FY 2024
Budget and Tax Rate Adoption
September 5, 2023

CITY OF KILLEEN, TEXAS

City Council Budget Discussion Schedule

Key Dates	Date
Budget Delivery & Presentation	July 11
Special City Council Workshop (if requested by City Council)	July 18
Budget Public Hearing 1 of 1 (2, if necessary)	August 1
Set proposed tax rate by taking record vote	August 1
Town Hall	August 17
Budget Public Hearing 2 of 2 (2, if necessary)	September 5
Tax Rate Public Hearing Adoption of: • Budget • Ratify Tax Revenue Increase • Set Tax Rate (including I&S and M&O rates)	September 12

Funds	Projected Beginning Fund Balance	FY 2024 Revenues	FY 2024 Expenditures	Change in Fund Balance	Projected Ending Fund Balance	Fund Balance Reserve
General Fund	$ 28,263,622	$ 120,569,340	$ 120,569,340	$ -	$ 28,263,622	24.14%
Water & Sewer Fund	9,534,262	48,223,203	48,223,203	-	9,534,262	21.03%
Solid Waste Fund	5,008,517	24,476,776	24,476,776	-	5,008,517	22.21%
Drainage Utility Fund	1,225,937	5,255,698	5,255,698	-	1,225,937	25.75%
Aviation Funds	1,384,908	4,163,928	4,695,513	(531,585)	853,323	18.17%
Golf Enterprise Fund	-	1,611,320	1,557,275	54,045	54,045	3.47%
Debt Service Fund	3,157,118	16,428,706	17,562,308	(1,133,602)	2,023,516	11.52%
Street Maintenance Fund	7,849,421	9,896,738	6,133,450	3,763,288	11,612,709	189.33%
Hotel Occupancy Tax	1,546,531	3,961,641	4,344,737	(383,096)	1,163,435	26.78%
Other Special Revenues	5,354,608	9,277,420	11,293,131	(2,015,711)	3,338,897	29.57%
Capital Projects Funds	14,557,363	14,474,455	20,933,704	(6,459,249)	8,098,114	38.68%
Fleet Services	306,371	1,990,216	1,990,216	-	306,371	15.39%
Health Insurance	4,233,308	7,999,901	7,999,901	-	4,233,308	52.92%
Information Technology	691,913	5,570,263	6,076,534	(506,271)	185,642	3.06%
Risk Management	310,880	1,685,157	1,685,157	-	310,880	18.45%
Subtotal Funds	**83,424,759**	**275,584,762**	**282,796,943**	**(7,212,181)**	**76,212,578**	
Less Interfund Activity	-	(38,307,706)	(38,816,340)	508,634	508,634	
Total Funds	**$ 83,424,759**	**$ 237,277,056**	**$ 243,980,603**	**$ (6,703,547)**	**$ 76,721,212**	

Budget & Rate Adoption

- Record Vote on Budget

Ratify Property Tax Revenue Increase

- Local Government Code 102.007(c)
  - Adoption of a budget that receives more property tax revenue than in the previous year requires a separate vote to ratify the property tax revenue increase
  - Total tax revenue increase is $7,840,546 (13.87%)
    - M&O $6,968,491
    - I&S $872,055
  - Required even though the tax rate is decreasing

Ratify Property Tax Increase

- Vote to Ratify Property Tax Increase

Setting the Tax Rate

Type	Tax Rate	Budgeted Revenue
Maintenance & Operations	$0.4742	$49,908,172

Type	Tax Rate	Budgeted Revenue
Interest & Sinking (Debt)	$0.1466	$14,452,750

Type	Tax Rate	Budgeted Revenue
Total Tax Rate	$0.6208	$64,360,922

Setting the Tax Rate (cont'd)

- Property Tax Code 26.05(b)
  - Sets forth the following requirements if the tax rate exceeds the no-new-revenue rate:
    - Record Vote
    - Approved by at least 60 percent of City Council (5 members)
    - Motion to approve the ordinance must be made with specific language:

    "I move that the property tax rate be increased by the adoption of a tax rate of $0.6208, which is effectively a 13.43 percent increase in the tax rate."

      - This language is required by the State of Texas even though the tax rate will be lower