

## 2018 State of the Town Address

The last 12 months since my last Mayor's Report it's been a year of constant improvements in many ways in Trophy Club. We did move into the only building we have ever owned, the new Town Hall and Police building and are excited that it finally happened for the residents of Trophy Club. I believe it will serve us well for many years. The second thing that was exciting and I believe a significant improvement was a decision that the Council made to hire Tom Class as our Town Manager. It has been a rewarding time to see Tom work, glad he retired from the FBI, glad he lived in Trophy Club and glad he decided for this and that Council selected him. The professionalism, ethics, integrality and leadership skills he brings, continues to be a welcome change for me and I believe the citizens of Trophy Club.

Our Town has grown and we all are working to engage our new residents to interface with the Town and become involved in various ways in the town and to learn what it really means that Trophy Club is "A Great Place to Call Home" and it's not just a slogan. We all want the quality of life here to be exemplary. One characteristic of Community is diversity and that attribute is certainly evident here and we reap the synergistic effort of the different people, ages, thoughts, education, religions, and so on. We are the beneficiaries of this diversity and life-

blood. Building Community is not the sole job of elected officials, however, it is shared by *all* of us. I appreciate your phone calls, your e-mails and your input.

Residential growth has been in the forefront of everything the town has been doing for maybe up to 9 years. We currently have a total of 43 vacant residential lots available compared to 90 at this time last year with 7 houses under construction. And although I stated those numbers, they could have changed at any moment. Our average Home appraised value in 2017 was \$428,000 plus with a total taxable value of all property of 1.68 Billion. We had an increase of 10.57% in 2017 that was over 2016, with almost 5% of this from new homes.

Our preliminary data for the 2018 fiscal year has an average Home appraised value of \$447,353; with taxable value of (\$1.82B) \$1,822,087,326 which represents a little over an 8.09% increase at week 11 of the appraisal process. Recognizing that the appraisal process changes every week what those values are, they go up and down. – We do expect by the end of this cycle we will come out somewhere between 4 and 5% increase over the previous year.

We received our FY 2017 Audit Report and in FY 2017 and we once again received what is called an unmodified opinion with no significant deficiencies. The 2017 unassigned fund balance for the

general fund ended at \$4.4 million compared to \$3.91 back in 2016, which is 43 % of the total general fund expenditures. That puts us in a very comfortable position to have cash in the bank to operate, even in maybe lean times.

Over the past 4 years council has focused on bringing new restaurants and shopping to Town. We did celebrate the opening of Holiday Inn with its Restaurant and Bar adding to our tax base and amenities for our residents and guest. And later this year we will be enjoying HG Supply's new concept. There has been additional retail office space added including a Medical Office Building added to the area across from the High School and Middle School. A Montessori School, 32 Below Ice Cream, Mortgage Company and soon to open a Marco's Pizza. With The Ship Shop next to 7-11 on Hwy 114.

Last year at this time I thought we should be in the initial development of Planned Development 30, which is the 26 acres located at Highway 114 and Trophy Club Drive, its called Trophy Club Town Center by the Developer. The plan still allows for Apartments, Town Homes, a Hotel and commercial pad sites and is in fact under construction at this point, even though many of us hated to see the disappearing of many trees. The litigation between Beck and the Town was settled out of court with Beck paying the town \$500,000 up front and an additional \$250,000 over the next 2 years. All of this money was

designated as funds in lieu of Park Land dedication. The Planned Development agreement calls for most of this development to happen at the same time. However, I anticipate that the Town Home and Commercial / Retail pad sites will be completed prior to the Apartments and we understand the apartments might take up to 18 months before they are actually leasing.

Planned Capital Improvements for Street Reconstruction and Drainage projects required us to issue 4.6 Million Certificate of Occupation bond for these Projects, and because of our AA+ Bond Rating we received an outstanding interest rate. These funds will be used for projects going through 2021 and include Phoenix Drive, Meadowbrook Lane, Sundance Court and parts of Indian Creek Drive and Trophy Club Drive.

Throughout the last year we have continued to place pressure to get Hwy 114 to install the required Sound Wall which is well underway and should be completed in the next few months.

The Town continues to receive recognition for the services we provide along with our choice of lifestyle. We recently received the recognition as the safest town in Texas.

It is our long and deep history of volunteerism that we as a Town find a community where we experience quality of life and appreciation

of those aspects. This past year we have enjoyed having a person out in our lobby to greet those coming to Town Hall. This volunteer program was the idea of our Town Manager and his wife Kelley. Thanks to all those who have volunteered their time to sit out front and make people feel welcome.

I would be amiss if I did not express the appreciation of the Council toward our Town Staff. Since hiring Tom Class as our Town Manager, we have been striving together to help build a management team that is 2<sup>nd</sup> to none.

### **Now looking to the future.**

Four years ago when I was re-elected as Mayor after serving 2 terms as Mayor in 2005-2009 and 3 years on the MUD Board, I was very optimistic about the relationship between the MUD and the Town. I had been instrumental in negotiating a 99 year Agreement between the MUD and Town for Water and Waste Water Services and it seemed like the stage was set to improve relations between the two governmental entities. Although it took over a year, today we have an agreement with the MUD where the Town operates the Fire Department. This agreement took the willingness of both Council and MUD Board to complete and I want to express my gratitude to all those involved.

Today we have a majority of our MUD Board as newly elected Members. Our 2 governments are still something that could be simplified and therefore offer benefits to our residents and businesses. I look forward to a new era of planning and cooperation between the 2 governments.

The Town Charter calls for the Mayor to annually set out Needs and Goals for the Town. So after giving this much thought I have narrowed it to 8 Goals.

1. Continue to maintain the highest standards of Safety in Town for our residents, businesses and students. That's surely a challenge and has been challenging for the police force has which to come to complete staffing. I was recently very impressed by the new hires of our Captains and hope that will help us continue provide safety to everyone.
2. Strive to set our 2018-19 tax rate equal to our Effective Rate. This rate is the Rate it would take to collect the equal amount of revenue it did the prior year from the same proprietaries. If property values increase, the tax rate should go down. Last year was the 1<sup>st</sup> time in our history where we set our rate at the Effective Rate. I see it as a good challenge and something to strive for. I haven't found a single town or city in Texas that accomplished that fact.

3. Continue to explore Phase 3 of the Trophy Wood Development which includes more Restaurant and Entertainment options.  
This development will require the construction of a parking garage to optimize its use of the land. We are still working through that process, and I think it's something we should continue to focus on and try to strive to bring quality entertainment, restaurants, and parking to our small piece of retail land available that will help provide services for our citizens.
4. Develop a plan for how the MUD and Town can optimize its assets, services and operations. I could have gotten very specific here, but I thought I might leave something off or make somebody mad, so I would rather just say let's develop a plan to work together. Surely we can become more efficient and surely it is a complicated matter to deal with the financial aspects of both entities. But let's work together and develop a plan we can execute.
5. Work with the Developers of Trophy Club Town Center (PD30) to recruit high end businesses and services. For the past 4 years the council has focused on making this development a success. We worked with the developer to lower the number of apartments. We worked with the developer to lower the

height of the buildings. We worked with the developer to try to provide less commercial and retail padsites, which we thought would have made it less successful by design, because it would never fill up. Now construction has started, and it is time to step up our efforts seeing as though we are moving forward and try to see how we can make this development better. It's surely not easy, there are surely a lot of strained hard feelings from some of this process, but I call us and challenge us as a Council to find ways, to make it better so that the citizens enjoy it. It is going to happen; we just need to make it better.

6. Implement new web page and software to provide more relevant information to both Council and Residents. It's something we have talked about as Council and staff for a while and I really want to push this for the next two years. I want to try to help make it happen. One of the unique things about this Council is that we have people who understand technology and I think we can use that to make this better for everyone in the future.
7. Work with our neighboring Cities & Towns on joint projects to benefit our broader communities. As we look at our neighboring communities, sometimes it might be a competition. One person gets an office building, one person

gets a restaurant, I look at it as if something happens that is good for all of us in this area, we all benefit. We all like to go to new restaurants and shops, we benefit from the fact that new businesses move to the area and those people buy homes in Trophy Club. Everyone benefits and we need to continue to work together on various joint projects. One of those projects that I have been working on together for several months with the County, Westlake and Southlake is in fact a way to potentially use autonomous vehicles to transport people between our communities and their shopping areas. From my side of it, if I can get people to come to our restaurants then it's a win for Trophy Club.

8. Explore the opportunities for more civic focused services which might include a Senior Center and/or Meeting facilities. I think this coincides and maybe parallels to what we want to do with our Annex building, or what we might do with phase 3 of Trophy Wood Center. I think we need to look at where do we need to provide services to our citizens and where are we lacking. We probably won't all agree in some of that, but nevertheless we should have those discussions.

**Our Mission as Council is: TO MAINTAIN TROPHY CLUB'S STANDING AS A PREMIER RESIDENTIAL COMMUNITY AND A "GREAT PLACE TO CALL HOME" BY PROTECTING AND PROMOTING THE INTERESTS OF ITS RESIDENTS, BUSINESSES, AND PROPERTY OWNERS.**

**Each council member has their unique gifts and talents and bring their view points to our meetings to help us make the best decision as a Council. Even though we may disagree at times on a subject, we enjoy making fun of each other and of our unique characteristics as a Council. To each of you, I say thank you for your dedication of time and willingness to serve the Citizens of Trophy Club.**

**As I close I hope to begin quarterly citizens meetings open to all. Look for more information about this in the coming weeks ahead. It is an Honor for me to have served you as Mayor for the past 4 years. I sincerely appreciate your confidence and support. At our Council Meeting on May 22nd, the council appointed Council Member Philip Shoffner as Mayor Pro Tem. Philip will bring a wealth of knowledge and skills to our leadership and I very much appreciate his willingness to step up. I believe I speak for the entire council when I express my gratitude to Council Member Rhylan Rowe who served as Mayor Pro Tem this past year. I want to thank all of the staff, thank the Citizens for trusting this Council and myself in helping to lead the Town into the future. May we be blessed as we work together.**

**Sincerely,**

**Mayor Nick Sanders**