

**Notice of Meeting for the  
General Government and Finance Advisory Board  
of the City of Georgetown  
March 6, 2019 at 4:30 PM  
at Library: Friends Room 218 located at 402 West 8th Georgetown, TX**

The City of Georgetown is committed to compliance with the Americans with Disabilities Act (ADA). If you require assistance in participating at a public meeting due to a disability, as defined under the ADA, reasonable assistance, adaptations, or accommodations will be provided upon request. Please contact the City Secretary's Office, at least three (3) days prior to the scheduled meeting date, at (512) 930-3652 or City Hall at 808 Martin Luther King Jr. Street, Georgetown, TX 78626 for additional information; TTY users route through Relay Texas at 711.

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**Legislative Regular Agenda**

- A Review minutes from the January 23, 2019 General Government and Finance Advisory Board Meeting - Amy Janecka, Board Liaison
- B Review and discussion of the Comprehensive Annual Financial Report (CAFR) and the independent audit for the fiscal year ended September 30, 2018. - Elaine S. Wilson, Controller
- C Consideration and possible action to recommend approval of a Renewal Agreement with Brandt Company of Austin, Texas through Buyboard contract # 558-18 for heating, ventilation and air conditioning (HVAC) services in the estimated annual amount of \$400,000.00 and to recommend ratification of \$120,000.00 of previous expenditures for similar purchases from the Brandt Company. - Trish Long, Facilities Superintendent, Eric Nuner, Parks & Recreation Assistant Director
- D Consideration and possible action to approve the annual purchase of replacement desktop computers in the amount of \$178,138.10. James Davis, IT Operations Manager - James Davis, IT Operations Manager
- E Consideration and possible action to approve the purchase of additional storage for the City's Exagrid back-up system from LH Computer Services in the amount of \$85,000.00 - Chris Bryce, IT Director and James Davis, IT Operations Manager

**CERTIFICATE OF POSTING**

I, Robyn Densmore, City Secretary for the City of Georgetown, Texas, do hereby certify that this Notice of Meeting was posted at City Hall, 808 Martin Luther King Jr. Street, Georgetown, TX 78626, a place readily accessible to the general public at all times, on the \_\_\_\_\_ day of \_\_\_\_\_, 2019, at \_\_\_\_\_, and remained so posted for at least 72 continuous hours preceding the scheduled time of said meeting.

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Robyn Densmore, City Secretary

City of Georgetown, Texas  
Government and Finance Advisory Board  
March 6, 2019

**SUBJECT:**

Review minutes from the January 23, 2019 General Government and Finance Advisory Board Meeting -  
Amy Janecka, Board Liaison

**ITEM SUMMARY:**

**FINANCIAL IMPACT:**

N/A

**SUBMITTED BY:**

Amy Janecka, Board Liaison

**ATTACHMENTS:**

Description	Type
 GGAF Draft Minutes 1.23.2019	Backup Material

**Minutes of Meeting of the  
GENERAL GOVERNMENT AND FINANCE ADVISORY BOARD (GGAF)  
City of Georgetown, Texas  
January 23, 2019**

The General Government and Finance Advisory Board met on Wednesday, Jan 23, 2019 at 4:30 PM in Friends Room 218 of the Library, located at 402 West 8<sup>th</sup> Street, Georgetown, Texas.

The City of Georgetown is committed to compliance with the Americans with Disabilities Act (ADA). If you require assistance in participating at a public meeting due to a disability, as defined under the ADA, reasonable assistance, adaptations, or accommodations will be provided upon request. Please contact the City Secretary's Office, at least three (3) days prior to the scheduled meeting date, at (512) 930-3652 or City Hall at 113 East 8<sup>th</sup> Street for additional information; TTY users route through Relay Texas at 711.

**Board Members Present:**

**Tommy Gonzalez, Chair  
Chere' Heintzmann, Secretary  
James Bralski  
Stu McLennan**

**City Staff Present:**

**Laurie Brewer, Assistant City Manager  
David Morgan, City Manager  
Charlie McNabb, City Attorney  
Chris Bryce, IT Director  
Stacey Fails, IT Admin Assistant  
Stan Hohman, Fleet Manager  
Eric Johnson, CIP Manager  
Leticia Zavala, Customer Care Director  
Mike Babin, Deputy General Manager, GUS  
Cindy Pospisil, Customer Care Operations Manager  
James Foutz, Marketing and Conservation Manager  
Amy Janecka, Finance Admin**

**Others present:**

**Filip Vanslambrouck with Itineris  
Robert Hunter with Itineris  
Elizabeth Hughes with Itineris  
Don O'Haver with O'Haver Contractors  
John Zamoyski with O'Haver Contractors**

**Legislative Regular Agenda**

Tommy Gonzalez, Chair called the meeting to order at 4:32 p.m.

**A Review minutes from the November 28, 2018 General Government and Finance Advisory Board Meeting - Amy Janecka, Board Liaison**

No questions or comments regarding the minutes. Motion to approve the minutes by James Bralski, second by Stu McLennan. Approved 4-0

**B Consideration and possible action to approve purchasing authority for fuelcard services and related products with FleetCor Technologies dba Fuelman in amount not to exceed \$875,000. – Stan Hohman, Fleet Manager.**

Stan Hohman reviewed the 5 year trend on fuel usage and estimates for the next year. The requested amount is a 5.4% increase over last year's request. Tommy Gonzalez asked if any savings could be realized from electric vehicles. Stan explained that there are currently two electric vehicles in the fleet and currently fueled vehicles are the most effective and cost efficient for the city's needs but he is

looking into electric vehicles each year. Stu McLennan asked if both unleaded and diesel are included and Stan verified that both are included.

Motion to approve by James Bralski, 2<sup>nd</sup> by Chere Heintzmann. Approved 4-0

**C Consideration and possible action to approve a Construction Contract with O'Haver Contractors of San Antonio, Texas for the Construction of Fire Station No. 6 in the amount of \$4,619,200. – Eric Johnson, CIP Manager.**

Eric Johnson reviewed the location, building design, site plan, and floor plans which include a community meeting room for Fire Station 6. He then reviewed the RFP, RFP responses, the evaluation team, and methods used to score the responses. All permits are ready to go for the construction.

Tommy Gonzalez asked about the irrigation option that was included in the contract and whether dry scape was an option. Eric responded that even though the site is not in the city limits, they chose to landscape according to the city's usual requirement to make the site a welcoming place. The landscaping is minimal and includes plants on the city's plant list. They are also fire safe as requested by the fire department. James Bralski asked about harvesting rain from the roof of the station. Eric explained that the surface area of the roof was not large enough to make this effective. It was also questioned and noted that the city does not have any requirements to investigate the feasibility of rain harvesting on new builds.

Stu McLennan asked if IT has been involved in the planning stages thus far and Eric verified that they have been working with IT for the IT needs of the space. The board also asked about the stability of O'Haver as a company and Eric confirmed that he researched the company and also called references provided by O'Haver as well as others not provided by O'Haver. All references had high recommendations.

James Bralski asked if the board could hear the next item before voting on this item as the two items were related. Tommy Gonzalez confirmed this could be done.

James Bralski motioned to approve after presentation and discussion on item D, 2<sup>nd</sup> by Stu McLennan. Approved 4-0

**D Consideration and possible action to approve a Construction Contract with O'Haver Contractors of San Antonio, Texas for the Construction of Fire Station No. 7 in the amount of \$5,261,000. – Eric Johnson, CIP Manager**

Eric Johnson reviewed the location, building design, site plan which would utilize half of the acreage at this time, and floor plans of Fire Station 7. He also explained that in the future an additional metal building would be built on the site but it is not included in this contract. Eric then reviewed the RFP, RFP responses, the evaluation team, and methods used to score the responses. As part of the RFP, respondents were asked if a discount would be given if both Fire Station 6 and Fire Station 7 contracts were awarded to a single contractor. O'Haver will discount Fire Station 7 by \$50,000 if they receive both contracts. Eric explained that during the permitting process, two questions regarding the building plans were raised and both have been addressed. The permits should be finalized soon. Construction of Fire Station 7 will run concurrent with Fire Station 6. Tommy Gonzalez asked about budget contingencies and Eric explained that he has as much as possible.

Chere Heintzmann asked about the option to award one contract to a local contractor and one to O'Haver. Eric explained that Fire Station 6 and Fire Station 7 responses were evaluated separately and O'Haver scored the highest on both. Chere asked about the score difference between the local vendor and O'Haver and Eric provided the scores.

James Bralski motioned to approve, 2<sup>nd</sup> by Stu McLennan. Approved 4-0

**E Consideration and possible action to recommend approval of a business consulting and IT support services contract with Itineris, N.A. to provide services through September 31, 2019 for \$320,500 and to provide services for two additional years for an annual expenditure of \$424,500. -Leticia Zavala, Customer Care Director**

Leticia Zavala recapped this item from the November 2018 meeting when it was originally brought to the GGAF board and gave a background on the project history and timeline. Chris Bryce presented information on the IT catalyst plan and how this project coincides with it. Leticia then reviewed the need for the software and the benefits it would provide that the old system lacked. The contract pricing updates were shown and Leticia explained the added contingency for exceeding the number of allotted help tickets. In addition, the points system was replaced with a number of effort days in order to make it more quantifiable.

Chere Heintzmann asked if this was a sole source bid and whether a multi-year discount was given. Leticia verified that it is a sole source bid and a multi-year discount was given.

Tommy Gonzalez asked for clarification on the ticket category names for Data Issues and Request for Information. Filip Vanslambrouck with Itineris clarified what each meant and their difference. Tommy suggested tracking Request for Information in particular to see if they go down over time as they are related to training.

Chere Heintzmann commented on the SOW language for travel expenses and ensuring they are submitted in a timely manner. She also asked about a termination for cause not being directly called out. Charlie McNabb and Leticia Zavala responded to her concerns.

James Bralski motioned to approve, 2<sup>nd</sup> by Chere Heintzmann. Approved 4-0

Meeting adjourned at 5:45pm.

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Tommy Gonzalez  
Board Chair

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Date

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Chere' Heintzman  
Board Secretary

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Date

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Amy Janecka  
Board Liaison

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Date

City of Georgetown, Texas  
Government and Finance Advisory Board  
March 6, 2019

**SUBJECT:**

Review and discussion of the Comprehensive Annual Financial Report (CAFR) and the independent audit for the fiscal year ended September 30, 2018. - Elaine S. Wilson, Controller

**ITEM SUMMARY:**

City staff and the City's auditors will present the Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2018. Staff will present an overview of the results and the preliminary CAFR document. The City's external auditor, Adam McCane, CPA, with the firm of Weaver and Tidwell, LLP will also discuss the results of the auditors' independent audit, compliance with auditing standards, testing over internal controls and fraud risk assessment.

As of the posting date for this item, City staff and the auditors are still working to finalize the transmittal letter, and the re-distribution of amounts between various line items on some of the schedules. However, this re-distribution does not materially affect the financials and will be finalized prior to the City Council presentation on March 26, 2019.

The Board will be asked to take action to recommend that Council accept the September 30, 2018 CAFR at the March 26, 2019 regular council meeting.

**FINANCIAL IMPACT:**

NA

**SUBMITTED BY:**

Elaine S. Wilson, Controller

**ATTACHMENTS:**

<b>Description</b>		<b>Type</b>
<input type="checkbox"/>	CAFR Draft Document	Backup Material
<input type="checkbox"/>	CAFR Auditor Presentation	Presentation
<input type="checkbox"/>	CAFR City Presentation	Presentation



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2018



DRAFT FOR DISCUSSION PURPOSES ONLY -  
Subject to final review and possible  
revision and should not be relied upon  
or redistributed.



# City of Georgetown, Texas

## Comprehensive Annual Financial Report For the Fiscal Year Ended September 30, 2018

Prepared by:

**Division of Finance and Administration**

Elaine S. Wilson, Controller  
Christi Rawls, Asst. Controller

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**City of Georgetown, Texas**  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended September 30, 2017  
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# Introductory Section



February 28, 2019

Honorable Mayor and City Council,  
City Manager and Citizens of Georgetown, Texas:

The comprehensive annual financial report of the City of Georgetown, Texas (the City) for the year ended September 30, 2018, is hereby submitted. The financial statements are presented in conformity with accounting principles generally accepted in the United States of America as set forth by the Governmental Accounting Standards Board (GASB) and have been audited by independent auditors in accordance with generally accepted auditing standards.

**Management Responsibility for Financial Information.** The City's Finance Division has prepared the report and is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is complete and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

**The Reporting Entity.** This report includes all the funds of the City, as well as, the City's discretely presented component unit, the Georgetown Economic Development Corporation (GEDCO), its Texas 4A economic development corporation. The City provides a full range of services, which include police and fire protection; construction and maintenance of streets and other infrastructure; recreational activities and cultural events. In addition to general government activities, the City also provides electric, wastewater, water, stormwater drainage and airport services which are included in the reporting entity. The City is also financially accountable for Georgetown Transportation Enhancement Corporation (GTEC), a Texas 4B economic development corporation, which funds transportation projects that enhance economic development within the City. GTEC is presented as a blended component unit within the reporting entity.

**Management Discussion and Analysis.** Generally accepted accounting principles (GAAP) require management to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report located at the front of the financial section of this report.

## DESCRIPTION OF THE CITY

Georgetown is a Home Rule Charter City and operates under a Council - Manager form of government. A mayor, elected at large, and seven council members, elected from single member districts, serve staggered, three-year terms. Georgetown is located on Interstate 35, the major corridor between Dallas and San Antonio, at the intersection of State Highway 130. Georgetown was founded in 1848 with a strong agricultural base, in the heart of Williamson County, 26 miles north of Austin. Today, Georgetown has an estimated population of 63,227 within the city limits, with an estimated population of 89,839 inclusive of the extra-territorial jurisdiction (ETJ) and serves as the county seat of Williamson County.

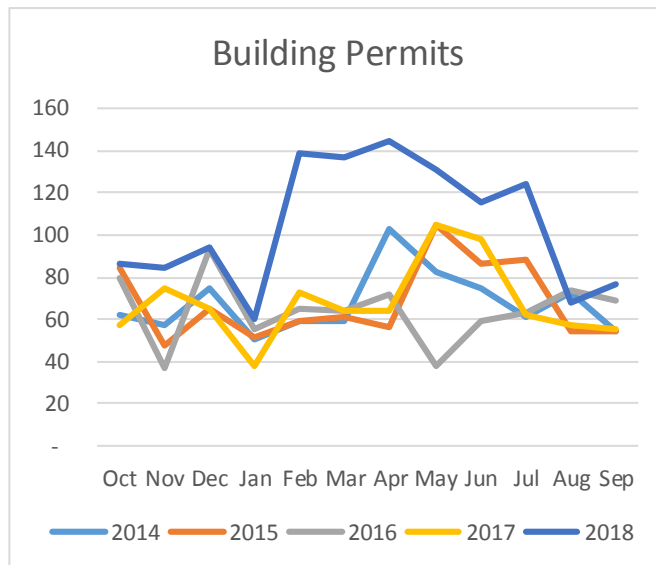
Georgetown's economic development initiatives to diversify tax base, expand retail and create jobs have been balanced with a focus of maintaining the community's unique character and quality of life. The downtown commercial district, with The Most Beautiful Square in Texas, continues to expand its arts, culture, dining and entertainment venues.

Award-winning parks, extensive river trail systems along the North and South San Gabriel Rivers and Lake Georgetown have been leveraged with the low crime rate to make the City an attractive place to live and work. In 2018, Southern Living magazine named Georgetown as the “Best City to Live in the South”.

Georgetown is also home to Southwestern University, which continues to receive national recognition. The University has been named to Kiplinger’s list of the 100 best values in liberal arts colleges and has been noted as one of ‘America’s Best Value Colleges’ by the *Princeton Review*. With an average enrollment of 1500 students and 450 employees, the University provides substantial economic and cultural contributions to Georgetown.

## GEORGETOWN'S ECONOMIC OUTLOOK AND FINANCIAL CONDITIONS

### Economic Outlook

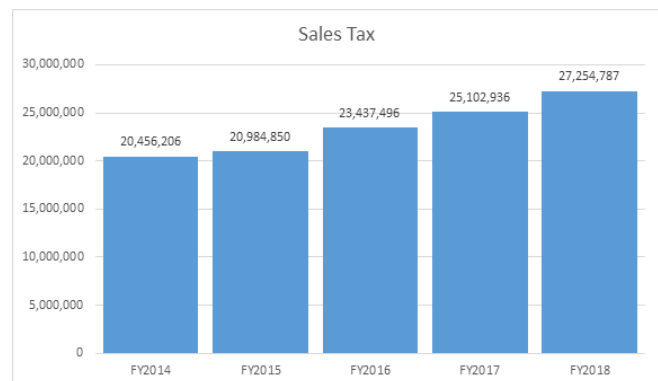


Georgetown’s economy continued to grow during 2018, mirroring the strong development in the Austin metro region. Property values, sales tax revenue, and population increased in 2018. New single family housing starts of 1,430 or the year continued to show the desirability for homes in the area. The City’s total assessed property total value has grown to over \$7.3 billion, representing an increase of over 8.9% from last year. The average home value increased 5.3% to 266,600 in 2018.

Sun City, Wolf Ranch Hillwood Saddle Creek and the Summit at Rivery Park continue to expand single and multi-family living options, as well as increased restaurants and shops to support the residential demands.

The Austin area unemployment rate was 2.5% for December 2018, compared to 4.1% nationally. The Central Texas region continued to see strong growth in new jobs and in retail sales. The City’s commercial and job base continued to grow with the expansion of several small commercial and retail centers, as well as growth in the school district, county and city governments.

Sales tax revenues 8.5% over the prior year, demonstrating solid growth in the local economy for the sixth consecutive year. The first quarter of the 2019 fiscal year continued this trend with sales tax receipts coming in 12.2% higher over the prior year. Two new major retail developments are in the planning stages, which will provide continued growth in this revenue stream.



## New Economic Development Projects

The City continued its implementation of the economic development strategic plan that was developed over the past two years. The plan centers around four goals: 1) Support of existing businesses and industries; 2) Enhance targeted recruitment of identified industries; 3) Diversify workforce development and recruitment initiatives; and 4) Encourage speculative development.

**Wolf Crossing.** The ground breaking ceremony for Wolf Crossing, a 250,000-square-foot retail center, broke ground on October 2, 2018 at the site, which is at the southeast corner of I-35 and University Avenue in Georgetown. The project includes restaurants, medical facilities, neighborhood services, a hotel, and a grocery store. It is expected to open in fall 2019. Specific retailers include Marriott Fairfield Inn and Suites, Verizon, P. Terry's, Jason's Deli, Tiff's Treats, First Watch café, and Salons by JC.



The project consists of approximately 185,403 square feet of overnight accommodations, medical and institutional facilities, automotive sales and services, consumer retail sales and services, and food and beverage establishments on 42.32 acres. The project will be developed in 3 phases, of which Phase 1 includes all hardscape improvements (parking, landscaping, utilities and trail head to the South San Gabriel river) and three buildings for retail and restaurant uses (approximately 32,890 square feet).

**Holt Caterpillar** broke ground in January 2018 on a 60,000 square foot regional Caterpillar equipment sales and repair facility. This \$20M investment is expected to create 129 new jobs and will have a \$16 million impact to the City over the next 10 years. The facility is expected to open late Summer 2019.

**Infrastructure Grants** Through its economic development corporations, GTEC and GEDCO, the City invested millions of dollars in streets and utility improvements to facilitate business development in Georgetown in 2018. The Airport Road project and the expansion of high pressure gas lines in the downtown area are two examples of projects that increase opportunities for new business and expansion of existing business.





**City Center Construction** The City broke ground on a renovation project in downtown to expand two facilities that were not being fully utilized. The City Hall and the Council/Courts Building will house employees from Human Resources, Court, Finance, City Manager's Office, City Secretary's Office, Economic Development, and Communications, providing for more efficient service delivery.



The City has contracts for sale of two vacated buildings on the square, which allows those buildings to be put towards their highest and best use to improve the City as a dining and entertainment district. The buildings are expected to be renovated and reopened with restaurant, event space, bar and microdistillery uses.

## INITIATIVES

**Mobility Improvements:** Georgetown, like many growing cities, is investing in infrastructure to ensure mobility needs are met for the future. The Southwest Bypass open in 2018, which partnered with Williamson County to construct a north-south corridor to provide alternative mobility options. The \$20 million project was the largest transportation project in the City's history and was approved as part of a \$105 million referendum that received 75% approval by voters in May 2015.

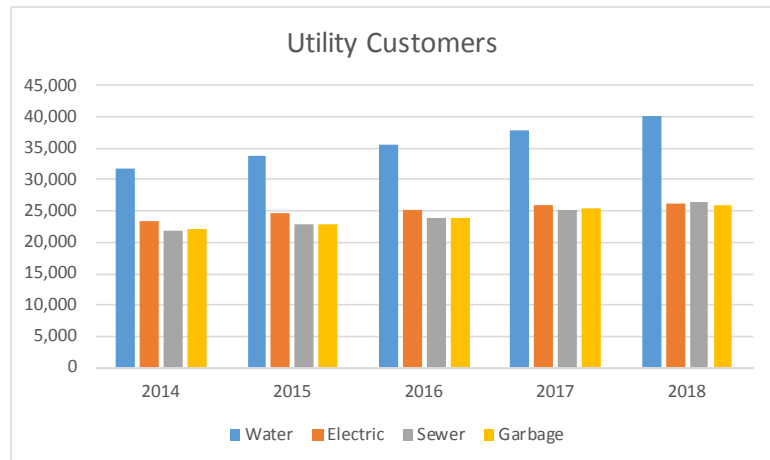
The Farm to Market 1460 project also opened in 2018, increasing that road's capacity from two lanes to four lanes for a 3.5 mile segment. This project was a partnership with the Texas Department of Transportation to create an alternate parallel to IH35, as well as increase safety.

Design and right of way acquisition was completed in 2017 for the extension of Rivery Boulevard from Williams Drive to Northwest Boulevard, with construction planned in 2018 as funding for the Northwest Boulevard bridge project becomes available through the Texas Department of Transportation. The improvements in this area will significantly alleviate traffic congestion on Williams Drive.



In August 2017, the City launched a new fixed route bus system. Four routes provide service from 7 am to 7 pm Monday through Friday, and from 8 am to 6 pm on Saturdays, with the transit hub being at the Georgetown Public Library. Paratransit services are also offered. This program was made possible through strong partnerships with Capitol Area Rural Transportation System, CapMetro and the Georgetown Health Foundation.

**Quality Growth.** Growth in the residential and commercial sectors of Georgetown is sustainable due to innovative long range planning in the utility areas. In September of 2015, the City Spinning Spur 3 wind farm came online, with 97 turbines generating power. Located 50 miles west of Amarillo, Spinning Spur 3 is contracted to generate 144MW for the City for 20 years. In July 2018, the City began receiving solar energy through its contract with NRG Energy solar energy from a 154-megawatt photovoltaic (pv) solar project near Fort Stockton that will supply renewable energy to Georgetown through a 25-year purchased-power agreement. With these purchased power contracts in place, the City of Georgetown is poised to be only the second municipally owned utility to be 100% renewable by 2018. The investments in these purchased power contracts ensure the City can provide sustainable, renewable, and cost effective energy for decades to come. These new long-term contracts provide a hedge against carbon legislation costs. While short-term costs are forecasted to fluctuate, the long-term cost savings from fossil fuels are expected to provide cost savings to the growing community.



The City has owned its electric utility since the early 1900s. The community derives great value from having a citizen-owned electric utility. Profits from the utility are retained in the City for the betterment of the entire community and the ownership by the citizens ensures coordination between water, wastewater. The City completed extensive planning to secure long range supply contracts at fixed prices over the past five years. As a growing community, the City secured enough energy to meet its annual peak demand and settled excess energy (its "long position") during non-peak periods into the Texas grid. While the electric utility has been very predictable in its income generation for many years, the past few years of excess energy settlements have been affected by the impact of a depressed global energy market, as well as a drop in individual consumer demands driven by consideration efforts, energy saving technologies and generally more energy efficient construction. As such, the income for the utility decreased in 2018 to a loss position. Several initiatives are being undertaken to plan for future years. The City completed a rate study late in 2018 and implemented new rates in January 2019. In addition, the City increased the power cost adjustment on monthly bills to recover a portion of the 2018 shortfall.

The City completed the acquisition of the Chisholm Trail Special Utility District (CTSUD) in 2015 through the approval of the Public Utility Commission of Texas for the transfer of service areas. This consolidation, provides for stronger regional water planning and resource management to support the continued future growth expected within the region, especially in the city's northwestern growth corridors. Significant capital improvements, such as wastewater interceptors and water and wastewater plant expansions, are underway to continue to meet service demands for residential and commercial expansion. In addition, three elevated storage tanks are being constructed to help meet service demands: Sun City, Cedar Breaks and Braun.

The City evaluated its contracted water and wastewater plant operations and developed a plan to move those services in house beginning October 1, 2016. This strategy is expected to generate a cost savings of over \$5 million over the next five years.

Georgetown takes an active role in water and wastewater planning with the Brazos River Authority (BRA) to find regional solutions to the ever increasing demand for services, while protecting the natural environment within the area. Growth within the utilities continues to have strong positive impacts to the financial and economic conditions of Georgetown.

### **Quality of Life.**

The City Council confirmed a new vision statement for the City: "Georgetown: A caring community honoring our past and innovating for the future". The Council and staff strive to continue to exceed create places and conditions that make the community a special place to live with a high quality of life, as well as a great place to visit.

**Public Safety** –The Council continued its investments in quality of life for Georgetown residents through increasing resources towards public safety. A partnership with Emergency Services District #8 allows for city provided fire and emergency medical services in the ETJ. This partnership also provides a foundation for planning and placement of fire stations to ensure response times in future in both the City limits and the ETJ. The City designed its sixth fire station at the western edge of the community in 2018 and will begin construction in 2019. Land acquisition for fire station 7 on the eastern edge of the City was completed in 2018, with construction to be completed in conjunction with station six. These partnerships and investments ensure that growth demands do not negatively impact high quality emergency response.

**Award Winning Parks and Trail System** – The City celebrated the grand opening of **Garey Park** on June 9, 2018. At 525-acres, Garey Park is one of the largest city parks in the state and is located along the South San Gabriel River at 6540 RM 2243. The donation of the 525 acres, along with \$5 million for park development by Jack and Cammy Garey for the park represents the largest donation in the City's history. The City completed construction of trails, equestrian areas, playground and splash pad, day use areas and a dog park, as well as the renovation of the former Garey home for an event destination through bonds approved by the voters in 2008.





The **San Gabriel Park** is designated a Lone Star Legacy Park by the Texas Recreation and Parks Society due to its historic prominence within the community and the state. 200 year old oak trees grace the park along the river, which runs through the heart of downtown. A master plan to renovate the park was developed in 2016, and the first of a four phase renovation project was complete in 2018, with the second phase is currently under construction. This phase includes a half mile trail expansion. Future phases to expand the park uses.

The downtown square continues to thrive, with new construction and business development in the pedestrian oriented environment.

**Long Range Planning.** Planning for Georgetown's future is a major priority and has required consistent updates due to the City's continued explosive growth. On October 2, 2018, as part of the public input process for the 2030 Comprehensive Plan update, the City hosted "On the Table Georgetown," a citywide engagement effort that allows residents from across the City of Georgetown to participate in small group discussions all on the same day, at any location.



The City and its community partners asked residents to put all their ideas for the future of Georgetown on the table. This process helps guide the City's land development decisions and set the vision for Georgetown, and is a great opportunity for residents across the city to give input on the future of Georgetown. Over 2,850 individuals participated in this planning effort.

## FINANCIAL INFORMATION

The City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft or misuse and that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The City's Finance Director, Controller, and other key staff in the Finance Division design and maintain the internal control structure. These controls are under continual review by management, and under annual review by the independent auditors. During the year, the Finance Division performs internal audits on selected procedures and operations throughout the City organization. The selection of priorities and timing of audits are determined by the Finance Director, along with the City Manager.

**Single Audit.** As a recipient of federal and state financial assistance, the City is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal controls are subject to periodic evaluation by management. The tests relating to the receipt of such funds are known as Single Audit testing. These tests are made to determine the adequacy of internal controls, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The compliance section is included in the final section of this document.

**Budgetary Controls.** The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by division and department within an individual fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts are reserved at year-end and carried forward into the following year.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

## OTHER INFORMATION

**Independent Audit.** The City Charter requires an annual audit by independent certified public accountants. The accounting firm of Weaver and Tidwell, LLP was selected by the City Council. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2018, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion and that the City's financial statements for the fiscal year ended September 30, 2018, are fairly presented in conformity with GAAP. The independent auditor's report on the basic financial statements and schedules are included in the financial section of this report.

**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such Comprehensive Annual Financial Reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. The City has received a Certificate of Achievement for thirty-one (31) consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

We are also proud to report that the GFOA has presented the Distinguished Budget Presentation Award to the City of Georgetown for each of the past twenty-nine (29) years.



**Acknowledgments.** The presentation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Division. We would like to express our appreciation to all members of the division who assisted and contributed to its presentation. Special acknowledgment goes to the accounting and budget staff, for their dedication in preparing this report.

We would also like to thank the Mayor and City Council. The preparation of this report would not be possible without their leadership and support.

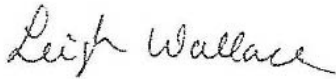
Sincerely,

A handwritten signature in blue ink that reads 'David S. Morgan'.

David Morgan  
City Manager

A handwritten signature in black ink that reads 'Laurie Brewer'.

Laurie Brewer, CGFO  
Assistant City Manager

A handwritten signature in black ink that reads 'Leigh Wallace'.

Leigh Wallace, CGFO  
Finance Director

A handwritten signature in black ink that reads 'Elaine Wilson'.

Elaine Wilson  
Controller



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Georgetown  
Texas**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

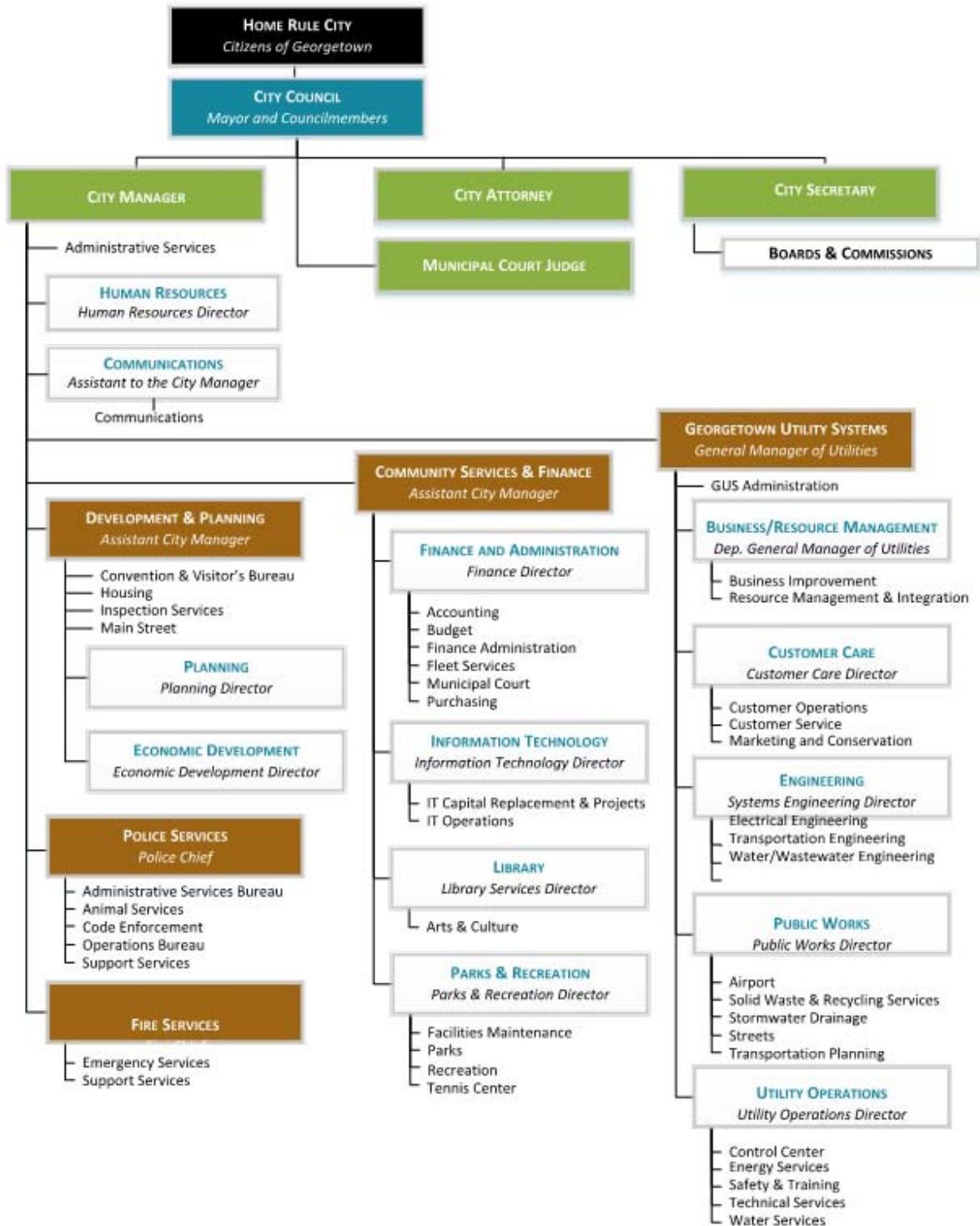
**September 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

## ORGANIZATIONAL CHART

This page visually represents the Divisions and Departments of the City of Georgetown.



FY 2017-18

**Elected Officials**

Mayor	Dale Ross
City Council Member, District 1, Mayor Pro Tem	Anna Eby
City Council Member, District 2	Valerie Nicholson
City Council Member, District 3	John Hesser
City Council Member, District 4,	Steve Fought
City Council Member, District 5	Kevin Pitts
City Council Member, District 6	Rachael Jonrowe
City Council Member, District 7	Tommy Gonzalez

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**Appointed Officials**

City Manager	David Morgan
City Attorney	Charlie McNabb
City Secretary	Shelley Nowling
Municipal Court Judge	Randy Stump

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**Other City Officials**

General Manager for Utilities	Jim Briggs
Assistant City Manager	Laurie Brewer
Assistant City Manager	Wayne Reed
Finance Director	Leigh Wallace
Fire Chief	John Sullivan
Police Chief	Wayne Nero

## Location



*Georgetown is the northern most "gateway" to the gently rolling hills of Central Texas. While Georgetown offers the amenities and charm of a small community rooted in values of days gone by, it is strategically and centrally located in the middle of the four major metropolitan areas of Texas. Austin is 26 miles south, Dallas is three hours north, Houston is three hours southeast and San Antonio is just one-and-a-half hours south, placing Georgetown in a very advantageous position for cultural and economic development. Traveling to and from Georgetown is easy, as it is at the crossroads of IH-35 going north/south and State Highway 29 going east/west. Access to Georgetown via the Austin-Bergstrom International Airport was made much easier with the opening of State Highway 130, the toll road from Georgetown to San Antonio that parallels IH-35.*



## Financial Section

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## Independent Auditor's Report

To the Honorable Mayor and  
Members of the City Council  
City of Georgetown, Texas

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Georgetown, Texas (the City), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

The Honorable Mayor and  
Members of the City Council  
City of Georgetown, Texas

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Texas Municipal Retirement System pension schedules, Other Post-employment Benefits schedules, and Modified Approach for Street Infrastructure Capital Assets as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual major and nonmajor fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The combining and individual major and nonmajor fund financial statements and schedules and the schedule of the expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Honorable Mayor and  
Members of the City Council  
City of Georgetown, Texas

The introductory and statistical sections listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March \_\_, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

(Signature)

Austin, Texas  
March, \_\_, 2019



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## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations

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The following discussion and analysis of the City of Georgetown financial performance provides an overview of the City's financial activities for the fiscal year ended September 30, 2018. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

## Financial Highlights

### General Fund

At the end of the current fiscal year, the fund balance of the General Fund was \$11,946,749 or 10.3% lower than FY 2017 fund balance. The fund had \$9 million of committed fund balance, \$22 thousand of assigned fund balance and \$1.8 million of unassigned fund balance. Revenues were \$511,759 more than the original budget estimates.

General Fund revenues increased \$4.2 million, an increase of 8.8% over FY 2017. This increase is due to 8 greater revenues from growth in sales tax, licenses and permits, other charges for services, environmental services rates and increased ad valorem taxes.

General Fund expenditures increased by \$6.5 million, an increase of 12.1% over FY 2017. This increase was due to city-wide salary increases for merit and market adjustments that went into effect January 2018, increased environmental services costs, cost of Garey Park operations and public safety personnel.

### Governmental Activities

On a government-wide basis for governmental activities, the City had expenses net of program revenue of \$45.8 million. General revenues and transfers totaled \$69.9 million, resulting in an increase in net position of \$24 million.

As of September 30, 2018, the City's governmental activities reported combined ending net position balances of \$332 million. The largest element of this balance is the value of the City's investment in capital assets which totaled \$276.6 million. Capital assets include the value of streets, parks and facilities, net of related debt.

During fiscal year ended September 30, 2018, the City issued approximately \$34,250,000 in General Obligation and Certificates of Obligation bonds for entity-wide purposes. The debt issue included \$19,700,000 for roads, \$4,440,000 for Enterprise Resource Planning System, \$2,465,000 for Public Safety Radios and Vehicles, \$4,150,000 for ADA & Parks, \$2,925,000 for Facilities and \$570,000 for sidewalk projects. The City's general obligation debt is rated AA+ by Standard & Poor's.

### Business-Type Activities

The net position of the City's business-type activities had a current year increase of \$22.6 million. The current year increase is due to the continued growth of the customer base of the utility systems. The City also received \$11.7 million of infrastructure assets contributed by developers for commercial projects and residential subdivisions.

The City's total debt issue included \$6,510,000 of utility system revenue bonds for Electric projects and \$145,000 in Certificates of Obligation bonds for the Airport. Projects included 10% grant cost share of the Airport taxiway lighting project. The City's Standard & Poor's rating is AA on the utility system revenue debt.

## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

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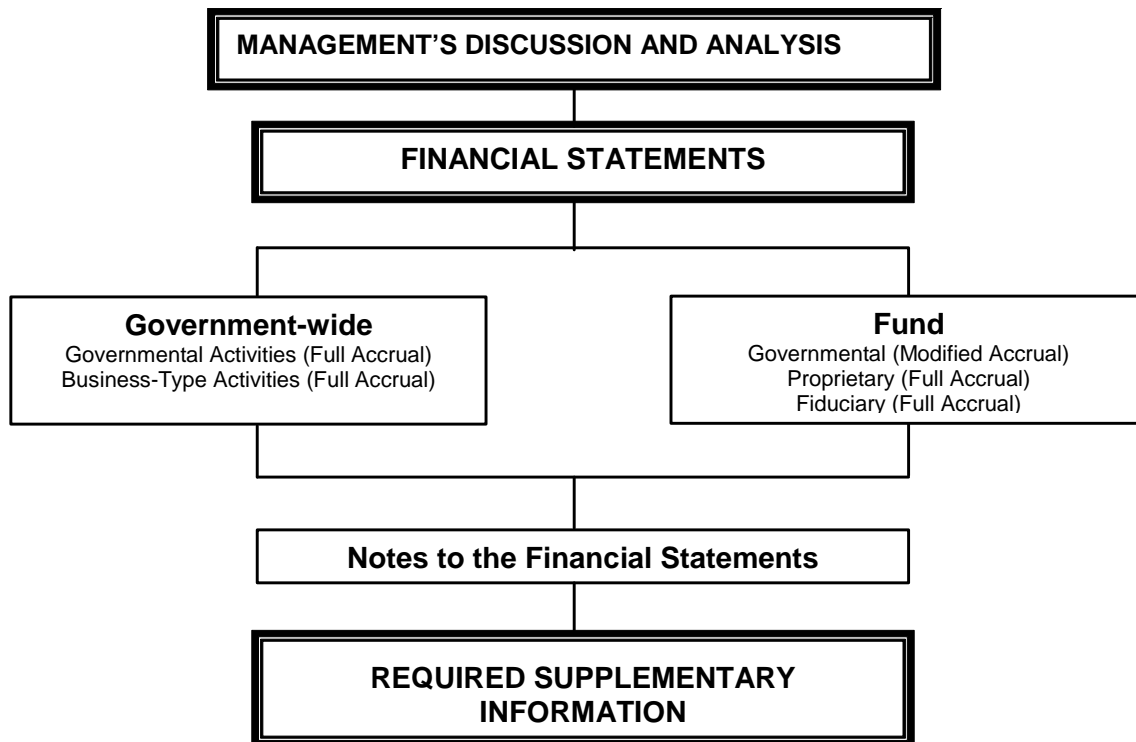
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#### Entity-Wide

The City's total net position on a government-wide basis was \$792.2 million at September 30, 2018, an increase of 6.3% over September 30, 2017. Most of this balance is invested in capital assets or restricted for specific purposes.

The City received \$28.8 million of grants and other capital contributions in FY 2018.

#### Using the Financial Section of this Comprehensive Annual Financial Report



This Comprehensive Annual Financial Report consists of three sections: introductory, financial and statistical. As illustrated in the following chart, the financial section of this report has three components: management's discussion and analysis (this section), the basic financial statements, and required supplementary information.

## **Components of the Financial Section**

### **Basic Financial Statements**

#### Government-Wide Financial Statements

The government-wide financial statements report information about the City as a whole, using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. The statement of activities accounts for all of the current year's revenues and expenses. Both are reported in full accrual basis of accounting meaning recognizing events during accounting period, regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position, which is the difference between the City's assets and deferred outflows and liabilities and deferred inflows, are one way to measure the financial health of the City. Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating. To assess the overall health of the City, one needs to consider other non-financial factors such as changes in the City's property tax base and condition of the City's infrastructure.

The government-wide financial statements of the City are divided into two categories:

Governmental Activities – Most of the City's basic services are included here, such as police, fire and other public safety services, parks and recreation, public library, street maintenance, environmental services, and general administration. Property and sales taxes, return on investment from the City's utility services, and charges for services finance most of these activities.

Business-type Activities – The City's Water Services Fund, which includes water, wastewater and irrigation services, as well as its Electric utility, are reported here. Stormwater Drainage and the City's Airport are also reported in these activities. Rates and fees charged to customers fund the costs of providing these services.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the City's most significant funds and will be more familiar to traditional users of government financial statements. The focus is now on major funds rather than fund types.

## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

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The City has three types of funds:

*Governmental Funds* – General Fund, Special Revenue Funds, Capital Projects Funds and the Debt Service Fund are governmental funds, which focus on:

- (1) How cash and other financial assets can readily be converted to cash flow (in and out), and
- (2) Year-end balances readily available for spending.

Consequently, the governmental funds statements provide a short-term view that helps determine whether there are greater or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided with the governmental fund financial statements that explain the reconciliation between the fund statements and the government-wide statements.

*Proprietary Funds* – Services for which the City collects fees and rates intended to fully recover the cost of providing the service are reported in proprietary funds. Two types of proprietary funds are allowed in governmental accounting: enterprise funds and internal service funds. These funds, similar to government-wide statements, provide both long-term and short-term financial information.

The City's enterprise funds are substantially the same as its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flows. The City uses enterprise funds to account for its electric, water services, airport, and stormwater drainage activities. The City uses internal service funds to report activities that provide supplies and services for the City's other programs, activities and funds. The City's internal service funds are used in providing facility maintenance, fleet services, joint services (providing administrative functions to the other funds), as well as information technology services and self-funded health insurance.

*Fiduciary Funds* – The City is trustee, or fiduciary, for certain amounts held on behalf of others, and for certain pass-through arrangements. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The City's fiduciary activities are reported in a separate statement of fiduciary net assets. Assets for assessment collections for the City's public improvement districts and pass-through lease agreements for Texas Capital Fund projects are held in fiduciary funds. These fiduciary activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

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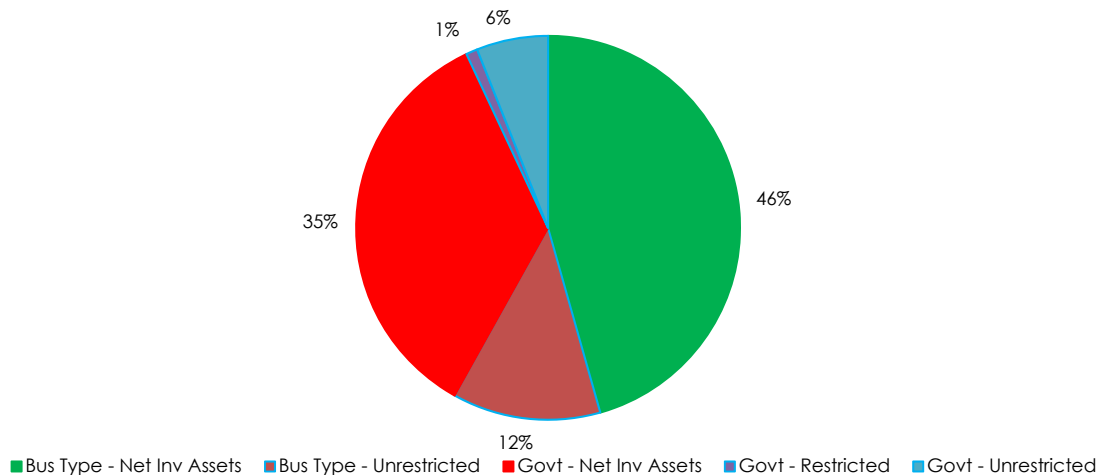
## Financial Analysis of the City as a Whole

### Statement of Net Position

The following table reflects the condensed Statement of Net Position:

	Governmental Activities		Business-Type Activities		Total Primary	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 124,389	\$ 104,151	\$ 123,418	\$ 113,564	\$ 247,807	\$ 217,715
Capital assets	449,220	415,793	465,873	447,241	915,093	863,034
Total assets	573,609	519,944	589,291	560,805	1,162,900	1,080,749
Deferred outflows	9,178	10,175	2,937	3,698	12,115	13,873
Total assets and deferred outflows	582,787	530,119	592,228	564,503	1,175,015	1,094,622
Long-term liabilities	230,046	208,994	115,615	117,371	345,661	326,365
Other liabilities	15,942	13,113	15,184	9,601	31,126	22,714
Total liabilities	245,988	222,107	130,799	126,972	376,787	349,079
Net investment in capital assets	276,645	266,519	361,380	374,238	638,025	640,757
Restricted	7,678	6,424	-	-	7,678	6,424
Unrestricted	47,732	35,069	98,788	63,292	146,520	98,361
Total net position	\$ 332,055	\$ 308,012	\$ 460,168	\$ 437,530	\$ 792,223	\$ 745,542

**Primary Government Net Position - 9/30/2018**





# City of Georgetown, Texas

## Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

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	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 21,116	\$ 21,859	\$146,033	\$ 119,568	\$167,149	\$ 141,427
Operating grants and contributions	1,561	471	-	-	1,561	471
Capital grants and contributions	15,480	5,612	11,757	32,180	27,237	37,792
General revenues						
Property taxes	27,119	24,735	-	-	27,119	24,735
Sales taxes	25,037	23,009	-	-	25,037	23,009
Other taxes	1,664	3,027	-	-	1,664	3,027
Franchise taxes	5,275	4,973	-	-	5,275	4,973
Interest	1,519	731	1,455	544	2,974	1,275
Other	-	165	-	-	-	165
<b>Total revenues</b>	<b>98,771</b>	<b>84,582</b>	<b>159,245</b>	<b>152,292</b>	<b>258,016</b>	<b>236,874</b>
<b>Expenses</b>						
Culture/recreation	13,124	11,904	-	-	13,124	11,904
Development	3,347	2,562	-	-	3,347	2,562
Fire	17,385	16,114	-	-	17,385	16,114
General government	4,978	5,959	-	-	4,978	5,959
Interest on long-term debt	7,173	5,826	-	-	7,173	5,826
Police	16,964	16,537	-	-	16,964	16,537
Streets	12,768	7,376	-	-	12,768	7,376
Environmental services	8,248	6,326	-	-	8,248	6,326
Electric	-	-	77,961	66,384	77,961	66,384
Water services	-	-	42,005	39,960	42,005	39,960
Airport	-	-	3,675	3,123	3,675	3,123
Stormwater	-	-	3,708	3,883	3,708	3,883
<b>Total expenses</b>	<b>83,987</b>	<b>72,604</b>	<b>127,349</b>	<b>113,350</b>	<b>211,336</b>	<b>185,954</b>
Change in net position before transfers	14,784	11,978	31,896	38,942	46,680	50,920
Transfers	9,259	9,188	(9,259)	(9,188)	-	-
Change in net position	24,043	21,166	22,637	29,754	46,680	50,920
Net position - beginning	308,012	286,846	437,530	407,776	745,542	694,622
<b>Net position - ending</b>	<b>\$332,055</b>	<b>\$ 308,012</b>	<b>\$460,167</b>	<b>\$ 437,530</b>	<b>\$792,222</b>	<b>\$ 745,542</b>

The City's combined net position increased by \$46.7 million to \$792.2 million from \$745.5 million in FY 2017.

Net position of Governmental Activities was \$332 million. Most of these assets are invested in capital assets or restricted for particular purposes, such as \$1.5 million debt service or capital projects.

The City's unrestricted net position for governmental activities, which can be used to finance day to day operations, totaled \$47 million.

Net position invested in capital assets net of related debt for governmental activities increased \$10.1 million, primarily due to developer contributed capital and additions to capital assets.

Current year net position for business-type activities increased by \$22.6 million, due to the growth in the customer base, developer contributed capital, and capital assets.

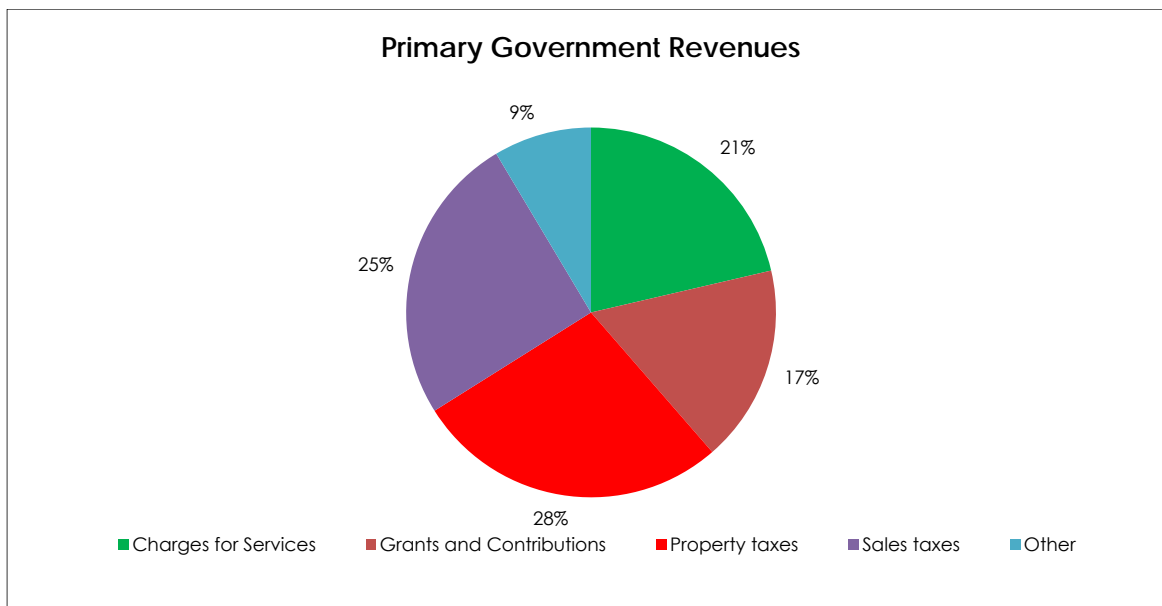
## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

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During 2018, the City invested \$23 million towards improving and expansion of utility infrastructure, compared to \$25 million in 2017.



## Revenues

**Program revenues** are derived from the program itself and reduce the cost of the function to the City. Total program revenues for both governmental and business-type activities are described below.

Governmental activities program revenue for the fiscal year ended September 30, 2018 was \$38.1 million. The *Charges for Services* category represents receipts primarily from environmental services, development and building inspection fees, parks fees, fire billing for services and court fines. Charges for services totaled \$21.1 million in FY 2018, or 3% decrease over prior year revenues. Other governmental program revenues included *operating and capital grants and contributions* for parks, fire and police programs, and streets. Capital grants and contributions totaled \$17 million compared to \$6 million last fiscal year.

Business-type activities program revenue totaled \$157.8 million, a 3.9% increase over prior year. Capital grants and contributions were \$20 million lower than the prior year due primarily to decrease in developer contributions. *Charges for Services*, which represent receipts from utility customers for electric, water, and wastewater, increased \$26 million. Electric charges for service increased 4.7% due to customer growth. Other program revenues include airport fuel sales, hangar rentals and stormwater drainage fees.

**General revenues** are revenues from taxes levied on behalf of the general government and other revenues used for general government activities not specific to a program or service. These revenues and notable changes are described below.

Property taxes totaled \$27.1 million. Included in these taxes are real and personal property levies which are assessed October 1, and payable before the following January 31.

Certified assessed valuations in FY 2018 increased 10.4%. The total growth in assessed valuations is \$739 million compared to FY 2017 certified assessed valuations.

## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

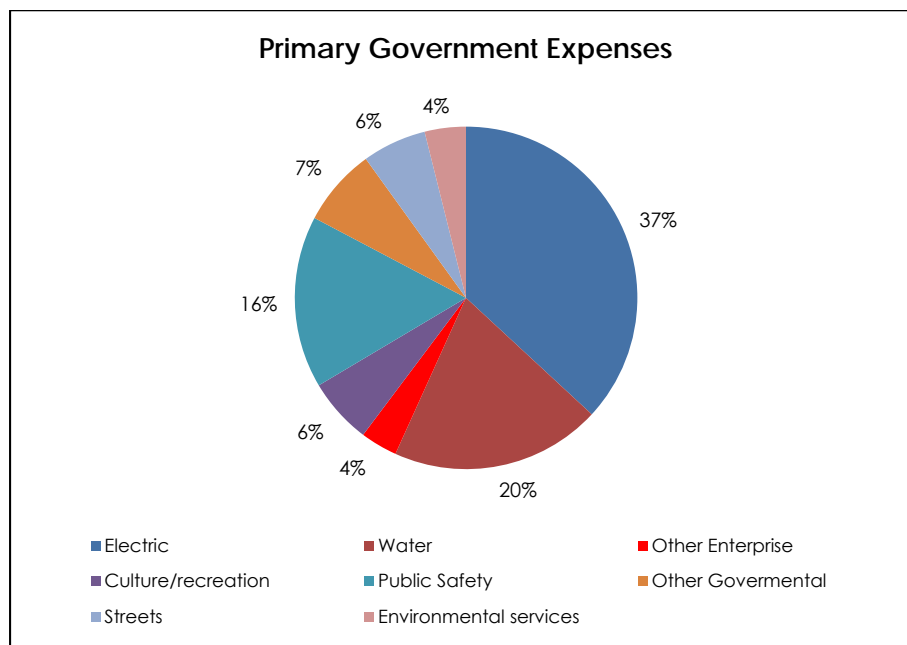
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The ad valorem tax rate for fiscal year 2018 was \$0.420 per \$100 of assessed valuation. This is a decrease over the prior year's rate of \$0.424. The adopted tax rate is 3.76% above the 2018 effective rate.

Sales taxes, the City's second largest source of general revenue, totaled \$25 million for fiscal year 2018, which was an increase of 8.8% compared to the prior year. This increase is primarily driven by the continued economic growth in retail, food, and information sectors. Sales tax revenues represented 25% of the general government revenue total in 2018, excluding the return-on-investment transfers from the utility funds.

Hotel/motel taxes totaled \$1.3 million compared to \$1.2 million in FY 2017 and are included in *other* taxes. These revenues reflect a second full year of collections for the Sheraton Hotel and Conference Center opened in July 2016.



## Expenses

Expenses for governmental activities totaled \$84 million, versus \$72.6 million in FY 2017. Total expenses increased by \$11.4 million compared to the prior year. Salary increases implemented during the fiscal year included step increases for public safety as well as merit and market increases for non-public safety employees effective February 2018. Other explanations for the changes are noted below.

- Public Safety increased 5.2% due to additional positions added in the Fire, EMS and Police departments.
- Environmental services increased 20% due a new contract, which resulted with increased costs in solid waste collection and recycling services and a corresponding rate increase.
- Overall IT service allocations increased across departments due to new software applications and second year of change in allocation model to build cash reserve for future equipment replacement.
- A second year of Garey Park operations.

Expenses for business-type activities totaled \$127.3 million, a 12.4% increase over the prior year, which provided electric, water, and wastewater services for customers, as well as airport and stormwater drainage programs. Salary increases implemented during the fiscal year included merit and market increases for employees effective February 2018. Notable explanations for the changes are explained below.

- Electric increased 17.4%. The increase in expenses for electric can be associated with growth and increased power contract costs.
- Water services increased 5.2%. The increase can be attributed to growth and increased utility contract costs and capital improvements.
- The 17.7% increase at the Airport is related to the fluctuations in the price of fuel compared to FY 2017.
- Overall IT service allocations increased across departments due to new software applications and second year of change in allocation model to build cash reserve for future equipment replacement.

### Financial Analysis of the City's Funds

Governmental Funds: The City's fund balance is the accumulated difference between assets and liabilities within **governmental funds**, and it allows the City to meet its contractual obligations, fund disaster or emergency costs, provide cash flow for timing purposes and fund non-recurring expenses appropriated by City Council.

For the fiscal year ended September 30, 2018, the City's governmental funds reflect a combined fund balance of \$90.3 million.

The General Fund had a fund balance of \$11.9 million for FY 2018, a decrease of approximately \$1.4 over FY 2017. According to the Fiscal and Budgetary Policy of the City, the use of excess fund balance is limited to non-recurring one time only expenses. Excess funds are transferred to the Council Special Revenue fund for future designation.

General Capital Project Fund had a fund balance of \$43.4 million for FY 2018 compared to \$31.5 million for FY 2017. This increase is attributed to bond proceeds for project expenditures for San Gabriel Park, Rivery Blvd. extension, Northwest Blvd. Bridge and Leander Road to Southwest Bypass.

Non-major governmental funds include an increase in fund balance of approximately \$2.4 due to the funding and timing of street improvement projects in the Sales Tax Maintenance Fund, increased revenues in EMS Fund, and sales tax continues to grow and receipts are outpacing expenditures.

General Debt Service Fund reflects an increase of \$171,495 in fund balance in FY 2018. Activity increased due to higher ad valorem taxes collected for interest and sinking.

Georgetown Transportation Enhancement Corporation (GTEC), the City's blended component unit had a 4.1% increase in fund balance due to the timing of capital improvement projects. GTEC contributed \$3.2 million in transportation improvements to facilitate economic development in 2018, which included some expenditures encumbered in prior years.

## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

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*Business-type Activities:* The City's **proprietary fund** statements provide the same type of information found in government-wide financial statements, but in more detail.

Total unrestricted net position as of September 30, 2018 totaled \$98.8 million, which included (\$5.3) million for Electric, \$101.9 million for Water and \$2.2 million for all other Non-Major funds. The change in net position for FY 2018 was \$35.5 million resulting primarily from continued growth in the City's utility systems, a wastewater rate increase, addition of tiered rate blocks for commercial water customers and development funded capital improvements.

### General Fund Budgetary Highlights

The original and final budget of the General Fund changed due to a budget amendment for increased sales tax collections and transfers in from the Council Discretionary fund. The variance between the actual ending fund balance at September 30, 2018 of \$11 million and the final budgetary fund balance of \$7.4 million is attributed to higher than expected franchise revenues, increased sales tax, increases in licenses and permits, increase in interest income and lower expenditures. Expenditures were less than budgeted primarily due to timing of projects and vacant positions.

## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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## Capital Assets

The City's governmental activities (including the internal service funds) had invested \$449.2 million in a variety of capital assets and infrastructure. The City has \$465.9 million invested in its business-type activities capital assets. The detail is reflected in the following schedule:

	Balance 9/30/2017	Additions	Deletions and Transfers	Balance 9/30/2018
Governmental activities				
Non-depreciable assets				
Land	\$ 31,082	\$ -	\$ 11,158	42,240
Construction in progress	74,502	34,793	(58,487)	50,808
Streets	184,290	455	27,127	211,872
Other capital assets				
Equipment	49,748	3,949	817	54,514
Buildings	85,502	-	-	85,502
Improvements	56,227	403	19,231	75,861
Less accumulated depreciation	(65,558)	(6,019)	-	(71,577)
Governmental activities total	415,793	33,581	(154)	449,220
Business-Type activities				
Non-depreciable assets				
Land	3,677	200	1,112	4,989
Construction in progress	15,140	22,751	(25,233)	12,658
Other capital assets				
Equipment	5,380	162	(2,241)	3,301
Buildings	7,596	6,105	5,956	19,657
Improvements	566,591	4,233	20,598	591,422
Less accumulated depreciation	(151,143)	(15,011)	-	(166,154)
Business-type activities total	447,241	18,440	192	465,873
City-Wide totals	\$ 863,034	\$ 52,021	\$ 38	\$ 915,093

The City prepared a complete inventory of street infrastructure assets in 2003 and 2004 and assigned a value to the inventory based upon the age of the street and construction indexes. This established a base line for inventory reporting under the modified approach for GASB 34 reporting.

The Council adopted a financial policy that establishes an average condition level of 85 to maintain the streets in "good" condition. The Pavement Condition Index (PCI) is a measurement scale for pavement condition, ranging from zero (poor) to 100 for pavement in perfect condition. The PCI for fiscal years 2005-2007 was 91, 2008-2010 was 93, 87.7 in 2011-2013, 2014-2017 was 87.3 and for 2018 was 85.5. This decrease can be attributed to recently annexed areas with streets needing improvements. This assessment is conducted every three years with the next assessment to be done in 2021.

The City budgets approximately \$1.2 million annually of General Fund revenues for on-going street maintenance projects, along with the staff and maintenance costs of the street department. In addition, the City also budgets \$3.1 million of funds received in dedicated 1/4 cent sales tax for street maintenance. The maintenance funds are allocated among various projects identified by the analysis to ensure funds are spent where needed to maintain the PCI adopted by Council.



## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

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Utility infrastructure maintenance is budgeted within the utility funds. For fiscal year 2018, funding for electric and water services infrastructure maintenance was approximately \$2.4 million.

Major capital assets added in FY 2018 are noted below:

- General Capital Projects:
  - Construction in process projects
    - San Gabriel Park \$27,576,505
    - River Trail Extension
    - Downtown West
    - Northwest Blvd Bridge
    - SE Inner Loop Rockride Improvement
    - Garey Park \$14,795,361
    - Southwest Bypass/Wolf Ranch Parkway \$18,867,277
    - Mays Street \$ 2,469,875
  - Utility Infrastructure and Capital Projects:
    - Electric distribution system expansion (including developers) \$ 5,295,774
    - Water and Wastewater \$ 23,436,595

For more detailed notes about the City's capital assets, please see Note 5 to the financial statements.

## OUTSTANDING DEBT

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$192,279	\$170,195	\$ 12,491	\$ 13,865	\$204,770	\$184,060
Premiums	9,392	6,020	5,043	5,152	14,435	11,172
Sales tax revenue bonds	6,125	6,685	-	-	6,125	6,685
Revenue bonds	-	-	93,335	92,730	93,335	92,730
Compensated absences payable	5,313	5,392	1,113	1,001	6,426	6,393
Net pension liability	13,664	19,554	3,632	4,623	17,296	24,177
Other post-employment benefits	3,273	1,148	-	-	3,273	1,148
<b>Total long-term liabilities</b>	<b>\$230,046</b>	<b>\$208,994</b>	<b>\$115,614</b>	<b>\$ 117,371</b>	<b>\$345,660</b>	<b>\$326,365</b>

As of September 30, 2018, the City had a total of \$204 million in general obligation debt outstanding. This represents a 10.9% increase over prior year. This increase reflects \$23,555,000 of 2018 General Obligation bonds and \$10,840,000 of 2018 Certificates of Obligation issued in May 2018.

The state limits the legal amount of tax levy available for general obligation debt service to \$1.50 per \$100 valuation. The City's 2018 debt levy equaled \$0.22734 per \$100 assessed valuation, or 15.16% of the maximum allowed.

Other long-term debts included are compensated absence payable, net pension obligation, and other post-employment benefits. These experienced a decrease over FY 2017 of \$3.8 million due to current year changes in accordance with GASB statement No. 68. A detailed analysis of the City's other long-term debt liabilities are located in Note 6.A., Note 7 and Note 8.

In May 2018, the City issued \$10.8 million in Combination Tax and Revenue Certificates of Obligation and \$23.6 million in General Obligation bonds for Public Safety Equipment & Vehicles, Fire Station 6 & 7,

## City of Georgetown, Texas

### Management's Discussion and Analysis of Financial Condition and Results of Operations – Continued

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an ERP system, Sidewalks, Street Projects (FM 971, Leander Rd, NW Blvd Bridge, & Rivery Blvd), Parks Projects (ADA, Katy Crossing Trail, & San Gabriel Park). The City also issued \$6,510,000 in Utility System Revenue Bonds for Electric projects and system improvements.

A detailed analysis of the City's long-term debt is located in Note 6 to the financial statements.

## Economic Factors

During FY 2018, the City continued to see strong improvements in the local and regional economy. Total sales tax receipts grew to \$25 million, or by 8.7% over 2017. The growth in residential and commercial development continued in FY 2018, while unemployment remained constant at 2.9% in 2017 and 2018. The residential growth in the City's utility service area, which includes both the city limits and the City's extra territorial jurisdiction (ETJ), continued at a steady 5% growth rate.

The adopted FY 2019 budget assumes continued modest growth in new property of approximately \$249 million and an adopted tax rate of \$0.420 per \$100 valuation. Sales tax revenues have seen a slowing of growth year over year which trends with the state of Texas as a whole. The 2019 budget projects sales tax growth of 4.4%. This modest growth trend is also anticipated in the City's utility funds.

## Discretely Presented Component Unit

The Georgetown Economic Development Corporation (GEDCO) has been included in the reporting entity as a discretely presented component unit since it provides benefits to other entities aside from the City. Separate audited financial statements are not issued for GEDCO.

## Contacting the City's Financial Management

This report is designed to provide City Council, citizens, customers, bond rating agencies, investors and creditors with a general overview of the City's finances. If you have questions about this report or need additional financial information, contact:

Finance Division  
City of Georgetown  
808 E. 8<sup>th</sup> St  
Georgetown, Texas 78626  
(512) 930-6534  
[www.georgetown.org](http://www.georgetown.org)  
[finance@georgetown.org](mailto:finance@georgetown.org)

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## Basic Financial Statements

# City of Georgetown, Texas

## Statement of Net Position

September 30, 2018

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	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Georgetown Economic Development Corporation
<b>ASSETS</b>				
Cash and cash equivalents	\$ 50,445,077	\$ 33,804,828	\$ 84,249,905	\$ 6,882,951
Cash and cash equivalents - restricted	-	2,702,793	2,702,793	-
Investments	57,639,767	-	57,639,767	-
Investments - restricted	-	52,558,669	52,558,669	-
Prepaid items	429,078	9,168,894	9,597,972	-
Accounts receivable				
Services (net of allowance for uncollectibles)	-	19,813,376	19,813,376	-
Other	11,867,201	1,603,028	13,470,229	287,821
Internal balances	-	-	-	-
Inventories	1,054,891	3,095,031	4,149,922	-
Long-term note receivable	2,952,633	671,472	3,624,105	-
Capital assets				
Land	42,240,043	4,988,858	47,228,901	-
Streets	211,872,450	-	211,872,450	-
Building and improvements	161,364,618	19,657,357	181,021,975	139,740
Machinery, furniture and equipment	54,514,051	3,300,617	57,814,668	-
Distribution system	-	591,423,059	591,423,059	-
Construction in progress	50,807,447	12,657,860	63,465,307	-
Accumulated depreciation	(71,578,275)	(166,154,491)	(237,732,766)	-
Total assets	573,608,981	589,291,351	1,162,900,332	7,310,512
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflow related to pension	7,061,808	1,877,190	8,938,998	-
Deferred outflow related to OPEB	243,945	-	243,945	-
Deferred charge on refunding	1,872,612	1,059,383	2,931,995	-
Total deferred outflows of resources	9,178,365	2,936,573	12,114,938	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 582,787,346</b>	<b>\$ 592,227,924</b>	<b>\$ 1,175,015,270</b>	<b>\$ 7,310,512</b>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 11,075,352	\$ 12,374,236	\$ 23,449,588	\$ 157,905
Accrued employee benefits	1,969,209	483,801	2,453,010	-
Unearned revenue	3,721,472	239,130	3,960,602	-
Unapplied credits	245,401	-	245,401	-
Current portion of noncurrent liabilities	13,439,210	7,725,307	21,164,517	200,568
Accrued interest	899,298	481,262	1,380,560	-
Liabilities from restricted assets				
Construction contracts and retainages payable from restricted assets	-	699,749	699,749	-
Customer deposits payable from restricted assets	-	1,389,461	1,389,461	-
Noncurrent liabilities				
Accrued employee benefits	3,343,429	629,106	3,972,535	-
Net pension liability	13,664,869	3,632,433	17,297,302	-
Other post employment benefits	3,273,304	-	3,273,304	-
Long-term debt	194,356,372	103,144,357	297,500,729	3,348,969
Total liabilities	245,987,916	130,798,842	376,786,758	3,707,442
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows related to pension	4,744,253	1,261,131	6,005,384	-
<b>NET POSITION</b>				
Net investment in capital assets	276,645,061	361,380,352	638,025,413	139,740
Restricted for				
Debt service	1,487,048	-	1,487,048	-
Specific programs	6,190,516	-	6,190,516	-
Unrestricted	47,732,552	98,787,599	146,520,151	3,463,330
Total net position	332,055,177	460,167,951	792,223,128	3,603,070
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<b>\$ 582,787,346</b>	<b>\$ 592,227,924</b>	<b>\$ 1,175,015,270</b>	<b>\$ 7,310,512</b>

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas  
Statement of Activities  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Georgetown Economic Development Corporation
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
PRIMARY GOVERNMENT								
Governmental activities								
Culture / recreation	\$ 13,124,204	\$ 3,255,788	\$ 990,656	\$ 12,795	\$ (8,864,965)	\$ -	\$ (8,864,965)	
Development	3,347,348	3,169,625	114,920	1,643,160	1,580,357	-	1,580,357	
Fire	17,385,479	4,538,006	-	-	(12,847,473)	-	(12,847,473)	
General government	4,978,374	365,766	405,853	1,581,763	(2,624,992)	-	(2,624,992)	
Police	16,964,314	1,004,922	49,527	-	(15,909,865)	-	(15,909,865)	
Streets	12,768,142	-	-	12,242,407	(525,735)	-	(525,735)	
Environmental services	8,246,680	8,782,764	-	-	536,084	-	536,084	
Interest on long-term debt	7,172,983	-	-	-	(7,172,983)	-	(7,172,983)	
Total governmental activities	83,987,524	21,116,871	1,560,956	15,480,125	(45,829,572)	-	(45,829,572)	
Business-type activities								
Electric	77,960,552	73,419,224	-	3,286,880	-	(1,254,448)	(1,254,448)	
Water	42,004,858	65,542,222	-	7,011,801	-	30,549,165	30,549,165	
Airport	3,675,044	3,500,244	-	689,983	-	515,183	515,183	
Stormwater	3,707,981	3,571,582	-	768,581	-	632,182	632,182	
Total business-type activities	127,348,435	146,033,272	-	11,757,245	-	30,442,082	30,442,082	
TOTAL PRIMARY GOVERNMENT	\$ 211,335,959	\$ 167,150,143	\$ 1,560,956	\$ 27,237,370	(45,829,572)	30,442,082	(15,387,490)	
COMPONENT UNIT - GEORGETOWN ECONOMIC DEVELOPMENT CORPORATION	\$ 992,163	\$ 100,991	\$ -	\$ -				\$ (891,172)
GENERAL REVENUES								
Property tax					27,118,902	-	27,118,902	-
Sales tax					25,036,952	-	25,036,952	1,703,425
Taxes - other					1,663,994	-	1,663,994	-
Franchise taxes					5,274,758	-	5,274,758	-
Investment income					1,518,679	1,454,767	2,973,446	103,232
Other					-	-	-	-
Transfers					9,259,037	(9,259,037)	-	-
Total general revenues and transfers					69,872,322	(7,804,270)	62,068,052	1,806,657
Change in net position					24,042,750	22,637,812	46,680,562	915,485
Net position, beginning of the year					308,012,427	437,530,139	745,542,566	2,687,585
NET POSITION, END OF THE YEAR					\$ 332,055,177	\$ 460,167,951	\$ 792,223,128	\$ 3,603,070

The Notes to the Financial Statements are an integral part of this statement.



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## Fund Financial Statements

# City of Georgetown, Texas

## Balance Sheet – Governmental Funds

September 30, 2018

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	General	Georgetown Transportation Enhancement Corporation	Debt Service	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 3,994,952	\$13,371,917	\$2,113,446	\$ 18,939,065	\$ 5,451,470	\$ 43,870,850
Investments	5,992,430	5,200,191	-	28,408,599	8,177,210	47,778,430
Accounts receivable, net						
Property taxes	290,680	-	280,908	-	-	571,588
Sales tax	2,590,379	1,151,282	-	-	657,451	4,399,112
Grants	-	1,189,987	-	-	127,607	1,317,594
Note receivable	197,633	-	-	-	-	197,633
Other	1,998,570	-	-	444,925	2,988,038	5,431,533
Due from other funds	1,416,151	-	-	-	-	1,416,151
Prepaid items	24,133	-	-	-	-	24,133
Inventories	9,291	-	-	-	-	9,291
<b>TOTAL ASSETS</b>	<b>\$16,514,219</b>	<b>\$20,913,377</b>	<b>\$2,394,354</b>	<b>\$ 47,792,589</b>	<b>\$17,401,776</b>	<b>\$ 105,016,315</b>
<b>LIABILITIES</b>						
Accounts payable and accrued liabilities	\$ 4,003,924	\$ 637,401	\$ 8,008	\$ 2,803,360	\$ 1,523,724	\$ 8,976,417
Due to other funds	-	-	-	-	1,416,151	1,416,151
Unearned revenue	272,868	-	-	1,636,065	1,812,539	3,721,472
<b>Total liabilities</b>	<b>4,276,792</b>	<b>637,401</b>	<b>8,008</b>	<b>4,439,425</b>	<b>4,752,414</b>	<b>14,114,040</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred property taxes	290,680	-	275,925	-	-	566,605
<b>Total deferred inflows of resources</b>	<b>290,680</b>	<b>-</b>	<b>275,925</b>	<b>-</b>	<b>-</b>	<b>566,605</b>
<b>FUND BALANCE</b>						
Nonspendable	231,057	-	-	-	-	231,057
Restricted	-	-	2,110,421	29,208,307	5,149,391	36,468,119
Committed	9,902,000	18,632,226	-	-	5,987,421	34,521,647
Assigned	682,350	1,643,750	-	14,144,857	1,740,817	18,211,774
Unassigned	1,131,340	-	-	-	(228,267)	903,073
<b>Total fund balance</b>	<b>11,946,747</b>	<b>20,275,976</b>	<b>2,110,421</b>	<b>43,353,164</b>	<b>12,649,362</b>	<b>90,335,670</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<b>\$16,514,219</b>	<b>\$20,913,377</b>	<b>\$2,394,354</b>	<b>\$ 47,792,589</b>	<b>\$17,401,776</b>	<b>\$ 105,016,315</b>

The Notes to the Financial Statements are an integral part of this statement.

# City of Georgetown, Texas

## Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position September 30, 2018

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**Total fund balance - total governmental funds** \$ 90,335,670

Amounts reported for governmental activities in the statement of net position are different because:

The City uses internal service funds to charge the costs of certain activities, such as capital assets, administrative services and information technology to the City's other funds. The assets and liabilities of the internal service funds are included in governmental functions in the statement of net position.

29,971,233

Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.

434,775,442

Long-term debt is not due and payable using available resources and is not recorded in the governmental funds balance sheet. The impact of recognizing long-term debt, and related items is as follows:

Bonds payable	(198,403,643)
Premiums on bond issuance	(9,391,939)
Deferred charge on refunding bonds	1,872,612
Accrued interest	(899,298)

Other long-term liabilities, and related amounts, are not due and payable using available resources and are not recorded in the governmental funds balance sheet. The impact of recognizing these items is as follows:

Compensated absences	(5,149,832)
Other post-employment benefits	(3,273,304)
Net pension liability	(13,664,869)
Deferred outflow related to pension	7,061,808
Deferred inflow related to pension	(4,744,253)
Deferred outflow related to other post-employment benefits	243,945

Revenues from property taxes are deferred in the governmental fund balance sheet until they are considered available to fund current expenditures, but such revenues are recognized in the government-wide statements.

566,605

Long-term receivables are not recognized in the governmental fund balance sheet until the funds are considered available to fund current expenditures.

2,755,000

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**Net position of governmental activities** **\$ 332,055,177**

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# City of Georgetown, Texas

## Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	General Fund	Georgetown Transportation Enhancement Corporation	Debt Service	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property taxes	\$13,344,564	\$ -	\$13,541,712	\$ -	\$ -	\$26,886,276
Penalties and interest	107,273	-	-	-	-	107,273
Property assessment	-	-	-	-	1,643,160	1,643,160
Sales tax	14,827,611	6,813,700	-	-	3,395,641	25,036,952
Franchise taxes	5,274,758	-	-	-	-	5,274,758
Other taxes	338,782	-	-	-	1,325,212	1,663,994
Licenses and permits	2,747,720	-	-	-	-	2,747,720
Charges for service	13,488,592	-	-	-	2,637,678	16,126,270
Fines and forfeitures	352,296	-	-	-	104,983	457,279
Donations and grants	405,853	11,222	-	296,368	6,394,595	7,108,038
Investment income	145,865	305,665	142,856	557,318	171,115	1,322,819
Other revenue	531,222	-	-	904,250	1,448,399	2,883,871
Total revenues	51,564,536	7,130,587	13,684,568	1,757,936	17,120,783	91,258,410
<b>EXPENDITURES</b>						
Current						
Culture / recreation	10,319,911	-	-	-	2,484,342	12,804,253
Development	2,910,130	-	-	-	312,732	3,222,862
Fire services	13,526,334	-	-	-	2,553,145	16,079,479
General government	4,913,556	363,312	-	-	-	5,276,868
Highways and streets	4,868,555	-	-	-	7,402,478	12,271,033
Police	15,804,410	-	-	-	131,227	15,935,637
Environmental services	7,795,346	-	-	-	116,544	7,911,890
Capital outlay	-	3,191,250	-	25,139,499	250,312	28,581,061
Debt service						
Principal retirement	-	560,000	10,502,889	-	-	11,062,889
Interest and fiscal charges	-	281,600	5,800,641	642,525	-	6,724,766
Total expenditures	60,138,242	4,396,162	16,303,530	25,782,024	13,250,780	119,870,738
Excess (deficiency) of revenues over (under) expenditures	(8,573,706)	2,734,425	(2,618,962)	(24,024,088)	3,870,003	(28,612,328)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	9,165,637	553,201	3,082,646	1,807,914	1,797,259	16,406,657
Transfers out	(1,970,809)	(2,493,762)	-	(2,129,839)	(3,299,310)	(9,893,720)
Premiums on issuance of bonds	-	-	1,845,096	1,992,525	-	3,837,621
Issuance of bonds	-	-	-	34,250,000	-	34,250,000
Payment to refunding escrow agent	-	-	(15,027,285)	-	-	(15,027,285)
Refunding bonds issued	-	-	12,890,000	-	-	12,890,000
Total other financing sources (uses)	7,194,828	(1,940,561)	2,790,457	35,920,600	(1,502,051)	42,463,273
Net change in fund balances	(1,378,878)	793,864	171,495	11,896,512	2,367,952	13,850,945
FUND BALANCES, beginning of year	13,325,625	19,482,112	1,938,926	31,456,652	10,281,410	76,484,725
<b>FUND BALANCES, end of year</b>	<b>\$11,946,747</b>	<b>\$ 20,275,976</b>	<b>\$ 2,110,421</b>	<b>\$43,353,164</b>	<b>\$ 12,649,362</b>	<b>\$90,335,670</b>

The Notes to the Financial Statements are an integral part of this statement.

# City of Georgetown, Texas

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities – Governmental Funds For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

### NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS

\$ 13,850,945

Amounts reported for governmental activities in the statement of activities are different because:

The City uses internal service funds to charge the costs of certain activities, such as fleet management and information technology to appropriate functions in other funds. The change in net position of internal service funds is recognized in governmental activities in the statement of activities.

4,692,186

Current year capital outlays are expenditures in the fund statements, but are shown as increases in capital assets in the government-wide financial statements. The effect of removing the current year capital outlays is to increase net position. Depreciation is not recognized as an expenditure in governmental funds since it does not require the use of current financial resources.

Capital outlay

28,519,540

Depreciation

(3,222,769)

Capital assets contributed or donated to the City are not recognized in governmental funds since they do not provide current financial resources, but are recognized in the statement of activities as program revenues

7,121,679

Proceeds from issuance of long-term debt are recognized as other financing sources in the governmental funds, but are treated as an increase in liabilities in the governmental activities. Principal payments on long-term debt are recognized as expenditures in the governmental funds, but are treated as reductions of liabilities in the governmental activities. Deferred charges on refunding bonds are recognized in the governmental activities, and amortized with the related long-term debt. Premiums on long-term debt issuances are recognized as other financing sources in the governmental funds, but are presented as a component of long-term debt and amortized in the governmental activities.

Bond payments

25,100,956

Issuance of bonds

(46,625,000)

Amortization of bond premiums

465,794

Premium on issuance of bonds

(3,837,621)

Amortization of deferred charge on refunding

(296,078)

Interest is accrued on outstanding debt in the governmental activities statement of net position, but in the governmental fund financial statements the expenditure is reported when due.

(143,715)

Compensated absences, other post-employment benefit obligations, pension liability, and related deferred inflows and outflows of resources are not recognized in the governmental funds as they will not be settled with current financial resources; however these obligations are recognized in the governmental activities statement of net position. The change in these amounts for the current year is:

Net pension liability

5,888,880

Deferred outflow related to pension

(944,201)

Deferred inflow related to pension

(4,744,253)

Other post employment benefits

(2,125,411)

Deferred outflow related to other post-employment benefits

243,945

Compensated absences

94,705

Changes to revenue deferred in the governmental funds but recognized in the governmental activities and to long-term note receivables not recorded in the governmental funds for the current year are:

Long-term receivable

(122,185)

Unavailable property taxes

125,353

### CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 24,042,750

The Notes to the Financial Statements are an integral part of this statement.



# City of Georgetown, Texas

## Statement of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – General Fund For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

	Budgeted Amounts		Actual	Variance to
	Original	Final	Budgetary	Final
			Basis	Budget
<b>REVENUES</b>				
Property taxes	\$ 13,400,000	\$ 13,400,000	\$ 13,344,564	\$ (55,436)
Penalties and interest	90,000	90,000	107,273	17,273
Sales tax	14,300,500	14,575,000	14,827,612	252,612
Franchise taxes	5,203,863	5,213,863	5,274,759	60,896
Licenses and permits	2,483,500	2,688,500	2,747,719	59,219
Charges for services	13,749,830	13,769,830	13,488,589	(281,241)
Fines and forfeitures	483,332	483,332	352,296	(131,036)
Other taxes	375,000	375,000	338,782	(36,218)
Investment income	67,000	67,000	145,866	78,866
Miscellaneous	899,750	899,750	937,075	37,325
Total revenues	51,052,775	51,562,275	51,564,535	2,260
<b>EXPENDITURES</b>				
Current				
Culture / recreation	10,743,277	10,763,277	10,326,700	436,577
Development	3,175,101	3,312,101	3,131,135	180,966
Environmental services	7,623,412	7,623,412	7,910,420	(287,008)
Fire services	13,438,450	13,699,536	13,529,805	169,731
General government	4,188,007	4,284,097	4,816,681	(532,584)
Highways and streets	5,033,165	5,899,261	4,657,104	1,242,157
Police services	15,218,133	15,749,339	15,788,072	(38,733)
Total expenditures	59,419,545	61,331,023	60,159,917	1,171,106
Excess (Deficiencies) of revenues over expenditures	(8,366,770)	(9,768,748)	(8,595,382)	1,173,366
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	8,852,835	8,964,835	9,165,637	(200,802)
Transfers out	(1,739,523)	(1,970,811)	(1,970,809)	2
Total other financing sources (uses)	7,113,312	6,994,024	7,194,828	200,804
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES)</b>	(1,253,458)	(2,774,724)	(1,400,554)	1,374,170
Fund balances, beginning of period	11,155,457	10,168,638	12,407,348	2,238,710
<b>FUND BALANCES, end of period</b>	<b>\$ 9,901,999</b>	<b>\$ 7,393,914</b>	<b>11,006,794</b>	<b>\$ 3,612,880</b>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			682,350	
Reverse voided purchase orders			257,800	
Record net unrealized gain (loss) on investments			(197)	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<b>\$ 11,946,747</b>	

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas  
Statement of Net Position  
Proprietary Funds  
September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
Subject to final review and possible  
revision and should not be relied upon  
or redistributed.

					Governmental Activities
	Electric Fund	Water Services Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	\$ 88,133	\$ 33,030,503	\$ 686,192	\$ 33,804,828	\$ 6,574,227
Cash and cash equivalents - restricted	2,702,793	-	-	2,702,793	-
Investments	-	-	-	-	9,861,337
Investments - restricted	1,983,629	49,545,747	1,029,293	52,558,669	-
Prepaid expenses	5,318,848	3,205,203	644,843	9,168,894	404,945
Accounts receivable services, net	12,125,056	6,687,774	1,000,546	19,813,376	147,374
Other	406,215	1,193,022	3,791	1,603,028	-
Due from other funds	-	14,582,321	-	14,582,321	-
Inventories	3,032,945	-	62,086	3,095,031	1,045,600
Total current assets	25,657,619	108,244,570	3,426,751	137,328,940	18,033,483
<b>NONCURRENT ASSETS</b>					
Long-term note receivables	-	671,472	-	671,472	-
Capital assets					
Land and land rights	1,590,704	1,304,984	2,093,170	4,988,858	214,066
Distribution and water systems	175,171,091	360,587,804	55,664,164	591,423,059	-
Buildings and improvements	73,707	9,791,994	9,791,656	19,657,357	2,013,566
Machinery, furniture and equipment	1,582,045	1,498,353	220,219	3,300,617	40,726,491
Construction in progress	1,015,372	11,620,465	22,023	12,657,860	-
Less accumulated depreciation	(49,777,478)	(96,982,500)	(19,394,513)	(166,154,491)	(28,509,231)
Total capital assets (net of accumulated depreciation)	129,655,441	287,821,100	48,396,719	465,873,260	14,444,892
Total noncurrent assets	129,655,441	288,492,572	48,396,719	466,544,732	14,444,892
<b>TOTAL ASSETS</b>	155,313,060	396,737,142	51,823,470	603,873,672	32,478,375
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflow related to pension	983,290	715,120	178,780	1,877,190	-
Deferred charge on refunding	611,938	393,956	53,489	1,059,383	-
Total deferred outflows of resources	1,595,228	1,109,076	232,269	2,936,573	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 156,908,288</u>	<u>\$ 397,846,218</u>	<u>\$ 52,055,739</u>	<u>\$ 606,810,245</u>	<u>\$32,478,375</u>

The Notes to the Financial Statements are an integral part of this statement.

# City of Georgetown, Texas

Statement of Net Position – Continued  
Proprietary Funds  
September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
Subject to final review and possible  
revision and should not be relied upon  
or redistributed.

	Electric Fund	Water Services Fund	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
<b>CURRENT LIABILITIES</b>					
Accounts payable	\$ 7,934,230	\$ 4,261,200	\$ 178,806	\$ 12,374,236	\$ 2,098,935
Accrued employee benefits	245,438	204,942	33,421	483,801	71,014
Due to other funds	14,582,321	-	-	14,582,321	-
Unearned revenue	20,321	196,738	22,071	239,130	245,401
Current portion of long-term debt	3,201,677	4,160,853	362,777	7,725,307	-
Accrued interest	173,348	286,890	21,024	481,262	-
Construction contracts and retainages payable	3,375	696,374	-	699,749	-
Customer deposits	1,389,461	-	-	1,389,461	-
Total current liabilities	27,550,171	9,806,997	618,099	37,975,267	2,415,350
<b>NONCURRENT LIABILITIES</b>					
Accrued employee benefits	317,743	267,283	44,080	629,106	91,792
Net pension liability	1,902,703	1,383,784	345,946	3,632,433	-
Long-term debt	35,757,967	62,553,821	4,832,569	103,144,357	-
Total noncurrent liabilities	37,978,413	64,204,888	5,222,595	107,405,896	91,792
<b>TOTAL LIABILITIES</b>	65,528,584	74,011,885	5,840,694	145,381,163	2,507,142
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pension	660,592	480,431	120,108	1,261,131	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	660,592	480,431	120,108	1,261,131	-
<b>NET POSITION</b>					
Net investment in capital assets	95,994,157	221,500,382	43,885,813	361,380,352	14,444,892
Unrestricted	(5,275,045)	101,853,520	2,209,124	98,787,599	15,526,341
<b>TOTAL NET POSITION</b>	90,719,112	323,353,902	46,094,937	460,167,951	29,971,233
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	\$ 156,908,288	\$ 397,846,218	\$ 52,055,739	\$ 606,810,245	\$32,478,375

# City of Georgetown, Texas

## Statement of Revenues, Expenses, and Changes in Fund Net Position Proprietary Funds For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
Subject to final review and possible  
revision and should not be relied upon  
or redistributed.

	Electric Fund	Water Services Fund	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
<b>OPERATING REVENUES</b>					
Service charges					
Electric	\$ 69,170,339	\$ -	\$ -	\$ 69,170,339	\$ -
Water	-	30,115,372	-	30,115,372	-
Wastewater	-	10,939,726	-	10,939,726	-
Other	917,587	5,430,798	7,000,687	13,349,072	37,460,046
Total operating revenues	70,087,926	46,485,896	7,000,687	123,574,509	37,460,046
<b>OPERATING EXPENSES</b>					
Electric	18,876,347	-	-	18,876,347	-
Water	-	22,201,454	-	22,201,454	-
Depreciation	4,229,447	9,261,561	1,519,816	15,010,824	2,796,596
Utility contracts	53,651,090	5,970,360	-	59,621,450	-
Plant management	-	2,331,297	-	2,331,297	-
Other	-	-	5,737,843	5,737,843	33,105,344
Total operating expenses	76,756,884	39,764,672	7,257,659	123,779,215	35,901,940
<b>NET OPERATING INCOME (LOSS)</b>	(6,668,958)	6,721,224	(256,972)	(204,706)	1,558,106
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment income	82,544	1,338,766	33,457	1,454,767	195,860
Donations and grants	105,174	-	1,063,070	1,168,244	-
Interest and fiscal charges	(1,203,668)	(2,240,186)	(125,366)	(3,569,220)	-
Gain on disposed assets	-	-	-	-	-
Other	3,331,298	19,056,326	71,139	22,458,763	179,325
Total nonoperating revenues (expenses)	2,315,348	18,154,906	1,042,300	21,512,554	375,185
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(4,353,610)	24,876,130	785,328	21,307,848	1,933,291
<b>CONTRIBUTIONS AND TRANSFERS</b>					
Capital contributions	3,181,706	7,011,801	395,494	10,589,001	12,795
Transfers in	540,981	-	9,000	549,981	2,850,900
Transfers out	(5,437,552)	(4,051,642)	(319,824)	(9,809,018)	(104,800)
Total contributions and transfers	(1,714,865)	2,960,159	84,670	1,329,964	2,758,895
Change in net position	(6,068,475)	27,836,289	869,998	22,637,812	4,692,186
Net position, beginning of period	96,787,587	295,517,613	45,224,939	437,530,139	25,279,047
<b>TOTAL NET POSITION, end of period</b>	<b>\$ 90,719,112</b>	<b>\$ 323,353,902</b>	<b>\$ 46,094,937</b>	<b>\$ 460,167,951</b>	<b>\$ 29,971,233</b>

The Notes to the Financial Statements are an integral part of this statement.

City of Georgetown, Texas  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	Electric Fund	Water Services Fund	Nonmajor Enterprise Funds	Total	Governmental Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash received from customers	\$ 70,963,866	\$ 63,748,707	\$ 6,472,810	\$ 141,185,383	\$ 37,989,204
Payments to suppliers	(54,930,846)	(34,804,422)	(6,076,634)	(95,811,902)	(21,227,947)
Payments to employees for services	(6,371,854)	(3,803,770)	(886,788)	(11,062,412)	(12,427,565)
Net cash provided by operating activities	9,661,166	25,140,515	(490,612)	34,311,069	4,333,692
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Transfers in	540,981	-	9,000	549,981	2,850,900
Transfers out	(5,437,552)	(4,051,642)	(319,824)	(9,809,018)	(104,800)
Net cash provided by (used in) noncapital financing activities	(4,896,571)	(4,051,642)	(310,824)	(9,259,037)	2,746,100
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition of capital assets	(5,327,154)	(16,080,699)	(195,628)	(21,603,481)	(3,805,274)
Donations and grants	105,174	-	1,063,070	1,168,244	-
Principal paid on revenue and certificates of obligation bonds	3,548,303	(4,035,759)	(390,594)	(878,050)	-
Interest paid on revenue and certificates of obligation bonds	(1,193,483)	(2,275,568)	(127,497)	(3,596,548)	-
Net cash used in capital and related financing activities	(2,867,160)	(22,392,026)	349,351	(24,909,835)	(3,805,274)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest received	82,544	1,338,766	33,457	1,454,767	195,860
Change in temporary investments	(1,983,629)	(29,737,744)	(517,106)	(32,238,479)	(6,749,692)
Net cash provided by investing activities	(1,901,085)	(28,398,978)	(483,649)	(30,783,712)	(6,553,832)
Net change in cash and cash equivalents	(3,650)	(29,702,131)	(935,734)	(30,641,515)	(3,279,314)
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>2,794,576</u>	<u>62,732,634</u>	<u>1,621,926</u>	<u>67,149,136</u>	<u>9,853,541</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 2,790,926</u>	<u>\$ 33,030,503</u>	<u>\$ 686,192</u>	<u>\$ 36,507,621</u>	<u>\$ 6,574,227</u>
<b>CLASSIFIED AS</b>					
Current assets	\$ 88,133	\$ 33,030,503	\$ 686,192	\$ 33,804,828	\$ 6,574,227
Restricted assets	2,702,793	-	-	2,702,793	-
<b>TOTAL</b>	<u>\$ 2,790,926</u>	<u>\$ 33,030,503</u>	<u>\$ 686,192</u>	<u>\$ 36,507,621</u>	<u>\$ 6,574,227</u>
<b>NON-CASH DISCLOSURE</b>					
<b>CAPITAL CONTRIBUTIONS</b>	<u>\$ 3,181,706</u>	<u>\$ 7,011,801</u>	<u>\$ 395,494</u>	<u>\$ 10,589,001</u>	<u>\$ 12,795</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ (6,668,958)</u>	<u>\$ 6,721,224</u>	<u>\$ (256,972)</u>	<u>\$ (204,706)</u>	<u>\$ 1,558,106</u>
Adjustments to reconcile operating income (loss) to cash provided by operating activities					
Depreciation	4,229,447	9,261,561	463,298	13,954,306	2,796,596
Other income	3,331,298	19,056,326	71,139	22,458,763	179,325
Decrease (increase) in prepaid expenses	(3,596,286)	(104,745)	(516,500)	(4,217,531)	(239,388)
Decrease (increase) in inventories	649,570	-	(12,403)	637,167	(380,893)
Decrease (increase) in accounts receivable	(2,452,513)	(1,913,819)	(468,123)	(4,834,455)	223,091
Decrease (increase) in customer deposits	(2,845)	-	-	(2,845)	-
Increase (decrease) in due to/from other funds	10,791,351	(10,633,720)	-	157,631	-
Increase (decrease) in accounts payable	2,838,717	2,170,226	77,746	5,086,689	285,271
Increase (decrease) in unearned revenue	-	120,304	11,584	131,888	(106,327)
Increase (decrease) in net pension liability	480,236	410,941	140,662	1,031,839	-
Increase (decrease) in accrued employee benefits	61,149	52,217	(1,043)	112,323	17,911
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>\$ 9,661,166</u>	<u>\$ 25,140,515</u>	<u>\$ (490,612)</u>	<u>\$ 34,311,069</u>	<u>\$ 4,333,692</u>

The Notes to the Financial Statements are an integral part of this statement.

**City of Georgetown, Texas**  
Statement of Fiduciary Net Position  
Agency Funds  
September 30, 2018

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revision and should not be relied upon  
or redistributed.

**ASSETS**

Cash and cash equivalents

\$ 427,895

**TOTAL ASSETS**

\$ 427,895

**LIABILITIES**

Accounts payable

\$ 427,895

**TOTAL LIABILITIES**

\$ 427,895

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## Notes Section

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## **Note 1. Summary of Significant Accounting Policies**

The accounting and reporting policies of the City of Georgetown, Texas, (the City), included in the accompanying basic financial statements conform to the generally accepted accounting principles (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

### **A. Reporting Entity**

The City of Georgetown was incorporated under the laws of the State of Texas in 1848 and operates under a Council-Manager form of government. The City's financial statements include the accounts of all City operations. Generally accepted accounting principles require all funds that are controlled by or are dependent on the City Council to be included in the City's financial statements. The reporting entity is the primary government, or the City, and those component units for which the primary government is financially accountable. Financial accountability is defined as the appointment of a voting majority of the potential component unit's board and either the ability to impose its will by the primary government or the possibility that the component unit will provide a financial benefit or impose a financial burden on the primary government. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with the data of the primary government. Based upon these considerations, the City's financial statements include the Georgetown Transportation Enhancement Corporation (GTEC) as a blended component unit. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the primary government, and whose exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based upon these considerations, the City's financial statements include the Georgetown Economic Development Corporation (GEDCO) as a discretely presented component unit.

#### *Blended Component Unit*

GTEC, the City's 4B economic development corporation, is a legally separate entity from the City that was created in May 2001 by voters approving an additional sales tax. GTEC is governed by a seven-member board appointed by City Council, of which two are Council members. The City Council maintains budgetary control over the corporation. The City Manager serves as the General Manager of the corporation and the City's Finance Director acts as the Financial Manager. For financial reporting purposes, GTEC is presented as a blended component unit within City operations because its sole purpose is to utilize sales tax revenues for the improvement of the City's transportation system. The revenues and expenditures for GTEC are accounted for in a general capital projects fund. The City issues debt on behalf of GTEC in exchange for pledged sales tax revenue that is transferred to the City to reimburse for debt service related to the bonds. GTEC's debt is shown in the Governmental Activities in the Statement of Net Position.

#### *Discretely Presented Component Unit*

GEDCO has been included in the reporting entity as a discretely presented component unit. GEDCO cannot be considered a blended component unit because the revenues are not only for the benefit of the City. GEDCO was created by the City in May 2005, under the Texas Development Act of 1979 for the purpose of promoting, assisting, and enhancing economic and development activities on behalf of the City. It is funded through voter authorized sales tax. The seven member Board, which includes two City Council members, is appointed by and serves at the discretion of the City Council. City Council approval is required for annual budgets and bonded debt issuance, therefore the City can impose its will on GEDCO. In the event of dissolution, net assets of GEDCO shall be converted to the City. Accordingly, the City accounts for GEDCO as a discretely presented component unit on the government-wide financial statements.

GEDCO is audited as part of the City of Georgetown; however, separately issued unaudited financial statements are available through the City of Georgetown's Finance Department.

*Related Organizations*

The Mayor and City Council are responsible for appointing a voting majority of the members of some local boards and commissions, but the City's accountability for these organizations does not extend beyond making the appointments. These entities are the Georgetown Industrial Development Corporation, Georgetown Hospital Authority, Georgetown Housing Authority, and Georgetown Higher Education Finance Corporation.

**B. Basis of Presentation**

*Basic Financial Statements*

The basic financial statements include both government-wide financial statements (based on the City as a whole) and fund financial statements. Both sets of financial statements classify activities as either governmental, which are supported by taxes and intergovernmental revenues, or business-type activities, which rely on fees and charges for support.

*Government-Wide Financial Statements*

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of a given program or function is offset by the program's revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues. The effect of interfund activity within the governmental and business-type activities columns has been removed from these statements.

*Fund Financial Statements*

The City segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Each fund is considered a separate accounting entity and the operations of each fund are accounted for using a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Separate statements are presented for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

The government-wide focus is on the sustainability of the City as an entity and the change in net financial position resulting from the activities of the fiscal period. The focus of the fund financial statements is on the major individual funds of the governmental and business-type categories. Each presentation provides a different focus, which allows the reader to compare and analyze the information to enhance the usefulness of the statements.

## Governmental Fund Types

Governmental Funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds (in the fund financial statements) is on the sources, uses, and balance of current financial resources and include the General Fund, Special Revenue Funds, Debt Service Fund and Capital Projects Fund. The individual funds are described as follows:

### Major Governmental Funds

**General Fund** - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Georgetown Transportation Enhancement Corporation** – This capital projects fund is used to account for the City's 4B Corporation activities, created to administer the voter approved half-cent sales tax for transportation improvements that aid in economic development efforts.

**Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**General Capital Projects Fund** – This capital projects fund is used to account for financial resources to be used for the acquisition or construction of parks, buildings, and other facilities. Such resources are derived from proceeds of general obligation bonds or other sources of revenue specifically set aside for capital projects.

### Nonmajor Governmental Funds

**Special Revenue Funds** - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are restricted to expenditures for specified purposes.

### Proprietary Fund Types

The Proprietary Fund Types are used to account for the City's organization and activities which are similar to those often found in the private sector. These funds are financed and operated in a manner similar to private business enterprises – where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered mainly through user charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal on-going operations. Operating expenses for the proprietary funds include the cost of personnel and contractual services, supplies and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

### Major Proprietary Funds

**Electric Fund** – This fund accounts for the City's electric utility, including operations, maintenance of the infrastructure and expansion of the system within the City's service territory.

**Water Services Fund** – This fund accounts for the City's water, sewer and water reuse systems, including operations, contracted maintenance, internal maintenance, expansion of the system within the City's service territory and the costs of environmental mandates that arise.

Non-Major Proprietary Funds

**Enterprise Funds** - The funds that are operated as enterprise funds within the City but are not considered major funds are the Stormwater Drainage and Airport Funds.

**Internal Service Funds** - The Internal Service Funds, which provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. The financial statements of the internal service funds are allocated in the governmental column when presented at the government-wide level. Various operations are accounted for as internal service funds, such as operational costs associated with automobile and heavy equipment owned by the City and made available to various departments, costs related to maintaining and repairing City owned facilities, operational costs associated with the City's computer equipment within various departments, as well as jointly shared administrative departments.

Fiduciary Fund Type – Agency Funds

The City's fiduciary fund is presented in the fund financial statements by type. Since by definition, these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated in the government-wide statements. The City's fiduciary fund accounts for the operations of Cimarron Hills Public Improvement District in which taxes are received from the taxable value in Cimarron Hills and subsequently disbursed to the developer. It also accounts for the Texas Capital Fund Program whereby lease payments on certain property are received by the City and subsequently disbursed to the State of Texas.

**C. Measurement Focus/Basis of Accounting**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Measurement focus refers to what is being measured and basis of accounting refers to timing of revenue and expenditure recognition in the financial statements.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund also uses the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled utility services which are accrued. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues available if they are collected within sixty (60) days after year-end. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from current available financial resources.

Ad valorem, sales, hotel, and franchise tax revenues recorded in the Governmental Fund Types are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

#### **D. Budgets**

At least 30 days prior to the end of each fiscal year, the City Manager submits a proposed budget presenting a complete financial plan for the ensuing fiscal year to the City Council (the Council). Public hearings are conducted, at which time all interested persons' comments concerning the budget are heard. The budget must be legally adopted by the Council through passage of an ordinance no later than the 27th day of the last month of the fiscal year.

Formal budgetary integration is employed as a management control device during the year for all Governmental and Proprietary Fund Types. Budgets for all funds were legally adopted for the period. Budgetary control is exercised at the division level. All budgets are prepared on the budgetary basis, recognizing encumbrances outstanding at year-end as expenditures against that year's appropriation. These encumbrances are reconciled to generally accepted accounting principles where appropriate.

The Council may transfer any unencumbered appropriation balance or portion thereof from one division, office, department, or agency to another at any time. The City Manager has authority, without Council approval, to transfer appropriation balances from one expenditure account to another within a single division, office, department, or agency of the City; however, unbudgeted transfers between funds are prohibited.

The Council may authorize by a majority plus one vote, an emergency expenditure as an amendment to the original budget, but only in a case of grave public necessity, to meet an unusual and unforeseen condition that could not have been included in the original budget through the use of reasonable, diligent thought and attention. The governing body may make changes to the budget for other municipal purposes.

Budget amounts are as originally adopted, or as transferred pursuant to authorization of the City Manager or amended by the City Council. Individual amendments were not material in relation to the original appropriations, with the exception of amendments related to capital projects and grant expenditures, whose actual costs were unknown when the budget was adopted. Unencumbered appropriations lapse each year at September 30.

The Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results, except for the effect of encumbrances and unrealized investment gains and losses, which are reconciled to the actual results for this comparison.

#### **E. Encumbrances**

Encumbrance accounting is employed as an extension of formal budgetary control in all governmental and proprietary funds. Encumbrance accounting is a process whereby purchase orders, contracts and other commitments for the expending of monies are recorded in order to reserve that portion of the applicable appropriation. Outstanding year-end encumbrances are classified as restricted, committed, or assigned components of fund balance, as applicable, and do not constitute expenditures or liabilities because the commitments are carried forward into the subsequent fiscal year.



#### **F. Cash and Investments**

For cash flow purposes, cash and cash equivalents consist of demand deposits, certificates of deposits and deposits in authorized investment pools.

The operating cash balances from all funds are consolidated in pooled cash and investment accounts. Excess pooled balances are invested in U.S. Treasury securities, U.S. Government agency securities, fully collateralized money market funds and local government investment pools. Maturities on all investments are consistent with the City's cash flow requirements. Investments, except for the investment pools, for the City are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Interest earnings are then allocated to each fund based on average monthly pooled equity balances. Separate cash and investment accounts are maintained for restricted cash such as debt service and bond proceeds reserved for future construction.

#### **G. Restricted Assets**

Certain cash and investments are restricted by various legal and contractual obligations. Included in the restricted assets are capital recovery fees (impact fees) restricted by law for future capital improvements, customer deposits, and specific bond proceeds restricted for use.

#### **H. Inventories and Prepaid Items**

Inventories consist of electric materials, jet fuel, office and other supplies valued at the weighted average cost method and are recognized as expenditures or expenses when used. The prepaid items consist of required payments made to a vendor for a contract in the following fiscal year. These items are accounted for using the consumption method.

#### **I. Interfund Receivables and Payables**

Short-term advances between funds are accounted for in the appropriate interfund receivable and payable accounts.

#### **J. Note Receivable**

Long-term note receivable, which consists of the principal amount of the loan, is reported in the governmental fund statements with an offset to nonspendable fund balance as resources are not available for expenditure. Long-term note receivable reported in the governmental activities on the government-wide statement of net position is not offset by unavailable revenue as it is recorded on an accrual basis at its net realizable value.

#### **K. Interfund Transactions**

All legally authorized transfers have been appropriately presented as interfund transfers and are included in the fund financial statements of both Governmental and Proprietary Fund types. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

## **L. Intergovernmental Revenues**

Intergovernmental revenues represent entitlements and shared revenues which are accounted for within the fund financed. Such revenues, received for purposes normally financed through the general government, are accounted for within the Special Revenue Funds.

## **M. Accrued Employee Benefits**

All employees, with the exception of firefighters, may accumulate a maximum of two times their annual vacation, up to a cap of 240 hours, or 30 days paid upon separation. Firefighters may accrue up to a maximum cap of 360 hours that can be paid out upon separation. Upon termination, non-Civil Service employees will not receive payment of sick leave, unless they have a balance that originated prior to October 1, 2004. These employees were grandfathered under the old policy of receiving payment for one-half of their balance of sick leave up to 60 days at the rate of pay when the hours were banked. Upon termination, Civil Service employees are paid for the balance of their Civil Service sick leave earned after July 30, 2003 or October 31, 2005 (the effective date of the regulations in the City for fire civil service and police civil service employees, respectively), up to a maximum of 720 hours or 1,080 hours for those Firefighters on a 56 hour a week schedule on an annual basis. Civil Service employees hired prior to the effective date of the adoption of Civil Service regulations are also eligible under city policy to receive payment for one-half of their sick leave up to 60 days at the rate of pay when the hours were banked.

Accumulated vacation and sick leave, which is expected to be liquidated with expendable available financial resources, is reported as expenditure and a fund liability of the governmental fund that will pay it. Amounts of accumulated vacation leave within governmental funds that are not expected to be liquidated with expendable available financial resources are reported as a long-term liability on the statement of net position. No expenditure is reported for these amounts in the fund financial statements unless the benefits have matured, i.e. unused reimbursable leave still outstanding following an employee's resignation or retirement. Accumulated vacation and sick leave of proprietary fund types are recorded as an expense and liability of those funds as the benefits accrue to employees.

## **N. Capital Assets**

### *Capital Assets other than Streets and Drainage*

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at their historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized, not including infrastructure assets, have an original cost of \$5,000 or more and an expected useful life of over one year.

Interest incurred during the construction phase of capital assets of business-type activities is capitalized.

Depreciation for assets not following the modified approach is computed using the straight-line method on the composite assets based upon the estimated useful lives as follows:

Distribution systems	25 to 50 years
Buildings and improvements	10 to 20 years
Furniture, fixtures, and equipment	3 to 10 years

The City records capital contributions to proprietary funds as revenue. Total capital contributions to the enterprise funds in fiscal year 2018 totaled \$10,295,489. Contributed capital is not recorded for governmental type funds, but is recognized on the government-wide statements and totaled \$7,121,679 for the year ended September 30, 2018.

Capital Assets – Streets and Drainage

Governmental Accounting Standards Board Statement No. 34 provides for an alternative approach to depreciation for measuring the value of infrastructure assets and the related costs incurred to maintain their service life at a locally established minimum standard. In order to adopt this alternative method, the City must use an asset management system, and must determine if the minimum standards are being maintained. This measurement occurs every three years at a minimum. The City has elected to use this alternative method for reporting its street infrastructure assets. The City contracted with the engineering firm of Dynatest North America, Inc. to complete pavement condition surveys for the City's street network during fiscal year ended 2018.

The City uses the CarteGraph PavementView Pavement Management Information System to track the condition levels of each of the street sections. The entire streets inventory is captured in the system and the condition of the pavement is based on the following factors:

- Type of Distress
- Amount of Distress
- Severity of Distress
- Deduct Values (function of the first three)

The Pavement Condition Index (PCI) is a measurement scale based upon a condition index ranging from zero for a failed pavement to 100 for pavement with perfect condition. The condition index is used to classify pavement in the following conditions:

PCI	Rating
100-85	Good
84-45	Fair
44-0	Poor

The PCI for fiscal year 2018 is 85.5. The previous score for fiscal year 2017 was 87 and for 2010-2013 was 88. The City's administrative policy is to maintain an average PCI level of 85. An 85 PCI is considered maintaining the streets in a "good" condition.

Staff prepares a street maintenance budget that meets this target for Council's consideration during the budget process.

**O. Long-term Obligations**

The portion of long-term general obligation debt used to finance proprietary fund operations and payable from the revenues of the Enterprise Funds is recorded in such funds. General obligation bonds and other forms of long-term debt supported by general revenues are obligations of the City as a whole and not its individual funds. Accordingly, such unmatured obligations of the City are accounted for on the statement of net position and payments of principal and interest relating to the general obligation bonds are recorded as expenditures when they are paid in the fund statements. Self-supporting general obligation debt, which will be repaid from non-general revenue sources, is recorded in the appropriate proprietary fund.

**P. Pensions and Other Post-employment Benefits**

For purposes of measuring the net pension liability and net OPEB liability, related deferred outflows and inflows of resources, and pension expense, City specific information about its Fiduciary Net Position in the applicable plans and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability and OPEB liability for life insurance benefits is obtained from TMRS through reports prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with applicable Governmental Accounting Standards Board (GASB) standards. Information regarding the City's OPEB liability for retiree healthcare benefits is obtained through reports prepared for the City by its consulting actuary, Gabriel Roeder Smith & Company, in compliance with applicable GASB standards.

**Q. Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Specifically, the actuarial calculations used to determine the annual required contributions and related liabilities of the City's retirement plan and post-employment obligations are based on assumptions about the possibility of events far into the future. Accordingly, actual results could differ from those estimates.

**R. Risk Financing Activity**

The City of Georgetown is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees; and natural disasters. During fiscal year 2018, the City purchased general liability and property insurance from Texas Municipal League Intergovernmental Risk Pool (TML-IRP). The City pays an annual premium to TML-IRP for such coverage. TML-IRP purchases reinsurance and the City does not retain risks of loss exceeding deductibles. Settled claims have not exceeded insurance coverage in the past three years.

The workers compensation plan is administered and paid through the Texas Municipal League-Intergovernmental Risk Pool (TML-IRP). Under this plan, the City does not retain risks of loss exceeding the deductibles. TML-IRP also brokers the City's Aviation and Underground Storage Tank Pollution liability insurance, as well as, the canine and surgical vet coverage. The City does not retain the risks of loss exceeding the deductibles.

## S. Credit Risk

Financial investments which potentially subject the City to concentrations of credit risk consist principally of cash, investments and accounts receivable. At September 30, 2018, there was not a significant risk arising from cash, investments, or accounts receivable.

## T. Nature and Purpose of Reservations and Designation of Fund Equity

The City's Fund Balance is the accumulated difference between assets and liabilities within governmental funds, and it allows the City to meet its contractual obligations, fund disaster, or emergency costs, provide cash flow for timing purposes and fund non-recurring expenses appropriated by City Council. The City Council has adopted a financial standard to maintain a General Fund minimum balance of 90 days of budgeted on-going expenditures and 75 days citywide. This policy establishes limitations on the purposes for which Fund Balances can be used in accordance with Governmental Accounting Standards Board (GASB) Statement Number 54.

### Five Components of Fund Balance

**Non-spendable Fund Balance** – includes inherently non-spendable assets that will never convert to cash, as well as, assets that will not convert to cash soon enough to affect the current financial period. Assets included in this category are prepaid items, inventory, and non-financial assets held for resale.

**Restricted Fund Balance** – represents the portion of fund balance that is restricted to specific purposes that are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, such as hotel/motel tax and bond proceeds.

**Committed Fund Balance** – describes the portion of fund balance that can only be used for specific purposes with constraints imposed by the formal action of the City Council's adoption of an ordinance, and remains binding unless the City Council removes the limitation.

**Assigned Fund Balance** – is that portion of fund balance that reflects the City's *intended* use for a specific purpose but is neither restricted nor committed. Assigned fund balances are determined by City management based on Council direction, in accordance with our financial policies adopted by resolution.

**Unassigned Fund Balance** – represents funds that have not been assigned to any other fund and cannot be properly classified in one of the other four categories within the general fund.

**City of Georgetown, Texas**  
Notes to the Financial Statements

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Below is the residual classification for the general fund:

	General	Georgetown Transportation Enhancement Corporation	Debt Service	General Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable						
Inventory/prepays	\$ 33,424	\$ -	\$ -	\$ -	\$ -	\$ 33,424
Note receivable	197,633	-	-	-	-	197,633
Spendable						
Restricted for						
Debt service	-	-	2,110,421	-	-	2,110,421
Bond funds	-	-	-	29,208,307	-	29,208,307
Hotel/motel tax	-	-	-	-	1,301,053	1,301,053
Street maintenance tax	-	-	-	-	3,301,181	3,301,181
Other purposes	-	-	-	-	547,157	547,157
Committed for						
Contingency	8,500,000	1,736,189	-	-	-	10,236,189
Economic stability	1,150,000	-	-	-	-	1,150,000
Benefit payout	252,000	-	-	-	-	252,000
Other capital projects	-	16,896,037	-	-	-	16,896,037
Nonmajor funds	-	-	-	-	5,987,421	5,987,421
Assigned to						
Encumbrances	682,350	1,643,750	-	14,144,857	1,740,817	18,211,774
Unassigned	1,131,340	-	-	-	(228,267)	903,073
<b>Total fund balance</b>	<b>\$11,946,747</b>	<b>\$ 20,275,976</b>	<b>\$2,110,421</b>	<b>\$43,353,164</b>	<b>\$ 12,649,362</b>	<b>\$ 90,335,670</b>

When both restricted and unrestricted fund balance amounts are available for use, it is the City's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for which amounts in any of those unrestricted fund balance classifications are available.

**U. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has the following items that qualify for reporting in this category.

- Deferred charges on refundings
- Pension and OPEB items:
  - Differences between expected and actual economic experience
  - Changes in actuarial assumptions
  - Difference between projected and actual investment earnings
  - Contributions to pension plan subsequent to the measurement date

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item that qualifies for reporting in this category. Property taxes levied, but not expected to be available to fund obligations in the current period, are recorded as deferred inflows of resources on the balance sheet.

## **V. Net Position**

Net position represents the difference between assets, liabilities and respective deferred outflow or inflows of resources. A portion of net position represents net investments in capital assets which is the total balance of the City's investment in capital assets less accumulated depreciation and the outstanding balances of any borrowing spent for that acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through (1) the enabling legislation adopted by the City, (2) through external restrictions imposed by grantors, or (3) laws or regulations of other governments.

### **Note 2. Cash and Investments**

For cash flow purposes, cash and temporary investments consist of demand deposits, certificates of deposits, and authorized investment pools. The operating cash balance from all funds is consolidated in pooled cash and investment accounts. Excess pooled balances are invested in U.S. Treasury securities, U.S. Government agency securities, fully collateralized money market funds and local government investment pools. Maturities on all investments are consistent with the City's cash flow requirements. Investments are recorded at cost. Interest earnings are allocated to each fund based on average monthly pooled equity balances. Separate cash and investment accounts are maintained for restricted cash such as debt service, utility debt reserves, and bond proceeds reserved for future construction.

The investment policies of the City are governed by State statutes and a City Council adopted Investment Policy. Major provisions of the City's investment policy include: responsibility for investments, authorized investments, security dealer selection and qualifying procedures, safekeeping and custodial procedures, statement of investment objectives, and investment reporting requirements.

#### **A. Deposits**

Texas Statutes require that all bank deposits be insured or fully collateralized by the U.S. government obligations or obligations of the State of Texas and its agencies. Market value of the collateral pledged must equal at least 102% of the bank deposits not covered by federal deposit insurance.

At year-end, the carrying amount of the City's bank deposits was \$11,120,102 and the bank balances were \$12,577,205, all of which were entirely covered by Federal depository insurance or by collateral held by the City's agent bank in the City's name.

In order to maximize interest earnings, the City utilizes a controlled disbursement account, which allows the City to deposit only as much money as needed to fund checks presented each day.



## B. Investments

The City is authorized to invest in certificates of deposit, direct obligations of the U.S. government, U.S. government agency securities, fully collateralized direct repurchase agreements, no-load money market funds whose portfolios meet the City's investment requirements, and in qualified local government investment pools as approved by the City Council. Non-participating interest earning contracts, including certificates of deposit, and money market accounts are reported at cost. Investments in external investment pools are reported at amortized cost.

Interest rate risk is the potential for a decline in market value due to rising interest rates. In compliance with the City's Investment Policy, as of September 30, 2018, the City minimized the interest rate risk in the portfolio by limiting the weighted average maturity of security types to no longer than two years; structuring the investment portfolio so that securities matured to meet cash requirements for ongoing operations and capital improvement projects; monitoring credit ratings of portfolio positions to assure compliance with rating requirements imposed by the Public Funds Investment Act; and investing operating funds primarily in shorter-term securities and similar government investment pools.

The City evaluated all of its cash and investment positions, and determined that it had none subject to recurring fair value recognition or disclosures. The City's investment balances and weighted average maturity of such investments as of September 30, 2018 are:

	Primary Government	
	September 30, 2017	Weighted Average
Investment pools (at amortized cost)		
Texas local government investment pool (TexPool)	\$ 11,016,519	28
Texas short-term asset reserve program (TexSTAR)	48,810,647	32
T-bills	8,927,361	130
Investments (at cost)		
Money market accounts	12,754,217	1
Certificates of deposit	104,522,288	276
<b>Total investments</b>	<b>186,031,032</b>	
Portfolio weighted average maturity		137
Carrying amount - cash	11,120,102	
<b>Total cash and investments</b>	<b>\$ 197,151,134</b>	

## C. Credit Risk

Credit risk is the possibility that the issuer of a security will fail to make timely payments of interest or principal. In general, the lower the credit quality of a security, the higher the yield, with all other factors being equal. In compliance with the City's Investment Policy, as of September 30, 2018, the City minimized credit risk losses due to default of security issuer or backer by limiting investments to the safest types of securities; pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business; and diversifying the investment portfolio so that potential losses on individual securities were minimized.

For short-term liquidity requirements, the City primarily utilizes the Texas Short-Term Asset Reserve Program (TexSTAR). JPMorgan Fleming Asset Management, Inc. and First Southwest Asset Management, Inc. serve as co-administrators under an agreement with the TexSTAR board of directors to provide investment and participant services for this pool. JPMorgan Chase Bank or its subsidiary J.P. Morgan Investor Services Co. provides the custodial, transfer agency, fund accounting, and depository services for this pool.

The City also maintains an account with the Texas Local Government Investment Pool (TexPool). Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State of Texas Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool.

At year end, balances in TexSTAR and TexPool were rated AAAM by Standard & Poor's. All pools operate on a \$1 net asset value basis. In order to maintain a stable \$1 price of the fund, the pools will sell portfolio holdings if the ratio of the fair value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005. The pools are stated at their measured amortized cost, which is assumed to approximate fair value.

### **Note 3. Taxes**

#### **A. Property Taxes**

Property is appraised and a lien on such property becomes enforceable as of January 1 of each year. Taxes are levied on and payable the following October 1. Taxes become delinquent February 1 of the following year and are subject to interest and penalty charges. Under an agreement which began August 1, 2000, Williamson County Tax Office collects the City's taxes. In the fund financial statements, City property tax revenues are recognized when levied to the extent that they are collected in the current year. Taxes collected prior to the levy date to which they apply are recorded as unearned revenues and recognized as revenue of the period to which they apply.

All collections from prior year levies are considered delinquent tax revenue for reporting purposes in the year collected. The allowance for uncollectible taxes at September 30, 2018 was \$14,528.

The City is permitted by the State of Texas to levy taxes up to \$2.50 per \$100 of assessed valuation for general government services and for the payment of principal and interest on general long-term debt. The combined current tax rate to finance general government services, including debt service for the fiscal year ended September 30, 2018, was \$0.42 per \$100 of assessed valuation.

The Williamson Central Appraisal District (Appraisal District) is responsible for the recording and appraisal of property for all taxing units in Williamson County. The Appraisal District is required to assess property at 100% of its appraised value. Real property must be reappraised at least every four years. The City may, at its own expense, require annual reviews by the Appraisal District through various appeals and, if necessary, legal action. Under this system, if the rate, excluding tax rates for bonds and other contractual obligations adjusted for new improvements, exceeds the rate for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate to an increase of no more than 8%.

In September 2004, voters approved an initiative to freeze property taxes for homeowners over the age of 65 or disabled. This measure mirrors the State of Texas Constitutional Amendment Proposition 13, which passed overwhelmingly statewide in 2003. Prop 13 gives local governments the option of "freezing" taxes for the elderly and disabled.

**B. Sales Taxes**

The City has adopted the provisions of Article 1066C, Vernon's Texas Civil Statutes, as amended, which grant the City the power to impose and levy a 1% Local Sales and Use Tax within the City. Proceeds of the tax are credited to the General Fund except for sales taxes generated at the airport which are credited to the Airport (Enterprise) Fund. Collections and enforcements are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits to the City monthly the proceeds of the tax, after deduction of a 2% service fee.

On October 1, 2001, the City began collecting an additional half-cent sales tax for its component unit, GTEC, to fund transportation improvements that promote economic development. These funds are reported in the GTEC General Capital Projects Fund, a blended component unit of the City.

On April 1, 2003, the City began collecting an additional quarter-cent sales tax in accordance with Texas House Bill 445 to fund maintenance on streets that were in existence at the time the sales tax was adopted by the voters. In November 2010 and again in November 2014, the citizens readopted this quarter-cent sales tax option. The sunset provision will expire in March 2019. These funds are reported in the Streets Special Revenue Fund.

On October 1, 2005, the City began collecting an additional eighth-cent sales tax in accordance with the Texas Development Corporation Act of 1979, Article 5190.6, Section 4A Texas Revised Civil Statutes for the promotion and development of new and expanded business enterprises. This sales tax is administered through GEDCO.

On October 1, 2005, the City began collecting an additional eighth-cent sales tax to be used toward the reduction of ad valorem property taxes. Proceeds are credited to the City's General Fund.

**Note 4. Transfers**

	Transfers In								Total Transfers Out
	Governmental Funds					Enterprise Funds			
	Major Funds			Nonmajor Funds		Major Funds			
	General Fund	Debt Service	GTEC	General Capital Projects	Special Revenue	Internal Services	Electric	Nonmajor Enterprise Funds	
Governmental funds									
Major funds									
General fund	\$ -	\$ -	\$ -	\$ -	\$ 1,575,809	\$ 386,000	\$ -	\$ 9,000	\$ 1,970,809
GTEC	-	2,493,762	-	-	-	-	-	-	2,493,762
General capital projects	-	-	-	-	30,839	2,099,000	-	-	2,129,839
Nonmajor funds									
Special revenue funds	85,200	588,884	553,201	1,770,914	130,611	170,500	-	-	3,299,310
Internal service funds	37,000	-	-	37,000	-	30,800	-	-	104,800
Enterprise funds									
Major funds									
Electric	5,344,952	-	-	-	60,000	32,600	-	-	5,437,552
Water services	3,448,661	-	-	-	-	62,000	540,981	-	4,051,642
Nonmajor funds									
Nonmajor enterprise funds	249,824	-	-	-	-	70,000	-	-	319,824
	<u>\$9,165,637</u>	<u>\$3,082,646</u>	<u>\$553,201</u>	<u>\$ 1,807,914</u>	<u>\$ 1,797,259</u>	<u>\$ 2,850,900</u>	<u>\$ 540,981</u>	<u>\$ 9,000</u>	19,807,538
Transfers eliminated in government-wide statements									10,530,501
Net transfers - statement of activities									\$ 9,277,037

The net transfers between the governmental types and business types total \$9,277,037. Per the City's fiscal and budgetary policy, utility operations transfer seven percent of gross billings for utility services to the General fund as a payment of the profits of the fund or a return on investment. Other types of transfers include grant matching, fire hydrant testing, equipment purchases, and capital project funding.

**Note 5. Capital Assets**

Capital asset activity for the year ended September 30, 2018 was as follows:

	Balance September 30, 2017	Additions	Deletions and Transfers	Balance September 30, 2018
Governmental activities				
Capital assets not being depreciated				
Land	\$ 31,081,513	\$ -	\$11,158,530	\$ 42,240,043
Streets	184,290,635	454,734	27,127,081	211,872,450
Construction in progress	74,500,957	34,793,233	(58,486,743)	50,807,447
Total capital assets not being depreciated	289,873,105	35,247,967	(20,201,132)	304,919,940
Capital assets being depreciated				
Equipment	49,748,467	3,949,114	816,470	54,514,051
Buildings	85,502,079	-	-	85,502,079
Improvements	56,228,465	403,439	19,230,635	75,862,539
Total capital assets being depreciated	191,479,011	4,352,553	20,047,105	215,878,669
Less accumulated depreciation for				
Equipment	(33,170,543)	(3,807,357)	-	(36,977,900)
Buildings	(15,644,020)	(1,206,004)	-	(16,850,024)
Improvements	(16,744,348)	(1,006,003)	-	(17,750,351)
Total accumulated depreciation	(65,558,911)	(6,019,364)	-	(71,578,275)
Total capital assets being depreciated, net	125,920,100	(1,666,811)	20,047,105	144,300,394
<b>Governmental activities capital assets, net</b>	<b>\$415,793,205</b>	<b>\$33,581,156</b>	<b>\$ (154,027)</b>	<b>\$449,220,334</b>
Electric activities				
Capital assets not being depreciated				
Land and land rights	\$ 1,590,704	\$ -	\$ -	\$ 1,590,704
Construction in progress	-	5,020,724	(4,005,352)	1,015,372
Total capital assets not being depreciated	1,590,704	5,020,724	(4,005,352)	2,606,076
Capital assets being depreciated				
Equipment	1,452,031	130,014	-	1,582,045
Buildings and improvements	73,707	-	-	73,707
Distribution system	167,809,105	3,181,706	4,180,280	175,171,091
Total capital assets being depreciated	169,334,843	3,311,720	4,180,280	176,826,843
Less accumulated depreciation for				
Equipment	(1,089,980)	-	-	(1,089,980)
Buildings and improvements	(43,518)	(4,229,447)	-	(4,272,965)
Distribution system	(44,414,533)	-	-	(44,414,533)
Total accumulated depreciation	(45,548,031)	(4,229,447)	-	(49,777,478)
Total capital assets being depreciated, net	123,786,812	(917,727)	4,180,280	127,049,365
<b>Electric activities capital assets, net</b>	<b>\$125,377,516</b>	<b>\$ 4,102,997</b>	<b>\$ 174,928</b>	<b>\$129,655,441</b>

**City of Georgetown, Texas**  
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Capital asset activity for the year ended September 30, 2018 was as follows: **or redistributed.**

	Balance September 30, 2017	Additions	Deletions and Transfers	Balance September 30, 2018
Water services activities				
Capital assets not being depreciated				
Land and land rights	\$ 1,104,984	\$ 200,000	\$ -	\$ 1,304,984
Construction in progress	7,358,762	16,640,835	(12,379,132)	11,620,465
Total capital assets not being depreciated	8,463,746	16,840,835	(12,379,132)	12,925,449
Capital assets being depreciated				
Equipment	1,466,456	31,897	-	1,498,353
Buildings and improvements	3,676,432	6,104,862	10,700	9,791,994
Distribution and water system	347,708,554	656,418	12,222,832	360,587,804
Total capital assets being depreciated	352,851,442	6,793,177	12,233,532	371,878,151
Less accumulated depreciation for				
Equipment	(605,890)	-	-	(605,890)
Buildings and improvements	(2,285,930)	-	-	(2,285,930)
Distribution and water system	(84,829,119)	(9,261,561)	-	(94,090,680)
Total accumulated depreciation	(87,720,939)	(9,261,561)	-	(96,982,500)
Total capital assets being depreciated, net	265,130,503	(2,468,384)	12,233,532	274,895,651
<b>Water services activities capital assets, net</b>	<b>\$273,594,249</b>	<b>\$14,372,451</b>	<b>\$ (145,600)</b>	<b>\$287,821,100</b>
Other nonmajor business-type activities				
Capital assets not being depreciated				
Land	\$ 981,500	\$ -	\$ 1,111,670	\$ 2,093,170
Construction in progress	7,781,395	1,088,939	(8,848,311)	22,023
Total capital assets not being depreciated	8,762,895	1,088,939	(7,736,641)	2,115,193
Capital assets being depreciated				
Equipment	2,461,957	-	(2,241,738)	220,219
Buildings and improvements	3,845,731	-	5,945,925	9,791,656
Distribution systems	51,073,009	395,494	4,195,661	55,664,164
Total capital assets being depreciated	57,380,697	395,494	7,899,848	65,676,039
Less accumulated depreciation for				
Equipment	(185,700)	(11,963)	-	(197,663)
Buildings and improvements	(2,192,434)	(49,232)	-	(2,241,666)
Distribution systems	(15,496,563)	(1,458,621)	-	(16,955,184)
Total accumulated depreciation	(17,874,697)	(1,519,816)	-	(19,394,513)
Total capital assets being depreciated, net	39,506,000	(1,124,322)	7,899,848	46,281,526
<b>Other nonmajor business-type activities capital assets, net</b>	<b>\$ 48,268,895</b>	<b>\$ (35,383)</b>	<b>\$ 163,207</b>	<b>\$ 48,396,719</b>

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Capital asset activity for the year ended September 30, 2018 was as follows: **or redistributed.**

	Balance September 30, 2017	Additions	Deletions and Transfers	Balance September 30, 2018
Total business-type activities				
Capital assets not being depreciated				
Land and land rights	\$ 3,677,188	\$ 200,000	\$ 1,111,670	\$ 4,988,858
Construction in progress	15,140,157	22,750,498	(25,232,795)	12,657,860
Total capital assets not being depreciated	18,817,345	22,950,498	(24,121,125)	17,646,718
Capital assets being depreciated				
Equipment	5,380,444	161,911	(2,241,738)	3,300,617
Buildings and improvements	7,595,870	6,104,862	5,956,625	19,657,357
Distribution systems	566,590,668	4,233,618	20,598,773	591,423,059
Total capital assets being depreciated	579,566,982	10,500,391	24,313,660	614,381,033
Less accumulated depreciation for				
Equipment	(1,881,570)	(11,963)	-	(1,893,533)
Buildings	(4,521,882)	(4,278,679)	-	(8,800,561)
Improvements	(144,740,215)	(10,720,182)	-	(155,460,397)
Total accumulated depreciation	(151,143,667)	(15,010,824)	-	(166,154,491)
Total capital assets being depreciated, net	428,423,315	(4,510,433)	24,313,660	448,226,542
<b>Total business-type activities capital assets, net</b>	<b>\$447,240,660</b>	<b>\$18,440,065</b>	<b>\$ 192,535</b>	<b>\$465,873,260</b>

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities	
Culture / recreation	\$ 561,071
Development	139,111
Fire	705,732
General government	231,603
Highways and streets	538,578
Police	699,419
Environmental services	347,254
Internal service funds	2,796,596
<b>Total depreciation expense governmental activities</b>	<b>\$ 6,019,364</b>
Business-type activities	
Electric	\$ 4,229,447
Water services	9,261,561
Nonmajor	1,519,816
<b>Total depreciation expense business-type activities</b>	<b>\$ 15,010,824</b>

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	Governmental Activities	Business-type Activities	Total
Net investment in capital assets			
Total capital assets (net of accumulated depreciation)	\$ 449,220,334	\$ 465,873,260	\$ 915,093,594
Less long-term debt and related charges	(205,922,970)	(109,810,282)	(315,733,252)
Add unspent bond proceeds	47,792,589	87,262,672	135,055,261
Net long-term debt	(158,130,381)	(22,547,610)	(180,677,991)
<b>Net investment in capital assets (net of related debt)</b>	<b>\$ 291,089,953</b>	<b>\$ 443,325,650</b>	<b>\$ 734,415,603</b>

**Note 6. Long-Term Liabilities**

**A. Overview**

The following is a summary of long-term debt transactions of the City for the fiscal year ended September 30, 2018:

	Balance as of September 30, 2017	Additions	Retirements	Balance as of September 30, 2018	Due within One Year
Governmental activities					
General obligation bonds	\$170,194,599	\$46,625,000	\$(24,540,956)	\$192,278,643	\$12,150,418
Premiums	6,020,112	3,837,621	(465,794)	9,391,939	718,792
Sales tax revenue bonds	6,685,000	-	(560,000)	6,125,000	570,000
Compensated absences	5,392,354	1,604,406	(1,684,122)	5,312,638	1,806,403
Net pension liability	19,553,749	-	(5,888,880)	13,664,869	-
Other post employment benefits	1,147,893	2,129,940	(4,529)	3,273,304	-
Total governmental activities	208,993,707	54,196,967	(33,144,281)	230,046,393	15,245,613
Business-type activities					
Revenue bonds	92,730,000	6,510,000	(5,905,000)	93,335,000	6,040,000
Premiums	5,152,405	221,667	(330,764)	5,043,308	390,726
General obligation bonds	13,865,309	145,000	(1,518,953)	12,491,356	1,294,582
Compensated absences	1,000,584	469,542	(357,219)	1,112,907	485,648
Net pension liability	4,622,797	179,649	(1,170,013)	3,632,433	-
Total business-type activities	117,371,095	7,525,858	(9,281,949)	115,615,004	8,210,956
<b>Total long-term debt</b>	<b>\$326,364,802</b>	<b>\$61,722,825</b>	<b>\$(42,426,230)</b>	<b>\$345,661,397</b>	<b>\$23,456,569</b>

Liabilities for compensated absences, net pension obligation, and other post-employment benefits that are included in governmental activities are expended primarily in the General Fund as benefits are used by the employees.



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At September 30, 2018, there was \$99,480,000 of authorized but unissued general obligation bonds. There are no authorized but unissued revenue bonds. The City is in compliance with all bond ordinances.

Ending September 30,	Governmental		Business-type		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 12,720,418	\$ 7,194,387	\$ 7,334,582	\$ 3,856,488	\$ 20,055,000	\$11,050,875
2019	12,824,526	6,419,614	7,205,475	3,539,833	20,030,001	9,959,447
2020	13,135,801	6,077,276	7,124,199	3,278,913	20,260,000	9,356,189
2021	13,062,875	5,658,417	7,297,125	3,009,512	20,360,000	8,667,929
2022	13,145,478	5,210,531	6,929,522	2,735,586	20,075,000	7,946,117
2023-2027	58,423,157	18,574,194	32,986,844	9,654,511	91,410,001	28,228,705
2028-2032	44,610,321	9,457,464	23,734,679	4,517,856	68,345,000	13,975,320
2033-2037	30,481,067	2,506,118	13,213,930	1,019,449	43,694,997	3,525,567
	<u>\$198,403,643</u>	<u>\$61,098,001</u>	<u>\$105,826,356</u>	<u>\$31,612,148</u>	<u>\$304,229,999</u>	<u>\$92,710,149</u>

General Obligation Debt

A summary of tax-supported general obligation debt outstanding at September 30, 2018:

\$1,175,000, 2009 General obligation bonds due in annual installments through August 15, 2019; interest at 3.0% to 3.50%	\$	55,000
\$5,400,000, 2009 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2019; interest at 3% to 5% (portion included below)		255,000
\$2,530,000, 2010 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2019; interest at 1.75% to 4.15% (portion included below)		128,348
\$1,370,000, 2010 General obligation bonds due in annual installments through August 15, 2019; interest at 3% to 4.5%		70,000
\$11,930,000, 2010A General obligation bonds due in annual installments through August 15, 2020; interest at 2% to 3.5%		1,210,000
\$9,720,000, 2011 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2031; interest at 2% to 4%		6,475,000
\$12,500,000, 2012 General obligation bonds due in annual installments through February 15, 2037; interest at 1.5% to 3.625%		10,645,000
\$1,650,000, 2012 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2032; interest at 1.5% to 3.375% (portion included below)		882,500

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\$1,016,532, 2012 General obligation and Refunding bonds due in annual installments through August 15, 2029; interest at 0.2% to 3.25% (portion included below)	608,228
\$12,500,000, 2012A General obligation bonds due in annual installments through August 15, 2037; interest at 2.0% to 3.25% (portion included below)	10,695,000
\$9,500,000, 2013 General obligation bonds due in annual installments through August 15, 2037; interest at 2.0% to 3.375% (portion included below)	7,580,000
\$9,646,976, 2013 General obligation and Refunding bonds due in annual installments through August 15, 2025; interest at 2.0% to 4.0% (portion included below)	5,768,028
\$4,800,000, 2014 General obligation bonds due in annual installments through August 15, 2034; interest at 2.0% to 3.60%	4,180,000
\$1,841,000, 2014 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2034; interest at 3.00% to 3.625% (portion included below)	1,604,802
\$9,709,525, 2014 General obligation and Refunding bonds due in annual installments through August 15, 2027; interest at 2.00% to 4.00% (portion included below)	8,139,390
\$4,345,000, 2015 General obligation bonds due in annual installments through August 15, 2035; interest at 3.00% to 4.00%	3,895,000
\$3,175,000, 2015 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2035; interest at 2.00% to 3.50% (portion included below)	2,485,000
\$4,042,295, 2015 General obligation and Refunding bonds due in annual installments through August 15, 2028; interest at 2.000% to 3.125% (portion included below)	2,644,096
\$11,785,000, 2015A General obligation bonds due in annual installments through August 15, 2035; interest at 2.000% to 3.300%	10,600,000
\$12,585,000, 2016 General obligation bonds due in annual installments through August 15, 2036; interest at 2.000% to 4.000%	11,705,000
\$3,105,000, 2016 Combination tax and revenue certificates of obligation due in annual installments through August 15, 2036; interest at 2.000% to 4.000% (portion included below)	2,715,000
\$4,014,840, 2016 General obligation and Refunding bonds due in annual installments through August 15, 2027; interest at 2.000% to 3.000% (portion included below)	2,654,289
\$8,555,000, 2017 General obligation bonds due in annual installments through August 15, 2037; interest at 3.125% to 5.000%	8,465,000
\$8,655,000, 2017 Combination tax and revenue certificates of obligation due in annual installments through August 15, 2037; interest at 3.000% to 5.000% (portion included below)	8,235,000
\$12,385,000, 2017 General obligation and Refunding bonds due in annual installments through August 15, 2030; interest at 2.000% to 5.000%	12,210,000
\$23,555,000, 2018 General obligation bonds due in annual installments through August 15, 2038; interest at 3.00% to 5.000%	23,555,000
\$10,695,000, 2018 Combination tax and revenue certificates of obligation due in annual installments through August 15, 2038; interest at 3.000% to 4.000%	10,695,000
Total Tax Supported Debt	<u>\$ 158,154,681</u>

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A summary of self-supporting general obligation debt outstanding at September 30, 2018:

\$1,010,000, 2010 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2019; interest at 2.9% to 3.1%; to be paid through monthly Stormwater Drainage fees charged to utility customers within City limits.	\$ 51,339
\$3,035,000, 2010 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2019; interest at 2.9% to 3.1%; paid through Electric utility revenues.	395,312
\$1,650,000, 2012 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2032; interest at 1.5% to 3.375%; designated for GTEC capital improvements to be paid through revenues from the ½ cent GTEC sales tax.	882,500
\$2,165,180, 2012 General obligation and Refunding bonds due in annual installments through August 15, 2029; interest at 0.2% to 3.25%; designated for GTEC capital improvements to be paid through revenues from the ½ cent GTEC sales tax.	1,295,505
\$5,233,289, 2012 General obligation and Refunding bonds due in annual installments through August 15, 2029; interest at 0.2% to 3.25%; paid through Electric utility revenues.	3,131,266
\$4,065,000, 2013 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2033; interest at 2.0% to 3.25%; to be paid through Electric and Water utility revenues.	3,300,000
\$442,408, 2013 General obligation and Refunding bonds due in annual installments through August 15, 2025; interest at 2.0% to 4.0%; portion dedicated for Airport Improvements, \$254,219, to be paid with Airport fees. Portion dedicated for Stormwater Drainage Improvements, \$188,189 to be paid through monthly fees charged to utility customers within the City limits.	264,516
\$915,616, 2013 General obligation and Refunding bonds due in annual installments through August 15, 2025; interest at 2.0% to 4.0%; designated for GTEC capital improvements to be paid through revenues from the ½ cent GTEC sales tax.	547,456
\$459,000, 2014 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2034; interest at 3.00% to 3.625% to be paid through monthly Stormwater Drainage fees charged to utility.	400,198
\$162,030, 2014 General obligation and Refunding bonds due in annual installments through August 15, 2027; interest at 2.00% to 4.00% portion dedicated for Airport Improvements, \$8,593, to be paid with Airport fees. Portion dedicated for Stormwater Drainage Improvements, \$153,438, to be paid through monthly fees charged to utility customers within City limit.	135,828
\$2,403,445, 2014 General obligation and Refunding bonds due in annual installments through August 15, 2027; interest at 2.00% to 4.00% designated for GTEC capital improvements to be paid through revenues from the ½ cent GTEC sales tax.	2,014,782

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\$6,470,000, 2015 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2035; interest at 2.00% to 3.60%; to be paid through annual ad valorem tax levied on all taxable property within the City.	6,220,000
\$675,297, 2015 General obligation and Refunding bonds due in annual installments through August 15, 2028; interest at 2.0% to 3.125%; portion dedicated for Airport Improvements, \$188,168, to be paid with Airport fees. Portion dedicated for Stormwater Drainage Improvements, \$487,129 to be paid through monthly fees charged to utility customers within the City limits.	441,792
\$1,642,408, 2015 General obligation and Refunding bonds due in annual installments through August 15, 2028; interest at 2.0% to 3.125%; designated for GTEC capital improvements to be paid through revenues from the ½ cent GTEC sales tax.	1,074,112
\$3,070,000, 2015 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2035; interest at 2.00% to 3.50%; portion dedicated for Airport Improvements, \$865,000, to be paid with Airport fees. Portion dedicated for Stormwater Drainage Improvements, \$2,205,000 to be paid through monthly fees charged to utility customers within the City limits.	2,735,000
\$745,000, 2015 Combination tax & revenue certificates of obligation due in annual installments through August 15, 2035; interest at 2.00% to 3.50%; paid through water utility revenues.	660,000
\$10,720,000, 2016 Combination tax and revenue certificates of obligation due in annual installments through August 15, 2036; interest at 2.000% to 3.000%; designated for GTEC capital improvements to be paid through revenues from the 1/2 cent GTEC sales tax.	9,955,000
\$2,980,000, 2016 Combination tax and revenue certificates of obligation due in annual installments through August 15, 2036; interest at 2.000% to 5.000%; designated for GEDCO-Riv ery capital improvements to be paid through revenues from the .125 of a cent GEDCO sales tax.	2,755,000
\$1,645,000, 2016 Combination tax and revenue certificates of obligation due in annual installments through August 15, 2036; interest at 2.000% to 3.000%; to be paid through annual ad valorem tax levied on all taxable property within the TIRZ.	1,525,000
\$240,000, 2016 Combination tax and revenue certificates of obligation due in annual installments through August 15, 2036; interest at 2.000% to 3.000%; to be paid through monthly Stormwater Drainage fees charged to utility customers within City Limits.	220,000
\$3,409,997, 2016 General obligation and refunding bonds due in annual installments through August 15, 2027; interest at 2.000% to 2.500%; designated for GTEC capital improvements to be paid through revenues from 1/2 cent GTEC sales tax.	2,254,606
\$85,163, 2016 General obligation and refunding bonds due in annual installments through August 15, 2027; interest at 2.000% to 3.000%; portion dedicated for Airport Improvements, \$4,620, to be paid with Airport fees. Portion dedicated for Stormwater Drainage Improvements \$80,542 to be paid through monthly fees charged to utility customers within City limits.	56,106

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\$555,000, 2017 General obligation and Refunding bonds due in annual installments through August 15, 2030; interest at 2.000% to 5.000% Dedicated for Stormwater Drainage Improvements to be paid through monthly fees charged to utility customers within City limits.	555,000
\$5,750,000, 2017 Combination tax and revenue certificates of obligation due in installments through August 15, 2037; interest at 3.000% to 5.000%; designated for GTEC capital improvements to be paid through revenues from 1/2 cent GTEC sales tax.	5,600,000
\$145,000, 2018 Combined tax and revenue certificates of obligation due in through 8/15/2038; interest at 3% to 4%; portion dedicated for Airport Improvements.	145,000
Total Self-Supported General Obligation Debt	46,615,318
<b>Grand Total Outstanding General Obligation Debt as of September 30, 2018</b>	<b>\$ 204,769,999</b>
This amount is reported in the government-wide statements of activities as:	
Governmental activities	\$ 192,278,643
Business-type activities	12,491,356
	<b>\$ 204,769,999</b>

**B. Sales Tax Revenue Debt – Georgetown Transportation Enhancement Corporation**

A summary of sales tax revenue debt outstanding at September 30, 2018 follows:

\$7,755,000, 2015 Senior lien sales tax revenue bonds due in annual installments through August 15, 2027; interest at 2.00% to 4.00%; repaid with 1/2 cent sales tax revenue	\$ 6,125,000
<b>Total outstanding sales tax revenue debt as of September 30, 2017</b>	<b>\$ 6,125,000</b>

**C. Discretely Presented Component Unit**

Georgetown Economic Development Corporation (GEDCO) participated in the City's issuance of \$18,690,000 Combination Tax and Revenue Certificates of Obligation, Series 2016 and is obligated to pay the City its portion of the principal and interest for the certificates, through 2036. Additionally, GEDCO has received a loan from the Water Services Fund as part of a tri-party agreement for economic development.

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Repayment of GEDCO's outstanding long-term liabilities is as follows at September 30, 2018:

Fiscal Years Ending September 30,	GEDCO	
	Principal	Interest
2019	\$ 200,568	\$ 108,226
2020	511,948	165,164
2021	323,956	95,537
2022	125,000	77,769
2023	130,000	74,019
2024-2028	730,000	280,406
2029-2033	835,000	171,500
2034-2036	570,000	34,500
	<u>\$ 3,426,472</u>	<u>\$ 1,007,121</u>

**D. Revenue Debt**

A summary of revenue bonds outstanding at September 30, 2018:

\$10,120,000, 2010 Utility System Revenue bonds due in annual installments through August 15, 2029; interest at 3% to 4%	\$ 7,055,000
\$7,715,000, 2012 Utility System Revenue & Refunding bonds due in annual installments through August 15, 2023; interest at 2% to 4%	3,885,000
\$11,855,000, 2014 Utility System Revenue & Refunding bonds due in annual installments through August 15, 2027; interest at 2% to 4%	8,815,000
\$13,000,000, 2014 Utility System Revenue bonds due in annual installments through August 15, 2034; interest at 2% to 4%	11,350,000
\$5,350,000, 2014 Utility System Revenue bonds due in annual installments through August 15, 2031; interest at 1% to 4%	4,350,000
\$10,920,000, 2015 Utility System Revenue & Refunding bonds due in annual installments through August 15, 2035; interest at 3.00% to 3.75%	9,795,000
\$9,620,000, 2016 Utility System Revenue bonds due in annual installments through August 15, 2036; interest at 2.000% to 4.000%.	8,970,000
\$6,925,000, 2016 Utility System Revenue bonds due in annual installments through August 15, 2028; interest at 3.000% to 4.000%	5,695,000
\$27,915,000, 2017 Utility System Revenue bonds due in annual installments through August 15, 2037; interest at 3.000% to 4.000%	26,910,000
\$6,510,000, 2018 Utility System Revenue bonds due in annual installments through August 15, 2038; interest at 2.000% to 4.000%	6,510,000
<b>Total outstanding revenue debt as of September 30, 2018</b>	<u><u>\$ 93,335,000</u></u>

All net revenues of the electric and water services system are pledged for the payment of debt service for the revenue bonds. Net revenues, as defined by the various bond ordinances, include income and revenues derived from the operation of the system, after deduction of the amount necessary to pay all operating, maintenance, replacement, and betterment charges of the system.

These bond ordinances require that the net revenues, as defined, equal at least 1.25 times the average annual debt service on all revenue bonds. The City complied with this requirement at September 30, 2018.

**Note 7. Defined Benefit Pension Plan**

**A. Plan Description**

The City participates as one of 866 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.tmrs.com](http://www.tmrs.com).

All eligible employees of the city are required to participate in TMRS.

**B. Benefits Provided**

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven actuarially equivalent payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

A summary of plan provisions for the City are as follows:

Employee deposit rate	7%
Matching ratio (City to employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age, 5 year at age 60 and above
Updated Service Credit	75% Repeating
Annuity Increase to retirees	50% of CPU Repeating

**C. Employees Covered by Benefit Terms**

At the December 31, 2015 valuation and measurement date, the following employees were covered by the benefit terms:

Retirees or beneficiaries currently receiving benefits	179
Inactive employees entitled to but not yet receiving benefits	222
Active employees	653
	<hr/>
	1054
	<hr/>

D. Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the city matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the consulting actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Georgetown were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Georgetown were 11.47%, 12.43%, and 12.54% in calendar years 2016, 2017, and 2018, respectively. The City's contributions to TMRS for the year ended September 30, 2018 were \$5,682,270 and were equal to the required contributions.

E. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2017, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The Total Pension Liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	3.0% per year
Investment rate of return	6.75%, net pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males rates multiplied by 109% and female rates multiplied by 103% with a three year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four year period from December 31, 2010 to December 31, 2014. They were adopted in 2015 and first used in the December 31, 2015 actuarial valuation. The post-retirement mortality assumption for healthy annuitants and Annuity Purchase Rate (APRs) are based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. In conjunction with these changes first used in the December 31, 2013 valuation, the System adopted the Entry Age Normal actuarial cost method and a one-time change to the amortization policy. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.



The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 20x2 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Domestic equity	17.5%	4.55%
International equity	17.5%	6.35%
Core fixed income	10.0%	1.00%
Non-core fixed income	20.0%	3.90%
Real return	10.0%	3.80%
Real estate	10.0%	4.50%
Absolute return	10.0%	3.75%
Private equity	5.0%	7.50%
<b>Total</b>	<b>100.0%</b>	

#### Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

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Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2016	\$ 129,483,368	\$ 105,306,827	\$ 24,176,541
Changes for the year			
Service cost	6,897,077	-	6,897,077
Interest	8,852,731	-	8,852,731
Change of benefit terms	-	-	-
Difference between expected and actual experience	231,554	-	231,554
Changes of assumptions	-	-	-
Contributions - employer	-	5,323,953	(5,323,953)
Contributions - employee	-	3,009,880	(3,009,880)
Net investment income	-	14,606,240	(14,606,240)
Benefit payments, including refund of employee contributions	(3,560,669)	(3,560,669)	-
Administrative expense	-	(75,639)	75,639
Other changes	-	(3,833)	3,833
Net changes	12,420,693	19,299,932	(6,879,239)
<b>Balance at December 31, 2017</b>	<b>\$ 141,904,061</b>	<b>\$ 124,606,759</b>	<b>\$ 17,297,302</b>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.75%) or one-percentage-point higher (7.75%) than the current rate:

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 39,790,587	\$ 17,297,302	\$ (1,024,919)

**F. Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at [www.tmrs.com](http://www.tmrs.com).

**G. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources  
Related to Pensions**

For the year ended September 30, 2017, the City recognized pension expense of \$5,403,424.

At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Differences between expected and actual economic experience	\$ 197,502
Changes in actuarial assumptions	-
Difference in projected and actual investment earnings	4,613,290
Contributions subsequent to the measurement date	4,128,205
<b>Total</b>	<b>\$ 8,938,997</b>

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of \$3,833,044 will be recognized as a reduction of the net pension liability for the measurement year ending December 31, 2017 (i.e. recognized in the city's financial statements September 30, 2018). Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Measurement Years Ended December 31,	
2018	4,627,970
2019	280,012
2020	(947,670)
2021	(1,155,905)
2022	91,964
Thereafter	27,242
	<b>\$ 2,923,613</b>

**Note 8. Other Post-Employment Benefits (OPEB)**

**A. Post-Employment Healthcare Plan**

Plan Description and Benefits Provided

In addition to the pension benefits described in the previous note, the City has established a medical insurance benefit plan for retirees, which is a single-employer defined benefit medical plan (the Retiree Medical Plan). The Retiree Medical Plan does not issue a publicly available financial report. Eligible retirees will be provided medical insurance benefits at a set premium rate annually. Eligible retirees may also cover their eligible dependents. Retirees are responsible for paying the premiums. A retiree is defined as someone who retires from the City and receives benefit payments. The City will stop insurance coverage on the retiree and dependent on the last day of the month when one of the following occurs:

1. The retiree reaches age 65; or
2. The retiree fails to submit the required set premium rate.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

The following employees were covered by the benefit terms as of December 31, 2017.

Retirees or beneficiaries	11
Inactive employees, nonretired members	0
Active members	648
	<hr/>
	659
	<hr/>

Total OPEB Liability

The City's total OPEB liability of \$2,182,012 was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial cost method	Individual entry-age
Discount rate	3.33%
Inflation	2.5% per year
Salary increases	3.5% to 10.5%, including inflation
Demographic assumptions	Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the TMRS.
Mortality	For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Health care trend rates	Initial rate of 7.5% declining to an ultimate rate of 4.25% after 15 years.

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance at September 30, 2017	\$ 1,936,134
Changes for the year	
Service cost	128,392
Interest	74,997
Change of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	106,325
Benefit payments	(63,836)
Net changes	245,878
Balance at September 30, 2018	\$ 2,182,012

Changes of Assumptions

Changes of assumptions and other inputs reflect the effects of changes in the discount rate for each period. In fiscal year 2018, amounts reflect an increase in the discount rate from the beginning of the year from 3.64% to 4.18%.

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*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates*

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.18%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease in Discount Rate (2.31%)	Discount Rate (3.31%)	1% Increase in Discount Rate (4.31%)
Total OPEB liability	\$ 2,410,496	\$ 2,182,012	\$ 1,975,297

The following presents the total OPEB liability of the City, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease in Healthcare Cost Rate	Healthcare Cost Rate	1% Increase in Healthcare Cost Rate
Total OPEB liability	\$ 1,904,929	\$ 2,182,012	\$ 2,513,774

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

OPEB Expense	Year Ended September 30, 2018
Service cost	\$ 128,392
Interest	74,997
Change of benefit terms	-
OPEB administrative expense	-
Recognition of current year outflow (inflow)	9,987
Amortization of prior year outflow (inflow)	-
Net changes	\$ 213,376

As of September 30, 2018, the deferred inflows and outflows of resources are as follows:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences between expected and actual economic experience	\$ -	\$ -
Changes in actuarial assumptions	96,338	-
Difference in projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	59,247	-
<b>Total</b>	<b>\$ 155,585</b>	<b>\$ -</b>

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Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year Ending September 30,		
2019	\$	9,987
2020		9,987
2021		9,987
2022		9,987
2023		9,987
Thereafter		46,403
	\$	<u>96,338</u>

**B. Life Insurance Benefits**

Plan Description and Benefits Provided

TMRS administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. It is considered to be a single-employer plan. The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1st of any year to be effective the following January 1st.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (Calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded OPEB plan (i.e. no assets are accumulated).

Inactive employees currently receiving benefits	129
Inactive employees entitled to but not yet receiving benefits	72
Active employees	<u>653</u>
	<u>854</u>

Contributions

**Valuation.** The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employee's entire careers. The City's contributions to the TMRS SDBF for the year ended September 30, 2018 were \$4,289, which equaled the required contributions.

Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2017 and was determined by an actuarial valuation as of that date.

**City of Georgetown, Texas**  
Notes to the Financial Statements

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Actuarial Assumptions

The City's total OPEB liability in the December 31, 2017 valuation was determined using the following actuarial assumptions:

Actuarial cost method	Individual entry-age
Discount rate	3.33%
Inflation	2.5% per year
Salary increases	3.5% to 10.5%, including inflation
Demographic assumptions	Based on the experience study covering the four-year period ending December 31, 2014 as conducted for the TMRS.
Mortality	For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Health care trend rates	Initial rate of 7.5% declining to an ultimate rate of 4.25% after 15 years.

The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2017.

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study for the period December 31, 2010 to December 31, 2014.

*Changes in the Total OPEB Liability*

	Increase (Decrease) Total OPEB Liability
Balance at December 31, 2016	\$ 895,719
Changes for the year	
Service cost	64,338
Interest	34,993
Change of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	100,531
Benefit payments	(4,289)
Net changes	195,573
<b>Balance at December 31, 2017</b>	<b>\$ 1,091,292</b>

Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees. Changes in assumptions are a result of the change in municipal bond index rate from the previous year.



Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 3.31%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (2.31%) or one percentage-point higher (4.31%) than the current rate:

	1% Decrease in Discount Rate (2.31%)	Discount Rate (3.31%)	1% Increase in Discount Rate (4.31%)
Total OPEB liability	\$ 1,354,632	\$ 10,910,292	\$ 891,368

OPEB Expense and Related Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2018, the City recognized OPEB expense of \$111,502.

At September 30, 2018, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Differences between expected and actual economic experience	\$ -	\$ -
Changes in actuarial assumptions	88,360	-
Difference in projected and actual investment earnings	-	-
Contributions subsequent to the measurement date	-	-
<b>Total</b>	<b>\$ 88,360</b>	<b>\$ -</b>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30,	
2019	\$ 12,171
2020	12,171
2021	12,171
2022	12,171
2023	12,171
Thereafter	27,505
	<b>\$ 88,360</b>

**Note 9. Risk Management**

Health Benefits – On January 1, 2014, the City began a self-funded insurance program for provision of employee health insurance. In fiscal year 2017, the City made contributions to cover 85% of the employees' costs for medical plan premiums. The employees authorized payroll withholdings to pay the remainder contributions for themselves, and their family members, if elected.

In accordance with state statute, the City maintains a catastrophic loss insurance policy (stop-loss policy), which reimburses the City for annual claims totaling over \$150,000 per covered individual. For the fiscal year ended 2018, no material insurance settlement payments were received. The City made no significant reductions in insurance coverage and no settlements have exceeded insurance coverage for the 2018 fiscal year. The City's contributions for the self-insurance during the year totaled \$7,785,765. Estimates of claims payable and of claims incurred but not reported at September 30, 2018 are reflected as accrued expenses of the fund. The liabilities include an amount for claims that have been incurred but were not reported until after September 30, 2018. Because actual claims liabilities depend on such complex factors such as inflation, changes in legal requirements, and damage awards, the process used in computing claims liability is an estimate that could materially change when the claims are ultimately finalized. Analysis of claims liability for the fiscal year 2018 is as follows:

Unpaid claims, beginning of year	\$	386,889
Incurred claims		5,745,698
Claim payments		(5,675,306)
		<hr/>
Unpaid claims, end of year	\$	457,281
		<hr/>

#### **Note 10. Deferred Compensation Plan**

The City offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

#### **Note 11. Commitments and Contingencies**

The City is the defendant in a number of lawsuits arising principally in the normal course of operations. In the opinion of management, the outcome of these lawsuits are only reasonably possible to have a material adverse effect on the accompanying combined financial statements, and, as no reasonable estimate can be made no provision for losses has been recorded.

The City has the following long-term agreements, which represent significant commitments:

##### **A. Wholesale Power Agreements**

On May 21, 2014, the City settled its lawsuit with the Lower Colorado River Authority (LCRA) that was originally filed in September 2012 regarding its wholesale power agreement (WPA). At that time, Georgetown Utility System (GUS) began to actively manage its energy supply. This settlement ended all future appeals and trials, and cleared the way for the City to secure future power from other sources.

Prior to terminating the WPA with LCRA, GUS received almost 90% of its power needs from LCRA, but also had existing contracts with several other suppliers. Beginning on September 13, 2012 GUS began receiving energy from its other suppliers to replace the energy LCRA had planned to serve. GUS also extended its active management of its daily energy supply to cover the larger market exposures, congestion issues, and real time settlements that LCRA previously handled. The City is currently using its long term wind power arrangements with American Electric Power (AEP), until 2028, and Électricité de France Renewable Energy (EDF-RE), until 2035, solar through Clearway Energy, through 2043, as well as balancing energy and settlements with Mecuria Energy America (MEA) and Garland Power & Light (GP&L).

The City began retiring Renewable Energy Credits (RECs) produced by the wind farms against 100% of the Utility's consumption to officially make all of its customers 100% renewable as of April 2017.

**B. Brazos River Authority (BRA) Water Contracts**

Effective September 1, 2001, the City revised its previous water availability agreements with the BRA to further plan for future water needs and to standardize the pricing to a system-wide rate. The effective system-wide rate for BRA's fiscal year beginning September 1, 2018 is \$76.50 per acre-foot and the City paid a total of \$3,391,836 for water during the fiscal year. The City has two separate agreements with the BRA as follows:

Lake Georgetown Water – This agreement, effective September 1, 2001 and expiring August 31, 2050, requires BRA to make available to the City 6,720 acre-feet of water per year at BRA's system wide rate. The City paid \$498,680 for water under this agreement in fiscal year 2018.

Lake Stillhouse Hollow Water – This agreement, effective September 1, 2001 and expiring August 31, 2040, requires BRA to make available to the City 38,987 acre-feet of water per year at BRA's system wide rate. The City paid \$2,893,156 for water under this agreement in fiscal year 2018.

**C. Brazos River Authority – Williamson County Regional Raw Water Line Agreement**

The City is a party to an agreement dated June 30, 1986, with the Brazos River Authority (BRA), City of Round Rock, Jonah Water Special Utility District, and Chisholm Trail Special Utility District (CTSUD). The Brazos River Authority designed, constructed, owns, and operates a pipeline to transport water from Lake Stillhouse Hollow to Lake Georgetown to benefit the parties in the agreement. Total project construction cost for the raw water line was approximately \$40,000,000. In 2007, BRA refunded a portion of the original \$89,000,000 in debt, leaving approximately \$69,000,000 outstanding debt, including principal and interest. Each participant agreed to pay for the annual cost of debt and operations of the line. The City's obligation is \$50,500,000, including principal and interest, to be repaid annually through 2032. The amount for fiscal year 2018 was \$1,834,234.

The following schedule reflects the principal portion of the City's obligation:

Years Ending September 30,	
2019	\$ 1,818,222
2020	2,371,890
2021	2,277,352
2022	2,273,009
2023-2032	19,627,314
	<u>\$ 28,367,787</u>

As part of the CTSUD acquisition that occurred on September 12, 2014, the City assumed the ownership interest and related obligations of CTSUD's portion of this project.

**D. Georgetown Village Public Improvement District**

In 1999, the City of Georgetown created the Georgetown Village Public Improvement District No. 1, pursuant to Chapter 372 of the Texas Local Government Code. The City is required to construct and provide operation, repair, and maintenance of parks, recreational facilities, alleyways, lighting, landscaping and related improvements to the district that are above the standards that are met elsewhere in the City. Property owners are assessed an annual maintenance assessment of \$0.14 per \$100 valuation. Assessment revenue of \$388,049 was recognized for 2018. As of September 30, 2018, all costs associated with the Georgetown Village Public Improvement District have been reimbursed.

**E. Cimarron Hills Public Improvement District**

In May 2000, the City and Paloma Cimarron Hills, L.P. entered into a development agreement for a 606 home, 813 acre subdivision within the City's Extraterritorial Jurisdiction (ETJ). As part of this agreement, the City created the Cimarron Hills PID to reimburse the developer for costs of certain infrastructure improvements. Each lot within the development is assessed an annual fee based on its type of usage. The City also collects a per unit transportation fee which will be used to fund necessary roadway improvements and bridge crossings in the area. PID assessment collection began in 2002. In 2018, PID assessments were \$407,514. The developer was reimbursed \$391,425 from current year collections and available fund balance. The assessments and related disbursements are recorded in the Agency Funds.

**F. Wolf Ranch Towne Center**

In July 2003, the City approved a development agreement with Simon Properties for the 750,000 sq. ft. Wolf Ranch Towne Center. The project includes Target and 70 other retailers and restaurants. The City's development agreement with Simon includes a sales tax rebate allowable under Chapter 380 of the Texas Local Government Code. Fifty-three percent of the 1% general operating sales tax revenue generated at the development is rebated to Simon as an economic development incentive. This arrangement continues for 20 years or up to \$15,000,000, which funds the public on-site improvements paid by Simon.

As part of the agreement, the City provided utility improvements to the site, as well as, funded \$10,500,000 of highway improvements for the project. The \$10,500,000 was funded with debt to be repaid by Georgetown Transportation Enhancement Corporation (GTEC). Improvements to SH 29, as well as, provide the frontage road for IH-35 were constructed as part of this project. As of September 30, 2018, \$6,125,000 of GTEC debt was outstanding for this project. GTEC collects ½ of 1% sales tax, therefore, per the agreement, all related debt service for the GTEC issued bonds, were to be funded with 53% of GTEC (½%) of sales tax generated within the project.

**G. Wolf Ranch Public Improvement District (PID)**

In June 2004, the City created Wolf Ranch Public Improvement District (PID) that included all property owned by Simon within the Wolf Ranch development at that time. The purpose of the PID was to provide a backstop for the City. In the event that revenues from the project were insufficient to fund any outstanding debt related to the project, an assessment would be levied against the property in the PID to protect the City from potential revenue shortfalls. Should revenues meet or exceed expectations, no assessment is made. If revenues did not meet expectations, an assessment was made. Any accrued assessment was charged 10% interest until paid. Since inception, the development has not generated enough in GTEC revenues to fund the GTEC debt service requirements under the Agreement. Therefore, an assessment was levied and related interest charges accrued. As a practical matter, the sales tax rebate due to Simon under the 380 agreement is netted against the PID assessment payable. As of September 30, 2018, the balance due from Simon to the PID is \$1,399,097, of which \$416,857 is interest. In addition, the PID has a \$587,298 obligation to the General Fund for the 1st year assessment, when the General Fund transferred cash to GTEC to fund the Wolf Ranch debt service.

**H. Gateway Tax Increment Reinvestment Zone (TIRZ)**

This was established in November 2006 to fund improvements needed for redevelopment of the Williams Drive gateway area. A master plan for the area was developed in 2006, with implementation planned for future years. For the year ending September 30, 2018, total revenues were \$39,799 with no expenditures.

**I. Downtown Tax Increment Reinvestment Zone (TIRZ)**

This was established in 2004 to fund improvements in the downtown overlay district to assist in funding the downtown master plan. For the year ending September 30, 2018, total revenues were \$243,444 with total expenditures of \$128,240.

**J. Rivery Park Tax Increment Reinvestment Zone (TIRZ)**

This was established in 2008 to fund a convention center/hotel complex, as well as, an expansion to Rivery Park. In January 2014, the City entered into agreements for a 220-room Sheraton hotel and conference center at the 32-acre Rivery site for the development of the Summit at Rivery Park (Rivery) project. This project includes a 16,000 square-foot conference center that can accommodate up to 4,500 people and a public parking garage. Plans for the project include future phases with retail stores, restaurant sites, single-family homes, and multifamily residences for a total project investment of \$150,000,000 including \$65,000,000 for the hotel, conference center, and parking garage. Private investors funded most of the project costs.

A total of \$16,800,000 in future City and County property taxes generated at the site will be used to reimburse the City and the developer for the cost of the hotel and conference center, parking garage, and other public improvements. This includes \$12,500,000 of investments by the City and its related entities including GEDCO and GTEC.

In December 2014, the city council extended the construction and completion dates for the various development agreements for the project. Ground breaking occurred in February 2015, while the grand opening occurred on July 28, 2016.

The City and Williamson County agreed to reimburse up to \$25,000,000 for the project. The City will contribute 100% and Williamson County will contribute 80% of their respective incremental ad valorem tax valuation generated at the 32-acre site to fund the project. The City will remit half of the 1% City sales tax generated at the site to Williamson County as part of the agreement. For the year ending September 30, 2018, total revenues were \$588,815 with total expenditures of \$588,884.

**K. South Georgetown Tax Increment Reinvestment Zone (TIRZ)**

The TIRZ is expected to fund up to \$50,000,000 of public improvements through December 2044, with an estimated future assessed valuation within the TIRZ in excess of \$573,000,000. The City is currently in negotiations with landowners and developers in the area to facilitate and leverage the TIRZ improvements to ensure the success of the project. For the year ending September 30, 2018, total revenues were \$160,871 with expenditures of \$53,201.

**L. Chapter 552 Infrastructure Financing Reimbursement Agreement**

In August 2014, the City entered into a Chapter 552 Infrastructure Financing/Reimbursement Agreement for the Hillwood Wolf Ranch Development Project. This agreement is one of several associated with this project which included the City's consent to the creation of an In-City Municipal Utility District (MUD) to finance the costs of various improvements. This Chapter 552 agreement, allowable under Chapter 552 of the Local Government Code, facilitates the reimbursement of up to \$25,000,000 to the MUD for construction of specified public improvements within the Hillwood Wolf Ranch development. The annual repayment amount is funded from City ad valorem tax revenues received by the City for property within the MUD at a rate of \$0.15/per \$100 assessed valuation. The terms of this Chapter 552 Agreement continue until dissolution of the MUD or the date on which the City pays the maximum reimbursement amount of \$25,000,000, whichever occurs first. Reimbursements were made in FY2018 totaling \$46,690.

**M. Garey Park Trust**

In June 2014, the City entered into a memorandum of understanding (MOU) whereby Alan Jack Garey donated his 525-acre ranch and home, on the conditions that the property shall be used exclusively as a public park and recreational facility for the benefit of all residents of the City of Georgetown and surrounding areas. The Garey's deeded 321.45 acres of land to the Texas Parks and Recreation Foundation, in trust for the benefit of the City. All of the land is now in the City of Georgetown's name. We have accepted operations and maintenance for the park. Garey Park opened in June 2018.

**N. Grants**

Amounts received or receivable from grantor agencies, principally the federal government, are subject to audit and adjustment by the agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

**O. Litigation**

The City is involved in various legal actions in which claims of varying amounts are being asserted against the City. The City follows the practice of providing for these claims only when they become probable and reasonably determinable in amount. In the opinion of City management, these actions will not result in a significant change in the City's financial position.

**P. Construction Contracts**

Encumbrances on construction projects in progress as of September 30, 2018 are approximately \$17,811,000 for Governmental Funds and approximately \$9,789,000 for Enterprise Funds.

**Note 12. Financial Hedging**

In an effort to mitigate the financial and market risk associated with the purchase of natural gas, energy, and congestion price volatility, the City has established a Risk Management Policy. This policy was authorized by the City Council to enter into forward contracts for natural gas, swaps, and congestion rights for the purpose of reducing exposure to natural gas, energy, and congestion price risk. Use of these types of instruments for the purpose of reducing exposure to price risk is performed as a hedging activity.

At September 30, 2018, the City had multiple outstanding contracts, with wholesale customers to provide power supply and/or qualified scheduling entity services. For the power supply customers, the City charges an energy charge which is based on the quantity of power supplied multiplied by a fixed price, or multiplied by a fixed heat rate and a fuel index price. In order to hedge the City's risk, the City has entered into corresponding power supply agreements with counterparties to hedge against energy price or heat rate fluctuation in the market. These contracts meet the definition of a derivative instrument as defined by GASB Statement No. 53, *Accounting and Reporting for Derivative Instruments* (GASB 53). However, these contracts meet the normal purchases and sales exemption of GASB 53 as the City intends to use the physical commodity in its normal utility operations to supply energy to its customers. Accordingly, these contracts are not within the scope of GASB 53 and are not recorded on the City's Statement of Net Position.

At September 30, 2018, the City maintains a \$1,000,000 Letter of Credit at the Electric Reliability Council of Texas (ERCOT) in lieu of maintaining an unsecured deposit with that agency to comply with fiscal surety requirements.



**A. Risks**

Credit Risk. The City's over-the-counter agreements for natural gas and energy expose the City to credit risk. In the event of default, the City's operations will not be materially affected. However, the City does not expect the counterparties to fail to meet their obligations. The City maintains contracts with contractual provisions under the EEI (Edison Electric Institute) and EPC (Energy Procurement Contract) agreements.

Termination Risk. Termination risk is the risk that a derivative will terminate prior to its scheduled maturity date due to a contractual event. Contractual events include illegality, tax and credit events upon merger and other events. The City's exposure to termination risk for over-the counter agreements is minimal due to the high credit rating of the counterparties, and the contractual provisions under the EEI and EPC agreements applied to these contracts. Termination risk is associated with all of the City's derivatives up to their fair value of the instrument.

Netting Arrangements. The City enters into netting arrangements whenever it has entered into more than one derivative transaction with counterparty. Under the terms of these arrangements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the non-defaulting party to accelerate and terminate all outstanding transactions and net the transaction's fair values so that a single sum will be owed by or owed to the non-defaulting party.

**Note 13. Tax Abatements**

As of September 30, 2018, the City provides tax abatements to one entity. In November 2006, the City and Williamson County adopted a resolution stating they wanted to participate in a property tax abatement and entered into a 10-year tax abatement agreement with Citigroup, NA, Inc., (CNAI) who constructed a \$475,000,000 data center within the City, to abate ad valorem taxes under Chapter 312 of the Texas Tax Code. Section 312.002(a) provides for tax abatement agreements for both new facilities and structures and for the expansion or modernization of existing facilities and structures. The abatement began in tax year 2009 (fiscal year 2008/2009) and the abatement provides for a reduction of assessed values on the real property and the tangible personal property based on a percentage of adjusted value based on tax abatement schedule. A provisions still exists for recapturing abated taxes and includes the following: (1) if CNAI does not meet the minimum employment commitment in any year, the property will be considered taxable for the corresponding year and taxes must be reimbursed. To receive the abatement, CNAI committed to the construction of a new facility with a minimum capital investment of \$450,000,000, minimum employment commitment per tax abatement schedule, compliance with performance agreement with Georgetown Economic Development Corp (GEDCO) and minimum ad valorem tax payment of \$150,000 on any non-abated taxes due. The Georgetown Economic Development Corporation (GEDCO) also entered into an agreement with Citicorp, NA to fund \$1,300,000 of offsite wastewater improvements as an incentive for the creation of 50 jobs. The amount of the abatement for tax year 2017 (fiscal year 2018) is approximately \$103,795,000 of appraised market value. As a result of this tax abatement, total tax revenues were decreased by \$435,939 for the year ended September 30, 2018.

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## Required Supplementary Information

**City of Georgetown, Texas**  
Required Supplementary Information  
For the Fiscal Year Ended September 30, 2018

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**Texas Municipal Retirement System – Schedule of Changes in Net Pension Liability and Related Ratios**

	Measurement 2017	Measurement 2016	Measurement 2015	Measurement 2014
Total pension liability				
Service cost	\$ 6,897,077	\$ 6,387,917	\$ 5,660,967	\$ 4,549,949
Interest	8,852,731	8,051,567	7,402,393	6,747,717
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	231,554	486,906	903,470	71,207
Changes of assumptions	-	-	1,980,757	-
Benefit payments	(3,560,669)	(3,063,090)	(2,491,010)	(2,652,717)
Net change in total pension liability	12,420,693	11,863,300	13,456,577	8,716,156
Total pension liability - beginning	129,483,368	117,620,068	104,163,491	95,447,335
<b>Total pension liability - ending (a)</b>	<b>\$ 141,904,061</b>	<b>\$ 129,483,368</b>	<b>\$ 117,620,068</b>	<b>\$ 104,163,491</b>
Plan fiduciary net position				
Contributions - employer	\$ 5,323,953	\$ 4,630,015	\$ 4,371,324	\$ 3,800,520
Contributions - employee	3,009,880	2,798,414	2,592,095	2,256,459
Net investment income	14,606,240	6,398,399	132,967	4,694,918
Benefit payments	(3,560,669)	(3,063,089)	(2,491,010)	(2,652,717)
Administrative expense	(75,639)	(72,218)	(80,978)	(49,007)
Other	(3,833)	(3,891)	(4,000)	(4,029)
Net change in plan fiduciary net position	19,299,932	10,687,630	4,520,398	8,046,144
Plan fiduciary net position - beginning	105,306,827	94,619,197	90,098,799	82,052,655
Plan fiduciary net position - ending (b)	124,606,759	105,306,827	94,619,197	90,098,799
<b>Net pension liability - ending (a) - (b)</b>	<b>\$ 17,297,302</b>	<b>\$ 24,176,541</b>	<b>\$ 23,000,871</b>	<b>\$ 14,064,692</b>
Plan fiduciary net position as a percentage of total pension liability	87.81%	81.33%	80.44%	86.50%
Covered payroll	\$ 42,890,998	\$ 39,775,322	\$ 37,121,089	\$ 32,235,133
Net pension liability as a percentage of covered employee payroll	40.33%	60.78%	61.96%	43.63%

# City of Georgetown, Texas

Required Supplementary Information – Continued  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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## Texas Municipal Retirement System – Schedule of Contributions

	September 30, 2018	September 30, 2017	September 30, 2016	September 30, 2015
Actuarially determined contribution	\$ 5,682,270	\$ 5,172,343	\$ 4,519,980	\$ 4,165,570
Contributions in relation to the actuarially determined contribution	5,682,270	5,172,343	4,519,980	4,165,570
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 45,293,424	\$ 39,775,322	\$ 37,121,089	\$ 32,235,133
Contributions as a percentage of covered employee payroll	12.55%	13.00%	12.18%	12.92%

## City of Georgetown, Texas

Required Supplementary Information – Continued  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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### Notes to TMRS Schedules

TMRS schedules are intended to show information for ten years, and future years' information will be displayed as it becomes available.

#### Valuation Date

Actuarial determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

#### Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	28 years
Asset valuation method	10 year smoothed market, 15.00% soft corridor
Inflation	2.50%
Salary increases	3.50% to 10.50%, including inflation
Investment rate of return	6.75%
Retirement age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2015 valuation pursuant to an experience study of the period 2010 – 2014.
Mortality	RP2000 Combined Mortality Table with Blue Collar Adjustment with male rates multiplied by 109% and female rates multiplied by 103% and projected on a fully generational basis with scale BB.

There were no benefit changes during the year.

# City of Georgetown, Texas

Required Supplementary Information – Continued  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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## Post-employment Healthcare Plan – Schedule of Changes in the OPEB Liability and Related Ratios

	Measurement Year 2017
Total OPEB liability	
Service cost	\$ 128,392
Interest	74,997
Changes of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	106,325
Benefit payments	(63,836)
Net change in total OPEB liability	245,878
Total OPEB liability - beginning	1,936,134
<b>Total OPEB liability - ending</b>	<b>\$ 2,182,012</b>
Covered payroll	\$ 40,193,300
Total OPEB liability as a percentage of covered payroll	5.43%

## Life Insurance Benefits – Schedule of Changes in the OPEB Liability and Related Ratios

	Measurement Year 2017
Total OPEB liability	
Service cost	\$ 64,338
Interest	34,993
Changes of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	100,531
Benefit payments	(4,289)
Net change in total OPEB liability	195,573
Total OPEB liability - beginning	895,719
<b>Total OPEB liability - ending</b>	<b>\$ 1,091,292</b>
Covered payroll	\$ 42,892,268
Total OPEB liability as a percentage of covered payroll	2.54%

# City of Georgetown, Texas

Required Supplementary Information – Continued  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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## Modified Approach for Streets Infrastructure Capital Assets

GASB Statement 34 allows the City to use the Modified Approach with respect to infrastructure assets instead of depreciating these assets. The City Council adopted an average PCI level of 85, which is considered "good" condition for a street. The City's system for reporting assets is fully discussed in Note 1(m) of the notes. The following is additional information for the City's streets infrastructure for fiscal year 2017. This information is updated every three years and comparative data is included.

Condition Rating Summary					
Condition	Rating	Segments	% of Segments	Area (sq. ft., in 000's)	% of Segments
Excellent	90-95	1,350	33.0%	18,386	29.6%
Good	85-95	1,264	30.9%	16,699	26.9%
Fair	75-85	691	16.9%	8,878	14.3%
Marginal	65-75	348	8.5%	4,425	7.1%
Poor	40-65	348	8.5%	4,707	7.6%
Damaged	<40	95	2.3%	8,921	14.4%
		4,096	100.0%	62,016	100.0%

PCI Rating by Functional Class				
	2008-2010	2011-2013	2014-2017	2018
Arterial	93.00	89.70	90.00	94.50
Collector	93.75	86.30	86.10	84.80
Local	92.70	87.50	86.50	83.70
Overall network	93.00	87.70	87.30	85.50

Costs to Maintain System at Designated Level						
Fiscal Years Ending September 30,	2018	2017	2016	2015	2014	2013
Estimated maintenance cost	\$7,544,210	\$4,202,259	\$3,625,000	\$3,570,000	\$2,163,000	\$2,768,631
Budgeted maintenance cost	7,525,408	4,813,259	4,520,000	4,811,850	4,886,030	3,484,079
Actual maintenance cost	4,749,625	4,126,042	4,550,667	4,106,996	4,434,244	3,170,741

# Combining and Individual Fund Financial Statements and Schedules

## City of Georgetown, Texas

### Combining and Individual Fund Financial Statements and Schedules Nonmajor Governmental Funds

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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## Special Revenue Funds

Special Revenue Funds (SRFs) are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City of Georgetown utilizes multiple SRFs to provide an extra level of transparency and accountability to the taxpayers.

**Council Discretionary** – This SRF was created in July 2015 and includes the projected year-end General Fund balance not allocated in the budget. These funds will be expended at the direction of the City Council for specific one-time purposes.

**Conservation** – is dedicated to energy efficiency programs and projects, and is supported solely by the \$1.00 Conservation Fee charged monthly to all City of Georgetown electric customers on their utility bills. This fee is used to maintain compliance with House Bill 3693, which calls for enhancement of existing energy efficiency programs and strengthening of statutory requirements, as well as, to promote more electric demand management by customers. Specific programs supported by the Conservation SRF include Home Energy Audits, Weatherization Programs, and the LED Light Bulb Exchange Program.

**Court Fees** – includes the following SRFs:

- Court Funds
- Juvenile Fund

**The Court Security Fund** is used to account for the receipt and expenditure of court costs related to security personnel. The Court Technology Fund is used to finance the purchase or maintenance of technological enhancements for the Municipal Court. Child Safety funds are used to fund school crossing guard programs or other safety activities. All funds are governed by State statute.

**The Juvenile Case Manager Fund** is used for the receipt and expenditure of a court fee that is collected for a juvenile case manager. The fund is to finance the salary, benefits, training, travel expenses, office supplies, and other necessary expenses of the juvenile case manager, as outlined by statute.

**Development** includes the following SRFs:

- Permitting Fund
- Community Development Block Grant (CDBG) Fund
- Main Street Façade Fund

The **Permitting Fund's** source is technology fees charged to builders and property owners. These fees support the MyPermitNow system which is a comprehensive electronic permit, inspection, and tracking system for all types of construction projects. This system allows for efficient and improved customer service for both the internal and external customers by providing real time online permit information to customers.

The **CDBG Fund** is financed through the US Department of Housing and Urban Affairs Division. CDBG funds are administered through Williamson County and fund infrastructure improvements, such as sidewalks and wastewater lines in eligible geographic areas.

The **Main Street Façade Fund** accounts for grants distributed by the Main Street Board for the improvement of commercial facades in the Downtown Overlay District. Revenue sources include General Fund contributions and fund raising efforts by the Main Street Board.



## City of Georgetown, Texas

### Combining and Individual Fund Financial Statements and Schedules Nonmajor Governmental Funds – Continued

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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**Fire** – includes the following SRFs:

- Fire Billing Fund
- EMS Paramedic Fund

The **Fire Billing Fund's** revenue is derived from inspections and billing insurance carriers for fire protection services. These funds are used to purchase fire equipment and special needs. Revenues are also used to help fund fire prevention needs and public education.

The **EMS Paramedic Fund's** revenue is derived from billing insurance carriers for calls for service. The fund tracks costs associated with the City's operation of the EMS program.

**Library** – accounts for the receipt and expenditure of restricted donations such as memorials and gifts for a designated library purchase or program.

**Parks** – includes the following funds:

- Tree Fund
- Parks Restricted Fund
- Parkland Dedication
- Cemetery Fund

The **Tree Fund** is financed by fees assessed when development projects remove trees. These funds are used to plant, prune, irrigate, maintain, and fund other associated tree activities in City parks, or other City-owned property.

The **Parks Restricted Fund** is used to account for transfers in, donations, and grants. Funds are used for equipment replacement for parks.

The **Parkland Dedication Fund** was established through the Parkland Dedication Ordinance. When new residential developments are built, the developer is required to dedicate land or pay a fee in lieu of dedication. When a fee is paid, the money is set aside to be used in a restricted zone near the development. The funds must be used for parks and recreation improvements such as new playgrounds, new parks, new trails, or to buy parkland.

The **Cemetery Fund** pays for the ongoing maintenance of the City's cemeteries. Revenues are generated from plot sales and maintenance fees. In addition, the City Council committed to transfer money in from the General Fund to plan for long-term maintenance.

**PEG Fee** – The **Public, Education, and Government (PEG) Fund** is used to account for the receipt and expenditure of PEG fees collected through cable providers that are legally restricted for capital expenditures related to the City's cable access channel.

**Police** – includes the following funds:

- Police Seizures Fund
- Police Grants Fund
- Abandoned Vehicle Fund
- Animal Services Fund

## City of Georgetown, Texas

### Combining and Individual Fund Financial Statements and Schedules – Continued

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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The **Police Seizures Fund** is used to account for properties and revenues seized by the Georgetown Police Department. Federal and Texas State Law requires the funds only be used for a defined set of law enforcement purposes such as law enforcement training, crime prevention awareness programs, asset accounting and tracking, and witness-related costs. Purchases of police equipment and facilities equipment are also permitted under state law.

The **Police Grants Fund** is used to account for any related Police grants that may be authorized and expended during the fiscal year. Currently a Texas Department of Transportation grant for a Selective Traffic Enforcement Project (STEP) is passed through at zero balance.

The **Abandoned Vehicle Fund** is used to track costs and related revenues for vehicles that have been impounded and are later auctioned.

The **Animal Services Fund** accounts for donations received from various sources and is used for items and projects that are related to the capital and service needs of the animal shelter.

**Public Improvement Districts (PIDs)** – includes the following funds:

- Village PID Fund
- Wolf Ranch PID Fund

The **Village PID Fund** accounts for taxes collected from property assessments in the Georgetown Village PID Tax District. The revenue is used for basic maintenance of parks and open spaces of less than one acre. Basic maintenance of parks one acre and larger are maintained by the City of Georgetown and is not paid for by the PID. Revenue is also used for landscape, nature trails and pedestrian walkways, park benches, trash containers, and entry signs and other similar signs.

The **Wolf Ranch PID Fund** was created to account for the collection of debt service incurred by the issuance of \$10,500,000 in sales tax revenue bonds which were used to complete the IH 35 frontage in front of the Wolf Ranch development site.

**Streets Sales Tax** – accounts for the receipt and expenditure of revenues collected from the quarter-cent sales tax approved by the citizens in November 2001 under Texas House Bill 445. The funds are required to be spent on maintenance of streets that were in existence at the time of adoption of the tax. This tax was reauthorized by voters in November of 2006, 2010, and 2014.

**Tax Increment Reinvestment Zones (TIRZ)** – accounts for public improvements within an area that will generate private-sector development. The tax base is frozen at a predevelopment level and the increases in taxes derived from increases in assessed valuations are used to retire bonds originally issued for the development or to leverage future growth in the assigned areas. TIRZ includes the following funds:

- Downtown TIRZ
- Rivery TIRZ
- Gateway TIRZ
- South Georgetown TIRZ

The **Downtown TIRZ** was created by Ordinance No. 2004-77 and covers approximately 66 (+/-) acres, located entirely in Williamson County and within the corporate limits of the City. This fund is used to account for the development and redevelopment of downtown Georgetown into a mixed use, pedestrian-oriented environment, consistent with the goals of the City's Downtown Master Plan.

## City of Georgetown, Texas

Combining and Individual Fund Financial Statements and Schedules  
Nonmajor Governmental Funds – Continued

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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The **Rivory TIRZ** was created by Ordinance No. 2011-91, and the duration is through December 31, 2041. This fund is to help provide a financing vehicle necessary to facilitate a program of public improvements to allow and encourage the development of a hotel and conference center, enhance the overall park experience, the establishment of single and multifamily residential development, and commercial/retail space.

The **Gateway TIRZ** was created by Ordinance No. 2006-204, and the duration is through December 31, 2031. This fund is to help finance a program of public improvements to allow and encourage the development and redevelopment of the Williams Drive Gateway area into a mixed use, pedestrian oriented environment, consistent with the goals of the City's Williams Drive Gateway Redevelopment Plan.

The **South Georgetown TIRZ** was created by Ordinance No. 2014-31 and the duration is through December 31, 2044. The fund will be used to account for public infrastructure necessary to encourage high quality commercial/retail development at the intersection of IH-35 and Westinghouse Road, which is seen as the next major node as growth continues to move north from Round Rock, Texas.

**Transportation Pass-Through** – to account for receipt of expenses and reimbursements for the partnership with Williamson County on the Southwest Bypass project.

**Tourism** – accounts for the receipt and expenditure of funds received by the City from the assessment of the 7% Hotel Occupancy Tax for hotel stays within the City. Eligible expenses are defined by state law and include operating a visitor center, promotion of local cultural sites, and historic preservation.

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City of Georgetown, Texas  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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	Council Discretionary	Conservation	Court Fees	Development	Fire	Library Restricted
<b>ASSETS</b>						
Cash and cash equivalents	\$ 52,766	\$ 330,124	\$ 26,520	\$ 136,406	\$ 112,273	\$ 36,356
Investments	79,149	495,188	39,782	204,608	168,409	54,535
Accounts receivable, net						
Sales Tax	-	-	-	-	-	-
Grants	-	-	-	-	-	-
Other	-	-	-	-	2,018,594	-
Due from other funds	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 131,915</b>	<b>\$ 825,312</b>	<b>\$ 66,302</b>	<b>\$ 341,014</b>	<b>\$2,299,276</b>	<b>\$ 90,891</b>
<b>LIABILITIES AND FUND BALANCE</b>						
Accounts payable	\$ -	\$ 2,278	\$ 3,666	\$ 4,784	\$ 72,766	\$ 1,316
Due to other funds	-	-	-	-	805,900	-
Unearned revenue	-	-	-	-	1,556,696	-
Total liabilities	-	2,278	3,666	4,784	2,435,362	1,316
<b>FUND BALANCE</b>						
Restricted	-	-	62,636	-	-	-
Committed	131,915	823,034	-	336,230	-	89,468
Assigned	-	-	-	-	14,076	107
Unassigned	-	-	-	-	(150,162)	-
Total fund balance	131,915	823,034	62,636	336,230	(136,086)	89,575
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 131,915</b>	<b>\$ 825,312</b>	<b>\$ 66,302</b>	<b>\$ 341,014</b>	<b>\$2,299,276</b>	<b>\$ 90,891</b>

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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Parks	PEG Fees	Police	Public Improvement Districts	Street Sales Tax	Tax Increment Reinvestment Zones	Transportation	Tourism	Total
\$1,152,646	\$ -	\$ 203,007	\$ 337,624	\$ 1,868,614	\$ 477,440	\$ 224,536	\$ 493,158	\$ 5,451,470
1,728,971	-	304,511	506,435	2,802,920	716,161	336,803	739,738	8,177,210
-	-	-	-	564,432	-	-	93,019	657,451
-	-	-	-	-	-	127,607	-	127,607
85,697	40,605	-	843,142	-	-	-	-	2,988,038
-	-	-	-	-	-	-	-	-
<u>\$2,967,314</u>	<u>\$ 40,605</u>	<u>\$ 507,518</u>	<u>\$ 1,687,201</u>	<u>\$ 5,235,966</u>	<u>\$ 1,193,601</u>	<u>\$ 688,946</u>	<u>\$ 1,325,915</u>	<u>\$17,401,776</u>
\$ 123,642	\$ -	\$ 24,216	\$ 36,495	\$ 910,094	\$ 14,340	\$ 305,265	\$ 24,862	\$ 1,523,724
-	22,952	-	587,299	-	-	-	-	1,416,151
-	-	-	255,843	-	-	-	-	1,812,539
123,642	22,952	24,216	879,637	910,094	14,340	305,265	24,862	4,752,414
-	17,653	466,868	-	3,301,181	-	-	1,301,053	5,149,391
2,704,951	-	-	797,655	-	1,104,168	-	-	5,987,421
138,721	-	16,434	9,909	1,024,691	75,093	461,786	-	1,740,817
-	-	-	-	-	-	(78,105)	-	(228,267)
2,843,672	17,653	483,302	807,564	4,325,872	1,179,261	383,681	1,301,053	12,649,362
<u>\$2,967,314</u>	<u>\$ 40,605</u>	<u>\$ 507,518</u>	<u>\$ 1,687,201</u>	<u>\$ 5,235,966</u>	<u>\$ 1,193,601</u>	<u>\$ 688,946</u>	<u>\$ 1,325,915</u>	<u>\$17,401,776</u>

# City of Georgetown, Texas

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balance –  
Nonmajor Governmental Funds  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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	Council Discretionary	Conservation	Court Fees	Development	Fire	Library Restricted
<b>REVENUES</b>						
Hotel/Motel tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property assessments	-	-	-	-	-	-
Sales tax	-	-	-	-	-	-
Fines and forfeitures	-	-	37,002	-	-	-
Investment income	15,527	9,484	1,004	4,317	2,551	1,218
Donations and grants	-	-	-	114,920	7,800	159,975
Charges for services	-	-	-	-	2,637,678	-
Other revenue	-	288,885	-	157,718	276,073	-
Total revenues	15,527	298,369	38,006	276,955	2,924,102	161,193
<b>EXPENDITURES</b>						
Culture / recreation	-	-	-	-	-	127,814
Development	-	-	-	259,397	-	-
Environmental services	-	116,544	-	-	-	-
Fire services	-	-	-	-	2,553,145	-
General government	-	-	-	-	-	-
Highways and streets	-	-	-	-	-	-
Police	-	-	50,250	-	-	-
Capital outlay	-	-	-	132,223	-	-
Total expenditures	-	116,544	50,250	391,620	2,553,145	127,814
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	15,527	181,825	(12,244)	(114,665)	370,957	33,379
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	1,188,580	-	140,264	105,839	44,868	-
Transfers out	(1,358,000)	-	(150,611)	-	-	-
Total other financing sources (uses)	(169,420)	-	(10,347)	105,839	44,868	-
Net change in fund balance	(153,893)	181,825	(22,591)	(8,826)	415,825	33,379
Fund balances, beginning of period	285,808	641,209	85,227	345,056	(551,911)	56,196
<b>FUND BALANCES, end of period</b>	<b>\$ 131,915</b>	<b>\$ 823,034</b>	<b>\$ 62,636</b>	<b>\$ 336,230</b>	<b>\$(136,086)</b>	<b>\$ 89,575</b>

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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Parks	PEG Fees	Police	Public Improvement Districts	Street Sales Tax	Tax Increment Reinvestment Zones	Transportation	Tourism	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,325,212	\$ 1,325,212
-	-	-	888,049	-	755,111	-	-	1,643,160
-	-	-	-	3,395,641	-	-	-	3,395,641
-	-	67,981	-	-	-	-	-	104,983
38,374	934	5,413	11,970	53,772	13,631	-	12,920	171,115
830,682	-	49,527	-	-	-	5,231,691	-	6,394,595
-	-	-	-	-	-	-	-	2,637,678
72,530	201,820	28,191	-	-	264,188	-	158,994	1,448,399
941,586	202,754	151,112	900,019	3,449,413	1,032,930	5,231,691	1,497,126	17,120,783
920,242	5,987	-	391,089	-	-	-	1,039,210	2,484,342
-	-	-	-	-	53,335	-	-	312,732
-	-	-	-	-	-	-	-	116,544
-	-	-	-	-	-	-	-	2,553,145
-	-	-	-	-	-	-	-	-
-	-	-	-	2,450,508	-	4,951,970	-	7,402,478
-	-	80,977	-	-	-	-	-	131,227
43,184	-	-	-	-	74,905	-	-	250,312
963,426	5,987	80,977	391,089	2,450,508	128,240	4,951,970	1,039,210	13,250,780
(21,840)	196,767	70,135	508,930	998,905	904,690	279,721	457,916	3,870,003
317,708	-	-	-	-	-	-	-	1,797,259
(100,000)	(442,914)	-	(500,000)	(95,500)	(642,085)	-	(10,200)	(3,299,310)
217,708	(442,914)	-	(500,000)	(95,500)	(642,085)	-	(10,200)	(1,502,051)
195,868	(246,147)	70,135	8,930	903,405	262,605	279,721	447,716	2,367,952
2,647,804	263,800	413,167	798,634	3,422,467	916,656	103,960	853,337	10,281,410
<u>\$2,843,672</u>	<u>\$ 17,653</u>	<u>\$483,302</u>	<u>\$ 807,564</u>	<u>\$4,325,872</u>	<u>\$ 1,179,261</u>	<u>\$ 383,681</u>	<u>\$1,301,053</u>	<u>\$12,649,362</u>



# City of Georgetown, Texas

Council Discretionary Special Revenue Fund  
Schedule of Revenues and Expenditures (Budget Basis) –  
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Investment earnings	\$ 2,000	\$ 2,000	\$ 15,527	\$ 13,527
Total revenues	2,000	2,000	15,527	13,527
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	2,000	2,000	15,527	13,527
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer in	1,000,000	1,188,580	1,188,580	-
Transfers out	-	(1,358,200)	(1,358,000)	200
Total other financing sources (uses)	1,000,000	(169,620)	(169,420)	200
<b>EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	1,002,000	(167,620)	(153,893)	13,727
Fund balance, beginning of period	300,473	285,808	285,808	-
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 1,302,473</u>	<u>\$ 118,188</u>	131,915	<u>\$ 13,727</u>
<b>ADJUSTMENTS TO GAAP</b>			-	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 131,915</u>	

**City of Georgetown, Texas**

Conservation Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -****Subject to final review and possible  
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	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Budgetary Basis</b>	<b>Variance to Budget</b>
<b>REVENUES</b>				
Investment earnings	\$ 2,000	\$ 2,000	\$ 9,484	\$ 7,484
Conservation revenue	300,000	300,000	288,885	(11,115)
Total revenues	302,000	302,000	298,369	(3,631)
<b>EXPENDITURES</b>				
Operations	306,297	306,297	116,544	189,753
Total expenditures	306,297	306,297	116,544	189,753
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING (USES) - BUDGETARY BASIS</b>	(4,297)	(4,297)	181,825	186,122
Fund balance, beginning of period	492,700	492,700	641,209	148,509
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 488,403</u>	<u>\$ 488,403</u>	823,034	<u>\$ 334,631</u>
<b>ADJUSTMENTS TO GAAP</b>				
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 823,034</u>	

# City of Georgetown, Texas

Court Fees Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Court fees	\$ 52,750	\$ 52,750	\$ 37,002	\$ (15,748)
Investment earnings	150	150	1,004	854
Total revenues	52,900	52,900	38,006	(14,894)
<b>EXPENDITURES</b>				
Operations	166,719	146,719	50,250	96,469
Total expenditures	166,719	146,719	50,250	96,469
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(113,819)	(93,819)	(12,244)	81,575
<b>OTHER FINANCING SOURCES</b>				
Transfers in	140,264	140,264	140,264	-
Transfers out	(130,611)	(150,611)	(150,611)	-
Total other financing sources	9,653	(10,347)	(10,347)	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	(104,166)	(104,166)	(22,591)	81,575
Fund balance, beginning of period	104,166	69,556	85,227	37,354
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ -</u>	<u>\$ (34,610)</u>	62,636	<u>\$ 97,246</u>
<b>ADJUSTMENTS TO GAAP</b>				
None			-	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 62,636</u>	

# City of Georgetown, Texas

Development Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Grants and entitlements	\$ 108,710	\$ 108,710	\$ 114,920	\$ 6,210
Investment earnings	400	400	4,317	3,917
Technology fee	90,000	-	-	-
Other	41,000	131,000	157,718	26,718
Total revenues	240,110	240,110	276,955	36,845
<b>EXPENDITURES</b>				
Operations	268,079	352,858	255,418	97,440
Capital outlay	108,710	140,902	123,890	17,012
Total expenditures	376,789	493,760	379,308	114,452
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(136,679)	(253,650)	(102,353)	151,297
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	75,000	105,839	105,839	-
Total other financing sources (uses)	75,000	105,839	105,839	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	(61,679)	(147,811)	3,486	151,297
Fund balance, beginning of period	116,489	153,011	271,002	117,991
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 54,810</u>	<u>\$ 5,200</u>	274,488	<u>\$ 269,288</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reverse voided purchase orders			61,742	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 336,230</u>	

# City of Georgetown, Texas

## Fire Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –  
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Paramedic revenue	\$ 2,580,662	\$ 2,687,762	\$ 2,637,678	\$ (50,084)
Other	73,000	201,000	283,873	82,873
Investment earnings	100	100	2,551	2,451
Total revenues	2,653,762	2,888,862	2,924,102	35,240
<b>EXPENDITURES</b>				
Personnel	1,548,812	1,788,522	1,789,655	(1,133)
Operations	662,756	772,416	742,985	29,431
Total expenditures	2,211,568	2,560,938	2,532,640	28,298
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	442,194	327,924	391,462	63,538
<b>OTHER FINANCING SOURCES</b>				
Transfers in	44,870	44,870	44,868	(2)
Total other financing sources	44,870	44,870	44,868	(2)
<b>EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES - BUDGETARY BASIS</b>	487,064	372,794	436,330	63,536
Fund balance, beginning of period	(488,101)	(442,943)	(586,638)	(143,695)
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ (1,037)</u>	<u>\$ (70,149)</u>	(150,308)	<u>\$ (80,159)</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			14,076	
Reverse voided purchase orders			146	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ (136,086)</u>	

**City of Georgetown, Texas**

Library Restricted Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -****Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Investment earnings	\$ 200	\$ 200	\$ 1,218	\$ 1,018
Donations	90,000	188,500	159,975	(28,525)
Total revenues	90,200	188,700	161,193	(27,507)
<b>EXPENDITURES</b>				
Operations	90,607	189,107	127,859	61,248
Total expenditures	90,607	189,107	127,859	61,248
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES - BUDGETARY BASIS</b>	(407)	(407)	33,334	33,741
Fund balance - beginning of period	407	56,124	56,125	1
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ -</u>	<u>\$ 55,717</u>	89,459	<u>\$ 33,742</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			107	
Reverse voided purchase orders			9	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 89,575</u>	

# City of Georgetown, Texas

## Parks Special Revenue Fund

### Schedule of Revenues and Expenditures (Budget Basis) –

### Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Investment earnings	\$ 4,500	\$ 4,500	\$ 38,374	\$ 33,874
Donations	360,000	360,000	830,682	470,682
Other	77,500	77,500	72,530	(4,970)
Total revenues	442,000	442,000	941,586	499,586
<b>EXPENDITURES</b>				
Operations	655,044	1,097,752	929,120	168,632
Capital outlay	270,287	308,912	142,641	166,271
Total expenditures	925,331	1,406,664	1,071,761	334,903
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(483,331)	(964,664)	(130,175)	834,489
<b>OTHER FINANCING SOURCES</b>				
Transfers in	275,000	317,708	317,708	
Transfers out	-	(100,000)	(100,000)	
Total other financing sources	275,000	217,708	217,708	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES - BUDGETARY BASIS</b>	(208,331)	(746,956)	87,533	834,489
Fund balance - beginning of period	1,333,406	861,406	2,568,164	1,706,758
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 1,125,075</u>	<u>\$ 114,450</u>	2,655,697	<u>\$ 2,541,247</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			138,721	
Reverse voided purchase orders			49,254	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 2,843,672</u>	

# City of Georgetown, Texas

PEG Fees Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Investment earnings	\$ 500	\$ 500	\$ 934	\$ 434
Other	140,000	201,820	201,820	-
Total revenues	140,500	202,320	202,754	434
<b>EXPENDITURES</b>				
Capital outlay	-	5,987	5,987	-
Total expenditures	-	5,987	5,987	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	140,500	196,333	196,767	434
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(442,914)	(442,914)	(442,914)	-
Total other financing sources (uses)	(442,914)	(442,914)	(442,914)	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING (USES) - BUDGETARY BASIS</b>	(302,414)	(246,581)	(246,147)	434
Fund balance - beginning of period	302,414	263,518	263,518	-
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ -</u>	<u>\$ 16,937</u>	17,371	<u>\$ 434</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reverse voided purchase orders			282	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 17,653</u>	



**City of Georgetown, Texas**

Police Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -****Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Investment earnings	\$ 500	\$ 500	\$ 5,414	\$ 4,914
Donations	30,000	30,000	49,527	19,527
Other	-	24,000	96,172	72,172
Total revenues	30,500	54,500	151,113	96,613
<b>EXPENDITURES</b>				
Operations	42,967	47,212	44,611	2,601
Capital outlay	40,000	40,000	20,901	19,099
Total expenditures	82,967	87,212	65,512	19,099
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES - BUDGETARY BASIS</b>	(52,467)	(32,712)	85,601	118,313
Fund balance - beginning of period	251,874	251,874	381,267	129,393
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 199,407</u>	<u>\$ 219,162</u>	466,868	<u>\$ 247,706</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			16,434	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 483,302</u>	

# City of Georgetown, Texas

Public Improvement Districts Special Revenue Fund  
Schedule of Revenues and Expenditures (Budget Basis) –  
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Property assessments	\$ 888,128	\$ 888,128	\$ 888,049	\$ (79)
Investment earnings	2,000	2,000	11,970	9,970
Total revenues	890,128	890,128	900,019	9,891
<b>EXPENDITURES</b>				
Operations	465,840	465,840	343,236	122,604
Total expenditures	465,840	465,840	343,236	122,604
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	424,288	424,288	556,783	132,495
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(500,000)	(500,000)	(500,000)	-
Total other financing sources (uses)	(500,000)	(500,000)	(500,000)	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING (USES) - BUDGETARY BASIS</b>	(75,712)	(75,712)	56,783	132,495
Fund balance - beginning of period	677,161	677,161	727,447	50,286
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 601,449</u>	<u>\$ 601,449</u>	784,230	<u>\$ 182,781</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			9,909	
Reverse voided purchase orders			13,425	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 807,564</u>	

# City of Georgetown, Texas

Street Sales Tax Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Sales tax	\$ 3,287,500	\$ 3,287,500	\$ 3,395,641	\$ 108,141
Investment earnings	10,000	10,000	53,772	43,772
Total revenues	3,297,500	3,297,500	3,449,413	151,913
<b>EXPENDITURES</b>				
Operating	-	-	1,480	(1,480)
Capital outlay	3,858,676	5,376,356	3,101,631	2,274,725
Total expenditures	3,858,676	5,376,356	3,103,111	2,273,245
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(561,176)	(2,078,856)	346,302	2,425,158
<b>OTHER FINANCING (USES)</b>				
Transfers out	(95,000)	(95,500)	(95,500)	-
Total other financing (uses)	(95,000)	(95,500)	(95,500)	-
<b>EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	(656,176)	(2,174,356)	250,802	2,425,158
Fund balance - beginning of period	1,406,676	2,924,356	2,922,685	(1,671)
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 750,500</u>	<u>\$ 750,000</u>	3,173,487	<u>\$ 2,423,487</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			1,024,691	
Reverse voided purchase orders			127,694	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 4,325,872</u>	

# City of Georgetown, Texas

Tax Increment Reinvestment Zones Special Revenue Fund  
Schedule of Revenues and Expenditures (Budget Basis) –  
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Property assessments	\$ 703,589	\$ 703,589	\$ 755,111	\$ 51,522
Investment earnings	1,325	1,325	13,631	12,306
Other	257,530	257,530	264,188	6,658
Total revenues	962,444	962,444	1,032,930	70,486
<b>EXPENDITURES</b>				
Operations	-	261,177	33,835	227,342
Capital outlay	681,177	420,000	118,998	301,002
Total expenditures	681,177	681,177	152,833	528,344
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	281,267	281,267	880,097	598,830
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(641,269)	(642,085)	(642,085)	-
Total other financing sources (uses)	(641,269)	(642,085)	(642,085)	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	(360,002)	(360,818)	238,012	598,830
Fund balance - beginning of period	786,932	783,225	866,156	82,931
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 426,930</u>	<u>\$ 422,407</u>	1,104,168	<u>\$ 681,761</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			75,093	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 1,179,261</u>	

# City of Georgetown, Texas

Transportation Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Other	\$ 5,600,000	\$ 5,600,000	\$ 5,231,691	\$ (368,309)
Total revenues	5,600,000	5,600,000	5,231,691	(368,309)
<b>EXPENDITURES</b>				
Operations	5,600,000	5,600,000	5,121,726	478,274
Total expenditures	5,600,000	5,600,000	5,121,726	478,274
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	109,965	109,965
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES - BUDGETARY BASIS</b>	-	-	109,965	109,965
Fund balance - beginning of period	-	-	(194,520)	(194,520)
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ -</u>	<u>\$ -</u>	(84,555)	<u>\$ (84,555)</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reverse voided purchase orders			6,450	
Reserve for encumbrances			461,786	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 383,681</u>	

# City of Georgetown, Texas

Tourism Special Revenue Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Hotel/motel tax	\$ 1,200,000	\$ 1,200,000	\$ 1,325,212	\$ 125,212
Investment earnings	-	1,500	12,920	11,420
Other	122,900	121,400	158,994	37,594
Total revenues	1,322,900	1,322,900	1,497,126	174,226
<b>EXPENDITURES</b>				
Personnel	361,237	361,237	354,690	6,547
Operations	767,042	767,042	674,821	92,221
Total expenditures	1,128,279	1,128,279	1,029,511	98,768
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	194,621	194,621	467,615	272,994
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(10,200)	(10,200)	(10,200)	-
Total other financing sources (uses)	(10,200)	(10,200)	(10,200)	-
<b>EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES - BUDGETARY BASIS</b>	184,421	184,421	457,415	272,994
Fund balance - beginning of period	690,201	753,166	839,544	86,378
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 874,622</u>	<u>\$ 937,587</u>	1,296,959	<u>\$ 359,372</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reverse voided purchase orders			4,094	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 1,301,053</u>	

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## **Supplementary Individual Fund Financial Statements and Schedules – Major Governmental Funds**



# City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Taxes				
Current				
Property tax	\$ 13,400,000	\$ 13,400,000	\$ 13,344,564	\$ (55,436)
Penalties and interest	90,000	90,000	107,273	17,273
Total property tax	13,490,000	13,490,000	13,451,837	(38,163)
Sales tax	14,300,500	14,575,000	14,827,612	252,612
Franchise taxes	5,203,863	5,213,863	5,274,759	60,896
Other	375,000	375,000	338,782	(36,218)
Total taxes	33,369,363	33,653,863	33,892,990	239,127
<b>LICENSES AND PERMITS</b>				
Permits and inspection fees	2,453,000	2,658,000	2,738,304	80,304
Licenses	30,500	30,500	9,415	(21,085)
Total licenses and permits	2,483,500	2,688,500	2,747,719	59,219
<b>CHARGES FOR SERVICES</b>				
Library	84,622	104,622	91,739	(12,883)
Animal services	60,000	60,000	58,067	(1,933)
Parks and recreation	2,564,220	2,564,220	2,478,180	(86,040)
Environmental services	8,999,500	8,999,500	8,782,764	(216,736)
Fire protection	1,611,728	1,611,728	1,616,485	4,757
Police support	429,760	429,760	461,354	31,594
Total charges for services	13,749,830	13,769,830	13,488,589	(281,241)
<b>FINES AND FORFEITURES</b>	483,332	483,332	352,296	(131,036)
<b>INTEREST AND OTHER</b>				
Investment income	67,000	67,000	145,866	78,866
Rent	455,500	455,500	165,456	(290,044)
Miscellaneous	444,250	444,250	771,619	327,369
Total interest and other	966,750	966,750	1,082,941	116,191
<b>TOTAL REVENUES</b>	51,052,775	51,562,275	51,564,535	2,260

(continued)

# City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis – Continued

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>EXPENDITURES</b>				
Culture recreation				
Downtown & community				
service admin				
Personnel	\$ 250,658	\$ 250,658	\$ 253,707	\$ (3,049)
Operations	356,571	356,571	354,689	1,882
Total downtown & community				
service admin	607,229	607,229	608,396	(1,167)
Parks				
Personnel	1,655,323	1,655,323	1,564,509	90,814
Operations	1,544,342	1,544,342	1,458,186	86,156
Total parks	3,199,665	3,199,665	3,022,695	176,970
Recreation				
Personnel	1,438,093	1,438,093	1,390,941	47,152
Operations	1,089,403	1,089,403	1,108,351	(18,948)
Total recreation	2,527,496	2,527,496	2,499,292	28,204
Recreation programs				
Personnel	924,591	924,591	794,912	129,679
Operations	848,461	848,461	772,668	75,793
Total recreation programs	1,773,052	1,773,052	1,567,580	205,472
Arts & culture				
Personnel	45,000	45,000	22,343	22,657
Operations	35,900	32,900	32,952	(52)
Capital outlay	-	3,000	3,055	(55)
Total arts and culture	80,900	80,900	58,350	22,550
Library				
Personnel	1,603,366	1,603,366	1,606,347	(2,981)
Operations	795,276	809,276	803,336	5,940
Capital outlay	156,293	162,293	160,704	1,589
Total library	2,554,935	2,574,935	2,570,387	4,548
Total culture recreation	10,743,277	10,763,277	10,326,700	436,577

(continued)

# City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis – Continued

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
Development				
Planning				
Personnel	\$ 1,090,822	\$ 1,090,822	\$ 1,001,481	\$ 89,341
Operations	437,089	574,089	607,622	(33,533)
Total planning	1,527,911	1,664,911	1,609,103	55,808
Inspection services				
Personnel	1,074,046	1,074,046	1,031,009	43,037
Operations	157,395	157,395	130,552	26,843
Total inspection services	1,231,441	1,231,441	1,161,561	69,880
Code enforcement				
Personnel	328,366	328,366	286,813	41,553
Operations	87,383	87,383	73,658	13,725
Total code enforcement	415,749	415,749	360,471	55,278
Total development	3,175,101	3,312,101	3,131,135	180,966
Environmental services				
Operations	7,623,412	7,623,412	7,910,420	(287,008)
Total environmental services	7,623,412	7,623,412	7,910,420	(287,008)

(continued)

# City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis – Continued

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
Fire services				
Support Services				
Personnel	\$ 1,755,880	\$ 1,755,880	\$ 1,829,703	\$ (73,823)
Operations	892,978	892,978	874,160	18,818
Total support services	2,648,858	2,648,858	2,703,863	(55,005)
Emergency Services				
Personnel	8,880,966	9,142,052	9,105,304	36,748
Operations	1,901,126	1,901,126	1,714,330	186,796
Capital outlay	7,500	7,500	6,308	1,192
Total emergency services	10,789,592	11,050,678	10,825,942	224,736
Total fire services	13,438,450	13,699,536	13,529,805	169,731
General government				
Operations	1,166,231	1,260,321	1,939,800	(679,479)
Total operations	1,166,231	1,260,321	1,939,800	(679,479)
City council				
Personnel	150,209	150,209	151,267	(1,058)
Operations	24,878	24,878	23,019	1,859
Total city council	175,087	175,087	174,286	801
City manager's office				
Personnel	1,287,647	1,294,847	1,270,372	24,475
Operations	238,368	295,242	289,914	5,328
Total city manager's office	1,526,015	1,590,089	1,560,286	29,803
City's secretary				
Personnel	455,700	455,700	447,693	8,007
Operations	464,837	392,763	289,301	103,462
Total city secretary	920,537	848,463	736,994	111,469
Communication office				
Personnel	278,103	278,103	280,127	(2,024)
Operations	121,534	131,534	121,127	10,407
Capital outlay	500	500	4,061	(3,561)
Total communication office	400,137	410,137	405,315	4,822
Total general government	4,188,007	4,284,097	4,816,681	(532,584)

(continued)

# City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis – Continued

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
Highways and streets				
Transportation admin				
Personnel	\$ 495,751	\$ 495,751	\$ 388,355	\$ 107,396
Operations	178,550	178,550	92,114	86,436
Capital outlay	397,000	567,544	458,106	109,438
Total transportation admin	1,071,301	1,241,845	938,575	303,270
Streets				
Personnel	1,364,897	1,364,897	1,229,856	135,041
Operations	1,362,967	1,612,967	1,186,814	426,153
Capital outlay	1,234,000	1,679,552	1,301,859	377,693
Total streets	3,961,864	4,657,416	3,718,529	938,887
Total highways and streets	5,033,165	5,899,261	4,657,104	1,242,157
Police services				
Organization and administration				
Personnel	517,605	517,605	521,063	(3,458)
Operations	1,716,897	1,716,897	1,745,593	(28,696)
Total organization and administration	2,234,502	2,234,502	2,266,656	(32,154)
Field operations bureau				
Personnel	10,090,202	10,621,408	10,735,607	(114,199)
Operations	1,384,669	1,384,669	1,337,083	47,586
Capital outlay	-	-	-	-
Total field operations bureau	11,474,871	12,006,077	12,072,690	(66,613)
Animal services				
Personnel	615,434	615,434	595,712	19,722
Operations	260,397	260,397	238,947	21,450
Total animal services	875,831	875,831	834,659	41,172
Municipal court				
Personnel	534,913	534,913	527,295	7,618
Operations	98,016	98,016	86,772	11,244
Total municipal court	632,929	632,929	614,067	18,862
Total police services	15,218,133	15,749,339	15,788,072	(38,733)
<b>TOTAL EXPENDITURES</b>	<b>59,419,545</b>	<b>61,331,023</b>	<b>60,159,917</b>	<b>1,171,106</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(8,366,770)</b>	<b>(9,768,748)</b>	<b>(8,595,382)</b>	<b>1,173,366</b> (continued)

# City of Georgetown, Texas

General Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis – Continued

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ 8,852,835	\$ 8,964,835	\$ 9,165,637	\$ 200,802
Transfers out	(1,739,523)	(1,970,811)	(1,970,809)	2
Total other financing sources (uses)	7,113,312	6,994,024	7,194,828	200,804
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	(1,253,458)	(2,774,724)	(1,400,554)	1,374,170
Fund balance - budgetary basis, beginning of period	11,155,457	10,168,638	12,407,348	2,238,710
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 9,901,999</u>	<u>\$ 7,393,914</u>	11,006,794	<u>\$ 3,612,880</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reserve for encumbrances			682,350	
Record net unrealized gain (loss) on investments			(197)	
Reverse voided purchase orders			257,800	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 11,946,747</u>	

# City of Georgetown, Texas

Georgetown Transportation Enhancement Corporation (GTEC)  
Schedule of Revenues and Expenditures (Budget Basis) –  
Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis  
Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Sales tax	\$ 6,575,000	\$ 6,575,000	\$ 6,813,700	\$ 238,700
Grants	-	-	11,222	11,222
Investment earnings	127,000	127,000	306,483	179,483
Total revenues	6,702,000	6,702,000	7,131,405	429,405
<b>EXPENDITURES</b>				
Operations	364,814	364,814	363,312	1,502
Principal, interest and fiscal charges	842,950	842,950	843,700	(750)
Capital outlay	2,053,750	15,216,240	4,147,232	11,069,008
Total expenditures	3,261,514	16,424,004	5,354,244	11,069,760
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	3,440,486	(9,722,004)	1,777,161	11,499,165
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	553,201	553,201	553,201	-
Transfers out	(2,487,185)	(2,487,185)	(2,493,762)	(6,577)
Total other financing sources (uses)	(1,933,984)	(1,933,984)	(1,940,561)	(6,577)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	1,506,502	(11,655,988)	(163,400)	11,492,588
Fund balance, beginning of period	9,788,621	18,241,681	17,696,565	(545,116)
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 11,295,123</u>	<u>\$ 6,585,693</u>	17,533,165	<u>\$ 10,947,472</u>
<b>ADJUSTMENTS TO GAAP</b>				
Reverse bond interest			2,100	
Net changes in unrealized gains/(losses) on investments			(818)	
Reduce restricted fund balance			560,000	
Reserve for encumbrances			1,736,189	
Reverse voided purchase orders			445,340	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 20,275,976</u>	

# City of Georgetown, Texas

Debt Service Fund

Schedule of Revenues and Expenditures (Budget Basis) –

Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Ad valorem taxes	\$ 13,541,712	\$ 13,541,712	\$ 13,541,712	\$ -
Investment earnings	143,125	143,125	143,060	(65)
Total revenues	13,684,837	13,684,837	13,684,772	(65)
<b>EXPENDITURES AND OTHER</b>				
Principal, interest and fiscal charges	(16,516,217)	(16,516,217)	(16,303,530)	212,687
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,295,334	3,295,334	3,082,646	(212,688)
Premium on issuance of bonds	-	-	1,845,096	1,845,096
Refunding bonds issued	14,326,958	14,326,958	12,890,000	(1,436,958)
Payment to refunding escrow agent	(15,027,285)	(15,027,285)	(15,027,285)	-
Total other financing sources (uses)	2,595,007	2,595,007	2,790,457	195,450
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	(236,373)	(236,373)	171,699	408,072
Fund balances, beginning of period	1,543,287	1,543,287	1,938,850	395,563
<b>FUND BALANCE - BUDGETARY BASIS, end of period</b>	<u>\$ 1,306,914</u>	<u>\$ 1,306,914</u>	2,110,549	<u>\$ 803,635</u>
<b>ADJUSTMENTS TO GAAP</b>				
GAAP adjustments			76	
Net change in investments			(204)	
<b>FUND BALANCE - GAAP BASIS, end of period</b>			<u>\$ 2,110,421</u>	



# City of Georgetown, Texas

## General Capital Projects Fund

### Schedule of Revenues and Expenditures (Budget Basis) –

### Budget and Actual (Non-GAAP) – Reconciled to GAAP Basis

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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	Original Budget	Final Budget	Actual Budgetary Basis	Variance to Budget
<b>REVENUES</b>				
Investment earnings	\$ 156,000	\$ 156,000	\$ 558,261	\$ 402,261
Grants and donations	875,000	875,000	296,368	(578,632)
Other	262,000	262,000	904,250	642,250
Total revenues	1,293,000	1,293,000	1,758,879	465,879
<b>EXPENDITURES</b>				
Capital outlay	57,456,659	57,456,659	25,801,123	31,655,536
Bond issuance cost	-	-	642,525	(642,525)
Total expenditures	57,456,659	57,456,659	26,443,648	31,013,011
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(56,163,659)	(56,163,659)	(24,684,769)	31,478,890
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of bonds	37,750,000	37,750,000	34,250,000	(3,500,000)
Premiums on issuance of bonds	-	-	1,992,525	1,992,525
Sale of property	2,366,800	2,366,800	-	(2,366,800)
Transfers in	1,808,114	1,808,114	1,807,914	(200)
Transfers out	(2,129,839)	(2,129,839)	(2,129,839)	-
Total other financing sources (uses)	39,795,075	39,795,075	35,920,600	(3,874,475)
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES (USES) - BUDGETARY BASIS</b>	(16,368,584)	(16,368,584)	11,235,831	27,604,415
Fund balances, beginning of period	-	-	17,267,899	17,267,899
<b>FUND BALANCES - BUDGETARY BASIS, end of period</b>	<u>\$ (16,368,584)</u>	<u>\$ (16,368,584)</u>	28,503,730	<u>\$ 44,872,314</u>
<b>ADJUSTMENTS TO GAAP</b>				
Net changes in unrealized gains/(losses) on investments			(943)	
Reserve for encumbrances			14,144,857	
Reverse voided purchase orders			705,520	
<b>FUND BALANCES - GAAP BASIS, end of period</b>			<u>\$ 43,353,164</u>	

## Combining Financial Statements – Nonmajor Proprietary Funds

**Enterprise Funds** – The City's utilities are accounted for and operated in a manner similar to private business enterprises. Each utility accounted for as an independent entity, is an enterprise fund. Enterprise fund accounting is used where the intent of the City Council is to finance or recover the costs of providing goods or services to the general public on a continuing basis primarily through user charges or when the City Council has decided that periodic determination of net income is appropriate for accountability purposes.

*Airport Fund* – used to account for revenues and expenses related to the operation and maintenance of the City's airport.

*Stormwater Drainage Fund* – used to account for revenues and expenses related to the operations, capital projects, and debt service of the stormwater drainage facilities.

**Internal Service Funds** – This fund is used to account for services performed by one government organization or department for others.

*Fleet Services Fund* – The City uses this fund to purchase and account for all major equipment and vehicles. Each item is assigned an annual lease value which the leasing department pays to the Internal Service Fund. The annual lease value is determined by the projected replacement cost divided by the years of useful life of the item. The payments made by the departments enable the Internal Service Fund to replace equipment and vehicles on a pre-planned schedule to minimize maintenance costs and reduce safety risks due to worn out equipment and vehicles. The fund also provides maintenance for all vehicles through the Vehicle Service Center.

*Joint Services Fund* – The Joint Services Fund is composed of departments which provide services to more than one city fund. Charges for services provided are determined by allocating each specific department's cost to the using fund.

*Facilities Maintenance Fund* – The City uses this fund to account for janitorial service, light maintenance, painting, landscape maintenance and roofing and air conditioning repairs for all City buildings. Each building is assigned an annual maintenance cost, which is paid to the Internal Service Fund by the occupying departments, based on square footage occupied. The payments made by the departments enable the Internal Service Fund to provide major and minor facility repairs on a preplanned schedule to minimize maintenance costs and provide preventative care to reduce long-term maintenance and replacement costs.

*Information Technology Fund* – The City uses this fund to account for purchases and maintenance of the City's computer systems. Each department pays an annual predetermined lease payment, based upon the equipment the department has. These payments enable the fund to replace older equipment and upgrade the City's computer resources and provide assistance in maintenance of equipment. This fund also provides for the management of the City's computer systems through personnel in the Information Services department.

*Self-Insurance Fund* – The City uses this account for its self-insurance program providing health insurance to employees and their family members.

**City of Georgetown, Texas**  
Combining Statement of Net Position  
Nonmajor Enterprise Funds  
September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
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	<b>Airport Fund</b>	<b>Stormwater Drainage Fund</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 265,562	\$ 420,630	\$ 686,192
Cash and cash equivalents - restricted	-	-	-
Investments - restricted	398,342	630,951	1,029,293
Accounts receivable			
Services (net of allowance for uncollectibles)	61,703	938,843	1,000,546
Other	-	3,791	3,791
Prepaid expenses	644,843	-	644,843
Inventories	62,086	-	62,086
Total current assets	1,432,536	1,994,215	3,426,751
Capital assets			
Land and land rights	981,500	1,111,670	2,093,170
Distribution system	10,424,430	45,239,734	55,664,164
Buildings and improvements	9,791,656	-	9,791,656
Machinery, furniture and equipment	162,183	58,036	220,219
Construction in progress	-	22,023	22,023
Less accumulated depreciation	(7,686,281)	(11,708,232)	(19,394,513)
Total capital assets (net of accumulated depreciation)	13,673,488	34,723,231	48,396,719
Total noncurrent assets	13,673,488	34,723,231	48,396,719
<b>TOTAL ASSETS</b>	15,106,024	36,717,446	51,823,470
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflow related to pension	89,390	89,390	178,780
Deferred charge on refunding	18,514	34,975	53,489
Total deferred outflows of resources	107,904	124,365	232,269
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	\$ 15,213,928	\$ 36,841,811	\$ 52,055,739
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	\$ 126,291	\$ 52,515	\$ 178,806
Accrued employee benefits	8,940	24,481	33,421
Unearned revenue	-	22,071	22,071
Current portion of long-term debt	92,776	270,001	362,777
Accrued interest	4,518	16,506	21,024
Total current liabilities	232,525	385,574	618,099
Noncurrent liabilities			
Accrued employee benefits	12,994	31,086	44,080
Net pension liability	172,973	172,973	345,946
Long-term debt payable	1,144,838	3,687,731	4,832,569
Total noncurrent liabilities	1,330,805	3,891,790	5,222,595
Total liabilities	1,563,330	4,277,364	5,840,694
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow related to pension	60,054	60,054	120,108
Total deferred inflow of resources	60,054	60,054	120,108
Net position			
Net investment in capital assets	12,454,388	31,431,425	43,885,813
Unrestricted	1,136,156	1,072,968	2,209,124
Total net position	13,590,544	32,504,393	46,094,937
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	\$ 15,213,928	\$ 36,841,811	\$ 52,055,739

# City of Georgetown, Texas

Combining Statement of Revenues, Expenses  
and Changes In Fund Net Position  
Nonmajor Enterprise Funds  
Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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	Airport Fund	Stormwater Drainage Fund	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>	3,429,105	\$ 3,571,582	\$ 7,000,687
Total operating revenues	3,429,105	3,571,582	7,000,687
<b>OPERATING EXPENSES</b>			
Depreciation	231,649	1,288,167	1,519,816
Other	3,405,295	2,332,548	5,737,843
Total operating expenses	3,636,944	3,620,715	7,257,659
<b>NET OPERATING INCOME (LOSS)</b>	(207,839)	(49,133)	(256,972)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment income	9,811	23,646	33,457
Donations and grants	689,983	373,087	1,063,070
Interest and fiscal charges	(38,100)	(87,266)	(125,366)
Other	71,139	-	71,139
Total nonoperating revenues (expenses)	732,833	309,467	1,042,300
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	524,994	260,334	785,328
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Capital contributions	-	395,494	395,494
Transfer in	-	9,000	9,000
Transfers out	(53,500)	(266,324)	(319,824)
Total contributions and transfers	(53,500)	138,170	84,670
<b>CHANGE IN NET POSITION</b>	471,494	398,504	869,998
Total net position, beginning of period	13,119,050	32,105,889	45,224,939
<b>TOTAL NET POSITION, end of period</b>	\$ 13,590,544	\$ 32,504,393	\$ 46,094,937

**City of Georgetown, Texas**  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
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	<b>Airport Fund</b>	<b>Stormwater Drainage Fund</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 3,512,126	\$ 2,960,684	\$ 6,472,810
Payments to suppliers	(3,374,135)	(2,702,499)	(6,076,634)
Payments to employees for services	(350,051)	(536,737)	(886,788)
Net cash provided by operating activities	(212,060)	(278,552)	(490,612)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in	-	9,000	9,000
Transfers out	(53,500)	(266,324)	(319,824)
Net cash provided by (used for) noncapital financing activities	(53,500)	(257,324)	(310,824)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	(397,608)	201,980	(195,628)
Donations, grants, and other	689,983	373,087	1,063,070
Principal paid on revenue and certificates of obligation bonds	58,602	(449,196)	(390,594)
Interest paid on revenue and certificates of obligation bonds	(38,400)	(89,097)	(127,497)
Net cash used in capital and related financing activities	312,577	36,774	349,351
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	9,811	23,646	33,457
Change in temporary investments	(252,644)	(264,462)	(517,106)
Net cash used in investing activities	(242,833)	(240,816)	(483,649)
Net change in cash and cash equivalents	(195,816)	(739,918)	(935,734)
Cash and cash equivalents, beginning of year	461,378	1,160,548	1,621,926
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 265,562</b>	<b>\$ 420,630</b>	<b>\$ 686,192</b>
<b>NON-CASH DISCLOSURE OF CAPITAL ACTIVITY</b>			
<b>DEVELOPER CONTRIBUTIONS</b>	<b>\$ -</b>	<b>\$ 395,494</b>	<b>\$ 395,494</b>
<b>NONCASH GRANTS RECEIVED</b>	<b>\$ 5,876,282</b>	<b>\$ -</b>	<b>\$ 5,876,282</b>
Operating income (loss)	\$ (207,839)	\$ (49,133)	\$ (256,972)
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities			
Depreciation	231,649	231,649	463,298
Other income	71,139	-	71,139
Decrease (increase) in inventories	(12,403)	-	(12,403)
Decrease (increase) in accounts receivable	11,882	(480,005)	(468,123)
Decrease (increase) in prepaid expenses	(516,500)	-	(516,500)
Increase (decrease) in accounts payable	88,018	(10,272)	77,746
Increase (decrease) in unearned revenue	-	11,584	11,584
Increase (decrease) in net pension liability	113,177	27,485	140,662
Increase (decrease) in accrued employee benefits	8,817	(9,860)	(1,043)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>\$ (212,060)</b>	<b>\$ (278,552)</b>	<b>\$ (490,612)</b>

**City of Georgetown, Texas**  
Combining Statement of Net Position  
Internal Service Funds  
September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	Fleet Services Fund	Joint Services Fund	Facilities Maintenance Fund	Information Technology Fund	Self Insurance Fund	Total
<b>ASSETS</b>						
Current						
Cash and cash equivalents	\$ 2,302,836	\$ 596,573	\$ 835,717	\$ 1,302,550	\$ 1,536,551	\$ 6,574,227
Investments	3,454,255	894,859	1,253,569	1,953,828	2,304,826	9,861,337
Prepaid expense	-	30,557	-	239,388	135,000	404,945
Accounts receivable	143	145,664	1,388	179	-	147,374
Inventories	-	1,045,600	-	-	-	1,045,600
Total current assets	5,757,234	2,713,253	2,090,674	3,495,945	3,976,377	18,033,483
Property and equipment						
Land and land rights	-	214,066	-	-	-	214,066
Buildings and improvements	26,181	813,681	1,173,704	-	-	2,013,566
Machinery, furniture and equipment	30,617,709	1,232,943	1,522,056	7,353,783	-	40,726,491
Units in progress	-	-	-	-	-	-
Total property and equipment cost	30,643,890	2,260,690	2,695,760	7,353,783	-	42,954,123
Less accumulated depreciation	(17,929,890)	(2,020,284)	(2,090,743)	(6,468,314)	-	(28,509,231)
Net property and equipment	12,714,000	240,406	605,017	885,469	-	14,444,892
<b>TOTAL ASSETS</b>	<b>\$ 18,471,234</b>	<b>\$ 2,953,659</b>	<b>\$ 2,695,691</b>	<b>\$ 4,381,414</b>	<b>\$ 3,976,377</b>	<b>\$32,478,375</b>
<b>LIABILITIES AND NET POSITION</b>						
Liabilities						
Current liabilities						
Accounts payable	\$ 40,832	\$ 749,508	\$ 166,719	\$ 653,728	\$ 488,148	\$ 2,098,935
Accrued employee benefits	18,245	-	10,602	42,167	-	71,014
Unearned revenue	-	245,401	-	-	-	245,401
Total current liabilities	59,077	994,909	177,321	695,895	488,148	2,415,350
Noncurrent liabilities						
Accrued employee benefits	24,471	-	12,958	54,363	-	91,792
Total liabilities	83,548	994,909	190,279	750,258	488,148	2,507,142
Net position						
Net investment in capital assets	12,714,000	240,406	605,017	885,469	-	14,444,892
Unrestricted	5,673,686	1,718,344	1,900,395	2,745,687	3,488,229	15,526,341
Total net position	18,387,686	1,958,750	2,505,412	3,631,156	3,488,229	29,971,233
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>\$ 18,471,234</b>	<b>\$ 2,953,659</b>	<b>\$ 2,695,691</b>	<b>\$ 4,381,414</b>	<b>\$ 3,976,377</b>	<b>\$32,478,375</b>

# City of Georgetown, Texas

Combining Statement of Revenues, Expenses and  
Changes in Fund Net Position  
Internal Service Funds  
Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
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**or redistributed.**

	Fleet Services Fund	Joint Services Fund	Facilities Maintenance Fund	Information Technology Fund	Self Insurance Fund	Total
<b>OPERATING REVENUES</b>						
Charges for services	3,156,684	\$16,590,148	\$ 3,265,781	\$ 6,661,668	\$ 7,785,765	\$ 37,460,046
<b>OPERATING EXPENSES</b>						
Administration	-	1,416,929	-	-	-	1,416,929
Accounting	-	926,630	-	-	-	926,630
City wide HR services	-	244,297	-	-	-	244,297
Conservation	-	643,004	-	-	-	643,004
Customer care	-	4,017,101	-	-	-	4,017,101
Economic development administration	-	579,227	-	-	-	579,227
Engineering support	-	953,695	-	-	-	953,695
Facilities maintenance contracts	-	-	2,005,239	-	-	2,005,239
Facilities maintenance services	-	-	799,069	-	-	799,069
Finance and administration	-	1,033,854	-	-	-	1,033,854
Fleet services operations	158,353	-	-	-	-	158,353
Human resources	-	905,643	-	-	-	905,643
Information technology	-	-	-	2,278,780	-	2,278,780
Information technology capital replacement & contracts	-	-	-	2,680,423	-	2,680,423
Joint services contracts	-	1,751,065	-	-	-	1,751,065
Legal services	-	1,015,705	-	-	-	1,015,705
Main street	-	3,532	-	-	-	3,532
Medical insurance	-	-	-	-	7,707,917	7,707,917
Purchasing	-	655,755	-	-	-	655,755
Service center	1,488,398	-	-	-	-	1,488,398
Systems engineering	-	1,840,728	-	-	-	1,840,728
Depreciation	2,192,883	16,547	110,104	477,062	-	2,796,596
Total operating expenses	3,839,634	16,003,712	2,914,412	5,436,265	7,707,917	35,901,940
<b>NET OPERATING INCOME (LOSS)</b>	(682,950)	586,436	351,369	1,225,403	77,848	1,558,106
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Investment income	72,786	21,914	25,028	29,887	46,245	195,860
Gain on disposal of assets	-	-	-	-	-	-
Other	50,554	119,885	-	-	8,886	179,325
Total nonoperating revenues (expenses)	123,340	141,799	25,028	29,887	55,131	375,185
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	(559,610)	728,235	376,397	1,255,290	132,979	1,933,291
<b>CONTRIBUTIONS AND TRANSFERS</b>						
Capital contributions	5,172	-	-	7,623	-	12,795
Transfers in	2,740,100	75,000	-	35,800	-	2,850,900
Transfers out	-	(67,800)	-	(37,000)	-	(104,800)
Total contributions and transfers	2,745,272	7,200	-	6,423	-	2,758,895
<b>CHANGE IN NET POSITION</b>	2,185,662	735,435	376,397	1,261,713	132,979	4,692,186
Net position, beginning of period	16,202,024	1,223,315	2,129,015	2,369,443	3,355,250	25,279,047
<b>NET POSITION, end of period</b>	<u>\$ 18,387,686</u>	<u>\$ 1,958,750</u>	<u>\$ 2,505,412</u>	<u>\$ 3,631,156</u>	<u>\$ 3,488,229</u>	<u>\$ 29,971,233</u>



**City of Georgetown, Texas**  
Combining Statement of Cash Flows  
Internal Service Funds  
Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	Fleet Services Fund	Joint Services Fund	Facilities Maintenance Fund	Information Technology Fund	Self Insurance Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Department contributions	\$ 3,207,238	\$ 16,825,992	\$ 3,266,586	\$ 6,661,668	\$ 8,027,720	\$ 37,989,204
Payments to suppliers	(978,683)	(7,489,842)	(2,360,691)	(2,543,889)	(7,854,842)	(21,227,947)
Payments to employees for services	(657,276)	(9,228,054)	(435,203)	(2,107,032)	-	(12,427,565)
Net cash provided by (used in) operating activities	1,571,279	108,096	470,692	2,010,747	172,878	4,333,692
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers in	2,740,100	75,000	-	35,800	-	2,850,900
Transfers out	-	(67,800)	-	(37,000)	-	(104,800)
Net cash provided by noncapital financing activities	2,740,100	7,200	-	(1,200)	-	2,746,100
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Acquisition of capital assets	(3,334,963)	(15,299)	(69,570)	(385,442)	-	(3,805,274)
Net cash (used) for capital and related financing activities	(3,334,963)	(15,299)	(69,570)	(385,442)	-	(3,805,274)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest received	72,786	21,914	25,028	29,887	46,245	195,860
Change in temporary investments	(2,324,362)	(566,174)	(854,416)	(1,569,255)	(1,435,485)	(6,749,692)
Net cash provided by (used in) investing activities	(2,251,576)	(544,260)	(829,388)	(1,539,368)	(1,389,240)	(6,553,832)
Net increase (decrease) in cash	(1,275,160)	(444,263)	(428,266)	84,737	(1,216,362)	(3,279,314)
Cash and cash equivalents, beginning of year	3,577,996	1,040,836	1,263,983	1,217,813	2,752,913	9,853,541
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b>\$ 2,302,836</b>	<b>\$ 596,573</b>	<b>\$ 835,717</b>	<b>\$ 1,302,550</b>	<b>\$ 1,536,551</b>	<b>\$ 6,574,227</b>
<b>NON-CASH DISCLOSURE</b>						
<b>DEVELOPER CONTRIBUTIONS RECEIVED</b>	<b>\$ 5,172</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,623</b>	<b>\$ -</b>	<b>\$ 12,795</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (682,950)</b>	<b>\$ 586,436</b>	<b>\$ 351,369</b>	<b>\$ 1,225,403</b>	<b>\$ 77,848</b>	<b>\$ 1,558,106</b>
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities:						
Depreciation	2,192,883	16,547	110,104	477,062	-	2,796,596
Gain on disposal of asset	-	-	-	-	-	-
Other income	50,554	119,885	-	-	8,886	179,325
Decrease (increase) in prepaid expenses	-	-	-	(239,388)	-	(239,388)
Decrease (increase) in inventories	-	(380,893)	-	-	-	(380,893)
Decrease (increase) in accounts receivable	-	222,286	805	-	-	223,091
Increase (decrease) in accounts payable	4,351	(349,838)	10,095	534,519	86,144	285,271
Increase (decrease) in unearned revenue	-	(106,327)	-	-	-	(106,327)
Increase (decrease) in accrued employee benefits	6,441	-	(1,681)	13,151	-	17,911
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>\$ 1,571,279</b>	<b>\$ 108,096</b>	<b>\$ 470,692</b>	<b>\$ 2,010,747</b>	<b>\$ 172,878</b>	<b>\$ 4,333,692</b>

## Supplementary Individual Fund Financial Statements

# City of Georgetown, Texas

Agency Funds

Statement of Changes in Assets and Liabilities

Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

	Balance October 1, 2017	Additions	Deductions	Balance September 30, 2018
<b>PUBLIC IMPROVEMENT DISTRICTS</b>				
Assets				
Cash and cash equivalents	\$ 29,862	\$ 413,530	\$ 16,334	\$ 427,058
<b>TOTAL ASSETS</b>	<u>\$ 29,862</u>	<u>413,530</u>	<u>16,334</u>	<u>427,058</u>
Liabilities				
Accounts payable	\$ 29,862	\$ 407,514	\$ 9,481	\$ 427,895
<b>TOTAL LIABILITIES</b>	<u>\$ 29,862</u>	<u>\$ 407,514</u>	<u>\$ 9,481</u>	<u>\$ 427,895</u>
<b>TEXAS CAPITAL REFUND PAYMENTS</b>				
Assets				
Cash and cash equivalents	\$ -	\$ 22,619	\$ 22,619	\$ -
Accounts receivable	18,454	-	18,454	-
<b>TOTAL ASSETS</b>	<u>\$ 18,454</u>	<u>\$ -</u>	<u>\$ 18,454</u>	<u>\$ -</u>
Liabilities				
Accounts payable	\$ 18,454	\$ -	\$ 18,454	\$ -
<b>TOTAL LIABILITIES</b>	<u>\$ 18,454</u>	<u>\$ -</u>	<u>\$ 18,454</u>	<u>\$ -</u>
<b>TOTAL AGENCY FUNDS</b>				
Assets				
Cash and cash equivalents	\$ 29,862	\$ 436,149	\$ 38,953	\$ 427,058
Accounts receivable	18,454	-	18,454	-
<b>TOTAL ASSETS</b>	<u>\$ 48,316</u>	<u>\$ 436,149</u>	<u>\$ 57,407</u>	<u>\$ 427,058</u>
Liabilities				
Accounts payable	\$ 48,316	\$ 407,514	\$ 27,935	\$ 427,895
<b>TOTAL LIABILITIES</b>	<u>\$ 48,316</u>	<u>\$ 407,514</u>	<u>\$ 27,935</u>	<u>\$ 427,895</u>

## Statistical Section (Unaudited)

DRAFT FOR DISCUSSION PURPOSES ONLY -  
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This part of the City of Georgetown's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents:

Financial Trend..... 134

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity ..... 144

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity..... 154

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information ..... 168

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information ..... 172

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report related to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Georgetown, Texas**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
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	2018	2017	2016	2015	2014
<b>Governmental activities</b>					
Net investment in capital assets	\$ 276,645,071	\$ 266,518,836	\$ 254,289,833	\$ 239,377,879	\$ 211,305,899
Restricted	7,677,554	6,423,693	4,958,105	3,958,088	824,704
Unrestricted	47,732,552	35,069,898	27,598,778	20,056,114	33,401,250
<b>Total governmental activities net assets</b>	<b>\$ 332,055,177</b>	<b>\$ 308,012,427</b>	<b>\$ 286,846,716</b>	<b>\$ 263,392,081</b>	<b>\$ 245,531,853</b>
<b>Business-type activities</b>					
Net investment in capital assets	361,380,352	374,238,275	380,034,944	328,886,853	287,569,126
Unrestricted	98,787,599	63,291,864	27,740,653	48,127,105	57,575,322
<b>Total business-type activities net assets</b>	<b>\$ 460,167,951</b>	<b>\$ 437,530,139</b>	<b>\$ 407,775,597</b>	<b>\$ 377,013,958</b>	<b>\$ 345,144,448</b>
<b>Primary government</b>					
Net investment in capital assets	\$ 638,025,423	\$ 640,757,111	\$ 634,324,777	\$ 568,264,732	\$ 498,875,025
Restricted	7,677,554	6,423,693	4,958,105	3,958,088	824,704
Unrestricted	146,520,151	98,361,762	55,339,431	68,183,219	90,976,572
<b>Total primary government net assets</b>	<b>\$ 792,223,128</b>	<b>\$ 745,542,566</b>	<b>\$ 694,622,313</b>	<b>\$ 640,406,039</b>	<b>\$ 590,676,301</b>

2013	2012	2011	2010	2009
\$ 174,798,105	\$ 144,196,394	\$ 138,536,744	\$ 144,725,810	\$ 138,048,388
1,109,220	26,064,001	30,407,806	23,615,403	26,858,729
40,995,207	28,542,479	21,859,346	15,909,956	14,563,686
<u>\$ 216,902,532</u>	<u>\$ 198,802,874</u>	<u>\$ 190,803,896</u>	<u>\$ 184,251,169</u>	<u>\$ 179,470,803</u>
230,939,554	220,809,992	210,252,907	197,910,197	187,953,410
36,040,786	37,049,395	30,771,961	35,786,263	33,507,546
<u>\$ 266,980,340</u>	<u>\$ 257,859,387</u>	<u>\$ 241,024,868</u>	<u>\$ 233,696,460</u>	<u>\$ 221,460,956</u>
\$ 405,737,659	\$ 365,006,386	\$ 348,789,651	\$ 342,636,007	\$ 326,001,798
1,109,220	26,064,001	30,407,806	23,615,403	26,858,729
77,035,993	65,591,874	52,631,307	51,696,219	48,071,232
<u>\$ 483,882,872</u>	<u>\$ 456,662,261</u>	<u>\$ 431,828,764</u>	<u>\$ 417,947,629</u>	<u>\$ 400,931,759</u>



**City of Georgetown, Texas**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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	2018	2017	2016	2015	2014
<b>EXPENSES</b>					
Governmental activities					
Culture-recreation	\$ 13,177,539	\$ 11,904,166	\$ 12,128,222	\$ 11,003,525	\$ 10,438,052
Development	3,294,013	2,561,792	2,805,625	2,317,907	2,037,449
Fire	17,385,479	16,113,850	15,089,501	11,731,142	10,378,471
General government	4,978,374	5,959,340	6,348,544	5,435,195	5,239,050
Police	16,964,314	16,537,297	15,938,090	13,284,900	12,862,736
Streets	12,768,142	7,376,116	8,270,333	6,463,416	9,486,497
Environmental services	8,246,680	6,325,688	5,964,867	5,700,681	5,097,618
Interest on long-term debt	7,172,983	5,826,012	4,455,057	5,061,021	5,738,394
Total governmental activities expenses	83,987,524	72,604,261	71,000,239	60,997,787	61,278,267
Business-type activities					
Airport	3,675,044	3,123,008	2,655,035	2,838,401	3,289,827
Electric	77,960,552	66,383,559	59,649,218	59,043,948	60,073,430
Stormwater	3,707,981	3,882,824	3,844,129	2,983,286	2,638,430
Water	42,004,858	39,960,102	36,679,504	33,360,468	24,158,727
Total business-type activities expenses	127,348,435	113,349,493	102,827,886	98,226,103	90,160,414
<b>Total primary government expenses</b>	<b>\$ 211,335,959</b>	<b>\$ 185,953,754</b>	<b>\$ 173,828,125</b>	<b>\$ 159,223,890</b>	<b>\$ 151,438,681</b>
<b>PROGRAM REVENUES</b>					
Governmental activities					
Charges for services					
Culture-recreation	\$ 3,255,788	\$ 2,534,735	\$ 2,781,283	\$ 2,506,592	\$ 3,146,318
Development	3,169,625	2,653,201	2,666,369	2,510,092	1,942,914
Fire	4,538,006	4,116,783	3,718,280	1,740,719	1,200,894
General government	365,766	356,455	1,155,218	1,321,261	1,474,961
Police	1,004,922	743,304	200,276	831,461	805,728
Streets	-	4,124,813	843,386	625	1,021
Environmental services	8,782,764	7,329,850	7,380,876	6,811,773	5,266,815
Operating grants and contributions	1,560,956	470,604	397,920	642,448	286,431
Capital grants and contributions	15,480,125	5,612,025	12,784,076	17,701,672	23,901,801
Total governmental activities program revenues	38,157,952	27,941,770	31,927,684	34,066,643	38,026,883
Business-type activities					
Charges for services					
Airport	3,500,244	3,318,983	2,905,729	2,631,211	3,254,368
Electric	73,419,224	70,109,269	66,916,207	63,197,781	60,319,235
Stormwater	3,571,582	3,409,626	3,277,508	2,638,945	2,487,548
Water	65,542,222	42,729,980	45,485,151	43,488,320	33,659,956
Operating grants and contributions	-	-	-	25,056	25,056
Capital grants and contributions	11,757,245	32,180,271	25,104,637	9,405,360	76,095,951
Total business-type activities program revenues	157,790,517	151,748,129	143,689,232	121,386,673	175,842,114
<b>Total primary government program revenues</b>	<b>\$ 195,948,469</b>	<b>\$ 179,689,899</b>	<b>\$ 175,616,916</b>	<b>\$ 155,453,316</b>	<b>\$ 213,868,997</b>
Net (expense)/revenue					
Governmental activities	\$ (45,829,572)	\$ (44,662,491)	\$ (39,072,555)	\$ (26,931,144)	\$ (23,251,384)
Business-type activities	30,442,082	38,398,636	40,861,346	23,160,570	85,681,700
<b>Total primary government net expense</b>	<b>\$ (15,387,490)</b>	<b>\$ (6,263,855)</b>	<b>\$ 1,788,791</b>	<b>\$ (3,770,574)</b>	<b>\$ 62,430,316</b>

2013	2012	2011	2010	2009
\$ 9,775,209	\$ 9,328,048	\$ 9,393,530	\$ 9,076,669	\$ 8,696,162
1,650,530	2,284,858	2,374,321	2,345,178	2,381,380
9,144,092	8,634,002	8,110,294	7,196,359	6,835,927
6,447,308	4,851,250	5,293,370	5,201,299	5,107,748
12,042,349	11,522,334	11,029,444	10,787,024	11,026,676
5,459,183	5,564,690	6,522,933	5,730,682	4,372,708
4,855,404	4,830,921	4,339,101	4,206,166	4,287,029
3,806,106	4,375,653	3,656,673	3,624,733	3,650,386
53,180,181	51,391,756	50,719,666	48,168,110	46,358,016
3,171,550	3,012,745	3,751,193	2,811,206	2,441,533
46,543,022	56,407,348	54,289,631	50,756,369	48,444,272
2,204,172	1,905,019	1,970,307	1,799,680	1,807,147
22,844,363	21,597,278	22,224,364	20,124,249	20,011,184
74,763,107	82,922,390	82,235,495	75,491,504	72,704,136
<u>\$ 127,943,288</u>	<u>\$ 134,314,146</u>	<u>\$ 132,955,161</u>	<u>\$ 123,659,614</u>	<u>\$ 119,062,152</u>
\$ 2,425,587	\$ 2,285,209	\$ 2,252,608	\$ 2,150,107	\$ 1,481,954
1,659,670	1,668,635	905,118	1,125,058	827,387
1,433,679	1,137,982	1,032,663	1,195,871	1,409,208
1,261,561	1,206,994	435,926	487,264	5,121
959,027	895,703	1,009,004	1,265,589	1,154,135
1,125	-	-	-	-
6,059,904	5,491,495	5,116,570	4,809,271	4,582,794
256,593	956,438	962,183	405,023	1,268,957
5,999,666	2,431,374	4,422,720	2,747,483	1,600,980
20,056,812	16,073,830	16,136,792	14,185,666	12,330,536
2,906,267	2,881,144	3,388,816	2,435,613	2,234,637
54,743,979	59,344,615	58,535,067	60,136,705	57,164,312
2,206,108	2,132,810	2,036,047	1,959,007	1,913,546
27,244,363	26,596,509	27,142,648	22,022,414	23,541,415
25,589	147,601	127,051	-	-
4,558,296	3,917,721	2,062,382	4,842,643	17,378,138
91,684,602	95,020,400	93,292,011	91,396,382	102,232,048
<u>\$ 111,741,414</u>	<u>\$ 111,094,230</u>	<u>\$ 109,428,803</u>	<u>\$ 105,582,048</u>	<u>\$ 114,562,584</u>
\$ (33,123,369)	\$ (35,317,926)	\$ (34,582,874)	\$ (33,982,444)	\$ (34,027,480)
16,921,495	12,098,010	11,056,516	15,904,878	29,527,912
<u>\$ (16,201,874)</u>	<u>\$ (23,219,916)</u>	<u>\$ (23,526,358)</u>	<u>\$ (18,077,566)</u>	<u>\$ (4,499,568)</u>

**City of Georgetown, Texas**  
**Changes In Net Position**  
**Last Ten Fiscal Years – Continued**  
**(Accrual Basis Of Accounting)**

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	2018	2017	2016	2015	2014
<b>GENERAL REVENUES AND OTHER</b>					
<b>CHANGES IN NET POSITION</b>					
Governmental activities					
Property tax	\$ 27,118,902	\$ 24,734,830	\$ 22,815,206	\$ 20,650,114	\$ 18,984,850
Sales tax	25,036,952	23,008,606	21,556,336	19,165,963	18,655,801
Taxes - other	1,663,994	3,027,357	2,459,912	2,118,567	1,939,217
Franchise taxes	5,274,758	4,973,295	4,926,315	4,925,043	4,478,899
Investment income	1,518,679	731,135	398,206	201,492	169,477
Other	-	164,835	-	82,963	36,854
Transfers	9,259,037	9,188,144	10,371,215	4,904,089	7,615,607
<b>Total governmental activities</b>	<b>\$ 69,872,322</b>	<b>\$ 65,828,202</b>	<b>\$ 62,527,190</b>	<b>\$ 52,048,231</b>	<b>\$ 51,880,705</b>
Business-type activities					
Investment income	\$ 1,454,767	\$ 544,050	\$ 271,508	\$ 167,866	\$ 98,015
Other	-	-	-	-	-
Transfers	(9,259,037)	(9,188,144)	(10,371,215)	(4,904,089)	(7,615,607)
<b>Total business-type activities</b>	<b>(7,804,270)</b>	<b>(8,644,094)</b>	<b>(10,099,707)</b>	<b>(4,736,223)</b>	<b>(7,517,592)</b>
<b>Total primary government</b>	<b>\$ 62,068,052</b>	<b>\$ 57,184,108</b>	<b>\$ 52,427,483</b>	<b>\$ 47,312,008</b>	<b>\$ 44,363,113</b>
<b>CHANGES IN NET POSITION</b>					
Governmental activities	\$ 24,042,750	\$ 21,165,711	\$ 23,454,635	\$ 25,117,087	\$ 28,629,321
Business-type activities	22,637,812	29,754,542	30,761,639	18,424,347	78,164,108
<b>Total primary government</b>	<b>\$ 46,680,562</b>	<b>\$ 50,920,253</b>	<b>\$ 54,216,274</b>	<b>\$ 43,541,434</b>	<b>\$ 106,793,429</b>

2013	2012	2011	2010	2009
\$ 17,037,036	\$ 15,751,826	\$ 14,362,895	\$ 14,360,142	\$ 14,934,694
17,002,757	15,045,592	14,148,242	13,482,999	12,543,071
1,331,281	1,143,217	1,100,490	1,000,571	278,982
4,471,487	3,924,052	3,874,815	2,603,222	2,801,666
241,449	230,788	187,314	140,384	504,145
1,129,389	710,403	590,398	537,528	3,415,713
11,719,799	6,511,026	6,871,447	6,637,964	8,184,258
<u>\$ 52,933,198</u>	<u>\$ 43,316,904</u>	<u>\$ 41,135,601</u>	<u>\$ 38,762,810</u>	<u>\$ 42,662,529</u>
\$ 126,322	\$ 156,329	\$ 171,947	\$ 133,132	\$ 667,389
4,919,258	4,003,968	2,971,392	2,835,458	2,580,006
(11,719,799)	(6,511,026)	(6,871,447)	(6,637,964)	(8,184,258)
<u>(6,674,219)</u>	<u>(2,350,729)</u>	<u>(3,728,108)</u>	<u>(3,669,374)</u>	<u>(4,936,863)</u>
<u>\$ 46,258,979</u>	<u>\$ 40,966,175</u>	<u>\$ 37,407,493</u>	<u>\$ 35,093,436</u>	<u>\$ 37,725,666</u>
\$ 19,809,829	\$ 7,998,978	\$ 6,552,727	\$ 4,780,366	\$ 8,635,049
10,247,276	9,747,281	7,328,408	12,235,504	24,591,049
<u>\$ 30,057,105</u>	<u>\$ 17,746,259</u>	<u>\$ 13,881,135</u>	<u>\$ 17,015,870</u>	<u>\$ 33,226,098</u>

**City of Georgetown, Texas**  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	2018	2017	2016	2015	2014	2013	2012
General fund							
Nonspendable	\$ 231,057	\$ 246,648	\$ 507,929	\$ 66,702	\$ 22,810	\$ 18,697	\$ 2,110
Committed							
Contingency	8,500,000	7,925,000	7,925,000	7,695,000	7,500,000	7,400,000	7,000,000
Economic stability	1,150,000	1,150,000	-	-	-	-	-
Benefit payout	252,000	222,000	-	-	-	-	-
Assigned							
Encumbrances	21,677	919,906	1,502,188	1,835,134	1,755,953	1,631,482	1,210,247
Unassigned	1,792,013	2,862,071	2,561,845	2,407,019	2,893,916	3,999,924	2,419,053
<b>Total general fund</b>	<b>\$ 11,946,747</b>	<b>\$ 13,325,625</b>	<b>\$ 12,496,962</b>	<b>\$ 12,003,855</b>	<b>\$ 12,172,679</b>	<b>\$ 13,050,103</b>	<b>\$ 10,631,410</b>
Other governmental funds							
Restricted							
Debt service	\$ 2,110,421	\$ 1,938,926	\$ 1,867,190	\$ 1,489,314	\$ 1,268,186	\$ 1,109,220	\$ 1,749,324
Bond funds	29,208,307	17,258,365	23,602,097	15,336,646	14,840,447	15,438,897	18,112,419
Hotel/motel tax	1,301,053	853,337	499,231	544,252	579,118	515,525	526,488
Street maintenance tax	3,301,181	3,422,465	2,388,379	2,534,655	2,773,940	5,029,263	4,205,153
Other purposes	547,157	762,196	692,834	344,436	352,032	188,072	244,969
Committed							
Other capital projects	18,632,226	11,556,682	10,985,484	8,489,829	12,386,987	12,292,845	8,770,010
Nonmajor funds	5,987,421	5,405,555	3,324,663	4,202,843	4,009,871	2,174,368	2,293,194
Assigned							
Encumbrances	17,529,424	22,456,924	26,160,650	7,606,841	13,385,685	25,444,232	8,891,080
Unassigned	(228,267)	(495,350)	(105,707)	(663,535)	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 78,388,923</b>	<b>\$ 63,159,100</b>	<b>\$ 69,414,821</b>	<b>\$ 39,885,281</b>	<b>\$ 49,596,266</b>	<b>\$ 62,192,422</b>	<b>\$ 44,792,637</b>

Note: City of Georgetown first applied GASB Statement No. 54 in fiscal year 2011;  
therefore, the new fund balance distinctions for years prior to fiscal year 2011 are not available.

	2011	2010	2009
General fund			
Reserved	\$ 1,894,618	\$ 1,160,195	\$ 1,001,111
Unreserved	8,260,029	8,601,923	9,506,572
<b>Total general fund</b>	<b>\$10,154,647</b>	<b>\$ 9,762,118</b>	<b>\$ 10,507,683</b>
Other governmental funds			
Reserved	\$31,712,735	\$ 30,050,627	\$ 29,932,873
Unreserved, reported in			
Special revenue funds	-	-	-
Capital projects funds	10,682,665	-	-
<b>Total all other governmental funds</b>	<b>\$42,395,400</b>	<b>\$ 30,050,627</b>	<b>\$ 29,932,873</b>

**City of Georgetown, Texas**  
**Changes In Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	2018	2017	2016	2015	2014
<b>REVENUES</b>					
Property taxes	\$ 26,993,549	\$ 24,661,683	\$ 24,052,103	\$ 21,638,850	\$ 19,921,148
Property assessment	1,643,160	1,447,839	1,224,108	1,082,465	1,017,316
Sales tax and other taxes	26,700,946	24,588,124	21,556,336	19,165,963	18,655,801
Franchise taxes	5,274,758	4,973,295	4,926,315	4,925,043	4,478,899
Licenses and permits	2,747,720	2,652,279	2,113,126	2,002,380	1,932,563
Charges for service	16,126,270	14,273,666	12,512,232	10,671,299	9,762,561
Fine and forfeitures	457,279	500,577	525,510	586,853	668,566
Donations and grants	7,108,038	5,231,886	6,852,346	1,435,279	8,236,215
Investment income	1,322,819	672,070	356,761	172,952	152,252
Other revenue	2,883,871	1,875,015	3,207,387	2,106,152	1,474,961
Total revenues	91,258,410	80,876,434	77,326,224	63,787,236	66,300,282
<b>EXPENDITURES</b>					
Culture / recreation	12,804,253	11,362,281	11,144,256	10,448,536	9,613,918
Development	3,222,862	2,517,985	5,565,942	2,322,321	2,299,379
Fire services	16,079,479	14,848,470	13,823,467	11,513,926	9,748,456
General government	5,276,868	4,791,467	3,361,740	4,115,280	3,412,293
Highways and streets	12,271,033	6,992,059	7,794,109	6,075,407	8,810,437
Police	15,935,637	14,737,071	13,876,795	13,010,497	11,875,081
Environmental services	7,911,890	6,328,860	5,951,829	5,703,227	5,092,327
Capital outlay	28,581,061	39,219,989	23,482,464	24,006,253	32,164,540
Debt service					
Principal retirement	11,062,889	10,372,836	8,860,415	7,868,518	7,765,414
Interest and fiscal charges	6,724,766	5,808,925	4,931,447	4,595,331	4,449,327
Total expenditures	119,870,738	116,979,943	98,792,464	89,659,296	95,231,172
Excess (deficiency) of revenues over expenditures	(28,612,328)	(36,103,509)	(21,466,240)	(25,872,060)	(28,930,890)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	16,406,657	15,963,898	14,712,268	10,972,315	12,570,645
Transfers out	(9,893,720)	(10,046,733)	(7,421,944)	(9,313,269)	(7,506,242)
Premiums on issuance of bonds	3,837,621	1,799,286	1,831,554	1,001,947	-
Sale of property	-	-	-	-	3,550,000
Payment to refunding escrow agent	(15,027,285)	-	(7,877,733)	(14,098,445)	(11,911,063)
Bonds issued	47,140,000	22,960,000	50,244,742	27,429,703	18,753,970
Total other financing sources (uses)	42,463,273	30,676,451	51,488,887	15,992,251	15,457,310
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 13,850,945</b>	<b>\$ (5,427,058)</b>	<b>\$ 30,022,647</b>	<b>\$ (9,879,809)</b>	<b>\$ (13,473,580)</b>
Debt service as a percentage of noncapital expenditures	19.5%	20.8%	18.3%	19.0%	19.4%

2013	2012	2011	2010	2009
\$17,197,460	\$15,883,636	\$14,591,564	\$14,572,432	\$14,169,419
387,290	353,269	313,093	262,060	278,982
17,790,450	15,698,207	14,724,741	13,987,624	13,289,438
4,471,487	3,924,052	3,874,815	2,603,222	2,801,666
1,536,660	1,236,478	890,948	841,392	791,882
9,479,669	8,493,243	8,199,073	8,157,465	7,687,489
739,556	682,760	810,950	1,060,361	981,228
3,979,292	1,687,184	4,121,625	3,078,392	2,058,301
212,629	230,788	187,313	140,384	737,755
2,960,559	2,870,008	1,735,082	1,585,584	1,897,179
58,755,052	51,059,625	49,449,204	46,288,916	44,693,339
9,262,282	8,377,084	8,229,049	7,773,346	7,535,763
1,626,315	2,155,243	2,195,537	2,088,809	2,213,899
8,804,938	8,253,567	7,725,794	6,909,597	6,597,024
3,144,173	3,178,251	3,595,481	3,288,185	3,324,758
3,422,340	5,061,214	6,044,755	5,171,678	3,840,312
11,677,968	10,577,384	10,221,220	10,026,352	10,137,983
4,857,396	4,823,170	4,321,888	4,199,433	4,285,345
16,760,621	15,938,457	12,604,835	8,930,286	12,444,569
6,452,644	5,533,987	4,998,369	4,791,550	4,478,467
3,771,791	4,094,247	3,686,318	3,642,426	3,608,738
69,780,468	67,992,604	63,623,246	56,821,662	58,466,858
(11,025,416)	(16,932,979)	(14,174,042)	(10,532,746)	(13,773,519)
13,969,841	9,734,354	7,915,723	8,895,212	10,055,272
(4,331,850)	(5,492,299)	(2,654,379)	(2,847,628)	(3,367,769)
-	-	-	-	-
-	-	-	-	-
(11,356,689)	(3,416,787)	-	-	-
32,562,592	18,981,711	21,650,000	3,857,351	6,575,000
30,843,894	19,806,979	26,911,344	9,904,935	13,262,503
\$19,818,478	\$ 2,874,000	\$12,737,302	\$ (627,811)	\$ (511,016)
19.3%	18.5%	17.0%	17.6%	17.6%



**City of Georgetown, Texas**  
Property Tax Rates, Levies and Collections  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

Fiscal Year	Tax Rate	General Fund	Interest and Sinking Fund	Total Tax Levy	Current Tax Collections	Percent of Levy Collected
2009	0.3562	0.2005	0.1557	\$ 14,828,927	\$ 14,349,606	96.77%
2010	0.3562	0.2114	0.1448	15,142,165	14,653,346	96.77%
2011	0.3562	0.2199	0.1363	15,098,808	14,635,299	96.93%
2012	0.3875	0.2229	0.1646	16,444,180	16,050,914	97.61%
2013	0.4100	0.2364	0.1736	17,806,346	17,384,594	97.63%
2014	0.4395	0.2160	0.2235	19,697,573	19,270,107	97.83%
2015	0.4340	0.2074	0.2266	21,383,874	20,968,385	98.06%
2016	0.4340	0.2072	0.2268	23,803,581	23,354,913	98.12%
2017	0.4240	0.2180	0.2273	25,551,262	25,470,885	99.69%
2018	0.4200	0.2151	0.2273	28,043,693	27,622,737	98.50%

Source: City of Georgetown Tax Assessor.

Delinquent Tax Collections	Total Tax Collections	Total Collections as a Percent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as a Percent of Current Levy
\$ 139,828	\$ 14,489,434	97.71%	\$ 339,493	2.29%
127,176	14,780,522	97.61%	361,643	2.39%
120,092	14,755,391	97.73%	343,417	2.27%
44,797	16,095,711	97.88%	349,082	2.12%
76,902	17,461,496	98.06%	344,851	1.94%
81,450	19,351,557	98.24%	346,016	1.76%
36,825	21,005,210	98.23%	378,664	1.77%
71,125	23,426,038	98.41%	377,543	1.59%
(6,876)	25,464,009	99.66%	452,566	1.77%
89,789	27,712,526	98.82%	581,133	2.07%

## City of Georgetown, Texas

Assessed and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

Fiscal Year	Real Property		Personal Property	
	Assessed Value <sup>(1)</sup>	Estimated Actual Value	Assessed Value <sup>(1)</sup>	Estimated Actual Value
2009	\$ 3,769,863,117	\$ 3,769,863,117	\$ 244,892,514	\$ 244,892,514
2010	3,780,404,329	3,780,404,329	246,488,943	246,488,943
2011	3,786,177,221	3,786,177,221	269,771,730	269,771,730
2012	3,885,150,718	3,885,150,718	311,033,417	311,033,417
2013	4,033,324,389	4,033,324,389	382,683,621	382,683,621
2014	4,227,513,729	4,227,513,729	370,699,347	370,699,347
2015	4,801,066,109	4,801,066,109	326,852,517	326,852,517
2016	5,430,926,110	5,430,926,110	395,688,580	395,688,580
2017	6,547,754,115	6,547,754,115	542,912,696	542,912,696
2018	7,402,055,252	7,402,055,252	428,295,165	428,295,165

Source: Williamson County Appraisal District Tax Assessor/Collector.

<sup>(1)</sup> Net of exemptions.

DRAFT FOR DISCUSSION PURPOSES ONLY -  
Subject to final review and possible  
revision and should not be relied upon  
or redistributed.

Assessed Value <sup>(1)</sup>	Total		Total Direct Tax Rate	Ratio of Total Assessed Value to Total Estimated Actual Value
	Estimated	Actual		
		Value		
\$ 4,014,755,631	\$	4,014,755,631	0.3562	100.00%
4,026,893,272		4,026,893,272	0.3562	100.00%
4,055,948,951		4,055,948,951	0.3562	100.00%
4,196,184,135		4,196,184,135	0.3875	100.00%
4,416,008,010		4,416,008,010	0.4100	100.00%
4,598,213,076		4,598,213,076	0.4395	100.00%
5,127,918,626		5,127,918,626	0.4340	100.00%
5,826,614,690		5,826,614,690	0.4340	100.00%
7,090,666,811		7,090,666,811	0.4240	100.00%
7,830,350,417		7,830,350,417	0.4200	100.00%

## City of Georgetown, Texas

Property Tax Rates – Direct and Overlapping Governments  
(Per \$100 of Assessed Value)  
Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

Fiscal Year	City of Georgetown			Georgetown Independent School District	Williamson County	Total
	General Fund	Debt Service Fund	Total City			
2009	0.20	0.15	0.35	1.29	0.49	2.13
2010	0.21	0.14	0.35	1.29	0.49	2.13
2011	0.21	0.14	0.35	1.36	0.49	2.20
2012	0.22	0.16	0.38	1.40	0.49	2.27
2013	0.24	0.17	0.41	1.40	0.49	2.30
2014	0.22	0.22	0.44	1.40	0.49	2.33
2015	0.21	0.23	0.44	1.40	0.49	2.33
2016	0.21	0.23	0.44	1.40	0.48	2.32
2017	0.21	0.22	0.42	1.41	0.48	2.31
2018	0.19	0.23	0.42	1.41	0.46	2.29

Source: Information furnished by respective tax assessors.

**City of Georgetown, Texas**  
Principal Property Taxpayers  
Current Year and Nine Years Ago

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

Taxpayer	Type of Business	2018			2009		
		Assessed Value	Rank	Percentage of Total Assessed Value <sup>(1)</sup>	Assessed Value	Rank	Percentage of Total Assessed Value <sup>(1)</sup>
WPG Wolf Ranch LP	Development	\$ 80,574,684	1	1.03%	\$ 67,498,544	2	1.62%
Citicorp North America	Development	65,538,338	2	0.84%	87,500,000	1	2.09%
Citigroup Technology Inc	Development	49,490,600	3	0.63%	-		0.00%
St. David's Healthcare Partners	Hospital	39,083,476	4	0.50%	41,477,733	3	0.99%
The Bassham Trust	Development	38,188,667	5	0.49%			0.00%
PBH Georgetown APTS LLC	Apartments	37,102,500	6	0.47%			0.00%
Westinghouse Pointe Apts	Apartments	33,500,000	7	0.43%			0.00%
Summit at Rivery Park LTD	Development	29,823,513	8	0.38%			0.00%
Two Rivers GT Ltd	Development	29,602,069	9	0.38%			0.00%
LG WR1 LLC	Development	28,326,560	10	0.00%			0.00%
Georgetown Rail and Equipment	Transportation	-		0.00%			0.00%
Del Webb Texas Ltd	Development	-		0.00%	24,274,996	4	0.58%
Stonehill Waters Edge Ltd	Apartments	-		0.00%	24,216,742	5	0.58%
Wal-Mart Real Estate	Retail	-		0.00%	16,500,311	6	0.40%
Hewlett Holdings, Ltd	Automobile Dealer	-		0.00%	14,954,610	7	0.36%
HE Butt Grocery Company	Retail	-		0.00%	13,636,255	8	0.33%
Republic Square K/C Ltd	Development	-		0.00%	12,177,143	9	0.29%
Inland Western Georgetown Rivery	Development	-		0.00%	11,771,240	10	0.28%
<b>Total</b>		<b>\$ 431,230,407</b>		<b>5.51%</b>	<b>\$ 314,007,574</b>		<b>7.52%</b>

Source: City Tax Assessor/Collector.

<sup>(1)</sup> The total assessed valuation for the fiscal year ended September 30, 2018 was certified at \$7,830,350,417.

\*Per certified roll. Does not include some major property owners whose property is under protest as of date of certification.

# City of Georgetown, Texas

## Taxable Sales by Category Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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NAICS Sectors	2018	2017*	2016	2015	2014
Agriculture/Forestry/Fishing/Hunting	\$ -	\$ -	\$ -	\$ -	\$ 448
Mining, quarrying, oil & gas extraction	-	-	-	-	-
Utilities	27,819,555	24,653,363	24,509,458	23,612,396	21,368,744
Construction	23,489,068	24,798,897	18,369,915	33,485,247	33,585,485
Manufacturing	110,783,149	82,046,181	7,590,482	5,902,324	5,486,476
Wholesale trade	24,948,959	24,816,039	21,912,478	16,065,173	14,122,397
Retail trade	539,649,733	525,453,413	552,269,512	514,459,509	468,668,683
Transportation, warehousing	3,633,136	3,219,999	2,159,562	1,202,760	1,316,100
Information	61,403,449	47,709,743	51,059,437	43,345,486	40,292,168
Finance, insurance	3,637,676	3,557,444	3,357,319	1,009,355	578,893
Real estate, rental, leasing	3,507,737	3,387,155	3,393,642	2,719,424	3,000,201
Professional, scientific, technical svcs	9,066,207	8,624,509	8,189,352	7,915,851	7,237,174
Management of companies, enterprises	-	-	315,805	-	-
Admin, support, waste mgmt, remediation svcs	9,651,115	8,787,903	8,131,282	7,493,100	4,548,385
Educational svcs	675,497	479,225	538,758	349,784	344,038
Healthcare, social assistance	537,799	607,795	439,596	504,981	279,142
Arts, entertainment, recreation	12,912,477	13,139,889	12,251,028	12,529,599	11,347,603
Accommodation, food services	140,968,071	134,051,840	127,069,718	116,778,321	104,451,832
Other svcs (except public administration)	30,719,849	27,870,439	26,724,994	28,398,634	28,483,626
Public administration	24,145	31,743	18,245	32,673	31,222
Other	-	2,613	-	-	-
<b>Total</b>	<b>\$ 1,003,427,623</b>	<b>\$ 933,238,189</b>	<b>\$ 868,300,583</b>	<b>\$ 815,804,617</b>	<b>\$ 745,142,617</b>
City direct sales tax rate		2.00%	2.00%	2.00%	2.00%

Source: Window on State Government - Glenn Hegar, Texas Comptroller of Public Accounts website.

Amounts subject to sales tax have been restated by the state since the 2012 CAFR release.

Notes: All reporting is by North American Industry Classification System (NAICS) sector. Standard Industrial Classification (SIC) Codes are no longer being assigned to taxpayers.

\*2018 is projected as 4th Quarter actuals were not in at time of update.

DRAFT FOR DISCUSSION PURPOSES ONLY -  
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or redistributed.

2013	2012	2011	2010	2009
\$ -	\$ 4,825	\$ -	\$ -	\$ -
-	-	-	-	445,156
19,031,408	19,253,904	18,628,820	20,319,600	18,647,965
5,384,717	4,967,279	4,002,432	3,625,542	4,250,912
8,554,720	4,585,577	5,873,390	6,061,597	5,748,311
16,091,304	16,186,257	14,174,184	10,063,489	13,253,476
446,244,500	405,055,103	378,427,824	380,552,640	367,257,156
1,218,175	1,242,589	1,061,271	767,634	1,178,847
33,781,552	30,485,692	29,916,065	27,915,345	26,448,683
563,947	482,899	424,931	459,699	380,069
2,370,540	2,165,251	3,781,875	2,716,214	2,389,616
8,234,560	7,522,451	5,292,086	5,294,148	4,586,618
-	-	-	-	-
4,190,713	3,601,364	3,359,965	3,464,947	3,141,955
359,795	372,185	154,882	28,427	46,588
213,183	308,645	444,834	389,729	283,517
11,787,222	11,914,044	11,362,973	10,983,705	10,424,729
97,227,191	86,308,956	81,339,685	76,959,382	75,006,166
24,097,238	18,603,403	16,990,190	15,102,925	14,421,211
53,482	20,023	31,428	34,518	33,271
-	-	1,198	547	-
<u>\$ 679,404,247</u>	<u>\$ 613,080,447</u>	<u>\$ 575,268,033</u>	<u>\$ 564,740,088</u>	<u>\$ 547,944,246</u>
2.00%	2.00%	2.00%	2.00%	2.00%



## City of Georgetown, Texas

Direct and Overlapping Sales Tax Rates  
Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
Subject to final review and possible  
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or redistributed.

Fiscal Year	City Direct Rate	State of Texas
2009	2%	6.25%
2010	2%	6.25%
2011	2%	6.25%
2012	2%	6.25%
2013	2%	6.25%
2014	2%	6.25%
2015	2%	6.25%
2016	2%	6.25%
2017	2%	6.25%
2018	2%	6.25%

Source: Information furnished by City of Georgetown.

**City of Georgetown, Texas**  
**Sales Tax Revenue Payers by Industry**  
**Fiscal Years 2017 and 2008**

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
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**or redistributed.**

2018					
NAICS Sectors	Number of Filers	Percent of Total		Tax Liability	Percent of Total
Agriculture/Forestry/Fishing/Hunting	1	0.06%	\$ -	\$ -	0.00%
Mining, quarrying, oil & gas extraction	2	0.12%	-	-	0.00%
Utilities	7	0.41%	27,819,555	556,391	2.77%
Construction	141	8.26%	23,489,068	469,781	2.34%
Manufacturing	104	6.10%	110,783,149	2,215,663	11.04%
Wholesale trade	64	3.75%	24,948,959	498,979	2.49%
Retail trade	563	33.00%	539,649,733	10,792,995	53.78%
Transportation, warehousing	13	0.76%	3,633,136	72,663	0.36%
Information	34	1.99%	61,403,449	1,228,069	6.12%
Finance, insurance	10	0.59%	3,637,676	72,754	0.36%
Real estate, rental, leasing	34	1.99%	3,507,737	70,155	0.35%
Professional, scientific, technical svcs	135	7.91%	9,066,207	181,324	0.90%
Management of companies, enterprises	3	0.18%	-	-	0.00%
Admin, support, waste mgmt, remediation svcs	101	5.92%	9,651,115	193,022	0.96%
Educational svcs	20	1.17%	675,497	13,510	0.07%
Healthcare, social assistance	34	1.99%	537,799	10,756	0.05%
Arts, entertainment, recreation	47	2.75%	12,912,477	258,250	1.29%
Accommodation, food services	190	11.14%	140,968,071	2,819,361	14.05%
Other svcs (except public administration)	149	8.73%	30,719,849	614,397	3.06%
Public administration	4	0.23%	24,145	483	0.00%
Other	50	2.93%	-	-	0.00%
<b>Totals</b>	<b>1,706</b>		<b>\$ 1,003,427,623</b>	<b>\$ 20,068,552</b>	<b>100.00%</b>
2009					
NAICS Sectors	Number of Filers	Percent of Total		Tax Liability	Percent of Total
Agriculture/Forestry/Fishing/Hunting	-	0.00%	\$ -	\$ -	0.00%
Mining, quarrying, oil & gas extraction	6	0.33%	596,301	11,926	0.11%
Utilities	7	0.38%	18,304,999	366,100	3.34%
Construction	111	6.05%	3,793,932	75,879	0.69%
Manufacturing	118	6.43%	5,346,217	106,924	0.98%
Wholesale trade	92	5.02%	13,557,407	271,148	2.48%
Retail trade	698	38.06%	365,718,531	7,314,371	66.83%
Transportation, warehousing	27	1.47%	1,239,957	24,799	0.23%
Information	37	2.02%	26,271,865	525,437	4.80%
Finance, insurance	11	0.60%	388,916	7,778	0.07%
Real estate, rental, leasing	29	1.58%	3,337,208	66,744	0.61%
Professional, scientific, technical svcs	168	9.16%	5,016,927	100,339	0.92%
Management of companies, enterprises	1	0.05%	-	-	0.00%
Admin, support, waste mgmt, remediation svcs	99	5.40%	3,260,161	65,203	0.60%
Educational svcs	14	0.76%	46,573	931	0.01%
Healthcare, social assistance	20	1.09%	277,052	5,541	0.05%
Arts, entertainment, recreation	56	3.05%	10,772,231	215,445	1.97%
Accommodation, food services	148	8.07%	74,949,101	1,498,982	13.70%
Other svcs (except public administration)	167	9.11%	14,376,731	287,535	2.63%
Public administration	4	0.22%	1,540	31	0.00%
Other	21	1.15%	-	-	0.00%
<b>Totals</b>	<b>1,834</b>	<b>100.00%</b>	<b>\$ 547,255,649</b>	<b>\$ 10,945,113</b>	<b>100.00%</b>

Source: Window on State Government.

Notes: The City direct sales tax rate for both 2018 and 2009 is 2%. Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue. All reporting is now by North American Industry Classification System (NAICS) sectors. Standard Industrial Classification (SIC) Codes are no longer being assigned to taxpayers, and data on SIC filers is no longer available.

\*2018 is projected as 4th quarter actuals were not available at the time of update.

**City of Georgetown, Texas**  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

Fiscal Year	Governmental Activities			Business-Type Activities	
	General Obligation Bonds	Sales Tax Revenue Bonds	Capital Leases	Revenue Bonds	General Obligation Bonds
2008	\$ 69,970,050	\$ 11,115,000	\$ 12,831	\$ 57,280,000	\$ 4,984,950
2009	73,008,888	10,715,000	-	53,640,000	10,096,112
2010	72,532,310	10,300,000	-	59,825,000	13,777,690
2011	89,613,941	9,870,000	-	55,945,000	12,981,059
2012	100,356,664	9,420,000	-	51,425,000	11,618,336
2013	116,738,088	8,955,000	-	48,090,268	14,551,893
2014	116,200,602	8,470,000	-	61,885,000	13,884,399
2015	122,965,751	7,755,000	-	67,910,000	16,414,254
2016	154,191,338	7,225,000	-	72,545,000	15,286,384
2017	170,194,599	6,685,000	-	92,730,000	13,865,309
2018	158,154,681	6,125,000		93,335,000	46,615,319

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Total Primary Government		Percentage of Personal Income	Per Capita
\$	143,362,831	11.97%	\$ 3,136
	147,460,000	11.61%	3,152
	156,435,000	11.56%	3,268
	168,410,000	11.63%	3,444
	172,820,000	11.97%	3,469
	188,335,249	11.84%	3,728
	200,440,001	11.15%	3,839
	215,045,005	10.28%	3,786
	249,247,722	10.25%	4,244
	283,474,908	9.56%	4,675
	304,230,000	9.88%	4,868

## City of Georgetown, Texas

Ratios of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible revision and should not be relied upon or redistributed.**

Fiscal Year	Population	Assessed Value <sup>(1)</sup>	Taxable Assessed Valuation Per Capital	Gross Bonded Debt <sup>(2)</sup>	Less Debt Service Funds Available
2009	46,787	\$ 4,014,755,631	\$ 85,809	\$83,105,000	\$ 2,530,149
2010	47,865	4,026,893,772	84,130	86,310,000	2,274,235
2011	48,902	4,055,948,951	82,940	102,595,000	1,976,586
2012	49,543	4,196,184,135	84,698	111,975,000	1,749,324
2013	50,513	4,416,008,010	87,423	131,190,000	1,109,220
2014	52,214	4,598,213,076	88,065	130,085,001	1,268,186
2015	56,798	5,127,918,626	90,283	139,380,005	1,489,313
2016	58,723	5,838,074,672	99,417	169,477,722	1,867,190
2017	60,642	6,481,967,453	106,889	184,059,908	1,946,870
2018	63,227	7,090,666,811	112,146	204,770,000	2,113,651

Sources: WCAD

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>(1)</sup> Net of exemptions.

<sup>(2)</sup> Includes all long-term general obligation debt.

<sup>(3)</sup> Less debt service funds available.

DRAFT FOR DISCUSSION PURPOSES ONLY -  
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Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value <sup>(3)</sup>	Ratio of Gross Bonded Debt to Assessed Value <sup>(3)</sup>	Net Bonded Debt Per Capita <sup>(3)</sup>	Total Bonded Debt Per Capita <sup>(3)</sup>
\$ 54,882,326	1.37%	2.01%	\$ 1,173	\$ 1,722
55,291,719	1.37%	2.09%	1,155	1,756
73,396,051	1.81%	2.48%	1,501	2,058
83,698,631	1.99%	2.63%	1,689	2,225
101,604,245	2.30%	2.95%	2,011	2,575
128,816,815	2.80%	2.80%	2,467	2,467
137,890,692	2.69%	2.69%	2,428	2,428
167,610,532	2.87%	2.87%	2,854	2,854
182,113,038	2.81%	2.81%	3,003	3,003
202,656,349	2.86%	2.86%	3,205.22	3,205

# City of Georgetown, Texas

## Computation of Direct and Estimated Overlapping Bonded Debt Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

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or redistributed.**

Taxing Body	Debt		Percent	City's Share <sup>(2)</sup>	
	Amount	As of		Amount	Per Capita (1)
ESTIMATED OVERLAPPING DEBT					
Georgetown I.S.D.	\$ 366,820,238	06/30/2018	549.80%	\$ 2,016,777,669	\$ 31,897
Williamson County	1,247,089,159	09/30/2018	10.80%	134,694,185	2,130
Total estimated overlapping debt	1,613,909,397		133.31%	2,151,471,853	34,027
DIRECT DEBT - City of Georgetown	204,770,000	09/30/2018	100.00%	204,770,000	3,239
DIRECT AND ESTIMATED OVERLAPPING DEBT	\$ 1,818,679,397			\$ 2,356,241,853	\$ 37,265
RATIO OF DIRECT AND OVERLAPPING TAX SUPPORTED DEBT TO TAXABLE ASSESSED VALUATION					

Source: Jurisdiction listed.

<sup>(1)</sup> GISD population - 11,500

Williamson County population - 585,398

City of Georgetown population - 63,227

<sup>(2)</sup> Information represents the share of the respective debt which are obligations of the citizens of the City of Georgetown

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**City of Georgetown, Texas**  
**Computation of Legal Debt Margin**  
**Last Ten Fiscal Years**

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	2018	2017	2016	2015	2014	2013
<b>DEBT LIMIT</b>	\$79,770,002	\$72,922,134	\$65,678,340	\$57,689,085	\$51,729,897	\$ 49,680,090
Total net debt applicable to limit <sup>(1)</sup>	12,725,000	10,354,174	9,082,545	6,652,866	6,521,597	8,570,145
<b>LEGAL DEBT MARGIN</b>	<u>\$67,045,002</u>	<u>\$62,567,960</u>	<u>\$56,595,795</u>	<u>\$51,036,219</u>	<u>\$45,208,300</u>	<u>\$ 41,109,945</u>
Total net debt applicable to limit as a percentage of debt limit	15.95%	14.20%	13.83%	11.53%	12.61%	17.25%
<b>ASSESSED VALUATION MINUS EXEMPTIONS 2017</b>						<u>\$ 7,090,666,811</u>
Allowable tax levy for annual debt service purpose: \$1.25 per \$100 of assessed valuation, assuming 90% collection rate						\$ 79,770,002
2018 annual debt service requirements for general obligation debt:						
Principal					12,725,000	
Interest and fiscal charges					<u>6,318,168</u>	<u>19,043,168</u>
Legal margin for annual debt service requirements						<u>\$ 60,726,833</u>

NOTE: All taxable property within the City is subject to the assessment levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal and interest on the Bonds within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits the maximum ad valorem tax rate to \$2.50 per \$100 assessed valuation (for all City purposes). The Charter of the City adopts the provisions of the constitution without further limitation. Under rules promulgated by the Office of the Attorney General of Texas, such office will not approve tax bonds of the City unless the City can demonstrate its ability to pay debt service requirements on all outstanding City tax bonds, including the issue to be approved, from a tax levy of \$1.25 per \$100 of valuation, based on 90% collection of tax.

<sup>(1)</sup> The legal margin computation includes the general obligation debt that will be repaid by self-supporting sources such as the Airport, Stormwater Drainage, Water, Electric, and Georgetown Transportation Enhancement Corporation (GTEC) funds.

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2012	2011	2010	2009
\$47,207,072	\$45,629,426	\$45,302,549	\$45,166,001
7,350,236	8,640,634	8,043,904	7,664,261
<u>\$39,856,836</u>	<u>\$36,988,792</u>	<u>\$37,258,645</u>	<u>\$37,501,740</u>
15.57%	18.94%	17.76%	16.97%

**City of Georgetown, Texas**  
Revenue Bond Coverage  
Utility Funds <sup>(1)</sup>  
Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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Fiscal Year	Eligible Revenues	Interest Earnings	Operating Expenses (Excluding Depreciation)	Net Revenue Available for Debt Service
2008	\$ 78,404,586	\$ 955,680	\$ 57,922,907	\$ 21,437,359
2009	83,485,213	392,080	58,695,917	25,181,376
2010	84,948,916	116,458	59,828,974	25,236,400
2011	88,605,410	159,888	65,271,517	23,493,781
2012	89,907,801	144,460	66,531,990	23,520,271
2013	86,876,459	118,277	58,803,394	28,191,342
2014	93,979,191	93,850	72,927,251	21,145,790
2015	106,686,101	164,921	78,010,309	28,840,713
2016	112,401,358	263,279	82,451,857	30,212,780
2017	126,705,643	529,545	91,766,018	35,469,170
2018	22,387,624	1,253,820	103,030,548	(79,389,104)

Source: Finance and Administration Division.

Notes: <sup>(1)</sup> Electric, Water, and Wastewater only.

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Debt Service Requirements				Times Coverage
Principal	Interest and Fiscal Charges	Total		
\$ 3,200,000	\$ 2,631,311	\$ 5,831,311	3.68	
3,640,000	2,338,048	5,978,048	4.21	
3,935,000	2,065,384	6,000,384	4.21	
3,880,000	1,859,107	5,739,107	4.09	
4,255,000	1,742,974	5,997,974	3.92	
3,970,000	1,963,653	5,933,653	4.75	
4,716,977	2,231,375	6,948,352	3.04	
5,421,104	2,100,147	7,521,251	3.83	
5,227,329	2,738,792	7,966,121	3.79	
5,845,826	2,931,943	8,777,769	4.04	
6,717,094	3,433,854	10,150,948	(7.82)	

# City of Georgetown, Texas

## Utility System Condensed Statement of Operations <sup>(1)</sup> For the Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	2018	2017	2016	2015	2014	2013
<b>REVENUES</b>						
Water System	\$ 41,055,098	\$ 37,776,171	\$ 34,861,125	\$ 26,358,532	\$ 24,953,208	\$ 24,930,408
Electric System	69,170,339	65,001,374	61,570,922	60,870,094	58,017,664	53,780,319
Miscellaneous	6,348,385	5,661,272	5,107,307	14,746,510	4,997,415	4,888,117
Interest Earnings	1,421,310	529,545	263,279	164,921	93,850	118,277
Total revenues	117,995,132	108,968,362	101,802,633	102,140,057	88,062,137	83,717,121
<b>EXPENSES <sup>(1)</sup></b>						
Water System	22,201,454	21,485,743	13,520,486	11,885,339	8,561,671	7,737,541
Electric System	18,876,347	16,712,384	14,623,945	8,259,062	7,056,224	7,265,433
Utility Contracts	59,621,450	53,567,891	51,999,930	55,419,233	55,147,284	43,800,420
Total expenses	100,699,251	91,766,018	80,144,361	75,563,634	70,765,179	58,803,394
<b>NET AVAILABLE FOR DEBT SERVICE</b>	<u>\$ 17,295,881</u>	<u>\$ 17,202,344</u>	<u>\$ 21,658,272</u>	<u>\$ 26,576,423</u>	<u>\$ 17,296,958</u>	<u>\$ 24,913,727</u>

Notes:

<sup>(1)</sup> Excluding depreciation costs & plant management cost

<sup>(2)</sup> Electric, Water & Wastewater only

Information provided to comply with continuing disclosure requirements of SEC Rule 15c2-12.

Average Annual Principal and Interest Requirements, 2018-2037 \$ 6,258,706

Coverage of Average Requirements by Fiscal Year 2017 Net Income 2.75

Maximum Principal and Interest Requirements, 2018 \$ 9,700,297

Coverage of Maximum Requirements by Fiscal Year 2017 Net Income 1.77

DRAFT FOR DISCUSSION PURPOSES ONLY -  
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 or redistributed.

2012	2011	2010	2009
\$ 25,026,601	\$ 25,896,644	\$ 20,632,604	\$ 22,200,768
58,403,735	57,694,311	59,058,745	56,154,879
3,966,677	2,927,695	2,789,797	2,779,486
144,460	159,888	116,458	392,080
87,541,473	86,678,538	82,597,604	81,527,213
7,053,864	7,708,924	6,677,890	6,875,473
8,828,039	5,554,896	4,821,255	5,270,740
50,650,087	52,007,697	48,329,829	46,549,704
66,531,990	65,271,517	59,828,974	58,695,917
\$ 21,009,483	\$ 21,407,021	\$ 22,768,630	\$ 22,831,296

# City of Georgetown, Texas

## Utility System Condensed Statement of Operations <sup>(2)</sup> For the Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
**revision and should not be relied upon**  
**or redistributed.**

	2018	2017	2016	2015	2014	2013
Utility system <sup>(1)</sup>	\$ 553,287,525	\$ 525,643,929	\$ 494,823,457	\$ 457,712,841	\$ 424,822,231	\$ 338,199,636
Less: accumulated depreciation	(146,759,978)	(133,268,971)	(121,636,964)	(110,006,443)	(99,974,691)	(91,339,365)
Net value of system	406,527,547	392,374,958	373,186,493	347,706,398	324,847,540	246,860,271
Plus: Construction fund	12,635,837	7,358,762	12,759,150	5,468,908	4,910,605	12,193,462
Net plant	419,163,384	399,733,720	385,945,643	353,175,306	329,758,145	259,053,733
Plus: Working capital	93,545,021	93,642,260	62,636,620	65,108,279	51,655,164	35,992,864
Total	512,708,405	493,375,980	448,582,263	418,283,585	381,413,309	295,046,597
Revenue bond debt <sup>(2)</sup>	98,311,788	99,715,131	84,655,583	79,967,207	74,051,097	59,028,078
<b>CITY'S EQUITY IN SYSTEM</b>	<b>\$ 414,396,617</b>	<b>\$ 393,660,849</b>	<b>\$ 363,926,680</b>	<b>\$ 338,316,378</b>	<b>\$ 307,362,212</b>	<b>\$ 236,018,519</b>
<b>PERCENTAGE CITY'S EQUITY IN SYSTEM</b>	<b>80.83%</b>	<b>79.79%</b>	<b>81.13%</b>	<b>80.88%</b>	<b>80.59%</b>	<b>79.99%</b>

Notes:

<sup>(1)</sup> Electric, Water and Wastewater funds only

<sup>(2)</sup> Changes in bond ordinances no longer require reservation of interest and sinking or reserve funds for utility revenue debt.

Information provided to comply with continuing disclosure requirements of SEC Rule 15c2-12.

2012	2011	2010	2009
\$ 313,923,709	\$ 306,424,774	\$ 286,216,930	\$ 273,482,065
(82,719,027)	(76,797,760)	(67,645,584)	(58,659,325)
231,204,682	229,627,014	218,571,346	214,822,740
22,866,932	11,692,027	14,038,615	10,101,805
254,071,614	241,319,041	232,609,961	224,924,545
33,419,764	35,700,091	40,784,075	27,713,059
287,491,378	277,019,132	273,394,036	252,637,604
59,050,004	64,540,000	68,809,999	59,589,999
\$ 228,441,374	\$ 212,479,132	\$ 204,584,037	\$ 193,047,605
79.46%	76.70%	74.83%	76.41%



**City of Georgetown, Texas**  
Demographic and Economic Statistics  
Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
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**or redistributed.**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	School Enrollment	Unemployment Rate
2008	45,710	\$ 1,715,907,690	\$ 37,539	10,000	4.10%
2009	46,787	1,711,983,117	36,591	10,000	4.10%
2010	47,865	1,808,004,645	37,773	10,300	5.84%
2011	48,902	1,959,356,434	40,067	10,470	7.08%
2012	49,543	2,090,070,541	42,187	10,396	7.08%
2013	50,513	2,097,602,838	41,526	10,396	5.70%
2014	52,214	2,234,028,204	42,786	10,582	5.30%
2015	56,798	2,211,600,524	38,938	10,924	3.70%
2016	59,134	2,572,210,732	43,498	11,452	4.00%
2017	60,642	2,709,423,918	44,679	11,444	2.90%
2018	63,227	3,040,649,657	48,091	11,512	2.90%

Sources:

Population: City of Georgetown Planning and Development Division.

Per Capita Personal Income: U.S. Dept. of Commerce / Bureau of Economic Analysis

School Enrollment: Georgetown Independent School District.

Unemployment Rate: Texas Workforce Commission, Labor Market and Career Information TRACER.

Notes:

Per capita personal income is for Williamson County and reflects estimates available as of Nov 17, 2017.

Population for 2017 reflects city's population estimate for month ending Sep 30, 2017.

Personal income calculated using city's population estimate and per capita income data.

Unemployment rate reflects estimate for month ending Sep 30, 2017.

**City of Georgetown, Texas**  
Principal Employers  
Current Year and Nine Years Ago

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
Subject to final review and possible  
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or redistributed.

Employer	2018			2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Williamson County Gov't	1,795	1	2.95%	1,700	1	3.52%
Georgetown ISD	1,543	2	2.53%	1,575	2	3.26%
City of Georgetown	870	3	1.43%	502	5	1.04%
Airborn, Inc	600	4	0.98%	550	4	1.14%
St. David's Hospital	500	5	0.82%	650	3	1.35%
Wesleyan Homes	470	6	0.77%	290	8	0.60%
Southwestern University	450	7	0.74%	450	6	0.93%
Caring Home Health	310	8	0.51%	400	7	0.83%
Rock Springs Hospital	218	9	0.36%	-		0.00%
Lone Star Circle of Care	201	10	0.33%	-		0.00%
Sun City (Del Webb)	170		0.28%	260	9	0.54%
Walmart	-		0.00%	240	10	0.50%
<b>Totals</b>	<b>7,127</b>		<b>11.70%</b>	<b>6,617</b>		<b>13.69%</b>

Source: Economic Development Department

# City of Georgetown, Texas

## Full Time Equivalent City Government Employees by Function Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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or redistributed.**

Function	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government										
Culture & Recreation										
Administration	2	2	-	5	4	4	3	-	-	-
CVB	5	5	-	-	-	-	-	-	-	-
Parks	28	20	21	22	21	21	23	23	23	23
Recreation	25	23	27	42	39	39	39	39	37	37
Rec. Programs	6	6	6	4	4	4	3	3	3	3
Library	24	24	23	22	22	22	23	22	22	22
Development										
Administration	-	-	-	-	-	-	-	2	2	2
Planning	12	11	10	9	8	8	11	11	11	14
Current Planning	-	-	-	-	-	-	-	-	-	-
Long Range Planning	-	-	-	-	-	-	-	-	-	-
Inspection Svcs.	14	14	13	10	10	10	12	13	13	13
Code Enforcement	5	5	5	5	4	4	4	6	6	6
Environmental										
Environmental Svcs.	1	1	1	1	1	1	1	1	1	1
Fire Services										
Fire Based Paramedic Program	23	19	15	15	-	-	-	-	-	-
Support Svcs.	14	14	14	13	7	6	7	6	6	6
Emergency Svcs.	88	88	84	81	86	84	84	81	81	72
General Government										
General Government	3	3	2	3	2	2	2	2	-	-
City Secretary	6	5	5	5	4	-	-	-	-	-
City Council	-	-	-	-	-	3	3	2	2	2
City Manager's Office	9	10	10	4	5	6	4	6	6	8
Highways / Streets										
Transportation Admin.	3	4	2	3	3	2	2	1	3	3
Streets	20	19	19	19	19	19	19	19	19	19
Police Services										
Administration	4	4	4	4	4	4	5	5	9	10
Support Svcs.	-	-	-	-	-	-	-	-	-	34
Field Operations	110	106	103	102	98	98	99	99	95	60
Animal Svcs.	11	11	11	11	11	9	9	9	8	8
Municipal Court	7	7	7	7	7	6	7	7	7	7
Fleet Services	9	9	9	8	8	8	7	6	6	6
Facilities Maintenance	6	7	7	7	7	6	7	7	7	7
Information Technology	23	22	18	18	16	13	13	13	13	11
Joint Svcs.	109	104	101	92	87	82	78	76	74	69
Water	52	58	51	37	19	19	19	20	18	15
Sewer	7	7	7	14	14	14	14	14	12	12
Electric	77	67	73	60	57	54	49	44	47	48
Other Enterprises	14	15	14	13	13	11	11	11	11	11
<b>Total</b>	<b>710</b>	<b>690</b>	<b>658</b>	<b>632</b>	<b>575</b>	<b>555</b>	<b>553</b>	<b>544</b>	<b>540</b>	<b>527</b>

Source: City Finance & Administration Division.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

DRAFT FOR DISCUSSION PURPOSES ONLY -  
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**City of Georgetown, Texas**  
**Operating Indicators by Functions**  
**Last Ten Fiscal Years**

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
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Function	2018	2017	2016	2015	2014
<b>Culture and recreation</b>					
Recreation Center memberships	8,995 *	12,433	12,944	11,604	9,901
CVB number of visitor inquiries	77,119	75,302	69,108	55,156	54,188
<u>Library</u>					
Circulation	498,281	533,602	513,725	527,987	559,209
Number of patrons added	4,100	3,529	3,818	3,428	2,161
<b>Economic Development</b>					
Number of proposals generated	68	62	51	56	44
<b>Community Development</b>					
Inspections/Code Enforcement					
Number of inspections	55,702	41,834	40,500	31,828	29,818
New residential permits issued	1,193	728	703	718	701
New commercial permits issued/TFO/Industrial	66	85	66	92	92
Number of code enforcement violations	18,777	8,702	13,784	14,052	16,213
Planning and Development Services					
Development applications filed	430	408	385	373	370
Annexations (in acres)	962	649	246	2,022	152
<b>Fire Services</b>					
Number of calls for service	10,070	9,362	8,510	7,084	6,250
<b>General Govt</b>					
Bond rating - S & P	AA+	AA+	AA+	AA+	AA+
City Manager's Office					
Number of public information requests processed	1,818	1,589	1,290	1,129	871
Police Services					
Number of calls for service	30,307	25,803	24,704	24,744	23,044
Number of traffic accidents	2,358	2,145	2,156	2,091	1,940
Animal Services					
Number of pets impounded	1,462	1,533	1,891	1,889	1,860
Number of adoptions	888	1,028	872	983	904
Municipal Court					
Number of court cases	3,925	4,797	4,905	5,641	7,658
Number of warrants served	146	225	278	374	349
<b>Utility Office</b>					
Number of utility customers	46,534	43,281	40,372	38,450	28,400
<b>Water</b>					
Number of new connects	4,446	2,351	1,532	1,909	1,455
Average daily water treated (million gallons)	20	19	13	16	16
Average daily consumption (million gallons)	18	16	16	16	13
<b>Sewer</b>					
Number of new connects	2,355	2,006	1,221	1,154	1,295
Average daily wastewater treated (million gallons)	5	4	5	5	4
<b>Electric</b>					
kWhs consumed	649,208,058	621,464,114	605,019,836	590,029,360	565,518,133
Number of new connects	1,254	581	315	1,230	598
<b>AMR</b>					
Total number of work orders completed	5,203	3,677	3,223	1,489	1,554
Total reads by AMR	741,638	723,463	694,802	568,896	542,058
<b>Other Enterprises</b>					
Stormwater & Drainage					
Number of detention ponds cleaned	600	552	456	454	422
Number of work orders	263	233	242	489	530
<b>Airport</b>					
Gallons of fuel sold	759,400	866,833	778,328	636,128	648,065

Sources: Various City departments and City-Monthly Activity Indicators Report.

2013	2012	2011	2010	2009
10,678	13,769	16,044	16,778	18,497
50,617	42,901	35,749	27,086	38,669
550,683	552,032	527,746	524,610	496,603
2,446	2,526	2,184	2,293	2,338
48	38	36	31	40
30,282	21,270	18,383	20,192	21,248
777	664	509	550	523
61	89	97	115	127
15,225	11,535	11,090	12,295	13,179
313	290	284	158	246
161	61	703	276	1,005
6,153	5,706	5,674	5,649	5,475
AA+	AA+	AA+	AA+	AA+
678	759	835	997	887
22,747	23,018	22,161	31,908	34,192
1,888	1,679	1,525	1,743	1,750
1,664	1,670	1,560	1,477	1,256
690	822	686	601	560
7,833	7,347	8,902	13,778	13,333
398	313	587	693	774
27,559	26,345	25,563	24,995	24,271
909	705	530	447	469
16	15	17	12	14
13	13	14	11	13
955	939	523	451	444
4	4	4	4	3
544,339,879	537,985,801	547,475,852	518,590,777	490,449,481
484	226	477	543	550
1,113	826	2,419	2,495	2,903
616,296	-	-	-	-
404	372	372	382	300
710	552	196	418	376
565,851	581,450	765,839	636,773	647,736

# City of Georgetown, Texas

## Capital Assets by Functions

Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

Function	2018	2017	2016	2015	2014
<b>Culture and recreation</b>					
Parks (developed acres)	1,054	494	480	480	473
Recreation Centers	1	1	1	1	1
Senior Centers	1	1	1	1	1
Libraries	1	1	1	1	1
<b>Fire Services</b>					
Fire stations	5	5	5	5	5
Fire vehicles	38	36	36	34	29
<b>Highways and streets</b>					
Center line miles	327	326	324	312	310
<b>Police Services</b>					
Police stations	1	1	1	1	1
Police vehicles	92	91	88	84	84
Police motorcycle units	6	6	6	6	6
<b>Electric</b>					
Meters	26,558	25,607	24,881	24,147	22,918

Sources: Various City departments and City budget document.

2013	2012	2011	2010	2009
473	473	473	473	473
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
5	5	4	4	4
25	22	18	17	17
310	305	295	307	284
1	1	1	1	1
87	87	93	95	95
4	4	4	4	4
22,660	22,504	22,090	21,711	21,338



## City of Georgetown, Texas

Water Usage (Gallons)

Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
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or redistributed.**

<b>Fiscal Year Ended September 30,</b>	<b>Average Day Usage (000s)</b>	<b>Peak Day Production (000s)</b>	<b>Total Usage (000s)</b>
2009	11,290	25,870	5,011,889
2010	12,925	24,617	4,732,462
2011	14,024	26,778	5,955,541
2012	16,152	30,058	5,748,912
2013	15,976	28,818	5,121,278
2014	15,987	28,687	4,750,902
2015	15,875	35,394	5,794,201
2016	15,603	34,712	5,695,453
2017	15,815	38,003	5,772,395
2018	17,304	41,217	6,316,003

Source: City of Georgetown

**City of Georgetown, Texas**  
Ten Largest Water Customers<sup>(1)</sup>  
Fiscal Year Ended 2017

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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**or redistributed.**

Customer	Water Usage (1,000 Gallons)	% of Total Water Usage
CITY OF GEORGETOWN	52,030	0.79%
SOUTHWESTERN UNIVERSITY	62,928	0.96%
CITICORP OF N AMERICA, INC	26,062	0.40%
WILLIAMSON COUNTY	37,223	0.57%
GEORGETOWN ISD	41,003	0.62%
SOUTHWEST MATERIALS	129,962	1.98%
ST DAVID'S HOSPITAL	24,924	0.38%
SUN CITY TX COMM ASSOC	25,288	0.38%
PULTE HOMES OF TEXAS LP	49,543	0.75%
ORCHARD RIDGE MASTER COMMUNITY	28,336	0.43%
<b>TOTAL</b>	<b>477,299</b>	<b>7.26%</b>

Source: City of Georgetown Customer Care fiscal year 2017 figures.

<sup>(1)</sup> Fiscal year 2017 figures. Based on total consumption of 5,772,395 kgals.

**City of Georgetown, Texas**  
Daily Flow (Wastewater Treatment)  
Last Ten Fiscal Years

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
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or redistributed.

Average Daily Wastewater Flow	
Fiscal Year	Gallons
2009	3,580,000
2010	4,188,000
2011	3,327,000
2012	3,594,000
2013	3,641,000
2014	4,260,000
2015	4,607,964
2016	4,871,523
2017	4,068,219
2018	4,517,592

Source: City of Georgetown

**City of Georgetown, Texas**  
Ten Largest Wastewater Customers<sup>(1)</sup>  
September 30, 2017

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
**Subject to final review and possible**  
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**or redistributed.**

Customer	Volume (1,000 Gallons)	% of Total
CITICORP OF N AMERICA, IN	5,709	0.48%
SOUTHWESTERN UNIVERSITY	8,964	0.76%
WILLIAMSON COUNTY	5,307	0.45%
GEORGETOWN ISD	5,561	0.47%
ST DAVID'S HOSPITAL	3,623	0.31%
CYPRESS CREEK APTS	3,216	0.27%
PULTE HOMES OF TEXAS LP	29,429	2.48%
THE OAKS OF WILDWOOD HOA	3,324	0.28%
PBH GEORGETOWN APTS LLC	3,186	0.27%
ANATOLE AT WESTINGHOUSE APT	3,171	0.27%
	71,490	6.02%

Source: City of Georgetown

<sup>(1)</sup> Fiscal 2018 figures. Based on total consumption of 1,187,249 kgals.

## City of Georgetown, Texas

### Valuation, Exemptions and Ad Valorem Tax Debt September 30, 2017

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

2017/18 Market Valuation Established by Williamson Central Appraisal District (excluding totally exempt property)		\$ 7,434,602,232
Less Exemptions/Reductions at 100% Market Value:		<u>343,935,421</u>
2017/18 Taxable Assessed Valuation		7,090,666,811
City Funded Debt Payable from Ad Valorem Taxes <sup>(1)</sup>	\$	170,375,000
The Bonds		23,555,000
The Certificates		<u>10,840,000</u>
Total Debt Payable from Ad Valorem Taxes <sup>(1)</sup>		204,770,000
Interest and Sinking Fund		<u>(2,113,651)</u>
Net Debt Payable from Ad Valorem Taxes		202,656,349
Ratio of Net Tax Supported Debt to Taxable Assessed Valuation <sup>(1)</sup>		2.86%
2018 Estimated Population - 63227		
Per Capita Taxable Assessed Valuation - \$112,146		
Per Capita Net Ad Valorem Tax Debt Payable from Ad Valorem Taxes - \$3,205		

#### NOTES:

<sup>(1)</sup> Includes \$5,004,778 of self-supporting debt, which is paid from Stormwater and Airport revenues. There is also \$23,623,962 of self-supporting debt, which is paid from the City's sales tax levied for economic development pursuant to an interlocal agreement with the City's Type B Corporation (GTEC). It includes \$7,486,579 of self-supporting debt is paid from electric revenues and water revenues and \$7,745,000 of self-supporting debt is paid from ad valorem tax revenues within the River TIRZ.

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# City of Georgetown, Texas

## Taxable Assessed Valuations by Category Last Seven Fiscal Years

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Category	2018		2017	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 5,771,630,770		\$ 5,269,955,833	67.22%
Real, Residential, Multi-Family	392,904,514		321,729,040	4.10%
Real, Vacant Lots/Tracts	126,008,013		113,986,653	1.45%
Real, Acreage (Land Only)	380,712,227		413,248,527	5.27%
Real, Farm and Ranch Improvements	86,900,050		12,051,614	0.15%
Real, Commercial/Industrial	1,327,848,862		1,090,806,455	13.91%
Real and Tangible, Personal, Utilities, Other	64,834,120		55,642,985	0.71%
Tangible Personal, Commercial	316,561,698		441,440,286	5.63%
Tangible Personal, Industrial	1,942,256		1,990,498	0.03%
Tangible Personal, Other, Inventory	169,549,540		118,681,945	1.51%
Total Appraisal Value Before Exemptions	\$ 9,760,715,240		\$ 7,839,533,836	100.00%
Less: Total Exemptions/Reductions	1,930,364,823		992,751,144	
Taxable Assessed Value	\$ 7,830,350,417		\$ 6,846,782,692	

Category	2013		2012	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 3,212,802,019	64.13%	\$ 3,051,782,791	62.49%
Real, Residential, Multi-Family	136,323,871	2.72%	134,630,205	2.76%
Real, Vacant Lots/Tracts	110,691,837	2.21%	112,194,608	2.30%
Real, Acreage (Land Only)	287,098,365	5.73%	277,760,619	5.69%
Real, Farm and Ranch Improvements	9,458,303	0.19%	7,749,074	0.16%
Real, Commercial/Industrial	838,635,946	16.74%	873,539,170	17.89%
Real and Tangible, Personal, Utilities, Other	45,546,793	0.91%	47,029,662	0.96%
Tangible Personal, Commercial	302,428,949	6.04%	315,920,307	6.47%
Tangible Personal, Industrial	-	0.00%	2,281,333	0.05%
Tangible Personal, Other, Inventory	67,225,632	1.34%	60,766,941	1.24%
Total Appraisal Value Before Exemptions	\$ 5,010,211,715	100.00%	4,883,654,710	100.00%
Less: Total Exemptions/Reductions	594,203,705		687,470,575	
Taxable Assessed Value	\$ 4,416,008,010		\$ 4,196,184,135	

Source: <https://www.wcad.org/entity-portal/>

"Certified Packet"

Tangible Personal, Other, Inventory = M: "Tangible, Other"+O: "Real Inventory"+S: "Special Inventory"

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2016		2015		2014	
Amount	% of Total	Amount	% of Total	Amount	% of Total
\$ 4,461,872,364	66.73%	\$ 3,919,149,977	66.57%	\$ 3,383,707,151	65.32%
244,374,369	3.65%	180,615,033	3.07%	141,539,008	2.73%
109,578,980	1.64%	107,717,396	1.83%	105,728,114	2.04%
400,074,586	5.98%	329,513,434	5.60%	274,265,523	5.29%
10,959,024	0.16%	10,841,218	0.18%	9,762,143	0.19%
1,018,036,078	15.22%	959,342,874	16.29%	852,941,178	16.46%
39,895,007	0.60%	51,686,900	0.88%	41,161,229	0.79%
294,660,363	4.41%	234,873,665	3.99%	294,627,224	5.69%
-	0.00%	-	0.00%	-	0.00%
107,456,924	1.61%	93,708,389	1.59%	76,722,581	1.48%
\$ 6,686,907,695	100.00%	\$ 5,887,448,886	100.00%	\$ 5,180,454,151	100.00%
848,833,023		759,530,260		582,241,075	
\$ 5,838,074,672		\$ 5,127,918,626		\$ 4,598,213,076	
2011					
Amount	% of Total				
\$ 2,951,917,721	62.66%				
136,781,699	2.90%				
117,503,406	2.49%				
280,860,043	5.96%				
7,748,104	0.16%				
827,031,630	17.55%				
45,209,184	0.96%				
278,224,342	5.91%				
2,234,106	0.05%				
63,594,310	1.35%				
4,711,104,545	99.99%				
655,155,594					
\$ 4,055,948,951					



**City of Georgetown, Texas**

Authorized but Unissued General Obligation Bonds  
September 30, 2017

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<b>Purpose</b>	<b>Date Authorized</b>	<b>Amount Authorized</b>	<b>Amount Issued</b>	<b>Authorization Being Used</b>	<b>Unissued Balance</b>
Roads	11/04/2008	\$ 46,000,000	\$ 25,050,000	\$ -	\$ 20,950,000
Parks & recreation	11/04/2008	35,500,000	22,710,000	-	12,790,000
Roads	05/09/2015	105,000,000	39,260,000	-	65,740,000
<b>Total</b>		<b>\$ 186,500,000</b>	<b>\$ 87,020,000</b>	<b>\$ -</b>	<b>\$ 99,480,000</b>

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# City of Georgetown, Texas

## General Fund Revenues and Expenditure History Last Ten Fiscal Years

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or redistributed.

	Fiscal Year Ending September 30,				
	2018	2017	2016	2015	2014
Revenues:					
Taxes	\$ 33,892,989	\$ 31,618,006	\$ 29,675,061	\$ 27,331,498	\$ 25,293,544
Licenses and Permits	2,747,719	2,652,279	2,113,126	2,002,380	1,932,563
Charges for Services	13,488,589	11,838,632	10,676,249	10,556,447	9,682,702
Fines and Forfeitures	352,296	453,675	476,138	529,920	598,717
Miscellaneous and Interest	1,082,941	825,006	1,074,393	722,772	682,447
Total Revenues	51,564,534	47,387,598	44,014,967	41,143,017	38,189,973
Expenditures:					
General Government	4,913,549	4,436,866	3,237,092	3,762,714	3,013,544
Development Services	2,910,130	2,389,998	2,297,979	2,148,991	2,003,688
Parks and Recreation	10,319,914	9,552,133	9,447,132	9,156,876	8,401,551
Fire Services	13,526,335	12,500,721	11,806,803	10,595,388	9,455,714
Police Services	15,804,408	14,471,049	13,778,073	12,899,092	11,687,498
Georgetown Utility Systems / Streets	12,663,903	10,310,775	10,333,422	9,281,051	9,435,835
Total Expenditures	60,138,238	53,661,542	50,900,501	47,844,112	43,997,830
Excess (Deficiency) of					
Revenues Over Expenditures	(8,573,704)	(6,273,944)	(6,885,534)	(6,701,095)	(5,807,857)
Budgeted Transfers In	9,165,637	9,592,342	8,909,975	7,720,944	6,964,508
Budgeted Transfers Out	(1,970,809)	(2,489,735)	(1,531,334)	(1,188,673)	(2,034,075)
Net Increase (Decrease)	(1,378,876)	828,663	493,107	(168,824)	(877,424)
Fund Equity at Beginning of Year	13,325,625	12,496,962	12,003,855	12,172,679	13,050,103
Fund Equity at End of Year	\$ 11,946,749	\$ 13,325,625	\$ 12,496,962	\$ 12,003,855	\$ 12,172,679

Source: City's Audited Financial Statements.

Fiscal Year Ending September 30,				
2013	2012	2011	2010	2009
\$ 24,522,441	\$ 22,013,241	\$ 21,335,893	\$ 19,336,126	\$ 18,508,353
1,536,660	1,236,478	890,948	841,392	791,882
9,302,816	8,268,169	8,082,889	7,882,093	7,682,367
670,582	616,815	762,923	958,792	889,367
1,460,008	579,060	614,138	515,814	930,774
37,492,507	32,713,763	31,686,791	29,534,217	28,802,743
2,908,971	2,992,852	3,384,950	3,087,317	3,129,127
1,579,575	1,890,481	2,195,537	2,088,809	2,213,899
7,945,906	7,183,369	7,289,676	6,902,305	6,677,760
8,638,166	7,590,667	7,011,366	6,694,350	6,597,024
11,471,418	10,498,193	10,060,311	9,897,919	9,873,237
8,236,375	8,247,315	7,347,201	6,623,628	6,524,677
40,780,411	38,402,877	37,289,041	35,294,328	35,015,724
(3,287,904)	(5,689,114)	(5,602,250)	(5,760,111)	(6,212,981)
6,655,673	6,200,518	6,079,801	6,356,907	6,515,884
(949,076)	(34,641)	(85,022)	(1,342,361)	(1,737,715)
2,418,693	476,763	392,529	(745,565)	(1,434,812)
10,631,410	10,154,647	9,762,118	10,507,683	11,942,495
\$ 13,050,103	\$ 10,631,410	\$ 10,154,647	\$ 9,762,118	\$ 10,507,683

# City of Georgetown, Texas

## Municipal Sales Tax History

### Last Ten Fiscal Years

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<b>Fiscal Year Ended September 30,</b>	<b>Total Collected</b>	<b>% of Ad Valorem Tax Levy</b>	<b>Equivalent of Ad Valorem Tax Rate</b>	<b>Per Capita</b>	<b>Levy</b>	<b>Tax Rate</b>
2009	\$ 6,943,036	46.67%	0.1662	148	\$ 14,877,893	0.3562
2010	7,454,806	50.14%	0.1786	156	14,867,340	0.3562
2011	7,803,863	52.41%	0.1867	160	14,889,961	0.3562
2012	8,277,502	49.10%	0.1903	167	16,856,914	0.3875
2013	9,326,554	50.78%	0.2082	185	18,367,332	0.4100
2014	10,984,723	53.24%	0.2340	210	20,632,709	0.4395
2015	11,296,645	49.55%	0.2150	199	22,799,091	0.4340
2016	12,679,188	54.22%	0.2353	216	23,384,947	0.4340
2017	13,595,005	53.21%	0.2256	232	25,551,262	0.4240
2018	14,827,612	52.87%	0.2221	235	28,043,693	0.4200

**City of Georgetown, Texas**  
Monthly and Volumetric Water Rates  
September 30, 2017

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Customer Meter Size	Customer Charge per Month	
	Inside City	Outside City
5/8 inch	\$15.50	\$18.50
3/4 inch	23.00	27.50
1 inch	38.50	46.00
1 1/2 inch	76.50	91.50
2 inch	122.50	146.50
3 inch	245.50	293.50
4 inch	383.50	458.50
6 inch	766.50	916.50
8 inch	1,226.50	1,466.50

Residential Water Rates	
1,000 Gallons	Volumetric Rate
0 - 10	\$1.75
11 - 20	2.40
21 - 40	4.00
41 - 60	6.50
61 and over	8.50

Nonresidential Water Rates	
Cost per thousand gallons	\$2.40
Irrigation Meter, cost per thousand gallons	4.00

Source: City of Georgetown

Note: Rates effective January 1, 2014

# City of Georgetown, Texas

## Monthly Wastewater Rates

September 30, 2017

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### **Residential and Small Commercial**

#### Net Monthly Rate:

Flat Rate Inside City Limits	\$30.65 per month*
Flat Rate Outside City Limits	\$35.20 per month*

\*Low income residential discount: 20% below current  
flat rate for qualifying households

### **Commercial**

#### Net Monthly Rate:

a. Inside City Limits	
1. Customer Charge	\$46.35 per month*
2. Volumetric Charge*	\$2.35 per 1,000 gallons
b. Outside City Limits	
1. Customer Charge	\$53.30 per month
2. Volumetric Charge*	\$2.70 per 1,000 gallons

### **Large Commercial**

#### Net Monthly Rate:

a. Inside City Limits	
1. Customer Charge	\$82.30 per month
2. Volumetric Charge*	\$2.35 per 1,000 gallons
b. Outside City Limits	
1. Customer Charge	\$94.65 per month
2. Volumetric Charge*	\$2.70 per 1,000 gallons

### **High Strength Commercial**

#### Net Monthly Rate:

a. Inside City Limits	
1. Customer Charge	\$46.35 per month
2. Volumetric Charge*	\$3.70 per 1,000 gallons
b. Outside City Limits	
1. Customer Charge	\$53.30 per month
2. Volumetric Charge*	\$4.30 per 1,000 gallons

### **Multifamily**

#### Net Monthly Rate:

a. Inside City Limits	
1. Customer Charge	\$110.10 per month
2. Volumetric Charge*	\$2.35 per 1,000 gallons
b. Outside City Limits	
1. Customer Charge	\$126.60 per month
2. Volumetric Charge*	\$2.70 per 1,000 gallons

\*The volumetric charges are calculated using the  
actual water consumption billed per month.

Source: City of Georgetown

Notes: Rates effective October 1, 2016

# City of Georgetown, Texas

## Monthly Electric Rates

September 30, 2017

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All Customers				
Purchased Power Cost Adjustment:		\$0.0040 per kWh		
Transmission Cost of Service:		\$0.0019 per kWh		
Residential Sales Tax:		2.00% of total electric charges; outside City limits: None		
Commercial Sales Tax:		8.25% of total electric charges; outside City limits: 6.25%		
Residential Service				
Customer Charge:		\$20.00 per month		
Energy Charge:		\$0.0939 per kWh		
Small General Service				
Customer Charge:		\$45.00 per month		
Energy Charge:		\$0.0883 per kWh		
School Charge				
Customer Charge:		\$175.00 per month		
Energy Charge:		\$0.1131 per kWh		
Water & Wastewater Pumping Service				
Customer Charge:		\$165.00 per month		
Energy Charge:		\$0.0516 per kWh		
Large General Service				
Customer Charge:		\$20.00 per month		
Demand Charge:		\$8.45 per kWh (50 kW minimum)		
Energy Charge:		\$0.0713 per kWh		
Minimum Bill:		\$442.50		
Industrial				
Customer Charge:		\$250.00 per month		
Demand Charge:		\$10.00 per kWh (500 kW minimum)		
Energy Charge:		\$0.0644 per kWh		
Minimum Bill:		\$5,250.00		
Large Industrial Service				
Customer Charge:		\$350.00 per month		
Demand Charge:		\$7.50 per kWh (2000 kW minimum)		
Energy Charge:		\$0.0661 per kWh		
Minimum Bill:		\$15,350.00		
Municipal Service				
Customer Charge:		\$125.00 per month		
Energy Charge:		\$0.0606 per kWh		
Minimum Bill:		\$125.00		
Lighting Service		High Pressure Sodium	Municipal Street	Retail Street
100 Watt per light (35 kWh)		\$8.50 per month	\$5.09 per month	\$5.26 per month
200 Watt per light (71 kWh)		\$14.50 per month	\$9.29 per month	\$9.75 per month
250 Watt per light (86 kWh)		\$16.70 per month	\$11.13 per month	\$11.64 per month
400 Watt per light (137 kWh)		\$23.50 per month	\$17.33 per month	\$18.17 per month

Source: City of Georgetown

Effective June 1, 2017



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## Compliance Section

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**Independent Auditor's Report on Internal Control over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

To the Honorable Mayor and  
Members of the City Council  
City of Georgetown, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Georgetown, Texas (the City), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated February \_\_, 2019.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as described in the schedule of findings and questioned costs as 2018-01, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The Honorable Mayor and  
Members of the City Council  
City of Georgetown, Texas

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

(Signature)

Austin, Texas

DATE

**Independent Auditor's Report on Compliance for Each  
Major Federal Program and Report on Internal Control over Compliance  
in Accordance with the Uniform Guidance**

To the Honorable Mayor and  
Members of the City Council  
City of Georgetown, Texas

**Report on Compliance for Each Major Federal Program**

We have audited the City of Georgetown, Texas' (the City's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended September 30, 2018. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

The Honorable Mayor and  
Members of the City Council  
City of Georgetown, Texas

## **Report on Internal Control over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

(Signature)

Austin, Texas

**DATE**

## Section 1. Summary of Auditor's Results

### Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Significant deficiencies identified that are not considered to be material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified that are not considered to be material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
--	------------------------------	--

Identification of major programs:

20.106 Airport Project Participation Agreement

Dollar threshold used to distinguish between type A and type B programs?	<u>\$750,000</u>
--	------------------

Auditee qualified as low-risk auditee?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
--	------------------------------	--

## Section 2. Financial Statement Findings

### Finding 2018-001

Type of Finding: Material Weakness in Internal Control

Criteria: The timely reconciliation and review of bank reconciliations is an important component to the City's internal control processes related to custody of assets.

Condition: Prior to our arrival to begin audit procedures, management notified us that, because of an information system conversion during the year, detailed bank reconciliations for the months of August and September 2018 had not yet been completed. Management was still working with the vendors to develop the necessary reports and data sets necessary to reconcile the bank account activity.



## City of Georgetown, Texas

Schedule of Findings and Questioned Costs - Continued  
Year Ended September 30, 2018

DRAFT FOR DISCUSSION PURPOSES ONLY -

Subject to final review and possible  
revision and should not be relied upon  
or redistributed.

Context: We were provided with versions of the bank reconciliations in process, which included numerous significant unreconciled items that management was in the process of clearing from the reconciliation.

Cause: The City's implementation of a significant new information system, which interacts with the City's general ledger system, resulted in necessary changes to the Bank reconciliation process, and data reports necessary to complete the reconciliation. Additionally, turnover of staff responsible for bank reconciliations caused additional unplanned delays.

Effect or Potential Effect: No material misstatement was identified once the bank reconciliations were completed.

Recommendation: Bank reconciliations should be completed and reviewed on a regular basis. Any changes to the process should be planned adequately to include obtaining all necessary information to complete the bank reconciliations timely.

Management's Response: See corrective action plan.

## City of Georgetown, Texas

Schedule of Findings and Questioned Costs - Continued  
Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

### Section 3. Federal Award Finding

None

## City of Georgetown, Texas

Schedule of Findings and Questioned Costs – Continued  
Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

### Section 4. Schedule of Prior Audit Findings

#### Finding 2017-001

Federal Program Information: Airport Participation Agreement (CFDA 20.106). This is a repeat finding of 2014-01.

Type of Finding: Material Weakness in Internal Control Over Compliance

Status: City finance staff has updated their procedures to verify and report all expenditures on a quarterly basis, which are reviewed by the Controller.

**Section 5. Corrective Action Plan**

**Finding 2018-001**

Planned Corrective Action: The City's management understands the importance of bank reconciliations to its internal control processes. Though management believes that the information system implementation was well planned, the data reports being generated to complete the bank reconciliations were insufficient and additional processes and reporting was necessary by management and the vendor to obtain the necessary information. As of the date of this report, the reconciliations for the months of August through October 2018 have been completed and reviewed. City staff have controls in place to ensure all reconciliation and review of bank accounts occur on a timely basis for the future.

Planned Implementation Date: March 31, 2018

Name of Contact Person: Elaine S. Wilson, Controller

# City of Georgetown, Texas

Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended September 30, 2017

**DRAFT FOR DISCUSSION PURPOSES ONLY -**  
Subject to final review and possible  
revision and should not be relied upon  
or redistributed.

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Program Expenditures
<b>FEDERAL AWARDS</b>			
<b>Bureau of Justice Assistance</b>			
Direct Program:			
Bulletproof Vest Program	16.607	KXPPIIA	\$ 5,549
<b>Total Bureau of Justice Assistance</b>			5,549
<b>Federal Aviation Administration</b>			
Passed through Texas Department of Transportation-Aviation Division:			
Airport Project Participation Agreement	20.106	16MPGRGTN	45,565
Airport Project Participation Agreement	20.106	1514GRGTN	559,030
<b>Total Federal Aviation Administration</b>			604,595
<b>U.S. Department of Homeland Security</b>			
Passed through Federal Emergency Management Agency:			
Prehazard Mitigation-Sirens	97.039	LPDM-PJ-06-TX-2008-011	11,375
Passed through Texas Department of Public Safety:			
Emergency Management Performance Grant	97.042	17TX-EMPG-1421	29,024
<b>Total U.S. Department of Homeland Security</b>			40,399
<b>U.S. Department of Housing and Urban Development</b>			
Passed through Williamson County:			
Community Development Block Grant	14.218	322P Georgetown	114,920
<b>Total U.S. Department of Housing and Urban Development</b>			114,920
<b>Institute of Museum and Library Services</b>			
Passed through from Texas State Library and Archives Commission:			
State Library Program	45.310	LS-00-16-0044-18	5,455
State Library Program	45.310	LS-00-16-0044-17	62,495
<b>Total Institute of Museum and Library Services</b>			67,950
<b>Total Expenditures of Federal Awards</b>			\$ 833,413

## City of Georgetown, Texas

Notes to the Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended September 30, 2018

**DRAFT FOR DISCUSSION PURPOSES ONLY -**

**Subject to final review and possible  
revision and should not be relied upon  
or redistributed.**

### **Note 1. General**

The accompanying schedule of expenditures of federal awards presents the activity of all applicable federal awards of the City of Georgetown, Texas (the City). The City's reporting entity is defined in Note 1 to the City's financial statements. Federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the respective schedule. The City has not elected to use the 10% de minimis indirect cost rate.

### **Note 2. Basis of Accounting**

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's financial statements.

### **Note 3. Relationship to Federal Financial Reports**

Grant expenditures reports as of September 30, 2018, which have been submitted to grantor agencies will, in some cases, differ slightly from amounts disclosed herein. The reports prepared for grantor agencies are typically prepared at a later date and often reflect refined estimates of year-end accruals. The reports will agree at termination of the grant, as the discrepancies noted are timing differences.



# City of Georgetown

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Committee Meeting  
March 6, 2019





# Audit Results



# Audit Timeline

- **August 2018:** Engagement planning and interim audit procedures
  - Understanding and testing internal controls
  - Risk assessment determinations
- **December 2018 – January 2019:** Audit fieldwork
  - Sampling and detailed testing of balances and transaction classes
  - Analytical procedures
- **January – February 2019:** Wrap-up, review, and reporting
  - Review of workpapers
  - Drafting financial statements
  - Final inquiries with management

# Audit Process

- **Audit Standards** — Performed the audit in accordance with *Generally Accepted Auditing Standards (GAAS)* and *Generally Accepted Government Auditing Standards (GAGAS)*
- **Single Audit** — Performed the single audit of federal awards in accordance with the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*
- **Compliance** — Performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grant agreements, including items such as compliance with PFIA.

# Audit Process

- **Risk-based approach** focused on specific risks, such as:
  - Capital expenditures and capital projects
  - General expenditures, payroll expenditures, and accruals
  - Utility revenue
  - Various tax revenues
  - Federal grant revenues and expenditures
- **Walkthroughs** of accounting controls over significant transaction cycles
  - Federal receipts
  - Cash disbursements
  - Payroll
  - Utility revenue
  - Tax revenue
  - Capital projects

# Audit Process

- **Identification of major federal financial assistance programs**
  - Major programs- Airport Runway Project
- **Tested internal controls** over financial reporting and compliance
- **Tested compliance** with major program requirements
- **Testing of financial statement balances** using a combination of analytics, vouching of material transactions, and sampling

# Audit Results

- We will issue the Independent Auditor's Report on the financial statements
  - ✓ Unmodified opinion
- We will issue the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
  - ✓ One material weakness in internal control, identified as 2018-001
- We issued the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance and Uniform Grant Management Standards
  - ✓ Unmodified opinion
  - ✓ No findings noted

## ➤ Finding 2018-001 – Bank Reconciliations

- **Condition:** Management notified us prior to our arrival to begin audit procedures that, as a result of a significant information system conversion in the last quarter of the year, detailed bank reconciliations for the months of August and September 2018 had not yet been completed. Management was still working with the vendors to develop the necessary reports and data sets necessary to reconcile the bank account activity.
- **Effect or potential effect:** No material misstatement was identified once the bank reconciliations through year end were completed.
- **Recommendation:** Bank reconciliations should be completed and reviewed on a regular basis. Any changes to the process should be planned adequately to include obtaining all necessary information to complete the bank reconciliations timely.

## ➤ Finding 2018-001 – Bank Reconciliations (continued)

- **Management's response:** The City's management understands the importance of bank reconciliations to its internal control processes. Though management believes that the information system implementation was well planned, the data reports being generated to complete the bank reconciliations were insufficient, and additional processes and reporting was necessary by management and the vendor to obtain the necessary information. As of the date of this report, the reconciliations for the months of August through October 2018 have been completed and reviewed. City staff have controls in place to ensure all reconciliation and review of bank accounts occur on a timely basis for the future.



# Auditor Communications

for the year ended September 30, 2018

# Required Communications to Those in Charge of Governance

Communication	Results
<p>Auditor's responsibility under generally accepted auditing standards (GAAS)</p>	<p>The financial statements are the responsibility of the City. Our audit was designed in accordance with GAAS in the U.S. and provides for reasonable rather than absolute assurance that the financial statements are free of material misstatement. Our responsibility is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>The audit of the fiscal year 2018 financial statements has been completed and we issued a unmodified "clean" opinion.</p>

# Required Communications to Those in Charge of Governance

Communication	Results
<p>Auditor's Responsibility under Government Auditing Standards</p>	<p>In addition to the GAAS responsibilities, we are required to issue a written report on our consideration of internal controls and identified significant deficiencies, including material weaknesses, if any. Our reports do not provide assurance on internal controls. We design our audit to provide reasonable assurance of detecting material misstatements resulting from noncompliance with provisions of contracts or grant agreements that have a direct or material effect on the financial statements. We issued a written report on the results of these procedures; however, our report does not express an opinion on compliance.</p> <p>We identified one material weakness in internal control over financial reporting identified as 2018-001.</p>

# Required Communications to Those in Charge of Governance

Communication	Results
<p>Auditor Responsibility under Uniform Guidance</p>	<p>Our testing includes all major federal financial assistance programs. We report on such testing, and disclose significant deficiencies in internal control over compliance, including material weaknesses we identify. Our report does not provide assurance on internal control over compliance. We performed procedures for the purpose of expressing an opinion on whether major federal financial assistance programs have been administered in compliance with applicable laws and regulations.</p> <p>The audit of the fiscal year 2018 major federal financial assistance programs has been completed and we issued an unmodified opinion. No findings were reported.</p>

# Required Communications to Those in Charge of Governance

Communication	Results
<p>Unusual transactions and the adoption of new accounting principles</p>	<p>The significant accounting policies used by the City are described in the financial statements.</p> <p>The City implemented GASB Statement No. 75 related to recognition and disclosure of OPEB liabilities during the year ended September 30, 2018.</p> <p>We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus.</p>

# Required Communications to Those in Charge of Governance

Communication	Results
Fraud and illegal acts	No material errors, irregularities, or illegal acts were noted.
Material weakness in internal control	One, identified as finding 2018-001.
Other information contained in documents containing audited financial statements	We provided an “in relation to opinion” on supplementary information accompanying the financial statements. We performed limited procedures on the MD&A and did not provide any assurance on this information. Supplementary schedules were compared and reconciled to underlying accounting and other records used to prepare the basic financial statements.
Management judgments and accounting estimates	Management’s estimates were evaluated and determined to be reasonable in relation to the financial statements as a whole. Significant estimates included: <ul style="list-style-type: none"><li>• Pension and OPEB amounts</li><li>• Depreciation</li></ul>

# Required Communications to Those in Charge of Governance

Communication	Results
Difficulties encountered	No difficulties or disagreements arose during the course of our audit.
Management representations	We requested certain representations from management that were included in the management representation letter.
Management consultations	We are not aware of management consultations with other accountants for a second opinion.
Auditor independence	No independence issues noted.
Audit adjustments	Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. <b>No material adjustments or corrections were identified as a result of our procedures.</b>

# Required Communications to Those in Charge of Governance



## Communication

## Results

Other material written communications between Weaver and Tidwell, L.L.P., and the City

Nothing to note



# Questions



**Adam McCane**

Engagement Partner

Adam.McCane@Weaver.com

512-609-1968

**Visit our website**

[www.weaver.com](http://www.weaver.com)

# Contact Us

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2018



# Background & Terms

- CAFR - Comprehensive Annual Financial Report
- GAAP - Generally Accepted Accounting Principals  
Rules and standards by which all financial reporting is presented and prepared  
Not the same as budgetary accounting
- GASB - Governmental Accounting Standards Board  
The oversight body for accounting standards for governmental entities

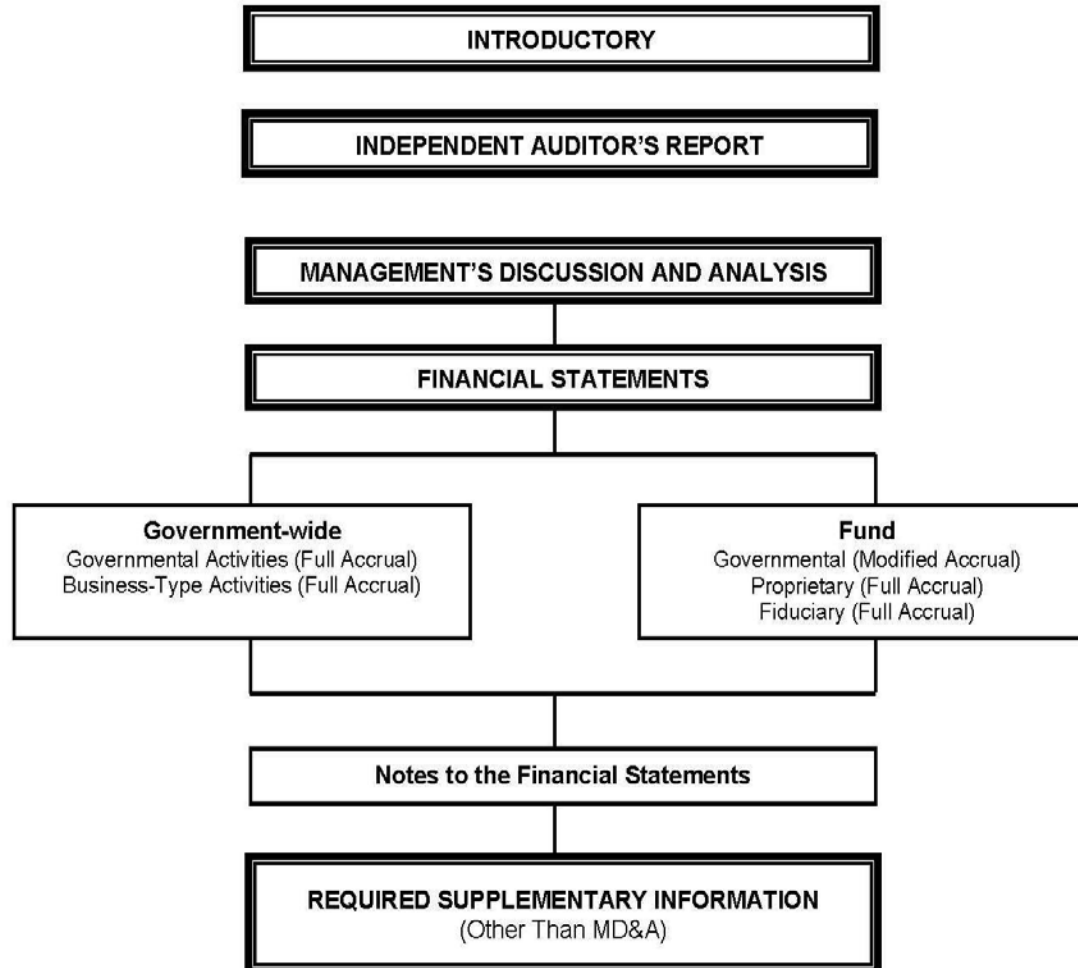
# REPORTING REQUIREMENT AND AUDIENCE

- Required by state law, City Charter and bond covenants
  - Prepare statements and supplemental information
  - Conduct annual audit
- Demonstrates fiduciary accountability to citizens, bondholders and granting agencies
- Primary audience is technical, not “average person”
  - Governmental accounting professionals, bond rating analysts, etc.
  - Used to evaluate credit worthiness, economic stability, financial standing

# Independent Audit

- Performed by outside independent audit firm
- Selected by Council
- Conducted in compliance with Government Auditing Standards
- Provides assurance of accurate reporting and financial integrity
- Compliance with policies

# CONTENTS



# Summary Statement of Net Position

(in thousands)

	<u>Total Primary Government</u>	
	<u>2018</u>	<u>2017</u>
Current and other assets	\$ 247,807	\$ 217,715
Capital assets	915,093	863,034
<b>Total assets</b>	<b><u>\$ 1,162,900</u></b>	<b><u>\$ 1,080,749</u></b>
Deferred outflows of resources	12,115	\$ 13,873
<b>Total assets and deferred outflows</b>	<b><u>\$ 1,175,015</u></b>	<b><u>\$ 1,094,622</u></b>
Long-term liabilities	345,661	\$ 326,365
Other liabilities	31,126	22,714
<b>Total liabilities</b>	<b><u>\$ 376,787</u></b>	<b><u>\$ 349,079</u></b>
Net position:		
Net Investment in capital assets	\$ 638,025	\$ 640,757
Restricted	7,677	6,424
Unrestricted	146,520	98,361
<b>Total net position</b>	<b><u>\$ 792,222</u></b>	<b><u>\$ 745,542</u></b>



# Summary Statement of Activities

(in thousands)

	<b>Total Primary Govt</b>	
	<b>2018</b>	<b>2017</b>
<b>Revenues:</b>		
Governmental	\$ 98,771	\$ 84,582
Business-Type	159,245	152,292
<b>Total Revenues</b>	<b>\$ 258,016</b>	<b>\$ 236,874</b>
<b>Expenses:</b>		
Governmental	83,987	72,604
Business-Type	127,349	113,350
<b>Total Expenses</b>	<b>\$ 211,336</b>	<b>\$ 185,954</b>
Change in net position	46,680	50,920
Net Position - Beginning	745,542	694,622
<b>Net Position - Ending</b>	<b>\$ 792,222</b>	<b>\$ 745,542</b>

# Modified Approach to Street Assets

- Modified Approach adopted in 2005 for streets infrastructure
- Option for reporting the condition of the infrastructure instead of depreciating the infrastructure  
Provide accountability to maintain streets
- Council adopted a pavement condition index (PCI) of “85” to maintain the streets in “good” condition  
Reviewed every 3 years  
Reviewed in 2018 - current condition rated at 85.5

# Comments from External Auditor

**Adam McCane, CPA**  
**Weaver and Tidwell, LLP**

# Audit Summary

- Unmodified opinion on the financial statements
- Unmodified opinion on internal control and federal awards
- New accounting standard implementation
- Results of internal control procedures
- Required communications
- Other items

# Comprehensive Annual Financial Report

For the year ended September 30, 2018

Final document will be available at:

*City Hall*

*<https://finance.georgetown.org/financial-transparency/>*

City of Georgetown, Texas  
Government and Finance Advisory Board  
March 6, 2019

**SUBJECT:**

Consideration and possible action to recommend approval of a Renewal Agreement with Brandt Company of Austin, Texas through Buyboard contract # 558-18 for heating, ventilation and air conditioning (HVAC) services in the estimated annual amount of \$400,000.00 and to recommend ratification of \$120,000.00 of previous expenditures for similar purchases from the Brandt Company. - Trish Long, Facilities Superintendent, Eric Nuner, Parks & Recreation Assistant Director

**ITEM SUMMARY:**

This item is to provide heating, ventilation and air conditioning (HVAC) inspection, maintenance and repair services of City facilities. The Brandt Company provided the City a proposal based on a BuyBoard Competitive Purchasing Contract. These services include, bi-annual and quarterly inspections of equipment, as well as quarterly filter replacement Citywide. This proposal also includes labor rates and material mark up for supplies and materials for repairs and replacements.

The City has used the Brandt Company since 2017. The Brandt Company has provided the City with preventative maintenance services. Brandt has technicians assigned to our facilities that are familiar with our HVAC equipment and facility needs. They provide an updated equipment log and performed maintenance reports quarterly as part of our preventative maintenance. As a result of Brandt's level of service to the City we have seen improvements in equipment performance.

Staff is recommending approval of annual HVAC inspections, maintenance, and repairs to the Brandt Company of Austin, Texas for the estimated annual amount of \$400,000.00. In addition, staff is requesting ratification of \$120,000 of previous expenditures for similar purchases from the Brandt Company.

**FINANCIAL IMPACT:**

Estimated annual amount of \$400,000.00 for HVAC maintenance and replacement for all City facilities is budgeted in the Facilities ISF. The previous expenditures of \$120,000.00 are in the Facilities ISF HVAC Maintenance and Replacements.

**SUBMITTED BY:**

Trish Long, Facilities Superintendent and Eric Nuner, Parks & Recreation Assistant Director

**ATTACHMENTS:**

Description	Type
☐ Brandt Maintenance Agreement	Backup Material
☐ Brandt Contract Renewal Agreement	Backup Material



## INSPECTION COSTS BREAKDOWN

City of Georgetown Building Name	Address	Bi-Annl Heating	Bi-Annl Cooling	Qtrly Insp	Qtrly Insp	Filter Service	Total Annual Price
Airport	500 Terminal Drive	\$857.00	\$1,122.00			\$370.00	\$2,349.00
Animal Shelter	110 WL Walden	\$489.00	\$795.00			\$578.00	\$1,862.00
Art Center	816 South Main	\$306.00	\$765.00			\$388.30	\$1,459.30
Community Center	445 E. Morrow	\$801.00	\$1,225.00			\$634.84	\$2,660.84
ES&F	250 WL Walden	\$228.00	\$408.00			\$337.70	\$973.70
Fire 1	301 Industrial	\$506.00	\$759.00			\$537.00	\$1,802.00
Fire 2	1603 Williams Dr	\$342.00	\$479.00			\$322.30	\$1,143.30
Fire 3	5 Texas Drive	\$571.00	\$805.00			\$390.00	\$1,766.00
Fire 4	4200 Airport Road	\$343.00	\$574.00			\$392.00	\$1,309.00
Fire 5	3600 DB Wood	\$859.00	\$1,178.00			\$386.10	\$2,423.10
New City Hall	808 MLK	\$3,256.00	\$4,460.00			\$510.00	\$8,226.00
Georgetown Municipal Complex	300 Industial Ave.	\$3,162.00	\$4,852.00			\$1,695.10	\$9,709.10
Grace Heritage Center	811 South Main Street	\$115.00	\$170.00			\$315.70	\$600.70
Municipal Court	510 W. 9th	\$5,290.00	\$8,100.00	\$3,531.00	\$3,531.00	\$2,443.00	\$22,895.00
New Library	402 West 8th	\$2,245.00	\$3,419.00	\$1,327.00	\$1,327.00	\$3,932.50	\$12,250.50
Parks Administration	1101 N. College	\$686.00	\$879.00			\$650.10	\$2,215.10
Police Annex	811 M.L.K.	\$257.00	\$388.00			\$133.50	\$778.50
Police Department	809 M.L.K.	\$801.00	\$1,082.00			\$1,155.00	\$3,038.00
PSOTC	3500 DB Wood Rd	\$11,786.00	\$12,449.00	\$6,837.00	\$6,837.00	\$5,750.00	\$43,659.00
Recreation Center	1003 N. Austin Ave	\$4,184.00	\$4,694.00	\$3,061.00	\$3,061.00	\$3,451.80	\$18,451.80
Special Utility	851 FM 970 Florence	\$441.00	\$639.00			\$366.30	\$1,446.30
Tennis Center	400 Serenada Drive	\$342.00	\$536.00			\$364.10	\$1,242.10
Vehicle Service Center	300-2 Industrial	\$119.00	\$166.00			\$83.60	\$368.60
Visitors Center	103 W. 7th	\$228.00	\$331.00			\$84.00	\$643.00
Garey Park	6450 RM rd 2243	\$856.00	\$1,235.00			\$525.00	\$2,616.00
Westside Service Center	5511 Williams Drive	\$823.00	\$1,144.00			\$436.70	\$2,403.70
<b>TOTAL SALE PRICE</b>							<b>\$148,291.64</b>

Buy Board contract 558-18

All labor rates and material cost are based on our Buy Board Contract

Labor @ \$95.00 for Skilled labor



## RENEWAL AGREEMENT

This Renewal Agreement is entered into by and between **CITY OF GEORGETOWN**, a Texas Home-Rule Municipal Corporation (the “City”), and **THE BRANDT COMPANIES, LLC** (the “Contractor”), collectively, the **Parties** follows:

**WHEREAS**, the Parties entered into an Agreement on April 10, 2018 for HVAC Services under BuyBoard contract no. 558-18 for Trade Services, Contract No. 18-0062-PPA, (the “Original Agreement”),

**WHEREAS**, the Original Agreement provided an initial term of one (1) year and provided for renewal terms upon written agreement of both Parties,

**WHEREAS**, the Parties hereby agree to renew the Original Agreement in accordance with the terms of the Original Agreement as well as any terms provided herein,

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. The Parties agree to renew the Original Agreement for an additional term which will begin immediately upon the expiration of the original term and will end on April 10, 2020, this being the First Renewal term.
2. During the First Renewal term, the prices shown in Exhibit A, attached hereto, shall apply to HVAC Services.
3. During the First Renewal term, the not to exceed amount shall be \$400,000.00.
4. All other terms of the Agreement not inconsistent with this Amendment shall apply. Except as expressly modified by this Amendment, the Agreement remains unchanged and in full force and effect, subject to its terms.
5. This Amendment is effective on the date executed by the City.

**THE BRANDT COMPANIES, LLC**

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF GEORGETOWN**

By: \_\_\_\_\_

Dale Ross, Mayor

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Robyn Densmore, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Charlie McNabb, City Attorney

City of Georgetown, Texas  
Government and Finance Advisory Board  
March 6, 2019

**SUBJECT:**

Consideration and possible action to approve the annual purchase of replacement desktop computers in the amount of \$178,138.10. James Davis, IT Operations Manager - James Davis, IT Operations Manager

**ITEM SUMMARY:**

This item is to request approval to purchase desktop PCs, laptop PCs, virtual desktop zero clients, and monitors as part of the computer equipment replacement cycle. The new systems will be used to replace aging and out of warranty hardware throughout the City. This purchase will be for a total of 70 Desktops, 78 Laptops, 25 Zero Clients, and 272 Monitors.

As a general guideline, desktop computers should be replaced every five years, depending on budgetary constraints. Devices are often used for longer periods if they are operating effectively and don't represent a major risk if they fail.

Most retired equipment is removed from the City's inventory and recycled. Some devices that can be refurbished will be used as spare or loaner equipment for City staff if needed.

Staff received quotes from multiple vendors and Dell provided the best pricing.

Equipment to be purchased from Dell in accordance with pricing and terms and conditions set by DIR contract DIR-TSO-3763.

**FINANCIAL IMPACT:**

All items were budgeted during the FY 2019 budget process. Expenses will be recorded in account 570-5-0641-52-330 (Computer Equipment).

**SUBMITTED BY:**

Chris Bryce, IT Director and James Davis, IT Operations Manager

**ATTACHMENTS:**

	Description	Type
□	Quote #1	Backup Material
□	Quote #2	Backup Material
□	Quote #3	Backup Material



A quote for your consideration!

Total: \$15,019.66

Based on your business needs, we put the following quote together to help with your purchase decision. Please review your quote details below, then contact your sales rep when you're ready to place your order.

Quote number:	Quote date:	Quote expiration:	Deal ID:
3000033296679.1	Feb. 7, 2019	Mar. 9, 2019	14696024
Company name:	Customer number:	Phone:	
CITY OF GEORGETOWN	23014	(512) 930-3660	
Sales rep information:	Billing Information:		
Danielle Eads	CITY OF GEORGETOWN		
Danielle_Hulsebosch@Dell.com	PO BOX 409		
(800) 456-3355	CITY OF GEORGETOWN		
Ext: 5139354	GEORGETOWN		
	TX 78627-0409		
	US		
	(512) 930-3660		

Pricing Summary

Item	Qty	Unit Price	Subtotal
Dell 24 Monitor - P2419H	44	\$169.39	\$7,453.16
Wyse 3040 thin client	25	\$302.66	\$7,566.50
		Subtotal:	\$15,019.66
		Shipping:	\$0.00
		Environmental Fees:	\$0.00
		Non-Taxable Amount:	\$15,019.66
		Taxable Amount:	\$0.00
		Estimated Tax:	\$0.00
		Total:	\$15,019.66

Special lease pricing may be available for qualified customers. Please contact your DFS Sales Representative for details.

## Dear Customer,

Your Quote is detailed below; please review the quote for product and information accuracy. If you find errors or desire certain changes please contact me as soon as possible.

Regards,  
Danielle Eads

Order this quote easily online through your [Premier page](#), or if you do not have Premier, using [Quote to Order](#)

## Shipping Group 1

<b>Shipping Contact:</b>	<b>Shipping phone:</b>	<b>Shipping via:</b>	<b>Shipping Address:</b>
BEN COLLIER	(512) 930-3654	Standard Delivery	300 INDUSTRIAL AVE 1 GEORGETOWN TX 78626-8445 US

SKU	Description	Qty	Unit Price	Subtotal
	<a href="#">Dell 24 Monitor - P2419H</a>	44	\$169.39	\$7,453.16
	<b>Estimated delivery date:</b> Feb. 14, 2019 <b>Contract No:</b> 75AHH <b>Customer Agreement No:</b> DIR-TSO-3763			
210-AQDX	Dell 24 Monitor - P2419H	44	-	-
814-5380	Dell Limited Hardware Warranty	44	-	-
814-5381	Advanced Exchange Service, 3 Years	44	-	-

SKU	Description	Qty	Unit Price	Subtotal
	<a href="#">Wyse 3040 thin client</a>	25	\$302.66	\$7,566.50
	<b>Estimated delivery date:</b> Feb. 25, 2019 <b>Contract No:</b> 75AHH <b>Customer Agreement No:</b> DIR-TSO-3763			
619-AMHZ	PCoIP enabled Wyse ThinOS, English	25	-	-
619-ANNK	Wyse ThinOS Firmware Access	25	-	-
329-BDKX	Wyse 3040 thin client- Z8350 1.44GHz QC / 8G FLASH / 2G RAM without WIFI, Non-TPM	25	-	-
340-BLWR	Tech Sheet (English, French, Spanish, Brazilian Portuguese)	25	-	-
580-ADOY	Dell Wired Keyboard KB216 Black (English)	25	-	-

275-BBBW	Black Dell MS116 Wired Mouse	25	-	-
340-APZS	English and French, Shipping Docs	25	-	-
340-AAPZ	Energy Star Compliant	25	-	-
389-BKKG	Energy Star Label	25	-	-
450-AGHV	15W AC Adapter with System Plug (US) and 5 ft DC cord, for Wyse 3040 thin client	25	-	-
340-ABSE	Direct Ship Info	25	-	-
340-BLQJ	Shipping Material for System	25	-	-
340-BLQH	Regulatory Label	25	-	-
640-BBJB	ODM Info	25	-	-
389-BCGW	No UPC Label	25	-	-
210-ALEK	Wyse 3040 thin client, CTO	25	-	-
817-BBBB	No FGA	25	-	-
803-1767	Dell Limited Hardware Warranty, Initial Year	25	-	-
803-1768	Dell Limited Hardware Warranty, Extended Year(s)	25	-	-
803-1769	Customer Pays Freight/Return for Repair, Initial Year	25	-	-
803-1770	Customer Pays Freight/Return for Repair, 2 Year Extended	25	-	-
470-AAJL	NO ADAPTER	25	-	-
			<b>Subtotal:</b>	<b>\$15,019.66</b>
			<b>Shipping:</b>	<b>\$0.00</b>
			<b>Environmental Fees:</b>	<b>\$0.00</b>
			<b>Estimated Tax:</b>	<b>\$0.00</b>
			<b>Total:</b>	<b>\$15,019.66</b>

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## Important Notes

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If this purchase includes services: in addition to the foregoing applicable terms, the terms of your service contract will apply ([Consumer](#); [Commercial](#)). If this purchase includes software: in addition to the foregoing applicable terms, your use of the software is subject to the license terms accompanying the software, and in the absence of such terms, then use of the Dell-branded application software is subject to the Dell End User License Agreement - Type A ([www.dell.com/AEULA](http://www.dell.com/AEULA)) and use of the Dell-branded system software is subject to the Dell End User License Agreement - Type S ([www.dell.com/SEULA](http://www.dell.com/SEULA)).

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If your purchase is for Boomi services or support, your use of the Boomi Services (and related professional service) is subject to the terms and conditions located at <https://boomi.com/msa>.

If your purchase is for Secureworks services or support, your use of the Secureworks services (and related professional service) is subject to the terms and conditions located at <https://www.secureworks.com/eula/eula-us>.

If this purchase is for (a) a storage product identified in the DELL EMC Satisfaction Guarantee Terms and Conditions located at

[http://www.emc.com/collateral/sales/dellemc-satisfaction-guarantee-terms-and-conditions\\_ex-gc.pdf](http://www.emc.com/collateral/sales/dellemc-satisfaction-guarantee-terms-and-conditions_ex-gc.pdf) ("Satisfaction Guarantee") and (ii) three (3) years of a ProSupport Service for such storage product, in addition to the foregoing applicable terms, such storage product is subject to the Satisfaction Guarantee.

You acknowledge having read and agree to be bound by the foregoing applicable terms in their entirety. Any terms and conditions set forth in your purchase order or any other correspondence that are in addition to, inconsistent or in conflict with, the foregoing applicable online terms will be of no force or effect unless specifically agreed to in a writing signed by Dell that expressly references such terms.

### Pricing, Taxes, and Additional Information

All product, pricing, and other information is valid for U.S. customers and U.S. addresses only, and is based on the latest information available and may be subject to change. Dell reserves the right to cancel quotes and orders arising from pricing or other errors. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, including your Customer Number, to the Dell Tax Department at 800-433-9023. Please ensure that your tax-exemption certificate reflects the correct Dell entity name: **Dell Marketing L.P.**

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# A quote for your consideration!

Based on your business needs, we put the following quote together to help with your purchase decision. Please review your quote details below, then contact your sales rep when you're ready to place your order.

Total: \$  
152,915.64

Quote number:	Quote date:	Quote expiration:	Deal ID:
3000033297461.1	Feb. 7, 2019	Mar. 9, 2019	15431051
Company name:	Customer number:	Phone:	
CITY OF GEORGETOWN	23014	(512) 930-3660	
Sales rep information:	Billing Information:		
Danielle Eads	CITY OF GEORGETOWN		
Danielle_Hulsebosch@Dell.com	PO BOX 409		
(800) 456-3355	CITY OF GEORGETOWN		
Ext: 5139354	GEORGETOWN		
	TX 78627-0409		
	US		
	(512) 930-3660		

## Pricing Summary

Item	Qty	Unit Price	Subtotal
Dell Latitude 3490	75	\$885.00	\$66,375.00
Dell Business Dock - WD15 with 130W adapter	75	\$150.69	\$11,301.75
OptiPlex 3060 MFF	60	\$545.00	\$32,700.00
Latitude 14 Rugged 5414	3	\$1,305.99	\$3,917.97
Dell 24 Monitor - P2419H	228	\$169.39	\$38,620.92
		Subtotal:	\$152,915.64
		Shipping:	\$0.00
		Environmental Fees:	\$0.00
		Non-Taxable Amount:	\$152,915.64
		Taxable Amount:	\$0.00
		Estimated Tax:	\$0.00
		Total:	\$152,915.64

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## Dear Customer,

Your Quote is detailed below; please review the quote for product and information accuracy. If you find errors or desire certain changes please contact me as soon as possible.

Regards,

Danielle Eads

Order this quote easily online through your [Premier page](#), or if you do not have Premier, using [Quote to Order](#)

## Shipping Group 1

<b>Shipping Contact:</b>	<b>Shipping phone:</b>	<b>Shipping via:</b>	<b>Shipping Address:</b>
BEN COLLIER	(512) 930-3654	Standard Delivery	300 INDUSTRIAL AVE 1 GEORGETOWN TX 78626-8445 US

SKU	Description	Qty	Unit Price	Subtotal
	<b>Dell Latitude 3490</b>	<b>75</b>	<b>\$885.00</b>	<b>\$66,375.00</b>
	<b>Estimated delivery date:</b> Feb. 25, 2019			
	<b>Contract No:</b> 75AHH			
	<b>Customer Agreement No:</b> DIR-TSO-3763			
210-ANXN	Dell Latitude 3490 CTO	75	-	-
379-BCZW	Intel Core i5-7200U Processor (Dual Core, 3MB Cache, 2.5GHz,15W)	75	-	-
619-AHKN	Win 10 Pro 64 English, French, Spanish	75	-	-
340-CKSZ	No AutoPilot	75	-	-
658-BCSB	Microsoft(R) Office 30 Days Trial	75	-	-
338-BNPG	Intel(R) Core(TM) i5-7200U Processor (Dual Core, 3M Cache, 2.5GHz,15W), Integrated Intel HD 620 Graphics	75	-	-
370-ADIB	8GB, 1x8GB, DDR4 2400MHz Memory	75	-	-
400-AOTF	M.2 256GB SATA Class 20 Solid State Drive	75	-	-
340-ADBJ	Thank You for Choosing Dell	75	-	-
320-BCLQ	Non-Touch WWAN LCD Cover with HD Camera	75	-	-
391-BDNB	14" FHD (1920x1080) Anti-Glare, Non-Touch, WVA , Camera & Microphone, WLAN Capable	75	-	-
580-AGRE	Single Pointing Non-Backlit Keyboard (English)	75	-	-



570-AADK	No Mouse	75	-	-
555-BDXS	Qualcomm QCA61x4A 802.11ac Dual Band (2x2) Wireless Adapter+ Bluetooth 4.1 Driver	75	-	-
555-BCMW	Qualcomm QCA61x4A 802.11ac Dual Band (2x2) Wireless Adapter+ Bluetooth 4.2	75	-	-
556-BBVO	Qualcomm Snapdragon X7 LTE-A (DW5811e) Verizon	75	-	-
451-BCEW	3 Cell 42Whr ExpressCharge™ Capable Battery	75	-	-
450-ADTR	65 Watt AC Adapter	75	-	-
346-BCQS	Touch Fingerprint Reader	75	-	-
817-BBBB	No FGA	75	-	-
340-BZFN	Win 10 Quick Reference Guide, English/French	75	-	-
332-1286	US Order	75	-	-
525-0131	Dell Command   Power Manager (DCPM)	75	-	-
525-BBCL	SupportAssist	75	-	-
640-BBLW	Dell(TM) Digital Delivery Cirrus Client	75	-	-
658-BBMR	Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)	75	-	-
658-BBRB	Waves Maxx Audio	75	-	-
658-BCUV	Dell Developed Recovery Environment	75	-	-
658-BDTB	System Shipment, Latitude 3490/3590	75	-	-
340-BSDH	Directship Info	75	-	-
340-BZFP	Shipping Material	75	-	-
389-BLSV	Intel(R) Core(TM) i5 Processor Label	75	-	-
389-BEYY	Regulatory Label included	75	-	-
340-AGIK	Safety/Environment and Regulatory Guide (English/French Multi-language)	75	-	-
537-BBBL	US Power Cord	75	-	-
430-XXYG	No Resource DVD / USB	75	-	-
460-BBEX	No Carrying Case	75	-	-
800-BBGT	BTO Standard Shipment (S)	75	-	-
387-BBCE	No Energy Star	75	-	-

452-BBSE	No Docking Station	75	-	-
389-BCGW	No UPC Label	75	-	-
340-ACQQ	No Option Included	75	-	-
610-BBXQ	No Additional Hard Drive Selected	75	-	-
620-AAOH	No Media	75	-	-
610-BBXN	Dell Latitude 3490 Flex 3	75	-	-
650-AAAM	No Anti-Virus Software	75	-	-
975-3461	Dell Limited Hardware Warranty Extended Year(s)	75	-	-
997-6727	Dell Limited Hardware Warranty	75	-	-
997-6735	Onsite/In-Home Service After Remote Diagnosis, 1 Year	75	-	-
997-6737	Onsite/In-Home Service After Remote Diagnosis, 2 Year Extended	75	-	-

SKU	Description	Qty	Unit Price	Subtotal
	<b>Dell Business Dock - WD15 with 130W adapter</b>	75	\$150.69	\$11,301.75
	<b>Estimated delivery date:</b> Feb. 14, 2019			
	<b>Contract No:</b> 75AHH			
	<b>Customer Agreement No:</b> DIR-TSO-3763			
452-BDDV	Kit-Dell Dock WD15,US,130W,1.1C,MDP	75	-	-

SKU	Description	Qty	Unit Price	Subtotal
	<b>OptiPlex 3060 MFF</b>	60	\$545.00	\$32,700.00
	<b>Estimated delivery date:</b> Mar. 6, 2019			
	<b>Contract No:</b> 75AHH			
	<b>Customer Agreement No:</b> DIR-TSO-3763			
210-AOIK	OptiPlex 3060 Micro Form Factor BTX	60	-	-
338-BNZV	Intel Core i5-8500T (6 Cores/9MB/6T/up to 3.5GHz/35W); supports Windows 10/Linux	60	-	-
619-AHKN	Win 10 Pro 64 English, French, Spanish	60	-	-
340-CKSZ	No AutoPilot	60	-	-
658-BCSB	Microsoft(R) Office 30 Days Trial	60	-	-
370-ADZL	8GB 1X8GB DDR4 2666MHz Non-ECC	60	-	-
340-ABIG	SSD as first boot drive	60	-	-

400-AWFS	M.2 256GB SATA Class 20 Solid State Drive	60	-	-
773-BBBC	M2X3.5 Screw for SSD/DDPE	60	-	-
401-AANH	No Additional Hard Drive	60	-	-
555-BDZT	Qualcomm QCA9377 Dual-band 1x1 802.11ac Wireless with MU-MIMO + Bluetooth 4.1	60	-	-
555-BDZX	Internal Wireless Antennas	60	-	-
555-BECR	Qualcomm Wireless QCA9377 1x1 driver	60	-	-
492-BBFF	No PCIe add-in card	60	-	-
329-BDQY	OptiPlex 3060 Micro with 65W up to 87% efficient adapter	60	-	-
580-ADJC	Black Dell KB216 Wired Multi-Media Keyboard English	60	-	-
275-BBBW	Black Dell MS116 Wired Mouse	60	-	-
325-BCZQ	No Cable Cover	60	-	-
379-BBCY	No Additional Cable Requested	60	-	-
817-BBBC	Not selected in this configuration	60	-	-
575-BBBI	No Integrated Stand option	60	-	-
525-BBCL	SupportAssist	60	-	-
640-BBLW	Dell(TM) Digital Delivery Cirrus Client	60	-	-
658-BBMR	Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)	60	-	-
658-BBRB	Waves Maxx Audio	60	-	-
658-BCUV	Dell Developed Recovery Environment	60	-	-
658-BDVY	Software for OptiPlex Systems	60	-	-
650-AAAM	No Anti-Virus Software	60	-	-
620-AALW	OS-Windows Media Not Included	60	-	-
387-BBLW	Energy Star	60	-	-
998-CYYF	Fixed Hardware Configuration	60	-	-
632-BBBJ	CMS Software not included	60	-	-
329-BBJL	TPM Enabled	60	-	-
450-AAZN	US Power Cord	60	-	-
389-CGBB	Intel(R) Core(TM) i5 Processor Label	60	-	-

389-BDQH	Retail POD	60	-	-
340-AGIK	Safety/Environment and Regulatory Guide (English/French Multi-language)	60	-	-
551-BBBJ	No Intel Responsive	60	-	-
631-ABSG	No Out-of-Band Systems Management	60	-	-
461-AABF	No CompuTrace	60	-	-
332-1286	US Order	60	-	-
389-CMVJ	Regulatory,Label,Opti 3060 MFF,65W	60	-	-
340-CDWS	Ship Material for OptiPlex Micro Form Factor	60	-	-
389-BBUU	Shipping Label for DAO	60	-	-
340-CDWM	Documentation,English,French,Dell OptiPlex 3060	60	-	-
450-ADTR	65 Watt AC Adapter	60	-	-
800-BBIP	Desktop BTS/BTP Shipment	60	-	-
429-ABGY	No External ODD	60	-	-
340-ACQQ	No Option Included	60	-	-
803-8583	Dell Limited Hardware Warranty Plus Service	60	-	-
803-8590	Onsite Service After Remote Diagnosis 3 Years	60	-	-

SKU	Description	Qty	Unit Price	Subtotal
	<b>Latitude 14 Rugged 5414</b>	<b>3</b>	<b>\$1,305.99</b>	<b>\$3,917.97</b>
	<b>Estimated delivery date:</b> Feb. 26, 2019			
	<b>Contract No:</b> 75AHH			
	<b>Customer Agreement No:</b> DIR-TSO-3763			
210-AJRP	Dell Latitude 5414 Rugged, XCTO	3	-	-
338-BJIR	Intel Core i5-6300U Processor (Dual Core, 3M Cache, 2.40 GHz)	3	-	-
619-AHKN	Win 10 Pro 64 English, French, Spanish	3	-	-
340-CKSZ	No AutoPilot	3	-	-
658-BCSB	Microsoft(R) Office 30 Days Trial	3	-	-
631-AAZE	No Out-of-Band Systems Management	3	-	-
370-ACDE	8GB (2x4GB) DDR4 2133MHz Memory	3	-	-

400-ANBI	256GB Solid State Drive	3	-	-
340-AJPV	TPM Enabled	3	-	-
490-BDCP	Intel Integrated HD Graphics 520	3	-	-
391-BCRT	14.0" HD (1366x768)Non-Touch,with Camera with Privacy Shutter and Microphone	3	-	-
580-AFDC	Sealed Internal Non-Backlit Keyboard	3	-	-
570-AADK	No Mouse	3	-	-
555-BCZH	Intel Dual-Band Wireless-AC 8260 Driver	3	-	-
555-BCMT	Intel Dual Band Wireless 8260 (802.11ac) W/ Bluetooth	3	-	-
556-BBQQ	DW5808E Gobi5000 4G/LTE Wireless WAN Card for Verizon (Windows 10)	3	-	-
451-BBWF	6-cell (65Wh) Lithium Ion Battery With ExpressCharge	3	-	-
492-BBEM	65W AC Adapter, 3-pin	3	-	-
634-BENZ	No DDP ESS Software	3	-	-
817-BBBB	No FGA	3	-	-
450-AAEJ	US Power Cord	3	-	-
325-BBZJ	No Optical Drive	3	-	-
340-AGIK	Safety/Environment and Regulatory Guide (English/French Multi-language)	3	-	-
340-BICE	Quick Setup Guide (English)	3	-	-
332-1286	US Order	3	-	-
387-BBCE	No Energy Star	3	-	-
389-BDCE	No UPC Label	3	-	-
620-AAOH	No Media	3	-	-
340-ACQQ	No Option Included	3	-	-
340-AFRW	ODM Info	3	-	-
340-BIRL	Shipping Material for Latitude 14 Rugged (5414)	3	-	-
575-BBCH	No Stand included	3	-	-
389-BKKW	Regulatory label	3	-	-
389-BJTJ	Intel Core i5 Processor Label	3	-	-

800-BBGF	BTO Standard shipment Air	3	-	-
340-ADFZ	Dell Power Manager	3	-	-
525-BBCL	SupportAssist	3	-	-
640-BBLW	Dell(TM) Digital Delivery Cirrus Client	3	-	-
640-BBQK	System Driver, Dell Rugged Latitude 5414	3	-	-
658-BBMR	Dell Client System Update (Updates latest Dell Recommended BIOS, Drivers, Firmware and Apps)	3	-	-
658-BBNF	Waves Maxx Audio Royalty	3	-	-
658-BCUV	Dell Developed Recovery Environment	3	-	-
460-BBEX	No Carrying Case	3	-	-
540-BBLW	No PCMCIA Card or ExpressCard Reader	3	-	-
590-TEVW	Docking connector for Rugged Docking Station only	3	-	-
429-AAGQ	PowerDVD Software not included	3	-	-
590-TEVT	No Additional Ports	3	-	-
340-ACQQ	No Option Included	3	-	-
389-BKND	Regulatory Label for Non Rubber Keyboard with WWAN	3	-	-
808-6805	Dell Limited Hardware Warranty Initial Year	3	-	-
808-6806	Mail In Service after Remote Diagnosis, 3 Years	3	-	-

SKU	Description	Qty	Unit Price	Subtotal
	<b>Dell 24 Monitor - P2419H</b>	<b>228</b>	<b>\$169.39</b>	<b>\$38,620.92</b>
	<b>Estimated delivery date:</b> Feb. 14, 2019			
	<b>Contract No:</b> 75AHH			
	<b>Customer Agreement No:</b> DIR-TSO-3763			
210-AQDX	Dell 24 Monitor - P2419H	228	-	-
814-5380	Dell Limited Hardware Warranty	228	-	-
814-5381	Advanced Exchange Service, 3 Years	228	-	-
			<b>Subtotal:</b>	<b>\$152,915.64</b>
			<b>Shipping:</b>	<b>\$0.00</b>
			<b>Environmental Fees:</b>	<b>\$0.00</b>
			<b>Estimated Tax:</b>	<b>\$0.00</b>
			<b>Total:</b>	<b>\$152,915.64</b>

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If your purchase is for Secureworks services or support, your use of the Secureworks services (and related professional service) is subject to the terms and conditions located at <https://www.secureworks.com/eula/eula-us>.

If this purchase is for (a) a storage product identified in the DELL EMC Satisfaction Guarantee Terms and Conditions located at

[http://www.emc.com/collateral/sales/dellemc-satisfaction-guarantee-terms-and-conditions\\_ex-gc.pdf](http://www.emc.com/collateral/sales/dellemc-satisfaction-guarantee-terms-and-conditions_ex-gc.pdf) ("Satisfaction Guarantee") and (ii) three (3) years of a ProSupport Service for such storage product, in addition to the foregoing applicable terms, such storage product is subject to the Satisfaction Guarantee.

You acknowledge having read and agree to be bound by the foregoing applicable terms in their entirety. Any terms and conditions set forth in your purchase order or any other correspondence that are in addition to, inconsistent or in conflict with, the foregoing applicable online terms will be of no force or effect unless specifically agreed to in a writing signed by Dell that expressly references such terms.

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A quote for your consideration!

Total: \$10,202.80

Based on your business needs, we put the following quote together to help with your purchase decision. Please review your quote details below, then contact your sales rep when you're ready to place your order.

Quote number:	Quote date:	Quote expiration:	Deal ID:
3000033297499.1	Feb. 7, 2019	Mar. 9, 2019	15431051
Company name:	Customer number:	Phone:	
CITY OF GEORGETOWN	23014	(512) 930-3660	
Sales rep information:	Billing Information:		
Danielle Eads	CITY OF GEORGETOWN		
Danielle_Hulsebosch@Dell.com	PO BOX 409		
(800) 456-3355	CITY OF GEORGETOWN		
Ext: 5139354	GEORGETOWN		
	TX 78627-0409		
	US		
	(512) 930-3660		

Pricing Summary

Item	Qty	Unit Price	Subtotal
Precision 3430 Small Form Factor	10	\$1,020.28	\$10,202.80
		Subtotal:	\$10,202.80
		Shipping:	\$0.00
		Environmental Fees:	\$0.00
		Non-Taxable Amount:	\$10,202.80
		Taxable Amount:	\$0.00
		Estimated Tax:	\$0.00
		Total:	\$10,202.80

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Your Quote is detailed below; please review the quote for product and information accuracy. If you find errors or desire certain changes please contact me as soon as possible.

Regards,  
Danielle Eads

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<b>Shipping Contact:</b>	<b>Shipping phone:</b>	<b>Shipping via:</b>	<b>Shipping Address:</b>
BEN COLLIER	(512) 930-3654	Standard Delivery	300 INDUSTRIAL AVE 1 GEORGETOWN TX 78626-8445 US

SKU	Description	Qty	Unit Price	Subtotal
	<b>Precision 3430 Small Form Factor</b>	<b>10</b>	<b>\$1,020.28</b>	<b>\$10,202.80</b>
	<b>Estimated delivery date:</b> Feb. 12 - 19, 2019			
	<b>Contract No:</b> 75AHH			
	<b>Customer Agreement No:</b> DIR-TSO-3763			
210-AOWE	Precision 3430 Small Form Factor CTO BASE	10	-	-
338-BOSJ	Intel Core i5-8500, 6 Core, 9MB Cache, 3.0GHz, 4.1Ghz Turbo w/ HD Graphics 630	10	-	-
412-AAOM	Dell Precision Tower Heatsink	10	-	-
619-AHKN	Win 10 Pro 64 English, French, Spanish	10	-	-
340-CKSZ	No AutoPilot	10	-	-
658-BCSB	Microsoft(R) Office 30 Days Trial	10	-	-
321-BDOR	Precision 3430 Small Form Factor w/ 200W up to 92% efficient PSU (80Plus Platinum)	10	-	-
490-BEQN	NVIDIA(R Quadro(R P620, 2GB, 4 mDP to DP adapter	10	-	-
370-AEFV	16GB (2x8GB) 2666MHz DDR4 UDIMM Non-ECC	10	-	-
631-ABSR	No Out-of-Band Systems Management	10	-	-
555-BBNI	No Wireless LAN	10	-	-
449-BBMB	C2 2.5 1-2 HD	10	-	-

403-BBCE	Integrated Intel SATA Controller	10	-	-
400-AXXQ	2.5" 512GB SATA Class 20 Solid State Drive	10	-	-
401-AADF	No Additional Hard Drive	10	-	-
401-AADF	No Additional Hard Drive	10	-	-
429-AAVM	Filler for No Optical Drive for MT/SFF	10	-	-
780-BBCJ	No Raid	10	-	-
580-ADJC	Black Dell KB216 Wired Multi-Media Keyboard English	10	-	-
275-BBBW	Black Dell MS116 Wired Mouse	10	-	-
340-ADBJ	Thank You for Choosing Dell	10	-	-
555-BBJO	No Additional Network Card Selected (Integrated NIC included)	10	-	-
817-BBBC	Not selected in this configuration	10	-	-
492-BBFF	No PCIe add-in card	10	-	-
450-AH DU	US Power Cord	10	-	-
340-CEDH	Quick Start Guide	10	-	-
620-AALW	OS-Windows Media Not Included	10	-	-
387-BBLW	Energy Star	10	-	-
640-BBRC	Dell Precision Optimizer	10	-	-
632-BBBJ	CMS Software not included	10	-	-
421-9984	Dell Data Protection Encryption Personal Edition Digital Delivery	10	-	-
954-3455	Dell ProSupport for Software, Dell Data Protection Encryption Personal Edition, 1 Year	10	-	-
817-BBBB	No FGA	10	-	-
340-ACBY	Dell Precision TPM Info	10	-	-
338-BOLZ	Coffee Lake I5 CPU label	10	-	-
340-AGIK	Safety/Environment and Regulatory Guide (English/French Multi-language)	10	-	-
555-BBNI	No Wireless LAN	10	-	-
340-CBUS	MOD,SHP MTL,PWS,P9,SFF,DAO	10	-	-
340-CBUU	SHIP,PWS,LNK,NO,NO,AMF	10	-	-

409-BBCF	No Intel Rapid Start or Smart Connect	10	-	-
332-1286	US Order	10	-	-
389-CXGL	Precision 3430 Reg Label	10	-	-
385-BBBL	No Media Card Reader	10	-	-
650-AAJS	No Security Software	10	-	-
340-AAUC	Dell Digital Delivery Cirrus Client	10	-	-
379-BDBL	Dell Watchdog Timer	10	-	-
379-BDCN	Dell Watchdog Timer	10	-	-
525-BBCL	SupportAssist	10	-	-
658-BBRB	Waves Maxx Audio	10	-	-
658-BDYP	Dell Applications for Windows 10	10	-	-
658-BDYV	MOD-SRV,SW,PWS,3430	10	-	-
461-AABV	No Accessories	10	-	-
658-BCUV	Dell Developed Recovery Environment	10	-	-
389-BCGW	No UPC Label	10	-	-
575-BBBI	No Integrated Stand option	10	-	-
492-BCLP	No Additional Port	10	-	-
520-AABF	External Speaker Not Included	10	-	-
997-2808	Dell Limited Hardware Warranty Plus Service	10	-	-
997-2811	Onsite/In-Home Service After Remote Diagnosis 3 Years	10	-	-

<b>Subtotal:</b>	<b>\$10,202.80</b>
<b>Shipping:</b>	<b>\$0.00</b>
<b>Environmental Fees:</b>	<b>\$0.00</b>
<b>Estimated Tax:</b>	<b>\$0.00</b>
<b>Total:</b>	<b>\$10,202.80</b>

Unless you have a separate written agreement that specifically applies to this order, your order is subject to [Dell's Terms of Sale](#) (for consumers the terms include a binding arbitration provision). Please see the legal disclaimers below for further information.

## Important Notes

### Terms of Sale

Unless you have a separate written agreement that specifically applies to this order, your order will be subject to and governed by the following agreements, each of which are incorporated herein by reference and available in hardcopy from Dell at your request: Dell's Terms of Sale ([www.dell.com/learn/us/en/uscorp1/terms-of-sale](http://www.dell.com/learn/us/en/uscorp1/terms-of-sale)), which include a binding consumer arbitration provision and incorporate Dell's U.S. Return Policy ([www.dell.com/returnpolicy](http://www.dell.com/returnpolicy)) and Warranty (for [Consumer warranties](#) ; for [Commercial warranties](#)).

If this purchase includes services: in addition to the foregoing applicable terms, the terms of your service contract will apply ([Consumer](#); [Commercial](#)). If this purchase includes software: in addition to the foregoing applicable terms, your use of the software is subject to the license terms accompanying the software, and in the absence of such terms, then use of the Dell-branded application software is subject to the Dell End User License Agreement - Type A ([www.dell.com/AEULA](http://www.dell.com/AEULA)) and use of the Dell-branded system software is subject to the Dell End User License Agreement - Type S ([www.dell.com/SEULA](http://www.dell.com/SEULA)).

If your purchase is for Mozy, in addition to the foregoing applicable terms, your use of the Mozy service is subject to the terms and conditions located at <https://mozy.com/about/legal/terms>.

If your purchase is for Boomi services or support, your use of the Boomi Services (and related professional service) is subject to the terms and conditions located at <https://boomi.com/msa>.

If your purchase is for Secureworks services or support, your use of the Secureworks services (and related professional service) is subject to the terms and conditions located at <https://www.secureworks.com/eula/eula-us>.

If this purchase is for (a) a storage product identified in the DELL EMC Satisfaction Guarantee Terms and Conditions located at

[http://www.emc.com/collateral/sales/dellemc-satisfaction-guarantee-terms-and-conditions\\_ex-gc.pdf](http://www.emc.com/collateral/sales/dellemc-satisfaction-guarantee-terms-and-conditions_ex-gc.pdf) ("Satisfaction Guarantee") and (ii) three (3) years of a ProSupport Service for such storage product, in addition to the foregoing applicable terms, such storage product is subject to the Satisfaction Guarantee.

You acknowledge having read and agree to be bound by the foregoing applicable terms in their entirety. Any terms and conditions set forth in your purchase order or any other correspondence that are in addition to, inconsistent or in conflict with, the foregoing applicable online terms will be of no force or effect unless specifically agreed to in a writing signed by Dell that expressly references such terms.

### Pricing, Taxes, and Additional Information

All product, pricing, and other information is valid for U.S. customers and U.S. addresses only, and is based on the latest information available and may be subject to change. Dell reserves the right to cancel quotes and orders arising from pricing or other errors. Please indicate any tax-exempt status on your PO, and fax your exemption certificate, including your Customer Number, to the Dell Tax Department at 800-433-9023. Please ensure that your tax-exemption certificate reflects the correct Dell entity name: **Dell Marketing L.P.**

Note: All tax quoted above is an estimate; final taxes will be listed on the invoice.

If you have any questions regarding tax please send an e-mail to [Tax\\_Department@dell.com](mailto:Tax_Department@dell.com).

For certain products shipped to end-users in California, a State Environmental Fee will be applied to your invoice. Dell encourages customers to dispose of electronic equipment properly.

City of Georgetown, Texas  
Government and Finance Advisory Board  
March 6, 2019

**SUBJECT:**

Consideration and possible action to approve the purchase of additional storage for the City's Exagrid back-up system from LH Computer Services in the amount of \$85,000.00 - Chris Bryce, IT Director and James Davis, IT Operations Manager

**ITEM SUMMARY:**

This item is to request approval to purchase additional storage for the City's Exagrid storage system located in the data center. This system maintains backups of all servers and data. The City routinely adds storage space to this system to ensure that City backup plans are maintained.

Currently, the City adheres to the following back up plan:

- Backups are taken nightly and maintained at GCAT for 30days
- Backups are replicated to GMC and maintained for 6 months

This purchase will increase overall capacity at GCAT by 63 Terabytes (TB), giving the City a total of 105 TB of useable storage in the primary data center to store backup data. This amount of storage is projected to accommodate back-up growth until fiscal year 2021.

Equipment to be purchased from LH Computer Services in accordance with pricing and terms and conditions set by GSA contract GS-35F-303DA.

**FINANCIAL IMPACT:**

All items were budgeted during the FY 2019 budget process. Expenses will be recorded in account 570-5-0641-52-330 (Computer Equipment).

**SUBMITTED BY:**

Chris Bryce, IT Director and James Davis, IT Operations Manager

**ATTACHMENTS:**

Description		Type
□	ExaGrid Quote	Backup Material
□	Network Diagram	Backup Material

# QUOTATION

LH Computer Services  
5944 Coral Ridge Drive # 125  
Coral Springs, FL 33076  
954-752-5805  
954-752-3470

Quotation # LH012319-01

**Prepared for:**

City of Georgetown  
510 W. 9th Street  
Georgetown, TX 78626

**Attention:**

Oscar Resendez  
[Oscar.Resendez@Georgetown.org](mailto:Oscar.Resendez@Georgetown.org)  
512-930-0573

Description		Price Each	Qty	Total
<b>GSA Contract # GS-35F-303DA</b>				
EX63000E	Exagrid EX63000 NEW Raw 144TB Useable 128TB 63TB Full Backup	\$ 74,000.00	1	\$ 74,000.00
EX63000E-1YRMS-S	1 YR Maintenance & Support 8x5 for EX40000	\$ 11,000.00	1	\$ 11,000.00
<b>TOTAL</b>				<b>\$ 85,000.00</b>

**TERMS:** Net 30  
**Prepared By:** D. Cole  
**Quote Validity:** 30 Days  
**FOB:** **Shipping Included**

