



City of Kerrville, Texas
Annual Budget
Fiscal Year 2017

City of Kerrville Fiscal Year 2016-2017 Annual Budget

This budget will raise more revenue from property taxes than last year's budget by an amount of \$384,114 which is a 5.0 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$135,786.

The record vote for each member of the governing body by name voting on the adoption of the Fiscal Year 2017 budget is as follows:

	<u>September 13</u>	<u>September 27</u>
Bonnie White, Mayor	for	for
Stephen Fine, Place 1	for	for
Glenn Andrew, Place 2	for	for
Gary Stork, Place 3	for	absent
Gene Allen, Place 4	for	for

Property Tax Comparison

	2016-2017	2015-2016
Property Tax Rate:	\$0.562500/100	\$0.562500/100
Effective Tax Rate:	\$0.543712/100	\$0.550369/100
Effective Maintenance and Operations Tax Rate:	\$0.472927/100	\$0.478522/100
Rollback Tax Rate:	\$0.618968/100	\$0.620113/100
Debt Rate:	\$0.073500/100	\$0.073500/100

The total amount of outstanding municipal debt obligations secured by property taxes is \$11,215,962 (including principal and interest). Total amount of outstanding debt obligations considered self-supporting is \$19,451,872 (including principal and interest). Self-supporting is currently secured by 4B sales tax revenues. In the event such amounts are insufficient to pay debt service, the City will be required to assess an ad valorem tax to pay such obligations.

Fiscal year 2016-2017 Principal and Interest Requirements for Debt Service are:

Property Tax Supported Debt: \$ 1,177,367
Self-Supporting Debt: \$1,111,286



Kerrville City Council

Mayor	Bonnie White
Place 1/	Stephen Fine
Mayor Pro Tem	
Place 2	Glenn Andrew
Place 3	Gary Stork
Place 4	Gene Allen

City of Kerrville Staff

City Manager	Todd Parton
Deputy City Manager	E. A. Hoppe
Director of Finance	Sandra Yarbrough
Assistant Finance Director	Amy Dozier

OUR VISION

Kerrville is a community that provides for prosperity and opportunity in an environment that offers a high quality of life.

OUR MISSION

The City of Kerrville's mission is to create an environment that fosters prosperity and opportunity.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Kerrville

Texas

For the Fiscal Year Beginning

October 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Kerrville for its annual budget for the fiscal year beginning October 1, 2015.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, operations guide, financial plan and communications device.

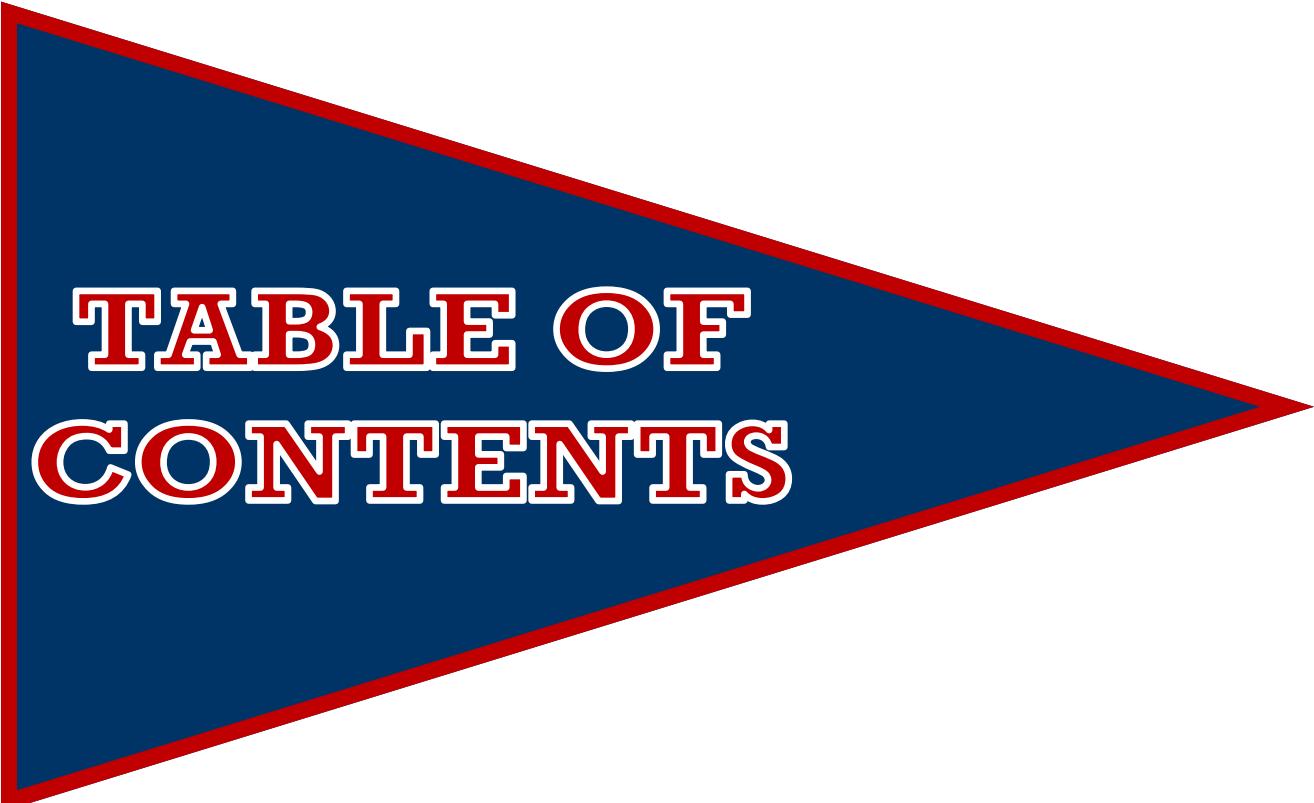


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CITY MANAGER'S MESSAGE



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To: Honorable Mayor and City Council
From: Todd Parton, City Manager
Date: July 28, 2016



It is my privilege to submit this proposed budget for City of Kerrville to fund operations for Fiscal Year 2017 (FY2017). This budget is balanced, meets the City Council's goals and objectives, and is built to be sustainable over time.

Over the past several years Kerrville has experienced moderate and sustained economic growth. A revenue forecasting methodology has been implemented to project the city's major revenue sources through Fiscal Year 2022. The forecast was built on a review of local, regional, state and national economic trends in addition to an analysis of historical data from 2000 through 2016 and estimated end-of-year data from 2016. Regression analyses for each revenue source were used to validate the multi-year projections. These forecasts were extremely critical to the budgetary process since they helped to ensure the city's ability to sustain operations and meet community needs over time. These forecasts show that Kerrville could continue to enjoy moderate and sustained economic growth over the next several years and that it could meet operational and capital needs at a sustained \$0.5625 total property tax rate and with moderate adjustments to its water and sewer utility rates.

Overall, General Fund expenses budgeted for FY2017 total \$25,661,978 which is an increase of \$932,075 (3.8%) from the \$24,729,903 projected expenditures for FY2016. Budgeted increases in personnel related expenses for FY2016 are \$534,346. This increase is due primarily to additional staffing in Municipal Court, Code Compliance and Parks Departments; increased contribution rates for the Texas Municipal Retirement System program; and a merit increase program. The additional staffing is required as a result of maintenance requirements for new river trail, Sports Complex and parks improvements, increased code enforcement activities, and increased municipal court workload. Allocations for street maintenance were also increased by \$128,489 (11.4%), from \$1,122,176 from \$1,250,665, in accordance with the city's adopted pavement management program.

Water and Sewer Fund expenditures of \$12,092,347 are also recommended for FY2017. This is an increase of \$350,186 (3.0%) from FY2016. Operating transfers out from this fund have increased by \$400,474 due to payments on new debt issued in FY2016 for the construction of a water reclamation project. This project will capture effluent from the Water Reclamation Plant to be distributed for non-potable uses and to expand the city's raw water supply. The remaining increases are to fund operational expenses, which include a merit increase program for personnel.

Budget Philosophy

The proposed budget anticipates modest economic growth through FY2017 and beyond. It continues to be built on the following set of budget principles:

1. Sustainability – a budget that does not use one-time revenues to meet expenditures and plans for the future.



2. Balanced – expenditures do not exceed revenues (General Fund and Water and Sewer Fund revenues meet or exceed expenditures).
3. Maintains Current Tax Rate – the total property tax rate remains at \$0.5625.
4. Prioritize Programs – identify core services and programs that must be maintained over at least a 5-year planning horizon.
5. Fund Priorities – allocate funds to meet priorities.
6. No Use of Fund Balance – General Fund and Water and Sewer Fund do not use fund balance to meet regular, recurring expenditures.

General Fund

The FY2017 budget is built on a revenue forecast that reflects modest economic growth and is built to sustain its operations into the future. It reflects City Council's stated policy to achieve financial sustainability.

By keeping the total property tax rate at \$0.5625 per \$100 of valuation, the City of Kerrville has held its tax rate for an eighth consecutive year (since FY2010). This rate has been held during the severe economic conditions through significant cost cutting measures and tightened controls on spending levels. As a result of the financial policies put into place and implemented since FY2010, the City of Kerrville has seen its unobligated reserves grow from a low of 5% of recurring annual operating expenses to 26.9% of annual operating expenses estimated at the end of FY2016. Kerrville has been able to complete major capital projects without increasing the property tax rate and while maintaining an impressive AA bond rating issued by Standard and Poor's.

Proposed FY2017 allocations represent a budget that is balanced, meaning recurring revenues meet or exceed recurring expenditures. Of primary consideration is maintaining comparable levels of service while meeting the City Council's goals for the coming year. The proposed budget achieves these goals by including:

- Planning for future budgets;
- Implementing a body camera program in the Police Department;
- Opening the Kerrville Sports Complex in the third quarter of FY2017;
- Setting aside funds for about half the cost of a new fire engine scheduled for purchase in FY2018;
- Continuing the implementation of the pavement management system adopted and implemented by the City Council in FY2016; and
- Updating the City of Kerrville Comprehensive Master Plan.

Kerrville has seen modest increases to its General Fund revenues and staff's multi-year forecast indicate that modest increases could be anticipated for the next several years. The city's ability to grow service levels to meet increasing demands and expectations will be tied directly to the increase of sustainable sources of revenues. Based on the multi-year forecast it is expected that the services and programs provided in the FY2017 budget may be maintained into the future with relatively minor adjustments made during each annual budget.

During the FY2010 budget process, City Council established a policy that no new property tax supported debt would be issued that would require an increase in taxes. According to this policy, there will be no new property tax supported debt until the city sees significant increases in its tax base and reductions in the current level of outstanding debt. For FY2017, Kerrville's property tax supported debt service payment is \$1,177,367. These payments will remain between \$1.1 million to \$1.2 million through FY2021. In FY2023, tax supported debt payments drop to \$515,383 (a reduction of 56%). With modest growth in the tax base and debt laddering off in FY2021, it is anticipated that the city would not contemplate the issuance of new, tax supported debt earlier than FY2019 or FY2020. That being said, the city should initiate a process to establish a prioritized list of capital projects to fund after FY2019.

Kerrville's existing debt service burden is very low. Kerrville's debt ratio is roughly half of that for cities that are of similar size and financial stability as determined through comparable bond ratings.

Water and Sewer Fund

The Water and Sewer Fund budget proposal for FY2017 has been built using the same philosophies and consistent economic factors as those of the General Fund. It provides for sustained levels of service, allocates significant cash for major infrastructure projects, and maintains an unobligated reserve balance of more than 60.

FY2017 allocations total \$12,092,347; a net increase of approximately \$350,186 (3.0% increase) in spending from the estimated end of year expenditures for FY2016. Allocations for operating transfers out increase spending by \$400,474. This increase is due to additional debt service obligations and loan payments for funds borrowed to construct the city's water reclamation project.

A total of \$18,800,000 in construction funding has been secured in FY2016 to fund the construction of the first phase of a water reclamation project. Construction is scheduled to commence in early 2017 and the facilities are projected to be in service in early 2018. This first phase will capture effluent leaving the city's wastewater plant and distribute it for irrigation uses. It is estimated that a minimum of 350 million gallons of effluent generated by the city each year goes unused. Initially, about 1/3 of the unused effluent will be captured and used for irrigation. The next phases of the project will be to capture the balance of the unused effluent and use it to supplement the city's source of raw water for potable uses.

This budget proposal achieves City Council's goals by including:

- Planning for future budgets;
- Providing significant cash to meet major capital needs;
- Creating significant increases in future water supplies to keep up with demand; and
- Maintaining an undesignated cash reserve of at least 25% of the recurring operational expenditures.

Water and Sewer Fund projections anticipate that a modest rate of growth will be sustained over the next five years. This projection calculates that water and sewer accounts will grow annually by 1.7% for FY2017 through FY2022.



It is projected that major infrastructure improvements to the city's water and sewer systems from FY2017 to FY2026 will cost approximately \$38.8 million. A funding plan for these projects is included in the Community Investment Plan and projects that funding from multiple sources of up to \$41.0 million could be available. It is projected that approximately \$29.2 million would be derived from borrowed funds, \$6.7 million from cash, \$3.0 million from 4B Economic Development Sales Tax revenues, and the balance (\$2.1 million) from other sources. The multi-year capital planning schedule and funding plan is reviewed annually and adjustments made pursuant to operational and financial conditions.

Conclusion

The FY2017 budget proposal reflects the city's efforts to meet desired levels of services while maintaining financial stability and sustainability. This budget does not require any changes in property taxes. It does anticipate increases to the base rates for water (\$11.43 per month to \$12.00 per month) and sewer (\$8.55 per month to \$9.00 per month). It is also based on the city's multi-year financial models that help to calculate the financial resources needed to maintain or expand the services and programs proposed for FY2017. Furthermore, each departmental page is written to show the human and capital resources required for each of its programs. Each program is an actual budget unit that may be prioritized and evaluated should financial conditions erode or community priorities change.

It is recognized that global and regional economic conditions may have a significant impact on Kerrville's financial position. For that reason, a multi-year forecast has been developed and implemented. This forecast is reviewed and updated annually and is an effective tool to identify and anticipate any negative or positive impacts. It is also effective in determining the degree and calculating the timeline by which Kerrville may experience those impacts. Understanding this greater economic context is also important in setting budgetary objectives and establishing the city's financial plan for the coming year.

Overall, Kerrville's economic outlook remains positive with sustained and modest economic growth anticipated.



CITY PROFILE



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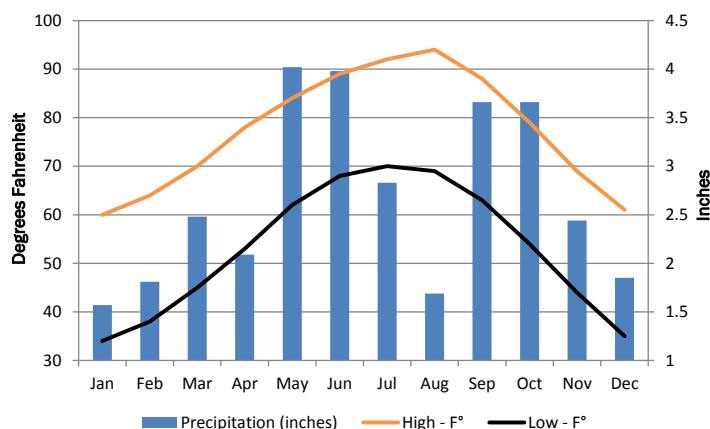


LOCATION

Kerrville is ideally located in the heart of the Texas Hill Country, 65 miles northwest of San Antonio and 102 miles southwest of Austin. Other major metropolitan areas, Dallas and Houston, are both less than 300 miles from Kerrville. Our city is the country seat for Kerr County and easily accessible from Interstate Highway 10 or State Highways 16, 27 and 173.



Kerrville's Climate



CLIMATE

At an elevation of 1,645 above sea level, Kerrville has a semi-arid climate, averaging just over 32 inches of rain per year. August is the warmest month with an average high temperature in the mid nineties. January is the coldest month with average lows in the mid thirties.

TOPOGRAPHY

The Guadalupe River runs through Kerrville, providing the city not only with drinking water, but with ample recreational opportunities, beautiful views and tourist appeal. Kerrville boasts a 4.2 mile long River Trail and a beautiful downtown riverfront park, Louise Hays Park. Louise Hays Park offers a splash pad, amphitheater, dog park, covered pavilions and playscapes. In addition, Kerrville-Schreiner Park offers visitors 517 acres of trails, camping, fishing, swimming and recreation on the Guadalupe River.



Guadalupe River running through Kerrville-Schreiner Park.



EDUCATION AND CHURCHES

Kerrville Independent School District has four elementary schools, one 6th grade school, one junior high, one high school and a total enrollment of over 5,000. In addition, Kerrville has numerous private schools and one university. With an enrollment of over 1,100 students, Schreiner University continues to expand. In January 2015, the university opened an \$11 million, 35,000 square foot Athletic and Event Center. Schreiner competes in the NCAA Division III Southern Collegiate Athletic Conference and is home to the 2014 national champion men's golf team. The Kerrville area is also home to more than 90 churches and religious organizations.



The campus at Schreiner University

CULTURE AND RECREATION

Cultural and recreational opportunities abound in Kerrville. Kerrville offers festivals, parks, pools, golf courses, river activities, a triathlon, museums, galleries, performing arts and more.

Events & Festivals

Mardi Gras
Kerrville Festival of the Arts
Kerrville Folk Festival
4th on the River
Texas Heritage Music Day
Holiday Lighted Parade

Recreation

Kerrville Triathlon
River Activities
Area Parks & River Trail
3 Golf Courses
Easter Bicycle Tour
Riverside Nature Center

Arts & Museums

Cailloux Center for Performing Arts
Playhouse 2000
Symphony of the Hills
Museum of Western Art
Kerr Arts & Cultural Center
Schreiner Mansion



Fireworks display at 4th on the River



Kathleen C. Cailloux City Center for the Performing Arts



DEMOGRAPHIC AND ECONOMIC INFORMATION

POPULATION		EDUCATION (AGE 25+)	
2015 Estimate	23,808	No High School Diploma	11.4%
2010 Census	22,347	High School Diploma	22.6%
		College, No Diploma	21.7%
2015 AVERAGE AGE	46.0	Associate's Degree	8.6%
		Bachelor's Degree	23.7%
POPULATION BY AGE		Graduate/Professional Degree	12.0%
under 20	22.8%		
20 to 34	17.2%	AVERAGE HOUSEHOLD SIZE	2.3
35 to 44	8.9%		
45 to 64	24.4%	AVERAGE HOUSEHOLD INCOME	\$58,907
65 and over	27.1%		
		PER CAPITA INCOME	\$24,997
		JULY 2016 UNEMPLOYMENT RATE	4.1%

MAJOR EMPLOYERS IN KERR COUNTY	EMPLOYEES
Peterson Regional Medical Center	894
Kerrville Independent School District	705
Kerrville State Hospital	565
Kerrville Veterans Administration Hospital	400
H-E-B	353
James Avery Craftsman	346
City of Kerrville	308
Kerr County	299
Walmart	250
Mooney Airplane Company	150
	4,270
All Others	15,970
TOTAL EMPLOYED	20,240





HISTORY

In 1856 Joshua Brown donated four acres of land located on the Guadalupe River to Kerr County. The tract of land became known as Kerrsville and was established as the new county seat of Kerr County. Eventually, no one knows why or when, the "s" in Kerrsville was dropped and the settlement became known as Kerrville.



Early settlers were typically merchants or ranchers of German origin. The opening of the cattle trails to Kansas in the 1870's contributed to the early growth of Kerrville, drawing new settlers to the area and fostering business expansion. As a result of this growth, the citizens voted to establish Kerrville as an incorporated city in 1889.



After incorporation, Captain

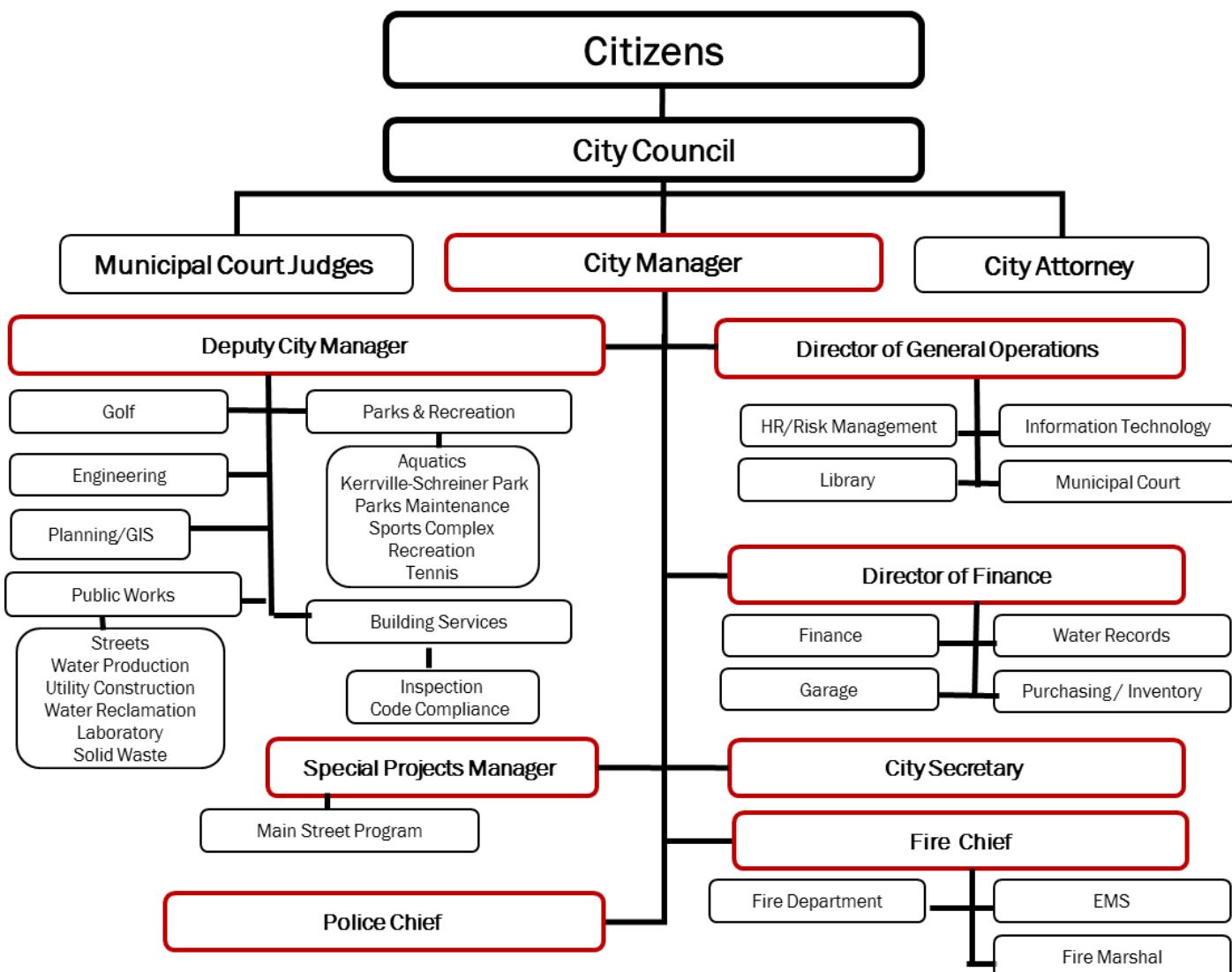
Joseph A. Tivy was elected to be the first mayor of Kerrville. The early city administrators oversaw city development and were responsible for establishing the public schools. To honor the Captain's crucial role in this process, Kerrville's high school is named Tivy High School.

The Kerrville Water Works Company began to provide water service in 1894. Telephone service was started shortly after in 1896. The city began to pave the streets in 1912. Kerrville adopted a new City Charter and became a home rule city in 1942. Today, Kerrville is the principal commercial center for the area and has grown to a population of over 23,000 residents.





City Profile - Organization Chart





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BUDGET SUMMARY



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Budget Summary - Consolidated Budget

CITY OF KERRVILLE
CONSOLIDATED BUDGET SUMMARY
FISCAL YEAR 2017

	GOVERNMENTAL FUND TYPES			PROPRIETARY FUND TYPES				COMBINED TOTAL
	General Fund	Debt Service	Other Gov't	Water and Sewer	Other Water and Sewer	Golf	Internal Service	
UNRESTRICTED								
BEGINNING FUND BALANCE	\$ 6,645,442	\$ -	\$ -	\$ 7,721,941	\$ -	\$ 51,505	\$ 955,412	\$ 15,374,300
REVENUES								
Property Tax	9,144,500	1,372,428	-	-	-	-	-	10,516,928
Sales Tax	6,442,170	-	-	-	-	-	-	6,442,170
Other Taxes	1,953,800	12,154	1,147,821	-	-	-	-	3,113,775
Permits and Fees	456,495	-	13,000	-	-	-	-	469,495
Intergovernmental Revenue	1,360,838	-	-	-	-	-	3,123,400	4,484,238
Service Revenues	3,404,766	-	37,850	11,905,447	-	-	284,375	15,632,438
Grant Revenue	25,200	-	67,000	-	-	-	-	92,200
Fines and Forfeitures	608,300	-	15,000	-	-	-	-	623,300
Interest and Miscellaneous	366,571	1,118,336	169,970	186,900	9,150	962,000	-	2,812,927
Operating Transfer In	1,899,338	66,000	968,911	-	4,441,365	-	-	7,375,614
TOTAL REVENUES	25,661,978	2,568,918	2,419,552	12,092,347	4,450,515	962,000	3,407,775	51,563,085
EXPENDITURES								
FOR COMPARITIVE PURPOSES THE SAME EXPENDITURES ARE SHOWN GROUPED BY CATEGORY (VIEW #1) AND BY FUNCTION (VIEW #2)								
VIEW #1 - EXPENDITURES by CATEGORY								
Personnel	18,370,607	-	1,450	2,996,893	-	606,487	247,612	22,223,049
Supplies	1,229,502	-	13,805	733,245	-	75,519	10,745	2,062,816
Maintenance	2,418,690	-	67,689	704,727	-	36,971	17,844	3,245,921
Services	2,214,417	1,000	931,051	870,388	2,000	197,219	3,316,574	7,532,649
Other Expenses	262,965	2,538,651	177,361	227,851	4,046,999	13,760	-	7,267,587
Capital Outlay	213,024	-	672,650	218,540	-	35,000	-	1,139,214
Operating Transfers Out	952,773	82,138	-	6,340,703	-	-	-	7,375,614
TOTAL EXPENDITURES	25,661,978	2,621,789	1,864,006	12,092,347	4,048,999	964,956	3,592,775	50,846,850
VIEW #2 - EXPENDITURES by FUNCTION								
Public Safety	5,095,404	-	1,000	-	-	-	-	5,096,404
Parks and Recreation	4,164,645	-	-	-	-	964,956	-	5,129,601
Streets	726,262	-	-	-	-	-	-	726,262
General Government	15,675,667	-	1,863,006	-	-	-	3,592,775	21,131,448
Water and Sewer	-	-	-	12,092,347	-	-	-	12,092,347
Debt Service	-	2,621,789	-	-	4,048,999	-	-	6,670,788
TOTAL EXPENDITURES	25,661,978	2,621,789	1,864,006	12,092,347	4,048,999	964,956	3,592,775	50,846,850
CHANGE IN NET POSITION	-	(52,871)	555,546	-	-	401,516	(2,956)	(185,000)
UNRESTRICTED								
ENDING FUND BALANCE	\$ 6,645,442	\$ -	\$ -	\$ 7,721,941	\$ -	\$ 48,549	\$ 770,412	\$ 16,090,535

Budget Summary - Consolidated Budget



**City of Kerrville
Consolidated Budget Totals by Fund
FY2017 Budget**

#	Fund Name	Revenue	%	Expenditure	%	Net
1	General	\$ 25,661,978	49.8%	\$ 25,661,978	50.5%	-
2	Water and Sewer	12,092,347	23.5%	12,092,347	23.8%	-
3	Garage	284,375	0.6%	284,375	0.6%	-
5	Employee Benefit	3,123,400	6.1%	3,308,400	6.5%	(185,000)
7	Police - Special Program	-	0.0%	-	0.0%	-
8	Parkland Dedication	13,000	0.0%	-	0.0%	13,000
13	Police Special Revenue	13,720	0.0%	1,000	0.0%	12,720
14	Golf	962,000	1.9%	964,956	1.9%	(2,956)
15	Library Memorial	29,500	0.1%	25,000	0.0%	4,500
16	HOT Reserve	800	0.0%	-	0.0%	800
18	General Asset Replacement	886,973	1.7%	568,000	1.1%	318,973
19	WS Asset Replacement	750	0.0%	-	0.0%	750
20	Hotel/Motel Tax	1,098,821	2.1%	1,070,000	2.1%	28,821
21	PEG Special Revenue	50,000	0.1%	50,000	0.1%	-
22	Muni Court Special Revenue	15,000	0.0%	-	0.0%	15,000
26	Landfill Closure	75,402	0.1%	-	0.0%	75,402
28	Landfill Post Closure	48,736	0.1%	-	0.0%	48,736
50	General Debt Service	2,568,918	5.0%	2,621,789	5.2%	(52,871)
53	WS Debt Service	4,051,252	7.9%	4,048,999	8.0%	2,253
68	History Center	60,550	0.1%	14,646	0.0%	45,904
70	General Capital Projects	-	0.0%	-	0.0%	-
71	WS Capital Projects	398,513	0.8%	-	0.0%	398,513
84	Cailloux Theater Endowment	5,000	0.0%	5,000	0.0%	-
85	Grant Fund	42,000	0.1%	42,000	0.1%	-
90	Insurance Reserve	60,000	0.1%	60,000	0.1%	-
94	Main Street	20,050	0.0%	28,361	0.1%	(8,311)
TOTAL CITY		\$ 51,563,085	100.0%	\$ 50,846,850	100.0%	\$ 716,235



CONSOLIDATED CITY BUDGET

The FY2017 budget for all funds totals \$51,563,085 in revenues and \$50,846,850 in expenditures, including transfers between funds. In accordance with City Council guidelines, the budget is fiscally sustainable. Our 2 largest funds, the General Fund and Water and Sewer Fund, show balanced FY2017 budgets. The 24 other funds included in the consolidated city total show revenues exceeding expenses by \$716,235.

Please note that the consolidated budget does not include component unit funds related to the Economic Improvement Corporation. In accordance with financial reporting guidelines, these funds are presented separately. In addition, capital improvement projects expenditures are not part of the consolidated total. These expenditures are budgeted on a by project rather than fiscal year basis. Please see the Community Investment Plan (CIP) section and the city's separate Community Investment Plan book for detailed information on project budgets.

CONSOLIDATED CITY BUDGET NET OF TRANSFERS

Accounting standards require us to account for financial transactions in separate funds. This means that transfers into a fund are shown as a revenue for that fund and transfers out of a fund are shown as an expense. Also, internal service funds, such as our City Garage, generate all of their revenue by billing the funds that use their services. When the revenue of one fund is considered the expense of another fund, the result is effectively a double counting when the budget is viewed at a consolidated level.

Without careful consideration of interfund activity, the casual user might misunderstand the size and economic impact of the consolidated budget. To aid in transparency, we will show two views of the consolidated budget. One view will include interfund activity and the second view will show the consolidated totals net of interfund activity. The first view reflects the required fund accounting, while the second view facilitates a better understanding of the true economic impact of the budget.

After eliminating the impact of interfund activity, the consolidated revenue budget for FY2017 is \$41,875,096 and consolidated expenses are \$41,158,861.

CONSOLIDATED REVENUE

FY2017 citywide budgeted revenues total \$51,563,085, which is \$2,136,485 or 4.3% more than the FY2016 budget. Most of the increase is due to a \$1,074,455 increase in the General Fund, driven by an expected 1.2% increase in property tax and 3.0% increase in sales tax. Transfers in have also increased due to higher debt service for the Water and Sewer Fund and increased transfers from the General Fund to the Asset Replacement Fund for vehicle and equipment purchases.

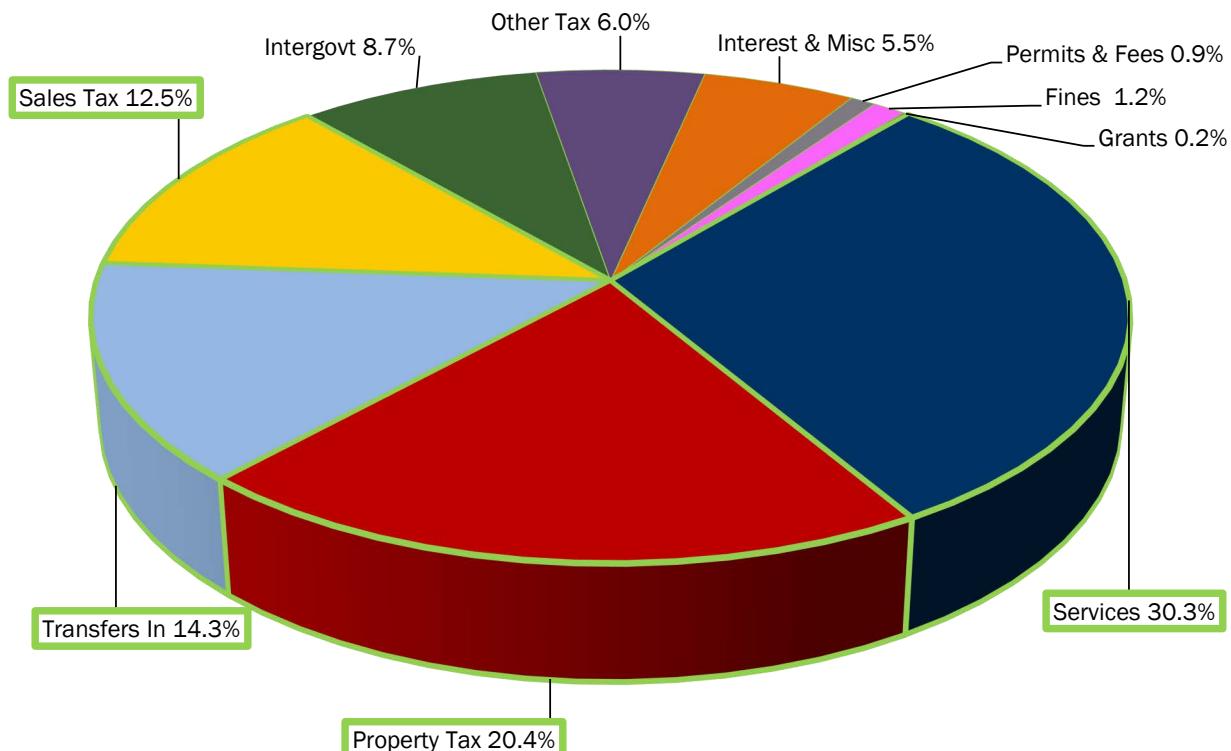
Budget Summary - Revenue Sources



REVENUE SOURCES

Primary revenue sources for the city are charges for services, property tax, sales tax, and transfers in. Together, these categories make up 77.5% of total budgeted revenues.

Citywide - Revenue Sources



The **SERVICES** category includes charges for water, sewer, EMS, parks and recreation, library and other miscellaneous services.

PROPERTY TAX is a \$0.5625 tax levied on each \$100 of assessed real property value. This rate has not changed since FY2010.

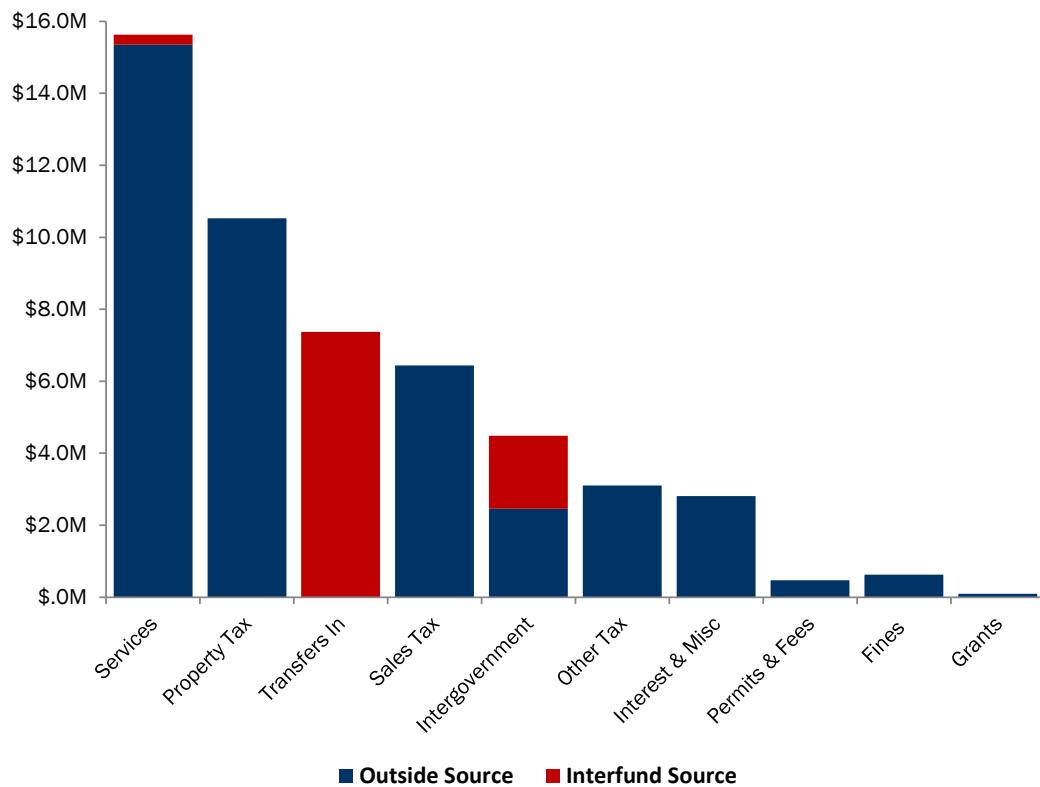
TRANSFERS IN represents transfers between funds. The largest transfers are from the Water and Sewer Fund to the Water and Sewer Debt Service Fund and from Water and Sewer Fund to the General Fund to reimburse the General Fund for administrative services provided to the Water and Sewer Fund.

SALES TAX is a 1% tax levied on eligible retail sales, rentals, leases and taxable services.

REVENUE SOURCES - NET OF INTERFUND ACTIVITY

To measure the true economic impact of the budget, it is helpful to eliminate the effect of interfund activity. Interfund activity represents payments between funds, rather than outside cash coming in to the city. Accounting standards require that these be accounted for as revenue in the receiving fund and expense in the fund transferring the money out. The chart below shows that revenue coming from outside sources is budgeted at \$41,875,096 for FY2017.

Citywide Revenues



Revenue Type	Interfund		
	Outside Source	Source	Total Revenue
Services	\$ 15,348,063	\$ 284,375	\$ 15,632,438
Property Tax	10,529,082	-	10,529,082
Transfers In	-	7,375,614	7,375,614
Sales Tax	6,442,170	-	6,442,170
Intergovernment	2,456,238	2,028,000	4,484,238
Other Tax	3,101,621	-	3,101,621
Interest & Misc	2,812,927	-	2,812,927
Permits & Fees	469,495	-	469,495
Fines	623,300	-	623,300
Grants	92,200	-	92,200
TOTAL	\$ 41,875,096	\$ 9,687,989	\$ 51,563,085



REVENUE FORECASTING

The City of Kerrville uses a two step revenue forecast methodology:

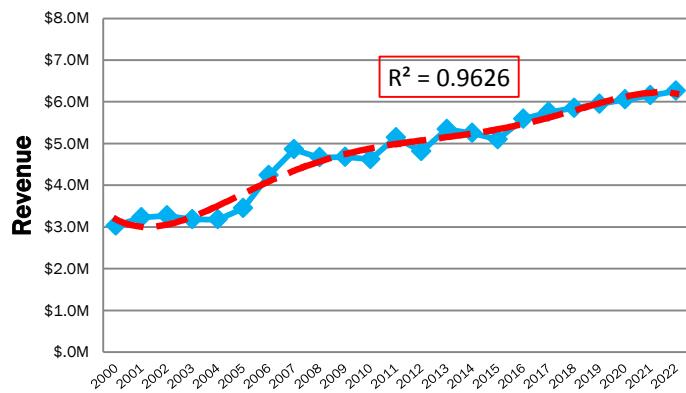
1. Regression analysis
2. External factor unique impact analysis

Regression analysis

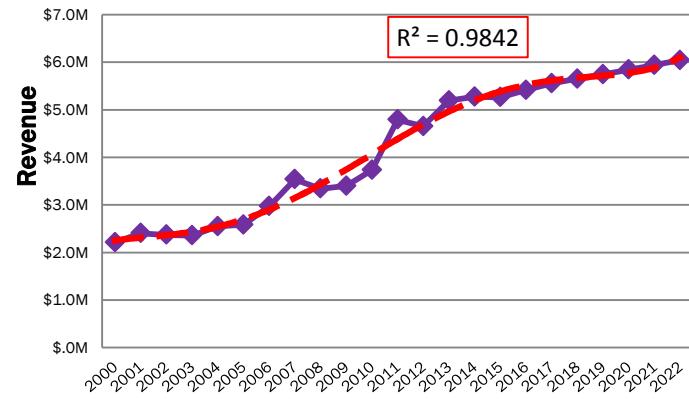
We begin our forecast process by performing regression analysis on historical data to develop a predictive model. Due to the curved path seen historically in all of our major revenue streams, we found that using a polynomial regression model results in the best goodness of fit (R^2 value closest to 1).

The charts below show examples of this analysis for the major revenue sources of water sales, sewer sales, property tax and sales tax.

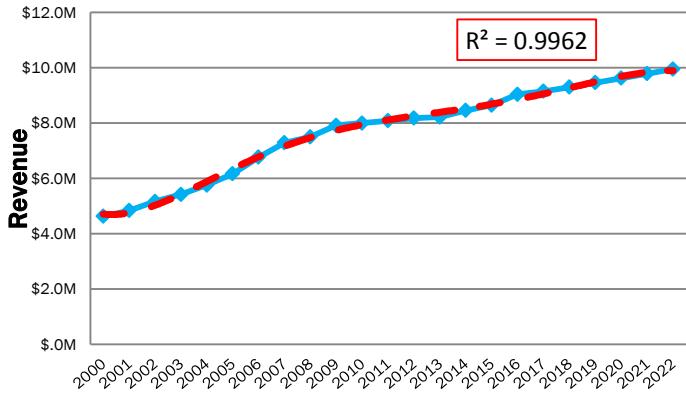
Water Service Revenue



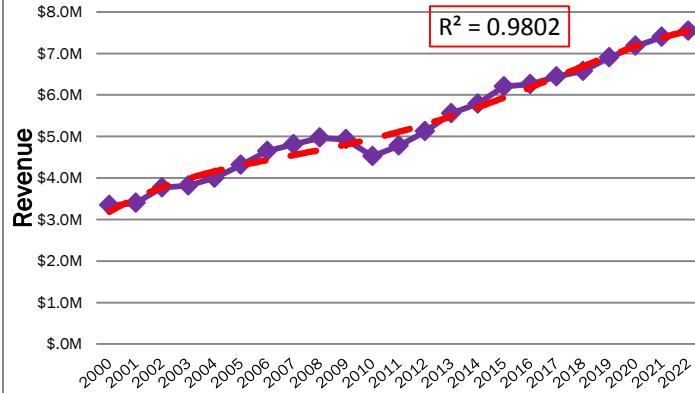
Sewer Service Revenue



Property Tax Revenue



Sales Tax Revenue



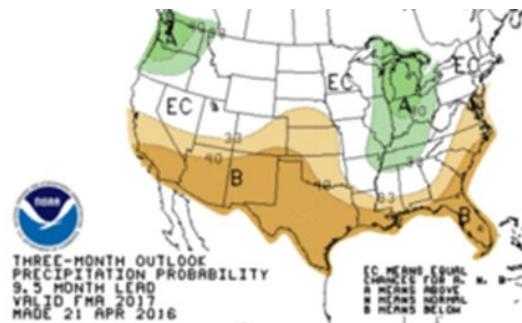
REVENUE FORECASTING

External factor unique impact analysis

Once we have developed a predictive model using regression analysis, we adjust the predictions to account for unique external factors. For FY2017, these factors include:

1. Water and sewer service revenue -

- Rates** - we plan to increase the monthly base account fee for both water and sewer service in FY2017 and have adjusted our revenue forecasts accordingly.
- Climate** - Predicting the weather is one of our most difficult budget challenges. A wet year results in lower water revenues due to decreased irrigation. A very dry year results in lower revenues due to water restrictions. NOAA is currently predicting that 2017 will be drier than normal, but not extreme. Accordingly, we are forecasting a small revenue increase.



2. Property tax revenue -

- Rate** - the property tax rate has remained steady at \$0.5625 per \$100 of assessed value since FY2010. Our budget is based on the rate remaining at that level for FY2017.
- Property appraisals** - in accordance with State law, property values are determined by an independent property appraisal district. Preliminary tax rolls from the appraisal district have been adjusted to account for valuation challenges and collection rates. Based on this analysis, we are estimating an increase of 1.2% from FY2016.
- New properties** - We consider the addition of major new properties, especially commercial properties, to determine if we should budget an increase in property tax revenue due to a specific property. In the last year, Kerrville has added several small commercial properties, but nothing with a large impact.

3. Sales tax revenue -

- Overall economy** - Sales tax is heavily dependent on the health of the overall economy. We closely monitor unemployment figures, oil prices, statewide sales tax trends, the consumer price index and consumer confidence, then adjust our trend analysis accordingly. Our model shows a strong cyclical sales tax trend. In the model, FY2017 is part of a downward economic trend, with growth slowing from 4% to 3%. This seems reasonable given continued sluggishness in the oil industry as well as uncertainty over the 2016 presidential election and the impact of Brexit. The results of our internal model are then verified against a sales tax model prepared by an outside sales tax analysis firm. For FY2017, the outside analysis is estimating an increase of 3.3% - 5.3% over FY2016. This analysis validates our 3% increase prediction.
- Sector Analysis** - Retail represents our largest sales tax sector followed by the accommodation and food services sector. We perform detailed monthly analysis on our confidential sales tax information, paying particular attention to the financial results and future plans of our largest taxpayers. Our large taxpayers are stable and established companies with plans to maintain or grow operations in Kerrville.

Budget Summary - Consolidated Expenditures

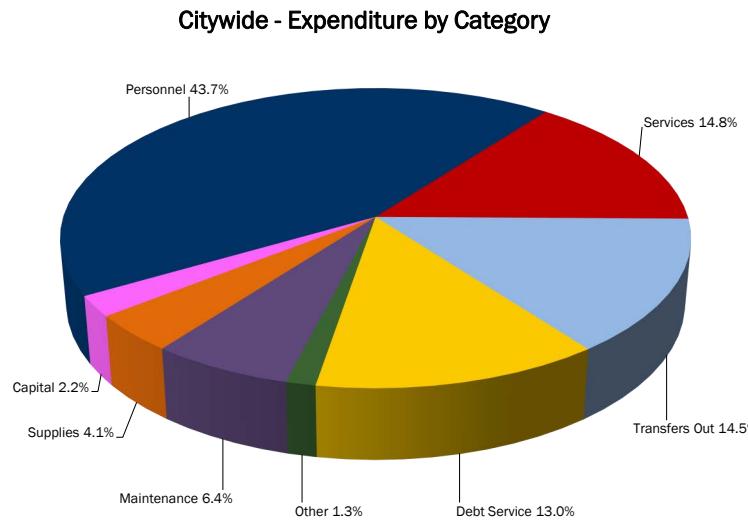


CONSOLIDATED EXPENDITURES

Consolidated citywide expenditures for FY2017 are budgeted at \$50,846,850, including internal transfers. As previously mentioned, these numbers do not include the CIP expenditures that are budgeted by project rather than by fiscal year and expenditures for the Economic Improvement Corporation, which are presented as a separate component unit.

BY CATEGORY

Personnel is the largest category of expenditure, representing 43.7% of the total. This is down slightly from the FY2016 budget when personnel represented 44.9% of the total. Public safety employees are receiving raises in accordance with their step salary plans, while general government employees will receive merit based increases. Other large categories are services (employee healthcare, insurance and tax services) and transfers out (for debt service and General Fund management fee).



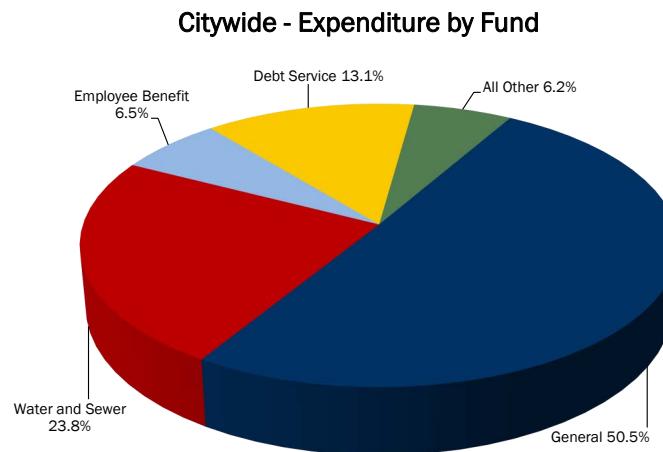
Expenditure Type	Outside Source	Interfund Source	Total Expenditures
Personnel	\$ 20,195,048	\$ 2,028,000	\$ 22,223,048
Services	7,532,650	-	7,532,650
Transfers Out	-	7,375,614	7,375,614
Debt Service	6,585,650	-	6,585,650
Other	681,937	-	681,937
Maintenance	2,961,546	284,375	3,245,921
Supplies	2,062,816	-	2,062,816
Capital	1,139,214	-	1,139,214
TOTAL	\$ 41,158,861	\$ 9,687,989	\$ 50,846,850

BY FUND

The General Fund accounts for 50.5% of the city's expenditures. Police, Fire, Parks and Streets are the major departments included in this fund. The Water and Sewer Fund with its Water Production, Water Reclamation, Utility Construction and Water Records departments represents 23.8% of the expense. Debt service accounts for 13.1% and smaller funds make up the remaining amount.

BY CATEGORY - NET OF INTERFUND ACTIVITY

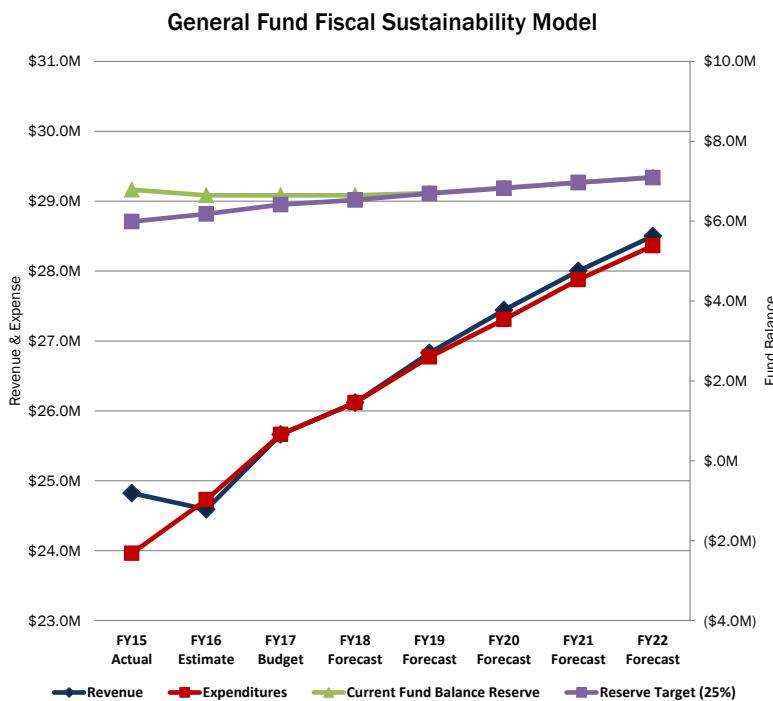
It is helpful to assess the true economic impact of the citywide budget by eliminating transfers between funds. The outside source column shows true cash expenditures planned citywide for FY2017.



Budget Summary - Fiscal Sustainability

FISCAL SUSTAINABILITY

Our FY2017 budget meets the city's fiscal sustainability goal by maintaining or enhancing core services with current operational revenue and maintaining a fund balance reserve at 25% or more of operational expenditures. One time revenues are not used to fund regular operational expenditures. Excess fund balance reserve can be used to pay for one time expenses or capital projects.



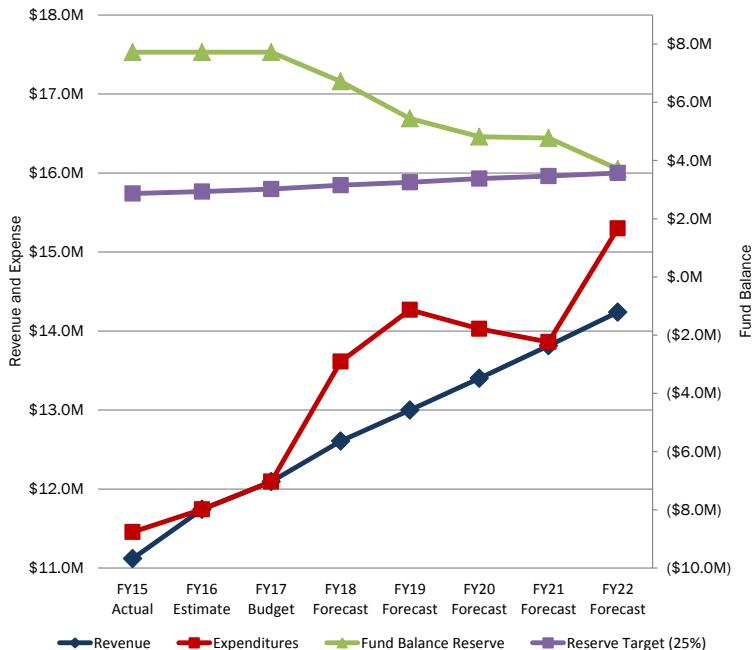
GENERAL FUND

The General Fund continues to improve services by expanding our street paving program and the city's recreational opportunities in FY2017. These enhancements will be funded by existing revenue streams with no increase to tax rates, while still maintaining the city's self imposed 25% of operating expense fund balance reserve.

WATER AND SEWER FUND

The Water and Sewer Fund plans to intentionally draw down its fund balance reserve over the next 5 years in order to pay cash for capital projects. The drawdown will contribute \$3.75 million toward capital projects while still maintaining a 25% of operating expense fund balance reserve.

Water and Sewer Fund Fiscal Sustainability Model





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5 YEAR FISCAL FORECAST

Five Year Fiscal Forecast - General Fund



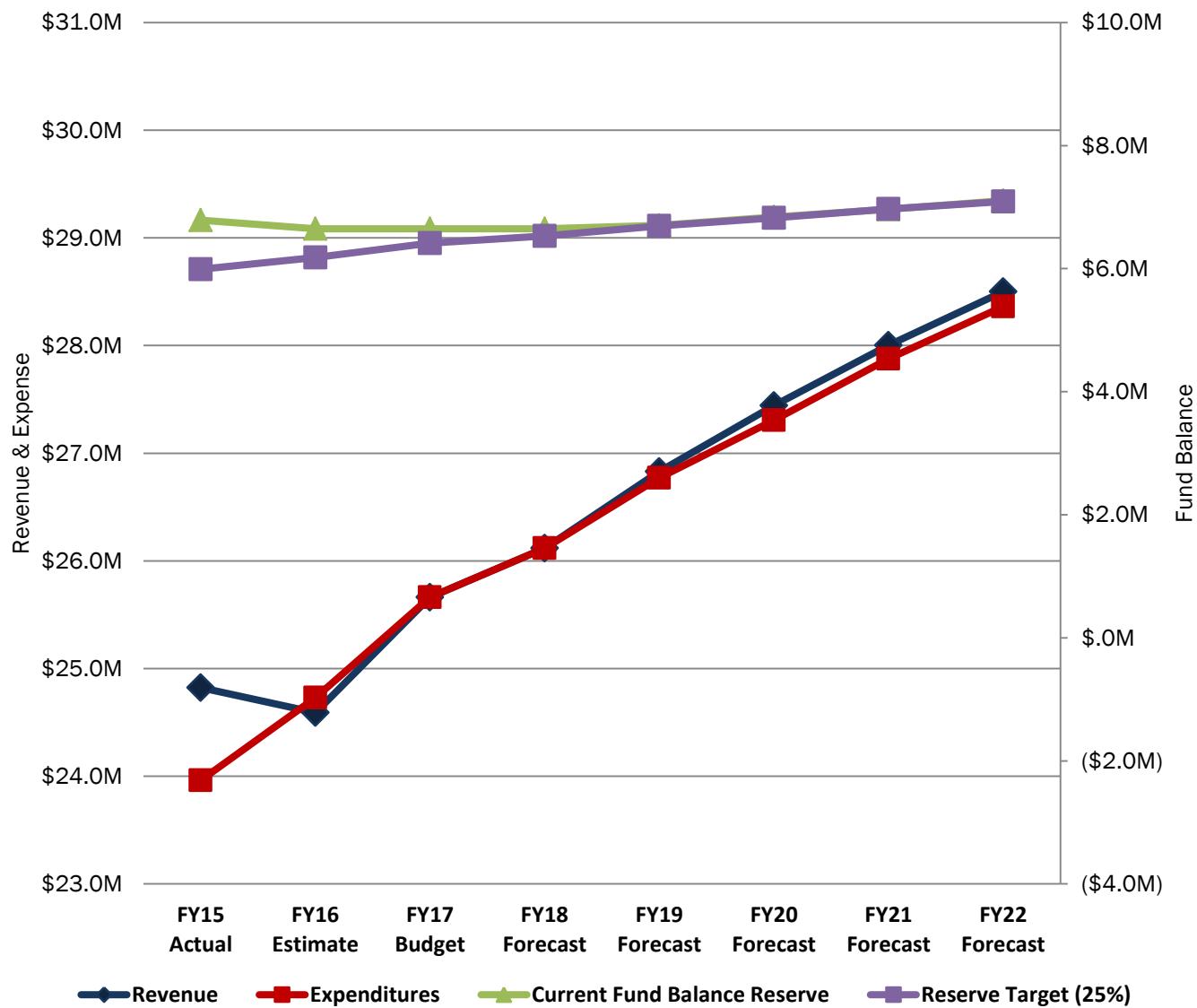
GENERAL FUND - FIVE YEAR FISCAL FORECAST

	FY15 Actual	FY16 Estimated	FY17 Budget	FY18 Forecast	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
BEGINNING FUND BALANCE	\$ 5,969,071	\$ 6,785,822	\$ 6,645,442	\$ 6,645,442	\$ 6,645,442	\$ 6,701,679	\$ 6,837,540	\$ 6,837,540
REVENUES								
Property Tax	8,646,774	9,037,622	9,144,500	9,299,957	9,458,056	9,618,843	9,782,363	9,948,663
Sales Tax	6,201,118	6,254,534	6,442,170	6,571,013	6,899,564	7,175,547	7,390,813	7,538,629
Other Taxes	1,882,043	1,855,100	1,953,800	1,987,015	2,020,794	2,055,147	2,090,085	2,125,616
Permits and Fees	532,606	421,870	456,495	464,255	472,148	480,174	488,337	496,639
Intergovernmental Revenue	1,373,334	1,350,895	1,360,838	1,383,972	1,407,500	1,431,427	1,455,762	1,480,509
Service Revenues	3,306,072	3,038,399	3,404,766	3,462,647	3,571,512	3,632,228	3,693,976	3,756,773
Grant Revenue	141,033	27,800	25,200	25,628	26,064	26,507	26,958	27,416
Fines and Forfeitures	351,265	437,200	608,300	618,641	629,158	639,854	650,731	661,794
Interest and Miscellaneous	585,371	245,200	366,571	372,803	379,140	385,586	392,141	398,807
Operating Transfer In	1,802,560	1,920,903	1,899,338	1,931,627	1,964,464	1,997,860	2,031,824	2,066,365
TOTAL REVENUES	24,822,176	24,589,523	25,661,978	26,117,558	26,828,400	27,443,173	28,002,989	28,501,212
EXPENDITURES								
Personnel	17,140,897	17,836,261	18,370,607	19,122,160	19,695,825	20,138,981	20,622,317	21,014,141
Supplies	1,025,087	1,279,748	1,229,502	1,206,195	1,221,876	1,237,760	1,253,851	1,270,151
Maintenance	1,706,165	2,192,783	2,418,690	2,453,133	2,485,024	2,517,329	2,550,054	2,583,205
Services	2,082,002	1,921,985	2,214,417	2,243,204	2,272,366	2,301,907	2,331,832	2,362,145
Other Expenses	109,071	149,941	262,965	266,384	269,847	273,355	276,908	280,508
Capital Outlay	426,132	408,805	213,024	144,883	146,767	148,675	150,608	152,565
Operating Transfers Out	1,473,169	940,380	952,773	681,598	680,459	689,305	690,266	699,240
TOTAL EXPENDITURES	23,962,521	24,729,903	25,661,978	26,117,558	26,772,163	27,307,312	27,875,835	28,361,955
CHANGE IN NET POSITION	859,655	(140,380)	-	-	56,237	135,861	127,153	139,257
ENDING FUND BALANCE	\$ 6,785,822	\$ 6,645,442	\$ 6,645,442	\$ 6,645,442	\$ 6,701,679	\$ 6,837,540	\$ 6,964,694	\$ 7,103,951
Reserve Target (25%)	5,990,630	6,182,476	6,415,495	6,529,390	6,693,041	6,826,828	6,968,959	7,090,489
Over (Under) Reserve	795,192	462,966	229,948	116,052	8,638	10,712	(4,265)	13,462
Actual Reserve %	28.3%	26.9%	25.9%	25.4%	25.0%	25.0%	25.0%	25.0%

FUND BALANCE indicates only UNRESTRICTED fund balance.

Five Year Fiscal Forecast - General Fund

General Fund Fiscal Sustainability Model



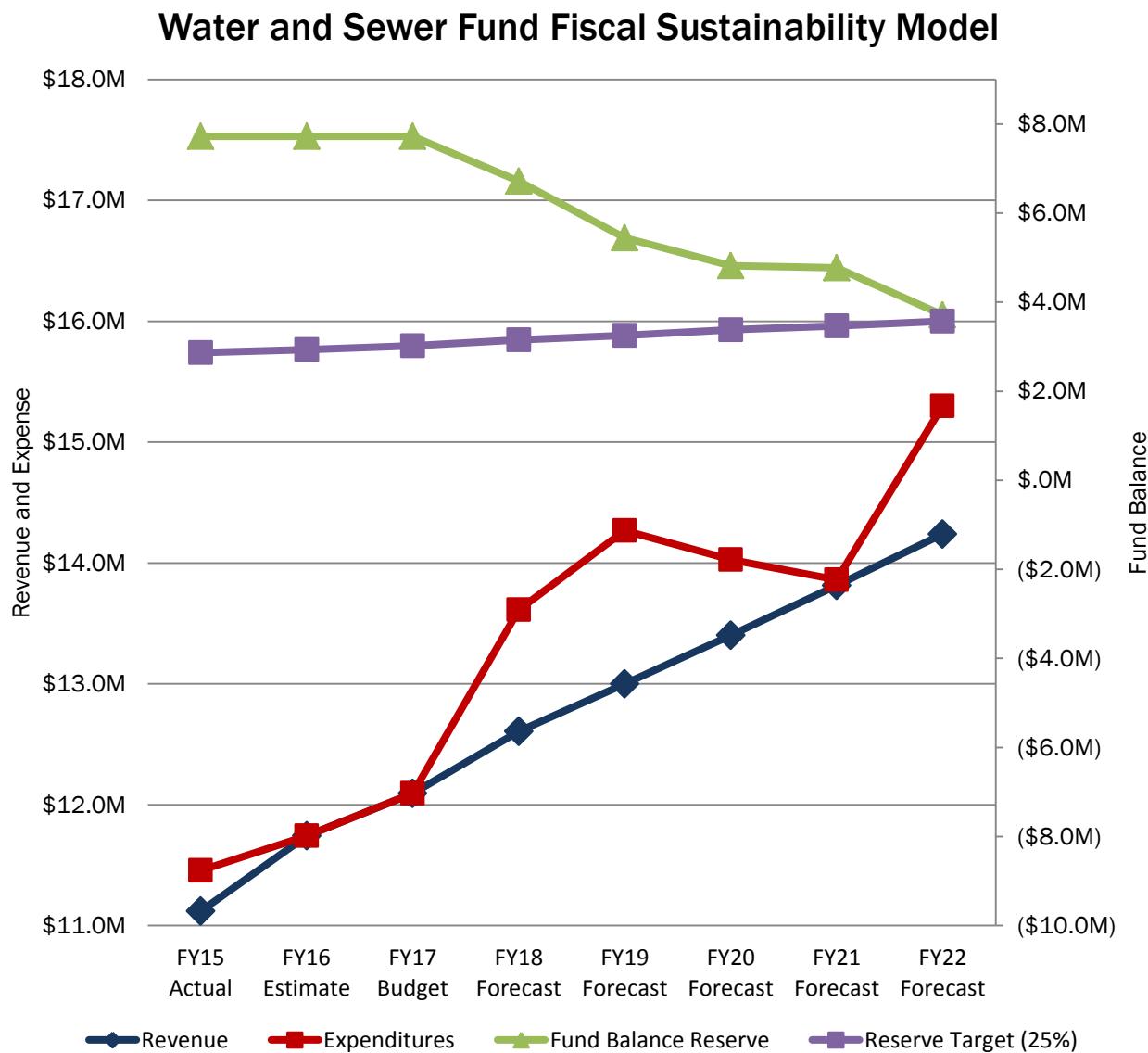
Five Year Fiscal Forecast - Water and Sewer Fund



WATER AND SEWER FUND - FIVE YEAR FISCAL FORECAST

	FY15 Actual	FY16 Estimated	FY17 Budget	FY18 Forecast	FY19 Forecast	FY20 Forecast	FY21 Forecast	FY22 Forecast
BEGINNING FUND BALANCE	\$ 8,127,701	\$ 7,721,941	\$ 7,721,941	\$7,721,941	\$ 6,715,438	\$ 5,446,510	\$ 4,820,832	\$ 4,773,991
REVENUES								
Service Revenues	10,903,603	11,542,286	11,905,447	12,415,649	12,805,141	13,204,823	13,614,940	14,035,741
Interest and Miscellaneous	215,721	199,875	186,900	190,077	193,309	196,595	199,937	203,336
Transfer In	-	-	-	-	-	-	-	-
TOTAL REVENUES	11,119,324	11,742,161	12,092,347	12,605,726	12,998,450	13,401,418	13,814,877	14,239,077
EXPENDITURES								
Personnel	2,806,126	2,964,265	2,996,893	3,086,800	3,179,404	3,250,940	3,328,963	3,392,213
Supplies	614,081	699,449	733,245	742,777	752,433	762,215	772,124	782,161
Maintenance	847,481	823,387	704,727	713,888	723,169	732,570	742,094	751,741
Services	818,944	834,399	870,388	881,703	893,165	904,776	916,538	928,453
Other Expenses	114,295	314,282	227,851	230,813	233,814	236,853	239,932	243,051
Capital Outlay	156,515	166,150	218,540	221,381	224,259	227,174	230,128	233,119
Operating Transfers Out	6,097,854	5,940,229	6,340,703	6,734,867	7,011,134	7,412,566	7,631,939	7,968,874
TOTAL EXPENDITURES	11,455,296	11,742,161	12,092,347	12,612,229	13,017,378	13,527,095	13,861,718	14,299,614
CHANGE IN NET POSITION	(335,972)	-	-	(6,503)	(18,928)	(125,677)	(46,841)	(60,537)
FUND BALANCE DRAW DOWN				(1,000,000)	(1,250,000)	(500,000)	-	(1,000,000)
ENDING FUND BALANCE	\$ 7,721,941	\$ 7,721,941	\$ 7,721,941	\$ 6,715,438	\$ 5,446,510	\$ 4,820,832	\$ 4,773,991	\$ 3,713,454
Reserve Target (25%)	2,863,824	2,935,540	3,023,087	3,153,057	3,254,344	3,381,774	3,465,430	3,574,903
Over (Under) Reserve	4,858,117	4,786,401	4,698,854	3,562,381	2,192,165	1,439,059	1,308,562	138,551
Actual Reserve %	67.4%	65.8%	63.9%	53.2%	41.8%	35.6%	34.4%	26.0%

Five Year Fiscal Forecast - Water and Sewer Fund





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BUILDING THE BUDGET



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BUDGET PHILOSOPHY

The City of Kerrville's budget philosophy includes these principles:

- The budget should be fiscally balanced. That is, expenditures should be less than or equal to revenues.
- The development, presentation, and management of the city budget are the City Manager's most important responsibilities. These duties are defined and established in the City Charter as an essential element of the Council-Manager form of local government.
- Department directors are responsible for their budgets. That means they must know what is in their budgets, stay within their budgets, and accurately project year end estimates. Accuracy of projections is of higher value than "savings" (lower than budgeted expenses).
- The primary function of the Finance department during budget development is to assist the departments through the process. The Finance department must respond quickly to departmental requests and have a robust understanding of department issues and operational requirements.
- The budget development process and calendar follow the city's strategic planning calendar. This means that the budget development thinking starts at a broad and conceptual level (Council goals), works through affordability assumptions and projections (five year fiscal and Community Investment Plan forecasting), and finally becomes specific and measurable through an evaluation of service levels. This process ensures that citizens and policy makers will have comfort and confidence with the outcome.
- The city projects capital project spending on a ten year planning horizon as part of the Community Investment Plan (CIP). The CIP is updated and appropriated annually. Citizen input on capital projects is emphasized and encouraged.
- Internal budget review begins with the base budget. The base budget is defined as the budget necessary to maintain existing service levels. Service levels are defined in the department service plans.
- Enhancements are budget requests that will improve service levels. The base budget will be established before enhancements are considered.



PURPOSE

The City of Kerrville's budget will serve four primary purposes:

- 1. Policy Tool** – The budget process allows the City Council, City Manager, and all department directors to comprehensively review the direction of the city and to direct its activities by allocating financial resources to achieve its goals. The budget process will also facilitate the evaluation of city programs to determine their effectiveness and allocate resources to those programs that require additional support.
- 2. Operational Guide** – The budget provides financial control by setting forth legislative and administrative guidance to city employees regarding the character and scope of their activities in both summary and detail form.
- 3. Financial Plan** – The budget outlines the manner in which the financial resources of the city are managed during the budget period. This allocation of resources is based on an understanding of both the current year's needs and a long-term view. The budget takes into account unforeseen contingencies and provides a process for periodic adjustments.
- 4. Communication Medium** – The budget book provides management, Council, and readers of the budget book a comprehensive tabulation of information regarding both the character and scope of city activities. The budget process seeks to communicate a clear policy at a usable level of detail to city employees, to communicate significant policy issues and options in a form that can be acted upon by city officials, and to communicate the plans of the city to its constituents in a manner which affords them an opportunity to provide meaningful comments to the elected officials.

PROCESS

The following steps are completed to build the budget:

Council workshop - A City Council workshop starts the budget process and is held 8 to 9 months prior to the beginning of the fiscal year. The purpose of this workshop is to discuss goals and set priorities for the upcoming budget. The Council provides direction to staff regarding strategic priorities based on City Council goals, long term strategic planning and input from citizens.

Department Budgets - Using Council's strategic direction from the workshop, departments are asked to develop department budgets that specifically address departmental needs and service levels. In addition to preparing a department budget, department directors are asked to provide performance measures and set goals for the budget year. Finance staff and the City Manager meet with each department director to discuss details of their respective department budget and any capital needs for the budget year. The Finance staff prepares revenue projections. The overall budget then goes through an iterative process to ensure that revenues equal or exceed expenditures.



PROCESS (CONTINUED)

Preliminary Budget - A preliminary budget is assembled and presented to Council by the City Manager in June. The preliminary budget summarizes expected revenue collections, department budgets, and performance measures. The City Council reviews the budget and has the option of holding workshops to discuss details of the preliminary budget.

Proposed Budget - Following any changes to the preliminary budget, the City Manager formally presents a proposed budget to City Council at the end of July. This budget includes all funds and departments.

Public Hearings and Adoption - Ad valorem (property) tax rate public hearings are held in August and September. By statute, tax rate hearings must be performed after a proposed budget is made. In addition, two public hearings are held to approve the proposed budget in September. After two successful hearings and approval of the budget in September, the budget is adopted and made effective on October 1.

MONITORING AND AMENDMENT

Monitoring - During the fiscal year, actual revenues and expenses are closely monitored against the budget. Weekly and monthly reports are provided by Finance staff to the city's core management team. Financial updates are given to Council monthly during regular City Council meetings. In addition, all departments have access to the city's general ledger software to facilitate continual monitoring of their budgets.

Amendment - The budget can be amended during the year to account for unforeseen events. The City Manager can approve department requests for reallocation of funding as long as the request results in a \$0 net impact to the fund. The City Council must authorize all changes to the budget that result in change in net position to a particular fund.



The City Council's goals cascade logically from the city's vision and mission statements. These statements are presented on page iii and again below.

VISION

Kerrville is a community that provides for prosperity and opportunity in an environment that offers a high quality of life.

MISSION

The City of Kerrville's mission is to create an environment that fosters prosperity and opportunity.

CITY COUNCIL GOALS

1. Understand the citizens' wants and needs.
2. Deliver quality municipal and public safety services in a cost effective manner.
3. Be good stewards of public resources and assets through strategic planning and sound financial policies and practices that ensure fiscal sustainability.
4. Plan, maintain, and upgrade public infrastructure and facilities.
5. Create an economically balanced community that provides for sustainable growth and protects cultural, recreational, and natural resources.
6. Engage in mutually beneficial relations with other governmental agencies.

Every function performed by the city ties directly back to one of these goals. City Council goals govern the preparation of the budget as well as the operation of each department. Accordingly, this budget book presents FY2017 objectives for each department along with the City Council goal to which the objective relates on the departmental information pages found within the funds sections.



Building the Budget - Budget Calendar

FY2017 BUDGET CALENDAR

December

December 16 – Budget workshop with Executive Team

February

February 11 – City Council budget workshop to discuss goals and direct staff

February 8 – February 26 – Departments prepare line item budgets

February 26 - Department budget proposals and fee schedule changes due

March

March 7 – March 29 – Departmental budget reviews with department directors, City Manager and Finance staff

March 14 - April 1 - Departmental budget revisions following budget reviews

April

April 4 – April 15 – Revised budgets sent back to departments for additional review

May

May 6 – Preliminary tax roll due from Kerr Central Appraisal District

May 1 – May 31 – Finance staff prepare draft budget book

June

June 3 – First draft of proposed budget to City Council

June 30 - City Council budget workshop

July

July 12 – City Manager budget submission at City Council meeting

July 27 – Chief Appraiser certifies rolls for taxing units

July 29 – Proposed budget filed with City Secretary

August

August 9 – Authorization of publication of effective tax rate and schedule public hearing

August 23 – First tax rate public hearing & budget hearing

September

September 13 – Second tax rate hearing; First public hearing of 2016 tax rate; first reading of FY2017 Budget ordinance; first reading of 2016 Tax Rate ordinance; fee schedule resolution

September 27 – Second public hearing of 2016 tax rate; second reading of FY2017 budget ordinance; second reading of 2016 tax rate ordinance; adopt FY2017 budget; adopt 2016 tax rate

October

October 1 – FY2017 budget goes into effect



BUDGET BASIS

BASIS OF ACCOUNTING

The accounting and financial reporting policies of the city conform to Generally Accepted Accounting Principles (GAAP) and the accounting principles prescribed by the Governmental Accounting Standards Board (GASB). The city uses *fund accounting* to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds - Governmental activities, which normally are supported by taxes, grants and intergovernmental revenues, are reported in governmental funds. The largest governmental fund is the General Fund. Other governmental funds include special revenue funds, debt service funds, and general capital projects. Governmental fund financial statements are reported using the current financial resources measurement focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Proprietary Funds - The proprietary fund category includes enterprise and internal service funds. These funds are used to account for activities that are similar to private sector businesses. The largest proprietary fund is the Water and Sewer Fund. Proprietary fund financial statements are reported using the economic resources measurement focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flow.

BASIS OF BUDGETING

In most cases, the city's budget follows the same basis as the accounting and financial reporting previously described. Exceptions to this treatment are as follows:

Capital Items - For budget purposes, the full purchase price of a capital item is shown as an expenditure in the year the item is purchased. Accordingly, depreciation expense is not budgeted. In the Comprehensive Annual Financial Report (CAFR), capital items are recorded as assets when purchased and depreciated over the useful life of the item.

Compensated Absences - Compensated absences, which include accrued, but not used vacation leave, are not budgeted. This item is reported as an expense in the CAFR.

Debt Service - The city budgets for all debt service payments, both principal and interest, as an expenditure in the debt service fund. In the CAFR, principal payments reduce the balance sheet liability for the debt.

Amortization - Similar to the policy for depreciation, amortization is not budgeted, but it is recorded in the CAFR according to GAAP.

FUND STRUCTURE

FUND ACCOUNTING

Fund accounting is used for both budgeting and accounting purposes. Each fund is established for a specific purpose and is considered a separate accounting entity.

The flow of revenues and expenditures within each fund is somewhat like a bank checking and saving account. Revenues are deposited into the checking account throughout the fiscal year and are used to fund operations and services. At the end of the fiscal year, any excess of revenues over expenditures is “deposited” into the savings account known as fund balance. The fund balance can be reserved or designated to be spent for future projects, including capital needs, or be used for events that are unforeseen or unusual in nature.

City Council must approve, or appropriate, any expenditure from the various funds, including expenditures from reserves. The authorization is typically granted before the fiscal year begins, but it can also be done with approval from City Council anytime during the year, if sufficient funds are available.

FUND STRUCTURE

In accordance with the Governmental Accounting Standards Board (GASB), our annual report is grouped in reporting sections for governmental funds, proprietary funds and component unit funds. Within each GASB grouping are fund types: general, capital projects, special revenue, debt service, enterprise, internal service and economic improvement. The next level down is individual funds, which are shown below with our internally assigned fund number in parenthesis.

Governmental Funds Category			
General	Capital Projects	Special Revenue	Debt Service
- General Fund (01) - Police Special Programs (07) - General Asset Replacement (18) - Landfill Closure (26) - Landfill Post Closure (28) - Insurance Reserve (90) - Main Street Program (94)	- General CIP (70) - Parkland Dedication (08)	- Police Special Revenue (13) - Library Memorial (15) - Hotel Occupancy Tax Reserve (16) - Hotel Occupancy Tax (20) - PEG Special Revenue (21) - Muni Court Special Revenue (22) - History Center (68) - Cailloux Theater Endowment (84) - Grant Fund (85)	- General Debt Service (50)
Proprietary Funds Category			
Major Enterprise		Non Major Enterprise	Internal Service
- Water and Sewer Fund (02) - Water and Sewer Asset Replacement (19) - Water and Sewer Debt Service (53) - Water and Sewer Capital Projects (71)		- Golf Course Fund (14)	- Garage (03) - Employee Benefit Fund (05)
Component Unit Funds Category			
Economic Improvement Corporation			
- Economic Improvement Corporation (40) - Economic Improvement Projects (75)			



FUND STRUCTURE (CONTINUED)

General Funds - The General category is a governmental fund type that includes the majority of city services. Services provided in this category include: City Council, City Secretary, City Attorney, City Administration, Human Resources, Finance, Information Technology, Municipal Court, Police, Fire/EMS, Planning, Inspection, Code Compliance, Parks and Recreation, Engineering, Streets and Library. The following funds are included in the General category:

1. General Fund
2. Police Special Programs Fund
3. General Asset Replacement Fund
4. Landfill Closure Fund
5. Landfill Post Closure Fund
6. Insurance Reserve Fund
7. Main Street Program Fund

Capital Projects Funds - The following funds are governmental funds used to account for resources that are restricted, committed or assigned to expenditure for capital outlays:

1. General CIP Fund
2. Parkland Dedication Fund

Special Revenue Funds - The following funds are governmental funds used to account for specific revenue sources that are legally restricted or committed to expenditure for specified purposes:

1. Police Special Revenue Fund
2. Library Memorial Fund
3. Hotel Occupancy Tax Reserve Fund
4. Hotel Occupancy Tax Fund
5. PEG Special Revenue Fund
6. Municipal Court Special Revenue Fund
7. Remschel-Deering History Center Fund
8. Cailloux Theater Endowment Fund
9. Grant Fund

Debt Service Fund - The following fund is a governmental fund type also known as an interest and sinking fund and used to account for the accumulation and expenditure of funds required to make principal and interest payments on tax supported debt:

1. General Debt Service Fund

Enterprise Funds - The following funds are proprietary funds used to account for business type activities that are financed primarily through fees charged for goods or services provided:

1. Water and Sewer Fund
2. Water and Sewer Asset Replacement Fund
3. Water and Sewer Debt Service Fund
4. Water and Sewer Capital Projects Fund
5. Golf Course Fund

Internal Service Funds - The following funds are proprietary funds used to account for goods and services provided to other city departments on a cost reimbursement basis:

1. Garage Fund
2. Employee Benefits Fund

Component Units Funds - GASB Statement No. 14 defines component units as legally separate organizations for which the elected officials of the primary government are financial accountable. They may be a governmental organization, a nonprofit corporation or a for profit corporation. Component unit funds are NOT part of the citywide budget totals presented in this book and are presented separately in the CAFR. The city's Component Unit Funds presented in this book include:

1. Economic Improvement Corporation
2. Economic Improvement Projects Fund

Building the Budget - Guide to Department Pages

The first page of each departmental section is arranged as follows:

Description of department responsibilities

Fund name: General Fund - Library

Department name: BUTTERHOLD SWORTH MEMORIAL LIBRARY CITY OF KERRVILLE

Department mission: The Library serves as an information center for our community, offering a wide variety of materials and services for education, entertainment, and enrichment in a welcoming and helpful environment.

DEPARTMENT RESPONSIBILITIES

- Reference** - responsible for helping patrons answer research questions with relevant information
- Circulation** - responsible for assembling, organizing, and making accessible materials which offer opportunities for personal, educational, cultural, and recreational enrichment. Librarians develop collections, services, and programs which respond to individual and community needs.
- Programs** - responsible for providing opportunities for patrons of all ages to participate in library activities and programs and encourage lifelong learning

DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Circulated 105,359 items and were visited by 88,772 patrons
- Assisted with 8,365 reference transactions
- Fulfilled 1,541 interlibrary loan requests
- Offered 130 programs that were attended by 3,535 children and 1,673 adults

FY2017 OBJECTIVES

Deliver quality municipal services and protect cultural resources by:

- Increasing circulation of materials through the continued development and organization of a sustainable collection of print, audiovisual, and electronic materials which address citizens' wants and needs
- Continuing to meet citizens' need for information on a broad array of topics related to work, school and personal life through enhanced programming
- Continuing to deliver quality library programs and services which address citizens' needs and interests, with the goal of 140 programs and events held in FY2017

DID YOU KNOW?

In FY2017, the library will celebrate the 5th anniversary of its renovation and the 50th anniversary of its original dedication.

An interesting or little known fun fact that relates to this department

Department mission

Department accomplishments primarily from FY2015 and may include significant accomplishments completed during the first part of FY2016

City Council goal (presented in bold) to which department objectives relate

Specific department objectives to be completed in FY2017

Building the Budget - Guide to the Department Pages



The second page of the department section presents performance measure and employee count information as shown below:

Fund name

General Fund - Library

Department name

Library - Performance Measures

Responsibility	Measures	2015 Actual	2016 Benchmark	Qtr 1 2016	Qtr 2 2016	YTD 2016 (or AVG)
Reference	Library reference transactions	8,365	9,000	2,129	3,401	5,530
	Internet/electronic resources used	40,398	35,000	6,237	6,011	12,248
Circulation	Number of library materials circulated	107,675	110,000	24,398	24,072	48,470
	Gate count	88,772	90,000	19,429	22,394	41,823
Programs	# of programs	130	140	33	35	68
	Adult attendance	1,673	2,000	381	480	861
	Juvenile attendance	3,535	4,000	506	814	1,320

Library - Personnel Count

Position Title	Reference	Circulation	Programs	FY2017 Total
Library Director	0.33	0.34	0.33	1.00
Assistant Library Director	0.33	0.33	0.34	1.00
Librarian	0.66	0.66	0.68	2.00
Library Assistant	0.67	0.67	0.66	2.00
Library Clerk	1.20	1.20	0.60	3.00
Total FTEs	3.19	3.20	2.61	9.00

Performance measures for each department that focus on outputs and tie to departmental responsibilities on previous page

Personnel count for each department that is broken out by position as well as time spent on each area of responsibility. Charts are presented in full time equivalent (FTE) units of measure



Building the Budget - Guide to the Department Pages

The next pages of the department section present budget line item detail as shown below:

General ledger account number

Fund name

Department name

Subtotals for each expenditure category are shown on the red lines.

2016 Budget numbers show the budget as originally adopted. City policy allows the budget to be amended by City Council during the year. Additionally, the City Manager can approve department requests to reallocate funding that results in a \$0 net impact to the fund.

Human Resources Expenditures by Line Item				
Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$209,331	\$219,898	\$228,322
004	Longevity	\$1,104	\$1,312	\$1,476
005	Social Security	\$15,366	\$17,119	\$17,982
006	Retirement	\$19,264	\$20,242	\$21,627
007	Group Insurance	\$29,936	\$28,000	\$26,000
010	Travel and Training	\$2,038	\$3,600	\$5,500
011	Local Meeting Expense	\$375	\$360	\$360
012	Certification Pay	\$4,115	\$3,600	\$7,200
013	Vehicle Allowance	\$6,036	\$6,000	\$6,000
Total Personnel Services		\$287,564	\$300,131	\$314,467
101	Office Supplies	\$5,437	\$4,950	\$3,974
102	Small Tools and Equipment	\$195	\$0	\$0
110	Postage and Shipping	\$289	\$60	\$80
Total Supplies		\$5,921	\$5,010	\$4,054
201	Phone Service	\$928	\$684	\$684
306	Special Services	\$0	\$0	\$2,500
307	Insurance	\$500	\$800	\$800
316	Advertising	\$1,707	\$1,750	\$1,750
317	Employment Physicals	\$15,583	\$13,000	\$13,000
319	Drug and Alcohol Testing	\$10,911	\$9,000	\$9,000
Total Services		\$29,629	\$25,234	\$27,734
401	Certificates, Awards, Etc.	\$3,015	\$2,648	\$3,400
402	Dues and Subscriptions	\$2,103	\$2,910	\$2,910
Total Other Expenses		\$5,117	\$5,558	\$6,310
Department Total		\$328,231	\$335,933	\$352,565

Building the Budget - Budget Ordinance



CITY OF KERRVILLE, TEXAS ORDINANCE NO. 2016-15

AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR 2017; PROVIDING APPROPRIATIONS FOR EACH DEPARTMENT AND FUND; CONTAINING A CUMULATIVE CLAUSE; AND CONTAINING A SAVINGS AND SEVERABILITY CLAUSE

WHEREAS, in accordance with Section 8.01 of the City Charter, and Section 102.005 of the Texas Local Government Code, the City Manager of the City of Kerrville prepared and filed with the City Secretary on, July 31, 2016 a proposed budget for the City of Kerrville, Texas, for the fiscal year beginning October 1, 2016, and ending September 30, 2017; and

WHEREAS, in accordance with Section 8.04 of the City Charter and Sections 102.006 and 102.065 of the Texas Local Government Code, and after providing the required public notice in the City's official newspaper not less than two weeks prior to the date of the public hearing, a public hearing was duly held on August 23, 2016, at the time and place set forth in the public notice, said date being more than thirty days subsequent to the filing of the proposed budget by the City Manager, at which all interested persons were given an opportunity to be heard for or against any item within the proposed budget; and

WHEREAS, after due deliberation, study, and consideration of the proposed budget, and after making such amendments to the budget proposed by the City Manager that the City Council has determined are (1) warranted by law or (2) in the best interest of the taxpayers of the City, the City Council is of the opinion that the Official Budget for the Fiscal Year 2017, with the amendments described and discussed, should be approved and adopted, in accordance with Section 8.06 of the City Charter and Section 102.007 to the Texas Local Government Code;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. The Official Budget of the City of Kerrville, Texas, a copy of which is on file in the office of the City Secretary, referenced by the date and number of this Ordinance, and incorporated herein by reference as if fully set out herein, is adopted, in accordance with Section 8.06 of the City Charter and Chapter 102 of the Texas Local Government Code.

SECTION TWO. The budgets for each department of the City are hereby deemed to provide a complete financial plan of City funds and activities for the Fiscal Year 2017, in accordance with Section 8.05 of the City Charter and Chapter 102 of the Texas Local Government Code.

SECTION THREE. The provisions of this Ordinance are to be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent with or in conflict with any of the provisions of this Ordinance are hereby expressly repealed to the extent of any such inconsistency or conflict.



Building the Budget - Budget Ordinance

SECTION FOUR. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such holding shall not affect the validity of the remaining portions of this Ordinance. The City Council of the City of Kerrville, Texas, hereby declares that it would have passed this Ordinance and each section, subsection, sentence, clause, or phrase hereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional or invalid.

THE MEMBERS OF CITY COUNCIL VOTED AS FOLLOWS IN ACCORDANCE WITH THE CITY CHARTER AND STATE LAW:

FIRST READING:

- A RATIFICATION VOTE TO ADOPT THE BUDGET THAT WILL REQUIRE RAISING MORE REVENUE FROM PROPERTY TAXES THAN THE PREVIOUS FISCAL YEAR.
- TO APPROVE THE BUDGET ON 1ST READING OF THE ORDINANCE AS FOLLOWS:

	YES	NO
Bonnie White, Mayor	<u>X</u>	—
Stephen P. Fine, Place 1	<u>X</u>	—
Glenn Andrew, Place 2	<u>X</u>	—
Gary Stork, Place 3	<u>X</u>	—
Gene Allen, Place 4	<u>X</u>	—

(record vote)

PASSED AND APPROVED ON FIRST READING, this the 13th day of September, A.D., 2016.

Building the Budget - Budget Ordinance



SECOND READING:

- A RATIFICATION VOTE TO ADOPT THE BUDGET THAT WILL REQUIRE RAISING MORE REVENUE FROM PROPERTY TAXES THAN THE PREVIOUS FISCAL YEAR.
- TO APPROVE THE BUDGET ON 2ND READING OF THE ORDINANCE AS FOLLOWS:

	Yes	NO
Bonnie White, Mayor	<u>X</u>	—
Stephen P. Fine, Place 1	<u>X</u>	—
Glenn Andrew, Place 2	<u>X</u>	—
Gary Stork, Place 3	—	—
Gene Allen, Place 4	<u>X</u>	—

(record vote)

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 27th day of September, A.D., 2016

Note: The original ordinance as passed on final reading is on file in the City Secretary's office. This ordinance has been reproduced in this document for informational purposes only.



Building the Budget - Tax Ordinance

CITY OF KERRVILLE, TEXAS
ORDINANCE NO. 2016-16

AN ORDINANCE LEVYING AN AD VALOREM TAX FOR THE USE AND THE SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF KERRVILLE, TEXAS, FOR THE FISCAL YEAR 2017; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; AND PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID

WHEREAS, the City Council finds that an ad valorem tax must be levied to provide for current expenses and improvements for the City of Kerrville, Texas, during the fiscal year 2017; and

WHEREAS, the City Council further finds that an ad valorem tax must be levied to provide for the payment of principal and interest on outstanding debt maturing in the fiscal year 2017; and

WHEREAS, after due deliberation, study, and consideration of the proposed tax rate for the fiscal year 2017, the City Council has determined that adoption of the rate is in the best interest of the taxpayers of the City and it should be adopted in accordance with law;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:

SECTION ONE. There is hereby levied and there shall be collected for the use and support of the municipal government of the City of Kerrville, Texas, and to provide interest and sinking funds for the fiscal year 2017, a tax of **\$0.5625** on each one hundred dollars (\$100.00) valuation of all property, real, personal, and mixed, within the corporate limits of the City subject to taxation, for the specific purposes herein set forth:

- (A) For the current expenditures of the City of Kerrville and for the general improvement, use and support of the City and its property, there is hereby levied and ordered to be assessed and collected for the fiscal year 2017 on all property situated within the corporate limits of the City, and not exempt from taxation by a valid law, an ad valorem tax rate of **\$0.489** on each one hundred dollars (\$100.00) valuation of such property. **THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 3.46 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$0.**

Building the Budget - Tax Ordinance



(B) For the purpose of paying principal and interest and providing payments into various debt service funds for each issue of tax supported debt, there is hereby levied and ordered to be assessed and collected for the fiscal year 2017 on all property situated within the corporate limits of the City and not exempt from taxation by a valid law, an ad valorem tax for each issue of debt described in this Section, the sum of such levies being \$0.0735 on each one hundred dollars (\$100.00) valuation of such property.

SECTION TWO. The ad valorem taxes levied are due on October 1, 2016, and may be paid up to and including January 31, 2017, without penalty, but if not paid, such taxes are delinquent on February 1, 2017, provided, however, in accordance with Texas Tax Code §31.03(a), the ad valorem taxes due hereunder may, at the option of the taxpayer, be paid in two payments without penalty or interest so long as the first payment of one-half of the taxes levied is paid before December 1, 2016, and the remaining one-half is paid before July 1, 2017.

SECTION THREE. No discounts are authorized on property tax payments made prior to January 31, 2017.

SECTION FOUR. All taxes become a lien upon the property against which assessed, and the designated City tax collector for the City of Kerrville is authorized and empowered to enforce the collection of such taxes according to the Constitution and Laws of the State of Texas and ordinances of the City of Kerrville, and shall by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes, penalty, and interest. All delinquent taxes shall bear interest and other charges from date of delinquency as prescribed by state law.

THE MEMBERS OF CITY COUNCIL, PURSUANT TO THE SPECIFIC MOTION REQUIRED BY STATE LAW, VOTED TO APPROVE THIS ORDINANCE ON 1ST READING TO CONSIDER THE TAX INCREASE AS FOLLOWS:

	YES	NO
Bonnie White, Mayor	<u>X</u>	—
Stephen P. Fine, Place 1	<u>X</u>	—
Glenn Andrew, Place 2	<u>X</u>	—
Gary Stork, Place 3	<u>X</u>	—
Gene Allen, Place 4	<u>X</u>	—

(record vote)

PASSED AND APPROVED ON FIRST READING, this the 13th day of September A.D., 2016.



Building the Budget - Tax Ordinance

THE MEMBERS OF CITY COUNCIL, PURSUANT TO THE SPECIFIC MOTION REQUIRED BY STATE LAW, VOTED TO APPROVE THIS ORDINANCE ON THE 2ND READING TO CONSIDER THE TAX INCREASE AS FOLLOWS:

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 27th day of September, A.D., 2016.

THE MEMBERS OF CITY COUNCIL, PURSUANT TO THE SPECIFIC MOTION REQUIRED BY STATE LAW, VOTED TO APPROVE THIS ORDINANCE ON THE 2ND READING TO CONSIDER THE TAX INCREASE AS FOLLOWS:

	YES	NO
Bonnie White, Mayor	<u>X</u>	—
Stephen P. Fine, Place 1	<u>X</u>	—
Glenn Andrew, Place 2	<u>X</u>	—
Gary Stork, Place 3	—	—
		Absent
Gene Allen, Place 4	<u>X</u>	—

Note: The original ordinance as passed on final reading is on file in the City Secretary's office. This ordinance has been reproduced in this document for informational purposes only.



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GENERAL FUND



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General Fund - Budget Summary

GENERAL FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget	FY16 to FY17 % Change
BEGINNING FUND BALANCE	\$ 5,969,071	\$ 6,785,822	\$ 6,785,822	\$ 6,645,442	\$ -
REVENUES					
Property Tax	8,646,774	9,037,622	9,037,622	9,144,500	1.2%
Sales Tax	6,201,118	6,254,534	6,254,534	6,442,170	3.0%
Other Taxes	1,882,043	1,855,100	1,855,100	1,953,800	5.3%
Permits and Fees	532,606	421,870	421,870	456,495	8.2%
Intergovernmental Revenue	1,373,334	1,350,895	1,350,895	1,360,838	0.7%
Service Revenues	3,306,072	3,038,399	3,038,399	3,404,766	12.1%
Grant Revenue	141,033	26,800	27,800	25,200	-9.4%
Fines and Forfeitures	351,265	437,200	437,200	608,300	39.1%
Interest and Miscellaneous	585,371	244,200	245,200	366,571	49.5%
Operating Transfer In	1,802,560	1,920,903	1,920,903	1,899,338	-1.1%
TOTAL REVENUES	24,822,176	24,587,523	24,589,523	25,661,978	4.4%
EXPENDITURES					
Personnel	17,140,897	17,834,951	17,836,261	18,370,607	3.0%
Supplies	1,025,087	1,174,271	1,279,748	1,229,502	-3.9%
Maintenance	1,706,165	2,205,750	2,192,783	2,418,690	10.3%
Services	2,082,002	1,921,985	1,921,985	2,214,417	15.2%
Other Expenses	109,071	248,861	149,941	262,965	75.4%
Capital Outlay	426,132	401,705	408,805	213,024	-47.9%
Operating Transfers Out	1,473,169	800,000	940,380	952,773	1.3%
TOTAL EXPENDITURES	23,962,521	24,587,523	24,729,903	25,661,978	3.8%
CHANGE IN NET POSITION	859,655	-	(140,380)	-	
ENDING FUND BALANCE	\$ 6,785,822	\$ 6,785,822	\$ 6,645,442	\$ 6,645,442	
Reserve Target (25%)	5,990,630	6,146,881	6,182,476	6,415,495	
Over (Under) Reserve	795,192	638,941	462,966	229,948	
Actual Reserve %	28.3%	27.6%	26.9%	25.9%	

FUND BALANCE indicates only UNRESTRICTED fund balance.



GENERAL FUND BUDGET SUMMARY

The General Fund is the general operating fund and the largest fund of the city. It includes government services such as Police, Fire and EMS, Parks and Recreation, and Streets. In addition, administrative services such as Information Technology, Human Resources, Finance, and Engineering are a part of the General Fund. These services are funded primarily by property tax and sales tax. For accounting and financial reporting purposes, this is considered a governmental fund that uses the modified accrual basis of accounting.

The FY2017 budget for the General Fund includes \$25,661,978 in revenues and expenses, resulting in a balanced budget that is slightly higher than estimated FY2016 revenues and expenses. Variance analysis on changes over \$150,000 is as follows:

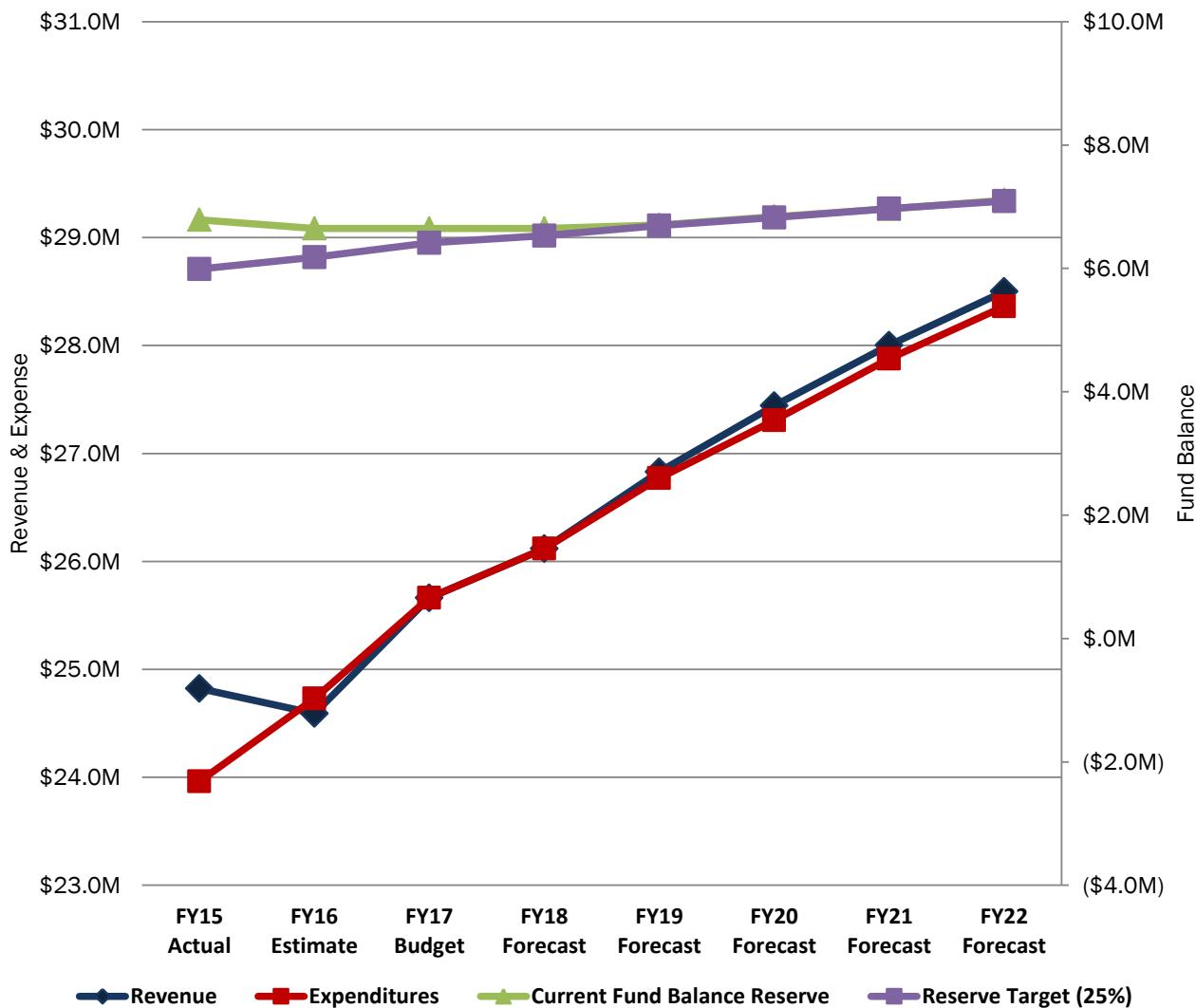
1. **Sales tax** - up 3.0% - Budget was created using regression analysis to forecast a trend line that follows a cyclical pattern. Sales tax in FY2017 is projected to grow, but at a slower rate than sales tax grew in FY2015 and FY2016.
2. **Service revenue** - up 12.1% - This increase is driven primarily by increased base rate and mileage revenue for EMS resulting from increased volume.
3. **Fines and Forfeitures** - up 39.1% - This increase is caused primarily by increased Municipal Court fines. Citations have increased as our Police Department became fully staffed in FY2016.
4. **Personnel** - up 3.0% - The increase is due primarily to merit based salary increases for general government employees and step plan increases for public safety employees.
5. **Maintenance** - up 10.3% - FY2017 includes \$1.25 million for paving and street maintenance, an increase of \$128,489 over FY2016.
5. **Services** - up 15.2% - FY2017 includes \$150,000 for an update to the city's comprehensive plan. In addition, premiums on the city's comprehensive insurance policy have increased.
6. **Capital Outlay** - down 47.9% - In FY2017, all major capital purchases are being made through the General Asset Replacement Fund instead of the General Fund. So, in FY2016 an ambulance remount was purchased in the General Fund. A budgeted ambulance remount in FY2017 is being purchased through the General Asset Replacement Fund.

FISCAL SUSTAINABILITY

At a basic level, fiscal sustainability is maintaining or enhancing core services with current operational revenue. One time revenues are not used to fund regular operational expenditures. In addition, our fiscal sustainability goals include building a fund balance reserve equal to at least 25% of annual expenditures. Excess fund balance reserve can be used to pay for one time expenses or capital projects. Fiscal sustainability also involves planning for at least five years in the future and anticipating capital needs for city infrastructure.

The chart below graphically illustrates healthy and sustainable trends. With modest growth estimates for revenue and expenditure, we anticipate that revenues will meet or exceed expenditures in the years FY2017 to FY2022. Our current projections show the city ending FY2016 with a 26.9% fund balance reserve. We anticipate the reserve hovering around our 25% goal for the next 5 years as revenues and expenses grow slowly in tandem.

General Fund Fiscal Sustainability Model





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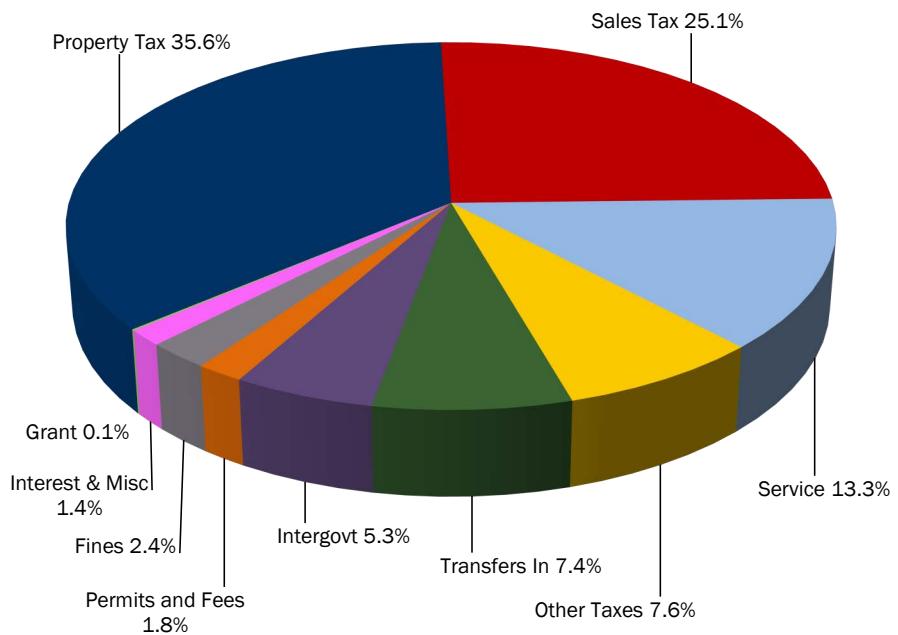
GENERAL FUND REVENUES



GENERAL FUND REVENUES

Total FY2017 budgeted revenues total \$25,661,978 which is \$1,072,455 or 4.4% more than estimated FY2016 revenue. The graph below illustrates the revenue sources for the General Fund.

General Fund - Revenue Sources



PROPERTY TAX REVENUE

The largest source of revenue for the General Fund is property taxes which are budgeted to be 35.6% of revenues. Since FY2010, the tax rate has remained at \$0.5625 per \$100 of assessed value. Based on the preliminary tax roll from Kerr Appraisal District, we anticipate property tax revenue to be up 1.2% in FY2017.

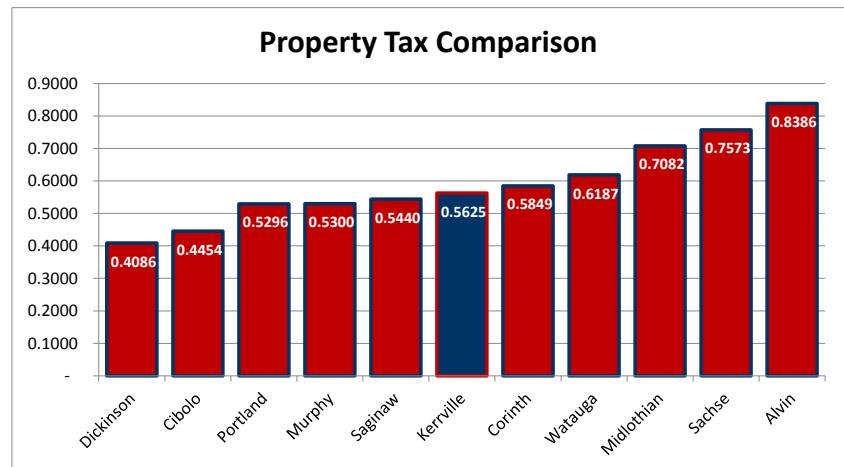
SALES TAX REVENUE

The second largest source of revenue for the General Fund is sales tax. In FY2017, sales tax is projected to increase by 3.0% over projected FY2016 revenue to \$6,442,170, representing 25.3% of revenues. Sales tax is heavily dependent on the health of the overall economy. We closely monitor unemployment figures, oil prices, statewide sales tax trends, the consumer price index and consumer confidence, then adjust our trend analysis accordingly. Our sales tax forecast model shows a strong cyclical sales tax trend. In the model, FY2017 is part of a downward economic trend, with growth slowing from 4% to 3%. This seems reasonable given continued sluggishness in the oil industry as well as uncertainty over the 2016 presidential election and the impact of Brexit.

GENERAL FUND REVENUES

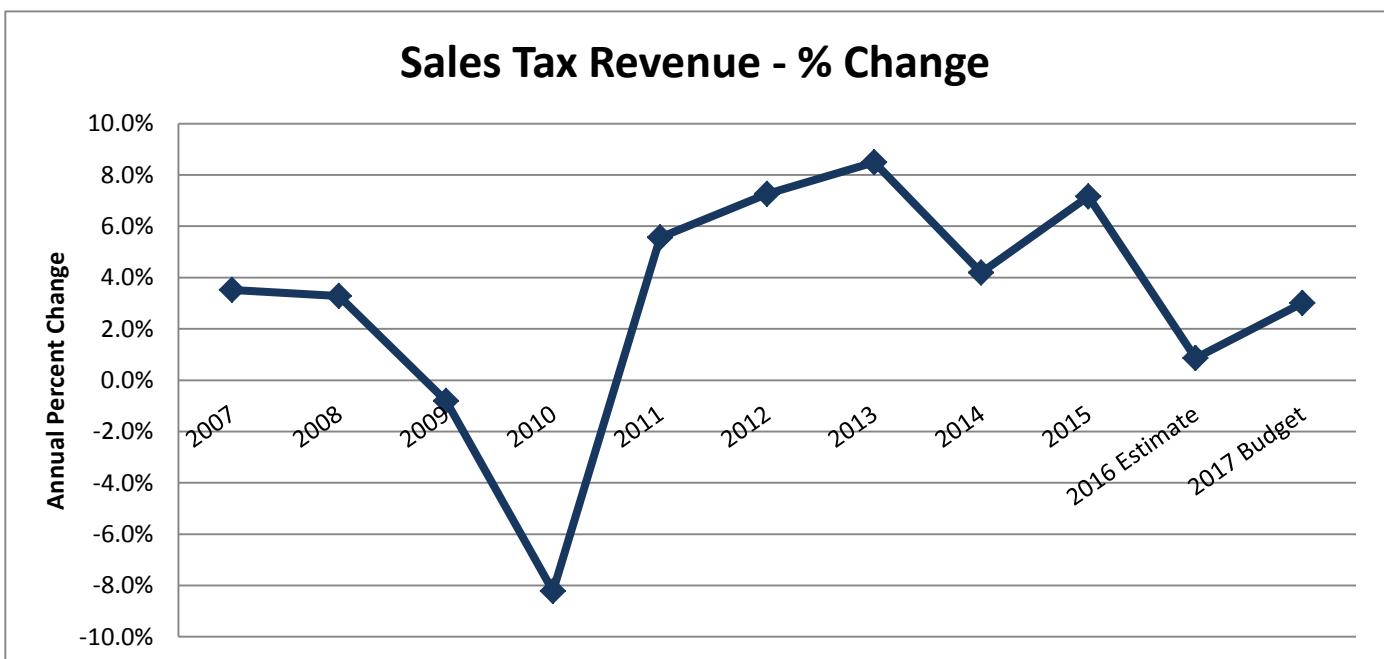
PROPERTY TAX

Our property tax rate has remained stable at \$0.5625 per \$100 of assessed value since FY2010. Keeping the rate at this level is a priority for our City Council even though a property tax freeze for senior citizens went into effect in FY2007. In addition, as the graph shows, Kerrville's rate is in the mid range compared to 10 Texas cities of similar size with an AA bond rating. Based on preliminary tax rolls from the appraisal district we are estimating an increase of 1.2% for FY2017 compared to FY2016.



SALES TAX

After a downturn in FY2009 and FY2010, sales tax revenue has grown, although the rate of growth began to decline statewide in FY2014. Continued slow growth appears sustainable as it is due to the addition of new businesses as well as increased sales at existing retailers. For FY2017, we are budgeting sales tax revenues to grow by 3.0% compared to FY2016.



General Fund - Revenues



General Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6111	Current Tax Levy	\$8,554,903	\$8,884,247	\$8,994,500
6112	Prior Year Tax Levy	\$91,871	\$153,375	\$150,000
6113	Sales and Use Tax	\$6,201,119	\$6,254,534	\$6,442,170
6114	Mixed Beverage Tax	\$74,021	\$65,000	\$75,000
6115	Penalty and Interest on Taxes	\$66,227	\$95,000	\$97,500
6121	Franchise Tax - KPUB	\$1,287,067	\$1,250,000	\$1,331,200
6122	Franchise Tax - Natural Gas	\$143,033	\$130,000	\$135,000
6123	Phone R.O.W. Use Fee	\$56,163	\$60,000	\$60,000
6124	Franchise Tax - Taxicabs	\$75	\$100	\$100
6125	Franchise Tax - Cable	\$255,457	\$255,000	\$255,000
Total Taxes		\$16,729,936	\$17,147,256	\$17,540,470
6213	KPD - Parade Permits	\$50	\$50	\$50
6215	KPD - Alarm Permit Fee	\$2,700	\$2,000	\$2,000
6230	Professional and Occupational	\$35,100	\$30,000	\$33,000
6231	Building and Construction	\$225,414	\$160,000	\$180,000
6232	Electrical Permits	\$28,027	\$25,000	\$25,000
6233	Plumbing and Gas Permits	\$30,315	\$25,000	\$28,000
6234	Backflow Inspection Fee	\$5,309	\$3,500	\$4,000
6235	Tear Down Permit	\$280	\$500	\$300
6236	Zoning and Subdivision Fees	\$12,953	\$10,000	\$10,000
6237	Mechanical Permits	\$24,596	\$20,000	\$22,000
6238	Alcoholic Beverage License	\$8,150	\$12,500	\$10,500
6239	Moving Permit	\$40	\$0	\$0
6241	Sidewalk Fee	\$500	\$500	\$500
6244	Irrigation Permit	\$1,223	\$1,200	\$1,200
6245	Specs and Plans	\$25	\$50	\$25
6247	LP Gas Permits	\$1,125	\$1,000	\$1,000
6248	Tent Permit	\$440	\$400	\$500
6249	Fire Sprinkler - No Bldg. Permit	\$825	\$750	\$750
6251	Fire Alarm - Commercial	\$625	\$500	\$500
6252	Fire Alarm - Repair/Remodel	\$600	\$500	\$500
6256	Waterflow Test Fee	\$900	\$500	\$750
6257	Plan Check Fee	\$105,750	\$70,000	\$85,000
6258	Flood Plain Permit Fee	\$0	\$100	\$0
6262	Manifest Books	\$165	\$0	\$0
6270	Health Permit - Sanitation	\$3,085	\$3,200	\$3,200
6271	Health Permit - Mobile	\$10	\$200	\$150

General Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6272	Health Permit - Seasonal	\$1,465	\$1,200	\$1,400
6273	Health Permit - Fixed	\$18,459	\$25,000	\$20,000
6274	Hotel - Annual Permit	\$750	\$1,000	\$750
6280	Vendor/Solicitor Permit	\$3,390	\$2,500	\$3,000
6285	Group Home Annual Permit	\$16,000	\$20,000	\$18,000
6286	Group Home Re-Inspection Fee	\$0	\$300	\$0
6290	Banner Fee	\$3,060	\$3,120	\$3,120
6291	Banner Admin. Fee	\$1,275	\$1,300	\$1,300
Total Permits and Fees		\$532,606	\$421,870	\$456,495
6311	State - Emergency Mgmt.	\$50,611	\$35,332	\$30,800
6313	State - LEOSE Funds	\$4,582	\$0	\$0
6320	Kerr County - Emergency Mgmt.	\$3,838	\$4,500	\$0
6321	Kerr County - Fire/EMS Contract	\$1,200,000	\$1,194,000	\$1,204,151
6352	KISD - School Resource Officer	\$114,303	\$117,063	\$125,887
Total Intergovernmental		\$1,373,334	\$1,350,895	\$1,360,838
6402	Garbage Surcharge Fee	\$22,639	\$0	\$0
6404	Admin. Fee - Child Support	\$1,188	\$1,000	\$1,000
6405	Cobra - Admin Fee	\$286	\$500	\$0
6409	Library - Kerr County Resident	\$20,627	\$16,000	\$18,000
6410	Library - Non-Resident Fees	\$3,689	\$4,000	\$3,500
6412	Library - Gazebo Rental	\$60	\$0	\$60
6413	Library - Meeting Room Rental	\$655	\$300	\$500
6414	Library - Copies	\$1,092	\$1,000	\$1,000
6415	Library - Fax Machine	\$111	\$0	\$0
6416	Library - Internet Printing	\$5,923	\$5,000	\$5,000
6417	Library - Inter-Library Mailing	\$433	\$100	\$1,000
6421	KPD - Accident Reports	\$2,825	\$3,300	\$3,100
6422	KPD - Funeral Procession Fees	\$17,385	\$13,920	\$14,400
6423	KPD - Finger Printing	\$1,114	\$900	\$1,000
6424	KPD - Offense Reports	\$757	\$500	\$600
6427	KPD - Letters of Clearance	\$90	\$150	\$120
6430	Aquatics - Admission	\$11,671	\$12,000	\$11,750
6431	Aquatics - Programs	\$7,422	\$7,000	\$7,400
6432	Aquatics - Rentals	\$2,930	\$3,000	\$3,000
6433	Parks and Recreation Programs	\$7,327	\$10,000	\$7,250
6434	Parks and Recreation Rentals	\$12,987	\$9,000	\$9,000

General Fund - Revenues



General Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6440	Tennis - Daily Admission	\$839	\$0	\$0
6441	Tennis - Annual Membership	\$136	\$0	\$0
6442	Tennis - Contract Fee	\$2,346	\$0	\$0
6450	KSP - Annual Permit	\$28,772	\$26,000	\$29,000
6451	KSP - Day Pass	\$18,991	\$15,000	\$18,000
6452	KSP - Excess Vehicle Fee	\$2,210	\$2,500	\$2,500
6453	KSP - Premium W/S/E Site	\$38,662	\$33,982	\$37,000
6454	KSP - RV Site - Deer Field - All Utilities	\$72,518	\$62,998	\$67,000
6455	KSP - Reg Site 50 Amp	\$45,837	\$39,200	\$50,000
6456	KSP - Regular Site/Water	\$26,400	\$21,000	\$30,000
6457	KSP - Reg Site - Elect/Water	\$21,300	\$23,000	\$30,000
6458	KSP - Mini Cabins	\$84,940	\$75,000	\$81,000
6459	KSP - Cabin - Premium	\$11,382	\$10,010	\$13,000
6460	KSP - Ranch House	\$16,906	\$13,000	\$15,000
6461	KSP - Group Recreation Hall	\$12,765	\$12,000	\$13,015
6462	KSP - Group Dining Hall	\$4,680	\$3,625	\$4,000
6463	KSP - Equipment Rental	\$430	\$200	\$352
6464	KSP - Dump Station	\$325	\$500	\$362
6470	EMS - Medical Records	\$1,125	\$1,000	\$1,000
6471	EMS - Base Rate	\$3,390,365	\$2,980,035	\$3,311,588
6472	EMS - Mileage	\$1,381,601	\$1,288,561	\$1,395,110
6474	EMS - Transfer Agreement	\$9,093	\$9,549	\$11,303
6475	EMS - On-Side Standby	\$9,570	\$10,267	\$11,429
6476	EMS - Aid Only	\$8,170	\$7,511	\$6,630
6477	EMS - Response Fee	\$37,275	\$35,033	\$43,223
6480	EMS - Charges Disallowed	(\$1,664,757)	(\$1,508,104)	(\$1,658,444)
6481	EMS - Bad Debt Write-Off	(\$888,520)	(\$762,440)	(\$826,374)
6490	Solid Waste - Recycling Proceeds	\$23,085	\$10,000	\$800
6491	Solid Waste - Curbside Recycling	\$2,870	\$0	\$3,000
6492	Solid Waste - Recycling Bins	\$510	\$0	\$0
6493	Solid Waste - Hauler Fee	\$540	\$500	\$2,500
6495	Solid Waste - Admin. Fee	\$70,083	\$84,802	\$85,092
6496	Solid Waste - Surcharge	\$414,412	\$456,000	\$540,000
Total Services		\$3,306,072	\$3,038,399	\$3,404,766

General Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6501	KSP - Public Deer Hunting	\$4,800	\$4,800	\$3,200
6502	Cailloux Foundation	\$68,804	\$10,000	\$10,000
6504	July 4th Fireworks Sponsor	\$12,000	\$12,000	\$12,000
6521	Fire - Grants/Donations	\$13,008	\$0	\$0
6525	AACOG Grant	\$25,000	\$0	\$0
6530	EMS - Grants/Donations	\$17,421	\$0	\$0
Total Grants		\$141,033	\$26,800	\$25,200
6601	KSP - Cancellation Fee	\$12,754	\$5,000	\$10,000
6607	Municipal Court - City Omnibase	\$799	\$1,500	\$1,700
6608	Municipal Court - Time Pymts/City	\$3,954	\$5,000	\$5,000
6609	Municipal Court - Time Pymts/AOJ	\$990	\$1,400	\$1,400
6611	Municipal Court - Municipal Court	\$258,760	\$330,000	\$456,000
6612	Municipal Court - 10% Collection Fee	\$12,108	\$15,000	\$17,000
6613	Municipal Court - Warrant Fees	\$14,975	\$17,000	\$17,000
6614	Municipal Court - Arrest Fees	\$10,701	\$14,000	\$26,400
6615	Municipal Court - Special Expense	\$16,786	\$20,000	\$48,000
6616	Municipal Court - Jury Trial Fee	\$3	\$0	\$0
6618	Municipal Court - Child Safety	\$2,474	\$5,000	\$5,000
6619	Municipal Court - Traffic	\$4,338	\$5,500	\$5,800
6622	Municipal Court - Contempt Fine	\$1,635	\$2,500	\$3,000
6625	Municipal Court - Summons Fee	\$280	\$0	\$0
6626	Municipal Court - Judicial Fee/City	\$1,295	\$1,500	\$1,500
6640	Library - Extended Use Fees	\$8,521	\$7,500	\$7,500
6641	Library - Lost Books/Equipment	\$892	\$1,300	\$1,000
6651	KPD - False Alarm Fees	\$0	\$5,000	\$2,000
Total Fines and Forfeitures		\$351,265	\$437,200	\$608,300
6701	Gain/Loss on Asset Disposal	\$43,489	\$20,000	\$25,000
6857	Donations/Prizes	-\$8	\$0	\$0
6902	Soccer Lease	\$375	\$0	\$0
6906	Restitution	\$710	\$0	\$0
6908	Election Filing Fee	\$400	\$0	\$200
6910	Returned Item Fee	\$50	\$0	\$50
6911	Interest Revenue	\$27,244	\$28,000	\$25,000
6916	Mowing/Cleaning	\$0	\$0	\$500
6920	Timely Discount/Credit Memo	\$3	\$0	\$0
6922	Donation - Police Dept	\$1,920	\$0	\$0

General Fund - Revenues



General Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6930	P-Card Rebate	\$10,110	\$10,500	\$11,000
6932	ICT/DIR Rebate	\$941	\$900	\$1,000
6935	AW Contribution/Promotion	\$5,000	\$0	\$0
6940	EIC - Admin Service Fee	\$100,000	\$100,000	\$100,000
6947	Radio Control Airplane Lease	\$100	\$100	\$100
6955	KSP - Leased Concessions	\$5,048	\$3,000	\$3,500
6956	KSP - Ancillary Item Sales	\$1,843	\$1,500	\$1,775
6960	Recovery of Bad Debt	\$541	\$0	\$0
6961	EMS - Bad Debt Recovered	\$41,306	\$25,000	\$30,000
6989	Miscellaneous Revenue	\$324,152	\$30,000	\$30,000
6991	United Parcel Service - Lease	\$14,611	\$15,000	\$15,350
6992	Building Lease	\$1,535	\$4,200	\$117,096
6993	9-1-1 Revenue	\$6,000	\$6,000	\$6,000
Total Interest and Miscellaneous		\$585,370	\$244,200	\$366,571
7002	Transfer In - Water and Sewer Fund	\$1,802,560	\$1,920,903	\$1,899,338
Total Transfers In		\$1,802,560	\$1,920,903	\$1,899,338
TOTAL REVENUES		\$24,822,176	\$24,587,523	\$25,661,978



GENERAL FUND EXPENDITURES



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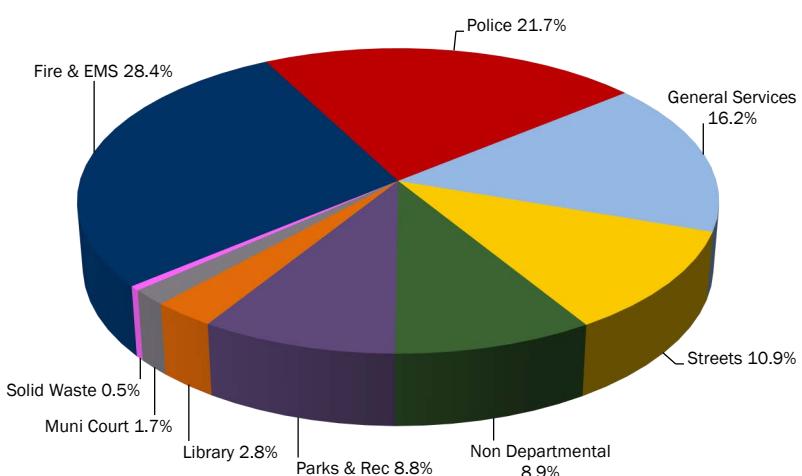
GENERAL FUND EXPENDITURES

FY2017 total General Fund expenditures are budgeted at \$25,661,978, which is a 3.8% increase from estimated FY2016. It is helpful to view expense both by department and by category.

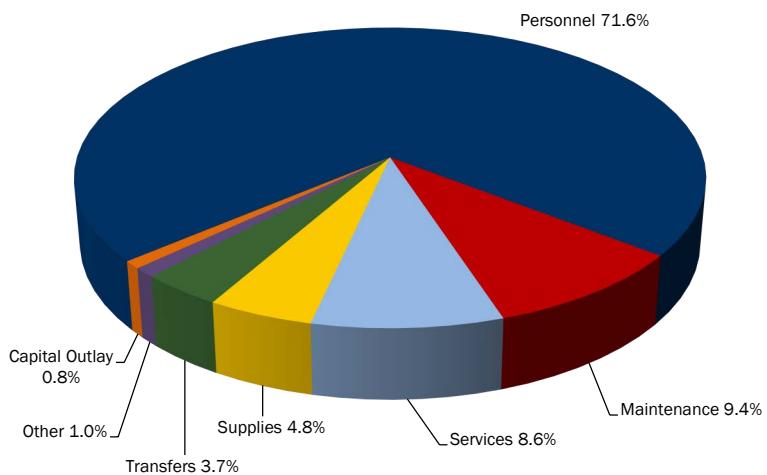
BY DEPARTMENT

Public safety including Police, Fire and EMS make up 50.1% of the expense. Personnel in these departments will receive raises in accordance with public safety step plans in FY2017. Streets is expanding in FY2017 with \$1.25 million allocated for street maintenance.

General Fund - Expenditure by Department



General Fund - Expenditure by Category



BY CATEGORY

At 71.6%, personnel is the largest spending category in the General Fund. General government employees will receive merit based raises in FY2017 and public safety employees will receive increases based on their step salary plan. Personnel expense also includes medical and retirement benefits. City employees participate in a retirement plan through Texas Municipal Retirement System. The city provides a 2 to 1 match for the employee's contribution.



The City Council provides leadership and policy direction to the City.



DEPARTMENT RESPONSIBILITIES

- **City governance** - responsible for the care, management and control of the City
- **Policy setting** - responsible for determining the needs of the community and setting intermediate and long range policies consistent with the needs

FY2017 OBJECTIVES

Be good stewards of public resources and assets by:

- Ensuring financial sustainability with a balanced budget and adequate reserves
- Ensuring long-term sustainability of the city's water resources with a reuse water project

Maintain and upgrade public infrastructure and facilities by:

- Implementing the pavement management plan to improve street conditions
- Completing a new sports complex

Create an economically balanced community that provides for sustainable growth by:

- Expanding the local economy through proactive and sustainable development

DEPARTMENT ACCOMPLISHMENTS

- Maintained the property tax rate at \$0.5625
- Approved a balanced budget
- Completed significant infrastructure improvements to our water and water reclamation system
- Adopted a pavement management plan to improve our pavement condition index, minimize failed streets and optimize available maintenance and rehabilitation funding. The plan includes increasing the annual paving budget to \$1.5 million by FY2018.
- Appointed an ad hoc advisory committee to evaluate a proposed reuse pond and direct potable reuse project. The committee closely examined the proposed projects and unanimously voted to support them.
- Secured funding for major projects including the first phase of a reuse pond and building a sports complex by issuing debt in July 2015 and February 2016. The city maintained its AA rating and issued debt with less than a 3% interest rate each time.

**DID YOU
KNOW?**

City Council members receive \$25 for each meeting attended, but Council members often decline the payment.



City Council - Performance Measures

This department does not keep performance measures.

City Council - Personnel Count

The city has 1 mayor and 4 city council members that are elected officials, but not considered employees. Officials are eligible to receive \$25 for each City Council meeting.

City Council - Budget Detail

**City Council
Expenditures by Line Item**

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
003	Part-Time/Temporary Help	\$2,271	\$2,550	\$2,875
005	Social Security	\$164	\$195	\$220
010	Travel and Training	\$3,363	\$2,500	\$5,000
011	Local Meeting Expenses	\$97	\$100	\$100
Total Personnel Services		\$5,896	\$5,345	\$8,195
101	Office Supplies	\$310	\$300	\$250
107	Wearing Apparel	\$0	\$125	\$450
Total Supplies		\$310	\$425	\$700
401	Certificates, Awards, Etc	\$250	\$50	\$150
Total Other Expenses		\$250	\$50	\$150
Department Total		\$6,455	\$5,820	\$9,045

The City Secretary's department is dedicated to providing accurate and efficient record keeping and election services for the City Council, staff and citizens of Kerrville.



DEPARTMENT RESPONSIBILITIES

- **Document Management** - responsible for maintaining official records of the city, including Charter, Code of Ordinances, resolutions, contracts, leases, studies, etc.
- **Recording Secretary** - responsible for preparing agendas, attending meetings, and preparing minutes for the City Council, Economic Improvement Corporation, Main Street Advisory Board and Golf Course Advisory Board
- **Boards and Commissions** - responsible for processing appointments to all city boards, providing board member training on open government, rules and procedures and posting agendas for all meetings
- **Elections** - responsible for managing all city elections in accordance with state law
- **Open records requests** - responsible for processing all public information requests in accordance with the law

DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Prepared meeting agendas and minutes for 84 meetings
- Processed 130 additional permanent documents
- Responded to 177 open records requests
- Held 1 election

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Continuing to provide services to current standards and timelines
- Continuing Texas Municipal Clerk's recertification process for City Secretary
- Completing Texas Municipal Clerk's certification process for the Deputy City Secretary
- Continuing organization of city studies in vault

DID YOU
KNOW?

Kerrville adopted the city council form of government in 1942. Since then, we have employed 18 City Managers. Our current City Secretary has worked with 9 of them.

City Secretary - Performance Measures

Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Document Mgmt	Additional documents maintained	130	133	25	29	30	84
Recording Secretary	Agendas/meetings/minutes	84	85	19	41	23	83
	Legal notices processed	87	90	13	14	6	33
	Permit apps-vehicle for hire & liquor	21	21	4	4	6	14
Boards & Commissions	Board memberships processed	48	48	6	13	6	25
Open Records	Open records requests processed	177	180	35	40	36	111

City Secretary - Personnel Count

Position Title	Record-keeping	Elections	Open Records	FY2017 Total
City Secretary	0.75	0.10	0.15	1.00
Deputy City Secretary	0.60	0.05	0.35	1.00
Total Full Time Equivalents (FTEs)	1.35	0.15	0.50	2.00



City Secretary
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$107,112	\$110,282	\$114,296
002	Overtime	\$312	\$750	\$450
004	Longevity	\$1,336	\$1,384	\$1,432
005	Social Security	\$7,982	\$8,364	\$8,673
006	Retirement	\$9,536	\$9,898	\$11,240
007	Group Insurance	\$13,679	\$14,000	\$13,000
010	Travel and Training	\$3,629	\$4,800	\$3,750
011	Local Meeting Expense	\$7	\$0	\$0
012	Certification Pay	\$176	\$450	\$1,025
Total	Personnel Services	\$143,770	\$149,928	\$153,866
101	Office Supplies	\$229	\$426	\$100
Total	Supplies and Materials	\$229	\$426	\$100
301	Phone Service	\$528	\$564	\$564
306	Special Services	\$3,474	\$4,700	\$4,700
307	Insurance	\$372	\$375	\$275
316	Advertising	\$1,972	\$2,300	\$3,000
Total	Services	\$6,346	\$7,939	\$8,539
402	Dues and Subscriptions	\$808	\$805	\$885
403	Election Costs	\$5,308	\$7,500	\$7,500
405	Other Charges	\$0	\$100	\$100
Total	Other Expenses	\$6,115	\$8,405	\$8,485
<hr/>				
Department Total		\$156,461	\$166,698	\$170,990



2017

The City Attorney provides legal advice and acts as the attorney for the City Council and all departments and boards of the city. The City Attorney helps these entities achieve their missions in defensible, law abiding, and socially acceptable manners.

DEPARTMENT RESPONSIBILITIES

- General counsel - responsible for providing legal advice and preparing or approving proposed ordinances, resolutions, contracts, and other legal documents
- Legal representation - responsible for representing or monitoring the representation of the city in civil litigation and proceedings
- Prosecution - responsible for conducting all Municipal Court prosecutions of Class C misdemeanors

DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Monitored outside litigation including contractual disputes and suits against police officers
- Advised staff and Council regarding legal options for sports complex construction and land donation

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Improving response time and service levels
- Reviewing and offering guidance with respect to the city's rewrite of its zoning and other land use codes
- Strategizing ways of implementing Council's goals and priorities in a legally defensible and efficient manner



DID YOU
KNOW?

The City Attorney is appointed by City Council and, like the City Manager, reports directly to Council.



City Attorney - Performance Measures

This department does not keep performance measures.

City Attorney - Personnel Count

Position Title	General Counsel	Prosecution	FY2017 Total
City Attorney	0.90	0.10	1.00
Total FTEs	0.90	0.10	1.00

City Attorney Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$138,225	\$211,994	\$147,618
004	Longevity	\$636	\$684	\$732
005	Social Security	\$9,165	\$15,749	\$11,422
006	Retirement	\$12,118	\$18,652	\$14,802
007	Group Insurance	\$8,181	\$14,000	\$6,500
010	Travel and Training	\$2,627	\$5,500	\$5,650
011	Local Meeting Expense	\$0	\$0	\$0
013	Vehicle Allowance	\$143	\$0	\$6,000
Total Personnel Services		\$171,095	\$266,579	\$192,724
101	Office Supplies	\$202	\$500	\$460
102	Small Tools and Equipment	\$0	\$800	\$0
110	Postage and Shipping	\$60	\$200	\$200
Total Supplies and Materials		\$262	\$1,500	\$660
301	Phone Service	\$828	\$1,128	\$564
305	Legal Services	\$6,379	\$20,000	\$20,000
306	Special Services	\$29,276	\$5,000	\$30,000
Total Services		\$36,483	\$26,128	\$50,564
402	Dues and Subscriptions	\$2,093	\$2,500	\$2,224
Total Other Expenses		\$2,093	\$2,500	\$2,224
Department Total		\$209,933	\$296,707	\$246,172

City Administration provides professional management of City Council policy initiatives; directs, supports and creates systems that allow departments to anticipate and respond to customer expectations; establishes and promotes a positive working relationship with community leaders; ensures the economic viability and sustainability of the community; operates in accordance with the Texas City Management Code of Ethics.



DEPARTMENT RESPONSIBILITIES

- **Administration** - responsible for administering programs to ensure the policies and initiatives of the City Council are implemented in accordance with all legal requirements
- **Intergovernmental Affairs** - responsible for developing and maintaining relationships with other agencies and governments
- **Public Information** - responsible for communicating with citizens and media outlets as the single voice for city information
- **Economic Development** - responsible for business development activities through the Kerrville Main Street program, the Economic Improvement Corporation and a partnership with Kerrville Economic Development Corp.

DEPARTMENT ACCOMPLISHMENTS

- Completed significant water infrastructure improvements including opening a new lift station
- Gained approval from an ad hoc advisory committee and secured financing for innovative plans to secure future water resources through a reuse pond and direct potable reuse project
- Completed a pavement management study and developed a pavement management plan that was adopted by City Council
- Completed plans, secured funding and began construction on a new sports complex

FY2017 OBJECTIVES

Be good stewards of public resources through:

- Creating a balanced budget that meets the 5 year sustainability objectives
- Operating the city without increases to property tax
- Maintaining Standard & Poor's AA bond rating
- Developing and implement strategies to secure additional long term water supplies

Create an economically balanced community that provides for sustainable growth by:

- Further integrating the city's economic development efforts with KEDC to diversify economy
- Implementing programs and events to enhance downtown economic sustainability and viability

DID YOU KNOW?



FY2017 will mark the 8th consecutive year of holding the tax rate at \$0.5625 per \$100 of assessed value.

City Administration - Performance Measures

Responsibility	Measures	2015 Actual	2016 Benchmark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Administration	Total property tax rate	\$ 0.5625	\$ 0.5625	\$ 0.5625	\$ 0.5625	\$ 0.5625	\$ 0.5625
	Bond rating	AA	AA	AA	AA	AA	AA
Public Information	Web Inquiries	163	N/A	32	48	39	119
	Web Inquiries processed within 3 business days	159	N/A	31	48	39	118
	Number of Press Releases	161	N/A	47	49	58	154
Economic Development	Mardi Gras on Main Event Revenue	\$39,849	\$10,000	\$0	\$14,986	\$0	\$14,986
	Holiday Lighted Parade Event Revenue	\$1,673	\$1,200	\$1,673	\$0	\$0	\$1,673
	Number of Constant Contact E-Mails (Marketing/Advertising)	20	20	2	0	0	2
	Number of Newspaper Ads Purchased (Marketing/Advertising)	11	5	0	1	0	1
	Number of Social Media Posts (Marketing/Advertising)	360	250	26	9	187	222
	Downtown Business Openings (Business Growth Indicators)	7	1	0	3	0	3
	Downtown Business Closures (Business Growth Indicators)	2	0	0	0	0	0

City Administration - Personnel Count

Position Title	Administration	Intergovt Affairs	Economic Dev	FY2017 Total
City Manager	0.50	0.25	0.25	1.00
Deputy City Manager	0.50	0.10	0.40	1.00
Executive Secretary	0.65	0.20	0.15	1.00
Special Projects Manager	0.25	0.25	0.50	1.00
Main Street Manager	0.00	0.10	0.90	1.00
Receptionist	0.80	0.10	0.10	1.00
Total FTEs	2.70	1.00	2.30	6.00



City Administration Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$443,821	\$464,090	\$486,533
004	Longevity	\$1,212	\$1,520	\$1,836
005	Social Security	\$29,908	\$35,856	\$37,560
006	Retirement	\$39,979	\$42,413	\$48,676
007	Group Insurance	\$41,793	\$42,000	\$39,000
010	Travel and Training	\$7,537	\$4,500	\$4,500
011	Local Meeting Expense	\$812	\$1,500	\$1,500
013	Vehicle Allowance	\$18,136	\$18,000	\$19,200
Total Personnel Services		\$583,197	\$609,879	\$638,805
101	Office Supplies	\$2,172	\$3,500	\$2,100
102	Small Tools and Equipment	\$1,388	\$0	\$0
108	Other Supplies	\$1,024	\$0	\$0
110	Postage and Shipping	\$20	\$100	\$300
Total Supplies and Materials		\$4,603	\$3,600	\$2,400
217	Software Maintenance	\$0	\$0	\$600
Total Maintenance and Repairs		\$0	\$0	\$600
301	Phone Service	\$2,906	\$2,496	\$2,496
306	Special Services	\$9,123	\$12,000	\$0
307	Insurance	\$635	\$350	\$350
316	Advertising	\$5,983	\$2,500	\$2,500
Total Services		\$18,647	\$17,346	\$5,346
402	Dues and Subscriptions	\$6,015	\$5,070	\$4,680
Total Other Expenses		\$6,015	\$5,070	\$4,680
Department Total		\$612,462	\$635,895	\$651,831

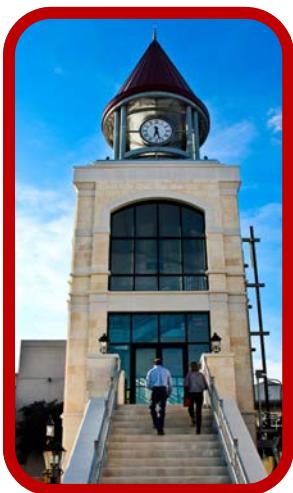


2017

Human Resources ensures a fair and equitable workplace for the employees of the City of Kerrville and protects the assets of the city through its risk management program. In addition, we ensure the city will not discriminate against any employee or applicant for employment because of race, color, national origin, sex, religion, age or any other unlawful basis in accordance with applicable federal, state and local laws.

DEPARTMENT RESPONSIBILITIES

- **HR management** - responsible for ensuring compliance with federal, state and local laws, providing competitive salary analysis and ensuring adequate and affordable benefits packages for employees
- **Risk management** - responsible for maintaining property, liability, and workers compensation coverage for all city properties, vehicles, equipment, employees and functions in order to maintain a safe working environment for our employees
- **Support services** - responsible for ensuring all city policies are followed, providing training opportunities for all employees, ensuring timely payroll processing in compliance with FLSA and assisting departments with recruiting qualified candidates



DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Implemented Phase 2 of the 2013 compensation study and updated the compensation study
- Maintained compliance with federal, state and local laws
- Successfully negotiated an employee benefits package with minimal impact to the city and employees
- Ended the use of paper time sheets by converting all employees to an automated time entry system

FY2017 OBJECTIVES

Be good stewards of public assets by:

- Negotiating an employee benefits package with minimal impact to the city and its employees
- Implementing the compensation study update

Deliver quality municipal services by:

- Maintaining compliance with federal, state and local laws

DID YOU
KNOW?

The city received over 1,000 applications for employment during FY2015.



Human Resources - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
HR Management	Negotiated benefits program rate per employee per year	\$7,500	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
	Competitive salaries at 50% of benchmark cities	100%	100%	100%	100%	100%	100%
	Average employee merit increase	3%	3%	3%	3%	3%	3%
	Average salary - FT non-exempt employees	\$20.71	N/A	\$18.58	\$18.58	\$18.58	\$18.58
Risk Management	Number of property & liability claims processed	70	70	21	14	76	111
	Number of workers compensation claims processed	30	30	7	4	0	11
Support Services	Number of new employees processed (includes seasonal)	74	75	12	12	26	50
	Number of applications received	1,133	1,150	134	247	230	611
	Employees leaving employment (excludes seasonal)	42	40	9	7	12	28
	Turnover rate (%)	13.7%	13.0%	2.9%	2.3%	3.9%	9.1%

Human Resources - Personnel Count

Position Title	HR Mgmt	Risk Mgmt	Support Services	2016 Total
Director of General Operations	0.45	0.15	0.40	1.00
Human Resources Analyst	0.25	0.00	0.75	1.00
Human Resources Assistant	1.13	0.34	0.53	2.00
Total FTEs	1.83	0.49	1.68	4.00

Human Resources Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$209,331	\$219,898	\$228,322
004	Longevity	\$1,104	\$1,312	\$1,476
005	Social Security	\$15,366	\$17,119	\$17,982
006	Retirement	\$19,264	\$20,242	\$23,303
007	Group Insurance	\$29,936	\$28,000	\$26,000
010	Travel and Training	\$2,038	\$3,600	\$5,500
011	Local Meeting Expense	\$375	\$360	\$360
012	Certification Pay	\$4,115	\$3,600	\$7,200
013	Vehicle Allowance	\$6,036	\$6,000	\$6,000
Total Personnel Services		\$287,564	\$300,131	\$316,143
101	Office Supplies	\$5,437	\$4,950	\$3,974
102	Small Tools and Equipment	\$195	\$0	\$0
110	Postage and Shipping	\$289	\$60	\$80
Total Supplies		\$5,921	\$5,010	\$4,054
301	Phone Service	\$928	\$684	\$684
306	Special Services	\$0	\$0	\$2,500
307	Insurance	\$500	\$800	\$800
316	Advertising	\$1,707	\$1,750	\$1,750
317	Employment Physicals	\$15,583	\$13,000	\$13,000
319	Drug and Alcohol Testing	\$10,911	\$9,000	\$9,000
Total Services		\$29,629	\$25,234	\$27,734
401	Certificates, Awards, Etc.	\$3,015	\$2,648	\$3,400
402	Dues and Subscriptions	\$2,103	\$2,910	\$2,910
Total Other Expenses		\$5,117	\$5,558	\$6,310
Department Total		\$328,231	\$335,933	\$354,241



Finance provides good stewardship of public resources and assets through sound financial management practices that ensure fiscal sustainability.



DEPARTMENT RESPONSIBILITIES

- **Accounting** - responsible for preparing and reporting financial statements, recording all financial transactions in accordance with accounting standards, facilitating an annual financial audit, and maintaining the city's credit rating through timely processing of accounts payable
- **Budgeting** - responsible for preparing and monitoring the city's annual budget, including preparation of this book, and dissemination of regular financial updates to city departments and City Council
- **Treasury** - responsible for all banking, investing and financing functions for the city

DEPARTMENT ACCOMPLISHMENTS

- Maintained a budget variance of less than 4% for both revenues and expenditures in FY2015
- Received awards for excellence from the Government Finance Officers Association for our FY2016 Budget and FY2014 Comprehensive Annual Financial Report
- Issued the FY2015 Comprehensive Annual Financial Report, which included a unqualified audit opinion, in March 2016
- Issued \$8.9 million in bond funding for the athletic complex at a 2.8% interest rate in July 2015
- Issued \$9.8 million in bond funding for the reuse pond project at a 2.5% interest rate in February 2016
- Managed over \$45 million in investments

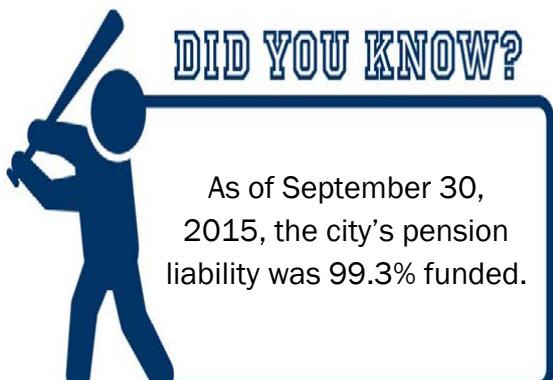
FY2017 OBJECTIVES

Be good stewards of public assets by:

- Preparing and submitting a balanced budget to City Council in accordance with sound financial policies that ensure fiscal sustainability
- Maintaining a budget variance of less than 5% for both revenues and expenditures through sound financial policies
- Completing the audited FY2016 Consolidated Annual Financial Report by March 31, 2017
- Safeguarding city assets by managing investments in compliance with the city's Investment Policy

Plan, maintain & upgrade public infrastructure by:

- Upgrading to the newest version of Incode financial software



Finance - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Accounting	Complete audited CAFR by March 31	Y	Y	n/a	Y	n/a	Y
	Continuing disclosure report by March 31	Y	Y	n/a	Y	n/a	Y
	Purchase orders processed	7,107	N/A	1,968	1,682	1,983	5,633
	Total \$ amount spent on POs	\$23.4M	N/A	\$7.0M	\$4.5M	\$3.3M	\$14.8M
	Total purchase on purchase cards	\$1.9M	\$2.0M	\$.5M	\$.4M	\$.4M	\$1.4M
	Rebate received on purchase card purchases	\$10,110	\$10,500	\$0	\$10,714	\$0	\$10,714
Budgeting	Receive budget award from GFOA	Y	Y	n/a	applied	applied	applied
	Submit fiscally sustainable budget to council	Y	Y	n/a	n/a	Y	n/a
	Revenue budget variance (General Fund)	0.71%	+ or - 5%	-3.19%	15.60%	7.81%	7.81%
	Actual revenue (General Fund)	\$24.7M	\$24.6M	\$5.4M	\$10.8M	\$4.2M	\$20.4M
	Expenditure budget variance (General Fund)	-3.05%	+ or - 5%	-2.71%	-4.49%	-8.56%	-8.56%
	Actual expenditure (General Fund)	\$23.8M	\$24.6M	\$5.3M	\$5.8M	\$5.2M	\$16.4M
Treasury	Total managed investment	\$45.0M	N/A	\$45.1M	\$54.3M	\$57.6M	\$52.3M
	Compliance with Investment Policy (%)	100%	100%	100%	100%	100%	100%

Finance - Personnel Count

Position Title	Accounting	Budgeting	Treasury	FY2017 Total
Director of Finance	0.40	0.40	0.20	1.00
Assistant Director of Finance	0.40	0.40	0.20	1.00
Finance Coordinator	0.15	0.15	0.70	1.00
Accounting Specialist	0.70	0.10	0.20	1.00
Accounts Payable Specialist	1.00	0.00	0.00	1.00
Total FTEs	2.65	1.05	1.30	5.00



Finance
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$277,588	\$289,390	\$301,995
002	Overtime	\$59	\$0	\$251
004	Longevity	\$1,596	\$1,820	\$2,012
005	Social Security	\$19,829	\$21,750	\$22,693
006	Retirement	\$24,188	\$25,750	\$29,408
007	Group Insurance	\$36,987	\$35,000	\$32,500
010	Travel and Training	\$3,200	\$3,500	\$3,788
011	Local Meeting Expense	\$60	\$0	\$100
012	Certification Pay	\$1,504	\$2,400	\$2,400
Total Personnel Services		\$365,011	\$379,610	\$395,147
101	Office Supplies	\$2,717	\$3,125	\$3,075
102	Small Tools and Equipment	\$0	\$350	\$425
Total Supplies and Materials		\$2,717	\$3,475	\$3,500
301	Phone Service	\$528	\$564	\$564
306	Special Services	\$0	\$0	\$150
307	Insurance	\$650	\$650	\$650
Total Services		\$1,178	\$1,214	\$1,364
402	Dues and Subscriptions	\$1,522	\$1,420	\$1,430
Total Other Expenses		\$1,522	\$1,420	\$1,430
Department Total		\$370,428	\$385,719	\$401,441



DEPARTMENT RESPONSIBILITIES

- **Communication systems** - responsible for enabling communication between departments and with citizens through the use of email, voice and messaging, website, and broadcast media systems
- **Data management** - responsible for managing, storing, backing up and recovering data for the entire city
- **Network management** - responsible for configuring, supporting managing, designing and upgrading network equipment
- **Technology support services** - responsible for providing help desk support for various technologies across all city departments, including public safety
- **Multimedia design and desktop publishing** - responsible for creating graphical design aspects for web, print and video productions

DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Implemented physical security controls at Water Production and Water Reclamation sites
- Upgraded in vehicle technology to enhance service capability for public safety functions
- Upgraded several core network infrastructure components with minimal impact to city operations
- Assisted Human Resources with transition from paper time sheets to a time entry payroll module for all employees

FY2017 OBJECTIVES

Deliver quality municipal and public safety services by:

- Continuing to improve broadcasting system by adding a remote broadcast module
- Enhance website navigation with a focus on transparency

Plan, maintain and upgrade public infrastructure by:

- Upgrading critical servers and network switches
- Implement security controls to protect sensitive data
- Upgrade city's financial management, accounting and personnel management software



DID YOU
KNOW?

IT produces and manages video productions for Time Warner channel 2, the city's You Tube channel and the city's Facebook page.



Information Technology- Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Communication systems	Monthly expense to broadcast public meetings	\$5,160	\$1,290	\$1,290	\$1,290	\$1,290	\$1,290
	Unified communication system availability %	99.20%	99.50%	96.50%	99.67%	99.83%	98.67%
	Email system availability %	99.40%	99.50%	97.17%	99.93%	100.00%	99.03%
	Average monthly hits to City website	42,491	60,000	51,778	54,484	55,967	54,076
Data management	Percentage of successful backup	99.3%	99.50%	99.00%	94.40%	94.97%	96.12%
	Amount of data stored on city servers	14.5	20.0	17.1	18.2	19.0	18.1
Network management	Percentage of time network infrastructure is available	99.10%	99.50%	93.87%	96.90%	99.27%	96.68%
	Percentage of time Tier 2 and above systems are available	99.00%	99.50%	92.27%	94.97%	99.27%	95.50%
	Number of viruses quarantined and removed	353	300	124	145	149	418
Support services	Total number of IT support request responded to successfully	4,589	4500	1098	1,292	1404	3,794
	Critical - responses within 1 hr., resolution within 2 hrs.	94.00%	99.00%	98.61%	98.80%	99.10%	98.84%
	High - response within 2 hrs., resolution within 4 hrs.	90.00%	95.00%	94.88%	97.77%	98.20%	96.95%
	Normal - response within 4 hrs., resolution within 2 days	87.00%	90.00%	87.42%	89.50%	90.61%	89.18%

Information Technology - Personnel Count

Position Title	Communication systems	Data & Network Mgmt	Support Services	FY2017 Total
Director of Information Technology	0.34	0.33	0.33	1.00
Systems Administrator	0.33	0.34	0.33	1.00
Technical Support Analyst	0.30	0.30	1.40	2.00
Multimedia Technician	0.10	0.20	0.70	1.00
Total FTEs	1.07	1.17	2.76	5.00



General Fund - Information Technology

Information Technology Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$277,506	\$285,750	\$294,341
004	Longevity	\$1,216	\$1,480	\$1,536
005	Social Security	\$19,555	\$21,963	\$22,339
006	Retirement	\$24,508	\$25,979	\$28,950
007	Group Insurance	\$37,257	\$35,000	\$32,500
010	Travel and Training	\$7,358	\$6,300	\$4,300
011	Local Meeting Expense	\$104	\$300	\$300
012	Certification Pay	\$0	\$3,000	\$0
013	Vehicle Allowance	\$1,643	\$6,000	\$6,000
Total Personnel Services		\$369,146	\$385,772	\$390,266
101	Office Supplies	\$846	\$866	\$1,375
102	Small Tools and Equipment	\$20,102	\$10,640	\$39,410
103	Chemical and Medical Supplies	\$0	\$25	\$25
104	Fuel and Oil Supplies	\$312	\$344	\$313
106	Janitorial Supplies	\$0	\$75	\$75
110	Postage and Shipping	\$77	\$50	\$75
111	Computer Upgrades	\$55,774	\$56,834	\$56,834
112	Computer Software	\$6,911	\$20,900	\$0
Total Supplies and Materials		\$84,023	\$89,734	\$98,107
202	Building and Structure Maintenance	\$310	\$1,500	\$1,500
204	City Garage - Parts	\$41	\$0	\$250
205	Office Equipment Maintenance	\$79,787	\$78,635	\$98,527
206	Instruments/Apparatus Maintenance	\$484	\$750	\$750
212	Repairs - Not City Garage	\$44	\$75	\$29
217	Software Maintenance	\$183,824	\$188,542	\$245,396
Total Maintenance and Repairs		\$264,489	\$269,502	\$346,452
301	Phone Service	\$85,021	\$81,723	\$82,767
306	Special Services	\$9,173	\$10,500	\$11,700
308	Cable/Satellite	\$0	\$0	\$5,400
310	PEG Operations	\$0	\$4,860	\$4,860
311	Network Services	\$59,602	\$71,920	\$66,936
Total Services		\$153,796	\$169,003	\$171,663
402	Dues and Subscriptions	\$485	\$2,909	\$3,409
Total Other Expenses		\$485	\$2,909	\$3,409
505	Office Equipment	\$37,028	\$75,600	\$59,000
Total Capital Outlay		\$37,028	\$75,600	\$59,000
Department Total		\$908,968	\$992,520	\$1,068,897



The Municipal Court strives to ensure that all case processing within the Court is handled in an efficient, fair and timely manner.



DEPARTMENT RESPONSIBILITIES

- **Court administration and case management** - responsible for filing of Class C misdemeanors, creating dockets for trials and hearings, conducting trials, and issuing warrants
- **Collection services** - responsible for daily collection and consideration of fine payments



DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Filed 3,481 cases, with 100% of the cases filed within 24 hours of the citation issuance
- Collected \$501,546 in fines
- Updated the court's webpage to provide more information and create a dedicated page for processing online payments

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Strategizing ways to reduce the number of missed court appearance cases that lead to warrants
- Maintaining compliance with state and local ordinances by reviewing charging instruments in conjunction with the City Prosecutor
- Promoting professional development and educational growth for court clerks with a goal for all clerks to receive a level one certification or higher

DID YOU
KNOW?

The Warrant Round Up page on the city's website contains a list of all active warrants including name and offense. The list usually contains over 1,200 warrants.

Municipal Court - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Case Management	Cases Filed within 24 hours of citation receipt	100%	100%	100%	100%	98%	99%
	Number of cases filed	3,481	3,800	788	2,023	2,379	5,190
	Warrants issued within 30 days of failure to appear	80%	85%	93%	67%	67%	76%
	Warrants served within 60 days of issuance	54%	60%	64%	54%	63%	60%
Collection Services	Total Fees Collected	\$501,546	\$552,500	\$97,316	\$207,614	\$284,507	\$589,437

Municipal Court - Personnel Count

Position Title	Court Admin	Case Mgmt	Collection Services	FY2017 Total
Municipal Court Administrator	0.34	0.33	0.33	1.00
Asst. Municipal Court Administrator	0.33	0.34	0.33	1.00
Municipal Court Deputy Clerk	0.00	1.20	1.80	3.00
City Marshal	0.10	0.25	0.65	1.00
Total FTEs	0.77	2.12	3.11	6.00

General Fund - Municipal Court



Municipal Court Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$203,526	\$210,101	\$245,253
003	Part-Time/Temporary Help	\$51,875	\$60,000	\$65,000
004	Longevity	\$2,100	\$2,340	\$2,580
005	Social Security	\$17,960	\$20,512	\$23,346
006	Retirement	\$18,211	\$18,842	\$24,021
007	Group Insurance	\$37,469	\$35,000	\$39,000
010	Travel and Training	\$2,993	\$2,974	\$2,710
012	Certification Pay	\$2,358	\$2,400	\$2,650
Total Personnel Services		\$336,492	\$352,169	\$404,560
101	Office Supplies	\$3,405	\$3,839	\$5,190
102	Small Tools and Equipment	\$0	\$200	\$10
103	Chemical and Medical Supplies	\$0	\$25	\$25
104	Fuel and Oil Supplies	\$770	\$1,485	\$1,200
106	Janitorial Supplies	\$35	\$150	\$150
107	Wearing Apparel	\$1,131	\$960	\$260
112	Computer Software	-\$102	\$0	\$0
Total Supplies and Materials		\$5,237	\$6,659	\$6,835
202	Building and Structure Maintenance	\$1,017	\$2,140	\$2,338
204	Parts - City Garage	\$403	\$625	\$625
206	Instruments/Apparatus Maintenance	\$0	\$2,500	\$0
212	Repairs - Not City Garage	\$29	\$429	\$329
217	Software Maintenance	\$0	\$2,087	\$90
Total Maintenance and Repairs		\$1,449	\$7,781	\$3,382
301	Phone Service	\$1,036	\$2,364	\$3,300
302	Light and Power	\$3,046	\$3,000	\$3,600
303	Natural Gas	\$532	\$540	\$600
304	Water and Sewer	\$537	\$780	\$720
306	Special Services	\$501	\$1,500	\$3,248
307	Insurance	\$475	\$475	\$475
314	Warrant Fees	\$0	\$200	\$200
Total Services		\$6,126	\$8,859	\$12,143
402	Dues and Subscriptions	\$0	\$150	\$150
Total Other Expenses		\$0	\$150	\$150
Department Total		\$349,305	\$375,618	\$427,070



2017

The Kerrville Police Department is dedicated to the protection of life and property, the preservation of peace and the prevention of crime in our community. We believe in proactive enforcement and community problem solving to enhance the quality of life for everyone in Kerrville.

DEPARTMENT RESPONSIBILITIES

- Patrol and crime prevention - responsible for providing a police presence in neighborhoods, responding to calls for service, investigating accidents, managing traffic and collaborating on community initiatives
- Investigations and evidence - responsible for investigating criminal offenses and working with crime victims and other agencies to address social and criminal offenses
- Communications - responsible for answering and dispatching calls for service for the City of Kerrville Police, Fire and EMS depts
- Community service - responsible for establishing partnerships with citizens in order to improve safety and quality of life

DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Handled over 23,900 calls for service with an average response time of less than 4 minutes
- Completed 783 criminal investigations
- Processed and stored 3,621 pieces of evidence
- Conducted 26 community outreach programs

FY2017 OBJECTIVES

- Respond to all crimes and emergencies in progress
- Suppress criminal activity and conduct preliminary investigations
- Conduct timely and thorough investigations of criminal activity and process criminal cases through the appropriate criminal justice system in a timely manner



DID YOU
KNOW?

City Council approved hiring Kerrville's first police officer on June 17, 1890 at a pay rate of \$50 per month.



Police - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Patrol	Total Priority 1&2 (P1/2) emergency calls responded to	9,732	9,700	2,528	2,449	2,666	7,643
	Average arrival time from dispatch to P1/2 calls (min)	5.31	5.49	6.00	5.34	5.65	5.66
	Total call for service responses	15,411	15,500	4,313	3,956	4,438	12,707
	Total in-custody arrest reports generated	1,529	1,550	361	529	619	1,509
	Reports generated from crimes and emergency response	3,267	3,300	885	1,166	1,208	3,259
	Citations issued	3,221	3,250	741	1,988	2,346	5,075
	Accident investigations completed	480	475	154	144	119	417
Investigations & Property/Evidence	Reactive criminal investigations completed	661	750	219	237	123	579
	Caseload per reactive investigator	165.4	187.5	43.8	47.4	24.6	115.8
	Clearance rate for reactive investigations	54.1%	55.0%	53.9%	52.3%	62.6%	56.3%
	Proactive criminal investigations completed	122	100	40	36	34	110
	Case load per proactive investigator	40.6	33	13.3	12.0	11.3	36.6
	Number of evidence items processed and stored	3,254	3,200	805	1,187	1,118	3,110
Dispatch	Response time to dispatch emergency calls (min)	3.0	3.3	2.8	2.2	2.4	2.5
	Response time to dispatch all calls (min)	4.2	4.6	4.1	3.4	3.7	3.7
	All calls handled by dispatch (KFD & KPD)	30,210	30,000	7,648	9,767	11,264	28,679
	911 Calls transferred to other agencies (%)	17%	20%	14%	14%	14%	14%
Administration	Major crimes per 1,000 population	7.19	N/A	8.51	7.23	6.92	7.55
Records	Number of Reports Processed	3,267	3,400	884	1,014	999	2,897
	Completed request for information	92	90	16	26	16	58
	Subpoenas and court orders processed	839	900	219	227	248	694
	Request made from RMS vendor support	12	30	6	5	5	16
Recruitment & Training	State mandated training files maintained and updated	62.5	63	63	64	66	64
	Training class conducted by KPD	27	20	8	5	6	19
	Number of officers trained by KPD	308	300	123	27	82	232
	Number of employee applications processed	107	75	20	34	17	71
Community Service	Community outreach programs conducted	23	38	16	19	11	46
	Hours expended in media relations	263	270	79	75	79	233
	Citizen Police Academy completed	3	3	1	0	1	2
	Citizen Police Academy graduates	43	60	11	0	39	50
School Resource Officer	Calls for service on KISD campuses	809	700	247	247	156	650
	Offense committed at KISD campuses	49	30	2	4	0	6
	Arrest made from investigations at KISD campuses	27	24	2	4	0	6

Police - Personnel Count

Position Title	Patrol and crime prevention	Investigations and evidence	Communications and community service	FY2017 Total
Chief of Police	0.34	0.33	0.33	1.00
Assistant Chief of Police	0.33	0.33	0.34	1.00
Administrative Clerk - Evidence	0.10	0.80	0.10	1.00
Administrative Assistant	0.68	0.66	0.66	2.00
Administrative Records Clerk	0.20	0.60	0.20	1.00
Superintendent of Records	0.20	0.60	0.20	1.00
Communications Manager	0.10	0.10	0.80	1.00
Lieutenant	0.99	1.02	0.99	3.00
Detective	0.10	0.80	0.10	1.00
Sergeant	3.06	2.97	2.97	9.00
Investigator	0.70	5.60	0.70	7.00
Evidence Officer	0.05	0.90	0.05	1.00
Community Service Officer	0.25	0.05	0.70	1.00
School Resource Officer	0.50	0.10	1.40	2.00
Patrol Officer	14.50	7.25	7.25	29.00
Telecommunication Specialist	0.50	0.50	9.00	10.00
Total FTEs	22.60	22.61	25.79	71.00



Police
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$3,448,487	\$3,583,253	\$3,682,217
002	Overtime	\$113,950	\$115,000	\$115,000
004	Longevity	\$26,027	\$27,732	\$28,464
005	Social Security	\$254,841	\$284,455	\$290,421
006	Retirement	\$316,266	\$336,162	\$376,370
007	Group Insurance	\$509,446	\$497,000	\$461,500
010	Travel and Training	\$26,942	\$30,000	\$39,000
011	Local Meeting	\$0	\$500	\$500
012	Certification Pay	\$43,263	\$46,500	\$45,550
014	Other Pay	\$567	\$60,600	\$53,375
Total Personnel Services		\$4,739,789	\$4,981,202	\$5,092,397
101	Office Supplies	\$9,479	\$13,000	\$14,000
102	Small Tools and Equipment	\$6,987	\$9,601	\$14,937
103	Chemical and Medical Supplies	\$11,619	\$15,000	\$10,846
104	Fuel and Oil Supplies	\$92,797	\$128,700	\$117,000
105	Food Supplies	\$720	\$0	\$0
106	Janitorial Supplies	\$741	\$1,330	\$1,030
107	Wearing Apparel	\$20,925	\$21,139	\$26,689
108	Other Supplies	\$4,712	\$43,054	\$23,369
110	Postage and Shipping	\$343	\$550	\$550
112	Computer Software	\$0	\$13,638	\$0
Total Supplies and Materials		\$148,323	\$246,012	\$208,421
202	Building and Structure Maintenance	\$11,427	\$16,272	\$17,015
204	Parts - City Garage	\$21,594	\$19,000	\$22,980
205	Office Equipment Maintenance	\$366	\$0	\$0
206	Instruments/Apparatus Maintenance	\$13,058	\$15,000	\$17,577
212	Repairs - Not City Garage	\$7,662	\$5,000	\$5,000
217	Software Maintenance	\$66,397	\$71,301	\$61,569
Total Maintenance and Repairs		\$120,503	\$126,573	\$124,141

Police
 Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$17,005	\$19,830	\$18,930
302	Light and Power	\$31,177	\$30,000	\$31,176
303	Natural Gas	\$1,516	\$1,800	\$1,200
304	Water and Sewer	\$1,193	\$1,320	\$1,320
306	Special Services	\$0	\$378	\$15,378
309	Prisoner Support	\$35,792	\$54,000	\$54,000
311	Network Services	\$3,428	\$4,028	\$4,728
313	Hire of Equipment	\$318	\$1,500	\$3,000
317	Employment Physicals	\$3,627	\$4,000	\$5,700
325	Tower Rental	\$9,115	\$9,300	\$9,396
Total Services		\$103,170	\$126,156	\$144,828
401	Certificates, Awards	\$892	\$1,645	\$1,525
402	Dues and Subscriptions	\$3,353	\$3,000	\$1,715
Total Other Expenses		\$4,245	\$4,645	\$3,240
Department Total		\$5,116,029	\$5,484,588	\$5,573,027



The primary mission of the Kerrville Fire Department is the preservation of life, property and the environment by providing the citizens of Kerrville and Kerr County twenty-four hour protection through fire suppression, rescue operations, emergency medical services and fire prevention efforts.

Section Organization

The Fire Department is divided into 3 separate divisions: Fire, Fire Marshal, and EMS that all report to the Fire Chief. This section shows a combined view as well as detail on the individual divisions as follows:

1. Fire Department combined expenditure by line item
2. Fire Division
 - A. Responsibilities, accomplishments and goals
 - B. Performance measures
 - C. Personnel count
 - D. Expenditures by line item
3. Fire Marshal Division
 - A. Responsibilities, accomplishments and goals
 - B. Performance measures
 - C. Personnel count
 - D. Expenditures by line item
4. EMS Division
 - A. Responsibilities, accomplishments and goals
 - B. Performance measures
 - C. Personnel count
 - D. Expenditures by line item



Fire Department Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$3,921,784	\$4,181,150	\$4,177,889
002	Overtime	\$724,318	\$401,551	\$409,476
003	Part-Time/Temporary Help	\$4,248	\$2,000	\$0
004	Longevity	\$40,607	\$42,260	\$36,032
005	Social Security	\$353,795	\$371,309	\$370,045
006	Retirement	\$437,355	\$437,041	\$479,557
007	Group Insurance	\$578,101	\$546,000	\$507,000
010	Travel and Training	\$39,274	\$59,000	\$99,200
011	Local Meeting Expense	\$0	\$250	\$750
012	Certification Pay	\$340,135	\$328,500	\$356,700
013	Other Pay	\$79	\$14,600	\$20,500
Total Personnel Services		\$6,439,696	\$6,383,661	\$6,457,149
101	Office Supplies	\$10,819	\$7,668	\$10,403
102	Small Tools and Equipment	\$33,726	\$59,955	\$82,410
103	Chemical and Medical Supplies	\$131,600	\$137,570	\$144,534
104	Fuel and Oil Supplies	\$88,902	\$116,227	\$119,037
105	Food Supplies	\$4,575	\$4,076	\$3,540
106	Janitorial Supplies	\$17,403	\$12,000	\$13,705
107	Wearing Apparel	\$72,136	\$89,789	\$86,479
108	Other Supplies	\$1,374	\$1,000	\$500
110	Postage	\$616	\$610	\$810
111	Computer Upgrades	\$36,494	\$16,230	\$17,600
Total Supplies and Materials		\$397,644	\$445,125	\$479,018
202	Buildings and Structures	\$15,354	\$12,000	\$16,810
204	Parts - City Garage	\$36,069	\$40,243	\$36,629
206	Instruments/Apparatus Maintenance	\$38,439	\$33,838	\$38,776
212	Repairs - Not City Garage	\$8,942	\$14,810	\$15,598
217	Software Maintenance	\$21,277	\$24,897	\$25,182
Total Maintenance and Repairs		\$120,081	\$125,788	\$132,995

General Fund - Fire Department



Fire Department Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$15,055	\$16,020	\$16,032
302	Light and Power	\$46,583	\$50,000	\$50,000
303	Natural Gas	\$5,969	\$5,500	\$5,500
304	Water and Sewer	\$5,631	\$5,600	\$5,600
306	Special Services	\$86,186	\$30,742	\$40,527
307	Insurance	\$536	\$200	\$200
308	Cable/Satellite	\$0	\$0	\$132
313	Hire of Equipment	\$321	\$0	\$0
316	Advertising	\$288	\$0	\$0
317	Employment Physicals	\$3,200	\$0	\$0
325	Tower Rental	\$6,534	\$6,730	\$6,730
388	Leases	\$39,552	\$39,642	\$39,732
Total Services		\$209,855	\$154,434	\$164,453
401	Certificates, Awards, Etc.	\$7,291	\$8,000	\$5,515
402	Dues and Subscriptions	\$3,109	\$3,365	\$9,130
408	Emergency Management	\$8,516	\$7,500	\$6,576
409	Bad Debt Collection Fee	\$11,111	\$7,000	\$15,000
Total Other Expenses		\$30,027	\$25,865	\$36,221
504	Machinery, Tools and Equipment	\$0	\$0	\$30,000
503	Motor Vehicle Capital	\$176,100	\$153,555	\$0
505	Office Equipment	\$0	\$18,000	\$0
506	Instruments/Apparatus	\$0	\$72,500	\$0
Total Capital Outlay		\$176,100	\$244,055	\$30,000
Department Total		\$7,373,403	\$7,378,928	\$7,299,836



DIVISION RESPONSIBILITIES

- **Emergency operations** - responsible for providing high quality fire protection and advanced life support that saves lives and minimizes the ravaging effects of fire
- **Administration** - responsible for preparing and monitoring the budget and grant applications, implementing policies and procedures, and overseeing daily operations
- **Emergency management/training** - responsible for coordination of local planning, preparedness, training, and exercises of the emergency plan for the Kerrville, Ingram and Kerr County as well as training, monitoring, professional development and continuing education for all fire personnel
- **Community service** - responsible for community programs including fire safety education, home safety surveys, smoke detector distribution and installation, ceremonial duties, school presentations and charitable fund raisers

The Fire Division provides twenty-four hour protection, 365 days of the year for the preservation of life and property through fire suppression, rescue, and as first responders with EMS.

DIVISION ACCOMPLISHMENTS

- Validated and implemented a physical abilities test for new recruits
- Placed a new 100' Aerial Platform Ladder Truck into service
- Enhanced Emergency Management operations with the purchase of a new vehicle
- Improved firefighter safety with the purchase of technologically advanced self contained breathing apparatuses

FY2017 OBJECTIVES

Deliver quality public safety services by:

- Continuing to maintain acceptable levels of response times in the city, county, and extra territorial jurisdictions
- Providing the highest level of customer service with available resources
- Enhancing skills, knowledge, and abilities of department personnel through continuing education and training
- Improving emergency management preparedness through quarterly training and exercises



DID YOU
KNOW?

The Kerrville Fire Department became a paid professional fire department in 1972.



Fire Division - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Emergency Operations	Fire responses	509	550	128	101	113	342
	City response time (min)	4.4	<5.0	4.6	4.2	5.2	4.7
	County 1st response area time (min)	8.5	<8.0	7.8	6.6	10.3	8.2
	Other county area	11.8	<13.0	10.2	0.0	6.5	5.6
	1st response medical	1,870	1,850	514	519	498	1,531
	City response time (min)	4.2	<5.0	4.4	4.3	4.2	4.3
	County 1st response area time (min)	7.1	<8.0	7.6	6.3	7.6	7.2
	Other county area	5.1	<13.0	10.8	12.85	9.8	11.2
Administration	Continuing education/training (hours)	18,186	19,000	4,933	4,998	5,114	15,045
	Review/update Emergency Management annexes	7	11	4	0	6	10

Fire Division - Personnel Count

Position Title	Emergency Ops	Admin	Emergency Mgmt / Training	Community Service	FY2017 Total
Fire Chief	0.15	0.70	0.05	0.10	1.00
Administrative Assistant	0.00	0.50	0.00	0.50	1.00
Division Chief-Training/Emergency Mgmt	0.00	0.00	1.00	0.00	1.00
Battalion Chief	1.80	0.75	0.00	0.45	3.00
Lieutenant	9.60	1.20	0.00	1.20	12.00
Driver	13.50	0.75	0.00	0.75	15.00
Firefighter	15.20	0.00	0.00	0.80	16.00
Total FTEs	40.25	3.90	1.05	3.80	49.00

Fire Division
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$2,663,025	\$2,885,429	\$2,861,982
002	Overtime	\$468,484	\$159,241	\$186,653
004	Longevity	\$30,459	\$31,804	\$27,176
005	Social Security	\$224,365	\$245,332	\$245,370
006	Retirement	\$275,028	\$289,338	\$317,986
007	Group Insurance	\$354,948	\$343,000	\$318,500
010	Travel and Training	\$24,834	\$30,000	\$35,310
011	Local Meeting Expense	\$0	\$0	\$500
012	Certification Pay	\$35,370	\$199,200	\$229,900
014	Other Pay	\$59	\$8,200	\$10,100
Total Personnel Services		\$4,076,574	\$4,191,544	\$4,233,477
101	Office Supplies	\$3,124	\$2,700	\$2,700
102	Small Tools and Equipment	\$12,204	\$40,000	\$59,695
103	Chemical and Medical Supplies	\$1,052	\$11,000	\$9,000
104	Fuel and Oil Supplies	\$24,593	\$32,362	\$33,547
105	Food Supplies	\$3,239	\$3,626	\$3,000
106	Janitorial Supplies	\$7,199	\$8,000	\$8,000
107	Wearing Apparel	\$67,757	\$75,425	\$70,000
110	Postage and Shipping	\$442	\$300	\$500
111	Computer Upgrades	\$19,754	\$0	\$0
Total Supplies and Materials		\$139,365	\$173,413	\$186,442
202	Building and Structure Maintenance	\$10,432	\$12,000	\$16,510
204	Parts - City Garage	\$17,342	\$17,681	\$19,495
206	Instruments/Apparatus Maintenance	\$17,199	\$17,245	\$17,395
212	Repairs - Not City Garage	\$6,036	\$7,000	\$8,338
217	Software Maintenance	\$1,352	\$1,526	\$1,745
Total Maintenance and Repairs		\$52,360	\$55,452	\$63,483

General Fund - Fire Department



Fire Division Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$7,056	\$7,788	\$8,052
302	Light and Power	\$32,823	\$50,000	\$50,000
303	Natural Gas	\$4,178	\$5,500	\$5,500
304	Water and Sewer	\$5,318	\$5,600	\$5,600
306	Special Services	\$59,408	\$0	\$6,615
308	Cable/Satellite	\$0	\$0	\$132
313	Hire of Equipment	\$336	\$0	\$0
316	Advertising	\$69	\$0	\$0
317	Employment Physicals	\$1,665	\$0	\$0
325	Tower Rental	\$1,974	\$0	\$0
388	Leases	\$19,776	\$19,866	\$19,956
Total Services		\$132,604	\$88,754	\$95,855
401	Certificates, Awards	\$7,291	\$8,000	\$4,015
402	Dues/Subscriptions	\$889	\$900	\$6,865
408	Emergency Management	\$8,516	\$7,500	\$6,576
Total Other Expenses		\$16,695	\$16,400	\$17,456
504	Machinery, Tools and Equipment	\$0	\$0	\$30,000
505	Office Equipment	\$0	\$18,000	\$0
506	Instruments/Apparatus	\$0	\$72,500	\$0
Total Capital Outlay		\$0	\$90,500	\$30,000
Department Total		\$4,417,597	\$4,616,063	\$4,626,713



2017

The Fire Marshal Division ensures that structures are built and maintained in accordance with the fire code and reduces hazards through diligent code enforcement and public fire education.

DIVISION RESPONSIBILITIES

- Inspection and plan review - responsible for ensuring all commercial buildings in the city are in compliance with the currently adopted fire code
- Investigation - responsible for determining the origin and cause of a fire to further fire prevention education and accountability for intentionally set fires
- Community service - responsible for community programs including fire safety education, school presentations and home visits



DIVISION ACCOMPLISHMENTS

- Deputy Fire Marshal completed San Antonio College's law enforcement training academy and became a licensed peace officer
- Completed 114 contacts for home smoke detectors, resulting in the installation of over 100 detectors
- Distributed over 250 smoke detectors
- Completed 500 inspections and plan reviews
- Completed 27 fire/arson investigations
- Assisted in obtaining 2 arson convictions that resulted in sentences of 25 years in prison and 10 years of deferred adjudication

FY2017 OBJECTIVES

Deliver quality public safety services by:

- Continuing to reduce potential fire hazards through inspections and plan reviews
- Reviewing and adopting the 2015 International Fire Code (IFC)
- Reviewing and updating Fire Code Permitting and Requirements Information Guide
- Continuing to promote life safety through the smoke detector program

DID YOU
KNOW?

A working smoke detector dramatically increases your chance of surviving a fire. The city provides free smoke detectors to residents.



Fire Marshal Division - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Inspection & review	Inspections & plan review	429	640	90	118	112	320
Investigation	Investigations	27	30	7	11	6	24

Fire Marshal Division - Personnel Count

Position Title	Inspection / Plan review	Investigation	Community Service	FY2017 Total
Fire Marshal	0.34	0.33	0.33	1.00
Deputy Fire Marshal	0.33	0.33	0.34	1.00
Total FTEs	0.67	0.66	0.67	2.00

Fire Marshal Division
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$124,288	\$127,088	\$133,906
002	Overtime	\$5,151	\$7,407	\$5,223
004	Longevity	\$1,019	\$916	\$1,012
005	Social Security	\$9,871	\$10,988	\$11,281
006	Retirement	\$12,229	\$12,954	\$14,619
007	Group Insurance	\$14,803	\$14,000	\$13,000
010	Travel and Training	\$2,195	\$4,000	\$3,000
011	Local Meeting Expense	\$0	\$250	\$250
012	Certification Pay	\$6,674	\$11,700	\$11,700
014	Other Pay	\$7	\$600	\$600
Total Personnel Services		\$176,236	\$189,903	\$194,591
101	Office Supplies	\$651	\$600	\$700
102	Small Tools and Equipment	\$329	\$500	\$800
103	Chemical and Medical Supplies	\$0	\$70	\$0
104	Fuel and Oil Supplies	\$1,613	\$2,065	\$1,750
107	Wearing Apparel	\$745	\$810	\$650
108	Other Supplies	\$1,356	\$1,000	\$500
110	Postage and Shipping	\$26	\$70	\$70
Total Supplies and Materials		\$4,720	\$5,115	\$4,470
202	Building and Structure Maintenance	\$0	\$0	\$0
204	Parts - City Garage	\$238	\$500	\$640
212	Repairs - Not City Garage	\$166	\$150	\$29
217	Software Maintenance	\$2,149	\$2,999	\$3,005
Total Maintenance and Repairs		\$2,553	\$3,649	\$3,674
301	Phone Service	\$1,298	\$1,308	\$1,128
316	Advertising	\$288	\$0	\$0
Total Services		\$1,586	\$1,308	\$1,128
402	Dues and Subscriptions	\$1,470	\$1,440	\$1,540
Total Other Expenses		\$1,470	\$1,440	\$1,540
Department Total		\$186,565	\$201,415	\$205,403

The Fire Department's EMS division provides a superior level of emergency service in order to continually improve the quality of life, health and safety for the citizens we serve.



DIVISION RESPONSIBILITIES

- **Field operations** - responsible for providing continuous emergency medical response and interfacility transfers for sick and injured citizens in Kerrville and Kerr County
- **Billing and collections** - responsible for timely and accurate billing and collections for over 6,300 customers each year

DIVISION ACCOMPLISHMENTS

- Responded to over 5,000 calls for service with an average response time of just over 5 minutes within the city
- Invoiced EMS service charges of over \$4.8 million to more than 6,000 customers
- Enrolled 6 EMTs in a hybrid paramedic class consisting of 66% online classes
- Received grants totaling \$11,680 that will be used to purchase a controlled substances safe and training equipment
- Remounted a 2009 type 1 ambulance and remodeled another type 1 ambulance



FY2017 OBJECTIVES

Deliver quality public safety services by:

- Maintaining less than a 5 minute response time for calls within the city
- Continuing to improve patient care through continuing education, research and continuous quality improvement
- Maintaining a full compliment of DSHS certified paramedics by enrolling at least 6 EMTs in a paramedic class
- Initiating emergency medical dispatching to improve response structure
- Improving customer service and internal operations for EMS billing and collection

Plan and maintain public infrastructure by:

- Maintaining the current vehicle replacement plan with the remount of a 2009 type 1 ambulance

DID YOU KNOW?



The Kerrville Fire Department began providing EMS services for the entire county in January 1994.

EMS Division - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Field Operations	City response time for Priority 1 & 2	5.0	<5.0	5.1	4.5	5.1	4.9
	County response times for Priority 1 & 2	13.1	<13.0	12.9	12.9	13.5	13.1
	City responses	3,380	3,450	921	916	936	2,773
	County responses	1,748	1,780	461	312	320	1,093
	EMS transfers	1,122	1,100	277	291	296	864
Billing and Collections	Total number of billable patients	6,172	6,300	1,573	1,519	1,618	4,710
	Gross billable revenue	\$3.7M	\$5.0M	\$1.2M	\$1.1M	\$1.4M	\$3.8M
	Net billable revenue (net of disallowed)	\$3.2M	\$2.8M	\$.8M	\$.8M	\$.7M	\$2.3M
	Dollars collected	\$1.3M	\$2.2M	\$.3M	\$.5M	\$.6M	\$1.4M
	Average collection period (aka days sales outstanding)	76	50	81	72	54	69
	% of receivables > 120 days	16%	5%	28%	21%	8%	19%

EMS Division - Personnel Count

Position Title	Field Operations	Billing and Collections	FY2017 Total
Division Chief	0.67	0.33	1.00
EMS Billing Specialist	0.00	2.00	2.00
Firefighter	18.00	0.00	18.00
EMS Crew	6.00	0.00	6.00
Total FTEs	24.67	2.33	27.00



EMS Division
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$1,134,471	\$1,168,633	\$1,182,001
002	Overtime	\$250,683	\$234,903	\$217,600
003	Part-Time/Temporary Help	\$4,248	\$2,000	\$0
004	Longevity	\$9,129	\$9,540	\$7,844
005	Social Security	\$119,559	\$114,989	\$113,394
006	Retirement	\$150,098	\$134,749	\$146,952
007	Group Insurance	\$208,350	\$189,000	\$175,500
010	Travel and Training	\$12,245	\$25,000	\$60,890
012	Certification Pay	\$298,091	\$117,600	\$115,100
014	Other Pay	\$13	\$5,800	\$9,800
Total Personnel Services		\$2,186,887	\$2,002,214	\$2,029,081
101	Office Supplies	\$7,044	\$4,368	\$7,003
102	Small Tools and Equipment	\$21,193	\$19,455	\$21,915
103	Chemical and Medical Supplies	\$130,548	\$126,500	\$135,534
104	Fuel and Oil Supplies	\$62,696	\$81,800	\$83,740
105	Food Supplies	\$1,336	\$450	\$540
106	Janitorial Supplies	\$10,204	\$4,000	\$5,705
107	Wearing Apparel	\$3,634	\$13,554	\$15,829
108	Other Supplies	\$18	\$0	\$0
110	Postage and Shipping	\$148	\$240	\$240
111	Computer Upgrades	\$16,740	\$16,230	\$17,600
Total Supplies and Materials		\$253,560	\$266,597	\$288,106
202	Building and Structure Maintenance	\$4,922	\$0	\$300
204	Parts - City Garage	\$18,490	\$22,062	\$16,494
206	Instruments/Apparatus Maintenance	\$21,240	\$16,593	\$21,381
212	Repairs - Not City Garage	\$2,740	\$7,660	\$7,231
217	Software Maintenance	\$17,776	\$20,372	\$20,432
Total Maintenance and Repairs		\$65,168	\$66,687	\$65,838

EMS Division
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$6,701	\$6,924	\$6,852
302	Light and Power	\$13,759	\$0	\$0
303	Natural Gas	\$1,791	\$0	\$0
304	Water and Sewer	\$313	\$0	\$0
306	Special Services	\$26,778	\$30,742	\$33,912
307	Insurance	\$200	\$200	\$200
313	Hire of Equipment	\$252	\$0	\$0
317	Employment Physicals	\$1,535	\$0	\$0
325	Tower Rental	\$4,560	\$6,730	\$6,730
388	Leases	\$19,776	\$19,776	\$19,776
Total Services		\$75,665	\$64,372	\$67,470
401	Certificates, Awards	\$0	\$0	\$1,500
402	Dues and Subscriptions	\$750	\$1,025	\$725
409	Bad Debt Collection Fee	\$11,111	\$7,000	\$15,000
Total Other Expenses		\$11,861	\$8,025	\$17,225
503	Vehicles	\$176,100	\$153,555	\$0
Total Capital Outlay		\$176,100	\$153,555	\$0
Department Total		\$2,769,240	\$2,561,450	\$2,467,720



To protect public health and safety, Solid Waste provides safe, efficient, and environmentally responsible integrated municipal solid waste services. Solid Waste coordinates with Republic Services to provide curbside services including collection of regular garbage, recyclables, yard waste and bulky items. The department also oversees Republic Services operation of the city landfill, transfer station, composting facility and recycling drop off location.

DEPARTMENT RESPONSIBILITIES

Customer Service – responsible for providing customer service to city residents by acting as a liaison between the city and the collection contractor, Republic Services

City Contracts – responsible for overseeing both contracts with Republic Services – Landfill Operations and Disposal Agreement; Collection Agreement for Residential Solid Waste and Recyclable Materials

Community Outreach – responsible for providing assistance and information to the public on various environmental topics



DEPARTMENT ACCOMPLISHMENTS

- Fully converted to an automated collection service for approximately 7,800 homes
- Recycled approximately 1,400 tons
- Collected over 20 tons of hazardous waste, 5 tons of electronic waste and over 400 tires at the annual household hazardous waste collection event
- Collaborated with Kerr County to obtain a \$25,000 grant for household hazardous waste collection benefitting county and city residents
- Obtained \$15,000 in grant funding to sponsor an education campaign and tire collection event

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Working with Republic Services to ensure excellent service is provided to residents

Plan and upgrade public facilities by:

- Continuing to pursue landfill expansion plans by coordinating final phases needed to submit an applications to the Texas Commission on Environmental Quality (TCEQ)

Create a community that provides for sustainable growth and protects natural resources by:

- Increasing the diversion rate of waste put in the landfill by educating the public on waste reduction

DID YOU
KNOW?

The City collects approximately 589 tons of solid waste monthly and diverts 154 tons through recycling and yard waste collections, resulting in a 26% diversion rate.

Solid Waste - Performance Measures

City Contract Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Recycle Drop Off Site	Material recycled (tons)	**	400	97	90.46	91	279
	Number of vehicles	**	17,000	4,107	4,207	4,123	12,437
Landfill/Transfer Station	Solid waste transferred OUT (tons)	56,518	57,000	14,536	14975	16,675	46,186
	Solid waste place IN landfill (tons)	8,242	8,200	2,068	2,293	2,937	7,298
Garbage Tons	Residential garbage collected (tons)	**	5,200	1,324	1,347	1,433	4,104
Recycle Tons	Residential recycling collected (tons)	**	1,000	250	276	306	831
Yard Waste Tons	Residential yard waste collected (tons)	**	800	202	240	337	779
Diversion Rate	Percentage of waste diverted from landfill	**	30%	25%	28%	31%	28%
Bulk Waste Tons	Bulk waste collected	**	100	51	0	150	201
Bulk Waste Tons	Bulk waste dropped off	**	90	0	30	0	30
Vouchers Issued	Total Vouchers issued for bulk waste	**	300	0	114	0	114
Dead animal	Number of dead animals picked up	782	800	239	178	172	589
Total Vehicles	Total vehicles that dropped off items	765	496	496	0	0	496
Total Tons	Total HHW Tons collected during the event	16	20	20	0	0	20
Total Tires	Total Tires collected during the event	294	412	412	0	0	412
** Tracking began after implementing the Automated Collection System and relocating the Recycling Drop off site							

Solid Waste - Personnel Count

Solid Waste does not have any employees.



Solid Waste Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$87,141	\$45,947	\$0
002	Overtime	\$1,807	\$0	\$0
004	Longevity	\$924	\$180	\$0
005	Social Security	\$6,663	\$3,600	\$0
006	Retirement	\$8,924	\$4,256	\$0
007	Group Insurance	\$30,881	\$7,000	\$0
008	Workers Comp Insurance	\$0	\$0	\$0
010	Travel and Training	\$1,684	\$3,600	\$3,000
011	Local Meeting Expense	\$99	\$100	\$100
012	Certification Pay	\$2,316	\$2,400	\$0
Total Personnel Services		\$140,438	\$67,083	\$3,100
101	Office Supplies	\$2,574	\$300	\$0
102	Small Tools and Equipment	\$625	\$0	\$0
103	Chemical and Medical Supplies	\$5	\$0	\$0
104	Fuel and Oil Supplies	\$4,710	\$1,260	\$625
105	Food Supplies	\$524	\$100	\$0
106	Janitorial Supplies	\$351	\$0	\$0
107	Wearing Apparel	\$1,197	\$350	\$0
108	Other Supplies	\$2,704	\$1,600	\$100
110	Postage and Shipping	\$9,330	\$150	\$1,075
Total Supplies and Materials		\$22,020	\$3,760	\$1,800
202	Building and Structure Maintenance	\$33	\$0	\$0
203	Maint. Contracts - Garage	\$0	\$0	\$0
204	Parts - City Garage	\$678	\$0	\$0
206	Instruments/Apparatus Maintenance	\$1,648	\$0	\$0
207	Street & Drainage Maintenance	\$28,184	\$0	\$0
212	Repairs - Not City Garage	\$34	\$300	\$15
Total Maintenance and Repairs		\$30,576	\$300	\$15

Solid Waste
 Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$2,056	\$564	\$0
302	Light and Power	\$1,511	\$0	\$0
304	Water and Sewer	\$584	\$0	\$0
306	Special Services	\$70,344	\$149,000	\$105,000
307	Insurance	\$0	\$0	\$0
309	Animal Carcass Disposal	\$1,371	\$0	\$0
313	Hire of Equipment	\$0	\$0	\$0
316	Advertising	\$0	\$0	\$0
320	Tire Disposal Fee	\$1,167	\$2,250	\$1,250
Total Services		\$77,032	\$151,814	\$106,250
402	Dues and Subscriptions	\$0	\$1,000	\$300
405	Other Charges	\$0	\$0	\$12,000
Total Other Expenses		\$0	\$1,000	\$12,300
Department Total		\$270,066	\$223,957	\$123,465

Planning administers and enforces ordinances and codes for land use, zoning and subdivision standards in addition to facilitating collaboration between the City Council, planning boards and commissions, citizens and developers.



DEPARTMENT RESPONSIBILITIES

- **Planning** - responsible for reviewing residential and commercial permits to ensure compliance with all codes and ordinances
- **Boards and committees** - responsible for facilitating meetings and ordinance updates with the Planning & Zoning Commission and the Zoning Board of Adjustment
- **Customer service** - responsible for assisting developers and property owners with development and renovation that complies with current codes and ordinances
- **GIS (Geographic Information Systems)** - Maintain all city maps to ensure accurate geospatial information is easily available to citizens and city departments

DEPARTMENT ACCOMPLISHMENTS

- Completed research and updated existing zoning code
- Completed the review process for multiple subdivision, zoning and variance cases
- Improved all city maps, making them more concise, readable and reliable
- Acquired new aerial imagery and integrated the imagery into the GIS database

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Updating plans, processes, databases and operations to ensure overall effectiveness
- Upgrading the GIS operating system to increase accuracy and dependability while minimizing inconsistencies
- Reviewing existing planning related codes to determine possible amendments or changes needed to better serve the public

Be good stewards of public resources and assets through strategic planning by:

- Beginning a review and update for the Comprehensive Master Plan

DID YOU
KNOW?

The City's zoning ordinance is 148 pages long, establishes 50 separate zoning districts and includes a definition of the word "junk."

Planning - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Planning	Plats/Replats	28	25	6	5	8	19
	Zoning and Planning/DSP cases processed	31	25	8	13	3	24
	Board of adjustment cases	4	4	2	1	1	4

Planning - Personnel Count

Position Title	Planning	Boards & Committees	Customer Service	GIS	FY2017 Total
City Planner	0.30	0.30	0.30	0.10	1.00
GIS/GPS Coordinator	0.00	0.00	0.00	1.00	1.00
Administrative Assistant	0.00	0.25	0.75	0.00	1.00
Total FTEs	0.30	0.55	1.05	1.10	3.00

General Fund - Planning



Planning Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$81,212	\$110,240	\$177,112
002	Overtime	\$84	\$0	\$30
004	Longevity	\$916	\$868	\$1,184
005	Social Security	\$5,668	\$8,230	\$13,374
006	Retirement	\$7,081	\$9,744	\$17,332
007	Group Insurance	\$14,931	\$14,000	\$19,500
010	Travel and Training	\$2,202	\$2,695	\$4,000
011	Local Meeting Expense	\$299	\$0	\$0
012	Certification Pay	\$0	\$0	\$2,400
Total Personnel Services		\$112,393	\$145,777	\$234,932
101	Office Supplies	\$769	\$1,000	\$1,486
102	Small Tools and Equipment	\$1,026	\$0	\$1,100
107	Wearing Apparel	\$0	\$0	\$250
108	Other Supplies	\$0	\$500	\$500
110	Postage and Shipping	\$14	\$100	\$100
Total Supplies and Materials		\$1,809	\$1,600	\$3,436
217	Software Maintenance	\$0	\$0	\$1,500
Total Maintenance		\$0	\$0	\$1,500
301	Phone Service	\$1,032	\$1,020	\$1,584
306	Special Services	\$32,800	\$0	\$150,000
307	Insurance	\$100	\$100	\$100
Total Services		\$33,932	\$1,120	\$151,684
402	Dues and Subscriptions	\$0	\$460	\$550
Total Other Expenses		\$0	\$460	\$550
Department Total		\$148,134	\$148,957	\$392,102



Through consistent enforcement of well defined building codes and a proactive relationship with the building industry, Building Services commits to ensure the safety of buildings and structures built in our community and work with the construction industry to maintain a minimum standard of construction quality in the City of Kerrville.

DEPARTMENT RESPONSIBILITIES

- **Inspection** - responsible for inspecting buildings and structures, then issuing permits to ensure safety for citizens
- **Enforcement** - responsible for enforcing building codes through the inspection and permit process
- **Customer service** - responsible for assisting developers and property owners with the permit process in an expedient and efficient manner

DEPARTMENT ACCOMPLISHMENTS

In FY2015:

- 100% of next day inspection requests were granted
- 100% of commercial permits were reviewed within 10 days
- 100% of residential permits were reviewed within 10 days

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Processing 2,000 building and trade permits and perform 6,000 onsite inspections
- Providing outstanding customer service
- Facilitating projects in our community through positive code enforcement
- Cross training inspectors for code enforcement and the health department

DID YOU
KNOW?

Growth in Kerrville keeps Building Services busy! In FY2015, large commercial permits were issued for 2 multi unit housing projects, a major James Avery Craftsman expansion and Kerrville's first Chick-fil-A.



Building Services - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Inspection	Commercial permit review in 21 days	100%	100%	100%	100%	97%	99%
	Residential permit review in 14 days	100%	100%	100%	100%	100%	100%
	Next day inspections	99%	100%	100%	100%	100%	100%

Building Services - Personnel Count

Position Title	Inspection	Enforce-ment	Customer Service	FY2017 Total
Director of Building Services	0.34	0.33	0.33	1.00
Asst. Director of Building Services	0.33	0.34	0.33	1.00
Senior Inspector	0.80	0.10	0.10	1.00
Building Inspector	0.80	0.10	0.10	1.00
Permit Tech	0.00	0.00	1.00	1.00
Total FTEs	2.27	0.87	1.86	5.00

Building Services Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$230,101	\$272,958	\$284,565
002	Overtime	\$401	\$5,746	\$645
004	Longevity	\$924	\$1,116	\$1,380
005	Social Security	\$15,814	\$20,739	\$21,363
006	Retirement	\$19,206	\$24,540	\$27,685
007	Group Insurance	\$32,155	\$35,000	\$32,500
010	Travel and Training	\$3,800	\$4,025	\$3,580
011	Local Meeting Expense	\$0	\$200	\$200
012	Certification Pay	\$0	\$0	\$2,100
Total Personnel Services		\$302,401	\$364,324	\$374,018
101	Office Supplies	\$2,953	\$2,458	\$2,275
102	Small Tools and Equipment	\$2,275	\$555	\$385
103	Chemical and Medical Supplies	\$25	\$50	\$50
104	Fuel and Oil Supplies	\$1,686	\$2,635	\$2,395
107	Wearing Apparel	\$767	\$863	\$860
108	Other Supplies	\$27	\$0	\$0
110	Postage and Shipping	\$457	\$350	\$350
111	Computer Upgrades	\$580	\$0	\$0
Total Supplies and Materials		\$8,769	\$6,911	\$6,315
204	Parts - City Garage	\$120	\$350	\$0
212	Repairs - Not City Garage	\$41	\$350	\$58
Total Maintenance and Repairs		\$161	\$700	\$58
301	Phone Service	\$1,568	\$3,072	\$3,120
306	Special Services	\$12,067	\$0	\$2,000
307	Insurance	\$100	\$200	\$200
Total Services		\$13,735	\$3,272	\$5,320
402	Dues and Subscriptions	\$893	\$750	\$626
Total Other Expenses		\$893	\$750	\$626
Department Total		\$325,960	\$375,957	\$386,337

General Fund - Code Compliance

Through consistent enforcement of well defined standards and a proactive relationship with local businesses, neighborhoods, and property owners, Code Compliance commits to ensure the quality of life in Kerrville by working to protect public health and safe use and maintenance of property structures in our community.



DEPARTMENT RESPONSIBILITIES

- **Inspection**- responsible for inspecting all commercial restaurants and pools for health and safety hazards
- **Enforcement** - responsible for enforcing codes related to buildings, grounds and nuisances
- **Customer service** - responsible for developing programs and relationships within the community to beautify our city through voluntary compliance with codes

DEPARTMENT ACCOMPLISHMENTS

In FY2015:

- Performed 928 inspections
- Responded to code complaints in one business day 92% of the time
- Followed up with defined action within 10 days 92% of the time

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Cross training new staff for health, code and pool inspection
- Completing rewrite and adoption of food safety codes so that they are consistent with new State of Texas codes
- Improving compliance procedures
- Performing 1,500 inspections under health, nuisance, food safety and related codes

CITY OF KERRVILLE ENVIRONMENTAL HEALTH DIVISION			
Inspection Report for the month of March 2016			
Inspection	Date	Establishment	Grade
Routine	1-Mar	B.T. Wilson 6th Grade; 605 Tivy St.	A
Routine	1-Mar	Head Start (ECC); 1011 3rd St.	A
Complaint	1-Mar	McDonald's; 1308 Junction Hwy.	Substantiated
Routine	2-Mar	Nimitz Elementary; 100 Valley View	A
Routine	2-Mar	River Point of Kerrville; 1441 Bandera Hwy.	A
Routine	3-Mar	Chick-Fil-A; 1060 Junction Hwy.	A

DID YOU
KNOW?

How sanitary is your favorite restaurant? Check out restaurant health inspection scores posted on the city website monthly.

Code Compliance - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Inspection	Total inspections	928	950	112	182	299	593
Enforcement	Respond to code complaints in one business day	92%	95%	69%	72%	69%	70%

Code Compliance - Personnel Count

Position Title	Inspection	Enforce-ment	Customer Service	FY2017 Total
Health Specialist	0.34	0.33	0.33	1.00
Code Compliance Officer	0.40	0.40	0.20	1.00
Total FTEs	0.74	0.73	0.53	2.00

General Fund - Code Compliance



Code Compliance Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$43,490	\$44,678	\$84,614
002	Overtime	\$413	\$3,866	\$664
004	Longevity	\$292	\$340	\$388
005	Social Security	\$2,860	\$3,630	\$6,339
006	Retirement	\$4,330	\$4,287	\$8,215
007	Group Insurance	\$13,804	\$7,000	\$13,000
010	Travel and Training	\$2,725	\$2,800	\$2,760
011	Local Meeting Expense	\$0	\$300	\$300
Total Personnel Services		\$67,912	\$66,901	\$116,280
101	Office Supplies	\$277	\$500	\$516
102	Small Tools and Equipment	\$87	\$201	\$345
103	Chemical and Medical Supplies	\$82	\$0	\$0
104	Fuel and Oil Supplies	\$374	\$1,155	\$1,050
107	Wearing Apparel	\$528	\$430	\$414
Total Supplies and Materials		\$1,347	\$2,286	\$2,325
204	Parts - City Garage	\$134	\$250	\$0
212	Repairs - Not City Garage	\$7	\$95	\$15
Total Maintenance and Repairs		\$141	\$345	\$15
301	Phone Service	\$442	\$288	\$312
306	Special Services	\$4,706	\$15,000	\$6,000
Total Services		\$5,148	\$15,288	\$6,312
402	Dues and Subscriptions	\$0	\$250	\$545
Total Other Expenses		\$0	\$250	\$545
Department Total		\$74,547	\$85,070	\$125,477



The City of Kerrville Parks and Recreation Department provides quality, innovative, diverse, and safe parks, facilities and recreation programs to our citizens and visitors. We are dedicated to community interaction, streamlined services, preservation of our natural resources, and creative programming.

Section Organization

Parks and Recreation is divided into 6 separate divisions: Kerrville-Schreiner Park, Aquatics, Parks Maintenance, Sports Complex, Recreation and Tennis Center, all reporting to the Director of Parks and Recreation. This section shows a combined view as well as detail on the individual divisions as follows:

1. Parks and Recreation combined expenditure by line item
2. Kerrville-Schreiner Park
 - A. Responsibilities, accomplishments and goals
 - B. Performance measures and personnel count
 - C. Expenditures by line item
3. Aquatics
 - A. Responsibilities, accomplishments and goals
 - B. Performance measures and personnel count
 - C. Expenditures by line item
4. Parks Maintenance
 - A. Responsibilities, accomplishments and goals
 - B. Performance measures and personnel count
 - C. Expenditures by line item
5. Sports Complex
 - A. Responsibilities, accomplishments and goals
 - B. Performance measures and personnel count
 - C. Expenditures by line item
6. Recreation
 - A. Responsibilities, accomplishments and goals
 - B. Performance measures and personnel count
 - C. Expenditures by line item
7. Tennis Center
 - A. Expenditures by line item

General Fund - Parks and Recreation



Combined Parks and Recreation Summary Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$752,015	\$928,453	\$1,068,882
002	Overtime	\$29,838	\$27,009	\$25,979
003	Part-Time/Temporary Help	\$109,059	\$110,029	\$90,443
004	Longevity	\$5,191	\$5,560	\$7,748
005	Social Security	\$63,423	\$79,665	\$88,618
006	Retirement	\$70,579	\$87,508	\$108,134
007	Group Insurance	\$176,079	\$189,000	\$201,500
010	Travel and Training	\$3,525	\$3,660	\$5,370
011	Local Meeting Expense	\$784	\$0	\$1,500
012	Certification Pay	\$0	\$0	\$4,500
Total Personnel Services		\$1,210,493	\$1,430,884	\$1,602,674
101	Office Supplies	\$4,658	\$4,500	\$5,227
102	Small Tools and Equipment	\$18,071	\$11,558	\$24,768
103	Chemical and Medical Supplies	\$21,429	\$24,162	\$19,022
104	Fuel and Oil Supplies	\$26,644	\$39,256	\$46,833
105	Food Supplies	\$895	\$550	\$2,608
106	Janitorial Supplies	\$21,527	\$23,290	\$23,290
107	Wearing Apparel	\$12,665	\$15,190	\$11,017
108	Other Supplies	\$31,280	\$29,720	\$54,104
109	Fuel and Oil Outside Purchase	\$226	\$0	\$1,150
110	Postage	\$0	\$50	\$50
118	Sign Materials and Supplies	\$2,889	\$1,000	\$3,000
131	Fertilizer and Chemicals	\$1,219	\$6,885	\$14,585
132	Seed, Sod and Plantings	\$7,091	\$7,000	\$7,000
133	Sand and Gravel	\$2,040	\$3,450	\$7,127
134	Top Soil and Fill Material	\$0	\$1,713	\$4,390
Total Supplies and Materials		\$150,634	\$168,324	\$224,171
201	Land Maintenance	\$6,485	\$3,950	\$7,395
202	Building and Structure Maintenance	\$131,098	\$84,520	\$91,578
204	Parts - City Garage	\$6,740	\$8,200	\$9,180
206	Instruments/Apparatus Maintenance	\$1,144	\$3,350	\$4,800
209	Irrigation System Maintenance	\$3,982	\$3,000	\$6,630
212	Repairs - Not City Garage	\$5,275	\$5,190	\$5,210
217	Software Maintenance	\$2,535	\$2,500	\$2,650
Total Maintenance and Repairs		\$157,259	\$110,710	\$127,443



General Fund - Parks and Recreation

Combined Parks and Recreation Summary Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$5,726	\$7,584	\$10,736
302	Light and Power	\$69,313	\$79,500	\$86,600
303	Natural Gas	\$3,597	\$4,200	\$3,600
304	Water and Sewer	\$42,878	\$52,500	\$66,300
306	Special Services	\$16,704	\$8,008	\$61,640
307	Insurance	\$500	\$400	\$400
311	Network Services	\$0	\$0	\$1,612
313	Hire of Equipment	\$699	\$750	\$750
315	Animal Carcass Disposal	\$0	\$1,692	\$1,692
316	Advertising	\$5,069	\$5,400	\$4,400
388	Equipment Lease	\$0	\$0	\$8,472
Total Services		\$144,486	\$160,034	\$246,202
401	Certificates, Awards, Etc.	\$35	\$500	\$500
402	Dues and Subscriptions	\$1,691	\$2,699	\$2,820
405	Other Charges	\$433	\$0	\$390
Total Other Expenses		\$2,159	\$3,199	\$3,710
502	Buildings and Structures	\$49,553	\$0	\$0
504	Machinery, Tools, and Equipment	\$25,004	\$7,500	\$48,074
Total Capital Outlay		\$74,557	\$7,500	\$48,074
Department Total		\$1,739,588	\$1,880,651	\$2,252,274



This division operates and maintains a 517 acre park that includes 154 overnight facilities, day use facilities, hiking and biking trails, waterfront, concessions, plus group and special event venues.

DIVISION RESPONSIBILITIES

- Operations and maintenance - responsible for operating and maintaining all Kerrville-Schreiner park grounds and facilities
- Customer service - responsible for all Parks and Recreation system reservations and administrative support



DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Launched a redesigned website and online reservation system which includes the ability for guests to choose the location of their camp or RV site
- Generated \$410,569 in Kerrville-Schreiner Park revenue

2017 OBJECTIVES

Plan, maintain and upgrade public infrastructure and facilities by:

- Continuing park facility and infrastructure renovations to ensure revenue sustainability

DID YOU
KNOW?

KSP is home to an 18' teepee that was built by local Boy Scouts. The teepee is available to rent for overnight camping or even a birthday party.



KSP - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
KSP-Operations & maintenance	Park acreage / reservable sites	517/147	517/147	517/147	517/147	517/147	517/147
	% of YTD expenditures covered by revenues	112%	85%	69%	104%	142%	142%
KSP-Customer service	Reservations processed (all parks)	13,482	10,600	1,726	3,551	4,312	9,589
	Phone/in person reservations processed	12,735	8,500	1,669	3,052	3,785	8,506

KSP - Personnel Count

Position Title	Operations and Maintenance	Customer Service	FY2017 Total
Parks Supervisor	0.75	0.25	1.00
Lead Park Ranger	0.50	0.50	1.00
Park Ranger	1.25	0.75	2.00
Office Manager	0.20	0.80	1.00
Office Clerk	0.20	1.80	2.00
Total FTEs	2.90	4.10	7.00

General Fund - Parks and Recreation

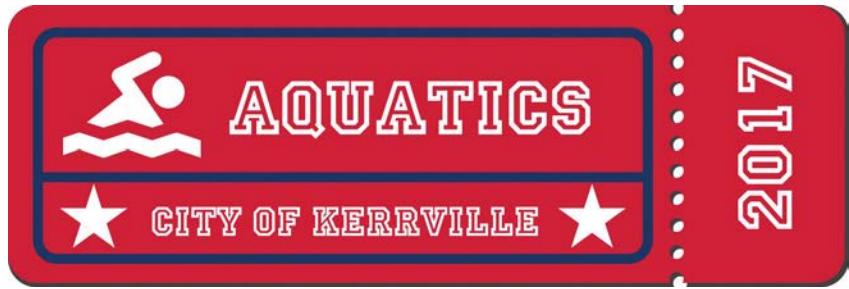


Kerrville-Schreiner Park Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$193,380	\$196,248	\$242,284
002	Overtime	\$2,402	\$2,000	\$2,000
003	Part-Time/Temporary Help	\$15,808	\$18,540	\$0
004	Longevity	\$1,642	\$1,684	\$1,744
005	Social Security	\$15,268	\$16,233	\$18,250
006	Retirement	\$18,953	\$19,160	\$23,652
007	Group Insurance	\$41,781	\$42,000	\$45,500
010	Travel and Training	\$200	\$485	\$500
012	Certification Pay	\$0	\$0	\$600
Total Personnel Services		\$289,434	\$296,350	\$334,530
101	Office Supplies	\$3,750	\$3,500	\$3,500
102	Small Tools and Equipment	\$1,293	\$1,158	\$1,158
103	Chemical and Medical Supplies	\$1,218	\$1,542	\$1,542
104	Fuel and Oil Supplies	\$5,208	\$4,510	\$4,110
106	Janitorial Supplies	\$3,765	\$3,890	\$3,890
107	Wearing Apparel	\$1,865	\$2,000	\$2,000
108	Other Supplies	\$395	\$320	\$320
109	Fuel and Oil Outside Purchase	\$18	\$0	\$0
Total Supplies and Materials		\$17,512	\$16,920	\$16,520
201	Land Maintenance	\$3,058	\$0	\$0
202	Building and Structure Maintenance	\$10,414	\$11,720	\$11,720
204	Parts - City Garage	\$1,764	\$1,200	\$2,000
206	Instruments/Apparatus Maintenance	\$0	\$1,000	\$2,800
212	Repairs - Not City Garage	\$1,806	\$1,690	\$1,690
217	Software Maintenance	\$2,535	\$2,500	\$2,650
Total Maintenance and Repairs		\$19,578	\$18,110	\$20,860
301	Phone Service	\$1,948	\$2,868	\$2,916
302	Light and Power	\$31,780	\$30,000	\$32,000
303	Natural Gas	\$3,597	\$4,200	\$3,600
304	Water and Sewer	\$17,572	\$18,000	\$20,000
306	Special Services	\$250	\$0	\$0
307	Insurance	\$400	\$400	\$400
313	Hire of Equipment	\$134	\$0	\$0
316	Advertising	\$671	\$900	\$900
Total Services		\$56,354	\$56,368	\$59,816
405	Other Charges	\$173	\$0	\$0
Total Other Expenses		\$173	\$0	\$0
Department Total		\$383,051	\$387,748	\$431,726



Aquatics provides safe and fun recreational opportunities at the Olympic Pool, Carver Park Sprayground and the Louise Hays Park Fountain Plaza.



DIVISION RESPONSIBILITIES

- **Pool operations** - responsible for safe operations at the Olympic Pool, Carver Park Sprayground, and the LHP Fountain Plaza, that meet all state and federal regulations, including lifeguard certifications
- **Programs** - responsible for structured activities at the Olympic Pool, including water safety training, swim lessons, open swim, lap swim, rentals and events

DID YOU KNOW?

The Olympic Pool holds 520,000 gallons of water.

DIVISION ACCOMPLISHMENTS

In FY2015, we:

- Operated the Olympic Pool for 54 days with an average daily attendance of 302 and 145 swim lesson registrants
- Operated Carver Sprayground for 160 days
- Opened LHP Fountain Plaza on June 13, 2015

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Maintaining the highest level of trained staff possible through Jeff Ellis and Associates lifeguard training, lifeguard competitions, and advanced training for supervisory staff

Create a community that provides for sustainable growth and protects recreational resources by:

- Offering affordable aquatic recreation through pool operations, programs and events
- Offering free aquatic recreation at a sprayground and splash pad





Aquatics - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Pool Ops	Average daily attendance - Olympic Pool	317	320	0	0	231	231
Programs	Swim lessons - total registrants	145	150	0	0	195	195

Aquatics - Personnel Count

The City hires temporary employees as lifeguards, cashiers, and pool managers. Because these are temporary positions, they are not counted as full time equivalents in our personnel count.



General Fund - Parks and Recreation

Aquatics Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
002	Overtime	\$0	\$1,030	\$0
003	Part-Time/Temporary Help	\$44,093	\$41,263	\$46,000
005	Social Security	\$3,373	\$3,235	\$3,404
010	Travel and Training	\$1,848	\$1,675	\$870
Total Personnel Services		\$49,314	\$47,203	\$50,274
101	Office Supplies	\$145	\$400	\$200
102	Small Tools and Equipment	\$336	\$400	\$400
103	Chemical and Medical Supplies	\$13,033	\$15,200	\$10,000
106	Janitorial Supplies	\$416	\$400	\$400
107	Wearing Apparel	\$1,987	\$2,580	\$2,673
108	Other Supplies	\$300	\$255	\$800
118	Sign Materials and Supplies	\$15	\$0	\$0
Total Supplies and Materials		\$16,232	\$19,235	\$14,473
202	Building and Structure Maintenance	\$1,135	\$3,000	\$1,500
206	Instruments/Apparatus Maintenance	\$780	\$2,000	\$2,000
Total Maintenance and Repairs		\$1,915	\$5,000	\$3,500
301	Phone Service	\$190	\$660	\$1,056
302	Light and Power	\$18,452	\$22,000	\$19,000
304	Water and Sewer	\$5,258	\$7,000	\$6,000
306	Special Services	\$4,631	\$5,000	\$5,300
Total Services		\$28,530	\$34,660	\$31,356
<hr/>				
Department Total		\$95,992	\$106,098	\$99,603



Parks Maintenance is responsible for grounds and structure maintenance at city parks, buildings and other city owned sites, in addition to managing park and building construction projects.

DIVISION RESPONSIBILITIES

- **Parks /grounds maintenance** - responsible for maintaining the grounds and facilities at city parks, along right of ways, well sites and all other city owned sites
- **Building maintenance** - responsible for maintaining and repairing all municipally owned buildings
- **Projects** - responsible for planning and constructing park renovations and repairs

DIVISION ACCOMPLISHMENTS

In FY2015, we:

- Maintained grounds for 151 city sites and 36 city owned buildings
- Opened the 2nd phase of River Trail from Louise Hays Park to Kerrville-Schreiner Park
- Completed renovations to Louise Hays Park, and Lehmann & Monroe Park.
- Held grand opening celebration for parks and River Trail on June 13, 2015
- Began 3rd phase of River Trail from Riverside Nature Center to Lowry Park

FY2017 OBJECTIVES

Plan, maintain and upgrade public infrastructure and facilities by:

- Increasing department workload in order to expertly maintain all newly opened and existing city parks, streets, right of ways, well sites, buildings, construction projects and special projects



Kerrville's River Trail winds through Louise Hays Park.

DID YOU
KNOW?

Parks Maintenance mows and maintains 16 parks, 4.2 miles of River Trail, and 331 acres of other city property.

Parks Maintenance - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Park/ground maintenance	Grounds maintenance sites / acreage	151/331	151/331	151/331	151/331	155/333	151/331
	Reservations in parks (excluding KSP)	256	600	28	82	237	347
Building maintenance	Buildings maintained	35	36	36	36	38	37
	Building work orders processed	113	140	32	38	44	114

Parks Maintenance - Personnel Count

Position Title	Parks / Grounds Maintenance	Building Maintenance	Projects	FY2017 Total
Director of Park and Recreation	0.25	0.25	0.50	1.00
Superintendent Park Operations	0.33	0.33	0.34	1.00
Crew Leader	3.50	1.25	0.25	5.00
Maintenance Specialist	0.20	0.10	0.70	1.00
Maintenance Worker	4.50	1.20	0.30	6.00
Equipment Operator	2.35	0.50	0.15	3.00
Building Custodian	0.00	2.85	0.15	3.00
Total FTEs	11.13	6.48	2.39	20.00

General Fund - Parks and Recreation



Parks Maintenance Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$522,353	\$639,912	\$663,562
002	Overtime	\$27,435	\$23,979	\$23,979
003	Part-Time/Temporary Help	\$29,464	\$30,103	\$31,273
004	Longevity	\$3,470	\$3,748	\$5,828
005	Social Security	\$40,884	\$51,813	\$53,823
006	Retirement	\$48,441	\$60,243	\$68,714
007	Group Insurance	\$126,677	\$133,000	\$130,000
010	Travel and Training	\$1,332	\$1,500	\$1,500
011	Local Meeting Expense	\$725	\$0	\$1,500
012	Certification Pay	\$0	\$0	\$2,700
Total Personnel Services		\$800,781	\$944,298	\$982,879
101	Office Supplies	\$469	\$600	\$564
102	Small Tools and Equipment	\$16,289	\$9,500	\$9,850
103	Chemical and Medical Supplies	\$7,005	\$7,420	\$7,280
104	Fuel and Oil Supplies	\$21,436	\$34,746	\$32,023
105	Food Supplies	\$895	\$550	\$550
106	Janitorial Supplies	\$17,346	\$19,000	\$19,000
107	Wearing Apparel	\$8,814	\$10,550	\$4,216
108	Other Supplies	\$2,091	\$2,500	\$4,000
109	Fuel and Oil Outside Purchase	\$208	\$0	\$480
110	Postage and Shipping	\$0	\$50	\$50
118	Sign Materials and Supplies	\$2,874	\$1,000	\$1,000
131	Fertilizers and Chemicals	\$1,219	\$6,885	\$6,885
132	Seed, Sod and Plantings	\$7,091	\$7,000	\$7,000
133	Sand and Gravel	\$2,040	\$3,450	\$5,627
134	Top Soil and Fill Material	\$0	\$1,713	\$3,890
Total Supplies and Materials		\$87,777	\$104,964	\$102,415
201	Land Maintenance	\$3,426	\$3,950	\$3,950
202	Building and Structure Maintenance	\$109,765	\$68,000	\$75,658
204	Parts - City Garage	\$4,976	\$7,000	\$7,000
206	Instruments/Apparatus Maintenance	\$364	\$350	\$0
209	Irrigation System Maintenance	\$3,982	\$3,000	\$4,500
212	Repairs - Not City Garage	\$3,469	\$3,500	\$3,500
Total Maintenance and Repairs		\$125,982	\$85,800	\$94,608

**Parks Maintenance
Expenditures by Line Item**

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$2,720	\$3,228	\$4,224
302	Light and Power	\$14,975	\$23,000	\$22,800
304	Water and Sewer	\$18,766	\$26,000	\$28,800
306	Special Services	\$773	\$1,408	\$41,050
313	Hire of Equipment	\$564	\$750	\$750
315	Animal Carcass Disposal	\$0	\$1,692	\$1,692
Total Services		\$37,798	\$56,078	\$99,316
402	Dues and Subscriptions	\$312	\$390	\$500
405	Other Charges	\$260	\$0	\$390
Total Other Expenses		\$572	\$390	\$890
502	Buildings and Structures	\$49,553	\$0	\$0
504	Machinery, Tools and Equipment	\$25,004	\$7,500	\$0
Total Capital Outlay		\$74,557	\$7,500	\$0
Department Total		\$1,127,467	\$1,199,030	\$1,280,108



DIVISION RESPONSIBILITIES

- **Maintenance** - responsible for athletic turf maintenance and management, field marking, and sports equipment maintenance
- **Operations** - responsible for marketing the facility, managing agreements with leagues, and coordinating and facilitating sports tournaments

The City of Kerrville Sports Complex provides quality baseball, softball and soccer practice, game and tournament facilities to local and regional athletes.

DIVISION ACCOMPLISHMENTS

- Not applicable as this is a new division for FY2017

FY2017 OBJECTIVES

Create a community that provides for sustainable growth and protects recreational resources by:

- Beginning soccer operations and play in 2017
- Beginning baseball/softball operations and play in 2017



Construction on the soccer side of the Sports Complex.



Construction on the baseball side of the Sports Complex.



The Kerrville Sports Complex will have over 42 acres of irrigated and manicured sports turf.

Sports Complex- Performance Measures

The Sports Complex will begin tracking performance measures when it opens in FY2017.

Sports Complex - Personnel Count

Position Title	Maintenance	Operations	FY2017 Total
Sports Complex Manager	0.50	0.50	1.00
Sports Complex Supervisor*	0.50	0.50	1.00
Equipment Operator*	0.80	0.20	1.00
Maintenance Worker*	0.80	0.20	1.00
Total FTEs	2.60	1.40	4.00

* These positions are budgeted for 4 months in FY2017.



Sports Complex
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$0	\$0	\$84,265
004	Longevity	\$0	\$0	\$0
005	Social Security	\$0	\$0	\$6,280
006	Retirement	\$0	\$0	\$8,139
007	Group Insurance	\$0	\$0	\$13,000
010	Travel and Training	\$0	\$0	\$1,000
012	Certification Pay	\$0	\$0	\$600
Total Personnel Services		\$0	\$0	\$113,284
101	Office Supplies	\$0	\$0	\$563
102	Small Tools and Equipment	\$0	\$0	\$11,060
103	Chemical and Medical Supplies	\$0	\$0	\$200
104	Fuel and Oil Supplies	\$0	\$0	\$10,400
105	Food Supplies	\$0	\$0	\$2,058
107	Wearing Apparel	\$0	\$0	\$2,068
108	Other Supplies	\$0	\$0	\$35,909
109	Fuel and Oil Outside Purchase	\$0	\$0	\$670
118	Sign Materials and Supplies	\$0	\$0	\$2,000
131	Fertilizers and Chemicals	\$0	\$0	\$7,700
133	Sand and Gravel	\$0	\$0	\$1,500
134	Top Soil and Fill Material	\$0	\$0	\$500
Total Supplies and Materials		\$0	\$0	\$74,628
201	Land Maintenance	\$0	\$0	\$3,445
202	Building and Structure Maintenance	\$0	\$0	\$200
204	Parts - City Garage	\$0	\$0	\$180
209	Irrigation System Maintenance	\$0	\$0	\$2,130
212	Repairs - Not City Garage	\$0	\$0	\$20
Total Maintenance and Repairs		\$0	\$0	\$5,975
301	Phone Service	\$0	\$0	\$752
302	Light and Power	\$0	\$0	\$8,000
304	Water and Sewer	\$0	\$0	\$10,000
311	Network Services	\$0	\$0	\$1,612
388	Equipment Lease	\$0	\$0	\$8,472
Total Services		\$0	\$0	\$28,836
504	Machinery, Tools and Equipment	\$0	\$0	\$48,074
Total Capital Outlay		\$0	\$0	\$48,074
Department Total		\$0	\$0	\$270,797



DIVISION RESPONSIBILITIES

- **Programs** - responsible for creating and operating recreational programs such as sports leagues
- **Special events** - responsible for community wide special events throughout the year such as 4th of July fireworks, Daddy Daughter Dance, Family Fright Night, Get Outdoors Day, Movies in the Park, Skateboard Competition, and A Night in Whoville



Rock climbing wall at National Get Outdoors Day in Louise Hays Park.

Recreation provides community based programming for youth and adults, including sports leagues and special events such as 4th of July fireworks and the Daddy Daughter Dance.

DIVISION ACCOMPLISHMENTS

In FY2015, we:

- Hosted Kerrville's first National Get Outdoors Day celebration (see climbing wall picture below) in conjunction with the opening of a new section of River Trail and a renovated Louise Hays Park
- Continued a collaborative effort with YMCA involving a summer camp, use of city facilities and shared marketing

FY2017 OBJECTIVES

Create a community that provides for sustainable growth and protects recreational resources by:

- Enhancing special events to increase interest and attendance in parks and facilities
- Promoting and scheduling events during the year in Louise Hays Park at the interactive fountain plaza, stage, pavilion, dog park and along the River Trail



The Daddy Daughter Dance, held annually near Valentine's Day, has sold out every year since its inception in 2009.



Recreation - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Recreation	% of YTD direct expenditures covered by revenues	40%	40%	13%	52%	68%	68%

Recreation - Personnel Count

Position Title	Programs	Special Events	FY2017 Total
Recreation Specialist	0.60	0.40	1.00
Recreation Coordinator	0.80	0.20	1.00
Total FTEs	1.40	0.60	2.00



General Fund - Parks and Recreation

Recreation Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$36,282	\$92,293	\$78,771
003	Part-Time/Temporary Help	\$19,694	\$20,123	\$13,170
004	Longevity	\$80	\$128	\$176
005	Social Security	\$3,897	\$8,384	\$6,861
006	Retirement	\$3,185	\$8,105	\$7,629
007	Group Insurance	\$7,621	\$14,000	\$13,000
010	Travel and Training	\$145	\$0	\$1,500
011	Local Meeting Expense	\$59	\$0	\$0
012	Certification Pay	\$0	\$0	\$600
Total Personnel Services		\$70,963	\$143,033	\$121,707
101	Office Supplies	\$293	\$0	\$400
102	Small Tools and Equipment	\$12	\$0	\$300
103	Chemical and Medical Supplies	\$172	\$0	\$0
104	Fuel and Oil Supplies	\$0	\$0	\$300
107	Wearing Apparel	\$0	\$60	\$60
108	Other Supplies	\$28,494	\$26,645	\$13,075
Total Supplies and Materials		\$28,971	\$26,705	\$14,135
301	Phone Service	\$718	\$564	\$1,128
306	Special Services	\$6,205	\$1,600	\$15,290
307	Insurance	\$100	\$0	\$0
316	Advertising	\$4,398	\$4,500	\$3,500
Total Services		\$11,421	\$6,664	\$19,918
401	Certificates, Awards, Etc.	\$35	\$500	\$500
402	Dues and Subscriptions	\$1,379	\$2,309	\$2,320
Total Other Expenses		\$1,414	\$2,809	\$2,820
Department Total		\$112,768	\$179,211	\$158,580



The HEB Tennis Center provides a safe and well maintained recreation opportunity for the citizens of Kerrville.

The HEB Tennis Center is operated and managed by an outside contractor, Jess Asper. Accordingly, this department does not track department responsibilities, accomplishments, goals, performance measures or personnel counts.

Tennis Center Expenditures by Line Item

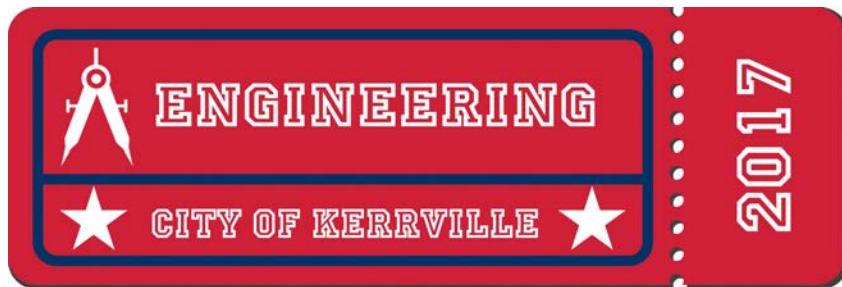
Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
102	Small Tools and Equipment	\$141	\$500	\$2,000
Total Supplies and Materials		\$141	\$500	\$2,000
202	Building and Structure Maintenance	\$9,784	\$1,800	\$2,500
Total Maintenance and Repairs		\$9,784	\$1,800	\$2,500
301	Phone Service	\$150	\$264	\$660
302	Light and Power	\$4,105	\$4,500	\$4,800
304	Water and Sewer	\$1,283	\$1,500	\$1,500
306	Special Services	\$4,845	\$0	\$0
Total Services		\$10,384	\$6,264	\$6,960
<hr/>				
Department Total		\$20,309	\$8,564	\$11,460



DID YOU
KNOW?

The city resurfaced six courts at the HEB Tennis Center in the spring of 2016.

Engineering provides consistent, thorough, and accurate professional engineering services, support, and oversight to ensure efficient, economic, and safe development of public infrastructure constructed as part of private or public capital improvement projects.



DEPARTMENT RESPONSIBILITIES

- **Design services** - responsible for providing in house civil construction plans, details and specifications for various capital projects
- **Capital improvement projects (CIP) management** - responsible for a CIP program that includes designing, inspecting and managing contracts for the city's Community Investment Plan
- **Development services** - responsible for reviewing plans for private development involving public infrastructure to ensure compliance with design standards, specifications and engineering principles

DEPARTMENT ACCOMPLISHMENTS

- Provided project management and inspections for CIP projects including the following recently completed projects: Jefferson Lift Station, Louise Hays Park renovations, River Trail extension, major improvements at the Water Reclamation facility, painting and rehabilitation of two above ground water tanks
- Enhanced GIS system detail and accuracy by adding public infrastructure information
- Reviewed plans and provided construction inspections for private development of public infrastructure to ensure compliance with design standards and code

FY2017 OBJECTIVES

- Provide design, management, and inspection services for CIP construction projects including the Kerrville Sports Complex
- Assist in reviewing plans for private development that improve the city's infrastructure and comply with current design standards and specifications
- Improve the city's GIS with data from construction projects such as record drawings, plats, and easement information

DID YOU
KNOW?

The State of Texas requires a professional engineer, such as our City Engineer, who passed his PE exam in 2015, to be involved on public works projects as small as \$8,000.



Engineering - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Design Services	Value of in-house design services provided	\$11,000	\$10,000	\$0	\$0	\$0	\$0
Development Services	Capital project reviews completed in 21 days or less %	30%	40%	58%	29%	58%	48%
	Private development reviews completed in 21 days or less %	70%	60	42%	71%	42%	52%
	# of Reviews completed	91	100	12	14	19	45

Engineering - Personnel Count

Position Title	Design Services	CIP Mgmt	Development Services	FY2017 Total
Director of Engineering	0.34	0.33	0.33	1.00
Construction Manager	0.00	0.25	0.75	1.00
Project Manager	0.00	0.75	0.25	1.00
Construction Inspector	0.00	0.50	0.50	1.00
Total FTEs	0.34	1.83	1.83	4.00

Engineering
 Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$227,402	\$257,317	\$258,856
002	Overtime	\$0	\$3,057	\$477
004	Longevity	\$1,444	\$1,592	\$1,664
005	Social Security	\$16,408	\$19,480	\$19,625
006	Retirement	\$21,140	\$23,053	\$25,432
007	Group Insurance	\$27,630	\$28,000	\$26,000
010	Travel and Training	\$2,351	\$3,275	\$3,480
012	Certification Pay	\$509	\$900	\$4,200
Total Personnel Services		\$296,884	\$336,674	\$339,734
101	Office Supplies	\$1,870	\$2,012	\$2,380
102	Small Tools and Equipment	\$8,610	\$500	\$2,078
104	Fuel and Oil Supplies	\$3,953	\$3,919	\$3,625
105	Food Supplies	\$71	\$0	\$100
107	Wearing Apparel	\$1,373	\$1,875	\$2,025
108	Other Supplies	\$67	\$0	\$0
110	Postage and Shipping	\$57	\$100	\$200
111	Computer Upgrades	\$660	\$0	\$0
Total Supplies and Materials		\$16,660	\$8,406	\$10,408
204	Parts - City Garage	\$306	\$1,250	\$1,250
212	Repairs - Not City Garage	\$140	\$250	\$258
217	Software Maintenance	\$1,958	\$4,043	\$2,000
Total Maintenance and Repairs		\$2,404	\$5,543	\$3,508
301	Phone Service	\$3,275	\$3,804	\$3,828
306	Special Services	\$6,374	\$0	\$0
Total Services		\$9,648	\$3,804	\$3,828
402	Dues and Subscriptions	\$375	\$715	\$640
Total Other Expenses		\$375	\$715	\$640
Department Total		\$325,970	\$355,142	\$358,118



2017

To improve the quality of life of our customers through maintenance and operation of street and drainage infrastructure.

DEPARTMENT RESPONSIBILITIES

- **Streets/ROW** - responsible for street and right of way (ROW) operation and maintenance including herbicide, street sweeping, alley repair, sight obstruction removal, tree trimming, bridge maintenance and repair
- **Traffic/street lighting** - responsible for the installation, maintenance, inspection and repair of all traffic control devices including traffic signals, school flashers and pavement markings. Additional responsibilities include collecting traffic data, in house sign fabrication, and managing requests for street light installation and repair. Street lights are operated and maintained by Kerrville Public Utility Board (KPUB). This service is paid for from the Streets budget.
- **Paving** - responsible for pavement rehabilitation including crack seal, pothole repair, utility cut repair, milling, overlay and reconstruction
- **Drainage** - responsible for inspection, maintenance and repair of all drainage systems including cleaning, grading and

DEPARTMENT ACCOMPLISHMENTS

- Constructed and paved 8.62 lane miles of roads, driveways and parking lots as part of the Louise Hays Park and River Trail construction and renovation
- Reconstructed and paved 3.03 lane miles of roadway
- Slurry sealed 11.21 lane miles of roadway
- Crack sealed 2.8 lane miles of roadway
- Dedicated 4,954 staff hours to drainage and rehabilitation
- Worked with consultants at Fugro to complete a pavement management plan that was adopted by City Council
- Implemented a slurry seal maintenance program
- Implemented year round scheduled street sweeping

FY2017 OBJECTIVES

Plan, maintain and upgrade public infrastructure and facilities by:

- Expanding street paving program with additional funds allocated for street improvements
- Committing additional funds and staff hours to preventative pavement maintenance
- Committing additional funds and staff hours to drainage repair and rehabilitation
- Committing additional funds and staff hours to beautification efforts



DID YOU KNOW?

Although it is counterintuitive, the worst road may not be 1st on the repair list. Relatively inexpensive repairs to roads in fair condition, before they fail, can significantly delay the need for expensive reconstruction.



Streets - Performance Measures

Responsibility	Measures	2016 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Streets/ROW	Man-hours of general ROW maintenance	2,222	2,747	541	562	530	1,633
Traffic	Man-hours for traffic operations and maintenance	1,777	2,343	603	543	516	1,662
Street Lighting	Number of street lights in operation	2,708	2,708	2,708	2,708	2,708	2,708
	Number of street lights maintenance completed	45	40	7	11	13	31
Paving	Condition index rating	79	80	80	80	80	80
	Potholes repaired	2,273	2,103	553	582	568	1,703
	Crack seal miles repaired	3	12	0	0	0	0
	Chip seal miles repaired	0	0	0	0	0	0
	Overlay miles	4	0	0	0	1	1
	Reconstructed miles	10	4	0	0	1	1
Drainage	Man-hours of drainage operation and maintenance	1,939	2,753	593	615	457	1,665

Streets - Personnel Count

Position Title	Streets and ROW	Traffic and Lighting	Paving and Drainage	FY2017 Total
Director of Public Works	0.34	0.33	0.33	1.00
Street Division Manager	0.33	0.33	0.34	1.00
Asst. Street Division Manager	0.40	0.20	0.40	1.00
Traffic Controls Tech	0.10	0.90	0.00	1.00
Crew Leader	0.66	0.66	0.68	2.00
Heavy Equipment Operator	2.25	0.50	2.25	5.00
Light Equipment Operator	3.50	0.70	2.80	7.00
Total FTEs	7.58	3.62	6.80	18.00

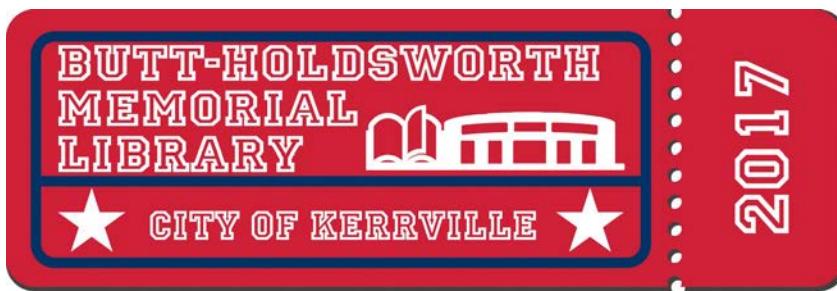


Streets
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$632,130	\$690,498	\$706,264
002	Overtime	\$50,212	\$42,500	\$40,000
004	Longevity	\$4,620	\$5,156	\$5,012
005	Social Security	\$48,685	\$55,484	\$56,320
006	Retirement	\$60,075	\$65,543	\$72,987
007	Group Insurance	\$127,414	\$126,000	\$117,000
010	Travel and Training	\$2,227	\$2,072	\$7,820
011	Local Meeting Expense	\$26	\$400	\$400
012	Certification Pay	\$641	\$600	\$1,200
013	Vehicle Allowance	\$6,036	\$6,000	\$6,000
014	Other Pay	\$14	\$2,600	\$2,600
Total Personnel Services		\$932,079	\$996,853	\$1,015,603
101	Office Supplies	\$1,799	\$1,428	\$1,728
102	Small Tools and Equipment	\$12,462	\$21,450	\$21,950
103	Chemical and Medical Supplies	\$1,926	\$2,500	\$4,500
104	Fuel and Oil Supplies	\$45,825	\$42,813	\$43,875
105	Food Supplies	\$1,732	\$1,500	\$1,500
106	Janitorial Supplies	\$2,593	\$3,000	\$2,000
107	Wearing Apparel	\$9,055	\$10,445	\$10,029
108	Other Supplies	\$147	\$200	\$200
110	Postage and Shipping	\$26	\$100	\$100
118	Sign Materials and Supplies	\$27,225	\$27,000	\$30,000
Total Supplies and Materials		\$102,789	\$110,436	\$115,882
202	Building and Structure Maintenance	\$3,092	\$3,000	\$3,000
204	Parts - City Garage	\$19,803	\$22,000	\$22,000
205	Office Equipment Maintenance	\$3	\$0	\$0
206	Instruments/Apparatus Maintenance	\$999	\$3,100	\$4,900
207	Street and Drainage	\$56,062	\$50,012	\$54,707
207-01	Street Maintenance	\$746,465	\$1,122,176	\$1,250,665
208	Traffic Control Device	\$16,999	\$10,000	\$10,000
212	Repairs - Not City Garage	\$21,083	\$19,180	\$23,980
Total Maintenance and Repairs		\$864,506	\$1,229,468	\$1,369,252

Streets
 Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$2,791	\$2,844	\$3,396
302	Light and Power	\$288,731	\$280,008	\$280,008
303	Natural Gas	\$852	\$720	\$720
304	Water and Sewer	\$891	\$600	\$800
306	Special Services	\$64,199	\$7,500	\$13,000
313	Hire of Equipment	\$7,999	\$1,000	\$1,000
Total Services		\$365,464	\$292,672	\$298,924
401	Certificates, Awards, Etc.	\$160	\$100	\$100
402	Dues and Subscriptions	\$0	\$0	\$100
405	Other Charges	\$2,729	\$3,720	\$3,720
Total Other Expenses		\$2,889	\$3,820	\$3,920
Department Total		\$2,267,726	\$2,633,249	\$2,803,581



The Library serves as an information center for our community, offering a wide variety of materials and services for education, entertainment, and enrichment in a welcoming and helpful environment.

DEPARTMENT RESPONSIBILITIES

- **Reference** - responsible for helping patrons answer research questions with relevant information
- **Circulation** - responsible for assembling, organizing, and making accessible materials which offer opportunities for personal, educational, cultural, and recreational enrichment. Librarians develop collections, services, and programs which respond to individual and community needs.
- **Programs** - responsible for providing opportunities for patrons of all ages to participate in library activities and programs and encourage lifelong learning

DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Circulated 105,359 items and were visited by 88,772 patrons
- Assisted with 8,365 reference transactions
- Fulfilled 1,541 interlibrary loan requests
- Offered 130 programs that were attended by 3,535 children and 1,673 adults

FY2017 OBJECTIVES

Deliver quality municipal services and protect cultural resources by:

- Increasing circulation of materials through the continued development and organization of a sustainable collection of print, audiovisual, and electronic materials which address citizens' wants and needs
- Continuing to meet citizens' need for information on a broad array of topics related to work, school and personal life through enhanced programming
- Continuing to deliver quality library programs and services which address citizens' needs and interests, with the goal of 140 programs and events held in FY2017



In FY2017, the library will celebrate the 5th anniversary of its renovation and the 50th anniversary of its original dedication.

Library - Performance Measures

Responsibility	Measures	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Reference	Library reference transactions	8,365	9,000	2,129	3,401	3,062	8,592
	Internet/electronic resources used	40,398	35,000	6,237	6,011	7,126	19,374
Circulation	Number of library materials circulated	107,675	110,000	24,398	24,172	27,511	76,081
	Gate count	88,772	90,000	19,429	22,394	24,258	66,081
Programs	# of programs	130	140	33	35	55	123
	Adult attendance	1,673	2,000	381	480	1,329	2,190
	Juvenile attendance	3,535	4,000	506	814	2,910	4,230

Library - Personnel Count

Position Title	Reference	Circulation	Programs	FY2017 Total
Library Director	0.33	0.34	0.33	1.00
Assistant Library Director	0.33	0.33	0.34	1.00
Librarian	0.66	0.66	0.68	2.00
Library Assistant	0.67	0.67	0.66	2.00
Library Clerk	1.20	1.20	0.60	3.00
Total FTEs	3.19	3.20	2.61	9.00

General Fund - Library



Butt-Holdsworth Memorial Library Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$274,971	\$364,270	\$371,307
002	Overtime	\$1,555	\$0	\$0
003	Part-Time/Temporary Help	\$8,185	\$13,297	\$14,887
004	Longevity	\$1,835	\$852	\$976
005	Social Security	\$20,668	\$28,054	\$28,651
006	Retirement	\$24,052	\$32,021	\$35,702
007	Group Insurance	\$59,466	\$63,000	\$58,500
010	Travel and Training	\$704	\$1,354	\$1,009
Total	Personnel Services	\$391,436	\$502,848	\$511,032
101	Office Supplies	\$4,607	\$6,587	\$6,320
102	Small Tools and Equipment	\$3,068	\$1,635	\$616
103	Chemical and Medical Supplies	\$19	\$35	\$35
104	Fuel and Oil Supplies	\$222	\$275	\$250
106	Janitorial Supplies	\$664	\$260	\$256
108	Other Supplies	\$9,881	\$9,182	\$8,001
110	Postage and Shipping	\$3,862	\$4,210	\$4,200
111	Computer Upgrades	\$92	\$960	\$0
Total	Supplies and Materials	\$22,415	\$23,144	\$19,678
202	Building and Structure Maintenance	\$33,999	\$10,134	\$14,204
203	Maintenance Contract	\$0	\$0	\$50
204	Parts - City Garage	\$92	\$50	\$0
205	Office Equipment Maintenance	\$10,988	\$12,398	\$10,514
212	Repairs - Not City Garage	\$15	\$35	\$15
217	Software Maintenance	\$29,735	\$32,645	\$33,471
Total	Maintenance and Repairs	\$74,828	\$55,262	\$58,254
301	Phone Service	\$3,974	\$3,456	\$4,704
302	Light and Power	\$21,616	\$22,800	\$27,120
303	Natural Gas	\$2,213	\$3,420	\$4,020
304	Water and Sewer	\$1,622	\$2,100	\$3,360
306	Special Services	\$18,984	\$21,771	\$20,180
311	Network Services	\$778	\$1,464	\$1,464
Total	Services	\$49,186	\$55,011	\$60,848
409	Bad Debt Collection Fee	\$733	\$300	\$500
Total	Other Expenses	\$733	\$300	\$500
512	Books and Records	\$70,331	\$74,550	\$75,950
Total	Capital Outlay	\$70,331	\$74,550	\$75,950
	Department Total	\$608,929	\$711,115	\$726,262

This department is used to account for expenses that benefit the entire General Fund, but can not be easily identified as relating to an individual department. Accordingly, the department only has budgeted expenditures with no responsibilities, accomplishments or performance measures.



General Operations Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	(\$324)	\$0	\$0
008	Workers Comp Insurance	\$74,073	\$80,000	\$95,000
009	Unemployment Claims	\$12,277	\$15,000	\$15,000
010	Travel and Training	\$14,624	\$11,332	\$11,492
011	Local Meeting Expense	\$1,411	\$2,500	\$2,500
Total Personnel Services		\$102,060	\$108,832	\$123,992
101	Office Supplies	\$4,941	\$5,033	\$5,019
102	Small Tools and Equipment	\$511	\$1,400	\$500
103	Chemical and Medical Supplies	\$3,579	\$4,100	\$300
104	Fuel and Oil Supplies	\$666	\$726	\$660
105	Food Supplies	\$323	\$500	\$500
106	Janitorial Supplies	\$4,391	\$2,180	\$1,712
107	Wearing Apparel	\$212	\$0	\$0
108	Other Supplies	(\$428)	\$0	\$0
110	Postage and Shipping	\$35,096	\$31,500	\$33,000
Total Supplies and Materials		\$49,291	\$45,439	\$41,691
202	Building and Structure Maintenance	\$47,722	\$67,048	\$48,000
203	Maint. Contracts - Garage	\$193,889	\$195,829	\$199,063
204	Parts - City Garage	\$411	\$500	\$500
206	Instruments/Apparatus Maintenance	\$0	\$0	\$3,500
212	Repairs - Not City Garage	\$395	\$0	\$15
Total Maintenance and Repairs		\$242,418	\$263,377	\$251,078

General Fund - General Operations



General Operations Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
302	Light and Power	\$67,365	\$72,000	\$72,000
303	Natural Gas	\$761	\$900	\$900
304	Water and Sewer	\$18,992	\$23,100	\$20,400
306	Special Services	\$173,008	\$114,865	\$119,800
307	Insurance	\$204,965	\$170,000	\$200,000
312	Audit Fees	\$74,126	\$77,900	\$80,500
313	Hire of Equipment	\$4,874	\$5,100	\$5,660
316	Advertising	\$1,302	\$500	\$500
318	Tax Services	\$170,831	\$170,830	\$185,000
325	Tower Rental	\$946	\$960	\$1,020
328	Bank and Credit Card Fees	\$33,015	\$12,300	\$15,900
347	Airport Mgmt. Contract	\$47,479	\$35,000	\$21,735
348	Airport Ramp Match	\$25,000	\$25,000	\$25,000
Total Services		\$822,663	\$708,455	\$748,415
401	Certificates, Awards, Etc.	\$7,894	\$3,500	\$4,500
402	Dues and Subscriptions	\$8,277	\$7,100	\$7,775
404	Finance Charges/Late Fees	\$89	\$0	\$0
405	Other Charges	\$9,797	\$9,600	\$11,600
410	Contingency	\$20,096	\$170,000	\$150,000
Total Other Expenses		\$46,153	\$190,200	\$173,875
506	Instruments and Apparatus	\$67,819	\$0	\$0
Total Capital Outlay		\$67,819	\$0	\$0
Department Total		\$1,330,404	\$1,316,303	\$1,339,051



This department is used to account for interfund transfers. Accordingly, the department only has budgeted expenditures with no responsibilities, accomplishments or performance measures.

Transfer Out - Asset Replacement (918) includes money allocated for General Fund vehicles and equipment purchases.

Transfer Out - Debt Service (950) includes money allocated for repayment of interfund loans.

Non-Departmental Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
918	Transfer Out - Asset Replacement	\$312,000	\$200,000	\$886,773
950	Transfer Out - General Debt Service	\$0	\$0	\$66,000
970	Transfer Out - General CIP	\$327,500	\$0	\$0
970	Transfer Out - ILA Contingency	\$600,000	\$600,000	\$0
994	Transfer Out - Main Street	\$39,780	\$0	\$0
Total Transfers Out		\$1,279,280	\$800,000	\$952,773
Department Total		\$1,279,280	\$800,000	\$952,773



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WATER AND SEWER FUND



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Water and Sewer Fund - Budget Summary

WATER AND SEWER FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget	FY16 to FY17 % Change
BEGINNING FUND BALANCE	\$ 8,127,701	\$ 7,721,941	\$7,721,941	\$ 7,721,941	\$ -
REVENUES					
Service Revenues	10,903,603	11,542,286	11,542,286	11,905,447	3.1%
Interest and Miscellaneous	215,721	199,875	199,875	186,900	-6.5%
Transfer In	-	-	-	-	-
TOTAL REVENUES	11,119,324	11,742,161	11,742,161	12,092,347	3.0%
EXPENDITURES					
Personnel	2,806,126	2,964,265	2,964,265	2,996,893	1.1%
Supplies	614,081	699,449	699,449	733,245	4.8%
Maintenance	847,481	595,953	823,387	704,727	-14.4%
Services	818,944	834,399	834,399	870,388	4.3%
Other Expenses	114,295	471,969	314,282	227,851	-27.5%
Capital Outlay	156,515	166,150	166,150	218,540	31.5%
Operating Transfers Out	6,097,854	6,009,976	5,940,229	6,340,703	6.7%
TOTAL EXPENDITURES	11,455,296	11,742,161	11,742,161	12,092,347	3.0%
CHANGE IN NET POSITION	(335,972)				
ENDING FUND BALANCE	\$ 7,721,941	\$ 7,721,941	\$7,721,941	\$ 7,721,941	
Reserve Target (25%)	2,863,824	2,935,540	2,935,540	3,023,087	
Over (Under) Reserve	4,858,117	4,786,401	4,786,401	4,698,854	
Actual Reserve %	67.4%	65.8%	65.8%	63.9%	

FUND BALANCE indicates only UNRESTRICTED fund balance.



WATER AND SEWER FUND BUDGET SUMMARY

The Water and Sewer Fund accounts for the provision of water and sewer services to the residents of the city. All activities necessary to provide those services are accounted for in this fund, including Water Production, Water Reclamation, Utility Construction and Water Records. For accounting and financial reporting purposes, the Water and Sewer Fund is considered an enterprise fund that uses the full accrual basis of accounting.

The FY2017 budget for the Water and Sewer Fund includes \$12,092,347 in revenues and expenditures, resulting a balanced budget that is 3.0% higher than estimated FY2016. This budget allows us to maintain a 63.9% fund balance reserve, which is well above our 25% target. Variance analysis on changes over \$100,000 is as follows:

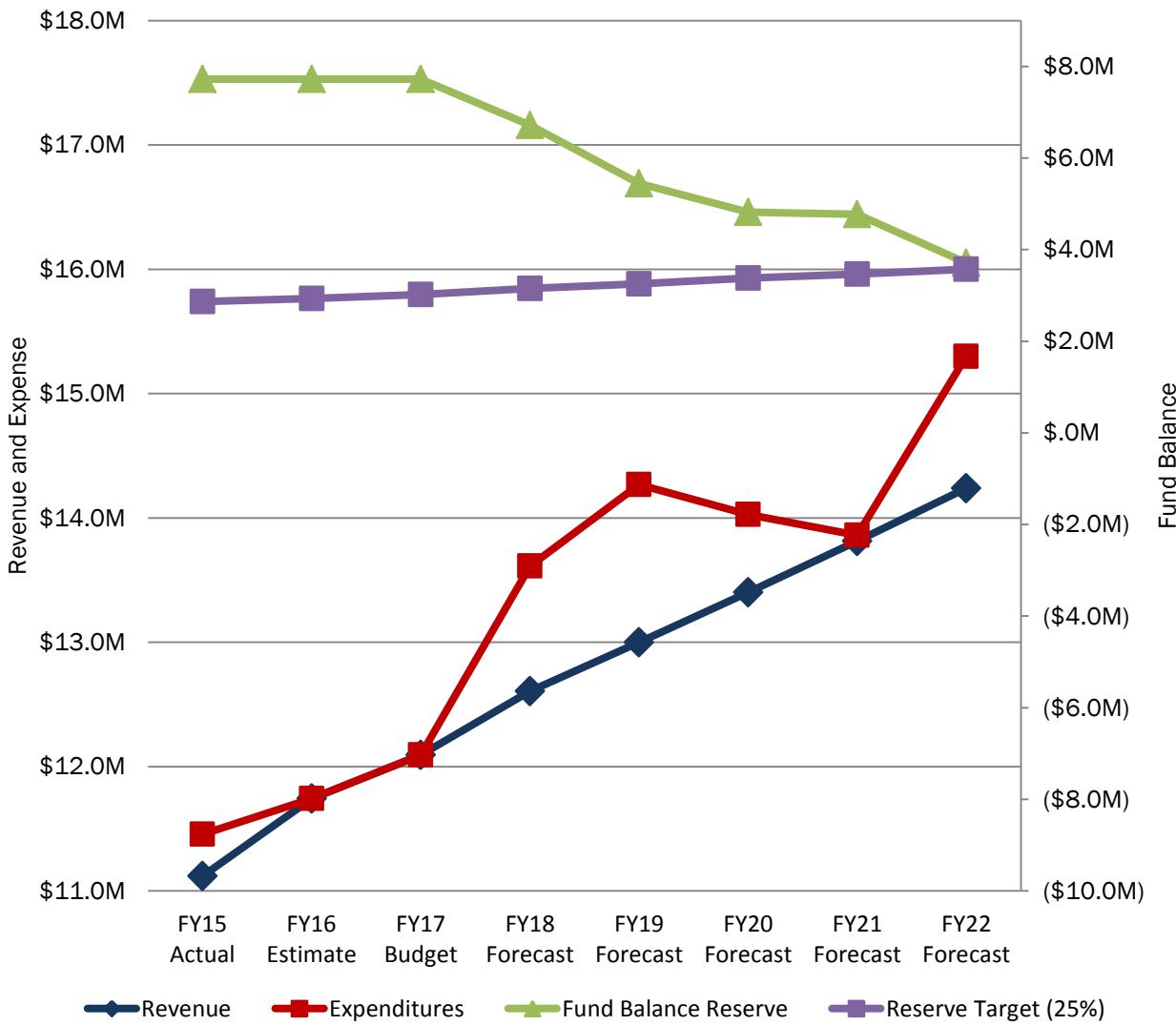
- 1. Service Revenues** - up 3.1% - FY2017 includes a increase in the base account fee for both water and sewer accounts. The water base account fee will go from \$11.43 to \$12.00 per month. The sewer base account fee will go from \$8.55 to \$9.00 per month. In addition, we anticipate increases of 1.7% in both water and sewer revenues due to growth.
- 2. Maintenance** - down 14.4% - FY2016 includes approximately \$80,000 for a well repair that is not budgeted to recur in FY2017
- 3. Operating Transfers Out** - up 6.7% - Operating transfers out to the Water and Sewer Debt Service Fund are increasing in FY2017 due to payments on new debt issued in FY2016. The city issued \$9.59 million in certificates of obligation and borrowed \$6.5 million from KPUB to pay for water and sewer infrastructure projects.

FISCAL SUSTAINABILITY

At a basic level, fiscal sustainability is maintaining or enhancing core services with current operational revenue. One time revenues are not used to fund regular operational expenditures. In addition, our fiscal sustainability goals include building a fund balance reserve equal to at least 25% of annual expenditures. Excess fund balance reserve can be used to pay for one time expenses or capital projects. Fiscal sustainability also involves planning for at least five years in the future and anticipating capital needs for city infrastructure and debt capacity.

The chart below graphically illustrates pay as you go cash funding. The Water and Sewer Fund plans to intentionally draw down its fund balance reserve by \$3.75 million over the next 5 years to fund capital projects, while still maintaining a reserve above the 25% target.

Water and Sewer Fund Fiscal Sustainability Model





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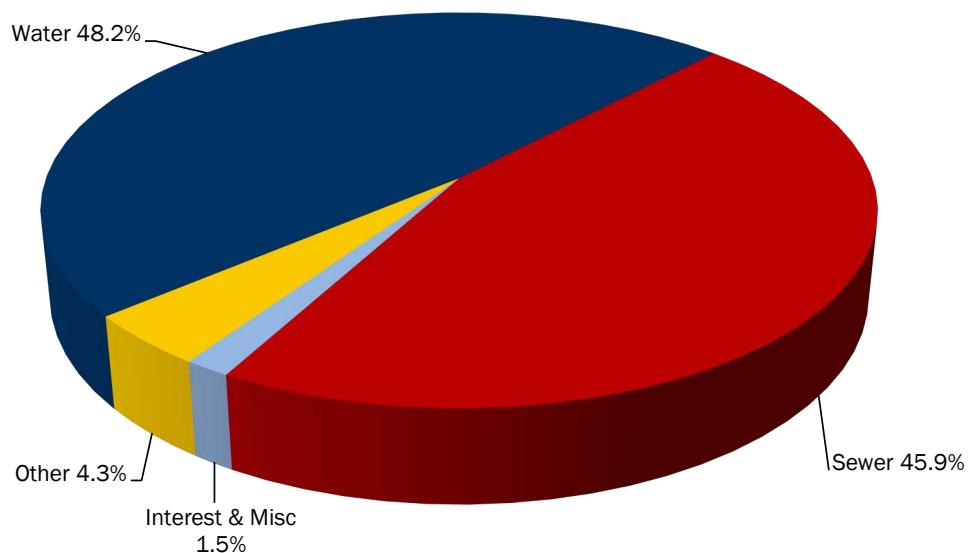
WATER AND SEWER FUND REVENUES



WATER AND SEWER FUND REVENUES

FY2017 budgeted revenues total \$12,092,347 which is split fairly evenly between water and sewer service categories. The graph below illustrates the revenue sources for the Water and Sewer Fund.

Water and Sewer Fund - Revenue Sources



WATER REVENUE

Water revenue represents the amount billed to customers for metered water used. Our water rates have not changed since FY2012, but our operational expenses have increased each year. In FY2017, we anticipate raising the base account fee from \$11.43 to \$12.00 per month. The city uses a tiered rate structure with higher rates for higher water use plus a flat monthly maintenance fee for all accounts. Predicting the weather is one of our most difficult budget challenges. A wet year results in lower water revenues due to decreased irrigation. A very dry year results in lower revenues due to water restrictions. NOAA is currently predicting that 2017 will be drier than normal, but not extreme. Accordingly, we are forecasting a small revenue increase.

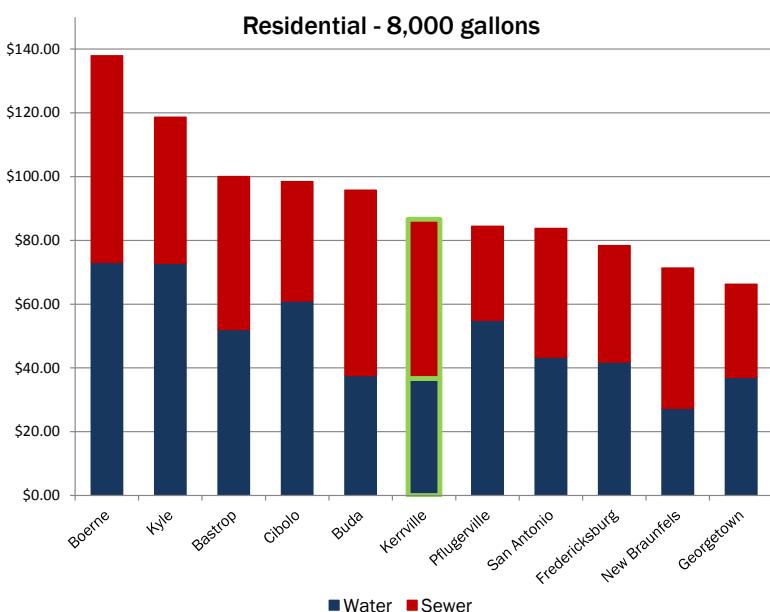
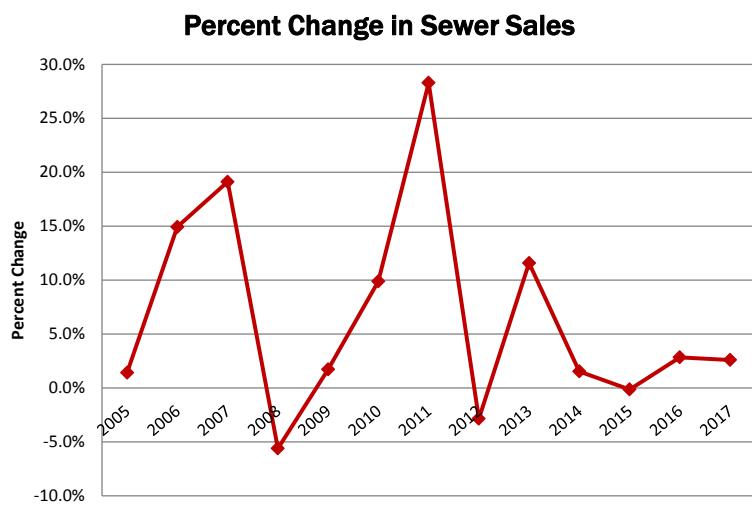
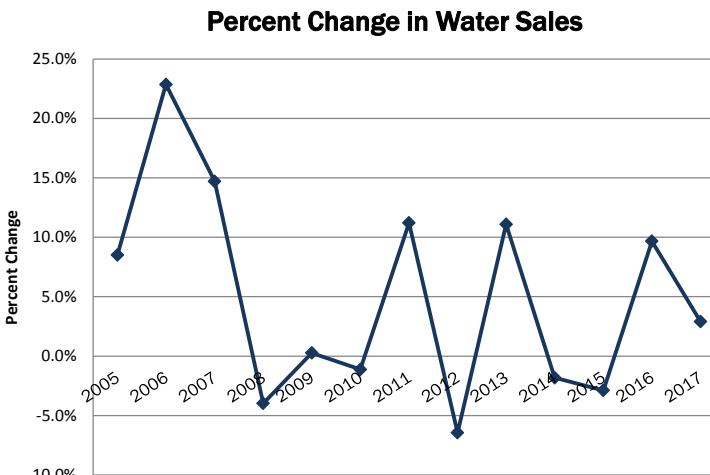
SEWER REVENUE

Sewer revenue represents the amount billed to customers for their sewer service. We are not able to meter actual residential sewer usage, so instead we bill a flat rate for sewer service. The residential rate is calculated annually for each account and is based on an average of actual water consumption during winter months. Similar to water, we anticipate increasing the base account fee in FY2017 from \$8.55 per month to \$9.00 per month.

WATER AND SEWER FUND REVENUES

WATER SALES

Water revenue represents the amount billed to customers for metered water used. This graph shows that water sales are difficult to forecast. Water accounts have grown at approximately 1% per year, however water usage varies widely between years based on rainfall and drought restrictions. Due to an increase in our base fee and expectations of a moderately dry year, we are predicting a 2.9% increase in water sales.



SEWER SALES

Sewer revenue represents the amount billed to customers for their sewer service. We are not able to meter actual sewer usage, so instead we bill a flat rate for sewer service. The rate is calculated annually for each account and is based on an average of actual water consumption during winter months. As the graph shows, sewer revenues are difficult to forecast. Due to an increase in our base fee and some anticipated growth, we are predicting a 2.6% increase in sewer sales.

UTILITY RATES

This chart shows Kerrville's water and sewer rates compared to 10 other cities in our geographic area. Kerrville's rates are in the mid-range when considering both rates together. The city is proactively planning for long term water needs. These plans include issuing debt for the construction of a system to capture and reuse effluent water. In FY2017, we are planning a small increases in the monthly base account fees for both water and sewer service. This increase helps to cover increased operational expenses as well as ensure fiscally sustainable growth and protection of our natural resources.

Water and Sewer Fund - Revenues



Water and Sewer Fund Revenues by Line Item

Acct.	Account Name	2015 Actual*	2016 Budget	2017 Budget
6402	Garbage Admin Fee	\$25,614	\$0	\$0
6436	Water Sales*	\$5,095,883	\$5,588,812	\$5,751,415
6437	Water Tap Fees	\$71,854	\$56,000	\$61,000
6438	Sewer Tap Fees	\$27,937	\$24,000	\$24,000
6439	Sewer Service Fees*	\$5,262,973	\$5,412,474	\$5,553,232
6444	Requested Service/Repairs	\$9,150	\$25,000	\$15,200
6445	Re-use Water Sales	\$37,714	\$80,000	\$80,000
6446	Sale of Meters	\$12,300	\$1,500	\$3,000
6482	Water Sample Test	\$13,006	\$12,000	\$12,000
6485	Wastewater Sample Test	\$4,332	\$5,000	\$4,800
6486	Waste Disposal Fee	\$293,681	\$290,000	\$352,800
6499	Cut-off Handling Fee	\$49,159	\$47,500	\$48,000
Total Service Revenues		\$10,903,602	\$11,542,286	\$11,905,447
6910	Returned Item Fee	\$2,250	\$2,500	\$2,500
6911	Interest Revenue	\$7,333	\$8,000	\$7,000
6912	Interest on Liens	\$517	\$0	\$0
6913	Assessed Payments	\$12,137	\$0	\$0
6915	New Account Fee	\$41,208	\$42,000	\$41,250
6916	New Account Fee - Auto Pay	\$690	\$6,375	\$1,050
6933	Sale of Scrap Metal	\$30	\$500	\$100
6938	Late Fee/Penalty	\$126,086	\$138,000	\$132,000
6960	Recovery of Bad Debt	\$331	\$0	\$500
6989	Miscellaneous Revenue	\$1,338	\$2,500	\$2,500
Total Interest & Miscellaneous		\$191,919	\$199,875	\$186,900
7099	Capital Contributions	\$23,802	\$0	\$0
Total Transfers In		\$23,802	\$0	\$0
TOTAL REVENUES		\$11,119,324	\$11,742,161	\$12,092,347

* For comparative purposes, water and sewer revenue recorded in the Water and Sewer Debt Service Fund in FY2015 is added to the numbers shown above.



WATER AND SEWER FUND EXPENDITURES



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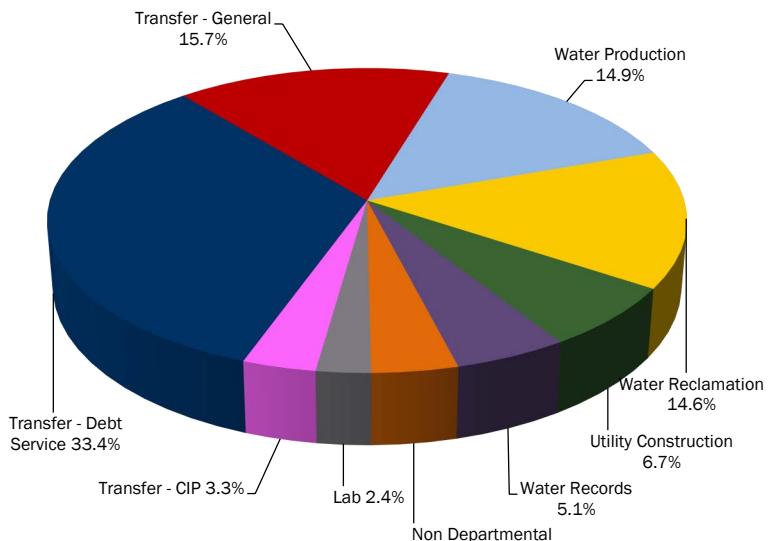
WATER AND SEWER FUND EXPENDITURES

FY2017 budgeted expenditures total \$12,092,347 for the Water and Sewer Fund. It is helpful to view expense both by department and by category.

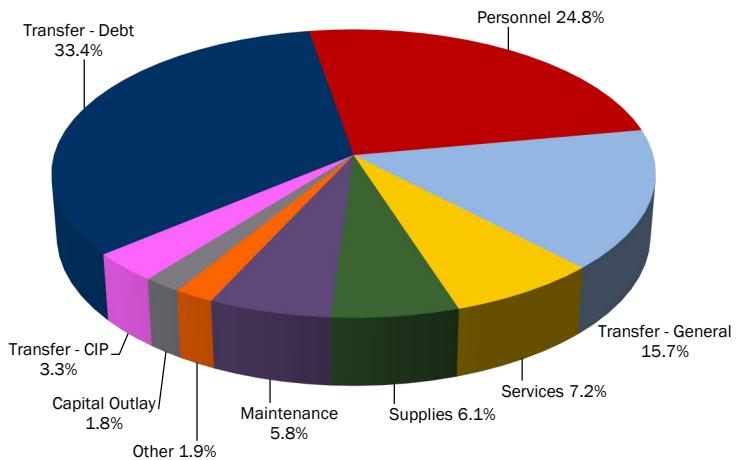
BY DEPARTMENT

Water Reclamation, Water Production and Utility Construction are the largest operating departments in the Water and Sewer Fund. Other large expenses include transfers out for debt service and for the administrative services provided by the General Fund.

Water and Sewer Fund - Expenditure by Department



Water and Sewer Fund - Expenditure by Category



BY CATEGORY

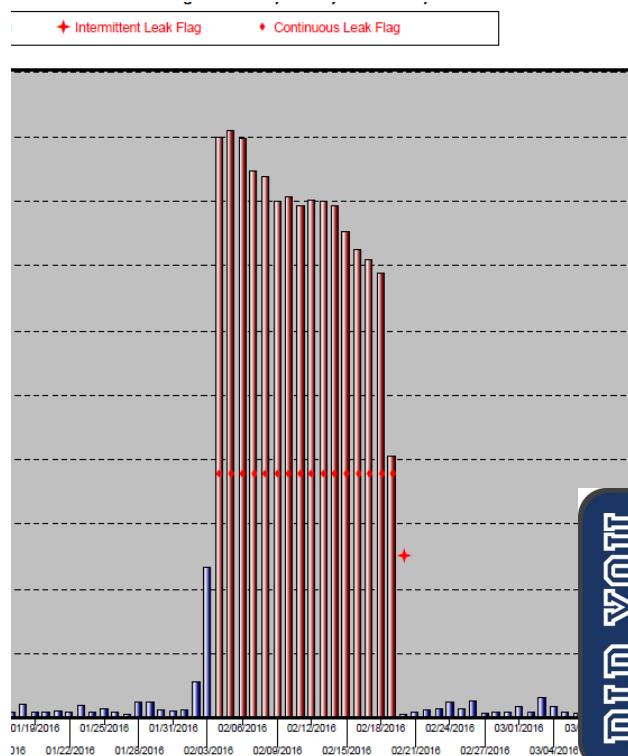
From this view, transfers to debt service are the largest category of expenditure. In FY2017, debt service for the Water and Sewer fund includes new payments for \$9.59 million in certificates of obligation issued in FY2016 and a privately funded loan from KPUB received in FY2016. The second largest category is personnel. Water and Sewer employees are budgeted to receive merit based raises in FY2017. The 3rd largest category is a transfer to the General Fund to pay for the administrative services it provides to the Water and Sewer Fund.

Water and Sewer Fund - Water Records

The Water Records department provides the City of Kerrville utility customers with accurate meter readings, billing, collections and excellent customer service. This department also provides purchasing and fleet management services for other city departments.

DEPARTMENT RESPONSIBILITIES

- **Billing and collections** - responsible for billing utility services in a timely and accurate manner, collecting and recording customer payments, establishing new utility service and general customer service
- **Meter services** - responsible for meter reading, meter maintenance and general customer service
- **Inventory, purchasing & fleet management** - responsible for citywide ordering of supplies and inventory as well as overall fleet management services



DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Collected 98% of utility bills within 25 days of billing through use of sound financial policies
- Provided service to almost 9,800 accounts
- Increased electronic payments from customers to 38% of total payments received
- Read over 119,000 meters
- Completed 10,748 work orders
- Trained, certified, and promoted our Inventory Technician as a Purchasing Specialist

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Providing quality service in a cost effective manner by continuing to increase percent of payments collected electronically

Plan, maintain & upgrade public infrastructure by:

- Purchasing and implementing new meter reading technology capable of reading and providing consumption data for both old and new versions of Neptune meters
- Moving meter technician and purchasing functions into a new building. The new space will have accurate meter testing equipment, space to meet with customers as well as efficiently organized, secure and dry inventory storage.



Suspect a leak? Call Water Records. We can provide a free report showing water usage by day and by hour. For example, this report shows a leak (red bars) that was repaired.



Water Records - Performance Measures

Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Billing and Collection	Total # of payments processed	128,667	129,000	32,194	31,587	31,352	95,133
	% of utility bills collected within 25 days	98%	98%	98%	98%	98%	98%
	Total # of water accounts	9,787	9,775	9,765	9,883	9,887	9,845
	Total # of sewer accounts	8,952	9,020	9,020	9,027	9,042	9,030
	% of payments processed electronically	38%	40%	39%	40%	41%	40%
Meter Service	Total # of meters read	119,126	119,200	30,048	29,955	29,954	89,957
	Total # of work orders completed	10,748	10,500	2,714	2,556	2,986	8,256
	Total volume of water sold (in million gal)	1,072	1,050	312	241	243	796
Inventory/Purchasing/Fleet Mgmt	Compliance with Purchasing Policy	100%	100%	100%	100%	100%	100%
	Surplus items sold	\$62,066	N/A	\$24,066	\$5,595	\$23,704	\$53,365
	Total # of purchasing requests processed	225	225	44	51	59	154
	Total # of inventory items maintained	1,988	2,200	2,674	2,806	2,946	2,809

Water Records - Personnel Count

Position Title	Billing and Collections	Meter Service	Inventory/Purchasing/Fleet	FY2017 Total
Meter Technician Supervisor	0.20	0.70	0.10	1.00
Meter Technician	0.20	1.80	0.00	2.00
Purchasing Specialist	0.00	0.05	0.95	1.00
Utility Billing Supervisor	0.95	0.05	0.00	1.00
Senior Utility Clerk	0.90	0.10	0.00	1.00
Utility Clerk	1.90	0.10	0.00	2.00
Total FTEs	4.15	2.80	1.05	8.00

Water and Sewer Fund - Water Records



Water Records Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$275,013	\$285,438	\$300,711
002	Overtime	\$1,058	\$1,485	\$1,193
004	Longevity	\$3,168	\$3,520	\$972
005	Social Security	\$19,806	\$22,288	\$22,479
006	Retirement	\$24,847	\$25,551	\$29,132
007	Group Insurance	\$56,215	\$56,000	\$52,000
010	Travel & Training	\$429	\$1,788	\$1,490
011	Local Meeting Expenses	\$0	\$60	\$0
012	Certification Pay	\$425	\$900	\$900
Total Personnel Services		\$380,962	\$397,030	\$408,877
101	Office Supplies	\$8,696	\$14,415	\$12,655
102	Small Tools and Equipment	\$2,605	\$3,350	\$8,550
103	Chemical & Medical Supplies	\$206	\$300	\$250
104	Fuel and Oil Supplies	\$4,661	\$7,920	\$6,000
105	Food Supplies	\$322	\$250	\$312
106	Janitorial Supplies	\$137	\$180	\$180
107	Wearing Apparel	\$1,087	\$1,520	\$1,485
110	Postage	\$42,897	\$52,060	\$47,180
Total Supplies and Materials		\$60,612	\$79,995	\$76,612
204	Parts - City Garage	\$1,066	\$1,500	\$1,200
205	Office Equipment Maintenance	\$0	\$300	\$0
206	Instruments/Apparatus Maintenance	\$425	\$1,800	\$2,200
210	Water System Maintenance	\$53,544	\$46,100	\$46,250
212	Repairs - Not City Garage	\$496	\$1,340	\$738
217	Software Agreements	\$261	\$261	\$850
Total Maintenance and Repairs		\$55,792	\$51,301	\$51,238
301	Phone Service	\$2,124	\$2,520	\$2,616
307	Insurance	\$500	\$500	\$500
Total Services		\$2,624	\$3,020	\$3,116
405	Other Charges	\$0	\$0	\$0
406	Bad Debt Expense	\$37,545	\$36,000	\$0
409	Collection Expense	\$1,059	\$3,000	\$3,000
Total Other Expenses		\$38,605	\$39,000	\$3,000
504	Machinery, Tools and Equipment	\$0	\$0	\$38,326
506	Instruments/Apparatus	\$0	\$6,500	\$0
510	Water System Capital	\$28,351	\$42,000	\$32,000
Total Capital Outlay		\$28,351	\$48,500	\$70,326
Department Total		\$566,946	\$618,846	\$613,169



In previous years, we have used a department called Utility Administration to house administrative personnel that oversee public works functions and our GIS system. In FY2017, we have disbanded this department and moved the administrative personnel into the operational areas (Water Production and Water Reclamation) in which they spend the most time. In addition, our GIS Coordinator has been moved to the Planning department in the General Fund as this position now reports directly to our City Planner.

This section will show the historical information for this department and no budget for FY2017.



Utilities Administration Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$195,405	\$198,702	\$0
004	Longevity	\$644	\$788	\$0
005	Social Security	\$13,816	\$15,605	\$0
006	Retirement	\$17,354	\$17,890	\$0
007	Group Insurance	\$23,111	\$21,000	\$0
010	Travel & Training	\$6,122	\$7,500	\$0
011	Local Meeting Expenses	\$336	\$200	\$0
012	Certification Pay	\$3,043	\$4,500	\$0
Total Personnel Services		\$259,832	\$266,185	\$0
101	Office Supplies	\$937	\$911	\$0
102	Small Tools and Equipment	\$229	\$225	\$0
104	Fuel and Oil Supplies	\$851	\$600	\$0
105	Food Supplies	\$680	\$0	\$0
107	Wearing Apparel	\$640	\$435	\$0
108	Other Supplies	\$0	\$0	\$0
110	Postage	\$0	\$50	\$0
112	Computer Software Purchases	\$264	\$0	\$0
Total Supplies and Materials		\$3,601	\$2,221	\$0
204	Parts - City Garage	\$6	\$250	\$0
206	Instruments/Apparatus Maintenance	\$1,041	\$0	\$0
212	Repairs - Not City Garage	\$15	\$65	\$0
217	Software Agreements	\$4,088	\$4,150	\$0
Total Maintenance and Repairs		\$5,150	\$4,465	\$0
301	Phone Service	\$1,184	\$1,692	\$0
306	Special Services	\$6,041	\$12,850	\$0
Total Services		\$7,225	\$14,542	\$0
402	Dues and Subscriptions	\$351	\$880	\$0
Total Other Expenses		\$351	\$880	\$0
506	Instruments / Apparatus	\$0	\$5,000	\$0
Total Capital Outlay		\$0	\$5,000	\$0
Department Total		\$276,159	\$293,293	\$0



Water Production focuses on producing high quality drinking water using native groundwater wells, surface water from the Guadalupe River and Aquifer Storage and Recovery (ASR) wells as water sources.



DEPARTMENT RESPONSIBILITIES

- **Water treatment** - responsible for treating ground, surface and ASR water so that it meets all regulatory requirements and provides high quality drinking water for the citizens of Kerrville
- **Water storage** - responsible for managing various types of water storage devices so that peak demand can be met and water loss is minimized

FY2017 OBJECTIVES

Maintain and upgrade public infrastructure by:

- Completing the Riverhill high service booster pump at the SWTP to tie into the 16" transmission line
- Painting the Kerrville North storage tank
- Installing tank mixing equipment in the Kerrville North storage tank
- Installing piping at the Methodist Encampment well to make it into the city's 4th ASR well

DEPARTMENT ACCOMPLISHMENTS

- Installed 2 new membrane filter cassettes in the GE/Zenon Unit that filters water at the surface water treatment plant (SWTP)
- Moved the city from Stage 2 water restrictions to year-round conservation through proactive water management combined with improving drought conditions
- Fine-tuned disinfection process by applying smaller disinfection dosages at more strategic points in order to reduce THM levels
- Began using powdered activated carbon to absorb more total organic carbon in order to reduce THM levels
- Replaced pump, motor, wire and piping at the Harper Rd. well site
- Replaced pump at the ASR R-2 well site
- Repaired cracks in the North facing of the Nimitz Lake dam
- Completed a 16" transmission line from the SWTP to the Riverhill elevated tank



New Zenon filters installed in 2015

DID YOU
KNOW?

Significantly more fresh water is stored underground in aquifers than on the earth's surface. Kerrville expanded on mother nature's idea by building two aquifer storage and recovery wells.



Water Production - Performance Measures

Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Treatment and Storage	Average daily raw surface water treated (MG)	2.287	3.350	3.294	3.594	3.234	3.374
	Average daily treated surface water stored in ASR (MG)	0.125	0.725	0.635	0.783	0.376	0.598
	Average daily treated surface water recovered from ASR (MG)	0.533	0.125	0.150	0.004	0.245	0.133
	Average daily treated surface water distributed (MG)	2.134	3.215	2.454	2.815	2.836	2.702
	Average daily ground water distributed (MG)	1.003	0.495	0.553	0.302	0.257	0.371
	Average daily unaccounted for water (all sources, MG)	0.727	0.645	N/A	N/A	N/A	-
	Total surface water stored in ASR (MG)	568.72	705.000	566.687	637.660	649.583	617.977
	Peak day (MGD)	5.008	6.255	5.268	4.082	5.121	4.824
	Lowest safe operating capacity (MGD)	6.775	8.768	8.768	8.738	8.738	8.748

Water Production - Personnel Count

Position Title	Treatment	Storage	FY2017 Total
Assistant Director of Public Works	0.50	0.50	1.00
Water Production Superintendent	0.50	0.50	1.00
Water Production Specialist	0.50	0.50	1.00
Water Production Maintenance Tech	1.00	1.00	2.00
Water Production Operator II	3.00	3.00	6.00
Water Production Operator I	0.50	0.50	1.00
Total FTEs	6.00	6.00	12.00



Water and Sewer Fund - Water Production

Water Production Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$425,251	\$433,867	\$521,934
002	Overtime	\$62,484	\$69,000	\$87,515
004	Longevity	\$4,696	\$5,212	\$6,472
005	Social Security	\$33,624	\$39,564	\$47,802
006	Retirement	\$43,210	\$45,357	\$61,949
007	Group Insurance	\$83,672	\$77,000	\$78,000
010	Travel & Training	\$8,237	\$13,239	\$22,481
011	Local Meeting Expenses	\$417	\$420	\$1,370
012	Certification Pay	\$4,986	\$7,800	\$28,750
014	Other Pay	\$14	\$1,300	\$1,300
Total Personnel Services		\$666,592	\$692,759	\$857,573
101	Office Supplies	\$1,051	\$2,700	\$3,000
102	Small Tools and Equipment	\$14,794	\$3,670	\$4,295
103	Chemical & Medical Supplies	\$134,712	\$161,520	\$187,000
104	Fuel and Oil Supplies	\$7,271	\$10,964	\$10,600
105	Food Supplies	\$488	\$900	\$850
106	Janitorial Supplies	\$2,318	\$3,199	\$3,364
107	Wearing Apparel	\$3,571	\$6,025	\$3,700
108	Other Supplies	\$906	\$1,100	\$1,200
109	Fuel - Not City Garage	\$19	\$600	\$600
110	Postage	\$14,039	\$9,470	\$7,370
111	Computer Hardware	\$0	\$3,200	\$0
112	Computer Software	\$0	\$300	\$0
118	Sign Materials and Supplies	\$560	\$600	\$1,200
132	Seed, Sod and Plantings	\$0	\$100	\$100
133	Sand and Gravel	\$0	\$0	\$200
134	Top Soil and Fill Materials	\$0	\$200	\$1,000
Total Supplies and Materials		\$179,728	\$204,548	\$224,479

Water and Sewer Fund - Water Production



Water Production Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
201	Land Maintenance	\$406	\$700	\$700
202	Building and Structure Maintenance	\$250,792	\$12,300	\$12,120
204	Parts - City Garage	\$1,240	\$1,200	\$1,800
205	Office Equipment Maintenance	\$0	\$500	\$0
206	Instruments/Apparatus Maintenance	\$35,854	\$45,300	\$53,300
207	Street and Drainage	\$0	\$2,500	\$2,500
208	Traffic Control Device	\$0	\$100	\$120
209	Irrigation System Maintenance	\$842	\$0	\$0
210	Water System	\$131,956	\$134,140	\$147,590
211	Wastewater System	\$0	\$850	\$850
212	Repairs - Not City Garage	\$1,334	\$3,168	\$3,402
217	Software Maintenance Agreement	\$0	\$0	\$22,650
Total Maintenance and Repairs		\$422,425	\$200,758	\$245,032
301	Phone Service	\$1,911	\$2,094	\$3,066
302	Light and Power	\$331,322	\$336,000	\$360,000
303	Natural Gas	\$1,179	\$1,320	\$780
304	Water and Sewer	\$1,348	\$1,440	\$1,320
306	Special Services	\$17,930	\$29,425	\$43,875
308	Cable/Satellite	\$0	\$0	\$609
311	Network Services	\$0	\$0	\$540
313	Hire of Equipment	\$803	\$1,300	\$1,300
316	Advertising	\$0	\$600	\$600
317	Employment Physicals	\$565	\$700	\$700
Total Services		\$355,058	\$372,879	\$412,790
402	Dues and Subscriptions	\$1,422	\$1,554	\$2,994
405	Other Charges	\$35,392	\$59,375	\$45,000
Total Other Expenses		\$36,814	\$60,929	\$47,994
504	Machinery, Tools and Equipment	\$5,425	\$0	\$0
506	Instruments/Apparatus	\$3,674	\$14,150	\$12,707
510	Water System	\$73	\$0	\$0
Total Capital Outlay		\$9,172	\$14,150	\$12,707
Department Total		\$1,669,789	\$1,546,023	\$1,800,575



Utilities Construction provides 24/7 construction support for the City's water and wastewater infrastructure.



DEPARTMENT RESPONSIBILITIES

- Construction, maintenance and repair - responsible for the construction, maintenance and repair of city water and wastewater infrastructure
- Fire hydrants - responsible for installation, maintenance and repair of fire hydrants

DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Responded to 2,283 service calls
- Repaired 188 water system leaks
- Replaced 1,610 feet of undersized water mains
- Conducted an annual service and inspection for all 1,410 city fire hydrants
- Installed 950 feet of new water mains in order to loop 3 dead end water mains in the distribution system. The looping saves thousands of gallons of water annually that were needed to flush the dead end lines.



FY2017 OBJECTIVES

Maintain and upgrade public infrastructure by:

- Replacing under size water mains
- Upgrading control valves in the distribution system
- Continuing the valve exercising program

DID YOU KNOW?

Calling 811 before you dig is not only the safe thing to do, it's the law. The city is part of Texas811, a line locate coordination service. Within 48 hours of your call, we will mark the dig location for any city lines in the area.



Utility Construction - Performance Measures

Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Construction/ Maintenance/ Repair	Customer service calls	2,166	2,200	574	570	554	1,698
	% of customer service calls responded to within 24 hours	96%	95%	95%	97%	98%	97%
	Water main leak/break calls	160	150	38	34	19	91
	% of water main leaks responded to within 24 hours	100%	100%	100%	100%	100%	100%
	Man-hours for distribution system point repairs	11,200	11,200	2,900	2,900	2,900	8,700
	Linear footage of water main replaced	1,560	500	20	38	158	216
	Linear footage of new water mains constructed in-house	1,563	1,500	620	15	400	1,035
Fire Hydrants	# of new fire hydrants installed	1	5	0	0	1	1
	# of fire hydrants replaced	2	5	1	0	1	2
	# of fire hydrants repaired	202	250	65	41	37	143
	Total # of fire hydrants in system	1,409	1,415	1,411	1,411	1,412	1,411

Utility Construction - Personnel Count

Position Title	Construction/ Maintenance/ Repair	Fire Hydrants	FY2017 Total
Utility Construction Superintendent	0.80	0.20	1.00
Heavy Equipment Operator	2.50	0.50	3.00
Distribution/Collection Operator	4.00	1.00	5.00
Total FTEs	7.30	1.70	9.00



Water and Sewer Fund - Utility Construction

Utility Construction Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$329,642	\$347,922	\$359,008
002	Overtime	\$18,985	\$29,363	\$27,836
004	Longevity	\$4,536	\$4,872	\$5,292
005	Social Security	\$23,905	\$29,702	\$29,987
006	Retirement	\$31,227	\$34,050	\$38,862
007	Group Insurance	\$68,456	\$63,000	\$58,500
010	Travel & Training	\$3,631	\$2,530	\$2,910
011	Local Meeting Expenses	\$208	\$320	\$360
012	Certification Pay	\$1,907	\$2,200	\$9,200
013	Other Pay	\$29	\$3,900	\$3,900
Total Personnel Services		\$482,527	\$517,859	\$535,855
101	Office Supplies	\$1,024	\$550	\$549
102	Small Tools and Equipment	\$6,691	\$9,582	\$15,440
103	Chemical & Medical Supplies	\$699	\$500	\$560
104	Fuel and Oil Supplies	\$15,165	\$22,565	\$18,990
105	Food Supplies	\$1,293	\$1,580	\$1,642
106	Janitorial Supplies	\$283	\$500	\$500
107	Wearing Apparel	\$4,013	\$7,200	\$7,200
108	Other Supplies	\$158	\$0	\$0
109	Fuel - Not City Garage	\$249	\$460	\$264
110	Postage	\$0	\$100	\$0
133	Sand and Gravel	\$2,954	\$4,250	\$5,150
134	Top Soil and Fill Material	\$500	\$500	\$500
Total Supplies and Materials		\$33,028	\$47,787	\$50,795
201	Land Maintenance	\$123	\$200	\$230
202	Building and Structure Maintenance	\$7,269	\$550	\$528
204	Parts - City Garage	\$10,950	\$10,550	\$13,400
205	Office Equipment Maintenance	\$0	\$0	\$200
206	Instruments/Apparatus Maintenance	\$647	\$500	\$450
207	Street and Drainage	\$25,770	\$22,000	\$22,930
208	Traffic Control Device	\$426	\$2,250	\$5,410
210	Water System	\$60,027	\$63,200	\$63,200
211	Wastewater System	\$3,460	\$5,250	\$5,800
212	Repairs - Not City Garage	\$1,003	\$6,814	\$7,248
Total Maintenance and Repairs		\$109,674	\$111,314	\$119,396

Water and Sewer Fund - Utility Construction



Utility Construction Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$1,173	\$1,428	\$1,500
Total Services		\$1,173	\$1,428	\$1,500
401	Certificates, Awards Etc	\$111	\$0	\$0
402	Dues and Subscriptions	\$540	\$1,344	\$1,344
Total Other Expenses		\$651	\$1,344	\$1,344
504	Machinery, Tools and Equipment	\$0	\$0	\$7,700
510	Water System	\$90,437	\$75,000	\$75,300
511	Wastewater System	\$14,867	\$15,000	\$15,000
Total Capital Outlay		\$105,304	\$90,000	\$98,000
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Department Total		\$732,357	\$769,732	\$806,890



Water Reclamation collects and treats wastewater so that it can be reused for irrigation purposes or released back into Texas water, meeting all environmental and regulatory requirements.



DEPARTMENT RESPONSIBILITIES

- **Wastewater collection and treatment** - responsible for treating wastewater through biological, chemical and filtration processes so that it meets all TCEQ and EPA standards and can be reused for irrigation or discharged back into Texas waterways
- **Plant maintenance and repair** - responsible for operation, maintenance and repair of the Water Reclamation Treatment Facility
- **Collection system** - responsible for the maintenance and repair of 227 miles of collection lines, 3,168 sewer manholes and 25 lift stations
- **Reclaimed water distribution** - responsible for the maintenance and repair of the reclaimed water distribution pumps and piping system



DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Completed a \$2.5 million project that included installation of a new clarifier and new master control center for all electrical operations at the water reclamation plant
- Completed and put into operation a new \$6.2 million lift station, Jefferson Lift Station.
- Treated 759 million gallons of wastewater
- Dewatered and transported 722 dry metric tons of digested sludge
- Distributed 142 millions gallons of reclaimed water

FY2017 OBJECTIVES

Deliver quality municipal services by:

- Treating 760+ million gallons of wastewater
- Dewatering and transporting 700+ dry tons of sludge
- Distributing 200+ million gallons of reclaimed water

Maintain and upgrade public infrastructure by:

- Beginning bid and construction phase of reclaimed water storage pond.

DID YOU
KNOW?

“Flushable wipes” aren’t so flushable. These products do not degrade easily leading to clogged lines, overflows and pump problems. Please put wipes in the trash instead of the toilet.



Water Reclamation - Performance Measures

Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Collection/ Treatment	Average daily wastewater treatment (MG)	2.04	2.40	2.45	2.70	2.73	2.63
Plant maintenance and repair	Man-hours for lift station/WWTP maintenance & repair	8,433	7,500	1,620	1,730	2,050	5,400
Collection System	Sanitary sewer overflows	11	15	3	8	8	19
	% of sanitary sewer overflows responded to within 24 hours	100%	100%	100%	100%	100%	100%
	Man-hours for collection system maintenance	5,257	7,500	2,048	1,584	2,165	5,797
	SCADA service calls	217	150	27	16	37	80
	% of SCADA service calls responded to within 24 hours	100%	100%	100%	100%	100%	100%
	Customer service calls	141	120	21	23	26	70
	% of customer service calls responded to within 24 hours	100%	100%	100%	100%	100%	100%
	Footage of collection lines televised/inspected	29,521	50,000	28,201	16,305	25,566	70,072
	Footage of collection lines cleaned	176,894	200,000	52,126	90,162	112,728	255,016
Reclaimed Water	Average daily effluent water	0.50	0.50	0.25	0.21	0.31	0.26

Water Reclamation - Personnel Count

Position Title	Wastewater Collection/ Treatment	Plant Maintenance/ Repair	Collection System Maintenance/ Repair	Reclaimed Water Distribution	FY2017 Total
Assistant Director of Public Works	0.30	0.30	0.20	0.20	1.00
Water Reclamation Superintendent	0.30	0.30	0.20	0.20	1.00
Water Reclamation Chief Operator	0.30	0.40	0.10	0.20	1.00
Water Reclamation Inspection Tech II	0.25	0.15	0.50	0.10	1.00
Water Reclamation Maintenance Tech	0.30	0.50	1.00	0.20	2.00
Water Reclamation Operator II	0.80	1.20	1.20	0.80	4.00
Water Reclamation Operator I	0.80	1.20	1.20	0.80	4.00
Water Reclamation Technician	0.30	0.30	0.20	0.20	1.00
Total FTEs	3.35	4.35	4.60	2.70	15.00



Water and Sewer Fund - Water Reclamation

Water Reclamation Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$525,094	\$542,339	\$616,554
002	Overtime	\$49,119	\$51,790	\$54,519
004	Longevity	\$6,066	\$6,180	\$5,584
005	Social Security	\$40,858	\$46,490	\$51,175
006	Retirement	\$51,493	\$53,296	\$66,320
007	Group Insurance	\$102,180	\$98,000	\$97,500
010	Travel & Training	\$6,609	\$8,500	\$8,169
011	Local Meeting Expenses	\$556	\$400	\$600
012	Certification Pay	\$2,545	\$4,800	\$12,300
014	Other Pay	\$29	\$2,600	\$2,600
Total Personnel Services		\$784,548	\$814,395	\$915,321
101	Office Supplies	\$3,865	\$5,000	\$3,418
102	Small Tools and Equipment	\$26,816	\$18,764	\$14,025
103	Chemical & Medical Supplies	\$233,435	\$260,000	\$283,915
104	Fuel and Oil Supplies	\$18,147	\$27,050	\$25,255
105	Food Supplies	\$496	\$500	\$1,099
106	Janitorial Supplies	\$3,577	\$4,503	\$3,281
107	Wearing Apparel	\$9,846	\$8,108	\$6,959
108	Other Supplies	\$4,366	\$1,500	\$1,505
109	Fuel - Not City Garage	\$3,935	\$3,690	\$4,130
110	Postage	\$444	\$720	\$600
118	Sign Materials and Supplies	\$619	\$850	\$400
133	Sand and Gravel	\$398	\$1,000	\$0
134	Top Soil and Fill Material	\$0	\$1,000	\$1,578
Total Supplies and Materials		\$305,945	\$332,685	\$346,165
201	Land Maintenance	\$273	\$1,000	\$0
202	Building and Structure Maintenance	\$3,398	\$3,968	\$2,755
204	Parts - City Garage	\$3,390	\$6,500	\$6,500
205	Office Equipment Maintenance	\$150	\$200	\$200
206	Instruments/Apparatus Maintenance	\$59,224	\$96,263	\$79,322
207	Street and Drainage	\$528	\$12,025	\$3,625
208	Traffic Control Device	\$1,268	\$1,874	\$1,200
210	Water System	\$0	\$500	\$0
211	Wastewater System	\$91,137	\$89,090	\$77,005
212	Repairs - Not City Garage	\$2,210	\$3,115	\$2,090
217	Software Maintenance Agreement	\$0	\$0	\$1,500
Total Maintenance and Repairs		\$161,578	\$214,535	\$174,197



Water Reclamation Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$3,899	\$4,188	\$4,632
302	Light and Power	\$230,468	\$247,992	\$247,992
303	Natural Gas	\$1,849	\$2,000	\$1,998
304	Water and Sewer	\$5,330	\$6,400	\$3,200
306	Special Services	\$25,728	\$28,000	\$18,212
313	Hire of Equipment	\$4,043	\$2,200	\$540
317	Employment Physicals	\$0	\$1,500	\$2,233
Total Services		\$271,318	\$292,280	\$278,807
402	Dues and Subscriptions	\$675	\$1,825	\$1,795
405	Other Charges	\$18,539	\$21,558	\$21,558
Total Other Expenses		\$19,214	\$23,383	\$23,353
503	Vehicles	\$868	\$0	\$0
504	Machinery, Tools and Equipment	\$71,860	\$0	\$0
506	Instruments/Apparatus	\$3,674	\$0	\$11,507
511	Water Reclamation System	\$0	\$0	\$20,000
Total Capital Outlay		\$76,402	\$0	\$31,507
Department Total		\$1,619,004	\$1,677,278	\$1,769,350

The Lab provides sampling and analysis support to the Water and Water Reclamation Divisions. The Lab also responds to environmental complaints and wastewater overflows in addition to assisting in wastewater pretreatment operations.



DEPARTMENT RESPONSIBILITIES

- **Internal testing** - responsible for providing sampling and analysis support for Water Production and Water Reclamation to ensure compliance with water standards
- **External testing** - the Lab provides contract laboratory services to other water providers in the region



DEPARTMENT ACCOMPLISHMENTS

In FY2015, we:

- Performed approximately 5,800 lab tests for the Water Reclamation Plant
- Performed over 1,000 lab tests for the Water Production Plant
- Performed over 900 lab tests on public samples
- Performed approximately 450 lab tests on wastewater pretreatment samples

FY2017 OBJECTIVES

Provide quality municipal services by:

- Providing high quality water testing to Water Reclamation and Water Production
- Keeping up to date on changes in state and federal regulations on water quality
- Responding to citizens' wants by offering water testing services to local public water systems and private well owners

Be good stewards of public resources by:

- Streamlining procedures and protocols used in the laboratory to assure cost efficiency

DID YOU KNOW?

Want to save money and be healthy? Drinking the recommended 8 glasses of water per day from your tap costs approximately 50¢ annually. Drinking the same amount of bottled water costs up to \$1,400.



Laboratory - Performance Measures

Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Internal Testing	# of tests for Water Treatment Plant (incl. Special Projects: TTHM etc.)	1,038	1,200	387	151	262	800
	# of tests for Water Reclamation Plant (incl. spills)	5,779	5,000	1,428	1,358	1,314	4,100
External Testing	# of tests for public samples	911	900	246	199	202	647
	# of tests for grease trap samples	451	400	130	120	150	400
	# of tests for QC & Lab Accreditation (estimate)	5,398	5,000	1,446	1,206	1,272	3,924

Laboratory - Personnel Count

Position Title	Internal Testing	External Testing	FY2017 Total
Lab Manager	0.85	0.15	1.00
Lab Analyst	0.85	0.15	1.00
Pretreatment Specialist	0.85	0.15	1.00
Lab Assistant	0.85	0.15	1.00
Total FTEs	3.40	0.60	4.00

Utilities Laboratory
Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$142,967	\$157,747	\$163,321
002	Overtime	\$27	\$500	\$1,674
004	Longevity	\$968	\$992	\$1,220
005	Social Security	\$10,032	\$12,182	\$12,566
006	Retirement	\$12,584	\$13,965	\$16,285
007	Group Insurance	\$28,598	\$28,000	\$26,000
010	Travel & Training	\$3,146	\$2,500	\$4,000
011	Local Meeting Expenses	\$57	\$150	\$600
012	Certification Pay	\$0	\$0	\$3,600
Total Personnel Services		\$198,380	\$216,036	\$229,266
101	Office Supplies	\$1,566	\$2,362	\$2,542
102	Small Tools and Equipment	\$5,782	\$5,000	\$4,350
103	Chemical & Medical Supplies	\$21,567	\$21,000	\$24,210
104	Fuel and Oil Supplies	\$444	\$550	\$500
106	Janitorial Supplies	\$809	\$1,466	\$1,632
107	Wearing Apparel	\$933	\$1,535	\$1,510
110	Postage	\$312	\$300	\$350
Total Supplies and Materials		\$31,412	\$32,213	\$35,094
202	Building and Structure Maintenance	\$1,137	\$2,500	\$1,700
204	Parts - City Garage	\$35	\$500	\$500
206	Instruments/Apparatus Maintenance	\$9,460	\$10,525	\$10,100
210	Water System	\$1,561	\$0	\$0
212	Repairs - Not City Garage	\$23	\$55	\$95
Total Maintenance and Repairs		\$12,216	\$13,580	\$12,395
301	Phone Service	\$174	\$0	\$0
302	Light and Power	\$4,465	\$4,500	\$4,500
306	Special Services	\$5,607	\$5,000	\$4,800
317	Employment Physicals	\$230	\$350	\$375
Total Services		\$10,477	\$9,850	\$9,675
402	Dues and Subscriptions	\$1,977	\$2,010	\$2,160
Total Other Expenses		\$1,977	\$2,010	\$2,160
506	Instruments/Apparatus	\$0	\$8,500	\$6,000
Total Capital Outlay		\$0	\$8,500	\$6,000
Department Total		\$254,461	\$282,189	\$294,590



This department is used to account for expenses that benefit the entire Water and Sewer Fund, but can not be easily identified as relating to an individual department. Accordingly, the department only has budgeted expenditures with no responsibilities, accomplishments or performance measures.

Water and Sewer General Operations Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$12,075	\$0	\$0
006	Retirement	(\$27,949)	\$0	\$0
007	Group Insurance	\$18,839	\$0	\$0
008	Workers Comp Insurance	\$27,125	\$50,000	\$45,000
009	Unemployment Claims	\$0	\$5,000	\$5,000
010	Travel and Training	\$3,517	\$5,000	\$0
Total Personnel Services		\$33,607	\$60,000	\$50,000
105	Food Supplies	\$0	\$0	\$100
106	Janitorial Supplies	\$181	\$0	\$0
107	Wearing Apparel	(\$462)	\$0	\$0
Total Supplies and Materials		(\$282)	\$0	\$100
203	Maint. Contracts-Garage	\$69,519	\$69,747	\$82,469
210	Water System Maintenance	\$1,628	\$0	\$20,000
Total Maintenance and Repairs		\$71,147	\$69,747	\$102,469
306	Special Services	\$39,305	\$0	\$0
307	Insurance	\$59,526	\$65,500	\$80,000
316	Advertising	\$0	\$500	\$500
328	Bank & Credit Card Fees	\$72,249	\$74,400	\$84,000
Total Services		\$171,079	\$140,400	\$164,500
405	Other Charges	\$330	\$0	\$0
410	Contingency	\$5,000	\$269,423	\$150,000
411	Legal Contingency	\$11,354	\$75,000	\$0
Total Other Expenses		\$16,684	\$344,423	\$150,000
504	Machinery, Tools and Equipment	\$9,146	\$0	\$0
Total Capital Outlay		\$9,146	\$0	\$0
Department Total		\$301,382	\$614,570	\$467,069



Water and Sewer Fund - Non-Departmental



This department is used by Finance to account for interfund transfers. This department only has budgeted expenditures. There are no responsibilities, accomplishments or performance measures for this department.

Transfer Out - General Fund (901) for Management Fee

includes an expense allocation for these departments:

- City Council (50%)
- City Secretary (50%)
- City Attorney (50%)
- City Administration (50%)
- Finance (50%)
- Human Resources (50%)
- Engineering (50%)
- Information Technology (50%)
- Public Works Director (part of Streets Department) (50%)
- Citywide General Operation items (50%)
- GIS (80%)

Transfer Out - Debt Service (953) covers annual debt service for Water and Sewer debt

Transfer Out - W/S Capital Projects (971) includes money allocated for improvement projects

Water and Sewer Non-Departmental Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
901	Transfer Out - General Fund	\$1,802,560	\$1,920,903	\$1,899,338
919	Transfer Out - Asset Replacement	\$71,627	\$100,000	\$0
953	Transfer Out - Debt Service	\$900,000	\$950,000	\$4,042,852
971	Transfer Out - W/S Capital Projects	\$3,323,667	\$2,969,326	\$398,513
Total Transfers Out		\$6,097,854	\$5,940,229	\$6,340,703
Department Total		\$6,097,854	\$5,940,229	\$6,340,703



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**DEBT SERVICE
FUNDS**



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OVERVIEW

The city uses separate funds called Debt Service Funds in order to budget for annual principal and interest payments on outstanding debt. The General Debt Service Fund uses the modified accrual accounting method, like the General Fund. The Water and Sewer Debt Service Fund is combined with other Water and Sewer Funds for annual financial reporting and uses the full accrual method of accounting, like other enterprise funds.

The city has an AA rating from Standard & Poor's rating service for its general obligation debt. This rating indicates a high credit quality and investment grade status.

DEBT LIMITS

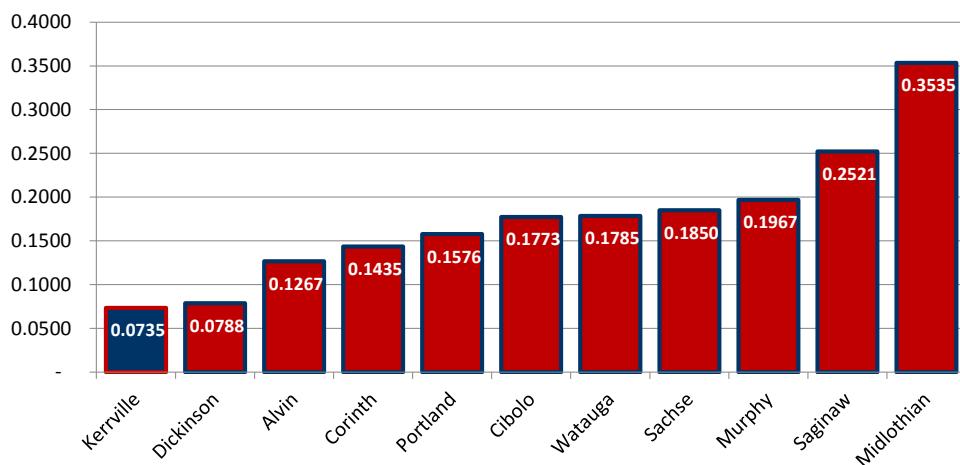
There are no dollar amount limits for tax supported debt under state law or the city's home rule charter. However, there are property tax limits that impact the amount of debt a city can issue. The Texas Constitution limits property tax for a home rule city of over 5,000 in population to not more than \$2.50 per \$100 of assessed value. Additionally, the Texas Attorney General's Administrative Code limits the debt service portion of the levy to no more than \$1.50 per \$100 of assessed value. Kerrville's \$0.5625 total tax rate is well below the \$2.50 constitutional limit. Kerrville uses \$0.0735 for debt service, much less than the \$1.50 Administrative Code limit.

Debt for the Water and Sewer Fund is limited by City Council policy. The Council has directed that annual Water and Sewer debt service not exceed 35% of the Water and Sewer Fund annual revenue. For the FY2017 budget, this limit means that debt service should be less than \$4.2 million. Actual debt service in FY2017 is 33.3% of revenue at \$4.0 million.

PROPERTY TAX - DEBT RATE PORTION

Property tax for cities is made up of two components. One part is for maintenance and operations and one part is for debt repayment. This data compares the debt portion of the property rate for Kerrville and ten similar size Texas cities, all with AA bond ratings. At \$0.0735 per \$100 of assessed value, Kerrville is the city with the lowest debt rate portion of property tax.

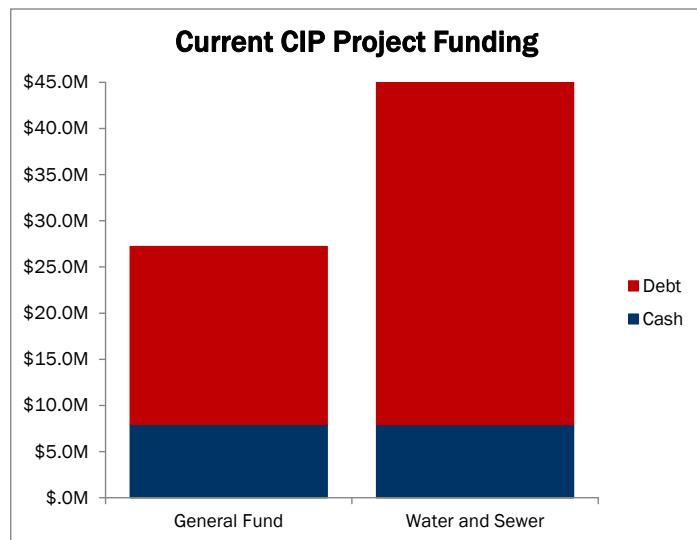
Property Tax - Debt Rate Portion





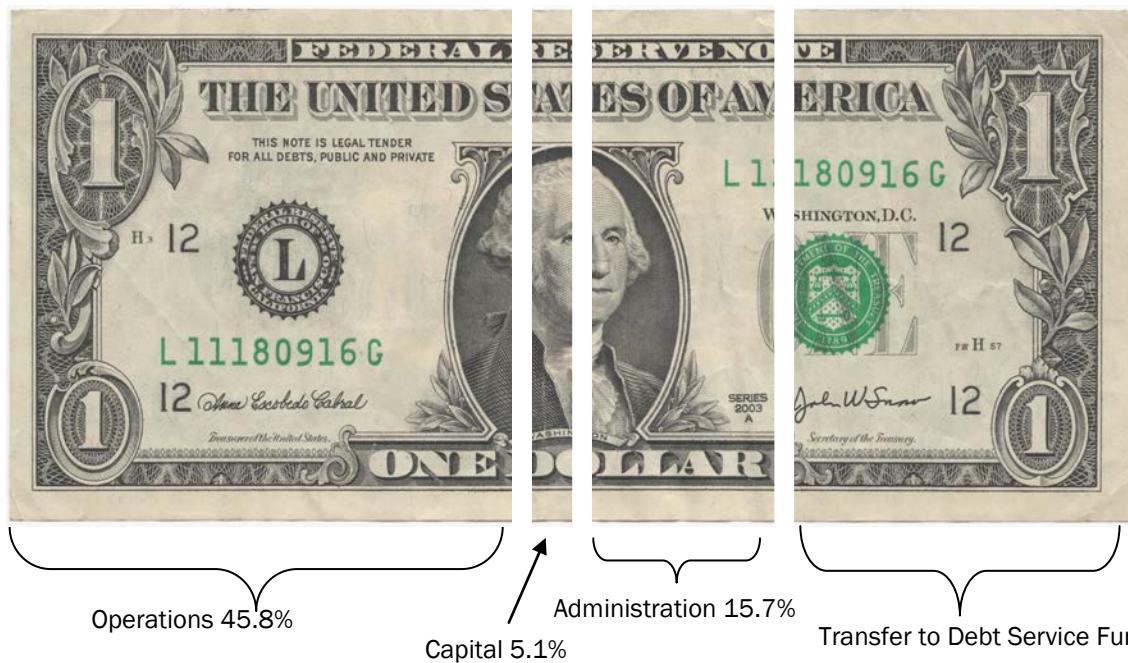
NEW DEBT

The city uses a combination of cash and debt financing for capital projects. Projects currently in process have been funded with almost \$16 million in cash, representing 22% of the total. The remaining portion is funded with debt. In FY2016, the city issued \$9.59 million in certificates of obligation and borrowed \$7.5 million from KPub, a legally separate electric utility that is reported as a discretely presented component unit of the city for financial reporting purposes.



The money will be used for water and sewer infrastructure projects including a reuse pond to store treated wastewater so that it can be used for irrigation. The new debt will be supported by revenues in the Water and Sewer Fund.

Water and Sewer Fund - Where the Revenue Goes



This chart shows that in FY2017, the Water and Sewer Fund is projected to spend 33.4% of revenue on a transfer to the debt service fund. The largest category of expense is for water and sewer operations such as the Water Production, Water Reclamation and Utility Construction departments.



GENERAL DEBT SERVICE

Recently completed projects that were financed with General Fund debt include a new city hall, major park renovations, and a 4.2 mile long River Trail. In addition, a new sports complex will open in FY2017.

Debt service is funded from primarily from property tax revenue. In addition, the Economic Improvement Corporation is contributing funds raised from 4B sales tax to pay for the River Trail and Kerrville Sports Complex related debt.

Expenditures represent both principal and interest payments for debt service. The expenditures shown below also include funding for an interfund loan between landfill funds and the general fund. The interfund loan is not part of the schedule of outstanding debt obligations.

No new General Fund debt was issued in FY2016 and none is anticipated for FY2017.

GENERAL DEBT SERVICE FUND - BUDGET SUMMARY

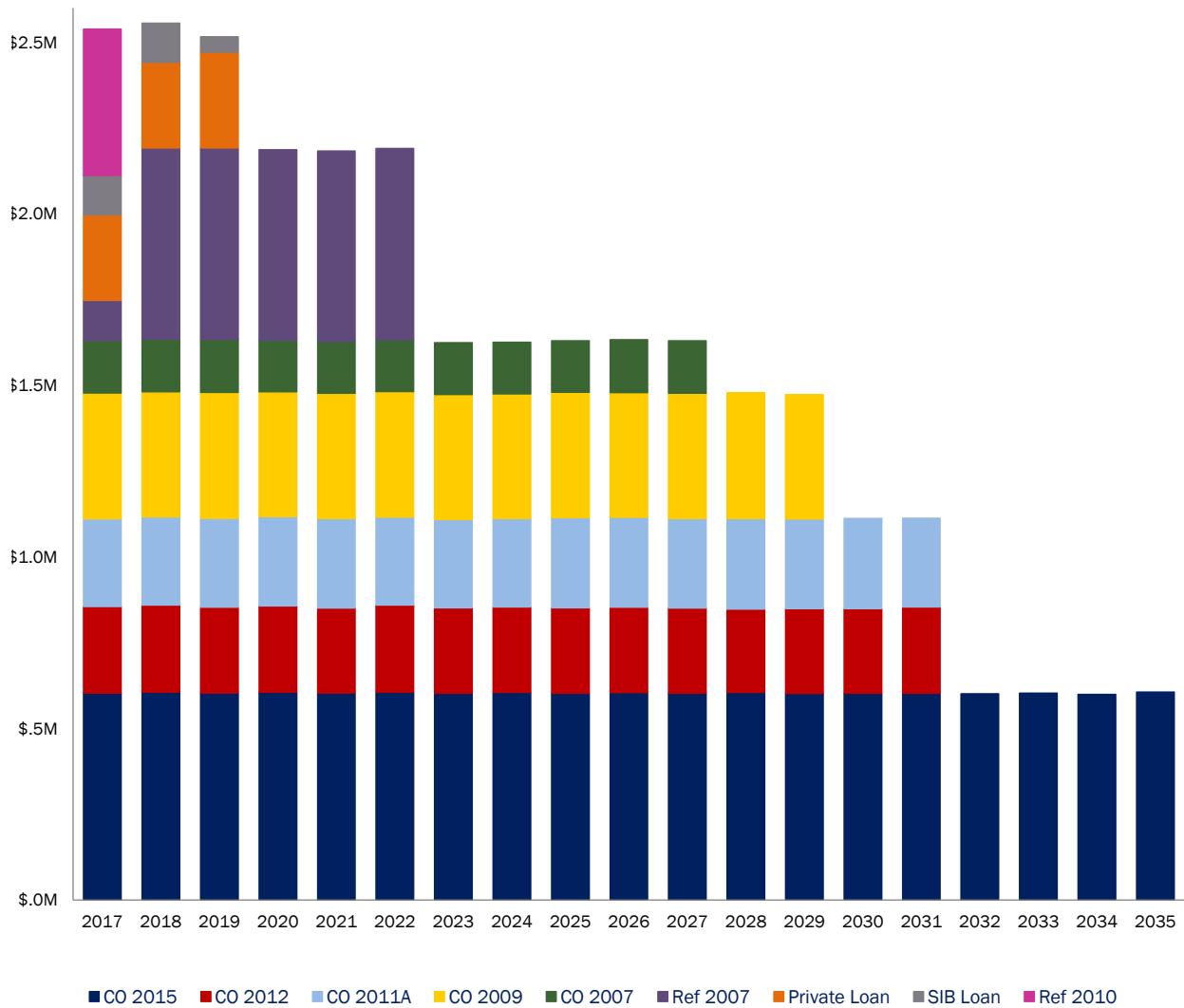
	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 1,385,583	\$ 1,324,469	\$ 1,324,469	\$1,132,497
REVENUES				
Operating Revenues	1,934,558	2,428,507	2,428,507	2,502,918
Operating Transfers In	-	-	-	66,000
TOTAL REVENUES	1,934,558	2,428,507	2,428,507	2,568,918
EXPENDITURES				
Operating Expenditures	1,913,538	2,538,344	2,538,344	2,539,651
Operating Transfers Out	82,135	82,135	82,135	82,138
TOTAL EXPENDITURES	1,995,673	2,620,479	2,620,479	2,621,789
CHANGE IN NET POSITION	(61,115)	(191,972)	(191,972)	(52,871)
ENDING FUND BALANCE	\$ 1,324,469	\$ 1,132,497	\$ 1,132,497	\$1,079,626



GENERAL DEBT SERVICE

The graph below shows annual debt service through FY2035. 2012 and 2015 certificates of obligation are supported by 4B sales tax through the Economic Improvement Corporation. Other debt is property tax supported.

General Fund Debt Service





GENERAL DEBT SERVICE

The chart below shows detail for annual debt service by issuance through 2035

General Fund Debt Schedule

	SIB Loan	Ref 2007	CO 2007	CO 2009	Ref 2010	CO 2011A	CO 2012	Private Loan	CO 2015	Total Payments
2017	\$114,322	\$116,813	\$153,033	\$366,533	\$426,666	\$255,706	\$252,630	\$250,000	\$602,950	\$2,538,651
2018	\$114,322	\$556,651	\$153,933	\$364,558		\$257,156	\$254,030	\$250,000	\$605,750	\$2,556,398
2019	\$44,055	\$557,674	\$154,633	\$367,358		\$258,506	\$250,330	\$279,881	\$603,350	\$2,515,787
2020		\$555,716	\$150,233	\$364,308		\$259,756	\$251,630		\$605,850	\$2,187,492
2021		\$555,227	\$150,733	\$365,383		\$260,906	\$247,830		\$603,150	\$2,183,228
2022		\$558,297	\$150,973	\$365,433		\$257,006	\$254,030		\$605,350	\$2,191,088
2023			\$150,950	\$364,433		\$257,806	\$249,030		\$602,350	\$1,624,569
2024			\$150,690	\$363,033		\$257,995	\$249,030		\$605,200	\$1,625,947
2025			\$150,191	\$366,133		\$262,744	\$248,904		\$602,600	\$1,630,571
2026			\$154,345	\$363,733		\$262,031	\$248,655		\$604,700	\$1,633,464
2027			\$153,150	\$365,833		\$260,913	\$248,280		\$602,463	\$1,630,638
2028				\$367,160		\$264,147	\$242,780		\$604,950	\$1,479,037
2029				\$362,544		\$261,575	\$247,280		\$602,025	\$1,473,424
2030						\$263,300	\$246,530		\$602,625	\$1,112,455
2031						\$259,463	\$251,125		\$602,775	\$1,113,363
2032									\$601,200	\$601,200
2033									\$603,481	\$603,481
2034									\$599,406	\$599,406
2035									\$606,206	\$606,206



General Fund Debt Service Fund
Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6111	Current Year Taxes	\$1,284,881	\$1,278,125	\$1,351,900
6112	Prior Year Tax	\$7,742	\$25,000	\$20,528
6115	Penalty	\$9,759	\$13,000	\$12,154
Total Taxes		\$1,302,382	\$1,316,125	\$1,384,582
6502	Foundation Grant	\$7,054	\$0	\$0
Total Grant Revenue		\$7,054	\$0	\$0
6911	Interest Revenue	\$3,716	\$3,500	\$3,600
6941	EIC - Debt Funding	\$621,406	\$1,108,882	\$1,114,736
Total Interest and Miscellaneous		\$625,122	\$1,112,382	\$1,118,336
7001	Transfer In - General Fund	\$0	\$0	\$66,000
Total Transfers In		\$0	\$0	\$66,000
TOTAL REVENUES		\$1,934,558	\$2,428,507	\$2,568,918



Debt Service Funds - General Debt Service

General Fund Debt Service Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
306	Special Services	\$623	\$500	\$1,000
Total Services		\$623	\$500	\$1,000
426-06	2007 Refunding GO Bond Expense	\$15,575	\$15,575	\$15,575
426-09	2009 CO Bond Expense	\$215,000	\$220,000	\$230,000
426-11	2010 Refunding GO Bond Expense	\$387,150	\$400,500	\$418,300
426-13	2011A CO Bond Expense	\$165,000	\$170,000	\$175,000
426-14	2012 CO Bond Expense	\$175,000	\$180,000	\$180,000
426-15	Private Loan Expense	\$250,000	\$250,000	\$250,000
426-16	2015 CO Bond Expense	\$0	\$305,000	\$360,000
426-77	2007 CO Bond Expense	\$90,000	\$95,000	\$100,000
426-91	2006 SIB Loan Expense	\$95,870	\$99,801	\$103,893
429-06	2007 Ref GO Bond Interest Expense	\$102,484	\$101,861	\$101,238
429-09	2009 CO Bond Interest Expense	\$149,808	\$143,283	\$136,533
429-11	2010 Ref GO Bond Interest Expense	\$38,559	\$24,742	\$8,366
429-13	2011A CO Bond Interest Expense	\$87,506	\$84,156	\$80,706
429-14	2012 CO Bond Interest Expense	\$79,730	\$76,230	\$72,630
429-15	Private Loan Interest Expense	\$7,054	\$0	\$0
429-16	2015 CO Bond Interest Expense	(\$24,905)	\$300,244	\$242,950
429-77	2007 CO Bond Interest Expense	\$60,633	\$56,931	\$53,032
429-91	2006 SIB Loan Interest Expense	\$18,451	\$14,521	\$10,428
Total Other Expenses		\$1,912,915	\$2,537,844	\$2,538,651
926	Transfer Out - Landfill Closure	\$37,902	\$37,902	\$37,902
928	Transfer Out - Landfill Post Closure	\$44,233	\$44,233	\$44,236
Total Transfers Out		\$82,135	\$82,135	\$82,138
TOTAL EXPENDITURES		\$1,995,673	\$2,620,479	\$2,621,789
CHANGE IN NET POSITION		(\$61,115)	(\$191,972)	(\$52,871)



WATER AND SEWER DEBT SERVICE

The City uses Water and Sewer debt to finance significant public infrastructure projects such as wells, lift stations, pump stations, transmission lines and water lines. \$9.59 million in certificates of obligation and \$7.5 million in a loan from KPUB were received in FY2016. These funds will be used for water and sewer infrastructure projects including a reuse pond to store treated wastewater to be used for irrigation.

Revenues in this fund come from transfers in from the Water and Sewer Fund. Expenditures represent both principal and interest payments for debt service.

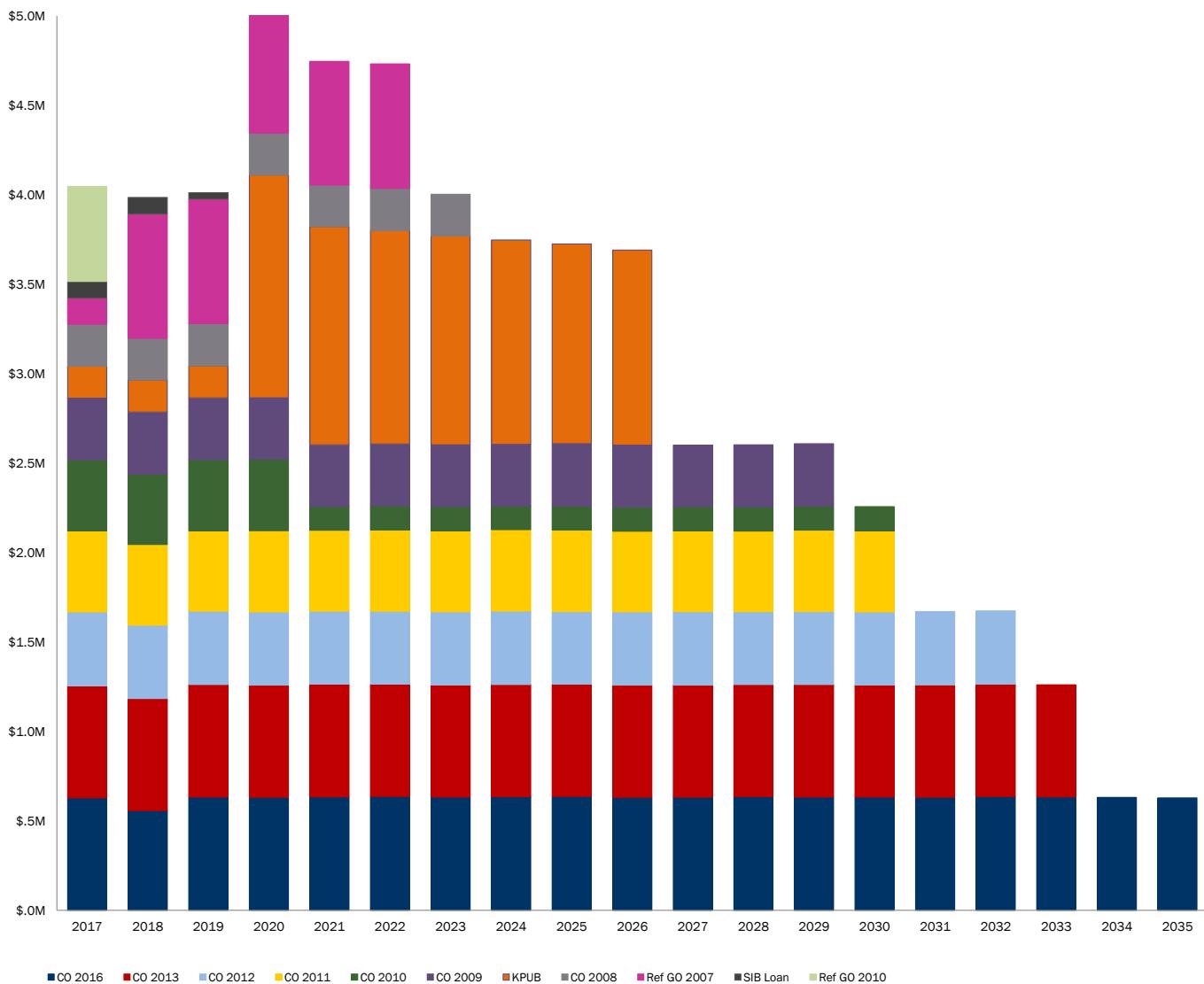
WATER AND SEWER DEBT SERVICE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 3,788,860	\$ 3,450,362	\$ 3,450,362	\$ 1,901,573
REVENUES				
Operating Revenues	1,837,019	8,500	8,500	8,400
Operating Transfers In	900,000	950,000	1,683,905	4,042,852
TOTAL REVENUES	2,737,019	958,500	1,692,405	4,051,252
EXPENDITURES				
Operating Expenditures	3,075,517	3,241,194	3,241,194	4,048,999
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	3,075,517	3,241,194	3,241,194	4,048,999
CHANGE IN NET POSITION	(338,498)	(2,282,694)	(1,548,789)	2,253
ENDING FUND BALANCE	\$ 3,450,362	\$ 1,167,668	\$ 1,901,573	\$ 1,903,826

WATER AND SEWER DEBT SERVICE

The graph below shows annual debt service including new debt issued in FY2016. The annual payment amount drops off significantly in FY2027.

Water and Sewer Fund Debt Service





WATER AND SEWER DEBT SERVICE

The chart below shows detail for annual debt service by issuance through 2035.

	SIB Loan	Ref GO 2007	CO 2008	CO 2009	CO 2010	Ref GO 2010	CO 2011	CO 2012	CO 2013	CO 2016	KPUB	Total Payments		
2017	\$93,536	\$145,688	\$232,786	\$344,250	\$396,998	\$532,134	\$454,094	\$411,115	\$628,250	\$628,150	\$180,000	\$4,046,999		
2018	\$93,536	\$694,250	\$231,625	\$347,650	\$392,698		\$451,144	\$410,415	\$626,500	\$557,050	\$180,000	\$3,984,867		
2019	\$36,045	\$695,526	\$235,298	\$345,825	\$396,673		\$450,344	\$409,615	\$629,675	\$632,750	\$180,000	\$4,011,751		
2020		\$693,084	\$233,638	\$343,263	\$400,123		\$454,144	\$408,715	\$627,700	\$630,900	\$1,245,000	\$5,036,566		
2021		\$692,474	\$231,812	\$344,863	\$133,048		\$452,344	\$407,715	\$630,650	\$633,750	\$1,219,286	\$4,745,940		
2022		\$696,303	\$234,819	\$345,475	\$134,898		\$455,144	\$406,615	\$628,450	\$636,150	\$1,193,571	\$4,731,424		
2023			\$232,493	\$345,075	\$136,573		\$452,344	\$408,865	\$626,175	\$633,100	\$1,167,857	\$4,002,481		
2024				\$344,275	\$132,822		\$454,144	\$410,865	\$627,600	\$634,750	\$1,142,143	\$3,746,599		
2025					\$347,975	\$134,073		\$455,344	\$407,615	\$627,600	\$635,950	\$1,116,429	\$3,724,985	
2026						\$346,175	\$134,873		\$450,944	\$409,240	\$627,400	\$631,450	\$1,090,714	\$3,690,795
2027						\$343,975	\$135,473		\$451,144	\$410,615	\$627,000	\$631,850		\$2,600,056
2028						\$346,113	\$135,758		\$450,744	\$406,740	\$626,400	\$635,825		\$2,601,579
2029						\$347,225	\$135,838		\$454,744	\$407,740	\$629,250	\$633,200		\$2,607,996
2030							\$135,525		\$452,944	\$408,490	\$626,763	\$632,750		\$2,256,471
2031									\$409,750	\$627,638	\$631,850		\$1,669,238	
2032									\$410,000	\$628,138	\$635,500		\$1,673,638	
2033										\$626,775	\$633,550		\$1,260,325	
2034											\$631,150		\$631,150	
2035											\$628,300		\$628,300	



Debt Service Funds - Water and Sewer Debt Service

Water and Sewer Debt Service Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6436	Water Sales - Debt Issue	\$399,140	\$0	\$0
6439	Sewer Service - Debt Issue	\$1,428,056	\$0	\$0
Total Services		\$1,827,197	\$0	\$0
6911	Interest Revenue	\$9,822	\$8,500	\$8,400
Total Interest and Miscellaneous		\$9,822	\$8,500	\$8,400
7002	Transfer In - Water and Sewer Fund	\$900,000	\$950,000	\$4,042,852
Total Transfers In		\$900,000	\$950,000	\$4,042,852
TOTAL REVENUES		\$2,737,019	\$958,500	\$4,051,252

Debt Service Funds - Water and Sewer Debt Service



Water and Sewer Debt Service Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
306	Special Services	\$1,361	\$2,000	\$2,000
Total Services		\$1,361	\$2,000	\$2,000
426-08	2008 Bond Principal	\$175,000	\$180,000	\$185,000
426-09	2009 Bond Principal	\$205,000	\$210,000	\$215,000
426-10	2010 Bond Expenditure	\$290,000	\$305,000	\$310,000
426-11	2010 Refunding Bond Expense	\$482,850	\$499,500	\$521,700
426-12	2011 Bond Expense	\$250,000	\$255,000	\$265,000
426-14	2012 Bond Expense	\$270,000	\$275,000	\$285,000
426-16	2013 Bond Expense	\$435,000	\$445,000	\$450,000
426-17	2016 CO Bond Expense	\$0	\$0	\$370,000
426-31	2006 SIB Loan Expense	\$78,439	\$81,655	\$85,003
426-86	2007 Refunding Bond Expense	\$19,425	\$19,425	\$19,425
429-08	2008 Bond Interest Expense	\$59,607	\$53,780	\$47,786
429-09	2009 Bond Interest Expense	\$141,850	\$135,625	\$129,250
429-10	2010 Bond Interest Expense	\$104,848	\$96,148	\$86,998
429-11	2010 Refunding Bond Interest Expense	\$48,091	\$30,858	\$10,434
429-12	2011 Bond Interest Expense	\$204,244	\$196,744	\$189,093
429-14	2012 Bond Interest Expense	\$137,015	\$131,615	\$126,115
429-16	2013 Bond Interest Expense	\$29,875	\$184,925	\$178,250
429-17	2016 CO Bond Interest Expense	\$0	\$0	\$258,150
429-18	KPUB Loan Interest Expense	\$0	\$0	\$180,000
429-31	2006 SIB Loan Interest Expense	\$15,097	\$11,881	\$8,533
429-86	2007 Bond Interest Expense	\$127,817	\$127,038	\$126,262
Total Other Expenses		\$3,074,156	\$3,239,194	\$4,046,999
<hr/>				
TOTAL EXPENDITURES		\$3,075,517	\$3,241,194	\$4,048,999
<hr/>				
CHANGE IN NET POSITION		(\$338,498)	(\$2,282,694)	\$2,253



**COMMUNITY
INVESTMENT
PLAN**



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WHAT IS THE COMMUNITY INVESTMENT PLAN?

The Community Investment Plan (CIP) is a 10 year planning document that matches and maximizes available funding sources with prioritized projects in a strategic, careful and impactful way to ensure that public infrastructure and facilities are appropriate and adequate to serve the needs of our citizens. The plan focuses on fiscal sustainability, from the perspective of both the funding sources and the projects.



Construction on the baseball side of the sports complex.

WHAT TYPES OF PROJECTS ARE INCLUDED IN THE COMMUNITY INVESTMENT PLAN?

Projects considered in the Community Investment Plan can be either capital improvements or capital maintenance projects as follows:

Improvement Project

- Represents a physical improvement
- Has a value of \$50,000 or more
- Has a useful life of 10 years or more
- Will be classified as a capital asset when placed into service

Maintenance or Replacement Project

- Has a value of \$50,000 or more
- Replaces or repairs existing infrastructure, equipment or facilities
- The pavement management plan adopted by City Council on March 6, 2016 is not part of the Community Investment Plan. Instead, that work is budgeted as part of the Street department operating budget in the annual General Fund budget.

HOW ARE PROJECTS PAID FOR?

Capital projects are paid for in a variety of ways including:

- Cash from General Fund or Water and Sewer Fund
- Debt (General or Water and Sewer)
- Grants
- 4B funds from the Economic Improvement Corporation



PROJECT APPROVAL PROCESS

The Community Investment Plan requires community input and involvement. Some projects, such as those necessary to provide water or sewer services are required, but some projects, such as quality of life projects, should be undertaken with specific direction from the citizens of Kerrville. The community involved project approval process with a sample timeline is as follows:

Summer 2016

Draft CIP prepared by staff and presented as part of the FY2017 budget.

January - June 2017

Citizen Committee reviews draft CIP and makes recommendations to City Council.

July - December 2017

City Council gives direction to city staff regarding projects to fund. City staff works with bond advisor to develop funding strategies and proposals.

January - March 2018

Citizen Committee reconvenes to reaffirm and revise project list.

April - June 2018

Community meetings to present prioritized projects and funding analysis.

July 2018

Community Investment Plan is finalized by the Citizen Committee after the community meetings.

August 2018

City Council votes to adopt Community Investment Plan in conjunction with FY2019 budget.

May 2019

Bond referendum for voters to decide on projects and funding recommended by Citizen Committee and adopted by City Council.

FY2020

Project design.

FY2021

Project construction.

Community Investment Plan - Current Projects

CURRENT PROJECTS

The list below details projects that are in progress in FY2016 and FY2017, but had budgets and funding approved in prior years. The project budget represents the entire cost of the project, not the expenditure expected in FY2017.

GENERAL FUND PREVIOUSLY FUNDED PROJECTS

Description	Project Budget	Funding Sources					
		Bonds		General Fund		EIC	
		Supported	Supported	Pay As You Go	Pay As You Go	EIC Pay As You Go	Est. Completion
1 Louise Hays/Lehman & Monroe Park	2,683,915		2,600,000	83,915			FY2016
2 River Trail	6,000,000		4,349,745		1,650,255		TBD
3 Riverhill Blvd	100,000			100,000			FY2016
4 Remedial Drainage Program	500,000	500,000					FY2017
5 City Hall	3,159,233	2,100,000		1,059,233			FY2016
6 PD Roof Repairs	200,000			200,000			TBD
7 City Garage Roof	42,124			42,124			FY2016
8 Landfill Permitting	500,000			500,000			FY2018
9 Library Campus Improvements	713,206			713,206			FY2017
10 Sports Complex	9,000,000		9,000,000				FY2017
11 Comprehensive Plan Update	75,000			75,000			FY2018
12 Body Cameras	113,700			113,700			FY2017
13 Slurry Seal Project	73,800			73,800			FY2016
TOTAL PREVIOUSLY FUNDED PROJECTS	23,160,978	2,600,000	15,949,745	2,960,978	1,650,255		

WATER AND SEWER FUND PREVIOUSLY FUNDED PROJECTS

Description	Project Budget	Funding Sources					
		Water & Sewer		EIC		Est. Completion	
		Debt	Pay As You Go	Pay As You Go	Pay As You Go	Completion	
1 ASR Well #3	1,347,908	1,303,000			44,908		FY2017
2 Jefferson Lift Station	6,389,792	6,289,792	100,000				FY2016
3 Ridgewood Transmission Line	3,625,000	3,525,000	100,000				FY2016
4 WWTP Clarifier/MCC Improvements	4,229,700	3,585,700	644,000				FY2016
5 UTC/Purchasing Building Design	150,000		150,000				FY2017
6 WW Building Finish Out	70,000		70,000				FY2016
7 THM/Tank Repainting	1,764,100	300,000	1,464,100				FY2017
8 Water Reclamation Facility - construction	18,800,000	15,800,000					FY2018
9 Water Reclamation Facility - design	2,800,000		2,800,000				FY2018
10 Direct Potable Reuse	179,555	104,487	47,629				FY2023
TOTAL PREVIOUSLY FUNDED PROJECTS	39,356,055	30,907,979	5,375,729	44,908			

Community Investment Plan - General Fund Projects



GENERAL FUND PROJECT FUNDING					
PROJECT FUNDING		FY2017	FY2018	FY2019	FY2020
1	Prior Year Balance		-	-	912,391
2	Certificates of Obligation - General Fund supported				10,000,000
3	Certificates of Obligation - EIC supported			8,000,000	
4	Pay As You Go - Transfer from General operating			162,391	
5	Grant / Donation / Outside Funding	500,000			165,796
TOTAL FUNDING AVAILABLE		500,000	-	8,162,391	912,391
10,178,187					

PRIORITIZED PROJECT EXPENDITURES

1	Public Safety Complex - Phase 1				9,000,000
2	Public Safety Complex - Phase 2				
3	Fire Station 3 remodel				
4	Parking Garage Repairs		500,000		
5	529 Water Street	500,000			
6	Olympic Pool Renovation (EIC debt funding)			6,000,000	
7	Downtown Streetscape (EIC debt funding)			750,000	500,000
8	KSP 50 amp RV Loop - 15 sites (EIC debt funding)				400,000
9	KROC Regional Detention Facility				500,000
10	Take It Easy RV Drainage				
11	Simulcast FD Primary Radio Channel				
12	Peterson Clock Tower Elevator Enclosure				
13	Sidewalk Project - Loop 534				
TOTAL PROJECTS		500,000	-	7,250,000	900,000
9,880,000					
REMAINING BALANCE		-	-	912,391	12,391
298,187					

EIC PROJECT FUNDING

PROJECT FUNDING		FY2017	FY2018	FY2019	FY2020	FY2021
1	Pay As You Go - EIC Funding	1,000,000	1,620,000	1,500,000		
TOTAL FUNDING AVAILABLE		1,000,000	1,620,000	1,500,000	-	-

EIC PRIORITIZED PROJECT EXPENDITURES

1	HEB Tennis Center Renovation	750,000	750,000			
2	Singing Winds Softball Complex Renovation		750,000			
3	Guadalupe Park Renovation			1,500,000		
4	Olympic Pool Renovation				TBD	
5	Downtown Streetscape	250,000	120,000			
TOTAL PROJECTS		1,000,000	1,620,000	1,500,000	-	-
-						-
REMAINING BALANCE		-	-	-	-	-

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***

Community Investment Plan - General Fund Projects

GENERAL FUND PROJECT FUNDING					
PROJECT FUNDING		FY2022	FY2023	FY2024	FY2025
1	Prior Year Balance	298,187	299,459	0	286,901
2	Certificates of Obligation - General Fund supported				5,000,000
3	Certificates of Obligation - EIC supported				
4	Pay As You Go - Transfer from General operating	1,272	700,541	286,901	8,290
5	Grant / Donation / Outside Funding			200,000	1,511
TOTAL FUNDING AVAILABLE		299,459	1,000,000	486,901	5,295,192
171,703					
PRIORITIZED PROJECT EXPENDITURES					
1	Public Safety Complex - Phase 1				
2	Public Safety Complex - Phase 2				4,000,000
3	Fire Station 3 remodel				500,000
4	Parking Garage Repairs				
5	529 Water Street				
6	Olympic Pool Renovation (EIC debt funding)				
7	Downtown Streetscape (EIC debt funding)				
8	KSP 50 amp RV Loop - 15 sites (EIC debt funding)				
9	KROC Regional Detention Facility				
10	Take It Easy RV Drainage		1,000,000		
11	Simulcast FD Primary Radio Channel				375,000
12	Peterson Clock Tower Elevator Enclosure				250,000
13	Sidewalk Project - Loop 534			200,000	
TOTAL PROJECTS		-	1,000,000	200,000	5,125,000
-					
REMAINING BALANCE					
		299,459	0	286,901	170,192
					171,703

EIC PROJECT FUNDING					
PROJECT FUNDING		FY2022	FY2023	FY2024	FY2025
1	Pay As You Go - EIC Funding				
TOTAL FUNDING AVAILABLE		-	-	-	-
EIC PRIORITIZED PROJECT EXPENDITURES					
1	HEB Tennis Center Renovation				
2	Singing Winds Softball Complex Renovation				
3	Guadalupe Park Renovation				
4	Olympic Pool Renovation				
5	Downtown Streetscape				
TOTAL PROJECTS		-	-	-	-
-					
REMAINING BALANCE					
		-	-	-	-
					-

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***

Projects for Future Funding		
1	Sports Complex Maintenance Shed	\$ 80,000
2	River Trail - West to Guadalupe Park	1,500,000
3	River Trail - Guadalupe Park to Knapp Crossing	1,500,000
4	Soccer Field Lighting at Sports Complex	100,000
5	Singing Winds Park Renovation	TBD
6	Simulcast FD primary radio channel	375,000
7	Peterson Plaza Clock Tower Elevator Enclosure	250,000
8	KSP wifi	250,000
TOTAL		\$ 4,055,000

Community Investment Plan - Water & Sewer Projects



WATER AND SEWER FUND PROJECTS					
PROJECT FUNDING		FY2017	FY2018	FY2019	FY2020
1	Prior Year Ending Balance		326,627	1,826,627	1,947,376
2	Certificates of Obligation			6,700,000	
3	KPUB Loan - funded in FY2016	7,500,000			
4	Pay As You Go - EIC Funding	1,500,000	1,500,000		
5	Pay As You Go - unallocated Fund 71	364,188			
6	Pay As You Go - balance from prior years	1,435,421			
7	Pay As You Go - Transfer from WS operating budget	398,513	600,000	750,000	75,000
8	Pay As You Go - Transfer from WS fund balance		1,000,000	1,250,000	500,000
9	Pay As You Go - Excess Debt Service Capacity				
TOTAL FUNDING AVAILABLE		11,198,122	3,426,627	10,526,627	2,522,376
					2,130,013

PRIORITIZED PROJECT EXPENDITURES

1	Water Reclamation Facility*	8,500,000			
2	Rehabilitate Conventional Plant Clarifier at WTP	683,750			
3	Rehabilitate Oxidation Ditch at WWTP	1,487,745			
4	Wastewater Collection/ Plant Master Plan Update	200,000			
5	New 5900 GPM Legion Lift Station Design		1,600,000	8,000,000	
6	Lois Tank Repaint			579,251	
7	Stadium Tank 2 Repaint				492,363
8	Water Distribution/ Plant Master Plan Update				200,000
9	Rehab RAS Pump Station				51,467
10	Knapp Wet Well & 12" Force Main				
11	Water Treatment Plant for Direct Potable Reuse				
12	15"/18"/21" Interceptors downstream of Knapp LS				
13	21" Interceptor downstream Jefferson LS				
14	12"/18" Interceptor upstream of Knapp LS				
15	1 MG Clearwell Expansion				
TOTAL PROJECTS		10,871,495	1,600,000	8,579,251	692,363
					51,467

BALANCE	326,627	1,826,627	1,947,376	1,830,013	2,078,546
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* Note: The total budget for the Water Reclamation Facility is \$21.6 million. The \$8.5 million amount shown above is part of the \$21.6 million total and represents additional costs for construction and distribution.

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***



Community Investment Plan - Water & Sewer Projects

WATER AND SEWER FUND PROJECTS					
PROJECT FUNDING		FY2022	FY2023	FY2024	FY2025
1	Prior Year Ending Balance	2,078,546	1,309,999	4,074,694	2,176,815
2	Certificates of Obligation		10,000,000		5,000,000
3	KPUB Loan - funded in FY2016				
4	Pay As You Go - EIC Funding				
5	Pay As You Go - unallocated Fund 71				
6	Pay As You Go - balance from prior years				
7	Pay As You Go - Transfer from WS operating budget	550,000	300,000		
8	Pay As You Go - Transfer from WS fund balance	1,000,000			
9	Pay As You Go - Excess Debt Service Capacity				151,476
TOTAL FUNDING AVAILABLE		3,628,546	11,609,999	4,074,694	2,176,815
					5,006,102

Prioritized Project Expenditures

1	Water Reclamation Facility*				
2	Rehabilitate Conventional Plant Clarifier at WTP				
3	Rehabilitate Oxidation Ditch at WWTP				
4	Wastewater Collection/ Plant Master Plan Update				
5	New 5900 GPM Legion Lift Station Design				
6	Stadium Tank 2 Repaint				
7	Rehab RAS Pump Station				
8	Lois Tank Repaint				
9	Knapp Wet Well & 12" Force Main	2,318,547			
10	Water Distribution/ Plant Master Plan Update				
11	Water Treatment Plant for Direct Potable Reuse		5,000,000		
12	15"/18"/21" Interceptors downstream of Knapp LS		2,535,305		
13	21" Interceptor downstream Jefferson LS			1,897,879	
14	12"/18" Interceptor upstream of Knapp LS				2,322,188
15	1 MG Clearwell Expansion				2,906,891
TOTAL PROJECTS		2,318,547	7,535,305	1,897,879	2,322,188
					2,906,891

BALANCE	1,309,999	4,074,694	2,176,815	(145,373)	2,099,211
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* Note: The total budget for the Water Reclamation Facility is \$21.6 million. The \$8.5 million amount shown above is part of the \$21.6 million total and represents additional costs for construction and distribution.

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***

Projects for Future Funding

1	Increase Filter Capacity at WWTP	\$ 5,343,154
2	12" River Crossing Water Line	1,744,846
3	12" College Cove Water Line	522,537
TOTAL		\$ 7,610,537



DETAIL PROJECT PAGES

The following pages present detail for each FY2017 project funded in the CIP. The detail provides information on funding sources and project cost by category. In addition, the detail includes estimates for the operating budget impact of the project. Note that the operating budget impact represents only the incremental or additional revenue and cost associated with the project.

COMMUNITY INVESTMENT PLAN BOOK

The city prepares a separate Community Investment Plan book that provides additional information about capital projects. The book is available on the city's website.



Community Investment Plan - 529 Water St.

CITY OF KERRVILLE

COMMUNITY INVESTMENT PLAN

PROJECT NAME:
529 Water Street
TIMELINE:
FY2017

DEPARTMENT:
Library
PROJECT RANKING:
4

DESCRIPTION:

Renovation of this historic home that was donated to the city in 2016 will include upgrades to make the home and restrooms ADA compliant, installation of central heat and air conditioning, addition of a fire suppression and alarm system as well as various plumbing, electrical and structural upgrades.



FUNDING SOURCE	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Certificate of Obligation		50,000										-
Pay as You Go		450,000										-
EIC												450,000
Other												-
TOTAL FUNDING	-	500,000	-	500,000								

PROJECT COST	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Professional Services		50,000										50,000
Land		450,000										-
Construction												450,000
Other												-
TOTAL PROJECT COST	-	500,000	-	500,000								

ADD'L OPERATING COST	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Personnel		11,409	11,751	12,103	12,467	12,841	13,226	13,623	14,031	14,452	14,886	130,787
Operations & Maintenance		5,880	11,174	11,733	12,319	12,935	13,582	14,261	14,974	15,723	16,509	129,091
TOTAL OPERATING COST	-	17,289	22,925	23,836	24,786	25,776	26,808	27,884	29,005	30,175	31,395	259,878

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***

Community Investment Plan - Water Reclamation

COMMUNITY INVESTMENT PLAN



PROJECT NAME:		DEPARTMENT:
Water Reclamation Facility - Design and Construction		Water Reclamation
TIMELINE:	January 2017 - February 2018	1

DESCRIPTION:

A reuse pond will capture effluent water leaving the Water Reclamation Plant and distribute it for irrigation uses. It is estimated that a minimum of 350 million gallons of effluent generated by the city each year goes unused. The reuse pond will conserve our water resource by capturing and using about one third of the effluent.

FUNDING SOURCE	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Certificate of Obligation	8,300,000											8,300,000
KPUB Loan	7,500,000											7,500,000
Pay as You Go	2,800,000											2,800,000
EIC												3,000,000
Other												-
TOTAL FUNDING	18,600,000	1,500,000	1,500,000	-	21,600,000							
PROJECT COST	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Professional Services	2,800,000											2,800,000
Land												-
Construction												18,800,000
Other												-
TOTAL PROJECT COST	2,800,000	15,800,000	3,000,000	-	21,600,000							
ADD'L OPERATING REVENUE	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Reuse Water Sales												1,870,000
TOTAL OPERATING REVENUE	-	-	110,000	220,000	1,870,000							
ADD'L OPERATING COST	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Personnel												40,000
Operations & Maintenance												160,000
TOTAL OPERATING COST	-	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	200,000

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***

Community Investment Plan - Clarifier

CITY OF KERRVILLE

COMMUNITY INVESTMENT PLAN



PROJECT NAME:	DEPARTMENT:
Rehabilitate Conventional WTP Plant Clarifier	Water Production
TIMELINE:	PROJECT RANKING:
FY2017	2

DESCRIPTION:

The clarifier settles solids out of the water as part of the water treatment process at the Water Treatment Plant. This project is for necessary maintenance and repair to the city's only clarifier.

FUNDING SOURCE	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Certificate of Obligation												-
Pay as You Go		683,750										683,750
EIC												-
Other												-
TOTAL FUNDING	-	683,750	-	683,750								

PROJECT COST	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Professional Services		85,469										85,469
Land												-
Construction												598,281
Other												-
TOTAL PROJECT COST	-	683,750	-	683,750								

ADD'L OPERATING COST*	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Personnel												-
Operations & Maintenance												-
TOTAL OPERATING COST	-	-	-	-	-	-	-	-	-	-	-	-

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***

*Note: Regular operating costs for the clarifier are included in the Water and Sewer budget. This project does not add costs or functionality to our existing system, so no additional costs are shown as a result of this project.

Community Investment Plan - Oxidation Ditch

CITY OF KERRVILLE

COMMUNITY INVESTMENT PLAN

PROJECT NAME:	DEPARTMENT:
Rehabilitate Oxidation Ditch at WWTP	Water Reclamation
TIMELINE:	PROJECT RANKING:
FY2017	3

DESCRIPTION:

The city's wastewater treatment process involves transferring water into an oxidation ditch where oxygen is added to the water through mixing, spraying and pushing oxygenated water to the bottom. The oxygen feeds microorganisms which naturally clean the water. The city has only one oxidation ditch. This project involves ditch cleaning and replacing baffles that push the oxygenated water to the bottom of the ditch.



FUNDING SOURCE	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Certificate of Obligation												-
Pay as You Go		1,487,745										1,487,745
EIC												-
Other												-
TOTAL FUNDING	-	1,487,745	-	1,487,745								

PROJECT COST	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Professional Services		185,968										185,968
Land												-
Construction		1,301,777										1,301,777
Other												-
TOTAL PROJECT COST	-	1,487,745	-	1,487,745								

ADD'L OPERATING COST*	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Personnel												-
Operations & Maintenance		-	-	-	-	-	-	-	-	-	-	-
TOTAL OPERATING COST	-	-	-	-	-	-	-	-	-	-	-	-

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***

*Note: Regular operating costs for the oxidation ditch are included in the Water and Sewer budget. This project does not add costs or functionality to our existing system, so no additional costs are shown as a result of this project.

CITY OF KERRVILLE

COMMUNITY INVESTMENT PLAN



PROJECT NAME:	DEPARTMENT:
Wastewater Collection/Plant Master Plan Update	Water Reclamation
TIMELINE:	FY2017
PROJECT RANKING:	4

DESCRIPTION:

Update to the city's wastewater collection/plant master plan. This plan is created by professional engineers and updated approximately every 5 years. The last update was completed in 2012. The master plan serves as a development plan for capital projects. In addition, developers use the the plan to assess wastewater system capacity.

FUNDING SOURCE	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Certificate of Obligation												-
Pay as You Go		200,000										200,000
EIC												-
Other												-
TOTAL FUNDING	-	200,000	-	200,000								

PROJECT COST	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Professional Services		200,000										200,000
Land												-
Construction												-
Other												-
TOTAL PROJECT COST	-	200,000	-	200,000								

ADD'L OPERATING COST	PRIOR YRS	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	TOTAL
Personnel												-
Operations & Maintenance												-
TOTAL OPERATING COST	-	-	-	-	-	-	-	-	-	-	-	-

*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***



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GOLF COURSE FUND



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Scott Schreiner Golf Course provides citizens and guests of Kerrville with an exceptional golf experience including excellent customer service and immaculate course conditions at a reasonable price. The Golf Course Fund is an enterprise fund.

FUND RESPONSIBILITIES

- Course operation and administration - responsible for daily operation and administration of the golf course including scheduling, tournament administration, capital improvements, lease management, marketing and financial management
- Pro shop - responsible for operating a well stocked pro shop with knowledgeable employees that provides desired inventory at a competitive price
- Course maintenance - responsible for maintaining excellent course conditions that meet United States Golf Association specifications using sustainable and recommended turf management techniques



FUND ACCOMPLISHMENTS

- Negotiated new lease agreements for golf carts and golf course mowing equipment

FY2017 OBJECTIVES

Plan, maintain and upgrade public facilities by:

- Creating a plan to manage water flow along Quinlan Creek which will specifically address issues with an aging dam next to the 15th hole tee box
- Creating a permanent wash area so that carts can be more thoroughly detailed on a daily basis
- Installing a retaining wall on the #12 green
- Extending the square footage to the Championship Tee on #14

Protect recreational resources by:

- Creating a PGA junior golf league team
- Rejuvenating the Kerrville Golf Association

DID YOU
KNOW?

Scott Schreiner Golf Course was a 9 hole course until 1979. In 1999, it was remodeled by renowned golf course architect, Joe Finger.



GOLF COURSE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 15,630	\$ 51,505	\$ 51,505	\$ 51,505
REVENUES				
Operating Revenues	783,828	965,500	965,500	962,000
Operating Transfers In	-	-	-	-
TOTAL REVENUES	783,828	965,500	965,500	962,000
EXPENDITURES				
Operating Expenditures	782,633	932,397	935,080	964,956
Operating Transfers Out		33,103	30,420	-
TOTAL EXPENDITURES	782,633	965,500	965,500	964,956
CHANGE IN NET POSITION	1,195	-	-	(2,956)
CUMULATIVE EFFECT ADJUSTMENT	34,680			
ENDING FUND BALANCE	\$ 51,505	\$ 51,505	\$ 51,505	\$ 48,549

Note: Cumulative Effect Adjustment relates to the city's adoption of a new accounting standard (GASB 68) that changes the way pension liabilities are recorded.

Golf Course - Performance Measures

Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 2016	Qtr 3 2016	YTD 2016 (or AVG)
Course Operation	Green fees	\$427,938	\$474,000	\$82,833	\$87,323	\$106,962	\$277,118
	Cart fees	\$219,329	\$297,500	\$50,322	\$53,797	\$56,119	\$160,238
	Range fees	\$25,923	\$45,000	\$3,875	\$5,759	\$7,249	\$16,883

Golf Course - Personnel Count

Position Title	Administration	Pro Shop	Maintenance	FY2017 Total
General Manager	0.80	0.10	0.10	1.00
Lead Pro Shop Attendant	0.10	0.90	0.00	1.00
Pro Shop Attendant	0.00	1.00	0.00	1.00
Maintenance Superintendent	0.10	0.00	0.90	1.00
Irrigation Specialist	0.00	0.00	1.00	1.00
Groundskeeper	0.00	0.00	5.00	5.00
Total FTEs	1.00	2.00	7.00	10.00

Note: this list does not include 6 part time pro-shop attendants



Golf Course Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6810	Green Fees	\$427,939	\$474,000	\$476,000
6815	Cart Rentals	\$219,329	\$297,500	\$294,000
6820	Membership - Dues	\$85,005	\$98,500	\$88,000
6820-01	Handicap Membership - Dues	\$0	\$0	\$5,000
6825	Private Cart Revenue	\$3,971	\$5,000	\$4,000
6827	Cart Storage Revenue	\$0	\$500	\$0
6830	Driving Range Revenue	\$25,924	\$45,000	\$45,000
6840	Golf Merchandise	\$82,098	\$100,000	\$100,000
6841	Merchandise-Tax Exempt	\$9,358	\$0	\$9,000
6845	Food Sales	\$22,570	\$25,000	\$25,000
6846	Beer Sales	\$43,173	\$50,000	\$50,000
6850	COGS - Golf Merchandise	(\$87,796)	(\$78,000)	(\$80,000)
6855	COGS - Food and Beverage	(\$17,428)	(\$20,000)	(\$20,000)
6856	COGS - Beer	(\$22,788)	(\$25,000)	(\$27,000)
6857	Donations/Prizes	(\$10,400)	(\$8,000)	(\$8,000)
6920	Timely Discount	\$1,620	\$0	\$0
6989	Miscellaneous Revenue	\$1,255	\$1,000	\$1,000
Total Interest and Miscellaneous		\$783,828	\$965,500	\$962,000
TOTAL REVENUE		\$783,828	\$965,500	\$962,000

Golf Course Fund
 Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$348,446	\$374,482	\$386,712
002	Overtime	\$280	\$0	\$0
003	Part-Time/Temporary Help	\$30,155	\$70,971	\$61,903
004	Longevity	\$4,132	\$4,380	\$4,216
005	Social Security	\$27,359	\$34,412	\$33,953
006	Retirement	\$29,477	\$39,451	\$44,003
007	Group Insurance	\$77,742	\$70,000	\$65,000
008	Workers Comp Insurance	\$2,087	\$2,500	\$2,800
010	Travel and Training	\$2,567	\$2,400	\$1,900
013	Vehicle Allowance	\$6,036	\$6,000	\$6,000
Total Personnel Services		\$528,280	\$604,596	\$606,487
101	Office Supplies	\$2,833	\$4,600	\$4,120
102	Small Tools and Equipment	\$8,433	\$14,500	\$11,922
103	Chemical and Medical Supplies	\$552	\$525	\$575
104	Fuel and Oil Supplies	\$10,517	\$18,000	\$15,480
105	Food Supplies	\$16	\$0	\$0
106	Janitorial Supplies	\$3,512	\$3,500	\$3,396
107	Wearing Apparel	\$1,170	\$1,950	\$1,600
108	Other Supplies	\$1,471	\$3,000	\$2,626
110	Postage	\$81	\$225	\$250
118	Sign Materials and Supplies	\$0	\$150	\$150
131	Fertilizer and Chemicals	\$18,671	\$25,000	\$25,000
132	Seed, Sod and Plantings	\$36	\$5,000	\$5,000
133	Sand and Gravel	\$1,834	\$5,400	\$5,400
Total Supplies and Materials		\$49,126	\$81,850	\$75,519
201	Land Maintenance	\$0	\$0	\$1,800
202	Building and Structure Maintenance	\$7,406	\$1,500	\$6,680
203	Maint. Contracts - City Garage	\$1,312	\$2,683	\$2,831
204	Parts - City Garage	\$84	\$300	\$300
205	Office Equipment Maintenance	\$0	\$200	\$0
206	Instruments/Apparatus Maintenance	\$9,719	\$12,000	\$12,000
209	Irrigation System	\$8,311	\$12,000	\$11,845
212	Repairs - Not City Garage	\$8	\$0	\$15
217	Software Maintenance	\$1,087	\$2,000	\$1,500
Total Maintenance and Repairs		\$27,925	\$30,683	\$36,971



Golf Course Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
301	Phone Service	\$1,079	\$1,224	\$1,692
302	Light and Power	\$21,814	\$28,000	\$25,000
303	Natural Gas	\$2,781	\$2,800	\$2,600
304	Water and Sewer	\$23,386	\$29,000	\$26,000
306	Special Services	\$9,889	\$3,300	\$2,500
307	Insurance	\$300	\$5,000	\$6,000
308	Cable/Satellite	\$1,703	\$1,800	\$1,800
311	Network Services	\$4,969	\$4,860	\$4,860
313	Hire of Equipment	\$0	\$2,600	\$2,600
316	Advertising	\$0	\$2,000	\$2,000
328	Credit Card Fees	\$0	\$19,560	\$17,760
387	Golf Cart Lease	\$47,592	\$51,900	\$51,900
388	Lease	\$52,267	\$52,907	\$52,507
Total Services		\$165,781	\$204,951	\$197,219
401	Certificates, Awards, Etc.	\$557	\$1,800	\$1,200
402	Dues and Subscriptions	\$1,084	\$1,200	\$2,560
404	Finance Charges/Late Fees	\$219	\$0	\$0
405	Other Charges	\$1,940	\$0	\$0
451	Tournament	\$7,721	\$10,000	\$10,000
Total Other Expenses		\$11,521	\$13,000	\$13,760
504	Machinery, Tools and Equipment	\$0	\$0	\$35,000
Total Capital Outlay		\$0	\$0	\$35,000
971	Transfer Out - Enterprise CIP	\$0	\$30,420	\$0
Total Transfers Out		\$0	\$30,420	\$0
TOTAL EXPENDITURES		\$782,633	\$965,500	\$964,956
CHANGE IN NET POSITION		\$1,195	\$0	(\$2,956)



OTHER FUNDS



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Garage

The Garage Fund is an internal service fund established to account for the costs of operating a maintenance facility for city owned vehicles and equipment. All funds with vehicles are assessed a charge for the garage.

FUND RESPONSIBILITIES

- **Maintenance** - responsible for providing routine and preventative maintenance to vehicles and equipment
- **Repair** - responsible for repairing vehicles and equipment in a timely and cost effective manner
- **Emergency response** - responsible for responding to roadside emergencies of city owned fleet
- **Fleet Management** - responsible for evaluating vehicles and equipment for planned replacement



FUND ACCOMPLISHMENTS

- Completed 464 repairs and 275 maintenance jobs in fiscal year 2015
- Performed comprehensive vehicle inspections for use in prioritizing vehicle replacement priorities

FY2016 OBJECTIVES

Plan, maintain and upgrade public infrastructure by:

- Implementing diagnostic software for large pieces of equipment to determine maintenance and repair requirements more efficiently
- Continue evaluation of vehicles and equipment for replacement or reassignment

DID YOU
KNOW?

This is not your typical garage! The city garage works on everything from lawn mowers (small engine) to fire trucks (very large engine).



GARAGE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 35,884	\$ 53,374	\$ 53,374	\$ 45,923
REVENUES				
Operating Revenues	264,719	268,259	268,259	284,375
Operating Transfers In	-	-	-	-
TOTAL REVENUES	264,719	268,259	268,259	284,375
EXPENDITURES				
Operating Expenditures	258,789	268,259	275,710	284,375
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	258,789	268,259	275,710	284,375
CHANGE IN NET POSITION	5,930	-	(7,451)	-
CUMULATIVE EFFECT ADJUSTMENT	11,560			
ENDING FUND BALANCE	\$ 53,374	\$ 53,374	\$ 45,923	\$ 45,923

Note: Cumulative Effect Adjustment relates to the city's adoption of a new accounting standard (GASB 68) that changes the way pension liabilities are recorded.

Garage Fund - Performance Measures

Responsibility	Measure	2015 Actual	2016 Bench-mark	Qtr 1 2016	Qtr 2 201	Qtr 3 2016	YTD 2016 (or AVG)
Maintenance	Maintenance service orders	236	300	62	63	73	198
Repair	Repair orders	537	500	62	70	88	220

Garage Fund - Personnel Count

Position Title	Maintenance	Repair	Fleet Mgmt	FY2017 Total
Garage Superintendent	0.33	0.33	0.34	1.00
Heavy Equipment Mechanic	0.90	0.90	0.20	2.00
Mechanic	0.45	0.45	0.10	1.00
Total FTEs	1.68	1.68	0.64	4.00



Garage Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6412	Maintenance Contracts	\$264,719	\$268,259	\$284,375
	Total Service Revenues	\$264,719	\$268,259	\$284,375
	TOTAL REVENUES	\$264,719	\$268,259	\$284,375



Other Funds - Garage Fund

Garage Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
001	Salaries and Wages	\$169,331	\$177,008	\$182,333
002	Overtime	\$0	\$500	\$300
004	Longevity	\$3,800	\$3,896	\$3,992
005	Social Security	\$12,530	\$13,927	\$13,834
006	Retirement	\$14,041	\$15,965	\$17,928
007	Group Insurance	\$32,219	\$28,000	\$26,000
008	Workers Comp Insurance	\$1,043	\$1,400	\$2,000
010	Travel and Training	\$484	\$1,500	\$900
014	Other Pay	\$0	\$650	\$325
Total Personnel Services		\$233,448	\$242,846	\$247,612
101	Office Supplies	\$0	\$450	\$450
102	Small Tools and Equipment	\$2,555	\$5,600	\$5,500
103	Chemical and Medical Supplies	\$498	\$700	\$720
104	Fuel and Oil Supplies	\$1,257	\$633	\$575
105	Food Supplies	\$197	\$300	\$300
106	Janitorial Supplies	\$1,458	\$1,200	\$1,200
107	Wearing Apparel	\$1,506	\$2,000	\$2,000
Total Supplies and Materials		\$7,470	\$10,883	\$10,745
202	Building and Structure Maintenance	\$18	\$500	\$500
204	Parts - City Garage	\$3,063	\$500	\$500
206	Instruments/Apparatus Maintenance	\$4,812	\$5,300	\$16,800
212	Repairs - Not City Garage	\$44	\$44	\$44
Total Maintenance and Repairs		\$7,936	\$6,344	\$17,844
301	Phone Service	\$462	\$576	\$624
302	Light and Power	\$2,407	\$2,700	\$2,700
303	Natural Gas	\$2,014	\$1,800	\$1,800
304	Water and Sewer	\$0	\$360	\$0
306	Special Services	\$130	\$250	\$250
307	Insurance	\$2,289	\$2,500	\$2,800
Total Services		\$7,303	\$8,186	\$8,174
402	Dues and Subscriptions	\$1,308	\$0	\$0
430	Depreciation**	\$1,323	\$0	\$0
Total Other Expenses		\$2,631	\$0	\$0
TOTAL EXPENDITURES		\$258,789	\$268,259	\$284,375
CHANGE IN NET POSITION		\$5,930	\$0	\$0

**Depreciation is a non-cash, unbudgeted item that is shown here because it impacts fund balance.



Employee Benefit Trust

The Employee Benefit Trust Fund is an internal service fund used to account for insurance payments for employee health care. Expenditures from this fund are made in accordance with Texas Insurance Code, Chapter 222, which establishes trusts for the payment of employee benefit premiums. Fund balance may be used to absorb the cost of increased premiums so that employee contributions can remain unchanged or increase at a lower rate.

EMPLOYEE BENEFIT TRUST FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 618,819	\$ 909,488	\$ 909,488	\$ 909,488
REVENUES				
Operating Revenues	3,130,651	3,200,400	3,200,400	3,123,400
Operating Transfers In	-	-	-	-
TOTAL REVENUES	3,130,651	3,200,400	3,200,400	3,123,400
EXPENDITURES				
Operating Expenditures	2,839,982	3,200,400	3,200,400	3,308,400
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	2,839,982	3,200,400	3,200,400	3,308,400
CHANGE IN NET POSITION	290,669	-	-	(185,000)
ENDING FUND BALANCE	\$ 909,488	\$ 909,488	\$ 909,488	\$ 724,488



Employee Benefit Trust Fund

The Employee Benefit Trust Fund is an internal service fund used to account for insurance payments for employee health care.

Employee Benefit Trust Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6304	City Employee Premiums	\$3,130,566	\$3,200,400	\$3,123,400
6905	Refunded Claims	\$85	\$0	\$0
TOTAL REVENUES		\$3,130,651	\$3,200,400	\$3,123,400

Employee Benefit Trust Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
306	Special Services	\$30,000	\$30,000	\$30,000
350	Group Insurance Premiums	\$2,717,227	\$3,170,400	\$3,170,400
351	Voluntary Life/AD&D Premium	\$92,571	\$0	\$108,000
352	HRA Claims	\$184	\$0	\$0
Total Services		\$2,839,982	\$3,200,400	\$3,308,400
TOTAL EXPENDITURES		\$2,839,982	\$3,200,400	\$3,308,400
CHANGE IN NET POSITION		\$290,669	\$0	(\$185,000)



Police Special Programs

The Police Special Programs Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund is dedicated for the Police department's special programs. This fund is being closed and replaced by the Police Special Revenue fund.

POLICE SPECIAL PROGRAMS FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 70,933	\$ 8,185	\$ 8,185	\$ 385
REVENUES				
Operating Revenues	125,859	-	50	-
Operating Transfers In	-	-	-	-
TOTAL REVENUES	125,859	-	50	-
EXPENDITURES				
Operating Expenditures	188,607	-	7,850	-
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	188,607	-	7,850	-
CHANGE IN NET POSITION	(62,749)	-	(7,800)	-
ENDING FUND BALANCE	\$ 8,185	\$ 8,185	\$ 385	\$ 385



Police Special Programs Fund

The Police Special Programs Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund is dedicated for the Police department's special programs. This fund is being closed and replaced by the Police Special Revenue fund.

Police Special Programs Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6907	Cash Seizures Awarded	\$125,304	\$0	\$0
6911	Interest Revenue	\$555	\$0	\$0
Total Interest and Miscellaneous		\$125,859	\$0	\$0
TOTAL REVENUES		\$125,859	\$0	\$0

Police Special Programs Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
101	Office Supplies	\$342	\$0	\$0
102	Small Tools & Equipment	\$150,017	\$0	\$0
105	Food Supplies	\$900	\$0	\$0
107	Wearing Apparel	\$554	\$0	\$0
108	Other Supplies	\$400	\$0	\$0
Total Supplies		\$152,213	\$0	\$0
405	Impress Funds	\$5,000	\$0	\$0
407	Shared Seizure Awards	\$435	\$0	\$0
Total Other Expenses		\$5,435	\$0	\$0
503	Vehicles	\$24,020	\$0	\$0
505	Office Equipment	\$6,940	\$0	\$0
Total Capital Outlay		\$30,960	\$0	\$0
TOTAL EXPENDITURES		\$188,607	\$0	\$0
CHANGE IN NET POSITION		(\$62,749)	\$0	\$0



Parkland Dedication

The Parkland Dedication Fund is a capital projects fund that allocates a portion of new construction permit revenue for the purchase and development of future parkland. Funds are reserved by location, according to whether the new construction is located east or west of Sidney Baker Street.

PARKLAND DEDICATION FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 66,505	\$ 35,174	\$ 35,174	\$ 23,274
REVENUES				
Operating Revenues	18,669	13,100	13,100	13,000
Operating Transfers In	-			
TOTAL REVENUES	18,669	13,100	13,100	13,000
EXPENDITURES				
Operating Expenditures	-	25,000	25,000	-
Operating Transfers Out	50,000	-	-	-
TOTAL EXPENDITURES	50,000	25,000	25,000	-
CHANGE IN NET POSITION	(31,331)	(11,900)	(11,900)	13,000
ENDING FUND BALANCE	\$ 35,174	\$ 23,274	\$ 23,274	\$ 36,274



Parkland Dedication Fund

No expenditures are budgeted from this fund in FY2017.

Parkland Dedication Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6242	Parkland Fee - East	\$15,700	\$9,500	\$9,500
6243	Parkland Fee - West	\$2,875	\$3,400	\$3,500
Total Permits and Fees		\$18,575	\$12,900	\$13,000
6911	Interest Revenue	\$94	\$200	\$0
Total Interest and Miscellaneous		\$94	\$200	\$0
TOTAL REVENUES		\$18,669	\$13,100	\$13,000

Parkland Dedication Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
502	Building and Structures	\$0	\$25,000	\$0
970	Transfer Out - CIP	\$50,000	\$0	\$0
TOTAL EXPENDITURES		\$50,000	\$25,000	\$0
CHANGE IN NET POSITION		(\$31,331)	(\$11,900)	\$13,000



Police Special Revenue

The Police Special Revenue Fund is a special revenue fund in the governmental funds category that accounts for revenue restricted for police related expenditures. Revenue includes distributions from the State of Texas for law enforcement officer standards and education (LEOSE). This funding must be used for law enforcement training. In addition, funds awarded to the city through a judgement of forfeiture that arises from seized cash or proceeds from the sale of seized items are recorded in this fund and must be used for law enforcement related expenditures.

POLICE SPECIAL REVENUE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ -	\$ 18,482	\$ 18,482	\$ 36,982
REVENUES				
Operating Revenues	18,482	18,500	18,500	13,720
Operating Transfers In	-	-	-	-
TOTAL REVENUES	18,482	18,500	18,500	13,720
EXPENDITURES				
Operating Expenditures	-	-	-	1,000
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	-	-	-	1,000
CHANGE IN NET POSITION	18,482	18,500	18,500	12,720
ENDING FUND BALANCE	\$ 18,482	\$ 36,982	\$ 36,982	\$ 49,702

Police Special Revenue Fund

During FY2017, the Police department is expecting to build fund balance with revenues that will be saved for future needs.

Police Special Revenue Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6905	Proceeds - Seized Items Sold	\$5,086	\$8,000	\$5,000
6907	Cash Seizures Awarded	\$4,025	\$5,000	\$4,000
6908	LEOSE Income	\$3,878	\$5,000	\$4,700
6911	Interest Revenue	\$21	\$0	\$20
6913	Confidential Funds	\$5,000	\$0	\$0
6989	Miscellaneous Revenue	\$471	\$500	\$0
Total Interest and Miscellaneous		\$18,482	\$18,500	\$13,720
TOTAL REVENUES		\$18,482	\$18,500	\$13,720

Police Special Revenue Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
010	Travel and Training	\$0	\$0	\$1,000
TOTAL EXPENDITURES		\$0	\$0	\$1,000
CHANGE IN NET POSITION		\$18,482	\$18,500	\$12,720



Library Memorial

The Library Memorial Fund is a special revenue fund in the governmental funds category that accounts for contributions from private sources that must be used for special programs or other expenses at the Butt-Holdsworth Memorial Library. An organization called Friends of the Library (FOTL) is the primary source of annual contributions.

LIBRARY MEMORIAL FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 137,161	\$ 167,818	\$ 167,818	\$ 177,818
REVENUES				
Operating Revenues	53,994	28,220	35,000	29,500
Operating Transfers In	-			
TOTAL REVENUES	53,994	28,220	35,000	29,500
EXPENDITURES				
Operating Expenditures	23,337	25,000	25,000	25,000
Operating Transfers Out	-			
TOTAL EXPENDITURES	23,337	25,000	25,000	25,000
CHANGE IN NET POSITION	30,657	3,220	10,000	4,500
ENDING FUND BALANCE	\$ 167,818	\$ 171,038	\$ 177,818	\$ 182,318



Library Memorial Fund

An organization called Friends of the Library (FOTL) is the primary source of annual contributions for the Library Memorial fund.

Library Memorial Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6501	Friends of the Library (FOTL) Contribution	\$25,000	\$25,000	\$25,000
Total Grant		\$25,000	\$25,000	\$25,000
6911	Interest Revenue	\$428	\$100	\$2,000
6921	Donations	\$27,186	\$1,440	\$1,500
6966	Oil and Gas Revenue	\$1,380	\$1,680	\$1,000
Total Interest and Miscellaneous		\$28,994	\$3,220	\$4,500
TOTAL REVENUES		\$53,994	\$28,220	\$29,500

Library Memorial Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
108-02	FOTL Youth Materials	\$3,123	\$3,500	\$3,600
Total Supplies and Materials		\$3,123	\$3,500	\$3,600
306-02	FOTL Youth Performers	\$3,332	\$4,200	\$4,200
316-02	FOTL Advertising	\$139	\$400	\$400
Total Services		\$3,471	\$4,600	\$4,600
405	Donation Expense	\$85	\$150	\$150
Total Other Expenses		\$85	\$150	\$150
512-02	FOTL Books and Records	\$16,658	\$16,750	\$16,650
Total Capital Outlay		\$16,658	\$16,750	\$16,650
TOTAL EXPENDITURES		\$23,337	\$25,000	\$25,000
CHANGE IN NET POSITION		\$30,657	\$3,220	\$4,500



HOT Reserve

The HOT Reserve Fund is a special revenue fund in the governmental funds category that accounts for funds that originated from hotel occupancy tax and will be used for activities or projects that promote tourism in Kerrville.

HOT RESERVE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 379,891	\$ 380,881	\$ 380,881	\$ 381,481
REVENUES				
Operating Revenues	990	600	600	800
Operating Transfers In	-	-		
TOTAL REVENUES	990	600	600	800
EXPENDITURES				
Operating Expenditures	-	-	-	-
Operating Transfers Out	-	-		
TOTAL EXPENDITURES	-	-	-	-
CHANGE IN NET POSITION	990	600	600	800
ENDING FUND BALANCE	\$ 380,881	\$ 381,481	\$ 381,481	\$ 382,281

HOT Reserve Fund

The HOT Reserve Fund is a special revenue fund in the governmental funds category that accounts for funds that originated from hotel occupancy tax and will be used for activities or projects that promote tourism in Kerrville.

HOT Reserve Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6911	Interest Revenue	\$990	\$600	\$800
	TOTAL REVENUES	\$990	\$600	\$800

HOT Reserve Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
	TOTAL EXPENDITURES	\$0	\$0	\$0
	CHANGE IN NET POSITION	\$990	\$600	\$800



General Asset Replacement

The General Asset Replacement Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund is dedicated for the replacement of General Fund capital items such as fleet vehicles, heavy equipment, and IT purchases.

The excess budget transfer in FY2017 will be used toward a fire engine that will be purchased in a subsequent year.

GENERAL ASSET REPLACEMENT FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 82,444	\$ 210,700	\$ 210,700	\$ 210,900
REVENUES				
Operating Revenues	1,021,924	200	200	200
Operating Transfers In	312,000	200,000	200,000	886,773
TOTAL REVENUES	1,333,924	200,200	200,200	886,973
EXPENDITURES				
Operating Expenditures	1,205,668	200,000	200,000	568,000
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	1,205,668	200,000	200,000	568,000
CHANGE IN NET POSITION	128,256	200	200	318,973
ENDING FUND BALANCE	\$ 210,700	\$ 210,900	\$ 210,900	\$ 529,873



General Asset Replacement Fund

The General Asset Replacement Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. Anticipated expenditures in FY2017 include vehicle and equipment purchases for Police, Building Services, Engineering, and Streets as well as an ambulance remount.

General Asset Replacement Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6502	Cailloux Loan	\$995,355	\$0	\$0
Total Grant Revenue		\$995,355	\$0	\$0
6911	Interest	\$280	\$200	\$200
6989	Miscellaneous Revenue	\$26,289	\$0	\$0
Total Interest and Miscellaneous		\$26,569	\$200	\$200
7001	Transfer from General Fund	\$312,000	\$200,000	\$886,773
Total Transfers In		\$312,000	\$200,000	\$886,773
<hr/>				
TOTAL REVENUES		\$1,333,924	\$200,200	\$886,973

General Asset Replacement Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
102	Small Tools and Equipment	\$53,005	\$0	\$0
Total Supplies and Materials		\$53,005	\$0	\$0
202	Building and Structure Maintenance	(\$3)	\$0	\$0
Total Maintenance and Repairs Expenses		(\$3)	\$0	\$0
503	Vehicles	\$1,152,666	\$200,000	\$485,000
504	Machinery, Tools and Equipment	\$0	\$0	\$83,000
Total Capital Outlay		\$1,152,666	\$200,000	\$568,000
<hr/>				
TOTAL EXPENDITURES		\$1,205,668	\$200,000	\$568,000
<hr/>				
CHANGE IN NET POSITION		\$128,256	\$200	\$318,973

Water and Sewer Asset Replacement

The Water and Sewer Asset Replacement Fund is an enterprise fund dedicated for the replacement of Water and Sewer Fund capital items such as fleet vehicles, heavy equipment, and IT purchases.

WATER AND SEWER ASSET REPLACEMENT FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 466,690	\$ 469,743	\$ 469,743	\$ 371,989
REVENUES				
Operating Revenues	1,520	1,000	1,000	750
Operating Transfers In	100,000	100,000	100,000	-
TOTAL REVENUES	101,520	101,000	101,000	750
EXPENDITURES				
Operating Expenditures	98,467	198,754	198,754	-
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	98,467	198,754	198,754	-
CHANGE IN NET POSITION	3,053	(97,754)	(97,754)	750
ENDING FUND BALANCE	\$ 469,743	\$ 371,989	\$ 371,989	\$ 372,739

Water and Sewer Asset Replacement Fund

The General Asset Replacement Fund is an enterprise fund dedicated for the replacement of capital items in the General Fund such as fleet vehicles, heavy equipment, and IT purchases.

Water and Sewer Asset Replacement Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6911	Interest	\$1,520	\$1,000	\$750
Total Interest and Miscellaneous		\$1,520	\$1,000	\$750
7002	Transfer from Water/Sewer Fund	\$100,000	\$100,000	\$0
Total Transfers In		\$100,000	\$100,000	\$0
TOTAL REVENUES		\$101,520	\$101,000	\$750

Water and Sewer Asset Replacement Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
503	Vehicles	\$41,666	\$83,000	\$0
504	Machinery, Tools and Equipment	\$56,801	\$115,754	\$0
Total Capital Outlay		\$98,467	\$198,754	\$0
TOTAL EXPENDITURES		\$98,467	\$198,754	\$0
CHANGE IN NET POSITION		\$3,053	(\$97,754)	\$750



Hotel Occupancy Tax

The Hotel Occupancy Tax Fund is a special revenue fund in the governmental funds category that accounts for revenues and expenditures related to the hotel/motel occupancy tax received by the city. Money in this fund must be used to promote the convention and tourism industry in Kerrville.

HOTEL OCCUPANCY TAX FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 431,116	\$ 549,884	\$ 549,884	\$ 557,714
REVENUES				
Operating Revenues	1,081,305	1,018,830	1,018,830	1,098,821
Operating Transfers In	-	-		
TOTAL REVENUES	1,081,305	1,018,830	1,018,830	1,098,821
EXPENDITURES				
Operating Expenditures	962,537	1,011,000	1,011,000	1,070,000
Operating Transfers Out	-	-	-	
TOTAL EXPENDITURES	962,537	1,011,000	1,011,000	1,070,000
CHANGE IN NET POSITION	118,768	7,830	7,830	28,821
ENDING FUND BALANCE	\$ 549,884	\$ 557,714	\$ 557,714	\$ 586,535



Hotel Occupancy Tax Fund

The Hotel Occupancy Tax Fund is a special revenue fund in the governmental funds category that accounts for revenues and expenditures related to the hotel/motel occupancy tax received by the city. Money in this fund must be used to promote the convention and tourism industry in Kerrville.

Hotel Occupancy Tax Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6116	Occupancy Tax	\$1,080,836	\$1,018,330	\$1,097,821
Total Tax Revenue		\$1,080,836	\$1,018,330	\$1,097,821
6911	Interest Revenue	\$469	\$500	\$1,000
Total Interest and Miscellaneous		\$469	\$500	\$1,000
TOTAL REVENUE		\$1,081,305	\$1,018,830	\$1,098,821

Hotel Occupancy Tax Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
312	Audit/Administration	\$13,327	\$10,000	\$10,000
316	Advertising/Promotion	\$851,000	\$851,000	\$875,000
Total Services		\$864,327	\$861,000	\$885,000
405	Other Charges	\$50,000	\$50,000	\$50,000
470	Special Events	\$48,210	\$100,000	\$125,000
Total Other Expense		\$98,210	\$150,000	\$175,000
502	Buildings and Structures	\$0	\$0	\$10,000
Total Capital Outlay		\$0	\$0	\$10,000
TOTAL EXPENDITURES		\$962,537	\$1,011,000	\$1,070,000
CHANGE IN NET POSITION		\$118,768	\$7,830	\$28,821



PEG Special Revenue

PEG is an acronym for public, educational and governmental access television channels. PEG Special Revenue Fund is a special revenue fund in the governmental funds category that accounts for franchise fee revenue received from cable providers that is restricted for use on capital expenditures which directly support PEG access channel facilities.

PEG SPECIAL REVENUE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ -	\$ (2,979)	\$ (2,979)	\$ 21
REVENUES				
Operating Revenues	50,892	50,000	50,000	50,000
Operating Transfers In	-			
TOTAL REVENUES	50,892	50,000	50,000	50,000
EXPENDITURES				
Operating Expenditures	53,871	50,000	47,000	50,000
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	53,871	50,000	47,000	50,000
CHANGE IN NET POSITION	(2,979)	-	3,000	-
ENDING FUND BALANCE	\$ (2,979)	\$ (2,979)	\$ 21	\$ 21



PEG Special Revenue Fund

Revenues in this fund consist of quarterly franchise fee payments from Time Warner. Expenditures are for broadcast related equipment.

P.E.G. Special Revenue Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6126	PEG Franchise Fee	\$50,887	\$50,000	\$50,000
Total Tax Revenue		\$50,887	\$50,000	\$50,000
6911	Interest Revenue	\$5	\$0	\$0
Interest And Miscellaneous		\$5		\$0
TOTAL REVENUE		\$50,892	\$50,000	\$50,000

P.E.G. Special Revenue Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
102	Small Tools and Equipment	\$13,527	\$30,000	\$0
111	Computer Upgrades	\$5,548	\$20,000	\$0
Total Supplies and Materials		\$19,075	\$50,000	\$0
205	Office Equipment Maintenance	\$3,472	\$0	\$0
Total Maintenance and Repairs		\$3,472	\$0	\$0
311	Network Services	\$8,185	\$0	\$0
Total Services		\$8,185	\$0	\$0
505	Office Equipment	\$23,139	\$0	\$50,000
Total Capital Outlay		\$23,139	\$0	\$50,000
TOTAL EXPENDITURES		\$53,871	\$50,000	\$50,000
CHANGE IN NET POSITION		(\$2,979)	\$0	\$0



Municipal Court Special Revenue

Municipal Court Special Revenue Fund is a special revenue fund in the governmental funds category that accounts for fees received by the court that are restricted for either court technology or court security expenditure.

MUNICIPAL COURT SPECIAL REVENUE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ -	\$ 15,217	\$ 15,217	\$ 28,217
REVENUES				
Operating Revenues	15,217	13,000	13,000	15,000
Operating Transfers In	-	-	-	-
TOTAL REVENUES	15,217	13,000	13,000	15,000
EXPENDITURES				
Operating Expenditures	-	-	-	-
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
CHANGE IN NET POSITION	15,217	13,000	13,000	15,000
ENDING FUND BALANCE	\$ 15,217	\$ 28,217	\$ 28,217	\$ 43,217



Municipal Court Special Revenue Fund

In FY2017, revenues are budgeted, but no expenditures are expected. The revenue will build fund balance which will be used for municipal court technology and security related expenditures in future years.

Municipal Court Special Revenue Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6628	Court Technology Fee	\$8,691	\$7,500	\$8,550
6629	Court Security Fee	\$6,514	\$5,500	\$6,450
Total Tax Revenue		\$15,205	\$13,000	\$15,000
6911	Interest Revenue	\$12	\$0	\$0
Total Intrest and Miscellaneous		\$12	\$0	\$0
TOTAL REVENUE		\$15,217	\$13,000	\$15,000

Municipal Court Special Revenue Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
TOTAL EXPENDITURES		\$0	\$0	\$0
CHANGE IN NET POSITION		\$15,217	\$13,000	\$15,000



Landfill Closure

The Landfill Closure Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund is used to account for funds that are restricted for uses related to purchasing, developing, extending, closing or otherwise pursuing additional capacity for the city's landfill or any other method of solid waste disposal.

LANDFILL CLOSURE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 498,027	\$ 643,423	\$ 643,423	\$ 720,765
REVENUES				
Operating Revenues	107,494	39,440	39,440	37,500
Operating Transfers In	37,902	37,902	37,902	37,902
TOTAL REVENUES	145,396	77,342	77,342	75,402
EXPENDITURES				
Operating Expenditures	-	-	-	-
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
CHANGE IN NET POSITION	145,396	77,342	77,342	75,402
ENDING FUND BALANCE	\$ 643,423	\$ 720,765	\$ 720,765	\$ 796,167



Landfill Closure Fund

The Landfill Closure Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund is used to account for funds that are restricted for uses related to purchasing, developing, extending, closing or otherwise pursuing additional capacity for the city's landfill or any other method of solid waste disposal.

Landfill Closure Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6497	Environmental Fee	\$105,973	\$37,440	\$37,500
Total Services		\$105,973	\$37,440	\$37,500
6911	Interest Revenue	\$1,521	\$2,000	\$0
Total Interest and Miscellaneous		\$1,521	\$2,000	\$0
7050	Transfer In - Debt Service	\$37,902	\$37,902	\$37,902
Total Transfers In		\$37,902	\$37,902	\$37,902
TOTAL REVENUE		\$145,396	\$77,342	\$75,402

Landfill Closure Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
TOTAL EXPENDITURES		\$0	\$0	\$0
NET CHANGE IN FUND BALANCE		\$145,396	\$77,342	\$75,402



Landfill Post Closure

The Landfill Post Closure Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund is used to account for funds that are restricted for post closure expenses of the Subtitle D permitted landfill that is currently accepting waste, and to provide financial assurance required by the TCEQ for the 30 year period after the landfill no longer accepts waste.

LANDFILL POST CLOSURE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$1,944,861	\$ 1,994,311	\$ 1,994,311	\$ 2,042,044
REVENUES				
Operating Revenues	5,217	3,500	3,500	4,500
Operating Transfers In	44,233	44,233	44,233	44,236
TOTAL REVENUES	49,450	47,733	47,733	48,736
EXPENDITURES				
Operating Expenditures	-	-	-	-
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
CHANGE IN NET POSITION	49,450	47,733	47,733	48,736
ENDING FUND BALANCE	\$1,994,311	\$ 2,042,044	\$ 2,042,044	\$ 2,090,780



Landfill Post Closure Fund

The Landfill Post Closure Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund is used to account for funds that are restricted for post closure expenses of the Subtitle D permitted landfill that is currently accepting waste, and to provide financial assurance required by the TCEQ for the 30 year period after the landfill no longer accepts waste.

Landfill Post Closure Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6911	Interest Revenue	\$5,217	\$3,500	\$4,500
Total Interest and Miscellaneous		\$5,217	\$3,500	\$4,500
7050	Transfer In - Debt Service	\$44,233	\$44,233	\$44,236
Total Transfers In		\$44,233	\$44,233	\$44,236
TOTAL REVENUE		\$49,450	\$47,733	\$48,736

Landfill Post Closure Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
TOTAL EXPENDITURES		\$0	\$0	\$0
NET CHANGE IN FUND BALANCE		\$49,450	\$47,733	\$48,736



Remschel-Deering History Center

The Remschel-Deering History Center Fund is a special revenue fund in the governmental funds category that accounts for the revenues and expenditure to operate the history center.

REMSCHEL-DEERING HISTORY CENTER FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 45,241	\$ 65,454	\$ 65,454	\$ 111,406
REVENUES				
Operating Revenues	65,106	30,560	58,000	60,550
Operating Transfers In	-	-	-	-
TOTAL REVENUES	65,106	30,560	58,000	60,550
EXPENDITURES				
Operating Expenditures	10,393	12,048	12,048	14,646
Operating Transfers Out	34,500	-	-	-
TOTAL EXPENDITURES	44,893	12,048	12,048	14,646
CHANGE IN NET POSITION	20,213	18,512	45,952	45,904
ENDING FUND BALANCE	\$ 65,454	\$ 83,966	\$ 111,406	\$ 157,310



Remschel-Deering History Center Fund

The Remschel-Deering History Center Fund is a special revenue fund in the governmental funds category that accounts for the revenues and expenditures to operate the history center.

History Center Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6414	Copies	\$120	\$120	\$100
6416	Internet Printing	\$192	\$300	\$250
Total Services		\$312	\$420	\$350
6901	Deering Trust Income	\$64,500	\$30,000	\$60,000
6911	Interest Revenue	\$265	\$120	\$200
6989	Miscellaneous Revenue	\$29	\$20	\$0
Total Interest and Miscellaneous		\$64,794	\$30,140	\$60,200
<hr/>				
TOTAL REVENUES		\$65,106	\$30,560	\$60,550



Remschel-Deering History Center Fund

The Remschel-Deering History Center Fund is a special revenue fund in the governmental funds category that accounts for the revenues and expenditures to operate the history center.

History Center Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
011	Local Meeting Expense	\$0	\$0	\$450
Total Personnel		\$0	\$0	\$450
101	Office Supplies	\$1,445	\$1,234	\$1,470
102	Small Tools & Equipment	\$1,698	\$20	\$400
103	Chemical & Medical Supplies	\$21	\$20	\$20
105	Food Supplies	\$358	\$0	\$0
106	Janitorial Supplies	\$1	\$15	\$50
108	Other Supplies	\$1,008	\$315	\$315
110	Postage	\$241	\$15	\$300
111	Computer Upgrades	\$0	\$0	\$1,500
Total Supplies and Materials		\$4,772	\$1,619	\$4,055
202	Building and Structure Maintenance	\$949	\$1,005	\$1,445
205	Office Equipment Maintenance	\$532	\$2,740	\$1,244
Total Maintenance and Repairs		\$1,481	\$3,745	\$2,689
301	Phone Service	\$149	\$396	\$792
302	Light and Power	\$2,110	\$2,400	\$2,700
304	Water and Sewer	\$275	\$324	\$360
306	Special Services	\$791	\$2,000	\$2,600
316	Advertising	\$476	\$564	\$0
Total Services		\$3,801	\$5,684	\$6,452
502	Building and Structures	\$0	\$0	\$0
512	Books and Records/Software	\$339	\$1,000	\$1,000
Total Capital Outlay		\$339	\$1,000	\$1,000
902	Transfer Out - General CIP	\$34,500	\$0	\$0
Total Operating Transfers		\$34,500	\$0	\$0
TOTAL EXPENDITURES		\$44,893	\$12,048	\$14,646
CHANGE IN NET POSITION		\$20,213	\$18,512	\$45,904

Cailloux Theater Endowment

The Cailloux Theater Endowment Fund is a special revenue fund in the governmental funds category for financial reporting purposes. The endowment agreement specifies that fund revenue can be used to maintain the Kathleen C. Cailloux City Center for the Performing Arts. No more than 5% of the corpus may be used annually and eligible maintenance expenses do not include maintenance for the Kit Werlein Annex.

CAILLOUX THEATER ENDOWMENT FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ 839,263
REVENUES				
Operating Revenues	-	-	839,263	5,000
Operating Transfers In	-	-	-	-
TOTAL REVENUES	-	-	839,263	-
EXPENDITURES				
Operating Expenditures	-	-	-	5,000
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
CHANGE IN NET POSITION	-	-	839,263	-
ENDING FUND BALANCE	\$ -	\$ -	\$ 839,263	\$ 839,263



Cailloux Theater Endowment Fund

The Cailloux Theater Endowment Fund is a special revenue fund in the governmental funds category for financial reporting purposes. The endowment agreement specifies that fund revenue can be used to maintain the Kathleen C. Cailloux City Center for the Performing Arts. No more than 5% of the corpus may be used annually and eligible maintenance expenses do not include maintenance for the Kit Werlein Annex.

Cailloux Theater Endowment Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6911	Interest Revenue	\$0	\$0	\$5,000
Total Interest and Miscellaneous		\$0	\$0	\$5,000
TOTAL REVENUES		\$0	\$0	\$5,000

Cailloux Theater Endowment Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
202	Building and Structure Maintenance	\$0	\$0	\$5,000
Total Maintenance and Repairs		\$0	\$0	\$5,000
TOTAL EXPENDITURES		\$0	\$0	\$5,000
CHANGE IN NET POSITION		\$0	\$0	\$0

Grant Fund

The Grant Fund is a special revenue fund reported in the governmental funds category. It is used to account for grant money received and spent.

GRANT FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 1,293	\$ 3,081	\$ 3,081	\$ 3,081
REVENUES				
Operating Revenues	386,000	-	-	42,000
Operating Transfers In	-	-	-	-
TOTAL REVENUES	386,000	-	-	-
EXPENDITURES				
Operating Expenditures	384,212	-	-	42,000
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	384,212	-	-	-
CHANGE IN NET POSITION	1,788	-	-	-
ENDING FUND BALANCE	\$ 3,081	\$ 3,081	\$ 3,081	\$ 3,081



Grant Fund

The Grant Fund is a special revenue fund reported in the governmental funds category. It is used to account for grant money received and spent. In FY2017, the Fire department anticipates receiving a grant from the Alamo Area Council of Governments that will be used to purchase a swift water rescue boat. In addition, we anticipate receiving a second grant from the Alamo Area Council of Governments that will be used for a solid waste collection event.

Grant Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6521	AACOG Boat Grant	\$0	\$0	\$27,000
6529	AACOG Grant - Solid Waste Event	\$0	\$0	\$15,000
6561	Street Department Grant	\$386,000	\$0	\$0
Total Grants		\$386,000	\$0	\$42,000
<hr/>				
TOTAL REVENUES		\$386,000	\$0	\$42,000

Grant Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
306	Special Services	\$0	\$0	\$15,000
Total Services		\$0	\$0	\$15,000
504	Machinery, Tools and Equipment	\$384,212	\$0	\$27,000
Total Capital Outlay		\$384,212	\$0	\$27,000
<hr/>				
TOTAL EXPENDITURES		\$384,212	\$0	\$42,000
<hr/>				
CHANGE IN NET POSITION		\$1,788	\$0	\$0

Insurance Reserve

The Insurance Reserve Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund accounts for losses incurred by the city for physical damages to fleet, equipment, and buildings.

INSURANCE RESERVE FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 116,991	\$ 100,527	\$ 100,527	\$ 100,527
REVENUES				
Operating Revenues	63,777	50,000	50,000	60,000
Operating Transfers In	-	-	-	-
TOTAL REVENUES	63,777	50,000	50,000	60,000
EXPENDITURES				
Operating Expenditures	80,241	50,000	50,000	60,000
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	80,241	50,000	50,000	60,000
CHANGE IN NET POSITION	(16,464)	-	-	-
ENDING FUND BALANCE	\$ 100,527	\$ 100,527	\$ 100,527	\$ 100,527



Insurance Reserve Fund

The Insurance Reserve Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund accounts for losses incurred by the city for physical damages to fleet, equipment, and buildings.

Insurance Reserve Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6904	Reimbursement - Vehicle/Equipment	\$34,824	\$25,000	\$30,000
6905	Reimbursement - Building/Structure	\$28,953	\$25,000	\$30,000
Total Interest and Miscellaneous		\$63,777	\$50,000	\$60,000
<hr/>				
TOTAL REVENUES		\$63,777	\$50,000	\$60,000

Insurance Reserve Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
202	Building and Structure Maintenance	\$35,843	\$25,000	\$30,000
212	Repairs - Not City Garage	\$44,398	\$25,000	\$30,000
Total Maintenance and Repairs		\$80,241	\$50,000	\$60,000
<hr/>				
TOTAL EXPENDITURES		\$80,241	\$50,000	\$60,000
<hr/>				
CHANGE IN NET POSITION		(\$16,464)	\$0	\$0

Main Street Program

The Main Street Program Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund accounts for special programs and projects that promote the downtown Main Street area.

MAIN STREET PROGRAM - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ -	\$ 39,780	\$ 32,450	\$ 15,120
REVENUES				
Operating Revenues	42,363	26,920	26,920	20,050
Operating Transfers In	39,780	-	-	-
TOTAL REVENUES	82,143	26,920	26,920	20,050
EXPENDITURES				
Operating Expenditures	41,439	34,250	44,250	28,361
Operating Transfers Out	-	-	-	-
TOTAL EXPENDITURES	41,439	34,250	44,250	28,361
CHANGE IN NET POSITION	40,704	(7,330)	(17,330)	(8,311)
ENDING FUND BALANCE	\$ 40,704	\$ 32,450	\$ 15,120	\$ 6,809

Other Funds - Main Street Program Fund

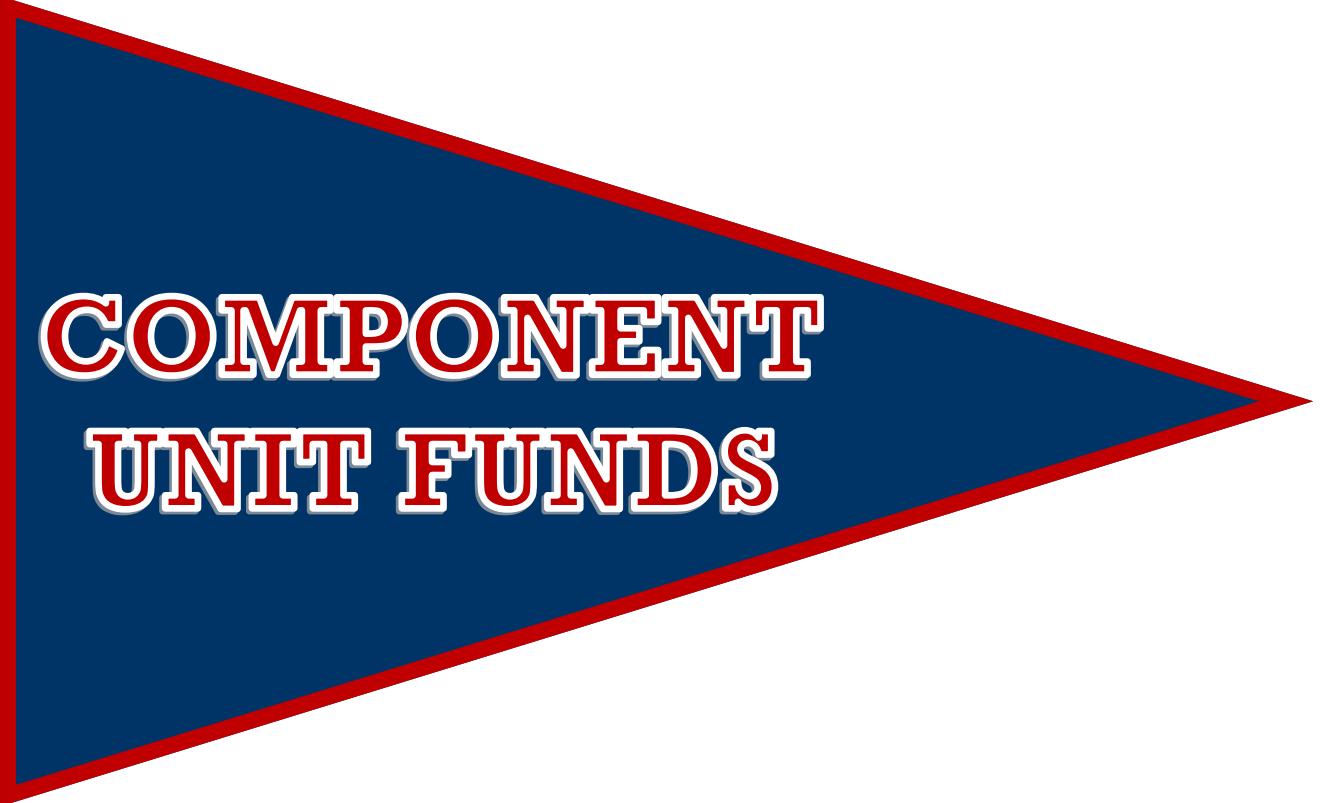


Main Street Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6908	Mardi Gras Artist Entry Fee	\$200	\$210	\$0
6911	Interest Revenue	\$102	\$0	\$0
6970	Mardi Gras Sponsorships	\$27,050	\$17,000	\$15,000
6971	Mardi Gras Ticket Sales	\$606	\$500	\$0
6972	Mardi Gras Beverage Sales	\$4,509	\$3,600	\$3,000
6973	Mardi Gras Poster Sales	\$100	\$40	\$0
6974	Mardi Gras Votes/Nominees	\$4,175	\$1,500	\$0
6975	Mardi Gras Food Sales	\$3,208	\$1,470	\$0
6980	Holiday Parade Entry Fees	\$1,713	\$1,200	\$1,200
6982	Brick Sales	\$700	\$400	\$500
6989	Miscellaneous Revenue	\$0	\$1,000	\$350
Total Interest and Miscellaneous		\$42,363	\$26,920	\$20,050
7001	Transfer In - General Fund	\$39,780	\$0	\$0
Total Transfers In		\$39,780	\$0	\$0
TOTAL REVENUES		\$82,143	\$26,920	\$20,050

Main Street Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
101	Office Supplies	\$0	\$400	\$400
102	Small Tools and Equipment	\$158	\$300	\$2,850
105	Food Supplies	\$4,492	\$4,830	
108	Other Supplies	\$12,786	\$2,725	\$2,900
110	Postage and Shipping	\$83	\$0	
132	Seed, Sod and Plants	\$0	\$1,500	
Total Supplies and Materials		\$17,519	\$9,755	\$6,150
306	Special Services	\$6,459	\$3,200	\$3,450
313	Hire of Equipment	\$9,434	\$10,453	\$11,625
316	Advertising	\$5,874	\$7,500	\$4,925
Total Services		\$21,767	\$21,153	\$20,000
401	Awards, Certificates, Etc.	\$1,342	\$1,200	\$600
402	Dues and Subscriptions	\$561	\$1,892	\$1,611
405	Other Charges	\$250	\$250	\$0
Total Other Expenses		\$2,153	\$3,342	\$2,211
TOTAL EXPENDITURES		\$41,439	\$34,250	\$28,361
CHANGE IN NET POSITION		\$40,704	(\$7,330)	(\$8,311)



COMPONENT UNIT FUNDS

GASB Statement No. 14 defines component units as legally separate organizations for which the elected officials of the primary government are financial accountable. They may be a governmental organization, a nonprofit corporation or a for profit corporation.

Component unit funds are NOT part of the citywide budget totals presented in this book.



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Economic Improvement Corp

The Economic Improvement Corporation (EIC) Fund is a fiduciary fund that is a Component Unit of the city. This fund accounts for the collection and disbursement of funds received through a half cent 4B sales tax. The fund is governed by the EIC Board. The Board proposes the budget before it is approved and adopted by the City Council. The EIC Board contracts with the city to provide management services such accounting, legal and secretarial.

EIC guidelines specify that the funds must be used for the following categories of projects that are permitted for Section 4B funds:

1. Business Development
2. Quality of Life
3. Public Infrastructure

ECONOMIC IMPROVEMENT CORPORATION FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 3,743,375	\$ 4,159,397	\$ 4,159,397	\$ 4,038,102
REVENUES				
Operating Revenues	3,126,746	3,190,991	3,190,991	3,307,505
Operating Transfers In	246,498	-	-	-
TOTAL REVENUES	3,373,244	3,190,991	3,190,991	3,307,505
EXPENDITURES				
Operating Expenditures	1,038,522	1,363,786	1,363,786	1,395,236
Operating Transfers Out	1,918,700	1,840,000	1,948,500	3,500,000
TOTAL EXPENDITURES	2,957,222	3,203,786	3,312,286	4,895,236
CHANGE IN NET POSITION	416,022	(12,795)	(121,295)	(1,587,731)
ENDING FUND BALANCE	\$ 4,159,397	\$ 4,146,602	\$ 4,038,102	\$ 2,450,371

Component Unit Funds - EIC Fund



Economic Improvement Corporation Fund Revenues by Line Item

Acct.	Account Name	2015 Budget	2016 Budget	2017 Budget
6113	Sales and Use Tax	\$3,107,075	\$3,185,991	\$3,302,505
Total Tax Revenue		\$3,107,075	\$3,185,991	\$3,302,505
6911	Interest Revenue	\$5,671	\$5,000	\$5,000
6989	Miscellaneous Revenue	\$14,000	\$0	\$0
Total Interest and Miscellaneous		\$19,671	\$5,000	\$5,000
7075	Transfer In - EIC Project Fund	\$246,498	\$0	\$0
Total Transfers In		\$246,498	\$0	\$0
TOTAL REVENUES		\$3,373,244	\$3,190,991	\$3,307,505

Economic Improvement Corporation Fund Expenditures by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
011	Local Meeting Expense	\$0	\$500	\$500
Total Personnel		\$0	\$500	\$500
101	Office Supplies	\$80	\$0	\$0
Total Supplies		\$80	\$0	\$0
305	Legal Services	\$786	\$0	\$0
306	Special Services	\$100,000	\$100,000	\$100,000
Total Services		\$100,786	\$100,000	\$100,000
441	General Fund Debt Service	\$621,406	\$1,108,882	\$1,114,736
442	River Trail Contribution	\$150,000	\$0	\$0
443	Kerr Economic Development Corp	\$166,250	\$154,404	\$180,000
Total Other Expenses		\$937,656	\$1,263,286	\$1,294,736
975-01	Category 1 Business Development	\$1,110,000	\$610,000	\$500,000
975-02	Category 2 Quality of Life	\$808,700	\$630,000	\$1,000,000
975-03	Category 3 Public Infrastructure	\$0	\$600,000	\$2,000,000
Total Transfers Out		\$1,918,700	\$1,840,000	\$3,500,000
TOTAL EXPENDITURES		\$2,957,222	\$3,203,786	\$4,895,236
CHANGE IN NET POSITION		\$416,022	(\$12,795)	(\$1,587,731)



EIC Projects

The EIC Projects Fund is used to account for funding for individual projects that the EIC Board approves. EIC guidelines specify that the funds must be used for the following categories of projects that are permitted for Section 4B funds:

1. Business Development
2. Quality of Life
3. Public Infrastructure

EIC PROJECTS FUND - BUDGET SUMMARY

	FY15 Actual	FY16 Adopted	FY16 Estimated	FY17 Budget
BEGINNING FUND BALANCE	\$ 828,320	\$ 2,238,506	\$ 2,238,506	\$ 2,257,487
REVENUES				
Operating Revenues	263,473	-	(89,519)	-
Operating Transfers In	2,269,945	1,840,000	1,948,500	2,000,000
TOTAL REVENUES	2,533,418	1,840,000	1,858,981	2,000,000
EXPENDITURES				
Operating Expenditures	876,734	1,840,000	1,840,000	1,500,000
Operating Transfers Out	246,498	-	-	-
TOTAL EXPENDITURES	1,123,232	1,840,000	1,840,000	1,500,000
CHANGE IN NET POSITION	1,410,186	-	18,981	500,000
ENDING FUND BALANCE	\$ 2,238,506	\$ 2,238,506	\$ 2,257,487	\$ 2,757,487

Component Unit Funds - EIC Projects Fund

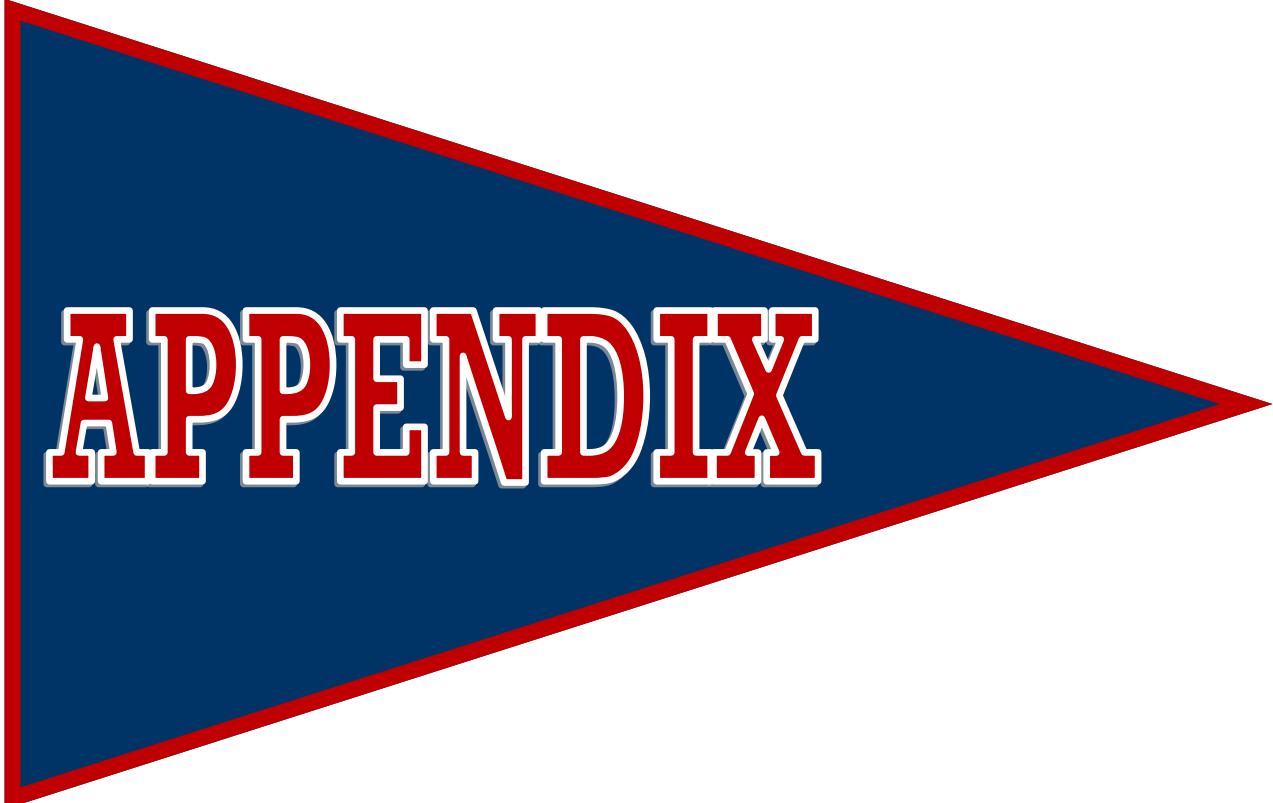


EIC Projects Fund Revenues by Line Item

Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
6940	Playhouse 2000	\$263,473	\$0	\$0
Total Interest and Miscellaneous		\$263,473	\$0	\$0
7040	Transfer In - EIC	\$1,918,700	\$1,840,000	\$2,000,000
7099	Capital Contributions	\$351,245	\$0	\$0
Total Transfers In		\$2,269,945	\$1,840,000	\$2,000,000
TOTAL REVENUES		\$2,533,418	\$1,840,000	\$2,000,000

EIC Projects Fund Expenditures by Line Item

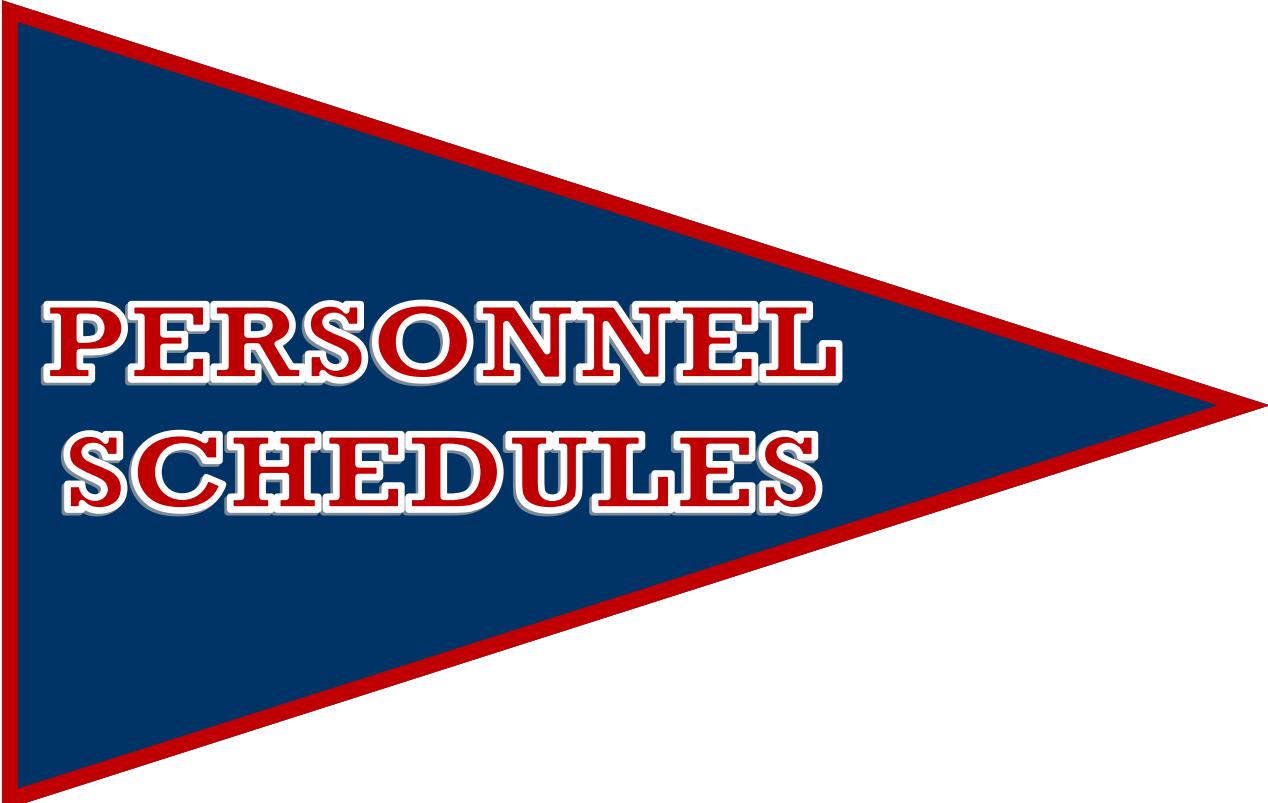
Acct.	Account Name	2015 Actual	2016 Budget	2017 Budget
201	Land Maintenance	\$2,271	\$0	\$0
202	Building and Structure Maintenance	\$102,870	\$0	\$0
Total Maintenance		\$105,141	\$0	\$0
306	Special Services	\$420,348	\$1,210,000	\$500,000
Total Services		\$420,348	\$1,210,000	\$500,000
502	Building and Structures	\$351,245	\$630,000	\$1,000,000
Total Capital Outlay		\$351,245	\$630,000	\$1,000,000
940	Transfer Out - EIC	\$246,498	\$0	\$0
Total Transfers Out		\$246,498	\$0	\$0
TOTAL EXPENDITURES		\$1,123,232	\$1,840,000	\$1,500,000
CHANGE IN NET POSITION		\$1,410,186	\$0	\$500,000



APPENDIX

The logo for Kerrville, Texas, is a stylized, slanted script of the word "Kerrville". The letters are dark blue with a red outline. A thick, dark blue diagonal bar runs from the bottom left to the top right, partially overlapping the letters. The word "Kerrville" is positioned above this bar.

Kerrville



PERSONNEL SCHEDULES

Appendix - Full Time Personnel by Department



City of Kerrville

Full Time Equivalent (FTE) Personnel Per Department

Departments	FY2015	FY2016	FY2017
General Fund Personnel Count			
City Secretary	2.00	2.00	2.00
City Attorney	1.00	2.00	1.00
City Administration	6.00	6.00	6.00
Human Resources	4.00	4.00	4.00
Finance	5.00	5.00	5.00
Information Technology	5.00	5.00	5.00
Municipal Court	5.00	5.00	6.00
Kerrville-Schreiner Park	6.00	6.00	7.00
Police	70.00	71.00	71.00
Fire	48.10	49.00	49.00
Fire Marshal	2.00	2.00	2.00
EMS	27.90	27.00	27.00
Landfill/Recycling	5.00	1.00	0.00
Planning	2.00	2.00	3.00
Building Services	4.00	5.00	5.00
Code Compliance	2.00	1.00	2.00
Park Maintenance	18.00	19.00	20.00
Sports Complex	0.00	0.00	2.00
Recreation	1.00	2.00	2.00
Engineering	4.00	4.00	4.00
Streets	18.00	18.00	18.00
Library	9.00	9.00	9.00
Total General Fund	245.00	245.00	250.00
Water and Sewer Fund Personnel Count			
Water Records	8.00	8.00	8.00
Utility Administration	3.00	3.00	0.00
Water Production	11.00	11.00	12.00
Utility Construction	9.00	9.00	9.00
Water Reclamation	14.00	14.00	15.00
Utility Lab	4.00	4.00	4.00
Total Water and Sewer Fund	49.00	49.00	48.00
Garage Fund Personnel Count			
Garage	4.00	4.00	4.00
Golf Course Fund Personnel Count			
Golf Course Maintenance	7.00	7.00	7.00
Golf Pro Shop	3.00	3.00	3.00
Total Golf Course Fund	10.00	10.00	10.00
Total City FTEs	308.00	308.00	312.00

Appendix - General Government Pay Plan

City of Kerrville						
General Government Pay Plan						
FLSA Change Effective 10/1/2016 - Exempt Employees - Minimum \$22.83 hr, \$913 wk, \$47,476 yr						
Effective October 1, 2016						
Pay Grade	Position Title	FLSA	Min	Mid	Max	Hourly Min
12	Library Shelver	NE	\$19,602	\$23,513	\$27,425	9.42
13	Pro Shop Attendant	NE	\$20,563	\$24,671	\$28,780	9.89
14	N/A	NE	\$21,590	\$25,903	\$30,217	10.38
15	N/A	NE	\$22,661	\$27,184	\$31,708	10.89
16	Groundskeeper - Golf	NE	\$23,775	\$28,517	\$33,281	11.43
16	Building Maintenance Worker/Custodian	NE	\$23,775	\$28,517	\$33,281	11.43
17	Admin Clerk - Police - Property-Evidence Unit	NE	\$24,956	\$29,938	\$34,920	12.00
17	Admin Clerk - Police - Records & Investigations	NE	\$24,956	\$29,938	\$34,920	12.00
17	Administrative Support Specialist - Patrol	NE	\$24,956	\$29,938	\$34,920	12.00
17	Receptionist	NE	\$24,956	\$29,938	\$34,920	12.00
17	Downtown Groundskeeper	NE	\$24,956	\$29,938	\$34,920	12.00
17	Library Clerk	NE	\$24,956	\$29,938	\$34,920	12.00
17	Maintenance Specialist	NE	\$24,956	\$29,938	\$34,920	12.00
18	Park Ranger - Kerrville Schreiner Park	NE	\$26,201	\$31,424	\$36,668	12.60
18	Maintenance Worker - Parks	NE	\$26,201	\$31,424	\$36,668	12.60
18	Maintenance Worker -Sports Complex	NE	\$26,201	\$31,424	\$36,668	12.60
18	Office Clerk - Kerrville Schreiner Park	NE	\$26,201	\$31,424	\$36,668	12.60
18	Facility Coordinator - Grant Funded	NE	\$26,201	\$31,424	\$36,668	12.60
19	EMS Billing Clerk	NE	\$27,490	\$32,975	\$38,482	13.22
19	Utility Clerk	NE	\$27,490	\$32,975	\$38,482	13.22
20	Secretary	NE	\$28,845	\$34,614	\$40,383	13.87
20	Municipal Court Deputy Clerk	NE	\$28,845	\$34,614	\$40,383	13.87
21	EMS Billing Specialist	NE	\$30,288	\$36,341	\$42,394	14.56
21	Light Equipment Operator - Streets	NE	\$30,288	\$36,341	\$42,394	14.56
21	Water Reclamation Operator I	NE	\$30,288	\$36,341	\$42,394	14.56
21	Distribution - Collection Operator	NE	\$30,288	\$36,341	\$42,394	14.56
21	Irrigation Specialist - Golf	NE	\$30,288	\$36,341	\$42,394	14.56
21	Laboratory Assistant	NE	\$30,288	\$36,341	\$42,394	14.56
21	Library Assistant	NE	\$30,288	\$36,341	\$42,394	14.56
21	Mechanic - Golf	NE	\$30,288	\$36,341	\$42,394	14.56
21	Senior Utility Clerk	NE	\$30,288	\$36,341	\$42,394	14.56
22	Equipment Operator - Parks	NE	\$31,795	\$38,296	\$44,797	15.29
22	Equipment Operator - Sports Complex	NE	\$31,795	\$38,296	\$44,797	15.29
22	Water Production Operator I	NE	\$31,795	\$38,296	\$44,797	15.29
22	Meter Technician	NE	\$31,795	\$38,296	\$44,797	15.29
23	Supervisor, Administrative Records (PD)	NE	\$33,369	\$40,034	\$46,699	16.04
23	Assistant Municipal Court Administrator	NE	\$33,369	\$40,034	\$46,699	16.04
23	Administrative Assistant	NE	\$33,369	\$40,034	\$46,699	16.04
23	Mechanic - Garage	NE	\$33,369	\$40,034	\$46,699	16.04
23	Heavy Equipment Operator - Streets	NE	\$33,369	\$40,034	\$46,699	16.04
23	Traffic Controls Technician	NE	\$33,369	\$40,034	\$46,699	16.04

Appendix - General Government Pay Plan



City of Kerrville						
General Government Pay Plan						
FLSA Change Effective 10/1/2016 - Exempt Employees - Minimum \$22.83 hr, \$913 wk, \$47,476 yr						
Effective October 1, 2016						
Pay Grade	Position Title	FLSA	Min	Mid	Max	Hourly Min
24	Permit Technician	NE	\$35,030	\$42,022	\$49,037	16.84
24	Water Production Maintenance Technician	NE	\$35,030	\$42,022	\$49,037	16.84
24	Water Production Operator II	NE	\$35,030	\$42,022	\$49,037	16.84
24	Water Reclamation Maintenance Technician	NE	\$35,030	\$42,022	\$49,037	16.84
24	Water Reclamation Operator II	NE	\$35,030	\$42,022	\$49,037	16.84
24	Crew Leader	NE	\$35,030	\$42,022	\$49,037	16.84
24	Lead Park Ranger - KSP	NE	\$35,030	\$42,022	\$49,037	16.84
24	Human Resources Assistant	NE	\$35,030	\$42,022	\$49,037	16.84
25	City Marshal	NE	\$36,778	\$44,120	\$51,484	17.68
25	Deputy City Secretary	NE	\$36,778	\$44,120	\$51,484	17.68
25	Accounts Payable Specialist	NE	\$36,778	\$44,120	\$51,484	17.68
25	Accounting Specialist	NE	\$36,778	\$44,120	\$51,484	17.68
25	Health Specialist	NE	\$36,778	\$44,120	\$51,484	17.68
25	Laboratory Analyst	NE	\$36,778	\$44,120	\$51,484	17.68
25	Multimedia Technician	NE	\$36,778	\$44,120	\$51,484	17.68
25	Pretreatment Specialist - Lab	NE	\$36,778	\$44,120	\$51,484	17.68
25	Purchasing Specialist	NE	\$36,778	\$44,120	\$51,484	17.68
25	Office Manager - Kerrville Schreiner Park	E	\$47,476	\$49,480	\$51,484	22.83
25	Parks & Recreation Specialist	E	\$47,476	\$49,480	\$51,484	22.83
25	Lead Pro Shop Attendant	E	\$47,476	\$49,480	\$51,484	22.83
26	Heavy Equipment Mechanic - Garage	NE	\$38,613	\$46,327	\$54,041	18.56
26	Water Production Specialist	NE	\$38,613	\$46,327	\$54,041	18.56
26	Water Reclamation Inspection Technician	NE	\$38,613	\$46,327	\$54,041	18.56
26	Water Reclamation Technician	NE	\$38,613	\$46,327	\$54,041	18.56
26	Fire Inspector	NE	\$38,613	\$46,327	\$54,041	18.56
26	Utility Billing Supervisor	E	\$47,476	\$50,759	\$54,041	22.83
27	Executive Secretary	NE	\$40,536	\$48,644	\$56,751	19.49
27	Water Reclamation Chief Operator	NE	\$40,536	\$48,644	\$56,751	19.49
27	Golf Course Maintenance Superintendent	E	\$47,476	\$52,114	\$56,751	22.83
27	Meter Technician Supervisor	E	\$47,476	\$52,114	\$56,751	22.83
27	Librarian	E	\$47,476	\$52,114	\$56,751	22.83
28	Human Resources Analyst	NE	\$42,547	\$51,047	\$59,548	20.46
28	Technical Support Analyst	NE	\$42,547	\$51,047	\$59,548	20.46
28	Building Inspector	NE	\$42,547	\$51,047	\$59,548	20.46
28	Construction Inspector	NE	\$42,547	\$51,047	\$59,548	20.46
29	Parks Supervisor - KSP	E	\$47,476	\$54,998	\$62,520	22.83
29	Laboratory Manager	E	\$47,476	\$54,998	\$62,520	22.83
30	Senior Inspector	NE	\$46,895	\$56,270	\$65,645	22.55
30	Main Street Manager	E	\$47,476	\$56,561	\$65,645	22.83
30	Garage Superintendent	E	\$47,476	\$56,561	\$65,645	22.83
30	GIS/GPS Coordinator	E	\$47,476	\$56,561	\$65,645	22.83
30	Communications Manager	E	\$47,476	\$56,561	\$65,645	22.83

Appendix - General Government Pay Plan

City of Kerrville						
General Government Pay Plan						
FLSA Change Effective 10/1/2016 - Exempt Employees - Minimum \$22.83 hr, \$913 wk, \$47,476 yr						
Effective October 1, 2016						
Pay Grade	Position Title	FLSA	Min	Mid	Max	Hourly Min
31	Finance Coordinator	E	\$49,234	\$59,067	\$69,923	23.67
31	Sports Complex Manager	E	\$49,234	\$59,067	\$69,923	23.67
31	Special Projects Manager	E	\$49,234	\$59,067	\$69,923	23.67
31	Assistant Street Division Manager	E	\$49,234	\$59,067	\$69,923	23.67
32	Superintendent of Park Operations & Facilities	E	\$51,681	\$62,017	\$72,354	24.85
32	Construction Manager	E	\$51,681	\$62,017	\$72,354	24.85
32	Project Manager	E	\$51,681	\$62,017	\$72,354	24.85
33	Assistant Library Director	E	\$54,260	\$65,099	\$75,959	26.09
34	Systems Administrator	E	\$56,969	\$68,355	\$79,740	27.39
34	Utility Construction Superintendent	E	\$56,969	\$68,355	\$79,740	27.39
34	Water Production Superintendent	E	\$56,969	\$68,355	\$79,740	27.39
34	Water Reclamation Superintendent	E	\$56,969	\$68,355	\$79,740	27.39
34	Street Division Manager	E	\$56,969	\$68,355	\$79,740	27.39
34	City Planner	E	\$56,969	\$68,355	\$79,740	27.39
35	Assistant Director of Building Services	E	\$59,810	\$73,250	\$86,711	28.75
35	Assistant Director of Parks & Recreation	E	\$59,810	\$73,250	\$86,711	28.75
35	Assistant Director of Public Works	E	\$59,810	\$73,250	\$86,711	28.75
35	Municipal Court Administrator	E	\$59,810	\$73,250	\$86,711	28.75
37	City Secretary	E	\$65,907	\$80,723	\$95,561	31.69
37	Assistant City Attorney	E	\$65,907	\$80,723	\$95,561	31.69
37	General Manager of Golf & Tennis Operations	E	\$65,907	\$80,723	\$95,561	31.69
38	Library Director	E	\$69,185	\$84,744	\$100,303	33.26
39	Director of Information Technology	E	\$72,638	\$88,961	\$105,307	34.92
40	Assistant Director of Finance	E	\$76,265	\$93,419	\$110,574	36.67
40	Assistant Chief of Police	E	\$76,265	\$93,419	\$110,574	36.67
41	Director of Parks & Recreation	E	\$82,422	\$100,958	\$119,495	39.63
42	Director of Building Services	E	\$86,544	\$106,006	\$125,469	41.61
42	Director of Engineering	E	\$86,544	\$106,006	\$125,469	41.61
42	Director of Public Works	E	\$86,544	\$106,006	\$125,469	41.61
44	Director of Finance	E	\$95,414	\$116,872	\$138,330	45.87
44	Director of General Operations	E	\$95,414	\$116,872	\$138,330	45.87
44	Chief of Police	E	\$95,414	\$116,872	\$138,330	45.87
44	Fire Chief	E	\$95,414	\$116,872	\$138,330	45.87
46	Deputy City Manager	E	\$105,194	\$128,851	\$152,509	50.57
47	N/A	E	\$110,454	\$135,294	\$160,134	53.10
48	City Attorney	E	\$115,977	\$142,059	\$168,141	55.76
49	City Manager	E	\$121,775	\$149,162	\$176,548	58.55

Appendix - Fire Pay Plan



FIRE STEP PLAN - 3% Step Plan Adjustment Only

FY 2017 (Effective October 1, 2016)

GRADE	POSITION		STEP 1 One Year	STEP 2 2 Years	STEP 3 2 Years	STEP 4 2 Years	STEP 5 2 Years	STEP 6 2 Years	STEP 7 2 Years
FD-1	EMS Crew (12 hr)	ANNUAL	\$31,257.62	\$32,507.92	\$33,808.24	\$35,160.57	\$36,566.99	\$38,029.67	\$39,550.86
		BIWEEKLY	\$1,202.22	\$1,250.30	\$1,300.32	\$1,352.33	\$1,406.42	\$1,462.68	\$1,521.19
		HOURLY	\$15.03	\$15.63	\$16.25	\$16.90	\$17.58	\$18.28	\$19.01
FD-2	Paramedic (Part Time)	ANNUAL	\$36,715.15						
		BIWEEKLY	\$1,412.12						
		HOURLY	\$17.65						
FD-3	Firefighter (24 hr)	ANNUAL (2912 Annual Hrs / 56 Hrs/Wk)	\$42,710.45	\$44,418.87	\$46,195.62	\$48,043.45	\$49,965.19	\$51,963.79	\$54,042.35
		ANNUAL (2756 Annual Hrs / 53 Hrs/Wk)	\$40,422.39	\$42,039.29	\$43,720.86	\$45,469.69	\$47,288.48	\$49,180.02	\$51,147.22
		HOURLY	\$14.67	\$15.25	\$15.86	\$16.50	\$17.16	\$17.84	\$18.56
FD-3P	Paramedic ONLY (24 hr)	ANNUAL (2912 Annual Hrs / 56 Hrs/Wk)	\$42,745.16						
		ANNUAL (2756 Annual Hrs / 53 Hrs/Wk)	\$39,739.65						
		HOURLY	\$12.84						
FD-4	Fire Apparatus Driver (24 hr)	ANNUAL (2912 Annual Hrs / 56 Hrs/Wk)	\$54,042.34	\$56,204.03	\$58,452.20	\$60,790.28	\$63,221.89	\$65,750.77	\$68,380.80
		ANNUAL (2756 Annual Hrs / 53 Hrs/Wk)	\$51,147.21	\$53,193.10	\$55,320.83	\$57,533.66	\$59,835.01	\$62,228.41	\$64,717.54
		HOURLY	\$18.56	\$19.30	\$20.07	\$20.88	\$21.71	\$22.58	\$23.48
FD-5	Lieutenant (24 hr)	ANNUAL (2912 Annual Hrs / 56 Hrs/Wk)	\$59,049.04	\$61,411.00	\$63,867.44	\$66,422.14	\$69,079.03	\$71,842.19	\$74,715.87
		ANNUAL (2756 Annual Hrs / 53 Hrs/Wk)	\$55,885.70	\$58,121.13	\$60,445.97	\$62,863.81	\$65,378.36	\$67,993.50	\$70,713.24
		HOURLY	\$20.28	\$21.09	\$21.93	\$22.81	\$23.72	\$24.67	\$25.66
FD-5A	Deputy Fire Marshal (8 hr)	BIWEEKLY	\$2,271.12	\$2,361.96	\$2,456.44	\$2,554.70	\$2,656.89	\$2,763.16	\$2,873.69
		HOURLY	\$28.39	\$29.52	\$30.71	\$31.93	\$33.21	\$34.54	\$35.92
FD-8	Battalion Chief (24 hr)	ANNUAL (2912 Annual Hrs / 56 Hrs/Wk)	\$66,825.14	\$69,498.15	\$72,278.07	\$75,169.20	\$78,175.96	\$81,303.00	\$84,555.12
		ANNUAL (2756 Annual Hrs / 53 Hrs/Wk)	\$63,245.22	\$65,775.03	\$68,406.03	\$71,142.28	\$73,987.97	\$76,947.49	\$80,025.38
		HOURLY	\$22.95	\$23.87	\$24.82	\$25.81	\$26.85	\$27.92	\$29.04
FD-8A	Division Chief - EMS Coordinator (8 hr) Division Chief - Fire Marshal (8 hr) Division Chief - Training/EMC (8 hr)	BIWEEKLY	\$2,570.20	\$2,673.01	\$2,779.93	\$2,891.12	\$3,006.77	\$3,127.04	\$3,252.12
			\$32.13	\$33.41	\$34.75	\$36.14	\$37.58	\$39.09	\$40.65
		HOURLY							
FY2017 - 3% Step Plan Adjustment - Effective 10/1/2016 FY2016 - 4% Step Plan Adjustment - Effective 10/1/2015 FY2015 - 5% Step Plan Adjustment - Effective 10/1/2014 Catch Up of FY2014 Missed Steps - Effective 10/1/2014 Re-Start Regular Step Increases - Effective 10/1/2014					Certification Pay: Master - \$125/month, Advanced - \$75/month, Intermediate - \$50/month Paramedic 2 - \$425/month, Paramedic 1 - \$350/month EMT Intermediate - \$75/month, EMT Basic - \$50/month Fire Emergency Management 1 - \$100/month, Fire Emergency Management 2 - \$200/month				

Appendix - Police Pay Plan

POLICE STEP PAY PLAN - 3% STEP PLAN ADJUSTMENT ONLY													
GRADE		POSITION		STEP 1		STEP 2		STEP 3		STEP 4			
				One Year	2 Years								
PD-A	Telecommunications Specialist-Police Dispatch	ANNUAL	\$35,301.74	\$36,713.81	\$38,182.37	\$39,709.66	\$41,298.05	\$42,949.97	\$44,667.97	\$46,454.69	\$48,312.88		
			BIWEEKLY	\$1,357.76	\$1,412.07	\$1,468.55	\$1,527.29	\$1,588.39	\$1,651.92	\$1,718.00	\$1,786.72	\$1,858.19	
			HOURLY	\$16.97	\$17.65	\$18.36	\$19.09	\$19.85	\$20.65	\$21.47	\$22.33	\$23.23	
PD-1	Police Officer, Evidence Officer, Investigator	ANNUAL	\$44,433.54	\$46,210.88	\$48,059.32	\$49,981.69	\$51,980.96	\$54,060.20	\$56,222.60	\$58,471.51	\$60,810.37		
			BIWEEKLY	\$1,708.98	\$1,777.34	\$1,848.44	\$1,922.37	\$1,999.27	\$2,079.24	\$2,162.41	\$2,248.90	\$2,338.86	
			HOURLY	\$21.36	\$22.22	\$23.11	\$24.03	\$24.99	\$25.99	\$27.03	\$28.11	\$29.24	
PD-2	Police Corporal	ANNUAL	\$50,099.31	\$52,103.29	\$54,187.42	\$56,354.91	\$58,609.11	\$60,953.47	\$63,391.61	\$65,927.28	\$68,564.37		
			BIWEEKLY	\$1,926.90	\$2,003.97	\$2,084.13	\$2,167.50	\$2,254.20	\$2,344.36	\$2,438.14	\$2,535.66	\$2,637.09	
			HOURLY	\$24.09	\$25.05	\$26.05	\$27.09	\$28.18	\$29.30	\$30.48	\$31.70	\$32.96	
PD-3	Detective Sergeant	ANNUAL	\$57,472.21	\$59,771.10	\$62,161.94	\$64,648.42	\$67,234.35	\$69,923.73	\$72,720.68	\$75,629.50	\$78,654.68		
			BIWEEKLY	\$2,210.47	\$2,298.89	\$2,390.84	\$2,486.48	\$2,585.94	\$2,689.37	\$2,796.95	\$2,908.83	\$3,025.18	
			HOURLY	\$27.63	\$28.74	\$29.89	\$31.08	\$32.32	\$33.62	\$34.96	\$36.36	\$37.81	
PD-4	Police Lieutenant	ANNUAL	\$67,234.36	\$69,923.74	\$72,720.69	\$75,629.51	\$78,654.69	\$81,800.88	\$85,072.92	\$88,475.83	\$92,014.87		
			BIWEEKLY	\$2,585.94	\$2,689.37	\$2,796.95	\$2,908.83	\$3,025.18	\$3,146.19	\$3,272.04	\$3,402.92	\$3,539.03	
			HOURLY	\$32.32	\$33.62	\$34.96	\$36.36	\$37.81	\$39.33	\$40.90	\$42.54	\$44.24	
FY2017 - 3% Step Plan Adjustment - Effective 10/1/2016				Certification Pay:									
FY2016 - 5% Step Plan Adjustment - Effective 10/1/2015				Master - \$125/month, Advanced - \$75/month, Intermediate - \$50/month									
FY2015 - 5% Step Plan Adjustment - Effective 10/1/2014				Telecommunication Master - \$75/month, Advanced - \$50/month, Intermediate - \$25/month									
Catch Up of FY2014 Missed Steps - Effective 10/1/2014													
Re-Start Regular Step Increases - Effective 10/1/2014													

The logo consists of the word "Kerrville" in a stylized, italicized, blue font with a red outline. The letters are arranged in a curve, with the "K" at the bottom left and the "e" at the top right. A thick, blue, diagonal bar runs from the bottom left under the "K" to the top right under the "e".

Kerrville



FINANCIAL MANAGEMENT POLICY



FINANCIAL MANAGEMENT POLICY

Purpose

The City of Kerrville, Texas financial policies set forth the basic framework for the fiscal management of the City. These policies were developed within the parameters established by applicable provisions of the Texas Local Government Code and the City of Kerrville City Charter. The policies are intended to assist the City Council and city staff in evaluating current activities and proposals for future programs. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

Debt and arbitrage compliance policies are included in the financial policies in lieu of their own separate policies.

Annual budget

The fiscal year of the City of Kerrville shall begin on October 1 of each calendar year and will end on September 30 of the following calendar year. The fiscal year will also be established as the accounting and budget year.

The City Manager shall prepare each year a budget to cover all proposed expenditures of the government of the City for the succeeding year. Such budget shall be carefully itemized so as to make as clear a comparison as practicable between expenditures included in the proposed budget and actual expenditures for the same or similar purposes for the preceding year. The budget shall also show as definitely as possible each of the various projects for which appropriations are set up in the budget, and the estimated amount of money carried in the budget for each of these projects. The budget shall also contain a complete financial statement of the City showing all outstanding obligations of the City, the cash on hand to the credit of each and every fund, the funds received from all sources during the previous year, the funds available from all sources during the ensuing year, the estimated revenue available to cover the proposed budget, and the estimated rate of tax which will be required.

On or before the 31st day of July of each year, the City Manager shall submit to the City Council and City Secretary a budget for the ensuing fiscal year and an accompanying budget message. The full text of the proposed budget and message shall be made available for public review in the office of the City Secretary, at the City's library, and prominently linked on the City's website.

The fiscal year of the City government shall begin on the first day of October each year and shall end on the last day of September the following year. Such year shall constitute the budget year of the City government.

The City Manager's budget message shall explain the budget both in fiscal terms and in terms of the work programs, linking those programs to organizational goals and community priorities. It shall outline the proposed financial policies of the City for the ensuing fiscal year and the impact of those policies on future years. It shall describe the important features of the budget, indicate any major changes from



Appendix - Financial Management Policy

the current year in financial policies, expenditures, and revenues together with the reasons for such changes, summarize the City's debt position, including factors affecting the ability to raise resources through debt issues, and include such other material as the City Manager deems desirable.

City Council Action on Budget

Notice and Hearing. The City Council shall publish the general summary of the budget and a notice stating:

1. The times and places where copies of the message and budget are available for inspection by the public, and
2. The time and place, not less than two weeks after such publication, for a public hearing(s) on the budget.

Amendment before Adoption. After the public hearing, the City Council may adopt the budget with or without amendment. In amending the budget, it may add or increase programs or amounts and may delete or decrease any programs or amounts, except expenditures required by law or for debt service or for an estimated cash deficit, provided that no amendment to the budget shall increase the authorized expenditures to an amount greater than total estimated income.

Adoption. The City Council shall adopt the budget on or before the 30th day of September of the fiscal year currently ending. If it fails to adopt the budget by this date, the budget proposed by the City Manager shall go into effect.

“Publish” defined. As used in this section, the term “publish” means to print in the contemporary means of information sharing, which includes, a newspaper of general circulation which is published in the City, and on the City’s website. In addition, the budget shall be made available in the office of the City Secretary and in the City’s library.

Budget

The budget shall provide a complete financial plan of all City funds and activities for the ensuing fiscal year and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the City Council may require for effective management and an understanding of the relationship between the budget and the City’s strategic goals. The budget shall begin with a clear general summary of its contents; shall show in detail all estimated income, indicating the proposed property tax levy; and all proposed expenditures, including the amount of salary or compensation of officers and employees and debt service for the ensuing fiscal year; and shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year. It shall indicate in separate sections:

1. The proposed goals and expenditures for current operations during the ensuing fiscal year, detailed for each fund by department or by other organization unit, and program, purpose or activity, method of financing such expenditures, and methods to measure outcomes and performance related to the goals;



2. Proposed longer-term goals and capital expenditures during the ensuing fiscal year, detailed for each fund by department or by other organization unit when practicable, the proposed method of financing each such capital expenditure, and methods to measure outcomes and performance related to the goals; and
3. The proposed goals, anticipated income and expense, profit and loss for the ensuing year for each utility or other enterprise fund or internal service fund operated by the City, and methods to measure outcomes and performance related to the goals. For any fund, the total of proposed expenditures shall not exceed the total of estimated income plus carried forward fund balance exclusive of reserves.

Appropriation and Revenue Ordinances

To implement the adopted budget, the City Council shall adopt, prior to the beginning of the fiscal year.

1. An appropriation ordinance making appropriations by department, fund, or other organizational unit and authorizing an allocation for each program or activity; and
2. A tax levy ordinance authorizing the property tax levy or levies and setting the tax rate or rates.

Amendments after Adoption

Supplemental Appropriations. If during or before the fiscal year the City Manager certifies that there are available for appropriation revenues in excess of those estimated in the budget, the City Council by ordinance may make supplemental appropriations for the year up to the amount of such excess.

Emergency Appropriations. To address a public emergency affecting life, health, property, or the public peace, the City Council may make emergency appropriations. Such appropriations may be made by emergency ordinance in accordance with the provisions of Section 3.06 of the City charter. To the extent that there are no available un-appropriated revenues or a sufficient fund balance to meet such appropriations, the Council may by such emergency ordinance authorize the issuance of emergency notes, which may be renewed from time to time, but the emergency notes and renewals of any fiscal year shall be paid or refinanced as long-term debt not later than the last day of the fiscal year next succeeding that in which the emergency appropriation was made.

Reduction of Appropriations. If at any time during the fiscal year it appears probable to the City Manager that the revenues or fund balances available will be insufficient to finance the expenditures for which appropriations have been authorized, the manager shall report to the City Council without delay, indicating the estimated amount of the deficit, any remedial action taken by the manager and recommendations as to any other steps to be taken. The Council shall then take such further action as it deems necessary to prevent or reduce any deficit and for that purpose it may by ordinance reduce or eliminate one or more appropriations.

Transfer of Appropriations. At any time during or before the fiscal year, the City Council may by resolution transfer part or all of the unencumbered appropriation balance from one department, fund, or organizational unit to the appropriation for other departments or organizational units or a new appropri-



tion. The manager may transfer funds among programs within a department, fund, or organizational unit and shall report such transfers to the Council in writing in a timely manner,

Limitation; Effective Date. No appropriation for debt service may be reduced or transferred, except to the extent that the debt is refinanced and less debt service is required, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance thereof. The supplemental and emergency appropriations and reduction or transfer of appropriations authorized by this section may be made effective immediately upon adoption.

Independent Audit

As soon as practicable after the close of each fiscal year, an independent audit shall be made of all accounts of the City government by certified public accountants, to be selected by the Council, who have no personal interest directly or indirectly in the financial affairs of the City government. The results of this audit shall be published immediately upon its completion.

Basis of accounting and budgeting

1. The City's finances shall be accounted for in accordance with generally accepted accounting principles (GAAP) as established by the Governmental Accounting Standards Board (GASB). The accounts of the City are organized and operated based on funds and account groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. Governmental funds are used to account for the government's general government activities and include the General, Special Revenue, Debt Service and Capital Project Funds.
2. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "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. Substantially all revenues are considered susceptible to accrual. Ad valorem, sales, hotel, franchise and tax revenues recorded in the General Fund and ad valorem tax revenues recorded in the Debt Service Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources.



3. The City utilizes encumbrance accounting for its governmental fund types, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.
4. The City's proprietary fund types are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

The City's annual budgets shall be prepared and adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds except the capital projects funds, which adopt project-length budgets. Also, depreciation of fixed assets is not recognized in proprietary fund budgets. All annual appropriations lapse at fiscal year-end. Under the City's budgetary process, outstanding encumbrances are reported as restricted fund balances and do not constitute expenditures or liabilities since the commitments will be appropriated and honored the subsequent fiscal year.

The issuance of Statement 34 by GASB has influenced the creation and reporting of individual funds. GASB 34 essentially mandates dual accounting systems: one for government-wide (i.e. the government as a single entity) reporting and another for individual fund reporting. Under GASB 34 for individual funds, the City will continue utilizing the accounting and budgeting processes as described in paragraphs (1) and (2) of this section. However, because GASB 34 mandates the flow of economic resources measurement focus and accrual basis of accounting for the government-wide reporting, extensive reconciliation must be performed to present aggregated fund information in the government-wide reporting model. Therefore, individual operating funds will be created with the objective of reducing fund to government-wide reconciliation as much as possible. When appropriate, individual funds will be examined as to whether it will be appropriate to account for them as proprietary fund types.

The Governmental Accounting Standards Board (GASB) issued Statement Number 54, *“Fund Balance Reporting and Governmental Fund Type Definitions”* effective for periods after June 15, 2010. The objective of this Statement was to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes limitations on the purposes for which Fund Balance can be used.

- a. *Non-spendable Fund Balance* – Some assets reported in governmental funds may be inherently non-spendable from the vantage point of the current period.
 - i. Assets that will never convert to cash such as; prepaid items or inventories,
 - ii. Assets that will not convert to cash soon enough to affect the current period such as; non-financial assets held for resale, resources that must be maintained intact pursuant to legal or contractual requirements such as; capital of a revolving loan fund

- b. *Restricted Fund Balance* – This represents the portion of fund balance that is subject to externally enforceable legal restrictions. Such restrictions are typically imposed by parties altogether outside the City such as creditors, grantors, contributors or other governments. Restrictions can also arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose.
- c. *Committed Fund Balance* – This represents the portion of fund balance whose use is constrained by limitations that the City imposes on itself by City Council (highest decision making level) and remains binding unless removed in the same manner. The City does not use committed funds in its normal course of business.
 - i. Requires action by City Council to commit fund balance
 - ii. Formal City Council action is necessary to impose, remove or modify a constraint reflected in the committed fund balance
- d. *Assigned Fund Balance* – This describes the portion of fund balance that reflects the City's intended use of resources. This authority rests with City Manager and is delegated to staff through the use of encumbrances.
- e. *Unassigned Fund Balance* – This describes total fund balance in the General Fund in excess of non-spendable, restricted, committed and assigned fund balance.

Financial reporting

Following the conclusion of the fiscal year, the City's Director of Finance shall cause to be prepared a Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting and financial reporting principles established by GASB. The document shall also satisfy all criteria of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program.

The CAFR shall show the status of the City's finances based on GAAP. The CAFR shall show fund revenues and expenditures on both a GAAP basis and budget basis for comparison purposes. In all but two cases, this reporting conforms to the way the City prepares its budget. Compensated absences (accrued but unused vacation leave) are not reflected in the budget but are accounted for in the CAFR's long-term debt account group. Depreciation expense is not shown in the budget's proprietary funds, although the full purchase price of equipment and capital improvements is reflected as uses of working capital.

Included as part of the CAFR shall be the results of the annual audit prepared by independent certified public accountants designated by the City Council.

The Director of Finance shall issue reports to the City Council reflecting the City's financial condition as requested, but not less than once a quarter.

Financial reporting should reflect budget to actual comparisons.



Revenues

To protect the City's financial integrity, the City will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source. Recognizing that sales tax is a volatile, unpredictable source of revenue, the City will attempt to reduce its dependence on sales tax revenue.

For every annual budget, the City shall levy two property tax rates: operation/maintenance and interest and sinking. The debt service levy shall be sufficient for meeting all principal and interest payments associated with the City's outstanding general obligation debt for that budget year. The interest and sinking levy and related debt service expenditures shall be accounted for in the Debt Service Fund. The operation and maintenance levy shall be accounted for in the General Fund. The operation and maintenance levy will be established within the eight percent rollback rate as defined by the State of Texas Property Tax Code. City Council will consider exceeding the rollback rate only after options have been presented by staff to avoid the rollback by increasing revenue from other sources or reducing expenditures.

The City will maintain a policy of levying the lowest tax rate on the broadest tax base. The City may consider providing tax abatements or other incentives to encourage development.

The City will establish user charges and fees at a level that attempts to recover the full cost of providing the service.

1. User fees, particularly utility rates, should identify the relative costs of serving different classes of customers.
2. Where possible, utility rates should be designed to reduce peak (hour and day) demands on the utility systems.
3. The City will make every reasonable attempt to ensure accurate measurement of variables impacting taxes and fees (e.g. verification of business sales tax payments, verification of appraisal district property values, and accuracy of water meters).

The City will attempt to maximize the application of its financial resources by obtaining supplementary funding through agreements with other public and private agencies for the provision of public services or the construction of capital improvements.

The City will consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees and charges.

When developing the annual budget, the City Manager shall project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, while taking into account known circumstances that will impact revenues for the new fiscal year. The revenue projections for each fund should be made conservatively so that total actual fund revenues exceed budgeted projections.

One Time or Unpredictable Revenues are discouraged for use for ongoing expenditures.



Appendix - Financial Management Policy

Funding will be used from the most restricted to least restricted when different funding sources are available.

Operating expenditures

Expenditures shall be accounted, reported, and budgeted for in the following major categories:

1. Personnel
2. Supplies
3. Maintenance
4. Services
5. Other Expenses
6. Capital Outlay

The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e., status quo) quality and scope of city services.

The City will constantly examine the methods for providing public services in order to reduce operating, recurring expenditures and/or enhance quality and scope of public services with no increase to cost.

Personal service expenditures will reflect the minimum staffing needed to provide established quality and scope of city services. To attract and retain employees necessary for providing high-quality service, the City shall maintain a compensation and benefit package competitive with the public and, when quantifiable, private service industries.

Supply expenditures shall be sufficient for ensuring the optimal productivity of City employees.

Maintenance expenditures shall be sufficient for addressing the deterioration of the City's capital assets to ensure the optimal productivity of the capital assets. Maintenance should be conducted to ensure a relatively stable level of maintenance expenditures for every budget year.

The City will utilize contracted labor for the provision of city services whenever private contractors can perform the established level of service at less expense to the City. The City will regularly evaluate its agreements with private contractors to ensure the established levels of service are performed at the least expense to the City.

Capital equipment is defined as equipment that exceeds \$5,000.00 and has a useful life of at least one year. Existing capital equipment shall be replaced when needed to ensure the optimal productivity of City employees.

Expenditures for additional capital equipment shall be made only to enhance employee productivity, improve quality of service, or expand scope of service.



To assist in controlling the growth of operating expenditures, operating departments will submit their annual budgets to the City Manager within a ceiling calculated by the City Manager. Projected expenditures that exceed the ceiling must be submitted as separate budget adjustment requests. The City Manager will recommend the adjustment requests to the City Council, which will vote on the requests.

Fund balance

The annual budget shall be presented to City Council with the General Fund and the Water & Sewer Fund's reflecting an unassigned fund balance or unrestricted net position that is 15 to 25 percent of that fund's annual operating expenditures. To satisfy the particular needs of individual funds, unassigned fund balances may be established which exceed the 25 percent minimum.

Fund balance that exceeds the minimum level established for each fund may be appropriated for non-recurring capital projects or debt.

The City will exercise diligence in avoiding the appropriation of fund balance for recurring operating expenditures. In the event fund balance is appropriated for recurring operating expenditures to meet the needs of the Kerrville community, the budget document shall include an explanation of the circumstances requiring the appropriation and the methods to be used to arrest the future use of fund balance for operating expenditures.

Fund transfers

Transfer may occur when one fund provides goods or services to another fund. Fund transfers may occur when surplus fund balances are used to support nonrecurring capital expenses or when needed to satisfy debt service obligations. Transfers are permitted between funds to support economic development programs.

Debt expenditures

The City will issue debt only to fund capital projects that cannot be supported by current, annual revenues.

To minimize interest payments on issued debt, the City will seek to maintain a rapid debt retirement policy by issuing debt with maximum maturities not exceeding 20 years, except in instances when the capital improvements will significantly benefit the community beyond the 20-year period. Retirement of debt principal will be structured to ensure consistent annual debt payments.

The City will attempt to maintain base bond ratings (prior to insurance) of AA- or better (Standard & Poor's) on its general obligation debt.

When needed to minimize annual debt payments, the City will obtain insurance for new debt issues.

Debt service obligations for the General Fund shall not cause the I&S tax rate to exceed 25% of the total tax rate.

Debt Obligations in the Water and Sewer Fund shall not exceed 35% of the annual revenues.



Appendix - Financial Management Policy

The Director of Finance shall include in the Comprehensive Annual Financial Report (CAFR) a report summarizing all debt outstanding by type (tax supported and revenue backed), remaining balance of bond proceeds, update of arbitrage liability, and update of pertinent legislative changes.

The City shall retain an independent financial advisor for advice on the structuring of new debt, financial analysis of various options, the rating review process, the marketing of debt issue, marketability of City obligations, sale and post-sale services, the review of the official statement, and other services, as necessary. The City will seek the advice of the financial advisor on an ongoing basis.

The City shall retain bond counsel for legal and procedural advice on all debt issues. Bond counsel shall advise the City Council in all matters pertaining to its bond ordinance(s) and/or resolutions(s). The City will also seek the advice of bond counsel on all other types of debt and on any other questions involving federal tax or arbitrage law.

The preparation of the Official statement is the responsibility of the financial advisor in concert with the Director of Finance. Information for the Official statement is gathered from departments/divisions throughout the City.

The City will take all appropriate steps to comply with federal disclosure rules (i.e., Securities and Exchange Commission Rule 15c2-12). The City will provide annual and material event disclosure to information repositories throughout the term of securities for the benefit of the primary and secondary municipal markets as required by Rule 15c2-12.

When feasible and economical, obligations shall be issued by competitive rather than negotiated sales.

The City will follow a policy of full compliance with all arbitrage rebate requirements of the federal tax code and Internal Revenue Service regulations, and will perform (internally or by contract consultants) arbitrage rebate calculations for each issue subject to rebate as necessary. Each year the City will evaluate the needs for arbitrage calculation for that year.

Capital project expenditures

The City will develop a multi-year plan for capital projects, which identifies all projects likely to be constructed within a five-year horizon. The multi-year plan will reflect for each project the likely source of funding and attempt to quantify the project's impact to future operating expenditures.

Capital projects will be constructed to:

1. Protect or improve the community's quality of life.
2. Protect or enhance the community's economic vitality.
3. Support and service new development.

To minimize the issuance of debt, the City will attempt to support capital projects with appropriations from operating revenues or excess fund balances (i.e., "pay-as-you-go").



Utility capital expenditures

The City will design utility rates sufficient for both current and long term obligations.

Long-term financial plans

The City will adopt every annual budget in context of a long-term financial plan for the General Fund and Water & Sewer Fund. Financial plans for other funds may be developed as needed.

The General Fund long-term plan will establish assumptions for revenues, expenditures and changes to fund balance over a five-year horizon. The assumptions will be evaluated each year as part of the budget development process.

Facility construction; best value methods for entering into contract

For purposes of this section, the term "facility" means buildings the design and construction of which are governed by accepted building codes; such term does not include (i) highways, roads, streets, bridges, utilities, water supply projects, water plants, wastewater plants, water and wastewater distribution or conveyance facilities, wharves, docks, airport runways and taxiways, drainage projects, or related types of projects associated with civil engineering construction, or (ii) buildings or structures that are incidental to projects that are primarily civil engineering construction projects

In entering into and awarding a contract for the construction, rehabilitation, alteration, or repair of a facility, the city shall use one of the following methods that provides the best value for the city (such methods being those set forth in Section 271.113(a) of the Texas Local Government Code):

1. Competitive bidding;
2. Competitive sealed proposals for construction services;
3. A design-build contract;
4. A contract to construct, rehabilitate, alter, or repair facilities that involve using a construction manager; or
5. A job order contract for the minor repair, rehabilitation, or alteration of a facility.

The use or implementation of any of such methods shall comply in all respects with Chapter 271, Subchapter H of the Texas Local Government Code and any other applicable law.

The determination of which of the best value methods set forth in subparagraph (b) shall be used shall be made before advertising as required by law. The authority of the city council to make such determination is hereby delegated to the city manager (or the city manager's designee), and the city manager (and any designee of the city manager) is hereby authorized to make such determination.



INVESTMENT POLICY



Investment Policy and Strategy

General Policy

It is the policy of the City of Kerrville (the “City”) to administer its funds and the investment of those funds, as its highest public trust. The funds shall be invested in a manner, which provides for maximum safety of principal through risk management and diversification while meeting the City’s daily cash needs. The investment of the City’s funds should provide a reasonable investment return. The earnings from investment will be used in a manner that best serves the interests of the City.

The City shall administer its investment activities in conformance with the Public Funds Investment Act, Chapter 2256, Texas Government Code (the “Act”), the Public Collateral Act (Texas Government Code, Chapter 2257) and in conformance with any applicable state and federal regulations, applicable bond resolution requirements, and this investment policy.

Scope

This investment policy governs the investment of all financial assets of the City as accounted for in the City’s Comprehensive Annual Financial Report. This includes the financial assets of the following funds:

1. General Fund,
2. Special Revenue Fund,
3. Capital Project Fund,
4. Enterprise Fund,
5. Reserve Fund,
6. Trust and Agency funds, to the extent not required by law or existing contract to be kept segregated and managed separately,
7. Debt Service Fund, including reserve and sinking funds, to the extent not required by law or existing contract to be kept segregated and managed separately, and
8. any new fund created by the City, unless specifically exempted from this policy by the City Council or by law.

Goals and Objectives

Investment of the City funds shall be governed by the following investment objectives, in their order of priority:

1. Safety
Safety of principal is the foremost objective of the investment program of the City. Investment shall be undertaken in a manner that seeks to ensure the preservation of capital and avoids security defaults or erosion of market values. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
2. Liquidity
The City’s investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that might be reasonable anticipated. Ongoing cash flow analysis will be used to identify changing liquidity needs. Demand deposits or other liquid investments should be

maintained in an amount greater than or equal to one sixth (1/6) of the City's total annual operating budget in order to avoid the need to liquidate securities prior to maturity,

To the extent possible, the City will attempt to match its investment maturities with anticipated liabilities and cash flow requirements. Unless matched to a specific cash flow requirement, the City will not directly invest in any securities maturing more than two (2) years from the date of purchase. Such specific cash flow requirements would include operating funds, construction funds, and debt service funds.

To reflect the cash flow requirements and risk tolerance levels of the city, the weighted average maturity of the overall portfolio shall not exceed one (1) year.

3. Diversification

In order to minimize investment and market risk, the City will diversify its investments by market sector (security type) and maturity. The portfolio will be designed to avoid unreasonable risks within one market sector or from an individual financial institution.

4. Yield

The City's investment portfolio shall be designed with the objective of attaining a reasonable rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristics of the portfolio. The portfolio(s) risk shall be measured quarterly against a benchmark based on cash flow analysis and the authorized portfolio structure. The overall portfolio shall have a maximum weighted average maturity of one (1) year. To measure the overall risk of the portfolio, a benchmark of the six-month Treasury Bill shall be reported.

Effective cash management is recognized as essential to good fiscal management. Cash management is defined as the process of managing monies in order to ensure maximum cash availability. The City shall maintain a cash management program, which includes collection of accounts receivable, prudent investment of its available cash, disbursement of payments in accordance with invoice terms and the management of banking services.

Investment Strategy

In compliance with the Act and as integral part of the administration of the City's investment activities, the City Council shall annually adopt a written investment strategy. The City maintains one commingled portfolio for investment purposes which incorporated the specific investment strategy consideration and the unique characteristics of the fund groups represented in the portfolio:

1. The investment strategy for operating, enterprise and special revenue funds has as its primary objective assurance that anticipated liabilities are matched and adequate investment liquidity provided. The secondary objective is to create a portfolio structure which will experience minimal volatility. This may be accomplished by purchasing high quality, short to medium-term maturity securities (0-2 years) which will complement each other in a laddered maturity structure permitting some extension for yield enhancement. The maximum dollar



weighted average maturity of one (1) year or less will be calculated using the stated final maturity date of each security.

2. The investment strategy for debt service funds shall have as its primary objective the assurance of available funds adequate to fund the debt service obligations on a timely basis. Successive debt service dates will be fully funded before extension.
3. The investment strategy for reserve funds shall have as its primary objective the ability to generate a revenue stream to the reserve funds from high quality securities with a low degree of volatility. The potential for loss shall be further controlled through the purchase of securities within the desired maturity range.
4. The investment strategy for capital projects or capital project funds will have as its primary objective assurance that anticipated cash flows are matched and provide adequate investment liquidity. At least 10% total liquidity is planned to provide flexibility and for unanticipated project outlays. The stated final maturity dates of securities held may not exceed the estimated project completion date.

The City shall pursue an active versus a passive portfolio management strategy. That is, securities may be sold before they mature if market conditions present an opportunity for the City to benefit from the trade. The Investment Officer and Adviser will continuously monitor the contents of the portfolio, the available markets, and the relative value of competing instruments to adjust the portfolio in response to market conditions.

Investment Officers

Through Council resolution, the Director of Finance, Assistant Director of Finance and Financial Analyst are authorized to administer the investment activities of the City and, are designated as Investment Officers for the purposes of this policy. Upon recommendation of the City Manager, the City Council may designate one or more additional qualified employees or an SEC registered Investment Advisor, as Investment Officer(s). The designation of additional Investment Officers shall be by resolution, or award of contract. Authority and designation as an Investment Officer is effective until rescinded by the City, expiration of the officer's term, or until termination of employment.

Investment Officers shall be familiar with this policy and its underlying procedures. No Investment Officer may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Finance.

A trading resolution is established by adoption of this investment policy authorizing any Investment Officer to engage in investment transactions and open City designated accounts for time and demand deposits on behalf of the City. The persons so authorized to transact business are also authorized to approve wire transfers used in the process of investing.

Training

All Investment Officers shall attend ten (10) hours of training in accordance with the Act within twelve (12) months of assuming responsibilities and attend (10) hours of training each successive two (2) year fiscal period. Training shall be provided or endorsed by the Government Finance Officers Association of Texas, the Government Treasurers Organization of Texas, and the Texas Municipal League. Training should include topics such as investment controls, security risk, market risks, diversification of the investment portfolio and compliance with state laws. The City will provide for the costs of training in accordance with the Act.

Standard of Care

The standard of care to be used by the City's Investment Officer(s) shall be the "prudent person standard" and shall be applied in the context of managing the overall portfolio, rather than a consideration as to the prudence of a single investment; and whether the investment decision was consistent with this investment policy. The standard states:

Investment shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety of the capital and the probable income to be derived. Investment of funds shall be governed by the following investment objectives, in order of priority:

1. Preservation and safety of principal
2. Liquidity
3. Diversification
4. Yield

Investment Officer(s) acting in accordance with the investment policy and exercising due diligence, shall be relieved of personal liability for an individual security's credit risk or market price change, provided that deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

An Investment Officer of the City who has a personal business relationship with a business organization offering to engage in an investment transaction with the City shall file a statement disclosing that personal business interest to the City and the Texas Ethics Commission. For the purpose of this statutory requirement, an Investment Officer has a personal business relationship with a business organization if:

1. The Investment Officer owns 10% or more of the voting stock or shares of the business organization or owns \$5,000 or more of the fair market value of the business organization
2. Funds received by the Investment Officer from the business organization exceed 10% of the Investment Officer's gross income for the previous year



3. The Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the Investment Officer

Standard of Ethics

Investment officers shall act as custodians of the public trust and shall refrain from any transaction that might involve a conflict of interest or the appearance of a conflict of interest, or any activity that might otherwise discourage public confidence.

Authorized Professional Services and Investments

The City recognizes that all investment decisions regarding the City's portfolio are ultimately the responsibility of the City Council and its Investment Officers. However, all Investment Advisors and broker/dealers conducting business with the City shall make every reasonable effort to adhere to the spirit, philosophy, and specific terms of this investment policy. All Investment Advisors and broker/dealers shall avoid recommending or suggesting transaction outside the spirit, philosophy, and specific terms of this investment policy.

1. Broker/Dealers

A list of not less than five authorized broker/dealers shall be maintained to assure a competitive process. See Exhibit A for a list of approved brokers. Investment officers will establish the criteria, monitor the service, and evaluate the broker/dealers based on their:

- a. Adherence to the City's policies and strategies
- b. Transaction pricing
- c. Responsiveness to the City's requests for service and information
- d. The quality of communications
- e. Understanding of the inherent fiduciary responsibility of public funds

Financial Institutions and broker/dealers who desire to transact business with the City must supply the following documents to the Investment Officer or Investment Advisor (as applicable):

- a. Current year audited financial statements
- b. Financial Institutions Regulatory Agency (FINRA) certification and FINRA's Central Depository Registration (CRD) number.
- c. Proof of Texas State Securities registration
- d. City Policy Certification

Broker/dealers shall also provide timely trade documentation and confirmations. In order to perfect delivery versus payment, no authorized broker/dealers or their affiliated bank will be used for safekeeping.

A list of complying broker/dealers shall be approved by the City Council at least annually. This list is provided in Exhibit A.

2. Certification

Before transacting any business with the City, an Investment Officer shall present each broker/dealer with a current copy of the City's investment policy and an authorized representative of the firm shall, in writing to the City, certify substantially to the effect that:

- a. The broker/dealer has received and reviewed the City's investment policy
- b. The firm has implemented reasonable procedures and controls to preclude investments with the City not authorized by the policy

The City shall not enter into any investment transaction with a broker/dealer prior to receiving the certification.

If material changes are made to the investment policy, an updated copy shall be provided to the authorized broker/dealer for re-certification.

3. Investment Pools

Investment pools shall be required to furnish to the Investment Officer an information statement in accordance with the Act. An investment pool shall invest the funds it receives from entities in authorized investments permitted by the Public Funds Investment Act. Investment pools must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service or no lower than investment grade by at least one nationally recognized rating service with a weighted average maturity no greater than 90 days.

Any investment pool that does not meet the requirements of one that is created to function as a money market mutual fund must maintain a maximum average dollar weighted maturity that does not exceed 365 days (or 366 days in the case of a leap year) and must provide a fixed interest rate and a fixed maturity term for each pool position.

4. Investment Advisor

The City may contract with another investing entity registered under the 15 U.S.C. Section 80b -1 et seq. to invest its funds. A contract made under authority of this subsection may not be for an initial term longer than two years. A renewal or extension of the contract must be made by the City Council by order, ordinance, or resolution. The investing entity will be held to the same standards of this policy as the Investment Officer.

Investment Advisors shall be required to be registered with the U.S. Security and Exchange Commission and shall provide their SEC ADV Form to the City on an annual basis.

An Investment Officer shall present Investment Advisors with a current copy of the City's investment policy and an authorized representative of the firm shall, in writing, certify substantially to the effect that:

- a. The applicable advisors have received and reviewed the City's investment policy, and
- b. The firm has implemented reasonable procedures and controls to preclude investments with the City not authorized by the policy.

The City shall not enter into any investment transaction with an Investment Advisor prior to receiving the certification.

Appendix - Investment Policy



5. Authorized Investments

Authorized investments under this policy shall be limited to the instruments listed below as further described by the Act.

- a. Obligations of the United States Government, its agencies and instrumentalities, excluding mortgage backed securities, with a stated final maturity not to exceed two (2) years.
- b. Fully collateralized or FDIC insured depository certificates of deposit from banks doing business in Texas with a final state maturity not to exceed eighteen (18) months. Funds shall be collateralized in accordance with the investment policy and governed by a written agreement that complies with federal and state regulations for properly securing a pledged security interest.
- c. FDIC insured brokered certificates of deposit securities from a bank in any US state, delivered versus payment to the City's safekeeping agent, not to exceed one (1) year to maturity. Before purchase, the Investment Officer must verify the FDIC status of the bank to assure that the bank is FDIC insured.
- d. Fully insured share certificates from credit unions in Texas not to exceed eighteen (18) months to stated maturity and insured by the National Credit Union Share Insurance Fund or its successor.
- e. Commercial paper rated A1/P1 or its equivalent by two (2) nationally recognized rating agencies and with a final stated maturity not to exceed one hundred eighty five (185) days from the date of issuance.
- f. AAA-rated SEC registered money market mutual funds, striving to maintain a \$1 net asset value.
- g. Constant-dollar, AAA-rated or AAA-m rated Texas Local Government Investment Pools, approved by resolution of the City Council and conforming in every respect of the Act. The City investment in any investment pool shall not exceed 5 percent of the total assets of the pool.
- h. Fully insured or collateralized interest bearing accounts of any bank in Texas. Fully collateralized or insured demand deposit accounts at authorized City depositories, under the provisions of a written collateral/depository agreement.
- i. State and municipal obligations of any state rated not less than AA by two nationally recognized rating agencies and with a stated maturity not to exceed two years.
- j. Fully collateralized repurchase agreements transacted with a primary securities dealer as defined by the Federal Reserve, under a written master repurchase agreement, with a defined termination date, secured by obligations as defined by this policy held by an

independent third party custodian approved by the city, and with a stated final maturity not to exceed ninety (90) days.

This authorization includes flexible repurchase agreements (“flex repos”) to be utilized only in the investment of bond proceeds with a stated final maturity not to exceed the expenditure plan on the bond proceeds.

The City shall not invest, in the aggregate, more than 90 percent of its monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service, in approved investment pools.

Delivery versus Payment

All security transactions shall be settled on a delivery versus payment (DVP) basis in order to ensure that the City has total control of its investments and its funds at all times.

Competitive Bidding

All investment transactions, including certificates of deposit, will be made on a competitive basis to assure that the City is receiving fair market prices. Bids for certificates of deposit may be solicited orally, in writing, electronically, or in any combination of those methods.

Monitoring Credit Ratings

The Investment Officer or Investment Adviser shall monitor, on no less than a monthly basis, the credit rating on all authorized investments in the portfolio based upon independent information from a nationally recognized rating agency. If any security falls below the minimum rating required by policy, the Investment Officer or Adviser shall notify the Finance Director of the loss of rating, conditions affecting the rating and possible loss of principal with liquidation options available, to determine liquidation options within five business days after the loss of the required rating.

Monitoring FDIC Status

The Investment Officer or Investment Advisor shall monitor, on no less than a weekly basis, the status and ownership of all banks issuing brokered CDs owned by the City based upon information from the FDIC. If any bank has been acquired or merged with another bank in which brokered CDs are owned, the Investment Officer or Advisor shall immediately liquidate any brokered CD which places the City above the FDIC insurance level.



Collateralization

Consistent with the requirements of the Act and the Public Funds Collateral Act, the City shall require collateral equal to 102% of total deposits including accrued interest on all repurchase agreements and all time and demand deposits above the limits of federal insurance.

Time and Demand Deposits - Pledged Collateral

Financial institutions serving as City depositories will be required to execute a depository agreement with the City outlining, among other conditions, collateral conditions and limitations. The agreement shall define the City's rights to the collateral in case of default, bankruptcy or closing.

Collateral authorized by the City will be limited to the following

1. Obligations of the US Government, its agencies and instrumentalities, including mortgage backed securities, which pass the Federal Reserve bank test.
2. Obligations of any US state, their agencies and instrumentalities, and municipalities rated A or better by two nationally recognized rating agencies.

Collateral pledged to the City must be maintained with a margin of 102% of the total time or demand amounts being collateralized including accrued interest. The banking institution shall be held contractually liable for monitoring and maintaining the required margins at all time. All collateral shall be held by an independent third party banking institution outside the holding company of the pledging bank. A clearly marked evidence of ownership (safekeeping receipt) must be provided to the City for all securities pledged and must clearly state that the security is pledged to the City. Substitution of collateral shall only be made after prior written approval by the City.

The pledging institution shall be responsible for providing a monthly report, preferably from the custodian, on pledged collateral listing at a minimum, the security description, cusip, par value, maturity, and current market value.

Repurchase Agreement - Owned Collateral

Collateral under a master repurchase agreement is owned by the City under a buy-sell transaction. It will be held by an independent third party safekeeping agent approved by the City under an executed Bond Market Association Master Repurchase Agreement. Collateral with a market value totaling 102% of the principal and accrued interest is required and the counter-party is responsible for the monitoring and maintaining of collateral and margins at all times.

Safekeeping of City Owned Securities

The laws of the state, this policy, and prudent treasury management require that all securities be settled on a delivery versus payment basis and be held in safekeeping by an independent third party financial institution approved by the City. The City shall contract with its banking services depository or another financial institution(s) as safekeeping agent for the safekeeping of any securities owned by the City. The designated safekeeping agent will be responsible for the clearing and safekeeping of all security trades and will provide a monthly report of holdings. All securities held by the safekeeping agent on behalf of the City shall be evidenced by a safekeeping receipt. In order to perfect delivery versus payment no brokerage subsidiary or bank used for safekeeping will be designated as an authorized broker.

Diversification

Diversification by security types shall be established by the following maximum percentages of investment type to the total City investment portfolio:

Obligations of the US Government	90%
Obligations of US Agencies/Instrumentalities	90%
Depository Certificates of Deposit	90%
Limitation by banking institution	15%
Brokered Certificate of Deposit Securities	20%
Credit Union Share Certificates	10%
Commercial Paper	20%
Limitation by Issuer	10%
Money Market Mutual Funds	70%
Limitation by ownership in fund	5%
Constant Dollar Texas Investment Pools	90%
Limitation by ownership in fund	5%
State and municipal Obligations	25%

Maximum percentages listed above are to be based on amortized book value.

Internal Control

The Director of Finance shall maintain a system of internal controls over the investment activities of the City and his/her subordinate employees. The controls shall be designed to address fraud, employee error, misrepresentation by third parties, unanticipated market changes, and imprudent actions. Controls deemed most important include: control of collusion, separation of duties, custody and safekeeping, delegation of authority, securities losses and remedial actions, and documentation on all transactions.

Appendix - Investment Policy



The City's internal controls over investment activities, and quarterly investment reports, shall be reviewed annually by the City's independent auditor as part of the annual audit process. Any irregularities or suggestions for improvement shall be reported to the City Council.

Cash Flow Forecasting

Cash flow forecasting is a control designed to protect and sustain cash flow requirements of the City. The Investment Officer will maintain a cash flow forecasting process designed to monitor and forecast cash positions of investment purposes.

Reporting

Not less than quarterly, the Director of Finance shall report to the City Council regarding the City's investment activities for the quarter in compliance with the Act. The reports shall contain sufficient information to permit an informed outside reader to evaluate the performance of the investment program. At a minimum the report shall include:

- description of each investment and depository position
- book and market values at the beginning and end of the reporting period
- additions, and changes to the market value during the period
- book value and market value of each separately invested asset at the beginning and end of the reporting period market sector and fund
- maturity date of each separately invested asset
- account, fund, or pooled group fund for which each investment was acquired
- earnings for the period
- overall yield for the portfolio(s) in comparison to its benchmark yield for the period

Market prices for market value calculations shall be obtained from independent sources. The quarterly report shall be signed by the Investment Officer and Investment Advisor as applicable.

Depositories

The City will designate one banking institution through a competitive process as its central banking services provider at least every five (5) years. In selecting a depository, the services, cost of services, credit worthiness, earnings potential, and collateralization of each financial institution shall be considered. This institution will be used for normal banking services including disbursement, deposits, and safekeeping of securities.

Depository agreements, executed in accordance with FIRREA (Financial Institutions Resource and Recovery Enforcement Act), will be established before funds are transferred.

Other banking institutions from which the City may purchase depository certificates of deposit will also be designated as depositories and must execute a written depository (collateral) contract in accordance with the provisions of this policy.

Policies and Strategy Review

The City Council shall review and adopt the City investment policy and incorporated investment strategy not less than annually. The City Council shall adopt a written resolution stating that it has reviewed the policy and strategy and the adopting resolution shall record any changes made.

The City's investment activities shall be reviewed annually by the City's independent auditors as part of the annual audit process. The objective of the review shall be to ascertain compliance of the City's investment activities with the investment policy, investment strategy, and the Act. Any irregularities shall be reported to the City Council through a report as prescribed by the audit engagement agreement.



Exhibit A

Authorized Broker / Dealers

1. Bank of America Merrill Lynch
2. Barclays
3. Duncan Williams
4. GX Clarke
5. Mizuho Securities
6. Morgan Stanley
7. Mutual Securities
8. Raymond James
9. RBC Capital Markets
10. Stifel Nicolaus



PURCHASING POLICY



INTRODUCTION

This is the Purchasing Policy and Procedures Manual (manual) for the City of Kerrville, Texas (City). Various City staff members have prepared this manual to inform each City department about the City's purchasing processes.

City purchasing procedures are governed to a large extent largely by Texas law. Therefore, state law is the primary authority on the validity of purchasing procedures. Because the procedures described in this manual derive from state law, at times and where appropriate, this manual uses language taken directly from state statutes. At other times, the manual paraphrases and generalizes state law in an effort to assist in the understanding and application of purchasing requirements. That said, this manual cannot and does not address every purchasing situation; thus, when an unusual situation occurs or a difficult factual or legal issue arises, the exact statutory language must be carefully reviewed and analyzed.

The Finance Department will assist each department with procuring quality goods and services that are required to provide our citizens and customers with the services that they expect. The goal of the Finance Department is to secure the lowest, responsible cost for the City.

MISSION, VISION, AND GOALS WITH RESPECT TO CITY PURCHASING

Mission: To generate fair and open competition to receive the best prices, terms, and conditions on purchases for the City.

Vision: To serve the citizens and customers of the City through greater efficiencies, both in terms of economy and services, and the procurement of quality supplies, equipment, and services.

Goals:

1. Establish policies and procedures that maintain the integrity of the purchasing process, encourage competition, and achieve cost savings.
2. Procure goods and services of the requested quality and quantity from responsible sources using the most efficient and economical means and at the best possible price and to have them available when and where they are needed.
3. Improve the speed of delivery of supplies, equipment, and services through planning and predetermining through supply contracts or other means, the available purchasing sources before an actual need becomes known and when possible, to take advantage of quantity and special discounts.
4. Comply with state and federal laws and this manual during the procurement and purchasing process.

POLICY & PROCEDURES

1. POLICY STATEMENTS.

A. Public interest. The City will conduct all purchasing – whether for goods or services – on the basis of economic and business merit. This policy is intended to promote the best interests of the City's citizens and customers.

B. Use of competitive bidding. City purchasing must operate in full view of the public. To assure an open, transparent purchasing process with the goal of obtaining the lowest possible price, the City Council has determined that the City will use competitive bidding as much as possible in the purchase of goods and services.

C. Employee support. The City seeks to maintain a cost effective purchasing system conforming to good management practices. To be successful, all employees must support the system. The establishment and maintenance of a good purchasing system is possible only through cooperative effort.

D. Planning. The purchasing process is not instantaneous. Planning is required to complete the steps required by state law and this manual. Again, a cooperative effort is required to accomplish the timely purchasing of goods and services at the lowest possible price.

E. Compliance with state law and manual. City officers and employees must comply with state law and this manual with respect to purchasing. Where a question or issue arises, an employee should not hesitate to contact the Purchasing Agent for guidance. Failure to comply with state law or this manual may result in disciplinary action being taken against the employee, up to and including termination. As specified below, violations of state laws concerning competitive bidding may also result in criminal convictions.

2. PURCHASING AUTHORITY

A. Purchasing Agent. The City Manager, pursuant to the City's Charter and City Council's approval of this manual, has delegated purchasing authority and responsibilities to the Purchasing Agent. The Purchasing Agent is an employee of the Finance Department. The Purchasing Agent must use this authority to purchase goods and services for the City in conformance with this manual. In certain instances, and as specified in this manual, the City Manager has also granted this authority to specified employees, which in turn have been authorized by their Department Directors. In no case shall purchasing authority be delegated to an employee or other person who has not been authorized by the City Manager or a Department Director.

B. Responsibilities of Purchasing Agent. The Purchasing Agent's responsibilities include the following:

1. The Purchasing Agent is responsible to ensure compliance with state and federal laws and this manual and to ensure that purchasing is practiced in a fully open, transparent, competitive, and ethical environment.
2. The Purchasing Agent will assist departments with identifying potential vendors or contractors or researching any information needed to make purchases.
3. The Purchasing Agent will assist departments in developing specifications for the purchase of goods and services along with the desired delivery schedules.
4. The Purchasing Agent will encourage competition between vendors and contractors through negotiations, competitive bidding, and bulk purchasing by continuously monitoring requisitions from departments. This includes the consolidation of purchases where possible.
5. The Purchasing Agent will monitor and evaluate the performance of vendors and contractors.



6. The Purchasing Agent will solicit evaluations and recommendations from departments on bids received from vendors or contractors.
7. The Purchasing Agent will oversee the transfer and/or reuse of products and equipment between offices and departments or the sale of surplus, obsolete, or unused supplies, materials, or equipment.
8. The Purchasing Agent, where applicable, will assist departments with the testing of goods and services for compliance with specifications.
9. The Purchasing Agent, where applicable, will negotiate all warranties and service agreements.
10. The Purchasing Agent will recommend the use of Cooperative Purchasing Agreements, Interlocal Agreements, and purchasing contracts for price and performance advantages.
11. The Purchasing Agent will consult with the Legal Department to assure forms and contracts are current and approved for their intended use.

C. Responsibilities of Department. A Department has the following responsibilities with respect to making and managing the expenditure of funds to acquire goods or services for the City. In this manual, “Department” refers to the group of employees responsible for a service(s) or a particular set of duties (e.g., the Public Works Department) and it also refers to the employee(s) within each Department that is authorized and responsible for making purchases.

1. A Department must determine the availability of budgeted funds in the appropriate category before requesting any purchase. The Finance Department will return purchase requisitions if funds are not available and will not restart processing the requisition until the Department addresses this issue.
2. A Department, where required, must submit all purchasing requests to the Purchasing Agent to allow sufficient time to comply with the procedures established by this manual.
3. A Department will plan and budget to eliminate and/or reduce work stoppages and rush ordering.
4. A Department, with the assistance of the Purchasing Agent, must provide minimum specifications for goods and services by completing the detailed specification form. A Department must write the specifications to encourage competition, whenever possible.
5. A Department that believes that a product, equipment, or service is only available through a sole source must provide a written explanation and justification for the purchase in accordance with this manual.
6. A Department will use existing City contracts when available for all purchases.
7. A Department must immediately and thoroughly inspect all deliveries of goods and equipment and determine their quality and conformance with specifications.
8. A Department must immediately notify the respective Vendor Purchasing Agent upon the discovery of an incorrect order or damaged products, materials, or equipment. When applicable, a Department must seek the assistance of the Purchasing Agent to help rectify the incorrect order or damaged goods.
9. A Department will continuously monitor the performance of goods and services and immediately report any deficiencies or violations in the performance of a contract to their respective Department Director and, when applicable, to the Purchasing Agent.
10. Where possible and when applicable, a Department's communications with vendors or contractors regarding purchasing should be arranged through and under the direction of their Department Director and/or the Purchasing Agent. This practice may include the evaluation of samples or products.
11. A Department must provide the Purchasing Agent with a copy (email preferred) of any correspondence between a vendor or contractor and the Department.

3. **BASIS FOR PURCHASING**

A. **Purchasing authority under state law.**

1. Pursuant to state law, before the City may enter into a contract that requires an expenditureexpenditure greater than \$50,000.00, the City must comply with the procedure established by state law for competitive sealed bidding or competitive sealed proposals. (See Ch. 252, Subch. B, TX. Local Gov't Code)
2. Pursuant to state law, the City may use the competitive sealed proposal procedure to purchase goods and services, including high technology items and insurance. (See §252.021(b), TX. Local Gov't Code)
3. The City Council, pursuant its adoption of this manual and in accordance with state law, has delegated to the City Manager, or designee, the authority to determine the purchasing method, including competitive sealed bids, competitive sealed proposals, or otherwise, which provides the best value to the City. (See §252.021(c), TX. Local Gov't Code)
4. Pursuant to state law, the City, in making expenditure greater than \$3,000.00 but less than \$50,000.00, must contact at least two historically underutilized businesses (HUB) on a rotating basis, based on information provided by the state comptroller. If the state's list fails to identify an eligible HUB, the City is exempt from this requirement. (See Ch. 252, Subch. B, TX. Local Gov't Code)
5. The City is entitled to reject any and all bids. (See §§ 252.043(f), 271.027(a), TX. Local Gov't Code)

B. **Exemptions from the requirement of competitive bidding.** Pursuant to state law, the following purchases do not require competitive bidding (some exemptions are explained more fully in other sections of this manual):

1. a purchase made because of an emergency;
2. a purchase for personal, professional, or planning services;
3. a purchase for work that is performed and paid for by the day as the work progresses;
4. a purchase of land or a right-of-way; and/or
5. a purchase of items that are available from only one source ("sole source"), including:
 - a. items that are available from only one source because of patents, copyrights, secret processes, or natural monopolies;
 - b. films, manuscripts, or books;
 - c. gas, water, and other utility services;
 - d. captive replacement parts or components for equipment;
 - e. books, papers, and other library materials for a public library that are available only from the persons holding exclusive distribution rights to the materials; and
 - f. management services provided by a nonprofit organization to a municipal museum, park, zoo, or other facility to which the organization has provided significant financial or other benefits;
 - g. a purchase of rare books, papers, and other library materials for a public library;
 - h. paving, drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements;
 - i. a public improvement project, already in progress, authorized by the voters of the municipality, for which there is a deficiency of funds for completing the project in accordance with the plans and purposes authorized by the voters;
 - j. a payment under a contract by which a developer participates in the construction of a public improvement as provided by Subchapter C, Chapter 212, TX. Local Gov't Code;



- k. personal property sold:
 - 1) at an auction by a state licensed auctioneer;
 - 2) at a going out of business sale held in compliance with Chapter 17, Subchapter F, TX. Business & Commerce Code;
 - 3) by a political subdivision of this state, a state agency of this state, or an entity of the federal government; or
 - 4) under an interlocal/interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391;
- l. services performed by blind or severely disabled persons;
- m. goods purchased by a municipality for subsequent retail sale by the municipality;
- n. electricity; or
- o. advertising, other than legal notices. (See §252.022, TX. Local Gov't Code)

C. Procurement of professional services.

- 1. State law prohibits the City from obtaining certain professional services through competitive bidding. The Professional Services Procurement Act provides that the City may not use competitive bidding procedures when seeking professional services. Instead, the City must award a professional services contract on the basis of demonstrated competence and qualification for the performance of that particular type of professional service. (see Ch. 2254, TX. Gov't Code)
- 2. Fees must be fair and reasonable, consistent with and not in excess of published recommended practices and fees of applicable professional organizations, and not in excess of any maximums specified by state law.
- 3. "Professional services" includes services within the scope of the practice of accounting, architecture, optometry, professional engineering; this includes services performed by any licensed architect, optometrist, physician, surgeon, certified public accountant or registered professional engineer in connection with his or her professional employment or practice.
- 4. In procuring architectural, engineering, or land surveying services, the City must first select the most highly qualified provider of those services on the basis of demonstrated competence and qualifications; and then attempt to negotiate a contract with that provider at a fair and reasonable price. If a satisfactory contract cannot be negotiated with the most highly qualified provider of architectural, engineering, or land surveying services, the City must formally end negotiations with that provider, select the next most highly qualified provider, and attempt to negotiate a contract with that provider at a fair and reasonable price. The City must continue this process to select and negotiate with providers until a contract is entered into.

D. Purchases through a state contract. The state comptroller may perform purchasing services for local governments. A city that makes purchases under such a contract satisfies all state competitive bidding laws. Depending on expenditure levels, appropriate approvals are still required for this type of purchase. (see Ch. 271, Subch. D, TX. Local Gov't Code)

E. Cooperative purchasing programs. Pursuant to state law, the City may participate in a cooperative purchasing program with another local government or a local cooperative organization. A city that makes purchases under such a program satisfies all state competitive bidding laws. Depending on expenditure levels, appropriate approvals are still required for this type of purchase. (see Ch. 271, Subch. F, TX. Local Gov't Code)

F. Interlocal cooperation. State law authorizes the City to enter into cooperative purchasing agreements with other jurisdictions (see Ch. 791, TX. Gov't Code). In addition, state law authorizes the extension of state bids and contracts to participating local governments under certain conditions. Depending on expenditure levels, appropriate approvals are still required for this type of purchase. (see Ch. 271, Subch. D, TX. Local Gov't Code).

G. Local preference.

1. If two or more bidders have bids that are identical in nature and amount, with one bidder being a resident of the City and the other bidder or bidders being non-residents, the City must select the resident bidder. (see §271.901, TX. Local Gov't Code)
2. If purchasing real property or personal property that is not affixed to real property and the City receives one or more bids from a bidder whose principal place of business is in the City and whose bid is within three percent (3%) of the lowest bid price received from a bidder who is not a resident of the City, the City may enter into a contract with either the lowest bidder or the bidder whose principal place of business is in the City; however, if the City awards the contract to the resident bidder, the City Council must determine, in writing, that the local City bidder offers the City the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of City residents of the local government and increase tax revenues to the City. (see §271.905(b), TX. Local Gov't Code)
3. For contracts less than \$100,000, if the City receives one or more competitive bids or quotations from a bidder whose principal place of business is in the City and whose bid is within five percent (5%) of the lowest bid price received by the City from a bidder who is not a resident of the City, the City may enter into a contract with the lowest bidder or the bidder whose principal place of business is in the City if the City Council determines, in writing, that the local bidder offers the City the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of residents of the City and increased tax revenues to the City. (see §271.9051, TX. Local Gov't Code)

H. Bonding for public works projects. State law requires contractors to submit bonds to the City for bids, payment, and performance of contracts on certain public works projects. State law establishes standards for when the bonds are required and the amount of the bond. A corporate surety duly authorized and admitted to do business in the State of Texas must issue the bonds. Although the term "public work" is not defined by statute, it is generally understood to mean the construction, repair, or renovation of a structure, road, highway, utilities, or other improvement or addition to real property. Bonds are required in the following amounts:

1. *Bid bond.* A bid bond, in the amount of 10% of the proposed contract price, is required where a contract is in excess of \$100,000.00.
2. *Performance bond.* A performance bond, in the total amount of the contract, is required if the contract is in excess of \$100,000.00.
3. *Payment bond.* A payment bond is required if the contract is in excess of \$50,000.00, in the total amount of the contract. The bond is intended solely for the protection of all claimants supplying labor and material in the prosecution of the work provided for in the contract.
4. *Maintenance bond.* In addition to the above statutorily required bonds, the City will require a mainte-



nance bond for all public work projects for a minimum time period of one year. (see Ch. 2253, TX. Gov't Code)

I. Disqualification of bidder/proposer. Pursuant to state law, the City may reject any and all bids and/or reject a bid(s) on the basis that it is nonresponsive. In addition, the City may disqualify a bidder where there is a reasonable belief that the bidder might not be able to satisfactorily fulfill the contract or that past performance by the bidder has left grounds for suspecting that the bidder might not perform. The City will not take the act of disqualification lightly. The City may consider the safety and financial records of bidders and proposers. Where a bidder or proposer has had past unsatisfactory performance, the Department must document the experience by completing a Vendor Performance Form (see **Exhibit A**). Upon completion, the Department must forward the form to the Purchasing Agent who will maintain a list of bidders and proposers and their performance history.

J. Alternative delivery methods. Pursuant to state law, City Council may determine that the alternative delivery methods described by Chapter 271, Subchapter H, TX. Local Gov't Code, provide a better value for the City with respect to expenditures which expenditures that exceed \$50,000.00 than the competitive bidding procedures described in Chapter 252, TX. Local Gov't Code. If such a determination is made, the City must use one of the alternative delivery methods described in Chapter 271, Subchapter H with respect to that expenditure.

K. Tax exempt status. The City is exempt from federal, state, and local taxes except in certain prescribed cases. An exemption certificate is available from the Finance Department. Upon request, a Department may furnish the certificate to any of the City's vendors or contractors.

L. Criminal penalties. State law provides criminal penalties where a city officer or employee fails to comply with competitive bidding requirements.

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4. PURCHASING AMOUNTS-THRESHOLDS. The following table provides general guidelines for purchases and the procedures and approvals required (more specific information follows):

CITY OF KERRVILLE APPROVAL			
Total Amount of Request	Type of Bid/Quotes Required	Employee(s) Responsible for Bid/Quotes	Approvals Required
Goods/services costing \$50,000 or more	Competitive bids/proposals opened at a public meeting by the City Secretary & Purchasing Agent	Purchasing Agent, Department (Project Manager)	City Council & City Manager
Goods/services costing \$25,000 to \$49,999.99	3 Written Quotes based on like products	Purchasing Agent, Department (Project Manager)	City ManagerDepartment Director and/or Finance Department
Goods/services costing from \$5,000.00 to \$24,999.99	3 Written Quotes based on like products	Purchasing Agent, Department	Department Director and Finance
Goods/services costing up to \$4,999.99	Efforts made to obtain the best value for the City		Supervisor or Manager and Directors

5. PURCHASES LESS THAN \$4,999.99. A Department may purchase products, materials, or services up to \$4,999.99 from a vendor or contractor by the following method. Because the administrative cost of requesting competitive bids would more likely be more than the amount that could be saved by receiving bids, the competitive bidding procedure does not apply to purchases of \$4,999.99 or less. However, even though bids are not required for this purchase, a Department must still seek out the lowest possible pricing. Further, because a significant amount of small purchases may occur locally and in many cases result in the lowest or competitive pricing, a Department should consider local vendors and contractors for purchases in this amount.

6. PURCHASES LESS THAN \$ 25,000.00

A. Three written bids. A Department must purchase goods and services that are estimated to cost less than \$25,000.00 by first developing written specifications and then using these specifications to obtain a minimum of three written bids (quotes). Written bids must be made on the vendor's or contractor's letter-head or on the bid form provided by the Purchasing Agent (see **Exhibit B**). Departments must attach copies of each written bid to the purchase order. Bids are valid for 6 months and will then automatically expire such that the City will need to obtain new bids.



B. Purchase requisition. All purchases shall require a purchase requisition initiated by the Department whose appropriation will be charged and a purchase order approved by the Purchasing Agent/Finance Department. No contract or order shall be issued to any vendor or contractor unless and until the Finance Department certifies the availability of sufficient funds. Inclusion in an approved budget does not automatically entitle the Department to the goods or services requisitioned.

C. Historically underutilized business. State law (§252.0215, TX. Local Gov't Code) requires Texas cities to contact at least two (2) historically underutilized businesses (HUB) on a rotating basis when making any expenditure of more than \$3,000 but less than \$50,000. The HUB must be based on information provided by the Texas Comptroller (see www.window.state.tx.us/procurement). If the list fails to identify a disadvantaged business in Kerr County or if the purchase is an emergency (see §17 of the manual below), the City is not required to follow this requirement.

D. Sequence for purchases less than \$25,000.00

1. The Department staff requests purchase approval from their Department Director and after approval, sends a purchase request via the City's purchasing software with minimum requirements, such as description, at least three quoted unit price, quantity, at least three quoted total price, delivery/freight costs, payment terms, account code, vendor/contractor name. The Finance Department will then certify the availability of funds and accuracy of account code(s).
2. Finance Department and/ or the Purchasing Agent must verify the receipt of written, competitive bids, proposals or current contracts and will then assign a purchase order number.
3. The Purchasing Agent or Department will place the order, receive the product, verify accuracy of product, and submit a printed purchase order with invoice attached for payment to Accounts Payable

7. PURCHASES BETWEEN \$25,000.00 AND TO \$49,999.99

A. Authority. Only the Purchasing Agent, and subject to approval by the City Manager, The Department Director has authority to make purchases in the amounts between \$25,000.00 and \$49,999.99. Any such purchase must be for an item or service that was approved within the budget.

B. Three written bids. Prior to any purchase of goods or services that are estimated to cost between \$25,000.00 and \$49,999.99, the Department, with assistance from the Purchasing Agent, with assistance from the Department, must develop written specifications. The Department Purchasing Agent will then use these specifications to obtain a minimum of three written bids (quotes). Written bids must be made on the vendor's or contractor's letterhead or on the bid form provided in this manual by the Purchasing Agent (see **Exhibit B**). The Department Purchasing Agent will attach copies of each written bid to the purchase request order. Bids are valid for 6 months and will then automatically expire such that the City will need to obtain new bids.

C. Purchase requisition. All purchases shall require a purchase requisition initiated by the Department whose appropriation will be charged and a purchase order approved by the Purchasing Agent, Finance Department and/or the Department Director. No contract or order shall be issued to any vendor or contractor unless and until the Finance Department certifies the availability of sufficient funds. Inclusion in an approved budget does not automatically entitle the Department to the good or service requisitioned.

D. Historically underutilized business. State law (§252.0215, TX. Local Gov't Code) requires Texas cities to contact at least two (2) historically underutilized businesses (HUB) on a rotating basis when making any expenditure of more than \$3,000.00 but less than \$50,000.00. The HUB must be based on information provided by the Texas Comptroller (see www.window.state.tx.us/procurement). If the list fails to identify a disadvantaged business in Kerr County or if the purchase is an emergency (see §17 of the manual below), the City is not required to follow this requirement.

E. Sequence for purchases between \$25,000.00 and \$49,999.99.

1. Departments, with assistance from the Purchasing Agent, develops detail specification for the items/goods to be purchased, obtain at least three written quotes, completes a purchase request form (see Exhibit B) and submits it to the Department Director for review and approval. After approval, the Department submits purchasing request form, written quotes, and, and detailed specification form to the purchasing agent.
2. The Purchasing Agent will create a purchase request via the City's purchasing software with minimum requirements, such as description, at least three quoted unit price, quantity, at least three quoted total price, deliver/freight costs, payment terms, account code, vendor/contractor name. The Finance Department will then certify the availability of funds and accuracy of account code(s).
3. The Department will then assign a purchase order number.
4. The Department, following approval by the City Manager, will place the order.

8. PURCHASES GREATER THAN \$50,000.00

A. Authority. State law (see §252.021, TX. Local Gov't Code) provides that purchases estimated at greater than \$50,000.00 require advertising which requests sealed bids or proposals. The Purchasing Agent is responsible for the advertisement and distribution of the requests for bids or proposals. City Council is responsible for selecting and approving the bid or proposal, in accordance with state law.

B. Sequence for purchases greater than \$50,000.00.

1. A Department must initiate the bid process by completing a Request for Purchasing (see **Exhibit C**) to obtain an Invitation to Bid (ITB), Request for Proposal (RFP), or Request for Qualifications (RFQ).
2. Departments must avoid any act or practice of component, consecutive, or sequential purchases, as detailed in §23 of the manual, below.
3. The Department is responsible for preparing or aiding the Purchasing Agent in the preparation of specifications for bids.
4. The Purchasing Agent will assign the bid a number or group it with other like items in an existing bid.
5. The Purchasing Agent will prepare bids and bidder mailing lists. After consulting with the Department, the Purchasing Agent will set the bid advertising dates and schedule the bid opening date and time. Where appropriate, the Purchasing Agent will utilize website notices for national advertising.
6. The City Secretary will receive bids and maintain them in a locked file until the date of the bid opening. At the time of the bid opening, the City Secretary will present all bids to the Purchasing Agent for opening, review, and analysis. The City will reject as nonresponsive any bid or proposal which is received after the due date and time. The time stamp in the City Secretary's Office will be the official time. Bid or proposal openings are open to the public.
7. The Purchasing Agent will conduct bid or proposal openings. Such opening will take place in Council Chambers or at the place designated in the advertisement and notice.

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8. The Purchasing Agent will prepare a tabulation for each item or group of items and after opening the bids, will read them aloud. The Purchasing Agent will consult with the Department for consensus of a recommendation.

9. Pursuant to state law, the City must award bids on the basis of the lowest responsible bidder or the bid that provides the best value. As for “best value”, the City, pursuant to law, may consider:

- a. the price;
- b. reputation of the bidder;
- c. reputation of the bidder’s goods or services;
- d. the quality of the bidder’s goods or services;
- e. the extent to which the goods and services meet the City’s needs;
- f. the bidder’s past relationship with the City;
- g. the impact to the City’s ability to comply with HUB requirements;
- h. total long-term cost to the City of acquiring the goods or services; and
- i. any relevant criteria that the City listed in its ITB or RFP (see §252.043, TX. Local Gov’t Code).

10. In the event of a disagreement between the Department and the Purchasing Agent, City Manager or his/her designee, will determine the recommendation to Council.

11. The Purchasing Agent, with Department input, will prepare an agenda bill with the staff recommendation for Council approval and award.

12. The Department will use the City’s purchasing software to submit a requisition to the Purchasing Agent for processing.

9. INSURANCE REQUIREMENTS. Where the City contracts with an outside party (contractor, consultant, vendor, or concessionaire) for goods or services, the ITB or RFP that is advertised must include a proposed contract. The contract should include indemnity and hold harmless provisions that appropriately transfer the project risks from the City to the contractor. Because the contractor may or may not have the financial resources to account for the risks, the City requires the contractor to purchase and maintain valid insurance to help ensure the financial security required by the City. The insurance types and amounts are as follows:

A. Workers compensation. Workers Compensation covering all employees per the state statutory requirement is required on all contracts.

B. Liability insurance. The following insurance is required on all contracts over \$15,000.00:

1. Employer’s Liability of \$100,000;
2. Comprehensive General Liability and Bodily Injury & Property Damage \$1,000,000 (per occurrence and aggregate); and
3. Business Automobile Liability covering owned vehicles, rented and non-owned vehicles, and employee non-ownership Bodily Injury Property Damage \$1,000,000 (per occurrence and aggregate).

C. Reasonable coverage. Although insurance coverage is not required for every project, and limits will vary by exposure, understanding insurance is important to assure that all of the City’s potential liabilities and exposures from a project are properly and reasonably protected. Where questions arise about the types of insurance or amounts, the Department should contact the Purchasing Agent, who may in turn consult the Risk Manager and/or the Legal Department.

10. WARRANTIES AND SERVICE AGREEMENTS. A Department must include any requirement for warranties or service agreements for the purchase specifications for use in creating the ITB or RFP documents. Where negotiation

is possible, the Purchasing Agent will negotiate all warranties and service agreements. A Department is responsible to ensure that service agreements exist on equipment, as necessary. A Department must not agree to a service agreement unless prior approval is received from the Purchasing Agent. The Purchasing Agreement will forward approved agreements to the Department for final signature. It is the responsibility of each Department to maintain and actively monitor agreements that pertain to their Departments, to schedule service calls under the agreements, and to notify the Purchasing Agent when agreement renewals should be scheduled.

11. BONDS FOR NON-PUBLIC WORKS PROJECTS. Based upon good business practices, whenever the City enters into a contract for the purchase of a product system or service in which the system or service will be of little value to the City until it is complete, then the City may require performance and payment bonds.

12. SOLE SOURCE PURCHASES. The purchase of items which are available from only one source items that are available from only one source are exempt from competitive bidding pursuant to state law. The City will strictly interpret this exemption. Items that are available through a single distributor will not be considered as sole source unless the distributor has an exclusive right to distribute the item and a like item cannot be purchased through any other distributor. Items such as captive replacement parts or components may be considered as "sole source" items. (See §252.022(a)(7), TX. Local Gov't Code)

A. Sole source purchases greater than \$3,000.00. The following is the procedure for all sole source purchases which purchases that are greater than \$3,000.00:

1. The Department must contact the vendor or manufacturer for verification and justification as to why the procurement is sole source. The Department shall submit a Sole Source Affidavit (see **Exhibit D**) to the Purchasing Agent for consideration and approval.
2. The Department should seek other information (Thomas Register of American Manufacturers, other cities, yellow pages) in an attempt to verify the vendor's or manufacturer's information and document the findings.

B. Sole source purchasing greater than \$50,000.00. All sole source purchases greater than \$50,000.00 must be reviewed by the City Manager prior to placement on the Council agenda. The Department shall submit a Sole Source Affidavit (see **Exhibit D**) to the Purchasing Agent for consideration and approval.

C. Verification. All sole source purchases must be verified annually.

13. HIGH TECHNOLOGY PURCHASING PROCEDURES. All purchases of high technology items must be processed through the Information Technology Department (IT) unless a specific exemption is granted by IT or the City Manager. "High technology" items means the procurement of equipment, goods, or services of a highly technical nature, including data processing equipment, software and firmware, telecommunications equipment, and technical services related to these items. The City may solicit for high technology procurements through a request for proposal. The RFP must specify the relative importance of price and other evaluation factors. High technology is defined as information processing equipment, software, telecommunications equipment, radio and microwave, electronic distributed control systems and the technical services related to such equipment. (see §§252.001 and 252.021(b), TX. Local Gov't Code)

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14. PURCHASING OF INSURANCE. All purchases of insurance related products must be processed through the Human Resources Department (HR) unless a specific exemption is granted by HR or the City Manager. The City may solicit for insurance through a request for proposal. (see §252.021(b), TX. Local Gov't Code)

15. PURCHASE OF COMPUTERS AND RELATED EQUIPMENT AND SUPPLIES

A. Requests. The Information Technology Department must review all requests for computers and related equipment, software, services, or supplies. IT's review will help standardize the type and quality of equipment in the City's inventory, ensure that purchases are made with minimum delay, facilitate tracking of requests, assist IT in maintaining accurate inventories for insurance and other purposes, and contribute to the most effective use of City resources. IT will review each request for compatibility with other hardware and software and may investigate alternatives. IT's recommendations and comments will include:

1. Any additional maintenance costs incurred because of the purchase;
2. Compatibility considerations;
3. Cost effectiveness of the request; and
4. Alternatives that would effectively meet a user's needs.

B. Placing the Order. The Purchasing Agent, in consultation with the Department and IT, will prepare and submit the necessary purchase requests.

16. EMERGENCY EXPENDITURES

A. Emergency expenditures authorized; defined. Pursuant to state law, there is an exemption from the bidding process for emergency purchases. An emergency is described as follows:

1. A procurement made because of a public calamity that requires the immediate appropriation of money to relieve the necessity of residents or to preserve City property;
2. A procurement necessary to preserve or protect the public health or safety of residents;
3. A procurement necessary because of unforeseen damage to public machinery, equipment, or other property. (see §252.022(a)(1-3), TX. Local Gov't Code)

B. Sequence for emergency purchases. Where an emergency exists and a purchase estimated at being over \$5,000.00 is required, the following procedure will be used:

1. The Department must complete the Emergency Justification form to justify the emergency to the Purchasing Agent who shall notify the City Manager. If the expenditure does not exceed \$25,000, Department Director must review and approve the purchase. If the expenditure exceeds \$25,000.00, the Purchasing Agent must have the City Manager review and approve of the transaction.
2. For expenditures exceeding \$25,000.00, the Purchasing Agent and the City Manager must certify that the expenditure is derived from an emergency condition specified by state law, the need for the expenditure was unforeseen, the continued expeditious operation of the City requires that the expenditure be made before the time necessary to obtain City Council approval (for expenditures exceeding \$50,000.00) in advance or to obtain competitive bids, and that funds are available for the expenditure.
3. A copy of the certification shall be delivered to City Council as soon as possible with an explanation of a description of the expenditure, an explanation of the necessity of the expenditure, the source of funds, and evidence of all necessary approvals.

17. RECEIVING ORDERS

- A. Inspection.** Upon receiving an order, a Department must inspect the delivery prior to acceptance when possible or otherwise as soon as possible.
- B. Action upon receipt.** A Department will acknowledge that all item(s) were physically received and send a confirmation to the Purchasing Agent.
- C. Notice of discrepancies.** A Department shall inspect all items against the purchase order for acceptability and discrepancy. If the items are unacceptable or any discrepancy occurs, the Department will immediately notify the vendor or contractor. The Department must also send a notice of this issue to the Purchasing Agent.
- D. Invoice.** Where the order is deemed correct, the Department shall send the invoice with attached purchase order and written quotes, if applicable, to finance the Finance Department for payment to the Purchasing Agent as soon as possible, as in many cases, state law requires payment within 30 days of the receipt of a correct and proper invoice.

18. CONTRACT RENEWAL PROCEDURES

- A. Terms.** Renewal terms should not exceed a total of five years including the original year. The Purchasing Agent, in consultation with the City Manager, may make an exception on case-by-case basis when in the best interest of the City. Any renewal provision must include language that such renewal is subject to budgeting and appropriations.
- B. Multiple Award Contracts.** When multiple vendor awards occur, if all vendors do not agree to renew, the contract in its entirety may be rebid or just that vendor's part may be rebid.
- C. Price Changes.** Renewal terms due to quantity changes or vendor proposed price increases may be recommended on a case-by-case basis considering the merits of the renewal offer. No price changes will be considered in the middle of a contract year.
- D. Performance.** The City will always consider the performance of a vendor and contractor when considering whether or not to renew or rebid. A Department will ensure that a Vendor Performance Form (see **Exhibit A**) is completed when appropriate.

19. CHANGE ORDERS

- A. General Information**
 - 1. A Department must submit a change order request to the Purchasing Agent, where applicable. Included in the request should be the number for the original Purchase Order, detailed specifications (if applicable), and written quote(s).
 - 2. Pursuant to state law, an original contract may not be increased by more than 25%; nor may the original contract price be decreased by more than 25% without the consent of the contractor. (see §§252.048 and 271.060, TX. Local Gov't Code).

Appendix - Purchasing Policy



3. Pursuant to state law, a change order is required if, after the contract has been executed:
 - a. Changes in plans or specifications are necessary;
 - b. It is necessary to decrease or increase the quantity of work to be performed; or
 - c. It is necessary to decrease or increase the quantity of materials, equipment, or supplies to be furnished. (see §252.048, TX. Local Gov't Code)

B. Material Changes. Following advertisement and submission of bids, the City may not make any material changes in the scope, quantities, or related work for goods or services. The City strives to ensure, and the law requires, that the City provides all potential bidders with an equal opportunity to bid and that toward the end, bidders submit bids upon the same terms and conditions involved in all the items and parts of the contract. To the extent that the City must make such a change after the submission of bids, the City may proceed by rejecting any and all bids.

C. Changes to Professional Services. A Department that is requesting a change order to a contract for professional services, must submit such request to the Purchasing Agent. The Purchasing Agent may approve the change provided that the change order does not increase the original contract amount by more than ten percent (10%). The City Manager must approve changes in excess of this amount. Change orders with a cost which exceeds \$50,000.00 cost that exceeds \$50,000.00 require City Council approval.

20. APPROVALS

A. City Council. Only City Council has the authority to approve and award bids, proposals, and contracts that exceed \$50,000.00. In most cases, the City Council will authorize the City Manager to enter into the contract.

B. City Manager. The City Manager is authorized to approve expenditures without further approval of the City Council for all budgeted items not exceeding \$50,000.00. Only the City Manager or designee may execute a contract for the City.

21. PROCEDURE FOR DISPOSAL OF SURPLUS PROPERTY. All Departments must review their assets and supplies each year and determine whether any items are no longer needed. A Department must submit a list of any surplus, obsolete, or unused supplies, materials or equipment to the Purchasing Agent, and include a description, make, model, and serial numbers. The Purchasing Agent, in coordination with a Department, may transfer items between Departments based upon needs. Where equipment or durable goods are deemed to be surplus, obsolete, or unused, the Purchasing Agent will remove the item from the City's fixed asset list. The Purchasing Agent may attempt to sell surplus, obsolete, or unused supplies, materials, or equipment in a manner that attempts to secure a fair market value price for the City. Funds received from sale of surplus items will be returned to the appropriate City fund.

22. ETHICAL REQUIREMENTS RELATING TO MUNICIPAL PROCUREMENT

A. State laws. City officials and employees must comply with various state laws with respect to purchasing. The following is intended to provide a summary and the general requirements of the laws.

1. Chapter 176, Texas Local Gov't Code.
 - a. Chapter 176 of the Texas Local Government Code is applicable to the City. The law also applies to a local government corporation, board, commission, district or authority whose members are appointed by City Council. Anyone designated as an "executive officer" of the City, including a

Councilmember, City Manager, Department Director, administrator, or any other person who is designated as an executive officer of the City must comply with the law.

b. As authorized by the state law, the City has extended the requirements of Chapter 176 to any City employee who has the authority to approve contracts on behalf of the City. (see §176.005 (a), TX. Local Gov't Code).

c. Chapter 176 requires executive officers to disclose employment and business relationships with vendors who conduct business with the City.

d. An executive officer is required to file a conflicts disclosure statement ("statement") if a vendor enters into a contract with the City, or if the City is considering entering into a contract with the vendor, and the officer or officer's family member has an employment or other business relationship with the vendor that results in the officer or officer's family member receiving taxable income that exceeds \$2,500.00 in the preceding twelve months.

e. An executive officer is required to file a statement if the officer or officer's family member accepts a gift(s) from a vendor with an aggregate value of more than \$250.00 in the preceding twelve months. An officer is not required to file a statement in relation to a gift, regardless of amount, that is accepted by an officer or officer's family member if the gift is given by a family member of the person accepting the gift, is a political contribution, or is food, lodging, transportation, or entertainment accepted as a guest.

f. An officer or vendor who knowingly fails to file a statement or a disclosure when required to do so commits a Class C misdemeanor.

2. Chapter 171, Texas Local Gov't Code.

a. Chapter 171 of the Texas Local Government Code regulates a local public official's conflicts of interest. The law defines "local public official" as an elected official, such as a Councilmember, or an appointed official (paid or unpaid) who exercises responsibilities that are more than advisory in nature.

b. The law prohibits a local public official from voting or participating in any matter involving a business entity or real property in which the official has a substantial interest if an action on the matter will result in a special economic effect on the business that is distinguishable from the effect on the public or, in the case of a substantial interest in real property, it is reasonably foreseeable that the action will have a special economic effect on the value of the property, distinguishable from its effect on the public.

c. A local public official who has such interest is required to file, before a vote or decision on any matter involving the business entity or real property, an affidavit with City Secretary, stating the nature and extent of the interest.

d. A local public official is required to abstain from participating in the matter.

e. A local public official who is required to file an affidavit is not required to abstain from participating in the matter if a majority of the members of the governing body have a substantial interest and file affidavits of similar interests on the same official matter.

3. Chapter 252, Texas Local Government Code.

a. If a person fails to comply with the competitive bidding or competitive proposal procedures required by Chapter 252, Texas Local Government Code, that person may be convicted of a Class B misdemeanor. This includes a situation in which a person makes or authorizes separate, sequential, or component purchases in an attempt to avoid competitive bidding requirements. A Class B misdemeanor may be punished by a fine of up to \$2,000.00, confinement in jail for up to 180 days, or both the fine and confinement.



- b. An individual is automatically removed from his or her position if that person is finally convicted of failing to comply with the competitive bidding or competitive proposal procedures required by Chapter 252. Once removed from office, such a person may not hold any public office in this state for four years after the date of final conviction. Also, for four years after the date of final conviction, the convicted person may not be employed by the city where the person was serving when the offense occurred and may not receive any compensation through a contract with the city.
- c. State law specifies that if a city enters into a contract without complying with the competitive bidding or competitive proposal requirements of Chapter 252, the contract is void. (See §252.061, TX. Local Gov't Code)
- d. Separate, sequential, or component purchases to avoid placing any purchase in a lower cost bracket in order to avoid approval levels or the competitive bid process are prohibited. A Department shall manage and plan in such ways that all purchases are made in sufficient quantities to meet needs. "Separate Purchases" mean purchases made separately of items that in normal purchasing practices would be bought in one purchase. "Component Purchases" means purchases of the component parts of an item that in normal purchasing practices would be bought in one purchase. "Sequential Purchases" means purchases of items made over a period that in normal purchasing practices would be bought in one purchase. (See §§252.001, 252.062, TX. Local Gov't Code).

B. City ethical rules. The City demands the highest ethical standards of conduct from its employees and from vendors or contractors dealing with the City. City employees engaged in purchasing must comply with the following ethical standards.

1. *Gratuities.* Certain kinds of conduct such as offering gifts, gratuities, or discounts to City employees to influence their decisions in the purchasing process are expressly prohibited. The City may reject a bid or cancel a contract without liability if it is determined by the City that gratuities were offered or given by a vendor or contractor, or an agent or representative of the vendor or contractor, to any officer or employee of the City with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such a contract. In the event a contract is cancelled by the City pursuant to this provision, the City will be entitled, in addition to any other rights and remedies, to recover and withhold the amount of the cost incurred by the vendor or contractor in providing such gratuities.
2. *Confidential information.* It is a violation of City policy for any employee to use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.
3. *Purchase of materials, equipment, and supplies for personal use.* Unless approved in writing by the City Manager, no employee may purchase City property for personal use unless it is purchased through the City's public auction, online bidding/auction, or through the sealed bid procedures of the City.
4. *Purchases for personal, private use.* No employee may use the purchasing power of the City to make purchases for personal, private use. Employees should not have private purchases sent or delivered to the City.
5. *Travel, meals, and other expenses paid by vendor or contractor.* Travel costs to a vendor's or contractor's site shall be paid by the vendor or contractor only if the bid or proposal solicitation specifically stated that such visits would be at the vendor's or contractor's sole expense. The City will pay all other travel costs. Employees must fully document the visits and related expenses.

23. PURCHASING (P-CARD) CARD POLICY AND PROCEDURES

A. Overview. The City issues and authorizes the use of Purchasing Cards (P-card) to establish a more efficient, cost-effective method of purchasing and payments. P-cards are intended to streamline the purchasing and accounts payable process by reducing paperwork generated by low cost, high volume transactions; providing immediate access to goods and services; and facilitating quick payments to vendors and providers. Such use also results in a significant reduction of both data entry and paperwork. The P-card is designed to delegate the authority and capability to purchase limited items directly to an authorized employee. A P-card will enable authorized employees to purchase non-restricted goods directly from vendors without the issuance of a purchase order. Authorized employees may use a P-card with vendors that accept VISA.

B. SCOPE. This policy applies to all Departments. All P-cards are governed by this policy and employees who are authorized to use P-cards to perform official City business must comply with state law and this manual.

C. RESPONSIBILITIES.

1. The Finance Director is the administrator of the P-card program.
2. A Department Director, where appropriate, may authorize an employee(s) under their direction to use a P-card. The Director will make recommendations to the Purchasing Agent as to recommended limits on the account, to include monthly spending limits, number of transactions per day, number of transactions per billing cycle, and merchant category restrictions.
3. An employee authorized to use a P-card must and sign a Purchasing Card Cardholder Agreement (see **Exhibit E**) prior to being issued a P-card. The employee is responsible for not only protecting the card, but is also responsible and accountable for all purchases made using the P-card. The employee must keep the P-card in their possession and not allow anyone to use the P-card issued in their name. The employee will assume responsibility that all purchases made with the P-card adhere to this policy and will insure that no unauthorized purchases are made. The City will consider unauthorized purchases to be misappropriation of City funds which violates City policy and potentially state law. The employee authorized to use the P-card and the Department Director are responsible for the integrity and accuracy of P-card purchases and as such, are responsible for receipts for all P-card purchases and transactions. All purchases processed against a P-card must be made by, or under the immediate direction of, the employee to whom the card is issued. P-card receipts must specify all purchased items. Receipts that show only a total amount without any itemized details are unacceptable. The employee must inform the merchant of the City's tax-exempt status; where the employee fails to do this, the employee will be responsible for reimbursing the tax amount to the City. The City will hold the employee personally responsible for items purchased without the supporting documentation.
4. The Finance Department will return incomplete receipts to the P-card holder and the Department Director who will then be responsible for obtaining a detailed receipt.
5. P-card holders who do not retain acceptable receipts for P-Card purchases may have their authority for using the P-card revoked. The Purchasing Agent will notify a Department Director concerning any misuse of a P-card.

D. Purchases. P-cards are intended for small purchases of products and supplies needed during the course of business. The Purchasing Agent will place limitations and restrictions on each P-card issued to an authorized employee depending on job duties. Merchant Category Codes (MCC) will limit the vendors allowed to accept the card and limits will be set for single purchases and maximum monthly purchase limit. The P-card must not be used on any goods or services or with any merchant that would be considered to be an

Appendix - Purchasing Policy



inappropriate use of public funds. The following list constitutes examples of inappropriate purchases made with a P-card, but is not intended to be an exhaustive or an inclusive list:

1. Items for personal use;
2. Alcoholic beverages;
3. Bars, cocktail lounges, etc.
4. Consulting services (e.g., construction, engineering, etc.);
5. Cash advances;
6. Salaries and wages;
7. Purchases made from merchants with restricted MCC codes;
8. Gifts or donations;
9. Transaction amounts greater than the cardholder's transaction limit;
10. Split purchases to bypass limits on P-card;
11. Separate, sequential, and component purchases or transactions made with the intent to circumvent state law or this manual.

E. Reconciliation. The Purchasing Agent will place spending limits and other restrictions on each P-card issued to an authorized employee depending on the purchasing authority of the cardholder. The Department must maintain receipts for each purchase throughout the month. During the month and at month's end the Department may view all purchases online. The Department must review the charges, print the register, and reconcile the amounts with the receipts for the purchases. The Department must then forward the register and receipts to the Purchasing Agent. The Purchasing Agent will review the purchases and authorize or reject any payment. The Purchasing Agent will then forward the paperwork to Accounts Payable for payment. A Department does not need to create a purchase requisition as Account Payable will issue one purchase requisition for the citywide purchases for the month. The Purchasing Agent will immediately notify a Director of any unauthorized purchases during the review process.

F. Disputed Charges. An authorized employee who is issued a P-card holder is responsible for attempting to resolve any dispute with a vendor. The employee must attempt to resolve such dispute within fifteen (15) days of receipt of a purchase. If a resolution is not possible, the employee must immediately notify the bank of the disputed item. The bank should provide a dispute form that the employee cardholder must complete and return to the bank. The employee must submit a copy of the form to their Department Director and the Purchasing Agent. In most cases, the bank will work directly with the employee to resolve the problem.

G. Termination or transfer of employee. When an employee who has been issued a P-card terminates from City employment or transfers from a Department, the Department Director must immediately, but in any event within one business day, contact the Purchasing Agent to report the change. The Purchasing Agent will have the Department complete the appropriate form that reflects this change. The Department will submit this form and pending receipts to the Purchasing Agent for processing. Where possible, the Department must try to have a terminated employee reconcile his/her P-card statements prior to termination. If there are any remaining charges on the P-Card not accounted for, those charges will be billed to the terminated cardholder or recuperated through other means.

H. Audit of records. The Finance Department may periodically audit any Department for P-card activity. Any failure to comply with this policy in the use or administration of a P-card may result in cancellation of a card and subject the cardholder to discipline, up to and including termination.

I. Loss of P-card. A P-card holder must report a lost P-card immediately but in any event, within one business day of discovered loss. The City may hold an employee liable for any losses not covered by the protection plan. The City may also hold an employee responsible for the cost of a replacement card.

24. PETTY CASH DISBURSEMENT

A. Rules and forms.

1. A Department may submit a request for petty cash from the Finance Department. The request and disbursement must not exceed \$100.00. If cash payment is necessary due to unforeseeable circumstances, the Finance Director may approve expenditure over the \$100.00 limit.
2. Only expenditures specifically authorized by this manual are allowed.
3. A Department must not use petty cash pay for services rendered.
4. An employee must not use petty cash for any use that violates this manual.

B. Maintaining petty cash. Petty cash vouchers, receipts, and cash on hand must at all times equal the total amount authorized for the petty cash fund. The Finance Department will issue a petty cash voucher to a Department at the time money is advanced for an employee to make purchases on the City's behalf. The Department must sign the petty cash voucher indicating approval for the purchase. The sales receipt must be attached to the petty cash voucher after the purchase. The petty cash voucher should include the amount and purpose of the proposed expenditure, the expense account number, and be signed and dated by the recipient the Department. Vouchers may not be used as a substitute for a sales receipt. Where a Department maintains a departmental petty cash, the Department must turn in petty cash vouchers with receipts attached to the Finance Department on a weekly basis to exchange for cash in reimbursing the departmental petty cash.

C. Audit of petty cash. The Finance Director will periodically audit petty cash expenditures as to form and regulations and may confirm purchases.

25. RENTAL OR LEASE OF EQUIPMENT

A. Rental procedures. Where a Department seeks to rent or lease equipment, such acquisition must be handled as any other type of purchase such that a purchase requisition is sent to the Purchasing Agent for the procurement. Prior to placing a request, a Department should determine whether the equipment that is proposed for rental or lease is available in any other Department.

B. Lease/purchase agreements. Any equipment lease may occur but only after the availability of a lease option has been fully evaluated for efficiency and cost effectiveness. A Department will work with the Purchasing Agent and Finance Department when proposing either a short-term or long-term lease of equipment for analysis of actual capital costs including interest charges. The total cost of the lease shall be calculated. Where such cost exceeds an authorized purchasing threshold for either the City Manager or City Council under this manual, the City Manager or City Council, as appropriate, will need to approve the lease

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agreement. Under no circumstances may a Department sign a rental or lease agreement unless prior approval has been granted by the Purchasing Agent.

EXHIBIT A
CITY OF KERRVILLE
Vendor Performance

****Instructions:** Complete this form to report exceptional or unsatisfactory vendor performance and return to the Purchasing Agent

Purchase Order No. [REDACTED]	Requisition No. [REDACTED]	Today's Date: [REDACTED]
Vendor Name: [REDACTED] Contact: [REDACTED] Address: [REDACTED] City, State: [REDACTED] Phone: [REDACTED] Fax: [REDACTED] E-mail: [REDACTED]		Department: [REDACTED] Contact: [REDACTED] Phone: [REDACTED] Fax: [REDACTED] E-mail: [REDACTED]
Nature of report (Check all applicable boxes):		
<p><u>POOR PERFORMANCE</u></p> <p> <input type="checkbox"/> Late Delivery <input type="checkbox"/> Failure to Deliver <input type="checkbox"/> Delivery made at wrong destination <input type="checkbox"/> Failure to identify shipments per contract terms <input type="checkbox"/> Short/overweight or count <input type="checkbox"/> Vendor shipped incorrect merchandise <input type="checkbox"/> Failure to replace damaged goods <input type="checkbox"/> Slow replacement of damaged goods <input type="checkbox"/> Failure to pick up incorrect shipment <input type="checkbox"/> Improper Product Packaging <input type="checkbox"/> Failure to meet specifications <input type="checkbox"/> Failure to follow palletizing instructions <input type="checkbox"/> Poor product quality <input type="checkbox"/> Poor product performance <input type="checkbox"/> Failure to respond to letter or phone call <input type="checkbox"/> Failure to promptly notify Purchasing concerning Manufacturer discontinuation of an item <input type="checkbox"/> Poor customer service (Requires comment) <input type="checkbox"/> Unauthorized substitution <input type="checkbox"/> Unsatisfactory installation <input type="checkbox"/> Service not performed within specifications <input type="checkbox"/> Incorrect invoices <input type="checkbox"/> Failure to comply with terms & conditions of contract (Requires comment) </p> <p><u>ACTION TAKEN BY PURCHASING</u></p> <p> <input type="checkbox"/> 1st Written notice issued for late delivery <input type="checkbox"/> 2nd Written notice issued for late delivery <input type="checkbox"/> Damaged assessed <input type="checkbox"/> Vendor commended <input type="checkbox"/> Shipment rejected <input type="checkbox"/> Vendor counseled </p> <p><u>Detailed explanation (Please be specific)</u></p> <p>[REDACTED]</p>		
Resolution completed by Purchasing: [REDACTED]		Date: [REDACTED]
Buyer: [REDACTED]		
<p><u>RESOLUTION</u></p> <p> <input type="checkbox"/> Complaint withdrawn <input type="checkbox"/> Vendor failed to receive purchase order <input type="checkbox"/> Delivery made after late notice sent <input type="checkbox"/> Performance corrected <input type="checkbox"/> Material or item replaced <input type="checkbox"/> Equipment performance corrected <input type="checkbox"/> Invoice Corrected <input type="checkbox"/> Item cancelled from contract (Vdr failure-Vdr initiated) <input type="checkbox"/> Item cancelled from contract (Vdr failure- Purchasing initiated) <input type="checkbox"/> Item cancelled from contract (No fault of vendor) <input type="checkbox"/> Entire order cancelled <input type="checkbox"/> Entire contract cancelled (Vendor fault) <input type="checkbox"/> Entire contract cancelled (No fault of vendor) <input type="checkbox"/> Damages paid <input type="checkbox"/> Vendor counseled <input type="checkbox"/> Order completed <input type="checkbox"/> Correct shipment received <input type="checkbox"/> Damages not paid – Vendor removed from bid list <input type="checkbox"/> Performance not corrected – Vendor removed from bid list </p> <p><u>EXCEPTIONAL PERFORMANCE</u></p> <p> <input type="checkbox"/> Shipment made early upon Purchasing/Department request <input type="checkbox"/> Product upgrade substitution suggested and accepted <input type="checkbox"/> Exceptional customer service response <input type="checkbox"/> Exceptional service provided for return of products <input type="checkbox"/> Provided technical/training/set-up assistance when not required <input type="checkbox"/> Price reduction for large order <input type="checkbox"/> Vendor commended </p>		

Appendix - Purchasing Policy



EXHIBIT B

CITY OF KERRVILLE

Written Quote Sheet

\$5,000.00 or more

(less than \$49,999.99)

Date Requested: _____

Dept/Div: _____

Funds Budgeted in Account:

Budgeted Amount: _____

	Vendor One	Vendor Two	Vendor Three
Firm			
Address			
City			
State/Zip			
Telephone			
Fax			
Sales Rep:			
E-Mail Address			
Delivery			
Freight Term			
Payment Term			
HUB			

EXHIBIT C
Purchasing Request
Invitation for Bid (IFB) and/or Request for Proposal (RFP)
\$50,000.00 or more

Date Requested: _____

Department: _____

Funds Budgeted in Account: _____

Budgeted Amount: _____

Point of Contact: _____

1st Advertising Notice Date requested: _____ Notice of the time and place at which the bids will be publicly opened and read aloud must be published at least once a week for two consecutive weeks in a newspaper published in the municipality. (if unknown leave blank)

2nd Advertising Notice Date requested: _____ (if unknown leave blank)

Requested Opening Date: _____ The date of the first publication must be before the 14th day before the date set to publicly open the bids and read them aloud. (if unknown leave blank)

Attachments:

	Yes	No
1) Detailed Specifications pertaining to requested item(s) to be purchased.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) List of any vendors known by the department to provide material or services.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Signatures:

Director: _____

Date: _____

Purchasing Manager: _____

Date: _____

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EXHIBIT D

CITY OF KERRVILLE Sole Source (Vendor) Affidavit

Before me, the undersigned official, on this day, personally appeared _____, a person known to me to be the person whose signature appears below, whom after being duly sworn upon his/her oath deposed and said:

1. My name is _____. I am over the age of 18, have never been convicted of a crime and am competent to make this affidavit.

2. I am an authorized representative of the following company or firm:

3. The above named company or firm is the sole source for the following item(s), product(s) or service(s):

4. Competition in providing the above named item(s) or product(s) are precluded by the existence of a: (Please mark one source)

patent monopoly copyright book
 secret process film manuscript
 a captive replacement part or component for equipment.

5. There is/are no other like item(s) or product(s) available for purchase that would serve the same purpose or function and there is only one price for the above named item(s) or product(s) because of exclusive distribution or marketing rights. A vendor, who markets a product through distributors, or more than one outlet, is not a sole source because the product(s) are available from more than one source.

6. Note: This Vendor understands that by providing false information on this Sole Source Affidavit, it may be considered a non-responsible Vendor on this and future purchases and may result in discontinuation of any/all business with the City of Kerrville.

AFFIDAVIT WILL BE VALID FOR TWO (2) YEARS FROM DATE SUBSCRIBED AND SWORN

Signature of Authorized Official

Title of Authorized Official

SUBSCRIBED AND SWORN to before me on this the ____ day of _____, 20____.

(Seal)

Notary Public

Printed Name

My Commission Expires

COMPANY: _____

ADDRESS: _____

CITY/STATE: _____

TELEPHONE: _____ FAX: _____

CONTACT PERSON: _____ EMAIL: _____

*****APPROVALS*****

Department Director

Date

Purchasing Department

Date

EXHIBIT E

CITY OF KERRVILLE Purchasing Card (P-card) Cardholder Agreement

I, _____ hereby agree to comply with the Purchasing Card (P-card) policy and procedures and the following terms and conditions regarding my use of the card. As a cardholder, I have read and understand the City of Kerrville Purchasing Policy and Procedures, which includes the P-card policy.

1. I understand that I am being entrusted with a valuable tool, the P-card. I will be making financial commitments on behalf of the City of Kerrville. I will always obtain the best value for the City by using the P-card wisely and with discretion.

2. I agree to use this card for official City business and approved purchases only. I fully understand that my misuse or abuse of the P-card will result in revocation of the card and appropriate disciplinary action, which may include termination of my employment. I also agree to attend training on the use of this card as prescribed by Purchasing Agent.

3. The following acts are prohibited, and I understand that this is not an exclusive or exhaustive list:

- Expenditures for personal purposes;
- Cash advances or refunds;
- Expenditures for entertainment, including but not limited to the purchase of alcoholic beverages;
- Purchases under contracts, unless an emergency exception is granted;
- Separate, sequential, and component purchases or transactions made with intent to circumvent state law or City policy;
- Transaction amounts greater than the limits on the P-card issued to me;
- Failure to submit proper documentation with each monthly statement, and;
- Allowing the card to be used by someone else

4. I understand I do not own the P-card and that the City has issued the card to me so that I can conduct authorized City business in an efficient, expeditious, and cost-effective manner. I agree to return the P-card immediately upon request or upon termination of employment (including retirement and resignation). Should I be transferred between Departments or positions, qualify for extended leave, or undergo an organizational change that causes my duties to no longer necessitate the use of the P-card, I agree to return it immediately.

5. If the card is lost or stolen, I agree to immediately notify the Purchasing Agent and my Department Director.

I understand and agree that my use of the P-card is subject to the following specific purposes or restrictions:

Employee Signature _____ Date _____ Department _____

Department Director _____ Date _____ Purchasing Agent _____ Date _____

Transaction Limit: \$ _____ Monthly Limit: \$ _____



EXHIBIT F

CITY OF KERRVILLE

Detailed Specification form

1. Title:

2. Summary:

Provide summary of what the product or service will be used for and the department(s) that will use it.

3. Definition:

(Required) Define technical and critical terms of product or services to be purchased. Attach detailed specification documents.

4. Requirements:

(Required) List all needs and performance requirements and include work-related needs that this item or service must fulfill. Include any testing, certification, or other quality control requirements.

(Optional) List all design requirements, including materials, manufacturing standards and directions, dimensions, physical characteristics and workmanship standards.

(Optional) List any requirements not cover.

Submitted By: _____

Dept: _____

Date: _____

EXHIBIT G

CITY OF KERRVILLE

Emergency Justification

This questionnaire has been designed to assist staff in providing information necessary in the processing of emergency requisitions for the purchase of products and/or services. Please complete and forward to Purchasing. If more space is needed, please attach additional page(s).

REQUISITION NO.: _____

1. State the reason for the emergency purchase by explaining what the emergency is and/or what caused the emergency situation:

2. State the financial or operational damage/risk that will occur if needs are not satisfied immediately (do not simply say there will be a loss or some damage):

3. State why the needs were not or could not be anticipated so that goods/services could not have been purchased following standard procedures:

4. State the reason and process used for selecting the vendor (attach all quotes/proposals received from other sources, if applicable):

5. State the part of the City's Purchasing Policy this Emergency Purchase falls under.

I certify that the above statements are true and correct, and that no other material fact or consideration offered or given has influenced this recommendation for an emergency procurement.

Submitted By: _____

Authorized Signature

Date

Dept Director: _____

Authorized Signature

Date

PURCHASING USE ONLY

Approved By: _____

Date: _____

Appendix - Purchasing Policy



EXHIBIT H

CITY OF KERRVILLE

Authorization for Asset Disposal

Date:	
Requestor (print):	
Department:	
Make:	
Model:	
Year:	
Mileage:	
Unit Number:	
VIN/Serial number:	
Asset Number:	
Description of asset:	
Reason for disposal:	
Requestor signature	Date
Approved by (Dept. Director - signature)	Date
Disposal Date	Signature
Notes regarding sale:	

Finance Use Only:	
Asset Removed from Incode	Date:
HR notified	Date:

EXHIBIT I

CITY OF KERRVILLE Request for Purchasing Card (P-card)

TO: Finance	
FROM:	
DEPARTMENT:	
DATE:	
I request that the Finance Department issue the following employee a City Purchasing Card (P-card) for the purpose of making purchases in the normal course of authorized City business.	
Employee's Full Name (print):	
Employee Title:	
Employee Signature:	
Single Item Purchase Limit (Not to exceed \$3,000):	
Daily Transaction Limit (\$):	# of Daily Transactions:
Monthly Transaction Limit (\$):	
Restrictions:	
Requested By:	Department Director Signature
Approved By:	Date: P-card Administrator Signature

Finance Dept Only	
Date card ordered:	
UniqueID:	Login ID:
Date card received:	
Date card issued to P-card holder:	
P-card holder signature:	

Appendix - Purchasing Policy



EXHIBIT J

CITY OF KERRVILLE INTERESTED PARTIES DISCLOSURE – FORM 1295

CERTIFICATE OF INTERESTED PARTIES		FORM 1295	
Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.		OFFICE USE ONLY	
1 Name of business entity filing form, and the city, state and country of the business entity's place of business.			
2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.			
3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.			
4 Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
		Controlling	Intermediary
5 Check only if there is NO Interested Party. <input type="checkbox"/>			
6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.			
_____ Signature of authorized agent of contracting business entity			
AFFIX NOTARY STAMP / SEAL ABOVE			
Sworn to and subscribed before me, by the said _____ this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.			
Signature of officer administering oath		Printed name of officer administering oath	
Title of officer administering oath			
ADD ADDITIONAL PAGES AS NECESSARY			

Form compiled by Texas Ethics Commission

www.ethics.state.tx.us

Adopted 10/1/2014



TRAVEL POLICY



City of Kerrville Travel Policy

The City maintains an Accountable Plan under IRS guidelines (IRS Publication 463). This means that reimbursement for an employee's or official's business related travel expenses is NOT considered taxable income.

Authorization

An employee must estimate the cost of travel, check for available budget, and obtain approval from their supervisor prior to incurring any business travel expense. If the cost of the trip is expected to exceed \$1,000, the employee/official must complete the "Travel Authorization Form" located at P:/Forms/Finance and submit the signed form to Accounts Payable prior to the trip.

Eligible Expenses

Employees/officials are eligible to receive reimbursement for the following:

1. Registration for conferences, seminars, classes, etc.
2. Lodging
3. Per diem meal allowance (must involve an overnight stay)
4. Transportation – air travel, mileage, car rental, shuttle, taxi, tolls, parking, public transportation
5. Miscellaneous – necessary expenses for items such as internet access, copies, etc.

Lodging

- Room rate and tax will be reimbursed to an employee/official.
- Best efforts should be used to obtain a reasonable rate, including use of government rates when available. If the employee/official is staying at a conference/convention hotel, reimbursement is limited to the conference or convention rate.
- Reimbursement is based on the single room rate unless the lodging is for more than one City employee/official.

Per diem meal allowance

- Per diem is a daily allowance paid to a traveler to cover the cost of meals. If the traveler does not use the entire per diem for meals, the traveler may keep the remainder and the difference is not taxable income. If the traveler's meal expense exceeds the per diem amount, the traveler will not be reimbursed for the additional amount.
- **Per the IRS, per diem meal allowance is allowed only for travel that includes an overnight stay. Day trip meals are not eligible for reimbursement.**

- Meals are reimbursed using a standard daily rate (per diem) set annually by the US General Services Administration (GSA). Determine the rate for a destination at gsa.gov/perdiem. The employee/official should attach a copy of the rate obtained at this site to the expense report. This rate covers the cost of meals, tax, and tip. No receipts are required.
- Per diem on departure and return travel days is calculated at 75% of the daily rate.

Transportation

- Air travel –
 - Employees/officials should book the lowest available airfare that reasonably meets travel needs.
 - Air travel should be coach class or lower and booked in advance to avoid premium last minute pricing.
 - Employees/officials should minimize luggage fees by checking as few bags as possible.
- Mileage –
 - Mileage is payable when an employee/official uses a personal vehicle for business travel.
 - Mileage is reimbursed at the IRS standard mileage rate.
 - Mileage should be calculated **from the work place** (not home) to the travel destination with mapquest.com mileage documentation attached to the expense report.
 - Employee/official must be properly insured to use their own vehicle and should attach a copy of their personal insurance ID card to the expense report.
 - Employees/officials receiving a vehicle allowance are not eligible for mileage reimbursement.
 - Mileage reimbursement represents reimbursement for all vehicle related expenses including gas, wear and tear, and personal auto insurance.
- Car rental –
 - Employees/officials should choose the least expensive car rental company and car class that will meet the business needs of the trip.
 - Additional insurance coverage through the rental car agency is not necessary.
 - Rental cars should be returned with a full tank of gas to avoid more expensive fuel rates.



- Gas –

- Gas is a valid travel expense only when using a City vehicle or rental car.
- Gas for personal vehicles is not a valid travel expense as it is included in mileage reimbursement.

Payment Methods

PCARD

A City issued purchase card is the preferred method of payment for travel expenses such as registration, hotel, airfare, car rental and gas. Pcards should not be used for meals reimbursed by per diem or gas for personal vehicles.

Gas Card

Gas cards are available for check out from Accounts Payable. These cards can be used if an employee/official is traveling in a City-owned vehicle and does not have a pcard.

Travel Advance

A personal travel advance can be requested for meal per diems. Checks payable directly to a hotel, conference, etc. can also be requested in advance. Mileage reimbursement must be requested following the trip.

Expense Report

An expense report should be submitted within 1 week following the trip that details the entire cost of the trip, including the amount of remaining reimbursement requested. Reimbursement will be paid through the purchase order (“PO”) process either as a check or direct deposit. Please contact Accounts Payable to set up direct deposit for expense reimbursement.

Documentation

Travel forms can be found under P:/Forms/Finance. The following items document travel expenses:

1. Travel Authorization Form – **required only for trips > \$1,000**. Signed form must be turned in to Accounts Payable prior to trip.
2. Travel Advance Form – submit this form with a PO **only if requesting a travel advance**. Personal travel advances should be submitted 2 weeks prior to departure.
3. Travel Expense Report – ****REQUIRED FOR ALL BUSINESS TRAVEL EVEN IF NO EMPLOYEE/ OFFICIAL REIMBURSEMENT IS REQUESTED****

Submit the Travel Expense Report form with a PO (if requesting employee/official reimbursement) within 1 week of returning from a trip. In order to meet IRS documentation requirements, a Travel Expense Report package must include:

- a. Date, time, destination and business purpose of the trip.
- b. Itemized receipts (original or copies) for registration, lodging, airfare, car rental, and other miscellaneous expenses, even if the expenses were paid with a pcard or another PO.
- c. NO receipts for meals reimbursed through per diem.
- d. Mapquest.com showing mileage from the work place to the destination if requesting mileage reimbursement.
- e. Gsa.gov/perdiem showing per diem rate for travel destination.
- f. All travel expenses must be documented on this form even if they were paid for using a pcard, gas card, or travel advance. Attach duplicate copies of pcard, gas card, or travel advance receipts to the expense report in order to meet IRS recordkeeping requirements.

4. Excess Reimbursement – any excess reimbursement received must be repaid to the City within 1 week of returning from a trip. Note that excess reimbursement does not apply to unspent, but allowable per diem.

Traveling with Family Members

Traveling with family members is permitted, but the City will reimburse expense related to the employee/official only. Lodging is reimbursed at the single room rate. Any difference in rate in order to accommodate family members must be paid for by the employee/official. Rental cars are reimbursed at the lowest rate. Any difference in rate needed to accommodate family members must be paid for by the employee/official. This same methodology applies to any other applicable charges. Employees/officials are prohibited from using City-owned vehicles for family travel. Family members are fully responsible for their own travel expenses.

Audit and Records Requirements

All travel expenses are subject to review, IRS audits, annual financial audits, and public records requests. Following the guidelines in this policy will ensure that travel reimbursements meet audit requirements and remain non-taxable.



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VEHICLE & EQUIPMENT REPLACEMENT POLICY

Appendix - Vehicle and Equipment Replacement Policy

Vehicle and Equipment Replacement Policy

Purpose: To provide a fiscally responsible vehicle and equipment replacement policy, which will enable the City of Kerrville to maximize asset utilization while maintaining a positive public image and being fiscally responsible in our budgeting and fleet replacement programs.

Summary: It is generally accepted that all types of mechanical devices have a finite life. The length of that life depends on many factors, including vehicle mileage and engine hours, quality of the preventative maintenance program, quality of driver training program, whether the mechanical device was used within the design parameters, was manufactured on a customer or commercial chassis, quality of workmanship by the original manufacture, quality of the components used, and availability of replacement parts, to name a few.

Additional Considerations: There are three aspect of vehicle life span: (1) service life, which is the length of time that a vehicle can be expected to perform in a functional and reliable manner under the service demands and operating condition to which it is exposed; (2) technological life, which is the ability of the vehicle to continue to perform in a functional and reliable manner when changes in service demands, technology and performance standards occur; and (3) economic life, which is the length of time that a vehicle can be operated and maintained in a cost-effective manner.

Category “A” Consists of the front-line emergency response vehicles which include marked patrol and traffic units, fire apparatus such as engines, aerial apparatus or ladder trucks, brush trucks, rescue trucks, and ambulances, which are used as front-line emergency response vehicles. The front-line life span of marked police vehicles is three (3) years of service or at/or before 100,000 miles. The front-line life-span of fire apparatus is fifteen (15) years and has a reserve life-span of additional five (5) years. The ambulance front-line life-span is four (4) years and a reserve life-span for an additional three (3) years. This includes seven (7) years maximum life-span for chassis replacement with the module remount onto a new chassis after the initial seven (7) years, providing a total of fourteen (14) year life-span of the module.

Category “B” Consists of heavy use vehicles which are used to serve the public on a day-to-day basis and pull trailers and/or equipment. Due to the heavy use, these vehicles may be scheduled for replacement at 100,000 miles or ten (10) years provided the maintenance cost is considerably higher than vehicles of the same type.

Category “C” Consists of all other cars and pickups, which include pool vehicles. These vehicles are generally assigned to departments and should not be replaced earlier than 100,000 miles or twelve (12) years provided the maintenance cost is not considerably higher than vehicles of the same type.

Category “D” Consists of other off-road equipment (loader, backhoe, mules, gators, mowers, etc.) that are used to serve the public on an “as needed” basis. Replacement of this category may be made after 2,500 operating hours or twelve (12) years, or provided the maintenance cost is considerably higher than equipment of the same type.

Category “E” Consists of light equipment (weed-eaters, chain saws, pumps, generators, trailers, and other small hand-operated equipment) which are used to serve the public on an “as needed” basis. Replacements in the category may be made after the total maintenance cost exceeds the original price of a particular piece of equipment.

► Appendix - Vehicle and Equipment Replacement Policy

Early Replacement The consideration of early replacement of a vehicle often arises when major expenditures are necessary to restore it to a safe operating condition (e.g. major component failure or incident damage). The economic effect of such repairs cannot be avoided because the cost is normally about the same whether the vehicle is sold in un-repaired condition or restored to repaired condition.

However, replacement prior to the normal criteria for vehicles will result in an acceleration of all future replacement cost cycles required to satisfy a continuing vehicle need. This acceleration of cost cycles causes a sizable increase in the total present value cost of all fixture cycles and should be avoided whenever possible. Major vehicle repairs should always be made, with two exceptions:

1. Major expenditures for repair should not be made when the cost of the repair plus the vehicle salvage in un-repaired condition exceeds its wholesale value in repaired condition.
2. Major deferrable expenditures should not be made when a vehicle is in the final six months of its retention cycle. During this period the penalty for replacement is small and, therefore, the vehicle should be replaced rather than repaired

Use point range system to determine replacement consideration.

Point Ranges for Replacement Consideration for “B” and “C”

Point Scale	Condition	Description
20 points & under	Excellent	Do not replace
21 to 25 points	Very Good	Re-evaluate and include in five year forecast
26 to 31 points	Fair	Qualifies to replace if M/R cost exceed 60% of cost
32 to 37 points	Poor	Replacement if funds are budgeted
Above 38 points	Failed	Needs priority replacement

Point Range Chart Note: The city may decide to retain a vehicle beyond the stated criteria after an evaluation of anticipated usage, repairs and operating costs. Each city vehicle and small equipment have been placed in a specific category (as listed below) in order to allow for uniformity in replacement standards.

Appendix - Vehicle and Equipment Replacement Policy

Point Range and Guidelines

Factor	Points	Description
Vehicle or Equipment Age	1	Each year of chronological age
	1	Each 100 hours over 2,500 hours
	1	Each 10,000 miles of usage
Factor	Points	Description
Vehicle or Equipment Use	1	Standard sedan, pickup, SUV
	2	Service pickup or truck with utility bed
	3	Vehicle that pulls trailer or equipment, hauls heavy loads, and/or continuous off-road usage
	4	Vehicle/equipment used in road treatment
Factor	Points	Description
Reliability (Preventive maintenance not included)	1	In shop one time within six month time period, no major breakdowns/road side assistance call in same period
	2	In shop one time within six month time period, 1 or more road side assistance call within same period.
	3	In shop more than twice within six month time period, 2 or more breakdown/road side assistance call in same period.
	4	In shop more than three times within six month time period, 2 or more breakdowns/road side assistance call in same period
Factor	Points	Description
Maintenance Cost (Preventive maintenance not included)	1	Annual maintenance cost are less than or equal to 20% of replacement cost
	2	Annual maintenance cost are 21-40% of replacement cost
	3	Annual maintenance cost are 41-60% of replacement cost
	4	Annual maintenance cost are 61-80% of replacement cost
	5	Annual maintenance cost greater than or equal to 81% of replacement cost
Factor	Points	Description
Overall Condition (Exterior, interior and add-ons)	1	No visual damage or rust
	2	Minor imperfections in body and paint, interior (no rips, tears, etc.)
	3	Noticeable imperfections in body and paint surface, minor rust, minor damage for add-on equipment, worn interior (one or more rips, tears, etc.)
and add-ons)	4	Poor paint and body condition, rust (holes, interior (rips, tears, burns, cracked dash) and major damage to add-on equipment.

Garage staff will provide annual maintenance cost percentage ratio



Appendix - Vehicle and Equipment Replacement Policy

Worksheet for Replacement Consideration

Use point range and guidelines to make determination

Unit # _____

Category: _____

Department Evaluation

Data	Description/Notes	Points
Year/Age		
Mileage/Hours		
Use Type		
Reliability		
Maintenance Cost		
Overall Condition		
Total		

Evaluated by: _____

Date: _____

Garage Staff Evaluation

Data	Description/Notes	Points
Year/Age		
Mileage/Hours		
Use Type		
Reliability		
Maintenance Cost		
Overall Condition		
Total		

Evaluated by: _____

Date: _____

Recommended action:



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ACCOUNT DESCRIPTIONS

Appendix - Account Descriptions



Revenue Line Item Description

6100 Series – Taxes

Taxes and franchise fees as established by city ordinance, state and federal legislation.

6111-Current Taxes

Anticipated collection of current year ad valorem property tax due by January 31.

6112-Prior Tax Year Levy

Collection of ad valorem property tax past due from previous years levies paid after January 31.

6113- Sales and Use Taxes

Collection of sales tax on goods and services purchased inside City limits as received through the State Comptroller.

6114-Mixed Beverage Tax

Tax received from State Comptroller for sale of alcoholic beverage within the City.

6115-Penalty and Interest on Taxes

Penalty and interest charged on ad valorem taxes paid after due date of January 31.

6116-Occupancy Tax

Tax levied at 7% on occupied room at hotels and motels within city limits and ETJ.

6121-Franchise Tax - KPUB

Tax of 3% from Kerrville Public Utility Board for electric services billed and collected.

6122-Franchise Tax - Natural Gas

Tax of 4% from natural gas distributor for services billed and collected.

6123-Telephone R.O.W. Use Fee

Right-of-way use fee 2% from telephone companies for services billed and collected.

6124-Franchise Tax – Taxicabs

Annual franchise tax collected from taxicab providers.

6125-Franchise Tax – Cable

Tax of 2% from cable providers for services billed and collected.

6126-Franchise Tax – P.E.G.

Tax of 1% from cable providers for public education and government programming.

6200 Series – Licenses and Permits

License and permits issued as determined by city ordinance or resolutions

6213-Parade Permits

Permit fee paid by groups or organizations to conduct public parades on city streets.

6215- KPD Alarm Permit Fee

One-time fee when alarm system is installed to be on record with Kerrville Police Department.

6230-Professional and Occupational License

Annually renewable contractor's licenses.

6231-Building and Construction Permit

Permits issued for construction purposes.

6232-Electrical Permits

Permits issued for electrical construction and installation.

6233-Plumbing and Gas Permits

Permits issued for plumbing and gas construction and installation.

6234-Backflow Inspection Fee

Inspection fee for backflow prevention devices.



Appendix - Account Descriptions

6235-Tear Down Permit

Permit to tear down and/or move existing structure.

6236-Zoning and Subdivision Fees

Fees for zoning and replatting of subdivisions.

6237-Mechanical Permits

Permits issued for HVAC, boilers, and machinery installation.

6238-Alcoholic Beverage License

License to sell alcoholic beverages inside city limits, one-half cost of State licenses

6239-Moving Permit

Permit to move building or structure on city streets.

6240- Sign Permits

Permit to install commercial sign.

6241- Sidewalk Fee

Annual fee for use of sidewalk space by commercial business.

6242- Parkland Fee - East

Fee charged for green space in lie of park space on new construction

6243 - Parkland Fee - West

Fee charged for green space in lie of park space on new construction

6244- Irrigation Permit

Permit for installation of irrigation system.

6245- Specs and Plans

Copies of specs and plans sold.

6246- Control Burn Permit

Permit for controlled burn

6247- LP GAS Permits

Permit for liquid propane gas tank installation

6248- Tent Permit

Permit for installation and fire inspection of tent for events

6249- Fire Sprinkler-No Bldg Permit

Permit to install new fire sprinkler system

6250- Fire Sprinkler Repair/Remodel

Permit for existing fire sprinkler repairs or remodel

6251- Fire Alarm-Commercial Only

Permit to install fire alarm system

6252- Fire Alarm Repair/Remodel

Permit for existing fire alarm repairs or remodel

6253- Ceremonial Fire Permit

Permit for ceremonial events

6254- Commercial BBQ Pit

Permit for installation of commercial BBQ pit

6255- Pyrotechnical Permit

Permit for commercial fireworks display

6256- Waterflow Test Permit

Permit for testing of fire line

6257- Plan Check Fee

Plan review fee.

6258- Flood Plain Permit Fee

Permits for construction in the flood plain.

Appendix - Account Descriptions



6259-Underground Storage Removal/Repair

Permit to remove or repair underground storage tank

6270-Health Permit – Sanitation

Annual permit for commercial swimming pools/spas

6271-Health Permit – Mobile

Permit for mobile food vendors

6272-Health Permit – Seasonal

Permit for seasonal food vendor

6273-Health Permit – Fixed Facility

Annual permit issued to all food handling establishments inside city limits

6274-Hotel – Annual Permit

Annual permit for lodging establishments.

6280-Vendor/Solicitor Permit

Permit fee for vendors with no permanent location in city

6285-Group Home – Annual Permit

Annual permit for group home operations in city.

6286-Group Home – Re-inspection Fee

Follow up inspection of group home before permit issued for compliance

6290-Banner Fee

Installation and removal of street banner for promotional purposes.

6291-Banner – Admin. Fee

Location reservation and permit for street banner

6300 Series – Intergovernmental Revenue

Revenue received from city, county, school, state, and federal sources

6304-City – Employee Premiums

Premiums received from city departments and employees for group insurance

6311-State - Emergency Management

Reimbursement for Emergency Management Coordinator, Assistant Emergency Manager Coordinator, and Emergency Management Secretary salary and benefit costs, quarterly.

6320-Kerr County - Emergency Management

Reimbursement for one-half of cost associated to local expense for emergency management operations

6321-Kerr County - Fire/EMS Contract

Contract between City and County for Fire and EMS services county wide.

6352-KISD - School Resource Officer

Contract to provide security on Kerrville Independent School District campuses.

6400 Series – Service Revenues

Revenues received for services provided by city

6402-Garbage Surcharge – Admin Fee

Administrative fee from across the scale surcharge charged by garbage provider.

6404-Child Support – Admin. Fee

Fee to employees for administering court ordered child support to proper agencies.

6405-COBRA – Admin. Fee

Fee to employees for administering COBRA benefits.



Appendix - Account Descriptions

6409-Library-Kerr County Residents

Kerr County residents for library use fee monthly or annually.

6410-Library-Non-Resident Fees

Library use fee for persons residing outside Kerr County.

6412-Library – Gazebo Rental

Rental of gazebo for events

6413-Library - Meeting Room

Rental of meeting room for events

6414-Library – Copies

Fee for making copies

6415-Library – Fax Machine

Fee for Fax Machine

6416-Library – Internet Printing

Fee from printing from internet.

6417-Library – Inter-Library Mailing

Reimbursement of postage for mailing items borrow from inter-library loan

6420- Fire Reports

Fee for copies of fire reports requested

6421-KPD - Accident Reports

Fee for copies of accident reports requested

6422-KPD – Funeral Procession Fees

Fee for police escort for funeral procession inside city limits

6423-KPD -Finger Printing

Service for providing identification information

6424-KPD -Offense Reports

Cost of requested case reports.

6425-KPD -Brady Law

Fee associated with Brady Law

6427-KPD -Letters of Clearance

Service provided for civilian identification

6430-Aquatic – Admissions

Admission fee to municipal swimming pool

6431-Aquatic – Programs

Fees for swim lessons, etc.

6432-Aquatic – Rentals

Rental of municipal swimming pool for group activities

6433-Parks and Rec – Programs

Registration fees for programs and events

6434-Parks and Rec – Rentals

Service fees for use of parks and recreation facilities

6436-Water Sales

Charge for water consumption per rate schedule

6437-Water Tap

Fee to install water tap in city main to individual location

6438-Sewer Tap

Fee to install sewer tap in city main to individual location

6439-Sewer Service Fee

Charge for disposal of wastewater per rate schedule

Appendix - Account Descriptions



6440- Tennis – Admission Daily Fee

Daily use fee

6441-Tennis - Annual Fee

Annual use fee

6442-Tennis - Concessions

City share of concession revenues per contract

6443-Tennis – Contract Fee

Fees due from tennis contractor per contract

6444-Requested Service/Repairs

Payment by customer for cost of materials and labor as requested

6445-Re-Use Water Sales

Charge for consumption of reclaimed wastewater per rate schedule

6446-Sale of New Meters

Cost of water meter paid by contractor or developer

6450-KSP-Annual Permit

Annual permit for entry to Kerrville Schreiner Park

6451- KSP-Day Pass

Permit for day entry to Kerrville Schreiner Park

6452- KSP-Excess Vehicle Fee

Fee for number of vehicles exceeding permitted number at recreation sites

6453- KSP-Premium W/S/E Site – (River)

Fee for use of camping site includes water, sewer, and 30 amp electric

6454- KSP-Premium Site – Hill Side

Fee for use of camping site includes water, sewer, and 30 amp electric

6455- KSP-Premium Site – 50 amp

Fee for use of camping site includes water, sewer and 50 amp electric

6456- KSP-Regular Site (water)

Fee for use of camping site with water only

6457- KSP-Regular Site (water/electric)

Fee for use of camping site with water and 30 amp electric only

6458- KSP-Mini Cabins

Rental for overnight stays, subject to occupancy tax

6459- KSP-Cabin-Premium

Fee for use of large cabin, subject to occupancy tax

6460- KSP-Ranch House

Rental for overnight stays, subject to occupancy tax

6461- KSP-Group Recreation Hall

Rental of indoor recreation hall includes water, electric, and HVAC

6462- KSP-Group Dining Hall

Rental of screened-in recreation facility

6463- KSP-Equipment Rental

Rental of grilling equipment

6464-KSP-Dump Station

Fee charged for use of dump station for recreational vehicles and camping trailers

6470-EMS - Medical Records

Fee for medical records reports

6471-EMS-Base Rate

Base rates charged for different levels of service



Appendix - Account Descriptions

6472-EMS-Mileage

Cost per mile to transport to medical facility

6474-EMS-Transfer Agreement

Medical transportation from one facility to another facility

6475-EMS-On-site Standby

Cost per hour for dedicated EMS unit to be on site

6476-EMS-Aid Only

Treatment only – no transport

6477-EMS-Response Fee

Assist only – no transport

6480- EMS-Charges Disallowed

Charges disallowed by Medicare and Medicaid

6481- EMS-Bad Debt Write-off

Charges not collected through normal billing process, sent to collection bureau to attempt collection through other methods.

6482-Water Sample Test

Fee charged for water sampling test

6485-Wastewater Sample Test

Fee charged for wastewater sampling test

6486-Waste Disposal Fee

Fee for disposal of waste at water reclamation fee by septic haulers

6490-Solid Waste - Recycling Center Proceeds

Proceeds from sale of recycled items received at city recycle center

6491-Solid Waste - Curbside Recycling Proceeds

Proceeds from garbage provider from collection of curbside pickup

6492-Solid Waste - Recycling Bins

Sale of recycle bins

6493-Solid Waste - Hauler Fee

Fee for solid waste haulers other than contracted solid waste provider

6494-Solid Waste - Landfill Disposal Fee

Out of county solid waste hauler per agreement

6495-Solid Waste – Admin Fee

Administrative service fee retained from garbage provider

6496-Solid Waste - Tipping Fee

Fee paid to dump at the landfill based on tonnage dumped

6497-Solid Waste - Environmental Fee

Environmental fee collected on monthly utility bills for landfill closure expense

6499-Cut-off Service Fee

Fee assessed to utility accounts not paid in full by 25th day after billing

6500 Series – Grants

Funding for specific purposes from private, state, and federal sources

6501-KSP-Public Deer Hunting

Reimbursement from Texas Parks and Wildlife Department for conducting public deer hunt to control deer population

6502-Cailloux Foundation

Grant to supplement various city programs or projects.

Appendix - Account Descriptions

6504-July 4th



Fireworks Sponsor

Corporate sponsor for fireworks at July 4th event.

6513-Police Grants

Grants awarded to police department by various agencies

6521-Fire Grants

Grants awarded to fire department by various agencies

6530-EMS-Grants/Donations

Grants to purchase specialized items or equipment

6565-Butt-Holdsworth Endowment

Endowment funds for used of library operations

6600-Series – Fines and Fees

Fines and fees as established by city resolutions and ordinances, or state legislation

6601-KSP – Cancellation Fee

Portion of refund for rental fee retained when reservation cancelled.

6607-Municipal Court City Portion Omnibase

Portion determined by state legislation

6608-Municipal Court -Time Payments/City

City portion of fines received through time payments until fines are paid in full

6609-Municipal Court -Time Payments/Administration of Justice

Portion retain from time payments for administrative justice per legislation

6611-Municipal Court – Fine

City portion of fines assessed as defined by legislation

6612-Municipal Court – 10% Collection Fee

Fee retained for collection, processing, and reporting of State fines assessed

6613-Municipal Court – Warrant Fees Collected

Fees received for serving warrants from outside law enforcement agencies

6614-Municipal Court – Arrest Fee Collected

Fees received for arrest of defendants from other law enforcement agencies

6615-Municipal Court – Special Expense Fees

Fees received for

6616-Municipal Court – Jury Trial Fee

Fee for jury trial requested by defendant

6617-Municipal Court – Parking Court Cost

Fine for parking violation

6618-Municipal Court – Child Safety Fine

Fine as mandated by State legislation

6619-Municipal Court – Traffic

Fine as mandated by State legislation

6622-Municipal Court – Contempt of Court Fine

Fine per municipal court judge

6625-Municipal Court – Summons Fee

Fee mandated by State legislation

6626-Municipal Court – Judicial Support Fee – City Portion

Fee mandated by State legislation

6627-Municipal Court – Expungement Fee

Fee charges for excessive false alarm responses

6628-Municipal Court – Court Technology Fee



Appendix - Account Descriptions

Fees designated by legislation for technology use in municipal court

6629-Municipal Court - Court Security Fee

Fees designated by legislation for security use in municipal court

6640-Library - Extended Use Fees

Fees for not returning items by due date

6641-Library - Lost Books/Equipment

Cost of replacing books and/or equipment by patron

6651-KPD - False Alarm Fees

Fees charged for excessive false alarm responses

6800 Series - Golf Course

Revenues generated by golf course operations

6810-Green Fees

Fees charged for use of golf course

6815-Cart Rentals

Rental of carts provided at golf course

6820-Membership Dues

Annual membership dues

6825-Private Cart Revenue

Fee for using private cart at golf course

6830-Driving Range Revenue

Fee for use of driving range at golf course

6840-Golf Merchandise

Sale of golf merchandise at golf shop

6841-Golf Merchandise - Tax Exempt

Merchandise is tax exempt purchased by non-profit organizations

6845-Food Sales

Food items purchased at golf shop

6846-Beer Sales

Alcoholic beverage items sold at golf shop

6850-COGS-Merchandise

Cost of goods sold from inventory at golf shop

6855-COGS-Food and Beverage

Cost of items sold for food and beverage supplies at golf shop

6856-COGS-Beer

Cost of beer sold at golf shop

6857-Donations/Prizes

Donations and/or prizes for tournament awards

6900 Series - Interest and Miscellaneous

Revenue received from interest on investments and other sources not identified in other revenue categories.

6901-Trust Income

Income received from trusts naming city as beneficiary

6902-Soccer Lease

Lease of city property by soccer association

Appendix - Account Descriptions



6904-Reimbursement - Vehicle/Equipment

Insurance claims paid for City owned vehicles or equipment

6905-Reimbursement-Building/Structure

Insurance claims paid for City owned building or property

6906-Restitution

Monetary restitution awarded for criminal activities by offenders.

6907-Cash Seizures Awarded

Cash seizures awarded and/or forfeited by court action.

6908-Election Filing Fee

Fee paid in lieu of required signature on city council candidate petition

6909-Bond Proceeds

Funds received from sale of debt

6910-Returned Item Fee

Handling fee charged for items returned from bank or credit card company unpaid

6911-Interest Revenue

Interest earned on cash and investments held in financial institutions

6912-Interest on Liens/Loans

Interest on city liens on property and/or intra fund loan

6913-Assessed Payments

Payment received for liens filed for services rendered

6914-Demolition Lien Assessment

Amount assessed to property owner for demolition of property by city

6915-New Account Fee

Set up fee per new utility account

6916-Mowing/Cleaning

Amount reimbursed by property owner for mowing or cleaning neglected property

6917 - Proceeds of Seizure Items Sold

Seized items awarded by court sold.

6918-Poster Sales

Sale of posters for special events.

6920-Timely Discount

Discount received for paying vendor in timely amount as offered by vendor

6921-Donations

Contributions from citizens for operations

6923-Donations Parks

Donations from citizens for park improvements

6930-P-Card Rebate

Annual rebate for volume of purchases made by city staff on purchasing card through financial institute

6932-ICT/DIR Rebate

Rebate from purchasing cooperative

6935-Allied Waste/Contribution-promotion

Reimbursement of expense by Republic Services

6936-Reimbursement for Calendar

Reimbursement of production and postage for annual solid waste calendar

6938-Forfeited Discount and Penalty

Penalty for payments not received by due date

6940-EIC-Administrative Fee

Fee for support services provided to Economic Improvement Corporation



Appendix - Account Descriptions

6941-EIC – Debt Funding

Funding by EIC for GO debt issuance to fund capital projects

6947-Radio Control Airplane Lease

Annual lease for use of city property for activities

6954-Reimbursement Soccer Maintenance

Reimbursement by soccer organizations for maintenance of soccer complex

6955-KSP – Leased Concession

Percentage of concession from lease holders

6956-KSP – Ancillary Item Sales

Small items sold at Kerrville-Schreiner Park

6960-Recovery of Bad Debts

Funds recovered of items previously considered as uncollectible

6961-EMS-Bad Debt Recovered

Funds recovered from unpaid EMS bills sent for collection

6966-Oil and Gas Revenue

Proceeds from estate designations

6970-Mardi Gras Sponsorship

Proceeds received from sponsors for Mardi Gras

6971-Mardi Gras Ticket Sales

Revenue from Mardi Gras ticket sales

6972-Mardi Gras Beverage Sales

Revenue from Mardi Gras beverage sales

6973-Mardi Gras Poster Sales

Revenue from Mardi Gras poster sales

6974-Mardi Gras Votes/Nominees

Proceeds from Mardi Gras votes/nominees

6975-Mardi Gras Food Sales

Proceeds from Mardi Gras food sales

6980-Holiday Parade Entry & Misc

Fee for Holiday parade

6982-Brick Sales

Revenue from Brick Sales

6989-Miscellaneous Revenue

Unanticipated or one-time revenues not classified

6991-United Parcel Service – Lease

Lease of city owned property

6992-Building Lease

City building lease received from outside source

6993-911 Revenue

Lease of space for 9-1-1 dispatch equipment and operations

6996-Bond Discount

Discounts associated issuance of debt

6998-Bond Proceeds

Bond proceeds received after associated costs

6999-Bond Premium

Amount of debt issued



7000 Series – Transfer In

Budgeted monetary transfer of between general ledger funds or return unspent balances of completed projects

- 7001-Transfer in – General Fund
- 7002-Transfer In – Water and Sewer Fund
- 7003-Transfer In – Garage Fund
- 7005-Transfer In – Employee Benefit Fund
- 7007-Transfer In – Police Special Programs Funds
- 7008-Transfer In – Parkland Dedication Fund
- 7013-Transfer In – Police Special Revenue
- 7014-Transfer In – Golf Course Fund
- 7015-Transfer In – Library Memorial Fund
- 7016-Transfer In – HOT Reserve Fund
- 7018-Transfer In – General Asset Replacement Fund
- 7019 Transfer In – Water Asset Replacement Fund
- 7020-Transfer In – Hotel/Motel Occupancy Tax Fund
- 7021-Transfer In – P.EG. Special Revenue
- 7022-Transfer In – Municipal Court Special Revenue
- 7026-Transfer In – Landfill Closure Fund
- 7028-Transfer In – Landfill Post Closure Fund
- 7040-Transfer In – EIC Fund
- 7050-Transfer In – Debt Service Fund
- 7053-Transfer In – Water/Sewer Debt Service Fund
- 7068-Transfer In – History Center Fund
- 7070-Transfer In – General Capital Improvement Project Fund
- 7071-Transfer In – Water/Sewer Capital Improvements Project Fund
- 7075-Transfer In – EIC Capital Project Fund
- 7090-Transfer In – Insurance Reserve Fund
- 7094-Transfer In – Main Street Fund
- 7099-Transfer In – Capital Contributions

Expense Line Item Description

000 Series – Personnel Services

Compensation to individuals in the form of salaries, wages, benefits, professional development and training, etc.

001-Salaries and Wages

Compensation to all full time permanent and probationary employees.

002-Overtime

Compensation for hours worked in excess of a forty-hour workweek for non-exempt employees.

003-Temporary Help

Includes part-time and full-time, temporary employees and part-time permanent employees. Must be hired through the human resources department.

004-Longevity

Compensation based on length of service. Public service employees compensated each pay period and civilian employees compensated annually.

005-Social Security (FICA)

City portion as prescribed by statute.

006-Retirement

City contribution portion to the Texas Municipal Retirement System.

007-Group Insurance

City portion of life, hospitalization, medical, and dental insurance.

008-Workers Compensation Insurance

Insurance for on-the-job injuries, loss of life, or medical insurance.

009-Unemployment Insurance

Premiums/claims paid for prior employees.

010-Travel and Training

Expenses incurred by employees attending approved schools or training programs, including registration fees, transportation, meals, and lodging. Also training pamphlets, safety manuals and rental of films for in-house programs; and work related travel expenses.

011-Local Meeting Expense

Includes cost associated with committee meetings, advisors, and related cost for meetings in the local area, includes day trips to surrounding cities.

012-Certification Pay

Additional compensation for job related certifications achieved.

013-Vehicle Allowance

Monthly stipend paid to employee for use of personal vehicle for the purpose of conducting city business/transactions

014-Other Pay

Call out pay

Appendix –Account Descriptions



100 Series – Supplies and Materials

Expendable materials and operating supplies which are subject to rapid consumption and which normally cost less than \$5,000.00 EACH

101-Office Supplies

Supplies or items necessary for operation of an office or work area. Includes operation manuals, copying, binding, and other printing costs.

102-Small Tools and Equipment

Items under \$5,000.00 EACH in value, which are subject to loss or rapid deterioration, such as brooms, light bulbs, hand tools, calculators, etc. Includes office furniture, batteries, and phones.

103-Chemical and Medical Supplies

First aid kits, chemical such a chlorine, polymers, laboratory supplies, insecticides, and herbicides.

104-Fuel and Oil Supplies

Gasoline, diesel fuel, motor oils, and petroleum products for City fleet (vehicles and equipment), includes fuel obtained from independent provider.

105-Food Supplies

Supplies for human consumption, that is not expensed under travel and training or local meeting expense, including ice and Gatorade used by field crews.

106-Janitorial Supplies

Building cleaning supplies, deodorants, disinfectants, wax, soap, and sanitary supplies. Includes floor mat service.

107-Wearing Apparel

Uniforms, badges, belts, boots, hats, slicker suites, gloves, safety vests, safety glasses, etc. Includes phone clips and leather gear used with required uniform.

108-Other Supplies

Supplies for specialized equipment or supplies not budgeted elsewhere.

109-Fuel and Oil Outside Purchase

Fuel and oil for equipment other than fleet vehicles.

110-Postage and Shipping

Cost for US Postal Service, UPS, FedEx and other commercial carriers.

111-Computer Upgrades

Costs associated with computer upgrades.

112-Computer Software Purchases

Costs associated with purchase of computer software.

115-Portable Buildings and Structures

Costs under \$5,000.00 associated with purchase or construction of portable buildings or structures.

118-Sign Materials and Supplies

Materials and supplies for signs, includes street signs, traffic control signs, traffic cones, and other signage.

131-Fertilizer and Chemicals

Fertilizers and chemicals primarily used for golf course and park maintenance.

132-Seed, Sod, and Plantings

Seed, sod, and plants used at golf course, parks, and other city facilities.

133-Sand and Gravel

Sand for sand traps and gravel used for golf course, park maintenance, and utility operations.

134-Topsoil and Fill Materials

Topsoil and fill materials primarily used for golf course, park maintenance, and utility operations.

200 Series – Maintenance and Repairs

Materials, parts, and labor used in renewal or repair of any building, structure, or equipment.

201-Land Maintenance

Re-grading, drainage works, fertilizing, mowing, botanical expenses, etc.

202-Building and Structures Maintenance

Materials and/or services required to maintain and repair building and structures; includes repairs to plumbing, heating, cooling and electrical systems; includes fire extinguisher inspections.

203-Maintenance Contract – City Garage

Service required to maintain and repair city fleet (vehicles and equipment) and only performed at city garage by city staff.

204-Parts – City Garage

Parts purchased to be used or installed at city garage for repair or maintenance of city fleet (vehicles or equipment).

205-Office Equipment Maintenance

Maintenance contracts, repairs of office equipment, copiers, computers, and office furnishings.

206-Instruments and Apparatus Maintenance

Installation, repair, and removal of radio equipment. Repairs to pumps, motors, equipment, and other items not identified as vehicle repairs, office equipment, or buildings and structures. Includes chain saws and mowers.

207-Street and Drainage Maintenance

Pothole repairs and annual street maintenance program.

208-Traffic Control Device Maintenance

Repair and replacement parts for light boards and barricades. Does NOT include materials for signs.

209-Irrigation System Maintenance

Repairs to irrigation systems.

210-Water System Maintenance

Repairs to and maintenance of wells, stand pipes, mains, hydrants, meters, etc.

211-Wastewater System Maintenance

Repairs to and maintenance of wastewater mains, lift stations, and water reclamation system facility.

212-Repairs – Not City Garage

Parts and labor for repairs to vehicles, equipment, and machinery when work is performed by a non-city garage or repair shop. Includes vehicles washes, State inspections for City fleet.

217-Software Maintenance Agreement

Repairs to and upgrades to software, including annual maintenance agreements.

300 Series – Miscellaneous Services

Contractual services other than repairs, improvements or replacements.

301-Telephone Service

Local service, long distance, modem charges, cell phones and air card service.

302-Light and Power

Electrical usage.

303-Natural Gas

Natural gas usage

Appendix –Account Descriptions



304-Water and Sewer

Water and sewer usage.

305-Legal Service

Legal service as designated by City Attorney.

306-Special Services

Engineering and consultant fees. Laboratory and unclassified services including legal services by firms approved by City Attorney. Contractual arrangements for temporary help not designated as a city employee.

307-Insurance

Premiums for comprehensive liability, auto liability, law enforcement liability, errors and omissions, real personal property, boiler and machinery, auto physical damage, blanket fidelity, public officials bonds, electrical bond, money, and securities.

308-Cable/Satellite

Cable and satellite service

309-Prisoner Support

Payment for use of jail. Medical attention of city prisoners and assault victims.

310-P.E.G. Expense

Public, education, and governmental programing.

311-Network Services

City-wide network expense.

312-Audit, Disclosure, and Arbitrage Fees

Professional fees for annual audit and CAFR. Continuing disclosure and arbitrage reporting of debit issues.

313-Hire of Equipment

Rental of equipment and vehicles with or without operator. Employee allowance for use of private vehicle for city business.

314-Warrant Fees

Fees paid to other law enforcement agencies serving warrants issued by City.

315-Animal Carcass Disposal

Landfill fee for disposition of animal remains.

316-Advertising

Advertising for employment, special programs, and legal notices.

317-Employment Physicals

Pre-employment physical, psychiatric examinations, drug testing.

318-Tax Services

Annual contract with Kerr Central Appraisal District, collection fee based on percentage per contract with Tax Assessor Collector.

319-Drug and Alcohol Testing

Testing as required by DOT requirements.

320-Tire Disposal Fee

Fee for tires collected.

325-Tower Rental

Communication tower rental space.

328-Bank and Credit Card Fees

Monthly bank analysis and credit card fees.

347-Airport Management Contract

City portion of joint venture operations.

348-Airport - Ramp Match

City portion of match for TX DOT funding.

350-Group Insurance Premiums

Employee and Employer share for group insurance premiums.

351-Voluntary Life/AD&D Premiums

Voluntary participation of additional insurance options.

387-Golf Cart Lease

Annual lease for golf carts.

388-Lease

Office space lease.

400 Series – Other Expense

Expenditures not categorized elsewhere.

401-Certificates, Awards, Etc.

Plaques, certificates, retirement plaques, floral offerings.

402-Dues and Subscriptions

Subscriptions for professional publications, dues to professional organizations.

403-Election Cost

Costs associated with city elections.

404-Finance Charges/Late Fees

Penalties for invoices paid late.

405-Other Charges

Miscellaneous obligatory charges not classified elsewhere.

406-Bad Debt Expense

Write-offs for uncollectible accounts or returned bank or credit card items.

407-Shared Seizure Awards

Portion of seizure shared with other law enforcement agencies per agreement

408-Emergency Management

Costs associated with performance of Emergency Management.

409-Bad Debt Collection Fee

Fees charged for collection of bad debt by outside agency.

410-Contingency

Unforeseen expenses and unforeseen cost overruns for budgeted items.

411-Litigation Contingency

Unforeseen expenses related to on-going litigation.

412-ILA Contingency

Unforeseen interlocal agreement expense

426-Bond Expense

Principal portion on debt service payment.

429-Bond Interest Expense

Interest portion on debt service payment.

430-Depreciation Expense

Depreciation on items that qualify as a fixed asset.

431-Amortization Expense

Expense associated with issuance of debt/bonds.

451-Tournaments

Expenses related to tournaments.

470-Special Events

City sponsored events.

Appendix –Account Descriptions



500 Series – Capital Outlay

Purchase of real property, such as land, buildings, and other improvements, and the purchase of personal property which meet the following requirements: 1) cost \$5,000.00 or more per item; 2) must have an estimated life of more than one year; 3) must be capable of being permanently identified as an individual item; 4) must belong to one of the general classes of property which are commonly considered as a fixed asset.

501-Land

Includes all expenditures for land such as abstracts, assessments, cost of appraisal, surveys, recordings, initial drainage work, engineering work, sodding, grading, planting, and terracing.

502-Buildings and Structures

New building or additions to buildings including heating and cooling units, and structures such as sidewalks, bridges, drainage, playground equipment, pavilions, permanent signs, public art, etc.

503-Vehicles

Driveable vehicles, includes accessories and/or equipment needed for standard operation within department.

504-Machinery, Tools, and Equipment

Equipment, trailers, mowers, stationary machinery and motors, and tools costing over \$5,000.00 per item.

505-Office Equipment

Office equipment such as copiers, computer systems, printers, and mailing equipment.

506-Instruments and Apparatus

Radio equipment, surveying instruments, cameras, radar units, scales, etc.

507-Street Improvements

Major street improvements or additions including curb and gutter work.

508-Traffic Control Devices

Expenditures relating to design and installation of traffic control devices.

509-Irrigation Systems

Expenditures for pumps, lines, sprinklers, control devices.

510-Water System

Purchase of water mains, meters, storage tanks, well drilling, pumps, fire hydrants, and improvements to the water treatment plant.

511-Water Reclamation System

Purchase of sewer main, lift stations, and improvements to water reclamation treatment plant.

512-Books and Records

Purchase of books and materials for the library system.

513-Grants

City matching portion of grants resulting in fixed asset item.

514-Miscellaneous Capital Outlay

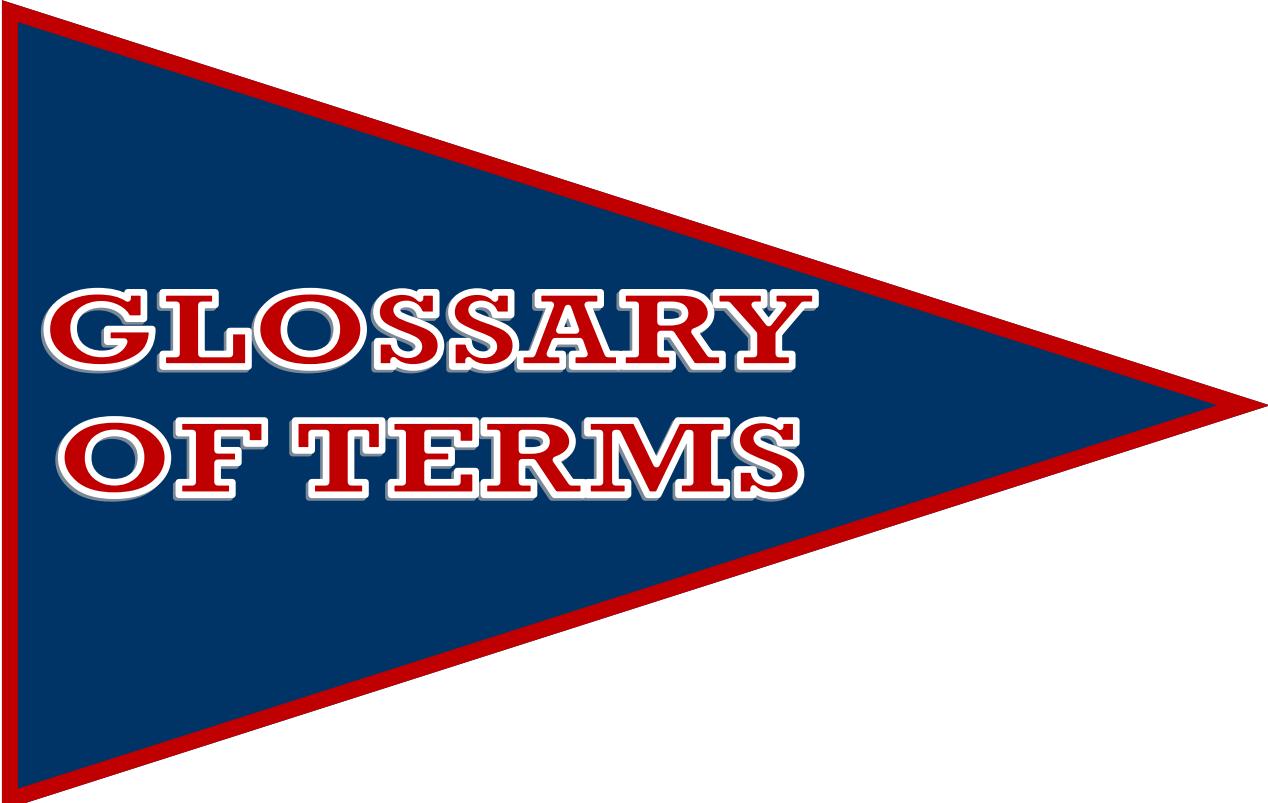
Miscellaneous capital items not described in 500 series.

900 Series – Operating Transfers Out

Transfers to other funds for specific or budgeted purposes by Finance Department staff – is not used for payment of items, products, or services.

- 901-To General Fund
- 902-To Water Sewer Fund
- 903-To Garage Fund
- 905-To Insurance Fund
- 908-To Parkland Dedication Fund
- 913-To Police Special Revenue Fund
- 914-To Golf Course Fund
- 915-To Library Memorial Fund
- 916-To HOT Reserve Fund
- 918-To General Asset Replacement Fund
- 919-To Water/Sewer Asset Replacement fund
- 920-To Hotel/Motel Fund
- 921-To P.E.G. Special Revenue Fund
- 922-To Municipal Court Special Revenue Fund
- 926-To Landfill Replacement Fund
- 928-To Landfill Post-closure Fund
- 940-To Economic Improvement Corporation Fund
- 950-To Debt Service Fund
- 953-To Water/Sewer Debt Service Fund
- 968-To History Center Fund
- 970-To General Capital Projects Fund
- 971-To Water/Sewer Capital Projects Fund
- 975-To EIC Capital Projects Fund
- 985-To Grant Fund
- 990-To Insurance Reserve Fund
- 994-To Main Street Fund

The logo for Kerrville, Texas, is displayed in a stylized, slanted font. The word "Kerrville" is written in a dark blue, outlined in red, with a thick, dark blue shadow cast below it. The text is slanted upwards from left to right, following the curve of the shadow.



GLOSSARY OF TERMS



GLOSSARY OF TERMS

ACCOUNT NUMBER

A line item code defining appropriation.

ACCURAL ACCOUNTING

A basis of accounting in which revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period in which they occur.

ACCURAL BASIS

Method of accounting that recognizes revenue when earned, rather than when collected. Expenses are recognized when incurred rather than when paid.

ADMINISTRATIVE SUPPORT

Administrative Support is funding transferred to the General Fund from enterprise funds for specific central administrative functions that benefit those funds, such as the City Manager's Office, the Financial and Administrative Services Department, and the Human Resources Department.

AD VALOREM TAX

Also known as the PROPERTY TAX, the ad valorem tax is payable at a rate per \$100 of taxable property value. The City Council sets the ad valorem tax rate every year as part of the budget process. A portion of the tax funds General Fund operations. The remaining portion funds General Obligation Debt Service.

ALLOT (ALLOTMENT)

To allot is to divide an appropriation into amounts that may be encumbered or expended during a time period.

AMENDED BUDGET

Amended budget, as used throughout the budget document, represents the original adopted budget plus any amendments passed by the City Council as of September 30 each year. This figure does not include prior year encumbrances or re-appropriations.

APPROPRIATION

Appropriation is the legal device by which the City Council authorizes the spending of City funds for specific purposes. Appropriations are usually limited in the amount and timeframe for expenditure.

APPROVED BUDGET

Approved budget, as used in fund summaries and department and program summaries within the budget document, represents the budget as originally adopted by the City Council.

ASSESSED VALUATION

A government sets a valuation upon real estate or other property as a basis for levying taxes. An assessed valuation represents the appraised valuation less any exemptions.

BAD DEBT

The U.S. Comptroller of the Currency, Administrator of National Banks defines a bad debt as an unsecured debt for which interest or payment is past due and unpaid for six months (and which is not in process of collection). Some businesses set aside a reserve on their books to offset losses from bad debts.

BALANCED BUDGET

A budget in which planned expenditures can be met by current income from taxation and other central government receipts.

BASIS OF ACCOUNTING

Basis of Accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial records of the City, regardless of the measurement focus applied. Accounting records for governmental fund types are maintained on a modified accrual basis, with revenue being recorded when available and measurable, and expenditures being recorded when services or goods are received and the liabilities are incurred.

BASIS OF BUDGETING (See also MODIFIED ACCRUAL)

The City's basis for budgeting is the modified accrual basis for governmental funds, including the General Fund. Budgeting for proprietary funds, which includes enterprise and internal service funds, is essentially on the full accrual basis. Encumbrances are recognized by both governmental and proprietary funds since encumbrances represent a commitment of funding for goods and services.

BEGINNING BALANCE

The beginning balance is the residual non-restricted funds brought forward from the previous fiscal year (ending balance).

BONDS

Bonds are debt instruments that require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate or formula for determining the interest rate.

BOND DEBT

That portion of indebtedness represented by outstanding bonds.

BUDGET AMENDMENT

A revision of the adopted budget that, when approved, replaces the original provision and increases or decreases the budget appropriation.

BUDGET CALENDAR

The schedule of key dates that a government follows in preparation and adoption of the budget.

BUDGET ORDINANCE

The schedule of key dates that a government follows in preparation and adoption of the budget.

Appendix - Glossary of Terms



BUDGET PERIOD

The period for which a budget is approved or a budget ordinance is adopted. Normally coincides with the fiscal year.

BUDGET TRANSFER

A procedure utilized by City Departments to revise budget appropriations within the departmental operating budget accounts.

BUDGETARY CONTROL

Budgetary control is the management of a government or enterprise in accordance with an approved budget for the purpose of keeping spending within available appropriations and available revenues.

BUDGETARY EXPENDITURES

Budgetary expenditures are decreases in net assets. In contrast to conventional expenditures, budgetary expenditures do not include amounts represented by non-current liabilities.

BUDGET

A budget is a plan of financial operation embodying an estimate of proposed expenditures and the means of financing them.

CAPITAL BUDGET

The capital budget is a plan of proposed capital outlays and the means of financing them. The annual capital budget is the primary means by which most of the acquisition and construction activities for facilities and major improvements of a government are controlled.

CAPITAL EXPENDITURES

Funds used to acquire or improve long-term assets.

CAPITAL OUTLAY

Capital outlay is an item costing more than \$5,000 and having a useful life of more than one year.

CERTIFICATES OF OBLIGATION

Certificates of obligation are used to obtain quick financing. The full faith and credit of the City secure them. Under the State Act, the intent to issue certificates must be published in the local newspaper 14 days in advance. Voter approval is not required unless 5% of the qualified voters sign a petition and file it with the City Clerk. Certificates can be used for real property purchase and construction.

COMMERCIAL PAPER

Commercial paper refers to short-term, unsecured promissory notes, usually due within 30-45 days. Generally, the notes are backed by a line of credit with a bank.

COMMODITIES

Commodities are consumable goods such as office supplies, small tools, and fuel, which are used by the city.

COMMUNITY INVESTMENT PLAN (CIP)

Community Investment Plan is a comprehensive program that projects the capital needs of a community. Generally, it is a cyclical process that estimates the needs for ten years. Community Investment Plans are essential for sound infrastructure and financial planning.

CONTRACTUAL OBLIGATIONS

Contractual obligation is a short-term debt instrument which does not require voter authorization, used to finance the purchase of items, such as equipment and vehicles.

COST

Cost is the amount of money or other consideration exchanged for property, services, or an expense.

CURRENT

The term "current" designates the present fiscal period, as opposed to past or future periods. It usually means items likely to be used up or converted into cash within one year.

DEBT SERVICE

Debt service is the amount of money required for interest and principal payments on an outstanding debt in any given year.

DEBT SERVICE FUND

Debt service fund—also called a SINKING FUND—is a fund established to account for the accumulation of resources for the payment of principal and interest on long term debt.

DEFICIT

A deficit is the excess of expenditures over revenues during an accounting period or, in the case of proprietary funds, the excess of expense over income during an accounting period.

ENCUMBRANCE

Encumbrance includes obligations in the form of purchase orders, contracts, or other commitments that are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or actual liability is set up, at which point they become expenditures.

ENCUMBRANCE CARRIED FORWARD

When contractual commitments of funds are made, those funds are encumbered and no longer available for expenditure. As actual expenses occur, the encumbrance is reduced. When the fiscal year ends, the remaining encumbrance is "carried forward" and added to the budget approved by the City Council for the new fiscal year.

Appendix - Glossary of Terms



ENDING BALANCE

The dollars remaining after current expenditures for operations and debt service are subtracted from the sum of the beginning fund balance and current resources. Portions of the fund balance may be reserved for various purposes, such as contingencies or encumbrances.

ENTERPRISE FUND

An enterprise fund is established to provide accountability for operations which: (a) finance and operate in a manner similar to private business enterprises whose governing body's intent is for the costs (expenses, including depreciation) of providing goods and 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, and accountability of other purposes. Examples of enterprise funds are those for Austin Water Utility, Austin Energy, and Aviation.

EXPENDITURES

Expenditures are decreases in net financial resources. They include current operating expenses that require the current or future use of net current assets, debt service, and capital outlay.

EXPENSE REFUND

An expense refund is a cost reimbursement from other departments. It is usually associated with some service provided by one department on behalf of another.

EXPENSES

Expenses are decreases in net total assets. They represent the total cost of operations during a period, regardless of the timing of related expenditures.

FEES

Fees are charges for services.

FIXED ASSETS

Fixed assets are of long-term character and are intended to continue to be held or used. Examples are land, buildings, and improvements such as machinery and equipment.

FIXED COST

A fixed cost, such as rent, does not change with increases or decreases in the amount of services provided.

FTE

An FTE is a full-time equivalent authorized position, filled or vacant.

FIDUCIARY FUND

Those trust and agency funds used to account for assets held by a local government in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds.

FISCAL YEAR

The accounting period for which an organization's budget is termed the fiscal year. The fiscal year for the City of Kerrville runs from October 1 to September 30 of the following year.

FUNCTIONAL CLASSIFICATION

Functional classification is the expenditure classification according to the principal purposes for which expenditures are made. Examples are public safety, human services, and recreation and culture.

FUND

A fund is a fiscal and accounting entity with a self-balancing set of accounts. It records cash and other financial resources, all related liabilities, residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

FUND BALANCE

The balance of net financial resources that are spendable or available. Portions of the fund balance may be reserved for various purposes, such as contingencies or encumbrances.

FUNDING SOURCE

A funding source is the specifically identified dollars allocated to meet budgeted requirements.

GENERAL FUND

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Examples of General Fund departments include Parks and Recreation Department, Fire Department, Emergency Medical Services, Library, Municipal Court, and Police Department.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)

GAAP are the uniform minimum standards of, and guidelines to, financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provide a standard by which to measure financial presentations.

GENERAL OBLIGATION BONDS (G.O. BONDS)

General Obligation Bonds are bonds that are secured by the full faith and credit of the issuer. G.O. bonds issued by local units of government are secured by a pledge of the issuer's ad valorem taxing power. They are usually issued to pay for general capital improvements such as parks and streets.

GOVERNMENTAL ACCOUNTING

Governmental accounting is the composite activity of analyzing, recording, summarizing, reporting and interpreting the financial transactions of government.

Appendix - Glossary of Terms



GOVERNMENTAL ACCOUNTING STANDARD BOARD (GASB)

The governing body that sets accounting standards specifically for governmental entities at the State and Local level.

GOVERNMENTAL FINANCE OFFICERS ASSOCIATION (GFOA)

Professional association of state/provincial and local finance officers in the United States and Canada dedicated to the sound management of government financial resources.

GOVERNMENTAL FUNDS

Funds generally used to account for tax-supported activities. There are five different types of governmental funds: the general funds, special revenue funds, debt service funds, capital projects funds, and permanent funds.

GRANT

A grant is a contribution by one government unit or funding source to another unit. The contribution is usually made to aid in a specified function (for example, education), but it is sometimes also for general purposes.

INTERDEPARTMENTAL SERVICES

Interdepartmental services are budgeted expenses for services provided by another department.

INTERNAL SERVICE FUND

Proprietary fund type that may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

INVESTMENTS

Securities and real estate held for production of revenue in the form of interest, dividend, rentals or lease payments. The term does not include fixed assets used in governmental operations.

LEVY

To impose taxes, special assessments of service charges for the support of governmental activities.

LINE-ITEM BUDGET

A budget format in which departmental outlays are grouped according to the items that will be purchased with one item or group of items on each line.

MISSION

The reason or purpose for the organizational unit's existence.

MODIFIED ACCRUAL

City of Kerrville governmental funds are budgeted using the modified accrual basis, with revenues recognized when they become measurable. Revenue is "measurable" when the amount of the transaction can be reasonably determined. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred and is expected to be liquidated within 60 days.

NON-RECURRING REVENUE

Non-recurring revenue is a one-time windfall that is budgeted only for one fiscal year.

NOTES

A written, short-term promise of the issuer to repay a specified principal amount on a certain date, together with interest at a stated rate, or according to a stated formula, payable from a defined source of anticipated revenue. Notes usually mature in fewer than five years

OBJECT CLASS/CATEGORY

Object class is the expenditure classification according to the types of items purchased or services obtained; for example, personnel service, materials, supplies and equipment.

ORDINANCE

An ordinance is a formal legislative enactment by the City Council. If it is not in conflict with any higher form of law, such as a state statute or constitutional provision, it has the full force and effect of law within the boundaries of the City.

OVERHEAD

Overhead is the element of cost necessary for the production of an article or the performance of a service which is of such a nature that the amount applicable to the product or service cannot be determined readily. Usually, overhead relates to those objects of expenditures that do not become an integral part of the finished product or service such as rent, heat, light, supplies, and management.

PERFORMANCE MEASURES

Performance measures are specific measures of work performed within an activity or program (such as, total number of dispatched calls). Performance measures also are specific quantitative measures of results obtained through a program or activity.

PROGRAM

A program is a plan outlining funding for personnel, supplies, services, and capital for taking action toward specific goals and objectives.

PROPRIETARY FUND

A proprietary fund is an account that shows actual financial position and operations, such as actual assets, liabilities, reserves, fund balances, revenues, and expenditures, as distinguished from budgetary accounts.

REFUNDING

Refunding is when an issuer refinances an outstanding bond issue by issuing new bonds. There are two major reasons for refunding: to reduce the issuer's interest costs, or to remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced. The proceeds of the new bonds are either deposited in escrow to pay the debt service on the outstanding obligations when due, or they are used to immediately retire the outstanding obligations. The new obligations are referred to as the "refunding bonds" and the outstanding obligations being refinanced are referred to as the "refunded bonds" or the "prior issue."

Appendix - Glossary of Terms



REPLACEMENT COST

Replacement cost is the cost of a property, as of a certain date; which can render similar service (but which need not be of the same structural form) as the property to be replaced.

RESERVE

Reserve is an account in which a portion of the fund balance is segregated for a future use and which is, therefore, not available for further appropriation or expenditure. A reserve for inventories equal in amount to the inventory of supplies on the balance sheet of the general fund is an example of such a reserve.

RESOLUTION

A resolution is a special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

REVENUE BONDS

Revenue bonds are bonds payable from a specific source of revenue, which do not pledge the full faith and credit of the issuer. Revenue bonds are payable from identified sources of revenue and do not affect the ad valorem tax rate. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-ad valorem tax.

REVENUE

Revenue is (1) an increase in a governmental fund net current assets from other than expenditure refunds and residual equity or (2) an increase in a proprietary fund net total assets from other than expense refunds, capital contributions, and residual equity transfers.

SINKING FUND

A sinking fund is an account into which a debt issuer makes periodic deposits to ensure the timely availability of sufficient monies for the payment of debt service requirements. The revenue to be deposited into the sinking fund and payments from the fund are determined by the terms of the bond contract.

STRUCTURAL BALANCE

Structural balance is the state at which current revenue sufficiently supports current expenditures.

TAXES

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits, such as special assessments, or charges for services rendered, such as sewer service.

TAX RATE

The tax rate is the amount of tax levied for each \$100 of assessed valuation.

TAX RATE LIMIT

The maximum tax rate at which a governmental may levy tax. Overall tax rate limits usually restrict levies for all purposes and of all governments, state or local, having jurisdiction in a given area. The State of Texas has a maximum Ad Valorem limit of \$2.50 per \$100 of assess property value. Taxes are levied via a Tax Levy Ordinance.

TIMES COVERAGE

Times coverage, also known as debt service coverage, is an indicator of the financial strength of the project financed by revenue bonds. The times coverage calculation is net revenues divided by the debt service. Net revenues are total revenues less operating and maintenance expenses, and debt service is annual principal and interest payments on debt.

TRANSFERS

Transfers are the authorized exchanges of cash or other resources between funds.

WORKING CAPITAL

Working capital is excess of current assets over current liabilities.

The logo for Kerrville, Texas, is displayed in a stylized, slanted font. The word "Kerrville" is written in a dark blue, outlined in red, with a white fill. A thick, dark blue diagonal bar runs from the bottom left to the top right, intersecting the letters. The letters are slanted upwards to the right, following the angle of the bar.

Kerrville



FEE SCHEDULE



CITY OF KERRVILLE FEE SCHEDULE

ADMINISTRATION DEPARTMENT

COPIES OF PUBLIC INFORMATION:

Standard size paper copy

per page	\$0.10
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Non-standard size copy:

Computer diskettes

each	\$1.00
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Computer magnetic tape

each	\$10.00
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Audio cassette

each	\$1.00
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Oversized paper copy

per page	\$0.50
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Other

Actual Cost

per hour	\$15.00
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Labor charge (per hour and if applicable under state law)

20% of Personnel Charge

Overhead charge (if applicable under state law)

Microfiche or microfilm charge:

Paper copy

per page	\$0.10
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Fiche or film copy

Actual Cost

Remote document retrieval

Actual Cost

FAX TRANSMISSIONS:

Local

per page	\$0.10
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Long distance, same area code

per page	\$0.50
----------	--------

Long distance, different area code

per page	\$1.00
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Other costs

Actual Cost

NATURAL GAS TRANSPORTED THROUGH PIPELINE:

see note

NOTE: Fee is equal to 3% of purchase price of gas transported or delivered within the City during the preceding month for consumption or use within the city

VEHICLE FOR HIRE PERMIT:

each	\$25.00
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CITY OF KERRVILLE FEE SCHEDULE

CODE COMPLIANCE

GROUP AND BOARDING HOMES

Permit
Permit Renewal
Re-inspection fees
Variance Fee for distance

initial issue	\$1,000.00
annual renewal	\$350.00
per inspection	\$75.00
per variance	\$150.00

JUNK YARD OPERATION LICENSE:

per site	\$5.00
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PEDDLERS AND SOLICITORS FEES:

Base Charge

per year	\$600.00
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For Each Additional Person
For Each Additional Person
Deposit (refundable)

30 days	\$10.00
one year	\$100.00
deposit	\$750.00

Exemptions

- * Temporary special events, sales and festivals sponsored by charitable organizations (recognized by Internal Revenue Service), governmental subdivisions, school districts, Chamber of Commerce or Convention and Visitor's Bureau and other special events, approved by Council, provided the organizer/operator of said events provides the information required for an open air market.
- * Traveling salesman or solicitor calling only upon commercial businesses.
- * Garage sales.
- * A business with a separate business location in the City that furnishes proof of payment to the City of all ad valorem and personal property taxes then due.
- * Six or more businesses that are organized in a sales show, convention, or similar sale by an indoor shopping mall, hotel, or similar sponsor.
- * Businesses conducted in an open air market in compliance with all laws and applicable zoning regulations
- * Sale of fresh produce (fruit, nuts, and vegetables)
- * Sale of firewood

SEXUALLY ORIENTED BUSINESSES:

Annual License
Annual Fee per Employee

per business	\$500.00
per employee	\$50.00

TRAVELING SHOW AND EXHIBITION LICENSE:

30 days	\$100.00
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Exceptions

Carnivals, circuses, travel shows, tent shows, exhibits, menagerie which are actually operated by volunteers of a public school, bona fide charity, or a service organization located in Kerr County.



CITY OF KERRVILLE FEE SCHEDULE

DOWNTOWN AND MAIN STREET

DOWNTOWN RESTROOM AFTER HOURS USE (Between 5:30 PM and 9:30 AM):

User Fee Per Day

More than 4 hours (**deposit required**)

Less than 4 hours (**deposit required**)

Deposit

+ 4 hrs/Day	\$50.00
- 4hrs/Day	\$25.00
per event	\$100.00

HOLIDAY PARADE

per entry	\$20.00
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PERSONALIZED BRICKS

per brick	\$50.00
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SIDEWALK CAFÉ:

per table	\$50.00
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CITY OF KERRVILLE FEE SCHEDULE

EMERGENCY MEDICAL SERVICES

NON EMERGENCY AMBULANCE LICENSE:

Annual License
Annual Ambulance Permit
Re-issue for Lost Permit
Inspection Reschedule Fee

per year	\$400.00
per unit	\$150.00
per unit	\$50.00
per unit	\$50.00

NON EMERGENCY TRANSFER AGREEMENT:

Local Transport
Local Mileage

per person	\$163.83
per loaded mile	\$8.42

RESPONSE/TRANSPORTATION:

Basic Life Support - Non Emergency
Basic Life Support - Emergency
Advanced Life Support 1 - Non Emergency
Advanced Life Support 1 - Emergency
Advanced Life Support 2 - Emergency
Specialty Care Transport
Aid Only - No Transport
Dedicated Standby
Response Fee
Local Transport - No Supplies Used
Mileage

per person	\$417.92
per person	\$668.66
per person	\$521.50
per person	\$814.04
per person	\$1,149.28
per person	\$1,149.28
per person	\$150.00
per hour	\$100.00
per person	\$75.00
no supplies	\$150.00
per loaded mile	\$21.48

SUPPLY/PROCEDURE CHARGES:

IV Administration
Medication Administration
Bandaging and Splinting

per procedure	\$20.00
per procedure	\$30.00
per procedure	\$20.00



CITY OF KERRVILLE FEE SCHEDULE

ENGINEERING DEPARTMENT

CAPACITY ANALYSIS:

- Existing Water Capacity Analysis
- Existing Sewer Capacity Analysis
- Additional Capacity Analysis

per analysis	\$500.00
per analysis	\$500.00
per analysis	To be Determined

CONSTRUCTION INSPECTION OVERTIME:

per hour	\$35.00
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FLOODPLAIN DEVELOPMENT PERMIT:

each	\$25.00
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LAND RECORD FILING FEES:*

- First page
- Second page and each additional
- Names in excess of 5 names to be indexed

each	\$5.00
each	\$4.00
each	\$0.25

- Records Management Fees per document
- Courthouse Security Fee per document
- Records Archive Fee per document

each	\$5.00
each	\$1.00
each	\$5.00

* Fees are subject to change based on the County's fee schedule and will be charged accordingly.

MAPPING INFORMATION:

- Subdivision Specifications
- City Survey Coordinate System Book
- B & W
- Color
- B & W
- Color
- B & W
- Color
- 36" x 54" ETJ Maps
- Digital Map on Disk

each	\$25.00
each	\$30.00
each	\$3.00
each	\$5.00
each	\$5.00
each	\$7.00
each	\$10.00
each	\$25.00
each	\$25.00
each	\$30.00

CITY OF KERRVILLE

FEE SCHEDULE

FIRE DEPARTMENT

ACCESS-CONTROLLED EGRESS DOORS, ETC.:	per device	\$20.00
ALL OTHER FIRE PROTECTION/DETECTION SYSTEMS: (electric controlled security gates, delay egress locks, security grills)	per system	\$50.00
AMUSEMENT BUILDING PERMIT:	per site	\$50.00
APPEAL TO BUILDING BOARD OF ADJUSTMENTS AND APPEALS:	per appeal	\$150.00
BLASTING PERMIT:	per site	\$150.00
BULK STORAGE AND DISPENSING OF LP GAS:	Annual	\$100.00
CHANGE OF OCCUPANCY INSPECTION:	per site	\$20.00
COMMERCIAL BAR-B-QUE PIT:	per site	\$20.00
COOKING HOOD FIRE SUPPRESSION SYSTEM:	per system	\$50.00
EVENT PERMIT (carnivals and fairs):	per event	\$75.00
EXHIBIT OR TRADE SHOW PERMIT:	per site	\$50.00
FALSE FIRE ALARM FEE: More than 3 times but less than 6 in preceding 12 months More than 5 times but less than 8 in preceding 12 months Eight (8) or more times in preceding 12 months	per offense	\$50.00
	per offense	\$75.00
	per offense	\$100.00
FIRE ALARM INSTALLATION (new, repair, remodel, or addition):	per system/floor	\$50.00
FIRE INSPECTIONS REQUESTED/SCHEDULED - NON BUSINESS HOURS: Non-Holiday (2 hour minimum, paid in advance) City recognized holiday (2 hour minimum, paid in advance)	per hour	\$60.00
	per hour	\$80.00
FIRE PUMP ACCEPTANCE TEST:	per test	\$100.00
FIRE PUMP/EQUIPMENT INSTALLATION/ MODIFICATION:	per system	\$50.00
FIRE SPRINKLER: Above ground - new installation, repair, remodel, or addition Underground - new installation, repair, remodel, or addition Standpipe system - new installation, repair, remodel, or addition	per system/floor	\$50.00
	per system	\$50.00
	per system	\$50.00
FLAMMABLE/COMBUSTIBLE LIQUIDS - STORAGE/HANDLING/DISPENSING:	per incident	\$75.00
	per incident	\$50.00
HAZARDOUS MATERIALS PERMIT:	per site	\$50.00
HIGH PILE STORAGE PERMIT:	per site	\$20.00
HOT WORK PERMIT:		

Appendix - Fee Schedule



CITY OF KERRVILLE FEE SCHEDULE FIRE DEPARTMENT (continued)

INVESTIGATION FEE:

If Permit is issued after constructions is started without an approved permit

per site	Permit Fee Amt
per tank	\$75.00
per site	\$75.00

LIQUID PROPANE TANK INSTALLATION:

MISCELLANEOUS COMBUSTIBLE STORAGE:

OUTDOOR BURN PERMITS:

Ceremonial Fire Permits (Bonfires)
Controlled burns
Recreational fire (less than 3 feet diamenter and 2 feet in height)

per site	\$250.00
per site	\$150.00
N/C for permit	

OTHER PERMIT:

Any other permit designated by the *International Fire Code*

per incident	\$20.00
per review	50% of Permit Fee
per event	\$250.00

PLAN REVIEW FEE: (credited toward permit when permit is approved)

PROFESSIONAL PYROTECHNICAL DISPLAY:

PUBLIC SAFETY STAFFING:

Personnel (minimum 2 hours per fire department staff)
Vehicle (minimum 2 hours per vehicle)

per hour	\$40.00
per hour	\$25.00

RE-INSPECTION FEE REQUESTED/SCHEDULED (excludes annual fire inspection):

First inspection list(s) is/are not completed on first and subsequently thereafter
Not ready for inspection on arrival
Contractor fails to keep appointment
No access to site or building

per scheduled	\$50.00
per scheduled	\$50.00
per scheduled	\$50.00
per scheduled	\$50.00

REQUEST FOR PUBLIC INFORMATION:

Hard Copy (Paper) Format or Electronic Format - See Administrative Fee Schedule

per space	\$50.00

SPRAY ROOM, DIP TANK OR BOOTH:

(used for flammable or combustible finishes)

STATE MANDATED OCCUPANCY INSPECTION - OUTSIDE CITY LIMITS:

Daycare, Foster Care, Adoption
Daycare, Halfway Houses, Group Care, MHMR
Youth Camps and Day Camps
Schools and Instructional Facilities
Hospital, Nursing Home, Assisted Living Facility Inspection
All Other

7 or fewer children	\$50.00
7 or more children	\$75.00
per site	\$150.00
per site	\$150.00
per site	\$150.00
per site	\$100.00
per site	\$20.00

STORAGE OF PORTABLE LP GAS CONTAINERS:

(awaiting use or resale)

per site	\$50.00

STORAGE OR HANDLING OF COMPRESSED GASES:

(in excess of amounts listed in Table 105.6.9 of the e2006 *International Fire Code*)

per item	\$20.00

TENT, CANOPY, MEMBRANE STRUCTURE PERMIT:

CITY OF KERRVILLE
FEE SCHEDULE

FIRE DEPARTMENT (continued)

UNDERGROUND FUEL STORAGE TANK REMOVAL:

per site	\$75.00
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UNDER/ABOVE GROUND FUEL STORAGE TANK:

- New installation
- Repair/replace existing tank
- Repair/replace existing product line

per tank	\$75.00
per tank	\$40.00
per site	\$40.00

WATER FLOW TEST:

per test	\$75.00
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Appendix - Fee Schedule



CITY OF KERRVILLE

FEE SCHEDULE

GOLF: SCOTT SCHREINER MUNICIPAL GOLF COURSE

CART RENTAL:

- Full Cart
- Half Cart

9 Hole / 18 Hole	\$14.00/\$28.00
9 Hole / 18 Hole	\$7.00/\$14.00

CART STORAGE:

- Annual
- Quarterly

per year	\$420.00
per quarter	\$140.00

NOTE: The City can only accept payments up to ONE period (quarter or annual) in advance.

GREEN FEES:

Regular

- Weekday
- Weekend and holidays*

9 Hole / 18 Hole	\$12.00/\$21.00
9 Hole / 18 Hole	\$18.00/\$28.00

Member

- Weekday
- Weekend and holidays*

9 Hole / 18 Hole	\$5.00/\$6.00
9 Hole / 18 Hole	\$6.00/\$7.00

Junior

- Weekday
- Weekend and holidays*

9 Hole / 18 Hole	\$2.75/\$4.00
9 Hole / 18 Hole	\$5.50 / \$6.75

MEMBER DUES:

- Annual Golf - First family member
- Annual Golf - Second family member
- Quarter Golf - First family member
- Annual Private Cart

per year	\$550.00
per year	\$450.00
per quarter	\$200.00
per year	\$220.00

NOTE: All annual fees shall expire on the same date. Should a second annual fee be required, it shall be prorated to expire on the same date as the first annual fee will al subsequent payments due and payable at the same time.

SPECIAL GOLF FEES:

- Senior rate (65 or older) - green fees only

per player	\$14.00
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Twilight Fees

- Starts at 2:00 PM (green fees only)

- Member - Weekday
- Member - Weekend *
- Non-Member - Weekday
- Non-Member - Weekend *

weekday only	\$3.00
weekend only	\$4.00
weekday only	\$11.00
weekend only	\$14.75

Tournament/Promotion Fees (minimum - 25 individual players)

- Standard group rate for 25+ players Weekday/ Weekend **afternoons**
- Standard group rate for 25+ players Weekend **mornings**

per player	\$30.00
per player	\$40.00

Driving Range Fees

- Small Bucket
- Large Bucket

per bucket	\$4.00
per bucket	\$8.00

- Driving Range Membership - Annual
- Driving Range Membership - Quarterly

per year	\$300.00
per quarter	\$100.00

CITY OF KERRVILLE
FEE SCHEDULE

GOLF: SCOTT SCHREINER MUNICIPAL GOLF COURSE (continued)

Rental Clubs

9 Hole / 18 Hole	\$15.00/\$25.00
9 Hole / 18 Hole	\$3.00/\$6.00

Pull Carts

* *WEEKEND RATES APPLY FRIDAY THROUGH SUNDAY.*

TRAIL FEE:

Member Private Cart w/annual Private Cart Fee

9 Hole / 18 Hole	\$4.00/\$7.00
9 Hole / 18 Hole	\$6.00/\$11.00
9 Hole / 18 Hole	\$4.00/\$7.00
9 Hole / 18 Hole	\$5.50/\$12.00

Non-member Private Cart

Private Cart Passenger w/annual Private Cart Fee

Private Cart Passenger w/o annual Private Cart Fee

Appendix - Fee Schedule

CITY OF KERRVILLE

FEE SCHEDULE

HEALTH DEPARTMENT

ADDITIONAL SEMI PUBLIC POOLS/SPAS (single pool facilities):

per unit	\$25.00
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AFTER HOURS INSPECTION - EMERGENCY (4 hr minimum):

per hour	\$50.00
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BARS AND LOUNGES - FREE STANDING

0 < 1,000
1,000 - 1,999
2,000 - 2,999
3,000 - 3,999
4,000 - 4,999
5,000 - 10,000
>10,000

square footage	\$70.00
square footage	\$85.00
square footage	\$100.00
square footage	\$125.00
square footage	\$150.00
square footage	\$200.00
square footage	\$350.00

Exemptions: Taxing authorities, non-profit organizations

CATERING ESTABLISHMENT PERMITS:

0 < 1,000
1,000 - 1,900
2,000 - 2,900
3,000 - 3,999
4,000 - 4,999
5,000 - 10,000
> 10,000

square footage	\$70.00
square footage	\$85.00
square footage	\$100.00
square footage	\$125.00
square footage	\$150.00
square footage	\$200.00
square footage	\$350.00

CATERING LICENSE:

annual	\$70.00
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CERTIFICATE OF OCCUPANCY INSPECTION:

per site	\$50.00
per site	\$25.00
each	\$75.00

FOOD ESTABLISHMENT PLAN REVIEW:

GENERAL SERVICE CATERING VEHICLE:

HEALTH PERMITS (by total floor area - square footage):

0 < 1,000
1,000 - 1,900
2,000 - 2,900
3,000 - 3,999
4,000 - 4,999
5,000 - 10,000
> 10,000

square footage	\$70.00
square footage	\$85.00
square footage	\$100.00
square footage	\$125.00
square footage	\$150.00
square footage	\$200.00
square footage	\$350.00

HEALTH PERMIT - LATE FEE (after October 15 in addition to original permit):

per permit	\$50.00
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HOTEL PERMIT: (Tourist Courts, Hotels, Inns, and Rooming Houses)

First complaint inspection fee
Subsequent complaint inspection fee

annual permit	\$50.00
per inspection	\$100.00
per inspection	\$150.00

MOBILE FOOD ESTABLISHMENT PERMITS:

UNRESTRICTED Mobile Food Establishment (**peddlers permit required also**):
RESTRICTED Mobile Food Establishment (**peddlers permit required also**):

per unit	\$150.00
per unit	\$50.00

CITY OF KERRVILLE
FEE SCHEDULE

HEALTH DEPARTMENT (continued)

NON-PROFIT ORGANIZATION:

per event	\$10.00
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PEDDLERS PERMIT:

See Code Compliance Fee Schedule	
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REINSPECTION FEES:

- First Reinspection
- Second Reinspection
- Subsequent Reinspection

No charge	
same violation	\$100.00
same violation	\$150.00
each	\$5.00
per site	\$40.00

REPLACE LOST, STOLEN, DAMAGED PERMIT OR CERTIFICATE:

SANITATION AND ENVIRONMENTAL INSPECTIONS (foster homes, day care, pools):

single	\$75.00
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SEMI PUBLIC POOLS/SPAS (single pool facilities):

10 month	\$50.00
per event	\$10.00
10 months	\$100.00
per event	\$15.00
single	\$75.00
14 day	\$35.00

SEASONAL PERMITS:

- SEASONAL (non-hazardous foods)
- SEASONAL (non-hazardous foods)
- SEASONAL (potentially hazardous foods)
- SEASONAL (potentially hazardous foods)

TEMPORARY FOOD SERVICE ESTABLISHMENT - SPECIAL EVENT:

Appendix - Fee Schedule



CITY OF KERRVILLE

FEE SCHEDULE

INSPECTION DEPARTMENT

PROFESSIONAL AND OCCUPATIONAL LICENSES:

- General Contractor License
- General Contractor License Renewal
- General Contractor License / Single Project (currently charged at GC rate)

initial issue	\$500.00
annual	\$100.00
per project	\$100.00

BUILDING, CONSTRUCTION, DEMOLITION PERMITS (single family by value):

- Basic Permit (value up to \$1,000) **plus**
- \$1,001 - \$50,000
- \$50,001 - \$100,000
- \$100,001 - \$500,000
- \$500,001 and up

per permit	\$25.00
per/\$1,000	\$5.00
per/\$1,000	\$4.00
per/\$1,000	\$3.00
per/\$1,000	\$2.00

NOTE: Value of construction is the greater of value quoted by contractor or calculated value using the ICC project valuation tables

DEMOLITION AND MOVING DEPOSIT:

per structure	\$500.00
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BUILDING, CONSTRUCTION, DEMOLITION PERMITS (commercial by value):

- Basic Permit (value up to \$1,000) **plus**
- \$1,001 and greater
- \$500,000 and greater (approval of City Manager, fees may be determined by actual cost)

per permit	\$25.00
per/\$1,000	\$5.00
per permit	TBD

DEMOLITION AND MOVING DEPOSIT:

per structure	\$500.00
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BUILDING, CONSTRUCTION, DEMOLITION PLAN REVIEW:

Plan review fee is due at permit application

50% of Building Permit Fee

ELECTRICAL PERMITS:

- Circuits
- Fixtures
- Motors (1 hp or smaller)
- Motors (over 1 to 10 hp)
- Motors (over 10 to 25 hp)
- Motors (over 25 hp)
- Services
- Services (per additional meter)
- Appliances (range, water heater, dishwasher, disposal, dryer)
- Equipment (welder)
- Equipment (transformers)
- Equipment (other)
- Signs
- Neon signs for transformer

per permit	\$40.00
per unit	\$2.00
per unit	\$0.50
per unit	\$2.00
per unit	\$2.50
per unit	\$3.00
per unit	\$5.00
per unit	\$7.50
per unit	\$7.50
per unit	\$2.00
per unit	\$3.00
per unit	\$5.00
per unit	\$3.00
per unit	\$5.75
per unit	\$1.00

PLAN REVIEW FEE:

- First Review (due at permit application, includes review of minor changes)
- Subsequent Review (due to substantial submittal or project changes)

per review	50% of permit fee
per hour	\$60.00

REINSPECTION FEE:

- First reinspection fee
- Second reinspection fee
- Subsequent reinspection

same permit	\$0.00
same permit	\$100.00
same permit	\$150.00

CITY OF KERRVILLE

FEE SCHEDULE

INSPECTION DEPARTMENT (continued)

CHANGE OF CONTRACTOR ON ACTIVE PERMIT:

Administrative fee

same permit	\$100.00
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NOTE: Regular permit fees and requirements apply to new contractor for changes to original plans

SPECIAL INSPECTION FEE:

During business hours

per permit	\$50.00
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After business hours - scheduled

per hour/2 min	\$50.00
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After business hours - emergency

per hour/4 min	\$50.00
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IRRIGATION SYSTEM PERMITS (landscape systems):

City water customer

Permit - \$30.00 plus

per/\$1,000	\$3.00
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Plan review

50% of permit fee

Non-city water customer

Permit - \$45.00, plus minimum of 2 inspections

per inspection	\$100.00
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Plan review

50% permit fee

PLUMBING AND GAS PERMITS:

Permit

per permit	\$30.00
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Fixtures

per unit	\$2.20
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Building drain

per unit	\$7.50
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Water heater and/or Vent

per unit	\$10.00
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Gas Piping (1 - 5 outlets)

per unit	\$10.00
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Piping for water treatment

per unit	\$7.50
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Replace sewer yard line

per unit	\$10.00
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MECHANICAL PERMITS:

Permit

per permit	\$30.00
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First \$1,000.00 value, or part thereof

up to \$1,000	\$15.00
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Each additional \$1,000.00 value over first \$1,000.00

per \$/1,000	\$3.00
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INSPECTION FEE:

Add or replace electrical wiring or panel

per unit	\$15.00
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Replacement equipment

per unit	\$15.00
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New equipment

per unit	\$15.00
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Alter existing equipment

per unit	\$10.00
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CHANGE OF OCCUPANCY (existing structure):

per structure	\$20.00
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BUILDING REPORTS (not for resale):

per report	\$5.00
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ISSUANCE OF PERMIT (building, electrical, mechanical, plumbing, irrigation, etc.)

Greater of double the original permit	
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After construction project is started, **first** occurrence by contractor

Greater of double the original permit	
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ISSUANCE OF PERMIT (building, electrical, mechanical, plumbing, irrigation, etc.)

After construction project is started, **subsequent** occurrences by contractor

Greater of double the original permit	
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APPEAL TO BUILDING BOARD OF ADJUSTMENTS AND APPEALS FEE:

Mechanics Board of Adjustments and Appeals; Plumbing Board of Adjustments and Appeals; Electrical Board of Adjustments and Appeals

per appeal	\$150.00
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Appendix - Fee Schedule



CITY OF KERRVILLE

FEE SCHEDULE

LIBRARY: BUTT-HOLDSWORTH LIBRARY

RENTALS:

- Meeting Room
- Gazebo
- Repairs of damages to furniture, equipment or facility

per day	\$20.00
per day	\$30.00
Actual Cost	

COPIES/PRINTING (Library and History Center)

- Photocopier - black and white
- Photocopier - color
- Computer/internet - black and white
- Computer/internet - color

per page	\$0.10
per page	\$0.25
per page	\$0.10
per page	\$0.25

CIRCULATION CHARGES:

- City resident card
- Non-city resident materials checkout only
- Non-city resident computer use only
- Non-city resident temporary use
- Non-city resident full use
- Library card replacement

No charge	
per year	\$35.00
per year	\$35.00
per month	\$8.00
per year	\$65.00
per card	\$1.00

OVERDUE FINES:

Fines/fees between \$1.00 - \$4.99 - Patron must pay \$1.00 each time they use library

Fines/fees between \$5.00-\$9.99 - Patron must pay \$2.00 each time they use library

Fines/fees \$10.00 and above - Borrowing privileges suspended

- Books - Adult patrons (\$15.00 maximum)
- Books - Children patrons (\$5.00 maximum)
- Audiobooks and CDs (\$15.00 maximum)
- DVDs and BluRay (\$15.00 maximum)
- Story Time Kits (\$15.00 maximum)
- Other Kits (\$15.00 Maximum)
- Overdue Electronic Device (up to cost of item)

item per day	\$0.10
item per day	\$0.10
item per day	\$0.10
item per day	\$1.00
item per day	\$5.00
item per day	\$1.00
item per day	\$10.00

PROCESS FEE:

- Lost or damaged items - non electric device (plus replacement cost)
- Lost or damaged electronic device (plus replacement cost)
- Collection agency submission for non-payment of fine

per item	\$5.00
per item	\$25.00
per fine	\$10.00

ELECTRONIC DEVICE FEES:

- Any patron wishing to borrow an electronic device must sign a credit card authorization form listing a valid credit card to kept on file.**
- Electronic device not returned according to policy
- Programs/applications charged to library account (actual cost plus)
- Personal Earbuds

per item	\$25.00
per item	\$5.00
per set	\$2.00

LOST/DAMAGED ITEMS:

Patrons who have failed to return library material with a total value over \$50.00 may receive a citation for violation of City of Kerrville, Code of Ordinance, Section 66-39(g) for failure to return property to the library.

- Books (BHML - all ages - actual cost plus)
- Books (History Center - rare, out of print - lesser of appraised value plus)
- CDs (Book, music, MP3 - actual cost plus)

per item	\$5.00
per item	\$100.00
per item	\$5.00

CITY OF KERRVILLE FEE SCHEDULE

LIBRARY: BUTT-HOLDSWORTH LIBRARY (continued)

Individual CD in a set when available (book, music, MP3 - \$10.00 per disc plus)

per item	\$5.00
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DVD (all ages - includes set - actual cost plus)

per item	\$5.00
per item	\$5.00

Kits (all ages - actual cost)

per item	\$5.00
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CITY OF KERRVILLE FEE SCHEDULE

MUNICIPAL COURT FEES

ONLINE TRANSACTION FEE:	per transaction	\$1.50
MUNICIPAL COURT TECHNOLOGY FEE:	per conviction	\$4.00
BUILDING SECURITY FEE:	per conviction	\$3.00

CITY OF KERRVILLE

FEE SCHEDULE

PARKS AND RECREATION

Kerrville-Schreiner Park

DAILY ENTRANCE FEES:

- Adult (13 and over), not to exceed \$10.00 per vehicle
- Child (12 and under)
- Senior (over 65)
- Commercial vehicles
- Group/school sponsored trip (ages 13 - 18 - not overnight)

per person	\$4.00
per person	\$1.00
per person	\$2.00
per vehicle	\$20.00
per person	\$0.50

ANNUAL DAY USE PASS:

- Valid ONLY at Kerrville-Schreiner Park (excludes commercial vehicles)
- Second vehicle registered at the same address

per vehicle	\$25.00
per vehicle	\$15.00

FACILITY USE FEES:

- Camping fees cover entrance for up to 4 persons per site. Camp sites accomodate up to 8 people. Guests 5 - 8 must pay daily entrance fee.
- Tent site w/ water
- General campsites ONLY - year round

per night	\$15.00
per month	\$297.00

- RV sites **221-235 and 317-323** (30 amp w/water, no sewer)
- Above RV sites - **September 15 - May 15** - all utilities

per night	\$23.00
per month	\$413.00

- RV sites **211-220 Riverside only** (30 amp w/water and sewer)
- Above RV sites - **September 15 - May 15** - all utilities

per night	\$26.00
per month	\$490.00

- RV sites **111-130 Deerfield Loop only** (30 amp water and sewer)
- Above RV sites - **September 15 - May 15** - all utilities

per night	\$26.00
per month	\$528.00

- RV sites **201-210 Riverside only** (50 amp w/water and sewer)
- Above RV sites - **September 15 - May 15** - all utilities

per night	\$28.00
per month	\$561.00

- Mini-Cabin - beds for 4 persons (**NO PETS**); hotel/motel tax additional
- Cabins are air-conditioned, heated, table and chairs, campfire rings (pit/grill) and picnic table.
- No linens provided. **Security deposit required.**

per night	\$50.00
deposit	\$25.00

- Park Cabin - beds for 6 persons (**NO PETS**); hotel/motel tax additional
- Cabins are air-conditioned, heated, table and chairs, picnic table with combination campfire (pit/grill). Linens provided. Covers entrance up to 6 persons.
- Excess of 6 persons subject to daily entrance. **Security deposit required.**

per night	\$110.00
deposit	\$50.00

- Ranch House - beds for 8 persons (**NO PETS**); hotel/motel tax additional
- House is air-conditioned, heated, table and chairs, picnic table with combination campfire (pit/grill). Linens provided. Covers entrance up to 8 persons.
- Excess of 8 persons subject to daily entrance fee. **Security deposit required.**

per night	\$190.00
deposit	\$150.00

- Bunk House (only rented w/Ranch House) **Security deposit required.**

per night	\$50.00
deposit	\$50.00

- Group Dining Hall - capacity 100 persons (**NO PETS**)
- Screened building is **NOT AIR-CONDITIONED**, equiped with full kitchen including deep sinks, hot water, two microwave ovens, and refrigerator/freezer. Full width serving bar and table with seating for approximately 100 persons. Outside has large charcoal grill. Includes entrance fee up to 100 persons. **Security deposit required.**

per day	\$145.00
deposit	\$50.00

Appendix - Fee Schedule



CITY OF KERRVILLE FEE SCHEDULE

PARKS AND RECREATION (continued)

Group Recreation Hall - day capacity 100 persons (**NO PETS**)
 overnight capacity 50 persons, no beds provided, requires 2 day rental
 Air-conditioned, heated, restrooms inside. Full kitchen with 2 microwave ovens, and
 refrigerator/freezer, 8 folding tables with 50 chairs. Large charcoal grill outside.
 Includes entrance fee up to 100 persons. **Security deposit required.**

per day	\$300.00
deposit	\$100.00

Group Picnic Area - capacity 100 persons - specific location not guaranteed
 Includes entrance fee up to 10 persons.

per day	\$50.00
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Amphitheater only - capacity 220 persons

per day	\$100.00
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Amphitheater rented in conjunction with Group Recreation Hall

per day	\$25.00
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CANCELLATION FEE: (applies to each site or facility reservation)

per site/facility	\$20.00
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RV/TRAILER DUMP FEE (if not camping in park - no entrance fee):

per vehicle	\$25.00
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EXCESS VEHICLE PARKING (all vehicles over 2 vehicles per site):

per vehicle	\$5.00
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BUTTERFLY GARDEN (private events only - does not include entrance fee):

per event	\$50.00
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EXTRA PERSON OCCUPANCY FEE (applies to each site and facility)

per person	\$3.00
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Other Parks and Recreation

SPECIAL EVENTS PERMITS: (by application only)

per event	\$30.00
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BOARDWALK PAVILION (4 hr maximum - deposit required):

per hour	\$100.00
deposit	\$200.00

LOUISE HAYS LARGE PAVILION AND PLAZA AREA (deposit required)

Table rental

per day	\$200.00
per table	\$5.00
per chair	\$2.00
deposit	\$200.00

Chair rental

FAMILY PAVILION (deposit required)

per day	\$100.00
deposit	\$100.00

FOUNTAIN AND PLAZA (limit of one rental per weekend)

per 1/2 day	\$500.00
deposit	\$300.00

TRANQUILITY ISLAND (security deposit required)

per day	\$200.00
deposit	\$200.00

CARVER PARK PAVILION AND BBQ AREA:

10 tables and restrooms - all day - **security deposit required**

per day	\$100.00
deposit	\$100.00

SMALL PARK PAVILIONS (various locations - security deposit required):

per day	\$40.00
deposit	\$25.00

CITY OF KERRVILLE

FEE SCHEDULE

PARKS AND RECREATION (continued)

RIVER TRAIL (trailheads) - **security deposit required**

KSP Trailhead
G Street Trailhead
LHP West Trailhead
All Trailheads

per day	\$200.00
per day	\$200.00
per day	\$200.00
per day	\$500.00
deposit	equal total rental

ATHLETIC FIELD/COURT (without lights):

ATHLETIC FIELD/COURT (with lights):

per hour	\$15.00
per hour	\$20.00

CENTENNIAL STAGE (with electricity - **security deposit required**):

CENTENNIAL STAGE (without electricity-**security deposit required**):

per day	\$200.00
per day	\$100.00
deposit	\$200.00

SOFTBALL FEES (**security deposit requirements below**):

Field - without lights
Field - with lights
Tournament - Deposit
Base and equipment - Deposit

per day	\$150.00
per day	\$170.00
per event	\$150.00
per event	\$100.00

TENNIS COURT FEES:

All ages - 1 1/2 hour - single reservation
All ages - 2 hours per doubles reservation

per person	\$3.00
per person	\$3.00

TENNIS TOURNAMENT FEES:

Exemptions: KISD tournaments and practice; Schreiner University tournaments

Negotiated in contract

TENNIS ANNUAL FEES:

Juniors (under 21 years)
Adults (21 and over)
Family
KISD Joint Use

per person	\$90.00
per person	\$150.00
per family	\$225.00
per agreement	

SWIMMING POOL ADMISSION FEES:

Olympic Pool - Adult (13 and older)
Olympic Pool - Children (4 - 12 years)
Olympic Pool - Children (3 year and under with adult)
Olympic Pool - Non swimmers - all ages

per person	\$1.00
per person	\$1.00
per person	No charge
per person	\$1.00

SWIMMING POOL RENTAL FEES (**does not include pool admission**):

Private party - includes lifeguards

2 hours	\$200.00
2 hours	\$20.00

SWIMMING POOL PAVILION FEES (**does not include pool admission or rental**):

SWIMMING POOL/PAVILION CANCELLATION FEE:

SWIMMING POOL PICNIC AREA FEES (during operating hours only, rental time is 12pm - 6pm; does not include pool admission)

SWIMMING LESSONS:

per area/per day	\$20.00
per person	\$35.00



CITY OF KERRVILLE FEE SCHEDULE

PLANNING DEPARTMENT

CONCEPT PLANS:	each	\$500.00
PRELIMINARY PLANS:	\$300.00 plus the greater of	\$20.00 per lot or \$10.00 per acre
WATER/WASTEWATER MODELING FEE		
FINAL, MINOR, VACATING, DEVELOPMENT, AMENDING PLATS, REPLATS:	\$150.00 plus the greater of	\$10.00 per lot
ZONING MAP AMENDMENT (Planned development, special use permit):	per amendment	\$300.00
TEXT AMENDMENT:	per amendment	\$300.00
ZONING VARIANCE:	each	\$150.00
APPEAL TO CITY COUNCIL OR PLANNING & ZONING COMMISSION:	each	\$15.00
ADMINISTRATIVE APPEAL:	each	\$150.00
LAND USE PERMIT	each permit	\$25.00

In case, where legal notice of public hearing is required and applicant defers schedule action, reapplication is required based on fee on original application.

CITY OF KERRVILLE FEE SCHEDULE

POLICE DEPARTMENT

ACCIDENT REPORTS:	per report	\$6.00
ALARM SERVICE (Police):	each service	\$25.00
FALSE ALARM FEE:		
More than 3 times but fewer than 6 in preceding 12 month period	per violation	\$50.00
More than 6 times but fewer than 8 in preceding 12 month period	per violation	\$75.00
More than 8 or more times in preceding 12 month period	per violation	\$100.00
FINGERPRINTING:	per person	\$10.00
FUNERAL ESCORT SERVICE:		
(minimum of 2 officers with 2 hours per officer)	per event	\$160.00
HOUSE MOVING & OTHER ESCORT:	per event	\$30.00
LETTERS OF CLEARANCE:	per person	\$10.00
OFFENSE/INCIDENT REPORTS:	per page	\$0.10
PARADE DEPOSITS:		
Deposit - Class A (Less than 50 entries)	per event	\$250.00
Deposit - Class B (More than 50 entries)	per event	\$750.00
Deposit - Class C (motorcades, marches, etc.)	per event	\$100.00
PARADE FEES:		
Class A	per event	\$50.00
Class B	per event	\$100.00
Class C	per event	\$25.00
PUBLIC SAFETY STAFFING:		
Personnel (minimum 2 hours per police department staff)	per hour	\$40.00
Vehicle (minimum 2 hours per vehicle)	per hour	\$5.00
STOCK DRIVER PERMIT:	per event	\$5.00
ALARM SERVICE PERMIT FEE:		
Residential	per location	\$50.00
Commercial	per location	\$100.00



CITY OF KERRVILLE FEE SCHEDULE

PUBLIC WORKS

TRAFFIC CONTROL FEE:

Labor	per hour/person	\$27.50
Materials/equipment		To be determined by job

BANNER PERMIT:

per banner	\$60.00
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BANNER PERMIT ADMINISTRATION FEE:

per banner	\$25.00
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STREET SIGNS:

per sign	\$250.00
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SIDEWALK CAFÉ:

per table	\$50.00
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CITY OF KERRVILLE FEE SCHEDULE

SOLID WASTE

SOLID WASTE COLLECTION SERVICE LICENSE:

Application Fee:

Small Waste Collector
Small Waste Collector
Waste Collector
Collection Vehicle

per permit	\$150.00
each vehicle	\$5.00
each	\$250.00
each	\$5.00

Application Renewal:

Small Waste Collector
Collection Vehicle
Waste Collector
Collection Vehicle

each	\$75.00
each	\$5.00
each	\$100.00
each	\$5.00

SOLID WASTE DISPOSAL SERVICE:

Municipal Solid Waste - Compacted (**plus surcharge**)
Municipal Solid Waste - Compacted minimal
Municipal Solid Waste - Loose (**plus surcharge**)
Municipal Solid Waste - Loose minimal
Surcharge
Special waste - Liquids
Small Animal
Large Animal
Weight/Scale
Ticket/Copy
Loads not covered with tarp or net
Residential Garbage Collection
Disposal Pass Through
Mobile Home Service
Disposal Pass Through
Composting
Recycling
Enviroment Fee
Toter Exchange (after grace period)
Replacement Toter (damaged or lost by customer)
Extra Tote
Out of Cycle Brush or Bulk Trash Pickup
Additional Out of Cycle Brush or Bulk Trash Pickup
Animal pickup (greater than 10 pounds)

per ton	\$56.21
less than 360lbs	\$20.34
per ton	\$56.21
less than 360lbs	\$20.34
per ton	\$11.00
per gallon	\$0.26
each	\$8.85
each	\$34.05
each	\$1.22
each	\$2.43
per occurrence	\$5.00
per month	\$7.95
per month	\$4.77
per month	\$6.48
per month	\$4.77
per month	\$2.16
per month	\$3.55
per month	\$0.40
per tote	\$25.00
per tote	\$50.00
per month	\$5.00
first 2 cubic yards	\$50.00
subsequent yard	\$25.00
per animal	\$50.00

Appendix - Fee Schedule



CITY OF KERRVILLE

FEE SCHEDULE

WATER, WATER RECLAMATION AND LABORATORY

WATER TAPS:

- 3/4" tap - Material, labor and equipment
- 1" tap - Material, labor and equipment
- 1 1/2" tap - Material, labor and equipment
- 1" Water Service Split
- 2" Water Service Commercial and Domestic
- 2" Water Service Irrigation
- Above 12" in size will be quoted using current pricing for meter/materials
- Water tap in TXDOT Right of Way

per tap	\$1,494.00
per tap	\$1,583.00
per tap	\$2,978.80
per split	\$268.45
per tap	\$4,445.00
per tap	\$3,445.00
To be determined by job	
To be determined by project	

WATER METER SET/INSTALL, IF THE WATER TAP EXISTS:

- 5/8" meter - Material, labor and equipment
- 3/4" meter - Material, labor and equipment
- 1" meter - Material, labor and equipment
- 1 1/2" meter - Material, labor, and equipment
- 2" and above in size will be quoted using current pricing for meter/materials

per meter	\$200.00
per meter	\$200.00
per meter	\$300.00
per meter	\$525.00
To be determined by job	

SEWER TAPS:

- 4" tap - Material, labor and equipment - Out of manhole
- 4" tap - Material, labor and equipment - Internal manhole drop
- 6" tap - Material, labor and equipment - Out of manhole
- 6" tap - Material, labor and equipment - With manhole
- Additional charge per foot of depth for manholes over 8 feet deep
- Sewer tap in TXDOT Right of Way

per tap	\$1,527.50
per tap	\$1,253.80
per tap	\$1,646.10
per tap	\$3,835.00
per foot	\$200.00
To be determined by project	

SEPTAGE:

- Septage/chemical toilet waste received at treatment plant (inside Kerr County)
- Septage/chemical toilet waste received at treatment plant (outside Kerr County)
- Septage/chemical toilet waste spill surcharge (@ Treatment Facility only)

per gallon	\$0.08
per gallon	\$0.16
per incident	\$75.00

MANIFEST BOOKS:

per book	\$5.00
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LABOR AND EQUIPMENT FOR REQUESTED SERVICES:

- Labor - Business Hours
- Labor - After Business Hours/Holidays/Weekends (**4 hour minimum**)
- Backhoe/Loader
- Dump Truck
- Crane Truck
- Vac-con Hydro-jet Cleaner/Vaccum Truck
- Air Compressor
- Televising Wastewater Mains (per hour - includes crew and equipment)
- Service Truck with tools
- Backflow Prevention Test - Reduced Pressure Zone Device
- Backflow Prevention Test - Double Check Device
- Scale Fee
- Water Violation Reconnect Fee
- Sewer Only Customers
- Inspection Fee For Privately installed water + wastewater tap

per hour/person	\$27.50
per hour/person	\$41.25
per hour	\$45.00
per truck	\$30.00
per hour	\$40.00
per hour	\$95.00
per hour	\$12.50
per hour	\$150.00
per hour	\$25.00
per test	\$100.00
per test	\$70.00
each	\$1.00
each account	\$25.00
each account	\$50.00
each account	\$50.00

WATER WELL LICENSE APPLICATION:

each license	\$50.00
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CITY OF KERRVILLE FEE SCHEDULE

WATER, WATER RECLAMATION AND LABORATORY (continued)

LABORATORY SERVICES (by parameter, per each test):

Alkalinity (as CaCO₃)

Ammonia Nitrogen

Total BOD₅

Carbonaceous BOD₅

Chloride

Conductivity

Iron

Hardness, Total

Nitrogen, Nitrate

Nitrogen, Nitrite

Oil and Grease

Phosphorus, Total

Solids, Total Dissolved (TDS)

Solids, Total Suspended (TSS)

Solids, Volatile Suspended (VSS)

Sulfate

Total Organic Carbon

per test	\$20.00
per test	\$30.00
per test	\$33.00
per test	\$40.00
per test	\$10.00
per test	\$5.00
per test	\$15.00
per test	\$15.00
per test	\$18.00
per test	\$18.00
per test	\$45.00
per test	\$20.00
per test	\$35.00
per test	\$15.00
per test	\$15.00
per test	\$15.00
per test	\$50.00

BACTERIOLOGICAL TEST:

Total Coliform/E. Coli (presence/absence)

Total Coliform/E. Coli Enumeration (Quanti-Tray)

per test	\$18.00
per test	\$20.00

SAMPLE COLLECTION FEE

Water Sample Collection Fees (inside of city limits only)

per test	\$25.00
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STANDARD ANALYSIS PACKAGE (DRINKING WATER)

Included: alkalinity, chloride, conductivity, total hardness, iron, nitrate, sulfate, total dissolved solids, total coliform/E. coli

per test	\$100.00
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Appendix - Fee Schedule

CITY OF KERRVILLE FEE SCHEDULE

WATER RECORDS/FINANCE DEPARTMENT

RETURNED ITEM HANDLING:

(Checks, bank drafts, credit or debit cards)

per item	\$25.00
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LIEN FILING FEE

ACTUAL COST

NEW ACCOUNT FEE (water, sewer, garbage):

NEW ACCOUNT FEE (water, sewer, garbage - with auto payment option):

per account	\$25.00
per account	\$15.00

UTILITY CUSTOMER DEPOSIT:

Residential

per account	\$75.00
per account	\$75 or 2x Avg Usage

Commercial

SERVICE CHARGE:

(new account turn-on, pull or lock meter, additional trips to meter locations, and accounts not paid in full by 5:00 p.m. on due date)

During regular business hours

per account	\$25.00
per account	\$50.00

After regular business hours, weekends, holidays

LATE FEE OR PENALTY:

Accounts not paid in full by due date

current bill	10%
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WATER RATES - INSIDE CITY LIMITS:

Residential

Monthly Account Maintenance Fee **plus**

0 - 6000 gallons

6,001 - 15,000 gallons

15,001 - 25,000 gallons

25,001 - 50,000 gallons

50,001 and up gallons

per account	\$12.00
per 1,000	\$3.06
per 1,000	\$3.46
per 1,000	\$4.38
per 1,000	\$5.57
per 1,000	\$7.12

Commercial

Monthly Account Maintenance Fee **plus**

0 - 25,000 gallons

25,001 - 50,000 gallons

50,001 and up gallons

per account	\$12.00
per 1,000	\$3.43
per 1,000	\$3.88
per 1,000	\$4.41

Irrigation

Monthly Account Maintenance Fee **plus**

0 - 15,000 gallons

15,001 - 25,000 gallons

25,001 and up gallons

per account	\$12.00
per 1,000	\$4.38
per 1,000	\$5.38
per 1,000	\$6.87

Fire Hydrant

Monthly Account Maintenance Fee **plus**

Deposit (refundable)

Meter Set-up or Move

New Account Fee

0 - 15,000 gallons

15,001 - 25,000 gallons

25,001 and up gallons

per account	\$62.40
per account	\$2,750.00
per account	\$200.00
per account	\$25.00
per 1,000	\$4.38
per 1,000	\$5.38
per 1,000	\$6.87

CITY OF KERRVILLE FEE SCHEDULE

WATER RECORDS/FINANCE DEPARTMENT (continued)

WATER RATES - OUTSIDE CITY LIMITS

Residential

Monthly Account Maintenance Fee **plus**
 0 - 6000 gallons
 6,001 - 15,000 gallons
 15,001 - 25,000 gallons
 25,001 - 50,000 gallons
 50,001 and up gallons

per account	\$18.00
per 1,000	\$4.59
per 1,000	\$5.19
per 1,000	\$6.57
per 1,000	\$8.36
per 1,000	\$10.68

Commercial

Monthly Account Maintenance Fee **plus**
 0 - 25,000 gallons
 25,001 - 50,000 gallons
 50,001 and up gallons

per account	\$18.00
per 1,000	\$5.15
per 1,000	\$5.82
per 1,000	\$6.62

Irrigation

Monthly Account Maintenance Fee **plus**
 0 - 15,000 gallons
 15,001 - 25,000 gallons
 25,001 and up gallons

per account	\$18.00
per 1,000	\$6.57
per 1,000	\$8.07
per 1,000	\$10.31

Fire Hydrant

Monthly Account Maintenance Fee **plus**
 Deposit
 Meter Set-up or Move
 New Account Fee
 0 - 15,000 gallons
 15,001 - 25,000 gallons
 25,001 and up gallons

per account	\$93.60
per account	\$2,750.00
per account	\$200.00
per account	\$25.00
per 1,000	\$6.57
per 1,000	\$8.07
per 1,000	\$10.31

EFFLUENT OR RE-USE WATER (pumped):

Monthly Account Maintenance Fee **plus**
 (unless otherwise agreed to in separate contract)

per account	\$12.00
per/1,000 gallons	\$0.38

WATER BY THE TRUCK LOAD:

Re-Use Water

0 - 3,000 gallons
 3,000 - 8,000 gallons

per load	\$10.00
per load	\$17.50

Potable Water

0 - 3,000 gallons
 3,000 - 8,000 gallons

per load	\$12.50
per load	\$20.00

SEWER RATES - INSIDE CITY LIMITS:

Residential

Monthly Account Maintenance Fee **plus**
 New account with no consumption history
 Per 1,000 gallons (winter average of Dec-Jan-Feb consumption)

per account	\$9.00
4,000 gallon min.	\$20.68
per/1,000 gallons	\$5.17

Commercial

Monthly Account Maintenance Fee **plus**
 Per 1,000 gallons

per account	\$9.00
per/1,000 gallons	\$5.50

Wholesale

Monthly Account Maintenance Fee **plus**
 Wholesale Sewer rate
 Wholesale sewer rate excess capacity

per account	\$9.00
per/1,000 gallons	\$5.10
per day	\$1,000.00



CITY OF KERRVILLE FEE SCHEDULE

WATER RECORDS/FINANCE DEPARTMENT (continued)

SEWER RATES - OUTSIDE CITY LIMITS:

Residential

Monthly Account Maintenance Fee **plus**
Per 1,000 gallons

per account	\$13.50
per/1,000 gallons	\$7.76

Commercial

Monthly Account Maintenance Fee **plus**
Per 1,000 gallons

per account	\$13.50
per/1,000 gallons	\$8.25

Wholesale

Monthly Account Maintenance Fee **plus**
Wholesale Sewer rate
Wholesale sewer rate excess capacity

per account	\$13.50
per/1,000 gallons	\$5.10
per day	\$1,000.00

NOTE: Outside city limits - water and sewer rates are 1 1/2 times inside city limits rates.



END