



FY 2022 Proposed Budget In Brief

.....
As submitted to
the City Council
on July 06, 2021



CITY OF
Killeen

Dedicated Service – Every Day for Everyone!



CITY OF KILLEEN

BUDGET PROCESS & FUND STRUCTURE

BUDGET PROCESS



Budget Strategy & Planning

January - Preliminary long range financial forecast preparation

February -

1. Budget kickoff
2. Revenue projections



Departmental Budgets

March - Budget training
April - Budgets submitted to Finance



City Manager's Proposed Budget

May - Budget review with departments

June -

1. Finalize budget
2. Budget presentation preparation



City Council's Budget July/August/September

1. Tax rate proposed and public hearings
2. Budget workshops
3. Budget and tax rate adoption

FUND STRUCTURE

The financial transactions of the City of Killeen are accounted for and recorded in individual funds and account groups.

GOVERNMENTAL FUND TYPES

GENERAL FUND

General Fund: The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds: Special revenue funds are used to account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes.

DEBT SERVICE FUND

Debt Service Fund: The Debt Service Fund is used to account for the accumulation of revenues that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

CAPITAL PROJECT FUNDS

Capital Project Funds: Capital project funds account for the acquisition and construction of the City's major capital facilities, improvements and infrastructure, other than those financed by proprietary funds.

PROPRIETARY FUND TYPES

ENTERPRISE FUNDS

Enterprise Fund – Enterprise funds are used to account for the provision of services to the residents of the City. All activities necessary to provide such services are accounted for in these funds including, but not limited to, operations, maintenance, financing, and related debt service, billing, and collection.

The City has five (5) enterprise funds, as follows:

- Water & Wastewater Fund
- Solid Waste Fund
- Aviation Funds – Killeen-Fort Hood Regional Airport & Skylark Field
- Drainage Utility Fund
- Internal Service Funds – Internal service funds account for services provided to other departments or agencies of the government on a cost-reimbursement basis.

GENERAL FUND SERVICES

⁽¹⁾ GENERAL FUND SERVICES = \$1.71 A DAY PER CITIZEN

Police: 0.61¢

Fire: 0.46¢

Non-Departmental & Non-Operating Costs: 0.16¢

Recreation Services: 0.14¢

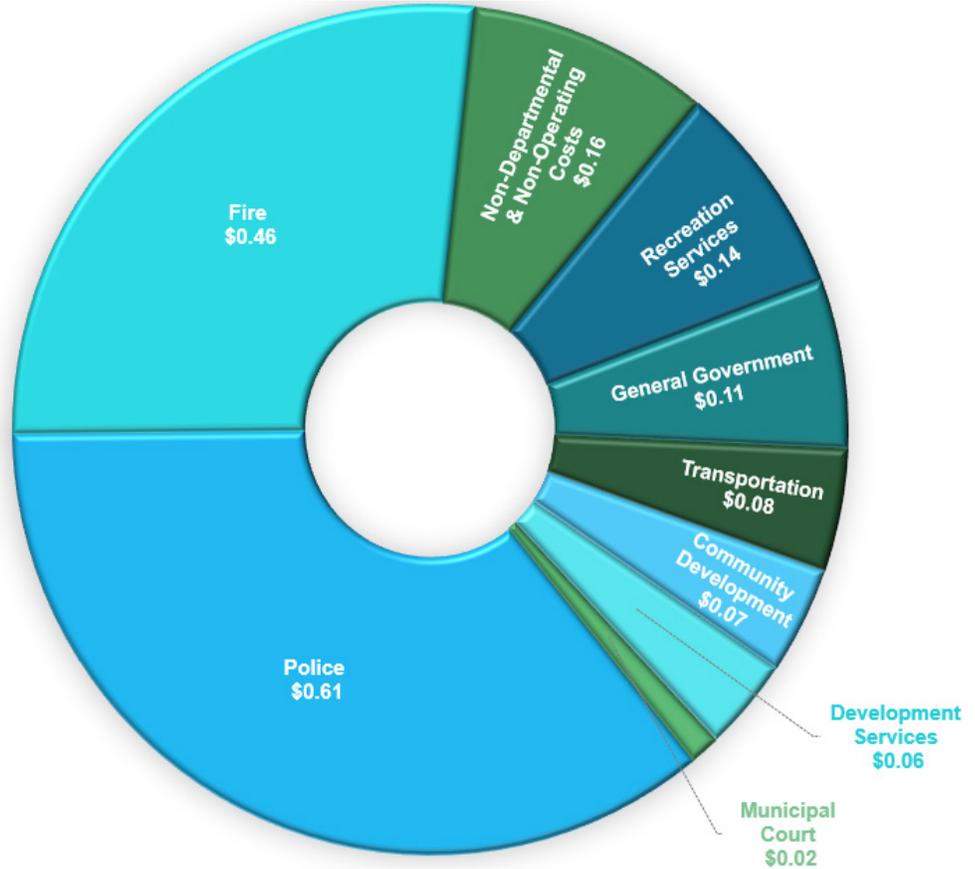
General Government: 0.11¢

Transportation: 0.08¢

Community Development: 0.07¢

Development Services: 0.06¢

Municipal Court: 0.02¢



⁽¹⁾ Adjusted for Interfund Activity

WHAT THAT BUYS:

Public Safety: The Killeen Police Department and the Killeen Fire Department are always top priorities for the City Council in prioritizing General Fund expenditures. The police, fire, and emergency medical protection offered by these departments are vital for the City of Killeen.

Non-Departmental & Non-Operating Costs: Non-Departmental & Non-Operating expenditures are not department specific. These expenditures include, the City's contributions to Economic Development, the Bell County Appraisal District, Bell County Communication Center along with General Fund payments to the Internal Service Funds: Information Technology, Risk Management and Fleet Services. This also includes separation pay and lease payments.

Recreation Services: The Recreation Services Department offers the high-quality recreation that Killeen residents have come to expect.

General Government: General Government departments in the General Fund include City Council, City Management, City Auditor, Human Resources, Legal, Finance, and Communications. These departments provide support to all City divisions and functions, including those divisions and functions housed in other funds.

Transportation: Transportation division maintains the existing transportation network of roads and neighborhood streets. City streets, sidewalks, drive approaches, trails, curb & gutter, valley gutters, pavement markings, and traffic control devices that provide a safe and functional complete street network.

Community Development Services: Community Development provides an array of services such as the Library and cultural arts, building and custodial services.

Development Services: Development Services are on the front lines of planning and managing the City's growth and development and City Code Enforcement services.

Municipal Court: Municipal Court provides a neutral, courteous, and fair forum for all class C misdemeanor offenses arising under Texas civil and criminal statutes and city ordinances and providing for the efficient and timely adjudication of court cases.

July 6, 2021

Honorable Mayor and Members of the City Council:

In accordance with Texas statutes and the City of Killeen Charter, Article V, the proposed budget for the fiscal year beginning October 1, 2021 and ending September 30, 2022 is hereby submitted. The proposed budget includes appropriations totaling \$278,049,081, with \$201,275,115 for operations, \$51,737,518 for capital projects, and \$25,036,448 for debt service requirements. The budget includes funding for 31 new positions that will assist with new and expanded programs, as well as replenish some of the positions unfunded due to the Coronavirus pandemic.

The proposed budget addresses City Council's priorities and crucial strategic issues facing the City. It continues to simplify accounting processes to promote transparency and implements recommended best practices. The budget also incorporates a portion of the Coronavirus State and Local Fiscal Recovery Funds made available through the American Rescue Plan Act, signed into law March 11, 2021.

The annual budget establishes the foundation for the delivery of services to the citizens of Killeen. The budget was prepared with emphasis on the goals and priorities established by the City Council: 1) street maintenance and reconstruction, 2) employee compensation, and 3) public safety initiatives. The budget as submitted addresses each of these important priorities.

Street Maintenance and Reconstruction

The Street Maintenance Fee, adopted by City Council on December 11, 2018, assists with maintaining the City's 539 centerline miles or 2,191 lane miles of paved roadways. The initial fee was set at \$1.70 per single-family equivalent and was estimated to generate \$1.6 million in revenues for street maintenance. Since the adoption of the fee, a street condition assessment was performed to evaluate the condition of the streets. The assessment identified \$42.0 million of street maintenance needs and \$120.0 million of streets that are beyond repair and require reconstruction. The assessment results recommended annual ongoing maintenance of \$4.3 million to maintain current street conditions.

Since the release of the street condition assessment, Winter Storm Uri further eroded the condition of the streets intensifying the need for street maintenance and created an additional \$40 million in street reconstruction needs. One-time funding was identified, and City Council approved increasing annual street maintenance from \$1.6 million to \$5.9 million to combat the impact of the storm.

To provide adequate funding for ongoing street maintenance and street reconstruction, the Street Maintenance Fee is proposed to increase by \$5.30 to \$7.00 per single-family equivalent. The fee increase will generate an estimated \$5.5 million in additional revenue that will be used for debt service on \$60 million of bond issues over the next five years for street reconstruction and to significantly increase annual street maintenance.

In addition, a new crack seal crew was approved in the proposed FY 2022 Budget. The six-member crew will focus on preservation, repair, and maintenance of City streets. The City currently has one crack seal crew that is unable to keep up with demand. Given the substantial investment in roadways, it is imperative that they are properly maintained.

Employee Compensation

Over the past few years, Killeen has made great progress in providing employees a fair and competitive wage. The proposed budget continues this endeavor in three primary means: 1) employee cost of living adjustment, 2) public safety premium pay, and 3) increasing the minimum wage earned by City employees.

The proposed budget includes a 3.5% increase for non-civil service employees and a 4% increase for public safety civil service employees. Public safety civil service employees will also receive step increases according to the pay plan. Furthermore, all public safety employees will receive an additional \$2 per hour in premium pay. The premium pay will be initially funded by Coronavirus State and Local Fiscal Recovery Funds. Each year an increasing portion of the premium pay will be funded by the General Fund prior to the expiration of the fiscal recovery funds.

The final enhancement to employee compensation is perhaps the most exciting. The lower end of the pay plan will receive a significant boost. The minimum hourly wage earned by a classified employee will increase from \$10.86 to \$13.47. The minimum and maximum wage for the lowest nine pay grades will increase on a declining scale from 24% to 4%. The remaining 17 pay grades will increase by 3%. Employees that fall below the minimum wage after the cost-of-living adjustment is applied will be moved to the minimum wage for their respective pay grade.

Public Safety Initiatives

A new public safety program is included in the proposed budget. The Multifamily Rental Inspection Program will inspect dwelling units consisting of five or more units per building that are declining due to age, lack of maintenance, and/or have fire safety or reported crime concerns. Inspection of these units will improve the quality of life and feeling of security for occupants at these properties.

The owner of the multifamily dwelling unit will pay an annual inspection fee based on the number of dwelling units. The estimated annual revenue from the inspection program is \$356,750. This revenue will be used to cover a portion of the program's cost. The program will add six positions, including two building inspectors, two fire rescue officers, and two police officers. Total recurring costs associated with the program are \$460,996. There are also one-time costs of \$424,694 to purchase vehicles and other needed equipment.

A new ambulance crew, consisting of nine fire rescue officers, is also in the proposed budget. The Fire Department regularly exhausts available ambulances, which increases the reliance on automatic aid agreements with neighboring municipalities and response times. The addition of the ambulance crew will improve response times and coverage throughout our growing city. The cost of the crew in the first year is \$748,301, including \$55,425 in one-time costs.

CITY MANAGER'S MESSAGE

Budget Overview

Municipal government is a service-oriented business, and as such, personnel is the predominant expense in the budget. The cost of employee salary and benefit expenses comprise 37%, or \$102 million, of the proposed budget. Changes to employee compensation were previously discussed. Other employee related expenses include retirement and health insurance. Major changes were made in the current year budget to ensure the sustainability of employee retirement plans. In the current year, the City changed the plan design and funding methodology of the Texas Municipal Retirement System (TMRS). There were minimal changes in the cost of funding TMRS in the proposed budget and the City's contribution rate should reduce each year. The City also increased contributions to the Firefighter's Relief and Retirement Fund from 13% to 15% in the current year, as recommended by the actuary valuation report. There are no changes to this plan either. There is a new fund for health insurance in the proposed budget. The new fund is necessary as the City transitions from fully insured to a self-funded health insurance plan. The new fund will pay the cost of claims, administration of benefits, and other related costs instead of purchasing a commercial insurance plan that includes the same costs.

Self-funded health insurance generates savings by eliminating the profit margin of commercial insurers and provides the flexibility to design the benefit plan to the City's specifications.

There are minimal changes to the cost of health insurance compared to the current year. If the City remained on a fully insured commercial insurance plan for FY 2022, the cost of health insurance would have increased an estimated 10%.

Employee Staffing

There are 1,294.44 full-time equivalent employee positions in the proposed budget. Full-time positions increased by 31 compared to the current year. Of the new positions added, 16 are to support new and enhanced public safety programs, 6 are for a crack seal crew to maintain streets, 4 are being reinstated at the Killeen Civic and Conference Center after being removed due to the pandemic, 4 are to assist Solid Waste in meeting the increased workload due to growth in population, and 1 is being added to address the results of the Department of Justice American with Disabilities Act audit. The table below provides an overview of the positions being added and the corresponding program.

Program	Position Title	Department	Change
Americans with Disabilities Act (ADA) Compliance	ADA Compliance Manager	Community Development	+1
Ambulance Crew	Fire Rescue Officer	Fire	+9
Crack Seal Crew	Equipment Operator	Transportation	+2
Crack Seal Crew	Service Worker	Transportation	+4
Multifamily Rental Inspection Program	Building Inspector	Development Services	+2
Multifamily Rental Inspection Program	Fire Rescue Officer	Fire	+2
Multifamily Rental Inspection Program	Police Officer	Police	+2
Police Support Services	Support Services Technician	Police	+1
Reinstate positions at the Killeen Civic and Conference Center	Event Assistant	Killeen Civic and Conference Center	+1
Reinstate positions at the Killeen Civic and Conference Center	Event Crew Leader (Day)	Killeen Civic and Conference Center	+1
Reinstate positions at the Killeen Civic and Conference Center	Event Crew Leader (Night)	Killeen Civic and Conference Center	+1
Reinstate positions at the Killeen Civic and Conference Center (KCCC)	KCCC Assistant	Killeen Civic and Conference Center	+1
Solid Waste Residential Route Crew	Equipment Operator	Solid Waste	+3
Solid Waste Recycling	Equipment Operator	Solid Waste	+1

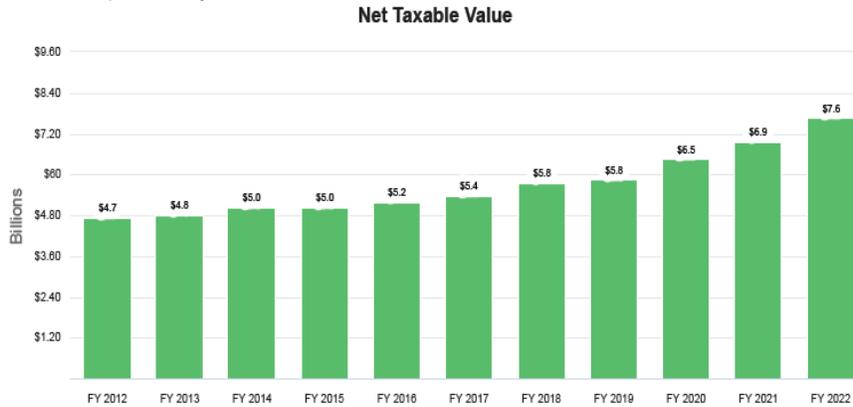
General Fund

General Fund FY 2022 revenues are \$103.4 million, which is \$5.9 million or 6.1% higher than the FY 2021 Adopted Budget. The primary changes in revenues include an increase of \$5.2 million from sales tax, \$3.8 million from property tax, and \$2.6 million from Coronavirus State and Local Fiscal Recovery Funds. Significant decreases to revenues include \$3.3 million of Coronavirus Relief Funds received in FY 2021 and an estimated \$1.2 million reduction in the State's reimbursement of the disabled veteran exemption, due to the manner in which the program is funded in the State's biennium budget.

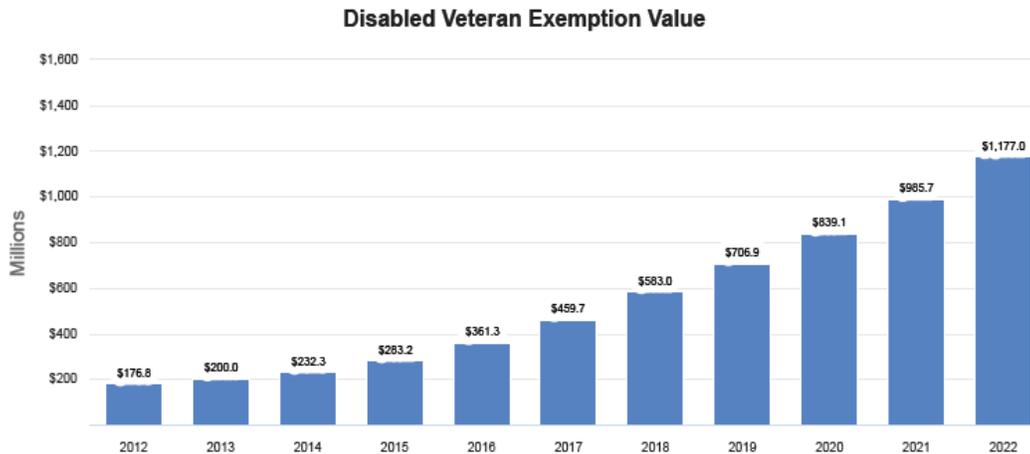
The proposed budget is based on a preliminary tax rate of 72.30 cents per \$100 valuation. This is 1.0 cent below the current FY 2021 tax rate of 73.30 cents and is the second consecutive year the City has reduced the tax rate. Prior to these two instances, the last reduction in the tax rate occurred in 2005.

CITY MANAGER'S MESSAGE

Killeen continues to experience growth from a population and property valuation perspective. The preliminary tax roll shows net taxable value for Killeen increased 10.0% to \$7.6 billion. The increase in taxable value includes \$156.8 million in new growth. The chart below shows the net taxable value over the past ten years.



The value of tax exempted property grew \$492.7 million, increasing total tax exempted property value to \$2.2 billion. Of that amount, property value exempted by the disabled veteran exemption grew \$191.3 million or 19.4%, the largest year over year growth since the exemption was enacted in Fiscal Year 2009. The total value of property exempted by the disabled veteran exemption is now \$1.2 billion, representing a loss in revenue of approximately \$8.5 million. The City anticipates receiving \$3.0 million of State reimbursement during FY 2022, which is a net loss in revenue of \$5.5 million. The chart below shows the growth of the disabled veteran exemption over the past ten years.



Sales tax revenues have been surprisingly strong amid the pandemic. Given the uncertainty of the duration and impact the pandemic would have on business and citizens, sales tax for FY 2021 was budgeted near FY 2020 levels. At this point in the fiscal year, sales taxes are forecasted to finish at \$30.1 million, which is \$4.8 million over the FY 2021 Budget. There is some uncertainty on how sales tax will be impacted as pandemic restrictions are lifted and the economy begins to recover. Keeping that in consideration, sales tax revenues were budgeted at a conservative 1.5% increase for FY 2022. The chart below depicts historical sales tax revenue including the forecasted FY 2021 amount and proposed FY 2022 revenue budget.



CITY MANAGER'S MESSAGE

The cost of providing and maintaining services for citizens increases each year. General Fund expenditures for FY 2022 are \$103.4 million, which is \$5.9 million or 6.1% higher than the FY 2021 Adopted Budget. The increase is primarily attributable to employee compensation and new or enhanced programs. The services provided by the General Fund are principally people oriented. Employees comprise 76% of the total operating budget.

As covered earlier, there were significant gains made with employee compensation. The cost of employee wage adjustments for public safety civil service employees is approximately \$4.2 million. This includes a 4% cost of living adjustment and the \$2.00 per hour premium pay covered by the Coronavirus State and Local Fiscal Recovery Funds. The cost of providing classified employees a 3.5% cost of living adjustment is \$624,230. Moving the minimum hourly wage to \$13.47 is a cost of \$410,499 in the General Fund.

Departments submit decision packages for new or enhanced programs and services. There were several approved decision packages with a total cost of \$2.6 million. Of this amount, \$1.9 million is recurring and \$762,000 is for one-time expenses. The two largest programs are the Multifamily Rental Inspection Program and the addition of the ambulance crew. The combined cost of these two programs is \$1.6 million. The rental inspection program is estimated to generate \$356,750 in revenue. The new crack seal crew has a total cost of \$447,979 with \$283,275 of recurring costs. Recreation Services will receive \$210,600 to outsource the maintenance of 91 acres of City property. The time savings achieved will be redirected to the maintenance of City parks, hike and bike trails, sport fields, and multi-purpose fields.

Other approved packages include a new Americans with Disabilities Act (ADA) Compliance Manager, a Support Services Technician for the Police Department, and a reclassification of one Fire Rescue Officer to an Assistant Chief. The ADA Compliance Manager will assist with implementation of changes needed in response to the Department of Justice's ADA compliance audit. The position is a requirement of the agreement reached with the Department of Justice. The Support Services Technician for the Police Department will serve as a liaison between other departments and contractors to complete maintenance and other tasks. This alleviates the Lieutenant and Commander of the division from performing clerical tasks, permitting them to focus on their primary function.

Enterprise Funds

The City uses enterprise funds to account for certain services provided to citizens for which a fee is charged. The fee charged is intended to recover the cost of providing the service. Enterprise fund budgets include Water and Sewer, Solid Waste, Drainage, and Aviation.

Water and Sewer Fund

Water and Sewer Fund FY 2022 revenues are \$44.7 million, which is 4.2% higher than the FY 2021 Adopted Budget. A five-year rate analysis was performed to determine the level of rate adjustments needed in the near term. The results of the analysis recommended a water rate increase in FY 2021 and no increase in sewer rates. An additional tier was recommended for high volume users that use more than 30,000 gallons monthly. Due to the impact of the Coronavirus pandemic on the Community, City Council decided to forego the water rate increase at the time and revisit the topic in FY 2022.

The rate adjustment is included in the proposed budget. Killeen's rates are among the lowest regionally and compared to our benchmark cities. Rate adjustments are necessary to ensure the sustainability of the City's water and sewer system. The last year the City adjusted rates was in FY 2016 for water and FY 2015 for sewer. Since the last rate adjustment, water and sewer treatment costs through the Water Control and Improvement District #1 (WCID) increased every year except for one. WCID sewer treatment costs will increase 2 cents per 1,000 gallons in FY 2022 and there is no anticipated increase in water rates. The estimated additional cost associated with WCID's sewer rate increase is \$88,478.

Water and Sewer Fund FY 2022 expenses are \$44.7 million, which is \$1.8 million or 4.2% higher than the FY 2021 Adopted Budget. The increase in expenses is substantially due to an increase in capital projects related to maintenance of the water and sewer system. The primary purpose of the rate increase is to provide funding for maintaining the system, which will deter more costly repair expenses.

On April 13, 2021, City Council approved water and sewer impact fees that will generate revenue for funding certain costs attributable to new development. In October 2020, the City issued \$22.0 million in water and sewer bonds for the south water supply project and wastewater infrastructure improvements for new developments in the southern part of the City. The impact fees will be used to cover a portion of the debt service requirements for this bond issue and \$200,000 is included in the budget for this purpose.

Solid Waste

Solid Waste Fund FY 2022 revenues are \$21 million, which is 7.7% higher than the FY 2021 Adopted Budget. A multiyear rate analysis was performed to determine the needed rate adjustments in the coming years. The analysis recommends a 2.02% increase for residential rates and 4% increase for commercial rates. The last year Solid Waste rates were adjusted was in FY 2015. The rate adjustment will assist in refuse truck replacement, adding a new residential route crew, and meeting rising costs associated with the transport and disposal of waste.

Solid Waste Fund FY 2022 expenses are \$21 million, which is \$1.5 million or 7.7% higher than the FY 2021 Adopted Budget. The primary expense increases include nearly \$1.0 million for fleet replacement, \$229,823 for solid waste transport and disposal fees, and \$137,927 for a new three-person residential crew. A Solid Waste rate adjustment was needed in FY 2021 and was not recommended due a prior commitment made to City Council that rates would not be adjusted through FY 2021. There was not enough funding to maintain the level of fleet replacement from current revenues, so fund balance in the capital fund was used. That is the reason for the sharp increase in fleet replacement in FY 2022.

The rate analysis also identified the impact that code enforcement clean-up expenses and mowing are having on rates. In response, the budget includes \$180,000 in the General Fund to pay for the code enforcement clean-up expenses. The budget also begins transitioning mowing from Solid Waste to the General Fund. The plan is to move mowing into the General Fund over a period of four years. The first phase is included in the proposed budget that transitions \$250,000 of the expense to the General Fund.

CITY MANAGER'S MESSAGE

Drainage Fund

Drainage Fund FY 2022 revenues and expenses are \$5.1 million, which is less than a 1.0% increase from the FY 2021 Adopted Budget.

Utility Bill Summary

There are multiple recommended rate adjustments that will be reflected on our citizen's utility bill. Below is a summary that demonstrates the overall impact for the average residential customer using 5,000 gallons of water per month:

Description	Recommended	Current Amount	Change Amount	Change Percent
Sewer	\$26.86	\$26.86	\$0.00	0.00%
Water	\$23.68	\$22.21	\$1.47	6.62%
Solid Waste	\$20.18	\$19.78	\$0.40	2.02%
Street Maintenance	\$7.00	\$1.70	\$5.30	311.76%
Drainage	\$5.40	\$5.40	\$0.00	0.00%
Total Utility Bill	\$83.12	\$75.95	\$7.17	9.44%

Aviation

Aviation Fund FY 2022 revenues are \$6.2 million, which is 61% higher than the FY 2021 Adopted Budget. In April 2021, Aviation received \$1.8 million through the Coronavirus Response and Relief Supplemental Appropriation Act. Most of this funding will be used to cover operational expenses at the Killeen-Fort Hood Regional Airport. Aviation also received notice from the Federal Aviation Administration that an additional \$2.7 million will be awarded to the airport through the American Rescue Plan Act. This funding will also be used to assist with airport operations among other things.

Aviation Fund FY 2022 expenses are \$4.6 million, which is \$801,150 or 21% higher than the FY 2021 Adopted Budget. The primary expense increases include \$130,000 for a multi-platform air service marketing program for promotion of the airport, \$97,179 to increase the minimum wage earned by City employees, transfer out of \$370,000 for project grant match for second aviation corporate hangar, and \$98,000 to replace a utility tractor used for airport maintenance.

Coronavirus State and Local Fiscal Recovery Funds

The City received \$29.1 million of Coronavirus State and Local Fiscal Recovery Funds through the passage of the American Rescue Plan Act of 2021. The City has already received half of the allotted amount and the remainder will be received in the June 2022 timeframe. In general, the funding can be used for costs incurred through December 31, 2024. For certain infrastructure projects, the funding need only be obligated by this time and spent no later than December 31, 2026. An in-depth discussion on the proposed use of the fiscal recovery funds will occur at a budget workshop in July. The proposed budget includes \$3 million of the fiscal recovery funds.

Hotel occupancy taxes and event revenue at the Killeen Civic and Conference Center were severely impacted from the Coronavirus pandemic. Fiscal recovery funds can be used to assist tourism, travel, and hospitality industries to respond to the negative economic impacts of the pandemic. Funds can be used to support businesses and attractions operating prior to the pandemic and affected by closures and other efforts to contain the pandemic. This includes aid for planned upgrades to facilities that were delayed due to the pandemic. The proposed budget includes \$462,737 to be used for these purposes, with \$192,455 for grants to the arts and \$170,081 for delayed upgrades at the Killeen Civic and Conference Center.

The fiscal recovery funds can also be used to rehire staff to pre-pandemic levels and to provide premium pay to eligible workers performing essential work during the pandemic. The proposed budget includes \$2.7 million of fiscal recovery funds to be used for these purposes. The Killeen Civic and Conference Center had 16 authorized positions prior to the pandemic. Due to the impact the pandemic had on hotel occupancy taxes and event revenue, four of the positions were eliminated. The \$180,701 cost of reinstating the four employees is included in the budget.

City employees rose to the challenge to ensure service delivery continued to our citizens during the pandemic. Public safety employees were and continue to be relied upon to perform essential work during the COVID-19 public health emergency. For this reason, the proposed budget includes \$2.5 million in premium pay for Police and Fire employees. Police and Fire employees will receive \$2 per hour premium pay in addition to their normal wages. In FY 2023 and 2024, a portion of the premium pay will be moved to base pay and covered by other sources until the premium pay is completely included in base pay.

Conclusion

The proposed FY 2022 budget provides a sound financial plan for the City of Killeen. The budget addresses City Council's goals and priorities, as well as the City's most challenging strategic issues. I want to thank the City Council, citizens, boards and commissions, and staff for their time and effort devoted to the budget and for their continued commitment to the success of our City.

Respectfully submitted,



Kent Cagle,
City Manager

FY 2022 HIGHLIGHTS



Totals for FY 2022 ⁽¹⁾

\$244.7M

General Fund	100.3M
Capital Improvement Projects	51.7M
All Other Funds	92.7M

⁽¹⁾Adjusted for Interfund Activity



PROPERTY TAX RATE

FY 2022 PROPOSED TAX RATE

\$0.7230

Tax Rate Reduction



1.0¢

FY 2022 SALARY CHANGES



Civil Service

4% COLA	\$1,555,220
\$2.00 Premium Pay	<u>2,603,348</u>
Total	\$4,158,568



Classified

3.5% COLA	\$1,377,765
Pay Plan Increase	<u>809,391</u>
Total	\$2,187,156

FY 2022 BENEFIT CHANGES



Pension Contributions

TMRS from 14.70% to 14.99%

⁽¹⁾ CAPITAL IMPROVEMENT PROGRAM

\$50.73M



Fleet Replacement

\$5.86M

Governmental CIP	\$3.39M
Solid Waste Fund CIP	1.74M
W&S Fund CIP	0.51M
Aviation Fund	0.13M
Drainage Fund CIP	0.09M

⁽¹⁾ Capital Improvement Projects

\$44.87M

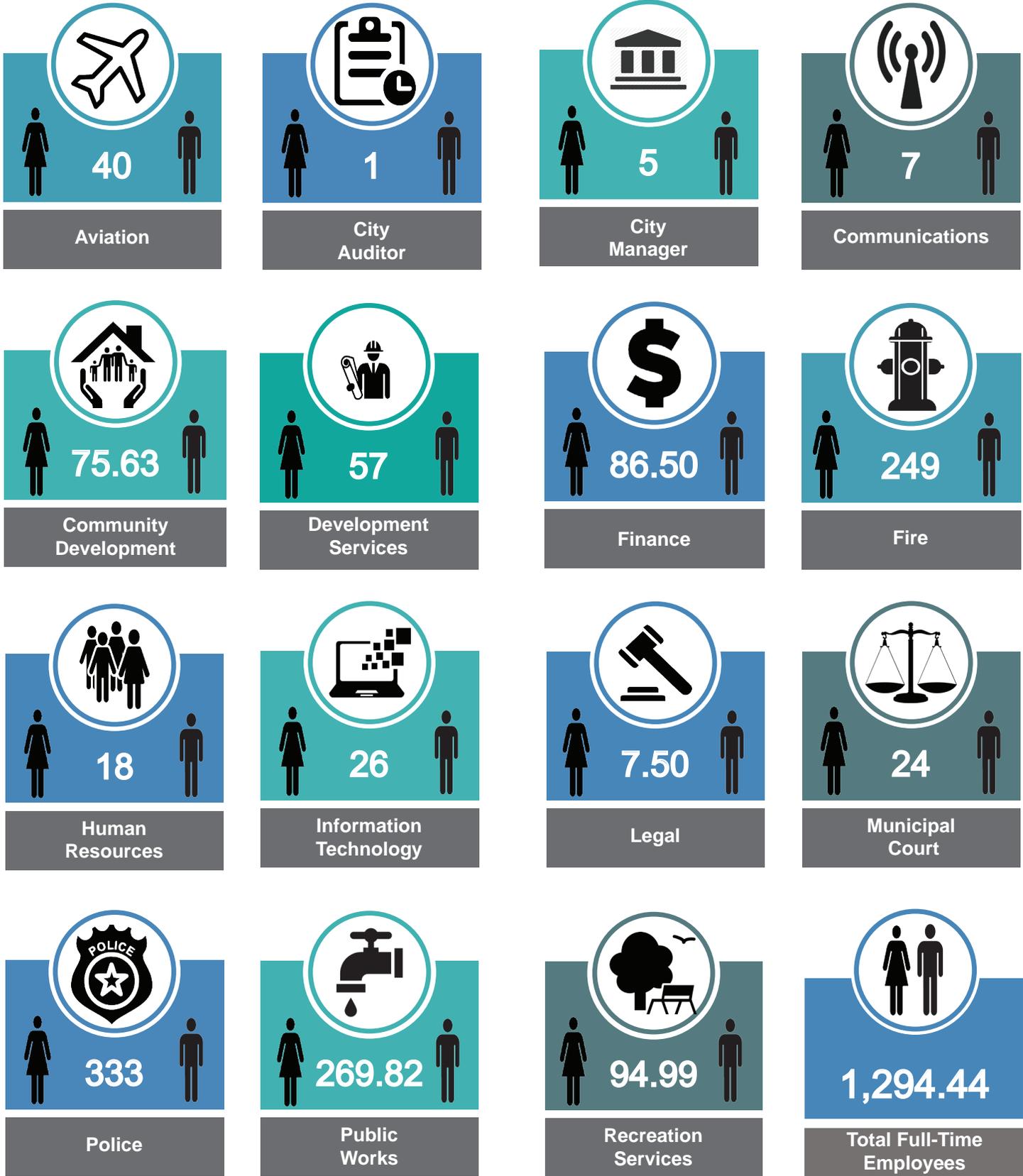


Governmental CIP	\$25.64M
Grants	12.66M
W&S Fund CIP	4.26M
Aviation CFC/PFC Funds	1.50M
Drainage Fund CIP	0.80M
Solid Waste Fund CIP	0.01M

⁽¹⁾Adjusted for Interfund Activity

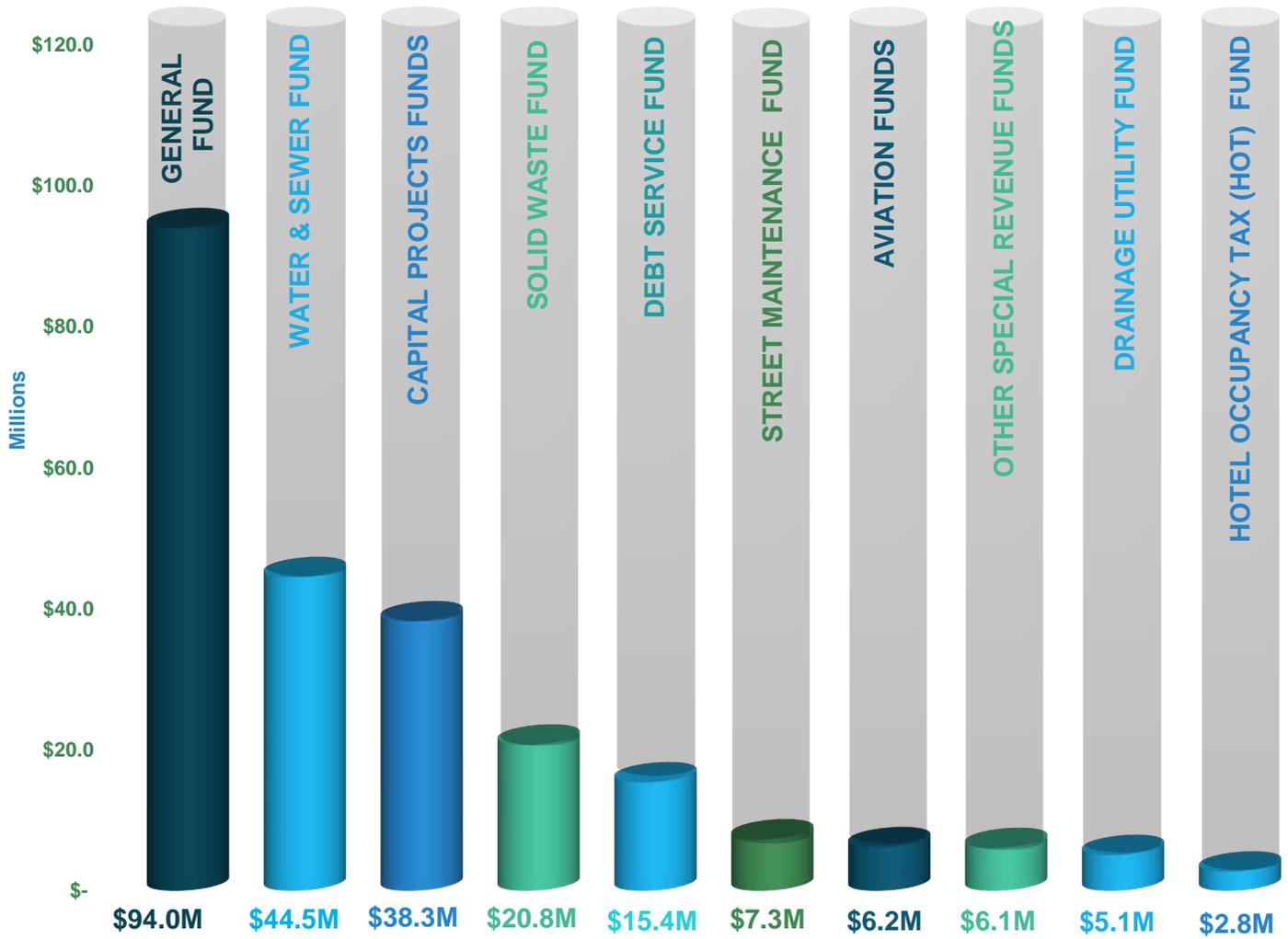
STAFFING BY DEPARTMENT

FY 2022 STAFFING BY DEPARTMENT (FULL-TIME EQUIVALENT EMPLOYEES)



FY 2022 REVENUES BY SOURCE

FY 2022 REVENUES BY SOURCE TOTAL \$240.5 MILLION

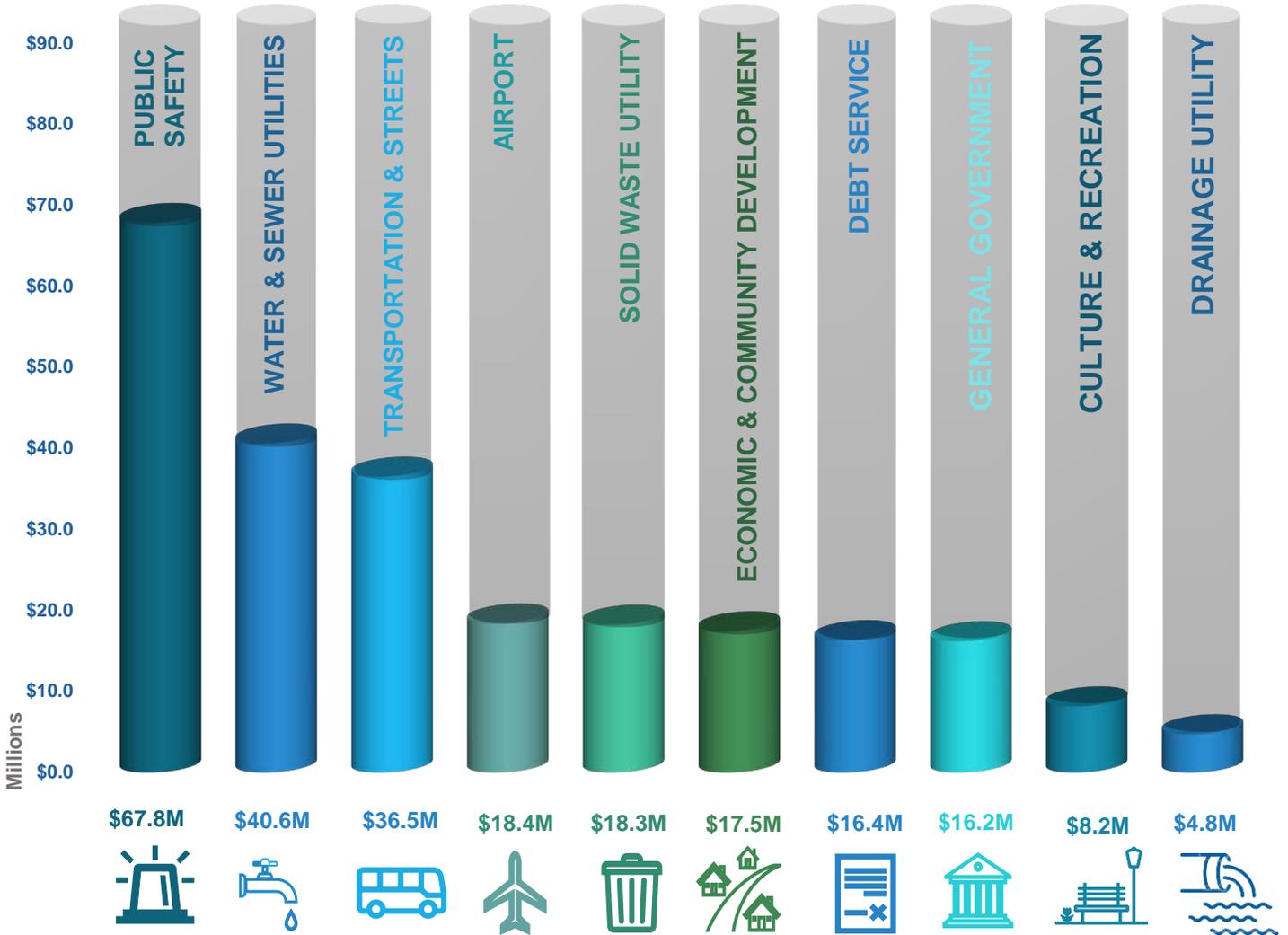


⁽¹⁾ Adjusted for Interfund Activity

FY 2022 EXPENSES BY FUNCTION

What is the money being used for?

FY 2022 EXPENSES BY FUNCTION ... TOTAL \$244.7 MILLION



⁽¹⁾Adjusted for Interfund Activity

Chart Legend:

Public Safety: Police Department, Fire Department, Municipal Court, Law Enforcement Grant, Police State Seizure, Police Federal Seizure, Emergency Management Fund, Teen Court, Court Technology Fund, Court Security Fee Fund, Court Juvenile Case Manager Fund, Jury Fund, Fire Department Special Revenue Fund, Police Department Donations Fund and Capital Projects.

Water & Sewer Utilities: Water & Sewer Fund, Senior Citizens Assistance Program Fund and Capital Projects.

Transportation & Streets: Street Maintenance Fund, Transportation Department and Capital Projects.

Airport: Skylark Field Fund, KFHR Fund, Aviation AIP Grants Fund, Aviation CFC Fund and Aviation PFC Fund.

Solid Waste Utility: Solid Waste Fund and Capital Projects.

Economic & Community Development: Development Services Department, Community Development Department, Hotel Occupancy Tax (HOT) Fund, KCCC Fountain Fund, Library Memorial Fund, Community Development Block Grant (CDBG) Fund, Community Development Home Program Fund, Tax Increment (TIRZ) Fund and Capital Projects.

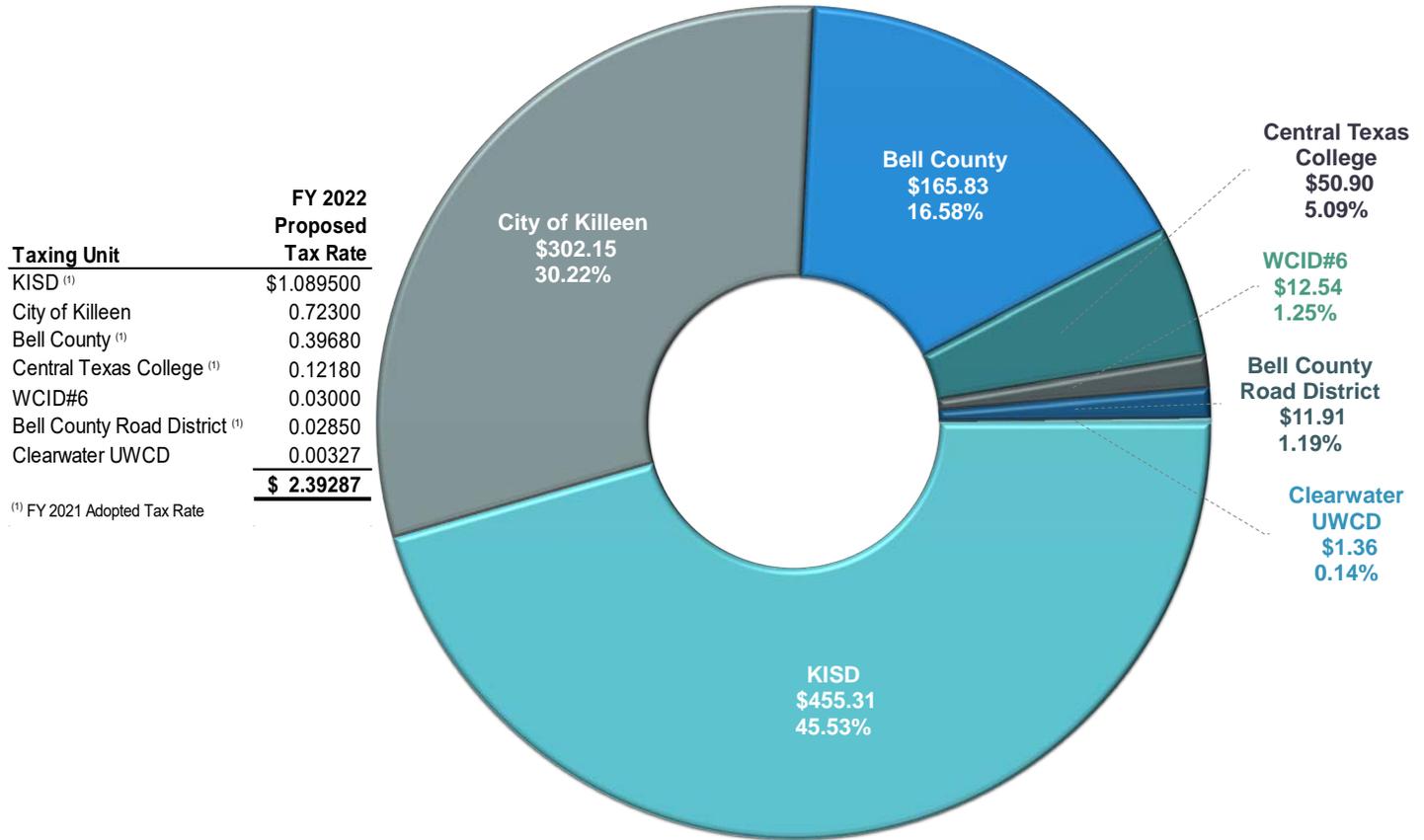
General Government: City Council Department, City Manager Department, City Auditor Department, Communications Department, Legal Department, Finance Department, Human Resources Department, Risk Management Fund, Cablesystem PEG Fund and Capital Projects.

Culture & Recreation: Recreation Services Department, Parks Donations Fund, Animal Control Donations Fund and Governmental Capital Projects Fund.

Drainage Utility: Drainage Utility Fund and Drainage Utility Fund CIP.

PROPERTY TAXES

For every \$1,000 in property taxes paid by residents and businesses, the City receives \$302.15.



*Not all properties are taxed by Bell County WCID #6



CURRENT ECONOMIC CLIMATE



**(1) TEXAS
UNEMPLOYMENT
RATES**

6.5^(P)

(P):Preliminary



**(2) TOTAL
ASSESSED
VALUATION**

\$ 9,794,418,266
Increased by
\$1,187,019,591
or **14.92%**



**(1) KILLEEN, TEXAS
UNEMPLOYMENT RATES**

7.3^(P)

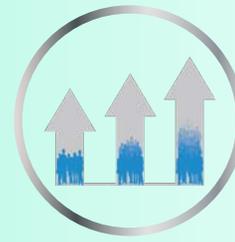
(P):Preliminary



**(4) CITY
SALES TAX
COLLECTION**

\$30,583,664
Increased by
\$ 5,205,519
or **20.5%**

DEMOGRAPHICS: CITY OF KILLEEN



(6) POPULATION

160,641



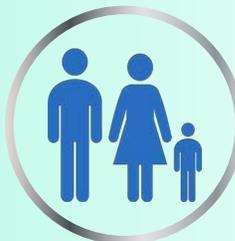
**(5) GENDER
COMPOSITION**

Male ♂ 49.36 %
Female ♀ 50.64%



**(3) MEDIAN
HOUSEHOLD
INCOME**

\$49,630



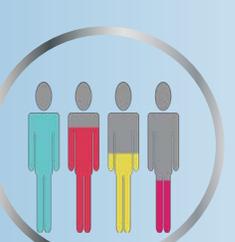
**(5) MEDIAN
AGE OF
POPULATION**

31.9



**(3) MEDIAN HOME
VALUE**

\$126,200



**(5) RACIAL
COMPOSITION**

White	41.06%
Black	35.71%
Hispanic	27.84%
Two or more races	7.41%
Asian	3.94%
Native Hawaiian	1.32%

Sources:

¹U.S. Bureau of Labor Statistics Unemployment Rates

(Seasonally Adjusted) May 2021 - as of July 2021

³ U.S. Census Bureau – *Quick Facts*

⁶ FY 2022 Estimated Population as Forecasted

² Bell County Tax Appraisal District

⁴ City of Killeen

⁵ Greater Killeen Chamber of Commerce

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The Budget in Brief was produced by the City of Killeen Finance Department Budget Division. This document provides Citizens with a high-level overview of the City's FY 2022 Budget. The City's Proposed Budget Book can be found on the City's website: <https://www.killeentexas.gov>



For specific questions or comments, please contact the Budget Division.

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