



## STAFF REPORT

**DATE:** September 7, 2021

**TO:** Kent Cagle, City Manager

**FROM:** Jonathan Locke, Executive Director of Finance

**SUBJECT:** Hold a Second Public Hearing on the FY 2022 Proposed Annual Budget

### **BACKGROUND AND FINDINGS:**

City Council provided motions of direction for the following changes to the proposed FY 2022 Budget:

#### ***General Fund -***

<b>Description</b>	<b>Revenue</b>	<b>Expenditure</b>
FY 2022 Proposed Budget -	\$103,356,828	\$103,356,828
Remove: Multi-Family Rental Inspection Program	(356,750)	(885,690)
Add: Animal Control Officer	-	56,042
Add: Code Enforcement Officer	-	98,619
Add: Reserve Appropriation (difference remaining from changes)	-	374,279
Add: ARPA Funded Programs -		
Hill Country Transit (HOP) - Route Options	1,100,000	1,100,000
Boys & Girls Club	750,000	750,000
Mental Health Program - Police	250,000	250,000
Mental Health Program - Fire	250,000	250,000
Business Assistance	1,000,000	1,000,000
Downtown Events (Quarterly)	200,000	200,000
<b>TOTAL</b>	<b>\$106,550,078</b>	<b>\$106,550,078</b>

#### ***Street Maintenance Fund -***

<b>Description</b>	<b>Revenue</b>	<b>Expenditure</b>
FY 2022 Proposed Budget -	\$7,332,692	\$7,332,692
Change Street Maintenance Fee from \$7.00 to \$10.00 per Month:		
Residential Services	1,797,172	-
Non-Residential Services	501,676	-
Street Maintenance	-	2,298,848
<b>TOTAL</b>	<b>\$9,631,540</b>	<b>\$9,631,540</b>

#### ***Governmental CIP Fund -***

<b>Description</b>	<b>Revenue</b>	<b>Expenditure</b>
FY 2022 Proposed Budget -	\$2,784,929	\$5,578,459
Remove: Multi-Family Rental Inspection Vehicles	(354,030)	(354,030)

Add: Code Enforcement Vehicle	29,553	29,553
Add: Killeen Community & Senior Center	-	800,000
Add: Rodeo Electrical & Seating Repairs	-	100,000
Add: ARPA Funded Projects -		
Meals on Wheels	200,000	200,000
EOC / Fire Operations	11,900,000	11,900,000
PD Tactical Firing Range	250,000	250,000
Conder Park Development	2,000,000	2,000,000
Gap Sidewalks	750,000	750,000
Stewart Park	600,000	600,000
Long Branch Pool Improvements	590,000	590,000
Long Branch Park	500,000	500,000
Phyllis Park	300,000	300,000
TOTAL	\$19,550,452	\$23,243,982

***Water & Sewer CIP Fund -***

<b>Description</b>	<b>Revenue</b>	<b>Expenditure</b>
FY 2022 Proposed Budget -	\$3,328,999	\$4,030,999
Add: ARPA Funded Projects -		
Backup Generators for Pump & Lift Stations	500,000	500,000
TOTAL	\$3,828,999	\$4,530,999

The City Charter, Article V, Section 56, requires a public hearing to be held if City Council makes changes to the proposed budget that involve inserting additional items or increasing appropriations. The public hearing provides an opportunity for the public to provide input on the changes to the proposed budget. Citizens are encouraged to be present and participate in the public hearing.

**THE ALTERNATIVES CONSIDERED:**

**Which alternative is recommended? Why?**

N/A

**CONFORMITY TO CITY POLICY:**

This conforms to requirements set forth in City Charter, Article V, Section 56 and the Financial Governance Policy III(F).

**FINANCIAL IMPACT:**

**What is the amount of the expenditure in the current fiscal year? For future years?**

The changes to the proposed budget will increase FY 2022 expenditures by the following:

☐ General Fund \$3,193,250

<input type="checkbox"/>	Street Maintenance Fund	\$2,298,848
<input type="checkbox"/>	Governmental CIP Fund	\$17,665,523
<input type="checkbox"/>	Water & Sewer CIP Fund	\$500,000

**Is this a one-time or recurring expenditure?**

The additional Code Enforcement Officer has a recurring cost in the amount of \$62,441 and one-time cost of \$36,178. The additional Animal Services Officer position has a recurring cost in the amount of \$51,707 and one-time cost of \$4,335.

The Street Maintenance Fund expenditures are recurring. The ARPA Funded programs and projects are one-time expenditures except for the Hill Country Transit (HOP) route options. The HOP will have an ongoing cost estimated to be \$600,000 per year starting in FY 2024.

**Is this expenditure budgeted?**

Upon approval of the FY 2022 Budget.

**If not, where will the money come from?**

N/A

**Is there a sufficient amount in the budgeted line-item for this expenditure?**

Upon approval of the FY 2022 Budget.

**RECOMMENDATION:**

City Council hold a public hearing on the proposed Fiscal Year 2022 Annual Budget.

**DEPARTMENTAL CLEARANCES:**

Finance  
City Attorney

**ATTACHED SUPPORTING DOCUMENTS:**

N/A