

Keeping Up with Kerrville

News and Views from the City of Kerrville

By Mark McDaniel

PROPOSED FISCAL YEAR 2021 BUDGET READY FOR REVIEW

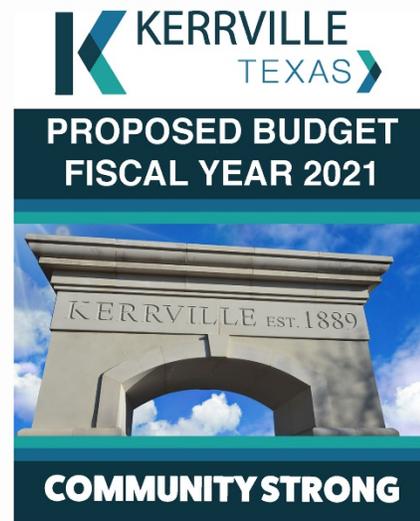
With a theme of “Community Strong”, the City of Kerrville’s Fiscal Year 2021 (FY2021) Proposed Budget was officially filed with the City Secretary on July 31. This austere proposal will initially be presented to City Council on Aug. 11. The new budget reflects many of the challenges facing Kerrville in light of the current COVID-19 crisis while also lowering the property tax rate from \$0.5400 per \$100 of assessed value to \$0.5116. The \$0.5116 rate represents the “no-new-revenue-rate” formerly referred to as the “effective tax rate”.

This lower rate addresses concerns over significant increases in local property tax appraisals. Given the current recession brought about by the pandemic, offsetting increases in appraisals by proposing a lower tax rate is the responsible thing to do for our citizens and our economy. In addition, no water or sewer rate increases are recommended.

The City’s total General Fund expenditures are proposed at \$697,827 less than the current year budget, largely due to ongoing fiscal impacts of COVID-19. With projected major declines in revenue, spending will be significantly reduced while focusing on providing basic essential services. The proposal currently includes the elimination of some vacant positions, no base salary increases, and delayed hirings for other vacant positions.

Still, priority initiatives proposed for FY2021 are as follows:

- Additional funding for annual street repairs to perform even more lane miles of maintenance.
- Capital projects to address some of the city’s highest priority drainage problems.
- Capital projects for airport facility improvements.
- Capital projects for complete renovation of some of our worst streets.



- Updates to our water and wastewater master plans.
- Completion of the Olympic Drive expansion.
- Grant-funded Kerrville Sports Complex improvements.
- A new major water well.
- Phase I of an advanced metering system for water utility customers.
- Water tank rehabilitation/replacement.
- Completion of new Subdivision Code.
- Grant-funded Guadalupe River utility crossing.
- Several large library repair projects funded by memorial fund private contributions
- Ongoing funding for the City's Neighborhood Enhancement Team (NET).
- Replacement of three police patrol vehicles, one ambulance remount, two dump trucks, and various other essential equipment.

The total FY2021 Budget calls for \$70.5 million in expenditures for all funds, and is balanced for the General Fund and Water Fund. The complete proposed budget can be found on the City's website at <https://www.kerrvilletx.gov/DocumentCenter/View/36143/FY2021-Proposed-Budget-Book>.

Citizens are encouraged to review the proposed budget and provide input during a public hearing to be held Aug. 25 at 6 p.m. at City Hall.

As we continue to work together to address the many obstacles and trials of 2020, we will also be prepared to address the challenges and opportunities open to us in the coming year. I extend my sincere gratitude to Kerrville citizens, the City Council, and our dedicated employees for their resolve and compassion in service to each other.

We are "Community Strong."