FY 2026 PROPOSED BUDGET PUBLIC HEARING

PH-25-040

July 22, 2025

Budget Calendar

February 24
- Discussion: FY 2026 Budget **Special Workshop**

May 20
- Discussion: FY 2026 Fee Schedule to include citizen feedback

June 3
- Discussion: FY 2026 Budget Preview
- Discussion: FY 2026 Fee Schedule
- Discussion: Community Partner Presentations

June 17
- Public Hearing: FY 2026 Fee Schedule

July 1
- Resolution: Receive FY 2026 Proposed Budget
- Resolution: Set Date for Budget Public Hearing
- Resolution: Receive FY 2026 CIP

July 22
- Public Hearing: Proposed FY 2026 Budget **Special Meeting**

August 5
- Resolution: Set the Preliminary Tax Rate for FY 2026 & Set the Date to Hold a Public Hearing
- Discussion: Consider Changes for Proposed FY 2026 Budget*

August 19
- If Changes are made on August 5, hold a Public Hearing on the FY 2026 Budget*

September 2
- Public Hearing: Proposed Tax Rate
- Ordinance: Adopt the FY 2026 Budget
- Resolution: Ratify the Property Tax Revenue Increase
- Ordinance: Set the Tax Rate
- Resolution: Adopt the FY 2026 CIP

Preliminary Ad Valorem

General Fund & Debt Service Fund

	(A)	(B)	(C)	(C-B)	
			FY 2026	FY 2026 v FY 2025	
	FY 2023 Certified	FY 2024 Certified	FY 2025 Certified	FY 2026 Preliminary	$'s Increase/ (Decrease)	% Increase/ (Decrease)
Market Value	$ 12,470,116,586	$ 15,043,709,859	$ 15,587,164,535	$ 15,932,235,346	$ 345,070,811	2.21%
Net Taxable Value	9,355,940,924	10,812,236,064	11,269,815,003	11,524,054,697	254,239,694	2.26%
Freeze Taxable Value	560,790,844	672,632,603	784,423,184	902,628,674	118,205,490	15.07%
Transfer Adjustment	45,310	159,061	320,712	252,190	(68,522)	-21.37%
Freeze Adjusted Taxable	8,795,104,770	10,139,444,400	10,485,071,107	10,621,173,833	136,102,726	1.30%
Less: TIRZ Value	(57,537,155)	(130,684,082)	(204,199,623)	(230,600,671)	(26,401,048)	12.93%
Adjusted Taxable Value	8,737,567,615	10,008,760,318	10,280,871,484	10,390,573,162	109,701,678	1.07%
Calculated Levy:	54,461,259	62,134,384	67,576,168	70,967,615	3,391,447	5.02%
Frozen Tax Levy:	2,909,000	3,206,654	3,524,453	3,932,695	408,242	11.58%
Total Levy:	**$ 57,370,259**	**$ 65,341,038**	**$ 71,100,622**	**$ 74,900,310**	**$ 3,799,688**	**5.34%**
M&O Levy:	$ 43,591,115	$ 50,668,195	$ 56,028,864	$ 56,851,884	$ 823,020	1.47%
I&S Levy:	13,779,144	14,672,843	15,071,758	18,048,426	2,976,668	19.75%
Total Levy:	**$ 57,370,259**	**$ 65,341,038**	**$ 71,100,622**	**$ 74,900,310**	**$ 3,799,688**	**5.34%**

DV Exemption Reimbursement

General Fund &
Debt Service Fund

Tax Year/ Fiscal Year	Total DV Exemption Value	Increase from Prior Year	Revenue Loss	State Reimbursement	% Covered
TY 2007/ **FY 2008**	50,137,972	-	348,459	-	-
TY 2008/ **FY 2009**	52,511,311	2,373,339	364,954	-	-
TY 2009/ **FY 2010**	94,890,507	42,379,196	659,489	-	-
TY 2010/ **FY 2011**	154,194,413	59,303,906	1,145,356	-	-
TY 2011/ **FY 2012**	176,774,304	22,579,891	1,313,080	-	-
TY 2012/ **FY 2013**	200,042,663	23,268,359	1,485,917	-	-
TY 2013/ **FY 2014**	232,312,444	32,269,781	1,725,617	-	-
TY 2014/ **FY 2015**	283,186,726	50,874,282	2,123,334	-	-
TY 2015/ **FY 2016**	361,252,507	78,065,781	2,708,671	838,477	30.96%
TY 2016/ **FY 2017**	459,741,283	98,488,776	3,447,140	902,952	26.19%
TY 2017/ **FY 2018**	582,976,715	123,235,432	4,371,159	1,216,494	27.83%
TY 2018/ **FY 2019**	706,941,608	123,964,893	5,300,648	1,248,210	23.55%
TY 2019/ **FY 2020**	839,077,692	132,136,084	6,291,405	3,105,247	49.36%
TY 2020/ **FY 2021**	985,698,907	146,621,215	7,225,173	3,392,993	46.96%
TY 2021/ **FY 2022**	1,170,393,587	184,694,680	8,197,437	2,727,815	33.28%
TY 2022/ **FY 2023**	1,458,585,372	288,191,785	9,091,363	3,222,290	35.44%
TY 2023/ **FY 2024**	1,767,080,170	308,494,798	10,970,034	2,076,923	18.93%
TY 2024/ **FY 2025**	2,094,388,976	327,308,806	13,766,419	1,646,224	11.96%
TY 2025/ **FY 2026** [1]	2,406,460,944	312,071,968	15,817,668	900,000	5.69%
Total			**96,353,321**	**21,277,624**	

[1] **Source Document: Tax Appraisal District of Bell County - June 10, 2025 Preliminary Tax Roll (Grand Totals)**

DV Exemption vs. New Value

General Fund & Debt Service Fund

Tax Year/ Fiscal Year	Total DV Exemption Value	Increase/ (Decrease)	DV Exempt %	New Value Taxable	DV Exempt % of Freeze Adj. Taxable
TY 2007/ **FY 2008**	50,137,972			274,725,021	1.26%
TY 2008/ **FY 2009**	52,511,311	2,373,339	4.73%	236,117,329	1.19%
TY 2009/ **FY 2010**	94,890,507	42,379,196	80.70%	196,948,951	2.16%
TY 2010/ **FY 2011**	154,194,413	59,303,906	62.50%	160,163,564	3.51%
TY 2011/ **FY 2012**	176,774,304	22,579,891	14.64%	189,071,330	3.91%
TY 2012/ **FY 2013**	197,595,674	20,821,370	11.78%	157,711,206	4.30%
TY 2013/ **FY 2014**	225,163,529	27,567,855	13.95%	162,177,425	4.70%
TY 2014/ **FY 2015**	274,487,936	49,324,407	21.91%	145,726,044	5.71%
TY 2015/ **FY 2016**	361,252,507	86,764,571	31.61%	136,670,554	7.31%
TY 2016/ **FY 2017**	459,741,283	98,488,776	27.26%	147,109,187	9.00%
TY 2017/ **FY 2018**	582,976,715	123,235,432	26.81%	122,490,812	10.61%
TY 2018/ **FY 2019**	706,941,608	123,964,893	21.26%	130,721,412	12.72%
TY 2019/ **FY 2020**	839,077,692	132,136,084	18.69%	127,268,076	13.65%
TY 2020/ **FY 2021**	985,698,907	146,621,215	17.47%	124,423,784	15.06%
TY 2021/ **FY 2022**	1,170,393,587	184,694,680	18.74%	152,194,336	15.96%
TY 2022/ **FY 2023**	1,458,585,372	288,191,785	24.62%	165,622,845	16.58%
TY 2023/ **FY 2024**	1,767,080,170	308,494,798	21.15%	194,408,686	17.43%
TY 2024/ **FY 2025**	2,094,388,976	327,308,806	18.52%	152,852,795	19.97%
TY 2025/ **FY 2026** [1]	2,406,460,944	312,071,968	14.90%	241,561,633	22.13%

[1] **Source Document: Tax Appraisal District of Bell County - June 10, 2025 Preliminary Tax Roll (Grand Totals)**

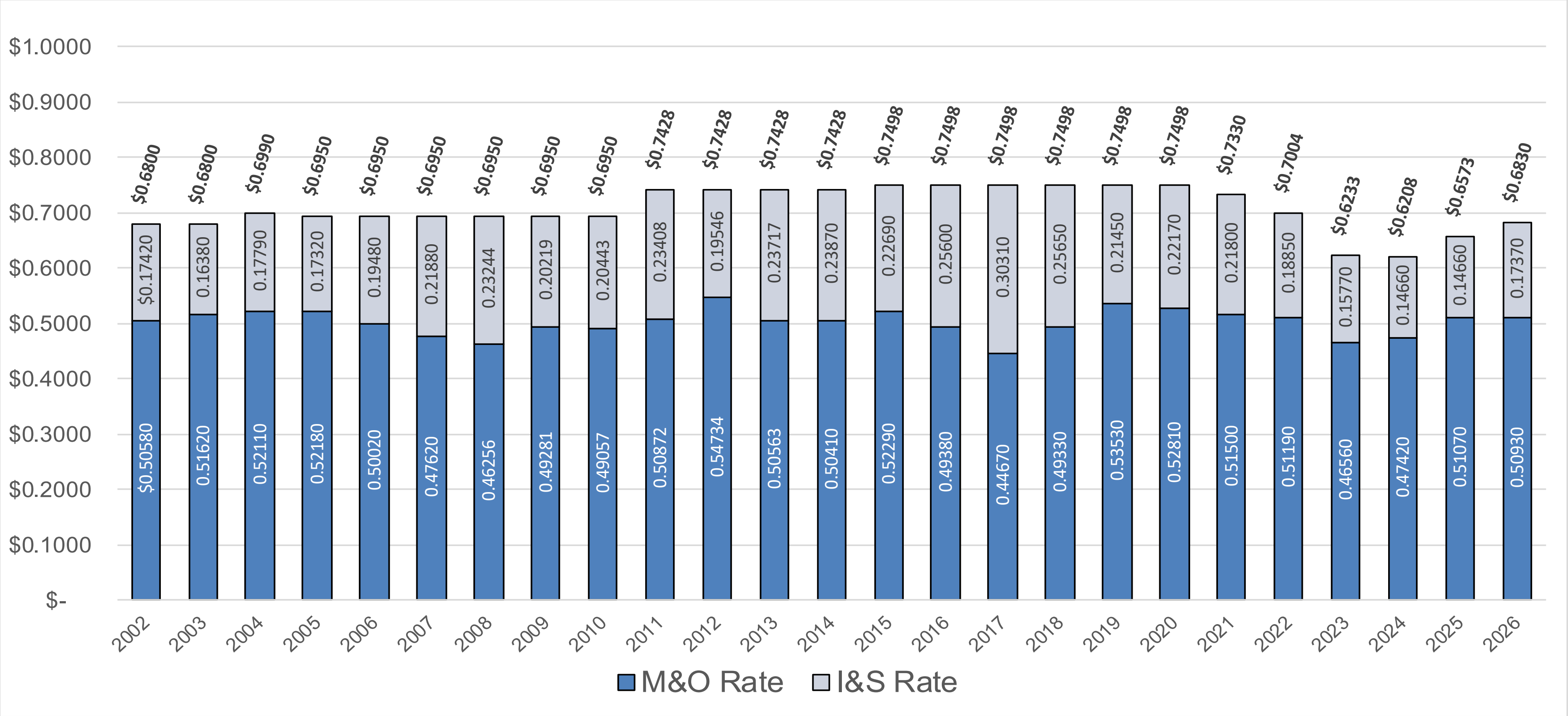
Proposed Tax Rate (Preliminary)

General Fund & Debt Service Fund

	FY 2025	FY 2026	Increase/ (Decrease)
Operations M&O	0.5107	0.5093	(0.0014)
Debt I&S	0.1466	0.1737	0.0271
Total Tax Rate	0.6573	0.6830	0.0257

Tax Rate History

General Fund &
Debt Service Fund



FY 2026 Proposed Budget

Fund Group	Projected Beginning Fund Balance	FY 2026 Revenues	FY 2026 Expenses	Change in Fund Balance	Projected Ending Fund Balance	Fund Balance Reserve
General Fund	$ 34,594,025	$ 130,848,166	$ 130,848,166	$ -	$ 34,594,025	26.44%
Water & Sewer Fund	12,047,696	52,309,845	52,309,845	-	12,047,696	23.03%
Capital Project Funds	26,480,878	24,509,303	39,357,498	(14,848,195)	11,632,683	29.56%
Solid Waste Fund	6,610,715	28,393,641	28,393,641	-	6,610,715	23.28%
Internal Service Funds	7,824,728	22,227,211	23,191,669	(964,458)	6,860,270	29.58%
Debt Service Fund	5,060,622	20,207,374	21,087,558	(880,184)	4,180,438	19.82%
Other Special Revenues	5,465,085	12,549,024	14,554,801	(2,005,777)	3,459,308	23.77%
Street Maintenance Fund	7,408,128	10,245,240	9,686,850	558,390	7,966,518	82.24%
Aviation Fund	6,770,344	7,011,248	6,403,363	607,885	7,378,229	115.22%
Drainage Utility Fund	1,474,785	5,532,601	5,532,601	-	1,474,785	26.66%
Hotel Occupancy Tax	716,982	3,110,515	3,110,515	-	716,982	23.05%
Golf Course Fund	292,914	1,548,836	1,696,977	(148,141)	144,773	8.53%
Subtotal	**$ 114,746,900**	**$ 318,493,004**	**$ 336,173,484**	**$ (17,680,480)**	**$ 97,066,420**	
Less Interfund Activity		(34,633,257)	(34,633,257)			
Less Health Insurance Transfer		(7,469,990)	(7,469,990)			
Adjusted Total		**$ 276,389,757**	**$ 294,070,237**			

Action Required after Public Hearing

In accordance with Local Government Code, Section 102.007, the City Council must take action on the Proposed Budget following the Public Hearing. This action includes establishing the date, time, and location to consider budget adoption.

Set the date as follows:

Date: September 2, 2025

Time: 3:00 PM

Location: City Council Chambers, 101 N. College Street, Killeen, TX