



February 8, 2016

Frequently Asked Questions FY2016 Adopted Budget

What is the total Adopted Budget?

Overall FY 2016 Adopted Budget

General Fund	\$	97.4 million
General Capital Projects & Equipment Fund	\$	76.4 million
Debt Service Fund	\$	16.9 million
Water/Wastewater Utility Fund	\$	65.4 million
Drainage Fund	\$	14.2 million
Hotel Occupancy Tax Fund	\$	4.9 million
Sports Center Fund	\$	1.9 million
Round Rock Transportation & Economic Development Corporation Project Fund	\$	31.2 million
Special Revenue Funds	\$	3.4 million
Total FY 2016 Proposed Budget	\$	311.70 million

What is the adopted tax rate?

The adopted property tax rate for FY2016 is 41.465 cents per \$100 of valuation, which is the same as the FY2015 adopted rate.

- Adopted tax rate is above the effective rate of 38.45 cents/\$100 by 3.01 cents; 2.01 cents of the difference is due to new debt payments and 1.00 cent is for new programs
- Total estimated taxable value for FY2016 is \$10.5B (up 8.9% from FY2015 of \$9.6B)
- Adopted property tax rate: 41.465 cents
- FY2015 Adopted tax rate: 41.465 cents

What is the average home value?

- The estimated average home value for FY2016 is \$216,594. This is 9.1% above last year's value of \$198,578
- Under the adopted rate the average home owner would pay \$898 annually
- The average home owner paid \$823 in FY2015

What are the funding priorities for the General Fund?

Priorities addressed in this budget are to provide adequate funding to maintain service levels in the midst of population growth and to meet the expectations of a larger community. In order to continue meeting the growing demands, this budget includes the following:

- Fire will add three Shift Battalion Chiefs to ensure the department has the resources to properly monitor firefighter and scene safety on emergency scenes.

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- General Services will add one Small Engine Mechanic to keep up with the maintenance needs of the current fleet and one Facilities Maintenance Tech position dedicated to the Police Department.
- Due to the expansion of Rock'N River, PARD added one Aquatics Supervisor; temporary positions at Clay Madsen will be converted to 3.75 FTEs.
- A temporary Planning Technician will be converted to a permanent position to accommodate growth in area development.
- Five Call Takers are being added to dispatch in Police to allow for the separation of duties between call-taking and radio dispatching. This will allow for dispatchers to dispatch the call while the call-taker can continue to gather additional information from the caller.
- Transportation will add two FTEs for crack fill and concrete maintenance; temporary positions will be converted to 2 FTEs.

What major Capital Projects are planned or underway for FY2016?

The City has \$136.5 million in capital projects planned for FY2016, including:

- Complete the expansion of Rock'N River – This expansion will increase the pool capacity from 601 to 1,600.
- Start construction on the Lisa Rae & Red Bud Lane Fire Stations.
- Begin the design phases of a Multi-Purpose Sports Complex in Old Settlers Park.
- Construction of Heritage Trail East.
- Transportation improvements include University Blvd, Oakmont Extension, Creekbend, LaFrontera and widening of Gattis School Road.
- Downtown Transportation improvements include the improvement and enhancement of Mays Street, Main Street and Round Rock Avenue to provide better access to adjoining businesses and downtown.

How Important is Sales Tax to the Budget?

The economic environment is a major contributor to the City's resources. Sales Tax provides 50% of the revenue needed for the City's \$97.4 million General Fund budget and is the primary funding source for the City's Type B Corporation which supports roads and economic development.

- While the City has reduced its reliance on Dell receipts, the non-Dell portion has grown from \$23.8 million in 2006 to a projected \$37.8 million in 2016.
- Total sales tax collections for the City have remained flat over the past ten years with \$48.7 million received in the General Fund in 2006 and \$48.5 million expected in 2016.
- The reduced reliance on both Dell and Sales Tax in general does make the City's finances less volatile for the future.

What is the Financial Management Policy and how does this affect the budget?

Revised in September of 2009, the policy states that over an 8 year period (by 2017), the City will reduce its operational reliance on Dell to 20% of overall sales tax revenues. This affects the budget by limiting the amount of sales tax revenue collected from Dell to pay for general operations. Any amount collected above this amount can be used for one-time capital purchases or to pay down debt. This policy has helped the City to maintain long-term financial stability by limiting operational reliance on a volatile revenue source. For 2015/16, the goal has been achieved and net reliance on Dell will be 15% of General Fund sales tax receipts.

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Are there any changes in Utility rates?

Effective January 2016 residential customers will see an average increase of 3% for water and wastewater rates. Water conservation and drought contingency programs continue to help the City conserve existing water sources. Round Rock water and wastewater rates continue to be among the lowest in the area.

- Effective 1/1/2016 an average Utility monthly bill (based on 10k gallons water, 8k gallons wastewater): \$103.79
 - ⊕ Water \$39.59 & Wastewater \$40.39, Garbage & Drainage \$23.81
- Wholesale water rates increase October 1
- No rate changes in garbage or drainage are proposed.

