an Engineering Intern in the Public Works Department; addition of 1.5 FTE's in the Animal Services division of the Police Department, resulting from the addition of a regional animal shelter/adoption center that will serve at least four communities; addition of 0.125 FTE's (partial year funding) for a Storm Water Engineer (partial year funding) and seasonal street maintenance personnel (0.77 FTE's) in the Public Works Department; and addition of an Irrigation Technician (1 FTE) and transfer of 1.39 FTE's from the Keller Development Corporation in the Parks and Recreation Department.

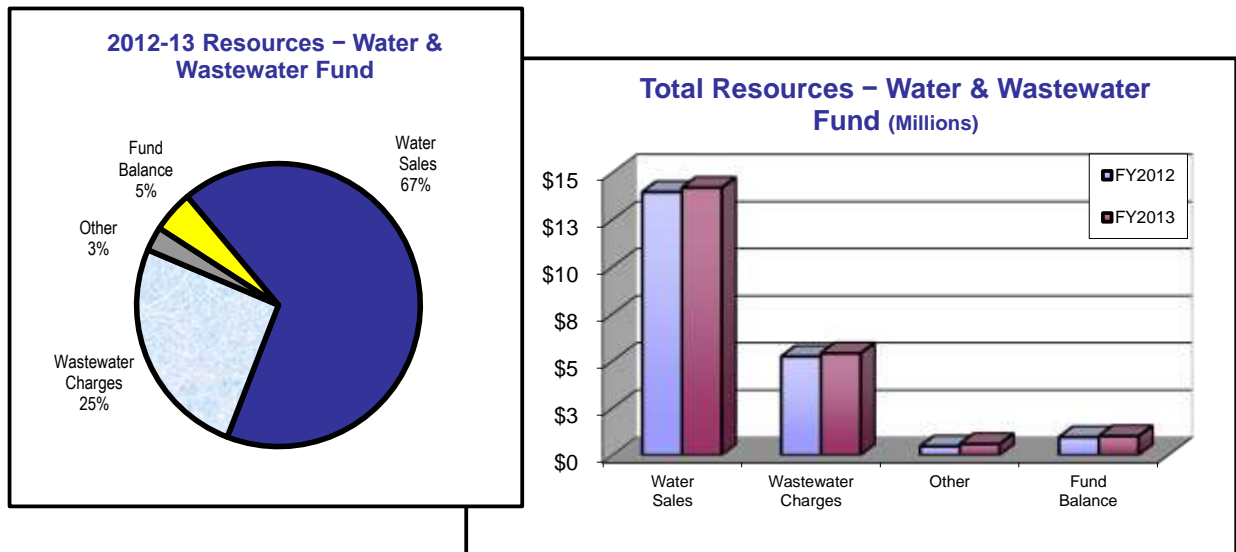
General Fund Summary (continued)

Capital outlay includes expenditures for new or replacement City assets, or improvements to existing assets. The City's personal property capitalization limit for FY2013 is \$5,000. Total capital outlay expenditures for FY2013, including one-time expenditures from fund balance, are \$1,810,810, or 6% of total General Fund expenditures. Capital outlay expenditures for FY2013 decreased \$1,835,515 (50.3%) from FY2012. Major capital items include: street improvements (\$758,000); emergency equipment for the Fire Department (\$70,000); radio/communications system upgrade – Phase 2 (\$947,810); signage and lighting improvements for Old Town Keller (\$20,000); and street maintenance equipment for the Public Works Department (\$15,000).

Public Safety expenditures (Police and Fire) comprise over \$15.28 million of General Fund expenditures, or 48.4% of total expenditures. General Government expenditures comprise 14.3% of total expenditures; Community Development, 3.7%; Parks & Recreation, 9.2%; Library, 4.4%; Public Works, 9.4%; and Non-Departmental, 10.6%, respectively.

**2012-2013 BUDGET
OVERVIEW OF WATER AND WASTEWATER FUND**

**2012-2013 RESOURCES – WHERE THE MONEY COMES FROM
\$21,171,195**

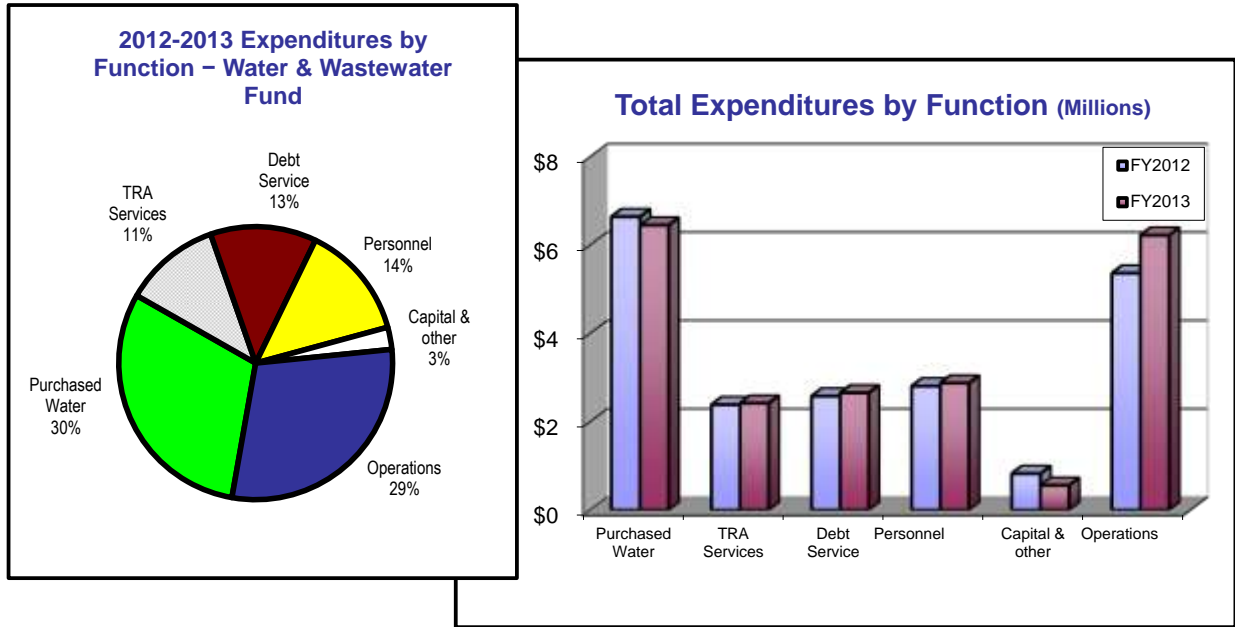


Resources include use of fund balances.

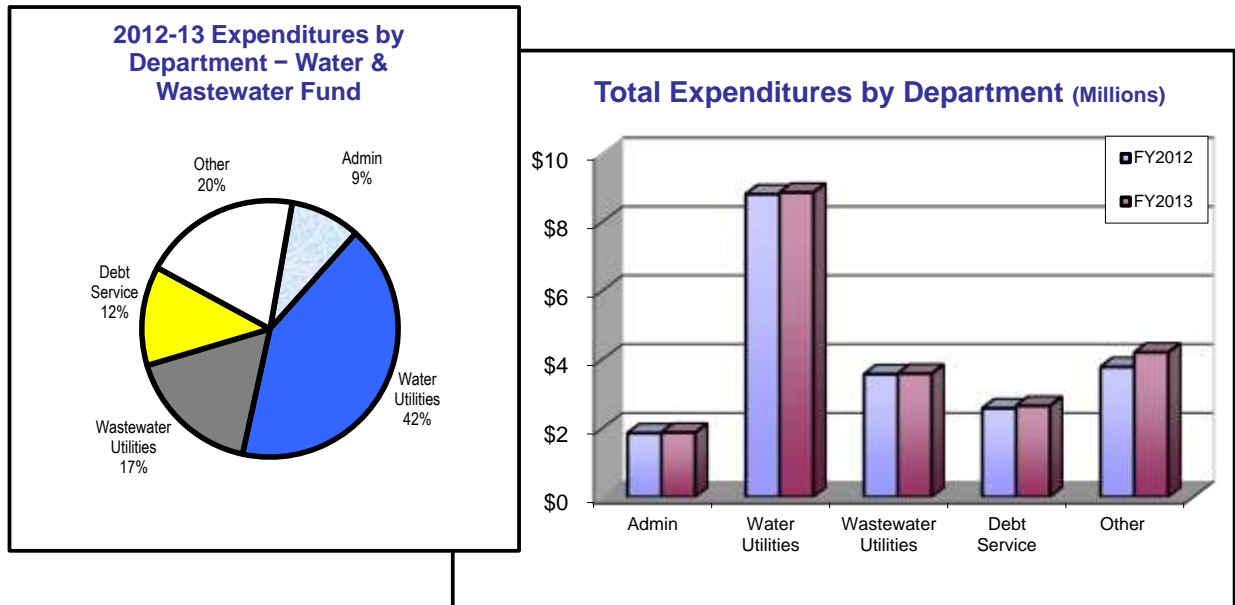
Water and Wastewater Fund Summary (continued)

2012-2013 EXPENDITURES – WHERE THE MONEY GOES
\$21,171,195

Expenditures by Function



Expenditures by Department



Water and Wastewater Fund Summary (continued)

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

The Water and Wastewater Fund includes the following accounts:

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

Water and Wastewater Capital Projects Account – used to account for resources from fees and/or debt issuance to fund capital improvements to the water and wastewater system. 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%. 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, 2011)	
	<u>Residential</u>	<u>Non-Residential</u>
0 to 2,000 gallons	\$16.88 minimum*	\$16.88 minimum*
0 to 2,000 gallons	\$1.87	\$1.87
2,001 to 10,000 gallons (per 1,000 gallons)	\$3.04	\$3.04
10,001 to 20,000 gallons (per 1,000 gallons)	\$3.36	\$3.68
20,001 to 25,000 gallons (per 1,000 gallons)	\$3.79	\$4.31
25,001 to 40,000 gallons (per 1,000 gallons)	\$4.90	\$4.90
over 40,000 gallons (per 1,000 gallons)	\$5.33	\$5.33

The above rates include the current wholesale pass-through rate of \$1.87 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 August 1, 2012)

- Residential \$11.85 minimum*, plus \$3.00 per 1,000 gallons of water usage (based on December, January and February average water usage); maximum to 20,000 gallons, or \$71.85 per month

- Non-residential \$11.85 minimum*, plus \$3.00 per 1,000 gallons of water usage, no monthly maximum.

The above rates include the current wholesale pass-through rate of \$1.37 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	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
Beginning Balance	\$ 6,746,215	\$ 7,133,391	\$ 6,181,321	\$ (952,070)	(13.3%)
REVENUES:					
Water sales	15,429,178	13,954,900	14,181,500	226,600	1.6
Wastewater charges	4,976,891	5,228,000	5,400,000	172,000	3.3
Taps and miscellaneous fees	380,110	367,350	444,850	77,500	21.1
Contributions	13,006	13,075	13,110	35	0.3
Interest revenue	38,046	20,000	22,500	2,500	12.5
Miscellaneous revenues	61,611	58,500	106,500	48,000	82.1
TOTAL REVENUES	20,898,842	19,641,825	20,168,460	526,635	2.7
TOTAL FUNDS AVAILABLE	27,645,057	26,775,216	26,349,781	(425,435)	(1.6)
EXPENDITURES:					
Personnel services	2,769,354	2,806,270	2,872,720	66,450	2.4
Operations & maintenance	619,900	800,900	1,171,970	371,070	46.3
Services & other	3,950,306	4,102,840	4,461,295	358,455	8.7
Wholesale water purchased	7,377,420	6,640,000	6,450,000	(190,000)	(2.9)
Wastewater services-TRA	2,086,947	2,384,535	2,417,415	32,880	1.4
Capital outlay	704,769	822,990	556,825	(266,165)	(32.3)
Debt service	2,537,130	2,578,500	2,652,760	74,260	2.9
Transfers to other funds	465,840	457,860	588,210	130,350	28.5
TOTAL EXPENDITURES	20,511,666	20,593,895	21,171,195	577,300	2.8
TOTAL ENDING BALANCE	\$ 7,133,391	\$ 6,181,321	\$ 5,178,586	\$ (1,002,735)	(16.2%)

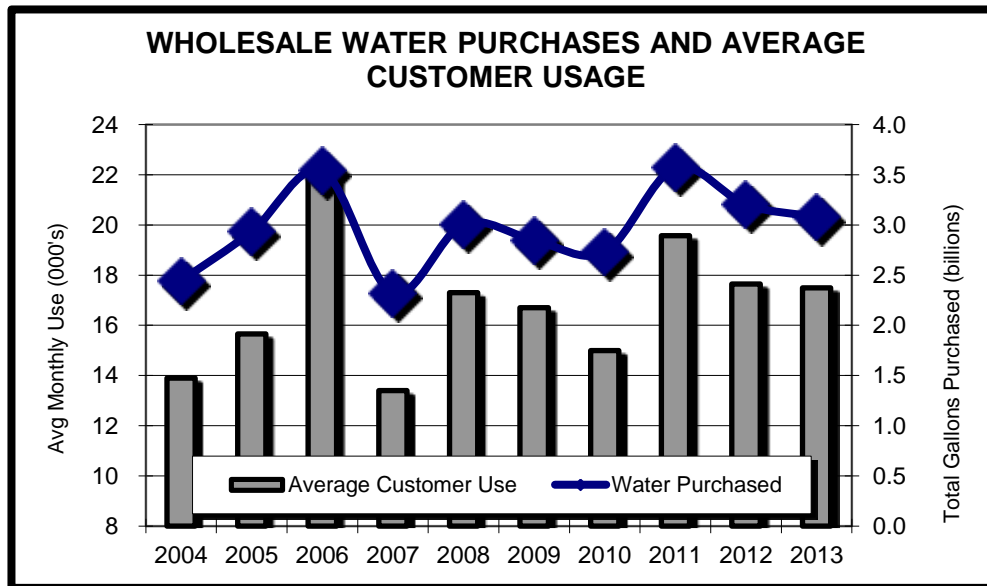
Major revenues for FY2013 are derived from water service charges (70.3%) and wastewater charges (26.8%), compared to 71.1% and 26.6% in FY2012, respectively. These combined revenue sources account for over 97.1% of fund revenues for FY2013, compared to 97.7% for FY2012.

Major expenditures for FY2013 are comprised of wholesale water purchases (30.5%); debt service on long-term debt (12.5%); wastewater treatment and collection services provided by the Trinity River Authority (11.4%); operating expenses and transfers (29.4%); personnel services (salaries and benefits), 13.6%, and capital outlay (2.6%).

Water and Wastewater Fund Summary (continued)

Water purchases are projected to be 2.949 billion gallons in FY2013, compared to 3.108 billion in FY2012, a decrease of 158.7 million gallons, or 5.1%. Customer consumption reached an all-time high of 3.5 billion gallons in FY2006. For FY2013, a conservative customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts. Therefore, if normal rainfall amounts are received during the year, revenues will not be adversely impacted.

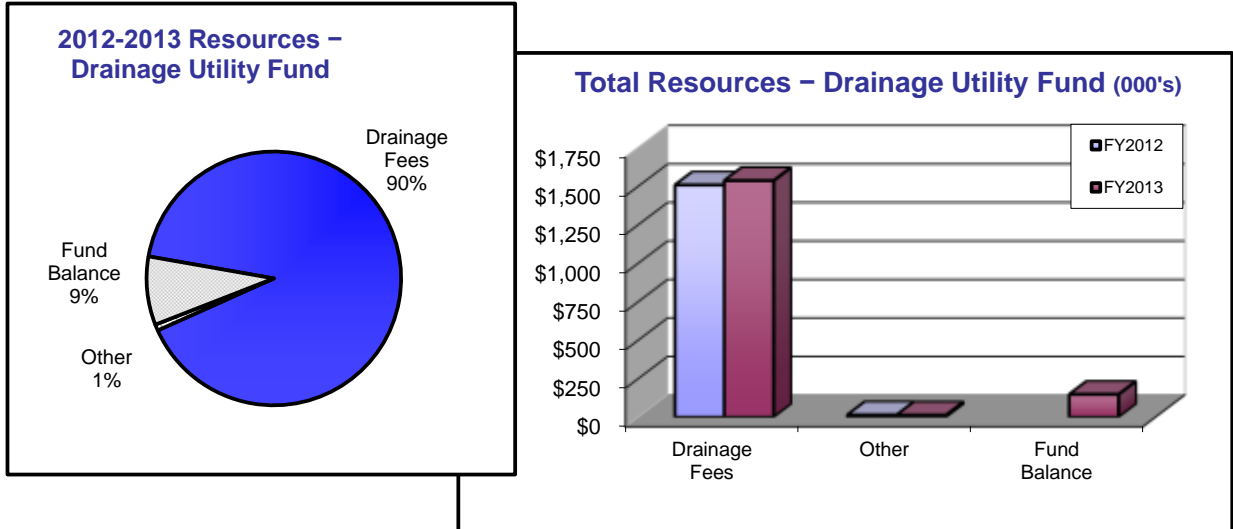
The total ending balance of \$5,178,586 includes a \$750,000 water and wastewater rate stabilization reserve. The purpose of the rate stabilization reserve is to provide funds for variations in weather conditions, specifically years having above-average rainfall (wet year) or below-average rainfall (dry year). The undesignated ending fund balance is \$4,428,586.



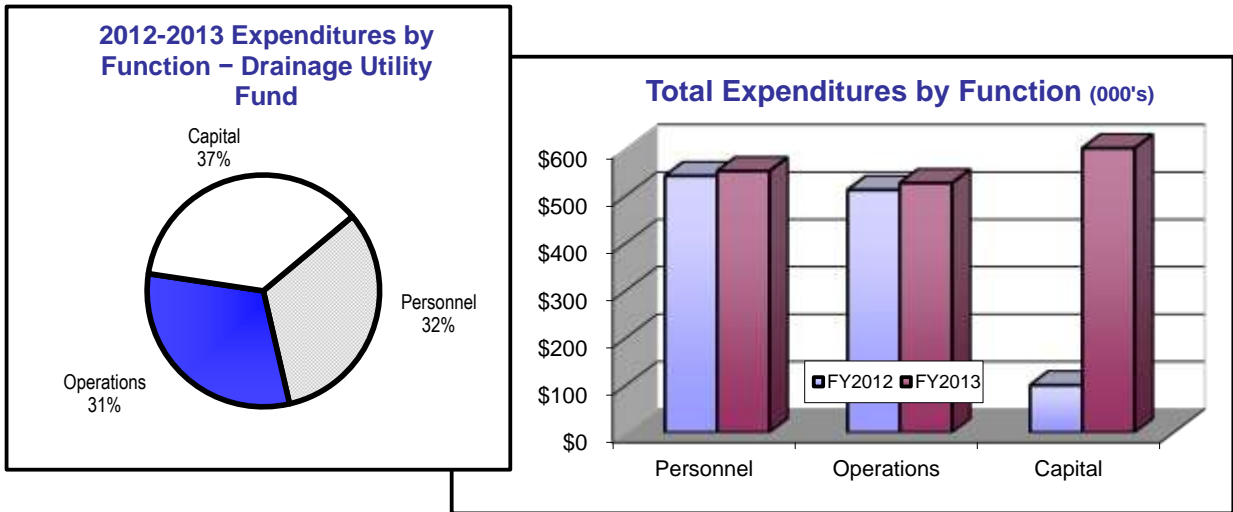
As the above graph indicates, the total number of gallons of wholesale water purchased has generally shown an increasing trend, from as high as 3.57 billion gallons in FY2011 to as low as 2.31 billion gallons in FY2007. Based on total water usage to date through June 2012, water sales of 3.05 billion gallons are anticipated for FY2012. The FY2013 budget forecasts 3.08 billion gallons of water use, and is based on normal, or average rainfall. Using this average, the annualized monthly average usage per customer is 17,518, gallons for FY2013, compared to 17,650 gallons projected for FY2012, and the actual amount of 19,582 gallons in FY2011.

**2012-2013 BUDGET
OVERVIEW OF DRAINAGE UTILITY FUND**

**2012-2013 RESOURCES – WHERE THE MONEY COMES FROM
\$1,698,240**



**2012-2013 EXPENDITURES – WHERE THE MONEY GOES
\$1,698,240**



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	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
Beginning Balance	\$ 874,648	\$ 1,489,358	\$ 1,858,793	\$ 369,435	24.8%
REVENUES:					
Drainage fees	1,483,091	1,508,500	1,537,000	28,500	1.9
Miscellaneous revenues	1,992	850	850	-	-
Gain (loss) on asset disposal	-	5,000	5,000	-	-
Interest revenue	11,189	8,500	7,500	(1,000)	(11.8)
TOTAL REVENUES	1,496,272	1,522,850	1,550,350	27,500	1.8
TOTAL FUNDS AVAILABLE	2,370,920	3,012,208	3,409,143	396,935	13.2
EXPENDITURES:					
Personnel services	522,102	541,530	551,800	10,270	1.9
Operations & maintenance	63,712	150,965	126,180	(24,785)	(16.4)
Services & other	234,863	306,580	334,605	28,025	9.1
Capital outlay/improvements	6,658	100,000	620,000	520,000	520.0
Debt service	54,227	54,340	54,230	(110)	(0.2)
Transfers to other funds	-	-	11,425	11,425	-
TOTAL EXPENDITURES	881,562	1,153,415	1,698,240	544,825	47.2
TOTAL ENDING BALANCE	\$ 1,489,358	\$ 1,858,793	\$ 1,710,903	\$ (147,890)	(8.0%)

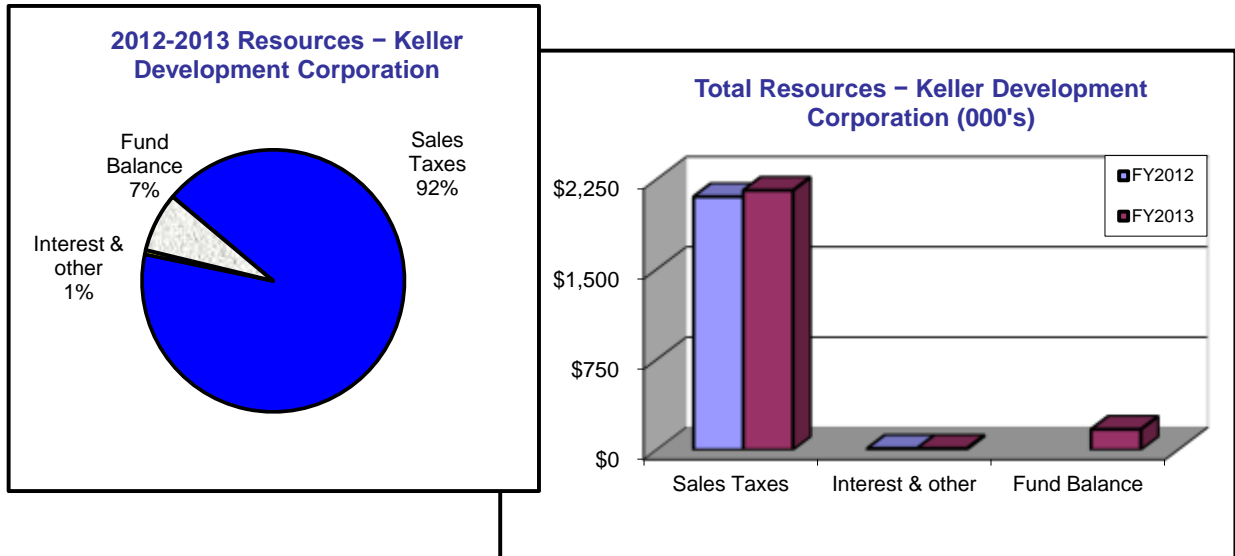
Major revenues for FY2013 are derived from drainage user fees (100%). The monthly drainage charge per ERU is currently \$8.00 per month, last updated in November 2009.

Major expenditures for FY2013 provided for personnel services (32.5%) for 8.5 full-time equivalent positions. Operations and maintenance and services and other expenditures (31% of the total budget) provide for both equipment maintenance and drainage channel maintenance, including equipment rentals as needed. Capital improvements comprise 36.5% of the total budget.

Capital improvements for FY2013 are provided for drainage maintenance equipment replacements (\$60,000). FY2012 and FY2013 provides a total of \$660,000 for Robin Court drainage improvements.

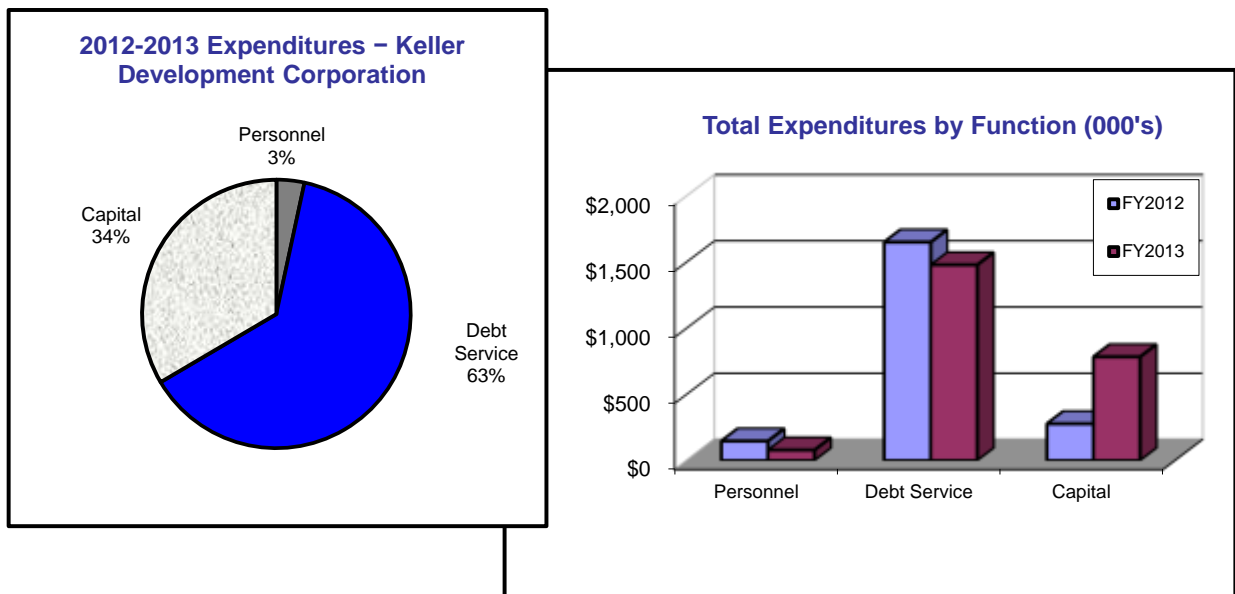
**2012-2013 BUDGET
OVERVIEW OF KELLER DEVELOPMENT CORPORATION**

**2012-2013 RESOURCES – WHERE THE MONEY COMES FROM
\$2,341,345**



Resources include use of fund balances.

**2012-2013 EXPENDITURES – WHERE THE MONEY GOES
\$2,341,345**



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, 2012. State law requires a public hearing for development corporations at least 60 days prior to the expenditure of funds. The public hearing is scheduled for August 7, 2012.

FINANCIAL SUMMARY

SUMMARY OF REVENUES, EXPENDITURES AND FUND BALANCE

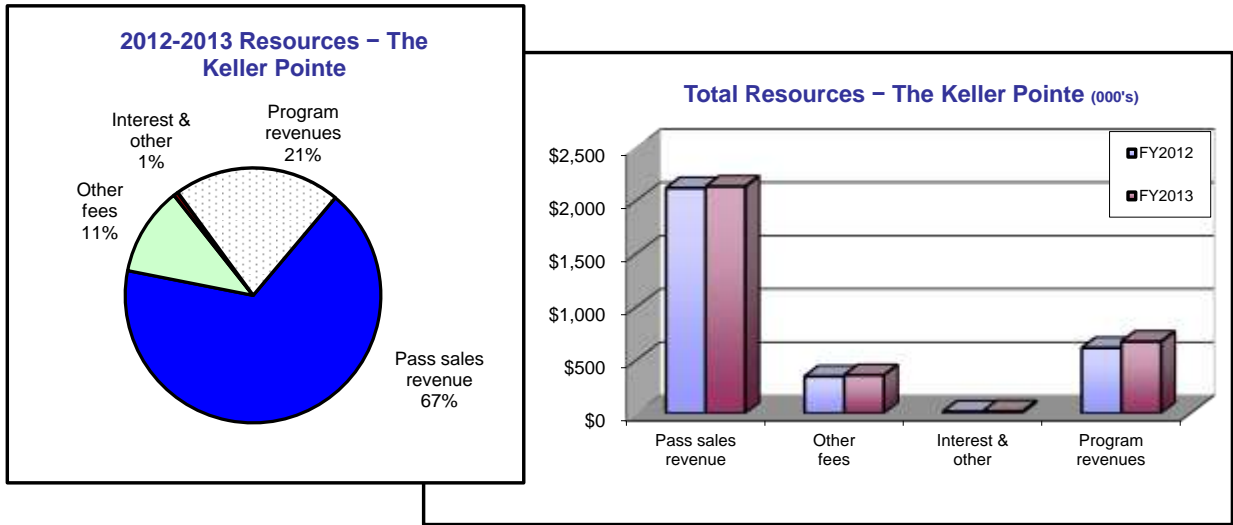
Description	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
Beginning Balance	\$ 554,297	\$ 619,841	\$ 662,416	\$ 42,575	6.9%
REVENUES:					
Sales taxes	2,034,573	2,104,500	2,157,250	52,750	2.5
Interest revenue	1,188	850	850	–	–
Rental & other revenue	12,000	12,000	12,000	–	–
TOTAL REVENUES	2,047,761	2,117,350	2,170,100	52,750	2.5
TOTAL FUNDS AVAILABLE	2,602,058	2,737,191	2,832,516	95,325	3.5
EXPENDITURES:					
Personnel services	130,000	146,860	78,945	(67,915)	(46.2)
Operations & maintenance	13,681	21,915	24,415	2,500	11.4
Services & other	38,500	41,500	46,500	5,000	12.0
Capital outlay/improvements	13,975	70,295	589,000	518,705	737.9
Debt service	1,642,746	1,650,500	1,478,810	(171,690)	(10.4)
Transfers to other funds	143,315	143,705	123,675	(20,030)	(13.9)
TOTAL EXPENDITURES	1,982,217	2,074,775	2,341,345	266,570	12.8
TOTAL ENDING BALANCE	\$ 619,841	\$ 662,416	\$ 491,171	\$ (171,245)	(25.9%)

Major revenues for FY2013 are comprised of sales taxes, representing 99% of the total budget. Rental revenue includes proceeds from the Keller Sports Park ground lease agreement with Blue Sky Sports Center.

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

**2012-2013 BUDGET
OVERVIEW OF THE KELLER POINTE RECREATION
AND AQUATIC CENTER FUND**

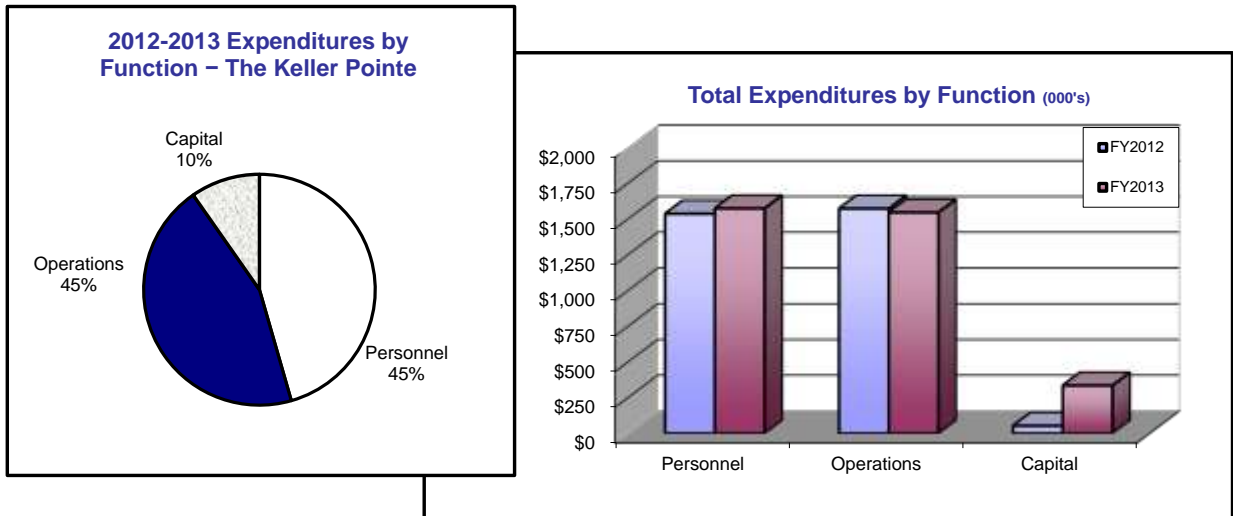
**2012-2013 RESOURCES – WHERE THE MONEY COMES FROM
\$3,453,870**



Resources include use of fund balances.

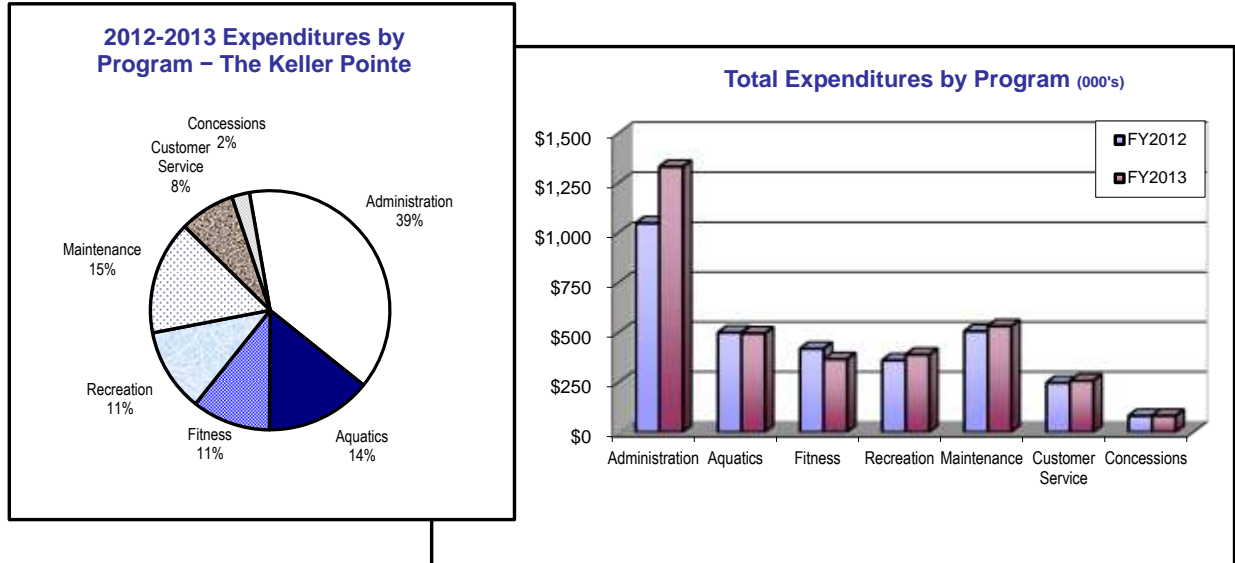
**2012-2013 EXPENDITURES – WHERE THE MONEY GOES
\$3,453,870**

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	2010-2011 Actual	2011-2012 Estimate	2012-2013 Budget	Increase (Decrease) Over 2011-2012	
				Amount	Percent
Beginning Balance*	\$ 1,036,565	\$ 1,185,768	\$ 1,113,613	\$ (72,155)	(6.1%)
REVENUES:					
Pass sales/program revenues	2,998,212	3,074,220	3,160,290	86,070	2.8
Miscellaneous revenue	16,711	13,105	16,740	3,635	27.7
Interest revenue	9,508	2,195	1,800	(395)	(18.0)
TOTAL REVENUES	3,024,431	3,089,520	3,178,830	89,310	2.9
TOTAL FUNDS AVAILABLE	4,060,996	4,275,288	4,292,443	17,155	0.4
EXPENDITURES:					
Personnel services	1,414,374	1,536,425	1,573,570	37,145	2.4
Operations & maintenance	400,431	428,455	435,790	7,335	1.7
Services & other	985,621	1,143,940	1,109,510	(34,430)	(3.0)
Capital outlay	74,802	52,855	335,000	282,145	533.8
TOTAL EXPENDITURES	2,875,228	3,161,675	3,453,870	292,195	9.2
TOTAL ENDING BALANCE*	\$ 1,185,768	\$ 1,113,613	\$ 838,573	\$ (275,040)	(24.7%)

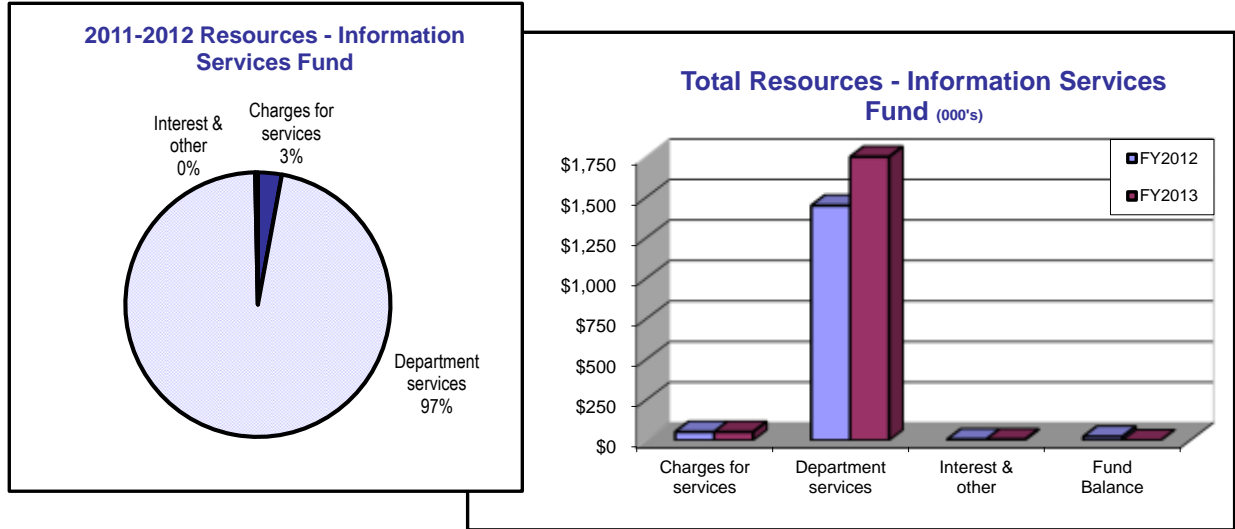
* Fund balance is cash and investments.

Major revenues for FY2013 are comprised of annual and daily passes, facility rentals, merchandise sales, and program revenues. Program revenues include aquatics, fitness (personal training), and recreation programs.

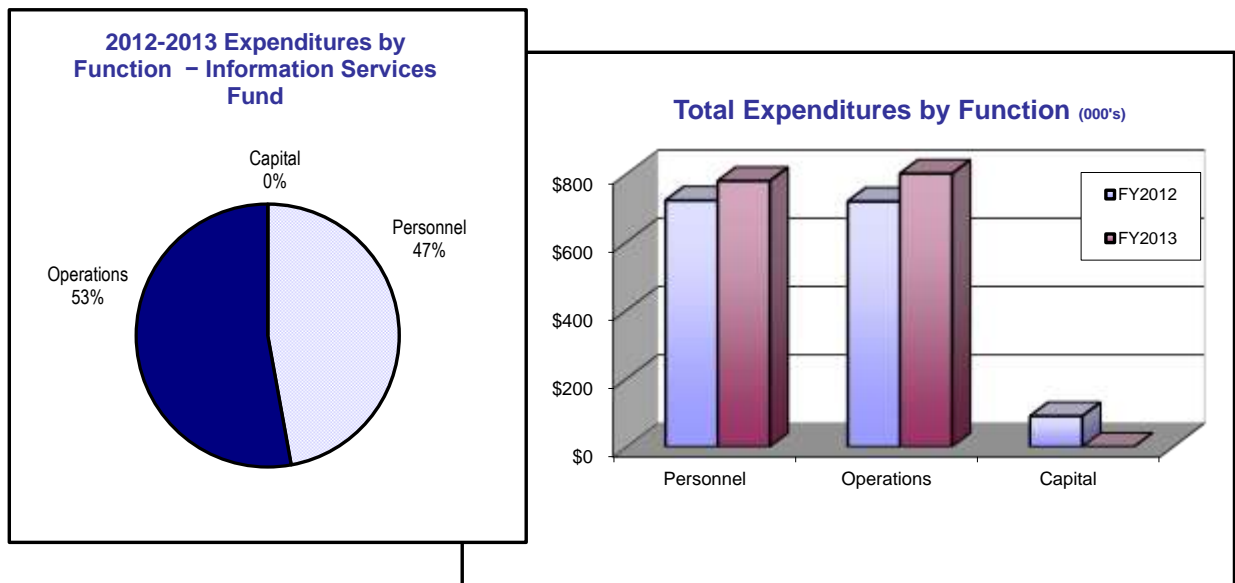
Major expenditures include personnel services for facility staffing and recreation programs (45.6%), and facility operations and supplies. Services & other expenditures include utilities (electricity, water, natural gas) and payments to recreation program instructors and trainers.

**2012-2013 BUDGET
OVERVIEW OF THE INFORMATION SERVICES FUND**

**2012-2013 RESOURCES – WHERE THE MONEY COMES FROM
\$1,807,960**



**2012-2013 EXPENDITURES – WHERE THE MONEY GOES
\$1,651,235**



Information Services Fund Summary (continued)

The Information Services Special Revenue Fund is funded jointly by transfers of charge-back fees from respective funds of the City, as well as revenues received from communication tower leases on City-owned facilities. These resources are used to fund City-wide information systems and information technology goods and services, including expenditures for Town Hall networking equipment, and geographic information system (GIS) operations. 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 (96.8%). Major expenditures include personnel services (47.1%) for a staff of 8 FTEs, operating, maintenance, and services costs for items such as hardware replacements, consulting services, and hardware/software maintenance (52.9%).

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. FY2013 highlights include total revenues of \$23,100; total expenditures of \$32,050; and a \$45,511 ending fund balance.

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 FY2013 revenues are \$158,915 and total expenditures are \$156,315, leaving an ending fund balance of \$82,346. 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).

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 FY2013 revenues are \$95,550, and total expenditures are \$122,410, leaving an estimated ending fund balance of \$68,625.

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. SS542(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 cameras and equipment used in the broadcasting and/or dissemination of public information. Total FY2013 revenues are \$116,750, and total expenditures are \$32,500, leaving an estimated ending fund balance of \$196,845.

Keller Crime Control and Prevention Special Revenue Fund was established in FY2002 to account for revenues derived from sales and use taxes, in accordance with Section 363 of the Texas Local Government Code, to be used for public safety crime control and prevention programs. In November 2001, voters authorized 3/8 of one cent (0.375%) sales and use tax. The tax was authorized for an initial period of five years, with the intent of the City to utilize the proceeds to fund an expansion of the police station facility. This tax was re-authorized for an additional fifteen years by voters in May 2006. In November 2007, voters authorized a reduction in the rate from 0.375% to 0.25%, effective April 2008. Sales tax revenues of \$950,000 are projected in FY2013. Expenditures total \$5,123,290 and include:

Vehicles and equipment replacements	\$ 200,690
Improvements to technology	91,200
Jail expansion, facility furniture, fixtures, and equipment replacement	4,297,025
Debt service – facility expansion debt issuance	526,175
Accreditation fees	8,200

The projected ending fund balance at September 30, 2013 is \$2,128,975. This fund balance includes reserves for capital improvements: \$474,987 for jail expansion, and \$945,439 for furniture, fixtures, and equipment, leaving an unassigned fund balance of \$708,549.

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 FY2013 revenues are \$30,350, and total expenditures are \$30,000, leaving an estimated ending fund balance of \$32,030.

**2012-2013 BUDGET
OVERVIEW OF THE DEBT SERVICE FUND**

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

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

**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	\$ 497,984	\$ 487,535	\$ 365,745	\$ (121,790)	(25.0%)
REVENUES:					
Property taxes	5,140,668	5,165,150	4,792,500	(372,650)	(7.2)
Transfers from other funds	959,155	601,565	600,905	(660)	(0.1)
Interest revenue	11,103	9,000	9,500	500	5.6
TOTAL REVENUES	6,110,926	5,775,715	5,402,905	(372,810)	(6.5)
TOTAL FUNDS AVAILABLE	6,608,910	6,263,250	5,768,650	(494,600)	(7.9)
EXPENDITURES:					
Debt service	5,211,595	5,146,305	4,769,080	(377,225)	(7.3)
Transfers to other funds	909,780	751,200	643,350	(107,850)	(14.4)
TOTAL EXPENDITURES	6,121,375	5,897,505	5,412,430	(485,075)	(8.2)
TOTAL ENDING BALANCE	\$ 487,535	\$ 365,745	\$ 356,220	\$ (9,525)	(2.6%)

Major revenues for FY2013 are derived from property taxes (88.7%) and transfers from other funds (11.1%). Transfers from other funds are comprised of the following:

Transfer from General Fund	\$ 33,625
Transfer from Keller Development Corporation	123,675
Transfer from Water & Wastewater Fund	<u>443,605</u>
Total	<u>\$ 600,905</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 fund's sources of revenues and major expenditures. The summary is intended to provide a brief financial overview of each individual operating fund of the City. Additional detail information regarding revenue sources and expenditures is provided elsewhere in the budget document, e.g., in the City Manager's Transmittal Letter, and also with the individual fund/department presentation throughout the document.

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
2012-2013 BUDGET

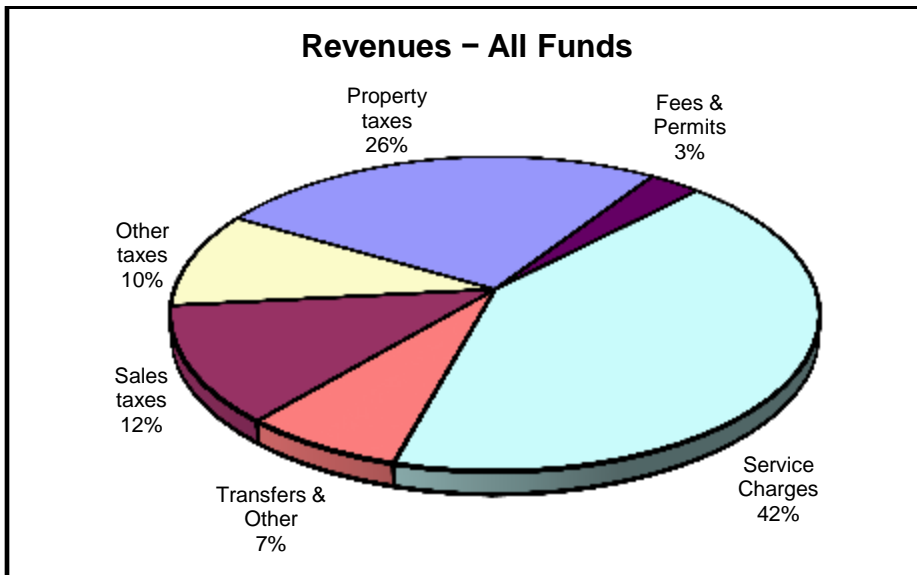
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
TOTAL BEGINNING BALANCE	\$ 8,527,168	\$ 8,953,870	\$ 477,753	\$ 1,364,598	\$ 19,323,389
<u>REVENUES:</u>					
Total property taxes	13,378,300	–	4,792,500	–	18,170,800
Sales taxes	4,314,500	3,107,250	–	1,078,500	8,500,250
Other taxes	4,190,080	116,000	2,578,390	–	6,884,470
Licenses & permits	1,033,500	–	–	–	1,033,500
Charges for services	2,577,250	5,141,850	–	96,730	7,815,830
Fines & fees	1,106,600	97,300	–	38,500	1,242,400
Interest revenue	80,000	20,250	14,000	7,900	122,150
Debt issuance	–	–	–	880,000	880,000
Intergovernmental	2,526,686	715	–	–	2,527,401
Miscellaneous revenue (expense)	175,300	(14,660)	–	100	160,740
Contributions & donations	–	82,850	–	–	82,850
TOTAL REVENUES	29,382,216	8,551,555	7,384,890	2,101,730	47,420,391
<u>OTHER FINANCING SOURCES:</u>					
Transfers in	156,025	–	1,244,255	–	1,400,280
TOTAL OTHER SOURCES	156,025	–	1,244,255	–	1,400,280
TOTAL RESOURCES	29,538,241	8,551,555	8,629,145	2,101,730	48,820,671
TOTAL FUNDS AVAILABLE	\$ 38,065,409	\$ 17,505,425	\$ 9,106,898	\$ 3,466,328	\$ 68,144,060

(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 TIF Interest and Sinking Fund.
- (3) Capital Project Funds are project-based budgets and therefore cover more than one fiscal year; subsequently, totals are omitted, except for the Park Development Fee Fund, Street/Drainage Improvements Fund, Equipment Replacement Fund and interfund transfers.

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ 6,181,321	\$ 1,858,793	\$ 8,040,114	\$ 27,363,503
-	-	-	18,170,800
-	-	-	8,500,250
-	-	-	6,884,470
-	-	-	1,033,500
20,030,850	1,537,850	21,568,700	29,384,530
-	-	-	1,242,400
22,500	7,500	30,000	152,150
-	-	-	880,000
38,110	-	38,110	2,565,511
77,000	5,000	82,000	242,740
-	-	-	82,850
20,168,460	1,550,350	21,718,810	69,139,201
-	-	-	1,400,280
-	-	-	1,400,280
20,168,460	1,550,350	21,718,810	70,539,481
\$ 26,349,781	\$ 3,409,143	\$ 29,758,924	\$ 97,902,984



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY FUNCTION – ALL FUNDS
2012-2013 BUDGET

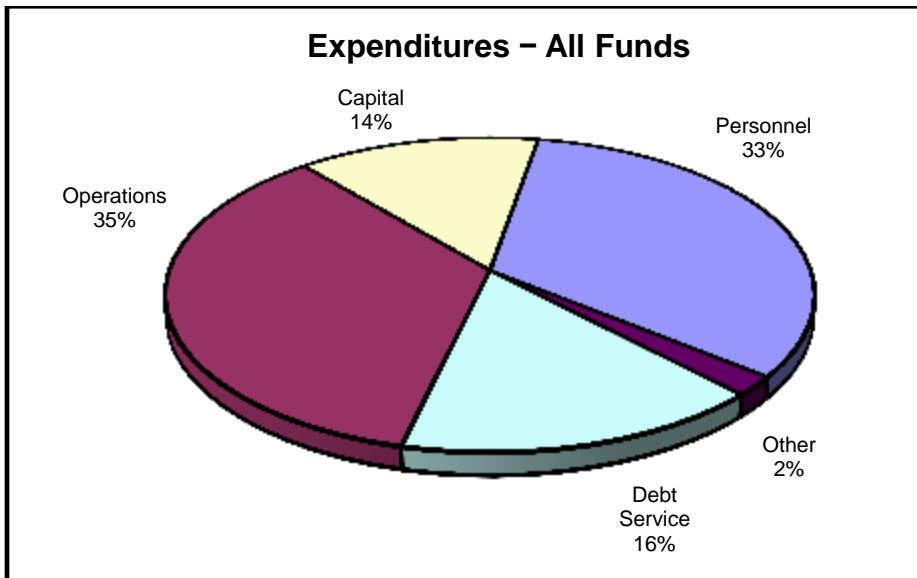
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
<u>OPERATING EXPENSES:</u>					
Personnel services	\$ 20,315,828	\$ 2,433,450	\$ –	\$ –	\$ 22,749,278
Operations & maintenance	2,398,880	1,479,230	–	80,000	3,958,110
Services & other	7,011,900	1,536,150	–	–	8,548,050
Capital outlay	1,810,810	5,365,525	–	2,752,327	9,928,662
Debt service	–	2,004,985	7,948,335	–	9,953,320
TOTAL EXPENDITURES	31,537,418	12,819,340	7,948,335	2,832,327	55,137,420
<u>OTHER FINANCING USES:</u>					
Transfers to other funds	33,625	123,675	643,350	–	800,650
TOTAL OTHER USES	33,625	123,675	643,350	–	800,650
<u>TOTAL EXPENDITURES & OTHER USES</u>	<u>31,571,043</u>	<u>12,943,015</u>	<u>8,591,685</u>	<u>2,832,327</u>	<u>55,938,070</u>
<u>TOTAL ENDING BALANCE</u>					
Reserve for contingencies	–	180,118	–	–	180,118
Other reservations of fund balance	25,000	1,549,361	–	–	1,574,361
ENDING BALANCE	<u>\$ 6,469,366</u>	<u>\$ 2,832,931</u>	<u>\$ 515,213</u>	<u>\$ 634,001</u>	<u>\$ 10,451,511</u>

(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 TIF Interest and Sinking Fund.
- (3) Capital Project Funds are project-based budgets and therefore cover more than one fiscal year; subsequently, totals are omitted, except for the Park Development Fee Fund, Street/Drainage Improvements Fund, Equipment Replacement Fund and interfund transfers.

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ 2,872,720	\$ 551,800	\$ 3,424,520	\$ 26,173,798
1,171,970	126,180	1,298,150	5,256,260
13,328,710	334,605	13,663,315	22,211,365
556,825	620,000	1,176,825	11,105,487
2,652,760	54,235	2,706,995	12,660,315
20,582,985	1,686,820	22,269,805	77,407,225
588,210	11,420	599,630	1,400,280
588,210	11,420	599,630	1,400,280
21,171,195	1,698,240	22,869,435	78,807,505
5,178,586	1,710,903	6,889,489	19,095,479
-	-	-	180,118
750,000	-	750,000	2,324,361
\$ 4,428,586	\$ 1,710,903	\$ 6,139,489	\$ 16,591,000



CITY OF KELLER, TEXAS
SUMMARY OF EXPENDITURES BY DEPARTMENT/ACTIVITY – ALL FUNDS
2012-2013 BUDGET

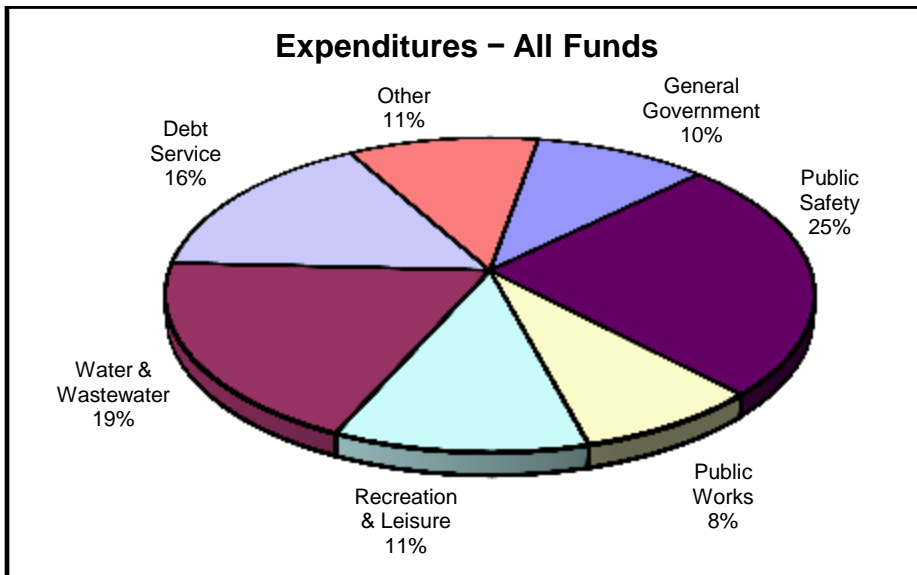
GOVERNMENTAL FUNDS					
Description	General Fund	Special Revenue Funds (1)	Debt Service Funds (2)	Annually Budgeted Capital Projects Funds (3)	Total Governmental Funds
GENERAL GOVERNMENT:					
Administration/General Government	\$ 4,502,633	\$ 1,836,145	\$ –	\$ –	\$ 6,338,778
Community Development	1,180,060	–	–	20,000	1,200,060
Police Department	7,958,620	4,597,115	–	–	12,555,735
Fire Department	7,324,570	–	–	242,365	7,566,935
Public Works	2,979,125	–	–	1,895,000	4,874,125
Keller Public Library	1,389,755	32,050	–	–	1,421,805
Parks & Recreation	2,892,715	4,349,045	–	212,662	7,454,422
WATER & WASTEWATER:					
Administration/Customer Services	–	–	–	26,000	26,000
Water Utilities	–	–	–	176,300	176,300
Wastewater Utilities	–	–	–	260,000	260,000
OTHER/NON-DEPARTMENTAL:					
Debt service	–	2,004,985	7,948,335	–	9,953,320
Transfers	33,625	123,675	643,350	–	800,650
Non-departmental / other	3,309,940	–	–	–	3,309,940
Subtotal	<u>31,571,043</u>	<u>12,943,015</u>	<u>8,591,685</u>	<u>2,832,327</u>	<u>55,938,070</u>
TOTAL	<u>\$ 31,571,043</u>	<u>\$ 12,943,015</u>	<u>\$ 8,591,685</u>	<u>\$ 2,832,327</u>	<u>\$ 55,938,070</u>

(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 TIF Interest and Sinking Fund.
- (3) Capital Project Funds are project-based budgets and therefore cover more than one fiscal year; subsequently, totals are omitted, except for the Park Development Fee Fund, Street/Drainage Improvements Fund, Equipment Replacement Fund and interfund transfers.

(continued)

PROPRIETARY FUNDS			
Enterprise Funds			
Water and Wastewater Fund	Drainage Utility Fund	Total Enterprise Funds	Totals
\$ -	\$ -	\$ -	\$ 6,338,778
-	-	-	1,200,060
-	-	-	12,555,735
-	-	-	7,566,935
-	1,447,585	1,447,585	6,321,710
-	-	-	1,421,805
-	-	-	7,454,422
1,873,055	-	1,873,055	1,899,055
8,852,720	-	8,852,720	9,029,020
3,588,570	-	3,588,570	3,848,570
2,652,760	54,235	2,706,995	12,660,315
588,210	11,420	599,630	1,400,280
3,615,880	185,000	3,800,880	7,110,820
21,171,195	1,698,240	22,869,435	78,807,505
\$ 21,171,195	\$ 1,698,240	\$ 22,869,435	\$ 78,807,505



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 FY2013 is 341.75 FTE positions. Excluding changes in FTE's for The Keller Pointe, FTE's increased 0.78 FTE's or 0.3% over the FY2012 Estimate.

Total FTE positions included in the General Fund for FY2013 are 237.33, an increase of 2.54 FTE's from FY2012, and included a transfer of 1.38 FTE's from KDC, resulting in a net increase of 1.15 FTE's (0.49%). The Water & Wastewater Fund totals 39.8 positions, a decrease of 0.37 FTE's from FY2012 (0.92%). 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 3.75 FTE's were eliminated in FY2013 as a result of the consolidation of Municipal Court Operations with the City of Colleyville (3 FTE's in the General Fund and 1 FTE in the Municipal Court Special Revenue Fund).

General Fund employees per 1,000 residents decreased from 5.88 in FY2012 to 5.87 employees per 1,000 residents in FY2013, a decrease of 0.01 employees per 1,000 residents, or 0.2%.

FUND/DEPARTMENT	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
GENERAL FUND:			
Administration	8.00	8.00	8.00
Town Hall Operations	3.00	3.00	3.00
Finance & Accounting	6.50	6.50	7.00
Municipal Court	3.50	3.50	0.75
Human Resources	5.00	5.00	5.00
Economic Development	1.00	1.00	1.50
Community Development	11.00	11.00	11.00
Police Department	83.00	83.00	84.50
Fire Department	59.00	59.00	59.00
Public Works	14.33	14.33	14.73
Keller Public Library	15.42	15.42	15.42
Parks & Recreation	25.04	25.04	27.43
TOTAL GENERAL FUND	234.79	234.79	237.33
OTHER FUNDS:			
Keller Development Corporation	2.78	2.78	1.39
Information Services Fund	7.00	7.00	8.00
Municipal Court Special Revenue	1.00	1.00	-
TOTAL OTHER FUNDS	10.78	10.78	9.39

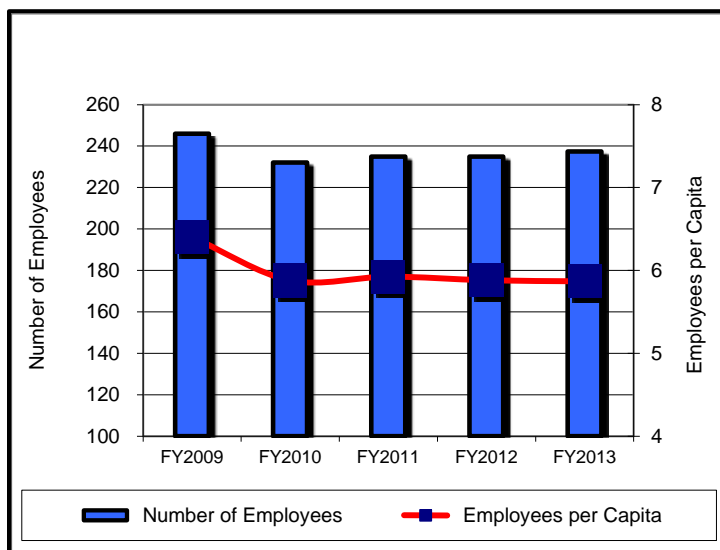
Positions include temporary/part-time positions and partial year funding for full-time positions, where applicable.

(Continued)

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

FUND/DEPARTMENT	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
WATER & WASTEWATER FUND:			
Water & Wastewater Administration	5.17	5.17	4.80
Customer Services	12.00	12.00	12.00
Water Production	2.00	2.00	2.00
Water Distribution	13.50	11.50	11.50
Wastewater Collection	9.50	8.50	8.50
Municipal Service Center Operations	1.00	1.00	1.00
TOTAL WATER & SEWER FUND	43.17	40.17	39.80
DRAINAGE UTILITY FUND:			
Drainage Maintenance	8.50	8.50	8.50
TOTAL DRAINAGE UTILITY	8.50	8.50	8.50
TOTAL CITY OF KELLER	297.24	294.24	295.02
The Keller Pointe Recreation/Aquatic Center	46.97	46.56	46.73
GRAND TOTAL	344.21	340.80	341.75
Total full-time equivalent employees per 1,000 residents	8.69	8.54	8.45
General Fund only employees per 1,000 residents	5.93	5.88	5.87

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



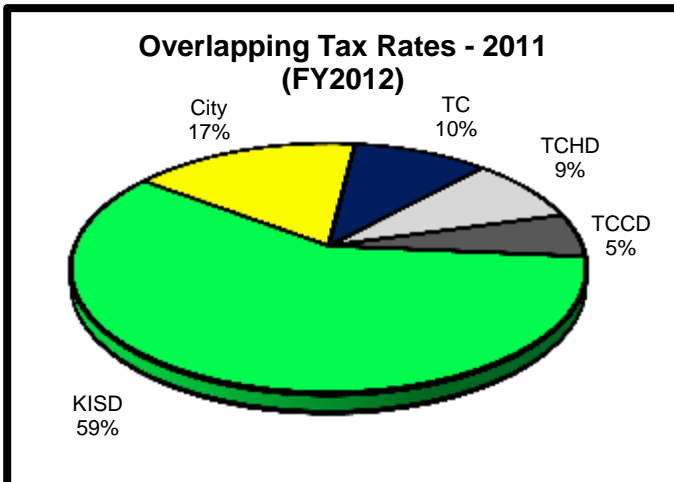
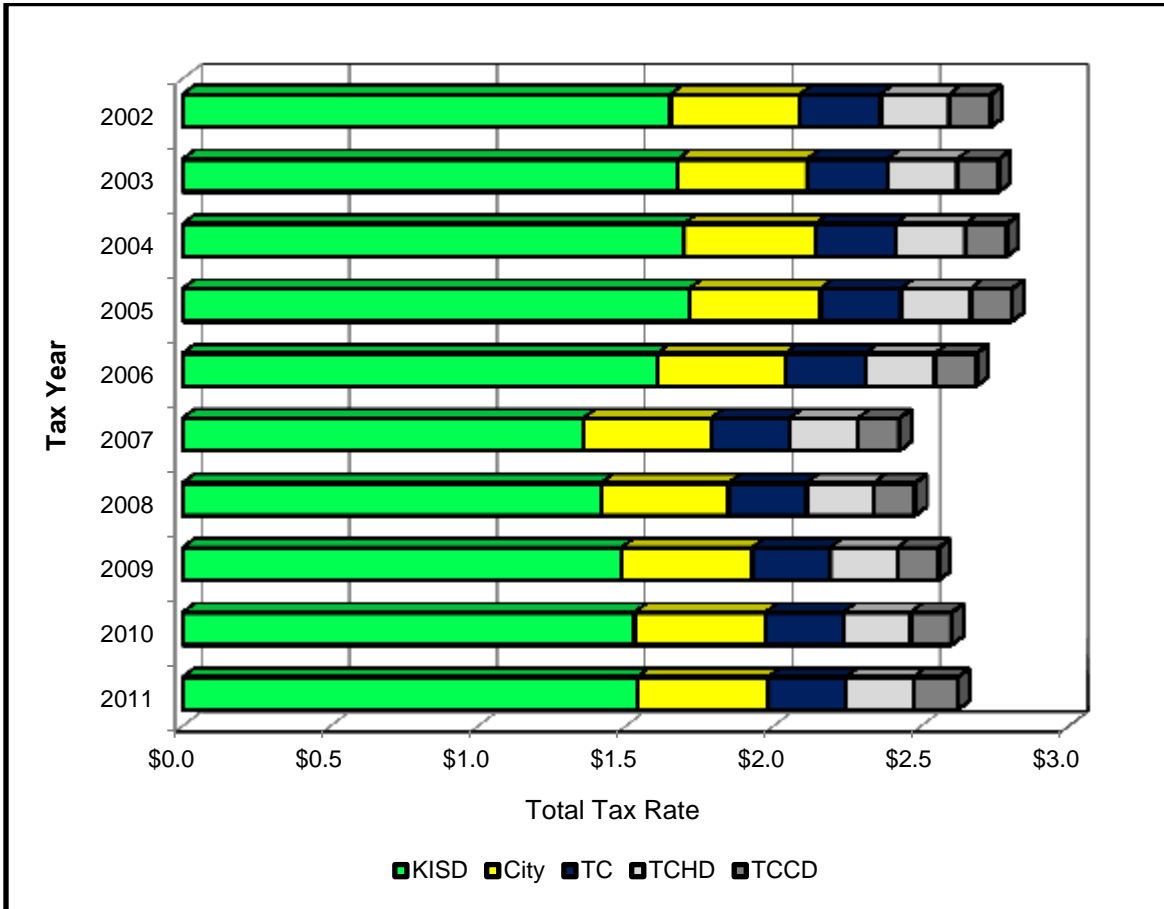
General Fund employees per 1,000 residents have decreased from 6.4 in FY2009 to 5.87 employees per 1,000 residents in FY2013. This is a total decrease of 0.53 FTE's or 8.3%.

Ad Valorem Tax Analysis

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
Total appraised value (market)	\$ 4,312,624,494	\$ 4,394,974,500	\$ 4,394,974,500	\$ 4,512,204,008
<i>Percentage change</i>	(0.81)%	1.91%	1.91%	2.67%
Less: Exemptions	355,463,319	359,543,490	359,543,490	378,396,066
Net taxable value	3,957,161,175	4,035,431,010	4,035,431,010	4,133,807,942
<i>Percentage change from prior year</i>	(0.01)%	1.98%	1.98%	2.44%
Tax rate per \$100	0.44219	0.44219	0.44219	0.44219
Gross tax revenue	17,498,171	17,844,272	17,844,272	18,279,285
Estimated valuation adjustments	0.00%	(0.37)%	(0.36)%	(0.35)%
Over-65 and disabled taxes limitation adjustment	32,561,569	26,811,029	33,515,005	28,100,903
Net taxable value after adjustments	3,924,706,449	3,993,889,786	3,987,324,416	4,091,445,402
<i>Percentage change from prior year</i>	(0.01)%	1.76%	1.60%	2.61%
Tax rate per \$100 of assessed valuation	0.44219	0.44219	0.44219	0.44219
Tax levy	17,354,659	17,660,581	17,631,550	18,091,962
Collection percentage - M&O (100% for debt service)	99.2%	99.3%	99.1%	99.3%
Current tax collections	\$ 17,212,260	\$ 17,536,957	\$ 17,472,866	\$ 17,965,318
<i>Percentage change from prior year</i>	(0.13)%	1.76%	1.51%	2.82%
Tax Rate Distribution:				
General Fund (M&O)	\$ 0.31009	\$ 0.31355	\$ 0.31355	\$ 0.32552
Debt Service Fund	0.13210	0.12864	0.12864	0.11667
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)	70.1%	70.9%	70.9%	73.6%
Debt Service Fund	29.9%	29.1%	29.1%	26.4%
TOTAL	100.0%	100.0%	100.0%	100.0%
Dollar Distribution:				
General Fund (M&O)	12,070,260	12,435,157	12,389,716	13,225,218
Debt Service Fund	5,142,000	5,101,800	5,083,150	4,740,100
TOTAL	\$ 17,212,260	\$ 17,536,957	\$ 17,472,866	\$ 17,965,318

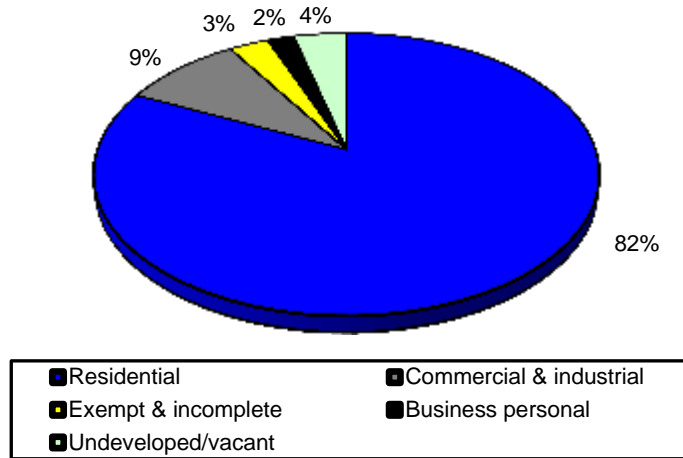
CITY OF KELLER, TEXAS OVERLAPPING (TOTAL) TAX RATES

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 2011 (FY2012) tax rates. The total 2011 overlapping tax rate for Keller is \$2.623057 per \$100 of taxable value, an increase of \$0.02073, or 0.8% from the prior year. FY2013 tax rates are unavailable.



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

**FY2012 (FY2013) 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	13,619	3,686,628,494	81.7%
Commercial & industrial	436	414,872.0	9.2%
Undeveloped/vacant	1,130	132,152.8	2.9%
Business personal	1,235	88,171.5	2.0%
Exempt property	120	190,379.2	4.2%
TOTAL	16,540	\$ 4,512,204.0	100.0%

Certified values as of July 25, 2012. Residential property includes unoccupied residential property in inventory held by builders and/or developers.

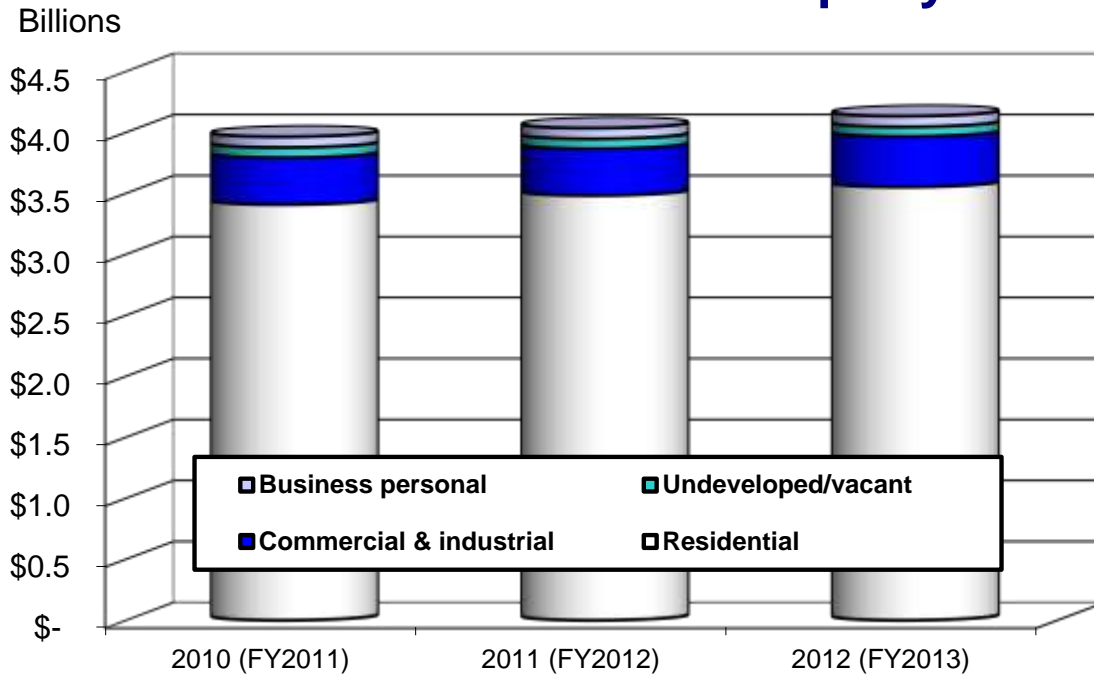
2011 (FY2012) TOP TEN TAXPAYERS

<u>Name and Description*</u>	<u>Market Value (000's)</u>	<u>Percent of Total</u>
Capri W Dtc – multi-family development/Town Center (1)	\$ 40,215.8	0.92%
Art House – mixed-use development/Town Center (2)	26,000.0	0.59%
Ktc Seniors, Ltd. – multifamily development/Town Center (3)	15,640.2	0.36%
GTE/Verizon – telecommunications utility (4)	15,146.7	0.34%
Meritage Homes of Texas LLC – residential development (NA)	14,590.4	0.33%
Regency Centers LP – retail shopping/Town Center (5)	14,033.7	0.32%
Grand Estates at Keller LP – multi-family development (9)	13,459.0	0.31%
T Keller LLC – Tabani/Keller Crossing retail (7)	12,325.4	0.28%
TXU/Oncor Electric – electric utility (8)	12,322.0	0.28%
Lowe's Home Centers – retail store (6)	12,118.6	0.28%
TOTAL	175,851.7	4.00%
Other property	4,219,122.8	96.00%
TOTAL APPRAISED VALUE	\$ 4,394,974.5	100.0%

* Prior year top ten ranking shown in parentheses.

For FY2012, total market value of top ten taxpayers increased by \$15.1 million, or 9.4% from FY2011. FY2013 top ten taxpayers are unavailable.

Taxable Values of Property



Property Category	FY2011 (000's)	FY2012 (000's)	Pct Change	FY2013 (000's)	Pct Change
Commercial & industrial	\$ 384,831.2	\$ 383,887.5	(0.2%)	\$ 414,420.2	8.0%
Business personal	88,047.2	87,086.7	(1.1%)	87,633.0	0.6%
Undeveloped/vacant	83,924.6	81,747.1	(2.6%)	79,245.6	(3.1%)
Residential	3,408,344.7	3,482,709.8	2.2%	3,552,509.1	2.0%
TOTAL	\$ 3,965,147.6	\$ 4,035,431.0	1.8%	\$ 4,133,807.9	2.4%
New construction included	63,865.3	78,106.5	22.3%	73,555.6	(5.8%)

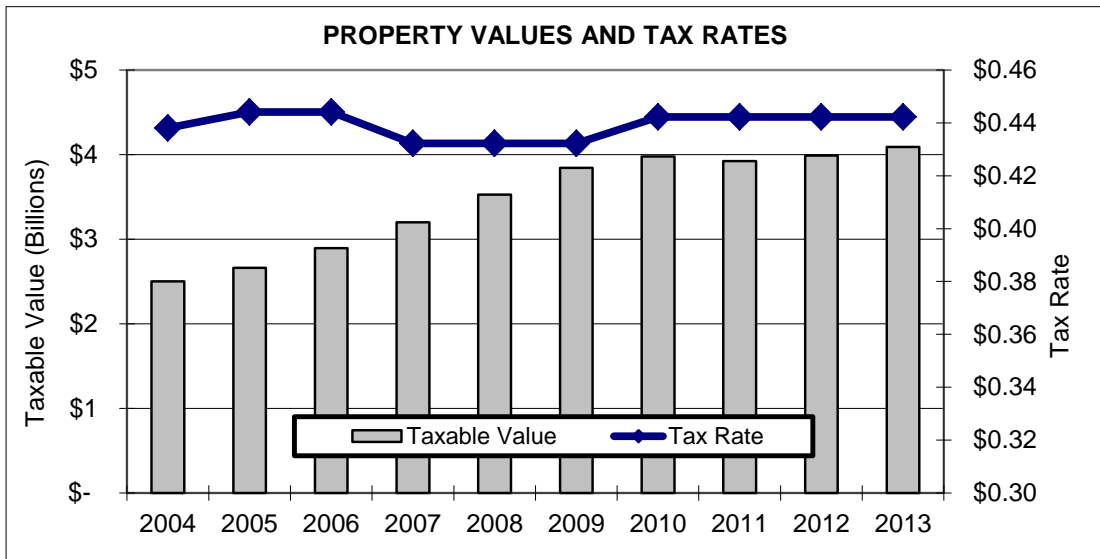
Tarrant Appraisal District certified appraised values as of July 25, 2012. Values include \$86,067,219 in net taxable value of 290 properties under protest (ARB), and \$20,572,815 net taxable value of 396 incomplete accounts.

Total taxable values increased in FY2013 by \$98.38 million (2.4%). Residential property values comprise 82% of the total value. Commercial and industrial values comprise approximately 9% of total values.

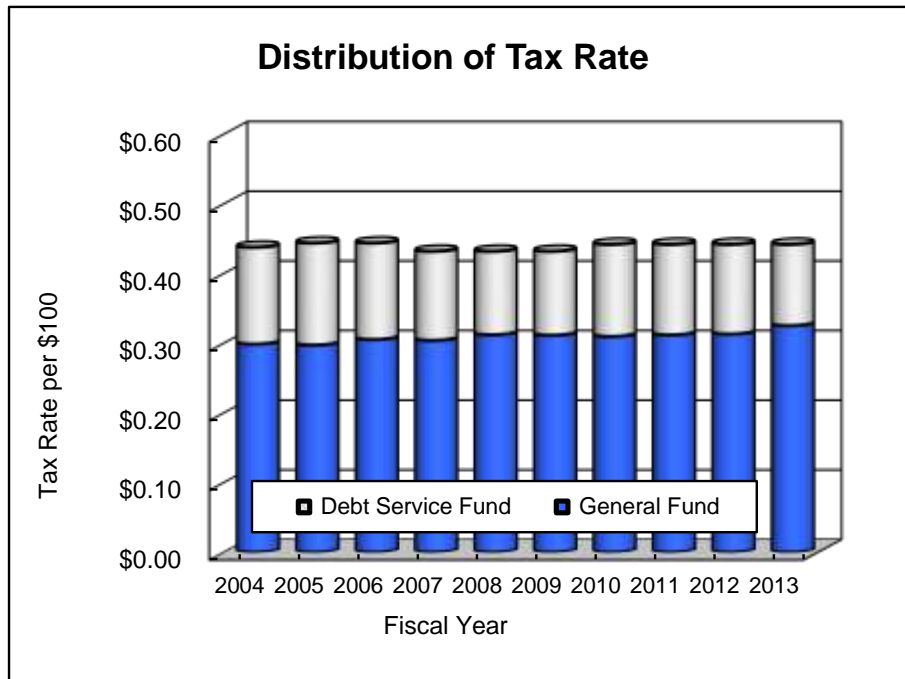
The taxable value of new construction decreased \$4.55 million (5.8%) from FY2012.

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
2003-2004	\$ 2,503,115	\$ 0.43800	\$ 10,963,644	99.2%
2004-2005	2,661,364	0.44413	11,819,916	99.3
2005-2006	2,894,771	0.44413	12,856,546	99.1
2006-2007	3,199,354	0.43219	13,827,290	99.1
2007-2008	3,528,240	0.43219	15,248,700	99.3
2008-2009	3,842,404	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	3,987,324	0.44219	17,631,549	99.3
2012-2013	4,091,445	0.44219	18,091,962	99.3

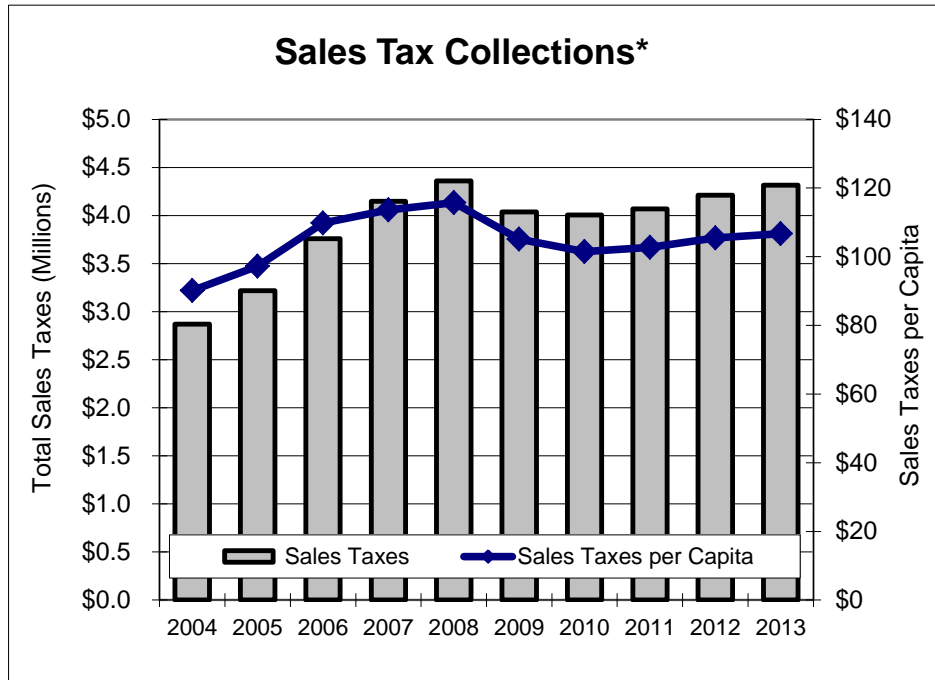


During the last ten years, taxable values have increased over \$1.59 billion, while the tax rate per \$100 of value has decreased from \$0.54414 in FY1994 to the current rate of \$0.44219, a decrease of \$0.10195, or 18.7%.



Fiscal Year Ending September 30	Tax Rate	Tax Rate Distribution	
		General Fund	Debt Service
2004	\$0.43800	\$0.29912	\$0.13888
2005	0.44413	0.29765	0.14648
2006	0.44413	0.30570	0.13843
2007	0.43219	0.30447	0.12772
2008	0.43219	0.31247	0.11972
2009	0.43219	0.31175	0.12044
2010	0.44219	0.31009	0.13210
2011	0.44219	0.31219	0.13000
2012	0.44219	0.31355	0.12864
2013	0.44219	0.32552	0.11667

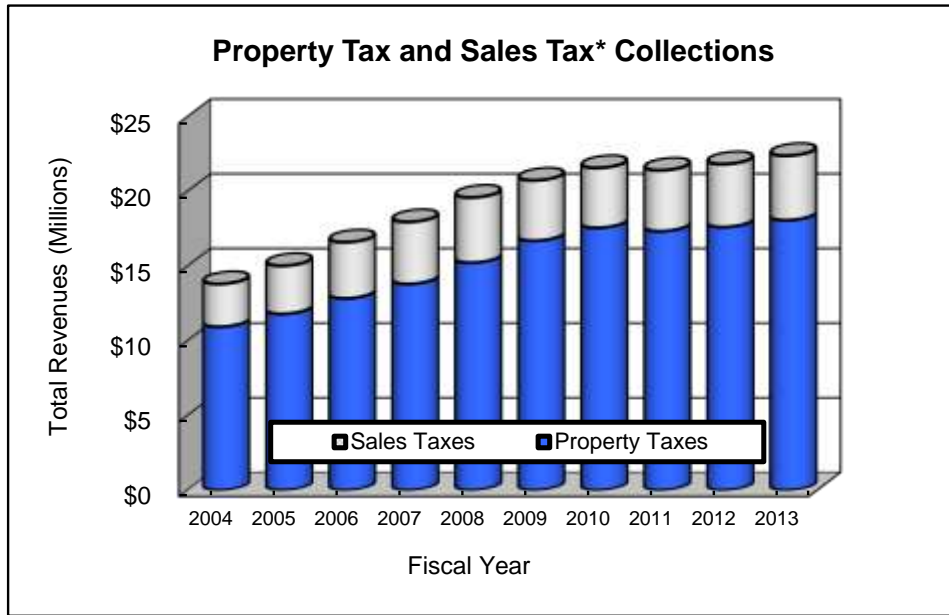
The 2012 (FY2013) property tax rate is \$0.44219, unchanged from FY2012. Due to growth in assessed taxable values, the tax rate has decreased from \$0.54414 in 1994 to \$0.44219. The debt service portion of the tax rate is legally designated for debt retirement, and changes each year because of: 1) new 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
2004	\$2,869,276	26.2%	\$0.1146	\$ 90.19
2005	3,218,819	27.2%	0.1209	97.21
2006	3,757,724	29.2%	0.1298	109.80
2007	4,148,974	30.0%	0.1297	113.65
2008	4,360,294	28.6%	0.1236	115.70
2009	4,037,484	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	4,209,500	24.3%	0.1054	105.45
2013	4,314,500	23.8%	0.1080	106.69

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

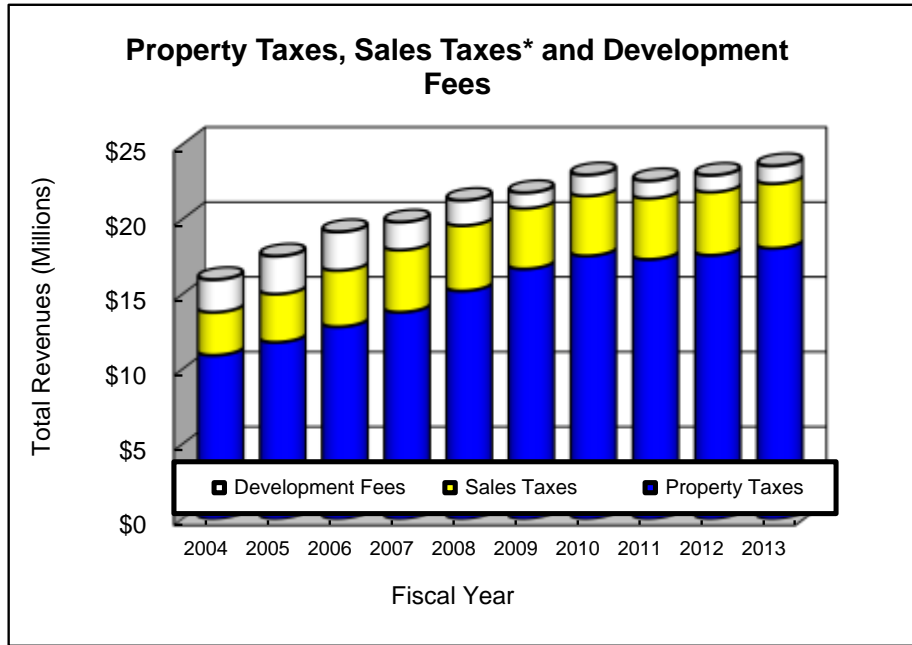
Although sales tax revenues decreased in 2009 and 2010, sales tax revenue has improved significantly since 2004 (\$1.44 million or 50 percent) because of the expansion of the retail base. The City will continue to pursue quality commercial and retail development in order to expand the sales tax base. The sales tax now equates to approximately 23.8% of the property tax levy, or approximately \$0.1008 (10.08¢) of the property tax rate.



Fiscal Year Ending September 30	Sales Tax Collections*	Total Ad Valorem Tax Levy
2004	\$2,869,276	\$10,954,013
2005	3,218,819	11,819,914
2006	3,757,724	12,856,545
2007	4,148,974	13,827,290
2008	4,360,294	15,248,703
2009	4,037,484	16,717,185
2010	4,004,193	17,583,899
2011	4,069,146	17,354,659
2012	4,209,500	17,631,550
2013	4,314,500	18,091,962

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

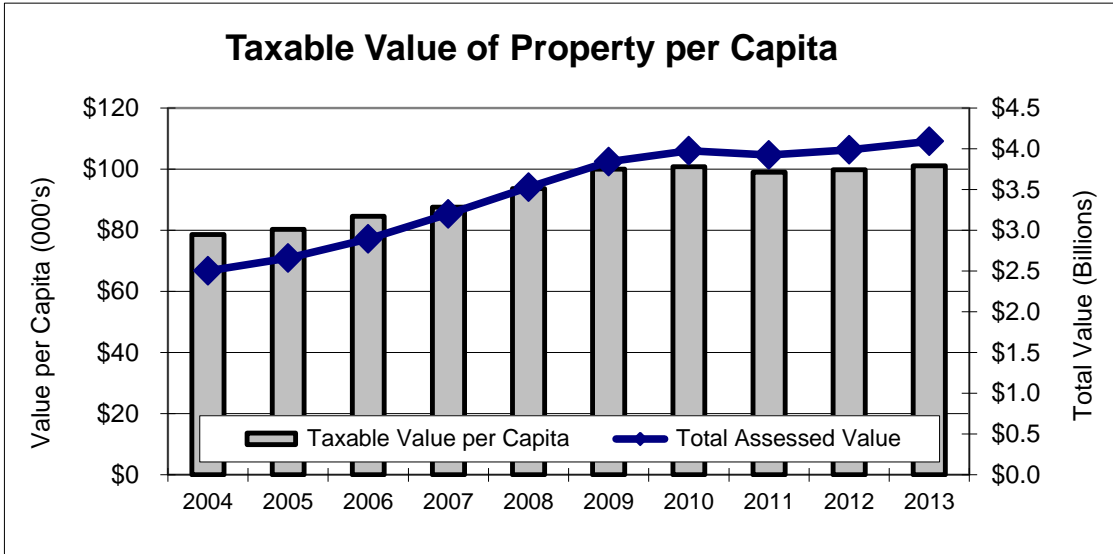
Although sales decreased in 2009 and 2010, and property taxes decreased slightly in 2011, total sales and property tax collections have increased significantly since 2004. Because of the uncertainty in both the national and regional economy, total sales and property tax revenues are projected to increase slightly in FY2013.



Fiscal Year Ending September 30	Sales Tax Collections*	Total Ad Valorem Tax Levy	Development Fees
2004	\$ 2,869,276	\$ 10,954,013	\$ 2,174,421
2005	3,218,819	11,819,914	2,525,426
2006	3,757,724	12,856,545	2,573,166
2007	4,148,974	13,827,290	1,859,802
2008	4,360,294	15,248,703	1,673,381
2009	4,037,484	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	4,209,500	17,631,550	1,119,180
2013	4,314,500	18,091,962	1,183,000

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

Property taxes, sales taxes and development fees comprise 64% of the revenues of the General Fund in FY2013. Development fees peaked in 1999 at \$2.95 million. Decreases have been anticipated in future years, as residential development activity levels off, due to the City becoming closer to build-out. Fees are projected to increase slightly in FY2013.



Fiscal Year Ending September 30	Population as of 10/01	Taxable Assessed Valuation (000's)	Taxable Valuation Per Capita
2004	31,814	\$ 2,503,115	\$ 78,680
2005	33,112	2,661,364	80,375
2006	34,224	2,894,771	84,583
2007	36,508	3,199,354	87,634
2008	37,685	3,528,241	93,625
2009	38,402	3,842,404	100,057
2010	39,450	3,976,548	100,800
2011	39,627	3,924,706	99,041
2012	39,920	3,987,324	99,883
2013	40,440	4,091,445	101,173

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



GENERAL FUND

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GENERAL FUND

SOURCES OF MAJOR REVENUES

Total General Fund revenues for FY2013 are \$29,538,241; an increase of \$1,865,117 (6.7%) over FY2012 estimated revenues, and an increase of \$2,143,476 (7.8%) from the FY2012 original adopted budget.

PROPERTY & OTHER LOCAL TAXES

As previously mentioned in the Budget Summary section (Budget in Brief), the net assessed taxable value for FY2013 is \$4.09 billion. Property taxes comprise 45.3% of total General Fund revenues. Sales taxes for the general fund are generated from the 1% local sales tax on taxable retail sales (excluding the Keller Development Corporation, the Keller Crime Control Prevention District, and street maintenance sales tax amounts) within the City limits. Sales taxes comprise 16.6% 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 FY2012 and FY2013 respectively. Franchise taxes are fees charged for the continued use of public property (rights-of-way), and are collected primarily from utility companies, including the City of Keller's Water and Wastewater Utility and Drainage Utility. Fees range from 2% – 5% of the gross receipts of the utility. Franchise tax revenues are \$4,131,630 for FY2013, representing 14% of General Fund revenues, compared to \$3,904,520, representing 14.1% of total General Fund revenues in FY2012. Some franchise fee revenue, such as revenues from electricity and water and wastewater sales, is impacted by local weather conditions. Franchise revenues can also be directly related to growth in Keller, whereby growth in the customer base results in increased gross revenues to the respective utilities. The following table presents a comparison of FY2012 and FY2013 franchise taxes by type of franchise (excludes mixed beverage taxes).

<u>Franchise Type</u>	<u>FY2012</u>	<u>FY2013</u>	<u>Pct Change</u>
Electric	\$ 1,317,180	\$ 1,352,000	2.6%
Telephone (1)	771,140	797,000	3.4%
Cable television (1)	59,940	60,060	0.2%
Keller utilities	1,074,000	1,240,000	15.5%
Gas utilities	412,260	422,570	2.5%
Solid waste utilities	260,000	250,000	(3.8%)
Other utilities	10,000	10,000	0.0%
Total	<u>\$ 3,904,520</u>	<u>\$ 4,131,630</u>	5.8%

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

As a combined group, property taxes, sales taxes and franchise taxes account for 74.1% of the General Fund revenues for FY2013, compared to 75% of General Fund revenues for FY2012.

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 \$2,148,350 for FY2013, representing 7.3% of General Fund revenues, and a decrease of \$46,330 (2.2%) over FY2012 estimate.

BUILDING PERMITS/FEEES

Building permits and fees include plumbing permits, mechanical permits, building permits, electrical permits, fence permits, and sign and other miscellaneous permits. Fees and permits are generated as a result of the building and construction activity in the City of Keller. Total revenues in this category for FY2013 are projected to be \$1,033,500, an increase of \$179,900 (21.1%) from the FY2012 estimate. The major revenue item in this category is building permits, which are projected to be \$928,000 for FY2013, 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 FY2013 is \$149,500, representing 0.5% of total General Fund revenue. The most significant revenue in this category is construction plan review fees (\$60,000). Total development fees are projected to decrease by \$116,080 (43.7%) over FY2012.

Other significant revenues include administrative services fees from the water and wastewater fund (\$1,335,000) for services and personnel for water and wastewater fund activities that are funded in the general fund; intergovernmental revenue from the Town of Westlake for reimbursement of police operation services resulting from a contract between Keller and Westlake executed in June 2003 (\$775,325); City of Southlake for combined jail and communications services (\$1,025,545), resulting from the contract between the cities of Keller and Southlake executed in April 2007; City of Colleyville (\$488,870) for combined jail and communications agreement; reimbursements from Colleyville, Southlake and Westlake for the dispatch center communications upgrades (\$236,946); and interest revenue (\$80,000) for FY2013.

INTERFUND TRANSFERS

Transfers from other funds total \$156,025 for FY2013, representing 0.53% of total revenues, and an increase of \$156,025 from FY2012. The transfers are from the Water and Wastewater Fund and Drainage Utility Fund to reimburse the General Fund for costs associated with a radio/communications upgrade.

MAJOR EXPENDITURES

Note: all expenditure comparisons include one-time, non-recurring expenditures from fund balance of \$3,007,550 and \$1,636,770 for fiscal years FY2012 and FY2013, respectively. The adopted FY2012 budget approved one-time, non-recurring expenditures of \$1,975,650. During the year, the City Council amended the adopted budget and authorized additional one-time, non-recurring expenditures of \$1,031,900.

Total General Fund expenditures for FY2013 are \$31,571,043, an increase of \$351,218 (1.1%) over FY2012 estimated expenditures. FY2013 expenditures represent an increase of \$1,415,203 (4.7%) over the FY2012 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 \$20.32 million, or 64.3% of the total expenditures of the General Fund for FY2013, compared to \$19.9 million or 63.8% of total expenditures for FY2012. Personnel services also include costs and expenditures for employee benefits. FY2013 expenditures include \$286,770 for one-time employee stipends. Total full-time equivalent positions for FY2013 are 237.33 (including a transfer of 1.39 FTE's from KDC) an increase of 2.54 FTE's (1.1%) over FY2012. Excluding the transfers from KDC, FTE's increased 1.15 FTE's (0.5%).

OPERATIONS AND MAINTENANCE

Operations and maintenance expenditures include major categories of supplies, equipment, street, grounds, and building maintenance costs. These costs for FY2013 are \$2.4 million, or 7.6% of total General Fund expenditures. The FY2013 budget reflects an increase of \$266,415, or 12.5% from FY2012 expenditures. FY2013 expenditures include \$150,000 for Town Hall modifications.

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 FY2013 are \$7.01 million, or 22.2% of total General Fund expenditures, an increase of \$1,618,165, or 30% from FY2012 expenditures. FY2013 expenditures include \$1,200,000 for economic development incentives.

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS

Interfund (intra governmental) transfers to other funds for FY2013 include \$33,625 to the debt service fund in anticipation of new debt obligations to be issued during the year. This represents a decrease of \$103,875 (75.6%) from FY2012 transfers.

DEBT SERVICE

There are no debt service expenditures from the General Fund for FY2013.

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 FY2013 are \$1,810,810, or 5.7% of total General Fund expenditures. Capital outlay expenditures for FY2013 decreased \$1,835,515 (50.3%) from FY2012. Major capital items include: street improvements (\$758,000); emergency equipment for the Fire Department (\$70,000); radio/communications system upgrade – Phase 2 (\$947,810); signage and lighting improvements for Old Town Keller (\$20,000); and street maintenance equipment for the Public Works Department (\$15,000).

FUND BALANCE RESERVES

Expenditures exceed revenues by \$396,032 for FY2013. The projected beginning fund balance for FY2013 of \$8,527,168 exceeds the targeted beginning fund balance by about 42 days of operations. The total ending fund balance at September 30, 2013 is projected to be \$8,131,136. 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 103.9 days of operating, exceeding the established benchmark.

One-time, non-recurring expenditures of \$1,636,770 are proposed from the available General Fund fund balance. These expenditures are proposed as follows: economic development incentives, (\$1,200,000); Town Hall modifications (\$150,000); and a one-time employee stipend, including related benefits (\$286,770). Including non-recurring expenditures, the ending fund balance is \$6,469,366, representing 82.9 days of operations, exceeding the established benchmark.

GENERAL FUND

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
Total beginning fund balance	\$ 10,793,013	\$ 11,216,172	\$ 12,073,869	\$ 8,527,168
Revenues and transfers	27,718,243	27,394,765	27,673,124	29,538,241
TOTAL FUNDS AVAILABLE	38,511,256	38,610,937	39,746,993	38,065,409
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out ⁽¹⁾	26,437,387	31,802,205	31,219,825	29,934,273
<u>ENDING FUND BALANCE:</u>				
Total fund balance	12,073,869	6,808,732	8,527,168	8,131,136
Restricted for special accounts	25,000	25,000	25,000	25,000
Committed for contingencies	764,735	835,994	-	-
Unassigned fund balance	11,284,134	5,947,738	8,502,168	8,106,136
FUND TOTAL	\$ 38,511,256	\$ 38,610,937	\$ 39,746,993	\$ 38,065,409
One-time expenditures ⁽¹⁾	-	3,007,550	3,007,550	-
Net excess revenues (expenditures)	1,280,856	(1,399,890)	(539,151)	(396,032)
Unassigned ending fund balance:				
Number of days operating expenditures ⁽²⁾	159.4	76.8	111.6	103.9
TARGET	60.0	70.0	70.0	70.0

⁽¹⁾ FY2012 Budget and FY2012 Estimate expenditures and transfers out include \$3,007,550 in one-time expenditures from fund balance.

⁽²⁾ excluding capital outlay and interfund transfers.

2012-2013 One-time expenditures from fund balance:	
Employee one-time stipend, and related benefits	\$ 286,770
Economic development incentives	1,200,000
Town Hall modifications	150,000
TOTAL ONE-TIME EXPENDITURES FROM FUND BALANCE	1,636,770
REVISED ENDING FUND BALANCE	\$ 6,469,366

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

Number of days operating expenditures	159.4	76.8	111.6	82.9
TARGET	60.0	70.0	70.0	70.0

GENERAL FUND

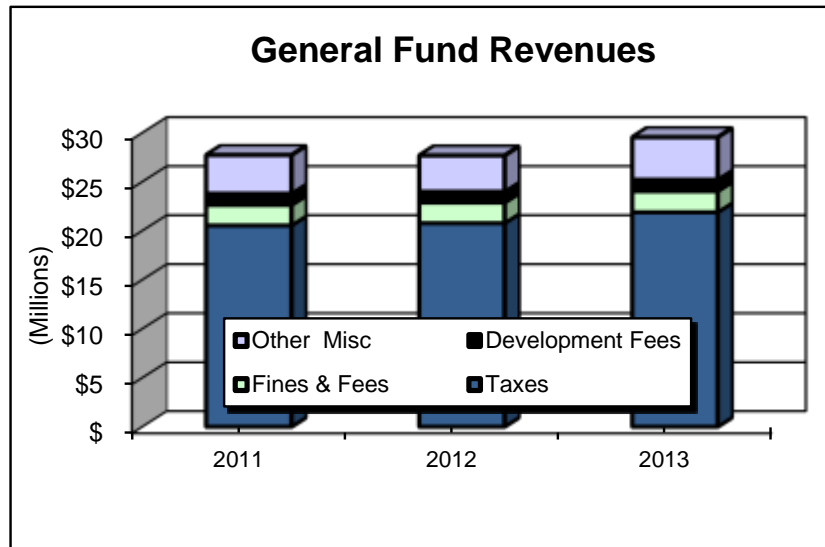
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
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SUMMARY OF GENERAL FUND REVENUES

REVENUES:

TAXES:

Total property taxes	\$ 12,339,659	\$ 12,550,150	\$ 12,594,725	\$ 13,378,300
Sales taxes	4,069,146	4,134,250	4,209,500	4,314,500
Other taxes	4,127,858	4,051,860	3,962,350	4,190,080
Subtotal	20,536,663	20,736,260	20,766,575	21,882,880
FINES & FEES	2,086,234	1,994,300	2,102,020	2,148,350
BUILDING PERMITS/FEES	850,616	726,900	853,600	1,033,500
DEVELOPMENT FEES	317,999	294,200	265,580	149,500
INTER-INTRAGOVERNMENTAL	3,724,797	3,506,305	3,521,599	3,900,186
OTHER REVENUE	201,934	136,800	163,750	267,800
TOTAL REVENUES & TRANSFERS	<u>\$ 27,718,243</u>	<u>\$ 27,394,765</u>	<u>\$ 27,673,124</u>	<u>\$ 29,538,241</u>



GENERAL FUND

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
REVENUES				
<u>PROPERTY TAXES:</u>				
Current taxes	\$ 12,145,921	\$ 12,435,150	\$ 12,389,725	\$ 13,225,300
Delinquent taxes	74,789	45,000	125,000	74,500
Accrued property tax revenue	38,598	-	-	-
Penalty & interest	80,351	70,000	80,000	78,500
Subtotal	12,339,659	12,550,150	12,594,725	13,378,300
<u>OTHER LOCAL TAXES:</u>				
City sales taxes	4,069,146	4,134,250	4,209,500	4,314,500
Mixed beverage taxes	64,242	70,060	57,830	58,450
Franchise & In-Lieu of taxes:				
Franchise taxes-TXU Electric	642,797	559,820	617,650	632,500
Franchise taxes-Tri County Electric	749,245	766,960	699,530	719,500
Franchise taxes-Verizon	538,208	613,470	591,480	608,500
Franchise taxes-Atmos	479,613	486,820	412,260	422,570
Franchise taxes-TV cable	74,586	65,430	59,940	60,060
Franchise taxes-SBC/AT&T	116,468	117,300	129,660	138,500
Franchise taxes-Solid Waste	307,123	240,000	260,000	250,000
Franchise taxes-Water and W/W	980,000	960,000	960,000	1,120,000
Franchise taxes-Drainage	95,000	114,000	114,000	120,000
Franchise taxes-One Source	69,889	42,000	50,000	50,000
Franchise taxes-other	10,687	16,000	10,000	10,000
Subtotal	8,197,004	8,186,110	8,171,850	8,504,580
TOTAL TAX REVENUE	20,536,663	20,736,260	20,766,575	21,882,880
<u>FINES & FEES:</u>				
Fire inspection fees/permits	14,889	12,500	14,500	12,500
Finger printing fees	1,550	3,500	2,000	3,500
Animal control fees	22,497	16,000	23,500	16,000
Ambulance service fees	977,032	920,000	960,000	978,500
Open records request fees	3,716	6,000	3,500	6,000
Alarm permits	14,155	12,000	12,000	12,000
False alarm fees	-	-	30,770	70,000
Solicitor fees/permits	1,545	6,000	2,000	6,000
Special events fees/permits	3,810	2,100	1,000	2,100
Municipal Court fines/fees	697,681	745,000	740,000	745,000
Library fines	53,410	35,000	46,500	42,500
Library lost book revenue	2,607	2,500	2,500	2,500
Library services fees	7,514	6,000	7,500	6,000
KISD FTA Fines	-	500	-	-
Court fines collection fees	38,235	33,000	33,000	33,000
Facilities/park rental fees	14,445	9,500	14,000	14,000
Park rental fees-Keller Sports Park	14,170	12,500	14,000	12,500
Facility rental fees	575	800	800	800
Communication tower rentals	131,556	78,000	105,000	102,500
Public art sales commissions	60	500	-	500
Right-of-way easements	451	900	450	450
Oil & gas royalty revenue	383	-	-	-
Other services	8,469	20,000	10,500	10,000
Keller Town Center Property Owner Ass'n	77,484	72,000	78,500	72,000
TOTAL FINES & FEES	\$ 2,086,234	\$ 1,994,300	\$ 2,102,020	\$ 2,148,350

GENERAL FUND

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
REVENUES				
<u>BUILDING PERMITS/FEEES:</u>				
Plumbing permits	\$ 73,090	\$ 63,000	\$ 64,500	\$ 46,000
Mechanical permits	54,425	41,600	43,500	22,000
Building permits/C.O.'s	617,142	540,000	665,000	928,000
Fence, sign & miscellaneous permits	25,535	17,000	21,800	21,000
Energy inspections permits	28,700	20,300	16,800	-
Electrical permits	51,724	45,000	42,000	16,500
TOTAL BUILDING PERMITS/FEEES	850,616	726,900	853,600	1,033,500
<u>DEVELOPMENT FEES:</u>				
Paving/drainage Inspection fees	22,166	55,000	55,000	55,000
Construction plan review fees	264,885	207,000	185,000	60,000
Zoning & subdivision fees	30,372	22,000	25,000	25,000
Street lighting fees	576	9,000	580	9,000
Street sign fees	-	1,200	-	500
TOTAL DEVELOPMENT FEES	317,999	294,200	265,580	149,500
<u>INTERGOVERNMENTAL REVENUE:</u>				
Town of Westlake	746,430	775,325	768,070	775,325
KISD-School resource officer	124,501	-	-	-
State of Texas	77,305	-	27,400	-
Intergovernmental-disaster recovery	2,749	-	-	-
City of Southlake	901,602	938,380	932,630	1,025,545
City of Colleyville	422,908	429,100	427,190	488,870
Intergovernmental-Local	302	-	-	236,946
TOTAL INTERGOVERNMENT REVENUE	2,275,797	2,142,805	2,155,290	2,526,686
<u>INTRAGOVERNMENTAL REVENUE:</u>				
Keller Water & Wastewater Utility	1,400,000	1,325,000	1,325,000	1,335,000
Keller Development Corporation <i>General and administrative services</i>	38,500	38,500	38,500	38,500
TOTAL INTRAGOVERNMENT REVENUE	1,438,500	1,363,500	1,363,500	1,373,500
<u>OTHER REVENUE:</u>				
Interest earnings	122,279	82,000	85,000	80,000
Gain (loss) on disposal of assets	22,890	3,500	13,500	132,500
Write-off recovery	23,516	20,000	15,000	12,500
Miscellaneous revenue	27,221	25,000	42,950	36,500
Public Arts miscellaneous revenue	820	1,800	500	1,800
Public Arts donations/ticket sales	5,208	4,500	6,800	4,500
TOTAL OTHER REVENUE	201,934	136,800	163,750	267,800
REVENUES BEFORE TRANSFERS	27,707,743	27,394,765	27,670,315	29,382,216
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from Cable Franchise fund	10,500	-	2,809	-
Transfer from Water and Wastewater fund	-	-	-	144,605
Transfer from Drainage Utility fund	-	-	-	11,420
TOTAL TRANSFERS	10,500	-	2,809	156,025
TOTAL REVENUES AND TRANSFERS	\$ 27,718,243	\$ 27,394,765	\$ 27,673,124	\$ 29,538,241

GENERAL FUND EXPENDITURES

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 18,989,980	\$ 20,122,870	\$ 19,909,800	\$ 20,315,828
Operations & maintenance	1,837,637	2,127,435	2,132,465	2,398,880
Services & other	4,663,558	5,616,150	5,393,735	7,011,900
Transfers to other funds	390,930	137,500	137,500	33,625
SUBTOTAL	25,882,105	28,003,955	27,573,500	29,760,233
Capital outlay	555,282	3,798,250	3,646,325	1,810,810
TOTAL	\$ 26,437,387	\$ 31,802,205	\$ 31,219,825	\$ 31,571,043

<u>EXPENDITURES BY ACTIVITY</u>				
Administration/General Government	\$ 4,104,693	\$ 4,569,415	\$ 4,490,040	\$ 4,502,633
Community Development	1,025,392	1,090,120	1,036,185	1,180,060
Public Safety	14,152,829	16,618,470	16,462,895	15,283,190
Public Works	2,358,316	3,469,295	3,458,190	2,979,125
Keller Public Library	1,286,587	1,395,420	1,376,405	1,389,755
Parks & Recreation	2,452,342	2,949,075	2,816,565	2,892,715
Non-departmental / Other	1,057,228	1,710,410	1,579,545	3,343,565
TOTAL	\$ 26,437,387	\$ 31,802,205	\$ 31,219,825	\$ 31,571,043

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

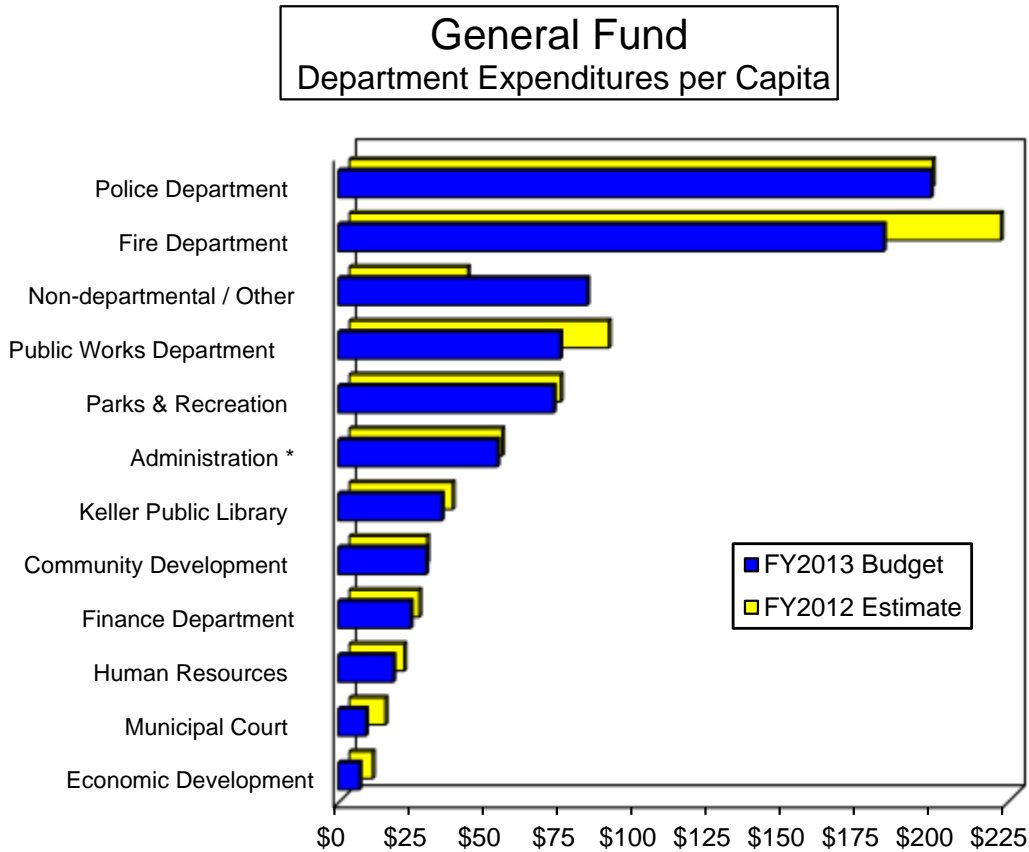
DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	8.00	8.00	8.00
Town Hall Operations	3.00	3.00	3.00
Finance & Accounting	6.50	6.50	7.00
Municipal Court	3.50	3.50	0.75
Human Resources	5.00	5.00	5.00
Economic Development	1.00	1.00	1.50
Community Development	11.00	11.00	11.00
Police Department	83.00	83.00	84.50
Fire Department	59.00	59.00	59.00
Public Works	14.33	14.33	14.73
Keller Public Library	15.42	15.42	15.42
Parks & Recreation	25.04	25.04	27.43
TOTAL	234.79	234.79	237.33

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
GENERAL GOVERNMENT:				
Administration	\$ 1,341,311	\$ 1,469,750	\$ 1,438,530	\$ 1,391,343
Town Hall Operations	529,683	590,120	578,800	726,770
Mayor & Council	20,437	19,625	19,715	18,210
Finance & Accounting	858,011	943,925	931,910	971,880
Municipal Court	398,245	468,335	479,565	370,690
Human Resources	690,096	737,280	731,190	738,725
Economic Development	266,910	340,380	310,330	285,015
Subtotal	4,104,693	4,569,415	4,490,040	4,502,633
COMMUNITY DEVELOPMENT:				
Administration	369,631	409,550	363,025	413,480
Building and Construction Services	655,761	680,570	673,160	766,580
Subtotal	1,025,392	1,090,120	1,036,185	1,180,060
PUBLIC SAFETY:				
Police Department	7,407,680	7,800,995	7,777,490	7,958,620
Fire Department	6,745,149	8,817,475	8,685,405	7,324,570
Subtotal	14,152,829	16,618,470	16,462,895	15,283,190
PUBLIC WORKS:				
Administration	264,712	342,280	343,125	278,810
Engineering & Inspections	341,562	469,370	470,270	436,515
Street Maintenance	1,336,192	2,230,370	2,217,520	1,836,525
Street Lighting	415,850	427,275	427,275	427,275
Subtotal	2,358,316	3,469,295	3,458,190	2,979,125
RECREATION & LEISURE:				
Keller Public Library	1,286,587	1,395,420	1,376,405	1,389,755
Parks & Recreation:				
Parks & Recreation-Administration	273,707	292,960	284,490	286,510
Parks & City Grounds Management	1,097,472	1,484,735	1,391,650	1,375,165
Recreation Programs	213,447	217,300	206,480	218,660
Senior Services	176,475	201,235	199,925	221,835
Keller Sports Park Maintenance	498,742	520,280	515,115	589,745
Keller Town Center Maintenance	192,499	232,565	218,905	200,800
Subtotal	2,452,342	2,949,075	2,816,565	2,892,715
Total Recreation & Leisure	3,738,929	4,344,495	4,192,970	4,282,470
OTHER/NON-DEPARTMENTAL:				
Non-departmental	1,057,228	1,710,410	1,579,545	3,343,565
Subtotal	1,057,228	1,710,410	1,579,545	3,343,565
TOTAL	\$ 26,437,387	\$ 31,802,205	\$ 31,219,825	\$ 31,571,043

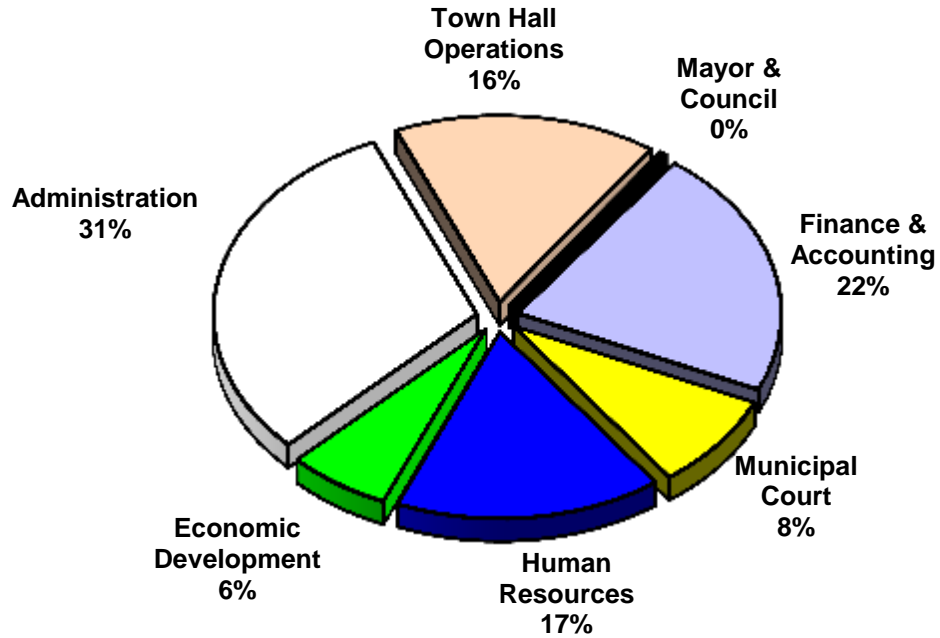
GENERAL FUND EXPENDITURES PER CAPITA

<u>DEPARTMENT</u>	<u>2011-2012 Budget</u>	<u>2011-2012 Estimate</u>	<u>2012-2013 Budget</u>
Police Department	\$ 197.74	\$ 196.27	\$ 199.36
Fire Department	223.51	219.18	183.48
Non-departmental / Other	43.36	39.86	83.76
Public Works Department	87.94	87.27	74.63
Parks & Recreation	74.75	71.08	72.46
Administration *	52.71	51.41	53.52
Keller Public Library	35.37	34.73	34.81
Community Development	27.63	26.15	29.56
Finance Department	23.93	23.52	24.35
Human Resources	18.69	18.45	18.51
Municipal Court	11.87	12.10	9.29
Economic Development	8.63	7.83	7.14
TOTAL	\$ 806.14	\$ 787.84	\$ 790.86



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

General Government

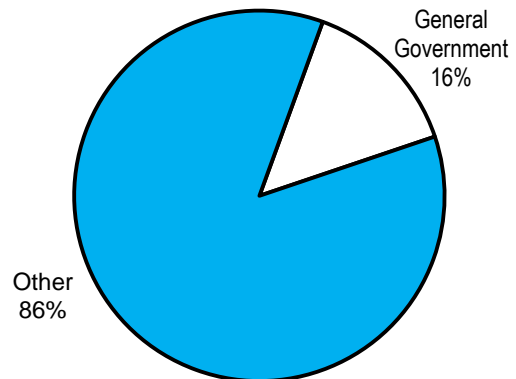


Department total: \$4,502,633

General Government

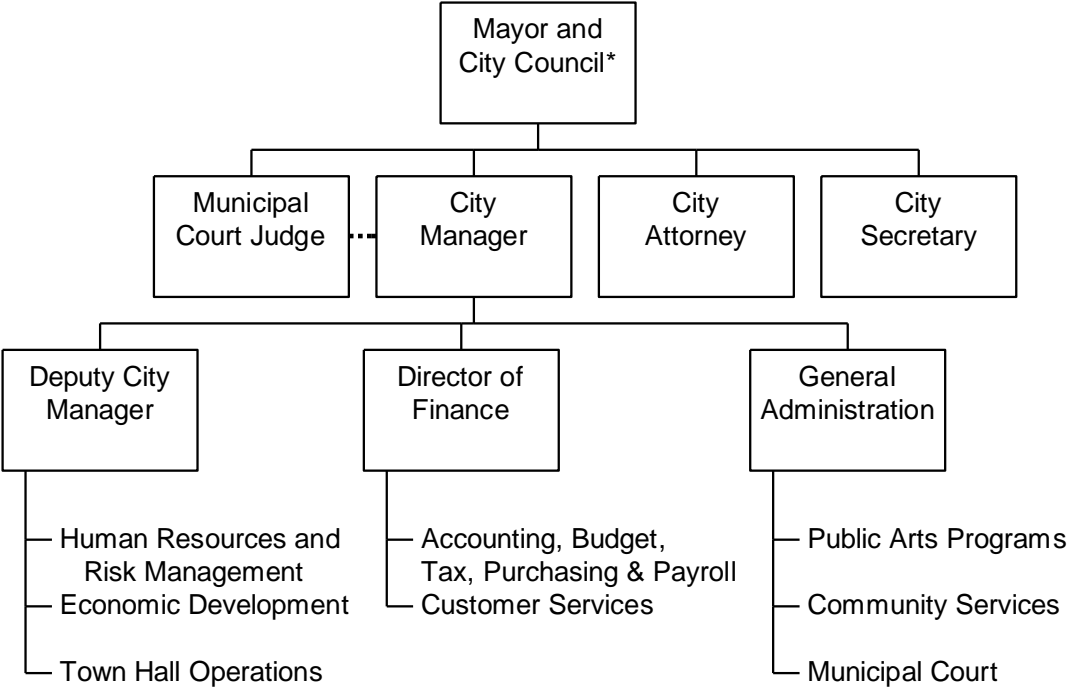
- Administration
 - Public Arts
 - Community Services
- Town Hall Operations
- Mayor & Council
- Finance & Accounting
- Municipal Court
- Human Resources
- Economic Development
 - Old Town Keller

General Fund Expenditures



**CITY OF KELLER, TEXAS
ORGANIZATION CHART**

GENERAL GOVERNMENT



* Denotes elected position.

**GENERAL GOVERNMENT
DEPARTMENT SUMMARY**

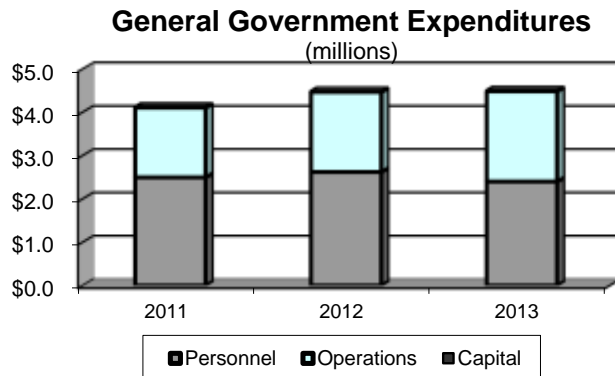
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 2,497,800	\$ 2,650,215	\$ 2,620,710	\$ 2,400,488
Operations & maintenance	111,038	161,995	150,915	304,520
Services & other	1,495,855	1,734,205	1,695,415	1,777,625
SUBTOTAL	4,104,693	4,546,415	4,467,040	4,482,633
Capital outlay	-	23,000	23,000	20,000
TOTAL	\$ 4,104,693	\$ 4,569,415	\$ 4,490,040	\$ 4,502,633

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,341,311	\$ 1,469,750	\$ 1,438,530	\$ 1,391,343
Town Hall Operations	529,683	590,120	578,800	726,770
Mayor & City Council	20,437	19,625	19,715	18,210
Finance & Accounting	858,011	943,925	931,910	971,880
Municipal Court	398,245	468,335	479,565	370,690
Human Resources	690,096	737,280	731,190	738,725
Economic Development	266,910	340,380	310,330	285,015
TOTAL	\$ 4,104,693	\$ 4,569,415	\$ 4,490,040	\$ 4,502,633

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	8.00	8.00	8.00
Town Hall Operations	3.00	3.00	3.00
Finance & Accounting	6.50	6.50	7.00
Municipal Court	3.50	3.50	0.75
Human Resources	5.00	5.00	5.00
Economic Development	1.00	1.00	1.50
TOTAL	27.00	27.00	25.25





**ADMINISTRATION
DEPARTMENT SUMMARY**

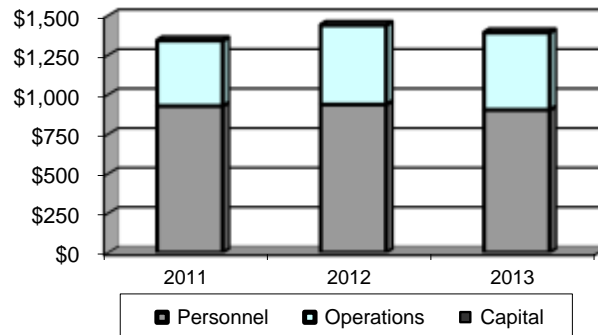
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 927,652	\$ 975,820	\$ 936,930	\$ 902,993
Operations & maintenance	38,527	55,860	53,860	62,415
Services & other	375,132	438,070	447,740	425,935
SUBTOTAL	1,341,311	1,469,750	1,438,530	1,391,343
Capital outlay	-	-	-	-
TOTAL	\$ 1,341,311	\$ 1,469,750	\$ 1,438,530	\$ 1,391,343

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,252,565	\$ 1,354,595	\$ 1,329,155	\$ 1,270,048
Public Arts Programs	31,651	36,460	36,050	36,460
Community Services	57,095	78,695	73,325	84,835
TOTAL	\$ 1,341,311	\$ 1,469,750	\$ 1,438,530	\$ 1,391,343

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

DIVISION / ACTIVITY	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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 Customer Services Representative. 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 2012-13.
- Ensure efficient and effective utilization of municipal resources in accordance with approved budget documents.
- Enhance community relations with citizens via surveys, citizen committees, and individual requests and respond in a timely manner through direct interaction, web site information, news releases, and Town Hall meetings.
- Provide timely assistance and accurate information to the City Council, boards and commissions, citizens, and staff members.
- Support and provide the general direction and tools necessary for the City's various departments to achieve their goals and objectives and continue to meet or exceed the service level expectations of the community.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 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	31	31	32
Birth/death certificates processed	387	349	406
City Council general and run-off elections conducted	2	2	2
Special elections held	2	3	1
Process and respond to open records requests	209	216	200
 <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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 919,582	\$ 956,970	\$ 923,450	\$ 884,143
Operations & maintenance	3,683	15,110	13,110	21,665
Services & other	329,300	382,515	392,595	364,240
SUBTOTAL	1,252,565	1,354,595	1,329,155	1,270,048
Capital outlay	-	-	-	-
TOTAL	\$ 1,252,565	\$ 1,354,595	\$ 1,329,155	\$ 1,270,048

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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
Receptionist	A/TN-4	1.0	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;
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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 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	-	-	-
Gallery walks conducted	6	6	7
Public Arts events held	6	6	6

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Public Arts Programs

ACCOUNT:
100-100-02

**PUBLIC ARTS PROGRAMS
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	23,327	28,750	28,750	28,750
Services & other	8,324	7,710	7,300	7,710
SUBTOTAL	31,651	36,460	36,050	36,460
Capital outlay	-	-	-	-
TOTAL	\$ 31,651	\$ 36,460	\$ 36,050	\$ 36,460

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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FUND:
General

DEPARTMENT:
Administration

DIVISION:
Community Services

ACCOUNT:
100-100-05

DEPARTMENT/DIVISION DESCRIPTION:

The City recognizes the value of community events and activities and seeks to work cooperatively with those local non-profit entities wishing to conduct such events and activities. The purpose of this program is to provide a methodology whereby actual City allocated supplies, services and resources in support of community events and activities can be reviewed, itemized, allocated at the discretion of City Council and more thoroughly monitored on an annual basis.

DEPARTMENT/DIVISION GOALS:

FUND:
General

DEPARTMENT:
Administration

DIVISION:
Community Services

ACCOUNT:
100-100-05

**COMMUNITY SERVICES
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 8,070	\$ 18,850	\$ 13,480	\$ 18,850
Operations & maintenance	11,517	12,000	12,000	12,000
Services & other	37,508	47,845	47,845	53,985
SUBTOTAL	57,095	78,695	73,325	84,835
Capital outlay	-	-	-	-
TOTAL	\$ 57,095	\$ 78,695	\$ 73,325	\$ 84,835

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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Personnel services include overtime and related benefits for City staff that provide services for community events and activities.

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

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 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
Energy audits performed / implemented	1	1	1
Effectiveness:			
% decrease in electricity consumption at Keller Town Hall	4%	(4.5%)	(4%)

FUND:
General

DEPARTMENT:
Town Hall Operations

DIVISION:
Town Hall Operations

ACCOUNT:
100-110-92

**TOWN HALL OPERATIONS
DEPARTMENT SUMMARY**

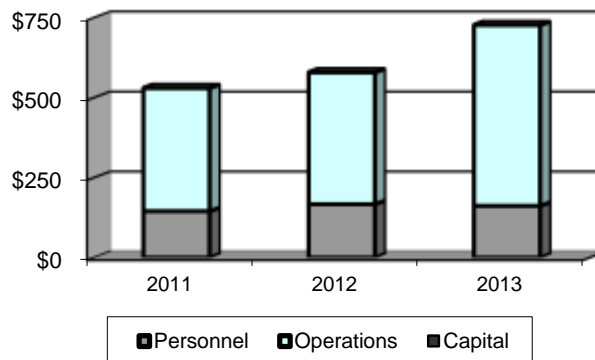
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 145,091	\$ 169,885	\$ 167,000	\$ 161,790
Operations & maintenance	32,083	43,230	43,230	192,580
Services & other	352,509	377,005	368,570	372,400
SUBTOTAL	529,683	590,120	578,800	726,770
Capital outlay	-	-	-	-
TOTAL	\$ 529,683	\$ 590,120	\$ 578,800	\$ 726,770

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	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Facility Maintenance Supervisor	TN-10	-	-	1.0
Facility Maintenance Supervisor	TN-9	1.0	1.0	-
Building Maintenance Technician II	TN-5	1.0	1.0	1.0
Building Maintenance Technician I	TN-1	1.0	1.0	1.0
TOTAL		3.0	3.0	3.0

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, functioning as a Council-Manager form of government operating under a Home Rule Charter adopted April 3, 1982, with the latest revision being adopted on November 2, 2010. The Keller City Council is composed of a Mayor and six Council members in places designated as 1 through 6, all elected at-large for three-year terms by registered voters within the city limits of Keller. City Council Place 6 was added and terms extended to three years with citizen approval of amendments to the City Charter in November of 2010. With these Charter amendments, the Mayor and City Council places 5 and 6 will be elected for the initial three year term in 2011 and every three years thereafter. Council places 1 and 2 will run through the year 2012 and will be elected every three years thereafter. Council places 3 and 4 shall run through 2013 and then be elected every three years thereafter.

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 City Council enacts local legislation, adopts the annual operating budget, and sets policy.

CITY COUNCIL GOALS/ACCOMPLISHMENTS:

1. Enhance economic development opportunities within the City:
 - Increased tax base through sustainable residential, commercial and retail development
 - Responsible for direction leading to eighty-three (83) new businesses opening in calendar year 2011
 - Approved a record amount of Old Town Keller Facade Improvement Matching Grants, to continue the growth in Old Town Keller
 - Instrumental in implementation of bi-monthly Economic Development report
 - Approved several economic development incentive packages encouraging new businesses to build and operate in the City of Keller, resulting in an increased tax base
2. Improve the transfer of information between the City and its citizens:
 - Efficiently communicated citizen concerns, complaints, and comments to the City Manager for resolution and follow-up
 - Authorized various citizen telephone and on-line surveys
 - Adopted Council Rules of Order to better facilitate the City Council meeting process
 - Implemented new electronic voting system for the Mayor and City Council
 - City receipt of Gold Medal Award in Financial Transparency from the Texas State Comptroller's Office
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 2011 tax rate at \$0.44219 per \$100 taxable value
 - Increased the General Fund Reserves by approximately \$1.75 million
 - Maintained current bond ratings through sound fiscal management
 - Conducted budget overview work sessions with the City Manager and staff
 - Received State Revolving Loan in the amount of \$6.0 million for capital projects at a substantially reduced interest rate
4. Complete current and future Capital Improvement Projects to include, but not limited to:
 - North Tarrant Parkway improvements
 - Rufe Snow Drive expansion
 - Drainage improvements
 - Street improvements
 - Sanitary sewer replacement
 - Rights-of-way landscape enhancements

FUND:
General

DEPARTMENT:
Mayor & City Council

DIVISION:

ACCOUNT:
100-120-01

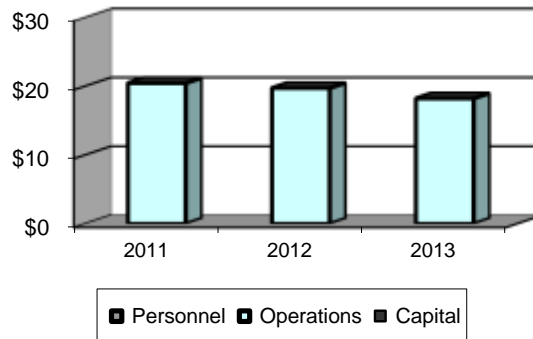
**MAYOR AND CITY COUNCIL
DEPARTMENT SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	9,945	6,800	7,350	7,650
Services & other	10,492	12,825	12,365	10,560
SUBTOTAL	20,437	19,625	19,715	18,210
Capital outlay	-	-	-	-
TOTAL	\$ 20,437	\$ 19,625	\$ 19,715	\$ 18,210

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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Mayor & City Council Expenditures
(000's)



**FINANCE & ACCOUNTING
DEPARTMENT SUMMARY**

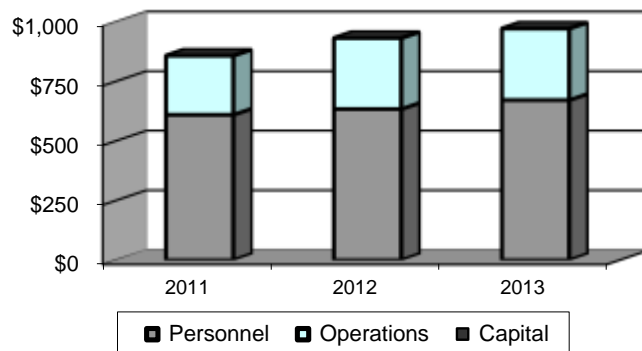
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 610,119	\$ 640,435	\$ 634,200	\$ 671,925
Operations & maintenance	5,081	17,495	16,240	16,805
Services & other	242,811	285,995	281,470	283,150
SUBTOTAL	858,011	943,925	931,910	971,880
Capital outlay	-	-	-	-
TOTAL	\$ 858,011	\$ 943,925	\$ 931,910	\$ 971,880

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 744,556	\$ 819,630	\$ 807,615	\$ 843,225
Tax	113,455	124,295	124,295	128,655
TOTAL	\$ 858,011	\$ 943,925	\$ 931,910	\$ 971,880

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	6.5	6.5	7.0
TOTAL	6.5	6.5	7.0

Finance & Accounting Expenditures
(000's)



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

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION OBJECTIVES:

1. Complete reporting requirements to continue receiving the "Certificate of Achievement for Excellence in Financial Reporting" from the Government Finance Officers Association for the Comprehensive Annual Financial Report for the 24th consecutive year (FY1989 – FY2012).
2. Complete reporting requirements to continue to receive the "Distinguished Budget Presentation Award" from the Government Finance Officers Association for the annual budget document for the 17th consecutive year (FY1997 – FY2013).
3. Maintain or strengthen the financial status of the City with outside sources, e.g. rating agencies, investors, and other governmental agencies by providing accurate and timely financial information.
4. Continue receiving Gold Medal Award for Financial Transparency from the State Comptroller's office.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Accounting activities:			
Accounts payable checks processed	4,484	5,500	3,500
Payroll checks processed	11,126	10,200	10,200
Journal entries processed	4,676	4,950	5,000
Bank reconciliations prepared	108	108	108
Employee W-2's issued	561	550	560
Purchasing activities:			
Purchase orders processed	260	200	300
Purchasing card transactions processed	6,415	5,000	5,200
Sealed bids/proposals processed	10	15	15
Banking activities:			
Number of bank deposits processed	4,871	5,400	5,000
Number of incoming wires	32	30	30
Number of outgoing wires	26	25	25
Quarterly investment reports prepared	4	4	4
Quarterly financial reports prepared	4	4	4

(Continued)

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Administration

ACCOUNT:
100-130-01

(Continued)

<u>PERFORMANCE ANALYSIS</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Debt service ratios:			
Direct tax-supported debt per capita	\$1,179	\$1,085	\$978
Tax-supported debt service expenditures as a % of general operating expenditures	16.5%	14.2%	13.1%
Financial policy target	25.0%	25.0%	25.0%
Ratio of debt to net taxable valuation	1.4%	1.2%	1.0%
Financial policy target	15.0%	15.0%	15.0%
Investment activities:			
Average weighted average investment yield to maturity	0.69%	0.52%	0.55%
Average spread between City yield and 3-month T- bill	0.61%	0.46%	0.40%
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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 610,119	\$ 640,435	\$ 634,200	\$ 671,925
Operations & maintenance	4,783	17,195	15,940	16,505
Services & other	129,654	162,000	157,475	154,795
SUBTOTAL	744,556	819,630	807,615	843,225
Capital outlay	-	-	-	-
TOTAL	\$ 744,556	\$ 819,630	\$ 807,615	\$ 843,225

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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
Records Clerk	A/TN-2	0.5	0.5	-
TOTAL		6.5	6.5	7.0



FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. Continue collection and assessing contract with 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 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
Release of liens	—	—	—
Addition of liens	—	—	—
Total property tax accounts maintained by Tarrant Appraisal District	16,221	16,468	16,540
Total number of over-65 and disabled accounts	1,626	1,761	1,865
Total (appraised) value of over-65 and disabled accounts (millions)	\$372.2	\$409.4	\$441.9
Total number of tax ceiling accounts	1,534	1,663	1,783
Taxable value of tax ceiling accounts (millions)	\$280.9	\$312.1	\$342.4
Total number of new residential homesteads	308	326	224
Total (appraised) value of new residential homesteads (millions)	\$110.5	\$110.3	\$76.9
Total number of new over-65 accounts	79	91	76
Total (appraised) value of new over-65 accounts (millions)	\$21.0	\$23.5	\$21.4
Total (appraised) value of new construction (millions)	\$65.2	\$83.2	\$88.0
Total (appraised) value of new residential construction (millions)	\$61.3	\$79.9	\$65.9
Total (appraised) value of new commercial construction (millions)	\$3.9	\$3.3	\$22.1

(Continued)

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

DEPARTMENT/DIVISION SERVICE ANALYSIS:
(Continued)

<u>PERFORMANCE ANALYSIS</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Percentage of taxes collected (services to be provided by the Tarrant County Tax Assessor/Collector)	99.2%	99.3%	99.3%
Average appraised residential value	\$273,270	274,069	274,720
Percent change	(0.1%)	0.3%	0.2%
Average taxable residential value	\$263,481	263,829	264,175
Percent change	(0.1%)	0.1%	0.1%
Effective tax rate per \$100 of taxable value	\$0.45921	\$0.44928	\$0.44623
Actual tax rate per \$100 of taxable value	\$0.44219	\$0.44219	\$0.44219
Rollback tax rate per \$100 of taxable value	\$0.49206	\$0.46452	\$0.46647
Average City of Keller tax bill (actual rate)	\$1,165.09	\$1,166.63	\$1,168.16
Percent change	(0.4%)	0.1%	0.1%
Average appraised value of new residential homesteads	\$358,820	\$338,261	\$343,372
Percent change	(6.1%)	(5.7%)	1.5%
Average appraised value of new over-65 residential homesteads	\$266,324	\$258,214	\$281,861
Percent change	13.1%	(3.0%)	9.2%
Average taxable value of tax ceiling accounts	\$183,140	\$187,685	\$191,718
Percent change	(0.5%)	2.5%	2.2%
Percentage of taxable value of new construction by property category:			
Residential	94.3%	97.4%	74.9%
Commercial	5.7%	2.6%	25.1%

FUND:
General

DEPARTMENT:
Finance & Accounting

DIVISION:
Tax

ACCOUNT:
100-130-09

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	298	300	300	300
Services & other	113,157	123,995	123,995	128,355
SUBTOTAL	113,455	124,295	124,295	128,655
Capital outlay	-	-	-	-
TOTAL	\$ 113,455	\$ 124,295	\$ 124,295	\$ 128,655

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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 Municipal Court processes and distributes all money collected in the jail for the City of Keller, Southlake, Colleyville and Westlake. The Municipal Court is responsible for staying current with the changes of procedures and court costs that are submitted to the state with each State Legislature revision.

DEPARTMENT/DIVISION GOALS:

1. Maintain Court of Record operations in accordance with state laws, legislative updates and legal procedures.
2. Keep the department current with quality technology in order to provide the most efficient and accurate service.
3. Aggressively pursue the collection of outstanding warrants by implementing Tele-Works, Inc. which will call defendants with active warrants, past due accounts, and court date reminders. Tele-Works will also act as an information system to the public (24) twenty-four hours a day. We are currently utilizing the top rated collection agency, Linebarger and Associates. The court participates in the State Wide Warrant Round Up as well as continues to research creative ideas and incentives that increase the collection of outstanding warrants.
4. Maintain the Nisi process of forfeiting appearance bonds to ensure court appearance obligations are met and to hold the bail bondsman financially accountable if appearances are not met.
5. Ensure that all personnel in the court have the most current and updated training available. All personnel are Certified Court Clerks in the state of Texas.
6. 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.
7. Maintain and continually update the Municipal Court Policy and Procedures manual.
8. Manage the juvenile process of required conditions of certain offenses committed by juveniles and minors such as tobacco, drug and alcohol awareness courses, mandatory community service and mandatory court appearances before the Judge.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Number of citations processed	10,476	9,000	11,000
Number of cases requesting court dates	6,856	5,502	6,300
Number of cases with attorney representation	2,289	1,900	2,150
Number of court dockets held per year	218	288	208
Number of warrants processed/issued	2,059	2,188	2,000
Number of reports generated (open records requests)	299	302	315
Number of warrants outstanding	1,594	1,550	1,300
Number of defendants requesting jury trial	67	45	45

FUND:
General

DEPARTMENT:
Municipal Court

DIVISION:
Administration

ACCOUNT:
100-160-01

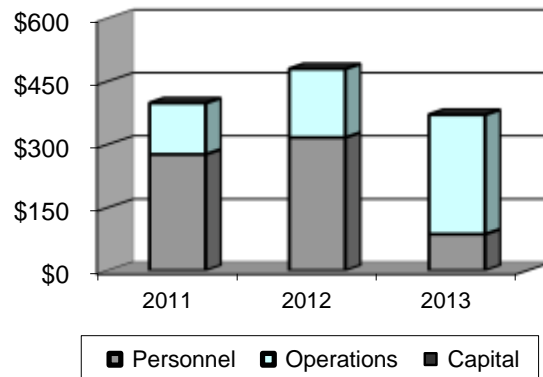
**MUNICIPAL COURT
DEPARTMENT SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 276,450	\$ 291,250	\$ 316,500	\$ 86,800
Operations & maintenance	13,045	14,765	11,195	-
Services & other	108,750	162,320	151,870	283,890
SUBTOTAL	398,245	468,335	479,565	370,690
Capital outlay	-	-	-	-
TOTAL	\$ 398,245	\$ 468,335	\$ 479,565	\$ 370,690

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Municipal Court Clerk	M-1	1.00	1.00	0.25
Municipal Judge	Exempt	0.50	0.50	0.50
Senior Deputy Court Clerk	A/TN-10	1.00	1.00	-
Deputy Court Clerk	A/TN-6	1.00	1.00	-
TOTAL		3.50	3.50	0.75

Municipal Court Expenditures (000's)



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

HUMAN RESOURCES

Keller Career Advancement Program Participants for FY2012.

The Texas Municipal Human Resources Association awarded the Innovation in Municipal Human Resources Management award to the City of Keller for their Career Advancement Program. The award was given to Carolyn Nivens, Human Resources Director, at their annual conference on May 3, 2012, and was presented to the Mayor and Council at the May 15, 2012, City Council Meeting.



Front Row – Left to Right: Kenny Cannata – Public Works, Carolyn Nivens – Human Resources, Brenda Slovak – Police, Alison Brocklebank – Library, Melanie Curl – Human Resources
Back Row – Left to Right: Rachel Frazier – Community Development, Jonathan Phillips – Administration, Jeremy Booker – Community Development, Bernie Parker – Public Works, Stanley Moore – Public Works

**HUMAN RESOURCES
DEPARTMENT SUMMARY**

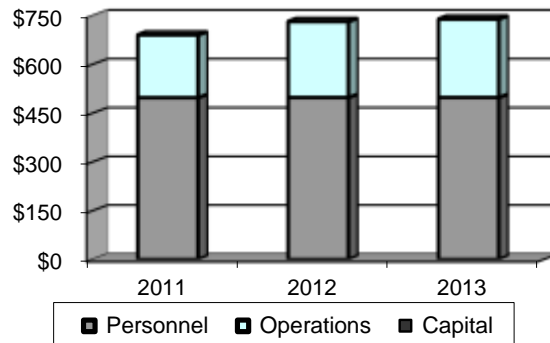
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 497,369	\$ 503,900	\$ 497,810	\$ 497,920
Operations & maintenance	5,000	9,800	9,800	15,825
Services & other	187,727	223,580	223,580	224,980
SUBTOTAL	690,096	737,280	731,190	738,725
Capital outlay	-	-	-	-
TOTAL	\$ 690,096	\$ 737,280	\$ 731,190	\$ 738,725

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 325,856	\$ 351,565	\$ 346,770	\$ 351,075
City-wide Employee Activities	258,120	273,295	273,295	276,950
Risk Management	106,120	112,420	111,125	110,700
TOTAL	\$ 690,096	\$ 737,280	\$ 731,190	\$ 738,725

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	4.0	4.0	4.0
Risk Management	1.0	1.0	1.0
TOTAL	5.0	5.0	5.0

Human Resources Expenditures (000's)



FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. Leverage the City's human capital to increase the efficiency and effectiveness of the organization as a whole.
 - Ensure that the City's compensation practices and benefits are competitive.
 - Develop a formal selection program with expert selection tools.
 - Ensure the hiring of high caliber employees through effective selection expertise.
 - Develop/train our employees for current and future positions within the City of Keller. Career Advancement Program implemented with inaugural class starting January 18, 2012 with eight participants.
 - Help the City become an employer of choice.
2. Be an effective strategic partner to our customers – other City departments
 - Provide expert consultation to departments in the areas of selection, compensation, benefits, employee relations/disciplinary, leaves, and risk management.
 - Develop HR staff expertise through effective training 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
General job vacancies filled	34	30	27
The Keller Pointe (TKP) job vacancies filled	64	150	120
General applications processed	1,294	1,350	1,200
TKP applications processed	310	350	350
 <u>PERFORMANCE ANALYSIS</u>			
General employee turnover rate (excluding seasonal employees)	10.19%	15.43%	15%
TKP employee turnover rate (excluding seasonal employees)	42.86%	21.54%	21%

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
Administration

ACCOUNT:
100-170-01

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 313,917	\$ 335,455	\$ 330,660	\$ 331,035
Operations & maintenance	562	2,595	2,595	7,895
Services & other	11,377	13,515	13,515	12,145
SUBTOTAL	325,856	351,565	346,770	351,075
Capital outlay	-	-	-	-
TOTAL	\$ 325,856	\$ 351,565	\$ 346,770	\$ 351,075

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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 the employment-related activities involving human resources that are intended to influence the productivity and effectiveness of the employees of the City. These non-departmental activities are provided to promote excellent customer service and 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. Encourage and support employees in their career development through cost-effective, quality training and our Career Advancement Program, and tuition reimbursement.
4. 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.
5. 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 will continue to host lunch 'n learns about a variety of subjects dealing with health, exercise, and nutrition.

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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Employees requesting tuition reimbursement benefit	25	19	20
Employees utilizing tuition reimbursement benefit	17	12	16
General job vacancies filled:			
Number of in-house promotions	7	5	7
Number of new hires from outside	27	25	20
Average annual training hours per employee	4.1	4.0	4.0

FUND:
General

DEPARTMENT:
Human Resources

DIVISION:
City-Wide Employee
Activities

ACCOUNT:
100-170-11

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 80,101	\$ 60,000	\$ 60,000	\$ 60,000
Operations & maintenance	3,581	5,725	5,725	6,550
Services & other	174,438	207,570	207,570	210,400
SUBTOTAL	258,120	273,295	273,295	276,950
Capital outlay	-	-	-	-
TOTAL	\$ 258,120	\$ 273,295	\$ 273,295	\$ 276,950

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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This program was originally created in FY2008, by consolidating and transferring expenditures from other City funds and departments. Expenditures are primarily comprised of employee dues for The Keller Pointe, training programs, tuition reimbursement, unemployment compensation, and employee recognition programs for all City departments. Personnel services include unemployment compensation costs for all funds, except 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 (TML) 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 103,351	\$ 108,445	\$ 107,150	\$ 106,885
Operations & maintenance	857	1,480	1,480	1,380
Services & other	1,912	2,495	2,495	2,435
SUBTOTAL	106,120	112,420	111,125	110,700
Capital outlay	-	-	-	-
TOTAL	\$ 106,120	\$ 112,420	\$ 111,125	\$ 110,700

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Risk Manager	PE-10	1.0	1.0	1.0
TOTAL		1.0	1.0	1.0



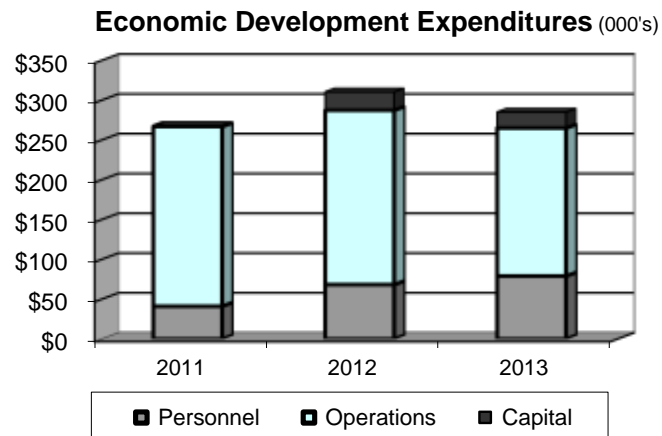
**ECONOMIC DEVELOPMENT
DEPARTMENT SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 41,119	\$ 68,925	\$ 68,270	\$ 79,060
Operations & maintenance	7,357	14,045	9,240	9,245
Services & other	218,434	234,410	209,820	176,710
SUBTOTAL	266,910	317,380	287,330	265,015
Capital outlay	-	23,000	23,000	20,000
TOTAL	\$ 266,910	\$ 340,380	\$ 310,330	\$ 285,015

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 248,829	\$ 267,565	\$ 240,305	\$ 239,965
Old Town Keller	18,081	72,815	70,025	45,050
TOTAL	\$ 266,910	\$ 340,380	\$ 310,330	\$ 285,015

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration		1.0	1.0	1.5
TOTAL		1.0	1.0	1.5



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. Oversee the Old Town Keller Façade Improvement Grant Program.
5. Attend at least three (3) trade shows to market the City of Keller to prospective developers, businesses, realtors, and investors.

Partnerships:

1. Work with developers, brokers and respective marketing groups to fully develop all land and buildings in Keller with emphasis in key areas.
2. Serve as a liaison between the City and Keller Economic Development Board (KEDB).
3. Partner with the Old Town Keller Merchants Association to expand development, improve the overall 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.

Strategic Planning:

1. Work to develop a long-term branding, marketing and advertising strategy for economic development in the City of Keller.
2. Investigate alternative funding options to further support quality commercial development.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Economic development meetings with KEDB	2	3	4
Business prospect proposals distributed	100	150	150
New/expanded businesses announced and/or started	65	50	60
Marketing/demographic brochures distributed	200	400	500
Business prospect contacts made	40	50	60
Trade shows attended	3	3	3

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 41,119	\$ 68,925	\$ 68,270	\$ 79,060
Operations & maintenance	4,923	6,045	5,740	5,245
Services & other	202,787	192,595	166,295	155,660
SUBTOTAL	248,829	267,565	240,305	239,965
Capital outlay	-	-	-	-
TOTAL	\$ 248,829	\$ 267,565	\$ 240,305	\$ 239,965

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Economic Development Coordinator	PE-5	1.0	1.0	1.0
Economic Development Marketing Intern	NA	-	-	0.5
TOTAL		1.0	1.0	1.5

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.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Partner with the Old Town Keller Merchants Association to promote and participate in various special events	10	10	6
Meet with business prospects or existing businesses to discuss opportunities for new or expanded development	15	15	15
Meet with existing business owners to seek partnership opportunities to improve the overall environment and viability of Old Town Keller	10	12	12

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

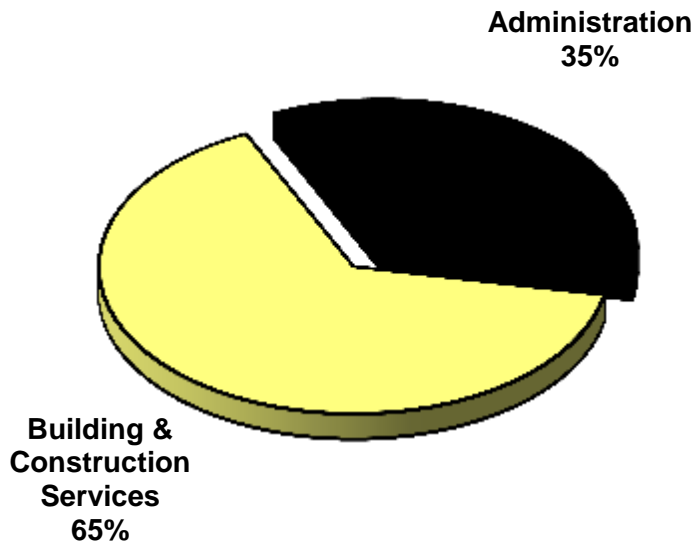
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	2,434	8,000	3,500	4,000
Services & other	15,647	41,815	43,525	21,050
SUBTOTAL	18,081	49,815	47,025	25,050
Capital outlay	-	23,000	23,000	20,000
TOTAL	\$ 18,081	\$ 72,815	\$ 70,025	\$ 45,050

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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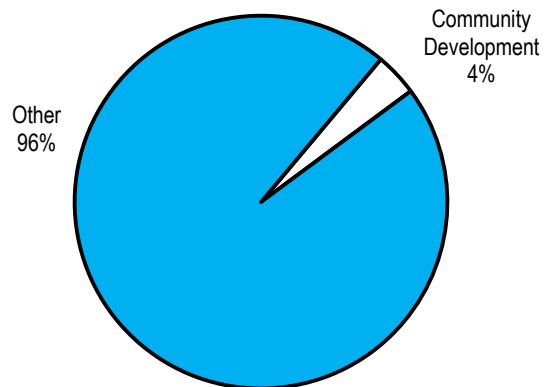
FY2013 highlights: capital outlay includes funding for Old Town Keller street signage and lighting.

Community Development



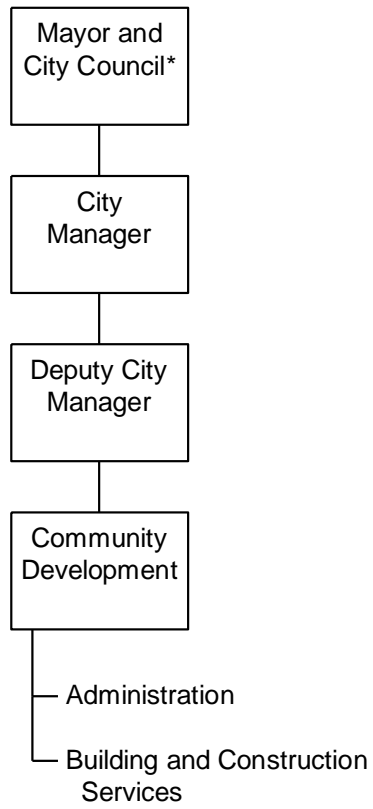
Department total: \$1,180,060

General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

COMMUNITY DEVELOPMENT



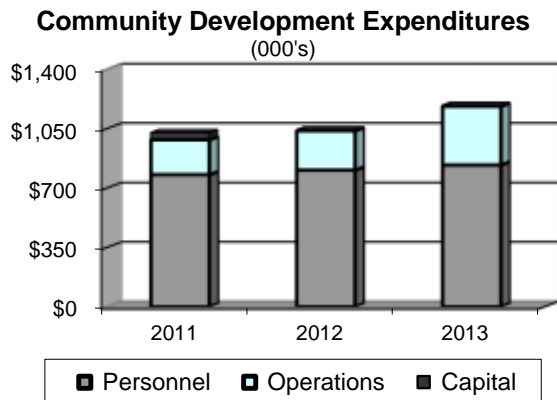
* – Denotes elected position.

**COMMUNITY DEVELOPMENT
DEPARTMENT SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 777,796	\$ 842,710	\$ 804,260	\$ 834,745
Operations & maintenance	23,985	34,620	34,620	44,570
Services & other	181,278	212,190	197,305	300,745
SUBTOTAL	983,059	1,089,520	1,036,185	1,180,060
Capital outlay	42,333	600	-	-
TOTAL	\$ 1,025,392	\$ 1,090,120	\$ 1,036,185	\$ 1,180,060
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 369,631	\$ 409,550	\$ 363,025	\$ 413,480
Building & Construction Services	655,761	680,570	673,160	766,580
TOTAL	\$ 1,025,392	\$ 1,090,120	\$ 1,036,185	\$ 1,180,060

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	4.5	4.5	4.5
Building & Construction Services	6.5	6.5	6.5
TOTAL	11.0	11.0	11.0



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. Gas Well Ordinance Update; 2020 Future Land Use Plan Update; Amendments to the Unified Development Code (includes parking; signage; land uses and definitions; accessory building standards; masonry and stucco standards); Amendments to Sign Ordinance.
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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 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	4	4
plat applications reviewed	56	35	30
zone change requests reviewed	9	15	5
site plans reviewed	26	15	15
specific use permit applications reviewed	24	20	15
Zoning Board of Adjustments activities:			
regular meetings held	11	9	7
variance applications reviewed	23	14	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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 345,462	\$ 372,600	\$ 340,960	\$ 367,115
Operations & maintenance	2,962	2,830	2,830	2,830
Services & other	21,207	34,120	19,235	43,535
SUBTOTAL	369,631	409,550	363,025	413,480
Capital outlay	-	-	-	-
TOTAL	\$ 369,631	\$ 409,550	\$ 363,025	\$ 413,480

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Community Development Director	M-3	-	1.0	1.0
Community Development Manager	M-2	1.0	-	-
Senior Planner	PE-8	-	1.0	1.0
Planner II	PE-7	1.0	1.0	-
Planner I	PE-5	1.0	-	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Planning Intern	NA	0.5	0.5	0.5
TOTAL		4.5	4.5	4.5

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

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Single-family building permits issued			
number of permits	211	185	250
value of residential permits (millions)	\$62	\$55	\$70
Value of non-residential permits (millions)	\$20	\$12	\$10
Number of miscellaneous permits issued	2,076	1,720	2,000
Number of inspections performed	4,844	3,700	6,000
Plans reviewed for new construction (residential & commercial)	233	192	350
Miscellaneous plans reviewed	1,991	1,278	1,300
Certificates of occupancy issued for existing structures	67	77	70
Code enforcement activities:			
on-site inspections	729	756	800
non-permitted sign removal	2,515	2,022	2,200

(Continued)

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>PERFORMANCE INDICATORS</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Average number of days for staff to review plans and return comments to applicant:			
Residential	10	10	10
Signs	5	5	5
Commercial alterations and finish-outs	15	15	15
Percentage of code issues responded to in 24 hours	100%	100%	100%

FUND:
General

DEPARTMENT:
Community Development

DIVISION:
Building & Construction
Services

ACCOUNT:
100-200-14

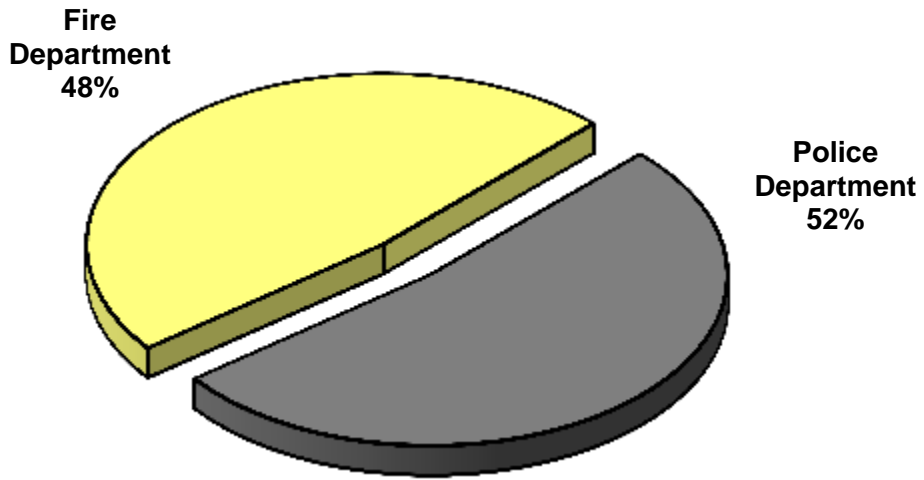
**COMMUNITY DEVELOPMENT / BUILDING & CONSTRUCTION SERVICES
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 432,334	\$ 470,110	\$ 463,300	\$ 467,630
Operations & maintenance	21,023	31,790	31,790	41,740
Services & other	160,071	178,070	178,070	257,210
SUBTOTAL	613,428	679,970	673,160	766,580
Capital outlay	42,333	600	-	-
TOTAL	\$ 655,761	\$ 680,570	\$ 673,160	\$ 766,580

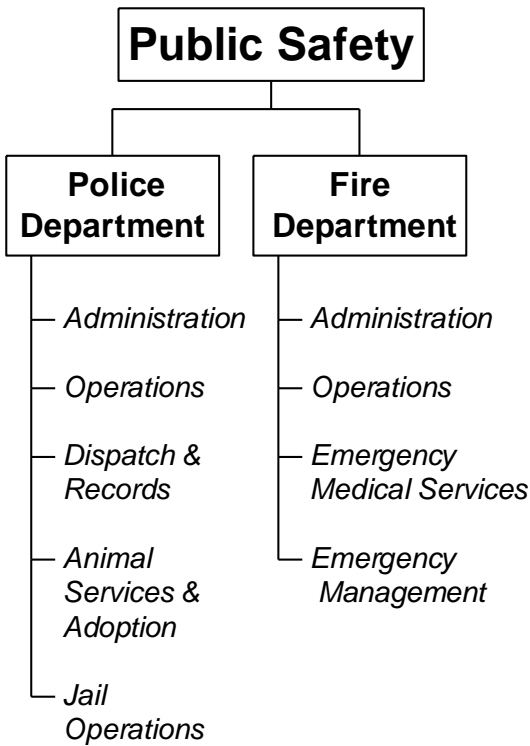
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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
Community Development Field Worker	TN-1	0.5	0.5	0.5
TOTAL		6.5	6.5	6.5

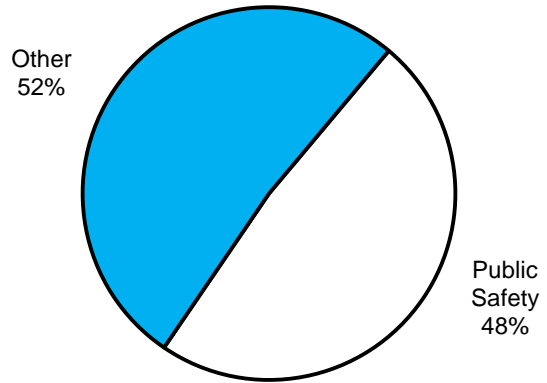
Public Safety



Department total: \$15,283,190

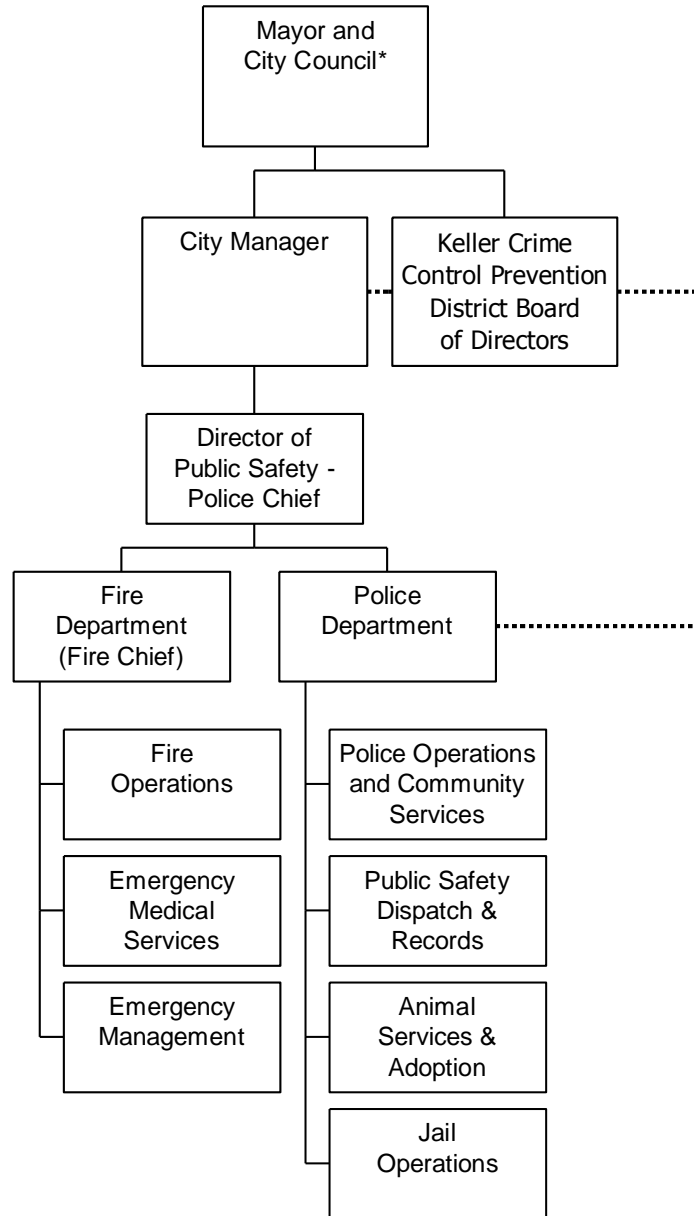


General Fund Expenditures



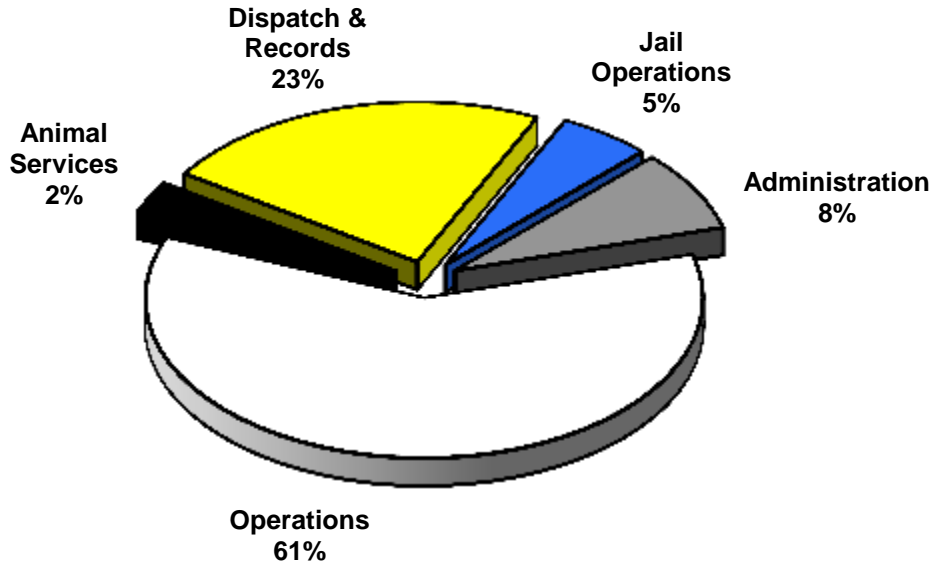
CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC SAFETY



* - Denotes elected positions.

Police Department

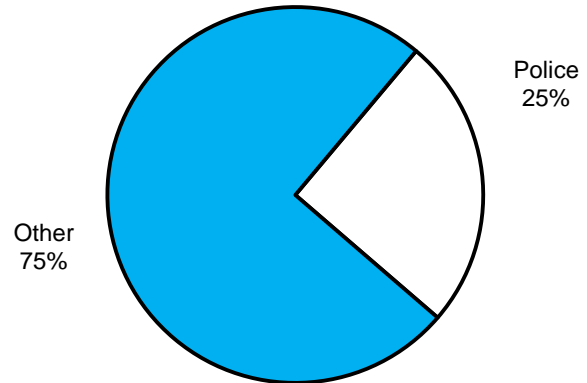


Department total: \$7,958,620

Police Department

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

General Fund Expenditures





**DEPARTMENT SUMMARY
POLICE DEPARTMENT**

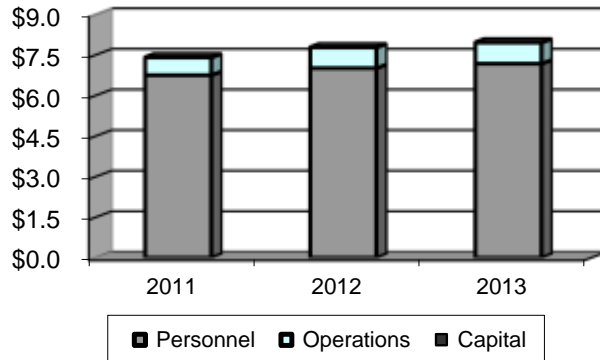
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 6,752,463	\$ 7,025,905	\$ 7,011,610	\$ 7,176,660
Operations & maintenance	303,619	389,180	381,580	385,110
Services & other	351,598	385,910	384,300	396,850
SUBTOTAL	7,407,680	7,800,995	7,777,490	7,958,620
Capital outlay	-	-	-	-
TOTAL	\$ 7,407,680	\$ 7,800,995	\$ 7,777,490	\$ 7,958,620

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 568,491	\$ 605,665	\$ 625,520	\$ 646,315
Police Operations	4,629,147	4,805,810	4,797,480	4,820,025
Public Safety Dispatch & Records	1,681,374	1,804,730	1,804,945	1,811,245
Animal Services & Adoption	139,010	155,315	117,235	249,355
Jail Operations	389,658	429,475	432,310	431,680
TOTAL	\$ 7,407,680	\$ 7,800,995	\$ 7,777,490	\$ 7,958,620

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	3.90	3.90	3.90
Police Operations	48.00	48.00	48.00
Public Safety Dispatch & Records	23.00	23.00	23.00
Animal Services & Adoption	2.00	2.00	3.50
Jail Operations	6.10	6.10	6.10
TOTAL	83.00	83.00	84.50

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, 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 communications and jail services to the Cities of Southlake and Colleyville.
5. Manage and monitor the regional Special Weapons and Tactical Team with Southlake, Colleyville, Roanoke, and Watauga.
6. Seek a renewal agreement to provide Police Services to the Town of Westlake.
7. Work with the Architect and General Contractor to start and complete the jail and animal facility on time and within budget.
8. Successfully pass the on-site assessment and achieve State of Texas Best Practices Recognition by the Texas Police Chiefs Association.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Total Part I major crimes	534	535	525
Total arrests	1,534	1,450	1,525
Total traffic accidents	286	275	265
Citizen initiated calls for service	29,829	30,000	30,500
Officer initiated calls for service	53,923	56,000	57,000
E-Safe E-mails	8,744	8,700	8,750

Excludes Town of Westlake activity.

FUND:
General

DEPARTMENT:
Police

DIVISION:
Administration

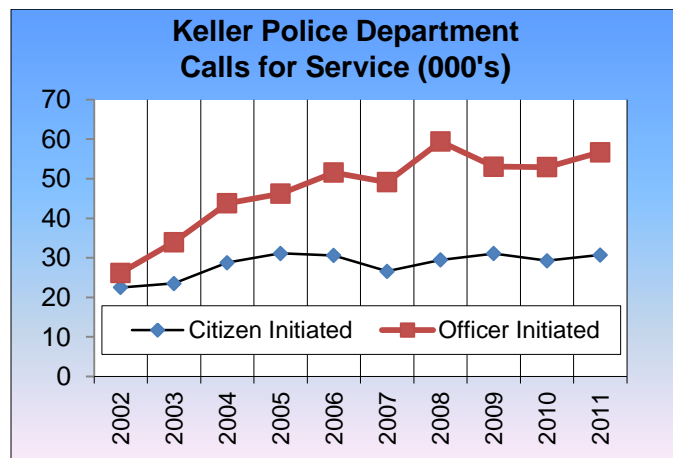
ACCOUNT:
100-300-01

**POLICE ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 399,385	\$ 408,655	\$ 428,680	\$ 441,645
Operations & maintenance	26,325	47,730	45,430	46,330
Services & other	142,781	149,280	151,410	158,340
SUBTOTAL	568,491	605,665	625,520	646,315
Capital outlay	-	-	-	-
TOTAL	\$ 568,491	\$ 605,665	\$ 625,520	\$ 646,315

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Director of Public Safety/Police Chief	M-4	-	1.0	1.0
Police Chief	M-3	1.0	-	-
Police Lieutenant	PSE-2P	0.9	0.9	0.9
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Building Maintenance Tech I	TN-1	1.0	1.0	1.0
TOTAL		3.9	3.9	3.9



FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

DEPARTMENT/DIVISION DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. The Patrol Division will utilize the DDACTS crime reduction model to further reduce Part 1 Crime.
 - Continue to run four shifts consisting of a Sergeant, Corporal and five sector officers to facilitate police services for both Keller and Westlake.
 - Redistribute the current contingent of personnel to increase officers on patrol during the hours of 3:00pm – 3:00am.
 - The 3:00pm-3:00am officers will utilize the DDACTS model to help concentrate resources in geographical locations requiring additional visible patrols to lessen Part One crimes and reportable accidents in areas with higher reported incidents.
2. The Canine Unit will be available for narcotics investigations and detection.
 - Implement 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.
3. Continue "KPYPD" – (Keller Police for Youth Development). This program consists of one two-hour class held in the community room for ages 12 – 20. The objective is to instill leadership principles, and re-enforce sound decision making processes, while building relationships.
 - Make the class available to the Municipal Judge or court to assign as an alternative or addition to community service for court dispositions.
 - Offer the class free of charge to the parents experiencing difficulties with wayward teenagers during the officers' routine community interactions.
 - Continue to monitor the number of young adults utilizing this alternative service through the municipal court as we transition to a regional municipal court setting.
4. Maintain Bicycle Officer patrols in the parks and trails systems.
 - Deploy an officer to bike patrol for each shift when weather permits and minimum staffing has been satisfied.
 - Continue to conduct 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.
5. Continue the use of the mounted patrol unit.
 - Deploy regularly at large events in the parks and schools.
 - Continue to train annually through Alpha Omega Security Services.
6. Maintain officer-training levels through in-house training sources.
 - Average 30 hours of in-service training per officer.

(Continued)

FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

ACCOUNT:
100-300-20

(Continued)

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

7. Reduce traffic accident rate by 5% through enforcement and education efforts.
 - Respond to the routine traffic analysis and enforce intersection violations on an on-going basis.
 - Continue to conduct a quarterly crash analysis and conduct traffic details at target locations.
8. Maintain traffic enforcement/special watch patrols and visibility in neighborhoods and other locations of frequent traffic complaints.
 - Continue to respond to traffic complaints and schedule regular enforcement times at problem locations.
 - Conduct follow-up interviews with complainants to review results of the efforts.
 - Utilize portable L.E.D. speed signs for traffic calming with the assistance of the Volunteers in Policing Services.
9. 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.
10. 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.
11. Continue to utilize Citizens Academy Volunteers on Patrol for support services (warrants, property destruction, selected patrol activities and victim's assistance).

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Total arrests made	1,534	1,500	1,550
Total citations issued	9,904	9,700	10,000
Total cases investigated	1,626	1,762	1,850
 <u>PERFORMANCE INDICATORS</u>			
Case clearance rate	76%	75%	75%
Part 1 crime clearance rate	32%	35%	36%



FUND:
General

DEPARTMENT:
Police

DIVISION:
Police Operations

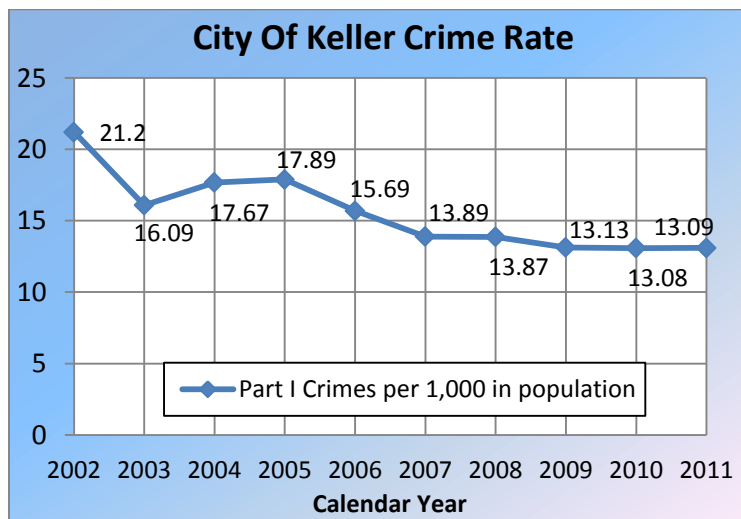
ACCOUNT:
100-300-20

**POLICE OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,317,906	\$ 4,443,835	\$ 4,436,980	\$ 4,461,170
Operations & maintenance	219,722	262,835	262,335	261,485
Services & other	91,519	99,140	98,165	97,370
SUBTOTAL	4,629,147	4,805,810	4,797,480	4,820,025
Capital outlay	-	-	-	-
TOTAL	\$ 4,629,147	\$ 4,805,810	\$ 4,797,480	\$ 4,820,025

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Police Lieutenant	PSE-2P	2.0	2.0	2.0
Police Sergeant	PSN-11P	6.0	6.0	6.0
Corporal	PSN7P	3.0	3.0	4.0
Criminal Investigator	PSN-2P	3.0	3.0	3.0
Police Officer	PSN-2P	34.0	34.0	33.0
TOTAL		48.00	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 service within 2 minutes on average.
2. Contribute to the prompt response of Fire/EMS units by collecting necessary information from callers and dispatching emergency calls under 1 minute on average.
3. Answer incoming 911 phone calls within 10 seconds.
4. Receive, process, index, and file all police reports for retrieval on an as-needed basis. Respond to all open record requests under terms of the Texas Public Information Act.
5. Update the existing Records and Communications Standard Operating Procedures (SOPs) to reflect organizational changes and improvements in technology.
6. Work with Southlake Fire Department to accomplish Lean Six Sigma review.
7. Provide Fire Department specific training for communications personnel. Schedule communications personnel to attend Police briefings and visit the Fire Stations.
8. Implement the P25 project Motorola Radio/Communications upgrade.
9. Identify an automatic vendor location (AVL) vendor for future implementation.

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.
3. Work with CRIMES/FD's to implement the Fire recommendations tables.
4. Answer all incoming 911 calls within 10 seconds to enhance the feeling of safety for our citizens.
5. Provide additional training to communications personnel; review existing phone infrastructure with Tarrant County 911.
6. Assist both internal and external customers thru the existing records programs in CRIMES and Laserfiche.
7. Respond to open records requests as required, work with City staff to meet the goal.
8. Provide training for records personnel.
9. Review, update and publish communications/records SOP's in accordance with accepted standards. Develop training for the Records and Communications personnel concerning the SOP's.
10. Assist the Southlake Fire Department to implement the Lean Six Sigma Review.
11. Work with Fire Departments to provide specific fire related training to all communications personnel. Develop a method for communications personnel to visit the Police and Fire Stations during briefings and shift changes.
12. Work with City Departments, NETCO/Motorola and DFW to schedule the implementation of P25 radio upgrade.
13. Work with Information Technology, NETCOM Fire and Police Departments to research and identify a potential AVL 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Inputs:			
Total number of authorized division personnel:	22	23	23
Manager	1	1	1
Supervisor	1	1	1
Dispatcher	18	19	19
Records Technician	2	2	2
Outputs:			
Activities processed by the NETCOM:			
Number of police calls for service			
• Keller	70,981	90,350	90,000
• Southlake	63,523	55,756	59,000
• Westlake	14,702	21,818	21,540
• Colleyville	42,106	57,180	61,640
Number of fire/EMS calls for service:			
• Keller	2,921	2,966	3,000
• Southlake	2,179	2,194	2,250
• Westlake	422	396	400
• Colleyville	1,533	1,384	1,425
Number of 9-1-1 calls received:			
• Keller	19,266	18,700	19,000
• Southlake	13,082	12,600	13,000
• Colleyville	7,249	6,800	7,000
Number of in-coming phone calls	134,823	147,000	150,000
Open record requests processed	2,520	2,600	2,650
Efficiency/Effectiveness:			
Average time from call receipt to dispatch:			
Police emergency calls (minutes)	2:06	1:45	1:45
Fire/EMS emergency calls (minutes)	1:00	0:59	0:58
Percent of 911 phone calls answered within 10 seconds	100%	100%	100%

FUND:
General

DEPARTMENT:
Police

DIVISION:
Public Safety Dispatch &
Records

ACCOUNT:
100-300-21

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,562,591	\$ 1,654,800	\$ 1,660,860	\$ 1,665,480
Operations & maintenance	39,733	53,005	50,005	49,985
Services & other	79,050	96,925	94,080	95,780
SUBTOTAL	1,681,374	1,804,730	1,804,945	1,811,245
Capital outlay	-	-	-	-
TOTAL	\$ 1,681,374	\$ 1,804,730	\$ 1,804,945	\$ 1,811,245

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Regional Communications Manager	M-1	1.0	1.0	1.0
Regional Dispatch Supervisor	PN-8	1.0	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
Senior Records Technician	A/TN-5	1.0	1.0	-
Records Technician	A/TN-4	1.0	1.0	1.0
TOTAL		23.0	23.0	23.0

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Services & Adoption

ACCOUNT:
100-300-23

DEPARTMENT/DIVISION DESCRIPTION:

The Animal Services & Adoption Division of the Keller Police Department provides enforcement of the animal ordinance within the City of Keller and the Town of Westlake. Services are generally limited to routine stray animal enforcement, bite investigations, wild animal and domestic livestock problems, and removal of dead animal carcasses from City roadways. Continual efforts to expand the adoption program have been successful. As of October 1, 2012, the Cities of Southlake and Colleyville are planning to merge their Animal Control Officers with Keller to form a regional approach to provide Animal Services to the citizens of four cities. The personnel and shelter will be located in Keller.

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

1. Continue to strive for receiving no citizen dissatisfaction complaints regarding animal control 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 shelter with either one officer or the Kennel Technician to greet walk-ins and handle on-site adoptions.
 - Continue to coordinate with Human Resources to provide light duty job opportunities answering phones and walk-ins.
 - Conduct weekly inspection of the facilities to ensure cleanliness and proper care. Utilize appropriate form to capture the results.
2. Maintain the percentage of animals adopted, redeemed, relocated, and/or rescued at a minimum of 70% of total impounded animals.
 - Utilize rescue groups to adopt animals.
 - Utilize the city web-site 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 kennel care.
 - Continue to actively grow the program.
 - Expand volunteer staffing to include local veterinarians to make weekly rounds assessing general health of animals in the shelters care.
 - 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 90% 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.
7. Enhance unit efficiency and organization.
 - Incorporate the LaserFische Document Imaging software
 - Incorporate file approval processes and storage requirements.

(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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Stray animals impounded	1,181	1,052	1,114
Citations issued	24	15	21
Total calls for service	17,440	13,852	15,268
Animal bite reports taken	72	68	68
Reported rabies incidents	-	3	2
Animals adopted/redeemed/rescued	753	732	724
<u>SOUTHLAKE AND COLLEYVILLE MERGER⁽¹⁾</u>			
Stray animals impounded	NA	NA	400
Citations issued	NA	NA	32
Total calls for service	NA	NA	18,000
Animal bite reports taken	NA	NA	88
Reported rabies incidents	NA	NA	3
Animals adopted/redeemed/rescued	NA	NA	260

⁽¹⁾ Effective October 1, 2012.

FUND:
General

DEPARTMENT:
Police

DIVISION:
Animal Services & Adoption

ACCOUNT:
100-300-23

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 119,115	\$ 131,570	\$ 93,320	\$ 219,840
Operations & maintenance	6,285	13,460	11,660	15,160
Services & other	13,610	10,285	12,255	14,355
SUBTOTAL	139,010	155,315	117,235	249,355
Capital outlay	-	-	-	-
TOTAL	\$ 139,010	\$ 155,315	\$ 117,235	\$ 249,355

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Animal Control Officer	TN-5	2.0	2.0	3.0
Kennel Technician	TN-1	-	-	0.5
TOTAL		2.0	2.0	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 who are arrested by Keller, Southlake, Colleyville and Westlake. The detainees are temporarily held in the facility for up to 72 hours awaiting transfer to County Jail. They are monitored closely and are taken through an intake and screening process.

DEPARTMENT/DIVISION GOALS AND OBJECTIVES:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Keller prisoners detained	1,271	1,128	1,190
Southlake prisoners detained	973	850	919
Westlake prisoners detained	264	229	255
Colleyville prisoners detained	598	587	581

FUND:
General

DEPARTMENT:
Police

DIVISION:
Jail Operations

ACCOUNT:
100-300-25

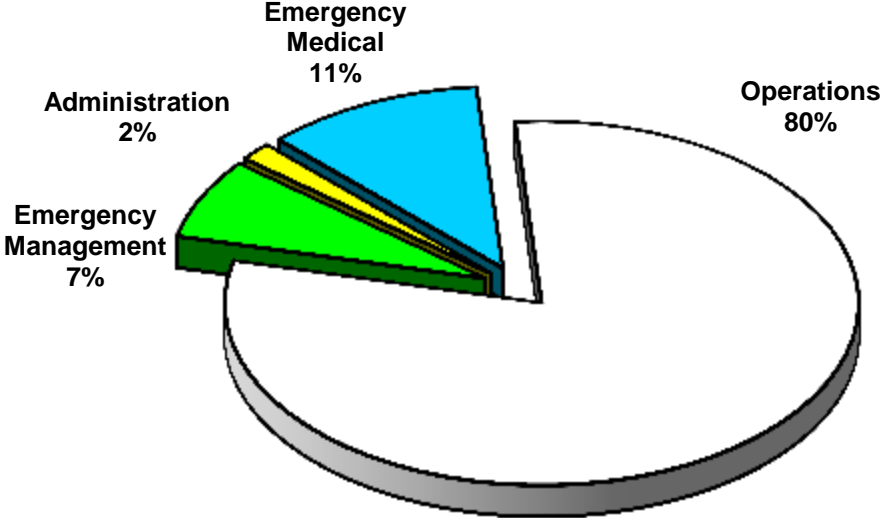
**POLICE / JAIL OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 353,466	\$ 387,045	\$ 391,770	\$ 388,525
Operations & maintenance	11,554	12,150	12,150	12,150
Services & other	24,638	30,280	28,390	31,005
SUBTOTAL	389,658	429,475	432,310	431,680
Capital outlay	-	-	-	-
TOTAL	\$ 389,658	\$ 429,475	\$ 432,310	\$ 431,680

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Police Lieutenant	PSE-2P	0.1	0.1	0.1
Detention Officer	PN-2	6.0	6.0	6.0
TOTAL		6.1	6.1	6.1

Fire Department

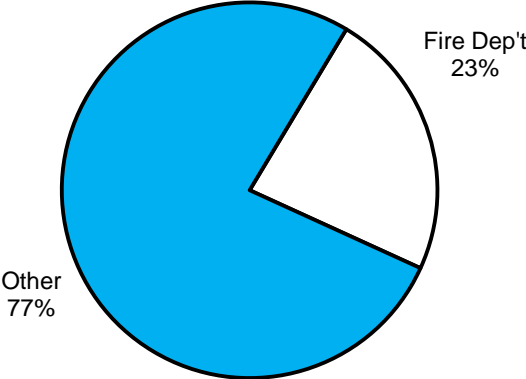


Department total: \$ 7,324,570

Fire Department

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

General Fund Expenditures



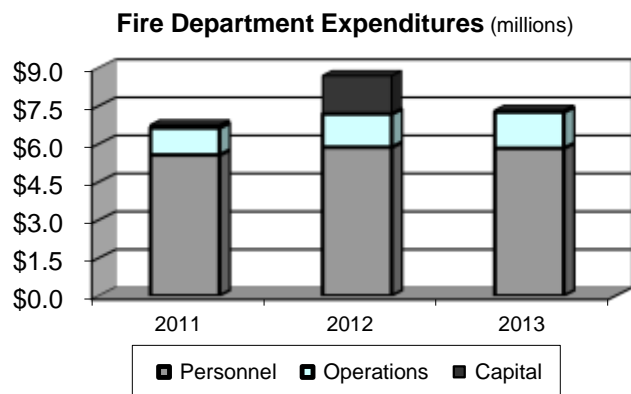
FIRE DEPARTMENT DEPARTMENT SUMMARY

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 5,562,594	\$ 5,929,300	\$ 5,867,660	\$ 5,827,900
Operations & maintenance	614,119	713,280	747,470	813,030
Services & other	454,485	602,890	565,375	613,640
SUBTOTAL	6,631,198	7,245,470	7,180,505	7,254,570
Capital outlay	113,951	1,572,005	1,504,900	70,000
TOTAL	\$ 6,745,149	\$ 8,817,475	\$ 8,685,405	\$ 7,324,570

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 822,344	\$ 937,115	\$ 939,085	\$ 817,395
Fire Operations	5,419,238	7,264,575	7,146,275	5,865,460
Emergency Medical Services	455,996	552,420	539,875	520,995
Emergency Management	47,571	63,365	60,170	120,720
TOTAL	\$ 6,745,149	\$ 8,817,475	\$ 8,685,405	\$ 7,324,570

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	7.0	7.0	7.0
Fire Operations	52.0	52.0	52.0
TOTAL	59.0	59.0	59.0



FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

DEPARTMENT DESCRIPTION:

The Keller Fire-Rescue Department's Administration Division consists of seven (7) employees. The Fire Chief/Emergency Management Coordinator who in addition to serving as the Fire Department's Director also coordinates all activities regarding Emergency Management and Homeland Security for all City departments regarding disaster planning, preparedness, response, and recovery operations. The Assistant Chief for Operations who oversees direct leadership of four Battalion Fire Chiefs (one for each shift and the Battalion Chief for EMS/Training and Safety), fire officers and fire fighters at three geographically separated fire stations and all facets of fire fighting, rescue, supplies and rescue training budgets. The Battalion Chief for EMS/Training and Safety reports directly to the Assistant Chief for Operations and oversees all aspects of the Emergency Medical Program including coordination with our Emergency Medical Director who is a contracted physician ensuring quality control over our paramedics as well 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. This individual 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. Lastly, The Administrative Secretary and the Accounting Technician are the primary focal point for citizen questions and our employees regarding a myriad of issues while coordinating the thousands of financial transactions necessary to maintain the fire protection system legally and ethically under City, State and Federal directives.

Fire Administrative duties include:

- Provide top-notch customer service to the citizens of Keller, the members of this department, and the employees and staff of the City of Keller.
- Ensure the proper efficient, ethical and effective utilization of City of Keller resources for the life safety and quality of life for citizens and visitors to Keller.
- Plan for the continued quality improvement of the department.
- Aggressively seek, apply for and administer grant funding from outside funding sources.
- Encourage private and public partnerships to ensure quality training opportunities, fire safety programs, and improved quality of life within the City of Keller.
- Maintain positive liaisons with neighboring communities, fire service organizations locally, regionally and nationally to keep abreast of developments affecting the City of Keller and its emergency services.
- Ensure that our staff both administratively and operationally is receiving high quality training to maintain a high state of readiness to meet the needs of our community and our commitment to our regional emergency services obligation.
 - North East Explosives Response Team
 - Technical and Heavy Rescue Teams
 - Hazardous Materials Response
 - Mass Decontamination Team
 - Mass Casualty Response Team
 - Swift Water Rescue Team
 - Texas Task Force One (Urban Search and Rescue Team)
 - North Texas Type 3 Incident Management Team
- Analyze the current and future needs of the department such as capital improvements (fire station needs and location, fire apparatus replacement and acquisition, and staffing) to ensure proper planning and financial support, through grants and budget is available to meet those needs.

(continued)

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

(Continued)

DEPARTMENT/DIVISION GOALS:

1. Aggressively seek grant funding in support of the department to include; Assistance to Fire Fighters Grant funding for Fire Fighter Operations Safety, Fire Prevention Activities, and Texas Intrastate Fire Mutual Aid System (TIFMAS) grants for training and equipment.
2. Initiate the Commission on Fire Accreditation "Self-Assessment" process with the goal of acquiring international accreditation for the department.
3. Implement an action plan for the continued department improvement and development to include upgrade of the ambulance and vehicle fleet, acquisition of land for future fire stations and construction of future fire stations based upon data and the community need.
4. Participate in efforts to seek cost efficiency shared services and purchases within the City of Keller.
5. Continue fire safety education on a statewide basis with the Texas Educational Television Network and expand the fire prevention safety education program to encompass all elementary schools within the limits of Keller.
6. Develop a Fire Fighter Development Program within the department to provide a career progression template for current and new members to follow for career advancement from Fire Fighter to Fire Chief and allow for better continuity within the department.
7. Continue to revise departmental policies and procedures to ensure they are current and meet the dynamic nature of the fire service.
8. Explore with Information Services a plan to develop video conferencing between all fire stations and fire administration as well as use of iPads for EMS response to interact with patients.
9. Develop a "Raving Fans" approach to customer service within the Department to include customer feedback.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Total Fire & EMS calls for service	2,979	2,960	3,100
Average overall response time (minutes)	5:23	5:03	5:27
Fire investigations conducted	22	19	20
Commercial construction plans/plats reviewed	153	197	200
Commercial fire inspections conducted	966	581	600
Public fire education programs conducted	40	38	45
Gas well site inspections	16	16	16

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Administration

ACCOUNT:
100-350-01

**FIRE DEPARTMENT ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 679,105	\$ 764,865	\$ 768,230	\$ 641,295
Operations & maintenance	32,607	70,695	70,375	80,595
Services & other	89,446	101,555	100,480	95,505
SUBTOTAL	801,158	937,115	939,085	817,395
Capital outlay	21,186	-	-	-
TOTAL	\$ 822,344	\$ 937,115	\$ 939,085	\$ 817,395

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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 Prevention	M-3	1.0	1.0	1.0
Battalion Chief-EMS/Training	PSN-12F	1.0	1.0	1.0
Fire Inspector	PSN-1F1	1.0	1.0	1.0
Administrative Secretary	A/TN-8	1.0	1.0	1.0
Accounting Technician	A/TN-7	1.0	1.0	1.0
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 utilizes three major fire apparatus, three ambulances and two brush trucks. The Fire Operations Division provides specialty services such as hazardous materials, technical rescue, and explosives response by participating as a member of the Northeast Fire Department Association (NEFDA) regional response teams. Fire Operations works closely with surrounding departments with both automatic and mutual aid agreements developed by the Fire Administration Division to provide the shortest response time possible on each call. Fire Operations is dispatched by the Northeast Tarrant Communications Center (NETCOM) using an 800 MHz radio system in which Keller is a joint member with five 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. Underwriters Laboratories (UL) test fire pumps and ladders.
4. Conduct monthly day and night multi-company drills.
5. Assist in the development of an officer development program.
6. Conduct monthly training and continuing education to maintain proficiency in Technical Rescue Team, Swift Water Rescue, Hazardous Materials, Company Officer and Driver/Operator Skills.
7. Incorporate the "Raving Fans" approach to customer service into daily operations.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Calls for service (excludes EMS calls):			
Fire calls and other emergencies	1,093	1,150	1,225
Public service calls	311	310	300

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Fire Operations

ACCOUNT:
100-350-40

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 4,883,489	\$ 5,164,435	\$ 5,099,430	\$ 5,186,605
Operations & maintenance	419,079	474,750	496,510	505,905
Services & other	116,670	170,440	150,435	172,950
SUBTOTAL	5,419,238	5,809,625	5,746,375	5,865,460
Capital outlay	–	1,454,950	1,399,900	–
TOTAL	\$ 5,419,238	\$ 7,264,575	\$ 7,146,275	\$ 5,865,460

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Battalion Chief	PSN-12F	3.0	3.0	3.0
Fire Captain	PSN-10F	9.0	9.0	9.0
Fire Equipment Driver/Engineer	PSN-2F	9.0	9.0	9.0
Firefighter/Paramedic FTP	PSN-2F	6.0	6.0	6.0
Firefighter/Paramedic	PSN-1F	25.0	25.0	25.0
TOTAL		52.0	52.0	52.0

FY2012 capital outlay includes one-time capital expenditures for the replacement of fire apparatus and concrete repairs for Fire Station #3.

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

DEPARTMENT DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. Effectively and efficiently fulfill the obligations of delivering services at the highest levels of competency, including emergency medical care/transportation to the citizens and visitors of Keller.
2. Decrease or maintain average response time from time of dispatch to on scene at five (5) minutes.
3. Implement and train on new inventory management system to track inventory and ensure response readiness of ambulances.
4. Monitor the recently adopted changes to the fee schedule to determine effectiveness.
5. Increase EMS training scenarios utilizing the Simulation Mannequin (SIM_MAN) 3G trainer.
6. Continue with validation process of new modified stroke scale for better management and outcome measurement of stroke patients.
7. 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.
8. 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.
9. Develop contingency plans to deal with anticipated and unanticipated drug shortage issues.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
EMS/Rescue calls for service	1,886	1,983	2,180
EMS total patients not transported	458	450	400
EMS total patient transports	1,391	1,477	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)	58	50	45
EMS call time (average time from dispatch to unit is available, average minutes)	81	79	75

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Medical
Services

ACCOUNT:
100-350-41

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	158,330	152,135	164,885	158,330
Services & other	204,901	283,230	269,990	292,665
SUBTOTAL	363,231	435,365	434,875	450,995
Capital outlay	92,765	117,055	105,000	70,000
TOTAL	\$ 455,996	\$ 552,420	\$ 539,875	\$ 520,995

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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Funding for emergency medical positions is included in the Fire Department/Operations division.

FY2013 highlights: capital outlay includes funding to replace automated external defibrillators (AEDs) and heart monitors.

:

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

DEPARTMENT/DIVISION DESCRIPTION:

The Emergency Management Division (EM) provides planning, preparedness, response and recovery services to the City of Keller in addition to the coordination of the Keller Consolidated Emergency Operations Plan, an all-hazards approach to meet daily natural and man-made disaster threats. The dynamic nature of natural and man-made disasters requires communities to be well versed on Federal Emergency Management Agency (FEMA) requirements and programs to assist local communities. The Keller Emergency Management Division fulfills a statutory requirement of local government that designates the Mayor as the Emergency Management Director and permits the Mayor to designate an Emergency Management Coordinator. The City of Keller Fire Chief is assigned this function. The Fire Chief along with all City officials work seamlessly with Tarrant County, North Central Texas Council of Governments, as well as State and Federal agencies to facilitate stellar intergovernmental relationships that have proven worthwhile in times of disaster. As a public service the EM Division in conjunction with Keller fire fighters and the City of Fort Worth Environmental Services Department conduct bi-annual household hazardous waste collection events each year. These events are proactive "Green Initiatives" that keep toxic waste out of the environment and make homes safer.

DEPARTMENT/DIVISION GOALS:

1. Work to enhance the value of the Community Emergency Response Team (CERT) to the community by greater involvement and publicity.
2. Provide Incident Command System (ICS) training and continue to track compliance with the National Incident Management System (NIMS) training requirements.
3. Update Emergency Management Policies and Procedures as necessary.
4. Conduct annual fire safety/fire extinguisher/severe weather training to all City of Keller employees.
5. Update outdoor warning siren activation system to comply with FCC narrow-banding.
6. Hold at least one table-top and one Emergency Operation Center exercise per year.
7. Develop a fire prevention/severe weather information program to insert with City water bills.
8. Seek additional Emergency Management Institute (EMI) training for the Emergency Management Coordinator to facilitate better involvement in the program.
9. Install an additional outdoor warning siren in the northwest area of the city.
10. Provide exciting training opportunities and events to maintain interest in CERT.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Household hazardous waste collection events	2	2	2
Keller household hazardous waste program participants (Fort Worth Environmental Collection Center)	857	895	950

FUND:
General

DEPARTMENT:
Fire Department

DIVISION:
Emergency Management

ACCOUNT:
100-350-42

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

	<u>2010-2011</u> <u>ACTUAL</u>	<u>2011-2012</u> <u>BUDGET</u>	<u>2011-2012</u> <u>ESTIMATE</u>	<u>2012-2013</u> <u>BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	4,103	15,700	15,700	68,200
Services & other	43,468	47,665	44,470	52,520
SUBTOTAL	47,571	63,365	60,170	120,720
Capital outlay	-	-	-	-
TOTAL	\$ 47,571	\$ 63,365	\$ 60,170	\$ 120,720

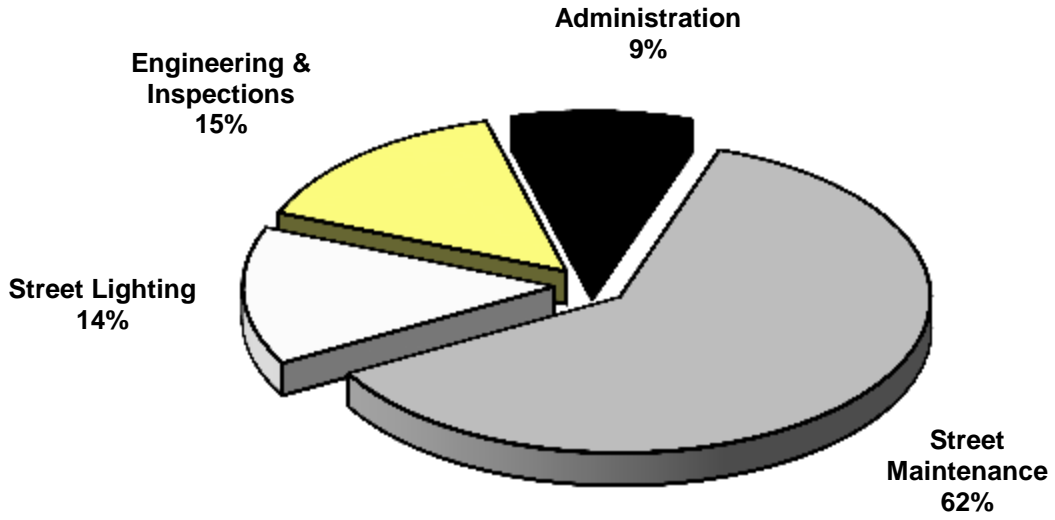
FY2013 highlights: operations & maintenance includes \$48,500 to install an additional outdoor warning siren in the North Keller area.

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

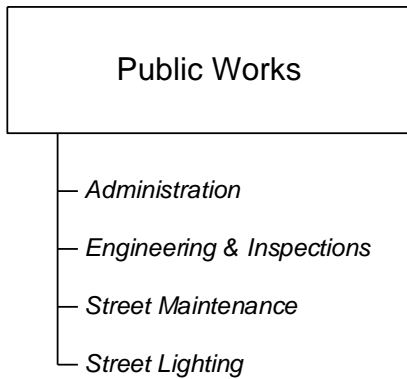
<u>POSITION TITLE</u>	<u>PAY</u> <u>CLASS</u>	<u>2010-2011</u> <u>ACTUAL</u>	<u>2011-2012</u> <u>ESTIMATE</u>	<u>2012-2013</u> <u>BUDGET</u>
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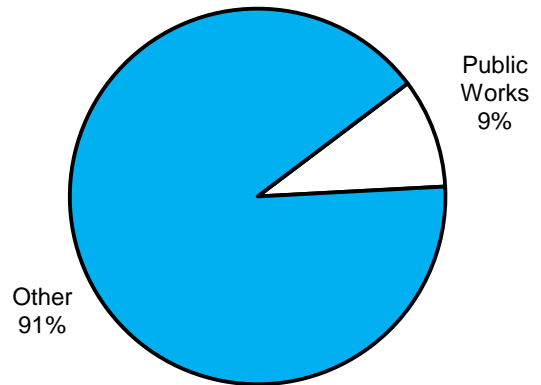
Public Works



Department total: \$2,979,125

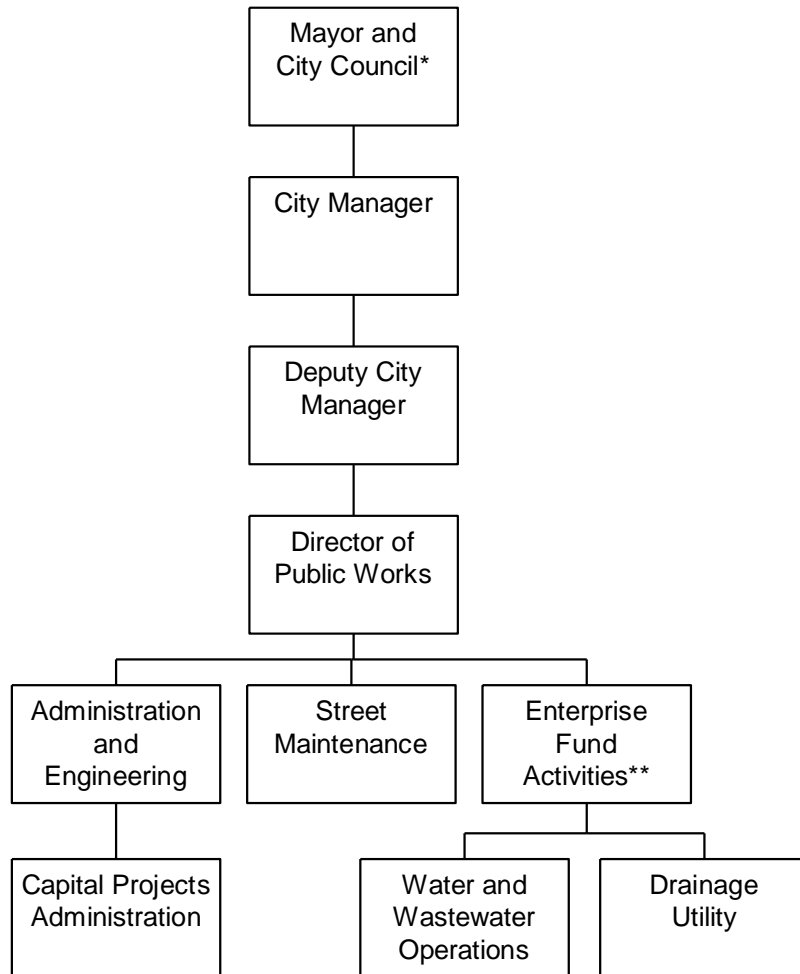


General Fund Expenditures



CITY OF KELLER, TEXAS ORGANIZATION CHART

PUBLIC WORKS



* – Denotes elected positions.

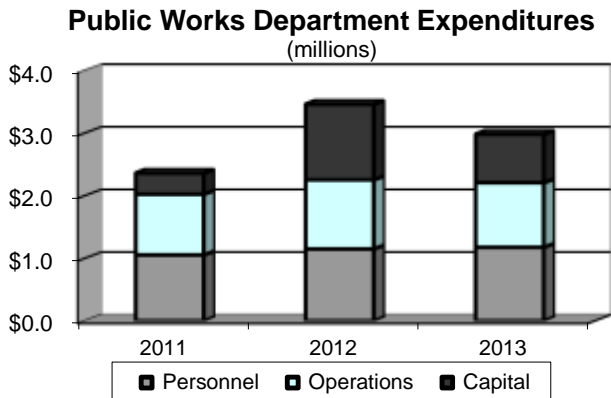
** – Enterprise fund activities are presented in the Water & Wastewater and Drainage Utility Funds.

**PUBLIC WORKS
DEPARTMENT SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,053,779	\$ 1,154,230	\$ 1,149,290	\$ 1,175,405
Operations & maintenance	337,215	324,855	326,105	307,460
Services & other	632,202	783,125	777,735	723,260
SUBTOTAL	2,023,196	2,262,210	2,253,130	2,206,125
Capital outlay	335,120	1,207,085	1,205,060	773,000
TOTAL	\$ 2,358,316	\$ 3,469,295	\$ 3,458,190	\$ 2,979,125
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 264,712	\$ 342,280	\$ 343,125	\$ 278,810
Engineering & Inspections	341,562	469,370	470,270	436,515
Street Maintenance	1,336,192	2,230,370	2,217,520	1,836,525
Street Lighting	415,850	427,275	427,275	427,275
TOTAL	\$ 2,358,316	\$ 3,469,295	\$ 3,458,190	\$ 2,979,125

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	2.00	2.00	2.13
Engineering & Inspections	3.50	3.50	3.00
Street Maintenance	8.83	8.83	9.60
TOTAL	14.33	14.33	14.73



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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 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	10	12	12

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Administration

ACCOUNT:
100-500-01

**PUBLIC WORKS ADMINISTRATION
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 236,328	\$ 244,225	\$ 245,460	\$ 261,930
Operations & maintenance	1,370	4,670	4,170	2,770
Services & other	27,014	93,385	93,495	14,110
SUBTOTAL	264,712	342,280	343,125	278,810
Capital outlay	-	-	-	-
TOTAL	\$ 264,712	\$ 342,280	\$ 343,125	\$ 278,810

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Director of Public Works	M-3	1.00	1.00	1.00
Storm Water Engineer	PE-11	-	-	0.13
Administrative Secretary	A/TN-8	1.00	1.00	1.00
TOTAL		2.00	2.00	2.13

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Engineering & Inspections

ACCOUNT:
100-500-50

DEPARTMENT/DIVISION DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
In-house public works construction projects designed	8	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	100	120	140
Paving and utility inspections conducted for residential, commercial and capital improvement projects	5,860	7,000	7,500
Residential inspections conducted	2,080	2,200	2,400
Customer service requests completed	3,800	3,000	3,200

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Engineering & Inspections

ACCOUNT:
100-500-50

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 307,972	\$ 334,685	\$ 336,710	\$ 326,280
Operations & maintenance	4,996	7,260	7,260	9,060
Services & other	28,594	102,425	102,425	101,175
SUBTOTAL	341,562	444,370	446,395	436,515
Capital outlay	-	25,000	23,875	-
TOTAL	\$ 341,562	\$ 469,370	\$ 470,270	\$ 436,515

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
City Engineer	M-2	1.00	1.00	1.00
Engineering Technician	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	0.50	-
TOTAL		3.50	3.50	3.00

FUND:
General

DEPARTMENT:
Public Works

DIVISION:
Street Maintenance

ACCOUNT:
100-500-51

DEPARTMENT/DIVISION DESCRIPTION:

The Street Maintenance Division of the Public Works Department is responsible for providing a safe street and sidewalk transportation system for motorists and pedestrians in the City of Keller. To achieve this responsibility, the division maintains the transportation system through the installation and maintenance of guardrails, barricades, street signs, traffic signals, routine street maintenance, pothole patching, curb and gutter maintenance, asphalt overlay, street striping, maintenance of all dedicated street easements, and right-of-way mowing and maintenance.

DEPARTMENT/DIVISION GOALS:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Lane miles of paved streets to be maintained	462	470	477
Tons of hot-mix asphalt used for major street repairs*	9,134	11,600	12,000
Tons of cold-mix asphalt used for street potholes	15	20	25
Linear feet of sidewalks repaired	2,417	2,400	2,400
Street signs repaired/replaced	866	1,000	1,000
Sidewalks repaired/replaced in-house (linear feet)	828	1,000	1,000
Miles of street striping completed	16	16	16
Acres of right-of-way & channels mowed	78	84	84
Miles of street sweeping completed	1,874	1,900	1,900
Lane miles of streets crack-sealed	11.7	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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 509,479	\$ 575,320	\$ 567,120	\$ 587,195
Operations & maintenance	330,849	312,925	314,675	295,630
Services & other	160,744	160,040	154,540	180,700
SUBTOTAL	1,001,072	1,048,285	1,036,335	1,063,525
Capital outlay	335,120	1,182,085	1,181,185	773,000
TOTAL	\$ 1,336,192	\$ 2,230,370	\$ 2,217,520	\$ 1,836,525

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Street/Drainage Superintendent	M-1	0.50	0.50	0.50
Street/Drainage Foreman	TN-10	-	-	1.00
Street/Drainage Foreman	TN-8	1.00	1.00	-
Street Crewleader	TN-7	-	-	2.00
Street Crewleader	TN-6	2.00	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
TOTAL		8.83	8.83	9.60

FY2013 highlights: capital outlay includes \$758,000 for street reconstruction and \$15,000 to acquire an electronic message sign.

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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Number of street lights maintained*	2,395	2,487	2,505

* Number of street lights maintained based on estimates provided by TXU Energy 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

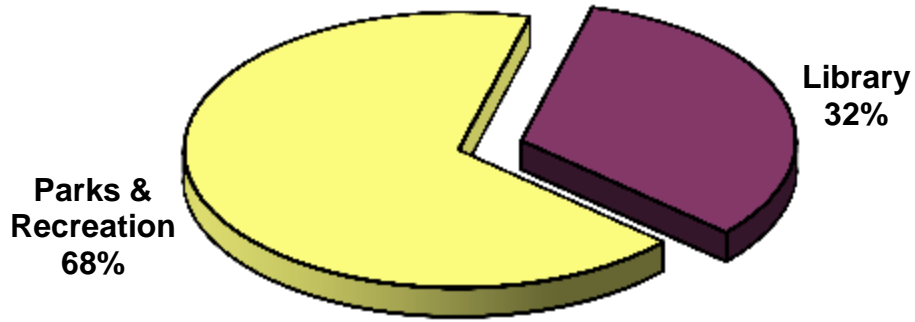
**PUBLIC WORKS / STREET LIGHTING
DIVISION/ACTIVITY SUMMARY**

	<u>2010-2011 ACTUAL</u>	<u>2011-2012 BUDGET</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 BUDGET</u>
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	415,850	427,275	427,275	427,275
SUBTOTAL	415,850	427,275	427,275	427,275
Capital outlay	-	-	-	-
TOTAL	\$ 415,850	\$ 427,275	\$ 427,275	\$ 427,275

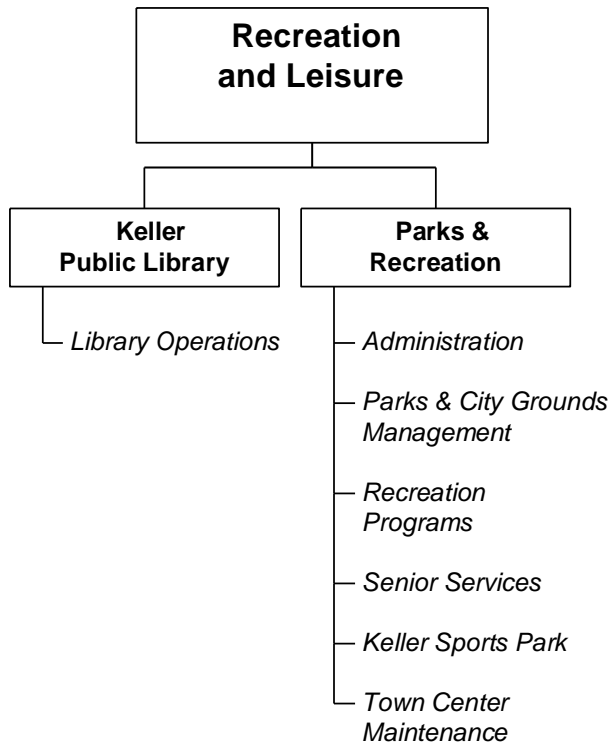
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

<u>POSITION TITLE</u>	<u>PAY CLASS</u>	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 BUDGET</u>
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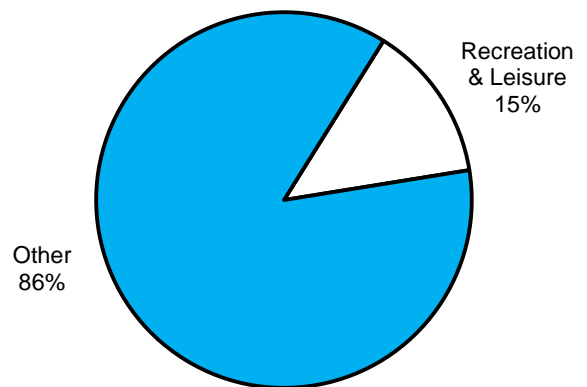
Recreation & Leisure



Department total: \$4,282,470

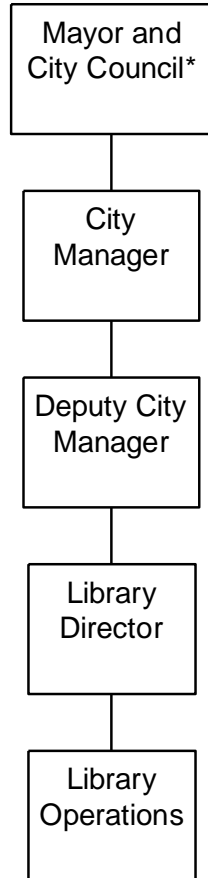


General Fund Expenditures



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. Protect the community's investment in facilities.
5. Create a stable and sustainable economic model of providing the community with free and equal access of information.

Objectives:

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

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Visits to Library	208,496	216,500	232,000
Number of checkouts	490,789	535,165	579,500
New items added	12,240	14,600	16,005
Library program participants	15,734	17,400	19,000
 <u>PERFORMANCE MEASURES</u>			
Checkouts per FTE employees as a measure of workload (Texas average of 15,031 checkouts per FTE)	30,674	37,448	36,219
Library visits per capita (Texas average 3.32)	5.21	5.41	5.80
Library checkouts per capita (Texas average 4.91)	12.27	13.38	14.49

FUND:
General

DEPARTMENT:
Keller Public Library

DIVISION:
Administration

ACCOUNT:
100-600-01

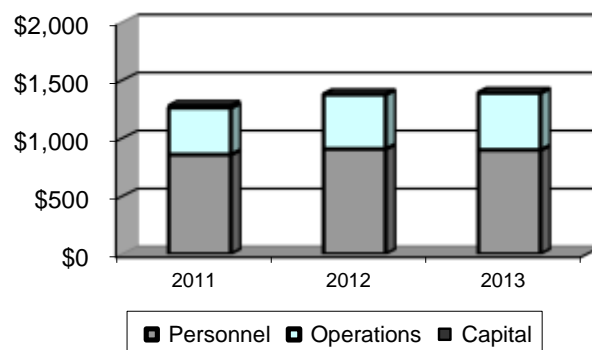
**KELLER PUBLIC LIBRARY
DEPARTMENT SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 858,183	\$ 922,725	\$ 906,960	\$ 898,035
Operations & maintenance	172,523	175,835	172,430	189,405
Services & other	231,316	296,860	297,015	302,315
SUBTOTAL	1,262,022	1,395,420	1,376,405	1,389,755
Capital outlay	24,565	-	-	-
TOTAL	\$ 1,286,587	\$ 1,395,420	\$ 1,376,405	\$ 1,389,755

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

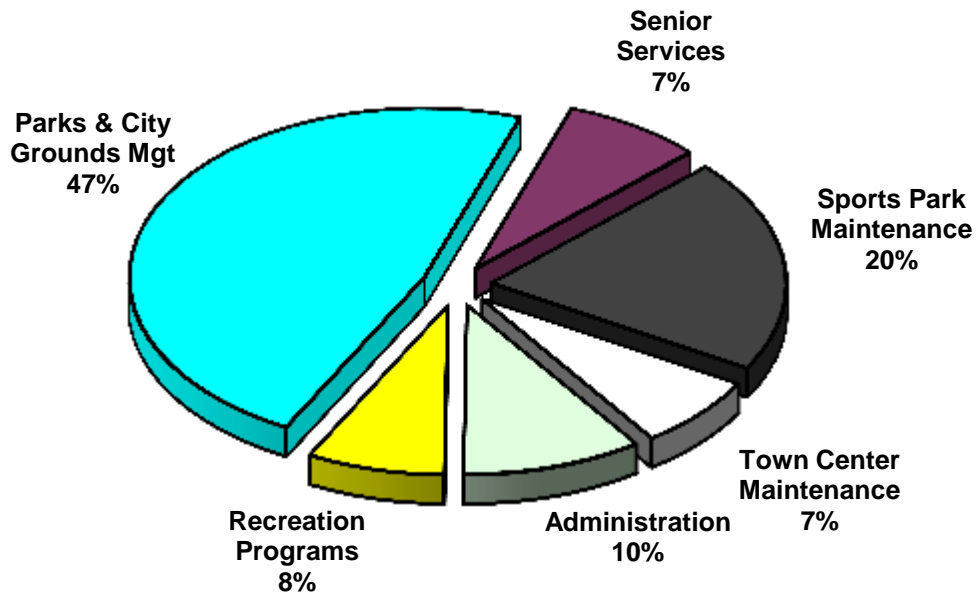
POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Library Director	M-3	1.00	1.00	1.00
Library Services Manager	PE-8	-	-	1.00
Public Services Manager	PE-5	1.00	1.00	-
Librarian (Exempt)	PE-3	3.00	3.00	3.00
Librarian (Non-Exempt)	A/TN-9	-	-	0.48
Circulation Supervisor	A/TN-6	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	1.00	-
Library Clerk	A/TN-3	7.28	7.28	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

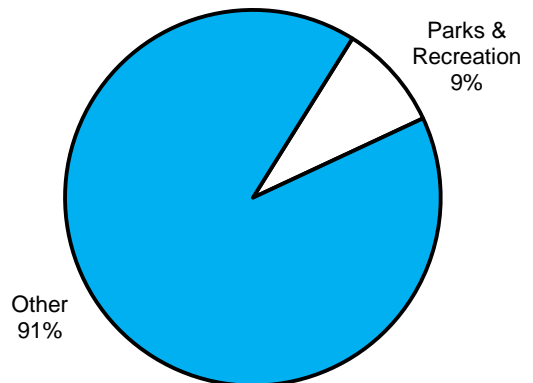


Department total: \$2,892,715

**General Fund
Parks & Recreation**

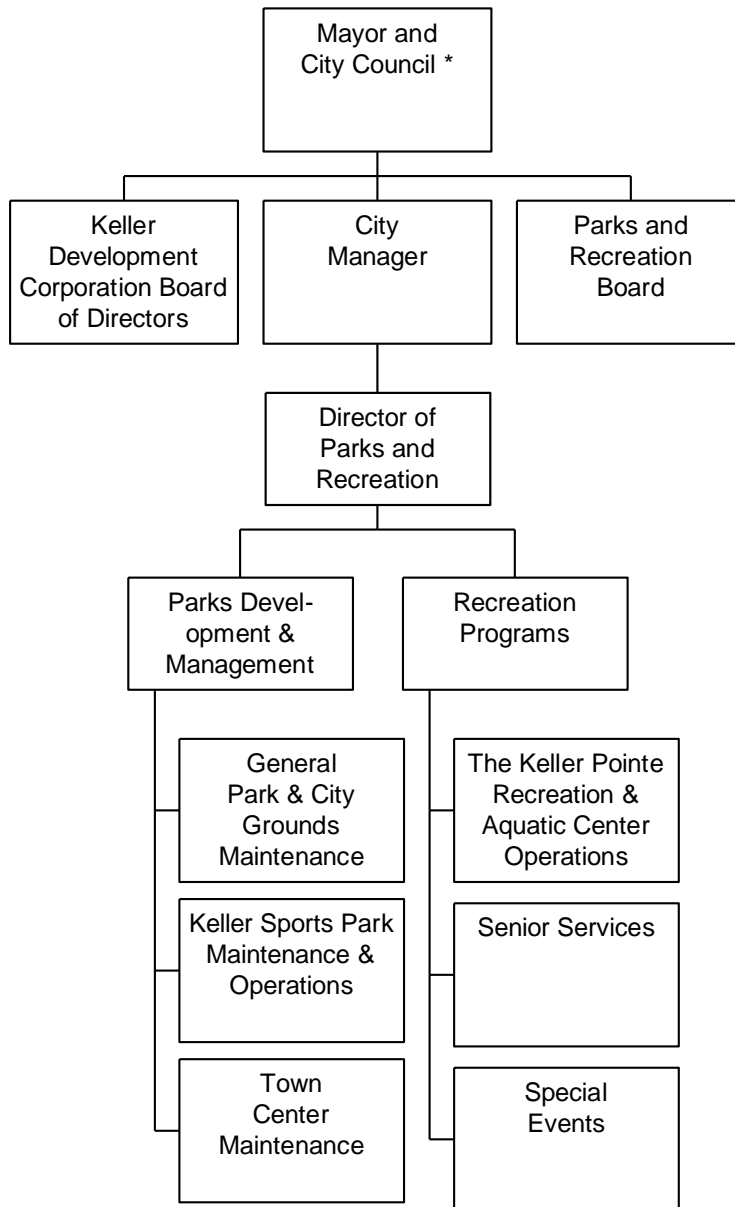
- Administration
- Parks & City Grounds Management
- Recreation Programs
- Senior Services
- Sports Park Maintenance
- Town Center Maintenance

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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 1,487,365	\$ 1,597,785	\$ 1,549,310	\$ 1,715,825
Operations & maintenance	272,881	315,670	307,345	342,785
Services & other	652,783	885,060	811,545	834,105
SUBTOTAL	2,413,029	2,798,515	2,668,200	2,892,715
Capital outlay	39,313	150,560	148,365	-
TOTAL	\$ 2,452,342	\$ 2,949,075	\$ 2,816,565	\$ 2,892,715

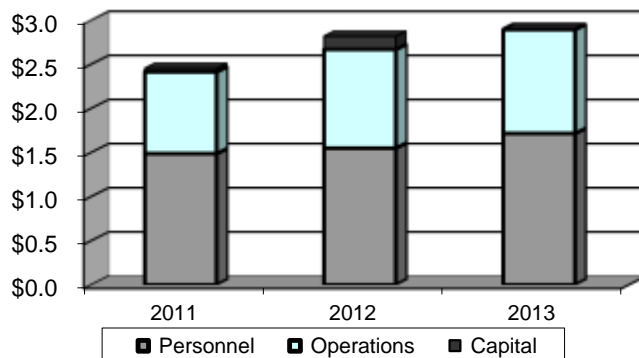
<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 273,707	\$ 292,960	\$ 284,490	\$ 286,510
Parks & City Grounds Management	1,097,472	1,484,735	1,391,650	1,375,165
Recreation Programs	213,447	217,300	206,480	218,660
Senior Services	176,475	201,235	199,925	221,835
Sports Park Maintenance	498,742	520,280	515,115	589,745
Town Center Maintenance	192,499	232,565	218,905	200,800
TOTAL	\$ 2,452,342	\$ 2,949,075	\$ 2,816,565	\$ 2,892,715

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	3.00	3.00	3.00
Parks & City Grounds Management	12.54	12.54	13.19
Recreation Programs	2.00	2.00	2.00
Senior Services	2.50	2.50	2.50
Sports Park Maintenance	5.00	5.00	6.39
Town Center Maintenance	-	-	0.35
TOTAL	25.04	25.04	27.43

Parks & Recreation Expenditures (millions)



FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Administration

ACCOUNT:
100-630-01

DEPARTMENT/DIVISION DESCRIPTION:

The mission of the Parks & Recreation Department is to enrich our community through people, parks and programs. The Administration Division provides direction and administrative oversight for all parks and city grounds management, recreation programs and special events, Senior Center operations, The Keller Pointe, Keller Town Center maintenance, park capital improvements and development, and grant programs.

The Administration Division serves as liaison to the Parks and Recreation Board, Keller Development Corporation, City Council and special committees and task forces.

DEPARTMENT/DIVISION GOALS:

1. Create parks, trails and natural areas in accordance with the individual master plans where quality of life is protected and areas are carefully planned to provide children a safe place to play, healthy lifestyles are encouraged and economic development is fostered.
2. Protect natural areas for future generations through the acquisition of park land in accordance with the Parks and Open Space Master Plan.
3. Analyze and prioritize citizens' needs, ideas and feedback related to parks and recreation by coordinating citizen boards including the Parks and Recreation Board, Keller Development Corporation and special committees and task forces.
4. Strive to meet needs related to parks and recreation of both current and potential residents and businesses through proper implementation of the Park Dedication Ordinance.
5. Cultivate partnerships with civic groups, private businesses, foundations and neighboring cities that align with our core values to expand our resources and abilities to offer services that make the community more attractive to current and potential residents and businesses.
6. Acquire and administer grants for parks and facilities with priorities of land acquisition; expansion of the trail system, Senior Activities Center, Keller Sports Park; and a tennis facility as identified in the 2007 Parks, Recreation and Open Space Master Plan.
7. Provide recreational and event locations for individuals to gather, celebrate, practice and compete through the management of a park and facility reservation system.
8. Ensure sustainability of The Keller Pointe through management of a self-sufficient enterprise fund to continue to prevent any subsidization from the general fund.
9. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guests' expectations.
10. Enhance communication to the public regarding parks and recreation operations through social, electronic and print media.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Board/committee meetings organized	47	39	40
Facility reservations processed	877	900	975
 <u>PERFORMANCE INDICATORS</u>			
Per capita annual investment in parks and recreation operations	\$55.04	\$64.09	\$61.09
Park development fees	\$38,000	\$35,000	\$30,000
The Keller Pointe annual operating surplus (deficit)	\$149,203	(\$72,155)	*(275,040)

*Includes utilization of \$300,000 for installation of a sprayground at The Keller Pointe.

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Administration

ACCOUNT:
100-630-01

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 261,099	\$ 271,420	\$ 265,620	\$ 266,140
Operations & maintenance	1,621	2,850	2,850	2,950
Services & other	10,987	18,690	16,020	17,420
SUBTOTAL	273,707	292,960	284,490	286,510
Capital outlay	-	-	-	-
TOTAL	\$ 273,707	\$ 292,960	\$ 284,490	\$ 286,510

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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 landscaped right-of-ways. (Please note: Street medians and right-of-ways that only include grass are maintained by the Public Works Department.) This division is also responsible for the construction of small park projects. Finally, the division assists the Recreation Division with the implementation of 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 Fire Administration, 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		
	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 PROJECTED
Total park acreage (including undeveloped land)	456	456	456
Total developed park acreage maintained by City	190.63	190.63	190.63
• Bear Creek Park acreage maintained	44	44	44
• Big Bear Creek Greenbelt acreage maintained	27	27	27
• Keller Sports Park acreage maintained	110	110	110
• Chase Oaks Activity Node acreage maintained	5	5	5
• Willis Cove open space acreage maintained	4	4	4
• Eastern Trail section acreage maintained	0.25	0.25	0.25
• Veterans Memorial Park	0.38	0.38	0.38
Total miles of hike/bike trails maintained	17.23	17.91	18
Contracted developed park acreage maintained	85	85	85
Contracted park areas include Johnson Road Park (15 ac); Meandering Trail (6.94ac); Bursley Ranch Park (1.3 ac); The Parks at Town Center (23 ac); Milestone Park (10 ac); Keller Sports Park (20 ac); Overton Ridge Park (7.88 ac)			
Undeveloped park land/open space maintained	180	180	180
The Parks at Town Center (86.73 ac); Northeast Park Property (43 ac); Cherry Grove Park (5.37 ac); Keller Sports Park (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	8,039
<u>PERFORMANCE INDICATORS</u>			
Total developed park acreage per 1,000 residents	6.9	6.9	6.8
* Parks investment per developed acre	\$6,070	\$6,578	\$6,491
* Parks investment per resident	\$22.37	\$24.06	\$23.44
* Developed park acres per full-time maintenance staff	16.23	16.23	14.60

* - 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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 699,945	\$ 738,730	\$ 712,750	\$ 759,245
Operations & maintenance	118,526	158,455	155,475	166,705
Services & other	268,899	496,580	434,500	449,215
SUBTOTAL	1,087,370	1,393,765	1,302,725	1,375,165
Capital outlay	10,102	90,970	88,925	-
TOTAL	\$ 1,097,472	\$ 1,484,735	\$ 1,391,650	\$ 1,375,165

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Park Superintendent	M-1	1.00	1.00	1.00
Park Foreman	TN-10	-	-	1.00
Park Foreman	TN-8	1.00	1.00	-
Park/Landscape Crewleader	TN-7	-	-	2.00
Park/Landscape Crewleader	TN-6	2.00	2.00	-
Irrigation Technician	TN-5	-	-	0.65
Parks/Landscape Maintenance Worker	TN-2	7.00	7.00	7.00
Building Maintenance Technician I	TN-1	1.00	1.00	1.00
Parks Maintenance Worker (seasonal)	NA	0.54	0.54	0.54
TOTAL		12.54	12.54	13.19

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 Services 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 30% 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 70% 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 interest.
2. Inspire environmental stewardship and healthy lifestyles through the management of Keller Proud and Texas Amateur Athletic Federation Programs.
3. Ensure sustainability of citywide special events through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - b. Maintaining and promoting an active and rewarding volunteer program.
 - c. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services.
4. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guest expectations.
5. Enhance communication regarding recreational programs, events and facilities through social, electronic and print media.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Special events provided annually	26	26	27
Special events participants	363	375	385
Number of partnerships developed	261	224	251
Recreation leagues provided	8	8	8
Special events guests	36,014	31,500	33,000
Program volunteer hours	1,096	1,150	1,200
Partnership dollars generated	\$63,125	\$23,000	\$25,000
Recreation league participants	183	180	180

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Recreation Programs

ACCOUNT:
100-630-61

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 160,886	\$ 171,260	\$ 161,580	\$ 172,300
Operations & maintenance	5,245	9,630	8,540	9,320
Services & other	32,080	36,410	36,360	37,040
SUBTOTAL	198,211	217,300	206,480	218,660
Capital outlay	15,236	-	-	-
TOTAL	\$ 213,447	\$ 217,300	\$ 206,480	\$ 218,660

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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 is responsible for the programming and maintenance of the Senior Activities Center (SAC) and off-site trips and activities. The SAC is used for senior activities, events, and programs. Senior meals are provided five days a week through a contractual agreement with Senior Citizen Services of Greater Tarrant County. Off-site trips are also provided both within the Metroplex and out-of-state.

DEPARTMENT/DIVISION GOALS:

1. Promote healthy lifestyles of senior adults through the provision of a professionally managed senior activities center.
2. Enrich the lives of senior adults by creating and offering quality economical recreational programs, activities, events and trips.
3. Ensure sustainability of senior adult activities and programs through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - b. Maintaining and promoting an active and rewarding volunteer program.
 - c. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services.
 - d. Maintaining a program pricing structure for special interest activities.
4. Create an inviting atmosphere and a loyal participant base with quality customer care that exceeds expectations of guests.
5. Enhancing communication to the public regarding recreational programs, events and facilities through social, electronic and print media.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Annual Senior Services programs provided	975	980	985
Number of special events offered	141	150	156
Number of trips offered	29	40	42
Community outreach initiatives	160	165	170
Annual Senior Services program attendance	13,392	14,000	14,600
Special event participants	2,600	2,800	2,900
Trip participants	907	900	920
 <u>PERFORMANCE INDICATORS</u>			
Average regular (daily) Senior Center attendance	53	56	60

FUND:
General

DEPARTMENT:
Parks & Recreation

DIVISION:
Senior Services

ACCOUNT:
100-630-62

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 134,842	\$ 154,305	\$ 152,960	\$ 165,555
Operations & maintenance	13,326	13,580	14,325	15,180
Services & other	28,307	33,350	32,640	41,100
SUBTOTAL	176,475	201,235	199,925	221,835
Capital outlay	-	-	-	-
TOTAL	\$ 176,475	\$ 201,235	\$ 199,925	\$ 221,835

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Senior Center Supervisor	PE-6	1.0	1.0	1.0
Recreation Specialist	A/TN-9	1.0	1.0	1.5
Office Assistant	RCS-2	0.5	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 the property which is the location for three youth baseball fields on the south end of the park operated and maintained by the Keller Youth Association.

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

DEPARTMENT/DIVISION GOALS:

1. 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.

(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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Total Sports Park acreage	148	148	148
Total Sports Park acreage maintained by City	110	110	110
Total Sports Park acreage maintained privately	20	20	20
Total Sports Park acreage undeveloped	18	18	18
Total facility square footage maintained	13,277	13,277	13,277
 <u>PERFORMANCE INDICATORS</u>			
*Sports Park operating & maintenance cost per acre	\$6,480	\$6,716	\$7,067
*Sports Park operating & maintenance cost per capita	\$17.98	\$18.51	\$19.23
*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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 230,593	\$ 262,070	\$ 256,400	\$ 334,160
Operations & maintenance	108,188	107,855	102,855	123,830
Services & other	145,986	120,765	126,420	131,755
SUBTOTAL	484,767	490,690	485,675	589,745
Capital outlay	13,975	29,590	29,440	-
TOTAL	\$ 498,742	\$ 520,280	\$ 515,115	\$ 589,745

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Parks/Landscape Crewleader	TN-7	-	-	0.50
Parks/Landscape Maintenance Worker	TN-2	5.00	5.00	5.50
Parks/Landscape Maint Worker (Seasonal)	NA	-	-	0.39
TOTAL		5.00	5.00	6.39

FY2013 positions include the transfer of 1.39 FTE's 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 Owners Association through management of the collection of pro rata fees from the property owners per the Keller Town Center Property Owners Association Developer's Agreement.
4. Promote tourism, showcase Town Center businesses and property owners and provide citizens an economical means of recreation through the financial support of the City of Keller special activities/events hosted in Keller Town Center.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Association fee revenue	\$77,484	\$78,500	\$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

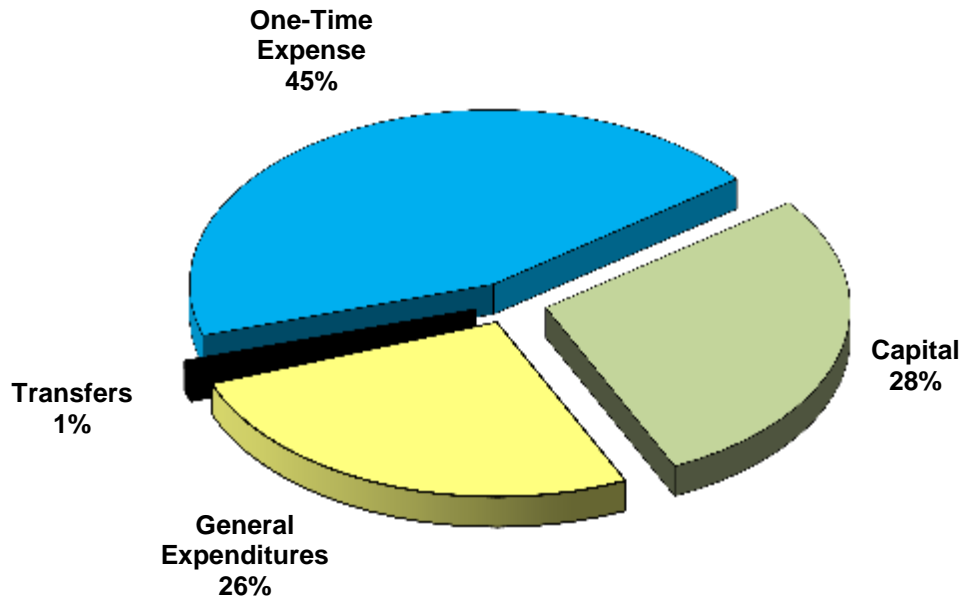
**PARKS & RECREATION / TOWN CENTER MAINTENANCE
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ 18,425
Operations & maintenance	25,975	23,300	23,300	24,800
Services & other	166,524	179,265	165,605	157,575
SUBTOTAL	192,499	202,565	188,905	200,800
Capital outlay	-	30,000	30,000	-
TOTAL	\$ 192,499	\$ 232,565	\$ 218,905	\$ 200,800

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Irrigation Technician	TN-5	-	-	0.35
TOTAL		-	-	0.35

General Fund Non-Departmental

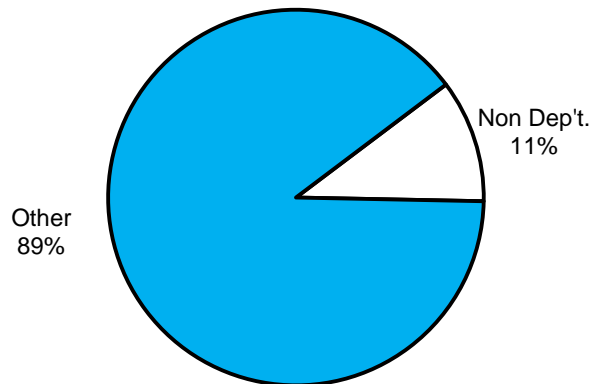


Department total: \$3,343,565

General Fund Non Departmental

- *General Operations*
- *Interfund Transfers*

General Fund Expenditures



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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ 286,770
Operations & maintenance	2,257	12,000	12,000	12,000
Services & other	664,041	715,910	665,045	2,063,360
Transfers to other funds	390,930	137,500	137,500	33,625
SUBTOTAL	1,057,228	865,410	814,545	2,395,755
Capital outlay	-	845,000	765,000	947,810
TOTAL	\$ 1,057,228	\$ 1,710,410	\$ 1,579,545	\$ 3,343,565

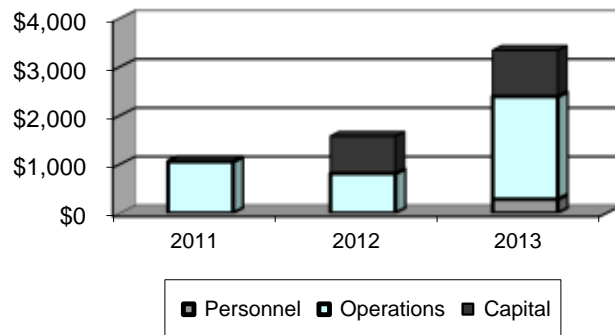
<u>EXPENDITURES BY DIVISION:</u>				
Transfers to other funds	\$ 390,930	\$ 137,500	\$ 137,500	\$ 33,625
Non-Departmental	666,298	1,572,910	1,442,045	3,309,940
TOTAL	\$ 1,057,228	\$ 1,710,410	\$ 1,579,545	\$ 3,343,565

FY2013 highlights: personnel services include funds for one-time employee stipends; services and other includes \$1.2 million for economic development initiatives; capital outlay provides funds for the upgrade/replacement of the City's radio/communications system (Phase II).

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
------------------------------	-----------------------------	-------------------------------	-----------------------------

Non-Departmental Expenditures (000's)





WATER & WASTEWATER FUND

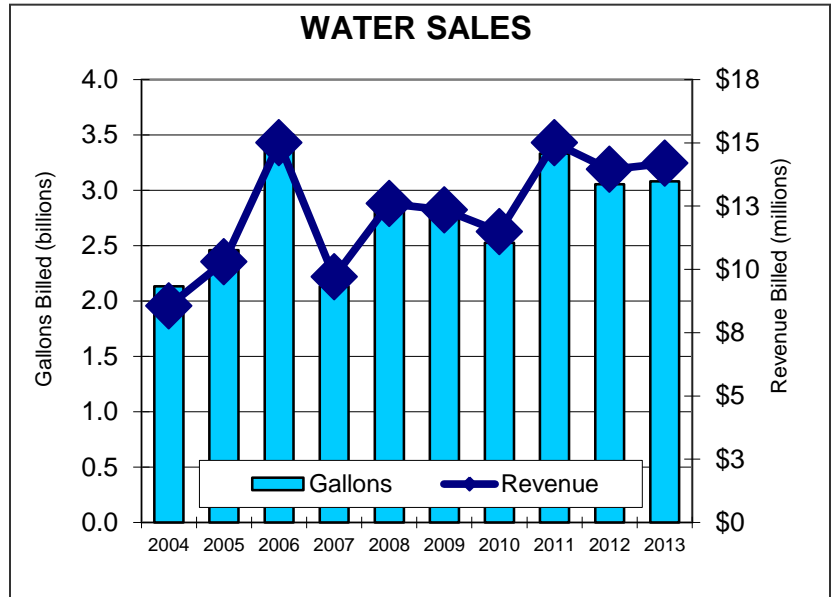
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WATER AND WASTEWATER FUND REVENUES

Water revenues comprise \$14.18 million, or 70.3% of total revenues of the fund, while wastewater (sewer) charges comprise \$5.4 million, or 26.8% of total revenues. Water and sewer charges combined comprise \$17.88 million or 97.5% of the revenues of the fund. The remaining resources are derived primarily from user fees and interest.

Revenue Projections and Analysis

Water revenues are primarily dependent upon the amount of rainfall received during the year and as a result are generally more volatile than General Fund revenues. FY2011 actual water usage billed to customers increased 32% from FY2010, primarily because of a corresponding decrease in rainfall in 2011, during the summer months. Based on current YTD usage through June 2012, the water consumption is anticipated to decrease to 3.05 billion gallons in FY2012, compared to 3.33 billion gallons in FY2011. 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 FY2013, a conservative (normalized) customer average water usage, with reasonable customer growth estimates, is being used to determine the budget amounts. Therefore, if normal rainfall amounts are received during the year, revenues will not be adversely impacted.

As the accompanying chart above indicates, total water sales in gallons as well as revenues peaked in FY2006, and with the exception of FY2008 and FY2010, have gradually increased. In general, these increases have been driven both by growth in customers 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 FY2013, average monthly water customers are projected to increase to 14,651 customers from 14,417 in FY2012. Average monthly wastewater customers are projected to increase to 12,009 for FY2013, compared to a monthly average of 11,767 for FY2012.

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 FY2013, wholesale water purchases are projected to be \$6,450,000, or 30.5% of total expenditures of the fund, compared to \$6,640,000, or 32.2% of total expenditures for FY2012. This represents a decrease of \$190,000, or 2.9%. The decrease is because FY2013 estimates are based on a slight decrease in customer usage. Wholesale water purchases are anticipated to be 2.99 billion gallons in FY2013 and 2.979 billion gallons in FY2012.

The average customer usage based on wholesale water purchased (including both residential and non-residential customers) is 17,518 gallons per month for FY2013 compared to 17,650 gallons per month for FY2012, a decrease of 7.5%. Average customer usage for FY2011 was 19,850 per month. The usage for FY2013 is based on estimates derived from anticipating normal rainfall during the year.

Operations, maintenance and services expenditures comprise 18.8% of the Fund's budget for FY2013 compared to 17.4% for FY2012. These expenditures include purchases of pipe, vehicle and equipment maintenance, water meters, pipe fittings, as well as maintenance of service mains and pumps. In addition, electrical costs for pump operations are also included in this category.

Personnel services (salaries and benefits) comprise the next significant expenditure, approximately 13.6% of total expenditures of the Fund. Total full-time equivalents are 39.8 FTEs, a decrease of 0.37 FTE's (0.9%) from FY2012. Personnel detail by position is included with each individual department/division budget presentation on the following pages.

Debt service costs comprise 12.5% of the Fund's budget and are committed for the retirement of long-term debt. Long-term debt is used to finance improvements and/or expansions to the City's water and wastewater system.

Wastewater treatment and collection services, including contracted services provided by the Trinity River Authority (TRA) comprise approximately 11.4% of the Fund's budget. The City maintains a wastewater collection crew that provides maintenance and installation of wastewater collector mains that flow into the City's main collector lines and eventually to TRA's Central Regional Treatment Plant 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.

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 FY2013 are \$556,825, and represent 2.6% of the Fund's budget and a decrease of \$266,165 from FY2012.

FUND BALANCE RESERVES

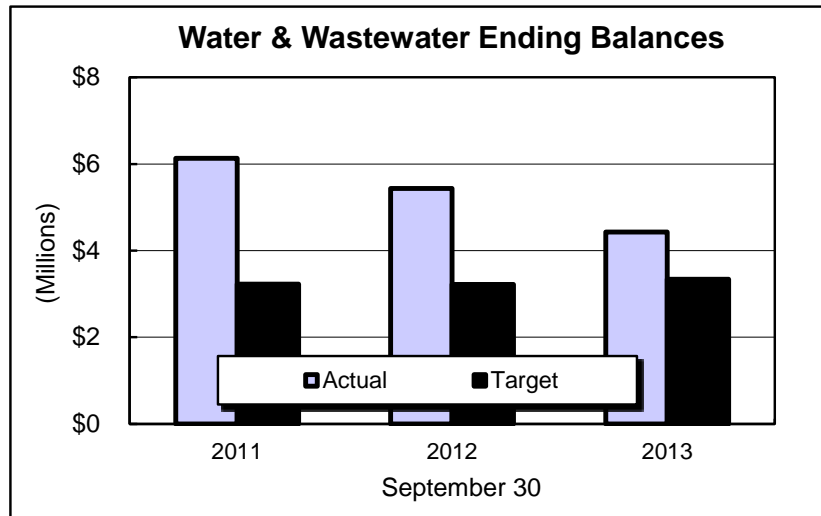
Net expenditures in excess of revenues for FY2013 are \$1,002,735. However, the projected beginning fund balance for FY2013 exceeds the targeted beginning fund balance by approximately 41 days of operations. The total projected ending fund balance (working capital) at September 30, 2013 is \$5,178,586, of which \$750,000 is designated for a rate stabilization reserve. The purpose of the rate stabilization reserve is to provide funds for variations in weather conditions, specifically years having above-average rainfall (wet year) or below-average rainfall (dry year).

The undesignated ending fund balance is \$4,428,586, representing an operating reserve of 79.6 days, compared to the City's current target of 60 days.

WATER AND WASTEWATER FUND

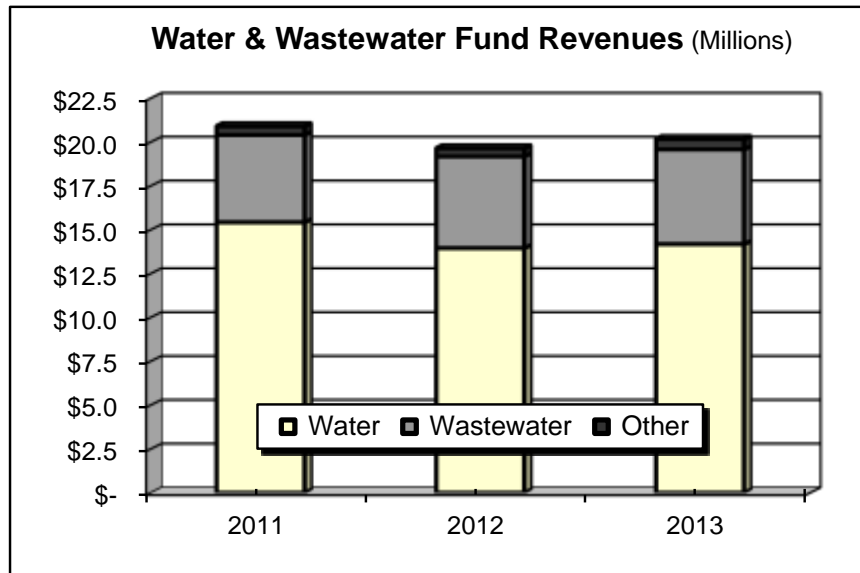
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 6,746,215	\$ 6,172,739	\$ 7,133,391	\$ 6,181,321
Revenues and transfers	20,898,842	18,331,575	19,641,825	20,168,460
TOTAL FUNDS AVAILABLE	27,645,057	24,504,314	26,775,216	26,349,781
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	20,511,666	19,416,710	20,593,895	21,171,195
<u>ENDING FUND BALANCE:</u>				
Total fund balance	7,133,391	5,087,604	6,181,321	5,178,586
Rate stabilization reserve	1,000,000	1,000,000	750,000	750,000
Unreserved fund balance	6,133,391	4,087,604	5,431,321	4,428,586
FUND TOTAL	\$ 27,645,057	\$ 24,504,314	\$ 26,775,216	\$ 26,349,781
Excess revenues (expenditures)	387,176	(1,085,135)	(952,070)	(1,002,735)
Unreserved ending fund balance:				
Percent of operating expenditures ⁽¹⁾	31.7%	22.5%	28.1%	22.1%
TARGET	16.7%	16.7%	16.7%	16.7%
Number of days operating expenditures	114.2	81.1	101.2	79.6
TARGET	60.0	60.0	60.0	60.0

⁽¹⁾ excluding capital outlay and interfund transfers.



**WATER AND WASTEWATER FUND
REVENUE SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
REVENUES:				
OPERATING REVENUES:				
Water sales	\$ 15,429,178	\$ 12,807,500	\$ 13,954,900	\$ 14,181,500
Wastewater sales	4,976,891	5,070,000	5,228,000	5,400,000
Subtotal	20,406,069	17,877,500	19,182,900	19,581,500
OTHER REVENUES:				
Taps and miscellaneous fees	380,110	352,500	367,350	444,850
Contributions	13,006	13,075	13,075	13,110
Interest revenue	38,046	30,000	20,000	22,500
Other revenues (expense)	61,611	58,500	58,500	106,500
Subtotal	492,773	454,075	458,925	586,960
TOTAL REVENUES	\$ 20,898,842	\$ 18,331,575	\$ 19,641,825	\$ 20,168,460



WATER AND WASTEWATER FUND

REVENUES

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>OPERATING REVENUES:</u>				
Water sales	\$ 15,429,178	\$ 12,807,500	\$ 13,954,900	\$ 14,181,500
Wastewater sales	4,976,891	5,070,000	5,228,000	5,400,000
Subtotal	20,406,069	17,877,500	19,182,900	19,581,500
<u>MISCELLANEOUS FEES:</u>				
Water taps/connect fees	70,398	70,000	70,000	77,500
Fire hydrant meter rental fees	6,025	8,000	8,000	8,000
Wastewater tap fees	6,780	7,500	7,500	7,500
Industrial waste surcharge fees	-	1,000	-	500
Sewer camera inspection fees	-	-	10,000	47,000
Meter box/lid fees	-	500	500	500
Reconnect fees	17,170	15,000	20,000	27,500
Account activation fee	-	-	6,000	10,000
Account transfer fee	-	-	350	1,350
Inspection fees	17,371	20,000	15,000	20,000
Penalty revenue	215,665	175,000	175,000	175,000
Other services	6,471	4,500	4,500	4,500
Keller drainage utility	40,000	50,000	50,000	65,000
<i>General and administrative services</i>				
Recycling bins/lids	230	1,000	500	500
Subtotal	380,110	352,500	367,350	444,850
<u>CONTRIBUTIONS:</u>				
Lake Turner Municipal Utility District	13,006	13,075	13,075	13,110
Subtotal	13,006	13,075	13,075	13,110
<u>OTHER REVENUE:</u>				
Interest earnings	38,046	30,000	20,000	22,500
Gain (loss) on disposal of assets	(30)	4,000	4,000	52,000
Southlake wastewater reimbursement	25,428	25,000	25,000	25,000
Miscellaneous revenue (expense)	36,213	29,500	29,500	29,500
Subtotal	99,657	88,500	78,500	129,000
TOTAL REVENUES AND TRANSFERS	\$ 20,898,842	\$ 18,331,575	\$ 19,641,825	\$ 20,168,460

**WATER AND WASTEWATER FUND
EXPENDITURE SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<i>EXPENDITURES BY FUNCTION</i>				
Personnel services	\$ 2,769,354	\$ 2,974,195	\$ 2,806,270	\$ 2,872,720
Operations & maintenance	619,900	788,915	800,900	1,171,970
Services & other	3,950,306	4,109,210	4,102,840	4,461,295
Wholesale water purchases	7,377,420	5,450,000	6,640,000	6,450,000
Wastewater services-TRA	2,086,947	2,264,535	2,384,535	2,417,415
Debt service	2,537,130	2,548,845	2,578,500	2,652,760
Transfers to other funds	465,840	457,860	457,860	588,210
SUBTOTAL	19,806,897	18,593,560	19,770,905	20,614,370
Capital outlay	704,769	823,150	822,990	556,825
TOTAL	\$ 20,511,666	\$ 19,416,710	\$ 20,593,895	\$ 21,171,195

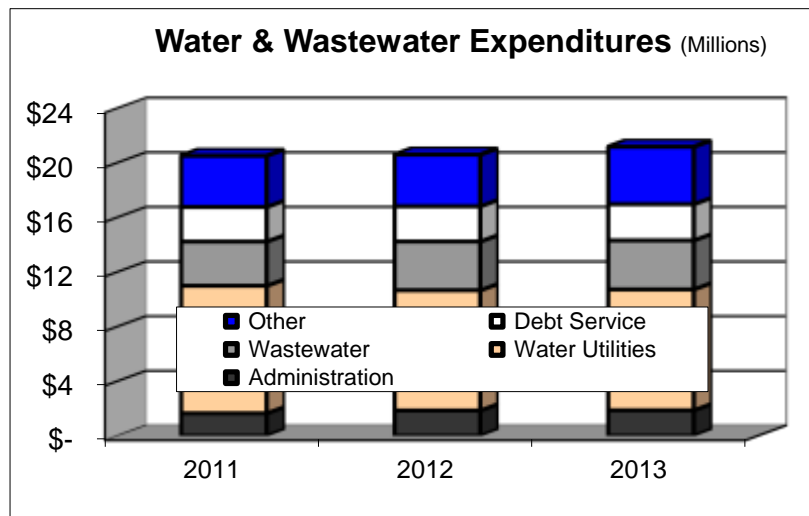
<i>EXPENDITURES BY ACTIVITY</i>				
Water & W/W Administration	\$ 563,279	\$ 701,515	\$ 711,925	\$ 705,760
Customer Services	1,087,894	1,165,055	1,145,635	1,167,295
Water Utilities	9,338,625	7,722,920	8,804,775	8,852,720
Wastewater Utilities	3,238,579	3,493,195	3,570,695	3,588,570
Municipal Service Center	230,755	343,685	340,870	308,805
Non-departmental / Other	6,052,534	5,990,340	6,019,995	6,548,045
TOTAL	\$ 20,511,666	\$ 19,416,710	\$ 20,593,895	\$ 21,171,195

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

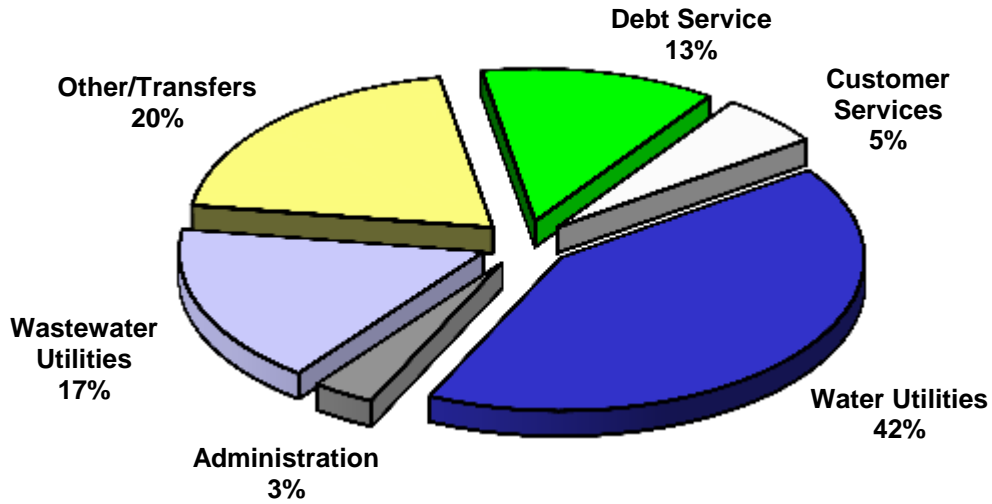
DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Water & W/W Administration	5.17	5.17	4.80
Customer Services	12.00	12.00	12.00
Water Utilities	15.50	13.50	13.50
Wastewater Utilities	9.50	8.50	8.50
Municipal Service Center	1.00	1.00	1.00
TOTAL	43.17	40.17	39.80

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

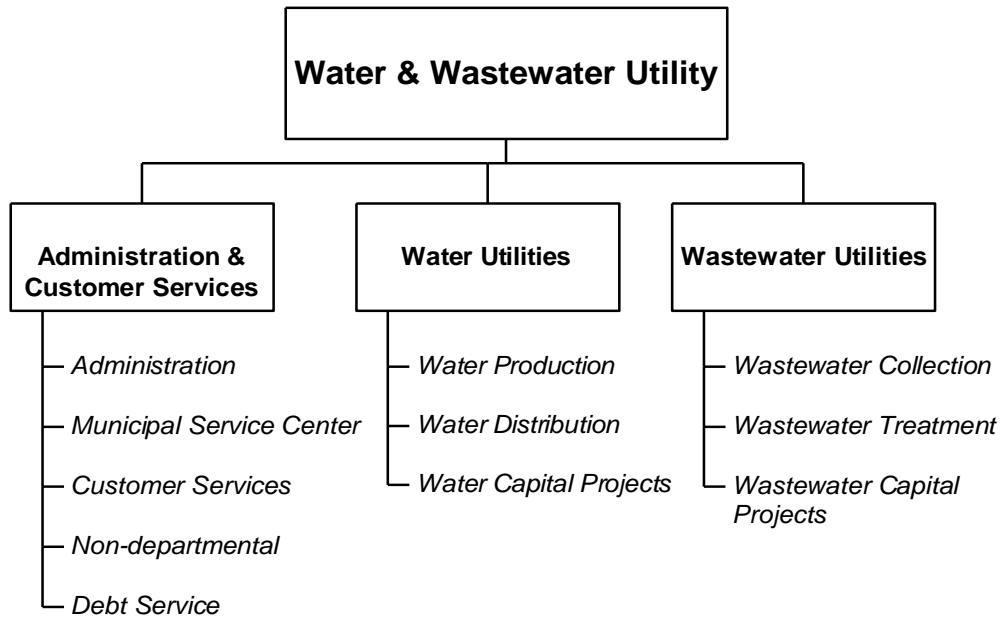
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
Water/Wastewater Administration	\$ 563,279	\$ 701,515	\$ 711,925	\$ 705,760
Customer Services:				
Administration	789,233	866,630	839,320	852,585
Field Services	298,661	298,425	306,315	314,710
Subtotal	1,087,894	1,165,055	1,145,635	1,167,295
Water Utilities:				
Water Production	7,884,637	6,004,070	7,185,955	7,061,920
Water Distribution	1,453,988	1,718,850	1,618,820	1,790,800
Subtotal	9,338,625	7,722,920	8,804,775	8,852,720
Wastewater Utilities:				
Wastewater Collection	1,261,471	1,324,945	1,282,445	1,171,155
Wastewater Treatment	1,977,108	2,168,250	2,288,250	2,417,415
Subtotal	3,238,579	3,493,195	3,570,695	3,588,570
Municipal Service Center Operations	230,755	343,685	340,870	308,805
Debt Service	2,537,130	2,548,845	2,578,500	2,652,760
Transfers to Other Funds	465,840	457,860	457,860	588,210
Non-Departmental	3,049,564	2,983,635	2,983,635	3,307,075
TOTAL	\$ 20,511,666	\$ 19,416,710	\$ 20,593,895	\$ 21,171,195



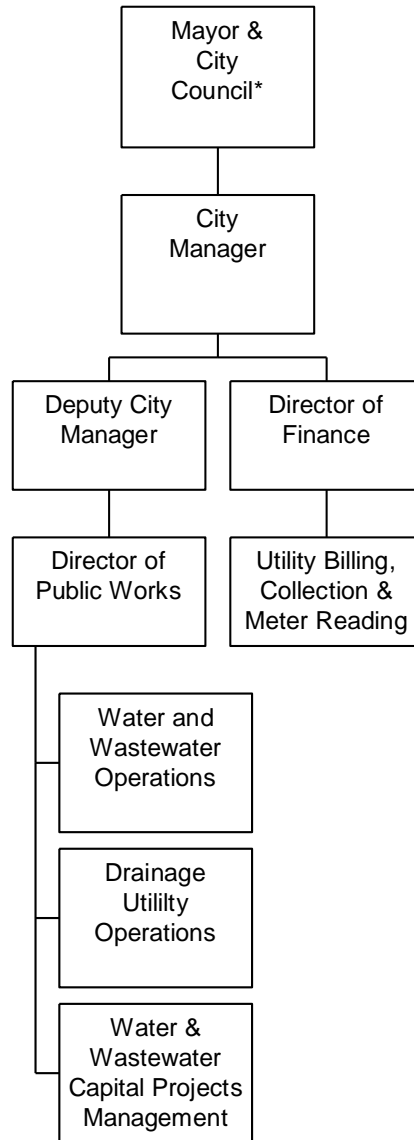
WATER & WASTEWATER



Fund total: \$21,171,195



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 in 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 e-mail and citizen requests within 24 hours of message or request receipt.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 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

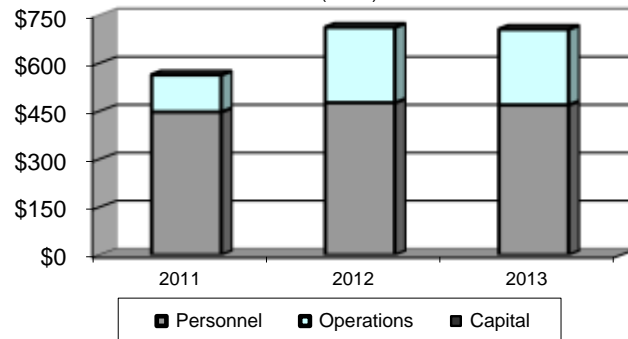
**WATER & WASTEWATER ADMINISTRATION
DEPARTMENT SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 447,480	\$ 465,345	\$ 476,220	\$ 469,175
Operations & maintenance	1,717	7,125	6,625	7,035
Services & other	114,082	229,045	229,080	229,550
SUBTOTAL	563,279	701,515	711,925	705,760
Capital outlay	-	-	-	-
TOTAL	\$ 563,279	\$ 701,515	\$ 711,925	\$ 705,760

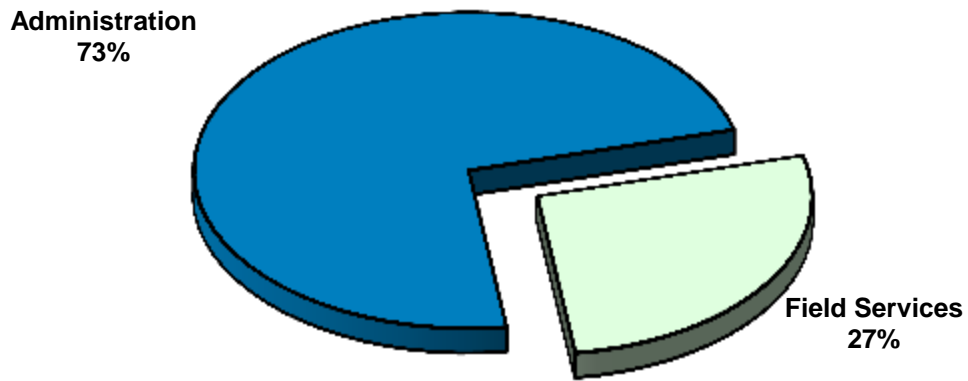
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Water & Wastewater Superintendent	M-1	1.00	1.00	1.00
Storm Water Engineer	PE-11	-	-	0.13
Senior Project Engineer	PE-11	1.00	1.00	1.00
Public Works Logistics Coordinator	PE-7	1.00	1.00	1.00
Customer Service Supervisor	A/TN-10	1.00	1.00	1.00
Administrative Secretary	A/TN-8	0.67	0.67	0.67
GIS Intern	NA	0.50	0.50	-
TOTAL		5.17	5.17	4.80

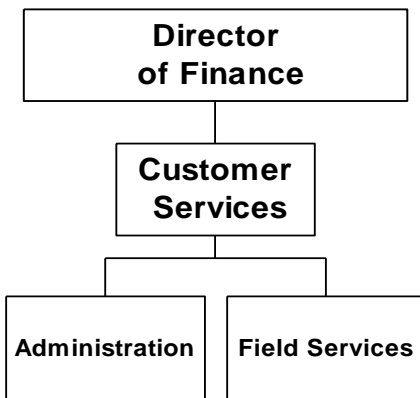
Water & W/W Administration Expenditures
(000's)



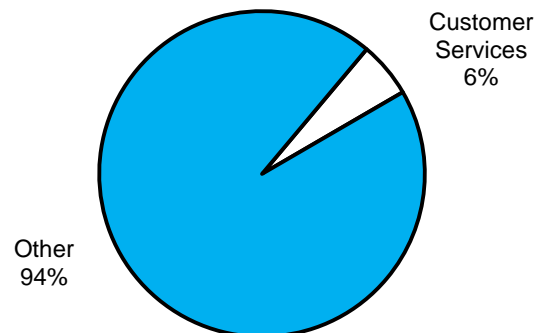
Customer Services



Department total: \$1,167,295



Water & Wastewater Fund Expenditures



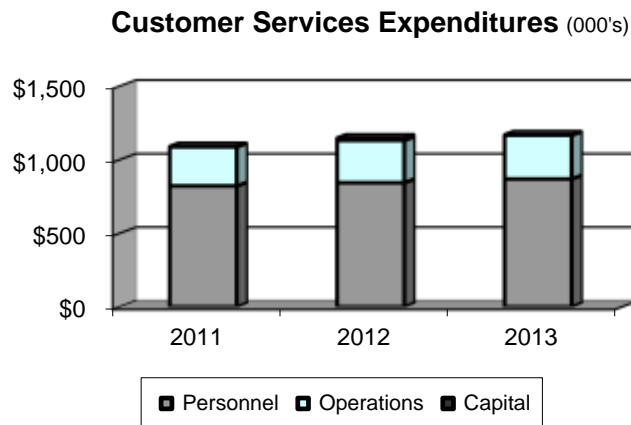
**WATER & WASTEWATER
CUSTOMER SERVICES
DEPARTMENT SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 822,066	\$ 863,765	\$ 844,180	\$ 869,685
Operations & maintenance	100,513	112,445	112,670	128,990
Services & other	165,315	174,845	174,845	168,620
SUBTOTAL	1,087,894	1,151,055	1,131,695	1,167,295
Capital outlay	-	14,000	13,940	-
TOTAL	\$ 1,087,894	\$ 1,165,055	\$ 1,145,635	\$ 1,167,295

<i>EXPENDITURES BY DIVISION:</i>				
Administration	\$ 789,233	\$ 866,630	\$ 839,320	\$ 852,585
Field Services	298,661	298,425	306,315	314,710
TOTAL	\$ 1,087,894	\$ 1,165,055	\$ 1,145,635	\$ 1,167,295

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

DIVISION / ACTIVITY	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	8.0	8.0	8.0
Field Services	4.0	4.0	4.0
TOTAL	12.0	12.0	12.0



FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

DEPARTMENT DESCRIPTION:

The Customer Services/Administration Division is responsible for administering the City's revenue generation for water, wastewater, residential solid waste and drainage utilities. These activities include administrative oversight of water meter reading, billings, 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/on-line payment processing to better serve utility customers.
5. Assist and educate customers with respect to water conservation and efficient uses.
6. Maintain electronic (wireless) meter reading program.
7. Work with collection agency to recover outstanding delinquent utility bills.
8. Continue to monitor the Identity Theft Prevention Program, required by law.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 PROJECTED
Customer meter reading routes maintained	70	70	70
Number of billing cycles	2	2	2
Number of annual billings:			
• water customers billed	170,246	173,000	175,800
• sewer customers billed	140,815	141,210	144,115
• drainage customers billed	163,050	165,690	168,370
• garbage customers billed	154,835	157,330	159,870
Total water gallons billed (million gallons)	3,333.8	3,053.6	3,079.9
Annual delinquent statements processed	19,701	18,000	18,500
Customer security deposits processed	1,606	1,450	1,500
Services disconnected for non-payment	1,213	996	1,100
Customer transfers/final accounts processed	1,650	1,368	1,400
Number of on-line/automated payments	42,267	44,868	45,000
Total amount of on-line/automated payments (000's)	\$5,196	\$5,048	\$5,100
Lockbox payments processed	33,600	34,930	36,500
Amount of lockbox payments processed (000's)	\$3,675	\$4,859	\$5,000

Lockbox payment service initiated in November 2010

PERFORMANCE ANALYSIS

Monthly average billings:			
• average monthly water customers billed	14,187	14,417	14,650
• average monthly sewer customers billed	11,734	11,767	12,010
• average monthly drainage customers billed	13,587	13,807	14,031
• average monthly garbage customers billed	12,903	13,111	13,322
Average water usage per customer	19,850	17,650	17,518
Average water bill per customer (gallons)	\$88.47	\$80.65	\$80.71
Average water revenue per 1,000 gallons billed	\$4.46	\$4.57	\$4.61
Average daily water usage billed (million gallons)	9.134	8.366	8.438
Average sewer bill per customer	\$35.01	\$36.42	\$37.27
Average drainage bill per customer	\$9.10	\$9.10	\$9.10
Average garbage bill per customer	\$11.04	\$11.04	\$11.04
Average daily phone inquiries	59	50	50

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Administration

ACCOUNT:
200-710-01

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 560,947	\$ 595,965	\$ 568,490	\$ 590,285
Operations & maintenance	79,844	89,300	89,525	104,975
Services & other	148,442	167,365	167,365	157,325
SUBTOTAL	789,233	852,630	825,380	852,585
Capital outlay	-	14,000	13,940	-
TOTAL	\$ 789,233	\$ 866,630	\$ 839,320	\$ 852,585

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Customer meter reading routes maintained	72	72	72
Service calls made to customers (including re-reads)	1,535	890	1,200
Total water meters read (monthly average)	14,400	14,661	14,700
Work orders completed	14,394	12,984	13,050
Annual meter change outs	1,031	1,390	1,400
Annual meter sets	237	190	200
PERFORMANCE ANALYSIS			
Billing cycles read on schedule	100%	100%	100%
Meter reading accuracy rate	99.5%	99.9%	99.9%
Average hours to read a billing cycle	12.0	12.0	12.0
Manual re-reads as a % of total meter reads	3.6%	3.8%	3.0%

FUND:
Water & Wastewater

DEPARTMENT:
Customer Services

DIVISION:
Field Services

ACCOUNT:
200-710-70

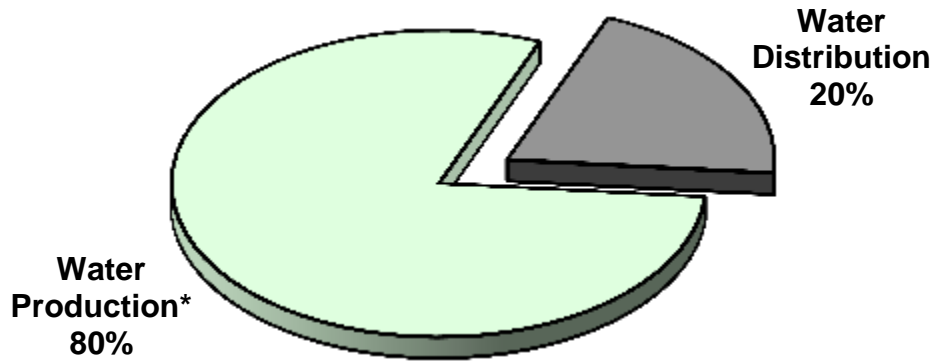
**WATER & WASTEWATER
CUSTOMER SERVICES - FIELD SERVICES
DIVISION / ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 261,119	\$ 267,800	\$ 275,690	\$ 279,400
Operations & maintenance	20,669	23,145	23,145	24,015
Services & other	16,873	7,480	7,480	11,295
SUBTOTAL	298,661	298,425	306,315	314,710
Capital outlay	-	-	-	-
TOTAL	\$ 298,661	\$ 298,425	\$ 306,315	\$ 314,710

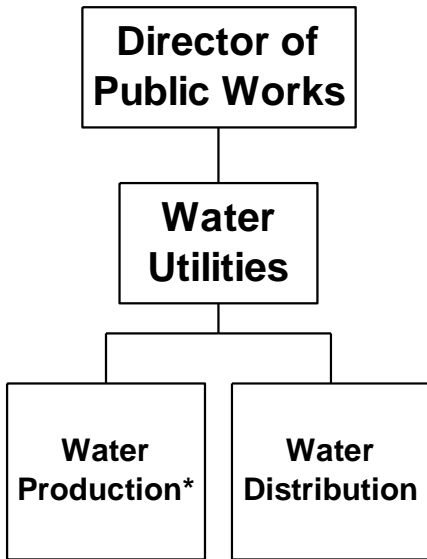
PERSONNEL SUMMARY BY DEPARTMENT
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Field Services Crew Leader	TN-7	-	-	1.0
Field Services Crew Leader	TN-6	1.0	1.0	-
Meter Maintenance Technician	TN-5	1.0	1.0	1.0
Field Services Technician	TN-3	2.0	2.0	2.0
TOTAL		4.0	4.0	4.0

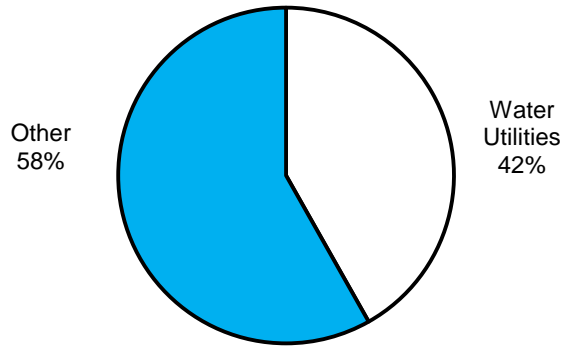
Water Utilities



Department total: \$8,852,720



Water & Wastewater Fund Expenditures



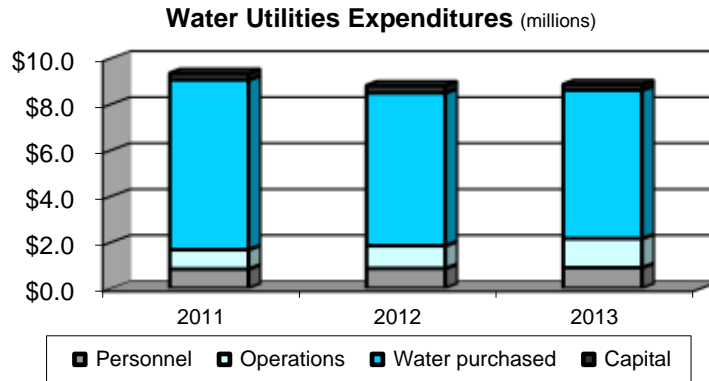
* - Includes wholesale water purchases

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 842,697	\$ 982,940	\$ 868,440	\$ 902,285
Operations & maintenance	387,689	491,595	504,405	755,355
Services & other	453,813	487,935	481,480	508,255
Wholesale water purchases	7,377,420	5,450,000	6,640,000	6,450,000
SUBTOTAL	9,061,619	7,412,470	8,494,325	8,615,895
Capital outlay	277,006	310,450	310,450	236,825
TOTAL	\$ 9,338,625	\$ 7,722,920	\$ 8,804,775	\$ 8,852,720
<u>EXPENDITURES BY DIVISION:</u>				
Water Production	\$ 7,884,637	\$ 6,004,070	\$ 7,185,955	\$ 7,061,920
Water Distribution	1,453,988	1,718,850	1,618,820	1,790,800
TOTAL	\$ 9,338,625	\$ 7,722,920	\$ 8,804,775	\$ 8,852,720

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Water Production	2.0	2.0	2.0
Water Distribution	13.5	11.5	11.5
TOTAL	15.5	13.5	13.5



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 insure pumping efficiency in order to maintain adequate pressure in the system.
5. Maintain all pump stations and water tower sites in order to present a clean and orderly image for the City.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Elevated storage capacity (million gallons)	3.0	4.0	4.0
Ground storage capacity (million gallons)	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
Total storage capacity (million gallons)	10.0	10.0	10.0
Total daily pumping capacity (million gallons)	28.0	28.0	28.0
Total wholesale gallons purchased (million gallons)	3,571.3	3,202.1	3,079.9
Peak day water demand (million gallons)	22.4	22.0	22.0
<u>PERFORMANCE ANALYSIS</u>			
Average daily water usage (million gallons)	9.8	8.8	8.4
Average cost per 1,000 gallons of wholesale water purchased	\$2.06	\$2.07	\$2.06
Base (winter) average daily water demand (million gallons)	4.5	4.0	4.5
Base (winter) demand per capita (gallons)	113.5	100.2	111.3
Peak day water demand per capita (gallons)	565.3	551.1	544.0

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Production

ACCOUNT:
200-730-74

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 141,013	\$ 146,100	\$ 138,690	\$ 153,365
Operations & maintenance	53,488	78,795	79,545	128,500
Services & other	312,716	320,175	318,720	330,055
Wholesale water purchases	7,377,420	5,450,000	6,640,000	6,450,000
SUBTOTAL	7,884,637	5,995,070	7,176,955	7,061,920
Capital outlay	-	9,000	9,000	-
TOTAL	\$ 7,884,637	\$ 6,004,070	\$ 7,185,955	\$ 7,061,920

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Water Production Supervisor	TN-10	-	-	1.0
Water Systems Supervisor	TN-7	1.0	1.0	-
Water Production Operator	TN-5	-	-	1.0
Well Pump Operator	TN-5	1.0	1.0	-
TOTAL		2.0	2.0	2.0

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

DEPARTMENT/DIVISION DESCRIPTION:

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

DEPARTMENT/DIVISION GOALS:

1. 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Total miles of distribution lines maintained	266	268	270
Water samples tested	375	400	400
Fire hydrants flushed and serviced	1,300	1,300	1,300
Fire hydrants repaired/maintained/inspected	215	300	300
New fire hydrants installed	2	2	2
Fire hydrants replaced	15	3	4
Work orders completed	1,530	1,800	2,000

FUND:
Water & Wastewater

DEPARTMENT:
Water Utilities

DIVISION:
Water Distribution

ACCOUNT:
200-730-75

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

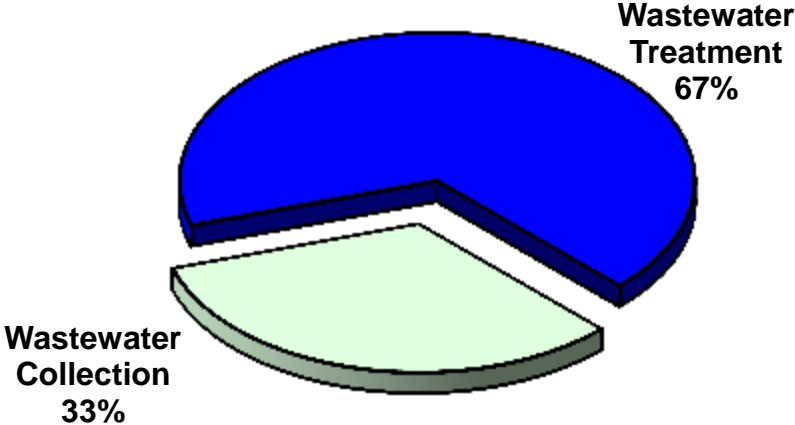
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
Personnel services	\$ 701,684	\$ 836,840	\$ 729,750	\$ 748,920
Operations & maintenance	334,201	412,800	424,860	626,855
Services & other	141,097	167,760	162,760	178,200
SUBTOTAL	1,176,982	1,417,400	1,317,370	1,553,975
Capital outlay	277,006	301,450	301,450	236,825
TOTAL	\$ 1,453,988	\$ 1,718,850	\$ 1,618,820	\$ 1,790,800

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

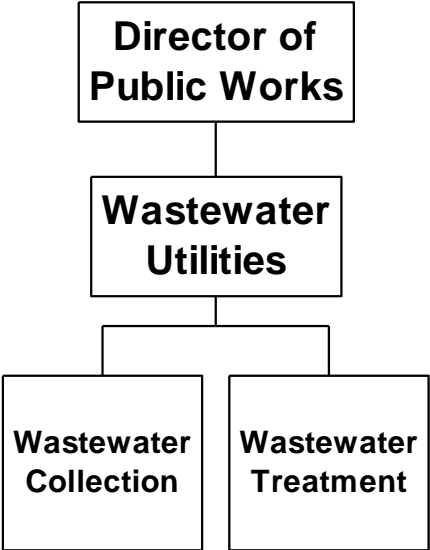
POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Construction Inspector	A/TN-11	1.0	1.0	1.0
Water/Sewer Foreman	TN-11	-	-	0.5
Water/Sewer Foreman	TN-9	0.5	0.5	-
Water/Sewer Crewleader	TN-8	-	-	1.0
Environmental Services Coordinator	TN-8	-	-	1.0
Water/Sewer Crewleader	TN-7	1.0	1.0	-
Environmental Services Coordinator	TN-7	1.0	1.0	-
SCADA Operator/Dispatcher	TN-4	3.0	1.0	1.0
Water/Sewer Maintenance Worker	TN-3	7.0	7.0	7.0
TOTAL		13.5	11.5	11.5

FY2013 highlights: capital outlay includes funding for water distribution infrastructure improvements, such as water mains, water meters, and fire hydrants (\$106,825); replacement of heavy equipment (\$115,000); and an electronic message sign (\$15,000).

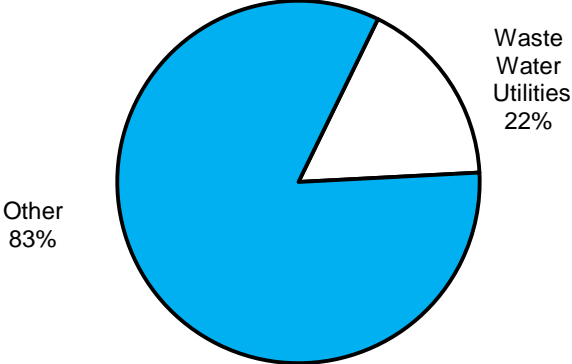
Wastewater Utilities



Department total: \$3,588,570



Water & Wastewater Fund Expenditures



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

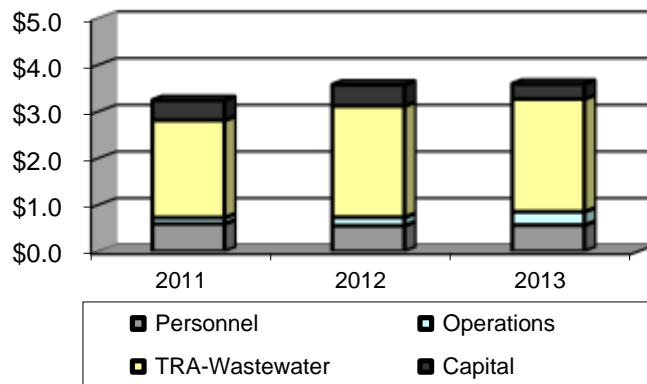
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ 592,958	\$ 594,080	\$ 551,530	\$ 564,730
Operations & maintenance	86,140	109,315	109,315	186,375
Services & other	44,771	71,065	71,115	100,050
Wastewater Services-TRA	2,086,947	2,264,535	2,384,535	2,417,415
SUBTOTAL	2,810,816	3,038,995	3,116,495	3,268,570
Capital outlay	427,763	454,200	454,200	320,000
TOTAL	\$ 3,238,579	\$ 3,493,195	\$ 3,570,695	\$ 3,588,570

<i>EXPENDITURES BY DIVISION:</i>				
Wastewater Collection	\$ 1,261,471	\$ 1,324,945	\$ 1,282,445	\$ 1,171,155
Wastewater Treatment	1,977,108	2,168,250	2,288,250	2,417,415
TOTAL	\$ 3,238,579	\$ 3,493,195	\$ 3,570,695	\$ 3,588,570

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Wastewater Collection	9.50	8.50	8.50
TOTAL	9.50	8.50	8.50

Wastewater Utilities Expenditures
(millions)



FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Collection

ACCOUNT:
200-750-80

DEPARTMENT/DIVISION DESCRIPTION:

The Wastewater Collection Division is responsible for the City's wastewater collection system. This includes facilities for collecting and transporting wastewater from point of origin to the main interceptor line (Trinity River Authority), while providing a safe and healthy environment. Duties of the division also include maintenance of lift stations, wastewater manholes, mains and services, and installation of new wastewater mains, taps and services.

DEPARTMENT/DIVISION GOALS:

1. 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Total miles of wastewater mains maintained	186	188	190
Total miles of wastewater mains cleaned	29	45	50
Total miles of wastewater mains inspected by video camera	12	15	15
Sewer manholes maintained	2,916	2,925	2,935
Sewer manholes inspected	260	300	300
Lift stations maintained	6	6	6
Number of active wastewater customers at Sept. 30 th	11,902	12,128	12,358
Work orders completed	1,700	1,800	1,800

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Collection

ACCOUNT:
200-750-80

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 592,958	\$ 594,080	\$ 551,530	\$ 564,730
Operations & maintenance	86,140	109,315	109,315	186,375
Services & other	44,771	71,065	71,115	100,050
Wastewater services-TRA	109,839	96,285	96,285	-
SUBTOTAL	833,708	870,745	828,245	851,155
Capital outlay	427,763	454,200	454,200	320,000
TOTAL	\$ 1,261,471	\$ 1,324,945	\$ 1,282,445	\$ 1,171,155

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Water/Sewer Foreman	TN-11	-	-	0.50
Water/Sewer Foreman	TN-9	0.50	0.50	-
Water/Sewer Crewleader	TN-8	-	-	3.00
Water/Sewer Crewleader	TN-7	3.00	3.00	-
Sewer Inspector Technician	TN-4	-	-	1.00
SCADA Dispatcher	TN-4	2.00	1.00	1.00
Water/Sewer Maintenance Worker	TN-3	4.00	4.00	3.00
TOTAL		9.50	8.50	8.50

FY2013 highlights: capital outlay includes funding for wastewater infrastructure improvements (\$285,000); and a \$35,000 down payment on a \$295,000 sewer-jet vacuum truck. The balance of the vacuum truck (\$260,000) will be financed over a 5-year period.

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Treatment

ACCOUNT:
200-750-81

DEPARTMENT/DIVISION DESCRIPTION:

The Wastewater Treatment Division is responsible for the management of the Trinity River Authority (TRA) wastewater treatment contract with the City. The City contracts with TRA to provide wastewater treatment services on behalf of the City's wastewater customers. The City's wastewater is collected in the collection system and then treated by the TRA, at their Central Regional Wastewater Treatment Plant, or the Denton Creek Wastewater Treatment Plant. Other duties of the division include accurate record keeping of wastewater flows and accurate data collection of industrial sampling, to ensure proper management of and conformance with the contract.

DEPARTMENT/DIVISION GOALS:

1. Review pretreatment sampling records to ensure compliance with state and federal rules and regulations.
2. Review monthly wastewater flows from the collection system to facilitate decisions regarding capacity of the collection system and TRA treatment plants.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Total annual gallons treated (million gallons)	1,045.8 (1)	1,040.0	1,070.0
<u>PERFORMANCE ANALYSIS</u>			
Average daily gallons treated (million gallons)	2.865 (1)	2.794	2.780
Average cost per 1,000 gallons of wastewater treated	\$1.91 (1)	\$1.98	\$2.04
Average monthly wastewater gallons treated per customer	7,427	7,365	7,424

(1) Trinity River Authority audit report as of November 30, 2011. Remaining amounts are City estimates.

FUND:
Water & Wastewater

DEPARTMENT:
Wastewater Utilities

DIVISION:
Wastewater Treatment

ACCOUNT:
200-750-81

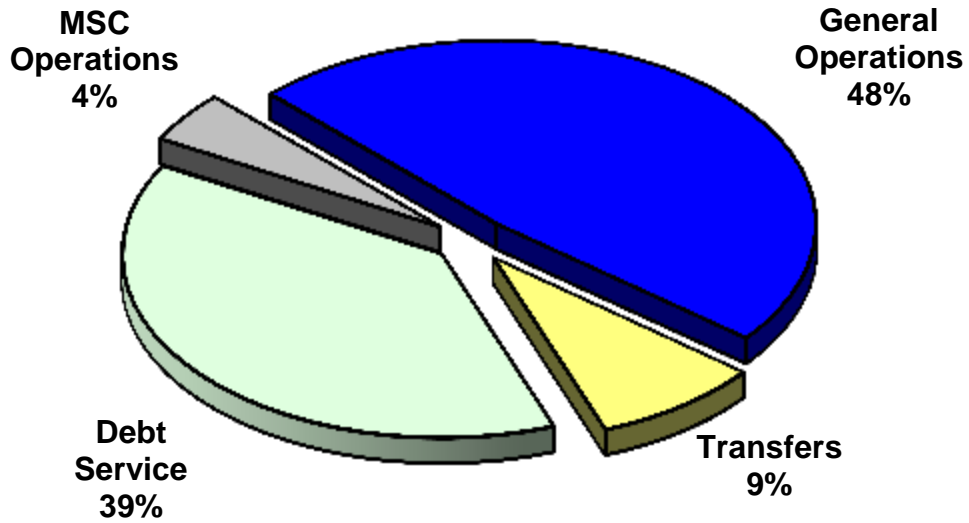
**WATER & WASTEWATER
WASTEWATER TREATMENT
DIVISION / ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Wastewater services-TRA	1,977,108	2,168,250	2,288,250	2,417,415
SUBTOTAL	1,977,108	2,168,250	2,288,250	2,417,415
Capital outlay	-	-	-	-
TOTAL	\$ 1,977,108	\$ 2,168,250	\$ 2,288,250	\$ 2,417,415

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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Water & Wastewater Fund Other / Non-Departmental

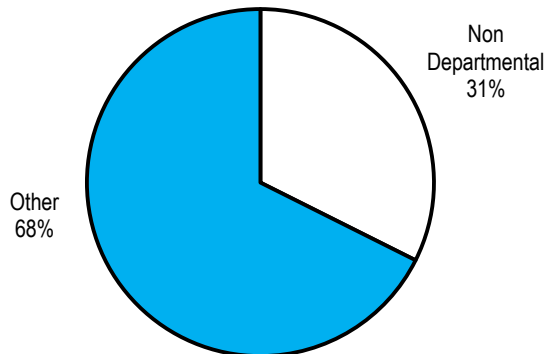


Department total: \$6,856,850

Non Departmental

- General Expenditures
- Municipal Service Center Operations
- Transfers to Other Funds
- Debt Service

Water & Wastewater Fund Expenditures



FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
MSC Operations

ACCOUNT:
200-770-93

DEPARTMENT/DIVISION DESCRIPTION:

The Municipal Service Center (MSC) Non-Departmental budget reflects expenditures of a general nature, which have not been allocated to specific departments. Included within this activity are budgeted costs for building maintenance, utility costs, grounds maintenance, and janitorial services.

DEPARTMENT/DIVISION GOALS:

1. Provide for the comprehensive and continuous operation and maintenance of the City's Municipal Service Center in an efficient, safe, accurate and professional manner.
2. House/store the necessary inventory and equipment needed to complete daily operations throughout the City.
3. Develop a routine preventive maintenance schedule for all service vehicles and equipment stored at the Municipal Service Center.
4. Provide and store adequate amounts of fuel for the needs of all City's vehicles and equipment.
5. Maintain Lucity work order database system.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Vehicles/Equipment maintained	70	70	70
Fuel purchased (gallons)	123,108	115,000	118,000
Fuel usage (gallons)**	118,630	118,000	118,000
Average price per gallon (diesel and unleaded)	\$2.93	\$3.50	\$3.75

** – Difference in fuel purchased and fuel used is the amount retained in the fuel storage tank inventory.

FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
MSC Operations

ACCOUNT:
200-770-93

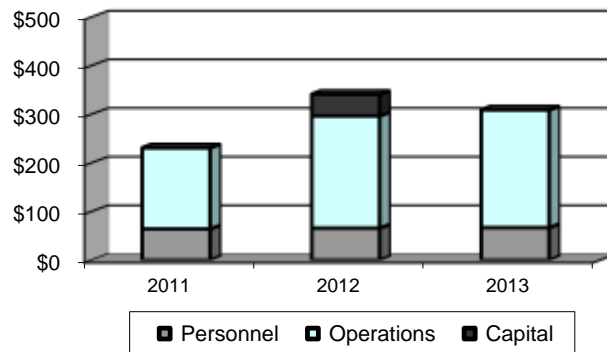
**WATER & WASTEWATER
MUNICIPAL SERVICE CENTER OPERATIONS
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 64,153	\$ 68,065	\$ 65,900	\$ 66,845
Operations & maintenance	42,200	56,435	55,885	82,215
Services & other	124,402	174,685	174,685	159,745
SUBTOTAL	230,755	299,185	296,470	308,805
Capital outlay	-	44,500	44,400	-
TOTAL	\$ 230,755	\$ 343,685	\$ 340,870	\$ 308,805

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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:

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE LEVEL ANALYSIS		
	<u>2010-2011</u> <u>ACTUAL</u>	<u>2011-2012</u> <u>ESTIMATE</u>	<u>2012-2013</u> <u>PROJECTED</u>

FUND:
Water & Wastewater

DEPARTMENT:
Non-Departmental

DIVISION:
General Expenditures

ACCOUNT:
200-790-XX

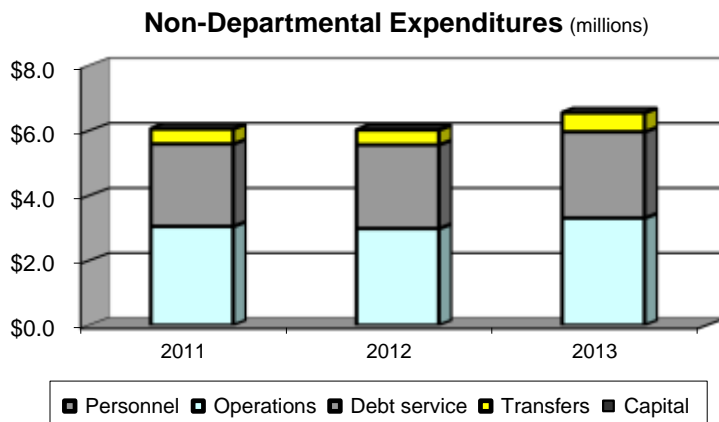
**WATER & WASTEWATER
NON-DEPARTMENTAL / GENERAL EXPENDITURES
DIVISION/ACTIVITY SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<i>EXPENDITURES BY FUNCTION:</i>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	1,641	12,000	12,000	12,000
Services & other	3,047,923	2,971,635	2,971,635	3,295,075
Debt service	2,537,130	2,548,845	2,578,500	2,652,760
Transfers to other funds	465,840	457,860	457,860	588,210
SUBTOTAL	6,052,534	5,990,340	6,019,995	6,548,045
Capital outlay	-	-	-	-
TOTAL	\$ 6,052,534	\$ 5,990,340	\$ 6,019,995	\$ 6,548,045

<i>EXPENDITURES BY DIVISION:</i>				
Debt Service	\$ 2,537,130	\$ 2,548,845	\$ 2,578,500	\$ 2,652,760
Transfers to other funds	465,840	457,860	457,860	588,210
Non-Departmental	3,049,564	2,983,635	2,983,635	3,307,075
TOTAL	\$ 6,052,534	\$ 5,990,340	\$ 6,019,995	\$ 6,548,045

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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WATER & WASTEWATER CAPITAL PROJECTS

The Water & Wastewater Capital Projects account provides project funding for water and wastewater capital improvements. Funding for the projects is provided by a combination of water and wastewater supported debt issuance, water and wastewater impact fees, and transfers from the Water & Wastewater operations fund. The project budget amounts are not included in the operating budget totals.

Projects are all primarily growth and development driven. The following projects include both new infrastructure and expansions to existing systems for both wastewater and water projects. The projects are proposed to be funded from a combination of long-term debt issuance and water and wastewater impact fees. The operating budget impact, if any, will be recorded as operations and maintenance expense in the Water and Wastewater Fund. The operating budget impact excludes annual debt service requirements for improvements that will be funded with proceeds of long term-debt.

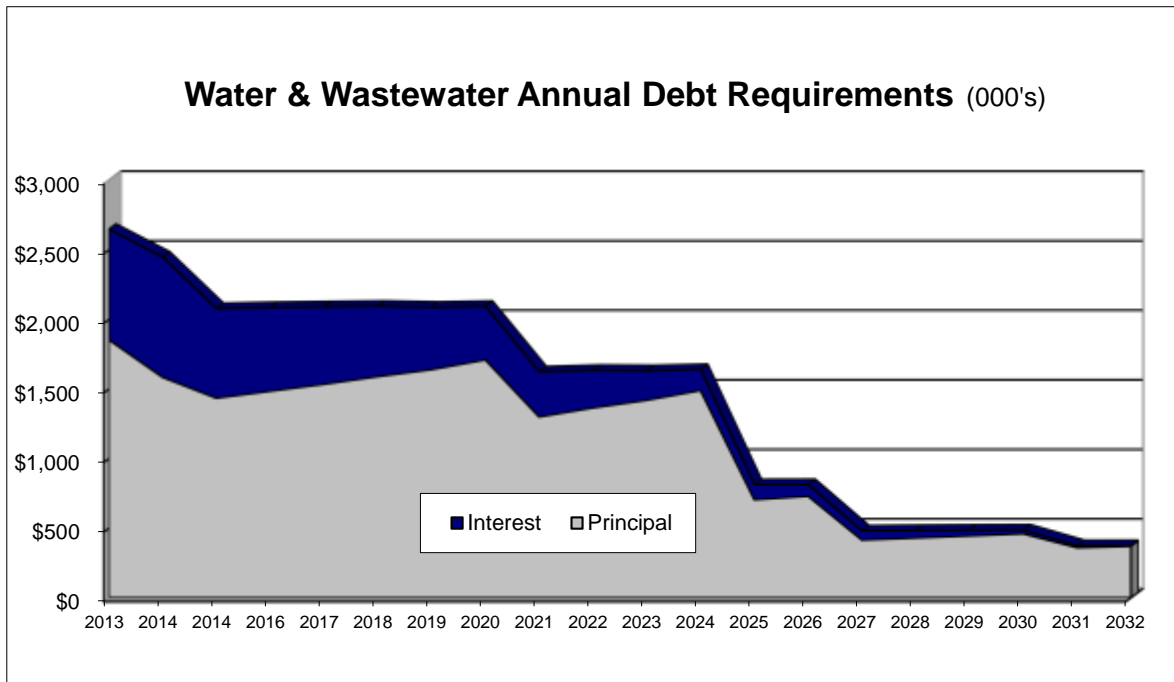
Capital project fund budgets are project-based, not fiscal-year based. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2012 will be re-appropriated into the appropriate project for the 2012-2013 fiscal year.

Water and wastewater capital projects for fiscal years 2012-13 through 2016-17 are provided in the capital improvements section of the document.

SCHEDULE OF WATER & WASTEWATER FUND DEBT OUTSTANDING October 1, 2012

	<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>FY2013 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	\$ -	\$ 800	\$ 800
Series 2005	3.25 - 4.20	08/2005	02/2020	5,360	2,555	270,000	98,906	368,906
Series 2010A	2.00 - 3.50	04/2010	02/2020	1,290	675	100,000	18,375	118,375
Series 2012	0.30 - 5.00	06/2012	02/2024	7,310	7,310	490,000	349,382	839,382
Combination tax and revenue certificates of obligation:								
Series 2004 (1)	4.00 - 5.00	06/2004	02/2014	11,310	1,045	510,000	32,269	542,269
Series 2006	4.25 - 4.375	07/2006	02/2026	4,255	3,380	175,000	143,469	318,469
Series 2010	2.00 - 4.25	04/2010	04/2030	1,600	1,505	60,000	57,889	117,889
Series 2012	0.00 - 2.85	02/2012	04/2032	5,835	5,835	250,000	93,665	343,665
TOTAL				\$ 37,400	\$ 22,325	\$ 1,855,000	\$ 794,755	\$ 2,649,755

(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
2012-13	\$ 1,855,000	\$ 794,755	\$ 2,649,755	\$ 2,649,755
2013-14	1,585,000	864,228	2,449,228	2,449,228
2014-15	1,435,000	644,310	2,079,310	2,079,310
2015-16	1,485,000	602,384	2,087,384	2,087,384
2016-17	1,535,000	557,205	2,092,205	2,092,205
2017-18	1,590,000	506,039	2,096,039	2,096,039
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	\$ 22,325,000	\$ 6,164,767	\$ 28,489,767	\$ 28,489,767



OTHER FUNDS

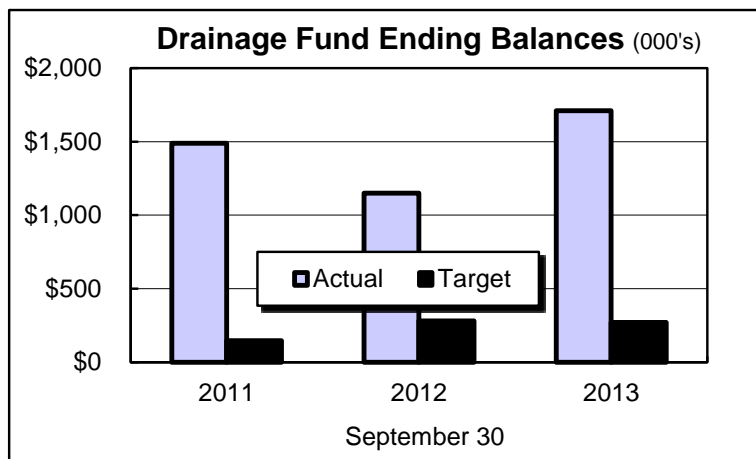
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DRAINAGE UTILITY FUND

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
DRAINAGE UTILITY FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 874,648	\$ 1,332,929	\$ 1,489,358	\$ 1,858,793
Revenues and transfers	1,496,272	1,530,800	1,522,850	1,550,350
TOTAL FUNDS AVAILABLE	2,370,920	2,863,729	3,012,208	3,409,143
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	881,562	1,714,985	1,153,415	1,698,240
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	1,489,358	1,148,744	1,858,793	1,710,903
FUND TOTAL	\$ 2,370,920	\$ 2,863,729	\$ 3,012,208	\$ 3,409,143
Excess revenues (expenditures)	614,710	(184,185)	369,435	(147,890)
Unreserved ending fund balance:				
Percent of operating expenditures ⁽¹⁾	170.2%	67.0%	161.2%	105.2%
TARGET	16.7%	16.7%	16.7%	16.7%
Number of days operating expenditures	612.8	241.1	580.2	378.6
TARGET	60.0	60.0	60.0	60.0

⁽¹⁾ excludes capital outlay and interfund transfers.



FUND:
Drainage Utility

DEPARTMENT:
Drainage Maintenance

DIVISION:
* All Divisions

ACCOUNT:
400-810-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 (NPDES) program.
3. Maintain bridges and box culverts in order to provide proper drainage of storm water.
4. Keep drainage ways clear of debris.
5. Mitigate or eliminate flooding and property damage in the City.
6. Implement channel preventative maintenance program, cleaning five miles of channel per year.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Miles of ditches maintained	118	118	118
Total linear feet of storm pipe maintained	16,000	16,000	16,000
Pipe culverts installed (linear feet)	105	150	150
Total linear feet of storm drainage cleaned	3,500	3,500	4,000
Storm inlets repaired and cleaned	75	75	75
Bridges/box culverts maintained	35	35	35
Linear feet of curb & gutter replaced	1,262	1,500	2,000
Miles of channel maintenance cleaned	5	5	5

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
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DRAINAGE UTILITY FUND

OPERATING REVENUES:

Drainage fees	\$ 1,483,091	\$ 1,514,000	\$ 1,508,500	\$ 1,537,000
Subtotal	1,483,091	1,514,000	1,508,500	1,537,000

OTHER REVENUE:

Miscellaneous revenue (expense)	1,992	1,000	850	850
Interest revenue	11,189	4,800	8,500	7,500
Gain (loss) on disposal of assets	-	11,000	5,000	5,000

TOTAL REVENUES **\$ 1,496,272** **\$ 1,530,800** **\$ 1,522,850** **\$ 1,550,350**

EXPENDITURES BY FUNCTION:

Personnel services	\$ 522,102	\$ 542,610	\$ 541,530	\$ 551,800
Operations & maintenance	63,712	150,965	150,965	126,180
Services & other	234,863	307,180	306,580	334,605
Debt service	54,227	54,230	54,340	54,235
Transfers to other funds	-	-	-	11,420

Subtotal 874,904 1,054,985 1,053,415 1,078,240

Capital outlay	6,658	-	-	60,000
Drainage capital improvements	-	660,000	100,000	560,000

Subtotal 6,658 660,000 100,000 620,000

TOTAL **\$ 881,562** **\$ 1,714,985** **\$ 1,153,415** **\$ 1,698,240**

EXPENDITURES BY DIVISION:

Drainage Maintenance	\$ 692,335	\$ 836,755	\$ 835,075	\$ 887,585
Debt Service	54,227	54,230	54,340	54,235
Drainage Capital Improvements	-	660,000	100,000	560,000
Non-Departmental	135,000	164,000	164,000	185,000

TOTAL **\$ 881,562** **\$ 1,714,985** **\$ 1,153,415** **\$ 1,698,240**

PERSONNEL SUMMARY BY DEPARTMENT

(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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
Street/Drainage Crewleader	TN-6	1.0	1.0	-
Equipment Operator	TN-5	3.0	3.0	3.0
Street/Drainage Maint. Worker	TN-2	3.0	3.0	3.0
TOTAL		8.5	8.5	8.5

FY2013 highlights: capital outlay includes funding drainage maintenance equipment replacement (\$60,000) and Robin Court drainage improvements (\$560,000).

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, 2012.

KELLER DEVELOPMENT CORPORATION SUMMARY

	<u>2010-2011 ACTUAL</u>	<u>2011-2012 BUDGET</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 BUDGET</u>
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 554,297	\$ 562,467	\$ 619,841	\$ 662,416
Revenues and transfers	2,047,761	2,079,850	2,117,350	2,170,100
TOTAL FUNDS AVAILABLE	2,602,058	2,642,317	2,737,191	2,832,516
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	1,982,217	2,364,385	2,074,775	2,341,345
<u>ENDING FUND BALANCE:</u>				
Total fund balance	619,841	277,932	662,416	491,171
Restricted for debt service (1)	89,000	89,000	89,000	89,000
Committed for contingencies	169,964	172,628	175,740	180,118
Unassigned fund balance	360,877	16,304	397,676	222,053
FUND TOTAL	\$ 2,602,058	\$ 2,642,317	\$ 2,737,191	\$ 2,832,516
Excess revenues (expenditures)	65,544	(284,535)	42,575	(171,245)
(1) 2005 Sales Tax Revenue Refunding Bonds				
Fund balance reserves:				
Number of days recurring revenues	93.3	32.7	97.5	66.7
TARGET	30.0	30.0	30.0	30.0

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 one percent sales and use tax to provide funding for park and recreation capital improvements as approved by voters. The Corporation is managed by a Board of Directors consisting of the mayor, three city council members 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. Manage the ground lease agreement for the use and operation of a public/private indoor soccer complex at Keller Sports Park.
2. Manage retirement of the debt for The Keller Pointe and The Keller Sports Park.
3. Reserve funds to be allocated for park land acquisition which was identified as the most urgent priority of the 2007 Parks, Recreation and Open Space Master Plan.
4. Continue to seek funding opportunities for the development of hike and bike trails which is listed as the number one facility need for outdoor and indoor recreation in accordance with the 2007 Parks, Recreation and Open Space Master Plan.

FUND: Keller Development Corporation
DEPARTMENT: All Departments
DIVISION:
ACCOUNT: 110-XXX-XX

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
REVENUES				
<u>SALES TAXES:</u>				
City sales taxes	\$ 2,034,573	\$ 2,067,000	\$ 2,104,500	\$ 2,157,250
Subtotal	2,034,573	2,067,000	2,104,500	2,157,250
<u>MISCELLANEOUS REVENUES:</u>				
Rental revenue	12,000	12,000	12,000	12,000
Interest revenue	1,188	850	850	850
Subtotal	13,188	12,850	12,850	12,850
TOTAL REVENUES	\$ 2,047,761	\$ 2,079,850	\$ 2,117,350	\$ 2,170,100

EXPENDITURE SUMMARY

EXPENDITURES BY FUNCTION:

Personnel services	\$ 130,000	\$ 156,265	\$ 146,860	\$ 78,945
Operations & maintenance	13,681	21,915	21,915	24,415
Services & other	38,500	43,500	41,500	46,500
Debt service	1,642,746	1,651,050	1,650,500	1,478,810
Transfers to other funds	143,315	143,705	143,705	123,675
SUBTOTAL	1,968,242	2,016,435	2,004,480	1,752,345
Capital outlay	13,975	347,950	70,295	589,000
TOTAL	\$ 1,982,217	\$ 2,364,385	\$ 2,074,775	\$ 2,341,345

EXPENDITURES BY DIVISION:

Keller Sports Park	\$ 196,156	\$ 339,630	\$ 278,225	\$ 358,860
Land Acquisition	–	230,000	2,345	380,000
Debt Service	1,642,746	1,651,050	1,650,500	1,478,810
Transfers to Other Funds	143,315	143,705	143,705	123,675
TOTAL	\$ 1,982,217	\$ 2,364,385	\$ 2,074,775	\$ 2,341,345

PERSONNEL SUMMARY BY DEPARTMENT

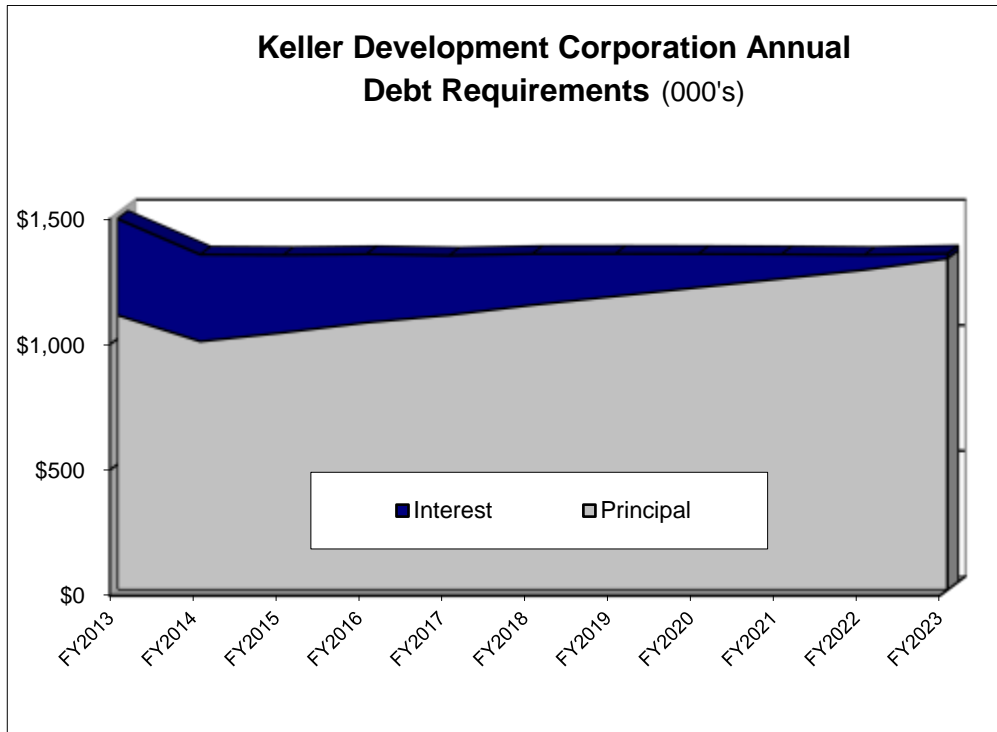
(Full-time Equivalent Positions - Includes Vacant Positions)

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Parks/Landscape Crewleader	TN-7	–	–	0.50
Parks/Landscape Crewleader	TN-6	1.00	1.00	–
Parks/Landscape Maintenance Worker	TN-2	1.00	1.00	0.50
Parks/Landscape Maint Worker (Seasonal)	NA	0.78	0.78	0.39
TOTAL		2.78	2.78	1.39

FY2013 highlights: 1.39 FTE's transferred to General Fund. Capital outlay includes funding for land acquisition/trail expansion (\$380,000) renovations/improvements to parking areas in Bear Creek Park and the Keller Sports Park (\$50,000); Keller Sports Park maintenance equipment (\$45,000); and a maintenance/equipment storage facility for Bear Creek Park (\$114,000).

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

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2013	\$ 1,095,000.00	\$ 383,209.50	\$ 1,478,209.50	\$ 1,478,209.50
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	\$ 12,615,000.00	\$ 2,226,540.75	\$ 14,841,540.75	\$ 14,841,540.75



**SCHEDULE OF KELLER DEVELOPMENT CORPORATION DEBT REQUIREMENTS
October 1, 2012**

	<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>FY2013 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	\$ 8,580	\$ 35,000	\$ 255,125	\$ 290,125
Combination tax and revenue certificates of obligation:								
Series 2003 ⁽¹⁾	3.00% - 4.25%	05/2003	08/2016	18,120	3,895	920,000	125,138	1,045,138
Sales tax revenue refunding bonds:								
Series 2005	4.21	01/2006	01/2013	890	140	140,000	2,947	142,947
TOTAL				<u>\$ 27,720</u>	<u>\$ 12,615</u>	<u>\$ 1,095,000</u>	<u>\$ 383,210</u>	<u>\$ 1,478,210</u>

⁽¹⁾ Post refunding.

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

<u>Date</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Principal & Interest</u>	<u>Fiscal Year Total</u>
FY2013	\$ 140,000.00	\$ 2,947.00	\$ 142,947.00	\$ 142,947.00
Total	<u>\$ 140,000.00</u>	<u>\$ 2,947.00</u>	<u>\$ 142,947.00</u>	<u>\$ 142,947.00</u>

Original amount issued: \$890,000

Purpose: Refund portion of KDC 1992 Sales Tax Revenue Bonds.

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

Date	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
FY2013	\$ 920,000.00	\$ 125,137.50	\$ 1,045,137.50	\$ 1,045,137.50
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	\$ 3,895,000.00	\$ 289,556.25	\$ 4,184,556.25	\$ 4,184,556.25

Original amount issued: \$18,120,000

Purpose: Keller Sports Park improvements and design/construction of The Keller Pointe recreation an 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
FY2013	\$ 35,000.00	\$ 255,125.00	\$ 290,125.00	\$ 290,125.00
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	\$ 8,580,000.00	\$ 1,934,037.50	\$ 10,514,037.50	\$ 10,514,037.50

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 operating costs, excluding debt service, are funded with user fees and charges.

FUND SUMMARY

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance *	\$ 1,036,565	\$ 1,084,496	\$ 1,185,768	\$ 1,113,613
Revenues and transfers	3,024,431	3,131,695	3,089,520	3,178,830
TOTAL FUNDS AVAILABLE	4,060,996	4,216,191	4,275,288	4,292,443
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	2,875,228	3,492,820	3,161,675	3,453,870
<u>ENDING FUND BALANCE: *</u>				
Unreserved fund balance *	1,185,768	723,371	1,113,613	838,573
FUND TOTAL	\$ 4,060,996	\$ 4,216,191	\$ 4,275,288	\$ 4,292,443
Excess revenues (expenditures)	149,203	(361,125)	(72,155)	(275,040)

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

REVENUES

OPERATING REVENUES:

Daily pass revenue	\$ 199,205	\$ 206,000	\$ 210,000	\$ 213,850
Annual pass sales	1,771,281	1,811,000	1,800,690	1,811,000
Employee pass revenue	87,533	85,400	86,765	86,700
Employee dependent pass revenue	14,475	18,000	18,000	18,300
Private party revenues	131,139	132,000	132,000	137,500
Expired gift card revenues	13	–	–	–
Concessions	95,197	100,000	25,000	27,000
Merchandise sales-general	5,413	10,000	1,500	1,500
Merchandise sales-aquatics	10,342	13,000	13,000	13,390
Outdoor concessions	–	–	85,000	85,000
Outdoor merchandise sales	–	–	4,000	4,000
Stay 'N Play revenue	14,133	12,500	14,000	13,000
Aquatics Program revenues	133,724	138,300	138,300	142,450
Fitness Program revenues	122,675	146,895	125,000	151,240
Group exercise revenue	4,684	4,800	4,700	4,345
Personal training revenues	99,232	101,000	104,000	104,000
Recreation Programs revenues	240,612	262,500	241,000	270,500
Facility rentals	42,369	38,410	44,000	44,000
Gymnasium rentals	3,643	3,000	4,265	3,100
Pool rentals	22,542	28,550	23,000	29,415
Subtotal	2,998,212	3,111,355	3,074,220	3,160,290

OTHER REVENUE:

Interest earnings	9,508	1,800	2,195	1,800
Miscellaneous grants & donations	3,775	6,400	5,550	6,400
Gain (loss) on disposal of assets	3,450	2,800	320	2,800
Miscellaneous revenue (expense)	9,486	9,340	7,235	7,540
Subtotal	26,219	20,340	15,300	18,540

TOTAL REVENUES AND TRANSFERS **\$ 3,024,431** **\$ 3,131,695** **\$ 3,089,520** **\$ 3,178,830**

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 seven divisions: (a) The General Administration Division includes administrative staff, office supplies and maintenance, facility marketing, utilities and general insurance; (b) the Aquatics Division includes aquatic staff and contract instructors, pool equipment maintenance and supplies, aquatic merchandise sales and aquatic program supplies; (c) the Fitness Division includes fitness program staff and contract instructors, fitness equipment maintenance and fitness program supplies; (d) the Recreation Division includes recreation staff and contract instructors/referees, birthday party supplies, recreation program and league supplies and gymnasium equipment; (e) the Facility Maintenance Division includes building maintenance staff and contract janitorial services, janitorial supplies, and facility maintenance; (f) the Customer Service Division includes customer service staff at the front desk, office supplies and concessions/merchandise sales and (g) the Seasonal Outdoor Concession Division includes staff, supplies and outdoor concession/merchandise sales for the outdoor concession stand.

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

DEPARTMENT/DIVISION GOALS:

Ensure sustainability of The Keller Pointe through management of a self-sufficient enterprise fund to continue to prevent subsidization from the general fund by:

- Achieving and maintaining an annual member base of 3,500 passes
- Attracting 500 new members and 1000 renewals by conducting a successful annual membership price special from April 15 – May 31, 2013 offering residents the group exercise upgrade for free and their choice of a personal training or stay and play passes and the resident rate to non-residents for paid in full memberships.
- Ensuring membership retention and growth by rewarding the membership with program discounts in accordance with our program pricing structure. This will secure financial success of both membership and programming.
- Maintaining program registration and membership during an economic downturn to match previous fiscal year.
- Creating loyal guests and attracting new individuals and businesses by providing quality customer service that exceeds expectations resulting in a customer satisfaction survey rating of 90%.
- Developing knowledgeable and helpful staff through the Pointes of Excellence Training.
- Developing programs, activities and events that keep members involved to maintain member attrition rate at 33% or less.
- Inspiring healthy lifestyles, showcasing local businesses and organizations, providing citizens and members a quality recreation experience and spotlighting The Keller Pointe amenities by hosting a minimum of six special events annually.

(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 GOALS:

- Creating a safe place for pre-teens to interact and socialize by providing a minimum of four pre-teen after-hour events.
- Fostering partnerships with civic groups, businesses, and foundations that align with our core values.
- Enhancing communication regarding The Keller Pointe's facility, programs and services through social, electronic and print media.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 PROJECTED
Completed surveys	627	634	650
Recreation programs provided (class list)	1,212	1,188	1,233
Leagues provided	20	24	26
Special events provided	13	14	14
Group exercise classes offered	3,012	2,808	2,704
Number of partnerships developed	38	40	45
Number of annual members	3,367	3,346	3,500
Annual attendance (day pass & member visits)	277,424	288,100	296,000
Recreation program participants (attendance)	3,385	3,514	3,707
League participants:			
Teams	95	136	150
Participants	988	1,405	1,500
Special event attendance	3,897	4,352	4,536
Facility rentals/birthday parties	972	938	992
Group exercise attendance	31,346	37,291	37,950
Partnership dollars generated	\$6,430	\$7,950	\$6,400
<u>PERFORMANCE INDICATORS</u>			
Survey satisfaction rating (on a five-point scale)	n/a	4.05	4.50
Member attrition rate	34%	33%	33%

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

**THE KELLER POINTE
DEPARTMENT SUMMARY**

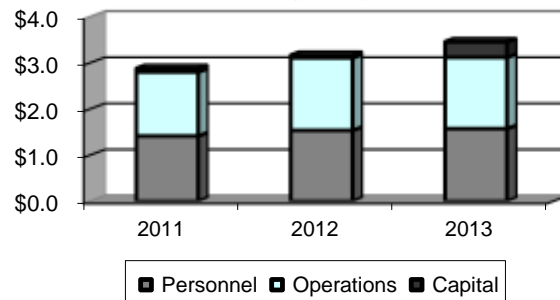
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ 1,414,374	\$ 1,560,405	\$ 1,536,425	\$ 1,573,570
Operations & maintenance	400,431	394,265	428,455	435,790
Services & other	985,621	1,165,200	1,143,940	1,109,510
SUBTOTAL	2,800,426	3,119,870	3,108,820	3,118,870
Capital outlay	74,802	372,950	52,855	335,000
TOTAL	\$ 2,875,228	\$ 3,492,820	\$ 3,161,675	\$ 3,453,870

<u>EXPENDITURES BY ACTIVITY</u>				
Administration	\$ 1,007,799	\$ 1,356,215	\$ 1,047,285	\$ 1,330,765
Aquatics	479,738	511,440	499,695	495,610
Fitness Programs	368,437	427,315	418,625	366,515
Recreation Programs	309,388	382,850	360,095	388,990
Facility Operations & Maintenance	388,768	472,615	505,910	531,450
Customer Services	321,098	342,385	247,830	258,105
Outdoor Concessions	-	-	82,235	82,435
TOTAL	\$ 2,875,228	\$ 3,492,820	\$ 3,161,675	\$ 3,453,870

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	4.50	4.75	4.75
Aquatics	17.19	17.19	17.50
Fitness Programs	2.99	3.01	3.01
Recreation Programs	9.05	9.07	9.07
Facility Operations & Maintenance	1.00	1.00	1.00
Customer Services	12.24	11.54	9.10
Outdoor Concessions	-	-	2.30
TOTAL	46.97	46.56	46.73

**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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 336,525	\$ 358,165	\$ 353,425	\$ 357,465
Operations & maintenance	63,366	53,075	51,905	53,900
Services & other	533,106	638,475	633,455	584,400
SUBTOTAL	932,997	1,049,715	1,038,785	995,765
Capital outlay	74,802	306,500	8,500	335,000
TOTAL	\$ 1,007,799	\$ 1,356,215	\$ 1,047,285	\$ 1,330,765

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Recreation Manager	PE-9	1.00	1.00	1.00
Accountant	PE-5	1.00	1.00	1.00
Administrative Secretary	A/TN-8	1.00	1.00	1.00
Sales/Marketing Coordinator	A/TN-6	1.00	1.00	1.00
Accounting Assistant	A/TN-4	0.50	0.75	0.75
TOTAL		4.50	4.75	4.75

FY2013 highlights: capital outlay provides funding for facility improvements. Specific improvements have not yet been identified. Final recommendations will be presented to the City Council during the year.

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

AQUATICS

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 391,479	\$ 412,105	\$ 413,420	\$ 418,740
Operations & maintenance	67,681	50,100	50,100	53,100
Services & other	20,578	24,235	23,270	23,770
SUBTOTAL	479,738	486,440	486,790	495,610
Capital outlay	-	25,000	12,905	-
TOTAL	\$ 479,738	\$ 511,440	\$ 499,695	\$ 495,610

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Aquatics Supervisor	PE-4	1.00	1.00	1.00
Assistant Aquatics Supervisor	A/TN-5	1.00	1.00	1.00
Head Lifeguard	RCS-3	3.98	3.98	3.99
Lifeguard	RCS-2	10.73	10.73	11.03
Water Safety Instructor	RCS-4	0.48	0.48	0.48
TOTAL		17.19	17.19	17.50

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

FITNESS PROGRAMS

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
Personnel services	\$ 163,421	\$ 184,265	\$ 183,825	\$ 185,805
Operations & maintenance	71,071	102,200	92,200	40,000
Services & other	133,945	140,850	142,600	140,710
SUBTOTAL	368,437	427,315	418,625	366,515
Capital outlay	-	-	-	-
TOTAL	\$ 368,437	\$ 427,315	\$ 418,625	\$ 366,515

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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	0.99	1.01	1.01
TOTAL		2.99	3.01	3.01

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

RECREATION PROGRAMS

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 187,546	\$ 241,275	\$ 236,340	\$ 248,240
Operations & maintenance	1,555	3,200	2,000	3,200
Services & other	120,287	138,375	121,755	137,550
SUBTOTAL	309,388	382,850	360,095	388,990
Capital outlay	-	-	-	-
TOTAL	\$ 309,388	\$ 382,850	\$ 360,095	\$ 388,990

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 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	2.17	2.13	2.13
Athletic Assistant (seasonal)	RCS-1	1.04	1.06	1.06
Childcare Attendant	RCS-1	3.84	3.88	3.88
TOTAL		9.05	9.07	9.07

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

FACILITY MAINTENANCE

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
Personnel services	\$ 81,392	\$ 82,975	\$ 84,075	\$ 82,990
Operations & maintenance	129,955	126,190	168,385	226,090
Services & other	177,421	222,000	222,000	222,370
SUBTOTAL	388,768	431,165	474,460	531,450
Capital outlay	–	41,450	31,450	–
TOTAL	\$ 388,768	\$ 472,615	\$ 505,910	\$ 531,450

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Building Operations Supervisor	TN-11	–	–	1.0
Building Operations Supervisor	TN-10	1.0	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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 254,011	\$ 281,620	\$ 225,030	\$ 239,820
Operations & maintenance	66,803	59,500	22,415	18,050
Services & other	284	1,265	385	235
SUBTOTAL	321,098	342,385	247,830	258,105
Capital outlay	-	-	-	-
TOTAL	\$ 321,098	\$ 342,385	\$ 247,830	\$ 258,105

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Customer Service Supervisor	PE-3	1.00	1.00	1.00
Assistant Customer Service Supervisor	A/TN-5	1.00	1.00	1.00
Customer Service Representative (part-time)	RCS-2	7.00	6.31	7.10
Concession Stand Attendant	RCS-1	3.24	3.23	-
TOTAL		12.24	11.54	9.10

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

OUTDOOR CONCESSIONS

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ 40,310	\$ 40,510
Operations & maintenance	-	-	41,450	41,450
Services & other	-	-	475	475
SUBTOTAL	-	-	82,235	82,435
Capital outlay	-	-	-	-
TOTAL	\$ -	\$ -	\$ 82,235	\$ 82,435

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Concession Stand Attendant	RCS-1	-	-	2.30
TOTAL		-	-	2.30

INFORMATION SERVICES FUND

The Information Services Fund was created by the City in FY2001 to account for City-wide information services/information technology operations. Sources of funding for the Information Services Fund are provided by user fees and transfers from various operating funds, tower rental revenues, and interest revenue. Expenditures provide for information technology support personnel and goods and services to be utilized on a City-wide basis. In October 2005, the Public Library support, Internet services, and Audio Visual services were transferred to Information Services.

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
INFORMATION SERVICES FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 472,410	\$ 463,240	\$ 544,319	\$ 521,609
Revenues and transfers	1,499,312	1,507,105	1,507,205	1,807,960
TOTAL FUNDS AVAILABLE	1,971,722	1,970,345	2,051,524	2,329,569
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	1,427,403	1,544,735	1,529,915	1,651,235
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	544,319	425,610	521,609	678,334
FUND TOTAL	\$ 1,971,722	\$ 1,970,345	\$ 2,051,524	\$ 2,329,569
Excess revenues (expenditures)	71,909	(37,630)	(22,710)	156,725

REVENUES

<u>OPERATING REVENUES:</u>				
Information services fees-City	\$ 1,138,270	\$ 1,152,060	\$ 1,152,060	\$ 1,466,560
General Fund lease revenue	241,170	237,405	237,405	224,550
Water/Wastewater Fund lease revenue	39,330	31,405	31,405	32,035
Drainage Utility Fund lease revenue	2,885	3,735	3,735	3,345
The Keller Pointe lease revenue	20,315	24,000	24,000	22,970
Communication tower rental fees	51,417	52,500	52,500	52,500
Subtotal	1,493,387	1,501,105	1,501,105	1,801,960
<u>OTHER REVENUE:</u>				
Interest earnings	5,525	6,000	6,000	6,000
Miscellaneous revenue (expense)	400	-	100	-
Subtotal	5,925	6,000	6,100	6,000
TOTAL REVENUES AND TRANSFERS	\$ 1,499,312	\$ 1,507,105	\$ 1,507,205	\$ 1,807,960

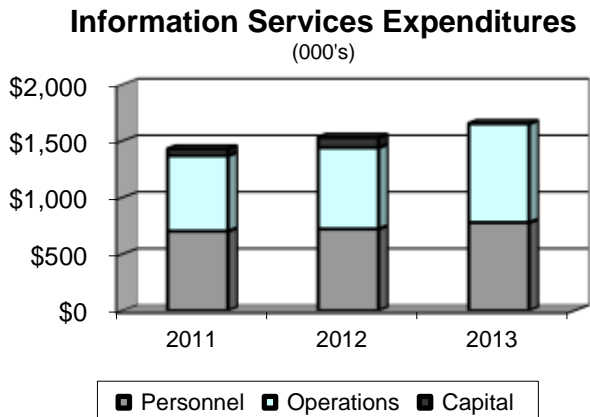
INFORMATION SERVICES FUND COMBINED EXPENDITURES

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 702,142	\$ 731,790	\$ 721,470	\$ 778,405
Operations & maintenance	466,449	502,800	498,300	645,990
Services & other	200,587	220,145	220,145	226,840
SUBTOTAL	1,369,178	1,454,735	1,439,915	1,651,235
Capital outlay	58,225	90,000	90,000	-
TOTAL	\$ 1,427,403	\$ 1,544,735	\$ 1,529,915	\$ 1,651,235

<u>EXPENDITURES BY DIVISION:</u>				
Administration	\$ 1,297,058	\$ 1,404,800	\$ 1,391,675	\$ 1,448,475
Geographic Information Services	130,345	139,935	138,240	202,760
TOTAL	\$ 1,427,403	\$ 1,544,735	\$ 1,529,915	\$ 1,651,235

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Administration	6.0	6.0	6.0
Geographic Information Services	1.0	1.0	2.0
TOTAL	7.0	7.0	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 of 2008. Information Services provides technical support to the Northeast Tarrant Communications Center (NETCOM) that provides dispatch and jail services to Westlake, Southlake, Colleyville, and Keller.

DEPARTMENT/DIVISION GOALS:

1. Increase productivity and decrease cost of providing city services through the implementation and support of technology based services.
2. Provide timely and efficient technical support services to all departments.
3. Maintain the Keller Technology Plan (KTP) as a prioritization and management tool for information technology (IT) projects throughout the entire organization.
Key principles of KTP:
 - a. Core Principle: to consolidate the review and management of all City IT projects under one entity, Information Services, to ensure IT projects are implemented in accordance with organization wide goals and initiatives. Implement processes and procedures to ensure the effective and economical use of IT resources while improving staff efficiency and improving services to the citizens of Keller.
 - b. Replacement Principle: to ensure information technology (IT) equipment is utilized to its maximum useful life, but plan to have enough funds available to replace equipment when needed to ensure optimal employee efficiency. Maintain an accurate inventory and standardized replacement schedule for technology based products.
 - c. New Request Principle: to ensure there is an adequate return on investment (ROI) on all new IT budget requests to provide a significant new service, increase staff efficiency, and/or improve services to staff and citizens. Follow city mandated purchasing policies and procedures, utilize request for proposals (RFP) to ensure that new technology requests match city business requirements, and utilize state and local purchasing agreements to leverage volume pricing.
4. Maintain the City's network/data center to reduce cost, eliminate duplication, and improve performance of information technology services.
5. Ensure that all City software is properly licensed and documented.
6. Maintain comprehensive backups for all City servers including offsite storage of all backup media.
7. Maintain the City's communication infrastructure to ensure reliable voice and data service to all City facilities.
8. Provide project management to all technology related projects within the City.
9. Maintain a document imaging system to reduce physical file storage requirements and improve access to critical information.
10. Constantly improve the City of Keller's web site by creating consistency in the appearance and functionality of all City and department specific web sites, and also enhance the economic development focus of the web site.

(continued)

FUND:
Information Services

DEPARTMENT:
Information Services

DIVISION:
Administration

ACCOUNT:
119-180-15

(Continued)

DEPARTMENT/DIVISION 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>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Application/file/storage servers supported/maintained*	28	31	31
Desktop/laptop computers supported/maintained	294	302	300
Public Safety Mobile Data Computers (MDC) supported	28	28	29
Network / local printers supported/maintained	101	90	80
Telephone handsets supported/maintained	285	312	308
Network equipment/devices supported/maintained	50	50	52
Multi-function copy machines supported	14	14	14
Scanners supported/maintained	23	30	35
Video security cameras supported/maintained	74	100	100

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

- Six (6) physical virtual servers that host fifty (50) virtual servers
- Five (5) 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 server
- 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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 618,447	\$ 642,605	\$ 633,980	\$ 632,115
Operations & maintenance	441,696	481,500	477,000	623,690
Services & other	178,690	190,695	190,695	192,670
SUBTOTAL	1,238,833	1,314,800	1,301,675	1,448,475
Capital outlay	58,225	90,000	90,000	-
TOTAL	\$ 1,297,058	\$ 1,404,800	\$ 1,391,675	\$ 1,448,475

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Information Services Director	M-3	1.0	1.0	1.0
Information Services Administrator	PE-9	-	1.0	1.0
Information Services Analyst	PE-7	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 Coordinator	PE-6	-	1.0	1.0
Information Services Internet Analyst	PE-6	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. Specific services include software and data needs analysis, software support, data analysis, data conversion, map production, interactive map web pages, and geographic database management.

DEPARTMENT/DIVISION GOALS:

1. Provide effective geographic solutions to streamline City processes.
2. Improve GIS applications and increase the accessibility of GIS data to City staff.
3. Continue to maintain all primary GIS datasets.
4. Improve/enhance our existing North Central Texas Council of Government (NCTCOG) iCommunities GIS web site.
5. Continue to develop new GIS data layers for the Police, Fire, Community Development, and Parks and Recreation departments.
6. Work with Public Works to develop a storm drain GIS data layer.
7. Continue to integrate GIS utilities datasets with the Public Works Government Benefit Administrators (GBA) Master Series work order system.
8. Continue to improve the GIS Intranet site 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.
11. Maintain and update the GIS implementation plan as conditions warrant.
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.

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	<u>2010-2011 ACTUAL</u>	<u>2011-2012 ESTIMATE</u>	<u>2012-2013 PROJECTED</u>
Intranet GIS users	30	45	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**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 83,695	\$ 89,185	\$ 87,490	\$ 146,290
Operations & maintenance	24,753	21,300	21,300	22,300
Services & other	21,897	29,450	29,450	34,170
SUBTOTAL	130,345	139,935	138,240	202,760
Capital outlay	-	-	-	-
TOTAL	\$ 130,345	\$ 139,935	\$ 138,240	\$ 202,760

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
GIS Coordinator	PE-8	1.0	1.0	1.0
GIS Technician	A/TN-9	-	-	1.0
TOTAL		1.0	1.0	2.0

LIBRARY SPECIAL REVENUE FUND

The Library Special Revenue Fund accounts for special contributions, donations, and related expenditures for the Keller Public Library.

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
LIBRARY SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 42,429	\$ 39,374	\$ 60,436	\$ 54,461
Revenues and transfers	28,436	23,800	26,075	23,100
TOTAL FUNDS AVAILABLE	70,865	63,174	86,511	77,561
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	10,429	32,050	32,050	32,050
<u>ENDING FUND BALANCE:</u>				
Unassigned fund balance	60,436	31,124	54,461	45,511
FUND TOTAL	\$ 70,865	\$ 63,174	\$ 86,511	\$ 77,561
Excess revenues (expenditures)	18,007	(8,250)	(5,975)	(8,950)
REVENUES				
<u>MISCELLANEOUS REVENUES:</u>				
Utility Bill Donations	\$ 11,303	\$ 12,000	\$ 11,400	\$ 11,250
Library Donations	5,368	8,500	11,000	8,500
Non-resident fees	2,873	3,000	3,300	3,000
Interest earnings	449	300	375	350
TOTAL REVENUES AND TRANSFERS	\$ 28,436	\$ 23,800	\$ 26,075	\$ 23,100

LIBRARY SPECIAL REVENUE FUND

EXPENDITURE SUMMARY

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	1,644	30,550	28,550	30,550
Services & other	8,785	1,500	3,500	1,500
SUBTOTAL	10,429	32,050	32,050	32,050
Capital outlay	-	-	-	-
TOTAL	\$ 10,429	\$ 32,050	\$ 32,050	\$ 32,050
<u>EXPENDITURES BY ACTIVITY:</u>				
Library Services	\$ 1,986	\$ 32,050	\$ 32,050	\$ 32,050
Library Grant Expenditures	8,443	-	-	-
TOTAL	\$ 10,429	\$ 32,050	\$ 32,050	\$ 32,050

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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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.

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
RECREATION SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 69,667	\$ 73,748	\$ 86,391	\$ 79,746
Revenues and transfers	216,404	126,115	163,260	158,915
TOTAL FUNDS AVAILABLE	286,071	199,863	249,651	238,661
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	199,680	132,030	169,905	156,315
<u>ENDING FUND BALANCE:</u>				
Total fund balance	86,391	67,833	79,746	82,346
Designated for:				
Wild West Fest/Rock the Park	23,645	11,087	23,945	24,245
Tree preservation	15,690	11,410	15,690	15,690
Unassigned fund balance	47,056	45,336	40,111	42,411
FUND TOTAL	\$ 286,071	\$ 199,863	\$ 249,651	\$ 238,661
Excess revenues (expenditures)	16,724	(5,915)	(6,645)	2,600
REVENUES				
<u>RECREATION PROGRAMS REVENUE:</u>				
Texas Amateur Athletic Foundation (TAAF):				
Swimming revenue	\$ 38,076	\$ 24,800	\$ 36,960	\$ 37,000
Daddy/daughter sweetheart ball	6,671	6,300	6,175	6,300
Halloween haunted trail revenue	602	5,300	4,870	4,800
Holly Days in the Park revenue	3,868	3,000	3,305	3,000
Rock the Park revenue	78,914	29,000	29,000	29,000
Special events-vendor commissions	4,036	-	-	-
Mother/son ice cream social revenue	1,614	1,300	1,300	1,300
Keller family campout revenue	1,920	2,550	2,100	2,100
Easter event revenue	2,177	1,300	1,300	1,300
Spooky-Kooky-Keller-Kastle revenue	1,259	1,000	1,530	1,000
Family fun films revenue	1,750	1,100	1,105	1,000
Fishing event revenue	517	500	500	500
Recreation program revenue	6,320	8,000	9,000	8,000
Senior Services program revenue	29,912	12,650	37,000	34,500
TOTAL RECREATION REVENUES	\$ 177,636	\$ 96,800	\$ 134,145	\$ 129,800

**RECREATION SPECIAL REVENUE FUND
REVENUES**

(Continued)

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	\$ 888	\$ 400	\$ 400	\$ 400
Miscellaneous park donations	5,824	2,250	2,250	2,250
Miscellaneous revenue (expense)	16	-	-	-
Grant revenue	712	715	715	715
Ticket sales revenue	1,992	2,000	1,800	1,800
Concerts in the Park revenue	3,845	5,100	5,100	5,100
Utility bill donation revenue	11,304	11,000	11,000	11,000
Recreation donations	950	500	500	500
Senior Services donations	5,522	3,000	3,000	3,000
Veteran's Memorial donations	75	350	350	350
Tree preservation fines/fees	7,640	4,000	4,000	4,000
TOTAL MISCELLANEOUS REVENUES	38,768	29,315	29,115	29,115
TOTAL REVENUES AND TRANSFERS	\$ 216,404	\$ 126,115	\$ 163,260	\$ 158,915

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 30 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 70 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 interest.
2. Inspire environmental stewardship and healthy lifestyles through the management of Keller Proud and Texas Amateur Athletic Federation Programs.
3. Ensure sustainability of citywide special events through the expansion of our resources and encouragement of community involvement by:
 - a. Fostering partnerships with civic groups, businesses, foundations and neighboring communities that align with our core values.
 - b. Maintaining and promoting an active and rewarding volunteer program.
 - c. Creating loyal sponsors and developing new opportunities for businesses to feature their products and services.
4. Attract individuals and businesses to the area by providing quality customer care in the delivery of all programs and services that exceeds guest expectations.
5. Enhance communication regarding recreational programs, events and facilities through social, electronic and print media.

(Continued)

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-XXX-XX

(Continued)

DEPARTMENT/DIVISION SERVICE ANALYSIS:

<u>SERVICES PROVIDED</u>	SERVICE ANALYSIS		
	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 PROJECTED
Special events provided annually	26	26	26
Recreation program volunteers	363	375	385
Recreation leagues provided	8	8	8
Recreation leagues provided at Keller Independent School District facilities	1	1	1
Recreation program volunteer hours	1,096	1,150	1,200
Recreation league participants	183	180	180
Recreation partnership dollars generated	\$63,125	\$23,000	\$25,000
Number of special event partnerships developed	261	224	251
Senior Center trips offered	29	40	42
Senior Center birthday breakfasts offered	12	12	12
Senior Center Thursday night activities	50	12	12
Special events guests	36,014	31,500	33,000
Senior Center trip participants	907	900	920
Senior Center birthday breakfast participants	240	264	280
Senior Center Thursday night participants	834	858	860

FUND:
Recreation Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
112-XXX-XX

**RECREATION SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	73,767	46,900	76,320	74,915
Services & other	125,913	73,970	82,425	81,400
SUBTOTAL	199,680	120,870	158,745	156,315
Capital outlay	-	11,160	11,160	-
TOTAL	\$ 199,680	\$ 132,030	\$ 169,905	\$ 156,315
<u>EXPENDITURES BY PROGRAM:</u>				
Senior Services Programs	\$ 42,570	\$ 23,630	\$ 48,800	\$ 44,700
Recreation Programs	39,055	29,285	40,295	41,315
Special Events	89,805	52,555	52,850	53,500
Designated Expenditures	18,065	17,410	17,410	6,250
Memorial Park Expenditures	535	650	650	650
Concerts in the Park	8,938	8,500	9,900	9,900
TOTAL	\$ 199,680	\$ 132,030	\$ 169,905	\$ 156,315

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

DEPARTMENT / DIVISION	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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MUNICIPAL COURT SPECIAL REVENUE FUND

The Municipal Court Special Revenue Fund accounts for technology and building security fees collected from Municipal Court citations. Expenditures from these fees are specifically designated by state law.

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
MUNICIPAL COURT SPECIAL REVENUE FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 267,363	\$ 251,320	\$ 216,700	\$ 95,485
Revenues and transfers	90,156	107,500	97,250	95,550
TOTAL FUNDS AVAILABLE	357,519	358,820	313,950	191,035
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	140,819	210,444	218,465	122,410
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	216,700	148,376	95,485	68,625
FUND TOTAL	\$ 357,519	\$ 358,820	\$ 313,950	\$ 191,035
Excess revenues (expenditures)	(50,663)	(102,944)	(121,215)	(26,860)

REVENUES

<u>MISCELLANEOUS REVENUES:</u>				
Technology fees	\$ 26,207	\$ 30,000	\$ 28,500	\$ 29,000
Building security fees	19,655	25,000	21,000	19,500
School crossing fees	6,837	10,000	10,000	8,500
Teen Court fees	1,560	1,800	2,250	1,800
Juvenile Case Manager fees	32,591	39,000	33,000	34,500
Interest earnings	3,306	1,700	2,500	2,250
TOTAL REVENUES AND TRANSFERS	\$ 90,156	\$ 107,500	\$ 97,250	\$ 95,550

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.

The Keller Municipal Court collects a special court (building) security fee of \$3.00 per violation from each defendant convicted of a misdemeanor offense as allowed in Article 102.017 of the Texas Code of Criminal Procedures and approved by the Keller City Council effective September 1, 1995, in Ordinance 18-131.

Allowable expenses for this fee include:

1. purchase or repair of X-ray machines and conveying systems;
2. hand-held metal detectors;
3. walk-through metal detectors;
4. identification cards and systems;
5. electronic locking and surveillance equipment;
6. Bailiffs, Deputy Sheriffs, Deputy Constables, or contract security personnel during times when they are providing security services for the Keller Municipal Court;
7. signage;
8. confiscated weapon, inventory and tracking systems;
9. locks, chains, or other security hardware;
10. purchase or repair of bullet proof glass; or
11. continuing education on security issues.

(Continued)

FUND:
Municipal Court Special
Revenue

DEPARTMENT:
All Activities

DIVISION:
All Activities

ACCOUNT:
114-XXX-XX

(Continued)

The Keller Municipal Court collects a special technology fee of \$4.00 per violation from each defendant convicted of a misdemeanor offense as allowed in Article 102.017 of the Texas Code of Criminal Procedures and approved by the Keller City Council effective September 1, 1999, in Ordinance 18-132.

Allowable expenses for this fee include:

1. computer systems;
2. computer networks;
3. computer hardware;
4. computer software;
5. imaging systems;
6. electronic kiosks;
7. electronic ticket writers; and
8. docket management systems.

The Keller Municipal Court also collects a special Juvenile Case Manager fee of \$5.00 per violation from each defendant convicted of a misdemeanor offense as allowed in Texas Code of Criminal Procedure Article 45.056(c), which would provide authority for Municipal Courts to employ a juvenile case manager to provide services in cases before the Court dealing with juvenile offenders, consistent with the Court's statutory powers as approved by the Keller City Council.

Allowable expenses for this fee include:

Salary, benefits, and related costs associated with the juvenile case manager expenses.

**MUNICIPAL COURT SPECIAL REVENUE FUND
EXPENDITURE SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ 56,396	\$ 67,670	\$ 67,765	\$ 2,530
Operations & maintenance	68,557	79,460	86,110	109,880
Services & other	5,866	12,064	13,340	10,000
SUBTOTAL	130,819	159,194	167,215	122,410
Capital outlay	10,000	51,250	51,250	-
TOTAL	\$ 140,819	\$ 210,444	\$ 218,465	\$ 122,410

<u>EXPENDITURES BY DIVISION:</u>				
Building Security Account	\$ 20,596	\$ 16,575	\$ 16,725	\$ 28,110
Technology Account	65,665	127,010	133,860	84,300
Juvenile Case Manager Account	48,911	56,859	57,880	-
School Crossing Guard Account	5,647	10,000	10,000	10,000
TOTAL	\$ 140,819	\$ 210,444	\$ 218,465	\$ 122,410

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
Juvenile Case Manager	ATN/6	1.0	1.0	-
TOTAL		1.0	1.0	-

**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. SS542(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 cameras and equipment used in the broadcasting and/or dissemination of public information.

	2010-2011 ACTUAL		2011-2012 BUDGET		2011-2012 ESTIMATE		2012-2013 BUDGET
CABLE FRANCHISE SPECIAL REVENUE FUND SUMMARY							
<u>RESOURCES:</u>							
Total beginning fund balance	\$ 2,904	\$	-	\$	2,904	\$	112,595
Revenues and transfers	-		-		112,500		116,750
TOTAL FUNDS AVAILABLE	2,904		-		115,404		229,345
<u>USES/DEDUCTIONS:</u>							
Expenditures and transfers out	-		-		2,809		32,500
<u>ENDING FUND BALANCE:</u>							
Unassigned fund balance	2,904		-		112,595		196,845
FUND TOTAL	\$ 2,904	\$	-	\$	115,404	\$	229,345
Excess revenues (expenditures)	-		-		109,691		84,250
REVENUES							
<u>FRANCHISE REVENUES:</u>							
Franchise fees - Verizon	\$ -	\$	-	\$	55,000	\$	55,000
Franchise fees - TV Cable	-		-		12,000		12,000
Franchise fees - AT&T	-		-		4,000		8,000
Franchise fees - One Source	-		-		41,000		41,000
Subtotal	-		-		112,000		116,000
<u>MISCELLANEOUS REVENUES:</u>							
Interest revenue	-		-		500		750
Subtotal	-		-		500		750
TOTAL REVENUES	\$ -	\$	-	\$	112,500	\$	116,750

FUND:
Cable Franchise Special
Revenue

DEPARTMENT:
Administration

DIVISION:
Administration

ACCOUNT:
116-100-01

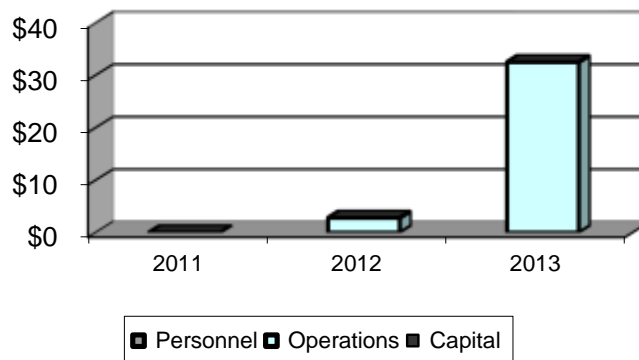
CABLE FRANCHISE SPECIAL REVENUE FUND

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	25,000
Services & other	-	-	-	7,500
Transfers to other funds	-	-	2,809	-
SUBTOTAL	-	-	2,809	32,500
Capital outlay	-	-	-	-
TOTAL	\$ -	\$ -	\$ 2,809	\$ 32,500

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

POSITION TITLE	PAY CLASS	2010-2011 ACTUAL	2011-2012 ESTIMATE	2012-2013 BUDGET
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Cable Franchise (PEG) Expenditures
(000's)



KELLER CRIME CONTROL PREVENTION DISTRICT

The Keller Crime Control Prevention District Fund was created in FY2002 to account for the resources and revenues derived from the crime control district sales tax, authorized by an election in November 2001. In May 2006, voters authorized to extend the tax by an additional 15 years. In November 2007, voters authorized a reduction in the rate from three-eighths of one percent (0.375%) to one-quarter of one percent (0.25%). This reallocation became effective April 1, 2008.

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 2,916,572	\$ 3,547,759	\$ 3,586,635	\$ 6,282,265
<u>REVENUES:</u>				
City sales taxes	966,775	942,000	950,000	950,000
Interest revenue	11,780	7,500	10,000	7,500
Debt Issuance	-	6,400,000	6,400,000	-
Miscellaneous revenue	30,780	12,500	20,000	12,500
TOTAL REVENUES	1,009,335	7,362,000	7,380,000	970,000
TOTAL FUNDS AVAILABLE	3,925,907	10,909,759	10,966,635	7,252,265
<u>EXPENDITURES:</u>				
Administration/Accreditation	\$ 4,045	\$ 13,425	\$ 13,425	\$ 8,200
Facility Improvements-CIP (1)	67,513	505,195	1,121,275	1,085,725
Facility Improvements-2012A CO's	-	6,400,000	3,200,000	3,200,000
Furniture/Fixtures/Equipment Replacement-CIP (1)	6,548	54,700	54,700	11,300
Technology Improvements	57,681	61,900	63,270	91,200
Police Operations	203,485	231,650	231,700	200,690
Debt Service	-	-	-	526,175
TOTAL EXPENDITURES	339,272	7,266,870	4,684,370	5,123,290
<u>ENDING FUND BALANCE:</u>				
Total fund balance	3,586,635	3,642,889	6,282,265	2,128,975
Reserved for capital improvements:				
Jail expansion (1)	2,181,987	2,179,500	1,560,712	474,987
Furniture, fixtures & equipment (1)	658,929	789,229	776,739	945,439
2012A CO's balance	-	-	3,200,000	-
Unassigned fund balance	745,719	674,160	744,814	708,549
FUND TOTAL	\$ 3,925,907	\$ 10,909,759	\$ 10,966,635	\$ 7,252,265
Excess revenues (expenditures)	670,063	95,130	2,695,630	(4,153,290)

(1) CIP - cumulative funds reserved for future capital improvements.

FY2013 highlights: funding is provided for routine replacement of departmental vehicles and related vehicle accessories (\$200,690); jail expansion, facility furniture, fixtures, and equipment replacement (\$4,297,025); technology improvements (\$91,200); debt service for facility expansion (\$526,175); and accreditation fees (\$8,200).

**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
02/15/2013	\$ 275,000.00	0.30%	\$ 146,949.58	\$ 421,949.58	
08/15/2013	-	0.30%	103,725.00	103,725.00	
09/30/2013	275,000.00		250,674.58	525,674.58	\$ 525,674.58
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	<u>\$ 6,000,000.00</u>		<u>\$ 1,892,999.58</u>	<u>\$ 7,892,999.58</u>	<u>\$ 7,892,999.58</u>

Original amount issued: \$6,000,000
Purpose: Police Department facility renovations, including a new holding facility and animal shelter/adoption center.

COMMUNITY CLEAN-UP FUND

The purpose of this program is to provide public services that assist in keeping the City of Keller free and clear of any debris, waste, refuse or other items that may cause a public safety issue, be a public nuisance or be a detriment to the aesthetics of the community. Funded through a monthly fee assessed to residential customers, this program provides for clean-up programs within the community to include, but not limited to, storm debris pick-up, city-wide clean-ups, and educational and promotional activities.

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 66	\$ 66	\$ 29,830	\$ 31,680
<u>REVENUES:</u>				
Solid waste/garbage fees	30,550	30,000	30,000	30,000
Interest earnings	151	-	350	350
TOTAL REVENUES AND TRANSFERS	30,701	30,000	30,350	30,350
TOTAL FUNDS AVAILABLE	30,767	30,066	60,180	62,030
<u>EXPENDITURES:</u>				
Personnel services	-	-	-	-
Operations & maintenance	-	2,000	500	2,000
Services & other	937	28,000	28,000	28,000
SUBTOTAL	937	30,000	28,500	30,000
Capital outlay	-	-	-	-
TOTAL EXPENDITURES & TRANSFERS	937	30,000	28,500	30,000
ENDING BALANCE	\$ 29,830	\$ 66	\$ 31,680	\$ 32,030
Excess revenues (expenditures)	29,764	-	1,850	350

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.

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 497,984	\$ 464,229	\$ 487,535	\$ 365,745
Revenues and transfers	6,110,926	5,766,365	5,775,715	5,402,905
TOTAL FUNDS AVAILABLE	6,608,910	6,230,594	6,263,250	5,768,650
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	6,121,375	5,901,510	5,897,505	5,412,430
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	487,535	329,084	365,745	356,220
FUND TOTAL	\$ 6,608,910	\$ 6,230,594	\$ 6,263,250	\$ 5,768,650
Excess revenues (expenditures)	(10,449)	(135,145)	(121,790)	(9,525)
General obligation debt outstanding, October 1	\$ 46,716,608	\$ 43,332,455	\$ 43,332,455	\$ 39,534,153
Estimated population, October 1	39,627	39,920	39,920	40,440
Direct tax-supported debt per capita	\$ 1,179	\$ 1,085	\$ 1,085	\$ 978
Ratio of debt to net taxable valuation	1.2%	1.1%	1.1%	1.0%
Financial policy target	15.0%	15.0%	15.0%	15.0%
Debt service expenditures as a percentage of total expenditures	16.5%	15.3%	14.2%	13.1%
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.

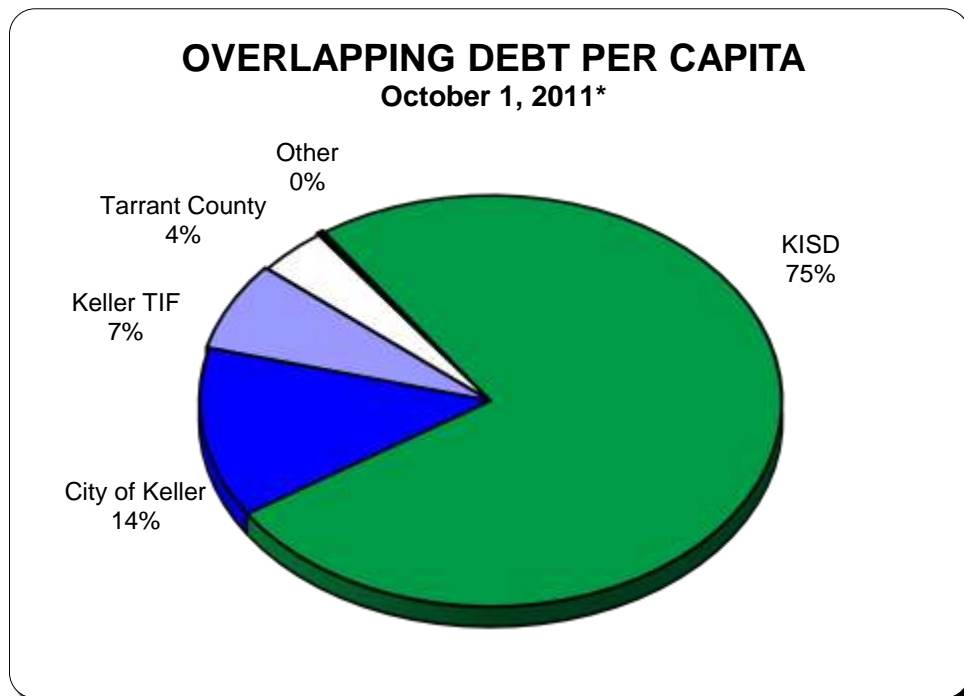
Tax rate limitation	\$ 2.50000	\$ 2.50000	\$ 2.50000	\$ 2.50000
Actual tax rate	0.44219	0.44219	0.44219	0.44219
Available rate available	<u>\$ 2.05781</u>	<u>\$ 2.05781</u>	<u>\$ 2.05781</u>	<u>\$ 2.05781</u>
Additional tax levy available	\$ 80,767,831	\$ 82,051,561	\$ 82,051,561	\$ 84,194,173

DEBT RATIOS

Important financial ratios are the debt per capita ratio, and the overlapping debt per capita ratio. Debt per capita is determined by dividing the City's outstanding general obligation debt by the City's population. Overlapping debt includes not only the City's direct debt, but also includes Keller's applicable portion of the debt of all other "overlapping" taxing entities located within the City limits, such as the school district, Tarrant County, Tarrant County Hospital, etc. By including all of the overlapping entities, the total tax impact on a Keller property owner can then be calculated.

Both the City's and the overlapping entity's debt per capita continue to be above-average, when compared to nation-wide or state-wide averages. As of October 1, 2011, using the estimated population of 39,627, the total overlapping debt per capita was \$8,155, of which the City's portion (excluding TIF debt) was \$1,094, or 14% of the total. Including the TIF portion of the overlapping tax rate, the City's combined debt per capita is \$1,662 or 21% of the total overlapping debt per capita. Total overlapping debt per capita *decreased* from the previous year by \$406 (4.7%). The City's total portion of overlapping debt decreased by \$222, or 36%.

As the following chart indicates most (75%) of the overlapping debt per capita results from the Keller Independent School District.



* 2012 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

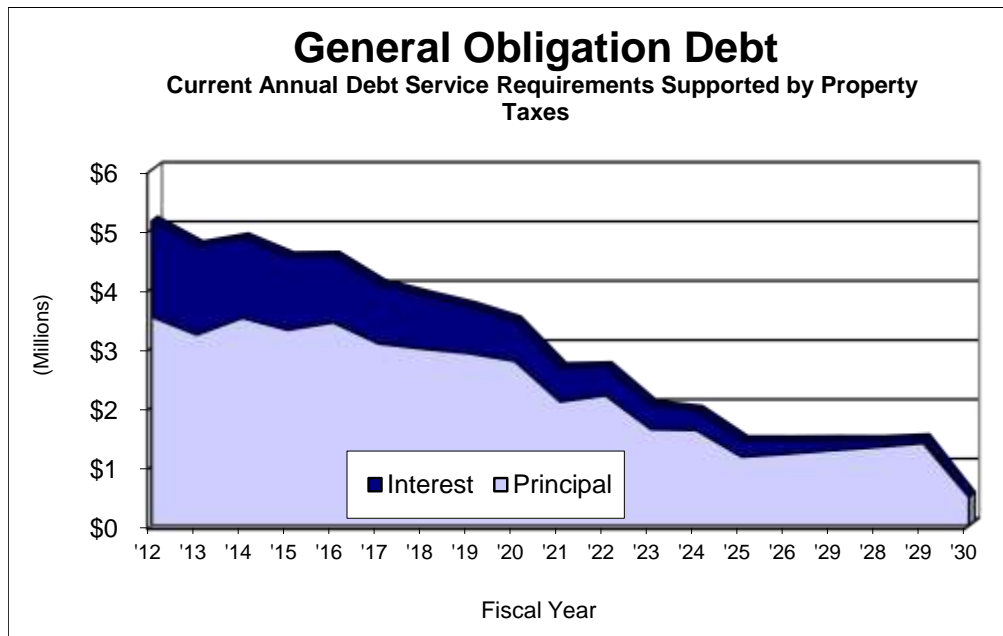
	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
REVENUES				
<u>TAXES:</u>				
Current taxes	\$ 5,057,085	\$ 5,101,800	\$ 5,083,150	\$ 4,720,000
Delinquent taxes	31,061	20,000	48,500	40,000
Accrued property taxes	19,306	-	-	-
Penalty & interest	33,216	25,000	33,500	32,500
Subtotal	5,140,668	5,146,800	5,165,150	4,792,500
<u>MISCELLANEOUS REVENUES:</u>				
Interest earnings	11,103	18,000	9,000	9,500
TOTAL MISCELLANEOUS REVENUES	11,103	18,000	9,000	9,500
REVENUES BEFORE TRANSFERS	5,151,771	5,164,800	5,174,150	4,802,000
<u>TRANSFERS FROM OTHER FUNDS:</u>				
Transfer from General Fund	350,000	-	-	33,625
Transfer from Keller Development Corp.	143,315	143,705	143,705	123,675
Land Acquisition:				
2009 Certificates of Obligation				
Keller Sports Park improvements:				
2004 General obligation refunding				
2005 General obligation refunding				
Transfer from water & w/w fund	465,840	457,860	457,860	443,605
TOTAL TRANSFERS	959,155	601,565	601,565	600,905
TOTAL REVENUES AND TRANSFERS	\$ 6,110,926	\$ 5,766,365	\$ 5,775,715	\$ 5,402,905

Transfers from other funds are provided for self-supporting activities for debt obligations issued on behalf of the respective fund.

DEBT SERVICE FUND

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>EXPENDITURES:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	(9,592)	-	-	-
Debt service	5,221,187	5,150,310	5,146,305	4,769,080
Transfers to other funds	909,780	751,200	751,200	643,350
SUBTOTAL	6,121,375	5,901,510	5,897,505	5,412,430
Capital outlay	-	-	-	-
TOTAL	\$ 6,121,375	\$ 5,901,510	\$ 5,897,505	\$ 5,412,430
<u>EXPENDITURES BY DIVISION:</u>				
Administration/Finance	\$ 5,211,595	\$ 5,150,310	\$ 5,146,305	\$ 4,769,080
Transfers to other funds	909,780	751,200	751,200	643,350
TOTAL	\$ 6,121,375	\$ 5,901,510	\$ 5,897,505	\$ 5,412,430

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, 2012
(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>FY2013 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	\$ 3,690	\$ 145,000	\$ 154,858	\$ 299,858
General obligation refunding bonds:								
Series 2004	2.00 - 4.00	02/2004	02/2017	11,125	2,170	440,000	78,000	518,000
Series 2005	3.25 - 4.20	08/2005	02/2020	9,980	7,370	745,000	285,155	1,030,155
Series 2010A	2.00 - 3.50	04/2010	02/2020	2,000	1,155	305,000	28,813	333,813
Series 2010B	2.00 - 4.00	08/2010	02/2022	5,620	5,460	475,000	145,437	620,437
Series 2011	2.00 - 3.00	09/2011	02/2023	585	580	-	17,175	17,175
Series 2012	0.30 - 5.00	06/2012	02/2024	4,155	4,155	55,000	212,475	267,475
Certificates of obligation:								
Series 2003 ⁽¹⁾	3.00 - 4.25	05/2003	08/2016	1,690	265	65,000	8,469	73,469
Series 2004 ⁽¹⁾	4.00 - 5.00	06/2004	02/2014	6,540	635	310,000	19,606	329,606
Series 2009	3.00 - 4.70	03/2009	02/2029	8,310	7,580	330,000	305,765	635,765
Series 2010	2.00 - 4.25	04/2010	02/2030	6,710	6,315	250,000	243,024	493,024
Subtotal-bonds and certificates of obligation				60,715	39,375	3,120,000	1,498,777	4,618,777
Lease-purchase obligations:								
Ladder truck for Fire Department	4.653	10/2003	10/2013	825	159	97,643	7,405	105,048
TOTAL				\$ 61,540	\$ 39,534	\$ 3,217,643	\$ 1,506,182	\$ 4,723,825

⁽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
2012-13	\$ 3,120,000	\$ 1,498,776	\$ 4,618,776	\$ 4,618,776
2013-14	3,440,000	1,353,379	4,793,379	4,793,379
2014-15	3,300,000	1,237,451	4,537,451	4,537,451
2015-16	3,425,000	1,121,608	4,546,608	4,546,608
2016-17	3,070,000	1,007,970	4,077,970	4,077,970
2017-18	2,980,000	899,598	3,879,598	3,879,598
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	\$ 39,375,000	\$ 11,278,179	\$ 50,653,179	\$ 50,653,179

The following municipal lease-purchase agreement obligation amounts are excluded from the above totals.

**SCHEDULE OF TAX-SUPPORTED DEBT REQUIREMENTS
MUNICIPAL LEASE-PURCHASE AGREEMENT**

Due Date	Payment	Interest	Principal	Principal Balance
10/01/2012	\$ 105,048.32	\$ 7,405.39	\$ 97,642.93	61,510.15
10/01/2013	64,372.23	2,862.08	61,510.15	-
TOTAL	\$ 169,420.55	\$ 10,267.47	\$ 159,153.08	

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
11/15/2012	\$ 54,227.04	\$ 5,531.51	\$ 48,695.53	\$ 51,386.92
11/15/2013	54,227.04	2,840.12	51,386.92	-
TOTAL	\$ 108,454.08	\$ 8,371.63	\$ 100,082.45	

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 (TIF)

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

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
INTEREST & SINKING FUND SUMMARY				
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 39,803	\$ 87,663	\$ 76,817	\$ 112,008
Revenues and transfers	3,215,605	3,417,550	3,210,571	3,226,240
TOTAL FUNDS AVAILABLE	3,255,408	3,505,213	3,287,388	3,338,248
<u>USES/DEDUCTIONS:</u>				
Expenditures and transfers out	3,178,591	3,175,580	3,175,380	3,179,255
<u>ENDING FUND BALANCE:</u>				
Unreserved fund balance	76,817	329,633	112,008	158,993
FUND TOTAL	\$ 3,255,408	\$ 3,505,213	\$ 3,287,388	\$ 3,338,248
Excess revenues (expenditures)	37,014	241,970	35,191	46,985

REVENUES				
Tarrant County	\$ 193,966	\$ 225,050	\$ 230,814	\$ 231,800
Tarrant County College District	168,290	184,400	180,130	202,565
Tarrant County Hospital District	183,339	194,500	170,000	196,900
Keller Independent School District	1,750,904	1,920,400	1,732,427	1,947,125
SUBTOTAL	2,296,499	2,524,350	2,313,371	2,578,390
<u>OTHER REVENUE:</u>				
Interest revenue-investments	9,326	4,500	8,500	4,500
Transfer from general fund	-	137,500	137,500	-
Transfer from debt service fund	909,780	751,200	751,200	643,350
SUBTOTAL	919,106	893,200	897,200	647,850
TOTAL REVENUES	\$ 3,215,605	\$ 3,417,550	\$ 3,210,571	\$ 3,226,240

TAX INCREMENT REINVESTMENT ZONE (TIF)

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
EXPENDITURES				
<u>EXPENDITURES BY FUNCTION:</u>				
Personnel services	\$ -	\$ -	\$ -	\$ -
Operations & maintenance	-	-	-	-
Services & other	-	-	-	-
Debt service-current	3,178,591	3,175,580	3,175,380	3,179,255
SUBTOTAL	3,178,591	3,175,580	3,175,380	3,179,255
Capital outlay	-	-	-	-
TOTAL	\$ 3,178,591	\$ 3,175,580	\$ 3,175,380	\$ 3,179,255
<u>EXPENDITURES BY DIVISION:</u>				
Administration/Finance	\$ 3,178,591	\$ 3,175,580	\$ 3,175,380	\$ 3,179,255
TOTAL	\$ 3,178,591	\$ 3,175,580	\$ 3,175,380	\$ 3,179,255

SCHEDULE OF TAX INCREMENT REINVESTMENT ZONE DEBT OUTSTANDING October 1, 2012

	Interest Rates	Date of Issue	Date of Maturity	Amount Issued (000's)	Amount Outstanding (000's)	FY2013 Requirements		
						Principal	Interest	Total
General obligation refunding bonds:								
Series 2005	3.50 - 5.000	08/2005	08/2018	\$ 17,400	\$ 14,255	\$ 2,120,000	\$ 652,075	\$ 2,772,075
Series 2010 (1)	1.00 - 4.125	04/2010	08/2028	6,300	6,205	23,127	383,252	406,379
TOTAL				\$ 23,700	\$ 20,460	\$ 2,143,127	\$ 1,035,327	\$ 3,178,454

(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, 2012**

Fiscal Year	Principal Due	Interest Due	Total Principal & Interest	Fiscal Year Total
09/30/2013	\$ 2,143,126.40	\$ 1,035,327.36	\$ 3,178,453.76	\$ 3,178,453.76
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	<u>\$ 20,460,019.55</u>	<u>\$ 5,646,543.11</u>	<u>\$ 26,106,562.66</u>	<u>\$ 26,106,562.66</u>

TIRZ-supported Obligations:

2012-2018	\$ 14,880,019.55	\$ 4,180,365.51	\$ 19,060,385.06	\$ 19,060,385.06
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Property-tax Supported Obligations:

2019-2027	\$ 5,580,000.00	\$ 1,466,177.60	\$ 7,046,177.60	\$ 7,046,177.60
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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.

CAPITAL IMPROVEMENTS

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CAPITAL IMPROVEMENTS

Budgets for Capital Projects Funds are generally capital project based, and not fiscal year based. Except for the Park Development Fee Fund, the Equipment Replacement Fund, and the Street/Drainage Improvements Fund, revenues and expenditures of capital project funds are not included in the City's budget totals. The Park Development Fee Fund, Equipment Replacement Fund, and the Street/Drainage Improvements Fund are the only capital project funds having recurring revenues, and therefore, are included in budget totals.

Unless otherwise stated, all capital projects funds are project based and not fiscal year based and projects normally extend beyond fiscal years. Therefore, any remaining project funds at September 30, 2012 will automatically be re-appropriated into the appropriate project for the 2012-2013 fiscal year.

CAPITAL IMPROVEMENTS Operating Budget Impact

Capital improvements primarily consist of two types: (1) routine capital outlay expenditures included in departmental operating budgets, e.g., Police Department vehicle replacement; and (2) capital improvements funded from capital projects funds with the issuance of debt, e.g., new City facilities, and street and drainage improvements, etc. Capital improvements in the latter category include only general governmental improvements, and not water and wastewater improvements. As an enterprise fund, capital improvements are financed with user charges, or from enterprise capital projects funds, and are therefore included as expenditures within the respective enterprise fund or enterprise capital projects fund.

The operating budget impact, if any, of these improvements has been included in the FY2013 operating budget within the respective departmental expenditures. Generally, capital outlay expenditures primarily consist of routine capital expenditures each year and have no significant impact on operating budgets. As a result, recurring operating and maintenance costs that are associated with routine capital expenditures are frequently re-allocated or re-directed to other maintenance areas of the department, and overall operating costs are usually not reduced. There are numerous improvement projects undertaken by the City where the maintenance has been deferred due to a lack of funding or available resources. Although an actual deferred maintenance amount has not been specifically calculated or budgeted, most of the deferred maintenance is associated with street and drainage projects. As a result, when a street project is improved or constructed, in most cases, maintenance costs previously spent for maintaining the improvement area (if any) are re-allocated to other street maintenance areas for which maintenance has been previously deferred.

CAPITAL IMPROVEMENTS

Operating Budget Impact (continued)

CAPITAL OUTLAY IN OPERATING BUDGETS

Generally, capital outlay expenditures included in the departmental operating budgets provide for the replacement of existing assets, or for upgrade of existing assets, e.g., replacement of police cars, replacements of machinery and other equipment, etc. Funding for new personnel in operating budgets includes all identifiable annual recurring costs, as well as capital costs associated with the new position, such as office furniture and equipment, vehicles and equipment, etc.; therefore, the operating budget impact of these new positions is reflected in the department's respective operating budget. Otherwise, for the routine replacement of existing assets, or upgrade of existing assets, there is no additional material impact on the City's operating budget.

Where a vehicle or piece of equipment is being replaced or upgraded, maintenance costs in the department will not always decrease. Since a very small percentage of each department's fleet or equipment is replaced annually, maintenance costs for the department are not usually reduced because the age and operating condition of the department's remaining fleet or equipment will continue to require funding for operating and maintenance costs. Generally, capital outlay items funded from departmental operating budgets have no material impact on the City's operating budget. Adequate operating and maintenance funding must continue to be provided at an appropriate level in order to maintain the existing fleet, which continues to age, thus increasing maintenance costs.

Capital outlay included in operating budgets are provided on the following pages.

CAPITAL OUTLAY IN OPERATING BUDGETS

General Fund			Annual Operating Budget Impact
<u>Department</u>	<u>Description</u>	<u>FY2013</u>	
General Government/Economic Development	Signage improvements for Old Town Keller	\$ 20,000	\$ -
	Department Total	<u>20,000</u>	<u>-</u>
Fire EMS	Replace AED & heart monitors	70,000	-
	Department Total	<u>70,000</u>	<u>-</u>
Public Works - Streets	Electronic message sign	15,000	300
	Annual street/road/bridge improvements	758,000	-
	Department Total	<u>773,000</u>	<u>300</u>
Non-Departmental	City-wide radio/communications systems upgrade - Phase 2	947,810	-
	Department Total	<u>947,810</u>	<u>-</u>
	Fund Total	<u><u>\$ 1,810,810</u></u>	<u><u>\$ 300</u></u>
	Annual operating budget impacts:		
	Personnel services		\$ -
	Operations & maintenance		300
	Services & other		-
	Capital outlay		-
	Total		<u><u>\$ 500</u></u>

The operating budget impact associated with these items is minimal.

(Continued)

CAPITAL OUTLAY IN OPERATING BUDGETS

(Continued)

Water & Wastewater Fund

Department	Description	FY2013	Annual Operating Budget Impact
Water Utilities	Replace maintenance equipment (backhoe)	\$ 115,000	\$ (3,000)
	Funds for new and/or replacement water meters, fire hydrants and mains and services. This is an annual appropriation.	106,825	-
	Electronic message sign	15,000	300
	Department Total	<u>236,825</u>	<u>(2,700)</u>
Wastewater Collection	Funds for new/replacement wastewater mains, manholes, and services. This is an annual appropriation.	285,000	-
	Sewer-jet vacuum truck (down payment)	35,000	5,000
	Department Total	<u>320,000</u>	<u>5,000</u>
	Fund Total	<u>\$ 556,825</u>	<u>\$ 2,300</u>
Annual operating budget impacts:			
	Personnel services		\$ -
	Operations & maintenance		2,300
	Services & other		-
	Capital outlay		-
	Total		<u>\$ 2,300</u>

Drainage Maintenance Fund

Capital Improvements	Robin Court drainage improvements	\$ 560,000	\$ -
Drainage Maintenance	Equipment replacements: mower, trailers, and air compressor.	60,000	(3,750)
	Department Total	<u>620,000</u>	<u>(3,750)</u>
	Fund Total	<u>\$ 620,000</u>	<u>\$ (3,750)</u>
Annual operating budget impacts:			
	Personnel services		\$ -
	Operations & maintenance		(3,750)
	Services & other		-
	Capital outlay		-
	Total		<u>\$ (3,750)</u>

The annual operating budget impacts are minimal.

(Continued)

CAPITAL OUTLAY IN OPERATING BUDGETS

(Continued)

Keller Development Corporation

Department	Description	FY2013	Annual Operating Budget Impact
Keller Sports Park	Playground parking lot improvements	\$ 50,000	\$ -
Parks & City Grounds Management	Bear Creek Park maintenance/ equipment storage facility	114,000	2,000
Keller Sports Park	Parks maintenance equipment	45,000	3,500
General park improvements	Land acquisition/trail extensions	380,000	-
	Fund Total	\$ 589,000	\$ 5,500

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	5,500
Services & other	-
Capital outlay	-
Total	\$ 5,500

The Keller Pointe

Administration	Facility improvements. Specific improvements have not yet been identified. Recommendations will be presented to City Council during the year.	\$ 335,000	\$ -
	Fund Total	\$ 335,000	\$ -

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	-
Services & other	-
Capital outlay	-
User fee revenue	-
Total	\$ -

Keller Crime Control Prevention District Fund

Facility Improvements	Facility expansion and improvements	\$ 4,285,725	\$ 12,500
	Future furniture, fixtures, and equipment replacement	11,300	-
	Department Total	4,297,025	12,500
Police Operations	Annual vehicle and equipment replacement	144,500	-
	Department Total	144,500	-
	Fund Total	\$ 4,441,525	\$ 12,500

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	12,500
Services & other	-
Capital outlay	-
Total	\$ 12,500

The operating budget impact associated with these items is nominal.

(Continued)

CAPITAL OUTLAY IN OPERATING BUDGETS

(Continued)

Operating budget impacts are minimal, and include annually recurring costs for hardware and software support for computer-related equipment; and increases in, or reduction of vehicle and equipment maintenance costs for replacement vehicles.

CAPITAL PROJECTS FUNDS

As previously mentioned, except for the Park Development Fee, Equipment Replacement, and Street/Drainage Improvement Funds, capital projects funds do not have recurring funding sources. Funding sources for other capital project funds and accounts are typically provided by proceeds of bond issues and interest income earned on invested funds. Upon completion of the project(s) for which the bond proceeds were issued, the corresponding capital project is then closed. Any excess funds remaining in the capital project budget are then transferred to the debt service fund for the retirement of debt issued to fund the project. However, for the Park Development Fee Fund, recurring revenues are received each year from the \$1,000 park development fee assessed on new construction. Annual appropriations are then made for this capital project fund. Resources for the Equipment Replacement Fund are provided from intragovernmental transfers, grants, and/or debt issuance. Since this fund also has recurring resources, budget amounts are included in the City's budget totals, and the operating budget impact, if any, is also provided in the operating budget of the respective department. Resources for the Street/Drainage Improvements fund include the street maintenance sales tax (effective April 2004), developer sidewalk fees, street assessments, and intragovernmental transfers.

The following information on each of the City's capital projects funds is provided. Along with a project description, the operating budget impact, if any, is also provided.

PARK DEVELOPMENT FEE FUND

This fund is used to account for resources received from park development fees and expenditures that are restricted for park improvements. The Park Development Fee Fund is an annually recurring capital project fund, funded primarily from a \$1,000 park development fee on each building permit. Fund revenues and expenditures are included in operating budget totals. Projects normally extend beyond fiscal years. Remaining funds on hand at September 30, 2012 will be re-appropriated into the appropriate project for the 2012-2013 fiscal year.

(Continued)

Park Development Fee Fund:
(Continued)

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>RESOURCES:</u>				
Total beginning fund balance	\$ 38,901	\$ 34,060	\$ 76,542	\$ 39,192
<u>REVENUES:</u>				
Park development fees	37,000	5,000	35,000	30,000
Interest earnings	641	100	550	100
TOTAL REVENUES	37,641	5,100	35,550	30,100
TOTAL FUNDS AVAILABLE	\$ 76,542	\$ 39,160	\$ 112,092	\$ 69,292
<u>EXPENDITURES:</u>				
Park improvements/land acquisition	\$ -	\$ 82,501	\$ 72,900	\$ 69,292
TOTAL EXPENDITURES	-	82,501	72,900	69,292
ENDING FUND BALANCE	\$ 76,542	\$ (43,341)	\$ 39,192	\$ -
Excess revenues (expenditures)	37,641	(77,401)	(37,350)	(39,192)

Annual operating budget impacts:

Personnel services	\$ -
Operations & maintenance	-
Services & other	-
Capital outlay	-
Total	<u><u>\$ -</u></u>

Operating budget impacts are minimal, and include annually recurring estimated costs for grounds and equipment maintenance for park improvements.

**STREET / SIDEWALK / DRAINAGE
IMPROVEMENTS FUND**

The Street/Sidewalk/Drainage Improvements fund is a recurring capital project fund, funded from the street maintenance sales tax effective April 2004, developer sidewalk fees, street assessments, and transfers from other funds. Street assessments are generally transferred to the Debt Service Fund for retirement of debt issued to fund the related street improvement. Expenditures are designated for street, sidewalk, and drainage improvements. Remaining funds on hand at September 30, 2012 will be re-appropriated into the appropriate project for the 2012-2013 fiscal year.

**STREET / SIDEWALK / DRAINAGE
IMPROVEMENTS FUND SUMMARY**

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>RESOURCES:</u>				
Beginning fund balance	\$ 1,006,790	\$ 1,159,847	\$ 1,208,350	\$ 644,286
<u>Revenues:</u>				
Street assessment revenue	184	300	-	-
Sales taxes	1,017,287	1,033,000	1,052,250	1,078,500
Sidewalk fees	4,803	8,500	9,000	8,500
Interest earnings	7,589	3,800	6,000	4,000
Miscellaneous revenue (expense)	(330)	-	2,950	-
Street assessment interest	176	200	150	100
Total Revenues	1,029,709	1,045,800	1,070,350	1,091,100
TOTAL RESOURCES	\$ 2,036,499	\$ 2,205,647	\$ 2,278,700	\$ 1,735,386
<u>Expenditures:</u>				
Street improvements	732,046	1,870,118	1,320,000	1,575,000
Curb & gutter improvements	88,585	80,000	80,000	80,000
Sidewalk improvements	-	233,199	233,199	30,000
Street/drainage improvements	7,518	1,215	1,215	-
Total Expenditures	828,149	2,184,532	1,634,414	1,685,000
ENDING FUND BALANCE	\$ 1,208,350	\$ 21,115	\$ 644,286	\$ 50,386
Excess revenues (expenditures)	201,560	(1,138,732)	(564,064)	(593,900)

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	\$ -

EQUIPMENT REPLACEMENT FUND

The Equipment Replacement Fund is a recurring capital project fund, funded by a combination of debt obligations, grant revenues, transfers from other funds, interest revenue, and other inter- or intra-governmental revenues. Expenditures provide for the acquisition and/or replacement of vehicles and equipment. Remaining funds on hand at September 30, 2012 will be re-appropriated into the appropriate project for the 2012-2013 fiscal year.

EQUIPMENT REPLACEMENT FUND SUMMARY

	2010-2011 ACTUAL	2011-2012 BUDGET	2011-2012 ESTIMATE	2012-2013 BUDGET
<u>RESOURCES:</u>				
Beginning fund balance	\$ 670,599	\$ 726,039	\$ 729,480	\$ 681,120
<u>REVENUES:</u>				
Proceeds from debt Issuance	-	-	-	880,000
Vehicle/Equipment lease revenue-Water & Wastewater Fund	64,370	48,700	48,700	80,450
Vehicle/Equipment lease revenue- Drainage Utility Fund	15,570	8,740	8,740	16,280
Interest earnings	5,547	2,500	3,200	3,800
TOTAL REVENUES & TRANSFERS	<u>85,487</u>	<u>59,940</u>	<u>60,640</u>	<u>980,530</u>
TOTAL FUNDS AVAILABLE	<u>756,086</u>	<u>785,979</u>	<u>790,120</u>	<u>1,661,650</u>
<u>EXPENDITURE SUMMARY:</u>				
GENERAL GOVERNMENT:				
Community Development	-	-	-	20,000
TOTAL GENERAL GOVERNMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
PUBLIC SAFETY:				
Police Department	6,112	-	-	-
Fire Department	-	-	-	242,365
TOTAL PUBLIC SAFETY	<u>6,112</u>	<u>-</u>	<u>-</u>	<u>242,365</u>
PARKS AND RECREATION:				
Parks and Recreation Department	-	-	-	143,370
TOTAL PARKS AND RECREATION	<u>-</u>	<u>-</u>	<u>-</u>	<u>143,370</u>
PUBLIC WORKS:				
<i>General Fund/Public Works:</i>				
Street Maintenance	-	-	-	210,000
<i>Water & Wastewater:</i>				
Water & Wastewater Administration	-	-	-	26,000
Customer Services/Utility Billing	-	24,000	24,000	-
Water Utilities	-	-	-	176,300
Wastewater Utilities	20,494	-	-	260,000
Drainage Utility	-	85,000	85,000	-
TOTAL PUBLIC WORKS	<u>20,494</u>	<u>109,000</u>	<u>109,000</u>	<u>672,300</u>
TOTAL EXPENDITURES	<u>26,606</u>	<u>109,000</u>	<u>109,000</u>	<u>1,078,035</u>
ENDING BALANCE	<u>\$ 729,480</u>	<u>\$ 676,979</u>	<u>\$ 681,120</u>	<u>\$ 583,615</u>

(Continued)

Equipment Replacement Fund:
(Continued)

Capital outlay. FY2013 capital outlay provides funding from debt issuance (\$880,000) to replace vehicles and equipment for the following departments: Community Development (\$20,000); Fire Department Administration (\$32,365); Fire Department Emergency Medical Services – ambulance (\$210,000); replace 2 dump trucks for the Public Works Department (\$210,000); replace 3 service vehicles for the Parks and Recreation Department, including a 15-passenger van, (\$143,370); and a new sewer-jet vacuum truck for the Wastewater Collection Department (\$260,000).

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, 2012 will be re-appropriated into the appropriate project for the 2012-2013 fiscal year.

There is no funding anticipated for FY2013; therefore, no budget for this fund has been prepared.

FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM (CIP) SUMMARY

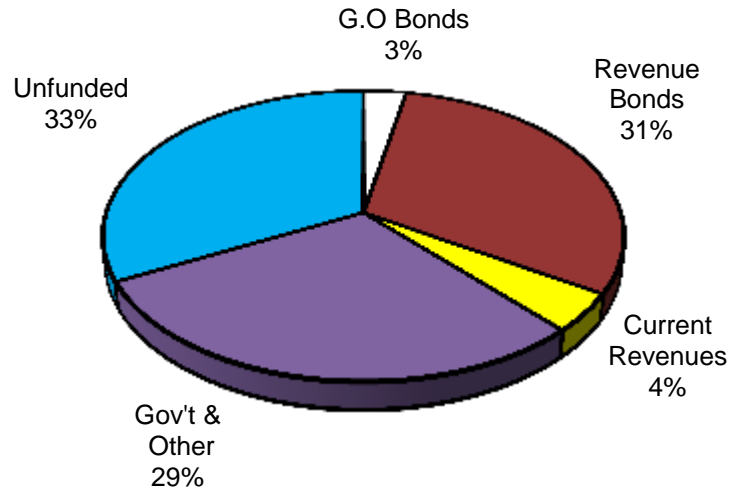
Each year the City prepares a five-year CIP. The information provided in the CIP is used as a guide for preparing future operating budgets, as well as a general planning document for capital improvements financing. Each year, the CIP is updated to address current growth patterns, timing changes in the demands for City services, etc.

The CIP is used exclusively as a financial management and planning tool, and does not commit the City to any project or funding authorization. Capital projects are authorized by the City Council as a part of the annual operating budget process, or when the related debt for the project is issued.

A summary of the proposed 2012-13 through 2016-17 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
\$45,608,611



Summary of Funding Sources

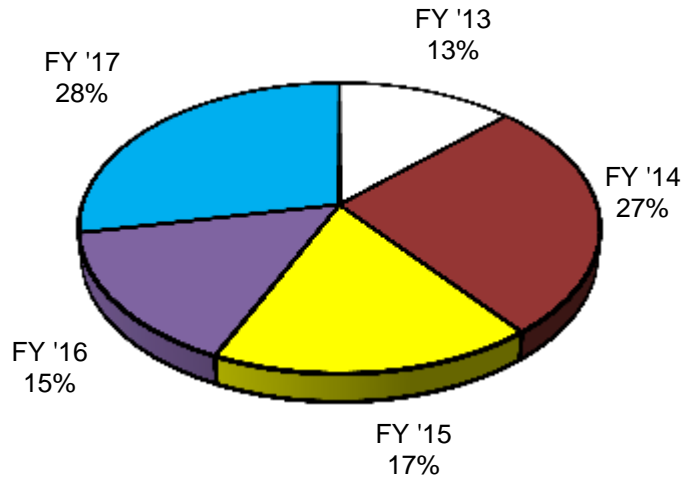
Description	2013	2014	2015	2016	2017	Total	Percent of Total
Debt Related:							
General obligation bonds/CO's	\$ 210,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ 1,410,000	3.1%
Revenue bonds/CO's	-	5,876,500	3,941,300	3,494,250	710,800	14,022,850	0.3
Subtotal	210,000	7,076,500	3,941,300	3,494,250	710,800	15,432,850	33.8
Current Revenues/Fund Balance:							
General fund	642,581	-	-	-	-	642,581	1.4
Water and wastewater fund	235,000	265,000	265,000	265,000	265,000	1,295,000	2.8
Subtotal	877,581	265,000	265,000	265,000	265,000	1,937,581	4.2
Intragovernmental:							
Park development fees/KDC	557,000	150,000	150,000	150,000	150,000	1,157,000	2.5
Water impact fees	1,030,000	1,488,500	629,700	408,000	150,500	3,706,700	8.1
Wastewater impact fees	-	-	824,000	756,750	22,700	1,603,450	3.5
Crime control district sales tax	2,200,000	-	-	-	-	2,200,000	4.8
Street maintenance sales tax	950,000	950,000	950,000	950,000	950,000	4,750,000	10.4
Subtotal	4,737,000	2,588,500	2,553,700	2,264,750	1,273,200	13,417,150	29.4
Other Sources:							
Unfunded/unidentified	-	2,213,640	1,147,860	861,860	10,597,670	14,821,030	32.5
Subtotal	-	2,213,640	1,147,860	861,860	10,597,670	14,821,030	32.5
GRAND TOTAL	\$ 5,824,581	\$ 12,143,640	\$ 7,907,860	\$ 6,885,860	\$ 12,846,670	\$ 45,608,611	100.0%

Summary of Uses by Department

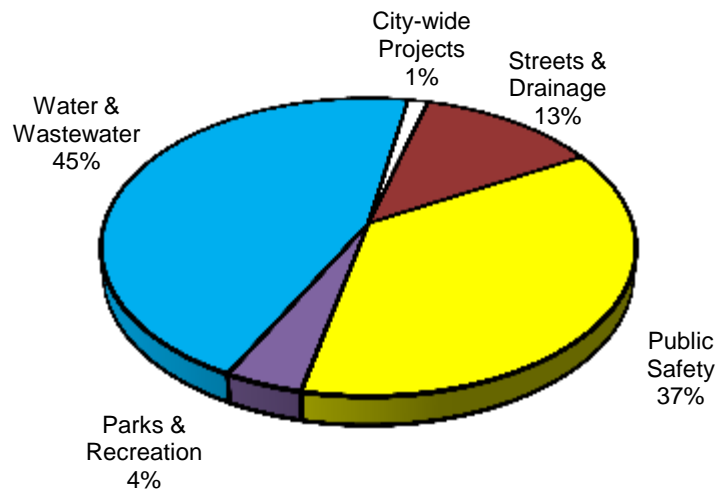
Fiscal Year	Police	Fire/EMS	Streets & Drainage	Parks and Recreation	Municipal Facilities/ Other	Water & Sewer	Total
2012-2013	\$ 2,200,000	\$ 210,000	\$ 950,000	\$ 557,000	\$ 642,581	\$ 1,265,000	\$ 5,824,581
2013-2014	-	3,215,000	950,000	348,640	-	7,630,000	12,143,640
2014-2015	-	-	1,950,000	297,860	-	5,660,000	7,907,860
2015-2016	-	600,000	950,000	411,860	-	4,924,000	6,885,860
2016-2017	-	10,500,000	950,000	247,670	-	1,149,000	12,846,670
Total	\$ 2,200,000	\$ 14,525,000	\$ 5,750,000	\$ 1,863,030	\$ 642,581	\$ 20,628,000	\$ 45,608,611
Percent	4.8%	31.8%	12.6%	4.1%	1.4%	45.2%	100.0%

Five-Year Capital Improvements Program (CIP)
(Continued)

SOURCES AND USES OF FUNDS BY FISCAL YEAR
\$70,978,611



USES OF FUNDS
\$70,978,611



Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department

PROJECT DESCRIPTION	FY2013	FY2014	FY2015	FY2016	FY2017	Total	Future (Unfunded)
DRAINAGE IMPROVEMENTS							
Indian Meadows Addition Drainage Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 610,000
Quail Valley Addition Drainage Improvements	-	-	-	-	-	-	1,620,000
Saddlebrook Addition Drainage Improvements	-	-	-	-	-	-	1,080,000
Comprehensive Storm Water Master Plan	-	-	-	-	-	-	500,000
Department Total	-	-	-	-	-	-	3,810,000
FIRE/EMS							
<u>Buildings/Facilities</u>							
Relocate Station 2/Central Fire Station Design &Construction Add Bay to Station 3	-	-	-	-	10,500,000	10,500,000	-
	-	650,000	-	-	-	650,000	-
Subtotal	-	650,000	-	-	10,500,000	11,150,000	-
<u>Land Acquisition</u>							
Central Fire Station Land Acquisition	-	1,200,000	-	-	-	1,200,000	-
Subtotal	-	1,200,000	-	-	-	1,200,000	-
<u>Vehicles</u>							
Purchase Additional Fire Apparatus (Quint)	-	-	-	-	-	-	1,300,000
Replace Brush Truck	-	120,000	-	-	-	120,000	-
Replace Ambulance Medic	210,000	-	-	-	-	210,000	-
Replace Ambulance Medic	-	245,000	-	-	-	245,000	-
Replace Truck 583	-	1,000,000	-	-	-	1,000,000	-
Replace Two (2) Ambulance Medics	-	-	-	600,000	-	600,000	-
Replace Quint	-	-	-	-	-	-	-
Add Ambulance Medic	-	-	-	-	-	-	350,000
Subtotal	210,000	1,365,000	-	600,000	-	2,175,000	1,650,000
Department Total	210,000	3,215,000	-	600,000	10,500,000	14,525,000	1,650,000
KELLER TOWN CENTER							
<u>Park Improvements</u>							
The Parks at Town Center Amphitheater	-	-	-	-	-	-	538,230
Parks at Town Center Park Trail	-	-	-	-	-	-	784,540
Department Total	-	-	-	-	-	-	1,322,770
PARKS & RECREATION							
<u>Buildings/Facilities</u>							
Senior Activity Center Expansion	-	-	-	-	-	-	1,972,160
Subtotal	-	-	-	-	-	-	1,972,160
<u>Park Improvements</u>							
Big Bear Creek Greenbelt & Trail	-	-	-	-	-	-	602,940
Keller Tennis Center	-	-	-	-	-	-	4,096,035
Park Land acquisition	380,000	150,000	150,000	150,000	150,000	980,000	23,370,000
Keller Sports Park Phase VI	-	-	-	-	-	-	4,218,905
Old Town Keller Park	-	-	-	-	-	-	203,410
Northeast Park Master Plan	-	-	-	-	-	-	62,950
Hike and Bike Trail Improvements	-	-	-	-	-	-	4,687,680
Johnson Road Park Facility Landscape Improvements	-	-	-	-	-	-	302,610
Johnson Road Park Landscape Renovation Phase II	-	-	-	-	-	-	277,200
Citywide Park enhancements	60,000	-	-	-	-	60,000	2,483,250
Big Bear Creek West Creekbank Repair	-	-	-	-	-	-	294,360
Keller Sports Park Infrastructure Replacement	-	198,640	147,860	261,860	97,670	706,030	1,777,905
Bear Creek Park Maintenance Shop Replacement	117,000	-	-	-	-	117,000	-
Subtotal	557,000	348,640	297,860	411,860	247,670	1,863,030	42,377,245
Department Total	557,000	348,640	297,860	411,860	247,670	1,863,030	44,349,405

(Continued)

Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department
(Continued)

<u>PROJECT DESCRIPTION</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>Total</u>	<u>Future (Unfunded)</u>
POLICE							
<i>Buildings/Facilities</i>							
Animal Shelter enhancements	2,200,000	-	-	-	-	2,200,000	-
Department Total	2,200,000	-	-	-	-	2,200,000	-
ALL DEPARTMENTS							
<i>Communications Equipment</i>							
City-wide radio communications System Upgrade	642,581	-	-	-	-	642,581	-
Department Total	642,581	-	-	-	-	642,581	-
STREET IMPROVEMENTS							
<i>New Street Construction</i>							
U.S. Highway 377 & Elm Street One-Way Couplet	-	-	-	-	-	-	18,000,000
Lamar St-Pecan St-Olive St on West Side of US 377	-	-	-	-	-	-	1,484,000
Elm Street-Pecan Street on East Side of US 377	-	-	-	-	-	-	1,345,000
Rapp Road Realignment @ Rufe Snow Drive & Shady Grove	-	-	-	-	-	-	2,371,000
Rapp Road at Whitley Road Intersection Improvements	-	-	-	-	-	-	932,000
Rapp Road Extension to US Hwy 377	-	-	-	-	-	-	3,009,000
Wall-Price Keller Road Widening - US 377 to Whitley	-	-	-	-	-	-	950,000
Shady Grove Road Expansion - Rufe Snow to Smithfield	-	-	-	-	-	-	4,900,000
Keller-Smithfield Road - Bear Run to Shady Grove	-	-	-	-	-	-	6,050,000
Willis Lane - Rapp Road to Burse Road	-	-	-	-	-	-	4,040,000
FM 1709 @ Rufe Snow Drive - Dual Left Turn Lanes	-	-	-	-	-	-	2,200,000
Bear Creek Parkway @ Elm Street/ Whitley Road Intersection Improvements	-	-	-	-	-	-	932,000
Rufe Snow Drive @ Johnson Rd Traffic Signals	-	-	-	-	-	-	510,000
Keller-Smithfield Road @ Johnson Road Intersection Improvements	-	-	-	-	-	-	932,000
Keller-Smithfield Road @ Bear Creek Parkway/North Signals	-	-	-	-	-	-	243,000
FM 1709 @ Keller-Smithfield Road- Dual Left Turns	-	-	-	-	-	-	2,200,000
Subtotal	-	-	-	-	-	-	50,098,000
<i>Street Reconstruction</i>							
FM 1709 Median Enhancements	-	-	1,000,000	-	-	1,000,000	-
FY2010-2014 Residential Street Reconstruction	950,000	950,000	950,000	950,000	950,000	4,750,000	-
Railroad Crossing Quiet Zones	-	-	-	-	-	-	455,000
Subtotal	950,000	950,000	1,950,000	950,000	950,000	5,750,000	455,000
Department Total	950,000	950,000	1,950,000	950,000	950,000	5,750,000	50,553,000
SIDEWALK IMPROVEMENTS							
<i>Sidewalk Improvements</i>							
Safe routes to schools	-	-	-	-	-	-	1,735,648
Subtotal	-	-	-	-	-	-	1,735,648
Department Total	-	-	-	-	-	-	1,735,648
TOTAL GENERAL GOVERNMENT	4,559,581	4,513,640	2,247,860	1,961,860	11,697,670	24,980,611	103,420,823

(Continued)

Five-Year Capital Improvements Program (CIP)
(Continued)

Capital Improvements Listing by Fund and Department
(Continued)

PROJECT DESCRIPTION	FY2013	FY2014	FY2015	FY2016	FY2017	Total	Future (Unfunded)
WATER UTILITIES							
<i>Water System Improvements:</i>							
Creek Road & Helen Street Impr.	-	-	-	-	430,000	430,000	-
Johnson Road Water Improvements	-	-	-	1,632,000	-	1,632,000	1,082,000
Mt. Gilead & Keller-Smithfield Road Impr.	-	-	2,099,000	-	-	2,099,000	-
Wall-Price Keller Road Improvements	480,000	2,865,000	-	-	-	3,345,000	-
Alta Vista Pump Station Rehabilitation	550,000	4,500,000	-	-	-	5,050,000	-
Florence Road/Randol Mill Road Improvements	-	-	-	-	-	-	1,641,000
Clay Hibbins Road Water Improvements	-	-	-	-	-	-	327,000
Bursey Road Water Improvements	-	-	-	-	-	-	620,000
Bear Creek Parkway Water Improvements	-	-	-	-	-	-	764,000
Department Total	1,030,000	7,365,000	2,099,000	1,632,000	430,000	12,556,000	4,434,000
WASTEWATER UTILITIES							
<i>Wastewater System Improvements:</i>							
Marshall Branch North Collectors	-	-	3,296,000	-	-	3,296,000	-
Big Bear East Collectors	-	-	-	3,027,000	-	3,027,000	-
Big Bear West Interceptor Replacement	-	-	-	-	454,000	454,000	-
Big Bear Southwest Interceptor Replacement	-	-	-	-	-	-	483,000
Big Bear Central Branch Interceptors	-	-	-	-	-	-	1,657,000
Cade Branch Interceptor	-	-	-	-	-	-	734,000
Big Bear South 1 Interceptor Replacement	-	-	-	-	-	-	329,000
Little Bear East Interceptor Replacement	-	-	-	-	-	-	397,000
Big Bear South 2 Interceptor Replacement	-	-	-	-	-	-	251,000
Big Bear East Interceptor Extension	-	-	-	-	-	-	1,009,000
Melody Hills Estates Collectors	-	-	-	-	-	-	2,249,000
Northern Big Bear East Collectors	-	-	-	-	-	-	894,000
Eastern Big Bear East Collectors	-	-	-	-	-	-	1,370,000
Big Bear Southwest Interceptor Extension	-	-	-	-	-	-	329,000
Cade Branch Interceptor Replacement	-	-	-	-	-	-	587,000
Big Bear Central Collectors	-	-	-	-	-	-	1,502,000
Southern Cade Branch Collectors	-	-	-	-	-	-	2,122,000
Northern Big Bear Central Collectors	-	-	-	-	-	-	2,655,000
Florence Branch Collectors	-	-	-	-	-	-	565,000
Kirkwood Branch Collectors	-	-	-	-	-	-	5,606,000
Florence Branch Lift Station & Force Main	-	-	-	-	-	-	565,000
Marshall Branch West & Cade Branch Collectors	-	-	-	-	-	-	2,409,000
Quest Court Collector Line & Lift Station Removal	-	-	-	-	-	-	580,000
Keller Parkway Collectors	-	-	-	-	-	-	598,000
Pearson Lane South Collector	-	-	-	-	-	-	565,000
Little Bear East Collectors	-	-	-	-	-	-	1,007,000
Western Big Bear Southeast Collectors	-	-	-	-	-	-	2,090,000
Eastern Big Bear Southeast Collectors	-	-	-	-	-	-	965,000
FY 2013-2017 Improvement projects	235,000	265,000	265,000	265,000	265,000	1,295,000	-
Department Total	235,000	265,000	3,561,000	3,292,000	719,000	8,072,000	31,518,000
TOTAL WATER & WASTEWATER	1,265,000	7,630,000	5,660,000	4,924,000	1,149,000	20,628,000	35,952,000
GRAND TOTAL	\$ 5,824,581	\$ 12,143,640	\$ 7,907,860	\$ 6,885,860	\$ 12,846,670	\$ 45,608,611	\$ 139,372,823



SUPPLEMENTAL DATA

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Proposed City of Keller Fee Schedule FY 2012-13

Activity

Current Fee Structure (with recommended changes)

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;

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
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>

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
Misc. Mechanical (HVAC) Permit	\$50/permit * Only charged when no building permit is issued for construction
Mobile/Manufactured Home	\$100/Permit to include utility connection inspections
Moving Permit	\$50/Permit
Plumbing Fee – Commercial	\$ 35/Permit – sq feet up to 500 \$ 50/Permit – sq feet up to 1,499 \$ 75/Permit – sq feet up to 1,999 \$ 100/Permit – sq feet up to 2,499 \$ 125/Permit – sq feet up to 2,999 \$ 125/Permit – sq feet over 3,000, plus \$20 for each additional 1,000 sq feet
Misc. Plumbing Permit	\$50/Permit – misc. plumbing (water heater/gas line to pool/spa) * Only charged when no building permit is issued for construction
Re-Inspection Fee	\$50 / for each additional re-inspection * The fee is assessed only after an inspection fails more than once for the same code violation
Sign Permit	\$50 per sign permit
Temporary Sign Permit	\$25 per sign
Pool Permit	\$500 / in-ground pools \$50 / above ground pools and spas/hot tubs
Temporary Building Permit	\$23.50
Demolition Permit	\$50
Sidewalks / Curb Cut Fees	Fees to based on actual costs as derived from City's current miscellaneous concrete contract
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

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
Irrigation Permit	\$50 each – residential \$100 each – commercial
Miscellaneous Inspections	\$50 each
Lost Packet Fee	\$50 each
Special Event Permit Fee	\$25 No permit costs for non-profits \$250 - Security deposit \$25 per hour / 2 hour min. – Maintenance Staff Supplies at cost plus 10%

Sec. 2 - Planning and Engineering

Supplemental Plan Review Fee	\$50 per hour (minimum 2 hours residential and 3 hours commercial). Only assessed after original set of plans 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)	<p>Short Tap and Meter Installation</p> <p>5/8" - \$450.00 3/4" - \$475.00 1" - \$500.00 1 1/2" - \$900.00 2"*** - \$ 1025.00 2" Compound Meter - \$2,325</p> <p>Long Tap and Meter Installation</p> <p>5/8" - \$800.00 3/4" - \$825.00 1" - \$850.00 1 1/2" - \$ 1,275.00 2"*** - \$ 1,425.00 2" Compound Meter - \$2,725</p> <p>Install meter only</p> <p>5/8" - \$275.00 3/4" - \$300.00 1" - \$325.00 1 1/2" - \$725.00 2"*** - \$775.00 2" Compound Meter - \$2,075</p>

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
	<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	Actual cost of materials
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)
Plat (Preliminary, Final, Amended and Replat)	<p>\$200 per application plus \$20 per lot residential \$200 per application plus \$20 acre for non-residential</p>

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
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

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
Stage Rental	<p>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.</p> <p>Note: Accessories are only available for rent in conjunction with stage rental.</p> <ul style="list-style-type: none"> • 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.) <ul style="list-style-type: none"> o Sound System, \$200.00 per day (including channel mixer, speakers, microphones, and microphone stands) o Theater Lights, \$100.00 per day • Portable Stage Sections, \$25.00 each per day (fee includes placement and removal.)
Picnic Facilities	<p>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.</p>
Sec. 4 - Sports Fees	
Basketball League	\$375 per team <i>(proposed to be removed from fee schedule)</i>
Softball League	\$410 per team <i>(proposed to be removed from fee schedule)</i>
Sec. 5 - Facility Use Fees	
Library Meeting Room Use	<p>free - residents</p> <p>\$25 for non-residents</p>
Library Membership Fee	<p>free - residents</p> <p>\$25 for non-residents, per family / year</p> <p>\$12.50 for non-resident seniors / year</p> <p>\$ 0.50 replacement card fee</p>
Library Microfilm/fiche and flash drives	<p>\$0.10 per page for microfilm/fiche</p> <p>\$8.11 each for flash drives</p>
Library Copy Machine	<p>\$0.10 per page for photocopy</p> <p>\$0.10 per page for black laser printer</p> <p>\$0.25 per page for color laser printer</p>

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
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)

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
Accident Report	\$5.00 each
Burglar Alarm	\$25 annual permit fee; 1 – 3 false alarms, included in annual permit; 4 – 5 false alarms, \$50 each; 6 – 7 false alarms, \$75 each; 8+ false alarms, \$100 each
Police Copy Fees	\$.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

Proposed City of Keller Fee Schedule FY 2012-13

Activity

Current Fee Structure (with recommended changes)

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

Proposed City of Keller Fee Schedule FY 2012-13

Activity	Current Fee Structure (with recommended changes)
	\$ 993.75 \$100,001-\$500,000 – First \$100,000, plus \$5.60 for each additional \$1,000 or fraction thereof to and including \$500,000; plus plan review fee equal to 65% of construction permit fee
	\$ 3,233.75 \$500,001-\$1,000,000 – First \$500,000, plus \$4.75 for each additional \$1,000 or fraction thereof to and including \$1,000,000; plus plan review fee equal to 65% of construction permit fee
	\$ 5,608.75 over \$1 million – First \$1 million, plus \$3.65 for each additional \$1,000 or fraction thereof; plus plan review fee equal to 65% of construction permit fee
Fire Operational Permit Fees	Tents - \$50 each Open Burning - \$50 each
Fire Apparatus Fees	\$400 hour – Fire apparatus w/crew - 2 hour minimum \$200 hour – Brush truck w/crew - 2 hour minimum \$250 hour – Ambulance w/crew - 2 hour minimum \$150 hour – ATV ambulance w/crew - 2 hour minimum \$280 hour – K.I.S.D. football game, EMS – per game \$75 hour – Inspector - 2 hour minimum \$60 hour – Standby firefighter - 2 hour minimum
Sec. 8 – Water and Sanitary Sewer Fees	
After Hours Turn On	\$50 per incident
Customer Deposit	\$80 residential meter Multi-family and non-residential meter deposits based on estimated customer usage for a one month period. Fire hydrant meter rental deposit based on actual replacement cost.
Master Deposit	\$80 – residential only
Delinquent Account Deposit	Applies to customers that have had their service disconnected for failure to pay or non-sufficient funds – new deposit not to exceed an amount equal to double the estimated average monthly bill for said customer.
Cleaning Deposit	One time deposit of \$20 for ten consecutive days of water meter usage. Deposit applied to final billing.
Late Utility Payment Fee	10% of outstanding balance.
Damaged/Broken Lock	\$100 each per incident.

Proposed City of Keller Fee Schedule FY 2012-13

<i>Activity</i>	<i>Current Fee Structure (with recommended changes)</i>
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 2012-13
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	2,869	0.0%	\$ 375,000	\$ 100
2	8" Reinforced Concrete	9" Lime Stabilized Soil	12'	2,800,000	2,869	0.1%	\$ 285,000	\$ 292
3	6" Reinforced Concrete	6" Lime Stabilized Soil	15'	560,000	2,869	0.5%	\$ 295,000	\$ 1,511
4	3" HMAC	6" Cement Treated Soil	12'	50,000	2,869	5.7%	\$ 126,000	\$ 7,230
5	3" HMAC	6" Flexible Base	12'	65,000	2,869	4.4%	\$ 155,000	\$ 6,841
6	2" HMAC	8" Cement Treated Soil	12'	22,000	2,869	13.0%	\$ 115,000	\$ 14,997
7	2" HMAC	6" Cement Treated Soil	12'	17,000	2,869	16.9%	\$ 105,000	\$ 17,720
8	2" HMAC	6" Flexible Base	12'	19,000	2,869	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

Roadway Assessment Fee TO WELL multiplied by equals

Sub-Total TO \$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.

Adopted December 17, 1996 (Resolution #810); amended May 6, 1997 (Resolution #867); March 6, 2001 (Resolution #1620); December 18, 2001 (Resolution #1759); and March 18, 2003 (Resolution #1946); November 7, 2006 (Resolution #2484); and February 2, 2010 (Resolution #2920); and May 15, 2012 (Resolution #3207).

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.

2012 (FY2013) Property Tax Rates in the City of Keller

This notice concerns the 2012 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	\$ 11,108,434
Last year's debt taxes	\$ 5,321,437
Last year's total taxes	\$ 16,429,871
Last year's tax base	\$ 3,715,568,195
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)	\$ 15,855,836
÷ This year's adjusted tax base (after subtracting value of new property)	\$ 3,553,239,890
= This year's effective tax rate <i>(Maximum rate unless the City publishes notices and holds hearings.)</i>	\$ 0.44623/\$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)	\$ 10,718,172
÷ This year's adjusted tax base	\$ 3,553,239,890
= This year's effective operating rate	\$ 0.30165/\$100
x 1.08 = this year's maximum operating rate	\$ 0.32578/\$100
+ This year's debt rate	\$ 0.13069/\$100
= This year's rollback rate	\$ 0.45647/\$100

Statement of Increase/Decrease

If the City adopts a 2012 tax rate equal to the effective tax rate of \$0.44623 per \$100 of value, taxes would **decrease** compared to 2011 taxes by \$246,021.

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)	\$8,527,100
Debt Service Fund	365,750

Schedule B
2012 (FY2013) 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	\$ 8,469	\$ -	\$ 73,469
2004 General obligation refunding bonds	440,000	78,000	-	518,000
2004 Certificates of obligation	310,000	19,606	-	329,606
Fire truck lease-purchase obligation	97,643	7,405	-	105,048
2005 General obligation refunding bonds	745,000	285,155	-	1,030,155
2005 TIRZ Certificates of obligation-refunding	493,960	151,933	-	645,893
2009 General obligation bonds	145,000	154,858	-	299,858
2009 Certificates of obligation	330,000	305,765	-	635,765
2010 Certificates of obligation	250,000	243,024	-	493,024
2010A General obligation refunding bonds	305,000	28,813	-	333,813
2010B General obligation refunding bonds	475,000	145,438	-	620,438
2011 General obligation refunding bonds	-	17,175	-	17,175
2012 General obligation refunding bonds	55,000	212,475	-	267,475
Paying agent fees/other	-	-	6,000	6,000
Total required for 2013 debt service	\$ 3,711,603	\$ 1,658,116	\$ 6,000	\$ 5,375,719
- Amount (if any) paid from funds listed in Schedule A				-
- Amount (if any) paid from other sources				(635,655)
- Excess collections last year				-
= Total to be paid from taxes in 2013				4,740,064
+ Amount added in anticipation that the unit will collect 100% of its taxes in 2012				-
= Total debt levy				<u><u>\$ 4,740,064</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, 2012

**CITY OF KELLER, TEXAS
COMPENSATION PAY PLAN**

October 1, 2012 through September 30, 2013

The City maintains a compensation plan for all employees, except the City Manager, City Secretary, and Municipal Judge, whose compensation is determined by the City Council. The compensation pay plan is a 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**

October 1, 2012 through September 30, 2013

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-R (Recruit)	45,531	N/A	N/A
PSN-1P	48,277	55,880	63,482
PSN-2P	49,462	57,252	65,042
PSN-3P	50,960	58,989	67,018
PSN-4P	52,229	60,435	68,640
PSN-5P	53,789	62,265	70,741
PSN-6P	55,411	64,137	72,862
PSN-7P	57,075	66,061	75,046
PSN-8P	58,781	68,037	77,293
PSN-9P	60,549	70,086	79,622
PSN-10P	62,358	72,176	81,994
PSN-11P	63,898	73,955	84,011
PSN-12P	65,832	76,201	86,570
PN-1	30,992	36,671	42,349
PN-2	32,843	38,875	44,907
PN-3	34,819	41,195	47,570
PN-4	36,899	43,670	50,440
PN-5	39,104	46,291	53,477
PN-6	42,390	50,170	57,949
PN-7	44,928	53,175	61,422
PN-8	47,632	56,368	65,104
PN-9	50,482	59,748	69,014
PN-10	53,518	63,336	73,154
PN-11	56,722	67,132	77,542
PN-12	60,133	71,168	82,202
PN-13	\$ 63,731	\$ 75,431	\$ 87,131

Pay Class	Minimum Annual	Mid-Point Annual	Maximum Annual
POLICE EXEMPT PAY PLAN			
PSE-1P	\$ 68,170	\$ 76,787	\$ 85,403
PSE-2P	78,930	88,907	98,884
FIRE NON-EXEMPT PAY PLAN			
PSN-RF (Recruit)	46,505	N/A	N/A
PSN-1F	49,300	57,046	64,792
PSN-2F	53,756	62,215	70,674
PSN-3F	55,357	64,079	72,800
PSN-4F	57,017	66,001	74,984
PSN-5F	58,706	67,952	77,197
PSN-6F	60,482	70,005	79,527
PSN-7F	62,317	72,131	81,944
PSN-8F	64,151	74,256	84,361
PSN-9F	66,073	76,484	86,894
PSN-10F	68,083	78,785	89,486
PSN-11F	70,121	81,172	92,223
PSN-12F	72,247	83,589	94,931
FIRE INSPECTOR NON-EXEMPT PAY PLAN			
PSN-1FI	55,952	65,447	74,942
PSN-2FI	59,301	69,368	79,435
PSN-3FI	62,858	73,508	84,157
PSN-4FI	66,622	77,917	89,211
PSN-5FI	70,616	82,587	94,557
FIRE EXEMPT PAY PLAN			
PSE-1F	68,170	79,750	91,329
PSE-2F	72,982	82,208	91,433
PROFESSIONAL EXEMPT PAY PLAN			
PE-1	36,512	43,939	51,366
PE-2	38,703	46,576	54,448
PE-3	41,025	49,370	57,715
PE-4	43,486	52,332	61,178
PE-5	46,095	55,472	64,849
PE-6	48,861	58,801	68,740
PE-7	51,793	62,329	72,864
PE-8	54,900	66,068	77,236
PE-9	58,194	70,032	81,870
PE-10	61,686	74,235	86,783
PE-11	65,387	78,689	91,990
DIRECTOR AND MANAGER PAY PLAN			
M-1	56,151	72,366	88,580
M-2	71,593	89,850	108,106
M-3	86,413	108,448	130,483
M-4	103,695	130,138	156,580
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			
Municipal Judge			

GLOSSARY OF TERMS

The annual budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader in understanding these terms, this glossary has been included in the budget document.

-A-

ACCRUAL BASIS OF ACCOUNTING. A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they are incurred. For example, water revenues which are billed in September are recorded as revenues in September, even though payment in cash is actually received in October. Similarly, services or supplies that have been received in September, but actually paid for by the City in October, are recorded as obligations of the City (expenses) in September. Accrual accounting is used for the City's enterprise funds for financial reporting purposes.

ADOPTED BUDGET. The budget as modified and finally approved by the City Council. The adopted budget is authorized by ordinance that sets the legal spending limits for the fiscal year.

AD VALOREM TAX. A tax levied on the assessed valuation of land and improvements.

APPRAISED VALUE. The estimated value of property for the purpose of taxation, as established by the Tarrant Appraisal District.

APPROPRIATION. An authorization made by the City Council that permits officials to incur obligations against and to make expenditures of resources. Appropriations normally are made for fixed amounts at the department level and cover, in the operating budget, a one-year period.

APPROPRIATION (BUDGET) ORDINANCE. The official enactment by the City Council establishing the legal authority for City officials to obligate and expend resources.

ASSESSED VALUATION. A value that is established for real or personal property for use as a basis for levying property taxes. Property values in Keller are established by the Tarrant Appraisal District.

ASSETS. Resources owned or held by the City that have monetary value.

AUTHORIZED POSITION(S). See *FULL-TIME EQUIVALENT POSITION*.

-B-

BALANCED BUDGET. A budget adopted by the City Council and authorized by ordinance where the proposed expenditures are equal to or less than the proposed revenues plus fund balances.

BASIS OF ACCOUNTING. A term used referring as to when revenues, expenditures, expenses, and transfers –and related assets and liabilities – are recognized in the accounts and reported in the City's financial statements.

BUDGET. The City's financial plan that contains both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives.

BUDGET ADJUSTMENT (AMENDMENT). A formal legal procedure utilized by the City to revise a budget during a fiscal year.

BUDGET CALENDAR. The schedule of dates used as a guide to complete the various steps of the budget preparation and adoption processes.

BUDGET ENHANCEMENT. A request for additional funding for a program, service, or the expansion of current services. Budget enhancements are used during the budget preparation process in order to identify specific departmental requests in the proposed budget. Budget enhancements are ranked in their order of priority by the department manager making the request. Budget enhancements are distinguished in the proposed budget separately from the "base line" or "current services" funding levels. Also see: *DECISION PACKAGE* and *SUPPLEMENTAL DECISION PACKAGE*.

BUDGET MESSAGE. The opening section of the budget document from the City Manager that provides the City Council and the public with a general summary of the most important aspects of the budget. Sometimes referred to as a "transmittal letter."

BUDGETARY CONTROL. The control of management of the organization in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and revenues.

GLOSSARY OF TERMS

-C-

CAPITAL OUTLAY. An expenditure which results in the acquisition of or addition to fixed assets, and meets these criteria: having an anticipated useful life of more than one year; can be permanently identified as an individual unit of property; belonging to one of the following categories – land, buildings, machinery and equipment, vehicles, or furniture and fixtures; constitutes a tangible, permanent addition to the value of City assets; cost generally exceeds \$5,000; does not constitute repair or maintenance; and is not readily susceptible to loss. In the budget, capital outlay is budgeted as expenditures in all fund types.

CAPITAL PROJECT FUND. A fund used to account for the financial resources to be used for the acquisition or construction of major capital facilities or equipment, usually financed by the issuance of debt.

CERTIFICATES OF OBLIGATION. Tax-supported bonds that are similar to general obligation bonds and can be issued after meeting strict publication requirements and with final approval of the City Council.

CERTIFIED APPRAISAL ROLL. The final property appraisals roll, as calculated by the Tarrant Appraisal District (TAD). The certified roll is required to be prepared by TAD by July 25 of each year.

CITY CHARTER. The document of a home rule City similar to a constitution, which establishes the City's government structure and provides for the distribution of powers and duties among the various branches of government.

CITY COUNCIL. The elected governing body of the City, consisting of the Mayor and five (5) Council members, collectively acting as the legislative and policy-making body of the City.

CRIME CONTROL PREVENTION DISTRICT SALES TAX. (See *KELLER CRIME CONTROL PREVENTION DISTRICT.*)

CURRENT TAXES. Taxes levied and due within one year.

-D-

DEBT SERVICE. The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a predetermined payment schedule.

DEBT SERVICE FUND. A fund used to account for resources and expenditures related to retirement of the City's general obligation debt service, sometimes referred to as a "sinking fund."

DECISION PACKAGE. A request for additional funding for a program, service, or the expansion of current services. A decision package is also required for any new personnel and capital requests. Decision packages are used during the budget preparation process in order to identify specific departmental requests in the proposed budget. Decision packages are ranked in their order of priority by the department manager making the request. Decision packages are distinguished in the proposed budget separately from the "base line" or "current services" funding levels. (See *BUDGET ENHANCEMENT*)

DEFERRED REVENUE. Cash received from customers in advance of services received. Recorded as a liability under general accepted accounting principles. Used primarily for operations of The Keller Pointe Recreation/Aquatic Center, where annual memberships are recorded as deferred revenue in 12 monthly installments. Also referred to as *Unearned Revenue*.

DELINQUENT TAXES. Taxes that remain unpaid after the date on which a penalty for nonpayment is attached. Property taxes are delinquent if not paid by January 31.

DEPARTMENT. A major administrative organizational unit of the City containing one or more divisions or activities.

-E-

EFFECTIVE TAX RATE. Defined by State law. In general, the tax rate that will raise the same amount of property tax revenue as the previous year, based on properties taxed in both years.

GLOSSARY OF TERMS

ENCUMBRANCE. An obligation, usually in the form of a purchase order, contract, or salary commitment, related to uncompleted contracts for goods or services. Used in budgeting, encumbrances are not classified as expenditures or liabilities, but are shown as a reservation of fund balance. Upon payment, encumbrances are recorded as an expenditure and liquidated, thereby releasing the reservation of fund balance. Outstanding or unliquidated encumbrances at year-end are re-appropriated into the budget of the subsequent year.

ENTERPRISE FUND. A fund established to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

ESTIMATED BUDGET. The City's estimated financial plan, using mid-year estimates, containing both the estimated revenues to be received during the year and the proposed expenditures to be incurred to achieve stated objectives. The City uses the current year estimate during the budget process in order to determine the estimated beginning fund balances for the next year. (Sometimes called *Revised Budget*.)

EXPENDITURE. The outflow of funds paid or to be paid for assets obtained or goods and services obtained regardless of when the expense is actually paid. An expenditure decreases fund balance.

-F-

FISCAL YEAR. The time period designated by the City signifying the beginning and ending period for the recording of financial transactions. The City's fiscal year is October 1 through September 30.

FRANCHISE FEES (TAXES). A fee (tax) paid by a public utility for the use of public property in providing their services to the citizens of Keller. The fee is typically calculated as a percentage of the utility's gross receipts.

FULL-TIME EQUIVALENT (FTE) POSITION. A position for an employee working a 40-hour work week for 52 weeks a year, i.e., 2,080 annual hours (2,912 annual hours for firefighters).

FUND. A fiscal and accounting entity established to record receipt and disbursement of income from sources set aside to support specific activities or to attain certain objectives. Each fund is treated as a distinct fiscal entity where assets equal liabilities plus fund balances.

FUND BALANCE. Unless stated otherwise, the excess of a fund's current assets over its current liabilities; sometimes called working capital in enterprise funds. Negative fund balances are referred to as a deficit.

-G-

GENERAL FUND. The fund used to account for financial resources except those funds required to be accounted for in another fund; the general fund is tax supported and includes the operations of most City services, i.e., police, fire, streets, parks and recreation, and administration.

GENERAL OBLIGATION DEBT. Money owed on interest and principal to holders of the City's general obligation bonds. The debt is supported by revenues provided from real property that is assessed through the taxation power of the City.

GOAL. A broad, general statement of each department's or divisions desired social or organizational outcomes.

-I-

IMPACT FEE. A fee imposed by the City on new development. Impact fees are collected for roadway, water and sewer improvements. Impact fees may only be used for capital improvements and/or expansion to the systems for which the impact fee originally was collected.

INFRASTRUCTURE. That portion of a City's assets located at or below ground level, including streets, water, and sewer systems.

INTERFUND (INTRA GOVERNMENTAL) TRANSFERS. Transfers made from one City fund to another City fund for the purposes such as reimbursement of expenditures, general and administrative services, payments-in-lieu of taxes, or debt service.

INTERGOVERNMENTAL REVENUES. Revenues from other governments in the form of grants, entitlements, shared revenues or payments-in-lieu of taxes.

GLOSSARY OF TERMS

-K-

KELLER CRIME CONTROL PREVENTION DISTRICT (KCCPD). A special taxing district authorized by an election in the City of Keller in November 2001, levying an additional 3/8-cent (0.375%) sales tax, designated for Police/Public Safety programs or capital improvements. In May 2006, voters authorized the tax for an additional 15 years. In November 2007, voters authorized a reduction in the rate to 0.25%. Sometimes referred to as "*Crime Tax*."

KELLER DEVELOPMENT CORPORATION (KDC). A non-profit corporation authorized by Section 4B, Article 5190.6 of the Industrial Corporation Act of 1979. The Corporation is governed by a seven-member board, consisting of four members of the City Council and three other members, which are also appointed by the City Council. The Corporation receives the ½ cent sales tax, which is dedicated for park improvements. The Corporation also has the power to issue long-term debt which is payable from the ½ cent sales tax.

KELLER INDEPENDENT SCHOOL DISTRICT (KISD). The local independent school district, where an elected board of directors (trustees) provide for the administration and operation of schools within the KISD. The City of Keller is included within the boundaries of KISD, but the KISD is a separate legal entity.

-L-

LIABILITY. Debt or other legal obligations arising out of transactions in the past that must be liquidated, renewed, or refunded at some future date. The term does not include encumbrances.

-M-

M&O. Acronym for "*maintenance and operations*." (1) The recurring costs associated with a department or activity; (2) the portion of the tax rate that is applied to the General Fund (see *TAX RATE*).

MIXED BEVERAGE TAX. A tax imposed on the gross receipts of a licensee for the sale, preparation or serving of mixed beverages.

MODIFIED ACCRUAL BASIS OF ACCOUNTING. A basis of accounting in which expenditures are accrued but revenues are recorded when "measurable" or are available for expenditure.

MSC. Acronym for the City's *Municipal Service Center* facility and related operations.

-N-

NEFDA. Acronym for "Northeast Fire Department Association." A regional association developed by a group of cities in Northeast Tarrant County Texas for the purpose of combining manpower, ideas, and education for specialty operations. There are currently 13 area cities that comprise or participate in NEFDA.

NETCO. Acronym for "Northeast Trunked Radio Consortium." An 800 MHz trunked radio system providing the infrastructure that serves the cities of Bedford, Colleyville, Euless, Grapevine, Keller and Southlake. Each participating city shares in 1/6 of the maintenance and replacement cost of the system.

NETCOM. Acronym for "Northeast Tarrant Communications Center." A combined dispatch/communications center located in Keller, that provides consolidated enhanced 911 services for the cities of Keller, Colleyville, Southlake, and Westlake.

NON-RECURRING EXPENSES/REVENUES. Resources/expenses recognized by the City that are unique and occur only one time without pattern in one fiscal year.

-O-

OBJECTIVE. A specific statement of desired end which can be measured.

OPERATING BUDGET. Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of the City are controlled. The use of annual operating budgets is required by the City's Charter and State law.

GLOSSARY OF TERMS

OPERATIONS AND MAINTENANCE EXPENDITURES. Expenditures for routine supplies and maintenance costs necessary for the operation of a department of the City.

ORDINANCE. A formal legislative enactment of the City Council.

-P-

PAYMENT-IN-LIEU OF TAXES. A payment made to the City in lieu of taxes. These payments are generally made by tax exempt entities for which the City provides specific services. The City's water and wastewater utility fund provides these payments to the City's general fund because of the fund's exemption from property taxation.

PEG FEE. Acronym for "Public Education and Government" fee. See *PUBLIC EDUCATION AND GOVERNMENT (PEG) FEE*.

PERSONNEL SERVICES. Expenditures for salaries, wages and related fringe benefits of City employees.

POSITION. See *Full-Time Equivalent*.

PROPOSED BUDGET. The financial plan initially developed by departments and presented by the City Manager to the City Council for approval.

PUBLIC EDUCATION AND GOVERNMENT (PEG) FEE. Cable franchise fees charged in accordance with Section 622(g)(2)(C) of the Cable Act (47 U.S.C. SS542(g)(2)(c)). PEG fees are remitted to the City by television cable providers. Fees may be used for capital costs for PEG facilities, including purchases of cameras and equipment used in the broadcasting and/or dissemination of public information.

-R-

REDUCION IN FORCE (RIF). Dismissal and/or layoff of an employee or employees, usually by elimination of the position(s).

REIMBURSEMENT. Repayment to a specific fund for expenditures incurred or services performed by that fund to or for the benefit of another fund.

RESERVE. An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

RETAINED EARNINGS. The excess of total assets over total liabilities for an enterprise fund. Retained earnings include both short-term and long-term assets and liabilities for an enterprise fund. (See *WORKING CAPITAL*.)

REVENUE. Funds that the City receives as income. Revenues increase fund balance.

REVENUE BONDS. Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund, in addition to a pledge of revenues.

-S-

SALES TAX. A general tax on certain retail sales levied on persons and businesses selling taxable items in the city limits. The City's current sales tax rate is 8.25%, consisting of 6.25% for the State of Texas; 1% for the City; 0.5% for the Keller Development Corporation, 0.25% for the Keller Crime Control Prevention District, and 0.25% for maintenance and repair of City streets.

SCADA. Acronym for *Supervisory Control and Data Acquisition*. An automated system that electronically monitors and controls water storage tanks, pumping stations, and water supply levels. The system monitors and coordinates water supply throughout the City in order to meet customer water demands, by allowing remote facilities to be operated from a central location.

SERVICES & OTHER EXPENDITURES. Costs related to services performed by the City by individuals, businesses, or utilities, and other expenditures not classified in any other category.

SPECIAL REVENUE FUND. A fund used to account for proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes, or have been segregated by financial policy to be maintained separately.

GLOSSARY OF TERMS

STREET MAINTENANCE SALES TAX. Local sales tax authorized by voters in November 2003, pursuant to Chapter 327 of the Texas Tax Code, as amended. A tax of 1/8 of one percent (0.125%) became effective on April 1, 2004, to be used for maintenance and repair of City streets. In November 2007, voters authorized an increase in the rate to ¼ of one percent (0.25%).

SUPPLEMENTAL DECISION PACKAGE. See *DECISION PACKAGE* and *BUDGET ENHANCEMENT*.

-T-

TARRANT APPRAISAL DISTRICT. The Tarrant Appraisal District is a separate legal entity that has been established in each Texas County by the State legislature for the purpose of appraising all property within the county or district. All taxing units within Tarrant County use the property values certified by the TAD. The TAD is governed by a board of directors, whose members are appointed by the individual taxing units within the district.

TAX BASE. The total value of all real and personal property in the City as of January 1st of each year, as certified by the Tarrant Appraisal District's Appraisal Review Board. The tax base represents the net taxable value after exemptions. (Also sometimes referred to as "assessed taxable value.")

TAX INCREMENT REINVESTMENT ZONE (TIRZ). A special financing and development method authorized by Section 311 of the Texas Property Tax Code. Tax increment financing involves pledging future real property tax revenues generated within the specified reinvestment zone (district). TIRZ revenues are calculated based on the cumulative increase in taxable values over the district's "base" year values. (Base year values are established upon the creation of the reinvestment zone.) Property taxes generated from the increase in the taxable values is pledged to fund improvements and development within the reinvestment zone (district). **NOTE:** The terms TIRZ and TIF are used interchangeably throughout the document.

TAX LEVY. The result of multiplying the ad valorem property tax rate per one hundred dollars times the tax base.

TAX RATE. The rate applied to all taxable property to generate revenue. The tax rate is comprised of two components: the debt service rate, and the maintenance and operations (M&O) rate.

TAX ROLL. See *TAX BASE*.

TAXES. Compulsory charges levied by the City for the purpose of financing services performed for the common benefit.

TIF. Acronym for *Tax Increment Financing* (see *TAX INCREMENT REINVESTMENT ZONE-TIRZ*).

TRINITY RIVER AUTHORITY (TRA). A separate governmental entity responsible for providing water and wastewater services in the Trinity River basin. The City contracts with TRA for treatment of wastewater as well as a portion of its wastewater collection system for the Big Bear Creek and Cade Branch interceptor sewer collection mains.

-U-

UNEARNED REVENUE. See *DEFERRED REVENUE*.

-W-

WORKING CAPITAL. The current assets less the current liabilities of a fund. Working capital does not include long-term assets or liabilities. For budgetary purposes, working capital, rather than retained earnings, is generally used to reflect the available resources of enterprise funds. (See *RETAINED EARNINGS*.)