

## Items H-5, H-6, & H-7

H-5 PUBLIC HEARING: Consider an ordinance adopting the annual budget for the City of Keller, Texas, for the fiscal year beginning October 1, 2024, and ending September 30, 2025, including the 2024-25 Capital Improvements Program, and adopting the Fiscal Year 2024-25 Fee Schedule for the City of Keller, Texas

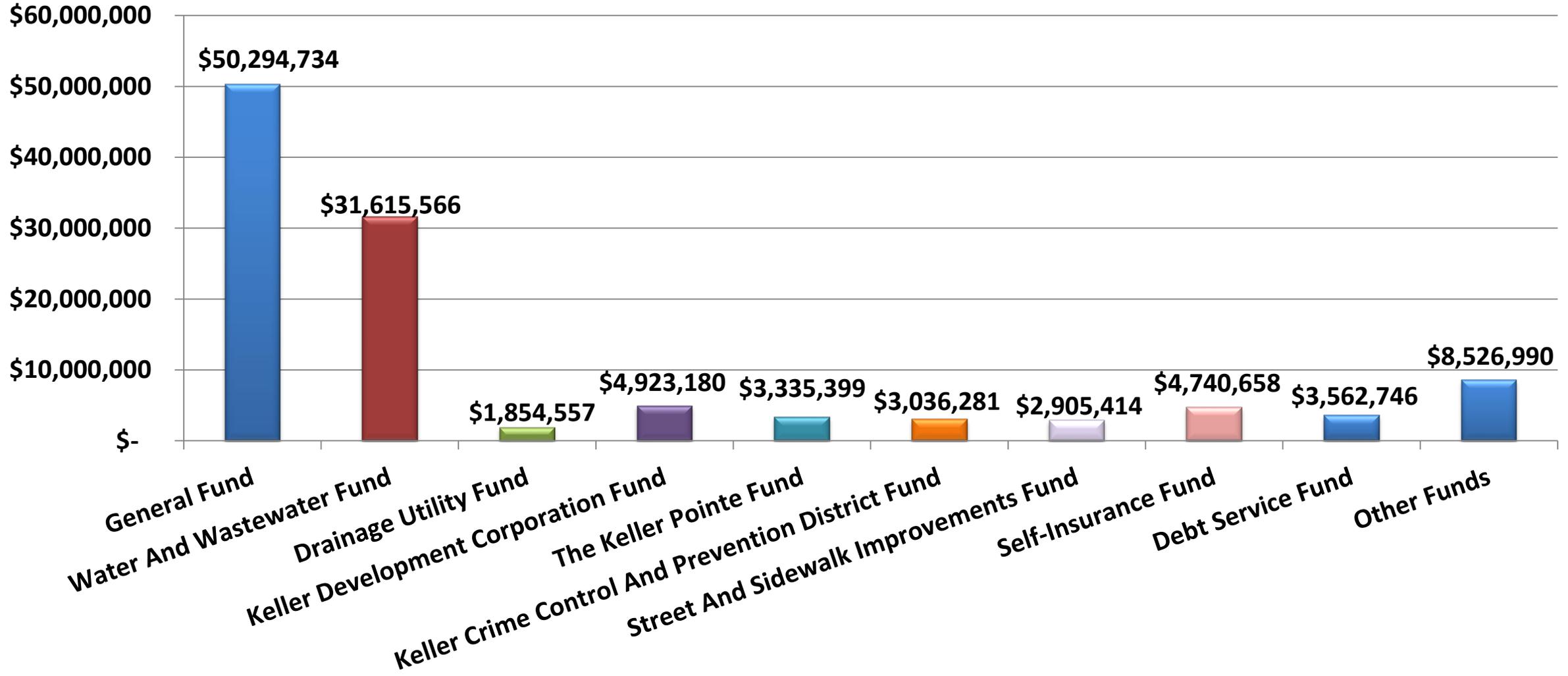
H-6 Consider a resolution ratifying the tax revenue for the Tax Year 2024 (Fiscal Year 2024-25) for the City of Keller, Texas.

H-7 Consider an ordinance levying taxes to be assessed on all taxable properties within the city limits of the City of Keller, Texas for the Tax Year 2024 (Fiscal Year 2024-25).

# Essential Points for FY 2024-25 Budget

- Operationally balanced budget that meets City Council goals and directions (Strategic Goal 3.1)
- Proposing Tax Rate under “No New Revenue” Rate (3.3)
- Total Personnel net increase under 4% (5.3)
- Continued investment in streets and sidewalk infrastructure = \$18.3M (4.1, 4.2)
  - Elm Street = \$7.6M
  - Sports Parkway = \$2.9M
  - Pavement Markings = \$700K
- Public Works Work Order Software = ~\$900K (\$90K ongoing)
- Third Year of TIRZ#2 Fund (2.4, 4.5)
- Rate adjustments to City water of 1% & wastewater of 2.5% (3.1)
- Maintains All Replacement Funding (3.4)
  - Ambulance
  - Street Sweeper
  - Dump Truck
  - Sewer Camera Van

# FY 2024-25 Proposed Operating Budget \$114,795,525



# Changes from Published Proposed Budget

- PO “Rollovers” = \$1,544,047
  - Fire Pumper = \$1,544,047
  - Traffic Detection Equipment= \$189,500
  - LCRR Compliance = \$152,475
  - Pointe Sanitation System = \$79,873
  - Façade Grants = \$30,000
  - Asset Management RFP = \$24,000
  - Fire Equipment/Hoses = \$8,541
  - Water & Drought Contingency Plan= \$9,408
- Add Pearson Pump Replacement = \$450,000



# FY 2024-25 Proposed Budget

## Revenue by Fund

Revenues	FY 2023-24 Budget	FY 2024-25 Proposed Budget	Budget Variance (\$)	Budget Variance (%)
General Fund	\$ 44,131,048	\$ 45,805,604	\$ 1,674,556	3.79%
Water And Wastewater Fund	29,937,849	30,633,452	695,603	2.32%
Drainage Utility Fund	1,554,275	1,634,147	79,872	5.14%
Keller Development Corporation Fund	4,757,442	4,919,483	162,041	3.41%
Keller Crime Control And Prevention District Fund	2,445,115	2,466,587	21,472	0.88%
Street And Sidewalk Improvements Fund	2,356,897	2,473,617	116,720	4.95%
The Keller Pointe Fund	3,102,806	3,391,666	288,860	9.31%
Self Insurance Fund	5,307,586	4,942,771	(364,815)	-6.87%
Debt Service Fund	4,061,596	3,857,873	(203,723)	-5.02%
Other Funds	5,712,319	7,027,738	1,315,419	23.03%
<b>Total Revenues</b>	<b>\$ 103,366,933</b>	<b>\$ 107,152,938</b>	<b>\$ 3,786,005</b>	<b>3.66%</b>

# FY 2024-25 Proposed Budget Expenditure by Fund

Expenditures	FY 2023-24 Budget	FY 2024-25 Proposed Budget	Budget Variance (\$)	Budget Variance (%)
General Fund	\$ 44,350,725	\$ 50,294,734	\$ 5,944,009	13.40%
Water And Wastewater Fund	29,934,325	31,615,566	1,681,241	5.62%
Drainage Utility Fund	1,667,256	1,854,557	187,301	11.23%
Keller Development Corporation Fund	6,415,797	4,923,180	(1,492,617)	-23.26%
Keller Crime Control And Prevention District Fund	7,139,159	3,036,281	(4,102,878)	-57.47%
Street And Sidewalk Improvements Fund	2,605,414	2,905,414	300,000	11.51%
The Keller Pointe Fund	3,101,253	3,335,399	234,146	7.55%
Self-Insurance Fund	4,640,578	4,740,658	100,080	2.16%
Debt Service Fund	3,996,592	3,562,746	(433,846)	-10.86%
Other Funds	7,022,646	8,526,990	1,504,344	21.42%
<b>Total Expenditures</b>	<b>\$ 110,873,745</b>	<b>\$ 114,795,525</b>	<b>\$ 3,921,780</b>	<b>3.54%</b>

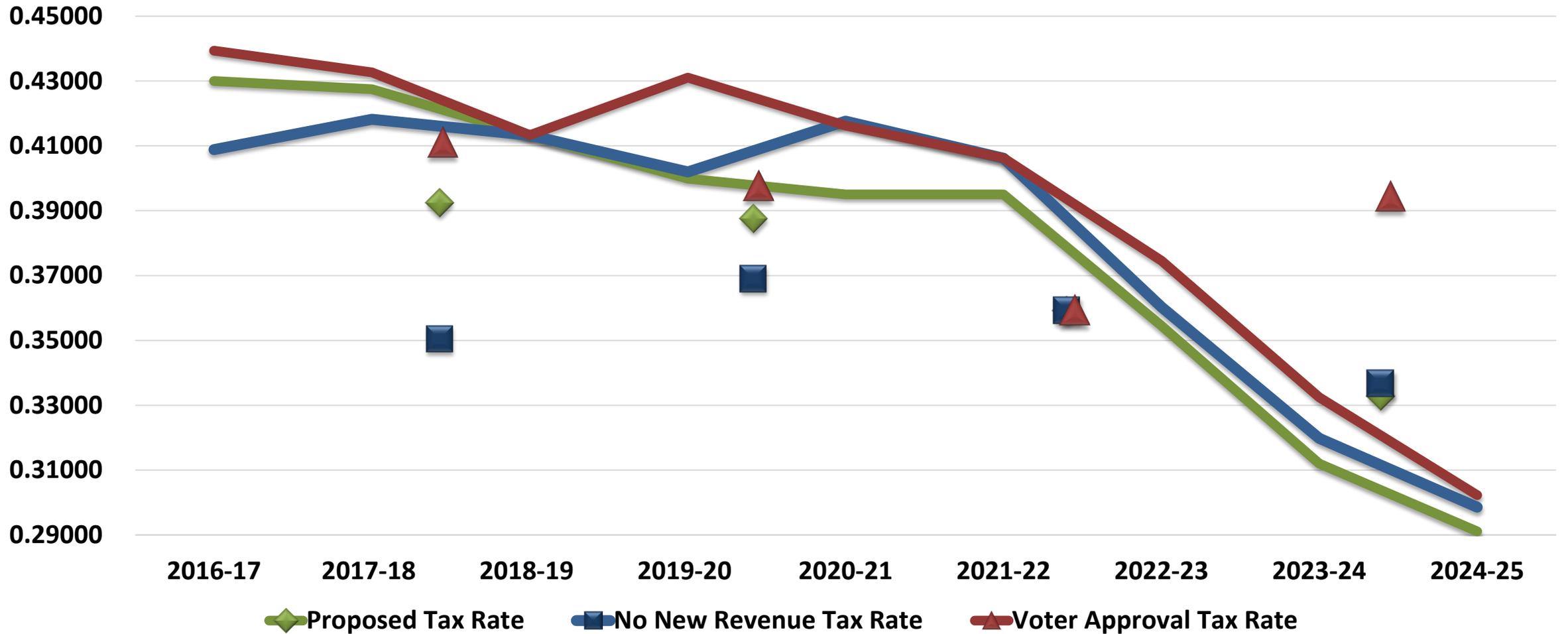
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# PROPERTY TAX



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# Property Tax Rate History

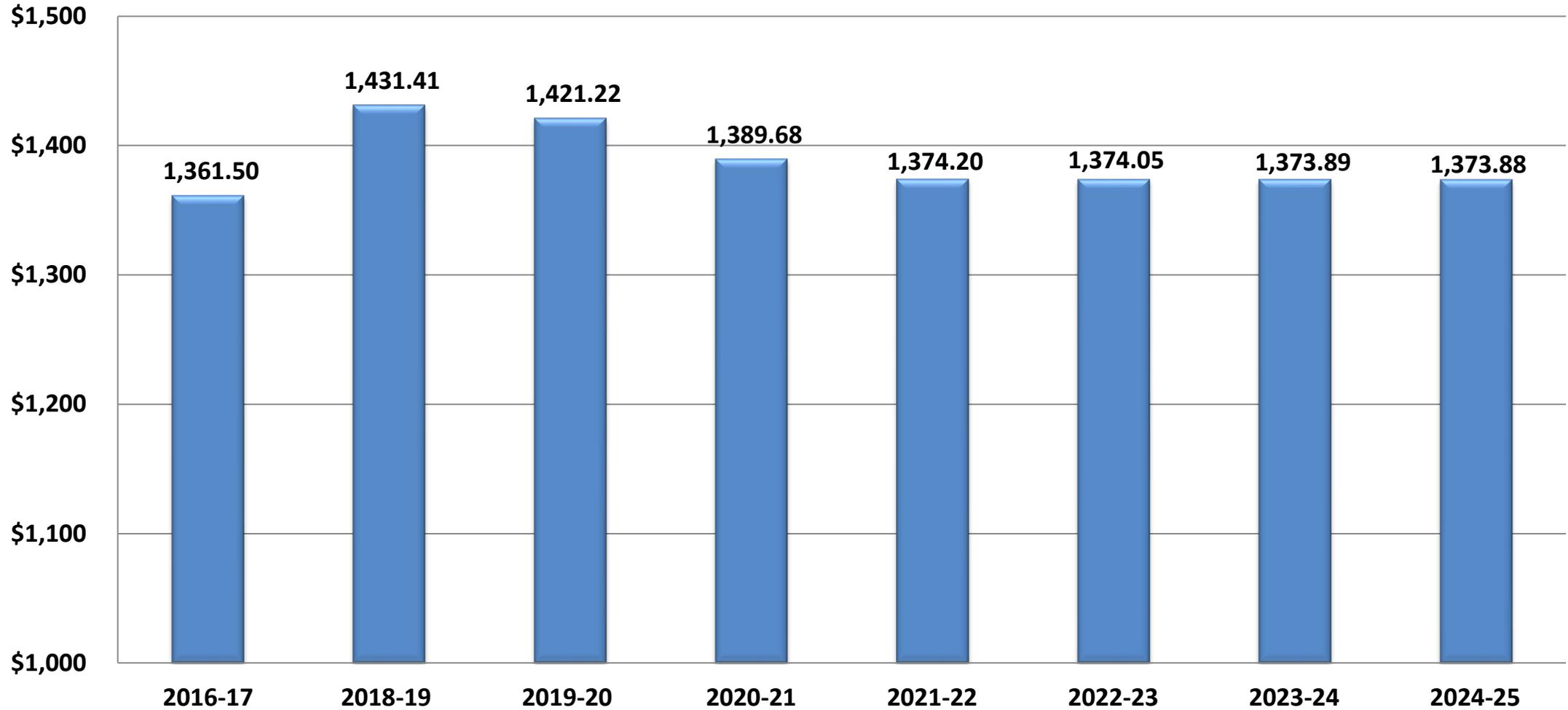


# T-N-T Tax Rates

	<b>FY 2023-24 Rate</b>	<b>FY 2024-25 Rate</b>	<i>No New Revenue Rate</i>	<i>Voter- Approval Rate</i>	<i>Voter- Approval w/ Incremental Rate</i>
Tax Rate	\$0.31200	<b>\$0.29112</b>	\$0.298552	\$0.302290	\$0.347005
Average Taxable Home	\$440,350	<b>\$471,929</b>	\$471,929	\$471,929	\$471,929
Avg. Home Tax Bill	1,374	<b>1,374*</b>	\$ 1,409	\$1,427	\$1,638
Per Month	114.49	<b>114.49</b>	\$117.41	\$118.88	\$136.47
Change from FY 2024-25 (\$)		<b>(\$0.01)</b>	\$35.06	\$52.70	\$263.73

**\*Lowest average bill since FY 2016-17**

# Average Tax Levy History



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# Tax Mitigation Timeline - \$0.29112

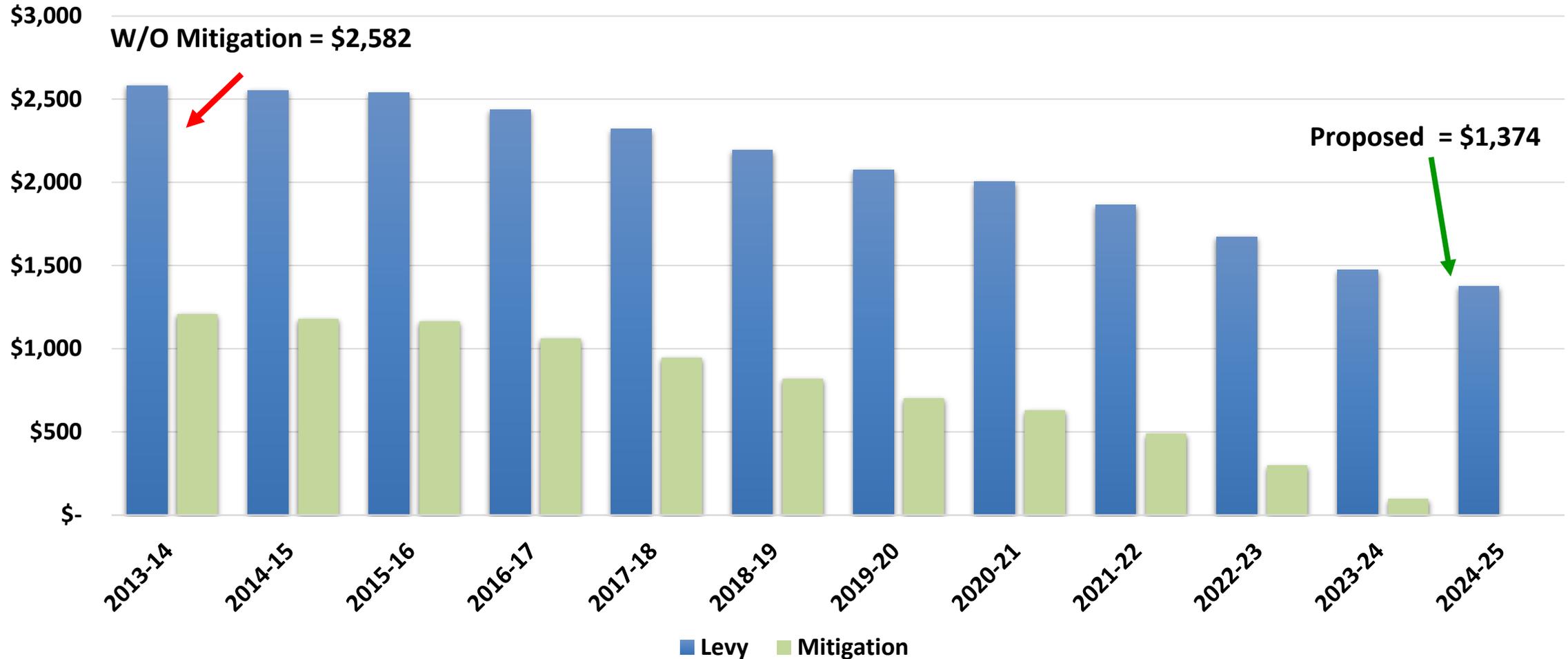
Fiscal Year	Tax Rate	Change from FY 2013-14	Homestead	Avg. Home Tax Bill without Mitigation
FY 2013-14	\$0.44219	-	1%	2,582.44
FY 2014-15	\$0.43719	(\$0.00500)	1%	2,553.24
FY 2015-16	\$0.43469	(\$0.00750)	1%	2,538.64
FY 2016-17	\$0.43000	(\$0.01219)	4%	2,435.15
FY 2017-18	\$0.42750	(\$0.01469)	8%	2,320.12
FY 2018-19	\$0.41325	(\$0.02894)	10%	2,194.03
FY 2019-20	\$0.39990	(\$0.04229)	12%	2,075.97
FY 2020-21	\$0.39500	(\$0.04719)	14%	2,003.93
FY 2021-22	\$0.39500	(\$0.04719)	20%	1,864.12
FY 2022-23	\$0.35450	(\$0.08769)	20%	1,672.99
FY 2023-24	\$0.31200	(\$0.13019)	20%	1,472.42
FY 2024-25	\$0.29112	(\$0.15107)	20%	1,373.88

**\$0.29112 & 20% Homestead Exemption vs. FY 14 Rate & 1% HS = \$1,208.56 savings or ~5.62 month of services**

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# Tax Mitigation Timeline - \$0.29112

Average 2024 Household Levy Without Annual Mitigation



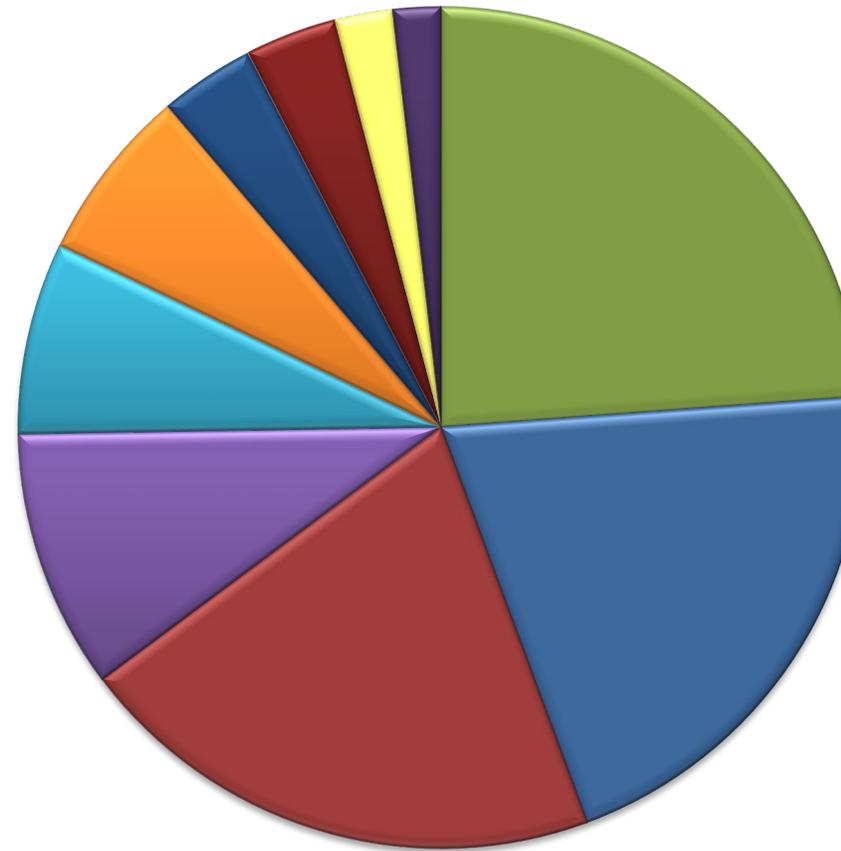
\$0.29112 & 20% Homestead Exemption vs. FY 14 Rate & 1% HS = \$1,208.56 savings or ~5.62 month of services

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# Cost of City Services for Average Residential Taxpayer

Police	27.18
Public Works	23.82
Fire	23.29
General Govt.	11.34
Parks & Rec	8.40
Debt Service	7.66
Library	4.14
Comm. Devel.	4.01
Non-Dept.	2.53
Econ. Dev.	2.12
<b>Total</b>	<b>\$ 114.49</b>

Monthly Cost



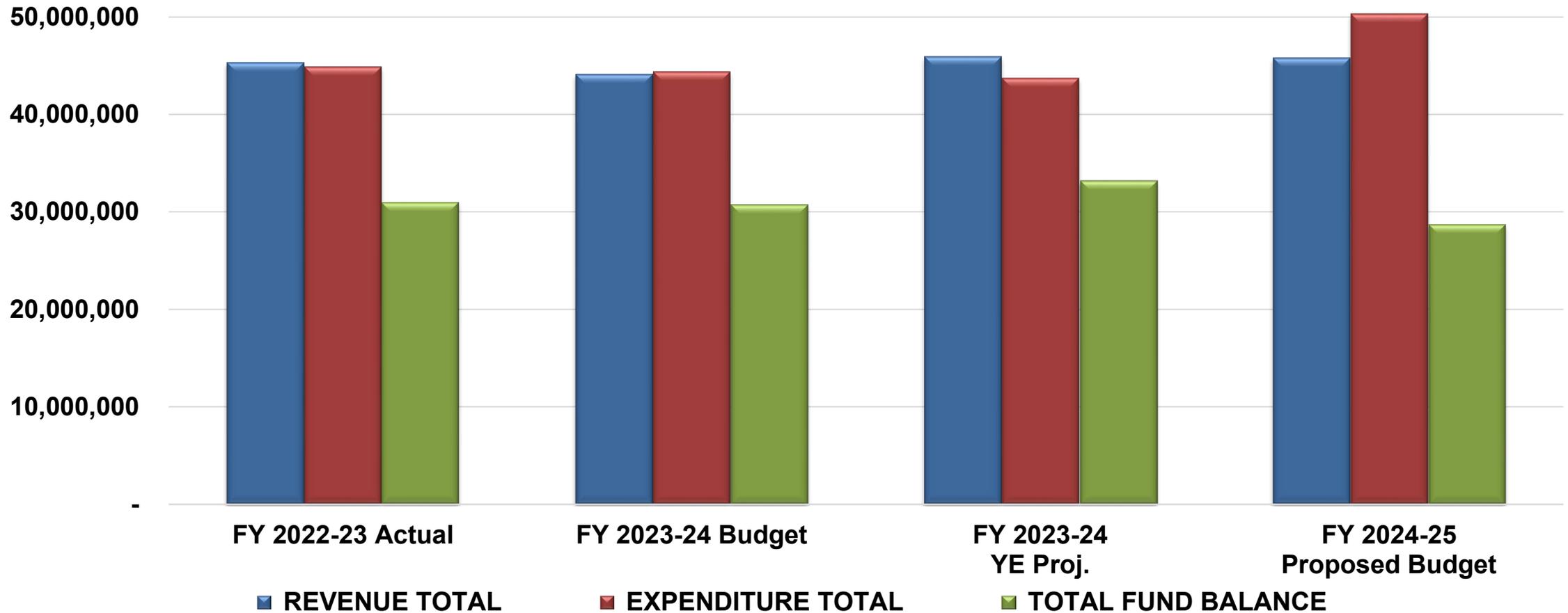
- Police
- Public Works
- Fire
- General Govt.
- Parks & Rec
- Debt Service
- Library
- Comm. Devel.
- Non-Dept.
- Econ. Dev.

# GENERAL FUND

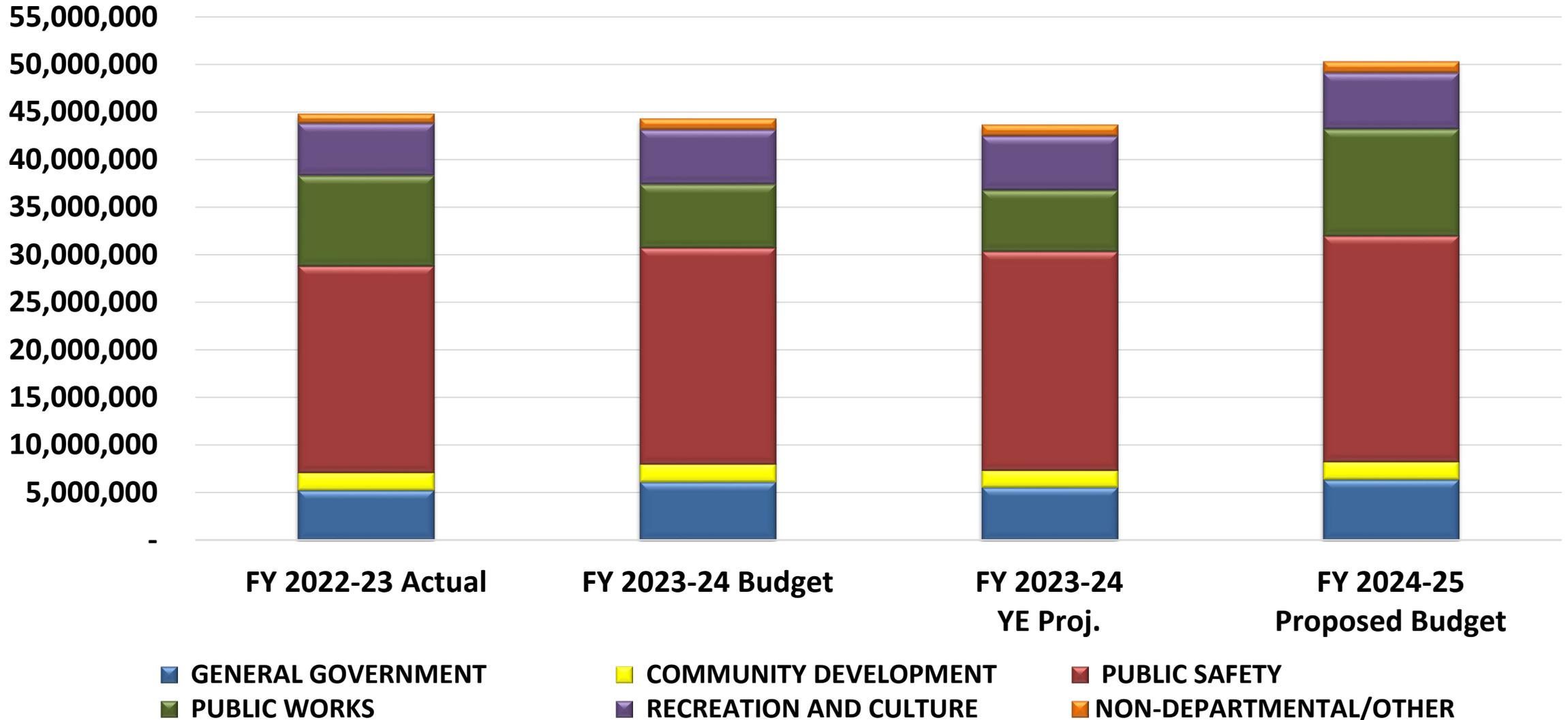


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# FY 2024-25 Proposed Budget General Fund Overview



# General Fund Expenditures By Activity

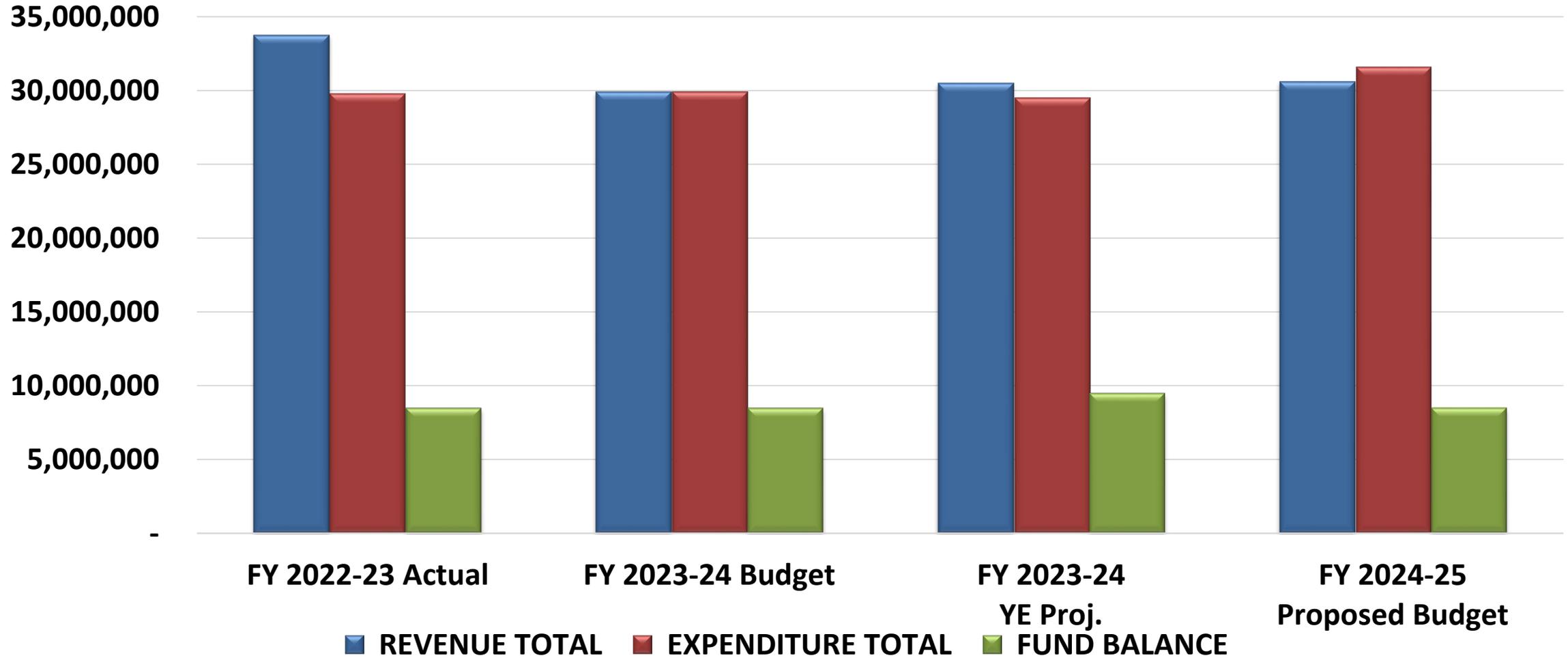


# Ad Valorem Expenditures

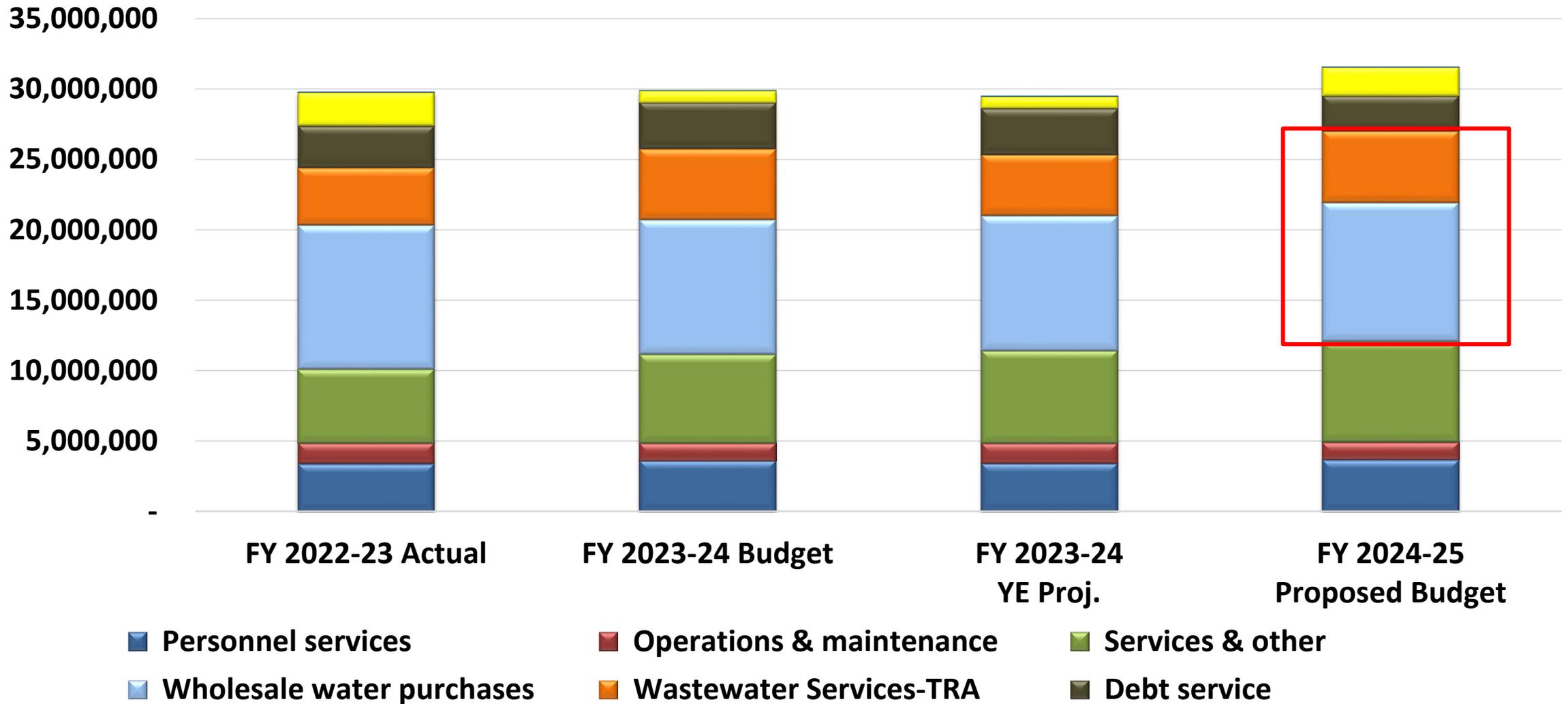
Expenditure	On-Going Cost	One-Time Cost	Total Cost
Sports Parkway Reconstruction	\$ -	\$ 2,860,000	\$ 2,860,000
Mt. Gilead Reconstruction	-	1,350,000	1,350,000
Compensation	1,225,342	-	1,225,342
Pavement Markings	-	700,000	700,000
Sidewalk Improvements	-	550,000	550,000
Public Works Work Order Software	63,150	386,850	450,000
Bear Creek Erosion Control	-	400,000	400,000
Alley Rehab Design	-	250,000	250,000
Third Party Utility Inspections	-	200,000	200,000
Communication Enhancements	50,000	65,000	115,000
Replacement Street Sweeper Addtl. Funding	-	75,000	75,000
Outdoor Warning Siren Replacements	-	58,024	58,024
<b>Total</b>	<b>\$ 1,338,492</b>	<b>\$ 6,894,874</b>	<b>\$ 8,233,366</b>

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# Water and Wastewater Fund Summary



# Water and Wastewater Expenditures



# Average Monthly Bill

Monthly Bill	Current	Proposed	Difference (%)	Difference (\$)
<b><i>ANNUAL AVERAGE MONTHLY BILL</i></b>				
Water (14,247 Gallons)	89.65	90.43	0.87%	0.78
Sewer (7,138 Gallons)	54.21	55.55	2.47%	1.34
<b>TOTAL</b>	<b>\$143.86</b>	<b>\$145.98</b>	<b>1.47%</b>	<b>\$2.12</b>
<b><i>SUMMER AVERAGE MONTHLY BILL</i></b>				
Water (25,838 Gallons)	154.06	155.31	0.81%	1.25
Sewer (7,138 Gallons)	54.21	55.55	2.47%	1.34
<b>TOTAL</b>	<b>\$208.26</b>	<b>\$210.85</b>	<b>1.24%</b>	<b>\$2.59</b>

# Other Tax Funds

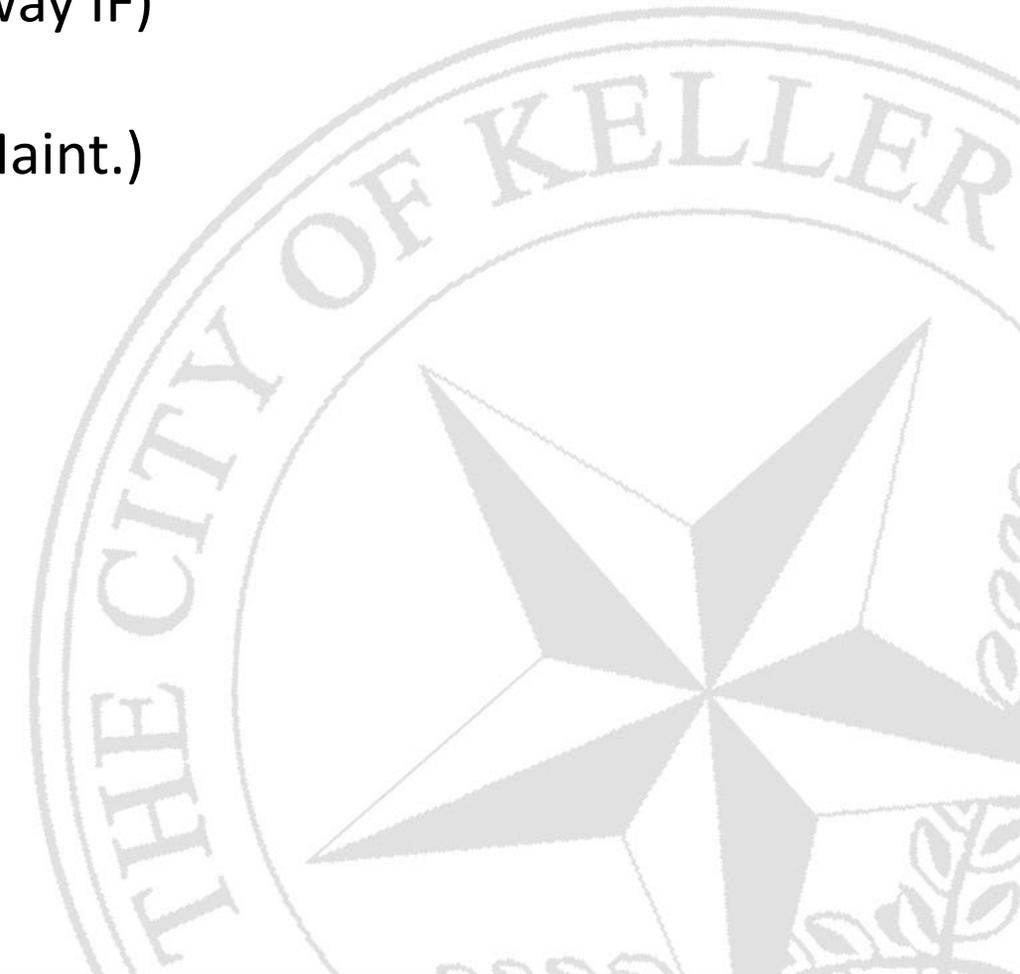
Fund	FY 2024-25 Revenues	FY 2024-25 Expenditures	Variance	Fund Balance
Debt Service Fund	3,857,873	3,562,746	295,127	4,997,577
TIRZ #2	415,836	-	415,836	779,775
Keller Development Corporation Fund	4,919,483	4,923,180	(3,697)	2,403,138
Keller Crime Control And Prevention District Fund	2,466,587	3,036,281	(569,694)	3,139,778
Street And Sidewalk Improvements Fund	2,493,617	2,905,414	(431,797)	1,460,892

# Other Enterprise/Internal Service Funds

Fund	FY 2024-25 Revenues	FY 2024-25 Expenditures	Variance	Fund Balance
Self-Insurance Fund	4,942,771	4,740,658	202,113	7,461,127
Keller Pointe	3,391,666	3,255,526	136,140	862,894
Information Technology	3,757,065	3,809,991	(52,926)	1,900,052
Drainage Fund	1,634,147	1,854,557	(220,410)	1,833,052
Fleet Replacement Fund	1,896,336	3,896,611	(2,000,275)	2,085,590
Facility Replacement Fund	310,653	187,500	123,153	1,670,765

# FY 2024-25 CIP Highlights

- Elm Street = \$7.6M (County)
- Mt. Gilead Reconstruction = \$2.7M (General, Roadway IF)
- Street Maintenance = \$2.35M (Street Maint.)
- Sidewalk Improvements = \$1.1M (General, Street Maint.)
- Pavement Markings = \$700K (General)
- Sidewalk Maintenance = \$325K (General)
- Police Station Renovations = \$570K (KCCPD)
- Keller Sports Park = \$4.5M (General/KDC)
- Trail System Expansion = \$400K (KDC)
- Shade Structure = \$100K (KDC)
- Line Replacements = \$850K (W-WW)
- Material Storage = \$450K (W-WW)
- ***Pearson Pump Replacement = \$450K (W-WW)***

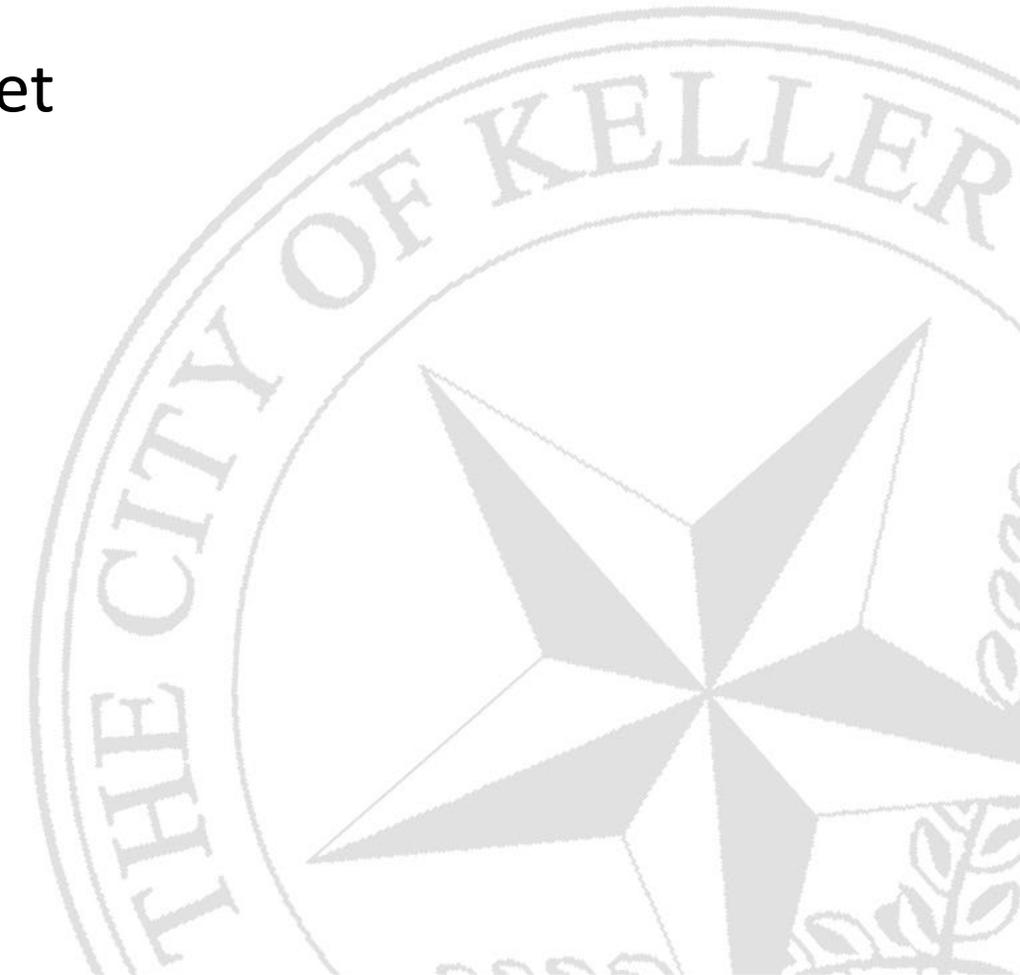


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# City Council Action

- Conduct Public Hearing on Proposed Budget
- Adopt the Proposed Budget
- Ratify the Tax Increase
- Adopt the Tax Rate





**Questions?**

**Aaron Rector**

**817-743-4026**

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