

GEORGETOWN TRANSPORTATION ENHANCEMENT CORP FUND

The purpose of the Georgetown Transportation Enhancement Corporation Fund (GTEC), a 4B Sales Tax Corporation, is to promote economic and community development within the City and the State of Texas through the payment of costs for streets, roads, drainage, and other related transportation system improvements including the payment of maintenance and operating expenses associated with such authorized projects. The funding source for GTEC is ½ cent of the City's sales tax rate.

FISCAL YEAR 2022

Total revenues are projected to be \$16.6 million, which includes \$3.8 million of bond proceeds budgeted for the Witteria Way at Gateway 35 Industrial Park, and Jesse Cocke Drive at the new Costco site. Sales tax collections are projected to end the year at \$12.7 million, 14% more than budget. Sales tax collections remained strong throughout the year due to strong economic growth.

Total expenses are projected to be \$34 million. Projects in progress for this year include the Gateway 35 Industrial Park and Costco road projects, as well as completing roll forward projects from prior years. Incentive agreement payments have been made for meeting performance for the Titan North Park 35 Industrial Park project and the Gateway 35 Industrial Park project.

Total fund balance is projected to be \$24.4 million, which includes a debt service reserve of \$3.9 million and a contingency reserve of \$2.6 million.

FISCAL YEAR 2023

Budgeted revenues are expected to total \$33.7 million. Sales Tax is estimated to increase 8% over FY2022 projections. Bond proceeds are budgeted at \$20 million to cost-share funding with TXDOT for IH-35 to Wolf Ranch Parkway widening project.

Budgeted expenses total \$29 million. This includes GTEC's total self-supporting debt service payments of \$921,000 in the fund, and \$3.3 million of transfers out to the General Debt service fund for previously issued debt for GTEC projects. The Joint Services Fund allocation increased significantly due to an updated distribution methodology for Systems Engineering identified in the FY2022 cost allocation study. The General Fund allocation decreased significantly due to several changes in the allocation methodology made during the cost allocation study model update. A reserve of 25% of sales tax revenues is appropriated in Operations for economic development projects that may come up during the fiscal year. \$20 million of capital expense is budgeted for the IH-35 to Wolf Ranch Parkway widening improvements. Incentive agreement payments are estimated for a road off of Lakeway Drive to improve access to the west side to of the Airport Costco, and Loram.

Total fund balance is projected to be \$29.2 million by September 30th, 2023. This fund is budgeted to meet the policy of allocating 25% of sales tax as a contingency reserve. This fund also meets a debt service reserve of \$4 million.

FUND SCHEDULE

GTEC						
	FY2021	FY2022		FY2023		
	Actuals	Amended Budget	Projected	Base Budget	Changes	Proposed Budget
Beginning Fund Balance	31,029,698	38,900,043	41,794,893	24,410,556	-	24,410,556
Operating Revenue						
40002:Sales Taxes	10,618,823	11,125,005	12,654,073	13,666,398	-	13,666,398
42001:Interest Income	25,704	24,000	50,000	31,500	-	31,500
Operating Revenue Total	10,644,527	11,149,005	12,704,073	13,697,898	-	13,697,898
Operating Expense						
Operations	346,223	247,716	247,416	441,581	-	441,581
Transfers	2,758,343	3,232,111	3,232,111	3,276,732	-	3,276,732
Operating Expense Total	3,104,567	3,479,827	3,479,527	3,718,313	-	3,718,313
Available Operating Fund Balance	38,569,659	46,569,221	51,019,439	34,390,141	-	34,390,141
Non-Operating Revenue						
46001:Bond Proceeds	7,405,000	3,700,000	3,775,000	20,000,000	-	20,000,000
46002:Bond Premium	731,229	-	162,358	-	-	-
Non-Operating Revenue Total	8,136,229	3,700,000	3,937,358	20,000,000	-	20,000,000
Non-Operating Expense						
Operations	-	2,500,000	9,700,000	4,300,000	-	4,300,000
CIP Expense	4,027,459	19,901,742	19,901,742	20,000,000	-	20,000,000
Debt Service	883,535	944,500	944,500	921,109	-	921,109
Non-Operating Expense	4,910,994	23,346,242	30,546,242	25,221,109	-	25,221,109
Ending Fund Balance	41,794,893	26,922,979	24,410,556	29,169,032	-	29,169,032
Reserves						
AFR Adjustment	-	-	-	-	-	-
Contingency	1,984,375	2,617,664	2,617,664	3,512,176	-	3,512,176
Debt Service Reserve	3,494,232	3,918,959	3,918,959	3,994,673	-	3,994,673
Reserves Total	5,478,607	6,536,623	6,536,623	7,506,849	-	7,506,849
Available Fund Balance	36,316,286	20,386,356	17,873,933	21,662,183	-	21,662,183