

## RULE 15c2-12 FILING COVER SHEET

This cover sheet is sent with all submissions to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") pursuant to Securities and Exchange Commission (SEC) Rule 15c2-12 or any analogous state statutes.

**Issuer Name:** City of Kerrville, Texas

**Issue(s):**

\$ 8,910,000 Combination Tax and Revenue Certificates of Obligation, Series 2015  
\$ 9,590,000 Combination Tax and Revenue Certificates of Obligation, Series 2016  
\$ 17,215,000 General Obligation Refunding Bonds, Series 2017  
\$ 8,000,000 Combination Tax and Surplus Revenue Certificates of Obligation, Series 2018A  
\$ 5,000,000 Combination Tax and Surplus Revenue Certificates of Obligation, Series 2018B  
\$ 9,895,000 Combination Tax and Revenue Certificates of Obligation, Series 2019  
\$ 2,285,000 General Obligation Refunding Bonds, Series 2019  
\$ 11,245,000 General Obligation Refunding Bonds, Series 2020

**Filing Format** X electronic \_\_\_ paper; If available on the Internet, give URL: \_\_\_\_\_

**CUSIP Numbers to which the information filed relates** (optional):

X Nine-digit number(s) (see following page(s)):

\_\_\_ Six-digit number if information filed relates to all securities of the issuer

### Financial & Operating Data Disclosure Information

X Annual Financial Report or CAFR

X Financial Information & Operating Data

Other (describe) \_\_\_\_\_

X Fiscal Period Covered: FYE 2020

Monthly Quarterly X Annual Other: \_\_\_\_\_

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: /s/ Amy Dozier

Name: Amy Dozier Title: Chief Financial Officer

Employer: City of Kerrville, Texas

Telephone Number: 830-258-1121

Email Address: amy.dozier@kerrvilletx.gov

## DESCRIPTION OF ISSUES COVERED BY THIS REPORT

### Combination Tax and Revenue Certificates of Obligation, Series 2015

| Date     | Principal           | CUSIP     |
|----------|---------------------|-----------|
| 08/15/21 | \$ 390,000          | 492422NS5 |
| 08/15/22 | 400,000             | 492422NT3 |
| 08/15/23 | 405,000             | 492422NU0 |
| 08/15/24 | 420,000             | 492422NV8 |
| 08/15/25 | 430,000             | 492422NW6 |
| 08/15/26 | 445,000             | 492422NX4 |
| 08/15/27 | 455,000             | 492422NY2 |
| 08/15/28 | 470,000             | 492422NZ9 |
| 08/15/29 | 480,000             | 492422PA2 |
| 08/15/30 | 495,000             | 492422PB0 |
| 08/15/31 | 510,000             | 492422PC8 |
| 08/15/32 | 525,000             | 492422PD6 |
| 08/15/33 | 545,000             | 492422PE4 |
| 08/15/34 | 560,000             | 492422PF1 |
| 08/15/35 | 585,000             | 492422PG9 |
|          | <u>\$ 7,115,000</u> |           |

**Combination Tax and Revenue Certificates of Obligation, Series 2016**

| Date     | Principal           | CUSIP     |
|----------|---------------------|-----------|
| 08/15/21 | \$ 420,000          | 492422PN4 |
| 08/15/22 | 435,000             | 492422PP9 |
| 08/15/23 | 445,000             | 492422PQ7 |
| 08/15/24 | 460,000             | 492422PR5 |
| 08/15/25 | 475,000             | 492422PS3 |
| 08/15/26 | 480,000             | 492422PT1 |
| 08/15/27 | 490,000             | 492422PU8 |
| 08/15/28 | 505,000             | 492422PV6 |
| 08/15/29 | 515,000             | 492422PW4 |
| 08/15/30 | 530,000             | 492422PX2 |
| 08/15/31 | 545,000             | 492422PY0 |
| 08/15/32 | 565,000             | 492422PZ7 |
| 08/15/33 | 580,000             | 492422QA1 |
| 08/15/34 | 595,000             | 492422QB9 |
| 08/15/35 | 610,000             | 492422QC7 |
|          | <u>\$ 7,650,000</u> |           |

**General Obligation Refunding Bonds, Series 2017**

| Date     | Principal            | CUSIP     |
|----------|----------------------|-----------|
| 08/15/21 | \$ 400,000           | 492422QJ2 |
| 02/15/22 | 1,755,000            | 492422QK9 |
| 08/15/22 | 420,000              | 492422QL7 |
| 02/15/23 | 545,000              | 492422QM5 |
| 08/15/23 | 190,000              | 492422QN3 |
| 02/15/24 | 670,000              | 492422QP8 |
| 08/15/24 | 430,000              | 492422QQ6 |
| 02/15/25 | 705,000              | 492422QR4 |
| 08/15/25 | 450,000              | 492422QS2 |
| 02/15/26 | 745,000              | 492422QT0 |
| 08/15/26 | 465,000              | 492422QU7 |
| 02/15/27 | 775,000              | 492422QV5 |
| 08/15/27 | 490,000              | 492422QW3 |
| 02/15/28 | 670,000              | 492422QX1 |
| 08/15/28 | 520,000              | 492422QY9 |
| 02/15/29 | 695,000              | 492422QZ6 |
| 08/15/29 | 545,000              | 492422RA0 |
| 08/15/30 | 565,000              | 492422RB8 |
|          | <u>\$ 11,035,000</u> |           |

**Combination Tax and Surplus Revenue Certificates of Obligation, Series 2018A**

| Date     | Principal           | CUSIP     |
|----------|---------------------|-----------|
| 08/15/21 | \$ 5,000            | 492422RC6 |
| 08/15/22 | 215,000             | 492422RD4 |
| 08/15/23 | 215,000             | 492422RE2 |
| 08/15/24 | 220,000             | 492422RF9 |
| 08/15/25 | 220,000             | 492422RG7 |
| 08/15/26 | 225,000             | 492422RH5 |
| 08/15/27 | 225,000             | 492422RJ1 |
| 08/15/28 | 230,000             | 492422RK8 |
| 08/15/29 | 235,000             | 492422RL6 |
| 08/15/30 | 240,000             | 492422RM4 |
| 08/15/31 | 245,000             | 492422RN2 |
| 08/15/32 | 245,000             | 492422RP7 |
| 08/15/33 | 250,000             | 492422RQ5 |
| 08/15/34 | 255,000             | 492422RR3 |
| 08/15/35 | 260,000             | 492422RS1 |
| 08/15/36 | 270,000             | 492422RT9 |
| 08/15/37 | 275,000             | 492422RU6 |
| 08/15/38 | 280,000             | 492422RV4 |
| 08/15/39 | 285,000             | 492422RW2 |
| 08/15/40 | 290,000             | 492422RX0 |
| 08/15/41 | 300,000             | 492422RY8 |
| 08/15/42 | 305,000             | 492422RZ5 |
| 08/15/43 | 310,000             | 492422SA9 |
| 08/15/44 | 320,000             | 492422SB7 |
| 08/15/45 | 325,000             | 492422SC5 |
| 08/15/46 | 335,000             | 492422SD3 |
| 08/15/47 | 345,000             | 492422SE1 |
| 08/15/48 | 350,000             | 492422SF8 |
| 08/15/49 | 360,000             | 492422SG6 |
| 08/15/50 | 365,000             | 492422SH4 |
|          | <u>\$ 8,000,000</u> |           |

**Combination Tax and Surplus Revenue Certificates of Obligation, Series 2018B**

| Date     | Principal           | CUSIP     |
|----------|---------------------|-----------|
| 08/15/21 | \$ 135,000          | 492422SK7 |
| 08/15/22 | 135,000             | 492422SL5 |
| 08/15/23 | 140,000             | 492422SM3 |
| 08/15/24 | 140,000             | 492422SN1 |
| 08/15/25 | 140,000             | 492422SP6 |
| 08/15/26 | 145,000             | 492422SQ4 |
| 08/15/27 | 145,000             | 492422SR2 |
| 08/15/28 | 150,000             | 492422SS0 |
| 08/15/29 | 150,000             | 492422ST8 |
| 08/15/30 | 150,000             | 492422SU5 |
| 08/15/31 | 155,000             | 492422SV3 |
| 08/15/32 | 160,000             | 492422SW1 |
| 08/15/33 | 160,000             | 492422SX9 |
| 08/15/34 | 165,000             | 492422SY7 |
| 08/15/35 | 165,000             | 492422SZ4 |
| 08/15/36 | 170,000             | 492422TA8 |
| 08/15/37 | 175,000             | 492422TB6 |
| 08/15/38 | 180,000             | 492422TC4 |
| 08/15/39 | 180,000             | 492422TD2 |
| 08/15/40 | 185,000             | 492422TE0 |
| 08/15/41 | 190,000             | 492422TF7 |
| 08/15/42 | 195,000             | 492422TG5 |
| 08/15/43 | 200,000             | 492422TH3 |
| 08/15/44 | 205,000             | 492422TJ9 |
| 08/15/45 | 210,000             | 492422TK6 |
| 08/15/46 | 210,000             | 492422TL4 |
| 08/15/47 | 215,000             | 492422TM2 |
| 08/15/48 | 220,000             | 492422TN0 |
| 08/15/49 | 225,000             | 492422TP5 |
|          | <u>\$ 4,995,000</u> |           |

**Combination Tax and Revenue Certificates of Obligation, Series 2019**

| Date     | Principal           | CUSIP     |
|----------|---------------------|-----------|
| 02/15/22 | \$ 340,000          | 492422TS9 |
| 02/15/23 | 355,000             | 492422TT7 |
| 02/15/24 | 370,000             | 492422TU4 |
| 02/15/25 | 380,000             | 492422TV2 |
| 02/15/26 | 395,000             | 492422TW0 |
| 02/15/27 | 410,000             | 492422TX8 |
| 02/15/28 | 425,000             | 492422TY6 |
| 02/15/29 | 445,000             | 492422TZ3 |
| 02/15/30 | 460,000             | 492422UA6 |
| 02/15/31 | 480,000             | 492422UB4 |
| 02/15/32 | 500,000             | 492422UC2 |
| 02/15/33 | 520,000             | 492422UD0 |
| 02/15/34 | 540,000             | 492422UE8 |
| 02/15/35 | 555,000             | 492422UF5 |
| 02/15/36 | 570,000             | 492422UG3 |
| 02/15/37 | 590,000             | 492422UH1 |
| 02/15/38 | 600,000             | 492422UJ7 |
| 02/15/39 | 620,000             | 492422UK4 |
| 02/15/40 | 635,000             | 492422UL2 |
|          | <u>\$ 9,190,000</u> |           |

**General Obligation Refunding Bonds, Series 2019**

| Date     | Principal           | CUSIP     |
|----------|---------------------|-----------|
| 02/15/22 | \$ 180,000          | 492422UN8 |
| 02/15/23 | 185,000             | 492422UP3 |
| 02/15/24 | 190,000             | 492422UQ1 |
| 02/15/25 | 200,000             | 492422UR9 |
| 02/15/26 | 200,000             | 492422US7 |
| 02/15/27 | 210,000             | 492422UT5 |
| 02/15/28 | 220,000             | 492422UU2 |
| 02/15/29 | 230,000             | 492422UV0 |
| 02/15/30 | 240,000             | 492422UW8 |
| 02/15/31 | 245,000             | 492422UX6 |
|          | <u>\$ 2,100,000</u> |           |

**General Obligation Refunding Bonds, Series 2020**

| Date     | Principal            | CUSIP     |
|----------|----------------------|-----------|
| 08/15/21 | \$ 840,000           | 492422UZ1 |
| 08/15/22 | 770,000              | 492422VA5 |
| 08/15/23 | 655,000              | 492422VB3 |
| 08/15/24 | 690,000              | 492422VC1 |
| 08/15/25 | 720,000              | 492422VD9 |
| 08/15/26 | 760,000              | 492422VE7 |
| 08/15/27 | 950,000              | 492422VF4 |
| 08/15/28 | 995,000              | 492422VG2 |
| 08/15/29 | 1,045,000            | 492422VH0 |
| 08/15/30 | 1,095,000            | 492422VJ6 |
| 08/15/31 | 1,155,000            | 492422VK3 |
| 08/15/32 | 970,000              | 492422VL1 |
| 08/15/33 | 600,000              | 492422VM9 |
|          | <u>\$ 11,245,000</u> |           |



CONTINUING DISCLOSURE REPORT  
FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2020

CITY OF KERRVILLE, TEXAS

GENERAL OBLIGATION



## **FINANCIAL STATEMENTS**

The audited financial statements for the City for the fiscal year ended September 30, 2020 are being filed directly with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA"), and are hereby incorporated by reference into this Annual Continuing Disclosure Report.

## **SIGNATURE OF ISSUER**

The information set forth herein has been obtained from the City and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described.

**City of Kerrville, Texas**

/s/

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Amy Dozier

Chief Financial Officer

Approved for Submission:

03/27/2021

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Date

## **CERTIFICATE OF SUBMISSION OF ANNUAL REPORT**

Subject to the continuing disclosure requirements of SEC Rule 15c2-12, this Annual Continuing Disclosure Report for the City of Kerrville, Texas with respect to the issues listed on the report cover was submitted directly to the Municipal Securities Rulemaking Board's Electronic Municipal Market Access ("EMMA") listed below.

Municipal Securities Rulemaking Board ("MSRB")  
via the Electronic Municipal Market Access ("EMMA") system

HTS Continuing Disclosure Services, A Division of Hilltop Securities Inc.

Signed by:

/s/ Preston Gabriel

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# CITY OF KERRVILLE, TEXAS

## 2021 GENERAL OBLIGATION DEBT REPORT

**TABLE 1 – VALUATION, EXEMPTIONS AND GENERAL OBLIGATION DEBT**

|  |                  |                         |
|--|------------------|-------------------------|
| 2020/2021 Market Valuation Established by Kerr Central Appraisal District<br>(excluding totally exempt property) |                  | \$ 2,576,912,066        |
| Less Exemptions/Reductions at 100% Market Value:   |                  |                         |
| Homestead Cap Adjustment   | \$ 66,251,639    |                         |
| Disabled Veterans  | 39,110,668       |                         |
| Over 65  | 9,835,939        |                         |
| Productivity Loss  | 12,788,404       |                         |
| Freeport Exemption   | <u>3,906,139</u> | <u>131,892,789</u>      |
| 2020/2021 Net Taxable Assessed Valuation   |                  | <u>\$ 2,445,019,277</u> |
| 2020/2021 Freeze Adjusted Equivalent Taxable Assessed Valuation <sup>(1)</sup>                                   |                  | <u>\$ 2,352,968,691</u> |
| General Obligation Debt Payable from Ad Valorem Taxes as of December 31, 2020 <sup>(2)</sup>                     |                  |                         |
| General Obligation Bonds   | \$ 24,380,000    |                         |
| Certificates of Obligation   | 37,605,000       |                         |
| General Obligation Debt Payable from Ad Valorem Taxes  |                  | \$ 61,985,000           |
| Less: Self-Supporting General Obligation Debt <sup>(2)</sup>   |                  |                         |
| Waterworks and Sewer System Supported General Obligation Bond Debt   | \$ 16,650,000    |                         |
| Waterworks and Sewer System Supported Certificates of Obligation Debt  | 21,300,000       |                         |
| EIC <sup>(3)</sup> Sales Tax Supported General Obligation Bond Debt  | 4,070,000        |                         |
| EIC <sup>(3)</sup> Sales Tax Supported Certificates of Obligation Debt   | 7,115,000        |                         |
|  |                  | \$ 49,135,000           |
| Net General Obligation Debt Payable from Ad Valorem Taxes  |                  | \$ 12,850,000           |
| General Obligation Interest and Sinking Fund as of September 30, 2020  |                  | \$ 1,172,670            |
| Ratio Net General Obligation Tax Debt to Freeze Adjusted Equivalent Taxable Assessed Valuation                   |                  | 0.55%                   |
| 2021 Estimated Population - 25,162   |                  |                         |
| Per Capita Freeze Adjusted Equivalent Taxable Assessed Valuation - \$93,513                                      |                  |                         |
| Per Capita General Obligation Debt Payable from Ad Valorem Taxes - \$2,463                                       |                  |                         |
| Per Capita Net General Obligation Debt Payable from Ad Valorem Taxes - \$511                                     |                  |                         |

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- (1) At an election on November 7, 2006, voters in the City approved a tax freeze for citizens who are disabled and/or 65 years of age or older. The tax freeze became effective on January 1, 2007.
- (2) General obligation debt in the amounts shown for which repayment is provided from revenues of the waterworks and sewer system or from economic development sales tax revenues provided by the City of Kerrville, Texas Economic Improvement Corporation (the "EIC"). The amount of self-supporting debt is based on the percentages of revenue support as shown in Table 10. It is the City's current policy to provide these payments from the waterworks and sewer system revenues and the EIC; this policy is subject to change in the future.
- (3) "EIC" is the City of Kerrville, Texas Economic Improvement Corporation, which is a nonprofit corporation created by the City pursuant to the Development Corporation Act (codified under Chapters 501 – 505, Texas Local Government Code, as amended). The City levies and collects a ½ of 1% economic development sales and use tax for the benefit of the EIC, the proceeds of which are used by the EIC to promote economic development in the City in accordance with the Development Corporation Act. A portion of the City's general obligation debt (but not Certificates) is supported with such EIC economic development sales tax.

**TABLE 2 – TAXABLE ASSESSED VALUATION BY CATEGORY**

| Category                                | Taxable Appraised Value for Fiscal Year Ended September 30, |            |                           |            |                           |            |
|---|---|------------|---------------------------|------------|---------------------------|------------|
|   | 2021  |            | 2020                      |            | 2019                      |            |
|   | Amount  | % of Total | Amount                    | % of Total | Amount                    | % of Total |
| Real, Residential, Single-Family        | \$ 1,714,099,184  | 66.52%     | \$ 1,503,872,677          | 64.71%     | \$ 1,349,154,935          | 63.34%     |
| Real, Residential, Multi-Family         | 109,082,285   | 4.23%      | 95,185,033                | 4.10%      | 90,860,612                | 4.27%      |
| Real, Vacant Lots/Tracts                | 46,309,320  | 1.80%      | 47,069,059                | 2.03%      | 40,560,963                | 1.90%      |
| Real, Acreage (Land Only)               | 12,995,665  | 0.50%      | 12,403,516                | 0.53%      | 11,908,164                | 0.56%      |
| Real, Farm and Ranch Improvements       | 12,464,174  | 0.48%      | 13,664,238                | 0.59%      | 10,775,788                | 0.51%      |
| Real, Commercial and Industrial         | 447,177,492   | 17.35%     | 415,412,136               | 17.87%     | 405,248,371               | 19.02%     |
| Real and Tangible Personal, Utilities   | 23,941,971  | 0.93%      | 22,049,373                | 0.95%      | 23,823,714                | 1.12%      |
| Tangible Personal, Business             | 177,062,317   | 6.87%      | 182,031,530               | 7.83%      | 164,074,682               | 7.70%      |
| Tangible Personal, Other                | 14,404,635  | 0.56%      | 11,799,945                | 0.51%      | 11,648,183                | 0.55%      |
| Real Property, Inventory                | 6,534,098   | 0.25%      | 6,622,057                 | 0.28%      | 8,897,387                 | 0.42%      |
| Special Inventory                       | 12,840,925  | 0.50%      | 13,899,882                | 0.60%      | 13,156,987                | 0.62%      |
| Total Appraised Value Before Exemptions | \$ 2,576,912,066  | 100.00%    | \$ 2,324,009,446          | 100.00%    | \$ 2,130,109,786          | 100.00%    |
| Less: Total Exemptions/Reductions       | 131,892,789 <sup>(1)</sup>                                  |            | 91,752,172 <sup>(1)</sup> |            | 58,900,908 <sup>(1)</sup> |            |
| Net Taxable Assessed Value              | \$ 2,445,019,277  |            | \$ 2,232,257,274          |            | \$ 2,071,208,878          |            |

  

| Category                                | Taxable Appraised Value for Fiscal Year Ended September 30, |            |                           |            |
|---|---|------------|---------------------------|------------|
|   | 2018  |            | 2017                      |            |
|   | Amount  | % of Total | Amount                    | % of Total |
| Real, Residential, Single-Family        | \$ 1,310,868,655  | 62.54%     | \$ 1,236,007,288          | 61.93%     |
| Real, Residential, Multi-Family         | 91,060,532  | 4.34%      | 79,348,793                | 3.98%      |
| Real, Vacant Lots/Tracts                | 39,962,932  | 1.91%      | 44,137,079                | 2.21%      |
| Real, Acreage (Land Only)               | 13,579,283  | 0.65%      | 11,938,137                | 0.60%      |
| Real, Farm and Ranch Improvements       | 10,758,958  | 0.51%      | 10,577,726                | 0.53%      |
| Real, Commercial & Industrial           | 403,476,887   | 19.25%     | 389,765,728               | 19.53%     |
| Real and Tangible Personal, Utilities   | 28,725,891  | 1.37%      | 25,621,979                | 1.28%      |
| Tangible Personal, Business             | 163,067,163   | 7.78%      | 162,341,476               | 8.13%      |
| Tangible Personal, Other                | 10,543,579  | 0.50%      | 10,343,954                | 0.52%      |
| Real Property, Inventory                | 9,352,639   | 0.45%      | 9,777,613                 | 0.49%      |
| Special Inventory                       | 14,486,160  | 0.69%      | 15,817,366                | 0.79%      |
| Total Appraised Value Before Exemptions | \$ 2,095,882,679  | 100.00%    | \$ 1,995,677,139          | 100.00%    |
| Less: Total Exemptions/Reductions       | 55,091,442 <sup>(1)</sup>                                   |            | 50,943,916 <sup>(1)</sup> |            |
| Net Taxable Assessed Value              | \$ 2,040,791,237  |            | \$ 1,944,733,223          |            |

NOTE: Valuations shown are certified taxable assessed values reported by the Kerr County Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

- (1) At an election on November 7, 2006, voters in the City approved a tax freeze for citizens who are disabled and/or 65 years of age or older. The tax freeze became effective on January 1, 2007. The Net Taxable Assessed Valuation includes the values related to the freeze exemption. See Table 3 and Table 4 for additional details.

**TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY**

| Fiscal Year Ended 9/30 | Estimated Population <sup>(1)</sup> | Net Taxable Assessed Valuation <sup>(2)</sup> | Freeze Adjusted Taxable Assessed Valuation <sup>(3)</sup> | Freeze Adjusted Taxable Assessed Valuation Per Capita | Net G.O. Tax Debt Outstanding at End of Year <sup>(4)</sup> | Ratio of Net G.O. Tax Debt to Freeze Adjusted Taxable Assessed Valuation | Net G.O. Tax Debt Per Capita |
|------------------------|-------------------------------------|---|---|---|---|--|------------------------------|
| 2017                   | 24,292                              | \$ 1,944,733,223                              | \$ 1,900,229,486  | \$ 78,224   | \$ 8,971,225  | 0.47%  | \$ 369                       |
| 2018                   | 24,796                              | 2,040,791,237                                 | 1,991,229,486   | 80,304  | 6,102,320   | 0.31%  | 246                          |
| 2019                   | 24,931                              | 2,071,208,878                                 | 2,017,527,787   | 80,924  | 15,115,000  | 0.75%  | 606                          |
| 2020                   | 25,162                              | 2,232,257,274                                 | 2,157,466,681   | 85,743  | 13,975,000  | 0.65%  | 555                          |
| 2021                   | 25,162                              | 2,445,019,277                                 | 2,352,968,691   | 93,513  | 16,335,941  | 0.69%  | 649                          |

(1) Source: City of Kerrville, Texas.

(2) As reported by the Kerr County Appraisal District on the City's annual State Property Tax Board Reports; subject to change during the ensuing year.

(3) The Freeze Adjusted Taxable Assessed Valuation calculated by the Kerr County Appraisal District.

(4) Does not include self-supporting debt.

**TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY**

| Fiscal Year Ended 9/30 | Tax Rate  | General Fund | Interest and Sinking Fund | Tax Levy <sup>(1)</sup> | Actual Tax Included in Tax Levy | % Current Collections      | % Total Collections |
|------------------------|-----------|--------------|---------------------------|-------------------------|---------------------------------|----------------------------|---------------------|
| 2017                   | \$ 0.5625 | \$ 0.4890    | \$ 0.0735                 | \$ 10,689,569           | \$ 2,628,182                    | 98.48%                     | 99.32%              |
| 2018                   | 0.5514    | 0.4779       | 0.0735                    | 11,144,563              | 2,786,965                       | 98.38%                     | 99.28%              |
| 2019                   | 0.5514    | 0.4779       | 0.0735                    | 11,124,648              | 2,864,829                       | 98.70%                     | 98.98%              |
| 2020                   | 0.5400    | 0.4665       | 0.0735                    | 11,650,320              | 3,046,581                       | 98.48%                     | 99.23%              |
| 2021                   | 0.5116    | 0.4381       | 0.0735                    | 12,037,788              | 3,174,394                       | (In Process of Collection) |                     |

(1) Tax levy includes a portion of taxes collected from the freeze adjusted values.

**TABLE 5 – TEN LARGEST TAXPAYERS**

| Name of Taxpayer                     | Nature of Property           | 2020/21<br>Net Taxable<br>Assessed<br>Valuation | % of Total<br>Net Taxable<br>Assessed<br>Valuation |
|--------------------------------------|------------------------------|---|--|
| James Avery Craftsman Inc.           | Retail Store                 | \$ 48,119,804                                   | 2.16%  |
| Atmos Energy/Mid-Tex Division        | Electric Utility/Power Plant | 12,767,664                                      | 0.57%  |
| Mooney International Corp.           | Industrial Manufacturing     | 10,176,353                                      | 0.46%  |
| Wal-Mart Stores Inc.                 | Retail Store                 | 8,930,416                                       | 0.40%  |
| S-H Forty-Nine Prop. Co.             | Nursing Homes                | 8,202,031                                       | 0.37%  |
| Emerald Cottages of Kerrville LLC    | Nursing Homes                | 6,734,106                                       | 0.30%  |
| Home Depot USA Inc.                  | Retail Store                 | 6,421,514                                       | 0.29%  |
| Kerrville SPC LLC                    | Grocery Store                | 6,121,367                                       | 0.27%  |
| Spectrum Golf Coast LLC              | Cable/TV/Internet Utility    | 6,045,717                                       | 0.27%  |
| Hill Country Community Mental Health | Medical Clinic               | 5,905,241                                       | 0.26%  |
|                                      |                              | <u>\$ 119,424,213</u>                           | <u>5.35%</u>                                       |

**TABLE 6 – TAX ADEQUACY**

|  |             |
|--|-------------|
| 2021 Principal and Interest Requirements <sup>(1)</sup> .....                        | \$1,593,901 |
| \$0.0663 Tax Rate at 98% Collection Produces .....                                   | \$1,595,678 |
| Average Annual Principal and Interest Requirements, 2021 - 2040 <sup>(1)</sup> ..... | \$ 597,661  |
| \$0.0249 Tax Rate at 98% Collection Produces .....                                   | \$ 599,282  |
| Maximum Annual Principal and Interest Requirements, 2021 <sup>(1)</sup> .....        | \$1,593,901 |
| \$0.0663 Tax Rate at 98% Collection Produces .....                                   | \$1,595,678 |

(1) Does not include self-supporting debt.

**TABLE 8 – DEBT SERVICE REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br>9/30 | Outstanding Debt Service <sup>(1)</sup> |                      |                      | Less:<br>Self-Supporting<br>Debt Service | Total Net<br>Tax-Supported<br>Debt Service | % of<br>Principal<br>Retired |
|----------------------------------|---|----------------------|----------------------|--|--|------------------------------|
|                                  | Principal                               | Interest             | Total                |  |  |                              |
| 2021                             | \$ 4,745,000                            | \$ 1,868,226         | \$ 6,613,226         | \$ 5,019,325                             | \$ 1,593,901                               |                              |
| 2022                             | 5,095,000                               | 1,739,874            | 6,834,874            | 5,248,523                                | 1,586,351                                  |                              |
| 2023                             | 3,715,000                               | 1,621,842            | 5,336,842            | 4,194,457                                | 1,142,385                                  |                              |
| 2024                             | 3,935,000                               | 1,520,294            | 5,455,294            | 4,314,282                                | 1,141,012                                  |                              |
| 2025                             | 4,055,000                               | 1,409,952            | 5,464,952            | 4,321,096                                | 1,143,856                                  | 32.41%                       |
| 2026                             | 4,180,000                               | 1,284,131            | 5,464,131            | 4,317,637                                | 1,146,494                                  |                              |
| 2027                             | 4,305,000                               | 1,147,862            | 5,452,862            | 4,306,849                                | 1,146,013                                  |                              |
| 2028                             | 4,310,000                               | 1,008,999            | 5,318,999            | 4,322,321                                | 996,678                                    |                              |
| 2029                             | 4,450,000                               | 873,892              | 5,323,892            | 4,327,292                                | 996,600                                    |                              |
| 2030                             | 3,860,000                               | 745,542              | 4,605,542            | 3,976,417                                | 629,126                                    | 64.15%                       |
| 2031                             | 3,395,000                               | 629,585              | 4,024,585            | 3,393,897                                | 630,688                                    |                              |
| 2032                             | 2,990,000                               | 535,568              | 3,525,568            | 2,883,693                                | 641,875                                    |                              |
| 2033                             | 2,665,000                               | 446,440              | 3,111,440            | 2,469,965                                | 641,475                                    |                              |
| 2034                             | 2,115,000                               | 366,693              | 2,481,693            | 1,838,718                                | 642,975                                    |                              |
| 2035                             | 2,175,000                               | 305,816              | 2,480,816            | 1,839,266                                | 641,550                                    | 84.22%                       |
| 2036                             | 1,010,000                               | 240,720              | 1,250,720            | 611,045                                  | 639,675                                    |                              |
| 2037                             | 1,040,000                               | 215,553              | 1,255,553            | 611,803                                  | 643,750                                    |                              |
| 2038                             | 1,060,000                               | 191,000              | 1,251,000            | 612,125                                  | 638,875                                    |                              |
| 2039                             | 1,085,000                               | 165,674              | 1,250,674            | 607,049                                  | 643,625                                    |                              |
| 2040                             | 1,110,000                               | 139,661              | 1,249,661            | 606,723                                  | 642,938                                    | 92.20%                       |
| 2041                             | 490,000                                 | 120,985              | 610,985              | 610,985                                  | -  |                              |
| 2042                             | 500,000                                 | 109,810              | 609,810              | 609,810                                  | -  |                              |
| 2043                             | 510,000                                 | 98,308               | 608,308              | 608,308                                  | -  |                              |
| 2044                             | 525,000                                 | 86,525               | 611,525              | 611,525                                  | -  |                              |
| 2045                             | 535,000                                 | 74,343               | 609,343              | 609,343                                  | -  | 96.05%                       |
| 2046                             | 545,000                                 | 61,876               | 606,876              | 606,876                                  | -  |                              |
| 2047                             | 560,000                                 | 49,119               | 609,119              | 609,119                                  | -  |                              |
| 2048                             | 570,000                                 | 35,954               | 605,954              | 605,954                                  | -  |                              |
| 2049                             | 585,000                                 | 22,498               | 607,498              | 607,498                                  | -  |                              |
| 2050                             | 365,000                                 | 8,687                | 373,687              | 373,687                                  | -  | 100.00%                      |
|                                  | <u>\$ 66,480,000</u>                    | <u>\$ 17,125,426</u> | <u>\$ 83,605,429</u> | <u>\$ 65,675,587</u>                     | <u>\$ 17,929,842</u>                       |                              |

(1) "Outstanding Debt Service" does not include lease/purchase obligations.



**TABLE 9 – INTEREST AND SINKING FUND BUDGET PROJECTION**

|  |                  |                            |
|--|------------------|----------------------------|
| Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/2021 <sup>(1)</sup> |                  | \$ 1,593,901               |
| Interest and Sinking Fund, 9/30/2020   | \$ 1,172,670     |                            |
| Budgeted Interest and Sinking Fund Tax Levy  | <u>1,714,854</u> | <u>2,887,524</u>           |
| Estimated Balance, 9/30/2021   |                  | <u><u>\$ 1,293,623</u></u> |

(1) Does not include self-supporting debt.

**TABLE 10 – COMPUTATION OF SELF-SUPPORTING DEBT**

|   |                            |
|---|----------------------------|
| Net Waterworks and Sewer System Revenue Available as of 9/30/2020                           | \$ 6,886,972               |
| Net EIC Sales Tax Revenue Available as of 9/30/2020   | 3,540,749                  |
| Less: Requirements for Waterworks and Sewer System Revenue Bonds                            | 4,097,002                  |
| Less: Requirements for EIC Sales Tax Revenue Bonds  | <u>1,097,831</u>           |
| Balance Available for Other Purposes  | <u><u>\$ 5,232,888</u></u> |
| Maximum Requirements for Waterworks and Sewer System Supported General Obligation Debt      | \$ 4,221,897               |
| Percentage of Waterworks and Sewer System Supported General Obligation Debt Self-Supporting | 100%                       |
| Maximum Requirements for EIC Sales Tax Supported General Obligation Debt                    | \$ 1,111,400               |
| Percentage of EIC Sales Tax Supported General Obligation Debt Self-Supporting               | 100%                       |

**TABLE 11 – AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS**

The City does not have any authorized but unissued voted general obligation bonds. The City is authorized by the laws of the State to incur general obligation debt, such as the Certificates, for certain authorized purposes without an election.

**TABLE 12 – OTHER OBLIGATIONS**

The City of Kerrville has a loan with the Kerrville Public Utility Board in the amount of \$7,500,000 at a rate of 2.4% which matures in annual installments of \$1,071,429 beginning 2023 through 2029.

**TABLE 13 – CHANGE IN NET POSITION**

|   | Fiscal Year Ended September 30, |                             |                                  |                             |                             |
|---|---------------------------------|-----------------------------|----------------------------------|-----------------------------|-----------------------------|
|   | 2020                            | 2019                        | 2018                             | 2017                        | 2016                        |
| REVENUES:                                 |                                 |                             |                                  |                             |                             |
| Program Revenues:                         |                                 |                             |                                  |                             |                             |
| Charges for Services                      | \$ 7,011,875                    | \$ 6,683,930                | \$ 6,375,410                     | \$ 6,490,553                | \$ 5,433,867                |
| Operating Grants and Contributions        | 2,627,054                       | 862,680                     | 272,964                          | 348,256                     | 759,117                     |
| Capital Grants and Contributions          | 4,527,469                       | 3,462,693                   | 1,314,445                        | 2,594,597                   | 2,626,390                   |
| General Revenues:                         |                                 |                             |                                  |                             |                             |
| Property Taxes                            | 11,587,087                      | 11,073,307                  | 10,990,038                       | 10,768,613                  | 10,353,103                  |
| Sales Taxes                               | 7,825,534                       | 7,297,167                   | 6,899,129                        | 6,721,841                   | 6,426,901                   |
| Hotel Occupancy Taxes                     | 1,173,973                       | 1,415,761                   | 1,333,802                        | 1,218,988                   | 1,106,705                   |
| Franchise Taxes                           | 1,851,256                       | 1,943,378                   | 1,950,886                        | 1,733,644                   | 1,580,265                   |
| Alcoholic Beverage Taxes                  | 98,861                          | 112,508                     | 87,059                           | 72,427                      | 74,082                      |
| Unrestricted Investment Earnings          | 567,470                         | 618,479                     | 391,070                          | 243,925                     | 130,455                     |
| Miscellaneous                             | 264,625                         | 266,755                     | 1,152,754                        | 2,064,119                   | 2,032,635                   |
| Total Revenues                            | <u>\$ 37,535,204</u>            | <u>\$ 33,736,658</u>        | <u>\$ 30,767,557</u>             | <u>\$ 32,256,963</u>        | <u>\$ 30,523,520</u>        |
| EXPENSES:                                 |                                 |                             |                                  |                             |                             |
| General Government                        | \$ 7,854,943                    | \$ 7,900,898                | \$ 6,988,212                     | \$ 5,804,497                | \$ 6,107,677                |
| Public Safety                             | 14,995,589                      | 14,984,076                  | 14,242,578                       | 14,239,827                  | 12,932,381                  |
| Culture and Recreation                    | 5,743,205                       | 5,242,653                   | 5,111,916                        | 4,542,728                   | 3,700,771                   |
| Public Works                              | 7,119,537                       | 11,660,777                  | 5,617,405                        | 4,002,088                   | 3,403,977                   |
| Interest on Long-term Debt                | 738,863                         | 633,074                     | 605,985                          | 722,457                     | 818,384                     |
| Depreciation - Unallocated                | -                               | -                           | -                                | -                           | -                           |
| Total Expenditures                        | <u>\$ 36,452,137</u>            | <u>\$ 40,421,478</u>        | <u>\$ 32,566,096</u>             | <u>\$ 29,311,597</u>        | <u>\$ 26,963,190</u>        |
| Increase in Net Position Before Transfers | <u>\$ 1,083,067</u>             | <u>\$ (6,684,820)</u>       | <u>\$ (1,798,539)</u>            | <u>\$ 2,945,366</u>         | <u>\$ 3,560,330</u>         |
| Transfers                                 | <u>2,083,960</u>                | <u>2,006,063</u>            | <u>1,641,090</u>                 | <u>3,934,338</u>            | <u>1,910,213</u>            |
| Increase in Net Position                  | <u>\$ 3,167,027</u>             | <u>\$ (4,678,757)</u>       | <u>\$ (157,449)</u>              | <u>\$ 6,879,704</u>         | <u>\$ 5,470,543</u>         |
| Beginning Net Position                    | <u>92,337,120</u>               | <u>97,015,877</u>           | <u>97,173,326</u> <sup>(1)</sup> | <u>91,087,055</u>           | <u>85,616,512</u>           |
| Ending Net Position                       | <u><u>\$ 95,504,147</u></u>     | <u><u>\$ 92,337,120</u></u> | <u><u>\$ 97,015,877</u></u>      | <u><u>\$ 97,966,759</u></u> | <u><u>\$ 91,087,055</u></u> |

(1) Restated.

**TABLE 13A – GENERAL FUND REVENUES AND EXPENDITURE HISTORY**

|  | Fiscal Year Ended September 30, |                             |                             |                             |                             |
|--|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  | 2020                            | 2019                        | 2018                        | 2017                        | 2016                        |
| <b>REVENUES</b>  |                                 |                             |                             |                             |                             |
| Taxes  | \$ 19,699,578                   | \$ 18,870,924               | \$ 18,300,673               | \$ 17,809,686               | \$ 17,047,831               |
| Licenses and Permits   | 946,315                         | 673,259                     | 581,014                     | 520,811                     | 466,303                     |
| Intergovernmental  | 1,457,455                       | 1,431,074                   | 1,372,133                   | 1,263,640                   | 1,347,808                   |
| Charges for Services   | 4,301,930                       | 4,246,406                   | 4,158,789                   | 3,941,832                   | 3,334,083                   |
| Grants   | 1,308,931                       | 99,579                      | 123,353                     | 40,742                      | 742,139                     |
| Fine and Forfeitures   | 286,338                         | 485,764                     | 612,061                     | 630,474                     | 548,847                     |
| Interest   | 280,286                         | 401,848                     | 246,697                     | 136,717                     | 62,239                      |
| Miscellaneous  | 375,514                         | 474,465                     | 295,976                     | 500,213                     | 675,775                     |
| Total Revenues   | <u>\$ 28,656,347</u>            | <u>\$ 26,683,319</u>        | <u>\$ 25,690,696</u>        | <u>\$ 24,844,115</u>        | <u>\$ 24,225,025</u>        |
| <b>EXPENDITURES</b>  |                                 |                             |                             |                             |                             |
| Current Expenditures:  |                                 |                             |                             |                             |                             |
| General Government   | \$ 5,265,667                    | \$ 5,332,094                | \$ 5,186,707                | \$ 4,870,572                | \$ 4,281,627                |
| Public Safety  | 12,604,078                      | 13,777,279                  | 13,100,154                  | 12,647,515                  | 12,313,269                  |
| Culture and Recreation   | 3,401,299                       | 3,387,361                   | 3,435,179                   | 2,780,105                   | 2,492,818                   |
| Public Works   | 3,873,613                       | 4,361,530                   | 4,161,108                   | 3,372,628                   | 3,017,017                   |
| Capital Outlay   | 1,441,493                       | 1,304,002                   | 865,542                     | 903,583                     | 736,945                     |
| Total Expenditures   | <u>\$ 26,586,150</u>            | <u>\$ 28,162,266</u>        | <u>\$ 26,748,690</u>        | <u>\$ 24,574,403</u>        | <u>\$ 22,841,676</u>        |
| <b>EXCESS (DEFICIENCY) OF REVENUE<br/>OVER EXPENDITURES</b>  | <u>\$ 2,070,197</u>             | <u>\$ (1,478,947)</u>       | <u>\$ (1,057,994)</u>       | <u>\$ 269,712</u>           | <u>\$ 1,383,349</u>         |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                                 |                             |                             |                             |                             |
| Operating Transfers In   | \$ 2,344,998                    | \$ 2,193,198                | \$ 3,187,170                | \$ 4,016,473                | \$ 2,003,038                |
| Operating Transfers Out  | (2,172,825)                     | (1,408,200)                 | (520,945)                   | (3,125,862)                 | (1,346,000)                 |
| Total Other Financing Sources (Uses)   | <u>\$ 172,173</u>               | <u>\$ 784,998</u>           | <u>\$ 2,666,225</u>         | <u>\$ 890,611</u>           | <u>\$ 657,038</u>           |
| <b>EXCESS (DEFICIENCY) OF REVENUE<br/>AND OTHER FINANCING SOURCES<br/>OVER (UNDER) EXPENDITURES<br/>AND OTHER USES</b> | <u>\$ 2,242,370</u>             | <u>\$ (693,949)</u>         | <u>\$ 1,608,231</u>         | <u>\$ 1,160,323</u>         | <u>\$ 2,040,387</u>         |
| <b>FUND BALANCES AT BEGINNING OF YEAR</b>  | <u>\$ 14,354,772</u>            | <u>\$ 15,048,721</u>        | <u>\$ 13,440,490</u>        | <u>\$ 12,280,167</u>        | <u>\$ 10,239,780</u>        |
| <b>FUND BALANCES AT END OF YEAR</b>  | <u><u>\$ 16,597,142</u></u>     | <u><u>\$ 14,354,772</u></u> | <u><u>\$ 15,048,721</u></u> | <u><u>\$ 13,440,490</u></u> | <u><u>\$ 12,280,167</u></u> |

**TABLE 14 – MUNICIPAL SALES TAX HISTORY**

| Year<br>Ended<br>9/30 | Total<br>Collected <sup>(1)</sup> | % of<br>Ad Valorem<br>Tax Levy <sup>(2)</sup> | Equivalent<br>of<br>Ad Valorem<br>Tax Rate <sup>(2)</sup> | Per<br>Capita <sup>(3)</sup> |
|-----------------------|-----------------------------------|---|---|------------------------------|
| 2016                  | \$ 6,426,899                      | 62.37%  | \$ 0.3510   | \$ 266.55                    |
| 2017                  | 6,721,841                         | 62.88%  | 0.3537  | 276.71                       |
| 2018                  | 6,899,126                         | 61.91%  | 0.3465  | 278.24                       |
| 2019                  | 7,297,167                         | 65.59%  | 0.3617  | 292.69                       |
| 2020                  | 7,825,534                         | 67.17%  | 0.3627  | 311.01                       |

(1) Excludes half-cent sales tax for economic development.

(2) Based on the Freeze Adjusted Equivalent Taxable Assessed Valuation.

(3) Based on population estimates of the City staff.

**TABLE 15 – CURRENT INVESTMENTS**

As of September 30, 2020, the City's funds were invested as follows:

| Description                         | % of<br>Portfolio | Book<br>Value | Market<br>Value |
|-------------------------------------|-------------------|---------------|-----------------|
| Federal agency securities           | 11.04%            | \$ 4,768,682  | \$ 4,768,682    |
| Commercial Paper                    | 31.21%            | 13,475,480    | 13,475,480      |
| Equity Securities                   | 2.09%             | 901,573       | 901,573         |
| TexPool Prime Local Government Pool | 20.17%            | 8,709,192     | 8,709,192       |
| Texas CLASS Local Government Pool   | 15.02%            | 6,487,708     | 6,487,708       |
| LOGIC                               | 17.04%            | 7,359,632     | 7,359,632       |
| Certificates of Deposit             | 3.43%             | 1,480,000     | 1,480,000       |
|                                     | 100.00%           | \$ 43,182,267 | \$ 43,182,267   |