

Mays Street Project completed in FY2017.

DEPARTMENTAL BUDGET

	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Base	FY2018 Changes	FY2018 Budget
Engineering						
Personnel	1,357,950	1,627,901	1,577,789	1,750,455	94,458	1,844,913
Operations	287,860	421,387	267,677	293,737	4,462	298,199
Capital	-	-	-	-	-	-
Total	1,645,810	2,049,288	1,845,466	2,044,192	98,920	2,143,112

DEPARTMENTAL PERFORMANCE MEASURES

The Engineering department aims to finish capital projects in a timely fashion and on budget. Further, the department aims to purchase land within the market price to ensure a good investment. In the coming year, the Engineering Department will be engaging in the City's updated performance management program to develop quality performance metrics focused on timely project completion, fiscal transparency, and cost effectiveness of these activities.

BUSINESS SYSTEMS SERVICES

DEPARTMENT DESCRIPTION

Business Systems Services is responsible for efficiently managing the utility's Geographic Information Systems, Enterprise Asset Management System (EAM), Customer Information System (CIS), and its other core business systems. The Department manages, maintains, and supports utility asset data, enterprise asset management functions, as well as system models. The Department oversees all of the core functions of GIS, computer-aided drafting and global positioning systems services for the utility. Additionally, the Department supports several highly technical utility specific software applications for engineering design, GIS, EAM, pavement management, and electric outage management. The Department is responsible for handling all utility information requests from citizens, utility customers, and the development community.

JOINT SERVICES FUND

ENGINEERING SUPPORT

10 FTEs

MAJOR DEPARTMENT ACCOMPLISHMENTS FOR FY2017

- ✓ Expanded the use of EAM to include SCADA and Storm Water Drainage assets.
- ✓ Completed the conversion of the existing digital as-built archive database to a system conforming to the City's enterprise records management system (Laserfiche).
- ✓ Completed the development of all data models to integrate GIS and EAM with the new Customer Information System.
- ✓ Supported major CIS application conversion through system design and testing.
- ✓ Expanded the GIS server environment to support all existing and planned GIS systems, mapping applications, and system integrations.
- ✓ Delivered a solar analysis GIS service to support the initiative for suitability for solar energy in the Georgetown electric service area.
- ✓ Supported the planning and development of the fixed routed bus system, GoGEO!
- ✓ Completed collecting storm water assets for MS4 in Priority Areas 1 and 2. Collection is a year ahead of schedule.

MAJOR DEPARTMENT GOALS & STRATEGIES FOR FY2018

- Expand the use of EAM to include public works, utility metering, fiber, and electric distribution.
- Provide staffing support to deliver timely and relevant services for the final phases of the Customer Information System replacement project.
- Begin providing functional support to the internal users of the City's new customer information system.
- Complete the integration effort to sync digital information on assts between the City's enterprise records management system with the Utility's enterprise asset management system.
- Leverage systems administration tools which will allow for more proactive monitoring of the health and efficiency of the enterprise Geographic Information Systems.
- Continue GPS inventory efforts of the storm water assets for MS4 in Priority Area 3.



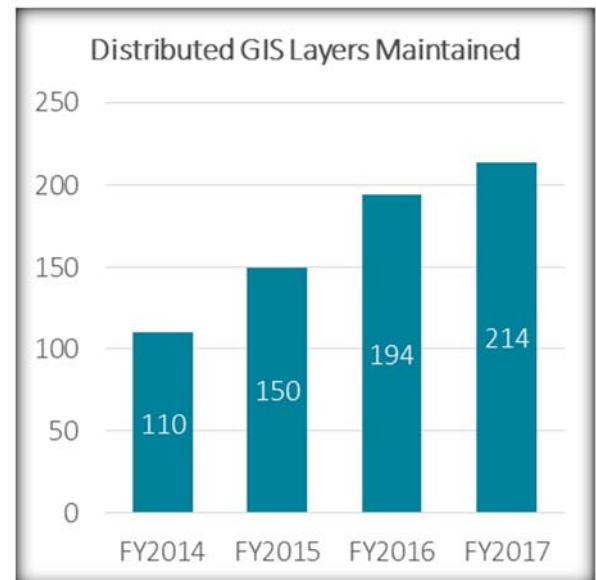
SCADA Control Center for the City.

DEPARTMENTAL BUDGET

	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Base	FY2018 Changes	FY2018 Budget
Business Systems Services						
Personnel	719,100	903,415	804,439	846,832	-	846,832
Operations	263,569	323,609	281,859	222,457	-	222,457
Capital	-	12,000	12,000	-	-	-
Total	982,669	1,239,024	1,098,298	1,069,289	-	1,069,289

DEPARTMENTAL PERFORMANCE MEASURES

The number of *Distributed GIS Layers Maintained* is a measure of the amount of required data maintained for purposes of adequately supporting the key functions of the Utility and Transportation Divisions. As the number of GIS layers grows so does the time required to maintain them.



FINANCE ADMINISTRATION

DEPARTMENT DESCRIPTION

Finance Administration plans and directs the City's financial activities. The Department oversees accounting, purchasing, tax collection, financial reporting, debt, and investment management. Finance directs the City's budgeting process, monitors the long-term financial plan, and prepares related policy recommendations. Finance is also the liaison to several boards including the General Government and Finance Advisory Board (GGAF), the Georgetown Economic Development Corporation (GEDCO), and the Georgetown Transportation Enhancement Corporation (GTEC).

JOINT SERVICES FUND

FINANCE ADMINISTRATION

6 FTEs

MAJOR DEPARTMENT ACCOMPLISHMENTS FOR FY2017

- ✓ Maintained General Obligation Bond rating of AA+ and Utility Revenue Bond rating of AA.
- ✓ Completed business process needs assessment and request for proposal phases of the Enterprise Resource Planning software selection project.
- ✓ Improved financial transparency to Council, boards, and residents by meeting the State's website standards for traditional finances.
- ✓ Established a full-time Treasury function to manage debt and investment portfolios.
- ✓ Established succession plans in Fleet and Municipal Court.
- ✓ Improved alignment of the 5-year capital improvement plan and debt capacity models.
- ✓ Completed the City's largest sale of tax-supported and utility debt for major infrastructure projects and capital equipment.
- ✓ Collaborated with project managers to more accurately forecast use of bond funds to improve investment practices.



Notable Budget Item(s)

CIS Internal Controls
\$50,000

Business Systems Analyst for
ERP
\$72,200

MAJOR DEPARTMENT GOALS & STRATEGIES FOR FY2018

- Select and implement a cloud-based Enterprise Resource Planning software for all financial and human resources functions in the City.
- Improve efficiency and reporting by updating the City's chart of accounts.
- Execute an advanced refunding and early defeasance of certificate of obligation debt to save tax dollars.
- Improve financial transparency to Council, board and residents by updating the website to meet the State's transparency program standards for municipal debt.
- In partnership with Texas State University, conduct a new citizen survey.
- Establish performance measures to track the effectiveness of finance departments.

City of Georgetown Finance Team.



DEPARTMENTAL BUDGET

	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Base	FY2018 Changes	FY2018 Budget
Finance Administration						
Personnel	321,646	448,626	446,889	535,805	66,609	602,414
Operations	401,553	451,667	442,490	456,428	54,200	510,628
Capital	-	-	-	-	-	-
Total	723,199	900,293	889,379	992,233	120,809	1,113,042

DEPARTMENTAL PERFORMANCE MEASURES

The Finance Department has a fiduciary responsibility to manage the City's [Annual Investment Portfolio](#). Invested funds are managed conservatively in order to provide safe, legal, efficient, and liquid investment alternatives to the City. The City's investment policy ensures full compliance of all invested funds per the Texas Public Funds Investment Act. The size of the portfolio changes based on capital projects and bond funding, and has increased more than 50% over the five-year period consistent with the growth in the capital improvement program. The [Annual Investment Yield](#) depends on market rates and weighted average maturity. While the City cannot control market rates, staff track cash flows and select the best maturity to meet forecasted needs.

[Bond Ratings](#) are important in determining the financial strength and stability of a municipality. These ratings determine the ability of an entity to borrow money and clarify for investors the risk associated with investing in the organization. The City has maintained a [AA+ bond rating](#) for the past seven years.

AWARDS/ACCREDITATIONS

This year the City received the State Comptroller's [Transparency Star Award](#) for Traditional Finances, which recognizes organizations that provide easy online access to important financial data.

Finance Administration received the GFOA's [Distinguished Budget Presentation Award](#) for the 27th consecutive year. This award established by the GFOA's guidelines and best practices recognizes exceptional public sector budget documents



GEORGETOWN UTILITY SYSTEMS ADMINISTRATION

DEPARTMENT DESCRIPTION

The Georgetown Utility Systems (GUS) Administration Department manages key business functions of the Division. The Department oversees strategic planning, organizational structure, business systems, resource allocations, and financial management. The Department also provides administrative support, including process planning and implementation, customer relations, reception, record keeping, and secretarial services to all departments within the Georgetown Utility Systems Division. Long-term system planning is coordinated by the Department as is the coordination and operation of all utilities during emergency management situations.

JOINT SERVICES FUND

GUS ADMINISTRATION

10 FTEs

MAJOR DEPARTMENT ACCOMPLISHMENTS FOR FY2017

- ✓ Successfully passed Legislation to dissolve the Chisholm Trail Special Utility District (CTSUD) Board of Directors.
- ✓ Completed Phase I of Records Management Process Project and completed records inventory of consolidated CTSUD records.
- ✓ Successfully resolved the impact of zebra mussels on water supply.
- ✓ Continued to engage in setting regional water planning goals and strategies through membership on the Brazos River Authority (BRA) Region G Board.
- ✓ Completed reorganizations of Streets, Stormwater, Solid Waste and Airport into the new Public Works Division.
- ✓ Completed construction of the new Rabbit Hill and Cedar Breaks elevated water storage tanks.
- ✓ Restored the Georgetown Municipal Airport Fund to full health.
 - Completed replacement of underground fuel storage with a new above ground storage facility.
- ✓ Continued multi-year Customer Information System replacement project.
- ✓ Completed a 5 year contract extension for solid waste services.
- ✓ Launched GoGEO!, the City's inaugural fixed-route transit service.
- ✓ Completed the Williams Drive Corridor Study.
- ✓ Developed and implemented a City-Wide right-of-way mowing program.

MAJOR DEPARTMENT GOALS & STRATEGIES FOR FY2018

- Provide and maintain reliable, competitive, cost effective utility and transportation services that promote well-planned, long-range development.
- Promote consumer education programs for efficient use of utilities and conservation of natural resources.
- Effectively manage energy/water resource deployment.
- Promote a regional approach to utility system development and planning by partnering with utility providers and political subdivisions.
- Continue implementation of the Regional Wastewater Master Plan for the San Gabriel Basin.
- Share in setting regional water planning goals and strategies through membership on the BRA Region G Board.
- Continue implementation of renewable energy contracted supplies.



Notable Budget Item(s)

Office Specialist
\$52,200

The Electric Utility sponsors the Lighting of the Square every November.

DEPARTMENTAL BUDGET

	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Base	FY2018 Changes	FY2018 Budget
GUS Administration						
Personnel	890,967	912,110	917,348	955,189	52,165	1,007,354
Operations	361,380	480,705	478,577	462,558	-	462,558
Capital	2,864	-	18,650	-	-	-
Total	1,255,211	1,392,815	1,414,575	1,417,747	52,165	1,469,912

DEPARTMENTAL PERFORMANCE MEASURES

The provision of safe and reliable services to customers while maintaining utility systems in a cost efficient and reliable manner is a top priority for the Georgetown Utility Systems Administration Department. Performance measures have been created to monitor Operations & Maintenance (O&M), Customer Care, Systems, Projects, Resource, and Financial Metrics across the Georgetown Utility Systems. The evaluation of the aforementioned metrics helps ensure the maximization of customer value and optimized performance of the utility systems.

AWARDS/ACCREDITATIONS

Recognized and certified by the American Public Power Association (APPA) as a **Reliable Public Power Provider (RP3)** at the Platinum Level. This certification recognizes excellence in Reliability, Safety, Workforce Development, and System Improvement.

Received the **Public Service Innovation Team Award** from the CenTex Chapter of the American Society of Public Administration (ASPA) in recognition of the City's contracts to move to 100 percent renewable energy in 2017.



HUMAN RESOURCES

DEPARTMENT DESCRIPTION

The Human Resources (HR) Department develops and delivers innovative human resource programs and services designed to support the City of Georgetown's mission statement. The Department's core services and competencies include recruitment, staffing, employee relations, organizational development, and employee development. The Department also oversees safety, compensation and benefits, wellness, performance management, and policy interpretation. This is all done with an emphasis on customer service based on respect and integrity.

JOINT SERVICES FUND

HUMAN RESOURCES

8 FTEs

MAJOR DEPARTMENT ACCOMPLISHMENTS FOR FY2017

- ✓ Launched an employee tuition reimbursement program.
- ✓ Distributed an employee total compensation statement reflecting City's full investment beyond salary.
- ✓ Increased wellness program participation from 15% to 51% of employees through implementation of tracking portal.
- ✓ Established the first stand-alone employee service awards event.
- ✓ Implemented NEOGOV Onboarding to streamline new hire onboarding process.
- ✓ Created a successful employee safety expo.
- ✓ Implemented NEOGOV Perform module moving employee performance evaluations online.
- ✓ Established bimonthly upward feedback meetings.
- ✓ Administered 360 degree development tool for directors and CMO.
- ✓ Completed online supervisory education and in-person effective hiring training sessions.
- ✓ Delivered 9 information sessions across City organization explaining employee pay and benefits.
- ✓ Implemented dental administrator and funding methodology change.
- ✓ Partnered with Finance and IT on ERP study and RFP deployment.
- ✓ Hosted and facilitated Central Texas Municipal HR Roundtable.

MAJOR DEPARTMENT GOALS & STRATEGIES FOR FY2018

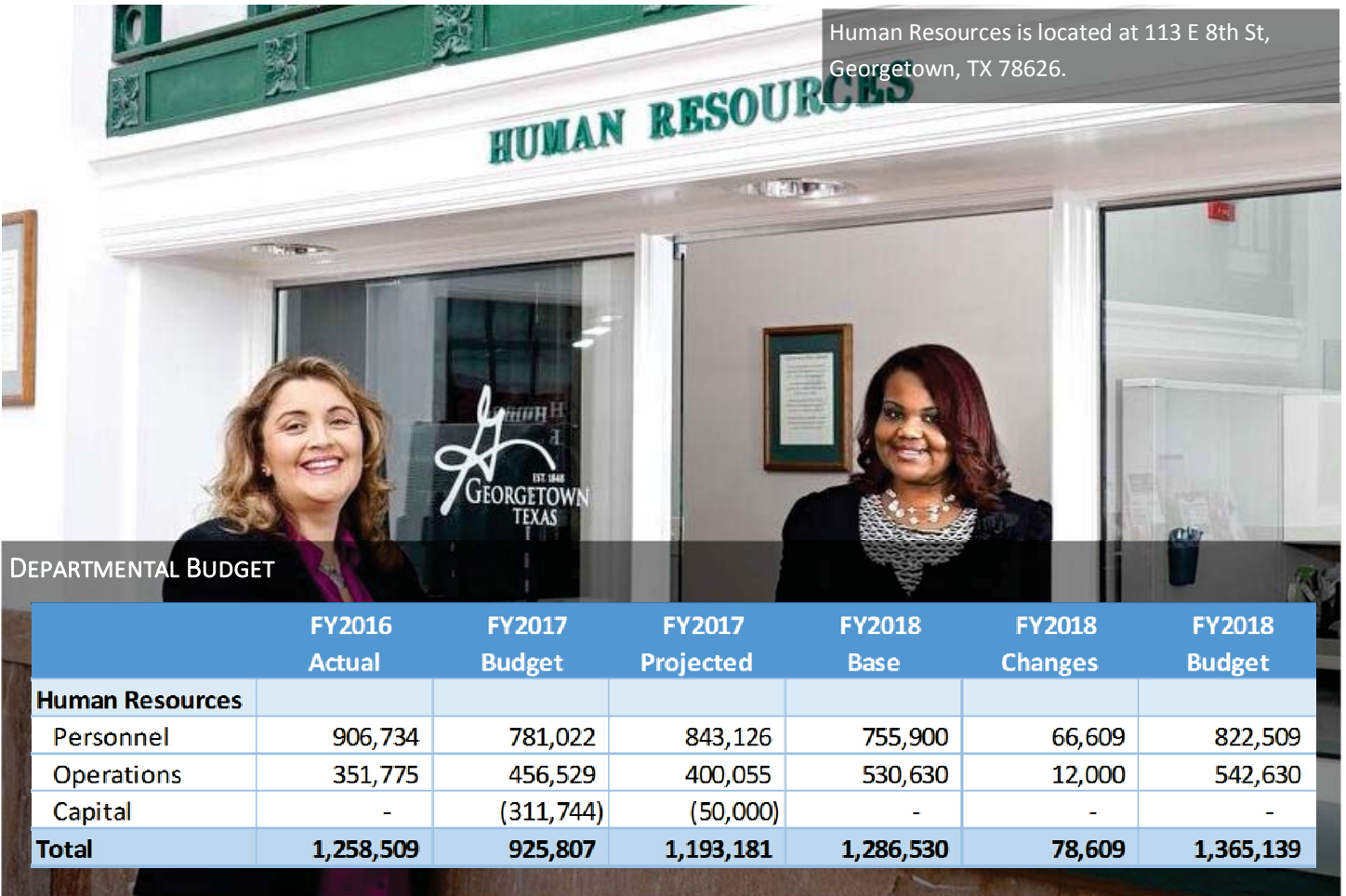
- Partner with Finance and Information Technology on Enterprise Resource Planning selection, negotiation, and implementation.
- Update personnel policies and procedures.
- Complete and deliver findings of clinic feasibility study.
- Enhance risk management customer experience.
- Finalize new employee orientation enhancement.
- Review and improve pre-employment process.
- Launch supervisory series training third phase and assure training for new supervisors going forward.
- Develop additional training including emerging leader and general skill development programs.
- Implement online midyear performance evaluations.
- Develop 360 degree development tool for all supervisors.
- Partner with CMO to administer 2018 employee survey.
- Evaluate and develop wellness incentive transition plan.



Notable Budget Item(s)

Business Systems Analyst for
ERP Implementation
\$69,000

Human Resources is located at 113 E 8th St,
Georgetown, TX 78626.



DEPARTMENTAL BUDGET

	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Base	FY2018 Changes	FY2018 Budget
Human Resources						
Personnel	906,734	781,022	843,126	755,900	66,609	822,509
Operations	351,775	456,529	400,055	530,630	12,000	542,630
Capital	-	(311,744)	(50,000)	-	-	-
Total	1,258,509	925,807	1,193,181	1,286,530	78,609	1,365,139

HUMAN RESOURCES CITYWIDE SERVICES

This department represents the pooled funds available for benefits payouts for terminated employees, as well as, market adjustments for employees funded through the Joint Services Fund. Training for City-wide issues, such as supervisory training and safety are also included here, as is property and liability insurance for the City.

DEPARTMENTAL PERFORMANCE MEASURES

Turnover Rate: Some turnover is healthy (e.g., retirement), but the turnover rate is a standard measure in which large variations can indicate retention problems and a higher risk to human capital investment. The Human Resources Department continuously monitors turnover rate in order to identify trends that may indicate a systematic issue. Typically, less than 20% indicates satisfactory retention of employees.

In FY2018, the department will use the turnover rate to develop performance measures that will evaluate success.

LEGAL & CITYWIDE INSURANCE

DEPARTMENT DESCRIPTION

The Legal Department provides in-house legal services for the City Council, Staff, Boards, and Commissions. The Department supervises outside counsel, issues legal opinions on the City Charter, City ordinances, policies and procedures, and represents the City in litigation and administrative matters. The Department also provides advice and training on legal issues to City staff and provides annual ethics training for the City Council, Boards, and Commissions. The Legal Department serves as a legal resource to staff regarding standard open records.

JOINT SERVICES FUND

CITY ATTORNEY'S OFFICE

5 FTEs

MAJOR DEPARTMENT ACCOMPLISHMENTS FOR FY2017

- ✓ Issued opinions or presentations on various legal issues including Open Meetings Act, Public Information Act, ethics, parliamentary procedure, and conflicts of interest.
- ✓ Negotiated and drafted agreements, contracts and documents including several Interlocal Agreements.
- ✓ Assisted with the negotiation and drafting of amended development agreement packages and economic development agreements for significant projects.
- ✓ Assisted with the negotiation and drafting of real estate transactions.
- ✓ Effectively managed and coordinated Contract Attorneys for significant projects.



MAJOR DEPARTMENT GOALS & STRATEGIES FOR FY2018

- Provide legal services in a timely and efficient manner.
- Recommend and prepare amendments to City codes and ordinances in accordance with Council direction.
- Support police and code enforcement efforts through effective Municipal Court prosecution consistent with Council objectives.
- Provide support for the City's Boards & Commissions training.
- Negotiate and provide legal review for development agreements and consent agreements.
- Issue opinions or presentations on various legal issues including Open Meetings Act, Public Information Act, ethics, parliamentary procedure, and conflicts of interest.
- Assist in the City's economic development and transportation initiatives through effective negotiation and preparation of economic incentive agreements, including participation in the Airport Business Plan.
- Continue efforts to standardize City documents.
- Work with staff to identify and address Risk Management issues.
- Continue systematic review and revision of the Code of Ordinances.

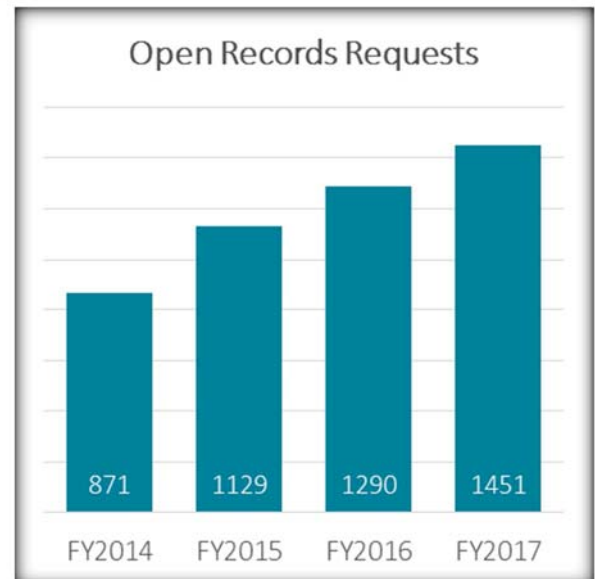
Vernon's Texas Codes and Statutes

DEPARTMENTAL BUDGET

	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Base	FY2018 Changes	FY2018 Budget
Legal & Citywide Insurance						
Personnel	681,927	680,651	663,197	674,294	-	674,294
Operations	887,548	1,096,477	1,086,927	943,983	-	943,983
Capital	-	-	-	-	-	-
Total	1,569,476	1,777,128	1,750,124	1,618,277	-	1,618,277

DEPARTMENTAL PERFORMANCE MEASURES

The number of [Open Records Requests](#) is an important measure that shows the City's commitment and dedication to transparency. The graph to the right shows the total number of public information requests received by the City. Routine requests, like police records or financial reports, are processed by other Departments which oversee those aspects of City business. The City complies with all state law requirements for handling public information requests which generally requires a response with ten business days of receipt.



PURCHASING

DEPARTMENT DESCRIPTION

The Purchasing Department procures all supplies, equipment, and services for the City to meet the operational needs in serving the community. These activities include preparing bid specifications, processing competitive solicitations, establishing contracts, purchase orders to reduce cost, secure best value and make awards in accordance with procurement laws. The Department conducts formal bid proceedings for procurements over \$50,000. Purchasing educates City Departments about purchasing procedures and solicits ideas to improve efficiency. Purchasing is responsible for the management of communication devices, as well as the Credit Card Program. Additionally, Purchasing oversees the operation of the City's central receiving/distribution warehouses and is responsible for disposing of surplus items.

JOINT SERVICES FUND

PURCHASING

8 FTEs

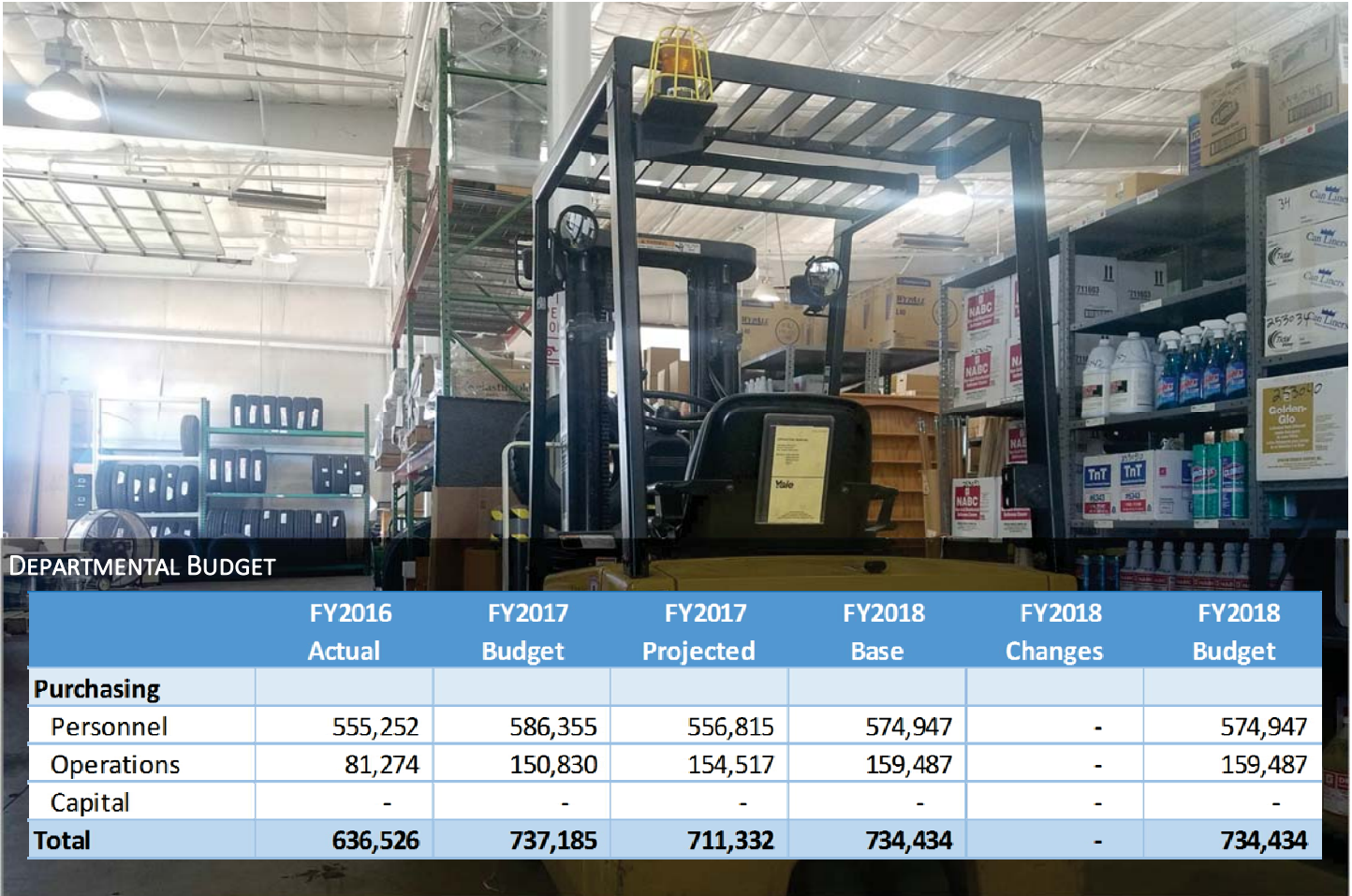
MAJOR DEPARTMENT ACCOMPLISHMENTS FOR FY2017

- ✓ Facilitated several major procurements including: Southwest Bypass Segment 1, Architectural & Engineering and the Construction Manager-at-Risk services for Fire Station #6, an Enterprise Resource Planning system, and the consolidation of citywide mowing contracts.
- ✓ Promoted external efficiency by updating procurement policies.
- ✓ Provided training to departments on Authority to Contract, Contract Change Orders and Amendments, and City credit cards.
- ✓ Improved internal efficiency by implementing standardized templates for:
 - Invitation to Bid (ITB) for commodity single purchase and annual (ITB) purchases.
 - Consulting Services, General Services, and purchase order terms and conditions.
 - Contract routing form.
 - Exception to competitive procurement form.
- ✓ Implemented an Electronic Bidding policy and procedure.
- ✓ Expanded warehouse services to the new Westside Service Center.
- ✓ Increased awareness opportunities with local businesses by hosting a vendor forum.

MAJOR DEPARTMENT GOALS & STRATEGIES FOR FY2018

- Respond to Enterprise Resource Planning Needs Assessment issues related to inconsistent and decentralized processes by:
 - Increasing departmental training efforts, including online training.
 - Providing leadership training in procurement policy and procedures.
 - Developing templates for RFPs and RFQs of professional and construction services.
 - Implement a revised policy for purchases less than \$50,000.
- Develop an ethics policy and a comprehensive purchasing manual in preparation for the Achievement of Excellence in Procurement Award.
- Cross-train staff and rotate purchasing activity among team members to provide timely customer service to departments.
- Propose a policy to increase opportunities for local vendors.
- Hold a second annual vendor forum.
- Increase transparency and access for the public and vendor community through improvements to the Purchasing website.





DEPARTMENTAL BUDGET

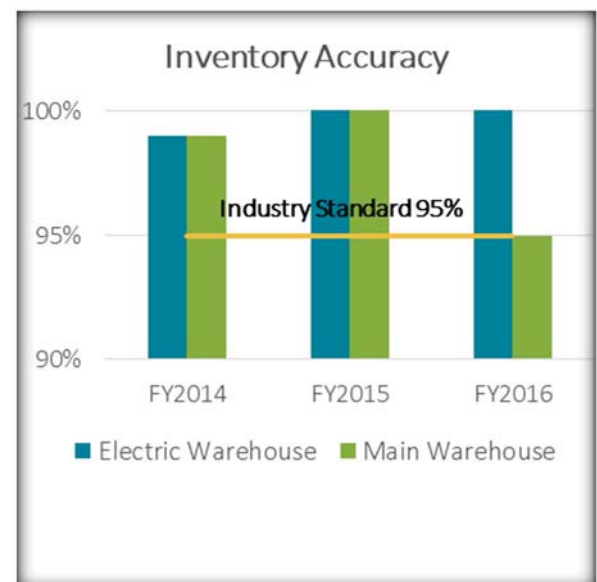
	FY2016 Actual	FY2017 Budget	FY2017 Projected	FY2018 Base	FY2018 Changes	FY2018 Budget
Purchasing						
Personnel	555,252	586,355	556,815	574,947	-	574,947
Operations	81,274	150,830	154,517	159,487	-	159,487
Capital	-	-	-	-	-	-
Total	636,526	737,185	711,332	734,434	-	734,434

DEPARTMENTAL PERFORMANCE MEASURES

Inventory Accuracy: One of the major goals for the Purchasing Department is to consistently have appropriate stock available for its internal customers to ensure the provision of timely and uninterrupted services to the community. Maintaining inventory accuracy at or above the industry standard of 95% allows the Department to respond accurately to particular requests, provide excellent customer service, and control expenses.

Number of Solicitations: The number of solicitations for competitive procurement indicates the increase in workload and demand as the City organization has grown with the community. State laws regarding competitive procurements over \$50,000 require time and attention from purchasing staff. The number of solicitations for FY2017 was 50.

Number of Purchase Orders: The number of purchase orders processed also indicates workload within the purchasing department. As the number of orders increases, it takes longer for staff to respond to customer needs. The number of purchase order for FY2017 was 5,887.





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CAPITAL PROJECTS



Southwest Bypass Construction

CAPITAL PROJECTS

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CAPITAL PROJECTS SUMMARY

The City of Georgetown annually updates and adopts a five-year Capital Improvement Plan (CIP) as part of the operating budget adoption process. Generally, the City defines high dollar fixed assets to be capital improvements. Ongoing maintenance and major repair costs are included as capital expense within the Departmental operating budgets. Needed capital improvements are identified through system models, repair and maintenance records, and growth.

The CIP is divided into three major categories: the Georgetown Utility System (GUS), Transportation, and General Capital Projects. GUS manages Water/Wastewater Services and Energy Services. Transportation manages Streets, Stormwater Drainage, and the Airport. Finally, General Capital Projects manages Parks, the Downtown Master Plan, Sidewalks, Public Safety, and Facilities. Each of these funds is further dissected in this Capital Projects budget.

The timeline for the CIP planning process is outlined below:



FISCAL YEAR 2018

Budgeted expenses for FY2018 CIP total \$80,012,883.

General Capital Projects (GCP) total \$35.4 million, and include funds for sidewalk development, San Gabriel Park, and Garey Park.

Water Services CIP totals \$16.9 million. Water related improvements total \$7.1 million, and include upgrades for water mains, pumps, and plant expansions. Wastewater related improvements total \$4.5 million, and include upgrades for interceptors and pumps.

Electric Services CIP totals \$9.3 million, and include system improvements to help address growth in the City.

The sales tax street maintenance projects total \$3.2 million. Rehabilitation projects are scheduled in Sun City, Berry Creek, and Downtown.



Garey Park

Wastewater

Project Name: Berry Creek Inter. (BCI-3)

Description: Anticipated line size increase from Berry Creek Lift Station to Pecan Branch Wastewater Treatment Plant.

Project Cost: \$1,000,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$1,000,000	\$0	\$0	\$0	\$0

Project Name: EARZ

Description: Repair of system flaws discovered as a result of EARZ mandated testing.

Project Cost: \$4,000,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$0

Project Name: Lift Station Upgrades

Description: Lift Station upgrades consisting of decommissioning, electrical upgrade, backup power, structure rehab to fulfill the requirements of the Sanitary Sewer Overflow Initiative with the Texas Commission on Environmental Quality.

Project Cost: \$1,650,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$550,000	\$550,000	\$550,000	\$0

Project Name: Northlands Wastewater Treatment Plant (NLWWTP)

Description: Construction of a 1.5 million gallon per day (MGD) average, 4.5 MGD Peak WWTP with discharge to Cowan Creek. Design planned for 2019. Construction planned for future years. Estimated construction \$14,200,000.

Project Cost: \$16,131,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$2,131,000	\$0	\$0	\$14,000,000

Project Name: San Gabriel Int. (SGI-2)

Description: 5567 linear feet (LF) of 48-inch and 932 LF 54-inch gravity lines. This project will also include the San Gabriel LS & FM (SGI-LS) - 5682 LF of 24-inch Force main and 8.5 MGD Lift Station.

Project Cost: \$15,500,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$2,500,000	\$0	\$6,500,000	\$6,500,000	\$0

	FY2018	FY2019	FY2020	FY2021	FY2022
Grand Total:	4,500,000	3,681,000	8,050,000	8,050,000	14,000,000

Water

Project Name: Braun EST

Description: Replace existing 0.75 million gallon elevated storage tank with 3 million gallon elevated storage tank (possibly new site, 0.75 tank to remain).

Project Cost: \$4,750,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$4,750,000	\$0	\$0	\$0	\$0

Project Name: Carriage Oaks Transmission

Description: 5850 linear feet (LF) of 12" & 3250 LF of 16" line improving connection from Stonewall PS to Carriage Oaks EST.

Project Cost: \$2,300,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$500,000	\$1,800,000

Project Name: CR 200 Line Impr (CO-1)

Description: This project will consist of approximately 15,000 LF of 12-inch main. Potential partnership with County Road expansion project.

Project Cost: \$3,500,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$0	\$3,500,000

Project Name: CR 255 (WD14-2)

Description: This project will replace a main that has had numerous main breaks. It will consist of approximately 17,840 LF of 16-inch main.

Project Cost: \$2,800,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$0	\$2,800,000

Project Name: Hoover EST

Description: New 500k-750k gallon Elevated Storage Tank (EST), possible metal standpipe to support existing customers and growth, reduce reliance on existing hydro-tank, meet TCEQ EST requirements once over 200 connections. Design 2018. Construct 2019.

Project Cost: \$1,250,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$250,000	\$1,000,000	\$0	\$0

Water

Project Name: LWTP Raw Water Intake Rehabilitation

Description: This project will be for the rehabilitation of the existing raw water intake structure. Intake maintenance 2017. Additional filtration 2018.

Project Cost: \$11,700,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$11,700,000	\$0	\$0	\$0

Project Name: Main Street 2nd to 4th

Description: Poor pavement condition with cracking and numerous failures at intersections. Replace water main, wastewater main, and services.

Project Cost: \$287,500

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$287,500	\$0	\$0	\$0

Project Name: Miscellaneous Line Upgrades

Description: This budget will be for miscellaneous waterline extensions in the Western District to provide regulatory TCEQ compliance.

Project Cost: \$1,250,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

Project Name: Park WTP Clearwell

Description: Demo existing Park Water Treatment Plant Clearwell, and remove lime silo.

Project Cost: \$170,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$170,000	\$0	\$0	\$0	\$0

Project Name: S. Lake WTP (2018)

Description: 12 MGD Water Treatment Plant Expansion, 4400 LF of 30--inch raw water line, and a new raw water intake structure. 2017-Land-\$1MM. 2018-Preliminary Design & Permitting - \$1MM. 2019-Full Design-\$5MM. 2020-Construction \$15MM 2021-Construction-\$15MM.

Project Cost: \$36,000,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$1,000,000	\$0	\$5,000,000	\$30,000,000	\$0

Water

Project Name: South West Bypass Water (H24-1)

Description: 10,520 LF of 16-Inch Water Line IH 35 to Leander EST and approximately 7,000 LF of 16" water line from 2243 to 29. Design 2018. Construction 2019.

Project Cost: \$4,600,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$500,000	\$0	\$0	\$0	\$4,100,000

Project Name: Tank Rehabilitation

Description: This project has several water tanks to be rehabilitated. Airport tank - 2017, Southside GST - 2018, Daniels 1 - 2018 (possibly replace with new Hoover EST), Daniels 2 - 2019 (possibly replace with new composite GST onsite).

Project Cost: \$1,440,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$480,000	\$480,000	\$480,000	\$0	\$0

	FY2018	FY2019	FY2020	FY2021	FY2022
Grand Total:	7,150,000	12,967,500	6,730,000	30,750,000	12,450,000

Electric

Project Name: Austin Ave Sidewalks

Description: Intersections from 9th to Hwy 29, Sidewalks from Hwy 29 to Leander, Pole Relocations

Project Cost: \$100,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$100,000	\$0	\$0	\$0	\$0

Project Name: Consultant Engineer

Description: Task order for general engineering work for non-project specific, CIP preparation, joint use studies, strategic planning, and non-specific planning studies as required.

Project Cost: \$750,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$150,000	\$150,000	\$150,000	\$150,000	\$150,000

Project Name: DB Wood & SH 29 Intersection

Description: Relocation of facilities at SH 29 & DB Wood due to intersection changes.

Project Cost: \$150,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$150,000	\$0	\$0	\$0	\$0

Project Name: Downtown OH Rehab

Description: A 5-year plan to rehab deteriorated downtown overhead facilities.

Project Cost: \$2,200,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$200,000	\$500,000	\$500,000	\$500,000	\$500,000

Project Name: Downtown URD Conversion

Description: Downtown Underground Residential Distribution (URD) Conversion.

Project Cost: \$1,000,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$200,000	\$200,000	\$200,000	\$200,000	\$200,000

Project Name: Fiber Optic

Description: Long-term plan to extend fiber optic communications to City facilities.

Project Cost: \$1,225,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$245,000	\$245,000	\$245,000	\$245,000	\$245,000

Electric

Project Name: Fiber to Signal Lights

Description: Long-term plan to extend fiber optic communications to City Signal Lights.

Project Cost: \$250,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

Project Name: FM 971 Relocation

Description: FM 971 relocation to Northwest Blvd Bridge

Project Cost: \$200,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$200,000	\$0	\$0	\$0	\$0

Project Name: Georgetown East T2 Voltage Change

Description: Georgetown East transformer conversion.

Project Cost: \$50,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$50,000	\$0	\$0	\$0	\$0

Project Name: GT River Crossing

Description: Continuation of previous years CIP to upgrade river crossing for GT20/GT40 feeders.

Project Cost: \$125,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$125,000	\$0	\$0	\$0

Project Name: Hart Street Rehab

Description: In conjunction with a transportation roadway improvement project to relocate poles with road rehab.

Project Cost: \$50,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$50,000	\$0	\$0	\$0

Project Name: Hwy 195

Description: Continuation of previous year CIP for addition of Somerset Hill Feeder from Glasscock along Hwy 195 to tie into second feeder along Ronald Reagan Blvd to provide additional reliability to area.

Project Cost: \$80,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$80,000	\$0	\$0	\$0

Electric

Project Name: I-35 Feeder Tie

Description: Construct single circuit feeder tie along I-35 Frontage Road from south of Hwy 29 to Leander Road.

Project Cost: \$250,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$250,000	\$0	\$0	\$0

Project Name: Inner Loop Widening

Description: Relocation of facilities along Inner Loop close to Georgetown East due to Williamson County road widening.

Project Cost: \$200,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$200,000	\$0	\$0	\$0	\$0

Project Name: Katherine Street Rehab

Description: In conjunction with a transportation roadway improvement project to relocate poles with road rehab.

Project Cost: \$50,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$50,000	\$0	\$0	\$0

Project Name: Kathi Ln URD Conv.

Description: Continuation of previous year CIP project to convert an Overhead (OH) and Underground Residential Distribution (URD) section of line serving 150 plus customers in a 25 kV area currently serviced through use of step down transformers.

Project Cost: \$100,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$100,000	\$0	\$0	\$0	\$0

Project Name: Leander Rd I-35 Intersection

Description: Upgrade Leander Rd I-35 Intersection.

Project Cost: \$210,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$10,000	\$200,000	\$0	\$0	\$0

Electric

Project Name: Louise Street Rehab

Description: Louise, Virginia, and 18th St rehab in conjunction with a transportation roadway improvement project to relocate poles with road rehab.

Project Cost: \$50,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$50,000	\$0	\$0	\$0

Project Name: New Development

Description: New development projects.

Project Cost: \$15,000,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000

Project Name: Northwest Blvd Widening

Description: Northwest Blvd expansion, I-35 to Rivery Ext.

Project Cost: \$100,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$100,000	\$0	\$0	\$0	\$0

Project Name: Pole Inspections

Description: Annual pole inspections on 5-year cycle.

Project Cost: \$250,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

Project Name: Power Quality Imp

Description: Capacitor installations and modifications as determined by system loading issues.

Project Cost: \$400,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$80,000	\$80,000	\$80,000	\$80,000	\$80,000

Project Name: Rabbit Hill Road Widening

Description: Relocation of facilities between Georgetown South and Westinghouse due to road widening. Also relocation of facilities north of Georgetown South substation for future years.

Project Cost: \$1,000,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$500,000	\$0	\$0	\$0	\$500,000

Electric

Project Name: Rivery Extension

Description: Rivery Extension, Williams to Northwest Blvd.

Project Cost: \$200,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$200,000	\$0	\$0	\$0	\$0

Project Name: Ronald Reagan

Description: Continuation of previous years CIP for addition of Somerset Hill Feeder along Ronald Reagan from Hwy 195 to provide additional reliability to area.

Project Cost: \$220,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$220,000	\$0	\$0	\$0

Project Name: Sectionalization Imp

Description: Sectionalization of equipment including manual and automatic system switching.

Project Cost: \$750,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$150,000	\$150,000	\$150,000	\$150,000	\$150,000

Project Name: Shell Road Feeders

Description: Re-conduct existing segment of Feeder GB 30 along Esparada Road from #1/0 to #336 for ties to Sequoia Trail West to Shell Road area feeders in 2018. Right of way acquisition and construction of two express feeders from Glasscock Substation for circuit loading relief over a period of 4 years starting in 2019.

Project Cost: \$2,300,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$450,000	\$600,000	\$500,000	\$750,000

Project Name: Sidewalk Pole Relocation

Description: Pole relocation required by sidewalk CIP plan.

Project Cost: \$250,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$50,000	\$50,000	\$50,000	\$50,000	\$50,000

Electric

Project Name: Sidewalks Main Street

Description: In conjunction with a sidewalk and transportation project to install antique street lighting at \$140k, overhead pole relocations at \$30k, conduit installation for Electric at \$500k, conduit for City fiber at \$50k, and telecom conduits for \$125k along Main Street from 2nd to 6th.

Project Cost: \$845,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$845,000	\$0	\$0	\$0

Project Name: Sidewalks to VFW Park

Description: In conjunction with a transportation roadway improvement project and master plan, this is for the installation of antique street lighting at \$160k, overhead pole relocations at \$75k along 2nd street from Main to VFW Park.

Project Cost: \$235,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$235,000	\$0	\$0	\$0

Project Name: Somerset Hills Feeder 195

Description: Addition of second feeder to existing Somerset Hill Feeder from Glasscock along Hwy 195 to tie into second feeder along Ronald Reagan Blvd to provide additional reliability to area.

Project Cost: \$170,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$0	\$170,000

Project Name: Somerset Hills Feeder RR

Description: Addition of second feeder along Ronald Reagan Blvd to existing Somerset Hill feeder from second feeder at Hwy 195 provide additional reliability to area.

Project Cost: \$270,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$0	\$270,000

Project Name: South Lake WTP

Description: Addition of two new feeds to proposed South Lake WTP.

Project Cost: \$1,000,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$1,000,000	\$0

Electric

Project Name: Southwestern University Upgrade

Description: Begin a three year project for conversion of Overhead to Underground facilities with re-rehab of existing deteriorating service facilities throughout the campus.

Project Cost: \$1,250,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$350,000	\$600,000	\$300,000

Project Name: Streetlights

Description: Street lighting, security, and traffic signal additions along with energy efficient lighting upgrades.

Project Cost: \$440,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$88,000	\$88,000	\$88,000	\$88,000	\$88,000

Project Name: SW Bypass Feeder

Description: Single circuit feeder from DB Wood to SW Bypass in 2017, Single Circuit from Leander Road to SH 29 in 2018. Dual circuit feeder from Chief Brady to Leander Road tying into Leander Road feeder and SW Bypass feeder at Leander Road in 2019. Feeder extension along DB Wood to Williams Drive in 2021.

Project Cost: \$2,650,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$500,000	\$650,000	\$0	\$0	\$1,500,000

Project Name: Transformer Addition

Description: Addition of second Chief Brady transformer due to load growth in the area and to improve reliability. Transformer purchased in 2021, installed in 2022

Project Cost: \$2,400,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$900,000	\$1,500,000

Project Name: Underground Feeder Exits Gabriel Sub

Description: Conversion of existing overhead feeder exits to underground in conjunction with substation project.

Project Cost: \$725,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$725,000	\$0	\$0

Electric

Project Name: University/Mays Widening

Description: Continuation of previous years CIP to complete University/Mays intersection Round Rock road widening project

Project Cost: \$154,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$154,000	\$0	\$0	\$0	\$0

Project Name: Williams Drive I-35 Intersection

Description: Williams Drive I-35 Intersection Upgrade.

Project Cost: \$210,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$10,000	\$200,000	\$0	\$0	\$0

	FY2018	FY2019	FY2020	FY2021	FY2022
Grand Total:	6,537,000	8,918,000	8,688,000	9,163,000	9,553,000

Stormwater

Project Name: 18th and Hutto Drainage

Description: Drainage from Hutto Road and collecting streets has historically flooded yards and homes between 15th and 19th Streets west of Hutto Rd. A study is proposed to identify and design catch basins to alleviate flooding.

Project Cost: \$1,050,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$50,000	\$0	\$0	\$0	\$1,000,000

Project Name: 2nd and Rock Pond

Description: The current design of Georgetown's first water quality pond chokes sand easily as the entry point and pond floor consist of dirt and natural uneven limestone. An improved design with concrete entry and floor would allow the pond to be easily maintained, improving water quality while lowering maintenance costs.

Project Cost: \$250,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$250,000	\$0	\$0	\$0

Project Name: Airport Road at Pecan Branch

Description: Design and construct adequate bridge / box culvert design to convey water under Airport road. Construction as part of Airport Lakeway realignment.

Project Cost: \$1,300,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$0	\$1,300,000

Project Name: Curb and Gutter

Description: Replace squirt top curbing on Cottonwood (C Club to Parker 566 lf), Willow (Country Club to Ranch Rd. 1,260 lf), Parker Dr. Circle, (all 2,840 lf), Judy Drive (Mesquite to Ranch Road 1,680 lf) Golden Oaks 9NW Blvd. to city limits (1,555 lf), 16th and 17th Streets (Walnut to RR tracks, 2,000 lf), Holly St. (3rd to 7th St. 1,200 lf), 6th St. (Pine to Walnut 600 lf), Walnut 6th to 7th (500 lf.) Approximately 10,391 lf of curbs.

Project Cost: \$2,000,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$500,000	\$500,000	\$500,000	\$500,000	\$0

Stormwater

Project Name: Main Street Drainage

Description: Main street design and construction to accommodate the downtown master plan improvements. (Sidewalks, curbs, planters, etc., the old corrugated metal storm drain will likely need to be upgraded. Better estimates will be determined after preliminary engineering.

Project Cost: \$700,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$200,000	\$500,000	\$0

Project Name: NW Blvd Drainage

Description: Identify drainage area, acquire needed easements, and design and construct properly sized drainage conveyance to alleviate the frequent flooding along Northwest Blvd between Washam Drive and IH 35. Potential construction as part of NW Blvd / IH 35 overpass.

Project Cost: \$350,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$350,000	\$0	\$0	\$0

Project Name: Serenada Culvert Improvements

Description: Identify and upsize culvert crossings and ditch cleaning as needed to improve safety at Dry Creek crossing as needed within City limit portions of Serenada. 2017 - investigation and design, 2018 - improvements.

Project Cost: \$200,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$200,000	\$0	\$0	\$0	\$0

Project Name: Stormwater Infrastructure

Description: Rehabilitation of ponds above and beyond monthly mowing and trash or debris removal. Examples may include dredging of ditches, stormwater boxes, or water quality/detention ponds; construction of end treatments, fencing and alterations of existing storm drain features, and removal/replacement of filtration devices. Ponds needing work at this time include Wazel Way, Wolf Ranch, Rivery Pond, 3 ponds on SE Inner Loop, 100 Cooperative Way Pond, College St. VFW Pond, 202 Rock Street Pond, and 214 Reinhardt Blvd. Pond

Project Cost: \$800,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$200,000	\$200,000	\$200,000	\$200,000	\$0

	FY2018	FY2019	FY2020	FY2021	FY2022
Grand Total:	950,000	1,300,000	900,000	1,200,000	2,300,000

2008 Road Bond

Project Name: Berry Creek Drive

Description: Design and construct expansion of Berry Creek Drive to divided four lane.

Project Cost: \$3,900,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$900,000	\$3,000,000	\$0	0

Project Name: FM 1460 (TxDOT True-up)

Description: Construction Administration by TxDOT. City portion finalized at end of project accounting true-up.

Project Cost: \$1,950,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$1,950,000	\$0	\$0	\$0	\$0	0

Project Name: FM 971

Description: Relocate and widen FM 971 from Austin Avenue to Gann Street to match NW Blvd Bridge Project.

Project Cost: \$3,900,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$3,900,000	\$0	\$0	\$0	\$0	0

Project Name: SH 29 Bypass Routing Study

Description: Design work for completion of SH 29 Bypass.

Project Cost: \$1,300,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$1,300,000	\$0	0

	FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
Grand Total:	5,850,000	0	900,000	4,300,000	0	0

2015 Road Bond

Project Name: D.B . Wood (SH 29 to Oak Ridge)

Description: Design and construct expansion of D.B. Wood Road, including replacement of the Middle Fork Bridge.

Project Cost: \$16,320,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$3,820,000	\$12,500,000	0

Project Name: Intersection Pool

Description: Access to available funding would allow Council to better respond to public safety needs that arise outside of or in advance of the CIP and Bond process, including local match funding for CAMPO/TxDOT/FHWA-type projects, with \$5 million approved in the Bond Program. Previous Projects: 5th/Austin Avenue signal

Project Cost: \$2,500,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$1,000,000	\$500,000	\$500,000	\$500,000	0

Project Name: Leander Road (River Ridge to SW Bypass)

Description: Design and construct expansion of Leander Road (RM 2243) in State ROW to four lane divided facility from new Southwest Bypass Intersection to Rivery Ridge Drive.

Project Cost: \$4,650,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$1,550,000	\$3,100,000	\$0	\$0	\$0	0

Project Name: NB Frontage Road

Description: TxDOT design and project coordination of creation of Frontage Road. Construction \$5.4 M in FY2023.

Project Cost: \$800,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$800,000	\$0	0

Project Name: Northwest Blvd. Bridge

Description: Construct IH 35 Crossing connecting Northwest Boulevard to Austin Avenue.

Project Cost: \$10,500,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$10,500,000	\$0	\$0	\$0	\$0	0

2015 Road Bond

Project Name: Rivery Blvd. Extension

Description: Extend Rivery Blvd. from Williams Drive to Northwest Blvd., and improve Park Lane from Rivery to Clay Street.

Project Cost: \$4,500,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$4,500,000	\$0	\$0	\$0	\$0	0

Project Name: Southeast Inner Loop

Description: Design work only for future expansion of SE Inner Loop. 2015 Bond approval for design work only.

Project Cost: \$1,750,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$1,750,000	\$0	\$0	0

Project Name: Southwestern Blvd.

Description: Design expansion of Southwestern Boulevard to four lane divided section. Construction cost of \$2.5 M in FY2023

Project Cost: \$1,250,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$1,250,000	\$0	0

	FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
Grand Total:	16,550,000	4,100,000	2,250,000	6,370,000	13,000,000	0

Facilities

Project Name: ADA Transition Plan

Description: Complete comprehensive facilities master plan for all City of Georgetown facilities. Facilities scheduled for renovations in FY2018 include the Airport, Animal Shelter and Art Center.

Project Cost: \$150,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$150,000	\$0	\$0	\$0	\$0	0

Project Name: Animal Services

Description: Needs assessment and site analysis for expansion in FY2018.

Project Cost: \$100,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$100,000	\$0	\$0	\$0	\$0	0

Project Name: Council Chambers/CVB

Description: As part of the Downtown West project, once municipal court moves to the 1st floor of the GCAT building, the Convention and Visitors Bureau will move to the old Municipal Court/Council Chambers building. It is anticipated funding will come from the hotel occupancy tax (HOT) special revenue fund.

Project Cost: \$690,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$690,000	\$0	\$0	\$0	0

Project Name: Downtown Parking Expansion

Description: Increase surface parking in the downtown area by expanding existing parking.

Project Cost: \$250,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$250,000	\$0	\$0	\$0	\$0	0

Project Name: Downtown West Signage

Description: Implementation of Downtown West Signage Masterplan to help with wayfinding.

Project Cost: \$125,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$125,000	\$0	\$0	\$0	\$0	0

Facilities

Project Name: Fire Station 3 - Remodel

Description: Refresh 20+ year old fire station to extend useful life.

Project Cost: \$1,200,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$200,000	\$1,000,000	\$0	0

Project Name: Fire Station 4 - Relocation

Description: Design and construction of Fire Station #4.

Project Cost: \$6,300,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$0	\$0	6,300,000

Project Name: Fire Station 6

Description: The City is partnering with Emergency Services District 8 to design and construct this Fire Station. The ESD will pay for design and construction and the City will operate and maintain the facility. There is a small amount of furniture fixtures and equipment that the City has agreed to pay for.

Project Cost: \$300,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$300,000	\$0	\$0	\$0	\$0	0

Project Name: Fire Station 7

Description: Design and construction of Fire Station #7.

Project Cost: \$6,850,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$2,000,000	\$6,250,000	\$0	\$0	\$0	0

Project Name: Fire Station 8

Description: Design and construction of Fire Station #8.

Project Cost: \$6,300,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$0	\$0	6,300,000

Facilities

Project Name: GMC Remodel

Description: The project is a remodel of the front end of the GMC building to promote improved Customer Care interaction and improve office space efficiency. Currently expected to include up to 22,500 SF.

Project Cost: \$100,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$100,000	\$0	\$0	\$0	\$0	0

Project Name: Mixed Use Parking Garage

Description: Design and construct Downtown Parking Garage.

Project Cost: \$12,000,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$0	\$0	12,000,000

Project Name: Public Facilities Master Plan

Description: Complete comprehensive facilities master plan for all City of Georgetown facilities.

Project Cost: \$150,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$150,000	\$0	0

Project Name: Public Safety Operation and Training Center Phase II

Description: Implement Training Center Phase II, which includes shooting range, warehouses and training props.

Project Cost: \$4,900,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$500,000	\$4,400,000	0

Project Name: Signature Gateway

Description: Design and construction for signature gateway element at Austin and Hwy. 29. Will be seeking grant funding via Keep Texas Beautiful. Design work is funded through the Downtown TIRZ in FY2018.

Project Cost: \$100,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$100,000	\$0	\$0	0

Facilities

Project Name: Tree Replacement/Lighting

Description: Silva Cells and power pods for trees and holiday lighting downtown as well as replacement trees.

Project Cost: \$110,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	0

	FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
Grand Total:	3,047,000	6,962,000	322,000	1,672,000	4,422,000	24,600,000

Finance

Project Name: Enterprise Resource System

Description: New Financial Information System.

Project Cost: \$2,700,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$2,700,000	\$0	\$0	\$0	\$0	0

Project Name: Enterprise Resource System - Cash Portion

Description: New Financial Information System.

Project Cost: \$250,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$250,000	\$0	\$0	\$0	\$0	0

Project Name: Public Safety Vehicles

Description: Debt funding for Public Safety.

Project Cost: \$8,065,500

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$1,799,000	\$1,395,500	\$2,712,500	\$1,473,000	\$745,500	0

Project Name: Radio Replacement

Description: Estimated \$500K annually for radio replacement.

Project Cost: \$1,200,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$500,000	\$500,000	\$200,000	\$0	\$0	0

	FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
Grand Total:	5,249,000	1,895,500	2,912,500	1,473,000	745,500	0

Fire Department

Project Name: SCBA Replacement

Description: Self Contained Breathing Apparatus (SCBA) equipment - beyond useful life

Project Cost: \$800,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$250,000	\$250,000	\$300,000	\$0	0

	FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
Grand Total:	0	250,000	250,000	300,000	0	0

Parks

Project Name: ADA Transition Plan

Description: ADA deficiencies were identified and ranked in 2015 through park area assessments. FY2018 is year two of this plan and the areas scheduled for renovations are Booty's Parks and phase one of the Randy Morrow Trail.

Project Cost: \$600,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$150,000	\$150,000	\$150,000	\$150,000	\$0	0

Project Name: Blue Hole Parking Element

Description: Blue Hole Park is a signature destination for Georgetown and regional visitors due to its natural beauty. Renovations are planned to make infrastructure improvements to this signature park to enhance the beauty.

Project Cost: \$1,000,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$1,000,000	\$0	\$0	0

Project Name: Historic Park

Description: Preservation of river corridor and open space is identified as a high priority in the Parks and Recreation Master Plan. The preservation and development of this park for public use will accomplish this near the City's center.

Project Cost: \$500,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$500,000	\$0	\$0	\$0	0

Project Name: Katy Crossing Trail

Description: As the community continues to grow, it is important to develop new trails. Trails may be developed that are prioritized by the 2008 Parks and Recreation Master Plan as land is acquired and connectivity is created.

Project Cost: \$500,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$500,000	\$0	\$0	\$0	\$0	0

Project Name: New Park Development

Description: As the community continues to grow, the development of new parkland is needed to ensure adequate public recreation opportunities are provided.

Project Cost: \$500,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$250,000	\$0	\$250,000	0

Parks

Project Name: New Trail Development

Description: As the community continues to grow, it is important to develop new trails. Trails may be developed that are prioritized by the 2008 parks and recreation master plan as land is acquired and connectivity is created.

Project Cost: \$3,000,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$1,000,000	\$1,000,000	\$1,000,000	0

Project Name: Parks Master Plan

Description: Substantial progress related to capital items in the 2009 Parks and Recreation Master Plan has been made. An update is needed to assist in planning for increased community growth and to be eligible for federal and state grant opportunities.

Project Cost: \$150,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$150,000	\$0	\$0	\$0	0

Project Name: San Gabriel Park

Description: Funding for renovations to San Gabriel Park were approved in the 2008 voter approved Parks Bond. A master plan was completed in 2015, specifying a plan to complete renovations over four phases. Phase one is scheduled to begin in early 2017 with future phases to follow in subsequent years.

Project Cost: \$17,000,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$3,500,000	\$5,500,000	\$0	\$0	\$0	8,000,000

Project Name: Westside Park

Description: The Westside Park is a 90 acre park that was master planned in 2015. Development will consist of both active and passive recreation opportunities including athletic fields as well as trails.

Project Cost: \$5,000,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$0	\$0	5,000,000

	FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
Grand Total:	4,150,000	6,300,000	2,400,000	1,150,000	1,250,000	13,000,000

Sidewalks

Project Name: 2nd Street

Description: 2nd Street

Project Cost: \$410,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$82,000	\$328,000	\$0	\$0	0

Project Name: Austin Ave (SH29-FM2243)

Description: Austin Ave (SH 29 - FM 2243)

Project Cost: \$300,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$300,000	\$0	\$0	\$0	\$0	0

Project Name: Main St. (7th-2nd)

Description: Main Street (7th - 2nd)

Project Cost: \$300,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$45,000	\$255,000	\$0	\$0	0

Project Name: Old Town Southeast

Description: Old Town Southeast

Project Cost: \$1,500,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$1,500,000	\$0	0

Project Name: Phase I - Signal & Curb Ramp Improvements

Description: Phase I - Signal & Curb Ramp Improvements

Project Cost: \$355,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$253,000	\$102,000	\$0	\$0	\$0	0

Project Name: Remaining Downtown Repairs

Description: Remaining Downtown Repairs

Project Cost: \$1,343,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$671,000	\$504,000	\$168,000	\$0	0

Sidewalks

Project Name: Rock St (9th-6th St.)

Description: Rock Street (9th - 6th)

Project Cost: \$154,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$23,000	\$131,000	\$0	\$0	\$0	0

Project Name: SH 29 (IH 35-IH 130)

Description: SH 29 (IH 35 - SH 130)

Project Cost: \$2,100,000

FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
\$0	\$0	\$0	\$2,100,000	\$0	0

	FY2018	FY2019	FY2020	FY2021	FY2022	Beyond 5 Years
Grand Total:	576,000	1,031,000	1,087,000	3,768,000	0	0

Airport

Project Name: Construct Airport Maintenance Facility

Description: Construct a suitable facility for airport maintenance equipment, personnel and materials.

Project Cost: \$400,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$0	\$400,000	\$0

Project Name: Construct Runway Rehab

Description: Runway Rehabilitation Project for the construction effort for the rehabilitation of Runway 18/36 asphalt surface. The budgeted amount is an estimated 10% of the project costs with TxDOT Aviation providing the additional 90%. Inspections conducted on the current asphalt surface determined a rehabilitation effort was recommended.

Project Cost: \$500,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$0	\$0	\$500,000	\$0	\$0

Project Name: Design Runway Rehab

Description: Runway Rehabilitation Project for the engineering and design efforts for rehabilitation of Runway 18/36 asphalt surface. The budgeted amount is an estimated 10% of the project costs with TxDOT Aviation providing the additional 90%.

Project Cost: \$16,500

FY2018	FY2019	FY2020	FY2021	FY2022
\$16,500	\$0	\$0	\$0	\$0

Project Name: Hangar Maintenance and Upgrades

Description: FY2018 - Accomplish hangar upgrades on city owned hangars. Upgrades include deferred maintenance items such as door openers at Hangar BB and roof/siding repairs on city owned hangar at 217 Corsair Drive. FY2019 - Replace hangar door openers on Hangar CC and hangar maintenance at City owned hangar at 217 Corsair Dr. Maintenance includes exterior painting, replacement of water heaters and replacement of ceiling mounted HVAC units. FY2022 - Upgrades and modifications on City owned hangars.

Project Cost: \$145,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$33,000	\$62,000	\$0	\$0	\$50,000

Airport

Project Name: Pavement Maintenance

Description: FY2018 - Asphalt pavement maintenance to parking lot and airplane apron for City owned hangar at 301 Toledo Trail. FY2019 - Asphalt pavement maintenance to parking lot and airplane apron for city owned hangar at 217 Corsair Dr. as well as Hangars E, F, G, BB, CC, C, and D1. FY2022 - Asphalt pavement maintenance at various locations around the airport.

Project Cost: \$125,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$40,000	\$35,000	\$0	\$0	\$50,000

Project Name: Ramp Rehab

Description: FY2018 - Ramp Rehabilitation Project to replace the southeast ramp for the city owned hangar at 221 Stearman Dr. The budgeted amount is an estimated 10% of the project costs with TxDOT Aviation providing the additional 90%. FY2019 - Ramp Rehabilitation Project to replace the southwest ramp for the city owned hangar at 221 Stearman Dr. The budgeted amount is an estimated 10% of the project costs with TxDOT Aviation providing the additional 90%.

Project Cost: \$30,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$15,000	\$15,000	\$0	\$0	\$0

Project Name: Taxiway Edge Lighting

Description: Construct Taxiway Edge Lighting and Runway 11/29 PAPI Instrumentation. The budgeted amount is an estimated 10% of the project costs with TxDOT Aviation providing the additional 90%.

Project Cost: \$150,000

FY2018	FY2019	FY2020	FY2021	FY2022
\$150,000	\$0	\$0	\$0	\$0

Project Name: Wildlife Management

Description: FY2018 - Construction of anti-deer cattle guard at airport north gate as well as installation of 3000 feet of predator fabric along bottom of perimeter fence. FY2019 - Construction of anti-deer cattle guard at airport south gate, installation of 3000 feet of predator fabric along bottom of perimeter fence, and Installation of approximately 200 feet of new chain link fence near terminal.

Project Cost: \$55,500

FY2018	FY2019	FY2020	FY2021	FY2022
\$25,500	\$30,000	\$0	\$0	\$0

	FY2018	FY2019	FY2020	FY2021	FY2022
Grand Total:	280,000	142,000	500,000	400,000	100,000

ONGOING OPERATIONS AND MAINTENANCE COSTS

Capital Improvement Projects can affect ongoing operations and maintenance costs either positively or negatively. Staff, in an effort to anticipate changes in ongoing costs, has developed an O&M schedule to properly anticipate these changes as part of the overall CIP process.

Projected O&M Impact by Fund ▼	O&M FY2018 ▼	O&M FY2019 ▼	O&M FY2020 ▼	O&M FY2021 ▼	O&M FY2022 ▼
Airport	-	3,000	3,500	3,500	11,500
Facilities	73,000	299,000	299,000	324,000	394,000
Parks	621,557	800,000	800,000	800,000	800,000
Wastewater	29,200	158,900	164,500	171,500	799,624
Water	197,300	197,300	197,300	209,300	229,800
Grand Total	921,057	1,458,200	1,464,300	1,508,300	2,234,924

Airport: Currently, staff are working with TxDot on a taxiway edge lighting project. This project will have no O&M costs in FY2018.

Facilities: In FY2018, Fire Station 6 will require \$55,000 of annual facilities maintenance, which includes janitorial services, utility costs, and building maintenance. An additional \$55,000 for ongoing maintenance will be needed upon completion of Fire Station 7 in FY2020. Costs for staffing and operations are estimated at \$850,000 for each station.

Parks: Garey Park is anticipated to be open in FY2018. O&M costs in the first year of operations will be \$621,557. Annual O&M costs for the following four years are estimated at \$800,000.

Wastewater: Wastewater CIP will require additional O&M for maintenance of a 2-meter belt press. Annual O&M costs for this project are estimated to be \$23,600 for the next four years. The Pecan Branch Plant is expected to be completed in FY2018 and will have an estimated operational impact of \$110,900 beginning in FY2019.

Water: Ongoing O&M will begin this year with the reconstruction of an existing pump station that feeds Sun City. Future impact of \$184,000 will begin the following year. Other maintenance beginning in FY2018 includes \$12,000 for operational cost for pumps and motors at the Sequoia Ground Storage Tank, as well as \$6,650 for ongoing tank inspection and station checks at both the Bruan Elevated Storage Tank and the Sun City Elevated Storage Tank.

Electric: Electric plans to do \$6,537,000 of CIP projects in FY2018. Staff anticipates ongoing O&M impact to be minimal and plan to absorb within current funding levels.



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DEBT



Garey Park Groundbreaking

DEBT

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DEBT MANAGEMENT POLICY

The City's goal is to fund capital improvement projects on a "pay as you go" basis whenever possible. For large infrastructure projects and during heavy growth, debt financing is sometimes required. Debt financed projects must meet the City's financing criteria as included in the Fiscal and Budgetary Policy.

XIV. Debt Management

The City of Georgetown recognizes the primary purpose of capital facilities is to provide services to the community. Using debt financing to meet the capital needs of the community must be evaluated according to efficiency and equity. Efficiency must be evaluated to determine the highest rate of return for a given investment of resources. Equity is resolved by determining who should pay for the cost of capital improvements. In meeting demand for additional services, the City will strive to balance the needs between debt financing and "pay as you go" methods. The City realizes that failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that too much debt may have detrimental effects on the City's long-range financial condition.

The City will issue debt only for the purpose of acquiring or constructing capital assets for the general benefit of its citizens and to allow it to fulfill its various purposes as a city.

A Debt Condition Update report will be provided annually.

The City's Debt Management Policy is part of the Fiscal and Budgetary Policy. The complete policy can be found at the beginning of the Reference section of this document.

The City's debt management objective is to maintain level debt service that does not adversely impact tax or utility rates and does not hinder the City's ability to effectively operate the utility systems, street network, or other facilities. The City's debt payments must stay within provisions of state law, bond covenants, and council adopted policies. All of these criteria and objectives are met with the debt financing proposed in this budget.

The City of Georgetown's bonds are rated:

Rating Agency	General Obligation	Date Obtained	Utility Revenue	Date Obtained
Standard & Poor's	AA+	11/2/2017	AA	4/14/2017

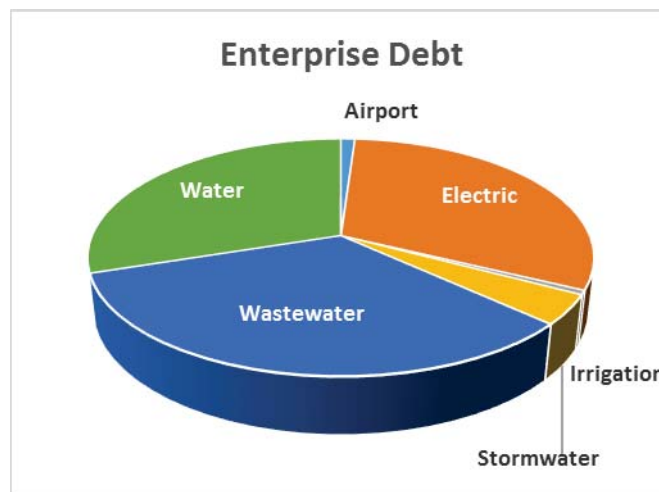
LEGAL DEBT MARGIN FOR GENERAL OBLIGATIONS

All taxable property within the City is subject to the assessment, levy, and collection by the City. Annually, the City evaluates direct ad valorem tax revenue to ensure 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 of 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 for 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 \$1.50 per \$100 of valuation, based on 90% collection of tax.

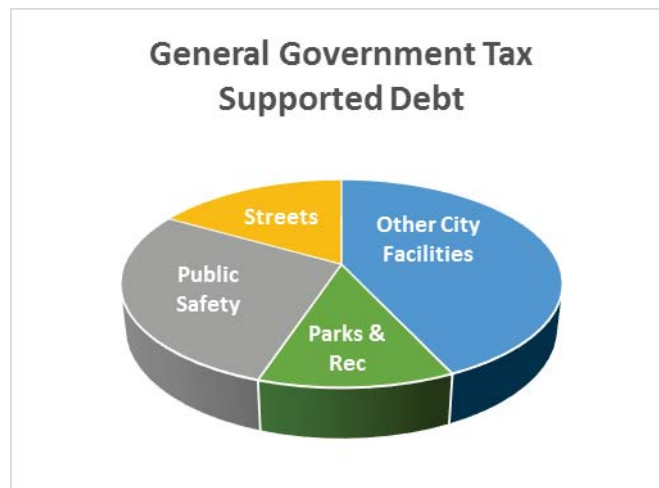
Allowable levy per \$100 valuation	\$ 1.50
Proposed levy for debt service (included in total adopted rate of \$0.420)	0.22734
Percentage of allowable levy used	15.16%

OUTSTANDING DEBT SUMMARY - BY TYPE AS OF 10/1/2017	Debt Outstanding	%	FY2018 Principal & Interest
General Government Debt			
General Government Tax Supported Debt CO's and GO's			
Other City Facilities	58,755,536	44%	6,969,415
Parks and Recreation Facilities	15,293,786	12%	1,087,210
Public Safety	36,689,850	28%	2,978,636
Streets and Transportation	21,896,700	17%	1,869,436
General Government Tax Supported Debt CO's and GO's Total	132,635,872	100%	12,904,697
Refinanced GO - Self Supporting			
GTEC	8,162,501	100%	1,242,393
Refinanced GO - Self Supporting Total	8,162,501	100%	1,242,393
CO - Self Supporting			
GEDCO	2,880,000	10%	212,569
GTEC	17,087,500	58%	1,249,541
Other City Facilities	1,370,000	5%	115,025
Rivery TIRZ	8,060,000	27%	588,068
CO - Self Supporting Total	29,397,500	100%	2,165,203
General Government Debt Total	170,195,872		16,312,293
Enterprise Debt			
Utility Revenue Bonds			
Electric	28,093,462	30%	3,336,306
Irrigation	665,688	1%	125,320
Wastewater	34,272,614	36%	3,242,495
Water	32,123,237	34%	2,996,176
Utility Revenue Bonds Total	95,155,000	100%	9,700,297
CO - Self Supporting			
Airport	805,000	12%	62,900
Electric	2,520,000	37%	539,956
Stormwater	3,473,811	51%	329,556
CO - Self Supporting Total	6,798,811	100%	932,412
Refinanced GO - Revenue Bonds			
Airport	337,307	7%	62,361
Electric	3,467,093	75%	469,053
Stormwater	835,918	18%	248,743
Refinanced GO - Revenue Bonds Total	4,640,317	100%	780,156
Enterprise Debt Total	106,594,128		11,412,865
GTEC			
Sales Tax Revenue Bond			
GTEC	6,685,000	100%	842,950
Sales Tax Revenue Bond Total	6,685,000	100%	842,950
GTEC Total	6,685,000		842,950
Grand Total	283,475,000		28,568,108

Enterprise Debt	Principal	Interest	Total Requirements	%
Airport	1,142,307	346,272	1,488,579	1.07%
Electric	34,080,554	9,419,736	43,500,290	31.97%
Irrigation	665,688	119,326	785,013	0.62%
Stormwater	4,309,729	1,289,407	5,599,136	4.04%
Wastewater	34,272,614	11,980,959	46,253,573	32.15%
Water	32,123,237	9,772,651	41,895,887	30.14%
	106,594,128	32,928,350	139,522,478	100%



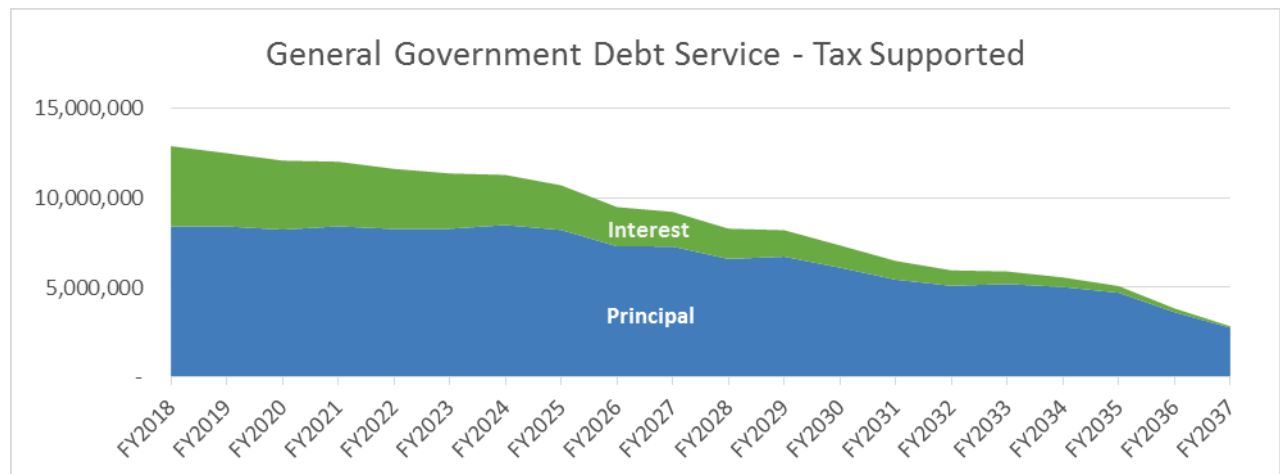
Tax Supported Debt	Principal	Interest	Total Requirements	%
Other City Facilities	58,755,536	15,586,287	74,341,823	44.30%
Parks & Rec	15,293,786	5,612,994	20,906,780	11.53%
Public Safety	36,689,850	11,907,854	48,597,704	27.66%
Streets	21,896,700	7,034,627	28,931,327	16.51%
	132,635,872	40,141,762	172,777,634	100%



SUMMARY OF DEBT SERVICE CHARGES TO MATURITY

General Government Debt – General Obligation Bonds and Certificate of Obligation – Tax Supported.

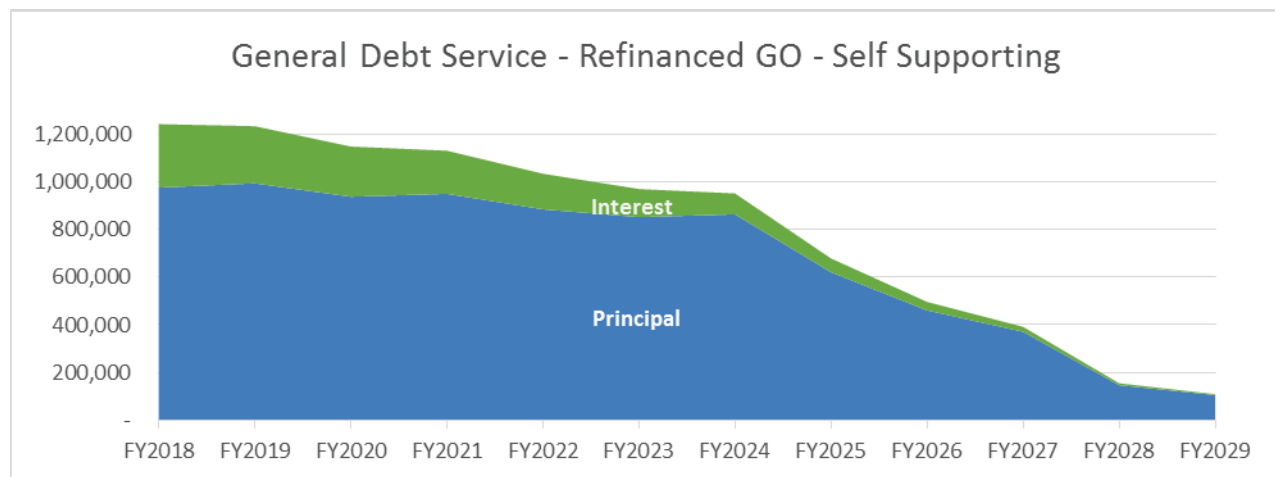
Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements
FY2018	132,635,872	8,414,539	4,490,158	12,904,697
FY2019	124,221,333	8,413,208	4,096,829	12,510,037
FY2020	115,808,125	8,236,854	3,856,276	12,093,130
FY2021	107,571,271	8,420,999	3,612,668	12,033,667
FY2022	99,150,272	8,270,409	3,360,637	11,631,046
FY2023	90,879,863	8,286,188	3,091,257	11,377,445
FY2024	82,593,675	8,491,586	2,801,689	11,293,275
FY2025	74,102,089	8,217,440	2,492,962	10,710,402
FY2026	65,884,649	7,307,343	2,187,328	9,494,671
FY2027	58,577,306	7,290,986	1,936,991	9,227,977
FY2028	51,286,320	6,595,424	1,693,361	8,288,785
FY2029	44,690,896	6,729,084	1,474,145	8,203,229
FY2030	37,961,812	6,111,058	1,245,449	7,356,507
FY2031	31,850,754	5,441,058	1,044,257	6,485,315
FY2032	26,409,696	5,096,562	863,840	5,960,402
FY2033	21,313,134	5,197,066	700,870	5,897,936
FY2034	16,116,068	5,031,068	533,098	5,564,166
FY2035	11,085,000	4,710,000	367,603	5,077,603
FY2036	6,375,000	3,620,000	211,875	3,831,875
FY2037	2,755,000	2,755,000	80,469	2,835,469
Total		132,635,872	40,141,762	172,777,634



SUMMARY OF DEBT SERVICE CHARGES TO MATURITY

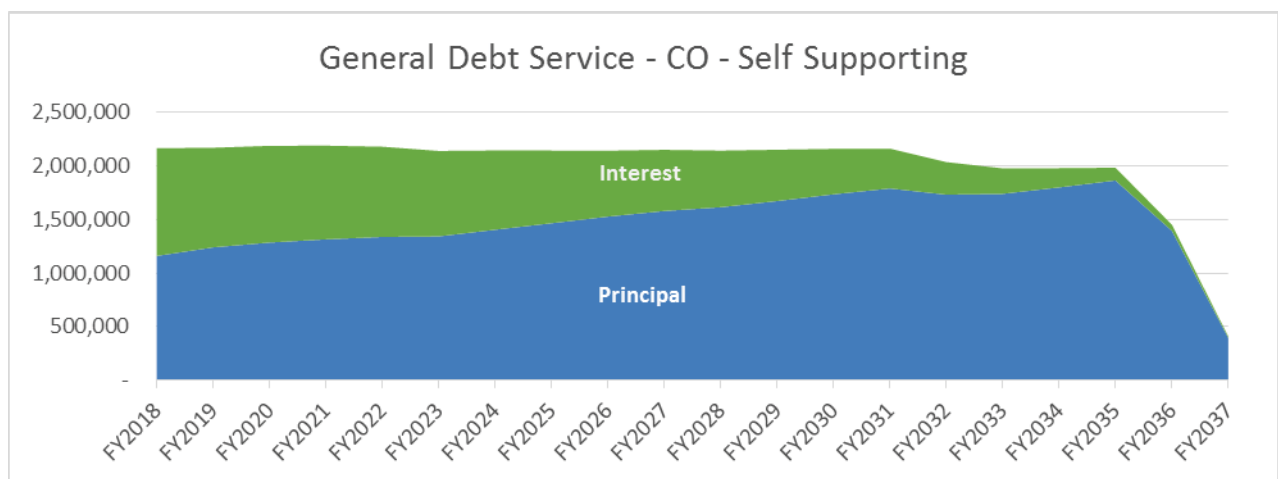
General Obligation Refinanced – Self Supporting Bond – GTEC. Debt issued for specific purpose and repaid through dedicated revenues.

Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements
FY2018	8,162,501	976,039	266,355	1,242,393
FY2019	7,186,462	993,862	239,922	1,233,784
FY2020	6,192,600	937,672	210,537	1,148,209
FY2021	5,254,929	949,802	180,928	1,130,730
FY2022	4,305,127	884,966	149,372	1,034,338
FY2023	3,420,161	851,790	118,372	970,162
FY2024	2,568,371	863,816	87,738	951,554
FY2025	1,704,555	620,816	57,791	678,607
FY2026	1,083,739	460,394	35,618	496,012
FY2027	623,345	371,038	20,577	391,615
FY2028	252,307	146,814	8,016	154,830
FY2029	105,493	105,493	3,429	108,922
Total		8,162,501	1,378,655	9,541,156



SUMMARY OF DEBT SERVICE CHARGES TO MATURITY
Certificate of Obligation– Self Supporting Bonds.

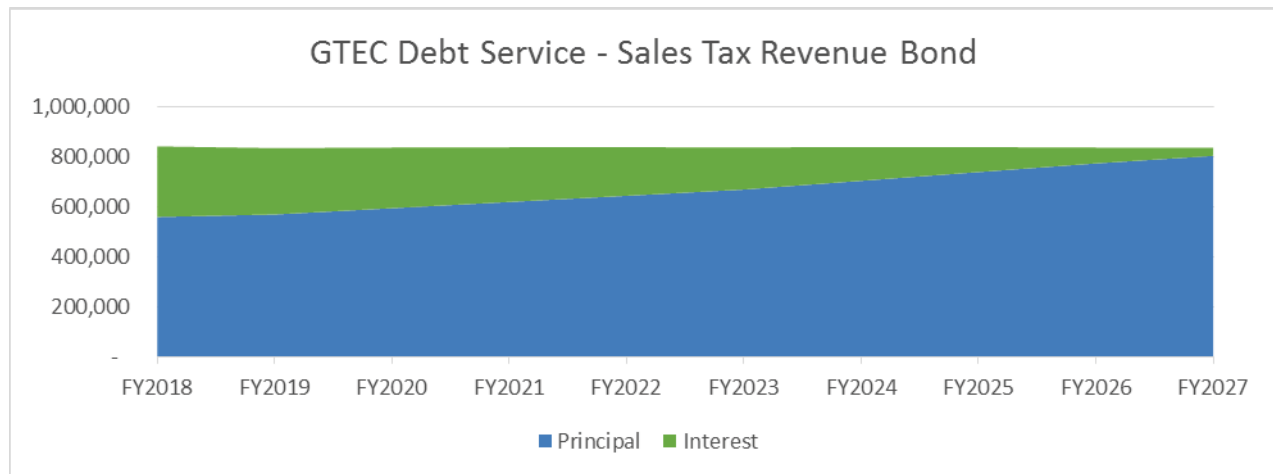
Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements
FY2018	29,397,500	1,160,000	1,005,203	2,165,203
FY2019	28,237,500	1,240,000	930,099	2,170,099
FY2020	26,997,500	1,285,000	902,874	2,187,874
FY2021	25,712,500	1,315,000	874,474	2,189,474
FY2022	24,397,500	1,337,500	842,520	2,180,020
FY2023	23,060,000	1,342,500	797,633	2,140,133
FY2024	21,717,500	1,405,000	739,695	2,144,695
FY2025	20,312,500	1,465,000	678,745	2,143,745
FY2026	18,847,500	1,527,500	614,745	2,142,245
FY2027	17,320,000	1,580,000	570,238	2,150,238
FY2028	15,740,000	1,615,000	527,713	2,142,713
FY2029	14,125,000	1,672,500	478,503	2,151,003
FY2030	12,452,500	1,735,000	424,693	2,159,693
FY2031	10,717,500	1,790,000	371,468	2,161,468
FY2032	8,927,500	1,732,500	303,618	2,036,118
FY2033	7,195,000	1,740,000	237,449	1,977,449
FY2034	5,455,000	1,800,000	179,464	1,979,464
FY2035	3,655,000	1,865,000	118,929	1,983,929
FY2036	1,790,000	1,395,000	56,131	1,451,131
FY2037	395,000	395,000	13,331	408,331
Total		29,397,500	10,667,524	40,065,024



SUMMARY OF DEBT SERVICE CHARGES TO MATURITY

Senior Lien Sales Tax Revenue Refunding Bonds - GTEC.

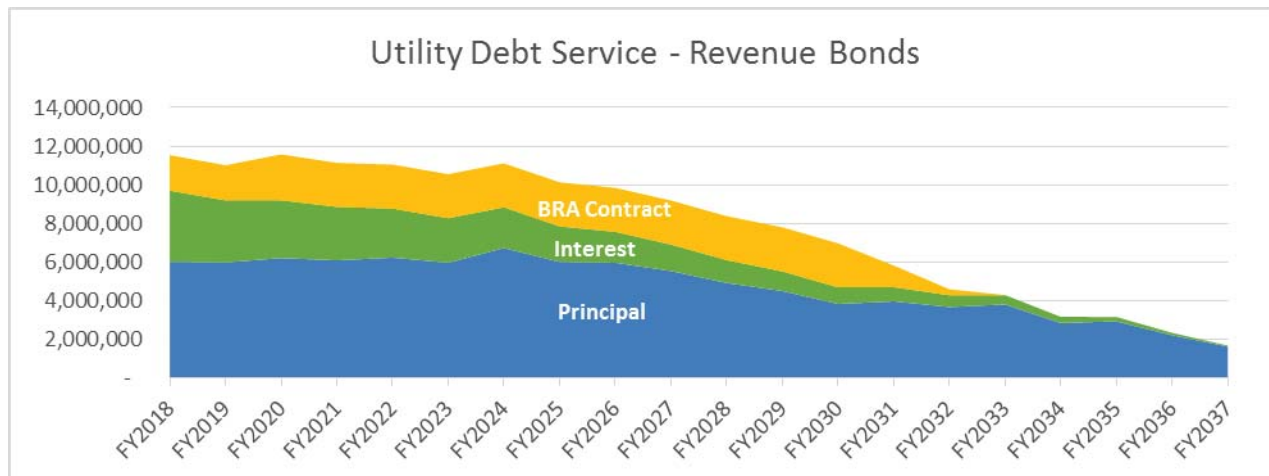
Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements
FY2018	6,685,000	560,000	282,950	842,950
FY2019	6,125,000	570,000	266,150	836,150
FY2020	5,555,000	595,000	243,350	838,350
FY2021	4,960,000	620,000	219,550	839,550
FY2022	4,340,000	645,000	194,750	839,750
FY2023	3,695,000	670,000	168,950	838,950
FY2024	3,025,000	705,000	135,450	840,450
FY2025	2,320,000	740,000	100,200	840,200
FY2026	1,580,000	775,000	63,200	838,200
FY2027	805,000	805,000	32,200	837,200
Total		6,685,000	1,706,750	8,391,750



UTILITY DEBT

Revenue Bonds issued to finance construction of electric, water, and wastewater improvements, and secured by the net operating revenue of all combined utilities. The allocation of debt principal is based on the use of each bond issue. Each utility pays debt service from operating revenues. The Brazos River Authority Contractual Obligations are the liability of the Water Services Fund.

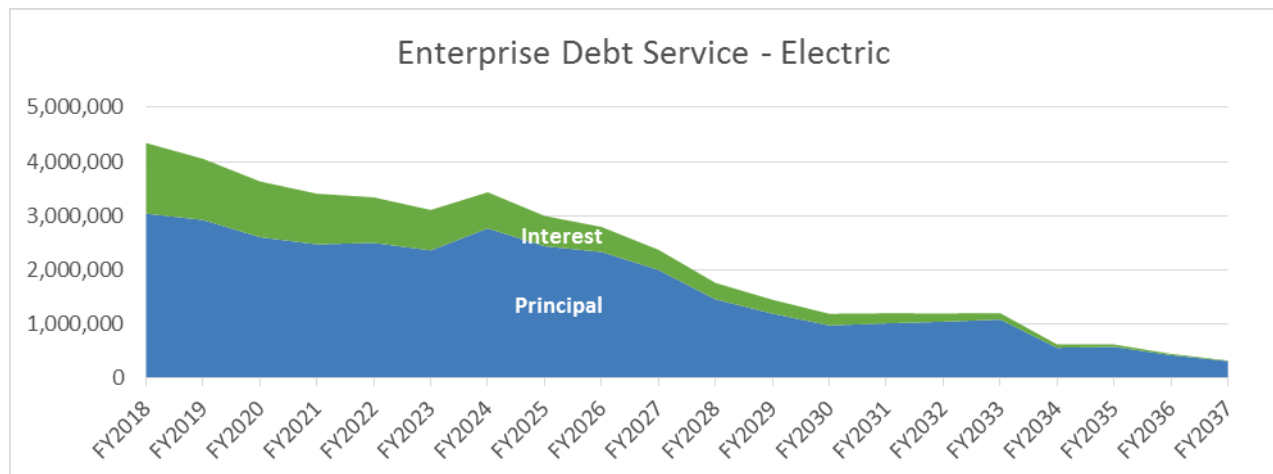
Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements	BRA Contract
FY2018	95,155,000	6,020,000	3,680,297	9,700,297	1,834,234
FY2019	89,135,000	5,987,500	3,208,981	9,196,481	1,818,222
FY2020	83,147,500	6,210,000	2,993,538	9,203,538	2,371,890
FY2021	76,937,500	6,095,000	2,766,108	8,861,108	2,277,352
FY2022	70,842,500	6,237,500	2,536,433	8,773,933	2,273,009
FY2023	64,605,000	5,970,000	2,305,833	8,275,833	2,276,986
FY2024	58,635,000	6,732,500	2,107,033	8,839,533	2,271,146
FY2025	51,902,500	6,015,000	1,838,702	7,853,702	2,278,252
FY2026	45,887,500	5,970,000	1,600,577	7,570,577	2,269,972
FY2027	39,917,500	5,542,500	1,372,977	6,915,477	2,274,261
FY2028	34,375,000	4,925,000	1,182,083	6,107,083	2,274,571
FY2029	29,450,000	4,510,000	1,011,683	5,521,683	2,279,158
FY2030	24,940,000	3,842,500	855,352	4,697,852	2,275,635
FY2031	21,097,500	3,972,500	735,201	4,707,701	1,119,659
FY2032	17,125,000	3,680,000	607,413	4,287,413	307,674
FY2033	13,445,000	3,810,000	488,875	4,298,875	-
FY2034	9,635,000	2,850,000	320,269	3,170,269	-
FY2035	6,785,000	2,940,000	225,344	3,165,344	-
FY2036	3,845,000	2,215,000	127,406	2,342,406	-
FY2037	1,630,000	1,630,000	55,013	1,685,013	-
Total		95,155,000	30,019,117	125,174,117	30,202,020



SUMMARY OF DEBT SERVICE CHARGES TO MATURITY

Electric – Utility Revenue Bonds, CO's, and Refinanced GO – Revenue Bonds.

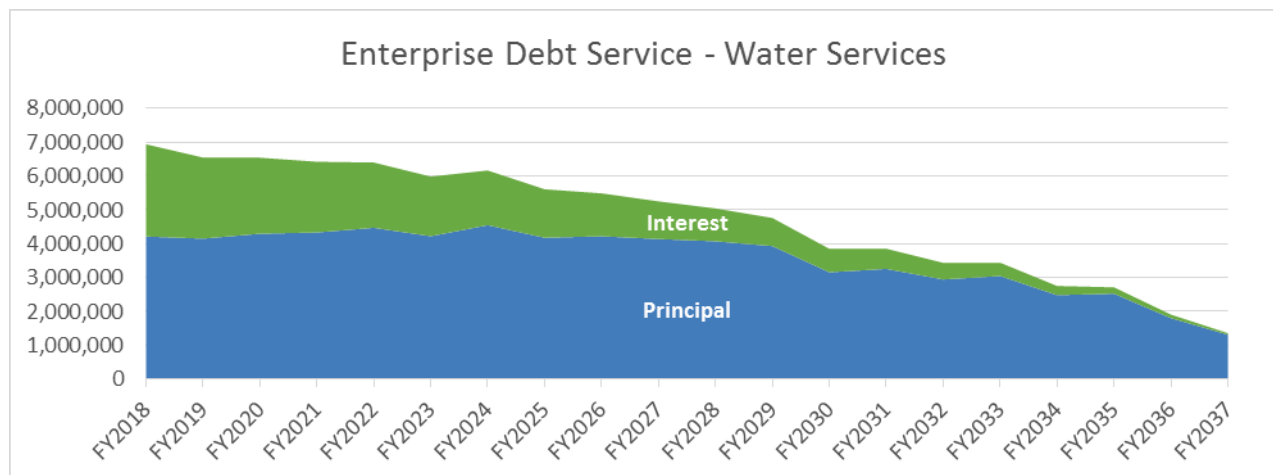
Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements
FY2018	34,080,554	3,040,013	1,305,301	4,345,314
FY2019	31,040,541	2,922,809	1,130,427	4,053,236
FY2020	28,117,732	2,605,438	1,028,583	3,634,020
FY2021	25,512,294	2,471,492	936,350	3,407,842
FY2022	23,040,802	2,500,466	840,718	3,341,184
FY2023	20,540,336	2,361,170	745,857	3,107,028
FY2024	18,179,166	2,767,376	667,647	3,435,023
FY2025	15,411,789	2,437,836	558,594	2,996,430
FY2026	12,973,953	2,331,401	461,559	2,792,960
FY2027	10,642,552	1,999,598	372,082	2,371,681
FY2028	8,642,954	1,456,533	304,268	1,760,801
FY2029	7,186,421	1,193,560	255,390	1,448,951
FY2030	5,992,860	973,832	215,887	1,189,719
FY2031	5,019,029	1,012,703	185,249	1,197,952
FY2032	4,006,325	1,042,954	152,106	1,195,060
FY2033	2,963,372	1,084,042	117,953	1,201,995
FY2034	1,879,330	560,323	62,662	622,985
FY2035	1,319,007	578,673	43,916	622,589
FY2036	740,334	425,334	24,554	449,888
FY2037	315,000	315,000	10,631	325,631
Total		34,080,554	9,419,736	43,500,290



SUMMARY OF DEBT SERVICE CHARGES TO MATURITY

Water Services – Utility Revenue Bonds, CO's, and Refinanced GO – Revenue Bonds.

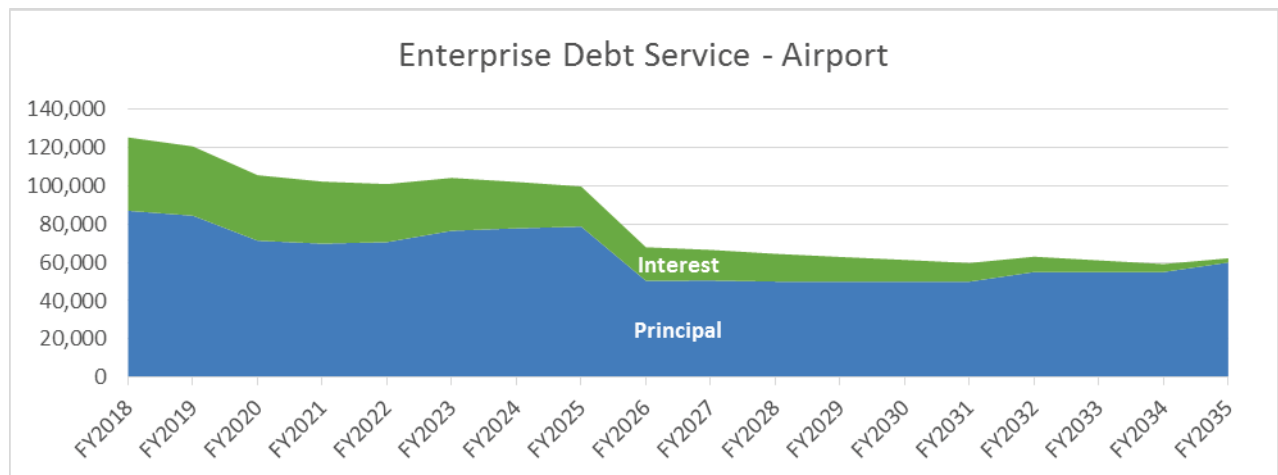
Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements
FY2018	71,371,267	4,217,419	2,724,871	6,942,290
FY2019	67,153,848	4,155,711	2,396,189	6,551,899
FY2020	62,998,137	4,298,679	2,248,362	6,547,041
FY2021	58,699,458	4,337,894	2,090,441	6,428,335
FY2022	54,361,564	4,476,054	1,928,368	6,404,421
FY2023	49,885,510	4,226,797	1,761,512	5,988,309
FY2024	45,658,713	4,554,430	1,615,429	6,169,859
FY2025	41,104,284	4,180,172	1,434,013	5,614,185
FY2026	36,924,112	4,222,918	1,269,427	5,492,345
FY2027	32,701,194	4,142,807	1,113,086	5,255,892
FY2028	28,558,387	4,076,197	971,259	5,047,455
FY2029	24,482,190	3,934,363	830,195	4,764,558
FY2030	20,547,828	3,160,110	693,178	3,853,288
FY2031	17,387,717	3,261,239	594,576	3,855,815
FY2032	14,126,479	2,947,984	489,982	3,437,966
FY2033	11,178,494	3,048,892	395,127	3,444,019
FY2034	8,129,602	2,483,609	270,881	2,754,490
FY2035	5,645,993	2,526,327	187,765	2,714,092
FY2036	3,119,666	1,804,666	103,302	1,907,968
FY2037	1,315,000	1,315,000	44,381	1,359,381
Total		71,371,267	23,162,342	94,533,610



SUMMARY OF DEBT SERVICE CHARGES TO MATURITY

Certificates of Obligation – SELF-SUPPORTING – Enterprise Funds – Airport. Debt issued for specific purpose and repaid through dedicated revenues.

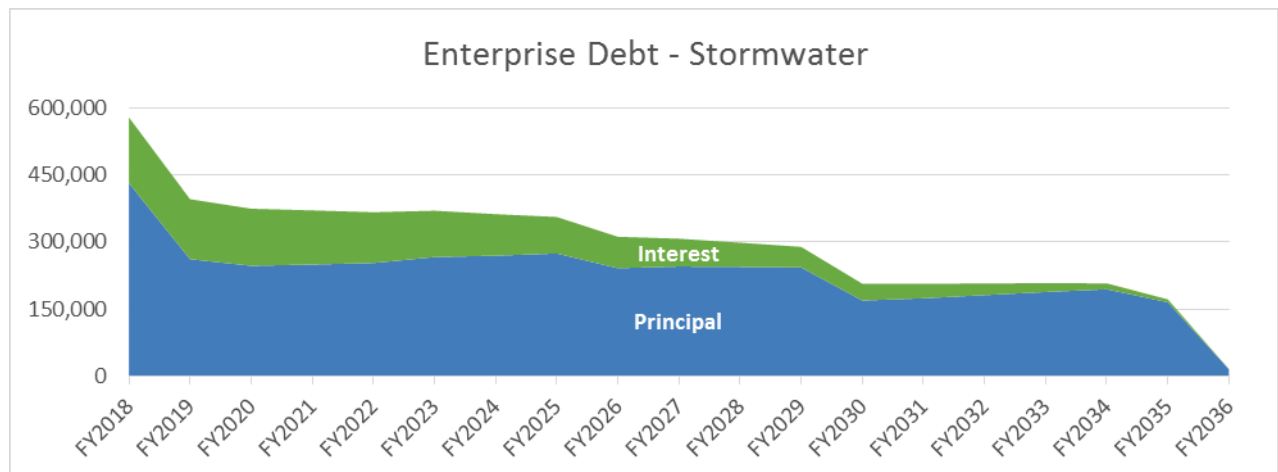
Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements
FY2018	1,142,307	86,991	38,270	125,261
FY2019	1,055,316	84,410	36,139	120,549
FY2020	970,906	71,358	34,168	105,526
FY2021	899,548	69,813	32,378	102,191
FY2022	829,735	70,605	30,283	100,888
FY2023	759,130	76,555	27,564	104,118
FY2024	682,576	77,792	24,252	102,044
FY2025	604,784	78,736	20,893	99,629
FY2026	526,048	50,444	17,499	67,943
FY2027	475,604	50,572	15,980	66,552
FY2028	425,032	50,032	14,457	64,489
FY2029	375,000	50,000	12,894	62,894
FY2030	325,000	50,000	11,331	61,331
FY2031	275,000	50,000	9,706	59,706
FY2032	225,000	55,000	8,019	63,019
FY2033	170,000	55,000	6,094	61,094
FY2034	115,000	55,000	4,169	59,169
FY2035	60,000	60,000	2,175	62,175
Total		1,142,307	346,272	1,488,579



SUMMARY OF DEBT SERVICE CHARGES TO MATURITY

Certificates of Obligation – SELF-SUPPORTING – Enterprise Funds – Stormwater. Debt issued for specific purpose and repaid through dedicated revenues.

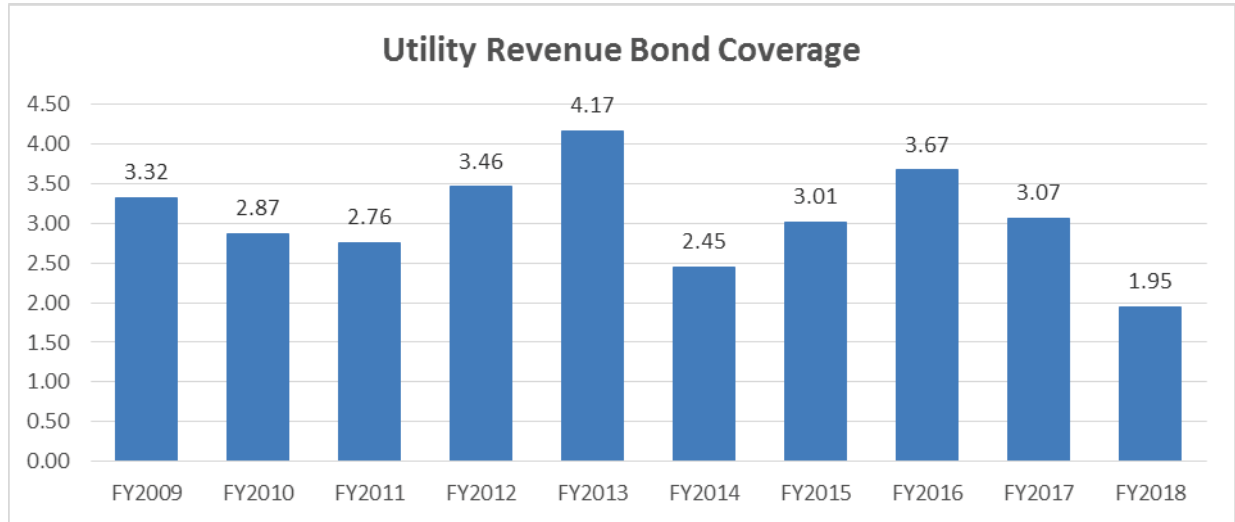
Year Ending September 30	Outstanding Beginning of Year	Principal	Interest	Total Requirements
FY2018	4,309,729	431,606	146,692	578,299
FY2019	3,878,123	261,475	134,035	395,510
FY2020	3,616,648	246,524	127,638	374,162
FY2021	3,370,124	249,356	121,017	370,373
FY2022	3,120,768	252,833	113,389	366,222
FY2023	2,867,936	266,098	103,657	369,755
FY2024	2,601,838	269,141	92,757	361,898
FY2025	2,332,697	274,124	81,632	355,756
FY2026	2,058,573	241,107	70,241	311,348
FY2027	1,817,466	244,864	62,320	307,184
FY2028	1,572,602	243,970	54,224	298,194
FY2029	1,328,632	242,944	45,906	288,850
FY2030	1,085,688	168,942	37,604	206,546
FY2031	916,746	173,942	32,190	206,132
FY2032	742,804	180,938	26,225	207,163
FY2033	561,866	187,934	19,818	207,752
FY2034	373,932	193,932	13,274	207,206
FY2035	180,000	165,000	6,338	171,338
FY2036	15,000	15,000	450	15,450
Total		4,309,729	1,289,407	5,599,136



UTILITY REVENUE BOND DEBT COVERAGE

The City has agreed, through its bond ordinances, to maintain a minimum “times coverage” ratio of 1.25. The ordinance allows the City to eliminate its reserve fund requirement with coverage of 1.35 or better. The times ratio is calculated using the net revenue available for debt service from the combined Water, Electric, and Wastewater utilities’ operations divided by the combined debt service requirement of both the Electric and Water Service Funds. The times coverage ratio is also reviewed by bond rating agency analysts when the City receives a rating for a potential utility bond issue.

The following combined times coverage ratios have occurred, based on actual revenues and expenditures, for the fiscal years indicated:



The Annual Budget provides the revenue to debt ratios shown below. The City’s Fiscal and Budgetary Policy requires that each utility maintain separate coverage of at least 1.5. The excess coverage provided by each fund is used to pay for related utility system capital improvements and other uses approved by the City Council.

	Water Services Fund	Electric Fund	Total
REVENUE			
All Other Revenue	2,173,750	3,255,981	5,429,731
Interest	192,385	48,318	240,703
System Billings	45,790,808	67,595,139	113,385,947
Total Revenues	48,156,943	70,899,438	119,056,381
EXPENSES			
Departments	32,707,445	65,502,278	98,209,723
Total Expenditures	32,707,445	65,502,278	98,209,723
Net Available for Debt Service	15,449,498	5,397,160	20,846,658
Annual Debt Requirement	6,363,991	4,345,314	10,709,305
Times Coverage Ratio	2.43	1.24	1.95

PROPOSED DEBT ISSUES

Outstanding Debt Summary	Outstanding 9/30/17	FY2018 Principal	Estimated FY2018	Estimated 9/30/18
TAX SUPPORTED DEBT				
General Debt Service				
General Obligation/Certificates of	132,635,872	(8,414,539)	35,150,000	159,371,333
SELF SUPPORTED DEBT				
General Debt Service				
Rivory TIRZ	8,060,000	(315,000)	-	7,745,000
Electric	-	-	-	-
Water	-	-	-	-
Stormwater	430,729	(431,606)	900,000	899,123
ESD #8	-	-	-	-
Airport	1,142,307	(86,991)	150,000	1,205,316
GTEC	8,162,501	-	-	8,162,501
Total General Debt Service	150,431,409	(9,248,136)	36,200,000	177,383,273
Utility Revenue Debt				
Electric	34,080,554	(3,040,013)	6,537,000	37,577,541
Water	67,061,538	(3,758,813)	-	69,122,627
Total Utility Revenue Debt	101,142,092	(6,798,826)	6,537,000	100,880,266
TOTAL OUTSTANDING DEBT	251,573,501	(16,046,962)	42,737,000	278,263,539

GENERAL DEBT: Long-term obligations are proposed to fund capital projects as detailed below:

	<input type="button" value="v"/> FY2018 Budget
<input type="checkbox"/> Tax Supported Debt	
<input type="checkbox"/> Certificate of Obligation	
ADA Facilities	150,000
ADA Transition Plan Parks	150,000
Animal Services Relocation	100,000
Downtown Parking Expansion	250,000
Downtown West Signage	125,000
Enterprise Resource Planning System	2,700,000
Fire Station 6	300,000
Fire Station 7	2,000,000
GMC Remodel	100,000
Public Safety Radio Replacement	500,000
Public Safety Vehicles	1,799,000
Sidewalks	576,000
Certificate of Obligation Total	8,750,000

	FY2018 Budget
[-] Tax Supported Debt	
[-] General Obligation	
FM 1460	1,950,000
FM 971	3,900,000
Katy Crossing Trail	500,000
Leander Road to SW Bypass	1,550,000
Northwest Blvd Bridge	10,500,000
Rivery Blvd Extension	4,500,000
San Gabriel Park	3,500,000
General Obligation Total	26,400,000

	FY2018 Budget
[-] Self Supporting Debt	
[-] Revenue Bond	
Airport CIP	150,000
Stormwater CIP	900,000
Revenue Bond Total	1,050,000

	FY2018 Budget
[-] Utility Debt	
[-] Revenue Bond	
Electric CIP	6,537,000
Revenue Bond Total	6,537,000

AUTHORIZED GENERAL OBLIGATION DEBT

GENERAL OBLIGATION BONDS (GO's)

General obligation bonds must be authorized by a vote of the citizens of Georgetown. They are used only to fund capital assets of the general government and are not to be used to fund operating needs of the City. The full faith and credit of the City as well as the City's ad valorem taxing authority back general obligation bonds. Conditions for issuance of the general obligation debt include:

- When the project will have a significant impact on the tax rate;
- When the project may be controversial even though it is routine in nature; or
- When the project falls outside the normal bounds of projects the City has typically done.

General Obligation Debt Authorized by the Voters	2008 Roads	2008 Parks	2015 Roads	Total
Amount Authorized by the Voters	46,000,000	35,500,000	105,000,000	186,500,000
Year & Issue				
2010	1,370,000	-	-	1,370,000
2010A	9,430,000	2,500,000	-	11,930,000
2012	-	-	-	-
2012A	-	-	-	-
2013	-	5,000,000	-	5,000,000
2014	4,800,000	-	-	4,800,000
2015	4,450,000	-	-	4,450,000
2015A		1,700,000	10,000,000	11,700,000
2016		3,000,000	10,000,000	13,000,000
2017		6,500,000	2,632,000	9,132,000
Total Issued	20,050,000	18,700,000	22,632,000	61,382,000
Authorization Remaining	25,950,000	16,800,000	82,368,000	125,118,000

STATISTICAL



Shopping on the Square

STATISTICAL

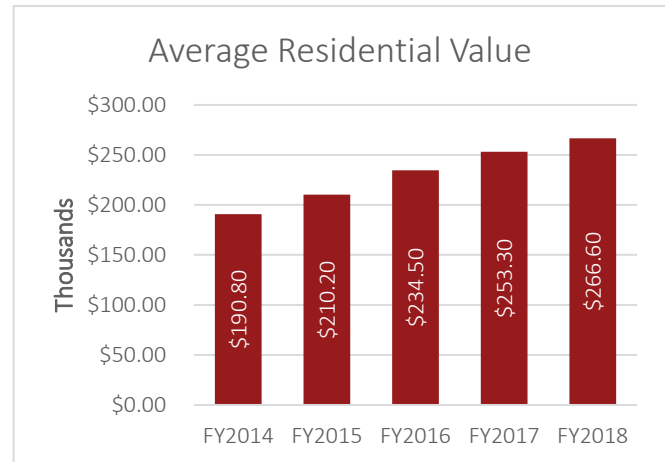
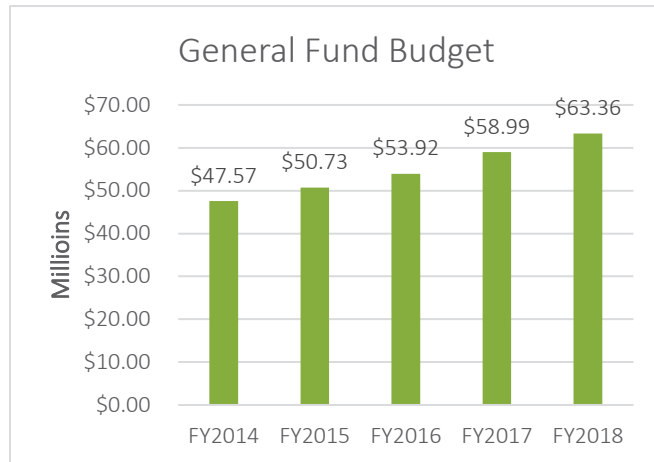
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STATISTICAL INFORMATION

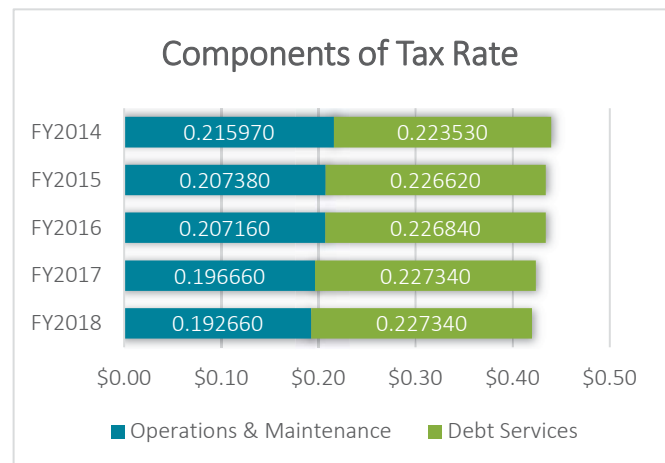
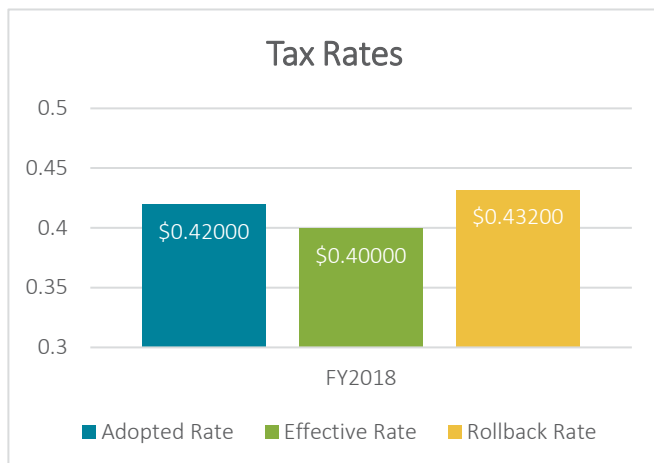
KEY INDICATORS

Home values in Georgetown have increased over the past three years. The average home in Georgetown is now valued at over \$266,598. Over this three-year period, US Census data showed that for cities with over 50,000 residents Georgetown was the seventh fastest growing city in 2014, the second fastest growing city in 2015, the fastest growing city in 2016, and one of the fastest growing cities in 2017.



TAX RATE

The **adopted rate** is 42 cents per \$100 valuation, and represents the lowest rate in the greater Austin MSA with a population over 20,000. The **effective rate** is the rate the City would need to charge in order to produce the same amount of property tax revenues as last year while using the new valuations of the current year. Typically, property values appreciate from year to year. In most years, the increased value of a property means a lower tax rate could produce the same amount of revenue. For example, a home valued at \$100,000 with a tax rate of 42 cents would produce \$420 in property tax revenue. If in the following year, the home is now valued at \$105,000, the effective rate would be 40 cents to produce the same \$420 worth of revenue. The effective rate enables the public to evaluate the relationship between taxes for the prior year and for the current year. The **rollback rate** is the maximum tax rate the City can set before the taxpayers can petition for an election to reduce the tax rate. After adjustments for debt calculations, the rollback rate is equal to the effective rate times 8%, or in this example 43.2 cents for FY2018.



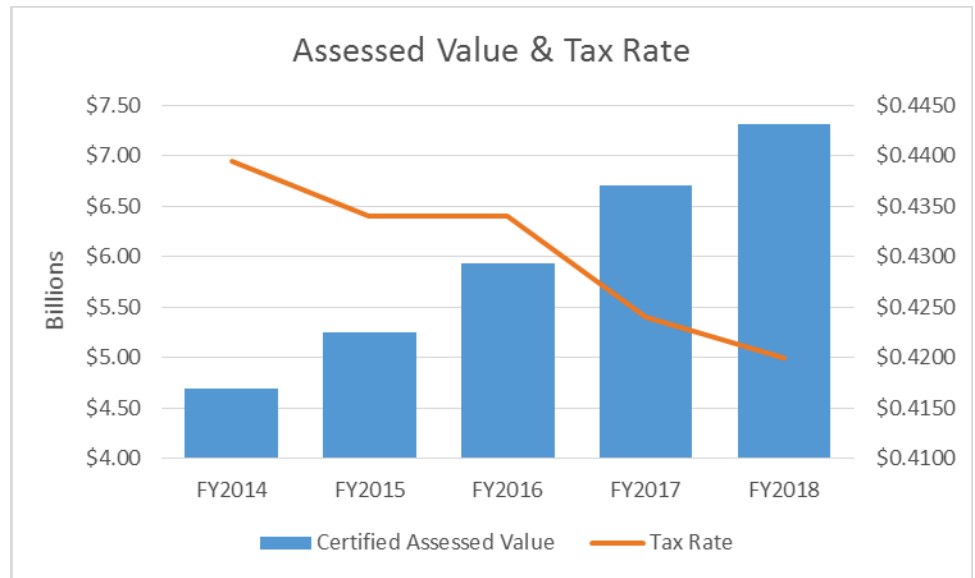
HISTORICAL CERTIFIED ASSESSED VALUE AND TAX RATE

Certified assessed values determine the tax base for the City and aids in the adoption of the tax rate. With increases in both commercial and residential development, the City has increased certified value by over \$2.6 billion since FY2014. With these increases and future growth projections, the City is able to generate significantly more revenue while maintaining one of the lowest tax rates in the Central Texas region.

For FY2018, the *Assessed Value* (AV) totals \$7.3 billion. This represents an increase of 8.87% over last year's AV and an increase of nearly 55% compared to five years ago. The increased valuation has allowed

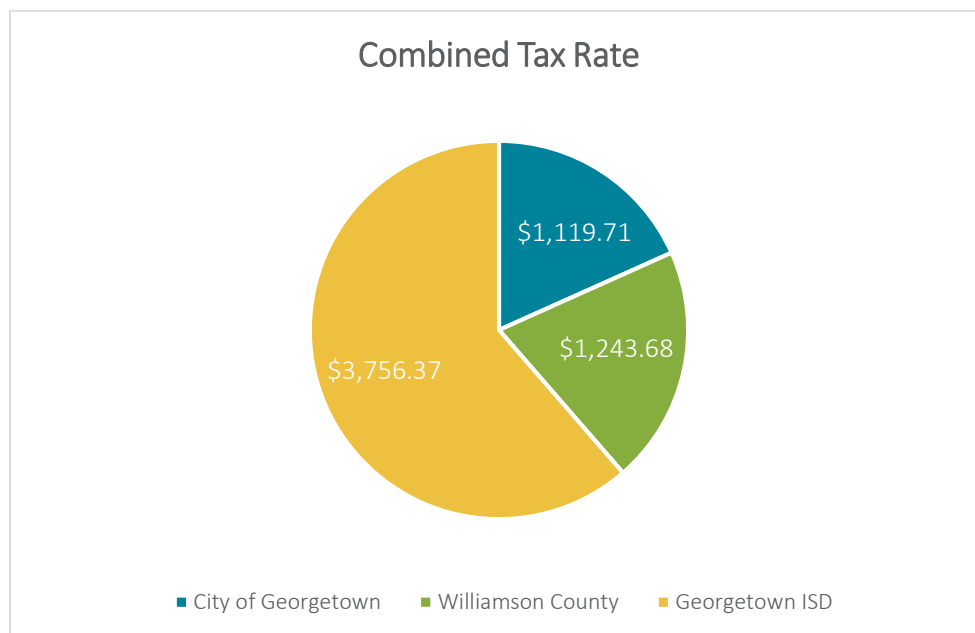
the City to maintain a low tax rate while still delivering high levels of service and new programs. In FY2018, the City's tax rate will decrease from 42.4 cents to 42.0 cents.

Fiscal Year	Certified Assessed Value	Tax Rate	Percentage Change
FY2014	4,694,586,750	0.43950	4.79%
FY2015	5,253,246,873	0.43400	11.90%
FY2016	5,934,665,839	0.43400	12.97%
FY2017	6,709,678,105	0.42400	13.06%
FY2018	7,304,885,572	0.42000	8.87%



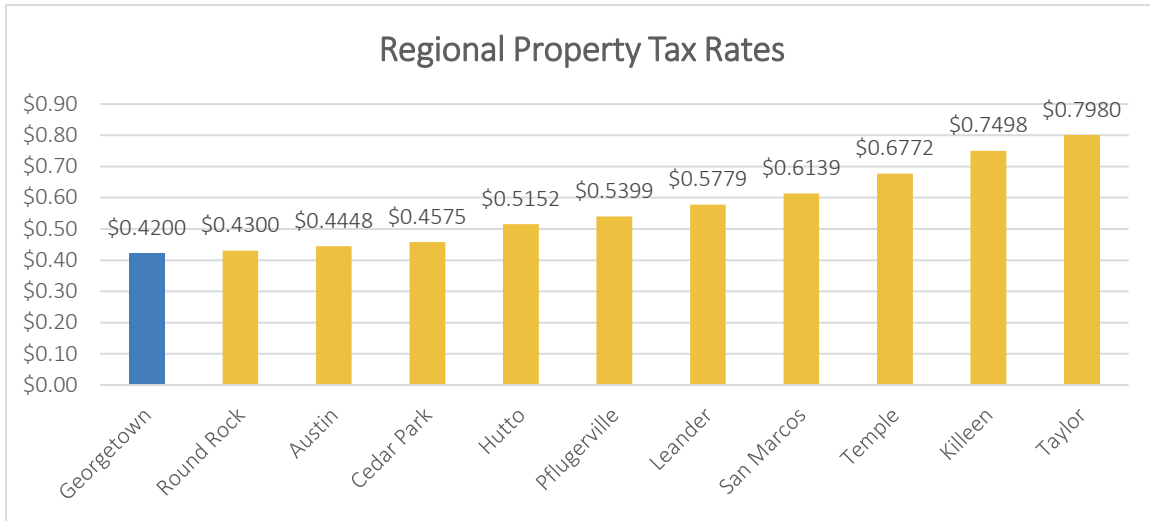
COMBINED TAX RATE

The total combined property tax bill in the City of Georgetown totals \$2.30 per 100 of valuation. Based on the average home value of \$266,598, the City of Georgetown's portion of the average property tax bill totals \$1,119.71.



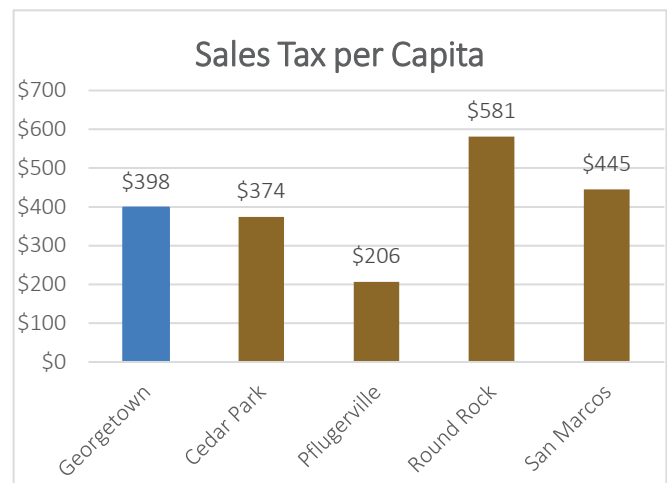
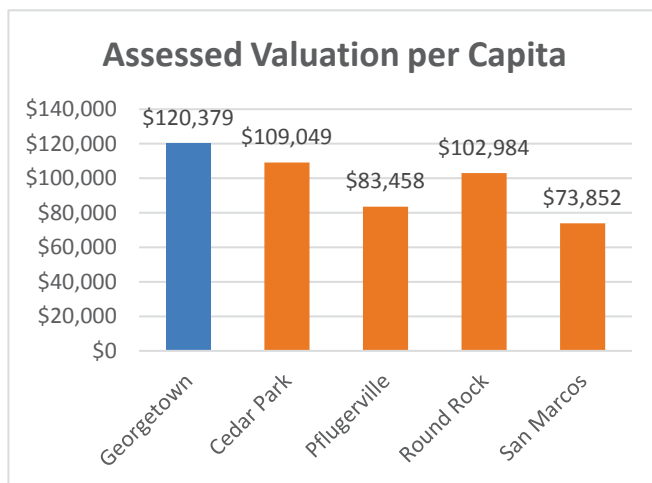
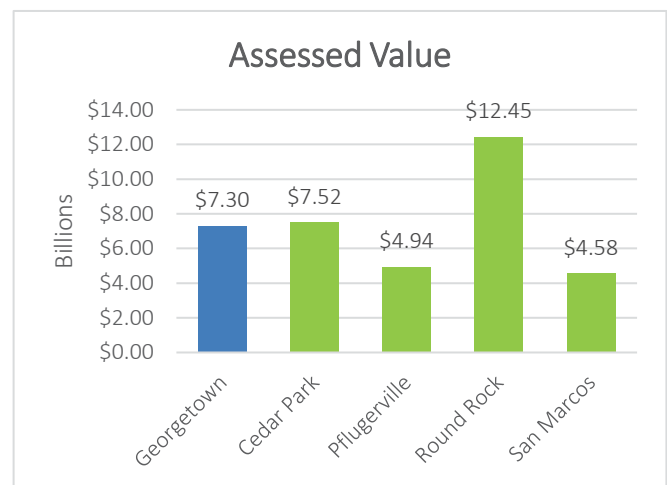
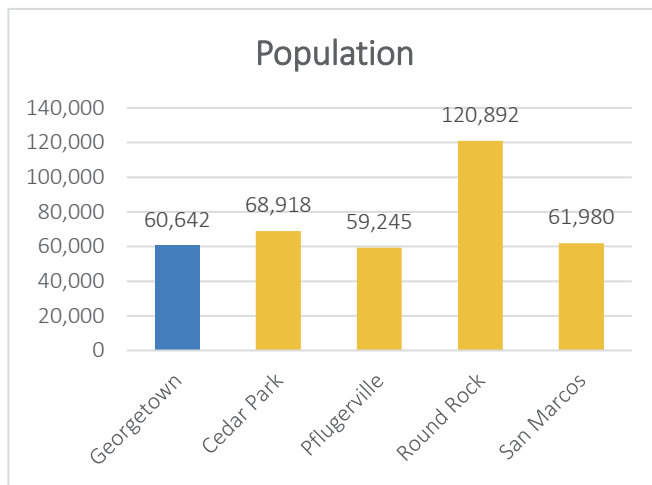
CITY PROPERTY TAX RATE COMPARISON

The City of Georgetown's tax rate is the lowest in the region.



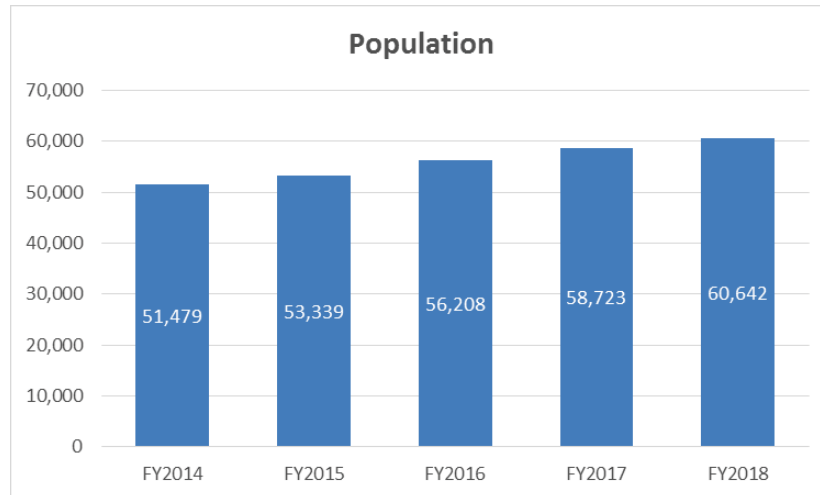
PEER BENCHMARKING

The City utilizes peer-benchmarking techniques to provide a point of reference for comparison. The City is mindful to compare the organization to similarly sized central Texas cities in order to obtain meaningful data.



POPULATION AND GEORGETOWN'S TOP TEN

Georgetown is the County Seat for Williamson County, one of the fastest growing cities over 50,000 in the nation as published by the US Census Bureau. The graph below shows the five-year population trend.



GEORGETOWN'S TOP TEN

Taxpayers

Taxpayer	Assessed Value
1 Citicorp of North America, Inc	\$116,019,544
2 Citigroup Technology, Inc	\$87,000,000
3 WPG Wolf Ranch, LLC	\$75,941,409
4 Georgetown Rail and Equipment Co.	\$42,818,693
5 The Bassham Trust	\$37,769,282
6 St. David's Hospital	\$36,055,613
7 Westinghouse Pointe Apartments	\$31,673,048
8 Vantage at Georgetown	\$31,154,590
9 Summit at Rivery Park	\$27,223,036
10 Two Rivers	\$26,666,527

Employers

Employer	Number of Employees
1 Williamson County Government	1,603
2 Georgetown Independent School District	1,543
3 City of Georgetown	757
4 Airborn, Inc.	500
5 St. David's Georgetown Hospital	485
6 Southwestern University	450
7 Wesleyan Homes, Inc.	355
8 Caring Home Health	269
9 Lone Star Circle of Care	201
10 Sun City (Del Webb)	170

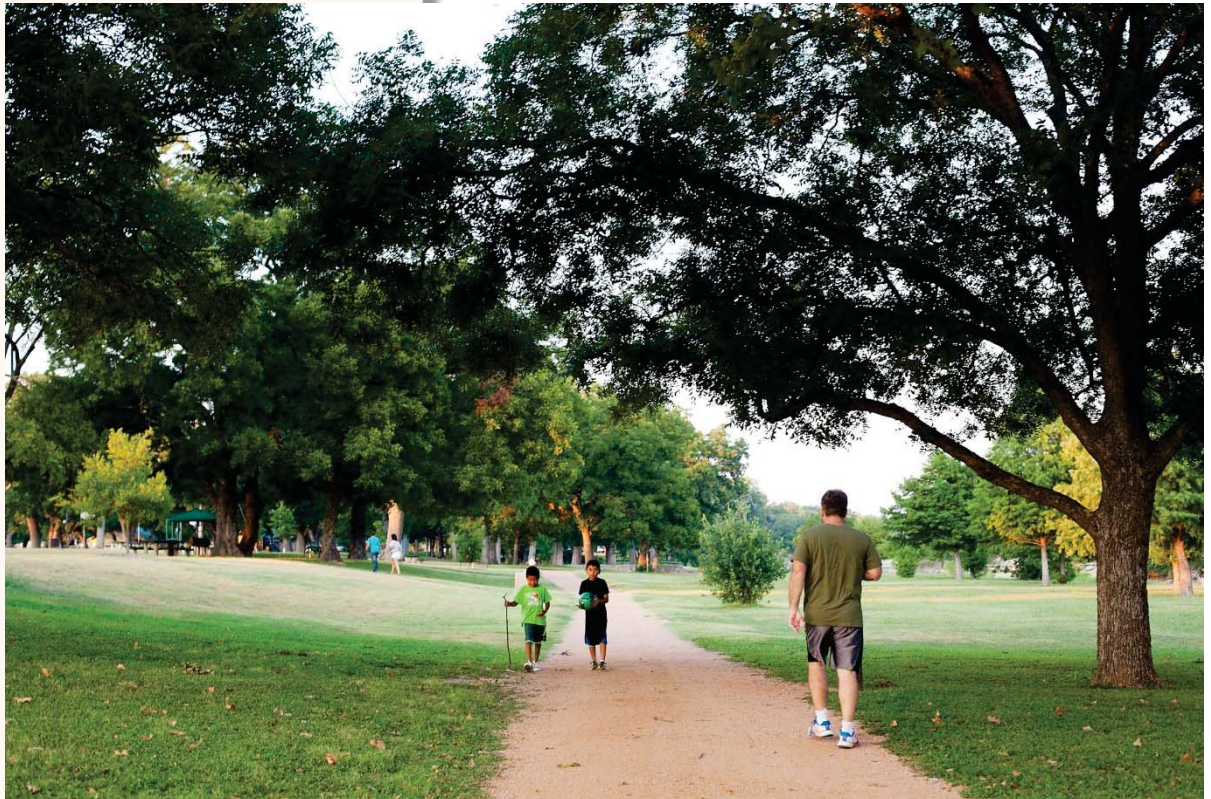
Water Customers

Customer	Gallons Consumed
1 Southwestern University	55,895
2 Southwest Materials	48,029
3 City of Georgetown	41,769
4 Williamson County	36,512
5 Georgetown ISD	33,393
6 Teravista HOA	30,377
7 Citicorp of North America, Inc	26,505
8 Sun City Tx Comm Assoc	24,998
9 Wesleyan Homes	24,998
10 St. David's Hospital	23,768

Wastewater Customers

Customer	Gallons Consumed
1 Citicorp of North America, Inc	44,649
2 Southwestern University	40,121
3 Williamson County	29,441
4 Georgetown ISD	24,798
5 St. David's Hospital	20,276
6 Cypress Creek at River Bend	19,232
7 Wesleyan Homes	16,199
8 Georgetown Place Apartments	15,999
9 City of Georgetown	13,864
10 Indian Creek Apartments	13,555

REFERENCE



San Gabriel Park

REFERENCE

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Fiscal and Budgetary Policy

Adopted: September 12, 2017

I. PURPOSE

The City of Georgetown is committed to financial management through integrity, prudent stewardship, planning, accountability, full disclosure and communication. The broad purpose of the Fiscal and Budgetary Policies is to enable the City and its related component units, including the Georgetown Transportation Enhancement Corporation (GTEC) and the Georgetown Economic Development Corporation (GEDCO), to achieve and maintain a long-term stable and positive financial condition, and provide guidelines for the day-to-day planning and operations of the City's financial affairs.

Policy scope generally spans areas of accounting, operational and capital budgeting, revenue and expenditure management, financial reporting, internal controls, investment and asset management, debt management and forecasting. This is done in order to:

- A. Demonstrate to the citizens of Georgetown, the investment community, and the bond rating agencies that the City is committed to a strong fiscal operation;
- B. Provide precedents for future policy-makers and financial managers on common financial goals and strategies;
- C. Fairly present and fully disclose the financial position of the City in conformity to generally accepted accounting principles (GAAP); and
- D. Demonstrate compliance with finance-related legal and contractual issues in accordance with the Texas Local Government Code and other legal mandates.

These policies will be reviewed and updated annually as part of the budget preparation process.

II. FUND STRUCTURE AND BASIS OF BUDGETING

The budgeted funds for the City of Georgetown include:

Governmental Funds:

General Fund which accounts for all financial resources except those required to be accounted for in another fund, and include basic governmental services, such as Street Maintenance, Planning and Development, Police, Fire, Parks, as well as Solid Waste Management.

Special Revenue Funds (SRF) account for specific revenues that are legally restricted for specified purposes. The City currently budgets 26 SRF Funds and includes Tourism, Parkland Dedication, Library Donations, Animal Services Donations, and Street Maintenance Sales Tax.

Debt Service Fund is used to account for the payment of general long-term debt principal and interest.

Capital Project Funds are used to account for the acquisition or construction of major capital facilities other than those financed by enterprise activities.

Proprietary Funds:

Internal Service Funds account for goods or services provided by one internal department to another. The City uses this system to recognize cost for fleet replacement and maintenance, facility maintenance, computer replacement and maintenance and employee health insurance costs.

Enterprise Funds include the City's "business like" activities including all the utility funds and the airport.

Basis of Accounting and Basis of Budgeting

The City accounts and budgets for all **Governmental Funds** using the modified accrual basis of accounting. This basis means that revenue is recognized in the accounting period in which it becomes available and measurable, while expenditures are recognized in the accounting period in which they are incurred. Because the appropriated budget is used as the basis for control and comparison of budgeted and actual amounts, the basis for preparing the budget is the same as the basis of accounting. Exceptions to the modified accrual basis of accounting include:

- Encumbrances, which are treated as expenditures in the year they are encumbered, not when expended
- Grants, which are considered revenue when awarded, not received
- Principal and interest on long-term debt, which are recognized when paid.

General government funds include the General Fund, special revenue funds, debt service fund and general capital project funds.

Proprietary Funds, which include the enterprise and internal service funds are accounted and budgeted using the full-accrual basis of accounting. Under this method, revenues are recognized when they are earned and measurable, while expenses are recognized when they are incurred regardless of timing or related cash flows. The basis for preparing the budget is the same as the basis of accounting except for principal payments on long-term debt and capital outlay which are treated as budgeted expenses. Exceptions include:

- Depreciation which is not budgeted
- Non-budgeted accruals such as compensated absences.

III. OPERATING BUDGET

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The operating budget is the City's annual financial operating plan. The annual budget includes all of the operating departments of the General Fund, proprietary funds, debt service funds, special revenue funds, and capital improvement funds of the City.

- A. **Form of Government** – The Charter (Section 1.03) established a "Council-Manager Government" wherein the City vests power in the City Council to "enact legislation, adopt budgets, determine policies, and appoint the City Manager who shall execute the laws and administer the government of the City."

- B. **Comprehensive Plan** – The Charter (Section 1.08) requires that the City Council “establish comprehensive planning as a continuous and ongoing governmental function in order to promote and strengthen the existing role, processes and powers of the City of Georgetown.” The current comprehensive plan is the 2030 Plan adopted in 2006.
- C. **Preparation** – The *Charter (Section 6.02)* requires “a proposed budget prepared by the City Manager and submitted to the City Council at least thirty days prior to the end of the fiscal year. The budget shall be adopted not later than the twenty-seventh day of the last month of the fiscal year. No budget will be adopted or appropriations made unless the total estimated revenues, income and funds available shall be equal to or in excess of such budget or appropriations, except otherwise provided.”
1. **Proposed Budget** – A proposed budget shall be prepared by the City Manager with participation of all of the City’s Directors within the provision of the *Charter* and the 2030 Plan.
 - a. The budget shall include four basic segments for review and evaluation:
 - Revenue
 - Personnel Costs
 - Operations and Maintenance Costs
 - Capital and other non-project Costs
 - b. The budget review process will include City Council participation in the development of each segment and allow for resident participation in the process, and will allow for sufficient time to address policy and fiscal issues by the City Council.
 - c. A copy of the proposed and approved budgets will be filed with the City Secretary when it is submitted to the City Council and will be available on the City’s website.
 2. **Adoption** – Upon finalization of the budget appropriations, the City Council will hold a public hearing, and subsequently adopt by Ordinance the final budget as amended. The budget will be effective for the fiscal year beginning October 1st.

The Annual Budget document will be submitted annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the Distinguished Budget Presentation Award.

- D. **Balanced Budget** – The goal of the City is to adopt and maintain a balanced operating budget using sustainable funding sources that are expected to continue to be available in subsequent fiscal years. Excess balances in operating funds from previous fiscal years shall remain in the fund in which they were appropriated until either such excess balances are proposed and adopted pursuant to *Section III. C. Preparation* of this policy; until they are used to reduce outstanding debt obligations of the City; or both.

The *Charter (Section 6.04)* requires that an operating deficit created in any fiscal year shall be paid off and discharged during the following year. In practice, deficit has been interpreted to mean City funds as a whole. The City Council may choose from time to time to allow individual funds to have a negative balance as long as Operating Reserve requirements for the City as a whole are maintained.

- E. **Planning** – The budget process will be coordinated so that major policy issues are identified prior to the budget approval date. This will allow City Council adequate time for consideration of appropriate decisions and analysis of financial impacts.
- F. **Reporting** – Summary financial reports will be presented to the City Council quarterly. These reports will be in a format appropriate to enable the City Council to understand the overall budget and financial status.
- G. **Control and Accountability** – Each Director, appointed by the City Manager, will be responsible for the administration of his/her departmental budget. This includes accomplishing the Goals and Objectives adopted as part of the budget and monitoring each department budget for compliance with spending limitations. Directors may transfer funds up to \$20,000 within the operations and maintenance or capital line items within a departmental budget category without additional approval. All transfers from or to the Personnel line items require approval of the Finance Director and City Manager. All other transfers of appropriation or budget amendments require either City Council or City Manager approval as outlined in *Section III.H Budget Amendments* and *Section V.C.4 Use of Excess Salary Savings*.
- H. **Budget Amendments** – The *Charter (Section 6.04)* provides a method to amend for budget amendments and emergency appropriations. The City Council may authorize with a majority plus one vote, an emergency expenditure as an amendment to the original budget. This may be done in cases of grave public necessity to meet an unusual and unforeseen condition that was not known at the time the budget was adopted. In practice, this has been interpreted to include revenue-related expenses within the enterprise funds and timing differences on capital improvement projects. The following criteria will be used in evaluation of budget amendments:

- Is the request necessary?
- Why was the item not budgeted in the normal budget process?
- Why can't a transfer be done within the Division to remedy the condition?

The Finance Director must certify availability of revenues or funding sources prior to adoption.

The City will amend the budget at year end, if needed, for revenue based expenditures that exceeded budgeted amounts due to increased revenue and recognize any grant funded expenditures for grants received after the budget was adopted or last amended. The City will also amend the budget if necessary for any capital project timing adjustments from prior year, as well as, any other known adjustments needed and approved at that time.

- I. **Contingency Appropriations** – The budget may include contingency appropriations within designated operating department budgets. These funds are used to offset expenditures for unexpected maintenance or other unanticipated expenses that might occur during the year. Currently, the City maintains contingency appropriations for insurance deductibles, unexpected legal expenses and equipment repairs.
- J. **Use of Unanticipated and Unappropriated General Fund Balances** – Within 90 days after fiscal year end, staff will report the projected General Fund balance to Council. In the event that unexpected, unbudgeted amounts are determined to be available in the General Fund after year end, these funds may be used for any of the following purposes, as approved by the City Council:

1. to fund capital projects;
2. to fund equipment purchases in lieu of issuing debt;
3. to reduce outstanding City debt, including bonded indebtedness and unfunded pension liabilities;
4. to fund contingent liabilities such as the benefit payout reserve, cemetery trust fund, and similar obligations of the City;
5. to take other steps to reduce property tax rates or mitigate any future increases;
6. to hold those funds in reserve for future commitments or contingencies that may be pending, and/or;
7. to fund an Economic Uncertainty Reserve of annual General Fund operating expenditures according to *Section XVI, A, 2, b, Economic Uncertainty Reserve*.

IV. REVENUE MANAGEMENT

A. **Characteristics** – The City will strive for the following optimum characteristics in its revenue system:

1. **Simplicity** – The City, where possible and without sacrificing accuracy, will strive to keep the revenue system simple in order to reduce compliance costs for the taxpayer or service recipient.
2. **Certainty** – A knowledge and understanding of revenue sources increases the reliability of the revenue system. The City will understand its revenue sources and enact consistent collection policies to provide assurances that the revenue base will materialize according to budget.
3. **Equity** – The City shall make every effort to maintain equity in its revenue system; i.e., the City should seek to minimize or eliminate all forms of subsidization between entities, funds, services, utilities, and customer classes, and ensure an on-going return on investment for the City.
 - a. The City will make every effort to recognize the benefit that City tax payers contribute to City programs and services.
 - b. The annual Parks and Recreation residential membership rates are established at 75% of non-residential rates plus or minus 10% at the discretion of the Parks and Recreation Director in keeping with the targeted market cost recovery.
4. **Revenue Adequacy** – The City should require there be a balance in the revenue system; i.e., the revenue base will have the characteristics of fairness and neutrality as it applies to cost of service, willingness to pay, and ability to pay.

Overall Operational Cost Recovery for Parks and Recreation for the Recreation and Tennis Centers is targeted to be between 50 – 60%, with some variance in individual programs.

5. **Realistic and Conservative Estimates** – Revenues will be estimated realistically, and conservatively, taking into account the volatile nature of various revenue streams.

6. Administration – The benefits of a revenue source should exceed the cost of levying and collecting that revenue.
 7. Diversification and Stability – A diversified revenue system with a stable source of income shall be maintained. This will help avoid instabilities in two particular revenue sources due to factors such as fluctuations in the economy and variations in the weather.
- B. Other Considerations – The following considerations and issues will guide the City in its revenue policies concerning specific sources of funds:
1. Cost/Benefit of Incentives for Economic Development – The City will use due caution in the analysis of any incentives that are used to encourage development. A cost/benefit (fiscal impact) analysis will be performed as part of the evaluation.
 2. Non-Recurring Revenues – One-time or non-recurring revenues should not be used to finance current ongoing operations.
 3. Sustainable Revenues – “Sustainable” means revenue that is consistently available year after year, and includes revenues realized subsequent to adopted projections.
 4. Property Tax Revenues – All real and business personal property located within the City will be valued at 100% of the fair market value for any given year based on the current appraisal supplied by the Williamson Central Appraisal District.
- Conservative budgeted revenue estimates result in a projected ninety-eight percent (98%) budgeted collection rate for current ad valorem taxes. Two percent (2%) of the current ad valorem taxes will be projected as the budget for delinquent ad valorem tax collection. For budgeting purposes, the City will forecast the proposed property tax rate using the effective maintenance & operations (M&O) rate plus the interest & sinking (I&S) rate needed to fund tax supported debt service. Increases to the M&O rate will be deliberated and determined by the City Council.
5. Interest Income – Interest earned from investments will be distributed to the funds in accordance with the equity balance of the fund from which the monies were provided to be invested.
 6. User-Based Fees and Service Charges – For services associated with a user fee or charge, the direct or indirect costs of that service will be offset by a fee where possible. The City will review fees and charges no less than once every two years to ensure that fees provide adequate coverage for the cost of services. The City Council will determine how much of the cost of a service should be recovered by fees and charges.
 7. Enterprise Fund Rates – The City will review and adopt utility rates as needed to generate revenues required to fully cover operating expenses, meet the legal requirements of all applicable bond covenants, and provide for an adequate level of working capital. Utility rates will be reviewed annually as part of the budget process. A rate study will be conducted every 3 years to review rate methodology and ensure revenues will meet future needs. All utility rates will be based on standardized “cost of service” methodologies.
 - **Water Rates** will recognize at least 75% of the “fixed” cost of service, including debt payments and ROI costs, within the monthly “base charge” determined by meter size.

“Volumetric charge” will recognize the balance of fixed costs not included in the base rate, plus all variable costs associated with procuring and treating water.

- **Wastewater Rates** are “flat and equal” for all residential customers based on the cost of providing services. Commercial customer rates are varied depending on size and specifications of each commercial customer.
- **Electric Rates** include 100% of fixed costs within the base rate, with all variable costs included in the kWh rate.
- **Stormwater Drainage Fees** are based on a mathematical calculation using impervious cover and applied in compliance with State Law.

A restricted **Power Contract Credit Reserve** has been established to provide financial assurances to the City’s wholesale power contract providers as fiscal surety against any potential risk on the City’s behalf and will be maintained as “restricted” fund balance on the City’s financial statements.

A **Rate Stabilization Reserve (RSR) Account** has been established in the Electric Fund to offset and mitigate potential impacts to customer rates due to increased fuel costs or other external factors that may negatively impact Electric Rates. The Rate Stabilization Reserve (RSR) may provide funding for:

- Deferring or minimizing the rate impact of future cost increases
- Costs associated with providing additional power supply
- Filling contractual obligations
- Balancing of annual power costs

RSR funds will be monitored monthly to ensure the electric rate is being managed per the Policy. Increases to RSR are made through the Power Cost Adjustment rate as determined by the fund, at the recommendation of the General Manager for Utilities.

8. **Internal Cost Recovery Fees** – Additionally, enterprise activity rates will include transfers to and receive credits from other funds as follows:
 - a. **General and Administrative Charges** – Administrative costs should be charged to all funds for services of general overhead, such as administration, finance, customer billing, legal and other costs as appropriate. These charges will be determined through an indirect cost allocation following accepted practices and procedures and reviewed annually by the City’s external auditors.
 - b. **Payment for Return on Investment** – The intent of this transfer is to provide a benefit to the citizens for the ownership of the various utility operations they own. For all utilities except for Electric:
 - *In-Lieu-of-Franchise-Fee.* This transfer, currently 3% of operating revenues generated inside the City, is consistent with the franchise rates charged to investor owned utilities franchised to operate within the City.

- *Return on Investment.* The return on investment (ROI) transfer for In-City utility customers is currently calculated at 7% of operating revenues for all utilities. ROI for water and sewer customers outside the City is 10% of operating revenues. There is no ROI calculated on solid waste revenues.

The Franchise and Return on Investment for the Electric Utility is derived from the base rate and kWh sold. The base rate revenue is multiplied by 7% for all customers. For customers inside the City, a \$0.0102 charge per kWh, equivalent to the 3% and 7% paid by other utility customers, will be included in the cost per kWh. For customers outside the City, a \$0.007253 charge per kWh, equivalent to the 7% ROI paid by utilities, will be included in the cost.

9. Intergovernmental Revenues – All potential grants will be examined for matching requirements and must be approved by the City Council prior to making application of the grant. It must be clearly understood that operational requirements (on-going costs) set up as a result of a grant program could be discontinued once the term and conditions of the program have been completed.
10. Revenue Monitoring – Received revenues will be regularly compared to budgeted revenues and variances will be investigated, and any abnormalities will be included in the quarterly report to the City Council.

V. EXPENDITURE MANAGEMENT

- A. Appropriations – The point of budget control is at the department level budget for all funds. The *Charter (Section 6.03)* provides that any transfer of appropriation between funds must be approved by the City Council and that the City Manager, without City Council approval, is authorized to transfer appropriations among departments, within the same operational division and fund. The City Manager may also authorize transfer of salary adjustment monies between funds that are budgeted in a citywide account.
- B. Expenditure Monitoring – Expenditures and encumbrances will be regularly compared to budget, variances will be investigated, and any abnormalities will be included in the quarterly report to the City Council. Projected year-end expenditures will be reported in the annual budget.
- C. Personnel Costs – Costs related to salaries and benefits are budgeted at 100% total costs, assuming open positions are filled throughout the fiscal year. New positions that are added during the budget process may have staggered hire dates with appropriate costs reflected in the budget.
 1. Vacancy Factor – Funds with Personnel Budgets greater than \$4 million will include a vacancy factor of at least 1% of total fund salaries and related benefits (retirement, FICA, Medicare) to offset salary savings within the budget. The vacancy factor will be budgeted as a negative expense within the fund. This factor will be reduced throughout the year as vacant positions are recognized within the department budget.

Compliance Status – General Fund and Joint Services Fund FY2018 in compliance.

2. Benefit Payout Reserve – The City will establish a benefit payout reserve equal to 15% of the accrued benefit liability for employees in the General and Joint Services Funds who are currently eligible to retire. Only terminating employee benefit expenses may be paid from this reserve. This reserve shall be funded as an offset to the vacancy factor.

Compliance Status – Benefit payout reserve FY2018 in compliance.

3. Position Control – The annual budget includes a set number of positions within departments when approved and adopted by City Council. Additional positions cannot be added without approval of the City Council. The City Manager may approve the transfer of authorized positions between departments if funds are available within the department.
 4. Use of Excess Salary Savings – Departmental savings generated due to open positions or other salary line item savings cannot be spent by the department unless previously approved by the City Manager and validated by Finance as “excess funds.”
- D. Special Purpose Funding – In order to support community assistance programs, the City designates specific funding for special purposes, including Social Services, Children’s Programs, and Public Art. The City reserves the ability to cap this special purpose funding when necessitated by budget contingency or compliance issues, such as revenue shortfalls, or other reasons as determined by City Council.
1. Strategic Partnerships for Community Services – The City of Georgetown values partnerships with organizations that are committed to addressing our communities’ greatest public challenges and has identified key priorities in the following areas:
 - Public Safety
 - Transportation
 - Housing
 - Parks & Recreation
 - Veteran Services
 - Safety Net

The City has targeted funding for these programs to be \$5.00 per capita, which may be adjusted to offset the effects of general inflation based upon Consumer Price Index. If previous funding levels are higher than the targeted amount, and to avoid significant reductions in levels of funding, the City Council shall seek to attain this target chiefly through population growth. These funds will be allocated and paid according to the City Council’s guidelines for such programs.

Compliance Status – FY2018 in compliance.

2. Public Art Funding – The City will annually allocate funding for Public Art on a year to year basis depending on the availability of funds in an amount to be determined at the discretion of the City Manager. Funding priority will be given to projects that include a matching donation, including contributions from local organizations and sponsors. Any unspent funds will accumulate and be reallocated in the following budget year. Disbursement of these funds will be determined by the City Council at the recommendation of the City’s Arts & Culture Advisory Board.

Every effort will be made to include public art funding in future City facilities whose primary purpose is for public use. These projects will include a reasonable allowance for public art that fits the scope and purpose of the building so long that it does not negatively impact the project cost beyond the original budget. In the event there is cost savings in the construction of City Facilities, the City Council may consider utilizing that savings on the purchase of public art for the facility.

- E. **Purchasing** – The City will maintain and regularly review a written Purchasing Policy. All City purchases of goods or services will be made in accordance with the City’s Charter, current Purchasing Policy and with State law.

The following table shows a summary of requirements for purchases of goods and services.

Dollar Limits:	Procurements:	Requirements:
Under \$3,000	Under the small purchase limit	No competitive bids and City credit cards may be used.
\$3,000 up to \$49,999	Within informal bid limit	A minimum of three informal competitive bids required unless exempted; Historically Underutilized Business (HUB) requirements apply in accordance with state law.
\$50,000 and above	In excess of the informal bid limit	Formal solicitations, which includes public notices, required unless exempted. Advisory board review and recommendation <i>may</i> be required. Council approval required.

Common exemptions to the formal solicitation process include the procurement of professional services, the purchase of goods or services from a sole source provider, and purchases for public health emergencies.

In addition to the above, all purchases must be approved according to preapproved limits within each department as directed and approved by the City Manager.

- F. **Contracts and Change Orders** – Contracts and related change orders must follow the City Purchasing Policies and State Law. In accordance with State Law, change orders are limited to 25% of the total contract amount. Change orders greater than \$50,000 require the same advisory board review and Council approvals as the original contracts.
- G. **Prompt Payment** – All invoices approved for payment by the proper City authorities shall be paid within thirty (30) calendar days of receipt of goods or services or invoice date, whichever is later in accordance with State law. The City will take advantage of all purchase discounts, when possible.
- H. **Risk Management** – The City will pursue every opportunity to provide for the Public’s and City employees’ safety and to manage its risks. The goal shall be to minimize the risk of loss of resources through liability claims with an emphasis on safety programs.
- I. **Retirement Benefits** – Proposals to revise benefits administered and provided by the Texas Municipal Retirement System shall include a written description, and, detailed and summary numerical assessments of the changes that would result from the proposed benefit revision.

1. The numerical assessments shall include the following:

- a. The estimated change to the TMRS contribution rate that would result from the proposed change in benefits, expressed as a percentage of employee pay and as an annual dollar amount to the General Fund and to each City fund.
 - b. The estimated change to the City's unfunded pension liability, expressed as a dollar amount.
 - c. The estimated change to the City's actuarial funding ratio.
2. The description and numerical assessments must be provided to the City Council at least 72 hours prior to consideration and approval, and must be read aloud to the Council prior to Council consideration.
 3. The estimated changes to the City's contribution rate and the unfunded pension liability presented pursuant to the section must be based on information provided by the TMRS actuary or by a professional actuary authorized by the TMRS to provide such information.
 4. Proposals to revise TMRS benefits must be voted on individually as part of the City Council's legislative agenda.
 5. The City will amortize any unfunded actuarial liability (UAAL) over a period not to exceed the amortization period used by the TMRS actuary. The City may amortize its UAAL more quickly by making contributions to TMRS in excess of the rate specified by TMRS.
 6. The City may elect to pay a higher contribution rate than required by the TMRS, to reduce the City's unfunded pension liability. Such payment will be approved and authorized by the City Council as part of the City's annual budget process.

J. Retirement Cost-of-Living Adjustment

1. Within 60 days of when the TMRS annual funding update becomes available each year, staff will review and prepare a summary of costs and options for potential cost-of-living adjustment (COLA) for City of Georgetown retirees.
2. Consistent with state statutes governing the Texas Municipal Retirement System, the City may provide an automatic COLA for members of the TMRS who are retired from the City of Georgetown and receiving a monthly retirement benefit from the TMRS.
3. The City Council may adjust the COLA provided to city retirees based upon the funding level of the City's pension plan, as calculated by the TMRS, as follows:

When the funding level of the City's pension plan is	The COLA should be
Less than 70.0%	Zero
70.0% to 79.9%	0.3% of CPI
80.0% to 89.9%	0.5% of CPI
90.0% and greater	0.7% of CPI

4. Adjustments made pursuant to subsection b. should reflect the effect of the prospective change in the COLA on the funding level of the City's pension plan.
- K. **Deferred Compensation Benefits** – In addition to the retirement benefit administered by the TMRS, the City will sponsor a Deferred Compensation 457 plan, which is a supplementary individual retirement savings plan. The City will encourage employee participation in this plan.

VI. STAFFING AND COMPENSATION

City Council and Management recognize the importance of attracting, hiring, developing, and retaining the best people, and compensating them for the value they create. Our outstanding and innovative City employees work diligently to bring the Vision of Council to life and deliver exceptional services to our customers while exemplifying our Core Values. The following programs are subject to available funding in the annual operating budget.

- A. **Adequate Staffing** – Staffing levels will be adequate for the fiscal functions of the City to operate effectively. Workload allocation alternatives will be explored before adding additional staff.
- B. **Competitive Compensation** – In order to maintain a competitive pay scale, the City has implemented a ***Competitive Employee Compensation Maintenance Program*** to address competitive market factors and other issues impacting compensation. The program consists of:
 1. **Annual Pay Plan Review** – To ensure the City's pay system is accurate and competitive within the market, the City will review its pay plans annually for any potential market adjustments necessary to maintain the City's competitive pay plans.
 2. **Pay for Performance** – Each year the City will fund performance based pay adjustments for regular non-public safety personnel. This merit-based program aids in retaining quality employees by rewarding their performance. Pay for Performance adjustments are based on the employee's most recently completed performance evaluation.
 3. **Public Safety Steps** – Each year the City will fund anniversary step increases for public safety sworn personnel consistent with public safety pay scale design.

C. **Self-Insurance Program** – The City is committed to providing quality healthcare insurance that offers the most flexibility in health benefits and options to its employees. In order to provide the most cost effective solution, the City has determined that establishing a self-funded health insurance plan offers the greatest opportunity to mitigate future cost increases while offering quality health care services to its employees. The City has established a mechanism to manage the accounts and payments associated with this program. Per GASB Statement No. 66, such funding should be accounted for as an Internal Service Fund (ISF).

1. **Employee Health Insurance ISF** – This fund contains premium contributions from employees and budgeted health insurance contributions included in the City’s annual budget process. To maintain stable revenue to this fund, and to clearly set expenditure expectations for departments, any budgeted appropriations for employee health insurance that are unused at the end of each fiscal year will be transferred back to the self-insurance fund.
2. **Self-Insurance Reserves** – Annually through the budget process, staff and the City’s Health Benefit Consultant firm will evaluate and recommend to Council the appropriate funding levels for both a rate stabilization reserve as well as an incurred but not reported (IBNR) reserve.

Compliance Status – Both reserves FY2018 in compliance.

3. **Employee Premiums** – Annual premiums will be recommended to City Council through a collaborative process between the City’s Employee Benefit Committee and external Health Benefits consulting firm using historical data and other analytic analysis.

VII. FUND BALANCE POLICIES

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. 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.

The City’s Fund Balance will report up to five components:

- A. **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.
- B. **Restricted Fund Balance** – represents the portion of fund balance that is subject to legal restrictions, such as grants or hotel/motel tax and bond proceeds.
- C. **Committed Fund Balance** – describes the portion of fund balance that is constrained by limitations that the City Council has imposed upon itself, and remains binding unless the City Council removes the limitation.
- D. **Assigned Fund Balance** – is that portion of fund balance that reflects the City’s *intended* use of the resource and is established in a less formal method by the City for that designated purpose.
- E. **Unassigned Fund Balance** – represents funds that cannot be properly classified in one of the other four categories.

VIII. LONG-TERM LIABILITY RESERVES

The City of Georgetown recognizes certain long-term unfunded commitments and contingencies that will require substantial funding at some point in the future. The City is committed to addressing these commitments in a fiscally prudent method by acknowledging their future financial impacts and developing strategies and designated reserve funds to mitigate those future impacts.

- A. ***The Finance Director will maintain a list of unfunded liabilities.*** The list will be included in the quarterly financial report to Council.

IX. BUDGET CONTINGENCY PLAN

This policy is designed to establish general guidelines for managing revenue shortfalls resulting from local and national economic downturns that adversely affect the City's revenue streams.

- A. **Immediate Action** – Once a budgetary shortfall is projected, the City Manager will take the necessary actions to offset any revenue shortfall with a reduction in current expenses. The City Manager may:

- Freeze all new hire and vacant positions except those deemed to be a necessity.
- Review all planned capital expenditures.
- Delay all "non-essential" spending or equipment replacement purchases.

The City Manager shall report in a timely manner to the City Council the projected shortfall and the actions taken to resolve it.

- B. **Further Action** – If the actions identified in subsection A are insufficient to offset the projected revenue deficit for the current fiscal year, the City Council may approve the following actions, in the order listed:

1. Apply unspent, unobligated surplus funds from prior fiscal years to fund one-time costs in the current fiscal year budget.
2. Authorize the use of the General Fund Economic Uncertainty Reserve pursuant to *Section XVI.A.2.b. Economic Uncertainty Reserve*.
3. Notwithstanding *Section XVI.A.2.a. Base Level Reserve* of this policy, authorize a reduction in the unobligated fund balance in the General Fund, pursuant to *Section XVI.A.2.a. Base Level Reserve* of this policy, from 90 to 75 days.
4. Direct other reductions in services, including workforce reductions.

- C. **Replenish Fund Balance** – As soon as practical, without placing undue strain on City services, the City Council shall increase the unobligated fund balance in the General Fund, up to the 90-day amount required in *Section XVI.A.2.a. Base Level Reserve* of this policy and shall restore the General Fund Economic Uncertainty Reserve as required in *Section XVI.A.2.b* of this policy.

X. CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

The City's goal is to maintain City facilities and infrastructure in order to provide excellent services to the customers within the community, meet growth related needs, and comply with all state and federal regulations.

A. **Preparation** – The City annually updates and adopts a five-year Capital Improvement Program (CIP) schedule as part of the operating budget adoption process. The plan is reviewed and adjusted annually as needed, and year one is adopted as the current year capital budget. The capital budget will include all capital projects, capital resources, and estimated operational impacts.

- Needed capital improvements are identified through system models, repair and maintenance records and growth demands.
- Economic development projects that have capital infrastructure needs must be reviewed and approved for funding by the City no later than March 1 to be included in the annual CIP process. Any economic development project approved for funding after March 1 will be included in the following year CIP process unless otherwise authorized by City Council.
- A team approach will be used to prioritize CIP projects, whereby City staff from all operational areas provide input and ideas relating to each project and its effect on operations.
- Citizen involvement and participation will be solicited in formulating the capital budget through neighborhood meetings, public hearings and other forums.
- Capital infrastructure necessary to meet the requirements of the City's Annexation Plan will be identified separately within the CIP plan, so that funding alternatives can be developed if needed.

Prior to Council adoption, the following Advisory Boards will review the Capital Projects budget:

Georgetown Utility Systems Advisory Board (GUS)	Georgetown Transportation Advisory Board (GTAB)	General Government and Finance Advisory Board (GGAF)	Parks Advisory Board
Electric Water Wastewater	Streets Stormwater Drainage Airport	Facilities Other General Government Capital	Parks and Recreation

B. **Control** – All capital project expenditures must be appropriated in the capital budget. Availability of resources must be identified and then reviewed by the Finance Division before any CIP contract is presented to the City Council for approval.

Prior to presentation to Council, the following Advisory Boards will review:

Georgetown Utility Systems Advisory Board (GUS)	Georgetown Transportation Advisory Board (GTAB)	General Government and Finance Advisory Board (GGAF)
All utility contracts and other utility expenses greater than \$50,000	All Transportation, Stormwater Drainage and Airport expenditures and contracts greater than \$50,000	All General Government non-routine contracts and expenditures greater than \$50,000

- C. **Financing Programs** – Where applicable, assessments, impact fees, pro rata charges, or other fees should be used to fund capital projects which have a primary benefit to specific identifiable property owners.

Recognizing that long-term debt is usually a more expensive financing method, alternative-financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lives equal or exceeding the average life of the debt issue.

Short-term financing including Capital Leasing and other tax-supported obligations can be used to fund vehicles, computers and other operating equipment provided the impact to the tax rate is minimal.

Caution should be used in replacing assets with short-term, tax-supported obligations due to the repetitive nature of the replacements. The total amount of I & S (interest and sinking) portion of the tax rate dedicated to fund short-term debt for equipment replacement will not exceed \$0.04.

XI. CAPITAL MAINTENANCE AND REPLACEMENT

The City recognizes that deferred maintenance increases future capital costs. Therefore, a portion of all individual funds with infrastructure should be budgeted each year to maintain the quality within each system.

- A. **Infrastructure Maintenance** — On-going maintenance and major repair costs are included as capital expense within the departmental operating budgets. These costs are generally considered system repairs and are not capitalized for accounting purposes. They include such items as park and recreation facility repairs, street seal coat, water line repairs and other general system maintenance.
- B. **Modified Approach — Pavement Condition Index (PCI)** — Governmental Accounting Standards Board Statement # 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. The City has elected to implement this modified approach in maintaining its non-enterprise fund infrastructure assets. In order to adopt this alternative method, the City has implemented an asset management system that determines if the minimum standards are being maintained. This measurement system will be updated at least every 3 years. The City has elected to use this alternative method for reporting its street infrastructure assets.

The City uses the CarteGraph PavementView Pavement Management Information System to track the condition levels of each of the street sections. The condition of the pavement is based on the following factors:

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

The Pavement Condition Index (PCI) is a measurement scale is 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
85 – 45	Fair
45 – 0	Poor

The City’s administrative policy is to achieve an average PCI level of 85. An 85 PCI is considered maintaining the streets in a “good” condition. Staff will prepare a street maintenance budget that meets this target for Council’s consideration during the budget process. The PCI level as of 2014 was 87.30.

C. **Internal Service Funds Capital Maintenance & Replacement** – The City currently utilizes internal service funds to maintain and replace existing assets. Assessments are made to the using funds for the use of equipment currently in use and to be purchased during the year. In this way, suitable funds are available for the purchase of operational assets without the issuance of debt.

1. **Fleet Maintenance and Replacement** – The City has a major investment in its fleet of cars, trucks, tractors, and other equipment. The City will anticipate replacing existing equipment, as necessary and will establish charges that are assigned to the using departments to account for the cost of that replacement. Vehicle maintenance is also allocated in this manner.
2. **Technology** – It is the policy of the City to plan and fund the maintenance and replacement of its computer network and other technology systems. A reserve will be established within the ISF for replacement of major systems and will be funded over time through excess revenues within the Fund. While cash funding is preferred, major IT systems and projects may require debt that is amortized over a shorter useful life appropriate for the software or hardware.

Compliance Status – IT replacement reserve FY2018 in compliance.

3. **Facilities Maintenance** – The City has established an on-going maintenance program, which includes major repairs, equipment, as well as contracts for maintaining City facilities. The City has anticipated a useful life of such equipment and established a means of charging those costs to the various departments in order to recognize the City’s continuing costs of maintaining its facilities. Determination for facility repairs is based on useful life of the various elements of each facility. A proportional cost for each element is expensed within the budget for capital replacement. An additional unscheduled repair reserve equal to 10% value of annual internal service funding is also budgeted.

Compliance Status – Facilities repair reserve FY2018 in compliance.

D. **Departmental Capital Maintenance & Replacement** – The City also utilizes department capital maintenance and replacement schedules for specialized assets and equipment necessary to provide services.

1. **Parks and Recreation** – As part of the City’s on-going maintenance program, the City also recognizes the need to regularly maintain and replace grounds, equipment and facilities that are part of the City’s Parks and Recreation system. Separate replacement and maintenance schedules will be maintained for these items including, but not limited to, playground equipment, buildings, sport courts, trees and grounds, and restroom facilities. The City’s goal is to provide level on-going funding to ensure safe, well-maintained facilities for its citizens.
2. **Public Safety Equipment** – As part of the City’s on-going maintenance program, the City also recognizes the need to regularly maintain and replace specialized equipment in Police and Fire. Separate replacement and maintenance schedules will be maintained for these items including but not limited to for Fire: SCBA’s and other firefighting equipment and protective gear; and for Police: bullet proof vests, armaments and other tactical equipment. The City’s goal is to provide level on-going funding to ensure proper protection for employees and citizens.

E. **Surplus Property**

1. From time to time it is necessary to dispose of certain vehicles or equipment that have been procured with City funds and used in City services. Individual surplus property items with expected sales value in excess of \$50,000 must be approved by the City Council prior to disposition.
2. City staff will maintain reports and records of all surplus property dispositions in accordance with good internal controls.

XII. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- A. **Accounting** – The City is solely responsible for the recording and reporting of its financial affairs, both internally and externally. The Finance Director is responsible for establishing the structure for the City’s Chart of Accounts and for assuring that procedures are in place to properly record financial transactions and report the City’s financial position.
- B. **General Government and Finance Advisory Board (GGAF)** – The City may establish a subcommittee consisting of at least 2 City Council members and not more than 3 citizens that may meet monthly to provide additional oversight to the City’s Finance operations. This subcommittee will also review general government items that are not reviewed by another City advisory board before being presented to City Council. The City’s Finance Director will be the liaison for this subcommittee.
- C. **Audit of Accounts** – In accordance with the *Charter*, an independent audit of the City accounts will be performed every year. The auditor is retained by and is accountable directly to the City Council. The auditing firm will serve for up to 5 years, at which time, the City will re-bid these services and changing firms if deemed necessary by GGAF and City Council.

- D. **External Reporting** – Upon completion and acceptance of the annual audit by the City’s auditors, the City shall prepare a written Comprehensive Annual Financial Report (CAFR) which shall be presented to the City Council within 180 calendar days of the City’s fiscal year end. The CAFR shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and shall be presented annually to the Government Finance Officer Association (GFOA) for evaluation and consideration for the Certificate of Achievement in Financial Reporting.
- E. **Internal Reporting** – The Finance Department will prepare internal financial reports, sufficient to plan, monitor and control the City’s financial affairs.

XIII. ASSET MANAGEMENT

- A. **Cash Management and Investments** – The City Council has formally approved a separate Investment Policy for the City of Georgetown that meets the requirements of the Public Funds Investment Act (PFIA), Section 2256 of the Texas Local Government Code. This policy is reviewed annually by the City Council and applies to all financial assets held by the City and applies to all entities (component units) included in the City’s Comprehensive Annual Financial Report (CAFR) and/or managed by the City.
1. **Statement of Cash Management Philosophy** – The City shall maintain a comprehensive cash management program to include the effective collection of all accounts receivable, the prompt deposit of receipts to the City’s depository, the payment of obligations, and the prudent investment of idle funds in accordance with this policy.
 2. **Objectives** – The City’s investment program will be conducted as to accomplish the following listed in priority order:
 - Safety of the principal invested
 - Liquidity and availability of cash to pay obligations when due
 - Ensure public trust through responsible actions as custodians of public funds
 - Maximize earnings (yield) to the greatest extent possible consistent with the City’s investment policy.
 3. **Safekeeping and Custody** – Investments may only be purchased through brokers/dealers who meet the criteria detailed in the investment policy, which also addresses internal controls related to investments.
 4. **Standard of Care and Reporting** – Investment will be made with judgment and care, always considering the safety of principal to be invested and the probable income to be derived. The Finance Director is responsible for the overall management of the City’s investment program and ensures all investments are made in compliance with the investment policy. An investment report, providing both summary and detailed information, will be presented to the City Council quarterly.
 5. **Authorized Investments** – The City can currently invest in the following:
 - Certificates of Deposit
 - U.S. Treasury and Agency securities
 - Investment Pools that meet the requirements of the PFIA

- No-load Money Market Mutual Funds
- Fully collateralized Repurchase Agreements
- Obligations of Municipal Issuers in Texas rated not less than A or its equivalent
- Other investments as approved by City Council and not prohibited by law.

B. **Fixed Assets** – These assets will be reasonably safeguarded and properly accounted for, and prudently insured.

1. **Capitalization Criteria** – For purposes of budgeting and accounting classification, the following criteria must be met in order to be capitalized:
 - The asset owned by the City
 - The expected useful life of the asset must be longer than one year, or extend the life of an identifiable existing asset by more than one year
 - The original cost of the asset must be at least \$5,000
 - The asset must be tangible
 - On-going repairs and general maintenance are not capitalized.
2. **New Purchases** – All costs associated with bringing the asset into working order will be capitalized as part of the asset cost. This will include startup costs, engineering or consultant type fees as part of the asset cost once the decision or commitment to purchase the asset is made. The cost of land acquired should include all related costs associated with its purchase.
3. **Improvements and Replacement** – Improvements will be capitalized when they extend the original life of an asset or when they make the asset more valuable than it was originally. The replacement of assets components will normally be expensed unless they are a significant nature and meet all the capitalization criteria.
4. **Contributed Capital** – Infrastructure assets received from developers or as a result of annexation will be recorded as equity contributions when they are received.
5. **Distributions Systems** – All costs associated with public domain assets, such as streets and utility distribution lines will be capitalized in accordance with the capitalization policy. Costs should include engineering, construction and other related costs including right of way acquisition.
6. **Reporting and Inventory** – The Finance Division will maintain the permanent records of the City's fixed assets, including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life. Periodically, random sampling at the department level will be performed to inventory fixed assets assigned to that department. Responsibility for safeguarding the City's fixed assets lies with the department supervisor or manager whose department has been assigned the asset.

XIV. DEBT MANAGEMENT

The City of Georgetown recognizes the primary purpose of capital facilities is to provide services to the community. Using debt financing to meet the capital needs of the community must be evaluated according to efficiency and equity. Efficiency must be evaluated to determine the highest rate of return for a given investment of resources. Equity is resolved by determining who should pay for the cost of capital improvements. In meeting demand for additional services, the City will strive to balance the needs between debt financing and “pay as you go” methods. The City realizes that failure to meet the demands of growth may inhibit its continued economic viability, but also realizes that too much debt may have detrimental effects on the City’s long-range financial condition.

The City will issue debt only for the purpose of acquiring or constructing capital assets for the general benefit of its citizens and to allow it to fulfill its various purposes as a city.

A Debt Condition Update report will be provided annually.

- A. Usage of Debt – Long-term debt financing will be considered for non-continuous capital improvements of which future citizens will be benefited. Alternatives for financing will be explored prior to debt issuance and include, but not limited to:

- Grants
- Use of Reserve Funds
- Use of Current Revenues
- Contributions from developers and others
- Leases
- Impact Fees

When the City utilizes long-term financing, it will ensure that the debt is soundly financed by conservatively projecting revenue sources that will be used to pay the debt. It will not finance the improvement over a period greater than the useful life of the improvement and it will determine that the cost benefit of the improvement, including interest costs, is positive to the community.

The City may utilize the benefits of short-term debt financing to purchase operating equipment provided the debt doesn’t extend past the useful life of the asset and the potential impact to the tax rate is within policy guidelines. The I & S (interest and sinking) portion of the tax rate cannot exceed \$0.04 for short-term debt (3-10 years).

B. Types of Debt

1. General Obligation Bonds (GO’s) – General obligation bonds must be authorized by a vote of the citizens of Georgetown. They are used only to fund capital assets of the general government and are not to be used to fund operating needs of the City. The City’s ad valorem taxing authority backs general obligation bonds. Conditions for issuance of general obligation debt include:
 - When the project will have a significant impact on the tax rate;
 - When the project may be controversial even though it is routine in nature; or

- When the project falls outside the normal bounds of projects the City has typically done.

For debt programs that include multiple projects that will be issued over multiple years at the discretion of the City Council, the City may approve a ***Contract with the Voters*** to manage future property tax rate impacts. The Contract with the Voters will be included in educational information for all applicable GO Bond elections, and will include a maximum **annual** tax rate increase and a cumulative total per bond authorization maximum tax rate increase. The City will include these impacts in its annual Debt Condition report.

The City Council will carefully manage the ***unissued GO Bond authorization*** through annual review of related projects to ensure full disclosure on future timing of projects included in the bond package. Timing of authorized projects and related bond issuance will be included in the Annual Budget and published on the City's website. Any changes to this schedule require specific Council authorization.

2. Revenue Bonds – Revenue bonds will be issued to provide for the capital needs of any activities where the capital requirements are necessary for the continuation or expansion of a service. The improved activity shall produce a revenue stream to fund the debt service requirements of the necessary improvement to provide service expansion. The average life of the obligation should not exceed the useful life of the asset(s) to be funded by the bond issue, and will generally be limited to no more than twenty (20) years. An exception can be made for plant expansions or related system expansions whose useful life is in excess of 30 years. A cost benefit analysis will be done to fully disclose the impacts of extending debt beyond 20 years.
3. Certificates of Obligation, Contract Obligations (CO's) – Certificates of obligation or contract obligations may be used to fund capital requirements that are not otherwise funded by general obligation or revenue bonds. Debt service for CO's may be either from general revenues (tax-supported) or supported by a specific revenue stream(s) or a combination of both. Typically, the City may issue CO's when the following conditions are met:
 - When the proposed debt will have minimal impact on future effective property tax rates;
 - When the projects to be funded are within the normal bounds of City capital requirements, such as for roads, parks, various infrastructure and City facilities and equipment; and
 - When the average life of the obligation does not exceed the useful life of the asset(s) to be funded by the issue.

Certificates of obligation will be the least preferred method of financing and will be used with prudent care and judgment by the City Council. Every effort will be made to ensure public participation in decisions relating to debt financing.

4. Self-supporting General Obligation Debt – Refers to certificates of obligation issued for a specific purpose and repaid through dedicated revenues other than ad valorem taxes. The annual debt requirements are not included in the property tax calculation. Both the Airport and Stormwater Drainage funds will issue this type of debt. In addition, the Electric and Water Services Funds can utilize this method of funding non-system capital assets. The City also issues debt on behalf of the Georgetown Transportation Enhancement Corporation (GTEC) and the Georgetown Economic

Development Corporation (GEDCO) whom then pledge 4A and 4B sales tax revenue for the repayment of that debt.

5. Internal borrowing between City Funds – The City can authorize use of existing long-term reserves as “loans” between funds. The borrowing fund will repay the loan at a rate consistent with current market conditions. The loan will be repaid within ten (10) years. The loan will be considered an investment of working capital reserves by the lending fund.
 6. Other Short-term Borrowing – The City may authorize the issuance of Public Property Finance Contractual Obligations (PPFCO) which is short-term obligations for the acquisition of personal public property, such as equipment. PPFCOs are payable from either ad valorem taxes or another dedicated revenue stream. Each issuance will be assessed to ensure cost effectiveness and the repayment schedule will not exceed the useful life of the asset. Multiple equipment acquisitions can be grouped in a single PPFCO issue in order to develop economies of scale.
- C. Method of Sale – The City will use a competitive bidding process in the sale of bonds unless conditions in the bond market or the nature of the issue warrant a negotiated bid. In such situations, the City will publicly present the reasons for the negotiated sale. The City will rely on the recommendation of the financial advisor in the selection of the underwriter or direct purchaser. The financial advisor must meet all licensing requirements and comply with all Municipal Securities Rulemaking Board (MSRB) regulations. The City’s financial advisor will not act as the underwriter on any City bond issue.
- D. Disclosure – Full disclosure of operating costs along with capital costs will be made to the bond rating agencies and other users of financial information. The City staff, with assistance of the financial advisor and bond counsel, will prepare the necessary materials for presentation to the rating agencies and will aid in the production of the Preliminary Official Statements. The City will take responsibility for the accuracy of all financial information released.
- E. Federal Requirements – The City will maintain written procedures to follow post issuance compliance rules, arbitrage rebate and other Federal requirements.
- Post issuance tax compliance rules will include records retention, arbitrage rebate, use of proceeds, and
 - Continuing disclosure requirements under SEC Rule 15c2-12, MSRB standards, or as may be required by bond covenants or related agreements.
- F. Debt Structuring – The City will issue bonds with an average life of twenty (20) years or less, not to exceed the useful life of the asset acquired. The structure should approximate level debt service unless operational matters dictate otherwise. Market factors, such as the effects of tax-exempt designations, the cost of early redemption options and the like, will be given consideration during the structuring of long term debt instruments. Exceptions to the 20 year average life include debt issues for major system expansions, such as water, sewer or electric plants, in which case the City may issue debt greater than 20 years since the average life of the asset exceeds 30 years. A cost benefit analysis indicating the impacts of extending debt beyond 20 years will be completed.
- G. Debt Coverage Ratio – Refers to the number of times the current combined debt service requirements or payments would be covered by the current operating revenues net of on-going operating expenses of the City’s combined utilities (Electric, Water, and Wastewater). The City will maintain a minimum debt service

coverage ratio of 1.5 times for these utilities as a whole. The bond ordinances allow the City to forego a debt reserve fund for its utility debt if the coverage is maintained at 1.35 times or better. A coverage ratio of 1.5 times will also be required for all funds issuing self-supporting debt.

Compliance Status – Debt coverage ratio FY2018 in compliance.

- H. **Bond Reimbursement Resolutions** – The City may utilize bond reimbursements as a tool to manage its debt issues, due to arbitrage requirements and project timing. In so doing, the City uses its capital reserve "cash" to delay bond issues until such time when issuance is favorable and beneficial to the City.

The City Council may authorize a bond reimbursement resolution for General Capital projects that have a direct impact on the City's ad valorem tax rate when the bonds will be issued within the term of the existing City Council. In the event of unexpected circumstances that delay the timing of projects, or market conditions that prohibit financially sound debt issuance, the approved project can be postponed and considered by a future council until circumstantial issues can be resolved.

The City Council may also authorize revenue bond reimbursements for approved utility and other self-supporting capital projects within legislative limits. Currently revenue bonds must be issued within 18 months after an eligible bond funded project is begun.

The total outstanding bond reimbursements may not exceed the total amount of the City's reserve funds.

XV. OTHER FUNDING ALTERNATIVES

When at all possible, the City will research alternative funding opportunities prior to issuing debt or increasing user-related fees.

- A. **Grants** – All potential grants will be examined for any matching requirements and the source of those requirements identified. A grant funding worksheet, reviewed by Finance, that clearly identifies funding sources, outcomes and other relevant information will be presented and approved by the City Council prior to any grant application being submitted. It must be clearly understood that any resulting operation requirements of the grant could be discontinued once the term and conditions of the project have been terminated. The City Council must authorize acceptance of any grant funding.
- B. **Use of Reserve Funds** – The City may authorize the use of reserve funds to potentially delay or eliminate a proposed bond issue. This may occur due to higher than anticipated fund balances in prior years, thus eliminating or reducing the need for debt proceeds, or postpone a bond issue until market conditions are more beneficial or timing of the related capital improvements does not correspond with the planned bond issue. Reserve funds used in this manner are replenished upon issuance of the proposed debt.
- C. **Developer Contributions** – The City will require developers who negatively impact the City's utility capital plans offset those impacts. These policies are further defined within the City's utility line extension policy and other development regulations.
- D. **Leases** – The City may authorize the use of lease financing for certain operating equipment when it is determined that the cost benefit of such an arrangement is advantageous to the City.

- E. **Impact Fees** – The City will impose impact fees as allowable under state law for both water and wastewater services. These fees will be calculated in accordance with statute and reviewed at least every three years. All fees collected will fund projects identified within the Fee study and as required by state laws.

XVI. FINANCIAL CONDITIONS, RESERVES, AND STABILITY RATIOS

The City of Georgetown will maintain budgeted minimum reserves in the ending working capital/fund balances to provide a secure, healthy financial base for the City in the event of a natural disaster or other emergency, allow stability of City operations should revenues fall short of budgeted projections and provide available resources to implement budgeted expenditures without regard to actual timing of cash flows into the City.

- A. **Operational Coverage** – The City’s goal is to maintain operations coverage of 1.0 (one), such that operating revenues will at least equal or exceed current operating expenditures. Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. Reserves will be used only for emergencies or non-recurring expenditures, except when balances can be reduced because their levels exceed guideline minimums as stated below.

1. **Operating Reserves** – The City will maintain reserves at a minimum of seventy-five (75) days (20.83%) of net budgeted operating expenditures. Net budgeted operating expenditure is defined as total budgeted expenditures less interfund transfers and charges, general debt service (tax supported), direct cost for purchased power and payments from third party grant monies. The amount of these funds are allocated within the following operating funds and using the following guidelines to maintain the fund balance, working capital and retained earnings (reserves) of the various operating funds at levels sufficient to protect the City’s creditworthiness, as well as, its financial position from unforeseeable emergencies.

Compliance Status – Total reserves FY2018 in compliance.

2. **General Fund** – The fund balance reserve in the General Fund should equal ninety (90) days or 25% of annual budgeted General Fund operating expenditures. Reserves are allocated as follows:
 - a. **Base Level Reserve** – will equal ninety (90) days of current year budgeted operating expenditures which will be designated for emergency use only. If the Base Level Reserve is used during the fiscal year, the balance must return to the ninety (90) day requirement within the following fiscal year’s adopted budget.

Compliance Status – General Fund Reserve FY2018 in compliance.

- b. **Economic Uncertainty Reserve** – will equal up to 6% of current year budgeted operating expenditures. The reserve will be designated to temporarily offset a decline in any General Fund revenue source during the current fiscal year or in planning the future budget year. The reserve may be used when growth in any General Fund revenue source from one fiscal year to the next is below zero. The reserve will be available to support only existing programs approved in a prior fiscal year. Used funds shall be restored up to the 6% reserve as soon as practical.

Compliance Status – General Fund Reserve FY2018 at 2%.

3. **Tourism Fund** – A minimum sixty days (60) or 16.67% of operating expenditures will be reserved within the fund balance. These funds are designated to be used to offset any potential revenue

shortfall that occurs during the fiscal year and should be replenished in the following fiscal year's budget.

Compliance Status – Tourism Fund Reserve FY2018 in compliance.

4. Water Services Fund – Working capital reserves should be 25% or ninety (90) days of operating expenses, net debt service and long-term water contract costs. These reserves are designated to be used to offset potential revenue shortfalls or fund unexpected or emergency expenses that occur during the fiscal year. These reserves should be replenished in the following budget cycle.

Compliance Status – Water Fund Reserve FY2018 in compliance.

5. Stormwater Drainage Fund – \$250,000 for unforeseen emergencies or other potential revenue shortfalls.

Compliance Status – Stormwater Fund Reserve FY2018 in compliance.

6. Electric Fund – The remaining balance to meet the citywide requirement of seventy-five (75) days of reserve funds will be maintained within this fund. It can be used for unforeseen emergencies and expenditures. The Rate Stabilization Account and the Power Contract Credit Reserve are not included in this Contingency Reserve.

Compliance Status – Electric Fund Reserve FY2018 in compliance.

7. Airport Fund – A contingency reserve of 75 days of operating expenses will be maintained in the fund. The 75 day reserve will represent all operating expenses minus fuel costs and any transfers.

Compliance Status – Airport Fund Reserve FY2018 in compliance.

For all other non-enterprise funds, the fund balance is an indication of the balance of each particular fund at a specific time. The ultimate goal of each such fund is to have expended the fund balance at the conclusion of the activity for which the fund was established.

Reserve requirements will be calculated as part of the annual budget process and any additional required funds to be added to the reserve balances will be appropriated within the budget.

Funds in excess of the minimum reserves within each fund may be expended for City purposes at the will of the City Council once it has been determined that use of the excess will not endanger reserve requirements in future years. This action requires an amendment to the City's Annual Budget and is outlined in *Section III. J. Use of Unanticipated and Unappropriated General Fund Balances.*

- B. Liabilities and Receivables – Procedures will be followed to maximize discounts and reduce penalties offered by creditors. Current liabilities will be paid within 30 days of receiving the invoice. Accounts Receivable procedures will target collection for a maximum of 30 days of service. The Finance Director is authorized to write-off non-collectible, non-utility accounts that are delinquent for more than 180 days, and utility accounts delinquent more than 180 days, provided proper delinquency procedures have been followed, and include this information in the annual report to the City Council.