

I submit that tonight's meeting and any action to adopt the proposed budget is illegal because the City has not met their obligations to follow the law under Texas Local Government Code, Section 102.005, which states,

Sec. 102.005. **PROPOSED BUDGET FILED WITH MUNICIPAL CLERK; PUBLIC INSPECTION.** (a) The budget officer shall file the proposed budget with the municipal clerk **before the 30th day before** the date the governing body of the municipality makes its tax levy for the fiscal year.

(b) **A proposed budget that will require raising more revenue** from property taxes than in the previous year **must contain a cover page with the following statement in 18-point or larger type:** "This budget will raise more total property taxes than last year's budget by (insert total dollar amount of increase and percentage increase), and of that amount (insert amount computed by multiplying the proposed tax rate by the value of new property added to the roll) is tax revenue to be raised from new property added to the tax roll this year."

(c) The proposed budget shall be available for inspection by any person. **If the municipality maintains an Internet website, the municipal clerk shall take action to ensure that the proposed budget is posted on the website.**

- The proposed budget that was placed on the city website on September 16, 2022, does not have the required notice mentioned in subsection (b) related to the increase in amount and percentage of increase.
- I submit and I can demonstrate that the proposed budget **was not posted publicly on the City's website until Friday, September 16, 2022.**

- **Further, there was no link on the city website calling attention to “City Tax Information”** until September 16, 2022 and that the information that was there was confusingly named and had been combined with confusingly outdated information.
- **I submit that the meetings held on the August 30th and on September 8th were announced as “meetings” and not “hearings”** as is required by law. The agendas for each of these meetings failed to reference a “hearing”. A hearing is decidedly different from a meeting and must be publicly announced as such. While you can have a hearing within a meeting’s agenda, each hearing must be opened, public comment received and documented, and subsequently closed by the presiding officer prior to other business being discussed. Based on a reading of the agendas for both meetings, this did not happen in either of them.
- **I further submit, that since the budget was not fully and publicly available** when the previous meetings were held on August 30th and September 8th, that the city did not meet the burden to place the budget online by statute.
- I submit that the budget placed on the city website for public inspection prior to adopting the budget clearly lacked a cover page. Consequently, the public notice required to accompany the proposed city budget was not available within the statutory time frame as is otherwise required by statute.

Moving on.

The Budget Percentage Reported is totally wrong. The amount of increase is 138.36% NOT .58.05%.

This Year Revenue	\$499,999.0 0	
Last Year Revenue	\$209,764.0 0	
New Revenue (Increase over last year)	\$290,235.0 0	138.36%

In order to arrive at .58% increase in revenue indicated, the city had to calculate “new revenue” generated above last year and divide it by the new total tax revenue. Note that this calculation of “new revenue” is not stated in the table provided.

Further, the reported percentage has no relevance to the amount, by percentage, that our taxes are going up.

And, in order for voters to calculate it at all, they are forced to manually calculate the amount of increase over the prior year and then apply that number to the new tax amount in order to arrive at the numbers you came up with.

This leads me to ask, **Was this an intentional slight of hand, designed to show a lower percentage of increase than you are actually asking the citizens to pay?**

I have produced a spreadsheet that proves my point. The city needs to explain and correct the irregularities prior to adopting this budget.

Community Programs and Donation

Payroll

Why is payroll so high?

The budget for payroll alone is \$198,380.00, prior to taxes and benefits.

Subtract what we presently pay for Erica (around 50k), Jennifer (around 70k) and Julie (presumed at 20k), the total need appears to be around 140k plus taxes and benefits. This amount, deducted from the \$198,380 budget leaves \$58,380 for additional staff. Are you really planning on additional full time staff for a city of 700 people that receive virtually no city services?, Or, is this set aside for future raises or to pad the overall city budget to justify this huge tax increase?

By the way, did we actually USE all of the \$182,000 budgeted last year for payroll? The same thing applies. Julie was not yet working for us, so we should have seen a savings in the order of \$60,000.

Technology

We have technology in **FIVE** budget categories:

The middle of page 3: **EDC Technology Fund**: \$28,000

The top of page 5: **General Administration**: \$20,000

The top of page 7 **Emergency Management**: \$4000

The top of page 8 **Public Safety**: \$14,000

The top of page 9: **Facilities**: \$8500

What technology do you need for \$74,500?

Consulting

\$245,000 is still way too much for a study serving a city of only 2 square miles with 700 residents. You need to find a more

cost-effective consulting approach. In any event, the EDC's could provide a match in order to participate in funding this study.

Community Outreach

Why do you need \$15,000? What is this for? How did you spend the \$10,000 from last year? On

Transfer Out

What is a "Transfer Out" for \$123,750 as shown at the bottom of the front page of the budget?

Conclusion:

That's all I have for now, but these questions deserve answers. I'd like to hear them prior to you adopting the proposed budget.