

# CITY OF KERRVILLE, TEXAS

## BUDGET

### FISCAL YEAR 2023







## REQUIRED DISCLOSURE

### City of Kerrville Fiscal Year 2022-2023

This budget will raise more revenue from property taxes than last year's budget by an amount of \$2,394,803 which is a 19% percent increase from last year's budget and of that amount, \$199,121 is property tax revenue to be raised from new property added to the tax roll this year. (This paragraph is included in accordance with Sections 102.005 and 102.007, Tx. Local Gov't Code.)

The **overall** property tax rate will increase from \$0.5093 to \$0.5752 resulting in an overall tax rate increase of 12.9%. The **Maintenance & Operations (M&O) rate will be reduced from the FY2022 rate of \$0.4358 to \$0.4341 in FY2023.** The voter-approved debt portion (I&S) will increase by \$0.0676 when compared to FY2022. **Increases to property tax revenue detail:**

- Increase to General Fund from existing properties: \$467,339
- Increase in General Fund from new properties: \$199,121
- **Increase in Debt Service Fund (\$0.1411 rate): \$1,728,343 (pursuant to the May 7, 2022 election)**

The recorded vote for each member of the governing body, by name, voting on the adoption of the Fiscal Year 2023 (FY2023) budget is as follows:

	Originally Adopted*		*Amended*	
	<u>August 23, 2022</u>	<u>September 13, 2022</u>	<u>January 10, 2023</u>	<u>January 24, 2023</u>
Judy Eychner, Mayor	YES	YES	YES	YES
Roman Garcia, Place 1	YES	YES	NO	NO
Kim Clarkson, Place 2	YES	YES	YES	YES
Joe Herring Jr., Place 3	YES	YES	YES	YES
Brenda Hughes, Place 4	YES	YES	YES	YES
<b>Comparison</b>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2021-2022</u>	<u>2022-2023</u>
Property Tax Rate	\$0.5093/100	\$0.5750/100	\$0.5093/100	\$0.5752/100
No-New-Revenue Rate	\$0.4868/100	\$0.4611/100	\$0.4868/100	\$0.4611/100
No-New-Revenue M&O Rate	\$0.4211/100	\$0.3980/100	\$0.4211/100	\$0.3980/100
Voter-Approval Tax Rate	\$0.5315/100	\$0.5752/100	\$0.5315/100	\$0.5752/100
Debt Rate (I&S)	\$0.0735/100	\$0.1409/100	\$0.0735/100	\$0.1411/100

At the end of FY2022, the total debt obligation (outstanding principal) for the City of Kerrville secured by property taxes is \$107,890,000. Of this amount, \$40,615,000 is paid for with Water Fund Revenue, \$9,905,000 is paid for by EIC 4B Sales Tax Revenue, and \$57,370,000 is paid for with Property Tax Revenue. Series 2022 debt, which is **\$45,000,000 of the Property Tax supported debt was voter-approved with a bond election in May 2022.** As in all prior years, the City expects that Water Fund and EIC 4B Sales Tax Revenue will be sufficient for debt obligations of these funds. More information regarding the City's debt obligations, including payment requirements for current and future years, can be found in the Debt Service Funds section of this document.

*Due to a clerical error in the originally adopted Tax Rate Ordinance\* and the immateriality of the financial impact, the tax rate was amended in \*January 2023\* to the rate originally presented in the FY20223 Proposed Budget. As in all years, any excess-collections in the debt fund for FY2023 will be reported as part of the FY2024 tax rate calculation.*





### **Kerrville City Council**

<b>Mayor</b>	<b>Judy Eychner</b>
<b>Place 1</b>	<b>Roman Garcia</b>
<b>Place 2</b>	<b>Kim Clarkson</b>
<b>Place 3</b>	<b>Joe Herring, Jr.</b>
<b>Place 4</b>	<b>Brenda Hughes</b>

### **City of Kerrville Budget Committee**

<b>City Manager</b>	<b>E.A. Hoppe</b>
<b>Director of Finance</b>	<b>Julie Behrens</b>
<b>Assistant Director of Finance</b>	<b>Trina Rodriguez</b>
<b>Assistant City Manager</b>	<b>Kim Meisner</b>
<b>Assistant City Manager</b>	<b>Michael Hornes</b>
<b>Executive Director of Innovation</b>	<b>Guillermo Garcia</b>



# The Community Vision

As part of the Kerrville 2050 Comprehensive Plan process, community leaders converged around key ideas and common themes expressed by citizens during numerous public outreach opportunities. These ideas and themes were transformed into a shared vision of the future. The Vision Statement below, developed based on input from the Community Retreat and the work of the Comprehensive Plan Steering Committee, was approved in December 2017 and guided the course of the remainder of the effort:

*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 so long as it occurs with an understanding, an appreciation, and a goal of preserving Kerrville's history and small-town character.







## BUDGET AWARD



GOVERNMENT FINANCE OFFICERS ASSOCIATION

### *Distinguished Budget Presentation Award*

PRESENTED TO

**City of Kerrville  
Texas**

For the Fiscal Year Beginning

**October 01, 2021**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Kerrville for its annual budget for the fiscal year beginning October 1, 2021.

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



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# **CITY MANAGER'S MESSAGE**





## CITY MANAGER'S MESSAGE

Dear Honorable Mayor Eychner, Councilmembers, and Citizens of Kerrville,

It is my privilege to submit the Fiscal Year 2023 (FY2023) Proposed budget for the City of Kerrville. Over the past few years, the City of Kerrville and its citizens have been faced with unprecedented challenges. The COVID-19 pandemic began in 2020 and created a public health crisis with ongoing effects on the workforce, schools, and businesses. While still dealing with the lasting effects of the pandemic, the community weathered two very harsh winter storms and, in the past year, a significant rainfall drought and the highest inflation the United States has experienced in forty years. Through all of the challenges, the City of Kerrville has remained fiscally and operationally strong, striving to provide continued excellence in its service provision to citizens and towards implementing the community's vision as expressed in the Kerrville 2050 Comprehensive Plan.

True to the FY2022 budget theme of *"Moving Forward,"* City staff remained focused on the business of the City and accomplished numerous Kerrville 2050 community goals as prioritized by the City Council, including:

- A successful bond election for a new, multi-departmental Public Safety Facility
- Replacement of aging Public Safety communication infrastructure
- Over \$3M in street reconstruction efforts and pedestrian sidewalk enhancements
- Over \$2 million in street maintenance activity
- An extension of Olympic Drive, in partnership with KISD and the EIC
- Loop 534 Ellenberger Water Supply Well, in partnership with HGCD
- Phase II of Advanced Metering Infrastructure (AMI)
- Water/Wastewater Master Plan update
- Significant progress on the Lower Lois Street Drainage project
- Parks and Recreation Master Plan update
- Singing Wind Park Master Planning effort
- The Tranquility Island "Light the Island" project, in partnership with KCLC and the EIC
- Kerrville Sports Complex improvements
- New amenities and improvements to Carver Park
- New HVAC and lighting improvements at the Butt-Holdsworth Memorial Library
- Initiation of the Heart of the Hills Heritage Center project
- Completion of an ADA accessible ramp connecting Downtown and the library campus to Tranquility Island and the River Trail
- Upgrades to the Lehman Dog Park
- Strategic market and Cost-of-Living adjustments to aid in personnel recruitment and retention efforts, particularly in Public Safety departments
- Facilitation of Killdeer Mountain Manufacturing's business development efforts, employment growth, and new facility construction in Kerrville
- Groundbreaking for new single-family workforce housing neighborhood in partnership with Lennar Homes

As we prepare to move into FY2023, the City looks to build upon these successful projects, and thus our theme for this year's budget is ***"Building Momentum."***





## CITY MANAGER'S MESSAGE

Priority-based budgeting offers a structured process to effectively allocate scarce resources. Using this approach, the community identifies its key priority areas and the City allocates funds based on how effectively a program or service aligns with the priorities that the community has deemed to be of greatest value. The FY2023 Proposed Budget continues to *build momentum* on the implementation of the community's vision as expressed via the guiding principles outlined in the Kerrville 2050 Comprehensive Plan, as well as specific strategic initiatives of the City Council. Some of the major initiatives slated for FY2023 are as follows (categorized within their respective Kerrville 2050 Key Priority Area):

### **Community & Neighborhood Character / Placemaking**

- An update of the Kerrville 2050 Comprehensive Plan, to include evaluation of potential overlay Zoning districts and further study of key select Strategic Catalyst Areas such as the medical district (Strategic Catalyst Area #2), Nimitz Lake (Strategic Catalyst Area #3), and the area around Schreiner University/Legion neighborhood (Strategic Catalyst Area #9)
- Revisions to various planning and development Codes and Ordinances (Right-of-Way Management, Floodplain Management, Night-friendly Lighting, Tree Preservation, Sub-Standard Buildings, Minimum Property Maintenance Standards, etc.)

### **Downtown Revitalization**

- Investment in Downtown utility and thoroughfare infrastructure, partially funded via state-wide grants and the Tax Increment Reinvestment Zone
- Continued implementation of the vision set forth by the Kerrville Urban Trail System for Clay Street South
- Design and construction of the proposed Heart of the Hills Heritage Center
- Continued efforts to attract a downtown hotel
- Economic development evaluation/application for an extension of the Kerrville River Trail into the downtown area

### **Economic Development**

- Continued focus on regional retail recruitment
- Supporting the efforts of the Kerr Economic Development Corporation in local workforce development efforts, bringing high-quality primary jobs to the community, as well as retaining and expanding existing local employers

### **Housing**

- Partnering with the private sector to facilitate the continued expansion of workforce housing developments in the community

### **Mobility / Transportation**

- Implementation of the remaining 2019 bond funding for street reconstruction improvements



## CITY MANAGER'S MESSAGE

- Continued enhancement to funding levels for annual street maintenance activity
- Investment in sidewalks, pedestrian safety improvements, and other multi-modal transportation enhancements, especially through opportunities presented via state-wide grant funding

### **Parks, Open Space & the River Corridor**

- Implementation of the City's newly updated Parks and Recreation Master Plan and Singing Wind Park Master Plan
- Investment in the community's tourism economy via community event support, and quality of life assets that serve both the residents of the community as well as visitors
- Encouraging additional public art installations and more consistent funding mechanisms for public art in the community

### **Public Facilities & Services**

- Continued emphasis on recruiting and retaining a high-quality City workforce
- Building a high-performing City organization by empowering employees through a continued focus on training and leadership development
- Progressing the community's priority to invest in public safety operations and the facilities they operate via the design and construction of a new multi-departmental Public Safety Facility
- Replacing and updating public safety equipment so those personnel can perform their essential duties safely, efficiently, and effectively
- Initiating a facility master planning process and space needs assessment for all City operations

### **Water, Wastewater & Drainage**

- Funding evaluation for the implementation of the City's newly updated Water/Wastewater Master Plan
- Continued implementation of the City's Long Range Water Supply Plan, with an emphasis on local conservation efforts during the continued drought
- Continued construction of high-priority stormwater drainage projects via the 2019 bond funding allocated to address these efforts
- Building resilience in the City's utility network via investment in backup power generation systems, funded in part via state-wide grants

### **Budget Philosophy**

The FY2023 Proposed Budget is built upon a conservative fiscal philosophy, with a key priority of ensuring fiscal sustainability of City operations and service delivery to the community. The City is subject to the same inflationary factors and supply shortages faced by citizens. Nationwide price increases for labor, fuel/energy sources, and supplies have created strain on the FY2022 budget



## CITY MANAGER'S MESSAGE

and has been factored into the development of the FY2023 budget. City staff have been challenged with implementing cost-saving measures both for the remainder of FY2022, and throughout the budget process for FY2023; focusing on maintaining current levels of quality public services for citizens first and foremost. Any cost increases across funds in the FY2023 budget are clearly identified in this document.

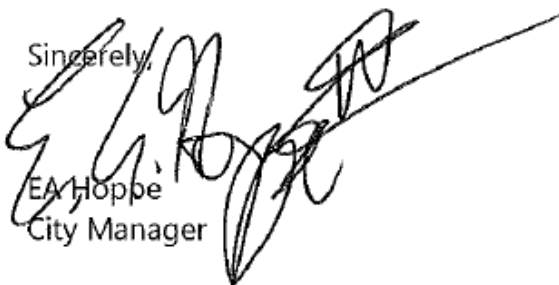
Most importantly, the City remains operationally strong and fiscally healthy. Long-range planning efforts are continuing to be updated for successful implementation of the community's long-term vision. These plans help proactively manage the overall health of City assets and operating systems in order to best serve our citizens and allow for the creation of strong financial forecasting models to ensure the continued wellbeing of Kerrville. As we continue *Building Momentum*, the City, with critical input from citizens, will update the Kerrville 2050 Comprehensive Plan in FY2023 to identify the progress that has been made, capture evolving priorities of the community, and ensure a sustainable plan for generations to come.

### Conclusion

The FY2023 Proposed Budget reflects the City's efforts to meet the community's desired levels of services and maintain fiscal discipline while maintaining service levels. The new budget provides the resources to *build momentum* in implementing the community's vision expressed in Kerrville 2050. The budget emphasizes continued focus on the City's three "E's" approach toward achievement of public service excellence: Engagement (strengthening relationships and building trust), Empowerment (investing in and developing our City personnel), and Execution (implementing Kerrville 2050 through strategic planning).

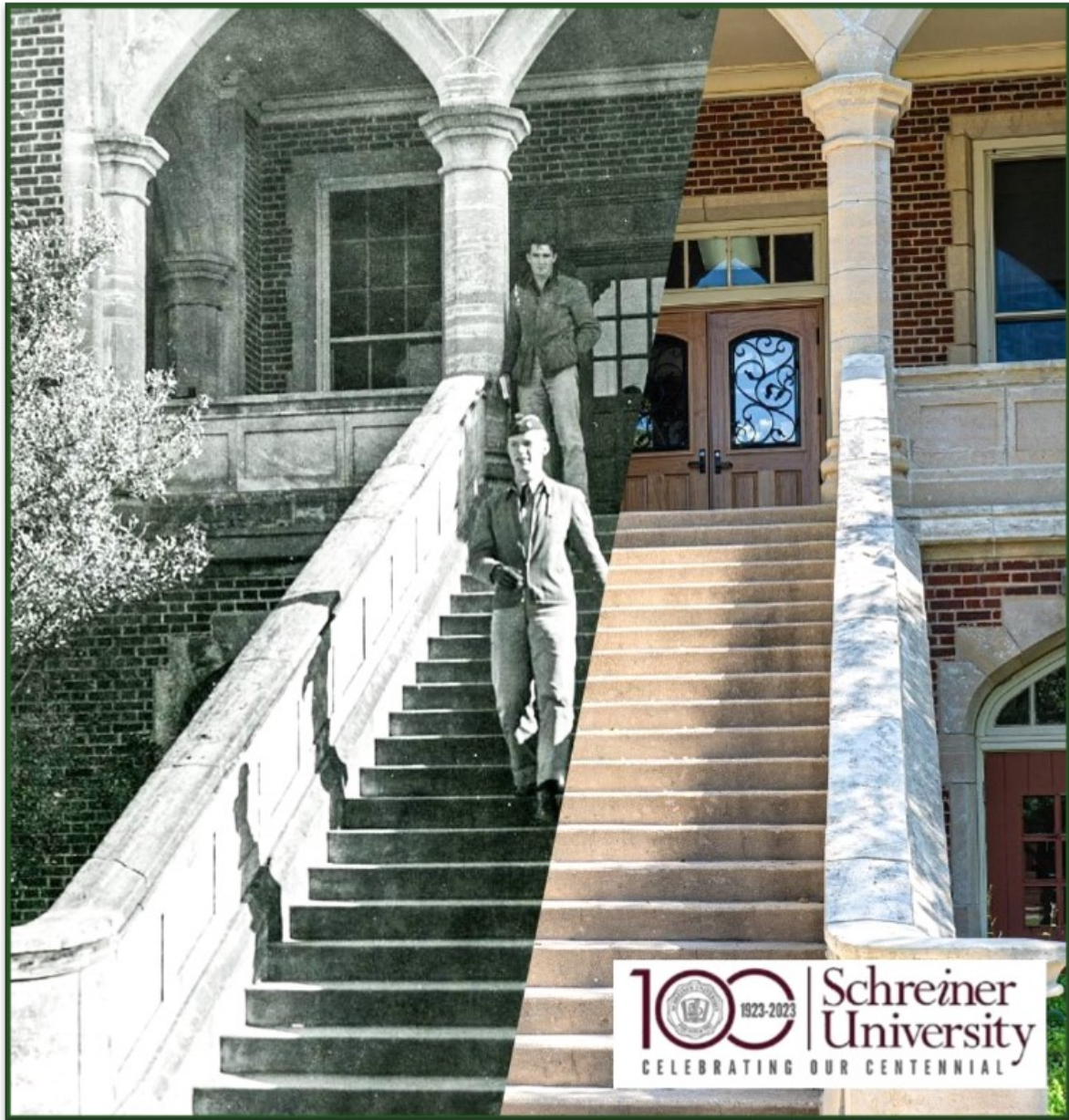
As always, I look forward to citizen and City Council comments and direction as we finalize an adopted budget for the next 12 months. Thank you for the opportunity to serve you.

Sincerely,



EA Hoppe  
City Manager







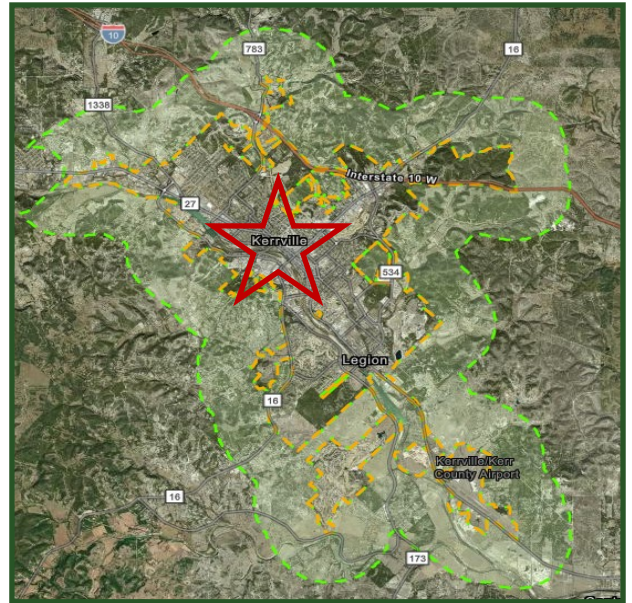
# CITY PROFILE





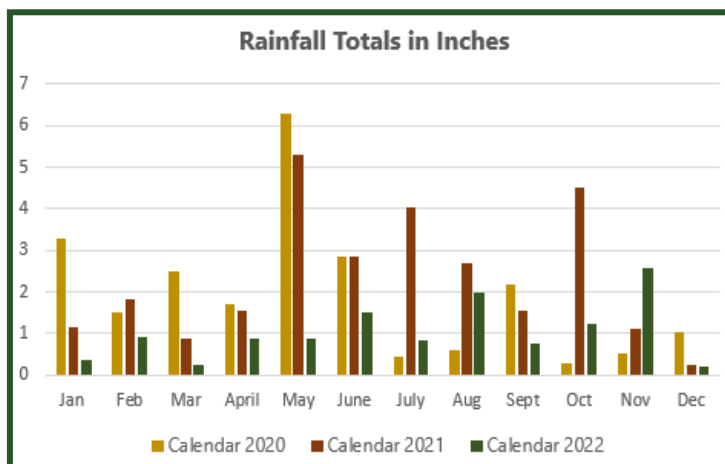
## LOCATION

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



## CLIMATE

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



## TOPOGRAPHY

The Guadalupe River runs through Kerrville, providing the City not only with drinking water, but with ample recreational opportunities, beautiful views and tourist appeal. Kerrville boasts a 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 and playscapes. In addition, Kerrville-Schreiner Park offers visitors 517 acres of trails, camping, fishing, swimming and recreation on the Guadalupe River.



**Guadalupe River**

## EDUCATION AND CHURCHES

Kerrville Independent School District has four elementary schools, one middle school, one high school, and a total enrollment of almost 5,000 students. The newly constructed Hal Peterson Middle School opened in August of 2021. In addition, Kerrville has numerous private schools, one community college campus, and one university. With an enrollment of approximately 1,200 students, Schreiner University continues to expand. This year will mark Schreiner University's centennial anniversary. In the past decade, Schreiner University has added a new athletic and event center, a fitness center, residence halls, and student apartments. The Kerrville area is also home to more than 90 churches, religious organizations and The Coming King Sculpture and Prayer Garden.



**Hal Peterson Middle School**



**Schreiner University**



**Notre Dame Catholic Church**



**The Coming King Prayer Garden**



## EVENTS AND FESTIVALS

Kerrville is home to events that draw guests from across the state and beyond. These events enhance the tourism industry in Kerrville and provide diverse experiences and fun activities for families and people of all ages.

- Kerrville Folk Festival
- Robert Earl Keen's 4th on the River
- Kerrville Triathlon Festival
- Kerrville Sports Complex Tournaments
- Mountain Bike Festival
- Scott Schreiner Municipal Golf Course Tournaments

- Holiday Lighted Parade
- River Roadster Show
- Family Fright Night
- Kerrville River Festival
- Kerrville Chalk Festival
- Kerrville Tennis Complex Tournaments
- Concerts by the River



**Golf Tournament—Scott Schreiner Golf Course**



**River Roadster Show**



**Concerts by the River**



**Kerrville Chalk Festival**



## CULTURE AND RECREATION

Cultural and recreational opportunities are abundant in Kerrville. The numerous parks, trails, sports fields, museums, historical areas, and planned events are all reasons to visit the City of Kerrville.

### Museums & Cultural Centers

- Cailloux Theater
- Symphony of the Hills
- Museum of Western Art
- Kerr Arts & Cultural Center
- The Coming King Sculpture Prayer Garden
- Kerr Regional History Center

### Recreation

- Area Parks & Playgrounds
- River Trail
- Kerrville Sports Complex
- 3 Golf Courses
- Tennis Center
- Riverside Nature Center



Cailloux Theatre



Splash Pad located at Louis Hays Park



Kerr Regional History Center



Kerrville Skate Park



# CITY PROFILE

## DEMOGRAPHIC AND ECONOMIC INFORMATION

<b>POPULATION</b>		<b>MEDIAN HOUSEHOLD INCOME</b>	\$ 57,107
2020 Census	24,278	<b>PER CAPITA INCOME</b>	\$ 26,396
2010 Census	22,347		
<b>AVERAGE HOUSEHOLD SIZE</b>		<b>HOUSING</b>	
	2.3	Median home value	\$ 180,600
<b>MEDIAN AGE</b>		Home values:	
	46	up to \$149,999	34.3%
<b>POPULATION BY MEDIAN AGE</b>		\$150,000 to \$199,999	17.2%
		\$200,000 to \$299,999	25.1%
Under 18 years	20.8%	\$300,000 to \$499,999	16.9%
18 years and over	51.3%	\$500,000 to \$999,999	6.2%
65 and over	27.9%	\$1,000,000 or more	0.4%
<b>POPULATION BY GENDER</b>		Total housing units*	13,371
Female	53.2%	Occupied housing units	93.1%
Male	46.8%	Vacant housing units	6.9%
<b>POPULATION BY RACE</b>		Owner occupied	66.8%
		Renter occupied	33.2%
White	64.8%		
Hispanic or Latino	30.6%	<b>UNEMPLOYMENT RATE (March 2022)</b>	3.3%
African American	2.4%		
Asian	0.5%	<b>MEAN TRAVEL TIME TO WORK (minutes)</b>	15
Other	1.7%		
<b>EDUCATION (AGE 25+)</b>		<b>MAJOR EMPLOYERS IN KERR COUNTY</b>	<b>EMPLOYEES</b>
No High School Diploma	10.8%	Peterson Health	1,200
High School Diploma	25.5%	Kerrville Independent School District	679
College, No Diploma	27.2%	Schreiner University	650
Associate's Degree	7.5%	James Avery Craftsman	600
Bachelor's Degree	18.4%	Kerrville State Hospital	600
Graduate/Professional Degree	10.6%	H-E-B	600
		Kerrville Veteran's Administration Hospital	400
		Kerr County	353
		City of Kerrville	323
		Walmart	300
		All-Plastics	97
		Killdeer Mountain Manufacturing	60
		Total Employed by Major Employers	5,862
		All Others	11,750
		<b>TOTAL EMPLOYED</b>	<b>17,612</b>

\*Housing units include single family and multi-family dwelling units.

Sources: 2021 ACFR, US Bureau of Labor Statistics, US Census Bureau, Kerrville Economic Development Corporation



## HISTORY

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

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

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

The Kerrville Water Works Company began to provide water service in 1894. Telephone service was started shortly after, in 1896. The City began to pave the streets in 1912. Kerrville adopted a new City Charter and became a home rule city in 1942. Today, Kerrville is the principal commercial center for the area and has grown to a population of over 24,000 residents.



**Downtown Kerrville**



**First Baptist & Assembly of God, Jefferson St. 1915**



**Kellogg Building, Main & Sidney Baker St**



**Now Sunflower Bank**



## City of Kerrville Make a Difference Committee

**Motto:** "Let's all help make a difference"

**Functions:** The Make a Difference Committee (MDC) is an employee volunteer group made up of employees from various departments within the City. The MDC was created as part of a planned, managed effort to motivate and enable City employees to effectively serve community needs. The MDC plays a part in this effort by encouraging volunteer participation of City employees for both City-sponsored and other volunteer opportunities

**Importance:** The City wants to encourage participation because the City believes volunteering:

- Builds a stronger community
- Benefits and supports specific community functions and needs
- Boosts employee morale, teamwork, loyalty, productivity, and motivation
- Allows employees to include their family in volunteer efforts
- Helps build positive role models and provide learning opportunities for others
- Develops and enhances the professional and leadership skills of employees



### Some MDC activities includes:

- Point In Time (Homeless Count)
- Mega Food Bank (monthly)
- Adopt-A-Highway Trash Pickup (quarterly)
- Thanksgiving meal service and delivery at the Kroc Center
- Assist with the Holiday Parade
- Upper Guadalupe River Authority River Clean Up
- Military Appreciation Dinner
- The American Cancer Society Relay for Life
- Blue Santa
- Notre Dame Food Drive

### Did you know?

In FY2022, City employees provided more than 250 volunteer hours in service to our community.



Mega Food Bank

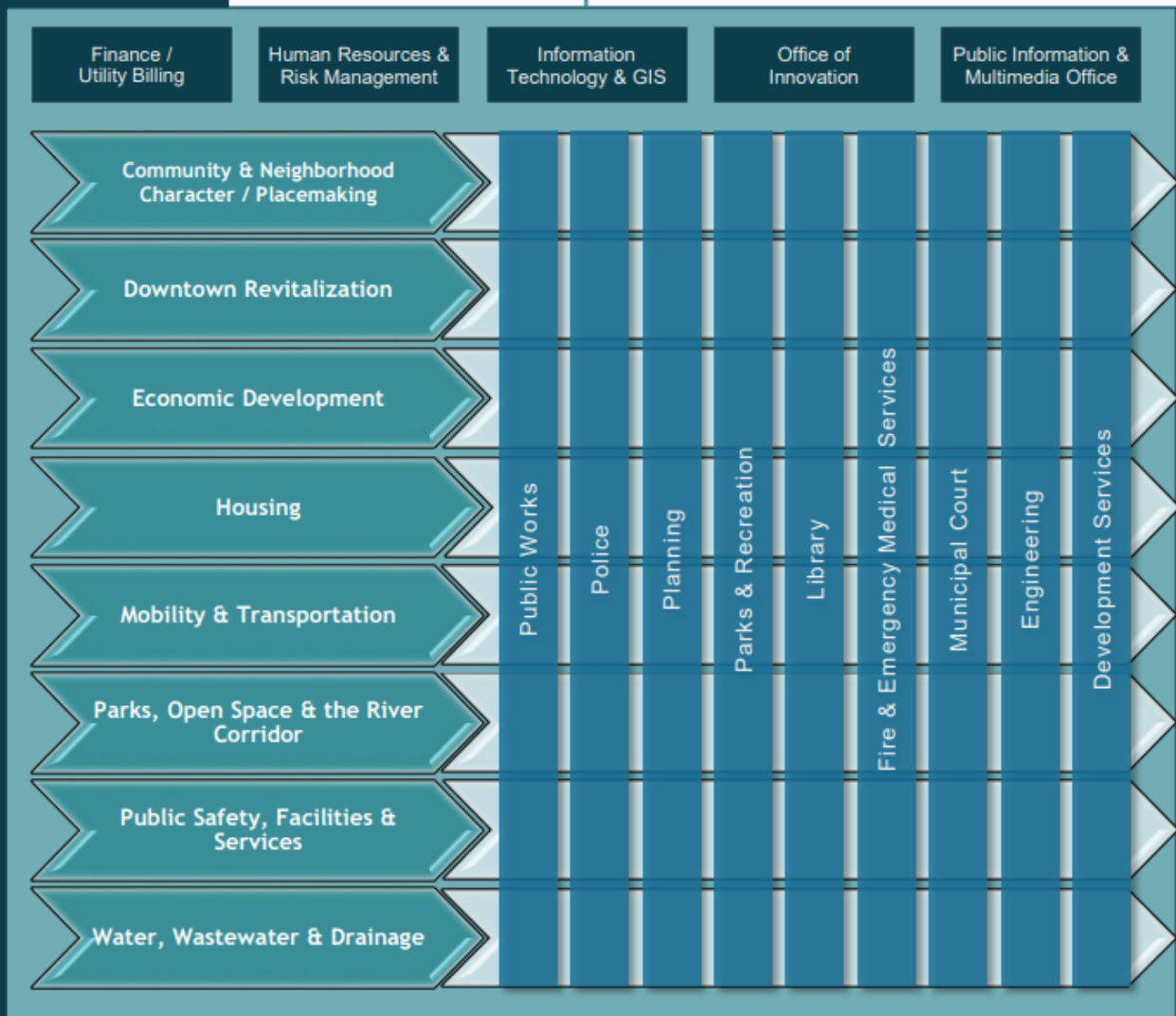
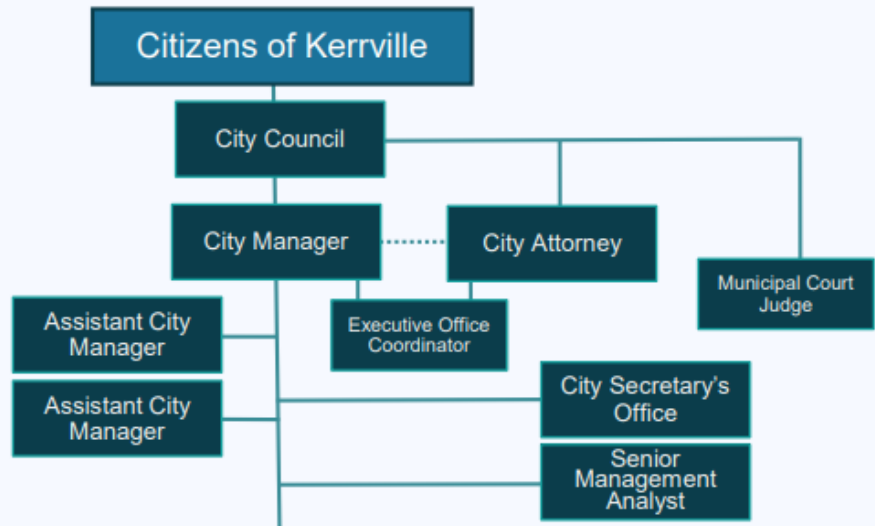


Adopt-A-Highway





## Organizational Structure & K2050 Key Priority Areas







## City of Kerrville FY2023 Holiday Schedule

Veteran's Day	Friday, November 11, 2022
Thanksgiving Day	Thursday, November 24, 2022
Friday After Thanksgiving	Friday, November 25, 2022
Christmas Eve Holiday	Friday, December 23, 2022 (observed)
Christmas Day Holiday	Monday, December 26, 2022 (observed)
New Year's Day Holiday	Monday, January 2, 2023 (observed)
Martin Luther King Day	Monday, January 16, 2023
President's Day	Monday, February 20, 2023
Good Friday	Friday, April 7, 2023
Memorial Day	Monday, May 29, 2023
Independence Day	Tuesday, July 4, 2023
Labor Day	Monday, September 4, 2023
Floating Holiday	Two Days of Employee Choice* (Supervisor Approval Required)

**\*For Fire Fighters 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 fire fighter 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 11<sup>th</sup> holiday for City of Kerrville Fire Fighters. The September 11<sup>th</sup> holiday may be used on a date other than September 11<sup>th</sup> but must have supervisor approval. Upon separation from the City, a fire fighter will not be paid for an unused September 11<sup>th</sup> holiday.

Approved EAH – 07/14/2022

# BUDGET PROCESS





# BUDGET PROCESS - BUDGET PHILOSOPHY

## BUDGET PHILOSOPHY

To prepare a budget, the City establishes a conservative fiscal approach and then applies the principles of priority-based budgeting.

### Fiscal Approach

1. **Sustainability** - The City's budget uses conservative revenue projections and does not use one-time revenues to fund on-going or recurring expenditures.
2. **Balanced** - For the City's largest operating funds, General and Water, expenditures do not exceed revenues.
3. **Use of fund balance** - General Fund and Water Fund do not use fund balance to meet regular, recurring expenditures.

### Priority Based Budgeting

Priority-based budgeting offers a structured process to effectively allocate scarce resources. Using this approach, the City identifies Key Priority Areas and allocates funds based on how effectively a program or service aligns with the priorities that the community has deemed to be of greatest value.

In 2018, the community completed a comprehensive plan, called Kerrville 2050. Kerrville 2050 is the official statement of our community's long-term vision for the future. It consists of a set of coordinated plans such as land use, transportation, economic development, parks, etc. Kerrville 2050 was developed over nine months with input from hundreds of citizens. The plan was officially adopted by City Council in June 2018 and provides the Key Priority Areas (strategic goals) for the budget.

Each City department has developed a business plan that ties to the Key Priority Areas in Kerrville 2050. The business plans identify goals, objectives, and track performance measures for each department and serve as the basis for department's budget requests.

During the budget process, the Finance Department identifies the amount of available resources. On the expenditures side, each department identifies near-term strategic priorities. Using the Kerrville 2050 key priorities as a guide, resources are allocated. Performance metrics are gathered to create accountability for results and to continually monitor progress.





# BUDGET PROCESS - PURPOSE & PROCESS

## PURPOSE

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

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

## PROCESS

The following steps are completed to build the budget:

**Priority Based Budgeting** - The following steps are completed as part of the priority based budgeting approach:

1. Council identifies specific priorities, in alignment with Kerrville2050, at annual retreat
2. Finance identifies available resources (revenues)
3. Department priorities are identified and aligned with Kerrville 2050
4. Departments quantify their prioritized budget requests
5. Departments meet with Finance for a preliminary budget review
6. Departments meet with the Budget Committee (City Manager, Director of Finance, Assistant Director of Finance, Executive Director of Innovation, and both Assistant City Managers) for a final budget review
7. The Budget Committee prioritizes funding allocations
8. Council Budget Workshops (open to the public) are held for City Council feedback
9. Metrics are tracked for ongoing service/program evaluation
10. Proposed Budget is presented to Council and Public
11. Proposed Budget & Tax Rate must be adopted by ordinance





# BUDGET PROCESS - PURPOSE & PROCESS

## PROCESS (CONTINUED)

**Council Retreat** - The City Council retreat is held annually to provide a forum for open communication between Council and Staff. Council is provided with an update on current action items using Kerrville 2050 as a guide. Council identifies its top priorities, providing staff direction for both budget and future projects.

**Preliminary Budget Concepts** - Preliminary budget concepts are presented to City Council by the City Manager and Finance staff during a series of budget workshops in June and July. These early discussions focus on priorities for the coming year and summarizes expected revenues and expenditures by fund.

**Proposed Budget** - Utilizing guidance from City Council during budget workshops, the City Manager formally submits a proposed budget, in accordance with the City Charter, on or by July 31st. This budget includes all funds and departments. The proposed budget is presented to Council shortly after the proposed budget is submitted.

**Public Hearings and Adoption** - Per Tax Code Section 26.05, a public hearing on the tax rate is required if the proposed tax 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 filed. Following required public hearings, the City Council approves separate ordinances, each requiring two readings and two votes, adopting the budget and the tax rate before the end of September. The new budget is effective October 1.

## MONITORING AND AMENDMENT

**Monitoring** - 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. Financial updates are given to City Council during regular City Council meetings. In addition, all departments have access to the City's general ledger software to facilitate continuous monitoring of departmental budgets and financial activity.

**Amendment** - The budget can be amended during the year to account for unforeseen events. The City Manager and Director of Finance can approve department requests for reallocation of funding (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 the net position of a particular fund.





# BUDGET PROCESS - BUDGET CALENDAR

## FY2023 BUDGET CALENDAR

### February 2022

Finance prepares resource estimates  
Human Resources prepares personnel estimates  
Finance conducts budget training with departments  
Departments begin inputting operational expenses

### March 2022

Departments finish inputting operational expenses  
Departments begin meetings with Finance for preliminary budget review

### April 2022

Departments continue meetings with Finance for preliminary budget review  
Departments begin meetings with Budget Committee for final budget review  
Preliminary tax roll received from Kerr Central Appraisal District (KCAD)

### May 2022

Departments finish meeting with Budget Committee for final budget review  
Budget Committee prioritizes requests  
Finance prepares preliminary draft budget

### June 2022

June 16 - City Council Budget Workshop

### July 2022

July 19 - City Council Budget Workshop  
July 25 - Certified tax roll received from Chief Appraiser, KCAD  
July 31 - Proposed budget filed with City Secretary

### August 2022

August 9 - City Manager and Finance Staff presents FY2023 Budget to City Council Resolution to set proposed tax rate  
August 23 - Public hearing for budget  
First Reading - Budget Ordinance & Tax Ordinance

### September 2022

September 13 - Second Reading - Budget Ordinance & Tax Rate Ordinance

### October 2022

October 1 - FY2023 Budget goes into effect



# BUDGET PROCESS - BUDGET BASIS

## BUDGET BASIS

### BASIS OF ACCOUNTING

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

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

**Proprietary Funds** - The proprietary fund category includes enterprise and internal service funds. These funds are used to account for activities that are similar to private sector businesses. The largest proprietary fund is the Water 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. Accordingly, depreciation expense is not budgeted. In the Annual Comprehensive Financial Report (ACFR), capital items are recorded as assets when purchased and 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.



# BUDGET PROCESS - FUND STRUCTURE

## FUND ACCOUNTING

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

The flow of revenues and expenditures within each fund is somewhat like a bank checking account. Revenues are deposited into the account and are used to fund maintenance and operations throughout the year. At the end of the fiscal year, any excess of revenues over expenditures remains in the account and is called fund balance. The fund balance can be reserved or designated to be spent only for certain items in the future, such as capital projects or specific items.

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

## FUND STRUCTURE

In accordance with the Governmental Accounting Standards Board (GASB), our Annual Comprehensive Financial Report (ACFR) is grouped in reporting sections for governmental funds, proprietary funds and component unit funds. Funds are further broken down into fund types within each GASB grouping. Fund types include general, capital projects, special revenue, debt service, enterprise, internal service, and economic improvement. The next level down is individual funds, which are shown below with our internally assigned fund number in parenthesis.

Governmental Funds Category			
General	Capital Projects	Special Revenue	Debt Service
<ul style="list-style-type: none"><li>- General Fund (01) – Major Fund</li><li>- General Asset Replacement (18)</li><li>- Landfill Closure (26)</li><li>- Landfill Post Closure (28)</li><li>- Development Services (29)</li><li>- Insurance Reserve (90)</li></ul>	<ul style="list-style-type: none"><li>- General CIP (70) Major Fund FY2021</li><li>- Parkland Dedication (08)</li></ul>	<ul style="list-style-type: none"><li>- Police Special Revenue (13)</li><li>- Library Memorial (15)</li><li>- Hotel Occupancy Tax (20)</li><li>- PEG Special Revenue (21)</li><li>- Muni Court Special Revenue (22)</li><li>- TIRZ #1 (51)</li><li>- Remschel-Deering History Center (68)</li><li>- Library Endowment (83)</li><li>- Cailloux Theatre Endowment (84)</li><li>- Grant Fund (85) FY2021 Major Fund</li></ul>	<ul style="list-style-type: none"><li>- General Debt Service (50) FY2021 Major Fund</li></ul>
Proprietary Funds Category			
Major Enterprise		Internal Service	
<ul style="list-style-type: none"><li>- Water Fund (02)</li><li>- Water Asset Replacement (19)</li><li>- Water Debt Service (53)</li><li>- Water Capital Projects (71)</li></ul>		<ul style="list-style-type: none"><li>- Garage (03)</li><li>- Employee Benefit Trust Fund (05)</li></ul>	
Component Unit Funds Category			
Economic Improvement Corporation			
<ul style="list-style-type: none"><li>- Economic Improvement Corporation (40)</li><li>- Kerrville Public Utility Board</li><li>- Kerrville Kerr County Airport</li></ul>			





# BUDGET PROCESS - FUND STRUCTURE

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

- |                              |                                   |
|------------------------------|-----------------------------------|
| 1. General Fund              | 2. General Asset Replacement Fund |
| 3. Landfill Closure Fund     | 4. Landfill Post Closure Fund     |
| 5. Development Services Fund | 6. Insurance Reserve Fund         |

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

- |                     |                             |
|---------------------|-----------------------------|
| 1. General CIP Fund | 2. Parkland Dedication Fund |
|---------------------|-----------------------------|

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

- |   |                                |
|---|--------------------------------|
| 1. Police Special Revenue Fund          | 2. Library Memorial Fund       |
| 3. Hotel Occupancy Tax Fund             | 4. PEG Special Revenue Fund    |
| 5. Municipal Court Special Revenue Fund | 6. TIRZ #1 Fund                |
| 7. Remschel-Deering History Center Fund | 8. Grant Fund                  |
| 9. Library Endowment Fund               | 10. Cailloux Theatre Endowment |

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

- |                              |
|------------------------------|
| 1. General Debt Service Fund |
|------------------------------|

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

- |                            |                                 |
|----------------------------|---------------------------------|
| 1. Water Fund              | 2. Water Asset Replacement Fund |
| 3. Water Debt Service Fund | 4. Water Capital Projects Fund  |

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

- |                |                                |
|----------------|--------------------------------|
| 1. Garage Fund | 2. Employee Benefit Trust Fund |
|----------------|--------------------------------|

**Grant Fund** - Grant funding is utilized to receive funding from a variety of grant sources including State and Local Fiscal Recovery Funds from the American Rescue Plan Act, COVID relief funding, Department of Justice, FEMA, etc. Grant funding received for large projects is transferred to the Community Investment Plan (CIP) fund (with Council approval) in order to better track expenses over multiple years. The grant fund rarely budgets expenses.

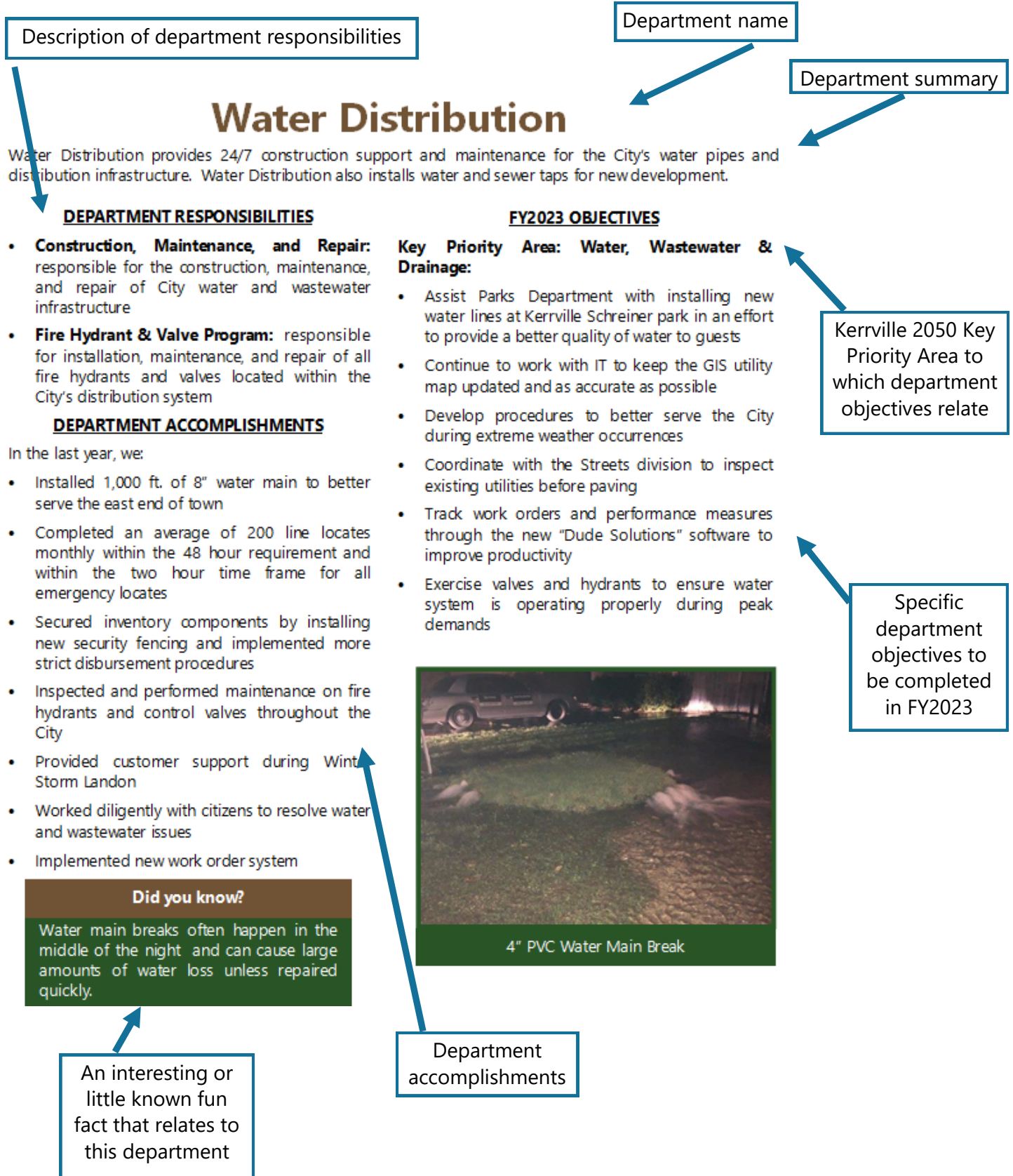
**Component Units Fund** - GASB Statement No. 14 defines component units as legally separate organizations for which the elected officials of the primary government are financial accountable. They may be a governmental organization, a nonprofit corporation or a for profit corporation. Component unit funds are NOT part of the Citywide budget totals presented in this book and are presented separately in the Annual Comprehensive Financial Report. The City's Component Unit Fund presented in this book is:

- |                                     |                                   |
|-------------------------------------|-----------------------------------|
| 1. Economic Improvement Corporation | 2. Kerrville Public Utility Board |
| 3. Kerrville Kerr County Airport    |                                   |



# BUDGET PROCESS - GUIDE TO DEPT PAGES

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





# BUDGET PROCESS - GUIDE TO DEPT PAGES

The next pages of the department section present budget line item detail for expenditures.

Department name



## GENERAL FUND - FINANCE

### Expenditures by Line Item

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

Expenditures	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2023 Budget
Salaries	267,152	327,902	326,391	354,861
Benefits	82,884	96,422	101,562	107,134
Travel and Training	2,412	4,277	4,507	6,212
<b>Total Personnel Services</b>	<b>352,447</b>	<b>428,600</b>	<b>432,459</b>	<b>468,207</b>
Office Supplies	1,675	2,475	2,475	2,255
Tools and Equipment	922	1,250	2,480	4,400
Postage and Shipping	77	-	-	100
Other Supplies	50	-	500	350
<b>Total Supplies and Materials</b>	<b>2,725</b>	<b>3,725</b>	<b>5,455</b>	<b>7,105</b>
Utilities	50	600	600	-
Professional Services	361,357	380,240	385,760	448,900
Insurance	575	575	575	675
<b>Total Services</b>	<b>361,982</b>	<b>381,415</b>	<b>386,935</b>	<b>449,575</b>
Other	1,628	1,609	1,609	1,450
<b>Total Other Expenses</b>	<b>1,628</b>	<b>1,609</b>	<b>1,609</b>	<b>1,450</b>
<b>Total Expenditures</b>	<b>\$ 718,783</b>	<b>\$ 815,349</b>	<b>\$ 826,458</b>	<b>\$ 926,337</b>

Total expenditures represent the combined total of all expenditure categories for the department.

FY2022 Budget includes both the original and current budget. The original budget represents the budget adopted by City Council. The current budget represents changes in line items made throughout the year and/or any budget amendments approved by City Council.

Note: The City's Financial Management Policy allows budget allocation to be reallocated between departments/line items if they are within the same fund if needed as long as there is no net impact to the overall fund.



# BUDGET PROCESS - BUDGET ORDINANCE

## CITY OF KERRVILLE, TEXAS ORDINANCE NO. 2022-25

**AN ORDINANCE ADOPTING THE ANNUAL BUDGET FOR THE CITY OF KERRVILLE, TEXAS, FISCAL YEAR 2023; 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 July 31, 2022, 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, 2022, and ending September 30, 2023 (sometimes referred to as "Fiscal Year 2023" or "FY2023"); and

**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 August 23, 2022, 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 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 the Fiscal Year 2023, 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 herein 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





## BUDGET PROCESS - BUDGET ORDINANCE

are hereby deemed to provide a complete financial plan of City funds and activities for the Fiscal Year 2023, in accordance with Section 8.04 of the City Charter and Chapter 102 of the Texas Local Government Code.

**SECTION THREE.** The following policies, which City Council has previously approved, are included within the budget document referenced in Section One. Some of the policies include amendments, as indicated, which City Council hereby approves. City Council may revise a policy(s) before the adoption of next year's budget, by the adoption of a resolution indicating the revisions. The policies are as follows:

- Financial Management Policy
- Investment Policy
- Purchasing Policy
- Real Estate Policy
- Travel Policy
- Vehicle and Equipment Replacement Policy
- Fee Schedule

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

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

**FIRST READING:**

**[1<sup>ST</sup> MOTION TO STATE AS FOLLOWS: *Motion to approve Ordinance No. 2022-25 to adopt the City's budget for Fiscal Year 2023 on 1<sup>st</sup> reading.*]**



## BUDGET PROCESS - BUDGET ORDINANCE

City Secretary to take record vote as follows:

	YES	NO
Judy Eychner, Mayor	<u>X</u>	_____
Roman Garcia, Place 1	<u>X</u>	_____
Kim Clarkson, Place 2	<u>X</u>	_____
Joe Herring, Jr., 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 FIRST READING, this the 23 day of August A.D., 2022.

### SECOND READING:

[1<sup>ST</sup> MOTION TO STATE AS FOLLOWS: *Motion to approve Ordinance No. 2022-25 to adopt the City's budget for Fiscal Year 2023 on 2<sup>nd</sup> reading.*]

City Secretary to take record vote as follows:

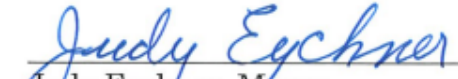
	YES	NO
Judy Eychner, Mayor	<u>X</u>	_____
Roman Garcia, Place 1	<u>X</u>	_____
Kim Clarkson, Place 2	<u>X</u>	_____
Joe Herring, Jr., Place 3	<u>X</u>	_____
Brenda Hughes, Place 4	<u>X</u>	_____

[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 13 day of September, A.D., 2022.




## BUDGET PROCESS - BUDGET ORDINANCE

  
Judy Eychner, Mayor

ATTEST:

  
Shelley McElhannon, City Secretary

APPROVED AS TO FORM:

  
Michael C. Hayes, City Attorney



# BUDGET PROCESS - TAX ORDINANCE

## CITY OF KERRVILLE, TEXAS ORDINANCE NO. 2023-05

AN ORDINANCE AMENDING ORDINANCE NO. 2022-26 AND THE AD VALOREM TAX FOR THE USE AND THE SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF KERRVILLE, TEXAS, FOR FISCAL YEAR 2023

WHEREAS, City Council, through its adoption of Ordinance No. 2022-26, previously adopted the City's tax rate for Fiscal Year 2023;

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

**SECTION ONE.** Section One of Ordinance No. 2022-26 is amended to increase the City's ad valorem tax rate by 0.0002 so that such rate is now **\$0.5752** for the Fiscal Year 2023.

**SECTION TWO.** Section Five of Ordinance No. 2022-26 is amended in its entirety to replace its language with the following:

**"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 12.94% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$65.90. (Tx. Tax Code, Section 26.05)"**

**SECTION THREE.** Other than the amendments provided here, no other changes are made to Ordinance No. 2022-26.

### FIRST READING:

[MOTION TO STATE AS FOLLOWS: *Motion to approve Ordinance No. 2023-05 and that the property tax rate be increased by the adoption of a tax rate of \$0.5752, which is effectively a 12.94% percent increase in the tax rate. (Tx. Tax Code, Section 26.05)]*





## BUDGET PROCESS - TAX ORDINANCE

City Secretary to take record vote as follows:

	YES	NO
Judy Eychner, Mayor	<u>X</u>	
Roman Garcia, Place 1		<u>X</u>
Kim Clarkson, Place 2	<u>X</u>	
Joe Herring, Jr., Place 3	<u>X</u>	
Brenda Hughes, Place 4	<u>X</u>	

January PASSED AND APPROVED ON FIRST READING, this the 10 day of  
A.D., 2023.

SECOND READING:

[MOTION TO STATE AS FOLLOWS: *Motion to approve Ordinance No. 2023-05 and that the property tax rate be increased by the adoption of a tax rate of \$0.5752, which is effectively a 12.94% percent increase in the tax rate.*]

City Secretary to take record vote as follows:

	YES	NO
Judy Eychner, Mayor	<u>X</u>	
Roman Garcia, Place 1		<u>X</u>
Kim Clarkson, Place 2	<u>X</u>	
Joe Herring, Jr., Place 3	<u>X</u>	
Brenda Hughes, Place 4	<u>X</u>	

PASSED AND APPROVED ON SECOND AND FINAL READING, this  
the 24 day of January, A.D., 2023.

APPROVED AS TO FORM:

Michael C. Hayes  
Michael C. Hayes, City Attorney

Judy Eychner  
Judy Eychner, Mayor

ATTEST:

Shelley McElhannon  
Shelley McElhannon, City Secretary

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# **KERRVILLE 2050**

## **Citywide Performance Measures**





# Citywide Performance Measures

## Kerrville 2050 Key Priority Areas

After extensive input from the community over a nine month period, the Kerrville 2050 Comprehensive Plan (Kerrville 2050) identified the following Key Priority Areas as the City's strategic goals:

- 1. Community & Neighborhood Character / Placemaking**
- 2. Downtown Revitalization**
- 3. Economic Development**
- 4. Housing**
- 5. Mobility / Transportation**
- 6. Parks, Open Space & The River Corridor**
- 7. Public Facilities & Services**
- 8. Water, Wastewater & Drainage**

Every function performed by the City ties directly back to one of these Kerrville 2050 Key Priority Areas to ensure implementation of community priorities. The Key Priority Areas govern the preparation of the budget as well as the operation of each department. Accordingly, the following section focuses on the Kerrville 2050 specific accomplishments and objectives. More granular accomplishments and objectives along with performance measures are located throughout this document within departmental information sections of each fund.

Action items are identified within each Key Priority Area to guide City Council and Staff during the budget process and in decision making throughout the year.

The Kerrville 2050 Comprehensive Plan can be viewed in its entirety at [kerrville2050.com](http://kerrville2050.com).



# Citywide Performance Measures

## Kerrville 2050 Comprehensive Plan Key Priority Areas

### Goal: Improve Community & Neighborhood Character and Placemaking

#### FY2022 Accomplishments:

Initiated design-build process for Heart of the Hills Heritage Center project in partnership with Heart of the Hills Heritage Center and other funding partners including H-E-B and the H-E-B Foundation

Began utilizing the mobile library vehicle to serve the community and provide outreach to care homes and community centers

Partnered with local non-profit organizations to provide efficient community support

#### FY2023 Objectives:

Establish Tree Preservation Guidelines / Ordinance

Establish Dark Sky Friendly Lighting Guidelines / Ordinance

Create Short-Term Rental Ordinance and revise zoning categories

Update Comprehensive Plan for Nimitz Lake area, the Medical District, and the Guadalupe River Zoning Overlay District

Public Art Coalition / Master Plan via partnership with the CVB

Update public services for Animal and Library services

Continue Neighborhood Enhancement Program

Update regulation on sub-standard buildings

**“To ensure that future development and land uses strengthen the character of neighborhoods and commercial areas and enhance the sense of community within Kerrville.” - Kerrville 2050 Plan, pg. 132**





# Citywide Performance Measures

## Kerrville 2050 Comprehensive Plan Key Priority Areas



### Goal: Downtown Revitalization

#### FY2022 Accomplishments:

Investment in Downtown utility and thoroughfare infrastructure

Continued implementation of the vision of the Kerrville Urban Trail System

Initiation of the Heart of the Hills Heritage Center Project

Completed Feasibility Study for the Kerrville River Trail extension into the downtown area

Completion of ADA accessible ramp connection to Downtown and the Library campus to Tranquility Island and the River Trail

Received Community Development Block Grant (CDBG) award to improve downtown walkability and safety



#### FY2023 Objectives:

Implement pedestrian safety improvements at Clay & Water and Water & Earl Garrett via CDBG funding

Garage/ Water St. Streetscape Improvements

Implement design-build process for the proposed Heart of the Hills Heritage Center

Continue efforts to attract a downtown hotel

Continue to invest in Downtown utility and through fair infrastructure

**“Downtown Kerrville is the historic heart of the city and county, storing generations’ worth of culture, tradition, and heritage within a few blocks.” - Kerrville 2050 Plan, pg. 211**

# Citywide Performance Measures

## Kerrville 2050 Comprehensive Plan Key Priority Areas

### Goal: Economic Development

#### FY2022 Accomplishments:

Continued focus on regional retail recruitment

Supported Kerr Economic Development Corporation (KEDC) in local workforce development and bringing high-quality primary jobs to the community

Facilitation of Killdeer Mountain Manufacturing's business development efforts, employment growth, and new facility construction

#### FY2023 Objectives:

Continued support of the Kerr Economic Development Corporation (KEDC) efforts to bring high-quality primary jobs to the community, workforce development, and efforts to find solutions to childcare shortages in the community

Continue to facilitate and accelerate growth in regional retail recruitment opportunities

Continue to focus on catalytic economic development opportunities Downtown

**"The primary purpose behind any economic development initiative is to achieve new gains in the financial and fiscal growth of the community." - Kerrville 2050 Plan, pg. 86**

# Citywide Performance Measures

## Kerrville 2050 Comprehensive Plan Key Priority Areas

### Goal: Mobility/ Transportation

#### FY2022 Accomplishments:

Completed extension of Olympic Drive in partnership with Kerrville ISD and the Kerrville Economic Improvement Corporation

Fulfilled maintenance projects outlined in the multiyear Pavement Master Plan

Expanded the bulk waste voucher program for Solid Waste customers

Completed over \$2 million in street maintenance projects

Invested over \$3 million in street reconstruction efforts and pedestrian sidewalk enhancements

#### FY2023 Objectives:

Seek funding for Clay/ Water/ KUTS streetscape improvements

Complete a reassessment of the Pavement Condition Index and Street Maintenance Master Plan

Implementation of the remaining 2019 bond funding for street reconstruction improvements

Continued enhancements to annual street maintenance activity

Continued investment in sidewalks, pedestrian safety improvements, and other multi-modal transportation enhancements

Implement reconstruction efforts of Westminster Street

**“No city has truly solved its mobility issues by simply expanding roadway infrastructure to accommodate motor vehicles.” - Kerrville 2050 Plan, pg. 148**

# Citywide Performance Measures

## Kerrville 2050 Comprehensive Plan Key Priority Areas

### Goal: Housing

#### FY2022 Accomplishments:

Partnering with the private sector to facilitate the continued expansion of workforce housing developments in the community

Groundbreaking for new single-family workforce housing neighborhood in partnership with Lennar homes and the Kerrville Economic Improvement Corporation

#### FY2023 Objectives:

Continue to partner with the private sector to facilitate the continued expansion of workforce housing developments in the community, with a near-term focus on multi-family housing opportunities

Continued implementation of the 2019 strategic Housing Plan, such as the creation of a Public Facility Corporation

Develop guiding policy for creative financing mechanisms such as Public Improvement Districts

**“[Housing] is a critical element of Kerrville’s economic development infrastructure.” - Kerrville 2050 Plan, pg. 118**



# Citywide Performance Measures

## Kerrville 2050 Comprehensive Plan Key Priority Areas

### Goal: Parks, Open Space & the River Corridor

#### FY2022 Accomplishments:

Adopted the City's updated Parks and Recreation Master Plan

Began the Singing Wind Park Master Plan

Completed Phase I of the "Light the Island" project at Tranquility Island in partnership with Kerrville Christmas Lighting Corporation

Made improvements to the Kerrville Sports Complex utilizing grant funding

Completed improvements and added new amenities at Carver park

Completed upgrades to Lehman Monroe Dog Park

#### FY2023 Objectives:

Begin Construction of the Louise Hays Park Fitness Court utilizing grant funding, private donations, and EIC contribution

Begin implementation of the updated Parks and Recreation Master Plan, leveraging grant dollars where available

Seek funding for Downtown River Trail Extension, Aquatics facility and Scott Schreiner Golf Course improvements

Encourage additional public art installations and more consistent funding mechanisms for public art in the community

Continue to expand community events to provide free activities for citizens and encourage tourism, such as the 2023 and 2024 Solar Eclipse events

Adopt the Singing Wind Park Masterplan

**"[The Guadalupe River] is considered by most Kerrville residents to be the heart of the community and many of the City's recreational assets revolve around the river." - Kerrville 2050 Plan, pg. 194**

# Citywide Performance Measures

## Kerrville 2050 Comprehensive Plan Key Priority Areas

### Goal: Public Facilities & Services

#### FY2022 Accomplishments:

Successful bond election for new Public Safety Facility

Updated STEP plan for Police & Fire-EMS to aid in recruitment and retention of personnel

Implementation of project to replace aging Public Safety communication infrastructure

Installed new HVAC and made lighting improvements at the Butt Holdsworth Memorial Library

Completed formal market Compensation study and implemented both a cost-of-living increase for all City employees and strategic market adjustments

#### FY2023 Objectives:

Design & initiate construction of the Public Safety Facility

Complete Public Safety Communication System project

Complete Police Body Camera project

Initiate an Internal Facilities Master Plan Review and Space Needs Assessment

Complete a Fall 2022 market Compensation Study update

Initiate an internal IT Infrastructure Master Plan

**“Dependable, high-quality public services and facilities are critical assets for the success of any community. They are an important component of the infrastructure and a source of community pride.”**  
- Kerrville 2050 Plan, pg. 177

# Citywide Performance Measures

## Kerrville 2050 Comprehensive Plan Key Priority Areas

### Goal: Water, Wastewater & Drainage

#### FY2022 Accomplishments:

Completed update to the City's Water/ Wastewater Master Plan

Completed Loop 534 Ellenberger Well in partnership with Headwaters Groundwater Conservation District

Implementation of the City's Long Range Water Supply Plan

Significant progress on the Lower Lois Street Drainage Project

Completed Phase II of the Advanced Metering Infrastructure (AMI) project

#### FY2023 Objectives:

Build resilience in the City's utility network via investment in backup power generation systems funded in part by federal grants

Complete Lois Street Drainage Project

Complete overhaul of the H Street Well

Complete final phase of the AMI project

Continue implementation of the City's Long Range Water Supply Plan, with an emphasis on local conservation efforts during drought

Funding evaluation for the implementation of the City's newly updated Water/ Wastewater Master Plan

Improvements to Water Street water infrastructure

**"The maintenance and expansion of [water and wastewater infrastructure] must be carefully planned to ensure cost effective and efficient services to enable these systems to continue providing quality service to Kerrville as the community grows and develops." - Kerrville 2050 Plan, pg. 164**

# BUDGET SUMMARY







# BUDGET OVERVIEW - BUDGET SUMMARY

## FY2023 Budget

PROGRAM FUNDS						
#	Fund Name	Estimated Beginning Fund Balance	Revenue	Expenditures	Net	Estimated Ending Fund Balance
1	General	\$ 12,115,106	\$ 35,357,039	\$ 35,357,039	-	\$ 12,115,106
2	Water	4,204,586	14,682,944	14,682,944	-	4,204,586
3	Garage	27,610	481,098	481,098	-	27,610
5	Employee Benefit Trust	333,111	3,910,000	3,910,000	-	333,111
8	Parkland Dedication	85,420	41,000	24,000	17,000	102,420
13	Police Special Revenue	141,695	9,650	3,500	6,150	147,845
15	Library Memorial	2,881,991	1,087,600	2,114,892	(1,027,292)	1,854,699
18	General Asset Replacement	1,587,488	630,000	1,086,125	(456,125)	1,131,363
19	Water Asset Replacement	510,274	517,500	541,519	(24,019)	486,255
20	Hotel Occupancy Tax	2,052,638	1,930,720	2,763,892	(833,172)	1,219,465
21	P.E.G. Special Revenue	79,379	61,600	56,000	5,600	84,979
22	Muni Court Special Revenue	95,307	63,000	68,592	(5,592)	89,715
26	Landfill	838,771	71,500	48,000	23,500	862,271
28	Landfill Post Closure	2,429,796	22,000	-	22,000	2,424,687
29	Development Services	(6,857)	1,071,214	1,071,214	-	(6,857)
50	General Debt Service	1,318,421	4,631,862	4,592,862	39,000	1,357,421
51	TIRZ #1	110,255	281,000	-	281,000	391,255
53	Water Debt Service	1,784,831	4,177,643	4,177,643	-	1,784,831
68	History Center	224,556	16,600	61,433	(44,833)	179,723
83	Library Endowment	1,256,403	12,000	61,000	(49,000)	1,207,403
84	Cailloux Theater Endowment	575,499	6,500	-	6,500	581,999
85	Grant	4,148,503	526,135	338,466	187,669	4,336,172
90	Insurance Reserve	226,512	102,150	102,150	-	226,512
	TOTAL	\$ 37,021,296	\$ 69,690,755	\$ 71,542,369	\$ (1,851,614)	\$ 35,142,573

CAPITAL PROJECT FUNDS						
70	General Capital Projects	49,783,849	308,466	21,729,726	(21,421,260)	28,362,589
71	Water Capital Projects	1,114,875	122,000	4,500,932	(4,378,932)	(3,264,057)
	TOTAL	\$ 50,898,724	\$ 430,466	\$ 26,230,659	\$ (25,800,192)	\$ 25,098,532

COMPONENT UNIT FUND						
40	Economic Improvement Corp	\$ 6,431,247	\$ 5,290,643	\$ 2,750,524	\$ 2,540,120	\$ 8,971,367



# BUDGET OVERVIEW - CONSOLIDATED BUDGET

## CITY OF KERRVILLE CONSOLIDATED BUDGET SUMMARY FISCAL YEAR 2023

	GOVERNMENTAL FUND TYPES			PROPRIETARY FUND TYPES			COMBINED TOTAL
	General Fund	Debt Service	Other Gov't	Water	Other Water	Internal Service	
<b>UNRESTRICTED</b>							
BEGINNING FUND BALANCE	\$ 12,115,106	\$ -	\$ -	\$ 4,204,586	\$ -	\$ -	\$ 16,319,692
<b>REVENUES</b>							
Property Tax	11,426,842	3,532,721	280,000	-	-	-	15,239,563
Sales Tax	10,539,565	-	-	-	-	-	10,539,565
Franchise Fees & Other Tax	2,041,275	-	1,981,720	-	-	-	4,022,995
Permits and Fees	179,884	-	897,758	-	-	-	1,077,642
Intergovernmental Revenue	1,679,980	1,085,141	-	-	-	3,910,000	6,675,121
Service Revenues	4,581,617	-	39,000	14,651,944	-	481,098	19,753,659
Recreation Revenue	1,813,950	-	-	-	-	-	1,813,950
Grant & Donation Revenue	52,800	-	71,400	-	-	-	124,200
Fines and Forfeitures	446,700	-	62,000	-	-	-	508,700
Interest and Miscellaneous	322,963	14,000	831,434	31,000	59,500	900	1,259,797
Operating Transfer In	2,271,464	-	2,076,922	-	4,757,643	-	9,106,029
<b>TOTAL REVENUES</b>	<b>35,357,039</b>	<b>4,631,862</b>	<b>6,240,234</b>	<b>14,682,944</b>	<b>4,817,143</b>	<b>4,391,998</b>	<b>70,121,221</b>
<b>EXPENDITURES</b>							
<b>FOR COMPARATIVE PURPOSES THE SAME EXPENDITURES ARE SHOWN GROUPED BY CATEGORY (VIEW #1) AND BY FUNCTION (VIEW #2)</b>							
<b>VIEW #1 - EXPENDITURES by CATEGORY</b>							
Personnel	25,160,450	-	985,437	4,055,517	-	388,959	30,590,363
Supplies	1,918,012	-	141,909	936,779	-	13,276	3,009,977
Maintenance	3,979,009	-	193,861	1,183,268	-	15,769	5,371,907
Services	2,862,947	2,363	1,286,189	1,069,327	3,662	3,930,111	9,154,599
Other Expenses	629,510	4,590,499	583,477	328,678	4,173,981	-	10,306,145
Capital Outlay	15,000	-	24,989,651	143,921	5,042,459	42,982	30,234,009
Operating Transfers Out	792,110	-	1,348,466	6,965,453	-	-	9,106,029
<b>TOTAL EXPENDITURES</b>	<b>35,357,039</b>	<b>4,592,862</b>	<b>29,528,989</b>	<b>14,682,944</b>	<b>9,220,102</b>	<b>4,391,097</b>	<b>97,773,028</b>
<b>VIEW #2 - EXPENDITURES by FUNCTION</b>							
Public Safety	17,899,980	-	3,500	-	-	-	17,903,480
Parks and Recreation	4,488,393	-	24,000	-	-	-	4,512,393
Streets	4,086,054	-	-	-	-	-	4,086,054
General Government	8,882,611	-	29,501,489	-	-	4,391,097	42,775,197
Water	-	-	-	14,682,944	5,046,118	-	19,729,062
Debt Service	-	4,592,862	-	-	4,173,981	-	8,766,843
<b>TOTAL EXPENDITURES</b>	<b>35,357,039</b>	<b>4,592,862</b>	<b>29,528,989</b>	<b>14,682,944</b>	<b>9,220,102</b>	<b>4,391,097</b>	<b>97,773,028</b>
<b>TOTAL EXPENDITURES</b>	<b>35,357,039</b>	<b>4,592,862</b>	<b>29,528,989</b>	<b>14,682,944</b>	<b>9,220,102</b>	<b>4,391,097</b>	<b>97,773,028</b>
CHANGE IN NET POSITION	-	39,000	(23,288,755)	-	(4,402,959)	901	(27,651,806)
<b>UNRESTRICTED</b>							
ENDING FUND BALANCE	\$ 12,115,106	\$ -	\$ -	\$ 4,204,586	\$ -	\$ -	\$ 16,319,693

EIC is not included in the Consolidated Budget Summary.



## BUDGET OVERVIEW - CONSOLIDATED BUDGET

### CONSOLIDATED CITY BUDGET

The FY2023 budget for all funds totals \$70,121,221 in revenues and \$97,773,028 in expenditures, including transfers between funds and capital project spending, this excludes EIC's budget as EIC is a component unit fund. In accordance with City Council guidelines, the budget is fiscally sustainable. The City's two largest funds, the General Fund and Water Fund, show balanced FY2023 budgets. The 23 other funds included in the consolidated total show expenses exceeding revenues by \$27,651,806 due primarily to capital projects expenditures. Bond funds, in the amount of \$45 million were received for the **voter-approved** Public Safety Facility in FY2022 and expenditures of \$15 million are expected in FY2023, which is creating the largest portion of expenses exceeding revenues.

Due to the multi-year nature of most capital projects, it is common for project funding (shown in a budget as revenue) to occur in a different fiscal year than project expenditures. All projects are funded before contracts are awarded. City Council approves contracts in accordance with the City's purchasing policy.

### CONSOLIDATED CITY BUDGET NET OF TRANSFERS

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

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

After eliminating the impact of interfund activity, the consolidated revenue budget for FY2023 is \$61,015,192 and consolidated expenses are \$88,666,999.



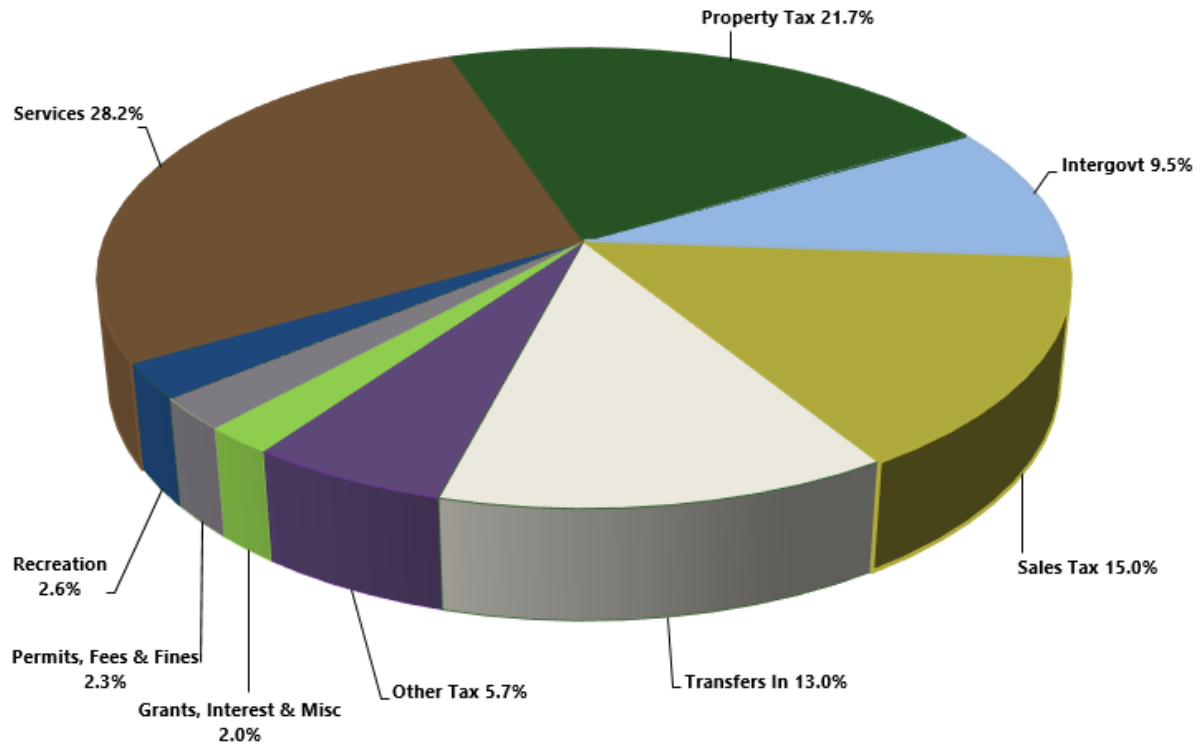


# BUDGET OVERVIEW

## REVENUE SOURCES

Primary revenue sources for the City include property tax, sales tax, intergovernmental revenue, and charges for services. Together, these categories make up 74.4% of total budgeted revenues.

### Citywide - Revenue Sources



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

**PROPERTY TAX** was calculated using a rate for FY2023 of \$0.5752, which is levied on each \$100 of assessed property value. \*See page 1 for more information regarding the property tax rate.\* Property valuations are determined by the Kerr Central Appraisal District and provided to tax entities in late July. Detailed information regarding property tax is located in the General Fund and Debt Fund Sections.

**SALES TAX** is a 1% tax levied on eligible retail sales, rentals, leases, and taxable services. Sales Tax is received monthly from the Texas Comptroller and has a two month lag time, meaning the City receives sales tax from sales made in October in December of each year.

**INTERGOVERNMENTAL REVENUE** includes EIC contributions to City projects or debt service, Kerrville ISD payments for the shared cost of School Resource Officers, and payments from Kerr County for Fire and EMS services.

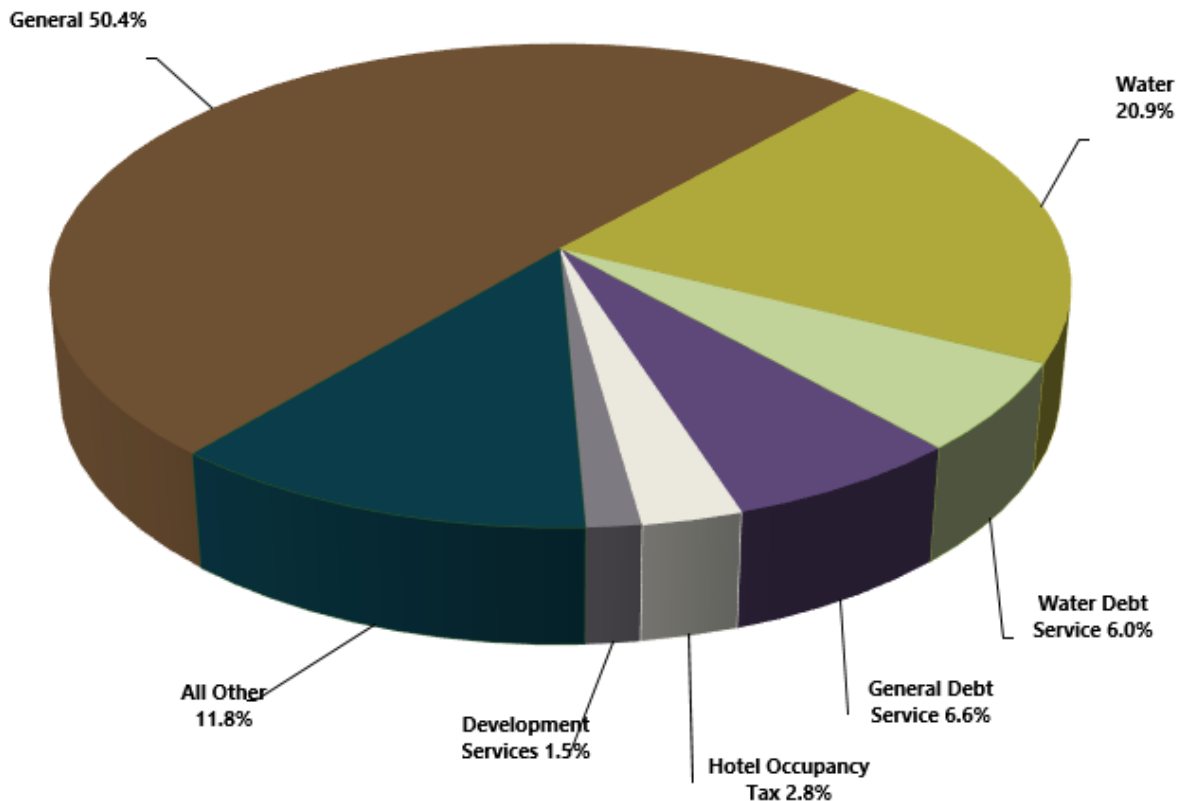




# BUDGET OVERVIEW

## REVENUE SOURCES

### Citywide - Revenues by Fund



**General Fund** - Revenue sources include Property Tax and Sales Tax, Franchise Fees, Services provided such as EMS, Solid Waste, Parks & Recreation (to include the Scott Schreiner Golf Course in FY2023), and other small revenue streams. The General Fund also receives grants and donations to help offset expenses related to free services and events provided to citizens and guests. Larger grants are recorded in the Grant Fund.

**Development Services Fund** - Revenue sources include permits and fees related to development & construction projects. Because this department provides services for both, the Water Fund and General Fund provide transfers-in to this fund to offset any revenue shortfalls, creating a balanced budget.

**Water Fund** - Revenues include fees & services provided such as water and wastewater sales and the installation of new taps and meters.

**Hotel Occupancy Tax Fund** - Revenues are generated from a 7% occupancy tax paid by guests of hotels and short-term rentals. These funds are heavily restricted and can only be used to support tourism-related events and the Convention and Visitor's Bureau.

**General Debt Service Fund** - Revenues come from Property Tax and Interest Revenue.

**Water Debt Service Fund** - Revenues are transferred from the Water Fund to cover debt expense.

**All Other Funds**—Library Memorial, Employee Benefit Trust, General & Water Capital Projects, etc. See specific fund pages for full details.



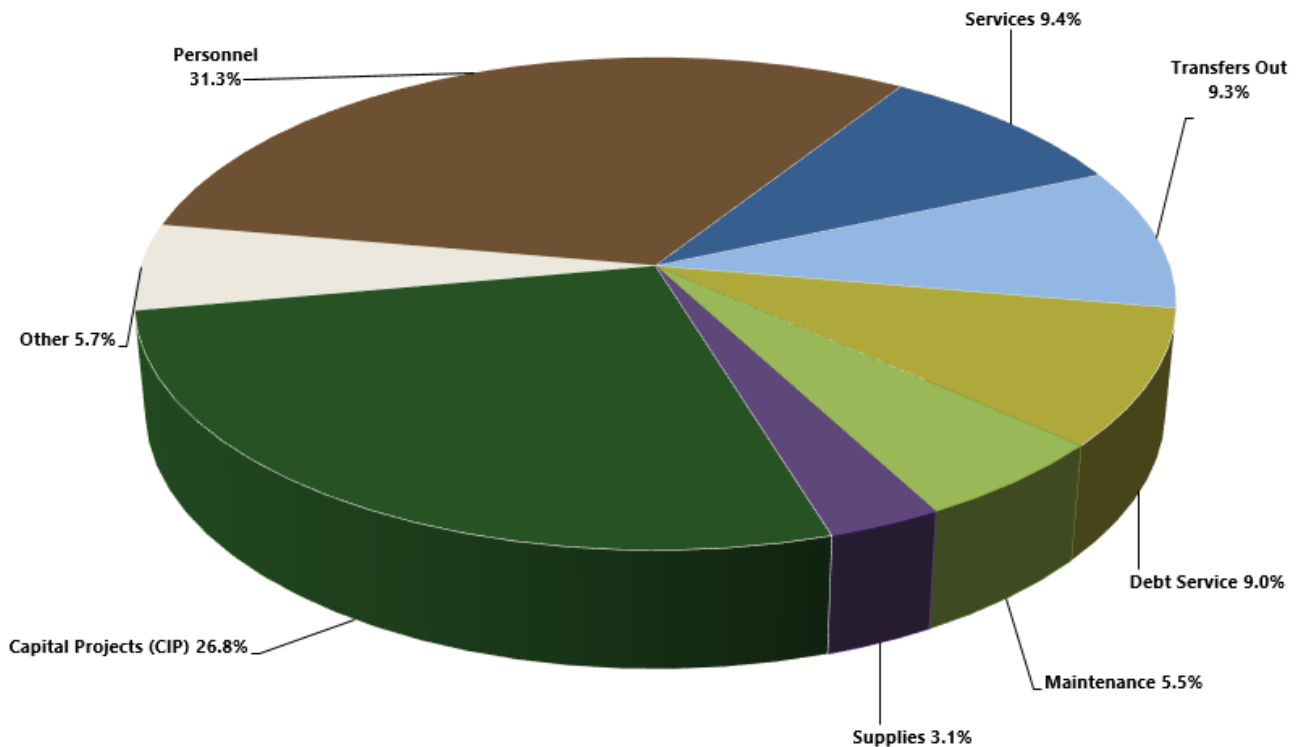
## CONSOLIDATED EXPENDITURES

Consolidated Citywide expenditures for FY2023 are budgeted at \$97,773,028 including internal transfers. As previously mentioned, these numbers do not include expenditures for the Economic Improvement Corporation, which is presented as a separate component unit fund.

### EXPENDITURES BY CATEGORY

Personnel is the largest category of expenditures, representing 31.3% of the total. In FY2023, general government employees are budgeted to receive an average 3% merit increase. Public Safety employees are scheduled to receive their regular STEP increases. Employee group insurance increased 5% and the actuarial calculated retirement contribution rate reduced from 10.64% in FY2022 to 10.50% in FY2023. The Capital Projects category is unusually large in FY2023 due to the initiation of the new Public Safety Facility, which has a total project cost of \$45M. Of the \$45M, over \$20K is expected to be spent in FY2023 in addition to other General & Water Capital projects (detail in the CIP section of the book).

**Citywide - Expenditures by Category**



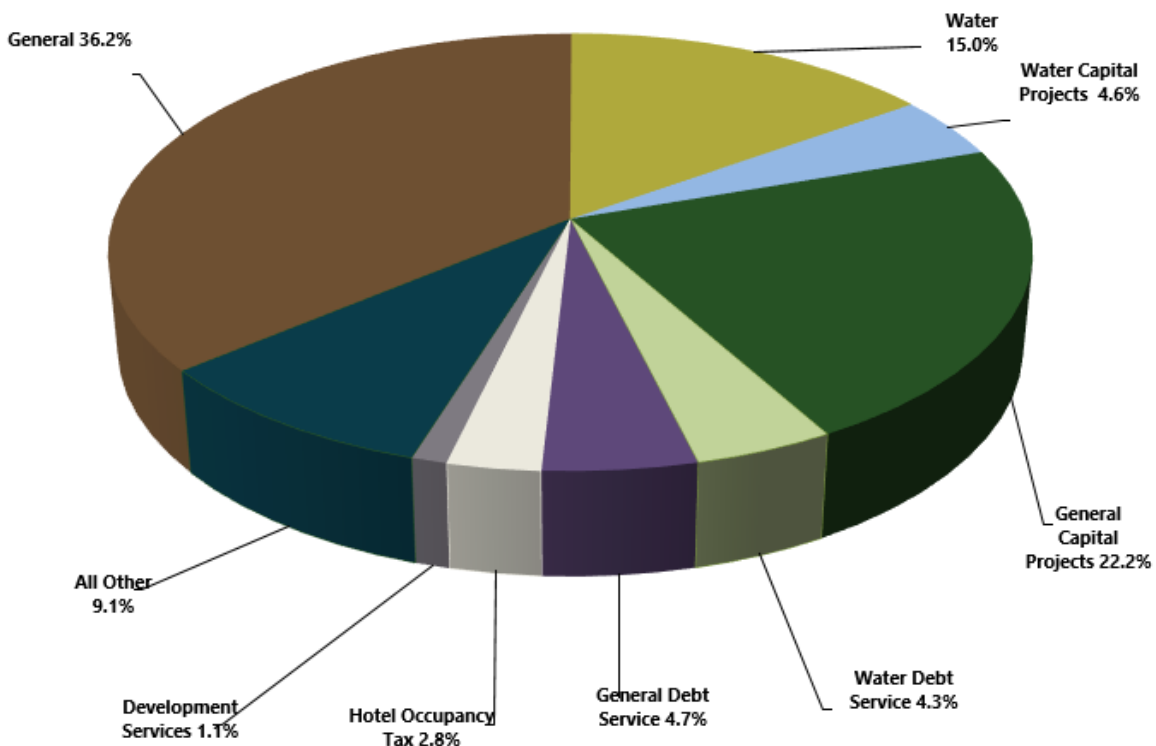


## BUDGET OVERVIEW

### EXPENDITURES BY FUND

The General Fund accounts for 36.2% of the City's expenditures. Police, Fire-EMS, Streets, and Parks and Recreation are the major departments included in this fund. The Water Fund with Water Production, Water Reclamation, Water Distribution, Wastewater Collections, Utility Laboratory and Utility Billing divisions represents 15.0% of the expenses. Capital projects account for 26.8% and smaller funds make up the remaining amount.

#### Citywide - Expenditures by Fund



**KERRVILLE**  
BUILDING MOMENTUM

## BUDGET OVERVIEW - AMERICAN RESCUE PLAN ACT

The American Rescue Plan Act (ARPA) was signed into law March of 2021 funding \$1.9 trillion to assist in mitigating the devastating economic and health impacts that resulted from the COVID-19 pandemic. Coronavirus State and Local Fiscal Recovery Funds are part of ARPA and are meant to speed up the country's recovery from the economic and health effects of the COVID-19 pandemic by distributing \$350 billion to State, Local and Tribal governments.

In May of 2021, funds began to be distributed and the U.S. Treasury Department released the Interim Final Rule to provide broad guidance for the use of these funds as well as reporting requirements. The Final Rule was released in January of 2022, giving recipients considerably more flexibility than the Interim Final Rule. The Treasury's Final Rule lists a few broad categories with which to use the ARPA funds:

- Replace lost revenue
- Address negative economic impacts caused by the pandemic
- Support COVID-19 public health and economic response efforts
- Provide premium pay for eligible workers performing essential work
- Investments in water, sewer and broadband infrastructure

Additionally, the Final Rule includes a standard allowance of \$10 million of assumed revenue loss that can be used for government services. Government services include any work or service that the government would normally provide. Local governments **cannot** use these funds to:

- Offset a reduction in net tax revenue
- Pay debt service
- Satisfy a settlement of judgement
- Contribute to rainy day funds, or
- Contribute extraordinary contributions to a pension fund for the purpose of reducing an accrued or unfunded liability

The City of Kerrville is slated to receive a total of \$5,885,907 in ARPA funds from the U.S. Department of Treasury. These funds will be paid in two tranches, each totaling \$2,942,954. The first tranche was received in August of 2021 and the second tranche is scheduled to be received in FY2022 or early FY2023.

In addressing citizen calls during the pandemic, first responder efforts to respond were complicated by radio communication issues due to deteriorating equipment. The aged and deteriorating radio system has caused additional strains and stress on the efforts of Kerrville Police, Fire, and EMS. The radio communications system will be replaced so that Police, Fire, and EMS first responders can effectively serve citizen needs. Kerrville City Council voted, on February 8, 2022, to approve the use of the first tranche of ARPA funds to replace the radio system, a project in the amount of \$2,802,957. The second tranche of ARPA funds is expected to be received in 2022. A portion of the second tranche (\$441K) will be used to help pay for the portion of the Police Body Camera project not covered by other grant funds. The remainder will be used for projects within the guidelines of the U.S. Department of Treasury and will be approved by Council at a later date.





# GENERAL FUND





# FIVE YEAR FORECAST

## GENERAL FUND - FIVE YEAR FISCAL FORECAST

	FY21 Actual	FY22 Original Budget	FY22 Estimate	FY2023 Budget (includes Golf)	FY24 Forecast	FY25 Forecast	FY26 Forecast	FY27 Forecast	FY28 Forecast
BEGINNING FUND BALANCE	\$ 9,281,478	\$ 11,738,186	\$ 11,738,186	\$ 12,115,106	\$ 12,115,106	\$ 12,115,106	\$ 12,034,039	\$ 11,738,186	\$ 11,738,186
REVENUES									
Property Tax	10,348,729	10,720,382	10,891,138	11,426,842	11,998,184	12,538,102	13,102,317	13,691,921	14,308,058
Sales Tax	8,920,163	8,614,787	9,760,511	10,539,565	11,066,543	11,509,205	11,969,573	12,448,356	12,946,290
Other Taxes & Franchise Fees	1,928,032	1,959,200	2,093,445	2,041,275	2,122,926	2,186,614	2,274,078	2,365,041	2,459,643
Permits and Fees	24,060	40,495	111,154	179,884	185,281	192,692	200,399	206,411	212,604
Intergovernmental Revenue	1,426,514	1,489,052	1,475,812	1,679,980	1,755,579	1,825,803	1,898,835	1,974,788	2,053,780
Service Revenues	3,846,588	3,997,854	4,524,820	4,581,617	4,764,881	4,955,477	5,128,918	5,308,430	5,494,225
Recreation Revenues	812,147	656,975	743,537	1,813,950	1,868,369	1,905,736	1,962,908	2,021,795	2,072,340
Grants & Donations Revenue	92,019	29,500	54,538	52,800	40,000	40,000	40,000	40,000	40,000
Fines and Forfeitures	377,349	476,550	398,162	446,700	455,634	464,747	474,042	483,522	493,193
Interest and Miscellaneous	270,299	223,961	389,492	322,963	329,422	332,716	337,707	342,772	347,914
Operating Transfer In	2,387,357	2,276,115	2,276,115	2,271,464	2,316,893	2,363,231	2,410,495	2,458,705	2,507,879
TOTAL REVENUES	30,433,257	30,484,871	32,718,723	35,357,039	36,903,712	38,314,321	39,799,272	41,341,744	42,935,926
EXPENDITURES									
Personnel	20,559,490	21,504,043	22,804,207	25,160,450	26,292,670	27,344,377	28,438,152	29,575,678	30,758,705
Supplies	1,466,961	1,476,757	1,562,337	1,918,012	2,013,913	2,114,608	2,188,620	2,254,278	2,321,906
Maintenance	2,916,416	3,627,633	3,094,618	3,979,009	4,119,298	4,325,263	4,476,648	4,610,947	4,749,275
Services	2,257,878	2,489,581	2,388,542	2,862,947	3,006,094	3,096,277	3,204,647	3,300,786	3,399,810
Other Expenses	282,125	569,258	286,120	629,510	660,986	687,425	708,048	729,289	751,168
Capital Outlay	165,033	67,600	71,865	15,000	15,750	16,538	17,034	17,545	18,071
Operating Transfers Out	328,647	750,000	2,134,114	792,110	795,000	810,900	835,227	860,284	886,092
TOTAL EXPENDITURES	27,976,549	30,484,871	32,341,803	35,357,039	36,903,711	38,395,388	39,868,375	41,348,807	42,885,028
CHANGE IN NET POSITION	2,456,708	-	376,921	-	-	(81,067)	(69,102)	(7,063)	50,898
ASSET & PROJECT TRANSFERS	-	-	-	-	-	-	-	-	-
CAFR PRESENTATION ADJUSTMENT	-	-	-	-	-	-	-	-	-
ENDING FUND BALANCE	\$ 11,738,186	\$ 11,738,186	\$ 12,115,106	\$ 12,115,106	\$ 12,115,106	\$ 12,034,039	\$ 11,964,937	\$ 11,731,123	\$ 11,789,084
DEV SVCS OPERATING EXP	\$ 1,012,763	\$ 1,036,867	\$ 1,029,199	\$ 1,071,214	\$ 1,118,073	\$ 1,163,267	\$ 1,207,894	\$ 1,252,746	\$ 1,299,289
Reserve %	40.5%	37.2%	36.3%	33.3%	31.9%	30.4%	29.1%	27.5%	26.7%
Reserve Target (25%)	7,247,328	7,045,648	7,045,648	7,045,648	9,505,446	9,889,664	10,269,067	10,650,388	11,046,079
Over (Under) Reserve	4,490,858	4,692,538	5,069,457	5,069,458	2,609,660	2,144,375	1,695,870	1,080,734	743,004



# **GENERAL FUND BUDGET SUMMARY**







# GENERAL FUND - BUDGET SUMMARY

## GENERAL FUND - BUDGET SUMMARY

	FY2021		FY2022		FY2023		* % Change			
	Actual		Budget		Proposed Budget (includes Golf)		Compared to FY2022 Original*			
BEGINNING FUND BALANCE	\$	9,281,478	\$	11,738,186	\$	11,738,186	\$	12,115,106		
REVENUES										
Property Tax		10,348,729		10,720,382		10,720,382		10,891,138	11,426,842	6.6%
Sales Tax		8,920,163		8,614,787		9,339,787		9,760,511	10,539,565	22.3%
Franchise Fees		1,928,032		1,959,200		1,959,200		2,093,445	2,041,275	4.2%
Permits and Fees		24,060		40,495		40,495		111,154	179,884	344.2%
Intergovernmental Revenue		1,426,514		1,489,052		1,489,052		1,475,812	1,679,980	12.8%
Service Revenue		3,846,588		3,997,854		4,636,512		4,524,820	4,581,617	14.6%
Recreation Revenue		812,147		656,975		656,975		743,537	1,813,950	176.1%
Fines and Forfeitures		377,349		476,550		476,550		398,162	446,700	-6.3%
Grant & Donation Revenue		92,019		29,500		29,500		54,538	52,800	79.0%
Interest and Miscellaneous		270,299		223,961		370,303		389,492	322,963	44.2%
Operating Transfer In		2,387,357		2,276,115		2,276,115		2,276,115	2,271,464	-0.2%
TOTAL REVENUES		30,433,257		30,484,871		31,994,871		32,718,723	35,357,039	16.0%
EXPENDITURES										
Personnel		20,559,490		21,504,043		23,136,474		22,804,207	25,160,450	17.0%
Supplies		1,466,961		1,476,757		1,644,144		1,562,337	1,918,012	29.9%
Maintenance		2,916,416		3,627,633		3,571,941		3,094,618	3,979,009	9.7%
Services		2,257,878		2,489,581		2,523,695		2,388,542	2,862,947	15.0%
Other Expenses		282,125		569,258		358,820		286,120	629,510	10.6%
Capital Outlay		165,033		67,600		87,448		71,865	15,000	-77.8%
Operating Transfers Out		328,647		750,000		2,204,114		2,134,114	792,110	5.6%
TOTAL EXPENDITURES		27,976,549		30,484,871		33,526,635		32,341,803	35,357,039	16.0%
CHANGE IN NET POSITION		2,456,708		-		(1,531,763)		376,921	-	
CAFR PRESENTATION ADJUSTMENT		-		-		-		-	-	
ENDING FUND BALANCE	\$	11,738,186	\$	11,738,186	\$	10,206,423	\$	12,115,106	\$	12,115,106
DEV SVCS OPERATING EXP	\$	1,012,763	\$	1,036,867	\$	1,061,068	\$	1,029,199	\$	1,071,214
Reserve %		40.5%		37.2%		29.5%		36.3%		33.3%
Reserve Target (25%)		7,247,328		7,045,648		7,045,648		7,045,648		7,045,648
Over (Under) Reserve		4,490,858		4,692,538		3,160,775		5,069,459		5,069,459

### Note:

\*The Golf Fund is being merged with the General Fund in FY2023 for financial reporting purposes. More information about this merger is located on the Golf division page. Golf revenues & expenditures **are** included in "FY2023 Budget", but **are not** included in any FY2022 Budget columns. This information is important when looking at "% Change Compared to "FY2022 Budget".

Recreation Revenue and all expense categories are higher primarily due to the addition of Golf in FY2023. \*



## GENERAL FUND - BUDGET SUMMARY

The General Fund is the general operating fund and the largest fund of the City. It includes government services such as Police, Fire - 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 and service revenue. For accounting and financial reporting purposes, this is considered a governmental fund that uses the modified accrual basis of accounting.

The FY2023 budget for the General Fund includes \$35.3 million in revenues and expenses, resulting in a balanced budget. Variance analysis on property tax, sales tax and other significant changes between the FY2022 **original** budget and FY2023 budget is as follows:

- 1. Property Tax** - up 6.6% - This category, includes the maintenance & operations portion of property tax. **Current year** and **prior year** property tax is collected for the General Fund only. Property taxes collected for debt service are represented in the debt section of this book. Property taxes owed from prior years are not calculated as part of the property tax rate but are budgeted based on historical data. **The Maintenance and Operations (M&O) portion of the rate decreased from \$0.4358 in FY2022 to \$0.4341 in FY2023.**
- 2. Sales Tax** - up 22.3% - This increase is compared to the FY2022 original budget, which was amended mid-year due to strong growth in sales tax. The mid-year increase in sales tax revenue offset the cost of the 5% cost-of-living increase, approved by Council. Sales Tax is especially difficult to project due to the economic volatility of the lasting effects of the COVID-19 pandemic, unprecedented inflation, and rising interest rates. The Sales Tax revenue budget for FY2023 remains conservative given the double digit growth year-to-date for the past two years. Kerrville's position as a regional retail hub, in addition to sales tax revenue received from online sales, provide strategic advantages. The City closely analyzes sales tax information by payer each month. The top five payers represent 30% of the overall sales tax revenue, however, all five are strong companies who remain consistent in sales.
- 3. Service Revenue** - up 14.6% - Service revenue includes EMS charges and Solid Waste service fees. This category's increase is directly related to an increase in EMS revenues. In FY2019 and FY2020, EMS saw a revenue decline during the height of the pandemic. Because of those declines and the unknown effects of the pandemic, the City budgeted FY2021 and FY2022 flat with FY2020. EMS performed strong in both FY2021 and FY2022. FY2023 revenues for EMS were based on the past 18 months of historical data, using no change in volume, plus rate increases in several areas.
- 4. Intergovernmental Revenue:** up 12.8% - Intergovernmental Revenue includes contractual payments from Kerr County for the City to provide emergency medical services within the county, beyond the City limits. Payments from Kerrville ISD for School Resource Officers (SRO) who serve campuses within the school district during the school year are also included in this category. In FY2023, Kerrville ISD has requested two additional SRO positions for added protection of students and staff. This partnership will add revenue due to the additional officers, however, the revenue will be offset by the expense incurred by the City to add these positions to the Police Department.



## GENERAL FUND - BUDGET SUMMARY

- 5. Interest and Miscellaneous** - up 44.2% - This category is up primarily due to the interest rate trends which have risen considerably over the past twelve months. Interest rates are expected to remain higher throughout FY2023 due to the Federal Reserve Board change in rates and inflationary factors. Interest revenue is only a small portion of the overall general fund revenue.
- 6. Personnel** - up 17% - The increase is compared to FY2022 **original** budget but only 8.7% when compared to FY2022 **current** budget. In FY2022, a cost-of-living increase of 5% was given to all employees in light of inflation. Market adjustments were also made to certain positions in response to the formal compensation study completed during FY2022. Specific attention was given to adjustments to Police and Fire STEP Plans in order to improve recruitment and retention of Public Safety personnel. With Public Safety being labeled **the top priority** in both Kerrville 2050 and by City Council, these adjustments were necessary in order to help solve staffing shortages faced by these departments for several years. Public Safety quickly saw a change in the number of qualified applicants after this adjustment was made and both departments are near full-staffing levels. The FY2023 budget assumes an average 3% merit increase for all general government employees. Personnel also includes group health insurance, which saw a 5% increase over FY2022, having an impact on the overall percent increase in this category.
- 7. Supplies** - up 29.9%- The increase is due to the same impacts of inflation seen by the general public plus an average of 20% increase in paving supplies and other petroleum based products. Fuel for vehicles and equipment is also in this category. The cost of fuel increased 125% over 18 months. The heaviest fuel users are Public Safety departments.
- 8. Operating Transfers Out** - up 5.6% - The General Fund routinely budgets a transfer out to the Golf fund, which will not occur in FY2023. However, the transfer out to the General Asset Replacement Fund is budgeted at \$600,000 compared to \$440,000 in FY2022 in an effort to build fund balance for future asset purchases made evident with stronger long-term forecasting of asset needs.

**It is important to note that increases in FY2023 expenses are compared to FY2022 original budget. The FY2022 budget was being prepared in the spring of FY2021, in the midst of the COVID-19 pandemic. Both revenues and expenditures were budgeted very conservatively in FY2022, thus somewhat skewing increases. With the added effect of inflation in FY2022, the FY2023 budget increases appear higher than would normally be expected. City Council-approved mid-year adjustments which are recognized in the "current budget" column throughout the book.**

# GENERAL FUND REVENUES



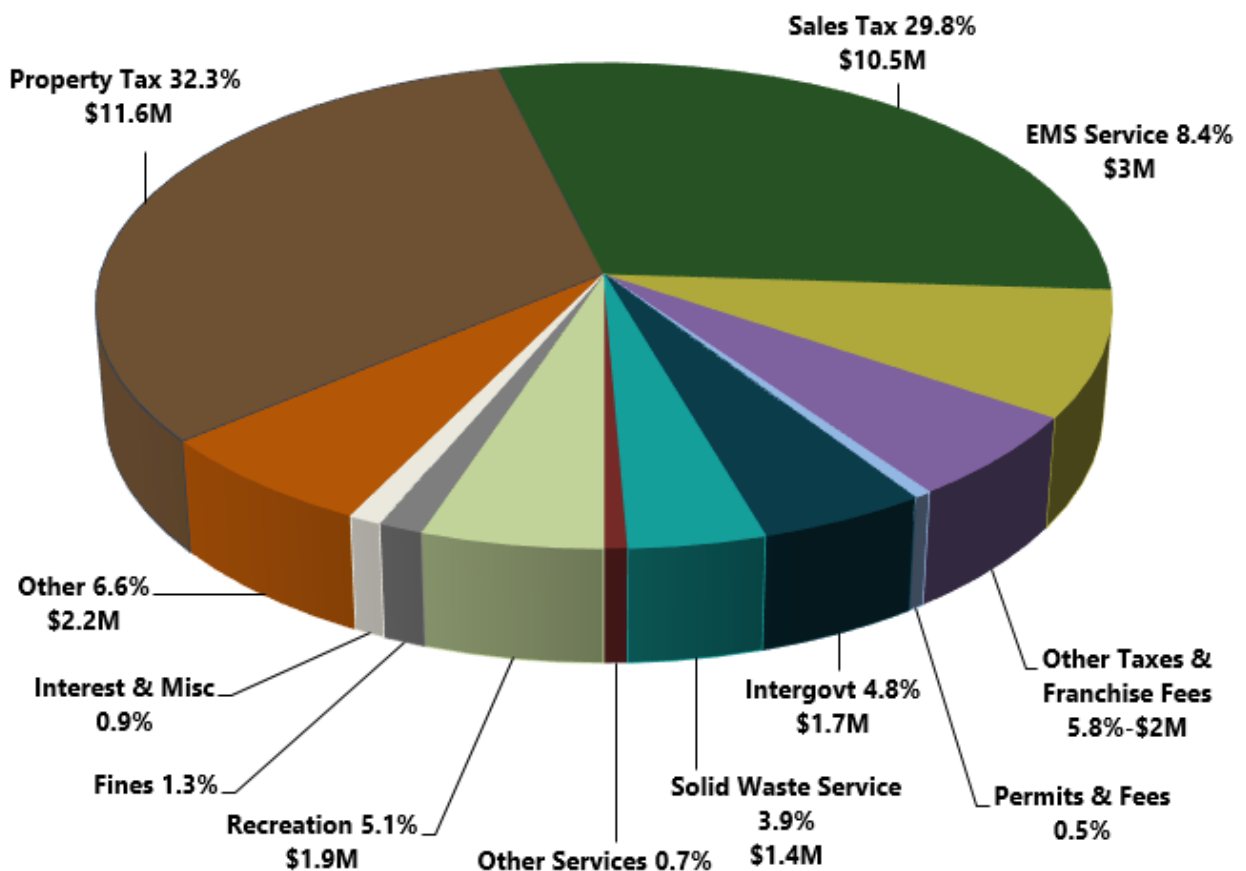


## GENERAL FUND - REVENUES

### GENERAL FUND REVENUES

FY2023 budgeted revenue totals \$35,357,039, which is 16% higher than the FY2022 **original budget**. The FY2022 budget was amended mid-year due to strong sales tax performance. The increase over FY2022 is due primarily to strong sales tax revenue growth and service revenue. The 6.6% increase in property tax revenue is based on a the **Maintenance & Operations (M&O) portion of the tax rate of \$0.4341/ \$100 of assessed value, which is lower than the rate of \$0.4358 from the FY2022 budget** and includes budgeted taxes to be received from prior years, which is not part of the property tax rate calculation. As sales tax and service revenues continue to grow, the burden on property tax payers is lessened. Property tax and sales tax are the largest revenue categories, accounting for 62.1% of total revenue.

### General Fund - Revenue Sources







# GENERAL FUND - REVENUES

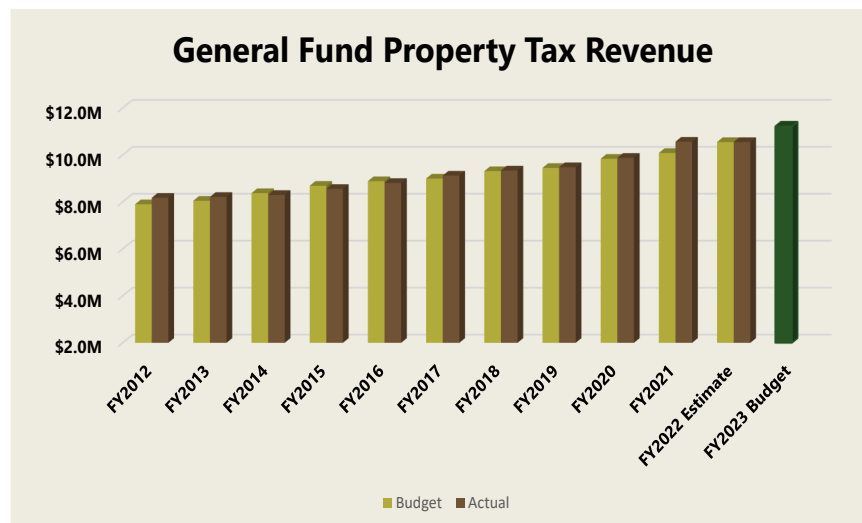
## GENERAL FUND REVENUES

### PROPERTY TAX

The City's largest revenue source, Property Tax, is expected to increase 6% to \$11.3 million in **current year Property Tax** in the General Fund in FY2023. Property tax collections are also received from **prior year taxes** (past due). Total property tax revenues for FY2023 are projected to be 6.6% higher than FY2022. The FY2023 budget contains an overall increase in the property tax rate but **a decrease in the Maintenance and Operations (M&O) portion of the rate, which is the portion that supports the General Fund**. The **FY2023 M&O rate of \$0.4341 is a decrease from the FY2022 rate of \$0.4358**. This decrease is in response to an increase in property valuations and the addition of new properties being added to the City's tax base.

Property valuations are determined by the Kerr Central Appraisal District (KCAD) for all taxing entities KCAD represents. The increase in valuations along with the Senate Bill 2 changes to the property tax law, creates a reduction in the M&O portion of the tax rate. **Information about the debt service (I&S) portion of the property tax rate can be found in the Debt section of this document**. The property tax revenue budget assumes a 98% collection rate of the levy of the 2022 certified tax roll, provided to the City by KCAD.

Fiscal Year	Tax Rate	M&O	I&S
FY2012	0.5625	0.4890	0.0735
FY2013	0.5625	0.4890	0.0735
FY2014	0.5625	0.4890	0.0735
FY2015	0.5625	0.4890	0.0735
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

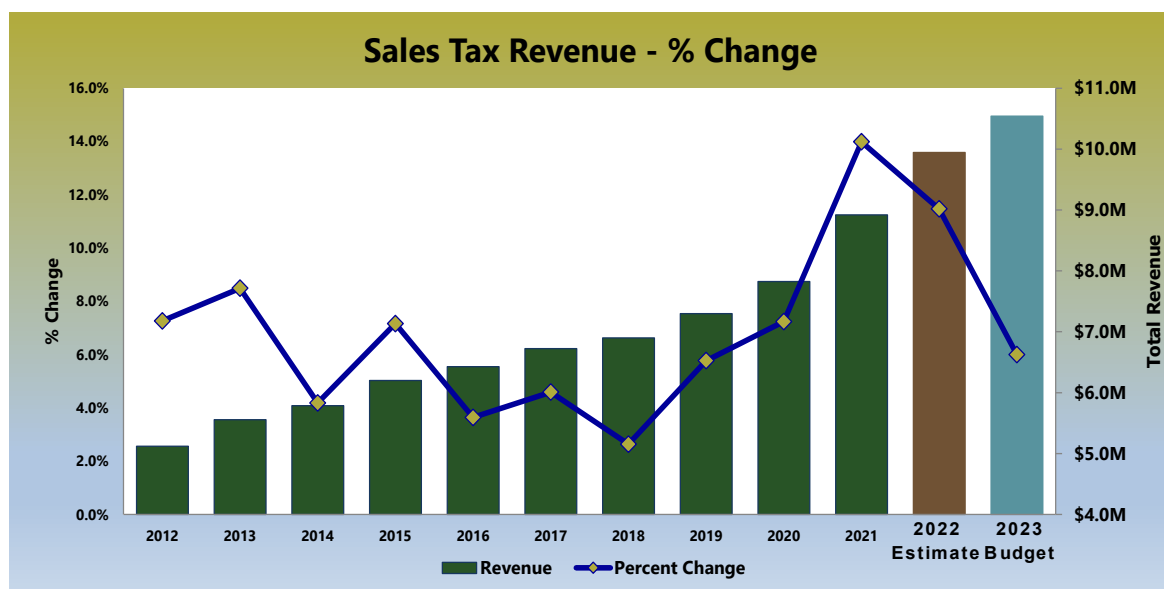
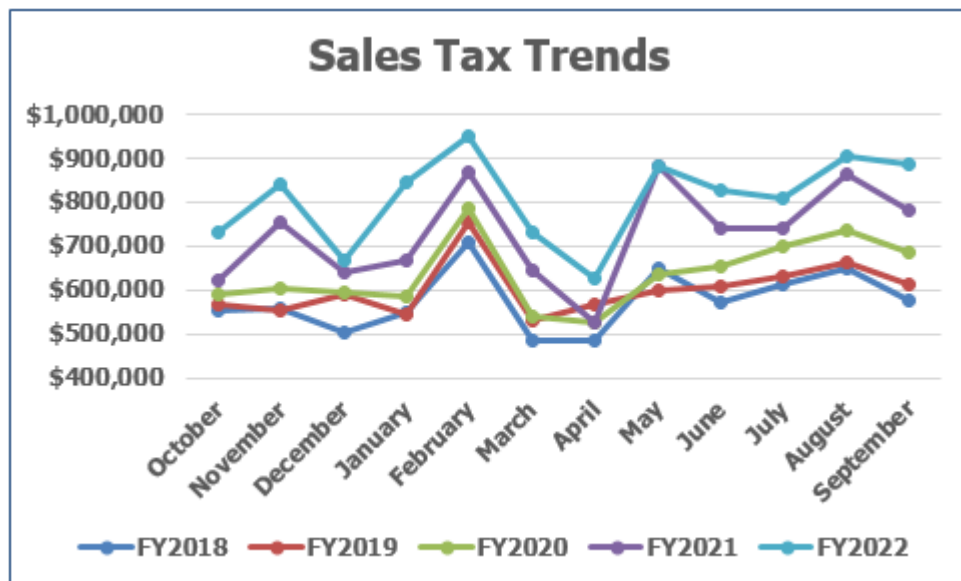




## GENERAL FUND - REVENUES

### SALES TAX

Sales tax is the City's second largest revenue source. Sales tax is expected to generate \$10,539,565 in FY2023 revenue. Kerrville is a regional retail hub for rural areas within approximately a 100 mile radius. Kerrville's retail and food service expansion, as well as very stable large sales taxpayers, help stabilize the City's sales tax revenue. Continued growth in sales tax provides relief to property owners by offsetting the City's reliance on property tax for general operations, but it is a volatile resource and careful consideration has to be given when projections are made. The City has shown double digit growth in sales tax over the past 2 years, however, there are multiple unknown and unpredictable factors affecting this revenue source. Sales tax grew at a record pace during the pandemic, when shortfalls were expected. The impact of personal and business-related stimulus money is thought to have had an impact, in addition to price increases due to inflationary factors. With current inflation, particularly at the fuel pumps, disposable income is affected which could create flattening of sales tax. City staff constantly analyze and monitor sales tax trends, utilizing this analysis as a budgeting and estimation tool.





# GENERAL FUND - REVENUE CATEGORIES

## EXPLANATION OF LARGEST GENERAL FUND REVENUES

- 1. Service Revenue** - Service revenue is generated primarily from EMS charges and Solid Waste service fees. This category's increase is directly related to an increase in EMS revenues. In FY2019 and FY2020, EMS saw a revenue decline during the height of the pandemic. Because of those declines and the unknown effects of the pandemic, the City budgeted FY2021 and FY2022 flat with FY2020. EMS performed strong in both FY2021 and FY2022. FY2023 revenues for EMS were based on the past 18 months of historical data, using no change in volume, but added rate increases in some areas.
- 2. Recreation Revenue** - Recreation revenue is budgeted to increase 14.6% in FY2023 generating a total of \$1.8 million. In FY2023, Golf is being merged into the General Fund. The Scott Schreiner Golf Course, considered a quality of life division, merged under the supervision of the Parks & Recreation Department in FY2020. Due to this functional change, Golf now shares resources (including staff and equipment) with the entire Parks & Recreation Department. This change will more clearly align resources for financial reporting and budgetary purposes. For comparison purposes, the FY2022 budget line items include Golf revenues and expenses in order to provide a true comparison from prior year for the entire fund. The Golf fund will remain in the Other Funds section of this document for full transparency regarding financials for FY2021 and FY2022, which will be the last year that the Golf financials will be audited as a separate fund.
- 3. Intergovernmental Revenue** - Intergovernmental Revenue is budgeted to increase by 12.8% in FY2023. This category includes contractual payments from Kerr County for the City to provide emergency medical services within the county. Payments from Kerrville ISD for School Resource Officers (SRO) who serve campuses within the school district during the school year are also included in this category. In FY2023, Kerrville ISD has requested two additional SRO positions for added safety of students and staff. This partnership will add revenue due to the additional reimbursement for added officers, however, the revenue will be offset by the expense incurred by the City to add these positions to the Police Department.
- 4. Transfer-In Revenue** - Transfer-in revenues represent money moved from other funds into the General Fund. The Water Fund transfers in 4% of revenues to the General Fund as a Street Use Fee, as approved by City Council. This fee increased from 3% to 4% in FY2020. This fee is similar to franchise fees paid by other public utilities. Like other utility companies the Water Fund has lines buried under City streets. Street cuts and repairs are required for maintenance on these lines creating additional street maintenance. In addition, Heavy Water Fund vehicles and equipment cause wear and tear on the City's streets. The Water Fund also reimburses the General fund support services provided by the General Fund, such as Human Resources, Information Technology, Finance, City Secretary, City Council, City Attorney, City Administration, and Public Information. Costs for each department are allocated based on different applicable measures. The Hotel Occupancy Tax (HOT) Fund reimburses the General Fund for a portion of the Events Coordinator salary. This position supports programming that brings out of town guests to Kerrville events such as Robert Earl Keen's 4th on the River, Kerrville River Festival, and Sport Tournaments, and coordinates with outside event hosts. In addition, some of the HOT transfer is used to offset Finance staff hours spent collecting and reconciling occupancy tax, managing hotel audits, short-term rentals, and other compliance components.



# **GENERAL FUND REVENUES BY LINE ITEM**







# GENERAL FUND - REVENUES

## General Fund Revenues by Line Item

Revenues	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
Property Tax - Current	\$ 10,129,019	\$ 10,550,382	\$ 10,550,382	\$ 10,620,905	\$ 11,216,842
Property Tax - Prior Year	113,562	85,000	85,000	143,034	110,000
Property Tax - Penalty & Interest	106,148	85,000	85,000	127,199	100,000
Sales And Use Tax	8,920,163	8,614,787	9,339,787	9,760,511	10,539,565
Mixed Beverage Tax	103,891	100,000	100,000	113,550	105,000
Franchise Fee - K PUB	1,282,600	1,350,000	1,350,000	1,394,660	1,390,200
Franchise Fee - Natural Gas	204,250	170,000	170,000	249,493	180,000
Telephone R.O.W. Use Fee	35,704	35,200	35,200	34,682	50,000
Franchise Fee - Taxicabs	50	-	-	75	75
Franchise Fee - Cable	301,537	304,000	304,000	300,984	316,000
<b>Total Taxes &amp; Franchise Fees</b>	<b>21,196,924</b>	<b>21,294,369</b>	<b>22,019,369</b>	<b>22,745,093</b>	<b>24,007,682</b>
KPD - Parade Permits	150	50	50	50	-
KPD - Alarm Permit Fee	1,410	2,500	2,500	1,450	2,500
Environmental/Stormwater Fee	-	-	-	81,889	145,434
Alcoholic Beverage License	8,010	20,000	20,000	15,370	20,000
Sidewalk Fee	500	1,000	1,000	500	500
Tent Permit	340	500	500	420	500
Fire Sprinkler - Repair/Remodel	900	4,000	4,000	1,500	1,000
Fire Alarm - Repair/Remodel	3,300	4,000	4,000	2,000	4,000
Fire Permit - Misc.	3,470	1,500	1,500	1,925	1,500
Waterflow Test Permit	3,450	1,500	1,500	4,500	2,000
Flood Plain Permit Fee	175	250	250	425	250
Manifest Books	1,360	1,200	1,200	-	1,200
Banner Fee	60	2,820	2,820	-	-
Banner Admin. Fee	935	1,175	1,175	1,125	1,000
<b>Total Permits and Fees</b>	<b>24,060</b>	<b>40,495</b>	<b>40,495</b>	<b>111,154</b>	<b>179,884</b>
State - Emergency Management	14,118	25,000	25,000	14,118	-
Kerr County - Emergency Mgt	974	1,200	1,200	1,590	1,300
Kerr County- Fire/EMS Contract	1,298,316	1,317,791	1,317,791	1,317,791	1,383,680
KISD-School Resource Officer	113,106	145,061	145,061	142,313	295,000
<b>Total Intergovernmental</b>	<b>1,426,514</b>	<b>1,489,052</b>	<b>1,489,052</b>	<b>1,475,812</b>	<b>1,679,980</b>



## GENERAL FUND - REVENUES

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Revenues</b>					
Child Support - Admin Fee	895	1,000	1,000	983	1,000
Library - Non-Resident Fees	1,994	3,500	3,500	2,618	2,500
Library - Equip Rental Fees	35	-	-	280	-
Library - Meeting Room	795	800	800	415	1,000
Library - Copies	161	1,000	1,000	1,345	1,000
Library - Internet Printing	3,208	6,000	6,000	6,523	5,500
Library - Inter-Library Mailing	1,852	1,500	1,500	1,108	1,500
Fire - TEEX Classes	800	-	-	800	800
KPD - Accident Reports	2,188	2,500	2,500	2,277	2,500
KPD - Funeral Procession Fees	15,673	14,000	14,000	16,865	16,000
KPD - Finger Printing	-	500	500	-	-
KPD - Offense Reports	3,091	2,000	2,000	3,115	2,500
KPD - Letters Of Clearance	40	-	-	10	-
KPD - Oversize Load Escort	2,302	5,000	5,000	1,550	2,000
Requested Service/Repairs	5,175	-	-	635	2,000
SW - Recycling Proceeds	1,087	800	800	5,015	2,000
SW - Curbside Recycle Proceeds	2,327	4,200	4,200	5,208	6,000
SW - Hauler Fee	170	500	500	200	-
SW - Admin Fee	103,805	100,800	100,800	108,611	111,600
SW - Surcharge	980,672	1,284,054	1,284,054	1,090,405	1,244,400
EIC - Admin Svc Fee	185,000	195,000	195,000	195,000	200,000
EMS - Medical Records	3,625	3,000	3,000	4,721	4,000
EMS - Base Rate	4,667,133	4,280,000	4,738,658	5,081,179	5,405,765
EMS - Mileage	1,497,391	1,500,000	1,680,000	1,850,336	1,962,961
EMS - Transfer Agreement	3,824	3,500	3,500	7,087	4,000
EMS - On-Site Standby	7,196	5,000	5,000	19,546	14,000
EMS - Aid Only	54,405	57,000	57,000	30,810	34,000
EMS - Response Fee	21,000	52,000	52,000	12,000	11,000
EMS - Charges Disallowed	(2,247,062)	(2,023,000)	(2,023,000)	(2,594,635)	(2,800,000)
EMS - Bad Debt Write-Off	(1,472,194)	(1,502,800)	(1,502,800)	(1,329,186)	(1,656,409)
<b>Total Services</b>	<b>3,846,588</b>	<b>3,997,854</b>	<b>4,636,512</b>	<b>4,524,820</b>	<b>4,581,617</b>



## GENERAL FUND - REVENUES

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Revenues</b>					
KSP - Annual Permit	29,350	26,875	26,875	28,134	29,000
KSP - Day Pass	44,632	40,000	40,000	40,717	43,000
KSP - Excess Vehicle Fee	4,440	3,500	3,500	3,525	4,000
KSP - Pecan Loop-30 Amp	69,109	60,000	60,000	63,908	70,000
KSP - Deerfield Loop-30 Amp	145,371	120,000	120,000	127,707	130,000
KSP - Sycamore Circle-50 Amp	100,982	84,000	84,000	90,520	95,000
KSP - Tent Site	54,527	36,000	36,000	37,694	40,000
KSP - Mountain View Loop (W/E)	67,804	55,000	55,000	64,120	63,000
KSP - Mini Cabins	124,735	94,800	94,800	106,696	100,000
KSP - Park Cabin	10,419	11,400	11,400	12,735	13,000
KSP - Ranch House	20,771	15,000	15,000	11,800	13,000
KSP - Group Recreation Hall	15,620	9,800	9,800	15,010	13,000
KSP - Group Dining Hall	1,960	1,500	1,500	4,785	3,800
KSP - Equipment Rental	195	60	60	825	250
KSP - Dump Station	575	325	325	875	600
KSP - Cancellation Fee	23,970	14,000	14,000	26,305	15,500
KSP - Leased Concession	5,931	6,000	6,000	5,366	5,800
KSP - Ancillary Item Sales	8,132	2,000	2,000	4,639	5,500
KSP - Public Deer Hunt	3,600	3,600	3,600	3,600	3,600
Aquatics - Admissions	11,695	8,000	8,000	15,528	12,000
Aquatics - Programs	19,157	15,060	15,060	18,634	17,000
Aquatics - Rentals	4,880	2,750	2,750	7,350	3,300
Aquatics- Concessions	797	375	375	1,744	600
Parks And Rec - Programs	24,312	31,930	31,930	32,151	35,000
Parks And Rec - Rentals	10,660	7,000	7,000	14,140	11,000
KSC - Soccer - Field Rental	780	-	-	1,180	1,000
KSC - Concessions	7,744	8,000	8,000	3,850	7,000
Golf - Green Fees					460,000
Golf - Cart Rentals					275,000
Golf - Membership Dues					60,500
Golf - Private Cart Fees					4,500
Golf - Driving Range Fees					39,000
Golf - Merchandise Sales					100,000
Golf - Food Sales					30,000
Golf - Beer Sales					80,000
Golf - Trade Rounds					30,000
<b>Total Recreation</b>	<b>812,147</b>	<b>656,975</b>	<b>656,975</b>	<b>743,537</b>	<b>1,813,950</b>

**Golf Revenues in FY2021 and FY2022 are presented in the Golf Fund (located in the Other Funds section of this document. The Golf Fund will be consolidated into the General Fund for FY2023.**



# GENERAL FUND - REVENUES

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Revenues</b>					
MC - City Portion Omnibase	576	1,200	1,200	1,004	1,200
MC - Time Payments/City	720	4,800	4,800	230	1,500
MC - Time Pmts/Adm. Of Justice	3,635	1,200	1,200	6,671	5,000
MC - Municipal Court Fine	291,292	370,000	370,000	304,039	350,000
MC - 10% Collection Fee	25,356	20,000	20,000	19,358	20,000
MC - Warrant Fees Collected	8,045	12,000	12,000	17,762	14,000
MC - Arrest Fee Collected	14,572	17,600	17,600	13,190	17,600
MC - Special Expense Fee	20,617	33,000	33,000	21,994	22,000
MC - Jury Trial Fee	271	150	150	259	150
MC - Traffic	5,985	8,000	8,000	4,440	7,000
MC - Contempt Fine	659	1,500	1,500	400	500
Library - Extended Use Fees	3,746	5,000	5,000	6,157	5,500
Library - Lost Books/Equipment	1,520	1,500	1,500	2,009	1,500
Library - Past Due Collections	354	600	600	-	250
KPD - False Alarm Fees	-	-	-	650	500
<b>Total Fines and Forfeitures</b>	<b>377,349</b>	<b>476,550</b>	<b>476,550</b>	<b>398,162</b>	<b>446,700</b>
Cailloux Foundation	10,000	10,000	10,000	-	10,000
Republic Services Reimbursement	-	-	-	-	8,300
July 4th Fireworks-Sponsor	12,000	12,000	12,000	12,000	12,000
Police - Grants/Donations	-	-	-	4,852	-
Fire - Grants/Donations	8,508	-	-	800	-
EMS - Grants/Donations	135	-	-	-	-
Donation - Parks	54,357	7,500	7,500	34,323	22,500
Miscellaneous Donation	7,020	-	-	2,563	-
<b>Total Grants and Donations</b>	<b>92,019</b>	<b>29,500</b>	<b>29,500</b>	<b>54,538</b>	<b>52,800</b>
Asset Disposal Proceeds	19,465	-	-	-	-
Returned Item Fee	-	-	-	30	-
Election Filing Fee	200	300	300	600	300
UPS - Lease	16,944	17,193	17,193	17,368	17,500
Building Lease	87,368	87,367	87,367	88,085	90,000
Radio Control Airplane Lease	100	100	100	100	100
Purchasing Card Rebate	13,058	13,000	13,000	6,607	10,000
Purchasing Co-Op Rebate	1,253	1,000	1,000	851	1,000
EMS - Bad Debt Recovered	69,984	60,000	60,000	55,604	60,000
Mowing/Cleaning	-	-	-	929	500
Interest Revenue	23,027	45,000	94,000	94,116	127,563
GASB 87 Lease Interest Revenue	-	-	-	5,142	-
Library - Merchandise Sales	-	-	-	-	1,000
Miscellaneous Revenue	38,900	-	97,342	120,060	15,000
<b>Total Interest and Miscellaneous</b>	<b>270,299</b>	<b>223,961</b>	<b>370,303</b>	<b>389,491</b>	<b>322,963</b>
Golf - Transfer In Insurance Reserve	-	-	-	-	-
Transfer In - Water Fund	2,079,093	2,231,115	2,231,115	2,231,116	2,186,464
Transfer In - HOT	30,000	45,000	45,000	45,000	85,000
Transfer In - Grant Fund	278,264	-	-	-	-
<b>Total Transfer In</b>	<b>2,387,357</b>	<b>2,276,115</b>	<b>2,276,115</b>	<b>2,276,116</b>	<b>2,271,464</b>
<b>Total Revenues</b>	<b>\$ 30,433,257</b>	<b>\$ 30,484,871</b>	<b>\$ 31,994,871</b>	<b>\$ 32,718,723</b>	<b>\$ 35,357,039</b>





# GENERAL FUND EXPENDITURES



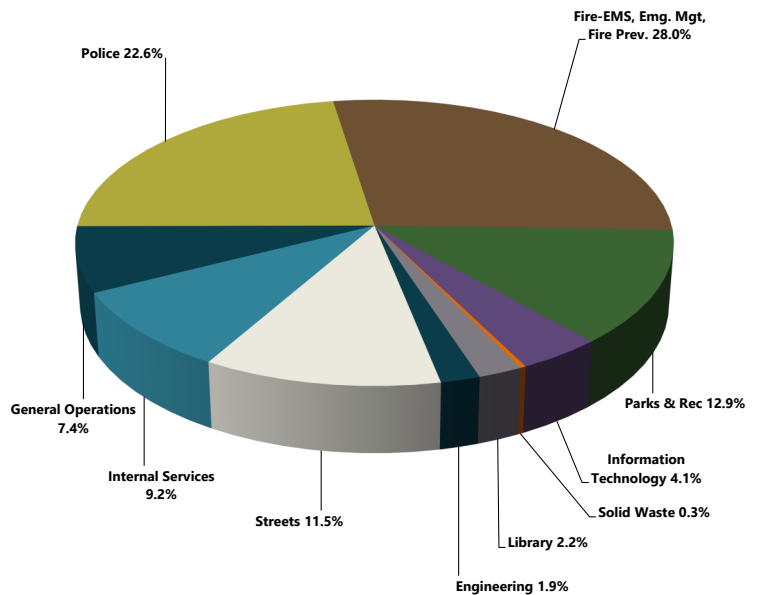


# GENERAL FUND - EXPENDITURES

## BY DEPARTMENT

As is evident in Kerrville 2050 and by the **voter-approved bond** election for the construction of a Public Safety Facility, Public Safety (Police, Fire-EMS) is the top priority for Kerrville and accounts for 50.6% of the General Fund budget. Streets also remain a top priority in FY2023, which supports Kerrville 2050. The City increased the paving budget from \$2.0 million in FY2022 to \$2.15 million in FY2023. Recreation expenses make up 12.9% of the general fund budget, with Golf being added to the General Fund in FY2023. In line with Kerrville 2050, the Parks and Recreation Department continues to find new ways to enhance the quality of life for citizens and visitors utilizing open spaces along the river corridor.

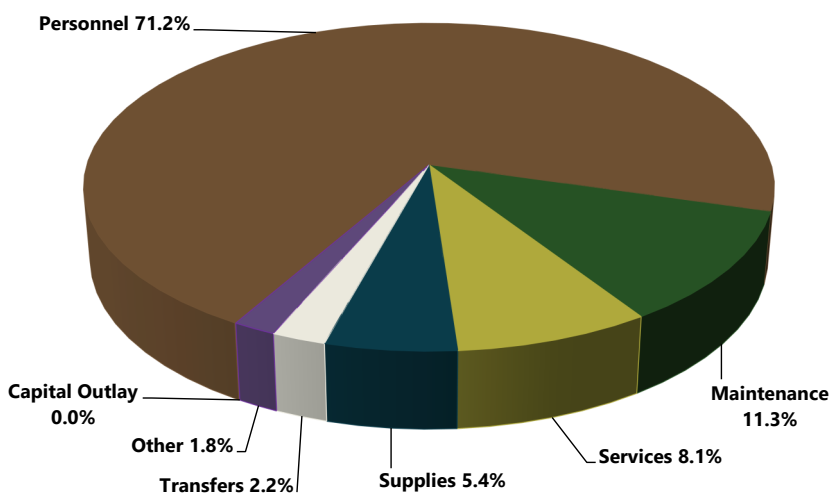
General Fund - Expenditure by Department



## BY CATEGORY

At 71.2% of expenditures, personnel is the largest spending category in the General Fund. In FY2022, Council approved both a cost-of-living increase for all employees in response to rising inflation. Strategic market adjustments were made mid-year to positions found to be below market value compared to like-positions within the formal compensation study. STEP plan adjustments were made to Police and Fire positions in order to improve recruitment and retention of Public Safety positions. FY2023 budget assumes an average 3% merit increase for general government employees and regularly scheduled STEP increases for Public Safety. Group medical insurance premiums are budgeted to increase by 5%. The actuarially calculated retirement contribution rate reduced from 10.6% in FY2022 to 10.5% in FY2023.

General Fund - Expenditure by Category



# **GENERAL FUND EXPENDITURES BY DEPARTMENT**





## City Council

The City Council provides leadership and policy direction to the City. The vision of City Council is to make Kerrville a vibrant, welcoming, and inclusive community.

### DEPARTMENT RESPONSIBILITIES

- **City Governance:** responsible for the care, oversight and direction of the City
- **Policy Setting:** responsible for determining the needs of the community and setting intermediate and long range policies consistent with those needs
- **Financial Planning:** responsible for approving a balanced budget with adequate reserves to ensure sustainability

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Approved the purchase of land to build a multi-departmental Public Safety Facility.
- Approved design-build process for the Heart of the Hills Heritage Center project
- Approved agreement with KISD for the continued partnership of the School Resource Officer Program, including two additional School Resource Officers to serve KISD elementary schools
- Annexed 168.84 acres located directly behind Peterson health campus to allow for needed hospital expansion



City of Kerrville City Council

### FY2023 OBJECTIVES

#### **Key Priority Area: Economic Development**

- Engage in an update of the Kerrville 2050 Comprehensive Plan
- Support KEDC and growth in primary jobs and workforce development
- Promote new retail development
- Support growth of the tourism industry
- Invest in quality of life projects that affect business additions and exposure

#### **Key Priority Area: Housing**

- Support efforts to build local affordable workforce housing

#### **Key Priority Area: Mobility & Transportation**

- Complete street reconstruction projects
- Enhance multi-modal transportation network

#### **Key Priority Area: Downtown Revitalization**

- Invest in downtown infrastructure
- Support growth of small businesses
- Encourage public events and venues that promote arts, culture, and music in the downtown area

#### **Key Priority Area: Water, Wastewater, & Drainage**

- Complete the City's drainage reconstruction projects
- Evaluate funding mechanisms to implement Water and Wastewater Master Plan identified projects

#### **Did you know?**

Joe Herring Jr. served as Kerrville's Mayor from 1992 to 1994 and is now serving as Councilmember Place 3.



## GENERAL FUND - CITY COUNCIL

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	4,864	6,500	7,063	7,086	6,500
Benefits	372	478	570	542	478
Travel and Training	10,098	11,000	16,100	15,976	13,309
<b>Total Personnel Services</b>	<b>15,334</b>	<b>17,978</b>	<b>23,732</b>	<b>23,605</b>	<b>20,287</b>
Office Supplies	219	200	200	207	200
Tools and Equipment	5,150	-	-	-	-
<b>Total Supplies and Materials</b>	<b>5,369</b>	<b>200</b>	<b>200</b>	<b>207</b>	<b>200</b>
Utilities	870	2,220	2,000	1,965	2,220
<b>Total Services</b>	<b>870</b>	<b>2,220</b>	<b>2,000</b>	<b>1,965</b>	<b>2,220</b>
Other	65	420	270	260	284
<b>Total Other Expenses</b>	<b>65</b>	<b>420</b>	<b>270</b>	<b>260</b>	<b>284</b>
<b>Total Expenditures</b>	<b>\$ 21,638</b>	<b>\$ 20,818</b>	<b>\$ 26,202</b>	<b>\$ 26,036</b>	<b>\$ 22,991</b>

This department does not track performance measures.







# City Secretary

The City Secretary's Office 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 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, Charter Review Committee, and Tax Increment Reinvestment Zone
- **Boards and Commissions:** responsible for processing all appointments to City Boards and Commissions providing government rules and procedures training, 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

In the last year, we:

- Completed Texas Municipal Clerk Association (TCMA) certification for City Council
- Completed Lean Six Sigma (LSS) & Green Belt project—Public Information Requests
- Managed both the City Council election and special-called bond election for a new Public Safety Facility
- Created & implemented a tracking system for City Secretary metrics and job functions
- Updated the City Secretary website including election information, election documents, requests for information, video links to meetings and public notices and links to documents

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Continue archiving and converting paper documents to electronic files
- Improve Emergency Action Plan protocols
- Begin TCMA certification process for Deputy City Secretary



**City Secretary Staff**

#### **Did you know?**

TCMA certification requires 4 courses with 50 hours of study each, successful completion of work and examination, and 8 seminars. Certification can be achieved in as little as 2-3 years, or take as long as 10 years. As of 2022, there were 1,059 certified clerks in the State of Texas.



## GENERAL FUND - CITY SECRETARY

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	165,392	165,784	154,041	153,831	141,028
Benefits	50,370	50,972	47,121	46,911	43,423
Travel and Training	1,778	3,825	3,425	3,190	5,623
<b>Total Personnel Services</b>	<b>217,540</b>	<b>220,581</b>	<b>204,587</b>	<b>203,932</b>	<b>190,073</b>
Office Supplies	1,194	600	600	674	1,200
Tools and Equipment	-	400	400	-	-
Other Supplies	572	-	-	219	250
<b>Total Supplies and Materials</b>	<b>1,766</b>	<b>1,000</b>	<b>1,000</b>	<b>893</b>	<b>1,450</b>
Utilities	553	564	564	438	564
Professional Services	3,780	4,700	7,400	7,464	7,000
Insurance	350	350	350	350	350
Advertising	4,936	6,000	9,500	9,951	7,000
<b>Total Services</b>	<b>9,619</b>	<b>11,614</b>	<b>17,814</b>	<b>18,203</b>	<b>14,914</b>
Other	19,638	9,945	6,945	6,810	12,674
<b>Total Other Expenses</b>	<b>19,638</b>	<b>9,945</b>	<b>6,945</b>	<b>6,810</b>	<b>12,674</b>
<b>Total Expenditures</b>	<b>\$ 248,562</b>	<b>\$ 243,140</b>	<b>\$ 230,346</b>	<b>\$ 229,839</b>	<b>\$ 219,111</b>

Note: In FY2022, the City Hall Receptionist position was moved from the City Secretary's Office to City Administration creating a decrease in the Personnel category of this department.

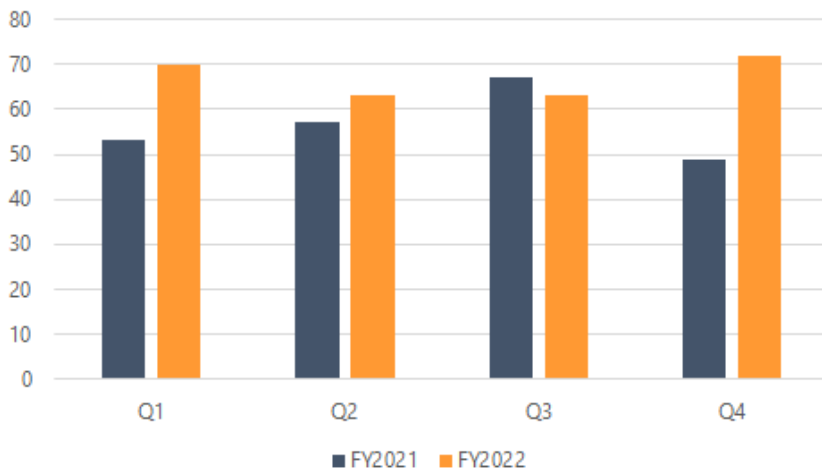


# GENERAL FUND - CITY SECRETARY

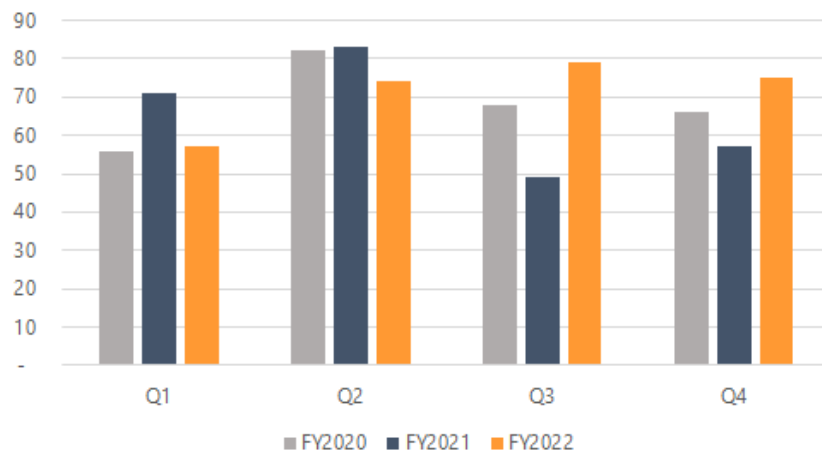
## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities & Services	Open Records Requests	272	260	57	74	79	75	285	270
	Agendas Processed	226	268	70	63	63	72	268	268
	Agendas Published On Time	100%	100%	100%	100%	100%	100%	100%	100%
	City Notary Services	127	21	49	34	49	56	336	150
	Publications Produced	91	36	20	20	24	21	85	45

Agendas Processed



Public Information Requests



2050



## City Attorney

The City Attorney's office provides legal advice and acts as legal counsel for the City Council and EIC as well as all departments and boards of the City. The legal department helps these entities achieve their missions in defensible, law-abiding, and socially acceptable manners.

### DEPARTMENT RESPONSIBILITIES

- **General Counsel:** responsible for providing legal advice and preparing or approving ordinances, resolutions, 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 conducting all Municipal Court prosecutions

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Finalized ordinances for a comprehensive rewrite of the City's Subdivision Regulations and Parkland Dedication
- Prepared a Declaration of Disaster in response to the Winter Storm Landon
- Advised City Council and City staff through the bond election process related to the development of a Public Safety Facility
- Prepared purchase agreement for land acquisition for the Public Safety Facility
- Drafted and/or reviewed contracts, including economic and land development agreements

### **Did you know?**

The Texas Legislature begins its 88<sup>th</sup> session in January 2023. The Texas Municipal League reported the Legislature passed 249 city-related bills in its 87<sup>th</sup> regular session in 2021, and we anticipate another busy legislative session in 2023.

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Continue reviewing Code of Ordinances, including drafting amendments
- Monitor the 88th Texas Legislative Session as to Council priorities and bills that may impact the City
- Maintain individual Municipal Law Accreditation with the Texas City Attorneys Association
- Provide legal guidance to City Council, City staff, and boards
- Coordinate outside counsel, when necessary



## Expenditures by Line Item

	<b>FY2021 Actual</b>	<b>FY2022 Original Budget</b>	<b>FY2022 Current Budget</b>	<b>FY2022 Estimated</b>	<b>FY2023 Budget</b>
<b>Expenditures</b>					
Salaries	244,806	284,740	302,024	301,189	317,462
Benefits	58,690	71,185	73,736	73,130	74,764
Travel and Training	4,818	13,238	10,238	9,821	7,509
<b>Total Personnel Services</b>	<b>308,314</b>	<b>369,162</b>	<b>385,997</b>	<b>384,141</b>	<b>399,735</b>
Office Supplies	119	750	350	329	750
Tools and Equipment	2,340	-	-	1,337	-
Postage	8	150	150	10	200
<b>Total Supplies and Materials</b>	<b>2,467</b>	<b>900</b>	<b>500</b>	<b>1,676</b>	<b>950</b>
Utilities	947	1,200	1,200	1,200	-
Professional Services	47,036	20,000	28,700	27,659	30,000
<b>Total Services</b>	<b>47,983</b>	<b>21,200</b>	<b>29,900</b>	<b>28,859</b>	<b>30,000</b>
Other	3,948	5,265	4,765	4,759	6,435
<b>Total Other Expenses</b>	<b>3,948</b>	<b>5,265</b>	<b>4,765</b>	<b>4,759</b>	<b>6,435</b>
<b>Total Expenditures</b>	<b>\$ 362,712</b>	<b>\$ 396,527</b>	<b>\$ 421,162</b>	<b>\$ 419,435</b>	<b>\$ 437,120</b>

This department does not track performance measures.

Note: An Assistant City Attorney was added to this department in mid-FY2021.





## City Administration

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

### DEPARTMENT RESPONSIBILITIES

- **Administration:** responsible for administering programs to ensure the policies and initiatives of the City Council are implemented 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:** responsible for business development activities through partnerships with the Economic Improvement Corporation, Chamber of Commerce, Convention and Visitors Bureau, and Kerrville Economic Development Corporation

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Helped facilitate the City's efforts to provide emergency support for citizens during Winter Storm Landon
- Continued implementation of the Kerrville 2050 Comprehensive Plan
- Utilized KSTAT Departmental Operating plans to monitor department performance measures
- Facilitated the election effort
- Restructured organization to better align with strategic goals

#### Did you know?

Maya serves as the Executive Office Coordinator for the City Manager, both Assistant City Managers, and City Attorneys. She schedules team meetings, manages the completion and execution of contracts, prepares documents, and much more.

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities and Services:**

- Continue to build a high performing organization by investing and empowering staff
- Progress plans for the development of a multi-department Public Safety Facility

#### **Key Priority Area: Economic Development**

- Continue to encourage the development of workforce housing in the City
- Encourage local workforce development initiative

#### **Key Priority Area: Water, Wastewater & Drainage**

- Develop strategies to implement the Water/Wastewater Master Plan
- Complete projects as outlined in Pavement and Drainage Master Plans
- Continued implementation of the Long Range Water Supply Plan.

#### **Key Priority Area: Downtown Revitalization**

- Implement grants to help offset infrastructure costs associated with downtown programs
- Encourage downtown business growth and revitalization



**Maya Johnson**  
Executive Office Coordinator



# GENERAL FUND - CITY ADMINISTRATION

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	433,806	492,261	587,187	584,029	482,010
Benefits	114,942	117,040	184,085	182,318	122,285
Travel and Training	6,588	22,204	20,204	17,785	9,599
<b>Total Personnel Services</b>	<b>555,336</b>	<b>631,505</b>	<b>791,476</b>	<b>784,132</b>	<b>613,894</b>
Office Supplies	757	2,028	2,028	1,828	900
Tools and Equipment	2,165	-	1,985	2,631	-
Postage & Shipping	11	50	50	-	50
Other Supplies	1,449	1,040	1,040	1,600	1,200
<b>Total Supplies and Materials</b>	<b>4,383</b>	<b>3,118</b>	<b>5,103</b>	<b>6,058</b>	<b>2,150</b>
Technology	5,962	6,453	6,453	6,366	-
<b>Total Maintenance and Repairs</b>	<b>5,962</b>	<b>6,453</b>	<b>6,453</b>	<b>6,366</b>	<b>-</b>
Utilities	2,453	2,652	2,652	3,828	-
Professional Services	5,200	1,000	2,000	1,726	1,332
Insurance	375	550	550	883	350
Advertising	445	-	-	447	-
<b>Total Services</b>	<b>8,473</b>	<b>4,202</b>	<b>5,202</b>	<b>6,884</b>	<b>1,682</b>
Other	10,019	11,573	7,373	6,729	5,310
<b>Total Other Expenses</b>	<b>10,019</b>	<b>11,573</b>	<b>7,373</b>	<b>6,729</b>	<b>5,310</b>
<b>Total Expenditures</b>	<b>\$ 584,172</b>	<b>\$ 656,851</b>	<b>\$ 815,607</b>	<b>\$ 810,169</b>	<b>\$ 623,036</b>

This department does not track performance measures.

Note: In FY2022, the City hired an Assistant City Manager (which had been vacant since June of 2022) and promoted the Executive Director of General Operations (EDG) into a second Assistant City Manager position. Promotion of the EDG, previously budgeted in the Human Resources (HR) Department, increased the overall City Admin Personnel category for FY2022 but decreased the overall HR Personnel budget for FY2022.

For FY2023, City Administration is represented in three divisions in order to show better budgeting alignment of resources and improve transparency. One Assistant City Manager as well as the Senior Management Analyst are in the Economic Development budget for FY2023. The portion of the Executive Director of Innovation salary formerly charged to City Administration is budgeted in the Office of Innovation division in FY2023.



## 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 will not discriminate against any employee or applicant for employment because of race, color, national origin, sex, religion, age or any other unlawful basis in accordance with applicable federal, state and local laws.

### DEPARTMENT RESPONSIBILITIES

- **HR Management:** responsible for ensuring compliance with federal, state and local laws; providing competitive compensation analysis; and ensuring adequate and affordable benefit packages for employees
- **Risk Management:** providing property, liability, and workers compensation coverage for City property, vehicles, equipment, employees, and functions in order to maintain a safe working environment
- **Support Services:** ensuring all City policies are followed; providing City-wide training opportunities; timely payroll processing in compliance with FLSA; and assisting departments with recruiting qualified candidates



Pictured left to right: Rebecca Priess, Chad Hierholzer, and Mary Pierce.

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Successfully negotiated an employee benefits package with minimal impact to the City and no impact to the employees
- Added a long-term disability plan for employees to our Core Benefits package
- Improved the online application process and added electronic signatures
- Completed formal compensation study to research strategic market adjustments to employee pay scale
- Updated the City's Social Media Policy
- Provided Workplace Harassment Training for all employees
- Promoted a HR Staff member to position of HR Coordinator

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Improve the productivity and efficiency of the Human Resources Operations
- Provide educational opportunities for Human Resources staff
- Conduct an update to the FY2022 Formal Compensation Study
- Negotiate an employee benefits package
- Update the City's Drug and Alcohol Policy



## GENERAL FUND - HUMAN RESOURCES

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	287,265	292,094	212,279	212,296	183,224
Benefits	80,729	76,713	68,689	68,356	60,070
Travel and Training	3,070	6,040	7,154	5,557	6,865
<b>Total Personnel Services</b>	<b>371,063</b>	<b>374,846</b>	<b>288,122</b>	<b>286,210</b>	<b>250,159</b>
Office Supplies	1,760	4,055	2,500	2,500	4,000
Tools and Equipment	919	-	-	-	-
Postage and Shipping	49	200	51	51	-
Other Supplies	-	298	334	376	100
<b>Total Supplies and Materials</b>	<b>2,728</b>	<b>4,553</b>	<b>2,885</b>	<b>2,927</b>	<b>4,100</b>
Technology	-	-	8,100	8,048	16,340
<b>Total Maintenance and Repairs</b>	<b>-</b>	<b>-</b>	<b>8,100</b>	<b>8,048</b>	<b>16,340</b>
Utilities	821	564	564	664	600
Professional Services	22,671	49,824	50,697	51,366	41,423
Insurance	500	500	-	300	600
Advertising	2,419	2,250	2,383	2,383	2,300
<b>Total Services</b>	<b>26,412</b>	<b>53,138</b>	<b>53,644</b>	<b>54,713</b>	<b>44,923</b>
Other	19,137	25,407	26,947	27,347	28,755
<b>Total Other Expenses</b>	<b>19,137</b>	<b>25,407</b>	<b>26,947</b>	<b>27,347</b>	<b>28,755</b>
<b>Total Expenditures</b>	<b>\$ 419,340</b>	<b>\$ 457,944</b>	<b>\$ 379,699</b>	<b>\$ 379,245</b>	<b>\$ 344,277</b>

Note: In FY2022, the Executive Director of General Operations (budgeted in HR) was promoted to Assistant City Manager. Personnel and other related expenses were transferred to the City Administration budget in the middle of FY2022. The FY2023 budget is lower than FY2022 due to this change. An existing HR employee was promoted to a new position, titled "Human Resources Coordinator" and will be assuming more responsibility within the department. **No additional positions were added to HR in FY2023.**



# GENERAL FUND - HUMAN RESOURCES

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities & Services	Number of Full-Time Employees	304	308	303	312	307	316	310	308
	Turnover Rate	1.18%	1.04%	1.30%	1.03%	1.33%	1.10%	1.19%	1.00%
	New Property & Liability Claims Processed	144	180	33	37	33	19	122	120
	Open Insurance Claims	25	12	9	14	6	8	37	15
	FMLA Leave Cases Processed	48	60	21	14	13	4	52	50
	Closed Insurance Claims	25	12	9	14	6	8	37	15

Performance Measure Definitions	
Measure	Definition
Full-time (FTE) Employee	Employees hired full-time excluding seasonal and part-time employees
Open Insurance Claims	An insurance case that has been opened but not yet settled or closed
Closed Insurance Claims	An insurance case that has been closed and settled
New Property & Liability Claims	Number of property & liability claims processed by the City. Including City property, vehicles, or external claims
FMLA Leave	US labor law requiring covered employers to provide employees with job-protected, unpaid leave for qualified medical and family reasons
Turnover Rate (%)	Percentage of employees who leave and require replacement



# KERRVILLE

2050





## Finance

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

### DEPARTMENT RESPONSIBILITIES

- **Budgeting:** responsible for preparing and monitoring the City's annual budget, including preparation of the budget document, and dissemination of regular financial updates to City departments and City Council
- **Financial Reporting:** preparing and reporting financial statements in accordance with governmental accounting standards, including coordination of the annual audit and Annual Comprehensive Financial Report
- **Financial Management:** responsible for accounts payable, accounts receivable, general ledger, fixed asset management, and investment services for the City
- **Compliance Reporting:** ensuring City-wide compliance, community service agreements, short-term rental compliance, required annual reporting including grant, occupancy tax, federal funding, etc.

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we;

- Implemented new GASB 87 accounting standard for recognizing leases
- Implemented process for managing and reporting funds from the American Rescue Plan Act (ARPA)
- Updated business plan to new KSTAT model
- Created process for better tracking of contracts and agreements
- Created Hotel Occupancy Tax web page to increase public education
- Received Traditional Finance and Debt Transparency Stars from the Comptroller
- Completed cross-training efforts for Accounts Payable
- Increased Electronic Funds Transfer payments

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Improve long-range budgeting process for asset replacement, maintenance, and other needs
- Implement GASB 94 & GASB 96 accounting standards
- Create more efficient process for tracking liens
- Streamline the Alcoholic Beverage License process
- Continue to monitor and identify short-term rentals in Kerrville



**Finance Team**

#### **Did you know?**

The Finance department established a new Finance Compliance Coordinator position in FY2022 to help aid in the City's compliance with and the implementation of new Governmental Accounting Standards Board standards and to ensure compliance relating to Citywide contracts and policies.



## GENERAL FUND - FINANCE

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	267,152	327,902	320,791	318,888	354,861
Benefits	82,884	96,422	108,112	107,622	107,134
Travel and Training	2,412	4,277	5,807	6,100	6,212
<b>Total Personnel Services</b>	<b>352,447</b>	<b>428,600</b>	<b>434,709</b>	<b>432,610</b>	<b>468,207</b>
Office Supplies	1,675	2,475	2,475	1,895	2,255
Tools and Equipment	922	1,250	3,880	3,561	4,400
Postage and Shipping	77	-	-	112	100
Other Supplies	50	-	500	610	350
<b>Total Supplies and Materials</b>	<b>2,725</b>	<b>3,725</b>	<b>6,855</b>	<b>6,178</b>	<b>7,105</b>
Utilities	50	600	600	600	-
Professional Services	361,357	380,240	372,085	365,299	453,900
Insurance	575	575	575	875	675
<b>Total Services</b>	<b>361,982</b>	<b>381,415</b>	<b>373,260</b>	<b>366,774</b>	<b>454,575</b>
Other	1,628	1,609	2,434	2,138	1,450
<b>Total Other Expenses</b>	<b>1,628</b>	<b>1,609</b>	<b>2,434</b>	<b>2,138</b>	<b>1,450</b>
<b>Total Expenditures</b>	<b>\$ 718,783</b>	<b>\$ 815,349</b>	<b>\$ 817,258</b>	<b>\$ 807,701</b>	<b>\$ 931,337</b>

Note: Mid—FY2022 the Finance Compliance Coordinator position was created to ensure Citywide Compliance related to community service agreements, annual reporting, purchasing card management, purchasing contracts, and implementation of new GASB standards.





## GENERAL FUND - FINANCE

### Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities & Services / Economic Development	Investment Revenue	\$ 226,829	\$ 205,840	\$ 85,379	\$ (8,405)	\$ (641)	\$ 148,413	\$ 224,746	\$ 411,186
	Average Short Term Rental Payer	43	n/a	43	42	52	58	49	70
	Short Term Rental Occupancy Tax Revenue	\$ 128,291	\$ 57,000	\$ 31,101	\$ 26,408	\$ 57,987	\$ 46,112	\$ 161,607	\$ 180,000
	Invoices Processed for Payment	8,335	7,800	1,901	2,282	2,301	2,300	8,784	8,300
	Payment Count (Checks & EFT)	10,385	5,280	1,283	1,978	2,784	2,676	8,721	8,500
	Staff Continuing Education Hours	33	72	49	88	44	76	256	100
	%Check Payments	44%	40%	43%	43%	36%	35%	39%	25%
	%EFT	56%	60%	57%	57%	64%	65%	61%	75%

#### Performance Measure Definitions

Measure	Definition
Short Term Rental (STR)	A privately owned dwelling being rented for less than thirty days charging \$2 or more a night. This includes spaces rented through commonly used booking sites such as AirBnb, HomeAway, VRBO, FlipKey, and others
Average Monthly Short Term Rental Payor	Average number of short-term rental units to pay Hotel Occupancy Tax in a month
Short Term Rental Occupancy Tax Revenue	Average Hotel Occupancy Tax revenue received (dollars) from all short-term rental units
Payment Count	Total payments made for expenses incurred by the City
Electronic Funds Transfer (EFT)	Payments made through Accounts Payable using Electronic Funds Transfers to bank accounts rather than by check

Note: Investment revenue is booked at month end at the market value of each investment. During market fluctuations, market value often reduces. This is most common in the Library Endowment Fund, which is the only fund that holds stocks and mutual funds. Other investments have much less variance. The City's methodology is to hold investments until maturity thus recognizing the true value of the investment when each piece matures.



# KERRVILLE

## 2050





## Information Technology

Information Technology (IT) provides the highest quality technology based services, in the most cost effective manner to facilitate the City's mission. IT also coordinates with all City departments on the implementation of new projects involving software, hardware, security, Wi-Fi, etc.

### DEPARTMENT RESPONSIBILITIES

- **Communication Systems:** responsible for communication systems within the City such as email, voice and messaging, website, and broadcasting of public meetings
- **Data Management:** responsible for providing the management, storage, backup, and recovery services of all the City data
- **Network Management:** responsible for configuring, supporting, and managing the network equipment connecting remote offices with the City's data center
- **Technology Support Services:** responsible for support of City staff by providing break/fix services on technology City-wide
- **GIS Services:** responsible for developing, documenting, and implementing GIS applications

### DEPARTMENT ACCOMPLISHMENTS

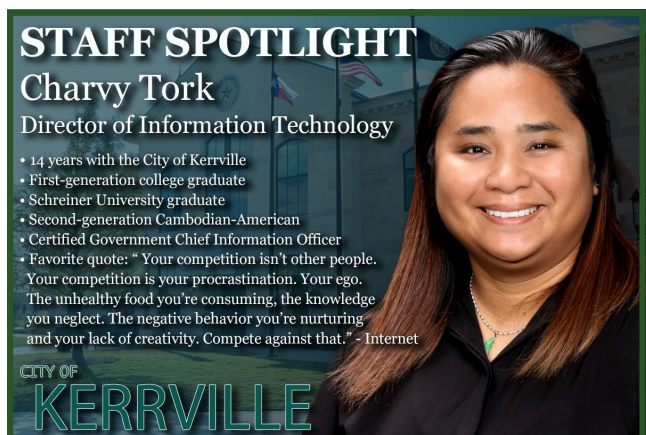
In the last year, we:

- Executed contract to upgrade public safety radio communications infrastructure
- Upgraded wireless infrastructure for staff and designed public Wi-Fi areas
- Upgraded City's core network infrastructure
- Upgraded technology in library meeting space
- Upgraded access control for Kerrville Police Department

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Improve cybersecurity posture
- Evaluate opportunities for rural broadband
- Perform upgrades on City-wide enterprise applications
- Migrate to office 365 for increased collaboration and security



#### **Did you know?**

In 1956, the IBM 305 RAMAC supercomputer weighed more than a ton and only stored 5 megabytes of data. The City stores and manages around 75 terabytes of data, equal to 78,643,200 megabytes. The IBM supercomputer would have weighed 15,728,640 tons, comparably.



## GENERAL FUND - INFORMATION TECHNOLOGY

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	381,853	439,120	435,616	434,485	485,060
Benefits	121,267	141,431	137,640	136,726	141,138
Travel and Training	6,524	8,556	11,406	11,300	13,347
<b>Total Personnel Services</b>	<b>509,644</b>	<b>589,107</b>	<b>584,662</b>	<b>582,511</b>	<b>639,545</b>
Office Supplies	837	714	2,089	2,117	1,044
Tools and Equipment	76,367	79,650	73,650	72,603	81,650
Fuel	240	429	429	360	534
Postage and Shipping	113	100	100	36	100
Other Supplies	344	233	458	400	317
<b>Total Supplies and Materials</b>	<b>77,901</b>	<b>81,126</b>	<b>76,726</b>	<b>75,515</b>	<b>83,645</b>
Building, Structure and Land	2,606	1,800	27,550	29,084	1,800
Vehicle	451	99	4,199	2,065	89
Equipment	76,440	118,029	103,029	87,594	126,152
Technology	312,874	329,250	314,250	309,815	398,730
<b>Total Maintenance and Repairs</b>	<b>392,372</b>	<b>449,178</b>	<b>449,028</b>	<b>428,557</b>	<b>526,771</b>
Utilities	120,683	160,868	151,600	133,886	168,236
Professional Services	10,088	-	7,700	7,637	-
<b>Total Services</b>	<b>130,771</b>	<b>160,868</b>	<b>159,300</b>	<b>141,523</b>	<b>168,236</b>
Other	19,325	21,895	22,895	23,017	28,845
<b>Total Other Expenses</b>	<b>19,325</b>	<b>21,895</b>	<b>22,895</b>	<b>23,017</b>	<b>28,845</b>
<b>Total Expenditures</b>	<b>\$ 1,130,012</b>	<b>\$ 1,302,174</b>	<b>\$ 1,292,610</b>	<b>\$ 1,251,123</b>	<b>\$ 1,447,041</b>





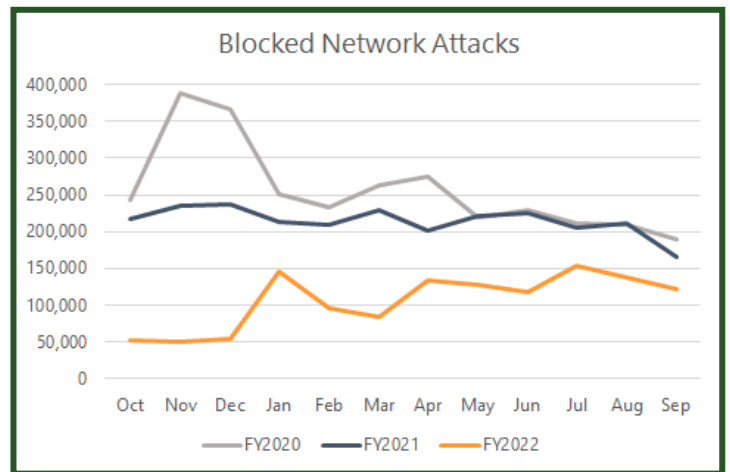
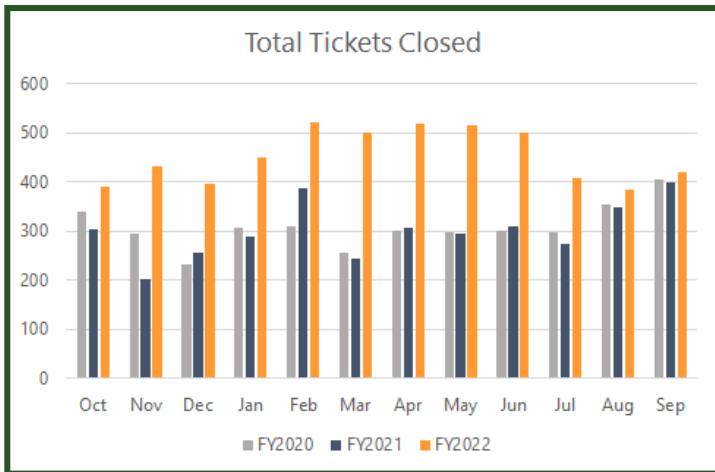


# GENERAL FUND - INFORMATION TECHNOLOGY

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities & Services	Service Customer Survey Rating	5%	5%	5%	4%	5%	4%	4%	5%
	Network Uptime	100%	99%	100%	100%	100%	100%	100%	99%
	Average Work Orders Open End of Day	41	63	46	66	53	78	61	60
	Average Work Orders Closed Same Day (%)	86%	85%	83%	87%	89%	84%	86%	85%
	Blocked Network Attacks	2,571,162	n/a	157,231	325,627	380,693	415,342	1,278,893	n/a
	Number of Viruses Quarantined and Removed	368	n/a	43	85	235	329	692	n/a
	Average % Critical Priority Support Requests met	94%	95%	96%	95%	97%	93%	95%	95%
	Average % High Priority Support Requests met	92%	90%	90%	93%	93%	84%	90%	90%
	Average % Normal Priority Support Requests met	87%	88%	83%	85%	86%	82%	84%	88%
	Average % Low Priority Support Requests met	85%	85%	82%	81%	82%	81%	81%	85%
	Total Tickets Closed	4,376	4,200	1,220	1,471	1,534	1,212	5,437	5,000

Performance Measure Definitions	
Measure	Definition
Work Order	A formal request from a staff member to the IT department for a job assignment, assistance, or job to complete
Network Uptime	The amount of time the City computer network is operational and can respond to connectivity and performance demands
Priority Support Requests	The internal commitment from IT to respond to tickets according to their urgency and impact. Critical level requests require a 15 minute response time and 4 hours to resolve. High level requests require a 30 minute response time with 1 working day to resolve. Normal level requests requires 2 hours to respond with 3 working days to resolve. Low level requests require 8 hours to respond with 7 working days to resolve.
Blocked Network Attacks	The total number of network attacks blocked by the City's network security
Total Tickets Closed	The number of IT support requests by City staff that were successfully closed





# Public Information

The Public Information Office (P.I.O.) serves as the single voice for City information by providing citizens, business owners, and City staff with pertinent information about City news and events through press releases, social media posts, the City's website, local newspaper articles, and press conferences. P.I.O. is also responsible for managing recordings and audio/video support for all City meetings

### DEPARTMENT RESPONSIBILITIES

- **Communication:** responsible for communicating to citizens, using various medias, to ensure accurate information is released regarding City business and events
- **Technology Management:** responsible for keeping social media platforms up-to-date as well as the City's website
- **Social Media:** responsible for growing the City's audience on various social media channels in order to communicate current and accurate information

### DEPARTMENT ACCOMPLISHMENTS

- In FY2022, the Public Information Officer coordinated 276 press releases, 884 Facebook posts, and 268 Twitter posts
- The City accounts boasts 13,004 Facebook followers and 1,157 Twitter followers
- Implemented short video clips to keep citizens informed about important issues
- Highlighted City Staff on Social Media

#### Did you know?

The City's Public Information Office maintains the City's website and Facebook pages and coordinates and broadcasts all City Council meetings.

### FY2023 OBJECTIVES

#### Key Priority Area: Public Facilities & Services

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



Multimedia Room



## GENERAL FUND - PUBLIC INFORMATION

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	118,718	118,557	135,315	134,982	141,710
Benefits	45,349	47,168	48,783	48,229	43,545
Travel and Training	-	-	-	70	-
<b>Total Personnel Services</b>	<b>164,067</b>	<b>165,725</b>	<b>184,099</b>	<b>183,281</b>	<b>185,255</b>
Office Supplies	86	250	250	75	-
Tools and Equipment	367	250	250	572	-
Other Supplies	836	-	-	313	-
<b>Total Supplies and Materials</b>	<b>1,288</b>	<b>500</b>	<b>500</b>	<b>960</b>	<b>-</b>
Technology	2,175	3,000	3,000	2,316	3,000
<b>Total Maintenance and Repairs</b>	<b>2,175</b>	<b>3,000</b>	<b>3,000</b>	<b>2,316</b>	<b>3,000</b>
Utilities	471	1,128	1,128	701	1,128
Professional Services	-	3,400	-	-	3,400
Advertising	788	800	800	788	800
<b>Total Services</b>	<b>1,259</b>	<b>5,328</b>	<b>1,928</b>	<b>1,489</b>	<b>5,328</b>
Other	619	1,128	828	751	1,125
<b>Total Other Expenses</b>	<b>619</b>	<b>1,128</b>	<b>1,128</b>	<b>1,128</b>	<b>1,125</b>
<b>Total Expenditures</b>	<b>\$ 169,407</b>	<b>\$ 175,681</b>	<b>\$ 190,354</b>	<b>\$ 188,797</b>	<b>\$ 194,708</b>





# GENERAL FUND - PUBLIC INFORMATION

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Community & Neighborhood Character / Placemaking / Public Facilities & Services	Press Releases	222	n/a	69	95	62	50	276	240
	Social Media - Facebook Followers	10,832	n/a	11,862	12,435	12,716	13,004	13,004	13,500
	Social Media - Twitter Followers	1,001	n/a	1,039	1,082	1,131	1,157	1,157	n/a
	Videos Filmed	177	n/a	40	34	28	32	134	100
	YouTube Views	12,158	n/a	1,265	1,772	1,782	1,777	6,596	n/a
	Social Media Posts - Facebook	756	n/a	210	226	223	225	884	720
	Social Media Posts - Twitter	264	n/a	73	88	57	50	268	n/a



One of the responsibilities of The Public Information Office is to record Council, EIC, and other board meetings and workshops.





## Municipal Court

The Municipal Court strives to ensure that all case processing within the Court is handled in an efficient, fair, and timely manner. 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 Filing:** responsible for recording, reporting, and paying State fees

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Filed approximately 3,658 cases
- Filed 100% of cases within 24 hours of the citation issuance
- Offered court zoom hearings for persons not able to attend court in person
- Updated department page on website to include forms and resources to help educate the public about court procedures and available options
- The Court Clerk obtained Level II Court Clerk Certification
- Two staff members attended Texas Municipal Court Education Center New Clerks (TMCEC) seminar
- Resumed and conducted jury trials

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Attend yearly TMCEC seminars to help educate staff regarding changes in legislation and to keep certifications up-to-date
- Participate in Municipal Court Week
- Participate in National Night Out
- Participate in National School Bus Safety Week by providing information to the public
- TMCEC level 1 certification for clerks not currently certified



**Swearing in of Judge Lucy Pearson**

#### **Did you know?**

Judge Lucy Pearson was sworn in as the new Municipal Court Judge in April of 2022 replacing Judge Mark Prislovsky.





## GENERAL FUND - MUNICIPAL COURT

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	267,481	295,947	267,310	263,679	311,930
Benefits	88,427	92,501	94,736	93,833	91,700
Travel and Training	800	4,505	4,505	3,372	2,808
<b>Total Personnel Services</b>	<b>356,709</b>	<b>392,953</b>	<b>366,551</b>	<b>360,884</b>	<b>406,438</b>
Office Supplies	4,301	4,105	4,105	3,510	3,429
Tools and Equipment	475	300	910	1,764	299
Chemical and Medical	45	25	25	-	-
Fuel	1,074	1,470	1,470	1,679	1,268
Wearing Apparel	197	360	360	574	395
Other Supplies	327	200	200	268	192
<b>Total Supplies and Materials</b>	<b>6,419</b>	<b>6,460</b>	<b>7,070</b>	<b>7,795</b>	<b>5,582</b>
Building, Structure and Land	1,183	3,140	3,140	752	1,189
Vehicle	698	729	729	239	479
Technology	-	-	-	209	-
<b>Total Maintenance and Repairs</b>	<b>1,881</b>	<b>3,869</b>	<b>3,869</b>	<b>1,200</b>	<b>1,668</b>
Utilities	6,315	8,030	8,030	6,331	6,790
Professional Services	360	1,782	532	402	1,732
Insurance	475	450	450	575	450
<b>Total Services</b>	<b>7,150</b>	<b>10,262</b>	<b>9,012</b>	<b>7,308</b>	<b>8,972</b>
Other	118	195	195	43	118
<b>Total Other Expenses</b>	<b>118</b>	<b>195</b>	<b>195</b>	<b>43</b>	<b>118</b>
<b>Total Expenditures</b>	<b>\$ 372,277</b>	<b>\$ 413,739</b>	<b>\$ 386,697</b>	<b>\$ 377,230</b>	<b>\$ 422,779</b>





# GENERAL FUND - MUNICIPAL COURT

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities & Services	Court Online Payments	639	612	129	142	159	124	554	650
	Cases Dismissed After Driver Safety Course	721	900	153	157	124	128	562	n/a
	New Cases Filed Within 24 Hours	100%	100%	100%	100%	100%	100%	100%	100%
	Warrants Served Within 60 Days	27%	60%	66%	35%	52%	51%	51%	60%
	New Cases Filed	4,445	5,496	859	869	981	949	3,658	n/a
	New Cases Adjudicated	3,925	6,504	833	1,216	1,042	990	4,081	n/a

Performance Measure Definitions	
Measure	Definition
Cases filed within 24 hours of citation receipt	Number of cases filed within 24 hours of the receipt of a citation within the City of Kerrville
Number of cases filed	Number of cases filed for the designated time period
Warrants issued within 30 days of failure to appear	Number of warrants issued within 30 days of a person's failure to appear for a court date
Warrants served within 60 days of issuance	Number of warrants served within 60 days of the court issue date





## Office of Innovation

The Office of Innovation is a division of City Administration with the purpose of planning, developing, and monitoring employee training, departmental operational plans, and the Kerrville 2050 Comprehensive Plan to ensure forward movement of the organization. The City's greatest resource engine for innovation is its employees. Through engagement and empowerment the City will achieve the highest levels of performance excellence.

### DEPARTMENT RESPONSIBILITIES

- **Process Improvement:** Responsible for training, implementation, and oversight of the Lean Six Sigma (LSS) Program
- **Employee Education:** Provide supplemental educational opportunities for employees
- **Strategic Alignment:** Responsible for monitoring the use of strategic planning through operational plans and tracking of City-wide accomplishments related to Kerrville 2050 action items

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Completed Lean Six Sigma (LSS) program consisting of 34 staff
- Total LSS closed projects: 26
- Successfully completed 43 LSS projects producing cost savings of over \$450,000 Citywide
- Implemented a Citywide Benchmark Learning Management System
- Implemented 2nd annual City Leadership Academy to train and develop mid-level managers and prospective future managers

### Did you know?

Empowered employees are more engaged, work harder, and become more loyal to the organization.

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Develop and enhance leadership and professional skills within departments
- Track and report status of Kerrville 2050 action items
- Build an organizational learning culture to encourage innovation
- Increase customer satisfaction through superior service and support
- Identify and reduce organizational costs
- Maintain fiscal responsibility of assigned budget



**Guillermo Garcia**  
**Executive Director of Innovation**



## GENERAL FUND - OFFICE OF INNOVATION

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries					32,404
Benefits					8,070
<b>Total Personnel Services</b>					<b>40,474</b>
Office Supplies					1,108
<b>Total Supplies and Materials</b>					<b>1,108</b>
Professional Services					11,005
<b>Total Services</b>					<b>11,005</b>
Other					24,888
<b>Total Other Expenses</b>					<b>24,888</b>
<b>Total Expenditures</b>	\$ -	\$ -	\$ -	\$ -	\$ <b>77,474</b>

Included in City Administration in Prior Years

Note: This division was created in FY2023 to better align budgetary resources with actual staff responsibilities, to improve transparency, and to more efficiently track accomplishments and objectives. This division was formerly part of the City Administration budget and includes a portion of the salary for the Executive Director of Innovation, who also oversees Development Services and the City Garage. **No new positions were created in the formation of this division.**





## Economic Development

The City's Economic Development Division, created in FY2023, is under the supervision of City Administration. This division is responsible for working with both internal & external parties to facilitate responsible growth within the City and the Extraterritorial Jurisdiction (ETJ) in accordance with the Kerrville 2050 community vision, with a primary focus on housing, sustainable business development, and the downtown area.

### DEPARTMENT RESPONSIBILITIES

- **Workforce Housing:** responsible for engaging with developers to promote development of housing for the local workforce
- **Retail Recruitment:** responsible for attracting new retail establishments to the city and matching the needs of the community to appropriate development opportunities through data studies and marketing strategies
- **Business Industry:** responsible for coordinating with the Kerrville Economic Development Corporation (KEDC), businesses, and other organizations to attract potential business to Kerrville
- **Main Street:** responsible for serving as Main Street Board liaison to facilitate revitalization of the downtown area

### DEPARTMENT ACCOMPLISHMENTS

- Created and adopted a Work Plan as a guideline for Main Street Advisory Board functions
- Completed new Retail and Tourism Data Study
- Progressed discussions with City Council, Board and Commissions, and developers to develop public/private housing partnerships
- Acquired grant funding for downtown pedestrian infrastructure improvements through the TxCDBG Main Street/Downtown Revitalization program

### FY2023 OBJECTIVES

#### **Key Priority Area: Economic Development**

- Continue partnership with KEDC to recruit and expand primary jobs in Kerrville
- Focus on Strategic Catalyst areas from Kerrville 2050 for retail recruitment

#### **Key Priority Area: Housing**

- Ongoing search for public and private partnerships for workforce housing
- Continue to review and improve internal planning and zoning processes and education for developers

#### **Key Priority Area: Downtown Revitalization**

- Continue to improve Main Street outreach
- Continue and expand partnerships with downtown merchants



**Michael Hornes**  
**Assistant City Manager**

#### **Did you know?**

Michael Hornes joined the City of Kerrville team as an Assistant City Manager in FY2022. One of his primary responsibilities is to focus on Economic Development.





## GENERAL FUND - ECONOMIC DEVELOPMENT

### Expenditures by Line Item

Expenditures					
Salaries					234,442
Benefits					59,915
Travel and Training					8,404
<b>Total Personnel Services</b>					<b>302,761</b>
Office Supplies					100
<b>Total Supplies and Materials</b>					<b>100</b>
Insurance					275
<b>Total Services</b>					<b>275</b>
Other					4,960
<b>Total Other Expenses</b>					<b>4,960</b>
<b>Total Expenditures</b>	\$	-	\$	-	\$ 308,096

Note: This division was created in FY2023 to better align budgetary resources with actual staff responsibilities to improve transparency and to more efficiently track responsibilities and accomplishments. This division was formerly part of the City Administration budget. The primary focus of one ASM, in conjunction with support staff, is Economic Development to ensure Kerrville's financial sustainability. **No new positions were created in the formation of this division.**





## Police

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

### DEPARTMENT RESPONSIBILITIES

- **Patrol and Crime Prevention:** responsible for providing a police presence in neighborhoods, responding to calls for service, investigating 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 social and criminal offenses
- **Communications:** responsible for answering and dispatching calls for service for the City of Kerrville Police, Fire and EMS departments. 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 in order to improve safety and quality of life within the community



**Sergeant Lamb at Coffee with a Cop**

### **Did you know?**

"The police are the public and the public are the police; the police being only members of the public who are paid to give their full time attention to duties which are incumbent on every citizen in the interests of community welfare and existence." (Sir Robert Peel)

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Responded to 13,404 calls for service and investigated 501 traffic accidents.
- Completed 390 criminal investigations
- Processed and stored 4,243 pieces of evidence
- Conducted 19 community outreach programs
- Implemented the use of Taser equipment for Officers to provide an additional less lethal option for more successful conflict resolution
- Engaged in contract to implement new radio communication infrastructure
- Entered planning phase for the new Public Safety Facility approved by voters in the bond election
- Implemented new pay structure to improve officer recruitment and retention

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Suppress criminal activity through proactive enforcement activities
- Complete Public Safety communications infrastructure and radio project
- Replace end of life body camera technology with a new and more reliable recording solution
- Improve staff development and retention through additional training and learning opportunities
- Assist with Public Safety Facility Project
- Expand School Resource Officer program with KISD



## GENERAL FUND - POLICE

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	4,347,036	4,541,580	5,009,378	4,978,120	5,470,309
Benefits	1,344,383	1,417,278	1,517,428	1,517,022	1,673,786
Travel and Training	52,482	131,950	132,644	111,454	142,040
<b>Total Personnel Services</b>	<b>5,743,901</b>	<b>6,090,808</b>	<b>6,659,451</b>	<b>6,606,596</b>	<b>7,286,135</b>
Office Supplies	11,225	13,933	11,349	10,435	14,387
Tools and Equipment	89,069	5,863	9,163	8,761	9,023
Chemical and Medical	20,635	14,004	14,004	10,581	16,900
Fuel	83,820	73,010	119,010	118,280	140,400
Wearing Apparel	41,541	49,265	54,190	49,258	88,665
Postage and Shipping	446	550	550	876	600
Other Supplies	14,094	44,422	62,311	58,753	57,714
<b>Total Supplies and Materials</b>	<b>260,831</b>	<b>201,046</b>	<b>270,576</b>	<b>256,944</b>	<b>327,689</b>
Building, Structure and Land	11,137	17,258	17,258	11,968	12,940
Vehicle	43,100	52,393	49,193	44,600	50,650
Equipment	26,281	27,065	9,940	6,900	31,902
Technology	35,540	97,141	59,141	59,163	156,908
<b>Total Maintenance and Repairs</b>	<b>116,058</b>	<b>193,857</b>	<b>135,532</b>	<b>122,632</b>	<b>252,400</b>
Utilities	51,159	56,256	58,256	56,121	55,696
Professional Services	55,488	97,270	68,270	56,274	77,350
Insurance	600	300	300	400	300
Leases/Rents	9,460	18,502	23,802	22,924	3,160
<b>Total Services</b>	<b>116,707</b>	<b>172,328</b>	<b>150,628</b>	<b>135,719</b>	<b>136,506</b>
Other	22,855	17,957	17,957	12,958	22,927
<b>Total Other Expenses</b>	<b>22,855</b>	<b>17,957</b>	<b>17,957</b>	<b>12,958</b>	<b>22,927</b>
Machinery, Tools and Equipment	-	21,000	48,200	48,152	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>21,000</b>	<b>48,200</b>	<b>48,152</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 6,260,352</b>	<b>\$ 6,696,996</b>	<b>\$ 7,282,344</b>	<b>\$ 7,183,000</b>	<b>\$ 8,025,656</b>

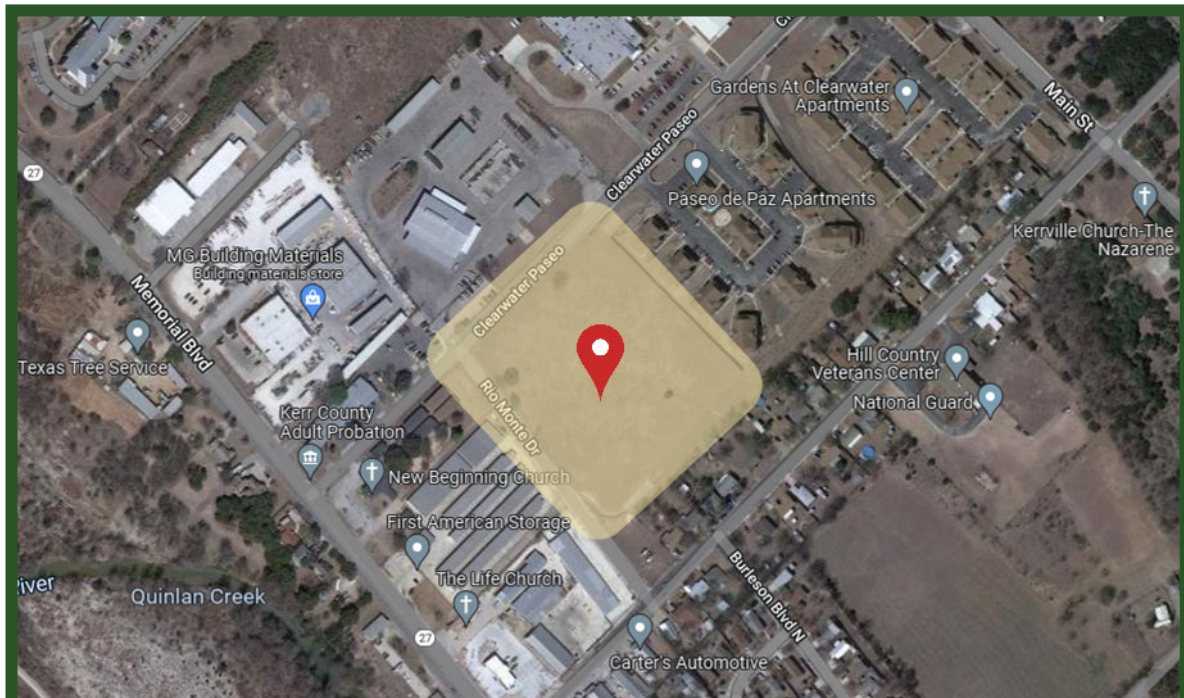
Note: In FY2022 strategic STEP plan changes were made to improve pay scales within Public Safety divisions with a particular emphasis on Police. These changes were paired with increased recruitment and retention planning. The FY2023 Personnel budget for Police includes these adjustments, regular STEP increases for eligible officers, and the addition of 2 School Resources Officers to satisfy the City's agreement with KISD.



## GENERAL FUND - POLICE

### Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities & Services	Officers Trained by KPD	313	96	72	20	52	96	240	125
	Number of Reports Processed	3,383	2,604	939	895	1,114	988	3,936	n/a
	Total Call for Service Responses	36,463	n/a	8,682	8,344	9,220	9,394	35,640	n/a
	Calls for Service on KISD campuses	1,040	n/a	186	267	209	236	898	n/a
	Number of Offenses	2,487	n/a	731	674	771	719	2,895	n/a
	Number of Evidency Items Processed and Stored	4,243	1,200	1,286	865	550	510	3,211	n/a
	Accident Investigations Completed	491	480	130	120	112	139	501	n/a
	Subpoenas & Court Orders Processed	568	504	69	126	113	135	443	n/a
	Reports from Crimes and Emergency Response	3,383	n/a	939	895	1,114	988	3,936	n/a
	Reactive Criminal Investigations Completed	390	425	139	124	115	124	502	n/a
	Avg Response Time to All Calls (min)	3.60	5.00	3.65	3.58	3.56	3.52	3.58	5.00
	Avg Response Time to Emergency Calls (min)	2.96	3.00	2.97	2.50	2.53	2.04	2.51	3.00



The new Public Safety Facility will be located on Rio Monte Drive



2050



# Consolidated Fire Department

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

**Mission:** We act as an *Exceptional Team* through *Efficient Methods* to deliver *Excellent Service*.

### Section Organization

The Fire Department is divided into 3 separate divisions that all report to the Fire Chief. This section shows detail on the individual divisions:

1. **Fire-EMS**—provides fire & emergency medical services to both the City and the County (per an interlocal agreement with Kerr County)
2. **Emergency Management & Training** manages Emergency Operations for the City and coordinates with other entities to include the county, the hospital, area school districts, and other entities. This division is also responsible for all departmental training.
3. **Fire Prevention** - conducts plan reviews for new construction, City-wide fire inspections for businesses, schools, hospitals, child care facilities, etc., fire investigations, and enforcement



**Live Fire Training**

### **Did you know?**

In 2021, KFD was able to implement Live Fire Training. This hands-on training has enabled fire fighters to be more proficient at keeping our community safe.





# GENERAL FUND - FIRE DEPARTMENT

## Expenditures by Line Item

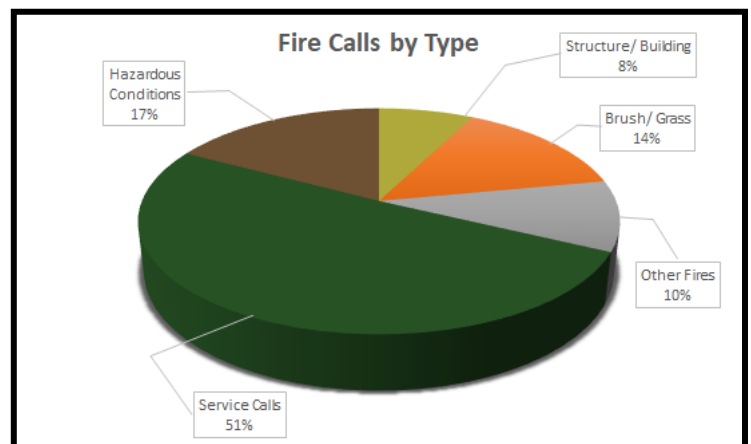
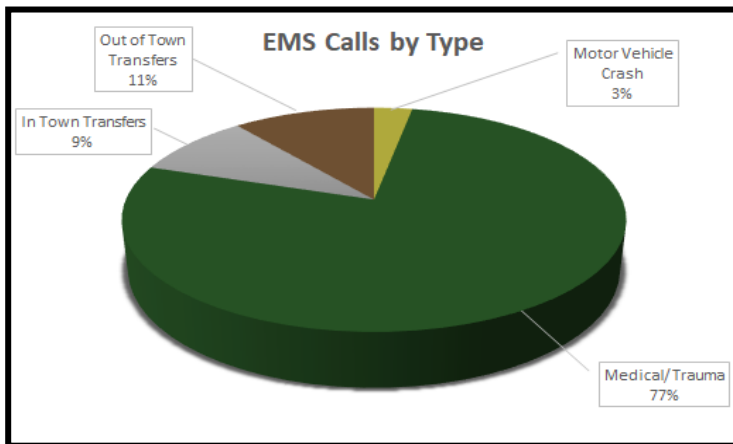
	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	5,846,399	5,657,460	6,276,637	6,276,233	6,624,861
Benefits	1,751,553	1,760,250	1,908,000	1,909,833	1,921,956
Travel and Training	40,955	99,461	71,938	70,761	98,348
<b>Total Personnel Services</b>	<b>7,638,907</b>	<b>7,517,171</b>	<b>8,256,574</b>	<b>8,256,827</b>	<b>8,645,165</b>
Office Supplies	4,494	5,730	4,030	4,125	4,644
Tools and Equipment	82,731	92,737	59,927	59,441	62,063
Chemical and Medical	179,025	171,300	199,727	200,121	175,138
Fuel	95,112	96,961	160,496	159,977	175,828
Wearing Apparel	86,557	105,445	94,038	94,146	102,912
Postage and Shipping	317	380	380	395	380
Other Supplies	18,865	14,560	20,246	20,448	14,870
<b>Total Supplies and Materials</b>	<b>467,101</b>	<b>487,113</b>	<b>538,844</b>	<b>538,653</b>	<b>535,835</b>
Building, Structure and Land	40,861	33,600	37,584	63,239	34,225
Vehicle	136,814	92,671	130,776	104,281	99,121
Equipment	48,564	49,040	29,033	38,743	45,620
Technology	18,983	25,883	22,005	10,654	15,711
<b>Total Maintenance and Repairs</b>	<b>245,222</b>	<b>201,194</b>	<b>219,398</b>	<b>216,917</b>	<b>194,676</b>
Utilities	72,228	79,492	88,972	80,079	77,628
Professional Services	210,587	176,977	224,424	224,633	329,140
Insurance	200	200	200	200	200
Advertising	280	-	-	-	-
Leases/Rents	48,977	49,610	49,610	49,610	50,466
<b>Total Services</b>	<b>332,271</b>	<b>306,279</b>	<b>363,206</b>	<b>354,522</b>	<b>457,434</b>
Other	15,724	26,570	23,678	21,496	41,214
<b>Total Other Expenses</b>	<b>15,724</b>	<b>26,570</b>	<b>23,678</b>	<b>21,496</b>	<b>41,214</b>
Machinery, Tools and Equipment		21,600	-	-	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>21,600</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 8,699,225</b>	<b>\$ 8,559,926</b>	<b>\$ 9,401,700</b>	<b>\$ 9,388,415</b>	<b>\$ 9,874,324</b>



# GENERAL FUND - FIRE DEPARTMENT

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities & Services	Fire Prevention Inspections	520	600	118	84	159	208	569	600
	Average Fire Response Time (%<5m20s)	100%	90%	80%	50%	67%	67%	66%	90%
	Average First Responder Response Time (%<5m)	100%	90%	60%	61%	62%	60%	61%	90%
	Average EMS Response Time (%<6m)	100%	90%	51%	64%	67%	62%	61%	90%
	Total Fire Call Volume	889	n/a	150	189	140	171	650	n/a
	Total First Responder Call Volume	2,137	n/a	487	493	572	533	2,085	n/a
	Total EMS Call Volume	7,939	n/a	1,970	2,133	2,012	2,102	8,217	n/a
	Continuing Education (hours)	10,561	8,400	1,516	1,774	3,774	3,338	10,402	8,400



Kerrville Fire Department completed a live training exercise in the former Tivy High School

## Fire – EMS

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

**Core Values:** We conduct ourselves with Professionalism, Integrity, and Commitment with Teamwork

### DEPARTMENT RESPONSIBILITIES

- **Emergency Operations:** responsible for providing high quality fire protection and advanced life support that saves lives and minimizes the ravaging effects of fire
- **Administration:** responsible for preparing and monitoring the budget and grant applications, implementing policies and procedures, and overseeing daily operations
- **Community Service:** responsible for community programs including fire safety education, home safety surveys, smoke detector distribution and installation, ceremonial duties, school presentations, and charitable fund raisers

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Responded to over 500 fire-related calls and 2,000 Medical First Responder calls
- Changed shift operations to a 48-hours on duty & 96-hours off-duty rotating schedule
- Credentialed 4 Wildland Firefighters to deploy for regional and statewide assistance
- Continued to enhance a Live-Fire and scenario based training

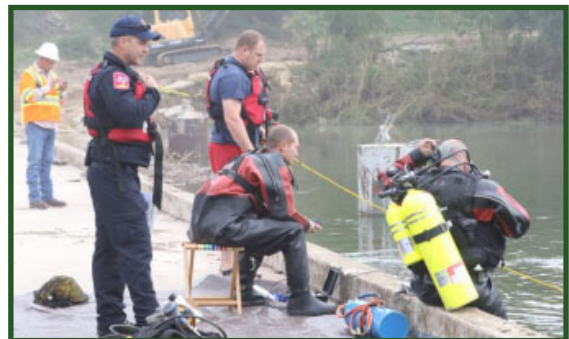
#### **Did you know?**

The Technical Rescue Team is a specialized emergency response team. They specialize in SCUBA, High & Low-Angle Rescue, Swiftwater Rescue, and Boat operations. They respond to local, regional and state-wide disasters.

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Expand training resources and opportunities to enhance employee knowledge, skills, and abilities
- Provide excellent customer care and service
- Collaborate and enhance county, regional, and national relationships, and efficiency tools
- Implement new radio system for City and County responses
- Collaborate and enhance county, regional, and national relationships, and efficiency tools
- Research & implement the Texas Fire Chief Association Best Practices program



**The Technical Rescue Team**



## Fire -EMS (continued)

The Fire Department's Emergency Medical Services (EMS) division provides a superior level of prehospital care to improve the quality of life, health and safety for the citizens we serve. The EMS Division budget is combined with the Fire Division.

### DEPARTMENT RESPONSIBILITIES

- **Field Operations:** responsible for providing continuous emergency medical response and inter-facility transfers for sick and injured citizens in Kerrville and Kerr County
- **Billing and Collections:** responsible for monitoring the billing and collections for over 7,500 customers each year

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Maintained a response time of just over 5 minutes within the City
- Purchased a 4th LUCAS (Automated Chest Compression Device)
- Credentialed 6 firefighters as AHA BLS, PALS, & ACLS instructors
- Graduated 5 firefighters from a paramedic course at UT Health Science Center in San Antonio.
- Received the HB3588 and TOB911 grant for \$17,000

### Did you know?

Fire—EMS supports the Kerrville Police Department's Special Operations Unit with highly trained Tactical Medics. They provide critical care and tactical support for high-risk incidents plus supports the team during training and other tactical operations.

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Hire Medical Director
- Plan Department of State Health Services sponsored Medic First Responder course
- Continue "Stop The Bleed" program for local businesses and groups
- Provide excellent customer care and service
- Expand training resources and opportunities to enhance employee knowledge skills and abilities
- Supporting the efforts of the Kerr Economic Development Corporation in bringing high-quality, well-paying primary jobs to the community, as well as retaining and expanding existing local employer
- Implemented Whole Blood Program



**Kerrville Fire Department Fleet**



# GENERAL FUND - FIRE & EMS DIVISION

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	5,558,320	5,371,419	5,975,469	5,975,771	6,323,589
Benefits	1,673,738	1,680,871	1,828,895	1,828,895	1,840,774
Travel and Training	2,250	14,239	6,697	6,530	9,152
<b>Total Personnel Services</b>	<b>7,234,309</b>	<b>7,066,529</b>	<b>7,811,061</b>	<b>7,811,197</b>	<b>8,173,515</b>
Office Supplies	4,276	5,230	3,530	3,859	4,394
Tools and Equipment	80,140	82,217	55,407	55,196	51,885
Chemical and Medical	179,025	171,300	199,727	200,121	175,138
Fuel	91,654	91,203	155,038	155,109	169,190
Wearing Apparel	81,952	103,280	92,973	92,971	101,862
Postage and Shipping	256	240	240	382	240
Other Supplies	17,608	13,720	18,406	18,567	13,200
<b>Total Supplies and Materials</b>	<b>454,911</b>	<b>467,190</b>	<b>525,321</b>	<b>526,203</b>	<b>515,909</b>
Building, Structure and Land	40,861	33,600	37,584	63,239	34,225
Vehicle	134,782	90,340	128,844	103,712	97,989
Equipment	48,564	49,040	29,033	38,743	45,620
Technology	9,956	12,423	11,745	2,487	11,800
<b>Total Maintenance and Repairs</b>	<b>234,163</b>	<b>185,402</b>	<b>207,206</b>	<b>208,181</b>	<b>189,634</b>
Utilities	65,799	71,176	82,256	73,417	69,960
Professional Services	210,587	176,977	224,424	224,633	329,140
Insurance	200	200	200	200	200
Advertising	280	-	-	-	-
Leases/Rents	48,977	49,610	49,610	49,610	50,466
<b>Total Services</b>	<b>325,843</b>	<b>297,963</b>	<b>356,490</b>	<b>347,860</b>	<b>449,766</b>
Other	8,638	13,890	15,204	13,996	16,932
<b>Total Other Expenses</b>	<b>8,638</b>	<b>13,890</b>	<b>15,204</b>	<b>13,996</b>	<b>16,932</b>
Machinery, Tools and Equipment	-	21,600	-	-	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>21,600</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 8,257,864</b>	<b>\$ 8,052,574</b>	<b>\$ 8,915,283</b>	<b>\$ 8,907,438</b>	<b>\$ 9,345,756</b>

Note: In FY2022 significant strides were made to improve pay scales within Public Safety divisions. These changes were paired with increased recruitment and retention planning and have significantly improved

Beginning in FY2023, the Fire and EMS divisions were combined as one division titled Fire-EMS. These two divisions share recourses including staff and equipment. Combining these two divisions creates more efficient financial management. For comparison purposes, both divisions are included in prior year budgets.





## Emergency Management

The primary function of the City of Kerrville's Emergency Management Division is to ensure the emergency preparedness of the City in order to maintain safety for all citizens. The Training Division is responsible for coordination of all Texas Commission on Fire Protection & 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 programs for all department personnel

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Coordinated winter storm planning in collaboration with Kerr County, Peterson Health, KISD, and volunteer fire departments
- Began planning and preparation for the annular eclipse in 2023 and the upcoming total eclipse in 2024
- Conducted mass casualty drills with Peterson Regional Medical Center
- Activated Emergency Operation Center (EOC) in response to Winter Storm Landon.
- Established Citywide Mass Communication Software
- Actively monitor the threats of potential wildland fires
- Renovated Harper Fire Station as a training facility for recruits, paramedic students, as well as ongoing EMS Continuing Education
- Conducted live fire training at Fire Station 3

### **Did you know?**

The City of Kerrville Emergency Management division is responsible for coordinating with several City of Kerrville departments, Kerr County, local ISDs, and KPUB when updating Emergency Plans. EM also works in coordination with American Red Cross, Salvation Army, Kerr County EMC, Peterson Health, TDEM, and STRAC.

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Plan, prepare and exercise emergency management training and drills with City staff
- Continue improving the hands-on training through the Live Fire Training Program
- Conduct community training and prepare materials to enhance citizen emergency preparedness
- Disseminate emergency planning information to citizens to enhance preparedness
- Continue to provide certifications for Technical Rescue Team, Fire & EMS Instructors, Officers, and Driver Operators
- Utilize decommissioned fire station on Harper Road for Fire & EMS training
- Revise and review the basic plan



**Multi-Agency Active Shooter Drill**

# **GENERAL FUND - EMERGENCY MANAGEMENT**

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	98,036	92,431	96,218	96,572	100,194
Benefits	23,313	22,313	22,694	23,321	27,020
Travel and Training	35,853	77,619	62,380	61,683	82,791
<b>Total Personnel Services</b>	<b>157,202</b>	<b>192,362</b>	<b>181,292</b>	<b>181,577</b>	<b>210,004</b>
Office Supplies	72	-	-	-	-
Tools & Equipment	2,299	7,570	1,570	1,522	9,178
Fuel	1,399	2,573	2,573	2,199	2,568
Wearing Apparel	190	400	-	-	300
Postage and Shipping	44	-	-	-	-
Other Supplies	732	300	300	286	300
<b>Total Supplies and Materials</b>	<b>4,736</b>	<b>10,843</b>	<b>4,443</b>	<b>4,007</b>	<b>12,346</b>
Vehicle	-	1,343	1,343	46	143
Technology	1,432	2,300	1,900	358	1,840
<b>Total Maintenance and Repairs</b>	<b>1,432</b>	<b>3,643</b>	<b>3,243</b>	<b>404</b>	<b>1,983</b>
Utilities	4,754	6,300	4,700	4,813	5,652
<b>Total Services</b>	<b>4,754</b>	<b>6,300</b>	<b>4,700</b>	<b>4,813</b>	<b>5,652</b>
Other	5,104	10,795	6,589	5,830	10,795
<b>Total Other Expenses</b>	<b>5,104</b>	<b>10,795</b>	<b>6,589</b>	<b>5,830</b>	<b>10,795</b>
<b>Total Expenditures</b>	<b>\$ 173,228</b>	<b>\$ 223,942</b>	<b>\$ 200,266</b>	<b>\$ 196,630</b>	<b>\$ 240,779</b>





# Fire Prevention

The Kerrville Fire Prevention Division identifies and eliminates potential fire hazards and reduces the frequency and effects 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

### 2022 DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Completed an update to the City's Fire Code
- Initiated a Fire Safety Survey to supplement Fire Inspections
- Introduced Responder 360 program to enhance pre-fire plans
- Deputy Fire Marshal became State Certified as a Fire Inspector, Arson Inspector, and Plan Examiner
- Deputy Fire Marshal became a State Licensed Police Officer

#### Did you know?

Benjamin Franklin famously advised fire-threatened Philadelphians in 1736 that "An ounce of prevention is worth a pound of cure."

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Continue to review Fire Codes to identify opportunities for improvement
- Continue to expand youth fire prevention and intervention programs in the community
- Continue to increase fire safety education for citizens
- Increase the number of pre-fire plans and fire safety surveys in response to citizen feedback
- Attend Arson Conference and Fire Inspector Conference to ensure utilization of the latest techniques & related topics



**Visit to local child care center**



## GENERAL FUND - FIRE PREVENTION

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	190,043	193,610	204,950	203,889	201,078
Benefits	54,502	57,066	56,411	57,616	54,163
Travel and Training	2,851	7,603	2,861	2,547	6,405
<b>Total Personnel Services</b>	<b>247,397</b>	<b>258,280</b>	<b>264,221</b>	<b>264,053</b>	<b>261,646</b>
Office Supplies	146	500	500	266	250
Tools and Equipment	292	2,950	2,950	2,723	1,000
Fuel	2,059	3,185	2,885	2,670	4,070
Wearing Apparel	4,415	1,765	1,065	1,175	750
Postage and Shipping	17	140	140	13	140
Other Supplies	525	540	1,540	1,596	1,370
<b>Total Supplies and Materials</b>	<b>7,453</b>	<b>9,080</b>	<b>9,080</b>	<b>8,443</b>	<b>7,580</b>
Vehicle	2,032	989	589	523	989
Technology	7,595	11,160	8,360	7,809	2,071
<b>Total Maintenance and Repairs</b>	<b>9,627</b>	<b>12,149</b>	<b>8,949</b>	<b>8,333</b>	<b>3,060</b>
Utilities	1,674	2,016	2,016	1,848	2,016
<b>Total Services</b>	<b>1,674</b>	<b>2,016</b>	<b>2,016</b>	<b>1,848</b>	<b>2,016</b>
Other	1,982	1,885	1,885	1,671	13,487
<b>Total Other Expenses</b>	<b>1,982</b>	<b>1,885</b>	<b>1,885</b>	<b>1,671</b>	<b>13,487</b>
<b>Total Expenditures</b>	<b>\$ 268,133</b>	<b>\$ 283,410</b>	<b>\$ 286,151</b>	<b>\$ 284,347</b>	<b>\$ 287,789</b>







# Consolidated Parks and Recreation

The City of Kerrville Parks and Recreation Department provides quality, innovative, diverse, and safe parks, facilities and recreation programs to improve the quality of life that makes Kerrville a special place to live, work, visit, and play.

### Section Organization

Parks and Recreation is divided into 8 separate divisions. All divisions report to the Director of Parks and Recreation. This section shows detail of all divisions including:

**Kerrville-Schreiner Park**  
**Tennis Complex**  
**Aquatics**  
**Parks Maintenance**  
**Kerrville Sports Complex**  
**Recreation**  
**Community Events**  
**Scott Schreiner Golf Course**



***GET OUTDOORS. BE ACTIVE. PLAY.***

Note: In FY2020, Parks & Recreation assumed responsibility for the supervision of the Scott Schreiner Golf Course. Because of an abundance of shared resources the Golf Fund is being dissolved and is a division of Parks in the General Fund beginning in FY2023.





## Parks and Recreation Continued



**Adult Soccer League**



**Third Annual Kerrville River Festival**



**Concerts by The River**



**Kids Triathlon**





## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Parks, Open Space, & The River Corridor	Kerrville Sports Complex Baseball/ Softball Tournament Teams	665	400	-	168	174	10	352	400
	Kerrville Sports Complex Soccer League Participation	840	2,000	750	450	1,000	1,300	3,500	3,000
	Special Event Applications	n/a	n/a	2	2	9	3	16	n/a
	Building Maintenance Work Orders	140	125	38	35	29	26	128	125
	Swim Lesson Participants	213	170	-	-	131	69	200	170
	Daddy Daughter Dance Attendance	460	550	-	-	434	-	434	500
	Park Rentals (Non-Kerrville Schreiner Park)	550	300	55	20	128	88	291	300
	Golf Rounds Played	25,582	25,000	6,796	5,589	6,579	6,618	25,582	26,000
	Golf Merchandise Sales	\$ 105,557	\$ 80,000	\$ 21,059	\$ 17,650	\$ 40,677	\$ 27,965	\$ 107,351	\$ 100,000
	Total Golf Revenue	\$ 1,188,139	\$ 1,015,083	\$ 250,521	\$ 219,761	\$ 323,034	\$ 284,506	\$ 1,077,822	\$ 1,079,000



The Parks and Recreation Department hosted 23 free events for the community including the Kerrville River Festival, Robert Earl Keen's Forth on the River, Family Fright Night, the Holiday Lighted Parade, and more!





# Kerrville-Schreiner Park

Kerrville-Schreiner Park 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 system reservations and administrative support

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Redesigned and relocated the Hillside Teepee to the Riverside of the park
- Widened the main park entrance to make it easier for large RV's and travel trailers to enter
- Began the process of replacing aging water line infrastructure to improve water services on the Hillside of the park
- Constructed a new fence at the entrance of KSP for an updated, modern look
- Continued beautification efforts throughout the park
- Processed 18,368 park reservations
- Began retail sale of KSP branded merchandise

### FY2023 OBJECTIVES

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

- Continue water line replacement on the Hillside of the park
- Continue signage improvement project
- Provide recreation to local community and tourists
- Maintain quality park and park facilities
- Invest in park improvements to address and maintain aging infrastructure to improve facilities and services
- Provide excellent customer service to all visitors
- Increase public usage of the park through advertising and awareness



### **Did you know?**

You can purchase KSP merchandise at the Parks Office and also at the Kerrville Convention & Visitor's Bureau located at 2108 Sidney Baker .



**Aerial view of Kerrville-Schreiner Park**



# GENERAL FUND - KERRVILLE-SCHREINER PARK

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	285,523	279,601	291,480	283,764	314,729
Benefits	112,669	114,313	112,909	109,239	129,089
Travel and Training	908	100	277	308	-
<b>Total Personnel Services</b>	<b>399,100</b>	<b>394,014</b>	<b>404,666</b>	<b>393,311</b>	<b>443,819</b>
Office Supplies	3,459	4,470	6,285	6,385	4,470
Tools and Equipment	7,946	6,520	12,161	12,156	8,120
Chemical and Medical	4,273	1,835	1,145	1,039	2,700
Fuel	8,527	8,506	7,876	8,228	10,922
Wearing Apparel	1,455	1,600	2,090	2,031	3,025
Postage and Shipping	-	-	30	30	50
Other Supplies	12,502	11,929	12,221	13,060	12,611
<b>Total Supplies and Materials</b>	<b>38,162</b>	<b>34,860</b>	<b>41,808</b>	<b>42,929</b>	<b>41,898</b>
Building, Structure and Land	15,543	16,987	21,827	19,270	17,753
Vehicle	4,480	2,910	3,410	3,034	1,707
Equipment	8,552	2,105	8,105	7,540	7,595
Technology	2,772	7,200	3,500	3,454	12,000
<b>Total Maintenance and Repairs</b>	<b>31,347</b>	<b>29,202</b>	<b>36,842</b>	<b>33,298</b>	<b>39,055</b>
Utilities	72,491	72,936	72,051	74,712	77,224
Professional Services	16,059	100	100	100	100
Insurance	500	600	600	300	600
Leases/Rents	-	350	202	202	250
<b>Total Services</b>	<b>89,050</b>	<b>73,986</b>	<b>72,953</b>	<b>75,314</b>	<b>78,174</b>
Other	98	-	275	273	100
<b>Total Other Expenses</b>	<b>98</b>	<b>-</b>	<b>275</b>	<b>273</b>	<b>100</b>
<b>Total Expenditures</b>	<b>\$ 557,758</b>	<b>\$ 532,061</b>	<b>\$ 556,543</b>	<b>\$ 545,125</b>	<b>\$ 603,045</b>





## Tennis Complex

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

### DEPARTMENT RESPONSIBILITIES

- The Tennis Complex is operated by a contracted tennis professional. Accordingly, this department does not track department responsibilities, accomplishments, performance measures, or personnel counts

### DEPARTMENT ACCOMPLISHMENTS

- The City recently completed renovations to the Tennis Complex, including the installation of a mural in collaboration with Big Seed



**Tennis Complex**



**Tennis Complex Mural Ribbon Cutting**

### FY2023 OBJECTIVES

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

- Maintain professional relationship with the contracted tennis professional
- Assist with social media marketing
- Increase programming via Tennis Pro
- Encourage an active lifestyle to improve quality of life of Kerrville citizens



**Hill Country Tennis Academy**

#### **Did you know?**

In FY2022 the Tennis Complex began using effluent water for all irrigation to conserve potable water.





# GENERAL FUND - TENNIS COMPLEX

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Tools and Equipment	11	1,000	100	-	1,000
Chemical and Medical	-	1,240	440	65	1,240
Other Supplies	126	2,800	800	343	1,500
<b>Total Supplies and Materials</b>	<b>137</b>	<b>5,040</b>	<b>1,340</b>	<b>408</b>	<b>3,740</b>
Building, Structure and Land	599	2,750	6,755	6,470	3,250
Equipment	1,505	1,280	100	5	500
<b>Total Maintenance and Repairs</b>	<b>2,104</b>	<b>4,030</b>	<b>6,855</b>	<b>6,475</b>	<b>3,750</b>
Utilities	10,034	8,530	8,530	6,095	8,542
Professional Services	588	-	-	-	-
<b>Total Services</b>	<b>10,622</b>	<b>8,530</b>	<b>8,530</b>	<b>6,095</b>	<b>8,542</b>
<b>Total Expenditures</b>	<b>\$ 12,862</b>	<b>\$ 17,600</b>	<b>\$ 16,725</b>	<b>\$ 12,978</b>	<b>\$ 16,032</b>

Note: This division does not have revenue or track metrics





# Aquatics

Aquatics provides safe and fun 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, swim lessons, Jr. Lifeguard Camp, open swim, lap swim, rentals, and events

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Met expectations on all operational safety audits
- Began concession sales at the Olympic Pool
- Completed two murals to enhance facilities
- Trained and licensed more than 25 new lifeguards
- Competed in the Central Texas regional lifeguard competition earning both top male and top female competitor awards
- Kerrville Lifeguard Team Qualified for the State Lifeguard Competition



#### Did you know?

The City teaches swim lessons to over 200 children every summer.

### FY2023 OBJECTIVES

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

- Invest in improvements and updates to address aging infrastructure, evolve with current trends, and to increase opportunities for programming, recreation and leisure activities
- Invest in staff by providing adequate resources, staffing levels and training opportunities
- Provide quality services
- Maximize revenue stream to citizens and visitors
- Increase marketing opportunities
- Continue training competitive lifeguard teams
- Encourage an active lifestyle to improve quality of life in Kerrville



**The City Council, City Manager and Director of Parks and Recreation welcome a new mural at the Olympic Pool.**



## GENERAL FUND - AQUATICS

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	80,463	87,500	89,688	82,545	98,764
Benefits	6,156	6,431	6,592	6,315	7,259
Travel and Training	5,108	6,889	5,161	5,120	7,075
<b>Total Personnel Services</b>	<b>91,727</b>	<b>100,820</b>	<b>101,440</b>	<b>93,980</b>	<b>113,098</b>
Office Supplies	-	100	256	256	100
Tools and Equipment	200	540	17,177	17,177	790
Chemical and Medical	21,649	19,918	26,365	26,440	20,691
Wearing Apparel	2,858	2,735	2,735	2,717	2,775
Other Supplies	2,521	9,095	5,115	4,973	8,220
<b>Total Supplies and Materials</b>	<b>27,228</b>	<b>32,388</b>	<b>51,648</b>	<b>51,562</b>	<b>32,576</b>
Building, Structure and Land	39,105	4,750	10,981	9,508	5,750
Equipment	781	2,190	690	630	2,190
<b>Total Maintenance and Repairs</b>	<b>39,885</b>	<b>6,940</b>	<b>11,671</b>	<b>10,138</b>	<b>7,940</b>
Utilities	32,065	33,224	34,124	32,195	32,224
Professional Services	5,940	6,220	6,094	6,093	6,220
Advertising	560	1,414	830	830	750
<b>Total Services</b>	<b>38,565</b>	<b>40,858</b>	<b>41,048</b>	<b>39,118</b>	<b>39,194</b>
Other	168	175	45	43	175
<b>Total Other Expenses</b>	<b>168</b>	<b>175</b>	<b>45</b>	<b>43</b>	<b>175</b>
Building and Structures	125,651	-	-	-	-
<b>Total Capital Outlay</b>	<b>125,651</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 323,224</b>	<b>\$ 181,180</b>	<b>\$ 205,852</b>	<b>\$ 194,841</b>	<b>\$ 192,982</b>





## Parks Maintenance

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

### 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 to all 38 City buildings and for custodial services for more than City buildings
- **Projects:** responsible for planning and construction of park renovations and repairs

### DEPARTMENT ACCOMPLISHMENTS

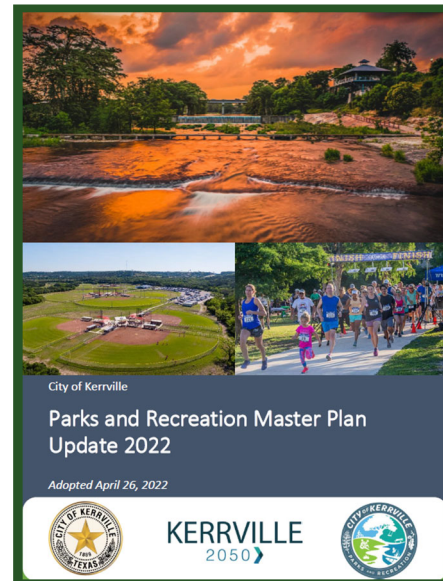
In the last year, we:

- Continued the establishment of wildflowers along Holdsworth Drive
- Installed several commemorative benches along the River Trail
- Installed shade structures over the Carver Park Playground utilizing parkland dedication fund
- Created a temporary dog park at Singing Wind Park during Lehmann-Monroe Park improvement project
- Installed a mural under the HWY 27 / Quinlan Creek bridge on the Schreiner University segment of the River Trail in collaboration with the Big Seed
- Continued upgraded cleaning and sanitation practices in the parks system and buildings due to COVID-19
- Completed Dog Park improvements at Lehmann-Monroe Park (installed irrigation, bleacher pad improvements, etc.)
- Continued to improve tree maintenance program and ball moss removal
- Started phase 1 of Light the Island project
- Adopted the Parks and Recreation Master Plan Update 2022

### FY2023 OBJECTIVES

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

- Maintain quality parks and facilities for the community as a whole, and to support tourism
- Invest in staff by providing adequate resources for staffing levels and training opportunities
- Invest in improvements and updates to address aging infrastructure, evolve with current trends, and to increase opportunities for programming, recreation and leisure activities
- Provide quality services
- Continue to establish wildflower meadows
- Implement Parks Master plan



#### **Did you know?**

Parks Maintenance department works diligently to enhance the aesthetics and mitigate the ecological impacts of development on the river corridor while preserving scenic views and the natural beauty of the Hill Country.



# GENERAL FUND - PARKS MAINTENANCE

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	748,719	894,176	901,863	801,610	1,004,551
Benefits	276,330	304,905	307,118	288,046	375,314
Travel and Training	2,233	9,770	5,862	5,753	9,620
<b>Total Personnel Services</b>	<b>1,027,282</b>	<b>1,208,851</b>	<b>1,214,842</b>	<b>1,095,409</b>	<b>1,389,485</b>
Office Supplies	897	600	1,435	1,525	900
Tools and Equipment	27,571	23,720	24,482	24,875	28,936
Chemical and Medical	16,593	22,495	20,135	15,682	19,995
Fuel	24,979	25,856	29,856	30,436	41,492
Wearing Apparel	5,544	6,900	6,495	6,274	8,000
Postage and Shipping	15	50	50	-	50
Other Supplies	45,038	56,810	38,118	38,386	54,040
<b>Total Supplies and Materials</b>	<b>120,637</b>	<b>136,431</b>	<b>120,571</b>	<b>117,179</b>	<b>153,413</b>
Building, Structure and Land	41,543	70,700	58,561	59,409	66,300
Vehicle	20,807	17,300	22,300	20,541	11,612
Equipment	14,160	10,200	10,200	7,669	12,362
<b>Total Maintenance and Repairs</b>	<b>76,510</b>	<b>98,200</b>	<b>91,061</b>	<b>87,620</b>	<b>90,274</b>
Utilities	79,889	80,224	84,824	69,396	71,230
Professional Services	1,835	-	265	264	-
Leases/Rents	629	750	750	71	750
<b>Total Services</b>	<b>82,353</b>	<b>80,974</b>	<b>85,839</b>	<b>69,731</b>	<b>71,980</b>
Other	383	355	5,480	5,479	400
<b>Total Other Expenses</b>	<b>383</b>	<b>355</b>	<b>5,480</b>	<b>5,479</b>	<b>400</b>
Vehicles	6,941	-	7,510	7,510	-
<b>Total Capital Outlay</b>	<b>6,941</b>	<b>-</b>	<b>7,510</b>	<b>7,510</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 1,314,106</b>	<b>\$ 1,524,810</b>	<b>\$ 1,525,303</b>	<b>\$ 1,382,927</b>	<b>\$ 1,705,551</b>

Note: The FY2023 budget includes a new position, Parks Maintenance Assistant Superintendent budgeted for a half-year.





## Kerrville Sports Complex

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

### 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
- **Operations:** responsible for managing field rentals, use agreements, the D-BAT tenant, and facilitating sporting leagues, and tournaments

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Maintained 11 baseball and softball fields
- Maintained 18 Kerrville Sports Complex soccer fields and three off-site soccer fields
- Facilitated two local youth soccer leagues
- Hosted hundreds of baseball and softball tournament teams
- Installed a playground at the Soccer Facility and artificial turf in all bull pens as well as other high wear areas at the baseball/softball facility thanks to a generous grant from the Cailloux Foundation

### **Did you know?**

In FY2022 the Kerrville Sports Complex hosted soccer tournaments that included teams from central and south Texas as well as many other surrounding areas.

### FY2023 OBJECTIVES

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

- Maintain quality facilities to the highest standards
- Invest in staff by providing adequate resources for staffing levels and training opportunities
- Continue to support opportunities for programming and special events
- Provide excellent customer service



**City Council at Kerrville Sports Complex**



# GENERAL FUND - KERRVILLE SPORTS COMPLEX

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	242,969	258,556	263,544	261,839	274,734
Benefits	87,202	91,477	95,950	95,507	103,736
Travel and Training	777	1,835	1,835	1,525	2,285
<b>Total Personnel Services</b>	<b>330,948</b>	<b>351,868</b>	<b>361,329</b>	<b>358,871</b>	<b>380,756</b>
Office Supplies	520	631	631	594	433
Tools and Equipment	8,996	7,400	9,916	8,546	6,150
Chemical and Medical	48,676	53,250	50,430	48,194	53,495
Fuel	7,465	8,636	8,557	8,507	11,580
Wearing Apparel	2,578	2,502	2,502	1,525	2,830
Other Supplies	45,635	56,063	63,346	63,864	53,823
<b>Total Supplies and Materials</b>	<b>113,869</b>	<b>128,482</b>	<b>135,382</b>	<b>131,231</b>	<b>128,311</b>
Building, Structure and Land	12,307	22,223	11,627	8,864	16,165
Vehicle	1,344	280	280	600	1,300
Equipment	26,312	20,030	22,030	22,377	21,205
<b>Total Maintenance and Repairs</b>	<b>39,964</b>	<b>42,533</b>	<b>33,937</b>	<b>31,841</b>	<b>38,670</b>
Utilities	40,676	35,148	49,492	44,755	47,767
Professional Services	1,025	35,644	1,500	2,410	3,103
Insurance	100	100	100	100	100
Leases/Rents	27,237	27,146	27,146	27,146	24,100
<b>Total Services</b>	<b>69,038</b>	<b>98,038</b>	<b>78,238</b>	<b>74,412</b>	<b>75,070</b>
Other	1,150	1,305	1,305	1,455	805
<b>Total Other Expenses</b>	<b>1,150</b>	<b>1,305</b>	<b>1,305</b>	<b>1,455</b>	<b>805</b>
Machinery, Tools and Equipment	32,415	-	8,096	8,096	-
<b>Total Capital Outlay</b>	<b>32,415</b>	<b>-</b>	<b>8,096</b>	<b>8,096</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 587,384</b>	<b>\$ 622,227</b>	<b>\$ 618,288</b>	<b>\$ 605,906</b>	<b>\$ 623,612</b>



## Recreation

Recreation provides community based programming for youth and adults, including sports leagues and special events such as the Daddy and Daughter Dance and Mother and Son Dance.

### DEPARTMENT RESPONSIBILITIES

- **Programs:** responsible for creating and operating recreational programs such as sports leagues (basketball, soccer, flag football, and kickball), tournaments, and more
- **Special Events:** responsible for planning community-wide special events throughout the year such as the Daddy Daughter Dance, Mother Son Dance, Haunted Ghouls Pool, Kids Triathlon, Running Home for the Holidays 5K, and more

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Enhanced marketing and social media presence
- Offered numerous activities for the community to get outdoors, be active, and play
- Hosted over 400 guests in one night of the a Haunted Ghouls Pool
- In FY2022, held the first ever adult basketball tournament

### Did you know?

Carver Park located at 820 Webster Street, has a basketball court, playground, pavilions for rent, trails, bar-b-que pit, multi-sport field, and a sprayground! The sprayground is open April – October!

### FY2023 OBJECTIVES

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

- Ensure continued success in events by providing adequate resources for 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 parks system and programming
- Encourage an active lifestyle to improve quality of life within Kerrville



**Skateboard Competition**



## GENERAL FUND – RECREATION

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	89,255	104,424	118,130	103,801	112,856
Benefits	28,850	32,286	34,278	34,503	46,859
Travel and Training	341	3,020	3,844	3,923	2,458
<b>Total Personnel Services</b>	<b>118,446</b>	<b>139,730</b>	<b>156,253</b>	<b>142,226</b>	<b>162,173</b>
Office Supplies	41	836	1,136	1,119	860
Tools and Equipment	524	650	835	634	925
Fuel	74	800	1,335	1,399	1,287
Wearing Apparel	601	1,500	600	586	1,800
Postage and Shipping	687	-	-	111	-
Other Supplies	8,919	17,790	11,690	11,656	18,165
<b>Total Supplies and Materials</b>	<b>10,846</b>	<b>21,576</b>	<b>15,596</b>	<b>15,505</b>	<b>23,037</b>
Vehicle	1,502	229	545	545	215
Technology	1,259	1,500	1,500	772	-
<b>Total Maintenance and Repairs</b>	<b>2,761</b>	<b>1,729</b>	<b>2,045</b>	<b>1,317</b>	<b>215</b>
Utilities	600	1,128	1,128	926	1,128
Professional Services	13,792	19,940	21,992	21,992	21,605
Insurance	300	200	200	200	200
Advertising	15,462	18,210	15,640	15,636	12,562
Leases/Rents	1,597	2,800	1,310	1,300	1,040
<b>Total Services</b>	<b>31,751</b>	<b>42,278</b>	<b>40,270</b>	<b>40,054</b>	<b>36,535</b>
Other	792	1,295	1,995	1,990	2,045
<b>Total Other Expenses</b>	<b>792</b>	<b>1,295</b>	<b>1,995</b>	<b>1,990</b>	<b>2,045</b>
<b>Total Expenditures</b>	<b>\$ 164,597</b>	<b>\$ 206,608</b>	<b>\$ 216,159</b>	<b>\$ 201,093</b>	<b>\$ 224,005</b>





## Community Events

The Community Events division of Parks and Recreation was created in FY2019. This division focuses on supporting action items outlined in Kerrville 2050 including enhancing programming and marketing to attract tourism and providing additional community events.

### DEPARTMENT RESPONSIBILITIES

- **Programming:** responsible for planning community events and activities and designing programs in order to attract tourism and provide local opportunities including: Kerrville River Festival, Holiday Lighted Parade, Wet N' Wag, Family Fright Night, Light the Island, the concerts by the River, and more
- **Marketing:** responsible for promotion of tourism efforts for City events, activities, facilities, and services
- **Financial Management:** responsible for spending, tracking and reporting appropriate use of hotel occupancy tax funding

### DEPARTMENT ACCOMPLISHMENTS

- Increased marketing and social media presence
- Held holiday decorating contests within the community
- In FY2022, completed phase 1 installation of permanent electrical infrastructure on Tranquility Island
- Hosted the second annual Kerrville River Festival drawing a crowd of nearly 5,000 people

#### Did you know?

The Kerrville River Festival logo was designed by a Schreiner University Student.



GET OUTDOORS. BE ACTIVE. PLAY.

### FY2023 OBJECTIVES

#### **Key Priority Area: Economic Development**

- Plan community events that cater to the interest of citizens
- Expand "Light the Island" effort by installing permanent electrical infrastructure on Tranquility Island

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

- Plan programming to support Kerrville's tourism industry in conjunction with Kerrville area Convention and Visitors Bureau and area businesses



Kerrville River Festival





## GENERAL FUND - COMMUNITY EVENTS

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	28,854	37,711	42,628	18,185	44,603
Benefits	7,901	12,323	13,209	5,938	17,077
Travel and Training	3,696	2,525	1,015	1,059	933
<b>Total Personnel Services</b>	<b>40,450</b>	<b>52,560</b>	<b>56,852</b>	<b>25,182</b>	<b>62,613</b>
Office Supplies	41	8,000	145	145	-
Tools and Equipment	4,978	4,700	720	555	1,600
Wearing Apparel	-	770	770	-	770
Postage and Shipping	-	20	224	223	20
Other Supplies	39,506	40,250	41,050	14,152	55,150
<b>Total Supplies and Materials</b>	<b>44,525</b>	<b>53,740</b>	<b>42,909</b>	<b>15,076</b>	<b>57,540</b>
Technology	1,259	-	-	-	-
<b>Total Maintenance and Repairs</b>	<b>1,259</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Utilities	553	564	564	518	564
Professional Services	27,576	53,645	46,191	45,774	63,495
Insurance	-	100	200	200	100
Advertising	1,675	11,700	10,836	7,036	11,600
Leases/Rents	3,683	20,190	18,190	18,043	23,940
<b>Total Services</b>	<b>33,487</b>	<b>86,199</b>	<b>75,981</b>	<b>71,570</b>	<b>99,699</b>
Other	1,557	4,370	2,958	2,957	4,526
<b>Total Other Expenses</b>	<b>1,557</b>	<b>4,370</b>	<b>2,958</b>	<b>2,957</b>	<b>4,526</b>
<b>Total Expenditures</b>	<b>\$ 121,280</b>	<b>\$ 196,869</b>	<b>\$ 178,700</b>	<b>\$ 114,785</b>	<b>\$ 224,378</b>





# GENERAL FUND - SCOTT SCHREINER GOLF COURSE

## Scott Schreiner Golf Course

Scott Schreiner Golf Course is a division of the Parks and Recreation Department. The course provides citizens and guests of Kerrville with an exceptional golfing experience including excellent customer service and immaculate course conditions at a reasonable price. For financial reporting purposes, in FY2023 Golf will become a part of the General Fund, dissolving the Golf Fund.

### DEPARTMENT RESPONSIBILITIES

- **Course Operation and Administration:** responsible for daily operation and administration of the golf course including scheduling, tournament administration, capital improvements, lease management, marketing, and financial management
- **Pro Shop:** responsible for 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 and recommended turf management techniques

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Over-seeded greens
- Added a new cart path and landscaping at the #1 tee box thanks to the generous donations of a long time course patron
- Continue to see record breaking increase in amount of golfers playing thus increasing revenue
- Implemented new irrigation tool for better turf management
- Updated course restrooms to improve facilities for patrons
- Hosted Texas UIL Region IV 3A boys and girls tournaments

### FY2023 OBJECTIVES

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

- Elevate instruction by utilizing staff members to teach, coach, and lead clinics
- Improve marketing efforts and increase customer base
- Grow relationship with Texas UIL and continue to host the Region IV 3A boys and girls region tournaments
- Continue and grow our customer base using online reservation system
- Continue to replace golf cart paths using a multi-year phased plan



#### **Did you know?**

The Scott Schreiner Golf Course is celebrating its 100 year anniversary in 2024.



# GENERAL FUND - SCOTT SCHREINER GOLF COURSE

## Revenues by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Revenues</b>					
Green Fees	448,410	406,583	406,583	454,802	460,000
Cart Rentals	277,362	250,000	250,000	265,212	275,000
Membership Dues	59,245	58,000	58,000	55,240	60,500
Private Cart Revenue	4,683	4,500	4,500	4,065	4,500
Driving Range Revenue	36,837	32,000	32,000	39,047	39,000
Golf Merchandise	109,766	80,000	80,000	106,939	100,000
Merchandise - Tax Exempt	412	4,000	4,000	10,400	-
Food Sales	23,857	20,000	20,000	29,532	30,000
Beer Sales	60,713	57,000	57,000	79,698	80,000
Trade Rounds	17,687	12,000	12,000	27,938	30,000
Handicap Membership - Dues	2,765	4,500	4,500	12	-
<b>Total Recreation</b>	<b>1,041,736</b>	<b>928,583</b>	<b>928,583</b>	<b>1,072,885</b>	<b>1,079,000</b>
Miscellaneous Donation	20,000	1,500	1,500	-	-
Asset Disposal Proceeds	(2,448)	-	-	15,166	-
Interest Revenue	167	-	-	2,386	-
Miscellaneous Revenue	2,184	-	-	61	-
<b>Total Interest and Miscellaneous</b>	<b>19,903</b>	<b>1,500</b>	<b>1,500</b>	<b>17,613</b>	<b>-</b>
Transfer In - General Fund	70,000	70,000	70,000	-	-
Transfer In - Insurance Reserve	46,500	-	-	-	-
Transfer In - HOT	10,000	15,000	15,000	15,000	-
<b>Total Transfer In</b>	<b>126,500</b>	<b>85,000</b>	<b>85,000</b>	<b>15,000</b>	<b>-</b>
<b>Total Revenues</b>	<b>1,188,139</b>	<b>1,015,083</b>	<b>1,015,083</b>	<b>1,105,499</b>	<b>1,079,000</b>

Note: For presentation comparison purposes, Golf revenues & expenditures are included in FY2021, FY2022 and FY2023 budget line. The Golf Fund is being merged with the General Fund in FY2023. Golf is represented in "Other Funds" also because financials will be audited separately through FY2022.



# GENERAL FUND - SCOTT SCHREINER GOLF COURSE

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	278,685	356,376	392,387	344,908	430,448
Benefits	93,324	109,833	116,256	99,820	115,237
Travel and Training	460	2,622	2,622	1,576	1,936
<b>Total Personnel Services</b>	<b>372,469</b>	<b>468,831</b>	<b>511,265</b>	<b>446,304</b>	<b>547,621</b>
Office Supplies	2,766	3,337	3,337	4,301	3,910
Tools and Equipment	14,597	9,643	12,143	15,843	8,828
Chemical and Medical	25,969	36,090	36,090	28,534	38,062
Fuel	8,005	8,050	8,050	6,862	12,550
Wearing Apparel	2,281	3,847	3,847	2,562	3,475
Postage and Shipping	25	250	-	-	150
Cost of Goods Sold	113,138	95,500	95,500	131,914	113,000
Other Supplies	26,742	32,316	32,566	27,328	32,285
<b>Total Supplies and Materials</b>	<b>193,523</b>	<b>189,032</b>	<b>191,532</b>	<b>217,345</b>	<b>212,260</b>
Building, Structure, Land Maintenance	58,444	6,320	36,320	45,845	8,150
Vehicle	189	100	100	516	529
Equipment	40,091	53,821	53,821	64,399	34,681
Technology	17,687	12,000	12,000	27,938	-
<b>Total Maintenance and Repairs</b>	<b>116,411</b>	<b>72,241</b>	<b>102,241</b>	<b>138,698</b>	<b>43,360</b>
Utilities	66,617	73,815	73,815	71,173	80,771
Professional Services	27,675	19,500	19,500	23,149	700
Insurance	9,628	10,400	10,400	10,068	600
Advertising	-	500	500	-	500
Equipment Lease	96,571	152,346	100,646	83,334	7,505
<b>Total Services</b>	<b>200,491</b>	<b>256,561</b>	<b>204,861</b>	<b>187,724</b>	<b>90,076</b>
Other	76,378	11,573	11,573	9,225	5,470
<b>Total Other Expenses</b>	<b>76,378</b>	<b>11,573</b>	<b>11,573</b>	<b>9,225</b>	<b>5,470</b>
Buildings and Structures	-	16,845	16,845	-	-
Machinery, Tools, & Equipment	-	-	19,200	-	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>16,845</b>	<b>36,045</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>959,272</b>	<b>1,015,083</b>	<b>1,057,517</b>	<b>999,295</b>	<b>898,788</b>

Note: For presentation comparison purposes, Golf revenues & expenditures are included in FY2021, FY2022 and FY2023 budget line. The Golf Fund is being merged with the General Fund in FY2023. Golf is represented in "Other Funds" also because financials will be audited separately through FY2022.



## Engineering

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

### DEPARTMENT RESPONSIBILITIES

- **Design Services:** responsible for providing in-house review of civil construction plans, details, and specifications for various capital projects
- **Capital Projects Management:** responsible for a capital projects program that includes designing, inspecting, and managing contracts for the City's Community Investment Plan
- **Development Services:** responsible for reviewing plans for private development involving public infrastructure to ensure compliance with City specifications
- **Floodplain Administration:** responsible for managing development in order to mitigate hazards within flood plain areas located in the City limits



**Lois Street Drainage Improvements**

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Provided project inspections for capital projects throughout the City
- Reviewed plans and provided construction inspections for private development of public infrastructure to ensure compliance with design standards and code
- Performed feasibility studies for prospective future projects
- Completed Street Reconstruction, Library Ramp, Drainage, and other projects

### FY2023 OBJECTIVES

#### **Key Priority Area: Economic Development**

- Provide fiscal oversight of project budgets
- Update policies and procedures for development design specifications
- Develop cross-training and other programs to retain and motivate high quality staff
- Improve communication processes for both citizens and consultants in order to promote City and private development projects

#### **Did you know?**

The Engineering Department manages all City and EIC development / construction projects from bid process, overseeing contractors, inspections, and requests for payment.





## GENERAL FUND - ENGINEERING

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	390,367	421,213	464,970	463,048	473,425
Benefits	127,033	135,011	151,070	151,641	139,057
Travel and Training	2,406	14,862	5,861	6,628	19,958
<b>Total Personnel Services</b>	<b>519,806</b>	<b>571,086</b>	<b>621,901</b>	<b>621,317</b>	<b>632,441</b>
Office Supplies	(285)	3,001	642	642	1,800
Tools and Equipment	4,239	9,010	11,503	11,486	9,640
Fuel	4,170	4,900	4,900	4,842	7,800
Wearing Apparel	2,016	3,760	2,074	2,074	3,550
Postage and Shipping	30	-	-	-	-
Other Supplies	68	180	380	85	300
<b>Total Supplies and Materials</b>	<b>10,237</b>	<b>20,851</b>	<b>19,499</b>	<b>19,130</b>	<b>23,090</b>
Vehicle	1,525	918	1,818	2,465	1,418
Technology	2,346	10,600	4,172	4,491	15,600
<b>Total Maintenance and Repairs</b>	<b>3,872</b>	<b>11,518</b>	<b>5,990</b>	<b>6,956</b>	<b>17,018</b>
Utilities	5,897	6,048	8,129	8,129	5,484
<b>Total Services</b>	<b>5,897</b>	<b>6,048</b>	<b>8,129</b>	<b>8,129</b>	<b>5,484</b>
Other	294	700	700	683	1,000
<b>Total Other Expenses</b>	<b>294</b>	<b>700</b>	<b>700</b>	<b>683</b>	<b>1,000</b>
<b>Total Expenditures</b>	<b>\$ 540,106</b>	<b>\$ 610,203</b>	<b>\$ 656,218</b>	<b>\$ 656,214</b>	<b>\$ 679,033</b>

Note: In FY2022, the City replaced a retiring senior inspector with a certified engineer, increasing the City's capacity to assist developers.





# GENERAL FUND - ENGINEERING

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Parks, Open Space, & The River Corridor	% of capital project plans reviewed in 21 days or less	92%	100%	100%	100%	100%	100%	100%	100%
	% of private development plans reviewed in 21 days or less	92%	100%	83%	60%	85%	82%	78%	100%
	% of floodplain applications processed in 10 days or less	83%	100%	100%	100%	100%	100%	100%	100%
	% of fireflow applications processed in 10 days or less	100%	100%	100%	100%	100%	100%	100%	100%
	# of reviews completed	35	n/a	8	22	13	15	58	n/a
	Staff training hours	15	53	0	0	12	8	20	53
	Fireflow applications received	24	24	4	5	8	10	27	24
	Floodplain applications received	13	n/a	3	2	5	3	13	n/a
	Capital improvement project plans received	6	n/a	1	1	0	3	5	n/a
	Private development plans received	29	n/a	5	21	13	12	51	n/a

Performance Measure Definitions	
Measure	Definition
Capital project reviews completed in 21 days or less	The number of reviews of public infrastructure engineering plans completed in less than 21 days from submission
Private development reviews completed in 21 days or less	Number of private development of public infrastructure engineering plans completed in less than 21 days from submission
# of reviews completed	This measure tracks the total number of engineering plan reviews completed in a specified period of time
Determinations and permits issued	Number of determinations and permits issued for infrastructure projects throughout the City
Fireflow analysis completed	This measure tracks the number of Fire Flow Analysis (determining adequate pressure is maintained at hydrants) were completed during a specified time period





# Streets

The Streets department works to improve the quality of life of citizens through maintenance and operation of street and drainage infrastructure.

### DEPARTMENT RESPONSIBILITIES

- **Streets/ROW:** responsible for street and rights of way (ROW) maintenance 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, and repair of all traffic control devices including traffic signals, school flashers, and pavement markings. Additional responsibilities include collecting traffic data, sign fabrication, and managing requests for street light installation and repair. Street lights are operated and maintained by Kerrville Public Utility Board (KPUB) but is paid for from the Streets budget.
- **Paving:** responsible for pavement rehabilitation including crack seal, pothole repair, utility cut repair, milling, overlay, and reconstruction



**Paving In Progress**

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- The Streets Division won the 2021 Texas Quality Asphalt Pavement Award for their reconstruction of 3rd Street
- Dedicated 2,500 staff hours to drainage maintenance & rehabilitation of drainage areas
- Helped keep roads and bridges safe to travel around the clock during Winter Storm Landon in February 2022
- Added a new heavy equipment operator position to assist with projects
- Fulfilled Year 3 maintenance projects outlined in the Pavement Master Plan
- Improved pedestrian crossings for added safety at 3 intersections by installing LED crosswalk flasher devices

### FY2023 OBJECTIVES

#### **Key Priority Area: Mobility/Transportation**

- Improved multiple pedestrian areas near schools
- Assist with public safety efforts by improving pavement markings, damaged roadways, and maintaining visibility for drivers
- Share information with citizens regarding road and drainage repair
- Assist in completion of Kerrville 2050 projects
- Utilize in-house expertise and strategic outsourcing to maximize project delivery
- Evaluate low water crossings and make necessary improvements
- Continue to improve pedestrian areas

#### **Did you know?**

The Street Division maintains over 150 lane miles of road.



## GENERAL FUND - STREETS

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	827,497	898,512	921,973	897,577	879,798
Benefits	277,948	298,257	315,183	312,449	321,152
Travel and Training	3,033	5,607	5,699	5,301	4,281
<b>Total Personnel Services</b>	<b>1,108,478</b>	<b>1,202,376</b>	<b>1,242,855</b>	<b>1,215,327</b>	<b>1,205,230</b>
Office Supplies	1,363	2,028	2,428	2,344	1,524
Tools and Equipment	42,848	37,903	61,343	62,370	32,298
Chemical and Medical	948	4,600	1,750	1,342	2,500
Fuel	46,487	42,763	69,028	68,635	69,375
Wearing Apparel	15,761	16,629	16,509	13,935	17,523
Postage and Shipping	37	100	100	37	100
Other Supplies	116,490	102,124	102,932	74,511	87,348
<b>Total Supplies and Materials</b>	<b>223,934</b>	<b>206,147</b>	<b>254,090</b>	<b>223,173</b>	<b>210,668</b>
Building, Structure and Land	7,095	3,000	9,120	8,837	3,000
Vehicle	57,331	14,880	54,880	54,309	14,880
Equipment	31,835	61,030	88,153	88,683	5,000
Street	1,528,024	2,144,494	2,021,033	1,609,121	2,294,399
<b>Total Maintenance and Repairs</b>	<b>1,624,285</b>	<b>2,223,404</b>	<b>2,173,186</b>	<b>1,760,950</b>	<b>2,317,279</b>
Utilities	274,808	307,268	311,516	278,289	297,492
Professional Services	28,831	33,800	24,300	24,272	35,184
Leases/Rents	4,270	1,984	6,074	6,068	5,000
<b>Total Services</b>	<b>307,909</b>	<b>343,053</b>	<b>341,891</b>	<b>308,629</b>	<b>337,676</b>
Other	43	200	311	311	200
<b>Total Other Expenses</b>	<b>43</b>	<b>200</b>	<b>311</b>	<b>311</b>	<b>200</b>
Buildings and Structures	-	25,000	15,533	-	15,000
<b>Total Capital Outlay</b>	<b>-</b>	<b>25,000</b>	<b>15,533</b>	<b>-</b>	<b>15,000</b>
<b>Total Expenditures</b>	<b>\$ 3,264,649</b>	<b>\$ 4,000,179</b>	<b>\$ 4,027,866</b>	<b>\$ 3,508,390</b>	<b>\$ 4,086,053</b>



# GENERAL FUND - STREETS

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Mobility / Transportation	Man-hours of general ROW maintenance	2,900	600	972	1,291	649	654	3,566	3,500
	Man-hours for traffic operations and maintenance	3,424	900	453	558	299	601	1,911	1,900
	Man-hours of drainage operation and Maintenance	1,210	900	385	114	126	238	863	900
	Potholes repaired	866	1,200	114	143	111	61	429	1,200
	Crack seal miles repaired	5	18	0	9	12	0	21	20
	Overlay miles	6.94	6.96	0	0	3.15	1.67	4.82	6.96
	Reconstructed miles	0.13	2.40	0	0	0.21	0.19	0.40	2.40

Performance Measure Definitions	
Measure	Definition
Man-hours of general ROW maintenance	Number of man hours used for general Right of Way maintenance within the City
Man-hours of traffic operations and maintenance	Number of man hours used to coordinate traffic and to maintenance traffic devices
Potholes repaired	Number of potholes repaired on City streets within a specified time period
Crack seal miles repaired	This measure represents the number of miles of City streets repaired using crack sealing, a method in which hot sealant is applied to cracks to prevent water intrusion
Overlay miles	Number of miles of City streets paved with hot mix asphalt into existing pavement
Reconstructed miles	Number of miles of City streets completely (removing old asphalt and repaving)
Man-hours for drainage maintenance	Number of man hours used for drainage projects and maintenance within the City







## Solid Waste

To protect public health and safety, 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 Services' 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, 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

### DEPARTMENT ACCOMPLISHMENTS


In the last year, we:

- Implemented a work order system to improve efficiencies
- Obtained grant funding to conduct a Household Hazardous Waste collection event
- Removed over 750 animal carcasses from City right-of-way
- Issued over 1,080 free vouchers to customers for bulk waste – a 60% increase over prior year


### FY2023 OBJECTIVES

#### Key Priority Area: Public Facilities & Services

- Coordinate with Republic Services to provide excellent customer service
- Coordinate with Code Compliance division and evaluate bulk waste collections
- Coordinate with local agencies to conduct Household Hazardous Waste collection event
- Increase educational awareness of all Solid Waste services



**CITY OF KERRVILLE**  
 701 Main Street  
 Kerrville, Texas 78028-5301  
 830-258-1221

SCAN ME  


**SOLID WASTE LANDFILL VOUCHER**  
Good for 1 free trip to the landfill.

**NOTE:** This voucher is **not valid** until a voucher number has been provided by City staff. To obtain the voucher number, call 830-258-1221. Voice mail messages will be returned promptly.

VOUCHER NO.	
NAME	
CITY RESIDENTIAL ADDRESS	
EXPIRATION DATE	<b>December 31, 2022</b>

This voucher is **Non-Transferable**. If someone other than the person noted above will drop off the load at the landfill for the noted City address, please provide their name on the line below.

Items being transported to the Landfill **must be covered and/or secured** to avoid a **\$20.00 tarp fee**.

**Safety vests are required.** You can bring your own vest or purchase one for **\$2.00** at the landfill.

**No construction debris, roofing material, tires or hazardous waste allowed.**

The landfill is located at 200 Landfill Rd, Kerrville, Texas 78028. For details about the landfill vouchers, scan the QR code or visit <https://kerrvillex.gov/1696/Landfill-Free-Voucher>

#### Did you know?

City staff coordinated with Republic Services to expand the bulk waste program. Rate payers are now able to utilize two vouchers anytime of the year to dispose of items at the Landfill at no cost.



## GENERAL FUND - SOLID WASTE

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	36,928	37,504	38,244	38,656	41,140
Benefits	12,064	12,286	12,449	12,797	16,458
Travel and Training	546	1,311	1,311	395	1,241
<b>Total Personnel Services</b>	<b>49,538</b>	<b>51,100</b>	<b>52,004</b>	<b>51,847</b>	<b>58,838</b>
Office Supplies	143	106	106	221	8,705
Tools and Equipment	215	1,100	2,159	1,984	2,825
Chemical and Medical	8	74	74	25	173
Fuel	2,853	3,700	3,700	3,460	5,265
Wearing Apparel	85	1,100	1,100	518	1,257
Postage and Shipping	15	50	50	(2)	-
Other Supplies	305	995	995	529	919
<b>Total Supplies and Materials</b>	<b>3,624</b>	<b>7,125</b>	<b>8,184</b>	<b>6,735</b>	<b>19,144</b>
Building, Structure and Land	-	-	-	40	175
Vehicle	586	929	2,029	2,334	1,344
Equipment	-	-	-	-	3,550
Technology	134	-	-	207	-
<b>Total Maintenance and Repairs</b>	<b>719</b>	<b>929</b>	<b>2,029</b>	<b>2,581</b>	<b>5,069</b>
Utilities	918	780	780	708	840
Professional Services	1,567	2,500	900	1,627	2,740
<b>Total Services</b>	<b>2,485</b>	<b>3,280</b>	<b>1,680</b>	<b>2,335</b>	<b>3,580</b>
Other	9,970	11,600	11,202	8,851	10,045
<b>Total Other Expenses</b>	<b>9,970</b>	<b>11,600</b>	<b>11,202</b>	<b>8,851</b>	<b>10,045</b>
<b>Total Expenditures</b>	<b>\$ 66,335</b>	<b>\$ 74,033</b>	<b>\$ 75,098</b>	<b>\$ 72,349</b>	<b>\$ 96,676</b>





# GENERAL FUND - SOLID WASTE

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities, & Services	Curbside garage tons	6,464	6,463	1,613	1,514	1,592	1,533	6,253	6,463
	Curbside recycled tons	1,147	1,147	300	248	225	292	1,065	1,147
	Landfill tons	10,103	10,140	2,185	2,152	2,645	2,317	9,298	10,140
	Transfer station tons	81,182	80,400	19,785	18,509	21,164	20,603	80,062	80,400
	Curbside yard waste tons	964	720	220	181	248	126	774	720
	Solid waste diversion rate	24%	25%	24%	22%	23%	21%	23%	25%

Performance Measure Definitions	
Measure	Definition
Material recycled	Number of tons of recyclables dropped off at the drop-off station
Transfer station tons	Measure of solid waste transferred from the Kerrville transfer station to other landfills
Curbside garage tons	Number of tons of garbage collected through the curbside collection program within the City of Kerrville
Landfill tons	Number of solid waste placed in the Kerrville landfill
Bulk waste curbside	Bulk waste picked up during bulk waste events offered to residents within the City of Kerrville who have garbage accounts





# Butt-Holdsworth Memorial Library

The Library serves as an information center for our community and guests of Kerrville, offering a wide variety of materials and services for education, entertainment, and enrichment in a welcoming and helpful environment. The Kerr History Center is also the responsibility of the Library and offers historical information and exhibits for citizens and guests.

### DEPARTMENT RESPONSIBILITIES

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

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Expand outreach opportunities by utilizing the Neighborhood Enhancement Van at community events
- Collaborate with the City's IT department to increase Wi-Fi access on the Butt-Holdsworth Memorial Library Campus
- Expand Library services by implementing self-serve scanning and faxing services
- Expand the Library's collection by adding video streaming available for patron use



### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Increased shelving capacity in the New, Young Adult, Children's and Large Print areas to allow expansion of the collection
- Created a monthly e-newsletter to promote library services, programs, and events
- Developed and implemented a Homebound Delivery program to serve residents within a ten mile radius who are unable to visit the library due to temporary or long-term disability or illness
- Conducted an in-house needs assessment to define and implement new programs and services based on patron needs. The results of the survey led to the development of two new genre based book clubs and new programs
- Upgraded the technology in the Kerr Regional History Center with a new video display and microfilm machine
- Expanded our outreach by offering pop-up libraries and programs with care homes and community centers
- Updated staff RFID pads, barcode scanners, self-checks and inventory tools to provide a better customer service experience
- Developed a Summer Reading Kick-Off party for the community that included music, games, and festivities
- Took possession of a Neighborhood Enhancement Vehicle which serves the community as a mobile library



## GENERAL FUND - LIBRARY

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	394,850	413,370	432,566	414,485	460,364
Benefits	122,935	129,654	133,078	128,701	162,628
Travel and Training	258	1,090	1,090	31	1,500
<b>Total Personnel Services</b>	<b>518,044</b>	<b>544,115</b>	<b>566,735</b>	<b>543,217</b>	<b>624,492</b>
Office Supplies	5,492	5,266	5,266	4,999	5,931
Tools and Equipment	3,252	1,556	1,556	2,543	639
Chemical and Medical	20	20	20	-	25
Fuel	320	735	735	379	1,365
Postage and Shipping	3,775	4,400	4,400	3,608	4,000
Other Supplies	5,516	6,650	6,650	6,885	9,016
<b>Total Supplies and Materials</b>	<b>18,375</b>	<b>18,627</b>	<b>18,627</b>	<b>18,414</b>	<b>20,976</b>
Building, Structure and Land	15,177	12,904	12,904	6,169	11,254
Vehicle	119	129	129	83	129
Equipment	5,770	6,983	6,983	5,533	158
Technology	14,978	14,674	16,674	16,559	13,933
<b>Total Maintenance and Repairs</b>	<b>36,043</b>	<b>34,690</b>	<b>36,690</b>	<b>28,344</b>	<b>25,474</b>
Utilities	29,818	36,560	34,560	26,688	32,540
Professional Services	19,092	18,910	18,910	18,551	20,277
Advertising	5,085	5,000	5,000	5,000	-
<b>Total Services</b>	<b>53,995</b>	<b>60,470</b>	<b>58,470</b>	<b>50,238</b>	<b>52,817</b>
Community Support	6,175	6,600	6,600	5,475	6,000
Other	34,570	36,044	36,044	31,604	36,895
<b>Total Other Expenses</b>	<b>40,745</b>	<b>42,644</b>	<b>42,644</b>	<b>37,079</b>	<b>42,895</b>
Library Collection	27	-	-	-	-
<b>Total Capital Outlay</b>	<b>27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 667,228</b>	<b>\$ 700,546</b>	<b>\$ 723,166</b>	<b>\$ 677,292</b>	<b>\$ 766,654</b>





## GENERAL FUND - LIBRARY

### Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities, & Services	Physical material checkout	88,202	99,996	23,878	23,165	27,244	29,998	104,285	102,000
	Digital material checkout	19,255	14,004	5,151	5,076	5,282	5,808	21,317	22,200
	Public computer sessions	3,631	5,400	1,048	1,171	1,190	1,502	4,911	6,000
	Kerr Regional History Center attendance	288	360	180	177	170	98	625	660
	Library cards (inside city limits)	5,198	5,000	5,033	4,969	4,974	4,876	4,845	5,000
	Library cards (Kerr-outside city limits)	3,566	3,500	3,566	3,560	3,575	3,504	3,497	3,500
	Library cards (non county)	380	350	335	325	315	320	308	350



The Neighborhood Enhancement Vehicle serves the City and Kerr County as a mobile library



## GENERAL FUND - GENERAL OPERATIONS

This department is used to account for expenditures that benefit the entire General Fund, but can not be easily identified as relating to an individual department. Accordingly, the department only has budgeted expenditures with no responsibilities, accomplishments, objectives or performance measures. Anticipated salary savings for the entire General Fund are captured in "Salaries" below.

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	-	(25,000)	25,000	9,277	(115,000)
Benefits	81,734	83,838	116,144	114,719	172,755
Travel and Training	40,676	30,250	36,493	34,795	34,000
<b>Total Personnel Services</b>	<b>122,410</b>	<b>89,088</b>	<b>177,637</b>	<b>158,791</b>	<b>91,755</b>
Office Supplies	3,312	5,175	5,175	2,735	5,616
Tools and Equipment	709	300	300	1,399	-
Fuel	171	368	368	272	390
Postage and Shipping	8,444	10,440	10,440	10,661	10,440
Other Supplies	7,187	5,468	7,947	7,853	5,000
<b>Total Supplies and Materials</b>	<b>19,822</b>	<b>21,751</b>	<b>24,229</b>	<b>22,919</b>	<b>21,446</b>
Building, Structure and Land	37,378	43,750	50,860	47,872	43,000
Vehicle	253,372	268,658	276,397	276,184	336,553
Equipment	3,247	4,500	19,000	15,005	16,500
<b>Total Maintenance and Repairs</b>	<b>293,997</b>	<b>316,908</b>	<b>346,257</b>	<b>339,061</b>	<b>396,053</b>
Utilities	49,884	62,422	62,422	57,213	56,515
Professional Services	66,527	69,894	75,713	60,280	91,916
Insurance	343,621	355,698	377,636	377,636	450,619
Advertising	257	-	-	887	-
Leases/Rents	3,941	4,000	4,000	3,941	4,000
Joint Ventures	25,000	25,000	25,000	25,000	25,000
<b>Total Services</b>	<b>489,229</b>	<b>517,014</b>	<b>544,771</b>	<b>524,957</b>	<b>628,050</b>
Bad Debt	4,013	-	-	(8,372)	-
Community Support	81,500	121,501	121,501	116,500	115,500
Other	30,921	263,150	56,117	12,831	267,366
<b>Total Other Expenses</b>	<b>116,434</b>	<b>384,651</b>	<b>177,618</b>	<b>120,959</b>	<b>382,866</b>
Machinery/Tools-Equipment	-	-	8,109	8,109	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>8,109</b>	<b>8,109</b>	<b>-</b>
Transfer Out - Golf	70,000	70,000	70,000	-	-
Transfer Out - Asset Replacement	-	440,000	883,925	883,925	600,000
Transfer Out - Development Services	258,647	140,000	140,000	140,000	192,110
Transfer Out - General CIP	-	100,000	1,110,189	1,110,189	-
<b>Total Transfers Out</b>	<b>328,647</b>	<b>750,000</b>	<b>2,204,114</b>	<b>2,134,114</b>	<b>792,110</b>
<b>Total Expenditures</b>	<b>\$ 1,370,539</b>	<b>\$ 2,079,411</b>	<b>\$ 3,482,735</b>	<b>\$ 3,308,910</b>	<b>\$ 2,312,280</b>







## COMMUNITY SUPPORT

The City proudly provides funding to various organizations throughout the community to support their individual missions. These organizations provide valuable and specialized services in alignment with Kerrville 2050 and other operational goals. Without these organizations, the City would otherwise be obligated to address these community needs.

Community Support	
Dietert Center	15,000
Doyle Community Center	7,000
Hill Country CASA	5,000
Hill Country Crisis Council	5,000
Kerr Connect	10,000
Kerrville Pets Alive!	6,000
K'Star	5,000
\$ 53,000	

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 the 2022 Blues Fest.



Doyle Community Center



The Dietert Center

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 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 the 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.





**Hill Country CASA**

Hill Country CASA serves 100% of the foster children in the four-county area. CASA volunteers are specially trained to advocate for the needs of children, often being their voice in court custody cases. In FY2021, Hill Country CASA served 206 children and closed 86 cases.

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.



**Hill Country Crisis Council**



**K'STAR**

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. In 2021, K'Star served over 844 families and provided 968 sessions of counseling.

Kerrville Pets Alive! is dedicated to giving Kerr County shelter animals the true chance of 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.



**Kerrville Pets Alive!**



# **DEVELOPMENT SERVICES FUND**



# **DEVELOPMENT SERVICES FUND - BUDGET SUMMARY**

## **DEVELOPMENT SERVICES FUND - BUDGET SUMMARY**

	<b>FY2021 Actual</b>	<b>FY2022 Budget</b>	<b>FY2022 Current Budget</b>	<b>FY2022 Estimated</b>	<b>FY2023 Budget</b>	<b>Budget % Change</b>
BEGINNING FUND BALANCE	\$ 330,084	\$ 78,754	\$ 78,754	\$ 78,754	\$ (6,857)	
REVENUES						
Permits and Fees	489,172	888,973	888,973	795,693	857,758	-3.5%
Operating Transfer In	272,260	147,895	147,895	147,895	213,456	44.3%
TOTAL REVENUES	761,431	1,036,867	1,036,868	943,588	1,071,214	3.3%
EXPENDITURES						
Personnel	883,355	916,560	941,006	927,880	952,587	3.9%
Supplies	9,545	14,220	13,974	14,344	13,234	-6.9%
Maintenance	35,329	42,502	42,501	39,422	43,241	1.7%
Services	26,991	30,968	31,468	38,819	28,292	-8.6%
Other Expenses	57,543	32,619	32,119	8,734	33,860	3.8%
Capital Outlay	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-
TOTAL EXPENDITURES	1,012,763	1,036,867	1,061,068	1,029,199	1,071,214	3.3%
CHANGE IN NET POSITION	(251,331)	-	(24,200)	(85,611)	-	
ENDING FUND BALANCE	\$ 78,754	\$ 78,754	\$ 54,554	\$ (6,857)	\$ (6,857)	

For financial reporting purposes, Development Services is included in the General Fund in the ACFR.

### **Significant changes for FY2023 include:**

- Revenues were budgeted conservatively with a larger Transfer-In from the General Fund to help provide funding for operating expenses that occur in the Development Services Fund during FY2023. Transfers-In are scheduled to occur monthly at equal intervals.





## DEVELOPMENT SERVICES FUND - FUND REVENUES

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Revenues</b>					
Contractor License	\$ 57,250	\$ 64,553	\$ 64,553	\$ 57,350	\$ 65,745
Building Permits	168,222	400,000	400,000	264,714	361,368
Electrical Permits	25,088	34,128	34,128	34,292	26,416
Plumbing And Gas Permits	28,530	33,876	33,876	34,850	30,384
Backflow Inspection Fee	-	2,000	2,000	-	-
Tear Down Permit	2,850	4,174	4,174	2,900	4,775
Zoning And Subdivision Fees	29,949	25,959	25,959	37,501	43,165
Mechanical Permits	31,351	63,803	63,803	27,676	30,092
Moving Permit	-	120	120	(100)	-
Sidewalk Fee	300	500	500	-	-
Irrigation Permit	1,512	2,974	2,974	1,535	806
LP Gas Permit	1,200	2,108	2,108	2,025	1,580
Plan Check Fee	102,459	200,000	200,000	283,767	237,515
Health Permit - Pool	2,925	3,142	3,142	3,300	3,041
Health Permit - Mobile	1,800	3,142	3,142	2,700	1,878
Health Permit - Seasonal	1,040	500	500	1,440	1,127
Health Permit - Fixed Facility	21,266	30,540	30,540	27,489	28,996
Hotel - Annual Permit	750	750	750	750	696
Health Permit - Inspection	200	1,198	1,198	280	499
Farmers Market	-	-	-	300	300
Vendor/Solicitor Permit	1,200	1,915	1,915	1,900	2,011
Group Home - Annual Permit	5,600	9,095	9,095	5,600	8,068
Group Home - Other Fees	-	500	500	375	500
Interest Revenue	586	1,000	1,000	99	650
Administrative Fee	5,095	2,997	2,997	4,950	8,146
<b>Total Permits and Fees</b>	<b>489,172</b>	<b>888,973</b>	<b>888,973</b>	<b>795,693</b>	<b>857,758</b>
Transfer In - General Fund	258,647	140,000	140,000	140,000	192,110
Transfer In - Water Fund	13,613	7,895	7,895	7,895	21,346
<b>Total Transfers In</b>	<b>272,260</b>	<b>147,895</b>	<b>147,895</b>	<b>147,895</b>	<b>213,456</b>
<b>Total Revenues</b>	<b>\$ 761,432</b>	<b>\$ 1,036,868</b>	<b>\$ 1,036,868</b>	<b>\$ 943,588</b>	<b>\$ 1,071,214</b>

# DEVELOPMENT SERVICES FUND - BUDGET SUMMARY

## Performance Measures—All Divisions

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities, & Services	Commercial building permits issued	485	588	129	90	130	108	457	588
	Residential building permits issued	1,384	1,164	425	428	483	377	1,713	1,164
	Proactive code enforcement cases	304	384	52	19	61	32	164	384
	Reactive code enforcement cases	417	372	103	157	157	189	606	372
	Average days for plan review	6.30	10	5.84	5.82	5.70	5.33	5.67	10.00
	Average days for building plan review	4.96	5	4.06	4.03	3.91	4.07	4.02	5.00
	Average days for public works plan review	5.38	5	4.01	4.53	3.67	3.03	3.81	5.00
	Percent of permits reviewed in 10 days	89%	98%	93%	93%	97%	91%	94%	98%
	Code Enforcement - Proactive cases	304	n/a	52	19	61	32	164	n/a
	Code Enforcement - Reactive cases	417	n/a	103	157	157	189	606	n/a
	Code Enforcement - Health Inspections	306	192	62	97	50	87	296	300
	Planning cases presented to Council	32	24	26	12	16	25	79	24



## Planning

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

### DEPARTMENT RESPONSIBILITIES

- **Planning:** responsible for reviewing residential and commercial permits to ensure compliance with all codes and ordinances
- **Boards and Committees:** responsible for facilitating meetings and ordinance updates with the Planning & Zoning Commission (P&Z) and the Zoning Board of Adjustment
- **Customer Service:** responsible for assisting property owners and developers in understanding current codes and ordinances that affect new development and reinvestment in our community

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Worked with the Code Review Committee, P&Z, and City Council to adopt an updated subdivision code
- Continued to streamline case processing and projects



Planning and Zoning Meeting

### FY2023 OBJECTIVES

#### **Key Priority Area: Community & Neighborhood Character / Placemaking**

- Ensure fiscal responsibility of budgeted funds
- Maintain responsive and efficient processes
- Facilitate customer service that exceeds expectations
- Assist in the new Short-Term Rental ordinance education and adoption
- Promote a positive culture of safety, respect, action, growth, and accountability
- Complete Subdivision Code update
- Promote growth and development of staff

#### **Did you know?**

When making planning and zoning decisions, P&Z must consider the economy, environmental, transportation, cultural and historical impacts of a project as well as future planning outlined for the City.





## DEVELOPMENT SERVICES FUND - PLANNING

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	\$ 214,468	\$ 215,508	\$ 221,483	\$ 230,700	\$ 239,440
Benefits	69,015	70,695	71,802	74,413	69,909
Travel and Training	-	2,518	2,464	2,946	2,274
<b>Total Personnel Services</b>	<b>283,483</b>	<b>288,720</b>	<b>295,749</b>	<b>308,058</b>	<b>311,624</b>
Office Supplies	278	642	392	281	500
Tools and Equipment	-	270	1,474	1,939	-
Wearing Apparel	72	160	160	67	160
Postage and Shipping	47	900	-	-	-
<b>Total Supplies and Materials</b>	<b>396</b>	<b>1,972</b>	<b>2,026</b>	<b>2,288</b>	<b>660</b>
Utilities	1,848	2,016	2,016	1,942	888
Insurance	100	100	100	100	100
Advertising	4,351	2,700	3,200	3,987	2,700
<b>Total Services</b>	<b>6,299</b>	<b>4,816</b>	<b>5,316</b>	<b>6,029</b>	<b>3,688</b>
Other	661	1,065	565	246	1,065
<b>Total Other Expenses</b>	<b>661</b>	<b>1,065</b>	<b>565</b>	<b>246</b>	<b>1,065</b>
<b>Total Expenditures</b>	<b>\$ 290,840</b>	<b>\$ 296,573</b>	<b>\$ 303,656</b>	<b>\$ 316,621</b>	<b>\$ 317,037</b>



## Building Services

Through consistent enforcement of a well-defined building codes and a proactive relationships with the building industry, Building Services commits to ensure the safety of buildings and structures in our community and work 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 inspection and permit process
- **Customer Service:** responsible for assisting developers and property owners with the permit process in an expedient and efficient manner

### DEPARTMENT ACCOMPLISHMENTS

In the past year, we:

- Processed 682 commercial permits and 2,141 residential permits as of March 2022
- Conducted 1,826 commercial inspections and 4,445 residential inspections as of March 2022
- Completed plan review on an average of 6.14 days as of March 2022

#### Did you know?

The earliest known building code is actually found in the Code of Hammurabi, dating back roughly to 1772 B.C.E.

### FY2023 OBJECTIVES

#### **Key Priority Area: Community & Neighborhood Character /Placemaking**

- Promote a positive culture of safety, respect, action, growth, and accountability
- Promote growth and development of staff
- Ensure fiscal responsibility of budgeted funds
- Maintain responsive and efficient processes
- Facilitate safe community growth
- Ensure customer service that exceeds expectations
- Leverage technology to improve efficiency



**Building Services lobby on the corner of Water St. and Sidney Baker St.**

# DEVELOPMENT SERVICES FUND - BUILDING SERVICES

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	\$ 327,575	\$ 339,047	\$ 350,788	\$ 331,536	\$ 355,916
Benefits	113,550	120,334	122,494	114,265	113,598
Travel and Training	2,456	4,646	4,946	7,075	6,757
<b>Total Personnel Services</b>	<b>443,581</b>	<b>464,027</b>	<b>478,227</b>	<b>452,876</b>	<b>476,271</b>
Office Supplies	1,611	2,000	1,700	1,446	1,534
Tools and Equipment	557	869	869	1,191	898
Chemical and Medical	-	90	90	61	90
Fuel	2,275	2,865	2,865	2,858	4,404
Wearing Apparel	827	1,440	1,440	903	1,440
Other Supplies	909	985	985	1,645	50
<b>Total Supplies and Materials</b>	<b>6,179</b>	<b>8,249</b>	<b>7,949</b>	<b>8,105</b>	<b>8,416</b>
Vehicle	217	764	764	1,197	764
Technology	35,015	41,260	41,260	37,960	42,000
<b>Total Maintenance and Repairs</b>	<b>35,232</b>	<b>42,024</b>	<b>42,024</b>	<b>39,156</b>	<b>42,764</b>
Utilities	3,092	4,176	4,176	2,412	4,020
Professional Services	16,130	20,000	20,000	15,054	19,000
Insurance	100	200	200	100	300
<b>Total Services</b>	<b>19,322</b>	<b>24,376</b>	<b>24,376</b>	<b>17,566</b>	<b>23,320</b>
Other	3,742	979	979	1,719	2,014
<b>Total Other Expenses</b>	<b>3,742</b>	<b>979</b>	<b>979</b>	<b>1,719</b>	<b>2,014</b>
<b>Total Expenditures</b>	<b>\$ 508,056</b>	<b>\$ 539,656</b>	<b>\$ 553,556</b>	<b>\$ 519,422</b>	<b>\$ 552,785</b>



# Code Compliance

Through consistent enforcement of well-defined standards and a proactive relationship with local business, 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 to beautify our City through voluntary compliance with codes

## DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

Health Enforcement Division

- Completed code enforcement training

Code Enforcement Division

- Managed a total of 549 enforcement cases as of June 30, 2022
  - Reactive 418
  - Proactive 131

### Did you know?

Every complaint received by the City is investigated by a Code Enforcement Officer or Building Inspector. A record is kept of all complaints and outcomes of the investigations.

## FY2023 OBJECTIVES

### Key Priority Area: Community & Neighborhood Character / Placemaking

- Promote a positive culture of safety, respect, action, growth, and accountability
- Promote growth and development of staff
- Ensure fiscal responsibility of budgeted funds
- Maintain responsive and efficient processes
- Facilitate safe community growth
- Ensure customer service that exceeds expectations
- Leverage technology to improve efficiency



Code Compliance Staff

# DEVELOPMENT SERVICES FUND-CODE COMPLIANCE

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	\$ 327,575	\$ 339,047	\$ 350,788	\$ 331,536	\$ 355,916
Benefits	113,550	120,334	122,494	114,265	113,598
Travel and Training	2,456	4,646	4,946	7,075	6,757
<b>Total Personnel Services</b>	<b>443,581</b>	<b>464,027</b>	<b>478,227</b>	<b>452,876</b>	<b>476,271</b>
Office Supplies	1,611	2,000	1,700	1,446	1,534
Tools and Equipment	557	869	869	1,191	898
Chemical and Medical	-	90	90	61	90
Fuel	2,275	2,865	2,865	2,858	4,404
Wearing Apparel	827	1,440	1,440	903	1,440
Other Supplies	909	985	985	1,645	50
<b>Total Supplies and Materials</b>	<b>6,179</b>	<b>8,249</b>	<b>7,949</b>	<b>8,105</b>	<b>8,416</b>
Vehicle	217	764	764	1,197	764
Technology	35,015	41,260	41,260	37,960	42,000
<b>Total Maintenance and Repairs</b>	<b>35,232</b>	<b>42,024</b>	<b>42,024</b>	<b>39,156</b>	<b>42,764</b>
Utilities	3,092	4,176	4,176	2,412	4,020
Professional Services	16,130	20,000	20,000	15,054	19,000
Insurance	100	200	200	100	300
<b>Total Services</b>	<b>19,322</b>	<b>24,376</b>	<b>24,376</b>	<b>17,566</b>	<b>23,320</b>
Other	3,742	979	979	1,719	2,014
<b>Total Other Expenses</b>	<b>3,742</b>	<b>979</b>	<b>979</b>	<b>1,719</b>	<b>2,014</b>
<b>Total Expenditures</b>	<b>\$ 508,056</b>	<b>\$ 539,656</b>	<b>\$ 553,556</b>	<b>\$ 519,422</b>	<b>\$ 552,785</b>







## DEVELOPMENT SERVICES FUND - GENERAL OPS

### General Operations

This department 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.

#### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	\$ 110,043	\$ 112,163	\$ 114,881	\$ 116,369	\$ 120,470
Benefits	44,702	46,538	47,038	45,263	39,639
Travel and Training	1,545	5,111	5,111	4,036	4,584
<b>Total Personnel Services</b>	<b>156,290</b>	<b>163,812</b>	<b>167,030</b>	<b>165,668</b>	<b>164,692</b>
Office Supplies	418	720	720	348	434
Tools and Equipment	1,325	1,177	1,177	323	1,196
Fuel	626	1,154	1,154	1,026	1,580
Wearing Apparel	601	740	740	449	740
Other Supplies	-	208	208	5	208
<b>Total Supplies and Materials</b>	<b>2,970</b>	<b>3,999</b>	<b>3,999</b>	<b>2,151</b>	<b>4,158</b>
Vehicle	97	478	477	266	477
<b>Total Maintenance and Repairs</b>	<b>97</b>	<b>478</b>	<b>477</b>	<b>266</b>	<b>477</b>
Utilities	1,370	1,776	1,776	2,096	1,284
<b>Total Services</b>	<b>1,370</b>	<b>1,776</b>	<b>1,776</b>	<b>2,096</b>	<b>1,284</b>
Community Support	13,353	30,000	30,000	6,015	-
Other	438	575	575	378	580
<b>Total Other Expenses</b>	<b>13,791</b>	<b>30,575</b>	<b>30,575</b>	<b>6,393</b>	<b>580</b>
<b>Total Expenditures</b>	<b>\$ 174,519</b>	<b>\$ 200,639</b>	<b>\$ 203,856</b>	<b>\$ 176,575</b>	<b>\$ 171,191</b>





# **WATER FUND**





## FIVE YEAR FORECAST

### WATER AND SEWER FUND - FIVE YEAR FISCAL FORECAST

	FY21	FY22	FY22	FY23	FY24	FY25	FY26	FY27	FY28
	Actual	Original Budget	Estimate	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
BEGINNING FUND BALANCE	\$ 2,976,009	\$ 3,632,554	\$ 3,632,554	\$ 4,154,371	\$ 4,154,371	\$ 4,154,371	\$ 4,380,716	\$ 4,619,350	\$ 4,970,620
REVENUES									
Service Revenues	13,042,810	13,688,761	14,069,963	14,651,944	15,384,541	16,076,846	16,800,304	17,556,317	18,346,352
Interest and Miscellaneous	104,812	17,000	73,828	31,000	31,310	31,623	31,939	31,939	31,939
TOTAL REVENUES	13,147,621	13,705,761	14,143,790	14,682,944	15,415,851	16,108,469	16,832,243	17,588,256	18,378,291
EXPENDITURES									
Personnel	3,391,615	3,533,787	3,673,916	4,055,517	4,217,737	4,386,447	4,561,905	4,744,381	4,934,156
Supplies	695,822	824,367	789,376	936,779	983,618	1,032,799	1,084,439	1,138,661	1,184,207
Maintenance	739,731	972,356	901,724	1,183,268	1,242,432	1,304,553	1,369,781	1,438,270	1,510,184
Services	978,819	1,088,446	1,088,573	1,069,327	1,122,794	1,178,933	1,237,880	1,299,774	1,364,763
Other Expenses	78,149	314,371	84,361	328,678	345,112	362,367	380,486	399,510	419,486
Capital Outlay	180,433	125,200	136,493	143,920	151,116	160,183	168,192	176,602	185,432
Operating Transfers Out	6,426,508	6,847,233	6,947,531	6,965,455	7,113,347	7,456,841	7,790,926	8,039,789	8,279,436
TOTAL EXPENDITURES	12,491,076	13,705,760	13,621,973	14,682,946	15,176,156	15,882,124	16,593,608	17,236,986	17,877,663
CHANGE IN NET POSITION	656,545	-	521,817	-	-	226,345	238,634	351,270	500,627
ENDING FUND BALANCE	\$ 3,632,554	\$ 3,632,554	\$ 4,154,371	\$ 4,154,371	\$ 4,154,371	\$ 4,380,716	\$ 4,619,350	\$ 4,970,620	\$ 5,471,247
CURRENT CASH + RECEIVABLES	\$ 4,084,852	\$ 3,560,106	\$ 4,180,627	\$ 4,201,820	\$ 4,243,838	\$ 4,265,057	\$ 4,286,383	\$ 4,307,815	\$ 4,329,354
RESERVE %	32.7%	26.0%	30.7%	28.6%	28.0%	26.9%	25.8%	25.0%	24.2%

Note: Current Cash + Receivables is adjusted at year-end close



# **WATER FUND BUDGET SUMMARY**







# WATER FUND - BUDGET SUMMARY

## WATER FUND - BUDGET SUMMARY

	<b>FY2021 Actual</b>	<b>FY2022 Original Budget</b>	<b>FY2022 Current Budget</b>	<b>FY2022 Estimated</b>	<b>FY2023 Budget</b>	<b>Budget % Change</b>
BEGINNING FUND BALANCE	\$ 2,976,009	\$ 3,632,554	\$ 3,632,554	\$ 3,632,554	\$ 4,154,371	
REVENUES						
Service Revenues	13,042,810	13,688,761	13,688,761	14,069,963	14,651,944	7.0%
Grant Revenue	81,920	-	-	199	-	0.0%
Interest and Miscellaneous	22,892	17,000	47,201	73,629	31,000	82.4%
TOTAL REVENUES	13,147,621	13,705,761	13,735,962	14,143,790	14,682,944	7.1%
EXPENDITURES						
Personnel	3,391,615	3,533,787	3,729,640	3,673,916	4,055,517	14.8%
Supplies	695,822	824,367	815,336	789,376	936,779	13.6%
Maintenance	739,731	972,356	1,098,314	901,724	1,183,268	21.7%
Services	978,819	1,088,446	1,101,970	1,088,573	1,069,327	-1.8%
Other Expenses	78,149	314,371	97,519	84,361	328,678	4.6%
Capital	180,433	125,200	135,965	136,493	143,920	15.0%
Operating Transfers Out	6,426,508	6,847,233	6,948,733	6,947,531	6,965,453	1.7%
TOTAL EXPENDITURES	12,491,075	13,705,760	13,927,477	13,621,973	14,682,944	7.1%
CHANGE IN NET POSITION	656,545	-	(191,514)	521,817	-	
ENDING FUND BALANCE	\$ 3,632,554	\$ 3,632,554	\$ 3,441,040	\$ 4,154,371	\$ 4,154,371	
CASH + RECEIVABLES	\$ 4,084,852	\$ 3,560,106	\$ 4,180,627	\$ 4,180,627	\$ 4,201,820	
RESERVE %	32.7%	26.0%	30.0%	30.7%	28.6%	

### Notes:

1. Per the City's Financial Management Policy, the Water Fund must maintain a fund balance between 15-25% of cash and current receivables.
2. Budget and estimated expenditures shown are for operations and exclude debt related transfers to the Capital Projects Fund. Issuance costs ARE included in expenses.
3. Purchase of carbon for the Granular Activated Carbon Filtration was approved by Council in FY2022 but not received until FY2023. This expense will be adjusted from fund balance in FY2023, which will reduce change in net position by \$186,689.



## **WATER FUND - BUDGET SUMMARY**

The Water Fund accounts for the provision of water and waste water services to the residents of the City and certain limited areas outside the city limits. All activities necessary to provide those services are accounted for in this fund. 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.

The FY2023 budget for the Water Fund includes \$14.7 million in revenues and expenditures, resulting in a balanced budget. This budget anticipates having cash and current receivables on hand of \$4.1 million at the end of FY2023, creating a reserve of 28.6% of cash and receivables, per the City's Financial Management Policy. Variance analysis on changes to expenses over \$100,000 is as follows:

1. **Personnel** - up 14.8% over FY2022 original budget and up 11% over FY2022 amended budget. Personnel is up a total of \$521,730 over FY2022 original budget due to mid-year Cost of Living (COLA) increases for all staff as well as strategic market adjustments to some positions based on a formal compensation study conducted by the City. These adjustments were approved by Council in February 2022. The FY2023 budget assumes a 3% average merit increase for all general government employees and one new position was added to the Wastewater Collections division. Personnel also includes group health insurance, which will increase 5% in FY2023.
2. **Supplies** - up 13.6% due to increases in the cost of fuel, chemicals, and other supplies. Increases began affecting operations in FY2022 with the onset of record nationwide inflationary and supply chain issues.
3. **Maintenance** - up 21.7% due to the same inflationary issues affecting supplies as well as the replacement of Granular Activated Carbon (GAC) at the Water Production plant, at a cost of \$190,000.





# **WATER FUND REVENUES**





## WATER FUND - REVENUES

Water, wastewater, and drainage is another key priority area of Kerrville 2050. Due to the extreme drought across Texas in 2022 and the growth within the City, water has been of particular interest to citizens in recent months. The City has done an incredible job of forward planning water resources over the past thirty-plus years. The City of Kerrville has a very unique water/wastewater system compared to other cities.

- Water Sources:
  - Surface water from the Guadalupe River
  - Runoff water from the Guadalupe River
  - Aquifer Storage and Recovery Wells (ASR)
  - Groundwater from several aquifers
  
- 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 for release into the river, per Texas Commission on Environmental Quality
    - 90 million gallons of effluent water storage
    - Average 58 million gallons used for irrigation annually
    - Reduces amount of potable water used for irrigation

Costs associated with the maintenance of this system are heavily fixed, meaning that the system must be maintained in the same manner, regardless of water consumption, which is heavily impacted by weather. It is also important to note that most maintenance supplies and infrastructure are petroleum based. Because of this, the City has seen drastic rate increases (15%-40%) on pipe, water meters, chemicals etc. The City, with the help of a third party engineering firm, completed a Water/Wastewater Master Plan in FY2022 and a rate study analysis in FY2019. Both of these studies have helped outline future development and maintenance needs for the City's water/wastewater system and were instrumental in determining necessary water and sewer rates.

When considering rate increases to water and wastewater, careful consideration was given to the impact of rate increases on system users, particularly average household users. Graphs on the next page provide a breakdown of proposed residential water / wastewater rates and impact to customers in each tier.





# WATER FUND - REVENUES

## FY2023 RATES

### Residential Water Rate Comparison

Tier	FY2022 Rate	FY2023 Adopted Rate Rate	\$ Increase	# Residential Accounts (Jan 2022)	% Residential Accounts (Jan 2022)
Base Rate (includes 1,000 gallons)	\$16.00 per account	\$17.60 per account	\$1.60 per account	8,490	100%
0-1,000 gallons	\$0.00 per 1,000 gallons	\$0.00 per 1,000 gallons	\$0.00 per 1,000 gallons	1,105	13.0%
1,001-6,000 gallons	\$3.41 per 1,000 gallons	\$3.51 per 1,000 gallons	\$0.10 per 1,000 gallons	5,489	64.7%
6,001-15,000 gallons	\$4.51 per 1,000 gallons	\$4.65 per 1,000 gallons	\$0.14 per 1,000 gallons	1,542	18.2%
15,001-25,000 gallons	\$5.64 per 1,000 gallons	\$5.92 per 1,000 gallons	\$0.28 per 1,000 gallons	187	2.2%
25,001-50,000 gallons	\$7.05 per 1,000 gallons	\$7.40 per 1,000 gallons	\$0.35 per 1,000 gallons	116	1.4%
50,000 gallons and up	\$8.80 per 1,000 gallons	\$9.24 per 1,000 gallons	\$0.44 per 1,000 gallons	51	0.6%

### Residential Wastewater Rate Comparison

Rate Type	FY2022	FY2023 Adopted Rate	\$ Increase
Monthly Account Fee (plus)	\$15.00 per account	\$16.50 per account	\$1.50 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	\$5.66 per 1,000 gallons > 1,001	\$5.89 per 1,000 gallons > 1,001	\$0.23 per 1,000 gallons

### Water & Sewer Combined Rates Monthly Bill Comparison

Gallons	FY2022	FY2023	Avg. Monthly Increase	Avg. Annual Increase
1,000	\$ 31.00	\$ 34.10	\$ 3.10	\$ 37.20
2,000	\$ 40.07	\$ 43.44	\$ 3.37	\$ 40.44
3,000	\$ 49.14	\$ 52.78	\$ 3.64	\$ 43.68
4,000	\$ 58.21	\$ 62.12	\$ 3.91	\$ 46.92
5,000	\$ 67.28	\$ 71.46	\$ 4.18	\$ 50.16
5,300	\$ 70.00	\$ 74.26	\$ 4.26	\$ 51.12
6,000	\$ 76.35	\$ 80.80	\$ 4.45	\$ 53.40
7,000	\$ 86.52	\$ 91.28	\$ 4.76	\$ 57.12
8,000	\$ 96.69	\$ 101.66	\$ 4.97	\$ 59.64
9,000	\$ 106.86	\$ 112.24	\$ 5.38	\$ 64.56
10,000	\$ 117.03	\$ 122.72	\$ 5.69	\$ 68.28
15,000	\$ 167.88	\$ 175.12	\$ 7.24	\$ 86.88
20,000	\$ 224.38	\$ 233.87	\$ 9.49	\$ 113.88
25,000	\$ 280.88	\$ 292.62	\$ 11.74	\$ 140.88
30,000	\$ 344.43	\$ 358.77	\$ 14.34	\$ 172.08

Average Household Consumption

kerrvilletx.gov



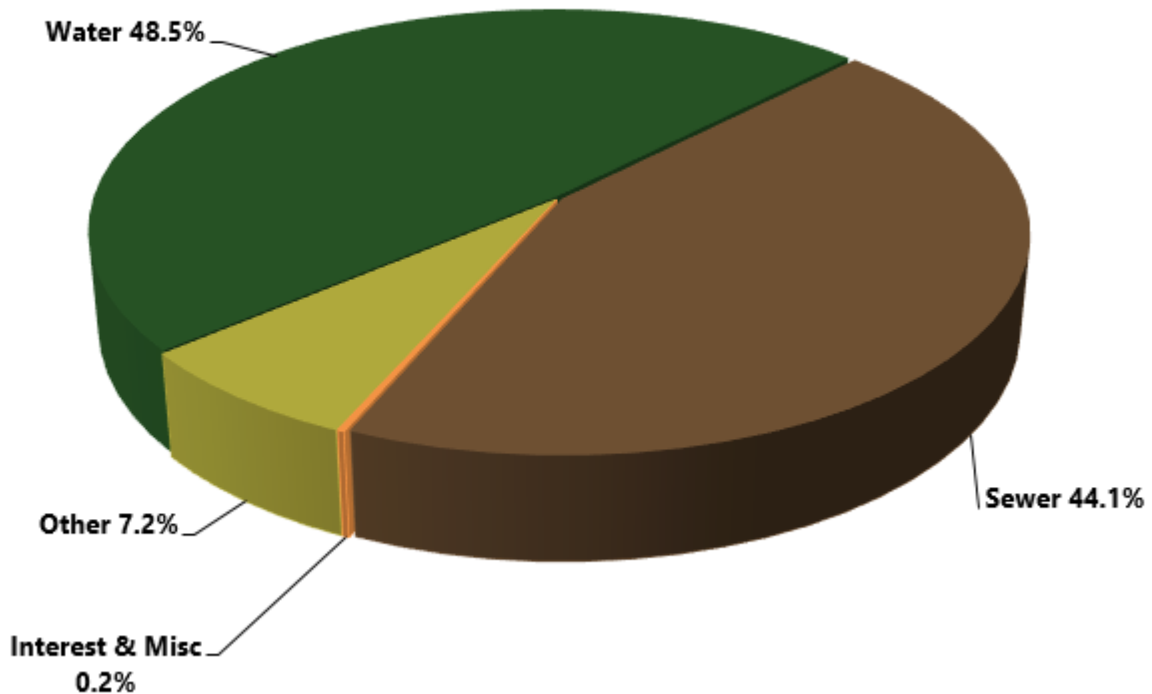
## WATER FUND - REVENUES

### WATER FUND REVENUES

FY2023 Water Fund revenue is budgeted at \$14,682,944. Water sales, including the sale of reuse water, comprise 48.5% of the total revenue. Sewer sales are the next largest revenue source at 44.1% of the total. Other revenues include waste disposal fees from septage haulers as well as other items such as tap fees, sale of new meters, service charges, etc.

Due to inflationary factors, the FY2023 budget includes rate increases to both water and sewer. As of June 2022, national inflation was 9.1% on most goods. However, fuel saw an increase of 70% in FY2022. Even with these inflationary rates, the City was able keep rate increases to \$1.60 on the water base rate and \$1.50 for sewer base rate. Moderate tier increases were made to water rates of 3% on consumption under 15,000 gallons per month and 5% over 15,000 gallons per month. This tier structure is meant to encourage water conservation, which is an action item within the Kerrville 2050 Comprehensive Plan and a key water supply strategy identified in the City's Long Range Water Supply Plan. Water Fund revenues are budgeted 7.1% higher than FY2022 with key factors being rate increases and growth in the community. The FY2021 budget did not have any increases to water or sewer rates and the FY2022 budget implemented very small rate increases due to unknown, ongoing effects of COVID-19 pandemic.

### Water Fund - Revenue Sources



# **WATER FUND REVENUES BY LINE ITEM**





## WATER FUND - REVENUES

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Revenues</b>					
Backflow Inspection Fee	3,480	2,000	2,000	6,572	5,000
Manifest Books	-	-	-	1,359	2,000
Water Sales	6,040,552	6,665,813	6,665,813	6,867,304	7,123,558
Reuse Water Sales	142,949	155,021	155,021	180,495	177,844
Water Tap	99,440	81,500	81,500	91,752	94,000
Sewer Service	5,994,453	5,992,747	5,992,747	6,163,123	6,468,542
Sewer Tap	28,546	37,080	37,080	40,167	37,000
Waste Disposal	449,124	450,000	450,000	381,562	415,000
New Meters	42,753	36,000	36,000	49,715	53,000
Requested Service/Repair	7,322	20,000	20,000	32,039	20,000
Water Sample Test	24,894	23,000	23,000	24,106	26,000
Wastewater Sample Test	2,389	6,000	6,000	1,021	2,000
Capacity Analysis	2,000	2,000	2,000	-	-
Service Charge	47,462	48,000	48,000	57,197	57,000
New Account Fee	42,380	39,600	39,600	41,545	43,000
Late Fee / Penalty	115,065	130,000	130,000	132,005	128,000
<b>Total Services</b>	<b>13,042,810</b>	<b>13,688,761</b>	<b>13,688,761</b>	<b>14,069,963</b>	<b>14,651,944</b>
TWDB - GRANT	81,920	-	-	199	-
<b>Total Grants &amp; Donations</b>	<b>81,920</b>	<b>-</b>	<b>-</b>	<b>199</b>	<b>-</b>
Asset Gain or Loss on Disposal	-	-	-	-	-
Returned Item Fee	16,050	4,500	4,500	6,000	5,000
Recovery Of Bad Debts	-	-	-	-	-
Interest Revenue	4,641	7,500	7,500	31,808	18,000
Miscellaneous Revenue	2,201	5,000	35,201	35,821	8,000
<b>Total Interest and Miscellaneous</b>	<b>22,892</b>	<b>17,000</b>	<b>47,201</b>	<b>73,629</b>	<b>31,000</b>
<b>Total Revenues</b>	<b>\$ 13,147,621</b>	<b>\$ 13,705,761</b>	<b>\$ 13,735,962</b>	<b>\$ 14,143,790</b>	<b>\$ 14,682,944</b>



# **WATER FUND EXPENDITURES**





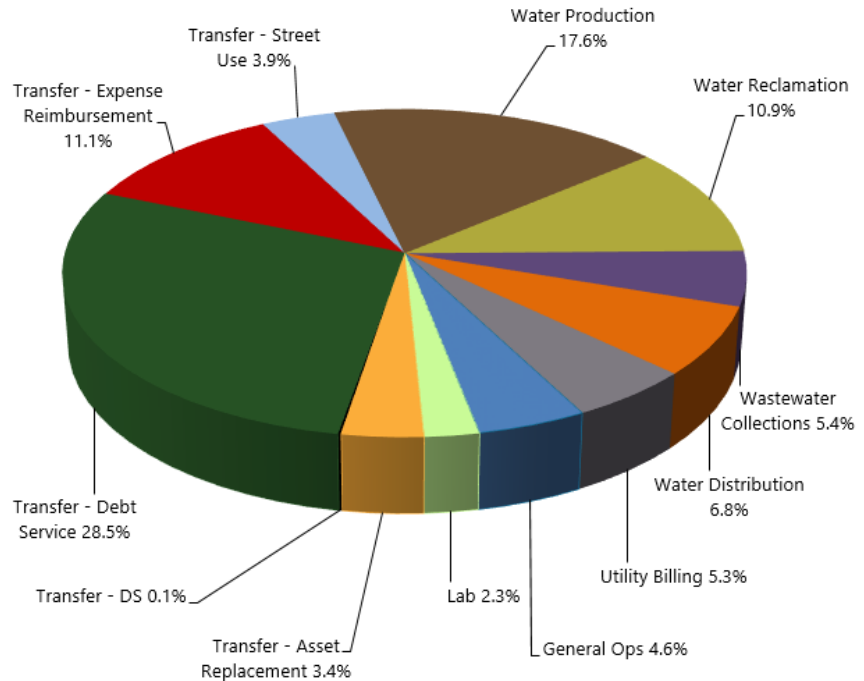


# WATER FUND - EXPENDITURES

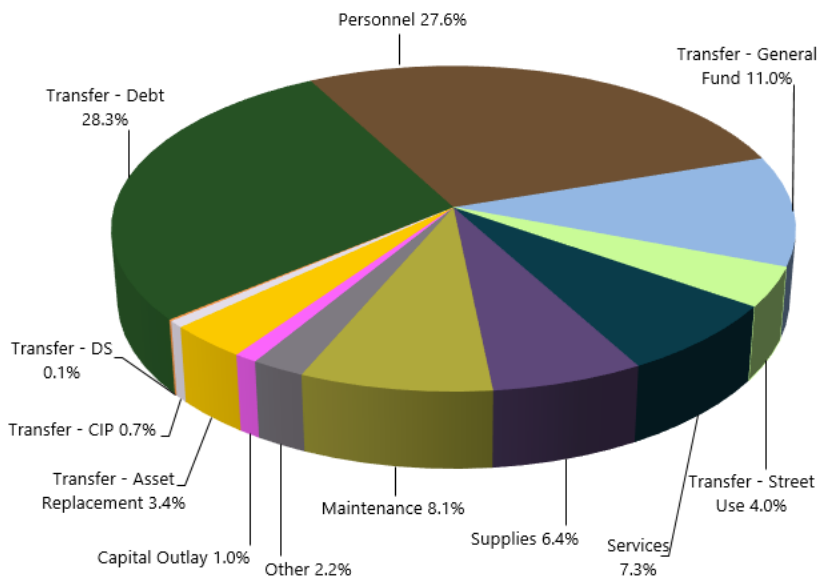
## BY DEPARTMENT

The largest three departments in the Water Fund are Water Production, Water Reclamation, and Water Distribution. Other large expenditures include transfers out for debt service, a transfer to the General Fund for administrative expense reimbursement and a street use fee consisting of 4% of Water Fund revenues.

**Water Fund - Expenditure by Department**



**Water Fund - Expenditure by Category**



## BY CATEGORY

Transfers to debt service are the largest category of expenditures. The second largest category is personnel. Consistent with other funds, Water Fund employees are budgeted to receive an average of 3% merit increase in FY2023. Personnel costs include salaries, health insurance premiums (which will increase 5% in FY2023, actuarially calculated retirement plan costs, longevity, certification and other pay.

# **WATER FUND EXPENDITURES BY DEPARTMENT**





## Utility Billing

The Utility Billing Department provides timely and accurate billing services, reliable meter infrastructure 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 providing exceptional customer service and customer education

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Completed the second phase of the Advanced Metering Infrastructure (AMI) project
- Updated Utility Billing webpage for improved navigation and accessibility
- Achieved e-billing goal of 43%
- Created bad debt collection process to reduce bad debt expense
- Created Customer Service Supervisor position
- Changed out 3997 Antennas during the AMI conversion
- Added text-to-pay option

#### Did you know?

The new Advanced Metering Infrastructure (AMI) uses antennas attached to the top of water towers to receive readings from customer meters that are transmitted into the office. This eliminates the need for most manual meter readings and allows real-time information on customer accounts.

### FY2023 OBJECTIVES

#### **Key Priority Area: Public Facilities & Services**

- Increase bank draft type payments
- Expand education efforts to help customers become more water-wise including informational videos, door hangers, and email notifications

#### **Key Priority Area: Water, Wastewater & Drainage:**

- Complete third and final phase of Advanced Metering Infrastructure Project
- Transition to ultrasound meters, where possible
- Identify and replace aging curb stops
- Create educational videos for customers
- Implement a training plan for backup billing person
- Identify aging high volume meters and replace as necessary to ensure accuracy



**Antenna used for AMI**



# WATER FUND - UTILITY BILLING

## Expenditures by Line Item

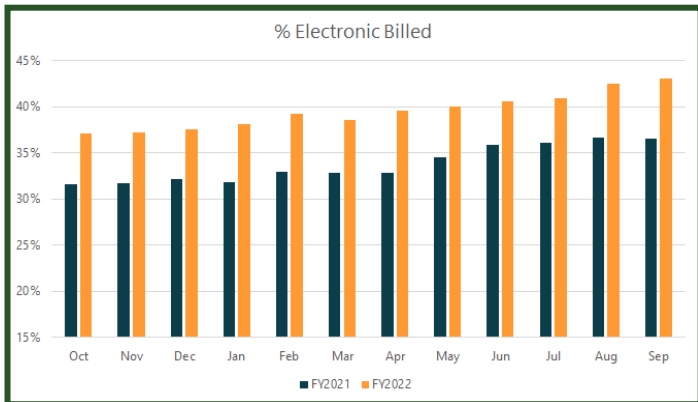
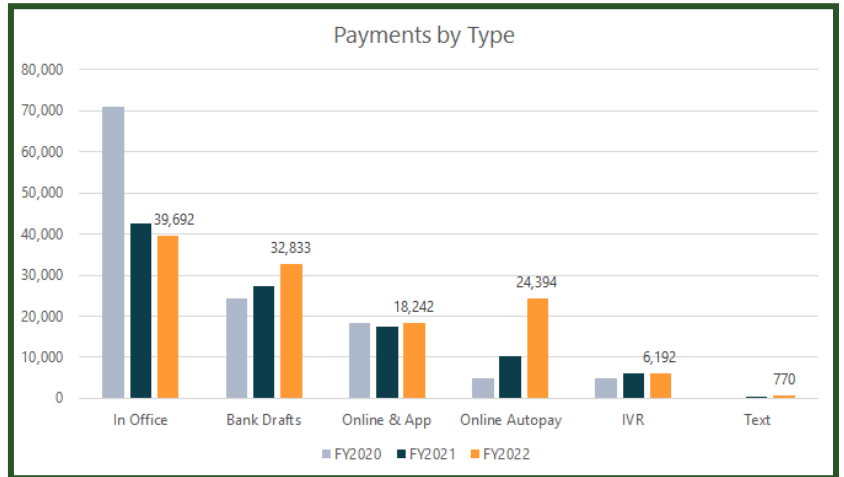
	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	343,783	348,425	372,338	370,775	375,045
Benefits	115,354	119,024	125,224	126,601	139,984
Travel and Training	1,458	4,174	1,771	1,255	2,075
<b>Total Personnel Services</b>	<b>460,595</b>	<b>471,623</b>	<b>499,333</b>	<b>498,631</b>	<b>517,104</b>
Office Supplies	1,264	2,000	1,200	1,054	2,220
Tools and Equipment	6,966	13,614	11,080	11,032	5,863
Chemical and Medical	142	300	300	110	200
Fuel	5,039	5,880	6,780	6,546	7,926
Wearing Apparel	1,433	2,220	2,770	2,453	4,084
Postage and Shipping	37,697	43,800	44,000	43,971	42,000
Other Supplies	1,257	2,145	1,645	1,471	1,600
<b>Total Supplies and Materials</b>	<b>53,798</b>	<b>69,959</b>	<b>67,775</b>	<b>66,637</b>	<b>63,893</b>
Vehicle	1,042	2,304	5,809	5,719	2,744
Equipment	2,096	6,850	7,350	7,296	7,503
Technology	13,741	17,900	14,550	14,543	23,195
Water System	77,322	72,000	70,220	69,158	72,000
<b>Total Maintenance and Repairs</b>	<b>94,201</b>	<b>99,054</b>	<b>97,929</b>	<b>96,716</b>	<b>105,441</b>
Utilities	3,072	3,468	3,468	2,172	4,356
Professional Services	12,060	15,900	13,900	11,918	14,905
Insurance	500	675	1,141	1,141	675
<b>Total Services</b>	<b>15,632</b>	<b>20,043</b>	<b>18,509</b>	<b>15,231</b>	<b>19,936</b>
Bad Debt	15,020	-	17,000	16,956	10,000
Other	103	50	274	270	255
<b>Total Other Expenses</b>	<b>15,123</b>	<b>50</b>	<b>17,274</b>	<b>17,226</b>	<b>10,255</b>
Water System	44,854	50,000	50,861	50,718	50,000
<b>Total Capital Outlay</b>	<b>44,854</b>	<b>50,000</b>	<b>50,861</b>	<b>50,718</b>	<b>50,000</b>
<b>Total Expenditures</b>	<b>\$ 684,203</b>	<b>\$ 710,728</b>	<b>\$ 751,680</b>	<b>\$ 745,157</b>	<b>\$ 766,629</b>



# WATER FUND - UTILITY BILLING

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Public Facilities & Services	E-Bills (%)	37%	35%	37%	39%	40%	42%	43%	45%
	AMI Service Orders Completed	1,259	n/a	42	543	574	416	1,575	2,500
	Total Service Orders Completed	10,437	n/a	2,858	3,506	2,564	2,771	11,699	10,500
	In-Office Payments Received	42,582	n/a	10,394	9,297	10,249	9,752	39,692	39,000
	Bank Draft Payments Received	27,442	n/a	7,968	7,986	8,323	8,556	32,833	34,000
	Online & App Payments Received	17,511	n/a	4,469	4,455	4,640	4,678	18,242	20,000
	Online Autopay Received	10,400	n/a	6,068	6,059	6,124	6,143	24,394	25,000
	Phone System (IVR) Payments Received	6,068	n/a	1,529	1,557	1,535	1,571	6,192	6,300
	Text-to-Pay Payments Received	325	n/a	142	183	179	266	770	900
	Bad Debt Expense	\$ 15,050	\$ 25,000	n/a	n/a	n/a	n/a	\$ 17,016	\$ 15,000







# WATER FUND - WATER PRODUCTION

## Water Production

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

### DEPARTMENT RESPONSIBILITIES

- **Water Treatment and Storage:** responsible for treating the water from the Guadalupe River and the Lower Trinity Aquifer to drinking water standards and storing excess drinking water in 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-on and turn-off calls, and investigating reported leaks

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Completed Loop-534 Ellenberger Well
- Completed the KMnO4 injection point
- Completed the GAC-Clearwell Modification
- Completed ASR R-1 replacement building
- Upgraded flow control valves for SWTP-1 & SWTP-2
- Replaced Travis Street booster station check valve
- Installed quick connects at all well sites to allow generator connection in the event of power outages

### FY2023 OBJECTIVES

#### **Key Priority Area: Water**

- Replace all four GAC vessels media
- Make repairs to SWTP-1 Filter Gallery and add media
- Add a new TTHM lowering treatment chemical
- Prepare for Routine TCEQ Inspection
- Prepare for Dam minor repairs and maintenance
- Paint sire piping
- Update SWTP HVAC
- Install well level monitoring transducers
- Have tank level sight gauges repaired and installed
- Update SWTP-1 Raw flow control valve with DFS



**Loop-534 Ellenberger Well Site**

#### **Did you know?**

Less than 1% of the water supply on earth can be used as drinking water.



# WATER FUND - WATER PRODUCTION

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	769,494	748,461	799,909	798,586	965,618
Benefits	256,988	258,323	272,216	272,216	299,993
Travel and Training	1,803	13,048	14,653	10,950	11,991
<b>Total Personnel Services</b>	<b>1,028,285</b>	<b>1,019,832</b>	<b>1,086,778</b>	<b>1,081,751</b>	<b>1,277,603</b>
Office Supplies	2,269	2,022	2,300	2,178	2,130
Tools and Equipment	8,990	38,420	20,777	16,171	6,095
Chemical and Medical	193,249	242,554	199,943	199,640	269,900
Fuel	9,048	9,925	11,520	11,067	13,380
Wearing Apparel	6,219	9,245	9,745	5,929	12,785
Postage and Shipping	683	1,000	1,000	539	900
Other Supplies	6,201	7,297	8,022	7,841	6,668
<b>Total Supplies and Materials</b>	<b>226,658</b>	<b>310,463</b>	<b>253,306</b>	<b>243,365</b>	<b>311,858</b>
Building, Structure, Land Maintenance	9,135	15,380	23,360	19,485	11,060
Vehicle	13,110	11,667	3,380	2,666	7,600
Equipment	55,738	101,464	93,448.55	93,477	78,029
Technology	6,410	13,650	13,650	9,966	10,450
Street Maintenance	-	2,050	150	-	-
Water System	139,590	184,950	357,809	217,809	387,550
Wasterwater System	790	900	50	-	-
<b>Total Maintenance and Repairs</b>	<b>224,773</b>	<b>330,061</b>	<b>491,847</b>	<b>343,403</b>	<b>494,689</b>
Utilities	313,457	397,128	420,765	424,038	378,182
Professional Services	37,566	40,300	22,448	21,868	44,850
Adverstising	-	600	600	-	300
Lease / Rent	-	2,850	1,350	743	1,300
<b>Total Services</b>	<b>351,024</b>	<b>440,878</b>	<b>445,162</b>	<b>446,649</b>	<b>424,632</b>
Other	40,472	45,803	41,298	40,446	43,456
<b>Total Other Expenses</b>	<b>40,472</b>	<b>45,803</b>	<b>41,298</b>	<b>40,446</b>	<b>43,456</b>
Buildings and Structures	-	-	-	-	10,000
Machinery, Tools and Equipment	15,706	-	-	-	-
<b>Total Capital Outlay</b>	<b>15,706</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,000</b>
<b>Total Expenditures</b>	<b>\$ 1,886,918</b>	<b>\$ 2,147,037</b>	<b>\$ 2,318,392</b>	<b>\$ 2,155,614</b>	<b>\$ 2,562,237</b>



# WATER FUND - WATER PRODUCTION

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Water, Wastewater, & Drainage	Customer Service Calls	73	100	18	7	29	57	111	100
	Quarterly Safety Training Hours	48	48	12	12	12	12	48	48
	Operator Licenses	27	27	n/a	n/a	n/a	n/a	32	32
	Personnel Expenses	\$ 1,028,276	\$ 1,051,187	\$ 259,512	\$ 246,838	\$ 288,632	\$ 285,576	\$ 1,080,557	\$ 965,618
	Total Water Distribution (by million gallons)	1,239	1,239	273	262	355	402	1,291	1,250
	ASR Distribution (million gallons)	19.87	1.56	0.28	4.06	28.67	71.64	104.66	7.00
	Ground Water Distribution (million gallons)	133	243	38	62	63	104	267	243



The Water Production Plant located on Thompson Drive





## Water Distribution

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

### 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

In the last year, we:

- Installed 1,000 ft. of 8" water main to better serve the east end of town
- Completed an average of 200 line locates monthly within the 48 hour requirement and within the two hour time frame for all emergency locates
- Secured inventory components by installing new security fencing and implemented more strict disbursement procedures
- Inspected and performed maintenance on fire hydrants and control valves throughout the City
- Provided customer support during Winter Storm Landon
- Worked diligently with citizens to resolve water and wastewater issues
- Implemented new work order system

#### **Did you know?**

Water main breaks often happen in the middle of the night and can cause large amounts of water loss unless repaired quickly.

### FY2023 OBJECTIVES

#### **Key Priority Area: Water, Wastewater & Drainage:**

- Assist Parks Department with installing new water lines at Kerrville Schreiner park in an effort to provide a better quality of water to guests
- Continue to work with IT to keep the GIS utility map updated and as accurate as possible
- Develop procedures to better serve the City during extreme weather occurrences
- Coordinate with the Streets division to inspect existing utilities before paving
- Track work orders and performance measures through the new "Dude Solutions" software to improve productivity
- Exercise valves and hydrants to ensure water system is operating properly during peak demands



4" PVC Water Main Break



# WATER FUND - WATER DISTRIBUTION

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	460,879	478,544	485,444	461,031	524,020
Benefits	173,228	185,710	189,457	175,094	184,721
Travel and Training	2,992	6,341	5,516	3,538	3,235
<b>Total Personnel Services</b>	<b>637,098</b>	<b>670,595</b>	<b>680,417</b>	<b>639,663</b>	<b>711,976</b>
Office Supplies	1,209	644	644	626	299
Tools and Equipment	11,856	10,817	10,817	10,885	5,280
Chemical and Medical	129	303	303	181	285
Fuel	14,202	15,283	29,283	21,783	25,006
Wearing Apparel	8,889	9,439	10,937	9,579	11,570
Other Supplies	11,927	11,726	11,798	10,687	11,532
<b>Total Supplies and Materials</b>	<b>48,213</b>	<b>48,212</b>	<b>63,781</b>	<b>53,741</b>	<b>53,972</b>
Building, Structure, Land Maintenance	1,072	1,706	4,157	2,659	3,518
Vehicle	16,442	19,970	19,970	17,012	19,210
Equipment	2,354	13,639	10,444	3,836	14,430
Technology	-	-	1,860	1,859	3,550
Street Maintenance	14,825	19,888	19,888	19,171	20,581
Water System	48,543	74,230	60,230	33,882	68,069
Waster Reclamation System	8,013	3,855	3,855	3,419	3,200
<b>Total Maintenance and Repairs</b>	<b>91,249</b>	<b>133,288</b>	<b>120,404</b>	<b>81,838</b>	<b>132,558</b>
Utilities	10,993	10,908	10,908	10,210	11,268
Lease / Rent	326	-	-	-	-
<b>Total Services</b>	<b>11,319</b>	<b>10,908</b>	<b>10,908</b>	<b>10,210</b>	<b>11,268</b>
Other	897	1,888	1,888	1,213	3,152
<b>Total Other Expenses</b>	<b>897</b>	<b>1,888</b>	<b>1,888</b>	<b>1,213</b>	<b>3,152</b>
Building and Structures	12,750	-	-	-	-
Water System	94,425	69,710	79,614	79,613	80,000
Water Reclamation System	-	5,490	5,490	6,161	3,920
<b>Total Capital Outlay</b>	<b>107,175</b>	<b>75,200</b>	<b>85,104</b>	<b>85,775</b>	<b>83,920</b>
<b>Total Expenditures</b>	<b>\$ 895,950</b>	<b>\$ 940,091</b>	<b>\$ 962,502</b>	<b>\$ 872,439</b>	<b>\$ 996,846</b>





# WATER FUND - WATER DISTRIBUTION

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Water, Wastewater, & Drainage	New Water Taps	31	30	3	8	20	11	42	50
	Valve Exercise Program	737	630	237	117	162	87	603	630
	New Sewer Taps	37	24	3	4	9	6	22	30
	Line Locates	2,265	2,000	662	623	783	557	2,625	2,000
	Customer Service Calls	3,224	2,640	775	481	280	143	1,679	2,200
	Total Expense	\$ 887,483	\$ 962,502	\$ 197,809	\$ 202,283	\$ 212,598	\$ 246,624	\$ 859,314	\$ 986,156
	Maintenance Expense	\$ 96,976	\$ 133,288	\$ 13,800	\$ 19,577	\$ 13,110	\$ 27,777	\$ 74,264	\$ 120,678
	Water Main Replaced (linear ft.)	1,225	550	68	51	24	37	180	550

Performance Measure Definitions	
Measure	Definition
Water Taps	Physical connection from the water main to facilities, homes, and businesses
Sewer Taps	Physical connection from the sewer main to facilities, homes, and businesses
Valve Exercise Program	Testing the valves within the service area to gain a basic condition assessment and identify valves in need of repair or replacement
Line Locates	A requested service to locate underground water lines before digging
Customer Service Call	Calls from construction and maintenance crews as well as Kerrville citizens regarding water infrastructure questions or concerns
Water Main	Primary underground pipe in the water distribution system





## 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.

### FY2023 OBJECTIVES

#### 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

#### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Treated over 711 million gallons of wastewater
- Dewatered and transported more than 630 dry metric tons of treated sludge
- Sold more than 319 million gallons of reclaimed water that was used for irrigation purposes
- Replaced worn grit dewatering auger
- Installed high-level shutoff backup float capabilities on Reclaimed Water Pond User Sites
- Reduced chemical expenditure on polymer

#### **Key Priority Area: Water, Wastewater & Drainage:**

- Maintain compliance with TCEQ permit for all operations
- Initiate planning for the rehab of Clarifier 3 weirs and launders
- Initiate FEB LS wet well rehabilitation and pump upgrade
- Provide an environment that motivates staff and encourages professional development
- Maintain fiscal responsibility for operations throughout the division
- Add protective coating to 25% of facility structures
- Five-Year certification of reclaimed water storage and pond
- WWTP hydrostatic tank inspection and painting
- In-house repair of clarifier #1



**Water Reclamation Facility**

#### **Did you know?**

The City of Kerrville supplies more than 319 million gallons of effluent (reclaimed) water each year for the irrigation of multiple sports complexes, three golf courses, and Schreiner University. This greatly reduces the amount of potable water used for irrigation.



# WATER FUND - WATER RECLAMATION

## Expenditures by Line Item

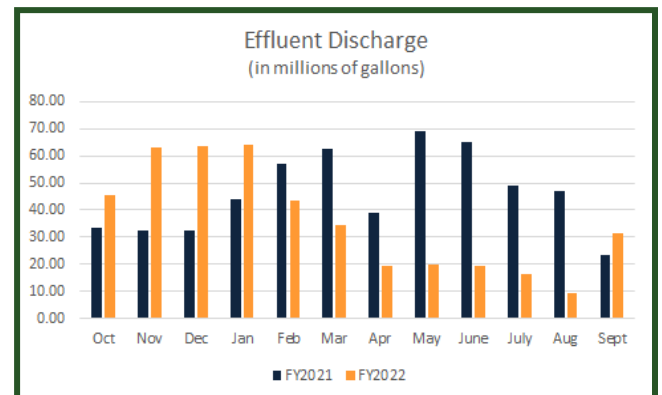
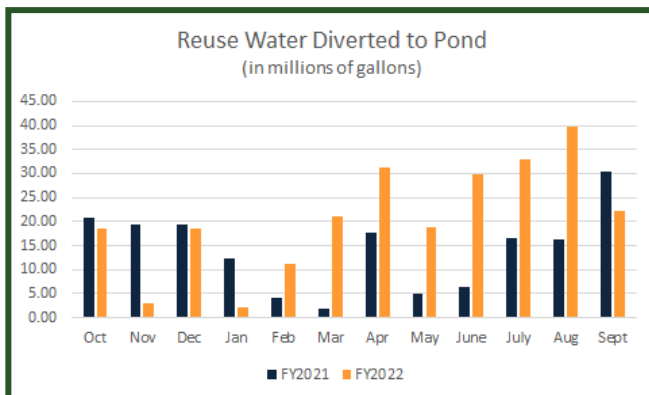
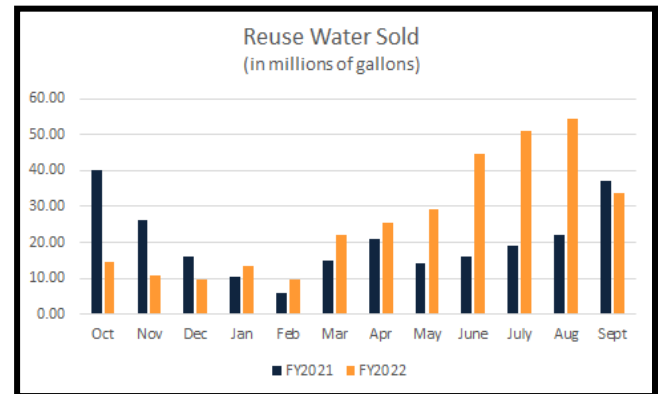
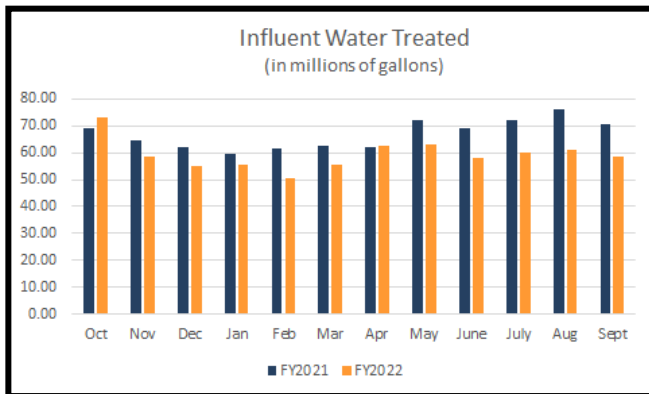
	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	534,803	531,781	549,487	547,658	577,844
Benefits	176,861	178,604	181,896	183,282	185,140
Travel and Training	6,148	14,539	14,443	5,738	11,494
<b>Total Personnel Services</b>	<b>717,812</b>	<b>724,924</b>	<b>745,826</b>	<b>736,677</b>	<b>774,478</b>
Office Supplies	3,306	3,950	3,950	4,283	6,296
Tools and Equipment	3,225	4,916	6,091	6,241	5,210
Chemical and Medical	239,204	272,586	294,886	294,243	330,512
Fuel	11,833	11,487	14,426	14,852	16,185
Wearing Apparel	7,377	8,680	9,403	8,398	7,705
Postage and Shipping	527	780	780	141	720
Other Supplies	2,629	3,012	3,231	2,899	3,732
<b>Total Supplies and Materials</b>	<b>268,102</b>	<b>305,411</b>	<b>332,768</b>	<b>331,057</b>	<b>370,360</b>
Building, Structure, Land Maintenance	5,263	12,145	15,685	13,201	15,182
Vehicle	5,695	3,840	3,840	2,547	3,150
Equipment	19,989	51,578	23,801	23,801	77,900
Technology	-	1,850	3,793	3,793	5,448
Street Maintenance	78	1,520	1,520	-	700
Waster Reclamation System	57,416	58,420	65,179	65,179	66,482
<b>Total Maintenance and Repairs</b>	<b>88,440</b>	<b>129,353</b>	<b>113,819</b>	<b>108,521</b>	<b>168,862</b>
Utilities	188,759	217,187	214,731	212,519	214,116
Professional Services	22,337	26,950	18,869	17,648	24,555
Lease / Rent	1,535	6,050	2,273	2,273	6,735
<b>Total Services</b>	<b>212,631</b>	<b>250,187</b>	<b>235,873</b>	<b>232,439</b>	<b>245,406</b>
Other	11,299	20,071	20,871	20,326	24,611
<b>Total Other Expenses</b>	<b>11,299</b>	<b>20,071</b>	<b>20,871</b>	<b>20,326</b>	<b>24,611</b>
Water Reclamation System	12,698	-	-	-	-
<b>Total Capital Outlay</b>	<b>12,698</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 1,310,982</b>	<b>\$ 1,429,946</b>	<b>\$ 1,449,156</b>	<b>\$ 1,429,020</b>	<b>\$ 1,583,717</b>



# WATER FUND - WATER RECLAMATION

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Water, Wastewater, & Drainage	Septage Received (million gallons)	3.89	2.75	0.88	0.83	0.83	0.76	3.30	3.30
	Septage Revenue	\$ 450,300	\$ 384,000	\$ 105,671	\$ 102,914	\$ 92,646	\$ 87,097	\$ 388,328	\$ 384,000
	Average Effluent Flow Treated (million gallons)	2	5	2	2	2	2	2	5
	Process Control Tests	5,601	12,288	3,051	2,981	3,219	3,091	12,342	12,288
	Dewatered Sludge (tons)	647	600	155	152	169	154	631	600
	Influent Water Treated (million gallons)	801.52	n/a	186.81	161.74	183.59	179.52	711.67	n/a
	Reuse Water Sold (million gallons)	243.37	n/a	35.17	45.12	99.46	139.37	319.12	325.00
	Reuse Water Diverted to Pond (million gallons)	170.42	n/a	40.00	34.44	80.04	95.03	249.52	n/a
	Effluent Water Discharged (million gallons)	555.03	n/a	172.42	141.87	58.65	57.34	430.28	n/a
	Staff Training Hours	252	120	72	39	74	40	225	120





## Environmental Laboratory

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 Lab is responsible for providing sampling and analysis support for Water Production and Water Reclamation to ensure compliance with TCEQ and EPA regulations
- **External Testing:** the Lab provides water and wastewater testing for a fee to commercial and private customers in the region

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Performed over 3,600 lab tests for the Water Reclamation Plant
- Performed over 900 lab tests for the Water Production department
- Performed approximately 1,600 water analyses on public samples
- Performed 480 tests on grease trap samples
- Assisted Schreiner University Engineering and Chemistry departments with a water potability study

#### Did you know?

The laboratory pretreatment technicians sample and test every restaurant, school, assisted living facility and hospitals for contaminants including fats, oils, and grease.

### FY2023 OBJECTIVES

#### **Key Priority Area: Water, Wastewater & Drainage:**

- Maintain NELAC Certification at Laboratory
- Maintain TCEQ Drinking Water Laboratory Approval
- Provide quality testing of samples for Water Production & Water Reclamation
- Provide sampling, sample analysis, and tracking of grease trap program
- Maintain fiscal responsibility for all laboratory and pretreatment 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 pretreatment program to protect the wastewater collection system



**Happy Gray is running sulfide test**





# WATER FUND - ENVIRONMENTAL LABORATORY

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	150,070	167,739	171,179	171,127	179,814
Benefits	63,235	66,028	76,881	76,889	68,560
Travel and Training	2,511	7,648	5,077	4,501	8,498
<b>Total Personnel Services</b>	<b>215,816</b>	<b>241,415</b>	<b>253,136</b>	<b>252,516</b>	<b>256,873</b>
Office Supplies	336	1,452	950	950	1,726
Tools and Equipment	2,250	3,515	3,515	3,544	10,120
Chemical and Medical	27,417	30,505	30,505	30,998	30,306
Fuel	302	539	539	430	858
Wearing Apparel	1,344	2,640	1,668	1,285	2,730
Postage and Shipping	206	350	350	76	250
Other Supplies	1,197	1,870	1,448	1,445	1,340
<b>Total Supplies and Materials</b>	<b>33,053</b>	<b>40,871</b>	<b>38,975</b>	<b>38,729</b>	<b>47,330</b>
Building, Structure, Land Maintenance	4,396	3,100	145	145	1,400
Vehicle	41	635	135	-	635
Equipment	4,027	16,380	14,960	15,550	13,777
<b>Total Maintenance and Repairs</b>	<b>8,465</b>	<b>20,115</b>	<b>15,239</b>	<b>15,695</b>	<b>19,362</b>
Utilities	4,854	5,508	5,508	5,093	5,508
Professional Services	5,700	5,900	5,900	5,586	5,708
<b>Total Services</b>	<b>10,555</b>	<b>11,408</b>	<b>11,408</b>	<b>10,679</b>	<b>11,216</b>
Other	1,814	2,435	2,435	2,213	2,324
<b>Total Other Expenses</b>	<b>1,814</b>	<b>2,435</b>	<b>2,435</b>	<b>2,213</b>	<b>2,324</b>
<b>Total Expenditures</b>	<b>\$ 269,702</b>	<b>\$ 316,244</b>	<b>\$ 321,194</b>	<b>\$ 319,831</b>	<b>\$ 337,104</b>

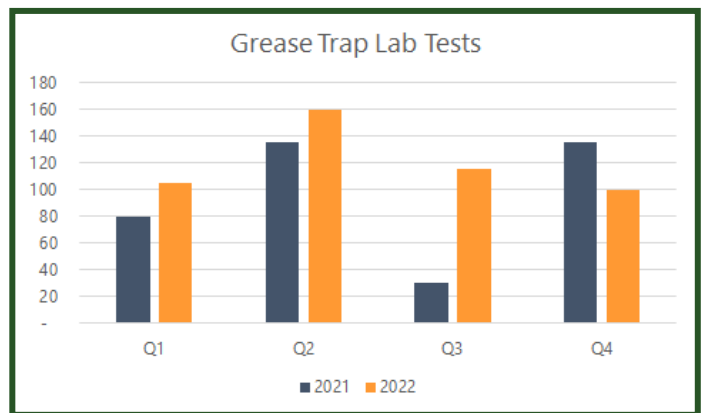
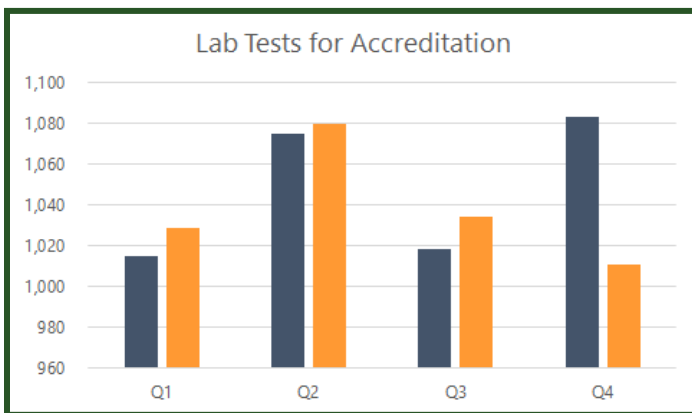
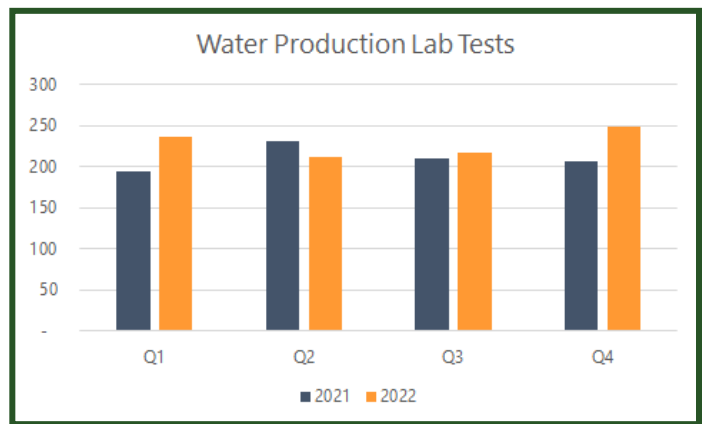
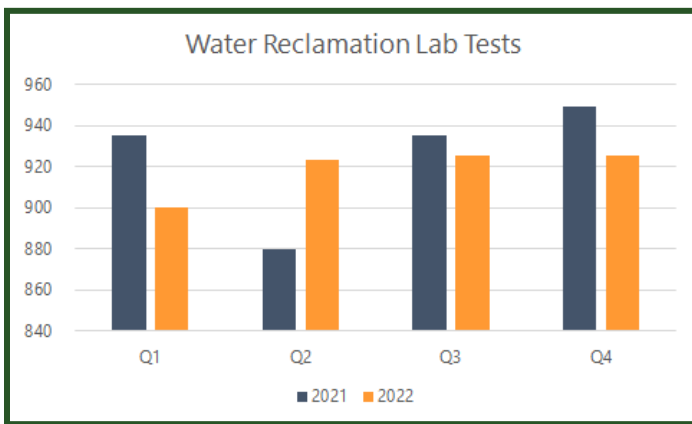




# WATER FUND - ENVIRONMENTAL LABORATORY

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Water, Wastewater, & Drainage	Lab Tests for Grease Trap Samples	380	472	105	160	115	100	480	480
	Lab Tests for Water Reclamation	3,699	3,800	900	923	925	925	3,673	3,800
	Lab Test for Water Production	841	900	236	211	216	248	911	900
	Lab Tests for Accreditation	4,191	4,400	1,029	1,080	1,034	1,011	4,154	4,400
	Staff Training Hours	16	20	5	5	5	5	20	20





## Wastewater Collections

Wastewater Collections (WWC) maintains the collection system for wastewater throughout the City, including general maintenance and repair and new construction.

### DEPARTMENT RESPONSIBILITIES

- **Collection System:** responsible for maintaining and repairing 26 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 utilization of SCADA and GIS software which allows monitoring of lift station activity, detection of pump faults and monitoring of sanitary sewer system flow

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Cleaned over 450,000 feet of collection lines
- Responded to 246 after-hour emergencies
- Documented over 11,700 man-hours on repairs
- Rehabbed and repaired 75 manholes
- Brought Thompson Utility Extension Online
- Transitioned work order process from Microsoft Excel to Dude Solutions, continuing a 100% Paperless work order system
- Implemented a new process for sanitary sewer overflows with special attention on sample collection techniques

### Did you know?

In FY2021, the Wastewater Collection Team maintained a pumping/piping system that pumped an estimated 832 million gallons of wastewater!

### FY2023 OBJECTIVES

#### **Key Priority Area: Wastewater & Drainage:**

- Purchase an additional spare pump for Birkdale Lift Station
- Construct the security fence at Meridian Lift Station
- Assist with Guadalupe River Crossing Reuse Distribution System development and maintenance
- Rehabilitate key structural pumping and discharge components at air port lift station
- Develop and Implement a comprehensive chemical dosing regimen for proactive approach to grease and root control
- Construct and implement a permanent chemical dosing applicator in two primary lift stations to combat corrosion
- Analyze and develop our budget for additional technology to assist the operators in work order notification and completion
- Analyze and develop budget while maintaining fiscal responsibility in order to hire additional employees to maintain excellent service to our customers and collection system
- Assist with Knapp Road Force Main Project in areas such as; plan review, site evaluations and the excavation of existing utilities



**Wastewater Collections performing a Hydro Excavation to repair a customer's service line.**



# WATER FUND - WASTEWATER COLLECTIONS

## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	276,290	277,554	297,074	296,322	354,422
Benefits	89,591	90,874	94,852	95,773	122,431
Travel and Training	3,874	7,970	3,340	3,604	7,000
<b>Total Personnel Services</b>	<b>369,755</b>	<b>376,398</b>	<b>395,266</b>	<b>395,699</b>	<b>483,854</b>
Office Supplies	530	621	621	603	616
Tools and Equipment	8,781	6,935	12,006	9,721	13,170
Chemical and Medical	26,943	9,660	8,168	8,291	30,250
Fuel	14,521	14,245	18,345	18,971	24,042
Wearing Apparel	6,975	7,506	8,706	7,455	11,231
Postage and Shipping	105	300	300	276	297
Other Supplies	5,937	7,425	7,825	7,769	7,000
<b>Total Supplies and Materials</b>	<b>63,790</b>	<b>46,692</b>	<b>55,971</b>	<b>53,087</b>	<b>86,606</b>
Building, Structure, Land Maintenance	10,452	10,200	12,658	12,639	9,270
Vehicle	19,035	7,673	18,475	15,918	2,311
Equipment	8,294	6,125	10,930	9,440	12,854
Street	-	9,600	3,100	3,040	5,350
Wastewater System Maintenance	52,919	85,152	69,178	69,177	85,513
<b>Total Maintenance and Repairs</b>	<b>90,700</b>	<b>118,750</b>	<b>114,340</b>	<b>110,212</b>	<b>115,298</b>
Utilities	87,890	91,864	92,964	95,037	103,187
Lease / Rent	2,601	3,000	3,000	1,160	3,000
<b>Total Services</b>	<b>90,491</b>	<b>94,864</b>	<b>95,964</b>	<b>96,198</b>	<b>106,187</b>
Other	4,415	444	444	419	480
<b>Total Other Expenses</b>	<b>4,415</b>	<b>444</b>	<b>444</b>	<b>419</b>	<b>480</b>
<b>Total Expenditures</b>	<b>\$ 619,152</b>	<b>\$ 637,147</b>	<b>\$ 661,985</b>	<b>\$ 655,615</b>	<b>\$ 792,425</b>

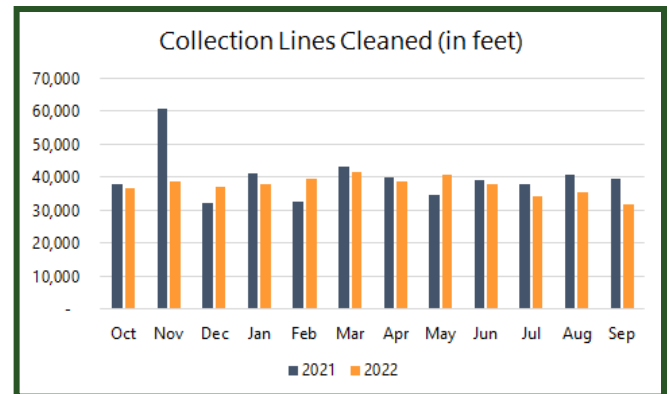
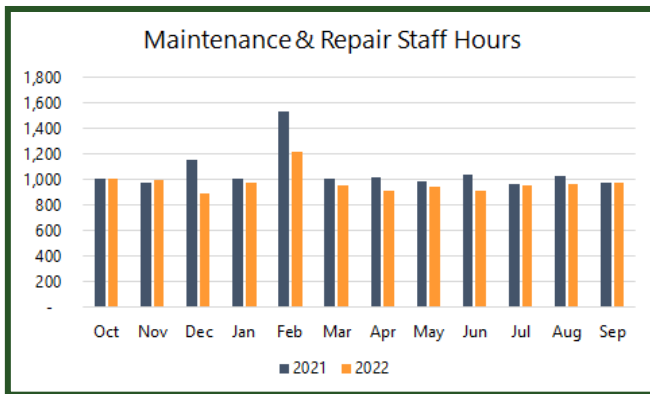
The FY2023 budget for this division includes one new Wastewater Collections Operator in the Personnel category, budgeted for half of the year.



# WATER FUND - WASTEWATER COLLECTIONS

## Performance Measures

Key Priority Area	Measure	FY2021 Actual	FY2022 Goal	FY2022 Qtr 1	FY2022 Qtr 2	FY2022 Qtr 3	FY2022 Qtr 4	FY2022 Actual	FY2023 Target
Water, Wastewater, & Drainage	Collection Lines Inspected	33,581	25,000	3,334	3,084	4,599	4,569	15,586	25,000
	Staff Hours - Maintenance & Repair	12,717	12,767	2,897	3,142	2,773	2,893	11,705	12,767
	Collection Lines Cleaned	479,731	360,000	112,587	119,017	117,315	101,848	450,767	450,000
	Solids Removed from System (cubic ft.)	2,893	2,940	515	429	223	170	1,337	2,800
	Customer Service Calls	123	125	28	28	16	21	93	125
	SCADA Calls	95	72	16	26	13	11	66	72
	Collection Lines Repaired	17	24	3	5	6	2	16	24
	Staff Training Hours	256	360	186	74	72	46	378	360



# KERRVILLE

2050





# WATER FUND - GENERAL OPERATIONS

## General Operations

This department 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.

### Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	10,532	-	36,920	37,015	-
Benefits (Worker's Comp Insurance)	16,761	29,000	31,964	31,964	33,629
<b>Total Personnel Services</b>	<b>27,293</b>	<b>29,000</b>	<b>68,884</b>	<b>68,979</b>	<b>33,629</b>
Postage and Shipping	2,208	2,760	2,760	2,760	2,760
<b>Total Supplies and Materials</b>	<b>2,208</b>	<b>2,760</b>	<b>2,760</b>	<b>2,760</b>	<b>2,760</b>
Vehicle (Garage Contract)	146,136	141,736	144,736	145,339	147,059
<b>Total Maintenance and Repairs</b>	<b>146,136</b>	<b>141,736</b>	<b>144,736</b>	<b>145,339</b>	<b>147,059</b>
Professional Services	55,682	6,500	30,487	28,987	39,922
Credit Card Fees	107,620	123,600	123,600	123,586	123,600
Insurance	124,190	130,058	130,058	124,595	87,162
<b>Total Services</b>	<b>287,492</b>	<b>260,158</b>	<b>284,145</b>	<b>277,168</b>	<b>250,684</b>
Other (Includes Contingency)	139,094	243,680	13,308	(343,485)	244,400
<b>Total Other Expenses</b>	<b>139,094</b>	<b>243,680</b>	<b>13,308</b>	<b>(343,485)</b>	<b>244,400</b>
Transfer Out - General Fund	2,079,093	2,231,116	2,231,116	2,231,116	2,186,464
Transfer Out - Water Asset Replacement	250,000	300,000	350,000	350,000	500,000
Transfer Out - Development Services	13,613	7,895	7,895	7,895	21,346
Transfer Out - Water Debt Service	4,083,802	4,308,222	4,308,222	4,308,222	4,157,643
Transfer Out - Water / Sewer Capital Projects	-	-	51,500	50,298	100,000
<b>Total Transfers Out</b>	<b>6,426,508</b>	<b>6,847,233</b>	<b>6,948,733</b>	<b>6,947,531</b>	<b>6,965,452</b>
<b>Total Expenditures</b>	<b>\$ 7,028,731</b>	<b>\$ 7,524,567</b>	<b>\$ 7,462,567</b>	<b>\$ 7,098,292</b>	<b>\$ 7,643,985</b>

Note: Expenditures shown are for operations and exclude debt related transfers and issuance costs.

Note: The FY2023 General Operations budget includes liability insurance, which decreased in FY2023 due to recalculation of the shared cost of insurance based on the percentage of employees in each fund, to be consistent with the calculation of other shared costs. The decreases in transfers out to General and Debt Service funds are explained in detail in the Water Fund Summary at the front of this section.

# DEBT SERVICE FUNDS





# DEBT SERVICE OVERVIEW

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

## DEBT LIMITS

There are no dollar amount limits for tax supported debt under state law or the City's home rule charter. However, there are property tax limits that impact the amount of debt a city can issue. The Texas Constitution limits property tax for a home rule city of over 5,000 in population to not more \$2.50 per \$100 of assessed value. Kerrville's \$0.5752 total tax rate is well below the \$2.50 constitutional limit.

The Texas Attorney General's Administrative Code limits the debt service portion of the levy to no more than \$1.50 per \$100 of assessed value. 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 debt rate for FY2023 is \$0.1411 or 24.5% of the total \$0.5752 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.

Debt for the Water Fund is limited by City's Financial Management Policy that 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 annual revenue. For the FY2023 budget, debt service should be less than \$5.1 million. Actual debt service in FY2023 is 28.4% of revenue at \$4.1 million.

## DEBT CHANGES

In August 2022 the City was reviewed by S&P Global Ratings in order to express its opinion and issue an updated credit rating for the City of Kerrville, about the ability and willingness of the City government, to meet its financial obligations in full and on time. The City is also currently working with it's financial advisors at Hilltop Securities to review debt capacity in the Water Fund.

In September 2022, authorized by a voter-approved bond election, the City Council issued general obligation bonds in the principal amount of \$45 million for the purpose of land acquisition, design, construction, furniture, fixtures and equipment of a new Public Safety Facility that will house the Police, Fire Administration, Municipal Court, Emergency Operations Center and Information Technology departments. The bonds will mature in February 2052. Please see ***Voter Issued Debt*** and ***Proposition A*** on next page for more details regarding the bond election.

The \$865,000 tax note issued in September 2021 for the purpose of purchasing emergency operation equipment to satisfy Senate Bill 3 requirements, relating to power generation supply, will mature February 2023.



# DEBT SERVICE OVERVIEW

## Public Safety Facility Voter Issued Debt

- On October 26, 2021, City Council passed Resolution 48-2021 creating the Public Safety Bond Committee. This Committee was comprised of 10 citizens of Kerrville, two members nominated by each Councilperson and the Mayor. This Committee was charged with analyzing the feasibility of developing and financing a Public Safety Facility through the issuance of General Obligation Bonds.
- In January 2022 the Committee recommended that Council call for an election proposing a bond issuance for a new Public Safety Facility to accommodate the Police Department, Fire Administration, Emergency Operations Center, Municipal Court, Information Technology Department and other related functions.
- The election was held on May 7, 2022, which was a uniform election date under the Code for the purpose of submitting the following measure to the qualified voters of the City.
- The Proposition language read as follows:

### **Proposition A**

Shall the City Council of the City of Kerrville, Texas be authorized to issue and sell one or more series of general obligation bonds of the City in aggregate principal amount of not more than \$45,000,000 for the purpose of designing, acquiring, construction, purchasing, renovating, improving, upgrading, and equipping a Public Safety Facility, including Police, Fire Administration, Emergency Operations, Municipal Court, and related Administrative and Information Technology services, and the purchase of land, easements, rights-of-way, and other real property interests necessary therefor or incidental thereto, and completing related landscaping, such bonds to mature serially or otherwise (not more than 40 years from their date) in accordance with law; and any issue or series of said bonds to bear interest at such rate or rates (fixed, floating, variable or otherwise) as may be determined within the discretion of the City Council provided that such rate of interest shall not exceed the maximum rate per annum authorized by law at the time of issuance of any issue or series of said bonds.; and shall the City Council of the City be authorized to levy and pledge, and cause to be assessed and collected, annual ad valorem taxes, on all taxable property in the City sufficient, without limits as to rate or amount, to pay principle of and interest on the bonds and cost of any credit agreements executed in connection with the bonds?

- On May 7, 2022 the citizens voted in favor for the issuance of Proposition A. This proposition authorized the City to issue General Obligation Bonds not to exceed an amount totaling \$45,000,000 for the creation of a new Public Safety Facility.  
Results were: For=1,970 (54.72%), Against=1,630 (45.28%)







# **GENERAL DEBT SERVICE FUND**





## GENERAL DEBT SERVICE FUND

Debt service is funded from property tax revenue and 4B sales tax revenue. Some 4B sales tax revenue is contributed by the Economic Improvement Corporation to pay for the River Trail, Kerrville Sports Complex and economic incentive related debt.

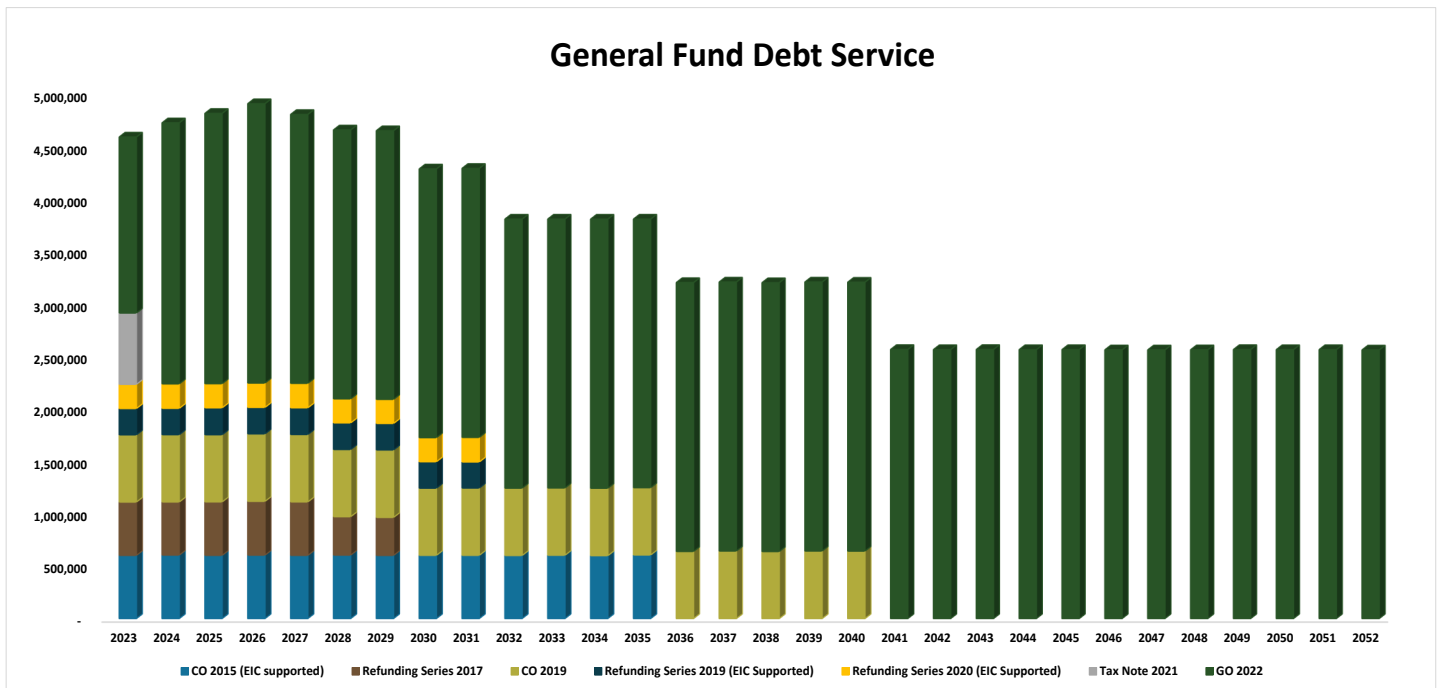
Expenditures represent both principal and interest payments for debt service.

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 1,176,034</b>	<b>\$ 1,267,807</b>	<b>\$ 1,267,807</b>	<b>\$ 1,267,807</b>	<b>\$ 1,318,421</b>
<b>Revenues</b>					
Property Tax - Current	1,691,795	1,779,378	1,779,378	1,782,733	3,507,721
Property Tax - Prior Year	18,254	12,000	12,000	20,819	13,000
Property Tax - Penalty & Interest	16,776	11,000	11,000	19,206	12,000
<b>Total Taxes</b>	<b>1,726,825</b>	<b>1,802,378</b>	<b>1,802,378</b>	<b>1,822,758</b>	<b>3,532,721</b>
EIC - Debt Funding	2,107,831	1,089,369	1,089,369	1,089,369	1,085,141
<b>Total Intergovernmental</b>	<b>2,107,831</b>	<b>1,089,369</b>	<b>1,089,369</b>	<b>1,089,369</b>	<b>1,085,141</b>
Interest Revenue	3,781	6,000	6,000	12,791	14,000
Bond Proceeds	2,411,453	-	-	-	-
<b>Total Interest and Miscellaneous</b>	<b>2,415,234</b>	<b>6,000</b>	<b>6,000</b>	<b>12,791</b>	<b>14,000</b>
<b>Total Revenues</b>	<b>6,249,890</b>	<b>2,897,747</b>	<b>2,897,747</b>	<b>2,924,918</b>	<b>4,631,862</b>
<b>Expenditures</b>					
Professional Services	700	1,613	1,613	1,275	2,363
<b>Total Services</b>	<b>700</b>	<b>1,613</b>	<b>1,613</b>	<b>1,275</b>	<b>2,363</b>
Debt Principal	2,855,000	2,020,000	2,020,000	2,070,000	2,165,000
Debt Interest	3,258,184	885,094	885,094	803,029	2,425,499
<b>Total Other Expenses</b>	<b>6,113,184</b>	<b>2,905,094</b>	<b>2,905,094</b>	<b>2,873,029</b>	<b>4,590,499</b>
Transfer Out - Landfill Post Closure	44,233	-	-	-	-
<b>Total Transfer Out</b>	<b>44,233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>6,158,117</b>	<b>2,906,707</b>	<b>2,906,707</b>	<b>2,874,304</b>	<b>4,592,862</b>
<b>Net Revenue (Expenditures)</b>	<b>91,773</b>	<b>(8,960)</b>	<b>(8,960)</b>	<b>50,614</b>	<b>39,000</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 1,267,807</b>	<b>\$ 1,258,847</b>	<b>\$ 1,258,847</b>	<b>\$ 1,318,421</b>	<b>\$ 1,357,421</b>



## GENERAL DEBT SERVICE FUND

The chart below shows annual debt service through FY2052.



### Debt Issuance Purposes

CO 2015	Sports Complex
REF 2017	Refinance CO 2007, GO 2007 & CO 2009
CO 2019	Streets and Drainage
REF 2019	Refinance CO 2011A (River Trail)
REF 2020	Refinance CO 2012 (River Trail)
NOTE 2021	Electric Power Generation Equipment (SB3)
GO 2022	Public Safety Facility



**KERRVILLE**  
BUILDING MOMENTUM



# GENERAL DEBT SERVICE FUND

The table below shows annual debt service through FY2052.

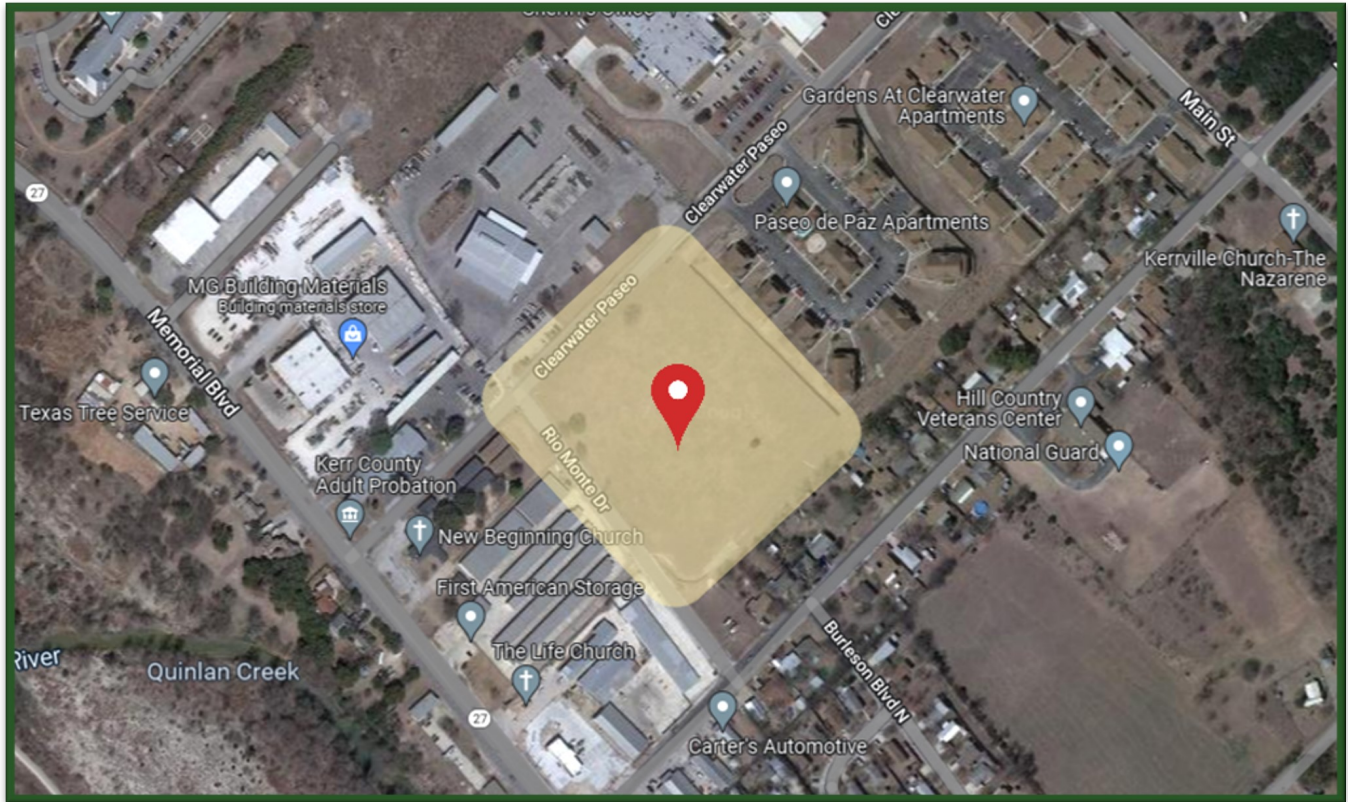
**General Fund Debt Schedule**

	CO 2015 (EIC supported)	Refunding Series 2017	CO 2019	Refunding Series 2019 (EIC Supported)	Refunding Series 2020 (EIC Supported)	Tax Note 2021	GO 2022	Total Payments
2023	602,350	508,325	640,975	250,891	230,750	679,388	1,677,821	4,590,499
2024	605,200	506,325	641,475	251,206	233,250		2,488,475	4,725,931
2025	602,600	509,625	640,275	256,700	230,250		2,576,600	4,816,050
2026	604,700	512,750	643,575	252,200	232,000		2,663,350	4,908,575
2027	602,463	509,750	642,475	254,700	233,250		2,563,225	4,805,863
2028	604,950	366,100	640,775	253,950	229,000		2,563,350	4,658,125
2029	602,025	362,100	643,375	252,700	229,500		2,561,225	4,650,925
2030	602,625		640,275	252,150	229,500		2,561,725	4,286,275
2031	602,775		641,475	248,675	234,000		2,564,600	4,291,525
2032	601,200		641,875				2,564,725	3,807,800
2033	603,481		641,475				2,563,100	3,808,056
2034	599,406		642,975				2,565,100	3,807,481
2035	606,206		641,550				2,560,200	3,807,956
2036			639,675				2,563,300	3,202,975
2037			643,750				2,564,200	3,207,950
2038			638,875				2,562,900	3,201,775
2039			643,625				2,564,300	3,207,925
2040			642,938				2,563,300	3,206,238
2041							2,564,800	2,564,800
2042							2,563,700	2,563,700
2043							2,564,900	2,564,900
2044							2,563,300	2,563,300
2045							2,563,800	2,563,800
2046							2,561,300	2,561,300
2047							2,560,700	2,560,700
2048							2,561,800	2,561,800
2049							2,564,400	2,564,400
2050							2,563,400	2,563,400
2051							2,563,700	2,563,700
2052							2,560,200	2,560,200





## PUBLIC SAFETY FACILITY PROPERTY VIEWS







# **WATER DEBT SERVICE FUND**





## WATER DEBT SERVICE FUND

The City uses Water Fund debt to finance significant public infrastructure projects such as wells, lift stations, pump stations, transmission lines and water lines. Revenue in this fund is transferred in from the Water Fund. Budgeted expenditures represent both principal and interest payments for debt service.

Debt for the Water Fund is limited by City Council policy. The Council has directed that annual Water Fund debt service not exceed 35% of the Water Fund annual revenue. For the FY2023 budget, this limit means that debt service should be less than \$5.1 million. Actual debt service in FY2023 is 28.4% of revenue totaling \$4.1 million.

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 1,780,765</b>	<b>\$ 1,764,408</b>	<b>\$ 1,764,408</b>	<b>\$ 1,764,408</b>	<b>\$ 1,784,831</b>
<b>Revenues</b>					
Interest Revenue	4,436	7,500	7,500	16,269	20,000
<b>Total Interest and Miscellaneous</b>	<b>4,436</b>	<b>7,500</b>	<b>7,500</b>	<b>16,269</b>	<b>20,000</b>
Transfer In - Water Fund	4,083,802	4,308,222	4,308,222	4,308,222	4,157,643
<b>Total Transfer In</b>	<b>4,083,802</b>	<b>4,308,222</b>	<b>4,308,222</b>	<b>4,308,222</b>	<b>4,157,643</b>
<b>Total Revenues</b>	<b>4,088,238</b>	<b>4,315,722</b>	<b>4,315,722</b>	<b>4,324,491</b>	<b>4,177,643</b>
<b>Expenditures</b>					
Professional Services	2,425	2,663	2,663	3,000	3,662
<b>Total Services</b>	<b>2,425</b>	<b>2,663</b>	<b>2,663</b>	<b>3,000</b>	<b>3,662</b>
Debt Principal	2,834,511	2,990,000	2,990,000	2,990,000	2,941,429
Debt Interest	1,267,658	1,323,060	1,323,060	1,311,068	1,232,552
<b>Total Other Expenses</b>	<b>4,102,169</b>	<b>4,313,060</b>	<b>4,313,060</b>	<b>4,301,068</b>	<b>4,173,981</b>
<b>Total Expenditures</b>	<b>4,104,594</b>	<b>4,315,722</b>	<b>4,315,722</b>	<b>4,304,068</b>	<b>4,177,643</b>
<b>Net Revenue (Expenditures)</b>	<b>(16,356)</b>	<b>-</b>	<b>-</b>	<b>20,423</b>	<b>-</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 1,764,408</b>	<b>\$ 1,764,408</b>	<b>\$ 1,764,408</b>	<b>\$ 1,784,831</b>	<b>\$ 1,784,831</b>

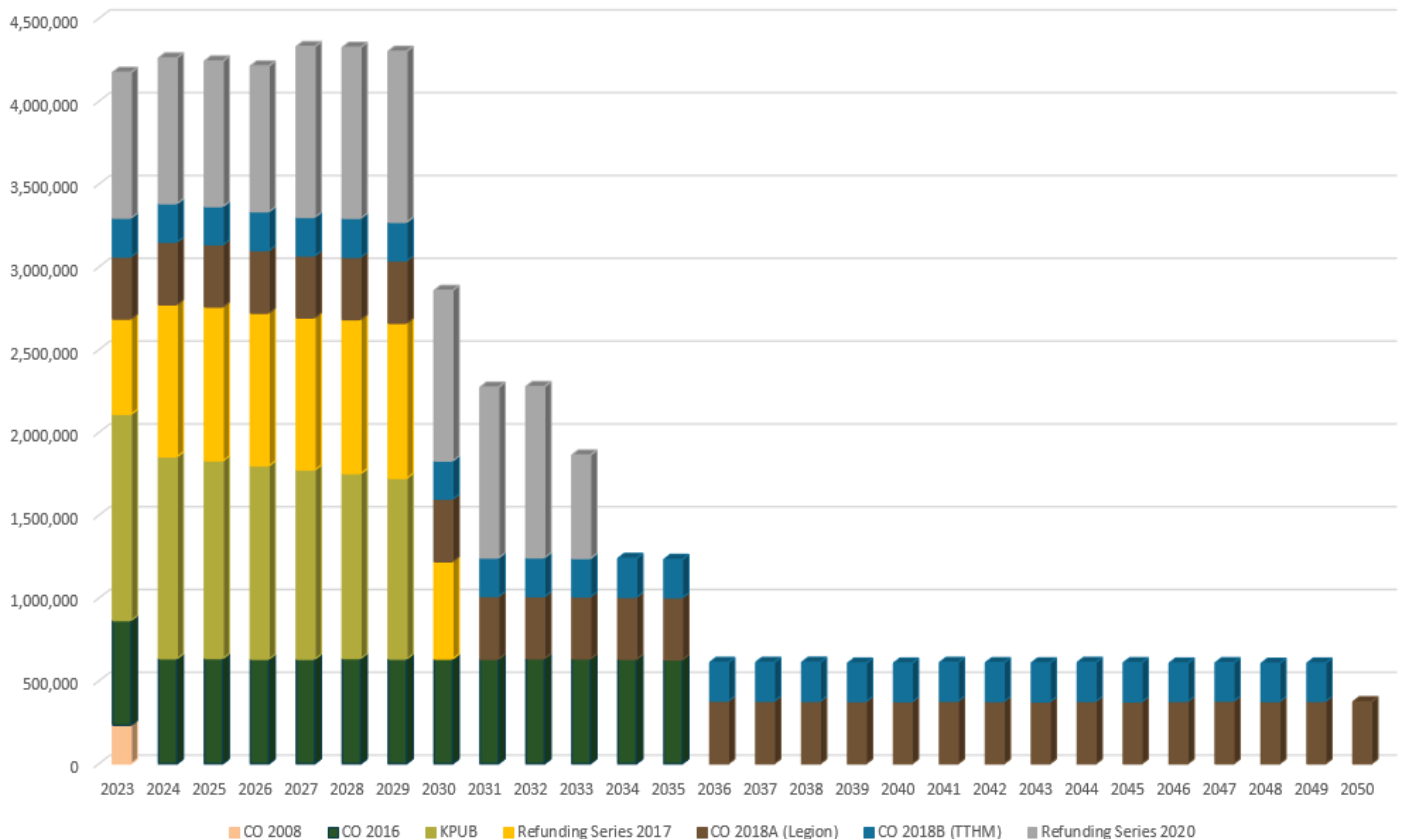


## WATER DEBT SERVICE FUND

The chart below shows annual debt service through FY2050.

Water Fund debt is paid for with revenues generated in the Water Fund. This graphic representation shows when debt ladders off, indicating capacity to issue additional debt, if needed, for capital projects at that time.

### Water Fund Debt Service



### Debt Issuance Purposes

CO 2008	Water/Wastewater System Improvements
CO 2016	Reuse System Infrastructure
KPUB	Water/Wastewater System Improvements
REF 2017	Refinance Series GO 2007, CO 2009, CO 2010 & CO 2011
CO 2018A	Legion Lift Station
CO 2018B	TTHM Filtration
REF 2020	Refinance Series CO 2012 & CO 2013



## WATER DEBT SERVICE FUND

The table below shows detail for annual debt service by issuance through 2050.

**Water Fund Debt Schedule**

	CO 2008	CO 2016	KPUB	Refunding Series 2017	CO 2018A (Legion)	CO 2018B (TTHM)	Refunding Series 2020	Total Payments
2023	232,493	633,100	1,245,000	574,850	375,503	234,286	878,750	4,173,981
2024		634,750	1,219,286	917,925	378,116	232,802	878,500	4,261,379
2025		635,950	1,193,571	929,050	375,454	231,178	877,000	4,242,203
2026		631,450	1,167,857	922,175	377,572	234,414	879,250	4,212,718
2027		631,850	1,142,143	918,925	374,377	232,428	1,030,000	4,329,722
2028		635,825	1,116,429	930,300	375,912	235,267	1,031,750	4,325,483
2029		633,200	1,090,714	936,200	377,140	232,882	1,031,500	4,301,636
2030		632,750		587,600	378,028	230,332	1,029,250	2,857,960
2031		631,850			378,636	232,662	1,030,000	2,273,148
2032		635,500			374,030	234,826	1,032,800	2,277,155
2033		633,550			374,326	231,834	624,000	1,863,709
2034		631,150			374,401	233,762		1,239,312
2035		628,300			374,250	230,511		1,233,061
2036					378,868	232,178		611,046
2037					378,144	233,659		611,803
2038					377,176	234,949		612,125
2039					375,988	231,061		607,049
2040					374,604	232,119		606,723
2041					377,992	232,994		610,986
2042					376,092	233,719		609,811
2043					374,016	234,292		608,308
2044					376,793	234,732		611,525
2045					374,305	235,038		609,343
2046					376,668	230,208		606,875
2047					378,762	230,357		609,118
2048					375,585	230,369		605,954
2049					377,255	230,243		607,498
2050					373,687			373,687



# COMMUNITY INVESTMENT PLAN





# COMMUNITY INVESTMENT PLAN

## WHAT IS THE COMMUNITY INVESTMENT PLAN?

The Community Investment Plan is a 10 year capital project plan that focuses on priorities identified in the Kerrville 2050 Comprehensive Plan and other master plan efforts. Due to the multi-year nature of most projects, the budget focuses on the project budget, rather than a fiscal year budget. Budgeting for a project takes a lot of time before plans are proposed and later completed and bids are received. In addition, priorities over a ten year period are subject to change. Therefore, the Community Investment Plan is reviewed and updated annually to incorporate new information.

## 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
- A large 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

## HOW ARE PROJECTS PAID FOR?

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

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







# GENERAL CAPITAL PROJECTS FUND

## CITY OF KERRVILLE

### General Capital Projects Fund

		GENERAL FUND PROJECTS					
		ACTUAL		ESTIMATED	PREDESIGN ESTIMATES		
PROJECT FUNDING	TOTAL	Previous Years	FY2021	FY2022	FY2023	FY2024	FY2025
1 Beginning Fund Balance			\$ 13,199,993	\$ 9,631,404	\$ 49,783,849	\$ 30,356,040	\$ 30,589,555
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 Tax Notes - General Fund	842,580		842,580				
6 Pay As You Go - transfer from General operating	6,564,191	\$4,985,712		1,110,189		468,290	TBD
7 Pay As You Go - transfer from EIC	6,117,949	\$5,967,949	150,000				
8 Pay As You Go - transfer from Water Fund	93,586	\$93,586					
9 Pay As You Go - transfer from other funds	656,476	\$656,476					
10 Pay As You Go - interest income	801,420	\$442,649	24,553	84,218	70,000	20,000	20,000
11 Pay As You Go - asset disposal proceeds	641,640	\$641,640					
12 Grant / Donation / Outside Funding	13,648,676	\$4,051,998	169,937	1,849,801	2,231,917	4,682,900	
<b>TOTAL FUNDING AVAILABLE</b>	<b>98,881,393</b>	<b>41,353,952</b>	<b>14,387,063</b>	<b>57,676,545</b>	<b>52,085,766</b>	<b>35,527,230</b>	<b>30,609,555</b>

PROJECT EXPENDITURES							
1 Public Safety Facility	45,000,000			778,235	14,740,588	14,740,588	14,740,588
2 Public Safety Communication System	2,966,400			1,830,835	1,135,565		
3 Westminster Street Reconstruction	1,411,314		485	41,411	1,369,418		
4 Cailloux Theatre Roof & HVAC	3,000,000			87,555	1,456,222	1,456,222	
5 Hazard Mitigation City Wide Generators	5,151,190					5,151,190	
6 Police Building Roof Repairs	25,000				25,000		
7 Facilities Master Plan/Condition Assessment	150,000				150,000		
8 Comprehensive Plan Update (including area development)	200,000				200,000		
9 Pavement Condition Re-Assessment	125,000				125,000		
10 Lower Lois Steet Drainage	2,001,446	116,413	36,751	1,555,524	292,758		
11 Catalyst Area 2 Sidewalk Improvements	343,816		74,435		269,381		
12 Mobile Generators	250,000			21,340	228,660		
13 KSP Water Line Replacement/Looping	200,000			1,790	75,000	123,210	
14 Olympic Drive Extension	2,437,461	1,630,146	643,823	96,969	66,524		
15 Tranquility Island Electrical Infrastructure	200,000		13,341	142,386	44,273		
16 Sidewalk Improvements	250,000				25,000	25,000	25,000
17 Wayfinding Signs	162,000	133,000	2,330		26,670		
18 Upper Lois Street Drainage Design	100,000				100,000		
19 KPD Body Cameras (includes in-car components)	680,320			80,774	599,546		
20 GIS Base Map	85,000		335	32,800	51,865		
21 Kerrville Sports Complex Improvements	500,752	287,661	187,444	22,158	3,490		
22 Development Services Software	79,200	39,656			39,544		
23 CDBG Downtown Revitalization	426,310			52,596	373,715		
24 River Trail - Downtown Concept	96,026		37,471		58,556		
25 Airport Row Hangar Project	144,825		7,455	1,918	135,452		
26 Airport Land Use Plan	12,500				12,500		
27 Airport Main Runway Improvements (TxDOT)	70,000				70,000		
28 Airport Fire Flow Study	30,000				30,000		
29 Neighborhood Enhancement Program	25,000				25,000		
30 Airport Crosswind Runway Improvements	175,000*				*		
<b>COMPLETED PROJECTS:</b>							
1 Street Reconstruction	7,369,221	1,096,756	3,138,580	3,133,885			
2 River Trail to Schreiner University	1,503,974	1,376,689	121,182	6,103			
3 Landfill Permitting	757,597	690,771	11,822	55,005			
4 Sidewalk Improvements - Prior Years	72,887	5,800	67,087				
5 Parks Facilities Master Plan	36,206		12,740	23,466			
6 Singing Wind Mini Master Plan	15,501			15,501			
7 Tennis Center Renovation	1,797,101	1,779,806	17,296				
8 Downtown Clock Tower Elevator Enclosure	519,478	181,157	338,321				
9 Street Improvement Carryover FY2019	298,585	297,130	1,455				
10 Subdivision Code	43,309		43,309				
Previous Years Other Completed Projects	20,518,973	20,518,973					
<b>TOTAL PROJECTS</b>	<b>98,881,393</b>	<b>28,153,959</b>	<b>4,755,659</b>	<b>7,892,696</b>	<b>21,729,726</b>	<b>21,496,211</b>	<b>14,765,588</b>
<b>REMAINING BALANCE</b>		<b>\$ 13,199,993</b>	<b>\$ 9,631,404</b>	<b>\$ 49,783,849</b>	<b>\$ 30,356,040</b>	<b>\$ 30,589,555</b>	<b>\$ 20,761,642</b>

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





# GENERAL CAPITAL PROJECTS FUND

CITY OF KERRVILLE

COMMUNITY INVESTMENT PLAN

## General Capital Projects Fund

GENERAL FUND PROJECTS								
		PREDESIGN ESTIMATES						
PROJECT FUNDING		FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
1	Beginning Fund Balance	\$ 20,761,642	\$ 30,584,555	\$ 20,756,642	\$ 30,579,555	\$ 20,751,642	\$ 30,574,555	\$ 20,746,642
2	Certificates of Obligation - General Fund supported							
3	Certificates of Obligation - EIC supported							
4	General Obligation Bonds - General Fund supported							
5	Tax Notes - General Fund							
6	Pay As You Go - transfer from General operating	TBD	TBD	TBD	TBD	TBD	TBD	TBD
7	Pay As You Go - transfer from EIC							
8	Pay As You Go - transfer from Water Fund							
9	Pay As You Go - transfer from other funds							
10	Pay As You Go - interest income	20,000	20,000	20,000	20,000	20,000	20,000	20,000
11	Pay As You Go - asset disposal proceeds							
12	Grant / Donation / Outside Funding							
	<b>TOTAL FUNDING AVAILABLE</b>	<b>20,781,642</b>	<b>30,604,555</b>	<b>20,776,642</b>	<b>30,599,555</b>	<b>20,771,642</b>	<b>30,594,555</b>	<b>20,766,642</b>

PROJECT EXPENDITURES								
1	Public Safety Facility							
2	Public Safety Communication System							
3	Westminster Street Reconstruction							
4	Cailloux Theatre Roof & HVAC							
5	Hazard Mitigation City Wide Generators							
6	Police Building Roof Repairs							
7	Facilities Master Plan/Condition Assessment							
8	Comprehensive Plan Update (including area development)							
9	Pavement Condition Re-Assessment							
10	Lower Lois Steet Drainage							
11	Catalyst Area 2 Sidewalk Improvements							
12	Mobile Generators							
13	KSP Water Line Replacement/Looping							
14	Olympic Drive Extension							
15	Tranquility Island Electrical Infrastructure							
16	Sidewalk Improvements	25,000	25,000	25,000	25,000	25,000	25,000	25,000
17	Wayfinding Signs							
18	Upper Lois Street Drainage Design							
19	KPD Body Cameras (includes in-car components)							
20	GIS Base Map							
21	Kerrville Sports Complex Improvements							
22	Development Services Software							
23	CDBG Downtown Revitalization							
24	River Trail - Downtown Concept							
25	Airport Row Hangar Project							
26	Airport Land Use Plan							
27	Airport Main Runway Improvements (TxDOT)							
28	Aiport Fire Flow Study							
29	Neighborhood Enhancement Program							
30	Airport Crosswind Runway Improvements							
	<b>COMPLETED PROJECTS:</b>							
1	Street Reconstruction							
2	River Trail to Schreiner University							
3	Landfill Permitting							
4	Sidewalk Improvements - Prior Years							
5	Parks Facilities Master Plan							
6	Singing Wind Mini Master Plan							
7	Tennis Center Renovation							
8	Downtown Clock Tower Elevator Enclosure							
9	Street Improvement Carryover FY2019							
10	Subdivision Code							
	Previous Years Other Completed Projects							
	<b>TOTAL PROJECTS</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
	<b>REMAINING BALANCE</b>	<b>\$ 30,584,555</b>	<b>\$ 20,756,642</b>	<b>\$ 30,579,555</b>	<b>\$ 20,751,642</b>	<b>\$ 30,574,555</b>	<b>\$ 20,746,642</b>	<b>\$ 30,569,555</b>

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





# GENERAL CAPITAL PROJECTS FUND

CITY OF KERRVILLE

COMMUNITY INVESTMENT PLAN

General Capital Projects Fund

## GENERAL FUND PROJECTS

POTENTIAL FUTURE PROJECTS:	Estimated Costs
Estimated Parks Improvements: (see Parks and Recreation Master Plan for full list)	8,840,000
Fiber Infrastructure	150,000
Louise Hays Park Dam Repairs	741,501
Fire Station 3 Remodel	500,000
City Garage Facility	1,500,000
IT Systems & Support/Cybersecurity	300,000
TOTAL UNFUNDED PROJECTS	\$ 12,031,501

### \* In Kind:

Airport Crosswind Runway Improvements	\$ 175,000
(Not reflected in the total projects balance)	

Detail for project spending over \$200,000 in FY2023 is provided on the following pages.



# 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.

FUNDING SOURCE	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
General Obligation Bonds- General Fund supported	45,000,000		-	-	-	-	-	-	-	-	-	45,000,000
<b>TOTAL FUNDING</b>	<b>45,000,000</b>	-	-	-	-	-	-	-	-	-	-	45,000,000

PROJECT COST	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Public Safety Complex	778,235	14,740,588	14,740,588	14,740,588		-	-	-	-	-	-	45,000,000
<b>TOTAL PROJECT COST</b>	<b>778,235</b>	<b>14,740,588</b>	<b>14,740,588</b>	<b>14,740,588</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,000,000</b>

OPERATING BUDGET IMPACT	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
In FY2023 the City will contract professional consultants to develop a Facilities Master Plan/Condition Assessment to determine the maintenance requirements of all city owned amenities.												

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

## CITY OF KERRVILLE

## COMMUNITY INVESTMENT PLAN

**PROJECT NAME:**

Public Safety Communication System

**DEPARTMENT:**

Police, Fire, EMS

**DESCRIPTION:**

Kerrville Police Department Communications Center is the Public Safety Answering Point (PSAP) for all Kerr County; with EMS services being available county wide. Many operational challenges include: no ability to separate radio traffic during emergency events, special operations, or general daily operations, limited communications to the geographic capability of our single tower system, daily dropped or garbled transmissions, poor or no communication within large structures, dispatch operation and role assignments are limited and antiquated. These challenges all present serious public safety issues. This project will capture all expenditures related to implementing a new single site - 6 channel, 700 MHz trunked system to include: replacement of single-band radios (KPD and KFD): 86 in car radios, 150 portable radios, upgrade of all dispatch consoles to provide new features to improve response times, microwave link for increased resiliency, radios with newer technology and better audio quality.



FUNDING SOURCE		PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
American Rescue Plan Act (ARPA) Department of Justice Grant		2,942,954	23,446	-	-	-	-	-	-	-	-	-	2,966,400
		73,464	1,536	-	-	-	-	-	-	-	-	-	75,000
	<b>TOTAL FUNDING</b>	3,016,418	24,982	-	-	-	-	-	-	-	-	-	3,041,400

PROJECT COST		PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Public Safety Communication System		1,830,835	1,210,565	-	-	-	-	-	-	-	-	-	3,041,400
		1,830,835	1,210,565	-	-	-	-	-	-	-	-	-	3,041,400
	<b>TOTAL PROJECT COST</b>												

OPERATING BUDGET IMPACT		PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Operations & Maintenance		-	-	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	765,000

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

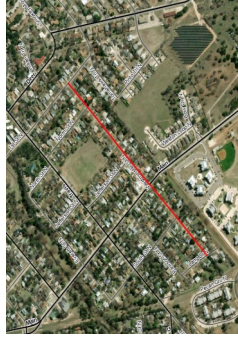


## CITY OF KERRVILLE

## COMMUNITY INVESTMENT PLAN

**PROJECT NAME:**  
Westminster Street Reconstruction

**DEPARTMENT:**  
Streets

**DESCRIPTION:**

Westminster Street has been identified as a candidate for full depth reconstruction per the City's pavement master plan. Before a street undergoes reconstruction, it is evaluated for utility conflicts to make sure the City is not repairing streets that have utilities in need of rehab or relocation. Due to its complexity and costs, this project will capture all expenditures out of the general capital projects fund.

FUNDING SOURCE	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Pay As You Go - Transfer from General Operating	1,411,314	-	-	-	-	-	-	-	-	-	-	1,411,314
<b>TOTAL FUNDING</b>	1,411,314	-	-	-	-	-	-	-	-	-	-	1,411,314

PROJECT COST	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Westminster Street Reconstruction	41,896	1,369,418	-	-	-	-	-	-	-	-	-	1,411,314
<b>TOTAL PROJECT COST</b>	41,896	1,369,418	-	-	-	-	-	-	-	-	-	1,411,314

OPERATING BUDGET IMPACT	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Streets must be continually maintained. These larger reconstruction projects should reduce maintenance expense for the first 10 years after reconstruction.												

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

## CITY OF KERRVILLE

## COMMUNITY INVESTMENT PLAN

**PROJECT NAME:**  
KPD Body Cameras

**DEPARTMENT:**  
Police

**DESCRIPTION:**

Kerrville Police Department is at the end of the useful life of their body worn camera hardware. Current nuisances include server size issues, quality of video due to syncing, manual activation requirements, no uniform mounting location, no redaction capabilities, video tagging from camera, and overall, the technology is outdated. This project will capture all expenditures related to the purchase of new utility components being: body cameras, in-car cameras, in-car wireless access points and implementation of the digital evidence management system. The car computers will be upgraded with rugged laptops and new docking stations.

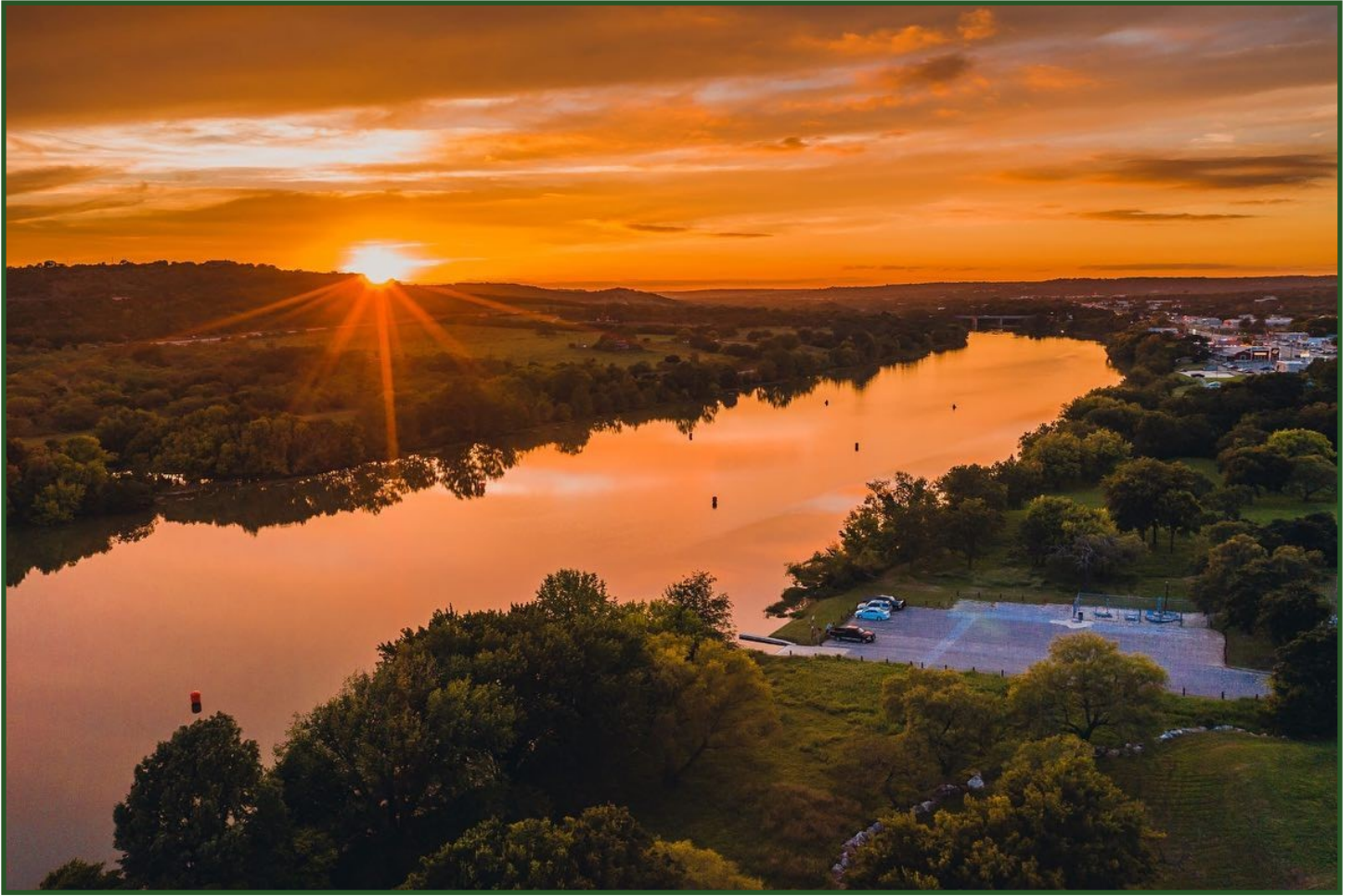
<b>FUNDING SOURCE</b>	<b>PRIOR YRS</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>TOTAL</b>
Department of Justice Grant	-	238,466	-	-	-	-	-	-	-	-	-	238,466
American Rescue Plan Act (ARPA)	-	441,854	-	-	-	-	-	-	-	-	-	441,854
<b>TOTAL FUNDING</b>	-	680,320	-	-	-	-	-	-	-	-	-	680,320

<b>PROJECT COST</b>	<b>PRIOR YRS</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>TOTAL</b>
KPD Body Cameras	80,774	599,546	-	-	-	-	-	-	-	-	-	680,320
<b>TOTAL PROJECT COST</b>	-	599,546	-	-	-	-	-	-	-	-	-	680,320

<b>OPERATING BUDGET IMPACT</b>	<b>PRIOR YRS</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>	<b>FY2028</b>	<b>FY2029</b>	<b>FY2030</b>	<b>FY2031</b>	<b>FY2032</b>	<b>TOTAL</b>
Operations & Maintenance	-	-	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	3,550	31,950

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







# WATER CAPITAL PROJECTS FUND

## CITY OF KERRVILLE

### Water Capital Projects Fund

		WATER FUND PROJECTS					
		ACTUAL		ESTIMATED	PREDESIGN ESTIMATES		
PROJECT FUNDING	TOTAL	Previous Years	FY2021	FY2022	FY2023	FY2024	FY2025
1 Beginning Fund Balance			\$ 2,972,935	\$2,697,566	\$546,810	\$789,434	\$1,114,875
2 Certificates of Obligation	13,645,058	11,295,058					
3 KPUB Loan	7,500,000	7,500,000					
4 TWDB - Legion Lift & Knapp	8,000,000	3,997,155	350,267		1,826,289	1,826,289	
5 TWDB - TTHM Mitigation & Lois Tank	5,605,816	3,560,130	380,118		1,665,569		
6 TWDB - Disaster Recovery Grant	1,500,000	285,900	84,104	298	1,129,699		
7 Pay As You Go - EIC Funding	5,000,000	5,000,000					
8 Pay As You Go - Transfer from Water Fund	8,091,889	6,141,889		50,000	100,000	200,000	200,000
9 Pay As You Go - Other funds	245,292	245,292					
10 Pay As You Go - Interest income	893,421	673,786	7,555	10,080	22,000	20,000	20,000
11 Grant / Donation / Outside Funding	244,912	106,140	138,772				
<b>TOTAL FUNDING AVAILABLE</b>	<b>50,726,388</b>	<b>38,805,349</b>	<b>3,933,750</b>	<b>2,757,944</b>	<b>5,290,366</b>	<b>2,835,723</b>	<b>1,334,875</b>

### PROJECT EXPENDITURES

1 Knapp Wastewater Collection Projects	3,644,802		175,494	227,611	1,620,848	1,620,848	
2 Guadalupe River Utility Crossing	1,500,000	361,268	11,372	812,662	314,698		
3 Lois Tank Replacement	1,000,000	6,300		48,275	945,425		
4 Advanced Metering Infrastructure	735,000		210,831	267,767	256,401		
3 Water/Wastewater Master Plan Update	470,400	7,464	146,958	266,175	49,803		
5 Water Street Water Main Enhancements	550,000		31,500	1,500	517,000		
6 System Looping	100,000				100,000		
7 Generator Auto Starts	75,000			41,329			
8 Westminster Water Utilities	555,000		17,092	24,163	513,745		
9 Airport Commerce Parkway System Looping	50,000		33,917	5,822	10,262		
10 H Street Well	142,000			19,250	122,750		
11 12"/18" Interceptor upstream of Knapp LS	2,350,000						
12 Capital Contingency for oversizing, etc.	950,000				50,000	100,000	100,000
<b>COMPLETED PROJECTS:</b>							
1 TTHM Mitigation (Filtration System)	4,728,150	4,352,714	242,679	132,757			
2 Loop 534 Well	1,095,625	434,914	296,887	363,824			
4 Legion Lift Station	6,355,198	6,343,543	11,655				
5 Bluebell Waterline Replacement	345,266	293,275	51,991				
6 GIS technology updates	44,673	38,866	5,807				
7 Olympic Drive Utilities	306,140	306,140					
8 Previous Years Other Completed Projects	23,687,930	23,687,930					
<b>TOTAL PROJECTS</b>	<b>45,040,381</b>	<b>35,832,414</b>	<b>1,236,184</b>	<b>2,211,134</b>	<b>4,500,932</b>	<b>1,720,848</b>	<b>100,000</b>
<b>REMAINING BALANCE</b>	<b>\$ 5,686,006</b>	<b>\$ 2,972,935</b>	<b>\$ 2,697,566</b>	<b>\$ 546,810</b>	<b>\$ 789,434</b>	<b>\$ 1,114,875</b>	<b>\$ 1,234,875</b>

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

\*Future projects may be adjusted or changed due to master plan updates

### POTENTIAL FUTURE PROJECTS:

Water Conservation Projects	TBD
1 MG Clearwell Expansion	2,950,000
Rehabilitate Return Activated Sludge Pump Station	50,000
Clarifier #3 Rehabilitation	1,000,000
21" Interceptor Downstream Jefferson LS	1,900,000



# WATER CAPITAL PROJECTS FUND

CITY OF KERRVILLE

COMMUNITY INVESTMENT PLAN

## Water Capital Projects Fund

		WATER FUND PROJECTS						
		PREDESIGN ESTIMATES						
PROJECT FUNDING		FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
1	Beginning Fund Balance	\$1,234,875	\$1,354,875	\$1,474,875	\$1,594,875	\$1,714,875	\$1,834,875	\$1,954,875
2	Certificates of Obligation	2,350,000						
3	KPUB Loan							
4	TWDB - Legion Lift & Knapp							
5	TWDB - TTHM Mitigation & Lois Tank							
6	TWDB - Disaster Recovery Grant							
7	Pay As You Go - EIC Funding							
8	Pay As You Go - Transfer from Water Fund	200,000	200,000	200,000	200,000	200,000	200,000	200,000
9	Pay As You Go - Other funds							
10	Pay As You Go - Interest income	20,000	20,000	20,000	20,000	20,000	20,000	20,000
11	Grant / Donation / Outside Funding							
<b>TOTAL FUNDING AVAILABLE</b>		<b>3,804,875</b>	<b>1,574,875</b>	<b>1,694,875</b>	<b>1,814,875</b>	<b>1,934,875</b>	<b>2,054,875</b>	<b>2,174,875</b>

## PROJECT EXPENDITURES

1	Knapp Wastewater Collection Projects							
2	Guadalupe River Utility Crossing							
3	Lois Tank Replacement							
4	Advanced Metering Infrastructure							
3	Water/Wastewater Master Plan Update							
5	Water Street Water Main Enhancements							
6	System Looping							
7	Generator Auto Starts							
8	Westminster Water Utilities							
9	Airport Commerce Parkway System Looping							
10	H Street Well							
11	12"/18" Interceptor upstream of Knapp LS	2,350,000						
12	Capital Contingency for oversizing, etc.	100,000	100,000	100,000	100,000	100,000	100,000	100,000
<b>COMPLETED PROJECTS:</b>								
1	TTHM Mitigation (Filtration System)							
2	Loop 534 Well							
4	Legion Lift Station							
5	Bluebell Waterline Replacement							
6	GIS technology updates							
7	Olympic Drive Utilities							
8	Previous Years Other Completed Projects							
<b>TOTAL PROJECTS</b>		<b>2,450,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
<b>REMAINING BALANCE</b>		<b>\$ 1,354,875</b>	<b>\$ 1,474,875</b>	<b>\$ 1,594,875</b>	<b>\$ 1,714,875</b>	<b>\$ 1,834,875</b>	<b>\$ 1,954,875</b>	<b>\$ 2,074,875</b>

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



## CITY OF KERRVILLE

## COMMUNITY INVESTMENT PLAN

**PROJECT NAME:**  
Knapp Wastewater Collection Projects

**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	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
TWDB Certificates of Obligation - Water Fund supported	3,644,802	-	-	-	-	-	-	-	-	-	-	3,644,802
<b>TOTAL FUNDING</b>	3,644,802	-	-	-	-	-	-	-	-	-	-	3,644,802
<b>PROJECT COST</b>												
Knapp Wastewater Collection Projects	403,105	1,620,848	1,620,848	-	-	-	-	-	-	-	-	3,644,802
<b>TOTAL PROJECT COST</b>	403,105	1,620,848	1,620,848	-	-	-	-	-	-	-	-	3,644,802
<b>OPERATING BUDGET IMPACT</b>												
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 \*\*\*

The project consists of new interceptors downstream of the Knapp Lift Station force main in the Jefferson Basin. A 15" gravity line will be constructed between Bob White and Harper Rd. along Lois St. An 18" line will be constructed between Harper Rd. and Water St. along Lois St. and Junction Hwy. A 21" line will be constructed from Water St. to the Jefferson Lift Station. Knapp Lift Station is located on Knapp Rd., near the boat ramp off Junction Highway by Childs. Jefferson Lift Station is located at Jefferson St. and Paschal Ave.

## CITY OF KERRVILLE

## COMMUNITY INVESTMENT PLAN

**PROJECT NAME:**  
Guadalupe River Utility Crossing

**DEPARTMENT:**  
Public Works



**DESCRIPTION:**

In October 2018, flooding on the Guadalupe River washed away water and reuse lines that crossed the river near Loop 534 along a footbridge. This project replaces and elevates the lines by moving them under the Loop 534 bridge.

FUNDING SOURCE	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
TWDB Disaster Recovery Assistance	370,004	1,129,996	-	-	-	-	-	-	-	-	-	1,500,000
<b>TOTAL FUNDING</b>	370,004	1,129,996	-	-	-	-	-	-	-	-	-	1,500,000

PROJECT COST	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Flood Damage Repair	1,185,302	314,698	-	-	-	-	-	-	-	-	-	1,500,000
<b>TOTAL PROJECT COST</b>	1,185,302	314,698	-	-	-	-	-	-	-	-	-	1,500,000

OPERATING BUDGET IMPACT	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
No operating budget impact is anticipated.												

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



**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 are being reallocated to this drinking water project that meets the same criteria for a TWDB subsidized loan.



FUNDING SOURCE	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Certificates of Obligation - Water Fund supported	681,496	-	-	-	-	-	-	-	-	-	-	681,496
Pay as You Go - Transfer from Water Fund	318,504	-	-	-	-	-	-	-	-	-	-	318,504
<b>TOTAL FUNDING</b>	<b>1,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>

PROJECT COST	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Lois Tank Replacement	54,575	945,425	-	-	-	-	-	-	-	-	-	1,000,000
<b>TOTAL PROJECT COST</b>	<b>54,575</b>	<b>945,425</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>

OPERATING BUDGET IMPACT	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Maintenance expenses is expected to decrease as less maintenance will be required on a new or rehabilitated tank.												

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

## CITY OF KERRVILLE

## COMMUNITY INVESTMENT PLAN

**PROJECT NAME:**

Advanced Metering Infrastructure

**DEPARTMENT:**

Utility Billing

**DESCRIPTION:**

This project involves installing data collectors and replacing registers and antennas on existing water meters. The registers and antennas are at the end of their useful life and need to be replaced. Adding the data collectors will allow Utility Billing to read meters from the office resulting in the ability to quickly identify leaks, provide customers better information and reduce water loss. The additional operating costs relate to annual maintenance on new software that will be required.



FUNDING SOURCE	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Pay as You Go - transfer from Water Fund	465,000	-	-	-	-	-	-	-	-	-	-	465,000
Other - Interest Income	270,000	-	-	-	-	-	-	-	-	-	-	270,000
<b>TOTAL FUNDING</b>	735,000	-	-	-	-	-	-	-	-	-	-	735,000

PROJECT COST	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Advanced Metering Infrastructure	478,598	256,401	-	-	-	-	-	-	-	-	-	735,000
<b>TOTAL PROJECT COST</b>	478,598	256,401	-	-	-	-	-	-	-	-	-	735,000

OPERATING BUDGET IMPACT	PRIOR YRS	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	TOTAL
Operations & Maintenance	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	385,000

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



# OTHER FUNDS



## Revenues by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Fund Balance</b>	<b>\$ (248,063)</b>	<b>\$ (19,197)</b>	<b>\$ (19,197)</b>	<b>\$ (19,197)</b>	<b>\$</b>
<b>Revenues</b>					
Green Fees	448,410	406,583	406,583	454,802	
Cart Rentals	277,362	250,000	250,000	265,212	
Membership Dues	59,245	58,000	58,000	55,240	
Private Cart Revenue	4,683	4,500	4,500	4,065	
Driving Range Revenue	36,837	32,000	32,000	39,047	
Golf Merchandise	109,766	80,000	80,000	106,939	
Merchandise - Tax Exempt	412	4,000	4,000	10,400	
Food Sales	23,857	20,000	20,000	29,532	
Beer Sales	60,713	57,000	57,000	79,698	
Trade Rounds	17,687	12,000	12,000	27,938	
Handicap Membership - Dues	2,765	4,500	4,500	12	
<b>Total Recreation</b>	<b>1,041,736</b>	<b>928,583</b>	<b>928,583</b>	<b>1,072,885</b>	
Miscellaneous Donation	20,000	1,500	1,500	-	
Asset Disposal Proceeds	(2,448)	-	-	15,166	
Interest Revenue	167	-	-	2,386	
Miscellaneous Revenue	2,184	-	-	61	
<b>Total Interest and Miscellaneous</b>	<b>19,903</b>	<b>1,500</b>	<b>1,500</b>	<b>17,613</b>	
Transfer In - General Fund	70,000	70,000	70,000	-	
Transfer In - Insurance Reserve	46,500	-	-	-	
Transfer In - HOT	10,000	15,000	15,000	15,000	
<b>Total Transfer In</b>	<b>126,500</b>	<b>85,000</b>	<b>85,000</b>	<b>15,000</b>	
<b>Total Revenues</b>	<b>1,188,139</b>	<b>1,015,083</b>	<b>1,015,083</b>	<b>1,105,499</b>	

In General Fund

Note: For presentation comparison purposes, Golf Fund revenues & expenditures are also included in FY2021 and FY2022 budget line items in the General Fund. The Golf Fund prior and current years are shown here for financial reporting purposes. FY2022 is the final year that the Golf Fund will be audited as a separate fund due to the merger into the General Fund in FY2023.





## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	278,685	356,376	392,387	344,908	
Benefits	93,324	109,833	116,256	99,820	
Travel and Training	460	2,622	2,622	1,576	
<b>Total Personnel Services</b>	<b>372,469</b>	<b>468,831</b>	<b>511,265</b>	<b>446,304</b>	
Office Supplies	2,766	3,337	3,337	4,301	
Tools and Equipment	14,597	9,643	12,143	15,843	
Chemical and Medical	25,969	36,090	36,090	28,534	
Fuel	8,005	8,050	8,050	6,862	
Wearing Apparel	2,281	3,847	3,847	2,562	
Postage and Shipping	25	250	-	-	
Cost of Goods Sold	113,138	95,500	95,500	131,914	
Other Supplies	26,742	32,316	32,566	27,328	
<b>Total Supplies and Materials</b>	<b>193,523</b>	<b>189,032</b>	<b>191,532</b>	<b>217,345</b>	
Building, Structure, Land Maintenance	58,444	6,320	36,320	45,845	
Vehicle	189	100	100	516	
Equipment	40,091	53,821	53,821	64,399	
Technology	17,687	12,000	12,000	27,938	
<b>Total Maintenance and Repairs</b>	<b>116,411</b>	<b>72,241</b>	<b>102,241</b>	<b>138,698</b>	
Utilities	66,617	73,815	73,815	71,173	
Professional Services	27,675	19,500	19,500	23,149	
Insurance	9,628	10,400	10,400	10,068	
Advertising	-	500	500	-	
Equipment Lease	96,571	152,346	100,646	83,334	
<b>Total Services</b>	<b>200,491</b>	<b>256,561</b>	<b>204,861</b>	<b>187,724</b>	
Community Support	-	-	-	-	
Other	76,378	11,573	11,573	9,225	
<b>Total Other Expenses</b>	<b>76,378</b>	<b>11,573</b>	<b>11,573</b>	<b>9,225</b>	
Buildings and Structures	-	16,845	16,845	-	
Machinery, Tools, & Equipment	-	-	19,200	9,644	
Other	-	-	-	(9,644)	
<b>Total Capital Outlay</b>	<b>-</b>	<b>16,845</b>	<b>36,045</b>	<b>-</b>	
<b>Total Expenditures</b>	<b>959,272</b>	<b>1,015,083</b>	<b>1,057,517</b>	<b>999,295</b>	
<b>Net Revenue (Expenditures)</b>	<b>228,866</b>	<b>-</b>	<b>(42,434)</b>	<b>106,204</b>	
<b>Non-Cash Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Ending Fund Balance</b>	<b>(19,197)</b>	<b>(19,197)</b>	<b>(61,631)</b>	<b>87,007</b>	

In General Fund



# GENERAL ASSET REPLACEMENT FUND

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

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Fund Balance</b>	<b>\$ 2,054,836</b>	<b>\$ 1,090,186</b>	<b>\$ 1,090,186</b>	<b>\$ 1,090,186</b>	<b>\$ 1,587,488</b>
<b>Revenues</b>					
Asset Disposal Proceeds	31,183	32,000	32,000	26,118	20,000
Interest Revenue	3,465	2,500	2,500	14,075	10,000
<b>Total Interest and Miscellaneous</b>	<b>34,648</b>	<b>34,500</b>	<b>34,500</b>	<b>40,193</b>	<b>30,000</b>
Transfer In - General Fund	-	440,000	883,925	883,925	600,000
Transfer In - Insurance Reserve	11,521	-	-	33,360	-
<b>Total Transfer In</b>	<b>11,521</b>	<b>440,000</b>	<b>883,925</b>	<b>917,285</b>	<b>600,000</b>
<b>Total Revenues</b>	<b>46,169</b>	<b>474,500</b>	<b>918,425</b>	<b>957,479</b>	<b>630,000</b>
<b>Expenditures</b>					
Tools and Equipment	46,023	-	-	34,997	43,200
<b>Total Supplies and Materials</b>	<b>46,023</b>	<b>-</b>	<b>-</b>	<b>34,997</b>	<b>43,200</b>
Vehicle Lease	33,322	96,630	96,630	134,549	438,925
<b>Total Services</b>	<b>33,322</b>	<b>96,630</b>	<b>96,630</b>	<b>134,549</b>	<b>438,925</b>
Vehicles	801,845	840,000	840,000	102,408	523,000
Machinery-Tools-Equipment	24,410	99,900	99,900	94,551	26,000
Technology Equipment	105,221	117,500	117,500	93,672	55,000
<b>Total Capital Outlay</b>	<b>931,476</b>	<b>1,057,400</b>	<b>1,057,400</b>	<b>290,631</b>	<b>604,000</b>
<b>Total Expenditures</b>	<b>1,010,821</b>	<b>1,154,030</b>	<b>1,154,030</b>	<b>460,177</b>	<b>1,086,125</b>
<b>Net Revenue (Expenditures)</b>	<b>(964,651)</b>	<b>(679,530)</b>	<b>(235,605)</b>	<b>497,302</b>	<b>(456,125)</b>
<b>Ending Fund Balance</b>	<b>\$ 1,090,186</b>	<b>\$ 410,656</b>	<b>\$ 854,581</b>	<b>\$ 1,587,488</b>	<b>\$ 1,131,363</b>



# GENERAL ASSET REPLACEMENT FUND

## **FY2023 Proposed Purchases:**

- Fire Department:
  - Ambulance - \$303,000
- IT Department:
  - Sonic Firewall / Intrusion Detection / Prevention - \$55,000
- Parks and Recreation Department:
  - John Deere Riding Mowers (2) - \$26,000
- Police Department:
  - Three Chevrolet Tahoe's replacing two 2016 Ford Explorers and one 2017 Ford Explorer - \$220,000

## **FY2023 Proposed Leases:**

- Fire Department: Ford F250 replacing a 2008 Ford F250 - \$13,549 / annually for 5 years
- Police Department:
  - Ford Explorer replacing 2008 Ford Crown Victoria \$22,968 / annually for 3 years
  - Ford Explorer replacing 2006 Ford Taurus - \$22,968 / annually for 3 years
- Streets Department
  - Ford F250 replacing 2004 Ford F250 - \$9,932 / annually for 5 years
  - Chevrolet 1500 replacing 2013 Chevrolet 1500 - \$8,836 / annually for 5 years
- Engineering Department:
  - Chevrolet 2500 replacing 2005 Chevrolet 2500 - \$8,836 / annually for 5 years
- Parks and Recreation Department
  - Chevrolet 2500 w/service body replacing 2006 Ford F150 - \$13,761 / annually for 5 years
  - Chevrolet 2500 replacing 2006 Ford F150 - \$7,434 / annually for 5 years
  - Chevrolet 2500 replacing 2000 GMC 1500 - \$7,506 / annually for 5 years

Note: Due to supply chain issues all proposed leases have been budgeted for 9 months. The total above shows the vehicles and equipment if they were budgeted/paid out for a full year.

Note: The City began utilizing Enterprise Fleet Management Lease Services in FY2020 as part of the vehicle replacement program for some City vehicles. This is not only a money-saving option, but allows the City to replace vehicles more frequently than if vehicles were purchased outright as a one-time expense by the City. Having the ability to replace vehicles more frequently increases the safety of City drivers by ensuring that vehicles are equipped with up-to-date safety features. This program does not include heavy use vehicles. All leases and purchases that take place through the General Asset Replacement Fund will be for the newest model available vehicle.

Note: All lease expense lines contain FY2023 proposed leases as well as all prior year approved leases.



# WATER ASSET REPLACEMENT FUND

The Water Asset Replacement Fund is an enterprise fund for financial reporting purposes dedicated for the replacement of Water Fund capital items such as fleet vehicles and heavy equipment.

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Fund Balance</b>	<b>\$ 318,946</b>	<b>\$ 182,641</b>	<b>\$ 182,641</b>	<b>\$ 182,641</b>	<b>\$ 510,274</b>
<b>Revenues</b>					
Asset Disposal Proceeds	16,275	-	-	18,968	15,000
Interest Revenue	539	500	500	3,008	2,500
<b>Total Interest and Miscellaneous</b>	<b>16,814</b>	<b>500</b>	<b>500</b>	<b>21,976</b>	<b>17,500</b>
Transfer In - Water Fund	250,000	300,000	350,000	350,000	500,000
Transfer In - Insurance Reserve	31,581	-	-	-	-
<b>Total Transfer In</b>	<b>281,581</b>	<b>300,000</b>	<b>350,000</b>	<b>350,000</b>	<b>500,000</b>
<b>Total Revenues</b>	<b>298,395</b>	<b>300,500</b>	<b>350,500</b>	<b>371,976</b>	<b>517,500</b>
<b>Expenditures</b>					
Vehicle Lease	13,398	28,643	28,643	20,828	37,054
<b>Total Services</b>	<b>13,398</b>	<b>28,643</b>	<b>28,643</b>	<b>20,828</b>	<b>37,054</b>
Vehicles	377,736	-	-	-	-
Machinery-Tools-Equipment	43,567	32,000	32,000	23,514	504,466
<b>Total Capital Outlay</b>	<b>421,303</b>	<b>32,000</b>	<b>32,000</b>	<b>23,514</b>	<b>504,466</b>
<b>Total Expenditures</b>	<b>434,700</b>	<b>60,643</b>	<b>60,643</b>	<b>44,343</b>	<b>541,519</b>
<b>Net Revenue (Expenditures)</b>	<b>(136,305)</b>	<b>239,857</b>	<b>289,857</b>	<b>327,634</b>	<b>(24,019)</b>
<b>Ending Fund Balance</b>	<b>\$ 182,641</b>	<b>\$ 422,498</b>	<b>\$ 472,498</b>	<b>\$ 510,274</b>	<b>\$ 486,255</b>



## WATER ASSET REPLACEMENT FUND

### **FY2023 Proposed Purchases:**

- Water Distribution:
  - Hydraulic Pump - \$9,000
  - CASE211F Wheel Loader replacing 2001 John Deere Tractor/Bucket - \$109,466
- Water Production:
  - Zenon Plant Membranes (2) - \$280,000
  - Farris Mower - \$10,000
- Wastewater Collections:
  - Pump for Lift Station \$96,000

### **FY2023 Proposed Leases:**

- Wastewater Collection:
  - Ford F250 replacing 2006 GMC C3500 - \$9,932 / annually for 5 years

Note: Due to supply chain issues all proposed leases have been budgeted for 9 months. The total above shows the vehicles and equipment if they were budgeted/paid out for a full year.

Note: All leases and purchases that take place through the Water Asset Replacement Fund will be for the newest model available vehicle. All lease expense lines contain FY2023 proposed leases as well as all prior year approved leases.







# HOTEL OCCUPANCY TAX FUND

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

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 1,347,046</b>	<b>\$ 1,710,936</b>	<b>\$ 1,710,936</b>	<b>\$ 1,710,936</b>	<b>\$ 2,052,638</b>
<b>Revenues</b>					
Occupancy Tax	1,598,504	1,550,258	1,550,258	1,760,465	1,920,720
<b>Total Tax Revenue</b>	<b>1,598,504</b>	<b>1,550,258</b>	<b>1,550,258</b>	<b>1,760,465</b>	<b>1,920,720</b>
Interest Revenue	3,124	5,000	5,000	13,636	10,000
<b>Total Interest and Miscellaneous</b>	<b>3,124</b>	<b>5,000</b>	<b>5,000</b>	<b>13,636</b>	<b>10,000</b>
<b>Total Revenues</b>	<b>1,601,628</b>	<b>1,555,258</b>	<b>1,555,258</b>	<b>1,774,101</b>	<b>1,930,720</b>
<b>Expenditures</b>					
Professional Services	10,865	20,100	20,100	29,080	20,400
Advertising	897,000	1,007,400	1,007,400	1,012,549	1,120,992
<b>Total Services</b>	<b>907,865</b>	<b>1,027,500</b>	<b>1,027,500</b>	<b>1,041,629</b>	<b>1,141,392</b>
Community Support	139,874	180,000	180,000	155,770	277,500
Other	150,000	215,000	265,000	175,000	185,000
Contingency	-	72,758	72,758	-	25,000
<b>Total Other Expenses</b>	<b>289,874</b>	<b>467,758</b>	<b>517,758</b>	<b>330,770</b>	<b>487,500</b>
Buildings and Structures	-	-	-	-	50,000
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,000</b>
Transfer Out - General Fund	30,000	45,000	45,000	45,000	85,000
Transfer Out - Golf	10,000	15,000	15,000	15,000	-
Transfer Out - Library Memorial	-	-	-	-	1,000,000
<b>Total Transfer Out</b>	<b>40,000</b>	<b>60,000</b>	<b>60,000</b>	<b>60,000</b>	<b>1,085,000</b>
<b>Total Expenditures</b>	<b>1,237,738</b>	<b>1,555,258</b>	<b>1,605,258</b>	<b>1,432,399</b>	<b>2,763,892</b>
<b>Net Revenue (Expenditures)</b>	<b>363,890</b>	<b>-</b>	<b>(50,000)</b>	<b>341,702</b>	<b>(833,172)</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 1,710,936</b>	<b>\$ 1,710,936</b>	<b>\$ 1,660,936</b>	<b>\$ 2,052,638</b>	<b>\$ 1,219,465</b>

### FY2023 expenditures includes:

A one-time non-recurring transfer out from the HOT Fund to the Library Memorial Fund in the amount of \$1,000,000 for the committed contribution to the Heart of the Hills Heritage Center project for the A.C. Schreiner House renovations.



## Garage

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

### DEPARTMENT RESPONSIBILITIES

- **Preventive 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 break downs before they occur to reduce unscheduled repair costs
- **Emergency Response:** responsible for responding to roadside emergencies of the City owned fleet
- **Inventory, Purchasing, and Fleet Management:** responsible for Citywide ordering of janitorial supplies and inventory as well as overall fleet management services

### DEPARTMENT ACCOMPLISHMENTS

In the last year, we:

- Completed 931 work orders
- Average maintenance cost \$107 per vehicle
- Assigned department specific technicians within the garage to improve customer service

#### Did you know?

Properly inflated tires will last longer, wear more evenly, and are less likely to fail at high speeds.

### FY2023 OBJECTIVES

#### Key Priority Area: Mobility & Transportation

- Ensure fiscal responsibility of assigned budget
- Control and reduce vehicle operating costs
- Ensure procurement, replacement, and reassignment of quality vehicles that meet operational demands
- Provide exceptional customer service to City departments
- Ensure effective inventory management
- Staff the garage with highly qualified employees
- Maintain a highly satisfied workforce



City of Kerrville Garage



## Revenues by Line Item

	<b>FY2021 Actual</b>	<b>FY2022 Original Budget</b>	<b>FY2022 Current Budget</b>	<b>FY2022 Estimated</b>	<b>FY2023 Budget</b>
<b>Beginning Fund Balance</b>	<b>\$ 9,098</b>	<b>\$ 9,846</b>	<b>\$ 9,846</b>	<b>\$ 9,846</b>	<b>\$ 29,900</b>
<b>Revenues</b>					
Maintenance Contracts	394,627	409,980	417,719	417,719	480,197
<b>Total Service Revenue</b>	<b>394,627</b>	<b>409,980</b>	<b>417,719</b>	<b>417,719</b>	<b>480,197</b>
Asset Disposal Revenue	2,925	-	-	-	-
Interest Revenue	150	-	-	621	900
Miscellaneous Revenue	410	-	-	128	-
<b>Total Interest and Miscellaneous</b>	<b>3,485</b>	<b>-</b>	<b>-</b>	<b>748</b>	<b>900</b>
<b>Total Revenues</b>	<b>398,112</b>	<b>409,980</b>	<b>417,719</b>	<b>418,467</b>	<b>481,098</b>





## Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Expenditures</b>					
Salaries	264,291	269,425	275,962	258,431	283,960
Benefits	87,655	96,132	97,335	96,284	101,990
Travel and Training	1,508	2,574	26	60	3,009
<b>Total Personnel Services</b>	<b>353,453</b>	<b>368,131</b>	<b>373,322</b>	<b>354,775</b>	<b>388,959</b>
Office Supplies	417	652	652	540	503
Tools and Equipment	11,926	5,464	8,012	8,454	5,987
Chemical and Medical	330	324	324	142	100
Fuel	1,596	2,410	2,410	1,459	2,322
Wearing Apparel	3,403	3,135	3,135	3,600	3,185
Other Supplies	947	1,180	1,180	1,173	1,180
<b>Total Supplies and Materials</b>	<b>18,619</b>	<b>13,165</b>	<b>15,713</b>	<b>15,368</b>	<b>13,276</b>
Building, Structure, Land Maintenance	3,978	3,400	3,400	1,254	3,100
Vehicle	664	529	529	2,029	529
Equipment	1,908	3,910	3,910	3,394	6,640
Technology Maintenance	-	5,500	5,500	5,500	5,500
<b>Total Maintenance and Repairs</b>	<b>6,550</b>	<b>13,339</b>	<b>13,339</b>	<b>12,177</b>	<b>15,769</b>
Utilities	4,301	4,064	4,064	5,677	5,880
Professional Services	615	550	550	430	1,969
Insurance	4,764	5,000	5,000	4,984	8,885
Vehicle Lease	5,405	5,688	5,688	4,701	3,377
<b>Total Services</b>	<b>15,085</b>	<b>15,301</b>	<b>15,301</b>	<b>15,792</b>	<b>20,111</b>
Depreciation and Amortization	3,614		-	2,290	-
Other	43	43	43	302	-
<b>Total Other Expenses</b>	<b>3,658</b>	<b>43</b>	<b>43</b>	<b>2,592</b>	<b>-</b>
Machinery, Tools and Equipment	-	-	-	-	42,982
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,982</b>
<b>Total Expenditures</b>	<b>397,364</b>	<b>409,980</b>	<b>417,719</b>	<b>400,704</b>	<b>481,098</b>
<b>Net Revenue (Expenditures)</b>	<b>748</b>	<b>-</b>	<b>-</b>	<b>17,764</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$ 9,846</b>	<b>\$ 9,846</b>	<b>\$ 9,846</b>	<b>\$ 27,610</b>	<b>\$ 27,610</b>



## EMPLOYEE BENEFIT TRUST FUND

The Employee Benefit Trust Fund is an internal service fund in the proprietary funds financial reporting category used to account for insurance payments for employee benefits. Expenditures from this fund are made in accordance with Texas Insurance Code, Chapter 222, which establishes trusts for the payment of employee benefit premiums.

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Fund Balance</b>	<b>\$ 320,320</b>	<b>\$ 350,090</b>	<b>\$ 350,090</b>	<b>\$ 350,090</b>	<b>\$ 333,111</b>
<b>Revenues</b>					
City and Employee Premiums	3,454,292	3,480,000	3,480,000	3,716,576	3,910,000
<b>Total Revenues</b>	<b>3,454,292</b>	<b>3,480,000</b>	<b>3,480,000</b>	<b>3,716,576</b>	<b>3,910,000</b>
<b>Expenditures</b>					
Professional Services	30,000	30,000	30,000	30,000	30,000
Insurance	3,394,522	3,500,000	3,500,000	3,703,554	3,880,000
<b>Total Services</b>	<b>3,424,522</b>	<b>3,530,000</b>	<b>3,530,000</b>	<b>3,733,554</b>	<b>3,910,000</b>
<b>Total Expenditures</b>	<b>3,424,522</b>	<b>3,530,000</b>	<b>3,530,000</b>	<b>3,733,554</b>	<b>3,910,000</b>
<b>Net Revenue (Expenditures)</b>	<b>29,770</b>	<b>(50,000)</b>	<b>(50,000)</b>	<b>(16,978)</b>	<b>-</b>
<b>Ending Fund Balance</b>	<b>\$ 350,090</b>	<b>\$ 300,090</b>	<b>\$ 300,090</b>	<b>\$ 333,111</b>	<b>\$ 333,111</b>

#### Significant changes for FY2023 include:

- The City renegotiated its contract for employee medical insurance with Blue Cross Blue Shield of Texas for FY2023. Rates will increase by 5% in the new contract. The City will assume the entire increase. Employee's premiums will remain unchanged in FY2023.
- No change in cost for dental, vision, life, AD & D, voluntary life and AD & D, short term disability, or long term disability





# PARKLAND DEDICATION FUND

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

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Committed Fund Balance</b>	<b>\$ 129,218</b>	<b>\$ 128,717</b>	<b>\$ 128,717</b>	<b>\$ 128,717</b>	<b>\$ 85,420</b>
<b>Revenues</b>					
Parkland Fee - East	12,625	15,000	15,000	16,875	20,000
Parkland Fee - West	6,225	7,000	7,000	16,600	20,000
<b>Total Fees</b>	<b>18,850</b>	<b>22,000</b>	<b>22,000</b>	<b>33,475</b>	<b>40,000</b>
Interest Revenue	275	300	300	653	1,000
<b>Total Interest and Miscellaneous</b>	<b>275</b>	<b>300</b>	<b>300</b>	<b>653</b>	<b>1,000</b>
<b>Total Revenues</b>	<b>19,125</b>	<b>22,300</b>	<b>22,300</b>	<b>34,128</b>	<b>41,000</b>
<b>Expenditures</b>					
Tools and Equipment	4,200	-	-	-	-
<b>Total Supplies</b>	<b>4,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Building and Structures	15,426	75,000	75,000	77,425	24,000
<b>Total Capital Outlay</b>	<b>15,426</b>	<b>75,000</b>	<b>75,000</b>	<b>77,425</b>	<b>24,000</b>
<b>Total Expenditures</b>	<b>19,626</b>	<b>75,000</b>	<b>75,000</b>	<b>77,425</b>	<b>24,000</b>
<b>Net Revenue (Expenditures)</b>	<b>(501)</b>	<b>(52,700)</b>	<b>(52,700)</b>	<b>(43,297)</b>	<b>17,000</b>
<b>Ending Committed Fund Balance</b>	<b>\$ 128,717</b>	<b>\$ 76,017</b>	<b>\$ 76,017</b>	<b>\$ 85,420</b>	<b>\$ 102,420</b>



**New shade umbrellas and shade canopies at Carver Park**



## POLICE SPECIAL REVENUE FUND

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

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 112,142</b>	<b>\$ 127,526</b>	<b>\$ 127,526</b>	<b>\$ 127,526</b>	<b>\$ 141,695</b>

<b>Revenues</b>					
State - LEOSE - PD	3,895	4,000	4,000	2,905	4,000
State - LEOSE - Fire Marshal	692	700	700	597	700
Police - Grants/Donations	27,365	-	-	415	-
Proceeds - Seized Items sold	5,462	4,500	4,500	1,779	2,000
Restitution	210	500	500	514	500
Cash Seizures Awarded	7,939	15,000	15,000	-	-
Police - K9 Donations	-	-	-	44,770	-
Fire - Contract Reimbursement	-	-	-	10,211	-
Interest Revenue	243	375	375	1,156	1,250
Miscellaneous Revenue	2,023	-	-	329	1,200
<b>Total Interest and Miscellaneous</b>	<b>47,828</b>	<b>25,075</b>	<b>25,075</b>	<b>62,677</b>	<b>9,650</b>
<b>Total Revenues</b>	<b>47,828</b>	<b>25,075</b>	<b>25,075</b>	<b>62,677</b>	<b>9,650</b>

<b>Expenditures</b>					
Travel and Training	-	-	-	3,285	2,500
<b>Total Personnel Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,285</b>	<b>2,500</b>
Office Supplies	-	-	-	-	-
Tools and Equipment	31,358	27,300	27,300	2,475	1,000
Wearing Apparel	-	8,000	8,000	8,412	-
<b>Total Supplies and Materials</b>	<b>31,358</b>	<b>35,300</b>	<b>35,300</b>	<b>10,887</b>	<b>1,000</b>
Other	1,085	-	-	-	-
<b>Total Other Expenses</b>	<b>1,085</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Vehicles	-	-	-	34,336	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,336</b>	<b>-</b>
<b>Total Expenditures</b>	<b>32,443</b>	<b>35,300</b>	<b>35,300</b>	<b>48,508</b>	<b>3,500</b>

<b>Net Revenue (Expenditures)</b>	<b>15,385</b>	<b>(10,225)</b>	<b>(10,225)</b>	<b>14,169</b>	<b>6,150</b>
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<b>Ending Restricted Fund Balance</b>	<b>\$ 127,526</b>	<b>\$ 117,301</b>	<b>\$ 117,301</b>	<b>\$ 141,695</b>	<b>\$ 147,845</b>
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# 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.

## Revenues & Expenditures by Line Item

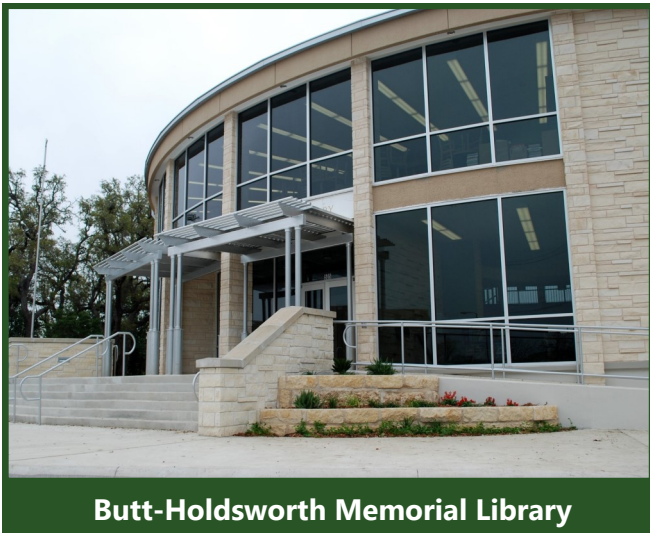
	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Committed Fund Balance</b>	<b>\$ 2,740,309</b>	<b>\$ 3,702,019</b>	<b>\$ 3,702,019</b>	<b>\$ 3,702,019</b>	<b>\$ 2,881,991</b>
<b>Revenues</b>					
Friends of the Library Contribution	62,070	34,000	34,000	300,185	47,000
Donations	1,033,917	10,000	10,000	140,380	10,000
<b>Total Grants and Donations</b>	<b>1,095,988</b>	<b>44,000</b>	<b>44,000</b>	<b>440,565</b>	<b>57,000</b>
Oil and Gas Revenue	448	600	600	5,301	600
Interest Revenue	6,937	9,000	9,000	23,001	30,000
Miscellaneous Revenue	3,137	-	-	1,746	-
<b>Total Interest and Miscellaneous</b>	<b>10,522</b>	<b>9,600</b>	<b>9,600</b>	<b>30,047</b>	<b>30,600</b>
Transfer In - HOT	-	-	-	-	1,000,000
<b>Total Transfer In</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,000,000</b>
<b>Total Revenues</b>	<b>1,106,510</b>	<b>53,600</b>	<b>53,600</b>	<b>470,612</b>	<b>1,087,600</b>
<b>Expenditures</b>					
Tools and Equipment	1,343	8,000	8,000	1,095	-
Other Supplies	1,298	4,000	4,000	69,088	4,200
<b>Total Supplies and Materials</b>	<b>2,641</b>	<b>12,000</b>	<b>12,000</b>	<b>70,183</b>	<b>4,200</b>
Professional Services	9,754	4,800	4,800	5,553	6,575
Advertising	142	500	500	509	5,500
<b>Total Services</b>	<b>9,896</b>	<b>5,300</b>	<b>5,300</b>	<b>6,062</b>	<b>12,075</b>
Dues / Licenses / Subscriptions	8,192	21,100	21,100	11,316	32,017
Other Charges	37	100	100	35	100
<b>Total Other Expenses</b>	<b>8,229</b>	<b>21,200</b>	<b>21,200</b>	<b>11,351</b>	<b>32,117</b>
Buildings and Structures	60,514	500,000	500,000	1,061,044	2,000,000
Technology Equipment	19,500	-	-	95,330	7,000
Books and Records	44,019	61,680	61,680	46,670	59,500
<b>Total Capital Outlay</b>	<b>124,033</b>	<b>561,680</b>	<b>561,680</b>	<b>1,203,045</b>	<b>2,066,500</b>
<b>Total Expenditures</b>	<b>144,799</b>	<b>600,180</b>	<b>600,180</b>	<b>1,290,641</b>	<b>2,114,892</b>
<b>Net Revenue (Expenditures)</b>	<b>961,710</b>	<b>(546,580)</b>	<b>(546,580)</b>	<b>(820,029)</b>	<b>(1,027,292)</b>
<b>Ending Committed Fund Balance</b>	<b>\$ 3,702,019</b>	<b>\$ 3,155,439</b>	<b>\$ 3,155,439</b>	<b>\$ 2,881,991</b>	<b>\$ 1,854,699</b>



## LIBRARY MEMORIAL FUND

**FY2023 funding includes:**

- Self-check security gates and mobile library assistant — \$13,367
- Added Biblio+ to the Library's streaming services
- HHHC project funding — \$2,000,000
- Books and Records — \$59,500



**Butt-Holdsworth Memorial Library**



**Read to a Therapy Dog**



**New Library Ramp to Tranquility Island**



## PEG SPECIAL REVENUE FUND

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

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 66,426</b>	<b>\$ 73,791</b>	<b>\$ 73,791</b>	<b>\$ 73,791</b>	<b>\$ 79,379</b>
<b>Revenues</b>					
Franchise Fee - PEG	60,163	60,000	60,000	60,568	61,000
<b>Total Franchise Fee Revenue</b>	<b>60,163</b>	<b>60,000</b>	<b>60,000</b>	<b>60,568</b>	<b>61,000</b>
Interest Revenue	96	250	250	406	600
<b>Total Interest and Miscellaneous</b>	<b>96</b>	<b>250</b>	<b>250</b>	<b>406</b>	<b>600</b>
<b>Total Revenues</b>	<b>60,258</b>	<b>60,250</b>	<b>60,250</b>	<b>60,974</b>	<b>61,600</b>
<b>Expenditures</b>					
Tools and Equipment	15,190	25,000	25,000	23,923	22,000
<b>Total Supplies and Materials</b>	<b>15,190</b>	<b>25,000</b>	<b>25,000</b>	<b>23,923</b>	<b>22,000</b>
Technology	37,704	31,000	31,000	31,462	34,000
<b>Total Maintenance and Repairs</b>	<b>37,704</b>	<b>31,000</b>	<b>31,000</b>	<b>31,462</b>	<b>34,000</b>
<b>Total Expenditures</b>	<b>52,894</b>	<b>56,000</b>	<b>56,000</b>	<b>55,385</b>	<b>56,000</b>
<b>Net Revenue (Expenditures)</b>	<b>7,364</b>	<b>4,250</b>	<b>4,250</b>	<b>5,588</b>	<b>5,600</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 73,791</b>	<b>\$ 78,041</b>	<b>\$ 78,041</b>	<b>\$ 79,379</b>	<b>\$ 84,979</b>





# MUNICIPAL COURT SPECIAL REVENUE FUND

The Municipal Court Special Revenue Fund is a special revenue fund in the governmental funds category for financial reporting purposes that accounts for fees received by the court that are restricted for court technology, court security, and child safety or truancy related expenditures.

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 107,134</b>	<b>\$ 99,527</b>	<b>\$ 99,527</b>	<b>\$ 99,527</b>	<b>\$ 95,307</b>

<b>Revenues</b>					
MC - Child Safety Fine	5,900	6,000	6,000	2,085	2,000
Vehicle Registration - Child Safety Fee	17,181	26,000	26,000	45,520	29,000
MC - Technology Fee	11,644	10,500	10,500	10,551	11,000
MC - Security Fee	13,916	10,500	10,500	12,795	12,000
MC - Truancy Fee	13,986	7,000	7,000	12,925	8,000
<b>Total Fines and Forfeitures</b>	<b>62,627</b>	<b>60,000</b>	<b>60,000</b>	<b>83,877</b>	<b>62,000</b>
Interest Revenue	224	375	375	759	1,000
<b>Total Interest and Miscellaneous</b>	<b>224</b>	<b>375</b>	<b>375</b>	<b>759</b>	<b>1,000</b>
<b>Total Revenues</b>	<b>62,851</b>	<b>60,375</b>	<b>60,375</b>	<b>84,636</b>	<b>63,000</b>

<b>Expenditures</b>					
Salaries	30,000	30,000	30,000	30,000	30,000
<b>Total Personnel Services</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
Office Supplies	-	-	-	45	-
Tools and Equipment	593	4,500	2,500	-	6,500
Technology Equipment	6,665	-	28,000	42,169	22,600
<b>Total Supplies and Materials</b>	<b>7,258</b>	<b>4,500</b>	<b>30,500</b>	<b>42,214</b>	<b>29,100</b>
Equipment Maintenance	6,086	8,480	8,480	6,929	5,750
Technology Maintenance	2,459	3,742	3,742	9,712	3,742
Street Maintenance	10,479	-	-	-	-
<b>Total Maintenance and Repairs</b>	<b>19,024</b>	<b>12,222</b>	<b>12,222</b>	<b>16,641</b>	<b>9,492</b>
Technology Equipment	14,175	-	-	-	-
Street Improvement	-	26,000	-	-	-
<b>Total Capital Outlay</b>	<b>14,175</b>	<b>26,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>70,457</b>	<b>72,722</b>	<b>72,722</b>	<b>88,855</b>	<b>68,592</b>

<b>Net Revenue (Expenditures)</b>	<b>(7,607)</b>	<b>(12,347)</b>	<b>(12,347)</b>	<b>(4,220)</b>	<b>(5,592)</b>
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<b>Ending Restricted Fund Balance</b>	<b>\$ 99,527</b>	<b>\$ 87,180</b>	<b>\$ 87,180</b>	<b>\$ 95,307</b>	<b>\$ 89,715</b>
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### FY2023 funding includes:

- School zone pedestrian improvements and a portion of City Marshal salary



## LANDFILL FUND

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

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 773,895</b>	<b>\$ 814,869</b>	<b>\$ 814,869</b>	<b>\$ 814,869</b>	<b>\$ 838,771</b>
<b>Revenues</b>					
Environment Fee	39,273	39,000	39,000	38,415	39,000
<b>Total Tax Revenue</b>	<b>39,273</b>	<b>39,000</b>	<b>39,000</b>	<b>38,415</b>	<b>39,000</b>
Interest Revenue	1,701	4,000	4,000	5,813	7,500
<b>Total Interest and Miscellaneous</b>	<b>1,701</b>	<b>4,000</b>	<b>4,000</b>	<b>5,813</b>	<b>7,500</b>
Transfer In - Grant Fund	-	-	-	-	25,000
<b>Total Transfer In</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000</b>
<b>Total Revenues</b>	<b>40,974</b>	<b>43,000</b>	<b>43,000</b>	<b>44,228</b>	<b>71,500</b>
<b>Expenditures</b>					
Recycling Services	-	56,600	56,600	20,327	48,000
<b>Total Expenditures</b>	<b>-</b>	<b>56,600</b>	<b>56,600</b>	<b>20,327</b>	<b>48,000</b>
<b>Net Revenue (Expenditures)</b>	<b>40,974</b>	<b>(13,600)</b>	<b>(13,600)</b>	<b>23,901</b>	<b>23,500</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 814,869</b>	<b>\$ 801,269</b>	<b>\$ 801,269</b>	<b>\$ 838,771</b>	<b>\$ 862,271</b>

Note: FY2023 includes a transfer-in from the Grant Fund consisting of funds from a grant from the Alamo Area Council of Government to be used to offset expenses related to the Household Hazardous Waste Event.



## LANDFILL POST CLOSURE FUND

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

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2021 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 2,363,264</b>	<b>\$ 2,412,687</b>	<b>\$ 2,412,687</b>	<b>\$ 2,412,687</b>	<b>\$ 2,429,796</b>
<b>Revenues</b>					
Interest Revenue	5,190	12,000	12,000	17,109	22,000
<b>Total Interest and Miscellaneous</b>	<b>5,190</b>	<b>12,000</b>	<b>12,000</b>	<b>17,109</b>	<b>22,000</b>
Transfer In - General Debt Service	44,233	-	-	-	-
<b>Total Transfer In</b>	<b>44,233</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenues</b>	<b>49,423</b>	<b>12,000</b>	<b>12,000</b>	<b>17,109</b>	<b>22,000</b>
<b>Net Revenue (Expenditures)</b>	<b>49,423</b>	<b>12,000</b>	<b>12,000</b>	<b>17,109</b>	<b>22,000</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 2,412,687</b>	<b>\$ 2,424,687</b>	<b>\$ 2,424,687</b>	<b>\$ 2,429,796</b>	<b>\$ 2,451,796</b>





# REMSCHEL-DEERING HISTORY CENTER FUND

The Remschel-Deering History Center Fund is a special revenue fund in the governmental funds category for financial reporting purposes that accounts for the History Center's operating revenues and expenditures.

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Committed Fund Balance</b>	<b>\$ 219,905</b>	<b>\$ 226,296</b>	<b>\$ 226,296</b>	<b>\$ 226,296</b>	<b>\$ 224,556</b>

<b>Revenues</b>					
Library - Copies	1	-	-	-	-
Library - Internet Printing	14	75	75	17	-
<b>Total Service Revenue</b>	<b>16</b>	<b>75</b>	<b>75</b>	<b>17</b>	<b>-</b>
Deering Trust Income	13,200	13,200	13,200	17,600	14,400
Donation	1,505	-	-	1,081	-
<b>Total Grants and Donations</b>	<b>14,705</b>	<b>13,200</b>	<b>13,200</b>	<b>18,681</b>	<b>14,400</b>
Interest Revenue	485	875	875	1,572	2,200
<b>Total Interest and Miscellaneous</b>	<b>485</b>	<b>875</b>	<b>875</b>	<b>1,572</b>	<b>2,200</b>
<b>Total Revenues</b>	<b>15,205</b>	<b>14,150</b>	<b>14,150</b>	<b>20,270</b>	<b>16,600</b>

<b>Expenditures</b>					
Travel and Training	-	350	350	47	350
<b>Total Personnel Services</b>	<b>-</b>	<b>350</b>	<b>350</b>	<b>47</b>	<b>350</b>
Office Supplies	87	800	800	21	800
Technology Equipment	-	2,020	2,020	1,361	1,800
Chemical and Medical	-	20	20	-	25
Postage and Shipping	-	300	300	139	500
Other Supplies	-	300	300	219	1,050
<b>Total Supplies and Materials</b>	<b>87</b>	<b>3,440</b>	<b>3,440</b>	<b>1,738</b>	<b>4,175</b>
Building, Structure, Land Maintenance	1,699	2,100	2,100	827	2,380
Equipment	1,849	2,200	2,200	-	1,200
Technology Maintenance	-	1,500	1,500	-	1,398
<b>Total Maintenance and Repairs</b>	<b>3,548</b>	<b>5,800</b>	<b>5,800</b>	<b>827</b>	<b>4,978</b>
Utilities	4,770	5,724	5,724	5,624	6,180
Professional Services	250	4,000	4,000	3,795	44,000
Advertising	-	250	250	-	250
<b>Total Services</b>	<b>5,020</b>	<b>9,974</b>	<b>9,974</b>	<b>9,419</b>	<b>50,430</b>
Technology Equipment	-	-	-	9,980	-
Library Collection	159	1,500	1,500	-	1,500
<b>Total Capital Outlay</b>	<b>159</b>	<b>1,500</b>	<b>1,500</b>	<b>9,980</b>	<b>1,500</b>
<b>Total Expenditures</b>	<b>8,814</b>	<b>21,064</b>	<b>21,064</b>	<b>22,011</b>	<b>61,433</b>

<b>Net Revenue (Expenditures)</b>	<b>6,391</b>	<b>(6,914)</b>	<b>(6,914)</b>	<b>(1,741)</b>	<b>(44,833)</b>
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<b>Ending Committed Fund Balance</b>	<b>\$ 226,296</b>	<b>\$ 219,382</b>	<b>\$ 219,382</b>	<b>\$ 224,556</b>	<b>\$ 179,723</b>
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## LIBRARY ENDOWMENT FUND

The Library Endowment Fund is a governmental fund type that is consolidated with the General Fund for financial reporting purposes. The fund is used to account for funds that are restricted for use by the Library in accordance with the Butt-Holdsworth Memorial Library Endowment Fund Trust document that created the fund in 1989. The City became the trustee for these funds in FY2020.

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	<b>\$ 1,287,593</b>	<b>\$ 1,411,778</b>	<b>\$ 1,411,778</b>	<b>\$ 1,411,778</b>	<b>\$ 1,256,403</b>
<b>Revenues</b>					
Interest Revenue	131,035	6,000	6,000	(148,524)	12,000
<b>Total Revenues</b>	<b>131,035</b>	<b>6,000</b>	<b>6,000</b>	<b>(148,524)</b>	<b>12,000</b>
<b>Expenditures</b>					
Tools and Equipment	-	1,200	1,200	-	-
Technology Equipment	-	3,896	3,896	-	25,000
<b>Total Supplies and Materials</b>	<b>-</b>	<b>5,096</b>	<b>5,096</b>	<b>-</b>	<b>25,000</b>
Technology Maintenance	-	1,000	1,000	-	-
<b>Total Maintenance and Repairs</b>	<b>-</b>	<b>1,000</b>	<b>1,000</b>	<b>-</b>	<b>-</b>
Professional Services	6,850	12,500	12,500	6,850	6,000
<b>Total Services</b>	<b>6,850</b>	<b>12,500</b>	<b>12,500</b>	<b>6,850</b>	<b>6,000</b>
Other Expenses	-	900	900	-	30,000
<b>Total Other Expenses</b>	<b>-</b>	<b>900</b>	<b>900</b>	<b>-</b>	<b>30,000</b>
<b>Total Expenditures</b>	<b>6,850</b>	<b>19,496</b>	<b>19,496</b>	<b>6,850</b>	<b>61,000</b>
<b>Net Revenue (Expenditures)</b>	<b>124,185</b>	<b>(13,496)</b>	<b>(13,496)</b>	<b>(155,374)</b>	<b>(49,000)</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 1,411,778</b>	<b>\$ 1,398,282</b>	<b>\$ 1,398,282</b>	<b>\$ 1,256,403</b>	<b>\$ 1,207,403</b>

#### Significant changes for FY2023 include:

- Library Campus Wifi — \$25,000
- Countertops for Reference & Circulation — \$30,000





## CAILLOUX THEATER ENDOWMENT FUND

The Cailloux Theater Endowment Fund is consolidated with the General Fund in the governmental funds category for financial reporting purposes. The endowment agreement specifies that fund revenue can be used to maintain the Kathleen C. Cailloux City Center for the Performing Arts. No more than 5% of the corpus may be used annually. Maintenance expenses at the Kit Werlein Annex are not eligible for reimbursement from this fund.

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	\$ 662,707	\$ 674,144	\$ 674,144	\$ 674,144	\$ 575,499
<b>Revenues</b>					
Cailloux Foundation Donation	10,000	-	-	-	-
Interest Revenue	1,437	3,250	3,250	4,512	6,500
<b>Total Interest and Miscellaneous</b>	<b>11,437</b>	<b>3,250</b>	<b>3,250</b>	<b>4,512</b>	<b>6,500</b>
<b>Total Revenues</b>	<b>11,437</b>	<b>3,250</b>	<b>3,250</b>	<b>4,512</b>	<b>6,500</b>
<b>Expenditures</b>					
Building, Structure, Land Maintenance	-	-	-	15,602	-
<b>Total Maintenance and Repairs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,602</b>	<b>-</b>
Building, Structure, Land Maintenance	-	-	-	87,555	-
<b>Total Capital Outlay</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,555</b>	<b>-</b>
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,157</b>	<b>-</b>
<b>Net Revenue (Expenditures)</b>	<b>11,437</b>	<b>3,250</b>	<b>3,250</b>	<b>(98,645)</b>	<b>6,500</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 674,144</b>	<b>\$ 677,395</b>	<b>\$ 677,394</b>	<b>\$ 575,499</b>	<b>\$ 581,999</b>





## GRANT FUND

The Grant Fund is a special revenue fund reported in the governmental funds category for financial reporting purposes. It is used to account for grant money received and spent. Revenues and expenditures are not budgeted until grants have been awarded. Expenses related to large projects are allocated in the City's CIP Funds. Grant revenues allocated to these projects are transferred from the Grant Fund to CIP.

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	\$ 3,116	\$ 2,949,288	\$ 2,949,288	\$ 2,949,288	\$ 4,148,503
<b>Revenues</b>					
Police Grants	25,130	-	-	86,979	238,466
COVID-19 Grants	3,312,174	-	-	2,954,586	-
Recycle Grants	-	-	-	-	25,000
EMS - Grant/Donation	32,064	-	-	17,513	-
Miscellaneous Revenue	-	-	-	-	262,669
Community Development - Grants	-	-	-	10,500	-
<b>Total Grants and Donations</b>	<b>3,369,368</b>	<b>-</b>	<b>-</b>	<b>3,069,578</b>	<b>526,135</b>
Transfer In - Gen Capital Projects	-	-	-	1,187,117	-
<b>Total Transfer In</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,187,117</b>	<b>-</b>
<b>Total Revenues</b>	<b>3,369,368</b>	<b>-</b>	<b>-</b>	<b>4,256,695</b>	<b>526,135</b>
<b>Expenditures</b>					
Travel and Training	-	-	-	12,168	-
<b>Total Personnel Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,168</b>	<b>-</b>
Tools and Equipment	32,105	-	-	18,395	-
<b>Total Supplies and Materials</b>	<b>32,105</b>	<b>-</b>	<b>-</b>	<b>18,395</b>	<b>-</b>
Machinery, Tools and Equipment	112,826	-	-	-	75,000
<b>Total Capital Outlay</b>	<b>112,826</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75,000</b>
Transfer Out - General Fund	278,264	-	-	-	-
Transfer Out - Landfill Fund	-	-	-	-	25,000
Transfer Out - General Capital Projects	-	-	2,942,954	3,026,918	238,466
<b>Total Transfer Out</b>	<b>278,264</b>	<b>-</b>	<b>2,942,954</b>	<b>3,026,918</b>	<b>263,466</b>
<b>Total Expenditures</b>	<b>423,196</b>	<b>-</b>	<b>2,942,953</b>	<b>3,057,480</b>	<b>338,466</b>
<b>Net Revenue (Expenditures)</b>	<b>2,946,172</b>	<b>-</b>	<b>(2,942,953)</b>	<b>1,199,214</b>	<b>187,669</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 2,949,288</b>	<b>\$ 2,949,288</b>	<b>\$ 6,335</b>	<b>\$ 4,148,503</b>	<b>\$ 4,336,172</b>



## INSURANCE RESERVE FUND

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

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Committed Fund Balance</b>	<b>\$ 160,974</b>	<b>\$ 238,494</b>	<b>\$ 238,494</b>	<b>\$ 238,494</b>	<b>\$ 226,512</b>
<b>Revenues</b>					
Reimbursement - Vehicle/Equipment	72,337	-	-	27,474	30,000
Reimbursement - Building/Structure	253,807	-	-	114,226	70,000
Interest Revenue	514	500	500	1,569	2,150
<b>Total Interest and Miscellaneous</b>	<b>326,658</b>	<b>500</b>	<b>500</b>	<b>143,268</b>	<b>102,150</b>
<b>Total Revenues</b>	<b>326,658</b>	<b>500</b>	<b>500</b>	<b>143,268</b>	<b>102,150</b>
<b>Expenditures</b>					
Tools and Equipment	9,977	-	-	-	-
<b>Total Supplies and Materials</b>	<b>9,977</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Building, Structure, Land Maintenance	102,503	-	-	97,183	102,150
Vehicle	37,525	-	-	23,635	-
<b>Total Maintenance and Repairs</b>	<b>140,027</b>	<b>-</b>	<b>-</b>	<b>120,818</b>	<b>102,150</b>
Other	9,532	-	-	1,072	-
<b>Total Services</b>	<b>9,532</b>	<b>-</b>	<b>-</b>	<b>1,072</b>	<b>-</b>
Transfer to Asset Replacement	11,521	-	-	33,360	-
Transfer to Golf	46,500	-	-	-	-
Transfer to WS Asset Replacement	31,581	-	-	-	-
<b>Total Transfers Out</b>	<b>89,602</b>	<b>-</b>	<b>-</b>	<b>33,360</b>	<b>-</b>
<b>Total Expenditures</b>	<b>249,138</b>	<b>-</b>	<b>-</b>	<b>155,251</b>	<b>102,150</b>
<b>Net Revenue (Expenditures)</b>	<b>77,520</b>	<b>500</b>	<b>500</b>	<b>(11,982)</b>	<b>-</b>
<b>Ending Committed Fund Balance</b>	<b>\$ 238,494</b>	<b>\$ 238,994</b>	<b>\$ 238,994</b>	<b>\$ 226,512</b>	<b>\$ 226,512</b>



## TIRZ #1 FUND

The 2018 Ordinance establishing a Tax Increment Reinvestment Zone (TIRZ) created the downtown area TIRZ #1. A separate TIRZ Board, that meets at least annually, governs TIRZ spending. The TIRZ #1 Fund is a special revenue fund in the governmental funds category for financial reporting purposes. All property tax collected from properties within the TIRZ geographical area in excess of the base year (2018) is considered TIRZ increment revenue. These proceeds must be used for allowable projects in the TIRZ #1 zone.

### Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Restricted Fund Balance</b>	\$ 22,914	\$ 58,605	\$ 58,605	\$ 58,605	\$ 110,255
<b>Revenues</b>					
Property Tax	35,641	62,641	62,641	51,112	280,000
<b>Total Tax Revenue</b>	<b>35,641</b>	<b>62,641</b>	<b>62,641</b>	<b>51,112</b>	<b>280,000</b>
Interest Revenue	50	250	250	538	1,000
<b>Total Interest and Miscellaneous</b>	<b>50</b>	<b>250</b>	<b>250</b>	<b>538</b>	<b>1,000</b>
<b>Total Revenues</b>	<b>35,691</b>	<b>62,891</b>	<b>62,891</b>	<b>51,650</b>	<b>281,000</b>
<b>Net Revenue (Expenditures)</b>	<b>35,691</b>	<b>62,891</b>	<b>62,891</b>	<b>51,650</b>	<b>281,000</b>
<b>Ending Restricted Fund Balance</b>	<b>\$ 58,605</b>	<b>\$ 121,496</b>	<b>\$ 121,495</b>	<b>\$ 110,255</b>	<b>\$ 391,255</b>



# **ECONOMIC IMPROVEMENT CORPORATION**



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





# ECONOMIC IMPROVEMENT CORPORATION

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

The Texas Local Government Code governs type B expenditures. Allowable expenditures include spending to develop primary jobs or cultivate communities through quality of life improvements. Since the creation of EIC in 1999, the EIC has funded projects totaling \$58.4 million.

## Revenues & Expenditures by Line Item

	FY2021 Actual	FY2022 Original Budget	FY2022 Current Budget	FY2022 Estimated	FY2023 Budget
<b>Beginning Fund Balance</b>	<b>\$ 3,085,638</b>	<b>\$ 3,524,647</b>	<b>\$ 3,524,647</b>	<b>\$ 3,524,647</b>	<b>\$ 6,431,247</b>
<b>Revenues</b>					
Sales Tax	4,459,694	4,223,000	4,223,000	4,864,636	5,262,270
<b>Total Tax Revenue</b>	<b>4,459,694</b>	<b>4,223,000</b>	<b>4,223,000</b>	<b>4,864,636</b>	<b>5,262,270</b>
Interest Revenue	2,619	9,665	9,665	39,761	28,373
<b>Total Interest and Miscellaneous</b>	<b>2,619</b>	<b>9,665</b>	<b>9,665</b>	<b>39,761</b>	<b>28,373</b>
<b>Total Revenues</b>	<b>4,462,313</b>	<b>4,232,665</b>	<b>4,232,665</b>	<b>4,904,397</b>	<b>5,290,643</b>
<b>Expenditures</b>					
Local Meeting Expense	-	-	-	64	200
Office Supplies	-	500	500	50	150
<b>Total Supplies and Materials</b>	<b>-</b>	<b>500</b>	<b>500</b>	<b>114</b>	<b>350</b>
Professional Services	185,000	205,000	205,000	195,000	200,000
Legal Services	-	-	-	694	10,000
Kerr Economic Development Corp	197,500	312,500	312,500	312,500	312,500
<b>Total Services</b>	<b>382,500</b>	<b>517,500</b>	<b>517,500</b>	<b>508,194</b>	<b>522,500</b>
Debt Service	2,107,831	1,089,369	1,089,369	1,089,369	1,085,141
Project Contribution	1,532,974	-	-	400,000	1,142,233
Other Charges	-	-	-	120	300
<b>Total Other Expenses</b>	<b>3,640,804</b>	<b>1,089,369</b>	<b>1,089,369</b>	<b>1,489,489</b>	<b>2,227,674</b>
<b>Total Expenditures</b>	<b>4,023,304</b>	<b>1,607,369</b>	<b>1,607,369</b>	<b>1,997,796</b>	<b>2,750,524</b>
<b>Net Revenue (Expenditures)</b>	<b>439,009</b>	<b>2,625,296</b>	<b>2,625,296</b>	<b>2,906,600</b>	<b>2,540,120</b>
<b>Ending Fund Balance</b>	<b>\$ 3,524,647</b>	<b>\$ 6,149,943</b>	<b>\$ 6,149,943</b>	<b>\$ 6,431,247</b>	<b>\$ 8,971,367</b>



# ECONOMIC IMPROVEMENT CORPORATION

EIC Projects 1999 - Present		
Project Name	Fiscal Year	Total Funding
Airport Commerce Park/Sewer	1999	1,294,374
Library Improvements	2000	37,349
Relocate Blackwell Fire Station	2000	96,283
Loop 534 Water/Sewer	2000	472,306
GIS System	2001	161,958
Creek Easement Acquisition	2001	20,419
Fire Pumper Apparatus	2001	350,378
Communication Equipment KPD	2001	196,243
Terminal Building	2002	1,046,066
Holdsworth Drive	2003	4,491,208
Main Street Extension (SU)	2003	1,800,000
Broadway Utility Relocation	2004	482,740
EMS Ambulance	2004	143,665
Legions Hills Infrastructure	2004	520,917
Golf Course Irrigation	2005	37,559
Town Creek Sanitary System	2005	1,125,827
ASR Well #3	2006	378,505
Hill Country Shooting Center	2006	1,295,585
Airport Water Tower Demolition	2006	19,797
River Stark Park Pavilion	2006	127,000
Kerrville Skate Park	2006	137,546
Harper Road Utility Extension	2006	2,844,149
KEDF - Consulting	2007	84,750
Schreiner University	2008	750,000
Salvation Army Center	2008	490,527
Tivy Education Center	2009	300,000
Workforce Solutions	2009	108,394
KEDF - USO	2010	210,627
Habitat for Humanity (Jennings)	2010	418,000
Hill Country Home Opportunity	2011	250,000
Commercial Improvement Pilot	2011	20,000
Kerrville River Trail (Series 2011A Debt)	2011	6,000,000
Kerrville River Trail (Series 2012 Debt)	2011	2,600,000



# ECONOMIC IMPROVEMENT CORPORATION

EIC Projects 1999 - Present		
Project Name	Fiscal Year	Total Funding
Harper Road Utilities #2	2012	641,737
Fox Tank	2012	450,000
Downtown Utilities	2012	300,000
Golf Course Improvements	2013	518,568
Hill Country Jr. Livestock Assn	2013	149,703
Kerr Fest	2013	10,500
Folk Festival	2013	8,415
Texas Arts & Crafts Fair	2013	15,500
Quilt Show	2013	1,000
Playhouse 2000	2013	113,469
Cailloux Theater Lighting	2013	149,379
4th on the River	2013	22,077
Downtown Streetscape*	2014	565,100
Hill Country Wine and Brew Fest	2014	16,490
Habitat for Humanity	2014	375,000
Cailloux Theater Expansion	2015	850,000
Kerrville Sports Complex (Series 2015 Debt)	2015	9,000,000
James Avery Expansion	2015	1,200,000
Special (Community) Events	2015	191,165
Distribution Lines	2017	3,000,000
Olympic Pool Aquatics Feasibility	2017	100,000
Kerrville Tennis Center	2017	1,750,000
Legion Lift Station	2018	2,000,000
Thompson Drive Infrastructure	2018	850,000
Hobby Lobby/Econolodge	2018	375,000
SU River Trail Extension	2019	1,500,000
Olympic Drive Extension	2019	1,050,000
Arcadia Theater	2019	600,000
Kerrville-Kerr County Airport Improvements	2019	375,000
Doyle Community Center	2020	650,000
Kildeer Mountain Manufacturing	2020	2,095,000
River Trail Downtown Concept	2021	50,000
Kerrville Christmas Lighting	2021	100,000
Arcadia Live	2022	400,000
Sid Peterson Memorial Hospital	2022	1,600,000
<b>Total Active/Completed and Committed:</b>		<b>\$ 59,385,273</b>

# APPENDIX



Note: The City of Kerrville adopts one budget document, annually, which includes any changes to personnel, policies, fees, etc. Any changes to prior year policies or fees are indicated in red type throughout the policy and fee sections of the Appendix. Personnel pay plans were approved mid-year FY2022 after the completion of a Formal Compensation Study and strategic market adjustments to various positions Citywide.



# PERSONNEL SCHEDULES







## FULL TIME EMPLOYEES (FTE) BY DEPARTMENT

Department	FY2020	FY2021	FY2022	FY2023
<b>General Fund Personnel Count</b>				
City Secretary	3	3	3	2
City Attorney	1	1.50	2	2
City Administration	5	4.25	4.25	4
Human Resources	4	4	4	3
Finance	5	4	4	5
Information Technology	7	5.25	6	6
Public Information Office	0	2	2	2
Municipal Court	6	5	5	5
Office of Innovation	0	0	0	0.25
Economic Development	0	0	0	2
Police	72	72	72	77
Fire	48	48	48	78
Emergency Management	1	1	1	1
Fire Marshal	2	2	2	2
EMS	26	26	27	0
Kerrville-Schreiner Park	8	8	8	8
Parks Maintenance	21	19.25	21	21.50
Sports Complex	6	6	6	6
Recreation	2	2	2	2
Community Events	1	1	1	1
Golf	7	7	7	6
Engineering	6	5.25	6	6
Streets	18	17.50	18.5	18
Solid Waste	1	1	1	1
Library	9	9	9	9
General Operations	1	0	0	0
<b>Total General Fund</b>	<b>260</b>	<b>254</b>	<b>259.75</b>	<b>267.75</b>
<b>Development Services Fund Personnel Count</b>				
Planning	2	3	3	3
Building Services	6	5	5.50	5.50
Code Compliance	2	2	2	2
<b>Total Development Services Fund</b>	<b>10</b>	<b>10</b>	<b>10.50</b>	<b>10.50</b>
<b>Water Fund Personnel Count</b>				
Utility Billing	8	8	8	8
Water Production	13	13	13	14
Water Distribution	10	10	10	10
Water Reclamation	15	9	9	9
Wastewater Collection	0	6	6	6.50
Utility Lab	4	4	4	4
<b>Total Water Fund</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>51.50</b>
<b>Garage Fund Personnel Count</b>				
Garage	5	5.25	5.25	5.25
<b>Total Garage Fund</b>	<b>5</b>	<b>5.25</b>	<b>5.25</b>	<b>5.25</b>
<b>Total City FTEs</b>	<b>325</b>	<b>319.25</b>	<b>325.50</b>	<b>335</b>



# GENERAL GOVERNMENT PAY PLAN

City of Kerrville						
FY2023 General Government Pay Plan						
Pay Grade	Position Title	FLSA	Min	Mid	Max	Hourly Min
21	Accounting Assistant - Part Time	NE	\$31,200	\$36,504	\$42,933	15.00
21	Building Maintenance Worker/Custodian	NE	\$31,200	\$36,504	\$42,933	15.00
21	Duty Desk Clerk (PT)	NE	\$31,200	\$36,504	\$42,933	15.00
21	Library Clerk	NE	\$31,200	\$36,504	\$42,933	15.00
21	Library Clerk (PT/19)	NE	\$31,200	\$36,504	\$42,933	15.00
21	Pro Shop Attendant (PT/15)	NE	\$31,200	\$36,504	\$42,933	15.00
21	Pro Shop Attendant (PT/20)	NE	\$31,200	\$36,504	\$42,933	15.00
21	City Hall Receptionist	NE	\$31,200	\$36,504	\$42,933	15.00
22	Maintenance Worker - Golf	NE	\$31,795	\$38,296	\$44,797	15.29
22	Maintenance Worker - Kerrville Schreiner Park	NE	\$31,795	\$38,296	\$44,797	15.29
22	Maintenance Worker - Parks	NE	\$31,795	\$38,296	\$44,797	15.29
22	Maintenance Worker - Sports Complex	NE	\$31,795	\$38,296	\$44,797	15.29
22	Office Clerk - Kerrville Schreiner Park	NE	\$31,795	\$38,296	\$44,797	15.29
22	Utility Clerk	NE	\$31,795	\$38,296	\$44,797	15.29
23	EMS Billing Coordinator	NE	\$33,369	\$40,034	\$46,699	16.04
23	Laboratory Assistant	NE	\$33,369	\$40,034	\$46,699	16.04
23	Library Assistant	NE	\$33,369	\$40,034	\$46,699	16.04
23	Pretreatment Technician - LAB	NE	\$33,369	\$40,034	\$46,699	16.04
24	Administrative Records Clerk	NE	\$35,030	\$42,022	\$49,037	16.84
24	Equipment Operator - Golf Maintenance	NE	\$35,030	\$42,022	\$49,037	16.84
24	Equipment Operator - Parks Maintenance	NE	\$35,030	\$42,022	\$49,037	16.84
24	Equipment Operator - ROW Mowing & Drainage	NE	\$35,030	\$42,022	\$49,037	16.84
24	Equipment Operator - Sports Complex	NE	\$35,030	\$42,022	\$49,037	16.84
24	Light Equipment Operator - Streets	NE	\$35,030	\$42,022	\$49,037	16.84
24	Maintenance Specialist - Solid Waste	NE	\$35,030	\$42,022	\$49,037	16.84
24	Meter Technician	NE	\$35,030	\$42,022	\$49,037	16.84
24	Municipal Court Deputy Clerk	NE	\$35,030	\$42,022	\$49,037	16.84
24	Permit Technician	NE	\$35,030	\$42,022	\$49,037	16.84
24	Water Distribution Utility Worker I	NE	\$35,030	\$42,022	\$49,037	16.84
25	Accounting Specialist	NE	\$36,778	\$44,120	\$51,484	17.68
25	Accounts Payable Specialist	NE	\$36,778	\$44,120	\$51,484	17.68
25	Administrative Assistant - Fire	NE	\$36,778	\$44,120	\$51,484	17.68
25	Administrative Assistant - Planning	NE	\$36,778	\$44,120	\$51,484	17.68
25	Property & Evidence Specialist	NE	\$36,778	\$44,120	\$51,484	17.68
25	Public Works Specialist	NE	\$36,778	\$44,120	\$51,484	17.68
25	Senior Utility Clerk	NE	\$36,778	\$44,120	\$51,484	17.68



# GENERAL GOVERNMENT PAY PLAN

26	Vehicle & Equipment Mechanic/Technician	NE	\$38,613	\$46,327	\$54,041	18.56
26	Wastewater Collections Operator I	NE	\$38,613	\$46,327	\$54,041	18.56
26	Water Production Operator I	NE	\$38,613	\$46,327	\$54,041	18.56
26	Water Reclamation Operator I	NE	\$38,613	\$46,327	\$54,041	18.56
27	Crew Leader - Building Maintenance/Custodians	NE	\$40,536	\$48,644	\$56,751	19.49
27	Crew Leader - Downtown Parks	NE	\$40,536	\$48,644	\$56,751	19.49
27	Crew Leader - Golf	NE	\$40,536	\$48,644	\$56,751	19.49
27	Crew Leader - Kerrville Schreiner Park	NE	\$40,536	\$48,644	\$56,751	19.49
27	Crew Leader - Parks	NE	\$40,536	\$48,644	\$56,751	19.49
27	Crew Leader - ROW Mowing & Drainage	NE	\$40,536	\$48,644	\$56,751	19.49
27	Human Resources Assistant	NE	\$40,536	\$48,644	\$56,751	19.49
27	Human Resources/Risk Management Assistant	NE	\$40,536	\$48,644	\$56,751	19.49
28	Administrative Specialist - Investigations	NE	\$42,547	\$51,047	\$59,548	20.46
28	Heavy Equipment Operator - Streets	NE	\$42,547	\$51,047	\$59,548	20.46
28	Laboratory Analyst	NE	\$42,547	\$51,047	\$59,548	20.46
28	Recreation Coordinator	NE	\$42,547	\$51,047	\$59,548	20.46
28	Sports Complex Supervisor	NE	\$42,547	\$51,047	\$59,548	20.46
28	Tourism & Event Coordinator	NE	\$42,547	\$51,047	\$59,548	20.46
28	Traffic Controls Technician	NE	\$42,547	\$51,047	\$59,548	20.46
28	Wastewater Collections Operator II	NE	\$42,547	\$51,047	\$59,548	20.46
28	Water Distribution Utility Worker II	NE	\$42,547	\$51,047	\$59,548	20.46
28	Water Production Maintenance Technician	NE	\$42,547	\$51,047	\$59,548	20.46
28	Water Production Operator II	NE	\$42,547	\$51,047	\$59,548	20.46
28	Water Production Specialist	NE	\$42,547	\$51,047	\$59,548	20.46
28	Water Reclamation Maintenance Technician	NE	\$42,547	\$51,047	\$59,548	20.46
28	Water Reclamation Operator II	NE	\$42,547	\$51,047	\$59,548	20.46
28	Water Reclamation Technician	NE	\$42,547	\$51,047	\$59,548	20.46
29	Building Inspector	NE	\$44,666	\$53,582	\$62,520	21.47
29	Construction Inspector	NE	\$44,666	\$53,582	\$62,520	21.47
29	Crew Leader - Streets	NE	\$44,666	\$53,582	\$62,520	21.47
29	Crew Leader - Water Distribution	NE	\$44,666	\$53,582	\$62,520	21.47
29	Executive Assistant - Police	NE	\$44,666	\$53,582	\$62,520	21.47
29	Inventory Control Analyst	NE	\$44,666	\$53,582	\$62,520	21.47
30	Administrative Records Supervisor - Police	NE	\$46,895	\$56,270	\$65,645	22.55
30	Deputy City Secretary	NE	\$46,895	\$56,270	\$65,645	22.55
30	Golf Course Maintenance Superintendent	E	\$46,895	\$56,270	\$65,645	22.55
30	Golf Pro Shop Manager	E	\$46,895	\$56,270	\$65,645	22.55
30	Health Specialist	NE	\$46,895	\$56,270	\$65,645	22.55
30	Office Manager - Kerrville Schreiner Park	E	\$46,895	\$56,270	\$65,645	22.55
30	Technical Support Analyst	NE	\$46,895	\$56,270	\$65,645	22.55



# GENERAL GOVERNMENT PAY PLAN

31	Assistant Municipal Court Administrator	E	\$49,234	\$59,067	\$69,923	23.67
31	City Marshal	NE	\$49,234	\$59,067	\$69,923	23.67
31	Customer Service Supervisor	E	\$49,234	\$59,067	\$69,923	23.67
31	Garage Supervisor	E	\$49,234	\$59,067	\$69,923	23.67
31	Garage/Purchasing Coordinator	E	\$49,234	\$59,067	\$69,923	23.67
31	Human Resources Analyst	NE	\$49,234	\$59,067	\$69,923	23.67
31	Meter Technician Supervisor	E	\$49,234	\$59,067	\$69,923	23.67
31	Multimedia Coordinator	E	\$49,234	\$59,067	\$69,923	23.67
31	Senior Building Inspector	NE	\$49,234	\$59,067	\$69,923	23.67
31	Senior Inspector	NE	\$49,234	\$59,067	\$69,923	23.67
32	Assistant Street Division Manager	E	\$51,681	\$62,017	\$72,354	24.85
32	Asst Wastewater Collections Superintendent	NE	\$51,681	\$62,017	\$72,354	24.85
32	Asst Water Distribution Superintendent	NE	\$51,681	\$62,017	\$72,354	24.85
32	Executive Office Coordinator	E	\$51,681	\$62,017	\$72,354	24.85
32	Laboratory Manager	E	\$51,681	\$62,017	\$72,354	24.85
32	Water Production Chief Operator	NE	\$51,681	\$62,017	\$72,354	24.85
32	Water Reclamation Chief Operator	NE	\$51,681	\$62,017	\$72,354	24.85
33	Librarian - Patron Services	E	\$54,260	\$65,099	\$75,959	26.09
33	Librarian - Youth Services	E	\$54,260	\$65,099	\$75,959	26.09
33	Recreation Manager	E	\$54,260	\$65,099	\$75,959	26.09
33	Senior Management Analyst	E	\$54,260	\$65,099	\$75,959	26.09
34	Engineering Project Manager	E	\$56,969	\$68,355	\$79,740	27.39
34	Finance Administrator	E	\$56,969	\$68,355	\$79,740	27.39
34	Finance Compliance Coordinator	E	\$56,969	\$68,355	\$79,740	27.39
34	Neighborhood Enhancement/Code Enforcement Mgr	E	\$56,969	\$68,355	\$79,740	27.39
35	Assistant Library Director	E	\$59,810	\$73,250	\$86,711	28.75
35	GIS Administrator	E	\$59,810	\$73,250	\$86,711	28.75
35	"Interim" Chief Building Official	E	\$59,810	\$73,250	\$86,711	28.75
35	Public Safety Communications Manager	E	\$59,810	\$73,250	\$86,711	28.75
35	Senior Planner	E	\$59,810	\$73,250	\$86,711	28.75
35	Sports Facilities Manager	E	\$59,810	\$73,250	\$86,711	28.75
35	Superintendent of Park Operations & Facilities	E	\$59,810	\$73,250	\$86,711	28.75
35	Systems Administrator	E	\$59,810	\$73,250	\$86,711	28.75



# GENERAL GOVERNMENT PAY PLAN

36	Street Division Manager	E	\$62,801	\$76,913	\$91,047	30.19
36	Wastewater Collections Superintendent	E	\$62,801	\$76,913	\$91,047	30.19
36	Water Distribution Superintendent	E	\$62,801	\$76,913	\$91,047	30.19
36	Water Production Superintendent	E	\$62,801	\$76,913	\$91,047	30.19
36	Water Reclamation Superintendent	E	\$62,801	\$76,913	\$91,047	30.19
37	Municipal Court Administrator	E	\$65,907	\$80,723	\$95,561	31.69
37	Public Information Officer	E	\$65,907	\$80,723	\$95,561	31.69
38	Asst Director of Development Services	E	\$69,185	\$84,744	\$100,303	33.26
38	Assistant Director of Finance	E	\$69,185	\$84,744	\$100,303	33.26
38	Assistant Director of Parks & Recreation	E	\$69,185	\$84,744	\$100,303	33.26
38	Assistant Director of Public Works	E	\$69,185	\$84,744	\$100,303	33.26
38	Chief Building Official	E	\$69,185	\$84,744	\$100,303	33.26
39	City Secretary	E	\$72,638	\$88,961	\$105,307	34.92
41	Assistant City Attorney	E	\$82,422	\$100,958	\$119,495	39.63
41	Library Director	E	\$82,422	\$100,958	\$119,495	39.63
41	Project Engineer	E	\$82,422	\$100,958	\$119,495	39.63
42	Assistant Chief of Police	E	\$86,544	\$106,006	\$125,469	41.61
42	Deputy Fire Chief	E	\$86,544	\$106,006	\$125,469	41.61
45	Director of Engineering	E	\$100,185	\$122,716	\$145,246	48.17
45	Director of Information Technology	E	\$100,185	\$122,716	\$145,246	48.17
45	Director of Parks & Recreation	E	\$100,185	\$122,716	\$145,246	48.17
45	Director of Planning & Development	E	\$100,185	\$122,716	\$145,246	48.17
46	Chief of Police	E	\$105,194	\$128,851	\$152,509	50.57
46	Director of Finance	E	\$105,194	\$128,851	\$152,509	50.57
46	Executive Director for Innovation	E	\$105,194	\$128,851	\$152,509	50.57
46	Executive Director for Public Works & Engineering	E	\$105,194	\$128,851	\$152,509	50.57
46	Fire Chief	E	\$105,194	\$128,851	\$152,509	50.57
51	Assistant City Manager	E	\$134,257	\$164,451	\$194,644	64.55
Per Contract	City Attorney	E	Per Contract			
Per Contract	City Manager	E	Per Contract			



# POLICE PAY PLAN

## FY2023 POLICE STEP PLAN - Effective 10/01/2022

GRADE	POSITION	STEP 1 2 Years	STEP 2 2 Years	STEP 3 2 Years	STEP 4 2 Years	STEP 5 2 Years	STEP 6 2 Years	STEP 7 2 Years	STEP 8 2 Years	STEP 9 2 Years
PD-A	Telecommunications Specialist-Police Dispatch	ANNUAL 43,396.31 BIWEEKLY 1,669.09 HOURLY 20.86	45,132.16 1,735.85 21.70	46,937.45 1,805.29 22.57	48,814.94 1,877.50 23.47	50,767.54 1,952.60 24.41	52,798.24 2,030.70 25.38	54,910.17 2,111.93 26.40	57,106.58 2,196.41 27.46	59,390.84 2,284.26 28.55
PD-A3	Telecommunications Supervisor Police Dispatch (10% Increase upon promotion)	ANNUAL 47,735.94 BIWEEKLY 1,836.00 HOURLY 22.95	4% Increase Every Two Years							67,705.56 2,604.06 32.55
PD-1	Officer (Police & Evidence)	ANNUAL 56,918.67 BIWEEKLY 2,189.18 HOURLY 27.36	59,195.42 2,276.75 28.46	61,563.24 2,367.82 29.60	64,025.77 2,462.53 30.78	66,586.80 2,561.03 32.01	69,250.27 2,663.47 33.29	72,020.28 2,770.01 34.63	74,901.09 2,880.81 36.01	77,897.13 2,996.04 37.45
PD-2	Detective (former Investigator) School Resource Officer	ANNUAL 59,764.61 BIWEEKLY 2,298.64 HOURLY 28.73	62,155.19 2,390.58 29.88	64,641.40 2,486.21 31.08	67,227.05 2,585.66 32.32	69,916.14 2,689.08 33.61	72,712.78 2,796.65 34.96	75,621.29 2,908.51 36.36	78,646.15 3,024.85 37.81	81,791.99 3,145.85 39.32
PD-3	Sergeant (If Promotion from PD-1 = 10% Increase) (If Promotion from PD-2 = 5% Increase)	ANNUAL 69,265.09 BIWEEKLY 2,664.04 HOURLY 33.30	4% Increase Every Two Years							87,642.43 3,370.86 42.14
PD-4	Police Lieutenant	ANNUAL 89,395.28 BIWEEKLY 3,438.28 HOURLY 42.98	4% Increase Every Two Years							108,763.03 4,183.19 52.29





# FIRE PAY PLAN

FY2023 FIRE STEP PLAN - Effective 10/01/2022										
GRADE	POSITION	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7		
		2 Years	2 Years	2 Years	2 Years	2 Years	2 Years	2 Years		
FD-1	EMS Crew (12 hr)	ANNUAL (1976 Annual Hrs / 76 Hrs/Pay Period) HOURLY	40,648.61 17.77	42,274.55 18.48	43,965.53 19.22	45,724.16 19.98	47,553.12 20.78	49,455.25 21.62	51,433.46 22.48	
FD-2	Paramedic ONLY (24 hr) (Not subject to 7K exemption)	ANNUAL (2912 Annual Hrs / 56 Hrs/Wk) HOURLY	47,628.67 14.31	49,533.82 14.88	51,515.17 15.48	53,575.78 16.10	55,718.81 16.74	57,947.56 17.41		
FD-3	Firefighter (24 hr)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period) HOURLY	55,543.49 19.07	57,765.23 19.84	60,075.84 20.63	62,478.87 21.46	64,978.02 22.31	67,577.15 23.21		
FD-4	Fire Apparatus Driver (24 hr)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period) HOURLY	63,903.84 21.95	66,459.99 22.82	69,118.39 23.74	71,883.13 24.69	74,758.45 25.67	77,748.79 26.70		
FD-4A	EMS Supervisor (24 hr)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period) HOURLY	63,903.84 21.95	4% Increase Every Two Years				77,748.79 26.70		
FD-5	Lieutenant (24 hr)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period) HOURLY	75,492.14 25.92	4% Increase Every Two Years				88,315.13 30.33		
FD-5A	Deputy Fire Marshal (8 hr)	ANNUAL (2080 Annual Hrs / 80 Hrs / Pay Period) BIWEEKLY HOURLY	75,492.14 2,903.54 36.29	4% Increase Every Two Years				88,315.13 3,396.74 42.46		
FD-8	Battalion Chief (24 hr)	ANNUAL (2912 Annual Hrs / 112 Hrs/Pay Period) HOURLY	85,429.34 29.34	4% Increase Every Two Years				108,095.37 37.12		
FD-8A	Division Chief - Fire Marshal (8 hr), Division Chief - Training/EMC (8 hr)	ANNUAL (2080 Annual Hrs / 80 Hrs / Pay Period) BIWEEKLY HOURLY	85,429.34 3,285.74 41.07	4% Increase Every Two Years				108,095.37 4,157.51 51.97		

# **FINANCIAL MANAGEMENT POLICY**





# FINANCIAL MANAGEMENT POLICY

## 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. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions. Debt and arbitrage compliance policies are included in the financial policies in lieu of 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 31<sup>st</sup> of each year, the City Manager shall submit to the City Council and City Secretary a budget for the ensuing fiscal year and an accompanying budget message. The full text of the proposed budget and message shall be made available for public review in the office of the City Secretary, at the Butt-Holdsworth Memorial Library, and prominently linked on the City's website.

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



# FINANCIAL MANAGEMENT POLICY

the reasons for such changes, summarize the City's debt position, including factors affecting the ability to raise resources through debt issuances, and include such other material as the City Manager deems desirable.

## III. City Council Action on Budget

### A. Notice and Hearing

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

1. The times and places where copies 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 30<sup>th</sup> 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:



# FINANCIAL MANAGEMENT POLICY

- 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.



## FINANCIAL MANAGEMENT POLICY

- 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.





## FINANCIAL MANAGEMENT POLICY

- 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



## FINANCIAL MANAGEMENT POLICY

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



# FINANCIAL MANAGEMENT POLICY

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 more clear 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



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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.

The GASB has issued the following potentially significant statements which the City has not yet been adopted. Adoption is required by September 30, 2023:

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships*

GASB Statement No. 96 – *Subscription Based IT Arrangements*

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

Included as part of the 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)



## FINANCIAL MANAGEMENT POLICY

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 years 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 the eight percent rollback rate as defined by the State of Texas Property Tax Code. City Council will consider exceeding the rollback rate only after options have been presented by staff to avoid the rollback by increasing revenue from other sources or reducing expenditures.

The City will maintain a policy of levying the lowest tax rate on the broadest tax base. The City may consider providing tax abatements or other incentives to encourage development. The City will establish user charges and fees at a level that attempts to recover the full cost of providing the service.

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

One-time or unpredictable revenues are discouraged for use for ongoing expenditures. Funding will be used from the most restricted to least restricted when different funding sources are available.



# FINANCIAL MANAGEMENT POLICY

## 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.

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

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

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

Capital equipment is defined as equipment that exceeds \$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





# FINANCIAL MANAGEMENT POLICY

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



# FINANCIAL MANAGEMENT POLICY

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





# INVESTMENT POLICY

## 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



# INVESTMENT POLICY

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 laddered 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



## INVESTMENT POLICY

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.



## INVESTMENT POLICY

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.
- B. 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



## INVESTMENT POLICY

properly securing a pledged security interest.

- C. FDIC insured brokered certificates of deposit securities from a bank in any US state, delivered versus payment to the City's safekeeping agent, not to exceed one (1) year to maturity. Before purchase, an Investment Officer must verify the FDIC status of the bank to assure that the bank is FDIC insured.
- D. Fully insured share certificates from credit unions in Texas not to exceed twenty-four (24) months to stated maturity and insured by the National Credit Union Share Insurance Fund or its successor.
- E. Commercial paper rated A1/P1 or its equivalent by two (2) nationally recognized rating agencies and with a final stated maturity not to exceed two-hundred seventy (270) days from the date of issuance.
- F. AAA-rated SEC registered money market mutual funds which strive to maintain a \$1 net asset value and comply with SEC Rule 2a-7.
- G. 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.
- H. 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.
- I. 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.
- J. Fully collateralized repurchase agreements transacted with a primary securities dealer as defined by the Federal Reserve, under a written master repurchase agreement, with a defined termination date, secured by obligations as defined by this Policy held by an independent third party custodian approved by the City, and with a stated final maturity not to exceed ninety (90) days.
- K. 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.



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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.





# INVESTMENT POLICY

## 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.



# INVESTMENT POLICY

## EXHIBIT A

### AUTHORIZED BROKER / DEALERS

1. Bank of America Merrill Lynch
2. Piper Sandler & Co.
3. FHN Financial
4. StoneX Group Inc.
5. Mizuho Securities
6. Morgan Stanley
7. Raymond James
8. RBC Securities
9. Robert W. Baird
10. Stifel Nicolaus
11. Siebert Williams Shank
12. Cantor Fitzgerald & Co.
13. BOK Financial
14. Oppenheimer
15. UBS Financial
16. BYN Capital Markets
17. CastleOak Securities
18. Goldman Sachs & Co.
19. Hilltop Securities
20. InspereX (formerly InCapital)
21. Jefferies
22. JPMorgan Securities
23. Keybanc Capital Markets
24. Loop Capital Markets
25. MarketAxess Corporation
26. Moreton Capital Markets
27. Multi-Bank Securities
28. Nomura Securities
29. SunTrust Robinson Humphrey, Inc
30. Wells Fargo



# **PURCHASING POLICY**





# PURCHASING POLICY

## 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. City Council authorizes the City Manager to sign contracts that are below thresholds for which explicit City Council approval is required.
2. **Public Funds Agreements:** The City Manager is authorized to enter into agreements in amounts up to the threshold requiring Council approval to grant public funds to various organizations as appropriated by the budget. Such grants include proceeds from occupancy tax and other funding related to community support.
3. 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.

See table on following page for general purchasing guidelines.



## PURCHASING POLICY

The following table provides general guidelines for purchases and the required quotes/bids per fiscal year:

CITY OF KERRVILLE			
PURCHASING COMPLIANCE QUICK REFERENCE			
Total			
Amount of Request	Compliance Requirement	Responsible Party	Approvals Required
Contracts Valued at \$50,000 or more	Competitive bids opened at a public meeting	Department or Project Manager	City Council, City Manager, and Finance
Goods and Services Valued at \$50,000 or more	At least 3 competitive bids / quotes based on like products or proof of purchasing co-op pricing	Department, Project Manager, Purchasing Agent	City Council, City Manager, and Finance
\$25,000 to \$49,999.99	At least 3 competitive bids / quotes based on like products or services or proof of purchasing co-op pricing	Department, Project Manager, or Purchasing Agent	Department Director and Finance
\$5,000.00 to \$24,999.99	At least 3 competitive bids / quotes based on like products or services or proof of purchasing co-op	Department purchasing staff	Department Purchasing Approver 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) require Finance approval.
- \* The City Manager may approve contracts and agreements up to \$50,000 without prior Council 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.





# PURCHASING POLICY

- \* 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.

## 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.

## III. Competitive Bidding

### A. Legal Requirements-Expenditures Over \$50,000

Pursuant to state law, before the City may enter into a contract that requires an expenditure greater than \$50,000 (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.

### B. 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



# PURCHASING POLICY

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 \$50,000

### 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 Specialist 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-\$49,999

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



## PURCHASING POLICY

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 can 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 relieve the necessity of the City's residents 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;
- C. a procurement necessary because of unforeseen damage to public machinery, equipment, or other property;



## PURCHASING POLICY

- D. a procurement for personal, professional, or planning services;
- 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



## PURCHASING POLICY

not valued at more than \$50,000. 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 \$50,000. State law (§252.021, TLGC) provides that all purchases and contracts estimated at greater than \$50,000 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.



## PURCHASING POLICY

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 relating to purchases over \$50,000 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).





## PURCHASING POLICY

### 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.
- d. Maintenance Bond: In addition to the above statutorily required bonds, the City will require a Maintenance Bond for all public works projects for a minimum time period of one (1) year (Chapter 2253, TX. Gov’t Code).

### 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



## PURCHASING POLICY

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).
  - 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



# PURCHASING POLICY

## 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.



## PURCHASING POLICY

### 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 Compliance Coordinator, Assistant Director of Finance, Finance Administrator, and the 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 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



## PURCHASING POLICY

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. The Department must maintain receipts for each purchase throughout the month. During the month and at month's end the Department may view all purchases online. The Department must review the charges, print the register, and reconcile the amounts with the receipts for the purchases. The Department must then forward the register and receipts to Finance by the deadline.
- f. Disputed Charges: An authorized employee who is issued a P-card holder 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 but in any event, within one business day of discovered loss. The City may hold an employee liable for any losses not covered by the protection plan. The City may also hold an employee responsible for the cost of a replacement card.
- i. Travel Expenses: All travel expenses paid for using a P-card must be documented in accordance with the City's 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, 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.



## PURCHASING POLICY

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 fund that owned the property.





# PURCHASING POLICY

## 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.

### 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.



## PURCHASING POLICY

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



## PURCHASING POLICY

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;



## PURCHASING POLICY

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,



# PURCHASING POLICY

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 \$50,000 (in aggregate): Sole source purchases greater than \$50,000 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 \$50,000. 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







## 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.



### M. 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 analyses, 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







# TRAVEL POLICY

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.

## 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. If the cost of the trip is expected to exceed \$1,000, the employee/official must complete the "Travel Authorization Form" located at P:/Forms/Finance and submit the signed form to the Finance Department for approval at least 2 weeks prior to the trip.

## II. Eligible Expenses

Employees/officials are eligible to receive reimbursement for the following:

1. Registration for conferences, seminars, classes, etc.
2. Lodging
3. Per diem meal allowance (must involve an overnight stay)
4. Transportation – air travel, mileage, car rental, shuttle, taxi, tolls, parking, public transportation

Note - if a City vehicle is available, employees should utilize a City vehicle in lieu of mileage reimbursement. Budget is not always available for mileage reimbursement.

5. Miscellaneous – necessary expenses for items such as internet access, copies, etc.

## III. Lodging

Room rate and tax will be reimbursed to an employee/official, however, employees are encouraged to utilize their purchasing card for room expenses. Best efforts should be used to obtain a reasonable rate, including use of government rates when available. If the employee/official is staying at a conference/convention hotel, reimbursement is limited to the conference or convention rate. Reimbursement is based on the single room rate unless the lodging is for more than one City employee/official.

## IV. Per Diem Meal Allowance

Per Diem is a daily allowance paid to a traveler to cover the cost of meals. If the traveler does not use the entire per diem for meals, the traveler may keep the remainder and the difference is not taxable income. If the traveler's meal expense exceeds the per diem amount, the traveler will not be reimbursed for the additional amount.



## TRAVEL POLICY

Per the IRS, per diem meal allowance is allowed only for travel that includes an overnight stay. Day trip meals are not eligible for reimbursement.

Meals are reimbursed using a standard daily rate (per diem) set annually by the US General Services Administration (GSA). Determine the rate for a destination at [gsa.gov/perdiem](https://gsa.gov/perdiem). The employee/official should attach a copy of the rate obtained at this site to the expense report. This rate covers the cost of meals, tax, and tip. No receipts are required. Per diem on departure and return travel days is calculated at 75 percent of the daily rate.

### V. Transportation

#### A. Air Travel

Employees/officials should book the lowest available airfare that reasonably meets travel needs. Air travel should be coach class or lower and booked in advance to avoid premium last minute pricing. Employees/officials should minimize luggage fees by checking as few bags as possible.

#### B. Mileage

Mileage is payable when an employee/official uses a personal vehicle for business travel. Mileage is reimbursed at the IRS standard mileage rate. Mileage should be calculated from the work place (not home) to the travel destination with [mapquest.com](https://mapquest.com) or [googlemaps.com](https://googlemaps.com) mileage documentation attached to the expense report. Employee/official must be properly insured to use their own vehicle and should attach a copy of their personal insurance ID card to the expense report.

Employees/officials receiving a vehicle allowance are 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.

#### C. Car Rental

Employees/officials should choose the least expensive car rental company and car class that will meet the business needs of the trip. Additional insurance coverage through the rental car agency is not necessary. Rental cars should be returned with a full tank of gas to avoid more expensive fuel rates.

#### D. Fuel

Fuel 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. Fuel for personal vehicles is not a valid travel expense as it is included in mileage reimbursement.



### VI. 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 gas. P-cards should not be used for meals reimbursed by per diem 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.
- D. **Expense Report:** An expense report is required to be submitted within 1 week following the trip that details the entire cost of the trip, including the amount of remaining reimbursement requested. Reimbursement will be paid through the requisition process either as a check or direct deposit. Please contact Accounts Payable to set up direct deposit for expense reimbursement.

### VII. Documentation

Travel forms can be found under P:/Forms/Finance. The following items document travel expenses:

- A. **Travel Authorization Form** – required only for trips > \$1,000. Signed form must be turned in to Finance two weeks prior to trip.
- B. **Travel Advance Form** – submit this form 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.
- C. **Travel Expense Report**

Submit the Travel Expense Report form with a requisition (if requesting employee/official reimbursement) within one (1) week of returning from a trip. If no reimbursement is being requested, expense reports should be submitted to Finance within (1) week of returning from a trip.

Note: Travel Expense Reports are required for all business travel even if there is no employee/official reimbursement

In order to meet IRS documentation requirements, a Travel Expense Report package must include:

1. Date, time, destination and business purpose of the trip



## TRAVEL POLICY

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. NO receipts for meals reimbursed are needed.
  4. Mapquest, googlemaps, or other map site showing mileage from the work place to the destination if requesting mileage reimbursement.
  5. Gsa.gov/perdiem showing per diem rate for travel destination.
  6. All travel expenses must be documented on this form even if they were paid for using a P-card, gas card, or travel advance. Attach duplicate copies of P-card, gas card, or travel advance receipts to the expense report in order to meet IRS recordkeeping requirements.
  7. Proof of insurance when requesting mileage reimbursement.
- D. Excess Reimbursement – 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.

### VIII. Traveling with Family Members

Traveling with family members is permitted, but the City will reimburse expense related to the employee/official only. Lodging is reimbursed at the single room rate. Any difference in rate in order to accommodate family members must be paid for by the employee/official. Rental cars are reimbursed at the lowest rate. Any difference in rate needed to accommodate family members must be paid for by the employee/official. This same methodology applies to any other applicable charges. Employees/officials are prohibited from using City-owned vehicles for family travel. Family members are fully responsible for their own travel expenses.

### IX. Audit and Records Requirements

All travel expenses are subject to review, IRS audits, annual financial audits, and public records requests. Following the guidelines in this policy will ensure that travel reimbursements meet audit requirements and remain non-taxable.



# **VEHICLE AND EQUIPMENT REPLACEMENT POLICY**







# VEHICLE AND EQUIPMENT REPLACEMENT POLICY

The purpose of this policy is to provide a fiscally responsible vehicle and equipment replacement policy, which will enable the City of Kerrville to maximize asset utilization while maintaining a positive public image and being fiscally responsible in our budgeting and fleet replacement programs.

## I. Summary

It is generally accepted that all types of mechanical devices have a finite life. The length of that life depends on many factors, including vehicle mileage and engine hours, quality of the preventative maintenance program, quality of driver training program, whether the mechanical device was used within the design parameters, was manufactured on a customer or commercial chassis, quality of workmanship by the original manufacture, quality of the components used, and availability of replacement parts, to name a few.

## II. Additional Considerations

The following guidelines provide criteria for routine vehicle replacement based on their usage category. Each city vehicle and small equipment have been placed in a specific category (as listed below) in order to allow for uniformity in replacement standards.

A. Extreme Use – Consists of the front-line emergency response vehicles, which include marked patrol and traffic units, fire apparatus (such as engines, aerial apparatus or ladder trucks, brush trucks, rescue trucks), and ambulances, which are used as front-line emergency response vehicles.

	Police	Fire Pumpers	Ambulance	Ambulance Chassis
Years of service	3	15 +5 yrs. in reserve	4 +3yrs. Reserve	7 +7 after remount
Mileage	100,000			

B. Heavy Usage – Consists of heavy use vehicles, which are used to serve the public on a day-to-day basis and pull trailers and/or equipment.

C. Normal Usage – Consists of all other cars and pickups, which include pool vehicles. These vehicles are generally assigned to departments.

D. Moderate Usage – Consists of all other cars and pickups, which include pool vehicles. These vehicles are generally assigned to departments.

E. Light Usage – Consists of all other cars and pickups, which include pool vehicles and light equipment (weed-eaters, chain saws, pumps, generators, trailers, and other small hand-operated equipment) which are used to serve the public on an “as needed” basis.



# VEHICLE AND EQUIPMENT REPLACEMENT POLICY

	<b>Mileage Scale</b>	<b>Estimated Years</b>	<b>Hours</b>
Extreme	>33,333	3	
Heavy	20,000-32,999	4	
Normal	10,000-19,999	7	
Moderate	5,000-9,999	13	
Light	<4,999	20	

## III. Early Replacement

The point range system is used to determine replacement consideration. The Fleet Management Software includes a Fleet Replacement Rating that is to be used to calculate if a vehicle qualifies to be replaced. The Fleet Information report from the Fleet Management system will be used in the consideration for replacement. Each city vehicle and small equipment have been placed in a specific category (as listed below) in order to allow for uniformity in replacement standards.

<b>Point Scale</b>	<b>Condition</b>	<b>Description</b>
>30	Replace	Needs priority replacement
25-29.99	Poor	Qualifies to replace. Replacement if funds are budgeted
14.00-24.99	Good	Re-evaluate and include 5-year forecast.
7.00-13.99	Great	Do not replace
0.00-6.99	Excellent	Do not replace

Point Range Chart Note: The City may decide to retain a vehicle beyond the stated criteria after an evaluation of anticipated usage, repairs and operating costs.

The consideration of early replacement of a vehicle often arises when major expenditures are necessary to restore it to a safe operating condition (e.g. major component failure or incident damage). The economic effect of such repairs cannot be avoided because the cost is normally about the same whether the vehicle is sold in un-repaired condition or restored to repaired condition.

However, replacement prior to the normal criteria for vehicles will result in an acceleration of all future replacement cost cycles required to satisfy a continuing vehicle need. This acceleration of cost cycles causes a sizable increase in the total present value cost of all fixture cycles and should be avoided whenever possible. Major vehicle repairs should always be made, with two exceptions:

- A. Major expenditures for repair should not be made when the cost of the repair plus the vehicle salvage in unrepaired condition exceeds its wholesale value in repaired condition.
- B. Major deferrable expenditures should not be made when a vehicle is in the final six months of its retention cycle. During this period the penalty for replacement is small and, therefore, the vehicle should be replaced rather than repaired.



# **GLOSSARY OF TERMS**





## GLOSSARY OF TERMS

### **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.

### **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.



## GLOSSARY OF TERMS

### **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 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.





## GLOSSARY OF TERMS

### **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, 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 \$5,000 and having a useful life of more than one year.

### **CERTIFICATES OF OBLIGATION**

Certificates of obligation are used to obtain quick financing. The full faith and credit of the City secure them. Under the State Act, the intent to issue certificates must be published in the local newspaper 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 Clerk. Certificates can be used for real property purchase and construction.



## GLOSSARY OF TERMS

### **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 which does not require voter authorization, used to finance the purchase of items, such as equipment and vehicles.

### **COST**

Cost is the amount of money or other consideration exchanged for property, services, or an expense.

### **CURRENT**

The term "current" designates the present fiscal period, as opposed to past or future periods. It usually means items likely to be used up or converted into cash within one year.

### **DEBT SERVICE**

Debt service is the amount of money required for interest and principal payments on an outstanding debt in any given year.

### **DEBT SERVICE FUND**

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 expense 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.



## GLOSSARY OF TERMS

### **ENDING BALANCE**

The dollars remaining after current expenditures for operations and debt service are subtracted from the sum of the beginning fund balance and current resources. Portions of the fund balance may be reserved for various purposes, such as contingencies or encumbrances.

### **ENTERPRISE FUND**

An enterprise fund is established to provide accountability for operations which: (a) finance and operate in a manner similar to private business enterprises whose governing body's intent is for the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, and accountability of other purposes. Examples of enterprise funds are those for 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 funds used to account for assets held by a local government in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds.



# GLOSSARY OF TERMS

## **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 the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provide a standard by which to measure financial presentations.

## **GENERAL OBLIGATION BONDS (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.



# GLOSSARY OF TERMS

## **GOVERNMENTAL ACCOUNTING STANDARD BOARD (GASB)**

GASB is the governing body that sets accounting standards specifically for governmental entities at the State and Local level.

## **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: the general funds, special revenue funds, debt service funds, capital projects funds, and permanent funds.

## **GRANT**

A grant is a contribution by one government unit or funding source to another unit. The contribution is usually made to aid in a specified function (for example, education), but it is sometimes also for general purposes.

## **INTERDEPARTMENTAL SERVICES**

Interdepartmental services are budgeted expenses for services provided by another department.

## **INTERNAL SERVICE FUND**

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 production of revenue in the form of interest, dividend, rentals or lease payments. The term does not include fixed assets used in governmental operations.

## **LEVY**

To levy means to impose taxes, special assessments of 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.



## GLOSSARY OF TERMS

### **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 which is of such a nature that the amount applicable to the product or service cannot be determined readily. Usually, overhead relates to those objects of expenditures that do not become an integral part of the finished product or service such as rent, heat, light, supplies, and management.

### **PERFORMANCE MEASURES**

Performance measures are specific measures of work performed within an activity or program (such as, total number of dispatched calls). Performance measures also are specific quantitative measures of results obtained through a program or activity.





## GLOSSARY OF TERMS

### **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 similar service (but which need not be of the same structural form) as the property to be replaced.

### **RESERVE**

Reserve is an account in which a portion of the fund balance is segregated for a future use and which is, therefore, not available for further appropriation or expenditure. A reserve for inventories equal in amount to the inventory of supplies on the balance sheet of the general fund is an example of such a reserve.

### **RESOLUTION**

A resolution is a special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

### **REVENUE BONDS**

Revenue bonds are bonds payable from a specific source of revenue, which do not pledge the full faith and credit of the issuer. Revenue bonds are payable from identified sources of revenue and do not affect the ad valorem tax rate. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-ad valorem tax.

### **REVENUE**

Revenue is (1) an increase in a governmental fund net current assets from other than expenditure refunds and residual equity or (2) an increase in a proprietary fund net total assets from other than expense refunds, capital contributions, and residual equity transfers.



# GLOSSARY OF TERMS

## **SINKING FUND**

A sinking fund is an account into which a debt issuer makes periodic deposits to ensure the timely availability of sufficient monies for the payment of debt service requirements. The revenue to be deposited into the sinking fund and payments from the fund are determined by the terms of the bond contract.

## **STRUCTURAL BALANCE**

Structural balance is the state at which current revenue sufficiently supports current expenditures.

## **TAXES**

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 governmental may levy tax. Overall tax rate limits usually restrict levies for all purposes and of all governments, state or local, having jurisdiction in a given area. The State of Texas has a maximum Ad Valorem limit of \$2.50 per \$100 of assess property value. Taxes are levied via a Tax Levy Ordinance.

## **TIMES COVERAGE**

Times coverage, also known as debt service coverage, is an indicator of the financial strength of the project financed by revenue bonds. The times coverage calculation is net revenues divided by the debt service. Net revenues are total revenues less operating and maintenance expenses, and debt service is annual principal and interest payments on debt.

## **TRANSFERS**

Transfers are the authorized exchanges of cash or other resources between funds.

## **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.



# **TAX RATE CALCULATION**





# TAX RATE CALCULATION

## 2022 Tax Rate Calculation Worksheet Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Kerrville

Taxing Unit Name

701 Main Street Kerrville, Texas 78028

Taxing Unit's Address, City, State, ZIP Code

830-258-1120

Phone (area code and number)

www.kerrvilletx.gov

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>2021 total taxable value.</b> Enter the amount of 2021 taxable value on the 2021 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>	\$ 2,600,181,137
2.	<b>2021 tax ceilings.</b> Counties, cities and junior college districts. Enter 2021 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 2021 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>2</sup>	\$ 781,650,171
3.	<b>Preliminary 2021 adjusted taxable value.</b> Subtract Line 2 from Line 1.	\$ 1,818,530,966
4.	<b>2021 total adopted tax rate.</b>	\$ 0.50930 / \$100
5.	<b>2021 taxable value lost because court appeals of ARB decisions reduced 2021 appraised value.</b>	
	A. Original 2021 ARB values: .....	\$ 2,417,749
	B. 2021 values resulting from final court decisions: .....	- \$ 2,120,100
	C. 2021 value loss. Subtract B from A. <sup>3</sup>	\$ 297,649
6.	<b>2021 taxable value subject to an appeal under Chapter 42, as of July 25.</b>	
	A. 2021 ARB certified value: .....	\$ 2,606,108
	B. 2021 disputed value: .....	- \$ 1,271,320
	C. 2021 undisputed value. Subtract B from A. <sup>4</sup>	\$ 1,334,788
7.	<b>2021 Chapter 42 related adjusted values.</b> Add Line 5C and Line 6C.	\$ 1,632,437

<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)





# TAX RATE CALCULATION

2022 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>2021 taxable value, adjusted for actual and potential court-ordered adjustments.</b> Add Line 3 and Line 7.	\$ 1,820,163,403
9.	<b>2021 taxable value of property in territory the taxing unit deannexed after Jan. 1, 2021.</b> Enter the 2021 value of property in deannexed territory. <sup>5</sup>	\$ _____
10.	<b>2021 taxable value lost because property first qualified for an exemption in 2022.</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 2022 does not create a new exemption or reduce taxable value. <b>A. Absolute exemptions.</b> Use 2021 market value: ..... \$ 412,356 <b>B. Partial exemptions.</b> 2022 exemption amount or 2022 percentage exemption times 2021 value: ..... + \$ 3,979,970 <b>C. Value loss.</b> Add A and B. <sup>6</sup>	\$ 4,392,326
11.	<b>2021 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 2022.</b> Use only properties that qualified in 2022 for the first time; do not use properties that qualified in 2021. <b>A. 2021 market value:</b> ..... \$ 326,456 <b>B. 2022 productivity or special appraised value:</b> ..... - \$ 11,814 <b>C. Value loss.</b> Subtract B from A. <sup>7</sup>	\$ 314,642
12.	<b>Total adjustments for lost value.</b> Add Lines 9, 10C and 11C.	\$ 4,706,968
13.	<b>2021 captured value of property in a TIF.</b> Enter the total value of 2021 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which 2021 taxes were deposited into the tax increment fund. <sup>8</sup> If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 19,046,121
14.	<b>2021 total value.</b> Subtract Line 12 and Line 13 from Line 8.	\$ 1,796,410,314
15.	<b>Adjusted 2021 total levy.</b> Multiply Line 4 by Line 14 and divide by \$100.	\$ 9,149,117
16.	<b>Taxes refunded for years preceding tax year 2021.</b> Enter the amount of taxes refunded by the taxing unit for tax years preceding tax year 2021. 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 2021. This line applies only to tax years preceding tax year 2021. <sup>9</sup>	\$ 20,355
17.	<b>Adjusted 2021 levy with refunds and TIF adjustment.</b> Add Lines 15 and 16. <sup>10</sup>	\$ 9,169,472
18.	<b>Total 2022 taxable value on the 2022 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>11</sup> <b>A. Certified values:</b> ..... \$ 2,886,537,185 <b>B. Counties:</b> Include railroad rolling stock values certified by the Comptroller's office: ..... + \$ _____ <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: ..... - \$ _____ <b>D. Tax increment financing:</b> Deduct the 2022 captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the 2022 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>12</sup> ..... - \$ 49,019,276 <b>E. Total 2022 value.</b> Add A and B, then subtract C and D.	\$ 2,837,517,909

<sup>5</sup> Tex. Tax Code §26.012(15)

<sup>6</sup> Tex. Tax Code §26.012(15)

<sup>7</sup> Tex. Tax Code §26.012(15)

<sup>8</sup> Tex. Tax Code §26.03(c)

<sup>9</sup> Tex. Tax Code §26.012(13)

<sup>10</sup> Tex. Tax Code §26.012(13)

<sup>11</sup> Tex. Tax Code §26.012, 26.04(c-2)

<sup>12</sup> Tex. Tax Code §26.03(c)





# TAX RATE CALCULATION

2022 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> <b>A. 2022 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> ..... \$ <u>56,678,194</u> <b>B. 2022 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> ..... + \$ <u>0</u> <b>C. Total value under protest or not certified.</b> Add A and B.	\$ <u>56,678,194</u>
20.	<b>2022 tax ceilings.</b> Counties, cities and junior colleges enter 2022 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 2021 or a prior year for homeowners age 65 or older or disabled, use this step. <sup>16</sup>	\$ <u>868,250,009</u>
21.	<b>2022 total taxable value.</b> Add Lines 18E and 19C. Subtract Line 20. <sup>17</sup>	\$ <u>2,025,946,094</u>
22.	<b>Total 2022 taxable value of properties in territory annexed after Jan. 1, 2021.</b> Include both real and personal property. Enter the 2022 value of property in territory annexed. <sup>18</sup>	\$ <u>2,946,386</u>
23.	<b>Total 2022 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 2021. 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, 2021 and be located in a new improvement. New improvements <b>do</b> include property on which a tax abatement agreement has expired for 2022. <sup>19</sup>	\$ <u>34,617,769</u>
24.	<b>Total adjustments to the 2022 taxable value.</b> Add Lines 22 and 23.	\$ <u>37,564,155</u>
25.	<b>Adjusted 2022 taxable value.</b> Subtract Line 24 from Line 21.	\$ <u>1,988,381,939</u>
26.	<b>2022 NNR tax rate.</b> Divide Line 17 by Line 25 and multiply by \$100. <sup>20</sup>	\$ <u>0.46110</u> /\$100
27.	<b>COUNTIES ONLY.</b> Add together the NNR tax rates for each type of tax the county levies. The total is the 2022 county NNR tax rate. <sup>21</sup>	\$ _____/\$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:

- 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.
- 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>2021 M&amp;O tax rate.</b> Enter the 2021 M&O tax rate.	\$ <u>0.43580</u> /\$100
29.	<b>2021 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> .	\$ <u>1,820,163,403</u>

<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 §26.012(i)(8)

<sup>17</sup> Tex. Tax Code §26.012(i)

<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)



# TAX RATE CALCULATION

2022 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 2021 M&amp;O levy.</b> Multiply Line 28 by Line 29 and divide by \$100	\$ <u>7,932,272</u>
31.	<b>Adjusted 2021 levy for calculating NNR M&amp;O rate.</b>  <b>A. M&amp;O taxes refunded for years preceding tax year 2021.</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 2021. This line applies only to tax years preceding tax year 2021. .... + \$ <u>17,465</u>  <b>B. 2021 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 2022 captured appraised value in Line 18D, enter 0. .... - \$ <u>35,641</u>  <b>C. 2021 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. .... +/- \$ <u>0</u>  <b>D. 2021 M&amp;O levy adjustments.</b> Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function. .... \$ <u>-18,176</u>  <b>E. Add Line 30 to 31D.</b>	\$ <u>7,914,096</u>
32.	<b>Adjusted 2022 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>1,988,381,939</u>
33.	<b>2022 NNR M&amp;O rate (unadjusted).</b> Divide Line 31E by Line 32 and multiply by \$100.	\$ <u>0.39800</u> /\$100
34.	<b>Rate adjustment for state criminal justice mandate.</b> <sup>23</sup>  <b>A. 2022 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. .... \$ <u>0</u>  <b>B. 2021 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. .... - \$ <u>0</u>  <b>C. Subtract B from A and divide by Line 32 and multiply by \$100.</b> .... \$ <u>0.00000</u> /\$100  <b>D. Enter the rate calculated in C. If not applicable, enter 0.</b>	\$ <u>0.00000</u> /\$100
35.	<b>Rate adjustment for indigent health care expenditures.</b> <sup>24</sup>  <b>A. 2022 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, 2021 and ending on June 30, 2022, less any state assistance received for the same purpose. .... \$ <u>0</u>  <b>B. 2021 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, 2020 and ending on June 30, 2021, less any state assistance received for the same purpose. .... - \$ <u>0</u>  <b>C. Subtract B from A and divide by Line 32 and multiply by \$100.</b> .... \$ <u>0.00000</u> /\$100  <b>D. Enter the rate calculated in C. If not applicable, enter 0.</b>	\$ <u>0.00000</u> /\$100

<sup>23</sup> [Reserved for expansion]

<sup>24</sup> Tex. Tax Code §26.044

<sup>25</sup> Tex. Tax Code §26.0441



# TAX RATE CALCULATION

2022 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	<b>Rate adjustment for county indigent defense compensation.</b> <sup>25</sup> <b>A. 2022 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, 2021 and ending on June 30, 2022, less any state grants received by the county for the same purpose..... \$ <u>0</u> <b>B. 2021 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, 2020 and ending on June 30, 2021, less any state grants received by the county for the same purpose..... \$ <u>0</u> <b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100 <b>D.</b> Multiply B by 0.05 and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100 <b>E.</b> Enter the lesser of C and D. If not applicable, enter 0.	\$ <u>0.00000</u> /\$100
37.	<b>Rate adjustment for county hospital expenditures.</b> <sup>26</sup> <b>A. 2022 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, 2021 and ending on June 30, 2022. .... \$ <u>0</u> <b>B. 2021 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, 2020 and ending on June 30, 2021. .... \$ <u>0</u> <b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100 <b>D.</b> Multiply B by 0.08 and divide by Line 32 and multiply by \$100..... \$ <u>0</u> /\$100 <b>E.</b> Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ <u>0.00000</u> /\$100
38.	<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 2021.</b> Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year ..... \$ <u>0</u> <b>B. Expenditures for public safety in 2021.</b> Enter the amount of money spent by the municipality for public safety during the preceding fiscal year ..... \$ <u>0</u> <b>C.</b> Subtract B from A and divide by Line 32 and multiply by \$100 ..... \$ <u>0</u> /\$100 <b>D.</b> Enter the rate calculated in C. If not applicable, enter 0.	\$ <u>0.00000</u> /\$100
39.	<b>Adjusted 2022 NNR M&amp;O rate.</b> Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ <u>0.39800</u> /\$100
40.	<b>Adjustment for 2021 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 2021 should complete this line. These entities will deduct the sales tax gain rate for 2022 in Section 3. Other taxing units, enter zero. <b>A.</b> Enter the amount of additional sales tax collected and spent on M&O expenses in 2021, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent ..... \$ <u>0</u> <b>B.</b> Divide Line 40A by Line 32 and multiply by \$100 ..... \$ <u>0</u> /\$100 <b>C.</b> Add Line 40B to Line 39.	\$ <u>0.39800</u> /\$100
41.	<b>2022 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.	\$ <u>0.41190</u> /\$100

<sup>25</sup> Tex. Tax Code §26.0442<sup>26</sup> Tex. Tax Code §26.0443





# TAX RATE CALCULATION

2022 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	<b>Disaster Line 41 (D41): 2022 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).	\$ 0.00000 /\$100
42.	<b>Total 2022 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 ..... \$ 4,592,862 <b>B. Subtract unencumbered fund amount</b> used to reduce total debt. .... - \$ 97,100 <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 ..... - \$ 1,085,141 <b>E. Adjusted debt.</b> Subtract B, C and D from A.	\$ 3,410,621
43.	<b>Certified 2021 excess debt collections.</b> Enter the amount certified by the collector. <sup>29</sup>	\$ 551,087
44.	<b>Adjusted 2022 debt.</b> Subtract Line 43 from Line 42E.	\$ 2,859,534
45.	<b>2022 anticipated collection rate.</b> <b>A.</b> Enter the 2022 anticipated collection rate certified by the collector. <sup>30</sup> ..... 100 % <b>B.</b> Enter the 2021 actual collection rate. .... 105.10 % <b>C.</b> Enter the 2020 actual collection rate. .... 99.60 % <b>D.</b> Enter the 2019 actual collection rate. .... 98.10 % <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>	100 %
46.	<b>2022 debt adjusted for collections.</b> Divide Line 44 by Line 45E.	\$ 2,859,534
47.	<b>2022 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 2,025,946,094
48.	<b>2022 debt rate.</b> Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.14110 /\$100
49.	<b>2022 voter-approval tax rate.</b> Add Lines 41 and 48.	\$ 0.55300 /\$100
D49.	<b>Disaster Line 49 (D49): 2022 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.	\$ 0.00000 /\$100

<sup>27</sup> Tex. Tax Code §26.042(a)

<sup>28</sup> Tex. Tax Code §26.012(7)

<sup>29</sup> Tex. Tax Code §26.012(10) and 26.04(b)

<sup>30</sup> Tex. Tax Code §26.04(b)

<sup>31</sup> Tex. Tax Code §26.04(h), (h-1) and (h-2)



# TAX RATE CALCULATION

2022 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 2022 county voter-approval tax rate.	\$ <u>0.00000</u> /\$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.

N/A

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	<b>Taxable Sales.</b> For taxing units that adopted the sales tax in November 2021 or May 2022, enter the Comptroller's estimate of taxable sales for the previous four quarters. <sup>32</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 2021, enter 0.	\$ <u>0</u>
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>33</sup>  <b>Taxing units that adopted the sales tax in November 2021 or in May 2022.</b> Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. <sup>34</sup> <b>- or -</b> <b>Taxing units that adopted the sales tax before November 2021.</b> Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ <u>0</u>
53.	<b>2022 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>0</u>
54.	<b>Sales tax adjustment rate.</b> Divide Line 52 by Line 53 and multiply by \$100.	\$ <u>0</u> /\$100
55.	<b>2022 NNR tax rate, unadjusted for sales tax.</b> <sup>35</sup> Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>0</u> /\$100
56.	<b>2022 NNR tax rate, adjusted for sales tax.</b> <b>Taxing units that adopted the sales tax in November 2021 or in May 2022.</b> Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November 2021.	\$ <u>0</u> /\$100
57.	<b>2022 voter-approval tax rate, unadjusted for sales tax.</b> <sup>36</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> .	\$ <u>0</u> /\$100
58.	<b>2022 voter-approval tax rate, adjusted for sales tax.</b> Subtract Line 54 from Line 57.	\$ <u>0</u> /\$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.

N/A

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>37</sup> The taxing unit shall provide its tax assessor-collector with a copy of the letter. <sup>38</sup>	\$ <u>0</u>
60.	<b>2022 total taxable value.</b> Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>0</u>
61.	<b>Additional rate for pollution control.</b> Divide Line 59 by Line 60 and multiply by \$100.	\$ <u>0</u> /\$100
62.	<b>2022 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).	\$ <u>0</u> /\$100

<sup>32</sup> Tex. Tax Code §26.041(d)

<sup>33</sup> Tex. Tax Code §26.041(j)

<sup>34</sup> Tex. Tax Code §26.041(d)

<sup>35</sup> Tex. Tax Code §26.04(c)

<sup>36</sup> Tex. Tax Code §26.04(c)

<sup>37</sup> Tex. Tax Code §26.045(d)

<sup>38</sup> Tex. Tax Code §26.045(j)



# TAX RATE CALCULATION

2022 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

## SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the difference between the adopted tax rate and voter-approval tax rate before the unused increment rate for the prior three years.<sup>39</sup> In a year where a taxing unit adopts a rate by applying any portion of the unused increment rate, the unused increment rate for that year would be zero.

The difference between the adopted tax rate and voter-approval tax rate is considered zero in the following scenarios:

- a tax year before 2020;<sup>40</sup>
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);<sup>41</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>42</sup>

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.<sup>43</sup>

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	<b>2021 unused increment rate.</b> Subtract the 2021 actual tax rate and the 2021 unused increment rate from the 2021 voter-approval tax rate. If the number is less than zero, enter zero.	\$ 0.00000 /\$100
64.	<b>2020 unused increment rate.</b> Subtract the 2020 actual tax rate and the 2020 unused increment rate from the 2020 voter-approval tax rate. If the number is less than zero, enter zero.	\$ 0.02220 /\$100
65.	<b>2019 unused increment rate.</b> Subtract the 2019 actual tax rate and the 2019 unused increment rate from the 2019 voter-approval tax rate. If the number is less than zero, enter zero. If the year is prior to 2020 use zero.	\$ 0.00000 /\$100
66.	<b>2022 unused increment rate.</b> Add Lines 63, 64 and 65.	\$ 0.02220 /\$100
67.	<b>2022 voter-approval tax rate, adjusted for unused increment rate.</b> Add Line 66 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax) or Line 62 (taxing units with pollution control).	\$ 0.57520 /\$100

## 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>44</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>45</sup>

Line	De Minimis Rate Worksheet	Amount/Rate
68.	<b>Adjusted 2022 NNR M&amp;O tax rate.</b> Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i>	\$ 0.39800 /\$100
69.	<b>2022 total taxable value.</b> Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 2,025,946,094
70.	<b>Rate necessary to impose \$500,000 in taxes.</b> Divide \$500,000 by Line 69 and multiply by \$100.	\$ 0.02460 /\$100
71.	<b>2022 debt rate.</b> Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.14110 /\$100
72.	<b>De minimis rate.</b> Add Lines 68, 70 and 71.	\$ 0.56370 /\$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>46</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>47</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.

<sup>39</sup> Tex. Tax Code §26.013(a)

<sup>40</sup> Tex. Tax Code §26.013(c)

<sup>41</sup> Tex. Tax Code §26.0501(a) and (c)

<sup>42</sup> Tex. Local Gov't Code §120.007(d), effective Jan. 1, 2022

<sup>43</sup> Tex. Tax Code §26.063(a)(1)

<sup>44</sup> Tex. Tax Code §26.012(b-a)

<sup>45</sup> Tex. Tax Code §26.063(a)(1)

<sup>46</sup> Tex. Tax Code §26.042(b)

<sup>47</sup> Tex. Tax Code §26.042(f)





# TAX RATE CALCULATION

2022 Tax Rate Calculation Worksheet – Taxing Units Other Than School Districts or Water Districts

Form 50-856

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).

N/A

Line	Emergency Revenue Rate Worksheet	Amount/Rate
73.	<b>2021 adopted tax rate.</b> Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>0</u> /\$100
74.	<b>Adjusted 2021 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 2021 and the taxing unit calculated its 2021 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2021 worksheet due to a disaster, complete the applicable sections or lines of Form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . <b>- or -</b> If a disaster occurred prior to 2021 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 2021, complete the separate <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 2021 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the year(s) following the disaster. <sup>48</sup> Enter the final adjusted 2021 voter-approval tax rate from the worksheet. <b>- or -</b> If the taxing unit adopted a tax rate above the 2021 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.	\$ <u>0</u> /\$100
75.	<b>Increase in 2021 tax rate due to disaster.</b> Subtract Line 74 from Line 73.	\$ <u>0</u> /\$100
76.	<b>Adjusted 2021 taxable value.</b> Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>0</u>
77.	<b>Emergency revenue.</b> Multiply Line 75 by Line 76 and divide by \$100.	\$ <u>0</u>
78.	<b>Adjusted 2022 taxable value.</b> Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ <u>0</u>
79.	<b>Emergency revenue rate.</b> Divide Line 77 by Line 78 and multiply by \$100. <sup>49</sup>	\$ <u>0</u> /\$100
80.	<b>2022 voter-approval tax rate, adjusted for emergency revenue.</b> Subtract Line 79 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 67 (taxing units with the unused increment rate).	\$ <u>0</u> /\$100

## SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

**No-new-revenue tax rate.** ..... \$ 0.46110 /\$100  
 As applicable, enter the 2022 NNRR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).  
 Indicate the line number used: 26

**Voter-approval tax rate.** ..... \$ 0.57520 /\$100  
 As applicable, enter the 2022 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 67 (adjusted for unused increment), or Line 80 (adjusted for emergency revenue).  
 Indicate the line number used: 67

**De minimis rate.** ..... \$ 0.56370 /\$100  
 If applicable, enter the 2022 de minimis rate from Line 72.

## 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>50</sup>

**print here** ➔ Bob Reeves  
 Printed Name of Taxing Unit Representative

**sign here** ➔   
 Taxing Unit Representative

08/16/2022  
 Date

<sup>48</sup> Tex. Tax Code §26.042(c)

<sup>49</sup> Tex. Tax Code §26.042(b)

<sup>50</sup> Tex. Tax Code §§26.04(c-2) and (d-2)

# FEE SCHEDULE





# FEE SCHEDULE

## CITY OF KERRVILLE FY2023 ADOPTED FEE SCHEDULE

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	\$6.00 per document
Certified/Embossed Service	\$5.00 per embossment, plus \$1.00 per page \$20 per document max
Acknowledgement	\$5.00 per acknowledgement
Fax Transmissions	
Local	\$0.10 per page
Long distance	\$0.50 per page
Other	actual cost
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
Banners	
Permit Fee	\$60.00 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
Sidewalk Café Permit	\$50.00 per table/year
Thumb Drive	\$5.00 each



# FEE SCHEDULE

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	\$25.00 per permit
New Construction	\$0.36 per sq. foot (all floor area under one roof)
Addition	\$0.36 per sq. foot (all floor area under one roof)
Alteration or Remodel	\$0.21 per sq. foot (all floor area under one roof)
Fire Repair	\$0.21 per sq. foot (all floor area under one roof)
Storage or Accessory Building (>200 square feet)	\$0.21 per sq. foot (all floor area under one roof)
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 building permit fee
Subsequent Plan Reviews (when major or substantial changes occur)	50% of building permit fee
Residential Flat Work (includes foundation repair)	\$150.00 flat fee
BUILDING PERMITS: COMMERCIAL BY VALUE	
Permit (value up to \$1,000) plus	\$25.00 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)	\$100.00 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
SIGN PERMITS: BY VALUE	
Sign Permit: Non-Electric	
Value: up to \$1,000	\$25.00 per permit
Value: \$1,001 and up	\$5.00 per \$1,000
Sign Permit: Electric	
Value: up to \$1,000	\$25.00 per permit
Value: \$1,001 and up	\$5.00 per \$1,000
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	\$40.00 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



# FEE SCHEDULE

DEVELOPMENT SERVICES DEPARTMENT, CONTINUED	
BUILDING SERVICES, CONTINUED	
BUILDING PERMIT: MECHANICAL	
HVAC Permit Application Fee	
Permit	\$30.00 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)	50% of total permit fee
Permit Extension (minimum 180 Days)	50% of total permit fee
BUILDING PERMIT: PLUMBING & GAS	
Permit	\$30.00 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)	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	\$25.00 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 \$50,000) plus	\$25.00 per permit
\$50,001 - \$99,999	\$4.00 per \$1,000
\$100,000 - \$499,999	\$3.00 per \$1,000
Note: Value of construction is the greater of the value quoted by contractor or the calculated value using ICC valuation tables.	
Application Extension (minimum 90 Days)	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	\$30.00 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
2 inspection minimum	\$100.00 per inspection
Plan Review	50% of permit fee
Application Extension (minimum 90 Days)	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)	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	\$50.00 per permit
After business hours: scheduled	\$50.00 per hr 2 hr min
After business hours: emergency	\$50.00 per hr 4 hr min



## FEE SCHEDULE

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.	
Change of Occupancy (existing structure)	\$50.00 per structure
Certificate of Occupancy (vacant structures)	\$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 Mechanical, Plumbing, Electrical	\$150.00 per appeal
Fence Permit Fee	\$80.00 per permit
Parkland Dedication Fee	\$700.00 per unit/ lot





# FEE SCHEDULE

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	\$150.00 per variance
Junkyard Operation License		\$5.00 per site
Peddler and Solicitor Fees	Base Charge	\$600.00 per year
	Each additional person	\$10.00 30 days
	Each additional person	\$100.00 per year
	Deposit (refundable)	\$750.00 each
Sexually Oriented Business	Annual License	\$500.00 per business
	Annual Fee per Employee	\$50.00 per employee
Traveling Show and Exhibition License		\$100.00 per 30 days
Short-Term Rental Registration Fees	Short-Term Rental Registration Fee	\$100.00 per property
	Renewal Short-Term Rental Registration Fee	\$50.00 per property
Exemptions		
*	Temporary special events	
*	Sales/Festivals/Carnivals sponsored by IRS recognized charitable organizations	
*	Governmental subdivisions	
*	School districts	
*	Chamber of Commerce	
*	Visitor's Bureau	
*	Council approved events / city - sponsored events	
*	Open-air markets	
	(required information must be provided showing compliance with laws and zoning regulations)	
*	Traveling salespeople or solicitors calling only on commercial businesses	
*	Garage Sales	
*	Organized sales shows/conventions organized by charitable organizations	
*	Fresh produce sales (fruits, nuts, vegetables)	
*	Firewood sales	
*	A business with a separate location in the City	
	(must furnish proof of payment of all ad valorem and personal property taxes)	



# FEE SCHEDULE

DEVELOPMENT SERVICES DEPARTMENT, CONTINUED	
HEALTH PERMITS	
Bars and Lounges: Free Standing	
<1,000 square feet	\$70.00 per year
1,000-1,999 square feet	\$85.00 per year
2,000-2,999 square feet	\$100.00 per year
3,000-3,999 square feet	\$125.00 per year
4,000-4,999 square feet	\$150.00 per year
5,000-10,000 square feet	\$200.00 per year
>10,000 square feet	\$350.00 per year
Catering License	\$70.00 per year
Health/Catering Permits	
<1,000 square feet	\$70.00 per year
1,000-1,999 square feet	\$85.00 per year
2,000-2,999 square feet	\$100.00 per year
3,000-3,999 square feet	\$125.00 per year
4,000-4,999 square feet	\$150.00 per year
5,000-10,000 square feet	\$200.00 per year
>10,000 square feet	\$350.00 per year
Hotel Permit	\$50.00 per year
Mobile Food Establishment Permits	\$225.00 per unit / year
Peddler and Solicitor Fees	
Base Charge	\$600.00 per year
Each additional person	\$10.00 per 30 days
Each additional person	\$100.00 per year
Deposit (refundable)	\$750.00 each
Non-Profit Organization Permit (14 Consecutive Days)	\$50.00 per event
Temporary Food Establishment Permit	
Single Event	\$45.00 per 14 days
Multi-temp Annual Permit	\$225.00 per year
Non-profit Health Permit	\$50.00 per year
INSPECTIONS	
After Hours Inspection	
Emergency (4 hr minimum)	\$50.00 per hour
Certificate of Occupancy Inspection	\$50.00 per site
Hotel Complaint Inspection	
First complaint	\$100.00 per inspection
Subsequent complaints	\$150.00 per inspection
Reinspection Fees (same violation)	
First reinspection	\$0.00 each
Second reinspection	\$100.00 each
Subsequent reinspections	\$150.00 each
Sanitation and Environmental Inspections	
Foster homes, daycare centers, pools	\$40.00 per site
Semi-Public Pools/Spas	
Single pool facilities	\$75.00 each
Additional pool/spa	\$25.00 each
OTHER FEES	
Health Permit Late Fee	\$50.00 per permit
Replacement Permit or Certificate	\$5.00 each
Farmer's Market Organizer	\$100.00 Annual permit
Farmer's Market Vendor	\$100.00 Annual permit



## FEE SCHEDULE

DEVELOPMENT SERVICES DEPARTMENT, CONTINUED	
PLANNING	
FEES	
Preliminary Plats (plus)	\$300.00 each plus greater of \$20.00 per lot or \$10.00 per acre
Plats	\$150.00 each plus
Minor, vacating, final, amending, or replats	\$10.00 per lot
Zoning Change (Planned development/special use)	\$455.00 per amendment
Sign/Zoning Variance	\$265.00 each
Alternative Screening	\$0.00 each
Annexation	\$655.00 each
Conditional Use Permit	\$355.00 each
Pre-development	\$0.00 each
Preliminary Site Plan Review	\$0.00 each
Administrative Appeal	\$265.00 each
Alcoholic Beverage Distance Variance Request	\$265.00 each
Note: In cases where legal notice of public hearing is required and applicant defers scheduled action, reapplication is required.	



## FEE SCHEDULE

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	\$511.34 per person
Basic Life Support: Emergency	\$818.14 per person
Advanced Life Support 1: Non-Emergency	\$613.60 per person
Advanced Life Support 1: Emergency	\$971.54 per person
Advanced Life Support 2: Emergency	\$1406.18 per person
Specialty Care Transport	\$1661.86 per person
Aid Only: No Transport	\$195.00 per person
Dedicated Standby	\$100.00 per hour
Response Fee	\$75.00 per person
Local Transport: No Supplies Used	\$150.00 per person
Mileage	\$24.30 per loaded mile



## FEE SCHEDULE

ENGINEERING	
CAPACITY ANALYSIS	
Existing Water Capacity Analysis	\$800.00 per analysis
Existing Sewer Capacity Analysis	\$800.00 per analysis
Reclaimed Water System Capacity Analysis	to be determined per analysis
Additional Capacity Analysis	to be determined per analysis
OTHER	
Construction Inspection Overtime (4 hr min on weekend)	\$50.00 per hour
Floodplain Development Permit	\$100.00 each
Sidewalk Waiver Application	\$300.00 per waiver
Request of Right-of-way (street) / Easement Abandonment	\$500.00 per occurrence
Storm Water Review Fee	
Tier One (single family residential)	\$0.00 each
Tier Two (commercial)	\$750.00 each
Tier Three (any development with detention)	to be determined per analysis
Floodplain Permit Determination	\$75.00 each
LOMA	\$500.00 each
LOMR	\$1,100.00 each
Total Development	to be determined per analysis
PREVAILING WAGE RATES	
The City shall determine prevailing wages by using those rates determined by the United States Department of Labor in compliance with Texas Local Govt. Code section 2258.	



# FEE SCHEDULE

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
Investigation Fee If permit is issued after construction is started without approved permit	applicable permit fee amount
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 e2006 <i>International Fire Code</i>	\$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





## FEE SCHEDULE

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
PUBLIC SAFETY STAFFING	
Personnel	
Minimum 2 hours per Fire Department staff	\$40.00 per hour
Vehicle	
Minimum 2 hours per vehicle	\$25.00 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	\$150.00 per appeal



## FEE SCHEDULE

GOLF: SCOTT SCHREINER GOLF COURSE			
GREEN FEES			
Weekend Rates Apply Friday-Sunday (Except for Seniors)			
GUEST RATES		WALKING	WITH CART
<u>Regular</u>			
Weekday	9 Holes	\$20.00	\$28.00
	18 Holes	\$29.00	\$45.00
Weekend/ Holiday	9 Holes	\$26.00	\$34.00
	18 Holes	\$36.00	\$52.00
<u>Twilight (after 2pm)</u>			
Weekday	9 Holes	\$19.00	\$27.00
	18 Holes	\$19.00	\$35.00
Weekend/Holiday	9 Holes	\$25.00	\$33.00
	18 Holes	\$25.00	\$41.00
SPECIAL RATES		WALKING	WITH CART
<u>Senior (age 65+)</u>			
Weekday (M-F)	18 Holes	\$18.00	\$34.00
<u>Military</u>			
Weekday	18 Holes	\$22.00	\$38.00
Weekend/Holiday	18 Holes	\$28.00	\$44.00
MEMBER RATES		WALKING	WITH CART
<u>Regular</u>			
Weekday	9 Holes	\$8.00	\$16.00
	18 Holes	\$10.00	\$26.00
Weekend/Holiday	9 Holes	\$9.00	\$17.00
	18 Holes	\$11.00	\$27.00
<u>Twilight (after 2pm)</u>			
Weekday	9 Holes	\$7.00	\$15.00
	18 Holes	\$7.00	\$23.00
Weekend/Holiday	9 Holes	\$8.00	\$16.00
	18 Holes	\$8.00	\$24.00



## FEE SCHEDULE

GOLF: SCOTT SCHREINER GOLF COURSE, CONTINUED			
JUNIOR/STUDENT RATES		WALKING	WITH CART
<u>Grades K-12</u>			
Weekday	9 Holes	\$8.00	\$16.00
	18 Holes	\$12.00	\$28.00
Weekend/Holiday	9 Holes	\$11.00	\$19.00
	18 Holes	\$14.00	\$30.00
<u>College</u>			
Weekday	18 Holes	\$18.00	\$34.00
Weekend/Holiday	18 Holes	\$24.00	\$40.00
MEMBERSHIP FEES			
Annual Membership		\$575.00 per person	
Second Family Member		\$450.00 per person	
Quarterly Membership		\$220.00 per person	
Second Family Member		\$200.00 per person	
Annual Range Pass		\$300.00 per person	
Quarterly Range Pass		\$100.00 per person	
Family Membership		\$900.00 2 adults + all jrs.	
UNLIMITED GOLF		WALKING	WITH CART
18 Holes		\$200/month	\$300/month
No course fees with purchase of unlimited golf			
DRIVING RANGE FEES			
Small Bucket		\$5.00 per bucket	
Large Bucket		\$10.00 per bucket	
Range Memberships			
Annual		\$300.00 per year	
Quarterly		\$100.00 per quarter	
CART FEES			
		9 Holes	18 Holes
Cart Use Fees		\$8.00	\$16.00
Private Cart Membership			
Annual members only		\$220.00	\$220.00
Trail Fee Private Cart			
w/cart membership & green fees		\$5.00	\$8.00
Passenger or Private Cart			
without green fees		\$8.00	\$16.00



## FEE SCHEDULE

GOLF: SCOTT SCHREINER GOLF COURSE, CONTINUED		
CART STORAGE		
Annual	\$425.00 per year	
TOURNAMENT FEES		
Weekday/Weekend Afternoons	\$40.00 per player	
Weekend Mornings	\$50.00 per player	
Note: Contact Pro-Shop in order to schedule tournament play.		
RENTAL AND OTHER FEES		
	9 Holes	18 Holes
Club Rental	\$15.00	\$25.00
Pull Cart Rental	\$3.00	\$6.00
Notes: Fees will be prorated, as necessary, to ensure that all fees expire on the same date.		



# FEE SCHEDULE

LIBRARY: 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
Story Time Kits	\$5.00 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
AV Storage Bags	\$1.00 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
Personal Earbuds	\$2.00 per set



## FEE SCHEDULE

MUNICIPAL COURT	
Online Transaction Fee	\$1.50 per transaction
Technology Fee	\$4.00 per conviction
Building Service Fee	\$4.90 per conviction
Kiosk Payment Fee	\$1.50 per transaction
Driving Safety Course Administrative Fee	\$10.00 per offense
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 the state and subject to change. Judges assess fines within limits set by the state.	





## FEE SCHEDULE

PARKS AND RECREATION	
KERRVILLE - SCHREINER PARK	
DAY USE FEES	
Adult (13 and over) \$15 per vehicle max	\$6.00 per person
Veterans and Active Duty Military (proof required)	\$0.00 per person
Child (12 and under)	\$2.00 per person
Senior (over 65)	\$2.00 per person
Commercial Vehicles	\$20.00 per vehicle
School Sponsored Trip (ages 13-18 not overnight)	\$0.50 per person
Annual Day Use Pass	
First Vehicle	\$50.00 per year
Second Vehicle (when registered with first)	\$25.00 per year
CAMPING FEES	
Tent Site with Water (max 2 week stay)	\$25.00 per night
Tepee (Riverside)	\$30.00 per night
RV SITE FEES	
Mountain View Loop (30 amp w/water)	\$30.00 per night
October-February	\$780.00 per month
Pecan Loop (Riverside) (30 amp w/water & sewer)	\$35.00 per night
October-February	\$875.00 per month
Deerfield Loop (30 amp w/water & sewer)	\$35.00 per night
October-February	\$875.00 per month
Sycamore Circle (Riverside) (30/50 amp w/water & sewer)	\$40.00 per night
October-February	\$1,050.00 per month
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	\$60.00 per night
Deposit	\$25.00 per stay
Mini Cabin Riverside	\$70.00 per night
Deposit	\$25.00 per stay
Park Cabin	\$120.00 per night
Deposit	\$50.00 per stay
Ranch House	\$200.00 per night
Deposit	\$150.00 per stay
Bunk House	\$55.00 per night
Deposit	\$50.00 per stay
Note: State and local hotel/motel tax will be added in addition to rental fee.	



## FEE SCHEDULE

PARKS AND RECREATION, CONTINUED	
FACILITY RENTAL FEES	
HALLS, PARKS, & PAVILIONS	
KSP Dining Hall (screened, open air, no kitchen)	\$100.00 per day
Deposit	\$50.00 per use
KSP Recreation Hall (indoors with kitchen)	\$350.00 per day
Deposit	\$100.00 per use
KSP Amphitheater	\$100.00 per day
Deposit	\$50.00 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	\$200.00 per day
Deposit	\$200.00 per use
Table Rental	\$5.00 each
Chair Rental	\$2.00 each
Deposit: tables/chairs	\$100.00 per use
Louise Hays Park Family Pavilion	\$100.00 per day
Deposit	\$100.00 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	\$100.00 per day
Deposit	\$100.00 per use
Small Park Pavilions (various locations)	\$40.00 per day
Deposit	\$25.00 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	\$200.00 per day
Without electricity	\$100.00 per day
Deposit	\$200.00 per use
OTHER FEES	
Cancellation Fee	
Applies to each site, facility, program	\$20.00 each
RV/Trailer Dump Fee	
If not camping in park - no entrance fee	\$25.00 per vehicle
Excess Vehicle Parking	\$5.00 per vehicle
Excess Person Occupancy Fee	\$6.00 per person
Commemorative Bench Program	\$3,500.00 per bench



# FEE SCHEDULE

PARKS AND RECREATION, CONTINUED	
ATHLETIC FIELDS/COURTS/AQUATICS RENTAL FEES	
FEES	
Athletic Field/Court Rental	
With lights	\$30.00 per hour
Without lights	\$20.00 per hour
Singing Wind Softball Field	
With lights	\$170.00 per day
Without lights	\$150.00 per day
Deposits	
Tournament	\$150.00 per tournament
Scoreboard equipment	\$100.00 per event
Tennis Court	
Non-member	set by Tennis Pro
Tennis Tournament Fees	
Exemptions: KISD tournaments/practices / Schreiner University Tournaments	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	\$40.00 per field
Without lights	\$30.00 per field
Game (2 hour minimum)	
With lights	\$60.00 per field
Without lights	\$50.00 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)	\$1.00 each
Olympic Pool Rental	\$250.00 per 2 hours
Deposit	\$100.00 per use
Olympic Pool Pavilion Rental	
Deposit	\$25.00 per use
2 hour rental	\$25.00 per 2 hours
Full day rental	\$65.00 per day
Olympic Pool Picnic Area	\$15.00 per day
Swim Lessons	
Group	\$45.00 per person
Private	\$100.00 per person
Semi-Private	\$150.00 per 2 people
Junior Lifeguard Camp	\$75.00 per person
Mermaid Class	\$60.00 per person
NOTE: Kerrville Little League has free usage of the Sports Complex during their authorized season only.	
EVENT FEES	
Special Event Permit	\$50.00 per event
Holiday Parade	\$30.00 per entry



## FEE SCHEDULE

POLICE	
REPORTS	
Accident Reports	\$6.00 per report
Offense/Incident Reports	\$0.10 per page
Letters of Clearance	\$10.00 per person
ALARM FEES	
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
ESCORT FEES	
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	\$160.00 per event
PARADE FEES	
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	\$50.00 per event
Class B	
More than 50 entries	\$100.00 per event
Class C	
Motorcades, marches, etc.	\$25.00 per event
OTHER FEES	
Fingerprinting	\$10.00 per person
Public Safety Staffing	
Minimum of 2 hours per KPD staff member	\$50.00 per hour
Minimum of 2 hours per vehicle	\$10.00 per hour



## FEE SCHEDULE

PUBLIC WORKS	
ALL PUBLIC WORKS DIVISIONS	
EQUIPMENT FEES	
Backhoe/Loader	\$55.00 per hour
Excavator	\$55.00 per hour
Dump Truck	\$45.00 per hour
Crane Truck	\$45.00 per hour
Vac-con Truck	\$120.00 per hour
Vac-Trailer	\$85.00 per hour
Street Sweeper	\$85.00 per hour
Air Compressor	\$12.50 per hour
Closed Circuit Television Sloping Service	\$170.00 per hour
Service Truck with tools	\$35.00 per hour
Backflow Prevention Test	
Reduced pressure zone device	\$100.00 per test
Double check device	\$70.00 per test
Scale Fee	\$1.00 each
Inspection Fee	
Privately installed taps	\$50.00 each
Emergency Repair Fee (labor, equipment, supplies)	two times regular rate
OTHER FEES	
Traffic Control Fee	\$34.00 per hr/person
Street Signs	\$250.00 per sign





## FEE SCHEDULE

PUBLIC WORKS, CONTINUED	
LABORATORY	
SERVICES/TESTS	
Alkalinity	\$20.00 per test
Ammonia Nitrogen	\$30.00 per test
Biochemical Oxygen Demand (BOD)	\$33.00 per test
Carbonaceous BOD (CBOD)	\$40.00 per test
Chemical Oxygen Demand (COD)	\$20.00 per test
Chloride	\$10.00 per test
Conductivity	\$5.00 per test
Iron	\$15.00 per test
Hardness, Total	\$15.00 per test
Nitrate	\$18.00 per test
Nitrite	\$18.00 per test
Oil and Grease	\$45.00 per test
Phosphorus, Total	\$20.00 per test
Solids, Total Dissolved (TDS)	\$35.00 per test
Solids, Total Suspended (TSS)	\$15.00 per test
Solids, Volatile Suspended (VSS)	\$15.00 per test
Sulfate	\$15.00 per test
Total Organic Carbon	\$50.00 per test
BACTERIOLOGICAL TESTS	
Total Coliform/E. Coli Presence/absence (P/A)	\$20.00 per test
Total Coliform/E. Coli Enumeration Quanti-tray	\$22.00 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 Total Coliform/E.coli	\$100.00 per test







# FEE SCHEDULE

PUBLIC WORKS, CONTINUED	
MUNICIPAL SOLID WASTE	
DISPOSAL RATES	
Municipal Solid Waste - per ton	\$67.55 per ton
Municipal Solid Waste - Commercial Minimum Charge (less than 1 ton)	\$67.55 per ton
Municipal Solid Waste - Residential Minimum Charge (less than 360 lbs)	\$24.45 per load
Small Animal (plus surcharge)	\$10.64 each
Large Animal (plus surcharge)	\$40.91 each
Disposal Surcharge	\$18.00 per ton
Special Waste - Liquids (plus surcharge)	\$0.30 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	\$9.55 per month
Disposal Pass Through Fee	\$5.73 per month
Composting	\$2.60 per month
Recycling	\$4.26 per month
Total Garbage Collection: Curbside Service	\$22.14 per month
MOBILE HOME GARBAGE COLLECTION	
Mobile Home Garbage Collection: Curbside Fee Breakdown	
Garbage Collection	\$7.79 per month
Disposal Pass Through Fee	\$5.73 per month
Composting	\$2.60 per month
Recycling	\$4.26 per month
Total Garbage Collection: Curbside Service	\$20.38 per month
ADDITIONAL GARBAGE COLLECTION FEES	
Toter Exchange	\$25.00 per tote
Replacement Toter	
Lost/damaged by customer	\$50.00 per tote
Extra Toter	\$6.01 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	\$1.47 each
Ticket Copy	\$2.92 each
Loads Not Covered With Tarp	\$20.00 per occurrence
Notes:	
*All garbage collection services subject to sales tax.	



## FEE SCHEDULE

PUBLIC WORKS, CONTINUED	
WATER DISTRIBUTION	
WATER TAPS (INCLUDES METER & SET FEE)	
3/4" Tap	\$2,125.00 per tap
1" Tap	\$2,362.00 per tap
1.5" Tap	\$4,307.00 per tap
1" Water Service Split	\$827.00 per split
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	\$384.00 per meter
1" Meter	\$549.00 per meter
1.5" Meter	\$909.00 per meter
2" Meter and Above	quoted by job
SEWER TAPS (INCLUDES METER & SET FEE)	
4" Tap - Off City Main	\$1,889.00 per tap
4" Tap - Internal Manhole Drop	\$1,534.00 per tap
6" Tap - Out of Manhole	\$2,007.00 per tap
6" Tap - With Manhole	\$4,723.00 per tap
Additional charge for manholes over 8' deep	\$225.00 per foot
Tap in TXDOT Right of Way	quoted by job
REQUESTED SERVICES	
Labor	
Business Hours	\$34.00 per hr/person
After Business Hours - Scheduled	\$51.00 per hr/person





## FEE SCHEDULE

PUBLIC WORKS, CONTINUED	
WATER RECLAMATION	
SEPTAGE	
Septage 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





## FEE SCHEDULE

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	\$30.00 per account
Turn on (after cutoff) after business hours	\$50.00 per account
Accounts not paid in full by 5pm on final due date	\$30.00 per account
Sewer Only - delinquent requiring disconnection of services by Aqua Texas	\$75.00 per account
Additional trips to meter locations	\$30.00 per account
Tampering with meter	\$50.00 per account
Late Payment Fees	
Accounts not paid by due date	10% of balance
Lien Filing Fee	actual cost
Returned Item Handling Fees: Checks, Bankdrafts	\$30.00 per item
Environmental Landfill Fee	\$0.40 per month
Environmental Stormwater Fee	
Residential Utility Customer	\$0.60 per month
Commercial Utility Customer	\$3.00 per month
Multi-Unit Utility Customer group meter	\$2.00 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.	
*Environmental, stormwater, and landfill fees are billed on the monthly utility bill.	



## FEE SCHEDULE

UTILITY BILLING, CONTINUED	
WATER	
RESIDENTIAL WATER RATES INSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$17.60 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	\$4.65 per 1,000 gallons
15,001-25,000 gallons	\$5.92 per 1,000 gallons
25,001-50,000 gallons	\$7.40 per 1,000 gallons
50,000 gallons and up	\$9.24 per 1,000 gallons
COMMERCIAL WATER RATES INSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$15.02 per account
0-25,000 gallons	\$3.97 per 1,000 gallons
25,001-50,000 gallons	\$4.76 per 1,000 gallons
50,001 gallons and up	\$5.70 per 1,000 gallons
IRRIGATION RATES INSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$15.02 per account
0-15,000 gallons	\$4.98 per 1,000 gallons
15,001-25,000 gallons	\$6.60 per 1,000 gallons
25,001 gallons and up	\$8.87 per 1,000 gallons
FIRE HYDRANTS RATES INSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$74.80 per account
Refundable Deposit	\$2750.00 per account
Meter Set-up/Move	\$215.00 per account
0-15,000 gallons	\$4.98 per 1,000 gallons
15,001-25,000 gallons	\$6.60 per 1,000 gallons
25,001 gallons and up	\$8.87 per 1,000 gallons
RESIDENTIAL WATER RATES OUTSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$26.40 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	\$6.97 per 1,000 gallons
15,001-25,000 gallons	\$8.88 per 1,000 gallons
25,001-50,000 gallons	\$11.11 per 1,000 gallons
50,000 gallons and up	\$13.86 per 1,000 gallons
COMMERCIAL RATES OUTSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$23.10 per account
0-25,000 gallons	\$5.96 per 1,000 gallons
25,001-50,000 gallons	\$7.13 per 1,000 gallons
50,001 gallons and up	\$8.55 per 1,000 gallons

Note: The City of Kerrville contracts with Republic Services for the collection of residential curbside waste and recycling. Residential garbage collection rates are set, per contract, by Republic Services. Rates are adjusted each fiscal year based on the Consumer Price Index (CPI).



## FEE SCHEDULE

UTILITY BILLING, CONTINUED	
WATER	
IRRIGATION WATER RATES OUTSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$23.10 per account
0-15,000 gallons	\$7.46 per 1,000 gallons
15,001-25,000 gallons	\$9.89 per 1,000 gallons
25,001 gallons and up	\$13.30 per 1,000 gallons
FIRE HYDRANT RATES OUTSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$112.20 per account
Refundable Deposit	\$2,750.00 per account
Meter Set-up/Move	\$215.00 per account
0-15,000 gallons	\$7.46 per 1,000 gallons
15,001-25,000 gallons	\$9.89 per 1,000 gallons
25,001 gallons and up	\$13.30 per 1,000 gallons
EFFLUENT/REUSE WATER RATES	
Monthly Account Fee (plus)	\$15.02 per account
Commercial	\$0.65 per 1,000 gallons
Commercial Contract	per contract
Municipal	\$0.55 per 1,000 gallons
WATER BY LOAD - CUSTOMER PICK UP	
Reuse/Effluent Water	
0-3,000 gallons	\$10.00 per load
3,001-8,000 gallons	\$17.50 per load
Potable Water	
0-3,000 gallons	\$15.00 per load
3,001-8,000 gallons	\$22.00 per load







## FEE SCHEDULE

UTILITY BILLING, CONTINUED	
SEWER	
RESIDENTIAL SEWER RATES INSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$16.50 per account
Account with no consumption history	\$17.49 4,000 gal. min
Residential Sewer Average	\$0.00 first 1,000 gallons
Residential Sewer Average	\$5.83 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 INSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$16.87 per account
Per 1,000 of water usage	\$0.00 first 1,000 gallons
Per 1,000 of water usage	\$6.21 per 1,000 gallons > 1,001
RESIDENTIAL SEWER RATES OUTSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$24.75 per account
Account with no consumption history	\$26.23 4,000 gal. min
Per winter average (Dec-Feb consumption)	\$0.00 first 1,000 gallons
Per winter average (Dec-Feb consumption)	\$8.74 per 1,000 gallons > 1,001
COMMERCIAL SEWER RATES OUTSIDE CITY LIMITS	
Monthly Account Fee (plus)	\$25.31 per account
Per 1,000 of water usage	\$0.00 first 1,000 gallons
Per 1,000 of water usage	\$9.31 per 1,000 gallons > 1,001
WHOLESALE SEWER RATES	
Monthly Account Fee (plus)	\$21.92 per account
Per 1,000 of water usage	\$9.04 per 1,000 gallons
Excess capacity rate	\$1,000.00 per day



