

CITY OF KILLEEN, TEXAS

2004-05 ANNUAL BUDGET
AND
PLAN OF MUNICIPAL SERVICES

MAYOR

Maureen J. Jouett

CITY COUNCIL

Timothy Hancock, Mayor Pro Tem

Dan Corban

Scott Cospers

Fred Latham

Eddie Vale

Ernest L. Wilkerson

Dick Young

CITY STAFF

David A. Blackburn, City Manager

Connie J. Green, CPA, ACM/Director of Finance

“The City Without Limits!”

CITY OF KILLEEN



MISSION

Dedicated Service—Everyday, For Everyone!

VISION

Team Killeen—World Class, Plus One!

VALUES

Dependability, Integrity, Professionalism, Dedication,
Leadership, Respect

Mayor and City Council



Left to right: Dan Corbin, Scott Cospser, Timothy Hancock, David Blackburn-City Manager, Maureen J. Jouett, Earnest L. Wilkerson, Dick Young, Fred Latham, and Eddie Vale.

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Term expires May 2006

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Term expires May 2006

Dick Young, Ward 2

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Term expires May 2005



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Killeen
Texas**

For the Fiscal Year Beginning

October 1, 2003

President

Executive Director

THE CITY OF KILLEEN RECEIVED THE GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA (GFOA) AWARD FOR THEIR ANNUAL BUDGET AND PLAN OF MUNICIPAL SERVICES FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2003. IN ORDER TO RECEIVE THIS AWARD, A GOVERNMENT UNIT MUST PUBLISH A BUDGET DOCUMENT THAT MEETS PROGRAM CRITERIA AS A COMMUNICATIONS DEVICE, POLICY DOCUMENT, OPERATIONS GUIDE, AND FINANCIAL PLAN.

THE DISTINGUISHED BUDGET PRESENTATION AWARD IS VALID FOR A PERIOD OF ONE YEAR ONLY. WE BELIEVE THE CURRENT BUDGET DOCUMENT CONFORMS TO THE GFOA BUDGET PROGRAM REQUIREMENTS, AND WE ARE SUBMITTING IT TO GFOA TO DETERMINE ITS ELIGIBILITY FOR ANOTHER AWARD.

TABLE OF CONTENTS

Ordinance for Adopting the Budget..... 1

Ordinance Setting the Tax Rate 4

Community Information

Community Information 7

Killeen at a Glance..... 9

City Manager’s Message

Letter of Transmittal 12

Budget Summary

City of Killeen Organizational Structure

Budget Summary Introduction..... 23

The Budget Process 23

Budget Policies 26

Budget Summary for all Funds 29

Combined Summary of Revenues and Expenditures..... 30

Object Class Matrix 31

Major Funds Operating Budget by Program Area 32

General Fund Revenue Analysis..... 33

Illustration: General Fund Balances 34

Illustration: Ad Valorem Taxes 35

Illustration: Sales and Occupancy Taxes 36

Illustration: Franchise Taxes..... 37

Operating Transfers 38

Indirect Cost Transfers..... 40

Illustration: Budget Transfers 40

General Fund Expenditures 41

Illustration: General Fund Expenditures by Object Class..... 42

Killeen-Fort Hood Regional Airport Fund Revenue Analysis..... 43

Illustration: Killeen-Fort Hood Regional Airport Expenditures by Object Class 44

Skylark Airfield Revenue Analysis	45
Illustration: Skylark Airfield Expenditures by Object Class.....	46
Killeen Municipal Golf Course Revenue Analysis	47
Illustration: Killeen Municipal Golf Course Expenditures by Object Class	48
Solid Waste Fund Revenue Analysis	49
Solid Waste Fund Expenditures.....	50
Illustration: Solid Waste Fund Expenditures by Object Class	51
Water and Sewer Fund Revenue Analysis	52
Water and Sewer Fund Expenditures.....	53
Illustration: Water and Sewer Fund Expenditures by Object Class	54
Drainage Utility Fund Revenue Analysis	55
Drainage Utility Fund Expenditures	56
Illustration: Drainage Utility Fund Expenditures by Object Class	57
Recap of New Programs and Services	58
Budget Calendar	60
<u>General Fund</u>	
Summary of Revenues, Expenditures, and Relative Fund Position.....	61
Illustration: General Fund Revenues by Source	62
Illustration: General Fund Expenditures by Function.....	63
General Fund Revenues	64
City Council.....	67
City Manager	69
Municipal Court.....	71
Code Enforcement	73
Animal Control	75
Public Information	77
Killeen Volunteer Services	79
City Attorney	81

City Secretary	83
Finance	85
Accounting.....	87
Purchasing	89
Building Services.....	91
Custodial Services	93
Printing Services.....	95
EMS Billing and Collection.....	97
Human Resources	99
Information Technology	101
Permits and Inspection.....	103
Library	105
Branch Library.....	107
Golf Course.....	142
Parks	109
Recreation.....	111
Athletics.....	113
Cemetery.....	115
Senior Center	117
Swimming Pools.....	119
Community Development.....	121
Home Program.....	123
Public Works	125
Engineering.....	127
Traffic	129
Street	131
Planning.....	133
Police Department	135
Fire Department.....	137

General Fund Non-Departmental

Avenue D Building-Municipal Annex..... 140

City Hall 140

Consolidated..... 140

Public Services 141

Street Lights 141

Information Technology 141

Bell County Communication Center..... 141

Aviation Fund

Killeen-Fort Hood Regional Airport Summary of Revenues, Expenditures, and Relative Fund Position..... 143

Illustration: Killeen-Fort Hood Regional Airport Revenues by Source..... 144

Illustration: Killeen-Fort Hood Regional Airport Expenditures by Object Class 145

Killeen-Fort Hood Regional Airport..... 146

Non-Departmental 148

Information Technology 148

Skylark Airfield Summary of Revenues, Expenditures, and Relative Fund Position..... 149

Illustration: Skylark Airfield Revenues by Source 150

Illustration: Skylark Airfield Expenditures by Object Class..... 151

Skylark Airfield 152

Non-Departmental 154

Killeen Municipal Golf Course Fund

Summary of Revenues, Expenditures, and Relative Fund Position..... 155

Illustration: Killeen Municipal Golf Course Revenues by Source..... 156

Illustration: Killeen Municipal Golf Course Expenditures by Function 157

Killeen Municipal Golf Course 158

Solid Waste Fund

Summary of Revenues, Expenditures, and Relative Fund Position..... 161

Illustration: Solid Waste Revenues by Source.....	162
Illustration: Solid Waste Expenditures by Function	163
Residential Services.....	164
Commercial Services	166
Recycling Center	168
Transfer Station	170
Code Enforcement	172
Other Appropriations	173
<u>Water and Sewer Fund</u>	
Summary of Revenues, Expenditures, and Relative Fund Position.....	175
Illustration: Water and Sewer Revenues by Source.....	176
Illustration: Water and Sewer Expenditures by Function	177
Fleet Services	178
Utility Collections.....	180
Water Distribution	182
Sanitary Sewer	184
Water and Sewer Operations	186
Other Appropriations	188
Information Technology	190
<u>Drainage Utility Fund</u>	
Summary of Revenues, Expenditures, and Relative Fund Position.....	191
Illustration: Drainage Utility Fund Revenues and Expenditures by Source	192
Illustration: Drainage Utility Fund Expenditures by Function.....	193
Engineering	194
Information Technology	196
<u>Debt Service Fund</u>	
Tax Information.....	197
Ad Valorem Tax Revenue Distribution.....	198

Illustration: Killeen Tax Base	199
Analysis of Tax Roll	200
Analysis of Property Valuations	201
Debt Service Summary	202
Total Debt Service Fund Revenues.....	203
Total Debt Service Fund Expenditures	204
Debt Service Requirements	
Total Debt Service.....	205
General Obligation Bonds	206
Golf Course Bonds	207
Water and Sewer Bonds	208
Solid Waste Bonds	209
Hotel Occupancy Tax	210
<u>Special Revenue Funds</u>	
Special Revenue Funds Summary	211
Cable System Peg Improvements	212
Community Development Block Grant Fund	213
Home Program	216
Hotel Occupancy Tax Fund	217
Law Enforcement Grant.....	218
Library Memorial Fund	219
Lion’s Club Park Fund.....	220
Parks Improvements Fund	221
Police Federal Seizure Fund	222
Police State Seizure Fund	223
<u>Capital Outlay</u>	
Summary	224
General Fund	226

Killeen-Fort Hood Regional Airport Fund	232
Skylark Airfield Fund.....	233
Solid Waste Fund	234
Water and Sewer Fund	235
Drainage Utility Fund.....	236
Other Funds	237
 <u>Capital Improvements</u>	
Capital Improvements Summary	238
Capital Improvements Projects Schedule	249
Capital Improvements Projects List.....	250
 General Obligation Bonds	
1991	252
1993	253
1995	254
2004	255
 Contractual Obligation Construction Fund	
Series 1996	256
Series 1999	257
Series 2001	258
Series 2002	259
Series 2003	260
Golf Course Contractual Obligation Construction Fund Series 2004.....	262
 Water and Sewer Bonds	
Series 1996	263
Series 1997	264
Series 1999	265
Series 2001	266
Series 2004	267

Solid Waste Bond	
Series 2004	268
Aviation Passenger Facility Charge Fund.....	269
Robert Gray Army Airfield.....	270
<u>Appendix</u>	
Appendix A	
City of Killeen Five Year Forecast	
Summary	271
General Fund	272
Killeen-Fort Hood Regional Airport Fund	273
Skylark Airfield Fund.....	274
Solid Waste Fund	275
Water and Sewer Fund	276
Appendix B	
Full Time and Regular Part-Time Employee Schedule	277
Appendix C	
City of Killeen Position Classification, Pay Plan and Schedule of Incentives	
Incentive Pay	279
Civil Service Pay Plan	283
City of Killeen Position Classification and Pay Plan	284
Appendix D	
City of Killeen Water, Sewer and Solid Waste Rates	
Water and Wastewater Rates	290
Solid Waste Rates.....	291
Appendix E	
Glossary.....	294

ORDINANCE 04-74

AN ORDINANCE APPROVING AND ADOPTING A BUDGET FOR OPERATING THE MUNICIPAL GOVERNMENT OF THE CITY OF KILLEEN FOR THE FISCAL YEAR BEGINNING ON OCTOBER 1, 2004 AND ENDING ON SEPTEMBER 30, 2005; APPROPRIATING MONEY FOR THE VARIOUS FUNDS AND PURPOSES OF SUCH BUDGET INCLUDING APPROPRIATIONS OF MONEY TO PAY INTEREST AND PRINCIPAL SINKING FUND REQUIREMENTS ON ALL INDEBTEDNESS; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; REPEALING ALL ORDINANCES AND APPROPRIATIONS IN CONFLICT WITH THE PROVISIONS OF THIS ORDINANCE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, a budget for operating the municipal government of the City of Killeen for the fiscal year October 1st, 2004, to September 30th, 2005, has been prepared by David A. Blackburn, City Manager, as Budget Officer for the City of Killeen, Texas; and

WHEREAS, said budget has been submitted to the City Council by the City Manager along with his budget message, in accordance with the City Charter; and

WHEREAS, public notice of a public hearing upon this budget has been duly and legally made as required by City Charter and law; and

WHEREAS, the public hearing has been had upon said budget and, after full and final consideration of proposed expenditures, revenues, financial condition, and comparative expenditures as presented, it is the consensus of opinion that the budget as considered and amended at said hearing should be approved and adopted; **NOW, THEREFORE**,

SECTION I. That the City Council of the City of Killeen ratifies, approves and adopts the budget as finally considered for the fiscal year of October 1st, 2004, to September 30th, 2005, a copy of which shall be filed with the office of the City Secretary and with the Bell County Clerk and which is incorporated herein for all intents and purposes.

SECTION II. That the appropriations for the 2004-2005 fiscal year for the different administrative units and purposes of the City of Killeen, Texas be fixed and determined for said fiscal year in accordance with the expenditures shown in said budget, and that the distribution and division of said appropriations be made in accordance with said budget including such amounts shown for providing for sinking funds for the payment of the principal and interest and the retirement of the bonded debt of the City of Killeen.

SECTION III. That pursuant to Section 76 of the City Charter, approval in this budget of items costing up to and including \$25,000 shall constitute the prior approval of said expenditures by City Council, and the City Manager or the Acting City Manager is authorized to advertise for bids for all contracts or purchases involving more than \$25,000 as provided by said Section without further authorization by the City Council.

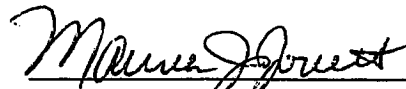
SECTION IV. That should any part, portion, or section of this ordinance be declared invalid or inoperative or void for any reason by a court of competent jurisdiction, such decision, opinion or judgment shall in no way affect the remaining portions, parts, or sections or parts of a section of this ordinance, which provisions shall be, remain and continue to be in full force and effect.

SECTION V. That all ordinances and appropriations for which provision has heretofore been made are hereby expressly repealed if in conflict with the provisions of this ordinance.

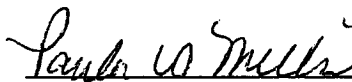
SECTION VI: That this ordinance shall take effect and be in full force and effect from and after its passage and approval according to law.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 24th day of August, 2004, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 *et seq.*

APPROVED


Maureen J. Joutet, MAYOR

ATTEST:


Paula A. Miller, CITY SECRETARY



APPROVED AS TO FORM


Kathryn H. Davis, CITY ATTORNEY

CITY SECRETARY DISTRIBUTION:
Director of Finance

ORDINANCE 04-75

AN ORDINANCE SETTING THE TAX RATE AND LEVYING A TAX UPON ALL PROPERTY SUBJECT TO TAXATION WITHIN THE CITY OF KILLEEN, TEXAS, FOR THE 2004 TAX YEAR FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF KILLEEN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2004 AND ENDING SEPTEMBER 30, 2005; APPORTIONING SAID LEVY AMONG THE VARIOUS FUNDS AND ITEMS FOR WHICH REVENUE MUST BE RAISED INCLUDING PROVIDING A SINKING FUND FOR THE RETIREMENT OF THE BONDED DEBT OF THE CITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Chief Appraiser of the Bell County Tax Appraisal District has prepared and certified the appraisal roll for the City of Killeen, Texas, said roll being that portion of the approved appraisal roll of the Bell County Tax Appraisal District which lists property taxable by the City of Killeen, Texas; and

WHEREAS, the Chief Appraiser of the Bell County Tax Appraisal District has performed the statutory calculations required by Section 26.04 of the Texas Property Tax Code, and has published the effective tax rate, the rollback tax rate, an explanation of how they were calculated, and has fulfilled all other requirements for publication as contained in Section 26.04(e) of the Texas Property Tax Code, in a manner designated to come to the attention of all residents of said City and has submitted said rates to the City Council of said City prior to the Regular City Council meeting of August 24, 2004; and

WHEREAS, the City Council has complied with all applicable requirements of the Texas Property Tax Code prior to the setting of the tax rate for said City for 2004; **NOW, THEREFORE,**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN:

SECTION I. That the tax rate of the City of Killeen, Texas for the tax year 2004 be, and is hereby, set at 69.50 cents on each one hundred dollars (\$100) of the taxable value of real and personal property not exempt from taxation by the constitution and laws of this state situated within the corporate limits of said City.

SECTION II. That there is hereby levied for the tax year 2004 upon all real and personal property not exempt from taxation by the constitution and laws of this state situated within the corporate limits of said City, and there shall be collected for the use and support of the municipal government of the City of Killeen, Texas, to provide a sinking fund for the retirement of the bonded debt of said City and to provide for permanent improvements in said City, said tax; and said tax, so levied and collected, shall be apportioned to the specific purposes hereinafter set forth; to-wit:

- A. For the payment of current expenses and to be deposited in the general fund (for the purposes of maintenance and operations) 52.18 cents on each one hundred dollars (\$100) of the taxable value of such property; and,
- B. To provide for sinking funds for the payment of the principal and interest and the retirement of the bonded debt, 17.32 cents on each one hundred dollars (\$100) of the taxable value of such property as follows:

2.76	per \$100 valuation-	to Interest and Sinking Fund Series	2004 GOB
1.16	per \$100 valuation-	to Interest and Sinking Fund Series	2003 C/O
.79	per \$100 valuation-	to Interest and Sinking Fund Series	2002
1.60	per \$100 valuation-	to Interest and Sinking Fund Series	2001 C/O
1.95	per \$100 valuation-	to Interest and Sinking Fund Series	2000
.65	per \$100 valuation-	to Interest and Sinking Fund Series	Refunding Bonds 1999
.65	per \$100 valuation-	to Interest and Sinking Fund Series	1999 C/O
1.23	per \$100 valuation-	to Interest and Sinking Fund Series	1996 C/O
3.78	per \$100 valuation-	to Interest and Sinking Fund Series	1995
1.39	per \$100 valuation-	to Interest and Sinking Fund Series	1993
1.36	per \$100 valuation-	to Interest and Sinking Fund Series	2004 C/O

SECTION IV. That the Director of Finance of said City shall keep accurate and complete records of all monies collected under this Ordinance and of the purposes for which same are expended.

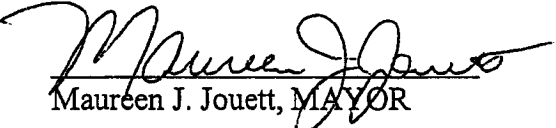
SECTION V. That monies collected pursuant to this Ordinance shall be expended as set forth in the City of Killeen 2004-2005 Annual Budget and Plan of Municipal Services.

SECTION VI. That all monies collected which are not specifically appropriated shall be deposited in the general fund.

SECTION VII. That this ordinance shall take effect and be in full force and effect from and after its passage and approval according to law.

PASSED AND APPROVED at a ^{special} ~~regular~~ meeting of the City Council of the City of Killeen, Texas, this 31st day of August, 2004, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 *et. seq.*

APPROVED


Maureen J. Jouett, MAYOR

ATTEST:


Paula A. Miller, CITY SECRETARY

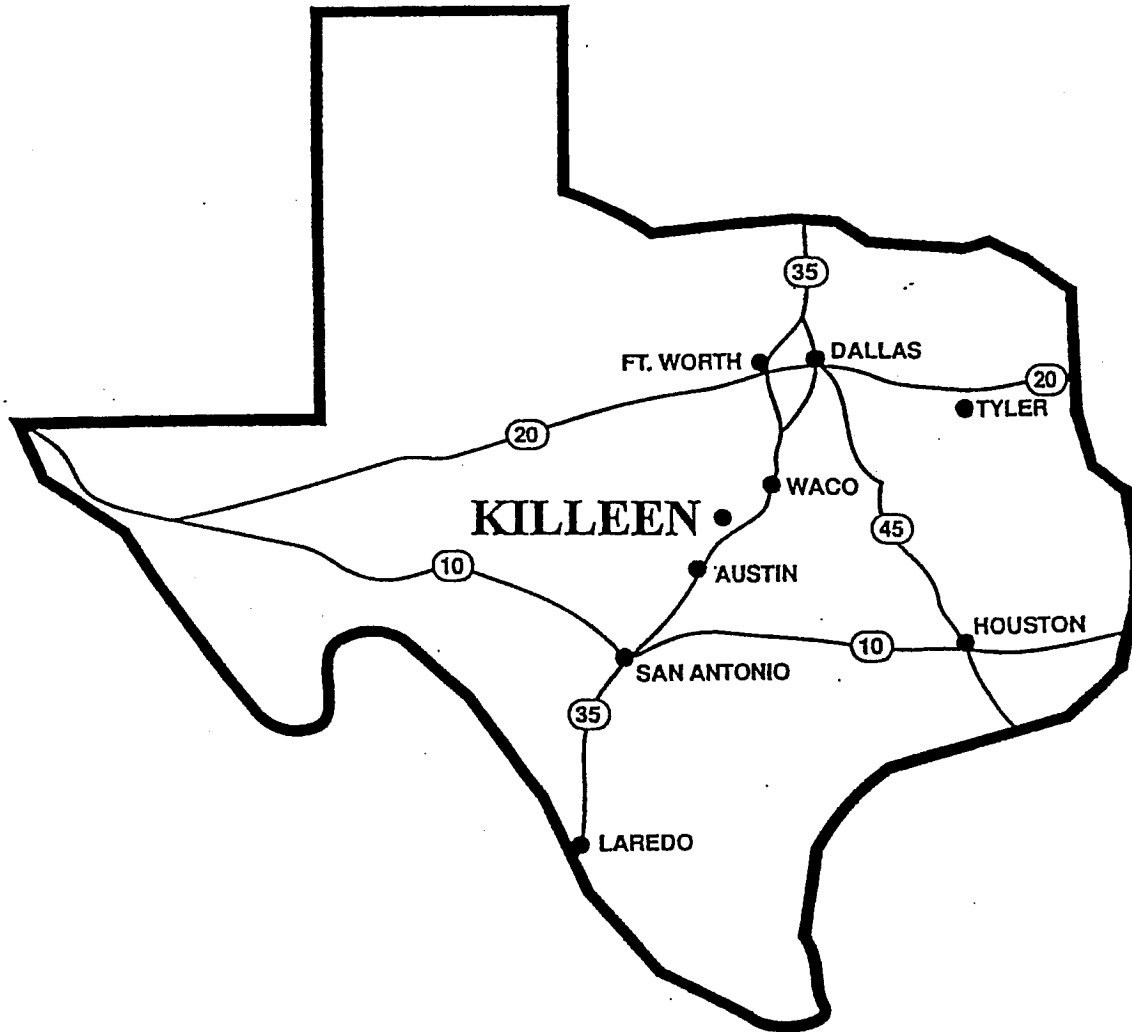


APPROVED AS TO FORM


Kathryn H. Davis, CITY ATTORNEY

CITY SECRETARY DISTRIBUTION:
Director of Finance

COMMUNITY INFORMATION



City of Killeen Community Information

The City of Killeen is a central Texas city located in Bell county U.S. Highway 190, a major U. S. Highway. Interstate 35 is only 17 miles to the east. Killeen is geographically on the main line of the Santa Fe Railroad and encompasses an area of 29.7 square miles. Major metropolitan areas are easily accessible - 60 miles to Waco, 75 miles to Austin, 150 miles to San Antonio, 162 miles to Dallas-Fort Worth, and 190 miles to Houston.

Killeen was founded in 1882 by the Santa Fe Railroad and named in honor of civil employee of the railroad, Frank P. Killeen. In 1884, the City had a population of 350 and consisted of a post office, a cotton gin, and two grain mills. The 1941 population of 1,265 rose to 7,100 in 1950, due primarily from the activation of Fort Hood, a military base on Killeen's northern border, which began functioning in 1942 and was designated a permanent military installation in 1950. By 1960, Killeen's population was over 21,000 and has grown steadily since then to a 2004 population of 103,210.

The City has a warm temperate climate with an average temperature of 69.7 degrees Fahrenheit. The warmest months are July and August with an average maximum temperature between 94 and 96 degrees Fahrenheit. The coolest temperatures, ranging from 37 to 38 degrees, occur in December and January.

Two basic services essential to any community are health care and education. Outstanding medical facilities are one of the key attractions of the area, and make Killeen a Regional Medical Center. Killeen is served by Metroplex Hospital, which provides 117 beds, an 11-bed intensive care unit, a nursery, a full-range pathological laboratory, a licensed pharmacy, full-service radiology and a 24-hour physician-staffed emergency room. The recent addition of a new Imaging X-ray Center equips Metroplex Hospital with some of the latest diagnostic capabilities in advance medicine today. Metroplex Pavilion is a mental and behavioral health care center located on the Metroplex Hospital Campus, and with 60 beds, it offers numerous treatment programs, and has separate patient area for children, adolescents, and adults. The Scott and White Killeen Clinic recently doubled in size and accommodates 10 Family Medicine physicians, 3 pediatricians, and 2 physicians assistants. They offer referral service to specialists in their 375-bed, regional hospital 25 miles away. The military community is served by the 265-bed Darnall Army Hospital and the satellite clinics.

High quality education from kindergarten through graduate school is available. The Killeen Independent School District is the largest school district between Dallas and Austin. The district has grown from an enrollment of 20,413 students in 1986-87 to an enrollment of over 32,500 in 2004-2005. KISD employs over 5,000 teachers and support personnel to serve the District's 44 campuses. KISD serves as the area's second largest employer. Students attend classes at twenty-eight elementary schools (K-5), eleven middle schools (6-8), four high schools (9-12), two alternative centers, one area vocational school, and one special education school. KISD is accredited by the Texas Education Agency. Central Texas College and Tarleton University System Center-Central Texas, that is located on a 550 acre campus adjacent to Killeen provide secondary and graduate educational opportunities. Within a one hour drive of Killeen, there are several major four-year universities including: 1) University of Texas - Austin, Texas, 2) Baylor University - Waco, Texas,

3) Southwestern University - Georgetown, Texas and 4) University of Mary Hardin Baylor - Belton, Texas.

The quality of life in Killeen is excellent. Killeen boasts a spacious, beautiful mall of about 700,000 square feet. Over 135 service clubs, associations, and organizations may be found within the community. The Killeen community has approximately 90 churches representing over 20 different religious denominations. There are several neighborhood bars and recreational centers. In addition, the community has two bowling alleys, six physical fitness centers, two skating rinks, and one auto race track. Golf enthusiasts can enjoy a challenging and beautiful 18-hole, 7,200-yard municipal golf course. Those who prefer water sports can engage in fishing, boating, water skiing, or sailing at either Belton Lake or Stillhouse Hollow Lake. Vive Les Arts Societe founded in 1976 develops and promotes cultural activities in Killeen, including an excellent theater group which is recognized as one of the most talented of its type in Texas. In 1991, Vive Les Arts opened a center featuring a 400-seat theater and a combination gallery-reception area.

The government operates under the council-manager form of government. Policy making and legislative authority are vested in the city council, which consists of a mayor and a seven-member council. The city council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the city manager. The city manager is responsible for carrying out the policies and ordinances of the city council, for overseeing the day-to-day operations of the government, and for appointing department heads.

The council is elected on an at-large basis. Council members are elected to two-year staggered terms with four council members elected every year. The mayor is elected to two-year terms. Four of the council members must reside in their respective ward, although voting for these seats is at-large. The mayor and three remaining council members are elected at large.

The City of Killeen currently enjoys a favorable economic environment and local indicators point to continued stability. The City's economy is primarily service-oriented, combined with Fort Hood. Fort Hood is the largest armored military installation in the nation. The post is located adjacent to the City of Killeen and covers an area of 340 square miles (217,337 acres). Established in 1942, Fort Hood is home to the III Mobile Armored Corps. Fort Hood is the only post in the United States capable of stationing and training two armored divisions. Fort Hood is the "Army's premier installation to train and deploy heavy forces." Fort Hood is the largest single location employer in the state of Texas. Currently there are 43,777 military personnel and 3,187 civilians working on the post. Fort Hood has a direct economic impact on the local area of \$1.8 billion (payroll, contracts, local purchases and school aid). It is estimated that the total economic impact of Fort Hood on the local area is \$3.6 billion dollars. With Fort Hood as the cornerstone, the Killeen economy has been the fastest growing segment of the I-35 Texas technology corridor.

KILLEEN AT A GLANCE

Form of Government

Council-Manager Plan established by charter. The Charter was adopted in March 1949.

The charter established a seven member council and a mayor. Three council members are elected at large and four are elected from wards for two year terms.

The mayor is a separately elected member of the Council. The City Manager is appointed by the City Council.

Fiscal year begins October 1st

Number of employees 2004-05 865

Major Services provided by the City of Killeen

- Airport Facilities
- Building and Housing Inspections
- Convention Facilities
- Fire and Emergency Medical Service
- Health Services
- Municipal Court System
- Neighborhood Improvement
- Police Protections
- Recreations, Parks, and Golf
- Sewer Maintenance
- Street Lighting
- Traffic Waste Collections
- Water Supply

Tax Structure

2004-05

Property Tax	2.7661
City of Killeen	.6950
Public Schools-KISD	1.5583
Bell County	.3315
CTC	.1470
Road	.0295
Clear Water	.0048

2005 Property Tax Valuations

Total Assessed Value	\$ 3,018,129,757
Exempt Value	<u>326,951,445</u>
Total Taxable Value	\$ 2,691,178,312

Ten Largest Taxpayers 2004

Assessed Value

Central Telephone Company	\$ 36,809,360
Oncor Electric Delivery Co	35,159,750
Texas Cable Partners LP	13,845,740
Sallie Mae Inc	12,513,749
GG&A Killeen Mall Partners LP	12,287,510
Feiga/Sierra Creek LP	9,544,275
Wal-Mart Stores #0407	9,207,310
Wal-Mart Real Estate Business	8,013,187
Secretary of Veterans Affairs	7,726,761
Arbors 2003 LP	<u>6,646,346</u>
	\$ 151,753,988

2003-04 Service Statistics

Airport:

Number of airports	2
Number of acres	289
Number of airlines	2
Passengers enplaning	108,638
Passengers deplaning	108,576

Fire Protection:

Number of stations	7
Fire apparatus	19
Number of hydrants	4,000
Number of firemen	128
Number of paramedic runs	7,969
EMS Units	9

Libraries:

Number of Libraries	2
Number of volumes	96,822
Circulation of volumes	298,965
Library cards in force	26,248

Parks and Recreation

Number of Parks	15
Playgrounds	22
Municipal golf course	1
Swimming Pools	2
Tennis courts	9
Recreation Centers	1
Basketball courts	5

Police Protection:

Number of Facilities	4
Number of Commissioned Police Officers	177
Number of Employees-other	54

Demographics**Area of City (in square miles):**

2000	35.24
2002	35.45
2003	35.50
2004	44.47

Population:

2000	84,488
2001	86,911
2002	91,000
2003	100,975
2004	103,210

Racial Composition:

White	48.84
Black	31.30
American Indian	.94
Asian Alone	3.81
Native Hawaiian	.82
Other	9.03
Mixed	5.26
Hispanic	17.4

Gender Composition:

Male	52.66
Female	47.34

Median Household Income: \$ 46,164**Number of Households:** 35,343**Median Age of Population:** 25.99**Unemployment Rates:**

Killeen	6.4
Texas	5.4
United States	5.4

Public Works:

Paved streets	381.40 mi.
Unpaved streets	1.0 mi.
Arterial streets (State)	30.10 mi.
Storm sewers	44,310 ft.
Lined drainage channels	150,000 ft.
Unlined drainage channels	185,000 ft.
Signalized intersections	83
Street Lights	3,066

Utilities**TXU Electric and Gas:**

Reliability	.999813
Total Capacity	22,340,000 KW
Reserve at System Peak	23.9%
Transmission Voltage	69KV 138KV 345KV
Service Voltage	120/208 120/240 240/480 277/480
BTU/Cubic Foot	1,050
Cost/1,000 CF:	
Winter	Summer
Nov-April	May-Oct
5.468 MCF-\$6.50	5.1168 MCF-\$4.50

Sprint/Centel-Texas:

Type of Central Office Digital
 Analog Electro Mechanical
 Make/Model: DMS 100/200
 Fiber Optics Available
 High Capacity Digital (T-1) Available
 Digital Date Service Available
 911 Available

City of Killeen Wastewater Systems:

Sanitary Sewer mains	387.00 mi.
Sewer connections	30,202
Sewer treatment plane is Activated Sludge	
	Plant 1 Plant 2
Max Capacity	15,000,000 6,000,000
Overload Capacity	27,778,000 14,583,000

City of Killeen Water System:

Average daily consumption	11,080,585 gpd
Rated daily capacity	29,500,000 gpd
Water mains	422.6 mi.
Water connections	31,575
Max system daily capacity	29,500,000 Killeen 80,500,000 WCID
Max daily use to date	21,117,000 Killeen 50,000,000 WCID
Pressure on mains	37-100 PSI Killeen 75-135 PSI WCID
Storage capacity	18,750,000 Killeen 20,000,000 WCID
Size of mains	6"-30" Killeen 18"-54" WCID

Major employers in Killeen Area:

Fort Hood	46,964
KISD	5,145
Central Texas College	1,100
Metroplex Hospital	935
City of Killeen	865
Killeen Mall	800
Walmart	700
Sallie Mae	627
Convergy's Corporation	300
M/A/R/C Group	350

Elevation: 700 feet above sea level

Average Temperature: 69.7
Monthly Avg High Temp 77.8
Monthly Avg Low Temp 56.4

Average Annual Rainfall: 34.2 inches/year

Average Annual Snowfall: .9 inches/year

Area Universities/Colleges (name and location)

- Central Texas College, Killeen
- Temple College, Temple
- Tarleton State University, Killeen
- University of Mary Hardin-Baylor, Belton
- University of Texas, Austin
- Baylor University, Waco

August 24, 2004

Honorable Maureen J. Jouett, Mayor, and Members of the City Council:

I am pleased to submit to you the Annual Budget and Plan of Municipal Services for the 2004-05 fiscal year, which begins October 1, 2004 and ends September 30, 2005. Five public forums were held to give citizens an opportunity to address issues of concern in the development of the budget. These meetings were beneficial as citizens voiced concern over a wide range of issues such as parks and recreational services, code enforcement, crime prevention, street maintenance, and other City services.

While several goals and priorities have been identified, I believe four overriding priorities have surfaced. These priorities are: 1) completing the efforts to bring the Joint Use of Robert Gray Army Airfield into operational status; 2) strengthening our code enforcement department resources in order to be proactive in enforcing existing city ordinances; 3) beginning the capital improvements program passed by the voters in the 2002 General Obligation Bond election; and 4) maintaining current programs, services, and the ad valorem property tax rate. I believe this Budget addresses each of these priorities.

This budget is submitted in accordance with the provisions of our City Charter which requires the City Manager to submit a proposed budget between forty-five and ninety days prior to the beginning of each fiscal year. I believe that this budget formulates a plan of municipal services which reflects the general directions and concerns of the City Council and the input from citizens concluding from the public forums and our strategic planning process.

STRATEGIC PLANNING BUDGET PRIORITIES

The Strategic Planning process resulted in the following key service outcomes and objectives for the City of Killeen.

Significant Area of Interest: Economic Development

Mission: To aggressively expand and enhance economic development for the City of Killeen

- Objectives:
- ED1.1 Increase opportunities for all levels of Killeen workforce by:
 - creating quality jobs for military spouses
 - attracting businesses that offer compensation in the \$60,000 to \$100,000 range
 - ED1.2 Creation of a stand-alone, upper level university
 - ED1.3 Keep building costs, for all economic levels, among the most affordable in the nation

- ED1.4 Enhance Killeen as a regional retail, entertainment, and dining experience
- ED1.5 Increase funding sources for economic development efforts
- ED1.6 Maximize utilization of Ft.Hood as our prime economic engine
- ED1.7 Increase tourism
- ED1.8 Retain, support and expand current businesses
- ED1.9 Bring intercollegiate athletics to Killeen

Significant Area of Interest: Physical Appearance

Mission: Creation of an environment which fosters community pride and appeals to visitors

- Objectives:
- PA1.1 Create a safe, clean living environment
 - PA1.2 Create great curb appeal
 - PA1.3 Create favorable 1st impression for visitors
 - PA1.4 Reflect our diversity and patriotism

Significant Area of Interest: Services

Mission: To provide services to ensure the Killeen continues to progress and develop as the regional leader of Central Texas

- Objectives:
- S1.1 Develop infrastructure proactively thru comprehensive master planning efforts
 - S1.2 Improve public safety by:
 - reducing crimes against people
 - studying and establishing public safety staffing level goals
 - assessing the cost of service for public safety
 - S1.3 Improve the delivery of all city services by:
 - assessing their effectiveness and efficiency
 - enhancing customer service
 - S1.4 Improve communications between the city and it's citizens by:
 - creating a 360 degree approach
 - increasing public relations and marketing efforts

Significant Area of Interest: Quality of Life

Mission: Enhance and expand the quality of life for all citizens of Killeen.

- Objectives:
- QL1.1 Continue to develop a master plan for expansion of quality of life facilities and programs
 - QL1.2 Continue to develop master plan that moves people and goods to places and services
 - QL1.3 Develop a beautification master plan
 - QL1.4 Seek grants for all programs and services
 - QL1.5 Develop a master plan to facilitate education at all levels
 - QL1.6 Seek to be in the top 25% of cities across the nation in quality of life ratings

OPERATING BUDGET

The adopted expenditure budget for the City's major operating funds is \$83,671,498. Total expenditures for all funds in our FY 2004-05 budget are anticipated to be \$137,820,889. The budget also includes the first full year of operations of the new Killeen-Fort Hood Regional Airport located at Robert Gray Army Airfield. The budget also includes several new programs and services, which have been included in the budget to address priority issues. The following is a brief summary of the budget by major operating funds.

General Fund

The recommended General Fund expenditure budget is \$43,295,515. Revenues are budgeted at \$41,492,290. The expenditure budget represents a 4.7% increase over the FY 2003-04 expenditure budget of \$41,349,596. The increase in expenditures is due to fully funding several new programs and services added as a result of the City Council's mid-year review of the FY 2003-04 budget, and the addition of several new programs and services for the FY 2004-05 budget. The following New programs were added by the City Council during the FY 2003-04 mid-year budget review:

- 3 Police Officer positions, 6 Police department Public Service Officers, 1 Police department Technology Technician, and 1 Police department Evidence Technical position - \$381,120. {Objective S1.2}
- 3 Fire and Rescue Officer positions - \$120,915. {Objective S1.2}
- 2 Code Enforcement Officer positions and 1 Code Enforcement Clerk position - \$141,822. {Objective PA 1.1}
- 1 Senior Planner Position - \$55,446 {Objective S1.3}
- New Telephone System (1st year cost) - \$357,446. {Objective S1.3}

In addition to the new program and services added by Council at mid-year, the budget proposes the following significant new programs and services for FY 2004-05:

- Nolan Trail Hike and Bike Grant Match - \$460,318. {Objective QL 1.1}
- 6 Police Officer positions (mid-year) - \$417,591. {Objective S1.2}
- 6 Fire and Rescue Officer positions (mid-year) - \$125,500. {Objective S1.2}
- New Incentive pay for Paramedics - \$164,250. {Objective S1.2}
- Fire Fighters Retirement Fund Matching Contribution (1%) - \$50,000. {Objective S1.2}
- Code Enforcement Abatement additional funding - \$40,000. In addition to this funding from the general fund, \$259,400 in Community Development Block Grant funds have been approved for 2 new code enforcement officer positions and demolition of twenty dangerous and unsafe building structures. {Objective PA 1.1}
- Fleet Replacements and Additions - \$1,452,190. {Objective S1.3}
- 1 Grant Administrator position - \$49,412. {Objective QL 1.4}
- 1 Custodian for the Bob Gilmore Senior Citizens Center - \$24,254. {Objective S1.3}
- 1 Plans Examiner position - \$61,885. {Objective S1.3}
- Various other New Program and Services Requests - \$361,619. {Objective S1.3}
- Increase funding for Economic Development \$190,416 (partially funded in the Water and Sewer fund.) {Objective ED1.5}

These programs are itemized in the Summary of New Program and Service Requests, which follow the City Manager's Message. The budget has been developed using an ad valorem tax rate of .6950 cents per \$100 of taxable assessed valuation. The .6950 cent tax rate is slightly lower than the previous years tax rate, and includes provisions to increase the debt service tax rate to begin implementation of the general obligation capital improvement program passed by the voters in the bond election of Year 2002.

The development of the General Fund budget was influenced by the economic assumptions affecting the major revenue sources of property tax and sales tax revenues. The certified tax roll from the Tax Appraisal District of Bell County indicates a taxable assessed valuation of \$2,690,294,155. This valuation represents an increase of \$153,850,585 (6.1%) over the prior year's taxable valuation of \$2,536,443,570. The tax roll reflects a total of \$110,862,368 in new improvements added to the tax roll. The increase in new improvements added to the tax roll will generate an additional \$736,206 in new property tax revenues assuming a tax rate of .6950 cents per \$100 of taxable property valuation. The effective tax rate, which is the tax rate that will generate the same amount of ad valorem tax revenue as the prior year, excluding new property additions is .6958 cents per \$100 of taxable property valuation. Sales tax revenues are budgeted as \$15,080,000. This represents an increase of 3% over the actual revenues for FY 2003-04 and reflects a conservative growth projection based upon recent economic data. I am hopeful that we will exceed this projection. The base-operating budget for each department was capped at the previous years spending level less capital outlay expenditures. The budget cap included amounts budgeted for employee performance raises; however, the budget does not include any funding for a cost-of-living raise for city employees. Council agreed to review the employee compensation plans during the first quarter of FY 2004-05 after staff's completion of a limited market survey of compensation and benefits. This amount will continue to fund the same level of basic services and operations as in FY 2003-04.

A final word on the General Fund. As I indicated in last year's message, we have been able to balance our General Fund budget thru a combination of spending less than projected and receiving more revenue than projected. I went on to state that:

“...this approach can work well when the economy is robust. However, when the economy is less than robust, or when we spend what is projected, a projected draw down on the Fund balance becomes more of reality. In the long term, this approach will not work.”

I also indicated, that ‘over the next few years we must either: 1) create a more stable revenue stream or 2) adjust expenditures.’ Our work on the 5 Year Financial Plan has indicated that the solution isn’t necessarily an ‘either/or’; but, rather a combination of a more stable, growing revenue stream and an adjustment of expenditures. The 5 Year Plan will take the approach that this combination of an increasing, more stable revenue stream and an adjustment of expenditures will be the formula for eliminating the projected budgeted fund balance reduction.

In preparing this budget the projected budgeted fund balance reduction has been reduced from the amount in the previous year’s budget by \$1.2 million. This represents approximately a 40% reduction in the projected budgeted fund balance reduction from the previous year projection. In conjunction with our 5 Year Financial Plan, the goal will be to eliminate the deficit between projected budgeted revenues and projected budgeted expenditures in the general fund over the next 5 years. This goal will be accomplished thru a combination of balancing revenue and expenditure projections based upon actual year-to-year experiences.

Water and Sewer Operating Fund

The City of Killeen provides water and sanitary sewer services to approximately 30,000 residential and commercial customers. The water system has approximately 316 miles of water mains serving the city with seven elevated storage tanks and four ground storage tanks. Total overall storage capacity is 19.65 million gallons. The city’s distribution system has the capacity to deliver 29.5 million gallons daily. Current peak demand is about 19.26 mgd, average daily usage is 12.69 mgd. The sewer system’s treatment plant capacity is 15 mgd, average daily flow is currently 12 mgd.

The City is currently in the planning stages with Bell County Water Control and Improvement District # 1 regarding the construction of a second sewer treatment plant. The construction of the new plant, and required capital improvements to the existing plant is estimated to cost \$34.5 million. In addition to the construction of the new sewer treatment plant, the District is also replacing a major water line with an estimated cost to the City of \$5.3 million. The construction of the new sewer treatment plant, existing plant renovations, and replacement of the major water line will have a significant impact on our customer rates for water and sewer services. The City will also have to implement several capital improvement programs necessary to provide the infrastructure to make the new sewer treatment plant operational. These projects will result in the City issuance of \$21 million in water and sewer revenue bonds to be repaid from the revenues of the system. Based on an engineering study and five-year financial forecast presented to the City Council, rates will increase an average of 11-26% depending on customer type and usage. In addition to the increase in rates, the City will use \$2 million in reserve funding in each of the next three fiscal years, and \$1 million in reserves in the forth succeeding fiscal year to level out the increase in rates due to the construction of the new sewer treatment plant and other capital improvement projects.

The budget for the Water and Sewer Operating Fund expenditures is \$25,143,041. This budget reflects a 17% increase over the FY 2003-04 expenditure budget of \$21,440,007. The total new

programs and services included in this budget are \$329,675. These include a new sewer jetting machine truck (\$122,915), new and replacement fleet additions (\$140,510), replacement of the fuel island dispenser at the city maintenance shop (\$33,000), a utility bill perforating machine (\$6,000) and funding a portion of the salary of a new Assistant City Attorney position (\$27,250). All these new programs and services related to strategic plan Objective S1.3.

As recommended in the Five Year Water & Sewer Rate Study, the Budget recommends a 11-26% increase in the average residential water and sewer bill in order to meet the obligations being assumed in the capital improvement program and operating budgets. Commercial rate increases are at a similar level.

Solid Waste Fund

The City provides solid waste pickup and disposal services to 28,000 residential and commercial customers. Killeen pays by the ton for all solid waste hauled to a distant landfill. The Solid Waste Master Plan adopted a strategy to reduce waste, increase voluntary recycling, and improve collection efficiency by implementing a fully automated residential collection system and implementing a "Pay as You Throw" program using different size containers. The City also provides weekly pickup of segregated brush and weekly pickup of special collection material such as appliances, furniture, and mattresses.

Citizens may also arrange to have "Non-Collection Material", such as construction debris picked up at their residence for an additional fee. The City operates a voluntary subscription recycling program. Recycling operations are conducted at the Killeen Recycling Center and various citizen drop-off points. Progress continues in implementing the residential curbside recycling program on a voluntary subscription basis. Currently the program is nearing its initial goal of 2,000 subscribers and a 10% reduction in the waste stream. The Transfer Station serves as the central collection and transfer point for the City's solid waste. Waste is loaded onto trailers and then transported by a contractor to a landfill in Austin, TX. Last fiscal year, over 86,000 tons of solid waste was transported to the landfill. The Transfer Station has reached capacity and the Solid Waste Master Plan recommends construction of a new facility beginning in FY 2004-05. Funding for the new transfer station facility, the new administrative office facility and the expansion of Killeen Recycling facilities are included in the adopted budget.

The budget for the Solid Waste Operating Fund expenditures is \$10,470,048. The budget reflects a increase of 7.3% in expenses from the FY 2003-04 budget. The increase in the budget reflects several new programs and services that have been included in the budget. New Programs and Services that have been included in the budget total \$1,835,546. Recommended new programs and services include new and replacement fleet additions (\$1,006,020), transfer station engineering services (\$40,000), and debt service for the new transfer station and administration building (\$762,276) and funding a portion of the salary of a new Assistant City Attorney position (\$27,250). All these new programs and services request relate to strategic plan Objective S1.3.

Revenues for the Solid Waste Fund are budgeted at \$10,057,551, an increase of 2% over the FY 2003-04 budgeted revenues. The adopted Budget does not recommend a increase in the residential solid waste rates; however, commercial dumpster rates will increase 3-4% according to the adopted rate study. During FY 03-04 Transfer station revenues were budgeted to generate approximately \$400,000 annually according to the adopted Solid Waste rate study. Actual

transfer station revenues have not met the expected levels. Accordingly, FY 04-05 budgeted revenues from the transfer station have been lowered to \$170,000 to compensate for the lower than expected revenues from the transfer station.

Drainage Utility Fund

The FY 2001-02 budget established the Drainage Utility Fund. The establishment of this fund was required by federally unfunded mandates of the Environmental Protection Agency (EPA) National Pollutant Discharge Elimination System (NPDES) Phase II regulations.

The Phase II Rule defines a small storm water management program as a program comprising six elements that, when implemented in concert, are expected to result in significant reductions of discharged pollutants. These six program elements, termed "Minimum Control Measures," are: 1) Public Education and Outreach. This element consists of distributing educational materials and performing outreach to inform citizens about the impacts polluted storm water runoff discharges can have on water quality; 2) Public Participation and Involvement. This element provides opportunities for citizens to participate in program development and implementation, including effectively publicizing public hearings and encouraging citizen representatives on a storm water management panel; 3) Illicit Discharge Detection and Elimination. This element involves developing and implementing a plan to detect and eliminate illicit discharges to the storm sewer system, including developing a system map and informing the community about hazards associated with illegal discharges and improper disposal of waste; 4) Construction Site Runoff Control. This element involves developing, implementing, and enforcing an erosion and sediment control program for construction activities that disturb one or more acres of land. Controls could include silt fences and temporary storm water detention ponds; 5) Post-Construction Runoff Control. This element involves developing, implementing, and enforcing a program to address discharges of post-construction storm water runoff from new development and redevelopment areas. Applicable controls could include preventative actions such as protecting sensitive areas or use of structural best management practices such as grassed swales or porous pavement; 6) Pollution Prevention and Good Housekeeping. This element involves developing and implementing a program with the goal of preventing or reducing pollutant runoff from municipal operations. The program must include municipal staff training on pollution prevention measures and techniques such as regular street sweeping, reduction in the use of pesticides and frequent drainage catch basin cleaning.

The City of Killeen has engaged Carter & Burgess, Inc., to assist the City with the development of its NPDES Phase II storm water program. These services include the development of a 5-year program to meet the (EPA) mandated six minimum control measures to improve storm water quality, the preparation of a Notice of Intent (NOI) for permit coverage, a rate study and the development of key early program implementation tasks. In Texas, the Phase II regulatory program will be implemented and administered by the Texas Commission on Environmental Quality (TCEQ).

To date, Carter & Burgess have completed the following NPDES Phase II program development activities:

- Review of baseline program information provided by the City;
- Interviews with City staff representatives from most City departments;
- Monitoring of TNRCC and EPA rules development;

- Mapping of the City's storm water drainage system;
- Review of local and regional water quality data;
- Public information and input meetings;
- Field reviews of City owned facilities; and
- Data gathering regarding the city's storm water user fee.

In addition, this past fiscal year saw approximately \$55,000 invested in several minor drainage capital improvements across the City.

Carter & Burgess has issued a report that provides an initial assessment of the City's storm water program, assesses local conditions, and outlines recommendations for meeting the NPDES Phase II regulatory program. This report will be used as a planning tool for program and budget development. In addition to developing the six minimum control measures program, Carter & Burgess will assist the City with revenue analysis and development of a rate model to support the City's program goals.

The budget for the Drainage Utility Fund expenditures is \$734,602. The budget reflects \$415,000 {Objective S1.1} budgeted for several additional minor drainage improvement projects during the fiscal year. Staff, working in conjunction with the engineering firm Carter and Burgess, Inc., will present to City Council a Drainage Master Plan, which will incorporate a plan for major drainage improvements and the means to finance them.

Aviation Fund

The Aviation Budget reflects a full year of operating Killeen Municipal Airport (Skylark Field) and a full year of operations at Killeen-Fort Hood Regional Airport (the Joint Use Facility at Robert Gray Army Airfield). This is the first year that full operating and maintenance expenses have been developed for both airports.

The budget includes significant increases in departmental expenses from previous years. The additional funds are needed to operate and maintain the new larger more complex terminal, two fueling operations, additional taxiways, runways, buildings and lighting, a new glycol collection facility, passenger boarding bridges, perform additional grounds maintenance and to hire additional personnel. The cost of operating split facilities approximately 10 miles apart is also a contributing factor.

As anticipated, the provisions in the Joint Use Agreement with the Army have had an influence on this budget. For example, the City of Killeen is responsible for mowing approximately 345 acres at Gray Army Airfield in addition to performing runway, taxiway and lighting maintenance at the joint use facility.

The budget for Skylark Field Operating Fund is \$707,593. The budget for the Killeen-Fort Hood Regional Airport is \$2,211,672. The total operating expenditures budget for both aviation facilities is \$2,919,265, exclusive of the capital construction cost of the new airport.

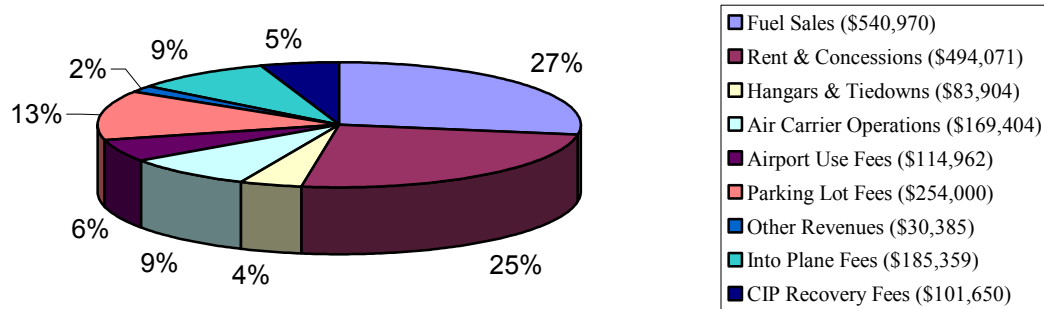
Several new programs and services totaling \$345,802 have been included in the Killeen-Fort Hood Regional Airport fund budget {Objective S1.3}. These new programs include personnel, equipment and operations costs associated with the opening of the new airport. These new

AVIATION OPERATING REVENUES

FY 2004-05

by Source

Total Revenues \$1,974,705



Killeen Municipal Golf Course – Enterprise Fund

In accordance with Council directives, the municipal golf activities will be accounted for as an enterprise fund activity. Accounting principles define an enterprise fund activity as, “ a fund used to account for operations that are financed and operated in a manner similar to private business enterprises whereby the intent of the government’s council is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges”. Currently, the City accounts for water and sewer services, aviation services, solid waste services and drainage utility services as enterprise fund activities. The adopted budget for the Killeen Municipal Golf Course has been prepared as an enterprise activity. To the extent possible, fees for golf activities have been adjusted based upon an area market survey to support the cost of operating the municipal golf course. This includes the cost of the capital improvements program recently approved by Council for the golf course.

The total budget for the golf course is \$1.1 million. This is an increase of 22.7% over the previous year’s budget, and reflects the increased cost associated with the clubhouse and golf course renovation projects. During FY 2003-04, Council authorized funding for renovating the new clubhouse, renovating several holes on the golf course, providing new cart sheds, pro shop, driving range, and short game facilities. These projects have been funded by certificates of obligation to be repaid from revenues of the municipal golf course. Charges for certain golf activities are recommended to increase based upon a market survey and the need to recover the cost of the activities. It is recommended that the fee increases not be implemented until the golf course reopens as a 18-hole facility, currently expected to be in early fall, 2004.

Expenditures for the golf course are budgeted at the level of expected revenues. If the level of revenues expected does not materialize, Council may have to consider reducing expenditures, increasing revenues, raising rates or some combination of the above to keep the fund balanced.

Expenditures for the golf course are budgeted at the level of expected revenues. If the level of revenues expected does not materialize, Council may have to consider reducing expenditures, increasing revenues, raising rates or some combination of the above to keep the fund balanced. New programs and services budgeted for the golf course include a greenskeeper position and the debt service related to the certificates of obligation issued to finance the capital improvements. {Objective S1.3}

Capital Improvement Program

The adopted budget includes the issuance of Phase I of the capital improvement program passed by the voters in 2002. Phase I will include the issuance of \$16 million in general obligation bonds, \$10 million for streets, and \$2 million each for police, fire and community services. The funds for the streets bond issue will be utilized on several major street improvement programs outline in the bond proposal {Objective S1.1}. The funding for the police department will be used for a feasibility study and preliminary engineering plans and land acquisition for the new police headquarters building. The funding for the fire department will be used for land acquisition, station renovations and plans for the location of the new fire stations to be build from future bond funding {Objective S1.3}. The funding for the community services department will be used for construction of three neighborhood parks and three skateboard parks, construction of restroom facilities at Lions Club Park and lighting of the soccer fields at Lions Club Park {Objective QL1.1}. Remaining funds of the community services bond issue will be used for the planning and engineering services for the new senior and recreation center complex at Lions Club Park {Objective QL1.1}.

The current planning models call for the issuance of the bonds in several phases over the next several budget years. Subsequent phases for the issuance of the remaining 2002 General Obligation bond monies will be in accordance with Council approved multi-year plans and subject to available funding.

Conclusion

The budget does not fund all the requests made by City Staff. Department Heads submitted a total of \$18,365,247 in critical new programs and services requests. Only \$7,143,403 of these new programs and services requests has been included in the budget. While these departmental proposals may be justified, funding is unavailable. Revenues budgeted in the City's major operating funds grew from \$71,118,640 to \$79,419,267 (excluding RGAAF construction) a 11.67% rate of growth. The budgeted expenditures in the City's major funds grew from \$73,955,531 to \$83,671,498 (excluding RGAAF construction), an increase of 13.1%. The ending fund balance for the major operating funds is \$32,083,419, which is in compliance with the City's adopted policy for minimum levels of fund balances and reserves. The City of Killeen continues to be in sound financial condition.

Acknowledgements

The Annual Budget and Plan of Municipal Services for the 2004-05 fiscal year, was submitted for review by the City Council, in accordance with the Charter of the City of Killeen. Pursuant to the city Charter the City Council reviewed and amended this budget. Public hearings were held on the changes made to the preliminary budget. The City Council adopted the budget for FY 2004-05 on August 24, 2004.

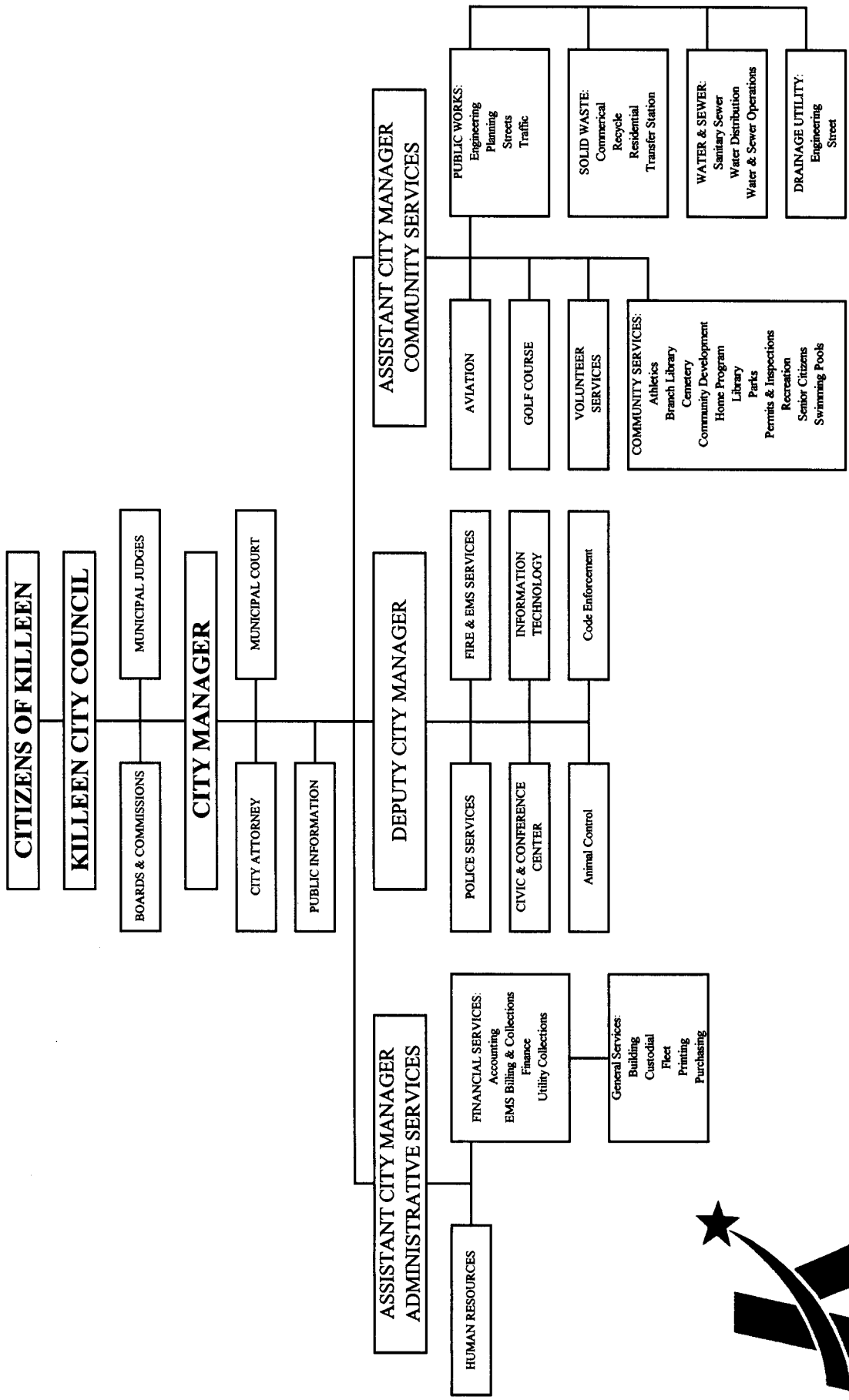
On behalf of the staff, I would like to thank the elected officials for providing the leadership, policy and direction in formulating this budget. Special thanks and appreciation are extended to all employees who worked very hard to prepare this budget. I look forward to the successful implementation of this Annual Budget and Plan of Municipal Services for FY 2004-05.

Respectfully submitted,



David A. Blackburn
City Manager

CITY OF KILLEEN ORGANIZATIONAL STRUCTURE



"The City Without Limits"

BUDGET SUMMARY

INTRODUCTION

The City of Killeen Annual Budget and Plan of Municipal services is designed to function effectively as a policy document, financial plan and operations guide. In addition, the document must serve as an effective communication device for the citizens of Killeen and other interested parties. Numerous hours of staff time are devoted to this function.

The Annual Budget and Plan of Municipal Services is presented in fourteen sections. The Community Information tab is designed to enhance the budget as a communication document. The section is a compilation of articles which have appeared in our Citizens Newsletter. The City Manager's Message highlights the City Council's goals and priorities for the fiscal year. The message also states the City's long-range plans and short-term plans for the budget year. The Budget Summary provides the reader with a broad overview of the budget process and a summary of the 2004-05 Annual Budget and Plan of Municipal Services. Departmental operating budgets are provided for in the City's seven major operating funds. These operating budgets provide information on the departmental mission statement, organizational structure, operating budget and number of full-time personnel. They also highlight departmental accomplishments, issues/services and goals, objectives and strategies. The reader will find that this effectively communicates the plan of municipal services from a departmental perspective. A section is provided for debt service funds and a section is also provided for special revenue funds.

The Capital Outlay section details expenditures for capital outlay items for fixed assets such as equipment, furniture and fixtures and automobiles. The Capital Improvements Program section details expenditures for capital improvement projects. Finally, the Appendix Section provides several different appendices including one for a five year forecast. In addition, the appendix provides sections for a glossary, statistics about the city, a full time employee schedule, the city's position classification and pay plan, and a schedule of incentives available to employees.

THE BUDGETING PROCESS

A Budget is a plan for utilizing the City's available funds during a fiscal year to accomplish established goals and objectives. The budget also serves to:

1. Provide the public with an understandable financial plan which plainly describes activities that will be undertaken during the next fiscal year.
2. Establish priorities among City programs.
3. Define the financial framework that will be used to periodically check the status of City operations.
4. Determine the level of taxation necessary to finance City programs.

LEGAL REQUIREMENTS

The budgeting process in every Texas city, regardless of size, must comply with the requirements of the Texas Uniform Budget Law. Under the statute:

1. The City Council must adopt an annual budget and conduct the financial affairs of the City in strict conformance with the adopted budget.
2. The budget for each fiscal year must be adopted prior to the first day of such fiscal year.
3. The budget must include a list of all expenditures proposed to be made during the next fiscal year, and show item-by-item comparisons with expenditures for the same purposes for the current fiscal year.

4. The budget must show a complete financial statement for the City, including all debts and other outstanding financial obligations; the estimated amount of cash or other balances that will be left in each fund at the end of the current fiscal year; and projected revenues for the next fiscal year.
5. Each project or activity the City proposes to fund during the next fiscal year must be shown in the budget as definitely as possible, with an indication of the estimated amount of money needed for each item.
6. The City Manager must prepare a proposed budget for the consideration of the City Council.
7. Copies of the proposed budget compiled by the City Manager must be filed with the City Secretary and made available for public inspection. The proposed budget must be filed between 45 and 90 days prior to the beginning of the next fiscal year.
8. At the meeting of the Council at which the budget is submitted, the Council shall fix the time and place of a public hearing on the budget and shall cause to be published a notice of the hearing setting forth the time and place thereof at least five days before the date of hearing.
9. Following the public hearing, the budget proposed by the City Manager can be changed by the City Council.
10. Upon adoption of the final budget by majority vote of the Council, copies must be filed with the County Clerk and City Secretary and made available for public inspection.
11. Once the budget is adopted, the City Manager shall authorize no expenditure over the total funds for expenditure in the overall budget unless the budget is amended by the same public notice procedure called for in adopting a budget.

BASIS OF ACCOUNTING

Both the AICPA Audit Guide (Audits of State and Local Governmental Units) and NCGA-1 conclude that governmental revenues and expenditures are recorded on the modified accrual basis. The modified accrual basis is a mixture of both cash and accrual basis concepts. Revenues, including funds received from other governmental units and the issuance of debt, should be recorded when they are *susceptible to accrual*. In order for revenue to be considered susceptible to accrual, it must be both measurable and available to finance current expenditures of the fund. Revenue is considered available when it is collectible during the current period, and the actual collection will occur either (1) during the current period or (2) after the end of the period but in time to pay current year-end liabilities. Generally, property taxes, grants, and inter-fund transfers are accounted for on a modified accrual basis, while income taxes, gross receipts taxes, and sales taxes are recorded on a cash basis. These are generalizations, and the basis of accounting for a specific revenue is subject to the measurable and available criteria interpreted in the context of each fund.

Expenditures, for the most part, are recorded on an accrual basis because they are measurable when they are incurred. Expenditures include salaries, wages, and other operating expenditures, payments for supplies, transfers to other funds, capital outlays for fixed assets, and payments for the service of debt. However, expenditures for interest on long-term debt is not accrued, but recorded when due. Although most expenditures are recorded on an accrual basis (timing emphasis), as described below, the measurement focus of a governmental fund significantly affects what items are to be considered expenditures in the governmental fund. Thus, expenditures for a governmental fund cannot be equated to expenses of a business enterprise.

BUDGET BASIS

Budgets for the General Fund, Special Revenue Funds, and Enterprise Funds are adopted on a basis specified by the Charter of the City of Killeen. For these funds this basis is consistent with the modified accrual basis of accounting, except that encumbrances are charged as expenditures. This budgetary basis is not in conformance with generally accepted accounting principles because of the treatment of encumbrances, depreciation on capital assets, and accounting for compensated absences. The budgetary basis is in compliance with the charter requirements. Capital Project Funds use project-oriented budgeting on a cash basis. Specific appropriations for each project are approved by the City Council

and this project budget remains in effect (unless amended) until the project is completed regardless of fiscal year ends. For purposes of the annual operating budget, the unencumbered budget amount remaining on the project authorization is shown as the current period's budget amount.

FUNDS

A "fund" is an accounting device used to classify City activities for management purposes. A fund can be thought of as a bank account into which revenues are deposited and from which expenditures are made for a specific purpose. Funds are generally classified in the following manner:

1. The General Fund is used to account for all financial resources not covered under another fund, such as those for general administration, recreation, libraries, police services, fire services, etc. Its revenues are generally unrestricted which means they may be used for any approved governmental purpose.
2. Enterprise Funds are most commonly used to account for utility system revenues and expenditures. Depending on the number and types of city-owned utilities, the accounting system would include a Water Fund, Sewer Fund, Gas Fund and so on.
3. Internal Service Funds are used to track goods and services provided by one department to others in the organization.
4. Debt Service Funds are used to account for funds set aside to pay the principal and interest due on tax bonds, revenue bonds, certificates of obligation and other long-term debts.
5. Capital Project Funds are used to account for revenues (most of which probably are derived from bond proceeds) and expenditures relative to the acquisition or construction of major capital facilities.
6. Special Revenue Funds are used to account for revenues that are earmarked for specific purposes, for example, hotel-motel tax receipts.
7. Special Assessment Funds are used to account for revenues and expenditures relative to street improvements and other projects financed by means of special assessments against properties that will benefit from the improvements.
8. Trust and Agency Funds are used to account for collections and disbursement earmarked for employee pensions and other restricted purposes.

SOURCES OF REVENUE

The revenue structure of the budget follows the revenue structure of the City as defined in the accounting system. Major revenue classifications include taxes (property, sales, franchise and other), fees, investments, grants, and utility charges of various types of services. The budgeting assumptions used to develop the major revenue projections are as follows:

Property Taxes - Revenues from ad valorem property taxes was determined using the Certified Tax Roll and assuming a one cent increase in the property tax rate. Based on prior year's collection patterns, a collection ratio of 98% was used. Property tax revenues are a very dependable source of revenue, annual collections historically exceed 95% of the amount budgeted for current collections.

Sales Tax Revenues - Sales tax revenues represent the largest single source of revenue in the general fund. The City relies on historical trend data and management information from the State Comptroller to project sales tax revenues for the budget. The City sales tax rate is 1.5% of taxable purchases. These taxes are collected by local vendors, reported to the State and the State rebates the revenues to the City on a monthly basis. Based on the prior years collection data, a conservative increase of 4.0% over the amount estimated to be collected for FY 2003-04 was budgeted as sales tax revenues for FY 2004-05.

Franchise Fees - Franchise Fees from utility companies (electric, telephone, and cablevision) is a major source of revenue in the General Fund. Historically these revenues have been based on a percentage of gross receipts determined by contractual agreement. Recent State legislation has dramatically changed the method by which cities may collect franchise fees. From consultation with our franchise providers, the revenues from franchise fees are projected to increase 5.2% in the FY 2004-05 budget.

Investments - Investment income is a significant revenue source. Management of the investment portfolio has been delegated to the Director of Finance who manages the investment portfolio in accordance with the City's formal Investment Policy. The policy requires that the investment portfolio be managed in a prudent manner and that all investments purchased have a stated maturity of two years or less from date of purchase. As a matter of policy, the City does not invest in any derivative securities. The investment portfolio consist of investments in U.S. Agencies, Treasuries, and Local Government Investment Pools. The current investment philosophy is to remain fairly liquid as financial markets adjust to the changing environment in interest rates. As a result, financial resources have been targeted towards investments in the Local Government Investment Pools and U.S. Agency securities with maturities one year or less.

Utility Rates - The rates charged for water, sewer and solid waste services have been set based upon engineering studies. The engineering studies prepared a rate structure designed to finance utility operations over future periods. The studies recommended several rate increases for utility services. These rate changes will be implemented October 1, the beginning of FY 2004-05.

Other Revenues - Other revenue sources were generally derived from forecasts done by the staff member responsible for management of the revenue.

BUDGET POLICIES

The following fiscal and budgetary policies have a significant impact on the preparation of this Annual Budget and Plan of Municipal Services. Decisions made, as a result of these policies, not only formulate the current plan of services, but also lay a foundation for future organizational goals that cover more than one fiscal year. The primary policies which have had a significant impact on the budgetary process are budgetary, fiscal, and debt services.

BUDGETARY

Budgetary policies are those policies which serve as fundamental guidelines for the preparation of the Annual Budget and Plan of Municipal Services. These policies may originate from several sources such as charter mandates, city council directives and administrative policies.

CHARTER MANDATES

Charter mandates are found in the home rule charter for the City of Killeen. The charter was adopted by the voters of the city on March 3, 1949 and amended on April 1, 1958, May 1, 1971 and January 15, 1994.

1. The charter designates the City Manager as the budget officer for the city. Duties of the budget officer include preparation and submission of the annual budget to the City Council.
2. The charter governs the time frame for submission of the proposed budget to the City Council. The budget must be submitted to the City Council between forty-five and ninety days prior to the beginning of each fiscal year. The content of the proposed budget is also stated in the city charter.
3. The charter mandates that the budgetary process be open to the public. Several public hearings on the budget are required by city charter and copies of the proposed budget must be on file at several locations.
4. The charter requires that the budget must be adopted by a majority of the whole council no later than the twentieth day of the last month of the fiscal year.

5. The charter requires balanced budgets for the General Fund and all general obligation Debt Service Funds. Section 64 of the city charter states that the total estimated expenditures of the general fund and debt services fund shall not exceed the total estimated resources of each fund.

CITY COUNCIL BUDGET DIRECTIVES

The City Council is the governing body of the city and is responsible for establishing goals and priorities for the budgetary process. This objective is met during the City Council's annual planning retreat. During the retreat, City Council members review the goals and objectives of the previous fiscal year. The City Manager presents a video presentation to the City Council which reviews departmental performance during the year. Each Council member evaluates the staff performance in meeting the goals and objectives for the previous fiscal year. At the conclusion of this session, the Mayor and Council members began a roundtable brainstorming session designed to develop the goals and priorities for the upcoming fiscal year. The City Manager and staff compile these ideas and prepare a budget priorities survey which is later distributed to the City Council to prioritize. After development of the goals and priorities for the budget, the City Manager begins development of his preliminary budget document. The City Manager's preliminary budget is developed in accordance with the goals and priorities and includes numerous meetings with departments to review base budget request and proposals for new programs and services. Programs are prioritized and the City Manager's preliminary budget is produced. The preliminary budget is presented to the City Council for review and approval. This procedure is handled during budget planning sessions held with the city staff. During these sessions, departmental presentations are made to the City Council regarding every function of municipal government. The Council reviews these presentations with city staff and establishes the budget. Public hearings are held on the budget and after the period for public input and comments, a final budget is adopted by the City Council. The City Charter requires that the City Council adopt a budget by September 20, or the City Manager's original preliminary budget will become the budget for the new fiscal year.

ADMINISTRATIVE BUDGET POLICIES

Administrative budget policies consist of those policies and directives from the City Manager's office which are provided to department heads. These policies and procedures are codified in the annual budget manual which is distributed at the start of the budgetary process each year. Significant short-term financial and operational policies that guided the budget development process were:

- A. Prepare a "maintenance of operations" or base budget which details the cost of maintaining the existing level of city services. The base budget should not contain any new programs, new employees, or requests for additional fleet.
- B. New programs and services request should be submitted separately. Each new program or service request should be prioritized.
- C. Funding for computer hardware and software, fleet, and approved new program and services will be added to the base budget request.
- D. The budget for full-time employee salaries and benefits will be prepared assuming a 4% merit increase.

In addition to the significant short-term financial and operating policies, the City has adopted fundamental long-term fiscal and accounting policies which are designed to provide the infrastructure for continued fiscal stability. These policies include fund balances and operating reserves, year-end encumbrances, and debt management.

Fund Balances and Operating Reserves - The policy was adopted by Ordinance dated July 9, 1996. The policy requires a minimum fund balance of 25% of annual budget expenditures be maintained in the major operating funds (general fund, water and sewer fund, solid waste fund). Reserves in excess of the required amounts are to be used for planning capital outlay and improvements.

Year-end encumbrances - The policy was adopted by Ordinance dated March 11, 1997. The policy was designed to reinforce the provisions of the City Charter which state that all budget appropriations lapse at the end of the fiscal year. The policy defines the procedure for encumbering of funds at the end of a fiscal year and defines time

frames for the liquidation or cancellation of these encumbrances.

Debt Management - The Debt Management Policy was adopted by ordinance on May 27, 1997. The policy identified the need for fiscal planning related to major capital improvement programs and water and sewer infrastructure development. The policy addresses several areas which are critical to an effective debt management program. These areas are: 1) the acceptable levels of debt, 2) purpose and type of debt issuances, 3) guidelines for the evaluation of short-term debt issues and performance measurement standards, 4) use of tax supported, general obligation bonds versus self-supporting revenue bonds, 5) The evaluation of "pay-as-you-go" financing versus debt financing, 6) use of fixed versus variable rate debt and the structure of each type of debt issued, 7) debt maturity schedules, 8) competitive selection of financial consultants, bond counsel, bond underwriters, paying agents and other service providers, 9) use of bond credit rating agencies, 10) other matters which are relevant to the City's credit standings.

CITY OF KILLEEN
ADOPTED BUDGET SUMMARY
ALL FUNDS, FY 2004-05

	PROJECTED BEGINNING FUND BALANCE	* 2004-05 REVENUES	* 2004-05 EXPENDITURES	PROJECTED ENDING FUND BALANCE
OPERATING FUNDS				
GENERAL FUND	\$13,296,509	\$41,492,290	\$43,295,515	\$11,493,284
AVIATION FUND - KILLEEN MUNICIPAL	550,049	568,728	707,593	411,184
AVIATION FUND - RGAAF	213,671	2,005,977	2,211,672	7,976
GOLF COURSE FUND	-	1,111,050	1,109,027	2,023
SOLID WASTE FUND	3,720,452	10,057,551	10,470,048	3,307,955
WATER & SEWER FUND	16,214,767	23,404,671	25,143,041	14,476,397
DRAINAGE UTILITY FUND	732,271	779,000	734,602	776,669
SUBTOTAL OPERATING FUNDS	\$34,727,719	\$79,419,267	\$83,671,498	\$30,475,488
DEBT SERVICE FUNDS				
G.O. REFUND BOND I&S 1993	\$95,703	\$0	\$95,703	\$0
TAX I&S 1993	84,828	378,875	414,375	49,328
TAX I&S 1995	182,954	1,025,400	1,079,900	128,454
TAX I&S 1996 C/O	62,876	336,375	346,375	52,876
TAX I&S 1999 C/O	56,967	303,800	315,000	45,767
G.O. REFUND BOND I&S 1999	1,008,725	2,014,437	1,782,763	1,240,399
TAX I&S 2000 C/O	111,648	531,520	573,520	69,648
TAX I&S 2001 C/O	78,998	434,430	457,930	55,498
TAX I&S 2002 C/O	77,249	216,075	261,575	31,749
TAX I&S 2003 C/O	113,161	315,955	369,288	59,828
TAX I&S 2004B C/O	-	136,500	116,633	19,867
2004 GO BONDS I&S	-	744,600	641,211	103,389
2004 GOLF REVENUE I&S	-	207,259	206,759	500
I&S HOTEL OCCUPANCY TAX	9,181	698,516	695,691	12,006
WATER & SEWER I&S 1960A	11,337	10	-	11,347
W&S REFUNDING BONDS I&S 1991	174,209	426,500	593,298	7,411
W&S REFUNDING BOND RESERVE 1991	926,873	9,000	-	935,873
WATER & SEWER I&S 1993	5,583	-	5,583	-
WATER & SEWER I&S 1996	162,603	461,900	392,400	232,103
WATER & SEWER I&S 1997	131,243	563,750	572,713	122,280
WATER & SEWER I&S 1999	72,811	833,850	749,850	156,811
WATER & SEWER I&S 2001	218,730	629,241	636,816	211,155
WATER & SEWER I&S 2004	-	799,750	685,000	114,750
SUBTOTAL DEBT SERVICE FUNDS	\$3,585,679	\$11,067,743	\$10,992,383	\$3,661,039
SPECIAL REVENUE FUNDS				
CABLESYSTEM IMPROVEMENTS	\$8,858	\$60,000	\$65,042	\$3,816
COMMUNITY DEVELOPMENT BLOCK GRANT	-	1,901,125	1,901,125	-
COMMUNITY DEVELOPMENT - HOME PROGRAM	-	1,484,919	1,484,919	-
HOTEL OCCUPANCY TAX	433,260	1,829,400	2,015,377	247,283
LAW ENFORCEMENT GRANT	89,528	55,300	55,300	89,528
STATE SEIZURE FUND	36,450	20,000	30,000	26,450
FEDERAL SEIZURE FUND	2,430	1,000	2,800	630
LIONS CLUB PARK	29,080	-	29,080	-
COURT TECHNOLOGY FUND	15,976	40,000	-	55,976
COURT SECURITY FEE FUND	55,766	30,000	72,750	13,016
SUBTOTAL SPECIAL REVENUE FUNDS	\$671,348	\$5,421,744	\$5,656,393	\$436,699
CAPITAL PROJECTS FUNDS				
1991 GENERAL OBLIGATION BONDS	\$1,624	\$100	\$0	\$1,724
1993 GENERAL OBLIGATION BONDS	106,850	-	104,205	2,645
1995 GENERAL OBLIGATION BONDS	1,197,421	5,900	1,132,797	70,524
1999 C/O CONSTRUCTION FUND	46,033	-	39,000	7,033
2001 C/O CONSTRUCTION FUND	-	1,298,800	-	1,298,800
2003 C/O CONSTRUCTION FUND	-	4,845,742	600,000	4,245,742
2004 GOLF REVENUE C/O CONSTRUCTION FUND	-	3,003,000	3,003,000	-
2004 C/O CONSTRUCTION FUND	-	3,015,000	2,881,550	133,450
2004 GENERAL OBLIGATION BONDS	-	16,100,000	4,855,000	11,245,000
1999 WATER & SEWER BOND	247,194	1,250	245,150	3,294
2001 WATER & SEWER BOND	1,736,207	8,500	1,336,550	408,157
2004 WATER & SEWER BOND	-	21,040,000	20,662,850	377,150
2005 SOLID WASTE CONSTRUCTION FUND	-	9,125,000	1,975,000	7,150,000
PASSENGER FACILITY CHARGE FUND	224,513	441,000	665,513	-
SPECIAL EVENTS CENTER	64,607	850	-	65,457
SUBTOTAL CAPITAL PROJECTS FUNDS	\$3,624,449	\$58,885,142	\$37,500,615	\$25,008,976
TOTAL ALL FUNDS	\$42,609,195	\$154,793,896	\$137,820,889	\$59,582,202

*INCLUDES TRANSFERS

CITY OF KILLEEN
 FY 2004-05 ADOPTED BUDGET
 COMBINED SUMMARY OF REVENUES & EXPENDITURES

	General Fund	Aviation Funds	Golf Course Fund	Solid Waste Fund	Water & Sewer Fund	Drainage Utility Fund	Debt Service Funds	Special Revenue Funds	Capital Projects Funds	Total for All Funds
Beginning Fund Balance	\$ 13,296,509	\$ 763,720	\$ -	\$ 3,720,452	\$ 16,214,767	\$ 732,271	\$ 3,585,679	\$ 671,348	\$ 3,624,449	\$ 42,609,195
Revenues										
Property Taxes	\$ 13,288,415						\$ 4,446,699			\$ 17,735,114
Sales & Occupation Taxes	15,358,000							810,900		16,168,900
Franchise Fees	4,258,000									4,258,000
Charges for Services	2,510,885	1,963,705	1,111,050	10,009,051	22,764,138	775,000		339,500	439,000	39,912,329
Interest Income	285,000	1,500		48,000	233,000	4,000		4,000	201,600	834,011
Federal, State and Local Grants	307,210									
Other Revenues	281,000	9,500		500	2,500			3,412,344	6,144,542	9,864,096
Fines and Penalties	1,055,713				400,000			70,000		293,500
Bond Proceeds									52,100,000	52,100,000
Total Revenues	\$ 37,344,223	\$ 1,974,705	\$ 1,111,050	\$ 10,057,551	\$ 23,399,638	\$ 779,000	\$ 4,503,610	\$ 4,636,744	\$ 58,885,142	\$ 142,691,663
Transfers from Other Funds	4,148,087	600,000			5,033		6,564,133	785,000		12,102,233
Total Available Resources	\$ 54,768,799	\$ 3,338,425	\$ 1,111,050	\$ 13,778,003	\$ 39,619,438	\$ 1,511,271	\$ 14,653,422	\$ 6,093,092	\$ 62,509,591	\$ 197,403,091
Expenditures										
Salaries	\$ 23,121,459	\$ 1,138,563	\$ 438,229	\$ 2,160,723	\$ 2,704,429	\$ 120,808		\$ 512,899	\$ 167,910	\$ 30,365,020
Supplies	1,913,169	123,447	94,094	253,521	447,450	7,491		54,669	32,814	2,926,655
Maintenance	1,239,156	32,441	6,100	69,624	505,919	3,201		61,875	39,000	1,957,316
Repairs	773,093	71,864	22,550	511,310	171,868	2,541		17,600	7,000	1,577,826
Support Services	6,033,056	618,859	109,338	360,003	1,503,000	119,971		404,869	8,490	9,157,586
Benefits	6,723,336	359,423	129,958	742,997	898,625	34,659		171,503	53,936	9,114,437
Designated Expenses	444,702	405,958	102,000	2,404,358	(29,500)	5,000		213,952	455,790	4,002,260
Capital Improvements		35,000			1,367,768	415,000		3,415,124	35,297,315	40,530,207
Capital Outlay	2,262,544	133,710		1,278,297	412,814	8,718		110,886	838,360	5,045,329
Sewer Payments					4,820,000					4,820,000
Water Payments					3,815,866					3,815,866
Debt Service				1,079,176	427,798		10,899,180			12,406,154
Total Expenditures	\$ 42,510,515	\$ 2,919,265	\$ 902,269	\$ 8,860,009	\$ 17,046,037	\$ 717,389	\$ 10,899,180	\$ 4,963,377	\$ 36,900,615	\$ 125,718,656
Transfers to Other Funds	785,000		206,758	1,610,039	8,097,004	17,213	93,203	693,016	600,000	12,102,233
Ending Fund Balances	\$ 11,493,284	\$ 419,160	\$ 2,023	\$ 3,307,955	\$ 14,476,397	\$ 776,669	\$ 3,661,039	\$ 436,699	\$ 25,008,976	\$ 59,582,202

ALLOCATION OF FY 2004-05 BUDGET
BY OBJECT CLASS

OBJECT CLASS MATRIX OF FY 2004-05 OPERATING BUDGET

	Salaries	Supplies	Maintenance	Repairs	Support Services	Benefits	Designated Expenses	Capital Improvements	Capital Outlay	Sewer Payments	Water Payments	Debt Service	TOTAL
GENERAL FUND SERVICES													
City Council	10,800	2,050			62,618								75,468
City Manager	279,273	2,200			52,207								399,950
Municipal Court	459,904	22,946			28,203				38,505				725,166
Code Enforcement	212,803	20,719		6,802	63,619	89,000			41,400				448,544
Animal Control	200,021	30,230		6,650	21,329				43,500				365,775
Public Information Officer	53,716	1,340			25,459								94,445
Killeen Volunteer Services	87,367	2,070			5,789								121,557
City Attorney	368,560	7,348		125	63,584				17,300				551,977
City Secretary	47,390	2,200			5,475	10,000							77,734
Finance	361,262	3,917			51,448				2,493				509,350
Accounting	209,480	8,572			8,252								285,402
Purchasing	131,413	2,580		650	4,869			350					178,914
Building Services	56,057	5,474		1,400	5,810								87,852
Statistical Services	173,101	26,298		3,500	1,495				37,200				307,799
Custodial Services	53,584	5,513		9,147	47,223				1,600				134,734
Printing Services	115,296	10,772			4,341								169,083
EMS Billings & Collections	271,315	60,535			52,826	30,000			1,100				493,942
Human Resources	380,789	4,044		3,000	69,912				37,130				601,777
Information Technology	484,596	18,691		2,500	18,273				27,650				686,240
Permits & Inspections	377,503	62,320		5,880	57,534				134,530				754,016
Library	246,566	5,758			15,019				134,599				341,785
Branch Library	799,530	229,340	146,000	53,919	218,408				78,350				1,797,407
Parks	154,987	63,373			37,436				11,000				301,267
Recreation	158,919	30,969			28,823								296,735
Athletics	165,061	25,276	7,400	8,000	5,052								266,667
Cemetery	95,003	11,709		1,450	25,129				3,800				164,882
Senior Center	71,400	34,891	5,671	100	10,756								129,725
Swimming Pools	165,059	5,505		450	27,026				18,000				259,879
Community Development	35,460	2,436			5,099								53,202
Home Program	136,632	1,536			8,567								179,661
Public Works	106,012	4,022		4,700	80,783				36,800				258,813
Engineering	343,068	30,113	50,000	53,436	98,332				49,200				736,413
Traffic	1,061,403	101,478	663,739	155,269	78,530				102,250				2,532,301
Streets	299,377	8,010			12,294								353,005
Planning	9,121,069	586,549	241,628	241,628	524,736				776,108				13,639,257
Police	5,867,693	382,395	3,500	128,263	169,826				260,735				8,348,432
Fire	90,000	90,000	362,846	82,500	4,868,294				544,484				6,406,559
Non-Departmental	23,121,459	1,913,169	1,239,156	773,093	6,818,056				2,262,544				43,295,515
Subtotal													
AVIATION FUNDS													
Killeen-Fort Hood Regional Airport	1,008,080	101,107	23,701	52,020	554,497				108,310				2,211,672
Skyhawk Field	130,483	22,340	8,740	19,844	64,362				25,400				707,593
Subtotal	1,138,563	123,447	32,441	71,864	618,859				133,710				2,919,265
GOLF COURSE FUND													
SOLID WASTE FUND													
Code Enforcement	29,877	2,684		500	1,878				150				47,221
Residential Services	1,056,768	131,957		241,550	44,449				754,529				2,597,132
Commercial Services	573,965	78,224	2,500	180,200	23,623				453,475				1,518,394
Recycling Programs	172,045	12,233		7,660	13,360				25,580				295,240
Transfer Station Operations	326,268	24,243	26,500	41,400	105,204				19,490				2,866,460
Solid Waste Miscellaneous	2,160,723	253,521	69,624	40,000	1,781,528				25,073				3,155,601
Subtotal	2,160,723	253,521	69,624	511,310	1,970,042				1,278,297				10,470,048
WATER & SEWER FUND													
Fleet Services	595,496	59,760	3,100	19,074	43,681				90,065				870,946
Utility Collections	722,203	182,576		15,976	29,367				24,245				1,216,944
Water and Sewer Contracts	368,007	39,751	137,000	58,909	32,373				262,768	4,820,000	3,815,866		8,635,866
Water Distribution	285,988	32,263	84,000	64,509	23,546				118,700				1,068,542
Sanitary Sewers	646,217	88,100	95,800	24,400	506,804				32,600				695,169
Water and Sewer Operations	86,518	45,000	186,019	7,000	8,964,033				112,304				11,057,177
Water and Sewer Miscellaneous	2,704,429	447,450	505,919	171,868	9,600,000				412,814				25,143,041
Subtotal	120,808	7,491	3,201	2,541	137,184				8,718				734,602
DRAINAGE UTILITY FUND													
OTHER FUNDS													
680,809	87,483	100,875	24,600	1,799,578	225,439				949,246				54,149,391
TOTAL FY 2004-05 BUDGET PROGRAM ALLOCATION	30,365,020	2,926,655	1,957,316	1,577,826	21,259,819	9,114,437	4,002,260	40,530,207	5,045,329	4,820,000	3,815,866	12,406,154	137,820,889
PERCENT OF TOTAL 2004-05 BUDGET PROGRAM ALLOCATION	22.03%	2.12%	1.42%	1.14%	15.43%	6.61%	2.90%	29.41%	3.66%	3.50%	2.77%	9.00%	100.00%

FY 2004-05 MAJOR FUNDS OPERATING BUDGET BY PROGRAM AREA

ALLOCATION OF FY 2004-05 BUDGET BY PROGRAM AREA - MAJOR FUNDS	PUBLIC WORKS	PUBLIC SAFETY	COMMUNITY SERVICES	ADMIN	AVIATION	TOTAL
GENERAL FUND						
City Council				75,468		75,468
City Manager				399,950		399,950
Municipal Court				725,166		725,166
Code Enforcement			448,544			448,544
Animal Control			365,775			365,775
Public Information Officer				94,445		94,445
Killeen Volunteer Services			121,557			121,557
City Attorney				551,977		551,977
City Secretary				77,734		77,734
Finance				509,350		509,350
Accounting				285,402		285,402
Purchasing				178,914		178,914
Building Services				87,652		87,652
Custodial Services				307,799		307,799
Printing Services				134,734		134,734
EMS Billings & Collections				169,083		169,083
Human Resources				493,942		493,942
Information Technology				601,777		601,777
Permits & Inspections			686,240			686,240
Library			754,016			754,016
Branch Library			341,785			341,785
Parks			1,797,407			1,797,407
Recreation			301,267			301,267
Athletics			256,735			256,735
Cemetery			266,667			266,667
Senior Center			164,882			164,882
Swimming Pools			129,725			129,725
Community Development			259,879			259,879
Home Program			53,202			53,202
Public Works	179,661					179,661
Engineering	258,813					258,813
Traffic	736,413					736,413
Streets	2,532,301					2,532,301
Planning	353,005					353,005
Police - Operations		13,839,257				13,839,257
Fire		8,348,432				8,348,432
Non-Departmental				6,406,559		6,406,559
AVIATION FUNDS						
Killeen-Fort Hood Regional Airport					2,211,672	2,211,672
Skylark Field					707,593	707,593
GOLF COURSE FUND						
			1,109,027			1,109,027
SOLID WASTE FUND						
Code Enforcement	47,221					47,221
Residential Services	2,597,132					2,597,132
Commercial Services	1,518,394					1,518,394
Recycling Programs	285,240					285,240
Transfer Station Operations	2,866,460					2,866,460
Debt Service	1,205,176					1,205,176
Solid Waste Miscellaneous	1,950,425					1,950,425
WATER & SEWER FUND						
Fleet Services	870,946					870,946
Utility Collections	1,216,944					1,216,944
Water and Sewer Contracts	8,635,866					8,635,866
Water Distribution	1,068,542					1,068,542
Sanitary Sewers	695,169					695,169
Water and Sewer Operations	1,598,397					1,598,397
Water and Sewer Miscellaneous	11,057,177					11,057,177
DRAINAGE UTILITY FUND						
	734,602					734,602
TOTAL FY 2004-05 BUDGET PROGRAM ALLOCATION	40,407,884	22,187,689	7,056,708	11,099,952	2,919,265	83,671,498
PERCENT OF TOTAL 2004-05 BUDGET PROGRAM ALLOCATION	48.29%	26.52%	8.43%	13.27%	3.49%	100.00%

GENERAL FUND REVENUES ANALYSIS

Total General Fund Resources are \$54,788,799. This represents an increase of 3.6% over the prior years budget. The following is a summary of the City's major revenue categories and their revenue assumptions for FY 2004-05.

REVENUE CATEGORY	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Property Taxes	\$ 11,793,525	\$ 12,706,745	\$ 12,936,000	\$ 13,288,415	24.3%	4.6%
Sales and Occupancy Taxes	13,571,575	13,538,000	14,764,000	15,358,000	28.0%	13.4%
Franchise Taxes	4,114,950	4,048,089	4,054,879	4,258,000	7.8%	5.2%
Misc. Revenues	1,890,465	1,558,500	1,563,500	1,708,000	3.1%	9.6%
Permits and Licenses	913,778	704,500	808,050	927,800	1.7%	31.7%
Court Fines & Fees	962,830	1,029,900	960,349	1,055,713	1.9%	2.5%
Recreation Revenues	222,018	202,442	153,035	156,085	0.3%	-22.9%
Interest Earned	382,120	250,000	285,000	285,000	0.5%	14.0%
Golf Course Revenue	929,558	904,081	621,390	-	0.0%	-100.0%
Intergovernmental	806,994	639,679	653,731	307,210	0.6%	-52.0%
Transfers-In	3,433,013	3,470,040	3,470,040	4,148,067	7.6%	19.5%
RESERVES	14,686,888	13,827,638	14,765,869	13,296,509	24.3%	-3.8%
TOTAL RESOURCES	\$ 53,707,714	\$ 52,879,614	\$ 55,035,843	\$ 54,788,799	100.0%	3.6%

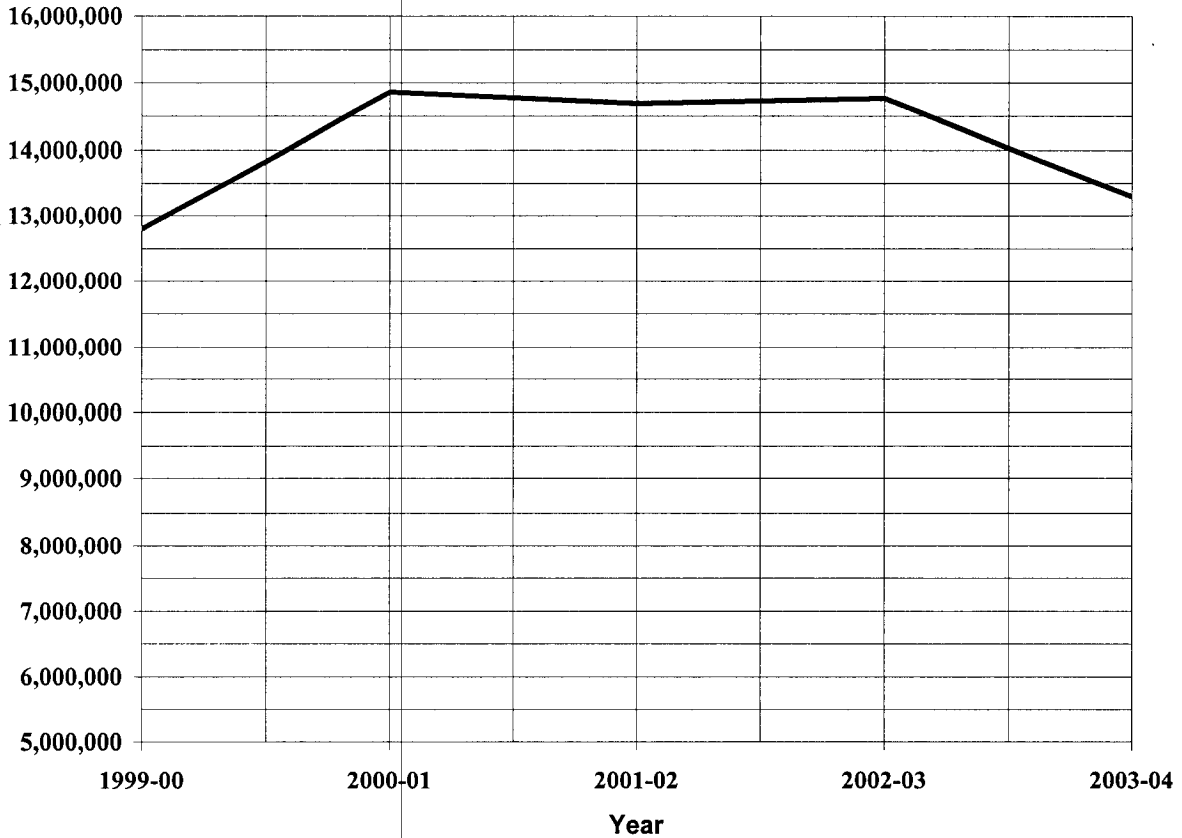
- * Property Tax Revenues are increasing 4.6% over FY 2003-04. This is due to an increase in the assessed taxable property valuations.
- * Revenues from Sales and Occupancy Taxes is budgeted to increase 13.4% which is based on current economic conditions and a forecasted continued area business growth.
- * Franchise Tax Revenues show an increase of 5.2% due to the expected increase in demand for utility services from area growth.
- * Miscellaneous Revenues show an increase of 9.6%. It represents 3.1% of total revenues.
- * Revenues from Permits and Licenses is budgeted to increase 31.7%. This increase is due to an anticipated growth in the area construction to accomadate an estimated population increase.
- * Courts Fines and Fees is budgeted to increase 2.5% which is based on current levels of revenue.
- * Recreation Revenues is showing a decrease of 22.9%. This is based on projected FY 2003-04 revenues. Golf Course Revenues are to be budgeted in the Golf Course Fund in FY 2004-05.
- * Interest Earned is increasing by 14.0% based on anticipated market conditions.
- * Intergovernmental is decreasing by 52.0% due to a decrease in Grant funding from FY 2003-04.

FUND BALANCES

Fund balances represent the excess of the assets of a fund over its liabilities, reserves, and encumbrances. The fund balance is a good measure of the fiscal strength and stability of a fund. The City of Killeen, has a fiscal policy requiring the maintenance of adequate fund balances and reserves in the major operating funds. Generally, the policy requires that the fund balances be equal to three-months operating expenditures plus amounts designated as emergency use only reserve funds. For FY 2003-04 the ending fund balance for the general fund is projected to be \$13,296,509 which represents 32% of the estimated expenditures for FY 2003-04.

GENERAL FUND

Fund Balance - Last Five Years

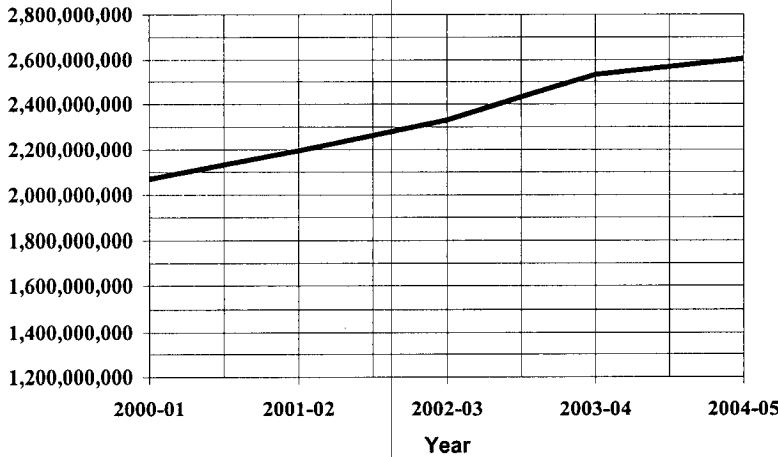


AD VALOREM TAXES

Ad Valorem Taxes represent 24.3% of the General Fund revenues. The city's property tax is levied each October 1 on the assessed valuation listed as of the previous January 1 for all real and personal property located in the city. The appraisal of property within the city is the responsibility of the Bell County Tax Appraisal District. The appraisal district is required under the state property tax code to assess all property within the district on the basis of 100 percent of its appraised value and is prohibited from applying any assessment ratios. The total assessed valuation for the FY 2004-05 budget is \$2,690,294,155. This value represents an increase of \$153,850,585 or 6.1% over the previous years assessed valuation of \$2,536,443,570. The change in the tax base and rate will generate \$736,206 in additional tax revenues. The tax rate for the FY 2004-05 budget is .6950 cents per \$100 of property assessed valuation. The tax rate is distributed .5218 cents, or 75.1%, to the General Fund and .1732 cents, or 24.9% to fund debt service.

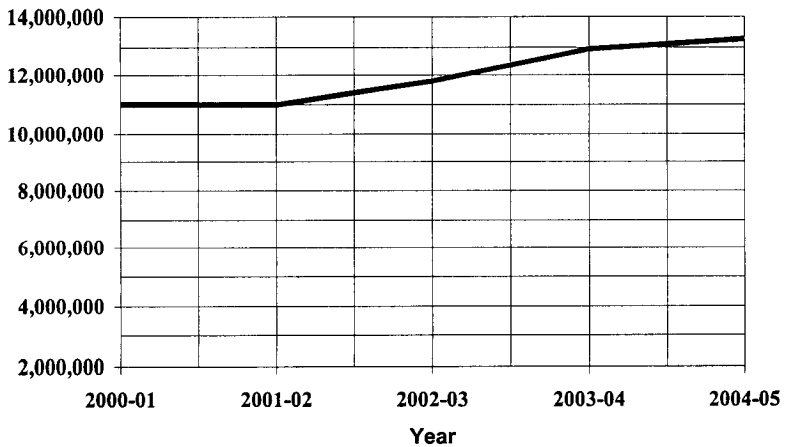
GENERAL FUND

Assessed Property Value - Last 5 Years



GENERAL FUND

Ad Valorem Tax Revenues - Last 5 Years

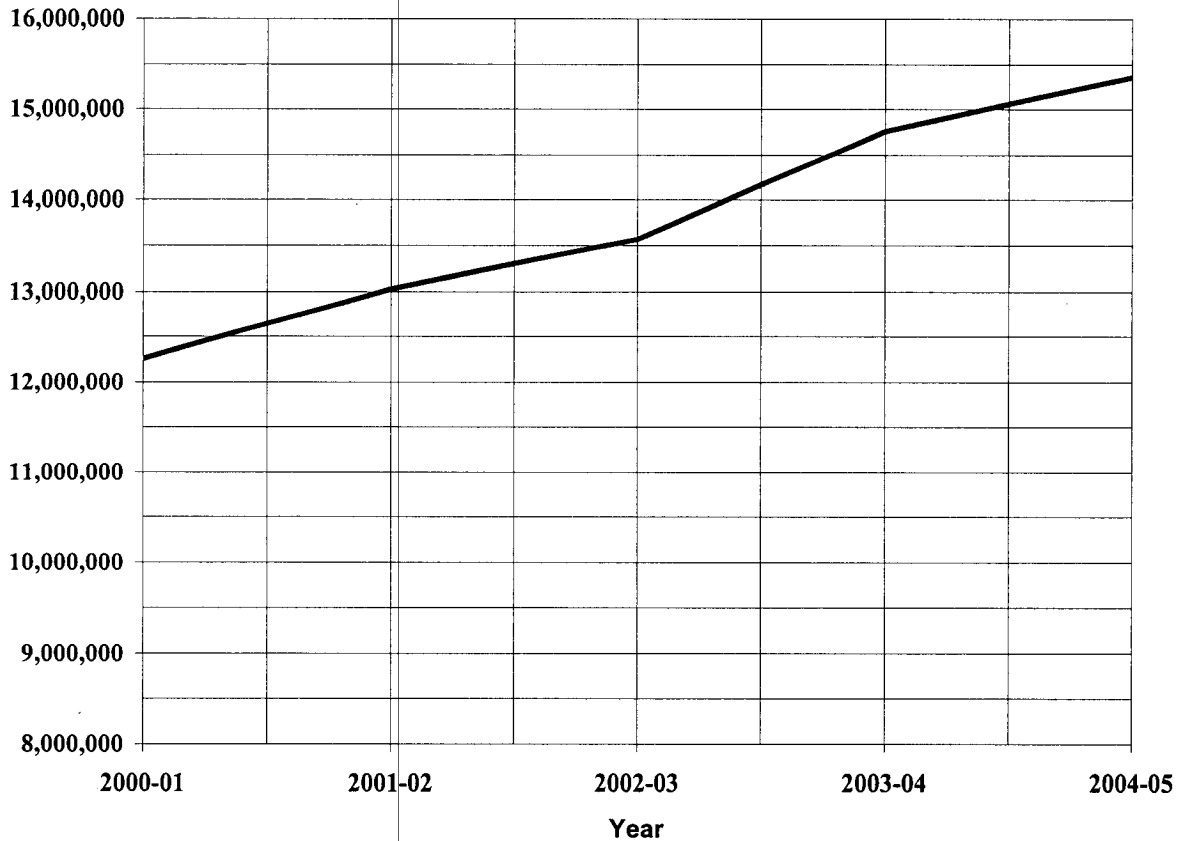


Note: FY 2004-05 represents budgeted amounts.

SALES AND OCCUPANCY TAXES

The city receives 28.0% of its General Fund Revenues from sales and occupancy taxes. These taxes include sales tax revenue, mixed beverages tax revenue, and bingo tax revenues. Sales tax revenues are derived from the local sales tax which is 1.5% of taxable sales. Mixed beverage tax revenues are derived from a state revenue sharing program for city and county mixed beverage tax allocations. The state statutes levy a tax of 14 percent on the gross receipts from the sales of mixed beverages in Texas. Each city and county is entitled to receive an allocation of 10.7143% of the taxes collected within the city or county on a quarterly basis. Bingo tax receipts are derived from a state tax levy of 5% of the gross receipts from the conduct of bingo games within the city. The state rebates half of the taxes collected to the cities. Total sales and occupation tax revenues budgeted for FY 2004-05 is \$15,358,000. This is an increase of 3% over actual revenues for FY 2003-04. The increase in revenues will be used for operating expenses.

GENERAL FUND
Sales Tax Revenue - Last Five Years

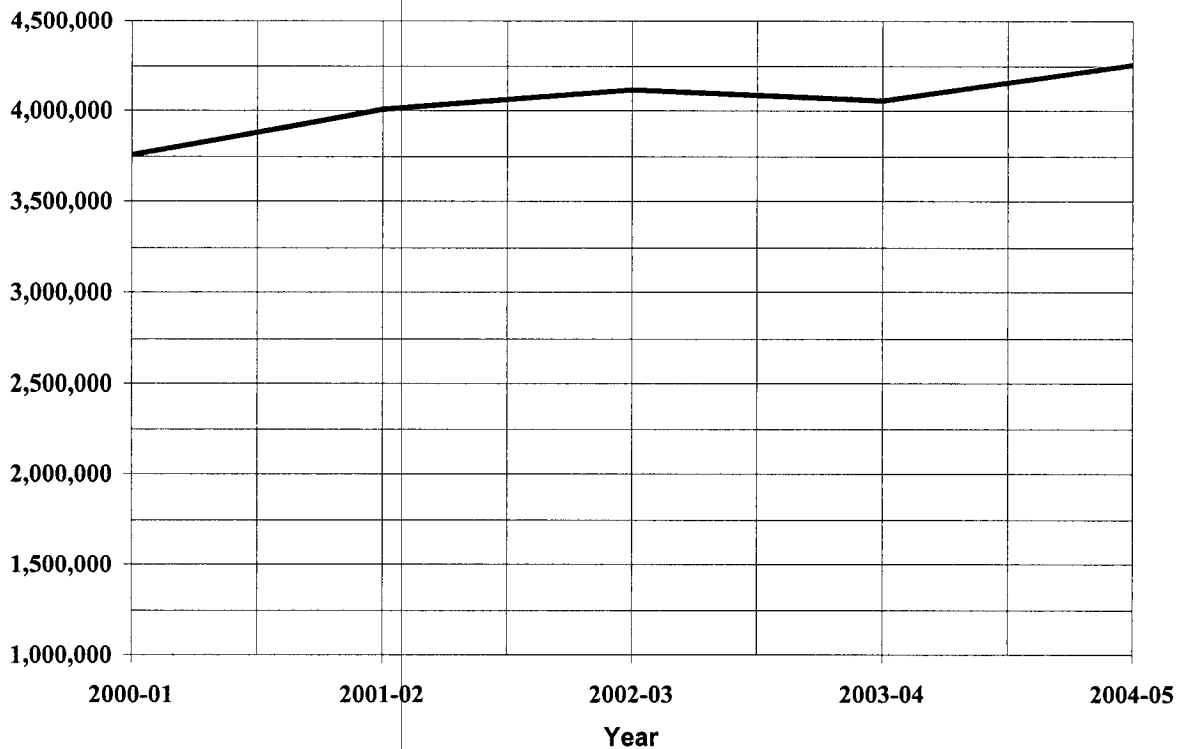


Note: FY 2004-05 represents budgeted amounts.

FRANCHISE TAXES

The city receives 7.8% of its General Fund revenues from franchise taxes. The city imposes a tax on public utility companies for the use of city property and right-of-ways. The tax is referred to as a franchise fee and is based on a percentage of the gross revenues of the public utility company. The telephone franchise fee is an access line rate established by the Public Utility Commission of Texas. The natural gas franchise fee is 4% of the gross receipts from domestic and commercial gas sales. The electric utility franchise fee is equal to 4% of its gross receipts from the sale of electric power. The cablevision franchise fee is 5% of the Utility's gross receipts. Total franchise taxes budgeted for FY 2004-05 is \$4,258,000. This is an increase of \$209,911 or 5.2% over the amount budgeted in FY 2003-04.

GENERAL FUND
Franchise Tax Revenue - Last Five Years



Note: FY 2004-05 represents budgeted amounts.

OPERATING TRANSFERS

The city receives 7.6% of its General Fund revenues from operating transfers. Transfers from the enterprise funds to the General Fund are based on a definite, quantifiable analysis of the costs incurred by those funds. Currently there are four types of transfers:

1. Franchise Fees
2. Indirect Cost Allocation
3. Budget Transfers

FRANCHISE FEES

Franchise fees are charged for the right to use City facilities such as rights-of-way, streets, or infrastructure.

Franchise fees for these Enterprise Funds were determined as follows:

1. Aviation Funds - Due to federal regulations restricting all but direct costs, no franchise fee is proposed.
2. Solid Waste Fund - Because of the high use of City streets, the fee was set at 7%.
3. Water and Sewer Fund - For use of rights-of-way, the fee was set at 4%.

INDIRECT COST ALLOCATIONS

Indirect cost allocations, transfer actual costs for services such as administration and facility use to those funds that use the services. Indirect costs are allocated on the assumption that they are in proportion to the costs of operating the funds. The base assumption is that allocation be based on total operating budget, less transfers and debt service. Percentages for individual departments are adjusted as conditions warrant. Appropriate transfers were determined for the common costs traditionally paid for by a single fund. Finally, credits were given for any cost borne directly by individual funds.

BUDGET TRANSFERS

Budget transfers are residual equity transfers based upon economic conditions. These transfers are typically made when there is a surplus of available funds in one fund and a shortfall of funding for a priority project or program in another fund. All budget transfers require the formal approval of the City Council.

EXPENDITURE OBJECT CLASSES

Definitions are provided for the following expenditure object classes to assist the reader in analysis of the budget:

1. Salaries - Salaries includes the following accounts: Full Time, Part Time, Overtime, Longevity, Incentive Pay, Assignment, Car Allowance, On-Call, Vacation Buyback, Salary Contra
2. Supplies – Supplies includes the following accounts: Office, Postage, Uniforms, Subscriptions, Vehicle, Print, Computer, Fuel, Freight, Food, Minor Tools, Cleaning, Medical and Chemical, Mechanical, Educational, Extinguishing Chemicals, Agricultural, Animal
3. Maintenance – Maintenance includes the following accounts: Walks and Drives, Building, Fire Hydrants, Wells, Pump Equipment, Water Main, Fence, Sign and Painting, Tanks, Towers and Reservoirs, Landfill, Sewer, Customer Services, Customer Meters, Street, Bridge, Curb and Gutter, Filter, Storm Sewer, Parks, Ditch
4. Repairs – Repairs includes the following accounts: Furniture and Fixtures, Small Equipment, Motor Vehicle, Heating and Air Conditioning, Radio and Communications, Computer Hardware, Computer Software, Machinery, S.C.B.A., Repair of Books, Sound System, Traffic Lights, Dumpster

5. Support Services - Support Services includes the following accounts: Telephone, Equipment Rental, Insurance, Other Charges, Professional Services, Legal and Public Notices, Travel and Training, Confidential Expense, Prisoner Support, Public Official and Liability Insurance, Light and Power, Office Space Rental, Computer Rental, Bell County Health Department, Grant to Non-Profit Corporation, Trophies and Awards, Interest and Sinking Fund Transfer, Dues and Memberships, Administrative Transfer, Court Costs, General Fund Franchise Fee Transfer, Claims and Damages, Tap Fees, Industrial Development, Jury Fees
6. Benefits – Benefits includes the following accounts: Hospital Insurance, Retirement, Social Security, Workers Compensation
7. Designated Expenses – Designated Expenses includes the following accounts: Cost of Goods Sold, Contract Labor, Rental Purchases, Bank Loan, Reimbursable Expense, Unemployment Reimbursement, Year End Salary Accrual, Contingency, Reserve Appropriation, Fund Balance Reserve, Bell Tax District, Inventory Shortage, Bad Debts, Collection Expense
8. Capital Improvements – Capital Improvements includes the following accounts: Buildings, Bridges, Curb and Gutter, Swimming Pool Equipment, Tanks, Towers and Reservoirs, Storm Sewers, Wells, Pump Equipment, New Streets, Fences, Walks and Drives, Sewer Mains, Water Mains, New Customer Service, New Fire Hydrants, New Customer Meters, Major Machinery, Taxi Ways, Major Equipment
9. Capital Outlay – Capital Outlay includes the following accounts: Office Machines and Equipment, Motor Vehicles, Heating and Air Conditioning, New Books, Sound Systems, New Radios, Equipment, Computer Hardware, Computer Software, Furniture and Fixtures, Machinery, Traffic Lights and Signals

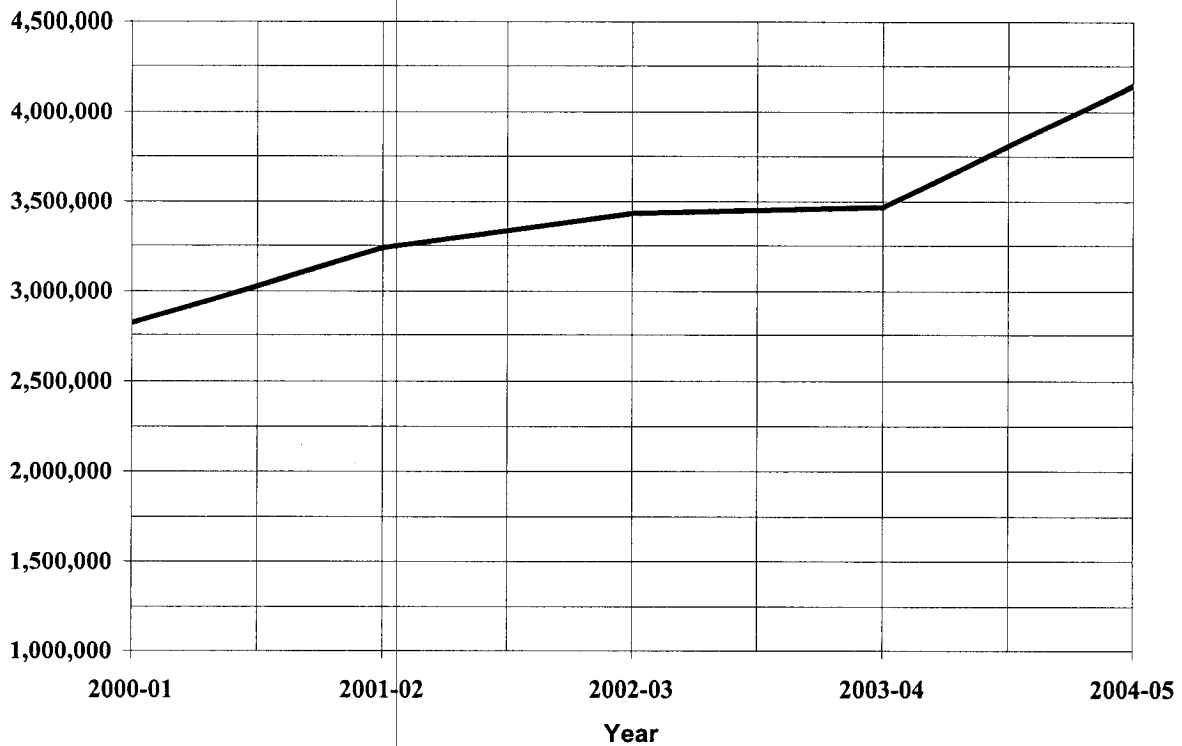
INDIRECT COST TRANSFERS

Indirect cost transfers are direct transfers from the Enterprise Funds to the General Fund and are determined by a predetermined formula.

Total indirect cost transfers budgeted for FY 2004-05 is \$4,148,067. This is an increase of \$678,027, or 19.5%, from the previous year. This can be attributed to the substantial growth of the Solid Waste and Water & Sewer Funds.

GENERAL FUND

Total Transfers - Last Five Years



Note: FY 2004-05 represents budgeted amounts.

GENERAL FUND EXPENDITURES

Total General Fund expenditures are \$43,295,515. This represents an increase of 2.8% over the prior years budget.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
General Government	\$ 9,580,742	\$ 10,691,225	\$ 10,561,186	\$ 11,099,952	25.6%	3.8%
Public Safety	19,860,845	21,017,409	20,991,920	22,187,689	51.2%	5.6%
Public Works	3,509,898	3,871,786	3,756,526	4,060,193	9.4%	4.9%
Community Development	278,295	288,298	288,298	313,081	0.7%	8.6%
Community Services	5,712,065	6,237,670	6,141,404	5,634,600	13.0%	-9.7%
TOTAL	\$ 38,941,845	\$ 42,106,388	\$ 41,739,334	\$ 43,295,515	100.0%	2.8%

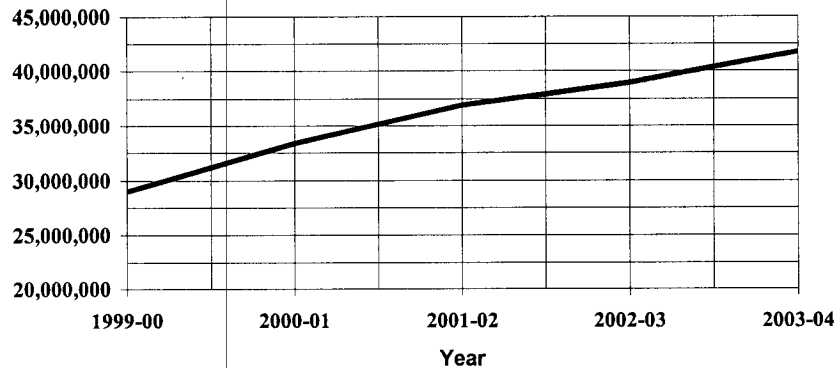
* The increase in General Government of 3.8% can be attributed to funding for the Nolan Trail Hike and Bike Trail along with increases in communications and information technology related expenditures.

* The Public Safety budget is showing a 5.6% increase in the FY 2004-05 budget. This increase results from the addition of police officers and fire prevention officers in the FY 2004-05 budget.

* The increase in Public Works of 4.9% can be attributed to additional fleet budgeted in the Traffic and Streets departments along with a new senior planner position added in the FY 2003-04 budget.

* The Community Services' budget is decreasing 9.7% over the prior year budget. Golf Course Expenditures are to be budgeted in the Golf Course Fund in FY 2004-05.

**GENERAL FUND
Expenditures - Last 5 Years**

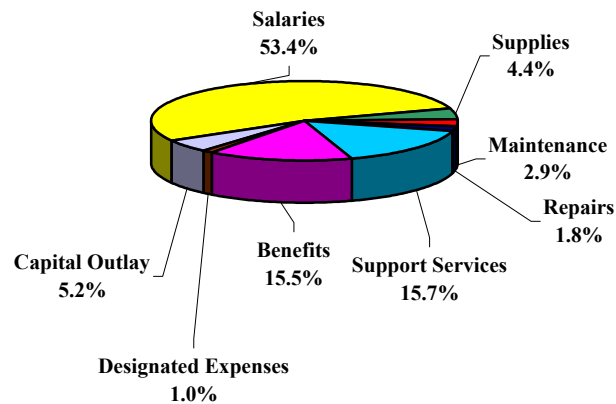


Note: The following table and pie chart depicts expenditures for the General Fund, by object class.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Salaries	\$ 21,463,198	\$ 22,594,933	\$ 22,578,144	\$ 23,121,459	53.4%	2.3%
Supplies	1,768,292	2,037,623	2,021,684	1,913,169	4.4%	-6.1%
Maintenance	1,086,601	1,237,217	1,229,070	1,239,156	2.9%	0.2%
Repairs	884,028	1,064,377	1,023,908	773,093	1.8%	-27.4%
Support Services	6,169,868	7,110,600	6,969,899	6,818,056	15.7%	-4.1%
Benefits	5,814,701	6,473,730	6,283,341	6,723,336	15.5%	3.9%
Designated Expenses	527,219	487,675	563,075	444,702	1.0%	-8.8%
Capital Improvements	-	2,000	2,000	-	0.0%	-100.0%
Capital Outlay	1,227,938	1,098,233	1,068,213	2,262,544	5.2%	106.0%
TOTAL EXPENDITURES	\$ 38,941,845	\$ 42,106,388	\$ 41,739,334	\$ 43,295,515	100.0%	2.8%

FY 2004-05 General Fund Expenditures

By Object Class



KILLEEN-FORT HOOD REGIONAL AIRPORT REVENUES ANALYSIS

Total Killeen-Fort Hood Regional Airport fund resources are \$2,219,648. This represents an decrease of 92.2% over the prior years budget due to the opening of KFHRA. The following is a summary of the KFHRA Funds major revenue categories and their revenue assumptions for FY 2004-05.

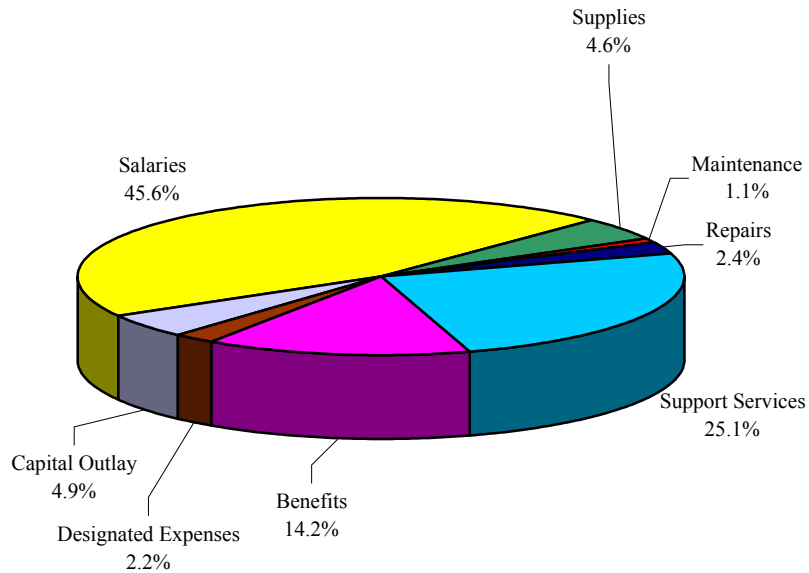
REVENUE CATEGORY	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Misc. Receipts	\$ -	\$ 1,500	\$ 500	\$ 8,500	0.4%	466.7%
Airport Rent & Concessions	-	56,320	84,939	494,071	22.3%	777.3%
Air Carrier Operations	-	17,569	18,742	169,404	7.6%	864.2%
Airport Use Fees	-	9,689	-	104,952	4.7%	983.2%
Parking Lot Fees	-	65,000	29,000	254,000	11.4%	290.8%
Recovery Fees	-	-	-	101,650	4.6%	0.0%
Fuel Sales	-	87,378	1,200	95,400	4.3%	9.2%
Operating Supplies	-	500	500	1,500	0.1%	200.0%
Into Plane Fees	-	-	21,938	175,500	7.9%	0.0%
Interest Earned	-	1,000	-	1,000	0.0%	0.0%
Federal Grants and Receipts	11,005,242	27,538,342	29,763,976	-	0.0%	-100.0%
Transfer from Aviation Fund	169,473	-	-	-	0.0%	0.0%
Transfer from Bond Fund	-	-	-	600,000	27.0%	0.0%
Transfer from General Fund	280,000	662,474	662,474	-	0.0%	-100.0%
RESERVES	-	-	(2,203,603)	213,671	9.6%	0.0%
TOTAL RESOURCES	\$ 11,454,715	\$ 28,439,772	\$ 28,379,666	\$ 2,219,648	100.0%	-92.2%

Note: The following table and pie chart depicts expenditures for the KFHRA Fund, by object class.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Salaries	126,423	277,343	234,499	1,008,080	45.6%	263.5%
Supplies	4,490	38,964	38,964	101,107	4.6%	159.5%
Maintenance	-	10,850	10,850	23,701	1.1%	0.0%
Repairs	313	16,508	16,508	52,020	2.4%	215.1%
Support Services	22,117	165,304	116,744	554,497	25.1%	235.4%
Benefits	36,522	93,454	79,622	314,357	14.2%	236.4%
Designated Expenses	-	37,600	37,600	49,600	2.2%	0.0%
Capital Outlay	59,665	92,866	92,866	108,310	4.9%	
Projects	13,408,788	27,538,342	27,538,342	-	0.0%	0.0%
TOTAL RESOURCES	13,658,318	28,271,231	28,165,995	2,211,672	100.0%	-92.2%

FY 2004-05 KFHRA Fund Expenditures

By Object Class



SKYLARK FIELD FUND REVENUES ANALYSIS

Total Skylark Field Fund Resources are \$1,118,777. This represents an decrease of 27% over the prior years budget due to the opening of RGAAF. The following is a summary of the Skylark Field Fund's major revenue categories and their revenue assumptions for FY 2004-05.

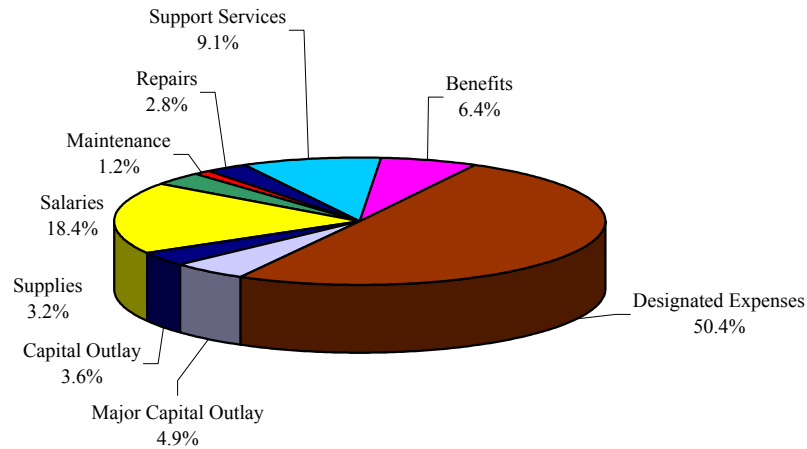
REVENUE CATEGORY	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Misc. Receipts	\$ 6,856	\$ 7,000	\$ 7,221	\$ 1,000	0.1%	-85.7%
Airport Rent & Concessions	215,735	168,962	192,077	-	0.0%	-100.0%
Fixed Base Operations	5,396	5,342	5,885	5,885	0.5%	10.2%
Hangars and Tiedowns	80,091	79,893	82,902	83,904	7.5%	5.0%
Air Carrier Operations	108,442	52,707	114,327	-	0.0%	-100.0%
Airport Use Fees	74,070	39,078	69,498	10,010	0.9%	-74.4%
Parking Lot Fees	203,517	195,000	177,610	-	0.0%	-100.0%
Farm Fuel Rental	-	-	-	-	0.0%	0.0%
Fuel Sales	435,788	457,015	437,407	445,570	39.8%	-2.5%
Operating Supplies	3,669	3,000	3,361	21,859	2.0%	628.6%
Interest Earned	11,346	3,000	7,217	500	0.0%	-83.3%
Federal Grants and Receipts	90,586	-	-	-	0.0%	0.0%
Transfer from General Fund	135,000	-	-	-	0.0%	0.0%
RESERVES	544,281	522,303	810,669	550,049	49.2%	5.3%
TOTAL RESOURCES	\$ 1,914,777	\$ 1,533,300	\$ 1,908,174	\$ 1,118,777	100.0%	-27.0%

Note: The following table and pie chart depicts expenditures for the Skylark Field Fund, by object class.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Salaries	\$ 508,493	\$ 531,983	\$ 531,983	\$ 130,483	18.4%	-75.5%
Supplies	28,405	28,936	28,936	22,340	3.2%	-22.8%
Maintenance	32,175	28,090	28,090	8,740	1.2%	-68.9%
Repairs	32,758	28,465	28,465	19,844	2.8%	-30.3%
Support Services	137,862	137,998	137,998	64,362	9.1%	-53.4%
Benefits	153,620	168,345	168,345	45,066	6.4%	-73.2%
Designated Expenses	206,964	293,858	293,858	356,358	50.4%	21.3%
Major Capital Outlay	-	127,000	127,000	35,000	4.9%	0.0%
Capital Outlay	3,831	13,450	13,450	25,400	3.6%	0.0%
TOTAL RESOURCES	\$1,104,108	\$ 1,358,125	\$ 1,358,125	\$ 707,593	100.0%	-47.9%

FY 2004-05 Skylark Field Fund Expenditures

By Object Class



KILLEEN MUNICIPAL GOLF COURSE FUND REVENUES ANALYSIS

Total Killeen Municipal Golf Course Fund Resources are \$1,111,050. The following is a summary of the Killeen Municipal Golf Course Funds major revenue categories and their revenue assumptions for FY 2004-05.

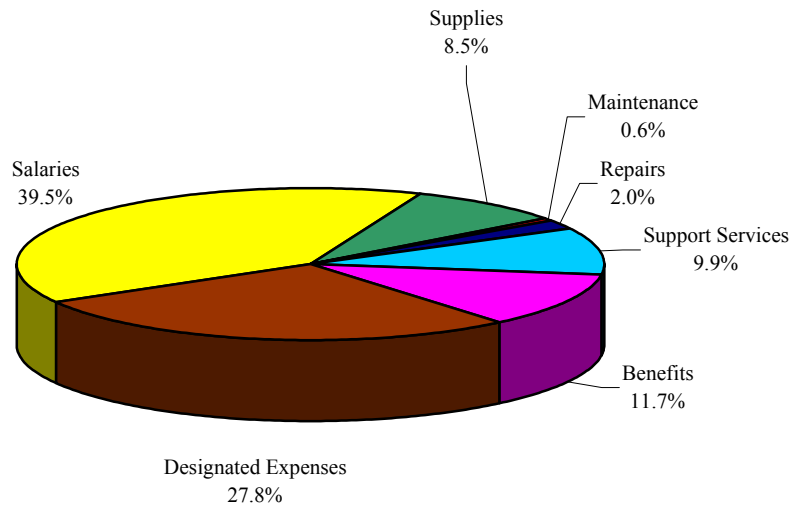
REVENUE CATEGORY	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Trail Fees	\$ -	\$ -	\$ -	\$ 17,000	1.5%	0.0%
Green Fees	-	-	-	284,000	25.6%	0.0%
Pro Shop	-	-	-	285,000	25.7%	0.0%
Carts	-	-	-	180,000	16.2%	0.0%
Clubs	-	-	-	4,000	0.4%	0.0%
Annual Pass	-	-	-	194,000	17.5%	0.0%
Snack Bar	-	-	-	22,250	2.0%	0.0%
Cart Shed	-	-	-	91,800	8.3%	0.0%
Handicap Fees	-	-	-	3,000	0.3%	0.0%
Driving Range	-	-	-	30,000	2.7%	0.0%
RESERVES	-	-	-	-	0.0%	0.0%
TOTAL RESOURCES	\$ -	\$ -	\$ -	\$ 1,111,050	100.0%	0.0%

Note: The following table and pie chart depicts expenditures for the Killeen Municipal Golf Course Fund, by object class.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Salaries	-	-	-	\$ 438,229	39.5%	0.0%
Supplies	-	-	-	94,094	8.5%	0.0%
Maintenance	-	-	-	6,100	0.6%	0.0%
Repairs	-	-	-	22,550	2.0%	0.0%
Support Services	-	-	-	109,338	9.9%	0.0%
Benefits	-	-	-	129,958	11.7%	0.0%
Designated Expenses	-	-	-	308,758	27.8%	0.0%
RESERVES	-	-	-	-	0.0%	0.0%
TOTAL RESOURCES	-	-	-	\$ 1,109,027	100.0%	0.0%

FY 2004-05 Killeen Municipal Golf Course Fund Expenditures

By Object Class



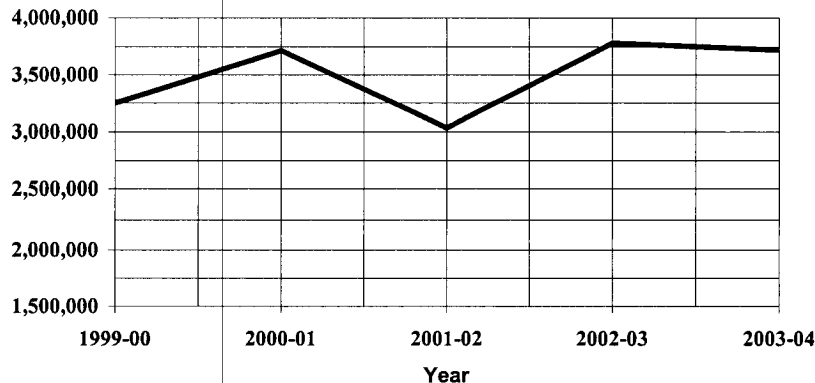
SOLID WASTE FUND REVENUES ANALYSIS

Total Solid Waste Fund Resources are \$13,778,003. This represents an increase of 1.5% over the prior years budget. The following is a summary of the City's major revenue categories and their revenue assumptions for FY 2004-05.

REVENUE CATEGORY	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Residential Sanitation Fees	\$ 4,223,378	\$ 5,276,442	\$ 5,004,000	\$ 5,346,785	38.8%	1.3%
Commercial Sanitation Fees	3,747,799	3,964,337	3,930,000	4,065,966	29.5%	2.6%
Transfer Station Fees	139,803	440,766	165,000	170,000	1.2%	-61.4%
Dumpster Rentals	255,624	-	280,000	295,000	2.1%	0.0%
Recycling Fees	32,687	50,400	36,000	36,000	0.3%	-28.6%
Misc. Revenues	82,522	78,579	91,200	95,800	0.7%	21.9%
Interest Earned	57,064	46,771	50,000	48,000	0.3%	2.6%
RESERVES	3,032,899	3,716,592	3,782,808	3,720,452	27.0%	0.1%
TOTAL RESOURCES	\$ 11,571,776	\$ 13,573,887	\$ 13,339,008	\$ 13,778,003	100.0%	1.5%

- * Residential Sanitation Fees increased by 1.3% due to a projected increase in residential customers.
- * Revenues from Commercial Sanitation Fees is budgeted to increase 2.6%. Transfer Station Fees and Dumpster Rentals are increasing 5.5% when combined. These increases are due to the area growth plus increases in various rates.
- * Subscription Recycling Fees decreased by 28.6% which is based on FY 2003-04 projected revenues.
- * Miscellaneous Revenues which include other types of recycling income, equipment sales, public scale fees and other miscellaneous revenues show an increase of 21.9%.
- * For FY 2003-04 the ending fund balance is projected to be \$3,720,452. Since 1999-2000 the Solid Waste Fund Balance reserves have increased 14.5%.

SOLID WASTE FUND
Fund Balance - Last 5 Years



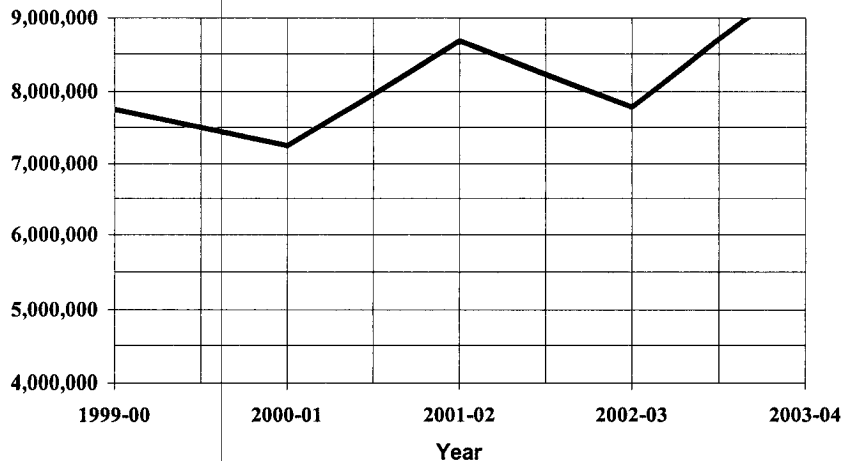
SOLID WASTE FUND EXPENDITURES

Total Solid Waste Fund expenditures are \$10,470,048. This represents a decrease of 7.2% over the prior years budget.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Code Enforcement	\$ 56,864	\$ 45,964	\$ 45,964	\$ 47,221	0.5%	2.7%
Residential Operations	1,836,888	2,484,993	2,376,887	2,597,132	24.8%	4.5%
Commercial Operations	1,070,909	1,522,525	1,499,727	1,518,394	14.5%	-0.3%
Recycling Program	221,960	342,491	324,347	285,240	2.7%	-16.7%
Transfer Station	2,640,374	3,263,751	3,262,312	2,866,460	27.4%	-12.2%
Debt Service	366,152	460,467	460,467	1,205,176	11.5%	161.7%
Miscellaneous	366,156	390,026	390,026	466,386	4.5%	19.6%
Transfers	1,229,665	1,258,826	1,258,826	1,484,039	14.2%	17.9%
TOTAL	\$ 7,788,968	\$ 9,769,043	\$ 9,618,556	\$ 10,470,048	100.0%	7.2%

- * The increase in Residential Operations of 4.5% can be attributed to major additions of replacement fleet in the FY 2004-05 budget.
- * Commercial Operations shows a small decrease of 0.3%.
- * There is a decrease in the Recycling Program of 16.7%. The FY 2003-04 budget included costs to begin the initial phase to construct a materials recovery facility which will not be required in FY 2004-05.
- * The Transfer Stations' budget is decreasing 12.2% over the prior year budget. This is due to a decrease in expenses related to landfill maintenance.
- * The Debt Service budget is increasing 161.7%. This is for the estimated expenditures needed to cover an anticipated new bond issuance in FY 2003-04.
- * The increase in the Miscellaneous budget of 19.6% is due to an increase in building maintenance costs along with an increase in the fund balance reserve level in FY 2004-05.

**SOLID WASTE FUND
Expenditures - Last 5 Years**

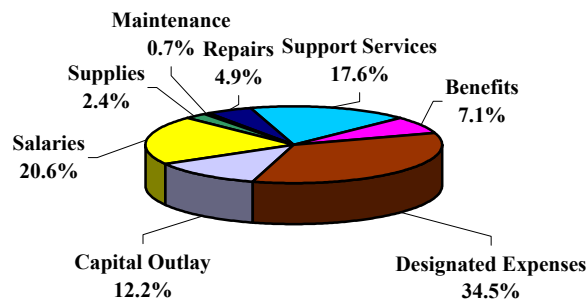


Note: The following table and pie chart depicts expenditures for the Solid Waste Fund, by object class.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	<u>% INCREASE OVER BUDGET 2003-04</u>
Salaries	\$ 2,004,772	\$ 2,256,776	\$ 2,177,451	\$ 2,160,723	20.6%	-4.3%
Supplies	235,397	235,046	239,114	253,521	2.4%	7.9%
Maintenance	78,737	645,420	634,440	69,624	0.7%	-89.2%
Repairs	475,458	469,975	490,670	511,310	4.9%	8.8%
Support Services	1,608,593	1,690,399	1,695,834	1,844,042	17.6%	9.1%
Benefits	661,632	750,234	678,443	742,997	7.1%	-1.0%
Designated Expenses	2,417,221	2,710,557	2,702,317	3,609,534	34.5%	33.2%
Capital Outlay	307,158	1,010,636	1,000,287	1,278,297	12.2%	26.5%
TOTAL EXPENDITURES	\$ 7,788,968	\$ 9,769,043	\$ 9,618,556	\$ 10,470,048	100.0%	7.2%

FY 2004-05 Solid Waste Fund Expenditures

By Object Class



WATER & SEWER FUND REVENUES ANALYSIS

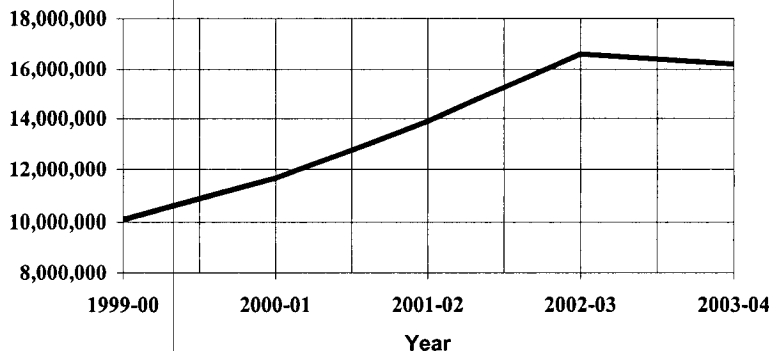
Total Water & Sewer Fund Resources are \$39,619,438. This represents an increase of 15.2% over the prior years budget. The following is a summary of the City's major revenue categories and their revenue assumptions for FY 2004-05.

REVENUE CATEGORY	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Sale of Water	\$ 9,076,683	\$ 9,319,335	\$ 9,100,000	\$ 11,290,679	28.5%	21.2%
Sewer Fees Collected	8,814,994	9,307,037	8,835,000	10,186,459	25.7%	9.4%
Water & Sewer Taps	910,349	500,000	755,000	625,000	1.6%	25.0%
Delinquent Penalty	425,045	384,000	400,000	400,000	1.0%	4.2%
Misc. Revenues	719,429	725,000	664,400	664,500	1.7%	-8.3%
Interest Earned	291,140	250,000	245,000	233,000	0.6%	-6.8%
Transfers-In	64,407	-	-	5,033	0.0%	0.0%
RESERVES	13,901,768	13,892,114	16,621,771	16,214,767	40.9%	16.7%
TOTAL RESOURCES	\$ 34,203,815	\$ 34,377,486	\$ 36,621,171	\$ 39,619,438	100.0%	15.2%

- * Sale of Water increased by 21.2%. This is due to a rate increase which takes effect at the start of the fiscal year along with an increase in customers..
- * Revenues from Sewer Fees Collected is budgeted to increase 9.4%. This increase is due to the rate increase along with the overall area growth.
- * Water & Sewer Taps are budgeted to increase 25.0%. This increase is also based on area economic conditions along with rate increases.
- * Miscellaneous Revenues shows a budgeted decrease of 8.3%. This is based on current FY 2003-04 estimated revenues.
- * Interest Earned is decreasing 6.8%. The decrease is due to unfavorable market conditions.
- * For FY 2003-04 the ending fund balance for the Water and Sewer fund is projected to be \$16,214,767. Since 1999-2000 the Water and Sewer Fund balance reserves have increased 60.6%.

WATER & SEWER FUND

Fund Balance - Last 5 Years



WATER & SEWER FUND EXPENDITURES

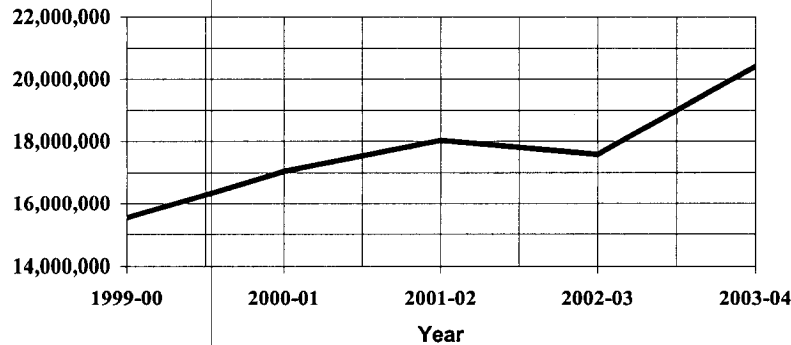
Total Water and Sewer Fund expenditures are \$25,143,041. This represents an increase of 17.3% over the prior years budget.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Fleet Services	\$ 622,406	\$ 796,695	\$ 785,372	\$ 870,946	3.5%	9.3%
Utility Collections	1,142,228	1,173,596	1,172,656	1,216,944	4.8%	3.7%
W&S Contracts	5,300,783	6,505,712	6,016,554	8,635,866	34.3%	32.7%
Water Distribution	980,760	1,072,633	1,047,032	1,068,542	4.2%	-0.4%
Sanitary Sewers	568,271	702,043	692,778	695,169	2.8%	-1.0%
W&S Operations	1,546,585	1,717,739	1,740,423	1,598,397	6.4%	-6.9%
W&S Projects	106,169	1,445,000	950,000	1,105,000	4.4%	-23.5%
Debt Service	4,120,491	4,467,035	4,467,035	5,966,157	23.7%	33.6%
Miscellaneous	1,139,228	1,348,340	1,323,340	1,427,375	5.7%	5.9%
Transfers	2,055,123	2,211,214	2,211,214	2,558,645	10.2%	15.7%
TOTAL	\$ 17,582,044	\$ 21,440,007	\$ 20,406,404	\$ 25,143,041	100.0%	17.3%

- * The increase in Fleet Services of 9.3% can be attributed to the addition of replacement vehicles and new equipment.
- * The Utility Collections budget is showing a 3.7% increase in the FY 2004-05 budget. This increase results from the addition of a replacement vehicle and new office equipment.
- * The Water and Sewer Contracts budget is increasing 32.7% over the prior year budget. This increase can be attributed to reimbursements to the Water District for anticipated construction costs for a new treatment plant along with other required capital improvements.
- * The decrease in Sanitary Sewers of 1.0% and Water & Sewer Operations of 6.9% is primarily due to a reduction in capital outlay expenditures plus a change in salary overtime policies.
- * The Water & Sewer Projects budget is decreasing 23.5%. Capital improvement expenses are increasing in the Water and Sewer Capital Project Funds with the issuance of new bond debt.
- * The increase in Debt Service of 33.6% can be attributed to the planned issuance of new bond debt in FY 2004-05.

WATER & SEWER FUND

Expenditures - Last 5 Years

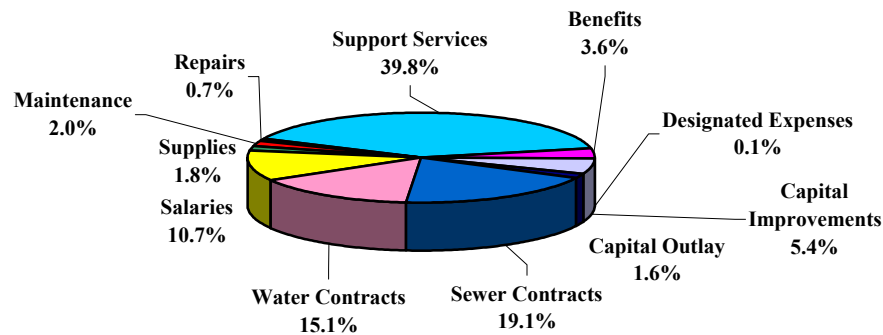


Note: The following table and pie chart depicts expenditures for the Water & Sewer Fund, by object class.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Salaries	\$ 2,585,360	\$ 2,805,346	\$ 2,771,223	\$ 2,704,429	10.8%	-3.6%
Supplies	422,564	426,055	426,835	447,450	1.8%	5.0%
Maintenance	402,786	532,324	532,322	505,919	2.0%	-5.0%
Repairs	118,961	144,674	145,118	171,868	0.7%	18.8%
Support Services	7,357,354	8,055,889	8,049,044	10,027,802	39.9%	24.5%
Benefits	815,610	886,662	884,959	898,625	3.6%	1.3%
Designated Expenses	(64,936)	(44,200)	(51,806)	(29,500)	-0.1%	-33.3%
Capital Improvements	314,269	1,695,925	1,200,925	1,367,768	5.4%	-19.3%
Capital Outlay	329,293	431,620	431,230	412,814	1.6%	-4.4%
Sewer Contracts	2,291,587	2,991,464	2,760,129	4,820,000	19.2%	61.1%
Water Contracts	3,009,196	3,514,248	3,256,425	3,815,866	15.2%	8.6%
TOTAL EXPENDITURES	\$ 17,582,044	\$ 21,440,007	\$ 20,406,404	\$ 25,143,041	100.0%	17.3%

FY 2004-05 Water & Sewer Fund Expenditures

By Object Class



DRAINAGE UTILITY FUND REVENUES ANALYSIS

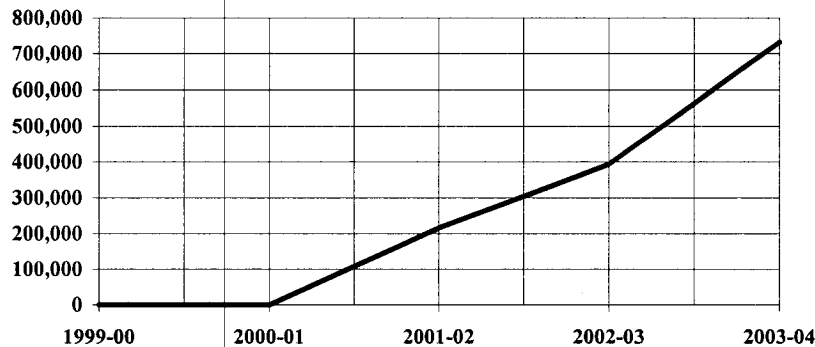
Total Drainage Utility Fund Resources are \$1,511,271. This represents an increase of 57.7% over the prior years budget. The following is a summary of the City's major revenue categories and their revenue assumptions for FY 2004-05.

REVENUE CATEGORY	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Residential Storm Water Fees	\$ 637,425	\$ 602,000	\$ 653,000	\$ 658,000	43.5%	9.3%
Commercial Storm Water Fees	113,393	110,000	115,000	117,000	7.7%	6.4%
Interest Earned	4,210	1,000	4,800	4,000	0.3%	300.0%
Misc. Revenues	-	-	-	-	0.0%	0.0%
RESERVES	215,838	245,123	393,932	732,271	48.5%	198.7%
TOTAL RESOURCES	\$ 970,866	\$ 958,123	\$ 1,166,732	\$ 1,511,271	100.0%	57.7%

- * Residential Storm Water Fees increased by 9.3% due to a projected increase in residential customers. These fees are based on a rate of \$2.00 per month for property classified as residential.
- * Revenues from Commercial Storm Water Fees is budgeted to increase 6.4%. These fees are based on a rate of \$4.00 per month on property classified as commercial.
- * For FY 2003-04 the ending fund balance is projected to be \$732,271 which accounts for 48.5% of the budget for FY 2004-05.

DRAINAGE UTILITY FUND

Fund Balance - Last 5 Years



DRAINAGE UTILITY FUND EXPENDITURES

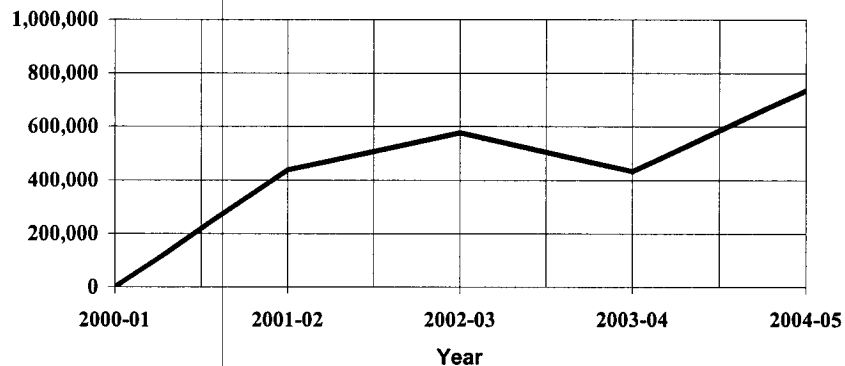
Total Drainage Utility Fund expenditures are \$734,602. This represents an increase of 38.9% over the prior years budget.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	% INCREASE OVER BUDGET 2003-04
Engineering	\$ 473,985	\$ 262,142	\$ 255,809	\$ 282,779	38.5%	7.9%
Street	6,618	25,000	10,000	-	0.0%	-100.0%
Drainage Projects	55,538	222,762	144,796	415,000	56.5%	86.3%
Non-Departmental	40,793	18,856	23,856	36,823	5.0%	95.3%
TOTAL	\$ 576,934	\$ 528,760	\$ 434,461	\$ 734,602	100.0%	38.9%

* The Drainage Utility Program started operations in the FY 2001-02 budget year which included the hiring of a project engineer to administer the program and the selection of a consulting firm to assist in the plan implementation. The budget for FY 2002-03 included the addition of a drainage technician and a project secretary along with a vehicle and other start-up equipment. The increase in Engineering in FY 2004-05 of 7.9% is primarily for professional engineering services on the second phase of the Drainage Master Plan. Drainage Projects account for 56.5% of the FY 2004-05 budget. Non-Departmental cost consist primarily of information technology related expenditures for developing a GIS database and maintaining other drainage infrastructure data along with an indirect cost allocation transfer.

DRAINAGE UTILITY FUND

Budgeted Expenditures

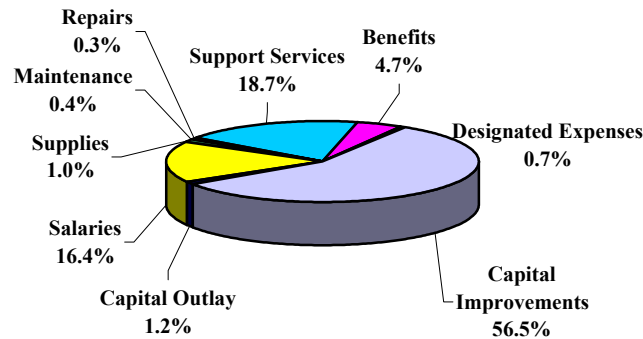


Note: The following table and pie chart depicts expenditures for the Drainage Utility Fund, by object class.

EXPENDITURES	ACTUAL 2002-03	BUDGET 2003-04	ESTIMATED 2003-04	ADOPTED 2004-05	% OF TOTAL	<u>% INCREASE OVER BUDGET 2003-04</u>
Salaries	\$ 74,644	\$ 113,366	\$ 109,470	\$ 120,808	16.4%	6.6%
Supplies	1,741	7,226	6,150	7,491	1.0%	3.7%
Maintenance	4,640	30,241	14,241	3,201	0.4%	-89.4%
Repairs	2,886	2,541	2,291	2,541	0.3%	0.0%
Support Services	345,191	107,117	107,006	137,184	18.7%	28.1%
Benefits	19,452	33,383	33,383	34,659	4.7%	3.8%
Designated Expenses	4,620	-	5,000	5,000	0.7%	0.0%
Capital Improvements	55,538	222,762	144,796	415,000	56.5%	86.3%
Capital Outlay	68,222	12,124	12,124	8,718	1.2%	-28.1%
TOTAL EXPENDITURES	\$ 576,934	\$ 528,760	\$ 434,461	\$ 734,602	100.0%	38.9%

FY 2004-05 Drainage Utility Fund Expenditures

By Object Class



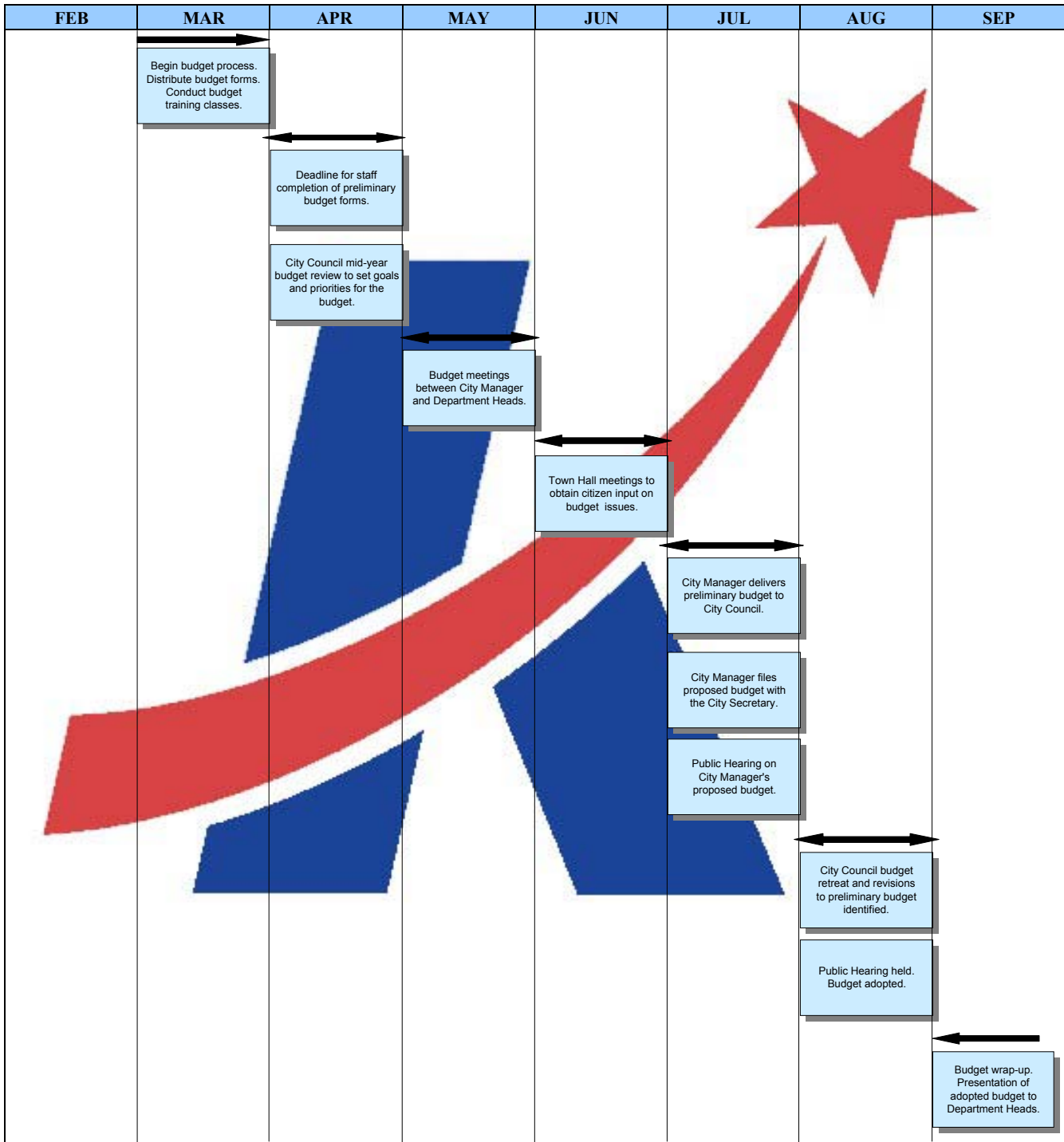
**CITY OF KILLEEN
 RECAP OF NEW PROGRAMS AND SERVICES
 FY 2004-05**

GENERAL FUND		
MUNICIPAL COURT	NEW FLEET-POLICE INTERCEPTOR	36,240
CODE ENFORCEMENT	ABATEMENT FEES TWO CODE ENFORCEMENT OFFICERS AND ONE CLERK MID YEAR ADDITION 2003-04	40,000 141,822
	FULL SIZED FOUR DOOR SEDAN	20,700
	1/2 TON EXTENDED CAB PICKUP	20,700
ANIMAL CONTROL	MID-SIZED TWO DOOR PICKUP	25,000
	MID-SIZED TWO DOOR PICKUP	18,500
CITY ATTORNEY	PUBLIC WORKS ATTORNEY	71,713
FINANCE	GRANTS ADMINISTRATOR	49,412
CUSTODIAL SERVICES	MID-SIZED FOUR DOOR PICKUP	18,600
	MID-SIZED FOUR DOOR PICKUP	18,600
INFORMATION TECHNOLOGY	MID-SIZED FOUR DOOR PICKUP	17,815
	MID-SIZED FOUR DOOR PICKUP	17,815
PERMITS AND INSPECTION	1/2 TON EXTENDED CAB PICKUP	19,150
	PLANS EXAMINER	61,885
LIBRARY	CHEVY VAN 3/4 TON	17,100
PARKS	FORD P-1/2 TON EXTENDED CAB PICKUP	19,300
	FORD P-1/2 TON EXTENDED CAB PICKUP	18,950
	1/2 TON FOUR DOOR PICKUP	20,050
	1/2 TON FOUR DOOR PICKUP	20,050
RECREATION	TABLES AND CHAIRS	11,000
CEMETERY	SEASONAL GROUNDS MAINTENANCE EMPLOYEE	8,054
	SEASONAL GROUNDS MAINTENANCE EMPLOYEE	8,054
SENIOR CITIZENS	FULL-TIME CUSTODIAN	24,254
	MITY-LITE TABLES (25)	3,800
COMMUNITY DEVELOPMENT	FOUR DOOR FULL-SIZE SEDAN	18,000
ENGINEERING	FOUR WHEEL DRIVE SPORT UTILITY VEHICLE	33,000
TRAFFIC	1 TON SERVICE TRUCK	30,500
	1/2 TON PICKUP	18,700
STREETS	1 TON CREW CAB	31,900
	1 TON CREW CAB	34,950
	1 TON CREW CAB	35,400
PLANNING	SENIOR PLANNING - MID YEAR ADDITION 2003-04	55,446
POLICE	SIX NEW POLICE OFFICERS AT MID-YEAR (WITH 6 FOUR DOOR FULL SIZE PATROL UNITS AT \$42,905)	417,591
	SPORT UTILITY VEHICLE	23,900
	1/2 TON PICKUP	18,700
	1/2 TON PICKUP	18,700
	1/2 TON PICKUP	18,700
	THREE POLICE OFFICERS, SIX PUBLIC OFFICERS, ONE TECHNOLOGY TECHNICIAN AND ONE EVIDENCE TECHNICIAN - MID YEAR ADDITION 2003-04	381,120
FIRE	SIX NEW FIREFIGHTER POSITIONS AT MID-YEAR	125,500
	INCENTIVE PAY FOR PARAMEDICS AND EMTS	164,250
	FIREFIGHTER'S RETIREMENT FUND CONTRIBUTION 1%	50,000
	MID SIZE SUV	43,384
	MID SIZE SUV	31,493
	MID SIZE SUV	31,493
	MID SIZE SUV	31,493
	FULL-SIZE FOUR DOOR SEDAN	26,493
	FULL-SIZE FOUR DOOR SEDAN	26,493
	MID SIZE SUV	31,493
	MID SIZE SUV	31,493
	MID SIZE SUV	31,493
	3 FIREFIGHTERS - MID YEAR ADDITION 2003-04	120,915
NON-DEPARTMENTAL	NOLAN TRAIL HIKE AND BIKE TRAIL	460,318
	TELEPHONE SYSTEM - MID YEAR ADDITION 2003-04	357,446
TOTAL GENERAL FUND		\$ 3,397,435

**CITY OF KILLEEN
RECAP OF NEW PROGRAMS AND SERVICES
FY 2004-05**

KILLEEN-FORT HOOD REGIONAL AIRPORT		
KILLEEN-FORT HOOD REGIONAL AIRPORT	OPERATIONS SPECIALIST	38,083
	PART-TIME FUEL HANDLER CONVERT TO FULL-TIME (2)	19,101
	IT TECHNICIAN	41,852
	AIRPORT SERVICE WORKER	26,420
	AIRPORT SERVICE WORKER	26,420
	OPERATIONS SPECIALIST	35,608
	SENIOR FUEL HANDLER	30,765
	ACCOUNTING SPECIALIST	31,494
	AIRPORT SPECIALIST	34,964
	MID-SIZE CREW CAB PICKUP TRUCK	24,400
	RIDING MOWER ZTR WITH 60" CUTTING DECK	13,295
	1/2 TON PICKUP	23,400
TOTAL KILLEEN-FORT HOOD REGIONAL AIRPORT FUND		\$ 345,802
SKYLARK FIELD		
SKYLARK FIELD	PAVEMENT CRACK SEAL (RAMP PROGRAM)	15,000
	GUIDANCE SIGN PANEL REPLACEMENT (RAMP PROGRAM)	20,000
	VIDEO SURVEILLANCE SYSTEM	25,000
TOTAL SKYLARK FIELD FUND		\$ 60,000
KILLEEN MUNICIPAL GOLF COURSE		
KILLEEN MUNICIPAL GOLF COURSE	GREENSKEEP AT 11 MONTHS	25,133
TOTAL KILLEEN MUNICIPAL GOLF COURSE FUND		\$ 25,133
SOLID WASTE FUND		
RESIDENTIAL	1/2 TON STANDARD CAB PICKUP TRUCK	18,150
	REARLOADING COLLECTION VEHICLE	140,000
	SIDELADING COLLECTION VEHICLE	166,290
	REARLOADING COLLECTION VEHICLE	140,000
	SIDELADING COLLECTION VEHICLE	166,290
COMMERCIAL	1/2 TON PICKUP TRUCK	17,900
	FRONTLOADING COLLECTION VEHICLE	160,000
	FRONTLOADING COLLECTION VEHICLE	160,000
RECYCLING PROGRAM	1/2 TON PICKUP TRUCK	17,900
TRANSFER STATION	TRANSFER STATION CONSTRUCTION PROJECT (PHASE IV) - CONSTRUCTION, REPRESENTATION, INSPECTION AND CONTROL	40,000
	1/2 TON STANDARD CAB PICKUP TRUCK, LONG BED	19,490
DEBT SERVICE	DEBT SERVICE FOR NEW BOND ISSUE	762,276
NON-DEPARTMENTAL	PORTION OF NEW ASSISTANT CITY ATTORNEY POSITION	27,250
TOTAL SOLID WASTE FUND		\$ 1,835,546
WATER & SEWER FUND		
FLEET SERVICES	FUEL ISLAND DISPENSER	33,000
	MID-SIZE 4 DOOR PICKUP TRUCK	18,665
	1/2 TON PICKUP TRUCK	18,400
	FULL SIZE 4 DOOR DEDAN	20,000
UTILITY COLLECTIONS	PERFORATING MACHINE	6,000
	1/2 TON PICKUP TRUCK	18,245
WATER DISTRIBUTION	INCENTIVE PAY - CDL I & CDL II	32,600
SANITARY SEWERS	SEWER JETTING MACHINE TRUCK	122,915
OPERATIONS	3/4 TON UTILITY BODY TRUCK	32,600
NON-DEPARTMENTAL	PORTION OF NEW ASSISTANT CITY ATTORNEY POSITION	27,250
TOTAL WATER & SEWER FUND		\$ 329,675
DRAINAGE UTILITY FUND		
ENGINEERING	PORTION OF NEW ASSISTANT CITY ATTORNEY POSITION	17,213
TOTAL DRAINAGE UTILITY FUND		\$ 17,213
TOTAL NEW PROGRAMS AND SERVICES		\$ 6,010,804

**CITY OF KILLEEN
BUDGET CALENDAR
FY 2004-05**



GENERAL FUND

The primary operating fund of the City of Killeen is the General Fund. The General Fund is used to account for all financial resources not restricted to special or specific projects and/or funds that are not required to be accounted for in a different fund. The use of this fund is outlined by the *Codification of Governmental Accounting and Financial Reporting Standards*, Section 1300.104. The Governmental Accounting Standards Board *Codification*, Section 1300.106, prohibits the use of more than one general fund.

The City of Killeen, uses the General Fund to account for revenues received from tax levies, permits and inspections, golf course, and various other permits, licenses and fees. Appropriations made from the General Fund are made up of services for public safety, administration of the municipality, recreational activities provided by the City to the citizens and the maintaining of the City infrastructure.

"The City Without Limits!"

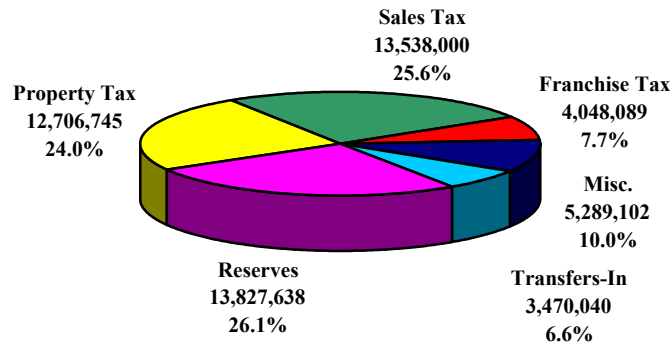
**General Fund
Adopted Budget
Summary
FY 2004-05**

		2002-03 ACTUAL	2003-04 ADOPTED	2003-04 ESTIMATED	2004-05 ADOPTED
BEGINNING FUND BALANCE					
Reserved Fund Balance		1,525,000	1,525,000	1,525,000	1,525,000
Unreserved Fund Balance		13,161,888	12,302,638	13,240,869	11,771,509
TOTAL BEGINNING FUND BALANCE		14,686,888	13,827,638	14,765,869	13,296,509
REVENUES					
Property Taxes		11,793,525	12,706,745	12,936,000	13,288,415
Sales and Occup. Taxes		13,571,575	13,538,000	14,764,000	15,358,000
Franchise Taxes		4,114,950	4,048,089	4,054,879	4,258,000
Miscellaneous Revenues		1,890,465	1,558,500	1,563,500	1,708,000
Permits and Licenses		913,778	704,500	808,050	927,800
Court Fines and Fees		962,830	1,029,900	960,349	1,055,713
Recreation Revenues		222,018	202,442	153,035	156,085
Interest Earned		382,120	250,000	285,000	285,000
Golf Course Revenues		929,558	904,081	621,390	-
Intergovernmental		806,994	639,679	653,731	307,210
TRANSFERS IN		3,433,013	3,470,040	3,470,040	4,148,067
TOTAL CURRENT REVENUES		39,020,826	39,051,976	40,269,974	41,492,290
TOTAL FUNDS AVAILABLE					
		53,707,714	52,879,614	55,035,843	54,788,799
EXPENDITURES					
City Council		63,217	73,641	63,641	75,468
City Manager		401,095	410,545	392,401	399,950
Municipal Court		646,392	671,357	654,693	725,166
Code Enforcement		-	164,848	164,848	448,544
Animal Control		276,770	333,642	313,235	365,775
Public Information Office		75,198	94,489	85,214	94,445
Volunteer Services		118,305	124,134	123,393	121,557
City Attorney		443,577	485,865	420,534	551,977
City Secretary		71,680	75,556	68,922	77,734
Finance		430,817	449,426	447,512	509,350
Accounting		254,163	275,561	274,623	285,402
General Services		170,132	186,343	151,883	178,914
Building Services		82,861	83,838	83,789	87,652
Custodial Services		245,492	262,763	262,753	307,799
Printing Services		103,636	131,779	131,330	134,734
EMS Billings & Collections		153,386	167,232	156,680	169,083
Human Resources		368,011	500,180	500,180	493,942
Information Systems		528,132	556,202	556,452	601,777
Permits & Inspections		810,364	813,612	813,612	686,240
Library		714,921	747,238	737,045	754,016
Branch Library		276,575	330,570	330,343	341,785
Golf Course		890,425	905,222	905,222	-
Parks		1,679,708	1,762,415	1,702,535	1,797,407
Recreation		261,628	290,700	285,882	301,267
Athletics		240,741	256,495	256,495	256,735
Cemetery		216,288	243,552	243,552	266,667
Senior Citizens		124,131	133,517	133,517	164,882
Swimming Pools		102,209	131,725	131,725	129,725
Community Dev.		230,245	236,502	236,502	259,879
Community Dev./Home Program		48,050	51,796	51,796	53,202
Public Works		168,102	176,274	175,671	179,661
Engineering		194,229	233,415	231,267	258,813
Traffic		587,272	696,275	651,091	736,413
Streets		2,322,220	2,433,893	2,379,723	2,532,301
Planning		238,075	331,929	318,774	353,005
Police		12,433,766	13,156,096	13,130,607	13,839,257
Fire		7,427,079	7,861,313	7,861,313	8,348,432
Non-Departmental		4,327,953	4,803,974	4,848,105	5,621,559
TOTAL OPERATING EXPENDITURES		37,726,845	40,643,914	40,276,860	42,510,515
TRANSFERS OUT		1,215,000	1,462,474	1,462,474	785,000
TOTAL EXPENDITURES					
		38,941,845	42,106,388	41,739,334	43,295,515
ENDING FUND BALANCE					
Reserved Fund Balance		1,525,000	1,525,000	1,525,000	1,525,000
Unreserved Fund Balance		13,240,869	9,248,226	11,771,509	9,968,284
TOTAL ENDING FUND BALANCE		14,765,869	10,773,226	13,296,509	11,493,284

GENERAL FUND

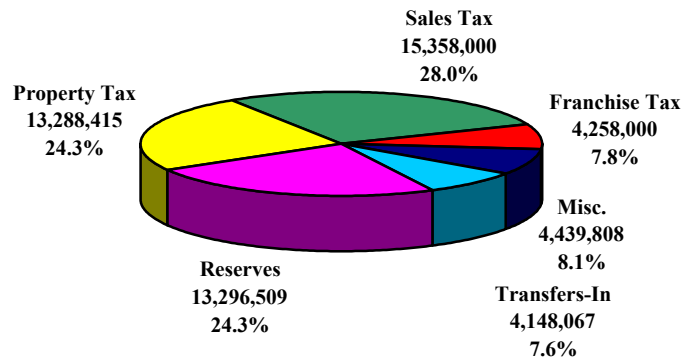
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Revenues by Source



Total Revenues \$52,879,614

FY 2004-05 Revenues by Source

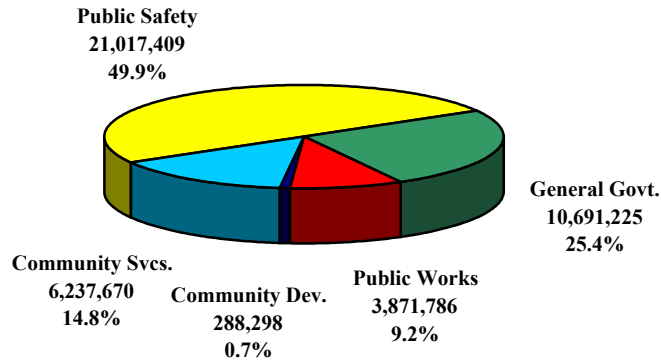


Total Revenues \$54,788,799

GENERAL FUND

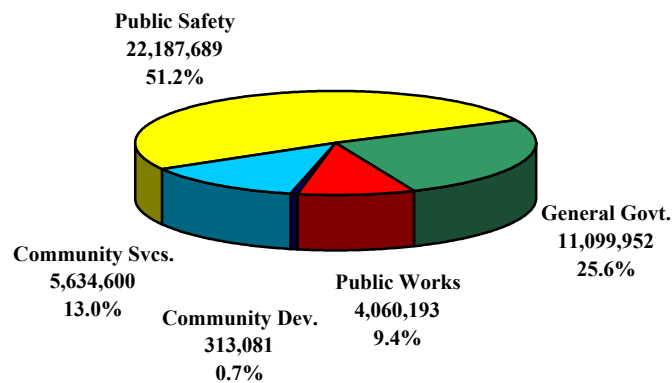
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Expenditures by Function



Total Expenditures \$42,106,388

FY 2004-05 Expenditures by Function



Total Expenditures \$43,295,515

Note: Significant changes between FY 2003-04 and FY 2004-05 are discussed on each division's financial page

GENERAL FUND REVENUES

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance				
Reserved	1,525,000	1,525,000	1,525,000	1,525,000
Unreserved	13,161,888	12,302,638	13,240,869	11,771,509
Total Beginning Fund Balance	14,686,888	13,827,638	14,765,869	13,296,509
Property Taxes				
Ad Valorem Taxes	11,421,672	12,458,745	12,619,000	12,968,415
Delinquent Ad Valorem Taxes	157,467	125,000	157,000	157,000
Delinquent Tax Penalties & Interest	150,039	85,000	118,000	118,000
Delinquent Tax Fees	64,347	38,000	42,000	45,000
Total Property Taxes	11,793,525	12,706,745	12,936,000	13,288,415
Sales & Occupancy Tax				
Sales Tax	13,193,123	13,317,000	14,500,000	15,080,000
Local Sales Tax	128,499	-	-	-
Bingo Tax	105,745	96,000	110,000	115,000
Drink Tax	144,208	125,000	154,000	163,000
Total Sales & Occupancy Tax	13,571,575	13,538,000	14,764,000	15,358,000
Franchise Tax				
Telephone Franchise Fees	237,296	236,000	215,765	223,000
Miscellaneous Telephone	10,754	10,000	12,000	14,000
TXU Gas Franchise Fees	255,050	197,000	210,000	268,000
Cable Television Franchise Fees	822,085	815,000	827,000	852,000
Taxi Cabs Franchise Fees	1,675	2,000	2,025	2,000
TU Electric Franchise Fees	2,788,090	2,788,089	2,788,089	2,899,000
Total Franchise Tax	4,114,950	4,048,089	4,054,879	4,258,000
Miscellaneous Revenues				
Miscellaneous Police Receipts	67,787	40,000	31,000	32,000
Police-False Alarm Fees	1,050	5,000	-	-
Taxi Operators License	1,935	1,000	2,000	2,000
Planning & Zoning Fees	33,345	26,400	26,400	30,000
Fire Dept. Service Fees Collected	1,303,106	1,150,000	1,150,000	1,300,000
High School Fire Cadet	-	48,000	48,000	-
Recruit Fire Academy	36,909	66,000	66,000	-
Library Xerox Charges	5,307	5,100	5,600	5,000
Library Fines and Contributions	23,346	15,500	17,000	15,000
Animal Control Fees	50,239	50,000	43,000	43,000
Curb and Street Cuts	(1,760)	1,500	1,500	1,000
Miscellaneous Receipts	369,201	150,000	173,000	280,000
Total Miscellaneous Revenues	1,890,465	1,558,500	1,563,500	1,708,000
Permits & Licenses				
Food Handlers Permits	15,615	15,000	15,000	15,000
Electrical License	5,955	6,500	6,500	-
Mechanical Inspection Permits	45,811	25,000	28,000	45,000

GENERAL FUND REVENUES

Continued

	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Permits & Licenses (Continued)				
Building Plans Review Fees	102,248	60,000	70,000	90,000
Garage Sale Permits	8,445	7,500	7,500	7,500
Animal License Receipts	1,564	6,500	3,000	3,000
Contractor License	37,095	35,000	37,000	35,000
Certificates of Occupancy	15,660	13,500	13,500	13,500
Trailer Court License/Permits	8,565	8,000	6,300	6,300
Bldg Permits & Inspections	404,998	350,000	400,000	400,000
Electrical Inspections/Permits	115,988	70,000	90,000	100,000
Plumbing Inspections/Permits	83,403	50,000	65,000	60,000
Inspection Fees	13,845	7,500	11,250	12,500
Code Enforcement - Mowing	54,586	50,000	55,000	140,000
Total Permits & Licenses	913,778	704,500	808,050	927,800
Court Fines & Fees				
Municipal Court Receipts	659,312	709,782	709,782	780,000
Arrest Fees	187,282	185,000	151,284	170,000
Parking Fines	40,410	65,000	26,220	28,580
Court Tax Service Fees	49,832	47,000	50,000	52,000
Traffic Cost (C.R.)	25,916	23,000	23,000	25,070
Jury Fees	78	118	63	63
Total Court Fines & Fees	962,830	1,029,900	960,349	1,055,713
Recreation Revenues				
Swimming Pool Receipts	12,791	14,000	14,000	14,750
Rodeo Arena Receipts	1,000	1,000	1,000	1,000
Athletic Revenue	61,853	54,207	18,200	20,000
Cemetery Lots	67,484	48,235	50,335	50,335
Recreation Revenue	50,122	60,000	45,000	45,000
Swimming Pool Lessons	14,127	14,500	14,500	15,000
Facilities Revenue	9,085	8,000	10,000	10,000
Concession Stand Revenue	5,556	2,500	-	-
Total Recreation Revenue	222,018	202,442	153,035	156,085
Interest Earned				
Interest Earned	382,120	250,000	285,000	285,000
Total Interest Earned	382,120	250,000	285,000	285,000
Golf Course				
Golf Course Tournament Fees	28,463	35,000	-	-
Trail Fees	14,209	14,000	8,050	-
Green Fee	239,284	222,621	149,002	-
Pro Shop	221,976	240,000	163,000	-
Carts	157,175	150,000	110,000	-
Clubs	4,570	3,800	2,800	-
Annual Pass	173,013	155,000	140,000	-

GENERAL FUND REVENUES

Continued

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Golf Course (Continued)				
Snack Bar	3,250	3,000	3,000	-
Cart Shed	65,297	68,200	33,550	-
Handicap Fees	2,327	2,460	1,988	-
Driving Range	20,643	10,000	10,000	-
GPS Rental Fees	(649)	-	-	-
Total Golf Course Revenue	929,558	904,081	621,390	-
Intergovernmental Revenue				
Juvenile Gangs	133,254	133,311	133,311	-
Home Program	48,051	51,419	51,419	51,142
CDBG Administration	230,242	228,400	228,400	225,200
Bell County Contributions	10,192	3,411	10,000	10,000
Civil Defense Matching Funds	13,815	10,000	20,868	20,868
Fire Department Grant	-	4,805	1,400	-
Young Parent Program	125,677	-	-	-
Communities in Schools	245,763	208,333	208,333	-
Total Intergovernmental Revenue	806,994	639,679	653,731	307,210
Transfers from other funds				
Transfer from Water & Sewer	2,055,123	2,211,214	2,211,214	2,558,645
Transfer from Solid Waste	1,229,665	1,258,826	1,258,826	1,484,039
Transfer from Drainage Utility	-	-	-	17,213
Transfer from Tax Increment	118,610	-	-	-
Transfer from I & S 1996	25,261	-	-	-
Transfer from I & S 1993	-	-	-	88,170
Transfer from I & S 1991	4,354	-	-	-
Total Transfers from other funds	3,433,013	3,470,040	3,470,040	4,148,067
Total Fund Balance and Revenue	53,707,714	52,879,614	55,035,843	54,788,799

GENERAL FUND

CITY COUNCIL

MISSION STATEMENT:

The mission of the City Council is policy making, which includes identifying the needs of Killeen residents, formulating programs to meet the changing needs of the community, and measuring their effectiveness of ongoing municipal services. Additionally, the Mayor and City Council, as a governing body, gives direction to the City Manager who is the chief administrator of the City.

PROGRAM DESCRIPTIONS:

The City of Killeen operates under the Council-Manager form of government. The governing body consists of a separately elected mayor, four council members elected from the various wards in the City and three council members elected at large.

The Mayor occupies the highest elective office in the City of Killeen. The Mayor presides over council meetings, and is recognized as the ceremonial and government head of the City. The Mayor is expected to provide the leadership necessary to keep the city moving in the proper direction.

The Mayor Pro-Tem is a member of the council who performs the Mayor's duties during his or her absence. The Mayor Pro Tem is selected by majority vote of the council from its own membership.

ACCOMPLISHMENTS:

- Adopted a budget for the current fiscal year
- Called an election for mayor and three council member seats

ISSUES AND SERVICES:

- Continue to make the accomplishments of Killeen known by applying for numerous awards.
- The continuing challenge for the policy making group will be to maintain City service levels as much as possible, set the tax rate, and determine priorities among City projects and programs.

KEY OBJECTIVE: The City Council will strive to represent the Citizens of Killeen, among other items, issues dealing with the City's economic development, industrial development and overall growth.

	<u>Actual</u> <u>2002-03</u>	<u>Actual</u> <u>2003-04</u>
Council meetings held	24	44
Ordinances passed	67	89
Resolution passed	140	170

GENERAL FUND

CITY COUNCIL

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 10,200	\$ 10,800	\$ 9,510	\$ 10,800
Supplies	1,557	2,050	2,050	2,050
Support Services	51,460	60,138	50,074	62,618
Capital Outlay	-	653	-	-
Total Expenditures	\$ 63,217	\$ 73,641	\$ 61,634	\$ 75,468

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
At Large	3	3	3	3
Mayor	1	1	1	1
Ward #1	1	1	1	1
Ward #2	1	1	1	1
Ward #3	1	1	1	1
Ward #4	1	1	1	1
Total	8	8	8	8

GENERAL FUND

CITY MANAGER

MISSION STATEMENT:

The mission of the City Manager is to provide overall management throughout the City organization and staff. The City Manager is also responsible to provide recommendations of various guidelines, procedures, and processes for City Council to utilize, thus providing effective municipal services to the citizens of Killeen.

PROGRAM DESCRIPTIONS:

The City Manager is the Chief Executive Officer for the City of Killeen, ensuring financial accountability, efficient use of resources, and providing leadership and direction to carry out the overall vision of the City.

ACCOMPLISHMENTS:

- Successful implementation of the City's Annual Budget and Plan of Municipal Services for the FY 2003-04

ISSUES AND SERVICES:

- Continued promotion of tourism and convention activities with emphasis on Killeen Civic and Conference Center Complex.
- Continued re-construction and expansion of the City's water and sewer infrastructure to meet the needs of our rapidly growing population.
- Development and implementation of Phase I of the \$65,000,000 G.O. Bond Program.
- Continued development of volunteer programs that address community needs in the area of crime control, community beautification, recreation, handicapped parking and other volunteer programs.
- Continued operation of a balanced budget and quality City Services.

KEY OBJECTIVE: Provide the necessary leadership and direction to carry out the City's overall vision and mission.

	<u>Actual</u> <u>2002-03</u>	<u>Actual</u> <u>2003-04</u>	<u>Estimated</u> <u>2004-05</u>
Directors meetings held		36	52
Agenda meetings held	24	24	24
Staff meetings held	52	52	52

GENERAL FUND

CITY MANAGER

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 272,810	\$ 286,788	\$ 274,115	\$ 279,273
Supplies	2,118	2,200	2,200	2,200
Repairs	115	115	-	-
Support Services	65,455	53,846	51,257	52,207
Benefits	60,597	67,596	64,829	66,270
Total Expenditures	\$ 401,095	\$ 410,545	\$ 392,401	\$ 399,950

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Administrative Assistant	1	1	1	1
City Manager	1	1	1	1
Deputy City Manager	1	1	1	1
Total	3	3	3	3

GENERAL FUND

MUNICIPAL COURT

MISSION STATEMENT:

To provide fair and reasonable justice to all in a courteous and professional manner.

PROGRAM DESCRIPTIONS:

Municipal Court is responsible for processing all Class C misdemeanors, collecting fines, fulfilling driving safety requests, scheduling trial dockets for all court cases and arraignments and preparing documentation for the issuance of warrants. The court also conducts teen court, which permits young drivers the opportunity to have tickets dismissed. Juvenile court involves cases for juveniles (17 & under) committing theft, tobacco and alcohol, disorderly conduct and other related violations.

ACCOMPLISHMENTS:

- 19,441 cases were processed October 1, 2003 through September 30, 2004.
- 15,004 Traffic Citations - 5,637 cited for Speeding, 462 Running Red Light, 393 Loud Music.
- Court Reorganized with full-time judge assuming administrative duties October 1, 2003.
- Implemented DPS Failure to Appear Program and Out of State Driver's License Suspensions (Non-Resident Violator's Compact) - causes defendants to pay total fine and costs for Driver's License renewal.
- Document Imagery is being used for closed cases and paper files are destroyed.
- Improved customer service/dissemination of information – significantly decreased waiting time in lobby by changing procedures.
- Active files consolidated into one area.
- Implemented security screening measures at entrance to courtroom.
- Conversion of files format to DMS.
- Teen Court now uses jury duty and community service as constructive punishment.
- Killeen Municipal Court passed the state audit with no deficiencies.
- Court provided Ticket Writers to KPD through Technology Fund.
- Total warrants issued for FY04 were 5,615.
- Total revenue collected (fines and state court costs) for FY04 is \$1,836,168.99.

ISSUES AND SERVICES:

- Obtain security cameras for interior of court and areas where customers are serviced.
- Continue to request improvements to Municipal Court Building, i.e., signs directing citizens to court, sign on west side of building on 4th Street identifying building; continue to request that KPR maintain tree obstructing sign on Avenue D.
- Reduce paperwork – Obtain software to eliminate paper files. Currently, the court creates a paper document which requires a signature, then the documents are scanned into document imagery system and destroyed. HTE is working on program to have the clerk of the court and the judges' signature digitally inserted. Should be implemented during first quarter FY04.
- Participate in on-line payment program (click2.gov) to be implemented during first quarter FY04
- Obtain software for 24-hour phone support for users of the court services (Interactive Voice Recognition).

KEY OBJECTIVE: To expeditiously process Class C Misdemeanor cases with a professional, well-trained staff that treats customers with dignity using the available resources productively.

	<u>Actual</u> <u>2000-01</u>	<u>Actual</u> <u>2001-02</u>	<u>Actual</u> <u>2002-03</u>	<u>Oct – Mar 04</u> <u>2003-04</u>
Cases filed	15,720	17,770	18,381	10,472
Cases disposed	15,381	17,949	13,535	14,889
Warrants issued	10,166	5,915	5,670	3,188
Warrants cleared	3,812	5,088	5,108	3,076

GENERAL FUND

MUNICIPAL COURT

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 447,619	\$ 437,531	\$ 422,634	\$ 459,904
Supplies	22,119	24,416	24,416	22,946
Repairs	1,683	3,600	1,600	6,802
Support Services	19,013	35,757	35,757	28,203
Benefits	153,964	169,155	169,155	168,806
Capital Outlay	1,994	898	1,131	38,505
Total Expenditures	\$ 646,392	\$ 671,357	\$ 654,693	\$ 725,166

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Accounting Clerk	1	1	1	1
Associate Municipal Judge (Part-Time)	1	1	1	1
Baliff	1	1	1	1
City Marshal	1	1	1	1
Clerk of the Court	1	1	1	1
Court Administrator	1	1	0	0
Court Citation Specialist	1	1	1	1
Court Collections Clerk	4	4	4	4
Court Collections Supervisor	1	1	1	1
Deputy City Marshal	1	2	2	2
Juvenile Coordinator/Accounting Clerk	1	1	1	1
Municipal Judge	1	1	1	1
Principal Secretary	1	1	1	1
Warrants Clerk	0	1	1	1
Warrants Coordinator	2	2	2	2
Total	18	20	19	19

GENERAL FUND

CODE ENFORCEMENT

MISSION STATEMENT:

To ensure that buildings and properties are maintained in order to provide and preserve healthy, safe and aesthetically pleasing neighborhoods for the citizens of Killeen.

PROGRAM DESCRIPTIONS:

The Code Enforcement Department enforces the city codes and ordinances in order to provide a safe, clean and aesthetically pleasing community for the citizens of Killeen. The staff focuses on educating the citizens of their responsibilities to maintain their property in conformance with the minimum health and safety standards adopted by the Council. The Code Enforcement officers respond to citizen and interdepartmental complaints dealing with substandard and dangerous buildings, high weeds and grass, junk vehicles, graffiti and other nuisance violations. The code officers enforce and abate properties when voluntary compliance from the property owner cannot be achieved.

ACCOMPLISHMENTS:

- Investigated 5489 complaints during the calendar year 2003, an increase of 55 percent from 2001.
- Performed 11,886 inspections during the calendar year 2003, an increase of 50 percent from 2001
- Abated 4153 code violations during the calendar year 2003, an increase of 37 percent from 2001.
- Placed 513 liens for a total amount of \$119,246 in 2003, an increase of \$57,489 from 2002.
- Received payment on liens and bills in 2003 for a total amount of \$68,471, an increase of \$41,123 over 2002.

ISSUES AND SERVICES:

- Staff will continue to strive to provide responsive and timely service to all its citizen's, however; the continuing growth (population, annexation and construction) has continued to place a strain on the department's staff. The departments cover 44.47 sq. miles and 413 miles of city streets.

KEY OBJECTIVES:

Objective #1: Provide timely and efficient response to code enforcement complaints.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Number of Complaints Investigated	5,009	6,000	6,000	7,200

Objective #2: Provide an aesthetically pleasing community by ensuring adopted codes and ordinances are enforced citywide to ensure the health, safety and general welfare of the public.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Number of Violations Abated	3,460	5,100	5,100	6,120

GENERAL FUND

CODE ENFORCEMENT

EXPENDITURES	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ -	\$ 20,322	\$ 20,322	\$ 212,803
Supplies	-	3,333	3,333	20,719
Repairs	-	-	-	3,724
Support Services	-	732	732	17,279
Benefits	-	6,895	6,895	63,619
Designated Expenses	-	6,000	6,000	89,000
Capital Outlay	-	127,566	127,566	41,400
Total Expenditures	\$ -	\$ 164,848	\$ 164,848	\$ 448,544

PERSONNEL SUMMARY	Number of Positions			
Position Title	2001-02	2002-03	2003-04	2004-05
* Code Enforcement Clerk	0	0	1	2
** Code Enforcement Officer	3	4	6	8
Director of Code Enforcement	1	1	1	1
Senior Secretary	1	1	1	1
Total	5	6	9	12

During FY 03-04 City Council approved three new positions mid-year for Code Enforcement.

* One Code Enforcement Clerk is funded out of Community Development (approved FY 04-05)

** One Code Enforcement Officer is funded out of Solid Waste Fund (approved FY 02-03) and three out of Community Development (one approved beginning FY 01-02 and two approved for FY 04-05)

GENERAL FUND

ANIMAL CONTROL

MISSION STATEMENT:

The mission of the Killeen Animal Control Department is to provide the citizens of Killeen with effective and cost efficient Animal Control Services by active enforcement of State and local laws, the humane sheltering and disposal of stray and unwanted animals, and the promotion of responsible pet ownership and animal welfare.

PROGRAM DESCRIPTIONS:

The Animal Control Division is responsible for the enforcement of State and local laws in regards to both wild and domestic animals within the City limits. Daily shelter operations to include pet adoptions, rabies control, public safety, animal protection, school programs and public education and awareness are all essential functions

ACCOMPLISHMENTS:

- Strict enforcement of Rabies control practices, to insure public safety.
- The continued success of school programs, the Department hosts a school program to educate and inform children of proper care and treatment of animals.
- The Department hosts a field trip program to educate children on animal welfare and Animal Control officer's duties.

ISSUES AND SERVICES:

- The new expansion of the City will directly effect the response times for increased complaints and emergency calls.
- The expansion of the City will result in an increased animal population, both domestic and wild.
- With the expansion of the City, the number of animals impounded and housed at the shelter will increase, shelter size will not.
- The increased number of animals impounded will result in higher disposal fees and increased euthansia rates.

KEY OBJECTIVES:

- Objective #1** To provide quality service to the citizens of Killeen.
- Objective#2** The enforcement of State and local laws in regards to Rabies control, public safety, and the protection of Animals
- Objective#3** Promotion of spay and neuter education and programs to reduce the number of stray and unwanted animals.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Routine calls for service	9,562	10,267	9,000	9,200
After hour emergency calls	759	610	500	540
Animals impounded	4,221	4,649	4,500	4,600
# of calls for service	10,417	11,343	11,500	12,000

GENERAL FUND

ANIMAL CONTROL

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 175,131	\$ 187,769	\$ 187,052	\$ 200,021
Supplies	22,579	29,165	30,660	30,230
Maintenance	1,467	-	-	-
Repairs	6,538	6,850	6,850	6,650
Support Services	17,386	22,000	20,918	21,329
Benefits	53,669	67,755	67,755	64,045
Capital Outlay	-	20,103	-	43,500
Total Expenditures	\$ 276,770	\$ 333,642	\$ 313,235	\$ 365,775

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Animal Control Assistant	1	1	1	1
Animal Control Attendent	1	1	1	1
Animal Control Officer	5	5	5	5
Animal Control Supervisor	1	1	1	1
Total	8	8	8	8

GENERAL FUND

PUBLIC INFORMATION

MISSION STATEMENT:

Provide relevant, concise, timely information to residents, media, and staff through various communication tools to enhance communication between the City of Killeen and its customers.

PROGRAM DESCRIPTIONS:

The Public Information Office plans and implements the public relations program for the city of Killeen. It develops and maintains a positive public image for the city by keeping the public informed of services, disruptions in service, activities, city accomplishments, goals, and other useful information. The Public Information Office is responsible for resident relations, media relations, employee relations, community presentations, protocol, the city web site, and the government access channel including the production of City Council Meetings and Presentations. It is also responsible for public information emergency preparedness, event planning, service on various committees in city government and the community, and providing assistance to the Mayor, Council, and City Manager as needed.

ACCOMPLISHMENTS:

- Launched the redesigned City of Killeen Web Site, which won an international award.
- Produced the City's 2003 Annual Report, which won four state, national, and international awards.
- Began the production of *City Council Presentations* for the Government Access Channel.
- Redesigned and began monthly production of *City Beat*, the employee newsletter.
- Completed 50 hours of emergency management training and was selected as a PIO Reservist for the Texas Department of Emergency Management.

ISSUES AND SERVICES:

- Implement a comprehensive communications policy for employees
- Redesign and resume production of quarterly resident newsletter, *City Insight*
- Improve government access channel programming through producing and acquiring videos
- Improve support of city department public relations needs
- Plan and prepare for Cable Franchise Agreement renegotiation in FY 05-06 to improve funding to the government access channel

KEY OBJECTIVE: In accordance with the City Council Strategic Plan, the Public Information Department will increase the availability and improve the delivery of public information to the public via the government access channel, resident newsletter, employee newsletter, web site, press releases, and various communications campaigns.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Media calls	484	500	636	700
Press releases	47	60	65	90
# of City Beat issues produced	1	12	7	12

GENERAL FUND

PUBLIC INFORMATION

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 49,453	\$ 52,038	\$ 51,993	\$ 53,716
Supplies	812	1,340	1,065	1,340
Support Services	11,918	27,408	18,453	25,459
Benefits	13,015	13,703	13,703	13,930
Total Expenditures	\$ 75,198	\$ 94,489	\$ 85,214	\$ 94,445

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Director of Public Information	1	1	1	1
* Public Information Assistant	0	1	1	1
Total	1	2	2	2
 *Funded out of Cablesystem PEG Special Revenue Fund				

GENERAL FUND

KILLEEN VOLUNTEER SERVICES

MISSION STATEMENT:

The mission of the Volunteer Services Department is to serve as liaisons and supply support to Killeen Volunteers, Inc. and its program committees, while stimulating service and sustaining volunteerism throughout the community.

PROGRAM DESCRIPTIONS:

Volunteer Services designs and carries out the volunteer programs for the City of Killeen. In addition, the Volunteer Services Department works with the 501(c)(3) corporation, Killeen Volunteers, Inc., and its five program committees, which are comprised of Keep Killeen Beautiful, Celebrate Killeen Committee, Killeen Volunteer Corps, America's Promise and the Youth Advisory Commission. Volunteer Services coordinates local and national community projects, such as Make a Difference Day; Trash Off; Volunteer Appreciation Week; Earth Day/Arbor Day; President's Youth Service Day; Groundhog Job Shadow Day; Annual Christmas Parade; Holiday Under the Stars; Celebrate Killeen Festival; Christmas Tree Recycling; National Youth Service Day; Youth Summit; Relay for Life; Boards & Commissions Recognition; Volunteer Training 101; Adopt-A-Roadside; MADD Power Camp; YAC Swearing In Ceremony; Outdoor Decorating Contest; Business Yard of the Month. The value added service from volunteers in 2002-03 value was \$838,090, the budget amount for 2003-04 is \$896,756 and the estimated value from volunteers in 2004-05 is \$1,157,434

ACCOMPLISHMENTS:

- Killeen Volunteers, Inc. won the prestigious "Encore" award from USA Weekend magazine. As a result of the national honor, we shared a \$10,000 prize with Lane Volunteer Center of Fort Hood.
- The Greater Killeen Area's Promise program was recognized as 1 of 13 Promise Station Sites from across the Nation. Our program initiated the first annual Promise Day Event with approx 2,500 people in attendance.

ISSUES AND SERVICES:

- Due to the deployment of U.S. soldiers, we did not have the number of volunteers we anticipated for the Don't Mess With Texas Trash Off this year. Also, our Adopt-A-Roadside volunteer numbers were low due to lack of participation from Fort Hood troops. When the troop strength at Fort Hood is high, so is our volunteer participation level. When troops are deployed however, some of our projects are affected.
- In order to take a more active role in Disaster/Emergency Management, the volunteer center needs funds to purchase a phone bank, disaster kits and emergency supplies. We have asked for this money in the past and it has not been received.

Volunteer Services				
Projects and Programs	Actual 2002-03	Budget 2003-04	Adopted 2004-05	
Value Added Service for Volunteers serving the city	\$838,090	\$896,756	\$1,157,434	
Great Texas Trash Off Participants	528	350	325	
Make a Difference Day Participants	11,737	12,675	13,000	
Groundhog Job Shadow Day Participants	272	298	301	
Adopt-A-Roadside Trash Pick-up Participants	1,750	1,132	1,150	
President's Volunteer Service Award	251	265	225*	
Volunteer Match Referrals	863	1,121	1,500	
Christmas Tree Recycling	208	350	529	

*national award criteria changed

GENERAL FUND

KILLEEN VOLUNTEER SERVICES

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 85,975	\$ 88,271	\$ 88,271	\$ 87,367
Supplies	1,502	1,850	1,750	2,070
Repairs	-	500	-	-
Support Services	5,232	6,144	6,003	5,789
Benefits	25,596	27,369	27,369	26,331
Total Expenditures	\$ 118,305	\$ 124,134	\$ 123,393	\$ 121,557

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Director of Volunteer Services	1	1	1	1
Senior Secretary	1	1	1	1
Youth Programs Specialist	1	1	1	1
Total	3	3	3	3

GENERAL FUND

CITY ATTORNEY

MISSION STATEMENT:

The mission of the City Attorney's Office is to provide quality legal services, advice and representation to the City Council, City Manager and other City Departments.

PROGRAM DESCRIPTIONS:

The City Attorney's Office is responsible for the delivery of all legal services for the City Council, City Administration and other City Departments, Boards & Commissions. As legal adviser and counsel, the CAO strives to provide timely cost effective services and pro-active legal advice and education.

ACCOMPLISHMENTS:

- Provided legal support to Finance Department in collection of miscellaneous revenues & delinquent hotel occupancy taxes.
- Assisted Aviation Department with negotiation and execution of numerous contracts relating to the opening of the new airport.
- Provided on-going legal support for the largest annexation in the city's history, and implementation of the city's new annexation plan.
- Provided legal support for issues relating to golf course expansion.
- Drafted an ordinance regulating Vehicle Repossessions.
- Provided continuing legal support to the city safety committee, including chairing the committee.
- Assisted the Police Department in revising the non-consensual tow ordinance.
- Assisted with numerous employee discipline issues, including presenting the city's case supporting termination to two separate Personnel Hearing Boards, participation in two civil service hearing examiner appeals.
- Drafted proposed smoking ordinance revisions and participated in many related committee meetings and public hearings.

ISSUES AND SERVICES:

- Continue to provide efficient legal services to our clients.
- Ensure city in compliance with significant new state laws passed by Texas Legislative in 2003, as well as state & federal regulations regarding EPA stormwater program.

KEY OBJECTIVES:

- Continue to provide timely & efficient legal assistance regarding all matters related to the Killeen-Fort Hood Regional Airport.
- Monitor and respond to Claims/Actions filed vs. the City of Killeen.
- Continue to provide legal assistance to public works relating to the city's aggressive new annexation plan and related infrastructure expansion.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Claims Filed	110	112	115	117
Average Time to Process	4 days	4 days	4 days	4 days

GENERAL FUND

CITY ATTORNEY

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 312,198	\$ 320,753	\$ 274,893	\$ 368,560
Supplies	6,089	6,374	6,113	7,348
Repairs	-	-	-	125
Support Services	28,928	59,948	52,656	63,584
Benefits	79,025	82,690	71,530	95,060
Capital Outlay	17,337	16,100	15,342	17,300
Total Expenditures	\$ 443,577	\$ 485,865	\$ 420,534	\$ 551,977

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Assistant City Attorney	2	2	2	2
Assistant City Attorney I	0	0	0	1
City Attorney	1	1	1	1
Deputy City Attorney	1	1	1	1
Executive Assistant	1	1	1	1
Senior Secretary	1	1	1	1
Total	6	6	6	7

GENERAL FUND

CITY SECRETARY

MISSION STATEMENT:

The mission of the City Secretary's Office is to keep and maintain all city records, including City Council minutes, ordinances, and resolutions. The City Secretary's Office also conducts City elections, issues various permits and licenses, codifies ordinances, and maintains portions of the City's web site.

PROGRAM DESCRIPTIONS:

The City Secretary attends and prepares for all City Council meetings, including procedures to maintain ordinances and resolutions current and in safekeeping. Additionally, the City Secretary conducts an active permit issuance program including applications for permits for carnivals, amusement, parades, assembly, roadway solicitations, beer, taxi, limousine, and wrecker permits.

ACCOMPLISHMENTS:

- Distributed updated Code of Ordinances in Folio format and on web in Adobe format.
- Eliminated approximately 6,600 pounds of expired records in accordance with records control schedules.
- Conducted one general election.
- Updated the Legal portion of City's web site, maintained Council minutes on the web, and placed agenda packet information on web.

ISSUES AND SERVICES:

- Continue to monitor Records Storage Facility to assure timely destruction of documents at the end of their retention period.
- Continue to codify ordinances for both Folio View on network and Adobe format on web, eliminating paper versions.
- Conduct one general City election.

KEY OBJECTIVES:

Objective #1 Comply with state and local law in the area of records retention, by organizing and maintaining Records Storage Facility and eliminating duplicate or expired records.

Actual	Budget	Estimated	Adopted
<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
6,500 pounds	6,500 pounds	6,600 pounds	6,600 pounds

Objective #2 Timely process and issue various permits for carnivals, assembly, parades, roadway solicitations, wreckers, off-premise beer, taxicabs and limousines, and license plates for city vehicle fleet.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Permits issued	217	250	237	240
Average process time	3 Days	3 Days	3 Days	3 Days

GENERAL FUND

CITY SECRETARY

EXPENDITURES	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 43,604	\$ 45,530	\$ 44,794	\$ 47,390
Supplies	613	2,200	1,171	2,200
Support Services	580	5,518	1,845	5,475
Benefits	11,579	12,308	12,212	12,669
Designated Expenses	15,304	10,000	8,900	10,000
Total Expenditures	\$ 71,680	\$ 75,556	\$ 68,922	\$ 77,734

PERSONNEL SUMMARY	2001-02	2002-03	2003-04	2004-05
	Number of positions			
Position Title				
City Secretary	1	1	1	1
Total	1	1	1	1

GENERAL FUND

FINANCE

MISSION STATEMENT:

The mission of the Finance Department is to provide financial and budgetary operations support for all municipal activities, while providing accurate and credible information to the City Manager and the City Council. The Finance Department is also responsible for the City's debt and cash management programs, along with implementation of financial policies for the City.

PROGRAM DESCRIPTIONS:

The Finance Department includes Accounting, General Services/Purchasing, Building Services, Custodial Services, Print Services, EMS Billing and Collections, Fleet Services and Utility Collections.

ACCOMPLISHMENTS:

- The FY 03-04 Annual Budget received the Distinguished Budget Presentation Award from the Government Finance Officers Association.
- The FY 02-03 Comprehensive Annual Financial Report received the Certificate of Achievement for Excellence in Financial Reporting Award from the Government Finance Officers Association.
- Worked internally and with our independent auditors to coordinate the first year of financial reporting under GASB Statement 34 requirements

ISSUES AND SERVICES:

- The department will coordinate the incremental issuance and investment management of general obligation bonds approved in November 2002 for streets, public safety, and parks and recreation facilities.

KEY OBJECTIVES:

Objective #1: Obtain award for reporting excellence in budgeting and annual audit report.

<u>Awards Received</u>	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Budget Presentation Award	1	1	1	1
Certificate of Achievement for Excellence in Financial Reporting	1	1	1	1
Certificate of Distinction for Investment Policy	1	1	1	1

Objective #2: Maximize earnings on investment of funds.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Investment Earnings	\$1,093,040	\$ 718,721	\$947,000	\$834,010
Investment Yield	1.58%	1.10%	1.25%	1.50%

GENERAL FUND

FINANCE

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 300,118	\$ 316,201	\$ 315,297	\$ 361,262
Supplies	3,129	3,643	3,460	3,917
Support Services	53,952	51,222	51,253	51,448
Benefits	73,618	78,360	77,502	90,230
Capital Outlay	-	-	-	2,493
Total Expenditures	\$ 430,817	\$ 449,426	\$ 447,512	\$ 509,350

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Assistant City Manager/				
Director of Finance	1	1	1	1
Executive Assistant	1	1	1	1
Grants Administrator	0	0	0	1
Management Accountant	3	3	3	3
Total	5	5	5	6

GENERAL FUND

ACCOUNTING

MISSION STATEMENT:

The mission of Accounting is to record accounting transactions generated by the operations of the City. These transactions include the following: accounts payable, payroll, accounts receivable, general ledger, inventory and other miscellaneous accounts.

PROGRAM DESCRIPTIONS:

The Accounting Department is responsible for preparing financial reports for internal and external requirements, processing the payroll and accounts payable, and managing daily accounting operations.

ACCOMPLISHMENTS:

- Paid vendors within the required 30 days receipt of their invoice. Processed invoices within terms to claim prompt payment discount. Implemented a new procedure to reduce the amounts of checks issued during accounts payable run.
- Processed 22,864 payroll direct deposits, 5,777 payroll checks, 11,003 accounts payable checks and prepared 3,223 journal entries.
- Met deadlines in processing and distributing the biweekly payroll and accounts payable runs and also the reporting requirements for state and federal levels.
- Improved the accountability of additional pay and hours entry relating to the payroll system.

ISSUES AND SERVICES:

The Accounting Department is responsible for providing information during the City's annual audit. The staff will spend a significant amount of time gathering and researching the information for the upcoming annual audit.

KEY OBJECTIVE:

Process all financial transactions and reporting requirements in an accurate and timely manner.

Performance Measure: Monitor services provided to include payroll, accounts payable, and journal entry activity levels.

	Actual	Budget	Estimated	Projected
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Payroll direct deposits processed	22,864	23,090	23,090	24,993
Payroll checks processed	5,777	5,718	5,718	5,663
Accounts payable checks processed	11,003	13,511	13,511	11,569
Journal entries prepared	3,398	3,313	3,313	3,672

GENERAL FUND

ACCOUNTING

EXPENDITURES	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 188,557	\$ 198,500	\$ 200,639	\$ 209,490
Supplies	8,112	11,174	8,700	8,572
Support Services	3,584	7,591	7,336	8,252
Benefits	52,875	58,296	57,948	59,088
Capital Outlay	1,035	-	-	-
Total Expenditures	\$ 254,163	\$ 275,561	\$ 274,623	\$ 285,402

PERSONNEL SUMMARY	Number of Positions			
Position Title	2001-02	2002-03	2003-04	2004-05
Accounting Manager	1	1	1	1
Accounting Specialist	4	4	4	4
Accounting Supervisor	1	1	1	1
Total	6	6	6	6

GENERAL FUND

PURCHASING

MISSION STATEMENT:

Procure all supplies, capital outlay and professional services for efficient operations of the City.

PROGRAM DESCRIPTIONS:

Purchasing prepares all documentation and required paperwork for the various steps involved in the bid process. Also, Purchasing is responsible for making recommendations to the City Council on all formal bids, and disposal of surplus and salvage property.

ACCOMPLISHMENTS:

- Held City Auction to free areas of surplus property and alleviate storage problems.
- Oversee the conversion from First Choice Power to TXU Energy.
- Implemented Fixed Asset Module Version 6.1 for the GASB 34 update on the AS400.
- Procured professional services to complete GASB 34 Fixed Asset Management.

ISSUES AND SERVICES:

- Secured storage area for surplus property in order to free departments of replaced assets for safe and orderly work environment.
- Maintain continuous training on Purchasing Laws and/or Policies.
- Issue competitive bids on materials and services, which have not been competitively bid; however, by state law, are required to be competitively bid.
- Maintain and administer interactive web site for bids.

KEY OBJECTIVE:

Objective #1: Maintain the current level of service, with the increasing demands placed upon the Purchasing Division.

Performance Measure: Maintain records of the workload pertaining to the bid process, which are provided by the Purchasing Division.

	Actual <u>2002-03</u>	Budget <u>2003-04</u>	Estimated <u>2003-04</u>	Adopted <u>2004-05</u>
Bids Issued	33	55	30	40
Requisitions Processed	19,440	19,000	21,113	21,500
Purchase Orders Issued	1,777	1,500	2,337	2,500

GENERAL FUND

PURCHASING

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 128,076	\$ 138,034	\$ 115,511	\$ 131,413
Supplies	1,705	2,180	2,490	2,580
Repairs	570	650	650	650
Support Services	3,837	4,359	4,704	4,869
Benefits	35,686	40,620	28,028	39,052
Capital Outlay	258	500	500	350
Total Expenditures	\$ 170,132	\$ 186,343	\$ 151,883	\$ 178,914

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Buyer	1	1	1	1
Director of General Services	1	1	1	1
Principal Secretary	1	1	1	1
Secretary	0	1	1	1
Total	3	4	4	4

GENERAL FUND

BUILDING SERVICES

MISSION STATEMENT:

Provide quality facilities within the City. Provide professional maintenance and repair of environmental, electrical, mechanical, plumbing, and structural systems with the effective use of in-house and contract service for City owned and leased facilities.

PROGRAM DESCRIPTIONS:

Facilities Maintenance is responsible for the maintenance, repair, and renovation functions for over 100 City-owned and leased facilities throughout the City. Facilities Maintenance co-ordinates and/or completes actions required for the safe and efficient operation of facilities, for preventative maintenance, phased replacement/modernization of aging infrastructure and equipment, and for support of the renovation and/or new construction.

ACCOMPLISHMENTS:

- Completed renovation of Fleet Service roof project
- Streamlined work order system
- Implemented Consolidation of Facility Maintenance Funds
- Fleet flag pole project completed
- Completed numerous security and safety projects
- Completed electrical distribution upgrade at the Special Events Center
- Upgraded safety features on all Fire Station doors

ISSUES AND SERVICES:

- Establish preventative maintenance program for City facilities
- Maintain the building operations of all City facilities in a thorough and cost effective manner
- Outsource contracts for plumbing, air conditioning, and maintenance
- Continue to update facilities listing and set up facilities inspection program
- Improve management of work orders for 2004-05
- Obtain additional personnel, 1 Maintenance Specialist and 1 Full Time Secretary to assist in taking care of additional tasks assigned to Facilities Maintenance

KEY OBJECTIVES:

Objective #1: Track and record the number of work request, completed, open, and overdue work orders.

Objective #2: Continue to outsource major projects in a timely and cost efficient manner.

	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Work orders processed	425	650	1,400	1,500
Maintenance Budget increase	\$11,231	\$272,894*	\$272,894	\$283,810
* Revised Budget				
GF consolidated budget			\$144,019	
Killeen Civic and Conference Center			13,175	
Solid Waste			19,700	
Water & Sewer			<u>96,000</u>	
The above listed accounts were placed under FM control and responsibility - 03-04.			\$272,894	

GENERAL FUND

BUILDING SERVICES

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 50,266	\$ 53,330	\$ 54,185	\$ 56,057
Supplies	4,326	5,228	4,885	5,474
Maintenance	5,537	-	-	-
Repairs	989	1,650	1,400	1,400
Support Services	4,984	5,264	4,944	5,810
Benefits	16,759	18,366	18,375	18,911
Total Expenditures	\$ 82,861	\$ 83,838	\$ 83,789	\$ 87,652

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Facilities Maintenance Specialist	1	1	1	1
Lead Facilities Maintenance Specialist	1	1	1	1
Total	2	2	2	2

GENERAL FUND

CUSTODIAL SERVICES

MISSION STATEMENT:

Create a safe and a healthy work environment for City employees and all citizens.

PROGRAM DESCRIPTIONS:

- Maintained seventeen (17) buildings in an efficient and cost effective manner.
- Implement a safety program through weekly safety training.
- Implemented a daily vehicle inspection in order to decrease motor vehicle repair cost
- Reorganized schedule to maximize productivity.
- Implemented Quality Control Surveys.

ISSUES AND SERVICES:

- Planning for future needs for custodial services in the proposed construction of new facilities approved by voters in the 2003 bond election.
- Maintain level of quality with a decrease in funding for Custodial Supplies Budget '05.
- Maintaining safety training for employees in order to reduce injuries and associated worker's compensation claims.
- Performing all custodial service functions with in-house staff to provide a consistently high quality of service that is flexible and fully meets the needs of the City of Killeen, thereby raising our approval rating to 95%.

KEY OBJECTIVES:

Objective #1: Maintain a high level of cleanliness and sanitation in all City facilities.

Performance Measure: On going employee training and maintain a high quality of supplies within budget.

	<u>Actual 2002-03</u>	<u>Budget 2003-04</u>	<u>Estimated 2003-04</u>	<u>Adopted 2004-05</u>
Square Feet Maintained	110,000	113,460	118,177*	118,177
Ratio of custodians to square footage	1:13,750 sq ft	1:14,182.5 sq ft	1:14,270.5 sq ft	1:14,270.5 sq ft

*Review of buildings cleaned in 2002-2003 showed that 8 buildings were left off of the chart showing square footage. The correct square footage is shown in the "Estimated" column on this sheet.

Objective #2: Maintain quality control versus custodial inventory.

	<u>Actual 2002-03</u>	<u>Budget 2003-04</u>	<u>Estimated 2003-04</u>	<u>Adopted 2004-05</u>
Cleaning Supplies	19,950	19,800	20,300	21,036
Quality Control Surveys	N/A	95%	95%	96%

GENERAL FUND

CUSTODIAL SERVICES

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 158,700	\$ 166,223	\$ 166,223	\$ 173,101
Supplies	25,007	24,680	25,570	26,288
Maintenance	16	-	-	-
Repairs	3,402	7,190	6,190	3,500
Support Services	1,056	1,767	1,867	1,495
Benefits	57,311	62,903	62,903	66,215
Capital Outlay	-	-	-	37,200
Total Expenditures	\$ 245,492	\$ 262,763	\$ 262,753	\$ 307,799

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Custodian	7	7	7	7
Custodian Supervisor	1	1	1	1
Total	8	8	8	8

GENERAL FUND

PRINTING SERVICES

MISSION STATEMENT:

Provide quality printing and duplicating services for all City Departments/Divisions in a thorough and cost effective manner.

PROGRAM DESCRIPTIONS:

Printing Services performs full color process. Printing Services prints manuals, pamphlets, promotional literature, business cards, invitations, forms etc.

ACCOMPLISHMENTS:

- Have been able to track all outsourced jobs and do cost comparisons for bids with the implementation of all jobs being outsourced by the Print Shop.
- Processed Crime Stopper calendars with the new Xerox color duplicator.
- With the assistance of the Part Time Secretary, we are able to bill job requests in a timely manner.
- Tracking of customer satisfaction survey indicates the customers are happy with the services provided.
- Provide quality printing with quality paper for quality output.

ISSUES AND SERVICES:

- Provide a safe working environment.
- Keep up with the growing number of demands.

KEY OBJECTIVE:

Objective #1: Monitor the quantity of work orders processed.

Objective #2: Monitor the level of paper inventory maintained on site.

	Actual <u>2002-03</u>	Budget <u>2003-04</u>	Estimated <u>2003-04</u>	Adopted <u>2004-05</u>
Work Orders Processed:	800	1,000	1,100	1,200
Paper Inventory	\$18,825	\$22,944	\$15,300	\$16,000

GENERAL FUND

PRINTING SERVICES

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 48,227	\$ 50,426	\$ 51,134	\$ 53,584
Supplies	4,693	4,468	4,468	5,513
Repairs	13,180	13,200	13,200	9,147
Support Services	18,554	45,878	45,073	47,223
Benefits	16,032	17,807	17,455	17,667
Capital Outlay	2,950	-	-	1,600
Total Expenditures	\$ 103,636	\$ 131,779	\$ 131,330	\$ 134,734

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Press-Operator	1	1	1	1
Reprographics Technician	1	1	1	1
Total	2	2	2	2

GENERAL FUND

EMS BILLING AND COLLECTIONS

MISSION STATEMENT:

The mission of the EMS Billing Department is to conduct all ambulance billings and collections practices of the City in a timely, efficient manner. The responsibilities of the EMS Billing staff includes: filing medical insurance claims, patient billing, and credit bureau collections for ambulance services, as well as managing records for individual accounts.

PROGRAM DESCRIPTIONS:

EMS Billing focuses a significant amount of time on the billing process. Billing individuals and insurance companies along with processing delinquent letters and turning accounts over to the Credit Bureau for Collections is a focal point for the EMS Billing Department.

ACCOMPLISHMENTS:

Number of:	<u>Actual</u> <u>2002-03</u>	<u>Actual</u> <u>2003-04</u>	Variance
Calls entered	8,679	8,992	+4%
Credits validated	11,889	12,771	+7%
Bills mailed	8,305	8,063	-3%
Delinquent letters mailed	7,373	7,800	+6%
Insurance claims processed	4,993	4,453	-11%
Appeals processed	578	526	-1%

- During the period from 10/01/03 through 09/30/04, 864 accounts, in the amount of \$238,257, were turned over to the local collection agency.
- Revenue for the fiscal year 2003-2004 exceeded \$1.1 million and represented 58% of the total billing for FY 2003-2004.

ISSUES AND SERVICES:

- The growing population of the City of Killeen and the present troop deployment have a direct input on the total number of ambulance transports.
- The increase of our ambulance service base rate as of October 2004 will have a negative effect on the present collection rate partially because of the insurance cap for EMS insurance claims.

KEY OBJECTIVES:

Objective 1: Increase collections on delinquent accounts. Stay current in managing all accounts with outstanding balances, to include past due insurance responses.

Objective 2: Process insurance claims in a timely manner and in compliance with Federal and State Law.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Insurance Claims Processed	4,993	4,500	4,453	4,500

GENERAL FUND

EMS BILLING AND COLLECTIONS

EXPENDITURES	Actual		Budget		Estimated		Adopted	
	2002-03		2003-04		2003-04		2004-05	
Salaries	\$	107,814	\$	112,122	\$	108,556	\$	115,296
Supplies		8,997		11,700		11,200		10,772
Support Services		2,819		4,024		4,431		4,341
Benefits		33,756		38,739		32,493		38,674
Capital Outlay		-		647		-		-
Total Expenditures	\$	153,386	\$	167,232	\$	156,680	\$	169,083

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
EMS Billing Clerk	1	3	3	3
EMS Billing Specialist	1	1	1	1
EMS Billing Supervisor	1	1	1	1
Total	3	5	5	5

GENERAL FUND

HUMAN RESOURCES

MISSION STATEMENT:

“Dedicated to providing exceptional customer service.”

PROGRAM DESCRIPTIONS:

The Human Resources Department develops and administers programs and activities to ensure the availability of the right amount and types of employees for organizational needs. Human Resources provides the City Manager and the City Council with accurate advice so they can make well-informed policy decisions on personnel issues. Human Resources assists management in planning benefits and compensation; provides employee training and education and facilitates the development of positive organizational and employee relationships.

ACCOMPLISHMENTS:

- Developed monthly New Employee Orientation training sessions included customer service, safety and policy training.
- Facilitated sexual harassment training seminars attended by all employees.
- Developed and implemented utilization of a table of authorized positions, uniquely identifying each staff position for the City.
- Developed and implemented policies and procedures to facilitate management of a comprehensive safety program which includes a safety review board and safety committees.
- Facilitated personnel law and management training seminar for department and division managers.

ISSUES AND SERVICES:

- Develop and implement automated HR systems for accurate monitoring and tracking of employee and applicant data for efficient, effective reporting and monitoring.
- Enhanced wellness initiatives and incentives for City employees to improve retention and employee job satisfaction.
- Review pay plans and salary survey data for civil service and non-civil service positions to make appropriate recommendations for adjustments and amendments to compensation and benefits for fiscal year 2002–2003.

KEY OBJECTIVES:

Maintain an ongoing training and development program for all City employees on personnel policies, safety, and state and federal regulations; implementation of automated process for accurately recording and tracking training sessions attended by employees.

	Actual <u>2002-03</u>	Budget <u>2003-04</u>	Estimated <u>2003-04</u>	Adopted <u>2004-05</u>
Training Program Sessions Provided	36	48	48	48

GENERAL FUND

HUMAN RESOURCES

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 254,774	\$ 258,090	\$ 258,090	\$ 271,315
Supplies	17,317	60,175	60,175	60,535
Support Services	28,812	78,452	78,452	52,826
Benefits	65,340	70,898	70,898	78,166
Designated Expense	-	30,000	30,000	30,000
Capital Outlay	1,768	2,565	2,565	1,100
Total Expenditures	\$ 368,011	\$ 500,180	\$ 500,180	\$ 493,942

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Director of Human Resources	1	1	1	1
Employee Benefits Specialist	1	1	1	1
Employee Relations/Training Coordinator	1	1	1	1
Executive Assistant	1	1	1	1
Human Resources Assistant	1	1	1	1
Human Resources Payroll Coordinator	0	1	1	1
Human Resources Specialist	1	2	2	2
Total	6	8	8	8

GENERAL FUND

INFORMATION TECHNOLOGY

MISSION STATEMENT:

Provide technical service to enhance the efficiency and productivity of our customer.

PROGRAM DESCRIPTIONS:

Information Technology is currently supporting the AS/400 810 e-series enterprise software and hardware and the systems administration relating to the daily requirements of the City. Information Systems continues to maintain and update the City Wide Local Area Network and the County Wide Public Safety Network. Information Technology is also responsible for the technical support and administration of the 800Mhz radios, cell phones, telephones and voice over IP phone service. Working on an enterprise GIS system.

ACCOMPLISHMENTS:

- Oversee the design, configuration and implementation the technology for the Killeen Robert Grey Airport.
- Implementation of a voice over IP phone system, including a citywide network upgrade.
- Installed an upgrade to our AS/400 to model 810.
- Installed a new version of our enterprise resource planning software, HTE 3.0.
- Managed resources to allow City Hall, Annex, and Library cable upgrade projects.
- GIS launched Interactive Mapping via City of Killeen web page
- GIS collected, converted, and verified 50% of the Water and Sewer data.
- GIS collected, converted, and verified Flood plain, Building footprints, Airport, and topography data.
- Reduced printing supplies by consolidating multiple standalone printers to fewer network attached printers.
- Started the implementation of a citywide document-imaging program.
- Redesigned the City Website to be more functional and aesthetically pleasing.
- Starting work on electronic ticket writers for Police department.
- Starting work on on-line bill payment system for water bills and traffic tickets

ISSUES AND SERVICES:

- Security issues are a major concern for Information Technology. Communications closets and rooms need to be locked and accessible to only those people with a need for access. These concerns extended throughout the City for building access and computer accessibility.
- Demands for service are continuing to rise causing a delay in services; additional staffing needs to be increased to address servicing issues. As the City's usage of technology continues to increase the staff of technicians is not growing at a fast enough rate to meet recommended technician/computer ratios of 1/75. Current rate is 1/180.
- The city has 9 SQL databases and is in need of an administrator to handle the requests for reports.
- Without additional GIS data maintenance personnel, particularly Water and Sewer personnel, the GIS project will experience delays in updates and revisions.

KEY OBJECTIVE: To provide the best technical services within resources.

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Estimated 2004-05
Service calls per month	280	320	320	380

GENERAL FUND

INFORMATION TECHNOLOGY

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 354,646	\$ 372,070	\$ 373,570	\$ 380,789
Supplies	8,143	6,440	6,690	4,044
Maintenance	599	-	-	-
Repairs	1,276	3,125	1,625	3,000
Support Services	66,933	64,778	64,778	69,912
Benefits	94,696	108,289	108,289	106,902
Capital Outlay	1,839	1,500	1,500	37,130
Total Expenditures	\$ 528,132	\$ 556,202	\$ 556,452	\$ 601,777

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Computer Mainframe Specialist	1	1	1	1
Computer Operator	1	1	1	1
Computer Technician	1	1	1	1
Director of Information Technology	1	1	1	1
* GIS Data Technician	0	1	1	1
* GIS Technical Project Manager	0	1	1	1
Information Technology Operations Manager	1	1	1	1
Information Technology Training Specialist	1	1	1	1
Information Technology Network Manager	1	1	1	1
*** Information Technology Supervisor	0	0	1	1
*** Information Technology Technician	0	0	0	2
** KCCC Network/Audio/Video Tech	0	1	1	0
Network Technician	1	1	1	1
Network/Exchange Administrator	1	1	1	1
Secretary	1	1	1	1
Total	10	13	14	15
* Funded out of Water and Sewer Fund				
** Funded out of Civic and Conference Center Special Revenue Fund				
*** 1 Funded out of Aviation-Killeen Fort Hood Regional and 1 out of Police				

GENERAL FUND

PERMITS AND INSPECTIONS

MISSION STATEMENT:

Permits and Inspections enforce adopted codes and ordinances with the goal of ensuring safe structures and environments for all citizens.

PROGRAM DESCRIPTIONS:

The Permits and Inspections staff provides homeowners, developers, builders, contractors, architects, and engineers with information for applications and issuance of permits for building and construction. It also conducts inspections and provides technical assistance for construction and responds to emergency call-outs regarding damaged structures.

ACCOMPLISHMENTS:

- Issued building permits for \$208 million in construction during the calendar year 2003
- Issued building permits for 887 new single-family structures, 66 duplexes, and 72 multi-family (302 units) structures during 2003
- Issued building permits for 257 commercial projects valuing \$56,740,701
- Generated over \$956,714 in fee revenue in 2003
- Issued 13,919 permits for 2003
- Performed 18,115 construction inspections
- Implemented new energy code requirements per State Law
- Began requiring proof of accessibility and asbestos compliance

ISSUES AND SERVICES:

- Staff will continue to strive to provide responsive and timely service to all its citizen's, however; the continuing growth (population, annexation and construction) has continued to place a strain on the department's staff. The departments cover 30.85 sq. miles and 440 miles of city streets.
- Major construction projects permitted for 2003 are as follows:

Connell Chevrolet	\$2,268,830	City Lights Remodel	\$1,165,775
Clements Boys & Girls Natatorium	\$6,499,800	Palo Alto Middle School Remodel	\$1,001,800
Ted C. Connell Terminal	\$28,723,682	Bank of America	\$975,000
Leo Buckley Stadium Remodel	\$4,055,000	Killeen Retail Center	\$800,000
Nolan Middle School Remodel	\$3,525,000	Killeen Power Sports	\$825,863
Rancier Middle School Remodel	\$4,425,000	Ameri-Store	\$747,500
Timber Ridge Elementary	\$9,484,374	Medical Office Building	\$725,800

KEY OBJECTIVE:

Provide timely and efficient response to increased requests for plan review and construction permit issuance.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Inspections performed	19,920	18,115	19,950	20,500
Inspections per inspector	6,640	4,528	4,988	5,125

GENERAL FUND

PERMITS AND INSPECTIONS

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 533,804	\$ 569,672	\$ 570,672	\$ 484,596
Supplies	21,497	25,310	25,310	18,691
Repairs	4,882	7,326	6,326	2,500
Support Services	12,610	18,672	18,672	18,273
Benefits	146,615	161,794	161,794	134,530
Designated Expenses	69,369	30,000	30,000	-
Capital Outlay	21,587	838	838	27,650
Total Expenditures	\$ 810,364	\$ 813,612	\$ 813,612	\$ 686,240

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Assistant City Manager/Director of Community Services	1	1	1	1
Building Inspector	3	4	4	4
Building Official	1	1	1	1
Building Permit Clerk	2	2	2	2
Office Assistant	1	1	1	1
Office Supervisor	1	1	1	1
Plans Examiner	0	0	0	1
Receptionist	1	1	1	1
Total	10	11	11	12

GENERAL FUND

LIBRARY

MISSION STATEMENT:

The mission of the Killeen City Library System is to stimulate and support lifelong learning, to provide general information services that meet user's needs; to maintain materials of current interest; to promote basic literacy; to encourage cultural awareness; and to seek and preserve local history.

PROGRAM DESCRIPTIONS:

The Library Services Division provides all basic library services, such as circulation of materials, story times, reading clubs, and reference help. We also offer free Internet access to the public, a very popular program that is in very high demand. Service to the City's two skilled care facilities/nursing homes is also provided by the Library Services Division.

ACCOMPLISHMENTS:

- Replaced and/or rebuilt all 12 public Internet terminals at the main library to provide faster Internet access.
- Provided answers to 97.5% of the 33,428 reference questions handled.
- Completed rewiring of the main library building, improving network access, and laying the groundwork for IP telephony to replace the outdated telephone system.

ISSUES AND SERVICES:

- Maintenance on the City network during the operational hours of both libraries makes it necessary for the public access computers to be shut down, sometimes for up to a day, and keeping our staff from using our automated checkout and catalog system. This is particularly problematic when the network is taken down for an entire weekend, making all public and staff computers unavailable on our busiest day of the week.
- Demand for the public computers exceeds our available resources, and additional staff and computer terminals are needed to keep pace.

KEY OBJECTIVE:

Offer dynamic library services that meet patrons' needs and expectations by providing high-quality resources and exceptional customer service.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
New card holders	9,092	9,750	8,040	8,150
Items circulated	282,715	292,500	265,000	270,000

GENERAL FUND

LIBRARY

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 357,637	\$ 387,811	\$ 387,741	\$ 377,503
Supplies	57,358	57,550	56,800	62,320
Maintenance	1,900	-	-	-
Repairs	1,981	5,564	5,360	5,880
Support Services	72,586	66,415	57,246	57,534
Benefits	100,196	113,898	113,898	116,190
Capital Outlay	123,263	116,000	116,000	134,589
Total Expenditures	\$ 714,921	\$ 747,238	\$ 737,045	\$ 754,016

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Catalog/Technical Services Librarian	1	0	0	0
Cataloging Assistant	1	0	0	0
Clerk	5	5	5	5
Director of Library Services	1	1	1	1
Library Assistant	4	4	2	2
Library Supervisor	1	1	2	2
Reference Librarian	1	1	1	1
Senior Reference Assistant	1	1	1	1
Senior Secretary	1	1	1	1
Total	16	14	13	13

GENERAL FUND

BRANCH LIBRARY

MISSION STATEMENT:

The mission of Killeen Public Library is to stimulate and support lifelong learning, to provide general information services that meet user's needs; to maintain materials of current interest; to promote basic literacy; to encourage cultural awareness; and to seek and preserve local history.

PROGRAM DESCRIPTIONS:

The popularity of the branch library continues to increase, and the clientele of the library has shifted from primarily youth to an almost equal mix of children and adults. A strong collection of materials for children and teens plus an active story time schedule draw a large number of families and caregivers to the branch library, while the computer lab with public Internet access draws over a hundred adults per day to the facility.

ACCOMPLISHMENTS:

- Rebuilt and/or replaced all public Internet access computers to provide faster Internet access.
- Increased the collection of library material available at the branch library to 26, 950 total items.
- Served 6,847 young children through the six weekly story time programs.

ISSUES AND SERVICES:

- Keeping the Branch Library connected to the Main Library during periods when the City's network is unavailable is a critical issue that must be addressed. Each time the City's network is down, the Branch Library loses all connectivity to the library automation system and to the Internet, severely hampering the service to our patrons.

KEY OBJECTIVE:

Offer a dynamic library collection that focuses on meeting children's needs and provide high-quality computer resources and exceptional customer service for all patrons, regardless of age.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Attendance	103,854	87,500	108,950	110,750
Circulation of materials	120,753	110,000	121,452	123,500

GENERAL FUND

BRANCH LIBRARY

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2001-02	2002-03	2002-03	2003-04
Salaries	\$ 195,977	\$ 240,417	\$ 243,137	\$ 246,566
Supplies	4,124	5,450	5,576	5,758
Maintenance	1,000	-	-	-
Support Services	20,936	15,853	15,303	15,019
Benefits	54,538	68,850	66,327	74,442
Total Expenditures	\$ 276,575	\$ 330,570	\$ 330,343	\$ 341,785

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Assistant Director of Library Services	1	1	1	1
Branch Manager	0	1	1	1
Cataloging Assistant	0	0	1	1
Clerk	2	3	3	3
Library Assistant	1	1	0	0
Library Supervisor	0	0	1	1
Senior Reference Assistant	1	1	1	1
Total	5	7	8	8

GENERAL FUND

PARKS

MISSION STATEMENT:

The Parks Division exists to enhance, promote and provide quality parks and related facilities for the citizens of Killeen.

PROGRAM DESCRIPTIONS:

The Parks Division continues to engage in beautification and enhancement projects at city parks and facilities.

ACCOMPLISHMENTS:

- Completed renovation of Marlboro Neighborhood Park.
- Conducted advanced safety training in cooperation with the Texas Municipal League.

ISSUES AND SERVICES:

- Replacement of the playground equipment at Long Branch Community Park continues to be a significant issue at KPR. The equipment at this park has been recommended for replacement in the Parks Master Plan.
- Equipment issues are a major concern at KPR. The vehicles requested in previous Fiscal Years were cut from the budget. Transportation logistics continue to be a major problem, especially in the summer months when the KPPG staff increases by 15 or more people. Excessive amounts of time are spent transporting staff to and from various work sites.

KEY OBJECTIVE: Maintenance of Park Facilities

The key objective of the Parks staff is to maintain city parkland and landscapes of city owned properties. The maintenance of those areas is broken down into the following three categories:

Low Maintenance Areas:

Currently, 6 full time KPR staff maintains 365 acres of low maintenance parkland. That equates to 60 acres per man with a yearly total of 200 man-hours per acre.

Medium Maintenance Areas:

There are 11 full time KPR staff members involved with medium maintenance park areas. They maintain 36 acres in total. This translates to an average of 3.2 acres per man. That equates to a total of 22,000 man-hours per year with an average of 611 man-hours per acre, per year.

High Maintenance Areas:

KPR currently has 5 fulltime staff members involved with high maintenance areas. They maintain approximately 5 acres for an average of 1 acre per man. The total labor input is 2,000 man-hours per acre, per year.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Low	365	365	365	365
Medium	27	36	36	36
High	5	5	5	5

GENERAL FUND

PARKS

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 786,880	\$ 861,134	\$ 837,200	\$ 799,530
Supplies	221,538	215,530	212,830	229,340
Maintenance	126,550	87,447	89,500	146,000
Repairs	57,150	54,000	48,000	53,919
Support Services	189,042	220,255	213,505	218,408
Benefits	238,885	274,049	251,500	271,860
Designated Expenses	50,000	50,000	50,000	-
Capital Outlay	9,663	-	-	78,350
Total Expenditures	\$ 1,679,708	\$ 1,762,415	\$ 1,702,535	\$ 1,797,407

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Custodian	1	1	1	1
Director of Parks and Recreation	1	1	1	1
Grounds Crew Leader	2	2	2	2
Grounds Maintenance Specilist	4	4	4	4
Grounds Maintenance Worker	20	20	20	20
Parks and Public Grounds Superintendent	1	1	1	1
Principal Secretary	1	1	1	1
Small Equipment Mechanic	1	1	1	1
Total	31	31	31	31

GENERAL FUND

RECREATION

MISSION STATEMENT:

The Recreation Division exists to provide and promote a wide variety of cultural and recreational services and activities for people of all ages.

PROGRAM DESCRIPTIONS:

The goal of the Recreation Division is to keep up with the ever-increasing needs of our community by offering quality programs affordable to all. In order to meet this goal, we will need to become more creative in our program delivery. As the program and community continues to grow, so will the needs of our staff and space requirements.

ACCOMPLISHMENTS:

- Implemented the CenTex Race series
- Developed promotional material to market Killeen Parks & Recreation to the City of Killeen
- Provide assistance to community organizations in events such as Celebrate Killeen Festival, Holiday Lighting, March of Dimes, and Leadership Killeen.

ISSUES AND SERVICES:

- Promote events and programs that raise the profile of recreation and encourage recreation in Killeen
- Continue to seek quality entertainment and activities that can be offered to the citizens of Killeen
- Update facilities and storage for instructors use of building

KEY OBJECTIVES:

- Objective #1** To ensure equality of access so that people of all ages, abilities, and backgrounds can participate in their chosen recreation.
- Objective #2** Involve as sponsors of recreation special interest groups, business organizations, neighborhood groups, professional groups and news media who are interested in helping improve Killeen
- Objective #3** Set up new programs as self supporting and explore ways of generating additional revenue through grants, donations and fundraising

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Youth recreation classes and activities	29,000	35,000	32,000	32,000

GENERAL FUND

RECREATION

EXPENDITURES	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 146,711	\$ 153,963	\$ 149,950	\$ 154,967
Supplies	51,203	60,427	62,300	63,373
Support Services	31,600	40,532	40,032	37,436
Benefits	32,114	35,778	33,600	34,491
Capital Outlay	-	-	-	11,000
Total Expenditures	\$ 261,628	\$ 290,700	\$ 285,882	\$ 301,267

PERSONNEL SUMMARY	2001-01	2002-03	2003-04	2004-05
Position Title	Number of Positions			
Office Assistant	1	1	1	1
Recreation Superintendent	1	1	1	1
Recreation Supervisor	1	1	1	1
Total	3	3	3	3

GENERAL FUND

ATHLETICS

MISSION STATEMENT:

The Athletics Division exists to provide and promote a wide variety of youth and adult team sports and clinics. In addition, the Athletics Division exists to promote the City of Killeen as a viable option for championship play via youth and adult sports.

PROGRAM DESCRIPTIONS:

The Athletics Division offers Killeen's youth and adults with a variety of sporting events to participate in. Youth have access to organized flag football, volleyball, basketball, soccer, softball and baseball. Youth have the opportunity to utilize these various opportunities to advance to championship play via Texas Teen Age Baseball, Amateur Softball Association and the Texas Amateur Athletic Federation. Adults have access to organized volleyball, softball and basketball. Adults have the opportunity to participate in championship play in these sports via the Amateur Softball Association and Texas Amateur Athletic Federation. Recreational opportunities are also offered to those not interested in competitive play.

ACCOMPLISHMENTS:

- Expanded the girls instructional basketball program from 13 to 15 teams
- Expanded the girls instructional volleyball program from 8 to 9 teams
- Increased data management efficiency via the continued implementation of Sports Pilot program
- Successfully hosted the 2003 TTAB Sophomore State Baseball Tournament
- Successfully hosted a Men's and Women's National Slow Pitch Tournament
- Secured the host rights to the 2004 TTAB Sophomore State Tournament

ISSUES AND SERVICES:

- Address the need for additional facilities for adult and youth basketball programs.

KEY OBJECTIVES:

Objective # 1: Continue facility partnership with KISD to meet increasing number of children and adults participating in athletic programs

Objective # 2: Increase training and recruitment efforts of athletic coaches to better facilitate instruction of area youth and reduce delays in identifying coaches

Objective # 3: Seek innovative ways to staff various events that occur while maintaining 100% supervision at all events.

Performance Measure Track youth and adult sports participation

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Youth sports participation	3,200	3,500	3,100	3,500
Adult sports participation	2,100	2,800	2,600	3,000

GENERAL FUND

ATHLETICS

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 153,756	\$ 159,425	\$ 159,425	\$ 158,919
Supplies	33,858	30,276	30,276	30,969
Support Services	24,016	29,272	29,272	28,823
Benefits	29,111	37,522	37,522	38,024
Total Expenditures	\$ 240,741	\$ 256,495	\$ 256,495	\$ 256,735

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Community Center Coordinator	1	1	1	1
Recreation Specialist	1	1	1	1
Recreation Superintendent	1	1	1	1
Total	3	3	3	3

GENERAL FUND

CEMETERY

MISSION STATEMENT:

The Cemetery division is an extension of the Community Services Department and is responsible for the overall operation of the Killeen Municipal Cemetery. Responsibilities of the division include permanent record management of the interments and disinterments of burials to meet state requirements, daily grounds maintenance, beautification of grounds, maintenance of current facilities, planning and construction of new facilities, cemetery lot sales, and varied customer assistance to its patrons.

PROGRAM DESCRIPTIONS:

The Killeen Cemetery continues its focus on expansion of the cemetery, beautification of its grounds through landscaping and refurbishment of existing old temporary markers, revitalizing its facilities, modernizing its record keeping ability, and adding customer service. The cemetery continually evaluates its operations to ascertain that it is providing the best customer service possible to its patrons and implements additional customer services if it is within the cemetery's capabilities.

ACCOMPLISHMENTS:

- Planted two large trees between new cemetery sections, completed installation of crape myrtles along two roadway sections, and planted nine crape myrtles between infant interment sections
- Through Living Tree Program, planted 56 trees honoring the memory of deceased loved ones making a total of 68 trees donated under the living tree program to date
- Began installation of park benches between sections in walkway areas and easements (20 installed to date)
- Began the maintenance of portions of the 18 acres of additional cemetery land that have been cleared
- Completed inputting cemetery interment data for Sections A thru N and began ownership data from old cemetery software to new cemetery software
- Created and began distributing a Family Planning Record for cemetery patrons
- Reformatted the Cemetery Rules & Regulations into a book form and began distribution

ISSUES AND SERVICES:

- Determine short-term and long-term planning and growth for cemetery with the assistance of Park Board
- Contracting engineer services for designing and platting of the 18 acres purchased for cemetery expansion
- Construction (roads and irrigation) of the 18 acres purchased for cemetery expansion for cemetery use
- Developing a main entrance to the cemetery from Liberty Street rather than Rancier with arch-style entrance gate
- Address maintenance area and office facility space issues through the acquisition and renovation of existing building currently housing the police academy administrative offices
- Continue inputting data from old cemetery software into new cemetery software to include digital imaging of memorials and interment/deed records
- Procurement of additional equipment and additional part-time employees to assist in grounds maintenance
- Continue replacement temporary marker program
- Excavation of excess spoil dirt from interment sites and creating a blind for the excess dirt kept for backfilling gravesites

KEY OBJECTIVES

Verify, complete, and maintain all cemetery records regarding interments that will provide our customers with more accurate information of their family genealogy and meet state compliance

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Spaces sold	91	68	71	71
Interments	164	156	149	146

GENERAL FUND

CEMETERY

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 134,997	\$ 145,130	\$ 145,130	\$ 165,061
Supplies	17,625	23,762	23,762	25,276
Maintenance	8,692	6,662	6,662	7,400
Repairs	6,153	8,000	8,000	8,000
Support Services	3,031	6,204	6,204	5,052
Benefits	45,173	53,794	53,794	55,878
Capital Outlay	617	-	-	-
Total Expenditures	\$ 216,288	\$ 243,552	\$ 243,552	\$ 266,667

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Cemetery Superintendent	1	1	1	1
Grounds Crew Leader	1	1	1	1
Grounds Maintenance Worker	4	4	4	4
Total	6	6	6	6

GENERAL FUND

SENIOR CENTER

MISSION STATEMENT:

The Bob Gilmore Senior Center is responsible for providing recreational, educational, and health related activities for senior adults age 55 and older. The Bob Gilmore Center promotes good fellowship through a variety of meaningful activities of interest to senior citizens in our community.

PROGRAM DESCRIPTIONS:

The center continues to provide new, ongoing and innovative activities that promote mental and physical well being for mature adults. By offering various opportunities in the area of exercise, dance, arts and crafts, games, nutrition, and health programs, cultural, educational and volunteer opportunities, among others, the center is a catalyst in maintaining emotional and physical health for seniors in our area. The center also networks with various governmental, social, health and service organizations and is an information and referral resource that assists not only senior citizens, but the community as well.

ACCOMPLISHMENTS:

- Registered 192 new members from April '03- March '04
- Awarded the first Bob Gilmore Senior Center Scholarship at Central Texas College to La'Tanya Ferguson.
- Increased distribution of charitable food donations to various non-profit charity organizations/agencies throughout the Killeen/Cove/Heights/Nolanville and continued food distribution to the BGC membership & to senior citizens in need.
- Established 3 new activities – (Tai Chi, 2nd Pinochle Tournament, Cooking Classes) included in the 57 regularly scheduled monthly classes/activities notwithstanding the 23 seasonal events/parties/trips.

ISSUES AND SERVICES:

- Continued community service as an information and referral source on various programs and opportunities available within the community and center.
- Continued to offer various, unique, and expanded innovative programs to meet the needs and interest of seniors
- Continued emphasis on maintenance of the building and grounds to meet center's mission of providing a safe environment for its members to enjoy the activities provided by the center
- Continued expansion of budget to fund new programs and activities in order to increase senior participation

KEY OBJECTIVES:

- Objective # 1** Provide a well-run, well-maintained senior center where seniors can socialize and participate in recreational, educational and health-filled activities of interest to them
- Objective # 2** To direct, help, and assist senior citizens with their individual concerns and needs
- Objective # 3** To continue to provide innovative programming that promotes new membership

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Participation of individuals	31,736	30,316	31,446	31,591
New members	186	182	182	184

GENERAL FUND

SENIOR CENTER

EXPENDITURES	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 70,079	\$ 76,923	\$ 76,923	\$ 95,003
Supplies	9,792	10,267	10,267	11,709
Maintenance	1,985	-	-	-
Repairs	520	550	550	1,450
Support Services	18,253	25,140	25,140	25,129
Benefits	18,502	20,637	20,637	27,791
Capital Outlay	5,000	-	-	3,800
Total Expenditures	\$ 124,131	\$ 133,517	\$ 133,517	\$ 164,882

PERSONNEL SUMMARY	2001-02	2002-03	2003-04	2004-05
	Number of Positions			
Position Title				
Custodian	0	0	0	1
Office Assistant	1	1	1	1
Office Assistant (Part-Time)	0	1	1	1
Senior Center Manager	1	1	1	1
Total	2	3	3	4

GENERAL FUND

SWIMMING POOLS

MISSION STATEMENT

The Pools Division exists to provide and promote safe aquatic facilities and programs for young and old alike.

PROGRAM DESCRIPTIONS:

The goal of the Pools Division is to keep up with the ever-increasing aquatic needs of our community and to provide a safe environment and well-trained staff. In order to meet this goal, we will need to become more creative in our program delivery and our lifeguard training. Renovation of our pools to include decks, pool surfaces, electrical upgrades, and bathhouses will have to be addressed.

ACCOMPLISHMENTS:

- Continued use of TML standards/practices at both pools.
- Enhanced maintenance mission of both swimming pools.
- Installed two sun-ports at Pershing pool over lifeguard stands.
- Maintained signage at both pools for safety reasons.
- Maintained a swimming lesson program that reflects and meets participation demand.

ISSUES AND SERVICES:

- Employing qualified water safety instructors and lifeguards.
- Provide appropriate supervision for activities offered by the division.
- Upkeep and general maintenance of pools' structures.

KEY OBJECTIVE: Provide a more diverse swim lesson program.

	Actual <u>2002-03</u>	Budget <u>2003-04</u>	Estimated <u>2003-04</u>	Adopted <u>2004-05</u>
Swimming lesson participation	486	475	485	485
Pool attendance	10,474	11,000	11,500	11,500

GENERAL FUND

SWIMMING POOLS

EXPENDITURES	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 54,460	\$ 68,658	\$ 68,658	\$ 71,400
Supplies	26,714	32,148	32,848	34,891
Maintenance	6,749	11,912	11,912	5,671
Repairs	39	100	100	100
Support Services	9,174	10,306	9,606	10,756
Benefits	5,073	6,601	6,601	6,907
Major Capital Outlay	-	2,000	2,000	-
Total Expenditures	\$ 102,209	\$ 131,725	\$ 131,725	\$ 129,725

PERSONNEL SUMMARY

This Division is only open during the Summer months of the year with part-time employees.

GENERAL FUND

COMMUNITY DEVELOPMENT

MISSION STATEMENT:

The mission of the Community Development Division is to develop the community by providing decent housing, a suitable living environment and expanding economic opportunities principally for persons of low and moderate income.

PROGRAM DESCRIPTIONS:

The Community Development staff administers federal funds from HUD to assist the mission of the CDBG and HOME Programs. The CDBG Program is the principal federal program providing grants to cities, states and counties to devise innovative approaches to improve the physical, economic, and social conditions of our community; benefiting persons of low and moderate incomes meet these objectives.

ACCOMPLISHMENTS:

- **Primary Benefit:** The city expended 100 percent of its Community Development Block Grant funds for the primary benefit of low and moderate income persons. This meets the 70 percent minimum standard for overall program benefit.
- **Overall Progress:** Met HUD's timeliness standard of spending 1.5 years of federal receipts on hand by July 15, 2003. The city's line of credit balance was 1.48 grant years as if July 31, 2003.
- **Planning and Administration:** The amount of funds expended on planning and administration was 19.61 percent..
- **Public Services:** The amount of funds expended on public service activities was 13.1 percent, which is below the 15 percent cap for such activities. The City assisted 1,802 persons with its health services and transportation programs; 313 elderly persons with meals and transportation programs; 150 youth with education programs; and 601 persons with child care services.
- **Provide Decent Housing:** In its effort to promote affordable housing, the city assisted a total of 35 households during the program year.
- **Code Enforcement:** The city continued to aid in the prevention of slum and blighted areas by inspecting unoccupied and occupied structures for minimum code compliance. The city addressed 1,502 code enforcement violations during the program year including high weeds/grass, graffiti, trash and debris removal, junked motor vehicles and condemned vacant and substandard structures. The city also provided funds for the demolition and clearance of nine vacant and unsafe structures.
- **Providing a Suitable Living Environment:** The city carried out a variety of public facility activities during the program year. This year's program accomplishments included 28 neighborhood streets and related drainage and sidewalks; installation of one transit passenger shelter, improvements of four neighborhood parks, improvements on sidewalks and installation of locator signs at two housing authority locations; installation of playground equipment at a child care facility; and acquired a service building for a food bank.

ISSUES AND SERVICES:

- Construction projects put greater demands on Community Development staff to provide technical assistance.
- The decrease in the level of funding for other state and federal programs will place greater demands on the CDBG program for funding.

KEY OBJECTIVE:

Providing the best administration of federal programs to allow for the maximum level of service to the community and to encourage and foster collaborative efforts that maximize the leveraging of CDBG and HOME funding.

	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Federal receipts	\$1,065,000	\$1,142,000	\$1,142,000	\$1,126,000

GENERAL FUND

COMMUNITY DEVELOPMENT

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 156,780	\$ 160,797	\$ 160,797	\$ 165,059
Supplies	5,063	5,594	5,594	5,505
Repairs	558	450	450	450
Support Services	26,751	26,389	26,389	27,026
Benefits	41,093	43,272	43,272	43,839
Capital Outlay	-	-	-	18,000
Total Expenditures	\$ 230,245	\$ 236,502	\$ 236,502	\$ 259,879

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Community Development Program Manager	1	1	1	1
Community Development Specialist Director of	1	1	1	1
Community Development Community Development Program Assistant	1	1	1	1
Total	4	4	4	4

GENERAL FUND

HOME PROGRAM

MISSION STATEMENT:

HOME is a federal housing block grant that affords state and local government the flexibility to fund a wide range of low income housing activities through creative and unique housing partnerships among states, and localities, private industry, and nonprofit organizations.

PROGRAM DESCRIPTIONS:

To design and implement methods to supply decent, safe, sanitary and affordable housing for low to moderate-income citizens who want to reside within the city limits of Killeen. Assisting nonprofit community housing development organizations (CHDO's) to develop, sponsor, or own affordable housing, To ensure that all investments tied to the HOME Program produce safe housing stock available to low to moderate-income households for the property's useful life. Accomplish an increase in investment level of federal and non-federal capital to HOME projects and leverage HOME matching funds from non-federal sources. To provide HOME Program participants the necessary skills and knowledge to become responsible homeowners and tenants through education and consumer credit counseling workshops.

ACCOMPLISHMENTS:

- Hill Country Community Action Association (a designated CHDO) was awarded an allocation through the Federal Low Income Housing Tax Credit program for the development of a 152-unit elderly apartment complex.
- Habitat for Humanity (a designated CHDO) has completed construction on 6 of 7 lots purchased with HOME-CHDO funds.
- Minority and Women Business Enterprises captured contract awards, totaling 24% of funds expended through CHDO activities.
- HOME and the First Time Homebuyer Assistance Program produced 12 housing workshops educating 117 households/ 197 persons and 3 households providing \$20,371 with down payment and closing cost assistance.
- 18 households were provided rental assistance through the Tenant Based Rental Assistance (TBRA) Program.

ISSUES AND SERVICES:

- Assess the structure and affect of the homebuyer assistance program to attract additional clients to the program.
- Revitalization planning for aging housing stock through reconstruction and new construction strategies.
- Continue updating and increasing awareness of affordable housing initiatives through the City web page.

KEY OBJECTIVE: Develop new, and improve existing partnerships among the public, private and nonprofit sectors in association with the HOME Program and affordable housing initiatives increasing the number of households assisted on an annual basis.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Total households assisted	437	474	474	608

GENERAL FUND

HOME PROGRAM

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 32,494	\$ 34,160	\$ 34,160	\$ 35,460
Supplies	1,858	2,656	2,454	2,436
Support Services	4,380	4,910	5,112	5,099
Benefits	9,318	10,070	10,070	10,207
Total Expenditures	\$ 48,050	\$ 51,796	\$ 51,796	\$ 53,202

PERSONNEL SUMMARY	Number of Positions			
	2001-01	2002-03	2003-04	2004-05
Position Title				
Community Development Program Assistant	1	1	1	1
Home Program Coordinator	1	1	1	1
Total	2	2	2	2

GENERAL FUND

PUBLIC WORKS

MISSION STATEMENT:

The Public Works Department is dedicated to providing the citizens of Killeen with quality infrastructure systems and orderly planning and development.

PROGRAM DESCRIPTIONS:

The Public Works Department includes the following: 1) Public Works Administration, 2) Engineering, 3) Traffic, 4) Streets, 5) Planning, 6) Water and Sewer Operations, 7) Sanitary Sewer, 8) Water and Sewer Construction, 9) Solid Waste Collection [Residential and Commercial], 10) Transfer Station, 11) Recycle Center, 12) Drainage Utility, and 13) Bond Operations. The Water and Sewer Operations, Sanitary Sewer and Water and Sewer Construction are budgeted in the Water and Sewer Fund. The Solid Waste Collection, Transfer Station and Recycle Center are budgeted in the Solid Waste Fund. Drainage is budgeted in the Drainage Utility Fund.

ACCOMPLISHMENTS:

- Gained Council adoption of the 2004 Water & Wastewater Master Plan.
- Completed 5-year master plan for Solid Waste.
- Developed population projections for Region G 2006 Water Plan.

ISSUES AND SERVICES:

- Integrating GIS technology in all areas of Public Works projects.
- Rapidly expanding city presents challenges both in areas of personnel availability and logistics.

KEY OBJECTIVES: Remain on track and on time to complete projects identified in the Water and Wastewater Master Plan. Through aggressive scheduling, ensure that the projects are designed and constructed to meet the goal of selling water and sewer revenue bonds every two years.

Performance Measure: Monitor Water & Sewer Revenue Bond Projects.

Water & Sewer Revenue Bonds	Projects Identified	Under Design	Under Construction	Completed	Not Started
Issued 1997	20	0	0	20	0
Issued 1999	10	0	1	9	0
Issued 2001	13	4	4	5	0
Prepared for Sale of 2004 Bonds	22	22	0	0	0

GENERAL FUND

PUBLIC WORKS

EXPENDITURES	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 131,682	\$ 136,301	\$ 134,036	\$ 136,632
Supplies	965	1,310	1,310	1,536
Support Services	3,844	5,615	6,954	8,587
Benefits	31,611	33,048	33,371	32,906
Total Expenditures	\$ 168,102	\$ 176,274	\$ 175,671	\$ 179,661

PERSONNEL SUMMARY	2001-02	2002-03	2003-04	2004-05
	Number of Positions			
Position Title				
Director of Public Works	1	1	1	1
Executive Assistant	1	1	1	1
Total	2	2	2	2

GENERAL FUND

ENGINEERING

MISSION STATEMENT:

The mission of the engineering Division is to provide quality, professional engineering service through review and inspection of subdivision and commercial development and infrastructure.

PROGRAM DESCRIPTIONS:

Participate in the planning and development process of the City of Killeen by reviewing plats for compliance; perform inspections of residential and commercial infrastructure installation for compliance; administer multiple engineering and construction contracts for projects funded by Water & Sewer Revenue Bonds and General Obligation Bonds.

ACCOMPLISHMENTS:

- Completed design of Septic Tank Elimination Program, Phase II.
- Completed construction of Work Order 18 - I & I Program.
- Initiated design of Hwy 195 Water Line.
- Completed rehabilitation of Rodeo Elevated Water Tank.
- Started design for 2nd storage tank McMillan Mountain.
- Achieved 95% design of \$3.5 M Nolan Hike and Bike Trail.
- Completed construction CDBG Sewer Replacement Contract.
- Accomplished warrant studies on 7 major intersections.
- Accomplished Veteran's Cemetery Agreement Projects.
- Reviewed over 120 Plat and zoning actions.
- Performed construction inspection for over 60 projects.
- Performed in excess of 1000 inspections of curb and street cuts.

ISSUES AND SERVICES:

- Continue the development of the Phase II Stormwater Program to meet federal and state requirements.
- Continue integration of GIS into the Public Works Department.
- Continue development of database of existing infrastructure.

KEY OBJECTIVES:

Objective #1: Develop adequate city infrastructure to meet residential, commercial and institutional needs.

Objective #2: Complete Storm Water Permit; begin citizen awareness

Objective #3: Develop necessary staff capability, studies and plans to support the \$23M initiative to construct, reconstruct and improve streets and signalization and \$19M in projects to expand the water and sewer systems to meet annexation requirements for an additional 8.598 square miles.

Performance Measure: Track the value of infrastructure installed through subdivision development and capital improvement projects.

Infrastructure type	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Water & sewer mains (6" and greater)	\$10,774,556	\$11,500,000	\$1,556,500	\$2,000,000
Streets drainage	1,016,225	3,000,000	1,468,434	3,000,000
Total	\$11,790,781	\$14,500,000	\$3,024,934	\$5,000,000

GENERAL FUND

ENGINEERING

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 102,613	\$ 107,382	\$ 112,760	\$ 106,012
Supplies	3,012	3,200	3,100	4,022
Repairs	7,728	4,528	4,700	4,700
Support Services	54,522	90,390	81,200	80,783
Benefits	26,205	27,915	29,507	27,496
Capital Outlay	149	-	-	35,800
Total Expenditures	\$ 194,229	\$ 233,415	\$ 231,267	\$ 258,813

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
City Engineer	1	1	1	1
Project Engineer	2	2	2	2
Senior Construction Inspector	1	1	1	1
Total	4	4	4	4

GENERAL FUND

TRAFFIC

MISSION STATEMENT:

The Traffic Division is dedicated to providing quality service and timely response in maintaining traffic signals, regulatory signs and electrical maintenance on city owned facilities.

PROGRAM DESCRIPTIONS:

The Traffic Division installs all traffic control devices to include traffic signals and wiring, school zone flashers and regulatory signs. In an agreement with TXDOT, the division performs preventative maintenance on signals located on Central Texas Expressway within the city limits. In addition to these duties the division provides electrical maintenance on city owned facilities.

ACCOMPLISHMENTS:

- Completed 1,350 traffic related service calls, 1,000 electrical service calls and 1,500 sign service calls.
- Continued upgrade of all Red indication's to the new style L.E.D signal.
- Installed Spread Spectrum Synchronization devices on 8 intersections.
- Completed electrical upgrade for distribution panels at the Special events Center.
- Completed emergency repairs on the runway lighting systems at the Killeen Municipal Airport.
- Completed phases one thru three of the Hi- Intensity school zone signage replacement.
- Completed the installation of new signage in several new areas in the city.
- Continued the removal of existing drill stem sign pole replacement throughout the city.
- Provided the installation of Christmas Lighting on city owned facilities, to include the Killeen Conference Center.

ISSUES AND SERVICES:

- The purchase and implementation of computer software to manage traffic sign assets and hardware.
- The ability to respond to customer generated work orders for Electrical Maintenance. Current staff levels are unable to effectively manage the workload.
- The ability to effectively physically maintain current Sign assets and projected changes to sign assets as directed by the Texas Manual on Uniform Traffic Control Devices 2003 Edition.

KEY OBJECTIVES:

- Objective #1 Perform timely routine maintenance on all traffic control devices.
 #2 Implement employee training in all areas of job requirements.
 #3 Ensure efficient use of resources.
 #4 Perform electrical maintenance and repairs.
 #5 Perform repairs and installation of sign within the City as needed.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Signal repair/maintenance	106	500	402	500
New construction	1	1	0	0
Sign repair/maintenance	244	1,300	1,248	1,400
Drill stem pole replacement	0	500	522	550
Electrical maintenance	251	450	364	500

GENERAL FUND

TRAFFIC

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 315,550	\$ 346,107	\$ 327,294	\$ 343,068
Supplies	21,888	26,961	26,795	30,113
Maintenance	40,570	50,000	50,000	50,000
Repairs	39,214	48,095	47,095	53,436
Support Services	76,538	113,589	84,735	98,332
Benefits	93,512	111,523	115,172	112,264
Capital Outlay	-	-	-	49,200
Total Expenditures	\$ 587,272	\$ 696,275	\$ 651,091	\$ 736,413

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Electrical Maintenance Technician	2	2	2	2
Senior Traffic Technician	1	1	1	1
Sign Technician	1	1	1	1
Traffic Superintendent	1	1	1	1
Assistant Traffic Superintendent	1	1	1	1
Senior Sign Technician	1	1	1	1
Traffic Technician	1	1	1	1
Truck Driver	2	2	2	2
Total	10	10	10	10

GENERAL FUND

STREET

MISSION STATEMENT:

To provide a quality transportation network through a program of assessment and maintenance of our streets, curbs, gutters, sidewalks, and traffic control devices.

PROGRAM DESCRIPTIONS:

Programs include routine maintenance such as pothole patching, street cut repair, grass removal, maintenance of r.o.w 's, mowing of drainage channels and right - of - ways. In addition, the Street division performs scheduled maintenance through crack sealing, seal coating, overlays, reconstruction of earthen channels, pavement marking and street sweeping.

ACCOMPLISHMENTS:

- Install 763 feet of lined drainage channel in CDBG targeted area.
- Completed 34.5 miles of seal coat, overlay and crack seal programs.
- Maintain the motoring public's during the winter ice storm.
- Cleaned 29, 800 feet of unlined drainage channels.
- Sweep 2,936 curb miles of street.
- Mow 310 linear miles of roadside right-of-way.
- Paint 235 crosswalks for school crossings.

ISSUES AND SERVICES:

- Inadequate staff to maintain service level in street maintenance. Projected levels of 450 utility cuts, 1500 potholes, 34.5 miles of surface preparation for annual street maintenance will necessitate assistance from other teams.
- Inadequate staff to maintain projected cycle of drainage maintenance conducted by the Street Department.

KEY OBJECTIVE: Maintain city streets, right – of – way, earthen channel and lined channels at the highest possible standards.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Underseal overlay*	57,872	22,426	54,848	79,217
Sealcoat*	370,739	168,082	370,739	309,649
Crack seal*	485,703	357,699	461,669	388,866
Base failures (each)	89	820	542	800
Street cuts (each)	143	350	315	450
Street sweeping miles	2,300	3,983.5	2,936.5	2,798.5
ADA access ramps (each)	424	129	296	30

*Square yards

GENERAL FUND

STREET

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 962,919	\$ 1,041,448	\$ 961,631	\$ 1,061,403
Supplies	98,224	88,968	88,938	101,478
Maintenance	626,350	693,981	688,035	663,739
Repairs	217,588	169,496	202,000	155,269
Support Services	59,294	67,608	66,727	78,530
Benefits	322,228	372,392	372,392	369,632
Capital Outlay	35,617	-	-	102,250
Total Expenditures	\$ 2,322,220	\$ 2,433,893	\$ 2,379,723	\$ 2,532,301

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Director of Street Services	1	1	1	1
Equipment Operator	7	7	7	7
Principal Secretary	1	1	1	1
Street Maintenance Supervisor	6	6	6	6
Street Service Worker	6	6	6	6
Street Services Superintendent	1	1	1	1
Truck Driver	11	12	12	12
Welder	2	1	1	1
Total	35	35	35	35
 *Heavy Equipment Operator				

GENERAL FUND

PLANNING

MISSION STATEMENT:

The mission of the Planning Division is to direct the orderly growth of private development within the City's Development Standards for new development and individual property owners.

PROGRAM DESCRIPTIONS:

The Planning Division directs the orderly growth of private development by systematically applying the City's development standards and zoning regulations and, through the Planning and Zoning Commission and the City Council, provide long range assessments of the City's needs and programs to direct the growth process.

ACCOMPLISHMENTS:

- Assisted the development community and individual citizens with the process of platting and replatting properties and recording documents in Bell County Deed Records (90 cases).
- Assisted the development community and individual citizens in the preparation of rezoning, special and specific use permits, and abandonment applications for consideration by the Planning and Zoning Commission and City Council (35 cases).
- Assisted the Killeen Chamber of Commerce in their efforts to broaden business diversity and expand the economic base by providing inquiring and prospective companies and organizations with positive information and timely land use data.
- In cooperation with the Chamber of Commerce, encouraged development in Killeen's two state recognized Enterprise Zones.
- Assisted Killeen Independent School District in their analysis of development and future growth areas to determine appropriate future school sites.
- Participated in the Killeen-Temple Urban Transportation Study (KTUTS), the Metropolitan Planning Organization for the planning of the regional transportation network.
- Assisted in updating the City's Thoroughfare Plan as accepted and approved by City Council.

ISSUES AND SERVICES:

- Worked with Bell County to exercise an interlocal agreement to process plats in the extra-territorial jurisdiction.
- Conduct workshops with Planning and Zoning Commission to review development regulation standards.
- Continue to develop an AutoCAD/ARCGIS coordinate rectified multi-attribute parcel map as the GIS base map.
- Coordinate with Bell County Tax District and the Central Texas Council of Governments to develop a land use management database.
- Coordinate with Fort Hood planners to identify growth and development opportunities beneficial to both city and the installation.
- Prepare annexation, extra-territorial jurisdiction and publicly owned property maps and database.
- Coordinate with Bell County Communications Center to maintain a current map and database to effect emergency response.

KEY OBJECTIVE: To foster and develop the growth of the City through effective application of City codes and ordinances.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Plat cases	90	90	70	92
Zoning cases	35	35	35	40

GENERAL FUND

PLANNING

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 172,030	\$ 232,915	\$ 221,279	\$ 259,377
Supplies	7,863	8,280	7,550	8,010
Support Services	11,797	8,871	8,871	12,294
Benefits	46,180	67,236	62,947	73,324
Capital Outlay	205	14,627	18,127	-
Total Expenditures	\$ 238,075	\$ 331,929	\$ 318,774	\$ 353,005

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
CAD/GIS Technician	1	1	1	1
Director of Planning	1	1	1	1
Engineering Technician	1	1	1	1
Planning Specialist	1	1	1	1
Principal Secretary	0	0	1	1
Secretary	1	1	0	0
Senior CAD/GIS Technician	1	1	1	1
Senior Planner	0	0	0	1
Total	6	6	6	7

GENERAL FUND

POLICE DEPARTMENT

MISSION STATEMENT: The mission of the Killeen Police Department is to create a partnership with the community to combat crime and improve the quality of life for all citizens of Killeen.

PROGRAM DESCRIPTIONS: The Chief of Police commands the Killeen Police Department, which offers many police related services to the community. These services are provided through three divisions. These services range from patrolling the streets, investigating criminal activity, and providing community-based programs to assist the public in detecting and preventing crime. Each division coordinates its efforts with the other department divisions to bring about the most effective and efficient police services possible.

ACCOMPLISHMENTS:

- Completed the Peacekeeper conversion.
- Began Cultural Diversity Community Forums to build a better relationship with the community.
- Developed a five-year strategic plan.
- Worked closely with the community to address racial profiling concerns.
- Substantially reduced the use of overtime.
- Implemented a 4-10 shift deployment schedule.
- Established key processes with performance indicators.
- Implemented customer service training for Communications Specialist personnel.
- Established Community Policing Districts.
- Implemented Compstat.
- Initiated national accreditation through CALEA.

ISSUES AND SERVICES:

- Continue to provide the most professional, effective, and efficient police services to the citizens of Killeen.
- Continue to forge a solid partnership between the police department and the community to reduce crime and the fear associated with it.
- Fill the remaining vacancies within the department.
- Increase the authorized number of police officers to address the increase demand on police services throughout the city.

KEY OBJECTIVES:

- Objective # 1 Respond to the calls of citizens in a safe and timely manner.
- Objective # 2 Establish an expeditious warrant service to address the criminal element and provide safe streets.
- Objective # 3 Strive to ensure the safest vehicle operation environment possible.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Calls for service	95,419	113,801	113,801	125,181
Warrants serviced	6,886	6,561	6,651	6,692
Citations issued	18,224	14,138	14,138	13,431

GENERAL FUND

POLICE DEPARTMENT

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 8,524,067	\$ 8,689,625	\$ 8,800,435	\$ 9,121,069
Supplies	500,702	623,658	622,487	586,549
Maintenance	29,185	-	-	-
Repairs	285,194	459,603	395,710	241,628
Support Services	513,817	582,437	560,426	524,736
Benefits	2,356,859	2,539,650	2,499,718	2,731,900
Capital Outlay	393,843	405,106	395,814	776,108
Expense	6,594	-	-	-
State and Federal Grants	9,457	10,750	10,750	12,000
Reimbursable Expense	(185,952)	(154,733)	(154,733)	(154,733)
Total Expenditures	\$ 12,433,766	\$ 13,156,096	\$ 13,130,607	\$ 13,839,257

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Assistant Chief of Police	0	1	1	1
Call Takers	12	0	0	0
Chief of Police	1	1	1	1
Communications Specialist	0	12	12	12
Crime Prevention Coordinator	1	1	1	1
Crime Statistical Analyst	1	1	1	1
Deputy Chief	2	0	0	0
Evidence Technician	0	0	0	1
Executive Assistant	1	1	1	1
Finance Manager	0	1	1	1
Jailer	8	8	8	8
Police Captain	4	4	4	4
Police Clerk	14	12	12	12
Police Fiscal Specialist	0	1	1	1
Police Lieutenant	8	8	8	8
Police Officers	128	135	138	147
Police Personnel Assistant	1	1	1	1
Police Records Supervisor	1	1	1	1
Police Sergeant	16	16	16	16
Police Training Assistant	0	1	1	1
Principal Secretary	2	1	1	1
Public Service Officer	0	0	0	6
Senior Secretary	3	4	4	4
Special Projects Coordinator	1	1	1	1
Total	204	211	214	230

GENERAL FUND

FIRE DEPARTMENT

MISSION STATEMENT:

The primary mission statement of the Fire Department is to save lives and property by providing fire protection and emergency medical services to the citizens of Killeen. This mission is accomplished through public education, code enforcement, quick and efficient operation of fire suppression, emergency medical services, and emergency management.

PROGRAM DESCRIPTIONS:

Provides fire suppression and rescue services for the population of Killeen. The Killeen Fire Department is also providing mutual aid (upon request) to the military housing areas that abut the Killeen city limits. Ambulances and engines are responding to all medical emergencies that fall into the following basic types of trauma: major accidents, heart attack calls, seizures, unconscious patients, and gunshot victims. This dual response has resulted in better care for the patient and better scene management for our personnel.

ACCOMPLISHMENTS:

- Certified the Killeen Fire Department as a TDH authorized training organization for Emergency Medical Technician certification courses.
- Certified Cynthia Dowling as a TDH Course Coordinator eligible to coordinate EMT Basic level certification courses.
- Conducted the first fully un-certified hiring cycle. Resulted in 133 people sitting for the entrance test, 44 passing the entrance test, 29 passing the physical agility, and having a one-year eligibility list with 19 people.
- Continued work on developing live fire training capability with the propane fueled training facilities at Station No. 2.
- Conducted the second Killeen Fire Department fire Academy.
- Completed the first semester of the KISD academy and started the second semester.
- Certified 16 people as Basic Instructors with the Texas Fire Commission.
- Filled 10 vacant firefighter positions.

ISSUES AND SERVICES:

- Staffing on the fire department remains a major concern. Current authorized emergency personnel staffing is 118. In FY 04/05-budget process, council has authorized 6 firefighters per year in anticipation of opening fire station number 8 in 3 years.
- The Killeen Fire Department is currently studying EMS services.
- Studying CTC opportunities for enhanced training opportunities through the "Ride-Out" program.

KEY OBJECTIVES:

Objective # 1 Monitor structure fires within the structural fire limits of the building of origin

Objective # 2 Monitor EMS Responses.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Fire responses	3,764	4,000	4,000	4,200
EMS responses	7,528	7,800	7,800	8,100

GENERAL FUND

FIRE DEPARTMENT

EXPENDITURES	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 5,259,784	\$ 5,660,950	\$ 5,756,520	\$ 5,867,693
Supplies	350,020	432,845	422,276	382,395
Maintenance	21,650	3,500	2,747	3,500
Repairs	147,929	162,480	171,297	128,263
Support Services	166,830	161,843	161,150	169,826
Benefits	1,266,336	1,432,795	1,342,723	1,536,020
Capital Outlay	214,530	6,900	4,600	260,735
Total Expenditures	\$ 7,427,079	\$ 7,861,313	\$ 7,861,313	\$ 8,348,432

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Captain	3	4	4	4
Deputy Chief	3	3	3	3
Deputy Chief-Fire Marshal	1	1	1	1
Executive Assistant	1	1	1	1
Fire and Rescue Officer	98	91	91	100
Fire Chief	1	1	1	1
Fire Prevention Officer	2	2	3	3
Lieutenant	13	22	22	22
Principal Secretary	2	2	2	2
Total	124	127	128	137

GENERAL FUND

NON-DEPARTMENTAL

MISSION STATEMENT:

The General Fund Non-Departmental budget is used to account for expenditures not directly related to any specific department.

AVENUE D BUILDING - MUNICIPAL ANNEX:

The Avenue D Building budget is utilized to account for costs not directly related to any specific department for the Municipal Annex building located at 200 East Avenue D.

CITY HALL:

The City Hall Division of Non-Departmental is used to budget for all expenditures that are not directly related to any specific department for the City Hall facility located at 101 North College.

CONSOLIDATED:

This division includes appropriations budgeted for professional services, insurance, industrial development, City dues and memberships, tax appraisal district fees and other miscellaneous charges.

PUBLIC SERVICE:

The budget for this division accounts for contributions to the Bell County Health Department , the Help Center and other Non-Profit organizations along with transfers to other City Funds.

STREET LIGHTS:

The street lights budget provides appropriations for electricity used for street lights operated by the city.

INFORMATION TECHNOLOGY:

The Information Technology budget is utilized to account for general fund expenditures related to information technology.

BELL COUNTY COMMUNICATION CENTER:

The Bell County Communication Center budget accounts for expenditures related to the City's portion of the county - wide communication system.

GENERAL FUND

**NON-DEPARTMENTAL
AVENUE D BUILDING - MUNICIPAL ANNEX**

EXPENDITURES		Actual 2002-03		Budget 2003-04		Estimated 2003-04		Adopted 2004-05
Supplies	\$	8,859	\$	14,000	\$	14,000	\$	15,000
Maintenance		16,171		-		-		-
Repairs		8,930		16,260		15,760		17,500
Support Services		29,197		45,336		51,000		55,000
Total Expenditures	\$	63,157	\$	75,596	\$	80,760	\$	87,500

CITY HALL

EXPENDITURES		Actual 2002-03		Budget 2003-04		Estimated 2003-04		Adopted 2004-05
Supplies	\$	15,664	\$	22,000	\$	22,000	\$	23,000
Maintenance		7,227		-		-		-
Repairs		25,864		36,000		33,000		36,000
Support Services		414,735		536,000		531,100		758,224
Total Expenditures	\$	463,490	\$	594,000	\$	586,100	\$	817,224

CONSOLIDATED

EXPENDITURES		Actual 2002-03		Budget 2003-04		Estimated 2003-04		Adopted 2004-05
Supplies	\$	46,777	\$	7,000	\$	7,000	\$	7,000
Maintenance		-		147,519		144,018		150,000
Support Services		966,849		1,114,357		1,114,357		1,226,330
Designated Expenses		377,269		385,438		461,938		458,435
Total Expenditures	\$	1,390,895	\$	1,654,314	\$	1,727,313	\$	1,841,765

GENERAL FUND

**NON-DEPARTMENTAL
PUBLIC SERVICES**

EXPENDITURES								
		Actual		Budget		Estimated		Adopted
		2002-03		2003-04		2003-04		2004-05
Support Services	\$	638,293	\$	548,333	\$	522,201	\$	805,318
Transfers		1,215,000		1,462,474		1,462,474		785,000
Total Expenditures	\$	1,853,293	\$	2,010,807	\$	1,984,675	\$	1,590,318

STREET LIGHTS

EXPENDITURES								
		Actual		Budget		Estimated		Adopted
		2002-03		2003-04		2003-04		2004-05
Support Services	\$	420,732	\$	450,000	\$	450,000	\$	480,000
Total Expenditures	\$	420,732	\$	450,000	\$	450,000	\$	480,000

INFORMATION TECHNOLOGY

EXPENDITURES								
		Actual		Budget		Estimated		Adopted
		2002-03		2003-04		2003-04		2004-05
Supplies	\$	37,202	\$	45,000	\$	45,000	\$	45,000
Maintenance		171,915		223,096		223,096		212,846
Repairs		28,577		29,000		29,000		29,000
Support Services		90,000		110,405		110,405		33,422
Capital Outlay		355,843		384,230		384,230		544,484
Total Expenditures	\$	683,537	\$	791,731	\$	791,731	\$	864,752

BELL COUNTY COMMUNICATION CENTER

EXPENDITURES								
		Actual		Budget		Estimated		Adopted
		2002-03		2003-04		2003-04		2004-05
Support Services	\$	667,849	\$	690,000	\$	690,000	\$	725,000
Total Expenditures	\$	667,849	\$	690,000	\$	690,000	\$	725,000

GENERAL FUND

GOLF COURSE

EXPENDITURES	Actual		Budget		Estimated		Adopted	
	2002-03		2003-04		2003-04		2004-05	
Salaries	\$	382,810	\$	407,317	\$	412,317	\$	-
Supplies		87,668		92,815		92,815		-
Maintenance		19,038		13,100		13,100		-
Repairs		23,968		26,045		25,045		-
Support Services		43,689		124,568		120,568		-
Benefits		107,634		121,157		121,157		-
Designated Expenses		185,178		120,220		120,220		-
Capital Outlay		40,440		-		-		-
Total Expenditures	\$	890,425	\$	905,222	\$	905,222	\$	-

PERSONNEL SUMMARY	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Position Title				
Assistant Golf Professional	1	1	1	0
Cart Fleet / Range Attendant	1	1	1	0
Golf Course Maintenance Tech.	2	2	2	0
Golf Course Superintendent	1	1	1	0
Golf Professional	1	1	1	0
Golf Shop Attendant	2	2	2	0
Golf Shop Manager	1	1	1	0
Greenskeeper	3	3	3	0
Total	12	12	12	0

Golf Course operations will be accounted for in the Killeen Municipal Golf Course Enterprise Fund beginning FY 04-05.

AVIATION FUND



Killeen-Fort Hood Regional Airport

The Aviation Fund is one of the six enterprise funds that the City of Killeen maintains. The Governmental Accounting Standards Board *Codification*, Section 1300.104, states that "the enterprise fund type may be used: to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination or revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance public policy, management control, accountability, or other purposes. " These funds are not required by GASB, but are permitted

The City of Killeen uses this fund to account for all expenditures incurred and revenues received pertaining to the operation, maintenance, and improvement of the airports.

"The City Without Limits!"

KILLEEN-FORT HOOD REGIONAL AIRPORT

Adopted Budget

Summary

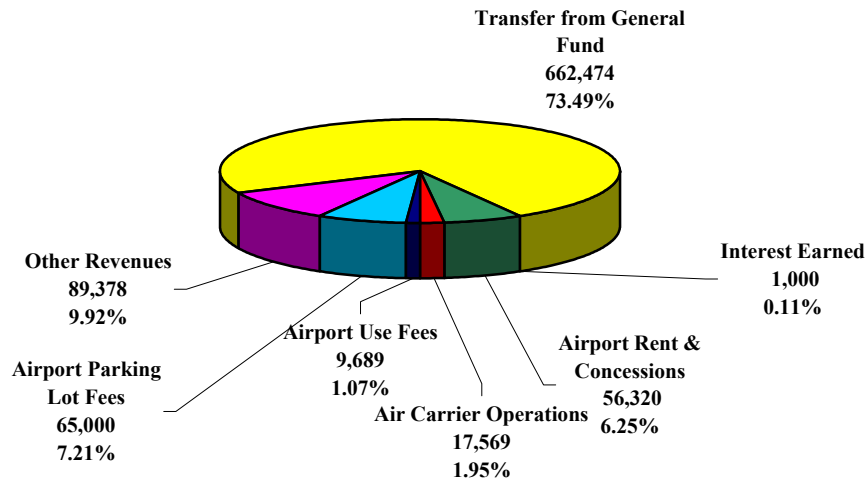
FY 2004-05

	2002-03 ACTUAL	2003-04 ADOPTED	2003-04 ESTIMATED	2004-05 ADOPTED
BEGINNING FUND BALANCE				
Unreserved Fund Balance	-	-	(2,203,603)	213,671
TOTAL BEGINNING FUND BALANCE	-	-	(2,203,603)	213,671
REVENUES				
Miscellaneous Receipts	-	1,500	500	8,500
Airport Rent & Concessions	-	56,320	84,939	494,071
Fixed Base Operations	-	-	-	-
Hangars and Tiedowns	-	-	-	-
Air Carrier Operations	-	17,569	18,742	169,404
Airport Use Fees	-	9,689	-	104,952
Airport Parking Lot Fees	-	65,000	29,000	254,000
Recovery Fees	-	-	-	101,650
Fuel Sales	-	87,378	1,200	95,400
Operating Supplies	-	500	500	1,500
Into Plane Fees	-	-	21,938	175,500
Interest Earned	-	1,000	-	1,000
Federal Grants & Receipts	11,005,242	27,538,342	29,763,976	-
Transfer from Aviation Fund	169,473	-	-	-
Transfer from Bond Fund	-	-	-	600,000
Transfer from General Fund	280,000	662,474	662,474	-
TOTAL CURRENT REVENUES	11,454,715	28,439,772	30,583,269	2,005,977
TOTAL FUNDS AVAILABLE	11,454,715	28,439,772	28,379,666	2,219,648
EXPENSES				
Airport Operations	247,260	730,313	625,077	2,171,071
RGAAF Construction	13,408,788	27,538,342	27,538,342	-
Airport Non-Departmental	2,270	2,576	2,576	40,601
TOTAL OPERATING EXPENSES	13,658,318	28,271,231	28,165,995	2,211,672
Robert Gray Army Airfield Projects	-	-	-	-
TOTAL EXPENSES	13,658,318	28,271,231	28,165,995	2,211,672
ENDING FUND BALANCE				
Unreserved Fund Balance	(2,203,603)	168,541	213,671	7,976
TOTAL ENDING FUND BALANCE	(2,203,603)	168,541	213,671	7,976

KILLEEN-FORT HOOD REGIONAL AIRPORT

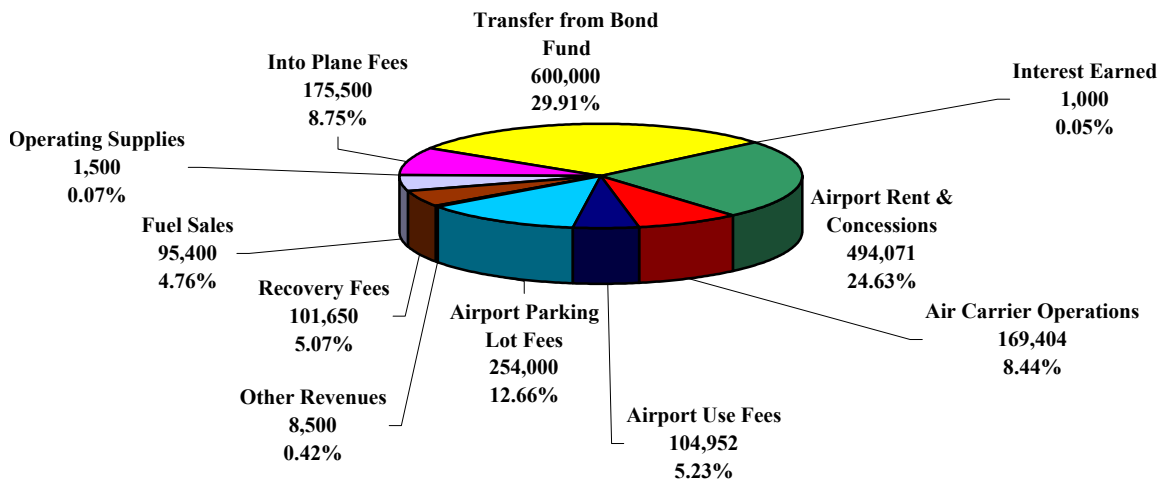
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Revenues by Source



Total Revenues \$901,430

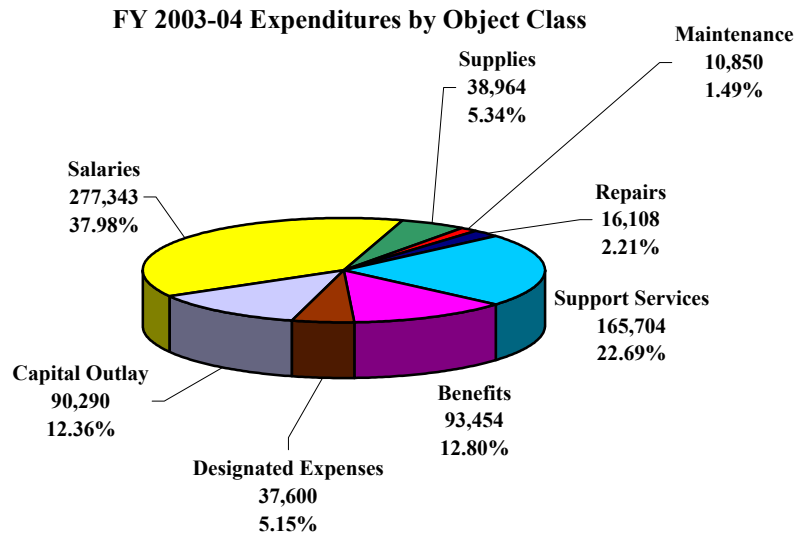
FY 2004-05 Revenues by Source



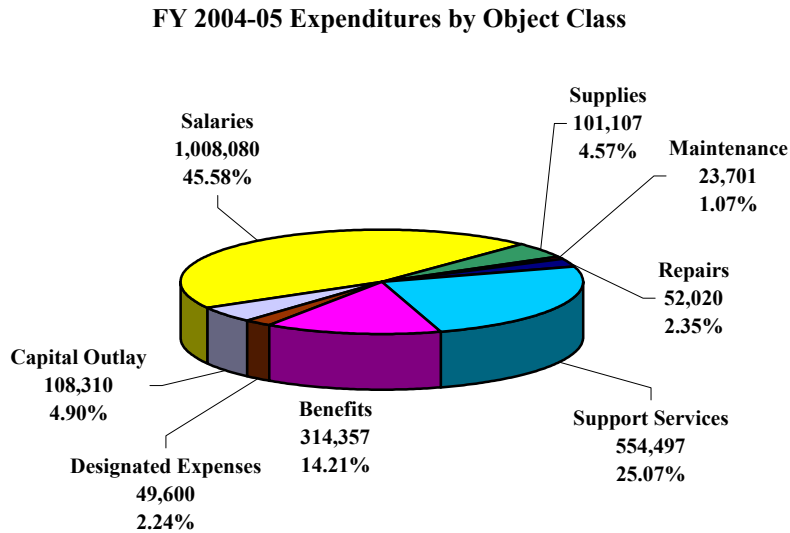
Total Revenues \$2,005,977

KILLEEN-FORT HOOD REGIONAL AIRPORT

Comparison of FY 2003-04 Budget to FY 2004-05 Budget



Total Expenditures \$730,313



Total Expenditures \$2,211,672

Note: Significant changes between FY 2003-04 and FY 2004-05 are discussed on each division's financial page

KILLEEN-FORT HOOD REGIONAL AIRPORT FUND

KILLEEN-FORT HOOD REGIONAL AIRPORT

MISSION STATEMENT:

The mission of the Aviation Department is to ensure that aviation activities are conducted safely and efficiently within the City, and to maintain and operate City owned Airport facilities. The mission also includes planning for future aviation needs and advising the City Manager and City Council on aviation matters.

PROGRAM DESCRIPTIONS:

Significant increases in airport activity at Killeen Municipal over the last several years continues to place demands on City airport facilities. In response to these growing demands, the new Killeen-Fort Hood Regional Airport was constructed. The move of airline operations to the new airport will provide significant relief, but will require resources to operate. The staff will continue to manage the day-to-day activities at Skylark Field while concurrently operating and maintaining the new facility, Killeen-Fort Hood Regional Airport.

ACCOMPLISHMENTS:

- Completed the construction of a new terminal building, parking lots, fuel farm, rental car service area and numerous components of the approximately six year project to move air carrier service from Killeen Municipal Airport to a first class facility with capacity to accommodate long term growth.
- Projecting approximately 34,000 airline enplaning and deplaning passengers at the new airport during the first two months of operation.

ISSUES AND SERVICES:

- Budgeting of both revenues and expenses for this fiscal year is being accomplished with estimates that do not have the benefit of any operating experience in the new facility. A larger percentage of revenue is linked to tenant activity levels that potentially provide higher revenues to the airport, but they are more difficult to estimate several months in advance.
- Staffing is well short of the numbers estimated to operate and maintain a much larger and more complex facility. Failure rates for the complex systems at the new facility are yet to be determined, as well as actual maintenance costs.

KEY OBJECTIVES:

Objective #1: Provide a safe environment for both air carrier, corporate and general aviation operations by providing adequate airport facilities, enforcing rules and regulations, and budgeting for necessary security, safety, maintenance and growth demands.

Objective #2: Work towards achieving financial self-sustainment as quickly as possible.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Enplaned passengers	0	21,848	15,806	101,975
Deplaned passengers	0	22,015	17,072	101,975

KILLEEN-FORT HOOD REGIONAL AIRPORT FUND

KILLEEN-FORT HOOD REGIONAL AIRPORT

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 126,423	\$ 277,343	\$ 234,499	\$ 1,008,080
Supplies	4,490	38,964	38,964	99,307
Maintenance	-	10,850	10,850	17,140
Repairs	313	16,508	16,508	52,020
Support Services	22,117	165,304	116,744	554,497
Benefits	36,522	93,454	79,622	314,357
Designated Expenses	-	37,600	37,600	49,600
Capital Outlay	57,395	90,290	90,290	76,070
Total Expenditures	\$ 247,260	\$ 730,313	\$ 625,077	\$ 2,171,071

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Accounting Specialist	1	1	1	2
Airport Project Manager	1	1	0	0
Airport Service Worker	0	0	3	10
Airport Specialist	0	1	1	3
Assistant Director of Aviation	0	0	1	1
Contract Administrator	1	1	0	0
Aircraft Fuel Handler	0	0	3	5
Operations Specialist	0	0	4	6
Senior Aircraft Fuel Handler	0	0	0	1
Operations Supervisor	0	0	1	1
Airport Facilities Manager	0	0	0	1
Airport Maintenance Crew Leader	0	0	0	1
Airport Operations Manager	0	0	0	1
Director of Aviation	0	0	0	1
Executive Assistant	0	0	0	1
Flightline Service Crew Leader	0	0	0	0.5
Secretary	0	0	0	1
Total	3	4	14	35.5

KILLEEN-FORT HOOD REGIONAL AIRPORT FUND

**NON-DEPARTMENTAL
RGAAF CONSTRUCTION**

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
RGAAF Construction	\$ 13,408,788	\$ 27,538,342	\$ 27,538,342	\$ -
Total Expenditures	\$ 13,408,788	\$ 27,538,342	\$ 27,538,342	\$ -

INFORMATION TECHNOLOGY

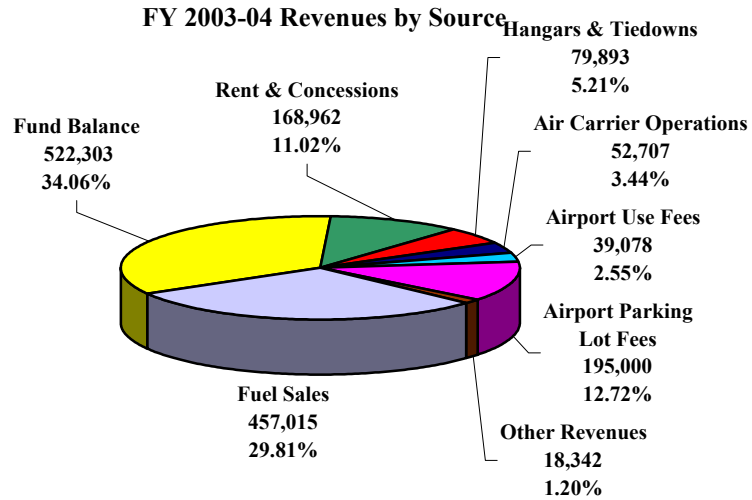
EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Supplies	\$ -	\$ -	\$ -	\$ 1,800
Maintenance	-	-	-	6,561
Capital Outlay	2,270	2,576	2,576	32,240
Total Expenditures	\$ 2,270	\$ 2,576	\$ 2,576	\$ 40,601

SKYLARK FIELD
Adopted Budget
Summary
FY 2004-05

	2002-03	2003-04	2003-04	2004-05
	ACTUAL	ADOPTED	ESTIMATED	ADOPTED
BEGINNING FUND BALANCE				
Unreserved Fund Balance	544,281	522,303	810,669	550,049
TOTAL BEGINNING FUND BALANCE	544,281	522,303	810,669	550,049
REVENUES				
Miscellaneous Receipts	6,856	7,000	7,221	1,000
Airport Rent & Concessions	215,735	168,962	192,077	-
Fixed Base Operations	5,396	5,342	5,885	5,885
Hangars and Tiedowns	80,091	79,893	82,902	83,904
Air Carrier Operations	108,442	52,707	114,327	-
Airport Use Fees	74,070	39,078	69,498	10,010
Airport Parking Lot Fees	203,517	195,000	177,610	-
Farm Fuel Rental	-	-	-	-
Fuel Sales	435,788	457,015	437,407	445,570
Operating Supplies	3,669	3,000	3,361	21,859
Interest Earned	11,346	3,000	7,217	500
Federal Grants & Receipts	90,586	-	-	-
Transfer from General Fund	135,000	-	-	-
TOTAL CURRENT REVENUES	1,370,496	1,010,997	1,097,505	568,728
TOTAL FUNDS AVAILABLE	1,914,777	1,533,300	1,908,174	1,118,777
EXPENSES				
Airport Operations	1,080,311	1,331,884	1,331,884	707,193
Airport Non-Departmental	21,307	26,241	26,241	400
TOTAL OPERATING EXPENSES	1,101,618	1,358,125	1,358,125	707,593
Equity Transfer to RGAAF	2,490	-	-	-
TOTAL EXPENSES	1,104,108	1,358,125	1,358,125	707,593
ENDING FUND BALANCE				
Unreserved Fund Balance	810,669	175,175	550,049	411,184
TOTAL ENDING FUND BALANCE	810,669	175,175	550,049	411,184

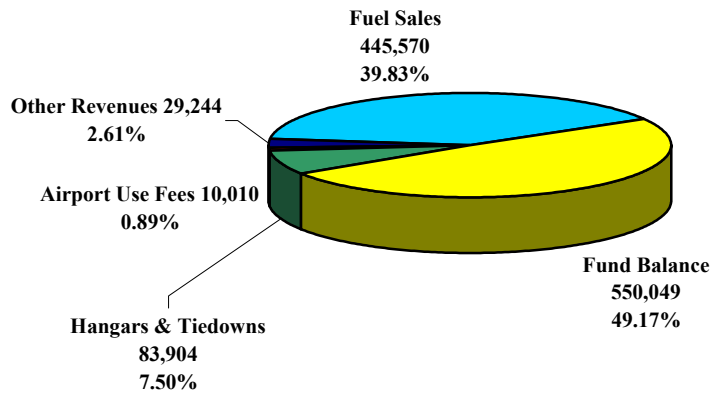
SKYLARK FIELD

Comparison of FY 2003-04 Budget to FY 2004-05 Budget



Total Revenues \$1,533,300

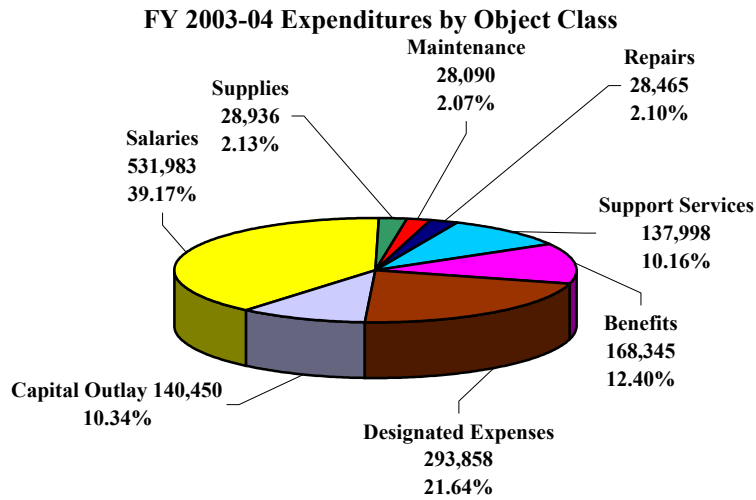
FY 2004-05 Revenues by Source



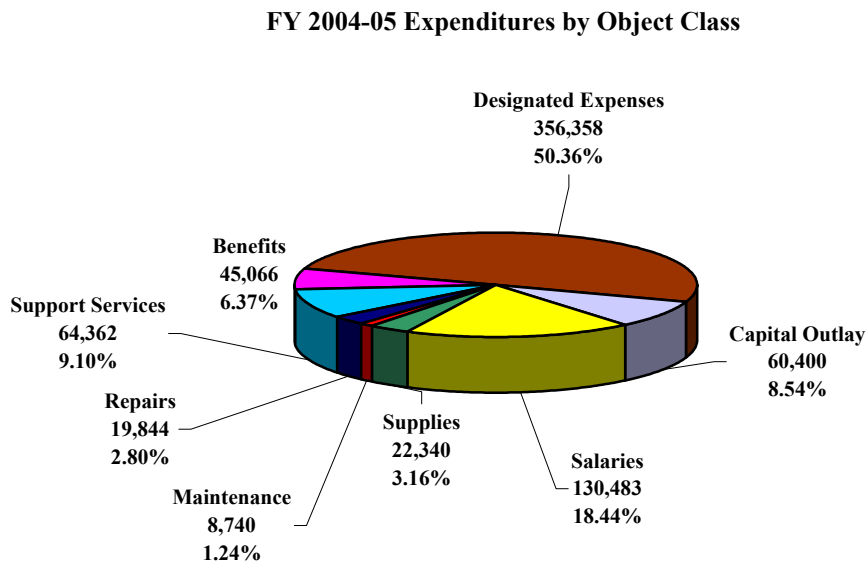
Total Revenues \$1,118,777

SKYLARK FIELD

Comparison of FY 2003-04 Budget to FY 2004-05 Budget



Total Expenditures \$1,358,125



Total Expenditures \$707,593

Note: Significant changes between FY 2003-04 and FY 2004-05 are discussed on each division's financial page

SKYLARK FIELD FUND

SKYLARK FIELD

MISSION STATEMENT:

The mission of the Aviation Department is to ensure that aviation activities are conducted safely and efficiently within the City, and to maintain and operate City owned Airport facilities. The mission also includes planning for future aviation needs and advising the City Manager and City Council on aviation matters.

PROGRAM DESCRIPTIONS:

The airport will have been reclassified by the FAA from a Primary Service Air Carrier Airport to a General Aviation Airport. Activities will be limited to general and corporate aviation along with some military aircraft traffic. The airport remains eligible for FAA grant funds for capital improvement projects, but the funds will now be channeled through TxDOT as a state block grant program. The Aviation staff has begun to work with TxDOT to integrate Skylark Field into this new program.

ACCOMPLISHMENTS:

- Completed the move of air carrier service and the associated tenants from this airport to the new Killeen-Fort Hood Regional Airport in August.
- Serviced approximately 167,489 airline passengers enplaning and deplaning at the airport from Oct 2003 – Jul 2004. Five of the first six months of the FY set new enplanement records for their respective months.
- The airport name was changed from Killeen Municipal Airport to Skylark Field to overcome some of the name confusion associated with two City operated airports.
- Added self-service Jet-A capability to the aviation fuel facility, providing for the availability of both types of aviation fuels on a 24 hour basis.

ISSUES AND SERVICES:

- The move of air carrier activity to the Killeen-Fort Regional Airport has also taken the majority of the airport's revenue with it. Fuel sales and Hangar rentals are the two remaining primary sources of revenue for the airport.
- A possible revenue source, the former airline terminal building is not projected in this budget to be occupied, but remains a potential revenue source. If not leased, it could be "moth balled" to avoid excessive utility expenses.
- The move of air carrier activity, the possible closure of fire station #4, and overall priorities and staffing levels of the department, will leave Skylark Field staffed with no more than three employees at any one time during business hours and unattended between approximately 6:00 PM and 7:00 AM each night.
- Demand for additional General Aviation aircraft storage (T-hangar space) will need to be addressed in order to facilitate any significant growth in General Aviation activity and associated revenue. The current waiting list for T-hangars contains at least 32 names, many of which are not currently tenants.
- Airside pavements are experiencing normal age cracking and are in need of crack seal to preserve pavement. Additional attention in the form of overlays or slurry seals will be likely needed within the next two years.

KEY OBJECTIVE: Provide a safe environment for general aviation and military aircraft operations by providing adequate airport facilities, enforcing rules and regulations, and budgeting for necessary security, safety, maintenance and growth demands.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Enplaned passengers	93,124	87,394	83,195	0
Deplaned passengers	94,530	88,058	84,294	0

SKYLARK FIELD FUND

SKYLARK FIELD

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 508,493	\$ 531,983	\$ 531,983	\$ 130,483
Supplies	28,405	27,136	27,136	22,340
Maintenance	22,722	17,599	17,599	8,740
Repairs	32,758	27,965	27,965	19,844
Support Services	135,372	137,998	137,998	64,362
Benefits	153,620	168,345	168,345	45,066
Designated Expenses	197,726	293,858	293,858	356,358
Major Capital Outlay	-	127,000	127,000	35,000
Capital Outlay	1,215	-	-	25,000
Total Expenditures	\$ 1,080,311	\$ 1,331,884	\$ 1,331,884	\$ 707,193

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Accounting Specilist	1	1	1	1
Aircraft Fuel Handler	2	2	2	2
Aircraft Fuel Handler (Part-Time)	0	2	2	0
Airport Facilities Manager	1	1	1	0
Airport Maintenance Crew Leader	1	1	1	0
Airport Operations Manager	1	1	1	0
Airport Service Worker	5	5	5	0
Airport Specilist	2	2	2	1
Director of Aviation	1	1	1	0
Executive Assistant	1	1	1	0
Flightline Service Crew Leader	1	1	1	0.5
Secretary	0	1	1	0
Senior Aircraft Fuel Handler	1	1	1	1
Total	17	20	20	5.5

SKYLARK FIELD FUND

NON-DEPARTMENTAL

The Skylark Field Fund, Non-Departmental Division, accounts for expenditures that cannot be attributed to other divisions such as bank loans and year-end salary accruals.

INFORMATION TECHNOLOGY

EXPENDITURES								
	Actual		Budget		Estimated		Adopted	
	2002-03		2003-04		2003-04		2004-05	
Supplies	\$	-	\$	1,800	\$	1,800	\$	-
Maintenance		9,453		10,491		10,491		-
Repairs		-		500		500		-
Designated Expenses		9,238		-		-		-
Capital Outlay		2,616		13,450		13,450		400
Total Expenditures	\$	21,307	\$	26,241	\$	26,241	\$	400

SUPPORT SERVICES

EXPENDITURES								
	Actual		Budget		Estimated		Adopted	
	2002-03		2003-04		2003-04		2004-05	
Equity Transfer to KFHRA		2,400		-		-		-
Total Expenditures	\$	2,400	\$	-	\$	-	\$	-

KILLEEN MUNICIPAL GOLF COURSE FUND



The Killeen Municipal Golf Course Fund is one of the six enterprise funds that the City of Killeen maintains. The Governmental Accounting Standards Board *Codification*, Section 1300.104, states that "the enterprise fund type may be used: to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges: or (b) where the governing body has decided that periodic determination or revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance public policy, management control, accountability, or other purposes." These funds are not required by GASB, but are permitted.

The City of Killeen uses this fund to account for all expenditures incurred and revenues received pertaining to the operation, maintenance, and improvement of the golf course.

"The City Without Limits!"

KILLEEN MUNICIPAL GOLF COURSE

Adopted Budget

Summary

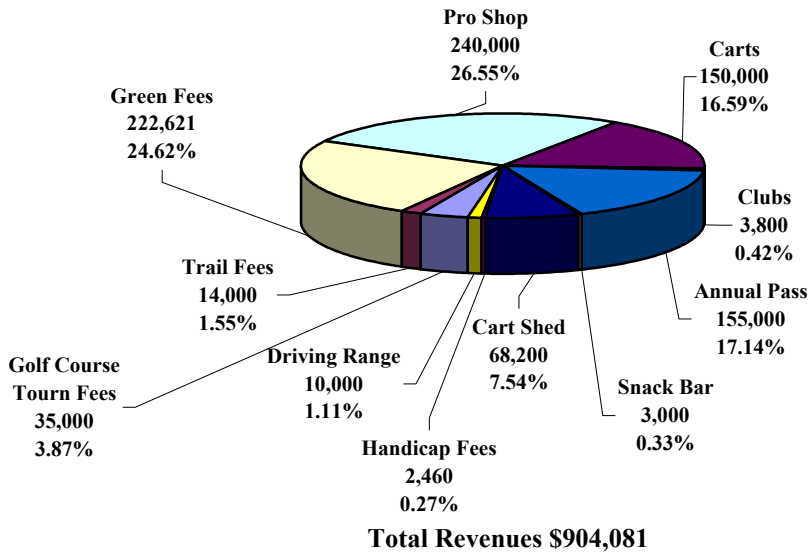
FY 2004-05

	2002-03	2003-04	2003-04	2004-05
	ACTUAL	ADOPTED	ESTIMATED	ADOPTED
BEGINNING FUND BALANCE				
Unreserved Fund Balance	-	-	-	-
TOTAL BEGINNING FUND BALANCE	-	-	-	-
REVENUES				
Trail Fees	-	-	-	17,000
Green Fees	-	-	-	284,000
Pro Shop	-	-	-	285,000
Carts	-	-	-	180,000
Clubs	-	-	-	4,000
Annual Pass	-	-	-	194,000
Snack Bar	-	-	-	22,250
Cart Shed	-	-	-	91,800
Handicap Fees	-	-	-	3,000
Driving Range	-	-	-	30,000
TOTAL CURRENT REVENUES	-	-	-	1,111,050
TOTAL FUNDS AVAILABLE	-	-	-	1,111,050
EXPENSES				
Golf Operations	-	-	-	902,269
Debt Service	-	-	-	206,758
TOTAL OPERATING EXPENSES	-	-	-	1,109,027
ENDING FUND BALANCE				
Unreserved Fund Balance	-	-	-	2,023
TOTAL ENDING FUND BALANCE	-	-	-	2,023

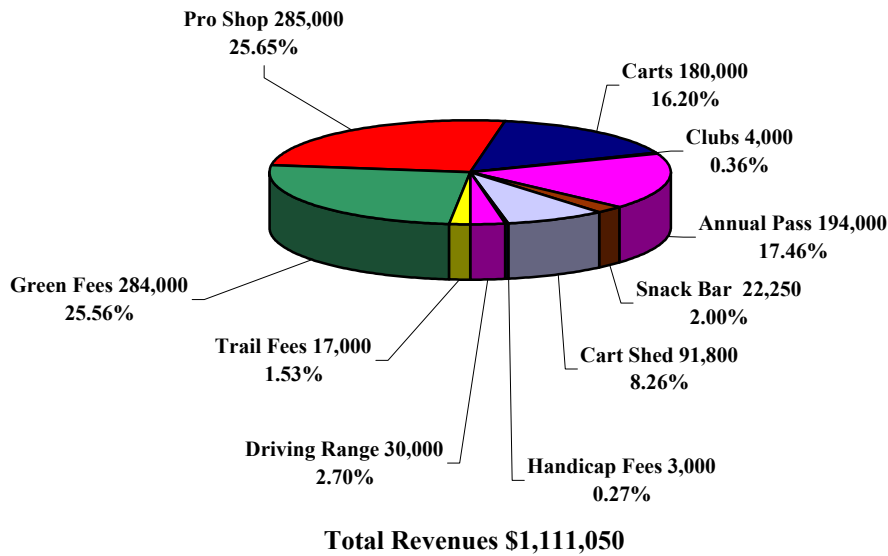
KILLEEN MUNICIPAL GOLF COURSE

Comparison of 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Revenues by Source



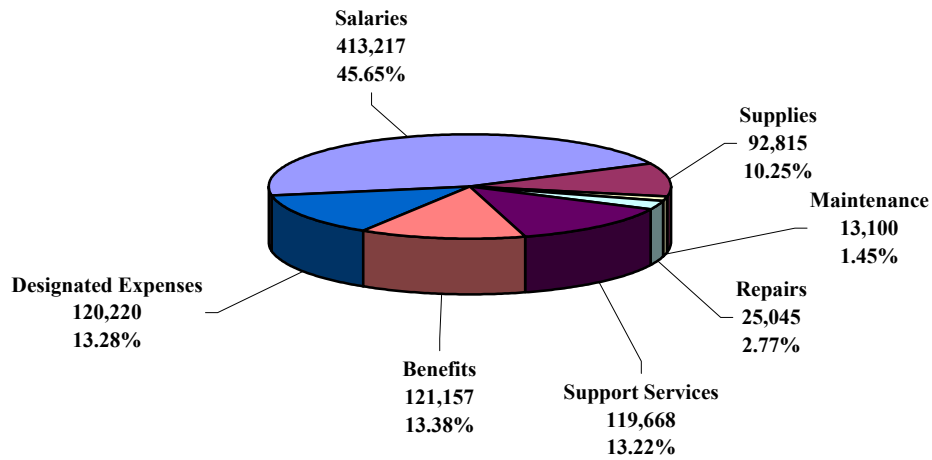
FY 2004-05 Revenues by Source



KILLEEN MUNICIPAL GOLF COURSE

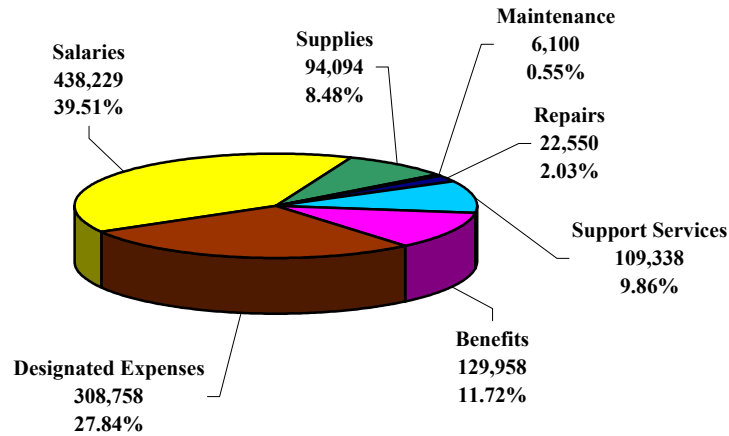
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Expenditures by Object Class



Total Expenditures \$905,222

FY 2004-05 Expenditures by Object Class



Total Expenditures \$1,109,027

Note: Revenue and expense amounts were included in the General Fund for FY 2003-04.

KILLEEN MUNICIPAL GOLF COURSE FUND

KILLEEN MUNICIPAL GOLF COURSE

MISSION STATEMENT:

The mission of the Killeen Municipal Golf Course is to provide the finest golfing facility to the citizens of Killeen and their guests. Killeen Municipal Golf Course strives to provide a quality course for golfers, regardless of age or skill level.

PROGRAM DESCRIPTIONS:

The Killeen Municipal Golf Course strives to offer quality golf play in a well-maintained and up-to-date facility. The Golf Course has undergone upgrades in service and enhancement of programs over the last few years. This has been accomplished by increasing man hour efficiency of the golf course staff using cross training, increased communication, specific task assignment and striving to improve employee morale. Daily fairway mowing, along with other enhanced maintenance policies, and a commitment over the last few years to improving the course and programs has contributed to making Killeen Municipal Golf Course a quality facility. With the addition of the new clubhouse, pro shop, state of the art practice facilities and eight re-designed golf holes KMGC will be able to offer its patrons a higher quality facility than ever before.

ACCOMPLISHMENTS:

- Purchased existing house and acreage
- Remolded house and facilities to provide a new clubhouse restraint and pro shop
- Redesigned and rebuilt eight new golf holes
- Built new driving range and short game practice areas
- Installed new transfer pump at Nolan Creek
- Installed erosion control at Nolan Creek transfer pump
- Conducted four junior clinics and one ladies clinic

ISSUES AND SERVICES:

- Remaining 10 golf course greens in dire need of reconstruction to insure proper drainage. Remaining greens need to be rebuilt and re-grassed with a more modern turf that will match the existing new holes.
- Address the on going issue of golf course drainage as funding permitted.
- An important issue is the current pesticide storage facility. Once the issue of relocation of the maintenance shop is resolved, it should be done with the storage building as part of the project.
- Rebuild current tees and re-grass current tees and fairways, which were not part of the course upgrade.

KEY OBJECTIVE: Increase revenues at the Killeen Municipal Golf Course by increasing play and junior golf leagues and utilizing water more efficiently and providing better golf course conditioning.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Rounds of golf played	53,640	52,000	40,000	51,500
Revenue generated	\$959,756	\$869,081	\$621,390	\$937,710
Revenue per round	\$17.89	\$16.71	\$15.53	\$18.21

KILLEEN MUNICIPAL GOLF COURSE FUND

KILLEEN MUNICIPAL GOLF COURSE

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ -	\$ -	\$ -	\$ 438,229
Supplies	-	-	-	94,094
Maintenance	-	-	-	6,100
Repairs	-	-	-	22,550
Support Services	-	-	-	109,338
Benefits	-	-	-	129,958
Designated Expenses	-	-	-	102,000
Total Expenditures	\$ -	\$ -	\$ -	\$ 902,269

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Assistant Golf Professional	0	0	0	1
Cart Fleet / Range Attendant	0	0	0	1
Golf Course Maintenance Tech.	0	0	0	2
Golf Course Superintendent	0	0	0	1
Golf Professional	0	0	0	1
Golf Shop Attendant	0	0	0	2
Golf Shop Manager	0	0	0	1
Greenskeeper	0	0	0	4
Total	0	0	0	13

Golf Course operations were accounted for in the General Fund prior to FY 04-05.

KILLEEN MUNICIPAL GOLF COURSE FUND

NON-DEPARTMENTAL

EXPENDITURES		Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Designated Expenses	\$	-	\$ -	\$ -	\$ 206,758
Total Expenditures	\$	-	\$ -	\$ -	\$ 206,758

SOLID WASTE FUND

The Solid Waste Fund is one of the six enterprise funds that the City of Killeen maintains. The Governmental Accounting Standards Board *Codification*, Section 1300.104, states that " the enterprise fund type may be used: to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance public policy, management control, accountability, or other purposes." These funds are not required by GASB, but are permitted.

The City of Killeen uses this fund to account for all expenditures incurred and revenues received pertaining to the operation, maintenance, and improvement of Solid Waste. Appropriations are made for three functions provided by Solid Waste. These functions include Solid Waste Operations, the Solid Waste Transfer Station and the newly implemented recycle program.

"The City Without Limits!"

SOLID WASTE FUND

Adopted Budget

Summary

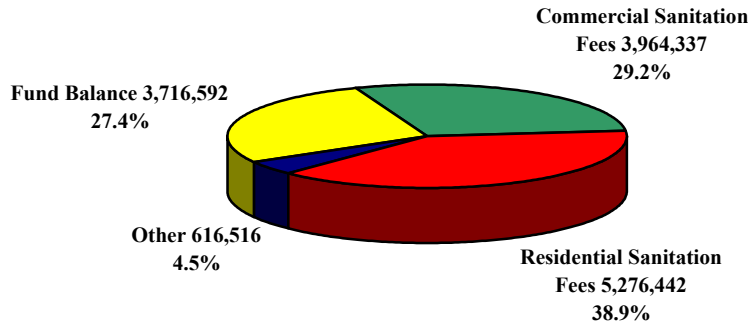
FY 2004-05

	2002-03	2003-04	2003-04	2004-05
	ACTUAL	ADOPTED	ESTIMATED	ADOPTED
BEGINNING FUND BALANCE				
Reserved Fund Balance	975,000	975,000	975,000	1,075,000
Debt Service Reserve	180,313	180,313	180,313	233,002
Unreserved Fund Balance	1,877,586	2,561,279	2,627,495	2,412,450
TOTAL BEGINNING FUND BALANCE	3,032,899	3,716,592	3,782,808	3,720,452
REVENUES				
Transfer Station Fees	139,803	440,766	165,000	170,000
Dumpster Rentals	255,624	-	280,000	295,000
Sale of Equipment	-	16,000	9,500	12,000
Tire Disposal Fees	2,239	844	2,200	2,300
Sale of Metals-Recycling	28,637	23,318	32,000	32,000
Paper Products Recycling	28,488	16,143	36,000	36,000
Public Scale Fees	9,026	13,186	9,000	9,000
Other Recycle Revenues	4,041	538	2,200	4,000
Customer Recycling Fees	32,687	50,400	36,000	36,000
Commercial Sanitation Fees	3,747,799	3,964,337	3,930,000	4,065,966
Residential Sanitation Fees	4,223,378	5,276,442	5,004,000	5,346,785
Interest Earned	57,064	46,771	50,000	48,000
Miscellaneous Receipts	10,091	8,550	300	500
TOTAL CURRENT REVENUES	8,538,877	9,857,295	9,556,200	10,057,551
TOTAL FUNDS AVAILABLE	11,571,776	13,573,887	13,339,008	13,778,003
EXPENSES				
Code Enforcement	56,864	45,964	45,964	47,221
Residential Operations	1,836,888	2,484,993	2,376,887	2,597,132
Commercial Operations	1,070,909	1,522,525	1,499,727	1,518,394
Recycling Program	221,960	342,491	324,347	285,240
Transfer Station	2,640,374	3,263,751	3,262,312	2,866,460
Debt Service	366,152	460,467	460,467	1,205,176
Solid Waste Miscellaneous	366,156	390,026	390,026	466,386
TOTAL CURRENT EXPENSES	6,559,303	8,510,217	8,359,730	8,986,009
TRANSFERS OUT	1,229,665	1,258,826	1,258,826	1,484,039
TOTAL EXPENSES	7,788,968	9,769,043	9,618,556	10,470,048
ENDING FUND BALANCE				
Reserved Fund Balance	975,000	1,075,000	1,075,000	1,235,000
Debt Service Reserve	180,313	180,313	233,002	233,002
Unreserved Fund Balance	2,627,495	2,549,531	2,412,450	1,839,953
TOTAL ENDING FUND BALANCE	3,782,808	3,804,844	3,720,452	3,307,955

SOLID WASTE FUND

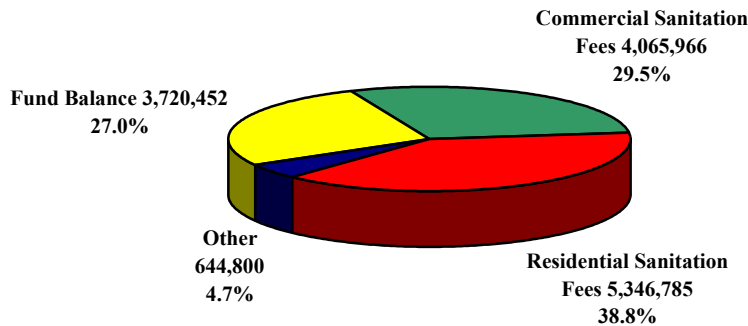
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Revenues by Source



Total Revenues \$13,573,887

FY 2004-05 Revenues by Source

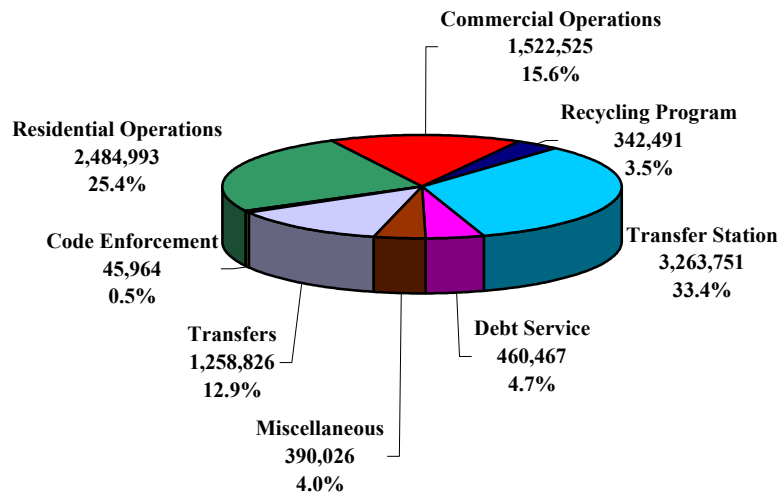


Total Revenues \$13,778,003

SOLID WASTE FUND

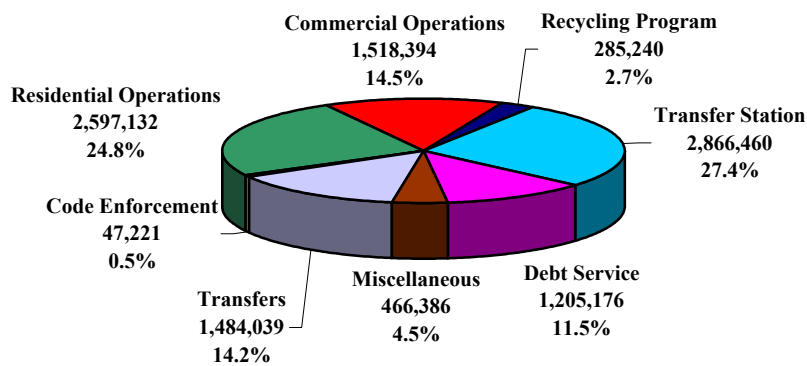
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Expenditures by Function



Total Expenditures \$9,769,043

FY 2004-05 Expenditures by Function



Total Expenditures \$10,470,048

Note: Significant changes between FY 2003-04 and FY 2004-05 are discussed on each division's financial page

SOLID WASTE FUND

RESIDENTIAL SERVICES

MISSION STATEMENT:

Residential Operations provides waste collection services primarily to the citizens of Killeen. Waste is collected at curbside at residential addresses and transported to the Transfer Station.

PROGRAM DESCRIPTIONS:

- Provides once per week automated collection of household garbage placed in roll-out containers (96 gallon, 64 gallon and 32 gallon) for approximately 34,000 households.
- Provides once per week collection of segregated tree limbs/brush.
- Provides once per week collection of bagged grass and leaves.
- Provides special collection services, for example, the pickup of furniture items, appliances, other large bulky items, move-outs, garage cleanouts, and excess garbage. A fee is charged to the utility account for these services. The minimum fee is \$18.00 for up to 3 cubic yards. For volumes in excess of 3 cubic yards, an additional fee of \$6.00 per cubic yard is charged.
- Provides supports to Commercial Operations by picking up brush and excess garbage (not placed in dumpster containers). Fees are charged to the business for this service.
- Provides support to other City departments for special collections, such as Trash-Off, Voluntary Roadside Cleanup and special events.

ACCOMPLISHMENTS:

- Continued to meet the challenge of providing solid waste services to a city that is growing in terms of population, size (area), and number of residential households. Added an additional automated route.
- Continued the Residential Curbside Recycling Subscription Program. An average of 27 tons of recycling materials was collected at curbside per month. The number of accounts at year end was 1750.
- Implemented the new Solid Waste Ordinance that was effective October 1, 2003. Implemented "Pay-As-You-Throw" for all collection services in excess of basic services.
- Implemented the service plan for the 8 square mile area that was annexed into the city of Killeen, effective May 1, 2004. Began collection services on May 3, 2004.

ISSUES AND SERVICES:

- Increase the number of subscribers to the Curbside Recycling Program.
- Continue to monitor and modify collection routes as necessary to include new households that are constructed or annexed into the City.
- Assist in the design and physical layout of the new Solid Waste Administrative Facility.

KEY OBJECTIVE: Continue a waste reduction strategy that will allow achievement of the State of Texas Waste Reduction Goal which is stated as, "Reduce the amount of waste disposed of in MSW landfills by 40 percent, using 1992 landfill disposal tonnage as a base, and accounting for changes in population, import and export of solid waste, and other factors".

Performance Measure: The standard of measurement is "pounds per person per day". The 40% reduction target equates to 4 pounds per person per day.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Per capita waste disposal rate (pounds per person per day)	4.22	4.15	4.65	4.60

SOLID WASTE FUND

RESIDENTIAL SERVICES

EXPENDITURES				
	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Salaries	\$ 931,248	\$ 1,096,626	\$ 1,042,860	\$ 1,058,768
Supplies	121,469	125,378	127,079	131,957
Maintenance	2,035	-	-	-
Repairs	220,931	232,725	236,450	241,550
Support Services	26,798	38,421	36,721	44,449
Benefits	304,237	369,173	316,500	362,879
Designated Expenses	-	2,420	-	3,000
Capital Outlay	230,170	620,250	617,277	754,529
Total Expenditures	\$ 1,836,888	\$ 2,484,993	\$ 2,376,887	\$ 2,597,132

Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Director of Solid Waste	1	1	1	1
Equipment Operator	4	5	5	5
Principal Secretary	1	1	1	1
Residential Equipment Operator	10	12	13	13
Residential Operations Superintendent	1	1	1	1
Residential Operations Supervisor	1	2	4	4
Secretary	0	0	1	1
Secretary (Part-Time)	0	1	0	0
Solid Waste Crew Chief	3	3	3	3
Solid Waste Specialist	1	1	1	1
Solid Waste Worker	4	4	4	4
Welder's Assistant	0	1	1	1
Total	26	32	35	35

SOLID WASTE FUND

COMMERCIAL SERVICES

MISSION STATEMENT:

Commercial Operations provides waste collection and container services to the commercial establishments of Killeen.

PROGRAM DESCRIPTIONS:

Commercial Operations provides containers of various sizes to commercial customers and provides collection service. The sizes are 2, 3, 4, 6, and 8 cubic yard containers. Fees are based on the size and quantity of containers, and the frequency of service.

Commercial Operations also rents 20 and 30 cubic yard roll-off containers for bulky items and construction and/or demolition materials and provides collection service. Fees include the rental and servicing of the container, and the weight of contents.

Commercial Operations manages all container assets in the Solid Waste Division, including the 96-gallon, 64-gallon, and 32-gallon roll out containers used in Residential Operations. Containers are purchased, replaced, maintained, and repaired. A stockage of repair parts and assemblies are kept on hand.

ACCOMPLISHMENTS:

- Hired and trained replacement personnel.
- Continued to meet the challenge of providing solid waste services to a city that is growing in terms of population, size (area), number of households, and commercial businesses.
- Implemented the new Solid Waste Ordinance that was effective October 1, 2003.
- Implemented the service plan for the 8 square mile area that was annexed into the city of Killeen, effective May 1, 2004. Began collection services on May 3, 2004.

ISSUES AND SERVICES:

- Continue with the container maintenance and repair program.
- Evaluate "Pay as You Throw" systems based on weight that are available on the market. Ensure compatibility with the HTE system.
- Evaluate options for commercial recycling (food waste).
- Maintain an inventory of containers to accommodate the growth of the city and replacement of privately owned containers.

KEY OBJECTIVES: Continue a waste reduction strategy that will allow achievement of the State of Texas Waste Reduction Goal which is stated as, "Reduce the amount of waste disposed of in MSW landfills by 40 percent, using 1992 landfill disposal tonnage as a base, and accounting for changes in population, import and export of solid waste, and other factors".

Performance Measure: The standard of measurement is "pounds per person per day". The 40% reduction target equates to 4 pounds per person per day. This standard applies to the combined operations of the Commercial and Residential Services.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Per capita waste disposal rate (pounds per person per day)	4.22	4.15	4.65	4.60

SOLID WASTE FUND

COMMERCIAL SERVICES

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 590,381	\$ 627,325	\$ 609,000	\$ 573,965
Supplies	79,797	72,511	73,461	78,224
Maintenance	2,490	2,000	-	2,500
Repairs	167,378	159,300	174,040	180,200
Support Services	15,102	76,190	81,790	23,623
Benefits	196,507	207,467	193,500	203,407
Designated Expenses	-	2,420	-	3,000
Capital Outlay	19,254	375,312	367,936	453,475
Total Expenditures	\$ 1,070,909	\$ 1,522,525	\$ 1,499,727	\$ 1,518,394

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Commercial Operations Superintende	1	1	1	1
Commercial Equipment Operator	9	10	10	10
Commercial Operations Supervisor	1	1	1	1
Container Operations Supervisor	1	1	1	1
Principal Secretary	1	1	1	1
Welder	2	2	3	3
Welder's Assistant	2	2	2	2
Total	17	18	19	19

SOLID WASTE FUND

RECYCLING CENTER

MISSION STATEMENT:

The Solid Waste Recycling Operations Division develops and manages a comprehensive recycling program for the City of Killeen that will progress towards achieving waste reduction, reuse and recycling goals.

PROGRAM DESCRIPTION:

The Recycling Operations Division receives, processes, markets and sells all recyclables materials. The division operates the Killeen Recycling Center (KRC), four oil-drop-off points, and oversees the citizen drop-off point at the Transfer Station. The division administers the Workplace Recycling Program, Composting and Yard Waste Management Program, Multi-family Apartment Recycling Program, and the Low-Cost Freon Extraction Program. The division maintains records of weights and/or volume by commodity for materials that are received and sold.

ACCOMPLISHMENTS:

- The Killeen Recycling Center and its ancillary programs recovered over 745 tons of paper, 737 tons of metal, 84 tons of glass, and 1560 cubic yards of plastics. Automotive materials that were received included 7264 gallons of used motor oil, 715 gallons of antifreeze, 484 lead-acid batteries, and approximately 300 oil filters.
- Participation in the Residential Curbside Recycling Subscription Program continued to slowly increase throughout the year, and achieved 1,750 customers by the end of September 2004.
- The Solid Waste Division sponsored a Household Hazardous Waste (HHW) Collection Event which served 570 citizens and removed 15 tons of toxic material from the waste stream, 1,200 tires, 600+ gallons of motor oil, 300 lead-acid batteries, and 10 tons of electronic waste. Extensive advertising was done for the HHW collection event.
- 424 appliances were drained of freon and scrapped, most having been removed from the curb under the new Solid Waste Ordinance that went into effect October 1, 2003.
- Recycling crews continued to service City and other governmental facilities for recycling paper, aluminum cans, and plastic bottles and jugs. The Conference and Convention Center and the new Connell Air Terminal were provided color coordinated receptacles for paper and beverage containers.

ISSUES AND SERVICES:

- Construct a Material Recovery Facility to accommodate the City's long term recycling goal.
- Continue to encourage subscription to the Residential Curbside Collection Service.

KEY OBJECTIVES:

Objective #1: Continue to work towards the State of Texas Waste Reduction goals. Achieve 10% reduction in waste stream.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
% Waste diversion	10%	10%	10%	10%

Objective #2: Increase participation in the Residential Curbside Subscription Service.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Number of subscribers	1,650	2,000	1,750	2,000

SOLID WASTE FUND

RECYCLING CENTER

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 137,752	\$ 166,682	\$ 159,463	\$ 172,045
Supplies	13,051	12,732	11,074	12,233
Maintenance	4,102	-	-	-
Repairs	6,935	7,650	7,180	7,660
Support Services	11,608	98,657	96,992	13,360
Benefits	44,702	53,370	49,638	54,362
Designated Expenses	-	3,400	-	-
Capital Outlay	3,810	-	-	25,580
Total Expenditures	\$ 221,960	\$ 342,491	\$ 324,347	\$ 285,240

PERSONNEL SUMMARY				
Position Title	2001-02	Number of Positions		
		2002-03	2003-04	2003-04
Recycling Attendant	1	2	2	2
Recycling Attendant (Part-Time)	0	0	3	3
Recycling Manager	1	1	1	1
Recycling Operations Supervisor	1	1	1	1
Total	3	4	7	7

SOLID WASTE FUND

TRANSFER STATION

MISSION STATEMENT:

The Transfer Station serves as the central receiving and transfer point for the City's solid waste and must be operated in compliance with the Site Operating Plan and TCEQ Rules and Regulations. The closed landfills in the vicinity of the Transfer Station must be also inspected, maintained, and repaired to comply with post-closure requirements.

PROGRAM DESCRIPTIONS:

The Transfer Station is the central receiving facility for all solid waste generated by the City of Killeen. City employees load the waste onto trailers, which are then transported by a contractor to a landfill in Austin that is operated by Browning-Ferris Industries (BFI). The city began a 15-year contract with BFI in 1993 for waste transportation and landfill disposal.

Four separate landfill sites in the vicinity of the Transfer Station were closed in 1993, and are now under post-closure maintenance and care. These landfill sites are subject to inspection by TCEQ on an annual basis.

All brush is collected from the city as a segregated waste, stockpiled at a site in the vicinity of the Transfer Station, and chipped two (2) or three (3) times a year on an on call basis by BFI.

ACCOMPLISHMENTS:

- From October 1, 2003 to September 30, 2004, 85,823 tons of waste were landfilled. Rustin Transportation Company, a subcontractor for BFI, transported 4,207 trailer loads of waste to the Sunset Farms Landfill.
- Obtained approval of the registration application from the Texas Commission on Environmental Quality (TCEQ) to construct a new Transfer Station and Composting Site.
- Completed the Landfill Repair Project, Phase VII. This project was awarded to LD Kemp Excavating, Inc. The total cost for the Phase VII Repair Project was \$587,179.

ISSUES AND SERVICES:

- Obtain third party inspection of closed landfill sites.
- Obtain final closure letter from TCEQ for the landfill sites vicinity the Transfer station.
- Evaluate RFPs and award contract for the construction and operation of a Type IV Landfill.
- Complete final design for the construction of a new Transfer Station and Composting Site. Begin construction in 4th Quarter, FY 2003/2004.

KEY OBJECTIVE: Operate within the parameters of the Site Operating Plan. Satisfactorily complete all TCEQ visits and inspections.

SOLID WASTE FUND

TRANSFER STATION

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 322,624	\$ 337,573	\$ 337,558	\$ 326,268
Supplies	19,964	17,925	21,000	24,243
Maintenance	49,621	604,480	595,500	26,500
Repairs	38,117	27,300	30,000	41,400
Support Services	148,855	51,822	55,022	105,204
Benefits	109,462	111,051	109,632	113,105
Designated Expenses	1,934,912	2,113,600	2,113,600	2,210,250
Capital Outlay	16,819	-	-	19,490
Total Expenditures	\$ 2,640,374	\$ 3,263,751	\$ 3,262,312	\$ 2,866,460

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Building/Grounds Service Worker	2	2	2	2
Building/Grounds Service Worker (Part-Time)	0	0	1	1
Equipment Operator	3	3	3	3
Heavy Equipment Crew Leader	1	1	1	1
Scale Attendant	2	2	2	2
Transfer Station Superintendent	1	1	1	1
Transfer Station Supervisor	1	1	1	1
Total	10	10	11	11

SOLID WASTE FUND

CODE ENFORCEMENT

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 22,767	\$ 28,570	\$ 28,570	\$ 29,677
Supplies	1,116	2,300	2,300	2,664
Repairs	-	500	500	500
Support Services	828	1,483	1,483	1,878
Benefits	6,724	9,173	9,173	9,244
Designated Expenses	3,750	3,250	3,250	3,108
Capital Outlay	21,679	688	688	150
Total Expenditures	\$ 56,864	\$ 45,964	\$ 45,964	\$ 47,221

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Code Enforcement Officer	0	1	1	1
Total	0	1	1	1

SOLID WASTE FUND

OTHER APPROPRIATIONS

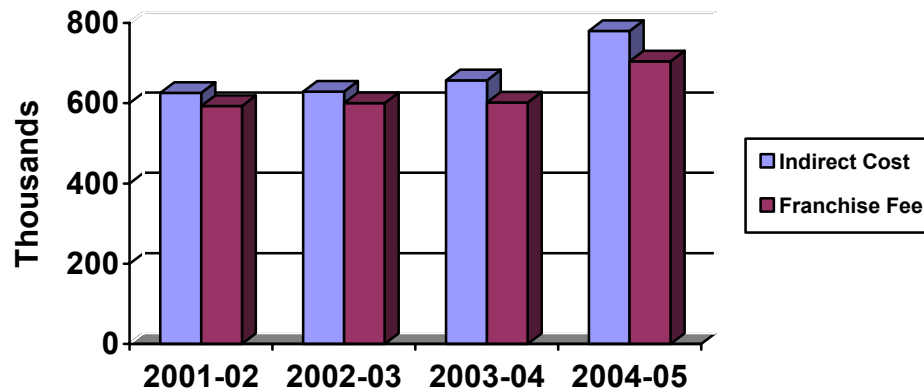
DEBT SERVICE:

The debt service divisions established in the Solid Waste Fund are used to account for the current year expenditures for principal, interest, and bank fees on various certificates of obligation issued by the City.

NON- DEPARTMENTAL:

The Non-Departmental Division is utilized to budget for Solid Waste Fund claims and damages, year end accruals, contingency funds and transfers to the General Fund. The transfers to the General Fund are derived from a franchise fee levied and an indirect cost allocation.

Transfers to General Fund



INFORMATION TECHNOLOGY:

The Information Technology budget is used to account for Solid Waste Fund expenditures related to information technology.

SOLID WASTE FUND

DEBT SERVICE

EXPENDITURES					
	Actual	Budget	Estimated	Adopted	
	2002-03	2003-04	2003-04	2004-05	
Designated Expenses	\$ 366,152	\$ 460,467	\$ 460,467	\$ 1,205,176	
Total Expenditures	\$ 366,152	\$ 460,467	\$ 460,467	\$ 1,205,176	

NON-DEPARTMENTAL

EXPENDITURES					
	Actual	Budget	Estimated	Adopted	
	2002-03	2003-04	2003-04	2004-05	
Maintenance	\$ -	\$ 8,980	\$ 8,980	\$ 19,700	
Support Services	1,315,402	1,333,826	1,333,826	1,559,039	
Designated Expenses	112,407	125,000	125,000	185,000	
Transfer Out	(1,229,665)	(1,258,826)	(1,258,826)	(1,484,039)	
Total Expenditures	\$ 198,144	\$ 208,980	\$ 208,980	\$ 279,700	

INFORMATION TECHNOLOGY

EXPENDITURES					
	Actual	Budget	Estimated	Adopted	
	2002-03	2003-04	2003-04	2004-05	
Supplies	\$ -	\$ 4,200	\$ 4,200	\$ 4,200	
Maintenance	20,489	29,960	29,960	20,924	
Repairs	42,097	42,500	42,500	40,000	
Support Services	90,000	90,000	90,000	96,489	
Capital Outlay	15,426	14,386	14,386	25,073	
Total Expenditures	\$ 168,012	\$ 181,046	\$ 181,046	\$ 186,686	

WATER & SEWER FUND

The Water & Sewer Fund is one of the six enterprise funds that the City of Killeen maintains. The Governmental Accounting Standards Board *Codification*, Section 1300.104, states that "the enterprise fund type may be used: to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination or revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance public policy, management control, accountability, or other purposes." These funds are not required by GASB, but are permitted.

The City of Killeen uses this fund to account for all expenditures incurred and revenues received pertaining to the operation maintenance, an improvement of Water & Sewer Services provided by the City. Appropriations are made for six functions provided by Water & Sewer. These functions include Water Contracts, Water & Sewer Operations, Sanitary Sewers, Water Distribution, Utility Collections and Fleet Services.

"The City Without Limits!"

WATER & SEWER FUND

Adopted Budget

Summary

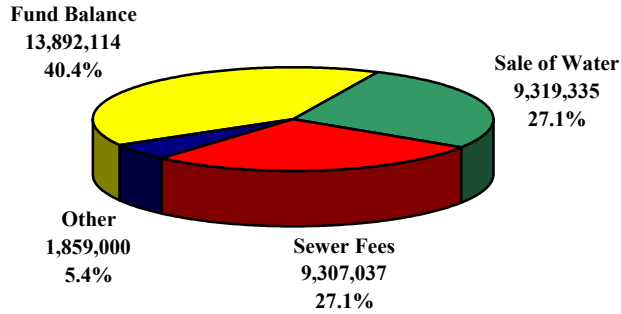
FY 2004-05

	2002-03	2003-04	2003-04	2004-05
	ACTUAL	ADOPTED	ESTIMATED	ADOPTED
BEGINNING FUND BALANCE				
Reserved Fund Balance	1,727,000	1,727,000	1,727,000	1,727,000
Unreserved Fund Balance	12,174,768	12,165,114	14,894,771	14,487,767
TOTAL BEGINNING FUND BALANCE	13,901,768	13,892,114	16,621,771	16,214,767
REVENUES				
Sale of Water	9,076,683	9,319,335	9,100,000	11,290,679
Water & Sewer Taps	910,349	500,000	755,000	625,000
Sewer Fees Collected	8,814,994	9,307,037	8,835,000	10,186,459
Miscellaneous Srvcs. & Chrgs.	714,377	720,000	662,000	662,000
Delinquent Penalty	425,045	384,000	400,000	400,000
Interest Earned	291,140	250,000	245,000	233,000
Miscellaneous Receipts	5,052	5,000	2,400	2,500
Transfers-In	64,407	-	-	5,033
TOTAL CURRENT REVENUES	20,302,047	20,485,372	19,999,400	23,404,671
TOTAL FUNDS AVAILABLE	34,203,815	34,377,486	36,621,171	39,619,438
EXPENSES				
Fleet Services	622,406	796,695	785,372	870,946
Utility Collections	1,142,228	1,173,596	1,172,656	1,216,944
Water and Sewer Contracts	5,300,783	6,505,712	6,016,554	8,635,866
Water Distribution	980,760	1,072,633	1,047,032	1,068,542
Sanitary Sewers	568,271	702,043	692,778	695,169
Water and Sewer Operations	1,546,585	1,717,739	1,740,423	1,598,397
Water and Sewer Projects	106,169	1,445,000	950,000	1,105,000
Debt Service	4,120,491	4,467,035	4,467,035	5,966,157
Water & Sewer Miscellaneous	1,139,228	1,348,340	1,323,340	1,427,375
TOTAL CURRENT EXPENSES	15,526,921	19,228,793	18,195,190	22,584,396
TRANSFERS OUT	2,055,123	2,211,214	2,211,214	2,558,645
TOTAL EXPENSES	17,582,044	21,440,007	20,406,404	25,143,041
ENDING FUND BALANCE				
Reserved Fund Balance	1,727,000	1,727,000	1,727,000	1,727,000
Unreserved Fund Balance	14,894,771	11,210,479	14,487,767	12,749,397
TOTAL ENDING FUND BALANCE	16,621,771	12,937,479	16,214,767	14,476,397

WATER & SEWER FUND

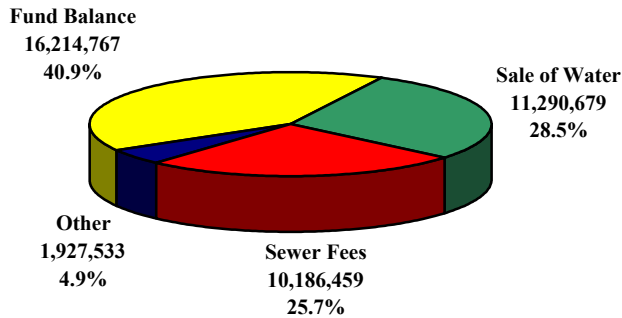
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Revenues by Source



Total Revenues \$34,377,486

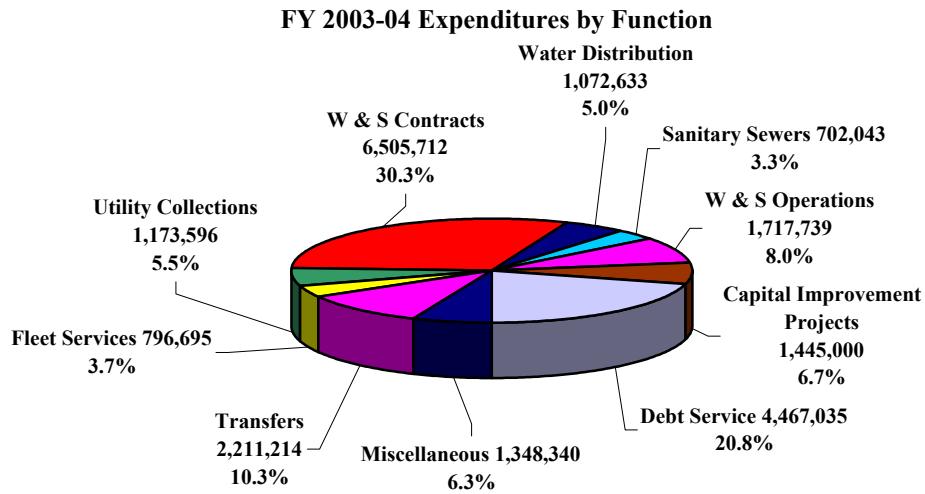
FY 2004-05 Revenues by Source



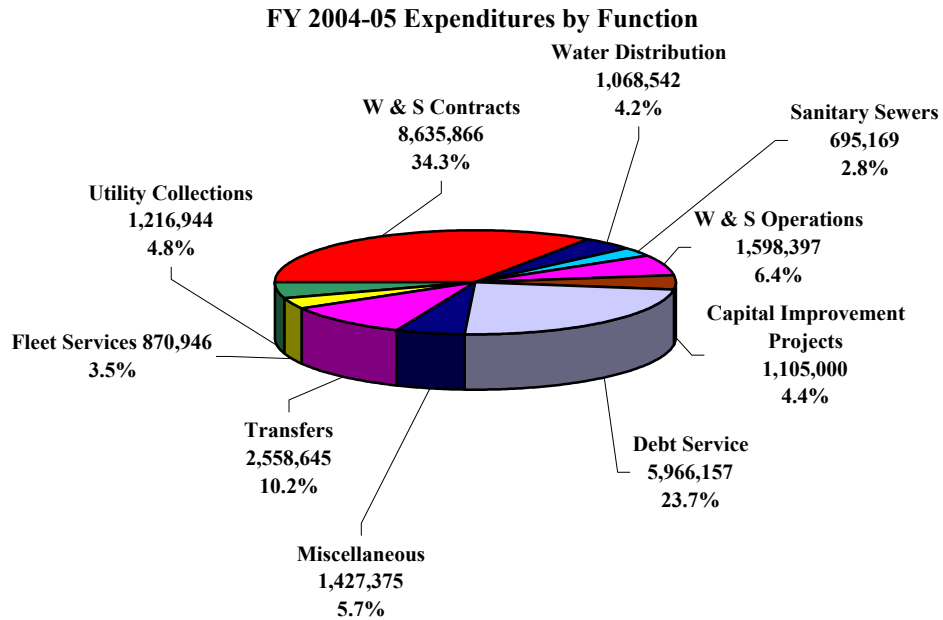
Total Revenues \$39,619,438

WATER & SEWER FUND

Comparison of FY 2003-04 Budget to FY 2004-05 Budget



Total Expenditures \$21,440,007



Total Expenditures \$25,143,041

Note: Significant changes between FY 2003-04 and FY 2004-05 are discussed on each division's financial page

WATER AND SEWER FUND

FLEET SERVICES

MISSION STATEMENT:

The department provides the necessary maintenance and assists in replacement of city vehicles. Provide fleet service support city wide at the most cost effective manner.

PROGRAM DESCRIPTIONS:

Fleet service is responsible for all maintenance of vehicles and equipment for all departments throughout the city. Fleet prepares a comprehensive vehicle and equipment replacement program as part of the city's budget process. Fleet prepares specifications for all vehicles and equipment acquired by the city. In addition, fleet arranges for the leasing of all vehicles and equipment throughout the city and provides reports to the finance department to facilitate internal charges to the departments for fuel and repairs performed on all vehicles and equipment.

ACCOMPLISHMENTS:

- Completed re-organization of fleet services department.
- Completed processing of bids, specifications, and ordering of all 2003-04 vehicles and equipment.
- Processed fleet vehicle and equipment management and use policy.

ISSUES AND SERVICES:

- Fleet replacement 5-year plan for City of Killeen.
- The processing of service schedule through H T E software, pending support services status from H T E staff, in order to be able to have preventive maintenance schedules.
- Diesel fuel is a critical item; fleet provides fuel to city equipment and HOP buses (local transportation provider) and to continue the service fleet is looking into increasing diesel tank or looking at alternating fuel sites; as well as, working on improvements of increasing capacities, and fuel dispensers.

KEY OBJECTIVES:

Objective # 1 Maintain no more than a 13% increase of maintenance cost, until Fleet Replacement of Vehicles is fully implemented.

Performance Measure: To record, analyze, and report the reduction in the cost of vehicle repairs.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Vehicle maintenance cost	\$799,429	\$779,698	\$793,994	\$893,128

Objective # 2 Maintain no more than a 3% increase due to maintenance cost, until fleet replacement of vehicles is fully implemented.

Performance Measure: To record, analyze, and report the reduction in the parts inventory cost.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Parts inventory	\$198,618	\$223,563	\$261,016	\$262,000

WATER & SEWER FUND

FLEET SERVICES

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 488,245	\$ 577,027	\$ 557,560	\$ 595,496
Supplies	51,972	56,770	49,104	59,760
Maintenance	8,719	4,105	3,800	3,100
Repairs	11,819	22,000	21,000	19,074
Support Services	35,139	42,205	56,926	43,881
Benefits	156,137	186,288	186,288	189,070
Designated Expenses	-	4,800	4,000	4,000
Capital Outlay	-	37,500	37,500	90,065
Reimbursable Expense	(129,625)	(134,000)	(130,806)	(133,500)
Total Expenditures	\$ 622,406	\$ 796,695	\$ 785,372	\$ 870,946

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Fleet Services Manager	1	1	1	1
Fleet Services Parts Supervisor	1	1	1	1
Fleet Services Supervisor	2	2	2	2
Fleet Services Technician	11	11	11	11
Parts Assistant	3	3	3	3
Senior Secretary	1	1	1	1
Total	19	19	19	19

WATER & SEWER FUND

UTILITY COLLECTIONS

MISSION STATEMENT:

The mission of the Utility Collections Division is to provide timely, efficient and exemplary service to all of our customers.

PROGRAM DESCRIPTIONS:

The Utility Collections Division provides accurate monthly utility billing to the citizens of Killeen and provides customer service to citizens initiating, transferring or disconnecting services. The department also initiates the water and sewer tap process for new structures and collects payments for the taps. Meter services provided by the department include monthly meter reading, monitoring for suspected leaks, raising meter boxes and installing meters.

ACCOMPLISHMENTS:

- Implemented deposit review program to provide good credit deposit refunds to customers.
- Completed promotional campaign for Seniors Count program, generating citizen contribution commitments sufficient to fund transportation services for nine senior citizens
- Read a total of 402,692 meters with over 99.5% accuracy

ISSUES AND SERVICES:

- Meter reading on a timely basis so that billing is kept on schedule is becoming more difficult with the growth rate of new structures and annexed properties. Staff will continue to seek to automate reading with radio read technology, which will improve accuracy and increase the number of meters read daily.

KEY OBJECTIVE: Maintain current levels of service and seek methods to provide more timely service and reduce the amount of waiting time for citizens visiting the department.

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
New accounts	13,342	11,227	14,779	15,222
Delinquent cut offs	6,581	6,492	6,071	6,650
Meters read	382,417	379,447	402,692	414,772

WATER & SEWER FUND

UTILITY COLLECTIONS

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 691,080	\$ 720,673	\$ 714,078	\$ 722,203
Supplies	180,282	169,596	178,763	182,576
Repairs	11,931	13,499	16,666	15,976
Support Services	22,093	28,699	28,699	29,367
Benefits	219,594	241,129	234,450	242,577
Capital Outlay	17,248	-	-	24,245
Total Expenditures	\$ 1,142,228	\$ 1,173,596	\$ 1,172,656	\$ 1,216,944

Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Clerk	1	1	1	1
Customer Service Representative	3	3	3	3
Customer Service Supervisor	1	1	1	1
Mail Clerk (Part-Time)	0	0	1	1
Meter Reader	5	6	6	6
Principal Secretary	1	1	1	1
Senior Meter Reader	1	1	1	1
Senior Utility Clerk	2	2	2	2
Utilities Clerk	4	4	4	4
Utility Accounting Clerk	1	1	1	1
Utility Cashier	3	3	3	3
Utility Collections Manager	1	1	1	1
Utility Collections Supervisor	1	1	1	1
Utility Service Supervisor	1	1	1	1
Utility Service Worker	3	3	3	3
Total	28	29	30	30

WATER & SEWER FUND

WATER DISTRIBUTION

MISSION STATEMENT:

Water Distribution's mission is to provide the citizens of Killeen with reliable supply of high-quality safe drinking water.

PROGRAM DESCRIPTIONS:

Water Distribution is responsible for the water distribution system by performing maintenance and corrective measures as required. The division makes taps and meter sets for all new residential and commercial services. The division responds to customer service calls regarding water leaks, water pressure checks, water quality, etc. The division includes two specialized programs, the meter change-out and valve and hydrant maintenance.

ACCOMPLISHMENTS:

- Corrective measures on the distribution system required 104 emergency water main repairs, 14 fire hydrant repairs/rebuilds and 152 service repairs.
- The meter change-out crew repaired 847 residential meters. Also replaced 533 residential meters and 42 large diameter meters.

ISSUES AND SERVICES:

- Insure the water system is maintained in accordance with Federal and State regulations.
- Look at new ways to handle water taps/meter set work orders.
- To replace water meters after 10-years of service or, providing for meter accuracy.
- The Water Distribution will need at a minimum three additional personnel in the future to maintain proper customer service of responding to service calls.

KEY OBJECTIVES:

Objective # 1: Maintain sufficient staffing levels in Distribution so as to eliminate the need to use crews from the Sanitary Sewer and Operations Divisions to complete meter/tap work orders.

Objective # 2: Maintain fire hydrants in optimal operation for fire protection.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Meter/Tap Work Orders	2,091	701	1,702	1,470
Fire Hydrants Replaced/Installed	20	8	24	20

WATER & SEWER FUND

WATER DISTRIBUTION

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 400,526	\$ 423,085	\$ 403,650	\$ 368,007
Supplies	38,057	38,860	38,860	39,751
Maintenance	123,721	135,744	135,744	137,000
Repairs	27,932	39,800	40,205	58,909
Support Services	20,294	22,669	16,098	32,373
Benefits	132,620	135,100	135,100	134,834
Major Capital Outlay	208,100	250,925	250,925	262,768
Capital Outlay	29,510	26,450	26,450	34,900
Total Expenditures	\$ 980,760	\$ 1,072,633	\$ 1,047,032	\$ 1,068,542

PERSONNEL SUMMARY				
Position Title	2001-02	Number of Positions		
		2002-03	2003-04	2004-05
Equipment Operator	0	1	1	1
Senior Water & Sewer Service Work	1	1	1	1
Truck Driver	0	1	1	1
Water & Sewer Service Worker	10	11	11	11
Water Supervisor	1	1	1	1
Total	12	15	15	15

WATER & SEWER FUND

SANITARY SEWER

MISSION STATEMENT:

The Sanitary Sewer Division's mission is to provide for safe and sanitary collection of wastewater.

PROGRAM DESCRIPTIONS:

The Sanitary Sewer Division is responsible for the wastewater collection system, including the construction of new sewer lines, preventive maintenance, customer service, and identification (TV Inspection) and repair of damaged sewer mains. The Division monitors the City's compliance with federal & state regulatory agency requirements for wastewater collection.

ACCOMPLISHMENTS:

- TV Camera Truck aided in the inspections of 20 new subdivisions.
- The I/I construction crew completed 20 projects, replacing 1000 ft of sewer main and replaced/installed or unburied 53 manholes/clean-outs.
- The maintenance section assisted the Street Division with the street overlay/chip-seal project. Each manhole, clean out and valve on each street included was raised to avoid covering.
- In accordance with the new Texas One Call Law, crews completed 754 line locations for construction work done by other utilities or citizens of Killeen.

ISSUES AND SERVICES:

- Extending routes for preventive sewer jetting/cleaning. Needed to reduce the necessity for more employees and unscheduled overtime.
- Assistance provided to the Street Division for its street overlay and chip-seal project consumes the crew's time from June to September. During this time, most cleaning of the sewer mains is in response to emergency sewer main blockages, not preventive maintenance.
- Man-hours and efficiency lost due to assisting the Water Division accomplish its tasks.
- Reduce I/I by repair and/or replacement of damaged sanitary sewer mains, manholes, taps and clean-outs. Reduce sewer treatment cost. Use new techniques & strategies to reduce grease in sewer system.

KEY OBJECTIVE:

Objective #1 Reduce the frequency and quality of wastewater overflows caused by blockages.

	Actual	Budget	Estimated	Adopted
	<u>2002-03</u>	<u>2003-04</u>	<u>2003-04</u>	<u>2004-05</u>
Lines Cleaned (ft.)	258,510	116,090	259,799	1,000,000
Stoppages Cleared	236	159	574	200
Lines Inspected w/ TV Camera Truck	104,550	47,853	84,460	100,000

WATER & SEWER FUND

SANITARY SEWER

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-004	2003-04	2004-05
Salaries	\$ 304,064	\$ 327,751	\$ 319,813	\$ 285,988
Supplies	37,525	30,037	30,037	32,263
Maintenance	67,029	68,114	68,114	84,000
Repairs	45,975	34,661	34,660	46,509
Support Services	16,513	15,256	15,261	23,546
Benefits	97,802	103,524	102,183	104,163
Capital Outlay	(637)	122,700	122,710	118,700
Total Expenditures	\$ 568,271	\$ 702,043	\$ 692,778	\$ 695,169

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Inflow and Infiltration Supervisor	1	1	1	1
Sanitary Sewer Supervisor	1	1	1	1
Senior W & S Service Worker	1	1	1	1
Water & Sewer Service Worker	8	8	8	8
Total	11	11	11	11

WATER & SEWER FUND

WATER & SEWER OPERATIONS

MISSION STATEMENT:

Water & Sewer Operations mission is to provide the citizens of Killeen with a reliable supply of high-quality, safe drinking water, manage water for fire fighting, and provide sanitary sewer collection.

PROGRAM DESCRIPTIONS:

Water & Sewer Operations' programs include maintenance of the water storage and pumping facilities, and wastewater lift stations. Staff members dedicate a significant amount of time performing daily preventive checks and services, and perform corrective maintenance as needed. These operations ensure a quality water supply through water sampling and monitoring, and security control to minimize unaccountable water loss.

ACCOMPLISHMENTS:

- Layout SCADA changes for optimal system use.
- Setout guidelines for issuing Boil Water Notices.
- Changes made in disinfection and control for a better chloramine-combined residual.
- Implemented consistent operating practices and proactive maintenance for pump operations.
- As a result of low disinfection by-products, returned to a routine monitoring schedule.
- The Division will host the Central Texas Water Utilities Association 2005 Short School.

ISSUES AND SERVICES:

- Water resources management is becoming more complex because most raw water supplies are already developed. Those remaining often have economic, environmental, quality, or capacity issues. Better analytical tools and data are required; cost of development and operations are increasing, pressure is growing to optimize existing resources. Conservation management could cut costs of infrastructure and minimize drought impact.
- Meet existing and new TCEQ rules/regulations for overall operations. Identify and respond to strengthened rules for operational tasks that must be performed by a certified operator.
- Increase staffing levels to target of one certified operator for each 750 active accounts.
- Ensure workforce is composed of operators who are cross-trained, skilled, and accountable, working as a team. Diverse workforce reflects and serves customers.
- Provide safe work environment for our employees while protecting the health and safety of public and the environment.
- Build and maintain a customer focused culture and work systems to strengthen our customer relations and improve existing programs and services.

KEY OBJECTIVES:

- Objective #1** Optimize physical and operational security at the water pump/storage facilities.
- Objective #2** Provide safe drinking water through daily analysis and testing. Expanded testing program was implemented in FY 03-04.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Total number of security checks	3,285	15,000	15,330	16,000
Water analysis test	90	2,500	2,555	15,435

WATER & SEWER FUND

WATER & SEWER OPERATIONS

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 638,752	\$ 673,940	\$ 693,252	\$ 646,217
Supplies	83,792	85,792	85,071	88,100
Maintenance	126,407	116,800	117,103	95,800
Repairs	15,978	27,714	25,587	24,400
Support Services	483,105	546,316	546,316	506,804
Benefits	192,641	197,377	203,694	204,476
Capital Outlay	5,910	69,800	69,400	32,600
Total Expenditures	\$ 1,546,585	\$ 1,717,739	\$ 1,740,423	\$ 1,598,397

Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Chief Operator	1	1	1	1
Director of Utility Services	1	1	1	1
Principal Secretary	1	1	1	1
Secretary (Part-Time)	0	1	1	1
Senior Water & Sewer Service Work	1	0	0	0
Water & Sewer Service Worker	12	12	12	12
Water and Sewer Materials Manager	0	1	1	1
Water and Sewer Superintendent	1	1	1	1
Total	17	18	18	18

WATER & SEWER FUND

OTHER APPROPRIATIONS

WATER & SEWER CONTRACTS:

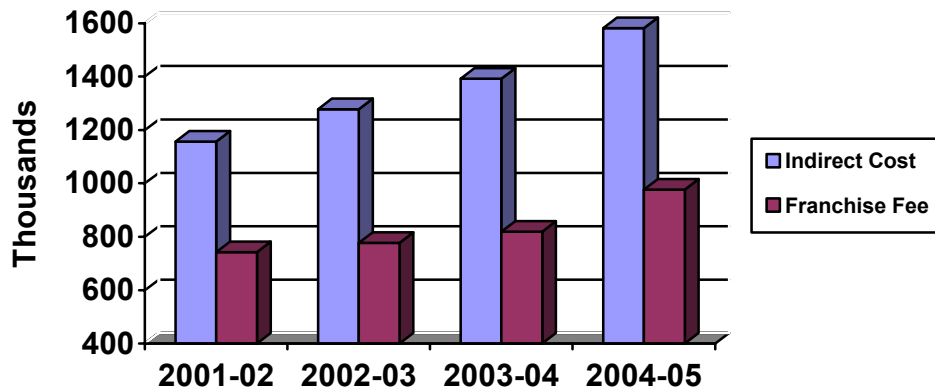
The Water and Sewer Contracts Division was established to account for payments for the purchase of water and for the processing of sewer to W.C.I.D. #1. Payments for future water rights are also included in payments for water.

	<u>Actual</u> <u>2000-01</u>	<u>Actual</u> <u>2001-02</u>	<u>Actual</u> <u>2002-03</u>	<u>Actual</u> <u>2003-04</u>
Rainfall (inches)	46.86"	29.14"	32.51"	35.54"
Sewer treatment (gallons)	4,393,820,800	4,173,301,600	4,026,284,477	4,369,015,032
Water purchased (gallons)	4,034,781,200	4,340,244,556	4,429,250,384	4,018,520,833
Water sold (gallons)	3,440,441,683	3,522,610,187	3,733,081,500	3,250,115,011
Water loss ratio	14.7%	18.8%	15.7%	19.1%

NON- DEPARTMENTAL:

The Water & Sewer Non-Departmental budget is used to account for charges which are not directly related to a specific department. These charges include transfers to the General Fund and the Water and Sewer Debt Service Funds transfers, professional services, bad debts, collection expenses and a contingency account.

Transfers to General Fund



INFORMATION TECHNOLOGY:

The Information Technology budget is used to account for Water & Sewer Fund expenditures related to information technology.

WATER & SEWER FUND

WATER & SEWER CONTRACTS

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Sewer Contracts	\$ 2,291,587	\$ 2,991,464	\$ 2,760,129	\$ 4,820,000
Water Contracts	3,009,196	3,514,248	3,256,425	3,815,866
Total Expenditures	\$ 5,300,783	\$ 6,505,712	\$ 6,016,554	\$ 8,635,866

WATER & SEWER PROJECTS

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Capital Improvement	\$ 106,169	\$ 1,445,000	\$ 950,000	\$ 1,105,000
Total Expenditures	\$ 106,169	\$ 1,445,000	\$ 950,000	\$ 1,105,000

NON-DEPARTMENTAL

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Maintenance	\$ -	\$ 96,000	\$ 96,000	\$ 100,000
Support Services	2,479,719	2,699,214	2,684,214	3,145,971
Designated Expenses	64,689	85,000	75,000	100,000
Transfer Out	(2,055,123)	(2,211,214)	(2,211,214)	(2,558,645)
Total Expenditures	\$ 489,285	\$ 669,000	\$ 644,000	\$ 787,326

WATER & SEWER FUND

INFORMATION TECHNOLOGY

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 62,693	\$ 82,870	\$ 82,870	\$ 86,518
Supplies	30,936	45,000	45,000	45,000
Maintenance	76,910	111,561	111,561	86,019
Repairs	5,326	7,000	7,000	7,000
Support Services	180,000	234,495	234,495	279,703
Benefits	16,816	23,244	23,244	23,505
Capital Outlay	277,262	175,170	175,170	112,304
Total Expenditures	\$ 649,943	\$ 679,340	\$ 679,340	\$ 640,049

DEBT SERVICE

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Debt Service	\$ 4,120,491	\$ 4,467,035	\$ 4,467,035	\$ 5,966,157
Total Expenditures	\$ 4,120,491	\$ 4,467,035	\$ 4,467,035	\$ 5,966,157

DRAINAGE UTILITY FUND

The Drainage Utility Fund is one of the six enterprise funds that the City of Killeen maintains. The Governmental Accounting Standards Board *Codification*, Section 1300.104, states that "the enterprise fund type may be used: to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges: or (b) where the governing body has decided that periodic determination or revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance public policy, management control, accountability, or other purposes." These funds are not required by GASB, but are permitted.

The City of Killeen uses this fund to account for all expenditures incurred and revenues received pertaining to the operation maintenance, an improvement of drainage Services provided by the City.

"The City Without Limits!"

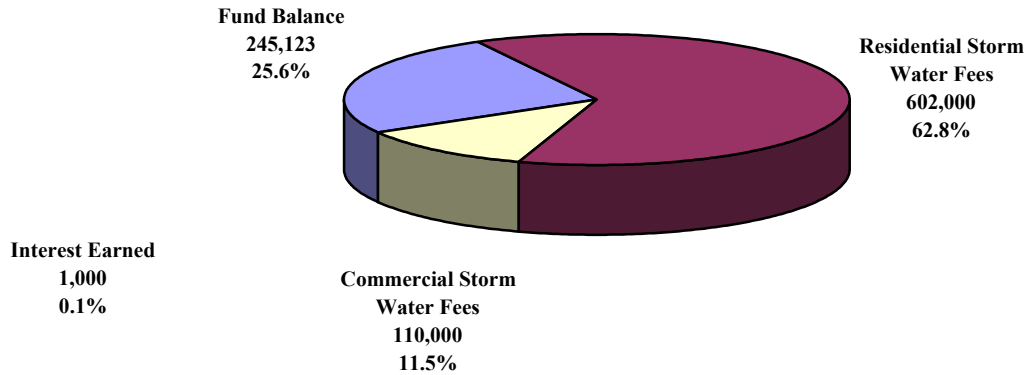
DRAINAGE UTILITY FUND**Adopted Budget****Summary****FY 2004-05**

	2002-03	2003-04	2003-04	2004-05
	ACTUAL	ADOPTED	ESTIMATED	ADOPTED
BEGINNING FUND BALANCE				
Unreserved Fund Balance	215,838	245,123	393,932	732,271
TOTAL BEGINNING FUND BALANCE	215,838	245,123	393,932	732,271
REVENUES				
Residential Storm Water Fees	637,425	602,000	653,000	658,000
Commercial Storm Water Fees	113,393	110,000	115,000	117,000
Interest Earned	4,210	1,000	4,800	4,000
Miscellaneous Receipts	-	-	-	-
TOTAL CURRENT REVENUES	755,028	713,000	772,800	779,000
TOTAL FUNDS AVAILABLE	970,866	958,123	1,166,732	1,511,271
EXPENSES				
Engineering	473,985	262,142	255,809	282,779
Street	6,618	25,000	10,000	-
Drainage Projects	55,538	222,762	144,796	415,000
Non-Departmental	40,793	18,856	23,856	19,610
TOTAL CURRENT EXPENSES	576,934	528,760	434,461	717,389
TRANSFERS OUT	-	-	-	17,213
TOTAL EXPENSES	576,934	528,760	434,461	734,602
ENDING FUND BALANCE				
Unreserved Fund Balance	393,932	429,363	732,271	776,669
TOTAL ENDING FUND BALANCE	393,932	429,363	732,271	776,669

DRAINAGE UTILITY FUND

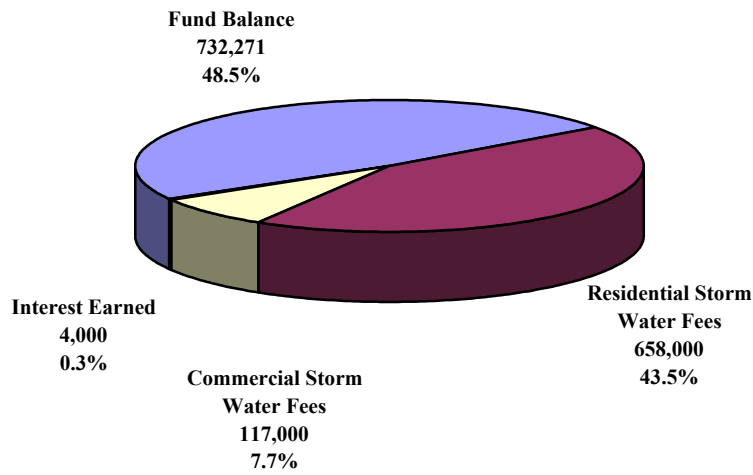
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Revenues by Source



Total Revenues \$958,123

FY 2004-05 Revenues by Source

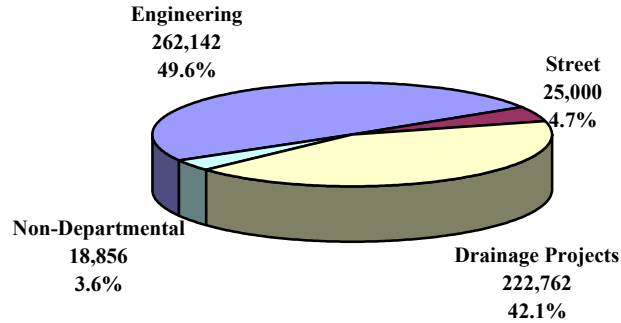


Total Revenues \$1,511,271

DRAINAGE UTILITY FUND

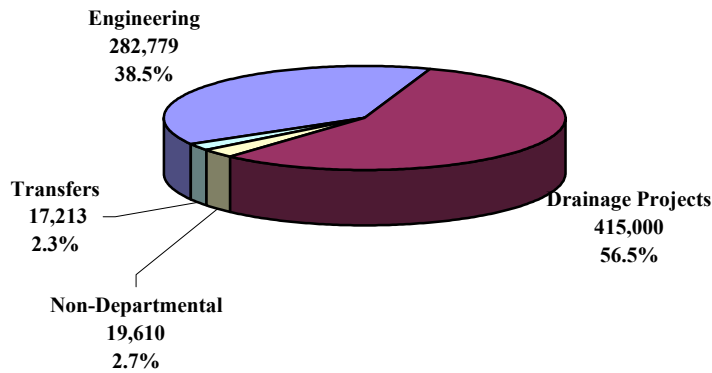
Comparison of FY 2003-04 Budget to FY 2004-05 Budget

FY 2003-04 Expenditures by Function



Total Expenditures \$528,760

FY 2004-05 Expenditures by Function



Total Expenditures \$734,602

Note: Significant changes between FY 2003-04 and FY 2004-05 are discussed on each division's financial page

DRAINAGE UTILITY FUND

DRAINAGE UTILITY

MISSION STATEMENT:

The mission of the Drainage Utility is to provide management services for the City of Killeen that support water quality improvements; storm water run-off controls and beneficial usage solutions; system sustainability and chronic maintenance problem reduction; and environmental and aesthetic enhancement opportunities.

PROGRAM DESCRIPTIONS:

The City has developed a 5-year Storm Water Management Program (SWMP) and is securing storm water discharge permits in accordance with the State of Texas Phase II regulations. The City currently manages storm water discharge permits for selected municipal industrial operations and for City-performed/City-sponsored construction activities that disturb /1 acre. As a municipal separate storm sewer system (MS4) operator, the City must comply with six SWMP minimum control measures: 1) public education/outreach; 2) public participation/involvement; 3) identification and elimination of illicit discharges; 4) control of storm water discharges associated with construction; 5) management of storm water run-off associated with new development/re-development; and 6) pollution prevention/good housekeeping for municipal operations, to minimize adverse impacts to storm water run-off. The City has also implemented a drainage capital improvements program and is preparing a Drainage Master Plan to address drainage infrastructure inadequacies and required system upgrades.

ACCOMPLISHMENTS:

- Constructed utility-funded minor drainage capital improvement projects for the first time in the city's history.
- Conducted a city-wide survey and a stakeholders group meeting to support drainage master planning efforts.
- Built storm drainage geodatabase coverage compliant with City's geographic information system standards.
- Completed written SWMP and Drainage Master Plan Scoping Study.

ISSUES AND SERVICES:

FY 2003-2004 activities included construction of 14 minor drainage CIPs, design of an additional 17 minor drainage CIPs, and initiation of the first phase of comprehensive drainage master planning. Filing of the City's NOI application for coverage under the state's small MS4 general permit, and formal adoption of the SWMP is expected to occur during FY 2004-2005. Phase I of the Drainage Master Plan will be developed to guide CIP planning and implementation.

KEY OBJECTIVES:

Objective #1: Continue to inventory, assess and improve City's drainage infrastructure.

Objective #2: Continue to implement SWMP and Drainage Master Plan.

Objective #3: Continue to design and construct drainage CIPs.

	<u>Actual</u> <u>2002-03</u>	<u>Budget</u> <u>2003-04</u>	<u>Estimated</u> <u>2003-04</u>	<u>Adopted</u> <u>2004-05</u>
Minor drainage CIP projects	14	10	17	14
Drainage master plan phases	1	1	1	1

DRAINAGE UTILITY FUND

ENGINEERING

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 72,666	\$ 113,366	\$ 109,470	\$ 120,808
Supplies	1,546	7,026	5,950	7,091
Maintenance	-	1,000	-	-
Repairs	-	250	-	250
Support Services	345,191	107,117	107,006	119,971
Benefits	19,452	33,383	33,383	34,659
Capital Outlay	35,130	-	-	-
Total Expenditures	\$ 473,985	\$ 262,142	\$ 255,809	\$ 282,779

STREET

EXPENDITURES				
	Actual	Budget	Estimated	Adopted
	2002-03	2003-04	2003-04	2004-05
Salaries	\$ 1,978	\$ -	\$ -	\$ -
Maintenance	4,640	25,000	10,000	-
Total Expenditures	\$ 6,618	\$ 25,000	\$ 10,000	\$ -

PERSONNEL SUMMARY				
Position Title	Number of Positions			
	2001-02	2002-03	2003-04	2004-05
Project Engineer	1	1	1	1
Secretary	0	1	1	1
Storm Water Drainage Technician	0	1	1	1
Total	1	3	3	3

DRAINAGE UTILITY FUND

INFORMATION TECHNOLOGY

EXPENDITURES					
	Actual	Budget	Estimated	Adopted	
	2002-03	2003-04	2003-04	2004-05	
Supplies	\$ 195	\$ 200	\$ 200	\$ 400	
Maintenance	-	4,241	4,241	3,201	
Repairs	2,886	2,291	2,291	2,291	
Capital Outlay	33,092	12,124	12,124	8,718	
Total Expenditures	\$ 36,173	\$ 18,856	\$ 18,856	\$ 14,610	

DRAINAGE UTILITY PROJECTS

EXPENDITURES					
	Actual	Budget	Estimated	Adopted	
	2002-03	2003-04	2003-04	2004-05	
Capital Improvement	\$ 55,538	\$ 222,762	\$ 144,796	\$ 415,000	
Total Expenditures	\$ 55,538	\$ 222,762	\$ 144,796	\$ 415,000	

NON-DEPARTMENTAL

EXPENDITURES					
	Actual	Budget	Estimated	Adopted	
	2002-03	2003-04	2003-04	2004-05	
Support Services	\$ -	\$ -	\$ -	\$ 17,213	
Designated Expenses	4,620	-	5,000	5,000	
Transfer Out	-	-	-	(17,213)	
Total Expenditures	\$ 4,620	\$ -	\$ 5,000	\$ 5,000	

DEBT SERVICE FUND

The City's debt service management policies are designed to comply with the legal provisions of the various bond ordinance and covenants governing the debt issue. The City established separate interest and sinking funds for each general obligation debt and revenue bond issue. In addition, a bond reserve fund, equal to one year's average annual debt service payment, is established for each revenue bond issue as required. Deposits are made to these funds in amounts necessary to retire the current year's debt service and paying agent fees. City policy attempts to maintain a fund balance of at least two months of annual appropriated expenditures for debt service and any associated fees as a fund balance in the debt service fund at fiscal year end.

The most recent debt issue of the City of Killeen earned ratings from Moody's and Standard & Poor's:

<u>Bond Type</u>	<u>Standard & Poors</u>	<u>Moody's</u>	<u>Fitch</u>
General Obligation	AA-	Aa3	AA-
Utility Revenue Bond	AA-	A1	AA-

The City of Killeen has no legal debt limit established by its charter or ordinances. The Constitution of the State of Texas (Article 11, Section 5) limits the maximum amount that a city can designate for debt service to 2.5% of its total assessed value.

Assessed Value, 2004 Tax Roll	\$ 2,691,178,312
Limit on Amount Designated for Debt Service	<u> X 2.5%</u>
Legal Limit	<u>\$ 67,279,458</u>
Actual Amount to be Expended for General Obligation Debt Service During the Year Ending September 30, 2005.	<u>\$ 4,660,408</u>

"The City Without Limits!"

TAX INFORMATION

Since 1982, the appraisal of property within the City has been the responsibility of the county wide appraisal district. The appraisal district is required under the property tax code to assess all property within the appraisal district on the basis of 100 percent of its appraised value and is prohibited from applying any assessments ratios. The value of property within the appraisal district must be reviewed at least every five years. The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action. Under this legislation, the City continues to set tax rates on property within the City limits. The City Council may not adopt a tax rate that raises more tax revenue than the prior year without holding a public hearing on the tax increase. The hearing is held following a published notice to the taxpayers and otherwise complying with the State Tax Code. If the adopted tax rate exceeds the rollback tax rate, the qualified voters of the City by petition, may require that an election be held to determine whether or not to reduce the tax rate adopted for the current year to the rollback rate.

For definition purposes,

"Effective tax rate" means the rate that will produce last year's maintenance and operation tax levy (adjusted). "Adjusted" means lost values are not included in the calculation of last year's taxes and new values are not included in this year's taxable values. If the effective tax rate, excluding tax rates for bonds and other contractual obligations, and adjusted for new improvements, exceeds the rate of the previous year by more than 8 percent, qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8 percent above the tax rate of the previous year.

"Rollback tax rate" means the rate that will produce last year's maintenance and operation tax levy (adjusted) multiplied by 1.08 plus a rate that will produce this year's debt service from this year's values (unadjusted) divided by the anticipated tax collection rate.

By each September 1, or as soon thereafter as practicable, the City Council adopts a tax rate. The rate is expressed in terms of \$100 of taxable assessed valuation and consist of two components: (1) a tax rate for maintenance and operations, and (2) a tax rate for debt service.

Current tax notices are mailed out in early October of each year. Current taxes are due by January 31 of each year and incur penalty and interest after that date. There is a 15% attorney fee added after July 1. The penalty and interest rates are as follows:

<u>Month of Payment</u>	<u>Penalty</u>	<u>Interest</u>	<u>Total</u>
February	6%	1%	7%
March	7%	2%	9%
April	8%	3%	11%
May	9%	4%	13%
June	10%	5%	15%
July	12%	6%	18%

The City Council of Killeen has elected to provide that current taxes paid prior to December 31 of the year shall be subject to discounts as follows:

Paid October 1 to October 31	3%
Paid November 1 to November 30	2%
Paid December 1 to December 31	1%

AD VALOREM TAXES

**ESTIMATE OF AD VALOREM TAX REVENUE
AND PROPOSED DISTRIBUTION OF COLLECTIONS**

TAX ESTIMATE

Assessed Valuation for 2004	\$ 2,691,178,312
Proposed Tax Rate of \$100 Valuation	0.695
Gross Revenue from Taxes	18,703,689
Estimated Percent of Collections	98%
Estimated Funds from Tax Levy	18,329,615
Less Discount for Early Payment	(458,240)
Estimated Funds Available	\$ 17,871,375

PROPOSED DISTRIBUTION OF ALL TAX COLLECTIONS

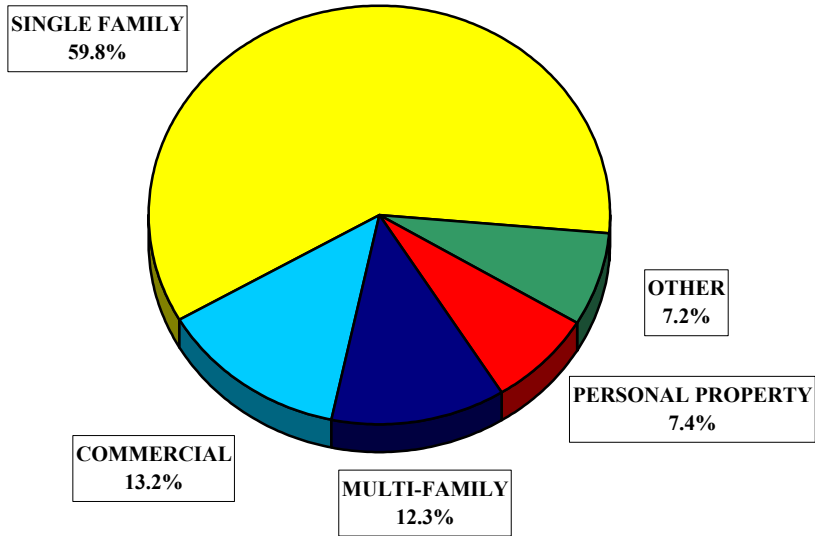
	% of Total	Tax Rate	Collections
General Fund	75.08%	52.183 \$	13,210,967
Interest & Sinking Fund 1996 - C/O	1.77%	1.233 \$	332,000
Interest & Sinking Fund 1993	2.00%	1.392 \$	374,500
Interest & Sinking Fund 1995	5.43%	3.777 \$	1,016,500
Interest & Sinking Fund 1999	0.94%	0.650 \$	175,000
Interest & Sinking Fund 1999 - Refunding	0.94%	0.652 \$	175,500
Interest & Sinking Fund 2000	2.81%	1.955 \$	526,000
Interest & Sinking Fund 2001	2.30%	1.596 \$	429,500
Interest & Sinking Fund 2002	1.13%	0.788 \$	212,000
Interest & Sinking Fund 2003	1.67%	1.158 \$	311,667
Interest & Sinking Fund 2004 C/O	1.96%	1.359 \$	365,741
Interest & Sinking Fund 2004 G.O.B.	3.97%	2.757 \$	742,000
Total	100.00%	69.500 \$	17,871,375

COMPARISON OF PREVIOUS YEAR TAX RATES

	2000-01	2001-02	2002-03	2003-04	2004-05
General Fund	54.540	50.580	51.620	52.110	52.183
Interest & Sinking 1991	0.963	-	-	-	-
I & S 1993 - Refunding	5.437	5.306	4.730	3.604	-
Interest & Sinking 1993	1.297	1.639	1.810	1.658	1.392
Interest & Sinking 1995	1.986	2.084	2.050	2.277	3.777
I & S 1996 - L.T.N. Fund	0.608	0.489	-	-	-
I & S 1996 - C/O Fund	1.297	1.342	1.620	1.390	1.233
Interest & Sinking 1999	0.699	0.891	0.840	0.749	0.650
I & S 1999 - Refunding	0.173	0.709	0.730	1.196	0.652
Interest & Sinking 2000	1.000	3.019	2.540	2.258	1.955
Interest & Sinking 2001	-	1.941	1.380	1.785	1.596
Interest & Sinking 2002	-	-	0.680	0.944	0.788
Interest & Sinking 2003	-	-	-	1.929	1.158
Interest & Sinking 2004 C/O	-	-	-	-	1.359
Interest & Sinking 2004 G.O.B.	-	-	-	-	2.757
	68.000	68.000	68.000	69.900	69.500

KILLEEN TAX BASE

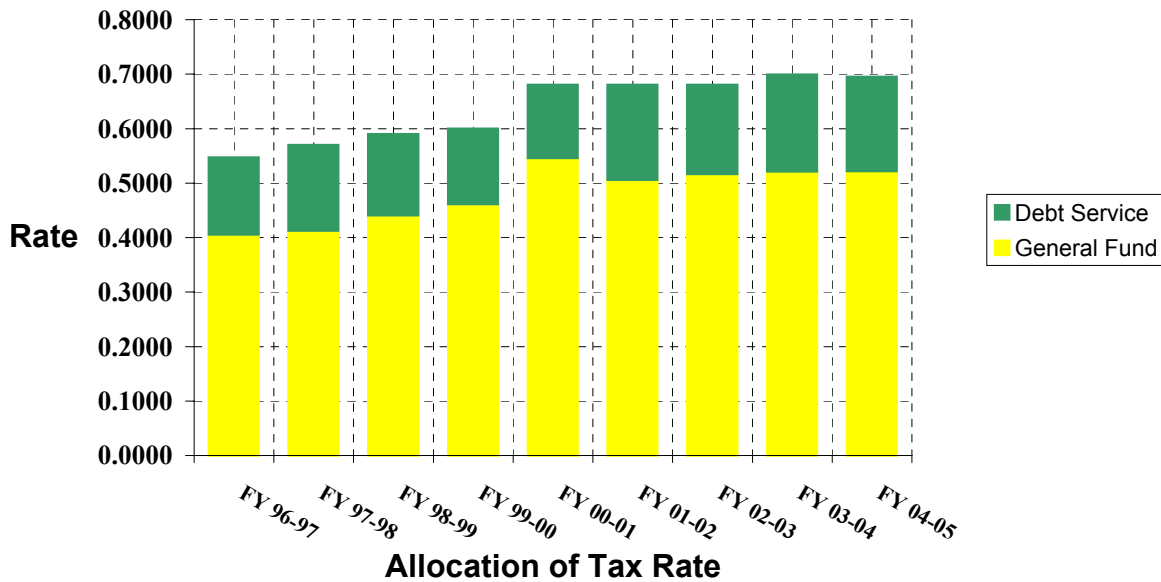
2004 CERTIFIED TAX ROLL



Total Taxable Assessed Value \$2,691,178,312

City of Killeen

Analysis of Ad Valorem Tax Rate



**ANALYSIS OF TAX ROLL
FY 04-05**

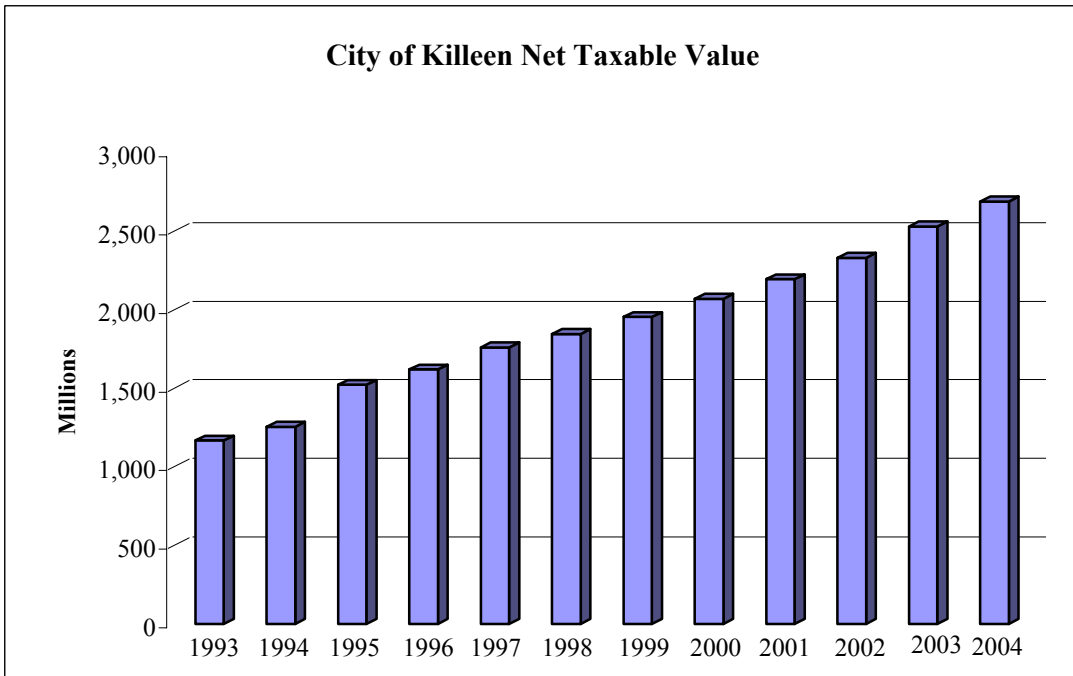
	FY 04-05	FY 03-04
Assessed Valuation of Real and Exempt Property (Based on 100% of Market Value)	\$3,018,129,757	\$2,850,180,061
Less: Exempt Property	232,234,154	226,990,912
Less: Agricultural Loss	4,310,022	4,870,539
Less: Over 65 Exemption	50,258,566	48,348,570
Less: Veterans Exemptions	40,120,483	37,005,333
Less: Special Exempt Values	28,220	81,340
Less: Abatements	-	-
Taxable Assessed Value	\$2,691,178,312	\$2,532,883,367
Apply Tax Rate of	.69500/\$100	.69900/\$100
Total Tax Levy	\$18,703,689	\$17,704,855
Estimated Percent of Collections	98%	98%
Estimated Funds From Tax Levy	\$18,329,615	\$17,350,758
Less: Estimated Discount for Early Payment	(458,240)	(410,144)
Estimated Funds Available	\$17,871,375	\$16,940,614

	Tax Rate Per \$100 Valuation	Percent of Levy	Estimated Collections
Debt Service	0.1732	24.92%	\$4,660,408
General Fund	0.5218	75.08%	13,210,967
			\$17,871,375

ANALYSIS OF PROPERTY VALUATIONS

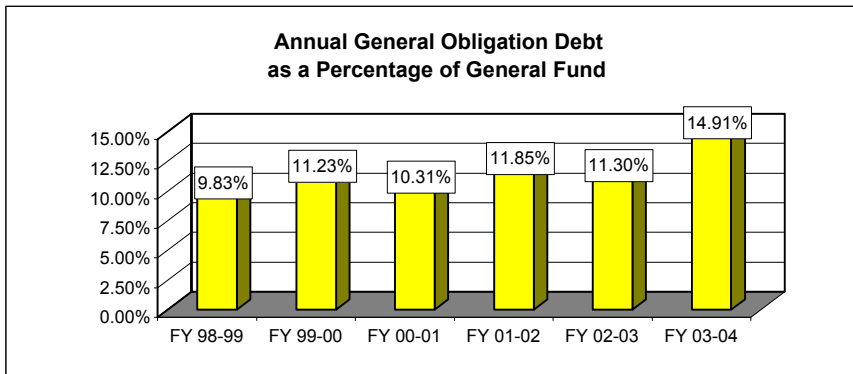
APPRAISAL YEAR	TOTAL MARKET VALUATION	EXEMPT VALUE	TOTAL TAXABLE VALUE *
1993	1,227,995,804	60,620,804	1,167,375,000
1994	1,299,669,922	42,793,076	1,256,876,846
1995	1,603,800,670	80,855,258	1,522,945,412
1996	1,975,826,968	355,201,709	1,620,625,259
1997	1,976,735,037	216,146,137	1,760,588,900
1998	2,094,439,856	246,974,810	1,847,465,046
1999	2,197,789,222	243,026,079	1,954,763,143
2000	2,316,431,604	245,112,171	2,071,319,433
2001	2,451,824,519	256,869,745	2,194,954,774
2002	2,623,181,643	292,889,238	2,330,292,405
2003	2,850,180,061	317,296,694	2,532,883,367
2004	3,018,129,757	326,951,445	2,691,178,312

* Assessed value is 100% of the estimated value.



**CITY OF KILLEEN
TOTAL DEBT SERVICE FUNDS
FY 2004-05**

Fund Name	ESTIMATED BEGINNING FUND BALANCE	2004-05 REVENUES	2004-05 EXPENDITURES	PROJECTED ENDING FUND BALANCE
Tax I&S 1991	-	-	-	-
Tax I&S 1993 REFUND	95,703	-	95,703	-
Tax I&S 1993	84,828	378,875	414,375	49,328
Tax I&S 1995	182,954	1,025,400	1,079,900	128,454
Tax I&S 1996	62,876	336,375	346,375	52,876
Tax I&S 1999	56,967	303,800	315,000	45,767
Tax I&S 1999 REFUND	1,008,725	2,014,437	1,782,763	1,240,399
Tax I&S 2000	111,648	531,520	573,520	69,648
Tax I&S 2001	78,998	434,430	457,930	55,498
Tax I&S 2002	77,249	216,075	261,575	31,749
Tax I&S 2003	113,161	315,955	369,288	59,828
Tax I&S 2004 C/O	-	436,500	116,633	319,867
Tax I&S 2004 GOB	-	744,600	641,211	103,389
TOTAL TAX I & S DEBT SERVICE FUNDS	\$ 1,873,109	\$ 6,737,967	\$ 6,454,273	\$ 2,156,803
WATER & SEWER I&S 1991 RFD	174,209	426,500	593,298	7,411
WATER & SEWER I&S 1991 RSV	926,873	9,000	-	935,873
WATER & SEWER I&S 1994	5,583	-	5,583	-
WATER & SEWER I&S 1993-B	-	-	-	-
WATER & SEWER I&S 1996	162,603	461,900	392,400	232,103
WATER & SEWER I&S 1997	131,243	563,750	572,713	122,280
WATER & SEWER I&S 1999	72,811	833,850	749,850	156,811
WATER & SEWER I&S 2001	218,730	629,241	636,816	211,155
WATER & SEWER I&S 2004	-	799,750	685,000	114,750
TOTAL WATER & SEWER I&S DEBT SERVICE FUNDS	\$ 1,692,052	\$ 3,723,991	\$ 3,635,660	\$ 1,780,383
TOTAL SOLID WASTE I&S DEBT SERVICE FUNDS	\$ -	\$ 1,054,764	\$ 1,054,764	\$ -
TOTAL GOLF REVENUE / TAX DEBT SERVICE FUND	\$ -	\$ 207,259	\$ 206,759	\$ 500
TOTAL HOTEL OCCUPANCY TAX DEBT SERVICE FUND	\$ 9,181	\$ 698,516	\$ 695,691	\$ 12,006
TOTAL DEBT SERVICE FUNDS	\$ 3,574,342	\$ 12,422,497	\$ 12,047,147	\$ 3,949,692



TOTAL DEBT SERVICE FUNDS REVENUES

Fund Name	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Tax I&S 1991	5	-	-	-
Tax I&S 1993 REFUNDING	1,136,425	970,000	973,036	-
Tax I&S 1993	409,544	423,000	423,000	378,875
Tax I&S 1995	463,914	580,500	581,860	1,025,400
Tax I&S 1996	366,547	354,500	354,975	336,375
Tax I&S 1999	315,441	318,167	318,463	303,800
Tax I&S 1999 REFUNDING	873,465	1,783,618	1,783,618	2,014,437
Tax I&S 2000	574,609	576,000	577,638	531,520
Tax I&S 2001	311,999	454,500	454,500	434,430
Tax I&S 2002	160,773	244,000	241,318	216,075
Tax I&S 2003	37,773	513,498	491,543	315,955
Tax I&S 2004 C/O	-	-	-	436,500
Tax I&S 2004 GOB	-	-	-	744,600
TOTAL TAX I & S DEBT SERVICE FUNDS	\$ 4,650,495	\$ 6,217,783	\$ 6,199,951	\$ 6,737,967
WATER & SEWER I&S 1991 RFDG	841,296	596,798	595,220	426,500
WATER & SEWER I&S 1991 RSV	11,988	12,000	8,245	9,000
WATER & SEWER I&S 1994	187,455	7,000	6,825	-
WATER & SEWER I&S 1993-B	25	-	-	-
WATER & SEWER I&S 1996	403,751	392,400	391,900	461,900
WATER & SEWER I&S 1997	580,852	572,713	571,831	563,750
WATER & SEWER I&S 1999	765,082	749,850	748,665	833,850
WATER & SEWER I&S 2001	596,388	636,816	636,437	629,241
WATER & SEWER I&S 2004	-	-	-	799,750
TOTAL WATER & SEWER I&S DEBT SERVICE FUNDS	\$ 3,386,837	\$ 2,967,577	\$ 2,959,123	\$ 3,723,991
TOTAL SOLID WASTE I&S DEBT SERVICE FUNDS	\$ 239,900	\$ 330,900	\$ 330,900	\$ 1,054,764
TOTAL GOLF REVENUE / TAX DEBT SERVICE FUND	\$ -	\$ -	\$ -	\$ 207,259
TOTAL HOTEL OCCUPANCY TAX DEBT SERVICE FUND	\$ 700,186	\$ 699,191	\$ 698,007	\$ 698,516
TOTAL DEBT SERVICE FUNDS	\$ 8,977,418	\$ 10,215,451	\$ 10,187,981	\$ 12,422,497

TOTAL DEBT SERVICE FUNDS EXPENDITURES

Fund Name	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Tax I&S 1991	4,354	-	-	-
Tax I&S 1993 REFUNDING	1,146,274	1,072,520	1,074,520	95,703
Tax I&S 1993	417,773	404,000	404,000	414,375
Tax I&S 1995	462,594	487,400	487,400	1,079,900
Tax I&S 1996	366,492	356,375	356,375	346,375
Tax I&S 1999	313,772	326,800	314,800	315,000
Tax I&S 1999 REFUNDING	853,017	930,163	930,163	1,782,763
Tax I&S 2000	569,551	575,370	575,370	573,520
Tax I&S 2001	315,750	461,775	461,775	457,930
Tax I&S 2002	58,717	266,125	266,125	261,575
Tax I&S 2003	-	416,155	416,155	369,288
Tax I&S 2004 C/O	-	-	-	116,633
Tax I&S 2004 GOB	-	-	-	641,211
TOTAL TAX I & S DEBT SERVICE FUNDS	\$ 4,508,294	\$ 5,296,683	\$ 5,286,683	\$ 6,454,273
WATER & SEWER I&S 1991 RFDG	883,305	836,298	836,298	593,298
WATER & SEWER I&S 1991 RSV	-	-	-	-
WATER & SEWER I&S 1994	152,126	187,475	187,475	5,583
WATER & SEWER I&S 1993-B	61,167	-	-	-
WATER & SEWER I&S 1996	411,917	402,200	402,200	392,400
WATER & SEWER I&S 1997	587,924	581,588	581,588	572,713
WATER & SEWER I&S 1999	779,722	465,850	765,850	749,850
WATER & SEWER I&S 2001	562,501	596,016	596,016	636,816
WATER & SEWER I&S 2004	-	-	-	685,000
TOTAL WATER & SEWER I&S DEBT SERVICE FUNDS	\$ 3,438,662	\$ 3,069,427	\$ 3,369,427	\$ 3,635,660
TOTAL SOLID WASTE I&S DEBT SERVICE FUNDS	\$ 239,900	\$ 330,900	\$ 330,900	\$ 1,054,764
TOTAL GOLF REVENUE / TAX DEBT SERVICE FUND	\$ -	\$ -	\$ -	\$ 206,759
TOTAL HOTEL OCCUPANCY TAX DEBT SERVICE FUND	\$ 693,883	\$ 695,316	\$ 695,316	\$ 695,691
TOTAL DEBT SERVICE FUNDS	\$ 8,880,739	\$ 9,392,326	\$ 9,682,326	\$ 12,047,147

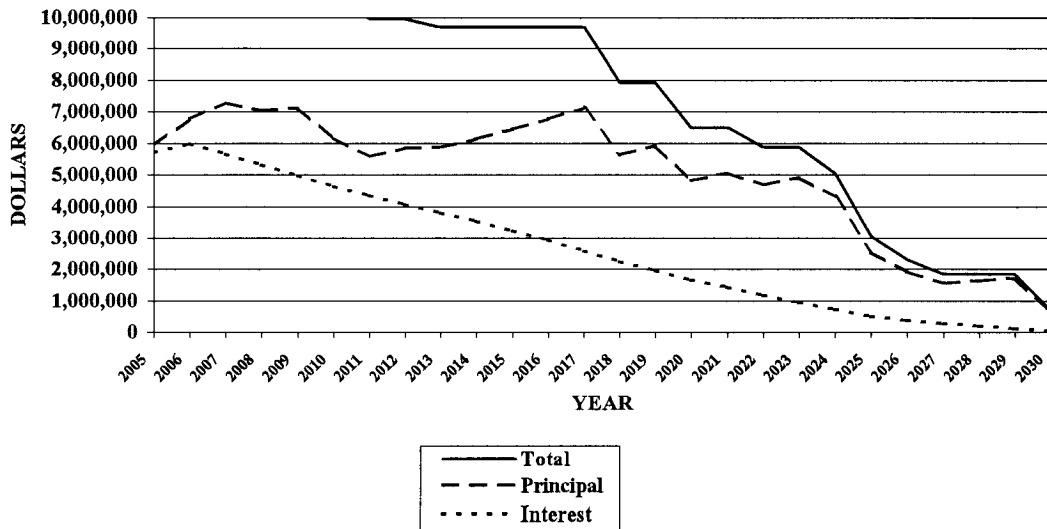
CITY OF KILLEEN

TOTAL DEBT SERVICE REQUIREMENTS

OUTSTANDING OCTOBER 2004
\$ 129,670,000

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS	BONDS OUTSTANDING
2005	5,965,000	5,726,065	11,691,065	123,705,000
2006	6,765,000	5,997,474	12,762,474	116,940,000
2007	7,290,000	5,684,460	12,974,460	109,650,000
2008	7,040,000	5,337,412	12,377,412	102,610,000
2009	7,110,000	4,992,293	12,102,293	95,500,000
2010	6,160,000	4,643,316	10,803,316	89,340,000
2011	5,600,000	4,352,930	9,952,930	83,740,000
2012	5,870,000	4,086,623	9,956,623	77,870,000
2013	5,875,000	3,814,131	9,689,131	71,995,000
2014	6,145,000	3,546,881	9,691,881	65,850,000
2015	6,455,000	3,249,325	9,704,325	59,395,000
2016	6,770,000	2,933,939	9,703,939	52,625,000
2017	7,110,000	2,599,893	9,709,893	45,515,000
2018	5,655,000	2,246,957	7,901,957	39,860,000
2019	5,945,000	1,967,421	7,912,421	33,915,000
2020	4,820,000	1,672,309	6,492,309	29,095,000
2021	5,075,000	1,435,358	6,510,358	24,020,000
2022	4,690,000	1,184,662	5,874,662	19,330,000
2023	4,930,000	953,016	5,883,016	14,400,000
2024	4,315,000	729,460	5,044,460	10,085,000
2025	2,560,000	511,873	3,071,873	7,525,000
2026	1,935,000	381,811	2,316,811	5,590,000
2027	1,565,000	283,847	1,848,847	4,025,000
2028	1,645,000	205,004	1,850,004	2,380,000
2029	1,725,000	122,124	1,847,124	655,000
2030	655,000	35,206	690,206	-

TOTAL DEBT SERVICE REQUIREMENTS

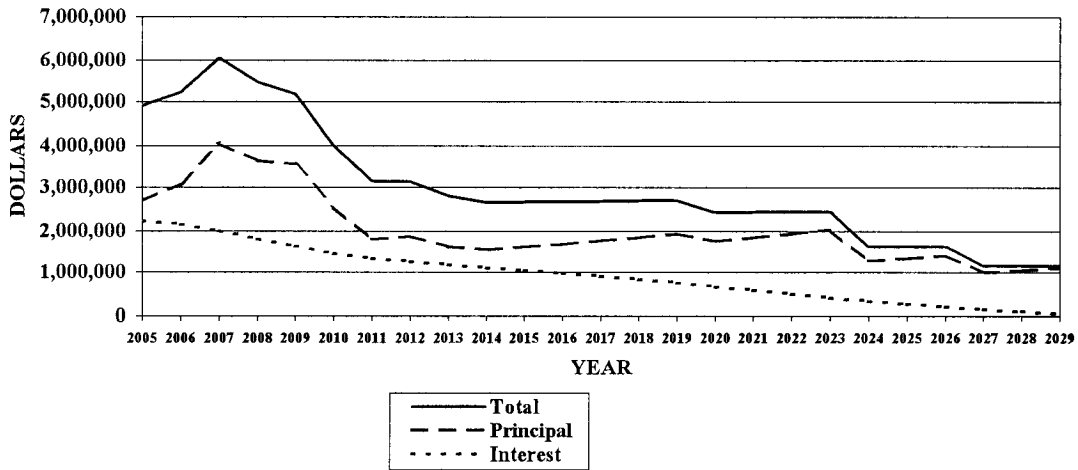


**CITY OF KILLEEN
GENERAL OBLIGATION DEBT
TOTAL REQUIREMENTS**

OUTSTANDING OCTOBER 2004
\$ 49,960,100

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS	BONDS OUTSTANDING
2005	2,684,850	2,232,790	4,917,640	47,275,250
2006	3,074,150	2,160,279	5,234,429	44,201,100
2007	4,045,900	2,012,823	6,058,723	40,155,200
2008	3,648,700	1,818,902	5,467,602	36,506,500
2009	3,548,900	1,636,554	5,185,454	32,957,600
2010	2,544,700	1,454,307	3,999,007	30,412,900
2011	1,803,000	1,338,866	3,141,866	28,609,900
2012	1,868,800	1,258,551	3,127,351	26,741,100
2013	1,623,600	1,181,378	2,804,978	25,117,500
2014	1,542,500	1,115,810	2,658,310	23,575,000
2015	1,612,500	1,053,625	2,666,125	21,962,500
2016	1,682,500	987,686	2,670,186	20,280,000
2017	1,762,500	917,553	2,680,053	18,517,500
2018	1,847,500	843,189	2,690,689	16,670,000
2019	1,935,000	761,201	2,696,201	14,735,000
2020	1,750,000	674,814	2,424,814	12,985,000
2021	1,840,000	595,933	2,435,933	11,145,000
2022	1,935,000	511,793	2,446,793	9,210,000
2023	2,035,000	422,060	2,457,060	7,175,000
2024	1,270,000	347,641	1,617,641	5,905,000
2025	1,335,000	286,929	1,621,929	4,570,000
2026	1,405,000	222,980	1,627,980	3,165,000
2027	1,005,000	153,503	1,158,503	2,160,000
2028	1,055,000	104,760	1,159,760	1,105,000
2029	1,105,000	53,593	1,158,593	-
2030	-	-	-	-

TOTAL G.O. DEBT

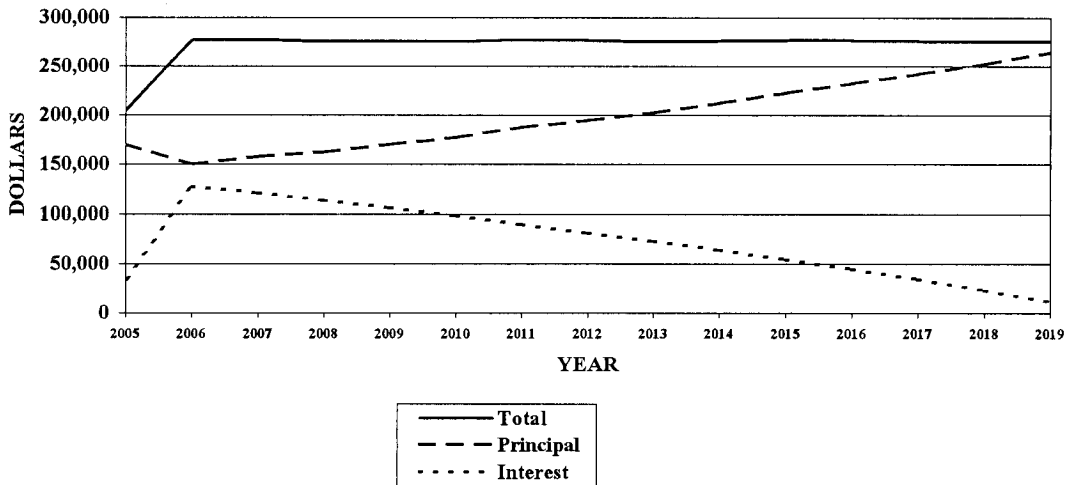


**CITY OF KILLEEN
GOLF REVENUE DEBT
TOTAL REQUIREMENTS**

**OUTSTANDING OCTOBER 2004
\$ 3,000,000**

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS	BONDS OUTSTANDING
2005	170,000	34,259	204,259	2,830,000
2006	150,000	127,350	277,350	2,680,000
2007	157,500	120,600	278,100	2,522,500
2008	162,500	113,513	276,013	2,360,000
2009	170,000	106,200	276,200	2,190,000
2010	177,500	98,550	276,050	2,012,500
2011	187,500	90,563	278,063	1,825,000
2012	195,000	82,125	277,125	1,630,000
2013	202,500	73,350	275,850	1,427,500
2014	212,500	64,238	276,738	1,215,000
2015	222,500	54,675	277,175	992,500
2016	232,500	44,663	277,163	760,000
2017	242,500	34,200	276,700	517,500
2018	252,500	23,288	275,788	265,000
2019	265,000	11,925	276,925	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-

TOTAL GOLF REVENUE DEBT

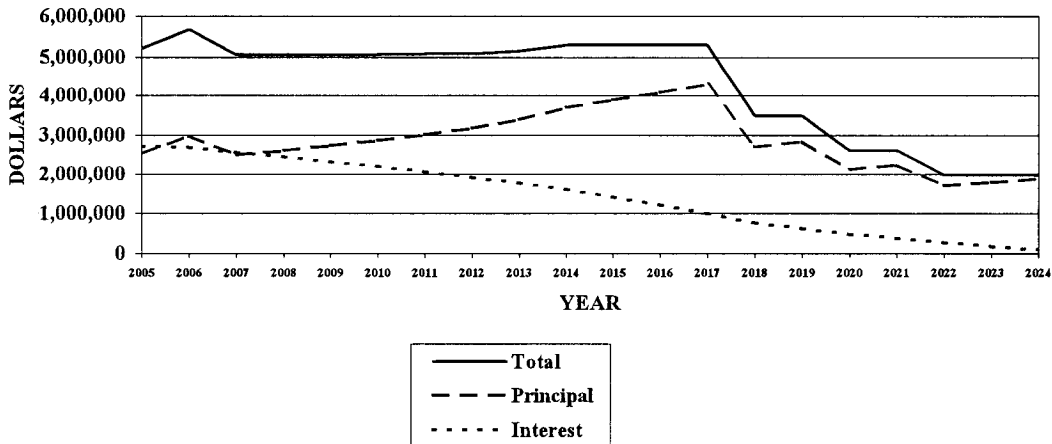


**CITY OF KILLEEN
WATER & SEWER DEBT
TOTAL REQUIREMENTS**

**OUTSTANDING OCTOBER 2004
\$ 57,093,900**

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS	BONDS OUTSTANDING
2005	2,523,150	2,704,883	5,228,033	54,570,750.00
2006	2,979,850	2,692,409	5,672,259	51,590,900.00
2007	2,494,600	2,562,866	5,057,466	49,096,300.00
2008	2,607,800	2,447,874	5,055,674	46,488,500.00
2009	2,741,100	2,325,063	5,066,163	43,747,400.00
2010	2,872,800	2,200,293	5,073,093	40,874,600.00
2011	3,019,500	2,064,410	5,083,910	37,855,100.00
2012	3,181,200	1,917,306	5,098,506	34,673,900.00
2013	3,393,900	1,763,282	5,157,182	31,280,000.00
2014	3,700,000	1,605,087	5,305,087	27,580,000.00
2015	3,890,000	1,415,779	5,305,779	23,690,000.00
2016	4,090,000	1,214,969	5,304,969	19,600,000.00
2017	4,300,000	1,002,314	5,302,314	15,300,000.00
2018	2,705,000	777,756	3,482,756	12,595,000.00
2019	2,850,000	637,256	3,487,256	9,745,000.00
2020	2,130,000	488,756	2,618,756	7,615,000.00
2021	2,240,000	381,606	2,621,606	5,375,000.00
2022	1,705,000	268,750	1,973,750	3,670,000.00
2023	1,790,000	183,500	1,973,500	1,880,000.00
2024	1,880,000	94,000	1,974,000	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-

TOTAL WATER & SEWER DEBT

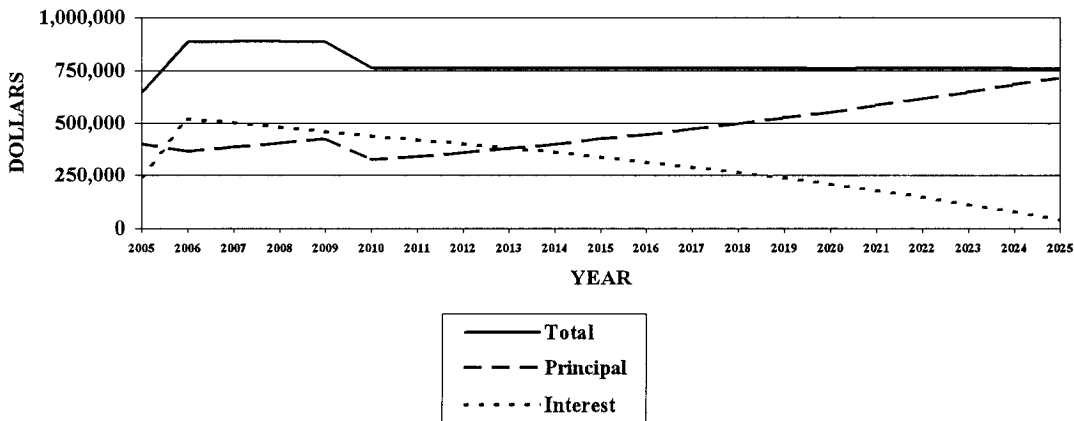


**CITY OF KILLEEN
SOLID WASTE DEBT
TOTAL REQUIREMENTS**

OUTSTANDING OCTOBER 2004
\$ 9,956,000

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS	BONDS OUTSTANDING
2005	402,000	245,942	647,942	9,554,000
2006	366,000	519,420	885,420	9,188,000
2007	387,000	500,880	887,880	8,801,000
2008	406,000	481,107	887,107	8,395,000
2009	425,000	460,285	885,285	7,970,000
2010	325,000	438,350	763,350	7,645,000
2011	340,000	420,475	760,475	7,305,000
2012	360,000	401,775	761,775	6,945,000
2013	380,000	381,975	761,975	6,565,000
2014	400,000	361,075	761,075	6,165,000
2015	425,000	339,075	764,075	5,740,000
2016	445,000	315,700	760,700	5,295,000
2017	470,000	291,225	761,225	4,825,000
2018	495,000	265,375	760,375	4,330,000
2019	525,000	238,150	763,150	3,805,000
2020	550,000	209,275	759,275	3,255,000
2021	585,000	179,025	764,025	2,670,000
2022	615,000	146,850	761,850	2,055,000
2023	650,000	113,025	763,025	1,405,000
2024	685,000	77,275	762,275	720,000
2025	720,000	39,600	759,600	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-

TOTAL SOLID WASTE DEBT

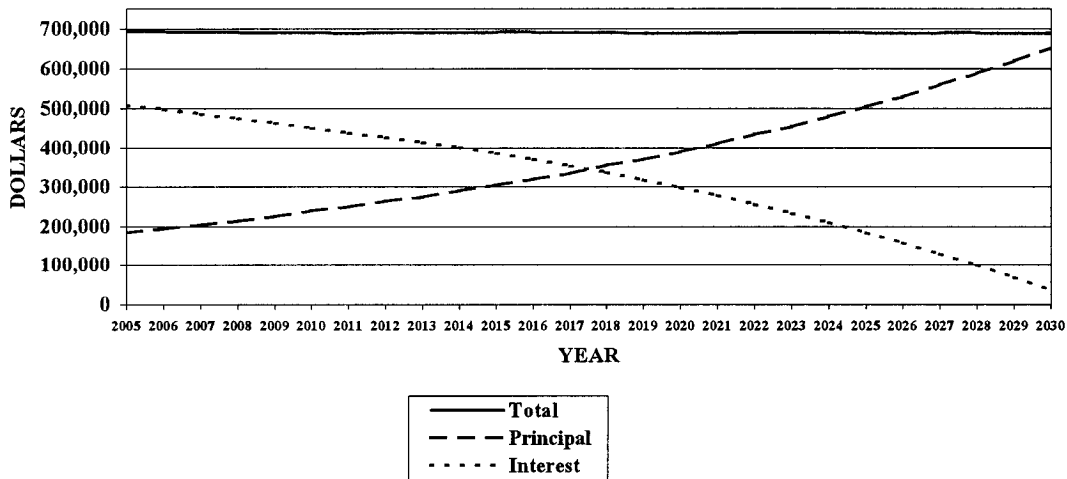


**CITY OF KILLEEN
HOTEL OCCUPANCY TAX DEBT
TOTAL REQUIREMENTS**

OUTSTANDING OCTOBER 2004
\$ 9,660,000

YEAR	PRINCIPAL	INTEREST	TOTAL REQUIREMENTS	BONDS OUTSTANDING
2005	185,000	508,191	693,191	9,475,000
2006	195,000	498,016	693,016	9,280,000
2007	205,000	487,291	692,291	9,075,000
2008	215,000	476,016	691,016	8,860,000
2009	225,000	464,191	689,191	8,635,000
2010	240,000	451,816	691,816	8,395,000
2011	250,000	438,616	688,616	8,145,000
2012	265,000	426,866	691,866	7,880,000
2013	275,000	414,146	689,146	7,605,000
2014	290,000	400,671	690,671	7,315,000
2015	305,000	386,171	691,171	7,010,000
2016	320,000	370,921	690,921	6,690,000
2017	335,000	354,601	689,601	6,355,000
2018	355,000	337,349	692,349	6,000,000
2019	370,000	318,889	688,889	5,630,000
2020	390,000	299,464	689,464	5,240,000
2021	410,000	278,794	688,794	4,830,000
2022	435,000	257,269	692,269	4,395,000
2023	455,000	234,431	689,431	3,940,000
2024	480,000	210,544	690,544	3,460,000
2025	505,000	185,344	690,344	2,955,000
2026	530,000	158,831	688,831	2,425,000
2027	560,000	130,344	690,344	1,865,000
2028	590,000	100,244	690,244	1,275,000
2029	620,000	68,531	688,531	655,000
2030	655,000	35,206	690,206	-

TOTAL HOTEL OCCUPANCY TAX DEBT



SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are required by law to be used for specified purposes. The City of Killeen has the following Special Revenue Funds:

Cable System PEG Improvements Fund: To account for resources contributed to the City, the use of which is restricted to the acquisition of appropriate equipment and other expense items for the benefit of the cable franchise system.

Community Development Block Grant Fund: To account for the operations of projects utilizing Community Development Block Grant funds. Such revenues are restricted to expenditures for specified projects by the Department of Housing and Urban Development.

Home Program: To account for program funds received from Housing Urban & Development (HUD). These programs are restricted to expenditures authorized by the Department of Housing and Urban Development.

Hotel Occupancy Tax Fund: To account for the levy and utilization of the hotel occupancy tax. State law requires that revenues from this tax be used for advertising and promotion of the City.

Law Enforcement Grant: To account for the operation of projects utilizing Law Enforcement Block Grant Funds. These projects are for the purpose of reducing crime and improving public safety.

Library Memorial Fund: To account for revenues that are restricted to the Killeen Public Library.

Lions Club Park Fund: To account for the construction of the Lion's Club Park. This fund also accounts for the revenues received from the State Parks and Wildlife Commission and donations from the Lion's Club and other constituents.

Parks Improvements Fund: To account for funds to be used for development and improvement of City park land.

Police Federal Seizure Fund: To account for revenues and expenditures that are restricted by federal seizure requirements.

Police State Seizure Fund : To account for the revenues and expenditures restricted to the Chapter 429 Fund and State seizure requirements.

"The City Without Limits!"

**TOTAL REVENUES & EXPENDITURES
SPECIAL REVENUE FUNDS**

Fund Name	Actual 2001-02	Budget 2002-03	Estimated 2002-03	Adopted 2003-04
Revenues				
Cable System PEG Improvements	\$ 86,275	\$ 71,583	\$ 74,201	\$ 68,858
CDBG	875,103	2,093,817	1,909,929	1,901,125
Community Dev. - Home Program	283,342	1,220,064	298,008	1,484,919
Hotel Occupancy Tax	2,816,148	2,701,156	2,635,408	2,262,660
Law Enforcement Grant	206,154	242,977	329,194	144,828
Library Memorial	29,581	-	-	-
Lions Club Park	114,438	-	29,080	29,080
Park Improvements Fund	89,540	90,996	19,109	-
Police Federal Seizure	77,186	26,427	33,044	3,430
Police State Seizure	47,809	39,549	75,999	56,450
Total Revenues	\$ 4,625,576	\$ 6,486,569	\$ 5,403,972	\$ 5,951,350
Expenditures				
Cable System PEG Improvements	\$ 62,084	\$ 65,042	\$ 65,343	\$ 65,042
CDBG	875,103	2,532,465	1,909,929	1,901,125
Community Dev. - Home Program	259,318	1,184,229	298,008	1,484,919
Hotel Occupancy Tax	2,247,435	2,422,117	2,202,148	2,015,377
Law Enforcement Grant	84,742	240,468	239,666	55,300
Library Memorial	-	-	-	-
Lions Club Park	85,551	-	-	29,080
Park Improvements Fund	70,431	90,996	19,109	-
Police Federal Seizure	45,222	31,614	30,614	2,800
Police State Seizure	16,860	39,549	39,549	30,000
Total Expenditures	\$ 3,746,746	\$ 6,606,480	\$ 4,804,366	\$ 5,583,643

CABLESYSTEM PEG IMPROVEMENTS

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ 35,995	\$ 21,583	\$ 24,191	\$ 8,858
Revenues				
Interest Earned	\$ 280	\$ -	\$ 10	\$ -
Cablevision PEG Grant	-	50,000	50,000	-
Transfer from General Fund	50,000	-	-	60,000
Total Fund Balance and Revenues	\$ 86,275	\$ 71,583	\$ 74,201	\$ 68,858
Expenditures				
Council Broadcast Service	\$ 30,000	\$ 30,000	\$ 30,000	\$ 33,935
Feature Program Service	2,306	3,000	3,000	-
Salaries & Benefits	27,228	28,592	28,893	30,607
Supplies	491	500	500	500
Repairs	706	2,950	2,950	-
Computer Hardware	1,353	-	-	-
Total Expenditures	\$ 62,084	\$ 65,042	\$ 65,343	\$ 65,042
Ending Fund Balance	\$ 24,191	\$ 6,541	\$ 8,858	\$ 3,816

COMMUNITY DEVELOPMENT FUND

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ 4,366	\$ -	\$ -	\$ -
Revenues				
CDBG Program Income	\$ 21,227	\$ -	\$ 5,000	\$ -
Federal Receipts	843,441	1,207,121	827,773	1,126,000
Federal Receipts - Prior Year	-	886,696	1,071,087	775,125
Misc Receipts	6,069	-	6,069	-
Total Fund Balance and Revenues	\$ 875,103	\$ 2,093,817	\$ 1,909,929	\$ 1,901,125
Expenditures				
Public Works/Street Division (22nd yr.)	\$ 3,297	\$ -	\$ -	\$ -
Housing Rehab. Program (22nd yr.)	-	7,236	-	-
Parks and Recreation Deptment (23rd yr.)	1,008	-	-	-
Housing Rehabilitation Programs (23rd yr.)	30,750	16,032	16,032	-
Hill Ctr Transit Improvements (25th yr.)	8,037	5,478	-	-
Comm Dev Housing Program (25th yr.)	-	93,767	93,767	-
Killeen Street Division (26th yr.)	48,436	37,210	-	-
Bluebonnet Girl Scout (27th yr.)	102	-	-	-
Killeen Transportation Program (27th yr.)	265	-	-	-
Killeen P & R (27th yr.)	871	-	-	-
Killeen Street Division (27th yr.)	2,905	41,434	41,434	-
Comm Dev Housing Program (27th yr.)	15,589	53,416	16,628	36,788
Killen Code Enforcement (27th yr.)	33,260	40	40	-
Temple Coord Child Care (27th yr.)	4,332	39,500	39,500	-
Killeen PW Water & Sewer (27th yr.)	34,059	80,749	80,749	-
Food Care Center (27th yr.)	19,648	86,238	86,238	-
Hill Country Comm Act Aso (27th yr.)	-	80,600	80,600	-
Transformative Charter Ac (27th yr.)	12,346	213,654	213,654	-
Families in Crisis, Inc. (28th yr.)	6,000	1,500	1,500	-
Greater Ft Hd Comm in Schools (28th yr.)	12,682	771	771	-
Greater Killeen Free Clinic (28th yr.)	27,506	2,650	2,650	-
Killeen Help Center (28th yr.)	20,000	-	-	-
Killeen Transportation Program (28th yr.)	37,764	2,022	2,022	-
Families in Crisis Improv (28th yr.)	-	52,479	52,479	-
Killeen Housing Authority (28th yr.)	3,500	-	-	-
Killeen Street Division (28th yr.)	49,159	8,919	8,919	-
Killeen Code Enforcement (28th yr.)	45,028	6,122	6,122	-

**COMMUNITY DEVELOPMENT FUND
(CONTINUED)**

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Comm Dev Administrative (28th yr.)	230,242	-	-	-
Cen Tx Youth Serv Bureau (28th yr.)	10,000	1,424	1,424	-
Temple Coord Child Care (28th yr.)	3,678	8,322	8,322	-
Tejas Council Camp Fire (283th yr.)	12,033	2,990	-	2,990
Temple Coord Child Care Improv (28th yr.)	-	8,000	8,000	-
Killeen PW Water & Sewer (28th yr.)	6,050	214,404	204,596	9,808
Food Care Center (28th yr.)	166,400	3,600	3,600	-
Hill Country Comm Act Aso (28th yr.)	13,186	-	-	-
Transformative Charter Acad (28th yr.)	-	155,280	534	154,746
Home & Hope Shelter (28th yr.)	-	24,300	24,300	-
Families in Crisis (28th yr.)	-	24,000	24,000	-
Greater Ft Hood Comm in Schools (28th yr.)	16,610	-	-	-
Home & Hope Shelter (28th yr.)	-	53,206	53,206	-
Comm Dev Adminstrative (29th yr.)	-	228,400	228,400	-
Families in Crisis (29th yr.)	-	6,000	6,000	-
Greater Killeen Free Clinic (29th yr.)	-	28,210	22,975	5,235
Hill Country Act/Aging (29th yr.)	-	14,222	12,000	2,222
Killeen Transportation Program (29th yr.)	-	45,000	45,000	-
Killeen Street Division (29th yr.)	-	127,314	127,314	-
Cen TX Youth Serv Bureau (29th yr.)	-	10,000	10,000	-
Greater Ft Hood Comm in Schools (29th yr.)	-	22,607	17,308	5,299
Area Agency on Aging-Ct (29th yr.)	-	8,000	6,000	2,000
Bell County Human Services (29th yr.)	-	20,000	20,000	-
Home & Hope Shelter (29th yr.)	-	17,262	15,378	1,884
Armed Services YMCA (29th yr.)	-	82,000	82,000	-
Central Texas 4C, Inc (29th yr.)	-	100,000	-	100,000
Food Care Center (29th yr.)	-	50,000	50,000	-
Housing Auth of Killeen (29th yr.)	-	50,000	-	50,000
Killeen Parks & Rec (29th yr.)	-	94,000	94,000	-
Killeen Water & Sewer Div (29th yr.)	-	151,640	-	151,640
Code Violation ID Program (29th yr.)	-	47,467	47,467	-
Clearance & Demolition (29th yr.)	-	105,000	55,000	50,000
Cmmty Dev Administration (30th yr)	-	-	-	225,200
Families in Crisis (30th yr.)	-	-	-	8,000
Greater Killeen Free Clinic (30th yr.)	-	-	-	37,779
Hill Country Act/Aging (30th yr.)	-	-	-	13,917
Killeen Transportation Program (30th yr.)	-	-	-	46,829
Cen Tx Youth Serv Bureau (30th yr.)	-	-	-	12,000
Bell County Human Services (30th yr.)	-	-	-	20,000
Home & Hope Shelter (30th yr.)	-	-	-	25,375
Housing Auth of Killeen (30th yr.)	-	-	-	5,000
Cent Tx 4C Inc Site Prep (30th yr.)	-	-	-	30,340
Cent Tx 4C Inc Moss Rose (30th yr.)	-	-	-	9,500

**COMMUNITY DEVELOPMENT FUND
(CONTINUED)**

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Comm in Schools Bell/Coryell (30th yr.)	-	-	-	100,000
Central texas YSB (30th yr.)	-	-	-	4,250
Hill Ctry Cmnty Action (30th yr.)	-	-	-	33,000
CoK Code Enforcement Abatement (30th yr.)	-	-	-	199,400
CoK Code Enf Clear/Demolition (30th yr.)	-	-	-	60,000
CoK PW Water & Sewer (30th yr.)	-	-	-	94,300
CoK PW Street Department (30th yr.)	-	-	-	403,623
Code Enforcement Personnel	45,369	48,222	48,222	50,793
Contra Account	(45,028)	(48,222)	(48,222)	(50,793)
Housing Rehabilitation	15,243	17,355	17,355	18,120
Contra Account	(15,224)	(17,355)	(17,355)	(18,120)
Total Expenditures	\$ 875,103	\$ 2,532,465	\$ 1,909,929	\$ 1,901,125
Ending Fund Balance	\$ -	\$ (438,648)	\$ -	\$ -

HOME PROGRAM

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ 57,953	\$ -	\$ 24,024	\$ -
Revenues				
Program Income	\$ 5,930	\$ -	\$ 22,267	\$ 12,187
Federal Receipts	-	526,376	85,420	511,419
Prior Year Receipts	-	661,551	24,549	961,313
Home Program Grant	219,459	-	109,611	-
Transfer from General Fund	-	32,137	32,137	-
Total Fund Balance and Revenues	\$ 283,342	\$ 1,220,064	\$ 298,008	\$ 1,484,919
Expenditures				
Hap 1st Time Homebuyers Prog (4th yr.)	-	32,137	-	32,137
CHDO - Operating Costs (5th yr.)	6,939	-	-	-
FT Homebuyer - Cash Match (5th yr.)	5,034	-	-	-
CHDO Set Aside (6th yr.)	6,790	-	-	-
CHDO - Operating Costs (6th yr.)	5,597	10,917	10,917	-
First Time Homebuyers Program (6th yr.)	31,411	30,306	30,306	-
New Const / Reconstruction (6th yr.)	17,000	-	-	-
CTYSB Project Future (6th yr.)	-	48,000	-	48,000
Families in Crisis (6th yr.)	51,355	-	-	-
Administration (7th yr.)	48,051	-	-	-
First Time Homebuyers Program (7th yr.)	14,433	166,196	93,202	72,994
CTYSB Project Future (7th yr.)	-	77,000	-	77,000
Families in Crisis Ten Ba (7th yr.)	-	40,028	40,028	-
Hill Country CHDO Project (7th yr)	72,707	172,293	27,160	145,133
Hill Country CHDO Operations (7th yr)	-	10,975	10,975	-
Ft Hood Area Hab CHDO Project (7th yr)	-	59,025	-	59,025
Ft Hood Area Hab CHDO Oper (7th yr)	-	10,975	-	10,975
Administration (8th yr.)	-	51,420	51,420	-
First Time Homebuyer's (8th yr.)	-	1,219	-	1,219
Families in Crisis - Ten Ba (8th yr.)	-	62,439	4,000	58,439
Hill Country CHDO Project (8th yr)	-	135,000	-	135,000
Hill Country CHDO Operations (8th yr)	-	25,000	-	25,000
Housing Auth of Killeen (8th yr.)	-	251,299	30,000	221,299
Adminstration (9th yr.)	-	-	-	51,142
Hill Country CHDO Operations (9th yr.)	-	-	-	521,949
FH Area Habitat for Humanity (9th yr.)	-	-	-	25,607
Administrative Personnel	26,737	28,125	28,124	29,660
Contra Account	(26,736)	(28,125)	(28,124)	(29,660)
Total Expenditures	\$ 259,318	\$ 1,184,229	\$ 298,008	\$ 1,484,919
Ending Fund Balance	\$ 24,024	\$ 35,835	\$ -	\$ -

HOTEL OCCUPANCY TAX

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ 615,418	\$ 461,181	\$ 568,713	\$ 433,260
Revenues				
Hotel Occupancy Tax Receipts	\$ 791,472	\$ 765,000	\$ 810,000	\$ 810,900
Interest Earned	6,652	6,000	4,000	4,000
Miscellaneous Receipts	21,565	20,000	10,695	3,500
Catering Revenues	408,188	448,975	232,000	50,000
Event Revenue	222,853	250,000	260,000	286,000
Transfer from General Fund	750,000	750,000	750,000	675,000
Total Fund Balance and Revenues	\$ 2,816,148	\$ 2,701,156	\$ 2,635,408	\$ 2,262,660
Expenditures				
Visitor's & Convention Bureau	\$ 2,027	\$ -	\$ -	\$ -
Grants to the Arts	103,987	139,583	139,583	116,541
Convention Center Expenditures	-	-	-	-
Historical Restoration/Preservation	5,667	10,000	10,000	8,500
Office Expense & Support Services	7,787	10,000	4,000	4,000
Transfer to Debt Service	694,387	693,191	693,191	693,016
Conference Center Salaries/Benefits	478,872	576,425	517,488	568,513
Conference Center Supplies	38,685	47,017	49,017	47,107
Conference Center Maint/Repairs	19,969	46,217	65,242	29,575
Conference Center Support Svcs	787,514	748,131	572,074	378,578
Year End Salary Accrual	15,999	-	-	-
Conf Cntr Advertising/Marketing	67,942	88,655	88,655	79,261
Conference Center Capital Outlay	13,365	5,883	5,883	41,586
Information Tech Maintenance	-	56,665	56,665	48,700
Information Tech Capital Outlay	11,234	350	350	-
Total Expenditures	\$ 2,247,435	\$ 2,422,117	\$ 2,202,148	\$ 2,015,377
Ending Fund Balance	\$ 568,713	\$ 279,039	\$ 433,260	\$ 247,283

LAW ENFORCEMENT GRANT

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ 86,178	\$ 124,977	\$ 121,412	\$ 89,528
Revenues				
Federal Receipts	\$ 104,637	\$ 118,000	\$ 196,752	\$ 43,300
Interest Earned	2,242	-	280	-
City Matching Funds	13,097	-	10,750	12,000
Total Fund Balance and Revenues	\$ 206,154	\$ 242,977	\$ 329,194	\$ 144,828
Expenditures				
LE Equipment Grant 2000	70,570	-	-	-
LE Equipment Grant 2001	2,370	-	-	-
LE Equipment Grant 2002	11,802	122,468	121,666	-
LE Equipment Grant 2003	-	118,000	118,000	-
LE Equipment Grant 2004	-	-	-	55,300
Total Expenditures	\$ 84,742	\$ 240,468	\$ 239,666	\$ 55,300
Ending Fund Balance	\$ 121,412	\$ 2,509	\$ 89,528	\$ 89,528

LIBRARY MEMORIAL

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ 23,778	\$ -	\$ -	\$ -
Revenues				
Memorials Collected	\$ 5,694	\$ -	\$ -	\$ -
Interest Earned	109	-	-	-
Total Fund Balance and Revenues	\$ 29,581	\$ -	\$ -	\$ -
Expenditures				
Expense	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 29,581	\$ -	\$ -	\$ -

LIONS CLUB PARK

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-5
Beginning Fund Balance	\$ 104,772	\$ -	\$ 28,887	\$ 29,080
Revenues				
Contributions & Donations	\$ 9,030	\$ -	\$ -	\$ -
Interest Earned	636	-	193	-
Total Fund Balance and Revenues	\$ 114,438	\$ -	\$ 29,080	\$ 29,080
Expenditures				
Park Construction	\$ 85,551	\$ -	\$ -	\$ 29,080
Total Expenditures	\$ 85,551	\$ -	\$ -	\$ 29,080
Ending Fund Balance	\$ 28,887	\$ -	\$ 29,080	\$ -

PARK IMPROVEMENTS FUND

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ 67,456	\$ 40,996	\$ 19,109	\$ -
Revenues				
Cruz-Hull Receipts	\$ 21,839	\$ 50,000	\$ -	\$ -
Interest Earned	245	-	-	-
Total Fund Balance and Revenues	\$ 89,540	\$ 90,996	\$ 19,109	\$ -
Expenditures				
Expense - Park Improvements	\$ 70,431	\$ 90,996	\$ 19,109	\$ -
Monitor Professional Services	-	-	-	-
Lane Park Improvements	-	-	-	-
Total Expenditures	\$ 70,431	\$ 90,996	\$ 19,109	\$ -
Ending Fund Balance	\$ 19,109	\$ -	\$ -	\$ -

POLICE FEDERAL SEIZURE FUND

	Actual		Budget		Estimated		Adopted
	2002-03		2003-04		2003-04		2004-05
Beginning Fund Balance	\$ 66,927	\$	24,927	\$	31,964	\$	2,430
Revenues							
Federal Seizure Receipts	\$ 9,002	\$	1,000	\$	1,000	\$	1,000
Interest Earned	1,257		500		80		-
Total Fund Balance and Revenues	\$ 77,186	\$	26,427	\$	33,044	\$	3,430
Expenditures							
Expense	\$ 45,222	\$	31,614	\$	30,614	\$	2,800
Total Expenditures	\$ 45,222	\$	31,614	\$	30,614	\$	2,800
Ending Fund Balance	\$ 31,964	\$	(5,187)	\$	2,430	\$	630

POLICE STATE SEIZURE FUND

		Actual 2002-03		Budget 2003-04		Estimated 2003-04		Adopted 2004-05
Beginning Fund Balance	\$	27,444	\$	19,149	\$	30,949	\$	36,450
Revenues								
State Seizure Receipts	\$	19,581	\$	20,000	\$	45,000	\$	20,000
Interest Earned		784		400		50		-
Total Fund Balance and Revenues	\$	47,809	\$	39,549	\$	75,999	\$	56,450
Expenditures								
Expense	\$	16,860	\$	39,549	\$	39,549	\$	30,000
Total Expenditures	\$	16,860	\$	39,549	\$	39,549	\$	30,000
Ending Fund Balance	\$	30,949	\$	-	\$	36,450	\$	26,450

CAPITAL OUTLAY

Capital Outlay items are expenditures for fixed assets such as equipment, remodeling, minor building improvements and vehicles that are funded from the operating budgets. These items generally have a life expectancy of five years or less. Since long-term financing is not necessary and expenditures of this type are of a recurring nature, these items are not part of the Capital Improvements Program. The total FY 2004-05 Adopted Budget and Plan of Municipal Services for Capital Outlay is \$5,045,329. This amount represents an increase of \$2,235,156 or 79.54% in Capital Outlay over the prior year. The changes in Capital Outlay expenditures for operations by fund are as follows:

	<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>Dollar Increase (Decrease)</u>
General Fund	\$ 898,715	\$ 2,262,544	\$ 1,363,829
Killeen-Fort Hood Regional Airport Fund	92,866	108,310	15,444
Skylark Field Fund	140,450	25,400	(115,050)
Solid Waste Fund	1,010,698	1,278,297	267,599
Water & Sewer Fund	431,380	412,814	(18,566)
Drainage Utility Fund	12,124	8,718	(3,406)
Other Funds	223,940	949,246	725,306
Total	<u>\$ 2,810,173</u>	<u>\$ 5,045,329</u>	<u>\$ 2,235,156</u>

"The City Without Limits!"

CAPITAL OUTLAY SUMMARY

	ADOPTED FY 2003-04	ADOPTED FY 2004-05
GENERAL FUND		
City Council	-	-
City Manager	-	-
Municipal Court	898	38,505
Code Enforcement	-	41,400
Animal Control	-	43,500
Public Information	-	-
Volunteer Services	-	-
City Attorney	16,100	17,300
City Secretary	-	-
Finance	-	2,493
Accounting	-	-
Purchasing	-	350
Building Services	-	-
Custodial Services	-	37,200
Printing Services	-	1,600
EMS Billing & Collection	-	-
Human Resources	1,500	1,100
Information Technology	1,500	37,130
Permits & Inspections	300	27,650
Library	116,000	134,589
Branch Library	-	-
Parks	-	78,350
Recreation	-	11,000
Athletics	-	-
Cemetery	-	-
Senior Citizens	-	3,800
Swimming Pools	2,000	-
Community Development	-	18,000
Home Program	-	-
Public Works	-	-
Engineering	-	35,800
Traffic	-	49,200
Street	-	102,250
Planning	-	-
Police Administration	364,447	776,108
Gang Unit	7,140	-
Fire Department	4,600	260,735
Non-Departmental	384,230	544,484
TOTAL GENERAL FUND	898,715	2,262,544

CAPITAL OUTLAY SUMMARY

	ADOPTED FY 2003-04	ADOPTED FY 2004-05
KILLEEN-FORT HOOD REGIONAL AIRPORT		
Operations	90,290	76,070
Non-Departmental	2,576	32,240
TOTAL KILLEEN-FORT HOOD REGIONAL AIRPORT	92,866	108,310
SKYLARK FIELD FUND		
Operations	127,000	25,000
Non-Departmental	13,450	400
TOTAL SKYLARK FIELD FUND	140,450	25,400
SOLID WASTE FUND		
Code Enforcement	150	150
Residential	620,850	754,529
Commercial	375,312	453,475
Recycling Program	-	25,580
Transfer Station	-	19,490
Non-Departmental	14,386	25,073
TOTAL SOLID WASTE FUND	1,010,698	1,278,297
WATER & SEWER FUND		
Fleet Services	37,500	90,065
Utility Collections	-	24,245
Water Distribution	26,450	34,900
Sanitary Sewer	122,860	118,700
Operations	69,400	32,600
Non-Departmental	175,170	112,304
TOTAL WATER & SEWER FUND	431,380	412,814
DRAINAGE UTILITY FUND		
Engineering	12,124	-
Non-Departmental	-	8,718
TOTAL DRAINAGE UTILITY FUND	12,124	8,718
OTHER FUNDS		
Law Enforcement Grant	122,028	55,300
Police State Seizure Fund	39,549	12,000
Police Federal Seizure Fund	26,427	2,000
Killeen Civic and Conference Center	5,936	41,586
Golf Revenue C/O Construction	-	29,600
C/O Construction Fund Ser 2004	-	769,760
C/O Construction Fund Ser 1999	-	39,000
Water & Sewer Bond	30,000	-
TOTAL OTHER FUNDS	223,940	949,246
TOTAL CAPITAL OUTLAY	\$ 2,810,173	\$ 5,045,329

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARTMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
GENERAL FUND				
Municipal Court	010-0215-417.61-10	Police Interceptor	36,240	
	010-0215-417.61-30	New Books	2,265	38,505
Code Enforcement	010-0220-420.61-10	Full Sized Four Door Sedan	20,700	
	010-0220-420.61-10	1/2 ton Extended Cab Pickup	20,700	41,400
Animal Control	010-0225-420.61-10	Mid-Sized Four Door Pickup	25,000	
	010-0225-420.61-10	Mid-Sized Four Door Pickup	18,500	43,500
City Attorney	010-1005-416-6120	New Books	16,100	
	010-1005-416-6150	Desk	700	
	010-1005-416-6150	Executive Highback Chair	350	
	010-1005-416-6150	Two-drawer File Cabinet	150	17,300
Finance	010-2010-415.61-05	Telephone	568	
	010-2010-415.61-50	Double Pedestal Desk w drawer	700	
	010-2010-415.61-50	Executive Highback Chair	350	
	010-2010-415.61-50	Bookcase w five shelves	700	
	010-2010-415.61-50	File Cabinet - 4 drawer, legal	175	2,493
Purchasing	010-2030-415.61-05	Executive Highback Chair	350	350
Custodial Services	010-2032-415.61-10	Mid-sized Four Door Pickup	18,600	
	010-2032-415.61-10	Mid-sized Four Door Pickup	18,600	37,200
Printing Services	010-2034-415.61-35	Full mask portable air system	1,600	1,600
Human Resources	010-2305-418.61-20	New Books	1,100	1,100
Information Technology	010-2705-419.61-10	Mid-sized Four Door Pickup	17,815	
	010-2705-419.61-10	Mid-sized Four Door Pickup	17,815	
	010-2705-419-6120	New Books	1,500	37,130
Permits & Insepctions	010-3005-421.61-10	1/2 Ton Extended Cab Pickup	19,150	
	010-3005-421.61-20	New Books	6,500	
	010-3005-421.61-50	Desk, storage and credenza	1,376	
	010-3005-421.61-50	Executive Highback Chair	215	
	010-3005-421.61-50	Two guest chairs	244	
	010-3005-421.61-50	Key Board platform	165	27,650
Library	010-3015-423.6110	Chevy Van 3/4 Ton	17,100	
	010-3015-423.6120	New Books	117,489	134,589
Parks	010-3025-425.61-10	Ford 1/2 Ton Extended Cab P/U	19,300	
	010-3025-425.61-10	Ford 1/2 Ton Extended Cab P/U	18,950	
	010-3025-425.61-10	1/2 ton Four Door Pickup	20,050	
	010-3025-425.61-10	1/2 ton Four Door Pickup	20,050	78,350
Recreation	010-3030-428.61-50	80 Tables and 150 Chairs	11,000	11,000
Senior Citizens	010-3040-429.61-50	Mity-Lite Tables (25)	3,800	3,800

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
GENERAL FUND				
Community Development	010-3050-426.61-10	Four Door Full-Size Sedan	18,000	18,000
Engineering	010-3435-432.61-10	Four Wheel Drive SUV	33,000	
	010-3435-432.61-20	New Books	500	
	010-3435-432.61-30	New Radios	2,300	35,800
Traffic	010-3440-434.61-10	1 Ton Service Truck	30,500	
	010-3440-434.61-10	1/2 Ton Pickup	18,700	49,200
Street	010-3445-434.61-10	1 Ton Crew Cab	31,900	
	010-3445-434.61-10	1 Ton Crew Cab	34,950	
	010-3445-434.61-10	1 Ton Crew Cab	35,400	102,250
Police Department				
CID	010-6000-441.61-05	Shredder	900	
Chief of Staff	010-6000-441.61-05	LCD Projector	2,000	
Staff Services	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
Patrol Division	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
	010-6000-441.61-10	Full-Sized Police Vehicle	42,905	
Staff Services	010-6000-441.61-10	Sport Utility Vehicle	23,900	
CID	010-6000-441.61-10	1/2 Ton Pickup	18,700	
	010-6000-441.61-10	1/2 Ton Pickup	18,700	
	010-6000-441.61-10	1/2 Ton Pickup	18,700	
CID	010-6000-441.61-20	New Books	1,385	
Patrol Division	010-6000-441.61-20	New Books	85	
Staff Services	010-6000-441.61-20	New Books	2,500	
Various	010-6000-441.61-30	New Radios	15,000	
Staff Services	010-6000-441.61-35	Replacement weapons	3,500	
	010-6000-441.61-35	Remington 870P Shotguns	1,875	
Patrol Division	010-6000-441.61-35	10 Flashlights	1,000	
	010-6000-441.61-35	Ballistic Shields	3,391	
	010-6060-441.6135	Sig Sauer P-226 - New Officer (6)	4,200	
	010-6060-441.6135	Remington 870P Shotguns (6)	2,100	
	010-6060-441.6135	Shotgun case - New Officers (6)	150	
	010-6060-441.6135	Shotgun Sling - New Officers (6)	150	
Chief of Staff	010-6000-441.61-50	2 Heavy duty Filing Cabinets	1,656	
	010-6000-441.61-50	36" Filing Cabinet & storage	437	
	010-6000-441.61-50	4-Drawer Filing Cabinet Standard	300	
CID	010-6000-441.61-50	Five desks with Returns	4,500	
Patrol Division	010-6000-441.61-50	Raised Chair, high-back	670	
	010-6000-441.61-50	Executive Chair	558	
	010-6000-441.61-50	Multi-task Chair	916	

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
GENERAL FUND				
Staff Services	010-6000-441.61-50	Corner Workstation Desk (5)	1,000	
	010-6000-441.61-50	Corner Hutch (5)	2,000	
	010-6000-441.61-50	36" Workstation Desk (5)	750	
	010-6000-441.61-50	Three-Drawer File (5)	950	
	010-6000-441.61-50	Keyboard Shelf (4)	240	
	010-6000-441.61-50	48" Workstation Desk (2)	320	776,108
Fire Department	010-7070-441-61-10	Mid Size SUV	43,384	
	010-7070-441-61-10	Mid Size SUV	31,493	
	010-7070-441-61-10	Mid Size SUV	31,493	
	010-7070-441-61-10	Full-Size Four Door Sedan	26,493	
	010-7070-441-61-10	Full-Size Four Door Sedan	26,493	
	010-7070-441-61-10	Mid Size SUV	31,493	
	010-7070-441-61-10	Mid Size SUV	31,493	
	010-7070-441-61-10	Mid Size SUV	31,493	
	010-7070-442.61-30	New Radios	3,500	
	010-7070-442.61-35	Equipment	2,300	
	010-7070-442.61-50	Furniture & Fixtures	1,100	260,735
Non-Departmental				
Municipal Court	010-9508-491.61-40	Personal Computer (1)	8000	
Volunteer Services	010-9508-491.61-40	Printer/Color Laser	2100	
City Attorney	010-9508-491.61-40	Digital Camera	400	
	010-9508-491.61-40	Printer Small Laser (2)	1,100	
	010-9508-491.61-40	17" Flat Monitors (4)	1,230	
	010-9508-491.61-40	Personal Computer	1,600	
	010-9508-491.61-40	Personal Computer - New Attorn	1,600	
	010-9508-491.61-40	Laser Printer - New Attorney	1,400	
	010-9508-491.61-40	Hardware for New Attorney	70	
Public Information Office	010-9508-491.61-40	Digital Camera and Accessories	1,694	
City Secretary	010-9508-491.61-40	17" Flat Monitor	410	
Finance	010-9508-491.61-40	Digital Camera	400	
	010-9508-491.61-40	17" Flat Monitor	410	
	010-9508-491.61-40	Personal Computer (2)	3,200	
	010-9508-491.61-40	Personal Computer Grant Admin	1,600	
	010-9508-491.61-40	Laser Printer- Grant Administrator	550	
General Services	010-9508-491.61-40	Personal Computer (2)	3,200	
Information Syst GIS	010-9508-491.61-40	Barcoding Inventory Scanner	2,000	
	010-9508-491.61-40	Brocade Silkworm 8 port Fiber Switch	49,385	
	010-9508-491.61-40	Exchange Server	11,290	
	010-9508-491.61-40	Print Server	4,500	
Community Development	010-9508-491.61-40	Printer/Laser	1,400	
	010-9508-491.61-40	Personal Computer	1,600	
Permits & Inspections	010-9508-491.61-40	Personal computers (5)	8,000	
	010-9508-491.61-40	Printer/Laser	550	
	010-9508-491.61-40	Laser Printer	550	
	010-9508-491.61-40	GIS Computer w/21" monitor	2,474	
Library Services	010-9508-491.61-40	17" Flat Monitor (4)	1,640	
	010-9508-491.61-40	Personal Computer (6)	9,600	
	010-9508-491.61-40	Document Imaging Scanner	7,595	
Golf Course	010-9508-491.61-40	Personal Computer (5)	8,000	
	010-9508-491.61-40	Printer Small Laser	550	
	010-9508-491.61-40	Printer Color Laser	2,100	
Library Services Branch	010-9508-491.61-40	Personal Computer (5)	8,000	

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
GENERAL FUND				
Parks	010-9508-491.61-40	Personal Computer (2)	3,200	
	010-9508-491.61-40	Printer Color Laser	2,100	
Recreation - GIS	010-9508-491.61-40	Personal Computer	1,600	
Fire	010-9508-491.61-40	Personal Computer (5)	8,000	
	010-9508-491.61-40	HP Design Jet 500 Printer	3,740	
	010-9508-491.61-40	8 Toughbook MDT	35,768	
	010-9508-491.61-40	Toughbook Accessories	7,418	
	010-9508-491.61-40	Elmo Overhead Projector	910	
	010-9508-491.61-40	Sprint Wireless Aircard	310	
	010-9508-491.61-40	Laser Printer	550	
	010-9508-491.61-40	Personal Computer (2)	3,200	
	010-9508-491.61-40	Notebook (2)	4,000	
Public Works	010-9508-491.61-40	Digital Cameral	400	
Streets	010-9508-491.61-40	Ruggdized Notebook	4,040	
	010-9508-491.61-40	Printer/Color Laser	2,100	
	010-9508-491.61-40	Personal Computer (3)	4,800	
	010-9508-491.61-40	infocus projector	2,500	
Planning	010-9508-491.61-40	Printer HP Designjet 60"	19,026	
	010-9508-491.61-40	Dell Server Replace Mapping	9,000	
Police Department	010-9508-491.61-40	MDT RS 18	94,820	
	010-9508-491.61-40	Printer Laser Dispatch	1,400	
	010-9508-491.61-40	Printer Small Laser	1,650	
	010-9508-491.61-40	Printer Small Laser	1,650	
	010-9508-491.61-40	Personal Computer Crime (2)	3,200	
	010-9508-491.61-40	Personal Computer Jail	1,600	
	010-9508-491.61-40	Personal Computer Legal	1,600	
	010-9508-491.61-40	Personal Computer Warrants	1,600	
	010-9508-491.61-40	Personal Computer Patrol (3)	4,800	
	010-9508-491.61-40	Personal Computer Records (3)	4,800	
	010-9508-491.61-40	Personal Computer Victims (2)	3,200	
	010-9508-491.61-40	Notebook	2,000	
	010-9508-491.61-40	Palm Pilot	500	
CID/YSU	010-9508-491.61-40	Personal Computer CID (7)	11,200	
	010-9508-491.61-40	Printer Small Laser YSU	550	
OCD	010-9508-491.61-40	Personal Computer (2)	3200	
	010-9508-491.61-40	Personal Computer (7)	11200	
	010-9508-491.61-45	Microsoft office (5)	1,600	
	010-9508-491.61-45	Windows 2000 (5)	1,000	
City Attorney	010-9508-491.61-45	Microsoft Office Pro Upgrade	320	
	010-9508-491.61-45	Windows 2000	200	
	010-9508-491.61-45	Microsoft Office Pro - New Attorn	320	
	010-9508-491.61-45	Windows UPG XP - New Attorney	200	
	010-9508-491.61-45	Windows Client 2000 - New Attorn	20	
	010-9508-491.61-45	Exchange Client - New Attorn	45	
	010-9508-491.61-45	Sotware - New Attorney	206	
Finance	010-9508-491.61-45	Microsoft Office Pro Upgrade (2)	640	
	010-9508-491.61-45	Windows XP Pro (2)	400	
	010-9508-491.61-45	Office Pro -Grant Administrator	320	
	010-9508-491.61-45	Windows UPG-Grant Admin	200	
	010-9508-491.61-45	Windows Client 2000 Grant Admin	20	
	010-9508-491.61-45	Exchange Client - Grant Admin	45	
General Services	010-9508-491.61-45	Microsoft Office Pro Upgrade (2)	640	
	010-9508-491.61-45	Windows XP Pro (2)	400	
Information Syst GIS	010-9508-491.61-45	Inventory Barcode Software	3,000	

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
GENERAL FUND				
	010-9508-491.61-45	Helpstar support Rep licenses 8	6,200	
Community Development	010-9508-491.61-45	Windows XP Pro	200	
	010-9508-491.61-45	Microsoft Office Pro Upgrade	320	
Permits & Inspections	010-9508-491.61-45	Microsoft Office (5)	1,600	
	010-9508-491.61-45	Windows 2000 (5)	1,000	
	010-9508-491.61-45	Microsoft Office pro/w manuals	320	
	010-9508-491.61-45	Windows UPG - Plans Reviewer	200	
	010-9508-491.61-45	Windows Client - Plans Reviewer	20	
	010-9508-491.61-45	Exchange Client - Plans Reviewer	45	
	010-9508-491.61-45	ARC View GIS - Plans Reviewer	2,856	
Library Services	010-9508-491.61-45	Windows XP Pro (6)	1,200	
	010-9508-491.61-45	Microsoft Office Pro Upgrade (2)	1,920	
Golf Course	010-9508-491.61-45	Office Pro (5)	1600	
	010-9508-491.61-45	Windows XP (5)	1,000	
	010-9508-491.61-45	Windows Cal (5)	100	
	010-9508-491.61-45	Exchange Cal (5)	225	
Library Services Branch	010-9508-491.61-45	Windows XP (5)	1,000	
	010-9508-491.61-45	MS Office Pro (5)	1,600	
Recreation	010-9508-491.61-45	Windows 2000	200	
	010-9508-491.61-45	Microsoft Office Pro U	320	
Parks	010-9508-491.61-45	Microsoft Office Pro U (2)	640	
	010-9508-491.61-45	Windows	400	
Fire	010-9508-491.61-45	Microsoft Office Pro (5)	1,600	
	010-9508-491.61-45	Windows 2000 (5)	1,000	
	010-9508-491.61-45	Computer Software (2)	1,170	
	010-9508-491.61-45	Notebook Software (2)	1,170	
	010-9508-491.61-45	Toughbook Software	4,320	
Streets	010-9508-491.61-45	Microsoft Office Pro Upgrade (3)	960	
	010-9508-491.61-45	Windows XP(3)	600	
	010-9508-491.61-45	Microsoft Office Pro Upgrade	320	
	010-9508-491.61-45	Windows XP	200	
	010-9508-491.61-45	Windows Client	20	
	010-9508-491.61-45	Exchange Client	45	
PW Administration	010-9508-491.61-45	Volo View (2)	198	
	010-9508-491.61-45	MS Project (2)	650	
	010-9508-491.61-45	Volo View	99	
	010-9508-491.61-45	Microsoft Office Pro Upgrade	325	
Police Department	010-9508-491.61-45	Microsoft Office Pro Upgrade (18)	5,760	
	010-9508-491.61-45	Windows Cal (18)	360	
	010-9508-491.61-45	Exchange Cal (18)	810	
	010-9508-491.61-45	Windows XP Crime (2)	640	
	010-9508-491.61-45	Office Pro jail	320	
	010-9508-491.61-45	Windows XP Jail	200	
	010-9508-491.61-45	Office Pro Legal	320	
	010-9508-491.61-45	Windows XP Legal	200	
	010-9508-491.61-45	Office Pro Warrants	320	
	010-9508-491.61-45	Windows XP Warrants	200	
	010-9508-491.61-45	Office Patrol (3)	960	
	010-9508-491.61-45	Windows XP Patrol (3)	600	
	010-9508-491.61-45	Office Pro Records (3)	960	
	010-9508-491.61-45	Windows XP Records (3)	600	
	010-9508-491.61-45	Office Pro Victims (2)	640	
	010-9508-491.61-45	Windows XP Victims (2)	400	
	010-9508-491.61-45	Notebook Software	585	

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
GENERAL FUND				
	010-9508-491.61-45	MIS Office Pro Upgrade Crime (2)	400	
	010-9508-491.61-45	Analysis Software GIS	60,000	
	010-9508-491.61-45	Personal Computer Gang (2)	3,200	
	010-9508-491.61-45	Office Pro Gang (2)	640	
	010-9508-491.61-45	Windows XP Gang (2)	400	
CID/YSU	010-9508-491.61-45	Microsoft Office Pro U (7)	2,240	
	010-9508-491.61-45	Windows 2000 (7)	1,400	
	010-9508-491.61-45	Office Pro YSU (5)	1,600	
	010-9508-491.61-45	Windows XP YSU (5)	1,000	
	010-9508-491.61-45	Windows 2000 U (2)	400	
	010-9508-491.61-45	Office Pro Gang (2)	640	
Briefing	010-9508-491.61-45	Microsoft Office Pro Upgrade (7)	2,240	
	010-9508-491.61-45	Windows XP	1,400	544,484
TOTAL GENERAL FUND			\$ 2,262,544	

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARTMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
KILLEEN-FORT HOOD REGIONAL AIRPORT				
Operations	525-0505-521.61-10	Mid-Size Crew Cab Pickup Truck	24,000	
	525-0505-521.61-10	1/2 Ton Pickup Truck	23,400	
	525-0505-521.61-10	Riding Mower ZTR w/60" Deck	13,295	
	525-0505-521-6130	New Radios	12,375	
	525-0505-521.61-50	Maintenance Shelf Shelving	1,000	
	525-0505-521.61-50	Storage Rooms Shelving	2,000	76,070
Non-Departmental	525-9808-521.61-40	Printer small Laser (4)	2,200	
	525-9808-521.61-40	Personal Computers (2)	3,200	
	525-9808-521.61-40	19" Monitor (2)	1,220	
	525-9808-521.61-40	Infocus Projector	2,500	
	525-9808-521.61-40	Document Imaging Scanner	7,595	
	525-9808-521.61-40	Notebook	2,000	
	525-9808-521.61-40	Printer Color Laser	2,100	
	525-9808-521.61-40	New Computer - IT Tech	1,600	
	525-9808-521.61-40	Laser Printer - IT Tech	550	
	525-9808-521.61-40	New Computer - Acct Specialist	1,600	
	525-9808-521.61-40	Laser Printer - Acct Specialist	550	
	525-9808-521.61-45	Microsoft Office (3)	960	
	525-9808-521.61-45	Windows 2000 (3)	600	
	525-9808-521.61-45	Exchange Client	135	
	525-9808-521.61-45	Windows 2000 Client	60	
	525-9808-521.61-45	Microsoft Office - IT Technical	320	
	525-9808-521.61-45	Windows UPG XP - IT Technical	200	
	525-9808-521.61-45	Windows Client 2000 - IT Tech	20	
	525-9808-521.61-45	Exchange Client - IT Technician	45	
	525-9808-521.61-45	Microsoft Office - Act Specialist	320	
	525-9808-521.61-45	Windows UPG XP - Act Specialist	200	
	525-9808-521.61-45	Windows Client 2000 -Acct Specialist	20	
	525-9808-521.61-45	Exchange Client - Acct Specialist	45	
	525-9808-521.61-45	GIS Internet Viewing 2	200	
	525-9808-521.61-45	Utility Management	4,000	32,240
TOTAL KILLEEN-FORT HOOD REGIONAL AIRPORT FUND			\$	<u>108,310</u>

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARTMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
SKYLARK FIELD FUND				
Operations	527-0505-521.61-35	Video Surveillance System	25,000	25,000
Non-Departmental	527-9508-521.61-40	Digital Camera	400	400
TOTAL SKYLARK FIELD FUND			\$	<u>25,400</u>

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARTMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
SOLID WASTE FUND				
Code Enforcement	540-0220-439.61-20	New Books	150	150
Residential	540-3460-439.61-10	1/2 ton Standard Cab Pickup Truck	18,150	
	540-3460-439.61-10	Rearloading Collection Vehicle	140,000	
	540-3460-439.61-10	Sideloading Collection Vehicle	166,290	
	540-3460-439.61-10	Rearloading Collection Vehicle	140,000	
	540-3460-439.61-10	Sideloading Collection Vehicle	166,290	
	540-3460-439.61-30	New Radios	2,430	
	540-3460-439.61-35	Roll-Out Containers	111,639	
	540-3460-439.61-50	Chairs (40) and Tables (10)	4,960	
	540-3460-439.61-50	High Back Chairs (3)	1,050	
	540-3460-439.61-50	Desk with return (3)	2,400	
	540-3460-439.61-50	File Cabinet - 4-Drawer (3)	600	
	540-3460-439.61-50	Stack on Hutch with Doors (3)	720	754,529
Commercial	540-3465-439.61-10	1/2 Ton Pickup Truck	17,900	
	540-3465-439.61-10	Frontloading Collection Vehicle	160,000	
	540-3465-439.61-10	Frontloading Collection Vehicle	160,000	
	540-3465-439.61-35	Dumpster Containers	110,615	
	540-3465-439.61-10	Chairs (40)	2,200	
	540-3465-439.61-35	Tables (10)	2,760	453,475
Recycling	540-3470-439.61-10	1/2 Ton Pickup Truck	17,900	
	540-3470-439.61-35	Platform Scale	3,500	
	540-3470-439.61-35	Pallet Jack	350	
	540-3470-439.61-35	Self Tilting Hopper	1,800	
	540-3470-439.61-35	Cart, Tipping	600	
	540-3470-439.61-50	Desk	600	
	540-3470-439.61-50	Chair (2)	400	
	540-3470-439.61-50	File Cabinet, 4 drawer	180	
	540-3470-439.61-50	Bookcase, 5 shelf	250	25,580
Transfer Station	540-3475-439.61-10	1/2 Ton Pickup Truck/ Long Bed	19,490	19,490
Non-Departmental	540-9508-439.61-40	21" Monitor (3)	3,000	
	540-9508-439.61-40	Memory (3)	825	
	540-9508-439.61-40	Personal Computer (2)	4,600	
	540-9508-439.61-40	Personal Computer (2)	3,200	
	540-9508-439.61-45	GIS Internet Viewing (8)	800	
	540-9508-439.61-45	ArcView 8.3 (3)	8,568	
	540-9508-439.61-45	Utility Manager Software	2,000	
	540-9508-439.61-45	Windows XP (2)	800	
	540-9508-439.61-45	Office Pro (2)	1,280	25,073
TOTAL SOLID WASTE FUND			\$ 1,278,297	

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARTMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
WATER & SEWER FUND				
Fleet Services	550-2033-415.61-10	Mid-Size 4 Door Truck	18,665	
	550-2033-415.61-10	1/2 ton Pickup Truck	18,400	
	550-2033-415.61-10	Full Size 4 Door Sedan	20,000	
	550-2033-415.61-35	Fuel Island Dispenser	33,000	90,065
Utility Collections	550-2050-411.61-10	1/2 ton Pickup Truck	18,245	
	550-2050-411.61-35	Perforating Machine	6,000	24,245
Water Distribution	550-3410-415.61-10	3/4 Ton Utility Body Truck	32,600	
	550-3410-415.61-55	Tapping Machine (2)	2,300	34,900
Sanitary Sewer	550-3415-437.61-30	Sewer Jetting Machine	118,700	118,700
Operations	550-3420-438.61-10	3/4 Ton Utility Truck	32,600	32,600
Non-Departmental				
Utility Collections	550-9508-492.61-40	Personal Computer (2)	3,200	
	550-9508-492.61-40	Laser Printer (1)	1,400	
Sanitary Sewer	550-9508-492.61-40	Notebook	2,000	
	550-9508-492.61-40	Monitor (4)	4,000	
	550-9508-492.61-40	Memory	1,100	
Operations	550-9508-492.61-40	Printer small laser	550	
	550-9508-492.61-40	Printer color laser	2,100	
	550-9508-492.61-40	GIS Computer	2,475	
	550-9508-492.61-40	Digital Camera	400	
	550-9508-492.61-40	21" Monitor W/Graphics Card	680	
Utility Collections	550-9508-492.61-45	Microsoft Office Pro (2)	640	
	550-9508-492.61-45	Windows 2000 Pro (2)	400	
	550-9508-492.61-45	ARC Editor	7,400	
Sanitary Sewer	550-9508-492.61-45	Microsoft Office Pro	320	
	550-9508-492.61-45	Windows XP	200	
	550-9508-492.61-45	ARC View	11,424	
	550-9508-492.61-45	Internet Viewing	1,400	
Operations	550-9508-492.61-45	Office Pro	320	
	550-9508-492.61-45	Windows XP	200	
	550-9508-492.61-45	ARC View	2,856	
	550-9508-492.61-45	Autocad Map	4,144	
	550-9508-492.61-45	MS Project	325	
	550-9508-492.61-45	ARC View	2,856	
	550-9508-492.61-45	Watercad w/Autocad 5000	7,995	
	550-9508-492.61-45	Flowmaster	495	
	550-9508-492.61-45	MIS Project	325	
	550-9508-492.61-45	VOLO View	99	
	550-9508-492.61-45	Utility Management	21,000	
	550-9508-492.61-45	Internet Viewing Software	200	
	550-9508-492.61-45	Management Software GIS	15,000	
Fleet	550-9508-492.61-45	Fleet Mgmt Software	16,800	112,304
TOTAL WATER & SEWER FUND			\$	412,814

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARTMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
DRAINAGE UTILITY FUND				
Non-Departmental	575-9508-492.61-45	ARC View	2,856	
	575-9508-492.61-45	MS Project	325	
	575-9508-492.61-45	Autocad Map	3,995	
	575-9508-492.61-45	Autocad Map Express Tools	149	
	575-9508-492.61-45	Autocad LT	799	
	575-9508-492.61-45	ARC Pad 6.X	495	
	575-9508-492.61-45	VOLO View	99	8,718
TOTAL DRAINAGE UTILITY FUND			\$	<u>8,718</u>

**CAPITAL OUTLAY BUDGET
FY 2004-05**

FUND/DEPARTMENT/DIVISION	ACCOUNT #	DESCRIPTION	AMOUNT	TOTAL
OTHER FUNDS				
Law Enforcement Grant	207-0000-495.61-38	Equipment '04 Grant	55,300	55,300
Police State Seizure	208-0000-495.61-35	Equipment	12,000	12,000
Police Federal Seizure	209-0000-495.61-35	Equipment	2,000	2,000
Killeen Civic and Conf Ctr	214-0705-457.61-10	Ford Crown Victoria	18,000	
	214-0705-457.61-10	Ford P/U 1/2 Ton	18,000	
	214-9508-457.61-50	Forklift Lease	5,586	41,586
Golf Rev C/O Construct	332-0000-424.61-05	Phone, security, surveillance etc	28,700	
	332-0000-424.61-50	Furniture and Fixtures	900	29,600
C/O Constr Fund Ser 2004	333-0000-800.61-10	6 yard Dump truck	61,450	
	333-0000-800.61-10	6 yard Dump truck	61,950	
	333-0000-800.61-10	6 yard Dump truck	61,450	
	333-0000-800.61-10	2-1/2 Ton Crew Cab w encl Bed	61,165	
	333-0000-800.61-10	Street Sweeper	114,500	
	333-0000-800.61-10	Street Sweeper	114,500	
	333-0000-800.61-10	1 Ton Crew Cab Utility Truck	36,150	
	333-0000-800.61-10	Pot-hole Patching Truck	69,000	
	333-0000-800.61-10	4 X 4 Brush Truck w Pumper	60,000	
	333-0000-800.61-10	4 X 4 Brush Truck w Pumper	60,000	
	333-0000-800.61-10	6 yard Dump truck	69,595	769,760
	C/O Constr Fund Ser 1999	398-3490-800.61-10	1/2 Ton Pickup	19,500
398-3490-800.61-10		1/2 Ton Pickup	19,500	39,000
TOTAL OTHER FUNDS			\$ 949,246	
TOTAL CAPITAL OUTLAY			\$ 5,045,329	

CAPITAL IMPROVEMENT PROGRAM

Capital Improvements are assets which are considered major purchases or improvement programs that generally have a life span of ten years or more or improvements that are not normally funded through the operating budgets. The City generally plans capital expenditures over a three-year period; however, a formal capital improvements budget is adopted for the current year only. Capital spending is monitored continuously and the capital improvements plan is updated accordingly.

The main categories of capital improvement programs are General Fund, Enterprise Funds, (Water and Sewer, Solid Waste Robert Gray Army Airfield and Aviation) and Community Development Block Grant programs. Bond construction funds are applied to General Fund projects or Enterprise Fund projects depending upon the nature of the bond issue.

Funding for the projects in the 2004-05 Capital Improvements Program come from a wide variety of sources. These funding sources include:

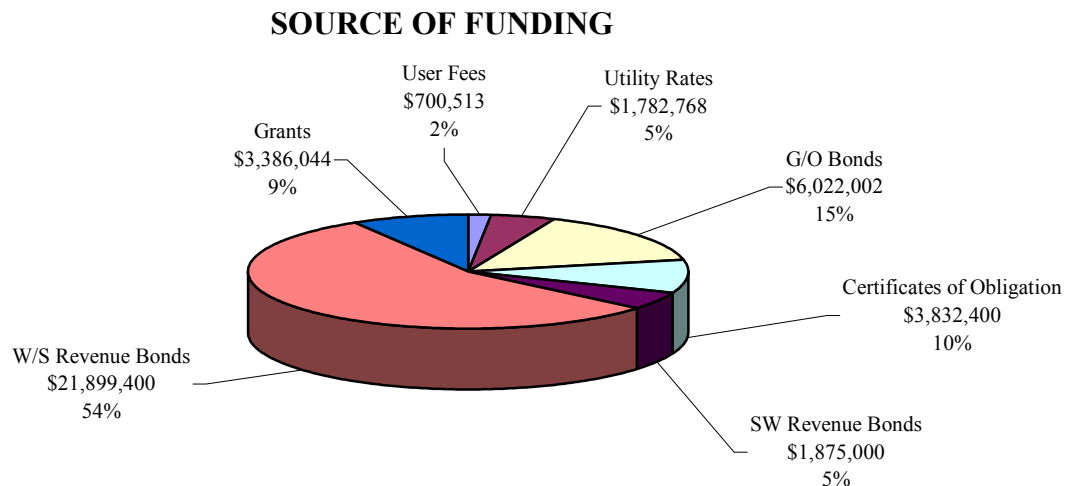
- **Ad Valorem Taxes** – Funds received from a tax levy on all non-exempt property within the City limits.
- **General Obligation Bonds** – Funds received through the sale of bonds, which are repaid through taxes on all non-exempt property within the City limits.
- **Current Revenues** – Funds received from the City’s current operating budgets for projects which may benefit the community as a whole (General Fund), utility users (Water and Sewer Fund, Solid Waste, Drainage Utility) or airport users (Robert Gray Army Airfield and Aviation Fund)
- **Community Development Block Grant Funds** – Funds received from the Federal Government Community Development Block Grant entitlement programs.
- **Revenue Bonds** – Funds received from the sale of bonds, which are repaid through the utility charges.
- **Passenger Facility Charges** – Funds received from a levy paid by users in the airport.

The total budget amount of the FY 2004-05 Capital Improvements Program is \$39,498,127.

“The City Without Limits!”

CAPITAL IMPROVEMENTS PROGRAM

The City of Killeen Capital Improvements Program for FY 2004-05 is \$39,498,127. The total project budget is \$21,103,387 more than the previous years capital improvements program of \$18,394,740. The FY2004-05 program includes funding for the first phase of \$64,295,000 in general obligation capital improvement programs approved by Killeen voters on November 5, 2002. The propositions included programs for Streets and Signalization, Public Safety Buildings and Facilities, and Parks and Recreation Buildings and Facilities. The City has developed a schedule for capital improvement programs over a five-year period, however a formal capital improvement budget is adopted for the current year only. The City is committed to an on-going process of Capital Improvements Projects planning and review. Each year major capital improvements programs are reviewed and approved by the City Council. These programs are incorporated into the annual operating budget and the projects are monitored accordingly.



Total Capital Improvements Budget - \$39,498,127

Funding for the FY 2004-05 Capital Improvements Program comes from a variety of sources. The City of Killeen has legal authority to issue general obligation bonds (bonds which are repaid from an ad valorem tax levy and secured by the general faith and credit of the City.) The City uses general obligation debt for major street reconstruction projects including rights-of way acquisition, development of park and recreational facilities, drainage improvements, and construction of public facilities such as libraries, fire stations, swimming pools, city offices, municipal court buildings, community centers, and other general public use facilities. The FY 2004-05 Capital Improvements Program includes \$6,022,002 of programs financed by general obligation bond proceeds.

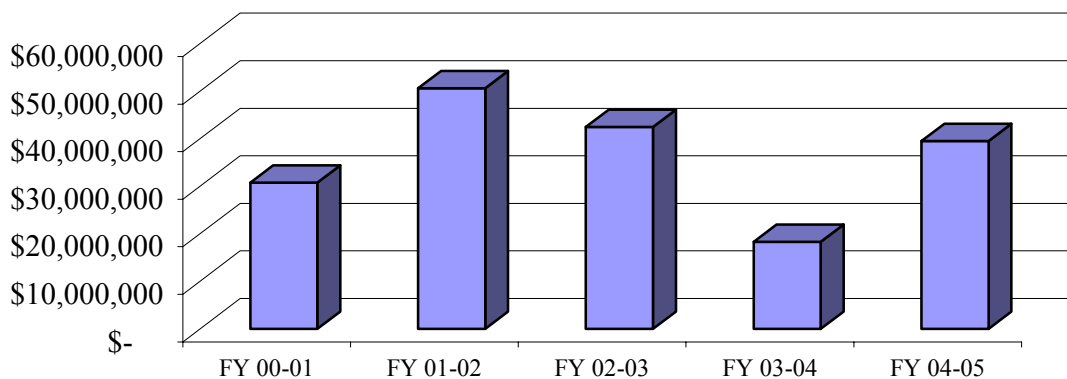
The City has the authority to issue non-voter approved general obligation debt such as certificates of obligation and contractual obligations. The use of this type of financing is generally limited to the purchase of major equipment items and heavy use vehicles, which have a useful life of 5-10 years. The FY 2004-05 Capital Improvements Program includes \$3,832,400 of capital improvement programs financed by general certificates of obligation. Capital

improvement projects at the Killeen Municipal Golf Course are being completed with \$2,832,400 from the general certificate of obligations; however, the debt service will be funded from a pledge of revenues generated by the City's Golf Course operations.

The financing of water and sewer infrastructure projects is generally done through the use of revenue bonds. Revenue bonds do not require voter approval and are repaid from a pledge of the revenues generated by the City's Water and Sewer Enterprise Utility Fund. Revenue bonds may also be used for projects in the Solid Waste Enterprise Fund and the Drainage Utility Enterprise Fund. The FY 2004-05 Capital Improvements Program includes \$23,774,400 of programs financed by revenue bonds. Other assets used in the City's enterprise funds are financed by current utility rate revenues from the enterprise funds. For FY 2004-05, \$1,782,768 of the enterprise funds capital improvements are financed by this method. These items include hydrant and meter purchases, extension of water and sewer lines, demolition and replacement projects, and drainage projects.

Grants from federal and state agencies fund a major portion of the capital improvements program. The primary source of grant funding in the FY 2004-05 budget is the Community Development Block Grant Program. The FY 2004-05 Capital Improvements Program includes \$3,386,044 in FY2005 grant funding.

BUDGETED EXPENDITURES



Total budgeted expenditures for the last five fiscal years

ANALYSIS OF CAPITAL IMPROVEMENT PROJECTS

The FY 2004-05 Capital Improvements Program includes several programs, which have been prioritized by the City Staff and approved by the City Council. The following is a brief narrative of some of the **major** projects and the estimated fiscal impact of the project on the operating budgets.

SKYLARK FIELD OPERATING FUND

1. Skylark Field - Pavement Crack Seal

Pavement Crack Seal will preserve runway, taxiway, and the aircraft parking apron pavement. The program will keep airport surfaces in safe, usable condition for aircraft. This program will only be executed if 50% funding is received through a TxDOT grant program.

Cost: \$15,000

Operating Budget Impact: The program is being funded from the operating revenues of the system.

Departments: Aviation – Skylark Field

2. Skylark Field - Guidance Sign Panel Replacement

This program will replace deteriorated panels on the runway and taxi guidance signs. The program will return the mandated signage to FAA standards and improve safety at night and in poor weather conditions. 50% matching funds for this program are available from the TxDOT RAMP program.

Cost: \$20,000

Operating Budget Impact: The program is being funded from the operating revenues of the system.

Departments: Aviation – Skylark Field

WATER AND SEWER OPERATING FUND

1. Customer Services, Hydrants, and Meters

The Water and Sewer Distribution department continues an aggressive schedule for maintenance of water meters and valve exercising. In addition, supplies and equipment are necessary for the estimated 1,600 new service connections in FY 2004-05.

Cost: \$262,768 for customer meters, water service fittings, hydrants, pumps, pipes, and related personnel costs.

Operating Budget Impact: The program is being funded from the operating revenues of the system.

Departments: Public Works

2. Water and Sewer Line Extensions

The budget includes funds for City participation in the cost of oversized water and sewer lines.

Cost: \$500,000
Operating Budget Impact: The program is being funded from the operating revenues of the system.
Departments: Public Works

3. Demolition and Replacement Projects

The budget includes funds for the demolition of the 8th Street tank, the demolition of Pump Station #4, and the replacement of the Bundrant Street tank and pipeline.

Cost: \$605,000
Operating Budget Impact: These programs are being funded from the operating revenues of the system.
Departments: Public Works

DRAINAGE UTILITY OPERATING FUND

1. Drainage Projects

The City has implemented a drainage capital improvements program and is preparing a Drainage Master Plan to address drainage infrastructure inadequacies and required system upgrades. FY 2004-05 funding for capital improvements programs will comply with the directives of the Master Plan.

Cost: \$415,000
Operating Budget Impact: These programs are being funded from the operating revenues of the system.
Departments: Public Works

GENERAL OBLIGATION CAPITAL IMPROVEMENTS PROGRAM

1. 1993 Capital Improvements Program bond program is currently in progress. The projects approved by the voters in the 1993 election were:

Street and Traffic Improvements	\$ 7,425,000
Public Service Facilities	2,380,000
New Animal Control Facilities	150,000
Municipal Library Expansion	<u>540,000</u>
Totals	<u>\$ 10,495,000</u>

The bonds were issued in two phases. Phase I is referred to as the 1993 General Obligation Bonds, and Phase II is referred to as the 1995 General Obligation Bonds. The FY 2004-05 Capital Improvements Program includes expenditures of \$104,205 from the 1993 General Obligation Bonds and \$1,132,797 from the 1995 General Obligation Bonds fund. The following is a recap of the project budgets and expenditures to date.

Phase I	Bond Issuance Authorizations	Actual through 9/30/04
Expansion of Municipal Library	\$ 540,000	\$ 829,721
New Animal Control Facilities	150,000	188,617
Public Service Facilities	553,000	1,390,332
Street and Traffic Projects	2,507,000	1,953,835
Fiscal, Legal, Administrative Costs		35,426
Totals	<u>\$ 3,750,000</u>	<u>\$ 4,397,931</u>
 Phase II		
Public Service Facilities	\$ 1,827,000	\$ 1,645,566
Street and Traffic Projects	4,918,000	6,047,709
Fiscal, Legal, Administrative Costs		90,875
Totals	<u>\$ 6,745,000</u>	<u>\$ 7,784,150</u>
 Grand Totals	 <u>\$ 10,495,000</u>	 <u>\$ 12,182,081</u>

Funds remaining as of
September 30, 2004 \$1,253,495

2. The 2001 Certificates of Obligation program was authorized for roadway and construction projects connected with Killeen-Fort Hood Regional Airport (KFHRA). The bond proceeds were supplemented with contributions from the Aviation-Skylark Field Fund, Bell County contributions, and FAA reimbursements.

	Bond Issuance Authorizations	Actual through 9/30/04
Cost of Issuance	\$ 80,000	\$ 55,777
RGAAF project	<u>9,000,000</u>	<u>9,971,388</u>
Totals	<u>\$ 9,080,000</u>	<u>\$ 10,027,165</u>

Funds remaining as of
September 30, 2004 \$402,917

3. The 2002 Certificates of Obligation program was authorized for the purpose of purchasing land and existing improvements in the immediate vicinity of the City's municipal golf course for improving the City's municipal golf course and parks and recreation facilities.

	Bond Issuance Authorizations	Actual through 9/30/04
Cost of Issuance	\$ 45,550	\$ 41,614
Purchase of Property	654,415	654,415
Facilities Improvement	<u>1,305,035</u>	<u>1,099,755</u>
Totals	<u>\$ 2,005,000</u>	<u>\$ 1,795,784</u>

Funds remaining as of
September 30, 2004 \$226,833

4. The 2003 Certificates of Obligation program was authorized for the purpose of funding construction related to the new terminal building and other aviation facilities at the Killeen-Fort Hood Regional Airport (KFHRA). The bond proceeds were supplemented with reimbursements from the FAA.

	Bond Issuance Authorizations	Actual through 9/30/04
Cost of Issuance	\$ 90,000	\$ 84,983
RGAAF project	<u>9,090,000</u>	<u>7,630,042</u>
Totals	<u>\$ 9,180,000</u>	<u>\$ 7,715,025</u>

Funds remaining as of
September 30, 2004 \$2,903,280

5. The 2004 Certificates of Obligation program was authorized for the purpose of funding improvements to the City's municipal golf course, construction and improvements to City streets, and the purchase of fire, emergency medical, and public works vehicles and heavy equipment. Revenues from the Golf Course Enterprise Fund have been appropriated to support the debt service requirements for the portion of this issuance allocated to golf course projects.

	Bond Issuance Authorizations	Actual through 9/30/04
Cost of Issuance	\$ 178,790	\$ 0
Golf Course Improvements	2,931,000	0
Ambulances & Quint Truck	1,003,000	0
Fleet/Heavy Equipment	768,760	0
Thoroughfare Plan	<u>1,000,000</u>	<u>0</u>
Totals	<u>\$ 5,881,550</u>	<u>\$ 0</u>

6. The 2004 General Obligation Bond represents Phase I of the 2002 capital improvement program bond election. In 2002, Killeen voters passed \$64,295,000 in general obligation capital improvement programs. The propositions included programs for Streets and Signalization, Public Safety Buildings and Facilities, and Parks and Recreation Buildings and Facilities. The City has developed a schedule for the funding of the 2002 capital improvements programs over a

five-year period. The FY2004-05 budget includes expenditures for Phase I in the amount of \$16,000,000. The following is a recap of the budgets for the projects funded from the Series 2004 General Obligation Bond:

	Bond Issuance Authorizations	Actual through 9/30/04
Cost of Issuance	\$ 70,000	\$ 0
Parks & Rec –Bldgs & Improvements	2,000,000	0
Streets & Signalization	10,000,000	0
Public Safety - Police	2,000,000	0
Public Safety – Fire	2,000,000	0
Totals	<u>\$ 16,070,000</u>	<u>\$ 0</u>

WATER AND SEWER BONDS CAPITAL IMPROVEMENT PROGRAM

The City developed a formal master plan for the growth and development of the water and sewer infrastructure. The Water and Sewer Master Plan, which was adopted in 1997 by the City Council, identified the needs of the Utility system. The Master Plan recommended almost \$45,000,000 in water and wastewater system improvements over a forty-year period. The Master Plan was updated in 2000 and 2003. The first phase of the master plan was accomplished through projects funded from the 1997 Water and Sewer Revenue Bonds; the proceeds from the 1997 issuance were exhausted in FY 2003-04. Phases 2 and 3 are in still progress and Phase 4 programs begin in FY 2004-05 with the issuance of \$21,000,000 of water & sewer revenue bonds. Project budgets and expenditures to date are detailed below.

WATER AND SEWER BONDS SERIES 1999

The Water and Sewer Bond Series 1999 represents Phase II of the Water and Sewer Master Plan. The 1999 Series bond projects total \$9,000,000.

	Bond Issuance Authorizations	Actual through 9/30/04
Water and Sewer Systems Improvements	<u>\$ 9,000,000</u>	<u>\$ 9,714,945</u>

Major projects completed as of September 30, 2004:

30" Waterline-Station 614	\$ 1,423,643
Reese Creek Lift Station Elec Inst	56,877
Cost of Issuance	156,293
Purchase of Infrastructure	158,131
Airport Elevated Tank	996,715
Booster Pump Station #6	808,326
W.O. #9-2 C.O.	38,829
Operations 2001-02	191,109
Operations 2002-03	<u>177,411</u>
Total completed projects	\$ 4,007,334

Major projects in progress as of September 30, 2004:

Southeast Elevated Tank	\$ 1,756,202
Lift Station #6 Force Main	2,390,542
W.O. #10 – I&S Program	1,310,900
Rodeo Tank Rehab Design	23,000
Operations 2003-04	226,967
Operations 2004-05	0
Total projects in progress	\$ 5,707,611

**TOTAL BOND EXPENDITURES
THROUGH 09/30/2004 \$ 9,714,945**

Funds remaining as of
September 30, 2004 \$428,919

WATER AND SEWER BONDS SERIES 2001

The Water and Sewer Bond Series 2001 represents the third phase of the City's Water and Wastewater Master Plan. The Master Plan was updated in 2000 and the updated plan forms the basis for the eleven projects listed in the 2001 bond program.

	Bond Issuance Authorizations	Actual through 9/30/04
Water and Sewer Systems Improvements	<u>\$ 9,000,000</u>	<u>\$ 6,533,184</u>

Major projects completed as of September 30, 2004:

Airport Water Line	\$ 935,370
Airport Pump Station	419,142
Project Expenses	23,295
Cost of Issuance	<u>90,000</u>
Total completed projects	\$ 1,467,807

Major projects in progress as of September 30, 2004:

Little Nolan Tributary #1, Phase II & III	\$ 897,788
Robinett Road Water Line	1,390,850
Master Plan – W.O. 18 – I&I Program	851,926
W.S. Young South Water Line	440,719
Hwy 195 Water Line	35,500
Old FM 440 Water Line	1,197,181
McMillan Storage Tank Design	82,108
Master Plan Update 2002	55,305
East Loop Waterline	114,000
Total project in progress	\$ 5,065,377

**TOTAL BOND EXPENDITURES
THROUGH 09/30/2004**

\$ 6,533,184

Funds remaining as of
September 30, 2004 \$2,527,201

WATER AND SEWER BONDS SERIES 2004

The Water and Sewer Bond Series 2004 represents the fourth phase of the City's Water and Wastewater Master Plan Implementation, originally adopted in 1997. The Master Plan was updated in 2000 and 2003. The 2003 master plan forms the basis for the projects listed in the 2004 bond program.

	Bond Issuance Authorizations	Actual through 9/30/04
Water and Sewer Systems Improvements	<u>\$ 21,000,000</u>	<u>\$ 0</u>
Trimmer Creek Interceptor, Phase I & II	\$ 2,319,700	\$ 0
Diversion Interceptor, Phase I & II	3,300,000	0
East Loop Waterline Extension, Phase I & II	426,800	0
McMillan Mtn Storage Tank	1,465,000	0
Lift Station #2 & Force Main	2,200,000	0
Downtown Infrastructure	1,500,000	0
South Plant Lift Station & Force Main	700,000	0
Cunningham Road Waterline	421,650	0
South Cunningham Road Waterline	225,000	0
North Reece Creek Interceptor, Phase I & II	617,750	0
Lift Station #20 & Force Main	1,200,000	0
Lift Station #21 & Force Main	581,800	0
Rock Creek Interceptor	329,200	0
Lift Station #24 & Force Main	364,000	0
HWY 195 Waterline Extension	994,700	0
W. Stagecoach Road Waterline	299,250	0
Lift Station #26, Force Main, S. CC Gravity	965,500	0
Reece Creek Loop Waterline	1,152,500	0
Utilities Building	<u>1,500,000</u>	<u>0</u>
TOTAL BOND AUTHORIZATIONS	<u>\$ 20,562,850</u>	<u>\$ 0</u>

SOLID WASTE BONDS CAPITAL IMPROVEMENT PROGRAM

SOLID WASTE BONDS SERIES 2004

In May 2002, The City of Killeen retained the services of Reed, Stowe, & Yanke, a subsidiary of RW Beck, to complete a program and operations review of Solid Waste Services. The purpose of the study was to evaluate programs and operations with a focus on identifying key issues that were affecting or would affect the city's capability to provide solid waste services. The study identified specific needs for facilities to accommodate the projected city's growth in area and population, the associated increase in solid waste that would be generated by this growth (tonnage), and the corresponding increase in personnel and equipment to continue the current level of services. The identified capital improvement projects and costs were: (a) A new Transfer Station with sufficient capacity to receive, store, process, and transfer projected tonnage, and accommodate both in-bound and outbound traffic; (b) a new Solid Waste Administration Facility to accommodate existing shortfalls and the projected increase in supervisory and operational staff; and (c) a material recovery facility to accommodate existing shortfalls and projected needs for receiving, processing, storing, and shipment of recycling materials. The following projects will be funded from the Solid Waste Bond Series 2004:

	Bond Issuance Authorizations	Actual through 9/30/04
Water and Sewer Systems Improvements	<u>\$ 9,265,000</u>	<u>\$ 0</u>
Cost of Issuance	\$ 100,000	\$ 0
Solid Waste Administration Facility	750,000	0
Recycling Center Expansion	1,000,000	0
Transfer Stations & Compost Site	7,412,357	0
TOTAL BOND AUTHORIZATIONS	<u>\$ 9,262,357</u>	<u>\$ 0</u>

OTHER FUNDS

AVIATION FUNDS – KFHRA, PFC, AND SKYLARK FIELD

The City of Killeen moved commercial airline operations from Killeen Municipal Airport to the Killeen – Fort Hood Regional Airport (KFHRA) in August of 2004. A joint use agreement with the Army created a shared facility. The new facility is a major new regional airport accommodating both military and civilian traffic. The new airport will provide extraordinary long-term economic benefits for the entire Central Texas Region. The cost of the new airport was \$83 million and was financed primarily by grants from the Federal Aviation Agency (FAA), Passenger Facility Charges (PFC) and State programs. Under the PFC program, all enplaned passengers of the airport are surcharged \$4.50 for each ticket purchase. The levy is collected by the airlines and rebated to the City on a monthly basis. The FAA approves expenditures from these funds. In addition to funding from passenger facility charges, another major source of

revenue for aviation capital improvements projects is FAA Grants. These grants usually require a matching contribution, which is typically 5% to 25% of the total project costs.

COMMUNITY DEVELOPMENT BLOCK GRANT FUND

The Community Development Block Grant Program (CDBG) is a federal grant program administered by the Department of Housing and Urban Development. The City is currently in the 30th year of participating in the program. The CDBG program is a major source for capital improvements in the target areas. The City is expected to receive \$1,126,000 in funding for FY 2004-05. This amount will be appropriated for various capital improvement projects in the target areas. A committee of local citizens appointed by the City Council reviewed these projects.

CAPITAL IMPROVEMENT PROJECTS SCHEDULE

FUND/ DEPARTMENT	ADOPTED BUDGET 2003-04	ADOPTED BUDGET 2004-05
GENERAL FUND		
COMMUNITY SERVICES	2,000	-
TOTAL GENERAL FUND	\$ 2,000	\$ -
KILLEEN-FORT HOOD REGIONAL AIRPORT		
RSA IMPROVEMENTS	4,590,000	-
TOTAL KFHRA FUND	\$ 4,590,000	\$ -
SKYLARK FIELD FUND		
SKYLARK FIELD	127,000	35,000
TOTAL SKYLARK FIELD FUND	\$ 127,000	\$ 35,000
WATER & SEWER FUND		
FLEET SERVICES	-	-
WATER DISTRIBUTION	250,925	262,768
SANITARY SEWER	500	-
WATER & SEWER OPERATIONS	-	-
W & S CAPITAL IMPR. PROJECTS	1,025,000	1,105,000
TOTAL WATER & SEWER FUND	\$ 1,276,425	\$ 1,367,768
DRAINAGE UTILITY FUND		
DRAINAGE PROJECTS	230,262	415,000
TOTAL DRAINAGE UTILITY FUND	\$ 230,262	\$ 415,000
GENERAL OBLIGATION BOND FUNDS/CERTIFICATES OF OBLIGATION		
1991 GENERAL OBLIGATION BOND	173,549	-
1993 GENERAL OBLIGATION BOND	-	104,205
1995 GENERAL OBLIGATION BOND	1,298,902	1,132,797
2004 GENERAL OBLIGATION BOND	-	4,785,000
2001 CERTIFICATES OF OBLIGATION	31,282	-
2002 CERTIFICATES OF OBLIGATION	1,265,000	-
2004 CERTIFICATES OF OBLIGATION	-	1,000,000
TOTAL G.O. BONDS AND C/O's	\$ 2,768,733	\$ 7,022,002
WATER & SEWER REVENUE BOND FUNDS		
1997 WATER & SEWER BONDS	105,154	-
1999 WATER & SEWER BONDS	1,485,708	-
2001 WATER & SEWER BONDS	3,947,796	1,336,550
2004 WATER & SEWER BONDS	-	20,562,850
TOTAL WATER & SEWER BONDS	\$ 5,538,658	\$ 21,899,400
SOLID WASTE REVENUE BOND FUNDS		
2004 GOLF REV CERT OF OBLIGATION	-	1,875,000
TOTAL SOLID WASTE BONDS	\$ -	\$ 1,875,000
GOLF COURSE REVENUE CERTIFICATE OF OBLIGATION		
2004 GOLF REV CERT OF OBLIGATION	-	2,832,400
TOTAL GOLF REVENUE C/O	\$ -	\$ 2,832,400
AVIATION PFC FUND	\$ 456,785	\$ 665,513
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	\$ 2,093,817	\$ 1,901,125
HOME PROGRAM	\$ 1,220,064	\$ 1,484,919
PARK IMPROVEMENTS FUND	\$ 90,996	\$ -
TOTAL CAPITAL IMPROVEMENTS	\$ 18,394,740	\$ 39,498,127

CAPITAL IMPROVEMENT PROJECTS LIST

FUND/ DEPARTMENT	DEPARTMENT/ COST CENTER	DESCRIPTION	AMOUNT APPROVED	METHOD OF FINANCING
SKYLARK FIELD FUND				
	Skylark Field Fund	Pavement Crack Seal	15,000	Skylark Field Fund
	Skylark Field Fund	Guidance Sign Panel Replacement	20,000	Skylark Field Fund
	TOTAL SKYLARK FIELD FUND		\$ 35,000	
AVIATION PFC FUND				
	Aviation PFC Fund	Terminal Building Construction	665,513	PFC Fund
	TOTAL AVIATION PFC FUND		\$ 665,513	
WATER & SEWER FUND				
	Water & Sewer Distribution	New Customer Services	136,260	Water & Sewer Fund
	Water & Sewer Distribution	New Fire Hydrants	16,368	Water & Sewer Fund
	Water & Sewer Distribution	New Customer Meters	110,140	Water & Sewer Fund
	TOTAL WATER & SEWER DISTRIBUTION		262,768	
	W & S Capital Impr. Projects	Waterline Ext. Participation	200,000	Water & Sewer Fund
	W & S Capital Impr. Projects	Sewerline Ext. Participation	300,000	Water & Sewer Fund
	W & S Capital Impr. Projects	Pump Station #4 - Demolish	50,000	Water & Sewer Fund
	W & S Capital Impr. Projects	Bundrant Tank Replacement	400,000	Water & Sewer Fund
	W & S Capital Impr. Projects	8th Street Tank Demolish	80,000	Water & Sewer Fund
	W & S Capital Impr. Projects	Bundrant/Park St Pipeline	75,000	Water & Sewer Fund
	TOTAL W & S CAPITAL IMPROVEMENT PROJECTS		1,105,000	
	TOTAL WATER & SEWER FUND		\$ 1,367,768	
DRAINAGE UTILITY FUND				
	Drainage Utility Operations	Drainage Projects	415,000	Drainage Utility Fund
	TOTAL DRAINAGE UTILITY		415,000	
GENERAL OBLIGATION BOND FUND				
	1993 General Obligation Bond	Land Acquisition - Fire Dept	104,205	G.O. Bond Fund
	TOTAL 1993 General Obligation Bond		104,205	
	1995 General Obligation Bond	WS Young Wdng LNR-BRR	140,000	G.O. Bond Fund
	1995 General Obligation Bond	City Participation-Robinett	6,397	G.O. Bond Fund
	1995 General Obligation Bond	Elms Road Construction	986,400	G.O. Bond Fund
	TOTAL 1995 General Obligation Bond		1,132,797	
	2004 General Obligation Bond	Design/Eng Snr & Rec Center	1,075,000	G.O. Bond Fund
	2004 General Obligation Bond	Restroom Lighting at Snr/Rec Cntrs	325,000	G.O. Bond Fund
	2004 General Obligation Bond	Parks Renovation & Skateboard Prks	600,000	G.O. Bond Fund
	2004 General Obligation Bond	Prelim Streets Engineering Report	95,000	G.O. Bond Fund
	2004 General Obligation Bond	HWY 195/201 Grade Separation	450,000	G.O. Bond Fund
	2004 General Obligation Bond	Traffic Prelim Engineering Report	40,000	G.O. Bond Fund
	2004 General Obligation Bond	Traffic Signals	30,000	G.O. Bond Fund
	2004 General Obligation Bond	Traffic Synchronization	10,000	G.O. Bond Fund
	2004 General Obligation Bond	Police Headquarters	400,000	G.O. Bond Fund
	2004 General Obligation Bond	PD Training Facility & Equipment	60,000	G.O. Bond Fund
	2004 General Obligation Bond	PD - OCU & YSU Renovations	150,000	G.O. Bond Fund
	2004 General Obligation Bond	F.D. - A&E Station #8	60,000	G.O. Bond Fund
	2004 General Obligation Bond	F.D. - Land Purchase - Station #8	200,000	G.O. Bond Fund
	2004 General Obligation Bond	F.D. - Land Purchase-Drill Field	990,000	G.O. Bond Fund
	2004 General Obligation Bond	F.D. - Station Ventilation System	275,000	G.O. Bond Fund
	2004 General Obligation Bond	F.D. - Station Location Study	25,000	G.O. Bond Fund
	TOTAL 2004 General Obligation Bond		4,785,000	
	2004 Contractual Obligation	Thoroughfare Plan	1,000,000	Cert of Obligation
	TOTAL Contractual Obligation - Construction Series 2004		1,000,000	
	TOTAL GENERAL OBLIGATION BONDS AND C/O's		\$ 7,022,002	

CAPITAL IMPROVEMENT PROJECTS LIST

FUND/ DEPARTMENT	DEPARTMENT/ COST CENTER	DESCRIPTION	AMOUNT APPROVED	METHOD OF FINANCING
WATER & SEWER BOND FUND				
	2001 W & S Bonds	Hwy 195 Water Line	265,050	W & S Bonds
	2001 W & S Bonds	McMillan Mt St Tank Design	30,000	W & S Bonds
	2001 W & S Bonds	East Loop Waterline	1,041,500	W & S Bonds
	TOTAL 2001 W & S Bonds		1,336,550	
	2004 W & S Bonds	Trimmier Creek Inter Phase 1	1,682,500	W & S Bonds
	2004 W & S Bonds	Trimmier Creek Inter Phase 2	637,200	W & S Bonds
	2004 W & S Bonds	Diversion Interceptor Phase 1	2,000,000	W & S Bonds
	2004 W & S Bonds	East Loop Waterline Ext Phase 1	226,800	W & S Bonds
	2004 W & S Bonds	East Loop Waterline Ext Phase 2	200,000	W & S Bonds
	2004 W & S Bonds	McMillan Mtn II Storage Tank	1,465,000	W & S Bonds
	2004 W & S Bonds	Division Interceptor Phase 2	1,300,000	W & S Bonds
	2004 W & S Bonds	Lift Stn #2 & Force Main	2,200,000	W & S Bonds
	2004 W & S Bonds	Downtown Infrastructure Design	1,500,000	W & S Bonds
	2004 W & S Bonds	Sth Plant Lift Station & F.M.	700,000	W & S Bonds
	2004 W & S Bonds	Cunningham Road Waterline	421,650	W & S Bonds
	2004 W & S Bonds	Sth Cunningham Rd Waterline	225,000	W & S Bonds
	2004 W & S Bonds	Nth Reece Crk Interc Phase I	437,800	W & S Bonds
	2004 W & S Bonds	Lift Stn # 20 & F.M.	1,200,000	W & S Bonds
	2004 W & S Bonds	North Reece Crk Interc Ph II	179,950	W & S Bonds
	2004 W & S Bonds	Lift Stn #21 & F.M.	581,800	W & S Bonds
	2004 W & S Bonds	Rock Creek Interceptor	329,200	W & S Bonds
	2004 W & S Bonds	Lift Stn #24 & F.M.	364,000	W & S Bonds
	2004 W & S Bonds	HWY 195 Waterline Extension	994,700	W & S Bonds
	2004 W & S Bonds	W. Stagecoach Rd Waterline	299,250	W & S Bonds
	2004 W & S Bonds	Lift Stn #26 & F.M., CC Gravity	965,500	W & S Bonds
	2004 W & S Bonds	Reece Creek Loop Waterline	1,152,500	W & S Bonds
	2004 W & S Bonds	Utilities Building	1,500,000	W & S Bonds
	TOTAL 2004 W & S Bonds		20,562,850	
	TOTAL WATER & SEWER BONDS		\$ 21,899,400	
SOLID WASTE BOND FUND				
	2004 SW Bonds	Solid Waste Admin Facility	200,000	SW Bonds
	2004 SW Bonds	Recycling Center Expansion	175,000	SW Bonds
	2004 SW Bonds	Transfer Station/Compost Site	1,500,000	SW Bonds
	TOTAL 2004 Solid Waste Bonds		1,875,000	
	TOTAL SOLID WASTE BONDS		\$ 1,875,000	
GOLF COURSE REVENUE CERT OF OBLIGATION			2,832,400	Cert of Obligation
	TOTAL GOLF COURSE REVENUE BONDS		\$ 2,832,400	
COMMUNITY DEVELOPMENT BLOCK GRANT			1,901,125	CDBG
	TOTAL COMMUNITY DEVELOPMENT BLOCK GRANT		\$ 1,901,125	
HOME PROGRAM			1,484,919	Home Program
	TOTAL HOME PROGRAM		\$ 1,484,919	
TOTAL CAPITAL IMPROVEMENTS			\$ 39,498,127	

GENERAL OBLIGATION BONDS 1991

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 221,095	\$ 220,573	\$ 1,624
Revenues				
Interest Earned	\$ 266,104	\$ 2,878	\$ 1,200	\$ 100
Miscellaneous Receipts	389,530	-	-	-
Bond Proceeds	2,400,063	-	-	-
Total Fund Balance and Revenues	\$ 3,055,697	\$ 223,973	\$ 221,773	\$ 1,724
Expenditures				
Expense - Cost of Issuance	\$ 77,423	\$ -	\$ -	\$ -
Elms Road	493,402	-	-	-
FM 3470 (ROW)	583,226	-	-	-
FM 3470 (Ph.1 Engineering)	34,558	-	-	-
FM 3470 (Ph.1 Construction)	615,132	-	-	-
FM 3470 (Ph.1 Prof. Svc.)	41,438	-	-	-
FM 3470 (Ph.2 ROW)	282,600	-	-	-
FM 3470 (Ph.2 Prof.Svc)	79,690	-	-	-
FM 3470 (Ph.2 Engineering)	22,644	-	-	-
FM 3470 (Ph.2 Const.)	140,463	-	-	-
Morris Collection System	119,538	-	-	-
Eastgate (ROW) Acquisition	143,955	-	-	-
Reimbursable Expense	21,356	-	-	-
Exh. Hall Prkg Lot Renovation	175,000	-	-	-
Nolan Park Bike Trail	223,549	3,400	220,149	-
Total Expenditures	\$ 3,053,973	\$ 3,400	\$ 220,149	\$ -
Ending Fund Balance	\$ 1,724	\$ 220,573	\$ 1,624	\$ 1,724

GENERAL OBLIGATION BONDS 1993

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 489,001	\$ 129,770	\$ 106,850
Revenues				
Sale of Bonds	\$ 3,750,000	\$ -	\$ -	\$ -
Interest Earned	739,822	3,461	800	-
Miscellaneous Receipts	31,490	-	1,280	-
Total Fund Balance and Revenues	\$ 4,521,312	\$ 492,462	\$ 131,850	\$ 106,850
Expenditures				
Bond Issue Costs	\$ 34,572	\$ -	\$ -	\$ -
Library Expansion	829,721	-	-	-
Animal Control Facilities	188,617	-	-	-
Street and Traffic Projects	109,672	-	-	-
Drainage Master Plan & FEMA	15,065	-	-	-
Fire Station #6	32,000	-	-	-
Reconstruct Old 440	563,903	-	-	-
Reconstruct Westcliff	350,687	-	-	-
Reconstruct Hilliard	97,812	-	-	-
Reconstruct W.S. Young	512,296	-	-	-
Elms Road Construction	16,695	-	-	-
City Part - Elms/Stratford III	84,917	-	-	-
Mapping Center	117,646	-	-	-
Fire Dept. Training Facility	861,764	361,838	-	-
Pumper	145,636	-	-	-
Trimmier Road South	85,142	-	-	-
Municipal Court Building	248,928	-	-	-
Police Department Network	93,534	-	-	-
Drill Field Upgrade - Fire Dept	25,000	-	25,000	-
Land Acquisition - Fire Dept	104,205	-	-	104,205
Expense	855	854	-	-
Total Expenditures	\$ 4,518,667	\$ 362,692	\$ 25,000	\$ 104,205
Ending Fund Balance	\$ 2,645	\$ 129,770	\$ 106,850	\$ 2,645

GENERAL OBLIGATION BONDS 1995

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ 1,197,421
Revenues				
Sale of Bonds	\$ 6,745,000	\$ -	\$ -	\$ -
Interest Earned	1,973,051	33,143	12,000	5,900
Miscellaneous Receipts	196,777	-	-	-
Total Fund Balance and Revenues	\$ 8,914,828	\$ 33,143	\$ 12,000	\$ 1,203,321
Expenditures				
Reconstruct W/D 10th St.	\$ -	\$ -	\$ -	\$ -
Reconst. Trimmier (South)	763,973	-	-	-
Fire Station #6	463,611	-	-	-
Pumper	438,238	-	-	-
Booster	66,714	-	-	-
Bond Issuance Costs	90,875	-	-	-
City Participation	301,331	-	-	-
Reconst. Trimmier (North)	576,525	-	-	-
Fire Station #7	677,003	-	-	-
Elms Road	56,148	-	-	-
Clear Ck, Reese Ck Design	250,163	-	-	-
W.S Young / Elms - SS Loop	799,068	-	-	-
W.S. Young Design & R.O.W.	172,875	-	-	-
W.S. Young\CTE-B. Hwy190	1,267,264	-	-	-
W.S.Young Widening Project	235,147	(18,918)	-	-
W.S. Young Widening - LNR-BRR	140,000	-	-	140,000
W.S.Young Const-SSL Stagecoach	722,791	-	722,791	-
Reconstruct W/D Robinett	283,707	239,941	27,359	6,397
Trimmier-Public Improvements	206,097	206,097	-	-
Elms Road Construction	1,232,902	16,607	175,895	986,400
Parking Lot Repairs - Cmnty Center	99,874	-	99,874	-
Ramp Reversal - US190/Wal-Mart	-	-	-	-
Total Expenditures	\$ 8,844,304	\$ 443,727	\$ 1,025,919	\$ 1,132,797
Ending Fund Balance	\$ 70,524	\$ (410,584)	\$ (1,013,919)	\$ 70,524

GENERAL OBLIGATION BONDS 2004

	Project Budget		Actual 2002-03		Estimated 2003-04		Adopted 2004-05
Beginning Fund Balance	\$ -	\$	\$ -	\$	\$ -	\$	\$ -
Revenues							
Sale of Bonds	\$ 16,000,000	\$	\$ -	\$	\$ -	\$	\$ 16,000,000
Interest Earned	100,000		-		-		100,000
Miscellaneous Receipts	-		-		-		-
Total Fund Balance and Revenues	\$ 16,100,000	\$	\$ -	\$	\$ -	\$	\$ 16,100,000
Expenditures							
Cost of Issuance	\$ 70,000	\$	\$ -	\$	\$ -	\$	\$ 70,000
C.S. - Design/Eng LCP Projects	1,075,000		-		-		1,075,000
C.S. - Restroom & Lighting @ LCP	325,000		-		-		325,000
C.S. - Parks/Skateboard Parks	600,000		-		-		600,000
PW - Prelim Streets Eng Report	95,000		-		-		95,000
PW - Elms Road	3,445,000		-		-		-
PW - South Robinett Road	900,000		-		-		-
PW - North Robinett Road	1,560,000		-		-		-
PW - Watercrest	2,455,000		-		-		-
PW - Expenses	45,000		-		-		-
HWY 195-201 grade separation	450,000		-		-		450,000
Traffic Prelim Eng Report	40,000		-		-		40,000
Traffic Signals	580,000		-		-		30,000
Traffic Synchronization	430,000		-		-		10,000
Police HQ	1,499,000		-		-		400,000
PD-Trng Facility Imp & Equipment	351,000		-		-		60,000
PD-OCU & YSU Renovations	150,000		-		-		150,000
F.D. - A&E Station #8	60,000		-		-		60,000
F.D. - Land Purchase - Station #8	200,000		-		-		200,000
F.D. - Land Purchase - Drill Field	639,000		-		-		990,000
F.D. - Stn Ventilation Systems	275,000		-		-		275,000
F.D. - Station Location Study	25,000		-		-		25,000
F.D. - Renovate Station #5	350,000		-		-		-
F.D. - Land Purchase Station #1	200,000		-		-		-
F.D. - A&E Station #1	60,000		-		-		-
F.D. - Remodel Central & Admin	191,000		-		-		-
Total Expenditures	\$ 16,070,000	\$	\$ -	\$	\$ -	\$	\$ 4,855,000
Ending Fund Balance	\$ 30,000	\$	\$ -	\$	\$ -	\$	\$ 11,245,000

CONTRACTUAL OBLIGATION CONSTRUCTION FUND SERIES 1996

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 434	\$ -	\$ -
Revenues				
Sale of Bonds	\$ 2,635,500	\$ -	\$ -	\$ -
Interest Earned	581,126	1	-	-
Total Fund Balance and Revenues	\$ 3,216,626	\$ 435	\$ -	\$ -
Expenditures				
Expenditure	\$ 64,970	\$ -	\$ -	\$ -
800 MHZ Communication System	3,151,221	-	-	-
Transfer to I&S C/O 1996	435	435	-	-
Total Expenditures	\$ 3,216,626	\$ 435	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

CONTRACTUAL OBLIGATION CONSTRUCTION FUND SERIES 1999

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 157,784	\$ 68,349	\$ 46,033
Revenues				
Sale of Bonds	\$ 2,500,000	\$ -	\$ -	\$ -
Interest Earned	139,124	1,910	400	-
Total Fund Balance and Revenues	\$ 2,639,124	\$ 159,694	\$ 68,749	\$ 46,033
Expenditures				
Cost of Issuance	\$ 48,091	\$ -	\$ -	\$ -
Transfer to Interest & Sinking	11,888	-	-	-
Public Works Equipment	403,006	-	-	-
Branch Library Project	1,007,042	-	-	-
Equipment Maintenance Facility	491,027	-	-	-
Solid Waste Equipment	517,976	-	-	-
Equipment Expense	114,061	91,345	22,716	-
Motor Vehicle	39,000	-	-	39,000
Total Expenditures	\$ 2,632,091	\$ 91,345	\$ 22,716	\$ 39,000
Ending Fund Balance	\$ 7,033	\$ 68,349	\$ 46,033	\$ 7,033

CONTRACTUAL OBLIGATION CONSTRUCTION FUND SERIES 2001

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 2,047,302	\$ 1,114,308	\$ -
Revenues				
Sale of Bonds	\$ 6,000,000	\$ -	\$ -	\$ -
Interest Earned	176,165	27,435	5,600	-
Transfer from Aviation	2,063,425	-	-	-
Transfer from KEDC	252,829	252,829	-	-
Bell County Contributions	1,000,000	-	-	-
FAA Grants	2,233,770	-	934,970	1,298,800
Total Fund Balance and Revenues	\$ 11,726,189	\$ 2,327,566	\$ 2,054,878	\$ 1,298,800
Expenditures				
Cost of Issuance	\$ 55,777	\$ -	\$ -	\$ -
RGAAF Project	10,371,612	1,213,258	2,054,878	-
Total Expenditures	\$ 10,427,389	\$ 1,213,258	\$ 2,054,878	\$ -
Ending Fund Balance	\$ 1,298,800	\$ 1,114,308	\$ -	\$ 1,298,800

CONTRACTUAL OBLIGATION CONSTRUCTION FUND SERIES 2002

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ -	\$ 1,309,770	\$ -
Revenues				
Interest Earned	\$ 21,148	\$ 11,148	\$ 10,000	\$ -
Sale of Bonds	2,000,000	2,000,000	-	-
Total Fund Balance and Revenues	\$ 2,021,148	\$ 2,011,148	\$ 1,319,770	\$ -
Expenditures				
Cost of Issuance	\$ 41,614	\$ 41,614	\$ -	\$ -
Purchase of Property	654,415	654,415	-	-
Golf Facilities Improvements	1,325,119	5,349	1,319,770	-
Total Expenditures	\$ 2,021,148	\$ 701,378	\$ 1,319,770	\$ -
Ending Fund Balance	\$ -	\$ 1,309,770	\$ -	\$ -

CONTRACTUAL OBLIGATION CONSTRUCTION FUND SERIES 2003

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ -	\$ 8,690,190	\$ -
Revenues				
Sale of Bonds	\$ 9,000,000	\$ 9,000,000	\$ -	\$ -
Miscellaneous Receipts	-	-	-	-
FAA Grants	5,232,109	-	386,367	4,845,742
Interest Earned	74,092	18,092	56,000	-
Total Fund Balance and Revenues	\$ 14,306,201	\$ 9,018,092	\$ 9,132,557	\$ 4,845,742
Expenditures				
Cost of Issuance	\$ 84,983	\$ 84,983	\$ -	\$ -
RGAAF Project	9,975,476	242,919	9,132,557	-
Transfer to RGAAF Operating Fund	-	-	-	600,000
Total Expenditures	\$ 10,060,459	\$ 327,902	\$ 9,132,557	\$ 600,000
Ending Fund Balance	\$ 4,245,742	\$ 8,690,190	\$ -	\$ 4,245,742

CONTRACTUAL OBLIGATION CONSTRUCTION FUND SERIES 2004

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Revenues				
Sale of Bonds	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000
Interest Earned	15,000	-	-	15,000
Miscellaneous Receipts	-	-	-	-
Total Fund Balance and Revenues	\$ 3,015,000	\$ -	\$ -	\$ 3,015,000
Expenditures				
Cost of Issuance	\$ 108,790	\$ -	\$ -	\$ 108,790
Ambulances (4)	440,000	-	-	440,000
Quint Truck	563,000	-	-	563,000
Thoroughfare	1,000,000	-	-	1,000,000
Motor Vehicles/Heavy Equipment	769,760	-	-	769,760
Total Expenditures	\$ 2,881,550	\$ -	\$ -	\$ 2,881,550
Ending Fund Balance	\$ 133,450	\$ -	\$ -	\$ 133,450

GOLF REVENUE CONTRACTUAL OBLIGATION CONSTRUCTION FUND SERIES 2004

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Revenues				
Sale of Bonds	\$ 3,000,000	\$ -	\$ -	\$ 3,000,000
Interest Earned	3,000	-	-	3,000
Miscellaneous Receipts	-	-	-	-
Total Fund Balance and Revenues	\$ 3,003,000	\$ -	\$ -	\$ 3,003,000
Expenditures				
Cost of Issuance	\$ 70,000	\$ -	\$ -	\$ 70,000
Agricultural Supplies	25,000	-	-	25,000
Wells & Pump Equipment	29,000	-	-	29,000
Cart Path Maintenance	10,000	-	-	10,000
Golf Course Improvements	7,000	-	-	7,000
Furniture, Fixtures, Office Machines	29,600	-	-	29,600
Golf Construction/Improvements	2,832,400	-	-	2,832,400
Total Expenditures	\$ 3,003,000	\$ -	\$ -	\$ 3,003,000
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

WATER & SEWER BOND 1996

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 670	\$ -	\$ -
Revenues				
Interest Earned	\$ 588,368	\$ 115	\$ -	\$ -
Sale of Bonds	4,530,000	-	-	-
Total Fund Balance and Revenues	\$ 5,118,368	\$ 785	\$ -	\$ -
Expenditures				
Expense	\$ 103,724	\$ -	\$ -	\$ -
Construction, Rehab FY 96	504,391	-	-	-
Hallmark Interceptor Const.	275,353	-	-	-
38th & Liberty Interceptor	168,628	-	-	-
Pressure Plane Switch/Jasper	237,997	-	-	-
S. Nolan Creek Inter. Eng.	30,886	-	-	-
S. Nolan Creek Inter. Const.	61,109	-	-	-
CTE Bore & SE Inter. Const.	262,219	-	-	-
Nolan Creek Trib Inter. Const.	561,018	-	-	-
W & S Master Plan	57,300	-	-	-
Watercrest Rd Inter. No. 2	90,960	-	-	-
Lift Station No. 10 Enlarge	105,439	-	-	-
Contract Inspection	45,773	-	-	-
Sewer Rehab FY 97	249,251	-	-	-
FM 3470 12" Waterline	44,250	-	-	-
Hallmark Int. Const. - Open Cut B	361,902	-	-	-
Watercrest Rd Inter. No. 2	517,137	-	-	-
Park Street Tank Repair	27,071	-	-	-
SH 195 Waterline - Const.	34,873	-	-	-
Park Street Water Tank Repair	20,430	-	-	-
Sugar Loaf Tank Demolition	23,000	-	-	-
Zephyr-Dunc SH195 FM3470 WL	101,887	-	-	-
Operations	1,123,085	-	-	-
W.O. #9	109,900	-	-	-
Transfer to W&S I&S 1996	785	785	-	-
Total Expenditures	\$ 5,118,368	\$ 785	\$ -	\$ -
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

WATER & SEWER BOND 1997

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 795,999	\$ 139,627	\$ -
Revenues				
Interest Earned	\$ 1,138,867	\$ 5,427	\$ 426	\$ -
Sale of Bonds	8,860,000	-	-	-
Total Fund Balance and Revenues	\$ 9,998,867	\$ 801,426	\$ 140,053	\$ -
Expenditures				
Expense - Cost of Issuance	\$ 217,225	\$ -	\$ -	\$ -
Little Nolan Tributary Phase I	429,607	-	-	-
Zephyr, Duncan Waterline C	171,058	-	-	-
SW Int Ext Ph I Eng & Con	1,404,093	-	-	-
SW Int Ext Ph II Eng & Con	443,692	-	-	-
SW Int Ext Ph III Eng & Con	130,894	-	-	-
N Reese Cr Int Ph IV E&C	317,574	-	-	-
Lift Station #23 Eng & Co	244,470	-	-	-
Major Sewer Line Repairs	96,698	-	-	-
ROW For Airport Project	38,721	-	-	-
SW Interceptor	1,310,828	-	-	-
Lift Station #15	1,615,479	-	-	-
Pump Station #2 Upgrade	24,000	-	-	-
Pump Station #3 Rehabilitation	508,278	-	-	-
24" Southeast Transmission Main	1,064,150	-	-	-
12" Waterline Onion/Cunn./3470	456,821	-	-	-
12" Waterline - FM 3470 & Elms	91,697	-	-	-
W.O.#9-2/I&I Rehab Line Repair	972,272	633,581	138,328	-
Airport Elevated Tank Design	73,000	14,465	1,235	-
Airport Pump Station Design	47,000	-	-	-
Airport Waterline Design	142,200	-	-	-
Operations	184,845	-	-	-
Expense	13,775	13,753	-	-
Transfer to W&S Fund	490	-	490	-
Total Expenditures	\$ 9,998,867	\$ 661,799	\$ 140,053	\$ -
Ending Fund Balance	\$ -	\$ 139,627	\$ -	\$ -

WATER & SEWER BOND 1999

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 2,778,265	\$ 1,980,995	\$ 247,194
Revenues				
Interest Earned	\$ 1,139,683	\$ 32,356	\$ 12,746	\$ 1,250
Misc Receipts	5,139	-	5,139	-
Sale of Bonds	9,000,000	-	-	-
Total Fund Balance and Revenues	\$ 10,144,822	\$ 2,810,621	\$ 1,998,880	\$ 248,444
Expenditures				
Cost of Issuance	\$ 156,293	\$ -	\$ -	\$ -
Southeast Elevated Tank	1,756,202	118,790	19,890	-
Booster Pump Station #6	808,326	37,774	1,950	-
Lift Station #6 \ Force MN	2,390,544	162,373	61,820	-
30" Waterline - Station 614	1,423,643	-	-	-
Purchase Infrastructure	158,131	-	-	-
W.O. #10 - I&I Program	1,452,137	18,712	1,367,524	-
Airport Elevated Tank	996,715	308,312	-	-
Rodeo Tank Rehab Design	23,000	6,060	16,940	-
W.O. #9-2/I&I Rehab Line	38,829	-	38,829	-
Reese Creek Lift Station	56,877	-	-	-
Expense	-	-	-	-
Operations 2001-02	191,109	-	-	-
Operations 2002-03	177,605	177,605	-	-
Operations 2003-04	266,967	-	244,733	-
Operations 2004-05	245,150	-	-	245,150
Total Expenditures	\$ 10,141,528	\$ 829,626	\$ 1,751,686	\$ 245,150
Ending Fund Balance	\$ 3,294	\$ 1,980,995	\$ 247,194	\$ 3,294

WATER & SEWER BOND 2001

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ 7,200,753	\$ 4,660,560	\$ 1,736,207
Revenues				
Interest Earned	\$ 361,762	\$ 84,701	\$ 30,000	\$ 8,500
Sale of Bonds	8,700,000	-	-	-
Total Fund Balance and Revenues	\$ 9,061,762	\$ 7,285,454	\$ 4,690,560	\$ 1,744,707
Expenditures				
Cost of Issuance	\$ 90,000	\$ -	\$ -	\$ -
Little Nolan Trib#1 Phase II	734,085	514,728	128,245	-
Little Nolan Trib#1 Phase III	218,593	113,657	102,751	-
Robinett Road Water Line	1,595,400	1,229,107	36,823	-
Airport Water Line	935,370	-	-	-
Airport Pump Station	419,143	-	-	-
Master Plan - WO18 I&I Program	1,158,892	136,918	807,369	-
Onion Road Water Line	-	-	-	-
WS Young South Water Line	453,969	379,221	17,798	-
South Trimmier Rd Water Line	105	105	-	-
Hwy 195 Water Line	365,050	-	100,000	265,050
Old FM 440 Water Line	1,224,950	186,715	1,017,350	-
McMillan Mt St Tank Design	127,533	19,370	57,767	30,000
Master Plan Update 2002	56,250	43,350	11,250	-
East Loop Waterline	1,641,500	-	600,000	1,041,500
W.O. #10 - I&I Program	75,000	-	75,000	-
Expenses	23,190	1,723	-	-
Total Expenditures	\$ 9,119,030	\$ 2,624,894	\$ 2,954,353	\$ 1,336,550
Ending Fund Balance	\$ (57,268)	\$ 4,660,560	\$ 1,736,207	\$ 408,157

WATER & SEWER BOND 2004

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Revenues				
Interest Earned	\$ 40,000	\$ -	\$ -	\$ 40,000
Sale of Bonds	21,000,000	-	-	21,000,000
Total Fund Balance and Revenues	\$ 21,040,000	\$ -	\$ -	\$ 21,040,000
Expenditures				
Cost of Issuance	\$ 100,000	\$ -	\$ -	\$ 100,000
Trimmier Creek Interceptor Ph-1	1,682,500	-	-	1,682,500
Trimmier Creek Interceptor Ph-2	637,200	-	-	637,200
Diversion Interceptor Phase I	2,000,000	-	-	2,000,000
East Loop Waterline Ext Ph I	226,800	-	-	226,800
East Loop Waterline Ext Ph II	200,000	-	-	200,000
McMillan Mtn Storage Tank	1,465,000	-	-	1,465,000
Diversion Interceptor Phase II	1,300,000	-	-	1,300,000
Lift Stn #2/Force Main	2,200,000	-	-	2,200,000
Downtown Infrastructure	1,500,000	-	-	1,500,000
Sth Plant Lift Stn & F.M.	700,000	-	-	700,000
Cunningham Rd Waterline	421,650	-	-	421,650
Sth Cunningham Rd Waterline	225,000	-	-	225,000
Nth Reece Crk Interc Phase I	437,800	-	-	437,800
Lift Stn #20 & Force Main	1,200,000	-	-	1,200,000
Nth Reece Crk Interc Phase II	179,950	-	-	179,950
Lift Stn #21 & Force Main	581,800	-	-	581,800
Rock Creek Interceptor	329,200	-	-	329,200
Lift Stn #24 & Force Main	364,000	-	-	364,000
Hwy 195 Waterline Extension	994,700	-	-	994,700
W Stagecoach Rd Waterline	299,250	-	-	299,250
Lift Stn #26 & F.M., CC Gravity	965,500	-	-	965,500
Reece Creek Loop Waterline	1,152,500	-	-	1,152,500
Utilities Building	1,500,000	-	-	1,500,000
Total Expenditures	\$ 20,662,850	\$ -	\$ -	\$ 20,662,850
Ending Fund Balance	\$ 377,150	\$ -	\$ -	\$ 377,150

SOLID WASTE BOND 2004

	Project Budget	Actual 2002-03	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Revenues				
Interest Earned	\$ 165,000	\$ -	\$ -	\$ 25,000
Sale of Bonds	9,100,000	-	-	9,100,000
Total Fund Balance and Revenues	\$ 9,265,000	\$ -	\$ -	\$ 9,125,000
Expenditures				
Cost of Issuance	\$ 100,000	\$ -	\$ -	\$ 100,000
Solid Waste Admin Facility	750,000	-	-	200,000
Recycling Center Expansion	1,000,000	-	-	175,000
Transfer Station & Compost Site	7,412,357	-	-	1,500,000
Total Expenditures	\$ 9,262,357	\$ -	\$ -	\$ 1,975,000
Ending Fund Balance	\$ 2,643	\$ -	\$ -	\$ 7,150,000

AVIATION PFC FUND

	Actual 2002-03		Budget 2003-04		Estimated 2003-04		Adopted 2004-05
Beginning Fund Balance	\$ 585,836	\$	-	\$	410,190	\$	224,513
Revenues							
Passenger Facility Charges	\$ 362,761	\$	907,352	\$	321,527	\$	439,000
Interest Earned	6,540		-		2,000		2,000
Total Fund Balance and Revenues	\$ 955,137	\$	907,352	\$	733,717	\$	665,513
Expenditures							
Professional Services	\$ 128	\$	-	\$	100	\$	-
PFC Project Reimbursement	-		-		-		-
Apron Electrical Upgrades	-		-		-		-
Advance Design Jt Use Pro	24,406		9,104		9,104		-
Joint Use Site Work/Utility	-		-		-		-
Taxiway Construction	-		-		-		-
Terminal & Apron Design	38,693		4,196		-		-
Navaid Site Construction	-		-		-		-
Terminal Site Land Purchase	-		-		-		-
Terminal Building Constr.	226		894,052		500,000		665,513
Runway Safety Area Improv	-		-		-		-
Terminal Apron Construct.	481,494		-		-		-
Terminal Loop Road Construct.	-		-		-		-
Parking Lot and Access Rd Const.	-		-		-		-
Total Expenditures	\$ 544,947	\$	907,352	\$	509,204	\$	665,513
Ending Fund Balance	\$ 410,190	\$	-	\$	224,513	\$	-

ROBERT GRAY ARMY AIRFIELD

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Adopted 2004-05
Beginning Fund Balance	\$ -	\$ -	\$ (2,203,603)	\$ 213,671
Revenues				
Interest Earned	\$ -	\$ 1,000	\$ -	\$ 1,000
Misc Receipts	-	1,500	500	8,500
Transfer from General Fund	280,000	662,474	662,474	-
Transfer from Aviation Fund	169,473	-	-	-
Transfer from Bond Fund	-	-	-	600,000
FAA Grants	11,005,242	27,538,342	29,763,976	-
Airport Rent & Concession	-	56,320	84,939	494,071
Air Carrier Operations	-	17,569	18,742	169,404
Airport Use Fees	-	9,689	-	104,952
Airport Parking Lot Fees	-	65,000	29,000	254,000
Fuel Sales	-	87,378	1,200	95,400
Operating Supplies	-	500	500	1,500
Into Plane Fees (Fuel)	-	-	21,938	175,500
CIP Recovery Fees	-	-	-	101,650
Total Fund Balance and Revenues	\$ 11,454,715	\$ 28,439,772	\$ 28,379,666	\$ 2,219,648
Expenditures				
Salaries and Benefits	\$ 162,945	\$ 370,797	\$ 314,121	\$ 1,322,437
Supplies	4,490	38,964	38,964	99,307
Maintenance & Repairs	313	27,358	27,358	69,160
Support Services	22,117	165,304	116,744	554,497
Cost of Goods	-	37,600	37,600	49,600
Capital Outlay	57,395	90,290	90,290	76,070
RGAAF Expenses	180,188	-	-	-
Advance Design Jt Use Project	50,073	84,504	84,504	-
RSA Improvement	-	4,590,000	4,590,000	-
Terminal Building Design	348,233	37,753	37,753	-
Terminal Bldg Construction	7,927,628	18,018,943	18,018,943	-
Terminal Apron Construction	4,274,054	-	-	-
Land Side Construction	628,612	4,807,142	4,807,142	-
Computer Supplies & Maintenance	-	-	-	8,361
Computer Hardware & Software	2,270	2,576	2,576	32,240
Total Expenditures	\$ 13,658,318	\$ 28,271,231	\$ 28,165,995	\$ 2,211,672
Ending Fund Balance	\$ (2,203,603)	\$ 168,541	\$ 213,671	\$ 7,976

APPENDIX

- A. **Five Year Forecast:** The five year forecast is a look into the future of the City for the four major operating funds. These funds include the General Fund, Aviation Fund, Solid Waste Fund and Water & Sewer Fund.
- B. **Full Time/Permanent Part-Time Employee Schedule:** This appendix provides a detailed schedule of full time and permanent part-time employees over the last four years.
- C. **City of Killeen Position Classification and Pay Plan and Schedule of Incentives:** This appendix provides detailed listings and schedules of how and what the City's pay plan is designed.
- D. **City of Killeen Water, Sewer and Solid Waste Rates:** This section provides a detailed presentation of the City of Killeen's Water & Sewer & Solid Waste rates as they appear in the City of Killeen's Code of Ordinance.
- E. **Glossary:** The glossary provides a listing of terminology pertaining to the governmental fund accounting, and municipal government.

"The City Without Limits!"

CITY OF KILLEEN

APPENDIX A

FIVE YEAR FORECAST

"The City Without Limits!"

**CITY OF KILLEEN
FIVE YEAR FORECAST**

Description and Purpose:

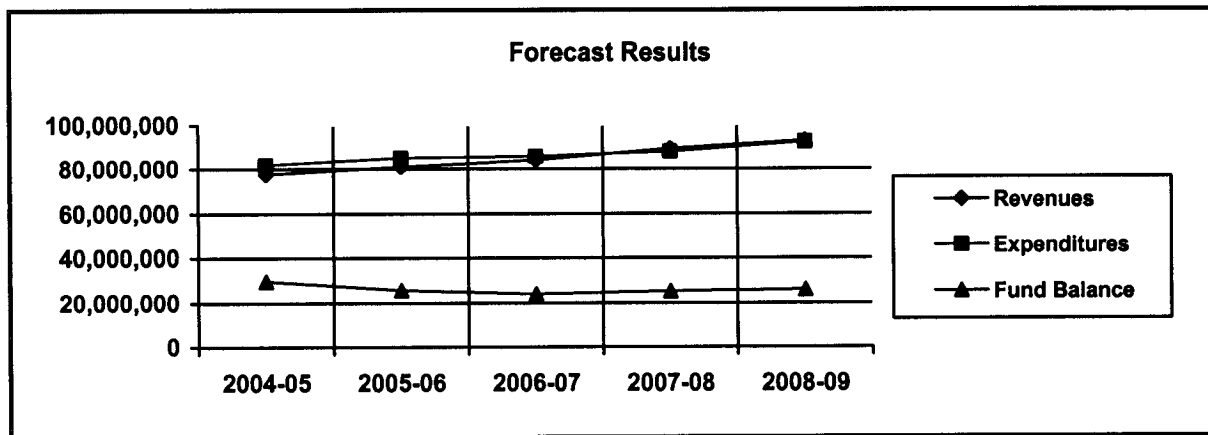
This section of the appendix presents a five year forecast in an effort to provide a financial tool by which future budgets and actual results of operations can be monitored. A financial forecast provides prospective financial statements that present an entity's expected financial position, results of operations, and cash flows for one or more future periods. This five year forecast attempts to do just that. The scope of this five year forecast, however, has been limited to revenues and expenditures, or expenses, for the City's four major operating funds. These funds include the General Fund, the Aviation Fund, the Solid Waste Fund and the Water and Sewer Fund. Descriptions of these funds can be found at the beginning of their sections in the budget document.

A revenue, expenditure, or expense, and changes in fund balance statement has been prepared for each fund. Revenues are depicted by sources while expenditures, or expenses, are presented by object of expenditure. Each object of expenditure is made up of sub-object class expenditures; however, the assumptions discussed below were applied on the aggregate of each object of expenditure and not on a line item basis. Each statement provides a column showing the percentage change between FY 2004-05 and FY 2008-09. Finally, after each statement a line graph is presented showing the funds growth over a five year period.

Methodology:

The City recently contracted independent firms to prepare the General Fund Long-Range Financial Plan and Water and Sewer Rate studies. Due to the recent opening of the new airport, an additional long-range financial plan was prepared for Skylark Field and Killeen-Fort Hood Regional Airport. These studies were used in preparing the five year forecast.

	2004-05 Budget	2005-06 Forecast	2006-07 Forecast	2007-08 Forecast	2008-09 Forecast
Beginning Fund Balance	\$33,995,448	\$29,696,796	\$25,619,143	\$23,910,826	\$25,320,158
Revenues	77,529,217	80,962,274	84,034,852	89,322,989	93,007,374
Expenditures	<u>81,827,869</u>	<u>85,039,927</u>	<u>85,743,169</u>	<u>87,913,657</u>	<u>92,343,754</u>
Ending Fund Balance	<u>\$29,696,796</u>	<u>\$25,619,143</u>	<u>\$23,910,826</u>	<u>\$25,320,158</u>	<u>\$25,983,778</u>



Conclusions:

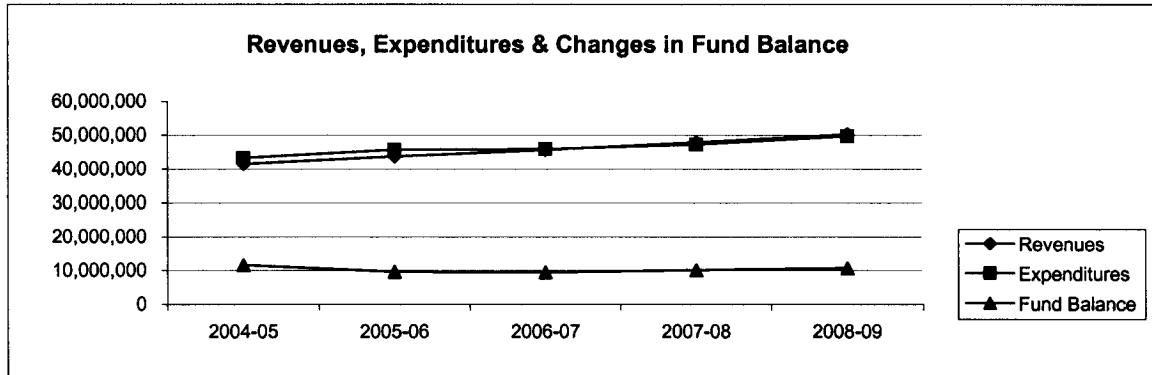
This forecast attempts to provide the reader, along with City staff, a look into the future as to where the City will be financially. It is important for the user of this forecast to understand that these numbers are estimates based on various statistical methods and are not representation of fact. The forecast will change along with the change in factors that influence the estimates and as methods of forecasting are improved.

**CITY OF KILLEEN
FIVE YEAR FORECAST
GENERAL FUND**

	2004-05 Budget	2005-06 Forecast	2006-07 Forecast	2007-08 Forecast	2008-09 Forecast	% Change 2004-2009
Beginning Fund Balance	13,296,509	11,493,284	9,538,390	9,357,077	9,994,201	-24.84%
Revenues						
Ad Valorem Taxes	12,968,415	13,653,210	14,166,574	14,818,632	15,482,702	19.39%
Delinquent Ad Valorem Taxes	157,000	165,698	177,458	192,240	199,789	27.25%
Delinquent Tax Penalties & Int.	118,000	128,606	136,149	143,603	151,590	28.47%
Delinquent Tax Fees	45,000	50,675	54,636	55,674	57,927	28.73%
Sales Tax	15,080,000	15,984,800	16,784,040	17,623,242	18,504,404	22.71%
Bingo Tax	115,000	116,265	117,544	118,837	120,144	4.47%
Drink Tax	163,000	161,146	171,663	182,697	194,304	19.20%
Telephone	223,000	231,920	241,197	250,845	260,878	16.99%
Miscellaneous Telephone	14,000	14,560	15,142	15,748	16,378	16.99%
TXU Gas	268,000	248,496	262,378	275,132	288,693	7.72%
Cable Television	852,000	907,100	965,737	1,021,273	1,081,532	26.94%
Taxi Cabs	2,000	2,962	2,934	2,846	2,669	33.45%
Tu Electric	2,899,000	3,044,323	3,180,441	3,313,638	3,445,740	18.86%
Miscellaneous Police Receipts	32,000	33,280	34,611	35,996	37,435	16.98%
Taxi Operator's License	2,000	2,193	2,199	2,162	2,166	8.30%
Planning and Zoning Fees	30,000	29,515	31,459	33,343	36,163	20.54%
Fire Dept SVC Fes Collected	1,300,000	1,377,586	1,465,554	1,563,904	1,647,396	26.72%
Code Enforcement Mowing	140,000	141,540	143,097	144,671	146,262	4.47%
Food Handler's Permits	15,000	15,914	15,811	15,965	15,991	6.61%
Mechanical Inspection Permits	45,000	45,317	47,590	50,008	53,524	18.94%
Building Plans Review Fees	90,000	100,341	102,699	105,194	109,902	22.11%
Garage Sale Permits	7,500	7,355	6,917	6,501	6,166	-17.79%
Animal License Receipts	3,000	1,391	2,377	2,891	3,228	7.60%
Contractor License	35,000	37,720	38,396	39,262	40,096	14.56%
Certificates of Occupancy	13,500	17,149	18,400	19,684	20,672	53.13%
Trailer Court License/Permits	6,300	9,764	10,905	11,902	12,644	100.70%
Bldg Permits and Inspection	400,000	449,053	469,979	489,736	516,540	29.14%
Electrical Inspections/Permits	100,000	117,366	123,249	129,311	137,195	37.20%
Plumbing Inspections/Permits	60,000	81,778	84,360	87,266	91,468	52.45%
Inspection Fees	12,500	13,913	15,576	16,826	18,264	46.11%
Municipal Court Receipts	780,000	788,580	797,254	806,024	814,890	4.47%
Arrest Fees	170,000	214,217	232,343	246,955	261,274	53.69%
Parking Fines	28,580	42,246	44,516	46,825	49,299	72.49%
Court Tax Service Fees	52,000	53,843	53,249	51,260	51,730	-0.52%
Traffic Cost	25,070	30,482	30,463	28,818	27,637	10.24%
Jury Fees	63	65	67	69	71	12.70%
Swimming Pool Lessons	14,750	12,841	13,612	13,922	14,152	-4.05%
Rodeo Arena Receipts	1,000	652	627	608	601	-39.90%
Recreation Revenue	45,000	51,247	57,738	64,521	71,293	58.43%
Cemetery Lots	50,335	61,522	62,192	65,419	65,833	30.79%
Athletic Revenue	20,000	20,220	20,442	20,667	20,895	4.48%
Swimming Pool Lessons	15,000	15,387	15,616	15,892	16,216	8.11%
Facilities Revenue	10,000	11,378	12,430	13,398	14,075	40.75%
Library Xerox Charges	5,000	5,880	5,804	5,734	5,658	13.16%
Library Fees and Contributions	15,000	18,928	20,512	22,998	24,861	65.74%
Animal Control Fees	43,000	45,963	43,568	43,208	42,595	-0.94%
Interest Earned	285,000	287,850	290,729	293,636	296,572	4.06%
Curb and Street Cuts	1,000	1,040	1,082	1,125	1,170	17.00%
Miscellaneous Receipts	180,000	195,083	205,560	203,573	213,064	18.37%

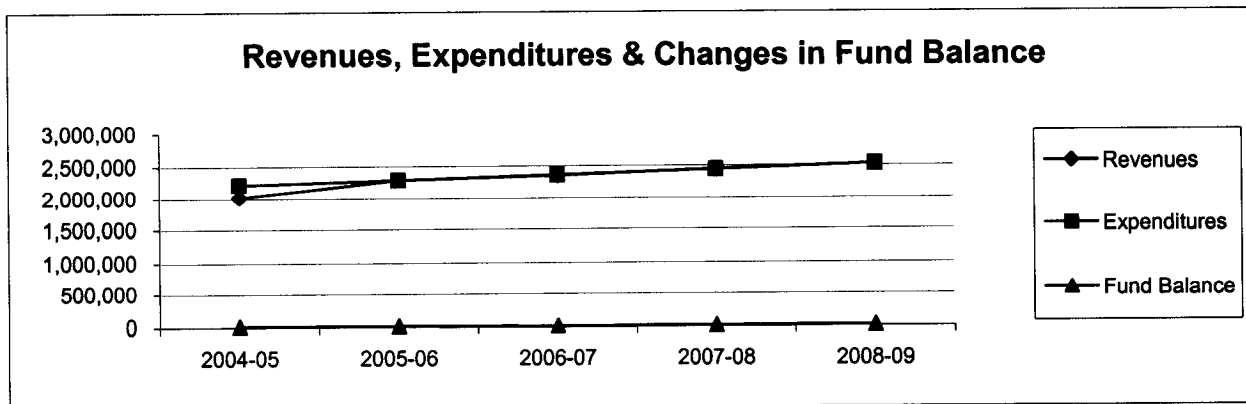
**CITY OF KILLEEN
FIVE YEAR FORECAST
GENERAL FUND**

	2004-05 Budget	2005-06 Forecast	2006-07 Forecast	2007-08 Forecast	2008-09 Forecast	% Change 2004-2009
Miscellaneous Grant Receipts	100,000	100,000	100,000	100,000	100,000	0.00%
Transfer From W&S	2,558,645	2,689,677	2,922,109	3,126,709	3,413,550	33.41%
Transfer From Solid Waste	1,484,039	1,599,493	1,545,507	1,591,873	1,639,629	10.48%
Transfer From Drainage Utility	17,213	-	-	-	-	-100.00%
Transfer From Tax I&S 93	88,170	-	-	-	-	-100.00%
CDBG Adm/Home Program	51,142	53,295	55,550	57,913	60,390	18.08%
CDBG Administration	225,200	218,268	227,328	236,804	246,719	9.56%
Bell County Contributions	10,000	9,860	11,241	11,552	11,507	15.07%
Civil Defense Match Funds	20,868	18,771	19,269	20,990	22,454	7.60%
Total Revenues	41,492,290	43,737,724	45,677,880	47,859,522	50,187,997	20.96%
Expenditures						
Salaries	23,121,459	24,448,889	25,426,844	26,443,918	27,501,675	18.94%
Supplies	1,913,169	1,968,828	2,026,543	2,085,989	2,147,219	12.23%
Maintenance	1,239,156	1,269,945	1,301,658	1,334,323	1,367,967	10.40%
Repairs	773,093	795,416	818,408	842,091	866,483	12.08%
Support Services	6,033,056	5,495,532	5,395,191	5,227,483	5,366,907	-11.04%
Other Services	6,723,336	6,953,881	7,357,332	7,789,347	8,252,310	22.74%
Designated Expenses	444,702	601,608	616,206	631,242	646,730	45.43%
Capital Outlay	2,262,544	3,367,019	2,193,966	1,393,369	2,082,372	-7.96%
Contra Accounts	785,000	791,500	723,045	1,474,636	1,406,275	79.14%
Total Expenditures	43,295,515	45,692,618	45,859,193	47,222,398	49,637,938	14.65%
Ending Fund Balance	11,493,284	9,538,390	9,357,077	9,994,201	10,544,260	-8.26%



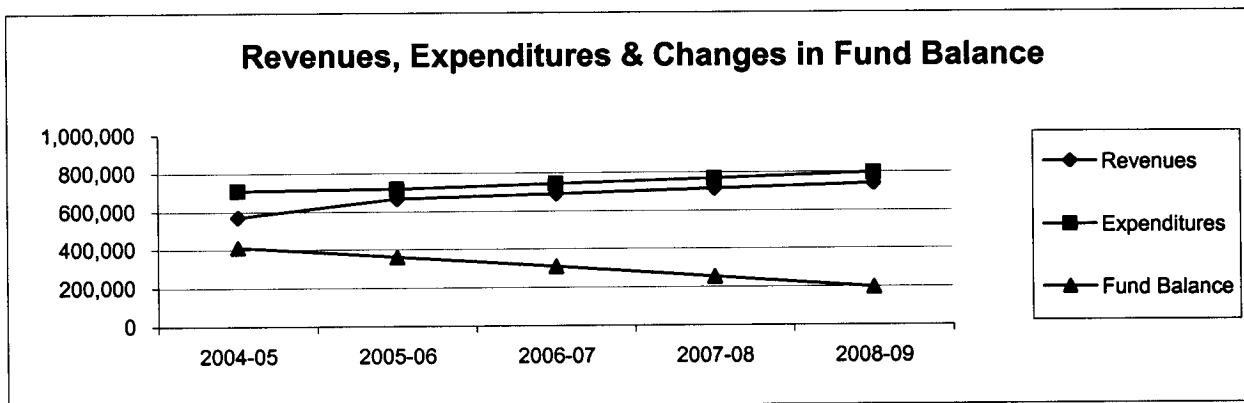
**CITY OF KILLEEN
FIVE YEAR FORECAST
KILLEEN-FORT HOOD REGIONAL AIRPORT**

	2004-05 Budget	2005-06 Forecast	2006-07 Forecast	2007-08 Forecast	2008-09 Forecast	% Change 2004-2009
Beginning Fund Balance	213,671	7,976	9,731	1,447	6,152	-97.12%
Revenues						
Miscellaneous Receipts	8,500	8,670	8,843	9,020	9,201	8.25%
Airport Rent & Concessions	494,071	628,975	664,191	701,486	740,989	49.98%
Air Carrier Operations	169,404	178,992	197,183	217,308	239,579	41.42%
Airport Use Fees	104,952	115,615	127,362	140,302	154,556	47.26%
Airport Parking Lot Fees	254,000	269,443	285,825	303,204	321,638	26.63%
Recovery Fees	101,650	-	-	-	-	0.00%
Fuel Sales	95,400	99,254	103,264	107,436	111,776	17.17%
Operating Supplies	1,500	1,561	1,624	1,689	1,757	17.13%
Into Plane Fees	175,500	182,590	189,967	197,642	205,626	17.17%
Interest Earned	1,000	1,000	1,000	1,000	1,000	0.00%
Transfer	600,000	800,000	770,000	760,000	730,000	0.00%
Total Revenues	2,005,977	2,286,100	2,349,259	2,439,087	2,516,122	25.43%
Expenses						
Salaries	1,008,080	1,049,403	1,090,339	1,133,953	1,179,311	16.99%
Supplies	101,107	101,293	103,319	105,385	107,493	6.32%
Maintenance	23,701	26,011	26,531	27,062	27,603	16.46%
Repairs	52,020	53,060	54,122	55,204	56,308	8.24%
Support Services	554,497	565,587	576,899	588,437	600,205	8.24%
Other Services	314,357	326,931	340,000	353,609	367,753	16.99%
Designated Expenses	49,600	51,584	53,647	55,793	58,025	16.99%
Capital Outlay	108,310	110,476	112,686	114,939	117,238	8.24%
Total Expenses	2,211,672	2,284,345	2,357,543	2,434,382	2,513,936	13.67%
Ending Fund Balance	7,976	9,731	1,447	6,152	8,338	4.54%



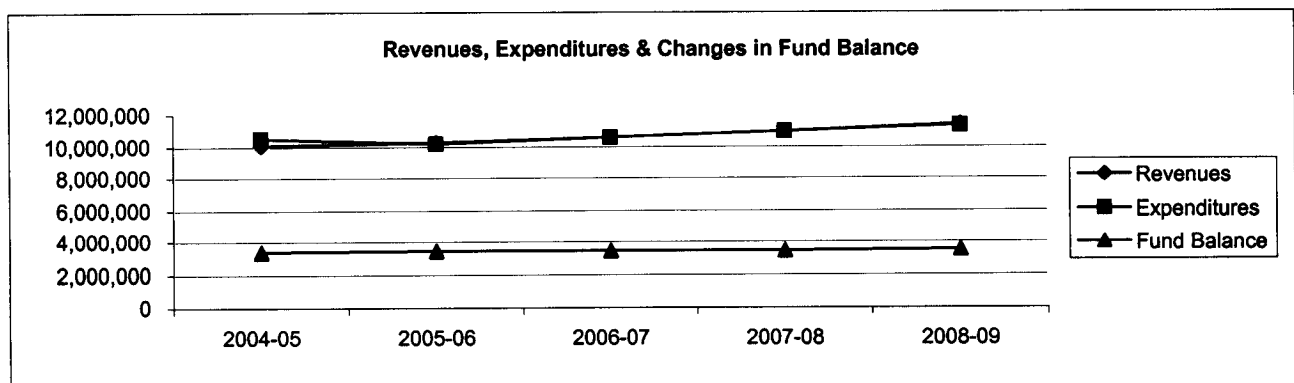
**CITY OF KILLEEN
FIVE YEAR FORECAST
SKYLARK FIELD**

	2004-05 Budget	2005-06 Forecast	2006-07 Forecast	2007-08 Forecast	2008-09 Forecast	% Change 2004-2009
Beginning Fund Balance	550,049	411,184	359,625	306,434	251,563	-54.27%
Revenues						
Miscellaneous Receipts	1,000	1,020	1,040	1,061	1,082	8.20%
Fixed Base Operations	5,885	6,003	6,123	6,245	6,370	8.24%
Hangars & Tiedowns	83,904	85,582	87,293	89,040	90,820	8.24%
Air Carrier Operations	0	75,000	76,500	78,030	79,591	0.00%
Airport Use Fees	10,010	10,414	10,835	11,273	11,728	17.16%
Fuel Sales	445,570	463,571	482,299	501,784	522,056	17.17%
Operating Supplies	21,859	22,742	23,661	24,617	25,611	17.16%
Interest Earned	500	-	-	-	-	0.00%
Total Revenues	568,728	664,332	687,751	712,050	737,258	29.63%
Expenses						
Salaries	130,483	135,702	141,130	146,773	152,647	16.99%
Supplies	22,340	22,787	23,243	23,707	24,182	8.25%
Maintenance	8,740	44,615	45,507	46,417	47,346	441.72%
Repairs	19,844	20,241	20,646	21,059	21,480	8.24%
Support Services	64,362	65,649	66,962	68,301	69,667	8.24%
Other Services	45,066	46,869	48,743	50,693	52,721	16.99%
Designated Expenses	356,358	354,120	368,285	383,016	398,337	11.78%
Capital Outlay	60,400	25,908	26,426	26,955	27,494	-54.48%
Total Expenses	707,593	715,891	740,942	766,921	793,874	12.19%
Ending Fund Balance	411,184	359,625	306,434	251,563	194,947	-52.59%



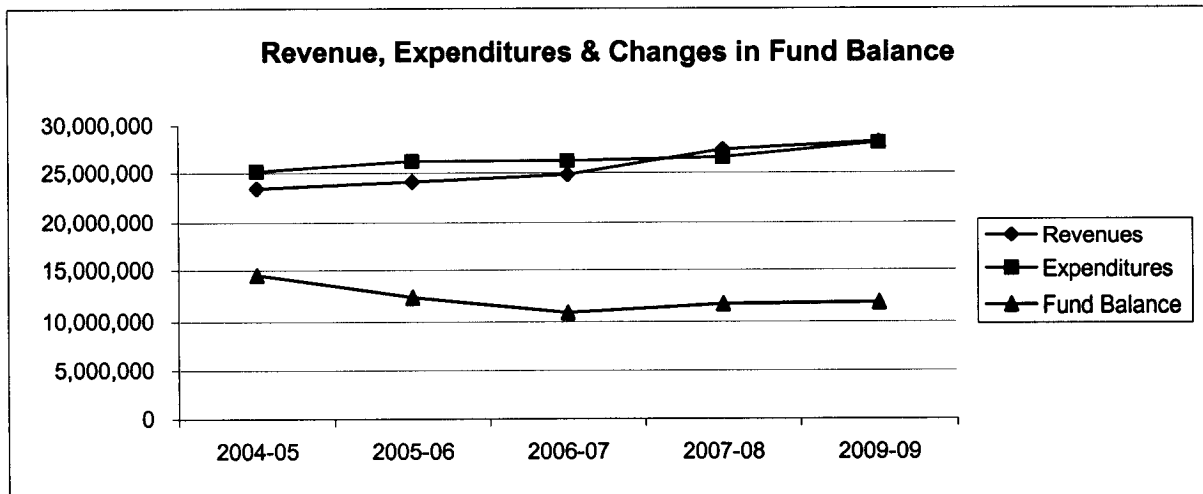
**CITY OF KILLEEN
FIVE YEAR FORECAST
SOLID WASTE FUND**

	2004-05 Budget	2005-06 Forecast	2006-07 Forecast	2007-08 Forecast	2008-09 Forecast	% Change 2003-2008
Beginning Fund Balance	3,720,452	3,307,955	3,375,499	3,377,752	3,370,696	-9.40%
Revenues						
Transfer Station Fees	170,000	466,843	481,577	495,127	514,932	202.90%
Dumpster Rentals	295,000	-	-	-	-	-100.00%
Sale of Equipment	12,000	14,000	37,000	29,500	30,680	155.67%
Tire Disposal Fees	2,300	844	844	844	878	-61.84%
Sale of Metals - Recycling	32,000	23,318	23,318	23,318	24,251	-24.22%
Paper Products - Recycling	36,000	16,143	16,143	16,143	16,789	-53.36%
Public Scale Fees	9,000	13,186	13,186	13,186	13,713	52.37%
Other Recycling Fees	4,000	538	538	538	560	-86.01%
Customer Recycling Fees	36,000	50,400	50,400	50,400	52,416	45.60%
Commercial Sanitation Fees	4,065,966	4,166,983	4,306,813	4,441,047	4,618,689	13.59%
Residential Sanitation Fees	5,346,785	5,414,461	5,565,884	5,784,314	6,015,687	12.51%
Interest Earned	48,000	46,771	46,771	46,771	48,642	1.34%
Miscellaneous Receipts	500	8,550	8,550	8,550	8,892	1678.40%
Total Revenues	10,057,551	10,222,037	10,551,024	10,909,738	11,346,128	12.81%
Expenses						
Salaries	2,160,723	2,574,725	2,724,884	2,853,147	2,967,273	37.33%
Supplies	253,521	242,465	249,739	257,231	264,948	4.51%
Maintenance	69,624	68,279	70,328	72,438	74,611	7.16%
Repairs	511,310	565,417	582,378	599,851	617,847	20.84%
Support Services	1,844,042	1,555,211	1,600,818	1,647,792	1,697,226	-7.96%
Other Services	742,997	933,689	1,009,129	1,077,630	1,120,735	50.84%
Designated Expenses	3,609,534	2,419,292	2,487,072	2,556,884	2,633,591	-27.04%
Capital Outlay	73,121	907,018	934,229	962,257	991,125	1255.46%
Debt Service	1,205,176	888,397	890,194	889,564	916,251	-23.97%
Total Expenses	10,470,048	10,154,493	10,548,771	10,916,794	11,283,607	7.77%
Ending Fund Balance	3,307,955	3,375,499	3,377,752	3,370,696	3,433,217	3.79%



**CITY OF KILLEEN
FIVE YEAR FORECAST
WATER & SEWER FUND**

	2004-05 Budget	2005-06 Forecast	2006-07 Forecast	2007-08 Forecast	2009-09 Forecast	% Change 2003-2008
Beginning Fund Balance	16,214,767	14,476,397	12,335,898	10,868,116	11,697,546	-27.86%
Revenues						
Sale of Water	11,290,679	11,579,329	11,926,709	12,337,680	12,707,810	12.55%
Water & Sewer Taps	625,000	643,750	663,063	682,954	703,443	12.55%
Sewer Fees Collected	10,186,459	10,492,053	10,806,815	12,973,190	13,362,386	31.18%
Miscellaneous Services & Charges	662,000	681,860	702,316	723,385	745,087	12.55%
Delinquent Penalty	400,000	412,000	424,360	437,091	450,204	12.55%
Interest Earned	233,000	235,330	237,683	240,060	242,461	4.06%
Miscellaneous Receipts	2,500	2,500	2,500	2,500	2,500	0.00%
Transfers-In	5,033	5,259	5,492	5,732	5,978	18.78%
Total Revenues	23,404,671	24,052,081	24,768,938	27,402,592	28,219,869	20.57%
Expenses						
Salaries	2,570,929	2,787,783	2,904,635	3,026,160	3,152,545	22.62%
Supplies	447,450	460,874	474,700	488,941	503,608	12.55%
Maintenance	505,919	446,340	459,731	473,522	487,728	-3.60%
Repairs	171,868	148,780	153,244	157,841	162,576	-5.41%
Support Services	10,027,802	8,811,839	9,814,463	10,075,644	10,168,011	1.40%
Other Services	898,625	743,167	827,726	849,753	857,543	-4.57%
Designated Expenses	104,000	106,167	118,247	121,393	122,506	17.79%
Capital Improvements	262,768	1,735,000	80,000	-	-	-100.00%
Capital Outlay	412,814	1,471,713	1,557,908	1,246,895	1,276,902	209.32%
Water & Sewer Projects	1,105,000	955,501	1,064,218	1,092,540	1,102,556	-0.22%
Water Payments	4,820,000	3,796,581	3,873,776	3,946,174	4,086,783	-15.21%
Sewer Payments	3,815,866	4,728,835	4,908,072	5,094,299	6,193,641	62.31%
Total Expenses	25,143,041	26,192,580	26,236,720	26,573,162	28,114,399	11.82%
Ending Fund Balance	14,476,397	12,335,898	10,868,116	11,697,546	11,803,016	-18.47%



CITY OF KILLEEN

APPENDIX B

FULL TIME AND REGULAR PART-TIME EMPLOYEES SCHEDULE

"The City Without Limits!"

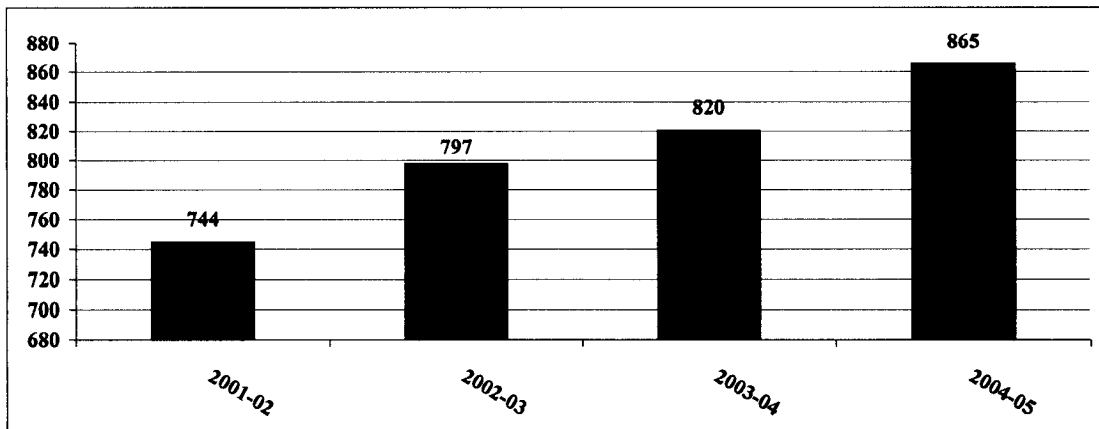
FULL TIME AND REGULAR PART-TIME EMPLOYEES

	2001-02	2002-03	2003-04	2004-05
General Fund				
City Manager	3	3	3	3
Municipal Court	18	20	19	19
Code Enforcement	4	4	7	7
Animal Control	8	8	8	8
Public Information	1	1	1	1
Killeen Volunteer Services	3	3	3	3
City Attorney	6	6	6	7
City Secretary	1	1	1	1
Finance	5	5	5	6
Accounting	6	6	6	6
Purchasing	3	4	4	4
Building Services	2	2	2	2
Custodial Services	8	8	8	8
Printing Services	2	2	2	2
EMS Billing & Collections	3	5	5	5
Human Resources	6	8	8	8
Information Technology	10	10	10	10
Permits & Inspections	10	11	11	12
Library Services	16	14	13	13
Branch Library	5	7	8	8
Golf Course	12	12	12	0
Parks	31	31	31	31
Recreation	3	3	3	3
Athletics	3	3	3	3
Cemetery	6	6	6	6
Senior Citizens	2	3	3	4
Community Development	5	5	5	8
Home Program	2	2	2	2
Public Works	2	2	2	2
Engineering	4	4	4	4
Traffic	10	10	10	10
Street	35	35	35	35
Planning	6	6	6	7
Police	204	211	214	231
Fire	124	127	128	137
Total General Fund	569	588	594	616
Killeen-Fort Hood Regional Airport				
Killeen-Fort Hood Regional Airport	3	4	14	37.5
Total Killeen-Fort Hood Regional Airport Fund	3	4	14	37.5
Skylark Field				
Skylark Field	17	20	20	5.5
Total Skylark Field Fund	17	20	20	5.5
Golf Course Fund				
Killeen Municipal Golf Course	0	0	0	13
Total Golf Course Fund	0	0	0	13

FULL TIME AND REGULAR PART-TIME EMPLOYEES

	2001-02	2002-03	2003-04	2004-05
Solid Waste				
Code Enforcement	0	1	1	1
Residential Services	26	32	35	35
Commercial Services	17	18	19	19
Recycle Center	3	4	7	7
Transfer Station	10	10	11	11
Total Solid Waste Fund	56	65	73	73
Water and Sewer				
Fleet Services	19	19	19	19
Utility Collections	28	29	30	30
GIS	0	2	2	2
Water Distribution	12	15	15	15
Sanitary Sewer	11	11	11	11
Water and Sewer Operations	17	18	18	18
Total Water and Sewer Fund	87	94	95	95
Drainage Utility Fund				
Engineering	1	3	3	3
Total Drainage Utility Fund	1	3	3	3
Special Revenue Fund				
Cablesystem PEG	0	1	1	1
Civic and Conference Center	6	17	15	16
Total Special Revenue Fund	6	18	16	17
Capital Improvement				
Bond Construction	5	5	5	5
Total Capital Improvement Fund	5	5	5	5
TOTAL ALL FUNDS	744	797	820	865

Note: In order to be consistent, all data for prior years presented has been included in each Division's current position of the organizational structure.



CITY OF KILLEEN

APPENDIX C

CITY OF KILLEEN POSITION CLASSIFICATION, PAY PLAN, AND SCHEDULE OF INCENTIVES

"The City Without Limits!"

INCENTIVE PAY
Effective October 1, 2004

	Month
<u>ANIMAL CONTROL</u>	
Basic	\$20
Advanced	\$30
Administrative	\$40
 <u>AVIATION</u>	
Certified Weather Observer	\$75
General Insecticide (Basic)	\$15
Lawn and Ornamental	\$15
Weed Control	\$15
Pest Control	\$15
 <u>CEMETERY</u>	
General Insecticide (Basic)	\$15
Weed Control	\$15
Insecticide	\$15
 <u>CITY MARSHAL</u>	
Associate Degree	\$90
Bachelor's Degree	\$150
Intermediate Certificate	\$60
Advanced Certificate	\$75
Master Certificate (Peace Officer)	\$100
Master's Degree	\$185
 <u>CODE ENFORCEMENT</u>	
Certified Housing Rehabilitation/Preservation Inspector	\$10
Certified Residential Electrical Inspector	\$10
Certified Building Inspector	\$10
Certified Commercial Electrical Inspector	\$10
Certified Plumbing Inspector	\$10
Certified Mechanical Inspector	\$10
Certified State Licensed Plumbing Inspector	\$10
1 and 2 Family Dwelling Inspector	\$15
Certified Building Plans Examiner	\$20
Certified Electorial Plans Examiner	\$20
Certified Plumbing Plans Examiner	\$20
Certified Mechanical Examiner	\$20
Certified Chief Building Code Analyst	\$25
Certified Chief Electrical Code Analyst	\$25
Certified Chief Plumbing Code Analyst	\$25
Certified Chief Mechanical Code Analyst	\$25
Certified State Code Enforcement Officer	\$25
Certified Code Enforcement and Administration Professionals	\$35
All above certification are only through examinations.	

INCENTIVE PAY
Effective October 1, 2004

FIRE/EMS

Advanced	\$120
Apparatus Technician	\$50
Arson Investigator	\$100
EMT-B	\$100
EMT I	\$120
Intermediate	\$60
Master	\$175
EMT/Paramedic	\$300
Paramedic Assignment Pay	\$50
Shift Differential (Dispatchers only)	3% of base pay

FLEET SERVICES

Master ASE Automotive Technician	\$60
Texas Motor Vehicle Inspection License	\$15
Refrigeration and Recovery Recycling License	\$10
CDL I – Type I Class B	\$45

GOLF

Texas Pest Control Board	
General	\$15
Lawn & Ornamental	\$15
Weed	\$15

MUNICIPAL COURT
COURT CLERKS

Level I Certification	\$25
Level II Certification	\$35
Level III Certification	\$45
Management Certification	\$50

PARKS

General Insecticide (Basic)	\$15
Weed Control	\$15
Insecticide	\$15
Certified Pool Operator	\$15
CDL I– Type I Class B	\$45

INCENTIVE PAY
Effective October 1, 2004

POLICE

Advanced Certificate	\$75
Associate Degree	\$90
Bachelor's Degree	\$150
Field Training Officer	\$75
Hostage Negotiation Team	\$75
Master Peace Officer	\$100
Investigator	\$50
Intermediate Certificate	\$60
Master's Degree	\$185
Swat	\$75
Shirt Differential (Patrol personnel only)	3 % of base pay

SANITARY SEWERS

Type I License	\$25
Type II License	\$35
CDL I- Licensed to drive 2 types of collection vehicles	\$45
CDL II- Licensed to drive 3 or more collection vehicles	\$95

SOLID WASTE

Class "A"	\$60
Class "B"	\$45
Class "C"	\$32
Class "D"	\$25
CDL - Licensed to drive 2 types of collection vehicles	\$45
CDL - Licensed to drive 3 or more collection vehicles	\$95

TRAFFIC/ELECTRICIANS

Traffic Signal Certification Level I	\$25
Traffic Signal Certification Level II	\$35
Traffic Signal Certification Level III	\$45
Journeyman Electrician	\$30
Master Electrician	\$60

WATER AND SEWER BOND FUND

CDL - Licensed to drive 2 types of collection vehicles	\$45
CDL - Licensed to drive 3 or more collection vehicles	\$95

WATER AND SEWER OPERATIONS

CDL - Licensed to drive 2 types of collection vehicles	\$45
CDL - Licensed to drive 3 or more collection vehicles	\$95
Wastewater Collections III License	\$45

INCENTIVE PAY
Effective October 1, 2004

WATER COLLECTION

Class I Wastewater Collections	\$25
Class II Wastewater Collections	\$35
Grade A Wastewater	\$55
Grade B Wastewater	\$45

WATER DISTRIBUTION

Grade A Distribution	\$55
Grade B Distribution	\$45
Grade C Distribution	\$35
Grade D Distribution	\$25
CDL I - Licensed to drive 2 types of collection vehicles	\$45
CDL II- Licensed to drive 3 or more collection vehicles	\$95

WATER PRODUCTION

"C" License	\$35
"D" License	\$25

POLICE PAY PLAN

EFFECTIVE APRIL 9, 2003

PROBATIONARY POLICE OFFICER	YEAR ONE	YEAR TWO	YEAR THREE	YEAR FOUR	YEAR FIVE	YEAR SIX	YEAR EIGHT	YEAR TEN
\$2,488	\$2,675	\$2,804	\$2,931	\$3,060	\$3,188	\$3,317	\$3,446	\$3,574
			YEAR 1-2	YEAR 3-4	YEAR 5-9	YEAR 10+		
POLICE SERGEANT			\$3,680	\$3,805	\$3,931	\$4,059		
POLICE LIEUTENANT			\$4,181	\$4,322	\$4,462	\$4,605		
POLICE CAPTAIN			\$4,742	\$4,828	\$4,912	\$4,997		
ASSISTANT CHIEF OF POLICE			\$5,482	\$5,674	\$5,901	\$6,137		

FIRE/EMS PAY PLAN

EFFECTIVE OCTOBER 1, 2002

PROBATIONARY FIRE & RES OFFICER	YEAR ONE	YEAR TWO	YEAR THREE	YEAR FOUR	YEAR FIVE	YEAR SIX	YEAR EIGHT	YEAR TEN
\$2,376	\$2,547	\$2,648	\$2,748	\$2,848	\$2,949	\$3,050	\$3,150	\$3,255
			YEAR 1-2	YEAR 3-4	YEAR 5-9	YEAR 10+		
FIRE PREVENTION OFFICER			\$3,517	\$3,638	\$3,761	\$3,886		
FIRE LIEUTENANT			\$3,517	\$3,638	\$3,761	\$3,886		
FIRE CAPTAIN			\$4,001	\$4,100	\$4,197	\$4,296		
FIRE DEPUTY CHIEF			\$4,422	\$4,588	\$4,753	\$4,917		
FIRE MARSHALL			\$4,422	\$4,588	\$4,753	\$4,917		

City of Killeen
Position Classification and Pay Plan
Effective October 1, 2004

<u>Grade</u>	<u>Classified Positions</u>	<u>Salary Schedule (monthly)</u>	
		<u>Minimum</u>	<u>Maximum</u>
<u>51</u>	Clerk	\$1,275	\$1,857
	Grounds Maintenance Worker	1,275	1,857
	Mail Clerk (UB)	1,275	1,857
	Utility Cashier	1,275	1,857
<u>52</u>	Aircraft Fuel Handler	\$1,398	\$2,038
	Airport Service Worker	1,398	2,038
	Animal Control Assistant	1,398	2,038
	Animal Control Attendant	1,398	2,038
	Bldgs & Grounds Service Worker	1,398	2,038
	Cart Fleet & Range Attendant	1,398	2,038
	Code Enforcement Clerk	1,398	2,038
	Communications Specialist	1,398	2,038
	Community Center Coordinator	1,398	2,038
	Court Citation Specialist	1,398	2,038
	Court Collections Clerk	1,398	2,038
	Custodian	1,398	2,038
	Customer Svc Representative	1,398	2,038
	EMS Billing Clerk	1,398	2,038
	Facilities Maintenance Specialist	1,398	2,038
	Golf Shop Attendant	1,398	2,038
	Greenskeeper	1,398	2,038
	Juvenile Coordinator/Accounting Clerk	1,398	2,038
	Meter Reader	1,398	2,038
	Office Assistant	1,398	2,038
	Police Clerk	1,398	2,038
	Press Operator	1,398	2,038
	Receptionist	1,398	2,038
	Recycling Attendant	1,398	2,038
	Scale Attendant	1,398	2,038
	Secretary	1,398	2,038
	Small Equipment Mechanic	1,398	2,038
	Solid Waste Worker	1,398	2,038
	Street Service Worker	1,398	2,038
	Utility Clerk	1,398	2,038
	Warrants Clerk	1,398	2,038
Warrants Coordinator (Court)	1,398	2,038	
Water & Sewer Svc Worker	1,398	2,038	
Welder's Assistant	1,398	2,038	
<u>53</u>	Accounting Clerk	\$1,567	\$2,283
	Animal Control Officer	1,567	2,283
	Bailiff	1,567	2,283
	Building Permit Clerk	1,567	2,283
	Community Development Program Assist	1,567	2,283

City of Killeen
Position Classification and Pay Plan
Effective October 1, 2004

<u>Grade</u>	<u>Classified Positions</u>	<u>Salary Schedule (monthly)</u>	
		<u>Minimum</u>	<u>Maximum</u>
<u>53</u>	Court Collection Supervisor	\$1,567	\$2,283
	EMS Billing Specialist	1,567	2,283
	Golf Course Maintenance Technician	1,567	2,283
	Grounds Maintenance Specialist	1,567	2,283
	Human Resources Assistant	1,567	2,283
	Jailer	1,567	2,283
	Library Assistant	1,567	2,283
	Parts Assistant	1,567	2,283
	Police Fiscal Specialist	1,567	2,283
	Recreation Specialist	1,567	2,283
	Recreation Supervisor	1,567	2,283
	Sign Technician	1,567	2,283
	Solid Waste Crew Chief	1,567	2,283
	Sr Meter Reader	1,567	2,283
	Sr Secretary	1,567	2,283
	Sr Utility Clerk	1,567	2,283
	Sr Water & Sewer Service Worker	1,567	2,283
	Sr. Aircraft Fuel Handler	1,567	2,283
	Truck Driver	1,567	2,283
	Utility Service Worker	1,567	2,283
<u>54</u>	Accounting Specialist	\$1,754	\$2,556
	Catalog Assistant	1,754	2,556
	Commercial Equipment Operator	1,754	2,556
	Construction Inspector	1,754	2,556
	Convention Services Manager	1,754	2,556
	Crime Prevention Coordinator	1,754	2,556
	Custodian Crew Leader	1,754	2,556
	Electrical Maintenance Technician	1,754	2,556
	Engineering Technician	1,754	2,556
	Equipment Operator	1,754	2,556
	Event Coordinator	1,754	2,556
	Evidence Technician	1,754	2,556
	Golf Shop Manager	1,754	2,556
	Grounds Crew Leader	1,754	2,556
	Library Supervisor	1,754	2,556
	Payroll Coordinator	1,754	2,556
	Police Training Assistant	1,754	2,556
	Principal Secretary	1,754	2,556
	Public Information Assistant	1,754	2,556
	Residential Equipment Operator	1,754	2,556
Special Projects Coordinator	1,754	2,556	
Sr Reference Assistant	1,754	2,556	
Youth Programs Specialist	1,754	2,556	

City of Killeen
Position Classification and Pay Plan
Effective October 1, 2004

<u>Grade</u>	<u>Classified Positions</u>	<u>Salary Schedule (monthly)</u>	
		<u>Minimum</u>	<u>Maximum</u>
<u>55</u>	Airport Specialist	\$1,965	\$2,863
	Associaton Sales Manager	1,965	2,863
	Buyer	1,965	2,863
	Executive Assistant	1,965	2,863
	Fleet Services Technician	1,965	2,863
	Heavy Equipment Crew Leader	1,965	2,863
	Planning Specialist	1,965	2,863
	Public Service Officer	1,965	2,863
	Sr Sign Technician	1,965	2,863
	Technology Unit Technician	1,965	2,863
	Traffic Technician	1,965	2,863
	W&S Materials Manager	1,965	2,863
	Welder	1,965	2,863
<u>56</u>	CAD/GIS Technician	\$2,201	\$3,207
	Code Enforcement Officer	2,201	3,207
	Community Development Specialist	2,201	3,207
	Computer Operator	2,201	3,207
	Computer Technician	2,201	3,207
	Crime Statistical Analyst	2,201	3,207
	Custodian Supervisor	2,201	3,207
	Customer Svc Supervisor	2,201	3,207
	Deputy City Marshal	2,201	3,207
	Employee Benefits Specialist	2,201	3,207
	EMS Billing Supervisor	2,201	3,207
	Home Program Coordinator	2,201	3,207
	Info.Technology Training Specialist	2,201	3,207
	Lead Facilities Maint. Specialist	2,201	3,207
	Operations Specialist	2,201	3,207
	Police Records Supervisor	2,201	3,207
	Reprographics Technician	2,201	3,207
	Solid Waste Specialist	2,201	3,207
	Sr Association Sales Manager	2,201	3,207
	Sr Construction Inspector	2,201	3,207
	Sr Traffic Technician	2,201	3,207
	Utility Collections Supervisor	2,201	3,207
	Utility Service Supervisor	2,201	3,207
<u>57</u>	Administrative Assistant	\$2,465	\$3,812
	Airport Maint.Crew Leader	2,465	3,812
	Animal Control Supervisor	2,465	3,812
	Assistant Golf Professional	2,465	3,812
	Branch Manager	2,465	3,812
	Building Inspector	2,465	3,812
	Chief Operator	2,465	3,812

City of Killeen
Position Classification and Pay Plan
Effective October 1, 2004

<u>Grade</u>	<u>Classified Positions</u>	<u>Salary Schedule (monthly)</u>	
		<u>Minimum</u>	<u>Maximum</u>
<u>57</u>	City Marshal	\$2,465	\$3,812
	Clerk Of The Court	2,465	3,812
	Commercial Operations Supervisor	2,465	3,812
	Community Development Prg/Manager	2,465	3,812
	Computer Mainframe Specialist	2,465	3,812
	Container Operations Supervisor	2,465	3,812
	Flightline Service Crew Leader	2,465	3,812
	GIS Data Technician	2,465	3,812
	Human Resources Specialist	2,465	3,812
	Inflow & Infiltration Supervisor	2,465	3,812
	Information Technology Technician	2,465	3,812
	Network Technician	2,465	3,812
	Office Supervisor	2,465	3,812
	Recycling Operations Supervisor	2,465	3,812
	Reference Librarian	2,465	3,812
	Residential Operations Supervisor	2,465	3,812
	Sanitary Sewer Supervisor	2,465	3,812
	Storm Water Drainage Technician	2,465	3,812
	Street Maintenance Supervisor	2,465	3,812
	Transfer Station Supervisor	2,465	3,812
Water Supervisor	2,465	3,812	
<u>58</u>	Assistant Traffic Superintendent	\$2,761	\$4,269
	Building Plans Examiner	2,761	4,269
	Fleet Services Parts Supervisor	2,761	4,269
	Fleet Services Supervisor	2,761	4,269
	Grants Administrator	2,761	4,269
	IT A'port Technology Supervisor	2,761	4,269
	Network Administrator	2,761	4,269
	Operations Supervisor	2,761	4,269
	Senior Center Manager	2,761	4,269
Sr CAD/GIS Technician	2,761	4,269	
<u>59</u>	Accounting Supervisor	\$3,093	\$4,781
	Assistant Director of Library Services	3,093	4,781
	Cemetery Superintendent	3,093	4,781
	City Secretary	3,093	4,781
	Commercial Operations Superintendent	3,093	4,781
	Director Of Code Enforcement	3,093	4,781
	Employee Relations/Training Coordinator	3,093	4,781
	Finance Manager	3,093	4,781
	GIS Technical Project Manager	3,093	4,781
	Golf Course Superintendent	3,093	4,781
	Info. Technology Network Manager	3,093	4,781
	Info. Technology Operations Manager	3,093	4,781

City of Killeen
Position Classification and Pay Plan
Effective October 1, 2004

<u>Grade</u>	<u>Classified Positions</u>	<u>Salary Schedule (monthly)</u>	
		<u>Minimum</u>	<u>Maximum</u>
<u>59</u>	Operations Manager	\$3,093	\$4,781
	Parks/Pub Grds Superintendent	3,093	4,781
	Recreation Superintendent	3,093	4,781
	Residential Operations Superintendent	3,093	4,781
	Street Services Superintendent	3,093	4,781
	Traffic Superintendent	3,093	4,781
	Transfer Station Superintendent	3,093	4,781
	Utility Collections Manager	3,093	4,781
	Water & Sewer Superintendent	3,093	4,781
<u>60</u>	Accounting Manager	\$3,464	\$5,355
	Airport Facilities Manager	3,464	5,355
	Airport Operations Manager	3,464	5,355
	Assistant City Attorney	3,464	5,355
	Building Official	3,464	5,355
	Fleet Services Manager	3,464	5,355
	Golf Professional	3,464	5,355
	Recycling Manager	3,464	5,355
	Senior Planner	3,464	5,355
<u>61</u>	Director Of Community Development	\$3,879	\$5,997
	Director Of General Services	3,879	5,997
	Director of Public Information	3,879	5,997
	Director Of Solid Waste	3,879	5,997
	Director Of Street Services	3,879	5,997
	Director Of Utility Services	3,879	5,997
<u>62</u>	Assistant Director of Aviation	\$4,344	\$6,717
	Deputy City Attorney	4,344	6,717
	Director of Civic & Conference Center	4,344	6,717
	Director Of Library Services	4,344	6,717
	Director Of Parks & Recreation	4,344	6,717
	Director Of Planning & Eco Development	4,344	6,717
	Management Accountant	4,344	6,717
	Project Engineer	4,344	6,717
<u>63</u>	City Engineer	\$4,866	\$7,983
	Director Of Human Resources	4,866	7,983
	Director Of Information Technology	4,866	7,983

Unclassified Positions

Assistant City Manager/Director of Community Services
Assistant City Manager/Director of Finance
Associate Municipal Judge
Chief of Police

City of Killeen
Position Classification and Pay Plan
Effective October 1, 2004

<u>Grade</u>	<u>Classified Positions</u>	Salary Schedule (monthly)	
		<u>Minimum</u>	<u>Maximum</u>
	<u>Unclassified Positions</u>		
	City Attorney		
	City Manager		
	Deputy City Manager		
	Director of Aviation		
	Director of Public Works		
	Director of Volunteer Services		
	Fire Chief		

CITY OF KILLEEN

APPENDIX D

CITY OF KILLEEN WATER, SEWER, AND SOLID WASTE RATES

"The City Without Limits!"

WATER AND WASTEWATER RATES

Water Fees:

The following water charges shall apply to all residential users for the consumption of water inside the city limits:

Meter Size	5/8&3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
0 to 2,000 gallons	\$9.54	\$10.66	\$13.44	\$16.79	\$24.61	\$35.79	\$64.53	\$97.18	\$136.27
Applicable to all meter sizes									
2,001 to 25000 gallons, per 1,000 gallons							\$2.59		
Over 25,000 gallons, per 1,000 gallons							\$3.09		

The following water charges shall apply to all commercial users for the consumption of water inside the city limits:

Meter Size	5/8&3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
0 to 2,000 gallons	\$9.92	\$11.09	\$13.98	\$17.46	\$25.59	\$37.22	\$67.11	\$101.17	\$141.72
Applicable to all meter sizes									
All over 2,000 gallons, per 1,000 gallons							\$2.69		

The following water charges shall apply to all apartment, small apartment, and mobile home park users for the consumption of water inside the city limits:

Meter Size	5/8&3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
0 to 2,000 gallons	\$9.54	\$10.66	\$13.44	\$16.79	\$24.61	\$35.79	\$64.53	\$97.18	\$136.27
Applicable to all meter sizes									
All over 2,000 gallons, per 1,000 gallons							\$2.59		

The water rates for all residential users outside the city limits shall be double the water rates for residential users inside the city limits:

Meter Size	5/8&3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
0 to 3,000 gallons	\$19.08	\$21.32	\$26.88	\$33.58	\$49.22	\$71.58	\$129.06	\$194.36	\$272.54
Applicable to all meter sizes									
2,001 to 25,000 gallons, per 1,000 gallons							\$5.18		
Over 25,000 gallons, per 1,000 gallons							\$6.18		

The water rates for all commercial users outside the city limits shall be double the water rates for commercial users inside the city limits:

Meter Size	5/8&3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
0 to 3,000 gallons	\$19.84	\$22.18	\$27.96	\$34.92	\$51.18	\$74.44	\$134.22	\$202.14	\$283.44
Applicable to all meter sizes									
All over 2,000 gallons, per 1,000 gallons							\$5.38		

The water rates for all apartment, small apartment, and mobile home parks users outside the city limits shall be double the water rates for apartment, small apartment, and mobile home park users inside the city limits:

Meter Size	5/8&3/4"	1"	1 1/2"	2"	3"	4"	6"	8"	10"
0 to 3,000 gallons	\$19.08	\$21.32	\$26.88	\$33.58	\$49.22	\$71.57	\$129.06	\$194.36	\$272.54
Applicable to all meter sizes									
All over 2,000 gallons, per 1,000 gallons							\$5.18		

The water rates for city-owned fireplugs are as follows:

0 to 2,000 gallons	\$24.61
All over 2,000 gallons, per 1,000 gallons	2.19

Wastewater Rates:

Single family residential	\$14.06 minimum charge for the first 3,000 gallons, plus \$3.01 per 1,000 gallons thereafter, not to exceed 9,000 gallons
Commercial customers	\$14.36 minimum charge for the first 3,000 gallons, plus \$3.01 per 1,000 gallons in excess of minimum
Motels, two-family & multifamily residential	\$14.36 minimum charge for the first 3,000 gallons, plus \$3.01 per 1,000 gallons thereafter.
Mobile home parks	\$14.36 per unit, minimum charge for the first 3,000 gallons per unit, plus \$3.01 per 1,000 gallons thereafter minimum, not to exceed 9,000 gallons per unit.

WATER AND SEWER TAPS

Water Base Tap	3/4" Tap	\$ 350.00
	1" Tap	477.00
	1 1/2" Tap	862.00
	2" Tap	1,375.00
Sewer Base Tap		\$ 350.00

SOLID WASTE

Residential rates:

96-gallon container	\$13.85/month
64-gallon container	12.03/month
32-gallon container	10.85/month

Commercial Rates:

96-gallon container	\$13.85/month
300-gallon container	42.21/month

MONTHLY CHARGES

Scheduled Number of Pickups Per Week

Dumpster Size	Credit for Privately Owned Dumpsters	Scheduled Number of Pickups Per Week					
		1	2	3	4	5	6
2 cu. yd.	\$ 14.99	\$ 56.48	\$ 93.91	\$ 131.34	\$ 168.77	\$ 206.99	\$ 243.63
3 cu. yd.	17.13	68.94	116.56	164.17	211.80	259.41	307.02
4 cu. yd.	18.55	80.64	138.45	196.26	254.04	311.86	369.67
6 cu. yd.	22.84	105.57	183.75	261.94	340.11	418.29	496.47
8 cu. yd.	27.12	130.49	222.27	327.60	426.16	524.71	623.27

CHARGES FOR EXTRA PICKUPS

Size of Container	For Call-In Service	For Customer Reload on Site
2 cu. yd.	\$ 19.84 each	\$ 8.81 each
3 cu. yd.	22.25 each	11.22 each
4 cu. yd.	24.65 each	13.62 each
6 cu. yd.	29.45 each	18.42 each
8 cu. yd.	34.25 each	23.22 each

RATES FOR ROLL-OFF CONTAINER SERVICE

Size of Container	Rental Fee	Service + Tax
20 yard open top	\$ 99.70	\$ 111.24 + weight*
30 yard open top	117.77	111.24 + weight*
40 yard open top	135.04	111.24 + weight*
20 yard compactor	Must own	111.24 + weight*
30 yard compactor	Must own	111.24 + weight*
42 yard compactor	Must own	111.24 + weight*

* as provided in Section 24-64

PREPAID DEPOSIT FOR ROLL-OFF CONTAINER SERVICE

Size of Roll Off	Number of Services Per Month							
	1	2	3	4	5	6	7	8
20yd open top	\$ 350	\$ 610	\$ 870	\$ 1,130	\$ 1,390	\$ 1,650	\$ 1,910	\$ 2,170
30yd open top	425	736	1,048	1,360	1,672	1,984	2,259	2,570
40yd open top	490	855	1,220	1,582	1,945	2,308	2,673	3,038

Installation of locking bar device on containers: \$25.00 installation fee plus \$2.50 monthly rental

Dumpster cleaning \$ 50.00 per wash

Dumpster cleaning and painting \$185.00

Mechanical assistance to customer to unload unauthorized items in container \$30.00

MANUAL COLLECTION FOR A COMMERCIAL ESTABLISHMENT

\$110.57 per hour based on the total amount of time including, but not limited to, travel, loading, and disposal.

SPECIAL MECHANICAL/"FLATBED" COLLECTION FOR A COMMERCIAL ESTABLISHMENT

\$18.00 minimum for a volume up to three cubic yards

\$6.00 per cubic yard in excess of three cubic yards

Waiting Time (blocked dumpster asked to wait)	102.38/hr 1.71/min
After hours special pickup of dumpsters (under two hours)	25.00
Deposit at Water Department for recurring use of transfer station in order to be able to charge disposal costs	100.00
Installation of dumpster	20.00
Relocation of dumpster	20.00

Recycling rates:

Subscription to residential curbside recycling service	\$ 2.10 per month
Additional 22-gallon recycling bin	5.80 one time cost per bin
Lid cover for the 22-gallon recycling bin	2.25 one time cost per cover
Public scale fee	7.00 per weigh
Public scale fee – copy of ticket	5.00
Roll-off rental for special purposes or events	50.00 per service

Transfer station rates:

Dumping garbage, rubbish, and special collection by non-residents (people on rural routes and dumping non-collection material by anyone, including resident and contractors:

<u>Weight</u>	<u>Disposal Fee</u>	<u>Fee</u>
0-100 pounds		\$ 2.57 (minimum fee)
		.0257 cents per pound
2,000 pounds (one ton)		51.49 per ton
Surcharge for unsecured load		10.00
Tire Disposal Fees:		
Car and truck tires up to a 16.5 rim size		2.00/each
Large truck tires, but not larger than a 2" bead		5.00/each

WATER

Water Meter Deposits	3/4" meters	\$ 60.00
(Residential meters)	1" meters	60.00
	1 1/2" meters	150.00
	2" meters	200.00
(Commercial meters)	3/4" meters	75.00
	1" meters	150.00
	1 1/2" meters	200.00
	2" meters	300.00
	3" meters	400.00
	4" meters	500.00
	6" meters	600.00
	8" meters	900.00
Cutting off for repairs & turning back on		
8:00 a.m. to 5:00 p.m. Monday - Friday		15.00
Transferring services		25.00
Collection fee for delinquent accounts where service call		
Is already being made		5.00
Penalty-Assessed if payment is not received by the due date -		
the 15th day from the billing date or mailing date		5.00
Delinquent account late charge/reconnection fee		20.00
Administrative handling of returned checks		30.00
Returned check late charge - Assessed if returned check not		
redeemed by disconnect date - the 7th day from mailing date		20.00
After hours service		30.00
When water service is turned on by anyone other		
than an authorized water department personnel		50.00
If, after a water meter has been pulled, an attempt		
to obtain water from the city in any manner other		
than through a meter has been made		100.00
Delinquent garbage only late charge		5.00
New account fee		15.00
Meter check		15.00
Meter check (pull and test)		41.50
Annual itemized bill, per account		3.00
Alphabetical listing of accounts		35.00

CITY OF KILLEEN

APPENDIX E

GLOSSARY

"The City Without Limits!"

BUDGET GLOSSARY

To assist the reader of the Annual Budget document in understanding various terms, a budget glossary has been included.

Accrual Accounting: A basis of accounting in which debits and credits are recorded at the time they are incurred as opposed to when cash is actually received or spent. For example, in accrual accounting, a revenue which was earned between April 1 and July 31, but for which payment was not received until August 10, is recorded as being received on July 31 rather than on August 10.

Ad Valorem Taxes: Commonly referred to as property taxes are the charges levied on all real, and certain personal property according to the property's assessed valuation and the tax rate, in compliance with the State Property Tax Code.

Appropriation: An authorization made by the City Council which permits the City to incur obligations and to make expenditures of resources.

Appropriation Ordinance: The official enactment by the City Council to establish legal authority for City official to obligate and expend resources.

Assessed Valuation: A value that is established for real or personal property for use as a basis for levying property taxes. (Note: Property values are established by the Bell County Appraisal District.)

Attrition: Savings which occur when personnel vacancies are not immediately filled on positions which are fully funded for the year.

Authorized Positions: Personnel slots which are budgeted in the adopted budget to be filled during the year, sometimes referred to as FTE's (Full-Time Equivalents).

Balance Sheet: A financial statement that discloses the asset liabilities, reserves and balances of a specific governmental fund as of a specific date.

Base Budget: Cost of continuing the existing levels of service in the current budget year.

Beginning Fund Balance: Cash available in a fund from the prior year after payment of the prior year's expenses and deductions for prior year's encumbrances.

Bond: A written promise to pay a sum of money on a specific date at a specified interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenues bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

Bond Fund: A fund used to account for the proceeds of general obligation bond issues.

Bond Refinancing/Refunding: The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget: A financial plan for a specified period of time (fiscal year) that matches all planned revenues and expenditures with various municipal services.

Capital Improvement Project: The specific projects that make up the Capital Improvements Program. The projects involve construction, purchase, or renovation of City facilities or property.

Capital Improvements Program (CIP): A management tool used to assist in the scheduling, planning, and execution of a series of capital improvements over a period of time. The CIP is updated annually. It sets forth the estimated expenditures by year and specifies the resources estimated to be available to finance the project expenditures. Capital improvements refer to additional investment in basic facilities owned by the City with life expectancy greater than five years.

Capital Outlay: Expenditures for fixed assets, such as equipment, remodeling, minor improvements and vehicles, that are funded from the operation budget. Since long-term financing is not necessary and expenditures of this type are of such recurring character, these items are not part of the Capital Improvements Program.

Cost Center: An administrative branch of a department.

Debt Service Fund: The Debt Service Fund, also known as Interest and Sinking Fund, was established to account for funds needed to make principal and interest payments on outstanding bonds when due. The fund also reflects paying agent fees and a reserve of not less than two (2) percent of original bond issues.

Department: The basic organizational unit of government which is functionally unique in its delivery of services.

Depreciation: The process of estimating and recording the lost usefulness, expired useful life or diminution of service from a fixed asset that cannot or will not be restored by repair and will be replaced. The cost of the fixed asset's lost usefulness is the depreciation or the cost to reserve in order to replace the item at the end of its useful life.

Division: A major administrative division of the City which indicates overall management responsibility for an operation or a group of related operations within a functional area.

Effective Tax Rate: The rate which produces the same effect in terms of the total amount of taxes as compared to the or a group of related operations within a functional area.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to insure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water, wastewater, gas, airport, and the golf courses.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: The outflow of funds paid or to be paid for an asset obtained or goods or services obtained regardless of when the expense is actually paid. This Term applies to all funds. (Note: An encumbrance is not an expenditure. An encumbrance reserves funds to be expected.)

Expense: Charges incurred (whether paid immediately or unpaid for operation, maintenance, interest and other charges.)

Fiscal Year: The time period designated by the City signifying the beginning and ending period for recording financial transactions. The City of Killeen has specified October 1 - September 30 as its fiscal year.

Fixed Assets: Assets of long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Full Faith and Credit: A pledge of the City's taxing power to repay debt obligations (typically used in reference to General Obligation Bonds or tax supported debt.)

Full-Time Equivalent (FTE): A measure of authorized personnel calculated by equating 2,080 hours of work per year with the full-time equivalent of 1 position.

Function: A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

Fund: An accounting entity that has a set of self-balancing accounts and that records all financial transactions for specific activities or government functions. Eight commonly used funds in public accounting are: General fund, capital projects funds, special revenue funds, debt service funds.

GAAP: Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules and procedures that define accepted accounting principles.

General Fund: The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund includes most of the basic operating services, such as fire and police protection, finance, sanitation, parks and recreation, libraries, general administration.

General Obligation Bonds: Bonds whose principal and interest is backed by the full faith, credit and taxing powers of the government.

Goal: A goal is a long-term, attainable target for an organization.

Infrastructure: Structures and equipment such as highways, bridges, buildings and public utilities such as water and sewer systems.

Interfund Transfers: The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue: Revenue received from other governments in the form of grants, shared revenues or payments in lieu of taxes.

Modified Accrual Basis: The basis of accounting under which expenditures (other than accrued interest on general long-term debt and certain compensated absences) are recorded at the time liabilities are incurred and under which revenues are recorded when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Operating Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term usually indicates a financial plan for a single fiscal year.

Policy: A policy is a plan, course of action or guiding principle designed to set parameters for decisions and actions.

Performance Measure: An identifiable unit of measuring the effectiveness and efficiency of providing services. Data collected to determine how effectively or efficiently a program is achieving its objectives.

Revenue Appropriation: A designated portion of a fund to be allocated and appropriated to the reserve of the fund in order to meet potential liabilities during the fiscal year.

Revenue Bonds: Bonds whose principal and interest are payable exclusively from earnings of an Enterprise Fund.

Risk Management: An organized attempt to protect a government's assets against accidental loss in the most economical method.

Source of Revenue: Revenues are classified according to their source or point of origin.

Special Revenue Funds: Special revenue funds are used to account for resources allocated to specific purposes. A special revenue fund continues in existence as long as governmental resources are allocated to its specific purposes.

Strategy: A strategy is a specific, measurable and observable result of an organization's activity which advances the organization toward its goal.

Tax Levy: The total amount to be raised by general property taxes for operating and debt service purposes specified in the annual Tax Ordinance.

Tax Rate: The amount of tax levied for each \$100 of assessed valuation.

Trust Fund: The Trust Fund was established to account for all assets received by the City that are in the nature of a trust and not accounted for in other funds. The Trust Fund is accounted for as an expendable trust fund.

Unencumbered Balance: The amount of an appropriation that is not expended or encumbered. It is essentially the amount of money still available for future purchases.