

Budget in Brief

Fiscal Year 2016



Message from the City Manager

I am pleased to present the City of Round Rock's Adopted Budget for fiscal year October 1, 2015 through September 30, 2016. This proposal contains spending plans and revenue estimates for the General Fund, the Debt Service Fund, the Water/Wastewater Utility Fund, the Drainage Fund, the Hotel Occupancy Funds (Convention and Visitors Bureau and Sports Center), General Capital Projects & Equipment Fund, Round Rock Transportation & Economic Corporation Project Fund and Special Revenue Funds. In February 2015, the City Council affirmed and refined its 6 strategic goal areas. All of the total adopted budget of \$311.7 million is focused on meeting those goals.

The City continues to take a conservative approach to its financial and operational planning. The decisions that are made now will strongly influence what the City will look like and how it will operate for years to come. With this in mind, City staff has been challenged with this budget to consider both the short and long-term implications of the recommendations.

General Fund Priorities

The City population is expected to grow by 8% in the coming year. Most of the new adopted spending is focused on meeting the needs of that new growth and prepare for the many new additions the City's capital program will bring.

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

Property Tax

The FY2016 estimated taxable property value for Round Rock is \$10.5B, an 8.9% increase from last year. The average residential taxable value is \$216,594.

This budget plan proposes to maintain the current tax rate of 41.465 cents per \$100 of property value. The City of Round Rock continues to have a property tax rate that is among the lowest of any medium-to-large city in the state, including those cities with an additional ½ cent sales tax for property tax reduction.

Sales Tax Revenue

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.

Debt Service Fund

In May 2014, \$71 million of the voter approved \$123 million bonds were issued to fund a public safety training facility, fire stations, library design and park trails & improvements. Additionally, in May 2014, \$10.5 million in GO bonds were refinanced resulting in savings to taxpayers of \$1.2 million in interest costs over the life of the bonds.

Water/Wastewater Utility Fund

Revenues include a 3% in retail customer increase in January 2016 and an 11.6% increase for wholesale water customers effective October 2015. Wastewater includes a 3% increase for retail customers effective January 2016.

Drainage Fund

This fund provides for a stable funding source for the maintenance of the storm water system of the City.

Hotel Occupancy Tax and Sports Center Fund

The local hotel/motel industry continues to be a particularly vibrant industry for Round Rock. These funds support the City-owned Dell Diamond, the CVB and the new Sports Center. The Sports Center is proving to be a great asset in the growth of our “Sports Capital of Texas” marketing efforts.

General Capital Projects & Equipment Fund

This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities and other capital outlay.

Round Rock Transportation & Economic Development Corporation Project Fund

This accounts for sales tax monies received for streets, drainage and other transportation system improvements, including maintenance costs associated with such authorized projects. Additionally, ten percent of the revenues are used for economic development related projects that further grow the jobs for Round Rock.

Special Revenue Funds

These funds account for the activities related to grant programs, transportation system improvements that are funded with sales tax and funds designated for specific service programs.

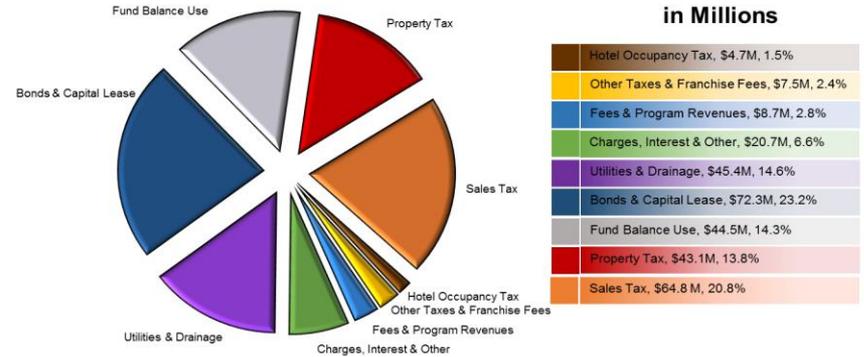
Conclusion

I believe the adopted budget reflects a fiscally responsible approach to improving the City’s current infrastructure, and meets the current demands while maintaining the City’s strong financial position. We look forward to Round Rock citizens input and discussion of the FY2016 Adopted Budget.

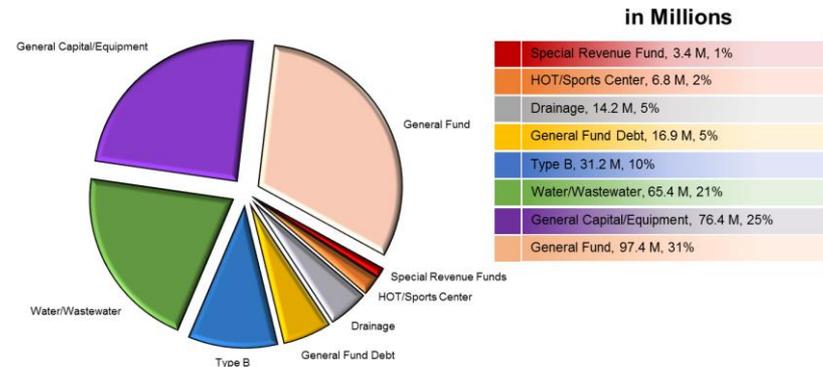


Laurie Hadley, City Manager

**TOTAL 2015/16 Adopted Budget by Source
\$311.7 million**



**TOTAL 2015/16 Adopted Budget by Fund
\$311.7 million**



Capital Improvement Program

The City of Round Rock has systematically developed the Capital Improvement Program (CIP) using the City's Strategic Goals as a starting point. The Strategic Goals are the basis for preparing the City's master planning documents. These documents provide direction in selecting projects to be included in the 5-Year CIP. The City will spend \$136.5 million in 2015/2016 and over \$358.9 million over five years.

General Government – These projects include municipal facilities, parks and park improvements, sidewalks, landscaping, traffic signals, street, new fire stations, public safety capital equipment and facilities. Projects in this component are funded from resources such as property tax, sales tax, and the issuance of voter authorized bonds.

Transportation – In August 1997, the Citizens of Round Rock authorized the adoption of an additional sales and use tax within the City at the rate of one-half of one percent, with the proceeds to be used for arterial roadways and other economic development efforts.

Water, Wastewater and Drainage Utility – These projects are major water and wastewater repairs, drainage projects, replacements, and the development or acquisition of new facilities. Utility projects are funded from the sale of water and wastewater services, utility impact fees, drainage fees and the issuance of revenue bonds.

Some of the major CIP projects are summarized below:

Parks/Trails	Public Safety/ Other	Transportation	Utilities
Brushy Creek Trail	Fire Station at Lisa Rae	Creekbend Blvd	AMR Phase 7
Heritage Trail East	Fire Station at Red Bud	Oakmont Extension	Lake Creek Ground Water Filtration
Heritage Trail West	Public Safety Training Facility	University Blvd	FM 1460 Water Line & Double Creek Water Line
OSP Multi Purpose Complex	Luther Peterson Complex	Downtown Improvements	Lake Creek Interceptor
Rock'N River	Sports Center Complex, Building B	La Frontera Improvements	Wastewater System Rehab
Adult Softball Complex	Forest Creek Golf Course	Gattis School Rd Widening	Drainage Improvements
Soccer Fields		Seton Parkway	