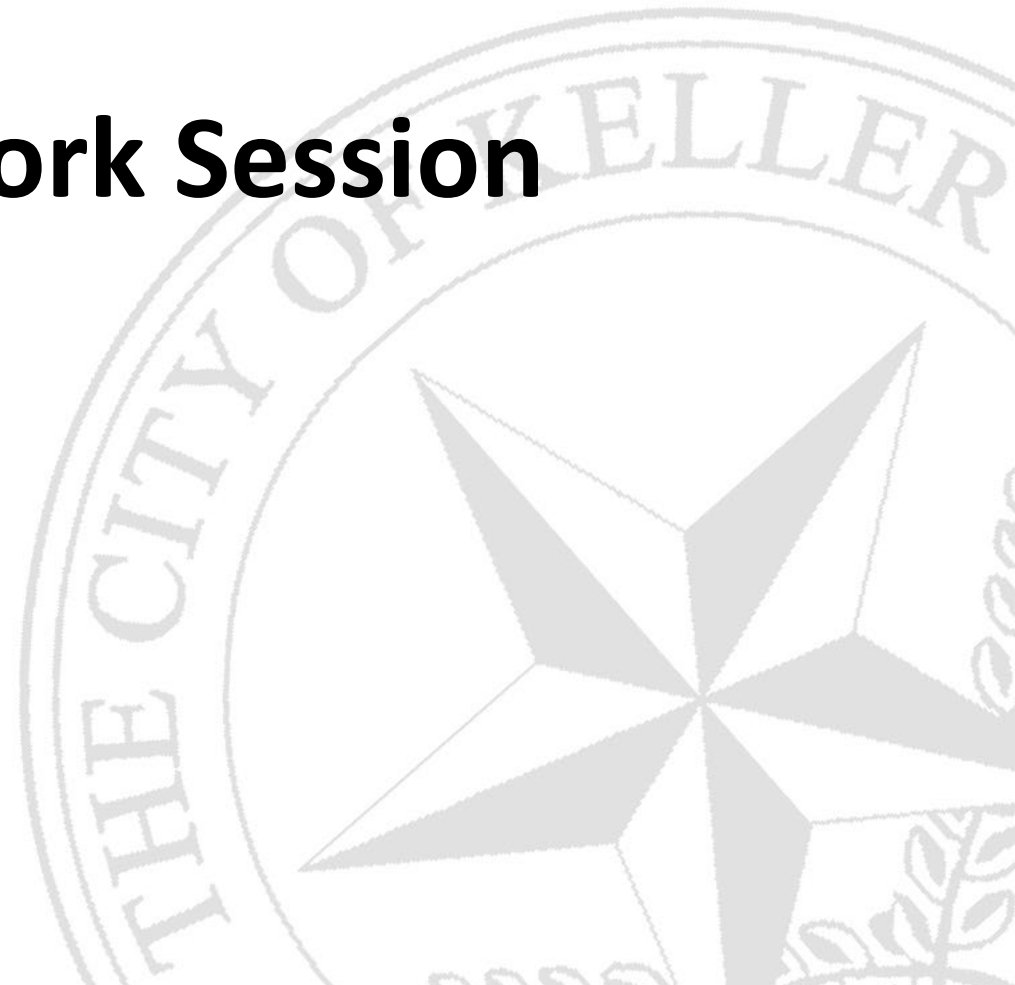


FY 2024-25 Budget Work Session

Aug. 28, 2024

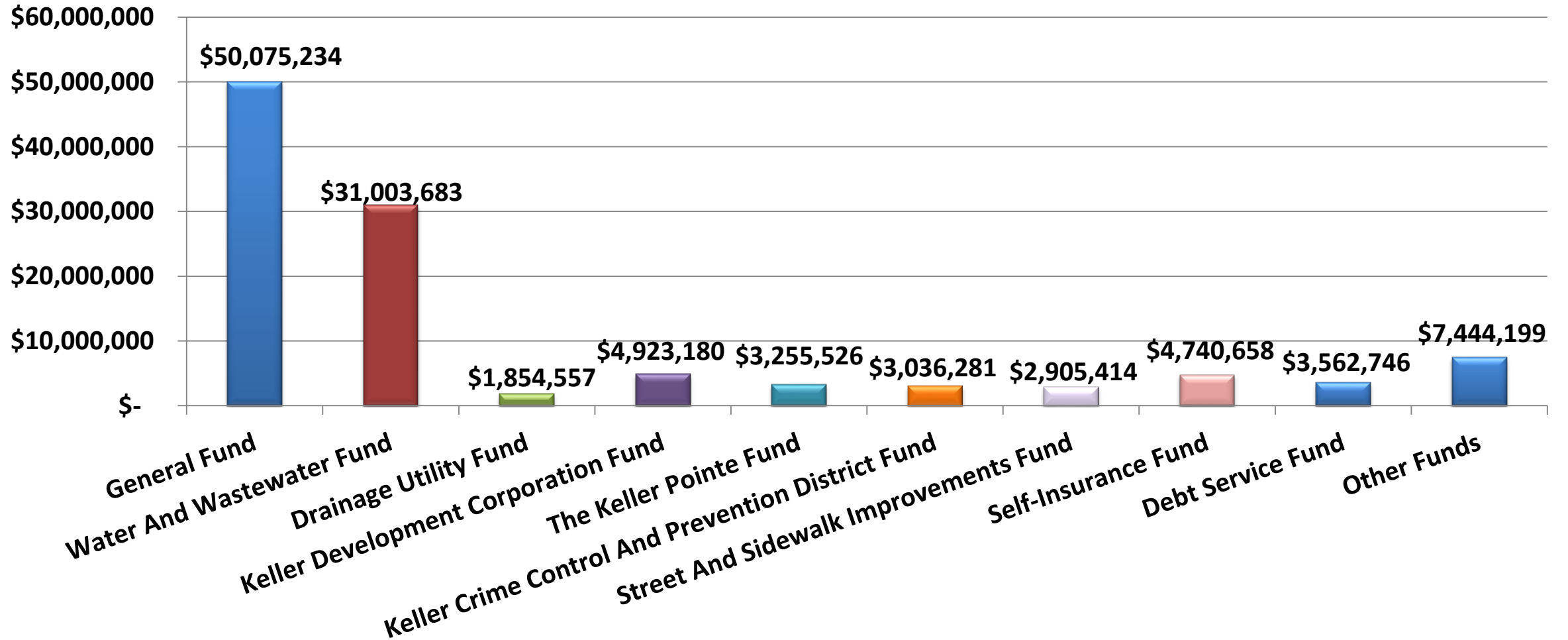


Essential Points for FY 2024-25 Budget

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- 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
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 - Pavement Markings = \$700K
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- 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 City of Keller

Proposed Operating Budget \$112,807,478



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	\$ 50,075,234	\$ 5,724,509	12.91%
Water And Wastewater Fund	29,934,325	31,003,683	1,069,358	3.57%
Drainage Utility Fund	1,618,256	1,854,557	236,301	14.60%
Keller Development Corporation Fund	4,795,181	4,923,180	127,999	2.67%
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	3,255,526	154,273	4.97%
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	7,444,199	421,553	6.00%
Total Expenditures	\$ 109,204,129	\$ 112,801,478	\$ 3,597,349	3.29%

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FY 2024-25 Proposed Budget Expenditure by Category

Expenditures	FY 2023-24 Budget	FY 2024-25 Proposed Budget	Budget Variance (\$)	Budget Variance (%)
Personnel services	\$ 35,200,781	\$ 36,566,858	\$ 1,366,077	3.88%
Operations & maintenance	7,495,492	8,228,565	733,073	9.78%
Services & other	23,587,816	25,333,525	1,745,709	7.40%
Wholesale water purchases	9,575,070	9,880,565	305,495	3.19%
Wastewater Services-TRA	5,022,787	5,060,458	37,671	0.75%
Debt service	10,627,841	9,170,517	(1,457,324)	-13.71%
Transfers to other funds	12,836,081	14,331,697	1,495,616	11.65%
Capital outlay	4,858,261	4,229,293	(628,968)	-12.95%
Total Expenditures	\$ 109,204,129	\$ 112,801,478	\$ 3,597,349	3.29%

PROPERTY TAX



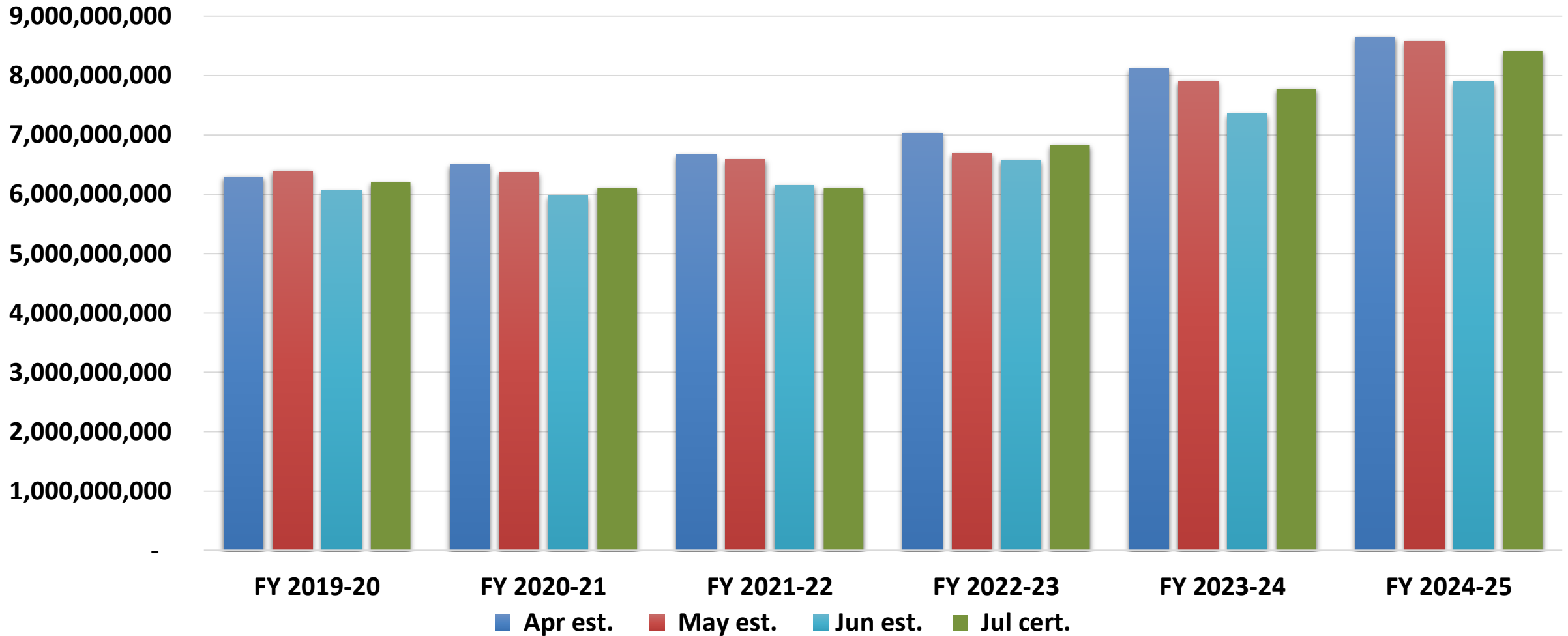
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Levy with Certification

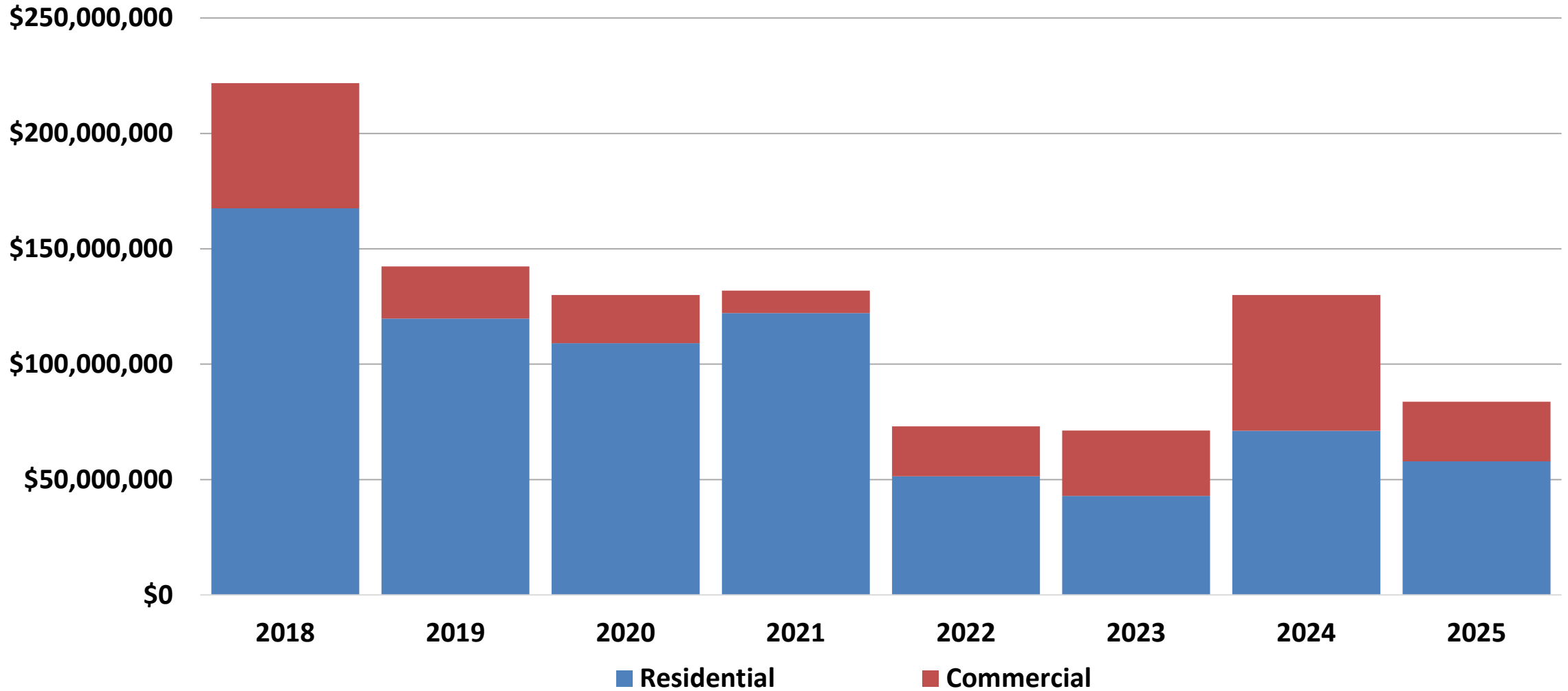
	Current	Certified with Current Rate	Certification with Proposed Rate
Adjusted Value	7,778,099,210	8,406,298,580	8,406,298,580
No-New-Revenue	0.319772	0.298552	0.298552
Voter-Approval	0.332020	0.354069	0.354069
City Rate	0.312000	0.312000	0.2911200
Collection	\$24,062,446	\$25,576,335	\$24,169,983
Vs. FY 2022-23	-	\$1,513,890	107,538
New Levy		261,128	243,653
Existing Levy		1,252,761	(137,308)

- Value of \$0.0025/100 = \$191,573

Property Tax Value – April thru Certified

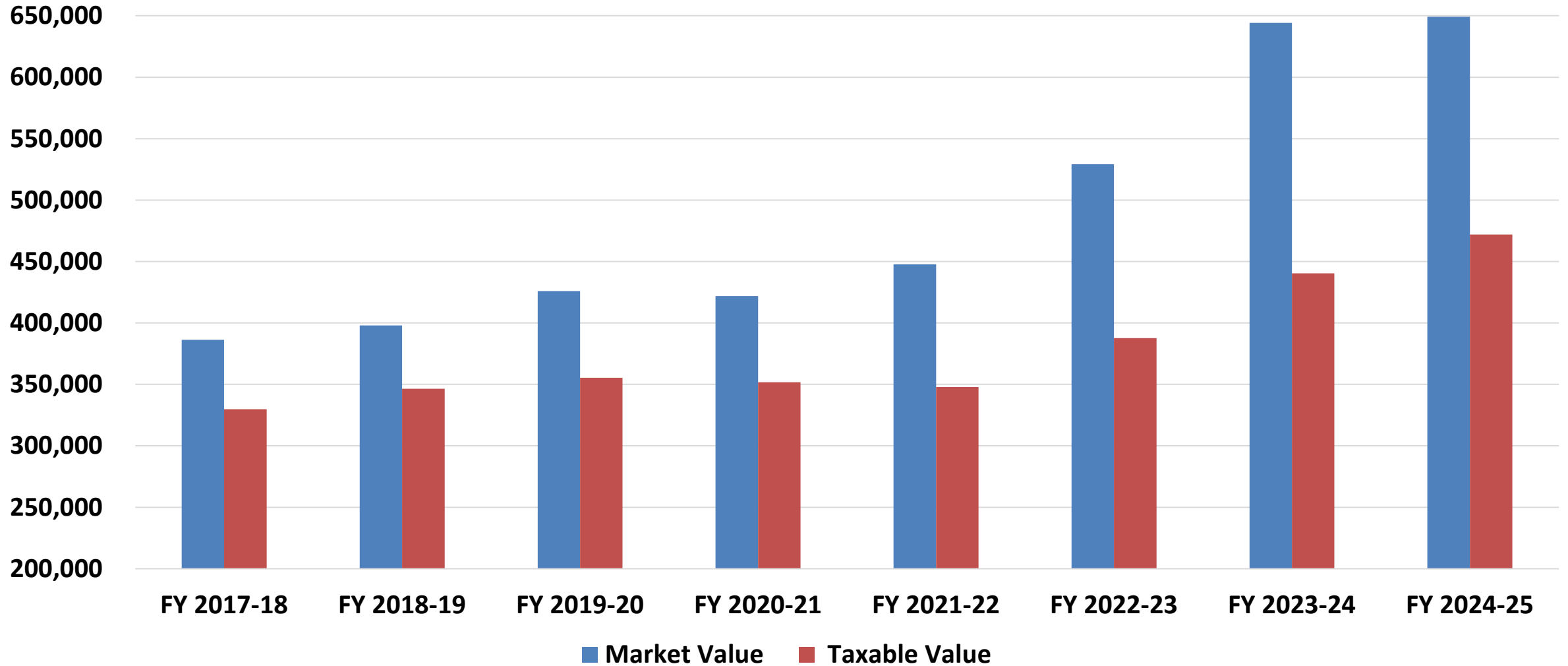


New Construction

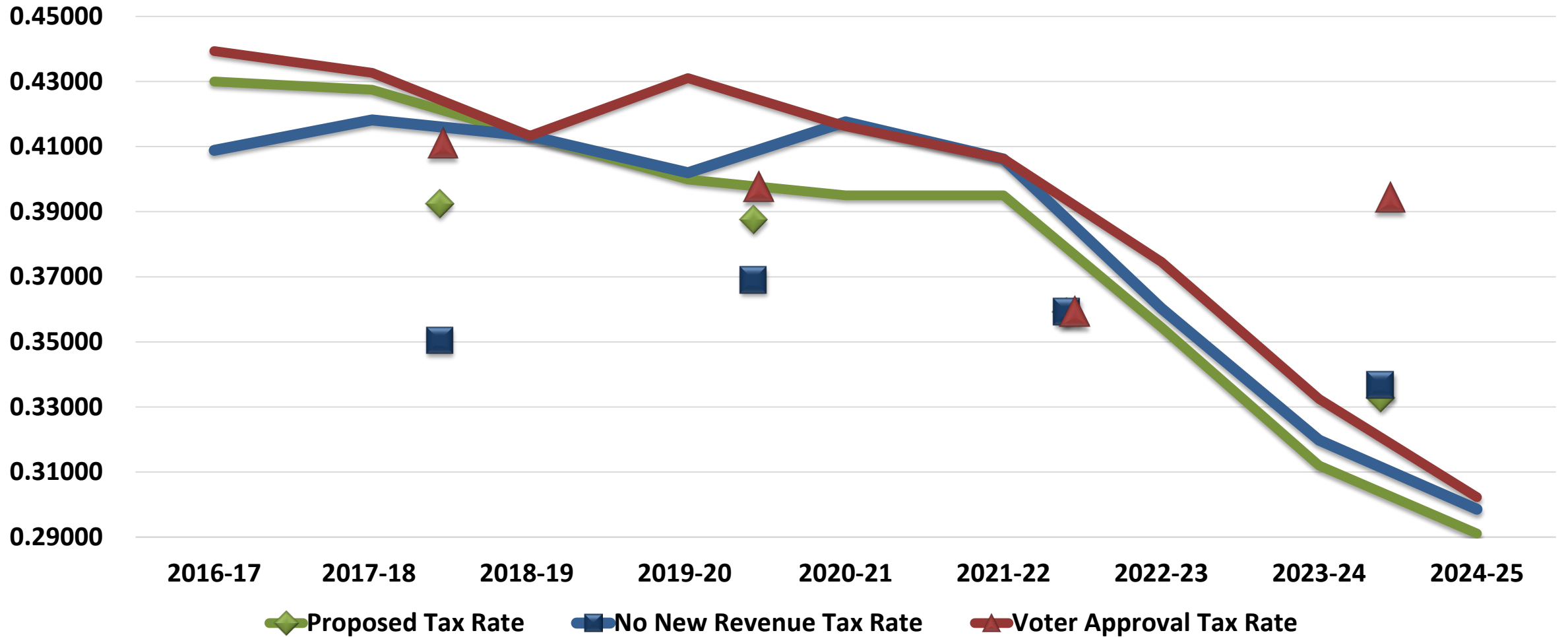


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Average Market vs. Taxable Home History



Property Tax Rate History



T-N-T Tax Rates

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

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

Tax Mitigation Timeline - \$0.29112

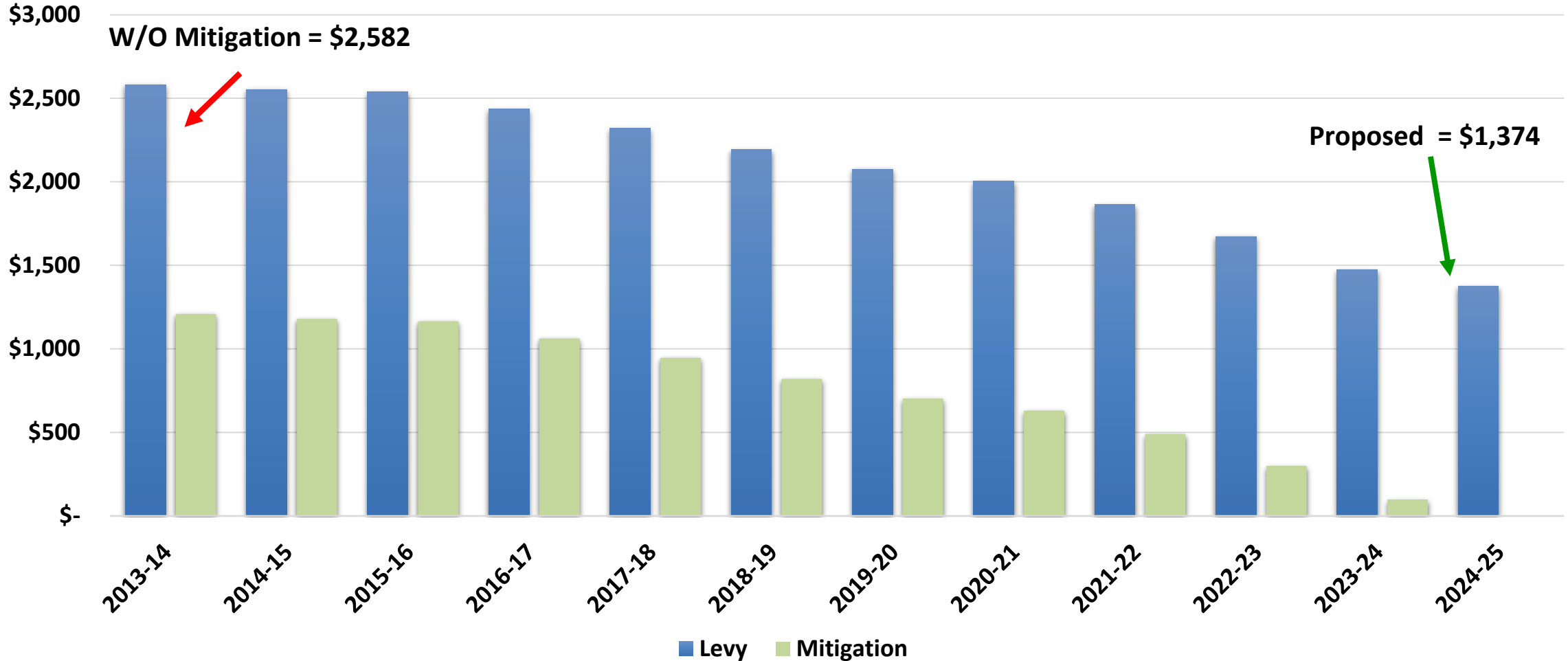
Fiscal Year	Tax Rate	Change from FY 2013-14	Homestead	Avg. Home Tax Bill without Mitigation
FY 2013-14	\$0.44219	-	1%	2,582.44
FY 2014-15	\$0.43719	(\$0.00500)	1%	2,553.24
FY 2015-16	\$0.43469	(\$0.00750)	1%	2,538.64
FY 2016-17	\$0.43000	(\$0.01219)	4%	2,435.15
FY 2017-18	\$0.42750	(\$0.01469)	8%	2,320.12
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

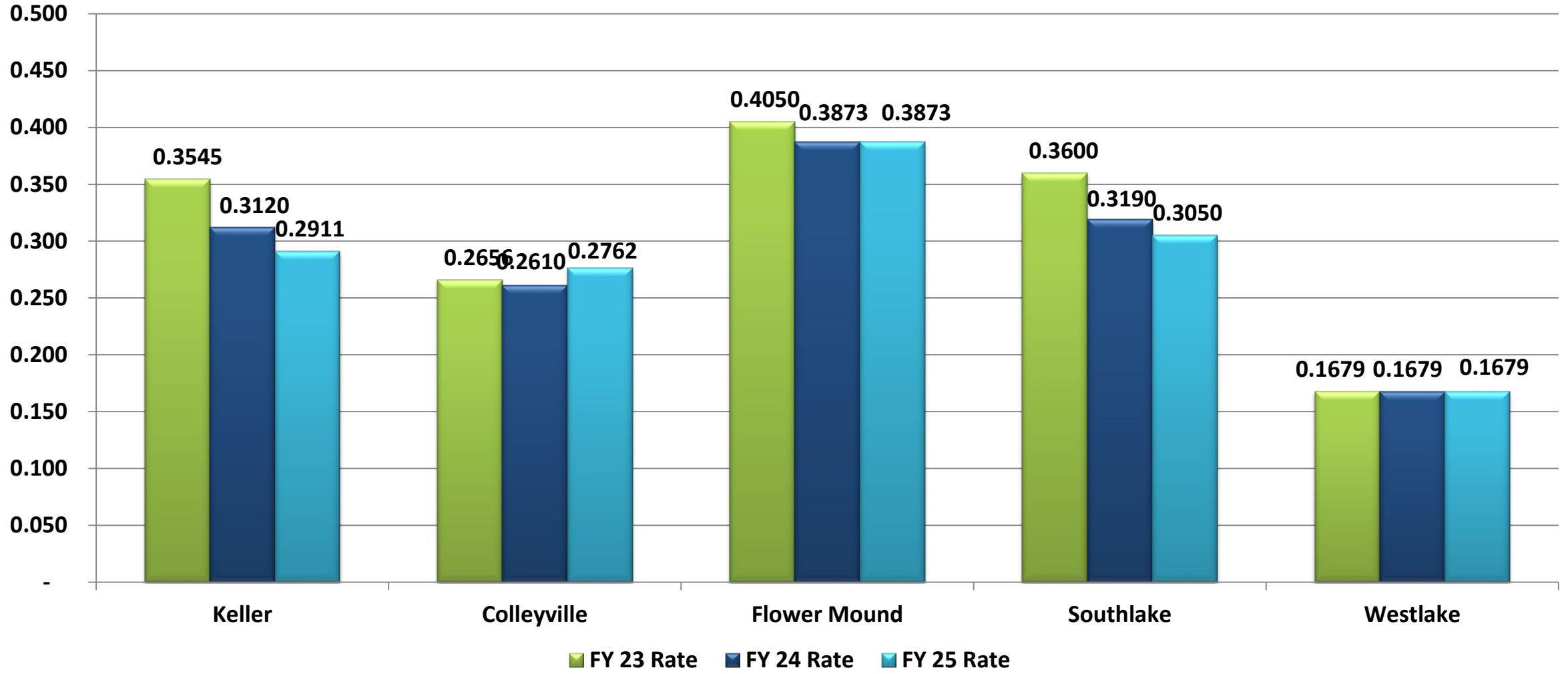
Average 2024 Household Levy Without Annual Mitigation



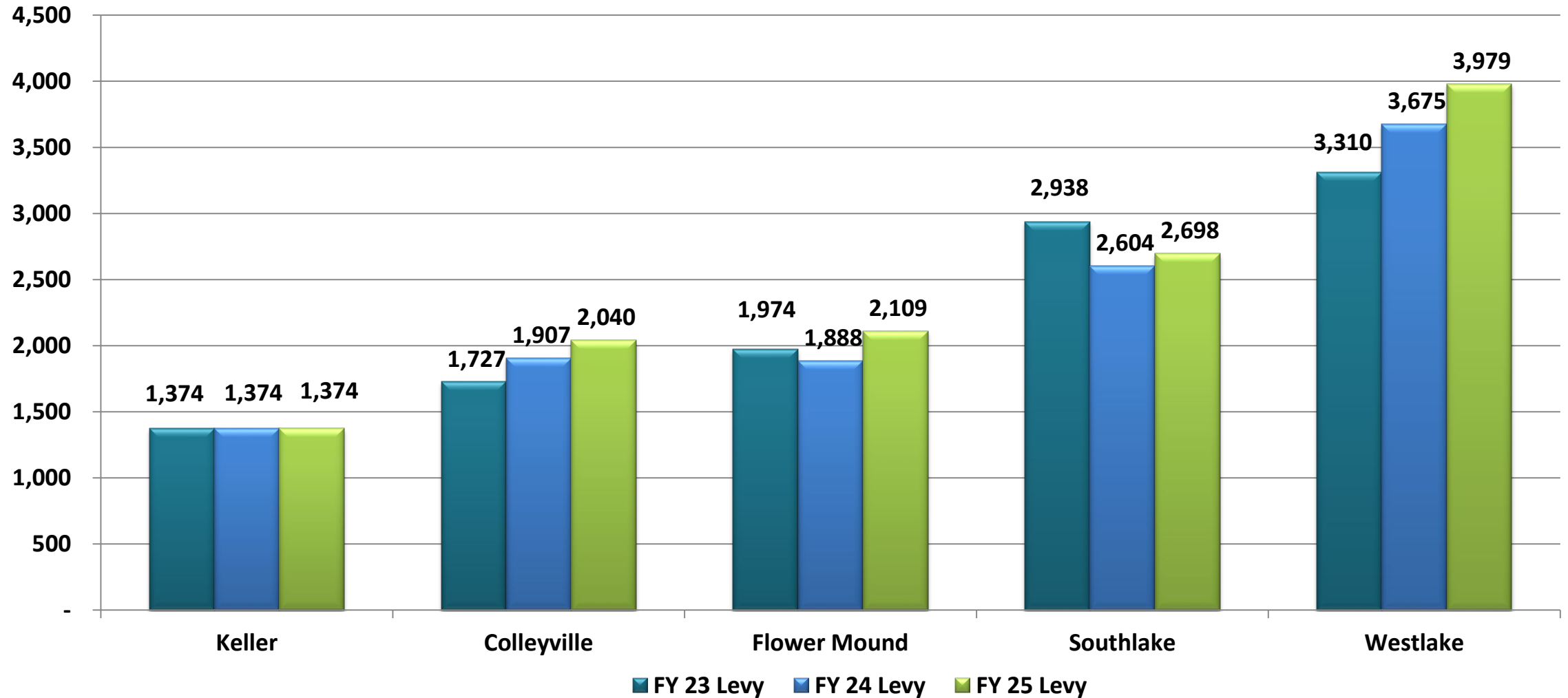
\$0.29112 & 20% Homestead Exemption vs. FY 14 Rate & 1% HS = \$1,208.56 savings or ~5.62 month of services

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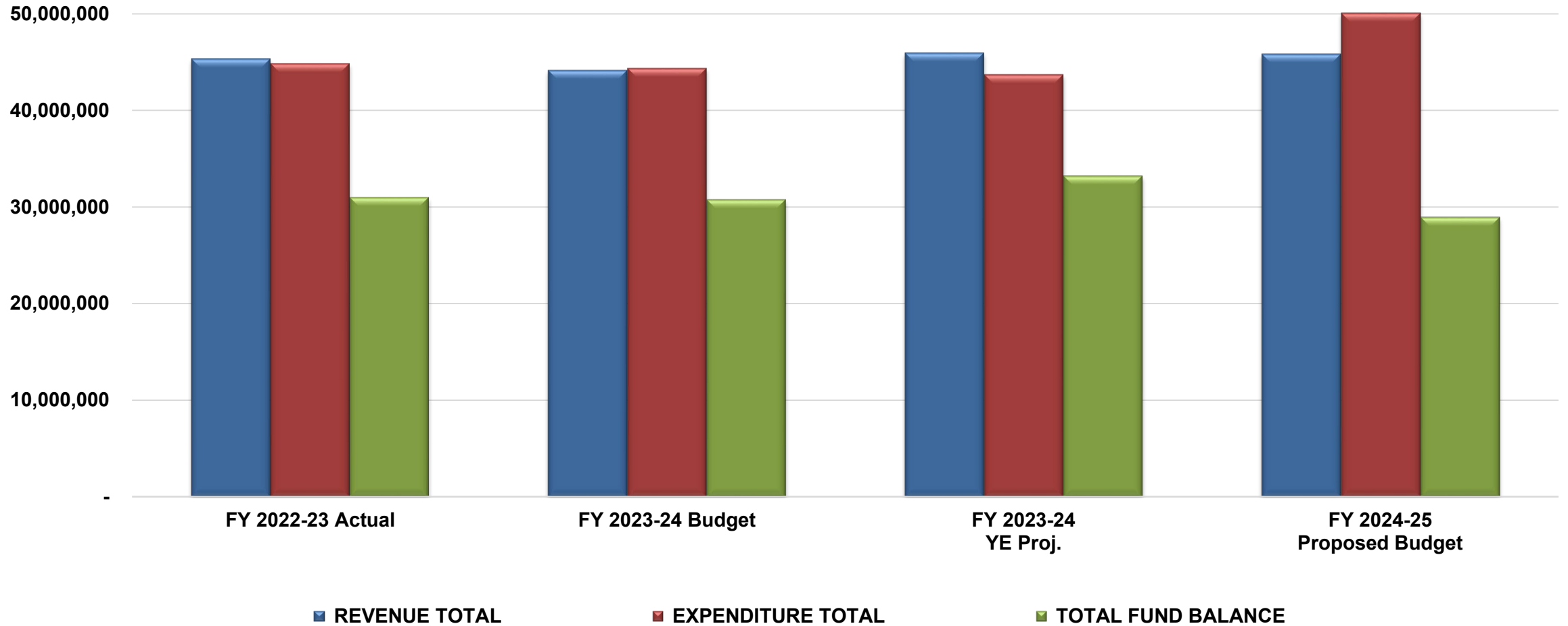
Neighboring Cities' Tax Rates



Neighboring Cities' Tax Levies (Average Household)



FY 2024-25 Proposed Budget General Fund Overview



FY 2024-25 Proposed Budget

General Fund Expenditure by Category

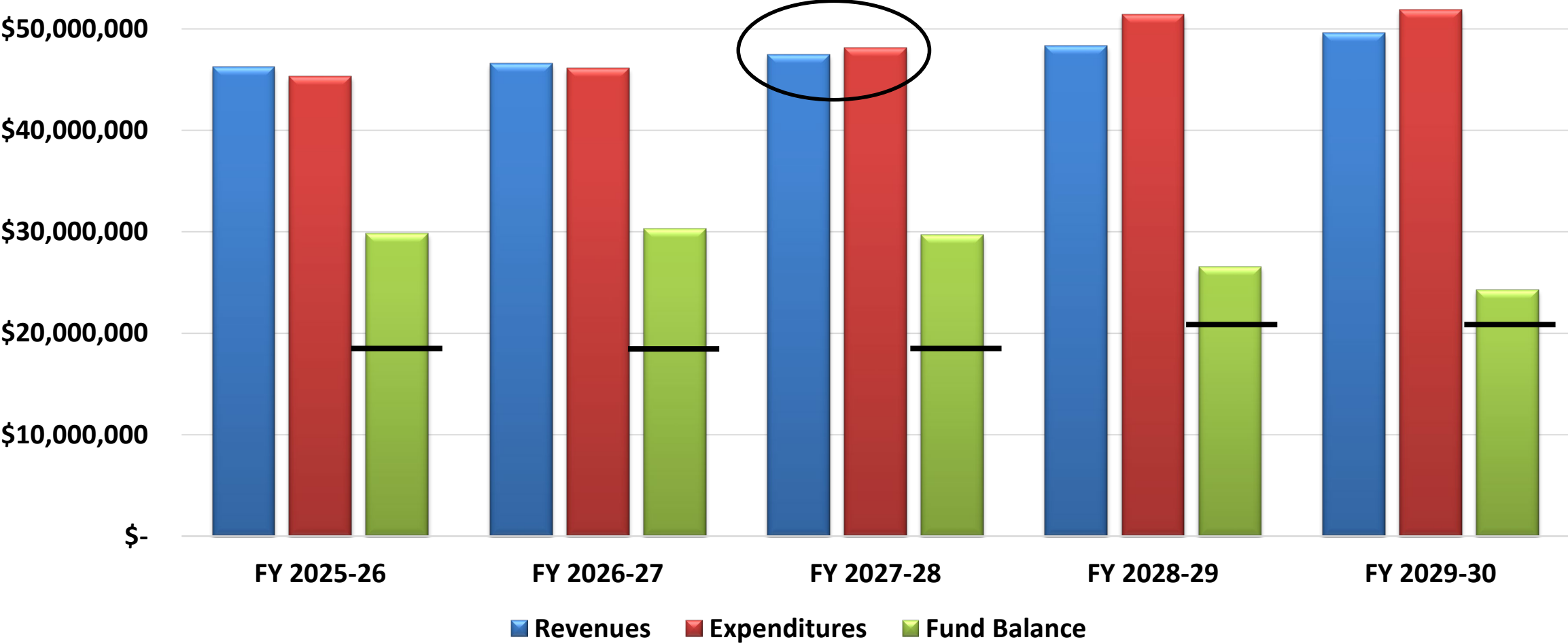
Expenditures	FY 2023-24 Budget	FY 2024-25 Proposed Budget	Budget Variance (\$)	Budget Variance (%)
Personnel services	\$ 28,171,394	\$ 29,396,736	\$ 1,225,342	4.35%
Operations & maintenance	3,335,661	3,194,691	(140,970)	-4.23%
Services & other	9,922,403	10,620,116	697,713	7.03%
Transfers to other funds	2,865,667	6,805,667	3,940,000	137.49%
Capital outlay	55,600	58,024	2,424	4.36%
Total Expenditures	\$ 44,350,725	\$ 50,075,234	\$ 5,724,509	12.91%

Growth = \$1,496,606 or 3.59% with one-times removed

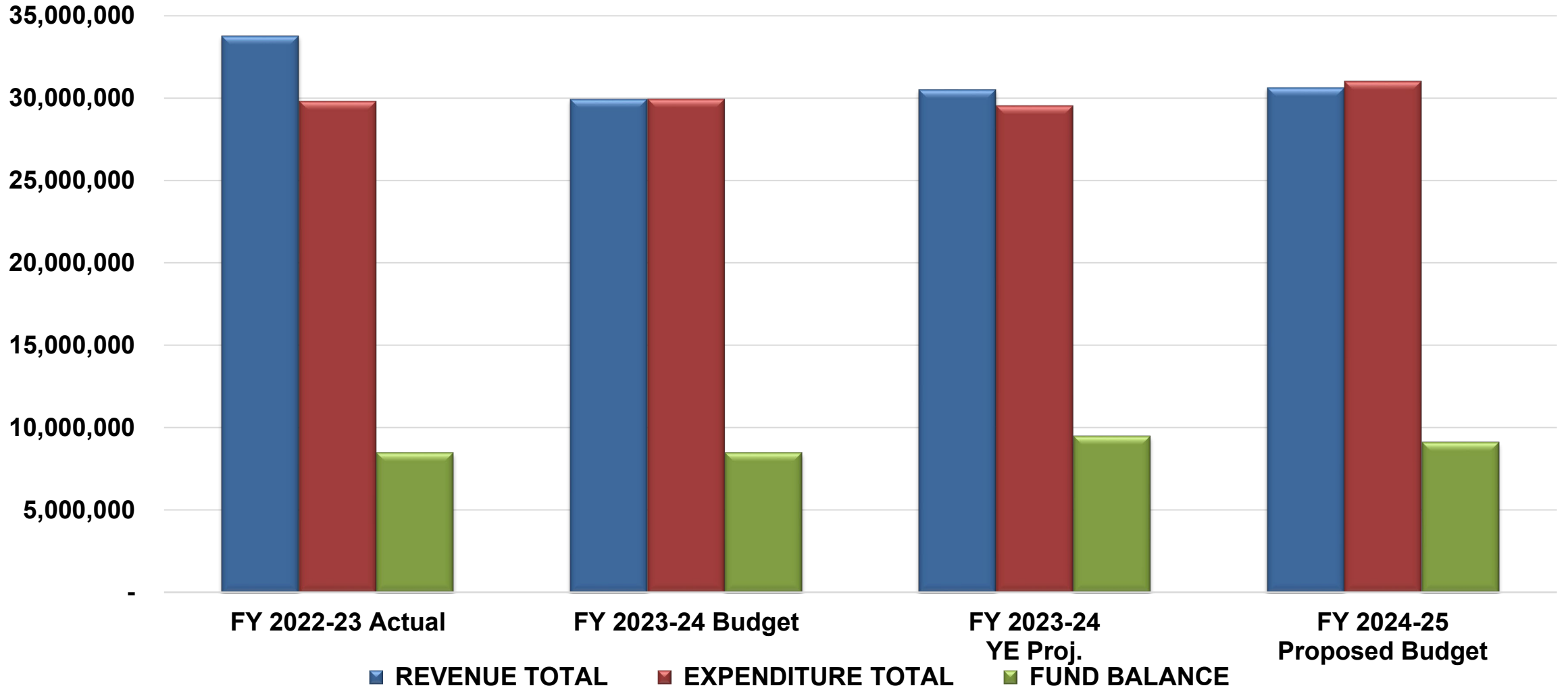
Ad Valorem Expenditures

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
Total	\$ 1,338,492	\$ 6,894,874	\$ 8,233,366

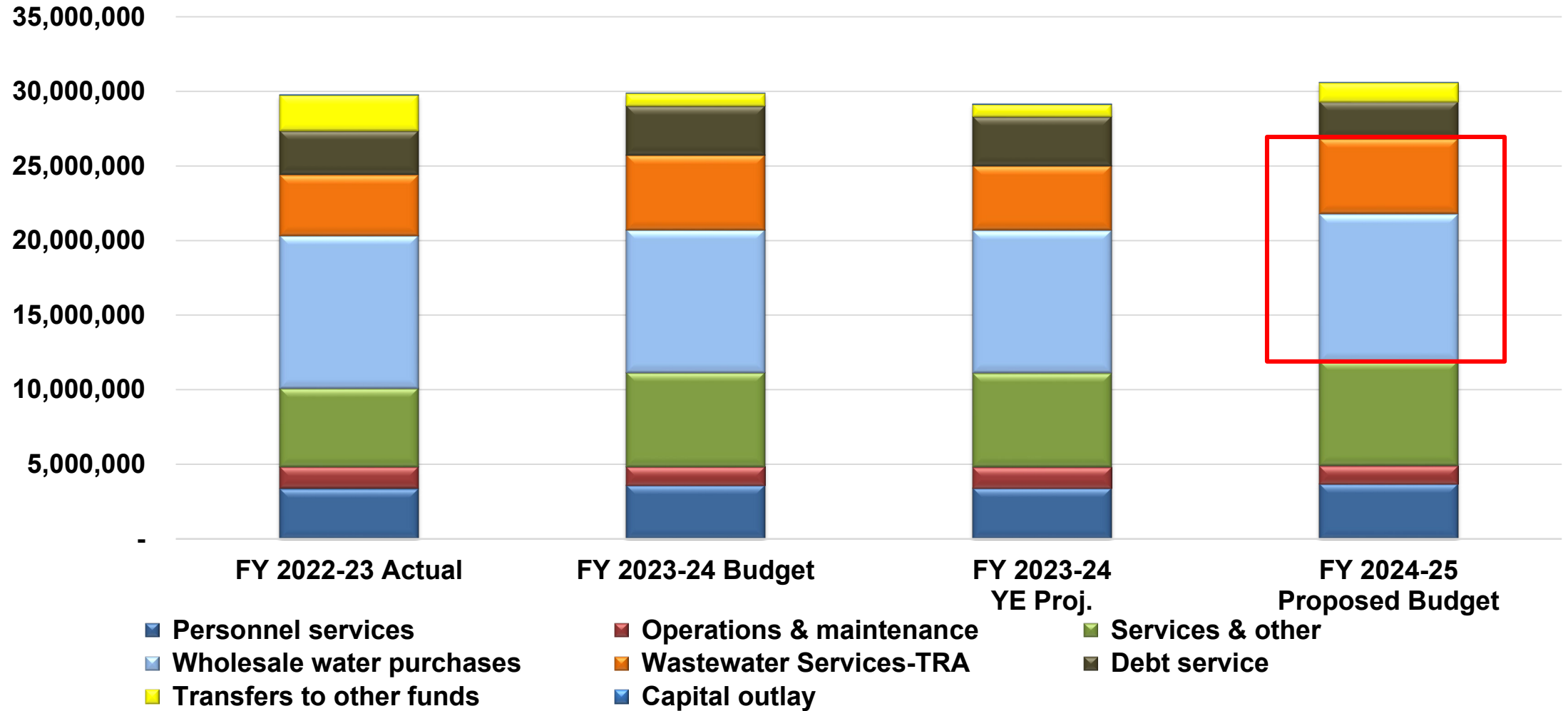
General Fund Five-Year Forecast



Water and Wastewater Fund Summary



Water and Wastewater Expenditures



Water and Wastewater Expenditures

Expenditures	FY 2024-25 Proposed Budget	FY 2024-25 Proposed Budget	Budget Variance (\$)	Budget Variance (%)
Personnel services	\$ 3,594,777	\$ 3,669,273	\$ 74,496	2.07%
Operations & maintenance	1,240,908	1,238,458	(2,450)	-0.20%
Services & other	6,314,874	7,004,277	689,403	10.92%
<i>Wholesale water purchases</i>	<i>9,575,070</i>	<i>9,880,565</i>	<i>305,495</i>	<i>3.19%</i>
<i>Wastewater Services-TRA</i>	<i>5,022,787</i>	<i>5,060,458</i>	<i>37,671</i>	<i>0.75%</i>
Debt service	3,295,909	2,485,652	(810,257)	-24.58%
Transfers to other funds	825,000	1,600,000	425,000	51.52%
Capital outlay	65,000	65,000	—	0.00%
TOTAL	\$ 29,934,325	\$ 31,003,683	\$ 1,069,358	3.6%

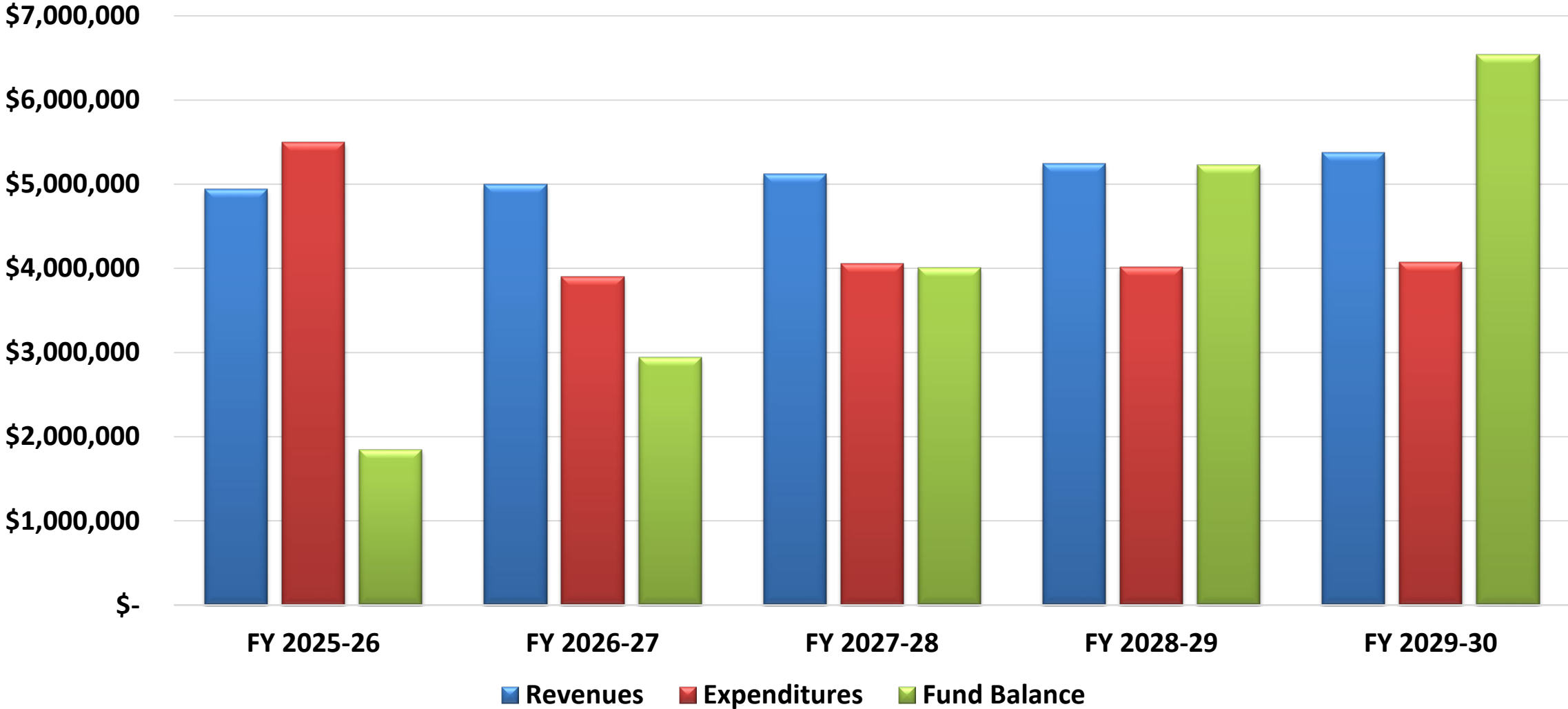
Average Monthly Bill

Monthly Bill	Current	Proposed	Difference (%)	Difference (\$)
<i>ANNUAL AVERAGE MONTHLY BILL</i>				
Water (14,247 Gallons)	89.65	90.43	0.87%	0.78
Sewer (7,138 Gallons)	54.21	55.55	2.47%	1.34
TOTAL	\$143.86	\$145.98	1.47%	\$2.12
<i>SUMMER AVERAGE MONTHLY BILL</i>				
Water (25,838 Gallons)	154.06	155.31	0.81%	1.25
Sewer (7,138 Gallons)	54.21	55.55	2.47%	1.34
TOTAL	\$236.19	\$237.19	1.24%	\$2.59

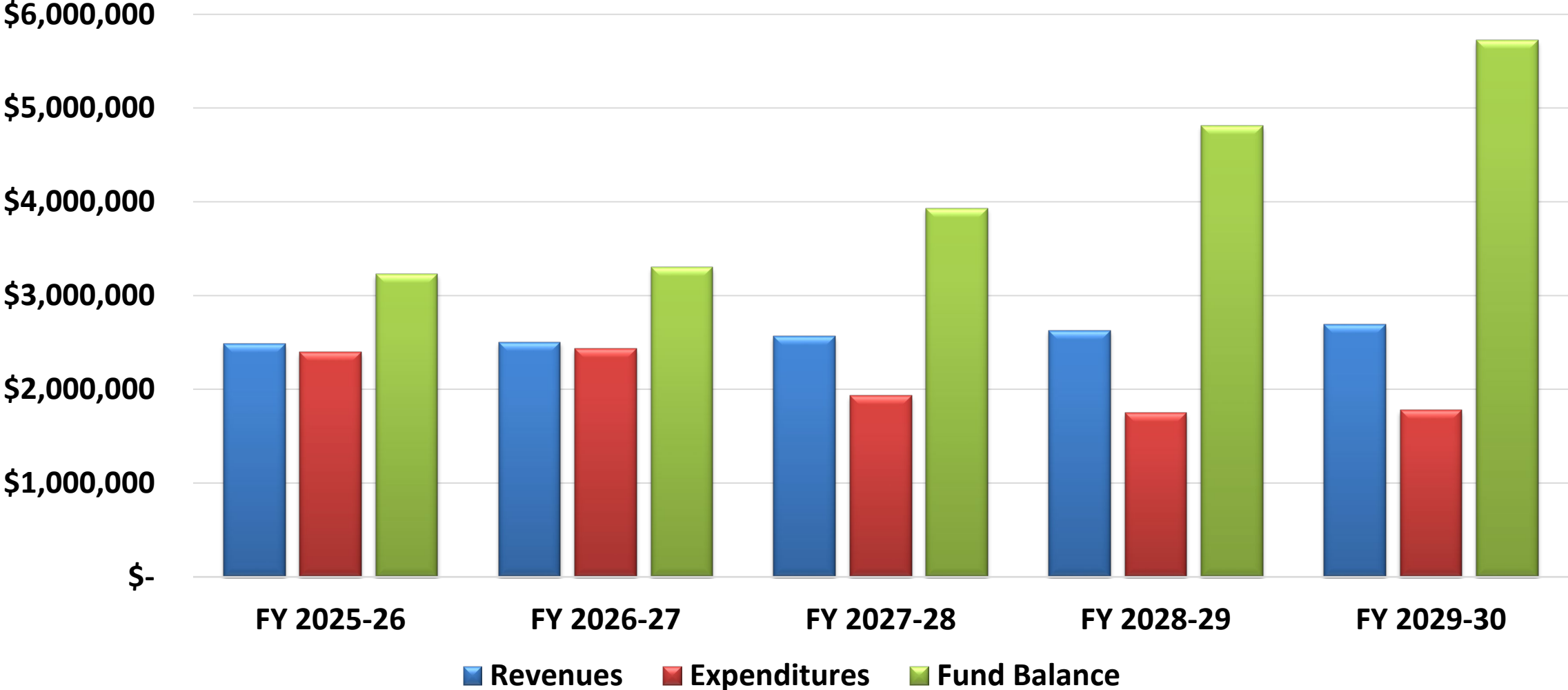
Other Tax Funds

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

KDC Five-Year Forecast



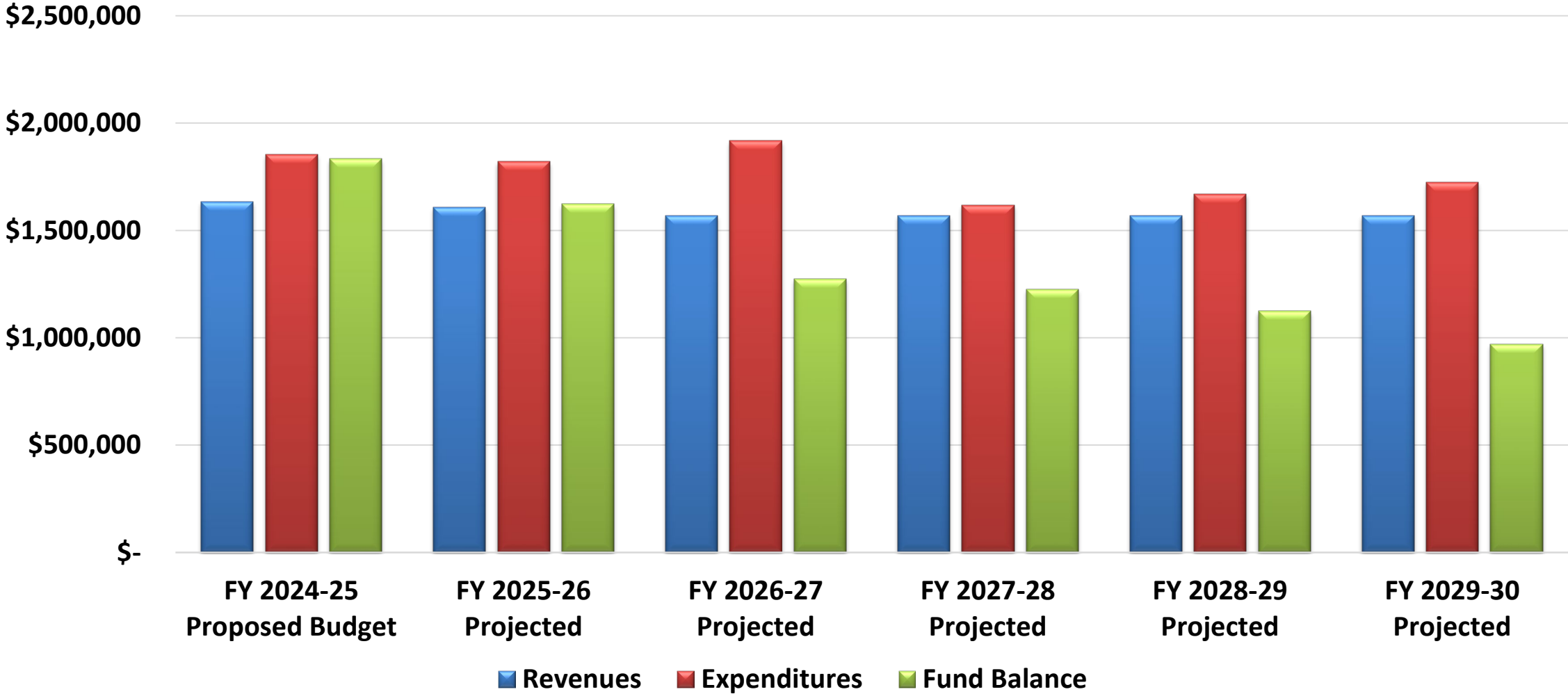
KCCPD Five-Year Forecast



Other Enterprise/Internal Service Funds

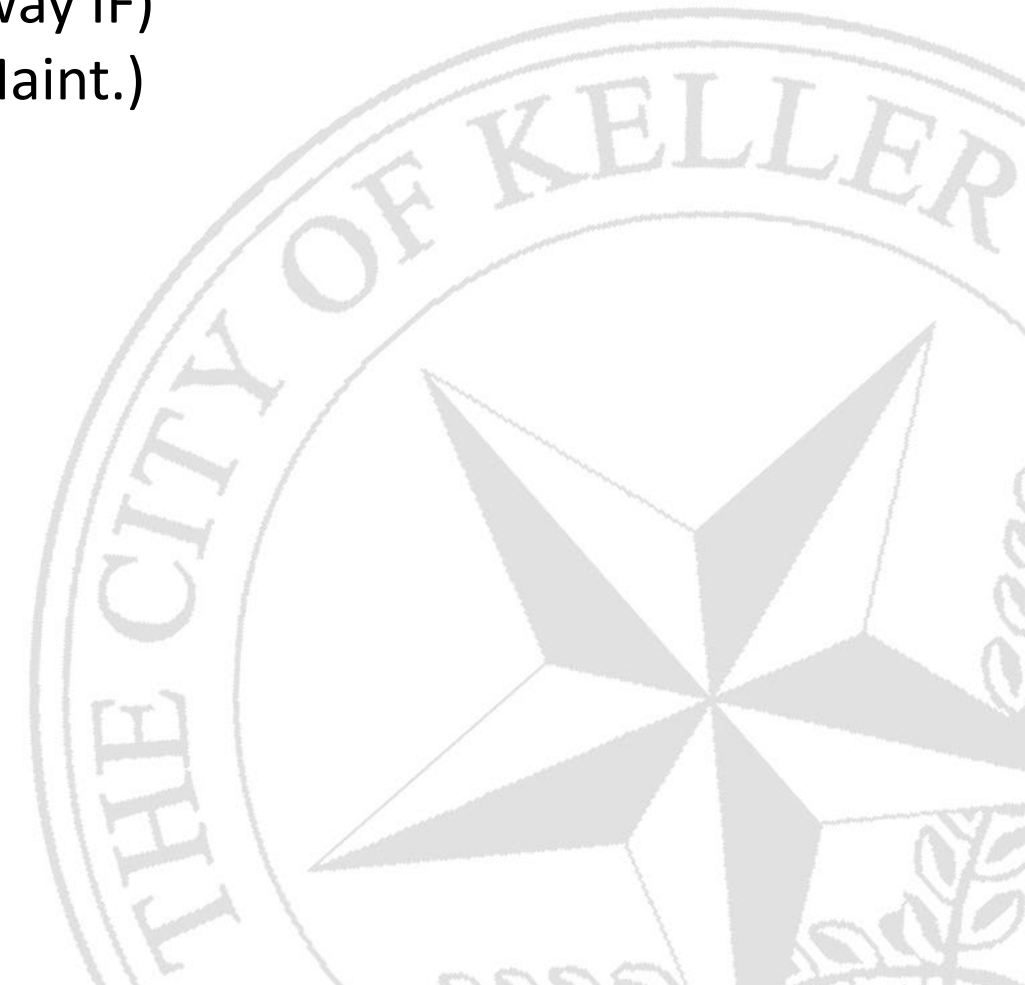
Fund	FY 2024-25 Revenues	FY 2024-25 Expenditures	Variance	Fund Balance
Self-Insurance Fund	4,942,771	4,740,658	202,113	7,461,127
Keller Pointe	3,391,666	3,255,526	136,140	862,894
Information Technology	3,757,065	3,785,991	(28,926)	1,924,052
Drainage Fund	1,634,147	1,854,557	(220,410)	1,833,052
Fleet Replacement Fund	1,896,336	2,837,820	(941,484)	2,085,590
Facility Replacement Fund	310,653	187,500	123,153	1,670,765

Drainage Five-Year Forecast



FY 2024-25 CIP Highlights

- Elm Street = \$7.6M (County)
- Mt. Gilead Reconstruction = \$2.7M (General, Roadway IF)
- Sidewalk Improvements = \$1.1M (General, Street Maint.)
- Pavement Markings = \$700K (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)



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Budget Timeline – Next Steps

Calendar Item	Date(s)
Proposed Budget Published	August 13
Vote on Max Tax Rate	August 20
TIRZ #2 Board Meeting & Budget Workshop	August 28
Budget and Tax Rate Adoption	September 17
Fiscal Year Begins	October 1



**Questions?
Aaron Rector
817-743-4026**