

Council Comments

By Jim Babcock

Tuesday, 9 a.m.

With Councilman Robinson out of state this week, I have the dubious honor of serving as the City Council's Information Officer. The Council met in the workshop mode Monday for eight hours and will convene again Tuesday afternoon at 3 p.m. for its regular meeting, so my report will be in two parts. I will not try to match Jeff's inimitable light style, following instead the advice of the poet "...for the sake of brevity skip the levity."

Our workshop was the first step in the process of preparing the city's budget for its next fiscal year and setting the property tax rate for 2008.

We spent over an hour with each of the city's five department heads to review their business plans for '08. I was impressed with the depth of knowledge each have of their respective fields, their awareness of community issues and their professionalism. I have always been a fan of our city employees, and I am extremely confident that the operation of our city is in good hands with the leadership that is being provided by Police Chief Bill Lane, Fire Chief Jim Fierro, Public Works' Jerry Lovelady, Development Services' Eric Winter, and City Secretary and Administrative Department Chief Toni Vanderburg.

The business plan provides the basis for preparing next year's operating and maintenance budget and the capital budget. Thanks to the extensive work done by Mayor Lambert and General Manager Mike Thuss, we were able to complete work on a preliminary budget for next year.

Changes developed during the workshop will be incorporated in a preliminary budget that will be filed with the city by August 18 and posted on the city's website. The community will be able to give input by correspondence to the city and by attending additional workshops scheduled for 10 a.m. on August 28 and September 6, and at the Council's regular meetings on August 28 and September 18.

Based on the preliminary budget and estimates of revenues, the Council also arrived at a proposed ad valorem tax rate for 2008 of \$0.425 per \$100 of assessed value. This represents a 15% tax rate reduction.

The Council is hopeful that as it continues the budgeting process over the next two months, with more certainty concerning the assessed values of the city's tax base, potential sales tax revenues and future utility revenues, that next year's tax rate may be reduced even further. Final approval of next year's tax rate will occur at the Council's September 18 meeting. We can say with certainty that it will be no higher than the presently proposed \$0.425 rate.

Utility rates are an important factor the Council will consider over the next two months. Virtually every mature city requires that its utility departments operate at no less than a break even basis. During the tenure of the Lake LBJ MUD and during the first years of the city's existence, tax revenues, at times as much as \$2 million per year, have been used to cover shortfalls in utility operations.

The Council feels it is both more appropriate and fair that utility costs should be covered by those using the utility products, and is prepared to raise rates over the next 3 to 4 years until this goal can be achieved. Preliminary projections are that rate increases averaging 5 – 10% per year for the next 3 to 4 years will be necessary. We have brought

in an outside consulting firm to work with the city on this issue. It is particularly important that we receive the community's input.

The Council feels that taxpayer fairness can also be achieved by the use of bond indebtedness to finance capital improvements rather than use of current tax revenues. Using bonds shifts the burden of paying for capital improvements from being solely on the present taxpayers to a sharing with those who come to our community in the future. During the workshop, we received a briefing on long term financing of capital improvements from representatives of First Southwest Financial Company. They presented a rough example of how the burden of paying for present capital improvements can be shifted to future residents. If \$1 million in improvements is needed to the West Water Treatment Plant, rather than all \$1 million being paid by existing taxpayers in one year, \$100,000 in tax revenue per year would be expended over several years to retire bonds. Again, your input is vital to assure that the city's policies reflect the community's preferences.

I will conclude this first part of the Council report at this point, as I have to prepare for this afternoon's Council meeting, and will continue after it is over. Among the 20 or so items on the agenda is the consideration (but not the adoption) of the Lifestyle Committee's proposed Animal Control Ordinance. We are expecting to hear passionate pro and con arguments, particularly on issues involving feral cats. As with all issues, we cannot make good decisions if we operate in a vacuum, and appreciate input from all our city's residents.

Tuesday 7 p.m.

As expected, when we convened today's Council meeting, we had an overflow crowd, most of who were present to express their position on the proposed Animal Control Ordinance. Prior to the meeting, the Council had this and other proposed ordinances to review along with the recommendations of the Lifestyle Committee.

We had each received numerous emails and personal communications on the proposals. All points of view are welcome, and the hard information provided will be useful as we each, individually, try to arrive at a decision that we feel is in the best interests of the community (and its animals), and is representative of the community's preferences. The Animal Control Ordinance will be on our agenda for additional discussion at the Council's August 28 meeting.

The Council approved ordinances addressing antennas and sexually oriented businesses. Though constitutional issues prevent an absolute prohibition of sexually oriented businesses, the ordinance that was adopted incorporates the latest techniques used by municipalities to discourage such businesses.

The Council also discussed and received input on ordinances dealing with outdoor lighting, juvenile curfews and noise control. These, along with a sign ordinance, will be considered further at the August 28 meeting, so there is still the opportunity for public input.

The Council passed a resolution formally acknowledging and thanking the members of the Lifestyle Committee for their excellent work. Their efforts and accomplishments over nine months far exceeded expectations. We are aware of the hundreds of hours they spent in receiving community input and in deliberations. The City of Horseshoe Bay owes a debt of gratitude to Lifestyle Committee Chair Jim Long, and committee members Jean Anderson, Larry Glass, Ilene Perkett and Buddy Schrader.

The committee, in turn, presented a letter of appreciation to Teresa Moore, City Records Manager, for her help, referring to Teresa as their “most valuable player.”

A resolution adopting speed limits of 25 mph for Applehead Island, Lighthouse Drive, Pecan Creek, The Peninsula and the Trails was adopted. Council action was in response to requests from residents of these areas.

At the Council’s last meeting, it heard a presentation from a proposed 3 building development that would house a P & K Grocery. A draft of a proposed Planned Development Ordinance that would change the zoning on the 1.5 acre tract fronting RM 2147 from multi family to commercial was reviewed.

Since the last meeting, the Council has heard from several property owners in the area objecting to the proposed development. Following a meeting with the concerned property owners, the developer modified the concept plan for the project to expand a buffering wall between the project and surrounding residential properties and increase set backs. The project is designed to funnel all traffic via 2147 to eliminate any increase of vehicles on Stone’s Throw Road.

Despite these and other requirements in the PD Ordinance, a majority of the Council felt that amending the zoning on the tract was not appropriate at this time, and no action was taken on the zoning change.

At the request of the Trails, the Council preliminarily approved a plat for Phase Three of the development adding approximately 75 residential lots on 203 acres and approved a zoning amendment pertaining to the Trails.

Following routine review of replat applications, the general manager’s report and miscellaneous other matters, including the preliminary setting of next year’s tax rate at the \$0.425 level, the meeting was adjourned at 6:15 p.m.