



City of Fredericksburg

City Council Special Budget Meeting Minutes
Tuesday, August 19, 2025, ~ 9:00 AM
John Wm Klein Room
115 N. Crockett
Fredericksburg, Texas 78624

City Council:

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

City Staff:

Clinton Bailey, City Manager
Garret Bonn, Assistant City Manager
Leticia Vacek, City Secretary
Shelley Becker, Municipal Court Judge
Krista Wareham, Finance Director
Kris Kneese, Public Works/Utilities Director
Brian Vorauer, Police Chief
Lynn Bizzell, Fire Chief
Cliff Cross, Development Services Director
Andrea Schmidt, Parks/Recreation Director
Aaron Anderegg, IT Director
Kelli Olfers, Health Director
Tammie Loth, Human Resources Director
Sean Doerre, Public Information Officer
David Kellam, Finance Manager
David Jung, Fire/EMS
Derek Seelig, Police Lt.
Frank Stead, Fire/EMS
Alyssa Rivera, Outreach Specialist
Leslie Embrey Ball, Asst. to City Secretary

1. CALL TO ORDER

Mayor Jeryl Hoover called the meeting to order and noted a quorum was present.

2. ACTION ITEMS AND UPDATES

- A. Overview and Discussion of the City of Fredericksburg's Fiscal Year 2026 Proposed Budget. (Clinton Bailey, City Manager)

City Manager Bailey stated that the budget has been updated from the last presentation on July 9, 2025. He reported that staff plugged into the budget the Voter Approval Rate which would be presented today showing the impact to the budget. He also stated that this meeting would be an open discussion with the Council and city staff were in attendance today to answer any questions.

Krista Wareham referenced the citywide budget summary chart. She reported that the proposed budget was filed with the City Secretary on August 15, 2025, and copies were available at City Hall and that it was also published on the city's website. Mayor Pro-Tem Kirchner asked about the funds to be received from the County for the shared expenses. A brief discussion ensued. Mayor Hoover asked about comparable cities and their budget, personnel, and debt, etc... for comparison. Councilmember Watson asked if the newly requested employees were included in the budget. George Studor asked why only an amount of \$100,000 was budgeted for sidewalks. City Manager Bailey stated that the amount budgeted for sidewalks is an ongoing annual expense. Mayor Pro-Tem Kirchner asked about street crack sealing. City Manager Bailey explained that street crack sealing is routine maintenance.

The Council discussed the Dark Skies Compliance. Andrea Schmidt said that many lights are still working well. City Manager Bailey stated that the lights do not have to be replaced all at once. He added that the city is following the ordinance but will not be able to replace all the lights at the rate prescribed. Krista Wareham showed the General Fund Revenue and Expenditures Trends Graph depicting that personnel is the largest expense with Police and Fire at the top. The Police Officers Step Plan was discussed. Mayor Hoover stated that the Council had two choices: 1) raise taxes, or 2) cut expenses. Councilmember Watson felt that if we lower the cost of living and merit pay, we may lose employees and be back in the same place that we were a few years ago. Councilmember Eidson agreed, stating that the number one asset is the Staff. Mayor Pro-Tem Kirchner voiced that she was not in agreement with providing \$400,000 for the Glockenspiel. Andrea Schmidt stated that it is a three-way split (between PCAA, Market Square Redevelopment Commission, and the City) and the agreement cannot be signed until the \$400,000 is budgeted.

Krista Wareham covered the calculated revenues and tax rates. Mayor Hoover stated his long-time impression with the tax rate in Fredericksburg adding that it has served the city beautifully with a very low tax rate for years. He added that we are low in the range compared to other cities. He asked, as the expenses continue to grow, if the Council wanted to explore raising taxes, and if so, by what amount. Mayor Hoover asked the Council if they were leaning towards the Voter Approval Rate at this point. Councilmember Klein said that in the private sector, there are times when employees were lucky to keep their jobs without receiving an increase. Tim Crenwelge expressed his concern about the economy, referencing the financial crisis in the eighties, and having to reduce staff. The Council discussed the current staff and the addition of five new staff being requested. They noted the services that the city staff provides to the residents at no additional cost such as leaf pickup. If taxes were to be lowered, services would also need to be reduced.

The Council also discussed fees in addition to sales tax and touched on paid parking. Krista Wareham reported that based on a \$400,000 taxable value, the increase would equate to \$88.00 up from last year calculated with Voter Approval Rate. The Council discussed holding another special budget meeting in September to further review the proposed Budget.

- B. Consideration and action on the Fiscal Year 2026 Proposed Tax Rate. (Krista Wareham, Finance Director)

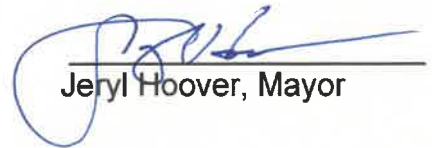
Councilmember Watson moved to set the Tax Rate for Fiscal Year 2026 at the Voter Approval Rate of \$0.227427. Councilmember Klein seconded the motion. The motion carried unanimously.

- C. Consideration and action Setting the Public Hearing Date on the Fiscal Year 2026 Tax Rate. (Krista Wareham, Finance Director)

It was the consensus of the Council to hold the Public Hearing on the Fiscal Year 2026 Tax Rate and Budget on September 9, 2025, at 9:00 am at the new City Hall, East Campus Community Room.

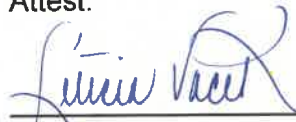
13. ADJOURN

There being no further discussion, Mayor Hoover adjourned the meeting at 10:24 am.



Jeryl Hoover, Mayor

Attest:



Leticia Vacek, TRMC, CMC, MMC
City Secretary/RMO