



**City Council Meeting Agenda
September 9, 2025 at 6:00 PM
City Hall, 701 Main Street, Kerrville, Texas**



Citizens may view and hear City Council meetings on Spectrum Channel 2 or by live-stream via the [City's website \(www.kerrvilletx.gov\)](http://www.kerrvilletx.gov). City Council meetings are recorded, and recordings posted on the City's website. Citizens wishing to speak during a meeting shall submit a completed "speaker request form" to the City Secretary before the item is introduced, and encouraged to submit the form before the meeting begins. Each speaker is limited to four minutes. Thank you for your participation!

THE FISCAL YEAR 2026 PROPOSED BUDGET IS ACCESSIBLE ON THE CITY OF KERRVILLE, TX HOMEPAGE www.kerrvilletx.gov, and available for review at City Hall (City Secretary Office), 701 Main Street during City Hall business hours, and the Butt-Holdsworth Memorial Library, 505 Water Street during the Library business hours.

CALL TO ORDER, INVOCATION, PLEDGE OF ALLEGIANCE: Joe Herring, Jr., Mayor

1. **ANNOUNCEMENTS OF COMMUNITY INTEREST:** *Items of community interest, including expressions of thanks, congratulations, condolences; holidays; recognitions; city sponsored events, or events scheduled which city officials will attend; safety and imminent threats to the public. No action will be taken.*
2. **PRESENTATIONS:**
 - 2.A Proclamation recognizing September 17-23, 2025 as United States of America Constitution Week. *(Mayor Herring)*
 - 2.B Proclamation recognizing September 2025 as National Recovery Month. *(Mayor Herring)*
3. **VISITORS/CITIZENS FORUM:** *Any citizen with business not scheduled on the agenda may speak to the City Council. Prior to speaking, each speaker must complete the speaker request form and give it to the City Secretary, before the item is called or read into record. City Council may not discuss or take any action on an item but may place the issue on a future agenda. Each speaker is limited to four minutes.*
4. **CONSENT AGENDA:** *These items are considered routine and can be approved in one motion unless a Councilmember, staff, or member of the public asks for separate consideration of an item. It is recommended that the City Council approve the following items which will grant the Mayor or City Manager the authority to take all actions necessary for each approval:*
 - 4.A Professional Services Agreement with Marmon-Mok, LP, for construction services relating to the Olympic Pool project in the amount of \$213,676.00. ***(BUDGETED, 2023 Sales Tax Bonds)(K Burow, Director Engineering)***
 - 4.B City Council Workshop minutes August 26, 2025. *(S McElhannon, City Secretary)*
 - 4.C City Council Meeting minutes August 26, 2025. *(S McElhannon, City Secretary)*
5. **PUBLIC NOTICE - REQUIRED PUBLIC NOTICE, NO ACTION:**
 - 5.A House Bill 1522, passed by the Texas Legislature 2025 and effective September 1, 2025, amends section 551.043 of the Texas Government Code to require that the notice of meeting required to be posted under section 551.043(a) of the Texas Open Meetings Act, at which a governmental body will discuss or adopt a budget for the governmental body, must include a taxpayer impact statement. **A copy of the Proposed Fiscal Year 2026**

Budget is clearly accessible on the home page of the City website:
www.kerrvilletx.gov

TAXPAYER IMPACT STATEMENT:

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	39,145,111
Revenues Over (Under) Expenditures	-
Water Fund	
Revenues	17,589,715
Expenditures	17,589,715
Revenues Over (Under) Expenditures	-
Capital Projects	
Revenues	14,679,665
Expenditures	27,806,035
Revenues Over (Under) Expenditures	(13,126,370)
Other Funds	
Revenues	30,829,807
Expenditures	32,628,111
Revenues Over (Under) Expenditures	(1,798,304)
Total Funds	
Revenues	102,244,298
Expenditures	117,168,972
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
2024 Median Homestead Value:	\$ 306,025
2025 Median Homestead Value :	\$ 336,669
Values provided by Kerr Central Appraisal District	

6. **PUBLIC HEARING AND ORDINANCES, FIRST READING:**

- 6.A Ordinance No. 2025-18. An Ordinance adopting the annual budget for the City of Kerrville, Texas, Fiscal Year 2026; providing appropriations for each City department and fund; containing a cumulative clause; and containing a savings and severability clause. (*J Behrens, Director Finance*)
- 6.B Ordinance No. 2025-19. An Ordinance levying an Ad Valorem (Property) Tax for the use and the support of the Municipal Government for the City of Kerrville, Texas, for Fiscal Year 2026; apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid. (*J Behrens, Director Finance*)
- 6.C Ordinance No. 2025-20. An Ordinance amending Chapter 60 of the Code of Ordinances, City of Kerrville, Texas (Zoning Code) by changing the zoning of a property known as 307 S. Lewis Ave., making up part of Lot 3, Lot 4, Block 4, Westland Addition, and within the City of Kerrville, Kerr County, Texas; from a Single-Family Residential with Accessory Dwelling Unit Zoning District (R-1A) to General Commercial Zoning District (C-3); and providing other matters related to the subject. (*D Paxton, Director Development Services*)

7. **ORDINANCES, FIRST READING:**

- 7.A Ordinance No. 2025-21. An Ordinance authorizing the issuance of \$700,000 in principal amount of *City of Kerrville, Texas Tax Note, Series 2025*; securing the payment thereof by authorizing the levy of an annual Ad Valorem Tax; and approving and authorizing the execution of a Paying Agent/Registrar Agreement, a Purchase Letter, and all other instruments and procedures related thereto. (*J Behrens, Director Finance*)

8. **CONSIDERATION AND POSSIBLE ACTION:**

- 8.A Resolution No. 28-2025. A Resolution approving a negotiated settlement between the Atmos Cities Steering Committee ("ACSC") and Atmos Energy Corp., Mid-Tex Division regarding the Company's 2025 Rate Review Mechanism filing; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the attached settlement tariffs to be just and reasonable and in the public interest; approving an attachment establishing a benchmark for pensions and retiree medical benefits; requiring the Company to reimburse ACSC's reasonable ratemaking expenses; determining that this Resolution was passed in

accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this Resolution to the Company and the ACSC's Legal Counsel. (*M Hayes, City Attorney*)

9. **EXECUTIVE SESSION:** *City Council may, as permitted by law, adjourn into executive session at any time to discuss any matter listed above if items meet the qualifications in Chapter 551 of the Texas Government Code.*
10. **ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION, IF ANY.**
11. **ITEMS FOR FUTURE AGENDAS:** *Council may suggest items or topics for future agendas.*

ADJOURN.

The facility is wheelchair accessible, and accessible parking spaces are available. Requests for accommodation or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-258-1118 for further information.

I hereby certify that this agenda was posted as notice of the meeting on the City Hall bulletin board and the City's website September 3, 2025 at 4:00pm, and remained posted continuously for at least 3 business day preceding the scheduled time of the meeting.

Shelley McElhannon, TRMC, City Secretary, City of Kerrville, Texas