



City of Fredericksburg

City Council Special Budget Meeting Minutes
Wednesday, July 9, 2025 ~ 2:00 PM
115 N. Crockett Street
John Wm. Klein Room
Fredericksburg, Texas 78624

City Council:

Jeryl Hoover, Mayor
Emily Kirchner, Mayor Pro-Tem
Bobby Watson, Councilmember
Tony Klein, Councilmember
Todd Eidson, Councilmember

City Staff:

Garret Bonn, Assistant City Manager
Leticia Vacek, City Secretary
Krista Wareham, Finance Director
Shelley Becker, Municipal Court Judge
Chief Vorauer, Police Chief
Aaron Anderegg, IT Director
Kelli Olfers, Health Director
Derek Seelig, Police Lt.
David Jung, EMS Director
Andrea Schmidt, Parks & Recreation Director
Sean Doerre, PIO
David Kellam, Finance Manager
Frank Stead, Fire/EMS

1. CALL TO ORDER

Mayor Jeryl Hoover called the meeting to order.

2. OTHER ACTION ITEMS AND UPDATES

- A. Overview and Discussion of the Requested Fiscal Year 2026 Budget for the City of Fredericksburg. (Krista Wareham, Finance Director)

Assistant City Manager Bonn welcomed everyone and stated that the Budget discussion would center on the City Council Priorities. Mayor Hoover stated that he would like to focus on Public/Private Opportunities. Mayor Pro-Tem Kirchner expressed that for the City Council Priorities; an item such as "water" is important to her although not specifically listed. Councilmember Klein stated that the County has been discussing an Alert System and asked that this be kept in mind. PIO Doerre mentioned that one does have to opt-in to receive the city's Emergency

Alerts. Mr. Bonn turned the floor over to Krista who will present an overview of the new personnel requests, preliminary property tax levy as well as capital requests and general fund revenue sources.

Mrs. Wareham presented the Budget Overview which includes all capital and personnel requests as well as total revenue. She referenced that a decision had not been made on how to handle the hotel tax awards. Overall, she reported that revenues are down, while hotel taxes and sales tax remain flat. With regards to the personnel there is an increase of 6% over year 2025 with 5 new positions requested and 8 vacancies with a total 200 Full-time staff. She added that part of the budget increases include a 2.5% increase for step-plan employees (First Responders) that equates to \$147k with a cost-of-living increase of 2% for active full-time employees equating to \$284k. Lastly, a 2% merit increase for active full-time, no step-plan employees, equating \$284k. With regards to Health Insurance, the cost is \$2.3M for all active full-time employees. Overtime for First Responders is at \$952k while Certification Pay for First-Responders, Public Works, & Municipal Court is at \$226k. The new personnel requests of 5 positions for Municipal Court (2), Police Department (1), and Public Works (2) were reviewed totaling \$443,837 which includes benefits. It was stated that our First Responders, Fire, and Police were fully staffed.

Mrs. Wareham referenced the Preliminary Tax Levy and mentioned that at the end of July, Mr. Scott Fair would provide the certified tax roll. She stated that the Total Tax Levy for FY 2025 was \$7,661,788. A total of \$441k is estimated in increased tax revenue for the new property based on the current tax rate of \$0.205326.

David Kellam presented the General Fund Capital Requests by department totaling \$3.2M which does not include the Master Plan for LBJ Park or Trails Plan for the city. All other departmental capital requests of Electric, Water Sanitation, EMS, Tourism, Stormwater, Police Forfeiture, and Animal Shelter were reviewed. The grand total for capital requests for all funds came to \$11.8M.

Planning for Additional General Fund Revenues/Cost Savings

Assistant City Manager Bonn stated that as we look at the budget, we are really focusing on the re-occurring expenses and their impact. He stated that staff are looking at developing new revenue and PD will be installing bollards that monitor those that park in certain areas. He stated that this was a pilot program that will pilot twelve locations monitoring no parking zones where downtown patrol has identified issues. He added that this pilot will be on the side streets and will not involve state roadways. He mentioned that currently monitored are the no parking zones around driveways and fire hydrants and will have the ability to alert PD for potentially issuing a citation. He added if the pilot program is successful, staff will look at a managed parking strategy in certain areas of the city. Councilmember Klein asked if a meter would be installed.

Chief Vorauer explained that meters would not be used and the purpose of this is to prohibit the use of no parking zones, fire hydrants, red and yellow zones only. He added that they are solar powered bollards and at no cost to the city for the pilot program. If the city engages with the company, they will receive a portion of the fees collected if a citation is issued. Chief Vorauer stated they are hoping for

a successful program and if it works, then the city will have the option to expand. The City Council requested additional information be provided on the pilot program as well as a demonstration.

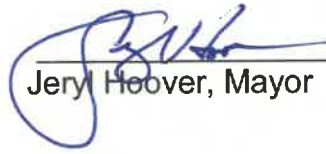
3. ADJOURN

There being no further business, Mayor Hoover adjourned the meeting at 3:42 pm.

Attest:



Leticia Vacek, TRMC, CMC, MMC
City Secretary



Jeryl Hoover, Mayor