



CITY COUNCIL

WORK SESSION MINUTES WEDNESDAY, SEPTEMBER 14, 2022 ~ 1 P.M. LADY BIRD GOLF COURSE-CARDINAL ROOM 341 GOLFERS LOOP FREDERICKSBURG, TEXAS 78624

Members Present:

Mayor Jeryl Hoover
Mayor Pro-Tem Bobby Watson
Councilmember Emily Kirchner
Councilmember Tony Klein
Councilmember Sharon Joseph

Members Absent:

None

City Staff Present:

Clinton Bailey, City Manager
Daniel Jones, City Attorney
Lynn Bizzell, Fire Chief
Brian Vorauer, Police Chief
Lea Feuge, Public Information Officer
Laura Hollenbeak, Finance Director
Garret Bonn, Interim City Engineer/Interim Director of Development Services
Kris Kneese, Interim Public Works Director
Derek Seelig, Police Patrol Lieutenant
Braxton Roemer, Police Lieutenant
Justin Calhoun, Emergency Management Coordinator
Reagan Rabke, Fire Marshall
David Kellam, Finance Manager
Krista Wareham, Finance Manager
Shelley Goodwin, City Secretary

1. CALL TO ORDER

Mayor Hoover called the Work Session of the Fredericksburg City Council to order at 1:00 p.m. on Wednesday, September 14, 2022. He announced the quorum has been met.

2. PLEDGE OF ALLEGIANCE

Mayor Hoover led the Pledge of Allegiance.

3. PUBLIC COMMENTS ON AGENDA ITEM

Eric Hammersen, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Carol Hammersen, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Judy McCorkle, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Dennis McCanless, County resident, spoke in opposition to the American Rescue Plan Fund Act.

Edith McCanless, County resident, spoke in opposition to the American Rescue Plan Fund Act.

Kimberley Lams, City resident, spoke in opposition to the American Rescue Plan Fund Act.

George Studor, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Mike Mahoney, City resident, spoke in support of keeping the American Rescue Plan Fund Act.

Sandra McDonald, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Kitt Kilpatrick, County resident, spoke in support of the American Rescue Plan Fund Act and broadband.

Annette Bennett, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Wesley Hesker, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Carmen Armstrong, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Jeannette Hormuth, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Tom Marschall, City resident, spoke in opposition to the American Rescue Plan Fund Act.

MaryLee Marschall, City resident, spoke in opposition to the American Rescue Plan Fund Act.

Johnathan Johnson, County resident, spoke in opposition to the American Rescue Plan Fund Act.

Debra Habecker, City resident, spoke in opposition to the American Rescue Plan Fund Act and increasing the proposed tax rates.

4. 2022 TAX RATES

A. Receive comments from Clinton Bailey, City Manager.

Clinton Bailey, City Manager, reviewed the reasons for an additional public hearing and issues on which the City Council needs to provide directions.

B. Presentation on the proposed 2022 Tax Rate.

Clinton Bailey, City Manager, provided the attached PowerPoint presentation. He also reviewed the need for today's public hearing.

C. Hold a public hearing to receive comments for or against the proposed tax rate that is greater than the no new-revenue tax rate, but not higher than the voter-approval tax rate.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Joseph, to open the public hearing at 2:13 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

Jerry McCorkle, City resident, spoke in opposition to anything above no new revenue taxes.

Carmen Armstrong, City resident, spoke in opposition to anything above no new revenue taxes.

Jeannette Hormuth, City resident, spoke in opposition to anything above no new revenue taxes.

Kyle Biederman, County resident, spoke in opposition to anything above no new revenue taxes.

Motion: A motion was made by Councilmember Watson, seconded by Councilmember Kirchner, to close the public hearing at 2:00 p.m. The City Council voted five (5) for, and none (0) opposed. The motion carried unanimously.

D. Review, discuss, and provide direction.

Clinton Bailey, City Manager, reviewed the Voter Approval Rate and the current Tax Rate. At the last meeting, he noted that the City Council reduced the budget by \$300,000. He noted that if the City Council wants to reduce the tax rate to No New Revenue, an additional \$700,000 will need to be cut. He reviewed the several potential areas that cuts could and the potential for a Sales Tax decrease due to the economy's slowdown.

Tim Lehmborg, Gillespie County Economic Development Corporation CEO, stated that June and July Sales Taxes have been flat. He felt the wise thing to do was to be conservative with the Sales Tax figures.

The City Council discussed the following:

- Scoreboards for the fields
- One-time payments for equipment out of reserves instead of leasing
- Paying some Park salaries (\$145,000) out of Hotel Occupancy Tax
- \$50,000 sidewalks
- Additional Accountant
- The current sales tax projections in the budget

Daniel Jones, City Attorney, reviewed the qualifications for using Hotel Occupancy Tax.

Clinton Bailey, City Manager, stated he feels the City needs to look at the usage fees for Market Square.

E. Announcement of the date, time, and location of the adoption of the FY2023 City Budget and the 2022 Tax Rate is Monday, September 19, 2022, at 6:00 p.m. at the Law Enforcement Center- 1601 East Main Street, Fredericksburg, TX 78624.

Clinton Bailey, City Manager, announced the adoption of the FY2023 City Budget and the 2022 Tax Rate is Monday, September 19, 2022, at 6:00 p.m. at the Law Enforcement Center- 1601 East Main Street, Fredericksburg, TX 78624.

5. OTHER ACTION ITEMS AND UPDATES

A. Consider the formal acceptance or rejection of the American Rescue Plan Act Funds

Mayor Hoover stated he had been listening to the residents on both sides of this subject for several months. He reviewed several of the concerns the City Council had heard, so he started to research and investigate the Act. He reviewed the answers to the questions and topics he had heard. He also reviewed the areas the City can improve regarding grants and contracts. He stated that the City Council inherited this issue and felt the benefits and risk of keeping the funds outweighs the benefits of returning the funds.

Motion: A motion was made by Councilmember Joseph, seconded by Councilmember Kirchner, to keep the American Rescue Plan Fund Act already received and to accept the additional 2023 totaling \$2,848,547. The City Council held a roll call vote:

Mayor Pro-Tem Watson	aye
Councilmember Kirchner	aye
Councilmember Klein	aye
Councilmember Joseph	aye
Mayor Hoover	aye

The motion carried unanimously.

B. Consider possible direction related to the proposed FY2023 City Budget.

No discussion was held.

6. ADJOURN

Motion: A motion was made by Councilmember Joseph, seconded by Councilmember Watson, to adjourn the Wednesday, September 14, 2022, City Council Regular Meeting at 3:18 p.m. The City Council voted five (5) for and none (0) opposed. The motion carried unanimously.



Jeryl Hoover
Mayor



Shelley Goodwin, TRMC/CMC
City Secretary