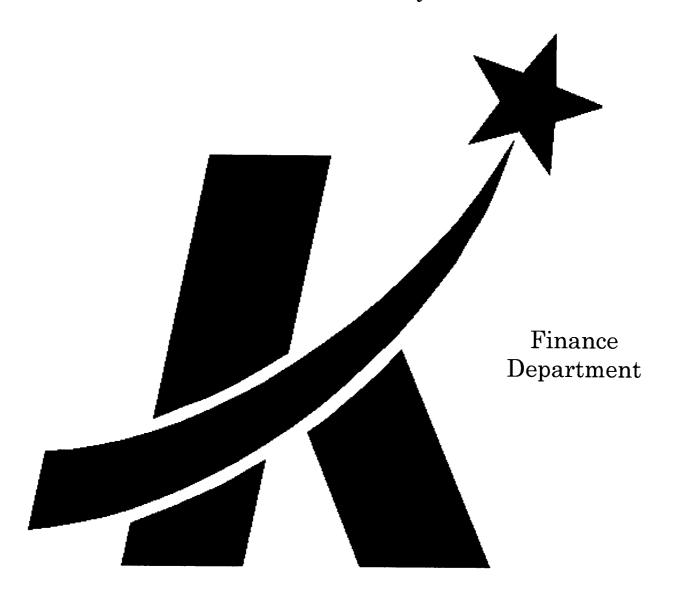
City of Killeen Financial Report November 2008 Executive Summary



Prepared by: Barbara Gonzales Director of Finance

Prepared 1/2/09

FINANCE DIRECTOR'S REPORT NOVEMBER 2008

December 29, 2008

Mayor and City Council Members:

We are pleased to submit the Monthly City Council Financial Report and Executive Summary for the month of November 2008. Finance staff is preparing the *Fiscal Year 2008-2009 Annual Budget and Plan of Municipal Services* that will be published and distributed to City Council during the month of January. In addition, the City's independent auditors continue to make progress on the FY 2007-08 annual audit which should be completed in February.

General Fund revenues are meeting budget and staff projections, with 80% of the annual ad valorem assessment collected by November 30th. All other major fund operating revenue categories are meeting staff estimates. Total operating expenses for all major funds are on target with staff estimates with no significant variances noted. The Finance Department will work closely with the departments to monitor their revenues and expenses during FY 2008-09 and will present a first quarter financial review in early February.

Key economic indicators of the local economy reflect the recession that our country is currently facing. One of the seven economic indicators monitored in this monthly report is positive with Unemployment Rate, Sales Tax Revenue, Aviation Enplanement and Deplanements, Building Permits, and Water and Sewer Tap Fees and Hotel Occupancy Tax being negative. These indicators are discussed in detail in the attached Economic Indicators Summary Report.

Respectfully submitted,

Barbara Gonzales
Director of Finance

CITY OF KILLEEN FINANCIAL REPORT- NOVEMBER 2008 EXECUTIVE SUMMARY MAJOR OPERATING FUNDS

GENERAL FUND

- Revenues total \$19,827,039 for the month, up from last year's revenues of \$15,526,974 by 27.7%. Year-to-date general fund revenues of \$22,562,337 are up 10.7% over last year's total of \$20,379,355. The variance is primarily attributable to property tax revenues collected through November of this year as compared to last year.
- Sales Tax Collections for the month were \$1,721,783, a decrease of 5.6% on last November's collections of \$1,823,380. Year-to-date sales tax collections of \$3,160,453 are 6.0% below last year's total of \$3,362,473.
- Property Tax Collections during the month were \$16,752,644, an increase of 34.4% above last year's collections of \$12,462,618. Year-to-date property tax receipts of \$16,760,138 exceed last years total of \$14,290,307 by 17.3%.
- Franchise Fees collected during November were \$146,528, an increase of 29.7%, compared to \$112,941 last November. Year-to-date franchise revenues are \$146,938, down 60.2% over last year's total of \$369,350. This is primarily due to the Cable Television franchise fee that was received earlier last year.
- Permits & Inspections fees collected during November totaled \$61,686, down 28.9% from last year's revenue of \$86,794. Year-to-date revenues of \$146,898 are 26.1% down from last year's total of \$198,748.
- Court fines and fees were \$149,044 during November, an increase of 2.7% over the prior year collections of \$145,149. Year-to-date revenues total \$352,209, 6.5% above last year's total of \$330,878.
- ➤ Interest Earned during November totaled \$67,221, a decrease of 52.9% from last November's interest earnings of \$142,614. Year-to-date interest earnings total \$118,603, 52.4% below last year's total of \$249,396.
- Total expenditures for November are \$4,328,886, 1.5% above \$4,265,097 last year. Year-to-date expenditures of \$10,472,752 are up 5.9% when compared to last year's expenditures of \$9,885,914.
- The ending fund balance for the month was \$31.4 million, up 5.4% from last year.

KILLEEN – FORT HOOD REGIONAL AIRPORT FUND (KFHRA)

- ➤ KFHRA operating revenues (non-grants) for November was \$207,116 up 23.9% from \$167,161 last year. Year-to-date revenues total \$390,110, up 4.6% from \$372,872 in the prior year.
- ➤ KFHRA operating expenses (non-construction) of \$200,986 were down 10.5% for the month as compared to \$224,587 last year. Year-to-date expenses of \$477,233 are down 0.8% from last year's total of \$481,041. There were also construction expenses in November of \$138,394.
- The ending fund balance for the month was \$713,191, down 36.1% from last year.

SKYLARK AIRFIELD FUND

- Skylark operating revenues (non-grants) for the month were \$46,120, down 29.9% from \$65,782 last year. Year-to-date revenues of \$102,449 are down 18.4% from last year's total of \$125,589. This increase is largely attributable to a decrease in fuel sales revenue. There will be a corresponding decrease in the expense related to the cost of goods sold.
- Skylark operating expenses (non-improvements/construction) were \$44,886 for the month, down 19.8% from last year's total of \$55,956. Year-to-date expenses of \$110,461 are down 7.0% from last year's total of \$118,829.
- > The ending fund balance for the month was \$420,157, down 8.4% from last year.

SOLID WASTE FUND

- > Solid Waste operating revenues were \$707,182 for the month, down 27.3% when compared to last November's revenues of \$972,256. Year-to-date revenues of \$1,680,903 are down 15.4% compared to last year's total of \$1,986,177. This decrease is largely attributable to the timing of the end of the month customer billing which got recorded in December as opposed to last year's being recorded in November.
- Expenses totaled \$923,213 for the month, down 1.3% as compared to \$935,535 last year. Year-to-date expenses are \$1,827,431, up 9.6% from last year's total of \$1,667,223.
- > The ending fund balance for the month was \$4.0 million, down 10.4% from last year.

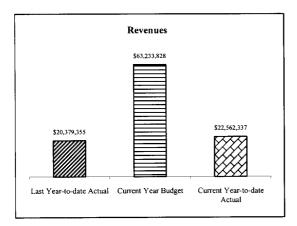
WATER AND SEWER FUND

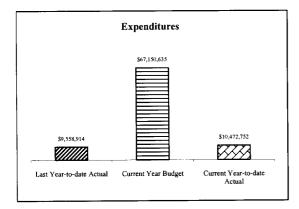
- Water and Sewer operating revenues total \$1,948,581, down 23.5% from last year's revenues of \$2,547,788. Year-to-date revenues total \$4,666,298, down from last year's revenues of \$5,041,949 by 7.5%. This decrease is largely attributable to the timing of the end of the month customer billing which got recorded in December as opposed to last year's being recorded in November.
- Expenses total \$2,293,405 for the month, up 3.4% as compared to \$2,217,575 last year. Year-to-date expenses are \$5,103,340, up 3.7% from last year's total of \$4,921,611.
- The ending fund balance for the month was \$18.9 million, down 7.1% from last year.

DRAINAGE UTILITY FUND

- ➤ Drainage Utility operating revenues total \$203,531 for the month, down 22.5% below last November's revenues of \$262,664. Year-to-date revenues of \$467,937 are below last year's revenues of \$530,876 by 11.9%. This decrease is largely attributable to the timing of the end of the month customer billing which got recorded in December as opposed to last year's being recorded in November.
- ➤ Operating expenses for the month were \$66,767, up 24.2% as compared to \$53,744 last year. Year-to-date expenses are \$164,373, up 31.8% from last year's total of \$124,749.
- The ending fund balance for the month was \$8.5 million, down 6.4% from last year.

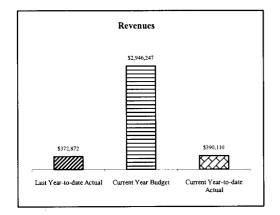
CITY OF KILLEEN GENERAL FUND FINANCIAL REPORT November 30, 2008

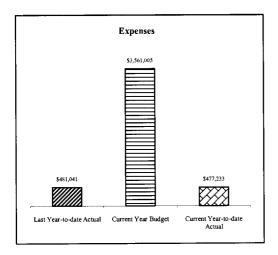




		0/ - 6	
Adopted	Y-T-D	% of Budget	
REVENUES:	1-1-D	Duaget	
Property Taxes			
21,405,568	16,760,138	78.30%	
Sales & Occupancy Tax			
19,888,134	3,160,453	15.89%	
Franchise Tax			
5,084,970	146,938	2.89%	
Miscellaneous Revenues	520 021	15 110/	
3,500,050 Permits & Inspections	528,821	15.11%	
1,338,580	146,898	10.97%	
Court Fines & Fees	140,070	10.5770	
2,099,319	352,209	16.78%	
Recreation Revenues	,		
969,225	91,894	9.48%	
Golf Course			
1,236,686	158,449	12.81%	
Interest Earned		- 4407	
1,600,000	118,603	7.41%	
Intergovernmental Revenue	200,210	28.31%	
707,259 Transfers In	200,210	20.3170	
5,404,037	897,724	16.61%	
2,101,007	22.,		
TOTAL REVENUES:			
63,233,828	22,562,337	35.68%	
EXPENDITURES:			
Administration	2,362,156	17.97%	
13,144,591 Community Services	2,302,130	11.71/0	
10,776,758	1,363,554	12.65%	
Public Works	1,505,551		
5,661,200	724,160	12.79%	
Public Safety			
37,511,587	6,022,882	16.06%	
Transfers Out		0.055	
56,499	-	0.00%	
TOTAL SUPPLIES			
TOTAL EXPENDITURES: 67,150,635	10,472,752	15.60%	
07,130,033	10,7/2,/32	15.5070	

CITY OF KILLEEN KILLEEN-FORT HOOD REGIONAL AIRPORT FUND FINANCIAL REPORT November 30, 2008



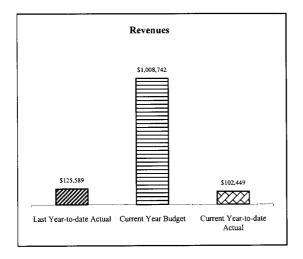


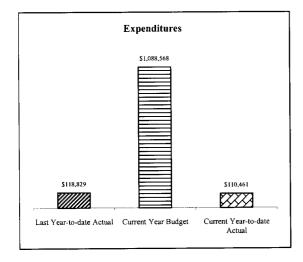
Note: For comparison purposes, the charts above exclude the Revenue from FAA Grants and the KFHRA Construction Expenses.

Adopted	Y-T-D	% of Budget	
		2	
REVENUES:			
Operating Revenues			
2,892,247	389,286	13.46%	
Interest Earned	,		
54,000	825	1.53%	
FAA Grants			
1,794,741	-	0.00%	
FAA Grants Prior Years			
331,910	-	0.00%	
TXDOT Grant			
-	-	-	
TXDOT Grant Match			
-	-	-	
Transfer from Bond Fund			
-	•	-	
TOTAL REVENUES:	200 111	7.600/	
5,072,898	390,111	7.69%	

EXPENSES:		
Airport Operations		
2,908,234	403,071	13.86%
Cost of Goods Sold		
273,992	25,632	9.36%
KFHRA Construction		
2,477,320	138,394	5.59%
Information Technology		
186,566	32,246	17.28%
Non-Departmental		
192,213	16,284	8.47%
TOTAL EXPENSES:		
6,038,325	615,627	10.20%

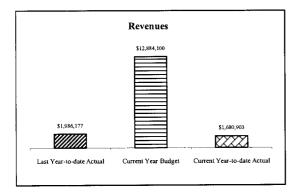
CITY OF KILLEEN SKYLARK FIELD FUND FINANCIAL REPORT November 30, 2008

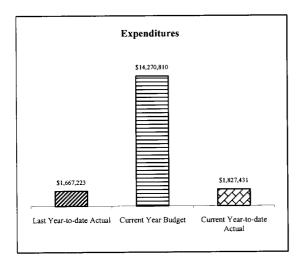




	Adopted	Y-T-D	% of Budget
EVENUES:	_		_
Operating Reven	968,742	100,689	10.39%
Interest Earned	10,000	1,760	17.60%
FAA Grants	,		
FAA Grants - Pr	ior Years	-	-
TXDOT Grants	-	-	-
	30,000	-	0.00%
TAL REVENU			
	1,008,742	102,449	10.16%
Airport Operation	ons 342,893	42,100	12.28%
Airport Operation Cost of Goods S	ons 342,893 old 732,572	42,100 65,658	12.28% 8.96%
Airport Operation Cost of Goods S Skylark Improve	ons 342,893 old 732,572 ements		
Cost of Goods S	ons 342,893 old 732,572 ements		
Airport Operation Cost of Goods S Skylark Improve	ons 342,893 old 732,572 ements - ction -		

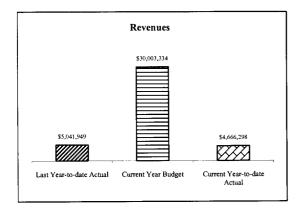
CITY OF KILLEEN SOLID WASTE FUND FINANCIAL REPORT November 30, 2008

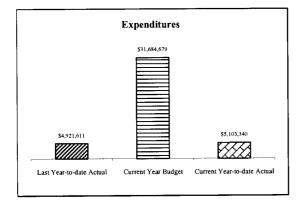




Adopted	Y-T-D	% of Budget
REVENUES:	-	
Transfer Station Fees		
320,000	44,141	13.79%
Dumpster Rentals		
110,000	8,833	8.03%
Miscellaneous Revenues		
40,100	5,854	14.60%
Recycling Revenues		
174,000	16,167	9.29%
Commercial Sanitation Fees		10.100
5,450,000	663,737	12.18%
Residential Sanitation Fees		* * * * * * *
6,550,000	924,389	14.11%
Interest Earned	15 500	7.410/
240,000	17,782	7.41%
MOMAL DEVISIONS		
TOTAL REVENUES:	1 600 003	12 050/
12,884,100	1,680,903	13.05%
EXPENDITURES:		
Residential Operations		
3,226,766	460,830	14.28%
Commercial Operations	100,050	12570
1,655,914	266,891	16.12%
Recycling Program	230,051	
382,570	51,932	13.57%
Transfer Station	31,532	
4,831,819	415,624	8.60%
Mowing	,	0,0
921,408	117,648	12.77%
Debt Service	,	
774,000	129,000	16.67%
Custodial Services	, •	
31,614	5,118	16.19%
Accounting	.,	
63,594	13,950	21.94%
Solid Waste Miscellaneous		
389,981	34,247	8.78%
Transfer to General Fund	,	
1,993,144	332,191	16.67%
- / /	•	
TOTAL EXPENDITURES:		
14,270,810	1,827,431	12.81%

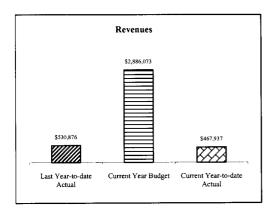
CITY OF KILLEEN WATER & SEWER FUND FINANCIAL REPORT November 30, 2008

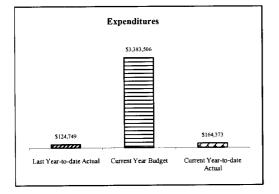




		% of
Adopted	Y-T-D	Budget
VENUES:		
Sale of Water		
14,036,939	2,291,620	16.33%
Water & Sewer Taps		
1,142,622	98,240	8.60%
Sewer Fees Collected		
12,592,773	1,982,803	15.75%
Miscellaneous Revenues		
750,000	101,785	13.57%
elinquent Penalty		
560,000	100,380	17.93%
nterest Earned		
900,000	71,994	8.00%
Miscellaneous Receipts		
21,000	19,476	92.74%
Tranfers-In		
-	-	-
ΓAL REVENUES:		
30,003,334	4,666,298	15.55%
PENDITURES:		
Fleet Services	170.000	12.010/
1,393,536	179,908	12.91%
tility Collections	200 122	17 5307
1,815,812	300,132	16.53%
Vater & Sewer Contracts	2 217 (5)	10.040/
11,772,595	2,217,656	18.84%
Operations 6.200.705	750 227	11.740/
6,388,785	750,227	11.74%
Debt Service	024755	17 (70/
5,008,029	834,755	16.67%
Miscellaneous	255 120	13.34%
1,912,724	255,128	13.3470
Transfer to General Fund	565 522	16 670/
3,393,198	565,533	16.67%
TAL EVDENDITIDES.		
TAL EXPENDITURES:	5 102 220	16.11%
31,684,679	5,103,339	10.1170

CITY OF KILLEEN DRAINAGE UTILITY FUND FINANCIAL REPORT November 30, 2008





Note: For comparison purposes, the charts above exclude the Revenue from Sale of Bonds and the Major Drainage Project Expenditures.

	Adopted	Y-T-D	% of Budget
EVENUES:	Auopica	1-1-1	Dudget
Residential Storm Water Fe	ees		
	2,194,767	356,678	16.25%
Commercial Storm Water F			
	511,306	72,972	14.27%
Interest Earned	100.000	20.211	15 (50)
Cala of Dand-	180,000	28,211	15.67%
Sale of Bonds	_	_	
TCEQ Grant Revenue	-	-	-
1000 Grant Revenue	-	10,075	_
OTAL REVENUES:			
	2,886,073	467,936	16.21%
EXPENDITURES: Engineering Division	336 A6A	34 604	10 31%
Engineering Division	336,464	34,694	10.31%
EXPENDITURES: Engineering Division Street Division		34,694 6,903	10.31%
Engineering Division	336,464 300,000		
Engineering Division Street Division Drainage Maintenance		6,903	
Engineering Division Street Division	300,000 1,419,116	6,903	2.30% 8.56%
Engineering Division Street Division Drainage Maintenance Drainage Projects - Minor	300,000	6,903	2.30%
Engineering Division Street Division Drainage Maintenance	300,000 1,419,116 700,000	6,903	2.30% 8.56% 0.00%
Engineering Division Street Division Drainage Maintenance Drainage Projects - Minor	300,000 1,419,116	6,903	2.30% 8.56%
Engineering Division Street Division Drainage Maintenance Drainage Projects - Minor Drainage Projects - Major	300,000 1,419,116 700,000	6,903	2.30% 8.56% 0.00%
Engineering Division Street Division Drainage Maintenance Drainage Projects - Minor Drainage Projects - Major	300,000 1,419,116 700,000 6,573,571 584,958	6,903	2.30% 8.56% 0.00% 0.00%
Engineering Division Street Division Drainage Maintenance Drainage Projects - Minor Drainage Projects - Major Debt Service Non-Departmental	300,000 1,419,116 700,000 6,573,571	6,903	2.30% 8.56% 0.00% 0.00%
Engineering Division Street Division Drainage Maintenance Drainage Projects - Minor Drainage Projects - Major Debt Service	300,000 1,419,116 700,000 6,573,571 584,958 25,203	6,903	2.30% 8.56% 0.00% 0.00% 0.00% 4.92%
Engineering Division Street Division Drainage Maintenance Drainage Projects - Minor Drainage Projects - Major Debt Service Non-Departmental	300,000 1,419,116 700,000 6,573,571 584,958	6,903	2.30% 8.56% 0.00% 0.00%

CITY OF KILLEEN ECONOMIC INDICATORS REPORT SUMMARY NOVEMBER 2008

There are seven economic indicators monitored by this report. They are 1) Killeen Unemployment Rate, 2) Sales Tax Revenue, 3) Aviation Enplanements and Deplanements, 4) Building Permits, 5) Utility Customers, 6) Water and Sewer Tap Fees, and 7) Hotel Occupancy Tax Revenue. For the month of November 2008, one of the seven economic indicators are positive with Unemployment Rate, Sales Tax Revenue, Aviation Enplanement and Deplanements, Building Permits, and Water and Sewer Tap Fees and Hotel Occupancy Tax being negative.

UNEMPLOYMENT RATE

The unemployment rate for the month of November 2008 was 6.2 as compared to 4.4 during November 2007.

SALES TAX REVENUE

Sales Tax Collections for the month were \$1,667,523, a decrease of 5.8% under last November's collections of \$1,769,638. Year-to-date sales tax collections of 3,039,474 are below last year's total of \$3,199,309 by 5.0%.

AVIATION ENPLANEMENTS & DEPLANEMENTS

Enplanements for the month total 14,663 a decrease of 10.7% as compared to 16,429 during November 2007. Year-to-date enplanements of 29,709 are under last year's total of 32,870 by 9.6%.

Deplanements for the month total 14,631, a decrease of 13.1% as compared to 16,827 during November 2007. Year-to-date deplanements of 30,367 are under last year's total of 33,766 by 10.1%.

BUILDING PERMITS

Total dollar value of permits issued for the month was \$6,888,907, a 50.3% decrease under November 2007 dollar value of \$13,853,474. For the month 20 single-family, 5 duplex and no multi-family home permits were issued.

UTILITY CUSTOMERS

For the month, the City had 39,273 active utility customers, an increase of 4.0% over the 37,765 active utility customers in November 2007. Finance staff will monitor this data as deployments and redeployments of Fort Hood troops may have an impact on the City's active utility accounts.

WATER AND SEWER TAP FEES

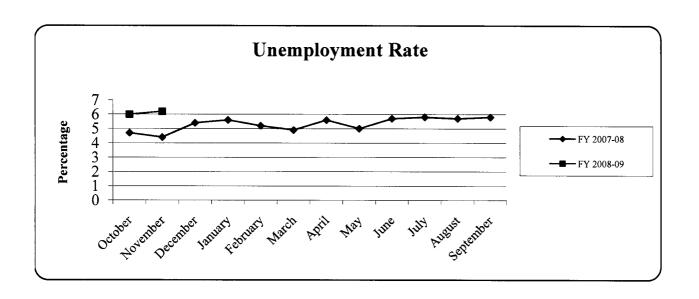
Tap Fees total \$41,685 for the month, down 53.3% as compared to last year's fees of \$89,216. Year to date revenues of \$98,240 are under last year's total of \$195,693 by 49.8%.

HOTEL OCCUPANCY TAX REVENUE

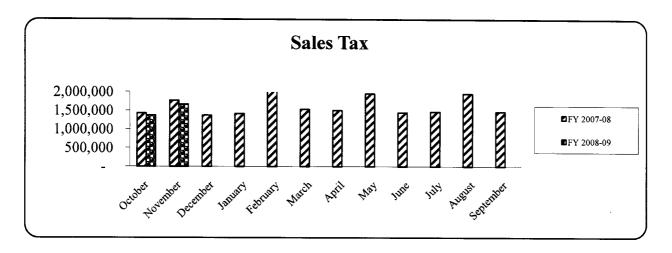
Hotel Occupancy Tax Revenue for the month was \$104,226, down 20.5% under last November's revenue of \$131,084. Year to date revenues of \$220,552 are under last year's total of \$236,619 by 6.8%.

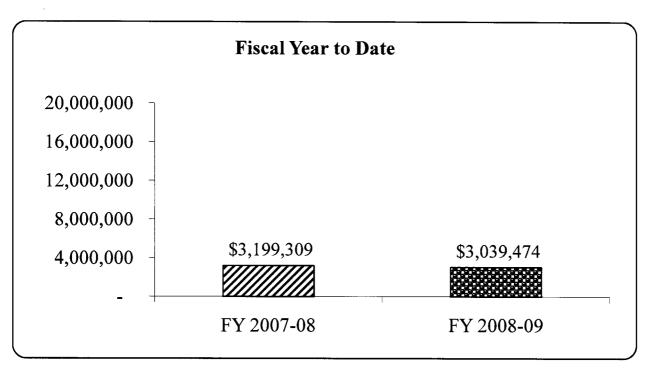
City of Killeen Economic Indicators Report

Economic Indicator	Positive	Neutral	Negative
Killeen Unemployment Rate			X
Sales Tax Revenue			X
Aviation Enplanements/Deplanements			X
Building Permits			X
Utility Customers	X		
Water & Sewer Tap Fees			X
Hotel Occupancy Tax Revenues			X
Totals	1	0	6



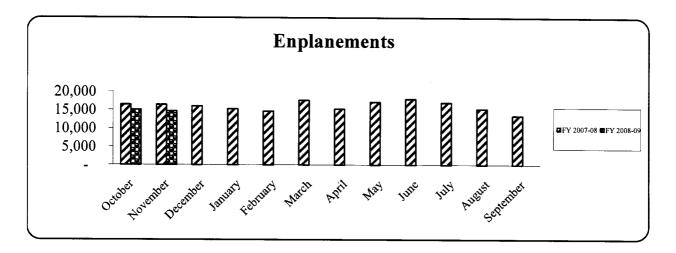
Sales Tax Revenues

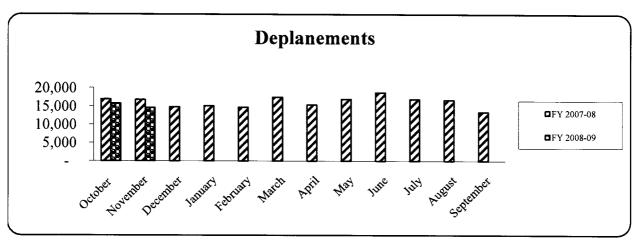


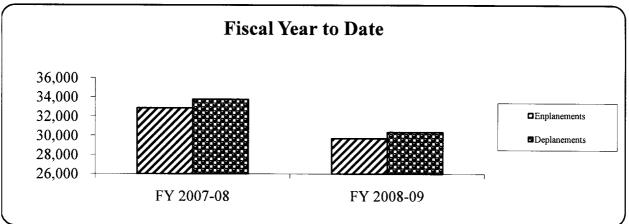


Economic Indicator	Positive	Neutral	Negative
Sales Tax Revenue			X

Killeen Municipal Airport Total Passenger Count

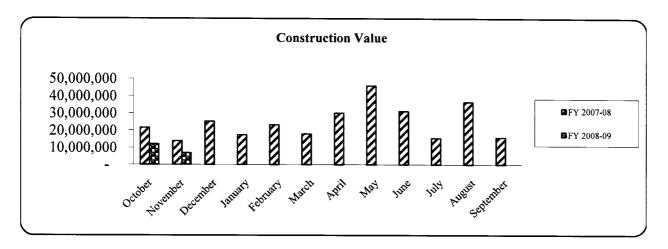






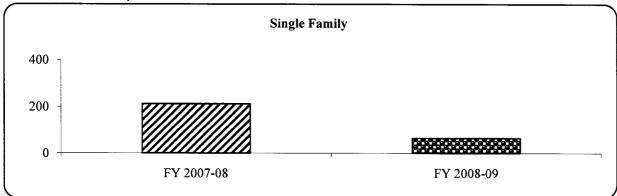
Economic Indicator	Positive	Neutral	Negative
Enplanements/Deplanements			х

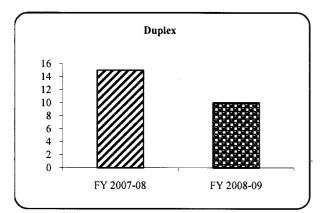
Building Permits

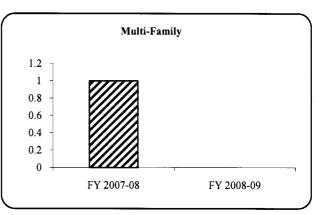


Number of Permits Issued

	FY 2007-08	FY 2008-09
Single Family	212	64
Duplex	15	10
Multi-Family	1	0

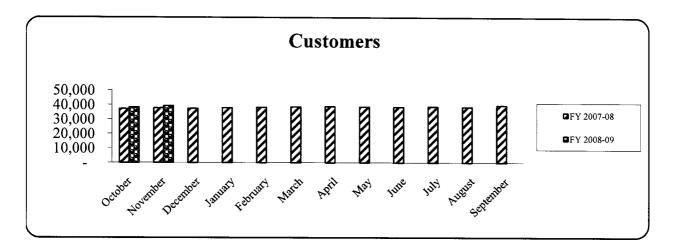


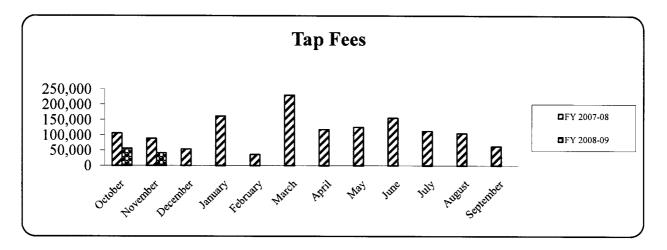


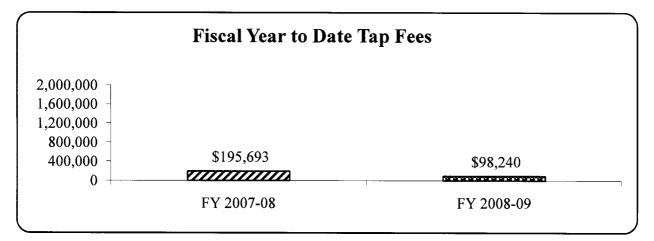


Economic Indicator	Positive	Neutral	Negative
Building Permits			х

Utility Indicators

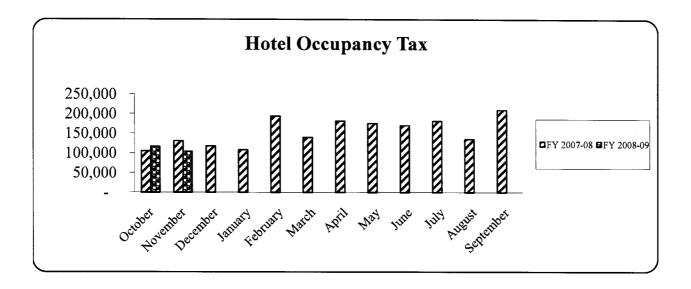


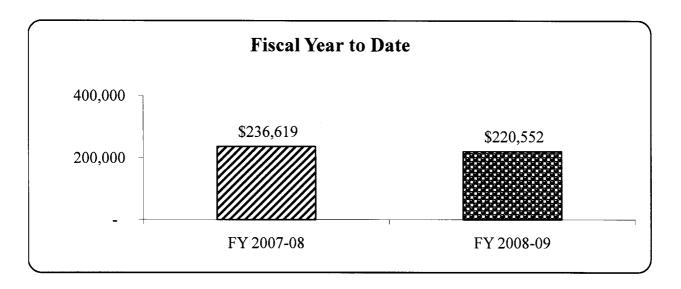




Economic Indicator	Positive	Neutral	Negative
Utility Customers	X		
Water & Sewer Tap Fees			X

Hotel Occupancy Tax Revenues





Economic Indicator	Positive	Neutral	Negative
Hotel Occupancy Tax Revenues			X

City of Killeen Data Summaries

Killeen Unemployment Rate FY 2007-08 FY 2008-09	tate October 4.7	November 4.4 6.2	December 5.4	January 5.6	February 5.2	March 4.9	April 5.6	May 5.0	June 5.7	July 5.8	August 5.7	September 5.8	
Sales Tax Receipts FY 2007-08 FY 2008-09	October 1,429,671 1,371,951	November 1,769,638 1,667,523	December 1,372,391	January 1,419,480	February 2,158,773	March 1,535,437	April 1,507,146	May 1,953,800	June 1,449,612	July 1,470,897	August 1,954,255	September 1,470,035	YTD Total 3,199,309 3,039,474
Aviation-Total Passenger Count Enplanements FY 2007-08 FY 2008-09	Count October 16,441 15,046	November 16,429 14,663	December 16,030	January 15,265	February 14,672	March 17,663	April 15,283	May 17,159	June 17,983	July 17,008	August 15,319	September 13,479	YTD Total 32,870 29,709
Deplanements FY 2007-08 FY 2008-09	October 16,939 15,736	November 16,827 14,631	December 14,787	January 15,089	February 14,718	March 17,461	April 15,398	May 16,929	June 18,692	July 16,893	August 16,724	September 13,423	YTD Total 33,766 30,367
Building Permits Construction Value FY 2007-08 FY 2008-09	October 21,611,797 12,032,289	November 13,853,474 6,888,907	December 25,263,344	January 17,443,824	February 23,285,832	March 18,004,983	April 30,152,383	May 45,945,732	June 31,243,481	July 15,607,632	August 36,506,517	September 15,976,527	YTD Total 35,465,271 18,921,196
Number of Permits Issued Single Family FY 2007-08 FY 2008-09	October 139 44	November 73	December 166	Januaty 96	February 68	March 98	April 143	May 170	June 103	July 79	August 129	September 87	YTD Total 212 64
Duplex FY 2007-08 FY 2008-09	October 2 5	November 13 5	December 26	January 2	February 4	March 10	April 6	May 6	June 11	July 12	August -	September 1	YTD Total 15 10
Multi-family FY 2007-08 FY 2008-09	October 1	November -	December	January 4	February 28	March	April	May -	June 5	July 1	August -	September	YTD Total
Utility Customers FY 2007-08 FY 2008-09	October 37,220 38,291	November 37,765 39,273	December 37,531	January 37,953	February 38,262	March 38,576	April 38,797	May 38,571	June 38,440	July 38,736	August 38,503	September 39,551	
Water & Sewer Tap Fees FY 2007-08 FY 2008-09	October 106,477 56,555	November 89,216 41,685	December 54,008	January 161,802	February 36,400	March 230,625	April 118,188	May 126,102	June 156,152	July 112,766	August 105,742	September 62,777	YTD Total 195,693 98,240
Hotel Occupancy Tax Revenues C FY 2007-08 10 FY 2008-09 11	venues October 105,535 116,326	November 131,084 104,226	December 118,094	January 108,143	February 194,296	March 140,054	April 181,674	May 175,686	June 170,541	July 181,489	August 135,830	September 209,934	YTD Total 236,619 220,552

