

CITY OF KERRVILLE

NOTICE OF PUBLIC HEARING ON

PROPOSED BUDGET

The Kerrville City Council will hold a public hearing on the FY2026 Proposed Budget on Tuesday, September 9, 2025 at 701 Main Street, Kerrville, TX at 6:00 pm in the City Council Chambers.

The budget's proposed ad valorem tax rate is \$0.5711 per \$100 of assessed value, which is an increase of \$0.0116 from last year's tax rate. The proposed tax rate is greater than the no-new-revenue rate of \$0.5335 and is equal to the disaster voter-approval rate of \$0.5711. The debt (I&S) portion of the tax rate remains unchanged from last year's rate of \$0.1406. The Maintenance & Operations (M&O) portion of the rate is proposed to increase from \$0.4189 to \$0.4305.

This budget will raise more revenue from property taxes than last year's budget by an amount of \$783,591 which is a 4.6% increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$417,181.

The FY2026 Proposed Budget is available for review at City Hall (City Secretary's Office) located at 701 Main Street between 8am and 5pm Monday through Friday, the Butt-Holdsworth Memorial Library at 505 Water Street during regular library hours and the City's website at www.kerrvilletx.gov.

The following table is being published as a summary of the FY2026 Proposed Budget. This table shows revenues and expenditures for the City's two main operating funds, which are balanced. Expenditures for Capital Projects includes projects for both General and Water Funds. All other funds are combined and labeled "Other Funds." In total, expenditures are budgeted to exceed revenues due to the multi-year nature of capital projects for which revenues are received in one year but expended out over multiple years. Revenues and expenditures include transfers across funds for budget purposes.

	FY2026 Proposed Budget
General Fund	
Revenues	\$ 39,145,111
Expenditures	<u>39,145,111</u>
Revenues Over (Under) Expenditures	-
Water Fund	
Revenues	17,589,715
Expenditures	<u>17,589,715</u>
Revenues Over (Under) Expenditures	-
Capital Projects	
Revenues	14,679,665
Expenditures	<u>27,806,035</u>
Revenues Over (Under) Expenditures	(13,126,370)
Other Funds	
Revenues	30,829,807
Expenditures	<u>32,628,111</u>
Revenues Over (Under) Expenditures	(1,798,304)
Total Funds	
Revenues	102,244,298
Expenditures	<u>117,168,972</u>
Revenues Over (Under) Expenditures	\$ (14,924,674)
Totals Include Transfers Between Funds of \$22,846,583	

TAXPAYER IMPACT STATEMENT PER TEXAS LOCAL GOV'T CODE 551.043 (C) 2 (in effect 9/1/2025)	
Estimated property tax bill for the median-valued homestead for current fiscal year (2024 tax year):	\$ 1,712
Estimated property tax bill for the median-valued homestead for upcoming fiscal year (2025 tax year) if proposed budget is adopted:	\$ 1,923
Estimated property tax bill for median-valued homestead for upcoming fiscal year (2025 tax year) if budget is adopted at the No-New-Revenue Rate:	\$ 1,796
<i>2024 Median Homestead Value:</i>	<i>\$ 306,025</i>
<i>2025 Median Homestead Value :</i>	<i>\$ 336,669</i>
<i>Values provided by Kerr Central Appraisal District</i>	