

Financial Summary



Financial Summary Table of Contents

Summary

City Operations and Departments by Fund	45
City Operations and Departments by Fund / by Division	46
Budgeted Revenues	47
Budget Expenses by Division	48
Budgeted Expenses by Program	49

Revenues

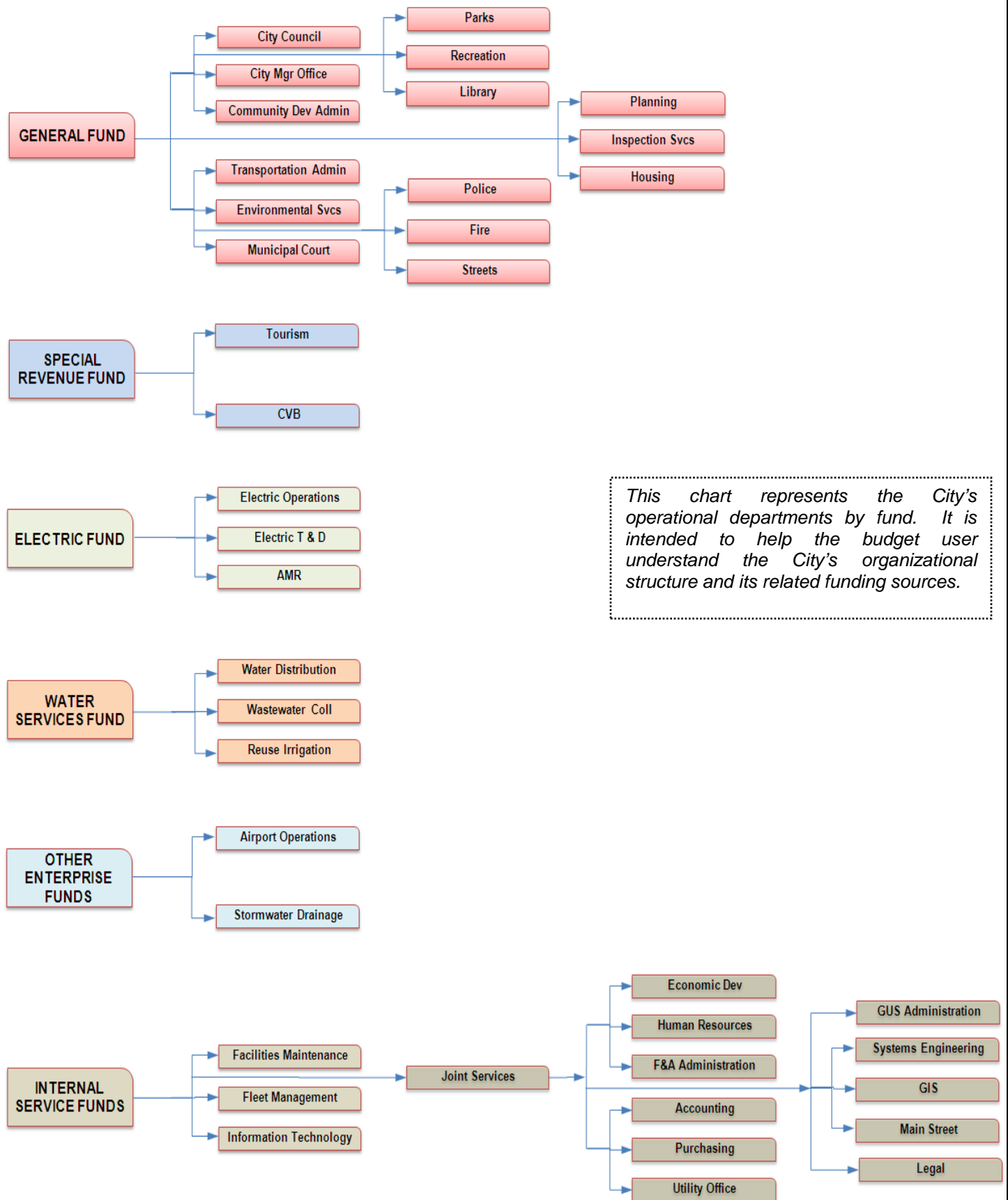
Property Taxes	50
Sales Tax	53
Utility Revenues	54
Capital Recovery Fees	56
Other Enterprise Fund Revenues	57
Other Miscellaneous Revenues	59

Fund Summaries

All Funds Summary (By Fund / By Division)	60
All Funds Summary (By Fund / By Personnel-Operating-Capital)	62
General Fund	64
Electric Fund	66
Water Services Fund	68
Airport Fund	70
Stormwater Drainage Fund	71
General Capital Projects Funds	72
Special Revenue Funds	73
Internal Service Funds	74

CAFR Adjustments on the Fund Schedules are made to the previous actual (2009/10) provided. These adjustments balance the budgeted fund balances to the City's Comprehensive Annual Financial Report (CAFR).

City Operations and Departments by Fund

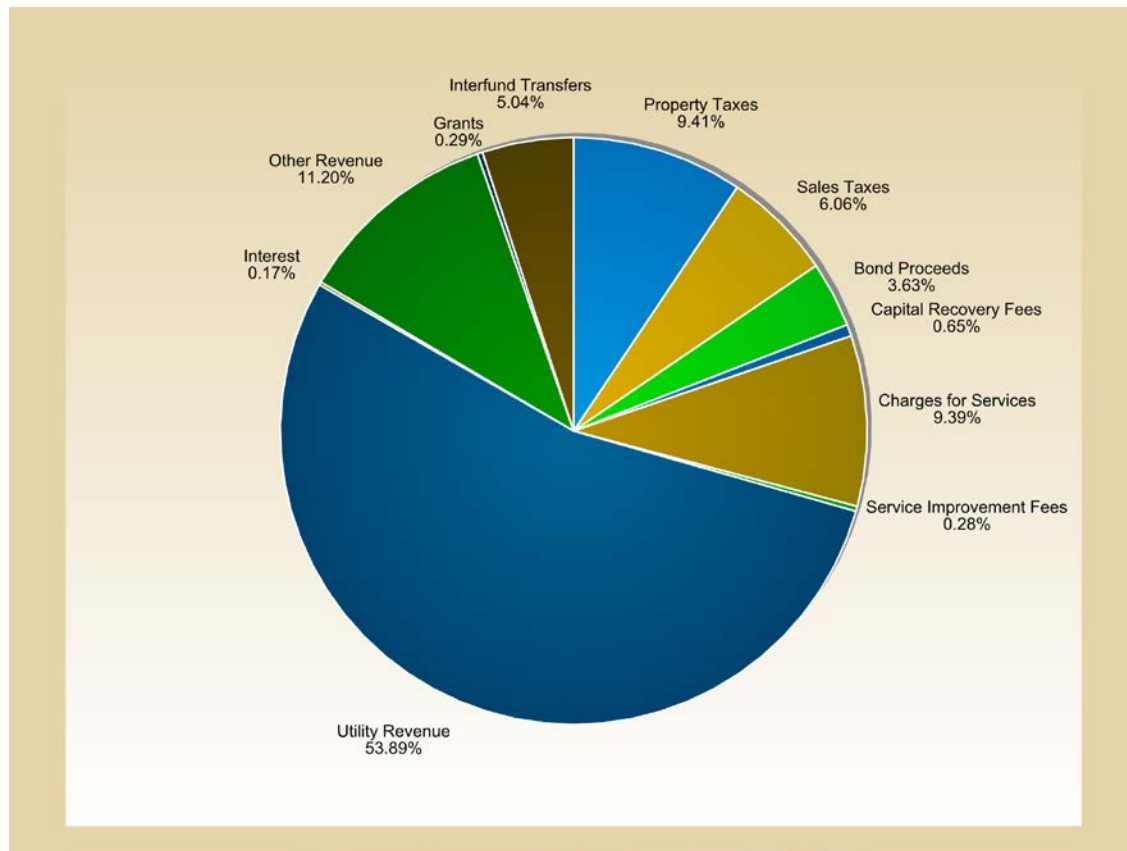


City Operations and Departments by Fund / by Division

<i>This matrix represents the City's operational departments by fund / by division. It is intended to help the budget user understand the City's organizational structure and its related funding sources.</i>	General Fund	Special Revenue Funds	Electric Fund	Water Services Fund	Other Enterprise Funds	Internal Service Funds	Joint Service Fund
	Administration Code Enforcement Building Inspections Planning						
	Community Development						
	Community Services	***CVB Tourism					
	Finance and Administration					Facilities Maintenance Fleet Management Information Technology	Administration Accounting Purchasing Utility Office Geographic Information Systems (GIS)
	Fire	Administration Operations					
	Georgetown Utility Systems (GUS)	Environmental Services	Electric Operations *Electric T&D **SCADA/AMR	Water Services Wastewater Services Reuse Irrigation			GUS Administration Systems Engineering
	Management Services	City Council City Manager's Office Governmental Contracts Communications					Human Resources Economic Development Main Street Legal
Police	Administrative Services Support Services Field Operations Animal Services						
Transportation	Administration Streets				Stormwater Drainage Airport Operations		

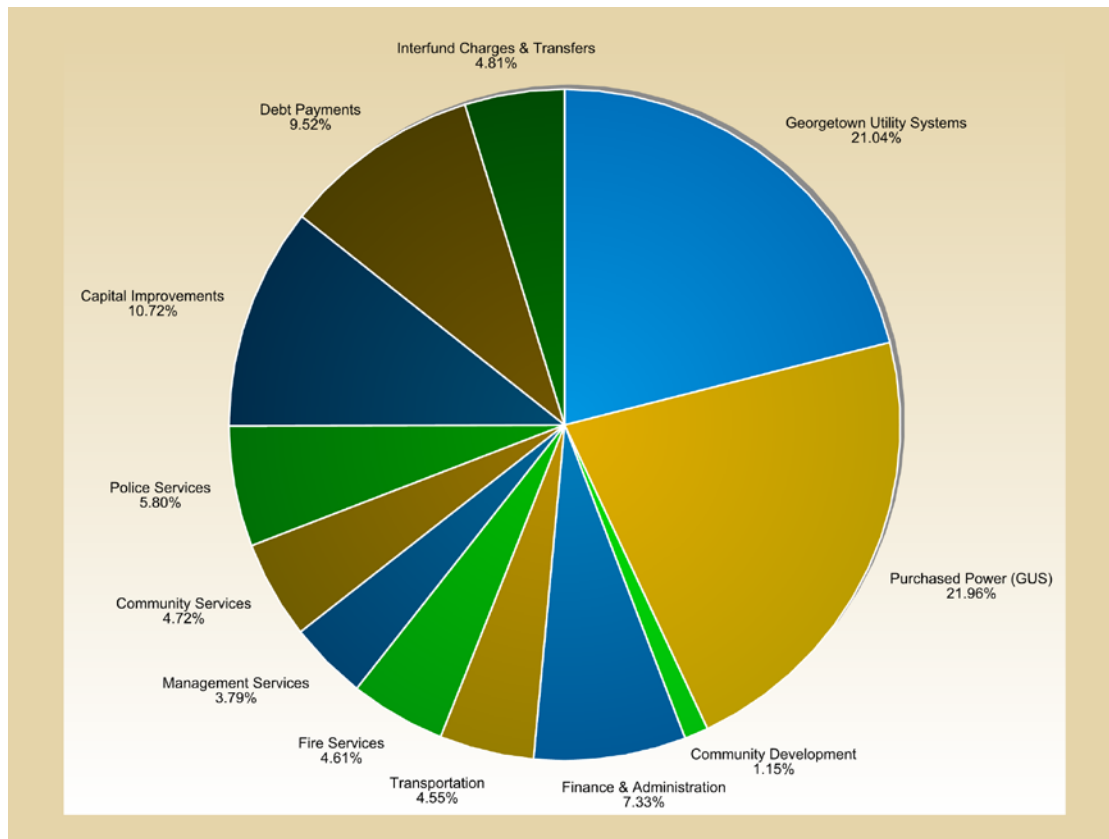
* Electric Transmission and Distribution
 ** Supervisory Control and Data Acquisition - Automatic Meter Reading (SCADA-AMR)
 *** Convention and Visitor's Bureau

Budgeted Revenues 2011/12



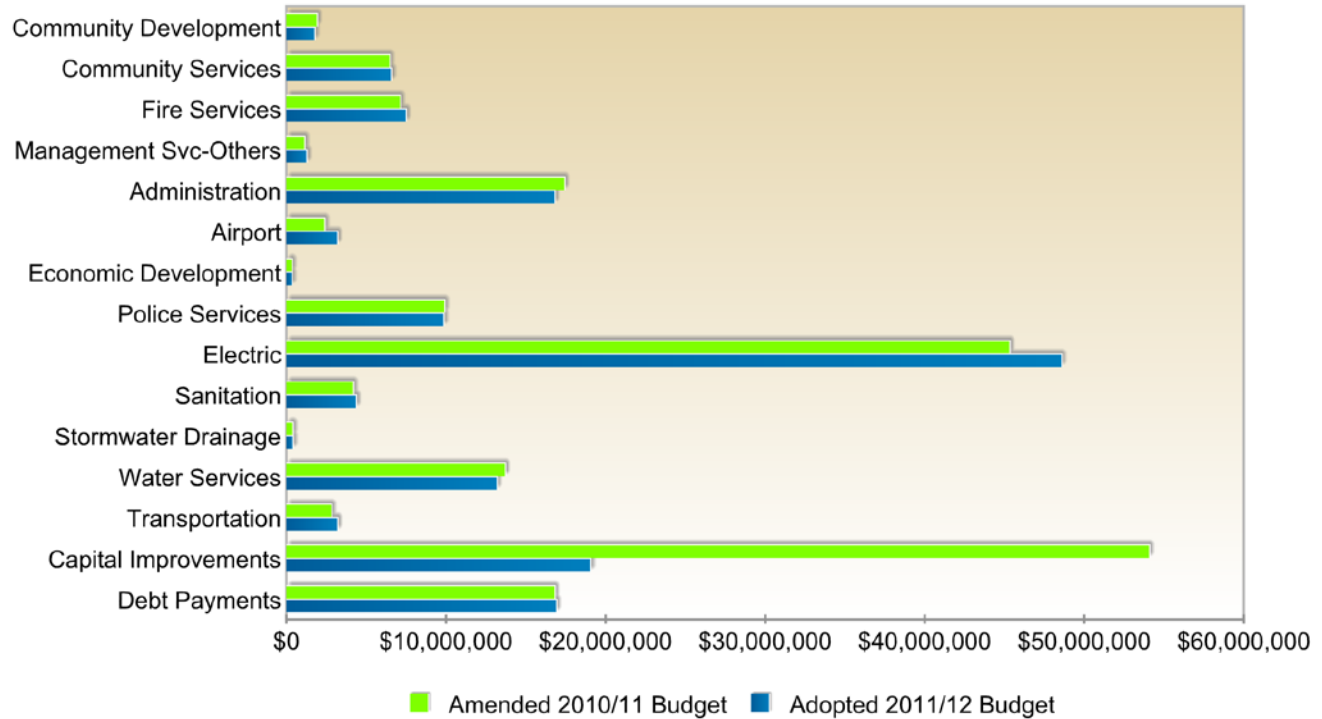
	09/10 Actual	10/11 Amended Budget	10/11 Projected Actual	11/12 Proposed Budget	12/13 Estimated Budget
Property Taxes	14,644,406	14,698,732	14,823,841	16,006,682	16,606,682
Sales Taxes	9,791,842	9,470,000	10,200,700	10,315,000	10,394,000
Bond Proceeds	18,065,000	21,980,500	21,650,000	6,170,000	26,544,000
Charges for Services	14,426,388	16,001,670	15,945,432	15,977,787	16,277,034
Capital Recovery Fees	1,028,109	1,130,332	1,063,899	1,099,499	1,199,899
Service Improvement Fees	693,689	791,750	487,250	470,000	470,000
Utility Revenue	86,445,352	92,146,806	85,144,206	91,670,192	95,111,239
Grants	2,947,241	472,179	3,334,330	485,373	0
Interest	354,222	380,750	309,120	288,750	287,750
Other Revenue	17,298,332	16,429,838	17,866,907	19,059,484	18,660,399
Interfund Transfers	7,888,444	8,418,505	7,732,048	8,574,501	8,229,287
TOTAL REVENUE	173,583,025	181,921,062	178,557,733	170,117,268	193,780,290
*Fund balance increase or (use)	(10,692,768)	27,220,995	25,868,494	8,153,985	(42,425)
TOTAL BUDGET	162,890,257	209,142,057	204,426,227	178,271,253	193,737,865

Budgeted Expenses by Division 2011/12



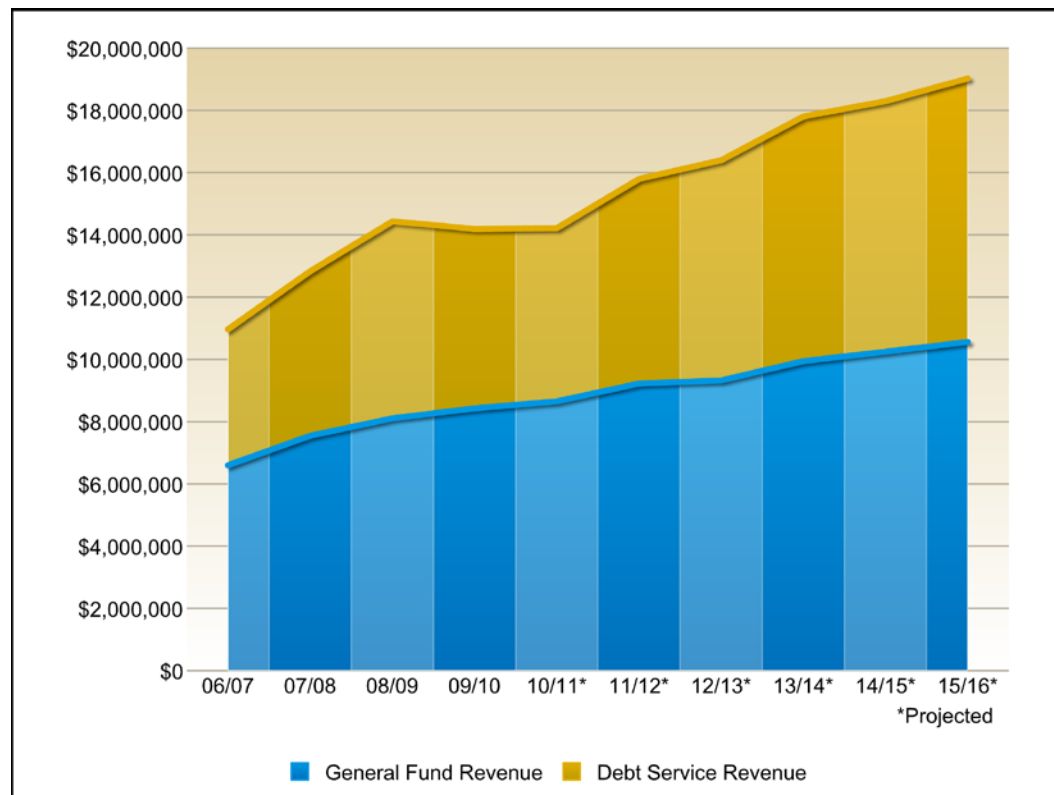
	09/10 Actual	10/11 Amended Budget	10/11 Projected Actual	11/12 Proposed Budget	12/13 Estimated Budget
Community Development	2,360,399	2,226,353	2,220,909	2,051,045	2,072,667
Community Services	7,519,289	8,237,935	8,329,207	8,410,001	7,914,359
Finance & Administration	7,920,222	13,130,169	12,883,616	13,075,589	12,393,038
Fire Services	6,939,388	7,770,389	7,663,258	8,213,955	8,295,471
Georgetown Utility Systems (GUS)	30,598,093	36,208,040	35,737,078	37,505,728	37,349,233
Purchased Power (GUS)	35,340,218	37,448,760	35,018,526	39,149,279	43,244,954
Management Services	8,689,317	7,575,200	7,174,616	6,759,353	6,700,788
Police Services	9,484,821	10,261,988	9,890,256	10,342,898	10,332,405
Transportation	9,413,173	6,864,702	9,269,319	8,103,238	8,149,410
Capital Improvements	21,681,947	54,134,355	52,810,179	19,114,000	31,363,000
Debt Payments	14,684,889	16,865,661	15,697,863	16,971,666	17,693,253
Interfund Charges & Transfers	8,258,501	8,425,955	7,732,048	8,574,501	8,229,287
TOTAL BUDGET	162,890,257	209,149,507	204,426,875	178,271,253	193,737,865

Budgeted Expenses by Program 2011/12

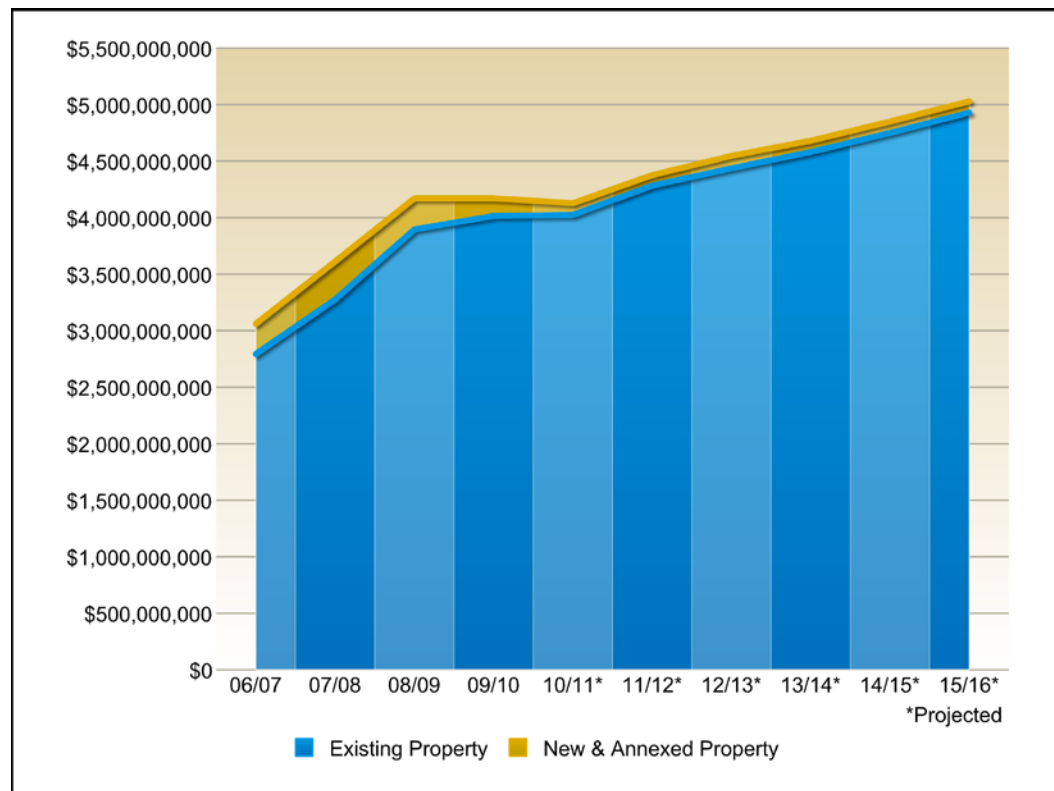


	Amended 2010/11 Budget	%	Adopted 2011/12 Budget	%
Community Development	1,972,195	1.1%	1,829,255	1.2%
Community Services	6,527,312	3.5%	6,638,589	4.3%
Fire Services	7,191,974	3.9%	7,548,364	4.9%
Management Svc-Others	1,198,948	0.6%	1,326,172	0.9%
Administration	17,488,832	9.5%	16,869,484	11.0%
Airport	2,450,450	1.3%	3,248,714	2.1%
Economic Development	399,278	0.2%	396,672	0.3%
Police Services	9,965,430	5.4%	9,907,224	6.4%
Electric	45,387,530	24.5%	48,631,932	31.6%
Sanitation	4,245,087	2.3%	4,427,364	2.9%
Stormwater Drainage	461,432	0.2%	470,639	0.3%
Water Services	13,765,398	7.4%	13,249,878	8.6%
Transportation	2,880,888	1.6%	3,257,637	2.1%
Capital Improvements	54,134,355	29.3%	19,114,000	12.4%
Debt Payments	16,865,661	9.1%	16,971,666	11.0%
Budget Total By Program	184,934,770	100.0%	153,887,590	100.0%
<i>Interfund Transfers & Premiums</i>	24,207,287		24,383,663	
TOTAL OPERATING BUDGET	209,142,057		178,271,253	

Property Tax Revenue



Taxable Property Values



Fiscal Year	06/07	07/08	08/09	09/10	10/11*	11/12*	12/13*	13/14*	14/15*	15/16*
Property Tax Revenues:										
<i>(in thousands)</i>										
General Fund	6,596	7,542	8,103	8,422	8,492	9,220	9,320	9,939	10,242	10,557
Debt Service	4,368	5,288	6,329	5,766	5,567	6,575	7,075	7,864	8,051	8,468
Property Values:										
<i>(in millions)</i>										
Existing Property	2,793	3,275	3,895	4,014	4,023	4,283	4,436	4,580	4,749	4,930
New & Annexed Property	267	336	275	156	104	93	110	100	100	100
Tax Rates										
Per \$100 - taxable valuation	0.3673	0.3566	0.3562	0.3562	0.3562	0.3875	0.3921	0.4108	0.4034	0.4017
*Projected										

Taxes:

Taxes are levied on January 1 of each year and are considered past due on February 1 of the following year. The Williamson Central Appraisal District determines the value for each property in the city. Property tax roles are certified in July and the tax rate is adopted in September, along with the budget. The City's tax collector, currently the Williamson County Tax Collector, sends statements in October to each taxpayer. The City's tax collection rate for 2011/12 was 99.2%.

Taxable Valuations:

- ▶ Over the past 5 years, new residential construction permits have ranged from 750 to 1,500. In 2011, 509 permits, valued at over \$127 million were issued. The general slowdown in the local economy, which impacted the current year, is also taken into consideration for future projections.
- ▶ Values on existing property were nearly flat compared to prior year. The average home value is \$184,959, which increased slightly at 1.18% compared to the prior year. Overall, total assessed valuation approximately the same as the previous year due to \$93 million of new or annexed property added to the roll.
- ▶ 2011/12 new values include \$93 million in new construction and annexed property

Adopted Property Tax Rate for 2011/12 is \$0.3875/\$100 valuation:

- ▶ Represents a 5% increase over the effective rate of \$0.36901/\$100 valuation, which includes an adjustment for sales tax dedicated to property tax relief.
- ▶ The City adopted a 1/8 cent sales tax rate for property tax relief in May 2005, with the primary intent to offset debt service related to the November 2004 voter approved general obligation bonds. All authorized 2004 bonds have been issued with a total tax impact of \$0.03731.
- ▶ Breakdown:

		<u>11/12</u>	<u>10/11</u>
M & O	Maintenance and Operations (General Fund)	\$0.22290	\$0.21987
I & S	Debt Service (payment on existing debt)	\$0.16460	\$0.13635

*Future Projections:

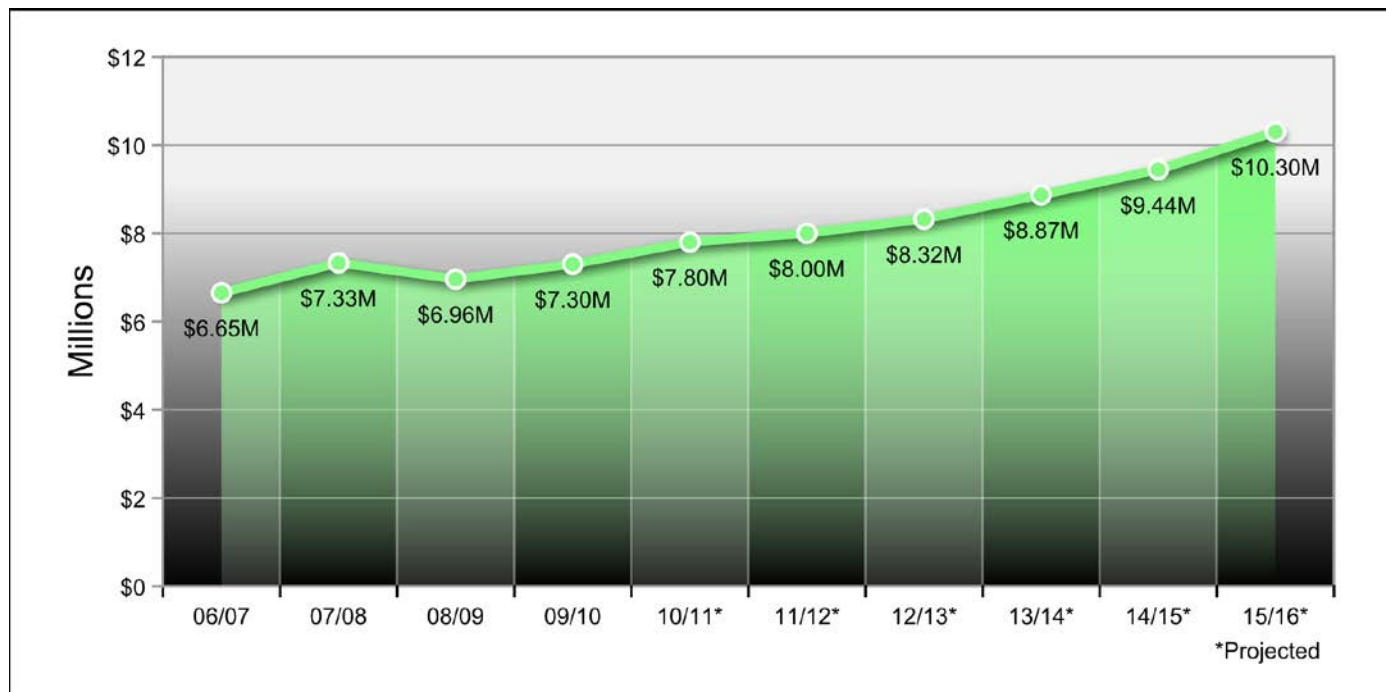
Assumptions for the forecasts of future years are based upon historical trends, expected build out of planned subdivisions, and utility tap requests. Assumptions include:

- ▶ Continued new and annexed property growth of \$100 million in 2012/13, then \$125 to \$150 million in the out years as new retail properties are added to the tax role, a 1% increase in 2012/13 and then 1.25 – 1.5% in the later years.
- ▶ Reflects impact of 1/8% sales tax for property tax relief.
- ▶ Reflects an annual increase of 2.5 %– 5% in the properties that have their taxes frozen due to the over 65 provision, adopted by voter referendum in May 2004.



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Sales Tax Revenue – 1% General Operating



The City receives 2% of the 8.25% sales and use taxes that are remitted by retailers within the City limits:

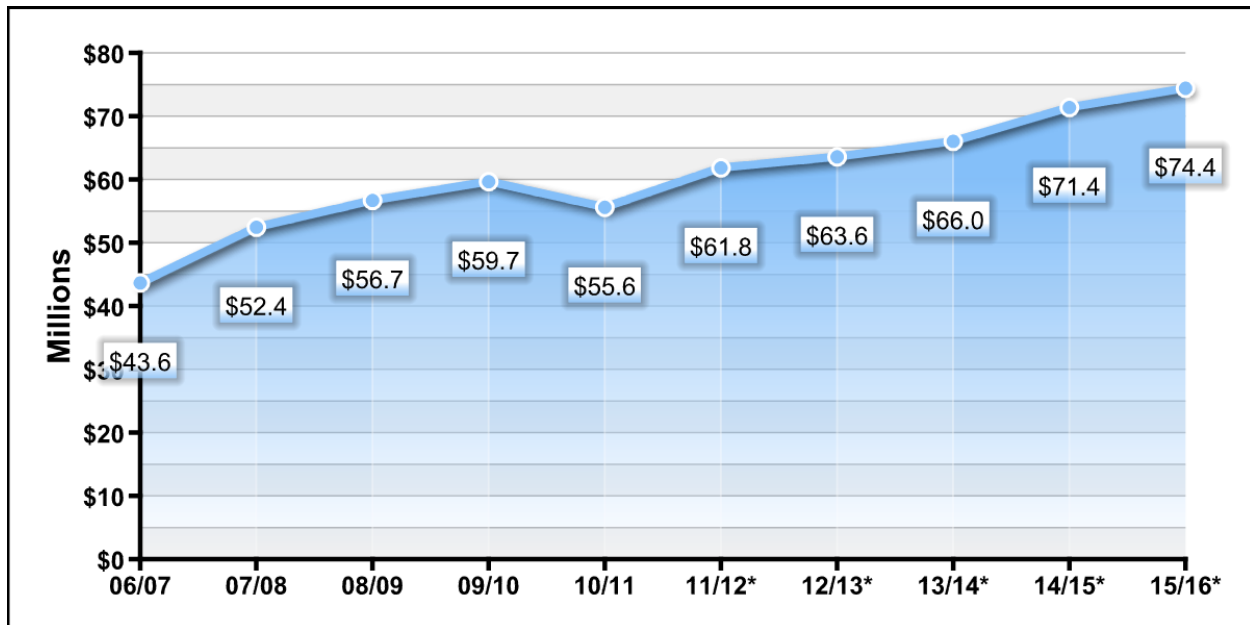
- 1.000% is used for general operating purposes
- 0.500% is used for transportation improvements through the Georgetown Transportation Enhancement Corporation (GTEC), the City's 4B Economic Development Corporation, authorized in May 2001
- 0.125% is for Georgetown Economic Development Corporation (GEDCO), the City's 4A Economic Development Corporation, approved in May 2005
- 0.125% is for property tax relief, approved in May 2005
- 0.250% is used for street maintenance; sunset revision approved November 2010, expires in March 2015
- 2.000% City portion**
- 6.250% is collected and retained by the State of Texas
- 8.250% Total sales tax rate

The City's sales tax base is diverse, with revenues being generated by national retailers, building materials and utilities, etc. The heavy residential growth over the past few years has also created a demand for more restaurants and other retailers that have also expanded the City's tax base. Sales tax has increased over the past few years due to an increase in new retail developments within the City.

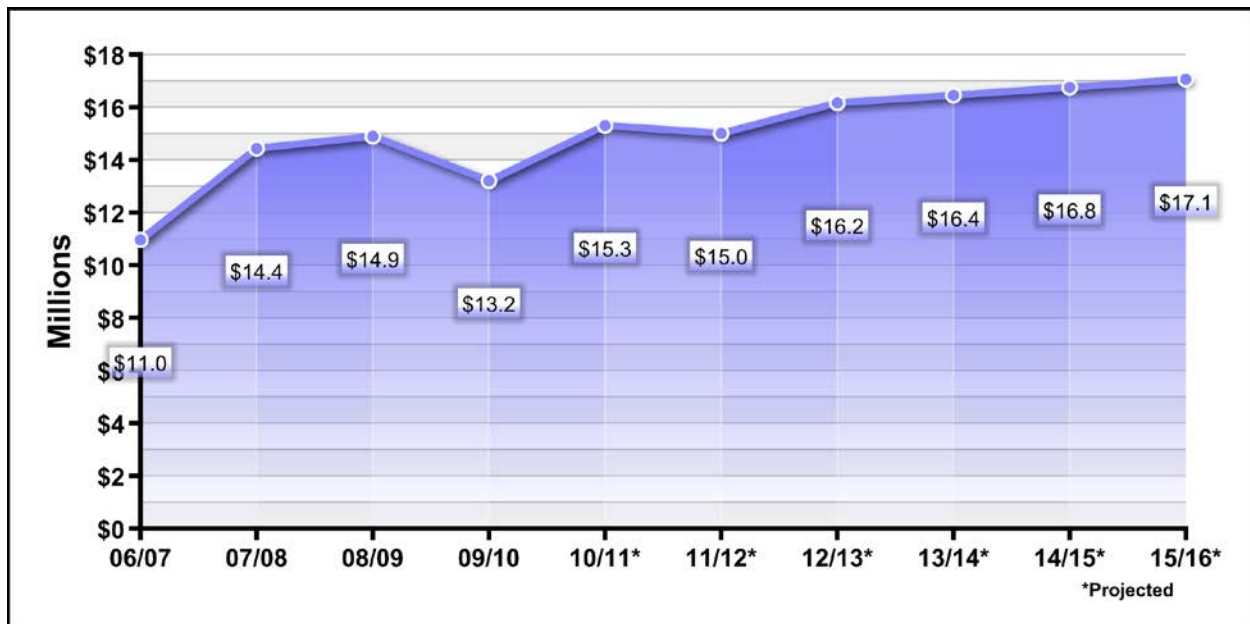
Future projections are based on the following assumptions:

- ▶ 2011/12 includes a 2.5 increase in overall sales tax projections from the prior year. Sales Tax revenue for FY11 is estimated to end at \$7.8 million, right in line with original projections and about 6.8% higher than in FY10. The growth has mostly been attributed to large growth in the information sector of the local economy, as well as very moderate growth in other areas.
- ▶ Long term projections assume modest growth based on population projections and lower unemployment rates, as well as a return to rising per capita disposable income locally in 2014. Otherwise, a general dormancy in economic conditions is assumed for the near term.

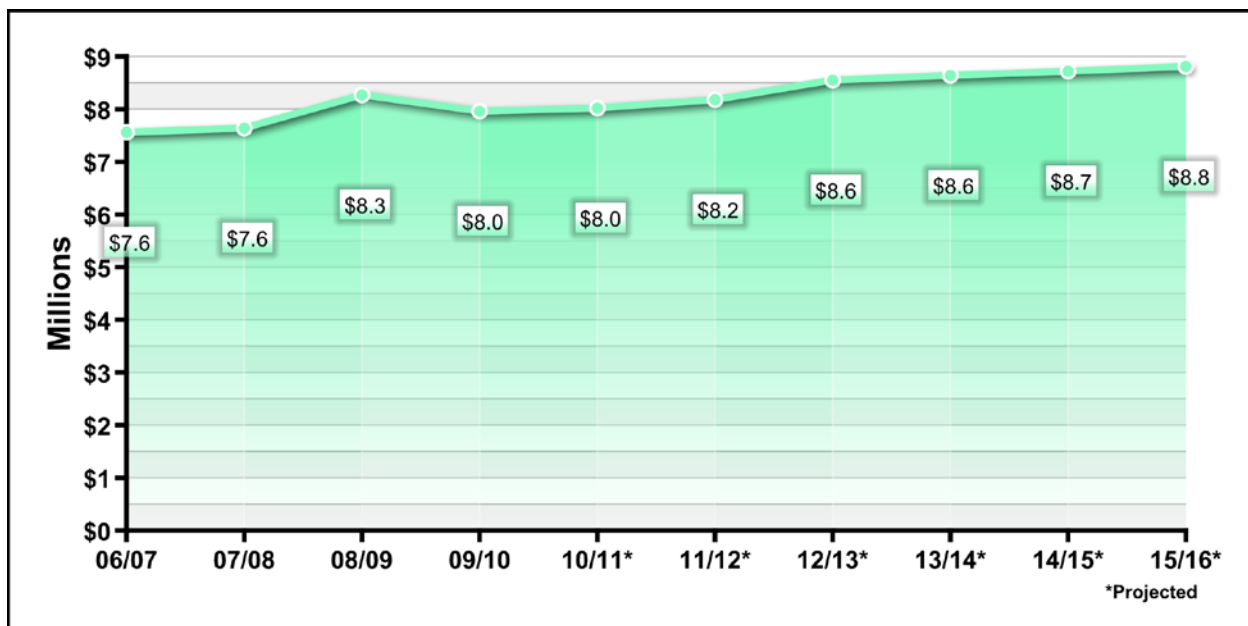
Electric Revenue



Water Services Revenue – Water



Water Services Revenue - Wastewater



Utility Revenues:

The revenue shown includes tap or hookup fees. Developer contributions, such as capital recovery or impact fees and interest are presented elsewhere.

Generally, utility revenue projections are based on five-year forecasting models for each utility. The City prepares a financial model of each utility, forecasting revenues, expected infrastructure needs and other expected expenses. The models are prepared based upon assumptions regarding customer growth, the City's five and ten year capital improvements plans, forecasted increases in costs, including personnel, and historical data. The models serve as a planning tool to forecast the ability to pay cash for infrastructure, anticipate debt needs for the upcoming five to ten year period, as well as, predict rate increases for customers.

Electric and Water Revenues:

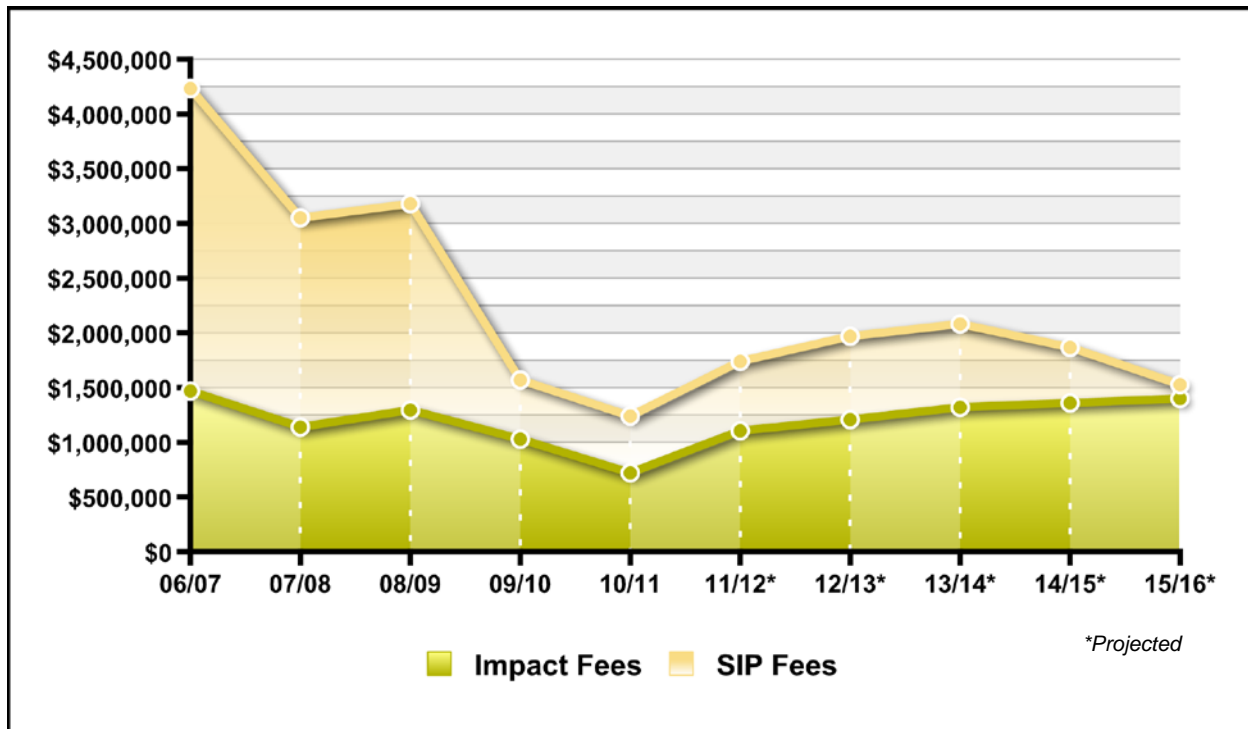
- ▶ Calculated on a five-year rolling average of per capita consumption in order to hedge against variations in weather conditions.
- ▶ Growth estimates are based upon building permits, expected build out of subdivisions and other planning and development activity.
- ▶ Assumes a 3% peak load growth for Electric through the next five years, as the City's southern electric service area continues to develop.
- ▶ Assumes a 1-2% customer growth for Water for the next five years.
- ▶ The City will conduct an electric rate review during 2011/12 to ensure the various rates adequately cover the costs of the system components.

The City continues to be proactive in planning for regional water needs. The City has signed additional agreements with Brazos River Authority to ensure future water needs are met. Major treatment and system expansions will be made as growth occurs and are included in the 5-year capital improvement schedule.

Wastewater Revenues:

- ▶ Assumes a 1-2% customer growth over the next five years. *(historical average is 5-6%)*
- ▶ Flat rates allocate cost equitability between all system users, and thus eliminates any cross-class subsidies.

Capital Recovery Fee Revenue



Fiscal Year	06/07	07/08	08/09	09/10	10/11*	11/12*	12/13*	13/14*	14/15*	15/16*
Service Improvement Fees:										
Water	2,200	1,155	899	338	265	381	457	457	304	76
Wastewater	564	757	986	203	254	254	304	304	203	51
Total (thousands)	2,764	1,912	1,886	541	519	634	761	761	507	127
Impact Fees:										
Water	883	806	882	738	487	891	992	1,098	1,131	1,165
Wastewater	585	333	412	290	233	213	214	221	227	234
Total (thousands)	1,468	1,139	1,294	1,028	720	1,104	1,207	1,319	1,359	1,400

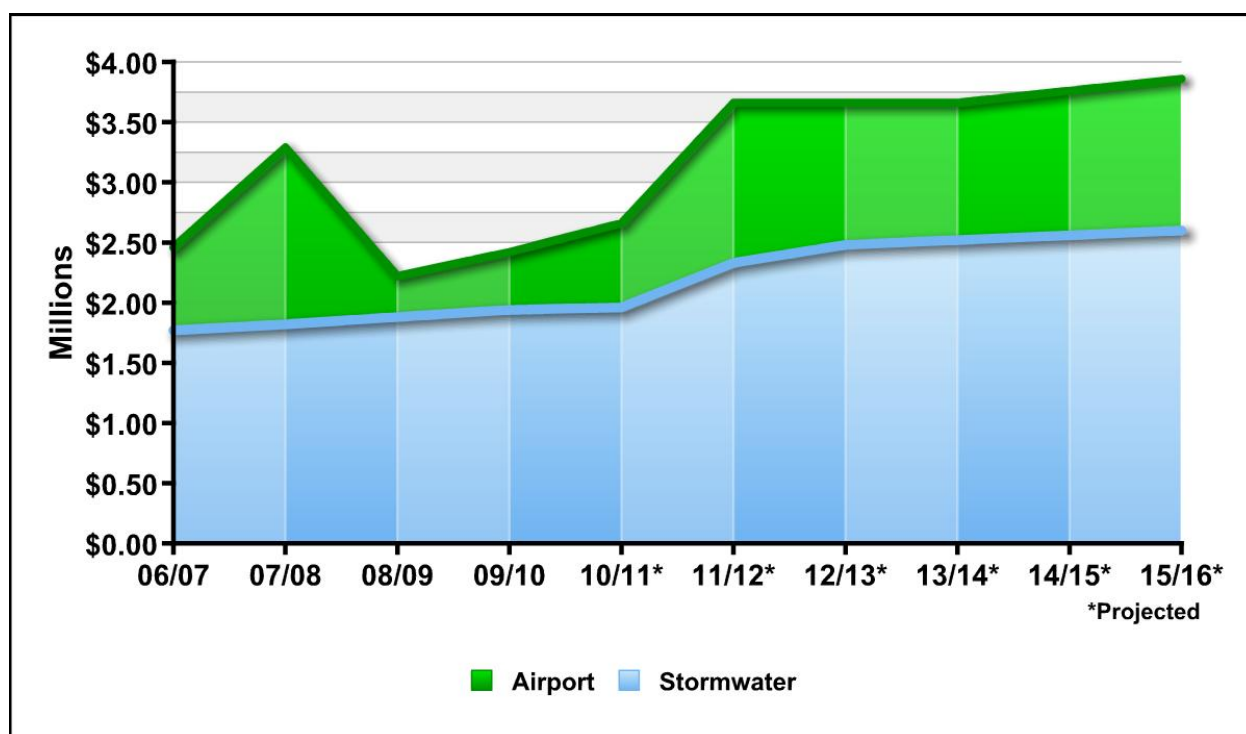
Service Improvement Fees:

These fees are collected from Del Webb and Escalera Ranch on a per unit basis to offset costs of infrastructure improvements to serve the developments. The fees, similar to impact fees, are collected for water and wastewater improvements as part of these development agreements. The large increase (over normal growth) in 2006/07 is due to a one-time payment to reimburse the City for stranded costs associated with the Escalera water line.

Impact Fees:

In 1996, the City adopted water and wastewater impact fees under Chapter 395 of the Texas Local Government Code. These revenues are used as partial funding for qualifying water and wastewater infrastructure projects for increased system capacity. The fees were updated in 2003 and again in 2005, through a study prepared by an Impact Fee Advisory Committee, to reflect changes in the City's five and ten year Capital Improvements Plans, the Future Land Use Plan, and updated construction costs. The fee is \$5,204 per unit for water and wastewater. These fees were reviewed in 2010 but no charges are expected through 2012.

Other Enterprise Fund Revenues



Fiscal Year (in thousands)	06/07	07/08	08/09	09/10	10/11*	11/12*	12/13*	13/14*	14/15*	15/16*
Stormwater Drainage	1,773	1,816	1,883	1,945	1,956	2,332	2,484	2,520	2,557	2,594
Airport	2,458	3,293	2,221	2,422	2,660	3,660	3,660	3,660	3,756	3,856

Airport Revenue:

Airport revenue consists primarily of fuel sales, T-hangar rentals and tie-down fees. The increase in 2007/08 was due to the higher cost of fuel for that time frame compared to other years. The Airport continues to be self-supporting and is projected to be able to sustain operations at the current level of service into the foreseeable future.

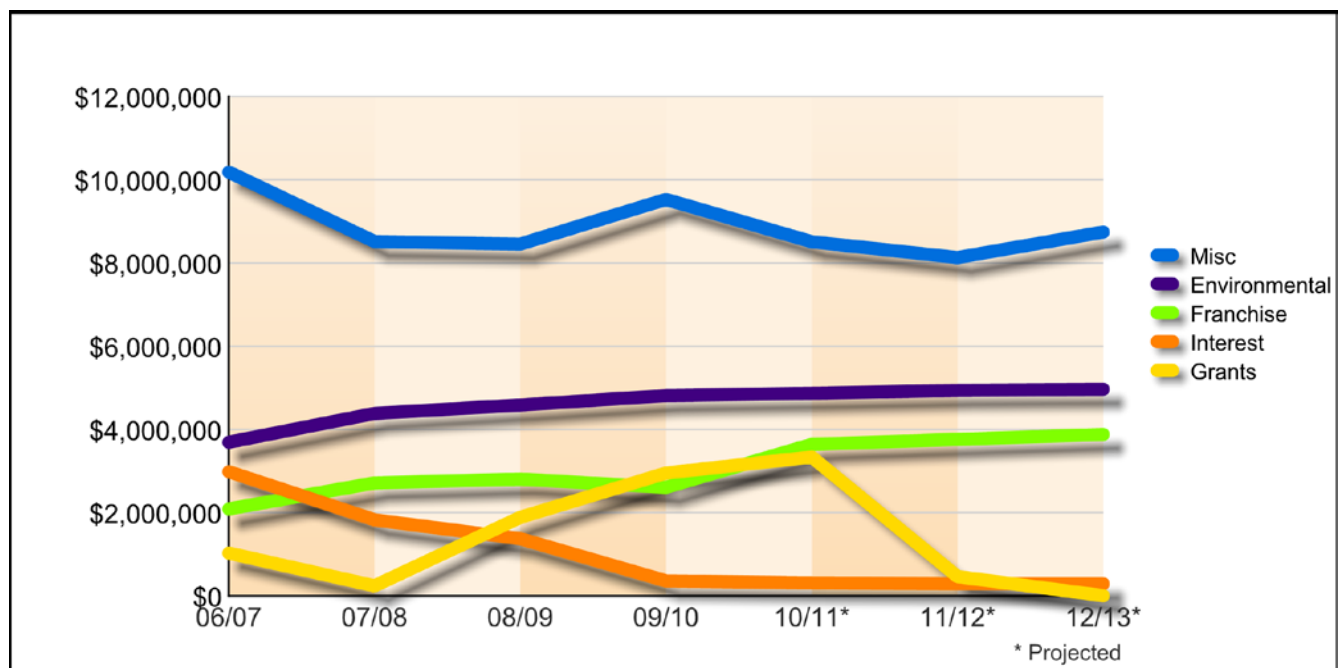
Stormwater Drainage Revenue:

Revenue for stormwater drainage is collected on a per unit basis to pay for maintenance of drainage, detention and filtration infrastructure and to pay for the debt service on bonds issued for major capital drainage improvements. The rate of \$4.25 per unit also provides \$300,000 annually for capital maintenance to correct drainage problems in the City. A rate analysis was conducted in 2011 to evaluate the current commercial and residential calculations for impervious cover, which had not been reviewed since the fee was established in 1995. As of budget adoption, a \$0.50 per residential billing unit increase is expected to be presented to Council for adoption in early 2012 and implemented in March 2012. The stormwater drainage fee has not been adjusted since November 2004. The cost of maintenance of detention ponds continues to increase, and other environmental mandates are expected to be forthcoming, which may impact rates.



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Miscellaneous Revenues



Fiscal Year (in thousands)	06/07	07/08	08/09	09/10	10/11*	11/12*	12/13*
Interest Income	2,982	2,408	1,369	354	309	289	288
Grant Revenue	1,024	157	1,880	2,942	3,334	458	-
Miscellaneous Revenue	10,184	9,708	8,452	9,524	8,507	8,127	8,743
Franchise Fees	2,083	2,740	2,802	2,603	3,637	3,758	3,877
Environmental Svcs	3,689	4,320	4,583	4,809	4,866	4,937	4,964

Interest Income:

Interest income continues to decrease due to the existing economic conditions that have resulted in lower yields for all investments. Projections are based on anticipated cash balances from contingency reserves, bond proceeds invested through the life of construction projects and fund balances, as well as, continued existing market conditions.

Grant Revenue:

The City receives grants for a variety of purposes. Council approves all grant applications prior to submission. The City budgets for grants that have been approved and awarded by the granting agency. The City received a grant in 2009/10 from U.S. Department of Homeland Security to fund nine additional firefighters.

Miscellaneous Revenue:

Revenues not falling into another category are classified as miscellaneous revenue. This source of funding is expected to rise due to fee increases, including building permits, fines, parks fees, recreation charges and other user fees, as well as, revenue for services from the Williamson County Emergency Service District (ESD) #8 which began in 2006/07. Surplus property sales and donations are also included in this category.

Franchise Fee Revenue:

The City receives revenue from franchise fees. These fees are paid to the City's General Fund by both City and outside utilities for use of right of ways and public properties and are collected to offset the cost of street maintenance. The City elected to change the City franchise fee rate to 3% from 2% in 2010/11. This change was made due to anticipated legislation impacting deregulation of the electric industry.

Environmental Services Revenue:

Environmental Services revenue includes fees collected for curbside garbage pick-up, including recycling and special pick-ups. In 2009, the Sanitation rates were increased by \$0.30 for inside the City residential customers and \$0.45 for outside the City customers and an average of 3.7% increase for non-residential accounts to reflect increased cost of service. The City will begin the process to bid and negotiate the contract for solid waste and recycling services in 2011/12. Final selection and implementation of the new contract is set for July 2012.

All Funds Summary (By Fund / By Division)

	Total Budget	GOVERNMENTAL FUND TYPES			
		General Fund	Special Revenue Funds	General Capital Projects Funds	General Debt Service Fund
Beginning Fund Balances / Working Capital	34,040,245	7,829,950	2,453,325	1,401,057	1,807,060
SOURCES & REVENUES:					
Property taxes	16,006,682	9,298,000	113,682		6,595,000
Sales taxes	10,315,000	8,375,000	1,940,000		
Bond Proceeds	6,170,000			3,970,000	
Charges for Services	15,977,787	1,174,767			
Capital Recovery Fees	1,099,499				
Special Improvement Fees	350,000				
Utility Revenues	91,670,192	4,937,000			
Grants	485,373		485,373		
Interest	288,750	40,000	30,650	10,000	20,000
Other Revenue	19,179,484	9,233,419	1,000,720	846,000	1,740,058
Interfund Transfers - ROI, Etc.	8,574,501	6,294,205	30,168		
Total Revenues	170,117,268	39,352,391	3,600,593	4,826,000	8,355,058
USES & EXPENSES:					
Georgetown Utility Systems	37,505,728	4,431,608	488,360		
Purchased Power	39,149,279				
Transportation	8,103,238	3,484,079			
Community Development	2,051,045	2,051,045			
Finance & Administration	13,075,589	526,256	123,103		
Fire Services	8,213,955	7,569,156	644,799		
Management Services	6,759,353	4,161,243	212,363		
Community Services	8,410,001	7,247,680	1,162,321		
Police Services	10,342,898	10,207,265	135,633		
Capital Improvements	19,114,000		1,582,000	4,417,000	
Debt Payments	16,718,566				8,933,641 (2)
Debt Service - New	80,000				
Debt Issuance Costs	173,100			150,000	
Interfund Transfers	8,574,501	19,718	77,012	1,544,000	
Total Uses & Expenses	178,271,253	39,698,050	4,425,591	6,111,000	8,933,641
Ending Fund Balance / Working Capital	25,886,260	7,484,291	1,628,327	116,057	1,228,477
RESERVATIONS:					
Contingency	15,341,000	7,000,000	75,000		
Capital Projects/Other	9,737,625		1,553,327	67,200	1,228,477
Available Fund Balance/ Working Capital	807,635	484,291	0	48,857	0

(1) Includes Airport & Stormwater Drainage

(2) Includes debt service payments on behalf of GTEC offset by transfer from GTEC

(3) Includes debt service payments on behalf of GEDCO offset by transfer from GEDCO

All Funds Summary (By Fund / By Division)

	PROPRIETARY FUND TYPES			
	ENTERPRISE FUNDS			Internal Service Funds
	Electric Fund	Water Fund	Other Enterprise Funds (1)	
Beginning Fund Balances / Working Capital	10,626,623	7,441,746	971,552	1,508,932
<i>SOURCES & REVENUES:</i>				
Property taxes				
Sales taxes				
Bond Proceeds		2,200,000		
Charges for Services				14,803,020
Capital Recovery Fees		1,099,499		
Special Improvement Fees		350,000		
Utility Revenues	61,527,544	22,873,227	2,332,421	
Grants				
Interest	35,000	104,100	12,000	37,000
Other Revenue	1,813,584	761,323	3,736,880	47,500
Interfund Transfers - ROI, Etc.		69,108		2,181,020
Total Revenues	63,376,128	27,457,257	6,081,301	17,068,540
<i>USES & EXPENSES:</i>				
Georgetown Utility Systems	13,610,003	16,492,964		2,482,793
Purchased Power	39,149,279			
Transportation			4,619,159	
Community Development				
Finance & Administration				12,426,230
Fire Services				
Management Services				2,385,747
Community Services				
Police Services				
Capital Improvements	5,145,000	7,214,000	756,000	
Debt Payments	3,117,398	4,107,833 (3)	559,694	
Debt Service - New		80,000		
Debt Issuance Costs	1,800	19,800	1,500	
Interfund Transfers	4,413,349	2,309,841	210,581	
Total Uses & Expenses	65,436,829	30,224,438	6,146,934	17,294,770
Ending Fund Balance / Working Capital	8,565,922	4,674,565	905,919	1,282,702
<i>RESERVATIONS:</i>				
Contingency	3,400,000	4,566,000	300,000	
Capital Projects/Other	5,000,000		605,919	1,282,702
Available Fund Balance/ Working Capital	165,922	108,565	0	0

All Funds Summary (By Fund / By Personnel-Operating-Capital)

	Total Budget	GOVERNMENTAL FUND TYPES			
		General Fund	Special Revenue Funds	General Capital Projects Funds	General Debt Service Fund
Beginning Fund Balances / Working Capital	34,040,245	7,829,950	2,453,325	1,401,057	1,807,060
SOURCES & REVENUES:					
Property taxes	16,006,682	9,298,000	113,682		6,595,000
Sales taxes	10,315,000	8,375,000	1,940,000		
Bond Proceeds	6,170,000			3,970,000	
Charges for Services	15,977,787	1,174,767			
Capital Recovery Fees	1,099,499				
Special Improvement Fees	350,000				
Utility Revenues	91,696,192	4,963,000			
Grants	485,373		485,373		
Interest	288,750	40,000	30,650	10,000	20,000
Other Revenue	19,179,484	9,233,419	1,000,720	846,000	1,740,058 (2)
Interfund Transfers - ROI, Etc.	8,574,501	6,294,205	30,168		
Total Revenues	170,143,268	39,378,391	3,600,593	4,826,000	8,355,058
USES & EXPENSES:					
Personnel	37,871,106	22,846,743	730,343		
Operating	88,583,557	15,396,589	1,260,933		
Capital	7,156,423	1,435,000	775,303		
Capital Improvements	19,114,000		1,582,000	4,417,000	
Debt Payments	16,798,566				8,933,641 (2)
Debt Issuance Costs	173,100			150,000	
Interfund Transfers	8,574,501	19,718	77,012	1,544,000	
Total Uses & Expenses	178,271,253	39,698,050	4,425,591	6,111,000	8,933,641
Ending Fund Balance / Working Capital	25,912,260	7,510,291	1,628,327	116,057	1,228,477
RESERVATIONS:					
Contingency	15,441,000	7,100,000	75,000		
Capital Projects/Other	9,700,302		1,552,494	67,200	1,228,477
Available Fund Balance/ Working Capital	770,958	410,291	833	48,857	0

(1) Includes Airport & Stormwater Drainage

(2) Includes debt service payments on behalf of GTEC offset by transfer from GTEC

(3) Includes debt service payments on behalf of GEDCO offset by transfer from GEDCO

All Funds Summary (By Fund / By Personnel-Operating-Capital)

	PROPRIETARY FUND TYPES			
	ENTERPRISE FUNDS			Internal Service Funds
	Electric Fund	Water Fund	Other Enterprise Funds (1)	
Beginning Fund Balances / Working Capital	10,626,623	7,441,746	971,552	1,508,932
<i>SOURCES & REVENUES:</i>				
Property taxes				
Sales taxes				
Bond Proceeds		2,200,000		
Charges for Services				14,803,020
Capital Recovery Fees		1,099,499		
Special Improvement Fees		350,000		
Utility Revenues	61,527,544	22,873,227	2,332,421	
Grants				
Interest	35,000	104,100	12,000	37,000
Other Revenue	1,813,584	761,323	3,736,880	47,500
Interfund Transfers - ROI, Etc.		69,108		2,181,020
Total Revenues	63,376,128	27,457,257	6,081,301	17,068,540
<i>USES & EXPENSES:</i>				
Personnel	4,126,662	2,151,456	519,839	7,496,063
Operating	47,391,620	14,091,508	4,089,320	6,353,587
Capital	1,241,000	250,000	10,000	3,445,120
Capital Improvements	5,145,000	7,214,000	756,000	
Debt Payments	3,117,398	4,187,833 (3)	559,694	
Debt Issuance Costs	1,800	19,800	1,500	
Interfund Transfers	4,413,349	2,309,841	210,581	
Total Uses & Expenses	65,436,829	30,224,438	6,146,934	17,294,770
Ending Fund Balance / Working Capital	8,565,922	4,674,565	905,919	1,282,702
<i>RESERVATIONS:</i>				
Contingency	3,400,000	4,566,000	300,000	
Capital Projects/Other	5,000,000		574,208	1,277,923
Available Fund Balance/ Working Capital	165,922	108,565	31,711	4,779

General Fund

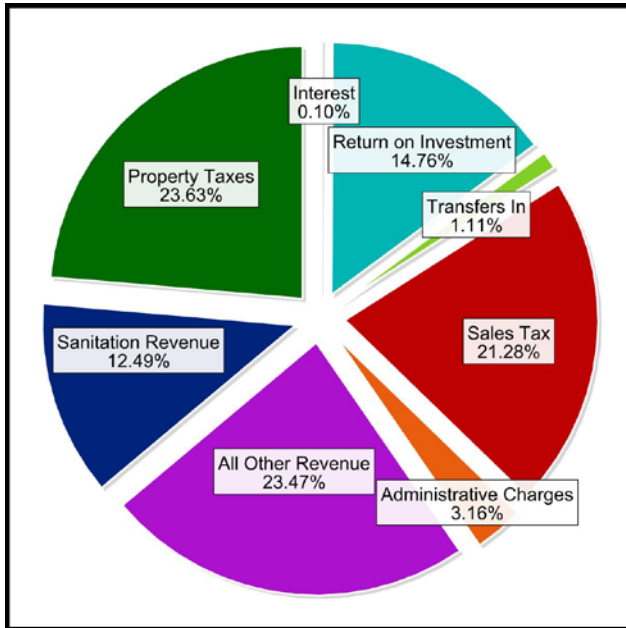
	09/10 ACTUAL	10/11 BUDGET	10/11 PROJECTED ACTUAL	11/12 ADOPTED BUDGET	12/13 ESTIMATED BUDGET
Beginning Fund Balance	9,549,550	8,320,423	8,604,398	7,829,950	7,484,291
<i>REVENUES:</i>					
Property Taxes	8,636,360	8,957,957	9,128,000	9,220,000	9,320,000
Sales Tax	7,928,140	7,655,000	8,297,000	8,375,000	8,444,000
Sanitation Revenue	4,809,271	4,814,034	4,866,250	4,937,000	4,964,000
Interest	61,092	60,000	45,000	40,000	40,000
Administrative Charges	1,063,045	1,132,639	1,142,110	1,174,767	1,167,719
All Other Revenue	8,324,985	9,125,706	8,960,355	9,311,419	9,698,092
Return on Investment	6,177,601	6,242,401	5,629,749	5,808,393	6,039,507
Transfers In	179,306	160,812	140,812	485,812	485,812
Total Revenues	37,179,800	38,148,549	38,209,276	39,352,391	40,159,130
<i>EXPENSES:</i>					
Community Development	2,105,294	2,226,353	2,220,909	2,051,045	2,072,667
Community Services	6,862,441	7,241,914	7,333,942	7,247,680	7,311,841
Finance & Administration	505,492	571,480	565,337	526,256	542,382
Fire Department	6,702,351	7,128,769	7,031,445	7,569,156	8,237,971
Georgetown Utility Systems	4,259,300	4,256,405	4,353,868	4,431,608	4,434,103
Management Services	1,868,430	2,454,747	2,351,299	1,786,105	1,781,051
Police Department	9,329,934	10,154,282	9,711,252	10,207,265	10,303,505
Transportation	2,905,769	3,087,575	2,911,046	3,484,079	3,504,919
Administrative Expense	2,243,580	2,414,447	2,418,882	2,375,138	2,441,174
Transfers Out	1,342,361	78,549	85,744	19,718	25,860
Total Expenses	38,124,952	39,614,521	38,983,724	39,698,050	40,655,473
Ending Fund Balance	8,604,398	6,854,451	7,829,950	7,484,291	6,987,948
<i>RESERVATIONS:</i>					
Contingency	6,740,000	6,847,000	6,847,000	7,000,000	7,235,000
Available Fund Balance	1,864,398	7,451	982,950	484,291	(247,052)

Fund Description:

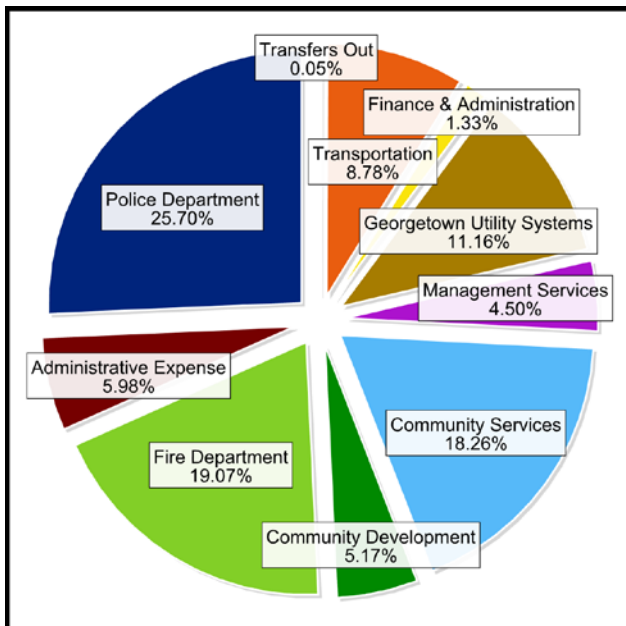
The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Fiscal Year 2011/12

Revenues

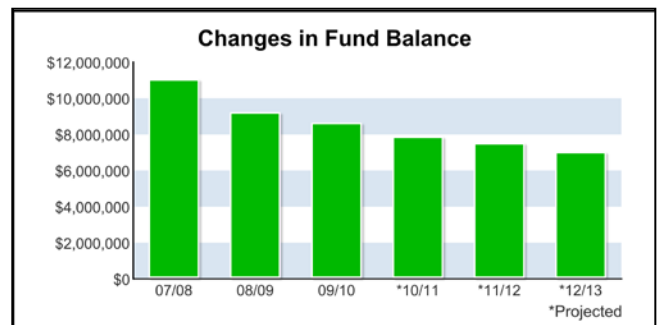


Expenditures



Significant Issues/Comments:

- ▶ The General Fund is within Fiscal & Budgetary compliance by having an operating budget balanced with sustainable funding sources.
- ▶ Funds for street capital maintenance total \$1,250,000 of new funding, and represents 3% of the General Fund on-going operating budget.
- ▶ The Environmental Services department is funded through garbage rates. A portion of these rates are passed through for contracted services with Texas Disposal Services.
- ▶ There are currently 16 frozen positions that are not funded in the General Fund for 2011/12. The Council did approve the funding of 3 positions in Fire Services to address staffing needs of the new Fire Station 5.
- ▶ Funds are included for Public Safety step increases, equipment and capital maintenance for Parks and operational increases in Police and Fire.
- ▶ Contingency Reserves were increased to comply with the City's Fiscal and Budgetary Policy that requires the City to reserve 90 days of operating expenses to offset any potential revenue shortfall or other unexpected event.
- ▶ Current projections show that City will face a deficit in the 2012/13 fiscal year due to increasing needs in the General Fund such as the opening of Fire Station No. 5 and the continued slow growth in the local and national economy. Staff and Council actively addressed this need as part of the 2011/12 budget workshops. As result of those efforts, that potential deficit has been reduced from approximately \$1 million to the current \$247,052 projection. The review and prioritization process will continue in 2011/12 to eliminate the potential deficit in the subsequent year.



Electric Fund

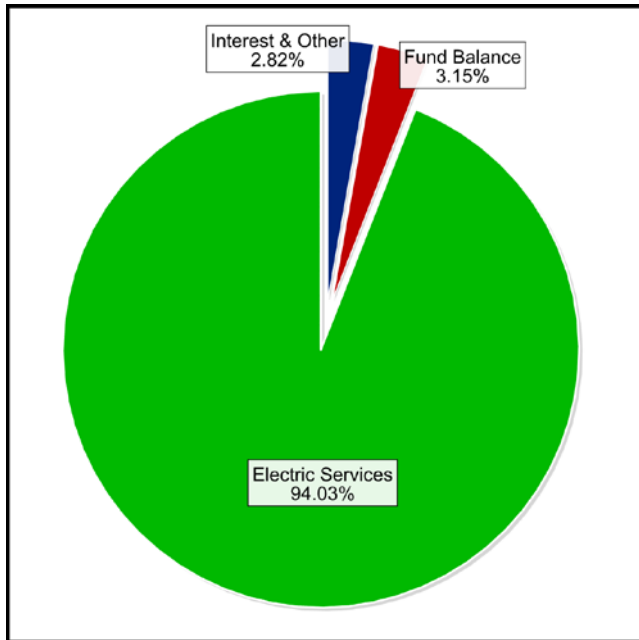
	09/10 ACTUAL	10/11 BUDGET	10/11 PROJECTED ACTUAL	11/12 ADOPTED BUDGET	12/13 ESTIMATED BUDGET
Beginning Working Capital	8,822,616	14,603,573	15,223,575	10,626,623	8,565,922
<i>REVENUES:</i>					
Electric Services	59,058,745	62,990,014	55,236,673	61,527,544	63,271,406
Bond Proceeds	3,067,000				2,900,000
Interest	56,184	50,000	58,163	35,000	35,000
All Other Revenue	2,371,959	1,513,584	2,305,793	1,813,584	1,813,584
Transfers In	89,361				
Total Revenues	64,643,249	64,553,598	57,600,629	63,376,128	68,019,990
<i>EXPENSES:</i>					
Georgetown Utility Systems	9,744,870	12,394,348	8,850,422	12,439,003	11,995,266
Operating Capital Improvements			2,978,481	1,171,000	1,131,000
Purchased Power	35,340,218	37,448,760	35,018,526	39,149,279	43,244,954
Capital Projects	6,110,371	8,194,000	8,107,250	5,145,000	3,950,000
Debt Payments	2,786,727	3,108,796	3,108,796	3,117,398	2,996,462
Debt Payments - New Debt					380,000
Debt Issuance Costs	23,606	1,800	1,800	1,800	16,800
Transfers Out	4,453,752	4,788,502	4,132,306	4,413,349	4,182,792
Total Expenses	58,459,544	65,936,206	62,197,581	65,436,829	67,897,274
Ending Working Capital	15,006,321	13,220,965	10,626,623	8,565,922	8,688,638
<i>RESERVATIONS:</i>					
Contingency	2,625,000	3,262,000	3,262,000	3,400,000	3,400,000
Other	217,254	5,000,000	5,000,000	5,000,000	5,000,000
Available Working Capital	12,598,575	4,958,965	2,364,623	165,922	288,638

Fund Description:

The Electric Fund is used to account for the revenues from all operating and maintenance activities of the utility and the expenses of the departments, which support those activities. This includes the Electric department, the Automated Meter Reading (AMR) Department, purchased power costs, debt payments and capital projects. The fund also makes transfers out to the General Fund for the City's return on investment for the Electric utility.

Fiscal Year 2011/12

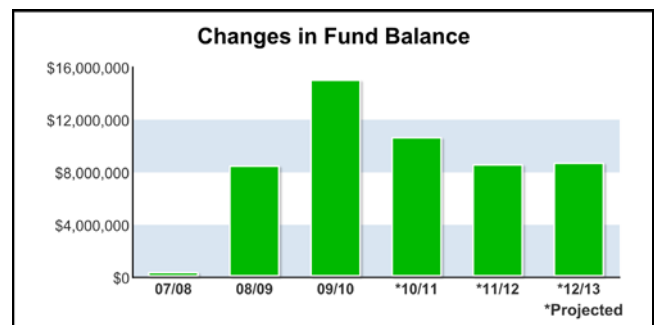
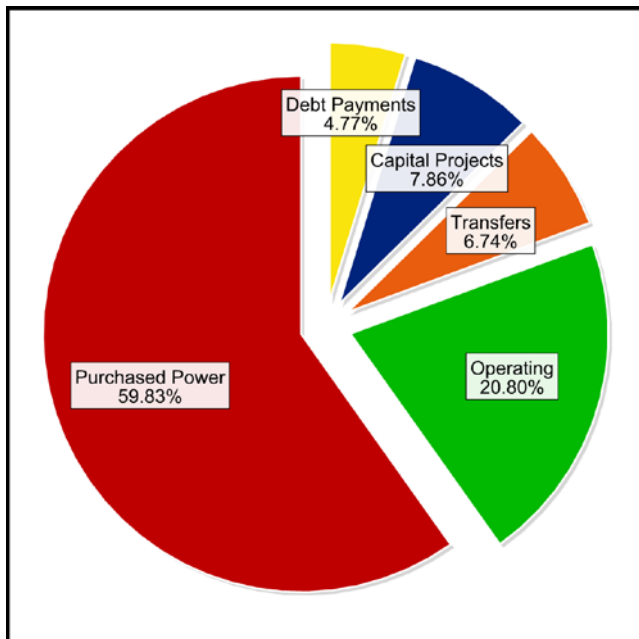
Revenues



Significant Issues/Comments:

- ▶ Purchased power costs fluctuate with the variances in the fuel surcharge implemented by the Lower Colorado River Authority, the City's wholesale supplier. This surcharge is passed along to the City's customers as a pass-through charge. Power costs have increased significantly over prior years due to the increased cost of natural gas.
- ▶ The Electric and Water Services funds share the maintenance of the City's automated meter reading system. A new vendor was selected in 2009/10 and the implementation began in 2010/11 and will continue in 2011/12. Funds have been included to upgrade the Customer Information System to compliment the automated meter reading system.
- ▶ Capital projects are funded through operating revenues and debt when necessary. In 2012, \$5.1 million of operating revenues fund the annual capital projects plan.
- ▶ Transfers out include the 7% return on investment to the General Fund. The fund also includes a 3% franchise fee payment to the General fund, which constitutes a payment for the continuing use of public property and right of ways.
- ▶ A rate stabilization reserve has been established to mitigate future rate fluctuations.

Expenditures



Water Services Fund

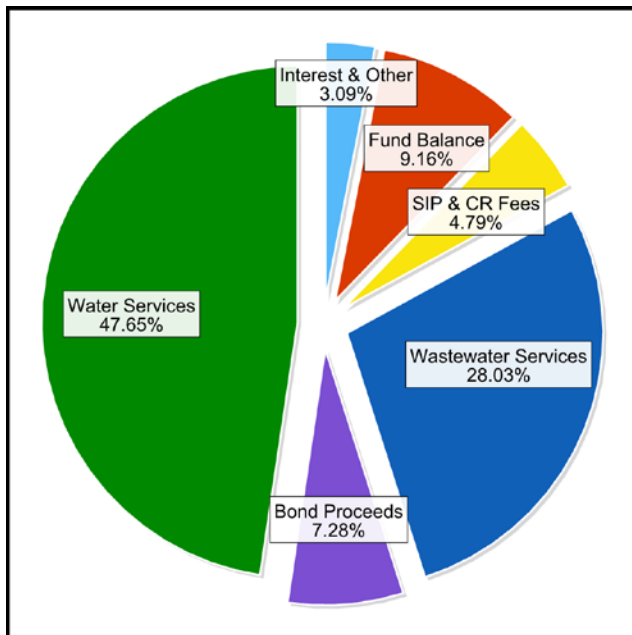
	09/10 ACTUAL	10/11 BUDGET	10/11 PROJECTED ACTUAL	11/12 ADOPTED BUDGET	12/13 ESTIMATED BUDGET
Beginning Working Capital	17,064,782	22,662,602	21,907,677	7,441,746	4,674,565
<i>REVENUES:</i>					
Water Services	12,523,363	14,028,136	14,724,000	14,401,320	15,529,705
Wastewater Services	7,753,305	7,919,250	7,969,811	8,050,729	8,419,938
Irrigation Services	355,936	400,865	391,571	421,178	442,237
Bond Proceeds	10,120,000			2,200,000	4,500,000
Impact Fees	1,028,109	1,130,332	1,063,899	1,099,499	1,199,899
Service Improvement Fees	550,529	634,250	350,000	350,000	350,000
Interest	118,025	104,100	79,100	104,100	104,100
All Other Revenue	1,253,569	717,390	748,033	656,923	656,923
Transfer In	170,500	170,508	170,508	173,508	171,308
Total Revenues	33,873,336	25,104,831	25,496,922	27,457,257	31,374,110
<i>EXPENSES:</i>					
Georgetown Utility Systems	14,610,474	17,061,453	17,021,402	16,492,964	16,937,894
Capital Projects	8,946,454	18,216,000	17,083,000	7,214,000	7,872,000
Debt Payments	3,705,825	4,115,540	4,115,540	4,107,833	3,912,166
Debt Payments - New Debt				80,000	400,000
Bond Issue Costs	118,940	4,800	4,800	19,800	29,800
Transfers Out	2,051,844	1,711,795	1,738,111	2,309,841	2,175,616
Total Expenses	29,433,537	41,109,588	39,962,853	30,224,438	31,327,476
Ending Working Capital	21,504,581	6,657,845	7,441,746	4,674,565	4,721,199
CAFR Adjustment	403,096				
<i>RESERVATIONS:</i>					
Contingency	4,110,000	4,266,000	4,266,000	4,566,000	4,566,000
SIP Reservation/Stranded Fees	3,695,031				
Available Working Capital	14,102,646	2,391,845	3,175,746	108,565	155,199

Fund Description:

The Water Services Fund is used to account for the revenues from all operating and maintenance activities for water, wastewater and irrigation utilities. Expenses also include debt payments, capital costs and the transfers out to the General Fund for the City's return on investment. Each utility service type is tracked separately for rate design purposes to ensure rates are charged to fully recover operational costs.

Fiscal Year 2011/12

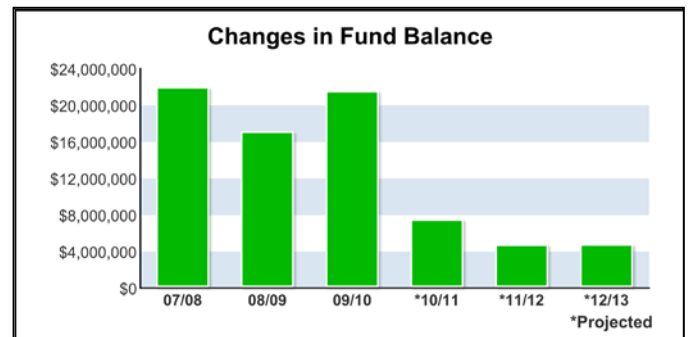
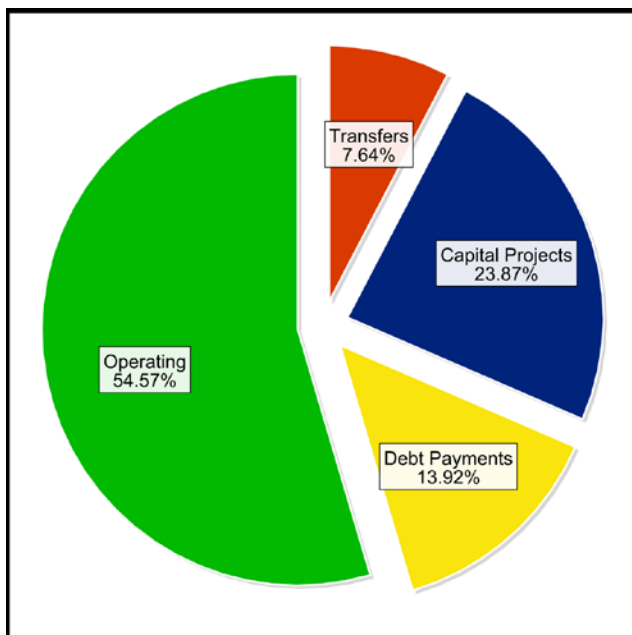
Revenues



Significant Issues/Comments:

- ▶ The City's water supply is provided through agreements with the Brazos River Authority (BRA). BRA expenses increased 15% over the prior year, due to an increase in raw water cost, as well as, principal and interest payments and operational cost for the Williamson County Raw Water Line. Future raw water increases are projected at 15% per year.
- ▶ Capital projects are funded through operating revenues, impact fees and debt when necessary. In 2011/12, \$7.2 million will be spent in capital improvements, including the projects related to the 2006 Annexations and areas identified by prior year testing related to the Edwards Aquifer Recharge Zone (EARZ).
- ▶ The City will test 20% of the collection system each year by testing wastewater lines for inflow and infiltrations as required by the Texas Commission on Environmental Quality (TCEQ) for environmental safety for the Edwards Aquifer. Because 98% of the city is located over the Aquifer, testing and repair costs are a major component of the wastewater capital improvement program. The City budgets repairs for all problems found in the next budget cycle.

Expenditures



Airport Fund

	09/10 ACTUAL	10/11 BUDGET	10/11 PROJECTED ACTUAL	11/12 ADOPTED BUDGET	12/13 ESTIMATED BUDGET
Beginning Working Capital	872,384	562,425	457,755	379,145	375,705
REVENUES:					
Fuel & Terminal Sales	1,896,283	2,104,180	2,104,180	3,104,180	3,104,180
Leases & Rents	526,141	556,100	556,100	556,100	556,100
Interest	5,085	16,000	4,000	4,000	3,000
Grant	4,642		6,175		
All Other Revenue	63,909	61,600	91,907	57,600	57,600
Transfers In	3,300				
Total Revenues	2,499,360	2,737,880	2,762,362	3,721,880	3,720,880
EXPENSES:					
Management Services	2,690,026	2,589,964	2,675,910		
Transportation				3,416,642	3,410,703
Capital Projects				100,000	20,000
Debt Payments	165,069	165,062	165,062	162,738	162,998
Transfers Out	59,500			45,940	
Total Expenses	2,914,595	2,755,026	2,840,972	3,725,320	3,593,701
Ending Working Capital	457,149	545,279	379,145	375,705	502,884
CAFR Adjustment	606				
RESERVATIONS:					
Contingency	150,000	150,000	150,000	150,000	150,000
Future Capital Improvements	307,755	171,979	229,145	225,705	352,884
Available Working Capital	0	223,300	0	0	0

Fund Description:

The Airport fund is used to account for revenues and expenses related to the operation and maintenance of the Georgetown Municipal Airport. Capital improvements for the Airport and debt payments on outstanding debt for the Airport fund are also accounted for here.

Significant Issues/Comments:

- ▶ Excess funds are reserved for future capital maintenance, grant match or other airport related assets.

Stormwater Drainage Fund

	09/10 ACTUAL	10/11 BUDGET	10/11 PROJECTED ACTUAL	11/12 ADOPTED BUDGET	12/13 ESTIMATED BUDGET
Beginning Working Capital	1,714,422	2,399,804	2,551,773	592,407	530,214
<i>REVENUES:</i>					
Stormwater Fees	1,944,732	1,994,507	1,955,901	2,332,421	2,483,953
Bond Proceeds	1,020,649				
Interest	11,654	10,000	8,000	8,000	8,000
All Other Revenue	14,275	20,000	19,000	19,000	19,000
Total Revenues	2,991,310	2,024,507	1,982,901	2,359,421	2,510,953
<i>EXPENSES:</i>					
Transportation	1,069,895	1,187,163	1,126,919	1,202,517	1,233,788
Capital Projects	577,161	2,242,000	2,242,000	656,000	750,000
Debt Payments	355,258	433,605	433,605	396,956	396,216
Bond Issue Costs	11,253	1,500	1,500	1,500	1,500
Transfers Out	156,721	141,015	138,243	164,641	175,207
Total Expenses	2,170,288	4,005,283	3,942,267	2,421,614	2,556,711
Ending Working Capital	2,535,444	419,028	592,407	530,214	484,456
CAFR Adjustment	16,329				
<i>RESERVATIONS:</i>					
Contingency	150,000	150,000	150,000	150,000	150,000
Available Working Capital	2,401,773	269,028	442,407	380,214	334,456

Fund Description:

The Stormwater Fund is used to account for all operating and maintenance activities of the City's drainage system and the debt payments for bonds issued in past years to improve drainage problems.

Significant Issues/Comments:

- ▶ City engineers began the Regional Stormwater Drainage Master Plan (RSMP), which outlines future capital improvements that are needed to improve drainage in the City.
- ▶ Operating costs continue to increase due to the increase in the number of detention ponds within the city.
- ▶ A rate analysis was concluded in 2011 to evaluate calculations for impervious cover and future environmental mandates. A rate increase of \$0.50 per residential billing unit will be proposed for March 2012.

General Capital Projects Fund

	09/10 ACTUAL	10/11 BUDGET	10/11 PROJECTED ACTUAL	11/12 ADOPTED BUDGET	12/13 ESTIMATED BUDGET
Beginning Working Capital	3,163,653	1,951,576	2,595,665	1,401,057	116,057
<i>REVENUES:</i>					
Service Improvement Fees	6,450		7,250		
Bond Proceeds	3,857,351	21,980,500	21,650,000	3,970,000	19,144,000
Interest	18,366	10,000	26,800	10,000	10,000
All Other Revenue	330,390		382,271	846,000	
Transfers In	775,800				
Total Revenues	4,988,357	21,990,500	22,066,321	4,826,000	19,154,000
<i>EXPENSES:</i>					
New Equipment	3,855			90,000	
Streets CIP	2,408,196	12,352,355	11,847,929	1,200,000	750,000
General CIP	3,509,489	8,555,000	8,955,000	2,927,000	16,500,000
Community Service CIP		1,000,000	1,000,000	200,000	
Debt Issuance Cost	50,482	460,500	180,000	150,000	300,000
Transfers Out	104,411	1,346,000	1,278,000	1,544,000	1,594,000
Total Expenses	6,076,433	23,713,855	23,260,929	6,111,000	19,144,000
Ending Working Capital	2,075,577	228,221	1,401,057	116,057	126,057
CAFR Adjustment	520,088				
<i>RESERVATIONS:</i>					
SIP Reservation	67,200	67,200	67,200	67,200	67,200
Available Working Capital	2,528,465	161,021	1,333,857	48,857	58,857

Fund Description:

Capital projects funds are used to account for the acquisition and construction of major capital facilities and equipment other than those financed by Special Revenue (grants) and Enterprise Funds (i.e. utilities and airport).

Facilities Capital Projects Fund:

- Includes funding for the construction of Fire Station #5 and #2, fire training facility and capital replacement of public safety vehicles.

Parks Capital Projects Fund:

- Includes projects that were approved in the November 2008 bond authorization. Voters approved \$35.5 million of parks and recreation bonds. The expansion and grant match for the City's trails system will be funded through bonds previously issued in 2011.

Streets Capital Projects Fund:

- Includes projects that were approved in the November 2008 bond authorization. Voters approved \$46 million of street and road bonds. The City will continue work on previously funded project that includes Southeast Arterial 1, Southwest Bypass and Williams Drive widening.

Special Revenue Funds – Summary 2011/12

FUND	DIVISION	BEGINNING FUND BALANCE	REVENUES	EXPENDITURES	ENDING FUND BALANCE
Cemetery Fund	<i>Community Services</i>	32,080	55,600	87,680	0
Library Donations	<i>Community Services</i>	12,727	130,400	143,127	0
Parks Restricted	<i>Community Services</i>	424,635	71,200	495,835	0
Tourism Fund	<i>Community Services</i>	382,087	414,370	437,251	359,206
Courts Fund	<i>Finance & Administration</i>	54,135	108,968	163,103	0
Downtown TIF Fund	<i>Finance & Administration</i>	354,111	98,000	212,363	239,748
Rivory TIRZ	<i>Finance & Administration</i>	37,169	11,616	0	48,785
Gateway TIRZ	<i>Finance & Administration</i>	6,918	5,066	0	11,984
Fire Fund	<i>Fire Services</i>	171,926	472,873	644,799	0
Conservation Fund	<i>GUS</i>	248,360	240,000	488,360	0
Main Street Facade Fund	<i>Management Services</i>	19,840	15,600	35,440	0
Animal Services Fund	<i>Police Services</i>	46,705	25,400	72,105	0
Police Restricted	<i>Police Services</i>	174,335	3,500	63,528	114,307
Street Tax	<i>Transportation</i>	488,297	1,948,000	1,582,000	854,297
Total Special Revenue Funds		2,453,325	3,600,593	4,425,591	1,628,327

Fund Description:

Special revenue funds (SRF's) are used to account for specific revenues that are legally restricted for expenditures for particular purposes. The City uses these funds to track revenues and expenditures for:

- Grants
- Hotel Occupancy Tax (HOT)
- Parkland dedication fees
- Tax Incremental Reinvestment Zones
- Donations
 - Police seizures
- Street Maintenance Sales Tax

Significant Issues/Comments:

- These funds vary significantly with the level of donation and grant activity for each year.
- The ¼ cent Street Maintenance Sales Tax was originally approved by voters in November 2002. Funds may only be spent on existing city streets. The tax was reauthorized by voters in November 2006 and 2010. This authorization will sunset in March 2015. Projects for 2011/12 are included in the Capital Improvement Project section of this document.

Internal Service Funds – Summary 2011/12

	FACILITIES MAINTENANCE FUND	FLEET MANAGEMENT FUND	INFORMATION SERVICES FUND	JOINT SERVICES FUND	INTERNAL SERVICES FUND TOTAL
Beginning Working Capital	32,528	1,173,997	59,039	243,368	1,508,932
<i>REVENUES:</i>					
Charges for Services	1,914,262	1,676,152	2,299,858	8,912,748	14,803,020
Interest & Other	8,000	19,000	13,000	24,500	64,500
Sale of Property		20,000			20,000
Interfund Transfers	298,500	1,540,500	342,020		2,181,020
Total Revenues	2,220,762	3,255,652	2,654,878	8,937,248	17,068,540
<i>EXPENSES:</i>					
Georgetown Utility Systems				2,482,793	2,482,793
Finance & Administration	2,018,947	3,630,527	2,657,227	4,119,529	12,426,230
Management Services				2,385,747	2,385,747
Total Expenses	2,018,947	3,630,527	2,657,227	8,988,069	17,294,770
Ending Working Capital	234,343	799,122	56,690	192,547	1,282,702
CIP/Other	234,343	799,122	56,690	192,547	1,282,702
Available Working Capital	0	0	0	0	0

Fund Description:

Internal Service Funds are used to account for operations of the City that provide services to other departments within the City, and are allocated to using department based on specific criteria which is reviewed annually.

Facilities Maintenance Fund:

- Provides janitorial services, light maintenance, equipment repair and replacement (copiers, HVAC, etc.), landscape maintenance, building repair and replacement (roofs, painting, carpet) on an established schedule. Charges for services to each department are made based on predetermined lease fees.

Fleet Management Fund:

- Provides vehicles, vehicle equipment and communications equipment to all using City departments, as well as maintenance of all vehicles. Charges for services are based on annualized replacement and maintenance costs of each vehicle.

Information Services Fund:

- Provides computer hardware, software, training, staff support to all using City departments and Geographic Information Systems (GIS) analysis. Charges are based on hardware and software replacements for each department.

Joint Services Fund:

- Composed of departments providing administrative support to City funds and departments. GUS Administration, Systems Engineering and Utility Office provide support to the City's utility funds. Administrative departments, including Accounting, Finance Administration, Human Resources and Safety, and Purchasing provide support to all City funds and departments. The City's Economic Development department is included, which is funded by the General Fund and the City's Electric and Water Service funds.