

# *2020 Budget*

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# Agenda

- Review meetings to-date
- Feedback, pressures, and themes
- Major Projects Overview
- 2020 budget summary



# Previous Council Work Sessions

- Transportation Issues
  - Street Maintenance
  - Road Bond Update
  - Go Geo/Rideshare
- Transfer station planning
- Communications Assessment
- Electric Resource Management/Fund Status
- Long-term water supply
- Council workshops
- Presented proposed budget, set maximum tax rate, and set hearing dates



# Resident Feedback

- *Retain Small Town Charm*
- Online survey
  - Manage growth
  - Taxes and spending
  - Traffic
- Town Hall
  - Quality of life enhancements
  - Transportation



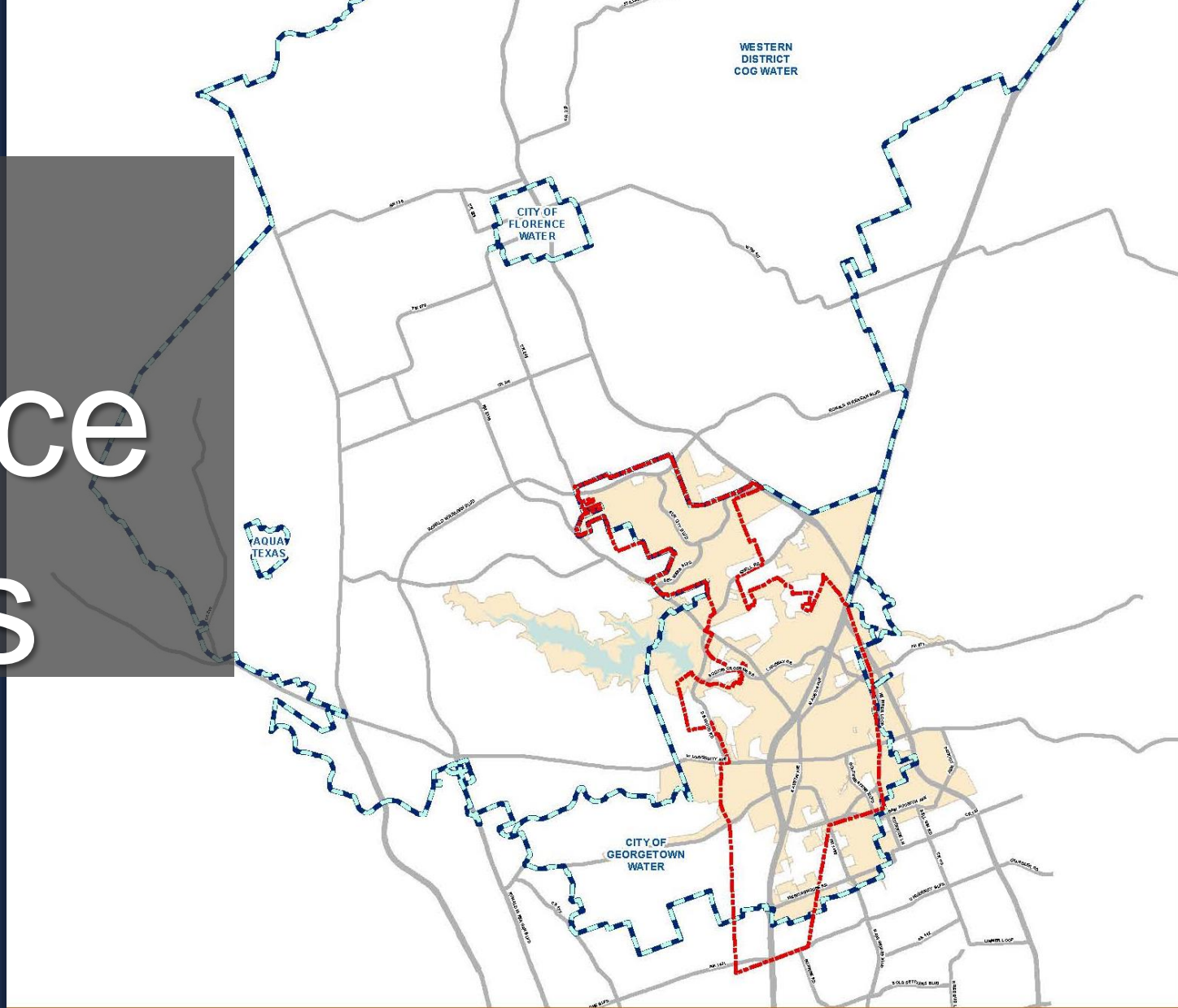
# Fast Growth



- 7<sup>th</sup> fastest growing city in the nation
- 5<sup>th</sup> year to be in top 10
- Between 2013 and 2017, medical and fire calls increased 56%.
- Population
  - 47,000 in 2010
  - 74,180 in 2018 (up 56.6%)
  - 96,500** by 2030



# City Service Areas

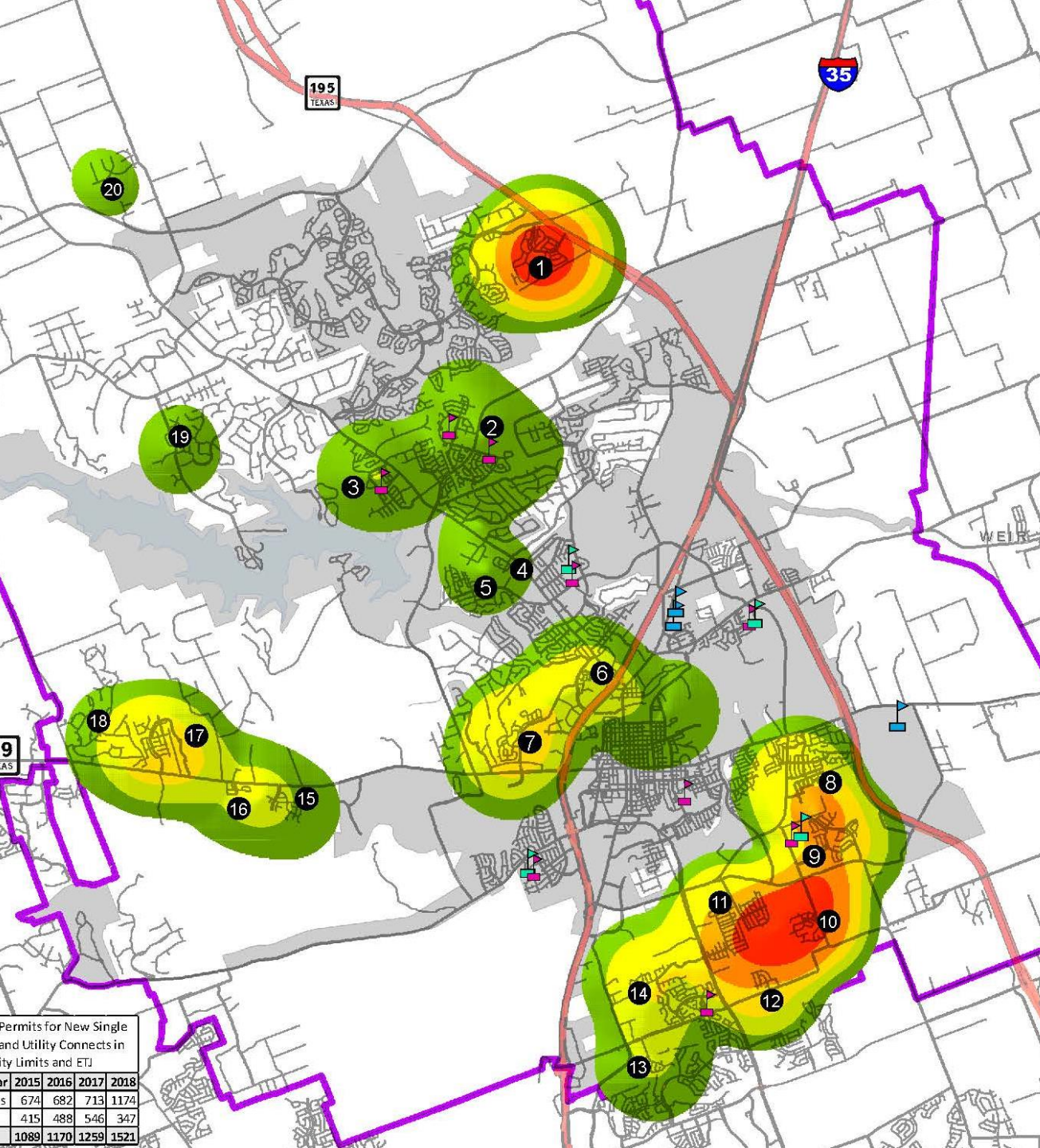


-  Electric Service Area
-  Water Operational Areas
-  Georgetown City Limits



# Growth Heat Map

- Growing everywhere
- Fastest growth in southeast
- Historically northwest

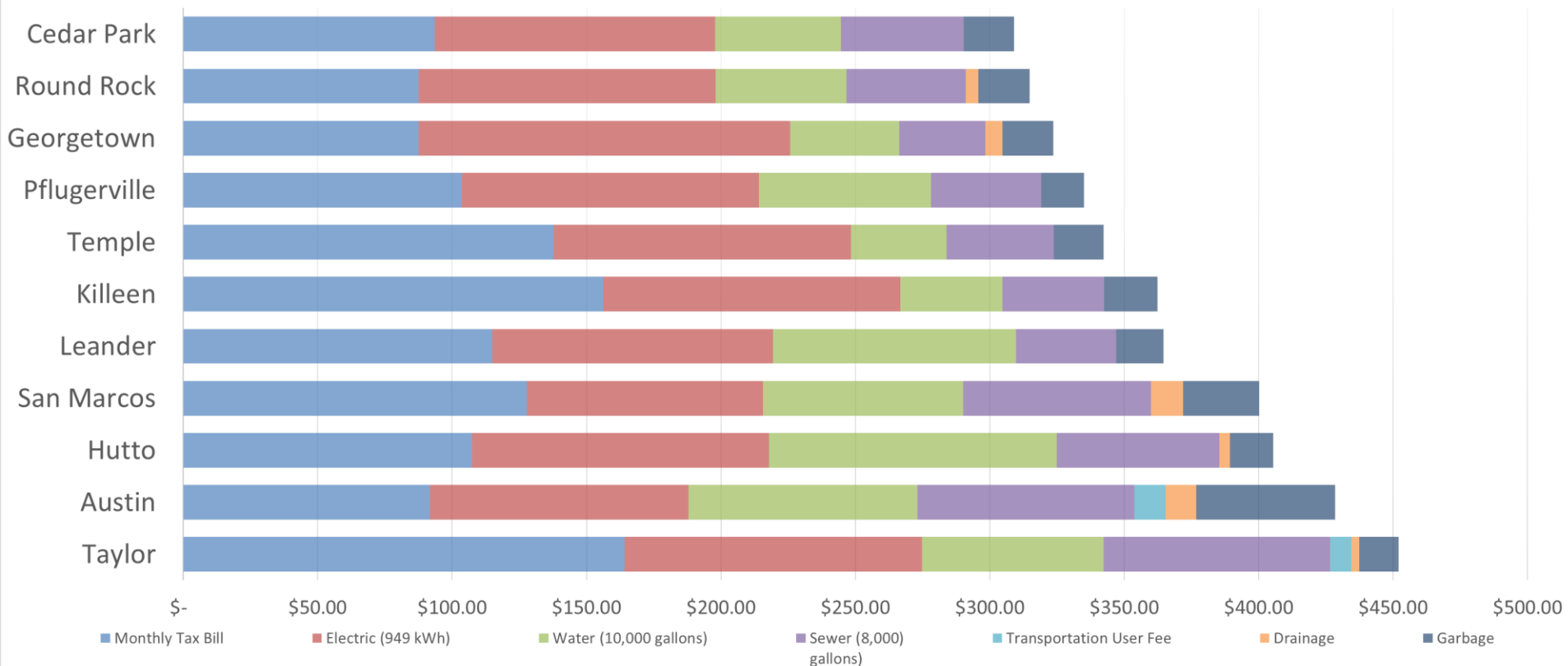




# Cost of service



COMBINED MONTHLY CITY TAX AND UTILITY RATES  
FOR A \$250,000 HOME





# Budget Themes

- Retain small town charm while addressing growth
- Ensure safety and responsiveness
- Improve communication
- Maintain quality of life services
- Maintain and enhance service delivery/performance management
- Continue to strengthen financial condition



# Major Projects Overview

- Parks
- Water
- Wastewater
- Solid Waste
- Airport
- Roads
- Facilities, Fleet, and Equipment



# Investing in New Infrastructure

- \$60.2 million in total capital investment
  - General Capital Projects - \$18.6M
    - Roads – \$10.6M
    - Facilities - \$800K
    - Fleet - \$3.2M
    - Public Safety – \$1.4M
    - Parks - \$2.5M
- Water/Wastewater - \$35.6M
- Electric - \$4.01
- Airport - \$880K
- Stormwater - \$1.2M





# Parks

## Current Year Projects

- IOOF Columbarium
- VFW Parking Lot Addition
- San Gabriel Park Phase II and Trail Extension
- Neighborhood Park Development
- Parks ADA Transition Plan



# Parks

## Proposed 2020 Projects

- Design San Gabriel Park Phase III
- Regional Trail Design and Construction
- Parks Master Plan Update
- Continue Parks ADA Transition Plan
- Neighborhood Park Development
  - Heritage Community Gardens
- Demo Tennis Center Pool



# Water System



- Lake WTP
  - 8MG/day
  - Treatment and Pumping Expansion
- Round Rock Treated Supply
  - 6MG/day
  - Pump Station, Tank & Line work
- Southside WTP
  - Rehabilitation of valves, controls, filters
- Hoover Pump Station
- Stonewall Ranch Pump Station
- Southwest Bypass
  - 24" from new bridge to FM 2243
  - Support to Leander and Escalera ESTs
- Rehab Daniels Mountain Tanks



# Wastewater



- Berry Creek Interceptor
- Edwards Aquifer Recharge Zone (EARZ) (TCEQ mandate)
- San Gabriel Wastewater Treatment Plant Rehab
- San Gabriel Interceptor (easements)



# Solid Waste

- Adopted Solid Waste Master Plan
- Rehabbing Transfer Station
- Expanding composting
- Exploring concierge service in Downtown





# Airport

- Reliever airport for ABIA
- \$12.6 million in improvements
  - Runway lighting
  - Taxiways
  - Runway
  - Fuel tanks
- 139 jobs and a \$20 million impact to economy





# Roads



- 341 Lane Miles
  - Pavement Condition Index (PCI) – 86
  - Goal to maintain PCI of 85
- Quarter Cent Sales Tax for Street Maintenance
  - \$3.5 million per year
- Half Cent Sales Tax for 4B – Georgetown Transportation Enhancement Corp.
- \$105 voter approve bond in 2015
  - Decade worth of projects – on track to complete in 7 years
- Building new corridors



# Roads

**Diverging Diamond at  
Williams Drive  
(Begin 2021)**

**Northwest Blvd. Bridge  
(Breaking ground this  
summer)**

**Rivory Blvd. Extension  
(Completing this  
summer)**





# Roads

- 2015 Road Bond
  - Streets (\$12.3MM)
  - Sidewalks (\$1MM)
  - Williams Drive @ Booty's/Lakeway Intersection
  - Leander Road (Norwood to SW Bypass)
  - Southwestern Blvd (Raintree to SE Inner Loop)
  - Southwest Bypass (Wolf Ranch Pkwy to SH29)
  - Westinghouse & Scenic Lake Traffic Signal
  - NW Blvd Bridge (Austin to Rivery)
  - Sidewalks (Priority 1 – Downtown, Sun City Crosswalks)



# Austin Avenue Bridges

- Improvement Plan
  - Rehab existing bridges
  - Construct separate pedestrian bridge (comply with ADA)
- FY20 – Design of the improvements initiated
- Seeking grant funds in the future (CAMPO/TxDOT)



# Facilities, Fleet, Equipment

- Public Safety
  - Police Department - Body Cameras (\$800,000)
  - Fire Department - Cardiac Monitors & SCBA Replacement
- Facilities
  - GMC Remodel
  - Fuel Station
- Fleet
  - Public Safety Vehicle Replacement for police and fire
  - New Public Safety Vehicles for Police



# 2020 Budget Summary





# Revenue



- Tax rate – \$0.42 (same as 2019)
  - 3.6% over the effective rate
  - Shape debt/infrastructure plan to stay within current tax rate
- Continued growth of 6.7% in sales tax and 3-4% growth in utility revenues
- No rate increases for water, sewer, electric, drainage rates
- \$0.75 monthly residential sanitation rate increase due to TDS contract cost increase



# Valuations and Tax Rate



- Total assessed valuation is certified at \$8.6 billion, which is an overall increase of 8.16% increase over last year
- New value represents \$345M, which is an increase of 38%
  - Commercial growth of \$47M
- Existing property increased 4.7% over last year
- The average taxable home value is \$285,357. This is an increase of \$7,244 (2.6%) over the past year
- At the proposed tax rate of \$0.42, the estimated tax increase for the average homeowner (\$285,357) would be \$30.42 annually or a 2.6% increase.



# Tax Rate History



Year	Tax Rate	Ave. Home	City Taxes	Percent Change
2015	0.434	\$ 210,200	\$ 912	
2016	0.434	\$ 234,500	\$ 1,018	11.6%
2017	0.424	\$ 253,300	\$ 1,074	5.5%
2018	0.42	\$ 266,600	\$ 1,120	4.3%
2019	0.42	\$ 278,113	\$ 1,168	4.3%
2020*	0.42	\$ 285,357	\$ 1,198	2.6%

# Sanitation Revenue



- Sanitation increase 7.2%; \$10.1 million
- TDS Contract established in 2018 (5 year term)
  - Increase request provided in the contract based on cost indexes
- No increase requested in FY2019
- 4% contract cost increase requested by TDS for FY20
  - Contract provides weighted average of 5 indexes, including CPI, cost of diesel, labor costs
  - Calculation per contract would allow up to 7% increase for period Jan 2017-Jan 2019
  - Increase of 4% across all rate classes
  - \$0.75 increase per month for residential customers



# Return on Investment

- 10.75% increase from 2019 due to reduced electric ROI
- 2020 ROI totals \$8.06 million
  - Water - \$4.5 million
  - Stormwater - \$260,000
  - Electric - \$4.5 million\*

\*\$1 million less than fiscal and budgetary requirement

# Compensation

- 3% Salary increases budgeted, allocated based upon performance
- Police and Fire compensation as outlined in Meet & Confer agreements
- Market study conducted
  - 117 benchmarked titles reviewed
  - 29% of positions below market
  - ~140 employees affected



# Staffing

- Public Safety
  - Two patrol officers, CID detective, community engagement officer, and 2 dispatchers; fire inspections
  - Opening Fire Stations 6 and 7
    - Operational costs
    - Staffing costs continue to be partially funded through SAFER grant
- Director of Communication and Public Engagement
- Increase staffing in various areas experiencing growth
  - Code enforcement
  - Visitors Center
  - Purchasing
  - Library temp staffing support

# Continue Current Initiatives

- Workday
  - Implementation through staffing contracts and employee resources
- Enhance existing software programs
  - Utility billing, asset management, records management
- Measure and transform our work to improve service delivery
  - Performance Management Program (PMP) manager
  - Business Improvement Program (BIP) manager
  - Training coordinator in human resources
  - Contracts manager – provide review and accountability for contracts – MUDS, etc.



# Reorganization to Improve Service Delivery

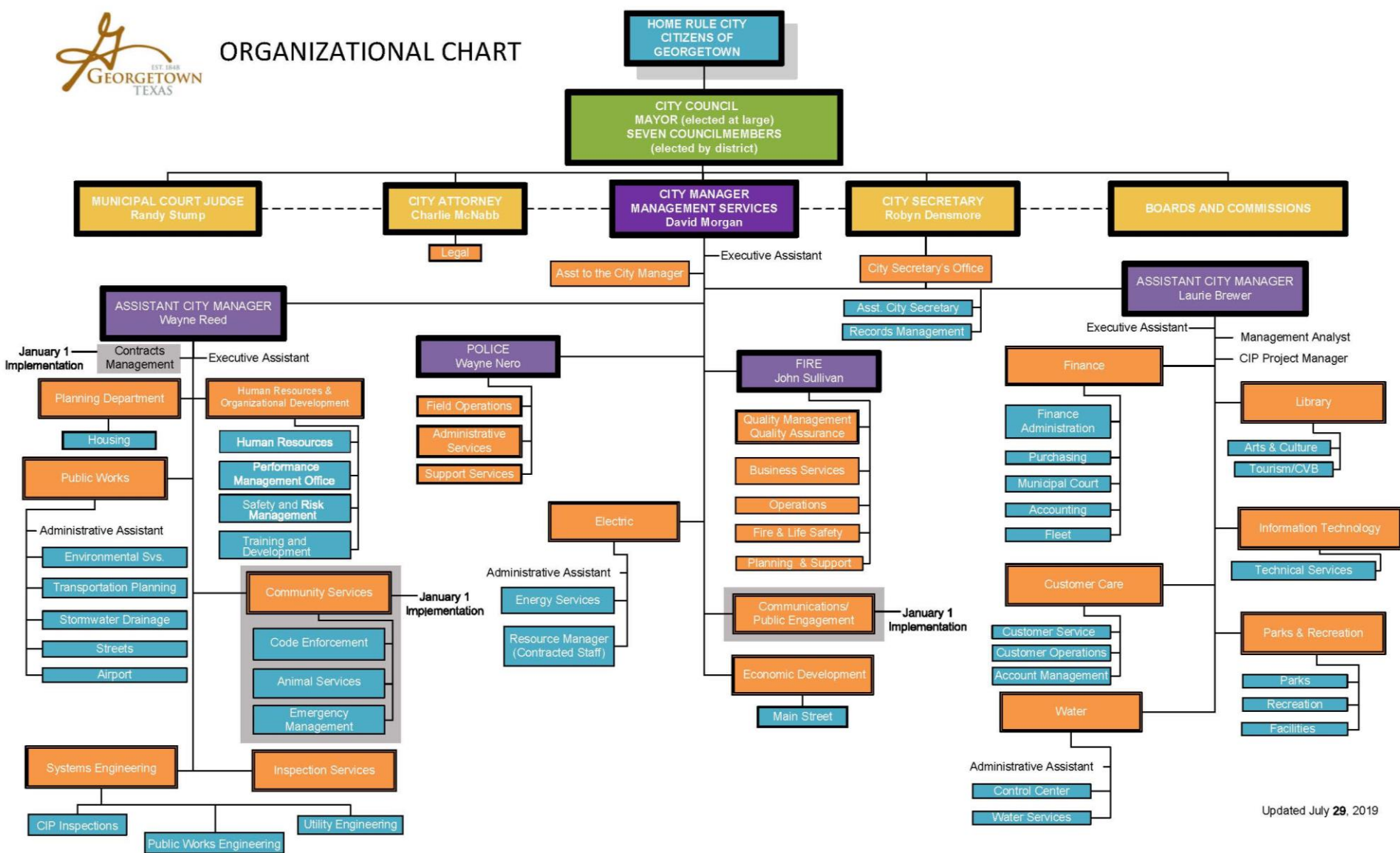
- Enhance planning and focus on Electric and Water/Wastewater
  - Reclass General Manager/Assistant City Manager position to Electric General Manager
  - Reclassify Utility Director position to Director of Water Utilities
- Enhance service intensive areas by adding Director of Community Services to oversee “high touch” areas
  - Animal Services, Code Enforcement, and Emergency Management

# Reorganization

- Meets goals of city management for FY2020 and beyond
  - Enhance service delivery
  - Focus on performance management
  - Provide ways for leadership and employees to grow
  - Financially feasible



# ORGANIZATIONAL CHART



Updated July 29, 2019

# Risk Management Initiatives

- Continued analysis and increase of city reserves from fiscal policy update in 2018
- Backup data center implementation; on-going improvements
- Electric Fund/Long term contracts – develop risk management policy and protocols
- IT security enhancements



# Electric Fund



- Operating revenues totals \$91.4 million.
  - Includes full-year impact of the current PCA
- Operating expenses total \$84.5 million.
  - Net Purchased Power at \$59.5 million.
- Non operating revenues total \$4.01 million of bond proceeds for capital improvements.
- Non Operating expenses total \$8.1 million for capital improvements and debt service.
- Proposed enhancement: control center operator (cost split with water fund)
- Projected ending fund balance of \$8.7 million by end of FY2020.

# Electric Fund (cont.)

- Secured additional support and oversight with Schneider Engineering
- Outsourcing management of energy portfolio.
- Development of a comprehensive risk management policy.
- Hiring a general manager dedicated to the electric utility.



# Water Fund

- Operating revenues totals \$63.2 million.
- Operating expenses total \$40.4 million.
- Non operating revenues total \$18.6 million of bond proceeds for capital improvements.
- Non Operating expenses total \$87.1 million for capital improvements and debt service.
  - Several large FY2019 CIP projects re-appropriated in FY2020 include the Berry Creek interceptor and the Lake Water Plant
- Projected ending fund balance of \$21.8 million by end of FY2020.

# Tourism/CVB

- Revenues total \$1.5 million; same as 2019
- Expenses total \$1.4 million; 7% increase
- Proposed enhancements total \$106,786 which include:
  - Part-time staff for the Visitors Center
  - Additional funding for Red Poppy for security, shuttle service, and traffic control.
  - Increase in funding for the Christmas Stroll.
  - Funding for a community mural behind the Shotgun House.
  - Continue holiday lights at \$60,000.
- Projected ending fund balance of \$1.5 million by end of FY2020.





# Budget Summary

- All funds total \$437.6 million
  - 3% decrease from the FY2019 amended budget.
  - Due to timing of large capital projects which includes a budget roll forward totaling \$50.5 million.
- Managing growth and services
- Maintain a high quality of life
- Building our fiscal strength
- Emphasis on small town charm



# Love Where You Live

- Functional and Safe are important, but it doesn't make you fall in Love with Georgetown
- It's important for cities not to get stuck in the “pothole” syndrome...
- Small things can make a disproportionate impact....





# Small Town Charm

- Main Street Program
- Arts & Culture
- PD CommUNITY initiative
- Special Events
  - Parks
  - CVB
  - Library