



Mayor's Monthly Message

Mayor Elsie Thurman - August 2024

By Mayor Elsie Thurman

I enjoy writing these monthly updates for our citizens. This month, I want to touch on various unrelated topics that I hope will be of interest to the community.

Roads: Our City Council and Staff are working on our 2024-25 fiscal year budget. The largest expense is utility infrastructure, and right behind that, it is always the streets. In a 2009 agreement with the HSB POA, the City accepted ownership and maintenance responsibility for 122 miles of streets within HSB Proper and HSB West. Part of that agreement was that the City would receive 39.5 percent of the Maintenance Fees collected to fund street upgrades and maintenance and provide litter control.

Since then, the City has also entered into agreements with some of the smaller POAs that own their neighborhood streets and pay a fee to the City for maintenance but not upgrades. In the fiscal year ending September 2025, the proposed budgeted revenue to be received by the City from the POAs is \$797,700, and \$5,517,800 is proposed to be spent on maintenance and upgrades. The overage will be funded from the sale of bonds, property, and sales tax.

In about 2011, the City Council developed a formula to upgrade roads. Once there are 15 houses per mile on the street, that street is put on a list kept by our Public Works Department, and upgrades are made based on that list. There are some roads, however, that will never qualify because houses will likely not be built on them. Because residents regularly use these "feeder" roads, they have been added to the list and will be upgraded as money becomes available. Road upgrades and maintenance are ongoing and very expensive. The City Council is dedicated to this effort because good roads add to the beauty and safety of our community. The current list of streets to be upgraded in 2024 is posted on the Public Works section (Street Updates) of the City's Website.

Martin Park: The fencing around the playground has been temporarily removed to allow work to be done there. New restrooms and a covered picnic area will be constructed for Martin Park and the Pickle Ball Courts. The Parks Committee recommended this project, and I hope it will enhance the park used by so many of us.

Sales Tax: There was an article in a recent Beacon about Sales Tax, and I thought readers might enjoy a little more in-depth information. In 2025 we expect 20 percent of our general fund budget to be funded by sales tax. Approximately 58 percent of the sales/mixed beverage tax we receive is from retail businesses within our City, and 63 percent comes from our largest business, the HSB Resort. Online transactions contribute the remaining 42 percent of the sales tax collected by the City. Of those online businesses, about 10 percent were from subscription services like Apple, Direct TV, Netflix, etc., and another 25 percent were from shopping sites like



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Amazon, Wayfair, eBay, etc. Sales tax is an essential source of revenue, and we will continue to look at opportunities for expanding that base as development continues along Hwy. 71.

Lastly, the drought is not over, and it is still possible that our lake levels will drop to the point where we must return to once-a-week watering. I appreciate the cooperation of citizens in conserving water as we all working together to use it wisely so that our City can remain green and beautiful. Thank you.

Elsie Thurman, Mayor

City Website - www.horseshoe-bay-tx.gov