

FY 2023 Proposed Budget Presentation



OR-22-012
RS-22-131
OR-22-013

Budget and Tax Rate Adoption Sept. 6, 2022

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Killeen, Texas

City Council Budget Discussion Schedule

Key Dates	Date
Budget Delivery & Presentation	July 5
Special City Council Workshop	July 18
City Council Workshop – Budget Public Forum	July 19
Budget Public Hearing 1 of 2	July 26
Set proposed tax rate by taking record vote	August 2
Budget Follow Up	August 16
Budget & Rate Public Hearing 2 of 2	September 6
Tax Rate Public Hearing	
Adoption of: <ul style="list-style-type: none"> • Budget • Ratify Tax Revenue Increase • Set Tax Rate (including I&S and M&O rates) 	September 13

	Projected Beginning Fund Balance	FY 2023 Revenues	FY 2023 Expenditures	Change in Fund Balance	Projected Ending Fund Balance	Fund Balance Reserve
Funds						
General Fund	\$ 29,005,621	\$ 112,895,420	\$ 112,895,420	\$ -	\$ 29,005,621	26.98%
Water & Sewer Fund	10,119,899	45,135,250	45,135,250	-	10,119,899	26.83%
Solid Waste Fund	5,821,598	23,352,667	23,352,667	-	5,821,598	27.16%
Drainage Utility Fund	1,323,985	5,210,406	5,210,406	-	1,323,985	28.59%
Aviation Funds	2,962,980	4,820,016	4,635,831	184,185	3,147,165	67.89%
Debt Service Fund	4,219,055	15,591,400	17,029,194	(1,437,794)	2,781,261	16.33%
Street Maintenance Fund	4,887,283	9,769,036	5,647,650	4,121,386	9,008,669	159.51%
Hotel Occupancy Tax	1,826,115	3,126,507	2,901,592	224,915	2,051,030	70.69%
Other Special Revenues	5,695,484	9,462,699	9,998,162	(535,463)	5,160,021	51.61%
Capital Projects Funds	29,612,413	40,159,066	54,158,414	(13,999,348)	15,613,065	28.83%
Fleet Services	306,615	1,942,317	1,942,317	-	306,615	15.79%
Health Insurance	2,662,059	8,400,899	8,400,899	-	2,662,059	31.69%
Information Technology	614,591	5,070,243	5,370,243	(300,000)	314,591	5.86%
Risk Management	349,274	1,375,264	1,535,396	(160,132)	189,142	12.32%
Subtotal Funds	99,406,972	286,311,190	298,213,441	(11,902,251)	87,504,721	
Less Interfund Activity	-	(32,072,153)	(33,058,134)	985,981	985,981	
Total Funds	\$ 99,406,972	\$ 254,239,037	\$ 265,155,307	\$(10,916,270)	\$ 88,490,702	

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 \$3,569,392
 - 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	\$0.4656	\$42,939,681

Type	Tax Rate	Budgeted Revenue
Interest & Sinking (Debt)	\$0.1577	\$13,580,695

Type	Tax Rate	Budgeted Revenue
Total Tax Rate	\$0.6233	\$56,520,376

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 \$0.6233, which is effectively a 2.87 percent increase in the tax rate.”
 - This language is required even though the tax rate will be lower