

CITY OF KERRVILLE, TEXAS
RESOLUTION NO. 39-2024

A RESOLUTION APPROVING THE BUDGET FOR KERR
EMERGENCY 9-1-1 NETWORK FOR FISCAL YEAR 2025

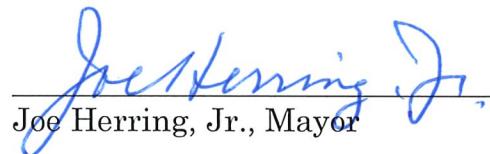
WHEREAS, in accordance with Section 772.309 of the Texas Health and Safety Code, the Executive Director of the Kerr Emergency 9-1-1 Network has prepared and presented to City Council a budget for the Network's fiscal year commencing January 1, 2025; and

WHEREAS, City Council finds it to be in the public interest to approve said budget;

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

The City Council of the City of Kerrville, Texas, approves the 2025 Fiscal Year Budget for the Kerr Emergency 9-1-1 Network as presented and set forth in Exhibit A.

PASSED AND APPROVED ON this the 10 day of SEPTEMBER,
A.D., 2024.


Joe Herring, Jr., Mayor

APPROVED AS TO FORM:



Michael C. Hayes, City Attorney

ATTEST:



Shelley McElhannon, City Secretary



Subject: Proposed 2025 Budget Summary

08/29/2024

1. 100 Revenue. Estimated Net Income: \$459,000.00, a 5.52% increase over FY 2024. There is a decrease in wireline and VOIP income and increases in both Wireless and Interest Income.
2. 200 Payroll. Payroll expenses include a 2.34% overall salary increase for current staff members, and a 12.50% projected increase in health care insurance costs. Payroll overhead includes staff salaries, payroll taxes, retirement account contributions, employee life insurance and Texas Workforce Commission unemployment insurance costs. TCDRS will see an increase in this category, the effective rate increased due to payments to retirees. Overall, there is an increase of 5.01% in costs compared to last year.
3. 300 Operations (PSAP/Call Centers). This expense category includes all operation and maintenance expenses for the Public Safety Answering Point (911 backroom server / telephony equipment / software) and the two call centers (KPD & KCSO). Kerr 9-1-1 is projected to see an increase for the ESInet charge for 2025 as costs are just now being realized. Projected costs will jump to \$110,000.00 for 2025, compared to \$108,000 projected for 2024. The NextGen 9-1-1 expenditure is the result of an unfunded mandate from the State of Texas 87th Legislative Session. Since Kerr 9-1-1 has implemented NextGen Core Services with the ESInet, there are three other line items in this category that have been eliminated resulting in an overall projected decrease of 6.21% from last year.
4. 400 Direct Services. Direct Services will have a projected increase compared to the previous year. The projected Rent category is expected to increase by 4.81% compared to last year. Direct services include office supplies, office equipment repair/replacement, district liability insurance, staff professional training, office space lease, attorney, bookkeeping, auditor, and other professional service expenses, and banking fees.
5. 500 Miscellaneous. Misc. expenses are projected to increase by \$1,500.00 or 3.53% compared to 2024. Misc. expenses include Aerial Imagery costs, dues and subscriptions, public education / advertising, Texas 9-1-1 Alliance meetings and NENA/APCO conferences.
6. 700: PSAP Equipment Replacement Fund: This category will be reduced to \$40,000 to fund the PSAP capital replacement account. The capital replacement fund is utilized for PSAP equipment upgrades.

Capital Considerations: The capital cash account will have an estimated balance of \$1,660,898.48 at the end of 2024 from nominal interest, scheduled PSAP Equipment Replacement Fund transfers, and a disbursement of Proposition 8 funds from the State of Texas. We expect our end-of-2025 capital balance to be about \$1,580,598.

This final figure includes all projected expenses of \$123,000.00 and revenue of \$42,700.00. The primary source of revenue is from operating fund transfers, and 9-1-1 sign sales cost-recovery.

9-1-1 Emergency Service Fee: The Texas Health and Safety Code – Chapter 772.314 (d): *The board shall set the amount of the fee each year as part of the annual budget.*

For the 2025 budget, Kerr 9-1-1 will keep the service fee of \$0.75 per month for all classes of service (Residential, Business, Trunk, VOIP).

Vision for 2025:

1. Continued 9-1-1 sign sales.
2. Continued 9-1-1 public education.
3. Continued migration of telephony service providers to the ESInet.

Conclusions:

1. The 2025 proposed budget is a deficit budget due to the unfunded mandate by the State of Texas directing all 9-1-1 entities across the state to make the switch to NextGen 9-1-1 Core Services (ESInet).
2. This budget adequately addresses the expected operating needs of our district in providing state-of-the-art 9-1-1 workstations/software and to continue our efforts to enhance and maintain our 9-1-1 connectivity as well as maintaining our Geographic Information Systems (GIS).
3. Our district's vision and public-funds stewardship is based firmly on the state and local government codes, guided by conservative spending and liberal savings policies.
4. Kerr 9-1-1 Board of Managers Budget approval date: 08/29/2024.



Mark Del Toro
Executive Director
Kerr Emergency 9-1-1 Network

Kerr Emergency 911 Network
2025 Operating Budget
Proposed

	Approved 2024 Operating Budget	2024	2025 Proposed	Delta	% Change
100 - Revenue					
101 - Local 911 Service	110,000.00	105,000.00	-5,000.00	-4.55%	
105 - Wireless Emergency Income	265,000.00	272,000.00	7,000.00	2.64%	
110 - VoIP Service Fees	45,000.00	38,000.00	-7,000.00	-15.56%	
120 - Interest Income	15,000.00	44,000.00	29,000.00	193.33%	
130 - Miscellaneous Income	0.00	0.00	0.00	#DIV/0!	
Total 100 - Revenue	435,000.00	459,000.00	24,000.00	5.52%	
200 - Payroll Expense					
210 - Salary	136,800.00	140,000.00	3,200.00	2.34%	
212 - Payroll Taxes	10,944.00	11,200.00	256.00	2.34%	
213 - Medical Insurance Expense	48,000.00	54,000.00	6,000.00	12.50%	
214 - TCDRS Expense Company	12,500.00	13,500.00	1,000.00	8.00%	
215 - TCDRS OTLI	260.00	260.00	0.00	0.00%	
225 - Texas Workforce Commission	100.00	100.00	0.00	0.00%	
230 - Excess Vacation Payout	0.00	0.00	0.00	#DIV/0!	
Total 200 - Payroll Expense	208,604.00	219,060.00	10,456.00	5.01%	
300 - Operations (PSAP)					
315 - 911 Call Taker Training	4,000.00	5,000.00	1,000.00	25.00%	
321 - AT&T Wireless Tariff	1,900.00	0.00	-1,900.00	-100.00%	
331 - Text to 9-1-1 Charges	4,000.00	4,000.00	0.00	0.00%	
332 - ALI Service Charge	18,000.00	0.00	-18,000.00	-100.00%	
335 - TX DIR ALI MPLS	8,500.00	0.00	-8,500.00	-100.00%	
337 - AT&T SR Fees	4,500.00	4,500.00	0.00	0.00%	
340 - ESInet Charge	108,000.00	110,000.00	2,000.00	1.85%	
350 - PSAP Trunk Charges	19,000.00	10,000.00	-9,000.00	-47.37%	
355 - Language Translation Services	500.00	500.00	0.00	0.00%	
356 - Redundant IP Connection	0.00	1,800.00	1,800.00	#DIV/0!	
357 - PSAP Fiber KPD/KCSO	2,000.00	2,100.00	100.00	5.00%	
366 - Wireless Redundancy MRC	800.00	800.00	0.00	0.00%	
370 - PSAP Repairs & Maintenance	14,000.00	35,000.00	21,000.00	150.00%	
Total 300 - Operations (PSAP)	185,200.00	173,700.00	-11,500.00	-6.21%	
400 - Direct Services					
410 - Office Supplies	2,000.00	3,040.00	1,040.00	52.00%	
412 - Office Equipment & Repairs	4,500.00	5,000.00	500.00	11.11%	
420 - Liability Insurance	3,900.00	4,100.00	200.00	5.13%	
430 - Professional Development	4,000.00	3,000.00	-1,000.00	-25.00%	
440 - Rent	26,000.00	28,000.00	2,000.00	7.69%	
450 - Professional Fees	20,000.00	20,000.00	0.00	0.00%	
460 - Postage & Delivery	600.00	750.00	150.00	25.00%	
490 - Bank Service Charges	100.00	150.00	50.00	50.00%	
Total 400 - Direct Services	61,100.00	64,040.00	2,940.00	4.81%	
500 - Miscellaneous					
502 - Pictometry Annual Payment	12,000.00	13,000.00	1,000.00	8.33%	
520 - Dues & Subscriptions	1,000.00	1,000.00	0.00	0.00%	
530 - Public Education & Advertising	3,000.00	3,000.00	0.00	0.00%	
550 - Telecommunications	8,500.00	9,000.00	500.00	5.88%	
560 - Sundry	2,000.00	2,000.00	0.00	0.00%	
570 - Texas 911 Alliance Meetings	8,000.00	8,000.00	0.00	0.00%	
575 - NENA/APCO Conferences	8,000.00	8,000.00	0.00	0.00%	
Total 500 - Miscellaneous	42,500.00	44,000.00	1,500.00	3.53%	

**Kerr Emergency 911 Network
2025 Operating Budget
Proposed**

700 - PSAP Equipment Replacement Account	710 - Operating to Capital Fund Transfer	50,000.00	40,000.00	-10,000.00 -20.00%
Total 700 - PSAP Equipment Replacement Account		50,000.00	40,000.00	-10,000.00 -20.00%
Annual Budget Totals		547,404.00	540,800.00	-6,604.00 -1.21%
Net Income		435,000.00	459,000.00	24,000.00 5.52%
Projected Budget Surplus/Deficit		(112404.00)	(81800.00)	-30,604.00 27.23%

**Kerr Emergency 911 Network
2025 Capital Budget
Proposed**

A 2025 Budget Capital Account	Comments
<hr/>	
Capital Expenses - 800	
804 - Sign Materials	\$3,000.00
809 - Misc GIS Upgrade Projects	\$50,000.00
813 - PSAP Relocation	\$50,000.00
888 - Misc Upgrade Projects	\$20,000.00
 Total - 800	 \$123,000.00
<hr/>	
Capital Income - 900	
901 - Sign Sales (Recovery)	\$2,700.00
902 - Equipment Replacement Fund Transfers	\$40,000.00
Total - 900	\$42,700.00
<hr/>	
2025 Starting Capital Balance (Est.)	\$1,660,898.48
2025 Capital Expenses	\$123,000.00
2025 Capital Income	\$42,700.00
 Projected End-of-2025 Capital Account Balance	 \$1,580,598.48