



OPEN LETTER TO MAYOR GONZALES AND MEMBERS OF THE CITY COUNCIL:

April 25, 2017

Dear Mayor Gonzales and City Councilors:

Over the past few months our city has been engaged in a vigorous debate over the proposed tax on beverages to fund Pre-K programs for our city's children. Mayor Gonzales and some members of the City Council have repeatedly cited Pre-K as a top priority and said a new tax is the only way to fund it.

This is simply not the case. The Mayor and the City Councilors agree on a budget every year, and they decide what priorities to fund and what not to fund. They have the authority to fund Pre-K now. They have the money to fund Pre-K now. That money exists in the form of a multimillion-dollar surplus that has been created by the hard working taxpayers of Santa Fe.

As the City Council prepares to finalize the city's budget tomorrow, the Better Way for Santa Fe & Pre-K coalition urges the Mayor and Councilors to exercise their authority to fund a sustainable Pre-K program using existing funds. The Mayor has repeatedly referenced that the city has a projected \$15.5 million budget surplus to work with (see addendum below); if Pre-K programs are such a high priority for the city, why shouldn't the city's budget reflect that?

A massive new tax that would hurt small businesses and hit working families the hardest is a bad idea for the city and Pre-K. The tax will cause sales in stores and restaurants to plummet, and corresponding tax revenues will fall. When that happens, the city will have to come back for more money to keep Pre-K afloat. The members of our coalition, which includes over a hundred local small businesses and community organizations, are united in our support for quality Pre-K education for Santa Fe's children. The Mayor and Councilors need to designate actual budget dollars towards making that a reality, rather than placing an inordinate burden on Santa Fe's hard working families.

Sincerely,

Better Way for Santa Fe & Pre-K

Addendum



Javier Gonzales
@javiermgonzales



Fin. Dir. Johnson starting off hearings with good news. #SantaFe heads into FY 17/18 with a \$15.5 million surplus.
[#goodgovernment](#)

RETWEET

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11:52 AM - 28 Mar 2017

[Mayor touts \\$4.5M revenue surplus, 5% raises in State of the City address](#)

Santa Fe New Mexican, Daniel J. Chacon, 2/15/17

"At this year's event, which drew a noticeably smaller crowd of about 400 to the Santa Fe Community Convention Center, Gonzales touted an anticipated revenue surplus of over \$4.5 million and proposed a 5 percent raise for all city employees."

[City revises cost of staff raises to \\$4.1M](#)

Santa Fe New Mexican, Daniel J. Chacon, 2/18/17

"Gonzales announced during his State of the City address Wednesday that he planned to ask the City Council to approve a pay raise for the entire workforce in the upcoming fiscal year, which starts July 1. He said the city had an anticipated revenue surplus of more than \$4.5 million."

[Hearings on city's budget to begin](#)

Santa Fe New Mexican, Daniel J. Chacon, 3/27/17

"In three years of hard work, we went from a \$15 million deficit to an anticipated revenue surplus of over \$4.5 million," Mayor Javier Gonzales said last month during his annual State of the City address."

[Expecting \\$15M surplus, city looks to increase spending](#)

Santa Fe New Mexican, Daniel J. Chacon, 3/28/17

"Thanks to a stronger economy and fiscal discipline, city finance officials this time project a surplus of more than \$15 million in the overall operating budget. 'We are still seeing patterns in gross receipts tax that would indicate a long-term trend of a 2 percent growth rate,' Finance Director Adam Johnson told the mayor and a majority of city councilors on Tuesday, referring to city government's primary source of money. 'It's staff's recommendation that it's the responsible thing to do to budget the revenue that is appearing to be coming in on a recurring basis and deploy that revenue to the services for the city of Santa Fe.'"