

BUDGET IN BRIEF

Georgetown, Texas



City Manager
David Morgan

The FY2021 budget totals \$396 million and decreases the City's property tax rate by \$0.002, making it the lowest of all cities in the Austin area with a population greater than 20,000. This was the sixth year that U.S. census data indicated Georgetown was one of the top 10 fastest-growing cities in the nation with a population above 50,000 residents. Georgetown's estimated population has increased by 68 percent since 2010, with the estimated census population of 79,604. Responding to continued growth is a dominate theme and focus in the City of Georgetown's work plan. This has been accomplished through utility infrastructure development, public safety enhancements, long range planning initiatives, economic development achievements, and sustaining City service levels.

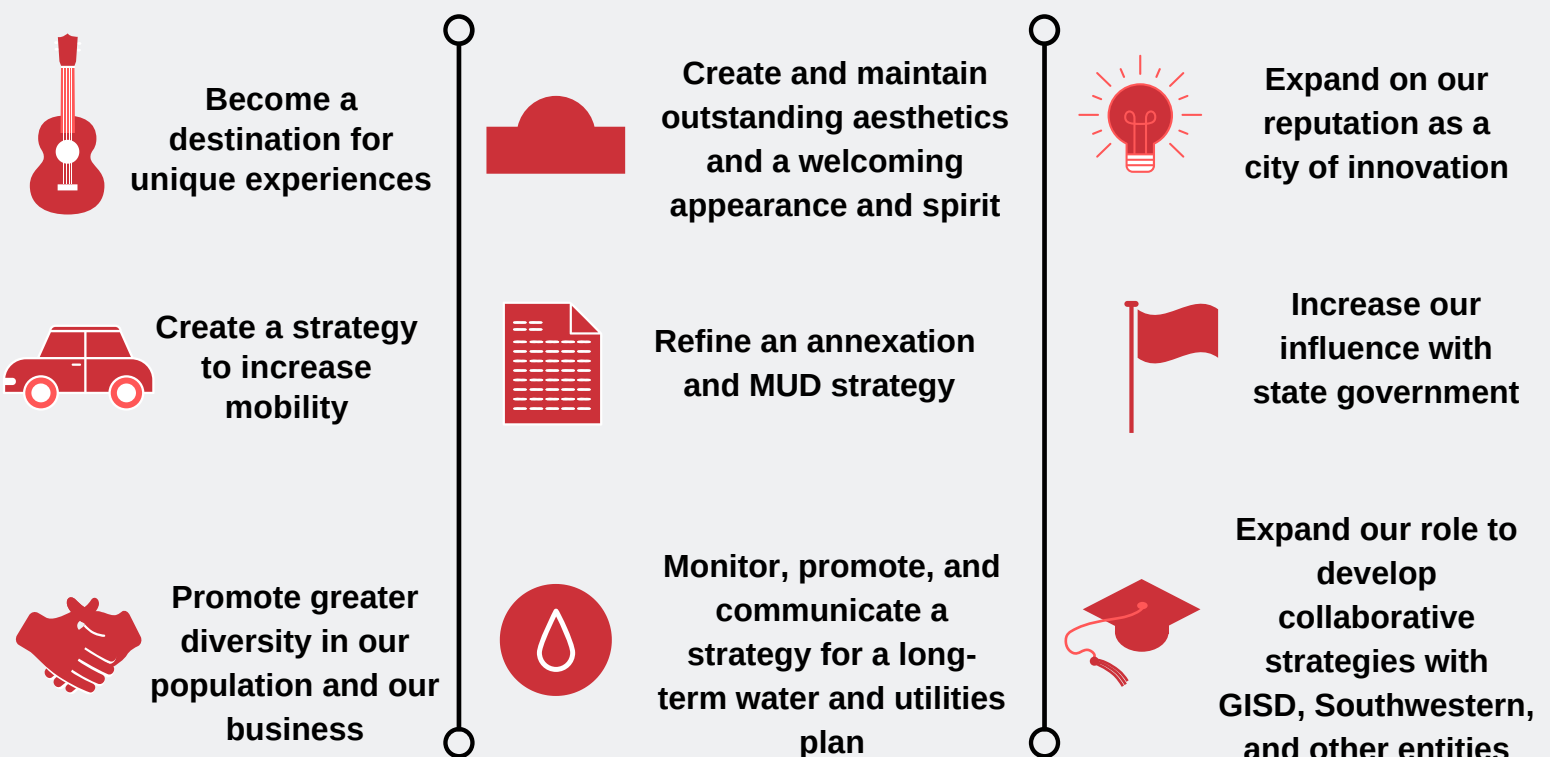
Any review of FY2020 must include the shifts required to address the challenges of the COVID-19 pandemic. Throughout this crisis, the City of Georgetown established priorities to keep the public and employees safe, while continuing to maintain city services to the extent possible. I am thankful and proud of our City team, who adjusted service delivery, implemented safety measures, and remained dedicated to serving our community. With declining revenues, City staff adjusted budgets to limit spending to end the year with a balanced budget, while maintaining and even strengthening reserve levels.



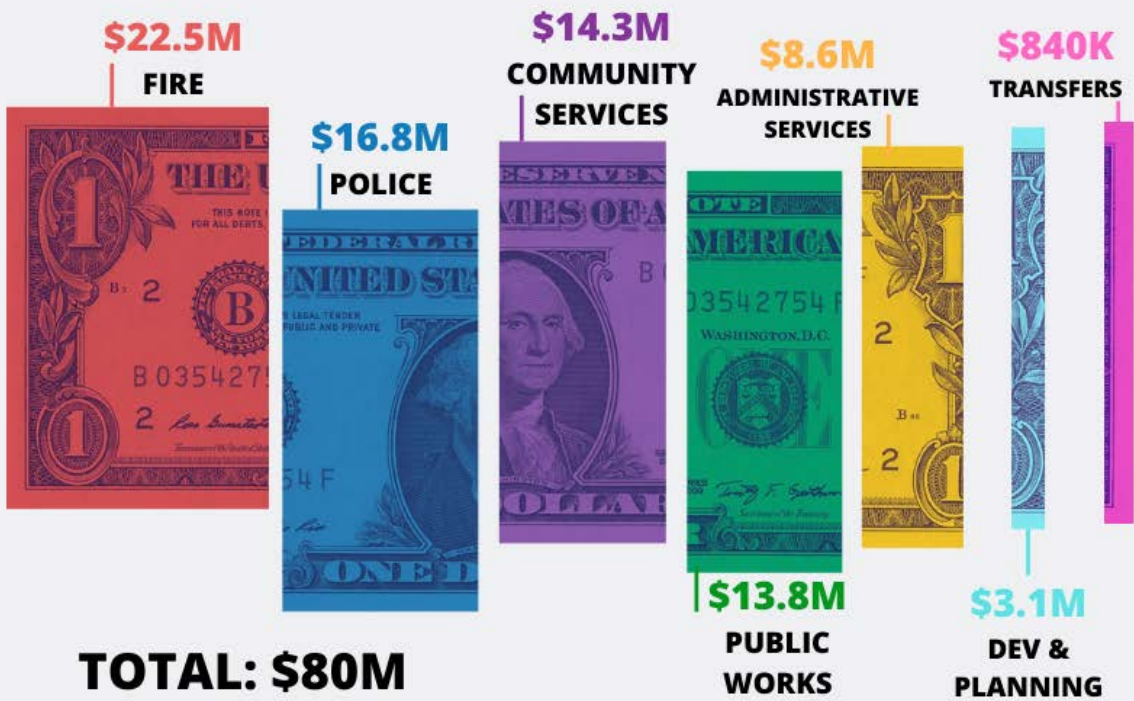
CORE THEMES OF THE FY2021 BUDGET



COUNCIL VISION AND STRATEGIES



GENERAL FUND EXPENSE BREAKDOWN



FIRE: Fire emergency services, fire support services/administration, and Emergency Medical Services

POLICE: Police administration and operations

COMMUNITY SERVICES: Library, Parks and Recreation, Arts & Culture, Animal Services, Code Compliance, Emergency Management, Municipal Court

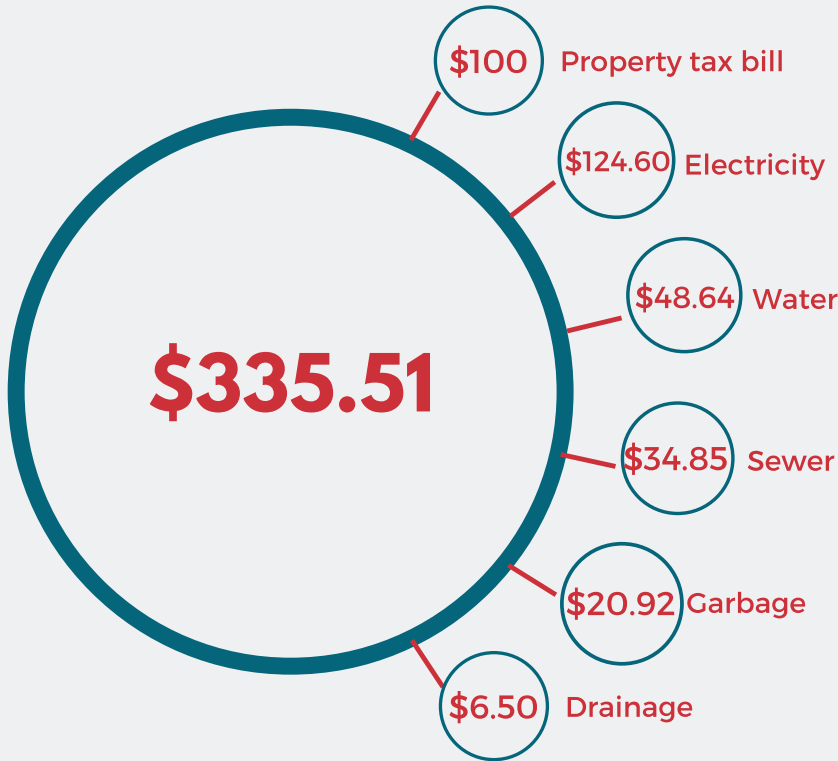
PUBLIC WORKS: Public Works, Streets, and Environmental Services

ADMINISTRATIVE SERVICES: Administration, City Secretary, City Council, Government Contracts, Communications and Public Engagement

DEVELOPMENT & PLANNING: Planning and Inspection Services

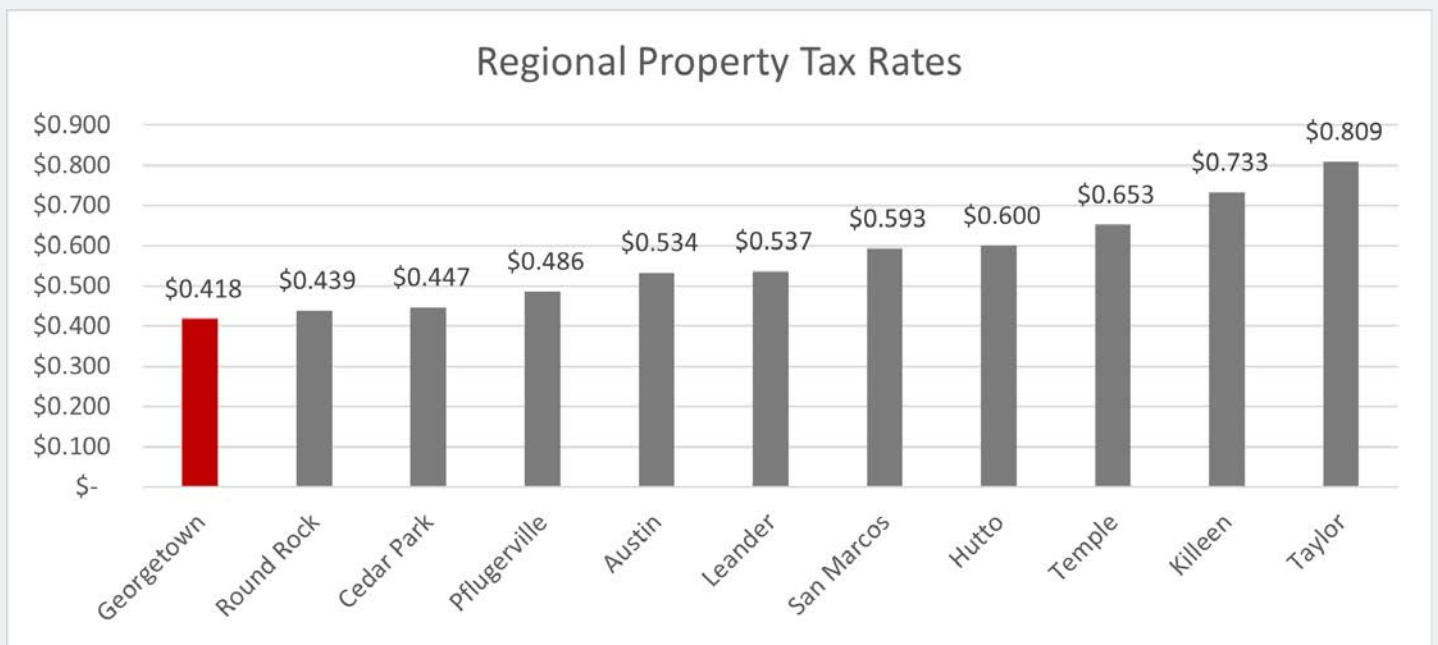
TRANSFERS: Transfers to other funds to pay for debt and equipment for new employees and to support Special Revenue Funds, such as Parks and Main Street.

GEORGETOWN MONTHLY BILL BREAKDOWN



*These rounded figures are based on a typical ratepayer's monthly costs based on the FY2021 budget and subsequently updated water, sewer, and trash fees.

PROPERTY TAXES

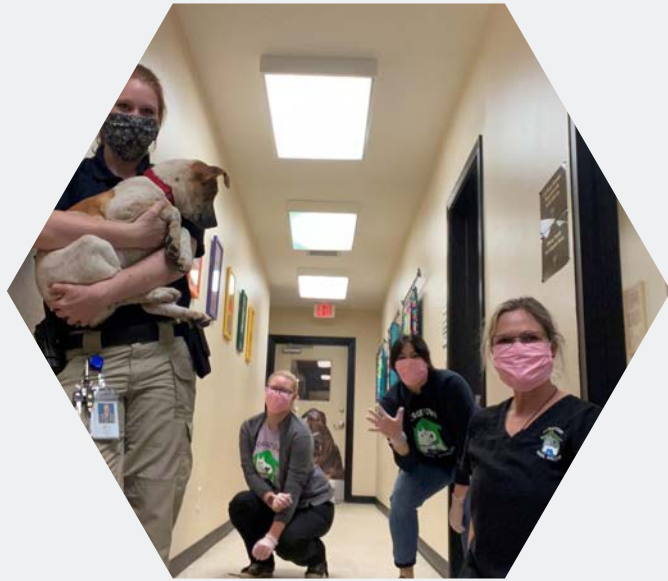


Property Tax Rates per \$100 Valuation

In the last five years, the assessed property value in the City has increased from \$4.8 billion to more than \$8.6 billion. The budget includes a property tax rate of 41.8 cents per \$100 valuation, which is \$0.02 lower than FY2020's rate and the lowest of all cities in the Austin area with more than 20,000 people. The average homestead property in Georgetown decreased in taxable value by 2.3 percent, down from \$284,765 in FY2020 to \$278,001 in FY2021. Coupled with the decrease in the property tax rate, it is anticipated the average homeowner in Georgetown will pay \$34 less in property tax in the upcoming year.

The budget takes a conservative outlook for the fiscal year, with the overall budget coming in 10 percent lower than the adopted FY2020 budget. The General Fund, which pays for several, critical services like public safety, streets, library services, and parks and recreation, increased by 3.7 percent – lower than the city's population growth of 7.2 percent.

BUDGET HIGHLIGHTS



COVID-19 RESPONSE

While the FY2021 budget has funding for 15.5 new positions, it also freezes 14 positions for at least part of the year to help adjust to lower revenue projections as a result of COVID-19. The budget also includes \$1 million in cuts to department budgets, including less money for training, travel, and supplies. We also anticipate service-level reductions to Parks and Recreation programming as a result of lower revenues.



PUBLIC SAFETY

The FY2021 proposed budget continues a commitment to public safety with six new firefighters to successfully staff the opening of Fire Station No. 7 and two patrol officers to maintain police response times and improvement safety as Georgetown grows in population. We also expect phase 2 construction of the Public Safety Operations and Training Center, a \$4.5 million project, to start this fiscal year.



CAPITAL IMPROVEMENT PROJECTS

Continued investments to address growth pressures are also included in this year's budget, with \$77.4 million going to improve streets, public safety, and water/wastewater. Projects include:

- \$5.8 million for road projects
- \$1 million for sidewalk improvements
- \$1.9 million for parks improvements
- \$25.8 million for water/wastewater increase capacity
- \$5.6 million for electric improvements



UTILITY RATE CHANGES

Customers will see increases to their monthly water/wastewater and sanitation rates this fiscal year. The water/sewer cost-of-service study recommended increasing residential rates by an average of \$8.12 per month to help equitably distribute costs and make sure the utility brings in enough revenue to operate. Residential customers also can expect a \$1.37 per month rate increase for trash services to help pay for increased costs with Texas Disposal Systems, reconstruction of the transfer station, and improvements to the household hazardous waste program.

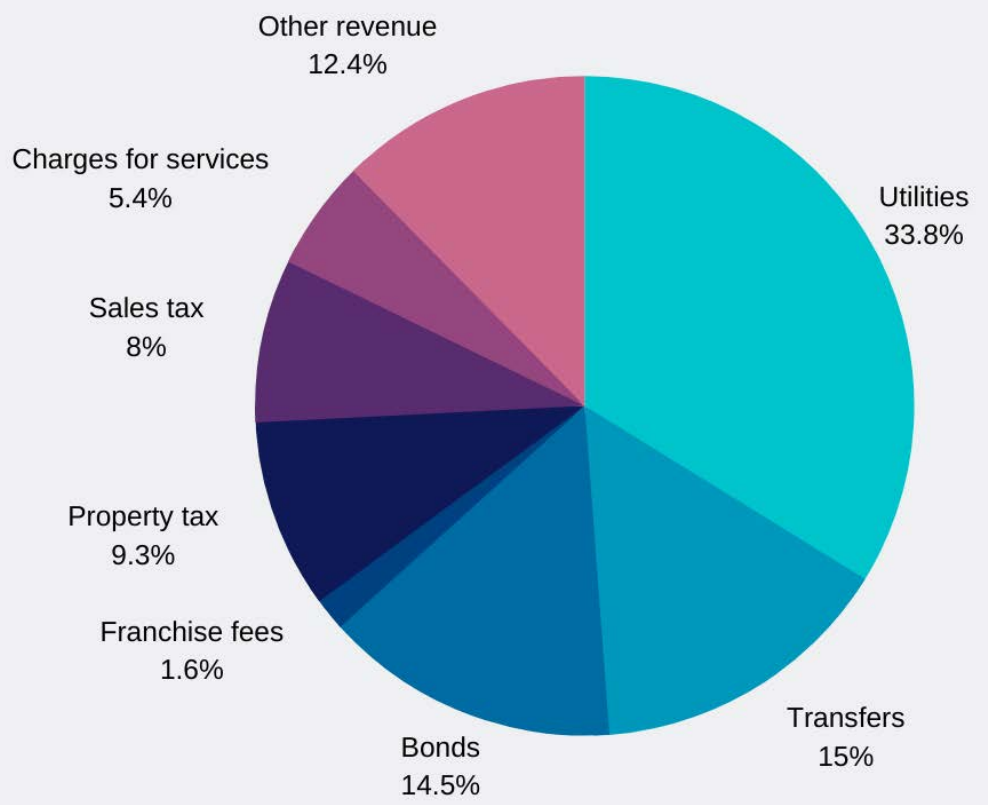


STABILIZING THE ELECTRIC FUND AND PURCHASED POWER COSTS

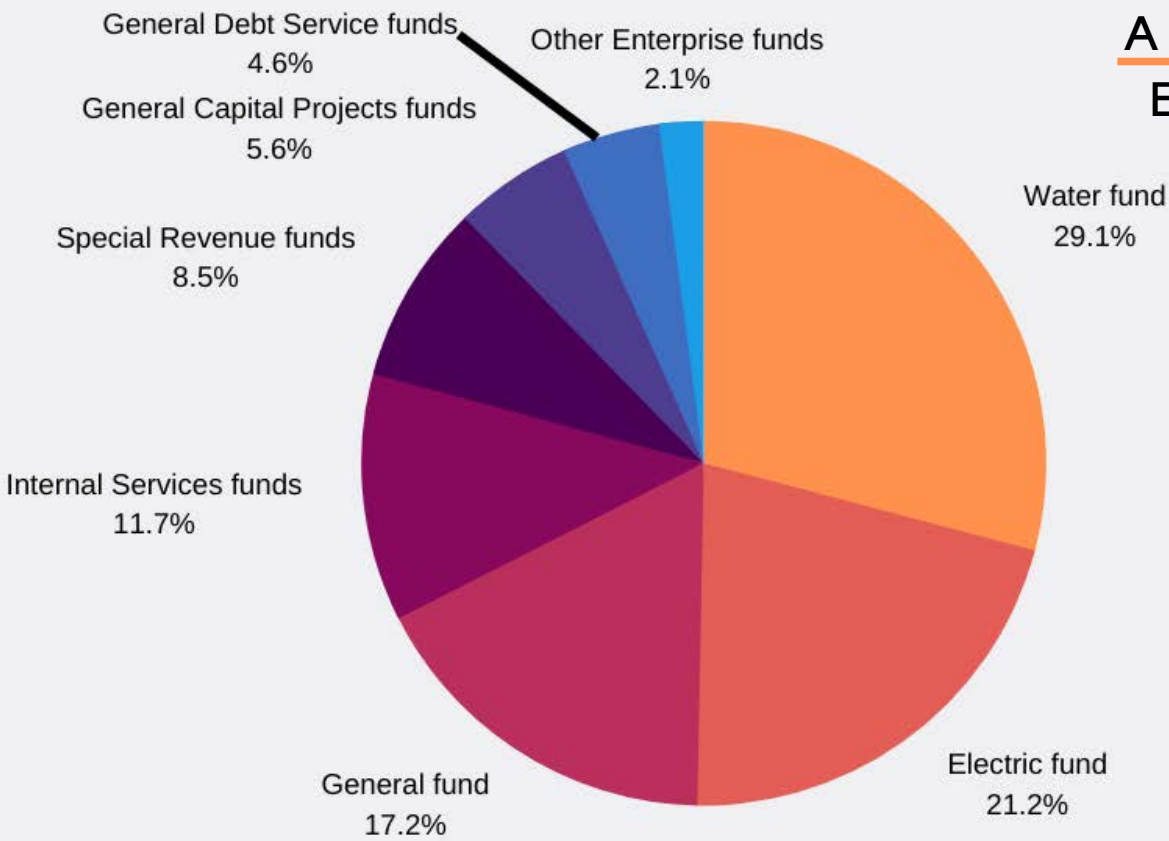
FY2021 included the City's continued efforts to improve the financial condition of the Electric Fund through implementing the recommendations of the management assessment conducted in 2019 which focuses on improving risk management of the City's energy portfolio. Steps already taken to address the wholesale power cost issue, including hiring a new general manager and bringing on Shell Energy North America to assist with energy forecasting and energy market trading, have contributed to a higher reserve in the electric fund.

FINANCIAL STABILITY

ALL FUNDS: REVENUES

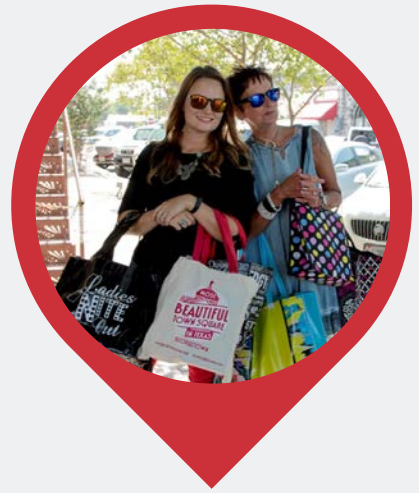
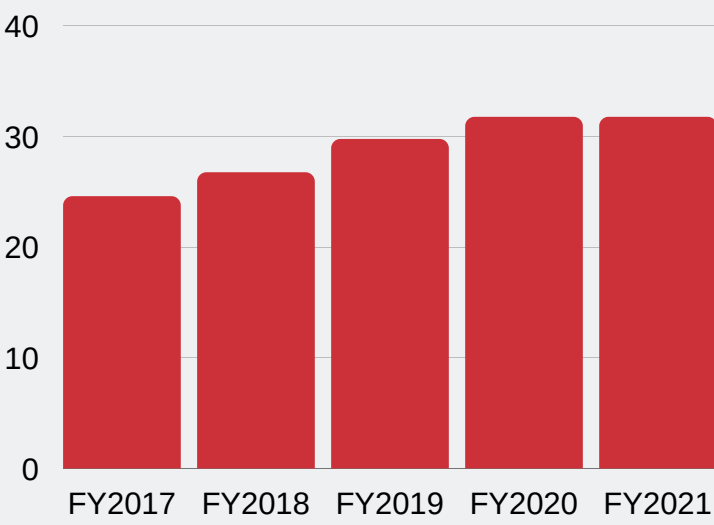


ALL FUNDS: EXPENSES



SALES TAX

SALES TAX GROWTH TREND
(in millions of dollars)



SALES TAX

Sales tax revenue is budgeted at \$31.75 million for FY2021 -- the same as our FY2020 projections. Retail, dining, and entertainment locations continue to thrive, especially in the Downtown area of Georgetown.

A portion of sales tax revenues are used to fund the City's 4A and 4B corporations. These entities help spark economic activity by building roads, developing infrastructure, and negotiating incentive packages to help move businesses to Georgetown.

SALES TAX BY SECTOR

