



FY2021 Proposed Budget Public Hearing



Context of 2020 and 2021

- COVID-19 Pandemic
 - Closures with impacts to revenues
 - City facility and service changes
 - Employee and public safety measures
 - Continued uncertainty on future measures
- Development Growth Continues
 - Residential and commercial growth not slowing down
- Continuing multi-year projects/initiatives
 - Fire station 6&7
 - Workday Implementation
 - Comprehensive Plan implementation
- Maintain service levels where possible

Budget Engagement – Online Survey Results

- No change to property tax rate and user fees
 - 34.3% of respondents would support an increase in user fees
- 70% of respondents rate the value of city services for the City taxes paid as Good or Excellent
- Rating for how the City is addressing the impacts of growth
 - 7.8% Excellent
 - 34.4% Good
 - 29.6% Fair
 - 23.9% Poor

Budget Engagement – Online Survey Results

- Funding changes to manage traffic
 - 54.7% increase
 - 34.4% no change
- Funding changes to support infrastructure/roads
 - 54.6% increase
 - 35.1% no change
- Funding change to support safety in our city
 - 42.5% no change
 - 40.3% increase
- Other city services that should be prioritized
 - Maintain/increase services in the library

Tax Rate website comments

- New requirement after Senate Bill 2 in 2019
- www.williamsonpropertytaxes.org
- Displays all taxing entity information
- Searchable by address
- Allows feedback on yes/no support proposed rate as well as public comments
 - Since feedback is ongoing up to the point of agenda posting, a summary of support and comments will be provided prior to the start of the hearing.

Key Themes for FY2021

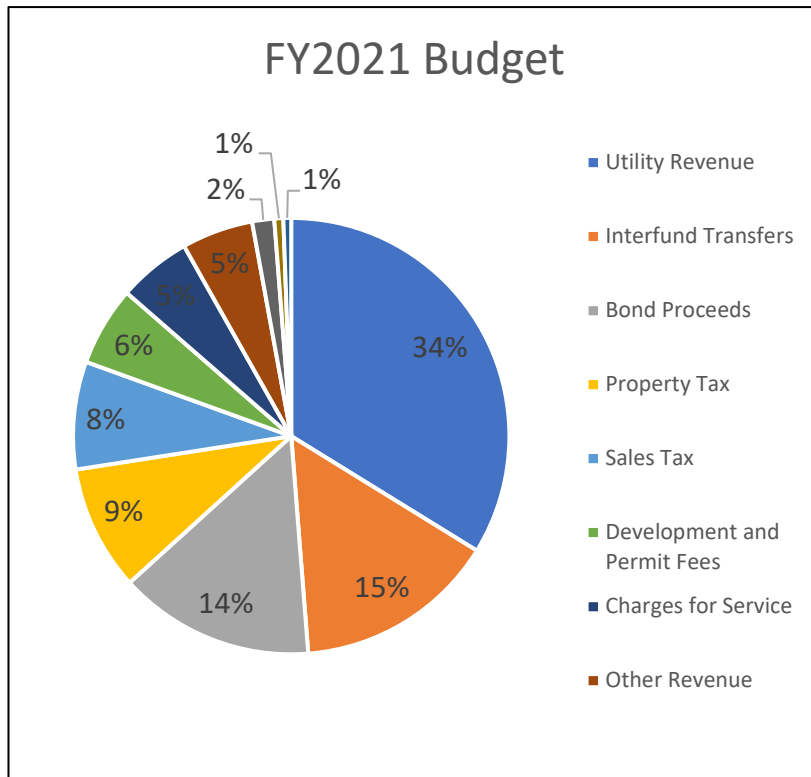
- Conservative revenue projections with continued COVID uncertainty
 - Flat sales tax
 - Lower development, court, and recreation revenue
 - Lower Property tax rate
- Continue to review service levels and staffing
 - Reduced parks & recreation programming due to reduced revenue and COVID social distancing measures
 - Other base budget cuts made
 - Employee market compensation
 - Merit increase of 2% based upon Council's feedback from 7/28 workshop – review during fall for implementation

Key Themes for FY2021

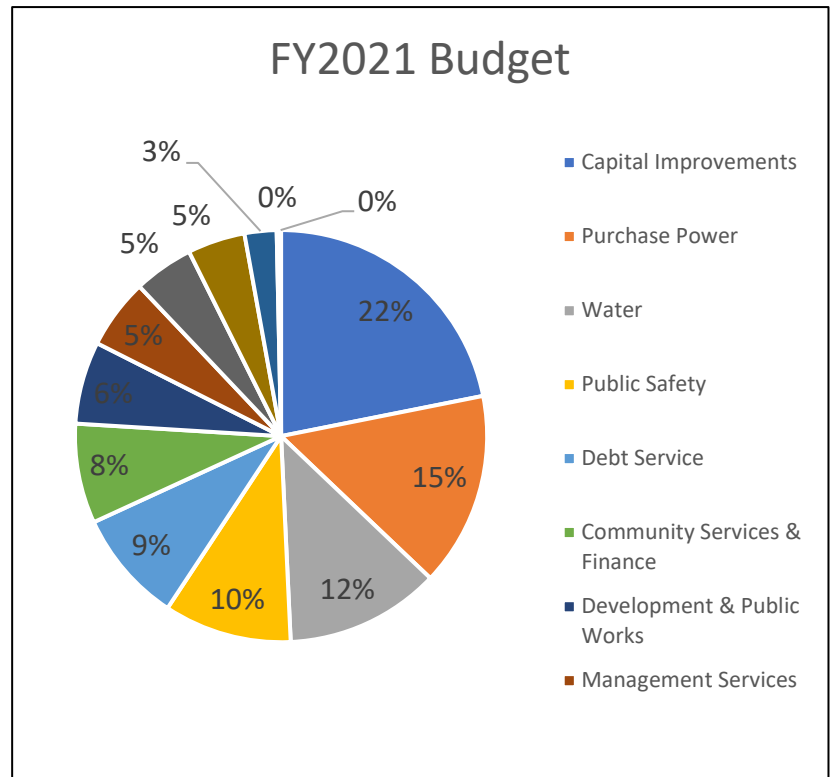
- Continue plan to open Fire Station 6&7 successfully
 - Hire 6 firefighters for float positions
- Continue to invest in Police staffing and training
 - Hire 2 police officers; fund the firing range/training facility
- Address limited areas in stress
 - Customer Care/Utility Control Center/Fiber Mgt
- Carry forward key capital improvement projects
 - Traffic/Public Safety/Utility Infrastructure
- Continue improvements in public/employee engagement
 - Citizen Survey
 - Civic Leadership Program
 - Employee Survey

Total City Budget

FY21 Revenues/Sources



FY21 Expenses/Uses



Budget Revenue Assumptions

- Proposed Property Tax rate – \$0.418
 - Decrease from prior year rate of \$0.42
 - Within voter approval rate (3.5% increase allowed)
 - Allows for prepayment of some existing debt to allow room in rate to support continued infrastructure growth in future years
- Increase in Sanitation Rates
 - Residential increase of \$1.37 per month
 - Transfer station funding; Household hazardous waste program funding and increase by contractor
- Water Rate Study – in progress
 - Results in August/September; implementation in January
 - Expect changes to conservation tiers and rates due to accelerated infrastructure

Property Tax Revenue – FY2021

- General Fund (Operations and Maintenance)
 - \$15.9M in FY21
 - \$14.9M in FY20
 - 6.7% increase
- Debt Service (Interest and Sinking)
 - \$18.75M in FY21
 - \$17M in FY20
 - 10.2% increase
 - \$350K towards prepayment to retire existing debt
 - Allows for shaping future debt plan for mobility bonds

Tax Rate for FY21 Budget

- The proposed tax rate is \$0.418 per \$100 valuation, which is \$0.002 lower than the FY20 rate. This is a 7.3% increase over the no new revenue rate adjusted for sales tax.
- The no new revenue rate adjusted for sales tax is \$0.389738, which represents the rate that would be needed to produce the exact same revenue as the previous year. (The un-adjusted no new revenue rate is \$0.422127)
- The voter approval rate is \$0.418013.
- Average homestead property *decreased* by 2.3%
 - \$278,001 in FY21; \$284,765 in FY20
 - Average homeowner will pay \$34 less in property tax in upcoming year

Total Budget - Major Expense Categories

- \$396 million total budget
 - \$77M in planned capital projects, plus \$9M available in GEDCO
 - \$60M in purchased power expense
 - \$41M in Water
 - \$39.7M in public safety
 - \$35M in debt service

Maintain Service Levels – Increase staffing in high growth areas

- General Fund
 - Fire – 6 firefighters
 - Animal Shelter – PT Veterinarian (net \$0 cost to General Fund)
 - Police – two officers
- Joint Services
 - Customer Care – Customer Service Representative
 - Engineering – Project Manager
- Information Technology
 - Fiber Supervisor
 - System Analyst
- Electric
 - Utility Analyst
 - Control Center Operator
- Water
 - Utility Analyst

15.5 New Positions

Electric Fund FY21

- Operating revenues totals \$90.4 million which represents 1% growth due to residential and commercial growth and reimbursement from the S. Georgetown TIRZ for electric infrastructure expenses.
- Operating expenses total \$84.4 million which is a 1% growth over FY20 projections.
 - Operational savings continue from FY20 projections
 - Electric resource management (purchased power) is conservatively budgeted at \$60.3 million

Electric Fund FY21

- Non operating revenues total \$5.6 million of bond proceeds for capital improvements
- Non-Operating expenses total \$9.5 million for capital improvements and debt service
- The ending fund balance is budgeted at \$21.1 million with non-operating revenues at \$15.8 million above contingency reserves

Electric Fund FY21

- Proposed enhancements include:
 - Control Center – logic controllers -\$12,000
 - Administration – Utilities Analyst - \$113,687
 - Metering – AMI modems- \$12,000; handheld computers \$39,748; Meters (funded by Water) \$100,000
 - T&D – Turret Trailer \$98K; underground pulling trailer \$181K (funded through short term debt)
 - Operations – Dispatcher training - \$30,000, locator equipment \$10,000, System Operator \$81,864

Water Fund – FY21

- Operating revenues totals \$53.2 million which is an increase of 2.27% over FY20 projections. The increase reflects moderate customer growth
- Operating expenses total \$45.5 million which represents a 5.42% growth over FY20 projections. This increase is primarily due to increases in wholesale water purchases, increases in utility costs, and metering allocations.
- Non operating revenues include \$35.1 million of bond proceeds for capital improvements and \$18.8 million of impact fees.
- Non-Operating expenses total \$39.3 million for capital improvements and for debt service.
- The ending fund balance is \$34.6 million with a \$10 million non operating reserve and available fund balance of \$15.4 million after meeting contingency requirements

Water Fund – FY21

- Proposed enhancements total \$375K
 - Position – business analyst - \$80K
 - Leak detection technology - \$50K
 - Wastewater plant upgrades – 245K
- Water Rate Study currently underway
 - Last rate update in 2018 indicated need for future rate increases due to treatment infrastructure
 - Updated growth patterns and usage
 - Results to Water Advisory Board and Council in next two months
 - Estimated implementation – January 2021

Tourism/CVB Fund

- Revenues total \$1.05 million
 - Hotel tax projected at FY20 levels
- Expenses total \$1.5 million
 - Red Poppy for April 2021
 - Continued promotion of Georgetown as a destination
 - No proposed enhancements
- Projected ending fund balance of \$850K by end of FY2021 still meets contingency requirement

Budget Summary

- The proposed budget totals \$396 million
 - 10% decrease from the FY20 adopted budget
 - Timing of capital projects drives most significant changes
 - General Fund increase of 3.7% over FY20 budget
 - Population growth of 7.2%
 - Consumer Price Index increase of 2.3%
- Continued planning to meet demands of continued residential and commercial growth
- Continued work on City Council priorities while recognizing COVID19 uncertainties

FY2021 Budget Calendar Next Steps

- Sep 8: Regular Meeting
 - public hearings on budget and tax rate,
 - 1st reading of the budget, 1st reading of the tax rate,
 - GTEC, GEDCO, Village PID budgets adopted
 - Other budget related resolutions and ordinances
- Sep. 22: Regular Meeting
 - 2nd reading of the budget, 2nd reading of the tax rate