

Why are they not looking towards DECREASING the budget & spending, as well as much needed TAX CUTS and relief for the people?

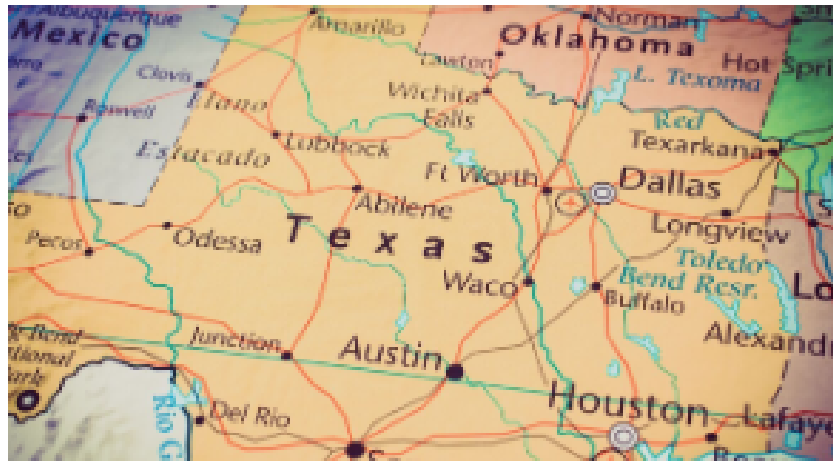
Fredericksburg is a unique community that has been financially blessed beyond most others by always enjoying robust revenues in sales tax and consistently rising property valuations, even during times when other towns have seen declines. (This is a point acknowledged by Chief Tax Appraiser, Scott Fair at the recent budget meeting.)

Our leaders CAN cut the budget. They CAN give tax relief to the people, while still fully funding all essential services and functions. It is simply a matter of making the decision to do so.

It is a no brainer, and it *can* and *should* be done!

In fact, here's some communities in Texas that have been doing just that!!

Communities in Texas who have CUT their Property Taxes....



Tarrant County is making history with its Proposed Tax Cuts. How did leaders get it done?

[Read Article HERE](#)

Two Conservative Cities Ease Their Property Tax Burdens, Again

[Read Article HERE](#)

TAKE ACTION!!

Our City Council needs to hear from YOU!

I encourage each and every taxpayer who gets this email to contact the city councilmembers and let them know your thoughts and expectations regarding the proposed budget and tax rate. Let them know that the budget needs to be cut of every extra unnecessary expense. Let them know how the continual increase in taxes affect you and your family budget and have them give answer to the pressing questions revealed about the budget. (See info below)

We need everyone to give voice in order effect meaningful change.

A final vote on the proposed budget and tax rate is scheduled for September 19.

The public is encouraged to review the City's proposed budget on the City of Fredericksburg website at <https://www.fbgtx.org> or view a paper copy of the budget in the City Secretary's office.

Contact Your Representatives

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Councilmember Emily Kirchner

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Councilmember Tony Klein

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Councilmember Randy Briley

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Important Info and Questions to Ask Councilmembers

See below why the city should lower taxes below the "no-new-revenue" tax rate and protect the family budgets of homeowners by providing long overdue tax relief.

Property Tax revenues have far outpaced population growth

In just the past 3 years, the total revenue from valorem taxes (current and delinquent) has increased by 30% (4.2 million in 2021 to 5.7 million for 2024,) while during the same period, population growth has only increased by 8%.

How is this justified?

The Budget far exceeds total population growth

In the past 10 years, the city budget itself has grown by 111.282% while the total population growth has increased only by 9.4 percent. The current proposed budget shows an increase of 10.6% in just one year over last, while the current population growth is only at 2.49%.

The people have been overtaxed year after year. Why?

This continual unjust burden on taxpayers should seriously be addressed and remedied. Quite simply, the taxes should not exceed the growth. The people have been overtaxed year after year. For this reason, our Council must work diligently with the city to make necessary corrections, tightened up the budget and provide proper relief for the people.

Millions of Dollars in Surplus Funds Every Year

According to the City's own data shown in their budgets, there is a large excess fund balance that continues to result year after year. We have consistently had millions of dollars in excess by year's end, when rightfully, the city, who should not be a for-profit enterprise, should end with a balanced budget.

Here's the pattern: Each year the budgeted expenditures are approximately 12-15 million dollars more than the budgeted revenues. The fund balance is consistently at \$25-35 million at the end of the year when the budget is proposed for the next year. Then this fund balance is used to pay the increased expenditures for the next year's budget and the 3-month reserve. After this, there is always still 8 million dollars in surplus.

Government is not a profit-making enterprise, yet year after year, we manage to reap a large profit. Why is this? Perhaps they are using bookkeeping we do not understand, but it looks like the budgeting is missing the mark? Certainly, a reasonable conservative estimate should be projected for revenues and expenditures to achieve a balanced budget with a little room to play, but when these large excess fund balance sums result from a previous year that are then used to fund budgeted expenditures that exceed the revenues in a coming year, this does not make sense. Council needs to explain this.

Surplus funds should be returned to the people

The budget ought to be simply balanced to begin with. Any excess funds should be returned to the people. If the expenditures are more than revenues in the proposed budget, the city needs to do some cutting and not apply surplus money but rather return it to the people in a rebate, or in the form of a tax cut.

What's in the budget?

Here's some examples of a few specific items in the budget that stand out as areas of concern or raise questions:

1. \$330,000 for RV restroom? This is a very "rich" amount for this item. A more reasonable amount would be no more than \$280,000.
2. \$80,000 for a batting cage? They run \$10,000 for a commercial cage (\$20,000 max). That's a far cry from \$80,000. (Not to mention the fact that this item is better paid for by other means such as donors, fundraising, etc., rather than taxpayer money)
3. \$150,000 Pavillion Renovation. Again, amount seems overly excessive.
4. \$86,000 for Parks janitorial/housekeeping? How did they get to \$86,000 when this past year the actual expenditure amount for the same item was \$38,000?
5. \$110,000 for Groundmaster. We already have two. Is it absolutely essential to have three?
6. \$40,000 for 2 golf carts. New golf carts run 7,500-9,500 each. Luxury models are \$20,000. If the city is paying (which it should not), a standard cart is sufficient, or even a good condition used cart.
7. \$50,000 For a Records Information Management Project listed under capital expenditure requests. (This is to digitalize and store documents.) Wes Hesker has spoken to this topic and how it can, and should be, achieved for far less money. He himself has had over 2 ½ million pages of documents scanned and digitally archived for \$10,000 in the company he works for. The city can also accomplish this project for a fraction of the proposed budgeted amount. I recommend following Wes Hesker's recommendations and contacts on how to do so.
8. \$94,000 Administrative general property maintenance. Wow!! How did this figure climb from \$27,240 in actual expenditures for 2023 (\$16,337 in 2022) to \$94,000? Has the city purchased a whole lot more property that needs maintenance?
9. \$30,000 for City Hall Lobby remodel? I do not find the lobby to be in poor condition and need of renovation. Though it is always nice to remodel, this is not a necessity and again, tax payer money? This is also an excessive amount.
10. And of course, there are all of the many department "social and protocol" expenditure items that also add up to large sum. I do not know what this covers, but if it is for entertaining, alcohol, food, gifts, etc., this should not be paid by the taxpayers.

Additional Comment: Finally, any unnecessary expenditures that are not serving ALL the people (as water, electric, sewer, gas, police, fire and roads do) should not be funded by the taxpayers.

Pickle ball, batting cages, golf carts, soccer sports complex, etc. are some examples. Items such as fireworks, and Christmas decorations, etc. should also be funded by other means. (What happened to the collection of donations for the fireworks? This year, many people were wondering why this opportunity to freely contribute was not available at the park.)

The city must put forth all due diligence needed in considering and reducing the expenses in the proposed budget. They must keep in mind the family budgets that are adversely affected by every unnecessary or extra dollar that is taken in the form of the taxes levied to pay for the city budget.

More Questions and Concerns from Annette Bennet

1. We need to address the elephant in the room – which is rising property evaluations. In 11 years my appraisal has approximately DOUBLED. During that time period, my tax rate went from .2444 to .2207 in 2023. So, unless I am wrong – that equated to almost doubling my taxes. How does this impact budget discussions?
 - a. When you compare the taxes of a home valued at 420,000 from one year to the next – you must take into account that the appraised value of that home has increased THE NEXT YEAR – and so you are not realistically looking at “just a few dollars”. You need to adjust for the new value of the home before you can make comparisons as to the impact on the citizen.
 - b. This will also have an impact on any housing incentive that the city puts together for first responder employees. I admire the work that Randy has done to find a solution to our staffing issues. Yes, we may help them pay for down payments, which I think is admirable, but what is going to happen when their increased appraised values cause their taxes to go up and they can no longer afford to pay the taxes – as their salary increases have not been matched by the increase in taxes – much less inflation? Are we putting people into a home that they cannot afford to keep and then losing them in 3 years?
 - c. The ire of the public is not so much over the tax rate – but the total amount they are paying in taxes. Yes, the city only collects a small percentage of the total tax dollar – but that does not address the problem for the tax payer. Every decision must be made within this framework. We have to find ways to fund government with less of the burden falling on the property owners. This will benefit the city as a whole. It seems that the appraisal district MEMBERS must have a vested interest in keeping appraisals high (and they are not accountable to the tax payers) – which means the burden of dealing with the tax payers and property taxes falls to city council and school board. So the solutions have to come from city council and school board.
2. Some items on the budget are premature because they need more finite costs as well as possible funding. This should be explored in more detail prior to being included in the

budget. Eliminating the tennis/pickle ball and sports complex would be included in this category.

3. Wine and Food Festival – Why and when was this festival started? Why is it a city function. I agree with Bobby – that it should not be funded for 2024 and that an in depth analysis should be done to address its future. I think vendors donate their least expensive wine – and is that really showcasing Texas wine?
4. Grant writer – yes, by all means – we need someone in that position and they could certainly work remotely. I would also support the addition of a person who could approach donors to help fund some projects.
5. Public Relations – I am unclear what the function would be. If it is to hire a person who is paid with our tax dollars – to help justify tax increases then – I am opposed. The tax payers would be funding someone who only tells one side of the story and that is to pay more taxes! Perhaps I don't understand the job responsibility and scope.
6. Although I agree that we need to bring in more direct revenue for the rental of marketplatz, I think that the small organizations really cannot afford increases in rent. You are hurting those groups that can least afford it. They are small for a reason.

KEY UPCOMING MEETINGS

City Council Meeting
Tuesday, September 5, 9 a.m.
Law Enforcement Center
1601 East Main Street

Public Hearing on Proposed
Tax Rate
Wednesday, Sept. 13, 6 p.m.
Cardinal Room at Lady Bird Johnson Golf Course

Adoption of FY2024 Budget & Tax Rate Vote
Tuesday, September 19, 9 a.m.
Law Enforcement Center
1601 East Main Street