







# TABLE OF CONTENTS

---

<b>1.0 Required Disclosure</b>	<b>5</b>
<b>2.0 FY2025 GFOA Budget Award</b>	<b>6</b>
<b>3.0 Understanding the Budget Document</b>	<b>7</b>
<b>4.0 Executive Summary</b>	<b>8</b>
<b>5.0 City of Kerrville Profile</b>	<b>11</b>
5.1 Kerrville City Council	12
5.2 Organizational Chart	14
5.3 Vision, Mission, and Core Values	15
5.4 Location	16
5.5 History of Kerrville	17
5.6 Demographics and Economic Information	18
5.7 Events, Festivals, Culture, and Recreation	24
5.8 FY2026 Holiday Schedule	26
5.9 Citizens Government Academy	27
<b>6.0 Strategic Plan</b>	<b>28</b>
<b>7.0 Budget Purpose and Process</b>	<b>42</b>
7.1 Budget as a Guide	47
7.2 Budget Calendar	49
7.3 Budget Basis	50
7.4 Financial Fund Structure	52
<b>8.0 Budget Summary</b>	<b>55</b>
8.1 Consolidated Citywide Budget	57
8.2 Citywide Consolidated Revenues	60
8.3 Citywide Consolidated Expenditures	67
8.4 Budget Challenges	69
<b>9.0 General Fund</b>	<b>70</b>
9.1 General Fund Budget Summary	71
9.2 General Fund Five Year Forecast	83
9.3 City Council	84
9.4 City Secretary	86
9.5 City Attorney	90
9.6 City Administration	93
9.7 Human Resources	96
9.8 Finance	99
9.9 Innovation and Technology	102
9.10 Public Information Office	106
9.11 Municipal Court	109
9.12 Police Department	112
9.13 Consolidated Fire	116
9.14 Fire - EMS	118
9.15 Emergency Management & Training	121
9.16 Fire Prevention	124
9.17 Parks and Recreation Department	127

9.18 Kerrville-Schreiner Park .....	129
9.19 Tennis Complex .....	131
9.20 Aquatics .....	133
9.21 Parks and Facilities Maintenance .....	136
9.22 Kerrville Sports Complex .....	139
9.23 Recreation .....	142
9.24 Community Events .....	145
9.25 Scott Schreiner Golf Course .....	148
9.26 Engineering .....	150
9.27 Streets .....	154
9.28 Solid Waste .....	158
9.29 Butt-Holdsworth Memorial Library .....	161
9.30 Public Safety Facility .....	165
9.31 General Operations .....	167
9.32 General Fund - Community Service Agreements .....	169
<b>10.0 Development Services Fund .....</b>	<b>173</b>
10.1 Development Services Fund Budget Summary .....	174
10.2 Planning .....	182
10.3 Building Services .....	185
10.4 Code Enforcement .....	188
10.5 Development Services General Operations .....	191
<b>11.0 Water Fund .....</b>	<b>193</b>
11.1 Water Fund Budget Summary .....	194
11.2 Water Fund Five Year Forecast .....	204
11.3 Water Fund Revenues .....	205
11.4 Utility Billing .....	211
11.5 Water Production .....	215
11.6 Water Distribution .....	219
11.7 Water Reclamation .....	223
11.8 Environmental Laboratory .....	227
11.9 Wastewater Collections .....	230
11.10 Water Fund General Operations .....	234
<b>12.0 Other Funds .....</b>	<b>236</b>
12.1 Garage Fund .....	238
12.2 Kerrville Schreiner Park .....	240
12.3 Scott Schreiner Municipal Golf Course Fund .....	244
12.4 Employee Benefit Trust Fund .....	248
12.5 Parkland Dedication Fund .....	249
12.6 Public Safety Special Revenue Fund .....	250
12.7 Library Memorial Fund .....	251
12.8 General Asset Replacement Fund .....	252
12.9 Water Asset Replacement Fund .....	254
12.10 Hotel / Motel Tax Fund .....	256
12.11 P.E.G. Special Revenue Fund .....	260
12.12 Municipal Court Special Revenue Fund .....	262
12.13 Landfill Fund .....	264
12.14 Landfill Post Closure Fund .....	265
12.15 Tax Increment Reinvestment Zone #1 Fund .....	266
12.16 History Center Fund .....	268



12.17 General Facility Fund .....	269
12.18 Water Wastewater System / Facility Fund .....	270
12.19 Library Endowment Fund .....	271
12.20 Cailloux Theatre Endowment Fund .....	272
12.21 Grant Fund .....	273
12.22 Insurance Reserve Fund .....	275
<b>13.0 Debt Service Funds .....</b>	<b>276</b>
13.1 General Debt Service Fund .....	279
13.2 Water Debt Service Fund .....	282
<b>14.0 Community Investment Plan .....</b>	<b>285</b>
<b>15.0 Economic Improvement Corporation .....</b>	<b>302</b>
<b>16.0 City Policies .....</b>	<b>305</b>
16.1 Financial Management Policy .....	307
16.2 Investment Policy .....	315
16.3 Purchasing Policy .....	323
16.4 Real Estate Policy .....	339
16.5 Travel Policy .....	342
<b>17.0 Appendix .....</b>	<b>346</b>
17.1 Glossary .....	348
17.2 General Government Pay Plan .....	355
17.3 Fire Pay Plan .....	359
17.4 Police Pay Plan .....	360
17.5 Full Time Employees (FTE) by Department .....	361
17.6 Budget Ordinance .....	362
17.7 Tax Rate Ordinance .....	365
17.8 Tax Rate Calculation .....	368
17.9 Fee Schedule .....	378

# Required Disclosure

## City of Kerrville Adopted Budget Fiscal Year 2025-2026

This budget will raise more revenue from property taxes than last year's budget by an amount of \$748,131, which is a 4.4% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$397,264. (This paragraph is included in accordance with Sections 102.005 and 102.007, TX. Local Gov't Code.)

The recorded vote for each member of the governing body, by name, voting on the adoption of the Fiscal Year 2026 budget, is as follows:

Recorded Votes		
Councilmembers	September 9, 2025	September 23, 2025
Joe Herring Jr., Mayor	Yes	Yes
Delayne Sigerman, Place 1	Yes	Yes
Jeff Harris, Place 2	Yes	Yes
Kent McKinney, Place 3	Yes	Yes
Brenda Hughes, Place 4	Yes	Yes

Property Tax Rate Comparison		
	2024 - 2025	2025 - 2026
Property Tax Rate - Approved by City Council	\$0.5595	\$0.5711
No New Revenue Rate	\$0.5461	\$0.5335
No-New-Revenue Maintenance & Operations Rate	\$0.4076	\$0.3987
Maintenance & Operations Voter Approval Rate*	\$0.4218	\$0.4305
Total Voter-Approval Rate	\$0.5624	\$0.5711
Adopted Maintenance & Operations Rate	\$0.4189	\$0.4305
Interest & Sinking (I&S) Debt Rate	\$0.1406	\$0.1406

\*Emergency Tax Rate

At the end of Fiscal Year 2025, the total debt obligation (outstanding principal) for the City of Kerrville will be \$122,485,714. Of this amount, \$43,455,714 is paid for with Water Fund Revenue, \$24,785,000 is paid for by Economic Improvement Corporation (EIC) 4B Sales Tax Revenue, and \$54,245,000 is paid for with Property Tax Revenue. As in all prior years, the City expects that Water Fund and EIC 4B Sales Tax Revenue will be sufficient to meet debt obligations of these funds. More information regarding the City's debt obligations, including payment for current and future years, can be found in the Debt Service Funds section of this document.



# GFOA Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

## *Distinguished Budget Presentation Award*

PRESENTED TO

**City of Kerrville  
Texas**

For the Fiscal Year Beginning

**October 01, 2024**

*Christopher P. Monill*

**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, Texas, for its Fiscal Year 2025 Budget for the fiscal year beginning October 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for Fiscal Year 2025 only. The City intends to submit the Fiscal Year 2026 budget document for consideration and hopes it will continue to meet GFOA standards to once again be recognized with this award.



# Understanding the Budget Document

This budget document is designed to provide a clear and comprehensive overview of the City of Kerrville's financial plan for the upcoming fiscal year. It outlines funding for the City's day-to-day operations, ongoing capital improvement projects, enterprise activities, debt service obligations, and other special funds that support community services.

This document has been prepared in accordance with the Government Finance Officers Association (GFOA) recommended practices for fiscal and budgetary transparency. It is intended to serve as a policy document, financial plan, operations guide, and communication tool for residents, elected officials, and staff.

This Budget Book document is organized into the following sections:

- Required Disclosure
- FY2025 GFOA Budget Award
- Understanding the Budget Document
- Executive Summary
- City of Kerrville Profile
- Strategic Plan
- Budget Purpose and Process
- Budget Summary
- General Fund
- Development Services Fund
- Water Fund
- Other Funds
- Debt Service Funds
- Community Investment Plan
- Economic Improvement Corporation
- City Policies
- Appendix

To view a specific section of the document, please use the sidebar on the left. The table of contents at the beginning of the document is also linked to individual sections and pages.

If you have any questions regarding the City's Fiscal Year 2026 Budget Book document, please feel free to reach out to the City's Finance department by calling 830-258-1100.





# Executive Summary

## FY2026 Budget

It is with great pride that we present the City of Kerrville's Fiscal Year 2026 (FY2026) budget during what is an unprecedented time for our community. This budget reflects our ongoing commitment to sustainability and strategic priorities, while also addressing the significant challenges ahead as we begin recovery and rebuilding efforts following the July 4, 2025 flood. The magnitude of this event required a rapid and thoughtful shift from the original FY2026 budget framework to meet the City's evolving needs. While near-term needs were a primary focus in the final stages of developing the FY2026 budget, long-term planning remains a guiding element across all major initiatives.

## Considerations

- **Lost Property Tax Value:** Property owners have up to 105 days from the July 5, 2025 disaster declaration to apply for exemptions. Since certified values were issued July 25, 2025, the value of losses are unknown and could not be reflected in time for budgeting. To adjust, the City:
  - Lowered the property tax collection rate from 99% to 97.5%.
  - Reduced projected revenue based on KCAD's \$65 million estimated loss in value.
- **City Infrastructure & Facility Damage:** Full assessments are ongoing.
  - **Texas Division of Emergency Management (TDEM)** is aiding with assessments, funding, and recovery support.
  - **TML Risk Pool** has paid the City's policy maximum to help cover costs.
  - **Federal Emergency Management Agency (FEMA)** disaster declarations make the City eligible for partial reimbursements.
- **Fund Balance:**
  - The City maintains strong reserve policies designed for emergencies.
  - The General Fund holds ~\$12M (well above the \$5M minimum); the Water Fund holds ~\$4.5M (exceeding required reserves by ~\$2M).
  - Other City funds remain healthy, and combined with external support, the City's financial outlook remains stable.

## Mitigation Efforts

- **Property Tax Disaster Rate** – Council adopted the emergency tax rate allowable by law given the disaster declaration following the July 4, 2025 flood. The adopted rate is 8 percent over the No New Revenue Maintenance & Operations.
- **Sustainability Measures** – Due to uncertain property value losses, the General Fund is the most volatile entering FY2026. To reduce expenditures and avoid using the disaster tax rate, transfers to CIP and the Facility Fund were removed, the Asset Replacement transfer was reduced, and street maintenance funding was scaled back. These and other reductions were made to avoid the use of the disaster tax rate.
- **Proposed Tax Notes** – The City is proposing a \$700,000 tax note issuance solely to fund the purchase of Police vehicles, which would have otherwise been paid from the General Fund. This approach allows the City to maintain progress made over the past few years on replacing aging. This issuance has no impact to the debt service portion of the tax rate.
- **Use of Interest Revenue** – The City has benefited from higher-than-average interest rates in recent years, generating investment returns that have been set aside to support future sustainability. The FY2026 budget continues this practice by allocating additional interest revenue to reserves.

While flood response has required immediate attention and last-minute adjustments to the FY2026 budget, essential City services have remained uninterrupted. As we enter FY2026, maintaining the quality of services our citizens expect remains a top priority. The City's efforts to address needs of the community including sustainability, responsible development, housing and other initiatives outlined in the FY2025 budget continue to be addressed.



## Accomplishments and Milestones

The past year has been a testament to our resilience and dedication to service. Our key achievements in FY2025 include:

### Public Facilities & Services

- **Public Safety Enhancements:** Near completion of the new Public Safety Facility.
- **Infrastructure Improvements:** The City is nearing completion of several quality-of-life projects, including renovations to the Scott Schreiner Golf Course and the Cailloux Theater. Additional efforts include the start of Olympic Pool renovations, various park improvements, pedestrian sidewalk upgrades in the Cully Drive area, and approximately \$2 million invested in street and drainage maintenance.
- **Citizen Engagement:** Hosted the City's second and third Citizens' Academy session to increase community engagement and provide transparent information to the public.
- **Workforce Housing Development:** The Ridgeland subdivision, a workforce housing partnership with Lennar Homes, is nearly built out and occupied. A second development, Windridge, is underway and will soon offer additional attainable housing in Kerrville.
- **Multifamily development:** Public-private partnership to bring over 270 market rate units with a projected opening early 2026.

### Economic Development

- **Business Retention & Expansion:** A new Economic Development Manager position was created to strengthen collaboration with local businesses and the Kerr Economic Development Corporation (KEDC), ensuring better understanding and support of business needs.
- **Downtown Revitalization:** Updated Kerrville 2050 Comprehensive Plan to include a downtown plan that included input from citizens and downtown business owners.

### Water, Wastewater, & Drainage

- **Sustainable Systems:** Implementation of projects within the adopted Water/Wastewater Master Plan supported by the FY2023 issuance of \$11.5M in Water Revenue Bonds.
- **Drainage Study:** Engaged with contractor to initiate drainage study to better address drainage needs within the City.

### Community & Neighborhood Character/Placemaking:

- **Heritage Preservation:** Near completion of Heart of the Hills Heritage Center project at the historic A.C. Schreiner House.

### Engagement, Transparency, and Financial Excellence

- **Budgeting Tools:** Implementation of ClearGov budget software to improve efficiency in creation of budget for Council and citizens.
- **Financial Reporting:** Earned the City's second Triple Crown Award from the Government Finance Officers Association for efforts to increase transparency in financial reporting.
- **Employee Recognition:** Added additional certification pay to recognize special skills.
- **Facility and Sustainability Funds:** Established dedicated funds for maintenance and replacement of city facilities and infrastructure to ensure long-term sustainability.

### FY2026 Budget Theme: "Kerrville Strong. Kerrville United."

Our budget theme, ***Kerrville Strong. Kerrville United***, reflects the strength and unity of our community in the face of adversity. The July 4th flood caused unimaginable damage and unforgettable loss, but it also brought people together—





citizens, City staff, and volunteers from across the globe—demonstrating a shared commitment to helping those in need. This event tested our resilience, but Kerrville will rebuild—stronger, more beautiful, and more sustainable than ever before.

### Fiscal Sustainability and Strategic Investments

As previously stated, the FY2026 budget includes very conservative components in response to the recent flood event. However, the provision of essential services and small steps toward sustainability are included.

#### Key initiatives include:

- **Employee Retention:** Retaining dedicated employees is key to the City's long-term success. Experience and continuity strengthen our team and enhance service delivery. To support this, the FY2026 budget includes an average 3% merit increase for general government employees and a 3% step increase for public safety personnel.
- **Facility and Sustainability Funds:** While transfers to sustainability funds were reduced in the FY2026 budget, they were not fully eliminated. We recognize the importance of long-term financial sustainability, particularly given the City's aging infrastructure and new facilities. The first quarter of FY2026 will be closely monitored to assess the flood's impact, and budget adjustments may be proposed to City Council to restore or increase sustainability funding as conditions allow.
- **Baseline Budgeting:** Continuing with baseline budgeting to streamline operations and focus on essential services.
- **Transparency & Accountability:** Scott Schreiner Golf Course and Kerrville Schreiner Park have been transitioned out of the General Fund into separate enterprise funds, recognizing their status as fee-based, business-type operations. This change supports a more sustainable business model, allowing each to operate independently while focusing on long-term planning and value for both residents and visitors.

### Council Priorities and Strategic Focus

- **Public Facilities & Services:** Enhancing service delivery efficiency.
- **Housing:** Addressing housing shortages and improving neighborhoods.
- **Water, Wastewater, & Drainage:** Ensuring water quality and effective stormwater management.
- **Economic Development:** Fostering key industries and assets.
- **Community & Neighborhood Character/Placemaking:** Strengthening community ties through events and public spaces.
- **Downtown Revitalization:** Creating vibrant gathering places and enhancing the downtown area.

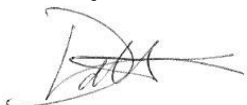
### Commitment to Excellence

We are committed to rebuilding Kerrville in a way that citizens can continue to be proud of and that will attract visitors to enjoy the community that we treasure.

Special thanks to the Kerrville Team for their dedication to the City and beyond during a very difficult time. The strength of this team is immeasurable.

Our strength lies not just in our resilience, but in our unity, the way we stand together, rebuild together, and move forward together.

Sincerely,

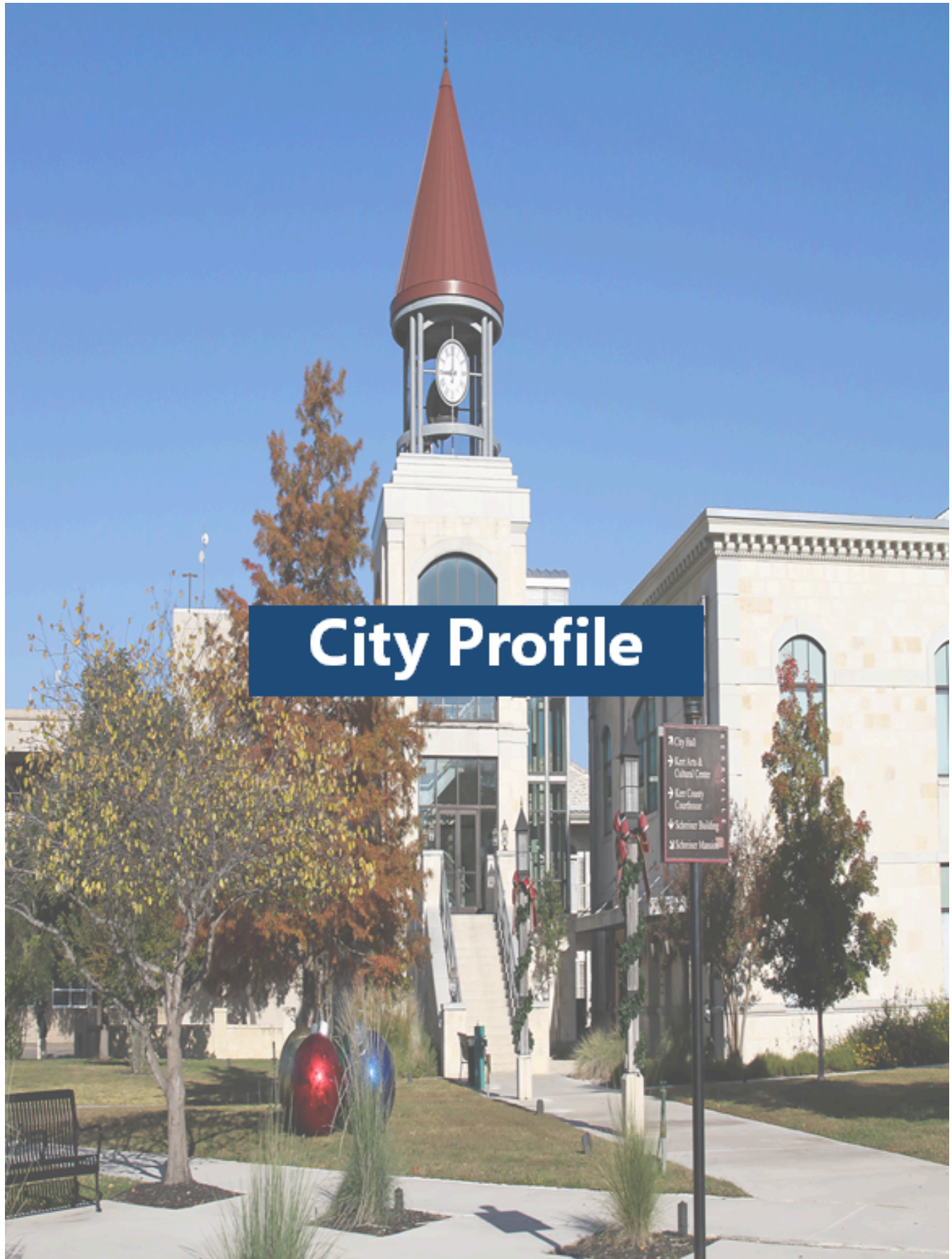


Dalton Rice

City Manager

City of Kerrville







# City Profile

## Kerrville City Council

The City of Kerrville operates under a Council-Manager form of government, as established by its Home Rule Charter. This governance structure entrusts the City Council with legislative authority, policy-making responsibilities, and oversight of the City's strategic direction. The City Manager, appointed by the Council, administers daily operations and implements Council policies. The City Attorney, also appointed by the Council, serves as the legal advisor to the City Council, City Manager, and City departments. The Kerrville City Council comprises five at-large elected officials: a Mayor and four Council members. Each member serves a two-year term, with elections held annually, typically on the first Saturday in May, in accordance with the Texas Election Code. This at-large system ensures that all Council members represent the entire community, fostering a unified approach to governance.



**Pictured from left to right: Councilmember Place 3 Kent McKinney, Councilmember Place 4 Brenda Hughes, Mayor Joe Herring, Jr., Councilmember Place 1 Delayne Sigerman, and Councilmember Place 2 Jeff Harris**

## Council Responsibilities

The City Council serves as the policy-making body of the City, with responsibilities that include:

- Establishing overall goals and objectives for City services.
- Adopting the annual operating budgets.
- Determining the strategic direction for municipal initiatives and development.

## Qualifications for Councilmembers

Section 2.02. of the City's Charter-Qualifications for City Council members:

Each member of the City Council, in addition to having other qualifications required by law:

- Shall be a qualified voter of the State of Texas;
- Shall be at least eighteen (18) years of age;
- Shall be a resident of the City for at least twelve (12) consecutive months preceding the election; provided, however, that any person who shall have been a resident for a period of not less than twelve (12) consecutive months immediately preceding the election of any territory not formerly within the corporate limits of the City, but which is annexed under the provision of this charter, shall be eligible for said office;
- Shall not hold any other elected office or employment under the city government while a member of the Council, except a member of the City Council may be appointed by the City Council to represent the Council on any board, commission, committee, organization or entity in the Council's sole discretion so long as that person's service does not extend beyond the person's term of office.
- At the time that a candidate's application for a place on the ballot is submitted, or thereafter, such candidate shall not be related within the second degree of affinity or third degree of consanguinity to anyone employed by the City and who holds an executive position with the City, which is defined as the head of any department or division within the City. The City Manager shall indicate such positions within his or her budget.

To view the City's Charter please visit: <https://www.kerrvilletx.gov/DocumentCenter/View/35185/CITY-CHARTER-Adopted-05-28-2024?bidId=>

## City Council Key Priority areas include:

- Economic Development
- Housing
- Community & Neighborhoods / Placemaking
- Mobility / Transportation
- Water, Wastewater, and Drainage
- Public Facilities and Services
- Parks, Open Space and the River Corridor
- Downtown Revitalization

## Public Participation

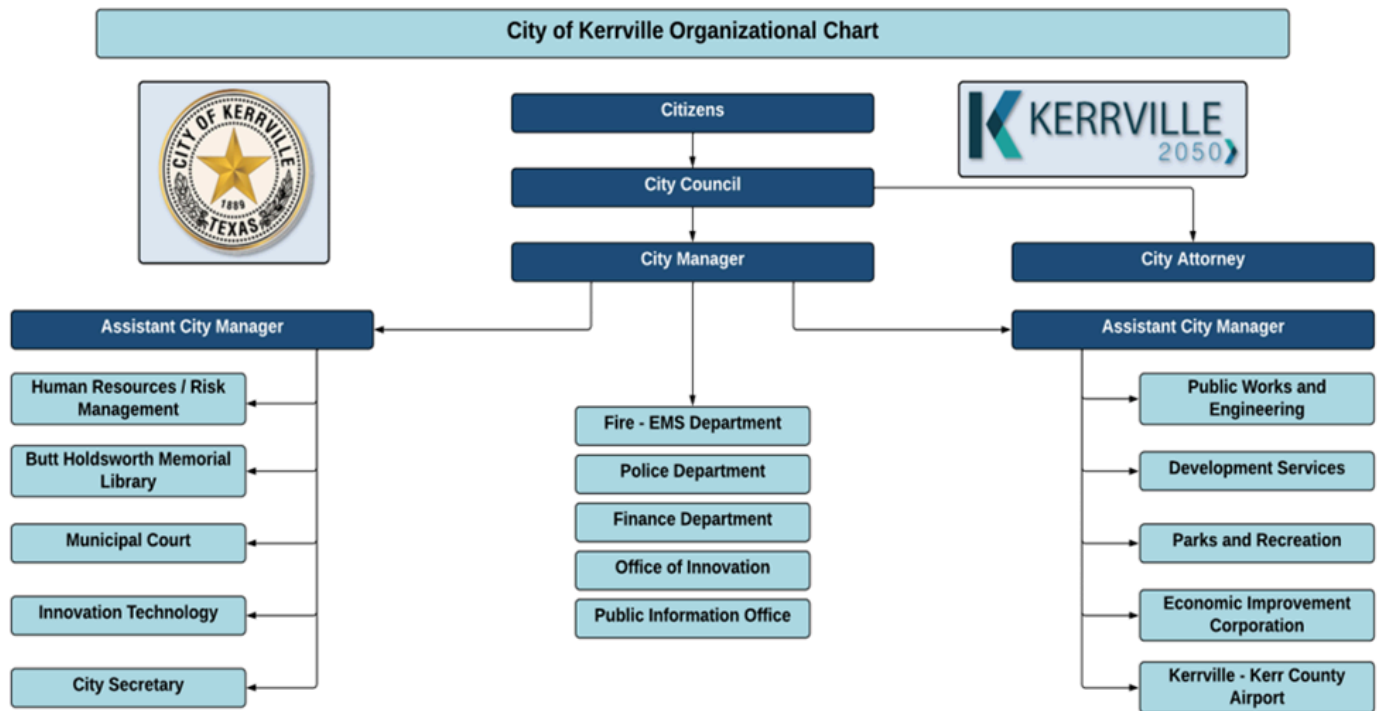
The City Council encourages active citizen engagement. Residents are invited to attend Council meetings, provide input during public comment periods, and participate in various boards and commissions. Meeting agendas and minutes are accessible on the City's Website [www.kerrvilletx.gov](http://www.kerrvilletx.gov). City Council meetings are held on the second and fourth Tuesday of each month at 6:00 p.m. (with some variation during the holidays) in the Council Chambers at City Hall. To watch the City Council meetings live or to view past recordings, please visit:

[www.kerrvilletx.gov/1328/Kerrville-City-Channel](http://www.kerrvilletx.gov/1328/Kerrville-City-Channel)



# City Profile

## Organizational Chart



# City Profile

## Vision, Mission & Core Values

### City of Kerrville Core Values

#### Standards

- The City will be held to higher standards in terms of integrity, productivity, and quality of work.

#### Tone

- The City will demonstrate a citizen centric and team approach.

#### Expectations

- The City will be innovative, data driven for evidence-based decision making, and accountable.

#### Pace

- The City will instill a sense of urgency for responding and delivering results.

### Vision Statement

A vibrant and prosperous community that is fostered by an excellent quality of life.

### Mission Statement

We will ensure an excellent quality of life through engagement with citizens, economic opportunity, and empowerment of employees.



# City Profile

## Location

The City of Kerrville is located in the heart of the Texas Hill Country, approximately 65 miles northwest of San Antonio and 100 miles west of Austin. Nestled along the banks of the Guadalupe River, Kerrville serves as the county seat of Kerr County and is recognized for its natural beauty, rolling hills, and strong sense of community.

Strategically situated along Interstate 10, Kerrville enjoys convenient access to major metropolitan areas while maintaining the character and charm of a smaller community. The City's location has made it a regional hub for health care, education, retail, and tourism within the Hill Country.

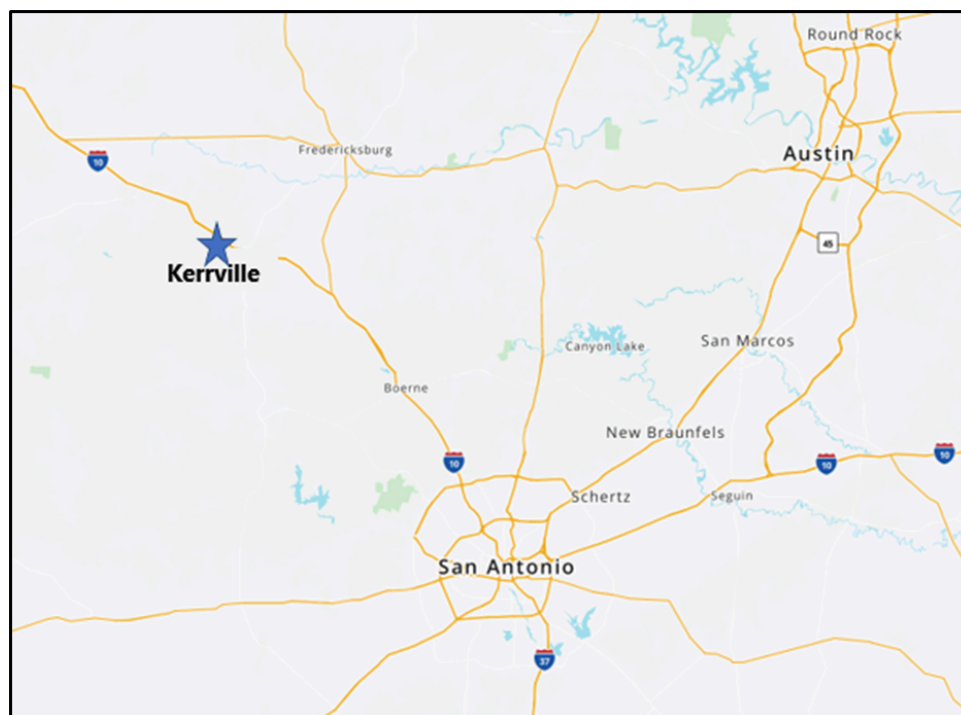
Kerrville's central placement also provides residents and visitors with proximity to outdoor recreation, including numerous parks, trails, and neighboring state natural areas. The combination of accessibility, economic opportunity, and scenic surroundings makes Kerrville a desirable place to live, work, and visit.

## 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 6-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, playgrounds, and is home to many free community events. In addition, Kerrville-Schreiner Park offers visitors 517 acres of trails, camping, fishing, swimming, and recreation on the Guadalupe River.

## Climate

At an elevation of 1,645 feet above sea level, Kerrville has a semi-arid climate, averaging approximately 28 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.



# City Profile

## History of Kerrville

Kerrville's history begins in the mid-1800s, when settlers were drawn to the fertile valleys and spring-fed waters of the Guadalupe River. Among the earliest pioneers was Joshua D. Brown, who established a shingle-making camp in the area. The community that grew around this settlement was later named in honor of Major James Kerr, a veteran of the Texas Revolution and an early surveyor in the region.

In 1856, the Texas Legislature officially created Kerr County, designating Kerrville as the county seat. From its earliest days, agriculture, ranching, and trade formed the backbone of the local economy. The town's location along the Guadalupe River provided a natural gathering place, while the establishment of schools, churches, and small businesses fostered a sense of community.

By the late 19th century, Kerrville had begun to grow into a recognized center for commerce, education, and culture in the Hill Country. Families from across the region came to Kerrville for goods, services, and educational opportunities, and new civic institutions reinforced its role as the county's cultural and economic heart.

As the 20th century unfolded, Kerrville began to attract attention for more than its commerce. The city's mild climate, scenic beauty, and reputation for clean air made it a desirable destination for health seekers and visitors. Sanatoriums, resorts, and later summer camps flourished, giving Kerrville a national reputation as a place of wellness and retreat. At the same time, the arts community blossomed, laying the foundation for the city's long-standing cultural identity.

Kerrville also became home to institutions that shaped its regional influence. Schreiner Institute, founded in 1923 and now Schreiner University, provided educational opportunities that continue today. In health care, Peterson Regional Medical Center grew into a cornerstone of the Hill Country, ensuring that Kerrville remained a vital service hub for surrounding communities. The city is also known as the birthplace of James Avery Artisan Jewelry, founded in 1954, which grew from a small workshop into a nationally recognized brand while maintaining its headquarters in Kerrville.

Through decades of change, Kerrville has held fast to its values of resilience, community, and stewardship of the Hill Country landscape. Today, it is recognized as the heart of the Texas Hill Country, blending historic character with modern growth. With its thriving cultural life, natural beauty, and strong sense of community, Kerrville continues to honor its past while embracing its future.



"Lupe the Bass" sculpture sits just above the children's fountain in Louise Hays Park, proudly overlooking the Guadalupe River. Created in 2017 by artist GiGi Miller, it features a leaping bass form covered in thousands of mosaic tiles crafted by local residents, symbolizing community and the state fish of Texas.

# City Profile

## City of Kerrville Demographics

### Population



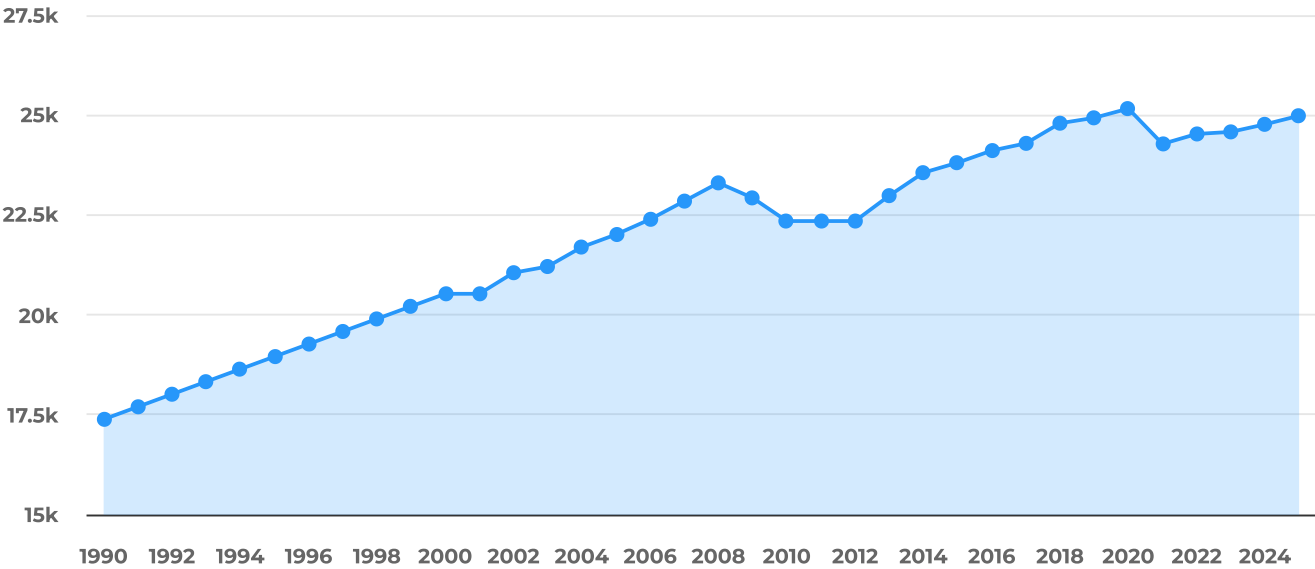
TOTAL POPULATION

**24,983**


0.87%  
vs. 2024

GROWTH RANK

**13** out of **1222** Municipalities in Texas



*\* Data Source: Client entered data for year 2025*



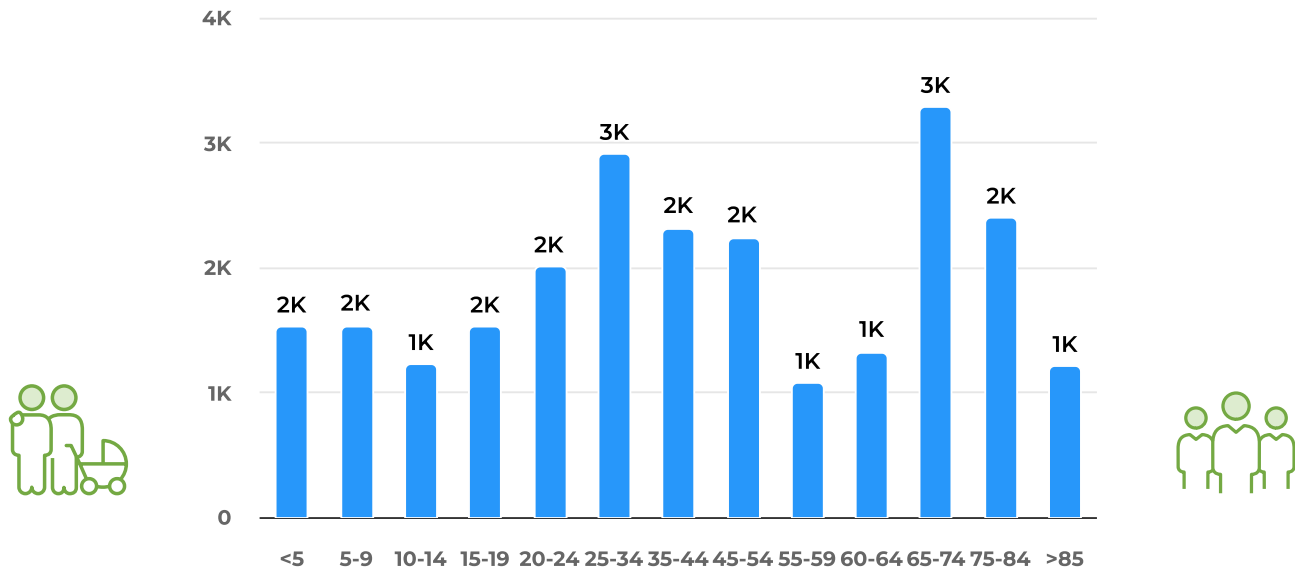
DAYTIME POPULATION

**31,294**

Daytime population represents the effect of persons coming into or leaving a community for work, entertainment, shopping, etc. during the typical workday. An increased daytime population puts greater demand on host community services which directly impacts operational costs.

*\* Data Source: American Community Survey 5-year estimates*

## POPULATION BY AGE GROUP



*Aging affects the needs and lifestyle choices of residents. Municipalities must adjust and plan services accordingly.*

*\* Data Source: American Community Survey 5-year estimates*

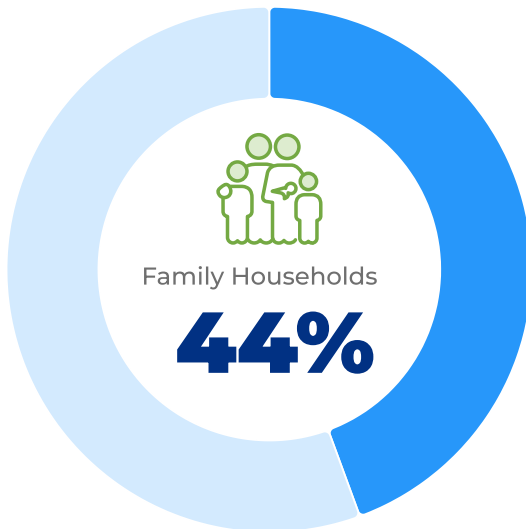


## Household

### TOTAL HOUSEHOLDS

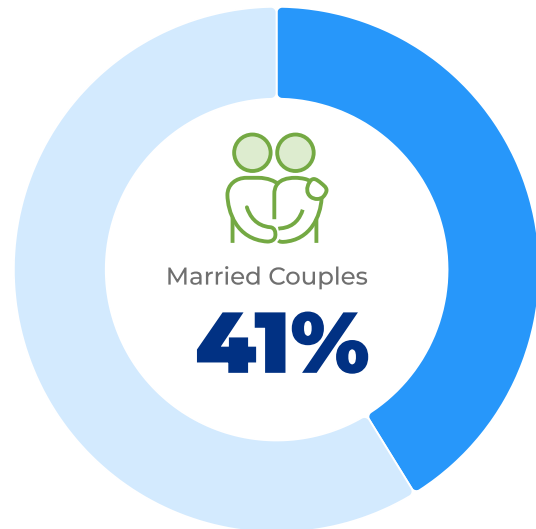
# 10,318

Municipalities must consider the dynamics of household types to plan for and provide services effectively. Household type also has a general correlation to income levels which affect the municipal tax base.



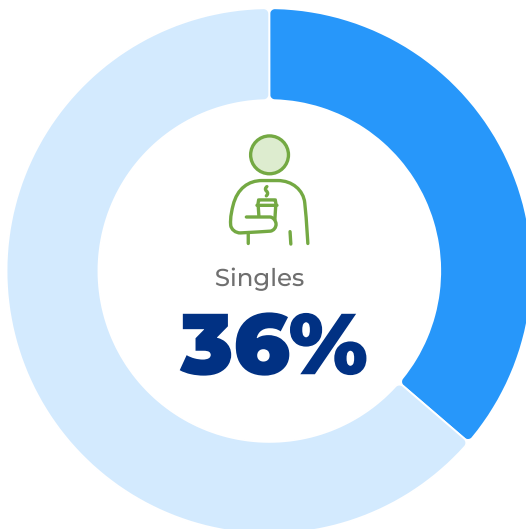
**-9%**

lower than state average



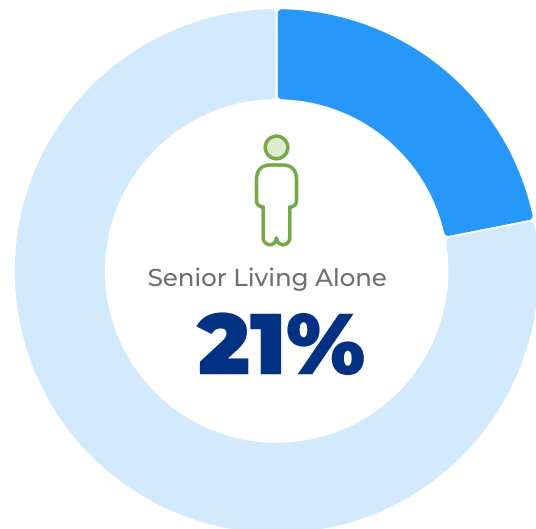
**-18%**

lower than state average



**44%**

higher than state average

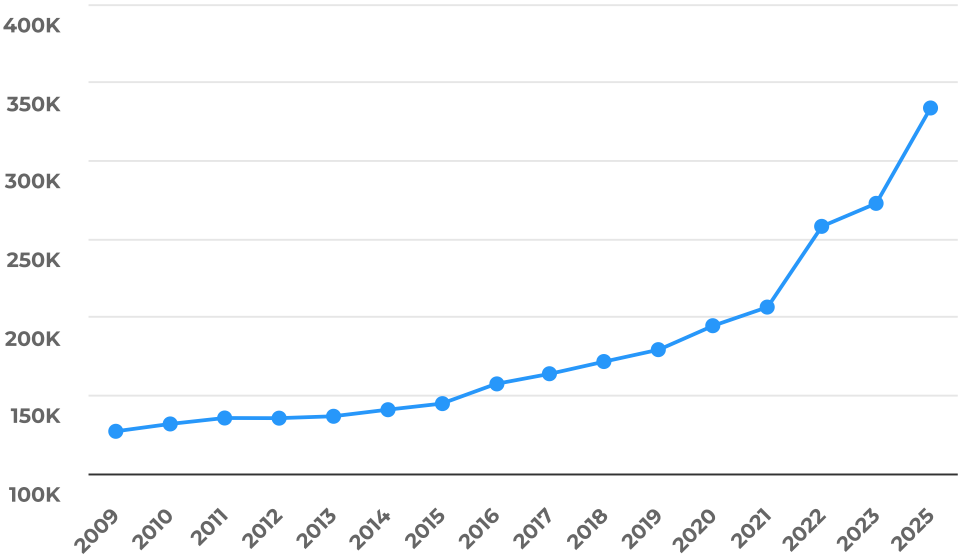


**59%**

higher than state average

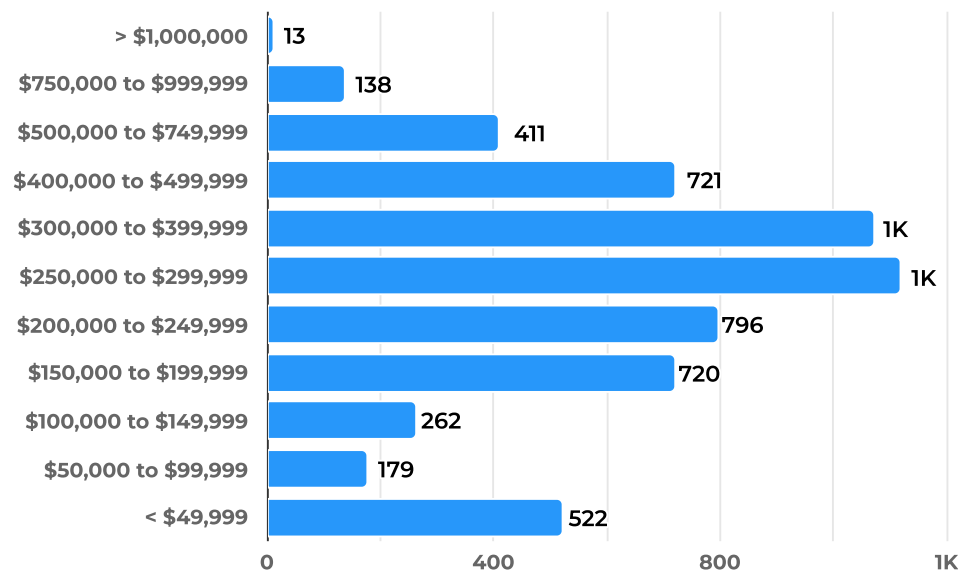
*\* Data Source: American Community Survey 5-year estimates*

# Housing



\* Data Source: Kerrville, TX 2025

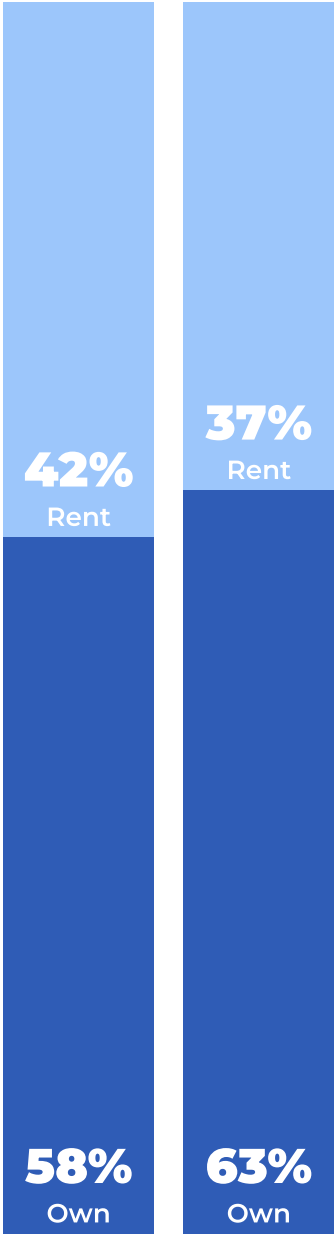
## HOME VALUE DISTRIBUTION



\* Data Source: 2023 [US Census Bureau](#), American Community Survey. Home value data includes all types of owner-occupied housing.

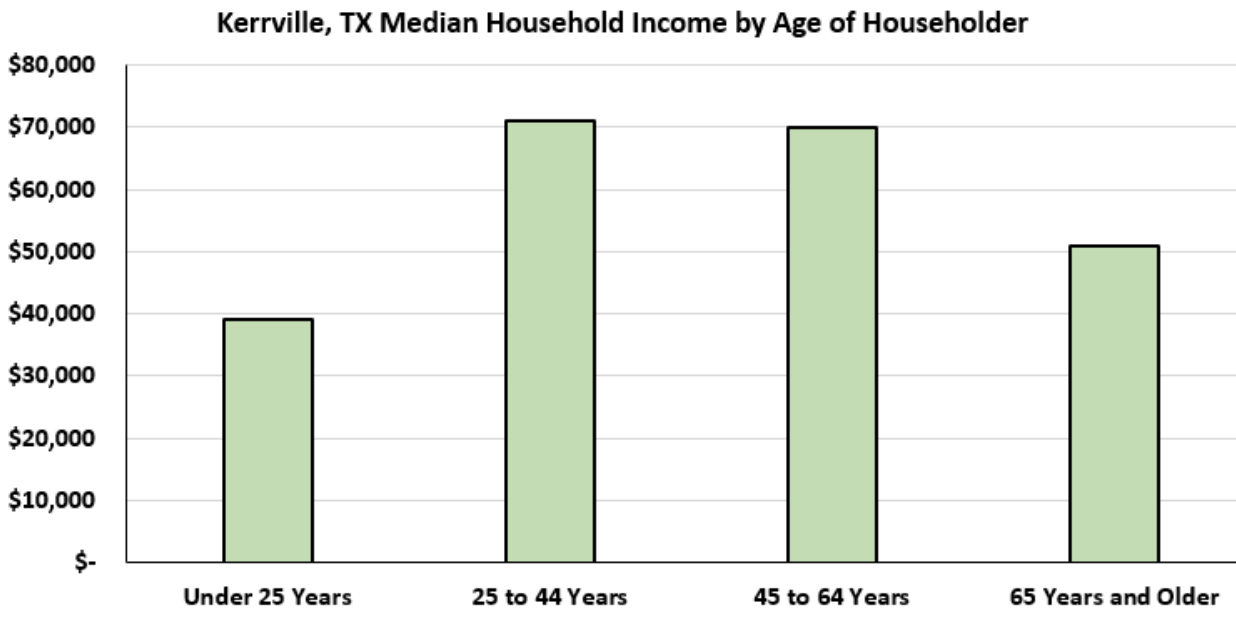
## HOME OWNERS VS RENTERS

Kerrville      State Avg.



\* Data Source: 2023 [US Census Bureau](#), American Community Survey. Home value data includes all types of owner-occupied housing.

Economic



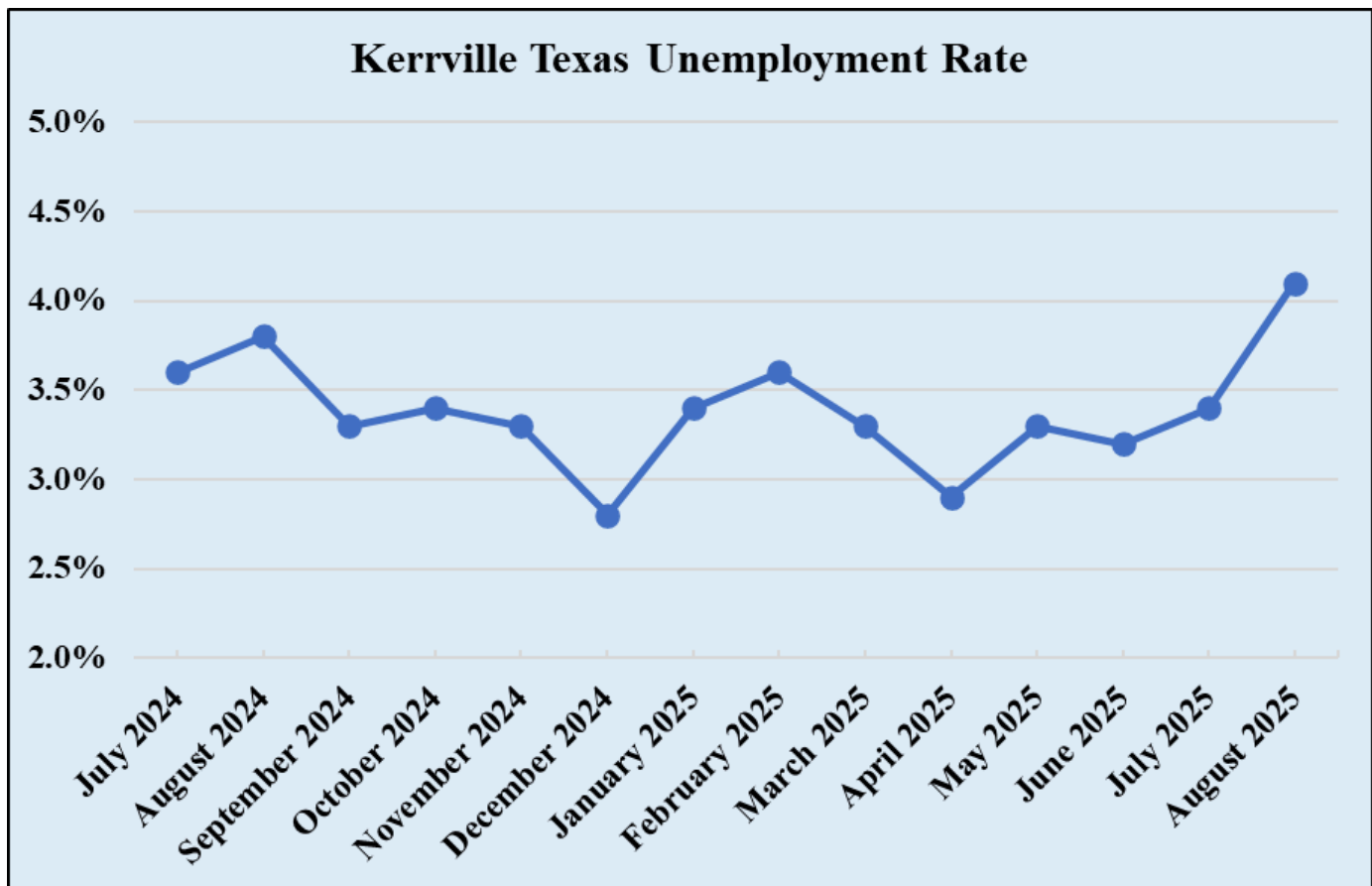
Source: U.S. Census Bureau American Community Survey (ACS) 2019-2023 5-Year Estimates.

Note: Median income statistics do not directly reflect retirement wealth in a community.

Top 10 Principal Property Tax Payers		
Rank	Taxpayer	Assessed Valuation (2024)
1	James Avery Craftsman	\$ 52,172,565
2	Atmos Energy/Mid-Tex Distribution	\$ 22,760,647
3	Kerrville SPC LLC	\$ 12,800,000
4	H.E. Butt Grocery Company	\$ 9,748,560
5	Sendero Ridge Kerrville LP	\$ 9,435,000
6	Wal-Mart Stores Inc.	\$ 9,300,000
7	Comanche Trace Development Company	\$ 9,255,816
8	The Landing Apartments I, LLC	\$ 8,100,000
9	Lowe's	\$ 7,974,110
10	S-H Forty-Nine Properties LLC	\$ 7,725,000

\*Source - City of Kerrville ACFR/ Kerr Central Appraisal District

<b>FY2025 Top Four Sales Tax Categories</b>	
<b>#1 - Retail</b>	<b>#2 - Food Service</b>
<b>54%</b>	<b>13%</b>
<b>#3 - Manufacturing</b>	<b>#4 - Wholesale</b>
<b>10%</b>	<b>4%</b>



# City Profile

## Events, Festivals, Culture, and Recreation

The City of Kerrville offers a vibrant tapestry of cultural experiences, community events, and recreational opportunities that enrich the lives of residents and visitors alike. From annual festivals that celebrate our heritage to expansive parks and engaging programs, Kerrville is a community where tradition and innovation harmoniously coexist.

### Signature Events & Festivals

Kerrville's calendar is brimming with events that foster community spirit and celebrate our unique culture:

- **Kerrville Folk Festival:** A renowned event that attracts singer-songwriters and music enthusiasts from around the globe.
- **Kerrville's 4th on the River:** A patriotic celebration featuring live music, family activities, and a spectacular fireworks display.
- **Holiday Lighted Parade:** A festive procession that illuminates downtown Kerrville, marking the beginning of the holiday season.
- **Kerrville Triathlon Festival:** An athletic event that challenges participants with swimming, biking, and running through scenic routes.
- **Kerrville Mountain Bike Festival:** An athletic event that challenges participants with biking through Kerrville Schreiner Park

For a comprehensive list of events please visit: <https://www.kerrvilletexascvb.com/events>

### Arts & Cultural Attractions

Kerrville's rich cultural landscape is reflected in its array of artistic venues and historical sites:

- **Museum of Western Art:** Dedicated to preserving and promoting the art and heritage of the American West.
- **Kerr Arts and Cultural Center:** A hub for visual arts, offering exhibitions, workshops, and community events.
- **Cailloux Theater:** A premier performing arts venue hosting concerts, theatrical productions, and cultural events.
- **Kerrville Regional History Center:** Providing insights into the city's past through archives, exhibits, and genealogical resources.
- **James Avery Artisan Jewelry:** 20-acre campus that includes a retail store, visitor center, and workshops where skilled artisans handcraft each piece of jewelry.
- **Arcadia Live:** An intimate venue that hosts year-round concerts and events, showcasing a mix of local, regional, and nationally recognized artists while contributing to Kerrville's vibrant arts, culture, and tourism scene.

### Parks & Outdoor Recreation

The City's Parks and Recreation Department maintains a variety of facilities that cater to outdoor enthusiasts:

- **Kerrville-Schreiner Park:** Encompassing 517 acres, this park offers camping, hiking, and river access.
- **Kerrville River Trail:** A scenic pathway ideal for walking, biking, and enjoying the Guadalupe River's beauty.
- **Louise Hays Park:** Featuring playgrounds, picnic areas, and an interactive fountain for family enjoyment. Home to many free community events.
- **Kerrville Sports Complex:** A state-of-the-art facility supporting baseball, softball, and soccer activities.
- **Scott Schreiner Municipal Golf Course:** An 18-hole public golf course offering Hill Country views, a full-service pro shop, and over 100 years of history.
- **Olympic Pool:** A municipal facility currently being renovated to better serve the community.

Additional recreational opportunities include tennis courts, various neighborhood parks, and the Guadalupe River

## Community Engagement & Programs

Kerrville encourages community involvement through various programs:

- **Adult Sports Leagues:** Soccer, disc golf, cornhole, basketball, and kickball
- **Commemorative Programs:** Opportunities to honor loved ones by placing benches or trees in City parks
- **Volunteer Opportunities:** Encourages the community through events, committees, and park initiatives

For the latest updates on events, programs, and recreational opportunities, please visit the City of Kerrville's Parks and Recreation Department by visiting <https://www.kerrvilletx.gov/93/Parks-and-Recreation>, in person at 2385 Bandera Highway, Kerrville, TX 78028, or by calling 830-257-7300





# City Profile

## City of Kerrville

### FY2026 Holiday Schedule

Columbus Day	Monday, October 13, 2025
Veteran's Day	Tuesday, November 11, 2025
Thanksgiving Day	Thursday, November 27, 2025
Friday After Thanksgiving	Friday, November 28, 2025
Christmas Eve Holiday	Wednesday, December 24, 2025
Christmas Day Holiday	Thursday, December 25, 2025
New Year's Day Holiday	Thursday, January 1, 2026
Martin Luther King Day	Monday, January 19, 2026
President's Day	Monday, February 16, 2026
Good Friday	Friday, April 3, 2026
Memorial Day	Monday, May 25, 2026
Juneteenth Holiday	Friday, June 19, 2026
Independence Day	Friday, July 3, 2026
Labor Day	Monday, September 7, 2026
Floating Holiday	Two Days of Employee Choice* (Supervisor Approval Required)

#### **\*For Firefighters Only**

HB 2113, which amended 142.013, TX. Local Government Code, was passed and signed by the Governor of the State of Texas on June 19, 2009. The new law states: "A firefighter shall be granted the same number of vacation days and holidays, or days in lieu of vacation days or holidays, granted to other municipal employees, at least one of which shall be designated as September 11th."

The City will designate one of the regular City floating holidays as the September 11th holiday for City of Kerrville Firefighters. The September 11th holiday may be used on a date other than September 11th but must have supervisor approval. Upon separation from the City, a firefighter will not be paid for an unused September 11th holiday.

**Approved by City Council with the FY2026 Budget**



# Citizens Government Academy

Interested in discovering what makes the City of Kerrville an outstanding place to live? Enroll in the City's 10-week Citizens Government Academy, offering an insider view of City departments and operations. This program aims to cultivate informed, engaged, and proactive community members to enhance the City's vision for growth and development.

## Purpose:

The Kerrville Citizens Government Academy is a program that aims to provide residents with an in-depth understanding of the City of Kerrville and its various municipal functions. Through interactive and engaging classes, tours, and activities, participants gain insights into the roles of the City Council, City Administration, Public Works, Police and Fire Departments, Finance, Development Services, and other departments. The program is designed to help develop connections with City staff, learn about their responsibilities, and find ways to get involved. Come join us and dive into a fun and interactive forum where you can explore the City of Kerrville like never before!

## Eligibility Requirements:

In order to participate in the Citizens Government Academy, you must meet the following requirements:

- Be a resident of Kerrville, own a business in Kerrville, or volunteer in Kerrville
- Be at least 18 years old
- Cannot be running for political office during the program period
- Cannot be a current member of the Kerrville City Council
- Must agree to attend all sessions

## Application:

- Visit: [www.kerrvilletx.gov/2092/Citizens-Academy](http://www.kerrvilletx.gov/2092/Citizens-Academy)
- Call: 830-258-1100

**Cost: Free!**





# Strategic Plan

## Strategic Planning for the City

The Kerrville City Council uses focused, long-range strategic planning to ensure the City continues to provide high-quality services well into the future. At the center of this approach is a multi-year strategic plan first developed in 2018, known as The Kerrville 2050 Comprehensive Plan (Kerrville 2050). Each year the City Council meets with the City Manager and with the Senior Executive Team (SET) to revisit the strategic plan, recommit to the City's long-range vision, and identify specific measurable actions to be taken to help the City achieve its goals.

The Kerrville 2050 Comprehensive Plan outlines eight key focus areas that serve as a foundation for the City's short-term and long-term strategic goals and budget priorities. These focus areas provide a clear framework to help guide decision-making that supports responsible growth, enhances quality of life for residents, and strengthens Kerrville's position as a welcoming destination for visitors. By aligning the City's long range financial planning with the priorities identified in Kerrville 2050, City Council is ensuring that the City's resources are used effectively to support economic development, housing, community and neighborhood character/placemaking, mobility and transportation, water, wastewater and drainage, public facilities and services, parks, open spaces and the river corridor, and downtown revitalization. This alignment helps Kerrville remain proactive in addressing current needs while planning thoughtfully for the future, ensuring that every budget decision contributes to the long-term sustainability and vibrancy of the community.

The Kerrville 2050 Comprehensive Plan was thoroughly reviewed and updated in Fiscal Year 2025 to ensure it continues to reflect the shared vision of both City Council and Kerrville residents. This update reaffirmed the community's priorities while also incorporating new opportunities and emerging challenges, allowing the plan to remain both relevant and forward-looking. By grounding the City's decisions in an updated, community-driven framework, Kerrville is positioned to carry out its long-term vision with confidence and accountability.

The Kerrville 2050 Comprehensive Plan can be viewed in its entirety at: [www.kerrvilletx.gov/DocumentCenter/View/32515/Kerrville-2050-Comprehensive-Plan-Adopted-2018\\_06\\_26](http://www.kerrvilletx.gov/DocumentCenter/View/32515/Kerrville-2050-Comprehensive-Plan-Adopted-2018_06_26)

## Performance Measurement

The City uses the Kerrville 2050 Comprehensive Plan not only to set policy direction and guide annual budget decisions, but also as a basis against which to gauge the level and quality of City Services. By providing information about department performance, the City hopes to allow the public, City Council, and City Staff the opportunity to analyze the results, to see if desired outcomes are being met, and to look for ways the City can continue to improve.

This document provides performance measures for departments along with basic financial information. Each department's section provides the department's specific vision and mission, financial information, and performance measures. Most of these measures shown in this budget book document are basic measures that gauge the level and quantity of services provided to the City's residents and visitors. Over the next few years, City staff hopes to identify additional measures to assess the quality and quantity of services provided and the outcomes of the City's neighborhoods and to its residents.



# Strategic Plan

## City Vision

The City of Kerrville City Council holds an annual retreat to discuss and review the Kerrville 2050 Comprehensive Plan's priorities and action items. This retreat helps provide a foundation for City Staff to work on these goals and helps provide a framework for the following year's budget.

The vision outlined in the Kerrville 2050 Comprehensive Plan is:

- Kerrville will be a vibrant, welcoming, and inclusive community that:
- Respects and protects the natural environment that surrounds it;
- Seeks to attract economic growth and development;
- Provides opportunities for prosperity, personal enrichment, and intellectual growth for people of all ages; and
- Does so while preserving the small-town charm, heritage, arts, and culture of the community.

This statement is a direct reflection of the values and priorities of residents, workers, business owners, students, and community leaders. It encapsulates the city's energy and its willingness to embrace growth, as long as it occurs with an understanding, an appreciation, and a goal of preserving Kerrville's history and small-town character.

There are eight guiding principles highlighted within the Kerrville 2050 plan to help bring this vision to life. The guiding principles are as follows: Economic Development, Housing, Community and Neighborhood Character/Placemaking, Mobility and Transportation, Water, Wastewater and Drainage, Public Facilities and Services, Parks, Open Spaces and the River Corridor, and Downtown Revitalization. More details regarding each guiding principle and its connection to the overall vision are shown below.

## Economic Development

- Support a more holistic approach to economic development, housing and quality of life for people of all economic strata
- Develop policies, processes and programs, including economic incentives, which are clear and consistently applied by a team of City and partner economic development entities working with stakeholders and focused on attracting, retaining and expanding business
- Continue to focus on quality of life attributes and enhancements as a high priority, balancing growth with community and individual well-being and the need to preserve a healthy/beautiful environment unique to Kerrville
- Balance, broaden and diversify the City's tax base, shifting the tax burden away from residential property owners
- Provide access to creative sources of capital for businesses
- Support access to the infrastructure necessary to accommodate the future growth of housing and business (water, wastewater, power, communications, roads)
- Create an identity for Kerrville as the capital or hub of the Hill Country
- Emphasize greater support for growth of the tourism industry
- Foster/leverage higher education and entrepreneurship as community assets
- Continue to leverage Kerrville as a great place for retirement living
- Promote new retail development while considering its impacts on existing business
- Nurture continued growth and quality of the medical/health care industry in Kerrville

## Housing

- Provide a diverse range of housing options to meet the needs and desires of all age groups, income levels, and lifestyles
- Maintain the quality and value of existing neighborhoods
- Continue to leverage Kerrville as a retirement living destination

## Community and Neighborhood Character / Placemaking

- Promote “aging in place” or full life-cycle amenities to address the needs and desires of children, teens, young families and single professional adults
- Seek to attract a range of housing options to provide choices for people with a variety of ages, incomes, lifestyles, etc.
- Promote the use of inclusive processes to capture the voices of the citizenry in decision-making
- Promote design that is in keeping with Kerrville, its natural beauty, history, culture and diversity using art, landscaping and other aesthetic features, including “random order” (sameness that doesn’t seem forced); encourage design that promotes interaction, a sense of community and gatherings
- Establish clear regulations for code enforcement and zoning, educate the public on the value and importance of property maintenance, and focus on proactive code enforcement and maintaining minimum property standards
- Celebrate and honor the character of each neighborhood and its culture; revitalize neighborhoods and create gathering places within them while avoiding the displacement of citizens and their cultures
- Promote walkability and complete streets, focusing on community health in the review of new development proposals and supporting pleasing, well-kept neighborhoods that maintain their value and help sustain economic development

## Mobility / Transportation

- Promote a safe, reliable, sustainable and affordable transportation system
- Promote a transportation infrastructure that encourages safety and a healthy lifestyle
- Place an emphasis on preserving and incorporating the natural environment and aesthetic features into transportation infrastructure planning and design for a more enjoyable user experience
- Place a high priority on the maintenance of existing streets
- Consider policies and technology that mitigate traffic congestion and improve traffic flow
- Develop a more comprehensive, multi-modal transportation plan that addresses both daily transportation needs and recreational interests (pedestrian, trails and bicycle, etc.) with an emphasis on filling gaps and creating interconnectivity for both local and tourist traffic
- Accommodate and promote regional commuters and commuting options (for example, provision and use of park and ride lots)
- Enhance efforts to educate the public regarding the variety of existing transportation options and plans for the future

## Water, Wastewater & Drainage

- Develop and maintain long-range water plans that prioritize infrastructure needs and identify funding sources.
- In the development of the long-range water plan, anticipate growth, consider all sources and plan for future droughts
- Address water quality challenges with proven solutions
- Preserve natural riparian areas
- Update and maintain the City's long-range plan for wastewater management, addressing and prioritizing infrastructure needs and identifying funding sources
- Consider alternative solutions to standard wastewater service methods to address specific conditions and for cost effectiveness
- Develop and maintain a long-range plan for stormwater/drainage management, addressing and prioritizing infrastructure needs and identifying funding sources
- Focus more on on-site green/bio stormwater infrastructure to support water quality and quantity goals
- Enhance efforts aimed at water conservation, better stormwater management on private property and measures such as rain harvesting and other innovative approaches to help manage water usage
- Expand ongoing education efforts regarding water issues



- Encourage water conservation through the use of xeriscape and other low-irrigation, low-maintenance landscape techniques

## Public Facilities and Services

- Commit to maintaining high-quality, cost-effective public services and facilities consistent with anticipated growth and ensure cost-effective use and maintenance of these assets
- Place the highest priority on public safety (police, fire, EMS).
- Address long-term technology needs through public-private partnerships to support public safety, information services and the library
- Support responsible long-range waste management policies and practices
- Consider opportunities for interlocal agreements and collaborations with other government entities and partner agencies for the provision of services
- Focus close attention on building architecture and scale to preserve Kerrville's small-town charm
- Be thoughtful when considering land uses and provide facilities and services that promote and enhance local parks, green spaces and the River Trail
- Place a stronger focus on public health through enhanced code enforcement, including providing for the demolition, clean-up and improvement of derelict properties to meet minimum standards
- Recognize public services and facilities as potential catalysts for growth and redevelopment that can promote economic development and cultural enrichment

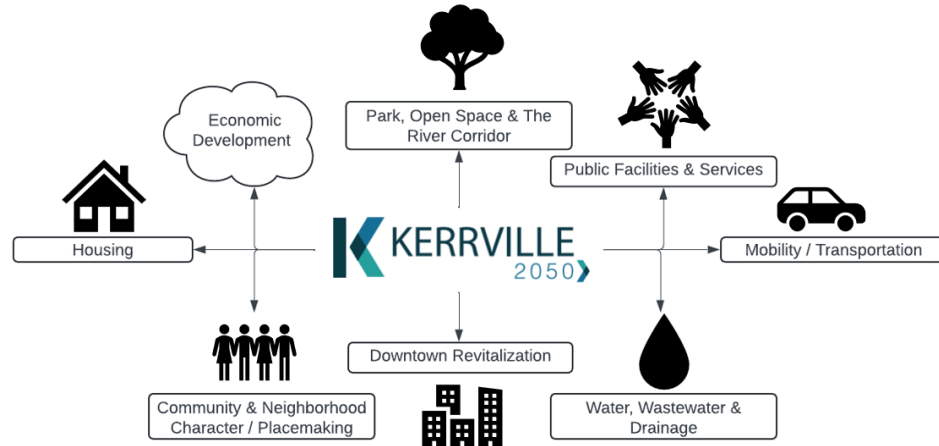
## Parks, Open Space and the River Corridor

- Enhance the aesthetics and mitigate the ecological impacts of development on the River corridor while preserving scenic views and the natural beauty of the area
- Identify, educate and promote the use of natural and native flora and fauna on private property and in public spaces
- Preserve and protect the natural riparian buffer (natural vegetation surrounding river) and ensure that development prioritizes environmental responsibility and a respect for natural areas
- Update the Parks Master Plan, other applicable codes and ordinances and capital planning and funding priorities to support Kerrville 2050
- Focus on enhancing/investing in existing parks, their purpose or repurpose and improving accessibility before acquiring land for new parks
- Focus on connecting businesses, neighborhoods, major destinations and other amenities with parks, open spaces and the River corridor
- Promote and market all City parks and recreation amenities, including the Guadalupe River
- Provide recreational opportunities for people of all ages and abilities, both residents and tourists

## Downtown Revitalization

- Create a "living room" for the community and a "front door" for visitors—a full-service destination that attracts anchor uses and increased residential and mixed-use development
- Foster a Downtown that tells the community's history/story/lore by preserving and enhancing historic features and a sense of place, celebrating and connecting Downtown to the Guadalupe River and developing a brand and a unified identity for Downtown
- Maintain and support small businesses with a local identity
- Encourage and program Downtown public events and create more gathering places that promote and enhance Downtown as an arts, culture and music center
- Promote a walkable, useable, uniform and pedestrian-oriented public space linking Downtown to the surrounding neighborhoods through streetscape elements, access, connections and crossings

- Promote preservation and reinvestment in single-family and historic components in the areas around and near Downtown
- Encourage reinvestment in Downtown businesses by identifying and addressing regulatory hurdles and providing incentives to attract development consistent with the community's vision
- Encourage reinvestment in Downtown in the form of vertical mixed-use development, including residential uses



\*Note: Performance metrics are included in the Fiscal Year 2026 Approved Budget Document and are organized by department. These measures demonstrate the City's commitment to transparency, accountability, and continuous improvement by tracking progress toward strategic goals, evaluating service delivery effectiveness, and supporting data-driven decision-making. Inclusion of these metrics also fulfills the Government Finance Officers Association (GFOA) requirements for performance measurement within the Distinguished Budget Presentation Award criteria.

# Strategic Plan

## Goals and Strategies

### Economic Development

A strong and balanced economy is essential for Kerrville's future. Efforts focus on attracting new businesses, supporting local entrepreneurs, and strengthening key industries like retail, manufacturing, tourism, healthcare, and education.

Goals / Accomplishment	Target Date	Completed
Update Kerrville 2050 Comprehensive Plan	FY2025	X
Al Mooney Road Reconstruction	FY2026	
Tax Increment Reinvestment Zone #1 (TIRZ #1) Exterior Enhancement Grant Program for businesses located in the TIRZ#1	Ongoing	
Promote new retail development to enhance Kerrville's economy	Ongoing	
Develop policies, processes and programs, including economic incentives, which are clear and consistently applied by a team of City and partner economic development entities working with stakeholders and focused on attracting, retaining and expanding businesses	Ongoing	
Emphasize greater support for the growth of the tourism industry	Ongoing	
Establish a distinct identify for Kerrville amidst the crowded Hill Country	Ongoing	
Support resilient infrastructure to sustain future growth of houses and businesses	Ongoing	
Promote new and existing development in underdeveloped areas of town	Ongoing	
Broaden and diversify the City's tax base, shifting the tax burden away from residential property owners	Ongoing	

## Housing

Kerrville's housing goals focus on providing diverse, high-quality options that accommodate residents of all income levels and life stages. The plan encourages a mix of single-family homes, multi-family developments, and senior living options while promoting sustainable growth. By balancing new development with neighborhood preservation, Kerrville aims to maintain its small-town charm while meeting future housing demands.

Goals / Accomplishment	Target Date	Completed
Update Kerrville 2050 Comprehensive Plan	FY2025	X
Lennar Homes complete construction of agreed upon 125 homes for workforce housing - Ridgeland Subdivision	FY2026	
Lennar Homes begin construction of agreed upon 490 homes for workforce housing - Windridge Subdivision	FY2026	
Bluewood Multi-family apartment complex for workforce housing	FY2026	
Maintain the quality and value of existing neighborhoods	Ongoing	
Enhance Kerrville's unique quality of life attributes and the natural, healthy environment that attracts people to Kerrville	Ongoing	

## Community and Neighborhood Character / Placemaking

Kerrville values its small-town charm and strives to foster welcoming, well-designed, diverse neighborhoods. Enhancing community engagement, preserving historic character, and improving neighborhood amenities will help maintain a high quality of life for citizens and increase Kerrville's ability to attract visitors.

Goals / Accomplishment	Target Date	Completed
Update Kerrville 2050 Comprehensive Plan	FY2025	X
Create online dashboard for capital projects for improved transparency	FY2025	X
Renovate AC Schreiner Mansion in partnership with Heart of the Hills Heritage Center (HHHC) to increase arts, culture and historical preservation	FY2026	
Continue to grow Citizens Government Academy for improved citizen engagement	Ongoing	
Establish clear regulations for code enforcement and zoning, educate the public on the value and importance of property maintenance and focus on proactive code enforcement and maintaining minimum property standards	Ongoing	
Support Community Arts Program (CAP) and Kerrville Convention & Visitors Bureau (KCVB) with installation of public art across the city	Ongoing	
Promote design that is in keeping with Kerrville, its natural beauty, history, culture and diversity using art, landscaping and other aesthetic features, including "random order" (sameness that doesn't seem forced); encourage design that promotes interaction, a sense of community and gatherings	Ongoing	



## Mobility / Transportation

“Although the automobile is still the primary transportation mode in Kerrville and the region, the community’s interest in creating a more balanced and multimodal system is growing. Promoting mobility choices—including pedestrian and bicycle facilities, and possibly transit services—will be a priority in the years ahead, but the community made it clear from the beginning of the Kerrville 2050 process that maintaining the existing infrastructure, including streets, sidewalks and other transportation improvements, is its highest priority.”— Kerrville 2050 Comprehensive Plan, pg. 158

Goals / Accomplishment	Target Date	Completed
Update Kerrville 2050 Comprehensive Plan	FY2025	X
Partner with Alamo Area Council of Governments to bring "Pronto" transportation alternative to Kerrville	FY2025	X
Citywide sidewalk improvements	Ongoing	
Performing Citywide maintenance of existing streets	Ongoing	
Consider policies and technologies that mitigate traffic congestion and improve traffic flow	Ongoing	
Promote transportation infrastructure that encourages safety and a healthy lifestyle	Ongoing	
Continue efforts to expand River Trail	Ongoing	

## Water, Wastewater & Drainage

"A robust and well-functioning network of water, wastewater, and drainage infrastructure is essential to public health, safety, and welfare. These systems play a key role in maintaining community quality of life, and must be well-managed to meet the needs of the community in both the short-term and long-term. The maintenance and expansion of this essential infrastructure must be carefully planned to ensure cost effective and efficient services and to enable these systems to continue providing quality service to Kerrville as the community grows and develops." - Kerrville 2050 Comprehensive Plan, pg. 164

Goals / Accomplishment	Target Date	Completed
Update Kerrville 2050 Comprehensive Plan	FY2025	X
Rehabilitation of Wastewater Clarifier #3	FY2026	
Knapp Wastewater Upgrades	FY2026	
Galbraith & Quinlan Streets Waterline Replacement	FY2026	
Update Water and Wastewater Master Plan	FY2026	
Develop and maintain water plans that prioritize infrastructure needs and identify funding sources and take a regional approach to planning	Ongoing	
Enhance efforts aimed at water conservation, better stormwater management on private property and measures such as rain harvesting and other innovative approaches to help manage water usage	Ongoing	

## Public Facilities and Services

“Kerrville must continue to provide high-quality public services and facilities to remain successful in the 21st Century. Exceptional facilities and services will be essential to maintaining Kerrville’s livability, resiliency, and competitiveness in the years ahead. The best way to avoid problems in the future is to begin planning now. As the city grows and technology continues to evolve, new facilities and changes to services may be required to preserve the quality of life that Kerrville residents and businesses have come to expect.”— Kerrville 2050 Comprehensive Plan, pg. 185.

Goals / Accomplishment	Target Date	Completed
Update Kerrville 2050 Comprehensive Plan	FY2025	X
Cailloux HVAC & Roof Replacement	FY2025	X
Create facility funds for long-term sustainability of facilities / infrastructure	FY2025	X
Construct new Public Safety Facility	FY2026	
Maintain high-quality, cost-effective public services and facilities consistent with anticipated growth and ensure cost-effective use and maintenance of these assets	Ongoing	
Consider opportunities for interlocal agreement and collaborations with other government entities and partner agencies for the provision of services	Ongoing	
Focus on recruitment / retention of employees	Ongoing	

## Parks, Open Space and the River Corridor

“Community support will be crucial for the future of Kerrville’s open spaces and scenic views. Residents still cherish the natural environment that first attracted settlers to the area and they understand that the preservation of these areas and the development and maintenance of other key recreational assets—golf courses, athletic facilities, camps, parks, trails and the Guadalupe River corridor will be as important to future residents as they are to the citizens of Kerrville today.”  
Kerrville 2050 Comprehensive Plan, pg. 201

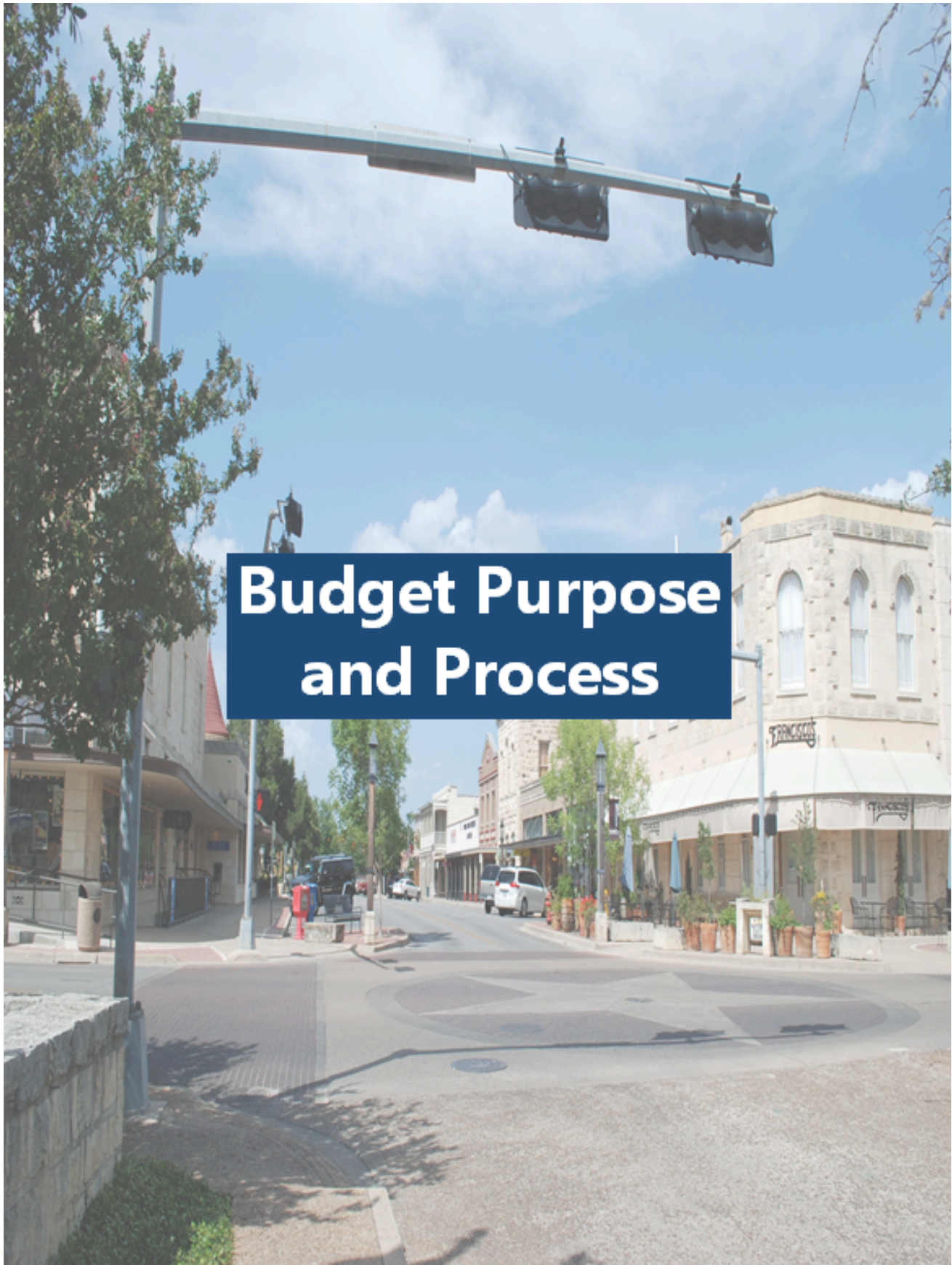
Goals / Accomplishment	Target Date	Completed
Update Kerrville 2050 Comprehensive Plan	FY2025	X
Kerrville Schreiner Park Waterline Replacement	FY2025	X
Scott Schreiner Golf Course Renovations	FY2025	X
Design and construct a new Disc Golf course at Singing Wind Park	FY2026	
Olympic Pool Renovations	FY2026	
Support Community Arts Program (CAP) and Kerrville Convention & Visitors Bureau (KCVB) with installation of public art across the city	Ongoing	
Enhance the aesthetics and mitigate the ecological impacts of development on the river corridor while preserving scenic views and the natural beauty of the area	Ongoing	
Focus on connecting businesses, neighborhoods, major destinations and other amenities with parks, open spaces and the river corridor	Ongoing	

## Downtown Revitalization

A thriving downtown is key to preserving Kerrville's charm. Plans to enhance walkability, support local businesses, preserve historic architecture, and increase arts and cultural areas will help revitalize the downtown area and attract citizens and guests.

Goals / Accomplishment	Target Date	Completed
Update Kerrville 2050 Comprehensive Plan	FY2025	X
Renovate AC Schreiner Mansion in partnership with Heart of the Hills Heritage Center (HHHC) to increase arts, culture and historical preservation	FY2026	
Tax Increment Reinvestment Zone #1 (TIRZ #1) Exterior Enhancement Grant Program for businesses located in the TIRZ#1	Ongoing	
Improve efficiency of Main Street Advisory Board in order to encourage economic growth in downtown	Ongoing	
Encourage and program downtown public events and create more gathering places that promote and enhance Downtown as an arts, culture and music center	Ongoing	





# Budget Purpose and Process

Preparing the City of Kerrville's annual budget is a year-round effort that is reflective of the City's commitment to thoughtful planning, responsible stewardship, and long-term community goals. This process is guided by Kerrville 2050, the City's comprehensive plan, which defines key priority areas for growth, development, and service. These priorities serve as a foundation for decisions about how resources are allocated and how City services are delivered to residents, businesses, and visitors. To view the Kerrville 2050 plan in its entirety, please visit the City's website at [www.kerrvilletx.gov](http://www.kerrvilletx.gov).

Each City department plays a critical role in developing the annual budget and advancing the Kerrville 2050 vision through its departmental business plan. These plans establish clear goals, outline specific actions, and identify performance measures to track progress throughout the year. Within this budget document, each department's section includes performance measures derived from these business plans. Departmental budgets are structured to support both day-to-day operations and long-term initiatives, ensuring alignment with the broader Kerrville 2050 priorities. This integrated approach keeps the City's efforts strategically focused while remaining adaptable to community needs.

City Council plays a critical role in the City's annual budget process. Each year, Council participates in strategic planning sessions to evaluate progress and identify priorities for the upcoming fiscal year. These priorities guide decision-making during budget development and ensure that investments focus on areas most important to the community.

Throughout the process, City Council holds public budget workshops to gather feedback from Kerrville residents and engage in roundtable discussions about the proposed budget. Council is also instrumental in shaping the City's Community Investment Plan (CIP), which outlines major capital projects including infrastructure improvements, facility upgrades, quality of life initiatives, and other large-scale efforts that support Kerrville's long-term growth and the Kerrville 2050 vision.

The result is a budget that is fiscally responsible, grounded in community values, and guided by forward-thinking strategies that reflect a shared vision for Kerrville's continued success and long-term sustainability. It represents a careful balance between maintaining essential City services, investing in future growth, and responding to the evolving needs of residents, businesses, and visitors.

Beyond simply allocating dollars, the budget serves as a strategic roadmap that translates community priorities into tangible actions and measurable results. It supports infrastructure that sustains economic vitality, enhances public safety, preserves the natural environment, and enriches the overall quality of life for all who call Kerrville home.

By aligning financial decisions with the Kerrville 2050 vision, the City ensures that each investment contributes to a stronger, more resilient, and more vibrant community. The annual budget is therefore more than a financial document; it is a reflection of shared purpose and partnership between City leadership, staff, and the community, working together to build a thriving Kerrville today and for generations to come.

## **Fiscal Approach to the Fiscal Year 2026 Budget**

The City of Kerrville maintains a strong commitment to fiscal responsibility, transparency, and long-term sustainability. This commitment serves as the foundation for every financial decision, ensuring that the City remains accountable to its residents while maintaining the resources necessary to meet both current and future service demands. Each budget cycle is approached with careful analysis of economic conditions, community priorities, and operational needs to ensure the most effective use of public funds. Through thoughtful financial planning, the City strives to balance essential services, infrastructure investment, and fiscal stability in a way that supports Kerrville's continued growth and quality of life.

The FY2026 budget reflects these values through conservative revenue projections, good financial stewardship of spending, and a strategic approach to funding future needs.

- **Conservative Revenue Projections**

In preparing the Fiscal Year 2026 budget, the City of Kerrville adopted conservative revenue projections to ensure financial stability. By relying on realistic and carefully analyzed estimates, taking into account historical data, as well as macroeconomic and microeconomic factors, the City aims to forecast revenue as accurately as possible and remain prepared for potential economic fluctuations. In response to the recent flood, the City also reduced its property tax collection rate and adjusted its total taxable valuation to reflect the estimated loss in property value due to flood damage. More information regarding the City's largest revenue sources can be found on the Citywide Revenues page of this document.

- **Good Financial Stewardship of Spending**

The City of Kerrville remains dedicated to managing public funds with integrity, prudence, and accountability. Every expenditure within the Fiscal Year 2026 budget is evaluated to ensure it aligns with community priorities, operational needs, and the Kerrville 2050 vision. Departments began the budget process using a baseline budget for expenditures and were encouraged to pursue cost-saving measures, operational efficiencies, and responsible resource management to maximize the value of every taxpayer dollar. This disciplined approach to spending helps maintain essential services, supports employee and infrastructure needs, and promotes fiscal stability without compromising quality or responsiveness to the community.

- **Strategic Approach to Future Needs**

The Fiscal Year 2026 budget takes a forward-looking approach by proactively setting aside resources to meet future financial obligations and community goals. This includes designating funds for capital improvements, facility maintenance, and asset replacement to prevent deferred maintenance costs and ensure long-term operational reliability. The City also continues to explore innovative financing strategies, interfund transfers, and grant opportunities to support future projects. By planning ahead and prioritizing sustainability, the City positions itself to meet emerging challenges and maintain the high quality of life that Kerrville residents expect for generations to come. Included in this document is a five-year forecast for both the General Fund and the Water Fund. While the five-year forecast is a living document that evolves as economic conditions and community priorities change, City staff and City Council remain committed to thoughtful, forward-looking financial planning that ensures Kerrville's continued stability and growth.

- **Flood Recovery Efforts**

Throughout this document, readers will see reference to the July 4, 2025 flood which caused significant damage to City infrastructure, including water and wastewater systems, roads and bridges and parks. The FY2026 budget includes last-minute changes to the expenditure budget to account for unknown lost revenue from property tax as well as fee-based park facilities. While the City is participating in FEMA's Public Assistance Program with the hopes of recuperating some funds that will be necessary to fully repair damages incurred by the City, the near-term costs will be substantial and will impact the budget. Substantial changes include a reduction of transfers to asset replacement and capital projects and the use of interest revenue for one-time expenditures.

\*Note: Performance metrics are included in the Fiscal Year 2026 Approved Budget Document and are organized by department. These measures demonstrate the City's commitment to transparency, accountability, and continuous improvement by tracking progress toward strategic goals, evaluating service delivery effectiveness, and supporting data-driven decision-making. Inclusion of these metrics also fulfills the Government Finance Officers Association (GFOA) requirements for performance measurement within the Distinguished Budget Presentation Award criteria.



## PURPOSE

The City of Kerrville's budget serves four primary purposes:

- Policy Document
- Financial Plan
- Operations Guide
- Communication Device



## PROCESS

The following steps are completed as part of the budget process:

1. City Council identifies specific priorities in alignment with Kerrville 2050 and provides staff vision and direction.
2. Finance Staff estimates available resources (revenues).
3. Departments submit their budget requests (expenses) and justify all new items and requested new positions.
4. Finance conducts a preliminary budget review, coordinates with departments, and makes budget recommendations to the Budget Committee.
5. The Budget Committee consists of key staff members from several departments and City Administration. The Budget Committee meets to discuss budgets submitted by departments and to ensure that departments have the necessary resources to deliver effective and efficient services.
6. City Council Budget Workshops are held to present preliminary budget information and to provide opportunities for Council and citizen input.
7. The Proposed Budget and Tax Rate are presented to the City Council and the public.
8. City Council considers resolution to set public hearing for Proposed Tax Rate.
9. Proposed Budget and Tax Rate public hearings are held for both the City Council and the public.
10. The Proposed Budget and Property Tax Rate are considered for adoption by City Council.

### Proposed Budget

Utilizing guidance from the City Council, the proposed budget is formally submitted in accordance with the City Charter, on or by July 31st. The proposed budget is available for review by all interested parties on the City's website, in the City Secretary's office, and in the City's library (Butt-Holdsworth Memorial Library). Questions or comments regarding the proposed budget can be directed to members of the City Council, the City Manager, or the Director of Finance. The proposed budget includes revenues and expenditures of all funds and all departments. The proposed budget is publicly presented to the City Council shortly after the submittal.

Per Tax Code Section 26.05, a public hearing on the property tax rate is required if the proposed rate exceeds the lower of the No-New-Revenue Rate or Voter-Approval Tax Rate. Per the City's Charter and Section 102.006 of the Local Government Code, a public hearing for the proposed budget is required to be held after the proposed budget is submitted. Following

required public hearings, the City Council approves separate ordinances, each requiring two readings and two votes, adopting the budget and the property tax rate before the end of September. The new budget is effective October 1st.

### **Monitoring and Amendment**

During the fiscal year, actual revenues and expenditures are closely monitored in comparison to the budget. Monthly reports are provided by Finance staff to the City's management team. In addition, all departments have access to the City's financial software to facilitate continuous monitoring of departmental budgets and financial activity. Each department director is responsible for ensuring all divisions under their supervision operate within their approved budget and make adjustments as necessary based on revenue forecasts. Financial updates are provided to the City Council during regular City Council meetings for all major funds and any other funds being impacted by current economic conditions or with major variances from the budget.

The budget can be amended during the year to account for unforeseen events. The City Manager and/or Director of Finance can approve department requests for reallocation of funding within a fund (line item transfers) 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 a change to a fund's net position.





# Budget as a Guide

## **What is the Budget?**

The City's budget is a financial plan that outlines how resources will be allocated over the upcoming fiscal year. It reflects the community's priorities and guides how City departments deliver services. The budget ensures funds are used responsibly and strategically to meet the City's goals.

## **Budget Adoption Process and Public Engagement Timeline**

Each year, guided by input from City Council, the proposed annual budget is prepared and formally submitted in accordance with the City Charter. This submission takes place on or before July 31st. The proposed budget includes detailed estimates of revenues and expenditures for all City funds and departments, reflecting the City's priorities and strategic direction for the upcoming fiscal year.

To ensure transparency and encourage community engagement, the proposed budget is made available for public review in multiple locations: on the City's official website, at the City Secretary's office, and at the Butt-Holdsworth Memorial Library. Residents and stakeholders are invited to provide feedback or ask questions by contacting members of the City Council, the City Manager, or the Director of Finance.

Shortly after submission, the budget is formally presented to the City Council in a public setting. In accordance with Tax Code Section 26.05, if the proposed property tax rate exceeds the lower of the No-New-Revenue Rate or the Voter-Approval Tax Rate, the City is required to hold a public hearing to discuss the proposed rate. Furthermore, as mandated by both the City Charter and Section 102.006 of the Texas Local Government Code, a separate public hearing must be held to receive input on the proposed budget.

Following the completion of all required public hearings, the City Council considers and adopts the budget and property tax rate through two separate ordinances. Each ordinance must be read and voted on twice to meet legal requirements. Final adoption of both ordinances occurs before the end of September, ensuring that the new budget is in place and effective at the start of the new fiscal year on October 1. A copy of these ordinances can be found in the appendix section of the FY2026 Adopted Budget Book Document.

## **Ongoing Budget Monitoring and Amendment Authority**

Throughout the fiscal year, the City actively monitors actual revenues and expenditures in comparison to the adopted budget to ensure financial accountability and alignment with planned priorities. The Finance Department prepares and distributes monthly financial reports to the City's management team, providing timely updates on budget performance. In addition, all departments have access to the City's financial management software, allowing directors and staff to continuously track and manage their budgets in real time.

Each department director is responsible for ensuring that all divisions under their supervision operate within their approved budget. As economic conditions or revenue forecasts change throughout the year, departments are expected to make the necessary adjustments to stay on track financially. These efforts help maintain fiscal discipline and promote efficient use of City resources.

To keep elected officials and the public informed, financial updates are regularly presented to the City Council during scheduled council meetings. These updates focus on the City's major funds, as well as any other funds experiencing notable variances from budgeted amounts or impacted by changing economic conditions.

When unforeseen events arise, the City's budget can be amended to address emerging needs. Reallocations of funding within the same fund, commonly referred to as line-item transfers, may be approved by the City Manager or the Director

of Finance as long as the adjustment results in no net change to the fund's overall budget. However, any changes that alter the net position of a fund require formal approval by the City Council through a budget amendment ordinance.

This structured process ensures the City maintains flexibility to respond to changing circumstances while upholding strong financial stewardship throughout the year.

### **How You Can Get Involved**

Your input matters! Review the proposed budget, attend public hearings, and share your thoughts with City Council members, City Administration, or the Finance Department. Community feedback plays an important role in shaping city priorities and ensuring resources align with residents' needs.



# Budget Calendar

Although the City's budget development is a continuous, year-round effort, the Fiscal Year 2026 budget process followed a structured series of key goals, major milestones, and defined timeframes. The graphic below provides an overview of the primary phases of the process, illustrating how staff planning, departmental input, public engagement, and City Council deliberations come together to form the annual budget. This timeline is designed to ensure transparency, encourage collaboration across all departments, and support informed decision-making aligned with the City's strategic priorities.

## FY2026 Budget Calendar

October – May	City Asset Budget Team Meetings
February	Departments begin operational budget Finance begins revenue estimates HR begins personnel estimates
February 14	Deadline for departments to submit new item / position requests
March 8	Deadline for departments to enter budget requests
April	Receive preliminary property tax roll
April – June	Department meetings with Finance & Budget Committee
May 3	City Council Election (cancelled - uncontested)
June 17	City Council Budget Workshop #1
July 17	<del>City Council Budget Workshop #2</del> (cancelled due to flood)
July 25	Deadline for KCAD to provide Certified Property Tax Values
July 28	Receive Tax Rate Calculation from Kerr County Tax Assessor / Collector
July 31	Deadline to file Proposed Budget
August 5	<del>City Council Budget Workshop #3</del> (cancelled due to flood)
August 12	<del>Presentation of Proposed Budget &amp; Resolution to set Tax Rate</del> (postponed due to flood) Rescheduled City Council Budget Workshop #2
August 19	Rescheduled City Council Budget Workshop #3 Presentation of Proposed Budget & Resolution to set Tax Rate
September 9	First Reading & Public Hearing on Proposed Tax Rate First Reading & Public Hearing on Proposed Budget
September 23	Second Reading on Proposed Tax Rate Second Reading on Proposed Budget
October 1	FY2026 Begins

# 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 activities, which are normally 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, grant 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 collected 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 are generally recorded when a liability is incurred.

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 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 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. Depreciation expense is not budgeted but is recorded in the Annual Comprehensive Financial Report (ACFR). Capital items are depreciated over the useful life of the item.

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

**Debt Service** - The City budgets for all debt service payments, both principal and interest, as an expenditure in the appropriate debt service fund. In the ACFR, principal payments reduce the balance sheet liability for debt in the government-wide and enterprise fund statements.

**Amortization** - Similar to the policy for depreciation, amortization is not budgeted, but it is recorded in the ACFR according to GASB accounting standards.

**Pension and Other Postemployment Benefits** - Actuarially estimated liabilities and deferred amounts are recorded for financial statement presentation in the ACFR in accordance with GASB Statements No. 68 and 75. These non-cash adjustments are not budgeted.

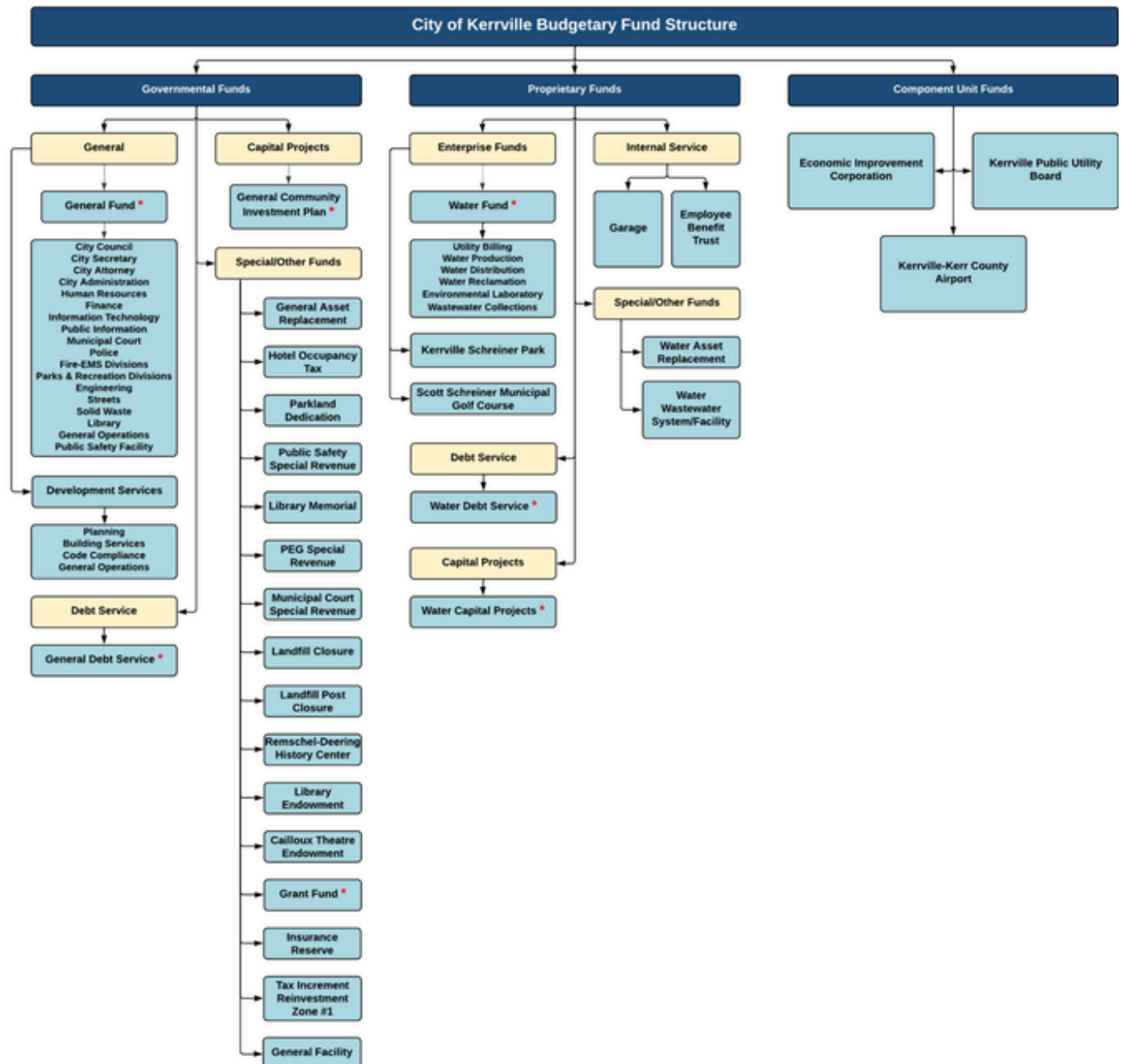
# Basis of Accounting by Budgetary Fund

Fund #	Fund Name	Fund Type	Basis of Accounting
01	General Fund	Governmental Fund	Modified Accrual
02	Water Fund	Proprietary Fund	Accrual
03	Garage Fund	Proprietary Fund	Accrual
05	Employee Benefit Trust Fund	Proprietary Fund	Accrual
08	Parkland Dedication	Governmental Fund	Modified Accrual
12	Kerrville Schreiner Park	Proprietary Fund	Accrual
13	Public Safety - Special Revenue	Governmental Fund	Modified Accrual
14	Scott Schreiner Golf Course	Proprietary Fund	Accrual
15	Library Memorial	Governmental Fund	Modified Accrual
18	General Asset Replacement	Governmental Fund	Modified Accrual
19	Water Asset Replacement	Proprietary Fund	Accrual
20	Hotel Occupancy Tax	Governmental Fund	Modified Accrual
21	P.E.G. Special Revenue	Governmental Fund	Modified Accrual
22	Municipal Court Special Revenue	Governmental Fund	Modified Accrual
26	Landfill Closure	Governmental Fund	Modified Accrual
28	Landfill Post Closure	Governmental Fund	Modified Accrual
29	Development Services Fund	Governmental Fund	Modified Accrual
50	General - Debt Service	Governmental Fund	Modified Accrual
51	Tax Increment Reinvestment Zone #1	Governmental Fund	Modified Accrual
53	Water Debt Service	Proprietary Fund	Accrual
68	Remschel-Deering History Center	Governmental Fund	Modified Accrual
70	General Capital Projects	Governmental Fund	Modified Accrual
71	Water Capital Projects	Proprietary Fund	Accrual
72	General Facility Fund	Governmental Fund	Modified Accrual
73	Water Wastewater System / Facility	Proprietary Fund	Accrual
83	Library Endowment	Governmental Fund	Modified Accrual
84	Cailloux Theatre Endowment	Governmental Fund	Modified Accrual
85	Grant Fund	Governmental Fund	Modified Accrual
90	Insurance Reserve	Governmental Fund	Modified Accrual



# City of Kerrville Budgetary Fund Structure

Fund accounting is used for budgeting and accounting, with each fund created for a specific purpose and treated as a separate entity. For transparency, the Citywide budget shows revenues and expenses by fund, department, and division. Each fund operates like a checking account: revenues are deposited and used to fund operations throughout the year. At year-end, any excess becomes “fund balance,” which acts like a savings account for future capital projects or one-time purchases. City Council must approve the budget and the use of fund balance each year, except for limited cases in certain special funds, through the annual budget or amendment process. Unlike the budget, the City’s Annual Comprehensive Financial Report (ACFR) groups funds by overall fund type for financial reporting and includes both major and non-major funds. The City of Kerrville has seven major funds, these funds are marked by an asterisk (\*) in the table below.



**General Fund:** 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, Building Services, Code Compliance, Parks and Recreation, Engineering, Streets, Solid Waste, Public Information, and Library. The following funds are included in the General category:

- |                 |                         |
|-----------------|-------------------------|
| 1. General Fund | 2. Development Services |
|-----------------|-------------------------|

**Community Investment Plan:** The following funds are funds used to account for resources that are restricted, committed, or assigned to expenditure for capital projects within the Community Investment Plan:

- |                             |                           |
|-----------------------------|---------------------------|
| 1. General Capital Projects | 2. Water Capital Projects |
|-----------------------------|---------------------------|

**Special / Other Funds:** The following funds are governmental funds used to account for specific revenue sources that are restricted or committed to expenditure for specified purposes:

- |                                       |  |
|---------------------------------------|--|
| 1. General Asset Replacement          | 10. Hotel Occupancy Tax                |
| 2. Parkland Dedication                | 11. Public Safety Special Revenue      |
| 3. Library Memorial                   | 12. PEG Special Revenue                |
| 4. Municipal Court Special Revenue    | 13. Landfill Closure                   |
| 5. Landfill Post-Closure              | 14. Remschel-Deering History Center    |
| 6. Library Endowment                  | 15. Cailloux Theater Endowment         |
| 7. Grant                              | 16. Insurance Reserve                  |
| 8. Tax Increment Reinvestment Zone #1 | 17. Water Asset Replacement            |
| 9. General Facility                   | 18. Water Wastewater System / Facility |

**Debt Service Funds:** The following funds are known as Interest and Sinking (I&S) funds and are used to account for the accumulation and expenditure of funds required to make principal and interest payments on debt.

- |                         |                       |
|-------------------------|-----------------------|
| 1. General Debt Service | 2. Water Debt Service |
|-------------------------|-----------------------|

**Enterprise Fund:** The following fund is a proprietary fund used to account for business-type activities that are financed primarily through fees charged for goods or services provided:

- |                             |  |
|-----------------------------|--|
| 1. Water Fund               | 3. Scott Schreiner Municipal Golf Course |
| 2. Kerrville Schreiner Park |  |

**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 Benefit Trust

**Component Funds:** GASB Statement No. 14 defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable. They may be a governmental organization, a non-profit 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 Annual Comprehensive Financial Report. The City's Component Unit Funds are:

1. Economic Improvement Corporation
2. Kerrville Public Utility Board (KPUB)
3. Kerrville-Kerr County Airport

**City Major Funds:** A major fund is defined as a governmental or enterprise fund whose assets, liabilities, revenues, or expenditures/expenses are significant in relation to the total of all funds of the same category. A fund is automatically classified as major if it meets both of these quantitative tests for any one element (assets, liabilities, revenues, or expenditures/expenses):

- It is at least 10% of the corresponding total for all governmental funds or all enterprise funds, and
- It is at least 5% of the corresponding total for all governmental and enterprise funds combined.

Governments may also designate a fund as a major fund if management believes it is important for financial statement users, even if it does not meet the numerical thresholds.

The City of Kerrville has seven major funds in Fiscal Year 2026.

- General Fund
- General Debt Service Fund
- General Capital Projects
- Grant Fund
- Water Fund
- Water Fund Debt Service
- Water Capital Projects





# Budget Summary

The annual budget document is the City of Kerrville's primary financial planning document, aligning resources with community priorities while maintaining fiscal responsibility and transparency. The budget reflects the City's commitment to providing high-quality services, maintaining infrastructure, and preparing for future growth in a financially sustainable manner.

## **Budget Development**

The City's budget is developed with the following goals:

- Align with the City Council's priorities and the Kerrville 2050 Comprehensive Plan
- Maintain strong fund balances and reserves for financial stability
- Fund critical services such as public safety, facilities, streets, parks, and utilities
- Address long-term capital needs through structured planning and debt management
- Remain transparent and accessible to the public throughout the budget process





# Consolidated Citywide Budget

The City's Fiscal Year 2026 consolidated budget for all funds totals \$102,244,298 in revenues and \$117,168,972 in expenditures, including transfers between funds and capital projects. The City's two largest funds, General and Water, are both balanced as required by policy. The twenty-seven other funds included in the Citywide budget show expenses exceeding revenues by \$14,924,674. Large capital projects such as the Public Safety Facility and the Heart of the Hills Heritage Center span multiple fiscal years, which can result in expenditures in a single year exceeding that year's revenues. All projects are funded before contracts are awarded. The City Council must review all contracts and project expenditures for expenditures that exceed \$100,000. For more detailed information regarding active capital projects, please visit the Community Investment Plan section of this document.

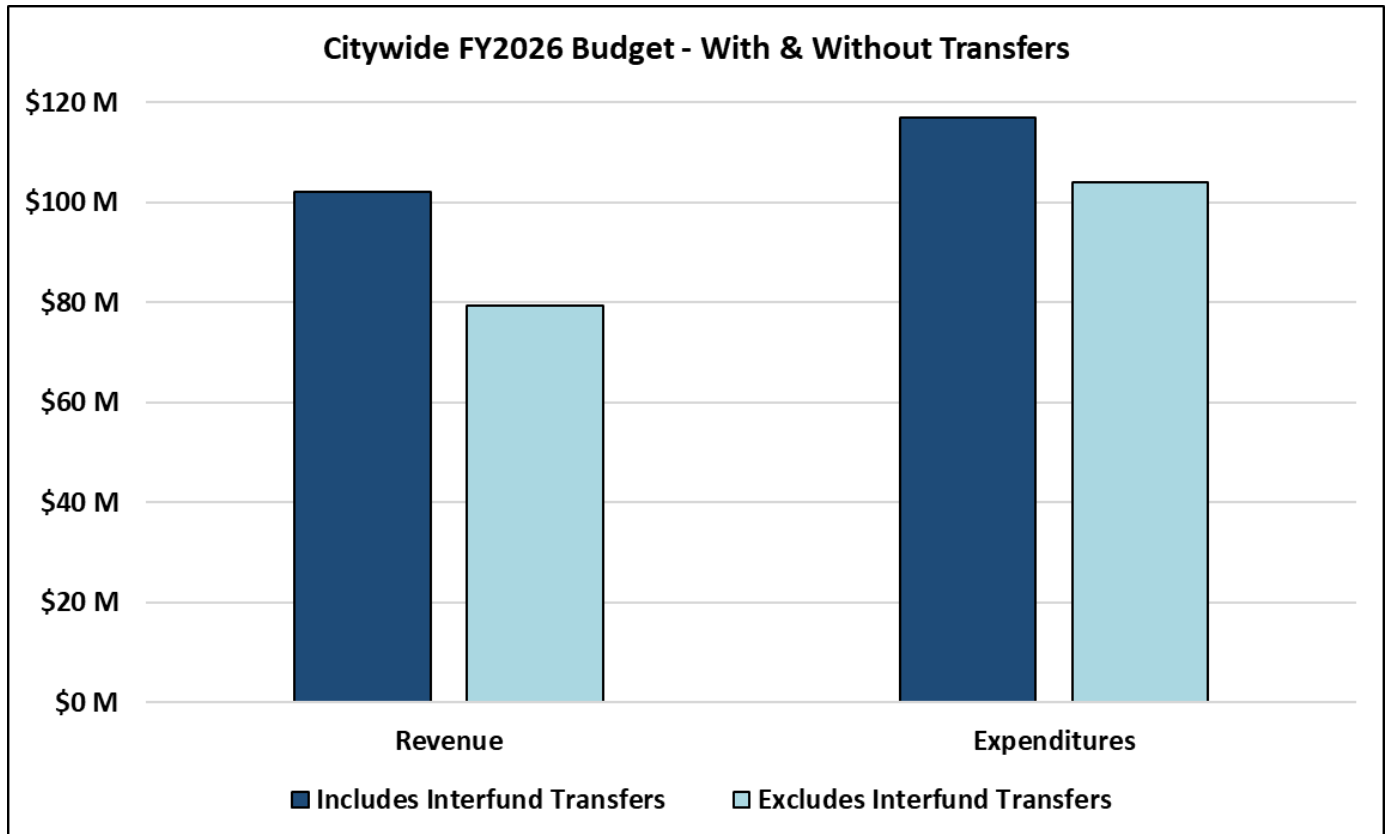
FY2026 Adopted Budget			
Name of Fund	Revenues	Expenditures	Net
General Fund	39,145,111	39,145,111	-
Water Fund	17,589,715	17,589,715	-
Garage Fund	379,030	374,030	5,000
Employee Benefit Trust	4,905,020	4,905,020	-
Parkland Dedication	136,863	50,000	86,863
Kerrville Schreiner Park	704,313	754,313	(50,000)
Public Safety Special Revenue	23,173	50,800	(27,627)
Golf Course Fund	1,576,648	1,576,648	-
Library Memorial	1,047,420	3,269,352	(2,221,932)
General Fund Asset Replacement	1,586,269	1,699,098	(112,829)
Water Fund Asset Replacement	723,096	773,341	(50,245)
Hotel/Motel Tax Fund	1,589,085	1,620,294	(31,210)
P.E.G Special Revenue	57,500	20,950	36,550
Municipal Court Special Revenue	78,717	70,662	8,055
Landfill Closure	84,132	-	84,132
Landfill Post Closure	77,043	-	77,043
Development Services	1,294,383	1,294,383	-
General Debt Service	5,362,528	5,334,341	28,186
TIRZ #1	334,239	150,050	184,189
Water Debt Service	4,751,518	4,751,518	-
History Center	31,225	19,026	12,199
General Capital Projects	12,123,167	18,428,864	(6,305,697)
Water Capital Projects	2,556,498	9,377,171	(6,820,673)
General Facility Fund	247,058	-	247,058
Water System / Facility Fund	139,063	-	139,063
Library Endowment	47,664	12,100	35,564
Cailloux Theater Endowment	37,438	22,000	15,438
Grant Fund	3,004,183	3,054,183	(50,000)
Insurance Reserve	2,612,200	2,826,000	(213,800)
<b>Citywide Total</b>	<b>102,244,298</b>	<b>117,168,972</b>	<b>\$ (14,924,674)</b>

Note: The Economic Improvement Corporation (EIC) is classified as a component unit fund and, as such, is not included in the City's total revenue or expenditure figures. However, transfers received from the EIC for debt and administrative services are recorded as revenues, and any debt payments made by the City on behalf of the EIC are recorded as expenses.

### **Citywide Budget Net of Transfers**

Accounting standards require the City to account for financial transactions in separate funds to ensure that proper accounting is used for each fund type. Funds are grouped for financial reporting purposes within the City's Annual Comprehensive Financial Report (ACFR), but are shown independently in the budget to improve transparency and readability of this document.

Transfers into a fund are shown as revenues for the receiving fund, and transfers out of a fund are shown as expenses to the transferring fund. Without careful consideration of interfund activity, the casual reader might misunderstand the size and economic impact of the consolidated budget. After removing this interfund activity (transfers in / transfers out), the Fiscal Year 2026 consolidated revenue budget totals \$79,397,715, and expenditures total \$103,792,381.



<b>City of Kerrville</b> <b>Consolidated Budget Summary</b> <b>Fiscal Year 2026</b>										
	Governmental Fund Types			Proprietary Fund Types						Combined Total
	General Fund	Debt Service	Other Gov't	Water	Other Water	Debt Service	Kerrville Schreiner Park	Scott Schreiner Golf Course	Internal Service	
<b>Revenues</b>										
Property Tax	13,643,100	4,134,285	302,836	-	-	-	-	-	-	18,080,221
Sales Tax	10,286,687	-	-	-	-	-	-	-	-	10,286,687
Franchise Fees & Other Tax	2,064,700	-	1,534,493	-	-	-	-	-	-	3,599,193
Permits, Fees & Other	206,600	-	879,105	9,600	-	-	-	-	-	1,095,305
Intergovernmental Revenue	2,071,415	1,090,175	4,500	-	-	-	-	-	4,905,020	8,071,110
Service Revenue	6,642,995	-	49,900	16,988,799	-	-	-	-	373,210	24,054,903
Recreation Revenue	127,125	-	-	-	-	-	529,675	1,527,009	-	2,183,809
Grants & Donation Revenue	45,300	-	3,054,257	-	-	-	-	-	-	3,099,557
Fines and Forfeitures	381,000	-	73,200	237,000	-	-	-	-	-	691,200
Interest and Miscellaneous	872,600	138,068	5,295,840	354,316	1,449,808	80,000	4,638	34,639	5,821	8,235,730
Operating Transfer In	2,803,590	-	13,217,628	-	1,968,848	4,671,518	170,000	15,000	-	22,846,583
<b>Total Revenues</b>	<b>39,145,111</b>	<b>5,362,528</b>	<b>24,411,758</b>	<b>17,589,715</b>	<b>3,418,656</b>	<b>4,751,518</b>	<b>704,313</b>	<b>1,576,648</b>	<b>5,284,050</b>	<b>102,244,298</b>
<b>Expenditures</b>										
For comparative purposes the same expenditures are shown grouped by category (View #1) and by Function (View #2)										
<b>View #1 - Expenditures by Category</b>										
Personnel	28,526,586	-	1,179,712	4,952,077	-	-	524,860	847,864	311,118	36,342,217
Supplies	1,648,662	-	137,772	991,954	-	-	49,887	291,685	17,872	3,137,833
Maintenance	3,950,948	-	421,160	1,126,515	-	-	37,979	38,355	15,666	5,590,623
Services	3,014,325	2,575	1,719,590	1,266,084	45,500	4,650	121,587	378,569	4,934,351	11,487,230
Other Expenses	948,750	5,331,766	406,561	336,117	7,841	4,746,868	-	7,175	43	11,785,121
Capital Outlay	-	-	25,173,786	145,400	10,097,171	-	20,000	13,000	-	35,449,357
Operating Transfers Out	1,055,840	-	3,549,183	8,771,568	-	-	-	-	-	13,376,591
<b>Total Expenditures</b>	<b>39,145,111</b>	<b>5,334,341</b>	<b>32,587,763</b>	<b>17,589,715</b>	<b>10,150,512</b>	<b>4,751,518</b>	<b>754,313</b>	<b>1,576,648</b>	<b>5,279,050</b>	<b>117,168,972</b>
<b>View #2 - Expenditures by Function</b>										
Public Safety	21,143,408	-	21,033,047	-	-	-	-	-	-	42,176,455
Culture, Parks & Recreation	3,451,023	-	6,198,478	-	-	-	754,313	1,576,648	-	11,980,463
Streets	4,093,453	-	30,262	-	-	-	-	-	-	4,123,716
General Government	4,771,733	-	5,325,976	-	-	-	-	-	-	10,097,709
Internal Service	5,685,493	-	-	-	-	-	-	-	5,279,050	10,964,544
Water / Wastewater	-	-	-	17,589,715	10,150,512	-	-	-	-	27,740,226
Debt Service	-	5,334,341	-	-	-	4,751,518	-	-	-	10,085,859
<b>Total Expenditures</b>	<b>39,145,111</b>	<b>5,334,341</b>	<b>32,587,763</b>	<b>17,589,715</b>	<b>10,150,512</b>	<b>4,751,518</b>	<b>754,313</b>	<b>1,576,648</b>	<b>5,279,050</b>	<b>117,168,972</b>
<b>Total Expenditures</b>	<b>39,145,111</b>	<b>5,334,341</b>	<b>32,587,763</b>	<b>17,589,715</b>	<b>10,150,512</b>	<b>4,751,518</b>	<b>754,313</b>	<b>1,576,648</b>	<b>5,279,050</b>	<b>117,168,972</b>
Change in Net Position	-	28,186	(8,176,005)	-	(6,731,855)	-	(50,000)	-	5,000	(14,924,674)

Note: The Economic Improvement Corporation (EIC) is classified as a component unit fund and, as such, is not included in the City's total revenue or expenditure figures. However, transfers received from the EIC for debt and administrative services are recorded as revenues, and any debt payments made by the City on behalf of the EIC are recorded as expenses.

# Citywide Consolidated Revenues

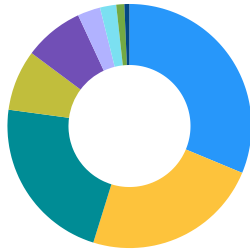
The City of Kerrville's Fiscal Year 2026 approved revenue budget is \$102,244,298. This includes \$22,846,583 in transfers between funds. The total Fiscal Year 2026 approved revenue budget, net of transfers, is \$79,397,715.

\*Note: The Citywide Consolidated Revenues section does not include any information related to the Fiscal Year 2026 approved budget for the Economic Improvement Corporation (EIC).

## The City's largest revenue sources by category are:

- **Taxes \$31,966,101:** includes property tax, sales tax, hotel occupancy tax, and franchise fees
- **Service Revenue \$24,054,903:** includes revenue generated from Emergency Medical Services, Solid Waste, Water Sales, Wastewater Service, Reuse Water Sales, Waste Disposal, and Library Services
- **Transfers In \$22,846,583:** Includes transfers to support debt service, administrative fees, asset replacement, Development Services, CIP, and facility/system sustainability initiatives.
- **Interest and Miscellaneous \$8,235,730:** includes revenue received from investments and other miscellaneous revenue the city receives that does not fall into one of these other categories
- **Intergovernmental \$8,071,110:** includes revenue for insurance premiums, Kerr County Fire and Emergency Medical Services, Kerrville Independent School District School Resource Officer Program
- **Grants and Donations \$3,099,557:** includes revenue for city grants and miscellaneous donations that the city receives from
- **Recreation Revenue \$2,183,809:** includes revenue the city receives at the Scott Schreiner Golf Course, Kerrville Schreiner Park, Olympic Pool, and other miscellaneous recreation revenue, such as adult and youth recreation leagues that the city hosts
- **Permits and Fees \$1,095,305:** includes revenue generated by new and current development permits and fees
- **Fines and Forfeitures \$691,200:** includes fines and forfeitures revenue that is collected by the City Municipal Court, fines and penalties for being late on utility payments, and other miscellaneous fines

## FY2026 Citywide Revenues by Category



- TAXES **\$31,966,101** (31.26%)
- SERVICE REVENUE **\$24,054,903** (23.53%)
- TRANSFERS IN **\$22,846,583** (22.35%)
- INTEREST AND MISCELLANEOUS **\$8,235,730** (8.05%)
- INTERGOVERNMENTAL **\$8,071,110** (7.89%)
- GRANTS AND DONATIONS **\$3,099,557** (3.03%)
- RECREATION REVENUE **\$2,183,809** (2.14%)
- PERMITS AND FEES **\$1,095,305** (1.07%)
- FINES AND FORFEITURES **\$691,200** (0.68%)

## FY2026 Citywide Revenues by Fund



- General Fund **38.29%**
- Other Funds **20.26%**
- Water Fund **17.20%**
- Capital Projects **14.36%**
- Debt Service **9.89%**



# Property Tax

Property tax is City's largest single revenue source and is essential for funding City services. The City expects to generate \$18,080,221 from property taxes in Fiscal Year 2026. The Fiscal Year 2026 includes an overall tax rate of \$0.5711. The Maintenance & Operations (M&O) Rate is \$0.4305, which is higher than the FY2025 rate of \$0.4189. The Debt Rate (I&S) is \$0.1406, which is the same rate utilized in FY2025. This tax rate will generate \$748,131 (4.4%) more revenue from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$397,264.

Budgeting for property tax revenue in Fiscal Year 2026 was especially difficult due to the severe flooding that impacted Kerrville and surrounding areas on July 4, 2025. This disaster occurred just weeks before the Kerr Central Appraisal District (KCAD) issued certified property values upon which the No-New-Revenue and Voter-Approval Rates are calculated.

Because certified values were based on conditions before the flood, they do not reflect the damage many property owners experienced. Citizens whose property was damaged by the flood can apply for a property tax exemption up to 105 days from the date the Governor declared a disaster. The deadline to file this exemption falls after the date the tax statements will be issued and will impact the overall levy.

<https://statutes.capitol.texas.gov/?tab=1&code=TX&chapter=TX.26&artSec=>

## PROPERTY TAX BUDGET METHODOLOGY

Budget assumption under normal conditions:

99% collection rate

Due to the uncertainty caused by the July 2025, the FY2026 budget uses a more conservative approach.

### FY2026 Budget Assumption:

97.5% Collection Rate

-Minus-

\$65M

Estimated Lost Value (KCAD estimate)

## Historical Property Tax Rate

Year	Tax Rate	M&O	I&S
FY2016	\$ 0.5625	\$ 0.4890	\$ 0.0735
FY2017	\$ 0.5625	\$ 0.4890	\$ 0.0735
FY2018	\$ 0.5514	\$ 0.4779	\$ 0.0735
FY2019	\$ 0.5514	\$ 0.4779	\$ 0.0735
FY2020	\$ 0.5400	\$ 0.4665	\$ 0.0735
FY2021	\$ 0.5116	\$ 0.4381	\$ 0.0735
FY2022	\$ 0.5093	\$ 0.4358	\$ 0.0735
FY2023	\$ 0.5752	\$ 0.4341	\$ 0.1411
FY2024	\$ 0.5595	\$ 0.4185	\$ 0.1410
FY2025	\$ 0.5595	\$ 0.4189	\$ 0.1406
<b>FY2026</b>	<b>\$ 0.5711</b>	<b>\$ 0.4305</b>	<b>\$ 0.1406</b>

## Emergency Tax Rate:

Section 26.042 of the Texas Tax Code allows for an emergency tax rate calculation during disasters. City Council adopted the emergency tax rate for the FY2026 budget due to unknown financial impacts of the July 4, 2025 flood. For more information about the emergency tax rate visit: <https://statutes.capitol.texas.gov/?tab=1&code=TX&chapter=TX.26&artSec=>

## Impact of New Property on Tax Revenue:

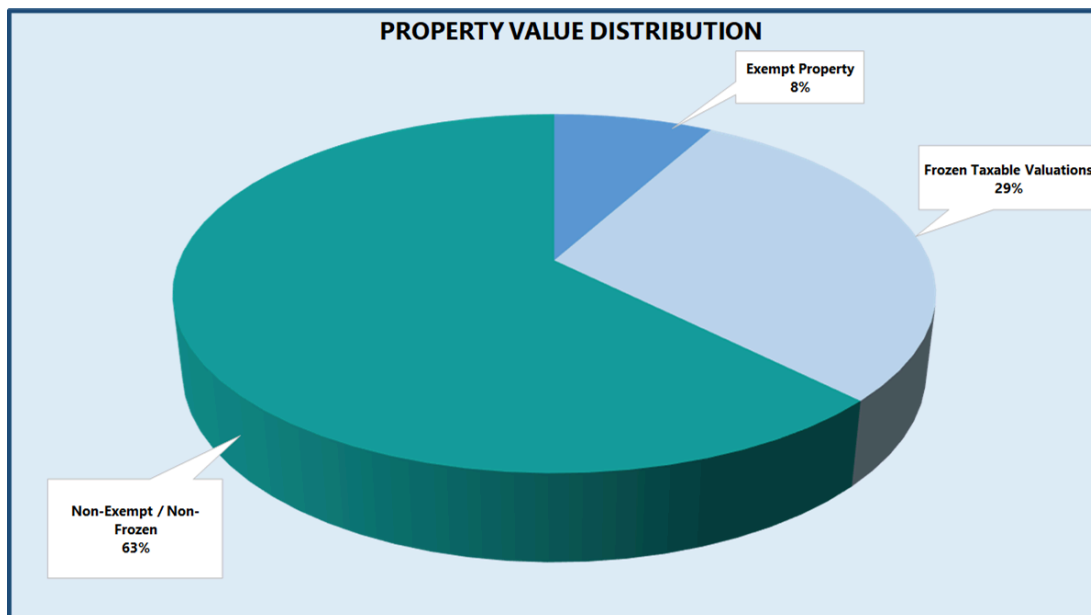
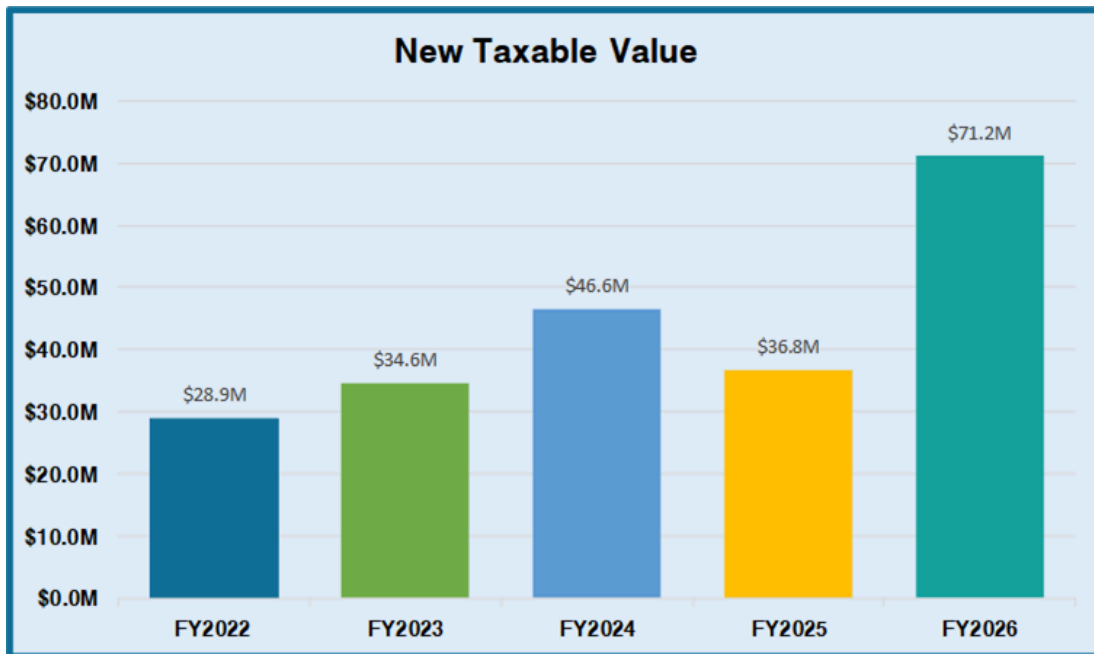
New properties added to the tax roll will contribute approximately \$397K or 53%, of the property tax revenue increase in Fiscal Year 2026. Upcoming developments like Windridge Subdivision and Bluewood Apartments are expected to further boost new value in future years. On average \$35 million in new value is added to the taxable roll annually

While new value generates additional revenue, it is excluded from the No New Revenue Rate (NNR) calculation in its first year. It is included in the NNR calculation starting in year two. Ongoing development expands the tax base, which helps to lower the overall tax rate over time.



**Impact of Frozen Property Tax Law & Other Exemptions:**

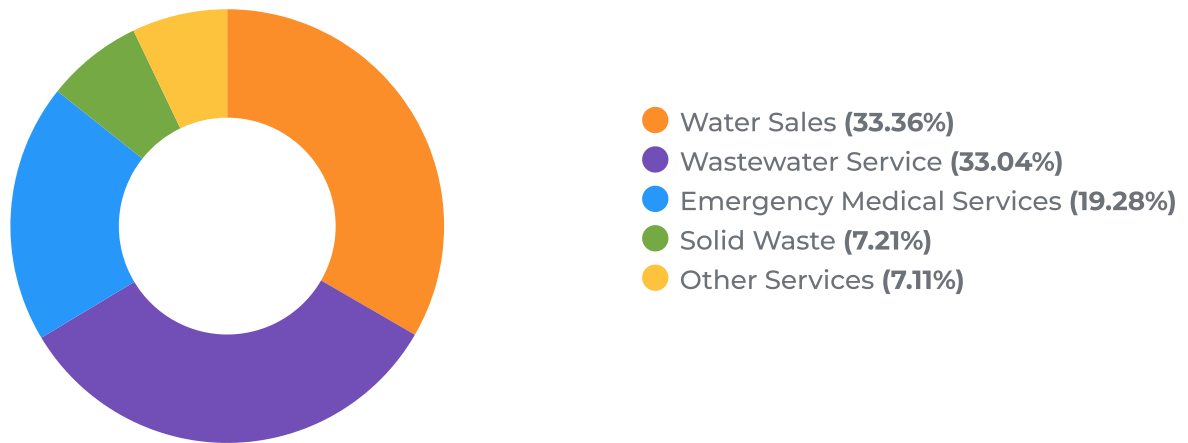
Homeowners over the age of 65 can qualify for a tax freeze (exemption) based on certain criteria. This exemption makes Kerrville an attractive place for retirees due to the savings on property taxes. However, the impact on property tax revenue presents an ongoing budgetary challenge. Twenty-nine percent of properties within the City of Kerrville are frozen in FY2026. This means qualifying homeowners will continue to pay the same property tax amount as when their taxes were initially frozen, regardless of rate or value increases. Other exemptions or partial exemptions reduce the taxable value of property, including (but not limited to) schools, churches, certain non-profit organizations, child care centers, and government-owned facilities.



# Service Revenue

Service Revenue is another major component of the City's annual budgeted revenues. These revenues are generated from services the City provides to its residents and visitors, such as water and wastewater utility charges, solid waste fees, ambulance and emergency medical service fees, development and permitting fees, and other user-based services. In Fiscal Year 2026, the City expects to generate \$24,054,903 in service revenue. Below is a chart highlighting the primary City services that contribute to this revenue category.

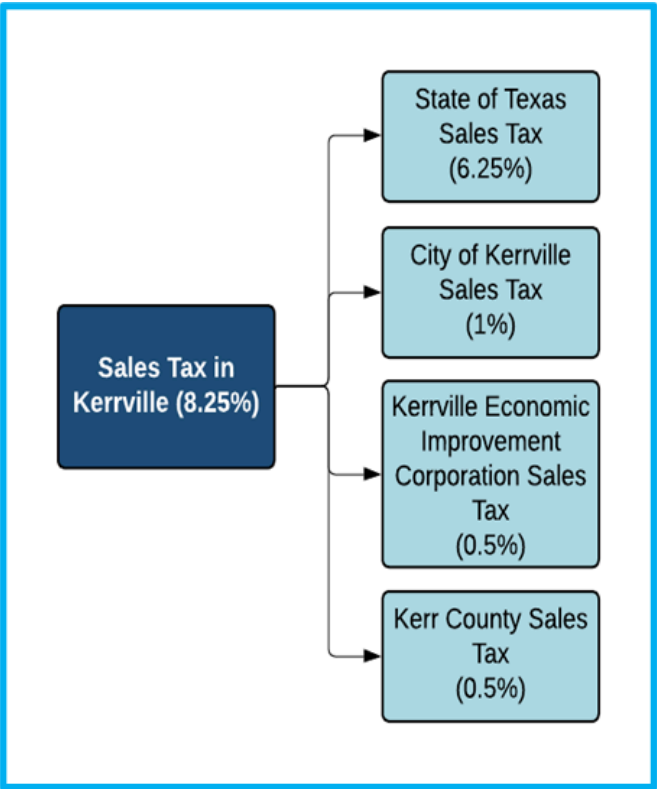
**FY2026 Citywide Service Revenue**



# Sales Tax

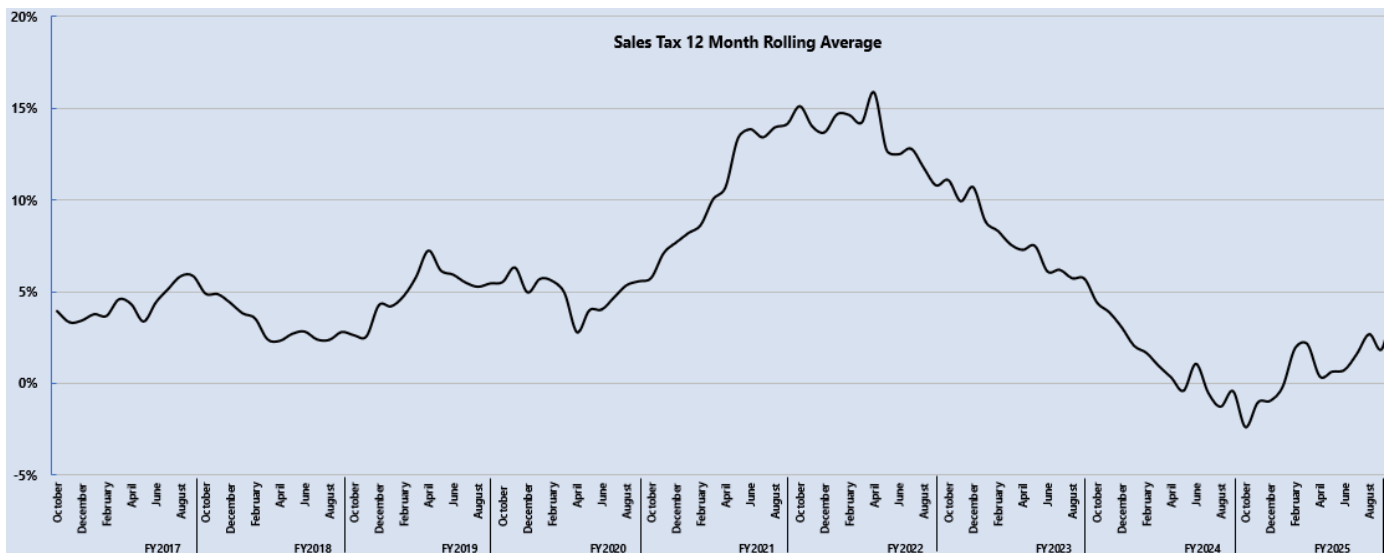
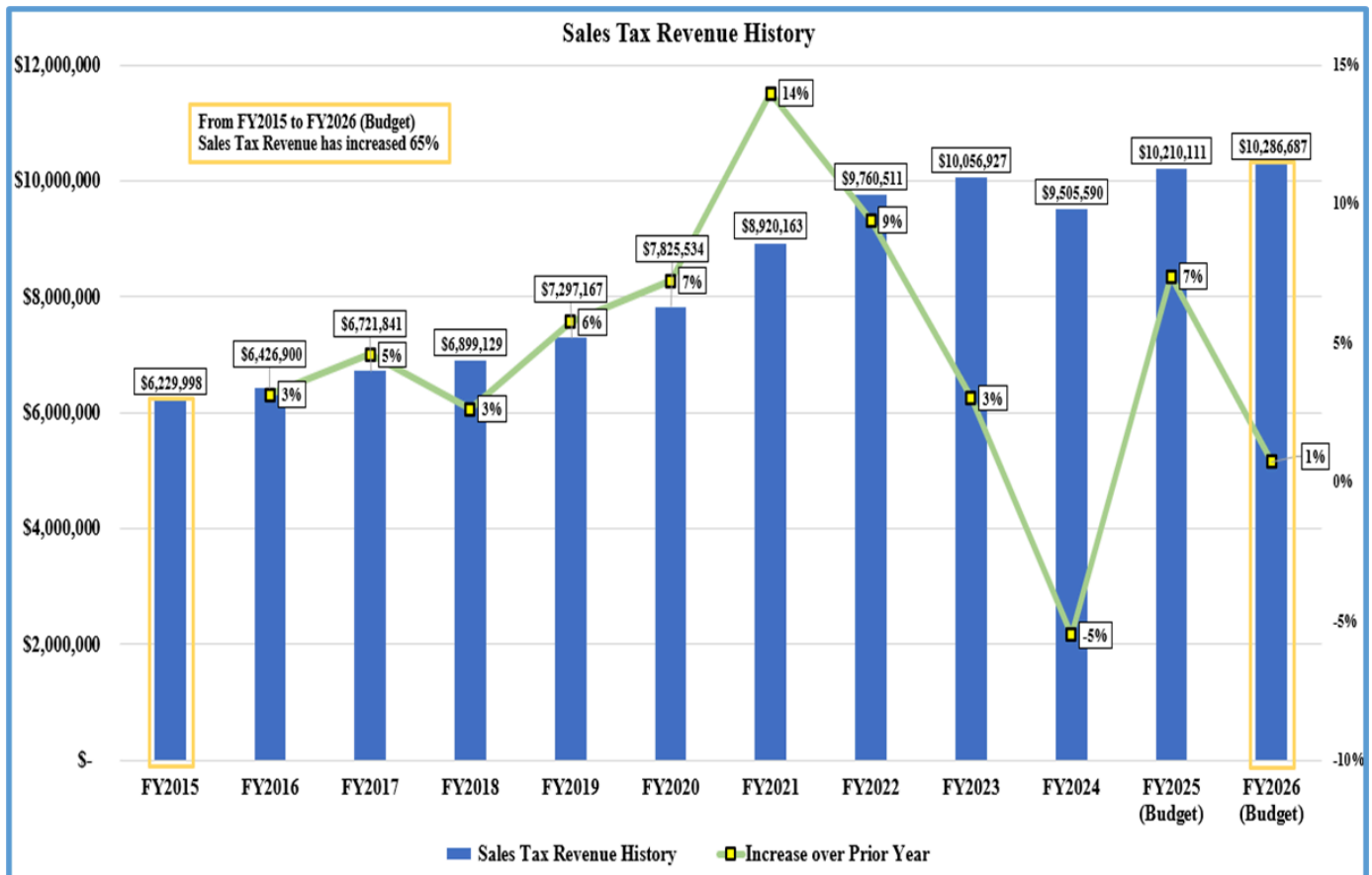
Sales tax is another critical revenue source for the City of Kerrville, supporting essential services, capital investments, and long-term infrastructure needs while helping reduce the City’s reliance on property tax revenues. Sales tax is collected on the sale of taxable goods and services within the City and remitted to the State of Texas, which then distributes the City’s portion on a monthly basis. In Fiscal Year 2026, the City expects to generate \$10,286,687 in Sales Tax Revenue

Texas is an origination-based sales tax state, which means sales tax is retained by the City or other taxing entity where businesses sell or ship from. This makes shopping locally very important. Kerrville is home to a variety of retail, commercial, and manufacturing businesses that sell goods to customers across Texas and throughout the nation. This structure benefits Kerrville by allowing locally based businesses to generate sales tax revenue that helps support City services, infrastructure, and community programs.



Sales tax revenue can be highly volatile and is heavily influenced by consumer spending habits as well as broader micro-economic and macro-economic factors. Because of this uncertainty, the City of Kerrville adopts a conservative approach when forecasting and budgeting sales tax revenue to ensure financial stability and protect against economic fluctuations.

FY2025 Top Four Sales Tax Categories	
#1 - Retail	#2 - Food Service
54%	13%
#3 - Manufacturing	#4 - Wholesale
10%	4%





# Citywide Consolidated Expenditures

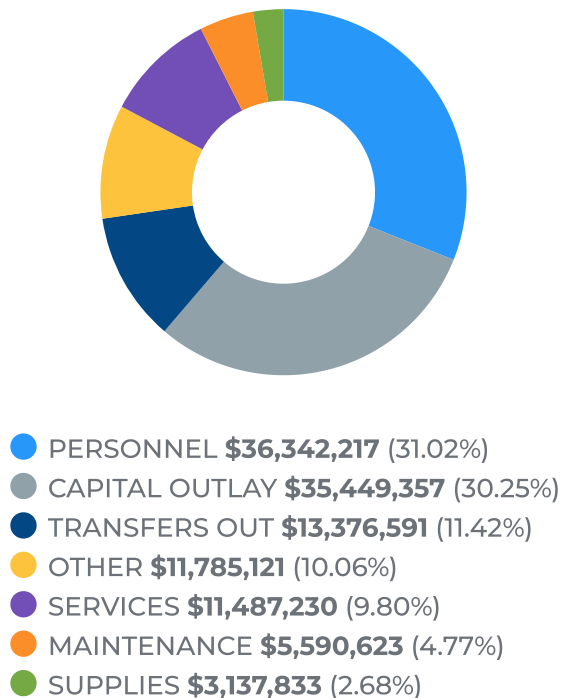
The City of Kerrville's FY2026 Expenditure Budget totals \$117,168,972, which includes \$13,376,591 in transfers between funds. The total FY2026 expenditure budget, net of transfers, is \$103,792,381.

\*Note: The Citywide Consolidated Expenditures section does not include any information related to the Fiscal Year 2026 approved budget for the Economic Improvement Corporation (EIC).

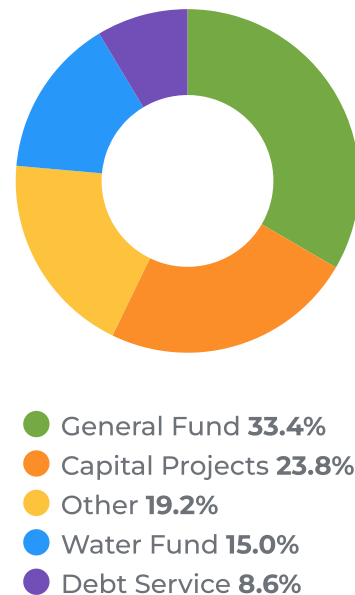
## The City's largest expenditures by category are:

- **Personnel \$36,342,217:** Includes salaries, social security, retirement benefits, group insurance, and travel and training expenses.
- **Capital Outlay \$35,449,357:** Citywide capital expenditures that exceed \$10,000 in aggregate and/or span multiple fiscal years.
- **Transfers Out \$13,376,591:** Includes transfers to support debt service, administrative fees, asset replacement, Development Services, CIP, and facility/system sustainability initiatives.
- **Other \$11,785,121:** Includes dues, licenses, and subscriptions, debt payments, and other charges
- **Services \$11,487,230:** Includes utilities (electric, water/sewer, natural gas), liability insurance, network services, print services (e.g., customer billing), and other professional services.
- **Maintenance \$5,590,623:** Includes maintenance of equipment (vehicles, heavy equipment, generators, etc.), streets, water and wastewater systems, buildings, and software maintenance agreements.
- **Supplies \$3,137,833:** Includes office supplies, chemicals, fuel, uniforms, tools, and small equipment purchases

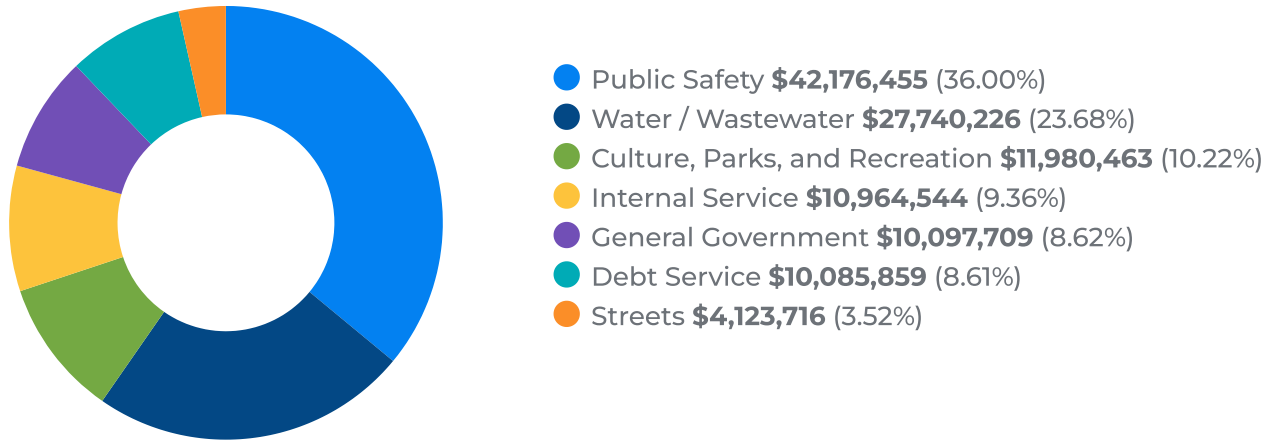
**FY2026 Citywide Expenditures by Category**



**FY2026 Citywide Expenditures by Fund**



### FY2026 Expenditures by Function



# FY2026 Budget Challenges

## Short-Term Budget Challenges

The FY2026 budget faced significant challenges due to the July 4, 2025 flood. Because the flood occurred only a few weeks before the appraisal district was set to produce the certified property tax roll, lost value from the flood was not yet known.

Additionally, the City had not yet determined the extent of infrastructure damages sustained or costs associated with repair/replacement of City-owned assets lost or damaged in the flood. City staff quickly made last-minute adjustments to the FY2026 budget to account for potential losses and changes in staff priorities to including planning and oversight of recovery efforts.

Texas Tax Code 26.042 allows for the calculation of an emergency tax rate during times of disaster declaration. The emergency tax rate is calculated using a rate of 8 percent over the No New Revenue Maintenance & Operations Rate instead of the usual 3.5 percent. Estimating the property tax revenue to be generated from various potential tax rates was challenging, again, due to the unknown lost value at the time of the certified roll. To help mitigate the unknowns, property tax revenue was budgeted at a 97.5% collection rate, which is lower than the City's typical collection rate.

## Long-Term Budget Challenges

Like other cities, Kerrville faces long-term budgetary challenges created by such factors as compounding salaries created primarily by year-over-year increases necessary to adequately staff City Departments in order to maintain services to citizens. Other factors include continued inflationary pressures that created significant increase in costs of goods and services, increases in group health insurance, and intentional budgeting for sustainability measures such as asset replacement and long-term facility maintenance needs.

The General Fund, specifically, will continue to see challenges from the above factors primarily due to state-mandated limits on revenue streams such as property tax, which does not increase at the same level as operational expenses. These limits make it difficult to maintain service levels and even more challenging to contribute to long-term sustainability funds, which reduce reliance on debt.

The City will see budget challenges in the next several years related to rebuilding efforts from flood damage. The City's participation in FEMA's Public Assistance Program will provide partial reimbursement for eligible projects. However, the City will be required to fund projects prior to applying for reimbursement. Since reimbursement can take multiple years to receive, these projects will impact the City's available cash for other projects.



# General Fund Budget Summary

The General Fund is the general operating fund and the largest fund in the City. It includes government services such as Police, Fire-EMS, Streets, and Parks and Recreation. In addition, administrative and internal services such as City Council, City Secretary, City Attorney, City Administration, Information Technology, Public Information, Human Resources, and Finance are part of the General Fund. These services are funded primarily by Property Tax, Sales Tax, EMS, Solid Waste, and other services provided.

For accounting and financial reporting purposes, the General Fund is classified as a major governmental fund and is accounted for using the modified accrual basis of accounting. This method recognizes revenues when they become both measurable and available, and expenditures when the related liability is incurred. This approach ensures compliance with generally accepted accounting principles (GAAP) and provides a clear and timely picture of the City's financial position and operational results.

The FY2026 Approved Budget for the General Fund includes \$39,145,111 in revenues and expenditures, resulting in a balanced budget.

The major noteworthy change in the General Fund is the removal of both the Scott Schreiner Golf Course and Kerrville Schreiner Park. Separate business-type funds were created for both of these funds in order to improve transparency of fee-based quality-of-life components of the City and to move toward self-sustaining business models.

## General Fund Revenue Variances:

1. Property Tax revenue is projected to increase by \$665K (5%) compared to FY2025. Of this increase, \$310K (47%) comes from new properties added to the tax roll and \$355K (53%) comes from increased values on existing properties. Collections from prior years are expected to decrease by \$20K (8%), based on historical trends. The Maintenance & Operations (M&O) tax rate, which supports City services provided by the General Fund, will slightly increase from \$0.4189 in FY2025 to \$0.4305 in FY2026. It is important to note that the rate of \$0.4305 is the emergency tax rate adopted by City Council to help offset expenses related to the July 4, 2025 flood which caused substantial property damage and loss of City-owned property.
2. Sales Tax is more unpredictable than other revenue sources, as it depends heavily on the economy and local business activity. Kerrville's sales tax revenue remains strong, following sharp growth during the pandemic. However, recent trends have showed leveling. The City is budgeting conservatively for FY2026, assuming only a 1% growth. The recent flood in Kerr County may impact future sales tax revenue, though the extent is still unknown. The City will continue closely monitoring trends.
3. Service Revenues are budgeted at \$489K (8%) higher than FY2025 due to slight increases in fees for both EMS and Solid Waste Services as well as historical volumetric performance of both categories.
4. Recreation Revenue will see a significant decline of \$1M (89%) due to the movement of the Scott Schreiner Golf Course and Kerrville Schreiner Park from the General Fund into separate business-type funds.
5. Transfers into the General Fund are \$490K (15%) lower than FY2025, due to a reduced transfer to the Asset Replacement Fund. This reduction was necessary to help offset anticipated property value losses from the July 4, 2025 flood and potential expenses for rebuilding. The City remains committed to the sustainability of assets and infrastructure. However, this flood event was unprecedented and too close to the required filing of the proposed budget to anticipate actual losses.



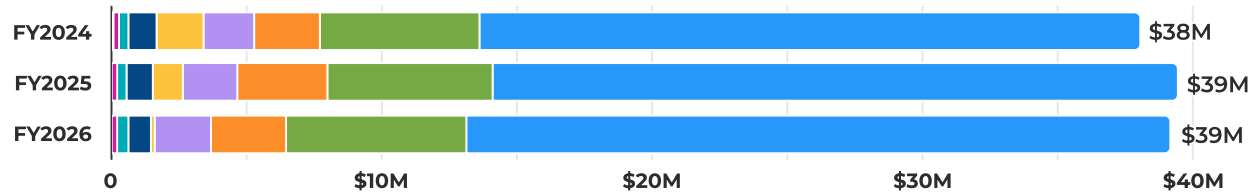
**General Fund Expenditure Variances:**

1. Personnel is budgeted at \$159K (1%) less than FY2025, primarily due to the removal of Golf and Kerrville Schreiner Park (KSP) from the General Fund. For comparison purposes, if both Golf & KSP were included in the General Fund FY2026 budget, personnel expenditures would show an increase of \$788K (3%). The increase in personnel costs can be attributed to rising costs of group health insurance. The FY2026 budget includes the merging of the responsibilities of two positions and a reduction of three positions.
2. The FY2026 Maintenance budget is \$279K (7%) lower than FY2025, primarily due to the removal of Golf and KSP from the General Fund. Additional savings come from a new Citywide copier contract with reduced costs, lower vehicle and equipment maintenance due to heavier focus on asset replacement in recent years, and near-term decreased building maintenance needs for Police, Municipal Court, and Fire Admin, following the opening of the new Public Safety Facility. Software agreements will experience contractual increases in FY2026. Street maintenance is budgeted at \$320K less than FY2025, which was a last-minute reduction after the flood.
3. Other Expenses are budgeted at \$226K (35%) higher than FY2025 due to increased contingency in anticipation of costs associated with flood repairs.

**Comprehensive Fund Summary**

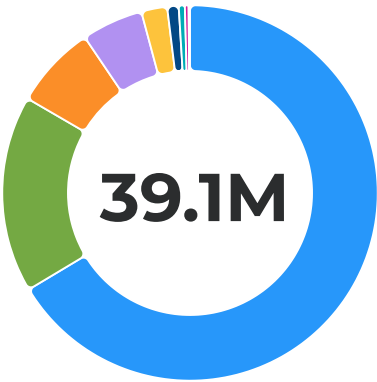
Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$13,421,616</b>	<b>\$13,736,403</b>	<b>\$13,736,403</b>	<b>\$14,259,220</b>
<b>Revenues</b>				
TAXES	\$24,410,223	\$25,283,242	\$25,347,801	\$25,994,487
PERMITS AND FEES	\$204,793	\$197,300	\$196,668	\$206,600
INTERGOVERNMENTAL	\$1,891,566	\$1,986,967	\$1,986,538	\$2,071,415
SERVICE REVENUE	\$5,870,183	\$6,153,594	\$6,180,067	\$6,642,995
RECREATION REVENUE	\$1,695,531	\$1,120,016	\$835,042	\$127,125
FINES AND FORFEITURES	\$340,574	\$369,359	\$286,272	\$381,000
GRANTS AND DONATIONS	\$113,285	\$44,800	\$97,039	\$45,300
INTEREST AND MISCELLANEOUS	\$1,071,647	\$961,350	\$1,048,784	\$872,600
TRANSFERS IN	\$2,411,858	\$3,294,126	\$3,338,626	\$2,803,590
<b>Total Revenues</b>	<b>\$38,009,661</b>	<b>\$39,410,753</b>	<b>\$39,316,837</b>	<b>\$39,145,111</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	\$27,323,269	\$28,686,083	\$28,394,483	\$28,526,586
SUPPLIES AND MATERIALS	\$1,832,454	\$1,698,847	\$1,597,222	\$1,648,662
MAINTENANCE AND REPAIRS	\$3,023,214	\$4,229,962	\$3,616,376	\$3,950,948
SERVICES	\$2,873,193	\$2,998,287	\$2,826,879	\$3,014,325
OTHER	\$384,855	\$647,564	\$477,485	\$873,680
CAPITAL OUTLAY	-	-	-	-
COMMUNITY EVENTS	-	\$93,740	\$75,305	\$75,070
TRANSFERS	\$1,810,160	\$1,056,271	\$1,806,270	\$1,055,840
<b>Total Expenditures</b>	<b>\$37,247,145</b>	<b>\$39,410,753</b>	<b>\$38,794,020</b>	<b>\$39,145,111</b>
<b>Total Revenues Less Expenditures</b>	<b>\$762,516</b>	<b>-</b>	<b>\$522,817</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$14,184,132</b>	<b>\$13,736,403</b>	<b>\$14,259,220</b>	<b>\$14,259,220</b>

Historical Revenue by Category



- TAXES
- SERVICE REVENUE
- TRANSFERS IN
- INTERGOVERNMENTAL
- RECREATION REVENUE
- INTEREST AND MISCELLANEOUS
- FINES AND FORFEITURES
- PERMITS AND FEES
- GRANTS AND DONATIONS

FY2026 General Fund Revenues by Category



TAXES	\$25,994,487	66.41%
SERVICE REVENUE	\$6,642,995	16.97%
TRANSFERS IN	\$2,803,590	7.16%
INTERGOVERNMENTAL	\$2,071,415	5.29%
INTEREST AND MISCELLANEOUS	\$872,600	2.23%
FINES AND FORFEITURES	\$381,000	0.97%
PERMITS AND FEES	\$206,600	0.53%
RECREATION REVENUE	\$127,125	0.32%
GRANTS AND DONATIONS	\$45,300	0.12%

**General Fund Revenues**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>TAXES</b>				
PROPERTY TAX - CURRENT	\$12,225,225	\$12,733,331	\$12,746,098	\$13,418,100
PROPERTY TAX - PRIOR YEAR	\$128,135	\$125,000	\$75,746	\$125,000
PROPERTY TAX - PENALTY & INTEREST	\$100,855	\$120,000	\$96,669	\$100,000
SALES TAX	\$9,905,590	\$10,210,111	\$10,356,614	\$10,286,687
FRANCHISE FEE - MIXED BEVERAGE TAX	\$119,118	\$112,000	\$113,809	\$120,000
FRANCHISE FEE - KPUB	\$1,400,312	\$1,400,000	\$1,471,654	\$1,425,000
FRANCHISE FEE - NATURAL GAS	\$237,991	\$278,100	\$264,286	\$265,000
FRANCHISE FEE - TELEPHONE R.O.W.	\$31,614	\$34,600	\$27,183	\$34,600
FRANCHISE FEE - TAXICABS	\$100	\$100	\$75	\$100
FRANCHISE FEE - CABLE	\$261,283	\$270,000	\$237,818	\$270,000
380 AGREEMENTS	-	-	-\$42,152	-\$50,000
<b>Total TAXES</b>	<b>\$24,410,223</b>	<b>\$25,283,242</b>	<b>\$25,347,801</b>	<b>\$25,994,487</b>
<b>PERMITS AND FEES</b>				
KPD - PARADE PERMITS	\$50	-	\$50	\$50
KPD - ALARM PERMIT FEE	\$1,250	\$1,500	\$1,100	\$1,500
ENVIRONMENTAL STORMWATER FEE	\$156,612	\$156,600	\$157,997	\$159,000
CAPACITY ANALYSIS ADMIN FEE	\$1,902	\$1,500	\$4,000	\$2,500
ALCOHOLIC BEVERAGE LICENSE	\$17,485	\$10,500	\$5,815	\$15,000
SIDEWALK FEE	\$500	\$500	\$500	\$500
TENT PERMIT	\$260	\$500	\$260	\$500
FIRE SPRINKLER-REPAIR/REMODEL	\$400	\$1,000	-\$700	\$1,000
FIRE ALARM - REPAIR/REMODEL	\$3,700	\$4,000	\$4,600	\$4,000
FIRE PERMIT - MISC	\$760	\$3,000	\$2,590	\$3,000
FIRE PLAN REVIEW FEE	\$8,598	\$8,000	\$12,556	\$10,000
WATERFLOW TEST PERMIT	\$5,100	\$5,000	\$5,100	\$5,000
FLOOD PLAIN PERMIT FEE	\$1,300	\$200	\$275	\$750
USE OF ROW PERMIT	\$5,600	\$2,600	\$1,500	\$2,600
MANIFEST BOOKS	-	\$1,200	-	-
BANNER ADMIN. FEE	\$1,275	\$1,200	\$1,025	\$1,200
<b>Total PERMITS AND FEES</b>	<b>\$204,793</b>	<b>\$197,300</b>	<b>\$196,668</b>	<b>\$206,600</b>
<b>INTERGOVERNMENTAL</b>				
KERR COUNTY - EMERGENCY MGT	\$1,294	\$1,300	\$1,324	\$1,300
KERR COUNTY- FIRE/EMS CONTRACT	\$1,463,934	\$1,535,667	\$1,535,664	\$1,589,415
KPD - KISD SCHOOL RESOURCE OFFICER	\$426,339	\$450,000	\$449,550	\$480,700
<b>Total INTERGOVERNMENTAL</b>	<b>\$1,891,566</b>	<b>\$1,986,967</b>	<b>\$1,986,538</b>	<b>\$2,071,415</b>



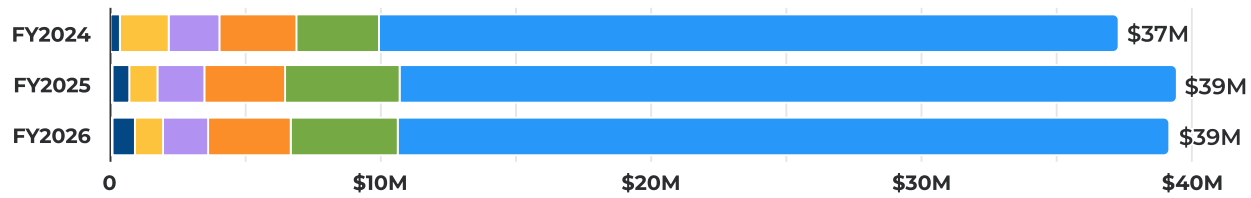
Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>SERVICE REVENUE</b>				
CHILD SUPPORT - ADMIN FEE	\$840	\$1,000	\$910	\$750
LIBRARY - NON-RESIDENT FEES	\$2,946	\$2,500	\$1,947	\$2,600
LIBRARY - EQUIP RENTAL FEES	\$12	\$50	-	\$25
LIBRARY - MEETING ROOM	\$1,190	\$1,200	\$515	\$1,200
LIBRARY - COPIES	\$921	\$1,000	\$889	\$1,000
LIBRARY - FAX MACHINE	\$8	\$50	\$2	\$25
LIBRARY - INTERNET PRINTING	\$7,598	\$5,500	\$7,973	\$8,500
LIBRARY - INTER-LIBRARY MAILING	\$1,141	\$1,200	\$510	\$1,100
FIRE - TEEX CLASSES	-	\$1,000	-	\$1,000
KPD - ACCIDENT REPORTS	\$2,431	\$2,500	\$1,964	\$2,500
KPD - FUNERAL PROCESSION FEES	\$13,042	\$12,000	\$14,928	\$16,000
KPD - FINGER PRINTING	\$4	-	\$10	-
KPD - OFFENSE REPORTS	\$1,811	\$2,000	\$5,602	\$2,000
KPD - LETTERS OF CLEARANCE	\$60	\$50	\$2,787	\$50
REQUESTED SERVICE/REPAIRS	\$1,347	\$3,000	\$1,684	\$3,000
RECYCLING PROCEEDS (NOT REPUBLIC)	\$4,250	\$3,000	\$2,735	\$3,000
SW - ADMIN FEE	\$117,253	\$120,124	\$123,236	\$121,326
SW - SURCHARGE	\$1,402,154	\$1,388,843	\$1,690,721	\$1,612,000
EIC - ADMIN SVC FEE	\$205,000	\$210,000	\$213,200	\$221,728
EMS - MEDICAL RECORDS	\$4,300	\$4,500	\$3,225	\$4,500
EMS - BASE RATE	\$7,115,682	\$6,846,163	\$7,226,018	\$8,169,521
EMS - MILEAGE	\$2,613,129	\$2,252,462	\$2,530,606	\$2,450,000
EMS - TRANSFER AGREEMENT	\$7,442	\$6,000	\$12,999	\$20,000
EMS - ON-SITE STANDBY	\$34,315	\$12,000	\$9,941	\$12,000
EMS - AID ONLY	\$44,265	\$56,494	\$34,905	\$41,000
EMS - RESPONSE FEE	\$23,625	\$25,457	\$37,275	\$41,000
EMS - CHARGES DISALLOWED	-\$4,467,000	-\$3,004,500	-\$4,920,213	-\$4,400,000
EMS - BAD DEBT WRITE-OFF	-\$1,267,583	-\$1,800,000	-\$830,386	-\$1,700,000
KEDC SERVICE FEE	-	-	\$6,085	\$7,170
<b>Total SERVICE REVENUE</b>	<b>\$5,870,183</b>	<b>\$6,153,594</b>	<b>\$6,180,067</b>	<b>\$6,642,995</b>
<b>RECREATION REVENUE</b>				
KSP - ANNUAL PERMIT	\$29,459	\$28,000	\$33,216	-
KSP - DAY PASS	\$37,820	\$42,000	\$28,528	-
KSP - EXCESS VEHICLE FEE	\$5,090	\$4,000	\$3,755	-
KSP - PECAN LOOP-30 AMP	\$55,706	\$73,000	\$36,025	-
KSP - DEERFIELD LOOP-30 AMP	\$102,819	\$115,000	\$72,330	-
KSP - SYCAMORE CIRCLE-50 AMP	\$81,460	\$92,000	\$64,009	-
KSP - TENT SITE	\$50,703	\$48,000	\$27,511	-
KSP - MOUNTAIN VIEW LOOP (W/E)	\$41,470	\$59,000	\$28,688	-
KSP - MINI CABINS	\$88,537	\$110,000	\$54,907	-
KSP - PARK CABIN	\$14,626	\$14,500	\$10,720	-

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
KSP - RANCH HOUSE	\$13,514	\$13,500	\$19,109	-
KSP - RECREATION HALL	\$18,250	\$18,000	\$8,125	-
KSP - DINING HALL	\$5,100	\$4,500	\$2,800	-
KSP - EQUIPMENT RENTAL	\$1,115	\$750	\$610	-
KSP - DUMP STATION	\$850	\$900	\$775	-
KSP - CANCELLATION FEE	\$15,583	\$16,500	\$11,881	-
KSP - LEASED CONCESSION	\$4,380	\$5,000	\$2,998	-
KSP - ANCILLARY ITEM SALES	\$3,117	\$4,000	\$3,458	-
KSP - PUBLIC DEER HUNT	\$3,602	\$3,600	\$3,600	-
KSP - DEPOSIT FORFEITURE	-	-	\$5,080	-
AQUATICS - ADMISSIONS	\$14,739	-	-	\$45,000
AQUATICS - PROGRAMS	\$18,003	-	-	\$25,000
AQUATICS - RENTALS	\$7,345	-	-	\$10,000
AQUATICS - CONCESSIONS	\$1,724	-	-	\$3,500
PARKS AND REC - PROGRAMS	\$30,780	\$26,990	\$25,550	\$23,625
PARKS AND REC - RENTALS	\$18,948	\$15,000	\$14,295	\$15,000
MERCHANDISE	\$3,377	-	\$360	-
KSC - SOCCER - FIELD RENTAL	-	\$1,200	-	-
KSC - CONCESSIONS	\$4,747	\$6,000	\$2,134	\$5,000
GOLF - GREEN FEES	\$478,654	\$191,018	\$187,889	-
GOLF - CART RENTALS	\$243,109	\$107,809	\$68,788	-
GOLF - MEMBERSHIP DUES	\$50,175	\$17,681	\$12,600	-
GOLF - PRIVATE CART FEES	\$4,201	\$1,829	\$818	-
GOLF - DRIVING RANGE FEES	\$36,776	\$15,103	\$17,206	-
GOLF - MERCHANDISE SALES	\$108,793	\$44,133	\$43,777	-
GOLF - FOOD SALES	\$30,106	\$12,182	\$11,576	-
GOLF - BEER SALES	\$70,853	\$28,821	\$31,322	-
HILLSIDE FIELD	-	-	\$600	-
<b>Total RECREATION REVENUE</b>	<b>\$1,695,531</b>	<b>\$1,120,016</b>	<b>\$835,042</b>	<b>\$127,125</b>
<b>FINES AND FORFEITURES</b>				
MC - CITY PORTION OMNIBASE	\$660	\$1,000	\$724	\$1,000
MC - TIME PAYMENTS/CITY	\$70	\$100	\$90	\$100
MC - TIME PMTS/ADM. OF JUSTICE	\$6,055	\$6,500	\$4,894	\$6,000
MC - MUNICIPAL COURT FINE	\$267,489	\$277,559	\$218,004	\$290,000
MC - 10% COLLECTION FEE	\$14,760	\$20,000	\$13,002	\$19,000
MC - WARRANT FEES COLLECTED	\$13,103	\$13,000	\$14,216	\$14,000
MC - ARREST FEE COLLECTED	\$10,250	\$13,500	\$8,940	\$13,500
MC - SPECIAL EXPENSE FEE	\$17,030	\$25,000	\$16,670	\$25,000
MC - JURY TRIAL FEE	\$203	\$200	\$179	\$200
MC - TRAFFIC	\$3,049	\$5,000	\$2,943	\$5,000
MC - CONTEMPT FINE	-	-	\$100	\$200
MC - OVERTIME PAY FOR OFFICERS	\$157	-	-	-
LIBRARY - EXTENDED USE FEES	\$5,909	\$6,000	\$4,817	\$5,500

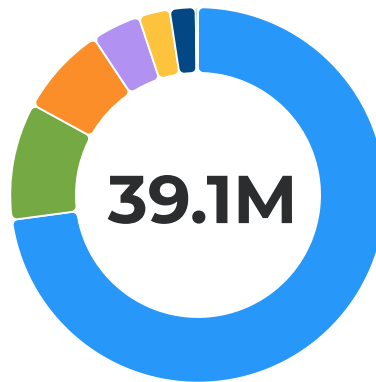


Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
LIBRARY - LOST BOOKS/EQUIPMENT	\$1,840	\$1,500	\$1,694	\$1,500
<b>Total FINES AND FORFEITURES</b>	<b>\$340,574</b>	<b>\$369,359</b>	<b>\$286,272</b>	<b>\$381,000</b>
<b>GRANTS AND DONATIONS</b>				
REPUBLIC SERVICES	\$6,655	\$6,800	\$5,677	\$6,800
JULY 4TH FIREWORKS-SPONSOR	\$15,000	\$12,000	-	\$15,000
POLICE - GRANTS	\$7,549	-	-	-
RECOVERY COALITION RCC DONATIONS	\$200	-	\$125	-
FIRE DEPLOYMENT REIMBURSEMENT	\$72,302	-	\$68,687	-
PARKS - DONATIONS	\$11,579	\$22,500	\$8,155	\$20,000
MISCELLANEOUS DONATION	-	\$3,500	\$3,070	\$3,500
AACOG GRANTS	-	-	\$11,324	-
<b>Total GRANTS AND DONATIONS</b>	<b>\$113,285</b>	<b>\$44,800</b>	<b>\$97,039</b>	<b>\$45,300</b>
<b>INTEREST AND MISCELLANEOUS</b>				
ELECTION FILING FEE	\$700	\$300	\$200	\$300
SALE OF SCRAP METAL	-	-	\$88	-
CARD PROCESSING FEES	-	-	\$35,075	\$65,000
UPS - LEASE	\$21,160	\$18,600	\$17,042	\$23,250
BUILDING LEASE	\$71,779	\$72,204	\$71,779	\$95,656
RADIO CONTROL AIRPLANE LEASE	\$100	\$100	\$100	\$100
LAND LEASE	\$16,158	\$16,249	\$16,158	\$16,534
PCARD REBATE	\$9,634	\$10,000	\$9,354	\$10,000
PURCHASING COOP REBATE	\$5,833	\$1,400	\$2,347	\$3,000
MC - BAD DEBT RECOVERED	-	\$2,500	\$14,282	\$15,500
EMS - BAD DEBT RECOVERED	\$83,844	\$98,540	\$69,652	\$80,000
INTEREST REVENUE	\$858,868	\$731,457	\$792,487	\$553,260
GASB 87 LEASE INTEREST REVENUE	\$4,180	-	\$4,002	-
LIBRARY - MERCHANDISE SALES	\$507	-	-	-
POLICE MISCELLANEOUS REVENUE	-\$1,116	\$10,000	\$16,163	\$10,000
MOWING LIEN ASSESSMENTS	-	-	\$54	-
<b>Total INTEREST AND MISCELLANEOUS</b>	<b>\$1,071,647</b>	<b>\$961,350</b>	<b>\$1,048,784</b>	<b>\$872,600</b>
<b>TRANSFERS IN</b>				
TRANSFER IN - WATER FUND	\$2,326,858	\$2,432,126	\$2,432,126	\$2,723,590
TRANSFER IN - HOT	\$85,000	\$112,000	\$112,000	\$80,000
TRANSFER IN - CAPITAL PROJECTS	-	\$750,000	\$750,000	-
TRANSFER IN - INSURANCE RESERVE	-	-	\$44,500	-
<b>Total TRANSFERS IN</b>	<b>\$2,411,858</b>	<b>\$3,294,126</b>	<b>\$3,338,626</b>	<b>\$2,803,590</b>
<b>Total Revenues</b>	<b>\$38,009,661</b>	<b>\$39,410,753</b>	<b>\$39,316,837</b>	<b>\$39,145,111</b>

## Historical Expenditures by Category



## FY2026 Expenditures by Category



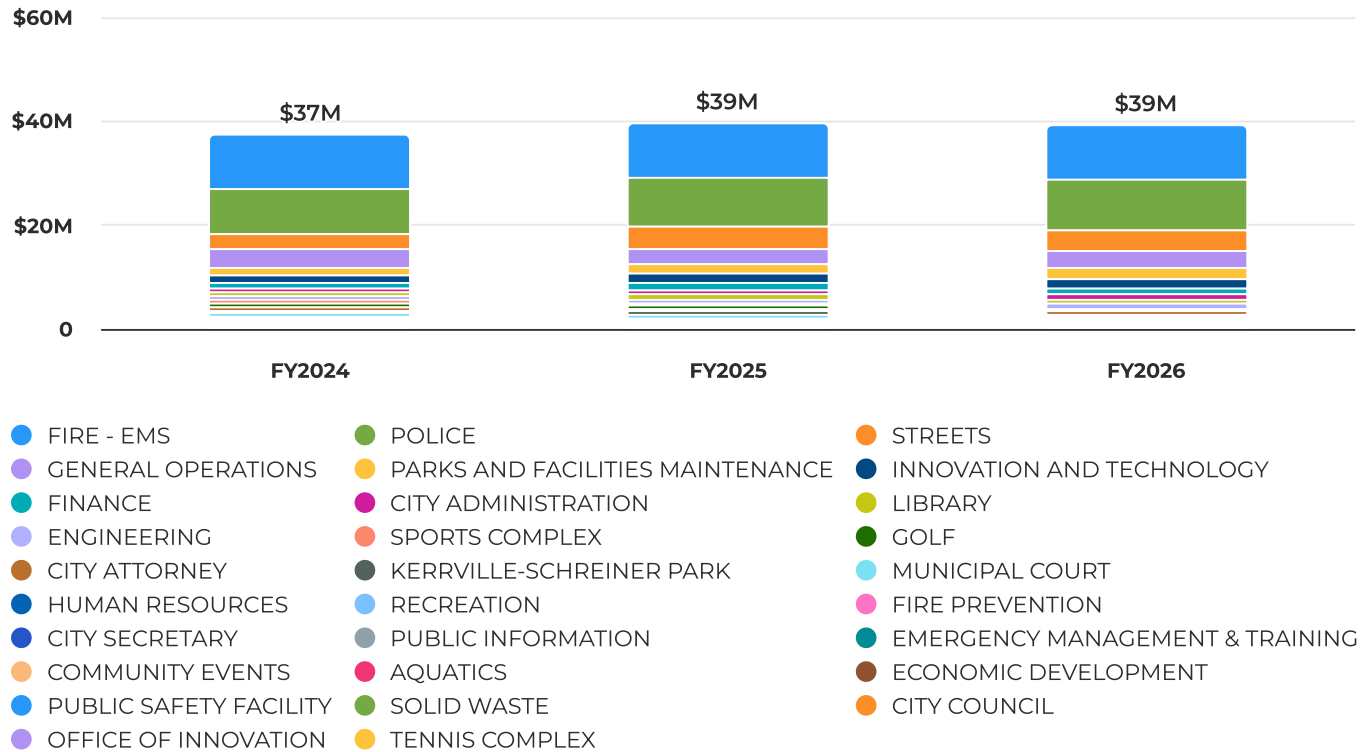
PERSONNEL SERVICES	\$28,526,586	72.87%
MAINTENANCE AND REPAIRS	\$3,950,948	10.09%
SERVICES	\$3,014,325	7.70%
SUPPLIES AND MATERIALS	\$1,648,662	4.21%
TRANSFERS	\$1,055,840	2.70%
OTHER	\$873,680	2.23%
COMMUNITY EVENTS	\$75,070	0.19%

## General Fund Expenditures

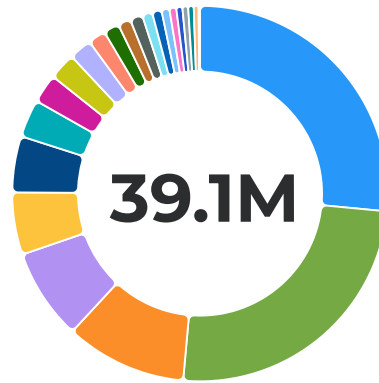
Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$20,156,498	\$21,163,001	\$20,861,880	\$20,843,138
BENEFITS	\$6,816,256	\$7,165,804	\$7,231,340	\$7,307,355
TRAVEL AND TRAINING	\$350,515	\$357,279	\$301,264	\$376,093
<b>Total PERSONNEL SERVICES</b>	<b>\$27,323,269</b>	<b>\$28,686,083</b>	<b>\$28,394,483</b>	<b>\$28,526,586</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$53,848	\$50,092	\$40,216	\$37,629
TOOLS AND EQUIPMENT	\$356,019	\$356,545	\$296,501	\$342,779
CHEMICAL & MEDICAL	\$270,707	\$277,183	\$278,653	\$290,297
FUEL	\$394,903	\$368,428	\$373,811	\$353,081
WEARING APPAREL	\$224,816	\$252,300	\$259,211	\$273,354
POSTAGE & SHIPPING	\$29,093	\$25,840	\$18,702	\$24,250
COST OF GOODS SOLD	\$160,467	\$56,202	\$66,066	-
OTHER SUPPLIES	\$342,601	\$312,257	\$264,062	\$327,272
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$1,832,454</b>	<b>\$1,698,847</b>	<b>\$1,597,222</b>	<b>\$1,648,662</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$216,346	\$174,304	\$161,858	\$158,182
VEHICLE MAINTENANCE	\$617,628	\$489,662	\$630,541	\$508,641
EQUIPMENT MAINTENANCE	\$372,540	\$467,004	\$409,515	\$447,066
TECHNOLOGY MAINTENANCE	\$652,547	\$747,257	\$659,366	\$805,350
STREET MAINTENANCE	\$1,164,154	\$2,351,735	\$1,755,096	\$2,031,709
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$3,023,214</b>	<b>\$4,229,962</b>	<b>\$3,616,376</b>	<b>\$3,950,948</b>
<b>SERVICES</b>				
UTILITIES	\$978,280	\$1,073,979	\$968,605	\$1,040,415
PROFESSIONAL SERVICES	\$1,166,797	\$1,157,692	\$1,089,233	\$1,186,489
INSURANCE	\$588,129	\$644,725	\$661,044	\$724,616
ADVERTISING	\$27,870	\$41,550	\$22,923	\$29,250
LEASE / RENT	\$106,561	\$74,786	\$85,074	\$28,000
JOINT VENTURES	\$5,556	\$5,555	-	\$5,555
<b>Total SERVICES</b>	<b>\$2,873,193</b>	<b>\$2,998,287</b>	<b>\$2,826,879</b>	<b>\$3,014,325</b>
<b>OTHER</b>				
BAD DEBT	\$1	-	\$18,056	-
COMMUNITY SUPPORT	\$123,250	\$121,750	\$239,419	\$240,000
OTHER	\$261,604	\$525,814	\$220,011	\$633,680
<b>Total OTHER</b>	<b>\$384,855</b>	<b>\$647,564</b>	<b>\$477,485</b>	<b>\$873,680</b>
<b>COMMUNITY EVENTS</b>				
COMMUNITY EVENTS	-	\$93,740	\$75,305	\$75,070
<b>Total COMMUNITY EVENTS</b>	<b>-</b>	<b>\$93,740</b>	<b>\$75,305</b>	<b>\$75,070</b>
<b>TRANSFERS</b>				
REGULAR TRANSFERS	\$1,810,160	\$1,056,271	\$1,806,270	\$1,055,840
<b>Total TRANSFERS</b>	<b>\$1,810,160</b>	<b>\$1,056,271</b>	<b>\$1,806,270</b>	<b>\$1,055,840</b>
<b>Total Expenditures</b>	<b>\$37,247,145</b>	<b>\$39,410,753</b>	<b>\$38,794,020</b>	<b>\$39,145,111</b>



### Historical Expenditures by Department



## FY2026 Expenditures by Department



<span style="color: blue;">●</span> FIRE - EMS	<b>\$10,377,237</b>	26.51%
<span style="color: green;">●</span> POLICE	<b>\$9,755,741</b>	24.92%
<span style="color: orange;">●</span> STREETS	<b>\$4,093,453</b>	10.46%
<span style="color: purple;">●</span> GENERAL OPERATIONS	<b>\$3,071,661</b>	7.85%
<span style="color: yellow;">●</span> PARKS AND FACILITIES	<b>\$2,102,840</b>	5.37%
MAINTENANCE		
<span style="color: darkblue;">●</span> INNOVATION AND TECHNOLOGY	<b>\$1,893,338</b>	4.84%
<span style="color: teal;">●</span> FINANCE	<b>\$1,272,724</b>	3.25%
<span style="color: magenta;">●</span> CITY ADMINISTRATION	<b>\$981,576</b>	2.51%
<span style="color: limegreen;">●</span> ENGINEERING	<b>\$907,622</b>	2.32%
<span style="color: lightblue;">●</span> LIBRARY	<b>\$765,276</b>	1.95%
<span style="color: coral;">●</span> SPORTS COMPLEX	<b>\$594,185</b>	1.52%
<span style="color: darkgreen;">●</span> CITY ATTORNEY	<b>\$525,764</b>	1.34%
<span style="color: brown;">●</span> MUNICIPAL COURT	<b>\$426,754</b>	1.09%
<span style="color: grey;">●</span> HUMAN RESOURCES	<b>\$425,321</b>	1.09%
<span style="color: lightcyan;">●</span> RECREATION	<b>\$343,395</b>	0.88%
<span style="color: darkblue;">●</span> PUBLIC INFORMATION	<b>\$313,573</b>	0.80%
<span style="color: lightblue;">●</span> CITY SECRETARY	<b>\$273,198</b>	0.70%
<span style="color: magenta;">●</span> AQUATICS	<b>\$227,235</b>	0.58%
<span style="color: darkblue;">●</span> EMERGENCY MANAGEMENT & TRAINING	<b>\$205,729</b>	0.53%
<span style="color: grey;">●</span> FIRE PREVENTION	<b>\$190,797</b>	0.49%
<span style="color: teal;">●</span> PUBLIC SAFETY FACILITY	<b>\$187,150</b>	0.48%
<span style="color: orange;">●</span> COMMUNITY EVENTS	<b>\$163,793</b>	0.42%
<span style="color: magenta;">●</span> CITY COUNCIL	<b>\$27,173</b>	0.07%
<span style="color: brown;">●</span> TENNIS COMPLEX	<b>\$19,575</b>	0.05%



**General Fund Expenditures by Department**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
CITY COUNCIL	\$31,834	\$26,240	\$14,745	\$27,173
CITY SECRETARY	\$242,278	\$252,646	\$245,057	\$273,198
CITY ATTORNEY	\$481,726	\$495,663	\$525,122	\$525,764
CITY ADMINISTRATION	\$640,947	\$890,513	\$988,072	\$981,576
HUMAN RESOURCES	\$357,010	\$391,413	\$370,988	\$425,321
FINANCE	\$1,091,229	\$1,294,996	\$1,142,613	\$1,272,724
INNOVATION AND TECHNOLOGY	\$1,512,255	\$1,809,143	\$1,680,216	\$1,893,338
PUBLIC INFORMATION	\$219,380	\$233,658	\$237,300	\$313,573
MUNICIPAL COURT	\$446,828	\$461,612	\$489,349	\$426,754
OFFICE OF INNOVATION	\$77,138	-	-	-
ECONOMIC DEVELOPMENT	\$314,262	-	-	-
POLICE	\$8,626,717	\$9,281,393	\$9,017,901	\$9,755,741
FIRE - EMS	\$10,199,953	\$10,330,830	\$10,580,604	\$10,377,237
EMERGENCY MANAGEMENT & TRAINING	\$219,584	\$228,795	\$255,289	\$205,729
FIRE PREVENTION	\$301,182	\$320,356	\$315,513	\$190,797
KERRVILLE-SCHREINER PARK	\$627,991	\$715,270	\$643,369	-
TENNIS COMPLEX	\$8,590	\$11,922	\$19,384	\$19,575
AQUATICS	\$210,659	\$37,904	\$23,927	\$227,235
PARKS AND FACILITIES MAINTENANCE	\$1,633,052	\$2,063,315	\$1,763,876	\$2,102,840
SPORTS COMPLEX	\$590,877	\$546,119	\$471,387	\$594,185
RECREATION	\$244,578	\$343,942	\$306,908	\$343,395
COMMUNITY EVENTS	\$176,942	\$190,689	\$159,701	\$163,793
GOLF	\$911,908	\$623,409	\$573,177	-
ENGINEERING	\$699,994	\$752,292	\$802,670	\$907,622
STREETS	\$2,987,710	\$4,396,083	\$3,793,600	\$4,093,453
SOLID WASTE	\$87,005	\$92,571	\$100,393	-
LIBRARY	\$792,216	\$867,740	\$768,696	\$765,276
GENERAL OPERATIONS	\$3,513,300	\$2,752,239	\$3,504,165	\$3,071,661
PUBLIC SAFETY FACILITY	-	-	-	\$187,150
<b>Total Expenditures</b>	<b>\$37,247,145</b>	<b>\$39,410,753</b>	<b>\$38,794,020</b>	<b>\$39,145,111</b>

# General Fund Five-Year Forecast

GENERAL FUND - FIVE YEAR FORECAST FISCAL FORECAST									
	FY2024 Actual	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget	FY2027 Forecast	FY2028 Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast
BEGINNING FUND BALANCE	\$ 13,421,616	\$ 13,736,403	\$ 13,736,403	\$ 14,259,220	\$ 14,259,220	\$ 13,970,094	\$ 13,721,834	\$ 13,280,424	\$ 13,046,911
REVENUES									
Property Tax	12,454,215	12,978,331	12,918,513	13,643,100	14,359,363	15,077,331	15,831,197	16,622,757	17,453,895
Sales Tax	9,905,590	10,210,111	10,356,614	10,286,687	10,708,138	10,975,841	11,250,237	11,531,493	11,819,781
Other Taxes & Franchise Fees	2,050,418	2,094,800	2,072,674	2,064,699	2,142,125	2,206,389	2,261,549	2,340,703	2,422,628
Permits and Fees	204,793	197,300	196,668	206,600	210,732	214,947	220,320	226,930	233,738
Intergovernmental Revenue	1,891,566	1,986,967	1,986,538	2,071,415	2,164,629	2,240,391	2,318,804	2,388,368	2,460,020
Service Revenues	5,870,183	6,153,594	6,248,754	6,642,995	6,958,537	7,167,293	7,346,476	7,566,870	7,793,876
Recreation Revenues	1,695,531	1,120,016	835,042	127,125	132,210	136,176	139,581	143,768	148,081
Grant Revenue	113,285	44,800	286,272	45,300	55,000	60,000	61,500	63,345	65,245
Fines and Forfeitures	340,574	369,359	28,352	381,000	385,000	385,000	394,625	406,464	418,658
Interest and Miscellaneous	1,071,647	961,350	1,048,784	872,600	850,000	825,000	845,625	849,853	854,102
Operating Transfer In	2,411,858	3,294,126	3,338,626	2,803,590	2,929,752	3,032,293	3,108,100	3,201,343	3,297,383
TOTAL REVENUES	38,009,660	39,410,754	39,316,837	39,145,111	40,895,485	42,320,661	43,778,015	45,341,895	46,967,407
EXPENDITURES									
Personnel	27,323,269	28,686,083	28,394,483	28,526,586	29,810,282	30,881,362	32,116,616	33,401,281	34,737,332
Supplies	1,832,454	1,698,847	1,597,222	1,648,662	1,689,878	1,732,125	1,775,429	1,819,814	1,865,310
Maintenance	3,023,214	4,229,961	3,616,376	3,950,948	4,049,722	4,171,213	4,275,494	4,382,381	4,491,941
Services	2,873,192	2,998,287	2,826,879	3,014,325	3,089,683	3,182,374	3,261,933	3,343,481	3,427,068
Other Expenses	384,855	741,304	552,790	948,750	725,000	740,000	740,000	740,000	740,000
Capital Outlay	-	-	-	-	-	-	-	-	-
Operating Transfers Out									
Transfer Out CIP (Future Projects)	100,000	-	750,000	-	250,000	250,000	350,000	200,000	200,000
Transfer Out CIP (Facility Reserve)	100,000	-	-	-	200,000	200,000	275,000	275,000	275,000
Transfer Out Streets Maintenance	-	-	-	-	-	-	-	-	-
Transfer Out Asset Replacement	1,400,000	750,000	750,000	500,000	800,000	850,000	850,000	850,000	900,000
Transfer Out Golf**	-	-	-	-	-	-	-	-	-
Transfer Out Kerrville Schreiner Park**	-	-	-	150,000	150,000	125,000	125,000	100,000	100,000
Transfer Out Development Services	210,160	306,271	306,271	405,840	420,045	436,846	449,952	463,450	477,354
Total Transfers Out	1,810,160	1,056,271	1,806,271	1,055,840	1,820,045	1,861,846	2,049,952	1,888,450	1,952,354
TOTAL EXPENDITURES	37,247,144	39,410,754	38,794,021	39,145,111	41,184,611	42,568,922	44,219,424	45,575,409	47,214,006
CHANGE IN NET POSITION	762,516	-	522,816	-	(289,125)	(248,260)	(441,409)	(233,514)	(246,599)
ACFR PRESENTATION ADJUSTMENT	(447,728)	-	-	-	-	-	-	-	-
ENDING FUND BALANCE	\$ 13,736,403	13,736,403	14,259,220	14,259,220	13,970,094	13,721,834	13,280,424	13,046,911	12,800,312
DEV SVCS OPERATING EXPENSE	1,183,385	1,140,443	1,178,453	1,294,383	1,346,158	1,400,005	1,456,005	1,514,245	1,574,815
Reserve %	35.7%	33.9%	35.7%	35.3%	32.8%	31.2%	29.1%	27.7%	26.2%
Reserve Target (25%)	9,607,632	10,137,799	9,993,118	10,109,873	10,632,692	10,992,232	11,418,857	11,772,413	12,197,205
Over (Under) Reserve	4,128,771	3,598,604	4,266,101	4,149,346	3,337,402	2,729,602	1,861,567	1,274,497	603,107

Key assumptions for FY26 - FY27:

1. Property Tax revenue grows at 5% annually due to natural growth, completion of Ridgeland subdivision & Blue Wood apartments, initiation of Windridge subdivision
2. Sales tax revenue growth at 2.5% annually
3. Other revenues grow at 3-4% annually
4. Personnel expenses grow at 4.5% annually
5. Other expenses grow by 2-2.5% annually
6. Maintain transfer out to Asset Replacement
7. Asset & Facility Transfers for sustainability to cover future maintenance and replacement needs



# City Council

The City Council serves as the governing body of the City of Kerrville, providing leadership, policy direction, and fiscal oversight to ensure the delivery of high-quality services to residents and businesses. The Council is responsible for adopting the City's annual budget, setting the tax rate, establishing policies, and guiding the City's strategic vision in alignment with the Kerrville 2050 Comprehensive Plan.

The City Council consists of the Mayor and four Councilmembers, all elected by the residents of Kerrville. Together, they:

- Establish policies and ordinances
- Approve the annual budget and monitor financial performance
- Set priorities for capital projects and community initiatives
- Represent the interests of residents while ensuring transparent and accountable governance

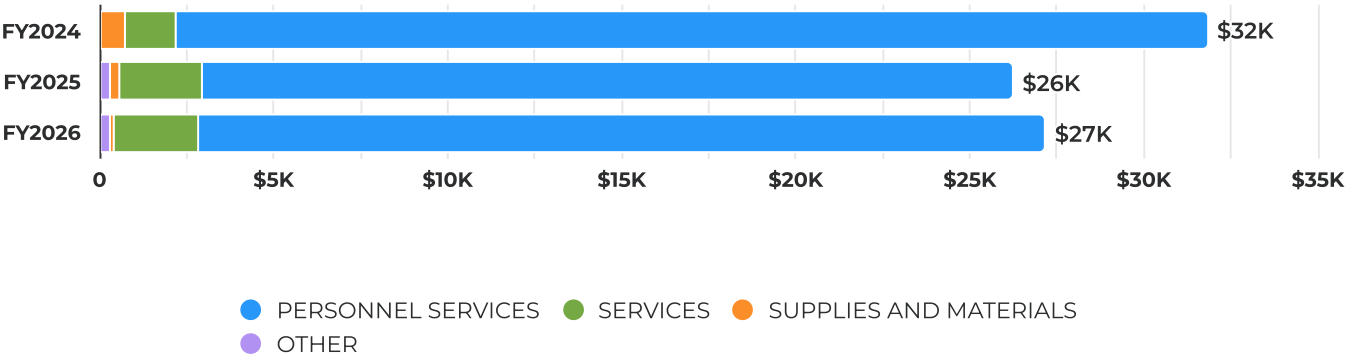
**Department Accomplishments:**

- Approved a performance-based sales tax agreement with River Hills Mall to support its redevelopment, including the introduction of Academy Sports + Outdoors to Kerrville.
- Approved a Tree Preservation Ordinance
- Approved the Kerrville 2050 Comprehensive Update
- Approved development agreements focused on workforce housing
- Approved a dark sky ordinance that aims to minimize light pollution and enhance nighttime safety by regulating outdoor lighting standards in the city

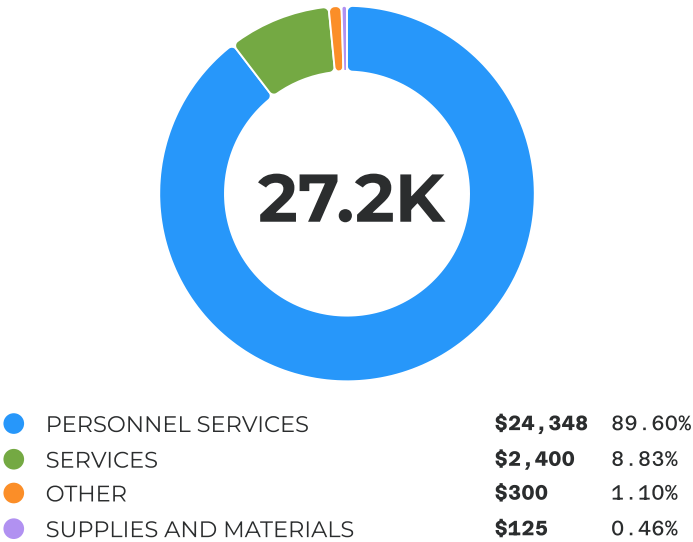
**FY2026 Objectives:**

- Continue to address needed updates to City codes and ordinances
- Work with the Kerrville Economic Development Corporation to support business retention and expansion
- Provide direction and support needed to navigate flood recovery efforts

Historical Expenditures by Category



FY2026 Expenditures by Category



City Council Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
PERSONNEL SERVICES				
SALARIES	\$6,729	\$5,750	\$5,546	\$6,250
BENEFITS	\$515	\$440	\$425	\$478
TRAVEL AND TRAINING	\$22,397	\$17,100	\$6,685	\$17,620
Total PERSONNEL SERVICES	\$29,641	\$23,290	\$12,656	\$24,348
SUPPLIES AND MATERIALS				
OFFICE SUPPLIES	\$452	\$250	\$99	\$125
TOOLS AND EQUIPMENT	-	-	\$337	-
WEARING APPAREL	\$302	-	-	-
Total SUPPLIES AND MATERIALS	\$753	\$250	\$437	\$125
SERVICES				
UTILITIES	\$1,439	\$2,400	\$1,652	\$2,400
Total SERVICES	\$1,439	\$2,400	\$1,652	\$2,400
OTHER				
OTHER	-	\$300	-	\$300
Total OTHER	-	\$300	-	\$300
Total Expenditures	\$31,834	\$26,240	\$14,745	\$27,173

Note: This department does not track performance measures.



# City Secretary

The City Secretary's Office (CSO) serves as the Records Management Department for the City and is dedicated to providing accurate and efficient record-keeping and election services for City Council, Boards and Commissions, staff, and citizens of Kerrville.

**Department Responsibilities:**

- **Document Management:** Responsible for preserving official records of the City, including the Charter, Code of Ordinances, resolutions, contracts, leases, studies and the City's legislative history
- **Recording Secretary:** Responsible for preparing and posting agendas for all meetings, attending meetings, and preparing minutes for City Council, Economic Improvement Corporation, TIRZ, etc
- **Boards and Commissions:** Responsible for processing all appointments to City Boards and Commissions, providing government rules and procedures training and performing all statements and oaths of office for employees and City officials
- **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 state law

**Department Accomplishments:**

- Received the 2024-2025 Achievement of Excellence Award through the Texas Municipal Clerks Association (TMCA)
- The City Secretary and Deputy City Secretary are both Texas-Registered Municipal Clerk (TRMC), and both have begun a re-certification program
- Served on both the TMCA Hill Country Chapter Fundraiser Committee and 2026 Seminar Committee
- Attended the Secretary of State Election Law Seminar

**FY2026 Objectives:**

- Continue archiving paper to electronic files elections in accordance with state law
- Records Management Staff Training

**Budgeted Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
2	2	2



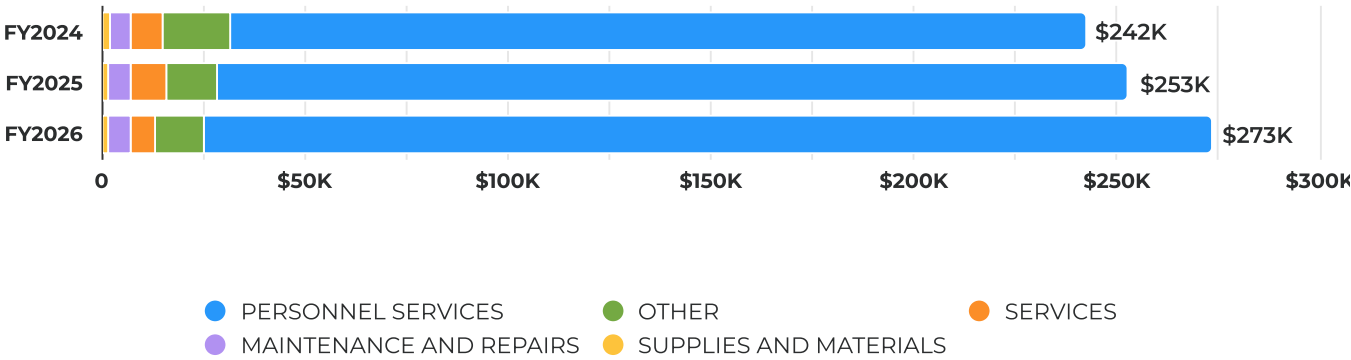
**Pictured left to right: Deputy City Secretary Kesha Franchina, Mayor Joe Herring Jr., and City Secretary Shelley McElhannon**

**Did you know?**

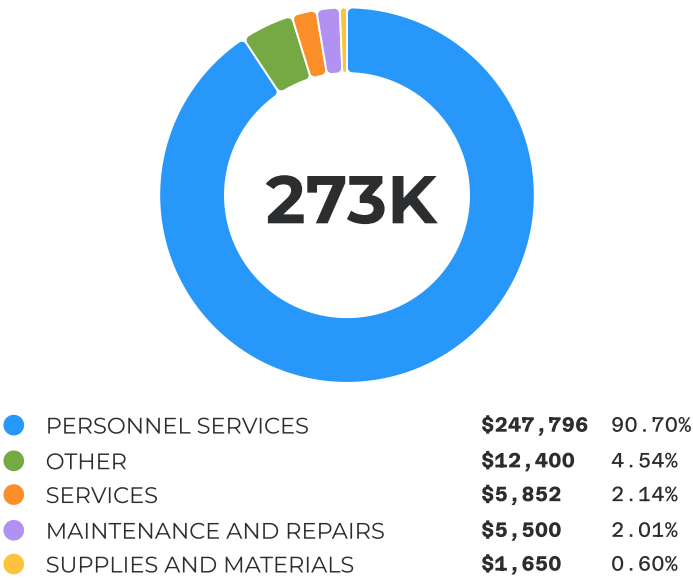
The 2025 Municipal Election was canceled, marking the first time in the City's recorded history since 1950 that a municipal election has not been held.



Historical Expenditures by Category



FY2026 Expenditures by Category



## City Secretary Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$159,023	\$166,290	\$178,489	\$182,259
BENEFITS	\$49,437	\$53,229	\$55,126	\$59,062
TRAVEL AND TRAINING	\$2,191	\$4,775	\$2,241	\$6,475
<b>Total PERSONNEL SERVICES</b>	<b>\$210,650</b>	<b>\$224,294</b>	<b>\$235,856</b>	<b>\$247,796</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$1,860	\$850	\$169	\$850
TOOLS AND EQUIPMENT	\$20	-	-	-
OTHER SUPPLIES	\$386	\$800	\$25	\$800
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$2,266</b>	<b>\$1,650</b>	<b>\$194</b>	<b>\$1,650</b>
<b>MAINTENANCE AND REPAIRS</b>				
TECHNOLOGY MAINTENANCE	\$5,000	\$5,500	\$5,408	\$5,500
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$5,000</b>	<b>\$5,500</b>	<b>\$5,408</b>	<b>\$5,500</b>
<b>SERVICES</b>				
UTILITIES	\$339	\$502	\$487	\$502
PROFESSIONAL SERVICES	\$15	-	\$125	-
INSURANCE	\$350	\$350	\$350	\$350
ADVERTISING	\$7,100	\$8,000	\$1,913	\$5,000
<b>Total SERVICES</b>	<b>\$7,804</b>	<b>\$8,852</b>	<b>\$2,874</b>	<b>\$5,852</b>
<b>OTHER</b>				
OTHER	\$16,558	\$12,350	\$725	\$12,400
<b>Total OTHER</b>	<b>\$16,558</b>	<b>\$12,350</b>	<b>\$725</b>	<b>\$12,400</b>
<b>Total Expenditures</b>	<b>\$242,278</b>	<b>\$252,646</b>	<b>\$245,057</b>	<b>\$273,198</b>

# Performance Measures

City Secretary				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public Facilities & Services	Open Records Requests	286	469	250
	Agendas Processed	297	269	250
	City Notary Services	158	100	100
	Publications Produced	85	80	80
	Contractual Documents Executed	563	479	500
	Operational Data - Agendas, Contractual Documents, Publications, Public Notices, Change Orders, Statements & Oaths	855	731	700
	Customer Data - Public Information Requests, Notary Services, Vehicles for Hire, Liquor Licenses	465	588	500
	Special Circumstances Covered	2	2	-
	Professional Training Hours	78	91	80

# City Attorney

The City Attorney serves as the chief legal officer for the City. The City Attorney also leads the Legal Department in providing counsel to City Council, employees, and appointed Boards for all legal matters pertaining to City business. He reports directly to the City Council. The goal of the Legal Department is to provide accurate, timely, and efficient legal services in an informative and understandable manner, while helping the City achieve its missions in a defensible, law-abiding manner.

**Department Responsibilities:**

- **General Counsel:** Responsible for providing legal advice and preparing or approving ordinances, resolutions, policies, contracts, and other legal documents
- **Legal Representation:** Responsible for representing or monitoring the representation of the City in civil litigation and other proceedings
- **Prosecution:** Responsible for prosecuting cases filed in Municipal Court as to violations of City ordinances or Texas Class C Misdemeanors

**Department Accomplishments:**

- Provided legal guidance to City Council, staff, and boards
- Supported efforts of outside counsel defending the City in several lawsuits filed against the city
- Monitored the 89th Texas Legislative session, provided analysis to City Council and staff, prepared a final report on necessary actions to be taken by the City
- Helped create and implement the Kerrville Teen Court program as part of the City’s Municipal Court

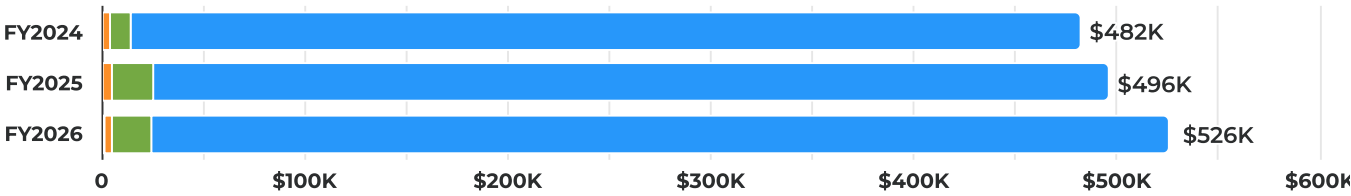
**FY2026 Objectives:**

- Provide legal guidance to City Council, staff, and boards
- Continue reviewing the City’s Code of Ordinances for necessary updates and revisions
- Work to fulfill priorities established by City Council as to the daily and longer-term goals and objectives for the City government
- Maintain individual Municipal Accreditation with the Texas City Attorneys Association and the International Municipal Lawyers Association

**Budgeted Full-Time Employees (FTE):**

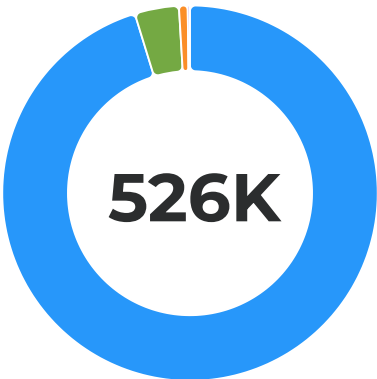
FY2024	FY2025	FY2026
2	2	2

Historical Expenditures by Category



- PERSONNEL SERVICES
- SERVICES
- OTHER
- SUPPLIES AND MATERIALS

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$500,829	95.26%
SERVICES	\$20,000	3.80%
OTHER	\$3,885	0.74%
SUPPLIES AND MATERIALS	\$1,050	0.20%



## City Attorney Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES AND WAGES	\$342,040	\$358,189	\$368,089	\$374,691
LONGEVITY	\$1,208	\$1,304	\$1,304	\$1,400
VEHICLE ALLOWANCE	\$6,071	\$6,000	\$6,036	\$6,000
PHONE STIPEND	\$1,214	\$1,200	\$1,207	\$1,200
SOCIAL SECURITY	\$24,263	\$28,052	\$25,417	\$29,322
RETIREMENT	\$52,615	\$41,253	\$58,597	\$43,772
GROUP INSURANCE	\$30,386	\$21,800	\$31,996	\$33,124
TRAINING	\$2,510	\$3,780	\$4,470	\$3,280
LODGING	\$3,285	\$4,500	\$2,042	\$4,250
PER DIEM	\$1,273	\$1,450	\$897	\$1,550
MILEAGE	\$1,938	\$1,400	\$609	\$1,620
OTHER TRANSPORTATION	-	\$650	-	-
LOCAL MEETING EXPENSE	\$587	\$200	-	\$200
OTHER TRAVEL EXPENSE	\$230	\$500	\$118	\$420
<b>Total PERSONNEL SERVICES</b>	<b>\$467,620</b>	<b>\$470,278</b>	<b>\$500,781</b>	<b>\$500,829</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$614	\$400	\$39	\$750
TOOLS AND EQUIPMENT	-	-	\$19	-
SHIPPING	\$79	\$100	\$113	\$300
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$693</b>	<b>\$500</b>	<b>\$170</b>	<b>\$1,050</b>
<b>SERVICES</b>				
LEGAL SERVICES	\$9,669	\$20,000	\$21,226	\$20,000
<b>Total SERVICES</b>	<b>\$9,669</b>	<b>\$20,000</b>	<b>\$21,226</b>	<b>\$20,000</b>
<b>OTHER</b>				
DUES / LICENSES / SUBSCRIPTIONS	\$3,745	\$4,885	\$2,945	\$3,885
<b>Total OTHER</b>	<b>\$3,745</b>	<b>\$4,885</b>	<b>\$2,945</b>	<b>\$3,885</b>
<b>Total Expenditures</b>	<b>\$481,726</b>	<b>\$495,663</b>	<b>\$525,122</b>	<b>\$525,764</b>

Note: This department does not track performance measures.

# City Administration

**Department Responsibilities:**

- **Administration:** Responsible for administering programs to ensure that policies and initiatives of the City Council are implemented, efficiently and effectively in accordance with all legal requirements
- **Intergovernmental Affairs:** Responsible for developing and maintaining relationships with other agencies, governments, and community partners
- **Economic Development:** Support inclusive economic growth and development, enhance business and tourism through clear policy and identity, balance growth and community values and environmental stewardship

**Department Accomplishments:**

- City received recognition from Gallagher as Best-in-Class Employer
- Featured in Business View Magazine as Best Managed Cities
- Completed Gallup Survey Employee Engagement
- Entered the completion phase of the Public Safety Facility
- Entered the completion phase for the Heart of the Hills Heritage Center
- Added an Economic Development Manager
- Initiated installation of security cameras at City facilities

**FY2026 Objectives:**

- **Key Priority Area: Public Facility and Services**
  - Enter the operational phase of the Public Safety Facility
  - Finalize several quality-of-life projects
- **Key Priority Areas: Water, Wastewater & Drainage**
  - Work on policy changes to strengthen the City's resiliency
  - Continue long-range planning efforts for the City's water supply

**FY2026 Objectives Continued:**

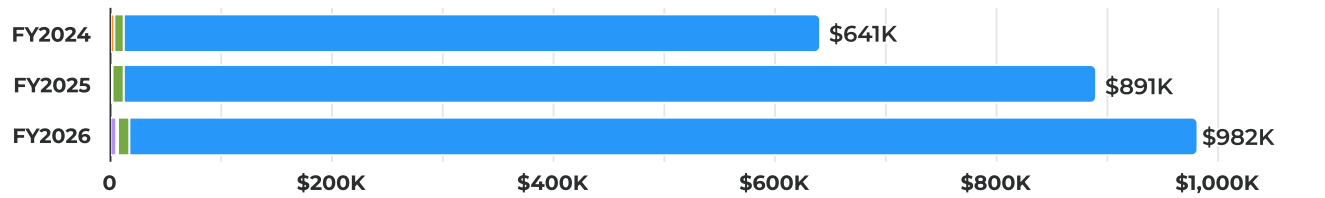
- **Key Priority Area: Economic Development**
  - Create new business initiatives led by the Economic Development Manager
  - Coordinate with the Kerrville Economic Development Corporation on new initiatives
  - Ongoing efforts to recruit industries aimed at reducing economic leakage
- **Key Priority Area: Downtown Revitalization**
  - Finalize the renovations to the Heart of the Hills Heritage Center
- **Key Priority Area: Community & Neighborhood Character/ Placemaking**
  - Promote walkability and complete streets, supporting healthy, well-kept neighborhoods that sustain economic development

**Budgeted Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
4	4	4

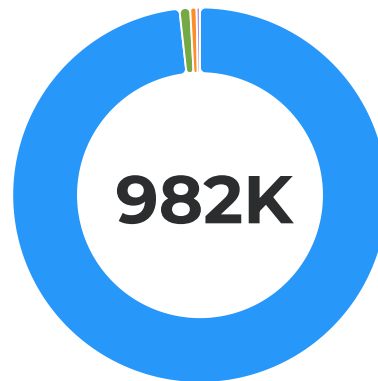


### Historical Expenditures by Category



● PERSONNEL SERVICES 
 ● OTHER 
 ● SUPPLIES AND MATERIALS 
 ● SERVICES

### FY2026 Expenditures by Category



PERSONNEL SERVICES	\$964,408	98.25%
OTHER	\$9,039	0.92%
SERVICES	\$5,329	0.54%
SUPPLIES AND MATERIALS	\$2,800	0.29%

Note: This department does not track performance measures.

## City Administration Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES AND WAGES	\$434,291	\$633,294	\$691,063	\$674,274
PART-TIME/TEMPORARY	-	\$18,200	-	-
LONGEVITY	\$1,268	\$912	\$1,048	\$1,268
CERTIFICATION PAY	\$5,545	\$5,400	\$6,187	\$8,743
VEHICLE ALLOWANCE	\$15,179	\$21,000	\$22,512	\$24,000
PHONE STIPEND	\$1,414	\$1,800	\$2,088	\$2,400
OTHER PAY	\$5,000	\$5,000	-	-
SOCIAL SECURITY	\$33,469	\$52,449	\$49,525	\$54,750
RETIREMENT	\$63,099	\$75,083	\$97,522	\$81,731
GROUP INSURANCE	\$50,565	\$43,600	\$76,076	\$80,779
TRAINING	\$5,919	\$8,000	\$9,873	\$11,724
LODGING	\$5,902	\$6,000	\$5,856	\$12,160
PER DIEM	\$2,153	\$3,000	\$1,914	\$4,039
MILEAGE	\$1,141	\$1,500	\$1,479	\$4,450
OTHER TRANSPORTATION	\$2,188	\$1,200	\$1,824	\$2,410
LOCAL MEETING EXPENSE	\$1,263	\$980	\$2,489	\$1,480
OTHER TRAVEL EXPENSE	-\$414	\$300	\$448	\$200
<b>Total PERSONNEL SERVICES</b>	<b>\$627,982</b>	<b>\$877,718</b>	<b>\$969,903</b>	<b>\$964,408</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$1,220	\$1,100	\$1,630	\$1,400
TOOLS AND EQUIPMENT	-	-	\$19	\$300
TECHNOLOGY EQUIPMENT	\$152	-	\$129	-
SOFTWARE	-	-	\$199	-
PHONE EQUIPMENT	-	-	\$64	-
GAS	\$9	-	-	-
FOOD SUPPLIES	\$956	\$1,100	\$914	\$1,100
OTHER SUPPLIES	\$132	-	\$451	-
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$2,467</b>	<b>\$2,200</b>	<b>\$3,406</b>	<b>\$2,800</b>
<b>SERVICES</b>				
PHONE SERVICE	\$567	-	\$341	\$804
CONSULTING SERVICES	-	-	-	\$4,000
BONDING	\$525	\$525	\$525	\$525
<b>Total SERVICES</b>	<b>\$1,092</b>	<b>\$525</b>	<b>\$866</b>	<b>\$5,329</b>
<b>OTHER</b>				
CERTIFICATES, AWARDS, RECOGNITION	\$939	\$2,000	\$2,916	-
DUES / LICENSES / SUBSCRIPTIONS	\$8,465	\$8,070	\$10,981	\$9,039
<b>Total OTHER</b>	<b>\$9,404</b>	<b>\$10,070</b>	<b>\$13,897</b>	<b>\$9,039</b>
<b>Total Expenditures</b>	<b>\$640,947</b>	<b>\$890,513</b>	<b>\$988,072</b>	<b>\$981,576</b>



# Human Resources

Human Resources (HR) 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, HR ensures the City does 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 compensation analysis; and ensuring adequate and affordable benefit packages for employees
- **Risk Management:** providing property, liability, and workers' compensation coverage for the City, vehicles, equipment, employees, and performing functions to maintain a safe working environment
- **Support Services:** Responsible for ensuring all City policies are communicated; providing Citywide training opportunities; timely payroll processing in compliance with FLSA, onboarding new employees and assisting departments with recruiting qualified candidates

## Department Accomplishments:

- Successfully negotiated an employee benefits package with minimal impact to employees
- Provided Workplace Harassment Prevention training for all employees
- Implemented a Language Proficiency Assessment and Incentive to identify qualified bilingual staff, enhance service reliability across departments, and encourage exceptional service to the community
- Planned and hosted employee appreciation events
- Updated the Personnel Policy Manual to ensure compliance with current laws, improve clarity, and support organizational best practices
- Conducted an initial Workload Study to evaluate staffing requirements and identify opportunities for efficiency improvements within a targeted department

## FY2026 Objectives:

- Continue to improve the productivity and efficiency of Human Resources operations
- Expand employee training opportunities by integrating NeoGov LEARN, providing access to both required and optional training courses
- Increase educational opportunities for Human Resources staff
- Conduct an update to the Formal Compensation Study
- Negotiate an annual employee benefits package
- Update the City's Drug and Alcohol Policy

## Budgeted Full-Time Employees (FTE):

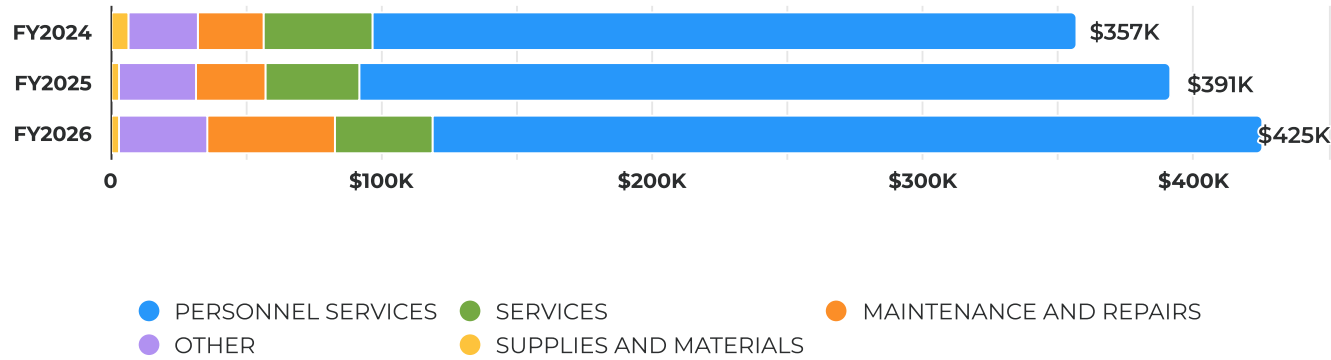
FY2024	FY2025	FY2026
4	3	3



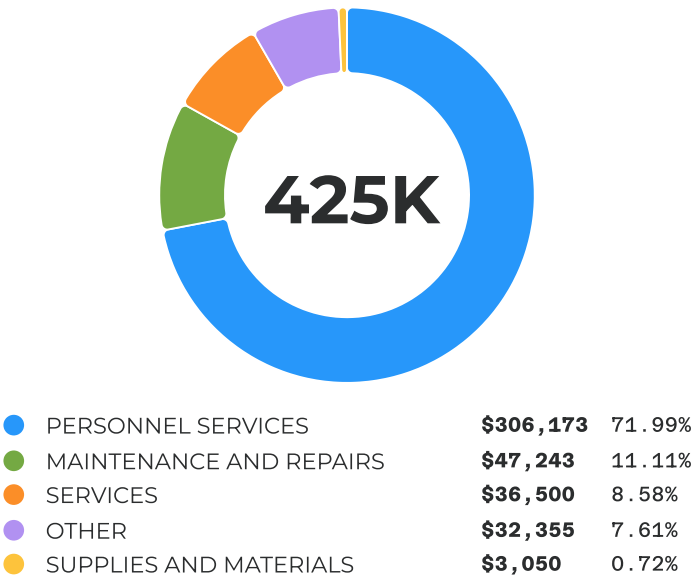
Pictured from left to right:

- **Maya Johnson - Manager of Human Resources**
- **Mary Pierce - Human Resources Analyst**
- **Rebecca Priess - Human Resources Assistant**
- **Kimberly Meisner - Assistant City Manager**

Historical Expenditures by Category



FY2026 Expenditures by Category





## Human Resources Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>	\$260,573	\$299,527	\$294,241	\$306,173
SALARIES	\$196,742	\$219,640	\$226,389	\$231,417
BENEFITS	\$58,555	\$74,212	\$65,233	\$67,521
TRAVEL AND TRAINING	\$5,277	\$5,675	\$2,619	\$7,235
<b>SUPPLIES AND MATERIALS</b>	\$6,696	\$3,000	\$4,562	\$3,050
OFFICE SUPPLIES	\$1,788	\$2,200	\$1,158	\$2,200
TOOLS AND EQUIPMENT	\$4,836	\$500	-	\$500
POSTAGE & SHIPPING	\$73	\$100	\$128	\$150
OTHER SUPPLIES	-	\$200	\$3,276	\$200
<b>MAINTENANCE AND REPAIRS</b>	\$24,387	\$25,606	\$25,225	\$47,243
TECHNOLOGY MAINTENANCE	\$24,387	\$25,606	\$25,225	\$47,243
<b>SERVICES</b>	\$40,131	\$34,800	\$30,237	\$36,500
PROFESSIONAL SERVICES	\$38,892	\$32,000	\$28,069	\$33,600
INSURANCE	\$400	\$400	\$300	\$300
ADVERTISING	\$839	\$2,400	\$1,868	\$2,600
<b>OTHER</b>	\$25,222	\$28,480	\$16,723	\$32,355
OTHER	\$25,222	\$28,480	\$16,723	\$32,355
<b>Total Expenditures</b>	<b>\$357,010</b>	<b>\$391,413</b>	<b>\$370,988</b>	<b>\$425,321</b>

## Performance Measures

Human Resources			
Measure	FY2024	FY2025	FY2026 Target
Full-Time Employees	318	326	347
Applications Received	1,503	1,808	1,500
Turnover Rate (%)	15.9	15.3	13

# Finance

The Finance Department provides good stewardship of public resources through sound financial management practices that ensure fiscal sustainability, compliance with financial polices and laws, and provides support to all City Departments.

**Department Responsibilities:**

- **Budgeting:** Responsible for preparing and monitoring the City’s annual budget, trend analysis, economic forecasting, preparation of the budget document, and providing regular financial updates to City Council, departments, and interested citizens
- **Financial Reporting:** Responsible for preparing and reporting financial statements in accordance with governmental accepted accounting principles, including coordination of the annual audit and Annual Comprehensive Financial Report and the Popular Annual Financial Report
- **Financial Management:** Responsible for accounts payable, accounts receivable, general ledger management, fixed asset management, and investment management services
- **Compliance:** Responsible for ensuring Citywide compliance related to procurement, community service agreements, hotel occupancy tax, all annual reporting, grant reporting, and federal funding, etc.

The Finance Department ensures financial stewardship and accountability while providing accurate, timely information to the public, City Council, and staff to support informed decision-making and long-term financial sustainability.

**Department Accomplishments:**

- Received GFOA Triple Crown awards: Excellence in Financial Reporting, Budget Presentation Award, and Popular Annual Financial Report
- Received Transparency Stars for Debt and Traditional Finances from Texas Comptroller of Public Accounts
- Implemented new vendor registration portal
- Coordinated update to Long Range Asset Replacement Plan for vehicles and equipment
- Assisted with the financing plan for a new TIRZ for the Lennar Windridge and Whiskey Springs subdivisions
- Implemented procurement portal for increased efficiency and compliance
- Added procurement page on City's website for vendors
- Assumed responsibility for property risk management

**FY2026 Objectives:**

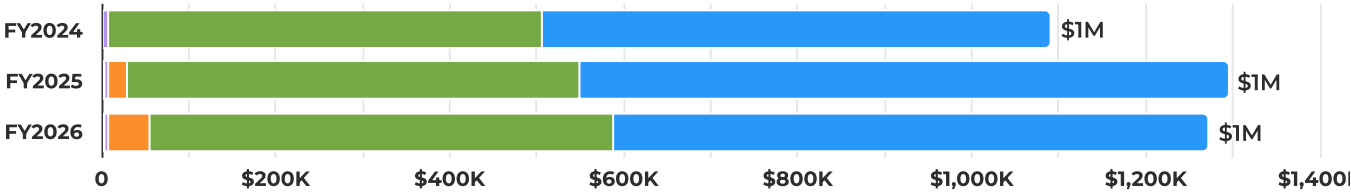
- Continue to streamline the procurement process
- Increase training and support for all departments: PCard, procurement, risk, and accounts payable
- Provide business model and budget management training for all departments
- Navigate FEMA Public Assistance process to ensure maximum reimbursement for eligible flood expenses
- Update financial forecasts

**Budgeted Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
5	8	7



Historical Expenditures by Category



- PERSONNEL SERVICES
- SERVICES
- MAINTENANCE AND REPAIRS
- SUPPLIES AND MATERIALS
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$683,913	53.74%
SERVICES	\$533,295	41.90%
MAINTENANCE AND REPAIRS	\$48,332	3.80%
OTHER	\$3,665	0.29%
SUPPLIES AND MATERIALS	\$3,520	0.28%

## Finance Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$440,992	\$546,164	\$480,984	\$503,172
BENEFITS	\$139,274	\$188,458	\$152,451	\$168,666
TRAVEL AND TRAINING	\$4,279	\$10,450	\$8,669	\$12,075
<b>Total PERSONNEL SERVICES</b>	<b>\$584,546</b>	<b>\$745,072</b>	<b>\$642,104</b>	<b>\$683,913</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$1,969	\$1,750	\$1,223	\$1,750
TOOLS AND EQUIPMENT	\$4,511	\$1,100	\$1,355	\$1,100
WEARING APPAREL	-	\$280	-	\$420
POSTAGE & SHIPPING	\$20	-	\$33	-
OTHER SUPPLIES	\$213	\$250	\$317	\$250
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$6,714</b>	<b>\$3,380</b>	<b>\$2,928</b>	<b>\$3,520</b>
<b>MAINTENANCE AND REPAIRS</b>				
TECHNOLOGY MAINTENANCE	-	\$22,000	-	\$48,332
<b>Total MAINTENANCE AND REPAIRS</b>	<b>-</b>	<b>\$22,000</b>	<b>-</b>	<b>\$48,332</b>
<b>SERVICES</b>				
UTILITIES	\$232	-	-	-
PROFESSIONAL SERVICES	\$496,828	\$520,064	\$493,062	\$532,420
INSURANCE	\$1,075	\$875	\$875	\$875
<b>Total SERVICES</b>	<b>\$498,136</b>	<b>\$520,939</b>	<b>\$493,937</b>	<b>\$533,295</b>
<b>OTHER</b>				
OTHER	\$1,835	\$3,605	\$3,644	\$3,665
<b>Total OTHER</b>	<b>\$1,835</b>	<b>\$3,605</b>	<b>\$3,644</b>	<b>\$3,665</b>
<b>Total Expenditures</b>	<b>\$1,091,229</b>	<b>\$1,294,996</b>	<b>\$1,142,613</b>	<b>\$1,272,724</b>

## Performance Measures

Finance				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public Facilities & Services	Invoices Processed for Payment	8,823	8,356	8,500
	Payment Count (Checks & EFT)	4,989	4,816	4,900
	Journal Entries	3,510	3,293	3,000
	Average Investment Return	4.4%	4.4%	3.5%
	Comptroller Transparency Stars Received	2	2	2
	GFOA Awards Received	3	3	3
	Finance Staff Training Hours Completed	114	136	150

# Innovation and Technology

The Innovation and Technology (IT) department provides high-quality, cost-effective technology services that support the City's mission, partnering with departments to implement projects in software, hardware, security, and connectivity.

## Department Responsibilities:

- **Help Desk:** Provide end-user support, device management, and service tracking using Information Technology Infrastructure Library (ITIL) practices.
- **Systems & Network:** Maintain servers, storage, backups, virtualization, and network reliability.
- **Cybersecurity:** Ensure Criminal Justice Information Service (CJIS) compliance, manage security tools, conduct audits, and implement incident response.
- **Geographic Information System (GIS):** Maintain spatial data, support mapping/analysis, and public dashboards for transparency.
- **Innovation:** Lead digital transformation, dashboards, performance tracking, and civic engagement through the Citizens Government Academy.
- **Telecommunications & Print Services:** Manage phones, mobile devices, and consolidate print services for cost savings.

## Department Accomplishments:

- Launched Citizens Government Academy Class #3 with interactive sessions, mock council meetings, and facility tours
- Created Legal Service Request workpath: Built a streamlined, multi-department process for reviewing legal requests using Smartsheets and Microsoft tools
- Implemented a server backup solution: Set up a backup system to make backups faster, last longer, and meet security requirements for CJIS compliance
- Strengthened CJIS compliance posture: Updated policies and improved physical security and endpoint configurations
- Prepared and hosted GIS Day: Launched a citywide educational event focused on spatial data awareness with live demos, apps, and department use cases
- Began transition to new Help Desk system: Migrated from a legacy ticketing system to a full ITIL-based platform, improving tracking, service levels, and reporting
- Developed a citywide Capital Improvement dashboard
- Produced City Manager's Quarterly Report: Compiled citywide data into a themed, council-aligned report format

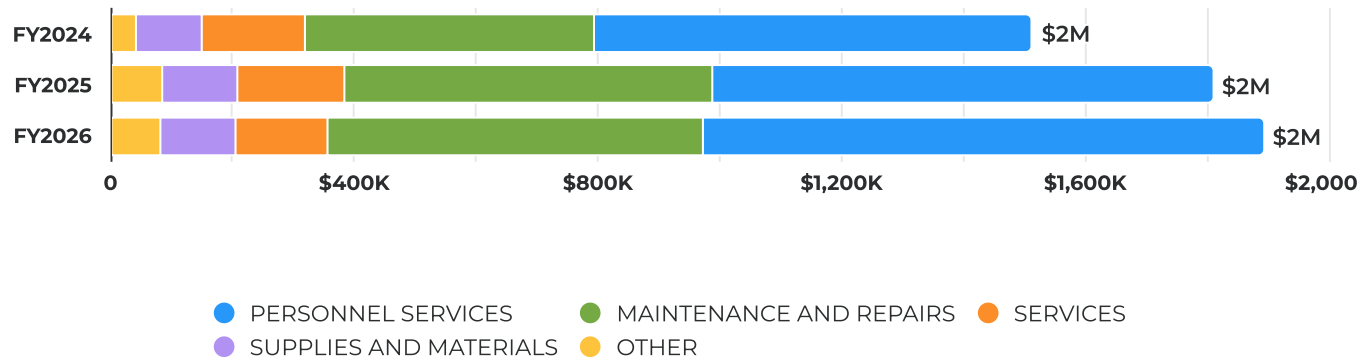
## FY2026 Objectives:

- Strengthen cybersecurity and backup systems that support public safety and emergency operations
- Improve infrastructure bandwidth and resiliency to support growing technology needs.
- Modernize device management, GIS infrastructure, and update the City's phone system to improve reliability and connectivity
- Improve service tracking and goal alignment through dashboards and strategic planning tools
- Continue to enhance the Citizens Government Academy to build public understanding

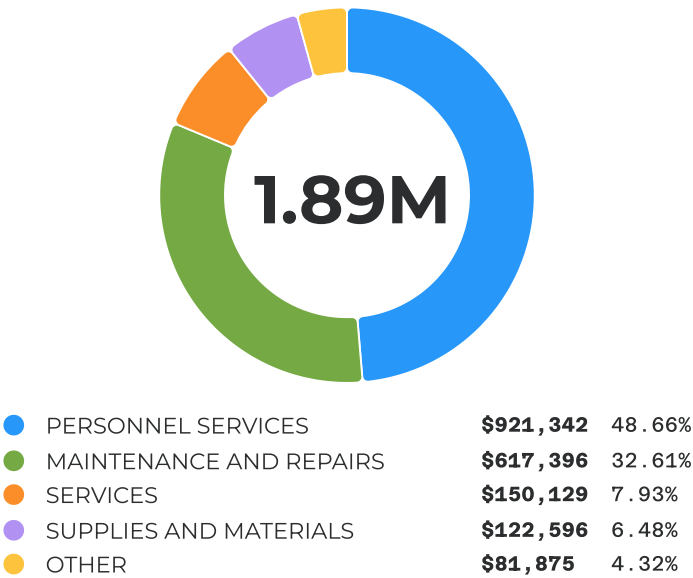
## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
5	8	7

Historical Expenditures by Category



FY2026 Expenditures by Category





## Innovation and Technology Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$535,470	\$621,033	\$595,978	\$682,763
BENEFITS	\$172,007	\$190,950	\$191,074	\$224,635
TRAVEL AND TRAINING	\$10,014	\$9,733	\$19,085	\$13,943
<b>Total PERSONNEL SERVICES</b>	<b>\$717,492</b>	<b>\$821,716</b>	<b>\$806,137</b>	<b>\$921,342</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$370	\$845	\$627	\$1,290
TOOLS AND EQUIPMENT	\$107,348	\$120,650	\$118,034	\$120,650
CHEMICAL & MEDICAL	-	-	-	\$25
FUEL	\$380	\$483	\$328	\$481
POSTAGE & SHIPPING	-	\$50	\$39	\$50
OTHER SUPPLIES	\$1,259	\$259	\$1,147	\$100
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$109,357</b>	<b>\$122,286</b>	<b>\$120,175</b>	<b>\$122,596</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$364	\$400	\$1,568	-
VEHICLE MAINTENANCE	\$101	\$129	\$991	\$185
EQUIPMENT MAINTENANCE	\$84,296	\$163,050	\$108,071	\$156,550
TECHNOLOGY MAINTENANCE	\$391,184	\$439,526	\$446,171	\$460,661
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$475,946</b>	<b>\$603,105</b>	<b>\$556,801</b>	<b>\$617,396</b>
<b>SERVICES</b>				
UTILITIES	\$156,933	\$177,449	\$139,571	\$147,629
PROFESSIONAL SERVICES	\$11,933	-	\$1,443	\$2,500
<b>Total SERVICES</b>	<b>\$168,867</b>	<b>\$177,449</b>	<b>\$141,015</b>	<b>\$150,129</b>
<b>OTHER</b>				
OTHER	\$40,593	\$84,587	\$56,089	\$81,875
<b>Total OTHER</b>	<b>\$40,593</b>	<b>\$84,587</b>	<b>\$56,089</b>	<b>\$81,875</b>
<b>Total Expenditures</b>	<b>\$1,512,255</b>	<b>\$1,809,143</b>	<b>\$1,680,216</b>	<b>\$1,893,338</b>

# Performance Measures

Technology & Innovation				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public Facilities & Services	Service Customer Survey Rating	4.46	4.00	4.50
	Network Uptime	99%	99%	100%
	Average Work Orders Closed Same Day (%)	90%	87%	90%
	Blocked Network Attacks	1,258,454	1,644,400	1,800,000
	Average % Critical Priority Support Requests met	97%	93%	95%
	Average % High Priority Support Requests met	93%	90%	95%
	Average % Normal Priority Support Requests met	87%	85%	90%
	Average % Low Priority Support Requests met	83%	83%	90%
	Total Tickets Closed	5,966	4,859	5,000

# Public Information Office

## Department Responsibilities:

- **Communication:** Responsible for ongoing communication with citizens using various media, to ensure accurate information is released regarding City business and events
- **Technology Management:** Responsible for keeping social media platforms and the City's website up-to-date
- **Social Media:** Responsible for growing the City's audience on various social media channels in order to communicate current and accurate information
- **Broadcasting:** Responsible for the broadcasting of all City Council meetings, workshops, Planning and Zoning Commission and Economic Improvement Corporation meetings, and other public meetings as necessary

## Department Accomplishments:

- Regularly issued short video clips to keep citizens informed about fun and important happenings
- Installed technology upgrades in the Council Chambers
- Updated the City's website

## FY2026 Objectives:

- Continue to ensure that Kerrville citizens are well-informed about City business and events using various media outlets
- Ensure accuracy of information provided to the public on social media outlets, newspaper articles, and news reports
- Maintain up-to-date Facebook and YouTube accounts to ensure citizens have multiple options to receive information
- Continue good working relationships with community organizations

## Did you know?

To watch the City of Kerrville's official meetings, visit our YouTube Channel:

<https://www.youtube.com/@CityofKerrvilleGovernment/featured>

You can also tune in live here:

<https://player.frontlayer.com/live/fl518492>

## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
2	2	2

**YOUR CITY CONTACTS**

**MAYOR**  
Joe Herring, Jr.  
joe.herring  
@kerrvilletx.gov

**PLACE 1**  
Delayne Sigerman  
delayne.sigerman  
@kerrvilletx.gov

**PLACE 2**  
Jeff Harris  
jeff.harris  
@kerrvilletx.gov

**PLACE 3**  
Kent McKinney  
kent.mckinney  
@kerrvilletx.gov

**PLACE 4**  
Brenda Hughes  
brenda.hughes  
@kerrvilletx.gov

**CITY MANAGER**  
Dalton Rice  
dalton.rice  
@kerrvilletx.gov

**Helpful Numbers:**  
Kerrville-Schreiner Park  
830-257-7300  
Schreiner Golf Course  
830-257-4982  
Kerrville Tennis Center  
830-896-7955  
Municipal Court  
830-257-2388  
Bull-Holdsworth Memorial Library  
830-257-8422  
Cajoux Theater  
830-896-9393  
Police Department  
830-257-6181  
Utility Billing  
830-258-1504

**KERRVILLE**  
2050

**City of Kerrville e-newsletter**  
701 Main Street, Kerrville, Texas 78028  
(830) 257-8000 \* [www.kerrvilletx.gov](http://www.kerrvilletx.gov)  
July 1, 2025

**Guns & Hoses check presented to Special Opportunity Center**

Jaron Ince (center) of the Kerr County Sheriff's Office (KCSO) presented a check June 26 for \$9,500 to Brittany Lehmann, president of the Special Opportunity Center's (SOC) board of directors, with proceeds raised from the 7th Annual Guns & Hoses Flag Football Game held in early May. The yearly grudge match features the combined forces of the KCSO and the Kerrville Police Department against the Kerrville Fire Department in a gridiron showdown at Antler Stadium. Pictured from left are SOC board members Emily Phillips and Denise Nelson, Lehmann, Ince, co-president of the Guns & Hoses board of directors Amber Thomason, KCSO Sergeant Casey Spence, co-president of the Guns & Hoses board of directors Kari Book, and Kerrville Police Department Officer Fred Salazar.

**LAST MONTH IN REVIEW:**

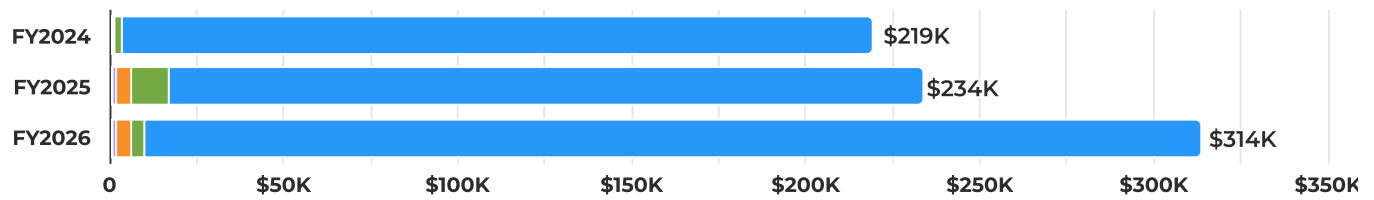
**Thanks for the donuts!**  
The Salvation Army Kroc Center's Ashley Phillips (left) and Drew Tipton (right) dropped by City Hall June 6 to deliver donuts to Kerrville City Manager Dalton Rice in observance of National Donut Day.

During World War I, The Salvation Army sent a group of "Lassies" overseas with the mission of boosting the morale of the troops fighting on the front lines. The Lassies achieved this goal by serving coffee and donuts.

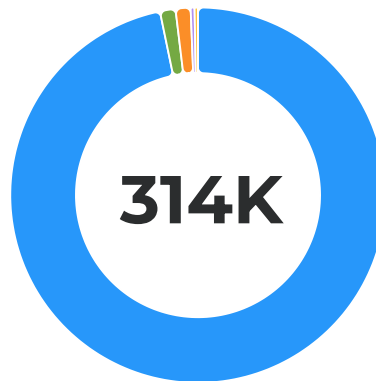
In 1938, The Salvation Army created National Donut Day to not only raise funds for those in need in the midst of the Great Depression, but also to honor the legacy of the "Donut Lassies".

National Donut Day

### Historical Expenditures by Category



### FY2026 Expenditures by Category



PERSONNEL SERVICES	\$303,378	96.75%
MAINTENANCE AND REPAIRS	\$4,200	1.34%
SERVICES	\$4,004	1.28%
OTHER	\$1,066	0.34%
SUPPLIES AND MATERIALS	\$925	0.29%

## Public Information Office Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$156,482	\$163,720	\$168,960	\$223,882
BENEFITS	\$59,288	\$52,743	\$64,665	\$77,345
TRAVEL AND TRAINING	-	-	-	\$2,150
<b>Total PERSONNEL SERVICES</b>	<b>\$215,770</b>	<b>\$216,463</b>	<b>\$233,625</b>	<b>\$303,378</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$107	\$75	\$91	\$75
TOOLS AND EQUIPMENT	\$514	\$750	\$599	\$750
OTHER SUPPLIES	-	\$100	-	\$100
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$621</b>	<b>\$925</b>	<b>\$690</b>	<b>\$925</b>
<b>MAINTENANCE AND REPAIRS</b>				
TECHNOLOGY MAINTENANCE	-	\$4,200	-	\$4,200
<b>Total MAINTENANCE AND REPAIRS</b>	<b>-</b>	<b>\$4,200</b>	<b>-</b>	<b>\$4,200</b>
<b>SERVICES</b>				
UTILITIES	\$742	\$1,004	\$904	\$1,004
ADVERTISING	\$1,507	\$10,000	\$1,446	\$3,000
<b>Total SERVICES</b>	<b>\$2,249</b>	<b>\$11,004</b>	<b>\$2,350</b>	<b>\$4,004</b>
<b>OTHER</b>				
OTHER	\$740	\$1,066	\$636	\$1,066
<b>Total OTHER</b>	<b>\$740</b>	<b>\$1,066</b>	<b>\$636</b>	<b>\$1,066</b>
<b>Total Expenditures</b>	<b>\$219,380</b>	<b>\$233,658</b>	<b>\$237,300</b>	<b>\$313,573</b>

## Performance Measure

Public Information				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2025 Target
Community & Neighborhood Character / Placemaking /	Press Releases	256	224	250
	Social Media - Facebook Followers	20,751	78,100	80,000
	Videos Filmed	96	115	100
	YouTube Views	11,256	13,368	15,000

# Municipal Court

The Municipal Court strives to ensure that all case processing within the Court is handled in an efficient, fair, and timely manner. The Municipal Court has jurisdiction in the areas of traffic and parking violations, Class C misdemeanors, truancy, and City ordinance violations.

**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
- **State Filings:** Responsible for recording, reporting, and paying state fees

**Department Accomplishments:**

- Filed approximately 3,000 cases
- Filed 100% of cases within 24 hours of the citation issuance
- Implemented a Teen Court Program
- Held 7 monthly sessions of Teen Court
- Deputy Clerk Tanya Strickland earned TMCEC Level I Clerk Certification

**FY2026 Objectives:**

- Participate in annual Texas Municipal Courts Education Center (TMCEC) seminars to ensure court staff remain informed of legislative changes and maintain required certifications, supporting compliance and professional development
- Successfully migrate the Court’s ERP system to Incode 10, enhancing operational efficiency, data security, and service delivery to the public
- Provide training and hands-on opportunities for deputy clerks to perform the clerk of the court role during court proceedings, ensuring cross-training, operational resilience, and staff readiness

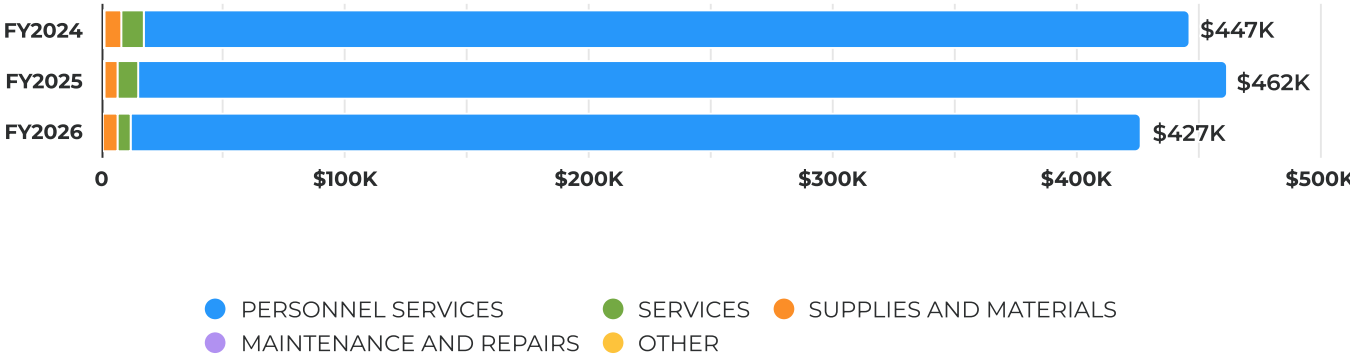


**Budgeted Full-Time Employees (FTE):**

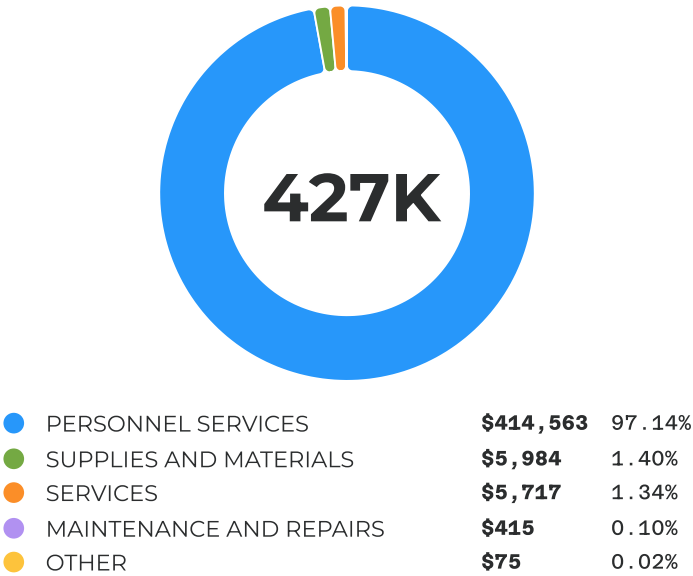
FY2024	FY2025	FY2026
5	5	4



Historical Expenditures by Category



FY2026 Expenditures by Category



## Municipal Court Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$309,161	\$332,670	\$335,248	\$303,428
BENEFITS	\$116,784	\$109,500	\$122,649	\$107,735
TRAVEL AND TRAINING	\$3,917	\$4,071	\$3,004	\$3,400
<b>Total PERSONNEL SERVICES</b>	<b>\$429,862</b>	<b>\$446,240</b>	<b>\$460,901</b>	<b>\$414,563</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$3,379	\$3,100	\$2,471	\$2,999
FUEL	\$1,538	\$1,600	\$1,104	\$1,500
WEARING APPAREL	\$1,614	\$380	\$268	\$1,280
OTHER SUPPLIES	\$129	\$200	\$146	\$205
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$6,661</b>	<b>\$5,280</b>	<b>\$3,989</b>	<b>\$5,984</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$262	\$470	\$510	\$200
VEHICLE MAINTENANCE	\$875	\$279	\$340	\$215
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$1,137</b>	<b>\$749</b>	<b>\$849</b>	<b>\$415</b>
<b>SERVICES</b>				
UTILITIES	\$7,080	\$7,118	\$7,769	\$3,782
PROFESSIONAL SERVICES	\$1,514	\$1,600	\$15,382	\$1,560
INSURANCE	\$475	\$475	\$375	\$375
<b>Total SERVICES</b>	<b>\$9,070</b>	<b>\$9,193</b>	<b>\$23,527</b>	<b>\$5,717</b>
<b>OTHER</b>				
OTHER	\$98	\$150	\$82	\$75
<b>Total OTHER</b>	<b>\$98</b>	<b>\$150</b>	<b>\$82</b>	<b>\$75</b>
<b>Total Expenditures</b>	<b>\$446,828</b>	<b>\$461,612</b>	<b>\$489,349</b>	<b>\$426,754</b>

## Performance Measures

Municipal Court				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public Facilities & Services	Cases Dismissed After Driver Safety Course	428	373	370
	New Cases Filed Within 24 Hours	100%	100%	100%
	Warrants Served Within 60 Days	40%	43%	45%
	New Cases Filed	3,198	3,314	3,200
	Aged Cases 60+ Days	210	131	100

# Police Department

#Oneteam in service to our community.

## Department Responsibilities:

- **Patrol and Crime Prevention:** Responsible for providing a police presence in neighborhoods, responding to calls for service, investigating traffic crashes, 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 quality of life issues and criminal offenses
- **Communications:** Responsible for answering and dispatching calls for service for the City of Kerrville Police and Fire - EMS divisions. Serves as the Public Safety Answering Point (PSAP) for the entire Kerr County 9-1-1 system
- **Community Service:** Responsible for establishing partnerships with citizens and organizations in order to improve safety and quality of life within the community

## Department Accomplishments:

- Responded to 28,670 calls for service
- Investigated 1,250 traffic accidents
- Conducted community outreach programs such as Coffee with a Cop, Tea with KPD, KPD Community Picnic, and Citizens Police Academy
- Implemented Front-Line Software for internal incident and personnel tracking
- Received grant funding for automated license plate readers
- Assisted with the planning, design, and construction of the Public Safety Facility
- Deployed a multi-jurisdictional Tactical Response Team with partnering agencies

## FY2026 Objectives:

- Complete Public Safety Facility and transition to the new facility
- Evaluate operational norms based on opportunities provided by the new Public Safety Facility
- Re-deploy Traffic Enforcement Unit to address traffic safety issues
- Identify and implement a new computer-aided Dispatch and Records Management System

## Did you know?

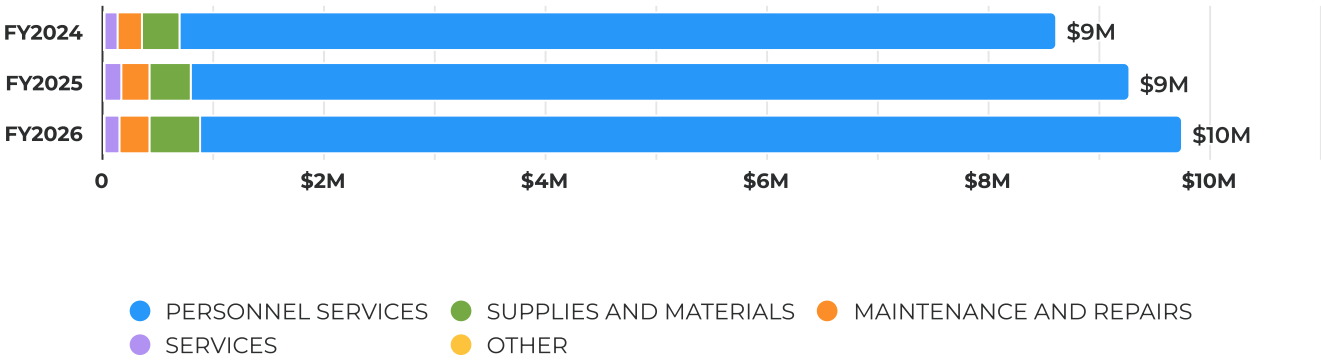
The Kerrville Police Department Special Operations Unit has partnered with the Boerne Police Department and the Fredericksburg Police Department to create the Hill Country Regional SWAT Team. This specially trained tactical unit responds to high-risk incidents in all three member communities.

## Budgeted Full-Time Employees (FTE):

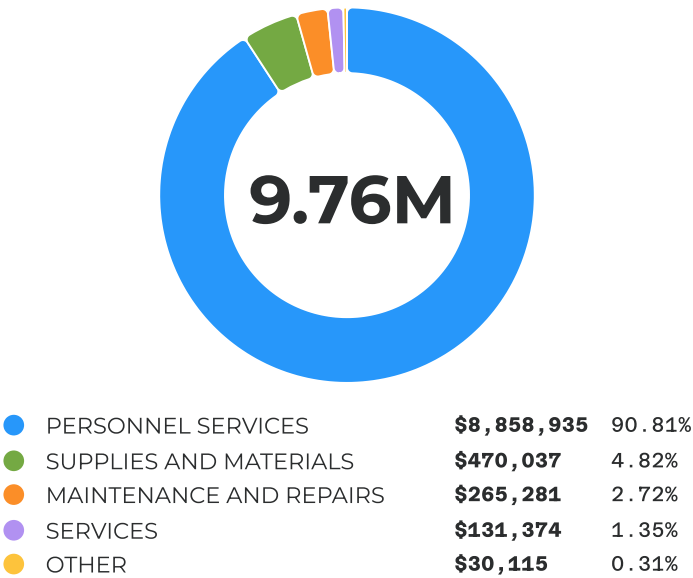
FY2024	FY2025	FY2026
78	78	78



Historical Expenditures by Category



FY2026 Expenditures by Category



**Police Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$5,888,251	\$6,331,002	\$6,150,354	\$6,581,785
BENEFITS	\$1,916,880	\$2,044,174	\$2,041,745	\$2,165,650
TRAVEL AND TRAINING	\$118,276	\$101,500	\$103,520	\$111,500
<b>Total PERSONNEL SERVICES</b>	<b>\$7,923,407</b>	<b>\$8,476,676</b>	<b>\$8,295,618</b>	<b>\$8,858,935</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$11,389	\$11,250	\$8,142	\$11,346
TOOLS AND EQUIPMENT	\$27,302	\$60,681	\$33,857	\$91,361
CHEMICAL & MEDICAL	\$14,435	\$15,192	\$8,281	\$15,014
FUEL	\$138,759	\$124,700	\$144,638	\$135,000
WEARING APPAREL	\$72,910	\$111,667	\$109,465	\$127,816
POSTAGE & SHIPPING	\$675	\$600	\$547	\$700
OTHER SUPPLIES	\$70,380	\$52,298	\$53,644	\$88,800
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$335,849</b>	<b>\$376,388</b>	<b>\$358,575</b>	<b>\$470,037</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$17,660	\$11,800	\$10,187	-
VEHICLE MAINTENANCE	\$61,376	\$56,741	\$55,867	\$61,501
EQUIPMENT MAINTENANCE	\$41,879	\$62,750	\$58,238	\$74,380
TECHNOLOGY MAINTENANCE	\$106,816	\$125,734	\$91,150	\$129,400
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$227,731</b>	<b>\$257,024</b>	<b>\$215,442</b>	<b>\$265,281</b>
<b>SERVICES</b>				
UTILITIES	\$60,989	\$70,624	\$65,694	\$40,764
PROFESSIONAL SERVICES	\$54,163	\$68,350	\$43,449	\$84,350
INSURANCE	\$600	\$500	\$500	\$500
LEASE / RENT	\$4,999	\$4,800	\$4,619	\$5,760
<b>Total SERVICES</b>	<b>\$120,752</b>	<b>\$144,274</b>	<b>\$114,261</b>	<b>\$131,374</b>
<b>OTHER</b>				
OTHER	\$18,979	\$27,032	\$34,004	\$30,115
<b>Total OTHER</b>	<b>\$18,979</b>	<b>\$27,032</b>	<b>\$34,004</b>	<b>\$30,115</b>
<b>Total Expenditures</b>	<b>\$8,626,717</b>	<b>\$9,281,393</b>	<b>\$9,017,901</b>	<b>\$9,755,741</b>

# Performance Measures

Kerrville Police Department				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public Facilities & Services	Officers Trained by KPD	147	4,813	N/A
	Number of Reports Processed	2,849	2,644	N/A
	Total Call for Service Responses	28,670	33,211	N/A
	Calls for Service on KISD campuses	901	847	N/A
	Number of Evidence Items Processed and Stored	1,028	1,784	N/A
	Accident Investigations Completed	581	340	N/A
	Subpoenas & Court Orders Processed	671	858	N/A
	Reactive Criminal Investigations Completed	557	574	N/A
	Avg Response Time to All Calls (min)	4.56	2.88	N/A
	Avg Response Time to Emergency Calls (min)	4.36	1.73	N/A



# Consolidated Fire

**Mission:** "Exceptional Team... Efficient Methods... Excellent Service"

**Community Vision:** We will be an innovative, responsive and customer-focused fire service dedicated to the safety of our community.

**KFD Vision:** We will be a family-oriented fire department that supports, respects, encourages, and empowers each other as a team.

**Core Values:** Professionalism, Integrity, Commitment, and Teamwork.

**Motto:** Setting the Public Safety Standard.

## **Section Organization**

The Fire Department is divided into three separate divisions that report to the Fire Chief. These divisions provide Fire Suppression, Medical First Responder, EMS, Tactical Medics, Fire Prevention, Technical Rescue (Scuba, High-Angle, and Swift Water), Wildland, Emergency Management, and Community Education.

### **Operation Division:**

This division is managed by the Deputy Fire Chief and Battalion Chiefs. The Operations division is further separated by function into the Fire and EMS operations.

The Fire operation provides an All-Hazards response to the City of Kerrville and Greater Kerrville under an interlocal agreement with Kerr County. We provide mutual aid support to our surrounding volunteer fire departments and neighboring counties. We also provide specialty team deployments for wildlife, swift-water, and all-hazard requests across the State of Texas.

The EMS operations provide Mobile Intensive Care response to the City of Kerrville and Kerr County under an interlocal agreement with Kerr County. We provide mutual aid to our neighboring counties. We also provide medical response for disaster response across the State of Texas.

### **Emergency Management & Training Division:**

The Emergency Management division is the key to community preparedness for natural and man-made disasters. The coordination and oversight of the Emergency Operations Basic Plan ensures our community is prepared to respond, recover, mitigate, and prepare for all hazards and disasters.

The Training Division is responsible for the coordination and certification of all Fire and EMS personnel. They conduct in-house training, continuing education, live-fire training, coordinate seminars and conferences, TCFP and DSHS re-certification, plus a professional development program.

### **Fire Prevention Division:**

This division is managed by the Fire Marshal, focusing on the three critical mission areas of Fire Inspection, Fire Investigation, and Fire Prevention. The Kerrville Fire Marshal's Office identifies and eliminates potential fire hazards and reduces the frequency and effects of fire through education, code administration, enforcement, plan review and fire origin/cause investigations.

# Performance Measures

Kerrville Fire Department				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public Facilities & Services	Fire Prevention Inspections	749	750	800
	Total Call Volume	11,464	11,603	11,500
	Total Fire Call Volume	643	860	700
	Total First Responder Call Volume	2,214	2,180	2,200
	Total EMS Call Volume	8,586	8,563	8,500
	Smoke Alarm Program	34	69	75
	Professional Development - Class Hours	66	20	50
	Public Safety Educaion Programs - # Students	3,403	3,023	3,000

# Fire - EMS

**Vision:** We will be an innovative, responsive, and customer-focused fire service dedicated to the safety of our community.

The fire department provides 24/7 fire protection and EMS to the citizens of Kerrville and the greater Kerrville South area under an interlocal agreement with Kerr County.

## Department Responsibilities:

- **Emergency Operations:** Responsible for providing 24/7 all-hazards response for Emergency Medical Services, Medical First Responder, Fire Suppression, Heavy Rescue, Wildland Fire, Technical Rescue (Scuba, High-Angle, and Swift-Water), and Special Operations Unit Tactical Paramedic support
- **Administration:** Responsible for overseeing Operations, Emergency Management, Training, Support Services, and Fire Prevention
- **Community Service:** Responsible for community programs including Stop The Bleed, AED familiarization, fire safety education, home safety surveys, smoke detector programs, school presentations, City-sponsored programs, and support for community programs
- **Billing and Collections:** Responsible for monitoring the billing and collections of over 8,000 EMS customers each year

## Department Accomplishments:

- Responded to over 8,586 EMS, 2,214 Medical First Responders, and 643 Fire calls for service
- Maintained an EMS response time of just over five minutes within the City limits
- Celebrated the 30-year anniversary of EMS
- Renewed the 10-year Kerr County Interlocal Agreement for Fire and EMS response
- Replaced two primary ambulances
- Staffed first EMS Lieutenant position

## FY2026 Objectives:

- Research and implement the Texas Fire Chief Association Best Practices program
- Expand community education programs
- Identify fire station campus improvements
- Develop a capital asset replacement plan
- Research alternate apparatus replacement plans
- Research and identify grants for capital equipment



## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
78	79	79

Historical Expenditures by Category



- PERSONNEL SERVICES
- SUPPLIES AND MATERIALS
- SERVICES
- MAINTENANCE AND REPAIRS
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$9,254,255	89.18%
SUPPLIES AND MATERIALS	\$439,341	4.23%
SERVICES	\$411,987	3.97%
MAINTENANCE AND REPAIRS	\$254,883	2.46%
OTHER	\$16,771	0.16%

**Fire-EMS Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$6,791,187	\$6,981,802	\$6,968,069	\$6,872,730
BENEFITS	\$2,170,645	\$2,180,661	\$2,320,418	\$2,376,475
TRAVEL AND TRAINING	\$8,788	\$6,254	\$8,374	\$5,050
<b>Total PERSONNEL SERVICES</b>	<b>\$8,970,620</b>	<b>\$9,168,717</b>	<b>\$9,296,861</b>	<b>\$9,254,255</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$4,380	\$3,500	\$2,668	\$1,140
TOOLS AND EQUIPMENT	\$51,463	\$53,880	\$43,683	\$42,115
CHEMICAL & MEDICAL	\$160,462	\$172,333	\$191,157	\$172,983
FUEL	\$128,061	\$115,920	\$116,789	\$113,160
WEARING APPAREL	\$109,296	\$99,023	\$113,092	\$98,905
POSTAGE & SHIPPING	\$683	\$490	\$309	\$250
OTHER SUPPLIES	\$21,097	\$13,508	\$13,526	\$10,788
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$475,442</b>	<b>\$458,654</b>	<b>\$481,224</b>	<b>\$439,341</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$41,455	\$30,500	\$35,330	\$32,500
VEHICLE MAINTENANCE	\$162,653	\$101,101	\$190,323	\$101,364
EQUIPMENT MAINTENANCE	\$59,321	\$77,796	\$78,598	\$84,448
TECHNOLOGY MAINTENANCE	\$34,978	\$27,925	\$33,496	\$36,572
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$298,406</b>	<b>\$237,321</b>	<b>\$337,748</b>	<b>\$254,883</b>
<b>SERVICES</b>				
UTILITIES	\$75,283	\$76,771	\$73,988	\$67,931
PROFESSIONAL SERVICES	\$316,552	\$324,500	\$323,743	\$336,716
INSURANCE	\$200	\$200	\$200	\$200
ADVERTISING	\$255	-	-	-
LEASE / RENT	\$51,484	\$48,786	\$54,536	\$7,140
<b>Total SERVICES</b>	<b>\$443,774</b>	<b>\$450,257</b>	<b>\$452,467</b>	<b>\$411,987</b>
<b>OTHER</b>				
OTHER	\$11,712	\$15,881	\$12,305	\$16,771
<b>Total OTHER</b>	<b>\$11,712</b>	<b>\$15,881</b>	<b>\$12,305</b>	<b>\$16,771</b>
<b>Total Expenditures</b>	<b>\$10,199,953</b>	<b>\$10,330,830</b>	<b>\$10,580,604</b>	<b>\$10,377,237</b>

# Emergency Management & Training

The function of Kerrville's Emergency Management and Training Division is to ensure the emergency preparedness of the City in order to maintain safety for all citizens. This division also ensures compliance with all Texas Commission on Fire Protection and Department of State Health Service continuing education requirements.

## Department Responsibilities:

- **Emergency Management:** Responsible for coordination of local planning, preparedness, training, and exercises of the emergency plan for the City of Kerrville
- **Training:** Responsible for coordinating Fire and EMS professional development and continuing education and certification programs for all department personnel

## Department Accomplishments:

- Updated the Hazard Mitigation Action Plan
- Began planning the City's emergency plan to change from Annexes to Emergency Service Functions that will include cyber threats
- Updated Fire Station 3 training ground with a second convex box to allow for realistic structure fires
- Continued meeting with Kerrville Police, County Law Enforcement, and local and surrounding schools to better prevent and respond to active threats
- Engaged with local businesses and citizens throughout the year to aid them in preparedness for potential disaster
- Worked with Kerr County Emergency Management to develop a local Emergency Planning Committee for Kerr, Gillespie, Bandera and Kendall counties

## FY2026 Objectives:

- Continue to meet the needs of our personnel in achieving a career path matrix
- Utilize the Public Safety Facility classroom for internal and external Emergency Management, Fire and EMS training
- Continue improving live fire training program
- Continue to convert emergency plan Annexes to Emergency Services Functions
- Continue to enhance EMS practical training and education programs
- Research feasibility for hosting DSHS certification classes to include a Paramedic program

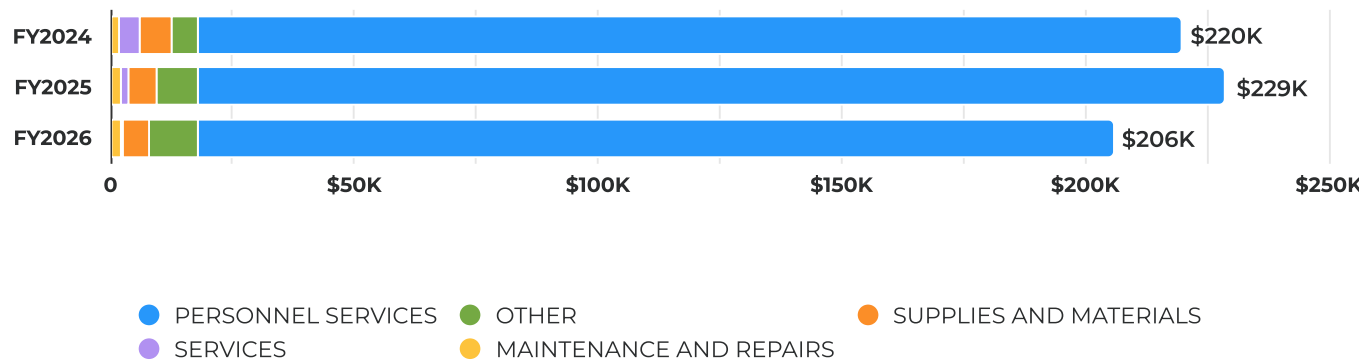


## Budgeted Full-Time Employees (FTE):

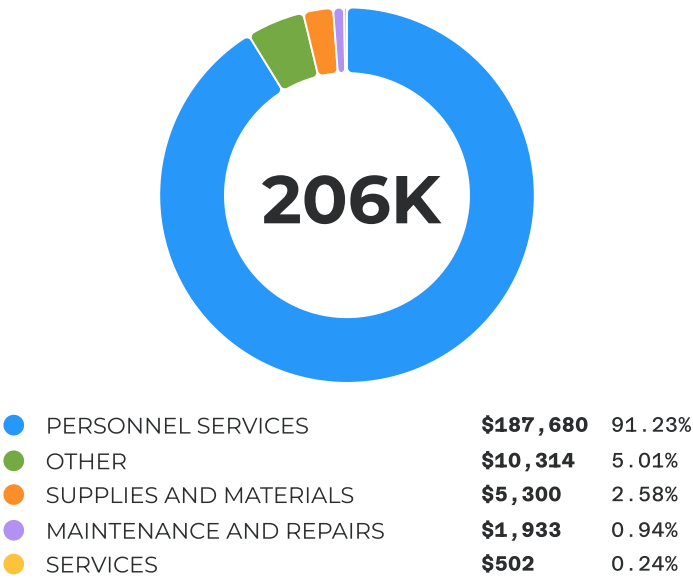
FY2024	FY2025	FY2026
1	1	1



Historical Expenditures by Category



FY2026 Expenditures by Category



**Emergency Management & Training Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$109,206	\$111,785	\$140,464	\$98,774
BENEFITS	\$26,806	\$32,027	\$36,403	\$29,358
TRAVEL AND TRAINING	\$65,717	\$66,936	\$59,836	\$59,549
<b>Total PERSONNEL SERVICES</b>	<b>\$201,730</b>	<b>\$210,749</b>	<b>\$236,703</b>	<b>\$187,680</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	-	-	\$54	-
TOOLS AND EQUIPMENT	\$4,701	\$3,614	\$1,345	\$3,700
CHEMICAL & MEDICAL	-	-	\$10	-
FUEL	\$1,598	\$1,650	\$1,185	\$1,300
WEARING APPAREL	-	\$300	-	\$200
OTHER SUPPLIES	\$347	\$300	\$328	\$100
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$6,646</b>	<b>\$5,864</b>	<b>\$2,923</b>	<b>\$5,300</b>
<b>MAINTENANCE AND REPAIRS</b>				
VEHICLE MAINTENANCE	\$74	\$143	\$955	\$143
TECHNOLOGY MAINTENANCE	\$1,790	\$1,790	\$2,237	\$1,790
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$1,864</b>	<b>\$1,933</b>	<b>\$3,192</b>	<b>\$1,933</b>
<b>SERVICES</b>				
UTILITIES	\$4,051	\$1,750	\$4,233	\$502
<b>Total SERVICES</b>	<b>\$4,051</b>	<b>\$1,750</b>	<b>\$4,233</b>	<b>\$502</b>
<b>OTHER</b>				
OTHER	\$5,293	\$8,500	\$8,239	\$10,314
<b>Total OTHER</b>	<b>\$5,293</b>	<b>\$8,500</b>	<b>\$8,239</b>	<b>\$10,314</b>
<b>Total Expenditures</b>	<b>\$219,584</b>	<b>\$228,795</b>	<b>\$255,289</b>	<b>\$205,729</b>

# Fire Prevention

The Kerrville Fire Prevention Division identifies and eliminates potential fire hazards and reduces the frequency and efforts of fire through education, inspection, code administration, enforcement, plan review, and fire origin/cause investigations.

## Department 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 hosting community programs including fire safety education, school presentations and home visits

## Department Accomplishments:

- Evaluated and implemented new standards, i.e., National Fire Protection Association 1321 standards for investigation units
- Increased fire safety education to over 3,400 members of the community
- Updated all commercial properties with new Record Management Software (RMS)
- Reviewed Fire Codes to identify opportunities for improvement
- Developed an electric vehicle response policy

## FY2026 Objectives:

- Attend the annual conference on Arson/Fire investigations and Code/Plan review
- Implement and continue the entry and updates of all occupants of commercial properties into RMS for pre-fire planning and fire inspection
- Implement the Youth Fire Prevention and Intervention Program within the community
- Earn a Fire Investigation Technician certification through the International Association of Arson Investigators

## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
2	2	1

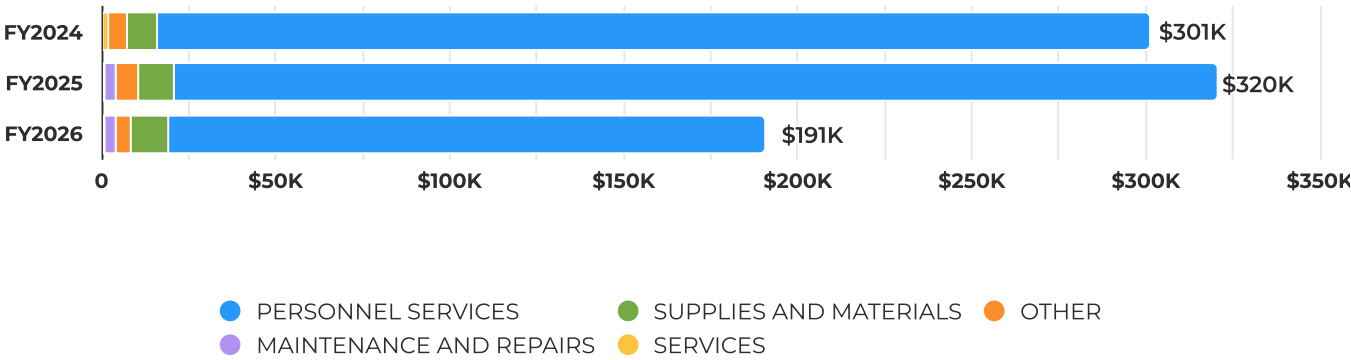


**Kerrville Fire Department Wildland Response Team & 6x6 ATV**

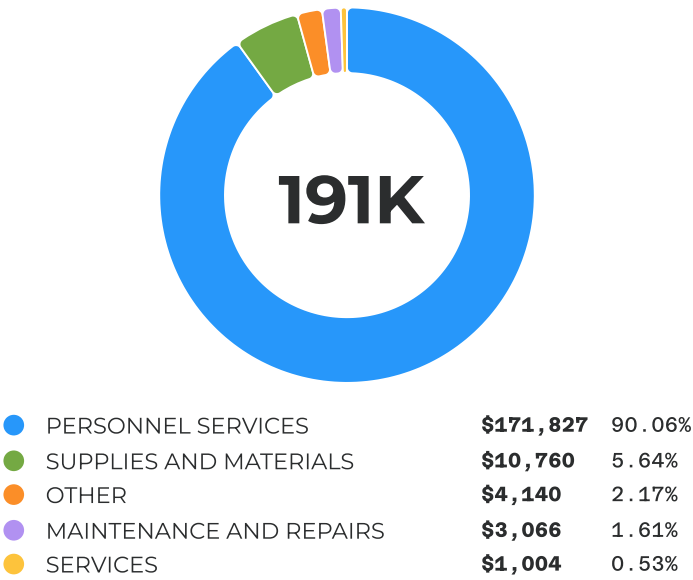
## Did you know?

In Texas, there were 121 reported home fire fatalities in 2024. The national average for all fire casualties was 2.1 deaths and 6.4 injuries per 1,000 fires.

Historical Expenditures by Category



FY2026 Expenditures by Category



## Fire Prevention Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$216,314	\$229,164	\$231,319	\$132,230
BENEFITS	\$64,314	\$65,112	\$64,325	\$36,497
TRAVEL AND TRAINING	\$4,606	\$5,564	\$5,234	\$3,100
<b>Total PERSONNEL SERVICES</b>	<b>\$285,234</b>	<b>\$299,840</b>	<b>\$300,879</b>	<b>\$171,827</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$159	\$50	\$56	-
TOOLS AND EQUIPMENT	\$1,158	\$2,428	\$4,115	\$300
FUEL	\$2,354	\$2,800	\$1,885	\$2,500
WEARING APPAREL	\$610	\$550	\$437	\$3,510
POSTAGE & SHIPPING	-	\$50	\$20	\$50
OTHER SUPPLIES	\$4,208	\$4,380	\$1,531	\$4,400
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$8,490</b>	<b>\$10,258</b>	<b>\$8,044</b>	<b>\$10,760</b>
<b>MAINTENANCE AND REPAIRS</b>				
VEHICLE MAINTENANCE	\$396	\$669	\$318	\$669
TECHNOLOGY MAINTENANCE	-	\$2,397	-	\$2,397
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$396</b>	<b>\$3,066</b>	<b>\$318</b>	<b>\$3,066</b>
<b>SERVICES</b>				
UTILITIES	\$1,694	\$1,004	\$1,725	\$1,004
<b>Total SERVICES</b>	<b>\$1,694</b>	<b>\$1,004</b>	<b>\$1,725</b>	<b>\$1,004</b>
<b>OTHER</b>				
OTHER	\$5,368	\$6,188	\$4,548	\$4,140
<b>Total OTHER</b>	<b>\$5,368</b>	<b>\$6,188</b>	<b>\$4,548</b>	<b>\$4,140</b>
<b>Total Expenditures</b>	<b>\$301,182</b>	<b>\$320,356</b>	<b>\$315,513</b>	<b>\$190,797</b>

# Parks and Recreation

The City of Kerrville Parks and Recreation Division enhances the quality of life for residents and visitors by providing safe, innovative, and diverse parks, facilities, and recreation programs. Whether you are enjoying a day at the river, participating in youth sports, or attending a community event. The Parks and Recreation Division is dedicated to making Kerrville a vibrant place to live, work, play, and visit. In addition to managing parks and recreation facilities, the division is responsible for building and grounds maintenance and janitorial services across all City facilities, ensuring public spaces remain clean, welcoming, and accessible to the community.

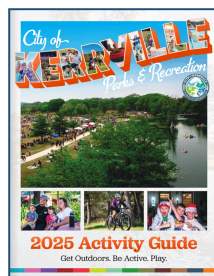
## How Parks and Recreation is Organized

The Parks and Recreation Department is structured into eight divisions, each contributing to the City's mission of providing outstanding recreational opportunities and well-maintained spaces. All divisions report to the Director of Parks and Recreation and collaborate to serve the community year-round.

- Kerrville Schreiner Park: A scenic, 517-acre park along the Guadalupe River offering camping, hiking, paddling, and nature exploration.
- Tennis Complex: Maintains and manages a high-quality tennis facility for leagues, lessons, and public play.
- Aquatics: Oversees the City's olympic pool and offers aquatic programs that promote water safety, fitness, and fun for all ages
- Parks Maintenance: Ensures the safety, cleanliness, and beauty of Kerrville's parks, trails, playgrounds, and green spaces.
- Kerrville Sports Complex: Provides well-maintained facilities for youth and adult sports leagues, tournaments, and community athletic events.
- Recreation: Offers year-round recreation programs and classes for all age groups, promoting wellness, fitness, and lifelong learning.
- Community Events: Organizes and supports community events that bring residents together, such as festivals, concerts, and holiday celebrations.
- Scott Schreiner Golf Course: Operates and maintains the City of Kerrville's 18-hole municipal golf course, providing an enjoyable and accessible experience for golfers of all skill levels.

## The Parks and Recreation Division strives to:

- Promote healthy, active lifestyles for residents of all ages.
- Foster community connections through engaging programs and events.
- Preserve and enhance Kerrville's natural beauty and public spaces.
- Provide accessible, inclusive, and safe facilities for everyone to enjoy.





# Performance Measures

Note: During Fiscal Year 2025, the Scott Schreiner Golf Course was closed for a portion of the year due to course renovations. Additionally, the Olympic Pool was closed for renovations during Fiscal Year 2025. Summer recreation activities were also significantly impacted by the July 4th floods.

Parks & Recreation				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Parks, Open Space, & The River Corridor	Kerrville Sports Complex Baseball/	605	133	300
	Kerrville Sports Complex Soccer League	6,755		
	Special Event Applications	25	9	10
	Swim Lesson Participants	191	-	185
	Pool Attendance	17,552	-	18,000
	Social Media - New Followers (Facebook)	1,703	3,437	1,500
	Park Rentals (Non-Kerrville Schreiner	294	242	200
	Kerrville Tennis Complex - Lessons Taught	270	262	240
	Golf Rounds Played	25,198	8,138	25,000

# Kerrville-Schreiner Park

Kerrville-Schreiner Park (KSP) operates and maintains a 517-acre park that includes 154 overnight facilities, day-use facilities, hiking and biking trails, river access, concessions, and special event venues.

**Department Responsibilities:**

- **Operations and Maintenance:** Responsible for operating and maintaining all Kerrville-Schreiner Park grounds and facilities
- **Customer Service:** Responsible for all Parks and Recreation Department reservations and administrative support

**Department Accomplishments:**

- Continued beautification efforts throughout the park
- Processed 22,739 reservations and permits
- Increased sales of branded merchandise
- Completed waterline replacement project
- Recruited and hired a new full-time Office Clerk and added a new position (part-time Office Clerk)

**FY2026 Objectives:**

- Continuing signage improvement project
- Provide recreation and promotional events for tourists and the local community
- Increase public usage of the park through tourism and marketing efforts
- Continue to identify and invest in park improvements to address aging infrastructure
- Continue to provide excellent customer service



**Budgeted Full-Time Employees (FTE):**

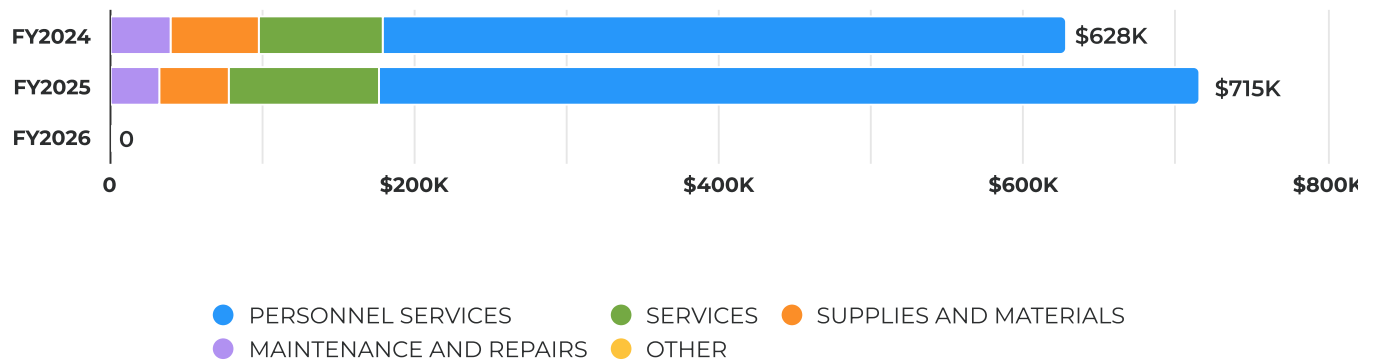
FY2024	FY2025	FY2026
8	8	8

**\*Note: (also seen in "Other Funds")**

**Did you know?**

Crickets chirp faster in hotter weather & slower in colder temperatures. You can estimate the outdoor temperature by counting their chirps.

## Historical Expenditures by Category



## Kerrville Schreiner Park Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$328,369	\$380,630	\$363,801	-
BENEFITS	\$119,965	\$157,265	\$142,526	-
TRAVEL AND TRAINING	\$255	\$350	\$81	-
<b>Total PERSONNEL SERVICES</b>	<b>\$448,590</b>	<b>\$538,245</b>	<b>\$506,408</b>	<b>-</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$5,789	\$4,875	\$3,787	-
TOOLS AND EQUIPMENT	\$21,821	\$12,396	\$10,485	-
CHEMICAL & MEDICAL	\$1,122	\$2,150	\$1,938	-
FUEL	\$9,663	\$9,408	\$7,328	-
WEARING APPAREL	\$5,722	\$2,600	\$2,374	-
OTHER SUPPLIES	\$13,170	\$14,137	\$10,370	-
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$57,287</b>	<b>\$45,566</b>	<b>\$36,282</b>	<b>-</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$19,276	\$14,056	\$6,272	-
VEHICLE MAINTENANCE	\$2,494	\$3,000	\$2,224	-
EQUIPMENT MAINTENANCE	\$8,520	\$4,450	\$8,462	-
TECHNOLOGY MAINTENANCE	\$9,641	\$10,723	\$10,123	-
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$39,931</b>	<b>\$32,229</b>	<b>\$27,081</b>	<b>-</b>
<b>SERVICES</b>				
UTILITIES	\$81,380	\$95,171	\$69,782	-
PROFESSIONAL SERVICES	\$50	\$2,880	\$3,153	-
INSURANCE	\$412	\$500	\$600	-
LEASE / RENT	\$63	\$500	-	-
<b>Total SERVICES</b>	<b>\$81,905</b>	<b>\$99,051</b>	<b>\$73,535</b>	<b>-</b>
<b>OTHER</b>				
OTHER	\$278	\$180	\$63	-
<b>Total OTHER</b>	<b>\$278</b>	<b>\$180</b>	<b>\$63</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$627,991</b>	<b>\$715,270</b>	<b>\$643,369</b>	<b>-</b>

\*Note: Activity for FY2026 for Kerrville Schreiner Park is reflected in the Other Fund section of this document.



# Tennis Center

The Tennis Complex is made up of 14 lighted courts and one practice wall. The Tennis Complex is operated by a contracted tennis professional. This department does not track any responsibilities, accomplishments, or performance measures. The Tennis Complex provides a safe and well-maintained recreation opportunity for the citizens of Kerrville.

## FY2026 Objectives:

### Key Priority Areas: Parks, Open Space & The River Corridor

- Maintain a professional relationship with the contracted tennis professional
- Encourage an active lifestyle to improve the quality of life of Kerrville citizens
- Assist with the marketing efforts of the Tennis Complex
- Increase marketing efforts to attract more tennis players

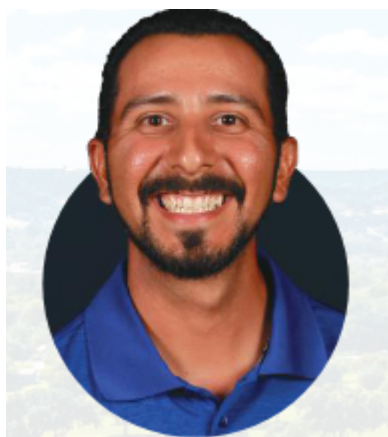


## Did you know?

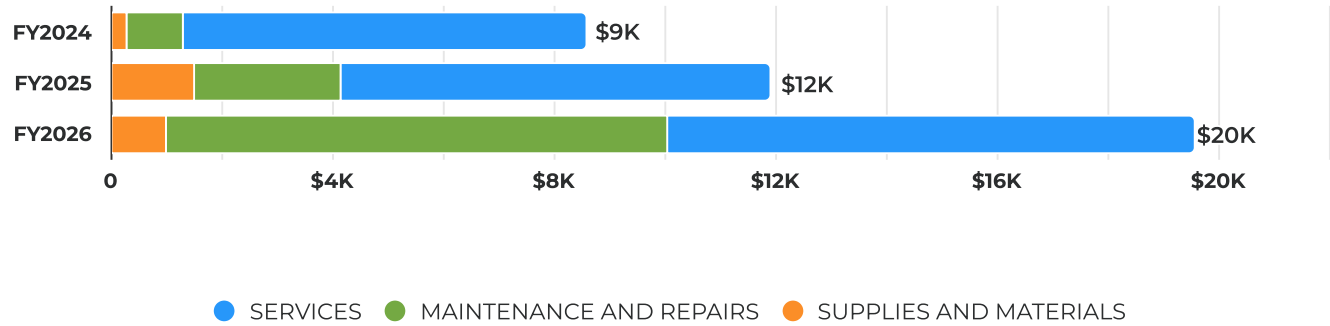
The Kerrville Tennis Complex also has pickleball courts.

Daniel Rubio is the contracted Tennis Professional at the Kerrville Tennis Complex, where he operates the Hill Country Tennis Academy. Daniel offers private lessons, clinics, family fun events, and other programs that help players of all ages and skill levels enjoy and improve their game.

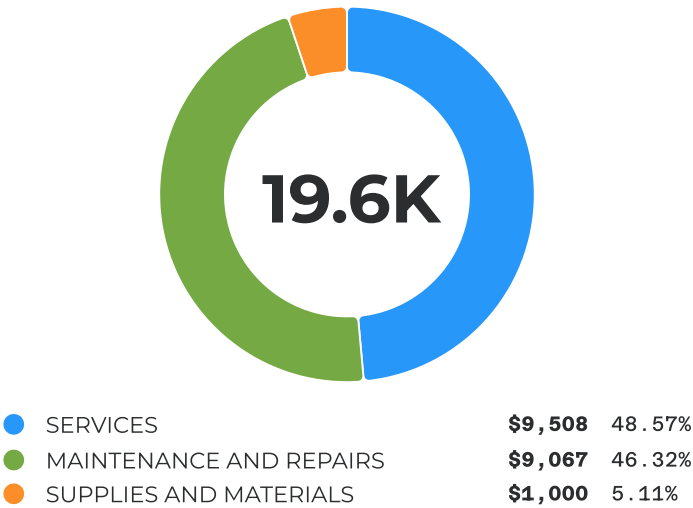
Daniel fell in love with the sport of tennis 16 years ago and has been working as a professional for the past 11 years. Before coming to Kerrville, Daniel was a Facility Manager for the NEISD Blossom Tennis Center in San Antonio. He was also a part of the USTA Junior Committee and San Antonio Tennis Association. Daniel's mission is to use the Hill Country Tennis Academy to cultivate an atmosphere in order to guide individual players, their families, and the Tennis Community as a whole toward building true passion and commitment for this amazing lifetime sport.



Historical Expenditures by Category



FY2026 Expenditures by Category



Tennis Complex Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<strong>SUPPLIES AND MATERIALS</strong>				
TOOLS AND EQUIPMENT	-	\$500	\$12	\$500
OTHER SUPPLIES	\$293	\$1,000	-	\$500
<strong>Total SUPPLIES AND MATERIALS</strong>	\$293	\$1,500	\$12	\$1,000
<strong>MAINTENANCE AND REPAIRS</strong>				
MAINTENANCE--OTHER	\$1,025	\$2,650	\$12,383	\$9,067
EQUIPMENT MAINTENANCE	-	-	\$30	-
<strong>Total MAINTENANCE AND REPAIRS</strong>	\$1,025	\$2,650	\$12,413	\$9,067
<strong>SERVICES</strong>				
UTILITIES	\$7,272	\$7,772	\$6,959	\$9,508
<strong>Total SERVICES</strong>	\$7,272	\$7,772	\$6,959	\$9,508
<strong>Total Expenditures</strong>	<strong>\$8,590</strong>	<strong>\$11,922</strong>	<strong>\$19,384</strong>	<strong>\$19,575</strong>



# Aquatics

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

## Department Responsibilities:

- **Facility Operations:** Responsible for safe operations at the Olympic Pool, Carver Park Sprayground, and the Louise Hays Park Fountain Plaza to ensure all state and federal regulations are met, including lifeguard licensing
- **Programs:** Responsible for structured activities at the Olympic Pool, including lifeguard training, group and private swim lessons, junior lifeguard camp, mermaid class, open swim, lap swim, rentals and events

## FY2026 Objectives:

### Key Priority Areas: Parks, Open Space & The River Corridor

- Complete the Olympic Pool renovation project



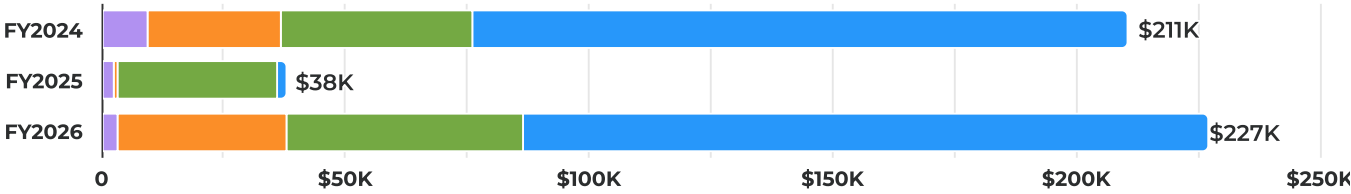
Olympic Pool Renovation Project Renderings



Kerrville Lifeguard Team

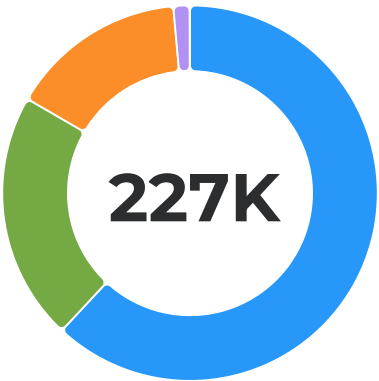


Historical Expenditures by Category



- PERSONNEL SERVICES
- SERVICES
- SUPPLIES AND MATERIALS
- MAINTENANCE AND REPAIRS
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$140,776	61.95%
SERVICES	\$48,667	21.42%
SUPPLIES AND MATERIALS	\$34,577	15.22%
MAINTENANCE AND REPAIRS	\$3,170	1.40%
OTHER	\$45	0.02%

**Aquatics Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$119,913	-	-	\$124,800
BENEFITS	\$9,173	-	-	\$9,547
TRAVEL AND TRAINING	\$5,635	\$2,012	\$439	\$6,429
<b>Total PERSONNEL SERVICES</b>	<b>\$134,722</b>	<b>\$2,012</b>	<b>\$439</b>	<b>\$140,776</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$66	-	-	\$200
TOOLS AND EQUIPMENT	\$3,172	-	\$90	-
CHEMICAL & MEDICAL	\$17,671	-	-	\$26,064
WEARING APPAREL	\$2,831	-	-	\$3,243
OTHER SUPPLIES	\$3,574	\$600	-	\$5,070
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$27,315</b>	<b>\$600</b>	<b>\$90</b>	<b>\$34,577</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$8,938	\$1,700	\$16	\$2,000
EQUIPMENT MAINTENANCE	\$509	\$700	-	\$1,170
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$9,447</b>	<b>\$2,400</b>	<b>\$16</b>	<b>\$3,170</b>
<b>SERVICES</b>				
UTILITIES	\$31,842	\$32,772	\$23,280	\$40,312
PROFESSIONAL SERVICES	\$6,855	-	-	\$6,855
ADVERTISING	\$360	-	-	\$1,500
<b>Total SERVICES</b>	<b>\$39,057</b>	<b>\$32,772</b>	<b>\$23,280</b>	<b>\$48,667</b>
<b>OTHER</b>				
OTHER	\$118	\$120	\$102	\$45
<b>Total OTHER</b>	<b>\$118</b>	<b>\$120</b>	<b>\$102</b>	<b>\$45</b>
<b>Total Expenditures</b>	<b>\$210,659</b>	<b>\$37,904</b>	<b>\$23,927</b>	<b>\$227,235</b>

# Parks and Facilities Maintenance

Parks Maintenance is responsible for grounds and structure maintenance at City parks, custodial, and routine maintenance of City buildings, right-of-way mowing, and other City-owned sites, capital projects, beautification projects, and much more.

**Department 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 routine maintenance of all 38 city buildings and for custodial services for more than 15 City buildings
- **Projects:** Responsible for planning and construction of park renovations

**Department Accomplishments:**

- Installed several commemorative benches within parks
- Increased Public Art in the parks system and City facilities
- Replaced the playgrounds and added shade structures at Guadalupe Park and Kerrville-Schreiner Park
- Continued to develop the wildflower meadows and no-mow zones
- Completed landscaping improvements at the downtown parking garage
- Maintained 24 parks and trails located throughout the city
- Maintained and mowed the City's right-of-ways
- Louise Hays Park received the Texas Recreation and Park Society's Lone Star Legacy Park designation.
- Celebrated the 75th Anniversary of Louise Hays Park

**FY2026 Objectives:**

- Complete quality of life projects for improvements to the Olympic Pool, Scott Schreiner Golf Course, and other general park improvements
- Invest in staff by providing adequate resources for staff and training opportunities
- Continue to maintain quality parks and facilities for the community and visitors

**Budgeted Full-Time Employees (FTE):**

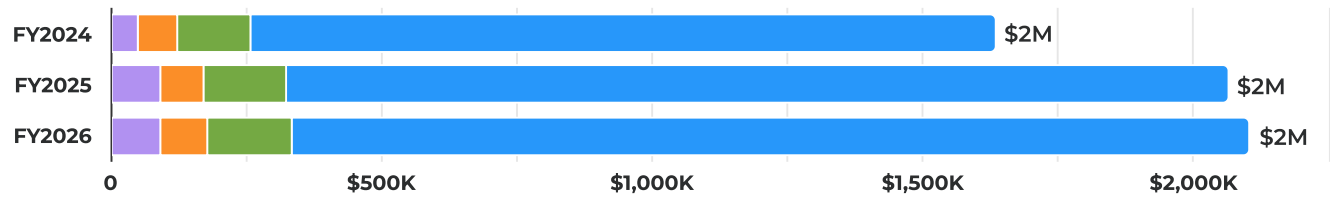
FY2024	FY2025	FY2026
22	23	24

\*Note: The increase in FTE is due to the addition of a janitorial/maintenance position dedicated to the new Kerrville Public Safety Facility.



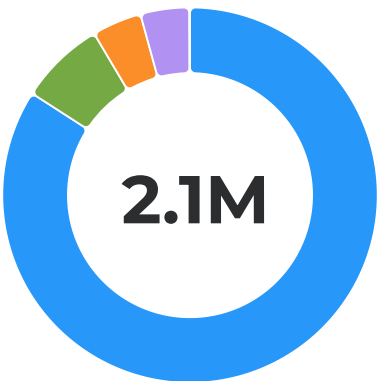
**Ribbon Cutting at the New All-Inclusive Guadalupe Park Playground**

Historical Expenditures by Category



- PERSONNEL SERVICES
- SUPPLIES AND MATERIALS
- SERVICES
- MAINTENANCE AND REPAIRS
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$1,768,733	84.11%
SUPPLIES AND MATERIALS	\$154,839	7.36%
MAINTENANCE AND REPAIRS	\$89,662	4.26%
SERVICES	\$88,602	4.21%
OTHER	\$1,005	0.05%

**Parks and Facilities Maintenance Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$978,488	\$1,236,075	\$1,065,721	\$1,266,494
BENEFITS	\$381,845	\$484,318	\$429,057	\$486,748
TRAVEL AND TRAINING	\$13,718	\$18,945	\$14,103	\$15,490
<b>Total PERSONNEL SERVICES</b>	<b>\$1,374,051</b>	<b>\$1,739,338</b>	<b>\$1,508,881</b>	<b>\$1,768,733</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$1,123	\$1,080	\$300	\$712
TOOLS AND EQUIPMENT	\$38,987	\$31,796	\$33,193	\$30,422
CHEMICAL & MEDICAL	\$9,150	\$18,772	\$7,775	\$20,326
FUEL	\$35,757	\$35,460	\$30,154	\$35,471
WEARING APPAREL	\$5,489	\$11,200	\$5,931	\$11,104
POSTAGE & SHIPPING	\$90	-	-	-
OTHER SUPPLIES	\$44,279	\$55,380	\$40,273	\$56,803
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$134,874</b>	<b>\$153,688</b>	<b>\$117,626</b>	<b>\$154,839</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$30,684	\$66,346	\$36,432	\$65,750
VEHICLE MAINTENANCE	\$11,016	\$11,812	\$15,485	\$12,042
EQUIPMENT MAINTENANCE	\$9,203	\$12,120	\$7,303	\$11,870
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$50,903</b>	<b>\$90,278</b>	<b>\$59,220</b>	<b>\$89,662</b>
<b>SERVICES</b>				
UTILITIES	\$71,960	\$78,307	\$77,489	\$87,962
PROFESSIONAL SERVICES	\$277	\$140	\$73	\$140
LEASE / RENT	-	\$500	\$317	\$500
<b>Total SERVICES</b>	<b>\$72,236</b>	<b>\$78,947</b>	<b>\$77,879</b>	<b>\$88,602</b>
<b>OTHER</b>				
OTHER	\$987	\$1,064	\$271	\$1,005
<b>Total OTHER</b>	<b>\$987</b>	<b>\$1,064</b>	<b>\$271</b>	<b>\$1,005</b>
<b>Total Expenditures</b>	<b>\$1,633,052</b>	<b>\$2,063,315</b>	<b>\$1,763,876</b>	<b>\$2,102,840</b>

# Sports Complex

The Kerrville Sports Complex provides quality baseball, softball, and soccer practice, game, and tournament facilities for local and regional athletes, supporting the community's recreational and competitive sports needs while contributing to local tourism and economic development.

## Department Responsibilities:

- **Maintenance:** Responsible for all athletic turf maintenance and management, field marking, sports equipment maintenance, and building and grounds maintenance for the 104-acre Kerrville Sports Complex and Loop 534 Fields
- **Operations:** Manages field rentals, use agreements, D-BAT tenant coordination, and facilitates local sports leagues and regional tournaments

## Department Accomplishments:

- Maintained 11 baseball and softball fields
- Maintained 18 soccer fields and four off-site multi-purpose fields
- Facilitated two local youth soccer leagues and served as the home field for a local high school's soccer program
- Hosted one local youth baseball/softball league, as well as a year-round co-ed softball and senior softball leagues

## FY2026 Objectives:

- Continue to maintain fields and facilities to the highest standards
- Facilitate local youth and adult leagues for baseball, softball, and soccer to encourage community participation in recreational sports
- Attract and host additional regional and state-level tournaments to increase facility utilization and support local economic activity

## Did you know?

The Kerrville Sports Complex spans 104 acres that's about 79 football fields! Each year, hundreds of local athletes and families enjoy practices, games, and tournaments here, making it a place where lifelong memories and friendships are made.

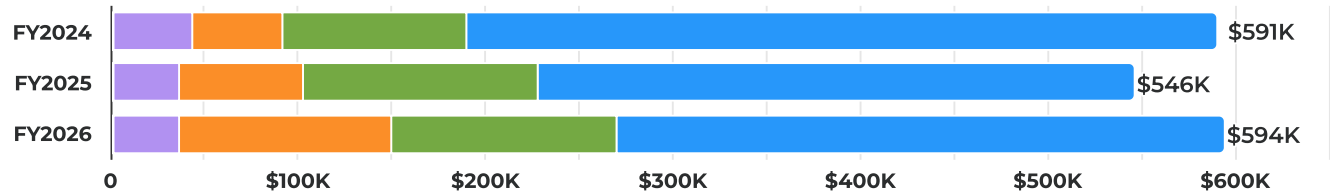
## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
6	5	5



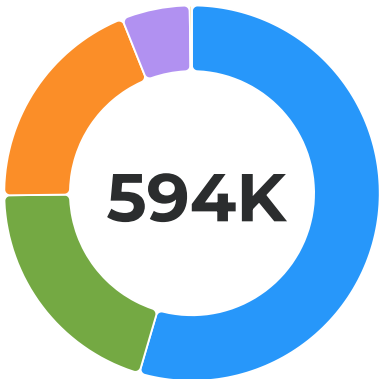


Historical Expenditures by Category



- PERSONNEL SERVICES
- SUPPLIES AND MATERIALS
- SERVICES
- MAINTENANCE AND REPAIRS
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$324,051	54.54%
SUPPLIES AND MATERIALS	\$120,472	20.28%
SERVICES	\$113,555	19.11%
MAINTENANCE AND REPAIRS	\$34,962	5.88%
OTHER	\$1,145	0.19%



**Kerrville Sports Complex Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$284,232	\$222,086	\$207,630	\$226,030
BENEFITS	\$112,073	\$96,474	\$93,650	\$97,621
TRAVEL AND TRAINING	\$5,247	\$200	\$687	\$400
<b>Total PERSONNEL SERVICES</b>	<b>\$401,553</b>	<b>\$318,760</b>	<b>\$301,967</b>	<b>\$324,051</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$294	\$339	\$15	\$295
TOOLS AND EQUIPMENT	\$6,371	\$6,050	\$5,471	\$5,675
CHEMICAL & MEDICAL	\$36,858	\$52,300	\$49,180	\$52,010
FUEL	\$6,535	\$8,820	\$6,492	\$7,025
WEARING APPAREL	\$3,429	\$2,100	\$1,608	\$1,922
POSTAGE & SHIPPING	-	-	\$25	-
OTHER SUPPLIES	\$44,249	\$55,175	\$18,165	\$53,545
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$97,738</b>	<b>\$124,784</b>	<b>\$80,955</b>	<b>\$120,472</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$15,529	\$13,480	\$12,645	\$13,105
VEHICLE MAINTENANCE	\$155	\$687	\$428	\$687
EQUIPMENT MAINTENANCE	\$26,217	\$21,160	\$17,496	\$21,170
STREET MAINTENANCE	-	-	-	-
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$41,901</b>	<b>\$35,327</b>	<b>\$30,569</b>	<b>\$34,962</b>
<b>SERVICES</b>				
UTILITIES	\$46,952	\$64,468	\$54,630	\$112,155
PROFESSIONAL SERVICES	\$1,306	\$1,400	\$1,638	\$1,400
ADVERTISING	-	-	\$480	-
<b>Total SERVICES</b>	<b>\$48,258</b>	<b>\$65,868</b>	<b>\$56,749</b>	<b>\$113,555</b>
<b>OTHER</b>				
OTHER	\$1,427	\$1,380	\$1,148	\$1,145
<b>Total OTHER</b>	<b>\$1,427</b>	<b>\$1,380</b>	<b>\$1,148</b>	<b>\$1,145</b>
<b>Total Expenditures</b>	<b>\$590,877</b>	<b>\$546,119</b>	<b>\$471,387</b>	<b>\$594,185</b>

# Recreation

Recreation provides community-based programming for youth and adults, including sports leagues and special events.

**Department Responsibilities:**

- **Programs:** Responsible for creating and operating recreational programs such as sports leagues (soccer, flag football, and kickball), tournaments, and more.
- **Special Events:** Responsible for planning community-wide special events throughout the year, such as the Someone Special Dance, Kids Triathlon, Running Home for the Holidays 5K, and more.

**Department Accomplishments:**

- Recreation Coordinator obtained a Bachelor's Degree
- Enhanced marketing and social media presence
- Implemented Someone Special Dance, a combined family dance, for the first time
- Hosted Disc Golf and Basketball Tournament
- Hosted the annual Kids Triathlon
- In FY2024, hosted three adult sports leagues: Soccer (two seasons); Kickball (one season)

**FY2026 Objectives:**

- Ensure the continued success of events by providing adequate resources, staffing levels, and training opportunities
- Provide quality programming and special events for citizens of all ages and areas of interest
- Increase marketing opportunities to improve participation in special events and sports leagues
- Create awareness of the park system and programming
- Encourage an active lifestyle to improve the quality of life in Kerrville
- Continue to improve and add additional events and programming to bring the community together

**Did you know?**

The Kerrville Parks and Recreation department consistently has over 380 adult athletes in City sports leagues and tournaments each year.



**ADULT SOCCER LEAGUE**

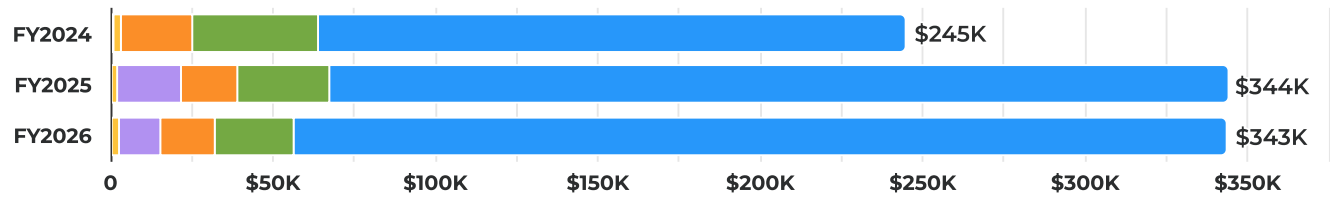
SUMMER SOCCER	AGE 16+ UNDER 18 MUST HAVE SIGNED PARENT WAIVER	WINTER SOCCER
STARTS: JUNE 15, 2025		STARTS: JAN. 10, 2026
DEADLINE: MAY 23, 2025	<b>\$350</b> PER TEAM	DEADLINE: DEC. 19, 2025

Register online, over the phone, or in person with the  
Parks and Recreation Office.  
(830) 257-7300 | WWW.KERRVILLETX.GOV | RECREATION@KERRVILLETX.GOV

**Budgeted Full-Time Employees (FTE):**

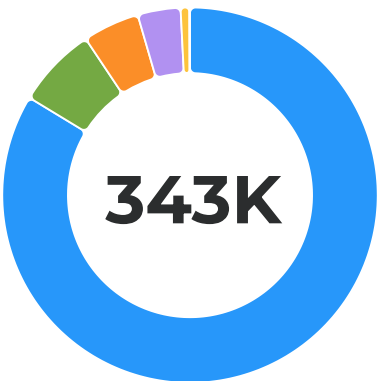
FY2024	FY2025	FY2026
2	3	3

Historical Expenditures by Category



- PERSONNEL SERVICES
- SERVICES
- SUPPLIES AND MATERIALS
- COMMUNITY EVENTS
- OTHER
- MAINTENANCE AND REPAIRS

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$287,330	83.67%
SERVICES	\$23,907	6.96%
SUPPLIES AND MATERIALS	\$16,711	4.87%
COMMUNITY EVENTS	\$12,675	3.69%
OTHER	\$2,569	0.75%
MAINTENANCE AND REPAIRS	\$204	0.06%

## Recreation Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$135,131	\$201,253	\$186,120	\$204,664
BENEFITS	\$43,539	\$70,737	\$63,712	\$74,955
TRAVEL AND TRAINING	\$2,199	\$4,600	\$6,937	\$7,710
<b>Total PERSONNEL SERVICES</b>	<b>\$180,869</b>	<b>\$276,590</b>	<b>\$256,769</b>	<b>\$287,330</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$1,106	\$558	\$615	\$550
TOOLS AND EQUIPMENT	\$5,414	\$1,555	\$3,613	\$1,540
FUEL	\$1,060	\$1,058	\$787	\$936
WEARING APPAREL	\$145	\$500	\$110	\$500
POSTAGE & SHIPPING	\$6,078	\$6,100	\$4,136	\$5,500
OTHER SUPPLIES	\$8,115	\$7,769	\$3,428	\$7,685
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$21,918</b>	<b>\$17,540</b>	<b>\$12,688</b>	<b>\$16,711</b>
<b>MAINTENANCE AND REPAIRS</b>				
VEHICLE MAINTENANCE	\$888	\$194	\$978	\$204
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$888</b>	<b>\$194</b>	<b>\$978</b>	<b>\$204</b>
<b>SERVICES</b>				
UTILITIES	\$714	\$1,507	\$1,020	\$1,507
PROFESSIONAL SERVICES	\$24,106	\$9,845	\$4,195	\$7,575
INSURANCE	\$200	\$200	\$300	\$300
ADVERTISING	\$12,519	\$16,625	\$15,496	\$14,525
LEASE / RENT	\$1,170	-	-	-
<b>Total SERVICES</b>	<b>\$38,709</b>	<b>\$28,177</b>	<b>\$21,011</b>	<b>\$23,907</b>
<b>OTHER</b>				
OTHER	\$2,195	\$1,952	\$2,411	\$2,569
<b>Total OTHER</b>	<b>\$2,195</b>	<b>\$1,952</b>	<b>\$2,411</b>	<b>\$2,569</b>
<b>COMMUNITY EVENTS</b>				
COMMUNITY EVENTS	-	\$19,490	\$13,051	\$12,675
<b>Total COMMUNITY EVENTS</b>	<b>-</b>	<b>\$19,490</b>	<b>\$13,051</b>	<b>\$12,675</b>
<b>Total Expenditures</b>	<b>\$244,578</b>	<b>\$343,942</b>	<b>\$306,908</b>	<b>\$343,395</b>

# Community Events

The Community Events division, part of the Parks and Recreation Department, plans, coordinates, and hosts family-friendly events that bring residents and visitors together to celebrate Kerrville's culture, traditions, and community spirit. These events support local businesses, promote tourism, and enhance the quality of life in Kerrville.

**Department Responsibilities:**

- Plan, organize, and execute seasonal festivals, concerts, and special events
- Coordinate vendor participation, sponsorships, volunteers, and logistics for events
- Partner with community organizations to expand programming and increase accessibility
- Promote events to encourage community participation and regional tourism

**Key Events Hosted:**

- Movies in the Park: Free family movie nights under the stars in Kerrville parks
- Holiday Lighted Parade and Downtown Lighting: A festive kickoff to the holiday season in downtown Kerrville
- Concerts by the River: Free live music events featuring a variety of performers and genres
- Community Day at Kerrville Schreiner Park: A family-friendly event offering free park entry, outdoor games, guided nature activities, and local vendor booths to encourage residents to explore and enjoy Kerrville-Schreiner Park

**Department Accomplishments:**

- Increased marketing and social media presence, building engagement on the City of Kerrville Parks and Recreation Department's Instagram and Facebook pages
- Successfully hosted the Louise Hays Park 75th Anniversary Celebration, commemorating the park's history with family-friendly activities and community engagement
- Hosted over 30 free community events, providing accessible recreation and entertainment opportunities for Kerrville residents and visitors

**FY2026 Objectives:**

- Add new family-friendly events while maintaining high-quality delivery of existing signature events
- Continue to grow social media engagement and utilize multiple platforms to increase awareness and participation in community events
- Collaborate with local organizations, schools, and businesses to enhance event offerings and sponsorship opportunities
- Implement strategies to boost participation, including targeted marketing and community feedback integration
- Ensure all community events are welcoming, inclusive, and safe for all attendees

**Budgeted Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
1	1	1

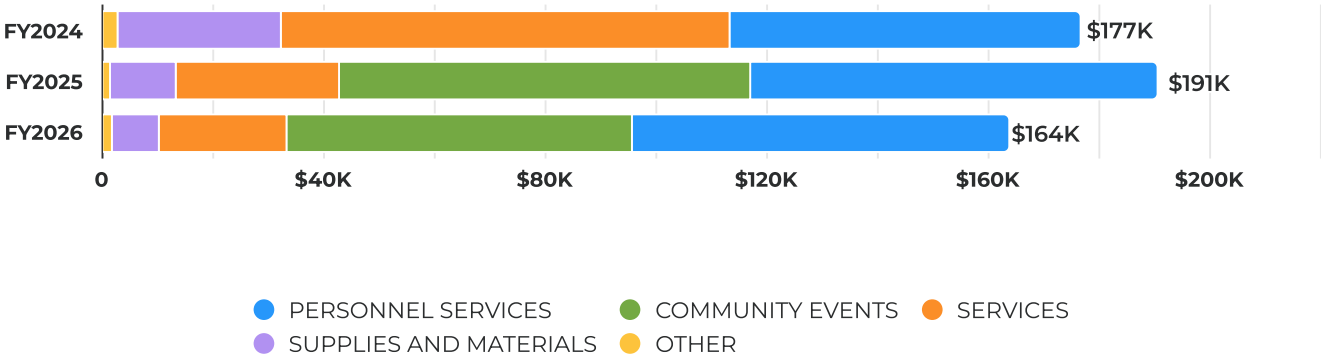
**Did you know?**

The Louise Hays Park 75th Anniversary Celebration brought together hundreds of residents for a day of music, games, and history, celebrating one of Kerrville's most beloved parks!

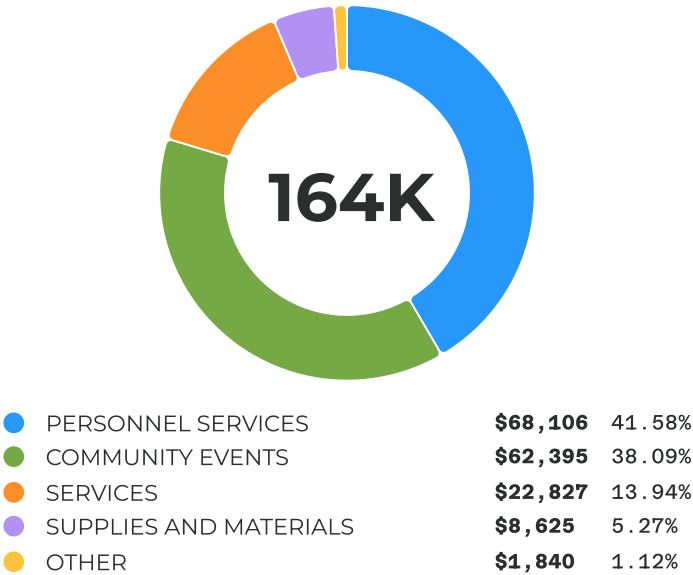




Historical Expenditures by Category



FY2026 Expenditures by Category



## Recreation Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$45,576	\$50,700	\$38,602	\$50,813
BENEFITS	\$15,401	\$20,482	\$12,887	\$15,478
TRAVEL AND TRAINING	\$2,554	\$2,450	\$949	\$1,815
<b>Total PERSONNEL SERVICES</b>	<b>\$63,532</b>	<b>\$73,632</b>	<b>\$52,439</b>	<b>\$68,106</b>
<b>SUPPLIES AND MATERIALS</b>				
TOOLS AND EQUIPMENT	-	-	\$329	-
WEARING APPAREL	\$203	\$300	\$55	\$300
OTHER SUPPLIES	\$29,219	\$11,565	\$4,759	\$8,325
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$29,422</b>	<b>\$11,865</b>	<b>\$5,143</b>	<b>\$8,625</b>
<b>SERVICES</b>				
UTILITIES	\$316	\$502	\$456	\$502
PROFESSIONAL SERVICES	\$42,189	\$23,000	\$36,190	\$19,000
INSURANCE	\$100	\$100	\$200	\$100
ADVERTISING	\$3,778	\$3,325	\$86	\$1,625
LEASE / RENT	\$34,614	\$2,400	\$1,656	\$1,600
<b>Total SERVICES</b>	<b>\$80,997</b>	<b>\$29,327</b>	<b>\$38,588</b>	<b>\$22,827</b>
<b>OTHER</b>				
OTHER	\$2,991	\$1,614	\$1,277	\$1,840
<b>Total OTHER</b>	<b>\$2,991</b>	<b>\$1,614</b>	<b>\$1,277</b>	<b>\$1,840</b>
<b>COMMUNITY EVENTS</b>				
COMMUNITY EVENTS	-	\$74,250	\$62,254	\$62,395
<b>Total COMMUNITY EVENTS</b>	<b>-</b>	<b>\$74,250</b>	<b>\$62,254</b>	<b>\$62,395</b>
<b>Total Expenditures</b>	<b>\$176,942</b>	<b>\$190,689</b>	<b>\$159,701</b>	<b>\$163,793</b>

# Scott Schreiner Golf Course

The Scott Schreiner Golf Course operates as a division of the Parks and Recreation Department, offering residents and visitors of Kerrville an exceptional golfing experience characterized by outstanding customer service and meticulously maintained course conditions. Beginning in FY2026, the Golf Course will transition out of the General Fund and function as its own independent enterprise fund. This new financial structure enables the Golf Course to generate and manage its own revenues and expenses, promoting sustainable operations. This change supports the continued delivery of high-quality recreational opportunities to the community and enhances the course's ability to serve golfers both locally and from beyond the region.

**Department Responsibilities:**

- **Course Operation and Administration:** Responsible for the daily operation and administration of the golf course, including scheduling, tournament administration, capital improvements, lease management, marketing, and financial management
- **Pro Shop:** Responsible for providing excellent service to players and operating a well-stocked pro-shop that provides desired inventory at a competitive price
- **Course Maintenance:** Responsible for maintaining excellent course conditions that meet the United States Golf Association specifications using sustainable recommended turf management techniques and industry-standard practices

**Department Accomplishments:**

- Completed renovations of the golf course greens, cart paths, bridges, and facilities
- Installed irrigation in the rough areas of the course
- Updated the irrigation software system

**FY2026 Objectives:**

- Focus on providing a welcoming and enjoyable environment for players of all skill levels, emphasizing customer service and hospitality
- Preserve the investment in renovations by prioritizing consistent maintenance and care of the course, landscaping, and facilities
- Promote the golf course as a community asset by encouraging local use, hosting community events, and providing opportunities for residents to enjoy the course

**Budgeted Full-Time Employees (FTE):**

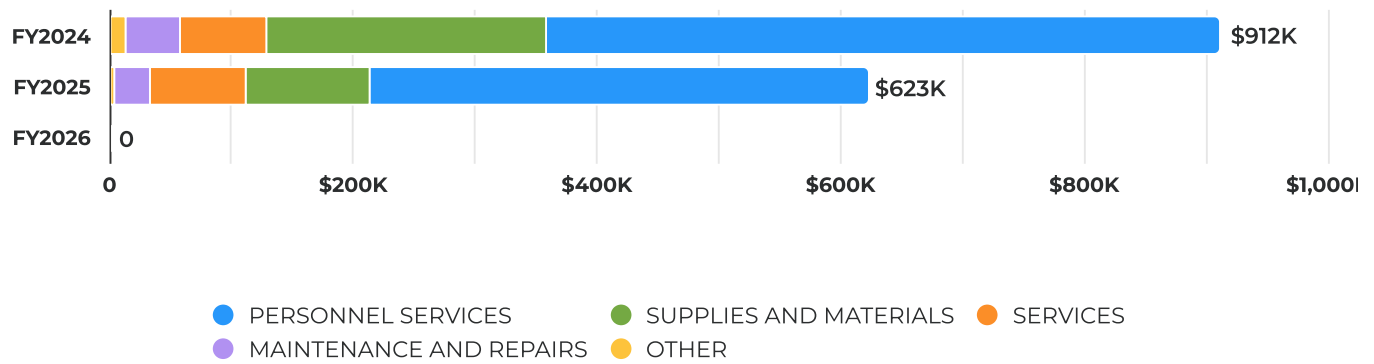
FY2024	FY2025	FY2026
6.5	7	11

\*Note: In order to maintain the conditions of the newly renovated course, 3 new maintenance staff members were added, and 1 part-time position was moved to full-time.

\*Note: Activity for FY2026 for Kerrville Schreiner Park is reflected in the Other Fund section of this document.



## Historical Expenditures by Category



## Scott Schreiner Golf Course Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$422,254	\$285,222	\$261,047	-
BENEFITS	\$125,924	\$121,769	\$65,862	-
TRAVEL AND TRAINING	\$6,141	\$2,420	\$956	-
<b>Total PERSONNEL SERVICES</b>	<b>\$554,318</b>	<b>\$409,411</b>	<b>\$327,865</b>	<b>-</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$607	\$1,000	\$647	-
TOOLS AND EQUIPMENT	\$7,455	\$7,400	\$7,289	-
CHEMICAL & MEDICAL	\$29,695	\$11,781	\$19,236	-
FUEL	\$11,100	\$9,590	\$11,178	-
WEARING APPAREL	\$2,171	\$2,200	\$1,617	-
POSTAGE & SHIPPING	\$44	-	\$15	-
COST OF GOODS SOLD	\$160,467	\$56,202	\$66,066	-
OTHER SUPPLIES	\$17,918	\$14,074	\$10,141	-
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$229,457</b>	<b>\$102,247</b>	<b>\$116,190</b>	<b>-</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$11,830	\$3,400	\$5,792	-
VEHICLE MAINTENANCE	\$508	\$279	\$6,807	-
EQUIPMENT MAINTENANCE	\$32,681	\$25,900	\$31,952	-
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$45,019</b>	<b>\$29,579</b>	<b>\$44,550</b>	<b>-</b>
<b>SERVICES</b>				
UTILITIES	\$68,542	\$76,717	\$80,273	-
PROFESSIONAL SERVICES	\$1,874	\$1,040	\$200	-
INSURANCE	\$100	\$600	\$100	-
ADVERTISING	-	-	\$120	-
LEASE / RENT	-	-	\$845	-
<b>Total SERVICES</b>	<b>\$70,516</b>	<b>\$78,357</b>	<b>\$81,538</b>	<b>-</b>
<b>OTHER</b>				
OTHER	\$12,598	\$3,815	\$3,034	-
<b>Total OTHER</b>	<b>\$12,598</b>	<b>\$3,815</b>	<b>\$3,034</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$911,908</b>	<b>\$623,409</b>	<b>\$573,177</b>	<b>-</b>

# Engineering

Engineering provides reliable and accurate services to support the safe, efficient, and cost-effective development of public infrastructure tied to both private and public capital improvement projects. The division offers expert guidance and oversight through all phases of planning, design, and construction to ensure successful project delivery.

**Department Responsibilities:**

- **Design Services:** Provide in-house review of civil construction plans, details, and specifications for various capital projects
- **Capital Projects Management:** Oversee the Capital Projects Program, including design, inspection, and contract management for the City’s Community Investment Plan
- **Development Services:** Review private development plans involving public infrastructure to ensure compliance with City standards
- **Floodplain Administration:** Responsible for managing development in order to mitigate hazards within floodplain areas located in the City limits

**Department Accomplishments:**

- Successfully completed the force main sewer segment of the Knapp Road force main and gravity main sewer line replacement project, meeting all design and regulatory requirements
- Managed and inspected the Public Safety Facility project, ensuring quality standards and timelines
- Managed and inspected the AC Schreiner House project
- Managed and inspected the Schreiner Golf Course Improvements Project

**FY2026 Objectives:**

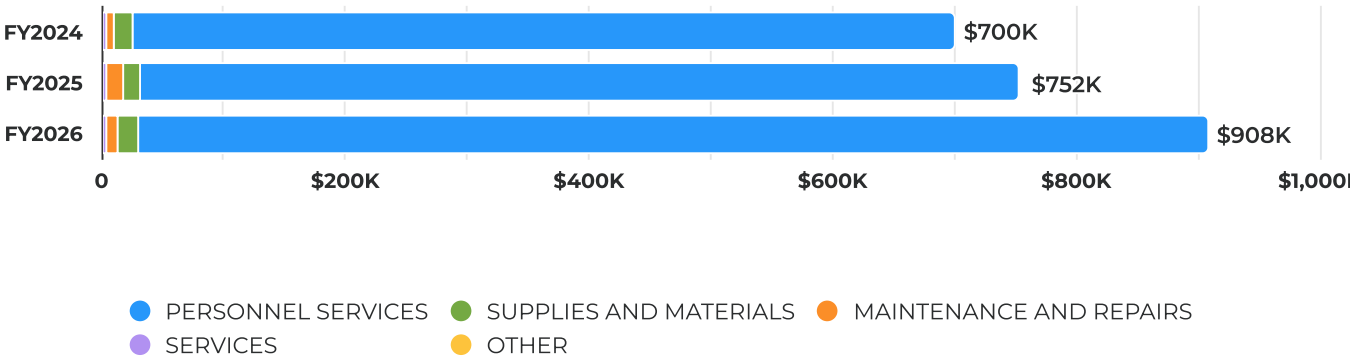
- Provide thorough fiscal oversight of capital project budgets to ensure resources are used efficiently and responsibly
- Update and refine policies and procedures for development design specifications to keep them current and practical
- Improve communication processes between citizens, consultants, and staff to better support and streamline City and private development projects
- Oversee the completion of the Olympic Pool renovation project

**Budgeted Full-Time Employees (FTE):**

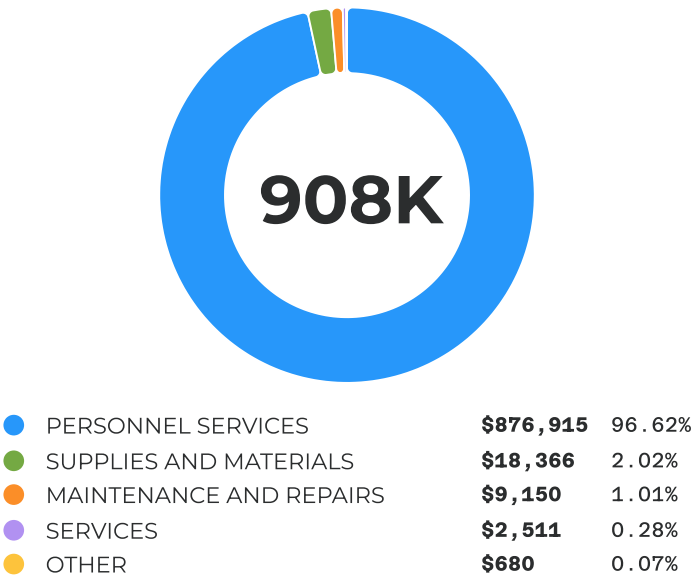
FY2024	FY2025	FY2026
6	6	7



Historical Expenditures by Category



FY2026 Expenditures by Category





## Engineering Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$492,566	\$539,693	\$570,880	\$633,539
BENEFITS	\$178,679	\$167,402	\$194,985	\$231,720
TRAVEL AND TRAINING	\$2,939	\$13,056	\$7,187	\$11,656
<b>Total PERSONNEL SERVICES</b>	<b>\$674,184</b>	<b>\$720,151</b>	<b>\$773,052</b>	<b>\$876,915</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$1,257	\$1,200	\$1,901	\$1,970
TOOLS AND EQUIPMENT	\$6,578	\$5,300	\$2,827	\$8,096
FUEL	\$4,351	\$4,600	\$4,206	\$4,600
WEARING APPAREL	\$3,383	\$3,450	\$2,947	\$3,450
OTHER SUPPLIES	\$653	\$250	\$221	\$250
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$16,222</b>	<b>\$14,800</b>	<b>\$12,102</b>	<b>\$18,366</b>
<b>MAINTENANCE AND REPAIRS</b>				
VEHICLE MAINTENANCE	\$2,815	\$950	\$5,807	\$950
TECHNOLOGY MAINTENANCE	\$2,959	\$13,200	\$7,873	\$8,200
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$5,773</b>	<b>\$14,150</b>	<b>\$13,680</b>	<b>\$9,150</b>
<b>SERVICES</b>				
UTILITIES	\$3,119	\$2,511	\$3,306	\$2,511
PROFESSIONAL SERVICES	-	-	\$219	-
<b>Total SERVICES</b>	<b>\$3,119</b>	<b>\$2,511</b>	<b>\$3,525</b>	<b>\$2,511</b>
<b>OTHER</b>				
OTHER	\$696	\$680	\$311	\$680
<b>Total OTHER</b>	<b>\$696</b>	<b>\$680</b>	<b>\$311</b>	<b>\$680</b>
<b>Total Expenditures</b>	<b>\$699,994</b>	<b>\$752,292</b>	<b>\$802,670</b>	<b>\$907,622</b>

# Performance Measures

Engineering				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Parks, Open Space, & The River Corridor / Public Facilities & Services	% of capital project plans reviewed in 21 days or less	100%	100%	100%
	% of private development plans reviewed in 21 days or less	97%	97%	100%
	% of floodplain applications processed in 10 days or less	100%	100%	100%
	% of fireflow applications processed in 10 days or less	100%	100%	100%
	# of reviews completed	46	33	30
	Staff training hours	30	57	45
	Fireflow applications received	33	28	20
	Floodplain applications received	6	17	15
	Capital improvement project plans received	20	9	10
	Private development plans received	26	24	10

# Streets

The Streets Department provides efficient and economical services to the citizens through a proactive pavement management program and multiple drainage improvements. Maintain a comprehensive plan for traffic safety signs and right-of-way maintenance.

**Department Responsibilities:**

- **Streets / Right-of-way:** Responsible for street and right-of-way maintenance and drainage, including herbicide, street sweeping, alley repair, sight obstruction removal, tree trimming, and bridge maintenance and repair
- **Traffic/Street Lighting:** Responsible for the installation, maintenance, inspection, repairing signals, school flashers, pavement markings, and LED traffic signs. Additional responsibilities include collecting traffic data, sign fabrication, and managing requests for streetlight installation and repair. Streetlights are operated and maintained by Kerrville Public Utility Board (KPUB) but paid for from the Street Budget
- **Paving:** Responsible for all pavement rehabilitation including crack seal, pothole repair, utility cut repair, milling, overlay, slurry seal prep, and reconstruction

**Department Accomplishments:**

- Helped keep roads and bridges safe to travel around the clock during the January 2025 Winter Storm
- Fulfilled year two of maintenance projects outlined in the Roadway Asset Services Pavement Master Plan
- Improved low water crossings at three locations by installing LED high water flashing devices

**FY2026 Objectives:**

- Manage allocated funding to ensure that services are provided in a cost-effective manner
- Assist with public safety efforts by improving pavement markings, damaged roadways, and maintaining visibility for drivers
- Maintain a healthy, positive relationship with the public
- Share information with citizens regarding road and drainage repair
- Assist in completion of the Kerrville 2050 projects
- Utilize in-house expertise and strategic outsourcing to maximize project delivery

**Did you know?**

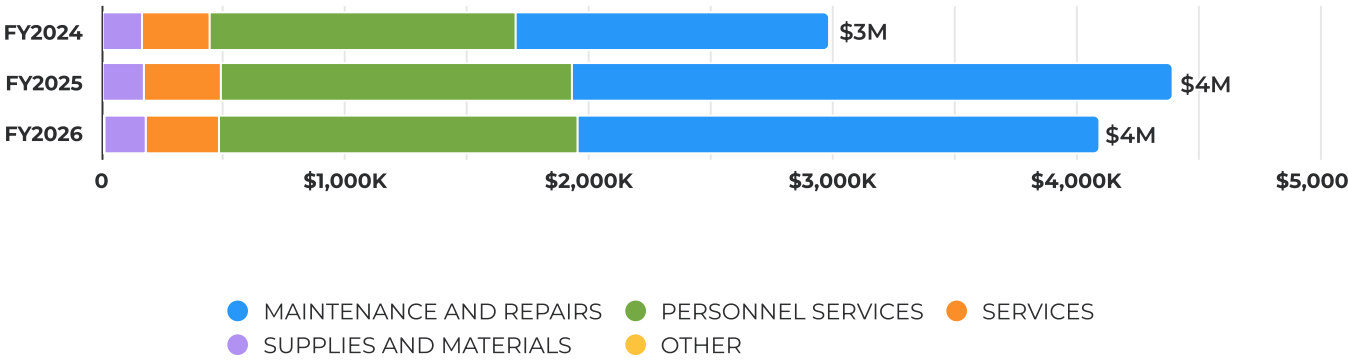
The Streets department is responsible for over 1,000 traffic signs.

**Budgeted Full-Time Employees (FTE):**

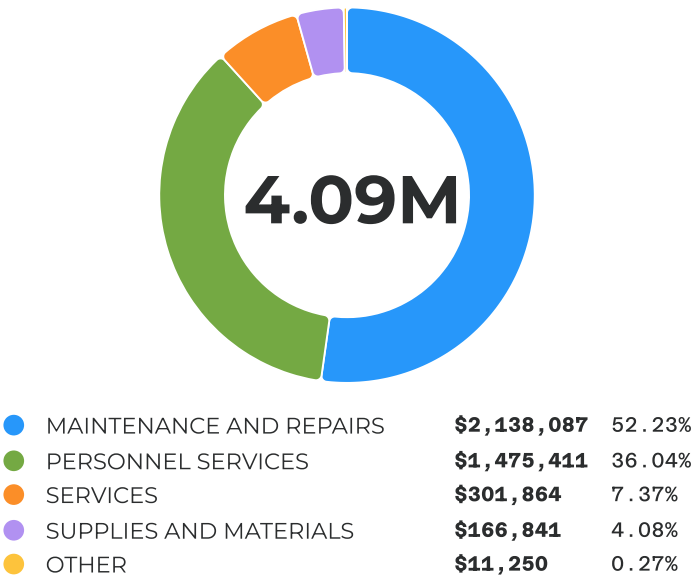
FY2024	FY2025	FY2026
18	18	18



Historical Expenditures by Category



FY2026 Expenditures by Category



## Streets Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$903,985	\$1,045,400	\$1,037,611	\$1,045,002
BENEFITS	\$345,033	\$393,781	\$404,972	\$426,170
TRAVEL AND TRAINING	\$3,258	\$4,735	\$6,125	\$4,240
<b>Total PERSONNEL SERVICES</b>	<b>\$1,252,275</b>	<b>\$1,443,915</b>	<b>\$1,448,709</b>	<b>\$1,475,411</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$1,431	\$1,270	\$1,146	\$1,140
TOOLS AND EQUIPMENT	\$38,528	\$40,300	\$25,162	\$34,600
CHEMICAL & MEDICAL	\$1,129	\$4,280	\$928	\$3,700
FUEL	\$50,225	\$48,880	\$45,330	\$50,858
WEARING APPAREL	\$16,337	\$16,860	\$20,538	\$20,705
POSTAGE & SHIPPING	\$492	\$50	-	\$50
OTHER SUPPLIES	\$61,035	\$64,600	\$72,131	\$55,788
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$169,175</b>	<b>\$176,240</b>	<b>\$165,236</b>	<b>\$166,841</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$7,813	\$5,000	\$11,579	\$5,000
VEHICLE MAINTENANCE	\$28,759	\$25,100	\$60,282	\$31,800
EQUIPMENT MAINTENANCE	\$69,386	\$67,178	\$72,472	\$61,178
TECHNOLOGY MAINTENANCE	\$19,229	\$16,000	-	\$8,400
STREET MAINTENANCE	\$1,164,154	\$2,351,735	\$1,755,096	\$2,031,709
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$1,289,341</b>	<b>\$2,465,013</b>	<b>\$1,899,429</b>	<b>\$2,138,087</b>
<b>SERVICES</b>				
UTILITIES	\$256,636	\$277,064	\$261,319	\$276,664
PROFESSIONAL SERVICES	\$9,948	\$20,200	\$146	\$20,200
LEASE / RENT	\$10,292	\$13,400	\$18,735	\$5,000
<b>Total SERVICES</b>	<b>\$276,875</b>	<b>\$310,664</b>	<b>\$280,200</b>	<b>\$301,864</b>
<b>OTHER</b>				
OTHER	\$43	\$250	\$27	\$11,250
<b>Total OTHER</b>	<b>\$43</b>	<b>\$250</b>	<b>\$27</b>	<b>\$11,250</b>
<b>Total Expenditures</b>	<b>\$2,987,710</b>	<b>\$4,396,083</b>	<b>\$3,793,600</b>	<b>\$4,093,453</b>

# Performance Measures

Streets				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Mobility/ Transportation	Man-hours of general ROW maintenance	7,568	7,092	7,000
	Man-hours for traffic operations and maintenance	2,018	1,225	1,500
	Man-hours of drainage operation and Maintenance	1,435	607	700
	Potholes repaired	348	225	200
	Overlay miles	7	7.03	7
	Slurry Seal Miles	7	12.94	12



# Solid Waste

Solid Waste provides safe, efficient, and environmentally responsible integrated municipal solid waste services. The City contracts with Republic Services to provide curbside residential services, including collection of regular garbage, recyclables, yard waste, and bulky items. The department also oversees Republic Service operation of the City landfill, transfer station, and composting facility.

**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, which include the landfill operations and Disposal Agreement and the Collection Agreement for Residential Solid Waste and Recyclable Materials
- **Community Outreach:** Responsible for providing assistance and information to the public on various environmental topics and services provided
- **Public Health:** Responsible for collecting and disposing of dead animals within the City limits

**Department Accomplishments:**

- Removed approximately 600 animal carcasses throughout the City
- Issued nearly 2,500 vouchers for bulk waste—a 16% increase over the prior year
- Co-hosted a Household Hazardous Waste Collection event during which more than 35,000 pounds of waste were collected

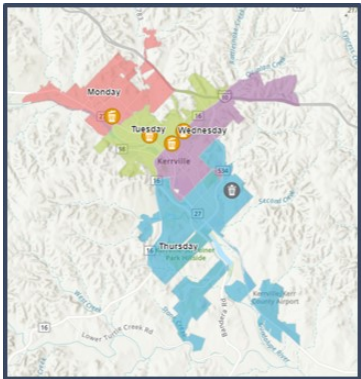
**FY2026 Objectives:**

- Coordinate with Republic Services to provide excellent customer service
- Coordinate with the Code Compliance division and evaluate bulk waste collections.
- Coordinate with local agencies to conduct Household Hazardous Waste collection events
- Increase educational awareness of all Solid Waste services
- Continue evaluation of contract renewals for landfill operations and residential collections

**Budgeted Full-Time Employees (FTE):**

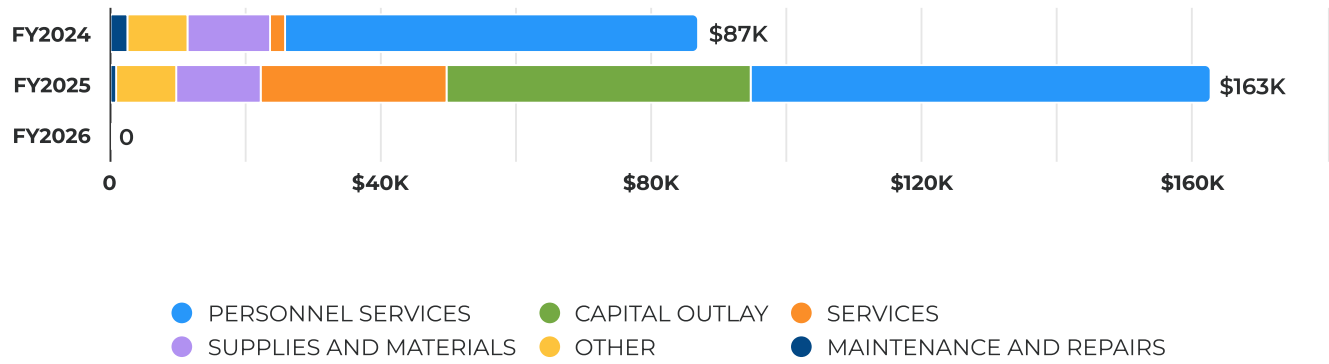
FY2024	FY2025	FY2026
1	1	0

\*Note: In FY2026, the FTE previously assigned to the Solid Waste Department has been moved to the Water Reclamation Department to better align staffing with current job responsibilities and operational needs.



\*Note: The City’s Solid Waste webpage features an interactive map that provides service date information for trash, recycling, and yard waste collection.

## Historical Expenditures by Category



## Solid Waste Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$45,274	\$46,529	\$45,568	-
BENEFITS	\$15,328	\$19,694	\$16,047	-
TRAVEL AND TRAINING	\$450	\$1,520	\$84	-
<b>Total PERSONNEL SERVICES</b>	<b>\$61,052</b>	<b>\$67,743</b>	<b>\$61,699</b>	<b>-</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$4,103	\$4,400	\$5,875	-
TOOLS AND EQUIPMENT	\$1,201	\$925	\$989	-
CHEMICAL & MEDICAL	-	\$200	\$148	-
FUEL	\$3,163	\$3,060	\$2,188	-
WEARING APPAREL	\$374	\$890	\$770	-
POSTAGE & SHIPPING	\$2,572	\$2,500	\$1,951	-
OTHER SUPPLIES	\$704	\$450	\$10,343	-
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$12,117</b>	<b>\$12,425</b>	<b>\$22,263</b>	<b>-</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$2,119	-	-	-
VEHICLE MAINTENANCE	\$302	\$700	\$1,675	-
EQUIPMENT MAINTENANCE	\$256	\$200	\$118	-
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$2,677</b>	<b>\$900</b>	<b>\$1,794</b>	<b>-</b>
<b>SERVICES</b>				
UTILITIES	\$612	\$502	\$758	-
PROFESSIONAL SERVICES	\$1,764	\$27,000	\$28,402	-
<b>Total SERVICES</b>	<b>\$2,376</b>	<b>\$27,502</b>	<b>\$29,160</b>	<b>-</b>
<b>OTHER</b>				
OTHER	\$8,784	\$9,000	\$10,477	-
<b>Total OTHER</b>	<b>\$8,784</b>	<b>\$9,000</b>	<b>\$10,477</b>	<b>-</b>
<b>CAPITAL OUTLAY</b>				
VEHICLES	-	\$45,000	\$44,951	-
<b>Total CAPITAL OUTLAY</b>	<b>-</b>	<b>\$45,000</b>	<b>\$44,951</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$87,005</b>	<b>\$162,571</b>	<b>\$170,344</b>	<b>-</b>

Note: This department does not track performance measures.

# Butt-Holdsworth Memorial Library

The Butt-Holdsworth Memorial Library serves as an information center for our community and visitors to Kerrville, offering a diverse collection of materials and programs for the education, entertainment, and enrichment of all, in a welcoming environment. The Kerr Regional History Center is also the responsibility of the Library and offers historical information, exhibits, and programming for citizens and visitors.

**Department Responsibilities:**

- **Reference:** Staff help patrons with everything from navigating the catalog and recommending great reads to assisting with technology like computer use, printing, and online resources. On any given day, they might also help someone find a phone number, track down song lyrics, or answer a truly unique question. It's a one-stop spot for curiosity, connection, and discovery
- **Circulation:** Responsible for assembling, organizing, and making accessible materials that offer opportunities for personal, educational, cultural, and recreational enrichment
- **Programs:** From our invaluable Story Times to Author Talks, our programming provides opportunities for patrons of all ages to participate in library activities to encourage lifelong learning.
- **Outreach:** Responsible for providing information on City services and making library resources and programming available to those unable to visit the library

**Department Accomplishments:**

- Hosted over 120,000 patrons using books, computers, Wi-Fi, e-books, puzzles, and more
- Circulated over 130,000 print and electronic materials
- Answered over 12,000 reference questions
- Hosted over 300 adult and youth programs for the public (free of charge)

**FY2026 Objectives:**

- Enhance the library space to allow for community activities and use
- Display art in the library via community partnerships
- Refresh the juvenile area of the library with updated design elements, stronger branding, and an information architecture approach to usage and signage
- Continue the digitization of historical photos and documents for remote access
- Added a lounge and reading area to enhance comfort and provide a welcoming space for visitors to relax and enjoy reading at the library



**Stuffed Animal Sleep Over is always full of fun hijinx at the Library!**

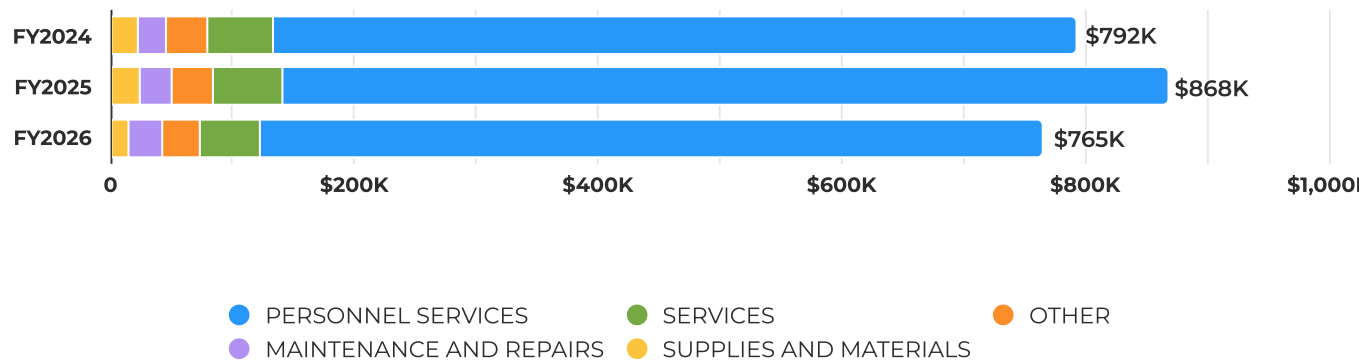
**Budgeted Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
9	9	8

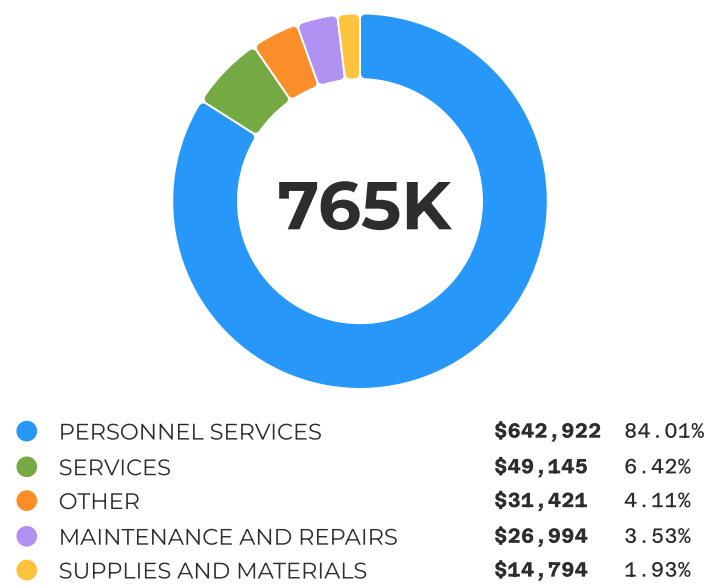
**Did you know?**

The Butt-Holdsworth Memorial Library was gifted to the City of Kerrville by the H-E-B Foundation in 1967.

Historical Expenditures by Category



FY2026 Expenditures by Category



**Butt-Holdsworth Memorial Library Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$495,332	\$529,095	\$492,078	\$484,130
BENEFITS	\$161,937	\$196,109	\$159,711	\$157,520
TRAVEL AND TRAINING	\$1,319	\$1,273	\$153	\$1,273
<b>Total PERSONNEL SERVICES</b>	<b>\$658,588</b>	<b>\$726,477</b>	<b>\$651,942</b>	<b>\$642,922</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$4,984	\$5,500	\$4,615	\$4,337
TOOLS AND EQUIPMENT	\$5,397	\$6,420	\$280	\$920
CHEMICAL & MEDICAL	\$25	\$25	-	\$25
FUEL	\$303	\$400	\$219	\$250
POSTAGE & SHIPPING	\$5,763	\$2,800	\$3,034	\$2,800
OTHER SUPPLIES	\$5,709	\$8,762	\$9,120	\$6,462
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$22,180</b>	<b>\$23,907</b>	<b>\$17,267</b>	<b>\$14,794</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$3,797	\$7,512	\$3,510	\$3,570
VEHICLE MAINTENANCE	\$46	\$129	\$283	\$315
EQUIPMENT MAINTENANCE	\$4,967	-	\$5,937	\$4,600
TECHNOLOGY MAINTENANCE	\$14,918	\$18,509	\$18,447	\$18,509
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$23,728</b>	<b>\$26,150</b>	<b>\$28,177</b>	<b>\$26,994</b>
<b>SERVICES</b>				
UTILITIES	\$34,428	\$31,882	\$30,967	\$27,192
PROFESSIONAL SERVICES	\$19,650	\$24,953	\$23,404	\$20,953
ADVERTISING	\$700	\$1,200	\$15	\$1,000
<b>Total SERVICES</b>	<b>\$54,777</b>	<b>\$58,035</b>	<b>\$54,386</b>	<b>\$49,145</b>
<b>OTHER</b>				
DEBT PRINCIPAL	-	-	-	-
COMMUNITY SUPPORT	-	-	-	-
OTHER	\$32,942	\$33,171	\$16,924	\$31,421
<b>Total OTHER</b>	<b>\$32,942</b>	<b>\$33,171</b>	<b>\$16,924</b>	<b>\$31,421</b>
<b>CAPITAL OUTLAY</b>				
LIBRARY COLLECTION	-	-	-	-
<b>Total CAPITAL OUTLAY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$792,216</b>	<b>\$867,740</b>	<b>\$768,696</b>	<b>\$765,276</b>

# Performance Measures

Library				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public facilities & Services	Physical material Checkout	105,059	78,300	115,000
	Digital Material Checkout	23,649	7,216	26,000
	Public Computer Sessions	7,255	2,163	7,400
	Kerr Regional History Center Attendance	875		700
	Library Card (Inside City Limits)	19,996	5,150	5,600
	Library Card (Kerr-Outside City Limits)	16,372	4,290	4,400
	Library Card (Non-County)	1,417	317	4,000



# Public Safety Facility

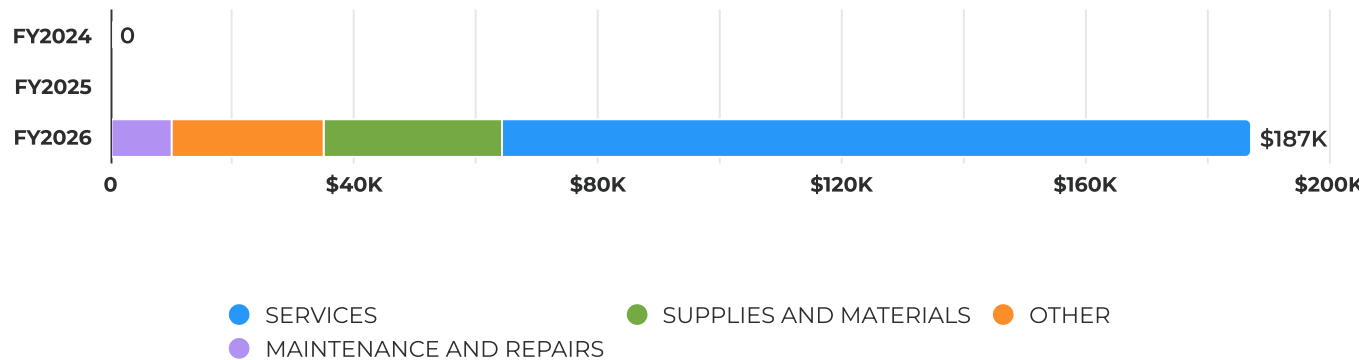
The Kerrville Public Safety Facility is a newly established department within the General Fund designed to enhance transparency for the maintenance and operations of the City's new Public Safety Facility.

This department captures shared expenses for the Kerrville Public Safety Facility that serve the entire building and cannot be easily attributed to a specific department such as Police, Fire, Municipal Court, or Innovation and Technology.

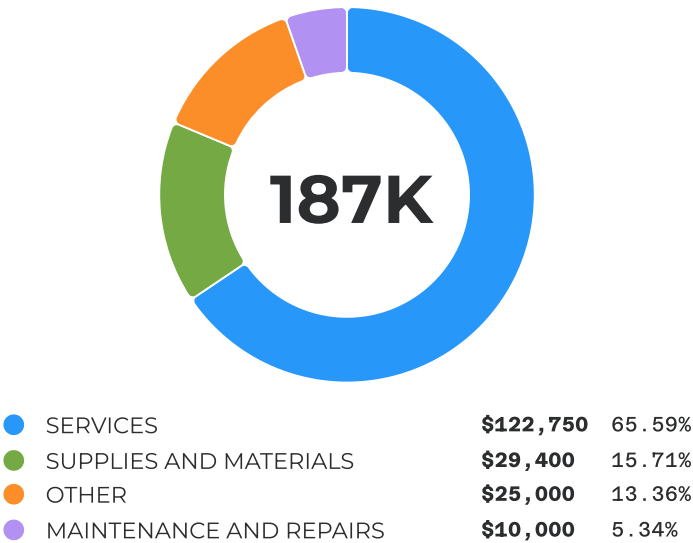
The facility serves as a modern, consolidated headquarters for the Kerrville Police Department, Kerrville Fire Administration, Municipal Court, and Innovation and Technology. This consolidation improves operational efficiency, enhances collaboration across departments, and supports the delivery of high-quality public safety and municipal services to the Kerrville community.

FY2026 represents the first year and grand opening of this facility. Individual departments maintain independent budgets in addition to the facility expenses which are estimated at this time.

Historical Expenditures by Category



FY2026 Expenditures by Category



## Public Safety Facility Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>SUPPLIES AND MATERIALS</b>				
POSTAGE & SHIPPING	-	-	-	\$8,400
OTHER SUPPLIES	-	-	-	\$21,000
<b>Total SUPPLIES AND MATERIALS</b>	-	-	-	\$29,400
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	-	-	-	\$10,000
<b>Total MAINTENANCE AND REPAIRS</b>	-	-	-	\$10,000
<b>SERVICES</b>				
UTILITIES	-	-	-	\$118,750
LEASE / RENT	-	-	-	\$4,000
<b>Total SERVICES</b>	-	-	-	\$122,750
<b>OTHER</b>				
OTHER	-	-	-	\$25,000
<b>Total OTHER</b>	-	-	-	\$25,000
<b>Total Expenditures</b>	-	-	-	<b>\$187,150</b>

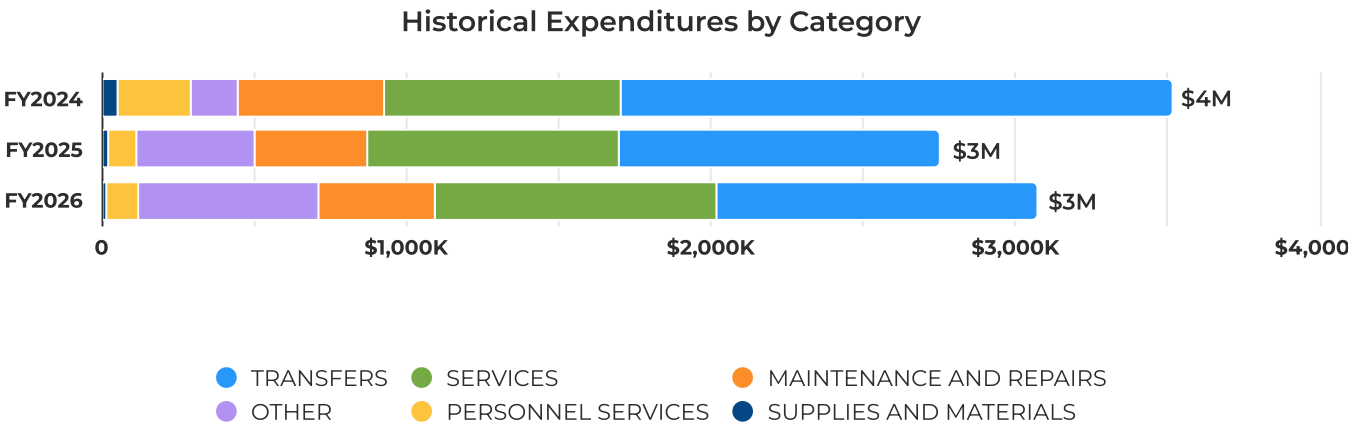
Note: This department does not track performance measures.



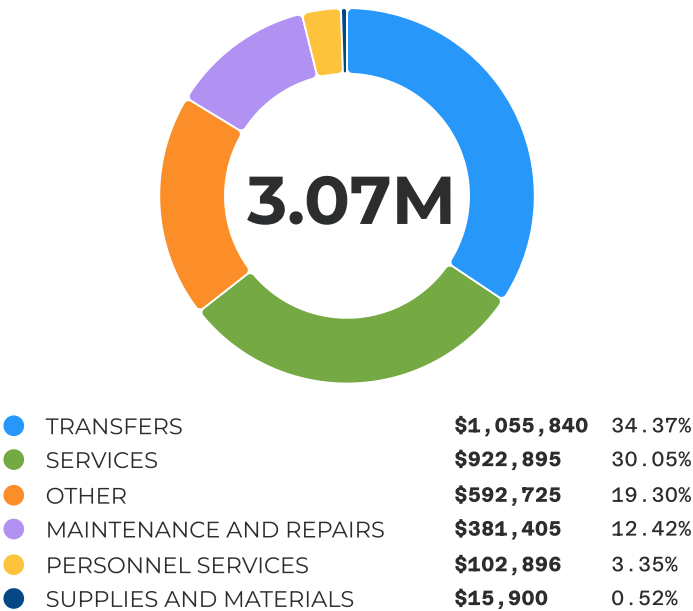
City of Kerrville Public Safety Facility

# General Fund General Operations

The General Operations department is used to account for expenditures that benefit the entire General Fund, but cannot be easily identified as relating to an individual department. Accordingly, the department only has budgeted expenditures with no responsibilities, accomplishments, objectives, or performance measures. Anticipated salary savings for the entire General Fund are captured in the “Salaries” line item.



FY2026 Expenditures by Category



## General Fund General Operations Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$13,604	-\$135,000	\$11,488	-\$105,000
BENEFITS	\$202,382	\$184,030	\$194,285	\$170,696
TRAVEL AND TRAINING	\$24,865	\$40,200	\$12,278	\$37,200
<b>Total PERSONNEL SERVICES</b>	<b>\$240,850</b>	<b>\$89,230</b>	<b>\$218,050</b>	<b>\$102,896</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$5,228	\$4,500	\$2,889	\$4,500
TOOLS AND EQUIPMENT	\$19,092	\$300	\$3,005	\$250
CHEMICAL & MEDICAL	\$160	\$150	-	\$150
FUEL	\$49	-	-	-
POSTAGE & SHIPPING	\$12,525	\$13,000	\$8,351	\$6,000
OTHER SUPPLIES	\$14,576	\$5,100	\$9,807	\$5,000
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$51,629</b>	<b>\$23,050</b>	<b>\$24,052</b>	<b>\$15,900</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$55,594	\$16,990	\$25,634	\$16,990
VEHICLE MAINTENANCE	\$345,169	\$287,751	\$287,779	\$298,568
EQUIPMENT MAINTENANCE	\$35,305	\$31,700	\$20,838	\$31,700
TECHNOLOGY MAINTENANCE	\$41,646	\$34,147	\$19,237	\$34,147
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$477,715</b>	<b>\$370,588</b>	<b>\$353,487</b>	<b>\$381,405</b>
<b>SERVICES</b>				
UTILITIES	\$64,741	\$66,180	\$62,002	\$97,029
PROFESSIONAL SERVICES	\$119,974	\$105,720	\$90,113	\$95,220
INSURANCE	\$583,517	\$640,000	\$656,719	\$721,091
ADVERTISING	\$812	-	\$1,500	-
LEASE / RENT	\$3,941	\$4,400	\$4,366	\$4,000
JOINT VENTURES	\$5,556	\$5,555	-	\$5,555
<b>Total SERVICES</b>	<b>\$778,540</b>	<b>\$821,855</b>	<b>\$814,699</b>	<b>\$922,895</b>
<b>OTHER</b>				
BAD DEBT	\$1	-	\$18,056	-
COMMUNITY SUPPORT	\$123,250	\$121,750	\$239,419	\$240,000
OTHER	\$31,156	\$269,496	\$30,131	\$352,725
<b>Total OTHER</b>	<b>\$154,406</b>	<b>\$391,246</b>	<b>\$287,606</b>	<b>\$592,725</b>
<b>TRANSFERS</b>				
REGULAR TRANSFERS	\$1,810,160	\$1,056,271	\$1,806,270	\$1,055,840
<b>Total TRANSFERS</b>	<b>\$1,810,160</b>	<b>\$1,056,271</b>	<b>\$1,806,270</b>	<b>\$1,055,840</b>
<b>Total Expenditures</b>	<b>\$3,513,300</b>	<b>\$2,752,239</b>	<b>\$3,504,165</b>	<b>\$3,071,661</b>

Note: This department does not track performance measures.



# General Fund Community Service Agreements

The City provides funding to various organizations throughout the Kerrville community to support their individual missions. These organizations provide valuable and specialized services that align with the Kerrville 2050 Comprehensive Plan and other operational goals.



The Doyle Community Center is a product of the historical Doyle School and Doyle Community dating back as far as 1909. The community center was founded in 2003 and is committed to uniting people and resources to provide quality services to the community including free transportation, onsite health services, and food events. The Doyle Community Center also hosts a number of enriching events such as celebrating Martin Luther King, Jr. Day, Black History Month, Cinco de Mayo, and community events such as, Coffee with a Cop, Blues Fest, and high school seniors celebration.



The Dietert Center was founded in 1969 by Harry W. Dietert with the goal of providing a community center for senior citizens. Mr. Dietert understood the difficulty of forming lasting relationships after retirement and founded the center to help provide a healthy, social, and active community. Over 50 years later, the Dietert Center remains committed to proactively supporting a healthy and enriching lifestyle through community programming. The Center provides opportunities to promote an active and social lifestyle by offering, artistic opportunities, exercise classes, medical assistance, and other overall rewarding experiences. Additionally, the Dietert Center sponsors the local Meals on Wheels program, operated by volunteers.



Kerrville Pets Alive! is dedicated to giving Kerr County shelter animals the chance of a life they deserve through adoption services. Additionally, Pets Alive! collects materials such as food, toys, litter, and other necessities for shelter animals awaiting adoption. The organization also hosts microchipping and vaccination events in addition to spay and neuter events.



The Hill Country Crisis Council is committed to assisting survivors of family violence, sexual assault and child abuse. The Crisis Council provides 24 hour emergency assistance, abuse and legal consultation and a temporary local shelter. This organization provides victims with a welcoming place to help restore their lives and obtain protection, direction, and justice.



K'STAR provides critical support for children and families in need including emergency shelter for children, mental health counseling, parenting classes, and support for victims of abuse. In addition to providing shelter and services in a difficult time, K'STAR also provides these children with a variety of personal items such as clothes, shoes, toys, hygienic items, and food.





Hill Country CASA volunteers work under a Guardian Ad Litem court appointment to assure every area foster child receives individual attention, necessary services and timely placement in a safe, loving and permanent home. Hill Country CASA's long-established primary goal is to provide a well-trained CASA volunteer for every child in CPS custody in our four county service area, who will conduct an independent investigation into the circumstances of the case, and make oral and written report to the presiding judiciary with best interest recommendations for the children involved.



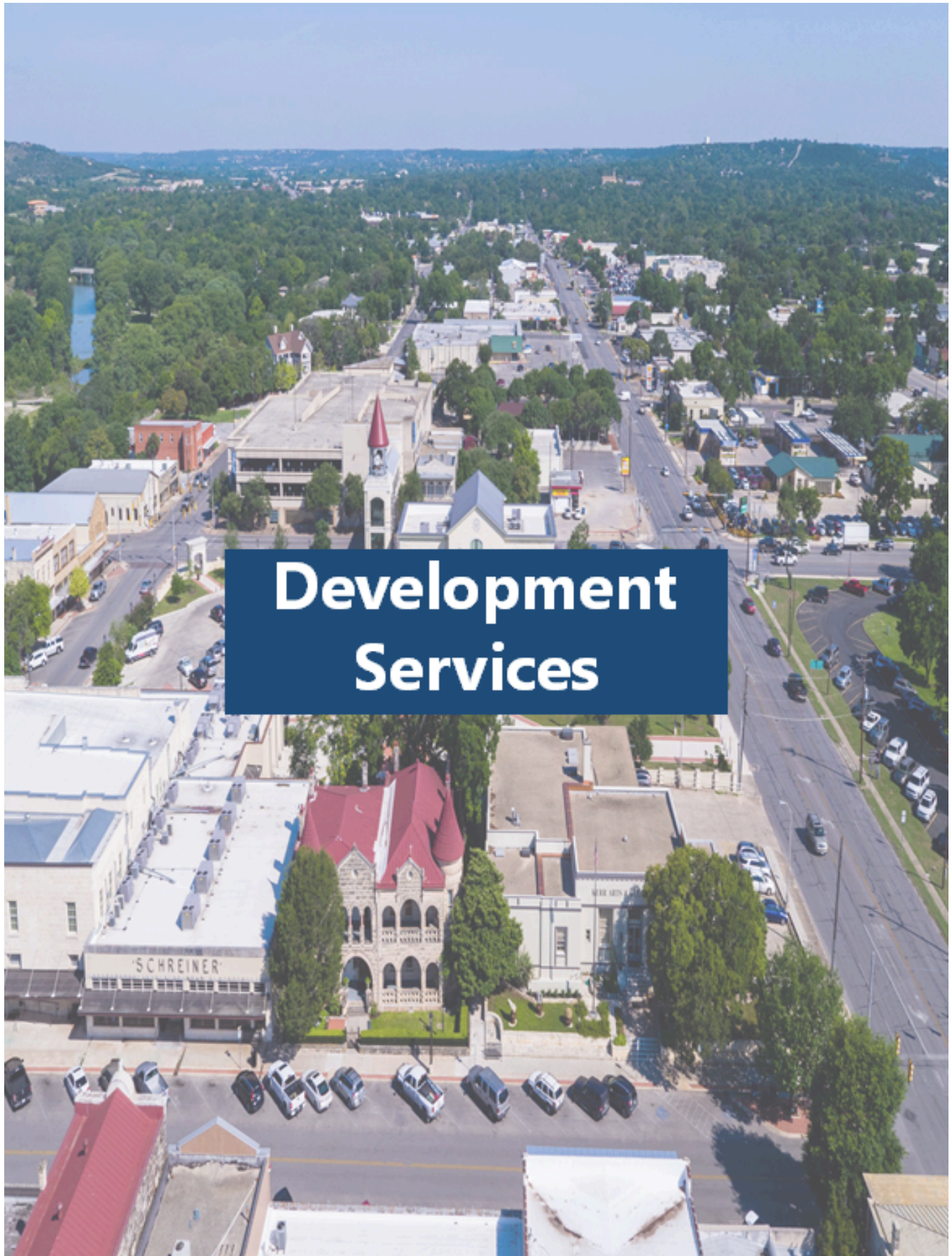
Kerr Konnect provides safe, reliable, on-call volunteer transportation services, primarily supporting adults age 18 and over with an emphasis on seniors (55+) to help them maintain independence and quality of life by getting to medical appointments, grocery stores, errands, and other essential destinations. The service covers a roughly 10-mile radius around the Kerr County Courthouse. To find out more information, please visit: <https://kerrkonnect.org/>



In FY2025 the City of Kerrville Partnered with the Alamo Area Council of Governments (AACOG) to provide Kerrville residents and guests with an on-demand micro-transit public transportation service. This service is available to the public during the times of 7 A.M. to 7 P.M. Monday through Friday and 10 A.M. to 5 P.M. on Saturday and Sunday, with the exceptions on federal holidays. To find out more information about this service, please call 866-889-7433.



<b>General Fund Community Service Agreements FY2026 Budget</b>	
<b>Organization</b>	<b>FY2026 Approved Budget</b>
The Doyle Community Center	5,000
The Dietert Center	10,000
Kerrville Pets Alive!	5,000
Hill Country Crisis Council	4,000
Kerrville Service To At Risk Youth	4,000
Hill Country Court Appointed Special Advocates	4,000
Kerr Konnect	8,000
Alamo Area Council of Governments (AACOG)	200,000
<b>Total Community Service Agreements</b>	<b>\$ 240,000</b>



# Development Services Fund Budget Summary

The Development Services Department oversees the City's planning, zoning, permitting, inspections, and code compliance functions to ensure orderly growth, economic vitality, and compliance with applicable regulations. This fund serves as a key point of contact for developers, business owners, and residents undertaking development and construction projects.

The FY2026 Budget for the Development Services Fund includes \$1,294,383 in both revenues and expenditures, resulting in a balanced budget. While the Development Services Fund is separated from the General Fund for budgetary purposes, it is reported as part of the General Fund in the City's financial statements.

Core Services provided by the Development Services Fund:

- **Planning and Zoning:**

Administering the City's zoning ordinances and guiding land use decisions in alignment with the Kerrville 2050 Comprehensive Plan.

- **Permitting:**

Managing the review and issuance of building, sign, and related permits to facilitate safe and compliant construction activities.

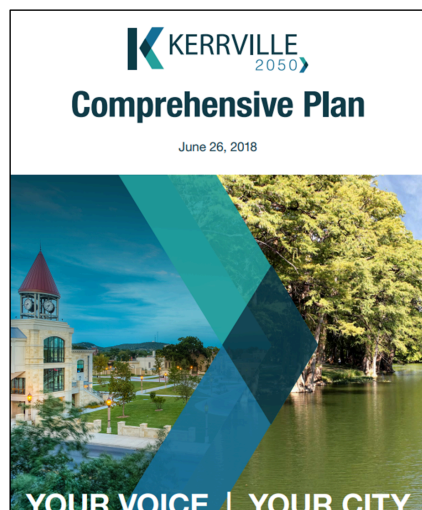
- **Inspections:**

Conducting inspections for residential and commercial projects to ensure adherence to building codes and safety standards.

- **Code Compliance:**

Enforcing property maintenance standards and City ordinances to enhance neighborhood integrity and community appearance.

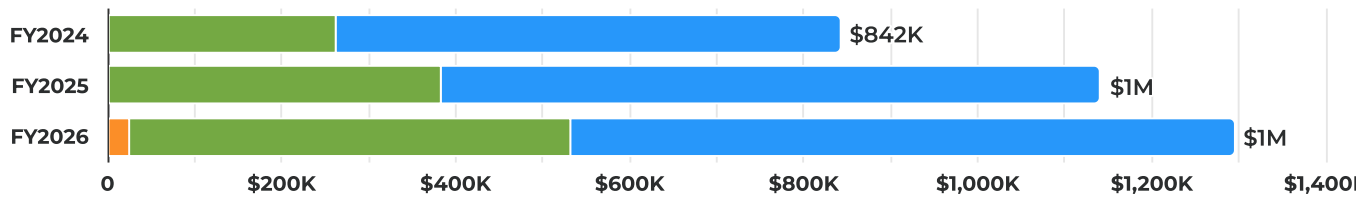
Budgeting for Development Services revenue is challenging due to the unpredictable nature of residential and commercial projects, which can vary greatly each year. External factors like geographic location, drought conditions, and economic trends also play a significant role. To forecast revenue, City staff consider these factors, along with known construction projects expected to be permitted in the coming year, and use historical data for comparison. The chart below illustrates the history of Development Services Fund Revenue.



**Comprehensive Fund Summary**

<b>Category</b>	<b>FY2024 Actuals</b>	<b>FY2025 Budget</b>	<b>FY2025 Estimated</b>	<b>FY2026 Approved Budget</b>
<b>Beginning Fund Balance</b>	<b>-\$14,924</b>	<b>-\$356,624</b>	<b>-\$356,624</b>	<b>-\$293,693</b>
<b>Revenues</b>				
PERMITS AND FEES	\$579,948	\$756,605	\$838,477	\$762,605
INTEREST AND MISCELLANEOUS	\$1,981	\$1,000	\$20,069	\$24,478
TRANSFERS IN	\$259,756	\$382,838	\$382,838	\$507,301
<b>Total Revenues</b>	<b>\$841,685</b>	<b>\$1,140,443</b>	<b>\$1,241,384</b>	<b>\$1,294,383</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	\$1,073,199	\$1,015,191	\$1,041,052	\$1,159,512
SUPPLIES AND MATERIALS	\$13,173	\$11,134	\$24,713	\$12,145
MAINTENANCE AND REPAIRS	\$38,688	\$39,282	\$46,472	\$39,187
SERVICES	\$54,364	\$71,235	\$63,611	\$80,916
OTHER	\$3,961	\$3,601	\$2,606	\$2,623
<b>Total Expenditures</b>	<b>\$1,183,385</b>	<b>\$1,140,443</b>	<b>\$1,178,453</b>	<b>\$1,294,383</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$341,701</b>	<b>-</b>	<b>\$62,931</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>-\$356,624</b>	<b>-\$356,624</b>	<b>-\$293,693</b>	<b>-\$293,693</b>

### Historical Revenue by Category



● PERMITS AND FEES ● TRANSFERS IN ● INTEREST AND MISCELLANEOUS

### FY2026 Development Services Fund Revenues by Category



● PERMITS AND FEES	<b>\$762,605</b>	58.92%
● TRANSFERS IN	<b>\$507,301</b>	39.19%
● INTEREST AND MISCELLANEOUS	<b>\$24,478</b>	1.89%

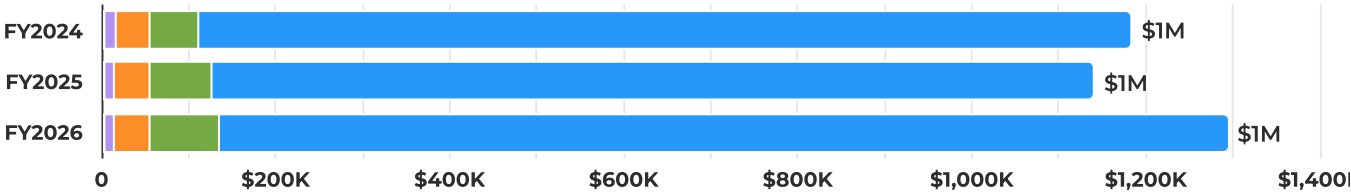


**Development Services Fund Revenues**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERMITS AND FEES</b>				
CONTRACTOR LICENSE	\$45,900	\$44,000	\$51,550	\$44,000
BUILDING PERMITS	\$211,398	\$285,000	\$384,188	\$285,000
ELECTRICAL PERMITS	\$34,507	\$34,000	\$39,622	\$34,000
PLUMBING AND GAS PERMITS	\$25,135	\$30,000	\$37,550	\$30,000
BACKFLOW INSPECTION FEE	-	\$15	-	\$15
TEAR DOWN PERMIT	\$1,200	\$1,500	\$1,800	\$1,500
ZONING AND SUBDIVISION FEES	\$21,311	\$20,000	\$22,086	\$22,000
MECHANICAL PERMITS	\$35,090	\$25,000	\$48,531	\$27,000
ALCOHOLIC BEVERAGE LICENSE	\$1,200	\$500	\$2,000	\$500
SIGN PERMITS	\$3,205	-	\$1,168	-
IRRIGATION PERMIT	\$2,460	\$2,000	\$2,015	\$2,000
LP GAS PERMIT	\$150	\$1,000	-	\$1,000
PLAN CHECK FEE	\$142,603	\$250,000	\$193,773	\$250,000
HEALTH PERMIT - POOL	\$3,200	\$3,000	\$3,200	\$3,000
HEALTH PERMIT - MOBILE	\$4,275	\$4,300	\$3,375	\$4,300
HEALTH PERMIT - TEMPORARY	\$1,715	\$1,500	\$1,530	\$1,500
HEALTH PERMIT - FIXED FACILITY	\$24,142	\$28,000	\$24,195	\$30,000
HOTEL - ANNUAL PERMIT	\$750	\$750	\$750	\$750
HEALTH PERMIT - INSPECTION	\$320	\$200	\$320	\$200
FARMERS MARKET	\$900	\$700	\$900	\$700
VENDOR/SOLICITOR PERMIT	\$1,662	\$2,000	\$200	\$2,000
GROUP HOME - ANNUAL PERMIT	\$5,250	\$6,000	\$5,250	\$6,000
GROUP HOME - OTHER FEES	\$75	\$140	\$75	\$140
SHORT TERM RENTAL - NEW APPLICATION	\$1,600	\$1,000	\$900	\$1,000
SHORT TERM RENTAL - RENEWAL	\$4,900	\$10,000	\$5,300	\$10,000
ADMINISTRATIVE FEE	\$7,000	\$6,000	\$8,200	\$6,000
<b>Total PERMITS AND FEES</b>	<b>\$579,948</b>	<b>\$756,605</b>	<b>\$838,477</b>	<b>\$762,605</b>
<b>INTEREST AND MISCELLANEOUS</b>				
CARD PROCESSING FEES	-	-	\$20,069	\$23,000
INTEREST REVENUE	\$1,981	\$1,000	-	\$1,478
<b>Total INTEREST AND MISCELLANEOUS</b>	<b>\$1,981</b>	<b>\$1,000</b>	<b>\$20,069</b>	<b>\$24,478</b>
<b>TRANSFERS IN</b>				
TRANSFER IN - GENERAL FUND	\$210,160	\$306,271	\$306,271	\$405,840
TRANSFER IN - WATER FUND	\$49,596	\$76,568	\$76,568	\$101,461
<b>Total TRANSFERS IN</b>	<b>\$259,756</b>	<b>\$382,838</b>	<b>\$382,838</b>	<b>\$507,301</b>
<b>Total Revenues</b>	<b>\$841,685</b>	<b>\$1,140,443</b>	<b>\$1,241,384</b>	<b>\$1,294,383</b>



Historical Expenditures by Category



- PERSONNEL SERVICES
- SERVICES
- MAINTENANCE AND REPAIRS
- SUPPLIES AND MATERIALS
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$1,159,512	89.58%
SERVICES	\$80,916	6.25%
MAINTENANCE AND REPAIRS	\$39,187	3.03%
SUPPLIES AND MATERIALS	\$12,145	0.94%
OTHER	\$2,623	0.20%

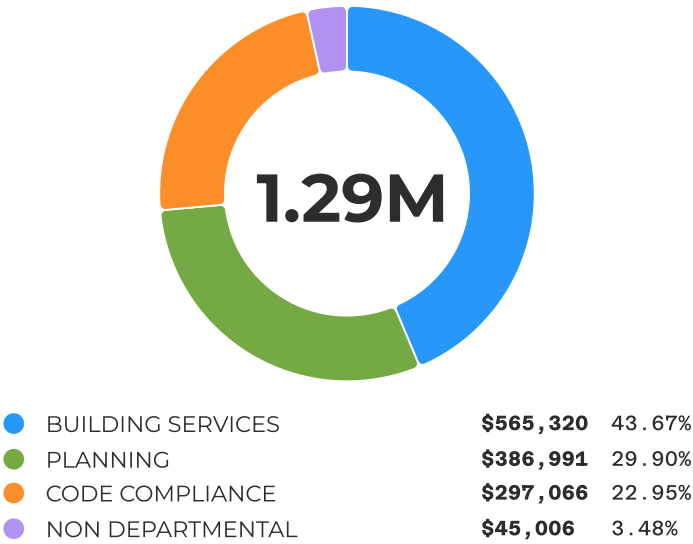


**Development Services Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$769,884	\$743,160	\$737,210	\$814,806
BENEFITS	\$293,307	\$259,247	\$294,388	\$329,334
TRAVEL AND TRAINING	\$10,008	\$12,784	\$9,453	\$15,372
<b>Total PERSONNEL SERVICES</b>	<b>\$1,073,199</b>	<b>\$1,015,191</b>	<b>\$1,041,052</b>	<b>\$1,159,512</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$1,996	\$2,000	\$3,879	\$2,000
TOOLS AND EQUIPMENT	\$740	\$850	\$1,610	\$721
CHEMICAL & MEDICAL	\$41	\$75	\$65	\$75
FUEL	\$3,541	\$3,944	\$2,674	\$3,715
WEARING APPAREL	\$1,649	\$2,290	\$1,670	\$2,110
POSTAGE & SHIPPING	\$2,160	\$1,800	\$1,440	\$1,900
OTHER SUPPLIES	\$3,046	\$175	\$13,374	\$1,624
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$13,173</b>	<b>\$11,134</b>	<b>\$24,713</b>	<b>\$12,145</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$191	-	-	-
VEHICLE MAINTENANCE	\$538	\$1,323	\$8,512	\$1,228
TECHNOLOGY MAINTENANCE	\$37,960	\$37,960	\$37,960	\$37,960
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$38,688</b>	<b>\$39,282</b>	<b>\$46,472</b>	<b>\$39,187</b>
<b>SERVICES</b>				
UTILITIES	\$4,232	\$4,920	\$3,993	\$4,920
PROFESSIONAL SERVICES	\$23,577	\$37,815	\$32,834	\$41,875
INSURANCE	\$22,222	\$24,240	\$24,983	\$29,861
ADVERTISING	\$4,334	\$4,260	\$1,801	\$4,260
<b>Total SERVICES</b>	<b>\$54,364</b>	<b>\$71,235</b>	<b>\$63,611</b>	<b>\$80,916</b>
<b>OTHER</b>				
OTHER	\$3,961	\$3,601	\$2,606	\$2,623
<b>Total OTHER</b>	<b>\$3,961</b>	<b>\$3,601</b>	<b>\$2,606</b>	<b>\$2,623</b>
<b>Total Expenditures</b>	<b>\$1,183,385</b>	<b>\$1,140,443</b>	<b>\$1,178,453</b>	<b>\$1,294,383</b>

Development Services expenses are easier for City staff to budget due to fixed costs, such as personnel, which make up the majority of the fund's expenses, as shown in the charts above.

FY2026 Expenditures by Department



Historical Expenditures by Department

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
NON DEPARTMENTAL	\$32,693	\$38,675	\$33,633	\$45,006
PLANNING	\$364,566	\$376,446	\$372,385	\$386,991
BUILDING SERVICES	\$587,568	\$524,807	\$561,202	\$565,320
CODE COMPLIANCE	\$198,559	\$200,516	\$211,233	\$297,066
Total Expenditures	\$1,183,385	\$1,140,443	\$1,178,453	\$1,294,383

# Performance Measures

Development Services				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public Facilities & Services	Total Permits Issued	2,095	1,941	2,100
	Total Commercial Permits Issued	473	505	520
	Total Residential Permits Issued	1,622	1,436	1,580
	Total Inspections	5,113	4,905	5,200
	Total Commercial Inspections	1,157	1,486	1,600
	Total Residential Inspections	3,956	3,419	3,600
	Average Plan Review Days	5.50	5.00	4.50
	Total Code Enforcement Cases	852	508	450
	Total Proactive Cases	105	101	90
	Total Reactive Cases	360	181	160
	Total Water Cases	387	226	200
	% of Code Enforcement Cases Complied	100%	100%	100%
	Total of STR Permits Issued	111	100	110
	Average Food Rating	A	A	A
	Total Plats Reviewed	32	15	20
	Total Planning & Zoning Cases	26	13	20
	Total ZBA Cases	7	5	6

# Planning

The City's Planning department 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 Commissions:** Responsible for facilitating meetings and ordinance updates with the Planning and Zoning Commission (P&Z) and the Zoning Board of Adjustments (ZBA)
- **Customer Service:** Responsible for assisting property owners and developers in understanding current codes and ordinances that affect new development and reinvestments in our community

## Department Accomplishments:

- Tree Preservation Ordinance adopted
- Updated the Kerrville 2050 Comprehensive Plan
- Amended the subdivision code for better clarity
- Managed process for new annexations

## FY2026 Objectives:

- Identify and implement priority action items from the Kerrville 2050 Plan update
- Provide excellent customer service through enhanced community outreach
- Increase efficiencies in the development process through technology
- Create an engaging culture that motivates, develops, and promotes safety
- Assist staff, council, and commissions with new projects

## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
3	3	3

### Planning Division

#### Commitment to Service

In partnership with developers and property owners within City Limits and the ETJ, the Planning Division of the City of Kerrville is committed to ensuring the quality of life in Kerrville by working to protect public health and ensure logical development, land use, and utility extensions.

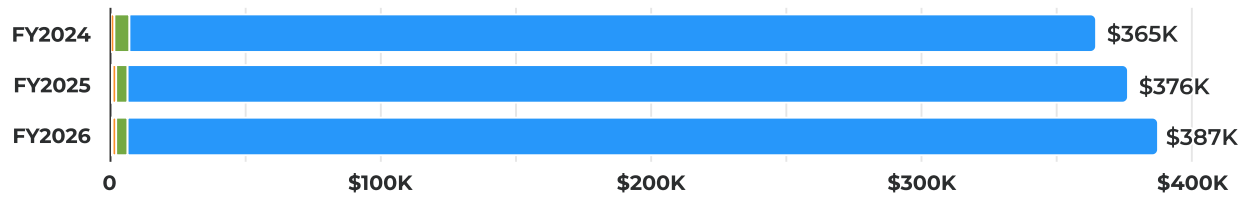
Though the primary users of the Division are the property developer and their agents, the Division's primary function is to protect the public's interest in the development process. We are not property managers or land agents. It is the developers' responsibility to understand the ordinances and policies that apply to their development, while it is our responsibility to understand and protect the public intent those policies are based upon.

Through consistent enforcement of well-defined land use, zoning, and subdivision standards, and a proactive relationship with the community and property owners, we commit to work to maintain a positive standard for quality development in the City of Kerrville and its ETJ. To that end, we the leaders of this Division commit ourselves and our employees to the following standards of service to all Division users.

We will:

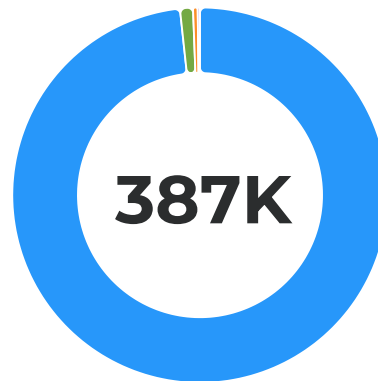
- Inform you of ordinances and regulations applicable to your property;
- Discuss your project and help you to define your options, throughout its development;
- Communicate the needs of your project in a unified voice;
- Provide a timely and objective review of your project to any board or commission that governs its outcome; and
- Provide a timely method of appeal should it be necessary.

### Historical Expenditures by Category



● PERSONNEL SERVICES    ● SERVICES    ● OTHER  
● SUPPLIES AND MATERIALS

### FY2026 Expenditures by Category



<span style="color: blue;">●</span> PERSONNEL SERVICES	<b>\$380,350</b>	98.28%
<span style="color: green;">●</span> SERVICES	<b>\$4,360</b>	1.13%
<span style="color: orange;">●</span> OTHER	<b>\$1,541</b>	0.40%
<span style="color: purple;">●</span> SUPPLIES AND MATERIALS	<b>\$740</b>	0.19%

## Planning Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$265,173	\$279,703	\$270,157	\$274,674
BENEFITS	\$90,819	\$86,665	\$95,922	\$100,330
TRAVEL AND TRAINING	\$1,628	\$3,468	\$2,622	\$5,346
<b>Total PERSONNEL SERVICES</b>	<b>\$357,620</b>	<b>\$369,836</b>	<b>\$368,700</b>	<b>\$380,350</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$184	\$400	\$57	\$400
TOOLS AND EQUIPMENT	-	-	\$73	-
FUEL	\$51	\$100	-	\$100
WEARING APPAREL	\$122	\$250	\$119	\$240
OTHER SUPPLIES	\$254	-	-	-
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$612</b>	<b>\$750</b>	<b>\$249</b>	<b>\$740</b>
<b>SERVICES</b>				
UTILITIES	\$515	-	-	-
INSURANCE	\$100	\$100	\$300	\$100
ADVERTISING	\$4,334	\$4,260	\$1,708	\$4,260
<b>Total SERVICES</b>	<b>\$4,949</b>	<b>\$4,360</b>	<b>\$2,008</b>	<b>\$4,360</b>
<b>OTHER</b>				
OTHER	\$1,385	\$1,500	\$1,428	\$1,541
<b>Total OTHER</b>	<b>\$1,385</b>	<b>\$1,500</b>	<b>\$1,428</b>	<b>\$1,541</b>
<b>Total Expenditures</b>	<b>\$364,566</b>	<b>\$376,446</b>	<b>\$372,385</b>	<b>\$386,991</b>

# Building Services

Through consistent enforcement of well-defined building codes and proactive relationships with the building industry, the Building Division commits to ensuring the safety of buildings and structures in our community and working with the construction industry to maintain a high standard of construction quality in the City of Kerrville.

**Department Responsibilities:**

- **Inspection:** Responsible for reviewing and inspecting buildings and structure plans
- **Permits:** Responsible for issuing permits for construction projects
- **Enforcement:** Responsible for enforcing building codes through the inspections and permit process
- **Customer Services:** Responsible for assisting developers and property owners with the permit and construction process in an expedient and efficient manner

**Department Accomplishments:**

- The building services staff acquired two new certificates
- Building Code Update Policy adoption

**FY2026 Objectives:**

- Provide excellent customer service to the development of the public
- Continue to address unsafe structures
- Enhance community outreach and education

**Budgeted Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
5.5	5	5



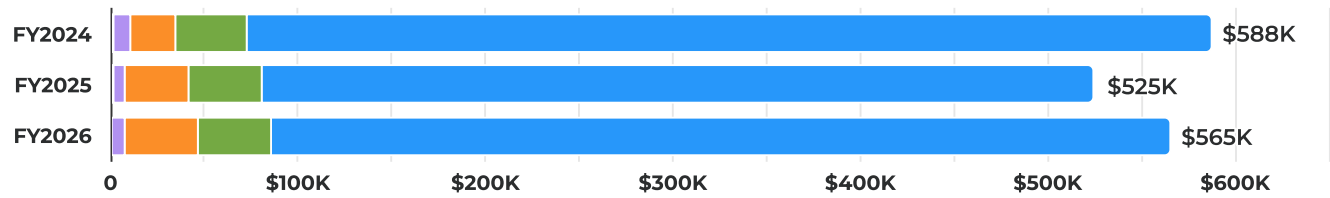
Building Services Team

**Did you know?**

The Building Services department reviews hundreds of permits each year, helping homeowners and businesses bring their projects to life while ensuring buildings in Kerrville are safe, high-quality, and ready for the future!

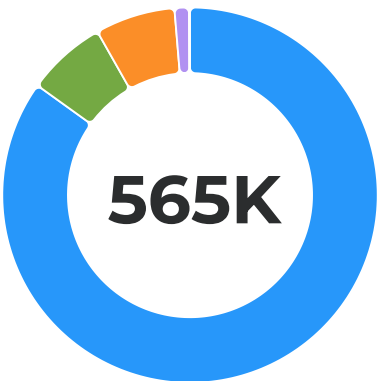


Historical Expenditures by Category



- PERSONNEL SERVICES
- MAINTENANCE AND REPAIRS
- SERVICES
- SUPPLIES AND MATERIALS
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$480,099	84.93%
SERVICES	\$38,888	6.88%
MAINTENANCE AND REPAIRS	\$38,826	6.87%
SUPPLIES AND MATERIALS	\$7,009	1.24%
OTHER	\$497	0.09%

**Building Services Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>	\$514,481	\$443,939	\$460,089	\$480,099
SALARIES	\$369,154	\$321,551	\$323,320	\$334,639
BENEFITS	\$140,446	\$117,108	\$132,691	\$139,728
TRAVEL AND TRAINING	\$4,881	\$5,280	\$4,078	\$5,732
<b>SUPPLIES AND MATERIALS</b>	\$8,270	\$5,625	\$20,552	\$7,009
OFFICE SUPPLIES	\$1,320	\$1,200	\$3,453	\$1,200
TOOLS AND EQUIPMENT	\$368	\$250	\$670	\$250
CHEMICAL & MEDICAL	\$41	\$75	\$65	\$75
FUEL	\$2,707	\$2,700	\$2,113	\$2,700
WEARING APPAREL	\$1,043	\$1,300	\$939	\$1,210
OTHER SUPPLIES	\$2,792	\$100	\$13,313	\$1,574
<b>MAINTENANCE AND REPAIRS</b>	\$38,449	\$38,853	\$45,750	\$38,826
MAINTENANCE--OTHER	\$191	-	-	-
VEHICLE MAINTENANCE	\$298	\$894	\$7,790	\$867
TECHNOLOGY MAINTENANCE	\$37,960	\$37,960	\$37,960	\$37,960
<b>SERVICES</b>	\$24,551	\$34,788	\$34,243	\$38,888
UTILITIES	\$2,775	\$3,588	\$2,866	\$3,588
PROFESSIONAL SERVICES	\$21,576	\$31,000	\$30,984	\$35,000
INSURANCE	\$200	\$200	\$300	\$300
ADVERTISING	-	-	\$94	-
<b>OTHER</b>	\$1,818	\$1,601	\$568	\$497
OTHER	\$1,818	\$1,601	\$568	\$497
<b>Total Expenditures</b>	<b>\$587,568</b>	<b>\$524,807</b>	<b>\$561,202</b>	<b>\$565,320</b>

# Code Compliance

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

## Department Responsibilities:

- **Inspection:** Responsible for inspecting all commercial restaurants, commercial kitchens, pools, and convenience stores 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

## Department Accomplishments:

- Managed 309 cases as of April 2025, Total enforcement cases of 195 Reactive and 114 Proactive
- Maintained a 99.9% voluntary code compliance.
- Renewed 111 Short-Term Rental permits.
- Created a Community Cat Colony Registration Form.
- Completed 198 Health Inspections as of April 2025
- Completed 8 Pool Inspections as of April 2025
- Completed 14 Special Event Inspections as of April 2025

## FY2026 Objectives:

- Build public trust and shared responsibility for neighborhood safety.
- Build public confidence and transparency.
- Adapts to evolving codes, technology, and public health needs.
- Maximize the department budget.
- Empower residents to play an active role in maintaining safe, healthy communities.

## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
2	2	3

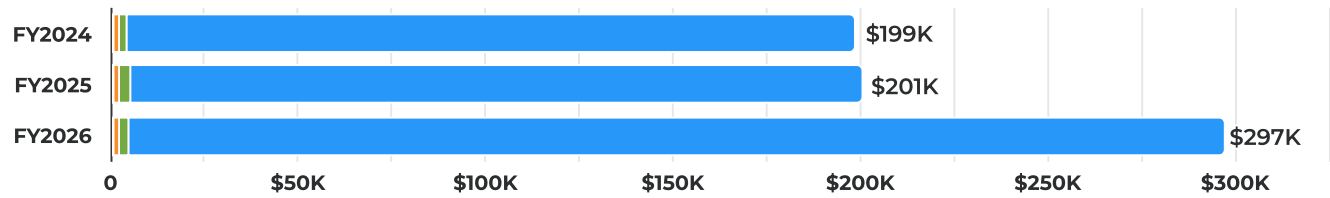
\*Note: In FY2026, the Code Compliance Department will be adding a new Code Enforcement Officer. This position is intended to support both the Code Enforcement Manager and the Health Specialist by assisting with permits and inspections, thereby enhancing the department's overall efficiency and responsiveness.



Pictured left to right:

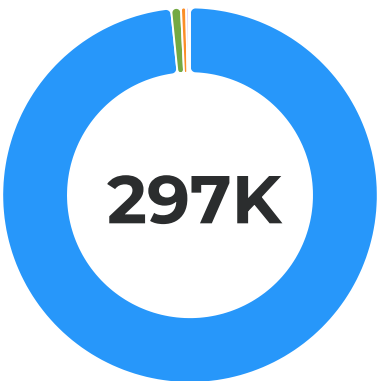
- **Donna Bowyer - Code Enforcement Manager**
- **Daryle Poe - Health Specialist**

Historical Expenditures by Category



- PERSONNEL SERVICES
- SUPPLIES AND MATERIALS
- SERVICES
- OTHER
- MAINTENANCE AND REPAIRS

FY2026 Expenditures by Category



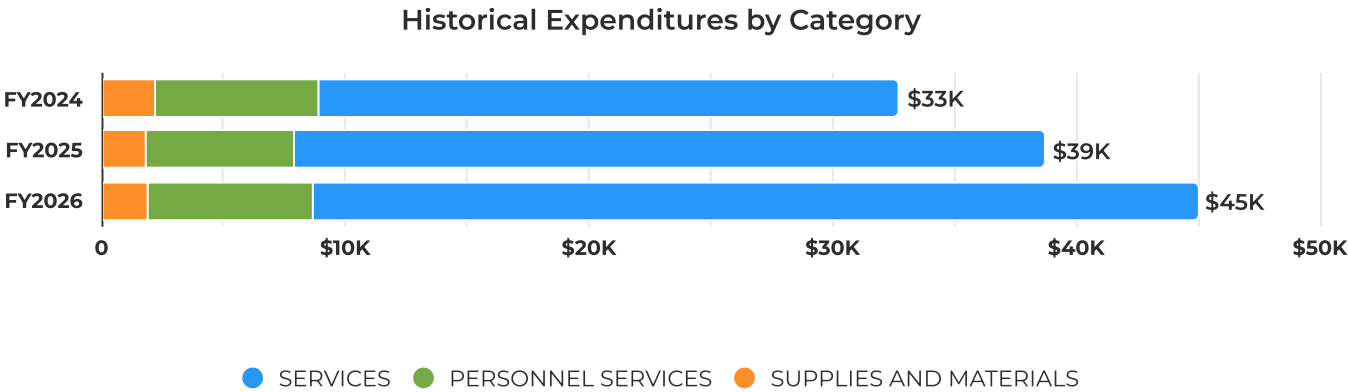
PERSONNEL SERVICES	\$292,293	98.39%
SUPPLIES AND MATERIALS	\$2,496	0.84%
SERVICES	\$1,332	0.45%
OTHER	\$584	0.20%
MAINTENANCE AND REPAIRS	\$361	0.12%

## Code Compliance Expenditures

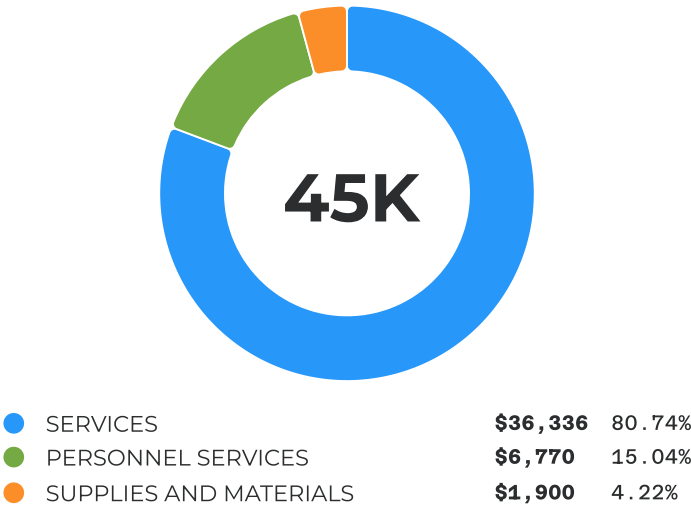
Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$135,556	\$141,906	\$143,734	\$205,494
BENEFITS	\$55,333	\$49,354	\$59,716	\$82,506
TRAVEL AND TRAINING	\$3,499	\$4,035	\$2,753	\$4,293
<b>Total PERSONNEL SERVICES</b>	<b>\$194,388</b>	<b>\$195,296</b>	<b>\$206,202</b>	<b>\$292,293</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$492	\$400	\$369	\$400
TOOLS AND EQUIPMENT	\$373	\$600	\$868	\$471
FUEL	\$782	\$1,144	\$561	\$915
WEARING APPAREL	\$485	\$740	\$612	\$660
OTHER SUPPLIES	-	\$75	\$62	\$50
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$2,132</b>	<b>\$2,959</b>	<b>\$2,472</b>	<b>\$2,496</b>
<b>MAINTENANCE AND REPAIRS</b>				
VEHICLE MAINTENANCE	\$240	\$429	\$722	\$361
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$240</b>	<b>\$429</b>	<b>\$722</b>	<b>\$361</b>
<b>SERVICES</b>				
UTILITIES	\$942	\$1,332	\$1,127	\$1,332
INSURANCE	\$100	-	\$100	-
<b>Total SERVICES</b>	<b>\$1,042</b>	<b>\$1,332</b>	<b>\$1,227</b>	<b>\$1,332</b>
<b>OTHER</b>				
OTHER	\$758	\$500	\$610	\$584
<b>Total OTHER</b>	<b>\$758</b>	<b>\$500</b>	<b>\$610</b>	<b>\$584</b>
<b>Total Expenditures</b>	<b>\$198,559</b>	<b>\$200,516</b>	<b>\$211,233</b>	<b>\$297,066</b>

# Development Services General Operations

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



FY2026 Expenditures by Expense Category 1



**General Operations Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
BENEFITS	\$6,710	\$6,120	\$6,060	\$6,770
<b>Total PERSONNEL SERVICES</b>	\$6,710	\$6,120	\$6,060	\$6,770
<b>SUPPLIES AND MATERIALS</b>				
POSTAGE & SHIPPING	\$2,160	\$1,800	\$1,440	\$1,900
<b>Total SUPPLIES AND MATERIALS</b>	\$2,160	\$1,800	\$1,440	\$1,900
<b>SERVICES</b>				
PROFESSIONAL SERVICES	\$2,001	\$6,815	\$1,850	\$6,875
INSURANCE	\$21,822	\$23,940	\$24,283	\$29,461
<b>Total SERVICES</b>	\$23,823	\$30,755	\$26,133	\$36,336
<b>Total Expenditures</b>	<b>\$32,693</b>	<b>\$38,675</b>	<b>\$33,633</b>	<b>\$45,006</b>





# Water Fund

# Water Fund Budget Summary

The Water Fund is the City of Kerrville's second-largest fund in terms of annual revenues and expenditures. The FY2026 Approved budget for the Water Fund includes \$17,589,715 in revenues and expenditures, resulting in a balanced budget. The Water Fund is a business-type fund, which means that it operates as an individual business relying on revenues generated from the fund to cover expenses. All activities necessary to provide water and wastewater services are accounted for in this fund including transfers to pay Water Fund Debt Service, transfers for current and future capital project needs, and asset replacement. Water Fund departments include Water Production, Water Reclamation, Water Distribution, Wastewater Collections, Environmental Laboratory, and Utility Billing. For accounting and financial reporting purposes, the Water Fund is considered an enterprise fund that uses the full accrual basis of accounting.

Water, wastewater, and drainage remain critical focus areas under the Kerrville 2050 Comprehensive Plan. In recent years, prolonged drought conditions across Texas, combined with continued population growth within the City, have elevated water supply and management as top concerns for Kerrville residents. The City of Kerrville has demonstrated strong leadership in long-term water planning. For over 30 years, the City has proactively invested in securing and managing its water resources, placing it ahead of many communities facing similar challenges. Kerrville's water and wastewater system is notably unique, with features and operational strategies that set it apart from other cities in the region.

- Water Sources:
  - Surface water from the Guadalupe River (captured in City-owned Nimitz Lake)
  - Runoff water from the Guadalupe River
  - Aquifer Storage and Recovery Wells (ASR)
  - Groundwater from several aquifers
  - Reclaimed Water
- Water Storage
  - ASR wells store over 1 billion gallons of water (over 300 days of supply)
  - Water storage tanks have capacity to store over 6 million gallons
- Water Treatment
  - Surface Water Treatment Plant uses microfiltration with 1.2 million-gallon / day treatment capacity
- Reuse System - Treats wastewater to a quality safe level for release into the river, per Texas Commission on Environmental Quality (TCEQ)
  - 90 million gallons of effluent water storage
  - Average of 58 million gallons used for irrigation Citywide annually
  - Reduces the amount of potable water used for irrigation

The City of Kerrville operates one of the most complex water and wastewater systems in the region. This complexity is largely due to the City's unique and varied topography, with significant changes in elevation across the service area. Unlike many Texas municipalities situated on flatter terrain, Kerrville's topography requires specialized infrastructure and engineering solutions to ensure reliable water delivery and wastewater management.

The maintenance costs associated with the City's water and wastewater systems are predominantly fixed, meaning that the system requires consistent upkeep irrespective of water consumption levels. Water consumption is significantly influenced by weather conditions, particularly rainfall. Given that 97% of the fund's revenues are generated from consumption-based services, accurately budgeting for this fund is challenging.

To address these challenges and plan for the future, the City Council adopted an updated Water/Wastewater Master Plan in FY2022, providing a roadmap for long-term infrastructure and maintenance needs. Prior to that, in 2019, the City partnered with NewGen Strategies and Solutions to conduct a utility rate study. That study recommended important

structural adjustments, including an increase to the base rate, to provide more predictable and sustainable revenue to support the City's utility systems. While some of those recommendations were initially implemented, the City has recently made a concerted effort to integrate both the Master Plan and rate study strategies more fully, aligning operations with long-term sustainability goals.

In FY2023, City staff presented a financial forecast for the water/wastewater fund, highlighting the importance of asset sustainability and acknowledging the rising cost of supplies and services due to inflation. At the same time, the extreme drought conditions in FY2023 required the implementation of strict conservation measures, significantly reducing irrigation and construction-related water use. While these measures were essential for resource preservation, they also led to lower water fund revenues in FY2023 and into FY2024.

To balance conservation goals with the financial stability needed to maintain system integrity, the City has restructured its water rates. The new structure supports long-term system needs while still encouraging water conservation through tiered volumetric pricing — where higher water users pay significantly more.

Through these combined efforts, the City continues to prioritize resilience, sustainability, and proactive planning to ensure that Kerrville's water and wastewater systems remain reliable, compliant with state and federal water quality standards, financially sound, and sustainable for the future. Customer service remains the top priority.

**Water Fund Revenue Variances:**

1. Revenues - up 4.5% over FY2025 original budget. The Water Fund's two largest revenue sources (Water Service and Sewer Service) budget increased 2.6% and 2.1% compared to FY2025. Smaller categories, such as waste disposal, sale of taps, meters, and other fees, also contribute to revenues. Changes to the tiered rate structure included an increase to the base rate in addition to increases to some of the volumetric tiers. The increase to the base rate will help stabilize water revenues. In turn, this will increase sustainability for the fund and allow better future planning. Interest and miscellaneous revenue for FY2026 is \$354K compared to \$239K in FY2025 due to the current and projected interest rates to be earned on investments. See the City's Investment Policy for more information on how the City invests funds to help offset some revenue needs.

**Water Fund Expenditures Variances:**

1. Personnel - up 7.6% or \$352K over FY2025 Original Budget. The FY2026 Approved Budget includes a 3% average merit increase for all general government employees (which includes Water Fund employees). Personnel also includes other benefits such as retirement and professional development expenses.

2. Supplies - up less than 1% over FY2025 Original Budget due to inflationary leveling of items such as chemicals, pipe, and other infrastructure supplies.

3. Maintenance - down 3.2% or \$37K compared to FY2025 Original Budget. FY2026 Approved Budget includes the annual expense for the replacement of Granular Activated Carbon (GAC) at the Water Production plant, at a cost of \$206K. This filtration system has a significant impact on the reduction of Trihalomethanes (TTHM) in the City's drinking water and helps ensure compliance with the Safe Drinking Water Act of 1974.

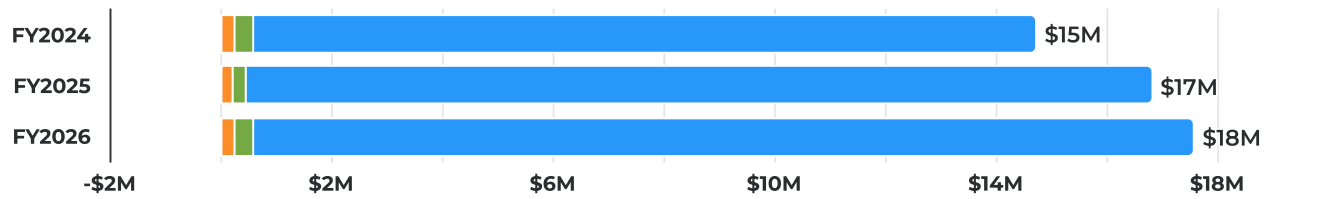
4. Operating Transfers Out - up 4.9% or \$411K compared to the FY2025 Original Budget. This increase is attributed to the strategic planning efforts of the City Council and staff, aimed at establishing a sustainable future for the Water Fund. Emphasizing the maintenance of current water fund assets and planning for future replacement, the City Council directed an increase in transfers to the Community Investment Plan (CIP) and the Water Fund Asset Replacement Fund. Additionally separate fund was established in FY2024 to plan for the future maintenance and replacement of facilities and infrastructure for the Water Fund.

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$4,200,729</b>	<b>\$4,109,263</b>	<b>\$4,109,263</b>	<b>\$4,489,529</b>
<b>Revenues</b>				
PERMITS AND FEES	\$10,670	\$6,000	\$8,165	\$9,600
SERVICE REVENUE	\$14,123,793	\$16,359,348	\$16,149,497	\$16,988,799
FINES AND FORFEITURES	\$226,769	\$222,700	\$247,834	\$237,000
INTEREST AND MISCELLANEOUS	\$361,867	\$238,917	\$444,615	\$354,316
TRANSFERS IN	-	-	\$5,500	-
<b>Total Revenues</b>	<b>\$14,723,100</b>	<b>\$16,826,965</b>	<b>\$16,855,611</b>	<b>\$17,589,715</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	\$4,214,970	\$4,600,157	\$4,798,819	\$4,952,077
SUPPLIES AND MATERIALS	\$860,028	\$982,713	\$982,821	\$991,954
MAINTENANCE AND REPAIRS	\$941,264	\$1,163,809	\$970,387	\$1,126,515
SERVICES	\$1,118,927	\$1,184,295	\$1,138,852	\$1,266,084
OTHER	\$65,699	\$386,354	\$78,208	\$336,117
CAPITAL OUTLAY	\$172,407	\$148,980	\$145,601	\$145,400
TRANSFERS	\$7,441,272	\$8,360,657	\$8,360,657	\$8,771,568
<b>Total Expenditures</b>	<b>\$14,814,568</b>	<b>\$16,826,965</b>	<b>\$16,475,345</b>	<b>\$17,589,715</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$91,468</b>	<b>-</b>	<b>\$380,266</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$4,109,261</b>	<b>\$4,109,263</b>	<b>\$4,489,529</b>	<b>\$4,489,529</b>

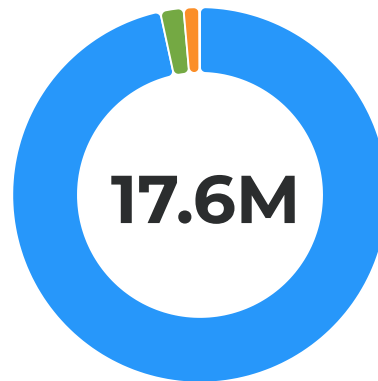


### Historical Revenue by Category



- SERVICE REVENUE    ● INTEREST AND MISCELLANEOUS    ● FINES AND FORFEITURES
- PERMITS AND FEES    ● TRANSFERS IN

### FY2026 Water Fund Revenues by Category

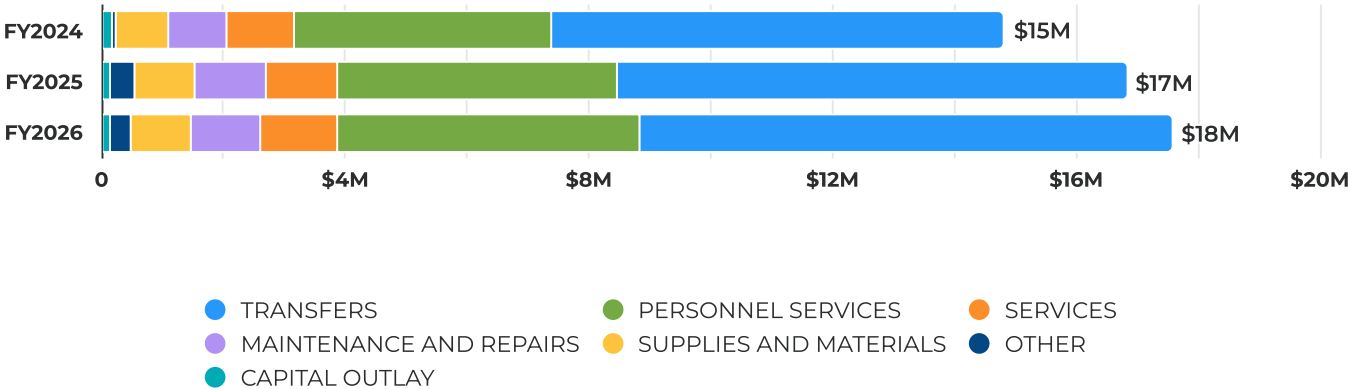


● SERVICE REVENUE	<b>\$16,988,799</b>	96.58%
● INTEREST AND MISCELLANEOUS	<b>\$354,316</b>	2.01%
● FINES AND FORFEITURES	<b>\$237,000</b>	1.35%
● PERMITS AND FEES	<b>\$9,600</b>	0.05%

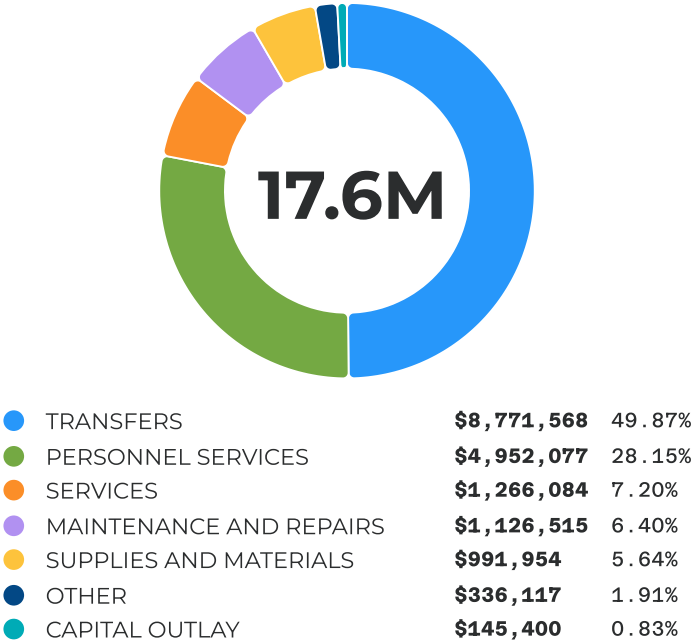
**Water Fund Revenues**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERMITS AND FEES</b>				
BACKFLOW INSPECTION FEE	\$9,525	\$5,000	\$6,875	\$8,500
MANIFEST BOOKS	\$1,145	\$1,000	\$1,290	\$1,100
<b>Total PERMITS AND FEES</b>	<b>\$10,670</b>	<b>\$6,000</b>	<b>\$8,165</b>	<b>\$9,600</b>
<b>SERVICE REVENUE</b>				
WATER SALES	\$6,531,554	\$7,816,830	\$7,524,492	\$8,024,445
REUSE WATER SALES	\$148,871	\$175,000	\$201,563	\$459,441
WATER TAP FEES	\$56,713	\$89,000	\$133,816	\$90,000
SEWER SERVICE FEES	\$6,936,727	\$7,783,678	\$7,819,601	\$7,947,913
SEWER TAP FEES	\$22,706	\$33,640	\$24,816	\$30,000
WASTE DISPOSAL FEE	\$301,462	\$319,000	\$309,081	\$290,000
SALE OF NEW METERS	\$84,032	\$95,000	\$84,438	\$95,000
REQUESTED SERVICE/REPAIRS	\$14,951	\$21,200	\$24,841	\$25,000
WATER SAMPLE TEST	\$26,626	\$26,000	\$26,824	\$27,000
WASTEWATER SAMPLE TEST	\$152	-	\$24	-
<b>Total SERVICE REVENUE</b>	<b>\$14,123,793</b>	<b>\$16,359,348</b>	<b>\$16,149,497</b>	<b>\$16,988,799</b>
<b>FINES AND FORFEITURES</b>				
SERVICE CHARGE	\$59,638	\$55,700	\$56,355	\$60,000
NEW ACCOUNT FEE	\$41,205	\$41,000	\$42,960	\$42,000
LATE FEE/PENALTY	\$125,926	\$126,000	\$148,519	\$135,000
<b>Total FINES AND FORFEITURES</b>	<b>\$226,769</b>	<b>\$222,700</b>	<b>\$247,834</b>	<b>\$237,000</b>
<b>INTEREST AND MISCELLANEOUS</b>				
RETURNED ITEM FEE	\$5,820	\$6,100	\$4,650	\$6,100
SALE OF SCRAP METAL	\$267	-	-	-
CARD PROCESSING FEES	-	-	\$167,333	\$167,000
INTEREST REVENUE	\$354,122	\$230,217	\$272,500	\$180,216
POLICE MISCELLANEOUS REVENUE	\$1,658	\$2,600	\$133	\$1,000
<b>Total INTEREST AND MISCELLANEOUS</b>	<b>\$361,867</b>	<b>\$238,917</b>	<b>\$444,615</b>	<b>\$354,316</b>
<b>TRANSFERS IN</b>				
TRANSFER IN - WS CAPITAL PROJECTS	-	-	-	-
TRANSFER IN - INSURANCE RESERVE	-	-	\$5,500	-
<b>Total TRANSFERS IN</b>	<b>-</b>	<b>-</b>	<b>\$5,500</b>	<b>-</b>
<b>Total Revenues</b>	<b>\$14,723,100</b>	<b>\$16,826,965</b>	<b>\$16,855,611</b>	<b>\$17,589,715</b>

Historical Expenditures by Category



FY2026 Expenditures by Category





## Water Fund Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$3,039,984	\$3,333,285	\$3,449,958	\$3,496,761
BENEFITS	\$1,142,446	\$1,226,856	\$1,314,579	\$1,404,214
TRAVEL AND TRAINING	\$32,539	\$40,017	\$34,283	\$51,102
<b>Total PERSONNEL SERVICES</b>	<b>\$4,214,970</b>	<b>\$4,600,157</b>	<b>\$4,798,819</b>	<b>\$4,952,077</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$12,240	\$11,048	\$10,829	\$10,400
TOOLS AND EQUIPMENT	\$41,676	\$73,433	\$57,555	\$74,580
CHEMICAL & MEDICAL	\$627,505	\$693,197	\$644,958	\$706,029
FUEL	\$62,540	\$69,447	\$57,096	\$63,894
WEARING APPAREL	\$38,260	\$45,197	\$63,362	\$54,596
POSTAGE & SHIPPING	\$45,468	\$53,535	\$48,362	\$51,290
OTHER SUPPLIES	\$32,339	\$36,856	\$100,659	\$31,166
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$860,028</b>	<b>\$982,713</b>	<b>\$982,821</b>	<b>\$991,954</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$44,365	\$47,927	\$43,896	\$49,383
VEHICLE MAINTENANCE	\$178,891	\$136,484	\$163,392	\$115,471
EQUIPMENT MAINTENANCE	\$126,251	\$222,952	\$107,553	\$183,645
TECHNOLOGY MAINTENANCE	\$48,402	\$51,386	\$32,924	\$43,787
STREET MAINTENANCE	\$10,634	\$18,000	\$8,779	\$16,500
WATER SYSTEM MAINTENANCE	\$366,164	\$525,000	\$433,737	\$534,569
WASTEWATER SYSTEM MAINTENANCE	\$166,557	\$162,061	\$180,107	\$183,160
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$941,264</b>	<b>\$1,163,809</b>	<b>\$970,387</b>	<b>\$1,126,515</b>
<b>SERVICES</b>				
UTILITIES	\$698,940	\$803,520	\$746,037	\$793,557
PROFESSIONAL SERVICES	\$293,485	\$241,860	\$203,979	\$299,213
INSURANCE	\$114,498	\$125,415	\$127,402	\$155,094
ADVERTISING	-	\$1,500	\$421	-
LEASE / RENT	\$12,005	\$12,000	\$61,014	\$18,220
<b>Total SERVICES</b>	<b>\$1,118,927</b>	<b>\$1,184,295</b>	<b>\$1,138,852</b>	<b>\$1,266,084</b>
<b>OTHER</b>				
BAD DEBT	-	\$10,000	-	\$10,000
OTHER	\$65,699	\$376,354	\$78,208	\$326,117
<b>Total OTHER</b>	<b>\$65,699</b>	<b>\$386,354</b>	<b>\$78,208</b>	<b>\$336,117</b>
<b>CAPITAL OUTLAY</b>				
BUILDING AND STRUCTURES	-	-	-	-
MACHINERY, TOOLS, EQUIPMENT	\$32,798	-	-	-
WATER SYSTEM	\$136,620	\$144,980	\$144,426	\$141,480
WATER RECLAMATION SYSTEM	\$2,989	\$4,000	\$1,175	\$3,920
<b>Total CAPITAL OUTLAY</b>	<b>\$172,407</b>	<b>\$148,980</b>	<b>\$145,601</b>	<b>\$145,400</b>
<b>TRANSFERS</b>				



Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
REGULAR TRANSFERS	\$7,441,272	\$8,360,657	\$8,360,657	\$8,771,568
<b>Total TRANSFERS</b>	\$7,441,272	\$8,360,657	\$8,360,657	\$8,771,568
<b>Total Expenditures</b>	<b>\$14,814,568</b>	<b>\$16,826,965</b>	<b>\$16,475,345</b>	<b>\$17,589,715</b>

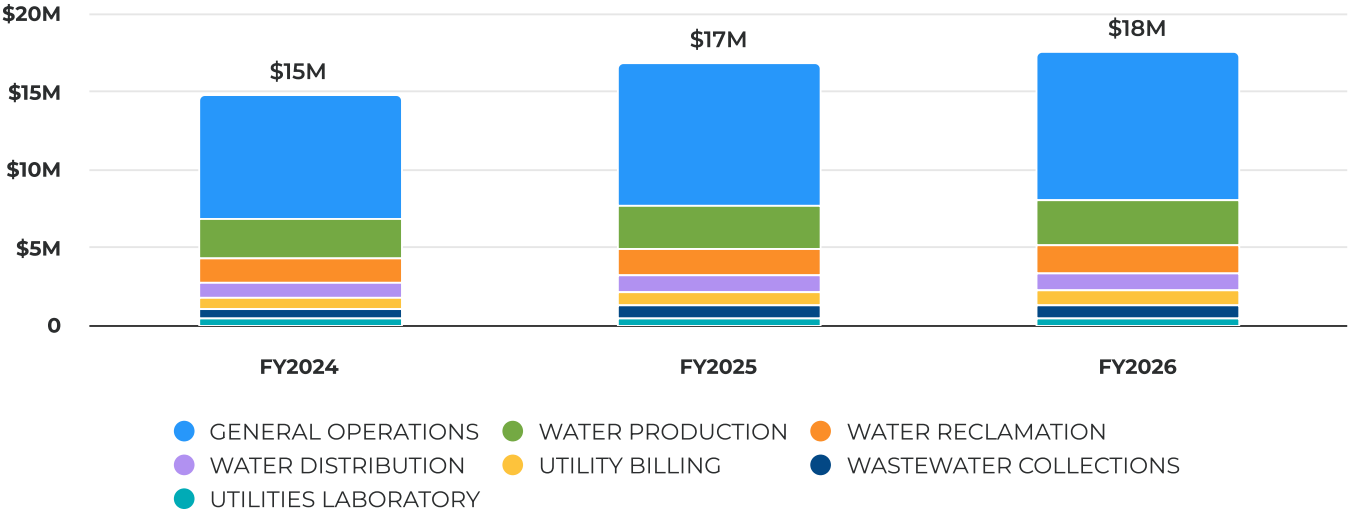
The Water Fund Budget Summary for FY2026 shows a total expenditure of \$17.6 million, which is a 4.53% increase from the previous year's \$16.8 million. General Operations remains the largest category, accounting for 54.3% of the total at \$9.6 million, with a \$435,260 increase representing a 4.77% rise from the prior year.

Water Production expenditures increased by \$85,289 or 3.07%, reaching \$2.9 million and making up 16.28% of the total budget. Water Reclamation also saw a notable increase of \$110,412 or 6.37%, totaling \$1.8 million and representing 10.48% of the budget.

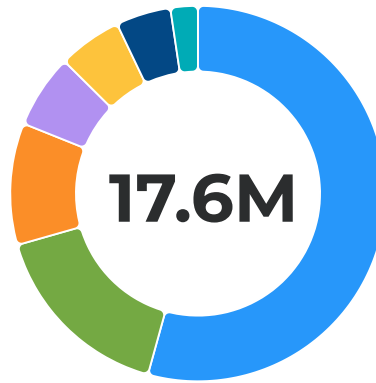
Water Distribution expenses rose by \$35,275 or 3.26% to \$1.1 million, comprising 6.36% of the total. Utility Billing experienced a significant increase of \$93,779 or 10.77%, reaching \$964,390 and accounting for 5.48% of expenditures. The Utilities Laboratory budget grew by \$26,029 or 6.69%, totaling \$415,123 and making up 2.36% of the budget.

In contrast, Wastewater Collections was the only category to decrease, dropping by \$23,292 or 2.72% to \$831,801, which is 4.73% of the total expenditures. Overall, the budget reflects moderate increases across most departments, with Wastewater Collections showing a slight decline.

Historical Expenditures by Department



## FY2026 Expenditures by Department



● GENERAL OPERATIONS	<b>\$9,551,994</b>	54.30%
● WATER PRODUCTION	<b>\$2,863,785</b>	16.28%
● WATER RECLAMATION	<b>\$1,843,809</b>	10.48%
● WATER DISTRIBUTION	<b>\$1,118,813</b>	6.36%
● UTILITY BILLING	<b>\$964,390</b>	5.48%
● WASTEWATER COLLECTIONS	<b>\$831,801</b>	4.73%
● UTILITIES LABORATORY	<b>\$415,123</b>	2.36%

## Expenditures by Department

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
GENERAL OPERATIONS	\$7,970,247	\$9,116,734	\$8,845,868	\$9,551,994
UTILITY BILLING	\$798,390	\$870,610	\$889,561	\$964,390
WATER PRODUCTION	\$2,586,506	\$2,778,496	\$2,811,430	\$2,863,785
WATER DISTRIBUTION	\$881,550	\$1,083,538	\$1,046,144	\$1,118,813
WATER RECLAMATION	\$1,596,966	\$1,733,397	\$1,700,621	\$1,843,809
UTILITIES LABORATORY	\$362,151	\$389,095	\$392,303	\$415,123
WASTEWATER COLLECTIONS	\$618,757	\$855,094	\$789,418	\$831,801
<b>Total Expenditures</b>	<b>\$14,814,568</b>	<b>\$16,826,965</b>	<b>\$16,475,345</b>	<b>\$17,589,715</b>

# Water Fund Five-Year Forecast

WATER FUND - FIVE YEAR FORECAST									
	FY2024 Actual	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget	FY2027 Forecast	FY2028 Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast
<b>BEGINNING FUND BALANCE</b>	4,200,729	\$ 4,109,263	\$ 4,109,263	\$ 4,489,529	4,489,529	4,659,793	5,040,571	5,591,312	5,591,312
<b>REVENUES</b>									
Water Service	6,531,554	7,816,830	7,524,492	8,024,445	8,345,422	8,637,512	8,896,638	9,074,570	9,256,062
Sewer Service	6,936,727	7,783,678	7,819,601	7,947,913	8,226,090	8,514,004	8,769,424	8,944,812	9,123,708
Reuse Water	148,871	175,000	201,563	459,441	523,763	597,090	620,973	633,393	646,060
Waste Disposal	301,462	319,000	309,081	290,000	300,000	300,000	300,000	300,000	300,000
Taps, Meters, & Other Fees	442,619	493,540	444,615	513,600	525,000	525,000	525,000	525,000	525,000
Interest and Miscellaneous	361,867	238,917	556,259	354,316	300,000	300,000	300,000	300,000	300,000
<b>TOTAL REVENUES</b>	<b>14,723,100</b>	<b>16,826,964</b>	<b>16,855,611</b>	<b>17,589,715</b>	<b>18,220,275</b>	<b>18,873,605</b>	<b>19,412,034</b>	<b>19,777,774</b>	<b>20,173,329</b>
<b>EXPENDITURES</b>									
<b>Operating Expenses</b>									
Personnel	4,214,970	4,600,157	4,798,819	4,952,077	5,113,535	5,253,583	5,442,950	5,715,098	6,058,004
Supplies	860,028	982,713	982,821	991,954	1,011,793	1,032,029	1,062,989	1,105,509	1,171,840
Maintenance	941,264	1,163,809	970,387	1,126,515	1,149,046	1,172,027	1,207,187	1,255,475	1,318,249
Services	1,118,927	1,184,295	1,138,852	1,266,084	1,291,405	1,317,234	1,356,751	1,411,021	1,481,572
Other Expenses	65,700	386,354	78,208	336,117	380,000	391,400	399,228	415,197	435,957
Capital Outlay	172,407	148,979	145,601	145,400	165,000	169,950	175,049	182,050	191,153
<b>Total Operating Expenses</b>	<b>7,373,296</b>	<b>8,466,307</b>	<b>8,114,688</b>	<b>8,818,147</b>	<b>9,110,779</b>	<b>9,336,222</b>	<b>9,644,154</b>	<b>10,084,350</b>	<b>10,656,773</b>
<b>Operating Transfers Out</b>									
Street Use Fee	618,513	655,448	655,448	704,904	546,608	566,208	582,361	791,111	806,933
Admin Fee to GF	1,708,345	1,776,679	1,776,679	2,018,686	2,079,247	2,141,624	2,205,873	2,272,049	2,362,931
Development Services	49,596	76,568	76,568	101,461	104,504	107,639	110,869	115,303	119,916
Asset Replacement	517,089	750,000	750,000	650,000	650,000	650,000	650,000	850,000	625,000
<b>Total Operating Transfers Out</b>	<b>2,893,543</b>	<b>3,258,694</b>	<b>3,258,694</b>	<b>3,475,050</b>	<b>3,380,359</b>	<b>3,465,472</b>	<b>3,549,102</b>	<b>4,028,463</b>	<b>3,914,780</b>
<b>Out</b>									
Capital Projects	300,000	425,000	425,000	500,000	500,000	425,000	425,000	500,000	500,000
Facility/System Replacement	25,000	-	-	125,000	125,000	125,000	125,000	125,000	125,000
<b>Total CIP Transfer</b>	<b>325,000</b>	<b>425,000</b>	<b>425,000</b>	<b>625,000</b>	<b>625,000</b>	<b>550,000</b>	<b>550,000</b>	<b>625,000</b>	<b>625,000</b>
<b>Debt Service Transfer</b>									
(details in Water Debt Service Summary)	4,222,729	4,676,963	4,676,963	4,671,518	4,933,872	5,141,133	5,118,036	3,673,360	2,447,342
<b>Total Transfers Out</b>	<b>7,441,272</b>	<b>8,360,657</b>	<b>8,360,657</b>	<b>8,771,568</b>	<b>8,939,232</b>	<b>9,156,604</b>	<b>9,217,139</b>	<b>8,326,823</b>	<b>6,987,122</b>
<b>TOTAL EXPENDITURES</b>	<b>14,814,568</b>	<b>16,826,964</b>	<b>16,475,345</b>	<b>17,589,715</b>	<b>18,050,012</b>	<b>18,492,827</b>	<b>18,861,293</b>	<b>18,411,173</b>	<b>17,643,895</b>
<b>CHANGE IN NET POSITION</b>	<b>(91,466)</b>	<b>-</b>	<b>380,266</b>	<b>-</b>	<b>170,263</b>	<b>380,778</b>	<b>550,741</b>	<b>1,366,602</b>	<b>2,529,436</b>
<b>ENDING FUND BALANCE</b>	<b>4,109,263</b>	<b>4,109,263</b>	<b>4,489,529</b>	<b>4,489,529</b>	<b>4,659,793</b>	<b>5,040,571</b>	<b>5,591,312</b>	<b>6,957,914</b>	<b>8,120,748</b>
CURRENT (OR ESTIMATED) CASH + RECEIVABLES	4,171,347	4,338,201	4,338,201	4,424,965	4,535,589	4,626,301	4,718,827	4,813,203	4,909,467
RESERVE %	28.2%	25.8%	26.3%	25.2%	25.1%	25.0%	25.0%	26.1%	27.8%
RESERVE TARGET (25.0%)	3,703,642	4,206,741	4,118,836	4,397,429	4,512,503	4,623,207	4,715,323	3,682,235	3,528,779

Note: Current Cash + Receivables is adjusted at year-end close but estimated during budget process

The forecast assumes water & sewer revenue increases of 3 - 4% annually which includes moderate rate increases and growth. Expenditures are assumed to increase 2.5-4% depending on the category. The forecast includes a heavier focus on sustainability in future years for items such as asset replacement and CIP transfers, which aligns with the City's long-term plans for maintaining healthy infrastructure. FY2030 will see a significant reduction in debt service, which will leave the City capacity to address larger infrastructure needs.

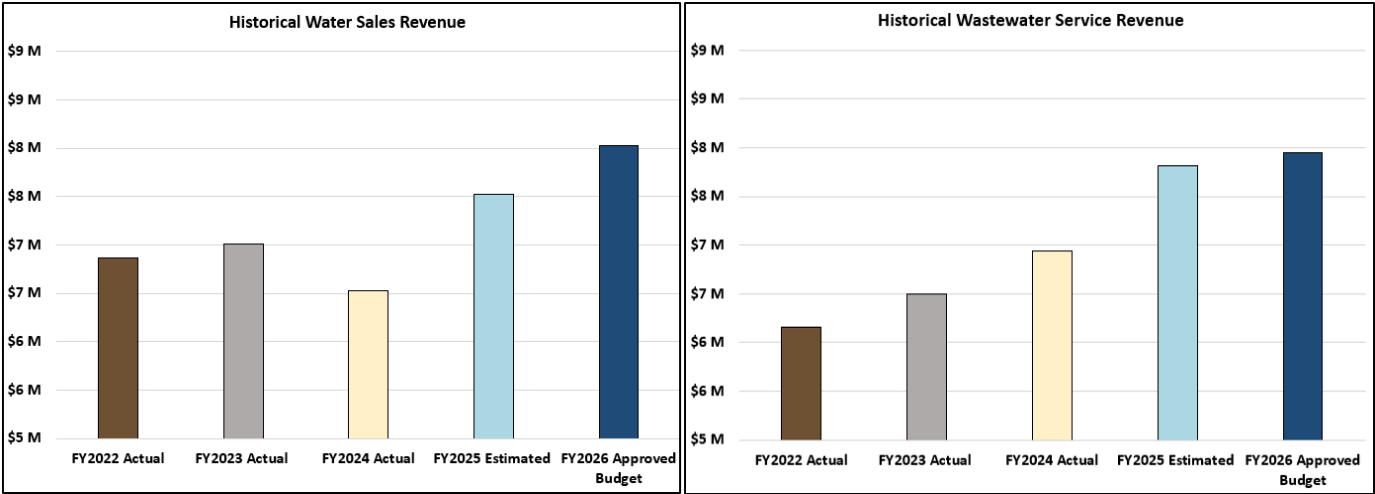
The Water Fund follows accrual accounting for financial reporting, so the fund balance reserve percentage is calculated using both cash and receivables. These figures are updated at the end of each fiscal year and estimated for future years. The Government Finance Officers Association (GFOA) recommends maintaining a fund balance reserve of at least 15 percent. Consistent with this guidance, the City's Financial Management Policy states that "The Water Fund's cash and current receivables should be between 15 and 25 percent of the fund's annual operating expenses."

# Water Fund Revenues

Over time, Water Fund revenues have grown due to continued residential and commercial development, as well as rate increases necessary to offset inflationary pressures on fund expenses. However, the extreme drought beginning in FY2023 and continuing to the present day led the City to implement strict water conservation measures, impacting water revenues. The City implemented a new revenue model, decreasing the dependency on irrigation revenue to promote conservation and provide accurate rate-setting data.

The largest budgeted revenue sources are Water Sales, accounting for 46% of total revenues, and Sewer Services, contributing 45%. The remaining revenue comes from a variety of sources, including reuse water sales, septage hauler waste disposal fees, tap fees, new meter sales, and service charges. Notable descriptions for miscellaneous revenue sources below.

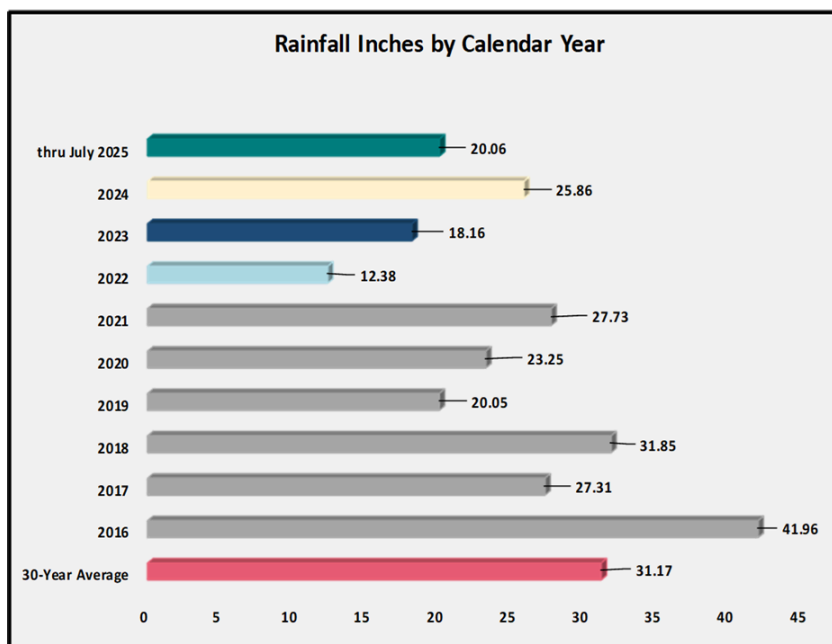
- **Waste Disposal** - The Wastewater Plant allows dumping of septage by septic hauling and portable toilet companies in order to ensure proper waste disposal of this type of sewage. These customers are billed monthly through the Utility Billing Department.
- **Sale of Meters** - Customers/developers purchase meters for water service at new properties or add meters at existing properties. Meter Technicians (Utility Billing Department) inventory a variety of meters and install at properties as needed. All meters installed within the City's infrastructure are required to be purchased through the City to ensure uniformity and compatibility with the City's metering software.
- **Service Charge** - This fee is charged to customers whose water service is disconnected for non-payment, per City ordinance. The fee covers the cost of labor involved in physically going to the meter for disconnection and reconnection of service.
- **Misc.** - Included in this line are items such as sale of scrap metal, rebates from vendors, public information requests that require payment per policy, etc.



The Water Fund Forecast is used by staff to monitor revenue trends and project future operational needs. Long-term capital planning is guided by the Water/Wastewater Master Plan, while the Asset Replacement Model helps estimate the cost of replacing aging infrastructure. These tools, along with the City's water consumption model, are used to set utility rates for water and sewer services at levels necessary to meet system demands.

As an enterprise fund, the Water Fund operates like a business and is self-supported by the revenues it generates. As such, it requires close tracking and thoughtful consideration of all system components. Since mid-2022, the fund has faced significant inflationary impacts, especially in petroleum-based products such as chemicals and piping, which saw cost increases of 25–40%. Although inflation is now stabilizing, these pressures have contributed to the recent need for increased revenue.

# Consumption Factors



## Water Conservation Conditions:

**8/1/2023 - Stage 2**

**8/24/2023 – Stage 4**

**11/15/2023 – Stage 3**

**12/15/2023 – Stage 2**

**5/30/2024 – Stage 3**

**7/29/2025 – Stage 4**

Due to the low rainfall in 2022, consumption increased significantly and triggered water conservation measures to go into effect.

The July 2025 Stage 4 Conservation measure is due to the significant damage sustained by the water treatment plant during the July 4th flood. The facility is currently offline and undergoing repairs. As a result, our community is temporarily relying on groundwater wells to meet daily water demands. The implementation of Stage 4 is solely a water management strategy to aid in prolonging our groundwater supply.

Manner of Water Use	Year Round Water Conservation	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5
Automatic & Hose End Sprinklers & Soaker Hoses	Allowed	Allowed	Allowed	Allowed	Not Allowed	Not Allowed
	6:00pm – 10:00am	6:00am – 10:00am AND 8:00pm – 12:00am	6:00am – 9:00am AND 8:00pm – 10:00pm	6:00am – 9:00am	Prohibited at ALL times	Prohibited at ALL times
	Every Day	TUE & SAT: Odd Addresses WED & SUN: Even Addresses	TUE & SAT: Odd Addresses WED & SUN: Even Addresses	TUE & SAT: Odd Addresses WED & SUN: Even Addresses	Prohibited on ALL days	Prohibited on ALL days
Hand-Held Hoses w/Nozzle, Drip Irrigation, or Buckets	Allowed	Allowed	Allowed	Allowed	Allowed	Not Allowed
	Anytime	Anytime	7:00pm – 9:00am	6:00am – 9:00am AND 7:00pm – 11:00pm	6:00am – 9:00am AND 7:00pm – 11:00pm	Prohibited at ALL times
	Every Day	Every Day	Every Day	Every Day	Every Day	Prohibited on ALL days

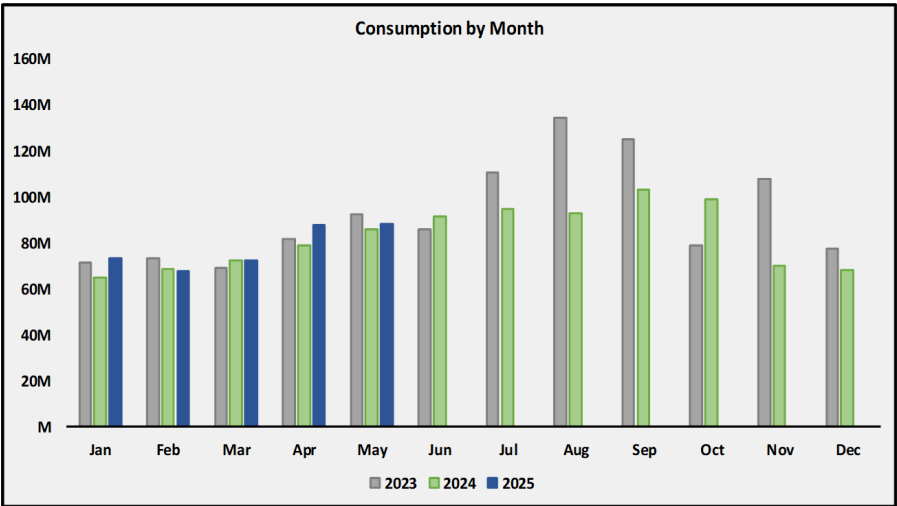


# Consumption

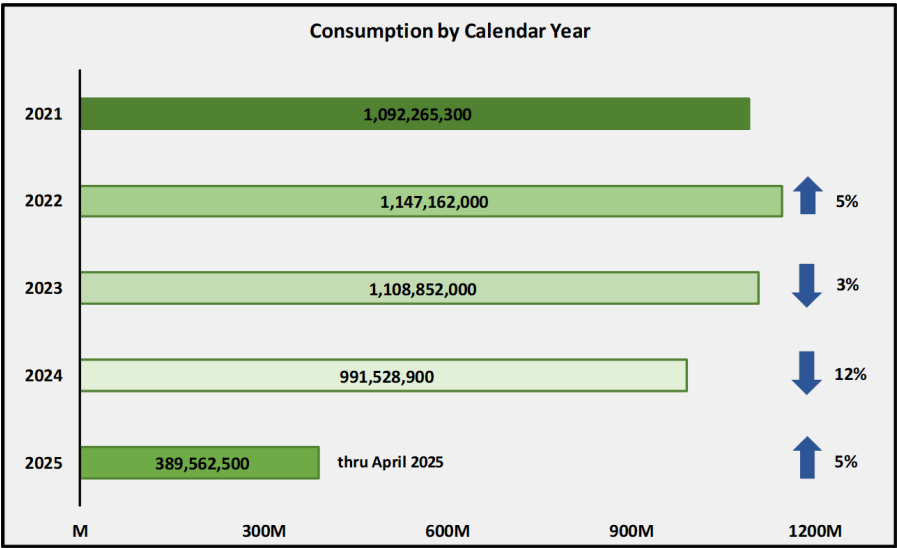
**2023** shows the highest water consumption during the summer months (July–September), with August peaking above 150 million gallons.

**2024** consumption is notably lower throughout the year, particularly in the summer, reflecting the impact of continued drought conditions and water restrictions.

**2025** data (January–April) indicates slightly higher consumption than the same period in 2024, suggesting a potential rebound in usage, though still below 2023 levels.



After peaking in 2022, water consumption declined in both 2023 and 2024, due to drought conditions and water conservation measures. Early 2025 data shows a slight rebound with a 5% increase in consumption through April compared to the same period in 2024.




# FY2026 Approved Utility Rates

Because the City maintains low base rates and volumetric pricing within the average customer tier, water revenues are particularly vulnerable to reduced consumption. In typical rainfall years, irrigation accounts for over 30% of total water use and associated revenues. While higher water volume users have historically paid more to encourage conservation, drought-related irrigation restrictions have led to notable revenue losses from this segment.

In contrast, sewer (wastewater) revenues remain more stable due to their consistent, monthly billing structure. Residential sewer billing is determined using sewer averaging, which calculates a customer's average water use during December, January, and February - months when outdoor irrigation is minimal. This annual sewer average is applied to bills beginning in April, keeping monthly costs predictable for both the City and residents. Additionally, this approach ensures that irrigation use does not affect sewer charges, providing a fairer system for customers.

FY2026 includes rate adjustments: increases to both base rates for water and wastewater, along with volumetric tier increases for heavier users. Residential customers continue to receive 1,000 gallons included in the base rate for both water and wastewater services. This protects low-usage households from paying more than the base rate and supports consistent monthly billing. Meanwhile, higher volumetric rates for heavy users further support the City's water conservation goals.



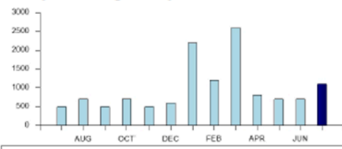
City of Kerrville  
701 Main St  
Kerrville, TX 78028

Monday - Friday: 8:00 am to 5:00 pm  
Business Hours Phone: (830) 258-1504  
After Hours Phone: (830) 257-4668  
[www.kerrvilletx.gov](http://www.kerrvilletx.gov)

Customer Name				Billing Date	Due Date
				8/1/2025	8/15/2025
Account Number		Service Location		Service From	Service To
XX-1000-10		XXX Bartholomew Dr		6/20/2025	7/21/2025

Meter Number	Previous Reading	Current Reading	Gallons Used	# of Days
939743XX	12,100	13,200	1,100	31

**Monthly Water Usage History**



Account Number	Amount
WATER	24.55
SEWER	24.79
GARBAGE	23.95
LANDFILL FEE	0.40
STORMWATER FEE - RES	1.00
SALES TAX	1.98
<b>TOTAL AMOUNT DUE</b>	<b>\$76.67</b>

**PAYMENT TERMS:**  
Accounts not paid in full within 15 days of billing date will be charged a 10% penalty. Accounts not paid in full within 25 days of billing date will be charged a \$35 service fee and will be subject to termination of service.

**PAYMENT METHODS:**  
Auto Pay - bank draft (call to set up)  
Online - debit/credit card [www.kerrvilletx.gov](http://www.kerrvilletx.gov)  
Payment by mail - check only  
Payment at 701 Main St - cash, check, debit/credit card  
Payment by phone - debit/credit card


Want to receive your bill via email?  
Call (830) 258-1504 to sign up for electronic billing.

**IMPORTANT NEWS AND INFORMATION:**

ATTENTION! As of July 29, 2025, the City of Kerrville is on Stage 4 water restrictions. Be advised that in Stage 4, automatic and hose end sprinklers and soaker hoses are prohibited on all days/times. For more information on Stage 4 measures, please visit the City of Kerrville website at <https://www.kerrvilletx.gov/> or call (830) 257-8000 for general questions.

City Hall will be closed Monday, September 1st in observance of Labor Day.

Return this portion with your payment. Make checks payable to City of Kerrville.



City of Kerrville  
701 Main St  
Kerrville, TX 78028

XXX Bartholomew Dr  
Kerrville, TX 78028

Name: \_\_\_\_\_

Account Number: XX-1000-10

Service Address: XXX Bartholomew Dr

Billing Date: 8/1/2025

Total Due BY 5 pm on 8/15/2025	<b>\$76.67</b>
Total Due AFTER 5 pm on 8/15/2025	<b>\$84.21</b>

Neighbor Assistance Contribution \$ \_\_\_\_\_

AMOUNT ENCLOSED \$

# FY2026 Approved Utility Rates

**Residential** Water and Wastewater rates are depicted below, as residential customers make up the vast majority of the utility billing accounts. Please visit the FY2026 fee schedule to find other categorical utility billing rates, i.e., Commercial, Irrigation, Reuse and Fire Hydrants. Per the FY2025 sewer averaging period, the average household consumes approximately 5,200 gallons of water per month.

## Water Service Proposes the Following Rate Changes:

- **5%** Base Charge Increase
- **0%** Tier Increase 0 - 1,000 gallons
- **0%** Tier Increase 1,001 - 6,000 gallons
- **0%** Tier Increase 6,001 - 15,000 gallons
- **1%** Tier Increase 15,001 - 25,000 gallons
- **3%** Tier Increase 25,001 - 50,000 gallons
- **5%** Tier Increase 50,001+ gallons

Tier	Current Rate	FY2026 Approved Rate	\$ Increase	# Residential Accounts (May 2025)	% Residential Accounts (May 2025)
Base Rate (includes 1,000 gallons)	\$24.20 per account	\$25.41 per account	\$1.21 per account	8,740	100%
0-1,000 gallons	\$0.00 per 1,000 gallons	\$0.00 per 1,000 gallons	\$0.00 per 1,000 gallons	1,203	13.8%
1,001-6,000 gallons	\$3.51 per 1,000 gallons	\$3.51 per 1,000 gallons	\$0.00 per 1,000 gallons	5,082	58.1%
6,001-15,000 gallons	\$4.74 per 1,000 gallons	\$4.74 per 1,000 gallons	\$0.00 per 1,000 gallons	1,769	20.2%
15,001-25,000 gallons	\$6.22 per 1,000 gallons	\$6.28 per 1,000 gallons	\$0.06 per 1,000 gallons	417	4.8%
25,001-50,000 gallons	\$7.93 per 1,000 gallons	\$8.16 per 1,000 gallons	\$0.24 per 1,000 gallons	213	2.4%
50,000 gallons and up	\$10.37 per 1,000 gallons	\$10.89 per 1,000 gallons	\$0.52 per 1,000 gallons	56	0.6%

## Wastewater Service Proposes the Following Rate Changes:

- **7%** Base Charge Increase
- **7%** Tier Increase

Rate Type	Current Rate	FY2026 Approved Rate	\$ Increase
Monthly Account Fee (plus)	\$22.69 per account	\$24.28 per account	\$1.59 per account
Residential Sewer Average	\$0.00 first 1,000 gallons	\$0.00 first 1,000 gallons	\$0.00 first 1,000 gallons
Residential Sewer Average	\$6.30 per 1,000 gallons > 1,001	\$6.74 per 1,000 gallons > 1,001	\$0.44 per 1,000 gallons

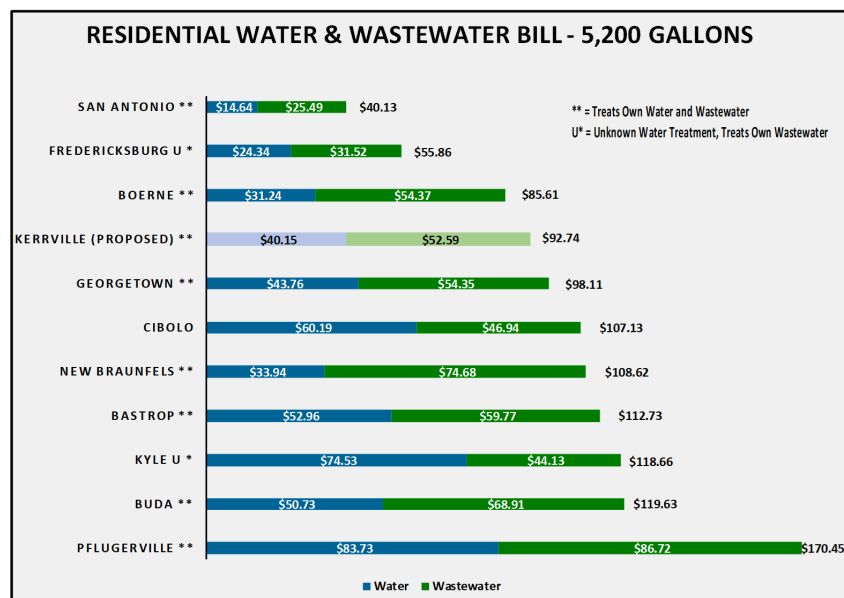
# Customer Impact

The graph illustrates the monthly and annual increases in water and wastewater charges for residential customers, based on household consumption levels. A customer with an average consumption of 5,200 gallons would see an approximate monthly bill increase of \$5.91 and an annual increase of approximately \$70.90.

Water & Sewer Combined Rates Monthly Bill Comparison				
Gallons	Current	FY2026 Approved	\$ Monthly	\$ Annually
1,000	\$ 46.89	\$ 49.69	\$ 2.80	\$ 33.60
2,000	\$ 56.70	\$ 59.94	\$ 3.24	\$ 38.88
3,000	\$ 66.51	\$ 70.19	\$ 3.68	\$ 44.16
4,000	\$ 76.32	\$ 80.44	\$ 4.12	\$ 49.44
5,200	\$ 86.83	\$ 92.74	\$ 5.91	\$ 70.90
6,000	\$ 95.94	\$ 100.94	\$ 5.00	\$ 60.00
7,000	\$ 106.94	\$ 112.42	\$ 5.48	\$ 65.76
8,000	\$ 117.94	\$ 123.90	\$ 5.96	\$ 71.52
9,000	\$ 128.94	\$ 135.38	\$ 6.44	\$ 77.28
10,000	\$ 139.94	\$ 146.86	\$ 6.92	\$ 83.04
15,000	\$ 194.94	\$ 204.26	\$ 9.32	\$ 111.84
20,000	\$ 256.64	\$ 269.36	\$ 12.72	\$ 152.64
25,000	\$ 318.34	\$ 334.46	\$ 16.12	\$ 193.44
30,000	\$ 387.59	\$ 408.96	\$ 21.37	\$ 256.44
40,000	\$ 526.09	\$ 557.96	\$ 31.87	\$ 382.44
50,000	\$ 664.59	\$ 706.96	\$ 42.37	\$ 508.44
60,000	\$ 821.79	\$ 883.26	\$ 61.47	\$ 737.64

Average Household Consumption

The graph compares the monthly residential water and wastewater bill for the City of Kerrville, based on 5,200 gallons of usage, with those of 10 other Texas cities. Rates vary significantly across cities due to differences in infrastructure, water sources, and treatment operations. Cities that treat their own water and wastewater (marked with "\*\*") show a wide range of costs, highlighting the impact of local policies and system needs. Kerrville's rates aim to establish a more stable base rate, helping to create a dependable revenue stream that supports the ongoing demands of its water and wastewater systems.



# Utility Billing

The Utility Billing Department provides timely and accurate billing services, meter and other infrastructure maintenance and exemplary customer service to the City's utility customers.

**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 providing exceptional customer service
- **Meter Services:** Responsible for meter reading, meter maintenance and installation, and providing exceptional customer service and education

**Department Accomplishments:**

- Updated and replaced outdated curb stops and aging meter infrastructure
- Maintained great customer service and response time for service calls
- Completed Texas Municipal League safety courses
- Completed lifesaving courses offered by Kerrville Fire - EMS
- Increased bank draft payments to save customers money & increase efficiency

**FY2026 Objectives:**

- Maintain and upgrade infrastructure through consistent meter maintenance processes
- Upgrade meter antennas and registers for improved readability
- Increase the number of E-billing and automatic payments to reduce costs
- Reduce utility bad debt balance
- Cross-train employees for better customer service and efficiency

**Budgeted Full-Time Employees (FTE):**

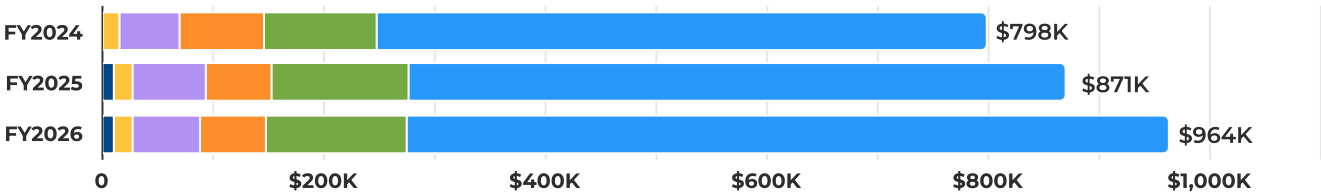
FY2024	FY2025	FY2026
8	8	9

\*Note: The additional FTE in FY2026 is not an additional FTE to the City. The Customer Service Associate was transferred to Utility Billing to better align with job responsibilities.



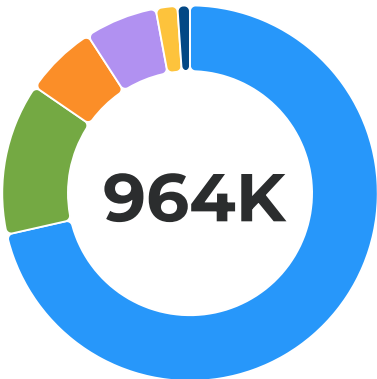
Utility Billing Team

Historical Expenditures by Category



- PERSONNEL SERVICES
- MAINTENANCE AND REPAIRS
- CAPITAL OUTLAY
- SUPPLIES AND MATERIALS
- SERVICES
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$689,064	71.45%
MAINTENANCE AND REPAIRS	\$126,594	13.13%
SUPPLIES AND MATERIALS	\$60,429	6.27%
CAPITAL OUTLAY	\$60,000	6.22%
SERVICES	\$17,973	1.86%
OTHER	\$10,330	1.07%

## Utility Billing Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$393,624	\$422,780	\$441,561	\$476,184
BENEFITS	\$155,197	\$167,105	\$181,966	\$206,760
TRAVEL AND TRAINING	\$583	\$3,078	\$4,607	\$6,120
<b>Total PERSONNEL SERVICES</b>	<b>\$549,404</b>	<b>\$592,963</b>	<b>\$628,133</b>	<b>\$689,064</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$2,072	\$1,900	\$907	\$1,225
TOOLS AND EQUIPMENT	\$2,782	\$5,150	\$4,635	\$4,235
CHEMICAL & MEDICAL	\$184	\$535	\$413	\$345
FUEL	\$5,073	\$5,539	\$4,295	\$5,139
WEARING APPAREL	\$3,323	\$4,165	\$3,182	\$3,770
POSTAGE & SHIPPING	\$38,302	\$45,660	\$42,642	\$43,020
OTHER SUPPLIES	\$1,786	\$1,900	\$1,483	\$2,695
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$53,523</b>	<b>\$64,849</b>	<b>\$57,558</b>	<b>\$60,429</b>
<b>MAINTENANCE AND REPAIRS</b>				
VEHICLE MAINTENANCE	\$4,514	\$2,544	\$1,442	\$2,894
EQUIPMENT MAINTENANCE	\$11,278	\$12,442	\$12,084	\$12,785
TECHNOLOGY MAINTENANCE	\$21,665	\$24,118	\$26,135	\$25,915
WATER SYSTEM MAINTENANCE	\$64,702	\$85,000	\$83,469	\$85,000
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$102,159</b>	<b>\$124,103</b>	<b>\$123,129</b>	<b>\$126,594</b>
<b>SERVICES</b>				
UTILITIES	\$3,517	\$4,500	\$3,691	\$4,320
PROFESSIONAL SERVICES	\$11,919	\$13,270	\$11,453	\$12,878
INSURANCE	\$792	\$675	\$875	\$775
<b>Total SERVICES</b>	<b>\$16,228</b>	<b>\$18,445</b>	<b>\$16,019</b>	<b>\$17,973</b>
<b>OTHER</b>				
BAD DEBT	-	\$10,000	-	\$10,000
OTHER	\$43	\$250	\$527	\$330
<b>Total OTHER</b>	<b>\$43</b>	<b>\$10,250</b>	<b>\$527</b>	<b>\$10,330</b>
<b>CAPITAL OUTLAY</b>				
WATER SYSTEM	\$77,034	\$60,000	\$64,195	\$60,000
<b>Total CAPITAL OUTLAY</b>	<b>\$77,034</b>	<b>\$60,000</b>	<b>\$64,195</b>	<b>\$60,000</b>
<b>Total Expenditures</b>	<b>\$798,390</b>	<b>\$870,610</b>	<b>\$889,561</b>	<b>\$964,390</b>



# Performance Measures

Utility Billing				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Public Facilities & Services	E-Bills (%)	47%	49%	52%
	Total Number of Bills Generated	127,906	128,957	130,000
	Total Service Orders Completed	10,900	11,467	12,000
	In-Office Payments Received	33,747	34,333	35,000
	Bank Draft Payments Received	38,865	48,383	50,000
	Online & App Payments Received	19,383	17,739	16,000
	Online Autopay Received	26,119	21,697	23,000
	Phone System (IVR) Payments Received	6,045	3,875	4,000
	Text-to-Pay Payments Received	1,784	1,692	1,600

# Water Production

The Water Production Division 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 and Storage:** Responsible for treating water from the Guadalupe River and the Lower Trinity Aquifer to drinking water standards, storing excess drinking water into the Aquifer Storage and Recovery (ASR) wells for use during times of need
- **Water Pressure and Volume:** Responsible for moving drinking water to storage tanks using booster stations to provide the necessary pressure and volume to meet daily customer demand and emergency fire flow requirements
- **Water Data Collection:** Responsible for recording tank and aquifer levels, pumping flow, pumping totals, chemical usage, disinfection levels, treatment parameters, and historical data to comply with regulatory requirements
- **Customer Service:** Responsible for water quality calls, pressure calls, after-hours customer turn-ons, after-hours customer-initiated turn-offs, and investigating reported leaks

## Department Accomplishments:

- Replaced Granular Activated Carbon (GAC) media in two vessels.
- Changed out GAC pumps, increasing capacity
- Replenished Filter Media in Conventional Plant
- Erected a 50' camera tower at Loop 534 Well
- Rewired Hilltop Booster Station
- Built new Chemical Building on H St.
- Paving roads at the Water Plant
- Renovated the Maintenance Kitchen

## FY2026 Objectives:

- Replacing aging vehicles
- Replace two units of GAC media
- Add a ground storage tank and larger booster pumps at Travis St
- Install new strainers for Zenon
- Install cameras at College Cove and Loop 534
- Repair/replace tank level sight gauges
- Renovation of the water production maintenance bathroom
- Updating and expanding our Biochemical Oxygen Demand (BOD) system
- Continue to use Asset Essential Solutions Software



**Water Production Plant**

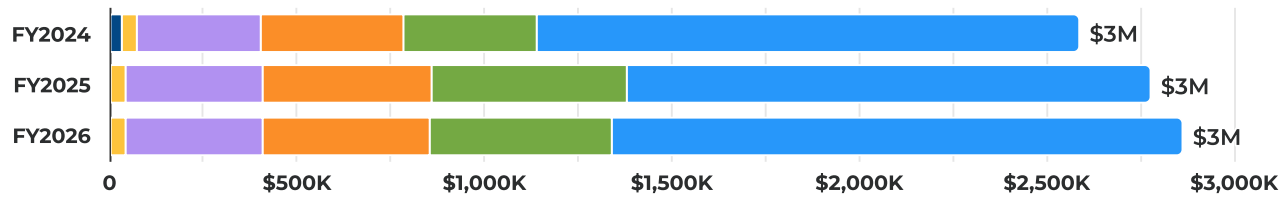
## Did you know?

Water can dissolve more substances than any other liquid.

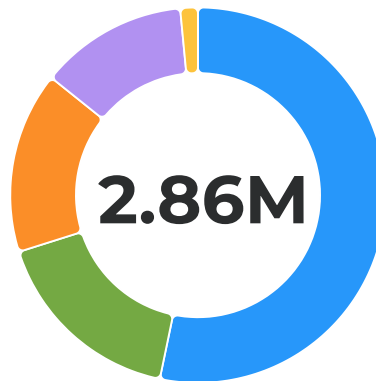
## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
15	15	15

### Historical Expenditures by Category



### FY2026 Expenditures by Category



PERSONNEL SERVICES	\$1,525,595	53.27%
MAINTENANCE AND REPAIRS	\$482,420	16.85%
SERVICES	\$447,628	15.63%
SUPPLIES AND MATERIALS	\$364,692	12.73%
OTHER	\$43,450	1.52%

**Water Production Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$1,063,915	\$1,039,001	\$1,118,156	\$1,076,995
BENEFITS	\$367,010	\$348,744	\$425,652	\$432,049
TRAVEL AND TRAINING	\$13,982	\$12,958	\$17,076	\$16,551
<b>Total PERSONNEL SERVICES</b>	<b>\$1,444,908</b>	<b>\$1,400,703</b>	<b>\$1,560,885</b>	<b>\$1,525,595</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$5,152	\$2,470	\$6,561	\$3,410
TOOLS AND EQUIPMENT	\$13,405	\$33,900	\$18,200	\$21,350
CHEMICAL & MEDICAL	\$281,952	\$297,256	\$291,884	\$310,170
FUEL	\$10,366	\$10,675	\$8,380	\$10,080
WEARING APPAREL	\$10,054	\$10,047	\$19,672	\$12,647
POSTAGE & SHIPPING	\$3,282	\$3,850	\$2,949	\$4,120
OTHER SUPPLIES	\$7,673	\$8,300	\$57,706	\$2,915
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$331,885</b>	<b>\$366,498</b>	<b>\$405,353</b>	<b>\$364,692</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$8,460	\$16,550	\$12,019	\$6,700
VEHICLE MAINTENANCE	\$5,583	\$4,600	\$7,308	\$6,750
EQUIPMENT MAINTENANCE	\$61,058	\$110,620	\$48,738	\$85,770
TECHNOLOGY MAINTENANCE	\$9,446	\$6,833	\$1,980	\$2,200
WATER SYSTEM MAINTENANCE	\$272,975	\$380,000	\$321,336	\$380,000
WASTEWATER SYSTEM MAINTENANCE	-	\$1,000	\$1,037	\$1,000
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$357,522</b>	<b>\$519,603</b>	<b>\$392,419</b>	<b>\$482,420</b>
<b>SERVICES</b>				
UTILITIES	\$350,735	\$414,207	\$389,581	\$408,553
PROFESSIONAL SERVICES	\$27,939	\$31,975	\$17,922	\$38,075
ADVERTISING	-	\$1,500	-	-
LEASE / RENT	\$462	\$1,000	\$1,651	\$1,000
<b>Total SERVICES</b>	<b>\$379,135</b>	<b>\$448,682</b>	<b>\$409,154</b>	<b>\$447,628</b>
<b>OTHER</b>				
OTHER	\$40,260	\$43,010	\$43,620	\$43,450
<b>Total OTHER</b>	<b>\$40,260</b>	<b>\$43,010</b>	<b>\$43,620</b>	<b>\$43,450</b>
<b>CAPITAL OUTLAY</b>				
MACHINERY, TOOLS, EQUIPMENT	\$32,798	-	-	-
<b>Total CAPITAL OUTLAY</b>	<b>\$32,798</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$2,586,506</b>	<b>\$2,778,496</b>	<b>\$2,811,430</b>	<b>\$2,863,785</b>

# Performance Measures

Water Production				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Water, Wastewater, & Drainage	Total Water to Distribution in millions gallons (MG)	1,277	1,320	1,360
	Ground Water to Distribution (MG)	193	278	360
	Percent of Ground Water Permit Remaining (MG)	84	81	83
	Surface Water stored in the ASR System (MG)	953	1,008	1,060
	Raw Surface Water Diverted from River (MG)	1,246	1,130	1,250
	Percent of Surface Water Permit Remaining (MG)	37	43	40
	Customer Service Calls	115	144	165

# Water Distribution

Water Distribution provides 24/7 construction support and maintenance for the City's water and wastewater infrastructure. Water Distribution also installs new water and sewer taps for new developments.

**Department Responsibilities:**

- **Construction, Maintenance, and Repair:** Responsible for the construction, maintenance, and repair of City water and wastewater infrastructure
- **Fire Hydrant & Valve Program:** responsible for installation, maintenance, and repair of all fire hydrants and valves located within the City's distribution system

**Department Accomplishments:**

- Installed 142 ft. of new water main
- Average 400 hrs annually hydro excavating buried utilities. (GAS, FIBER OPTIC, ELECTRIC, ETC )
- Completed an average of 241 line locates monthly within the 48-hour requirement, and a 2-hour timeframe for all emergency locates
- Completed total of 3,517 work orders
- Inspected and performed maintenance on 1503 fire hydrants and 520 control valves throughout the city
- Worked diligently with citizens to resolve 8911 sewer service repairs

**FY2026 Objectives:**

- Assist golf dept with installing new valves in an effort to have better control of the irrigation system
- Continue to work with IT to keep the GIS utility map updated and as accurate as possible
- Develop procedures to better serve the department during extreme weather occurrences
- Coordinate with the Streets division to inspect existing utilities before paving
- Track work orders and performance measures through bright programs in efforts to improve the quality of production and performance
- Exercise valves and hydrants to insure the water system is operating properly during peak demands
- Provide high quality service to all customers by making all necessary notifications to the public as needed
- Respond to service calls quickly and resolve issues with swift decision-making
- Invest in training through state-accredited programs to provide staff with the best safety, and in the field training possible
- Continue to use Asset Essential Solutions Software, to help track city asset conditions better and create alerts about preventative maintenance



**Water Distribution team excavates site in preparation for repairing water main**

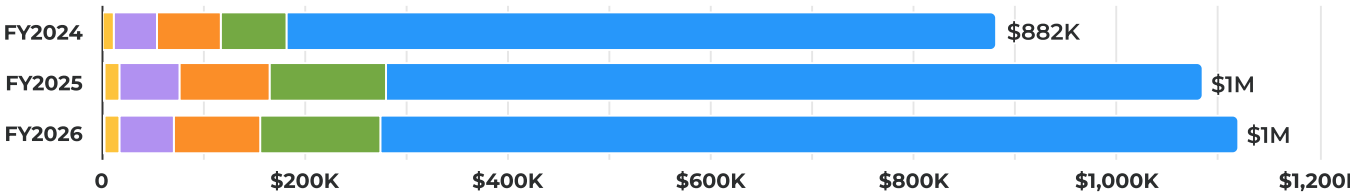
**Did you know?**

Water Dist dept conducts in house CDL training. This training is through the Federal Motor Carrier Safety Administration.

**Budgeted Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
10	10	10

Historical Expenditures by Category



- PERSONNEL SERVICES
- MAINTENANCE AND REPAIRS
- CAPITAL OUTLAY
- SUPPLIES AND MATERIALS
- SERVICES
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$843,494	75.39%
MAINTENANCE AND REPAIRS	\$119,495	10.68%
CAPITAL OUTLAY	\$85,400	7.63%
SUPPLIES AND MATERIALS	\$53,396	4.77%
SERVICES	\$14,569	1.30%
OTHER	\$2,460	0.22%



## Water Distribution Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$490,177	\$581,775	\$601,375	\$597,359
BENEFITS	\$205,565	\$218,956	\$234,194	\$241,119
TRAVEL AND TRAINING	\$3,745	\$3,240	\$1,365	\$5,015
<b>Total PERSONNEL SERVICES</b>	<b>\$699,488</b>	<b>\$803,971</b>	<b>\$836,934</b>	<b>\$843,494</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$182	\$278	\$220	\$278
TOOLS AND EQUIPMENT	\$9,112	\$14,780	\$14,964	\$10,350
CHEMICAL & MEDICAL	\$103	\$206	\$71	\$160
FUEL	\$14,870	\$20,669	\$15,812	\$16,295
WEARING APPAREL	\$9,220	\$11,322	\$12,764	\$14,764
POSTAGE & SHIPPING	-	-	\$201	-
OTHER SUPPLIES	\$9,619	\$11,299	\$9,949	\$11,549
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$43,106</b>	<b>\$58,554</b>	<b>\$53,980</b>	<b>\$53,396</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$937	\$2,190	\$1,312	\$2,190
VEHICLE MAINTENANCE	\$19,283	\$20,795	\$14,422	\$19,096
EQUIPMENT MAINTENANCE	\$5,122	\$11,140	\$3,699	\$9,840
STREET MAINTENANCE	\$10,634	\$18,000	\$8,779	\$16,500
WATER SYSTEM MAINTENANCE	\$28,487	\$60,000	\$29,385	\$69,569
WASTEWATER SYSTEM MAINTENANCE	\$574	\$2,500	\$1,304	\$2,300
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$65,037</b>	<b>\$114,625</b>	<b>\$58,902</b>	<b>\$119,495</b>
<b>SERVICES</b>				
UTILITIES	\$10,495	\$10,949	\$10,606	\$10,569
PROFESSIONAL SERVICES	-	\$4,000	\$2,828	\$4,000
<b>Total SERVICES</b>	<b>\$10,495</b>	<b>\$14,949</b>	<b>\$13,434</b>	<b>\$14,569</b>
<b>OTHER</b>				
OTHER	\$849	\$2,460	\$1,489	\$2,460
<b>Total OTHER</b>	<b>\$849</b>	<b>\$2,460</b>	<b>\$1,489</b>	<b>\$2,460</b>
<b>CAPITAL OUTLAY</b>				
WATER SYSTEM	\$59,586	\$84,980	\$80,231	\$81,480
WATER RECLAMATION SYSTEM	\$2,989	\$4,000	\$1,175	\$3,920
<b>Total CAPITAL OUTLAY</b>	<b>\$62,575</b>	<b>\$88,980</b>	<b>\$81,406</b>	<b>\$85,400</b>
<b>Total Expenditures</b>	<b>\$881,550</b>	<b>\$1,083,538</b>	<b>\$1,046,144</b>	<b>\$1,118,813</b>

# Performance Measures

Water Distribution				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Water, Wastewater, & Drainage	Customer Service Calls	3,845	3,080	N/A
	Main Leak/Break Svc Calls	57	55	N/A
	New Water Taps	30	29	25
	New Sewer Taps	16	13	25
	Line Locates	3,269	2,337	2,800
	Fire Hydrants Serviced	1,493	2,175	1,800
	Valve Exercise Program	554	598	575
	Water Main Replaced (linear ft.)	167	259	225
	New Water Main Installed (linear ft.)	239	498	350

# Water Reclamation

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

**Department Responsibilities:**

- **Wastewater 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
- **Reclaimed Water System:** responsible for the operation and maintenance of the Reclaimed Water Storage Pond and distribution pumping system as well as the regulatory oversight of all reclaimed water customer sites
- **Industrial Stormwater Permit:** Responsible for operating and maintaining TCEQ and EPA standards for the permit requirements of the facilities Industrial Storm Water Pollution Prevention Plan (SWPPP)

**Department Accomplishments:**

- Treated over 851 million gallons of wastewater
- Dewatered and transported more than 579 dry metric tons of treated sludge
- Distributed more than 223 million gallons of reclaimed water that was used for irrigation purposes at Scott Schreiner Golf Course, Comanche Trace Golf Course, Riverhill Golf Course, the Kerrville Sports Complex, Kerrville ISD, and Schreiner University

**FY2026 Objectives:**

- Maintain compliance with TCEQ permit for all operations
- Rehabilitate Clarifier 3
- Provide an environment that motivates staff and encourages professional development
- Maintain fiscal responsibility for operations
- Continue to use Asset Essential Solutions Software, to help track city asset conditions better and create alerts about preventative maintenance



Water Reclamation

**Budgeted Full-Time Employees (FTE):**

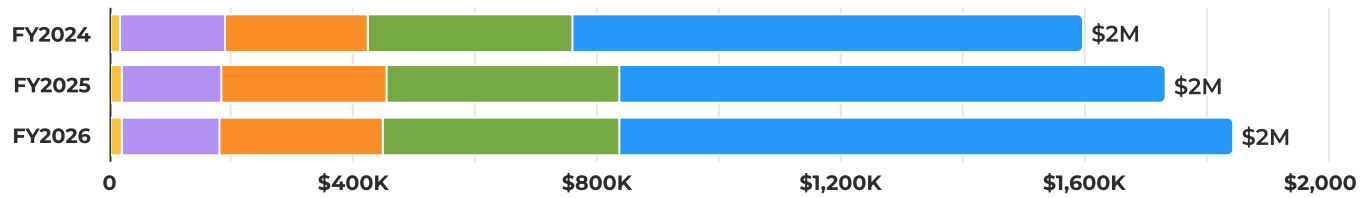
FY2024	FY2025	FY2026
9	9	10

**Did you know?**

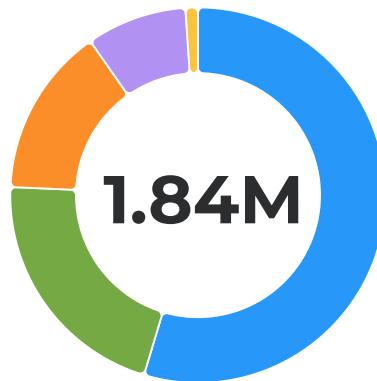
In 2011, the net reservoir evaporation loss across the entire State of Texas (5.83 million acre-feet) was higher than municipal water use (4.97 million acre-feet) that year, even though 2011 had the maximum recorded annual water use.

\*Note: In FY2026, the FTE previously assigned to the Solid Waste Department has been moved to the Water Reclamation Department to better align staffing with current job responsibilities and operational needs.

### Historical Expenditures by Category



### FY2026 Expenditures by Category



PERSONNEL SERVICES	<b>\$1,007,544</b>	54.64%
SUPPLIES AND MATERIALS	<b>\$387,918</b>	21.04%
SERVICES	<b>\$269,209</b>	14.60%
MAINTENANCE AND REPAIRS	<b>\$159,426</b>	8.65%
OTHER	<b>\$19,711</b>	1.07%

## Water Reclamation Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$625,925	\$664,185	\$677,444	\$729,174
BENEFITS	\$206,759	\$223,518	\$239,165	\$269,445
TRAVEL AND TRAINING	\$5,422	\$8,565	\$5,068	\$8,925
<b>Total PERSONNEL SERVICES</b>	<b>\$838,107</b>	<b>\$896,268</b>	<b>\$921,678</b>	<b>\$1,007,544</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$3,591	\$5,000	\$1,882	\$4,037
TOOLS AND EQUIPMENT	\$8,180	\$5,263	\$8,120	\$8,055
CHEMICAL & MEDICAL	\$290,482	\$341,351	\$315,836	\$341,328
FUEL	\$18,271	\$14,844	\$17,546	\$16,850
WEARING APPAREL	\$9,816	\$11,208	\$15,045	\$12,119
POSTAGE & SHIPPING	\$260	\$300	\$139	\$300
OTHER SUPPLIES	\$5,491	\$5,215	\$5,563	\$5,230
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$336,092</b>	<b>\$383,181</b>	<b>\$364,130</b>	<b>\$387,918</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$15,413	\$22,537	\$19,639	\$29,253
VEHICLE MAINTENANCE	\$5,806	\$4,073	\$3,823	\$4,000
EQUIPMENT MAINTENANCE	\$21,322	\$65,000	\$20,694	\$50,000
TECHNOLOGY MAINTENANCE	-	\$1,898	-	-
WASTEWATER SYSTEM MAINTENANCE	\$130,315	\$71,061	\$97,090	\$76,173
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$172,856</b>	<b>\$164,568</b>	<b>\$141,246</b>	<b>\$159,426</b>
<b>SERVICES</b>				
UTILITIES	\$209,279	\$244,159	\$216,428	\$240,979
PROFESSIONAL SERVICES	\$15,758	\$17,065	\$17,314	\$20,760
LEASE / RENT	\$6,816	\$8,000	\$20,628	\$7,470
<b>Total SERVICES</b>	<b>\$231,854</b>	<b>\$269,224</b>	<b>\$254,370</b>	<b>\$269,209</b>
<b>OTHER</b>				
OTHER	\$18,058	\$20,156	\$19,198	\$19,711
<b>Total OTHER</b>	<b>\$18,058</b>	<b>\$20,156</b>	<b>\$19,198</b>	<b>\$19,711</b>
<b>Total Expenditures</b>	<b>\$1,596,966</b>	<b>\$1,733,397</b>	<b>\$1,700,621</b>	<b>\$1,843,809</b>

# Performance Measures

Water Reclamation				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2025 Target
Water, Wastewater, & Drainage	Septage Received (million gallons)	2.90	3	3.10
	Septage Revenue	303,770	307,309	310,848
	Average Daily Influent Treated (million gallons)	2.33	2.37	3.01
	Total Influent Treated (million gallons)	744	864	875
	Total Effluent Water Discharged (million gallons)	570	562	500
	Reuse Water Sold (million gallons)	223	269	300
	Reuse Water Diverted to Pond (million gallons)	174	187	200
	Dewatered Sludge (tons)	596	583	589
	Process Control Tests	12,390	12,485	12,580

# Environmental Laboratory

Description of department: The Environmental Laboratory (Lab) provides sampling and analysis support to the Water Production and Water Reclamation Divisions. The Lab also responds to environmental complaints and wastewater overflows in addition to assisting in wastewater pre-treatment operations.

## Department Responsibilities:

- Internal Testing: The Environmental Laboratory is responsible for providing sampling and analysis support for Water Production and Water Reclamation to ensure compliance with TCEQ and EPA regulations
- External Testing: Provides water and wastewater testing for a fee to commercial and private customers

## Department Accomplishments:

- Performed over 3,800 lab tests for the Water Reclamation Plant
- Performed approximately 1,200 lab tests for Water Production
- Performed approximately 1,600 water analyses on public samples
- Performed 420 tests on grease trap samples
- Assisted Schreiner University Engineering and Chemistry departments with a water potability study tomers in the region

## FY2026 Objectives:

Key Priority Areas: Water, Wastewater and Drainage

- Maintain NELAC Certification at the Laboratory
- Maintain TCEQ Drinking Water Laboratory Approval
- Provide quality testing of samples for Water Production & Water Reclamation
- Provide sampling, sample analysis, and tracking of the grease trap program
- Maintain fiscal responsibility for all laboratory and pre-treatment operations
- Monitor the removal of organic carbon and disinfection by-products by the new Granular Activated Carbon (GAC) system at the Water Treatment Plant
- Continue to update and replace outdated equipment, to maintain the highest quality control standards for water quality testing
- Further develop our local pre-treatment program to protect the wastewater collection system

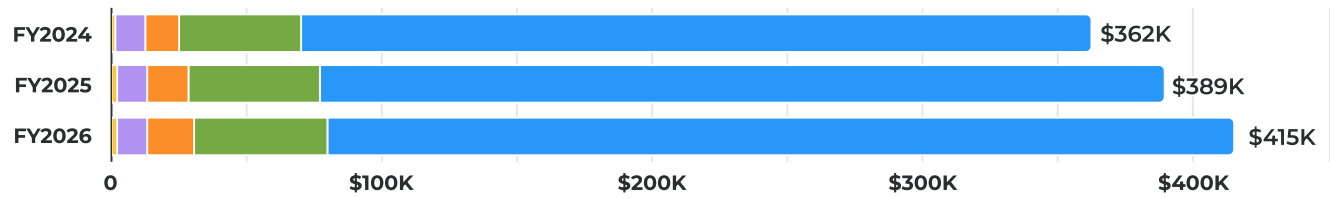


## Budgeted Full-Time Employees (FTE):

FY2024	FY2025	FY2026
4	4	4

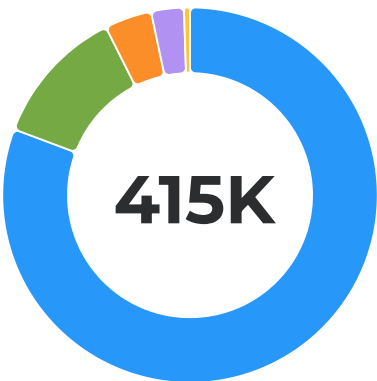


Historical Expenditures by Category



- PERSONNEL SERVICES
- SUPPLIES AND MATERIALS
- MAINTENANCE AND REPAIRS
- SERVICES
- OTHER

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$335,036	80.71%
SUPPLIES AND MATERIALS	\$49,423	11.91%
MAINTENANCE AND REPAIRS	\$16,860	4.06%
SERVICES	\$11,660	2.81%
OTHER	\$2,144	0.52%

## Environmental Laboratory Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$202,278	\$219,409	\$223,280	\$229,022
BENEFITS	\$84,761	\$85,068	\$94,291	\$98,558
TRAVEL AND TRAINING	\$5,074	\$7,546	\$2,217	\$7,456
<b>Total PERSONNEL SERVICES</b>	<b>\$292,112</b>	<b>\$312,024</b>	<b>\$319,788</b>	<b>\$335,036</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$833	\$1,000	\$807	\$1,000
TOOLS AND EQUIPMENT	\$2,099	\$4,840	\$1,285	\$3,840
CHEMICAL & MEDICAL	\$36,898	\$35,650	\$35,731	\$38,251
FUEL	\$376	\$500	\$390	\$500
WEARING APPAREL	\$1,357	\$2,150	\$998	\$2,100
POSTAGE & SHIPPING	\$206	\$300	\$90	\$250
OTHER SUPPLIES	\$2,903	\$3,792	\$3,099	\$3,482
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$44,673</b>	<b>\$48,232</b>	<b>\$42,400</b>	<b>\$49,423</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$178	\$1,450	\$671	\$1,450
VEHICLE MAINTENANCE	\$86	\$600	\$78	\$600
EQUIPMENT MAINTENANCE	\$11,944	\$13,360	\$15,605	\$14,810
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$12,208</b>	<b>\$15,410</b>	<b>\$16,354</b>	<b>\$16,860</b>
<b>SERVICES</b>				
UTILITIES	\$5,367	\$5,160	\$5,493	\$5,160
PROFESSIONAL SERVICES	\$5,796	\$5,900	\$6,278	\$6,500
<b>Total SERVICES</b>	<b>\$11,163</b>	<b>\$11,060</b>	<b>\$11,771</b>	<b>\$11,660</b>
<b>OTHER</b>				
OTHER	\$1,995	\$2,369	\$1,991	\$2,144
<b>Total OTHER</b>	<b>\$1,995</b>	<b>\$2,369</b>	<b>\$1,991</b>	<b>\$2,144</b>
<b>Total Expenditures</b>	<b>\$362,151</b>	<b>\$389,095</b>	<b>\$392,303</b>	<b>\$415,123</b>

## Performance Measures

Environmental Laboratory				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Water, Wastewater, & Drainage	Lab Tests for Grease Trap Samples	440	340	390
	Lab Tests for Water Reclamation	3,732	3,737	3,700
	Lab Test for Water Production	1,506	1,227	1,300
	Lab Tests for Accreditation	5,385	4,387	4,600
	Staff Training Hours	16	16	20

# Wastewater Collections

The Wastewater Collection (WWC) division maintains the entire wastewater collection system throughout the City of Kerrville, including all general and mechanical maintenance, major repairs and new construction.

## Department Responsibilities:

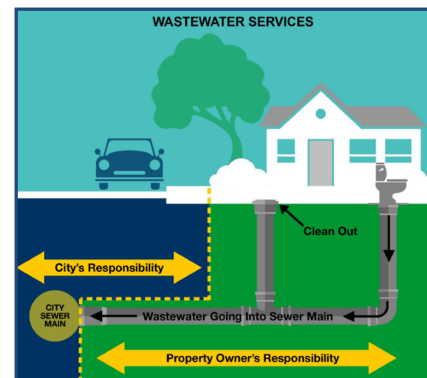
- **Collection System:** Responsible for maintaining and repairing 27 lift stations, over 200 miles of collection lines and 5,381 manholes and cleanouts
- **System Infrastructure:** Responsible for maintaining the integrity of the sanitary sewer system, including 24/7 customer service calls, collection line cleaning and emergency repair, sewer tap installation, manhole repairs, lift station maintenance and repair, CCTV inspections, pipeline locates and chemical dosing regimens to control odors, roots and grease
- **System Monitoring:** Responsible for the utilization of SCADA and GIS software which allows monitoring of lift station activity, detection of pump faults and monitoring of sanitary sewer

## Department Accomplishments:

- Cleaned over 357,000 feet of collection lines
- Responded to after-hour emergencies
- Documented over 11,700 man-hours on repairs
- Rehabilitated or repaired 66 manholes
- Completed equipment trial of the hydrogen sulfide gas odor control system with solids agitation component
- Completed chemical feed system at Legion Lift Station for asset protection, H2S and Odor Control
- Completed 1st Street manhole replacement project

## FY2026 Objectives:

- Initiate planning of Knapp Road Lift Station rehabilitation project
- Airport Lift Station rehabilitation
- Comanche Trace Lift Station rehabilitation
- Airport Commerce Park Lift Station rehabilitation
- Broadway Lift Station Rehabilitation
- Continue to use Asset Essential Solutions Software, to help track city asset conditions better and create alerts about preventative maintenance.



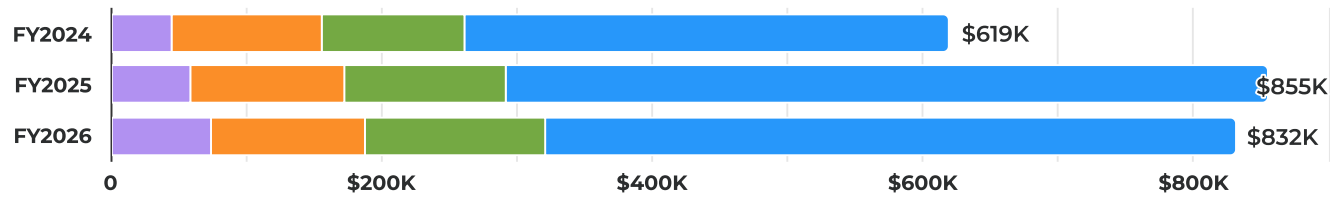
## Did you know?

Tree roots are a major cause of sewer line blockages. Roots seek moisture and nutrients, and sewer lines, with their constant water flow, are a source that roots exploit. They can penetrate cracks or loose joints in sewer pipes, leading to blockages and damage.

## Budgeted Full-Time Employees (FTE):

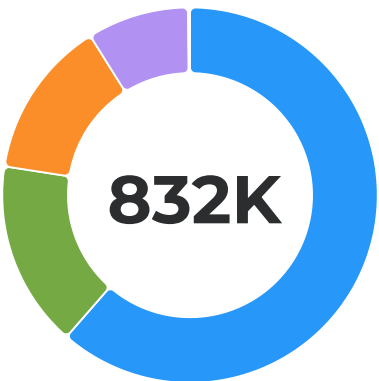
FY2024	FY2025	FY2026
7	7	7

Historical Expenditures by Category



- PERSONNEL SERVICES
- MAINTENANCE AND REPAIRS
- SERVICES
- SUPPLIES AND MATERIALS
- OTHER
- CAPITAL OUTLAY

FY2026 Expenditures by Category



PERSONNEL SERVICES	\$510,883	61.42%
MAINTENANCE AND REPAIRS	\$133,369	16.03%
SERVICES	\$113,506	13.65%
SUPPLIES AND MATERIALS	\$72,696	8.74%
OTHER	\$1,348	0.16%

**Wastewater Collections Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	\$264,064	\$406,134	\$335,628	\$383,026
BENEFITS	\$89,819	\$153,059	\$109,203	\$120,821
TRAVEL AND TRAINING	\$3,733	\$4,630	\$3,950	\$7,035
<b>Total PERSONNEL SERVICES</b>	<b>\$357,616</b>	<b>\$563,823</b>	<b>\$448,781</b>	<b>\$510,883</b>
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	\$409	\$400	\$452	\$450
TOOLS AND EQUIPMENT	\$6,099	\$9,500	\$10,350	\$26,750
CHEMICAL & MEDICAL	\$17,886	\$18,200	\$1,024	\$15,775
FUEL	\$13,583	\$17,220	\$10,673	\$15,030
WEARING APPAREL	\$4,490	\$6,305	\$11,700	\$9,196
POSTAGE & SHIPPING	\$106	\$225	\$134	\$200
OTHER SUPPLIES	\$2,830	\$6,350	\$22,858	\$5,295
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$45,403</b>	<b>\$58,200</b>	<b>\$57,192</b>	<b>\$72,696</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$18,427	\$5,200	\$8,844	\$9,790
VEHICLE MAINTENANCE	\$28,423	\$6,915	\$39,360	\$7,490
EQUIPMENT MAINTENANCE	\$15,527	\$10,390	\$6,733	\$10,440
TECHNOLOGY MAINTENANCE	\$6,880	\$8,362	-	\$1,962
STREET MAINTENANCE	-	-	-	-
WASTEWATER SYSTEM MAINTENANCE	\$35,668	\$87,500	\$80,676	\$103,687
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$104,925</b>	<b>\$118,367</b>	<b>\$135,612</b>	<b>\$133,369</b>
<b>SERVICES</b>				
UTILITIES	\$105,771	\$111,345	\$108,715	\$103,756
LEASE / RENT	\$4,727	\$3,000	\$38,734	\$9,750
<b>Total SERVICES</b>	<b>\$110,498</b>	<b>\$114,345</b>	<b>\$147,450</b>	<b>\$113,506</b>
<b>OTHER</b>				
OTHER	\$315	\$359	\$384	\$1,348
<b>Total OTHER</b>	<b>\$315</b>	<b>\$359</b>	<b>\$384</b>	<b>\$1,348</b>
<b>CAPITAL OUTLAY</b>				
BUILDING AND STRUCTURES	-	-	-	-
<b>Total CAPITAL OUTLAY</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$618,757</b>	<b>\$855,094</b>	<b>\$789,418</b>	<b>\$831,801</b>

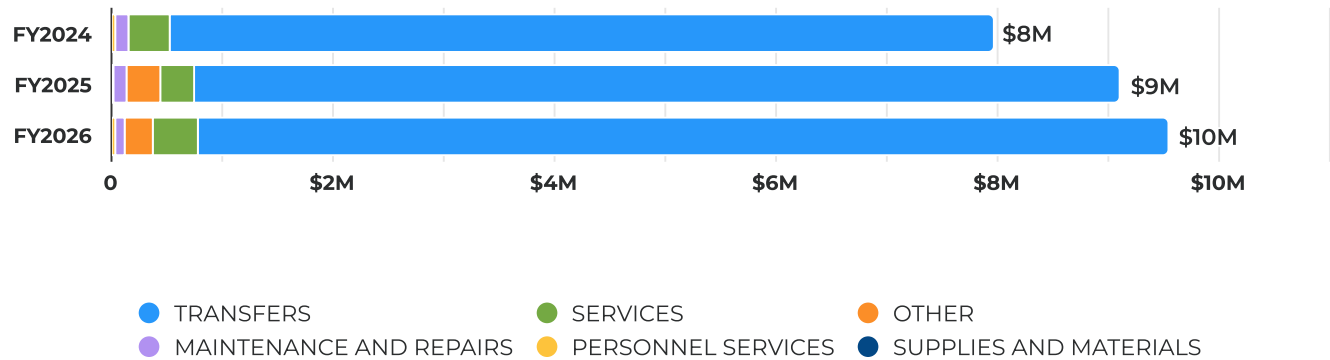
# Performance Measures

Wastewater Collection				
Key Priority Area	Measure	FY2024 Actual	FY2025 Actual	FY2026 Target
Water, Wastewater, & Drainage	Customer Service Calls	63	32	50
	Sewer Taps Repaired/Installed	3	2	5
	SCADA Calls	55	74	50
	Manholes Raised/Replaced	7	30	40
	Collection Lines Inspected (linear ft)	2,270	4450	10,000
	Solids Removed from System (Cu. F)	715	219	500

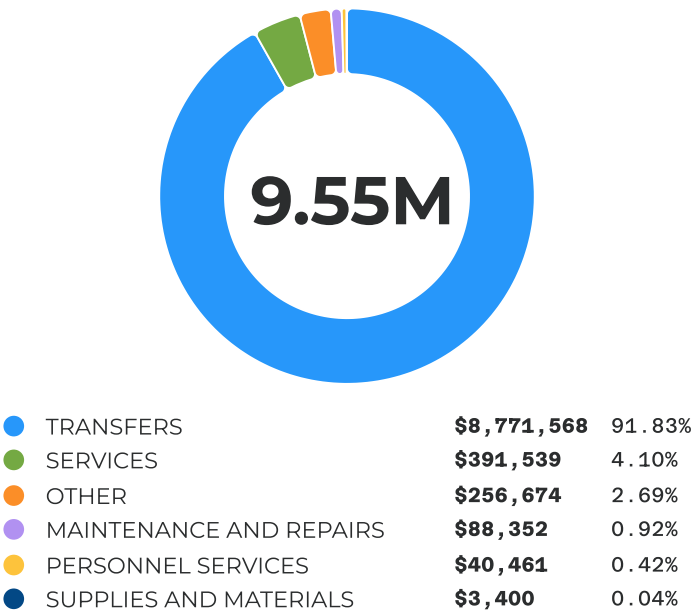
# Water Fund General Operations

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

Historical Expenditures by Category



FY2026 Expenditures by Category





## Water Fund General Operations Expenditures

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	-	-	\$52,514	\$5,000
BENEFITS	\$33,336	\$30,405	\$30,108	\$35,461
<b>Total PERSONNEL SERVICES</b>	<b>\$33,336</b>	<b>\$30,405</b>	<b>\$82,622</b>	<b>\$40,461</b>
<b>SUPPLIES AND MATERIALS</b>				
POSTAGE & SHIPPING	\$3,312	\$3,200	\$2,208	\$3,400
OTHER SUPPLIES	\$2,036	-	-	-
<b>Total SUPPLIES AND MATERIALS</b>	<b>\$5,348</b>	<b>\$3,200</b>	<b>\$2,208</b>	<b>\$3,400</b>
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	\$950	-	\$1,412	-
VEHICLE MAINTENANCE	\$115,197	\$96,958	\$96,958	\$74,642
TECHNOLOGY MAINTENANCE	\$10,411	\$10,175	\$4,809	\$13,710
WATER SYSTEM MAINTENANCE	-	-	-\$453	-
<b>Total MAINTENANCE AND REPAIRS</b>	<b>\$126,558</b>	<b>\$107,133</b>	<b>\$102,725</b>	<b>\$88,352</b>
<b>SERVICES</b>				
UTILITIES	\$13,776	\$13,200	\$11,523	\$20,220
PROFESSIONAL SERVICES	\$232,074	\$169,650	\$148,185	\$217,000
INSURANCE	\$113,706	\$124,740	\$126,527	\$154,319
ADVERTISING	-	-	\$421	-
<b>Total SERVICES</b>	<b>\$359,555</b>	<b>\$307,590</b>	<b>\$286,655</b>	<b>\$391,539</b>
<b>OTHER</b>				
OTHER	\$4,179	\$307,750	\$11,000	\$256,674
<b>Total OTHER</b>	<b>\$4,179</b>	<b>\$307,750</b>	<b>\$11,000</b>	<b>\$256,674</b>
<b>TRANSFERS</b>				
REGULAR TRANSFERS	\$7,441,272	\$8,360,657	\$8,360,657	\$8,771,568
<b>Total TRANSFERS</b>	<b>\$7,441,272</b>	<b>\$8,360,657</b>	<b>\$8,360,657</b>	<b>\$8,771,568</b>
<b>Total Expenditures</b>	<b>\$7,970,247</b>	<b>\$9,116,734</b>	<b>\$8,845,868</b>	<b>\$9,551,994</b>

Note: This department does not track performance measures.





# Other Funds

The City of Kerrville utilizes a variety of "Other Funds" to account for revenues and expenditures that are restricted, committed, or assigned for specific purposes. These funds enhance transparency, support accountability, and ensure resources are used for their intended purposes.

These funds allow the City to:

- Segregate and track revenues and expenditures for specific programs and activities
- Ensure compliance with legal and contractual requirements
- Plan and account for capital, infrastructure investments, and sustainability separately from day-to-day operations
- Provide transparency for residents, City Council, and stakeholders in the management of dedicated revenues

The use of these other funds aligns with GFOA best practices by providing clear, organized information for effective oversight and informed decision-making.



Progress of Scott Schreiner Golf Course During Renovations

# Garage Fund

The Garage Fund is an internal service fund of the City of Kerrville under the direction of Public Works. The Garage Fund was established to account for the costs of operating a maintenance facility for city-owned vehicles and equipment. Funding for the Garage is budgeted as an expense at fund level for all funds that utilize the garage. Expenses to each fund are budgeted based on the percentage of assets owned by each fund.

**Department Responsibilities:**

- **Preventative Maintenance:** Responsible for providing routine preventive maintenance for vehicles and equipment
- **Response Maintenance:** Responsible for repairing vehicles and equipment in a timely and cost-effective manner
- **Predictive Maintenance:** Responsible for analyzing repairs and developing a predictive model to anticipate breakdowns before they occur to reduce unscheduled repair costs
- **Asset Replacement:** Utilize maintenance data to help assess the condition of assets and partner with the Budget Team to plan for replacement timing of assets
- **Asset Readiness:** Provide support including installation of equipment for newly purchased vehicles and other road-readiness needs

**Department Accomplishments:**

- Purchased a new A/C machine that allows the Garage to service equipment using 1234YF refrigerant
- A technician successfully passed the 609 MVAC license testing
- Assisted the City's Budget Team with identifying vehicles and equipment in need of replacement
- Migrated to Asset Essentials, a software program that allows for better tracking and maintenance of citywide assets

**FY2026 Objectives:**

- Provide exceptional customer service to City departments
- Reduce vehicle operating costs
- Ensure effective inventory management
- Maintain a highly satisfied workforce
- Assist Budget Team with continued tracking of City assets



City of Kerrville City Garage located at 310 McFarland Dr.

\*Note: The City Garage has been identified as a facility requiring sufficient upgrades in the future to continue to provide quality services to city departments.

**Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
5.25	4	4

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$71,162</b>	<b>\$115,278</b>	<b>\$115,278</b>	<b>\$137,549</b>
<b>Revenues</b>				
SERVICE REVENUE	\$459,787	\$385,229	\$384,709	\$373,210
INTEREST AND MISCELLANEOUS	\$11,937	\$5,532	\$11,612	\$5,821
<b>Total Revenues</b>	<b>\$471,723</b>	<b>\$390,761</b>	<b>\$396,321</b>	<b>\$379,030</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	\$368,475	\$309,306	\$303,493	\$311,118
SUPPLIES AND MATERIALS	\$11,385	\$25,359	\$20,505	\$17,872
MAINTENANCE AND REPAIRS	\$15,550	\$18,841	\$14,160	\$15,666
SERVICES	\$27,618	\$30,813	\$31,196	\$29,331
OTHER	\$4,581	\$43	\$4,696	\$43
<b>Total Expenditures</b>	<b>\$427,608</b>	<b>\$384,362</b>	<b>\$374,050</b>	<b>\$374,030</b>
<b>Total Revenues Less Expenditures</b>	<b>\$44,116</b>	<b>\$6,399</b>	<b>\$22,271</b>	<b>\$5,000</b>
<b>Ending Fund Balance</b>	<b>\$115,278</b>	<b>\$121,676</b>	<b>\$137,549</b>	<b>\$142,549</b>

# Kerrville Schreiner Park

Kerrville-Schreiner Park (KSP) operates and maintains a 517-acre park that includes 154 overnight facilities, day-use facilities, hiking and biking trails, river access, concessions, and special event venues.

## Department Responsibilities:

- **Operations and Maintenance:** Responsible for operating and maintaining all Kerrville-Schreiner Park grounds and facilities
- **Customer Service:** Responsible for all Parks and Recreation Department reservations and administrative support

## Department Accomplishments:

- Continued beautification efforts throughout the park
- Processed 22,739 reservations and permits
- Increased sales of branded merchandise
- Completed waterline replacement project
- Recruited and hired a new full-time Office Clerk and added a new position (part-time Office Clerk)

In FY2025, the decision was made to establish the Kerrville Schreiner Park as a business-type fund, separate from the General Fund. This transition allows the Kerrville Schreiner Park to operate with greater financial transparency while aligning revenues from the park directly with expenses related to maintenance and operations at the course to support long-term sustainability.

\*Note: The Kerrville Schreiner Park received substantial damages from the tragic July 4th Flood. Rebuilding efforts in damaged areas are underway. At this time, the City does not know how much money will be needed in order to repair the Kerrville Schreiner Park and its facilities.



## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	-	-	-	-
<b>Revenues</b>				
RECREATION REVENUE	-	-	-	\$529,675
INTEREST AND MISCELLANEOUS	-	-	-	\$4,638
TRANSFERS IN	-	-	-	\$170,000
<b>Total Revenues</b>	-	-	-	<b>\$704,313</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	-	-	-	\$524,860
SUPPLIES AND MATERIALS	-	-	-	\$49,887
MAINTENANCE AND REPAIRS	-	-	-	\$37,979
SERVICES	-	-	-	\$121,587
CAPITAL OUTLAY	-	-	-	\$20,000
<b>Total Expenditures</b>	-	-	-	<b>\$754,313</b>
<b>Total Revenues Less Expenditures</b>	-	-	-	<b>-\$50,000</b>
<b>Ending Fund Balance</b>	-	-	-	<b>-\$50,000</b>

\*Note: The FY2026 figures reflect the transition of the Kerrville Schreiner Park out of the General Fund and General Fund Asset Replacement Fund to operate as a business-type fund.

\*Note: Activity for FY2024 and FY2025 for Kerrville Schreiner Park is reflected in the General Fund section of this document.



**Kerrville Schreiner Park Revenues**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>RECREATION REVENUE</b>				
KSP - ANNUAL PERMIT	-	-	-	\$20,000
KSP - DAY PASS	-	-	-	\$30,000
KSP - EXCESS VEHICLE FEE	-	-	-	\$3,000
KSP - PECAN LOOP-30 AMP	-	-	-	\$65,000
KSP - DEERFIELD LOOP-30 AMP	-	-	-	\$105,000
KSP - SYCAMORE CIRCLE-50 AMP	-	-	-	\$80,000
KSP - TENT SITE	-	-	-	\$37,000
KSP - MOUNTAIN VIEW LOOP (W/E)	-	-	-	\$59,000
KSP - MINI CABINS	-	-	-	\$50,000
KSP - PARK CABIN	-	-	-	\$14,500
KSP - RANCH HOUSE	-	-	-	\$19,000
KSP - RECREATION HALL	-	-	-	\$19,000
KSP - DINING HALL	-	-	-	\$4,500
KSP - EQUIPMENT RENTAL	-	-	-	\$800
KSP - DUMP STATION	-	-	-	\$875
KSP - CANCELLATION FEE	-	-	-	\$14,500
KSP - LEASED CONCESSION	-	-	-	\$5,000
KSP - ANCILLARY ITEM SALES	-	-	-	\$2,500
KSP - PUBLIC DEER HUNT	-	-	-	-
<b>Total RECREATION REVENUE</b>	-	-	-	\$529,675
<b>INTEREST AND MISCELLANEOUS</b>				
INTEREST REVENUE	-	-	-	\$4,638
<b>Total INTEREST AND MISCELLANEOUS</b>	-	-	-	\$4,638
<b>TRANSFERS IN</b>				
TRANSFER IN - GENERAL FUND	-	-	-	\$150,000
TRANSFER IN - HOT	-	-	-	\$20,000
<b>Total TRANSFERS IN</b>	-	-	-	\$170,000
<b>Total Revenues</b>	-	-	-	<b>\$704,313</b>

**Kerrville Schreiner Park Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	-	-	-	\$368,443
BENEFITS	-	-	-	\$156,418
<b>Total PERSONNEL SERVICES</b>	-	-	-	\$524,860
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	-	-	-	\$4,725
TOOLS AND EQUIPMENT	-	-	-	\$15,320
CHEMICAL & MEDICAL	-	-	-	\$2,782
FUEL	-	-	-	\$9,189
WEARING APPAREL	-	-	-	\$2,623
POSTAGE & SHIPPING	-	-	-	\$30
OTHER SUPPLIES	-	-	-	\$15,219
<b>Total SUPPLIES AND MATERIALS</b>	-	-	-	\$49,887
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	-	-	-	\$17,256
VEHICLE MAINTENANCE	-	-	-	\$1,641
EQUIPMENT MAINTENANCE	-	-	-	\$8,206
TECHNOLOGY MAINTENANCE	-	-	-	\$10,876
<b>Total MAINTENANCE AND REPAIRS</b>	-	-	-	\$37,979
<b>SERVICES</b>				
UTILITIES	-	-	-	\$93,691
PROFESSIONAL SERVICES	-	-	-	\$1,250
INSURANCE	-	-	-	\$22,946
ADVERTISING	-	-	-	\$3,000
LEASE / RENT	-	-	-	\$700
<b>Total SERVICES</b>	-	-	-	\$121,587
<b>CAPITAL OUTLAY</b>				
MACHINERY, TOOLS, EQUIPMENT	-	-	-	\$20,000
<b>Total CAPITAL OUTLAY</b>	-	-	-	\$20,000
<b>Total Expenditures</b>	-	-	-	<b>\$754,313</b>

# Scott Schreiner Golf Course Fund

The Scott Schreiner Golf Course operates as a division of the Parks and Recreation Department, offering residents and visitors of Kerrville an exceptional golfing experience characterized by outstanding customer service and meticulously maintained course conditions. Beginning in FY2026, the Golf Course will transition out of the General Fund and function as its own independent enterprise fund. This new financial structure enables the Golf Course to generate and manage its own revenues and expenses, promoting sustainable operations. This change supports the continued delivery of high-quality recreational opportunities to the community and enhances the course's ability to serve golfers both locally and from beyond the region.

**Department Responsibilities:**

- **Course Operation and Administration:** Responsible for the daily operation and administration of the golf course, including scheduling, tournament administration, capital improvements, lease management, marketing, and financial management.
- **Pro Shop:** Responsible for providing excellent service to players and operating a well-stocked pro-shop that provides desired inventory at a competitive price.
- **Course Maintenance:** Responsible for maintaining excellent course conditions that meet the United States Golf Association specifications using sustainable recommended turf management techniques and industry-standard practices.

**Department Accomplishments:**

- Completed renovations of the golf course greens, cart paths, bridges, and facilities
- Installed irrigation in the rough areas of the course
- Updated the irrigation software system

**FY2026 Objectives:**

- Focus on providing a welcoming and enjoyable environment for players of all skill levels, emphasizing customer service and hospitality
- Preserve the investment in renovations by prioritizing consistent maintenance and care of the course, landscaping, and facilities
- Promote the golf course as a community asset by encouraging local use, hosting community events, and providing opportunities for residents to enjoy the course

**Full-Time Employees (FTE):**

FY2024	FY2025	FY2026
6.5	7	11

\*Note: In order to maintain the conditions of the newly renovated course, 3 new maintenance staff members were added, and 1 part-time position was moved to full-time.



## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	-	-	-	-
<b>Revenues</b>				
RECREATION REVENUE	-	-	-	\$1,527,009
INTEREST AND MISCELLANEOUS	-	-	-	\$34,639
TRANSFERS IN	-	-	-	\$15,000
<b>Total Revenues</b>	-	-	-	<b>\$1,576,648</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	-	-	-	\$847,864
SUPPLIES AND MATERIALS	-	-	-	\$291,685
MAINTENANCE AND REPAIRS	-	-	-	\$38,355
SERVICES	-	-	-	\$378,569
OTHER	-	-	-	\$7,175
CAPITAL OUTLAY	-	-	-	\$13,000
<b>Total Expenditures</b>	-	-	-	<b>\$1,576,648</b>
<b>Total Revenues Less Expenditures</b>	-	-	-	-
<b>Ending Fund Balance</b>	-	-	-	-

In FY2025, the decision was made to establish the Scott Schreiner Golf Course as a business-type fund, separate from the General Fund. This transition allows the golf course to operate with greater financial transparency while aligning revenues from the course directly with expenses related to maintenance and operations at the course to support long-term sustainability.

\*Note: The FY2026 Budget figures reflect the transition of the Scott Schreiner Golf Course out of the General Fund and General Fund Asset Replacement Fund to operate as a business-type fund.

\*Note: The Scott Schreiner Golf Course was closed for the majority of FY2025 to allow for a major capital improvement project to renovate and enhance the course; however, in FY2026, the Scott Schreiner Golf Course will be open for play, providing the community with a fully renovated course and improved playing experience.

**Scott Schreiner Golf Course Revenue**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>RECREATION REVENUE</b>				
GOLF - GREEN FEES	-	-	-	\$892,809
GOLF - CART RENTALS	-	-	-	\$270,000
GOLF - MEMBERSHIP DUES	-	-	-	\$84,500
GOLF - PRIVATE CART FEES	-	-	-	\$10,000
GOLF - DRIVING RANGE FEES	-	-	-	\$37,200
GOLF - MERCHANDISE SALES	-	-	-	\$120,000
GOLF - FOOD SALES	-	-	-	\$28,125
GOLF - BEER SALES	-	-	-	\$84,375
<b>Total RECREATION REVENUE</b>	-	-	-	\$1,527,009
<b>INTEREST AND MISCELLANEOUS</b>				
CARD PROCESSING FEES	-	-	-	\$30,000
INTEREST REVENUE	-	-	-	\$4,639
<b>Total INTEREST AND MISCELLANEOUS</b>	-	-	-	\$34,639
<b>TRANSFERS IN</b>				
TRANSFER IN - HOT	-	-	-	\$15,000
<b>Total TRANSFERS IN</b>	-	-	-	\$15,000
<b>Total Revenues</b>	-	-	-	<b>\$1,576,648</b>

**Scott Schreiner Golf Course Expenditures**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>PERSONNEL SERVICES</b>				
SALARIES	-	-	-	\$620,885
BENEFITS	-	-	-	\$222,334
TRAVEL AND TRAINING	-	-	-	\$4,645
<b>Total PERSONNEL SERVICES</b>	-	-	-	\$847,864
<b>SUPPLIES AND MATERIALS</b>				
OFFICE SUPPLIES	-	-	-	\$5,100
TOOLS AND EQUIPMENT	-	-	-	\$13,318
CHEMICAL & MEDICAL	-	-	-	\$72,067
FUEL	-	-	-	\$13,100
WEARING APPAREL	-	-	-	\$4,870
POSTAGE & SHIPPING	-	-	-	\$200
COST OF GOODS SOLD	-	-	-	\$165,000
OTHER SUPPLIES	-	-	-	\$18,030
<b>Total SUPPLIES AND MATERIALS</b>	-	-	-	\$291,685
<b>MAINTENANCE AND REPAIRS</b>				
MAINTENANCE--OTHER	-	-	-	\$7,500
VEHICLE MAINTENANCE	-	-	-	\$500
EQUIPMENT MAINTENANCE	-	-	-	\$30,355
<b>Total MAINTENANCE AND REPAIRS</b>	-	-	-	\$38,355
<b>SERVICES</b>				
UTILITIES	-	-	-	\$115,815
PROFESSIONAL SERVICES	-	-	-	\$96,850
INSURANCE	-	-	-	\$20,241
LEASE / RENT	-	-	-	\$145,663
<b>Total SERVICES</b>	-	-	-	\$378,569
<b>OTHER</b>				
OTHER	-	-	-	\$7,175
<b>Total OTHER</b>	-	-	-	\$7,175
<b>CAPITAL OUTLAY</b>				
MACHINERY, TOOLS, EQUIPMENT	-	-	-	\$13,000
<b>Total CAPITAL OUTLAY</b>	-	-	-	\$13,000
<b>Total Expenditures</b>	-	-	-	<b>\$1,576,648</b>

\*Note: The FY2026 Proposed figures reflect the transition of the Scott Schreiner Golf Course out of the General Fund and General Fund Asset Replacement Fund to operate as a business-type fund.

\*Note: The Scott Schreiner Golf Course was closed for the majority of FY2025 to allow for a major capital improvement project to renovate and enhance the course; however, in FY2026, the Scott Schreiner Golf Course will be open for play, providing the community with a fully renovated course and improved playing experience.

# Employee Benefit Trust Fund

The Employee Benefit Trust Fund accounts for insurance payments for employee benefits. The City of Kerrville assumes 100% of the expense of employee health coverage, as well as a long-term disability plan and a life insurance policy. Expenditures from this fund are made in accordance with the Texas Insurance Code, Chapter 222, which establishes trusts for the payment of the employee benefit premiums. Revenues for this fund consist of employees' portion of premiums for family and optional coverage, as well as departmental contributions for employee coverage.

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$313,641</b>	<b>\$436,687</b>	<b>\$436,687</b>	<b>\$508,413</b>
<b>Revenues</b>				
INTERGOVERNMENTAL	\$4,468,429	\$4,580,279	\$4,790,571	\$4,905,020
<b>Total Revenues</b>	<b>\$4,468,429</b>	<b>\$4,580,279</b>	<b>\$4,790,571</b>	<b>\$4,905,020</b>
<b>Expenditures</b>				
SERVICES	\$4,346,457	\$4,580,279	\$4,718,846	\$4,905,020
<b>Total Expenditures</b>	<b>\$4,346,457</b>	<b>\$4,580,279</b>	<b>\$4,718,846</b>	<b>\$4,905,020</b>
<b>Total Revenues Less Expenditures</b>	<b>\$121,971</b>	<b>-</b>	<b>\$71,726</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$435,613</b>	<b>\$436,687</b>	<b>\$508,413</b>	<b>\$508,413</b>

Significant Changes to the FY2026 Budget Include:

- The City renegotiated its contract for employee medical insurance with Blue Cross Blue Shield of Texas for FY2026. Rates will increase by 4% in the new contract. While the City pays 100% of employee health coverage, employees will see slight increase in the cost of family coverage. This increase is based on potential employee migration from PPO to HMO plan.



# Parkland Dedication Fund

The Parkland Dedication Fund accounts for fees collected under the City's Parkland Dedication Ordinance, which requires developers to dedicate land or pay fees in lieu of land dedication for park purposes as part of new residential and commercial development. Funds are reserved by location, according to whether the new construction is located east or west of Sidney Baker Street. This fund ensures that as Kerrville grows, resources are available to expand and improve the City's park system to meet the recreational needs of the community and improve the community's quality of life.

Note: The collection of Parkland fees is described in City Ordinance No. 2022-01. To view this ordinance, please visit the City's Code of Ordinances, which can be found on the City's website [www.kerrvilletx.gov](http://www.kerrvilletx.gov)



Louise Hays Park

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$191,419</b>	<b>\$256,572</b>	<b>\$256,572</b>	<b>\$421,184</b>
<b>Revenues</b>				
PERMITS AND FEES	\$87,400	\$65,000	\$173,000	\$125,000
INTEREST AND MISCELLANEOUS	\$15,910	\$12,175	\$15,750	\$11,863
<b>Total Revenues</b>	<b>\$103,310</b>	<b>\$77,175</b>	<b>\$188,750</b>	<b>\$136,863</b>
<b>Expenditures</b>				
CAPITAL OUTLAY	\$38,157	\$45,000	\$24,138	\$50,000
<b>Total Expenditures</b>	<b>\$38,157</b>	<b>\$45,000</b>	<b>\$24,138</b>	<b>\$50,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$65,153</b>	<b>\$32,175</b>	<b>\$164,612</b>	<b>\$86,863</b>
<b>Ending Fund Balance</b>	<b>\$256,572</b>	<b>\$288,747</b>	<b>\$421,184</b>	<b>\$508,047</b>

\*Note: This fund does not have a minimum fund balance policy. The FY2026 ending fund balance is more than 10% greater than the FY2025 ending fund balance due to the expected revenue to be generated based on FY2026 development.

# Public Safety Special Revenue Fund

The Public Safety Special Revenue Fund accounts for revenues that are designated for Police and Fire expenditures and ensures these funds are used in compliance with applicable laws and grant requirements.

## Revenue Sources:

- **Law Enforcement Officer Standards and Education (LEOSE):**  
Distributions from the State of Texas are specifically designated for law enforcement training
- **Asset Forfeitures:**  
Funds received from judgments of forfeiture or proceeds from the sale of seized assets, which are restricted for law enforcement-related expenses
- **Community Donations:**  
Contributions from individuals or organizations dedicated to supporting public safety initiatives and needs
- **Local Grants:**  
Certain grants awarded to the City of Kerrville for public safety purposes

## Purpose and Use of Funds:

Revenues in this fund are used to support public safety needs within the City of Kerrville, including:

- Specialized training for law enforcement officers and firefighters
- Equipment, technology, or resources that directly support public safety operations
- Programs and initiatives that enhance community safety and emergency response capabilities

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$198,751</b>	<b>\$188,788</b>	<b>\$188,788</b>	<b>\$270,487</b>
<b>Revenues</b>				
INTERGOVERNMENTAL	\$9,111	\$3,600	\$9,111	\$4,500
GRANTS AND DONATIONS	\$28,945	-	\$69,891	\$2,500
OTHER	-\$3,292	-	-	-
INTEREST AND MISCELLANEOUS	\$52,356	\$21,822	\$35,473	\$16,173
<b>Total Revenues</b>	<b>\$87,121</b>	<b>\$25,422</b>	<b>\$114,476</b>	<b>\$23,173</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	-	\$10,000	\$1,500	\$10,000
SUPPLIES AND MATERIALS	\$63,666	\$25,000	\$19,486	\$35,000
MAINTENANCE AND REPAIRS	\$5,875	\$5,800	\$5,993	\$5,800
OTHER	\$22,491	-	\$5,798	-
CAPITAL OUTLAY	\$5,051	-	-	-
<b>Total Expenditures</b>	<b>\$97,084</b>	<b>\$40,800</b>	<b>\$32,777</b>	<b>\$50,800</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$9,963</b>	<b>-\$15,378</b>	<b>\$81,699</b>	<b>-\$27,627</b>
<b>Ending Fund Balance</b>	<b>\$188,788</b>	<b>\$173,410</b>	<b>\$270,487</b>	<b>\$242,860</b>

# Library Memorial Fund

The Library Memorial Fund is a special revenue fund in the governmental funds category for financial reporting purposes 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 recurring annual contributions. The fund is used to:

- Purchase books, digital resources, and materials to enhance the Library's collection.
- Support library programs and events that benefit the Kerrville community.
- Fund facility improvements or equipment purchases that enhance services at the Butt-Holdsworth Memorial Library Campus.

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$2,827,603</b>	<b>\$2,585,304</b>	<b>\$2,585,304</b>	<b>\$609,491</b>
<b>Revenues</b>				
GRANTS AND DONATIONS	\$39,188	\$25,000	\$40,029	\$23,574
INTEREST AND MISCELLANEOUS	\$168,848	\$141,771	\$65,150	\$23,846
TRANSFERS IN	-	\$2,000,000	\$2,000,000	\$1,000,000
<b>Total Revenues</b>	<b>\$208,036</b>	<b>\$2,166,771</b>	<b>\$2,105,179</b>	<b>\$1,047,420</b>
<b>Expenditures</b>				
SUPPLIES AND MATERIALS	\$3,234	\$3,700	\$1,952	\$3,700
MAINTENANCE AND REPAIRS	\$17,130	\$23,000	-	\$3,000
SERVICES	\$11,107	\$15,435	\$11,456	\$15,435
OTHER	\$28,269	\$40,717	\$31,694	\$33,217
CAPITAL OUTLAY	\$390,595	\$1,859,500	\$4,035,890	\$3,214,000
<b>Total Expenditures</b>	<b>\$450,336</b>	<b>\$1,942,352</b>	<b>\$4,080,992</b>	<b>\$3,269,352</b>
<b>Total Revenues Less Expenditures</b>	<b>-\$242,299</b>	<b>\$224,419</b>	<b>-\$1,975,812</b>	<b>-\$2,221,932</b>
<b>Ending Fund Balance</b>	<b>\$2,585,304</b>	<b>\$2,809,722</b>	<b>\$609,491</b>	<b>-\$1,612,441</b>

Note: All costs associated with the development, renovation, and improvement of the Heart of the Hills Heritage Center are expensed from the Library Memorial Fund and reported within the Capital Outlay expenditure category. This multi-year project has been underway for several years and is anticipated to be completed in FY2026. During FY2025, the City incurred several significant expenditures related to the project that were originally expected to occur in FY2026; however, due to the timing and progression of the project during the latter stages of FY2025, these costs were recognized earlier than anticipated.

Note: This fund does not have a minimum fund balance policy. The FY2026 ending fund balance is more than 10% less than the FY2025 ending fund balance due to the project costs associated with the Heart of the Hills Heritage Center.

# General Asset Replacement Fund

The General Asset Replacement Fund provides for the systematic replacement of vehicles, equipment, and other capital assets used in the City's general government operations. This fund helps maintain reliable, safe, and cost-effective services while reducing large, unpredictable impacts on the General Fund during budget cycles.

## Purpose and Use of Funds

The General Asset Replacement Fund is used to:

- Replace vehicles, heavy equipment, and technology assets on a planned, lifecycle-based schedule.
- Ensure operational readiness and reduce downtime due to equipment failures.
- Minimize maintenance costs associated with aging assets.

## Benefits

- Financial Planning: Avoids large spikes in the General Fund budget by spreading the cost of replacements over the useful life of the asset.
- Operational Efficiency: Provides departments with reliable equipment to maintain high service levels.
- Transparency: Enables clear tracking of asset replacement needs and funding availability.

The City of Kerrville's commitment to maintaining a structured asset replacement program through this fund supports the delivery of high-quality services to the community while ensuring fiscal responsibility and effective resource management.

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$1,225,457</b>	<b>\$1,435,646</b>	<b>\$1,435,646</b>	<b>\$1,152,165</b>
<b>Revenues</b>				
OTHER	-	-	\$1,525	\$25,000
INTEREST AND MISCELLANEOUS	\$221,350	\$114,898	\$286,895	\$811,269
TRANSFERS IN	\$1,422,253	\$1,000,000	\$1,000,000	\$750,000
<b>Total Revenues</b>	<b>\$1,643,603</b>	<b>\$1,114,898</b>	<b>\$1,288,420</b>	<b>\$1,586,269</b>
<b>Expenditures</b>				
SUPPLIES AND MATERIALS	\$223,766	\$43,200	\$81,110	-
SERVICES	\$437,174	\$434,471	\$461,972	\$301,956
OTHER	\$7,604	\$4,000	\$24,634	\$16,721
CAPITAL OUTLAY	\$764,870	\$1,237,500	\$1,004,185	\$1,380,421
<b>Total Expenditures</b>	<b>\$1,433,414</b>	<b>\$1,719,171</b>	<b>\$1,571,901</b>	<b>\$1,699,098</b>
<b>Total Revenues Less Expenditures</b>	<b>\$210,189</b>	<b>-\$604,274</b>	<b>-\$283,481</b>	<b>-\$112,829</b>
<b>Ending Fund Balance</b>	<b>\$1,435,646</b>	<b>\$831,372</b>	<b>\$1,152,165</b>	<b>\$1,039,336</b>

**General Fund Asset Replacement FY2026 Replacement Purchases:**

- Replacing six vehicles for Police
- Replacing a mower for Parks Maintenance
- Replacing an ambulance (pre-approved by City Council in November 2024) for Fire-EMS
- Replacing four stretchers for Fire-EMS
- Replacing a drone for Police
- Replacing a piece of capital technology equipment for Police
- Replacing two servers for Innovation and Technology
- Replacing a cloud-based software for Innovation and Technology

# Water Asset Replacement Fund

The Water Asset Replacement Fund provides for the systematic replacement of vehicles, equipment, and other capital assets used in the City's Water Fund operations. This fund helps maintain reliable, safe, and cost-effective services while reducing large, unpredictable impacts on the Water Fund during budget cycles.

## Purpose and Use of Funds

The Water Asset Replacement Fund is used to:

- Replace vehicles, heavy equipment, infrastructure, and technology assets on a planned, lifecycle-based schedule.
- Ensure operational readiness and reduce downtime due to equipment failures.
- Minimize maintenance costs associated with aging assets.
- Support long-term financial stability by smoothing capital expenditures over multiple years.

## Benefits

- Financial Planning: Avoids large spikes in the Water Fund budget by spreading the cost of replacements over the useful life of the asset.
- Operational Efficiency: Provides departments with reliable equipment to maintain high service levels.
- Transparency: Enables clear tracking of asset replacement needs and funding availability.

The City of Kerrville's commitment to maintaining a structured asset replacement program through this fund supports the delivery of high-quality services to the community while ensuring fiscal responsibility and effective resource management.

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$965,109</b>	<b>\$1,144,914</b>	<b>\$1,144,914</b>	<b>\$1,392,701</b>
<b>Revenues</b>				
INTEREST AND MISCELLANEOUS	\$83,703	\$74,031	\$148,984	\$73,096
TRANSFERS IN	\$500,000	\$750,000	\$750,000	\$650,000
<b>Total Revenues</b>	<b>\$583,703</b>	<b>\$824,031</b>	<b>\$898,984</b>	<b>\$723,096</b>
<b>Expenditures</b>				
SUPPLIES AND MATERIALS	\$11,550	-	-	-
SERVICES	\$44,782	\$56,063	\$56,724	\$45,500
OTHER	\$8	\$2,000	-	\$7,841
CAPITAL OUTLAY	-	\$743,714	-	\$720,000
TRANSFERS	\$347,559	-	\$594,472	-
<b>Total Expenditures</b>	<b>\$403,898</b>	<b>\$801,777</b>	<b>\$651,197</b>	<b>\$773,341</b>
<b>Total Revenues Less Expenditures</b>	<b>\$179,805</b>	<b>\$22,254</b>	<b>\$247,787</b>	<b>-\$50,245</b>
<b>Ending Fund Balance</b>	<b>\$1,144,914</b>	<b>\$1,167,168</b>	<b>\$1,392,701</b>	<b>\$1,342,456</b>

**Water Fund Asset Replacement FY2026 Replacement Purchases:**

- Replacing a truck for Utility Billing
- Replacing aging meter infrastructure citywide
- Replacing a truck for Water Production
- Replacing a crane truck for Wastewater Collections

**Water Fund Asset Replacement FY2026 New Purchases:**

- New Hydro Excavator for Water Distribution



# Hotel / Motel Tax Fund

The Hotel Occupancy Tax (HOT) Fund accounts for revenues collected from the Hotel Occupancy Tax levied on hotels and short-term rentals within the City of Kerrville in accordance with Chapter 351 of the Texas Tax Code.

## Primary Funding Source

- **Hotel Occupancy Tax Revenue:** Collected from lodging operators within Kerrville based on the city's 7% local hotel occupancy tax rate

## Purpose and Use of Funds

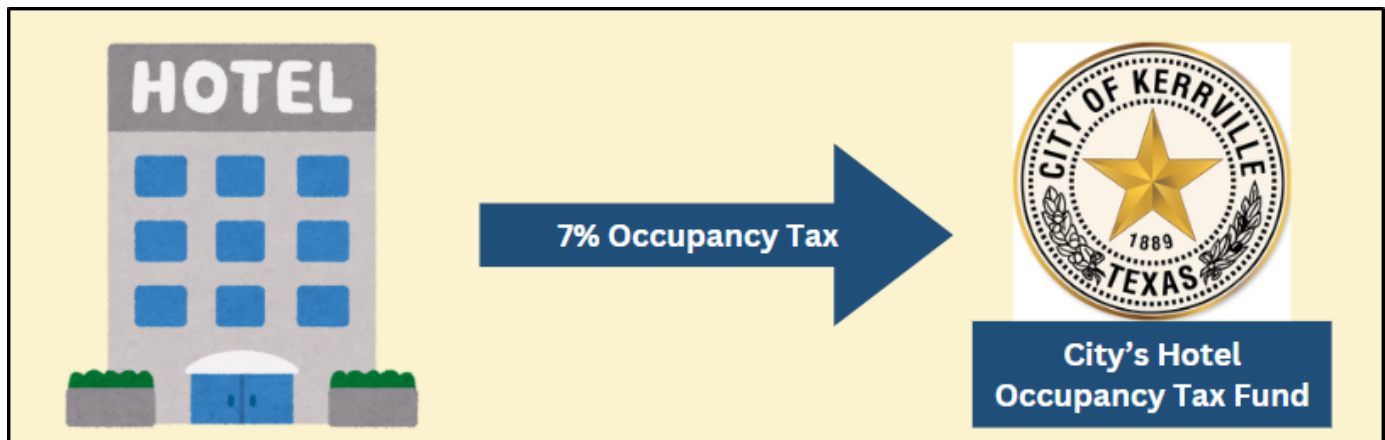
The Hotel Occupancy Tax Fund is used to:

- Promote tourism and the convention and hotel industry in Kerrville
- Support advertising and marketing initiatives to attract visitors
- Fund eligible events and activities that drive overnight stays in local lodging facilities
- Maintain, enhance, or construct facilities that promote tourism, including parks, museums, and convention centers as allowed by law
- Support arts and cultural programs that enhance Kerrville's tourism offerings

## Benefits

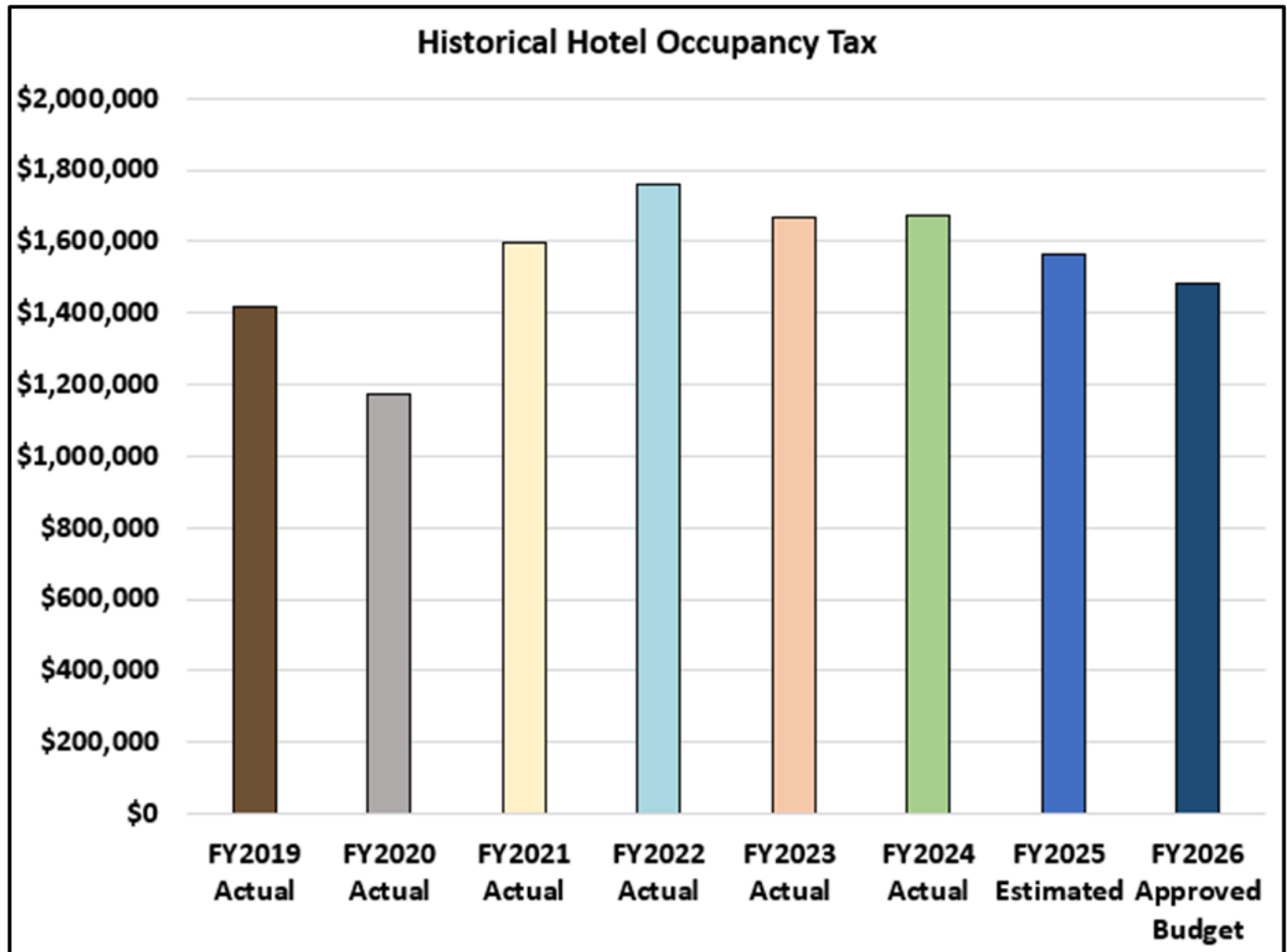
- **Tourism Promotion:** Helps attract visitors to Kerrville, supporting local businesses and the hospitality industry
- **Economic Development:** Generates economic activity through visitor spending dollars within the community

The City of Kerrville's commitment to managing the Hotel Occupancy Tax Fund responsibly ensures that revenues collected from visitors directly support the growth of the local tourism economy while aligning with state requirements and community goals.



## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$2,134,198</b>	<b>\$2,203,651</b>	<b>\$2,203,651</b>	<b>\$1,213,010</b>
<b>Revenues</b>				
TAXES	\$1,671,379	\$1,684,651	\$1,564,625	\$1,482,493
RECREATION REVENUE	\$202,386	-	\$841	-
GRANTS AND DONATIONS	\$94,950	-	-	-
INTEREST AND MISCELLANEOUS	\$282,135	\$204,768	\$185,641	\$106,592
<b>Total Revenues</b>	<b>\$2,250,850</b>	<b>\$1,889,419</b>	<b>\$1,751,107</b>	<b>\$1,589,085</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	-	-	\$1,742	-
SUPPLIES AND MATERIALS	\$2,678	-	\$694	-
MAINTENANCE AND REPAIRS	\$2,969	\$3,118	\$3,118	\$3,274
SERVICES	\$1,394,449	\$1,599,757	\$1,395,258	\$1,303,021
OTHER	\$696,302	\$265,000	\$228,935	\$199,000
TRANSFERS	\$85,000	\$1,112,000	\$1,112,000	\$115,000
<b>Total Expenditures</b>	<b>\$2,181,397</b>	<b>\$2,979,875</b>	<b>\$2,741,747</b>	<b>\$1,620,294</b>
<b>Total Revenues Less Expenditures</b>	<b>\$69,453</b>	<b>-\$1,090,456</b>	<b>-\$990,640</b>	<b>-\$31,210</b>
<b>Ending Fund Balance</b>	<b>\$2,203,651</b>	<b>\$1,113,195</b>	<b>\$1,213,010</b>	<b>\$1,181,800</b>



\*Note: Recent trends in FY2025 indicate a decline in both hotel occupancy and tourism activity. In response, City staff are recommending a 12% reduction in projected Hotel Occupancy Tax revenue for the FY2026 Budget to reflect current economic conditions more accurately.

# Hotel / Motel Tax Fund Community Service Agreements

Hotel / Motel Tax Fund Community Service Agreements FY2026 Budget	
Organization	FY2026 Approved Budget
Kerrville Convention and Visitors Bureau (KCVB)	996,525
Community Art Program	175,000
Arcadia Live	15,000
Playhouse 2000	100,000
Arcadia Live 4th on the River	35,000
Kerrville Triathlon Festival	20,000
Museum of Western Art	15,000
<b>Total Community Service Agreements</b>	<b>\$ 1,356,525</b>

# P.E.G. Special Revenue Fund

The P.E.G. (Public, Educational, and Governmental Access) Special Revenue Fund accounts for restricted revenues received from cable franchise fees specifically designated to support public, educational, and governmental access programming and facilities.

## Funding Source

- **P.E.G. Fees:** Collected from cable providers under state and federal regulations, which are restricted to be spent on capital expenditures that support PEG channel operations

## Purpose and Use of Funds

Funds within the P.E.G. Special Revenue Fund may be used for:

- Purchasing equipment for recording, broadcasting, and streaming City Council meetings and other government programming
- Maintaining or upgrading video production equipment and broadcast infrastructure
- Supporting public or educational programming that enhances community access to local government information
- Ensuring transparency and accessibility by providing residents with broadcast or streaming access to meetings and other informational content

To stay informed about what's happening in the City of Kerrville, we invite you to watch our public meetings, including City Council, Economic Improvement Corporation, and Planning and Zoning Commission meetings on the City's television channel. You can view this channel 24 hours a day on Spectrum Channel 2, providing you with continuous access to live coverage of government meetings as well as a variety of City-related content. The link below is a real-time stream of the city's local government programming, allowing you to stay connected and engaged with your community at your convenience <https://player.frontlayer.com/live/fl518492>.



## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$93,284</b>	<b>\$108,795</b>	<b>\$108,795</b>	<b>\$94,722</b>
<b>Revenues</b>				
TAXES	\$52,257	\$57,500	\$47,564	\$52,000
INTEREST AND MISCELLANEOUS	\$6,264	\$5,552	\$3,791	\$5,500
<b>Total Revenues</b>	<b>\$58,521</b>	<b>\$63,052</b>	<b>\$51,355</b>	<b>\$57,500</b>
<b>Expenditures</b>				
SUPPLIES AND MATERIALS	\$1,210	\$14,950	\$21,099	\$20,950
MAINTENANCE AND REPAIRS	\$41,799	-	-	-
OTHER	-	\$65,929	\$44,329	-
CAPITAL OUTLAY	-	-	-	-
<b>Total Expenditures</b>	<b>\$43,009</b>	<b>\$80,879</b>	<b>\$65,428</b>	<b>\$20,950</b>
<b>Total Revenues Less Expenditures</b>	<b>\$15,511</b>	<b>-\$17,827</b>	<b>-\$14,073</b>	<b>\$36,550</b>
<b>Ending Fund Balance</b>	<b>\$108,795</b>	<b>\$90,968</b>	<b>\$94,722</b>	<b>\$131,272</b>

### FY2026 Budgeted expenditures include:

- Cameras - \$15K
- Monitors and TVs - \$4.5K
- Tools and Equipment Upgrades - \$1.5K

This fund does not have a minimum fund balance policy. Year-over-year changes in fund balance fluctuate based on the specific needs and costs of the City's PEG Fund. The FY2026 ending fund balance is projected to be more than 10% higher than the FY2025 ending fund balance, due to revenue generated from franchise fees collected from cable providers.

# Municipal Court Special Revenue Fund

The Municipal Court Special Revenue Fund accounts for revenues that are restricted by state law for specific Municipal Court purposes, including technology improvements and security enhancements.

## Funding Sources

- **Court Technology Fees:**  
Collected from defendants as authorized under Texas Code of Criminal Procedure, used to fund technology that supports court operations
- **Court Security Fees:**  
Collected from defendants as authorized under Texas law, designated for enhancing security within the Municipal Court
- **Other Court-Restricted Revenues:**  
Includes any additional fees collected under state statutes for court-specific programs or services

## Purpose and Use of Funds

The Municipal Court Special Revenue Fund is used to:

- Acquire and maintain case management software, recording systems, and related court technology
- Improve security measures within court facilities, including equipment and personnel, as allowed by law
- Enhance the efficiency, safety, and transparency of court operations for staff and the public





**Comprehensive Fund Summary**

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$134,295</b>	<b>\$157,446</b>	<b>\$157,446</b>	<b>\$205,048</b>
<b>Revenues</b>				
FINES AND FORFEITURES	\$66,174	\$73,200	\$65,910	\$73,200
GRANTS AND DONATIONS	-	-	\$3,300	-
INTEREST AND MISCELLANEOUS	\$9,450	\$7,463	\$8,606	\$5,517
<b>Total Revenues</b>	<b>\$75,624</b>	<b>\$80,663</b>	<b>\$77,816</b>	<b>\$78,717</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	\$15,000	\$15,000	-	\$10,000
SUPPLIES AND MATERIALS	\$34,313	\$45,402	\$26,657	\$38,902
MAINTENANCE AND REPAIRS	\$3,160	\$21,760	\$3,557	\$21,760
<b>Total Expenditures</b>	<b>\$52,473</b>	<b>\$82,162</b>	<b>\$30,214</b>	<b>\$70,662</b>
<b>Total Revenues Less Expenditures</b>	<b>\$23,151</b>	<b>-\$1,499</b>	<b>\$47,603</b>	<b>\$8,055</b>
<b>Ending Fund Balance</b>	<b>\$157,446</b>	<b>\$155,947</b>	<b>\$205,048</b>	<b>\$213,103</b>

\*Note: Expenses related to the City's Teen Court Program are within this fund.

**FY2026 Budgeted expenditures include:**

- Traffic Control Devices - \$33.3K
- Software maintenance for Municipal Court - \$21.8K
- Portion of the Municipal Court Marshal's Salary - \$10K
- Teen Court Supplies - \$2.5K
- Technology Equipment - \$1.6K
- Child Safety Seats - \$1.5K

# Landfill Fund

The Landfill Fund, included with governmental funds for financial reporting, is used to account for funds restricted for purchasing, developing, extending, closing, or increasing capacity for the City's landfill or other solid waste disposal methods.

The Landfill Fund is used to:

- Operate and maintain the City's landfill in compliance with Texas Commission on Environmental Quality (TCEQ) regulations
- Ensure environmental safety, including groundwater monitoring, leachate control, and proper waste management
- Maintain equipment and infrastructure necessary for efficient landfill operations

\*Note: The City's household hazardous waste collection event is partially funded from this fund, combined with grant funding received

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$905,647</b>	<b>\$1,004,780</b>	<b>\$1,004,780</b>	<b>\$1,070,087</b>
<b>Revenues</b>				
SERVICE REVENUE	\$40,218	\$40,104	\$42,173	\$41,400
INTEREST AND MISCELLANEOUS	\$58,915	\$47,260	\$49,350	\$42,732
<b>Total Revenues</b>	<b>\$99,133</b>	<b>\$87,364</b>	<b>\$91,524</b>	<b>\$84,132</b>
<b>Expenditures</b>				
SERVICES	-	\$50,000	\$26,216	-
<b>Total Expenditures</b>	<b>-</b>	<b>\$50,000</b>	<b>\$26,216</b>	<b>-</b>
<b>Total Revenues Less Expenditures</b>	<b>\$99,133</b>	<b>\$37,364</b>	<b>\$65,307</b>	<b>\$84,132</b>
<b>Ending Fund Balance</b>	<b>\$1,004,780</b>	<b>\$1,042,144</b>	<b>\$1,070,087</b>	<b>\$1,154,220</b>

### Local Businesses that accept Recyclable Hazardous Materials

Walmart - 1216 Junction Hwy - (830) 895-7949

Will take: Used motor oil (5 gallon maximum container),  
Oil filters and batteries,  
Tires - \$1.50 charge per tire  
(number of tires limited to space available).

O'Reilly Auto Parts - 701 Sidney Baker St. - (830) 257-2503

Will take: Used motor oil (5 gallon maximum per visit).

Auto Zone - 200 W Main St. - (830) 792-5500

Will take: Used motor oil (20 quart maximum per visit).

Advance Auto Parts - 1301 Sidney Baker St. - (830) 895-7390

Will take: Used motor oil (4 gallon maximum per visit).

# Landfill Post Closure Fund

The Landfill Post Closure Fund accounts for financial resources set aside to meet the City's closure and post-closure care obligations for the City of Kerrville Landfill, in compliance with Texas Commission on Environmental Quality (TCEQ) regulations and federal requirements.

## Purpose and Use of Funds

The Landfill Post-Closure Fund is used to:

- Ensure funding for long-term monitoring and maintenance of the landfill site after it ceases accepting waste
- Perform groundwater monitoring, methane gas monitoring, and leachate management as required by TCEQ regulations
- Maintain final cover integrity, erosion control, and vegetation on the landfill cap to protect public health and the environment
- Comply with all applicable post-closure care requirements for the full mandated post-closure period (typically 30 years)

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$2,509,609</b>	<b>\$2,669,258</b>	<b>\$2,669,258</b>	<b>\$2,786,156</b>
<b>Revenues</b>				
INTEREST AND MISCELLANEOUS	\$159,649	\$129,760	\$116,898	\$77,043
<b>Total Revenues</b>	<b>\$159,649</b>	<b>\$129,760</b>	<b>\$116,898</b>	<b>\$77,043</b>
<b>Expenditures</b>				
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenues Less Expenditures</b>	<b>\$159,649</b>	<b>\$129,760</b>	<b>\$116,898</b>	<b>\$77,043</b>
<b>Ending Fund Balance</b>	<b>\$2,669,258</b>	<b>\$2,799,017</b>	<b>\$2,786,156</b>	<b>\$2,863,198</b>

# Tax Increment Reinvestment Zone #1 Fund

The Tax Increment Reinvestment Zone #1 Fund (TIRZ #1) is a special revenue fund. Established in 2018 under Chapter 311 of the Texas Tax Code, TIRZ #1 was created to encourage and support economic development and public infrastructure improvements within a defined area to stimulate private investment and growth.

## Funding Sources

Kerrville's TIRZ #1 is funded by capturing the "property tax increment," which is the property tax revenue generated when current property values exceed property values from the base year (2018). The property tax increment collected is deposited into the TIRZ #1 Fund to be reinvested back into the TIRZ #1 geographic zone.

## Purpose and Use of Funds

- Promote the development of the TIRZ#1 geographic region
- Provide benefits to the City, its residents, and property owners, within the TIRZ #1 geographic region
- Provide funding for projects that will significantly enhance the value of all taxable real property in the TIRZ#1 and will be of general benefit to the City

Funds generated by Kerrville's TIRZ #1 must be used according to the zone's financing plan. Eligible projects include water, sanitary sewer, and storm water facilities and improvements; transit and parking upgrades; street and intersection enhancements; open space, parks, and recreation facilities; economic development grants; and administrative costs.

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$327,985</b>	<b>\$641,190</b>	<b>\$641,190</b>	<b>\$1,009,683</b>
<b>Revenues</b>				
TAXES	\$327,564	\$339,470	\$328,238	\$302,836
INTEREST AND MISCELLANEOUS	\$35,640	\$25,574	\$40,280	\$31,403
<b>Total Revenues</b>	<b>\$363,205</b>	<b>\$365,044</b>	<b>\$368,518</b>	<b>\$334,239</b>
<b>Expenditures</b>				
SUPPLIES AND MATERIALS	-	-	\$25	\$50
OTHER	-	-	-	\$150,000
TRANSFERS	\$50,000	-	-	-
<b>Total Expenditures</b>	<b>\$50,000</b>	<b>-</b>	<b>\$25</b>	<b>\$150,050</b>
<b>Total Revenues Less Expenditures</b>	<b>\$313,205</b>	<b>\$365,044</b>	<b>\$368,493</b>	<b>\$184,189</b>
<b>Ending Fund Balance</b>	<b>\$641,190</b>	<b>\$1,006,233</b>	<b>\$1,009,683</b>	<b>\$1,193,872</b>

\*Note: Not included in the figures is a FY2025 \$100,000 pending expenditure in matching funds to support the City of Kerrville's application for the Texas Department of Agriculture's (TDA) Downtown Revitalization Program (DRP) grant. This grant would provide funding for infrastructure improvements designed to support pedestrian development within the TIRZ #1. The TIRZ #1 Board approved both the matching funds and the grant application on March 12, 2025.



This fund does not have a minimum fund balance policy. The FY2026 ending fund balance is projected to be more than 10% higher than the FY2025 ending fund balance, due to property tax increment revenue generated within the TIRZ #1.



# History Center Fund

The History Center Fund accounts for donations and contributions received for the benefit of the Remschel-Deering History Center, ensuring these resources are used in alignment with donor intent to preserve and share Kerrville's history.

## Funding Sources

- **Private Donations:** Contributions from individuals, families, and community organizations dedicated to supporting the History Center's preservation and programming efforts.
- **Designated Contributions:** Contributions for specific projects or enhancements at the History Center.

## Purpose and Use of Funds

The Remschel-Deering History Center Fund is used to:

- Support the preservation and display of historical artifacts, photographs, and documents.
- Maintain and improve the History Center facility to ensure a welcoming environment for residents and visitors.
- Promote historical research and outreach activities that strengthen community connections to Kerrville's past.

## **FY2026 Budgeted expenditures include:**

- Digitization and Exhibit Professional Services - \$4K
- Utilities - \$6K
- Building Maintenance - \$3.9K
- Local Meeting Expense - \$0.2K
- Supplies and Materials - \$1.9K
- Books and Records - \$0.5K
- Advertising - \$0.3K
- History Center software maintenance: \$1.4K
- History Center office equipment maintenance: \$0.8K

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$220,329</b>	<b>\$241,437</b>	<b>\$241,437</b>	<b>\$257,273</b>
<b>Revenues</b>				
SERVICE REVENUE	\$4	-	-	-
GRANTS AND DONATIONS	\$19,002	\$14,000	\$22,000	\$24,000
INTEREST AND MISCELLANEOUS	\$15,363	\$13,122	\$11,773	\$7,225
<b>Total Revenues</b>	<b>\$34,369</b>	<b>\$27,122</b>	<b>\$33,773</b>	<b>\$31,225</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	-	\$350	-	\$200
SUPPLIES AND MATERIALS	\$1,998	\$2,425	\$300	\$1,925
MAINTENANCE AND REPAIRS	\$4,525	\$6,639	\$12,043	\$6,139
SERVICES	\$6,738	\$12,978	\$5,593	\$10,262
CAPITAL OUTLAY	-	\$500	-	\$500
<b>Total Expenditures</b>	<b>\$13,261</b>	<b>\$22,892</b>	<b>\$17,937</b>	<b>\$19,026</b>
<b>Total Revenues Less Expenditures</b>	<b>\$21,108</b>	<b>\$4,230</b>	<b>\$15,836</b>	<b>\$12,199</b>
<b>Ending Fund Balance</b>	<b>\$241,437</b>	<b>\$245,667</b>	<b>\$257,273</b>	<b>\$269,472</b>



# General Facility Fund

The General Facility Fund is used to support the maintenance, repair, and improvement of City-owned facilities utilized for general government operations. This fund allows the City to plan and manage facility needs systematically while ensuring a safe, functional, and efficient environment for employees and the public.

## Funding Sources

- Departmental Contributions: Annual transfers from the General Fund or General Capital Projects, ensuring consistent funding for ongoing and future facility and sustainability needs.
- Interest Earnings

## Purpose and Use of Funds

- Perform large-scale maintenance and repairs on City-owned buildings and facilities
- Fund major facility improvements and renovations to extend asset life and maintain service levels
- Address emergency facility repairs to minimize service interruptions

## Benefits

- Asset Preservation: Protects the City's investment in its physical assets and infrastructure
- Building sustainability efforts

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	-	<b>\$363,777</b>	<b>\$363,777</b>	<b>\$1,441,052</b>
<b>Revenues</b>				
RECREATION REVENUE	-	-	\$15,204	-
INTEREST AND MISCELLANEOUS	\$363,777	-	\$63,672	\$47,058
TRANSFERS IN	-	\$1,000,000	\$1,000,000	\$200,000
<b>Total Revenues</b>	<b>\$363,777</b>	<b>\$1,000,000</b>	<b>\$1,078,876</b>	<b>\$247,058</b>
<b>Expenditures</b>				
SERVICES	-	-	\$1,601	-
<b>Total Expenditures</b>	-	-	<b>\$1,601</b>	-
<b>Total Revenues Less Expenditures</b>	<b>\$363,777</b>	<b>\$1,000,000</b>	<b>\$1,077,275</b>	<b>\$247,058</b>
<b>Ending Fund Balance</b>	<b>\$363,777</b>	<b>\$1,363,777</b>	<b>\$1,441,052</b>	<b>\$1,688,110</b>

Note: This fund does not have a minimum fund balance policy. The FY2026 ending fund balance is projected to be more than 10% higher than the FY2025 ending fund balance, due to intentional budgeting for future sustainability needs via a transfer out of the General Fund and a Transfer into the General Facility Fund.



# Water Wastewater System / Facility Fund

The Water Wastewater System / Facility Fund is used to support the maintenance, repair, and improvement of the Water Fund system and facilities utilized. This fund allows the City to plan and manage facility needs systematically while ensuring a safe, functional, and efficient environment for employees and the public.

## Funding Sources

- Departmental Contributions:  
Annual transfers from the Water Fund or Water Capital Projects, ensuring consistent funding for ongoing and future facility and sustainability needs
- Interest Earnings

## Purpose and Use of Funds

- Perform large-scale maintenance and repairs on City-owned buildings and facilities
- Fund major facility improvements and renovations to extend asset life and maintain service levels
- Address emergency facility repairs to minimize service interruptions

## Benefits

- Asset Preservation: Protects the City's investment in its physical assets and infrastructure
- Building sustainability efforts

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	-	-	-	<b>\$522,008</b>
<b>Revenues</b>				
INTEREST AND MISCELLANEOUS	-	-	\$22,008	\$14,063
TRANSFERS IN	-	\$500,000	\$500,000	\$125,000
<b>Total Revenues</b>	-	<b>\$500,000</b>	<b>\$522,008</b>	<b>\$139,063</b>
<b>Expenditures</b>				
<b>Total Expenditures</b>	-	-	-	-
<b>Total Revenues Less Expenditures</b>	-	<b>\$500,000</b>	<b>\$522,008</b>	<b>\$139,063</b>
<b>Ending Fund Balance</b>	-	<b>\$500,000</b>	<b>\$522,008</b>	<b>\$661,071</b>

Note: This fund does not have a minimum fund balance policy. The FY2026 ending fund balance is projected to be more than 10% higher than the FY2025 ending fund balance, due to intentional budgeting for future sustainability needs via a transfer out of the Water Fund and a Transfer into the Water Wastewater System / Facility Fund.

# Library Endowment Fund

The Library Endowment Fund accounts for dedicated funds for which the City became the trustee in FY2020. These funds are restricted for use by the Library according to the Butt-Holdsworth Memorial Library, in accordance with the Butt-Holdsworth Memorial Library Endowment Fund Trust document established in 1989.

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$1,288,346</b>	<b>\$1,487,040</b>	<b>\$1,487,040</b>	<b>\$1,446,475</b>
<b>Revenues</b>				
INTEREST AND MISCELLANEOUS	\$205,544	\$152,227	-\$34,141	\$47,664
<b>Total Revenues</b>	<b>\$205,544</b>	<b>\$152,227</b>	<b>-\$34,141</b>	<b>\$47,664</b>
<b>Expenditures</b>				
SUPPLIES AND MATERIALS	-	-	-	\$5,100
SERVICES	\$6,850	\$7,000	\$6,425	\$7,000
<b>Total Expenditures</b>	<b>\$6,850</b>	<b>\$7,000</b>	<b>\$6,425</b>	<b>\$12,100</b>
<b>Total Revenues Less Expenditures</b>	<b>\$198,694</b>	<b>\$145,227</b>	<b>-\$40,566</b>	<b>\$35,564</b>
<b>Ending Fund Balance</b>	<b>\$1,487,040</b>	<b>\$1,632,267</b>	<b>\$1,446,475</b>	<b>\$1,482,038</b>



Butt-Holdsworth Memorial Library

# Cailloux Theatre Endowment Fund

The Cailloux Theater Endowment Fund is governed by an endowment agreement that specifies how funds may be used to maintain the Kathleen C. Cailloux City Center for the Performing Arts. Annually, no more than 5% of the corpus may be utilized to support eligible maintenance and operational needs of the Cailloux Theater. In accordance with the endowment agreement, maintenance expenses for the Kit Werlein Annex are not eligible for reimbursement from this fund.

## FY2026 Budgeted expenditures include:

- Building Maintenance - \$22K



## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$602,671</b>	<b>\$629,585</b>	<b>\$629,585</b>	<b>\$641,553</b>
<b>Revenues</b>				
INTEREST AND MISCELLANEOUS	\$61,514	\$54,972	\$51,494	\$37,438
<b>Total Revenues</b>	<b>\$61,514</b>	<b>\$54,972</b>	<b>\$51,494</b>	<b>\$37,438</b>
<b>Expenditures</b>				
MAINTENANCE AND REPAIRS	\$2,007	\$25,000	\$2,071	\$22,000
CAPITAL OUTLAY	\$32,593	-	\$37,456	-
<b>Total Expenditures</b>	<b>\$34,600</b>	<b>\$25,000</b>	<b>\$39,526</b>	<b>\$22,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$26,914</b>	<b>\$29,972</b>	<b>\$11,968</b>	<b>\$15,438</b>
<b>Ending Fund Balance</b>	<b>\$629,585</b>	<b>\$659,557</b>	<b>\$641,553</b>	<b>\$656,991</b>

# Grant Fund

The Grant Fund is used to account for grant revenues received by the City and the corresponding expenditures in compliance with grantor requirements. It ensures transparency and accountability in the management of grant-funded projects and programs.

## **Funding Sources**

- **Federal Grants:**

Funding received from federal agencies to support eligible projects such as public safety initiatives, infrastructure improvements, and community development programs

- **State Grants:**

Funding from state agencies to support specific projects aligned with state and local priorities

- **Local and Other Grants:**

Includes grants from local organizations, foundations, and other entities that support community projects and services

## **Purpose and Use of Funds**

The Grant Fund is used to:

- Track grant revenues and expenditures separately from the General Fund and other City funds
- Ensure compliance with grant terms and conditions for reporting and audit purposes
- Maximize the impact of external grant funding sources to enhance services for Kerrville residents

## **Stewardship and Transparency**

The City of Kerrville is committed to effectively managing grant funds in accordance with federal, state, and local regulations, ensuring that grant dollars are spent appropriately to achieve project goals while maintaining full transparency and accountability to granting agencies and the community.

\*Note: If expenditures within this fund exceed \$750,000 in a fiscal year, a Single Audit is required by the U.S. Office of Management and Budget (OMB) under 2 CFR Part 200 (Uniform Guidance).



## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$1,124</b>	<b>\$15,219</b>	<b>\$15,219</b>	<b>\$390,598</b>
<b>Revenues</b>				
GRANTS AND DONATIONS	\$1,234,509	\$728,752	\$1,493,325	\$3,004,183
INTEREST AND MISCELLANEOUS	-	-	\$12	-
TRANSFERS IN	-\$32,046	-	-\$47,256	-
<b>Total Revenues</b>	<b>\$1,202,463</b>	<b>\$728,752</b>	<b>\$1,446,081</b>	<b>\$3,004,183</b>
<b>Expenditures</b>				
PERSONNEL SERVICES	-	-	\$11,378	-
SUPPLIES AND MATERIALS	\$132,921	\$17,870	\$46,869	\$20,000
SERVICES	-	\$25,000	\$67,500	-
OTHER	\$4,061	-	-	-
CAPITAL OUTLAY	\$828,745	\$158,250	\$200,342	\$50,000
TRANSFERS	\$222,641	\$527,632	\$744,614	\$2,984,183
<b>Total Expenditures</b>	<b>\$1,188,368</b>	<b>\$728,752</b>	<b>\$1,070,703</b>	<b>\$3,054,183</b>
<b>Total Revenues Less Expenditures</b>	<b>\$14,095</b>	<b>-</b>	<b>\$375,378</b>	<b>-\$50,000</b>
<b>Ending Fund Balance</b>	<b>\$15,219</b>	<b>\$15,219</b>	<b>\$390,598</b>	<b>\$340,598</b>



KPD Body Worn Cameras

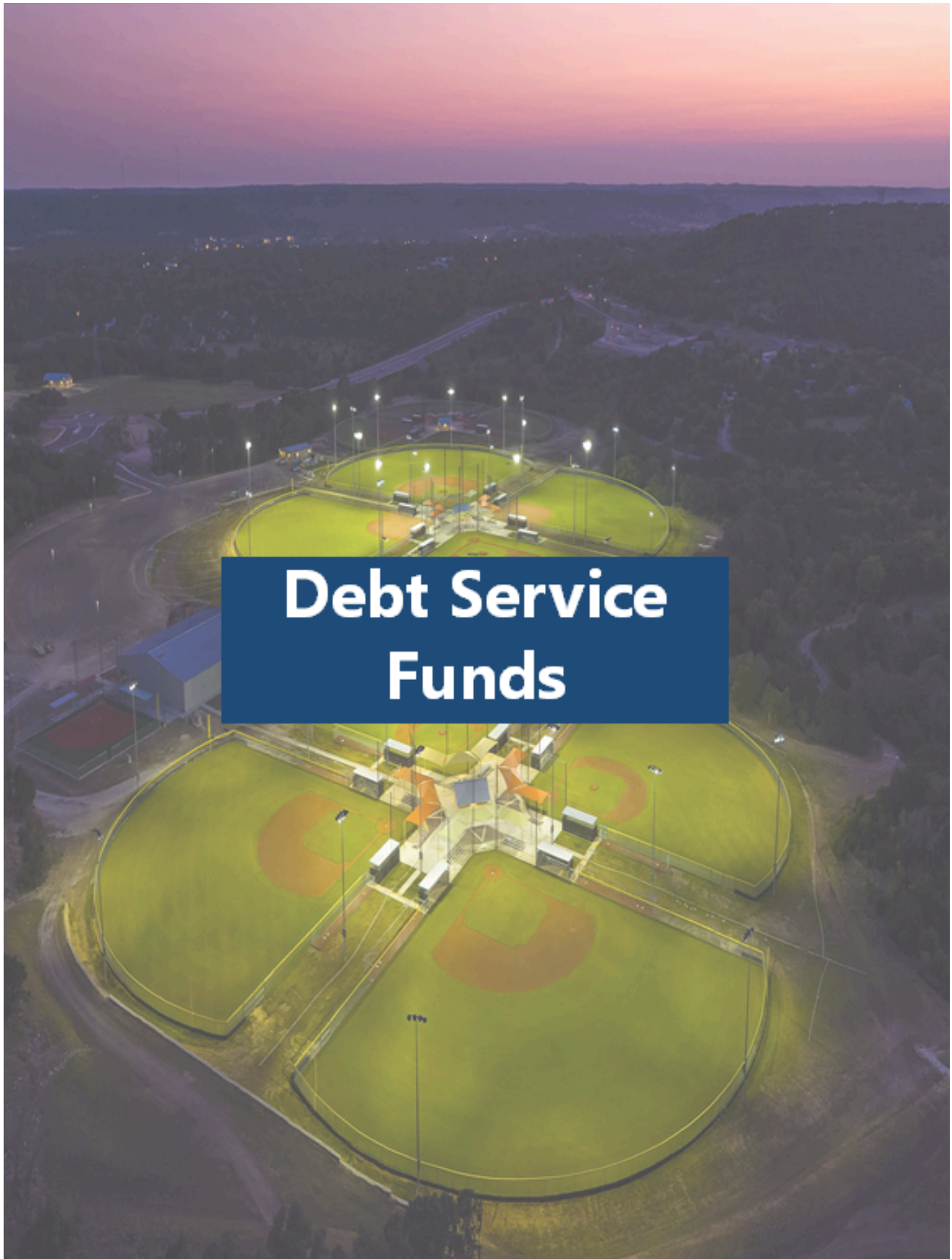
# Insurance Reserve Fund

The Insurance Reserve Fund is a special fund that is located within governmental funds for financial reporting purposes. The Insurance Reserve fund accounts for losses incurred by the City due to physical damage to fleet, equipment, and buildings. Revenue for this fund comes from insurance proceeds obtained through claims filed by the City for vehicle or property damage.

## Comprehensive Fund Summary

Category	FY2024 Actuals	FY2025 Budget	FY2025 Estimated	FY2026 Approved Budget
<b>Beginning Fund Balance</b>	<b>\$259,662</b>	<b>\$271,782</b>	<b>\$271,782</b>	<b>\$5,489,547</b>
<b>Revenues</b>				
INTEREST AND MISCELLANEOUS	\$643,464	\$124,472	\$5,551,530	\$2,612,200
<b>Total Revenues</b>	<b>\$643,464</b>	<b>\$124,472</b>	<b>\$5,551,530</b>	<b>\$2,612,200</b>
<b>Expenditures</b>				
MAINTENANCE AND REPAIRS	\$617,666	\$85,000	\$252,181	\$320,000
SERVICES	-	\$500	-	\$1,000
OTHER	-	\$3,000	\$213	\$5,000
CAPITAL OUTLAY	-	\$30,000	\$31,371	\$2,500,000
TRANSFERS	\$13,678	-	\$50,000	-
<b>Total Expenditures</b>	<b>\$631,344</b>	<b>\$118,500</b>	<b>\$333,765</b>	<b>\$2,826,000</b>
<b>Total Revenues Less Expenditures</b>	<b>\$12,120</b>	<b>\$5,972</b>	<b>\$5,217,765</b>	<b>-\$213,800</b>
<b>Ending Fund Balance</b>	<b>\$271,782</b>	<b>\$277,754</b>	<b>\$5,489,547</b>	<b>\$5,275,747</b>

Note: The FY2026 ending fund balance is projected to be more than 10% lower than the FY2025 ending fund balance due to increased insurance repairs and activity related to the flooding that occurred on July 4, 2025. Given the nature and uncertainty of the flood disaster-related expenditures and reimbursements, it is not possible to accurately budget for FY2026 at this time.





# Debt Overview Summary

## **Overview:**

The City uses separate funds called Debt Service Funds 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 Debt Service Fund is combined with other Water Funds for annual financial reporting and uses the full accrual method of accounting, like other enterprise funds.

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

## **Debt Service:**

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 the property tax for a home-rule city of over 5,000 in population to not more than \$2.50 per \$100 of assessed value. Kerrville's \$0.5711 total tax rate is well below the \$2.50 constitutional limit.

State law limits the debt service portion of the levy to no more than \$1.50 per \$100 of assessed value. The City's Financial Management Policy directs that debt service obligations for the General Fund should not cause the debt portion of the tax rate to exceed 25% of the total tax rate. Kerrville's debt rate for FY2026 is \$0.1406, or 25% of the total \$0.5711 tax rate, and much less than the \$1.50 Administrative Code limit.

During the FY2010 budget process, City Council established a policy that no new property tax-supported debt requiring a tax rate increase would be issued without voter approval. This means that in order to issue new debt without a community vote, the City must pay off existing debt or there must be growth in the tax base that increases capacity.

Debt for the Water Fund is limited by the City's Financial Management Policy, which is adopted by the City Council. The Council has directed, by policy, that annual Water Fund debt service not exceed 35% of the Water Fund's annual revenue. For the FY2026 budget, water debt service must be less than \$6.2 million to ensure compliance. Actual debt service in FY2026 is 27.0% of revenue at \$4.8 million.

## **Debt Changes:**

The City of Kerrville has not experienced any changes to its existing debt obligations. All scheduled debt service payments remain current and on track.

In the wake of the devastating July 4th flood, S&P Global Ratings initiated a review of the City's immediate financial condition. This review was prompted by potential concerns regarding:

- Preliminary damage estimates
- Duration and extent of operational impacts
- Utility service interruptions
- Insurance and disaster recovery support
- Liquidity and reserve levels
- City's ability to make timely debt service payments, particularly due to potential short-term impacts on cash balances

The City is actively cooperating with S&P and is providing detailed financial and operational information to demonstrate the resilience of its financial position and the integrity of its debt repayment mechanisms.

Although the event caused notable disruptions, Kerrville remains committed to preserving its strong credit profile. The City's debt service obligations are fully funded, and sufficient reserves are in place to support both ongoing operations and emergency recovery needs. There have been no delays or difficulties in meeting any financial commitments.

## Examples of General Fund Debt Service Projects

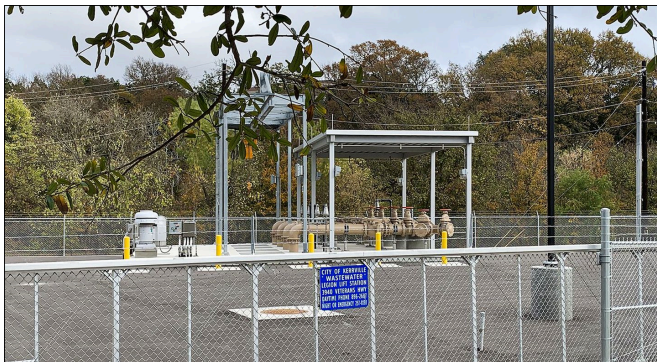


City of Kerrville Public Safety Facility

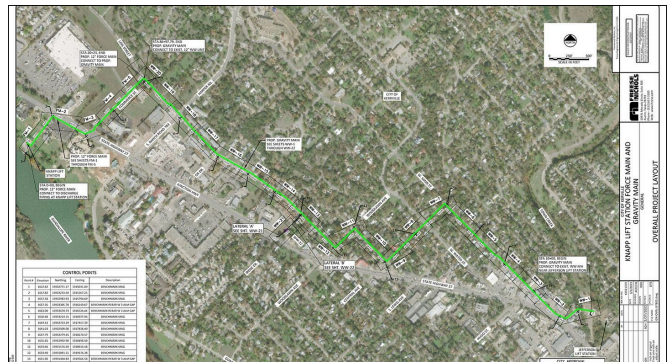


Fire Trucks

## Examples of Water Fund Debt Service Projects



Leigion Lift Station



Knapp Lift Station Force Main and Gravity Main

# General Debt Service Fund

The City uses a separate fund to budget for annual principal and interest payments on outstanding General Fund debt. General Debt Service is funded by Property Tax Revenue and 4B Sales Tax Revenue. 4B Sales Tax Revenue is contributed by the Economic Improvement Corporation (EIC) to pay for quality of life-related debt.

FY2026 General Debt Service	
	Total Debt Service Expenditures
* CO 2015 - Sports Complex	\$ 604,700
Refunding Series 2017 - CO 2007, GO 2007 & CO 2009	\$ 512,750
CO 2019 - Streets and Drainage	\$ 643,575
* Refunding Series 2019 - CO 2011A (River Trail)	\$ 252,200
* Refunding Series 2020 - CO 2012 (River Trail)	\$ 232,000
GO 2022 - Public Safety Facility	\$ 2,538,619
Tax Note 2024 - Fire Trucks	\$ 336,623
Tax Note 2025 - Police Vehicles	\$ 211,300
Banking Fees	\$ 2,575
<b>Total FY2026 General Debt Service Expenditures</b>	<b>\$ 5,334,341</b>

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

(\*) Funded using 4B Sales Tax Revenue that is contributed by the Economic Improvement Corporation (EIC)

State law limits the debt service portion of the levy to no more than \$1.50 per \$100 of assessed value. The City's FY2026 I&S rate is \$0.1406 per \$100 of assessed value, far below the State constitutional maximum of \$1.50 per \$100 of assessed value for debt service. The City's Financial Management Policy directs that debt service obligations for the General Fund should not cause the debt portion of the tax rate to exceed 25% of the total tax rate adopted.

\*The increase in the I&S rate in FY2023 is due to the issuance of \$45,000,000 of general obligation bonds to fund the construction of a new Public Safety Facility. The Public Safety Facility is scheduled to open in the summer of 2025.

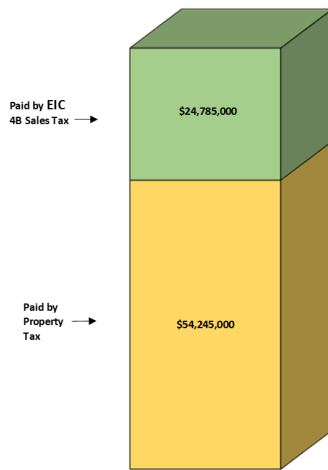
Historical Property Tax Rate			
Year	Tax Rate	M&O	I&S
FY2016	\$ 0.5625	\$ 0.4890	\$ 0.0735
FY2017	\$ 0.5625	\$ 0.4890	\$ 0.0735
FY2018	\$ 0.5514	\$ 0.4779	\$ 0.0735
FY2019	\$ 0.5514	\$ 0.4779	\$ 0.0735
FY2020	\$ 0.5400	\$ 0.4665	\$ 0.0735
FY2021	\$ 0.5116	\$ 0.4381	\$ 0.0735
FY2022	\$ 0.5093	\$ 0.4358	\$ 0.0735
FY2023	\$ 0.5752	\$ 0.4341	\$ 0.1411
FY2024	\$ 0.5595	\$ 0.4185	\$ 0.1410
FY2025	\$ 0.5595	\$ 0.4189	\$ 0.1406
<b>FY2026</b>	<b>\$ 0.5711</b>	<b>\$ 0.4305</b>	<b>\$ 0.1406</b>

**General Debt Service Fund Summary**

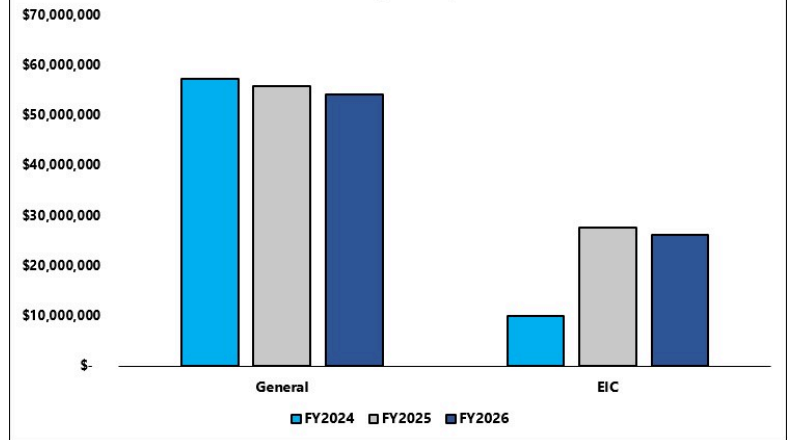
	<b>FY2024 Actual</b>	<b>FY2025 Budget</b>	<b>FY2025 Estimated</b>	<b>FY2026 Approved Budget</b>
<b>Beginning Restricted Fund Balance</b>	<b>\$ 1,455,291</b>	<b>\$ 2,005,639</b>	<b>\$ 2,005,639</b>	<b>\$ 2,390,683</b>
<b>Revenues</b>				
Property Tax - Current	4,029,410	4,034,289	4,189,254	4,134,285
Property Tax - Prior Year	30,821	-	23,146	-
Property Tax - Penalty & Interest	28,586	-	29,656	-
<b>Total Taxes</b>	<b>4,088,818</b>	<b>4,034,289</b>	<b>4,242,056</b>	<b>4,134,285</b>
EIC - Debt Funding	1,090,706	1,090,700	1,090,700	1,090,175
<b>Total Intergovernmental</b>	<b>1,090,706</b>	<b>1,090,700</b>	<b>1,090,700</b>	<b>1,090,175</b>
Interest Revenue	160,624	138,068	177,328	138,068
<b>Total Interest and Miscellaneous</b>	<b>160,624</b>	<b>138,068</b>	<b>177,328</b>	<b>138,068</b>
<b>Total Revenues</b>	<b>5,340,148</b>	<b>5,263,056</b>	<b>5,510,083</b>	<b>5,362,528</b>
<b>Expenditures</b>				
Professional Services	2,350	2,350	2,400	2,575
<b>Total Services</b>	<b>2,350</b>	<b>2,350</b>	<b>2,400</b>	<b>2,575</b>
Debt Principal	2,180,000	2,485,000	2,485,000	2,825,000
Debt Interest	2,607,450	2,637,639	2,637,639	2,506,766
<b>Total Other Expenses</b>	<b>4,787,450</b>	<b>5,122,639</b>	<b>5,122,639</b>	<b>5,331,766</b>
<b>Total Expenditures</b>	<b>4,789,800</b>	<b>5,124,989</b>	<b>5,125,039</b>	<b>5,334,341</b>
<b>Net Revenue (Expenditures)</b>	<b>550,348</b>	<b>138,067</b>	<b>385,044</b>	<b>28,186</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 2,005,639</b>	<b>\$ 2,143,706</b>	<b>\$ 2,390,683</b>	<b>\$ 2,418,870</b>



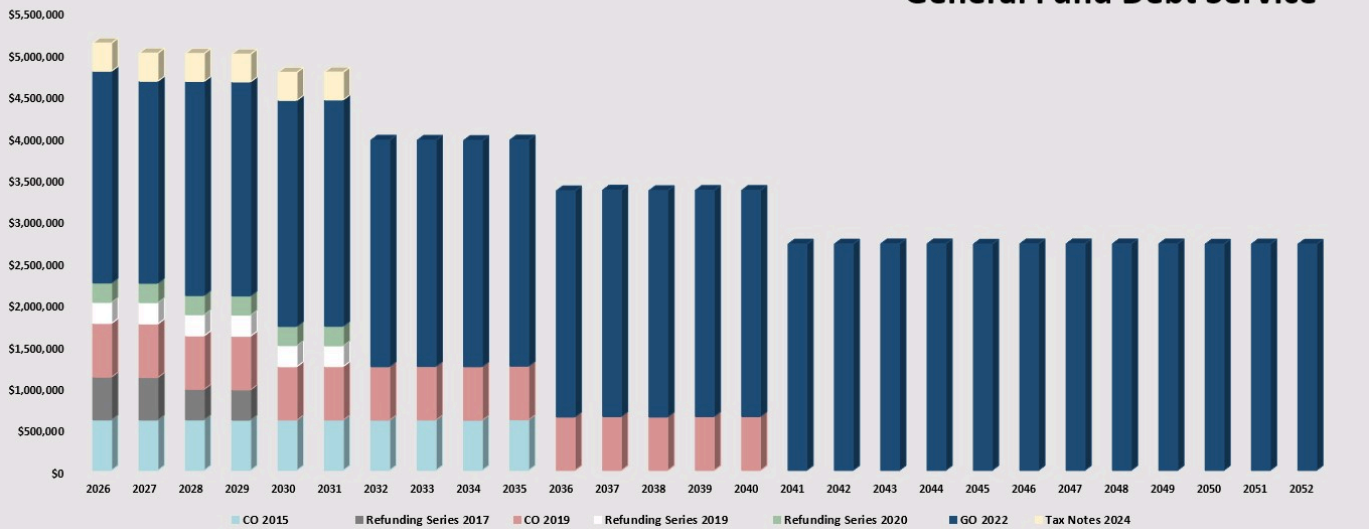
FY2026 Outstanding Principal Debt



Outstanding Principal Debt



General Fund Debt Service



# Water Debt Service Fund

The city uses a separate fund to budget for annual principal and interest payments on outstanding debt for the Water Fund. The City uses various types of debt to finance significant public infrastructure projects such as wells, lift stations, pump stations, transmission lines, water lines, and other infrastructure necessary to maintain and operate the city's water and wastewater system. Revenue from this fund is transferred in from the Water Fund. Budgeted expenditures include principal and interest payments for debt service and related banking fees. The City's Water Fund earned an A+ rating from Standard & Poor's. This rating indicates a high credit quality and investment grade status.

FY2026 Water Debt Service	
	Total Debt Service Expenditures
CO 2016 - Water/ Wastewater System (Reuse & Others)	\$ 631,450
Kerrville Public Utility Board - Reuse Infrastructure	\$ 1,167,857
Refunding Series 2017 - GO 2007, CO 2009, CO 2010, CO2011	\$ 922,175
CO 2018A - Legion Lift Station	\$ 377,572
CO 2018B - Trihalomethanes (TTHM) Filtration	\$ 234,414
Refunding 2020 - CO 2012 & CO 2013	\$ 879,250
Revenue Bond 2023 - Water & Sewer System Improvements	\$ 534,150
Banking Fees	\$ 4,650
<b>Total FY2026 Water Debt Service Expenditures</b>	<b>\$ 4,751,518</b>

Year	Water Fund Budget Revenue	Water Debt Service	% of Debt Service to Budget
FY2016	\$ 11,742,161	\$ 3,241,194	28%
FY2017	\$ 12,092,347	\$ 4,048,999	33%
FY2018	\$ 12,265,455	\$ 3,986,897	33%
FY2019	\$ 12,530,732	\$ 3,902,583	31%
FY2020	\$ 13,035,594	\$ 4,231,693	32%
FY2021	\$ 13,062,669	\$ 4,099,552	31%
FY2022	\$ 13,705,761	\$ 4,315,722	31%
FY2023	\$ 14,682,944	\$ 4,177,643	28%
FY2024	\$ 15,543,926	\$ 4,265,229	27%
FY2025	\$ 16,826,964	\$ 4,780,503	28%
<b>FY2026</b>	<b>\$ 17,589,715</b>	<b>\$ 4,751,518</b>	<b>27%</b>

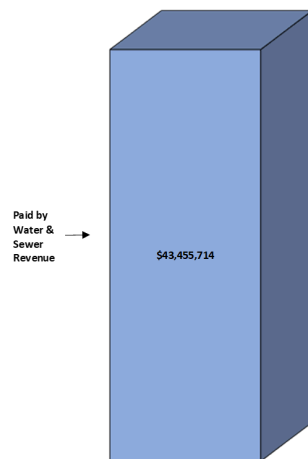
Water Fund Debt Service is limited by the City's Financial Management Policy. Financial Management Policy. Annual Water Fund Debt Service shall not exceed 35% of Water Fund annual revenue. For the FY2026 budget, this limit means that debt service must be less than \$5.9 million. The Water Fund Debt Service is \$4.8 million, which is 27% of Water Fund Revenue.

**Water Debt Service Fund Summary**

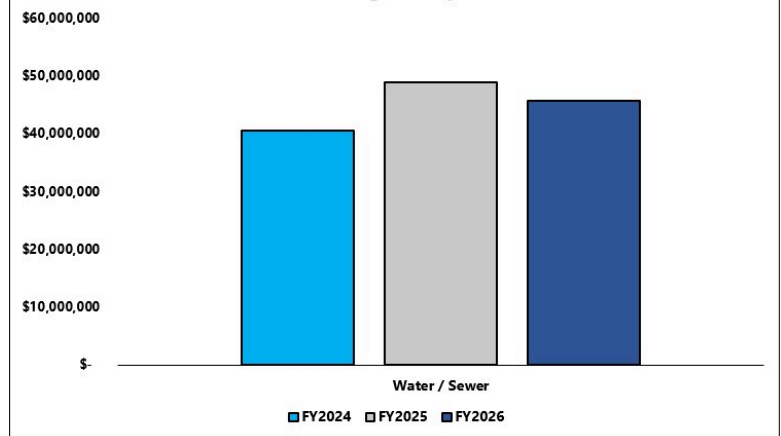
	<b>FY2024 Actual</b>	<b>FY2025 Budget</b>	<b>FY2025 Estimated</b>	<b>FY2026 Approved Budget</b>
<b>Beginning Restricted Fund Balance</b>	<b>\$ 1,544,086</b>	<b>\$ 1,197,391</b>	<b>\$ 1,197,391</b>	<b>\$ 1,183,805</b>
<b>Revenues</b>				
Interest Revenue	109,285	103,541	75,919	80,000
<b>Total Interest and Miscellaneous</b>	<b>109,285</b>	<b>103,541</b>	<b>75,919</b>	<b>80,000</b>
Transfer In - Water Fund	4,222,729	4,676,963	4,676,963	4,671,518
<b>Total Transfer In</b>	<b>4,222,729</b>	<b>4,676,963</b>	<b>4,676,963</b>	<b>4,671,518</b>
<b>Total Revenues</b>	<b>4,332,014</b>	<b>4,780,504</b>	<b>4,752,882</b>	<b>4,751,518</b>
<b>Expenditures</b>				
Professional Services	4,150	4,150	4,200	4,650
<b>Total Services</b>	<b>4,150</b>	<b>4,150</b>	<b>4,200</b>	<b>4,650</b>
Debt Principal	3,116,429	3,191,429	3,191,429	3,266,429
Debt Interest	1,558,130	1,584,925	1,570,840	1,480,440
<b>Total Other Expenses</b>	<b>4,674,559</b>	<b>4,776,353</b>	<b>4,762,268</b>	<b>4,746,868</b>
<b>Total Expenditures</b>	<b>4,678,709</b>	<b>4,780,504</b>	<b>4,766,468</b>	<b>4,751,518</b>
<b>Net Revenue (Expenditures)</b>	<b>(346,695)</b>	<b>-</b>	<b>(13,586)</b>	<b>-</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 1,197,391</b>	<b>\$ 1,197,391</b>	<b>\$ 1,183,805</b>	<b>\$ 1,183,805</b>



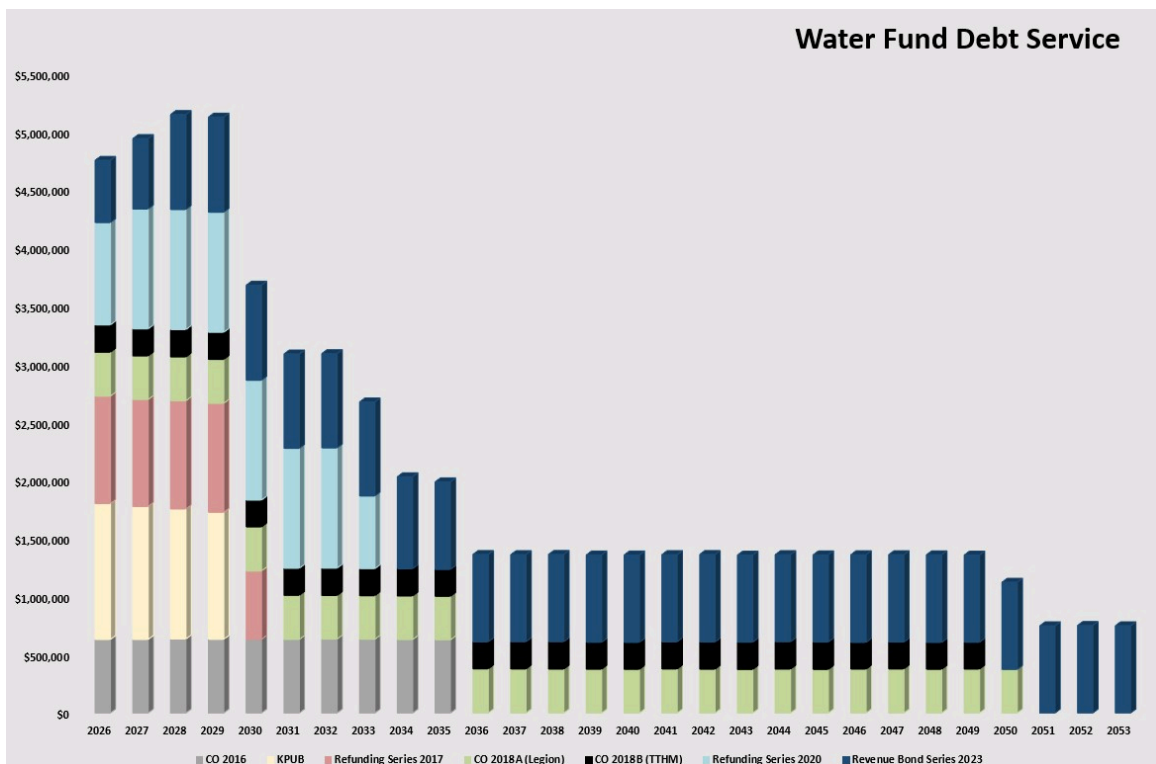
FY2026 Outstanding Principal Debt



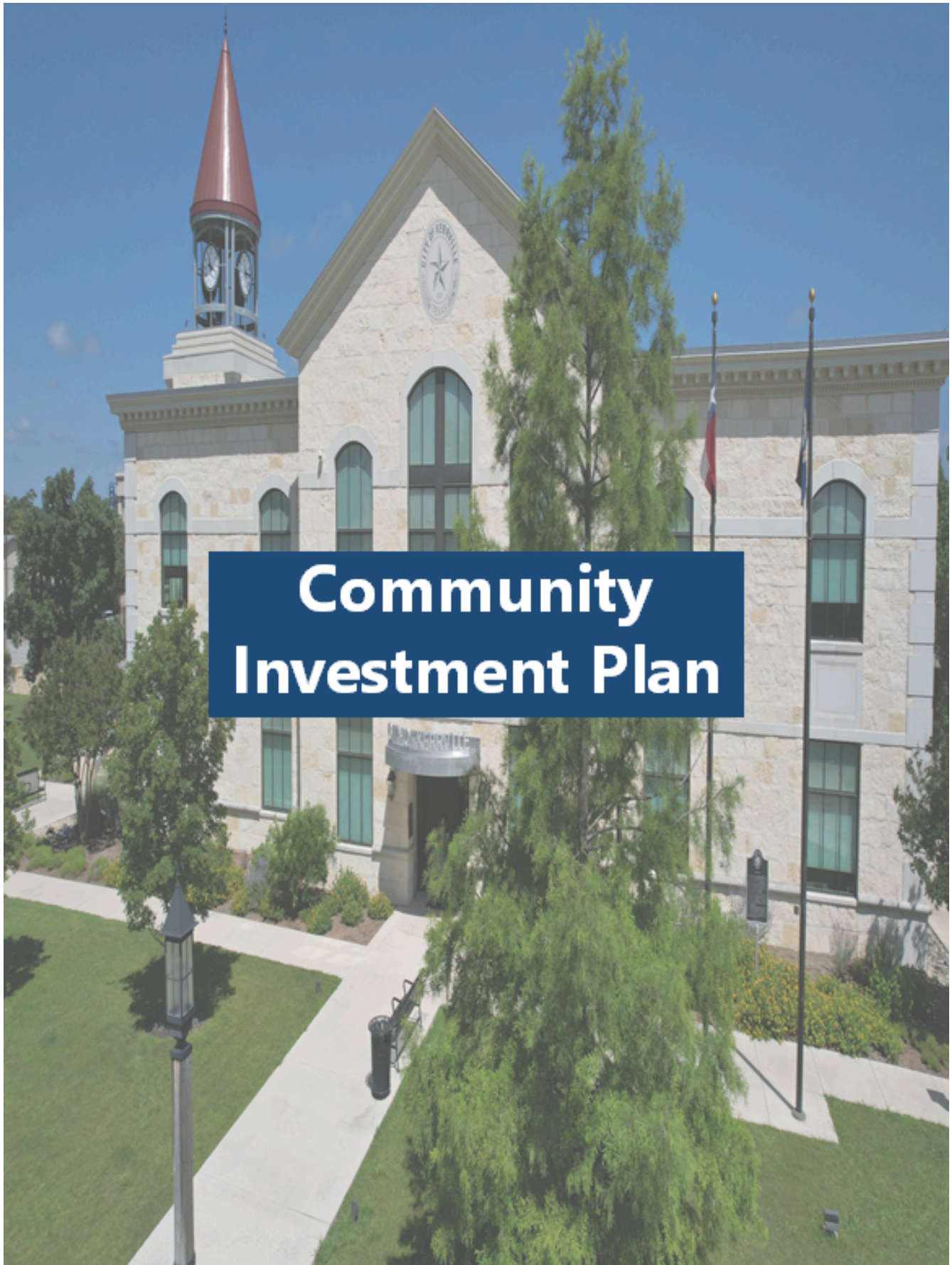
Outstanding Principal Debt



Water Fund Debt Service



Water Fund debt is paid for with revenues generated in the Water Fund. This graphic representation shows when debt ladders off, indicating the capacity to issue additional debt, if needed, for capital projects at that time.



# Community Investment Plan

The Community Investment Plan (CIP) is the City of Kerrville's long-range planning tool for identifying, prioritizing, and funding capital projects that support the community's infrastructure, quality of life, and growth needs. The CIP aligns with the Kerrville 2050 Comprehensive Plan and reflects the City's commitment to maintaining and improving essential services and facilities while ensuring fiscal responsibility.

## **Purpose of the CIP**

The CIP is used to:

- Identify critical infrastructure and facility needs within the community, including streets, drainage, water and sewer systems, parks, and public safety facilities.
- Prioritize projects based on urgency, overall benefit, available funding, and alignment with Council and community priorities.
- Plan the financing of projects, including the use of cash funding, grants, and debt, to ensure financial sustainability.
- Provide transparency and accountability to residents on how resources are allocated to major capital improvements.

## **What is a Capital Improvement Project?**

Capital improvement project funds may be used for:

- A single project that spans more than one fiscal year
- Projects costing more than \$25,000
- Improvement projects that are capitalized as a city-owned asset
- An extensive maintenance project that does not result in a new asset
- Expenditures such as professional services that do not create a capital asset, for example, master plans or feasibility studies

## **Funding Sources**

CIP projects are funded through a combination of:

- Cash transfers from General Fund, Water Fund, or Other Special Funds
- Debt Financing (General Fund or Water Fund)
- State and Federal Grants or Donations
- 4B funds from the Economic Improvement Corporation
- Property Tax Increment funds from the TIRZ #1 fund

## **Community Benefits**

The Community Investment Plan allows the City to:

- Proactively address infrastructure maintenance and expansion to serve current and future residents.
- Enhance public safety, mobility, recreation, and utility services.
- Support economic development by maintaining infrastructure that attracts and retains businesses and residents.
- Manage resources efficiently by planning for project timing and funding availability.

The General Capital Projects Fund and the Water Capital Projects Fund are both expected to decrease more than 10% in FY2026. Capital Project Funds naturally have fluctuations in fund balance due to the multi-year nature of projects. When funding was received in one year but expended in future years, fund balance decreases. This has no impact on the future performance of the fund.

# General Capital Projects Fund

CITY OF KERRVILLE							
General Capital Projects Fund							
GENERAL FUND PROJECTS							
PROJECT FUNDING	TOTAL	ACTUAL		ESTIMATED	PRELIMINARY ESTIMATES		
		Previous Years	FY2024	FY2025	FY2026	FY2027	FY2028
1 Beginning Fund Balance			\$ 48,638,761	\$ 35,312,981	\$ 10,659,383	\$ 4,803,687	\$ 4,578,291
2 Certificates of Obligation - General Fund supported	11,254,197	11,254,197	-	-			
3 Certificates of Obligation - EIC supported	13,259,745	13,259,745	-	-			
4 General Obligation Bonds - General Fund supported	45,000,933	45,000,933	-	-			
5 Revenue Bonds - EIC Supported	20,000,000	-	784,928	7,733,635	7,776,144	1,091,421	
6 Tax Notes - General Fund	2,804,492	842,580	1,961,912	-			
7 Pay As You Go - transfer from General operating budget	8,445,901	6,495,901	200,000	750,000		200,000	200,000
8 Pay As You Go - transfer from EIC	6,819,976	6,731,476	88,500	-			
9 Pay As You Go - transfer from Water Fund	93,586	93,586	-	-			
10 Pay As You Go - transfer from other funds	820,654	770,654	50,000	-			
11 Pay As You Go - interest income	7,400,726	3,395,522	2,145,444	916,507	493,254	50,000	50,000
12 Pay As You Go - asset disposal proceeds	641,640	641,640	-	-			
13 Grant / Donation / Outside Funding	15,774,457	7,857,113	222,641	817,262	3,853,769	2,361,549	
14 Transfers Out	(2,450,000)	-	-	(2,000,000)	(450,000)		
<b>TOTAL FUNDING AVAILABLE</b>	<b>129,866,307</b>	<b>96,343,346</b>	<b>54,092,185</b>	<b>43,530,385</b>	<b>22,782,551</b>	<b>8,506,657</b>	<b>4,828,291</b>
PROJECT EXPENDITURES							
1 Hazard Mitigation City Wide Generators	5,347,889	-	-	50,000	2,673,945	2,623,945	
2 Granger McDonald Park Improvements	2,200,000	-	-	158,579	750,000	1,291,421	
3 Al Mooney Road Reconstruction	1,700,000	-	22,815	200,828	1,476,358		
4 Public Safety Facility	45,000,000	2,676,837	15,279,167	21,532,139	5,511,856		
5 Olympic Pool Improvements	7,750,000	-	274,541	500,000	6,975,459		
6 Existing Park Improvements	815,000	-	374,658	374,658	65,684		
7 City-Wide Phone System Replacements	150,000	-	-	-	150,000		
8 Kerrville Schreiner Park Road Paving	60,000	-	-	-	60,000		
9 Singing Wind Disc Golf	50,000	-	-	-	50,000		
10 GIS Aerials	78,000	-	12,699	13,000	13,000	13,000	13,000
11 Parks & Rec Events Storage Building	50,000	-	24,998	-	24,998		
12 Lower Lois Steet Drainage	2,237,439	2,123,823	59,066	145	54,406		
13 CDBG Intersection Improvements	533,810	95,217	383,082	7,000	48,511		
14 Airport Fire Protection Study	30,000	4,528	6,112	-	19,360		
15 Sidewalk Improvements	47,862	-	362	22,500	25,000		
16 Facility/System Replacement	100,000	-	60,712	-	55,288		
17 Neighborhood Enhancement Program	60,358	8,066	12,432	14,860	25,000		
18 Streets Maintenance Carryover	778,830	28,830	-	750,000	TBD		
<b>COMPLETED PROJECTS:</b>							
20 Cailloux Theatre Roof & HVAC	3,193,628	-	25,407	3,168,221			
21 Scott Schreiner Golf Course Improvements	3,650,000	7,500	315,950	3,326,550			
22 Comprehensive Plan Update (including area development)	200,000	-	77,115	122,885			
23 Catalyst Area 2 Pedestrian Improvements	1,399,080	102,454	218,893	1,077,733			
24 Airport Land Acquisition	1,505,362	-	714	1,504,648			
25 Public Safety Communication System	2,964,516	2,885,215	32,046	47,256			
26 City Hall Drive-Thru Upgrades	19,818	-	19,818				
27 Airport Land Use Plan	12,500	-	12,500				
28 Wayfinding Signs	144,288	138,953	5,335				
29 Mobile Generators	250,972	241,227	9,745				
30 KSP Water Line Replacement/Looping	229,602	41,317	188,285				
31 Facilities Master Plan/Condition Assessment	115,666	666	115,000				
32 City Hall Security Camera System	103,369	-	103,369				
33 River Trail Downtown Extension	183,437	154,965	28,472				
34 Downtown Utilities/Streetscape	366,363	36,342	330,021				
35 Westminster Street Reconstruction	1,914,869	1,159,115	755,754				
36 Pavement Condition Re-Assessment	96,350	66,211	30,139				
37 Previous Years Other Completed Projects	37,933,321	37,933,321	-				
<b>TOTAL PROJECTS</b>	<b>122,736,714</b>	<b>47,704,586</b>	<b>18,779,206</b>	<b>32,871,002</b>	<b>17,978,864</b>	<b>3,928,366</b>	<b>13,000</b>
<b>REMAINING BALANCE</b>		<b>\$ 48,638,761</b>	<b>\$ 35,312,981</b>	<b>\$ 10,659,383</b>	<b>\$ 4,803,687</b>	<b>\$ 4,578,291</b>	<b>\$ 4,815,291</b>
*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***							





# General Capital Projects Fund

COMMUNITY INVESTMENT PLAN								
GENERAL FUND PROJECTS								
		PRELIMINARY ESTIMATES						
PROJECT FUNDING	TOTAL	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035
1 Beginning Fund Balance		\$ 5,030,291	\$ 5,267,291	\$ 5,517,291	\$ 5,767,291	\$ 6,017,291	\$ 6,267,291	\$ 6,517,291
2 Certificates of Obligation - General Fund supported	11,254,197							
3 Certificates of Obligation - EIC supported	13,259,745							
4 General Obligation Bonds - General Fund supported	45,000,933							
5 Revenue Bonds - EIC Supported	20,000,000							
6 Tax Notes - General Fund	2,804,492							
7 Pay As You Go - transfer from General operating budget	8,445,901	200,000	200,000	200,000	200,000	200,000	200,000	200,000
8 Pay As You Go - transfer from EIC	6,819,976							
9 Pay As You Go - transfer from Water Fund	93,586							
10 Pay As You Go - transfer from other funds	820,654							
11 Pay As You Go - interest income	7,400,726	50,000	50,000	50,000	50,000	50,000	50,000	50,000
12 Pay As You Go - asset disposal proceeds	641,640							
13 Grant / Donation / Outside Funding	15,774,457							
14 Transfers Out	(2,450,000)							
<b>TOTAL FUNDING AVAILABLE</b>	<b>129,866,307</b>	<b>5,280,291</b>	<b>5,517,291</b>	<b>5,767,291</b>	<b>6,017,291</b>	<b>6,267,291</b>	<b>6,517,291</b>	<b>6,767,291</b>
PROJECT EXPENDITURES								
1 Hazard Mitigation City Wide Generators	5,347,889							
2 Granger McDonald Park Improvements	2,000,000							
3 Al Mooney Road Reconstruction	1,700,000							
4 Public Safety Facility	45,000,000							
5 Olympic Pool Improvements	7,750,000							
6 Existing Park Improvements	800,000							
7 City-Wide Phone System Replacements	150,000							
8 Kerrville Schreiner Park Road Paving	60,000							
9 Singing Wind Disc Golf	50,000							
10 GIS Aerials	78,000	13,000						
11 Parks & Rec Events Storage Building	50,000							
12 Lower Lois Steet Drainage	2,237,439							
13 CDBG Intersection Improvements	533,810							
14 Airport Fire Protection Study	30,000							
15 Sidewalk Improvements	47,862							
16 Facility/System Replacement	100,000							
17 Neighborhood Enhancement Program	60,358							
18 Streets Maintenance Carryover	778,830							
19 <b>COMPLETED PROJECTS:</b>								
20 Cailloux Theatre Roof & HVAC	3,193,628							
21 Scott Schreiner Golf Course Improvements	3,650,000							
22 Comprehensive Plan Update (including area development)	200,000							
23 Catalyst Area 2 Pedestrian Improvements	1,399,080							
24 Airport Land Acquisition	1,505,362							
25 Public Safety Communication System	2,964,516							
26 City Hall Drive-Thru Upgrades	19,818							
27 Airport Land Use Plan	12,500							
28 Wayfinding Signs	144,288							
29 Mobile Generators	250,972							
30 KSP Water Line Replacement/Looping	229,602							
31 Facilities Master Plan/Condition Assessment	115,666							
32 City Hall Security Camera System	103,369							
33 River Trail Downtown Extension	183,437							
34 Downtown Utilities/Streetscape	366,363							
35 Westminster Street Reconstruction	1,914,869							
36 Pavement Condition Re-Assessment	96,350							
37 Previous Years Other Completed Projects	37,933,321							
<b>TOTAL PROJECTS</b>	<b>122,721,714</b>	<b>13,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REMAINING BALANCE</b>		<b>\$ 5,267,291</b>	<b>\$ 5,517,291</b>	<b>\$ 5,767,291</b>	<b>\$ 6,017,291</b>	<b>\$ 6,267,291</b>	<b>\$ 6,517,291</b>	<b>\$ 6,767,291</b>
*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***								

**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN****PROJECT NAME:**

Hazard Mitigation City-Wide Generators

**DEPARTMENT:**

City Wide

**DESCRIPTION:**

The City of Kerrville proposes to install critical facility generators in multiple locations. Construction will include the installation of 24 fixed place generators with automatic transfer switches, electrical modifications, and reinforced concrete foundations. Other proposed work includes security fencing where necessary. Additionally, the City will purchase one trailer mounted generator. When electrical service is lost for prolonged periods, the City's water facilities cannot meet the demands of the system and low pressures are experienced. The proposed project will prevent future failure to function and ensure continuous operation of service by providing an all-weather power source at water distribution and production facilities. The new generators will also ensure that power sources are available at City owned facilities that are designated as warming centers. This project mitigates the threat to public health and safety. The project will comply with the latest edition of codes and standards as required by Federal, State, and Local rules and regulations.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Hazard Mitigation Grant - FEMA DR-4586-TX	45,000	2,406,551	2,361,549	-	-	-	-	-	-	-	-	4,813,100
Series 2021 Tax Notes	534,790	-	-	-	-	-	-	-	-	-	-	534,790
<b>TOTAL FUNDING</b>	579,790	2,406,551	2,361,549	-	-	-	-	-	-	-	-	5,347,890

PROJECT COST	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Public Safety Facility	50,000	2,673,945	2,623,945	-	-	-	-	-	-	-	-	5,347,890
<b>TOTAL PROJECT COST</b>	50,000	2,673,945	-	-	-	-	-	-	-	-	-	5,347,890

OPERATING BUDGET IMPACT	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Operations & Maintenance	-	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	80,000

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

# CIP - HAZARD MITIGATION CITY-WIDE GENERATORS

**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN**

**PROJECT NAME:**  
Public Safety Facility

**DEPARTMENT:**  
Police, Fire Administration, Municipal Court, EOC, IT

**DESCRIPTION:**

Through a voter approved bond election in May 2022, City Council issued general obligation bonds for the principal amount of \$45M for the purpose of; purchasing land, easements, rights-of-way, and any other real property to design, construct, and equip a Public Safety Facility. This facility will house Police, Fire Administration, Emergency Operations, Municipal Court, and associated technology needs. Architectural analysis confirmed space needs of 69,000 square feet. This project will track all expenditures related to the Public Safety Facility through construction completion and move in.



<b>FUNDING SOURCE</b>		<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
General Obligation Bonds 2022 - General Fund supported		45,000,000	-	-	-	-	-	-	-	-	-	-	45,000,000
<b>TOTAL FUNDING</b>		<b>45,000,000</b>	-	-	-	-	-	-	-	-	-	-	45,000,000
<b>PROJECT COST</b>		<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
Public Safety Facility		39,488,144	5,511,856	-	-	-	-	-	-	-	-	-	45,000,000
<b>TOTAL PROJECT COST</b>		<b>39,488,144</b>	<b>5,511,856</b>	-	-	-	-	-	-	-	-	-	45,000,000
<b>OPERATING BUDGET IMPACT</b>		<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
Operations & Maintenance		-	-	-	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 \*\*\*

# CIP - PUBLIC SAFETY FACILITY



## CITY OF KERRVILLE

## COMMUNITY INVESTMENT PLAN

**PROJECT NAME:**

Al Mooney Road Reconstruction

**DEPARTMENT:**

Streets

**DESCRIPTION:**

The project will include all costs to improve Al Mooney Road from its intersection with Peterson Farm Road to Memorial Boulevard (SH27) and improvements to Peterson Farm Road from its 300 block to intersection with Al Mooney Road.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Pay As You Go - Transfer from General Fund	850,000	-	-	-	-	-	-	-	-	-	-	850,000
Kerr County Interlocal Agreement - 50% Cost Share	100,414	749,586	-	-	-	-	-	-	-	-	-	850,000
<b>TOTAL FUNDING</b>	950,414	749,586	-	-	-	-	-	-	-	-	-	1,700,000

PROJECT COST	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Al Mooney Road Reconstruction	223,643	1,476,358	-	-	-	-	-	-	-	-	-	1,700,000
<b>TOTAL PROJECT COST</b>	223,643	1,476,358	-	-	-	-	-	-	-	-	-	1,700,000

OPERATING BUDGET IMPACT	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Operations & Maintenance	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	40,000

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

# CIP - AL MOONEY ROAD RECONSTRUCTION

**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN****PROJECT NAME:**

Olympic Pool Improvements

**DEPARTMENT:**

Aquatics

**DESCRIPTION:**

The Municipal Olympic Pool is very aged and is in need of major renovations. This project will enhance the facility so that it may be utilized as a competitive swimming pool, ultimately, year round; to include, adding bulkheads, new diving stands, spectator seating with shade structures and event sound system. The proposal will bring the existing facility into code compliance. The renovations will provide interior pool finishes to include recirculation piping, renovate the existing building exterior and interior. There will be new locker rooms, first aid room, mechanical room, equipment storage room, chemical storage rooms, replace the existing pool deck and toddler pool. Included in the design is an air-conditioned public space.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
2023 Revenue Bonds - EIC Supported	774,541	6,975,459		-	-	-	-	-	-	-	-	7,750,000
<b>TOTAL FUNDING</b>	774,541	6,975,459	-	-	-	-	-	-	-	-	-	7,750,000

PROJECT COST	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Olympic Pool Improvements	774,541	6,975,459	-	-	-	-	-	-	-	-	-	7,750,000
<b>TOTAL PROJECT COST</b>	774,541	6,975,459	-	-	-	-	-	-	-	-	-	7,750,000

OPERATING BUDGET IMPACT	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Operations & Maintenance	-	-	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 \*\*\*

# CIP - OLYMPIC POOL IMPROVEMENTS

**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN****PROJECT NAME:**

Granger McDonald Park Improvements

**DEPARTMENT:**

Parks

**DESCRIPTION:**

Granger McDonald Park was created by the required green space within the Landing development that was gifted to the City. This project will make improvements to the park that consist of building a parking lot with pervious pavers, boat ramp that is suitable for launching kayaks, handicap accessible sailboats and other non-combustion engine water craft and landscaping. The project concept also includes a riverfront boardwalk amenity feature, piers and street access improvements.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
2023 Revenue Bonds - EIC Supported	158,579	750,000	1,091,421	-	-	-	-	-	-	-	-	2,000,000
<b>TOTAL FUNDING</b>	158,579	750,000	1,091,421	-	-	-	-	-	-	-	-	2,000,000
<b>PROJECT COST</b>												
Granger McDonald Park Improvements	158,579	750,000	1,091,421	-	-	-	-	-	-	-	-	2,000,000
<b>TOTAL PROJECT COST</b>	158,579	750,000	1,091,421	-	-	-	-	-	-	-	-	2,000,000
<b>OPERATING BUDGET IMPACT</b>												
Operations & Maintenance	-	-	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	17,500
<b>TOTAL</b>	-	-	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	17,500

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

# CIP - GRANGER MCDONALD PARK IMPROVEMENTS

# Water Capital Projects Fund

CITY OF KERRVILLE							
Water Capital Projects Fund							
WATER FUND PROJECTS							
PROJECT FUNDING	TOTAL	ACTUAL		ESTIMATED	PRELIMINARY ESTIMATES		
		Previous Years	FY2024	FY2025	FY2026	FY2027	FY2028
1 Beginning Fund Balance			\$ 11,640,812	\$ 9,871,443	\$ 10,363,022	\$3,542,351	\$3,792,352
2 Certificates of Obligation	11,295,058	11,295,058	-	-	-		
3 Revenue Bonds	12,440,698	12,440,698	-	-	-		
4 KPUB Loan	7,500,000	7,500,000	-	-	-		
5 TWDB - Legion Lift & Knapp	8,000,000	4,473,427	-	3,178,658	209,723		
6 TWDB - TTHM Mitigation & Lois Tank	5,605,816	4,140,652	-		753,511		
7 TWDB - Disaster Recovery Grant	1,444,675	1,072,065	-	284,169	88,441		
8 Pay As You Go - EIC Funding	5,750,000	5,000,000	-	56,152	693,848		
9 Pay As You Go - Transfer from Water Fund	9,341,889	6,291,889	325,000	425,000	500,000	200,000	200,000
10 Pay As You Go - Other funds	245,292	245,292	-		-		
11 Pay As You Go - Interest income	3,017,698	999,998	804,234	452,491	310,976	50,000	50,000
12 Grant / Donation / Outside Funding	244,912	244,912	-	-	-		
13 Transfer out		-	-	(500,000)			
<b>TOTAL FUNDING AVAILABLE</b>	<b>64,886,038</b>	<b>53,703,990</b>	<b>12,770,046</b>	<b>13,767,913</b>	<b>12,919,520</b>	<b>3,792,351</b>	<b>4,042,352</b>
PROJECT EXPENDITURES							
1 Knapp Force Main and Interceptor Improvements	5,644,802	1,888,073	1,375,994	1,842,467	538,267		
2 Lois/Methodist Pressure Plain Improvements	3,253,511	160,492	50,274	150,000	2,892,745		
3 Travis Street Pump Station Improvements	1,000,000	-	6,152	50,000	943,848		
4 Clarifier #3 Rehabilitation	2,000,000	95,325	37,468	750,000	1,117,208		
5 First Street Manhole Replacements	500,000	12,375	19,410	260,000	208,215		
6 Lift Stations Improvements	3,000,000	-	38,113	90,000	2,871,888		
9 RAW Water Study	35,000	-	-	5,000	30,000		
11 River Hills Tank Demolition	250,000	-	-	25,000	225,000		
12 RAW Water Supply Design & TCEQ Permitting	500,000	-	-	-	500,000		
13 Municipal Court Building Rehab Design	50,000	-	-	-	50,000		
14 Facilities/System Replacement	25,000	-	-	-	TBD		
15 System Looping	100,000	-	-	-	TBD		
16 Capital Contingency for oversizing, etc.	200,000	-	-	-	TBD		
COMPLETED PROJECTS:							
7 Galbraith & Quinlan Streets Waterline	223,200	-	70,775	152,425			
10 Water Resources Strategic Communication Plan	40,000	-	-	40,000			
8 THM Control Facility Evaluation	40,000	-	-	40,000			
1 FEB and Lift Station Rehabilitation	796,514	78,411	718,103				
2 H Street Well	404,962	231,736	173,226				
3 Advanced Metering Infrastructure	737,413	533,681	203,733				
4 Loop 534 & Meadowview Wells Pump Downsizing	205,357	-	205,357				
10 Previous Years Other Completed Projects	39,063,085	39,063,085					
<b>TOTAL PROJECTS</b>	<b>58,068,845</b>	<b>42,063,178</b>	<b>2,898,603</b>	<b>3,404,892</b>	<b>9,377,171</b>	<b>-</b>	<b>-</b>
<b>REMAINING BALANCE</b>		<b>\$ 11,640,812</b>	<b>\$ 9,871,443</b>	<b>\$ 10,363,022</b>	<b>\$ 3,542,351</b>	<b>\$ 3,792,352</b>	<b>\$ 4,042,353</b>
*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***							

# Water Capital Projects Fund

COMMUNITY INVESTMENT PLAN								
WATER FUND PROJECTS								
		PRELIMINARY ESTIMATES						
PROJECT FUNDING		FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
1	Beginning Fund Balance	\$4,292,353	\$4,542,354	\$4,792,355	\$5,042,356	\$ 5,292,357	\$ 5,542,358	\$ 5,792,359
2	Certificates of Obligation							
3	Revenue Bonds							
4	KPUB Loan							
5	TWDB - Legion Lift & Knapp							
6	TWDB - TTHM Mitigation & Lois Tank							
7	TWDB - Disaster Recovery Grant							
8	Pay As You Go - EIC Funding							
9	Pay As You Go - Transfer from Water Fund	200,000	200,000	200,000	200,000	200,000	200,000	200,000
10	Pay As You Go - Other funds							
11	Pay As You Go - Interest income	50,000	50,000	50,000	50,000	50,000	50,000	50,000
12	Grant / Donation / Outside Funding							
13	Transfer out							
<b>TOTAL FUNDING AVAILABLE</b>		<b>4,542,353</b>	<b>4,792,354</b>	<b>5,042,355</b>	<b>5,292,356</b>	<b>5,542,357</b>	<b>5,792,358</b>	<b>6,042,359</b>
PROJECT EXPENDITURES								
1	Knapp Force Main and Interceptor Improvements							
2	Lois/Methodist Pressure Plane Improvements							
3	Travis Street Pump Station Improvements							
4	Clarifier #3 Rehabilitation							
5	First Street Manhole Replacements							
6	Lift Stations Improvements							
9	RAW Water Study							
11	River Hills Tank Demolition							
12	RAW Water Supply Design & TCEQ Permitting							
13	Municipal Court Building Rehab Design							
14	Facilities/System Replacement							
15	System Looping							
16	Capital Contingency for oversizing, etc.							
<b>COMPLETED PROJECTS:</b>								
7	Galbraith & Quinlan Streets Waterline							
10	Water Resources Strategic Communication Plan							
8	TTHM Control Facility Evaluation							
1	FEB and Lift Station Rehabilitation							
2	H Street Well							
3	Advanced Metering Infrastructure							
4	Loop 534 & Meadowview Wells Pump Downsizing							
10	Previous Years Other Completed Projects							
<b>TOTAL PROJECTS</b>		-	-	-	-	-	-	-
<b>REMAINING BALANCE</b>		<b>\$ 4,542,354</b>	<b>\$ 4,792,355</b>	<b>\$ 5,042,356</b>	<b>\$ 5,292,357</b>	<b>\$ 5,542,358</b>	<b>\$ 5,792,359</b>	<b>\$ 6,042,360</b>
*** THE COMMUNITY INVESTMENT PLAN IS REVIEWED AND ADJUSTED ANNUALLY ***								

# Water Capital Projects Fund

## CITY OF KERRVILLE

## COMMUNITY INVESTMENT PLAN

### PROJECT NAME:

Knapp Force Main and Interceptor Improvements

### DEPARTMENT:

Public Works

### DESCRIPTION:

This project expands wastewater system capacity within the Knapp Road basin and downstream of the basin by installing new lines and interceptors. The Legion Lift Station project was completed in FY2020 for less than the amount borrowed from the Texas Water Development Board (TWDB) for that project. The remaining funds are being reallocated to this wastewater project that meets the same criteria for a TWDB subsidized loan.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
TWDB Certificates of Obligation 2018A - Water Fund supported	3,178,658	209,723	-	-	-	-	-	-	-	-	-	3,388,381
2023 Revenue Bonds	2,000,000	-	-	-	-	-	-	-	-	-	-	2,000,000
<b>TOTAL FUNDING</b>	<b>5,178,658</b>	<b>209,723</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,388,381</b>

PROJECT COST	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Knapp Force Main and Interceptor Improvements	5,106,535	281,846	-	-	-	-	-	-	-	-	-	5,388,381
<b>TOTAL PROJECT COST</b>	<b>5,106,535</b>	<b>281,846</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,388,381</b>

OPERATING BUDGET IMPACT	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Operations & Maintenance	-	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	135,000

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

## CIP - KNAPP FORCE MAIN AND INTERCEPTOR IMPROVEMENTS



**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN****PROJECT NAME:**

Lois Tank Replacement

**DEPARTMENT:**

Public Works

**DESCRIPTION:**

This project involves replacing the water tank on Lois Street. The TTHM project was completed in FY2022 for less than the amount borrowed from the Texas Water Development Board (TWDB) for that project. The remaining funds were reallocated to this drinking water project that meets the same criteria for a TWDB subsidized loan.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Certificates of Obligation 2013 & 2019 - Water Fund supported	681,496	-	-	-	-	-	-	-	-	-	-	681,496
Pay as You Go - transfer from Water Fund	318,504	-	-	-	-	-	-	-	-	-	-	318,504
TWDB Certificates of Obligation - Water Fund supported	-	753,211	-	-	-	-	-	-	-	-	-	753,211
2023 Revenue Bonds	1,500,000	-	-	-	-	-	-	-	-	-	-	1,500,000
<b>TOTAL FUNDING</b>	<b>2,500,000</b>	<b>753,211</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,253,211</b>

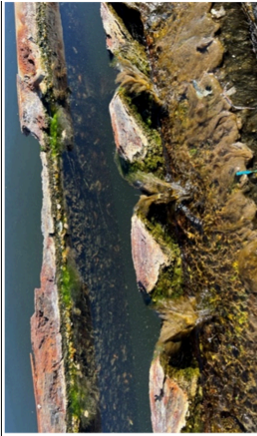
PROJECT COST	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Lois Tank Replacement	360,767	2,892,745	-	-	-	-	-	-	-	-	-	3,253,511
<b>TOTAL PROJECT COST</b>	<b>360,767</b>	<b>2,892,745</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,253,511</b>

OPERATING BUDGET IMPACT	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Operations & Maintenance	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000

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

# CIP - LOIS ST GROUND STORAGE TANK AND PUMP STATION SITE



**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN****PROJECT NAME:**

Clarifier #3 Rehabilitation

**DEPARTMENT:**

Public Works

**DESCRIPTION:**

This project will address the rehab of influent channel, metal supports, and Stamford baggles.

FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Waterworks and Sewer System Revenue Bonds 2023	2,000,000	-	-	-	-	-	-	-	-	-	-	2,000,000
<b>TOTAL FUNDING</b>	2,000,000	-	-	-	-	-	-	-	-	-	-	2,000,000
<b>PROJECT COST</b>	<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
Clarifier #3 Rehabilitation	882,793	1,117,207	-	-	-	-	-	-	-	-	-	2,000,000
<b>TOTAL PROJECT COST</b>	882,793	1,117,207	-	-	-	-	-	-	-	-	-	2,000,000
<b>OPERATING BUDGET IMPACT</b>	<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
Operations & Maintenance	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000

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

**CIP - CLARIFIER #3 REHABILITATION**

**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN****PROJECT NAME:**

Travis Street Pump Station Improvements

**DEPARTMENT:**

Public Works

**DESCRIPTION:**

The Water and Wastewater Master Plan update focused on growth driven recommendations to the water system that will provide service to future developments. This purpose of the project is to add distribution pumping capacity to meet TCEQ minimum requirements for those needs.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Pay As You Go - Transfer from EIC	56,152	693,848	-	-	-	-	-	-	-	-	-	750,000
Pay as You Go - Transfer from Water Fund	250,000	-	-	-	-	-	-	-	-	-	-	250,000
<b>TOTAL FUNDING</b>	306,152	693,848	-	-	-	-	-	-	-	-	-	1,000,000
<b>PROJECT COST</b>	<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
Travis Street Pump Station Improvements	56,152	943,848	-	-	-	-	-	-	-	-	-	1,000,000
<b>TOTAL PROJECT COST</b>	56,152	943,848	-	-	-	-	-	-	-	-	-	1,000,000
<b>OPERATING BUDGET IMPACT</b>	<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
Operations & Maintenance	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	45,000

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

# CIP - TRAVIS STREET PUMP STATION IMPROVEMENTS

**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN****PROJECT NAME:**

First Street Manhole Replacements

**DEPARTMENT:**

Public Works

**DESCRIPTION:**

The City is replacing approximately 14 existing fiberlass manholes on 1st Street, between Gilmer Street and the existing Quinlan lift station. City staff agrees that the existing manholes are not adequate to sustain repeated dynamic loads from vehicular traffic on the roadway. The manholes will be installed with appropriate structural conditions to support heavy vehicle loading. Repavement of approximately 1,000 linear feet of roadway on 1st Street will be necessary when the new manholes are in place.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Waterworks and Sewer System Revenue Bonds 2023	500,000	-	-	-	-	-	-	-	-	-	-	500,000
<b>TOTAL FUNDING</b>	500,000	-	-	-	-	-	-	-	-	-	-	500,000

PROJECT COST	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
First Street Manhole Replacements	291,785	208,215	-	-	-	-	-	-	-	-	-	500,000
<b>TOTAL PROJECT COST</b>	291,785	208,215	-	-	-	-	-	-	-	-	-	500,000

OPERATING BUDGET IMPACT	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Operations & Maintenance	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	45,000

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

# CIP - FIRST STREET MANHOLE REPLACEMENTS

**CITY OF KERRVILLE****COMMUNITY INVESTMENT PLAN****PROJECT NAME:**

Lift Station Improvements

**DEPARTMENT:**

Public Works

**DESCRIPTION:**

Airport Commerce Lift Station and Broadway Lift Station renewal project includes condition upgrades to the wet well, electrical system and control panels. This project is triggered by existing condition issues noted during lift station site visits.



FUNDING SOURCE	PRIOR YRS	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	TOTAL
Waterworks and Sewer System Revenue Bonds 2023	1,000,000	-	-	-	-	-	-	-	-	-	-	1,000,000
<b>TOTAL FUNDING</b>	1,000,000	-	-	-	-	-	-	-	-	-	-	1,000,000
<b>PROJECT COST</b>	<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
Lift Station Improvements	38,113	961,888	-	-	-	-	-	-	-	-	-	1,000,000
<b>TOTAL PROJECT COST</b>	38,113	961,888	-	-	-	-	-	-	-	-	-	1,000,000
<b>OPERATING BUDGET IMPACT</b>	<b>PRIOR YRS</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>FY2033</b>	<b>FY2034</b>	<b>FY2035</b>	<b>TOTAL</b>
Operations & Maintenance	-	-	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	90,000

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

# CIP - LIFT STATION IMPROVEMENTS





# Economic Improvement Corporation

The Kerrville Economic Improvement Corporation (EIC) Fund is a fiduciary component unit fund of the City of Kerrville, established under the Development Corporation Act of 1979. The EIC was created in 1995 to help enhance the Kerrville community through the strategic use of Type B sales tax revenue for economic development and quality of life projects.

Under the Local Government Code, Type B Economic Development Corporations (EDCs) are authorized to adopt sales tax to fund projects that benefit and accomplish public purposes, including but not limited to:

- Projects related to the creation or retention of primary jobs
- Promoting and developing industrial and manufacturing enterprises to encourage employment and public welfare.
- Financing the acquisition, construction, maintenance, and operation of eligible projects as defined in Section 4B of the Act.
- Supporting direct business development efforts to increase primary local jobs.
- Advancing quality-of-life projects and participation in public infrastructure initiatives.

The EIC Fund receives a half-percent (0.5%) sales tax collected in Kerrville to support economic development projects. The EIC Board oversees how these funds are used to benefit the community. To help manage its operations, the EIC pays the City's General Fund for services such as accounting, finance, legal support, project management, technology, etc.

Meetings of the EIC are held on the third Monday of each month at 4:00 p.m. in the City Council Chambers at City Hall.

Meetings are open to the public, and citizen input is encouraged. To view live or past meetings, visit

<https://kerrvilletx.gov/1328/Kerrville-City-Channel>

As of the end of Fiscal Year 2025, the EIC has committed more than \$90.7 million to projects since its inception in 1995, reflecting its continued investment in the growth and economic vitality of Kerrville.

EIC Projects 1999 - Present					
Project Name	Fiscal Year	Total Funding	Project Name	Fiscal Year	Total Funding
Airport Commerce Park/Sewer	1999	1,294,374	Quilt Show	2013	1,000
Library Improvements	2000	37,349	Playhouse 2000	2013	113,469
Relocate Blackwell Fire Station	2000	96,283	Cailloux Theater Lighting	2013	149,379
Loop 534 Water/Sewer	2000	472,306	4th on the River	2013	22,077
GIS System	2001	161,958	Downtown Streetscape	2014	565,100
Creek Easement Acquisition	2001	20,419	Hill Country Wine and Brew Fest	2014	16,490
Fire Pumper Apparatus	2001	350,378	Habitat for Humanity	2014	375,000
Communication Equipment KPD	2001	196,243	Cailloux Theater Expansion	2015	850,000
Terminal Building	2002	1,046,066	Kerrville Sports Complex (Series 2015 Debt)	2015	9,000,000
Holdsworth Drive	2003	4,491,208	James Avery Expansion	2015	1,200,000
Main Street Extension (SU)	2003	1,800,000	Special (Community) Events	2015	191,165
Broadway Utility Relocation	2004	482,740	Distribution Lines	2017	3,000,000
EMS Ambulance	2004	143,665	Olympic Pool Aquatics Feasibility	2017	100,000
Legion Hills Infrastructure	2004	520,917	Kerrville Tennis Center	2017	1,750,000
Golf Course Irrigation	2005	37,559	Legion Lift Station	2018	2,000,000
Town Creek Sanitary System	2005	1,125,827	Thompson Drive Infrastructure	2018	850,000
ASR Well #3	2006	378,505	Hobby Lobby/Econolodge	2018	375,000
Hill Country Shooting Center	2006	1,295,585	Schreiner University River Trail Extension	2019	1,500,000
Airport Water Tower Demolition	2006	19,797	Olympic Drive Extension	2019	1,050,000
River Star Park Pavilion	2006	127,000	Arcadia Theater	2019	600,000
Kerrville Skate Park	2006	137,546	Kerrville-Kerr County Airport Improvements	2019	132,767
Harper Road Utility Extension	2006	2,844,149	Doyle Community Center	2020	650,000
KEDF - Consulting	2007	84,750	Killdeer Mountain Manufacturing	2020	2,069,422
Schreiner University	2008	750,000	Downtown River Trail Concept	2021	37,471
Salvation Army Center	2008	490,527	Tranquility Island Electrical Infrastructure	2021	79,940
Tivy Education Center	2009	300,000	Arcadia Live	2022	400,000
Workforce Solutions	2009	108,394	Sid Peterson Memorial Hospital	2022	1,600,000
KEDF - USO	2010	210,627	Outdoor Fitness Court	2023	100,000
Habitat for Humanity - Jennings	2010	418,000	Downtown Utilities/Streetscape	2023	400,000
Hill Country Home Opportunity	2011	250,000	Downtown River Trail	2023	145,966
Commercial Improvement Pilot	2011	20,000	Travis Street Pump Station Upgrades	2023	750,000
Kerrville River Trail (Series 2011A Debt)	2011	6,000,000	Lennar Subdivision Development - Windridge	2024	5,000,000
Kerrville River Trail (Series 2012 Debt)	2011	2,600,000	Habitat for Humanity - Mariposa Subdivision Infrastructure	2024	2,260,000
Harper Road Utilities #2	2012	641,737	Scott Schreiner Golf Course Improvements	2024	4,000,000
Fox Tank	2012	450,000	Olympic Pool Improvements	2024	7,000,000
Downtown Utilities	2012	300,000	Cailloux Theater Improvements	2024	4,000,000
Golf Course Improvements	2013	518,568	Existing Parks Improvements	2024	800,000
Hill Country Jr. Livestock Assn	2013	149,703	Heart of the Hills Heritage Center	2024	2,000,000
Kerr Fest	2013	10,500	Granger McDonald Park	2024	2,200,000
Folk Festival	2013	8,415	Schreiner University's Talent & Workforce Development	2024	822,430
Texas Arts & Crafts Fair	2013	15,500	Schreiner University's Athletic Facilities	2024	2,177,570
Total Active/Completed and Committed:					\$ 90,740,839



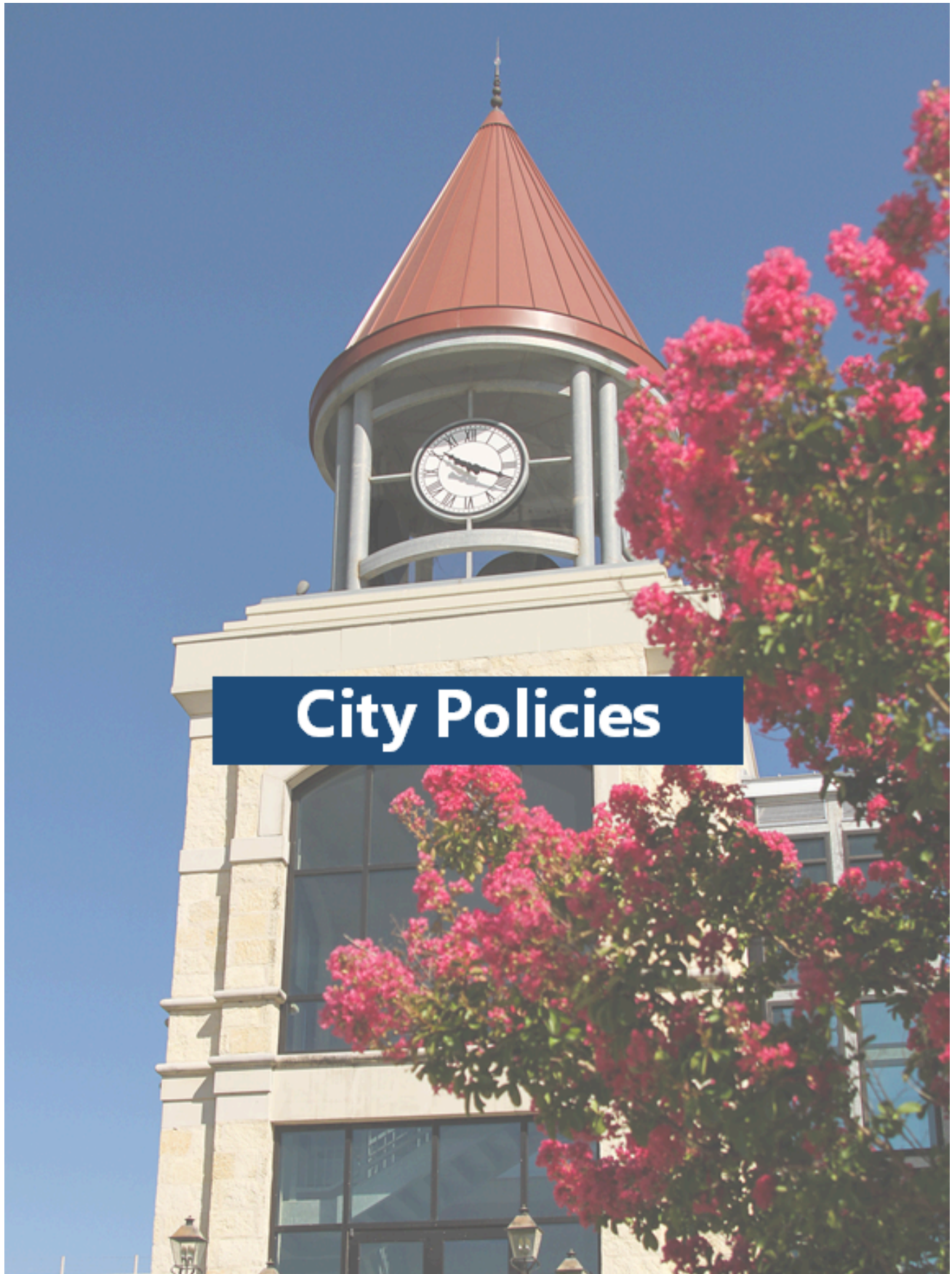
## Economic Improvement Corporation

	FY2024	FY2025	FY2025	FY2026
	Actual	Budget	Estimated	Approved Budget
<b>Beginning Fund Balance</b>	<b>\$ 6,431,248</b>	<b>\$27,389,442</b>	<b>\$ 27,389,442</b>	<b>\$ 19,311,518</b>
<b>Revenues</b>				
Sales Tax	4,953,056	5,104,402	5,176,738	5,129,924
<b>Total Tax Revenue</b>	<b>4,953,056</b>	<b>5,104,402</b>	<b>5,176,738</b>	<b>5,129,924</b>
Interest Revenue	1,386,051	961,130	1,213,178	527,400
<b>Total Interest and Miscellaneous</b>	<b>1,386,051</b>	<b>961,130</b>	<b>1,213,178</b>	<b>527,400</b>
Bond Proceeds	20,264,360	-	-	-
<b>Total Bonds</b>	<b>20,264,360</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenues</b>	<b>26,603,466</b>	<b>6,065,532</b>	<b>6,389,916</b>	<b>5,657,324</b>
<b>Expenditures</b>				
Travel and Training	-	10,200	-	10,200
<b>Total Personnel Services</b>	<b>-</b>	<b>10,200</b>	<b>-</b>	<b>10,200</b>
Office Supplies	50	150	-	150
<b>Total Supplies and Materials</b>	<b>50</b>	<b>150</b>	<b>-</b>	<b>150</b>
Professional Services	208,500	213,200	213,200	226,228
Legal Services	2,250	10,000	-	10,000
<b>Total Services</b>	<b>210,750</b>	<b>223,200</b>	<b>213,200</b>	<b>236,228</b>
Kerr Economic Development Corporation	343,750	343,750	343,750	375,000
Debt Service	2,561,192	2,559,450	2,559,450	2,559,975
Project Contribution	1,094,828	2,300,000	3,746,903	2,515,000
Other Charges	561,274	300	4,485	300
<b>Total Other Expenses</b>	<b>4,561,045</b>	<b>5,203,500</b>	<b>6,654,588</b>	<b>5,450,275</b>
Transfer Out Library Memorial	-	1,000,000	1,000,000	1,000,000
Transfer Out General Capital Projects	873,428	13,553,261	6,511,336	7,776,144
Transfer Out Water Capital Projects	-	500,000	88,716	693,848
<b>Transfer Out</b>	<b>873,428</b>	<b>15,053,261</b>	<b>7,600,052</b>	<b>9,469,992</b>
<b>Total Expenditures</b>	<b>5,645,273</b>	<b>20,490,311</b>	<b>14,467,840</b>	<b>15,166,845</b>
<b>Net Revenue (Expenditures)</b>	<b>20,958,194</b>	<b>(14,424,779)</b>	<b>(8,077,924)</b>	<b>(9,509,521)</b>
<b>Ending Fund Balance</b>	<b>\$ 27,389,442</b>	<b>\$12,964,662</b>	<b>\$ 19,311,518</b>	<b>\$ 9,801,997</b>

## Notable Changes

- Interest Revenue is anticipated to reduce due to federal interest rate cuts
- Project expenditures are budgeted for commitments with EIC funding contracts in place, and the respective estimated project expenses scheduled for FY2026





# City Policies

The City of Kerrville maintains financial and operational policies to guide staff, ensure accountability, transparency, and align day-to-day operations with the City's strategic goals and values. These policies provide a framework for consistent decision-making and compliance with legal, ethical, and professional standards.

**Purpose:**

Internal Policies are essential for:

- Ensuring fiscal responsibility in budgeting, purchasing, and financial reporting.
- Promoting transparency and accountability in the management of public funds.
- Establishing clear procedures for staff to follow in areas such as accounting, procurement, investment of public funds, travel, asset management, and cash handling.
- Maintaining compliance with state and federal regulations and industry best practices.
- Supporting consistent operations across all City departments.

**Examples of Internal Policies (found within this document):**

- Financial Management Policy
- Investment Policy
- Purchasing Policy
- Real Estate Policy
- Travel Policy

These policies are reviewed periodically and updated as needed to reflect changes in laws, regulations, and the needs of the City and community.



# Financial Management Policy

Note: City policies are included in the Budget Book and are adopted annually by the City Council in conjunction with the Budget. However, all policies can be modified throughout the year (independently or as a group) by City Council with the approval of a resolution.

## I. 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. These 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 having separate policies.

## II. Annual Budget

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

Each year, the City Manager shall prepare a budget to cover all proposed expenditures of the government of the City of Kerrville 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 July 31st of each year, the City Manager shall submit to the 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 Butt-Holdsworth Memorial Library, and prominently linked on the City's website.

## III. City Council Action on Budget

### A. Notice and Hearing

The City shall publish the general summary of the budget and a notice stating:

1. The times and places where copies 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.

B. 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.

C. 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.

D. Publish: 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 at the Butt-Holdsworth Memorial Library.

#### IV. Budget as a Financial Plan

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 the 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; 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:

- A. 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;
- B. 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
- C. 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.

#### V. Appropriation and Revenue Ordinances

To implement the adopted budget, the City Council shall adopt, by September 30th of each year:

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

#### VI. Amendments after Adoption

- A. 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.
- B. 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 unappropriated 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.
- C. Reduction of Appropriations: If at any time during the fiscal year it appears that the revenues or fund balances available will be insufficient to finance the expenditures for which appropriations have been authorized, the City 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.
- D. 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 appropriation. The City Manager may authorize the transfers of funds among programs within a department, fund, or organizational unit.

E. 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.

## VII. 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.

## VIII. Basis of Accounting and Budgeting

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).

A. 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.

B. Governmental funds are used to account for the government's general activities and include the General, Special Revenue, Debt Service, and Capital Project Funds. 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 that 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 other 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.

C. 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.

D. 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 budget 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.

1. Non-spendable Fund Balance: Some assets reported in governmental funds may be inherently non-spendable from the vantage point of the current period.
  - a. Assets that will never convert to cash such as prepaid items or inventories.
  - b. Assets that will not convert to cash soon enough to affect the current period such as non-financial assets held for resale or resources that must be maintained intact pursuant to legal or contractual requirements such as capital of a revolving loan fund.
2. 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.
3. Restrictions can also arise when the authorization to raise revenues is conditioned upon the revenue being used for a particular purpose.
4. 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.
  - a. Requires action by City Council to commit fund balance
  - b. Formal City Council action is necessary to impose, remove or modify a constraint reflected in the committed fund balance
5. 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.
6. Unassigned Fund Balance: This describes total fund balance in the General Fund in excess of non-spendable, restricted, committed and assigned fund balance.

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). To detail all GASB statements would be too exhaustive to list within this policy. It is understood that the City complies with all principles and standards required by GASB and the Finance department continually updates compliance process and procedures internally. For the purpose of this policy, key principles are explained along with a brief statement regarding pertinent or new GASB statements.

Most recently adopted GASB statements:

#### **GASB 34**

This statement has influenced the creation and reporting of individual funds. GASB 34 essentially mandates dual accounting systems: one for government-wide reporting and another for individual fund reporting. Individual operating funds were created with the objective of reducing funds to government-wide reconciliation as much as

possible. Individual funds are examined to determine if it is appropriate to account for them as proprietary fund types.

#### **GASB 54**

The purpose of this statement is to enhance the usefulness of fund balance information and provide a clearer fund balance classifications. It also more consistently clarifies the existing governmental fund type definitions. This statement established limitations on the purposes for which fund balance can be used.

#### **GASB 87**

This statement is effective for reporting periods beginning after June 15, 2021 with the purpose of improving presentation of the debt and liability outstanding on leases to better reflect expected benefits and perceived costs as well as increase the usefulness and comparability of government financial statements. This statement defines a lease as “a contract that conveys control of the right to use another entity's nonfinancial asset... as specified in the contract for a period of time in an exchange or exchange-like transaction”. The statement provides a number of exclusions including, but not limited to short-term leases, contracts that transfer asset ownership, immaterial leases, and supply, service, or inventory contracts. The City determines the materiality of lease assets by the value of the asset over the lifetime of the lease. To best reflect leasing activities, the City considers the materiality threshold to be any lease asset valued more than \$25,000 over the life of the agreement.

#### **GASB 94**

This statement is effective for reporting periods after June 15, 2022 and modifies the accounting for availability and payment arrangements for Public-Private Partnerships (PPP). The statement clarifies the definition of PPP arrangements to include entities providing third party services to government entities, exchange like transactions, and those compensation by fees. This statement requires that PPPs ‘that meet the definition of a lease apply the guidance in Statement No. 87”.

#### **GASB 96**

This statement is effective for reporting periods after June 15, 2022 with the objective of improving financial reporting related to right-to-use subscription-based information technology assets, as with GASB 87. GASB 96 specifically relates to cloud-based software “alone or in combination with tangible capital assets”. GASB 96 address subscription terms and capitalization requirements

### **IX. Financial Reporting**

Following the conclusion of the fiscal year, the Director of Finance shall cause to be prepared an Annual Comprehensive Financial Report (ACFR) 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 (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program.

The ACFR shall show the status of the City's finances based on GAAP and 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) and depreciation are not reflected in the budget but are accounted for in the ACFR's account groups. Included as part of the Annual Comprehensive Financial Report 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.

### **X. 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 and maintenance) and (interest and sinking). The debt I&S service levy shall be sufficient for meeting all principal and interest payments associated with



the City's outstanding general obligation debt for that year's budget. 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 rules defined by the State of Texas Property Tax Code. 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.

A. User fees, particularly utility rates, should identify the relative costs of serving different classes of customers.

B. Where possible, utility rates should be designed to reduce peak (hour and day) demands on the utility systems and to encourage water conservation.

C. 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, revenues from every source will be based on actual collections from preceding years 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. Funding will be used from the most restricted to least restricted when different funding

## XI. Operating Expenditures

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

A. Personnel

B. Supplies

C. Maintenance

D. Services

E. Other Expenses

F. Capital Outlay

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

The City will examine the methods for providing public services, in order to control operating, expenses and enhance quality and scope of public services.

Personnel 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 \$10,000 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, as needed to enhance employee productivity, improve quality of service, or expand scope of services.

#### XII. Fund Balance

The annual budget shall be presented to City Council with the General Fund reflecting an unassigned fund balance or unrestricted net position that is 15 to 25 percent of that fund's annual operating expenditures. The Water Fund's cash and current receivables should be 15 to 25 percent of the 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.

#### XIII. Fund Transfers

Transfers 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.

#### XIV. 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 twenty (20) years, except in instances when the capital improvements will significantly benefit the community beyond the twenty (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 percent of the total tax rate.

Debt Obligations in the Water Fund shall not exceed 35 percent of the annual revenues. The Director of Finance shall include in the Annual Comprehensive Financial Report 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.

#### XV. 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:

- A. Protect or improve the community's quality of life
- B. Protect or enhance the community's economic vitality
- C. 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").

#### XVI. Utility Capital Expenditures

The City will design utility rates sufficient for both current and long term obligations.

#### XVII. 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 Fund. Financial plans for other funds may be developed as needed. The General Fund and Water 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.

# Investment Policy

Note: City policies are included in the Budget Book and are adopted annually by the City Council in conjunction with the Budget. However, all policies can be modified throughout the year (independently or as a group) by City Council with the approval of a resolution.

## I. General Policy Information

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 investments will be used in a manner that best serves the interests of the City, as determined by City Council.

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 other applicable state and federal laws, applicable bond requirements, and this investment policy (the "Policy").

## II. Scope

This Policy governs the investment of all financial assets of the City as accounted for in the City's Annual Comprehensive Financial Report. This includes the financial assets of all City funds other than those of the Kerrville Public Utility Board and the Kerrville Joint Airport Board, which are set up and operated as entities separate from the City.

## III. Goals and Objectives

Investment of City funds is governed by the following investment objectives, in their order of priority:

A. 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.

B. Liquidity - The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements that are reasonably anticipated. Ongoing cash flow analysis will be used to identify changing liquidity needs. Demand deposits or other liquid investments should be maintained as a liquidity buffer for unanticipated expenses. To the extent possible, the City will attempt to match its investment maturities with anticipated liabilities and cash flow requirements. 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.

C. Diversification - In order to minimize investment and market risk, the City will diversify its investments by market sector (security type) and maturity.

D. 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 A. City's investment risk constraints and the cash flow characteristics of the portfolio. The portfolio(s) risk shall be measured quarterly against a benchmark of the six-month Treasury Bill.

Effective cash management is recognized as essential to good fiscal management. 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.

#### IV. Strategy

The City maintains one (1) commingled portfolio for City funds and its investment strategy incorporates the specific investment strategy considerations and the unique characteristics of the fund groups represented in the portfolio as follows:

A. The investment strategy for operating, enterprise, and special revenue funds has as its primary objective the 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 credit quality securities in a ladder maturity structure that permits 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.

B. 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.

C. The investment strategy for reserve funds shall have as its primary objective the ability to generate a revenue stream.

D. The investment strategy for capital projects or capital project funds will have as its primary objective the assurance that anticipated cash flows are matched and provide adequate investment liquidity.

E. The investment strategy for each Trust Fund with a restricted corpus will have as its primary objective to grow the income used for specific purposes, as outlined in the individual trust document. The City acts as trustee for certain funds, the corpus of which is permanent and the income used for specific operating purposes. These are established as separate portfolios. Currently, the funds so structured include:

##### 1. Butt-Holdsworth Memorial Library Endowment Fund Trust

The principal is not to be used for any ongoing expenditures. Therefore, these funds are to be managed within the parameters of the Policy, but the longer term needs of the funds require a strategy focused on high-credit quality, intermediate term securities which will protect the corpus and generate a reasonable income stream on an annual basis. The portfolio of each trust will maintain a maximum weighted average maturity for the fixed income portion of two (2) years and the maximum stated maturity for any security will be three (3) years. The risk benchmark for the fund will be the two-year US Treasury Note for the comparable period.

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 City's Investment Officers or Advisor will 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.

#### V. Investment Officers

The Director of Finance, Assistant Finance Director, and Finance Administrator are authorized to administer the investment activities of the City and are designated as "Investment Officers" for the purposes of this Policy. City Council may, through its direction to the City Manager, designate additional qualified employees or an SEC registered Investment Advisor as Investment Officer(s). 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. 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 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.

#### VI. Training

All Investment Officers shall comply with training requirements under state law.

#### VII. Standard of Care

The standard of care to be used by the 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 Policy. The standard states:

All investments 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 Officer(s) acting in accordance with the 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 shall refrain from personal business activity that could conflict with proper execution of the investment program or that could impair their ability to make impartial investment decisions. An Investment Officer 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.

#### VIII. Standard of Ethics

An Investment Officers shall act as custodians of the public trust and shall refrain from any transaction that might involve a conflict of interest, the appearance of a conflict of interest, or any activity that might otherwise discourage public confidence.

#### IX. Authorized Professional Services and Investments

The City recognizes that the fiduciary responsibility for the investment of City funds is the responsibility of the City Council, which directs its Investment Officers through its adoption of this Policy.

All Investment Advisors and brokers/dealers conducting business with the City shall make every reasonable effort to adhere to the spirit, philosophy, and specific terms of this Policy. All Investment Advisors and brokers/dealers shall avoid recommending or suggesting transactions outside the spirit, philosophy, and specific terms of this Policy and toward that end, shall adhere to the following:

- A. Brokers/Dealers - A list of not less than five (5) authorized brokers/dealers, adopted by the City Council, shall be maintained to assure a competitive process. The list is adopted by the Council annually with the Policy adoption. See Exhibit A for a list of approved brokers/dealers. Investment Officers will collectively establish the criteria, monitor the service, and evaluate the brokers/dealers for:



1. Adherence to the City's policies and strategies;
2. Responsiveness to the City's requests for service and information;
3. The quality of communications and bids/offers; and
4. Understanding of the inherent fiduciary responsibility of public funds.

B. Information/Qualifications - All broker/dealers will be furnished with a copy of this Policy. Financial Institutions and brokers/dealers who desire to transact business with the City must supply the following documents to the Investment Officer(s) or Investment Advisor(s), as applicable:

1. Current year audited financial statements;
2. Financial Institutions Regulatory Agency (FINRA) certification and FINRA's Central Depository Registration (CRD) number;
3. Proof of Texas State Securities registration; and
4. Brokers/dealers shall also provide timely trade documentation and confirmations. In order to perfect delivery versus payment, no authorized brokers/dealers or their affiliated bank will be used for safekeeping.

C. Certification - Before transacting any business with the City, an Investment Officer or Investment Advisor shall present each pool in which the City participates with a current copy of the Policy and an authorized representative of the pool shall, in writing to the City, certify substantially to the effect that:

1. The pool has received and reviewed the Policy; and
2. The pool has implemented reasonable procedures and controls to preclude investments with the City not authorized by the Policy.

Note: If material changes are made to the Policy, an updated copy shall be provided to all authorized broker/dealers.

D. Investment Advisor - 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.

#### X. 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 three (3) years.

Fully collateralized or Federal Deposit Insurance Corporation ("FDIC") insured depository certificates of deposit (CD) from banks doing business in Texas with a final stated maturity not to exceed twenty-four (24) months. Funds shall be collateralized in accordance with this Policy and governed by a written agreement that complies with federal and state regulations for A. properly securing a pledged security interest.

B. 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, an Investment Officer must verify the FDIC status of the bank to assure that the bank is FDIC insured.

- C. Fully insured share certificates from credit unions in Texas not to exceed twenty-four (24) months to stated maturity and insured by the National Credit Union Share Insurance Fund or its successor.
- D. Commercial paper rated A1/P1 or its equivalent by two (2) nationally recognized rating agencies and with a final stated maturity not to exceed two-hundred seventy (270) days from the date of issuance.
- E. AAA-rated SEC registered money market mutual funds which strive to maintain a \$1 net asset value and comply with SEC Rule 2a-7.
- F. Constant-dollar, AAA-rated (or equivalent) rated Texas Local Government Investment Pools, approved by resolution of the City Council which strive to maintain a \$1 net asset value and complies with the Act. The City investment in any investment pool shall not exceed 5 percent of the total assets of the pool.
- G. Fully insured or collateralized interest bearing accounts in any bank in Texas. Accounts requiring collateralization must be under the provisions of a written collateral/depository agreement.
- H. State and municipal obligations of any state rated not less than A by at least one (1) nationally recognized rating agency and with a stated maturity not to exceed three (3) years.
- I. 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.
- J. 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.

#### XI. 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.

#### XII. Competitive Bidding

All investment transactions, including certificates of deposit, shall be made on a competitive basis to assure that the City is receiving fair market prices. Bids may be solicited orally, in writing, electronically, or in any combination of those methods.

#### XIII. Monitoring Credit Ratings

An Investment Officer or Investment Advisor 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(s) falls below the minimum rating required by this Policy, an Investment Officer or Advisor shall notify the Director of Finance immediately of the loss of rating and within (3) three days make a recommendation as to the conditions affecting the rating and possible loss of principal with available liquidation options.

#### XIV. Monitoring FDIC Status

An 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, an Investment Officer or Advisor shall immediately liquidate any brokered CD which places the City above the FDIC insurance level.

## XV. Collateralization

Consistent with state law requirements, the City shall require collateral market value equal to at least 102 percent of total deposits including accrued interest on all repurchase agreements and all time and demand deposits above the limits of federal insurance on City and trust funds.

## XVI. Time and Demand Deposits- Pledged Collateral

Collateral pledged to the City must be maintained with a market value margin of at least 102 percent of the total time or demand amounts being collateralized including accrued interest. The banking institution shall be held responsible for monitoring and maintaining the required margins daily. 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 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 or on terms agree to by the City.

The pledging institution shall be responsible for providing, at a minimum, a monthly report, preferably from the custodian, on pledged collateral listing at a minimum, the security description, Committee on Uniform Securities Identification Procedures (CUSIP), par value, maturity, and current market value.

Financial institutions serving as City depositories are required to execute a depository/collateral agreement with the City outlining, among other conditions, collateral conditions and limitations. The agreement must 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:

- A. Obligations of the U.S. Government, its agencies and instrumentalities, including Mortgage Backed Securities and Collateralized Mortgage Obligation (CMO) which pass the Federal Reserve bank test
- B. Obligations of any state, its agencies and instrumentalities, and municipalities rated A or better by two (2) nationally recognized rating agencies

## XVII. 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 at least 102 percent 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.

## XVIII. Safekeeping of City- Owned Securities

All securities shall be settled on a delivery versus payment basis and be held in safekeeping by an independent third party financial institution contracted 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.

## XIX. 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. 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.

#### XX. Cash Flow Forecasting

Cash flow forecasting is a control designed to protect and sustain cash flow requirements of the City. An Investment Officer shall maintain a cash flow forecasting process designed to monitor and forecast cash positions of investment purposes.

#### XXI. 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 and be prepared in accordance with the Act. Market prices for market value calculations shall be obtained from independent sources. The quarterly report shall be signed by an Investment Officer and Investment Advisor as applicable.

#### XXII. 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. A depository agreement(s), executed in accordance with FIRREA (Financial Institutions Resource and Recovery Enforcement Act), shall be established before funds are transferred. Other banking institutions from which the City may purchase depository certificates of deposit (CD) will also be designated as depositories and must execute a written depository (collateral) contract in accordance with the provisions of this Policy if funds exceed FDIC insurance limits.

#### XXIII. Policies and Strategy Review

City Council shall review and adopt an investment policy, strategy, and broker/dealer list annually in conjunction with the adoption of the budget. Additional changes to the Policy may be adopted by City Council as needed. The adopting resolution shall reference any changes made to the Policy.

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 applicable laws. Any irregularities shall be reported to the City Council through a report as prescribed by the audit engagement agreement.

## Exhibit A

### Approved Broker/Dealer List

Broker/Dealer	Broker/Dealer
Academy Securities <sup>2</sup>	Loop Capital Markets <sup>2</sup>
Arbor Research & Trading, LLC	MarketAxess Corporation
Bank of America/Merrill Lynch <sup>1</sup>	Mizuho Securities <sup>1</sup>
Barclays Capital Inc. <sup>1</sup>	Moreton Capital Markets
Blaylock Van, LLC <sup>2</sup>	Morgan Stanley <sup>1</sup>
BMO Capital Markets <sup>1</sup>	Multi-Bank Securities <sup>2</sup>
BNY Capital Markets	Oppenheimer
BOK Financial	Piper Sandler & Co
Brean Capital	PNC Capital Markets LLC
Cantor Fitzgerald & Co. <sup>1</sup>	Raymond James
CastleOak Securities <sup>2</sup>	RBC Securities <sup>1</sup>
Citigroup Global Markets Inc <sup>1</sup>	Rice Financial
D.A. Davidson	Robert W. Baird
Daiwa Capital Markets <sup>1</sup>	Santander US Capital Markets <sup>1</sup>
FHN Financial	Siebert Williams Shank <sup>2</sup>
Goldman Sachs & Co. <sup>1</sup>	Stephens Inc
Great Pacific <sup>2</sup>	Stifel Nicolaus
Hilltop Securities	StoneX Group Inc.
Huntington Bank	TD Securities <sup>1</sup>
InspereX (formerly InCapital)	TRUIST Securities Inc. (formally Suntrust)
Jefferies <sup>1</sup>	UBS Financial <sup>1</sup>
JPMorgan Securities <sup>1</sup>	UMB Financial Services
Keybank Capital Markets	Wells Fargo <sup>1</sup>

Note: Direct issuers of CP and CDs are considered to be approved counterparties if approved as an issuer.

*1 Primary Government Securities Dealer*

*2 Minority, Woman owned, or Service Disabled-Veteran owned Enterprise*

# Purchasing Policy

Note: City policies are included in the Budget Book and are adopted annually by the City Council in conjunction with the Budget. However, all policies can be modified throughout the year (independently or as a group) by City Council with the approval of a resolution.

## I. Introduction

This is the Purchasing Policy and Procedures Manual ("manual") for the City of Kerrville, Texas ("City"). Texas law is the primary authority for purchasing procedures, and therefore, portions of 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. This manual does not address every purchasing situation. Should a City employee have any questions or when an unusual situation occurs, please consult the City's Finance Department ("Finance") and/or the City Attorney's Office. State law supersedes the City's policy.

### A. Purchasing Goals

1. Ensure compliance with Federal, State and local purchasing laws
2. Establish policies and procedures that maintain the integrity of the purchasing process, encourage competition and achieve cost savings.
3. Procure goods and services of the requested quality and quantity from responsible sources using the most efficient and economical means at the best possible price with availability when and where they are needed

### B. General Purchasing Information

1. Purchasing Authorization: The City Manager, pursuant to the City's Charter and City Council's approval of this manual, has delegated purchasing authority and responsibilities with respect to the purchasing of goods and services to certain City positions including members of the Finance Department with purchasing certifications and/or training, as well as Department Directors and their designees.
2. The price for merchandise for retail sale by the City may be adjusted by the City Manager or designee to address changes in market, supply, and demand.

### C. Contracts and Agreements

1. City Council authorizes the City Manager to enter into and approve contracts and agreements that are below the \$100,000 threshold for which City Council approval is required.
2. Public Funds Agreements: The City Manager is authorized to enter into contracts and/or agreements in amounts up to the \$100,000 threshold requiring Council approval to grant public funds to various organizations as appropriated by the budget. Such grants include proceeds from Hotel Occupancy Tax, General Fund Revenues and other funding related to community support.
3. The City Manager may approve contracts, agreements, Memorandums of Understanding, Interlocal Agreements, memberships and any other agreement, contract, or memorandum as long as the total revenue or expense does not exceed the \$100,000 threshold requiring Council approval and no state law or other policy requires Council action related to said item.



4. Department Directors may approve contracts & agreements up to \$25,000 AFTER City Attorney approves for content and Finance approves for funding.
5. City Manager must sign all contracts and agreements over \$25,000.
6. All contracts and agreements must be reviewed by the City Attorney, Department Director, and Finance Director regardless of funding amount.

The following table provides general guidelines for purchases and the required quotes/bids per fiscal year:

<b>PURCHASING COMPLIANCE QUICK REFERENCE</b>			
Total Amount of Request	Compliance Requirement	Responsible Party	Approvals Required
Contracts or agreements valued at \$100,000 or more	Formal Solicitations (Bids, Requests for Proposals, Request for Qualifications) Competitive bids opened at a public meeting in accordance with Texas Government Code (TGC) 2269.104 & 2269.105	Department Director or Project Manager	Department Director, City Attorney, Finance Director, City Manager, and City Council
Goods and services valued at \$100,000 or more	Formal Solicitations (Bids, Requests for Proposals, Request for Qualifications) Competitive bids opened at a public meeting in accordance with TGC 2269.104 & 2269.105 or proof of purchasing co-op pricing (TGC 271.102)	Department Director, Project Manager, or Procurement Coordinator	Department Director, City Attorney, Finance Director, City Manager, and City Council
\$25,000 to \$99,999.99	At least 3 competitive bids / quotes based on like products or services or proof of purchasing co-op pricing (TGC 271.102)	Department Director, Project Manager, or Procurement Coordinator	Department Director, Finance Director and City Manager
\$5,000 to \$24,999.99	At least 3 competitive bids / quotes based on like products or services or proof of purchasing co-op pricing (TGC 271.102)	Department purchasing staff	Department Purchasing Approver, Department Director or Assistant Department Director and/or Finance
Up to \$4,999.99	Compare pricing and quality to obtain the best value for the City	Department purchasing staff	Department Purchasing Approver and/or Finance

- All bids, quotes and/or purchasing co-op pricing must be obtained PRIOR to purchase
- All requisitions related to a Capital Improvement Project (CIP) and/or Special Funds require Finance approval
- For purchasing compliance consideration, the amount is determined by the total amount of related purchases or total term value of a contract, not individual invoice
- Purchasers should refer to full policy for specific requirements related to the table above
- It is the responsibility of each department to maintain and actively monitor their department's agreements and renew agreements as necessary

## II. Purchasing Considerations

### A. Tax Exempt Status

The City is exempt from federal, state, and local taxes, in most cases. An exemption certificate is available from the Finance Department to provide to City vendors or contractors.

### B. Historically Underutilized Business (HUB)

Section 252.0215 of the Texas Local Government Code (TLGC) 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. A HUB vendor list may be obtained at: [www.window.state.tx.us/procurement](http://www.window.state.tx.us/procurement). If the list fails to identify a disadvantaged business in Kerr County, the City is not required to follow this requirement.

C. Contractors and any sub-contractors employed by the City of Kerrville shall ensure compliance with TLGC section 2258 by using the prevailing wage rate as determined by the United States Department of Labor in accordance with the Davis-Bacon Act and subsequent amendments, where required by law

## III. Competitive Bidding

### A. Legal Requirements-Expenditures Over \$100,000

Pursuant to state law, before the City may enter into a contract that requires an expenditure greater than \$100,000 (including insurance and technology), the City must (Ch. 252, Subchapter. B, TLGC):

1. Comply with the procedure established by state law for competitive sealed bidding or competitive sealed proposals (where necessary);
2. Use the reverse auction procedure as defined by Section 2155.062(d) of the Government Code for purchasing; or
3. Comply with a method described by Chapter 2269 (Contracting and Delivery Procedures for Construction Projects) of the Government Code.
4. Comply with all City policies relating to purchasing when policies exceed what is required by law

#### Alternate Delivery Methods

The City may use the best-value competitive bidding process, competitive sealed proposal method, construction manager-agent method, construction manager-at-risk method, design-build method, and the job order contract method for public procurement in place of the standard competitive bidding method that is also allowed under Chapter 2269 of the Government Code or Chapters 252 and 271 of the TLGC. The City may use any of the alternative delivery methods for any project involving an improvement to real property.

#### IV. Requirements for Purchases Under \$100,000

##### A. Purchases of Goods or Services Under \$5,000

1. Assigned purchaser should compare pricing and quality to obtain the best value for the City
2. All purchasing documentation must be attached to the requisition (invoice, quotes, special information, etc.)
3. Department purchasing approver must review all documentation PRIOR to approval
4. Accounts Payable Supervisor may approve all purchases under \$500 prior to payment
5. Director of Finance, Assistant Director of Finance, or Finance Administrator must approve all payments over \$500 prior to payment

##### B. Requirements for Purchases \$5,000-\$99,999

1. At least (3) three written quotes for like items or services, proof of co-op pricing, or exemption information must be obtained PRIOR to placing order for, making purchase of, or entering into agreement for goods or services.
2. A department purchasing approver, depending on the value of purchases, should review quotes prior to purchase.
3. All quotes must be attached to requisitions along with other purchasing documentation (invoice, agreement, special information, etc.).
4. Notes should be made to indicate why staff chose to purchase from a particular vendor, example, price, quality, availability, etc.
5. In the event that every effort has been made to obtain at least (3) three quotes but are unable to do so, adequate documentation must be attached to purchasing requisition proving staff efforts to obtain minimum number of quotes.
6. A department purchasing approver must review all documentation prior to approving.
7. Assistant Director of Finance, Finance Administrator, or Director of Finance, must approve prior to payment.

##### C. Other Considerations

1. It is the responsibility of each staff member with purchasing authority to utilize all resources when expending funds belonging to the citizens of Kerrville. The best value method should be used regardless of how small the purchase.
2. All purchases are subject to review during the City's annual audit by an external auditing firm to determine compliance with the City's policies along with state and federal purchasing requirements.
3. Purchases over the amount of \$10,000 are subject to capitalization, as part of the City's fixed Asset Management process. Items purchased independently that are part of a project or product valued over \$10,000 should be reported to the Finance Department upon purchase.

4. Finance purchasing staff have the responsibility to ensure compliance with the City's Purchasing Policy, up to and including reporting employees who repeatedly fail to meet the requirements of the Policy, which may lead to revocation of purchasing privileges.

5. It is the responsibility of each department to obtain proper vendor information prior to doing business with vendor. Vendor information is located on the p: drive in the Finance Department "forms" folder. Vendor information must be submitted electronically to: [accountspayable@kerrvilletx.gov](mailto:accountspayable@kerrvilletx.gov).

6. All invoices should be directed to Accounts Payable staff electronically at: [accountspayable@kerrvilletx.gov](mailto:accountspayable@kerrvilletx.gov). In the event that a department receives an invoice directly, departments should forward the invoice to Accounts Payable and notify the vendor to send future invoices directly to Accounts Payable

7. Requisitions should be entered and approved timely by deadlines set by the Finance Department. Any questions regarding purchasing compliance should be directed to the Finance Department, or the City Attorney's Office PRIOR to purchase.

V. Exemptions from Competitive Bidding (see "Additional Information" section for specific details) Section 252.022 of the TLGC provides the following exemptions from competitive bidding

A. a procurement made because of a public calamity that requires the immediate appropriation of money to provide necessary services to City's residents and/or staff or to preserve the property of the City;

B. a procurement necessary to preserve or protect the public health or safety of the City's residents or staff;

C. a procurement necessary because of unforeseen damage to public machinery, equipment, or other property;

D. a procurement for personal, professional, or planning services (as defined by Section 252 of TLGC);

E. a procurement for work that is performed and paid for by the day as the work progresses;

F. a purchase of land or a right-of-way;

G. a procurement of items that are available from only one source (sole source), including:

1. items that are available from only one source because of patents, copyrights, secret processes or natural monopolies;

2. films, manuscripts, or books;

3. gas, water, and other utility services;

4. captive replacement parts or components for equipment;

H. A purchase of rare books, papers, and other library materials for a public library;

I. Paving drainage, street widening, and other public improvements, or related matters, if a least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from improvements;

J. Personal property sold:

1. at an auction by a state licensed auctioneer;
2. at a going out of business sale held in compliance with Subchapter F, Chapter 17, Business & Commerce Code;
3. by a political subdivision of this state, an agency of this state, or an entity of the federal government; or
4. under an interlocal contract for cooperative purchasing administered by a regional planning commission established under Chapter 391

K. Services performed by blind or severely disabled persons;

L. Goods purchased by a municipality for subsequent retail sale by the municipality;

M. Advertising, other than legal notices;

N. Purchases made through an existing state contract (Chapter 271, Subchapter D), Cooperative purchasing program (Chapter 274, Subchapter F), or inter-local cooperation (Interlocal Cooperation Act, Chapter 791 Government Code).

## VI. Bids, Proposals, and Contracts

A. The City Manager has authority to approve any contract or the purchase of goods and services not valued at more than \$100,000. The total value is determined by the aggregate value over the term of the contract or individual purchase.

B. Only City Council has the authority to approve and award bids, proposals, and contracts that exceed \$100,000. State law (§252.021, TLGC) provides that all purchases and contracts estimated at greater than \$100,000 require advertising which requests sealed bids or proposals. The Department or Project Manager, with assistance from the City Secretary's Office, when requested, is responsible for the advertisement and distribution of the requests for bids or proposals. The Department or Project Manager is responsible for the advertisement and distribution of the requests for bids or proposals. City Council is responsible for approving the bid or proposal, in accordance with state law. Criminal penalties may apply to those who fail to comply with competitive bidding requirements.

### C. Bid Process

1. The Department or Project Manager will prepare bid specifications, bidder mailing lists, advertising dates, and schedule the bid opening date, time, and location. Where appropriate, the City will utilize website notices for national advertising.
2. The City must publish a notice indicating the time and place at which the bids or proposals will be publicly opened and read aloud. The notice must be published at least once a week for two consecutive weeks. The first publication must appear before the 14th day before the date that the bids or proposals are publicly opened and read aloud. The notice must be placed in the City's official newspaper.
3. The City will accept bids in both paper and electronic formats. The City Secretary will accept all paper bids and maintain them in a secure confidential file until the date of the bid opening. Electronic bids will only be accepted via the City's current procurement software, which can be accessed via the City's website: [www.kerrvilletx.gov](http://www.kerrvilletx.gov). This software ensures the identification, security, and confidentiality of electronic bids or proposals and ensures that the electronic bids or proposals

remain effectively unopened until the proper time in compliance with Texas Local Government Code (§252.0415, TLGC).

4. At the time of the bid opening, the City Secretary or designee will present all bids to the Department or Project Manager for opening, review, and analysis. The City will reject 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. Specific rules regarding the security of electronic submissions can be found in the appendix section of this policy.

5. The Department or Project Manager will conduct the bid opening and read the bids aloud at the designated time and place. Bid openings are open to the public.

6. 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. price
- b. reputation of the bidder, including any safety record or financial capability
- c. reputation of the bidder's goods or services, including personnel
- d. extent to which the goods and services meet the needs of the City
- e. bidder's past relationship with the City
- f. impact to the City's ability to comply with HUB requirements
- g. total longer-term cost to the City of acquiring goods or services
- h. any other relevant criteria that the City listed in specifications (§252.043, TLGC)

7. After reviewing the bids, the Department or Project Manager will prepare an agenda bill with staff recommendation for City Council consideration, approval, and award.

8. The City has the option to reject any or all bids, even if only one bid is received (§ 252.043(f), 271.027(a), TLGC).

9. All contracts will be approved by Department, City Attorney, Finance, City Manager and City Council.

#### D. General Contract Requirements

##### 1. Bids with Residents vs. Non-Residents

a. 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 or reject all bids (§271.901, TLGC).

b. 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 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 (\$271.9051, TLGC).

## 2. 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:

- a. Bid Bond: A bid bond, in the amount of 10 percent of the proposed contract price, is required where a contract is in excess of \$100,000.
- b. Performance Bond: A performance bond, in the total amount of the contract, is required if the contract is in excess of \$100,000.
- c. Payment Bond: A payment bond is required if the contract is in excess of \$50,000, 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.

## 3. Bonds for Non-Public Works Projects

Based upon good business practices, whenever the City enters into a contract for purchases of a product system, or service in which the system or service will be of little value to the City until it is complete, the City may require performance and payment bonds.

## 4. Change Orders

Section 252.048 of the TLGC allows change orders as long as the contract price is not increased by more than 25 percent and the change order is not being used to purchase new products or to create an entirely new project. Pursuant to this section, the City Manager has authority to approve such change orders that are less than \$50,000. Change orders over \$50,000 are subject to City Council approval.

## 5. Insurance Requirements

Where the City contracts with an outside party (contractor, consultant, vendor, or concessionaire) for goods or services, 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:

- 1. Employer's Liability of \$100,000;

2. Comprehensive General Liability and Bodily Injury & Property Damage \$1,000,000, per occurrence and \$2,000,000 general 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).

4. Any other time the City deems necessary to protect the City against potential harm

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 City's Risk Management Team.

#### 6. Boycotting Israel

House Bill 793 provides that contracts for goods and services must have written verification from the company that it:

a. Does not boycott Israel / will not boycott Israel during the term of the contract by providing that:

1. The company does not include a sole proprietorship; and

2. The law applies only to a contract that:

a. Is between a governmental entity and a company with more than 10 full-time employees, and;

b. Has a value of \$100,000 or more that is to be paid wholly or partly from public funds of the government entity

### VII. Other Purchasing Arrangements

#### A. Warranties and Service Agreements

A Department should include any requirement for warranties or service agreements in the purchase specifications documents. It is the responsibility of each Department to maintain and actively monitor their department's agreements, schedule service calls under the agreements, and renew agreements as necessary.

#### B. Simple Leases (auto, office equipment, etc.)

Competitive bidding or proposal requirements apply to any lease of personal property that will require an expenditure of more than \$50,000 in City funds, unless the expenditure is covered by a specific statutory exception that would relieve the City from the duty to bid or seek proposals on the item. For example, if the lease were for an item that was necessary to preserve or protect the public health or safety of the City's residents, the City would not be under a duty to use competitive bidding or proposals for its acquisition.

#### C. Lease Purchase Agreements

Normal statutory procurement requirements generally apply to these lease purchase agreements. That is, a lease purchase agreement for personal property shall be competitively procured unless the type of item purchased is covered by a specific exception to the statutory procurement requirements. Competitive bidding requirements do not apply to the lease of real property.

## VIII. Purchasing Methods

### A. Purchase Requisition

Most purchases are made using a requisition that is processed through Incode. The requisitions are prepared by the department requesting the purchase and approved by the necessary approver. The requisition is completed and submitted electronically along with all supporting documentation (invoice, receipt, bids or quotes, if necessary, sole source or emergency justification forms, if necessary). Appropriate staff must approve requisitions for payment. Accounts Payable must have a W-9 on file for all vendors in order to make payment. Accounts Payable processes payments for approved purchase orders weekly.

### B. Charge Accounts

Only authorized City employees are permitted to make charges on City-owned charge accounts. Under no circumstance should a contractor or any person other than a City employee make charges on City charge accounts with merchants. Only the Finance Department is allowed to open new charge accounts on behalf of the City.

### C. Purchasing Card (P-card)

#### 1. Overview:

The City issues and authorizes the use of Purchasing Cards (P-card) to efficiently purchase goods or services needed for City business that require immediate payment. 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 and services directly from vendors without the issuance of a purchase order. Authorized employees may use a P-card with vendors that accept VISA. P-cards are ordered through the Finance Department with a P-card Request form.

#### 2. Responsibilities:

a. The Finance Administrator, Accounts Payable Supervisor, Finance Compliance Coordinator, Assistant Director of Finance, and Director of Finance are the program administrators for the P-card program.

b. 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 Finance Department 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.

c. An employee authorized to use a P-card must sign a Purchasing Card Cardholder Agreement and complete P-card training 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 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 that 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. The City may hold the employee personally responsible for items purchased without the supporting documentation.

d. P-card holders who do not retain acceptable receipts for P-Card purchases may have their authority for using the P-card revoked. A program administrator will notify a Department Director concerning any misuse of a P-card.

e. Reconciliation: Finance places spending limits and other restrictions on each P-card issued to an authorized employee depending on the purchasing authority of the cardholder. Cardholders must retain receipts for each purchase throughout the month. Receipts are uploaded to the card portal for retention and hard copies turned in to cardholder approver. During the month and at month end the cardholder may view and reconcile all purchases online. Cardholder approvers must review the charges reconcile the amounts with the receipts for the purchases, and approve all cardholders within their approver group Approval is required no later than the 10th day of each month. The Department must then forward the register and receipts to Finance for retention.

f. Disputed Charges: An authorized employee who is issued a P-card is responsible for attempting to resolve any dispute with a vendor. If a resolution is not possible, the employee must immediately notify the bank of the disputed item and follow the bank's dispute process. The employee shall keep the Finance Department informed of any such charge.

g. Termination or Transfer of an Employee: When an employee who has been issued a P-card terminates from City employment or transfers from a Department, the Department Director must notify the program administrators of the change immediately. The employee's P-card approver will be responsible for a final reconciliation of the employee's P-card account.

h. Loss of P-Card: A P-card holder must report a lost P-card immediately. 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.

i. Travel Expenses: All travel expenses paid for using a P-card must be documented in accordance with the City's Travel Policy. P-cards must not be used to meals related to travel (as per Travel Policy).

## IX. Petty Cash

A. Purpose: Petty cash funds are for the purpose of infrequent, small dollar, non-travel departmental purchases when an employee does not have access to a P-card, a P-card cannot be used for payment, or there is a reason, approved by Assistant Director of Finance or Director of Finance, as to why the purchase cannot go through the accounts payable process.

B. Requesting Petty Cash: Requests for petty cash or requests for reimbursement from petty cash should be submitted to the Utility Billing Office or the Department's Petty Cash Custodian, if the department maintains a petty cash fund.

1. The request may not exceed \$50.00.

2. All petty cash slips must be signed, approved by the Department Director or division manager, include the amount, reason for expenditure, date and the account number to be charged.

3. Cash will only be reimbursed when accompanied by itemized receipts.

4. In the event that petty cash is requested in order to make a purchase on the City's behalf, a petty cash voucher will be issued and a signature of the person given cash will be required. An itemized receipt and unspent cash must be returned the same day that the petty cash was given.

C. Maintaining Petty Cash: Petty cash vouchers, receipts, and cash on hand should equal the total amount authorized for the petty cash fund. The itemized sales receipt must be attached to the petty cash voucher after the purchase. The petty cash voucher should include the amount and description of the expenditure, the expense account number, and be signed and dated by the recipient.

D. Replenishing Petty Cash Fund: If a department maintains a departmental petty cash fund, the department should turn in petty cash vouchers with receipts to the Utility Billing Department to exchange for cash to reimburse the departmental petty cash. Petty cash should be replenished by departments monthly. It is CRITICAL that all petty cash vouchers are redeemed and petty cash is replenished no later than September 30th of each year.

E. Performing Petty Cash Audits: The Finance Department will periodically audit petty cash funds at least twice each year to verify compliance with the petty cash policies and procedures.

F. Travel advances, meals, mileage, or other travel-related expenditures will not be reimbursed using a petty cash fund under any circumstance. All travel expenses must be recorded on the appropriate travel form and be submitted through Accounts Payable.

#### X. Disposal of Surplus Property

All departments shall review their assets and supplies each year and determine whether any items are no longer needed. A department may submit a list of any surplus, obsolete, or unused supplies, materials, or equipment to the purchasing agent, including a description, make, model, and serial number, if applicable. Finance, in coordination with a department and the purchasing agent, may transfer items between departments based upon needs. Where equipment or durable goods are deemed to be surplus, obsolete, or unused, the City may attempt to sell the property using an online auction, competitive bid, or in any other legal way that provides value and a public benefit to the City. In addition, property can be traded in toward the purchase of new property. Proceeds received will be credited to the appropriate fund as determined by Finance..

#### XI. Ethics Requirements

##### A. City Policies

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 shall 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 performance of such a contract.
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: Employees may only purchase City property for personal use if purchased through the City's normal disposal of surplus property procedures including public or online auction. Such purchases are subject to City Manager approval.
4. Purchases for personal, private use: Employees may not use the purchasing power of the City to make purchases for personal, private use.
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 states

that such visits would be at the vendor's or contractor's expense. The City will pay all other travel costs.

#### 6. City employees as contractors

City employees who operate small businesses as secondary employment may do business with the City so long as all purchasing requirements are met in addition to the following measures:

- a. The City Attorney has reviewed scope of work and contract or agreement. Contracts and agreements are required anytime any contractor completes work on City property.
- b. Work being provided does not in any way align with regular job duties
- c. City employee submits bid/quote in the same manner as other vendors
- d. In the event that bids are not required, full explanation is required as to why City is choosing to hire vendor and approval is received PRIOR to incurring expense.
- e. City employee provides a W9 and other vendor information listing a business name. Individual W9 is not acceptable. The City will not issue a 1099 and a W2 to a City employee.
- f. Finance is notified and provides approval to utilize this business after review of submitted bids and/or PRIOR to incurring expense.
- g. A conflict of interest form may be required.

#### B. State Requirements

City officials and employees shall comply with various state laws with respect to purchasing. The following provides a summary and the general requirements of the laws:

1. Chapter 171, Texas Local Gov't Code: Chapter 171 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.
2. 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.
  - a. 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.
  - b. A local public official is required to abstain from participating in the matter.
  - c. 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 176, Texas Local Gov't Code: Chapter 176 is a related ethics law.
  - a. Chapter 176 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 and local government officers. Local government officers include (1) a mayor or City Council





member, (2) a director, superintendent, administrator, president or any other person who is designated as the executive officer of the local government entity; and (3) an agent (including an employee) of the local government entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor.

b. An officer is required to file a conflicts disclosure statement if:

1. the officer or officer's family member has an employment or other business relationship with a vendor that results in the officer or officer's family member receiving taxable income of more than \$2,500 in the preceding twelve months.
2. the officer or officer's family member accepts one or more gifts from a vendor with an aggregate value of more than \$100 in the preceding 12 months.
3. an officer has a family relationship with a vendor.

c. Anyone meeting this condition or circumstance should consult with the Finance Department and/or the Legal Department with respect to this law.

4. Chapter 252, Texas Local Government Code: Chapter 252 contains laws related to competitive bidding. If a person fails to comply with the competitive bidding or competitive proposal procedures required by Chapter 252 that person may be convicted of a Class B or C misdemeanor, removed from office or employment and made ineligible to hold office in the state or to be employed by the City for four years after the conviction. This includes a situation in which a person makes or authorizes separate, sequential, or component purchases in an attempt to avoid competitive bidding requirements.

5. Section 2252.908, Texas Local Government Code: Section 2252.908 relates to interested party disclosures and applies to contracts entered into after January 1, 2016. The law provides that:

- a. The City is prohibited from entering into a contract with a business entity unless the business entity submits a disclosure of interested parties (i.e., discloses a person who has a controlling interest in the business or who actively participates in facilitating the contract for the business) if the contract requires an action OR vote by the City Council before the contract may be signed;
- b. The disclosure must be on a form prescribed by the Texas Ethics Commission; and
- c. The City must, not later than 30 days after receiving a disclosure, submit a copy to the Texas Ethics Commission.

## **Additional Purchasing Information**

### **I. Additional Exemption Information**

#### **A. Professional Services**

1. Section 252.022 of the TLGC specifically exempts contracts for professional services from the competitive bidding requirements. The Professional Services Procurement Act states that a City may not use traditional competitive bidding procedures to obtain the services of architects, engineers, certified public accountants, land surveyors, physicians, optometrists or state certified real estate appraisers. If the professional services desired by the City do not fall under the Professional Services Procurement Act, state law permits the services to be obtained with or without the use of competitive bidding, as the City desires.

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. The Professional Services Procurement Act specifies that when obtaining 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 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.

4. The Professional Services Procurement Act does not specify the exact process by which a City may procure accounting, medical, optometrist, interior design, or real estate appraisal services. The law merely prohibits obtaining these services through competitive bidding and requires that such services be selected on the basis of demonstrated competence and qualifications.

#### B. Emergency Purchases

1. Emergency purchases occur when a situation arises that is unforeseen and must be remedied immediately. Pursuant to state law, emergency purchases are exempt from the bidding process. An emergency is described as follows:

- a. Acts of God (e.g., flood damage, tornado)
- b. Machinery that is critical to the operation of the City and rendered out of service
- c. To preserve or protect the health and safety of the municipalities of residents
- d. Procurement necessary because of unforeseen damage to public machinery, equipment, or other property (§252.022(a)(1-3) TLGC)

2. Where an emergency exists and a purchase estimated over \$5,000.00 is required, the following procedure will be used:

- a. The Department should notify Finance of the purchase and attach an approved emergency justification form signed by the Department Director and the Assistant Director of Finance or Director of Finance, and attach to the Purchase Requisition.
- b. If the emergency purchase causes a department to exceed their annual budget, the Department Director will work with the Finance Department, City Manager and, if necessary, City Council, to secure funding needed for the purchase.

#### 3. Sole Source Purchases

According to Section 252.022 TLGC, competitive bidding requirements do not apply to items that are available from only one source due to patents, copyrights, secret processes, or natural monopolies. Items such as captive replacement parts or components may be considered as sole source items.

- a. Sole source purchases greater than \$5,000 (in aggregate): The Department must contact the vendor or manufacturer for verification and justification as to why the procurement is sole source. Documentation on vendor letterhead or on the sole source form should be attached to the purchase order.
- b. Sole source purchases greater than \$100,000 (in aggregate): Sole source purchases greater than \$100,000 must be reviewed by the City Manager and approved by City Council. Documentation on vendor letterhead or on the sole source form should be attached to the requisition. Sole source documentation is valid for two years.

## II. Insurance

All purchases of insurance related products are processed through the Director of General Operations. Cities must seek competitive bids or proposals when purchasing insurance that will cost more than \$100,000. Chapter 252 of the TLGC does not specifically address the need to use a competitive bidding or proposals if a City's liability coverage is gained through participation in a group risk pool. Under state law, the coverage provided by risk pools is not considered to be insurance or subject to the traditional requirements applicable to insurance policies. Therefore, most risk pools take the position that statutory procurement requirements do not apply (§252.021, TLGC).

## III. Purchasing Cooperatives

A. The City works with many purchasing cooperatives whose sole purpose is to source vendors for purchasers with the goal of offering a variety of goods and/or services with competitive pricing

B. A purchaser may use a vendor's co-op membership as purchasing compliance in lieu of obtaining quotes as long as:

1. The vendor's membership with co-op is current
2. The quote AND invoice clearly notates co-op pricing along with the vendor's co-op contract number
3. The City has a current relationship with the co-op

# Real Estate Policy

Note: City policies are included in the Budget Book and are adopted annually by the City Council in conjunction with the Budget. However, all policies can be modified throughout the year (independently or as a group) by City Council with the approval of a resolution.

## I. Purpose

It is the intent of the City to strategically utilize its inventory of real estate to further the City's goals while avoiding the unnecessary acquisition of additional real estate. The purpose of this policy helps ensure that decisions regarding the acquisition and/or disposition of real estate reflect effective and efficient use of the City's current real property assets, a long-term vision, and a balance of operational, financial, environmental, and other relevant factors. Decisions regarding the acquisition or disposition of real estate should also consider plans and policies adopted by the City Council that provide guidance for the use of property located within identified geographic areas.

## II. Policy and Procedure

### A. Preliminary Decision

Proper planning activities involve the appropriate balance of fact-finding, public input, and expertise under a defined scope to determine the needs of the City. Initially, a Department Director shall consult with the City Manager regarding the necessity to purchase real estate for a particular project or need. The City Manager will be responsible for consultant selection, if applicable, to assist with the preliminary decision making process. Consultants will be chosen in accordance with applicable state laws and related City policies and procedures. Special cases for acquisitions not included in specific projects, including when a property owner contacts the City, will be evaluated and handled individually as the situation dictates. Council will make both initial and final decisions concerning real estate acquisitions over \$50,000. Council will make its decisions based on information gathered from any combination of staff reports and/or outside consultant information.

### B. Authorization

The City Manager is authorized to approve the City's acceptance of easements, rights-of-way, license agreements, use agreements, and similar property interests pursuant in part to the City's application of its subdivision regulations and the requirement of dedication of various property interests for public use. In addition, the City Manager is authorized to acquire a property interest whose value is less than \$50,000. However, City Council must make decisions regarding acquisitions for any property interest with a value of more than \$50,000.

### C. Preliminary Evaluation

The Preliminary Evaluation activities include conduct a general analysis to determine the overall feasibility of a proposed acquisition; and prepare an assessment reflecting as many relevant factors as deemed appropriate. These factors can be revisited or further expanded upon as the acquisition process continues.

### D. Due Diligence

All real estate acquisitions will undergo the proper due diligence to protect the City's immediate and long-term interests. Inspections, including environmental and other studies, may be necessary to protect the City. This includes situations where an owner wants to donate real estate to the City, which the City may decide to accept. The City may hire a real estate consultant to assist with this process. Emphasis will be placed on confirmation of real estate decisions made.



#### E. Determination of Fair Market Value

When identified real estate is determined to be necessary and appropriate for completion of a project, an estimation of fair market value shall be obtained for each tract or property interest. If probable value of a tract is less than \$50,000, an estimate of fair market value may be obtained from tax appraisal records or from an informal analysis. The fair market value of any tract with a probable cost greater than \$50,000 or where acquisition involves the use of eminent domain shall be determined by an appraisal from a licensed independent real estate appraiser. In addition, the City, pursuant to Section 252.051, TX. Local Gov't Code, may not purchase property wholly or partly with bond proceeds until it obtains an independent appraisal of the property's market value. The determination of fair market value shall be presented to the City Council or City Manager as appropriate when authorization to purchase real estate is granted.

#### F. Negotiation/Offers

The City Manager may enter into preliminary negotiations once City Council has given approval for a project or specific acquisition. The City Manager, however, has no authority to commit the City to a binding contract in excess of \$50,000. Except where an acquisition cost is less than \$50,000, City Council must make the decision regarding the acquisition of real estate. Any negotiations entered into by the City prior to final authorization by City Council, when needed, must clearly communicate that the final decision is to be made by City Council.

#### G. Title Insurance and Reports

Title reports and title insurance policy, when necessary, from a title insurance and abstract company shall be obtained for all real estate purchases, where appropriate. The report shall state an opinion of current record title ownership and the list of all liens or records filed against the property. Responsibility of the costs for these items will be negotiated between the buyer and seller.

#### H. Deeds and Contracts

Deeds, Contracts of Sale, and other documents needed to convey title or clear title may be prepared or reviewed by the City Attorney or other consultant attorney. All purchase contracts will be subject to satisfying all contingencies before closing. Where the City Attorney does not prepare the documents, the Department Director or City Manager shall ensure that the City Attorney is informed of the pending purchase and has an opportunity to review all of the documents prior to the actual sale and closing.

#### I. Taxes

All taxes that have accrued but which are not due should either be paid at closing or immediately thereafter. The Department Director or City Manager shall verify that the City ownership of the property is reflected on the current tax rolls.

#### J. Filing and Recording of Documents

The City Secretary is responsible for verifying the recording of all deeds and other documents requiring filing and/or recording in the County Clerk's Office. Documents recorded at the County Clerk's Office shall have a return address to the County Clerk's office and after filed and/or recorded, all documents shall be delivered to the City Secretary and maintained within that office.

#### K. Disposal of Real Property

When the City Manager and/or City Council has determined that any real estate (real property, easements, rights-of-way) owned by the City is no longer needed, the property may be sold or disposed of in accordance

with state and/or federal law. The City Manager shall seek approval from City Council for each disposition of real property unless the property interest involves the vacation of an easement, other than right-of-way, that the City is not using and has no plans to use. The City may terminate the sale procedures used at any time and may reinstate the same or different procedures at a later date. When appropriate, appraisals will be conducted to ensure the City's interests are protected when disposing of real property.

#### L. Eminent Domain

Where it becomes necessary, the City Manager may consult with the City Attorney concerning recommendation to and/or advising City Council on the use of eminent domain proceedings and decisions to employ experts needed in the process.

##### Applicability:

These policies and procedures are intended as guidelines for the City. No express or implied rights or responsibilities are intended to be created for any party by these policies and procedures. Failure to comply with these policies and procedures is not intended to give any party the right to change, rescind, or delay any decision or transaction or to provide any claim for damages or other relief. These policies and procedures apply to all City departments and to all acquisitions of real estate by the City, except as otherwise provided by ordinance, charter, or existing law.

#### N. Legal Consistency and Compliance

This policy shall be interpreted and applied in accordance with federal, state, and local law. In addition, any proposed real estate acquisition shall be consistent with the City's Comprehensive Plan and other applicable planning policies whenever possible. The City Attorney should be consulted as needed in proposed acquisitions and at minimum, on the following matters: (a) compliance of proposed acquisition actions with local, state, and federal ordinances, statutes, regulations, plans, and policies; (b) the need for specific analysis, including applicable environmental studies; and (c) the form and substance of any proposed transaction documents for Council adoption. This policy is not intended to supersede policies or procedures reflected in any ordinances or resolutions adopted by the City Council and that specifically authorize the acquisition of real estate. In cases of inconsistency or conflict, the specific policies adopted by the City Council for the property in question shall prevail.



# Travel Policy

Note: City policies are included in the Budget Book and are adopted annually by the City Council in conjunction with the Budget. However, all policies can be modified throughout the year (independently or as a group) by City Council with the approval of a resolution.

The City of Kerrville 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 so long as travel documentation and expenses adhere to the IRS requirements.

## I. 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. Department Directors or Assistant Directors must sign all travel expense reports. Departments are responsible for managing travel budgets.

## II. Eligible Expenses

Travel expenses must be eligible under the IRS Accountable Plan. Itemized. Receipts must accompany request for reimbursement, with the exception of meal which are covered by daily allowance (Per Diem). Employees/officials are eligible to receive reimbursement for allowable expenses. The City encourages the use of an employee pcard for expenses, when available.

A. Registration: Registration for conferences, seminars, classes, etc are eligible travel expenses.

### B. Lodging

1. Room rate and tax will be reimbursed to an employee/official, however, employees are encouraged to utilize their purchasing card for room expenses.

2. 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 block rate.

a. Reimbursement is based on the single room rate unless the lodging is for more than one City employee/official. (See information relating to traveling with guests further in policy)

3. Per Diem is a daily allowance to cover the cost of employee meals, tax and gratuity.

a. In order to be eligible for Per Diem, overnight travel is required. Day trip meals are not eligible for reimbursement. Meals may not be charged on p-cards.

b. Meals are reimbursed using a standard daily rate (per diem) set annually by the US General Services Administration (GSA). Reimbursement rates for specific destinations can be found at [gsa.gov/perdiem](https://www.gsa.gov/perdiem). A copy of the rate obtained at this site should be attached to the expense report. No receipts are required. Per Diem on departure and return travel days is calculated at 75 percent of the daily rate.

c. 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.

C. Transportation: Air travel, mileage, car rental, shuttle, taxi, tolls, parking, public transportation are eligible expenses under the IRS Accountable Plan.

1. Air Travel: Air travel will be reimbursed at economy rate only. Employees should travel on most economical airline available to their destination. Air travel requires proof pricing from 2 airlines for reimbursement.
2. 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. Proof of 2 car rental companies should accompany request for reimbursement. Employees must provide proof of personal vehicle liability insurance with travel report. Rental cars should be returned with a full tank of gas to avoid more expensive fuel rates.
3. Public / Private Transportation: Uber, Lyft, etc. should be booked using appropriate app, when utilized. Itemized receipts, including departure and destination as well as gratuity is required for reimbursement.

D. Mileage: Mileage is payable when an employee/official uses a personal vehicle for business travel.

1. If a City vehicle is available, employees should utilize a City vehicle in lieu of mileage reimbursement.
2. 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 or googlemaps.com. Mileage documentation must be attached to the expense report.
3. 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 eligible for mileage reimbursement ONLY for destinations more than 75 miles (each way) from their work place. Mileage reimbursement represents reimbursement for all vehicle related expenses including gas, wear and tear, and personal auto insurance.
4. Employees should avoid toll roads when possible to minimize expense. Toll roads should be identified as part of route on google maps if utilized.
5. Fuel: Fuel for vehicles is a valid travel expense only when using a City vehicle or rental car. When using a City vehicle, it should be returned with a full tank of fuel. Receipts for fuel must be attached to travel form. Fuel for personal vehicles is not a valid travel expense as it is included in mileage reimbursement.
6. Miscellaneous – necessary expenses for items such as internet access, copies, etc.

### III. Payment Methods

- A. Purchasing Card: A City issued purchasing card (P-card) is the preferred method of payment for travel expenses such as registration, hotel, airfare, car rental and fuel. P-cards should not be used for meals or fuel for personal vehicles.
- B. Fuel Card: Fuel cards are available for check out from Accounts Payable or designated public safety department representatives. These cards can be used if an employee is traveling in a City-owned vehicle but does not have a P-card.
- C. Travel Advance: A personal travel advance can be requested for per diem. Checks payable directly to a hotel, conference, etc. can also be requested in advance. Mileage reimbursement must be requested

following the trip.

#### IV: Documentation

Travel forms can be found under P:/Forms/Finance.

A. Travel Advance Form: This form must be submitted through the requisition process only if requesting a travel advance. Personal travel advances should be submitted at least 2 weeks prior to departure. Travel advances not approved in purchasing by deadline will not be processed until the next accounts payable date. In the event that an employee receives a travel advance but does not travel, the advance amount must be repaid through the Utility Billing Department within one (1) week of cancellation of trip. Receipt for repayment but be submitted using the Travel Expense Report.

B. Travel Expense Report: This report outlines the entire cost of the trip, including the amount of remaining reimbursement requested. Reimbursement for eligible expenses will be paid through the requisition process as a direct deposit. Please contact Accounts Payable to set up direct deposit for expense reimbursement. Travel Expense Reports are required for all business travel even if there is no employee/ official reimbursement. All travel expenses must be documented on this form even if expenses were paid for using a P-card, gas card, or travel advance.

C. IRS documentation requirements requires Travel Expense Report packages to include:

1. Date, time, destination and business purpose of the trip
2. Itemized receipts (original or copies) for registration, lodging, airfare, car rental, and other miscellaneous expenses, even if the expenses were paid with a P-card or another requisition.
3. Mapquest, googlemaps, or other map site showing mileage from the work place to the destination if requesting mileage reimbursement.
4. Gsa.gov/perdiem showing per diem rate for travel destination.
5. Proof of personal insurance when requesting mileage reimbursement.
6. Duplicate copies of P-card, gas card, or other receipts and/or travel advance report

Note: Any excess reimbursement received must be repaid to the City within (1) one week of returning from a trip. Note that excess reimbursement does not apply to unspent, but allowable per diem.

#### V. Traveling with Family Members

Traveling with family members is permitted, so long as expenses above what are required by employee are not exceeded.

A. The City will reimburse expenses related to the employee/official only.

B. 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. If lodging is charged to p-card, employee must reimburse the City for additional expense at the Utility Billing Office within one (1) week of travel or through reduction in reimbursement.

C. 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.

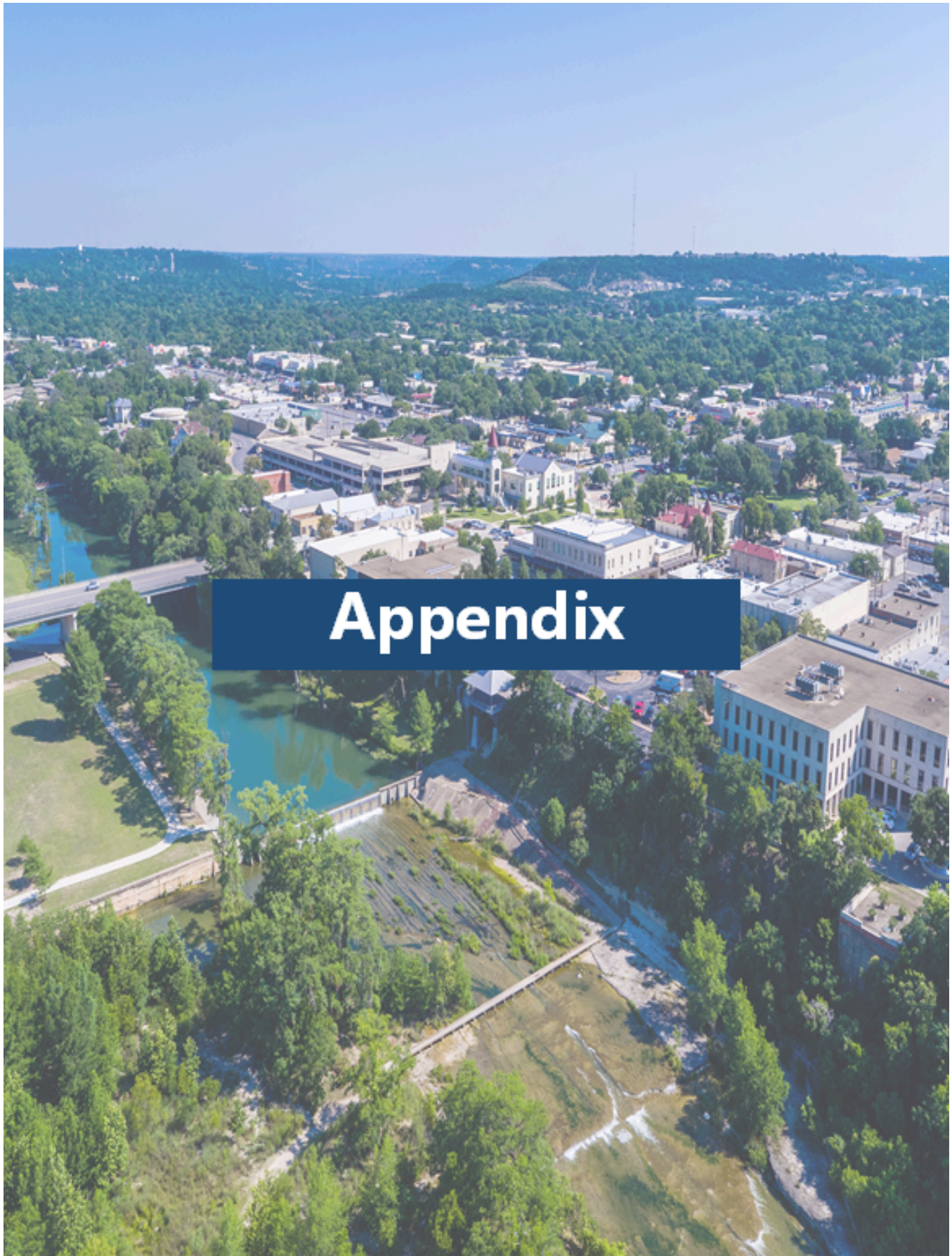
D. Employees/officials are prohibited from using City-owned vehicles for family travel.

E. Family members are fully responsible for their own travel expenses, to include additional guest fees at conferences.

#### VI: Audit and Record Requirements

All travel expenses are subject to review, IRS audits, annual financial audits, and public information requests. Following the guidelines in this policy will ensure that travel reimbursements meet audit requirements and remain non-taxable.





# Appendix

The Appendix section of the City of Kerrville Budget Book document provides additional details for interested residents, stakeholders, and elected officials seeking a deeper understanding of the City's financial and operational planning. These materials support transparency and accountability while aligning with GFOA best practices for a comprehensive and accessible budget document.

In this section, readers will find:

- **Glossary:**  
Definitions of important terms used throughout the Budget Book to help readers better understand terminology.
- **General Government Pay Plan**  
The Fiscal Year 2026 pay plan for general government employees, including job classifications and associated pay ranges.
- **Fire Pay Plan**  
The Fiscal Year 2026 pay plan for Fire Department personnel, including job classifications and associated pay ranges.
- **Police Pay Plan**  
The Fiscal Year 2026 pay plan for Police Department personnel, including job classifications and associated pay ranges.
- **Full-Time Employees**  
A summary of the City's full-time employee positions by department for Fiscal Year 2024 to 2026.
- **Budget Ordinance**  
The ordinance adopted by the Kerrville City Council approving the annual budget for the fiscal year.
- **Tax Rate Ordinance**  
The ordinance setting the ad valorem tax rate for the fiscal year, including the Maintenance & Operations (M&O) and Interest & Sinking (I&S) components.
- **Tax Rate Calculation Worksheets**  
Documentation showing the calculations for the City's no-new-revenue and voter-approval tax rates, prepared in accordance with the Texas Property Tax Code.
- **Fee Schedule**  
A comprehensive listing of City fees for services, permits, and other activities as adopted by the City Council for the fiscal year.



# Glossary

**ACCOUNT NUMBER**

An Account number is a line item code defining appropriation.

**ACCRUAL ACCOUNTING**

Accrual accounting is 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.

**ACCRUAL BASIS**

Accrual basis is a method of accounting that recognizes revenue when earned, rather than when collected, and 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 Finance Department, or 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.

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

The annual financial report is prepared by the City of Kerrville covering all financial activities, and is audited by an independent accounting firm.

**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.

**ASSET**

A probable future economic benefit obtained or controlled by an entity because of past transactions or events. A current asset is cash or readily convertible into cash within a one-year time frame.

**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 balanced budget is 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 a formula for determining the interest rate.

**BOND DEBT**

Bond debt is that portion of indebtedness represented by outstanding bonds.

**BUDGET AMENDMENT**

A Budget amendment is a revision of the adopted budget that, when approved, replaces the original provision and increases or decreases the budget appropriation.

**BUDGET CALENDAR**

The budget calendar is the schedule of key dates that a government follows in preparation and adoption of the budget.

**BUDGET ORDINANCE**

The budget ordinance refers to the schedule of key dates that a government follows in preparation and adoption of the budget.

**BUDGET PERIOD**

The period for which a budget is approved or a budget ordinance is adopted. It is known as the budget period, which normally coincides with the fiscal year.

**BUDGET TRANSFER**

A budget transfer is 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**

Capital expenditures are funds used to acquire or improve long-term assets.

**CAPITAL OUTLAY**

Capital outlay is an item costing more than \$10,000 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 fourteen (14) days in advance. Voter approval is not required unless 5 percent of the qualified voters sign a petition and file it with the City Secretary. 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)**

The 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. The Community Investment Plan is essential for sound infrastructure and financial planning.

**CONTRACTUAL OBLIGATION**

A contractual obligation is a short-term debt instrument that 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**

The 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 expenses over income during an accounting period.

**ENCUMBRANCE**

Encumbrances include obligations in the form of requisitions, 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.

**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) finances and operates like private business enterprises whose governing body's intent is for the costs (expenses, including depreciation) of providing goods and services to the general public to continue to 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 the Water Fund and Golf Fund.

**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**

A fiduciary fund is a trust and agency fund 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 1st to September 30th 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, 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**

Fund balance refers to 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 the 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 basic financial statements of an entity. GAAP encompasses 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 provides a standard by which to measure financial presentations.

**GENERAL OBLIGATION BONDS (GO BONDS)**

General Obligation Bonds are bonds that are secured by the full faith and credit of the issuer. GO 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.

**GOVERNMENTAL ACCOUNTING STANDARD BOARD (GASB)**

GASB is the governing body that sets accounting standards specifically for governmental entities at the State and Local levels.

**GOVERNMENTAL FINANCE OFFICERS ASSOCIATION (GFOA)**

GFOA is a 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**

Governmental funds are generally used to account for tax-supported activities. There are five different types of governmental funds: 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**

An internal service fund is a 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**

Investments are securities and real estate held for the production of revenue in the form of interest, dividends, rentals, or lease payments. The term does not include fixed assets used in governmental operations.

**LEVY**

To levy means to impose taxes, special assessments, or service charges for the support of governmental activities.

**LINE-ITEM BUDGET**

A line item budget refers to 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 is called its mission.

**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 sixty (60) days.

**NO-NEW-REVENUE TAX RATE**

The no-new-revenue property tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year, based on a property tax rate that would produce the same amount of tax revenue if applied to the same properties taxed in both years. The idea is that if property valuations increase, the tax rate must decrease to produce the same amount of revenue.

**NON-RECURRING REVENUE**

Non-recurring revenue is a one-time windfall that is budgeted only for one fiscal year.

**NOTE**

A note is 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 that 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 expenditure 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 are also 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."

**REPLACEMENT COST**

Replacement cost is the cost of a property as of a certain date, which can render a similar service (but which need not be of the same structural form) as the property to be replaced.

**RESERVE**

A 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 the operation of the financed project, grants, excise, or other specified non-ad valorem tax.

**REVENUE**

Revenue is (1) an increase in a governmental fund's net current assets from other than expenditure refunds and residual equity or (2) an increase in a proprietary fund's 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 in which current revenue sufficiently supports current expenditures.

**TAXES**

Taxes are 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 term "tax rate limit" refers to the maximum tax rate at which a government 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 assessed 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.

**VOTER-APPROVAL RATE**

The voter-approval tax rate is a calculated maximum property tax rate allowed by law without voter approval. The calculation splits the voter-approval tax rate into two separate components - a no-new-revenue maintenance and operations (M&O) rate and a debt service rate. M&O includes such things as salaries, utilities, and day-to-day operations. Debt service covers the interest and principal on bonds and other debt secured by property tax revenues. The voter-approval tax rate is the sum of no-new-revenue M&O and debt service rates, plus the unused increment rate (if applicable). In 2019, the Texas Legislature passed legislation requiring that the voter-approval rate be calculated at a 3.5% increase over the M&O no-new-revenue rate plus the debt service portion of the rate.

# General Government Pay Plan

City of Kerrville						
FY2026 General Government Pay Plan - Effective 10/01/2025						
Pay Grade	Position Title	FLSA				
20	Management Intern (PT)	NE	Hourly	\$14.00		
21	Building Maintenance Worker/Custodian	NE		Min	Mid	Max
21	Duty Desk Clerk (PT)	NE	Hourly	\$16.07	\$20.09	\$24.10
21	Inventory Control Assistant (PT/19)	NE	Bi-Weekly (FTE)	\$1,285.44	\$1,606.80	\$1,928.16
21	Library Clerk	NE	Annual (FTE)	\$33,421.44	\$41,776.80	\$50,132.16
21	Library Clerk (PT/19)	NE				
21	Pro Shop Attendant	NE				
21	Pro Shop Attendant (PT/15)	NE				
21	Pro Shop Attendant (PT/20)	NE				
22	Customer Service Associate	NE		Min	Mid	Max
22	Maintenance Worker - Golf	NE	Hourly	\$16.37	\$20.47	\$24.56
22	Maintenance Worker - Kerrville Schreiner Park	NE	Bi-Weekly (FTE)	\$1,309.95	\$1,637.44	\$1,964.93
22	Maintenance Worker - Parks	NE	Annual (FTE)	\$34,058.80	\$42,573.51	\$51,088.21
22	Maintenance Worker - Sports Complex	NE				
22	Office Clerk - Kerrville Schreiner Park	NE				
22	Office Clerk - Kerrville Schreiner Park - Part Time	NE				
23	Accounting Assistant (FT)	NE		Min	Mid	Max
23	Accounting Assistant (PT)	NE	Hourly	\$17.19	\$21.48	\$25.78
23	Accounts Payable Assistant	NE	Bi-Weekly (FTE)	\$1,374.80	\$1,718.50	\$2,062.20
23	Laboratory Assistant	NE	Annual (FTE)	\$35,744.87	\$44,681.09	\$53,617.31
23	Library Assistant	NE				
24	Administrative Records Clerk	NE		Min	Mid	Max
24	Equipment Operator - Golf Maintenance	NE	Hourly	\$18.04	\$22.55	\$27.06
24	Equipment Operator - Parks Maintenance	NE	Bi-Weekly	\$1,443.24	\$1,804.05	\$2,164.85
24	Equipment Operator - ROW Mowing & Drainage	NE	Annual	\$37,524.14	\$46,905.17	\$56,286.20
24	Light Equipment Operator - Streets	NE				
24	Maintenance Specialist - Solid Waste	NE				
24	Meter Technician	NE				
24	Municipal Court Deputy Clerk	NE				
24	Permit Technician	NE				
24	Utility Clerk	NE				
24	Water Distribution Utility Worker I	NE				
25	Administrative Assistant - Planning	NE		Min	Mid	Max
25	Property & Evidence Specialist	NE	Hourly	\$18.94	\$23.68	\$28.41
25	Public Works Specialist	NE	Bi-Weekly	\$1,515.25	\$1,894.07	\$2,272.88
		NE	Annual	\$39,396.59	\$49,245.74	\$59,094.89
26	Pretreatment Specialist - Lab	NE		Min	Mid	Max
26	Vehicle & Equipment Mechanic/Technician	NE	Hourly	\$19.89	\$24.86	\$29.83
26	Wastewater Collections Operator I	NE	Bi-Weekly	\$1,590.86	\$1,988.57	\$2,386.28
26	Water Production Operator I	NE	Annual	\$41,362.25	\$51,702.81	\$62,043.37
26	Water Reclamation Operator I	NE				

City of Kerrville						
FY2026 General Government Pay Plan - Effective 10/01/2025						
Pay Grade	Position Title	FLSA				
27	Crew Leader - Building Maintenance/Custodians	NE		Min	Mid	Max
27	Crew Leader - Downtown Parks	NE	Hourly	\$20.88	\$26.10	\$31.31
27	Crew Leader - Golf	NE	Bi-Weekly	\$1,670.08	\$2,087.60	\$2,505.12
27	Crew Leader - Kerrville Schreiner Park	NE	Annual	\$43,422.16	\$54,277.70	\$65,133.24
27	Crew Leader - Parks	NE				
27	Crew Leader - ROW Mowing & Drainage	NE				
27	Human Resources Assistant	NE				
27	Management Analyst - Part Time	NE				
28	Administrative Specialist - Support Services	NE		Min	Mid	Max
28	EMS Specialist	NE	Hourly	\$21.91	\$27.39	\$32.87
28	Heavy Equipment Operator - Streets	NE	Bi-Weekly	\$1,752.94	\$2,191.17	\$2,629.40
28	Laboratory Analyst	NE	Annual	\$45,576.35	\$56,970.43	\$68,364.52
28	Recreation Coordinator	NE				
28	Sports Complex Supervisor	NE				
28	Tourism & Event Coordinator	NE				
28	Traffic Controls Technician	NE				
28	Wastewater Collections Operator II	NE				
28	Water Distribution Utility Worker II	NE				
28	Water Production Maintenance Technician	NE				
28	Water Production Operator II	NE				
28	Water Production Specialist	NE				
28	Water Reclamation Maintenance Technician	NE				
28	Water Reclamation Operator II	NE				
29	Building Inspector	NE		Min	Mid	Max
29	Construction Inspector	NE	Hourly	\$23.00	\$28.75	\$34.50
29	Crew Leader - Streets	NE	Bi-Weekly	\$1,840.24	\$2,300.30	\$2,760.36
29	Crew Leader - Wastewater Collections	NE	Annual	\$47,846.22	\$59,807.77	\$71,769.33
29	Crew Leader - Water Distribution	NE				
29	Executive Assistant - Fire	NE				
29	Executive Assistant - Police	NE				
29	Inventory Control Analyst	NE				
29	Investigative Analyst	NE				
29	Lead Technician - Garage	NE				
29	Parks Maintenance & Facilities Assistant Manager	NE				
29	Property/Evidence Analyst	NE				
30	Administrative Records Supervisor - Police	NE		Min	Mid	Max
30	Golf Course Maintenance Superintendent	NE	Hourly	\$24.15	\$30.19	\$36.23
30	Golf Pro Shop Manager	E	Bi-Weekly	\$1,932.07	\$2,415.09	\$2,898.11
30	Health Specialist	E	Annual	\$50,233.92	\$62,792.41	\$75,350.89
30	Office Manager - Kerrville Schreiner Park	NE				
30	Procurement and Risk Specialist	NE				
30	Technical Support Analyst	E				

City of Kerrville						
FY2026 General Government Pay Plan - Effective 10/01/2025						
Pay Grade	Position Title	FLSA				
31	Accounts Payable Supervisor	E		Min	Mid	Max
31	Assistant Municipal Court Administrator*	E	Hourly	\$25.36	\$31.69	\$38.03
31	City Marshal	NE	Bi-Weekly	\$2,028.44	\$2,535.55	\$3,042.66
31	Customer Service Supervisor	E	Annual	\$52,739.46	\$65,924.33	\$79,109.19
31	Human Resources Analyst	NE				
31	Meter Technician Supervisor	E				
31	Multimedia Coordinator	E				
31	Senior Construction Inspector	NE				
31	Senior Inspector	NE				
32	Assistant Street Division Manager*	E		Min	Mid	Max
32	Assistant Wastewater Collections Superintendent*	NE	Hourly	\$26.62	\$33.27	\$39.92
32	Assistant Water Distribution Superintendent*	NE	Bi-Weekly	\$2,129.26	\$2,661.57	\$3,193.89
32	Engineering Associate	NE	Annual	\$55,360.69	\$69,200.86	\$83,041.03
32	Executive Office Coordinator*	E				
32	Water Production Assistant Superintendent*	NE				
32	Water Reclamation Assistant Superintendent*	NE				
33	Librarian - Patron Services	E		Min	Mid	Max
33	Librarian - Reference Services	E	Hourly	\$27.94	\$34.93	\$41.92
33	Librarian - Youth Services	E	Bi-Weekly	\$2,235.51	\$2,794.39	\$3,353.27
33			Annual	\$58,123.31	\$72,654.14	\$87,184.97
34	Deputy City Secretary/Executive Office Coordinator*	E		Min	Mid	Max
34	Engineering Project Manager*	E	Hourly	\$29.34	\$36.67	\$44.01
34	Finance Administrator*	E	Bi-Weekly	\$2,347.12	\$2,933.90	\$3,520.68
34	Finance Compliance Coordinator*	E	Annual	\$61,025.19	\$76,281.49	\$91,537.79
34	Garage Superintendent	E				
34	Neighborhood Enhancement/Code Enforcement Manager	E				
35	Economic Development Manager	E		Min	Mid	Max
35	GIS Administrator	E	Hourly	\$30.80	\$38.50	\$46.20
35	"Interim" Chief Building Official	E	Bi-Weekly	\$2,464.17	\$3,080.22	\$3,696.26
35	Parks Maintenance & Facilities Manager*	E	Annual	\$64,068.47	\$80,085.59	\$96,102.71
35	Public Safety Communications Manager*	E				
35	Recreation Manager	E				
35	Senior Planner	E				
35	Systems Administrator	E				
36	Engineering Associate	E		Min	Mid	Max
36	Laboratory Superintendent*	E	Hourly	\$32.34	\$40.43	\$48.51
36	Street Division Manager*	E	Bi-Weekly	\$2,587.40	\$3,234.25	\$3,881.10
36	Water Distribution Superintendent*	E	Annual	\$67,272.43	\$84,090.54	\$100,908.65
36	Water Production Superintendent*	E				
36	Water Reclamation Superintendent*	E				
37	IT Operations Manager*	E		Min	Mid	Max
37	Manager of Human Resources & Risk Management*	E	Hourly	\$33.94	\$42.43	\$50.91
37	Municipal Court Administrator*	E	Bi-Weekly	\$2,715.37	\$3,394.21	\$4,073.05
37	Public Information Officer*		Annual	\$70,599.58	\$88,249.47	\$105,899.37

City of Kerrville						
FY2026 General Government Pay Plan - Effective 10/01/2025						
Pay Grade	Position Title	FLSA				
38	Asst Director of Development Services*	E		Min	Mid	Max
38	Assistant Director of Finance*	E	Hourly	\$35.63	\$44.54	\$53.45
38	Assistant Director of Innovation & Technology*	E	Bi-Weekly	\$2,850.42	\$3,563.03	\$4,275.63
38	Assistant Director of Parks & Recreation*	E	Annual	\$74,110.97	\$92,638.72	\$111,166.46
38	Assistant Director of Utilities*	E				
38	Chief Building Official*	E				
39	City Secretary*	E		Min	Mid	Max
39	Library Director*	E	Hourly	\$37.41	\$46.76	\$56.11
			Bi-Weekly	\$2,992.69	\$3,740.86	\$4,489.03
			Annual	\$77,809.83	\$97,262.28	\$116,714.74
41	Project Engineer*	E		Min	Mid	Max
		E	Hourly	\$42.45	\$53.06	\$63.67
			Bi-Weekly	\$3,395.79	\$4,244.73	\$5,093.68
			Annual	\$88,290.45	\$110,363.06	\$132,435.67
42		E		Min	Mid	Max
			Hourly	\$44.57	\$55.71	\$66.86
			Bi-Weekly	\$3,565.61	\$4,457.02	\$5,348.42
			Annual	\$92,705.93	\$115,882.42	\$139,058.90
43		E		Min	Mid	Max
			Hourly	\$46.80	\$58.50	\$70.20
			Bi-Weekly	\$3,743.89	\$4,679.87	\$5,615.84
			Annual	\$97,341.23	\$121,676.54	\$146,011.84
44	Assistant Chief of Police*	E		Min	Mid	Max
44	Assistant City Attorney*	E	Hourly	\$49.14	\$61.42	\$73.71
44	Deputy Fire Chief*	E	Bi-Weekly	\$3,931.09	\$4,913.86	\$5,896.63
			Annual	\$102,208.29	\$127,760.36	\$153,312.44
45	Director of Engineering*	E		Min	Mid	Max
45	Director of Innovation and Technology*	E	Hourly	\$51.60	\$64.49	\$77.39
45	Director of Parks & Recreation*	E	Bi-Weekly	\$4,127.62	\$5,159.53	\$6,191.43
45	Director of Development Services*	E	Annual	\$107,318.17	\$134,147.72	\$160,977.26
45	Director of Utilities*	E				
46	Chief of Police*	E		Min	Mid	Max
46	Director of Finance*	E	Hourly	\$54.17	\$67.72	\$81.26
46	Executive Director for Public Works & Engineering*	E	Bi-Weekly	\$4,333.99	\$5,417.49	\$6,500.99
46	Fire Chief*	E	Annual	\$112,683.81	\$140,854.77	\$169,025.72
51	Assistant City Manager*	E		Min	Mid	Max
			Hourly	\$69.14	\$86.43	\$103.71
			Bi-Weekly	\$5,531.39	\$6,914.24	\$8,297.08
			Annual	\$143,816.10	\$179,770.12	\$215,724.15
Per Contract	City Attorney*	E			Per Contract	
Per Contract	City Manager*	E			Per Contract	

\*Note: Qualifications for City Council: "At the time that a candidate's application for a place on the ballot is submitted, or thereafter, such candidate shall not be related within the second degree of affinity or third degree of consanguinity to anyone employed by the City and who holds an executive position with the City, which is defined as the head of any department or division within the City. The City Manager shall indicate such positions within his or her budget." - Page 3, Charter of the City of Kerrville, Texas. These positions are indicated with an asterisk following the position title.

# Fire Pay Plan

FY2025 FIRE PAY PLAN - Effective 10/01/2024					
GRADE	POSITION		Min		Max
FD-1	EMS Crew EMT1 (12 hr - 2 on/2 off)	ANNUAL (1976 Annual Hrs / 76 Hrs/Pay Period)	46,011.68	3% Increase Every Year Subject to Budget Approval	57,497.44
		HOURLY	20.11		25.13
FD-2	EMS Crew EMT2 (24 hr - 48/96) (Not subject to 7K exemption)	ANNUAL (2912 Annual Hrs / 56 Hrs/Wk)	51,014.49	3% Increase Every Year Subject to Budget Approval	62,065.84
		HOURLY	15.33		18.65
FD-2A	EMS Crew Medic (24 hr - 48/96) (Not subject to 7K exemption)	ANNUAL (2912 Annual Hrs / 56 Hrs/Wk)	57,474.56	3% Increase Every Year Subject to Budget Approval	70,387.20
		HOURLY	17.27		21.15
FD-3	Firefighter (24 hr - 48/96)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period)	59,485.71	3% Increase Every Year Subject to Budget Approval	72,399.75
		HOURLY	20.43		24.86
FD-4	Fire Apparatus Driver (24 hr - 48/96)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period)	68,469.39	3% Increase Every Year Subject to Budget Approval	83,286.23
		HOURLY	23.51		28.60
FD-4A	EMS Supervisor (24 hr - 48/96)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period)	68,469.39	3% Increase Every Year Subject to Budget Approval	83,286.23
		HOURLY	23.51		28.60
FD-5	Lieutenant (24 hr - 48/96)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period)	80,853.15	3% Increase Every Year Subject to Budget Approval	94,609.41
		HOURLY	27.77		32.49
FD-5A	Deputy Fire Marshal (8 hr) EMS Lieutenant (8 hr)	ANNUAL (2080 Annual Hrs / 80 Hrs / Pay Period)	80,853.15	3% Increase Every Year Subject to Budget Approval	94,609.41
		BIWEEKLY	3,109.74		3,638.82
		HOURLY	38.87		45.49
FD-8	Battalion Chief (24 hr - 48/96)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period)	91,521.27	3% Increase Every Year Subject to Budget Approval	115,789.69
		HOURLY	31.43		39.76
FD-8A	Division Chief - Fire Marshal (8 hr) Division Chief - Training/EMC (8 hr)	ANNUAL (2080 Annual Hrs / 80 Hrs / Pay Period)	91,521.27	3% Increase Every Year Subject to Budget Approval	115,789.69
		BIWEEKLY	3,520.05		4,453.45
		HOURLY	44.00		55.67



# Police Pay Plan

FY2025 POLICE PAY PLAN - Effective 10/01/2024					
GRADE	POSITION		Min		Max
PD-A	Telecommunications Specialist-Police Dispatch	ANNUAL	50,770.30	3% Increase Every Year Subject to Budget Approval	69,330.56
		BIWEEKLY	1,952.70		2,666.56
		HOURLY	24.41		33.33
PD-A3	Telecommunications Supervisor Police Dispatch (10% Increase upon promotion)	ANNUAL	55,334.66	3% Increase Every Year Subject to Budget Approval	76,274.43
		BIWEEKLY	2,128.26		2,933.63
		HOURLY	26.60		36.67
PD-1	Officer (Police & Evidence)	ANNUAL	60,980.61	3% Increase Every Year Subject to Budget Approval	83,434.62
		BIWEEKLY	2,345.41		3,209.02
		HOURLY	29.32		40.11
PD-2	Detective, Field Training Officer and School Resource Officer	ANNUAL	64,009.09	3% Increase Every Year Subject to Budget Approval	87,609.60
		BIWEEKLY	2,461.89		3,369.60
		HOURLY	30.77		42.12
PD-3	Sergeant (If Promotion from PD-1 = 10% Increase) (If Promotion from PD-2 = 5% Increase)	ANNUAL	74,197.76	3% Increase Every Year Subject to Budget Approval	93,882.88
		BIWEEKLY	2,853.76		3,610.88
		HOURLY	35.67		45.14
PD-4	Police Lieutenant	ANNUAL	95,764.86	3% Increase Every Year Subject to Budget Approval	116,509.95
		BIWEEKLY	3,683.26		4,481.15
		HOURLY	46.04		56.01

# Full Time Employees (FTE) by Department

Department	FY2024	FY2025	FY2026
<b>General Fund Personnel Count</b>			
City Secretary	2.00	2.00	2.00
City Attorney	2.00	2.00	2.00
City Administration	4.00	4.00	4.00
Human Resources	4.00	3.00	3.00
Finance	5.00	8.00	7.00
Information Technology	6.00	6.75	7.00
Public Information Office	2.00	2.00	2.00
Municipal Court	5.00	5.00	5.00
Office of Innovation	0.25	-	-
Economic Development	2.00	-	-
Police	78.00	78.00	78.00
Fire - EMS	78.00	79.00	79.00
Emergency Management	1.00	1.00	1.00
Fire Marshal	2.00	2.00	1.00
Kerrville Schreiner Park	8.00	8.00	-
Parks Maintenance	22.00	23.00	24.00
Sports Complex	6.00	5.00	5.00
Recreation	2.00	3.00	3.00
Community Events	1.00	1.00	1.00
Golf	6.50	7.00	-
Engineering	6.00	6.00	7.00
Streets	18.00	18.00	18.00
Solid Waste	1.00	1.00	-
Library	9.00	9.00	9.00
General Operations	-	-	-
<b>Total General Fund</b>	<b>270.75</b>	<b>273.75</b>	<b>258.00</b>
<b>Development Services Fund Personnel Count</b>			
Planning	3.00	3.00	3.00
Building Services	5.50	5.00	5.00
Code Compliance	2.00	2.00	3.00
<b>Total Development Services Fund</b>	<b>10.50</b>	<b>10.00</b>	<b>11.00</b>
<b>Water Fund Personnel Count</b>			
Utility Billing	8.00	8.00	9.00
Water Production	14.50	15.00	15.00
Water Distribution	10.00	10.00	10.00
Water Reclamation	9.00	9.00	10.00
Wastewater Collection	7.00	7.00	7.00
Utility Lab	4.00	4.00	4.00
<b>Total Water Fund</b>	<b>52.50</b>	<b>53.00</b>	<b>55.00</b>
<b>Garage Fund Personnel Count</b>			
Garage	5.25	4.00	4.00
<b>Total Garage Fund</b>	<b>5.25</b>	<b>4.00</b>	<b>4.00</b>
<b>Kerrville Schreiner Park Fund Personnel Count</b>			
Kerrville-Schreiner Park	-	-	8.00
<b>Total Kerrville Schreiner Park Fund</b>	<b>-</b>	<b>-</b>	<b>8.00</b>
<b>Scott Schreiner Golf Course Personnel Count</b>			
Scott Schreiner Golf Course	-	-	11.00
<b>Total Scott Schreiner Golf Course Fund</b>	<b>-</b>	<b>-</b>	<b>11.00</b>
<b>Total City FTEs</b>	<b>339.00</b>	<b>340.75</b>	<b>347.00</b>

# FY2026 Budget Ordinance

## CITY OF KERRVILLE, TEXAS ORDINANCE NO. 2025-18

### **AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF KERRVILLE, TEXAS, FISCAL YEAR 2026; PROVIDING APPROPRIATIONS FOR EACH CITY DEPARTMENT AND FUND; CONTAINING A CUMULATIVE CLAUSE; AND CONTAINING A SAVINGS AND SEVERABILITY CLAUSE**

**WHEREAS**, in accordance with Sections 8.01 and 8.03 of the City Charter and Section 102.005 of the Texas Local Government Code, the City Manager, on or before July 31, 2025, prepared and filed with the City Secretary and had placed on the City's website, a proposed budget for the City of Kerrville, Texas, for the fiscal year beginning October 1, 2025, and ending September 30, 2026, sometimes referred to as "Fiscal Year 2026"; and

**WHEREAS**, in accordance with Section 551.043(c) of the Texas Government Code, the City has made the proposed budget clearly accessible on the home page of the City's website along with a taxpayer impact statement showing, for the median valued homestead property, a comparison of the property tax bill in dollars pertaining to the property for the current fiscal year to an estimate of the property tax bill in dollars for the same property for Fiscal Year 2026 if (1) City Council adopts the proposed budget; and (2) a balanced budget funded at the no-new-revenue tax rate as calculated under Chapter 26, Texas Tax Code, is adopted.

**WHEREAS**, in accordance with Section 8.03 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 ten days prior to the date of the public hearing, a public hearing was duly held on September 9, 2025, at the time and place set forth in the public notice, said date being more than fifteen days subsequent to the filing of the proposed budget by the City Manager, at which time 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, to include the opportunity of making any amendments to the budget proposed by the City Manager that City Council has determined are (1) warranted by law or (2) in the best interest of the taxpayers of the City, City Council is of the opinion that the Official Budget for Fiscal Year 2026, with any such amendments described and discussed, should be approved and adopted, in accordance with Section 8.05 of the City Charter and Section 102.007 of 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, at the Butt-Holdsworth Memorial Library, and on the City's website referenced by the date and number of this Ordinance, and incorporated by reference as if fully set out herein, is adopted, in accordance with Article VIII of the City Charter and Chapter 102 of the Texas Local Government Code.

**SECTION TWO.** The appropriations by department, fund, or other organization unit and the authorization and allocation for each program or activity are deemed to provide a complete financial plan of City funds and activities for the Fiscal Year 2026, in accordance with Section 8.04 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.

**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. City Council 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:**

**[1<sup>ST</sup> MOTION TO STATE AS FOLLOWS: *Motion to approve Ordinance No. 2025-18 to adopt the City's budget for Fiscal Year 2026 on 1<sup>st</sup> reading.*]**

City Secretary to take record vote as follows:

	YES	NO
Joe Herring, Jr., Mayor	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Delayne Sigerman, Place 1	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Jeff Harris, Place 2	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Kent McKinney, Place 3	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Brenda Hughes, Place 4	<input checked="" type="checkbox"/>	<input type="checkbox"/>

[2<sup>ND</sup> MOTION TO STATE AS FOLLOWS: *Motion ratifying vote to adopt a budget that will require raising more revenue from property taxes than the previous fiscal year.*]

PASSED AND APPROVED ON FIRST READING, this the 09 day of SEPTEMBER, A.D., 2025.

**SECOND READING:**

[1<sup>ST</sup> MOTION TO STATE AS FOLLOWS: *Motion to approve Ordinance No. 2025-18 to adopt the City's budget for Fiscal Year 2026 on 2<sup>nd</sup> reading.*]

City Secretary to take record vote as follows:

	YES	NO
Joe Herring Jr., Mayor	<u>X</u>	_____
Delayne Sigerman, Place 1	<u>X</u>	_____
Jeff Harris, Place 2	<u>X</u>	_____
Kent McKinney, Place 3	<u>X</u>	_____
Brenda Hughes, Place 4	<u>X</u>	_____

[2<sup>ND</sup> MOTION TO STATE AS FOLLOWS: *Motion ratifying vote to adopt a budget that will require raising more revenue from property taxes than the previous fiscal year.*]

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 23 day of SEPTEMBER, A.D., 2025.

  
Joe Herring, Jr., Mayor

APPROVED AS TO FORM:

ATTEST:

  
Michael C. Hayes, City Attorney

  
Shelley McElhannon, City Secretary

T:\Lapointe\FINANCE\Budget\Ordinance\Budget FY 2026\ORD25-18.docx



# FY2026 Tax Rate Ordinance

## CITY OF KERRVILLE, TEXAS ORDINANCE NO. 2025-19

**AN ORDINANCE LEVYING AN AD VALOREM (PROPERTY) TAX FOR THE USE AND THE SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF KERRVILLE, TEXAS, FOR FISCAL YEAR 2026; APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; AND PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID**

**WHEREAS**, City Council finds that an ad valorem (property) tax must be levied to provide for expenses and improvements for the City of Kerrville, Texas, during Fiscal Year 2026 (Oct. 1, 2025-Sept. 30, 2026); and

**WHEREAS**, 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 Fiscal Year 2026; and

**WHEREAS**, after due deliberation, study, and consideration of the proposed tax rate for Fiscal Year 2026, 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 2026, a tax of **\$0.5711** on each one hundred dollars (\$100.00) valuation of all property, comprising real, personal, and mixed, within the corporate limits of the City subject to taxation, for the specific purposes herein set forth:

**A.** For current expenditures of the City and for the general improvement, use, and support of the City and its property (i.e., expenditures for maintenance and operations), there is hereby levied and ordered to be assessed and collected for the Fiscal Year 2026 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 **\$0.4305** on each one hundred dollars (\$100.00) valuation of such property.

**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 2026



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 **\$0.1406** on each one hundred dollars (\$100.00) valuation of such property.

**SECTION TWO.** The ad valorem taxes levied are due on October 1, 2025, and may be paid up to and including January 31, 2026, without penalty, but if not paid, such taxes are delinquent on February 1, 2026; provided, however, in accordance with Section 31.03(a) of the Texas Tax Code, 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, 2025, and the remaining one-half is paid before July 1, 2026.

**SECTION THREE.** No discounts are authorized on property tax payments made prior to January 31, 2026.

**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, 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.

**SECTION FIVE. 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 7.98% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$31.80.**

**FIRST READING:**

**[MOTION TO STATE AS FOLLOWS: *Motion to approve Ordinance No. 2025-19 and that the property tax rate be increased by the adoption of a tax rate of \$0.5711, which is effectively a 7.98% percent increase in the tax rate.*]**

City Secretary to take record vote as follows:

	YES	NO
Joe Herring, Jr., Mayor	<u>X</u>	<u>      </u>
Delayne Sigerman, Place 1	<u>X</u>	<u>      </u>
Jeff Harris, Place 2	<u>      </u>	<u>X</u>
Kent McKinney., Place 3	<u>X</u>	<u>      </u>
Brenda Hughes, Place 4	<u>X</u>	<u>      </u>

PASSED AND APPROVED ON FIRST READING, this the 09 day of SEPTEMBER, A.D., 2025.

**SECOND READING:**

[MOTION TO STATE AS FOLLOWS: *Motion to approve Ordinance No. 2025-19 and that the property tax rate be increased by the adoption of a tax rate of \$0.5711, which is effectively a 7.98% percent increase in the tax rate.*]

City Secretary to take record vote as follows:

	YES	NO
Joe Herring, Jr., Mayor	<u>X</u>	<u>      </u>
Delayne Sigerman, Place 1	<u>X</u>	<u>      </u>
Jeff Harris, Place 2	<u>      </u>	<u>X</u>
Kent McKinney, Place 3	<u>X</u>	<u>      </u>
Brenda Hughes, Place 4	<u>X</u>	<u>      </u>

PASSED AND APPROVED ON SECOND AND FINAL READING, this the 09 day of SEPTEMBER, A.D., 2025.

Joe Herring, Jr.  
Joe Herring, Jr., Mayor

APPROVED AS TO FORM:  
Michael C. Hayes  
Michael C. Hayes, City Attorney

ATTEST:  
Shelley McElhannon  
Shelley McElhannon, City Secretary

T:\Legal\2025\2025\Budget\Tax Rate\Copy of Ordinance Tax Rate for FY2026\_090225.docx

# FY2026 Disaster Tax Rate Calculation

## 2025 Tax Rate Calculation Worksheet Taxing Units Other Than School Districts or Water Districts

Form 50-856

### Disaster Rate Calculation

the City of Kerrville

(830) 257-8000

Taxing Unit Name

Phone (area code and number)

701 Main Street, Kerrville, TX, 78028

www.kerrvilletx.gov

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

**GENERAL INFORMATION:** Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

### SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	<b>Prior year total taxable value.</b> Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). <sup>1</sup>	\$ 3,497,054,116
2.	<b>Prior year tax ceilings.</b> Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. <sup>2</sup>	\$ 1,108,047,876
3.	<b>Preliminary prior year adjusted taxable value.</b> Subtract Line 2 from Line 1.	\$ 2,389,006,240
4.	<b>Prior year total adopted tax rate.</b>	\$ 0.5595 /\$100
5.	<b>Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.</b>	
	A. Original prior year ARB values:.....	\$ 2,702,559
	B. Prior year values resulting from final court decisions:.....	\$ 2,820,000
	C. Prior year value loss. Subtract B from A. <sup>3</sup>	\$ 82,559
6.	<b>Prior year taxable value subject to an appeal under Chapter 42, as of July 25.</b>	
	A. Prior year ARB certified value:.....	\$ 15,800,000
	B. Prior year disputed value:.....	\$ 1,700,000
	C. Prior year undisputed value. Subtract B from A. <sup>4</sup>	\$ 14,100,000
7.	<b>Prior year Chapter 42 related adjusted values.</b> Add Line 5C and Line 6C.	\$ 14,182,559

<sup>1</sup> Tex. Tax Code §26.012(14)<sup>2</sup> Tex. Tax Code §26.012(14)<sup>3</sup> Tex. Tax Code §26.012(13)<sup>4</sup> Tex. Tax Code §26.012(13)



## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	<b>Prior year taxable value, adjusted for actual and potential court-ordered adjustments.</b> Add Line 3 and Line 7.	\$ 2,403,188,799
9.	<b>Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024.</b> Enter the prior year value of property in deannexed territory. <sup>1</sup>	\$ 0
10.	<b>Prior year taxable value lost because property first qualified for an exemption in the current year.</b> If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. <b>A. Absolute exemptions.</b> Use prior year market value: ..... \$ 2,483,836 <b>B. Partial exemptions.</b> Current year exemption amount or current year percentage exemption times prior year value: ..... + \$ 3,896,628 <b>C. Value loss.</b> Add A and B. <sup>2</sup>	\$ 6,380,464
11.	<b>Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year.</b> Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. <b>A. Prior year market value:</b> ..... \$ 0 <b>B. Current year productivity or special appraised value:</b> ..... - \$ 0 <b>C. Value loss.</b> Subtract B from A. <sup>3</sup>	\$ 0
12.	<b>Total adjustments for lost value.</b> Add Lines 9, 10C and 11C.	\$ 6,380,464
13.	<b>Prior year captured value of property in a TIF.</b> Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. <sup>4</sup> If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 62,285,990
14.	<b>Prior year total value.</b> Subtract Line 12 and Line 13 from Line 8.	\$ 2,334,522,345
15.	<b>Adjusted prior year total levy.</b> Multiply Line 4 by Line 14 and divide by \$100.	\$ 13,081,652
16.	<b>Taxes refunded for years preceding the prior tax year.</b> Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. <sup>5</sup>	\$ 23,217
17.	<b>Adjusted prior year levy with refunds and TIF adjustment.</b> Add Lines 15 and 16. <sup>6</sup>	\$ 13,084,869
18.	<b>Total current year taxable value on the current year certified appraisal roll today.</b> This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. <sup>7</sup> <b>A. Certified values:</b> ..... \$ 3,695,922,372 <b>B. Counties:</b> Include railroad rolling stock values certified by the Comptroller's office: ..... + \$ 0 <b>C. Pollution control and energy storage system exemption:</b> Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: ..... - \$ 0 <b>D. Tax increment financing:</b> Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. <sup>8</sup> ..... - \$ 62,505,996 <b>E. Total current year value.</b> Add A and B, then subtract C and D.	\$ 3,633,416,376

<sup>1</sup> Tex. Tax Code §26.012(15)<sup>2</sup> Tex. Tax Code §26.012(15)<sup>3</sup> Tex. Tax Code §26.012(15)<sup>4</sup> Tex. Tax Code §26.03(c)<sup>5</sup> Tex. Tax Code §26.012(13)<sup>6</sup> Tex. Tax Code §26.012(13)<sup>7</sup> Tex. Tax Code §26.012, 26.04(c-2)<sup>8</sup> Tex. Tax Code §26.03(c)

## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	<b>Total value of properties under protest or not included on certified appraisal roll.</b> <sup>13</sup>	
A.	<b>Current year taxable value of properties under protest.</b> The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. <sup>14</sup> .....	\$ 123,373,002
B.	<b>Current year value of properties not under protest or included on certified appraisal roll.</b> The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. <sup>15</sup> .....	+ \$ 0
C.	<b>Total value under protest or not certified.</b> Add A and B.	\$ 123,373,002
20.	<b>Current year tax ceilings.</b> Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. <sup>16</sup>	\$ 1,230,649,891
21.	<b>Current year total taxable value.</b> Add Lines 18E and 19C. Subtract Line 20. <sup>17</sup>	\$ 2,526,139,487
22.	<b>Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year.</b> Include both real and personal property. Enter the current year value of property in territory annexed. <sup>18</sup>	\$ 1,934,702
23.	<b>Total current year taxable value of new improvements and new personal property located in new improvements.</b> New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements <b>do</b> include property on which a tax abatement agreement has expired for the current year. <sup>19</sup>	\$ 71,989,845
24.	<b>Total adjustments to the current year taxable value.</b> Add Lines 22 and 23.	\$ 73,924,547
25.	<b>Adjusted current year taxable value.</b> Subtract Line 24 from Line 21.	\$ 2,452,214,940
26.	<b>Current year NNR tax rate.</b> Divide Line 17 by Line 25 and multiply by \$100. <sup>20</sup>	\$ 0.5335 /\$100
27.	<b>COUNTIES ONLY.</b> Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. <sup>21</sup>	\$ 0.0000 /\$100

## SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- 1. Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- 2. Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	<b>Prior year M&amp;O tax rate.</b> Enter the prior year M&O tax rate.	\$ 0.4189 /\$100
29.	<b>Prior year taxable value, adjusted for actual and potential court-ordered adjustments.</b> Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 2,403,188,799

<sup>13</sup> Tex. Tax Code §26-01(c) and (d)

<sup>14</sup> Tex. Tax Code §26-01(c)

<sup>15</sup> Tex. Tax Code §26-01(d)

<sup>16</sup> Tex. Tax Code §26-0126(a)(8)

<sup>17</sup> Tex. Tax Code §26-012(a)

<sup>18</sup> Tex. Tax Code §26-012(17)

<sup>19</sup> Tex. Tax Code §26-012(17)

<sup>20</sup> Tex. Tax Code §26-04(c)

<sup>21</sup> Tex. Tax Code §26-04(d)



## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	<b>Total prior year M&amp;O levy.</b> Multiply Line 28 by Line 29 and divide by \$100	\$ 10,066,957
31.	<b>Adjusted prior year levy for calculating NNR M&amp;O rate.</b>	
	<b>A. M&amp;O taxes refunded for years preceding the prior tax year.</b> Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year..... + \$ 38,696	
	<b>B. Prior year taxes in TIF.</b> Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0..... 327,564 - \$	
	<b>C. Prior year transferred function.</b> If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. .... 0 +/- \$	
	<b>D. Prior year M&amp;O levy adjustments.</b> Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function..... -288,868 \$	
	<b>E.</b> Add Line 30 to 31D.	\$ 9,778,089
32.	<b>Adjusted current year taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 2,452,214,940
33.	<b>Current year NNR M&amp;O rate (unadjusted).</b> Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.3987 /\$100
34.	<b>Rate adjustment for state criminal justice mandate.<sup>23</sup></b>	
	<b>A. Current year state criminal justice mandate.</b> Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0	
	<b>B. Prior year state criminal justice mandate.</b> Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies..... - \$ 0	
	<b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0.0000 /\$100	
	<b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100
35.	<b>Rate adjustment for indigent health care expenditures.<sup>24</sup></b>	
	<b>A. Current year indigent health care expenditures.</b> Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0	
	<b>B. Prior year indigent health care expenditures.</b> Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose..... - \$ 0	
	<b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0.0000 /\$100	
	<b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100

<sup>23</sup> (Reserved for expansion)<sup>24</sup> Tex. Tax Code §26.044<sup>25</sup> Tex. Tax Code §26.041



## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
<b>36.</b>	<b>Rate adjustment for county indigent defense compensation.</b> <sup>25</sup>	
	<b>A. Current year indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose. .... \$ 0	
	<b>B. Prior year indigent defense compensation expenditures.</b> Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose..... \$ 0	
	<b>C. Subtract B from A and divide by Line 32 and multiply by \$100.....</b> \$ 0.0000 /\$100	
	<b>D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100.....</b> \$ 0.0000 /\$100	
	<b>E. Enter the lesser of C and D. If not applicable, enter 0.</b>	\$ 0.0000 /\$100
<b>37.</b>	<b>Rate adjustment for county hospital expenditures.</b> <sup>26</sup>	
	<b>A. Current year eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year. .... \$ 0	
	<b>B. Prior year eligible county hospital expenditures.</b> Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023. .... \$ 0	
	<b>C. Subtract B from A and divide by Line 32 and multiply by \$100.....</b> \$ 0.0000 /\$100	
	<b>D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100.....</b> \$ 0.0000 /\$100	
	<b>E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.</b>	\$ 0.0000 /\$100
<b>38.</b>	<b>Rate adjustment for defunding municipality.</b> This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.	
	<b>A. Amount appropriated for public safety in the prior year.</b> Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year ..... \$ 0	
	<b>B. Expenditures for public safety in the prior year.</b> Enter the amount of money spent by the municipality for public safety during the preceding fiscal year ..... \$ 0	
	<b>C. Subtract B from A and divide by Line 32 and multiply by \$100 .....</b> \$ 0.0000 /\$100	
	<b>D. Enter the rate calculated in C. If not applicable, enter 0.</b>	\$ 0.0000 /\$100
<b>39.</b>	<b>Adjusted current year NNR M&amp;O rate.</b> Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ 0.3987 /\$100
<b>40.</b>	<b>Adjustment for prior year sales tax specifically to reduce property taxes.</b> Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.	
	<b>A. Enter the amount of additional sales tax collected and spent on M&amp;O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.....</b> \$ 0	
	<b>B. Divide Line 40A by Line 32 and multiply by \$100 .....</b> \$ 0.0000 /\$100	
	<b>C. Add Line 40B to Line 39.</b>	\$ 0.3987 /\$100
<b>41.</b>	<b>Current year voter-approval M&amp;O rate.</b> Enter the rate as calculated by the appropriate scenario below. <b>Special Taxing Unit.</b> If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. <b>- or -</b> <b>Other Taxing Unit.</b> If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$ 0.4126 /\$100

<sup>25</sup> Tex. Tax Code §26.0442<sup>26</sup> Tex. Tax Code §26.0443

## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
<b>D41.</b>	<b>Disaster Line 41 (D41): Current year voter-approval M&amp;O rate for taxing unit affected by disaster declaration.</b> If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. <sup>27</sup> If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ 0.4305 /\$100
<b>42.</b>	<b>Total current year debt to be paid with property taxes and additional sales tax revenue.</b> Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses.  <b>A. Debt</b> also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. <sup>28</sup>  Enter debt amount ..... \$ 5,334,341 <b>B. Subtract unencumbered fund amount</b> used to reduce total debt. .... - \$ 0 <b>C. Subtract certified amount spent from sales tax to reduce debt</b> (enter zero if none) ..... - \$ 0 <b>D. Subtract amount paid</b> from other resources ..... - \$ 1,090,700 <b>E. Adjusted debt.</b> Subtract B, C and D from A.	\$ 4,243,641
<b>43.</b>	<b>Certified prior year excess debt collections.</b> Enter the amount certified by the collector. <sup>29</sup>	\$ 370,213
<b>44.</b>	<b>Adjusted current year debt.</b> Subtract Line 43 from Line 42E.	\$ 3,873,428
<b>45.</b>	<b>Current year anticipated collection rate.</b> <b>A.</b> Enter the current year anticipated collection rate certified by the collector. <sup>30</sup> ..... 97.00 % <b>B.</b> Enter the prior year actual collection rate. .... 109.00 % <b>C.</b> Enter the 2023 actual collection rate. .... 113.20 % <b>D.</b> Enter the 2022 actual collection rate. .... 109.00 % <b>E.</b> If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. <sup>31</sup>	109.00 %
<b>46.</b>	<b>Current year debt adjusted for collections.</b> Divide Line 44 by Line 45E.	\$ 3,553,603
<b>47.</b>	<b>Current year total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 2,526,139,487
<b>48.</b>	<b>Current year debt rate.</b> Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.1406 /\$100
<b>49.</b>	<b>Current year voter-approval M&amp;O rate plus current year debt rate.</b> Add Lines 41 and 48.	\$ 0.5532 /\$100
<b>D49.</b>	<b>Disaster Line 49 (D49): Current year voter-approval tax rate for taxing unit affected by disaster declaration.</b> Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ 0.5711 /\$100

<sup>27</sup> Tex. Tax Code §76.042(a)<sup>28</sup> Tex. Tax Code §76.012(7)<sup>29</sup> Tex. Tax Code §76.012(10) and 26.04(b)<sup>30</sup> Tex. Tax Code §76.04(b)<sup>31</sup> Tex. Tax Code §526.04(b), (b-1) and (b-2)



## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	<b>COUNTIES ONLY.</b> Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.0000 /\$100

**SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes**

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	<b>Taxable Sales.</b> For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. <sup>12</sup> Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ _____
52.	<b>Estimated sales tax revenue.</b> Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. <sup>13</sup>  Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. <sup>14</sup> - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ _____
53.	<b>Current year total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
54.	<b>Sales tax adjustment rate.</b> Divide Line 52 by Line 53 and multiply by \$100.	\$ _____ /\$100
55.	<b>Current year NNR tax rate, unadjusted for sales tax.</b> <sup>15</sup> Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ /\$100
56.	<b>Current year NNR tax rate, adjusted for sales tax.</b> Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	\$ _____ /\$100
57.	<b>Current year voter-approval tax rate, unadjusted for sales tax.</b> <sup>16</sup> Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____ /\$100
58.	<b>Current year voter-approval tax rate, adjusted for sales tax.</b> Subtract Line 54 from Line 57.	\$ _____ /\$100

**SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control**

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	<b>Certified expenses from the Texas Commission on Environmental Quality (TCEQ).</b> Enter the amount certified in the determination letter from TCEQ. <sup>17</sup> The taxing unit shall provide its tax assessor-collector with a copy of the letter. <sup>18</sup>	\$ _____
60.	<b>Current year total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
61.	<b>Additional rate for pollution control.</b> Divide Line 59 by Line 60 and multiply by \$100.	\$ _____ /\$100

<sup>12</sup> Tex. Tax Code §26.041(d)

<sup>13</sup> Tex. Tax Code §26.041(b)

<sup>14</sup> Tex. Tax Code §26.041(d)

<sup>15</sup> Tex. Tax Code §26.04(c)

<sup>16</sup> Tex. Tax Code §26.04(c)

<sup>17</sup> Tex. Tax Code §26.045(d)

<sup>18</sup> Tex. Tax Code §26.045(b)

## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	<b>Current year voter-approval tax rate, adjusted for pollution control.</b> Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ _____ /\$100

**SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate**

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value. <sup>39</sup> The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value. <sup>40</sup>

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042; <sup>41</sup>
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a); <sup>42</sup> or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval. <sup>43</sup>

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit. <sup>44</sup>

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	<b>Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value</b> A. Voter-approval tax rate (Line 67) ..... B. Unused increment rate (Line 66) ..... C. Subtract B from A ..... D. Adopted Tax Rate ..... E. Subtract D from C ..... F. 2024 Total Taxable Value (Line 60) ..... G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero .....	\$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ \$ _____
64.	<b>Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value</b> A. Voter-approval tax rate (Line 67) ..... B. Unused increment rate (Line 66) ..... C. Subtract B from A ..... D. Adopted Tax Rate ..... E. Subtract D from C ..... F. 2023 Total Taxable Value (Line 60) ..... G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero .....	\$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ \$ _____
65.	<b>Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value</b> A. Voter-approval tax rate (Line 67) ..... B. Unused increment rate (Line 66) ..... C. Subtract B from A ..... D. Adopted Tax Rate ..... E. Subtract D from C ..... F. 2022 Total Taxable Value (Line 60) ..... G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero .....	\$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ /\$100 \$ _____ \$ _____
66.	<b>Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G</b>	\$ _____
67.	<b>2025 Unused Increment Rate. Divide Line 66 by Line 21 of the No-New Revenue Rate Worksheet. Multiply the result by 100</b>	\$ 0.0047 /\$100
68.	<b>Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)</b>	\$ _____ /\$100

<sup>39</sup> Tex. Tax Code §26.013(b)

<sup>40</sup> Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

<sup>41</sup> Tex. Tax Code §26.04(c)(2)(A) and 26.042(a)

<sup>42</sup> Tex. Tax Code §26.0501(a) and (c)

<sup>43</sup> Tex. Local Gov't Code §120.007(d)

<sup>44</sup> Tex. Local Gov't Code §120.007(d)



## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

**SECTION 6: De Minimis Rate**

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.<sup>45</sup>

This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.<sup>46</sup>

Line	De Minimis Rate Worksheet	Amount/Rate
69.	<b>Adjusted current year NNR M&amp;O tax rate.</b> Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .	
70.	<b>Current year total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
71.	<b>Rate necessary to impose \$500,000 in taxes.</b> Divide \$500,000 by Line 70 and multiply by \$100.	\$ _____ /\$100
72.	<b>Current year debt rate.</b> Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____ /\$100
73.	<b>De minimis rate.</b> Add Lines 69, 71 and 72.	\$ _____ /\$100

**SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate**

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.<sup>47</sup>

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.<sup>48</sup>

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
74.	<b>2024 adopted tax rate.</b> Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ /\$100
75.	<b>Adjusted 2024 voter-approval tax rate.</b> Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. <sup>49</sup> Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ _____ /\$100
76.	<b>Increase in 2024 tax rate due to disaster.</b> Subtract Line 75 from Line 74.	\$ _____ /\$100
77.	<b>Adjusted 2024 taxable value.</b> Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
78.	<b>Emergency revenue.</b> Multiply Line 76 by Line 77 and divide by \$100.	\$ _____
79.	<b>Adjusted 2024 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
80.	<b>Emergency revenue rate.</b> Divide Line 78 by Line 79 and multiply by \$100. <sup>51</sup>	\$ _____ /\$100

<sup>45</sup> Tex. Tax Code §26.01(c)(2)(B)

<sup>46</sup> Tex. Tax Code §26.012(b-a)

<sup>47</sup> Tex. Tax Code §26.063(a)(1)

<sup>48</sup> Tex. Tax Code §26.042(b)

<sup>49</sup> Tex. Tax Code §26.042(f)

<sup>50</sup> Tex. Tax Code §26.42(c)

<sup>51</sup> Tex. Tax Code §26.42(b)

## 2025 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	<b>Current year voter-approval tax rate, adjusted for emergency revenue.</b> Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	\$ _____ /\$100

**SECTION 8: Total Tax Rate**

Indicate the applicable total tax rates as calculated above.

**No-new-revenue tax rate.** ..... \$ 0.5335 /\$100

As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).

Indicate the line number used: 28

**Voter-approval tax rate.** ..... \$ 0.5711 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).

Indicate the line number used: D49


**De minimis rate.** ..... \$ \_\_\_\_\_ /\$100

If applicable, enter the current year de minimis rate from Line 73.

**SECTION 9: Taxing Unit Representative Name and Signature**

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.<sup>32</sup>

**print here** → Bob Reeves  
 Printed Name of Taxing Unit Representative

**sign here** →   
 Taxing Unit Representative

Date 07/30/2025



# City of Kerrville Approved FY2026 Fee Schedule

## Effective 10/01/2025

CITY SECRETARY	
PUBLIC INFORMATION REQUESTS	
Standard Size Copy (double sided copies count as 2 copies)	
Black and White	\$0.10 per page
Color	\$0.10 per page
Oversized Paper Copy	\$0.50 per page
Black and White	\$0.75 per page
Color	\$0.75 per page
Notary Fees	
Basic Notary Service	\$10.00 per document
Certified/Embossed Service	\$10.00 per embossment, plus \$1.00 per page \$20.00 per document max
Acknowledgement	\$10.00 per acknowledgement
Fax Transmissions	
Local	\$0.10 per page
Long distance	\$0.50 per page
Other	actual cost
Labor	\$15.00 per hour
Overhead charge (if applicable under state law)	20% of personnel charge
LAND RECORD FILING FEES	
First Page	\$26.00 per page
Additional Pages	\$4.00 per page
Records Management Fees	\$10.00 per document
Courthouse Security Fee	\$1.00 per document
Records Archive Fee	\$10.00 per document
Note: Fees subject to change based on County fee schedule.	
OTHER	
Vehicle for Hire Permit	\$25.00 per permit
Administrative Fee (non-refundable)	\$25.00 per permit
Alcoholic Beverage Certificate	50% of TABC
Exception: Brewery, Brewpub, or similar	on premise retailer fee
Thumb Drive	\$5.00 each

DEVELOPMENT SERVICES DEPARTMENT	
BUILDING SERVICES	
PROFESSIONAL & OCCUPATIONAL LICENSES	
General Contractor License	\$300.00 initial license
General Contractor License: Renewal	\$100.00 annual
General Contractor License Renewal: Late Fee	\$200.00 late fee
General Contractor License: Single Project	\$150.00 per project
BUILDING PERMITS: SINGLE & TWO FAMILY RESIDENTIAL	
Building Permit: Minimum Charge	\$50.00 per permit
New Construction	\$0.40 per sq. foot (all floor area under one roof)
Addition	\$0.40 per sq. foot (all floor area under one roof)
Alteration or Remodel	\$0.23 per sq. foot (all floor area under one roof)
Fire Repair	\$0.23 per sq. foot (all floor area under one roof)
Storage or Accessory Building ( >200 square feet)	\$100.00 flat fee (all floor area under one roof)
Application Extension (minimum 180 days)	50% of original plan review fee
Permit Extension (minimum 180 Days)	50% of original plan review fee
Plan Review Fee (due with permit application)	50% of building permit fee
Subsequent Plan Reviews (forth or more review)	50% of building permit fee
Residential Flat/Foundation Work (Concrete)	\$150.00 flat fee
Temporary Residential Certificate of Occupancy	\$150.00 flat fee
Temporary residential Certificate of Occupancy Extension	\$75.00 flat fee
Residential Construction moving-in without Certificate of Occupancy	\$300.00 flat fee
Addendum for after Permit has been issued	50% of original plan review fee
BUILDING PERMITS: COMMERCIAL BY VALUE	
Permit (value up to \$1,000)	\$50.00 per permit
Value: \$1,000 and above	\$5.00 per \$1,000
Note: Value of construction is the greater of the value quoted by contractor or the calculated value using ICC valuation tables.	
Temp Certificate of Occupancy (min 90 days)	\$150.00 per certificate
Temp Certificate of Occupancy Extension (min 30 days)	\$100.00 per certificate
Application Extension (minimum 90 days)	50% of original plan review fee
Permit Extension (minimum 180 days)	50% of original plan review fee
Plan Review Fee (due with permit application)	50% of original permit fee
Subsequent Plan Reviews (when major or substantial changes occur)	50% of original permit fee
Commercial Flat Work (Concrete, etc.)	\$150.00 flat fee
Fire Code Plan Review: 3rd party reviewer	
Building Plan Review (Fire Code Life Safety Plan Review)	\$125.00
Fire Code Plan Review: Commercial by Value of Fire System - 3rd party reviewer	
Plan Review Fee (due with permit application)	
\$1 to \$6,250	\$190.00
\$6,251 to \$250,000	\$230.00
\$250,001 to \$500,000	\$310.00
\$500,001 to \$1,000,000	\$440.00
\$1,000,001 to \$3,000,000	\$620.00
\$3,000,001 and up	\$1,940.00 + \$0.10 each additional \$1,000
Underground Fire Line Plan Review	\$275.00
Plan Review after 3 Rounds of Plan Review Comments'	\$125.00 per hour
SIGN PERMITS: BY VALUE	
Sign Permit: Non-Electric	
Value: up to \$1,000	\$50.00 per permit
Value: \$1,001 and up	\$5.00 per \$1,000
Sign Permit: Electric	
Value: up to \$1,000	\$50.00 per permit
Value: \$1,001 and up	\$5.00 per \$1,000
Plan Review Fee (due with permit application)	50% of original permit fee
Application Extension (minimum 90 Days)	50% of plan review fee
Permit Extension (minimum 180 Days)	50% of plan review fee
BUILDING PERMIT: ELECTRIC	
Building Permit: Electric	\$50.00 per permit
Application Extension (minimum 90 Days)	50% of total permit fee
Permit Extension (minimum 180 Days)	50% of total permit fee
Generator/Solar Panel Permit	\$100.00 per permit
Additional Fees	
Circuits	\$2.00 each
Fixtures	\$0.50 each
Motors (<1 HP)	\$2.00 each
Motors (1-10 HP)	\$2.50 each
Motors (11-25 HP)	\$3.00 each
Motors (>25 HP)	\$5.00 each
Services (per additional meter/panel)	\$7.50 each
Appliances	\$2.00 each
Equipment (welder)	\$3.00 each
Equipment (transformers)	\$5.00 each
Equipment (other)	\$3.00 each
Signs	\$5.75 each
Neon Signs for Transformer	\$1.00 each
Temporary Service (T-Pole)	\$50.00 each

DEVELOPMENT SERVICES DEPARTMENT, CONTINUED	
BUILDING SERVICES, CONTINUED	
BUILDING PERMIT: MECHANICAL	
HVAC Permit Application Fee	
Permit	\$50.00 per permit
Value: Up to \$1,000	\$15.00 per permit
Value: Over \$1,000	\$3.00 per \$1,000
Inspection Fees	
Add or replace electrical wiring or panel	\$15.00 per unit
Replace equipment	\$15.00 per unit
New equipment	\$15.00 per unit
Alter existing equipment	\$15.00 per unit
Application Extension (minimum 90 Days Commercial/minimum 180 Days Residential)	50% of total permit fee
Permit Extension (minimum 180 Days)	50% of total permit fee
BUILDING PERMIT: PLUMBING & GAS	
Permit	\$50.00 per permit
Fixtures	\$2.50 per unit
Building Drain	\$7.50 per unit
Water Heater and/or Vent	\$10.00 per unit
Gas Piping (1-5 outlets)	\$10.00 per unit
Piping for Water Treatment	\$7.50 per unit
Water/Sewer Yard Line	\$10.00 per unit
Gas Yard Line	\$7.50 per unit
Annual Gas Test	\$7.50 per unit
Pressure Regulator Valve	\$5.00 per unit
Back Flow Preventer	\$5.00 per unit
Grease Trap / Test Well	\$20.00 per unit
Application Extension (minimum 90 Days Commercial/minimum 180 Days Residential)	50% of total permit fee
Permit Extension (minimum 180 Days)	50% of total permit fee
BUILDING PERMIT: POOLS (BY VALUE)	
Commercial Pool Building Permit (by value)	
Basic Permit (value up to \$1,000) plus	\$50.00 per permit
\$1,001 - \$49,999	\$5.00 per \$1,000
\$50,000 and up	\$5.00 per \$1,000
Residential Pool Building Permit (by value)	
Basic Permit (value up to \$1000) plus	\$50.00 per permit
\$1,001 - \$49,999	\$5.00 per \$1,000
\$50,000 and up	\$5.00 per \$1,000
Note: Value of construction is the greater of the value quoted by contractor or the calculated value using ICC valuation tables.	
Plan Review Fee (due with permit application)	50% of original permit fee
Application Extension (minimum 90 Days Commercial/minimum 180 Days Residential)	50% of plan review fee
Permit Extension (minimum 180 Days)	50% of plan review fee
BUILDING PERMIT: IRRIGATION SYSTEM (BY VALUE)	
City Water Customer	
Permit plus	\$50.00 per permit
Value per \$1,000	\$3.00 per \$1,000
Plan Review	50% of permit fee
Non-City Water Customer	
Permit Plus	\$45.00 per permit
Two inspection minimum	\$100.00 per inspection
Plan Review	50% of permit fee
Application Extension (minimum 90 Days Commercial / minimum 180 Days Residential)	50% of plan review fee
Permit Extension (minimum 180 Days)	50% of plan review fee
DEMOLITION AND MOVING PERMITS	
Moving/Demolition Deposit	\$500.00 per permit
Demolition Permit	\$100.00 per permit
Moving Permit	\$100.00 per permit
Application Extension (minimum 90 Days Commercial / minimum 180 Days Residential)	50% of total permit fee
Permit Extension (minimum 180 Days)	50% of total permit fee
INSPECTION FEES	
First Reinspection	\$0.00 same permit
Second Reinspection	\$100.00 same permit
Subsequent Reinspection	\$150.00 same permit
Special Inspection Fees	
During business hours: same day	\$100.00 per permit
After business hours: scheduled	\$100.00 per hour - 2 hour min
After business hours: emergency	\$100.00 per hour - 4 hour min

DEVELOPMENT SERVICES DEPARTMENT, CONTINUED	
BUILDING SERVICES, CONTINUED	
OTHER FEES	
Change of Contractor on Active Project	\$100.00 per permit
Note: Regular permit fees & requirements apply to new contractor for changes to original plans.	
Reissue existing Certificate of Occupancy	\$50.00 per structure
Certificate of Occupancy	\$150.00 per structure
Note: Includes full inspection for structures vacant for more than 1 year or for change of use.	
Issuance of Permit (after start of project first occurrence by contractor)	Greater of double the permit fee or \$75.00
Issuance of Permit (after start of project subsequent occurrences by contractor)	Greater of double the permit fee or \$250.00
Appeal to Building Board of Adjustments and Appeals	\$300.00 per appeal
Fence Permit Fee	\$80.00 per permit
Parkland Dedication Fee	\$1,275.00 per unit/ lot
Merchant Service Fees / *Note Merchant Service Fee is Non-Refundable.	3.5% of transaction total
Sidewalk Café Permit	\$50.00 per table/year
Banners Permit Fee	\$60.00 per permit

DEVELOPMENT SERVICES DEPARTMENT, CONTINUED	
CODE COMPLIANCE	
PERMITS/LICENSE	
Group Boarding Homes Permit	\$1,000.00 per permit
Permit renewal	\$350.00 per year
Re-inspection Fee	\$75.00 per inspection
Variance Fee for Distance	\$265.00 per variance
Junkyard Operation License	\$5.00 per site
Peddler and Solicitor Fees Base Charge	\$600.00 per year
Sexually Oriented Business Annual License	\$500.00 per business
Annual Fee per Employee	\$50.00 per employee
Short-Term Rental License Fees	\$100.00 per property
Renewal Short-Term Rental License Fee	\$50.00 per property
Traveling Show and Exhibition License	\$100.00 per 30 days
EXEMPTIONS	
<ul style="list-style-type: none"> <li>* Temporary special events</li> <li>* Sales/Festivals/Carnivals sponsored by IRS recognized charitable organizations</li> <li>* Governmental subdivisions</li> <li>* School Districts</li> <li>* Chamber of Commerce</li> <li>* Visitor's Bureau</li> <li>* Council approved events / city - sponsored events</li> <li>* Open-air markets (required information must be provided showing compliance with laws and zoning regulations)</li> <li>* Traveling salespeople or solicitors calling only on commercial businesses</li> <li>* Garage Sales</li> <li>* Organized sales shows/conventions organized by charitable organizations</li> <li>* Fresh produce sales (fruits, nuts, vegetables)</li> <li>* Firewood sales</li> <li>* A business with a separate location in the City (must furnish proof of payment of all ad valorem and personal property taxes)</li> </ul>	

DEVELOPMENT SERVICES DEPARTMENT, CONTINUED	
HEALTH	
PERMITS	
Bars and Lounges: Free Standing	
<1,000 square feet	\$100.00 per year
1,000-1,999 square feet	\$115.00 per year
2,000-2,999 square feet	\$130.00 per year
3,000-3,999 square feet	\$155.00 per year
4,000-4,999 square feet	\$180.00 per year
5,000-10,000 square feet	\$230.00 per year
>10,000 square feet	\$380.00 per year
Health/Catering Permits	
<1,000 square feet	\$100.00 per year
1,000-1,999 square feet	\$115.00 per year
2,000-2,999 square feet	\$130.00 per year
3,000-3,999 square feet	\$155.00 per year
4,000-4,999 square feet	\$180.00 per year
5,000-10,000 square feet	\$230.00 per year
>10,000 square feet	\$380.00 per year
Hotel Permit	\$50.00 per year
Mobile Food Establishment Permits	\$250.00 per unit / year
Non-Profit Organization Permit (14 Consecutive Days)	\$50.00 per event
Temporary Food Establishment Permit	
Single Event	\$50.00 per 14 days
Multi-temp Annual Permit	\$250.00 per year
Non-Profit Health Permit	\$50.00 per year
INSPECTIONS	
After Hours Inspection	
Emergency (4 hour minimum)	\$100.00 per hour- 4 hour min
Hotel Complaint Inspection	
First complaint (validated complaint)	\$100.00 per reinspection
Subsequent complaints (validated complaint)	\$150.00 per reinspection
Reinspection Fees (same violation)	
First reinspection	\$0.00 each
Second reinspection	\$100.00 each
Subsequent reinspection	\$150.00 each
Sanitation and Environmental Inspections	
Foster homes, daycare centers, pools	\$40.00 per site
Semi-Public Pools/Spas	
Single pool facilities	\$100.00 each
Additional pool/spa	\$50.00 each
OTHER FEES	
Health Permit Late Fee	\$50.00 per permit
Replacement Permit or Certificate	\$5.00 each
Farmer's Market Vendor	\$100.00 annual permit

DEVELOPMENT SERVICES DEPARTMENT, CONTINUED	
PLANNING	
FEES	
Preliminary Plats (plus)	\$400.00 each plus greater of \$30.00 per lot or \$15.00 per acre
Plats	\$250.00 each plus
Minor, vacating, final, amending, or replats	\$30.00 per lot
Zoning Change (including Planned development/special use)	\$500.00 per amendment
Sign/Zoning Variance	\$300.00 each
Alternative Screening	\$0.00 each
Annexation	\$720.00 each
ETJ Release	\$500.00 each
Conditional Use Permit	\$400.00 each
Pre-development	\$0.00 each
Preliminary Site Plan Review	\$0.00 each
Administrative Appeal	\$300.00 each
Alcoholic Beverage Distance Variance Request	\$300.00 each
Note: In cases where legal notice of public hearing is required and applicant defers scheduled action, reapplication is required.	
TREE PRESERVATION FEES	
Application Fee	\$150.00 per application
Fee in lieu of replacement	\$150.00 per caliper inch

EMERGENCY MEDICAL SERVICES	
NON-EMERGENCY AMBULANCE LICENSE	
Annual License	\$400.00 per year
Annual Ambulance Permit	\$150.00 per year
Re-issue for Lost Permit	\$50.00 per unit
Inspection Reschedule Fee	\$50.00 per unit
NON-EMERGENCY TRANSFER AGREEMENT	
Local Transport	\$186.00 per person
Local Mileage	\$4.71 per loaded mile
RESPONSE/TRANSPORTATION	
Basic Life Support: Non-Emergency	\$690.73 per person
Basic Life Support: Emergency	\$1,105.15 per person
Advanced Life Support 1: Non-Emergency	\$828.85 per person
Advanced Life Support 1: Emergency	\$1,312.35 per person
Advanced Life Support 2: Emergency	\$1,899.48 per person
Specialty Care Transport	\$2,421.33 per person
Aid Only: No Transport	\$195.00 per person
Dedicated Standby	\$125.00 per hour
Response Fee	\$75.00 per person
Mileage	\$34.65 per loaded mile



ENGINEERING	
DEVELOPMENT REVIEW	
Existing Water Capacity Analysis	\$800.00 per analysis
Capacity Analysis Admin Fee	\$100.00 per analysis
Existing Sewer Capacity Analysis	\$800.00 per analysis
Capacity Analysis Admin Fee	\$100.00 per analysis
Reclaimed Water System Capacity Analysis	to be determined per analysis
Additional Reclaimed Capacity Analysis Admin Fee (internal review & handling)	\$300.00 per analysis
Additional Capacity Analysis	to be determined per analysis
Additional Capacity Analysis Admin Fee (internal review & handling)	\$300.00 per analysis
Development Analysis (traffic impact, bridge analysis, utility verification, etc.)	to be determined per analysis
Development Analysis Admin Fee (internal review & handling)	\$300.00 per analysis
DRAINAGE	
Storm Water Review Fee	
Tier One	\$0.00 each
Tier Two	\$950.00 each
Tier Three	to be determined per analysis
Stormwater Review Tier Two & Tier Three Admin Fee (internal review & handling)	\$300.00 per analysis
FLOODPLAIN	
Floodplain Development Permit	\$200.00 each
Floodplain Elevation Determination	\$75.00 each
Letter of Map Amendment (LOMA)	\$500.00 each
Grading Permits	\$275.00 plus \$25.00/acre
Grading Permit Admin Fee	\$100.00 per permit
Letter of Map Revision (LOMR)	\$1,875.00 each
Total Development	to be determined per analysis
Floodplain Review Admin Fee LOMA, LOMR, Total (internal review & handling)	\$300.00 per analysis
RIGHT-OF-WAY	
General Construction Right of Way Permit	\$300.00 per street/ alley ROW
Residential Mailbox Permit	\$30.00 per permit
Drive Way / Sidewalk Permit	\$150.00 per permit
Residential Mailbox Permit	\$30.00 each
Driveway / Sidewalk Permit	\$150.00 each
Additional Inspection Fees	50% of original permit fee*
* Note: After Second failed inspection, the inspection fee for each subsequent request shall be double the previous fee.	
OTHER	
Construction Inspection Overtime (4 hour min on weekend/holiday)	\$55.00 per hour
Sidewalk Waiver Application	\$300.00 per waiver
Request of Right-of-way (street) / Easement Abandonment	\$500.00 per occurrence
Note: Review fees include the initial review of the plan and one additional review to assess if comments to the original submittal have been addressed. Any additional reviews required will be at an additional fee.	
Note: Explanation of Fees (Drainage):	
Tier 1: One single-family residential lot.	
Tier 2: More than one single-family lot or any non-single family lot not requiring detention.	
Tier 3: Any development requiring detention or no-rise verification.	
PREVAILING WAGE RATES	
The City shall determine prevailing wages by using those rates determined by the United States Department of Labor in accordance with the Davis-Bacon Acts to ensure compliance with Texas Local Govt. Code section 2258.	

FIRE DEPARTMENT	
PERMITS	
Access-Controlled Egress Doors, etc.	\$20.00 per device
Amusement Building Permit	\$50.00 per site
Blasting Permit	\$150.00 per site
Bulk Storage and Dispensing of LP Gas	\$100.00 per year
Commercial Bar-B-Que Pit	\$20.00 per site
Cooking Hood Fire Suppression System	\$100.00 per system
Event Permit (carnivals/fairs)	\$100.00 per event
Exhibit or Trade Show	\$100.00 per site
Fire Alarm Installation New installation, repair, remodel, or addition	\$100.00 per permit / per floor
Fire Protection/Detection Systems Electronic security gates, delay egress locks, security grills	\$100.00 per system
Fire Pump Acceptance Test	\$100.00 per test
Fire Pump Equipment Installation/Modification	\$100.00 per system
Fire Sprinkler New installation, repair, remodel, or addition (above ground)	\$100.00 per system / per floor
New installation, repair, remodel, or addition (underground)	\$100.00 per system
Standpipe system	\$100.00 per permit / per floor
Flammable/Combustible Liquids Storage, handling, dispensing	\$75.00 per incident
Hazardous Material Permit	\$150.00 per permit
High Pile Storage Permit	\$50.00 per site
Hot Work Permit	\$20.00 per site
Industrial Oven Permit	\$20.00 per site
Liquid Propane Tank Installation	\$75.00 per permit
Misc. Combustible Storage	\$75.00 per site
Ceremonial Fire Permits (bonfires)	\$250.00 per site
Controlled Burns	\$150.00 per site
Professional Pyrotechnical Display Permit	\$250.00 per event
Public Notification	\$65.00 per event
Recreational Fire (less than 3ft. Diameter x 2ft height)	\$0.00 per site
Other Permit Designated by <i>International Fire Code</i>	\$20.00 per incident
Spray Room, Dip Tank or Booth used for combustible finishes	\$50.00 per space
Storage of Portable LP Gas Containers	\$20.00 per site
Storage or Handling of Compressed Gases In excess of amounts listed in table 105.6.9 of the 2018 International Fire Code	\$50.00 per site
Tent, Canopy, Membrane Structure	\$20.00 per structure
Underground Fuel Storage Tank Removal	\$100.00 per site
Under/Above Ground Fuel Storage Tank New installation	\$100.00 per tank
Repair/replace existing tank	\$100.00 per tank
Repair/replace existing product line	\$100.00 per site
FIRE ALARM FEES	
False Alarm Fee	
3-5 times in preceding 12 month period	\$50.00 per violation
6-7 times in preceding 12 month period	\$78.00 per violation
8+ times in preceding 12 month period	\$100.00 per violation

FIRE DEPARTMENT, CONTINUED	
INSPECTION/RE-INSPECTION FEES	
State Mandated Occupancy Inspections (outside city limits)	
Change of Occupancy	\$20.00 per site
Daycare/Foster/Adoption/Group Home	
7 Children or Less	\$50.00 per site
More than 7 Children	\$75.00 per site
Youth Camps and Day Camps	\$150.00 per site
Schools and Instructional Facilities	\$150.00 per site
Hospital, Nursing Home, and Assisted Living Facilities	\$150.00 per site
Fire Inspection Requested/Scheduled outside of business hours	
2 hr. min. - paid in advance	
Non-holiday	\$100.00 per hour
City recognized holiday	\$100.00 per hour
All Other	\$100.00 per site
Re-inspection for Requested/Scheduled Inspections (excludes annual fire inspection)	
First inspection list(s) not completed on first or subsequent requests	
Not ready for inspection upon arrival	\$50.00 per inspection
Contractor fails to keep appointment	\$50.00 per inspection
No access to site or building	\$50.00 per inspection
MITIGATION RATES (FEES)	
Motor Vehicle Incidents:	
Level 1 - Basic Response	\$602.00 per hour
Level 2 - Intermediate	\$687.00 per hour
Level 3 - Car Fire	\$838.00 per hour
Add-On Services:	
Extrication	\$1,811.00 per hour
Hazmat - Level 1 Basic Response	\$972.00 per hour
Gas Leak - Natural or Propane	\$943.00 per hour
Additional Time On-Scene:	
Chief Officer Response	\$347.00 per hour
Additional Engine	\$554.00 per hour
Aerial Apparatus	\$693.00 per hour
Miscellaneous Specialized Equipment	\$416.00 per hour
<p>Note: The City, pursuant to Ord. No. 2024-30, shall bill and collect mitigation rates (fees) for emergency fire services provided by the Kerrville Fire Department. Such fees, as specified here, include reimbursement for all equipment, personnel, materials, maintenance, and overhead expenses and costs, which constitute full reimbursement to the City for services actually rendered. The City shall apply the mitigation rates to persons who do not reside within the City or a district or area that the City has interlocal agreement to provide emergency fire services by the Fire Department. More information as to the specific application of the fees and the basis for such may be found in a policy document maintained by and available for review in the Fire Department, such document which is consistent with the fees provided above.</p>	
PUBLIC SAFETY STAFFING	
Personnel	
Minimum 2 hours per Fire Department staff	\$50.00 per hour
Apparatus (Not including EMS Dedicated Standby)	
Minimum 2 hours per vehicle	\$35.00 per hour
Fire Engine Standby (Not including Personnel) Minimum 2 hours per Engine	\$300.00 per hour
OTHER FEES	
Plan Review Fee (Credited to permit cost when approved)	\$100 per review plus \$0.05 per/sq. ft. per review
Request for Public Information	see City Secretary
Water Flow Test	\$150.00 per hydrant
Appeal to Building Board of Adjustments	\$300.00 per appeal

BUTT HOLDSWORTH MEMORIAL LIBRARY	
RENTALS	
Conference Room	\$10.00 per hour (min 2 hours)
Gazebo	\$50.00 per day
In-House A/V Equipment (Set up and use)	\$25.00 per day
Repairs for damages to furniture, equipment, or facilities	actual cost
COPIES / PRINTING	
Photocopier	
Black & White	\$0.25 per page per side
Color	\$0.50 per page per side
Fax (Outgoing Only)	\$1.00 per page
Computer/Internet	
Black & White	\$0.25 per page per side
Color	\$0.50 per page per side
CIRCULATION CHARGES	
Resident Card	\$0.00 each
Non-Resident (Outside Kerr County)	
Materials Checkout Only	\$35.00 per year
Computer Use Only	\$35.00 per year
Temporary Use	\$8.00 per month
Full Use	\$65.00 per year
Library Card Replacement	\$1.00 per card
OVERDUE FINES	
Books	
Adult Materials	\$0.10 per item, per day \$15 max
Child Materials	\$0.10 per item, per day \$15 max
Audiobooks & CDs	\$0.10 per item, per day \$15 max
DVDs and Blu-ray	\$1.00 per item, per day \$15 max
Other Kits	\$1.00 per item, per day \$15 max
Collection Agency Submission Fee	\$10.00 per submission
Note: Fines of \$5.00 and above will result in suspension of borrowing privileges.	
INTERLIBRARY LOAN	
Any Overdue Item	\$1.00 per item, per day, \$15 max
Lost / Damaged Item (Cost assessed by lending library) plus	\$5.00 per item
Return Postage	\$3.00 per item
REPLACEMENT OF MISCELLANEOUS PARTS	
CD/DVD Case	
Single	\$1.00 per item
Multiple	\$4.00 per item
Book on CD Case (up to 12 CDs)	\$10.00 per item
Book on CD Case (up to 24 CDs)	\$15.00 per item
CD Jewel Case (2 disc)	\$3.00 per item
LOST / DAMAGED ITEM CHARGES	
CDs, Audiobook, Music, MP3	
Actual cost plus	\$5.00 per item
Individual CD in a set (Audiobook, Music, MP3, \$10.00 per disc) plus	\$5.00 per item
DVD-Includes Sets (actual cost plus)	\$5.00 per item
Kits (actual cost plus)	\$5.00 per item
Books	
Library (actual cost plus)	\$5.00 per item
History Center-Rare/Out of Print (lesser of appraised value plus)	\$100.00 per item
MERCHANDISE	
Personal Earbuds*	\$2.00 per set
BHML logo T-shirts*	\$12.00 per shirt
BHML Canvas Book tote with embroidered logo*	\$18.00 per bag
*Note: Price of merchandise may change based on cost	
OTHER FEES	
Merchant Service Fees / *Note Merchant Service Fee is Non-Refundable.	3.5% of transaction total

MUNICIPAL COURT	
Technology Fee	\$4.00 per offense
Building Service Fee	\$4.90 per offense
Local Truancy Prevention and Diversion Fund	\$5.00 per offense
Municipal Jury Fund	\$0.10 per offense
Driving Safety Course Administrative Fee	\$10.00 per offense
Third Party Collections (60 Days Delinquent)	30% of unpaid fines, fees, costs
Time Payment Reimbursement Fee - \$15 upon conviction plus any part of the fine and costs on or after the 31st day after the date judgment is entered	
Merchant Service Fees / *Note Merchant Service Fee is Non-Refundable.	3.5% of transaction total
Note: For the Driving Safety Course Administrative Fee, the \$10.00 fee is only added upon request of the driving safety course. It is not added to every offense.	
Note: For full schedule of fees and other costs, visit the Municipal Court page on the City's website: <a href="http://kerrvilletx.gov">kerrvilletx.gov</a> . Fees are prescribed by the state and subject to change. Judges assess fines within limits set by the state.	

PARKS AND RECREATION	
KERRVILLE SCHREINER PARK	
DAY USE FEES	
Adult (13 and over)	
\$15 per vehicle max	\$7.00 per person
Veterans and Active Duty Military (proof required)	\$0.00 per person
Child (12 and under)	\$3.00 per person
Senior (over 65)	\$3.00 per person
Commercial Vehicles	\$25.00 per vehicle
School Sponsored Trip (ages 13-18 not overnight)	\$0.50 per person
Facility Use Fee - Day Pass	\$1.00 per person
Annual Day Use Pass	
First Vehicle	\$50.00 per year
Second Vehicle (when registered with first)	\$25.00 per year
Facility Use Fee - Annual Pass	\$5.00 per year
CAMPING FEES	
Tent Site with Water (max 2 week stay)	\$25.00 per night
Facility Use Fee - Tent	\$2.00 per tent
RV SITE FEES	
Mountain View Loop (30 amp w/water)	\$35.00 per night
October-February (30 nights - no prorate)	\$840.00 per month
Weekly Rate (7 nights - no prorate)	\$210.00 per week
Pecan Loop (Riverside) (30 amp w/water & sewer)	\$45.00 per night
October-February (30 nights - no prorate)	\$1,050.00 per month
Weekly Rate (7 nights - no prorate)	\$245.00 per week
Deerfield Loop (30 amp w/water & sewer)	\$40.00 per night
October-February (30 nights - no prorate)	\$1,050.00 per month
Weekly Rate (7 nights - no prorate)	\$245.00 per week
Sycamore Circle (Riverside) (30/50 amp w/water & sewer)	\$45.00 per night
October-February (30 nights - no prorate)	\$1,200.00 per month
Weekly Rate (7 nights - no prorate)	\$280.00 per week
Facility Use Fee - RV	\$3.00 per RV
Note: Camping fees include entrance for up to 4 people per site. Campsites accommodate 8 people. Guests #5-8 subject to Excess Person Occupancy Fee.	
CABIN/HOUSE RENTAL FEES	
Mini Cabin Hillside	\$65.00 per night
Cleaning Fee	\$50.00 per stay
Mini Cabin Riverside	\$75.00 per night
Cleaning Fee	\$50.00 per stay
Park Cabin	\$125.00 per night
Cleaning Fee	\$100.00 per stay
Ranch House	\$200.00 per night
Cleaning Fee	\$200.00 per stay
Carriage House	\$60.00 per night
Cleaning Fee	\$75.00 per stay
Facility Use Fee - Cabin/House	\$3.00 per cabin/house
Note: State and local hotel occupancy tax will be added to all applicable rentals.	
Note: The Director of Parks and Recreation has the authority to adjust or waive fees for the use of parks and other city facilities per Resolution No. 11-2023.	

PARKS AND RECREATION, CONTINUED	
FACILITY RENTAL FEES	
HALLS, PARKS, & PAVILIONS	
KSP Dining Hall (screened, open air, limited kitchen)	\$100.00 per day
Deposit	\$100.00 per use
KSP Recreation Hall (indoors with kitchen)	\$375.00 per day
Deposit	\$150.00 per use
KSP Amphitheater	\$125.00 per day
Deposit	\$100.00 per use
KSP Pollinator Garden	\$50.00 per event
Boardwalk Pavilion	\$100.00 per hour
Deposit	\$200.00 per use
Louise Hays Park Large Pavilion & Plaza Area	\$225.00 per day
Deposit	\$225.00 per use
Table Rental	\$5.00 each
Chair Rental	\$2.00 each
Deposit: Tables/Chairs	\$100.00 per use
Louise Hays Park Family Pavilion	\$125.00 per day
Deposit	\$110.00 per use
Louise Hays Park Fountain and Plaza	\$500.00 per 1/2 day
Deposit	\$300.00 per use
Tranquility Island	\$200.00 per day
Deposit	\$200.00 per use
With Lights	\$1,000.00 per use
Carver Park Pavilion and BBQ Area	\$125.00 per day
Deposit	\$100.00 per use
Small Park Pavilions (various locations)	\$50.00 per day
Deposit	\$50.00 per use
Picnic Areas (various locations)	\$15.00 per use
River Trail Trailheads	\$200.00 per trailhead / per day
Deposit	total rental amount
Centennial Stage (with field)	
With Electricity	\$400.00 per day
Deposit	\$350.00 per use
Without Electricity	\$350.00 per use
OTHER FEES	
Cancellation Fee	
Applies to each site, facility, program	\$25.00 each
Monthly cancellation fee (KSP)	\$280.00 each
Weekly cancellation fee (KSP)	\$75.00 each
RV/Trailer Dump Fee	
If not camping in park - no entrance fee	\$25.00 per vehicle
Excess Vehicle Parking	\$10.00 per vehicle
Excess Person Occupancy Fee	\$8.00 per person
Commemorative Bench Program	\$3,500.00 per bench
Merchant Service Fees / *Note Merchant Service Fee is Non-Refundable.	3.5% of transaction total
Expedited Commemorative Bench Fee	\$1,500.00 per bench
Note: The Director of Parks and Recreation has the authority to adjust or waive fees for the use of parks and other city facilities per Resolution No. 11-2023.	



PARKS AND RECREATION, CONTINUED	
ATHLETIC FIELDS/COURTS/AQUATICS RENTAL FEES	
FEES	
Athletic Field/Court Rental	
With lights	\$35.00 per hour
Without lights	\$25.00 per hour
Singing Wind Softball Field	
With lights	\$170.00 per day
Without lights	\$150.00 per day
Deposits	
Tournament	\$150.00 per tournament
Tennis Court	
Non-member	Set by Tennis Pro
Tennis Tournament Fees	
Exemptions: KISD tournaments/Schreiner University Tournaments/practices	Per agreement
Tennis Memberships	
Junior (under 21 years old)	Set by Tennis Pro
Adult (over 21 years old)	Set by Tennis Pro
Family	Set by Tennis Pro
KISD Joint Use	Per agreement
Kerrville Sports Complex	
Soccer Fields Practice	
With lights	\$50.00 per field
Without lights	\$40.00 per field
Game (2 hour minimum)	
With lights	\$70.00 per field
Without lights	\$60.00 per field
Hill Country Youth Soccer Association use of Kerrville Sports Complex	\$0.00 per field
Hill Country United use of Kerrville Sports Complex	\$0.00 per field
Note: Soccer organizations have free usage of the Sports Complex during their authorized season only.	
OTHER FEES	
Soccer Tournament Fee	Per agreement
Residents	\$250.00 per day
Non-residents	\$400.00 per day
Baseball/Softball Fields	dbatkerrville.com
Contact: D-BAT	830-955-8232
Kerrville Little League use of the Kerrville Sports Complex	\$0.00 per field
Olympic Pool Admission Fees (4 years+, includes non-swimmers)	\$3.00 per person
Non-Swimmer Admission Fee	\$1.00 per person
Olympic Pool Rental	\$300.00 per 2 hours
Deposit	\$100.00 per use
Olympic Pool Pavilion Rental	
Deposit	\$25.00 per use
2 hour rental	\$50.00 per 2 hours
Full day rental	\$100.00 per day
Olympic Pool Timing System Rental (for swim meets)	\$500.00 per use
Deposit	\$300.00 per day
Olympic Pool Picnic Area	\$20.00 per day
Swim Lessons	
Group	\$50.00 per person
Private	\$140.00 per person
Semi-Private	\$150.00 per pair
Junior Lifeguard Camp	\$75.00 per person
Note: Kerrville Little League has free usage of the Sports Complex during their authorized season only.	
EVENT FEES	
Special Event Permit	\$125.00 per event
Holiday Parade	\$50.00 per entry
Note: The Director of Parks and Recreation has the authority to adjust or waive fees for the use of parks and other city facilities per Resolution No. 11-2023.	

<b>POLICE</b>	
<b>REPORTS</b>	
Accident Reports	\$6.00 per report
Offense/Incident Reports	\$0.10 per page
Letters of Clearance	\$10.00 per person
<b>ALARM FEES</b>	
Alarm Service	\$25.00 per service
False Alarm Fee	
3-5 times in preceding 12 month period	\$50.00 per violation
6-7 times in preceding 12 month period	\$75.00 per violation
8 or more times in preceding 12 month period	\$100.00 per violation
Alarm Service Permit Fee	
Residential	\$50.00 per location
Commercial	\$100.00 per location
<b>ESCORT FEES</b>	
Oversized Load Escort (excludes mobile homes)	
Small	
10'-16' wide & under 110' long AND under 16'6" high	\$100.00 per load
Large	
EXCEEDS any of the small load criteria	\$350.00 per load
Funeral Escort	
Minimum of 2 officers for 2 hours each	\$250.00 min per event
<b>PARADE FEES</b>	
Parade Deposit	
Class A	
Less than 50 entries	\$250.00 per event
Class B	
More than 50 entries	\$750.00 per event
Class C	
Motorcades, marches, etc.	\$100.00 per event
Parade Fees	
Class A	
Less than 50 entries	\$75.00 per event
Class B	
More than 50 entries	\$125.00 per event
Class C	
Motorcades, marches, etc.	\$40.00 per event
<b>OTHER FEES</b>	
Fingerprinting	\$15.00 per person
Public Safety Staffing	
Minimum of 2 hours per KPD staff member	\$60.00 per hour
Minimum of 2 hours per vehicle	\$40.00 per hour

<b>PUBLIC WORKS</b>	
<b>ALL PUBLIC WORKS DIVISIONS</b>	
<b>EQUIPMENT FEES</b>	
Backhoe/Loader	\$70.00 per hour
Excavator	\$70.00 per hour
Dump Truck	\$70.00 per hour
Crane Truck	\$55.00 per hour
Vac-con Truck	\$150.00 per hour
Vac-Trailer	\$100.00 per hour
Street Sweeper	\$175.00 per hour
Air Compressor	\$25.00 per hour
Closed Circuit Television Inspection Service	\$210.00 per hour
Service Truck with tools	\$70.00 per hour
Scale Fee	\$3.00 each
Emergency Repair Fee (equipment and supplies)	two times regular rate
<b>OTHER FEES</b>	
Labor	
Business Hours	\$40.00 per hour/person
After Business Hours - Scheduled	\$59.00 per hour/person
Emergency Non-Scheduled	\$80.00 per hour/person
Traffic Control Fee	\$40.00 per hour/person
After Business Hours - Scheduled	\$59.00 per hour/person
Street Signs	\$275.00 per sign
Construction Inspection for privately installed taps	\$300.00 per tap



PUBLIC WORKS, CONTINUED	
LABORATORY	
SERVICES/TESTS	
Alkalinity	\$22.00 per test
Ammonia Nitrogen	\$30.00 per test
Biochemical Oxygen Demand (BOD)	\$40.00 per test
Carbonaceous BOD (CBOD)	\$40.00 per test
Chemical Oxygen Demand (COD)	\$25.00 per test
Chloride	\$17.00 per test
Conductivity	\$9.00 per test
Iron	\$25.00 per test
Hardness, Total	\$20.00 per test
Nitrate	\$20.00 per test
Nitrite	\$20.00 per test
Oil and Grease	\$55.00 per test
Phosphorus, Total	\$30.00 per test
Solids, Total Dissolved (TDS)	\$35.00 per test
Solids, Total Suspended (TSS)	\$17.00 per test
Solids, Volatile Suspended (VSS)	\$17.00 per test
Sulfate	\$17.00 per test
Total Organic Carbon	\$50.00 per test
BACTERIOLOGICAL TESTS	
Total Coliform/E. Coli Presence/absence (P/A)	\$24.00 per test
Total Coliform/E. Coli Enumeration Quanti-Tray	\$26.00 per test
SAMPLE COLLECTION FEE	
Water Sample Collection (Inside City Limits Only)	\$25.00 per test
STANDARD ANALYSIS PACKAGE: DRINKING WATER	
Includes: Alkalinity, Chloride, Conductivity, Total Hardness, Iron, Nitrate, Sulfate, Total Dissolved Solids, and Total Coliform/E.coli	\$125.00 per test

PUBLIC WORKS, CONTINUED	
MUNICIPAL SOLID WASTE	
DISPOSAL RATES * disposal rates approved by Council June 2025 at request of Republic Services*	
Municipal Solid Waste - per ton	\$78.90 per ton
Municipal Solid Waste - Commercial Minimum Charge (less than 1 ton)	\$78.90 per ton
Municipal Solid Waste - Residential Minimum Charge (less than 360 lbs)	\$28.57 per load
Small Animal (plus surcharge)	\$12.43 each
Large Animal (plus surcharge)	\$47.79 each
Disposal Surcharge	\$21.03 per ton
Special Waste - Liquids (plus surcharge)	\$0.35 per gallon
SOLID WASTE HAULER FEES	
Waste Hauler (more than two vehicles)	\$250.00 per permit
Renewal Fee	\$100.00 each
Waste Hauler (up to two vehicles)	\$150.00 per permit
Renewal Fee	\$75.00 each
Per Vehicle Fee	\$5.00 per vehicle
RESIDENTIAL GARBAGE COLLECTION	
Residential Garbage Collection: Curbside Fee Breakdown	
Garbage Collection	\$10.33 per month
Disposal Pass Through Fee	\$6.20 per month
Composting	\$2.81 per month
Recycling	\$4.61 per month
Total Garbage Collection: Curbside Service	\$23.95 per month
MOBILE HOME GARBAGE COLLECTION	
Mobile Home Garbage Collection: Curbside Fee Breakdown	
Garbage Collection	\$8.42 per month
Disposal Pass Through Fee	\$6.20 per month
Composting	\$2.81 per month
Recycling	\$4.61 per month
Total Garbage Collection: Curbside Service	\$22.04 per month
ADDITIONAL GARBAGE COLLECTION FEES	
Toter Exchange	\$25.00 per tote
Replacement Toter	
Lost/damaged by customer	\$50.00 per tote
Extra Toter	\$6.50 per month
Out of Cycle Brush or Bulk Waste Pick Up	
First 2 cubic yards	\$50.00 per 2 cu. yards
Additional pickup	\$25.00 per cu. yard
Animal Pickup (Greater than 10lb)	\$50.00 per animal
OTHER FEES	
Weight/Scale	\$1.59 each
Ticket Copy	\$3.15 each
Safety Vest	\$5.00 each
Loads Not Covered With Tarp	\$30.00 per occurrence
Notes: *All garbage collection services subject to sales tax.	

PUBLIC WORKS, CONTINUED	
WATER DISTRIBUTION	
WATER TAPS (INCLUDES METER & SET FEE)	
1" Tap	\$3,043.40 per tap
1" Water Service Split	quoted by job
2" and above	quoted by job
Tap in TXDOT Right of Way	quoted by job
WATER METER SET/INSTALL IF WATER TAP EXISTS	
3/4" Meter	\$419.33 per meter
1" Meter	\$599.51 per meter
2" Meter and Above	quoted by job
SEWER TAPS	
4" Tap - Off City Main	\$2,534.46 per tap
4" Tap - Internal/External Manhole Drop	quoted by job
6" Tap - Out of Existing Manhole	\$2,535.53 per tap
Additional charge for manholes over 8' deep	quoted by job
Tap in TXDOT Right of Way	quoted by job

PUBLIC WORKS, CONTINUED	
WATER RECLAMATION	
SEPTAGE	
Septage (Subject to Site Capacity Limit - 25,000 gallons per day) Received at Plant	
Inside Kerr County Customers	\$0.09 per gallon
Outside Kerr County Customers	\$0.18 per gallon
Chemical Toilet Waste Received at Plant	
Inside Kerr County Customers	\$0.12 per gallon
Outside Kerr County Customers	\$0.21 per gallon
Septage/Chemical Toilet Waste Spill Surcharge	\$200.00 per incident
Manifest Books	\$10.00 per book
Note: The City will only accept a combined total of 25,000 gallons of septage or chemical toilet waste per day	

UTILITY BILLING	
NEW ACCOUNT FEES	
Without E-Bill or Bank Draft	\$40.00 per account
With E-Bill	\$25.00 per account
With E-Bill & Bank Draft	\$20.00 per account
UTILITY CUSTOMER DEPOSIT POLICY	
Residential	
With Acceptable Score Via Utility System	
Soft Credit Check	\$0.00 per account
With Unacceptable Score	\$100.00 per account
Commercial	
Greater of double average bill (see notes) or flat fee	\$200.00 per account
Personal guarantor required on all commercial accounts	or 2X avg usage at address
Notes:	
*Residential deposits are refundable as an account credit after 12 consecutive months with no late payments.	
*Commercial deposits are based either water usage at their current location or the usage of a similar business.	
*Commercial deposits are refundable after 24 consecutive months with no late payments.	
*Deposits for fire hydrants will be refunded upon discontinuation of services, less the final bill.	
SERVICE/OTHER CHARGES	
Lock or pull meter	\$40.00 per account
Turn on (after cutoff) after business hours	\$50.00 per account
Accounts not paid in full by 5pm on final due date	\$35.00 per account
Sewer Only - delinquent requiring disconnection of services by Aqua Texas	\$75.00 per account
Additional trips to meter locations	\$40.00 per account
Tampering with meter	\$100.00 per account
Late Payment Fees accounts not paid by due date	10% of balance
Lien Filing Fee	actual cost + \$20 admin fee
Lien Release Fee	actual cost + \$20 admin fee
Returned Item Handling Fees: Checks, Bank drafts	\$30.00 per item
Environmental Landfill Fee	\$0.40 per month
Environmental Stormwater Fee	
Residential Utility Customer	\$1.00 per month
Irrigation Only Customers	\$1.00 per month
Multi-Unit Utility Customer group meter	\$2.00 per month
Commercial Utility Customer	\$3.00 per month
Notes:	
*Damage to meters caused by tampering will be charged to customer at actual cost plus labor. Tampering with a meter constitutes criminal mischief.	

UTILITY BILLING, CONTINUED	
WATER RATES INSIDE CITY LIMITS	
RESIDENTIAL	
Monthly Account Fee (plus)	\$25.41 per account
0-1,000 gallons	\$0.00 first 1,000 gallons
1,001-6,000 gallons	\$3.51 per 1,000 gallons
6,001-15,000 gallons	\$4.74 per 1,000 gallons
15,001-25,000 gallons	\$6.28 per 1,000 gallons
25,001-50,000 gallons	\$8.17 per 1,000 gallons
50,000 gallons and up	\$10.89 per 1,000 gallons
COMMERCIAL	
Monthly Account Fee (plus)	\$21.68 per account
0-25,000 gallons	\$4.05 per 1,000 gallons
25,001-50,000 gallons	\$5.15 per 1,000 gallons
50,001 gallons and up	\$6.42 per 1,000 gallons
IRRIGATION	
Monthly Account Fee (plus)	\$21.68 per account
0-15,000 gallons	\$5.23 per 1,000 gallons
15,001-25,000 gallons	\$7.29 per 1,000 gallons
25,001 gallons and up	\$10.46 per 1,000 gallons
FIRE HYDRANTS RATES	
Monthly Account Fee (plus)	\$90.72 per account
Refundable Deposit	\$2,750.00 per account
Meter Set-up/Move	\$215.00 per account
0-15,000 gallons	\$5.23 per 1,000 gallons
15,001-25,000 gallons	\$7.29 per 1,000 gallons
25,001 gallons and up	\$10.46 per 1,000 gallons

UTILITY BILLING, CONTINUED	
WATER RATES OUTSIDE CITY LIMITS	
RESIDENTIAL	
Monthly Account Fee (plus)	\$38.12 per account
0-1,000 gallons	\$0.00 first 1,000 gallons
1,001-6,000 gallons	\$5.27 per 1,000 gallons
6,001-15,000 gallons	\$7.11 per 1,000 gallons
15,001-25,000 gallons	\$9.42 per 1,000 gallons
25,001-50,000 gallons	\$12.26 per 1,000 gallons
50,000 gallons and up	\$16.33 per 1,000 gallons
COMMERCIAL	
Monthly Account Fee (plus)	\$33.35 per account
0-25,000 gallons	\$6.08 per 1,000 gallons
25,001-50,000 gallons	\$7.71 per 1,000 gallons
50,001 gallons and up	\$9.62 per 1,000 gallons
IRRIGATION	
Monthly Account Fee (plus)	\$33.35 per account
0-15,000 gallons	\$7.85 per 1,000 gallons
15,001-25,000 gallons	\$10.91 per 1,000 gallons
25,001 gallons and up	\$15.68 per 1,000 gallons
FIRE HYDRANT RATES	
Monthly Account Fee (plus)	\$136.07 per account
Refundable Deposit	\$2,750.00 per account
Meter Set-up/Move	\$215.00 per account
0-15,000 gallons	\$7.85 per 1,000 gallons
15,001-25,000 gallons	\$10.91 per 1,000 gallons
25,001 gallons and up	\$15.68 per 1,000 gallons



UTILITY BILLING, CONTINUED	
SEWER RATES INSIDE CITY LIMITS	
RESIDENTIAL SEWER RATES	
Monthly Account Fee (plus)	\$24.28 per account
Account with no consumption history	\$20.22 4,000 gal. min
Residential Sewer Average	\$0.00 first 1,000 gallons
Residential Sewer Average	\$6.74 per 1,000 gallons > 1,001
Note: Residential Sewer Average is adjusted annually and is reflected in the April bill. Average is based on consumption during the months of Dec, Jan, & Feb (bill month of Jan, Feb, & Mar)	
COMMERCIAL SEWER RATES	
Monthly Account Fee (plus)	\$24.82 per account
Per 1,000 of water usage	\$0.00 first 1,000 gallons
Per 1,000 of water usage	\$7.19 per 1,000 gallons > 1,001

UTILITY BILLING, CONTINUED	
SEWER RATES OUTSIDE CITY LIMITS	
RESIDENTIAL SEWER RATES	
Monthly Account Fee (plus)	\$36.42 per account
Flat consumption	\$30.36 4,000 gallons
Per 1,000 of water usage	\$0.00 first 1,000 gallons
Per 1,000 of water usage	\$10.12 per 1,000 gallons > 1,001
COMMERCIAL SEWER RATES	
Monthly Account Fee (plus)	\$37.24 per account
Per 1,000 of water usage	\$0.00 first 1,000 gallons
Per 1,000 of water usage	\$10.77 per 1,000 gallons > 1,001
WHOLESALE SEWER RATES	
Monthly Account Fee (plus)	\$28.38 per account
Per 1,000 of water usage	\$10.15 per 1,000 gallons
Excess capacity rate	\$1,000.00 per day

UTILITY BILLING, CONTINUED	
OTHER FEES	
EFFLUENT/REUSE WATER RATES	
Monthly Account Fee (plus)	\$171.22 per account
0-1,000,000 gallons	\$1.50 per 1,000 gallons
1,000,001 - 6,000,000 gallons	\$1.88 per 1,000 gallons
6,000,001 gallons and up	\$2.16 per 1,000 gallons
*Customer contracts may supersede outlined rate structure* Monthly Account Fees apply to all reuse accounts	
WATER BY LOAD - CUSTOMER PICK UP	
Reuse/Effluent Water	
0-3,000 gallons	\$15.00 per load
3,001-8,000 gallons	\$25.00 per load
Potable Water	
0-3,000 gallons	\$20.00 per load
3,001-8,000 gallons	\$35.00 per load
OTHER FEES	
Merchant Service Fees / *Note Merchant Service Fee is Non-Refundable	2.75% of transaction total

GOLF: SCOTT SCHREINER GOLF COURSE		
GREEN FEES		
GREEN FEE RATES		WITH CART
<u>Resident Rates</u>		
Non-Prime	Twilight	\$32.00 - \$52.00
	18 Holes	\$47.00 - \$67.00
Prime	Twilight	\$38.00 - \$58.00
	18 Holes	\$55.00 - \$75.00
<u>Non-Resident Rates</u>		
Non-Prime	Twilight	\$50.00 - \$70.00
	18 Holes	\$55.00 - \$75.00
Prime	Twilight	\$45.00 - \$65.00
	18 Holes	\$68.00 - \$88.00
SPECIAL RATES		WITH CART
<u>Senior (Resident Only - Age 65+)</u>		
Non-Prime	Twilight	\$20.00 - \$35.00
	18 Holes	\$35.00 - \$55.00
Prime	Twilight	\$30.00 - \$45.00
	18 Holes	\$45.00 - \$65.00
<u>Military (Active Duty)</u>		
Non-Prime	Twilight	\$20.00 - \$35.00
	18 Holes	\$35.00 - \$55.00
Prime	Twilight	\$30.00 - \$45.00
	18 Holes	\$45.00 - \$65.00
<u>Junior (Residents Only - Age 17 and Under)</u>		
Non-Prime	Twilight	\$10.00 - \$26.00
	18 Holes	\$15.00 - \$35.00
Prime	Twilight	\$15.00 - \$36.00
	18 Holes	\$25.00 - \$45.00
MEMBER GREEN FEE RATES		WITH CART
<u>Member Green Fees</u>		
Non-Prime	Twilight	\$15.00 - \$30.00
	18 Holes	\$27.00 - \$47.00
Prime	Twilight	\$25.00 - \$40.00
	18 Holes	\$35.00 - \$55.00
MEMBERSHIP FEES		
Annual Membership		\$1,200.00 per person
Second Family Member		\$1,000.00 per person
Quarterly Membership		\$350.00 per person
Second Family Member		\$300.00 per person
Note: Memberships are available for residents and limited to 100.		
DRIVING RANGE FEES		
Small Bucket		\$6.00 per bucket
Large Bucket		\$12.00 per bucket
Range Memberships		
Annual		\$400.00 per year
Quarterly		\$200.00 per quarter

GOLF: SCOTT SCHREINER GOLF COURSE, CONTINUED		
CART FEES		
	Twilight	18 Holes
Cart Use Fees	\$6.00	\$10.00
Passenger or Private Cart	\$15.00 - \$30.00	\$20.00 - \$40.00
Note: Green fees include cart fees. Rates can be discounted for those who prefer to walk the course.		
Note: According to Resolution No. 11-2023 The Director of Parks and Recreation has the authority to adjust or waive fees for use of parks and other city facilities.		
CART STORAGE		
Annual	\$425.00 per year	
RENTAL AND OTHER FEES		
	Twilight	18 Holes
Club Rental	\$20.00	\$30.00
Pull Cart Rental	\$4.00	\$7.00
Merchant Service Fees	3% of transaction total	
Note: Fees will be prorated, as necessary, to ensure that all fees expire on the same date.		
Note: According to Resolution No. 11-2023 The Director of Parks and Recreation has the authority to adjust or waive fees for use of parks and other city facilities		