

Hello Neighbors!

YOUR City Council met today to officially welcome Autumn to Horseshoe Bay (at a mere 90⁰+). Action began with Mayor Jordan recognizing the 12 years of service by City Secretary, Teresa Moore with a City Proclamation of September 26-30 being "Teresa Moore Week". Teresa has served as the hub of city activity since before there was a city in 2005 – and has continued as only the second City Secretary throughout the 10 years of the life of the City. A standing ovation by all saluted Teresa's work, loyalty and generous spirit. Interviews have begun to transition in a new City Secretary. In the interim, Sheri Pollard has agreed to work double duty with her role in Utility Services and City Secretary responsibilities. THANKS!

Good news was delivered by the Bracewell Bond Counsel, Glen Opel and Jennifer Douglas (Specialized Public Finance). They applauded the AA+ rating of the city, noting that the stability of the city was acknowledged with the potential to be one of the few cities in the coming year/s to move to AAA, the Gold Standard. The current rating of the city allowed for a significantly lower interest rate for payback of bond debt. They reviewed the \$3,770,000 Combination Tax & Revenue Certificates of Obligation (bond) sale to cover the cost of two new fire trucks and utility capital projects at a very favorable rate of 1.96%. The bond will be paid through a dedication of the annual Summit Rock PID revenue.

Public hearings were held on multiple items (duly posted and notified), including the adoption of the 2017 budget. After a discussion of concern about the increased utility rate recommendation (at 9% increase), an alternative was proposed to lower the utility impact to a 4.9% increase and an increase in general tax of .01 (1 penny, approximately \$50 annually for a \$500,000 home). The reasoning was that the bulk of the utility increase was to cover capital outlay costs which are shared by all (upgrades to water/waste water). By taxing the revenue stream through the general fund, ALL landowners (full, part-time, lot owners) share in the costs of these upgrades – which are used by all and benefit all. Utility hikes generate revenue gathered from utility users only (majority of whom are the full-time residents only). The result was a vote to set the tax rate at .26 (.01 increase), with Craig Haydon abstaining.

Mayor Jordan was careful to point out that this was a one-time action to allow for some revenue to be returned to the utility fund. All estimates indicate that the management of the city next year (2018 budget) will require the .01 (1 penny) to be used to cover operating costs (perhaps .02/2 pennies). The utility fund would then need to receive rate revenue through its own rate increase. However, all agreed this provides a transition plan – and that the city will be well positioned next year where increased development may offset some anticipated operational costs.

Upgrade to the Recycling Center was identified as important both for safety and aesthetics. However, the recommendation to devote \$65,000 to provide better access was set aside to lower utility impact as well. Some repairs will be made in the interim and the upgrade plan will come up for review next year.

City Staff recommended an ordinance to prevent any free standing boat docks being built on a lot without an accompanying residence. This was to avoid any potential unspecified "marinas" or weekend party locations for multiple users seeking lake access only. The ordinance was approved, with council

members acknowledging that there might at some point be a legitimate reason for such a dock – and that person would be able to bring the case to the council for variance consideration.

The near three hour council meeting ended with a full house of spectators and council members feeling the good work of the city had been openly discussed/debated for the benefit of friends and neighbors. Councilman Haydon happily made a motion for adjournment as all left reminded that it is always a good day to live in Horseshoe Bay!

Cynthia Clinesmith
City Council member/Information Officer