



CITY OF HIGHLAND HAVEN
510 Highland Drive, Suite A
Highland Haven, Texas 78654-8278
Telephone: 830-265-4366

AGENDA – BOARD OF ALDERMAN BUDGET WORKSHOP

DATE: Tuesday, June 24, 2025

TIME: 5:30 p.m.

PLACE: Highland Haven Community Center

1. Open Meeting and Establish Quorum/Roll Call– Mayor

Mayor Pro Tem Terry Nuss	☐ Present	☐ Absent
Aldersperson Don Hagans	☐ Present	☐ Absent
Aldersperson Bruce Robertson	☐ Present	☐ Absent
Aldersperson Lynn Smith	☐ Present	☐ Absent
Aldersperson Terry Smith	☐ Present	☐ Absent

2. Pledge of Allegiance

3. Recognize Visitors

4. Announcements, Proclamations or Presentations

5. Public Comment

(At this time, any person with business before the BOA not scheduled on the agenda may speak to the Board. No formal action can be taken on these items at this meeting. No discussion or deliberation can occur. Comments regarding specific agenda items should occur when the item is called.)

DISCUSSION / INFORMATION ITEMS

6. Discussion – FY 2026 Budget

7. Aldermen Comments

Next regular meeting – Tuesday, June 24, 2025, at 7:00 p.m., Highland Haven Community Center

Adjournment.

Posted: June 20, 2025

CERTIFICATION OF POSTING

I, SARAH COLLARD, CERTIFY THAT THE FOREGOING AGENDA HAS BEEN POSTED AT HIGHLAND HAVEN CITY HALL, 510 HIGHLAND DRIVE, SUITE A; HIGHLAND HAVEN, TX ON THE INDOOR AND OUTDOOR NOTICE BOARDS OF CITY HALL WHICH ARE ACCESSIBLE TO THE PUBLIC AT ALL TIMES AND THE CITY WEBSITE AT WWW.HIGHLANDHAVENTX.COM ON JUNE 20, 2025, BY 5:00 PM AND REMAINED SO POSTED FOR AT LEAST 72 HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING.



Sarah Collard

Sarah Collard, City Secretary

THIS MEETING SHALL BE CONDUCTED PURSUANT TO THE TEXAS GOVERNMENT CODE SECTION 551.001 ET SEQ. AT ANY TIME DURING THE MEETING THE BOARD RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION ON ANY OF THE ABOVE POSTED AGENDA ITEMS IN ACCORDANCE WITH THE SECTIONS 551.071 (Advice of Counsel), 551.072 (Real Property), 551.073 (Gifts or Donations), 551.074 (Personnel), 551.076 (Security), 551.087 (Economic Development) and/or 418.183 (Homeland Security).



BUDGET PROPOSAL

FY 2025-2026



Date: June 24, 2025

Presenter: Andy Adams, City Administrator

BUDGET OVERVIEW

Goal:

Keep Highland Haven safe, beautiful, sustainable and affordable



1

Total Budget:

- General Fund = \$656,414
- Water Fund = \$379,534
- Solid Waste Fund = \$135,410
- **Total All Funds = \$1,171,358**

2

Key Features:

- Property tax increase: \$0.126 to \$0.155 per \$100 valuation
- No water rate changes for 2026 (rates stay the same)
- \$1,000,000 bond for water system investment (no debt service tax and no water rate increase)
- Balanced budget that applies stable revenues to offset fixed costs to better sustain the City for the future

3

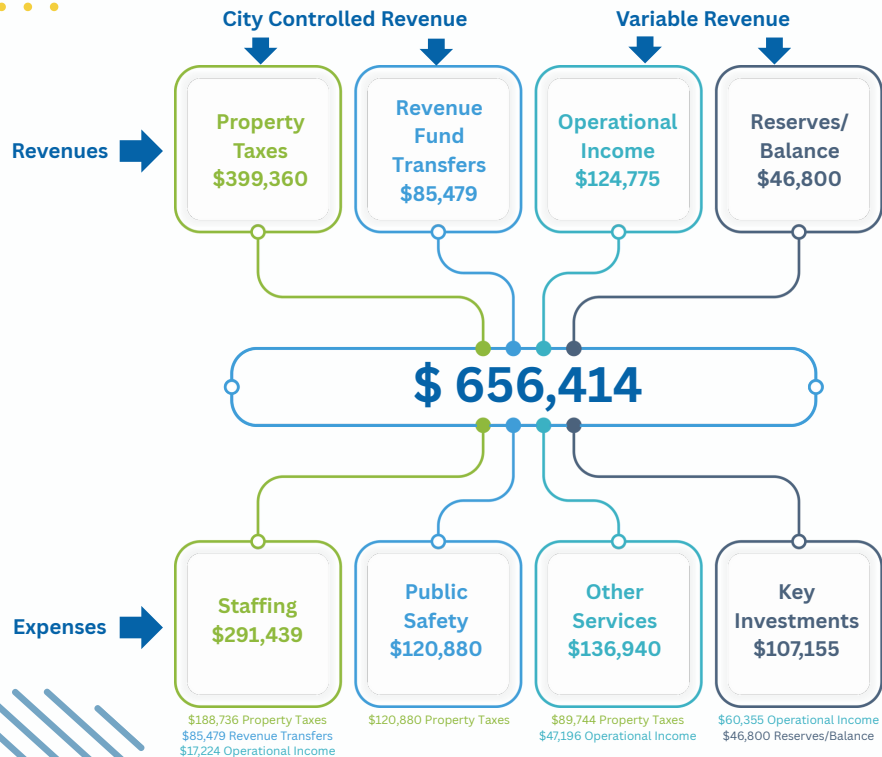
Community Input:

- Share feedback at Board of Aldermen meetings



GENERAL FUND

\$ 656,414



✓ City-Controlled Revenue: \$ 484,839

These are revenue sources that the city has direct control over: Property Taxes, Water Fund Transfers, and Solid Waste Fund Transfers. They should be used to pay for the essential costs of the city.

✓ Variable Revenue: \$ 171,575

These are revenue sources that are not guaranteed and can vary based on factors the city does not control. They should be used to pay for the operational costs of the city.

✓ Essential Costs: \$ 484,839

These include the majority of staffing, public safety, and required city services. These costs should be offset with stable city-controlled revenue sources.

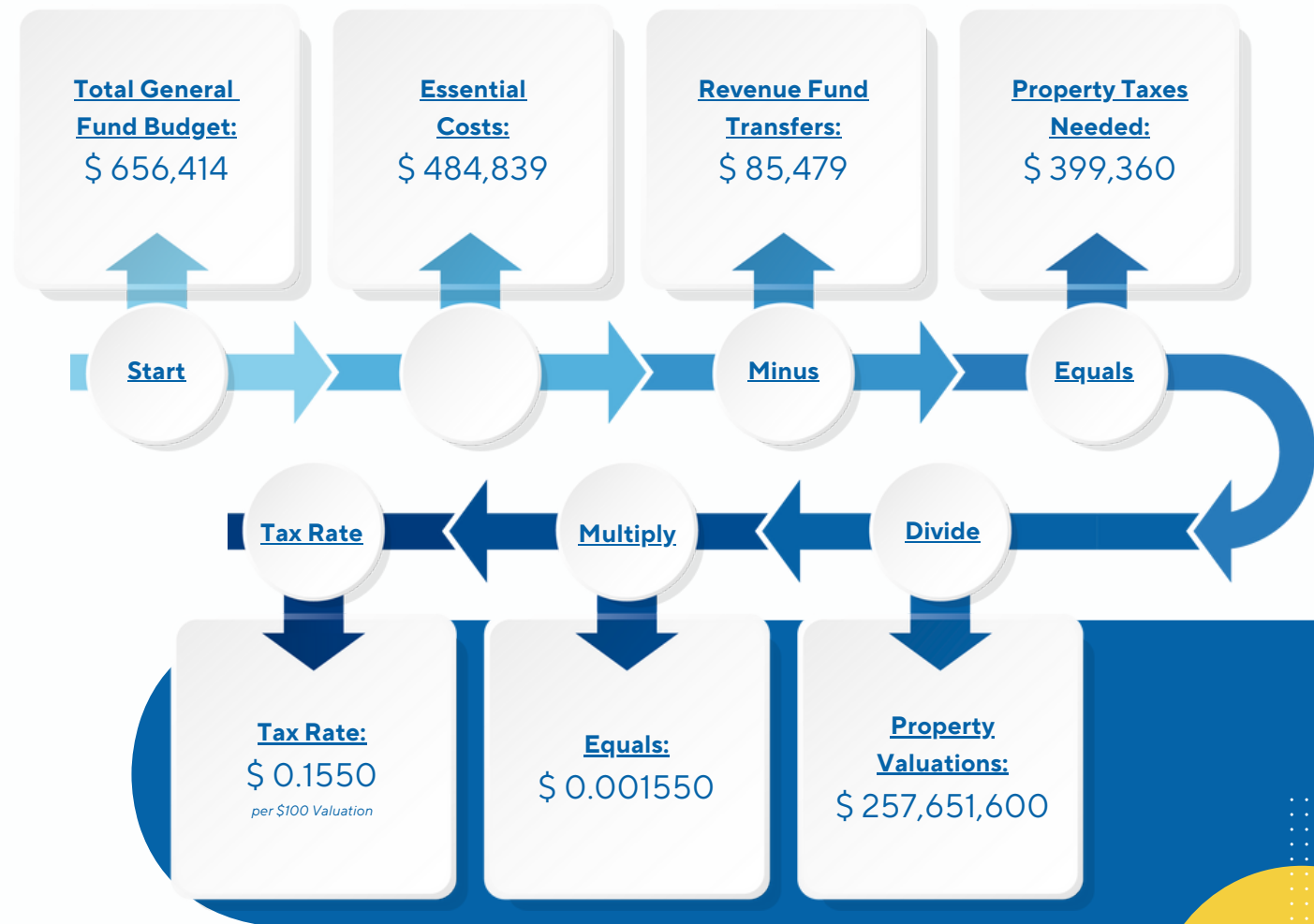
✓ Operational Costs: \$ 171,575

These are costs that can be variable, have their own direct revenue offset, or are projects. These costs should be offset with variable revenue.

PROPERTY TAXES

MODEST INCREASE, STILL LOWEST IN THE REGION

- **Proposed Rate:** \$0.155 per \$100 valuation (up from \$0.126)
- **Impact:** \$8-\$34/month increase for 80% of property owners
- **Why?:** Funds essential services (staff, public safety, required city services)
- **Comparison:** Still the lowest rate for a city resident in the region



PROPERTY TAX IMPACT

Assessments

- 375 assessed properties in Highland Haven
- 328 properties with homes
- Range of \$170,946 to \$2,796,849
- 80% of homes under \$1,200,000 (increase of ~\$8--\$34 per month)

Comparison

- 11 cities in region broken into small (under 2,000 people) and large (over 2,000 people)
- Average tax rate for small cities
 - \$0.2582
 - Highland Haven, Double Horn, Sunrise Beach, Meadowlakes, Cottonwood Shores
- Average tax rate for large cities
 - \$0.4661
 - Kingsland, Horseshoe Bay, Marble Falls, Granite Shoals, Bertram, Burnet

Tax Impacts on Ranges of Homes



- 82 homes assessed between \$170,946-\$427,338
- Average home \$345,267
- Current Tax for Avg. home (\$0.126): ~\$435
- Proposed Tax for Avg. home (\$0.155): ~\$535
- Impact: ~\$100 per year or ~\$8 per month



- 82 homes assessed between \$427,485-\$644,811
- Average home \$518,862
- Current Tax for Avg. home (\$0.126): ~\$654
- Proposed Tax for Avg. home (\$0.155): ~\$804
- Impact: ~\$150 per year or ~\$12 per month



- 82 homes assessed between \$653,433-\$1,100,000
- Average home \$868,216
- Current Tax for Avg. home (\$0.126): ~\$1,094
- Proposed Tax for Avg. home (\$0.155): ~\$1,346
- Impact: ~\$252 per year or ~\$21 per month



- 82 homes assessed between \$1,100,451-\$2,796,849
- Average home \$1,538,495
- Current Tax for Avg. home (\$0.126): ~\$1,938
- Proposed Tax for Avg. home (\$0.155): ~\$2,385
- Impact: ~\$447 per year or ~\$37 per month

Comparison with Region

Assessed Property of \$345,267

- Highland Haven: \$535
- Avg. Small City: \$891
- Avg. Large City: \$1,609

Assessed Property of \$518,862

- Highland Haven: \$804
- Avg. Small City: \$1,340
- Avg. Large City: \$2,418

Assessed Property of \$868,216

- Highland Haven: \$1,346
- Avg. Small City: \$2,242
- Avg. Large City: \$4,047

Assessed Property of \$1,538,495

- Highland Haven: \$2,385
- Avg. Small City: \$3,972
- Avg. Large City: \$7,171

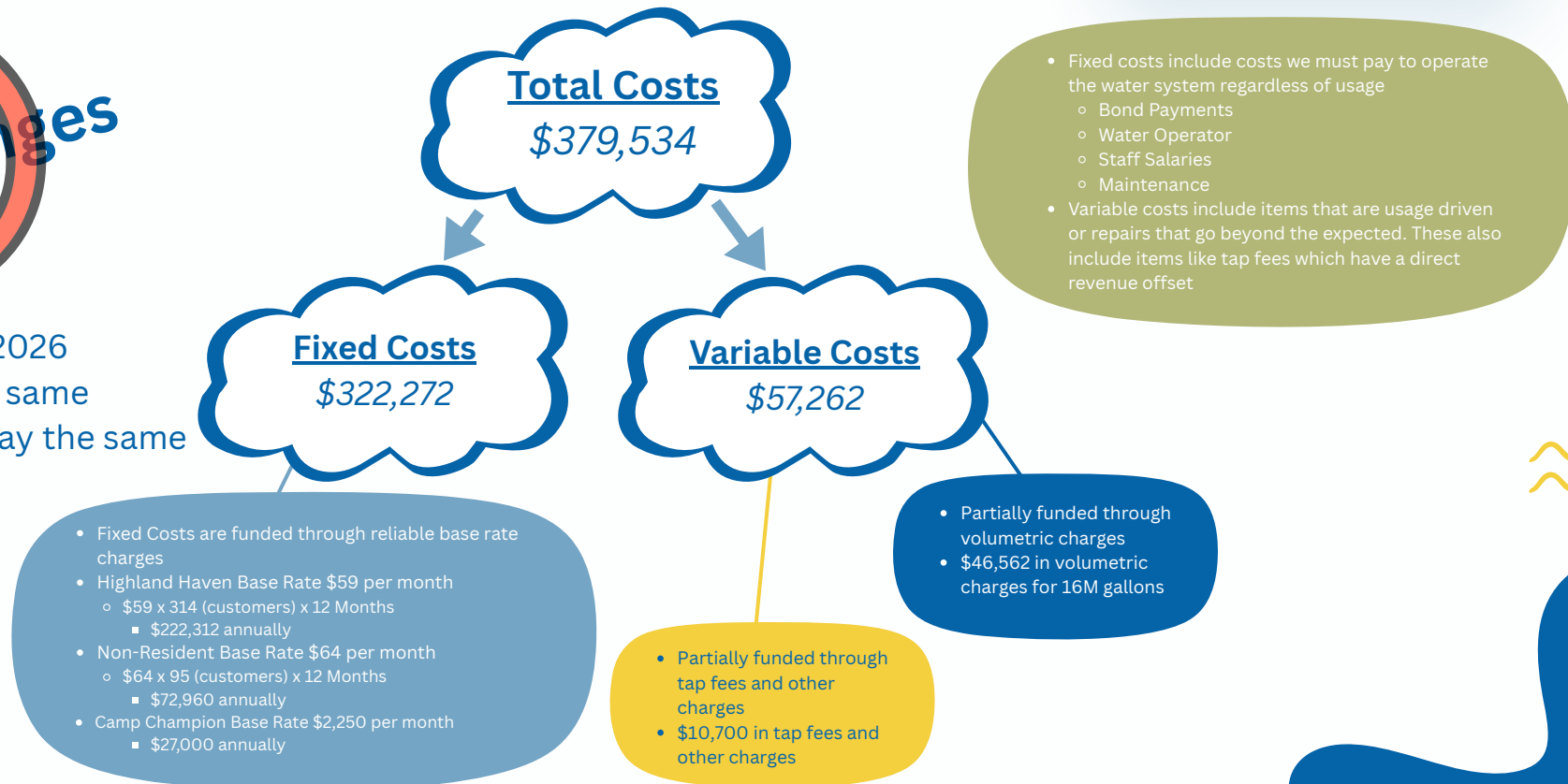
WATER FUND

\$ 379,534



No Rate Increases for 2026

- Base rates stay the same
- Volumetric rates stay the same





Vote:

November 4, 2025

WATER INVESTMENT BOND \$1,000,000

Purpose:

- Purchase 8.35-acre parcel next to water plant
- Funds to be used to purchase land, and for water system upgrades like new water system generator, build out well #6, etc.

Benefits:

- Secures our two wells located on this property, eliminates royalty payments
- Ensures access to our main well
- Provides space for any needed future water system expansion
- Adhere to groundwater district rules (well spacing, CCA)

Financing:

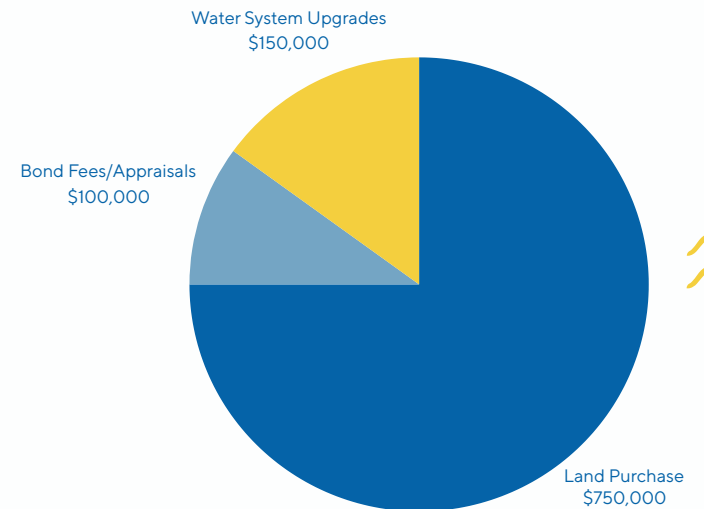
- No debt service tax or water rate increase
 - 2026-2027: Interest-only payments from reserves
 - 2028+: Water revenues cover payments

Recommended:

- 15-year bond (4.55%, 1.46M total cost)
- Average Payment 2028+: \$96,238 (less than current bond payments)



Bond Structure



SOLID WASTE FUND

\$135,410

Purpose:

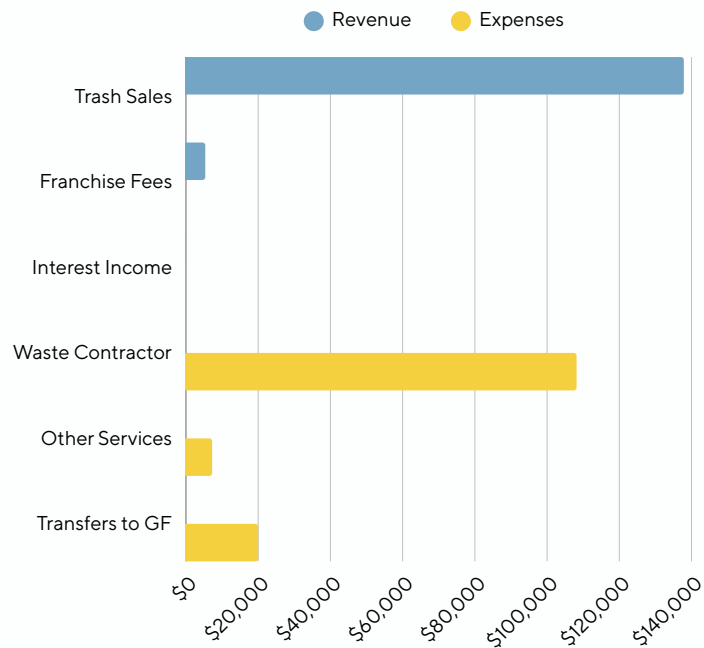
Funds Waste Management contract for consistent reliable trash service.

Benefits:

Fair pricing, consistent quality, supports other city services.

Customer Charges:

We have a contract with Waste Management which escalates each year. Prices for trash services match these escalations, and only change when the contract does.



WRAP UP

General Fund

\$656,414 for safety, staffing and essential services

Funds essential services and still the lowest tax rate in the region (\$0.155 per \$100 valuation)

Water Fund

\$379,534 for expenses and no rate increase

Water rates stay the same, and the water fund is balanced while still contributing revenues to the General Fund

Water Investment Bond

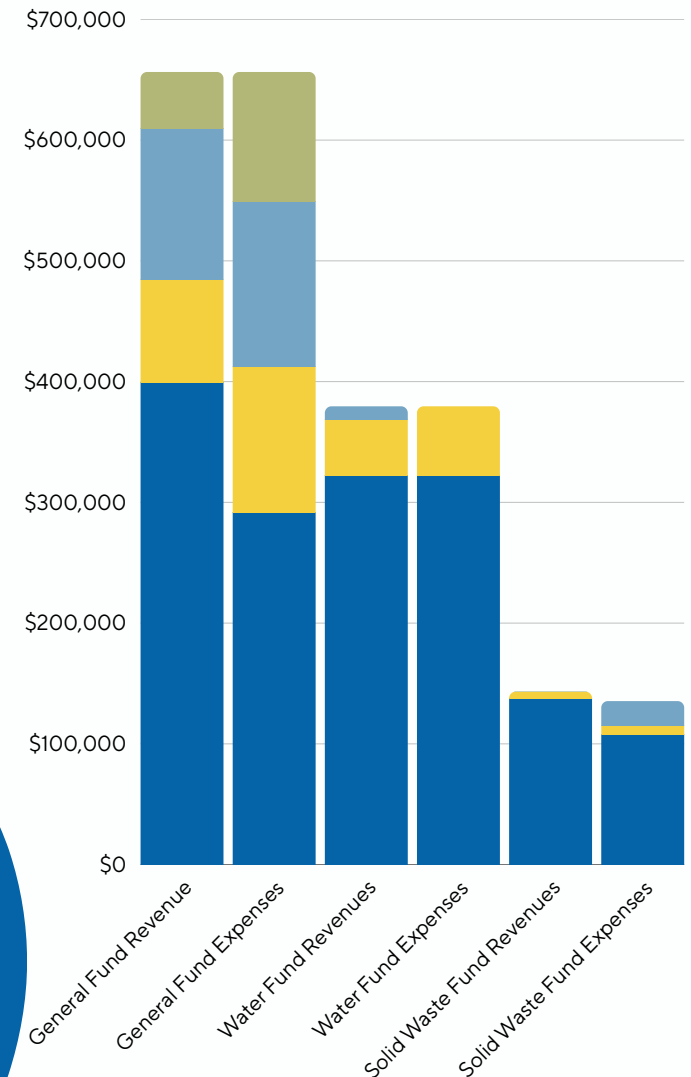
\$1,000,000 to secure our water system

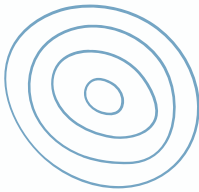
The bond helps secure the future of our water system and allows for us to provide some much needed upgrades to our water system. No debt service tax is created and water rates stay the same

Solid Waste Fund

\$135,410 for consistent reliable trash service

Covers the Waste Management contract in order to provide consistent, reliable trash service while contributing revenues to the General Fund





WE WANT TO HEAR FROM YOU!!!

Board of Aldermen Meetings

Attend all Board of Aldermen meetings and workshops to give your feedback

City Hall

Swing by City Hall (M-F 9a-5p) to chat with staff and give your feedback

Email

Email cityadministrator@highlandhaventx.com with any feedback on the budget

Website

Find information at www.highlandhaventx.com

A circular corkboard with a red pushpin at the top left corner. A white rectangular note is pinned to the corkboard with the text "Your feedback matters!" written in a black, handwritten-style font.

Your
feedback
matters!