



State of the City of Horseshoe Bay
Steve Jordan, Mayor
October 2017

The measure of a well-managed and open government is transparency and accountability. Your Mayor and Council Members have made these two issues our top priorities.

I am happy to report the state of the City of Horseshoe Bay is very sound. Horseshoe Bay operates with two main budgets: the General Fund and the Utility Fund. General Fund sources come primarily from ad valorem property tax receipts and the services include police, fire, animal control, street maintenance, parks, code enforcement, development services and general administration. The Utility Fund includes operation of water, waste water, garbage and recycling. Utility Fund revenue is collected through usage fees in order to assure utility services are provided on a stand-alone basis.

Fiscal year 2017 ended September 30 and proved to be a very good year. General Fund revenue over expense totaled \$761,750, while preliminary Utility Fund revenue over expense totaled approximately \$1, 558,500, providing a beginning fiscal year 2018 with an estimated combined balance of approximately \$5.6 million.

Fiscal year 2018 budgeted revenues in the General Fund to run all of the services and provide for routine capital purchases are \$7.6 million. Budgeted revenues in the Utility Fund from the usage fees to run all of the services and routine capital purchases are \$7.1 million. At the end of fiscal year 2018 the combined fund balance is expected to be \$3.1 million or five months operating expenses. The fiscal year 2018 budget will raise more revenue from property taxes than last year's budget by an amount of \$378,089 which is an 8.1% increase. The property tax revenue to be raised from new property added to the tax role this year is \$131,110. The Budget is posted on our website: www.horseshoe-bay-tx.gov.

Revenue growth in Horseshoe Bay has been and is expected to be very strong. Controlled growth is our goal in order to preserve the life style our citizens have chosen. We now have approximately 7,000 full and part time residents. There were 80 new residential permits issued in FY 17 as compared to 64 last year.

The Council adopted a 26 cent per \$100 valuation tax rate, the same as last year. City-wide property tax valuations have reached \$1.9 billion. The City continues to enjoy an AA+ tax bond rating, putting us in an elite group of only 14 small cities in the State of Texas.

Our recent successful effort to protect our borders by establishing Development Agreements and/or Conservation Easements to assure control on both sides of Hwy 71 has proven to be worth the effort. This action prevents unwanted development or any Billboards within the City's control.

Our city continues to replace and expand our infrastructure, having expanded our west water plant this past year. Engineering for the wastewater reclamation plant expansion is underway with plans to expand the wastewater plant in FY 19. The main highlights from the Capital Projects Fund are continuing with the 5-year seal coating plan to maintain our new streets, safety improvements on Golden Nugget, and street improvement upgrades. This is in keeping with the pledge made to residents for paving of streets using the 15 house per mile formula.

The City of Horseshoe Bay has demonstrated a commitment to our Mission Statement "to serve and protect our citizens while preserving our heritage and planning for its future"

I am happy to report the implementation of the Long-Range Plan adopted October 2016 is virtually completed with the exception of the following projects which are in progress:

- We received a commitment from TxDOT for the widening of FM 2147 including turn lanes from Big Spur to Bay West Blvd. Negotiations are now underway to finalize this project.
- The Broadband Advisory Committee has been exploring alternatives to improve the internet service.
- Our Planning and Zoning Commission has been working to complete a Land Use Map for recommendation to the City Council for adoption.
- In keeping with our effort for enhanced transparency we held our first Mayor's Citizens' Forum following the close of FY 17 and plan to continue and make this an annual event.

Drought conditions have dramatically improved as our water supply is back to normal; however, we caution all residents to continue to be responsible. Our Council voted to remain in Stage 2, which permits watering twice a week, to stay proactive in our water conservation effort.

- The City is Proud to announce the opening of Horseshoe Creek Hiking Trail, a 2.5 mile hike which follows Horseshoe Creek from the HSB POA Mausoleum down to Wayne's Trail near Thanksgiving Mountain and FM 2147. Wayne and Eileen Hurd generously donated 50 acres of land envisioning the area being a park for hikers, picnickers and general family use.

- The transfer of the Fuchs House, a gift from the Horseshoe Bay Resort to the City occurred in August. Plans are underway to restore this historic monument, built in 1880, to its original state. The house was built to accommodate a growing family of six children, the “Tiger Mill” post office, school and grocery store. This house is a replica of the past and a treasure for residents of Horseshoe Bay and all of Burnet County to enjoy.
- Two state of the art Pickle Ball courts were donated by the Martin Foundation on the passing of Sam Martin, a longtime resident. The courts are under construction at Martin Park below City Hall.
- The multimillion dollar capital infusion announced by the Horseshoe Bay Resort is well under way. Time frames for estimated completion of projects have been announced with completion for all projects contemplated by 2019 when phase two of Cap Rock will be finished, as will Apple Rock Golf Course.
- The Parks at Horseshoe Bay, a 113-acre planned commercial development at the corner of FM 2147 and Hwy 71, has been approved.
- Within this planned development the Sienna Grove Assisted Living 14 acre planned development was also approved with a start date soon to be announced.
- In keeping with the City’s focus on projects in support of our aging community, Tuscan Village, a 300-home senior living project within Summit Rock is underway with plans to break ground with phase one in December.

In addition to having been designated a Dark Sky Community a few years ago, only the second city to receive this prestigious honor in Texas, we have been notified that Horseshoe Bay recently achieved the Gold designation as a Certified Scenic City, a mark of distinction enjoyed by few.

It has been my privilege to serve as Mayor with five outstanding Council members and Staff: Mayor-Pro Tem Craig Haydon, Jerry Gray, Cynthia Clinesmith, Reagan Lambert and Kent Graham. Our dedicated staff of 84 employees is led by City Manager, Stan Farmer. He has assembled a leadership team focused on the following Values: Excellence-Loyalty-Integrity-Stewardship & Teamwork.

As your Mayor, my guiding principle has been to preserve the quality of life we enjoy with a minimum of expenses and taxes. Horseshoe Bay’s future is bright!

The challenge that lies ahead is to manage and control the development to protect the lifestyle and the character of the community that brought us here.