



***Council Workshop
Staff's Recommended Plan
Budget FY '17***

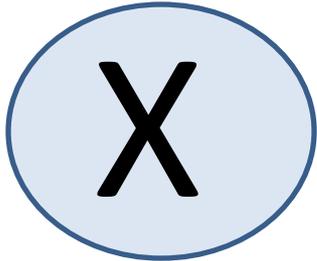
August 9, 2017

Dedicated Service – Every Day, For Everyone!

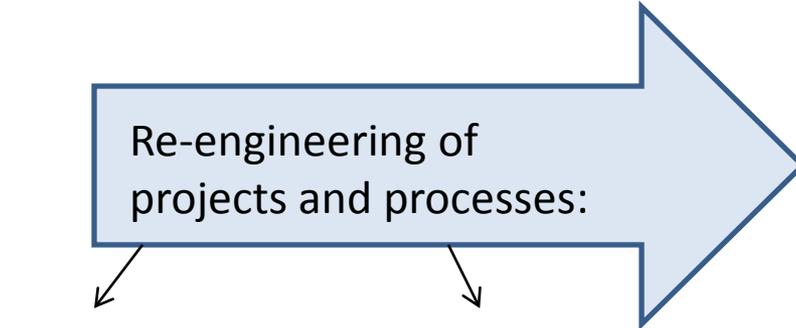


Path Forward

FY 17



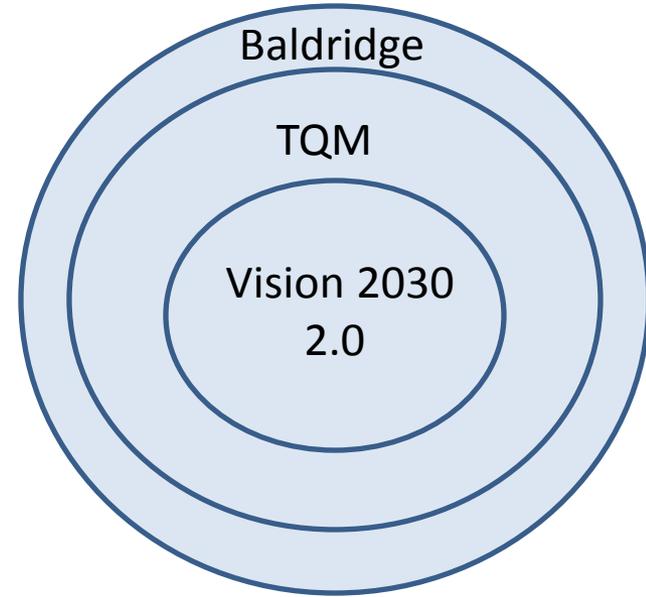
Downsizing
Outsourcing
High speed, low drag
Focus on service



Look back

Look forward

- Workforce analysis: OT overwatch, safety academies, etc.
- Contracted services
- Telecommunications
- Program-based budgeting
- Paperless
- Financial analytics



Bridging

Reforming

Transforming: Best Community in Texas

NOTES:

FY 18 50% of Safety Grant Salaries

FY 19 100% of Safety Grant Salaries

State's unfunded mandate

FY 2017 Budget Shortfall

Description	Budget (in millions)
FY 2016 Deficit	2.6
Public Safety	5.7
Shift in I & S	2.4
Benefit Cost Increase	0.2
Less: Budget Cuts Made	(3.5)
Total	7.4

**Killeen
Impact Fees and Transportation
Utility**

July 12, 2016

Kimley»»Horn

Water and Wastewater Impact Fee Study Results

(Max – regulated by state)

Use data from 2013 master plan and comp plan to calculate this.

Meter Size	Water Max Fee	Wastewater Max Fee	Total Max Fee
3/4"	\$683.81	\$549.55	\$1,233.36
1"	\$1,141.96	\$917.75	\$2,059.71

One-time fee calculated at time of plat; paid when permit is pulled.

Maximum Yearly Revenue Projection

- Water Impact Fee Revenue = \$750,000
- Wastewater Impact Fee Revenue = \$600,000
- Roadway Impact Fee Revenue = \$3 million



Kimley»»Horn

Increases in Revenue

Description	Budget
Sales Tax Increase (Projection of 2 Businesses Opening in FY 2017)	161,739
AFG FEMA Funding Amendment (Fire)	173,179
Indirect Cost Allocation from TUF (4.7%)	330,071
Pass Thru Financing	500,000
Total	1,164,989

Budget Cuts – Services

NOT

Description	Budget
Eliminate 1 Library	537,298
Eliminate 1 Pool	119,276
Eliminate City contribution to elderly transportation	50,000
Eliminate City contribution to HOP	195,981
Total	902,555

Public Safety

NOT

Description	Budget
COPS 2014 & 2015 Grant Salaries/Benefits	1,539,317
COPS Grant Employees Equipment	390,256
SAFER Salaries/Benefits	2,073,400
SAFER Employees Equipment	220,648
SAFER Employees Training	75,000
Not Promoting 7 Captains	91,440
Budget Additions for New Firehouse	156,962
Relocate Purchasing/Printing Services to old Firehouse	36,000
Total	4,583,023

Budget Cuts

Description	Budget
Reduce TMRS contribution to phase in rate	216,732
Reduce Uniforms & Clothing	91,087
Eliminate Employee Recognition & Awards	80,000
Eliminate City contribution to Killeen Volunteers' Inc.	160,000
Reduce Employee Morale	23,000
Restructuring of Internal Services	229,134
Unfund Case Worker Position	57,309
Reduce Safety Overtime	300,000
Reduce Abatement	40,000
Reduce CM Professional Services	100,000
Total	1,297,262

TRANSPORTATION UTILITY FEE



Kimley»»Horn

Public Safety

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100% M&O

(\$4.9 m)

Maintenance and Operations (M&O)				
Land Uses:	Development Unit:	Total Maximum M&O Utility Fee: (Monthly)	Percentage of Maximum M&O Utility Fee:	Total Adopted M&O Utility Fee: (Monthly)
Commercial	1000 sq. ft.	\$11.65	100.00%	\$11.65
Industrial	1000 sq. ft.	\$6.91	100.00%	\$6.91
Institutional	1000 sq. ft.	\$0.68	100.00%	\$0.68
Lodging	1000 sq. ft.	\$2.87	100.00%	\$2.87
Multi-Family	Dwelling Unit	\$3.61	100.00%	\$3.61
Office	1000 sq. ft.	\$6.36	100.00%	\$6.36
Religious	1000 sq. ft.	\$1.65	100.00%	\$1.65
Single Family	Dwelling Unit	\$5.83	100.00%	\$5.83





Transportation Utility Fee

Why?

Creates an enterprise fund devoted to the utility we call streets.

\$643.5m asset 495 center-line miles

What? \$5.83, single family

\$4,911,107 revenue

Impact on single family utility rates:

+ \$5.83 TUF

- 2.13 Curbside recycling, mowing

\$3.70 x 12 = \$44.40 annual amount

Impact on General Fund:

Makes funding available for salaries and equipment associated with safety grants (SAFER and COPS)

Reallocated Expenses – Transportation Related

Description	Budget
Transportation Division	171,081
Lights	369,045
Streets Division	2,955,719
Street Maintenance	700,000
Traffic	382,217
PW Admin	11,444
Transfer to TUF	(1,266,618)
Total	3,322,888

Net Budget Shortfall

Description	Budget
Budget Shortfall	7,400,000
Less: Additional Revenue	(1,164,989)
Less: Budget Cuts	(1,297,262)
Less: Savings – Transportation Related	(3,322,888)
Revised Budget Shortfall	1,614,861

Options For Net Budget Shortfall

\$1,614,861

- Eliminate Ad Valorem Early Payment Discount (up to \$983,729)
- Increase Ad Valorem rate: 1¢ = \$502,000
- Use Fund Balance: 1% = \$880,000