



FY2022 PROPOSED BUDGET

AND FIVE YEAR CAPITAL IMPROVEMENT PLAN

Development of the Current FY21 Budget

- Current FY21 budget development during pandemic anticipated economic slow down and focused on cash preservation
 - Implemented budget contingency plan
 - Frozen or delayed positions
 - Cut budgets and lowered service levels in some areas
- Actual economic activity accelerated
 - Residential home permits hit new levels
 - Water district growing at extremely fast pace
 - Workload measures across the organization increased
 - Job market continues to be highly competitive

Budget Themes: FY21 to FY22

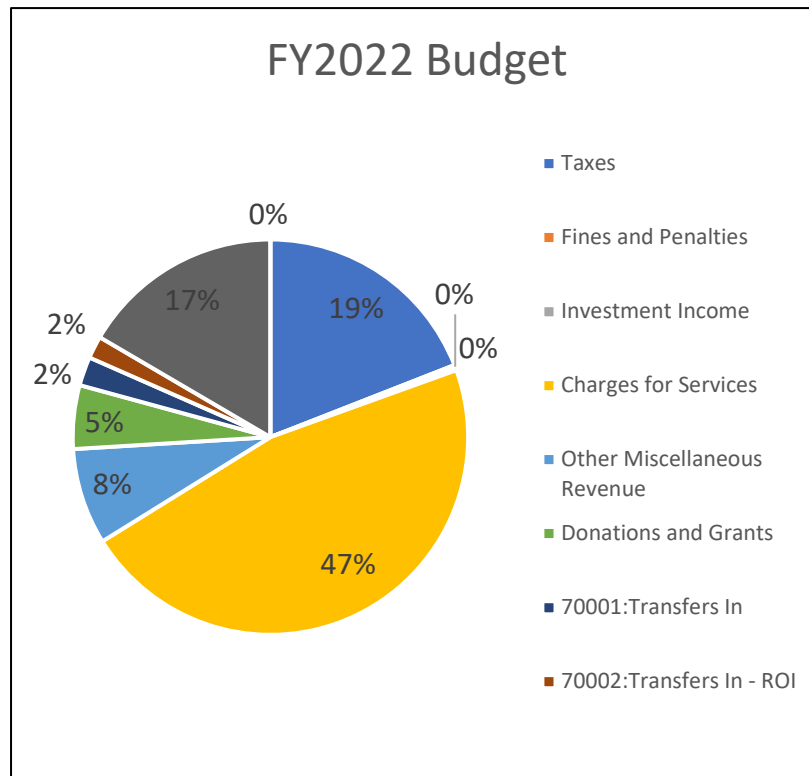
- Development pressures due to current growth
- Council Goals (Feb. 2021) Implementation
- Preparing for continued growth in the future through planning
- Service delivery pressures and restoring previous budget cuts
- Staffing - Recruitment and Retention

Public Outreach

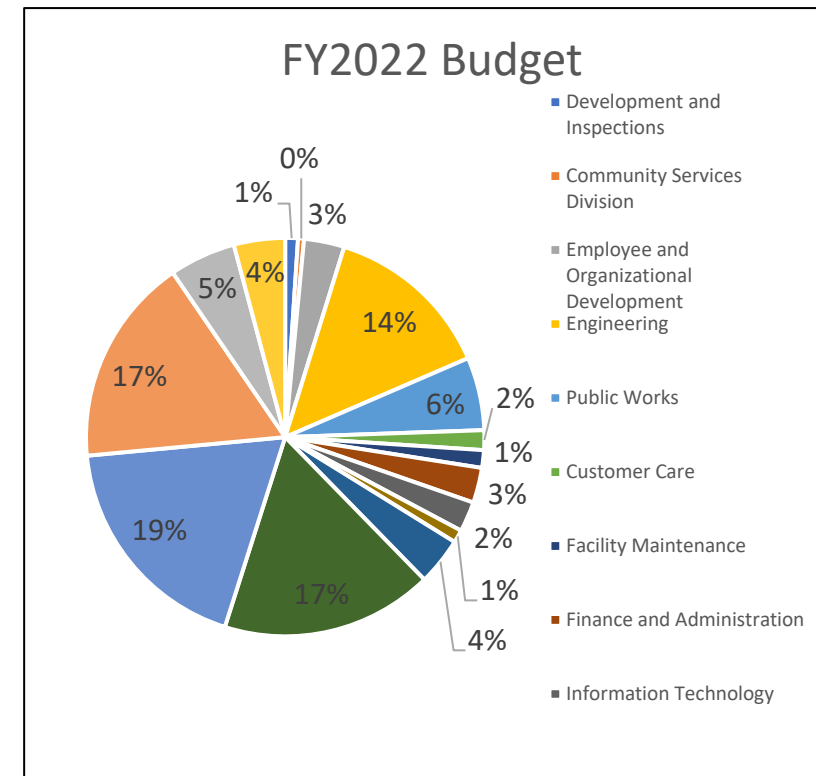
- Proposed budget and presentation posted at finance.georgetown.org
 - Comment box online
 - Press release on proposed budget
 - Social media education campaign
- www.williamsonpropertytaxes.org
 - Displays all taxing entity information
 - Searchable by address
 - Allows feedback on yes/no support proposed rate as well as public comments
- Public Hearings on Budget and Tax Rate 9/14

Total City Budget - \$483M

FY22 Revenues/Sources



FY22 Expenses/Uses



Total Budget - Major Expense Categories

- \$ 483 million total budget
 - \$113M in planned capital projects (all funds)
 - \$54.4M in Electric purchased power expense
 - \$58M in Water operations
 - \$48.8M in debt service (all funds)
 - \$46.1M in public safety

Budget Revenue Assumptions

- Property Tax rate – proposing rate of \$0.401 (lower than current year of \$0.418)
 - Increase in homestead exemption approved by Council (Greater of \$5K or 3%)
 - \$0.161319 for operations
 - \$0.239681 for debt service
 - Impact to average homeowner – increase of \$56
 - The debt side of the tax rate will increase about 1 cent
 - Tax rate increase lower than 2021 Mobility Bond Election estimates
 - Mobility bond implementation – 1st tranche of \$28M (accelerate implementation to 5 years instead of 7 years)
- The operations side of the tax rate is projected to decrease just under 3 cents
 - Value of existing properties went up by 15.4% on average

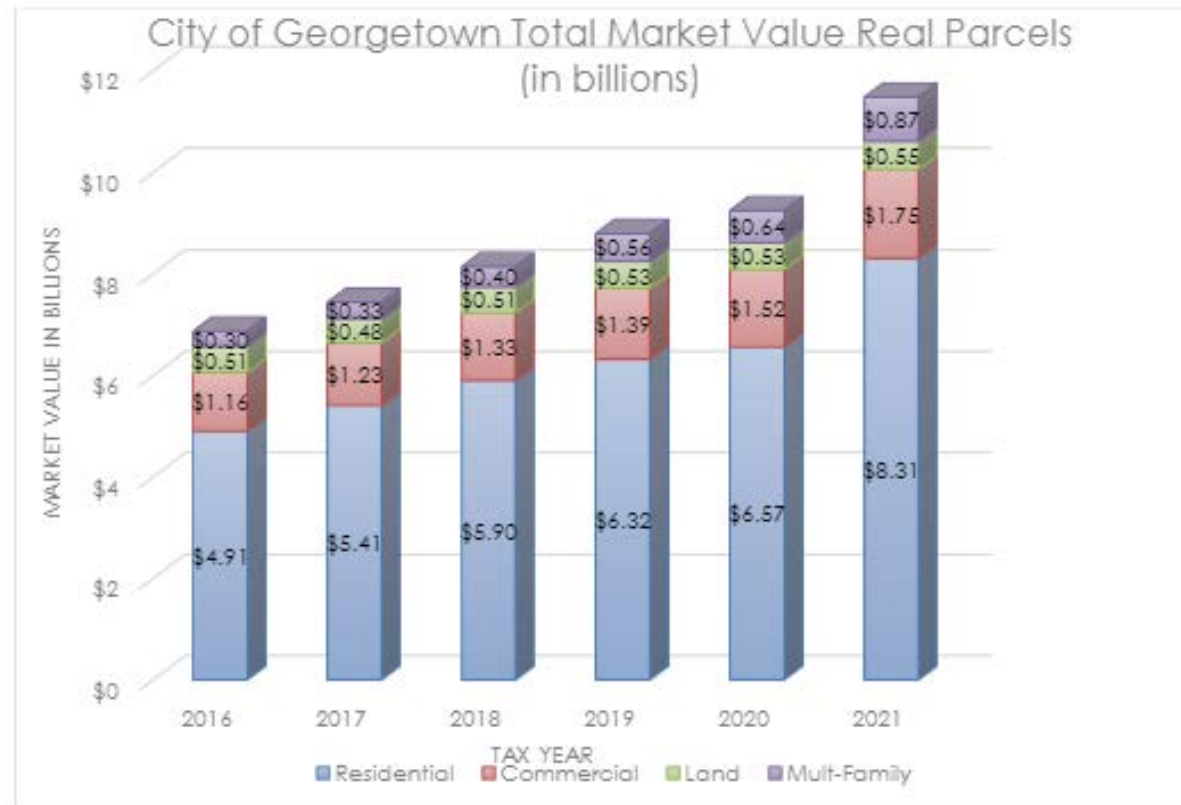
Tax Rate for FY22

- The proposed tax rate is \$0.401 per \$100 valuation, which is \$0.017 lower than the FY21 rate.
- The no new revenue rate adjusted for sales tax is \$0.325982, which represents the rate that would be needed to produce the exact same revenue as the previous year.
- The Voter Approval Rate is \$0.401250

Property Tax Revenue – FY2022

- General Fund (Operations and Maintenance)
 - \$17.1M in FY22
 - \$15.9M in FY21
 - 7.55% increase
- Debt Service (Interest and Sinking)
 - \$23.1M in FY22
 - \$18.75M in FY21
 - 23.2% increase
 - \$28M for 2021 Mobility Bond

General Fund – Property Valuations



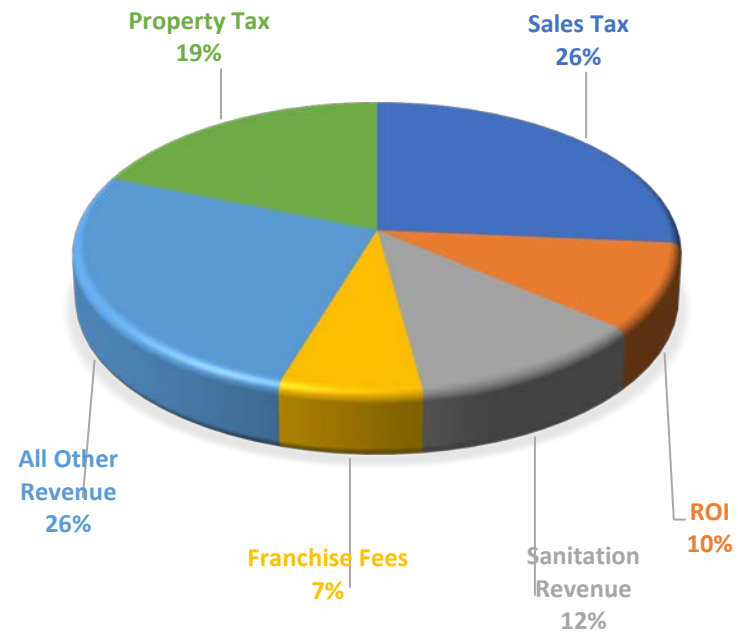
Source: Williamson Central Appraisal District

Summary of New Staffing – By Fund

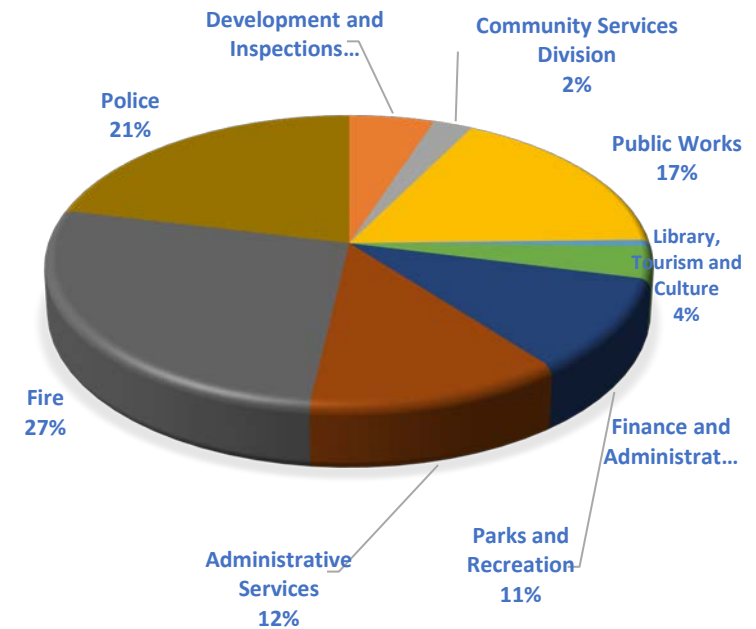
• General Fund	18.5
• Fire: 4 support; 7 overstaffing	
• Police: 5	
• Planning: 2	
• CMO (\$ only), Records 1, Parks 1, Communications 1, Arts (.5)	
Public Works 1	
• Eliminate Management Analyst and Court Supervisor: -2	
• Joint Services Fund	4
• Engineering 2, Accounting 1, City Attorney's Office 1	
• Electric Control Center 1, Operational Tech 3	4
• Water Admin/Regulatory 3, Metering 8.5, Plants 6, Operations 4	21.5
• Stormwater	1
• Facilities	1
• IT	<u>1</u>
• TOTAL	53

Where the Money Comes From/Goes General Fund

FY2022 REVENUES



FY2022 EXPENSES



FY22 General Fund Expenses

- Base Budgets
 - Restore travel and training to pre-COVID level
 - Restore programming that was cut or decreased from the impact of COVID
 - Restore transfers to special revenue funds
- Proposed Service Level Enhancements:
 - Ongoing: \$3.5M
 - One-time: \$2.5M
 - Total Cost: \$6.0M

FY22 General Fund New Expense Highlights

• Unified Development Code diagnostic and update	\$500,000
• Overall Transportation Plan update	\$400,000
• Pavement Condition Index study update	\$500,000
• Parking Study	\$350,000
• Future Land Use Map Update	\$100,000
• K9 Program Capital	\$300,000
• Website Update	\$80,000
• Williams Drive Access Management Study	\$105,000
• Library electronic materials and books	\$78,000
• Central Texas Regional Swat Transport Van	\$61,555
• Medical supplies	\$100,226

General Fund Changes since Aug 10

- Workshop question on EMS expenses prompted staff review of new personnel budget model built in Adaptive
- Discovered configuration error in the model with step increases, fixed the error
- Reduced fire, EMS, police cost center expenses by about \$500K total
- Shifting \$500K to General Government Contracts cost center to increase public safety placeholder budget programs for over hire staffing scenarios
- Anticipated vacancies in police, over hire will allow flexibility to maintain continuity of services

Electric Fund FY22 Budget

- Operating Revenues totals \$92.8M which represents a 2% increase from FY21 projections
 - Electric sales revenues are projected to be \$85.5M. Increase from commercial and residential growth.
- Operating Expenses total \$81.4M with proposed service level enhancements
 - Net purchased power costs budgeted at \$54.4

Electric Fund FY22 Budget

- Non-Operating Revenues totals \$10.2M
 - Bond proceeds for CIP projects and new vehicles total \$8.5M
 - Renewable energy credits total \$1M
- Non-Operating Expenses total \$17.3M which represents a 38.1% increase relative to FY21 projections.
 - \$7.4M for CIP projects related to electric system growth and enhancements
 - \$9.7M for debt service
 - \$5.3M of the debt service requirement related to annual principal and interest payments for the extreme energy costs of Winter Storm Uri
- Ending fund balance is budgeted \$36.2M
 - Reserves totals \$35.1M

Water Fund FY22 Budget

- Operating Revenues totals \$92.2M which represents a less than a 1% increase from FY21 projections
 - Increase reflects moderate customer growth as well as the continuation of a high volume of impact fees
- Operating Expenses total \$57.9M with proposed service level enhancements
 - Increase in water expenses primarily from service level enhancements and an increase in wholesale water purchases

Water Fund FY22 Budget

- Non-Operating Revenues totals \$18.1M
 - Bond proceeds for CIP projects total \$16.6M
- Non-Operating Expenses total \$58M which represents a 38.1% increase relative to FY21 projections.
 - \$49.8M for new CIP projects
 - \$8.2M for debt service
- Ending fund balance is budgeted \$59M
 - Reserves totals \$23.8M

Budget Summary

- City Manager Proposed Budget addresses:
 - Increased staffing to address growth related pressures to continue high levels of customer service
 - Implementation of Council Goals established in February
 - Preparing for continued growth in the future through updated master planning and studies related to growth pressures
 - Initiation of projects in 2021 mobility bond
 - Acceleration of water/wastewater infrastructure
 - Recruitment and Retention of our staff team

FY2022 Budget Calendar

- Sep 14: Regular Meeting: public hearings, 1st reading of the budget, 1st reading of the tax rate
- Sep. 28: Regular Meeting: 2nd reading of the budget, 2nd reading of the tax rate
- October 1: Beginning of new fiscal year

Future Public Outreach

- Proposed budget and presentation posted at finance.georgetown.org
 - Comment box online
 - City website and eBook at Library; Facebook
 - Press release on proposed budget
 - Social media education campaign
- Public Hearings on Budget and Tax Rate 9/14
- Adopted Budget in Brief published on website
- Adopted Budget (full book) published on website/library
- News release on adopted budget