



The City of Horseshoe Bay

2022 STATE OF THE CITY REPORT

Your City of Horseshoe Bay enters its 17th year with continued exemplary financial status, outstanding safety through police and fire response and staffing, award level utility performance, and exceptional quality of life as reflected in its many community living experiences and environmental commitments.

Its current appeal to new homeowners reflects the desirability of HSBay, but also poses some challenges for growth management. Below is a detailed report of the annual activity of each department providing support to the residents. It underscores the responsible fiscal approach, the conservative staffing, and expansive levels of direct service responses. It will also highlight the projected needs to maintain the expected high level of service, particularly with regard to facility and staffing. This report is intended to continue the transparent and collaborative commitment to efficient application of tax payer dollars. A full data report with Balanced Scorecard of goal progress is posted each month. For recent end of year report: <https://www.horseshoe-bay-tx.gov/AgendaCenter/ViewFile/Agenda/01182022-380> (p.165+)

Join me in taking pride in your City through this review of some of the highlights.

City Overview

- Geographical area: 16.5 sq miles w/136 miles of streets (all regularly patrolled)
- Population: Current 4100 utility hookups indicate approximately 8,000 residents, with likely half being part-time/second home (or seasonal)
- Unique characteristics:
 - Hill Country undulation with private constant level lake access
 - Quality of life development focus with managed growth commitment
- 2021 challenges (following major flood/wildfire from prior year)
 - CoVid regulations oversight/Emergency Management testing/staffing shortages/communication conduit for State guidelines
 - SnoVid fallout from electrical/water/sewer outage across City/Emergency response and communication activation
 - Accelerated growth/building – finding balance while preserving quality
 - Commitment to stable internet access
 - Regional/State/Federal collaboration on traffic, internet, postal services

City Manager

- Transitioned new City Manager with immediate oversight of new projects including Internet Plan, aging infrastructure systems analyses, facility growth needs, Wirtz Dam, Commercial growth, impact studies, quality border management
- Collaboration work with area Mayors, Commissioners, Judges, business leaders
- Oversight of 100+ city employees/Supervision of all Department Directors
- Long Range Plan implementation for proactive and preventative services
- Major project oversight, budget management, mission/goals commitment
- Facilitated Mayor/Council, Committees, Citizen Academy (100+ graduates)

City Legislative and Information Management (City Secretary)

Staff: 2 – Director, Records and Information Manager

- Record number of Public Information Requests in FY21 (281 - 68% increase from FY20)
- New city-wide records management software implemented to provide for fast, efficient access/transparency for public document requests
- Facilitated a successful ninth Citizens' Academy program leading to a total of 118 Ambassadors
- City-wide Records Management Team formed; trained for Public Information, Open Meetings
- Converted 20,000+ records into electronic format, including the city's architectural plans
- Complete audit/review of the City's Charter and Code of Ordinances (14 Chapters, 600 pages)
- Converted all fees into a master fee schedule for improved transparency/ease of use by citizens
- Successful archival transfer of historical Lake LBJ Municipal Utility District records to TSLAC, and disposition of more than 150 boxes of records in the Archive Building
- Prepared and facilitated nearly 500 agenda items for 23 meetings (44% increase from FY20)
- Drafted and codified over 50 new ordinances and resolutions
- Earned Certified Public Manager designation (highest level) earned Government Archives and Records Administrator Certification

Human Resources

Staff: 2 - Director/Benefits Clerk

- 101 full time employees/3 part time (all are 1st responders except for 20)
- Salaries and benefits represent 80% of total budget (tax expenditures)
- Insurance coverage costs negotiated for no/low increase last 2 years; anticipate significant insurance increase in 2022 (though will bid competitively)
- Major overtime expenses due to loss of 1st responders during CoVid (75% reimbursement filed from Federal funding)
- For financial efficiency, contract out for engineering (cost passed through to builder/developer), mowing, road maintenance and custodial/facility repairs
- Training requirements in ethics/confidentiality/basic technology/leadership (department specific training monitored by department directors)
- 2022: Salary/benefits survey for competitive review; HSBay provides quality health benefits packages for staff/families; current challenges in applicant pool
- Working facility (administrative) is not conducive to professional setting due to overcrowding, aged building, not built for this function (limited space for meetings/no break room/work flow disjointed/technology upgrades needed); 2022 initiate for bond to support added workspace in new City Center

Public Works

Staff: 2 – Director, Public Works Assistant

- Inventory of 110 miles of managed streets, driven weekly for proactive treatment
- 1.6 miles new road upgrades (\$1.88 million) added to total of 58 miles ribboned to date
- Seal-coated 10 miles of streets, including \$170K designated in HSBay South upgrades
- Assisted w/excessive tree damage removal throughout community

- Critical service provided during SnoVid, clearing roads, moving residents to safety
- Purchased truck capable of heavy use needs (previously used private trucks); added winter storm equipment to prepare for winter challenges, flood mitigation needs
- Spring lots mowed: 4,816; Fall lots mowed: 4,534 (contracted/managed fees)
- Supported development of Nature Park on Golden Nugget

Finance

Staff: Director, Finance Supervisor, Finance Clerk (2), Utilities Billing (3)

Comparison of Total Debt and Tax Rates for Surrounding Cities

City	Population	Total Taxable Value	Total Tax Rate	Total Debt	% Total Debt to Taxable	Debt per Capita
Lakeway	15,981	5,124,808,209	★ 0.1645000	26,595,000	0.52%	1,664
Fredericksburg	11,496	2,366,192,610	0.2207750	23,310,000	0.99%	2,028
Lampasas	7,982	385,025,804	0.3952180	12,015,000	3.12%	1,505
Burnet	7,100	632,539,765	0.6181000	29,403,520	4.65%	4,141
Lago Vista	8,896	1,035,412,830	0.6475000	32,347,000	3.12%	3,636
Bee Cave	9,144	2,643,018,783	★ 0.0200000	20,020,000	0.76%	2,189
Marble Falls	7,038	857,346,323	0.6100000	50,320,000	5.87%	7,150
Granite Shoals*	5,121	557,942,217	0.5986000	6,099,505	1.09%	1,191
Llano*	3,422	176,696,850	0.7193600	5,438,716	3.08%	1,589
Horseshoe Bay	7,200	2,339,099,492	0.2700000	8,215,000	0.35%	1,141
*2021 Data						

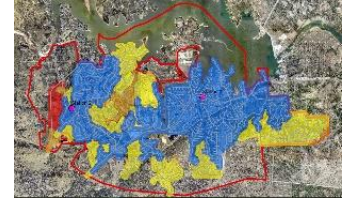
★ Note: Lakeway tax rate does not include additional 10 cents paid to ESD for fire service. A more comparable rate to other cities would show them at 0.2645; Bee Cave draws tax value + sales tax from HC Galleria

- Lowest debt per capita among the surrounding cities listed above
- Tax Rate of .2700 per \$100 valuation, has remained the same for the third year. City tax is 14% of total tax bill. Remaining 86% of property taxes fund school district, county, ESD ambulance.
- City of Horseshoe Bay Bond Rating AA+ affirmed in 2020 (high for city our size)
- Distinguished Budget Award and Transparency Star Awards
- Sales taxes collected - \$1.8 million, 29% higher than previous year
- Awarded ARPA funds - \$1 million for utility and broadband internet projects
- Continue to maintain reserve balance of \$2.5 million for General Fund as expected for responsible city management preparation for emergencies AND higher bond rating
- Achieved goal of 3-month operating reserve balance for Utility Fund
- No water or utility rate increases in 2022. (see utilities comments on rate comparison)
- Inflation is starting to show up in certain expenses such as fuel and supply chain related expenses for normal supplies and equipment. Competitive salaries – particularly for first responders will impact upcoming budget year.

Fire

Fire Chief, Fire Marshall

Staff: 23 (7 per shift/3shifts) – 4 at Central, 3 at West Station



- 1009 incident responses (23 fire)
- Addition of 1 firefighter per shift in West projected
- Majority response times within 4-6 minutes from alarm (90 second out the door focus) to on site (blue – 4 min; yellow – 6 minute in map above; 8 minute max for outliers)
- 2 fire brush trucks being outfitted to also serve as “squad” response medical units so that fire trucks will not have to be dispatched to non-fire (such as falls)
- **Station 2 renovation.** Station two was built as a two-person sub-station. Projected staff increase and need of significant renovation estimated at 2600 sq ft of additional space (including living quarters of 400 sq ft.) at \$380 per square foot, approximately 1.1 (building costs may impact final need)
- Fire Training - 192 hours per staff member annually
 - Moving from ‘basic life support standards’ to training in ‘advanced life support’
- Pre-Fire Planning/annual inspections of all commercial structures
- Burn permitting/monitoring
- Community risk reduction programs including
 - Fall prevention /Web community education in development
 - Smoke detector replacement for community at risk members
 - CPR/AED training
 - Citizens Academy, Citizens Fire Academy, CERT
- Hydrant assessment/maintenance
- Long Range Equipment plan: 2017 fire trucks have 20 year life expectancy (2037); to avoid major costs of dual replacement, the current 1997 reserve engine (smaller) could be replaced to lengthen life of one of the larger ones to stagger annual cost impact
- Current tools still function appropriately and were very good when purchased, but the use of exotic metals (such as cobalt) in vehicles is beginning to render the old technology obsolete and will require tool replacement of rescue tools/cutting for stronger/faster response to accidents
- For full 10 year plan, go to: <https://www.horseshoe-bay-tx.gov/224/Fire-Department>

Police

Staff: Chief, Assistant Chief

- 2 teams of 7 rotate ; Day shift (Lt./2 patrol); Night shift (Sargeant/3 patrol); 3 communication officers (rotate shifts for call center/dispatch/lobby access)
- All officers certified in Marine Safety Enforcement, as State Mental Health Peace Officers, and annual gun/legal compliance training; 5 officers certified as drone pilots (search/rescue, wildfire observation, lost persons/manhunts); 4 officers certified as swift water rescue for flood mitigation needs; one Crime Prevention Specialist charged with proactive safety protocols
- **8,696** calls for service (18%+ increase from 2020)
- Over **2,200 traffic** stops, an increase of 41% in last five years (predominantly holiday, construction, pass through traffic); Class B Misdemeanor or above cases increased by 12% with 61 felony cases (a 52% increase from 2020)
- Nearly 150 home security watches (seasonal residents)
- Patrol of 136 miles of road; full shoreline lake patrols (doubled during holiday weeks)

- Projected needs of 2 new officers by 2025 (w/patrol car/equipment)
- Monthly Municipal Court and Council meetings oversight
- Will acquire police/fire water rescue boat by 2023
- Increase in document management/freedom of information requests w/redactions (including video body camera footage) increased 57% in last 5 years calls for admin asst in 2024

Code Enforcement

Staff: 2 Officers for all city limits, construction projects, ACC collaboration/communication

- 1,478 Violations cited (after multiple warnings/direct contact)
 - 426 Construction site violations; 114% increase from FY 2020
 - 95 illegal dumping sites
 - 24 Oak Wilt management violations
 - 33 water related (no backflow, tampering with meter, etc)
 - 157 lot management (tall grass/weed/lot trash)
- Anticipate need for additional Code Enforcement; cost paid with pass through to new permits

Animal Control

Staff: 1

- 1,807 calls for service (trap/relocate or remove carcasses)
- Over 250 carcasses removed/173 deer roadside incidents (above trapping)
- 44 domestic animals relocated to shelter

Development Services

Staff: Director, Deputy Building Official, Permit Admin., Permit Tech, Planner, GIS Administrator

- 190 New residential building permits (99% increase from FY2020) on track for double in FY 2022
 - 120 – Average number of active construction sites monthly
 - 3,000 sq ft – Average residential single family size
- 930 new permits (remodels, additions) 82% increase over FY 2020
- 10 potential large scale project reviews by Development Review Committee (DRC) to determine impact on infrastructure, compliance with zoning, safety needs, and architectural guidelines
- 67 Minor plats – 71% increase over FY 2020
- 4 rezoning changes; 11 variance cases for Board of Adjustments

Note: 50% of costs for development services carried by permit fees from builders/developers

Technology

Staff: 1 ; office space needed for professional operation of department; currently housed in repurposed storage space closet (projected additional IT assistant in 2025)

- Migrated City to robust software platform for consistent processes to avoid redundancy, secure accuracy of reporting, and increase efficiency and productivity
- New water system software implemented to allow resident direct access to water usage/billing
- Monitored prevented 204 suspected hacks/intrusions into City systems

- Upgraded to City management software for cross department planning/communication
- Proprietary software aligned for police/fire data, water safety management, financial accounting, personnel management/benefits, and GIS mapping
- Procured laptops for clerical/administrative/field service teams and oversees licensures
- Managed video communications (including 200% increase in ZOOM meetings due to Covid protocols) and presentations for council/staff training/community workshops/group meetings
- Responded to cross department internet/software application problems
- Each department has designated Web Team member for web oversight (part-time communications officer needed in 2022 to stabilize communication processes)

Utilities Overview

Staff: Director , 5 admin support purchasing, conservation, admin assistant, technical admin
 Plant Supervisor +(6 plant operators, and 3 specialists- Scada, electrical and maintenance)
 Recycle center, 3 total- 1 full time, 2 part time
 Field Supervisor + (12 field operators, 2 specialists- warehouse, dispatch)
 33 total employees

- Awarded Blue Legacy for Water Conservation leadership and the 1st Highland Lakes River Hero Award from Colorado River Alliance for environmental management/post flood response
- Utility Service rate (comparison group of 12 similar cities in region); cost of 10,000 gallons
 - 14% below median for residential water; 24% below median for sewer management
- Major project focus:
 - 2021- Multi-year design/construction/expansion of water treatment/recycling facility which expanded capacity by 50%, employing new technology for 8x improved quality and 20% reduction in electrical demand
 - 2021- South Area Lift Station (sewer) rehabilitated
 - 2021 – Design work for rehabilitation of Lackawanna Lift Station (2022 completion)
 - 2022- Summit Rock Lift Station to be replaced
 - 50 year old infrastructure pipeline analyses of stability/replacement schedule
 - Analyses of expansion of water storage based on growth projections
 - Impact study for fees for new development
- Field Service calls – 5,591 (52% increase from FY 2020)
 - Nearly 600 leaks (200 during SnoVid); 76 sewer line repairs; 60 irrigation audits
- New residential connections – 168 (38% increase from FY 2020)
- 1st full year of WaterSmart sent 1,496 leak alerts to customers (mostly toilets, pools, irrigation system) preventing significant property damage and water costs
- Completed city-wide water backflow prevention system testing and compliance project to ensure no external contamination of water system
- Implemented multiple technology advances for efficient operations and cyber security of water supply, chemical balances, contaminate detection, equipment monitoring
- Increasing communications including use of ‘how to’ videos on website
- Large development project collaborations
- Training requirements expanded to include use of technology in field operations
- TCEQ State requirements water quality/safety expectations fully met