



FY 2018 PROPOSED BUDGET

City of Round Rock Proposed Budget

For the Fiscal Year

October 1, 2017 to September 30, 2018

This budget will raise more revenue from property taxes than last year's budget by an amount of \$5,228,750 which is a 10.8 percent increase from last year's budget. The property tax revenue to be raised from new property added to the tax roll this year is \$1,046,570.

The amounts above are based on the City's property tax rates calculated or proposed as follows:

Tax Rate	Proposed FY 2018	Adopted FY 2017
Property Tax Rate	\$0.43000	\$0.42500
Effective Tax Rate	0.40317	0.39428
Effective M&O Tax Rate	0.40132	0.39337
Rollback Tax Rate	0.43494	0.42961
Debt Rate	0.14214	0.15313

The above information is presented on the cover page of the City's FY 2017 Proposed Budget to comply with requirements of Section 102.005 of the Texas Local Government Code.

SUMMARY OF CHANGES TO PROPOSED BUDGET

UPDATED AS OF JULY 25, 2017

Budget as Proposed 7/13/2017	\$329,923,240
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Changes

- Proposed tax rate reduced from 0.43250 to 0.43000

Additional Expense for 2 FTEs

- | | |
|---|--------|
| • Added Staff Engineer (1 FTE) to Planning & Development Services (Hire Date: 4/1/18) | 48,501 |
| • Added Engineering Tech (1 FTE) to Planning & Development Services (Hire Date: 4/1/18) | 29,474 |

Total Changes	\$77,975
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Updated Proposed Budget	\$330,001,215
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Explanation:

- 1) The certified taxable assessed value came in about \$200 million higher than estimated. The increase in values allowed the City to lower the proposed property tax rate and bring in the same amount of property tax revenues.
- 2) The two additional positions for Planning and Development Services will be filled only if growth and development continues, necessitating additional office staff to process development applications. The Planning and Development Services revenues have been increased to offset the additional \$77,975 for the two additional FTEs.



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FOCUS FOR 2017/18

This year continues the focus on an **accurate**, **efficient**, and **transparent** budget process.

- Budget Linkage
 - Align budget with Council goals
 - Proposed year in context of five-year outlook and needs
- Budget Process
 - Collaborative executive team review with City Manager
 - One-time funding as part of summer budget process
- Broad View
 - Big picture of all City resources and uses
 - CIP overview

2017/18 Budget Drivers

- Council goals and strategic direction
- Growth – most additions are to maintain service levels
 - Projected population growth – **108,353 to 111,387 or 2.80%**
 - Development demands rising and will continue to increase with UPS and Kalahari on the horizon (All General Fund FTE requests are to meet growth demands)
- Operating costs for 2013 voter-approved bond projects
- Employee compensation and benefits
- Maintenance of parks, facilities, and streets
- Compliance with financial policies

PROPOSED BUDGET BY THE NUMBERS

Totals for 2017/18	\$330.0 million
General Fund (\$104M ongoing expenses, \$6M transfers)	\$110.8 million
Total CIP	\$136.9 million
All Other	\$82.3 million

Proposed Tax Rate	\$0.43000
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Increase of \$0.0050 from current year

New Staff Proposed	35.13
General Fund ¹	28.88
Utility Fund	4.25
HOT Fund	1.00
Sports Center/Multipurpose Complex	1.00

1 - includes final temp to perm FTE conversion of 2.38 FTEs in PARD



PROPOSAL BY GOAL

Outlines new spending, large capital projects, and notable ongoing programs.

Color highlighted items denote new programs or projects for FY 2017/18.



Financially Sound City
Providing High Value Service



City Infrastructure:
Today and for Tomorrow



"Sports Capital of Texas"
for Tourism and Residents



Great Community to Live



Sustainable Neighborhoods -
Old and New



Authentic Downtown - Exciting
Community Destination



STRATEGIC GOAL

Financially Sound City Providing High Value Services

1

Planning & Development Services (2 FTEs)

Senior Engineer and Senior Engineer Tech \$186,000

Landscape Inspection Contract \$94,000

Annual Facilities Repair & Replacement \$750,000

Technology Internal Service Fund \$750,000

Employee Compensation & Benefits

- Additional Health Insurance – 28% increase expected \$2.3 million
Total FY 2018 Cost = \$10.1 million, up from \$7.8 million in FY 2017

- Public Safety Steps and Market Adjustments \$2.0 million

- General Government Salary Increases and Market Adjustments \$942,000

Commercial/Retail Redevelopment Strategy (through Chamber) \$125,000

Items highlighted in **color** represent new funding for FY 2017/18.



STRATEGIC GOAL

City Infrastructure: Today and for Tomorrow

2

Water & Wastewater CIP \$32.9 million

Drainage CIP \$6.3 million

Roads/Streets CIP \$40.8 million

- Including engineering and staff work on Kenney Fort and RM 620

Utility Rate Study/ Financial Plan Implement recommendations

Transportation (4 FTEs) \$294,000

- Crack Fill Crew including \$90,000 in equipment

General Services (2 FTEs) \$119,000

- Custodian – Police Department
- Facility Maintenance Tech - CMRC

Water & Wastewater (4 FTEs, 2 vehicles) \$268,000

- Environmental Services – Pretreatment Tech
- Backflow Technician
- System Mechanic
- Utility Inspector

Transit – total cost \$1.7 million

(grant funds = \$688,000)

Items highlighted in **color** represent new funding for FY 2017/18.



STRATEGIC GOAL

“The Sports Capital of Texas” for Tourism and Residents

3

Forest Creek Golf Club

- Course reconstruction \$3.4 million
- Transfer to cover operating shortfall during closure \$740,000

Dell Diamond

\$850,000

- Convert Stadium Lighting to LED (HOT Fund)

Sports Marketing & Tourism

- Assistant Coordinator – Operations & Events (SC & MPC) \$81,000
- Coordinator – Marketing & Advertising (CVB) \$110,000
- Advertising Ramp Up for Convention Promotions \$350,000
- Enhanced Marketing for Sports Capital of Texas \$115,000

Old Settlers Park Infield Replacement

\$250,000

Items highlighted in **color** represent new funding for FY 2017/18.



STRATEGIC GOAL

Great Community to Live

4

Parks and Recreation

- **Parks Maintenance Worker - Play for All Abilities Park** \$79,000
- Brushy Creek, Heritage East & West, Lake Creek Trail Expansions \$12.6 million
- Adult Sports Complex \$3.0 million
- **Adaptive & Inclusive Recreation Programming** \$29,000
- Old Settlers Park Maintenance and Expansion Develop priorities and funding strategies

Library

- Siting and Design of New Facility \$2.0 million
 - Total project cost = \$23.7 million
- **Adult Services Assistant (0.5 FTE)** \$17,000

Fire

- **Firefighters (9 FTEs & equipment for Station 9 and Upgrade response capability at Station 3, \$750,000 for additional engine)** \$1.9 million
- **Logistics Officer (1 FTE)** \$67,000

Police

- **Detectives (2 FTEs and vehicles)** \$241,000
- **Crime Scene Specialist (1 FTE)** \$44,000

Real Time Crime Center

In planning stage

Relocate Stagecoach Inn (HOT Fund) \$750,000

Citizen Education Program – Round Rock “Univer-City” \$83,000

Items highlighted in **color** represent new funding for FY 2017/18.



STRATEGIC GOAL

Sustainable Neighborhoods - Old and New

5

Planning

- Code Enforcement Officer including new vehicle \$95,000

Neighborhood Street Maintenance

- Continue higher level of funding \$3.0 million
- Funds allocated in FY 2016/17 \$13.5 million ¹

Neighborhood Parks Improvements

- Round Rock West Park Greenbelt \$575,000
- Frontier Park \$300,000
- Meadow Lake Park Pavilion \$136,000

1 – Total of program funds set aside as of 2016/17

Items highlighted in **color** represent new funding for FY 2017/18.



STRATEGIC GOAL

Authentic Downtown - Exciting Community Destination

6

Downtown Marketing Initiatives (Type B) \$90,000

Downtown Maintenance Tech

- Implement ongoing cleanup and maintenance of downtown sidewalks and parking garage including \$50,000 in equipment \$108,000
- Annual maintenance contracts (Type B) \$70,000

East Bagdad Extension (Type B) \$3.7 million

Southwest Downtown Phase 5B \$3.3 million

New Playground for Memorial Park \$195,000

The Depot Townhome Development Negotiate and close final deal

Items highlighted in **color** represent new funding for FY 2017/18.



PROPOSED ADDITIONS

PROPOSED ADDITIONS - GENERAL FUND

Base Budget for 2017/18	\$102,141,799
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New Funding by Department (Ongoing Operating Costs)

Administration	0
Communications	49,600
Finance	0
Fire	1,263,234
General Services	182,765
Human Resources	0
Information Technology	0
Library	17,111
Parks & Recreation	183,763
Planning	351,400
Police	239,213
Recycling	0
Transportation	262,488

Total New Funding	\$2,549,574
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Total General Fund	\$104,691,373
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Percentage increase for new programs	2.5%
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Note: Large equipment purchases (e.g. Fire Engine) are purchased from GSFC and presented on page 16.

PROPOSED ADDITIONS - COST COMPONENTS BY DEPARTMENT

Program	FTEs	Personnel	Operations	Capital	Total	Fund
Communications						
Graphic Design Contract			20,000		20,000	GF
Citywide Photoshoot			15,000		15,000	GF
Additional Line Item Requests			14,600		14,600	GF
Arts Facility Marketing Campaign			84,000		84,000	HOT
Total Communications	0.00	-	133,600	-	133,600	
Finance						
Temporary Position Extension for UB		23,633			23,633	Utility
PT Customer Service Rep Additional Hours	0.25	33,633			33,633	Utility
Total Finance	0.25	57,266	-	-	57,266	
Fire						
Station 9 (FM 3406) Equipment		30,000	158,538		188,538	GF
Upgrade SQ3 to Engine 3 (Hire Date: 10/1/17)	9.00	780,066	201,080	750,000	1,731,146	GF
Logistics Officer (Hire Date: 10/1/17)	1.00	65,312	2,100		67,412	GF
Lexipol			11,138		11,138	GF
Fire Marshal Enhancement Program		15,000			15,000	GF
Total Fire	10.00	890,378	372,856	750,000	2,013,234	
General Services						
Custodian - Police Department (Hire Date: 2/1/18)	1.00	37,267	2,250		39,517	GF
Facility Maintenance Tech - CMRC (Hire Date: 10/1/17)	1.00	74,932	4,550		79,482	GF
Vehicle for Bldg Construction Division				30,500	30,500	GF
Downtown Maintenance Tech (Hire Date: 10/1/17)	1.00	58,207		50,000	108,207	GF
Additional Line Item Requests			5,559		5,559	GF
Total General Services	3.00	170,406	12,359	80,500	263,265	
Library						
PT Adult Services Assistant (Hire Date: 1/1/18)	0.50	17,111			17,111	GF
Total Library	0.50	17,111	-	-	17,111	
Parks & Recreation						
Parks Maint Worker - Play for All (Hire Date: 10/1/17)	1.00	56,148	22,525		78,673	GF
OSP Chemical Storage Building				30,000	30,000	GF
Musco Sports Lighting Warranty Extension			37,900		37,900	GF
Adaptive and Inclusive Programming			28,500		28,500	GF
Youth Soccer League			(3,110)		(3,110)	GF
Additional Line Item Requests			31,400		31,400	GF
Final Temp to PT Conversion	2.38					GF
Replace OSP Baseball Infields				250,000	250,000	HOT
Relocate Stagecoach Inn				750,000	750,000	HOT
Total Parks & Recreation	3.38	56,148	117,215	1,030,000	1,203,363	
Planning						
Senior Engineer (Hire Date: 10/1/17)	1.00	103,998	4,620		108,618	GF
Senior Engineer Tech (Hire Date: 10/1/17)	1.00	72,534	4,620		77,154	GF
Code Enforcement Officer (Hire Date: 10/1/17)	1.00	65,428	4,600	25,000	95,028	GF
Landscape Inspection Contract Services			93,600		93,600	GF
Additional Line Item Requests			2,000		2,000	GF
Total Planning	3.00	241,960	109,440	25,000	376,400	

PROPOSED ADDITIONS - COST COMPONENTS (CONTINUED) BY DEPARTMENT

Program	FTEs	Personnel	Operations	Capital	Total	Fund
Police						
Detectives (Hire Date: 4/1/18)	2.00	74,978	49,826	116,679	241,483	GF
Crime Scene Specialist (Hire Date: 4/1/18)	1.00	32,589	11,420		44,009	GF
Building Improvements - Lobby				35,000	35,000	GF
Shotguns Phase-In			70,400		70,400	GF
Automated License Plate Reader				25,500	25,500	GF
Speed Trailer Replacements				24,000	24,000	GF
Total Police	3.00	107,567	131,646	201,179	440,392	
Sports Management & Tourism						
Tourism Development & Marketing (Hire Date: 10/1/17)	1.00	95,159	479,300		574,459	HOT
Asst. Coord - Sports Center/MPC (Hire Date: 10/1/17)	0.50	39,295	1,000		40,295	SC
Asst. Coord - Sports Center/MPC (Hire Date: 10/1/17)	0.50	39,295	1,000		40,295	MPC
Total Sports Management & Tourism	2.00	173,749	481,300	-	655,049	
Transportation						
Crack Fill Crew (Hire Date: 2/1/18)	4.00	159,488	45,000	90,000	294,488	GF
Replacement of Sander Units				60,000	60,000	GF
Additional Line Item Requests			58,000		58,000	GF
Total Transportation	4.00	159,488	103,000	150,000	412,488	
Utilities/Drainage						
Env Services - Pretreatment Tech (Hire Date: 4/1/18)	1.00	34,613	350		34,963	Utility
Backflow Technician (Hire Date: 10/1/17)	1.00	58,940	4,300	25,000	88,240	Utility
System Mechanic (Hire Date: 10/1/17)	1.00	66,206	4,300	23,000	93,506	Utility
Utility Inspector Position (Hire Date: 10/1/17)	1.00	50,878			50,878	Utility
Additional Line Item Requests - Utilities			174,300		174,300	Utility
New Equipment Trailer			1,500	37,500	39,000	Drainage
Combo Truck				385,000	385,000	Drainage
Additional Line Item Requests - Drainage			11,500		11,500	Drainage
Total Utilities/Drainage	4.00	210,637	196,250	470,500	877,387	
Citywide Grand Total	33.13	\$2,084,710	\$1,657,666	\$2,707,179	\$6,449,555	
Totals by Fund						
General Fund/GSFC	26.88	1,643,058	896,116	1,236,679	3,775,853	
Utility Fund	4.25	267,903	183,250	48,000	499,153	
Drainage Fund	0.00	-	13,000	422,500	435,500	
HOT Fund	1.00	95,159	563,300	1,000,000	1,658,459	
Sports Center Fund	0.50	39,295	1,000	-	40,295	
Multipurpose Complex Fund	0.50	39,295	1,000	-	40,295	
Citywide Grand Total	33.13	\$2,084,710	\$1,657,666	\$2,707,179	\$6,449,555	

PROPOSED USES - GENERAL SFC

Beginning FY 2018 Uncommitted Balance **\$9,643,400**

City-wide	PARD, Facilities, and IT Repair & Replacement	2,250,000
	Transfer to Golf Club Operations Fund - FY 2018	740,000
PARD	Clay Madsen Soccer Fields (50% paid by GSFC, 50% by Utility Fund)	500,000
	OSP Chemical Storage Building	30,000
Public Safety	RRFD Radio Replacement (Year 2 of 3)	368,000
	Police Radio Replacement Program (Year 4 of 5)	400,600
	Police Department Lobby Renovation	35,000
	Police Automated License Plate Reader	25,500
	Police Speed Trailer Replacement	24,000
Transportation	Transportation and Other Radio Replacements	200,000
	Sign Replacement Program (Year 2 of 2)	350,000
	Crack Fill Crew - Road Machinery	90,000
	Street Sander Unit Replacement	60,000
Vehicles for New Positions	Firefighting Apparatus - 1 Engine	750,000
	Detectives Vehicles - 2	117,000
	Downtown Sidewalk Sweeper	50,000
	Vehicle for Building Construction Division (position added through FY 2017 Mid-Year Budget Amendment)	30,500
	Code Enforcement Officer Vehicle	25,000

Total New GSFC Uses **\$6,045,600**

Remaining **\$3,597,800**

PROPOSED FINANCIAL POLICY CHANGES

- Adjust General Fund Reserve to from 33% to 25% with a transition plan to “ease in” to new balance and maintain concentration risk plan over 2 to 3 years.
- Change Type B Reserve to a minimum of \$1 million or 33% of recurring, operating-type expenditures.
- Proposed budget complies with adopted financial policies and changes noted above.

COST SAVING AND EFFICIENCIES

BEFORE WE ADD... WE EVALUATE CURRENT RESOURCES

Rethinking Service Strategies

- Construction of 2 fire stations to replace station #4
 - Split staffing – one company at each new station
 - Solves response time needs without adding staff
 - Saves approximately \$1.6 million per year
- Repurposed single-family home to use as Fire Station #9, saving the cost of demolishing the existing structure and building a new station
- Contract ROW and median maintenance for Transportation and PARD
 - Reduces need for additional FTEs and equipment
 - Leaves the City more flexible for economic and weather changes

Repurposing of Existing Staff and Positions

- Repurpose of a Database Administrator position in Information Technology to meet a greater need in General Services as a Superintendent for Building Construction
- Decline in Municipal Court workload
 - 2 positions transferred to other divisions or departments
 - 1 position shifting to PD records support
- Finance and IT
 - Use of refined processes, cloud-based services, and other innovations to eliminate need for new staffing as other departments grow
 - No new IT staff requested in 5+ years
 - 0.5 Finance FTE moved to Planning
 - Froze 1 current meter tech in FY 2016/17 due to efficiencies gained by AMI implementation
- Transportation
 - Repurposed 4 FTEs for growth and project needs

NOTE: Items highlighted are new for FY 2017/18

COST SAVING AND EFFICIENCIES

Redefining Support Services

- Consolidation of citywide inspections function in Planning to increase efficiencies
- Defer fire apparatus purchase by one fiscal year
 - Moved \$1.3 million purchase into FY 2016/17 to allow replacement of overdue Police vehicles without adding to budget
- Selected new model for PD vehicles that met needs at lower price. Saves \$5,600 per vehicle with \$240,000 saved to date.
- Shift to standard prototype for Fire Stations - \$94,000 savings realized to date
- In-house expertise and planning for facility projects has reduced architect fees by approx. 2% - \$710,000 saved to date.

Re-evaluate Funding Sources – Grants, Outside Funding and Volunteers

- Library – effective use of volunteers that offset staffing costs by \$125,000 per year
- Transportation - \$110 million spent on roads in past five years with \$36 million, or 33% coming from other agencies
- Police, Parks – Use of Law Enforcement funds, donations, and volunteers to purchase equipment & provide services

Restructuring Administrative Focus

- Implemented more robust investment management program to improve interest earnings without increasing risk
 - Estimated annual interest return improved by \$125,000/year
- Consistently review for bond refunding opportunities
 - Refunded Type B Bonds in FY 2016/17 to realize \$90,000 in annual savings
 - Completed 4 bond refinancings in FY 2016 resulting in \$927,000 of annual interest savings

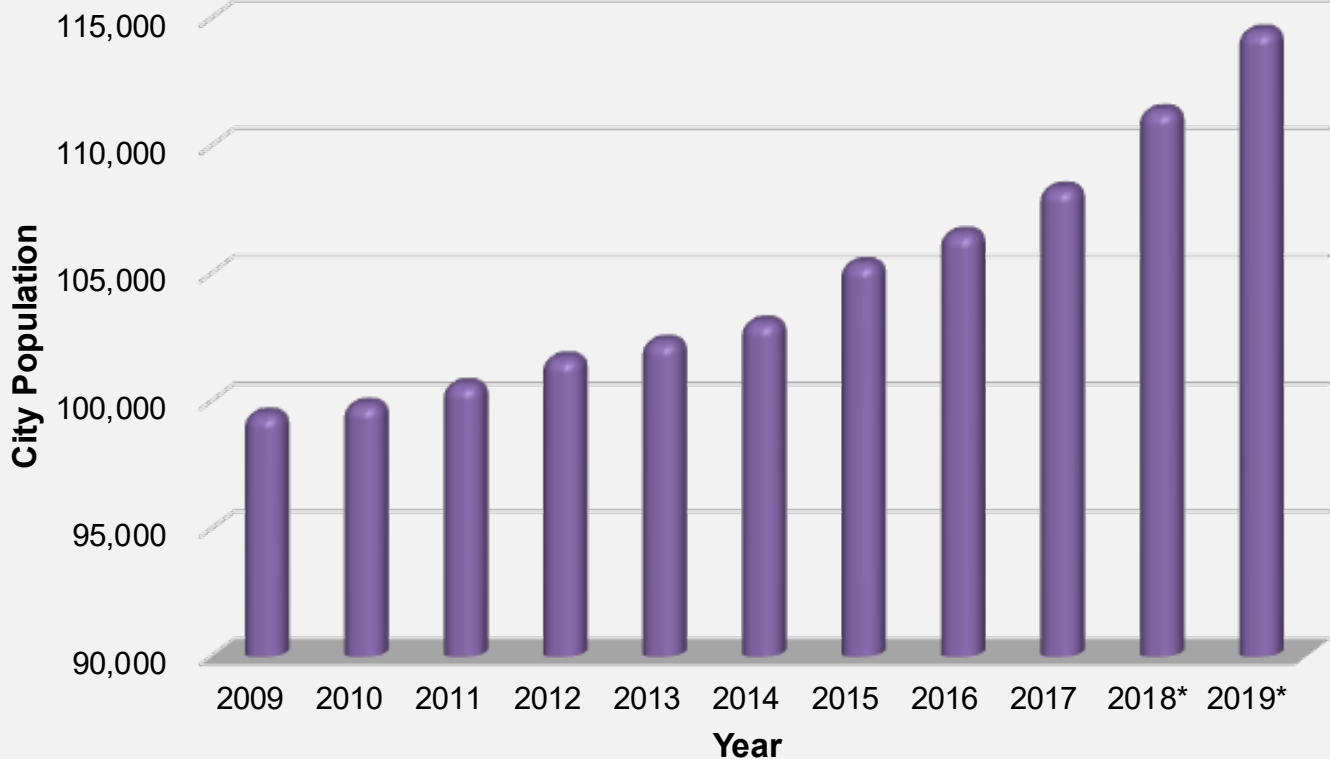
NOTE: Items highlighted are new for FY 2017/18



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POPULATION



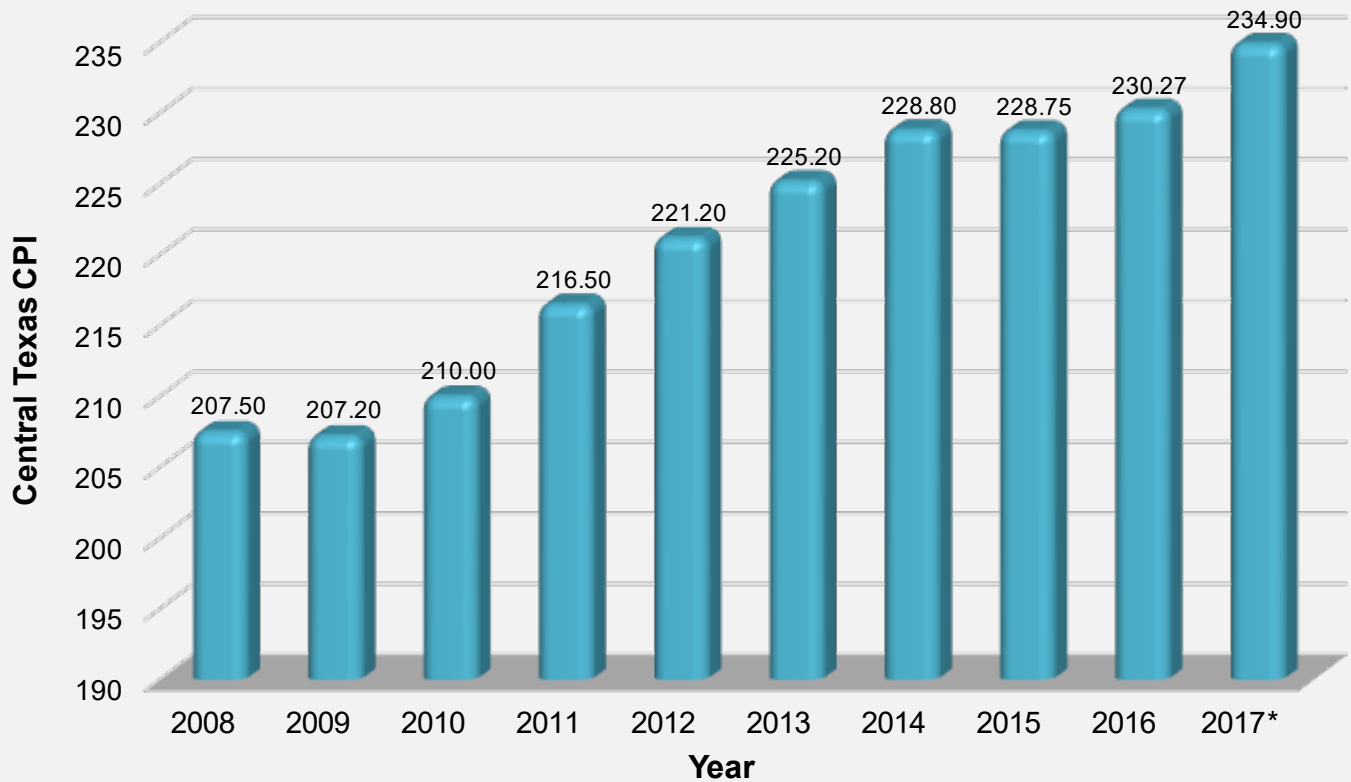
City of Round Rock Population Projections 2009 to 2019

Year	Population	City Growth Rate	
2009	99,500	3.43%	11.9% increase over 10 years
2010	99,887	0.39%	
2011	100,659	0.77%	
2012	101,702	1.04%	
2013	102,349	0.64%	
2014	103,107	0.74%	
2015	105,405	2.23%	
2016	106,591	1.13%	
2017	108,353	1.65%	
2018*	111,387	2.80%	
2019*	114,506	2.80%	

* Projected

Note: 2010 estimates from the Planning & Development Services Department have been normalized for actuals

CONSUMER PRICE INDEX

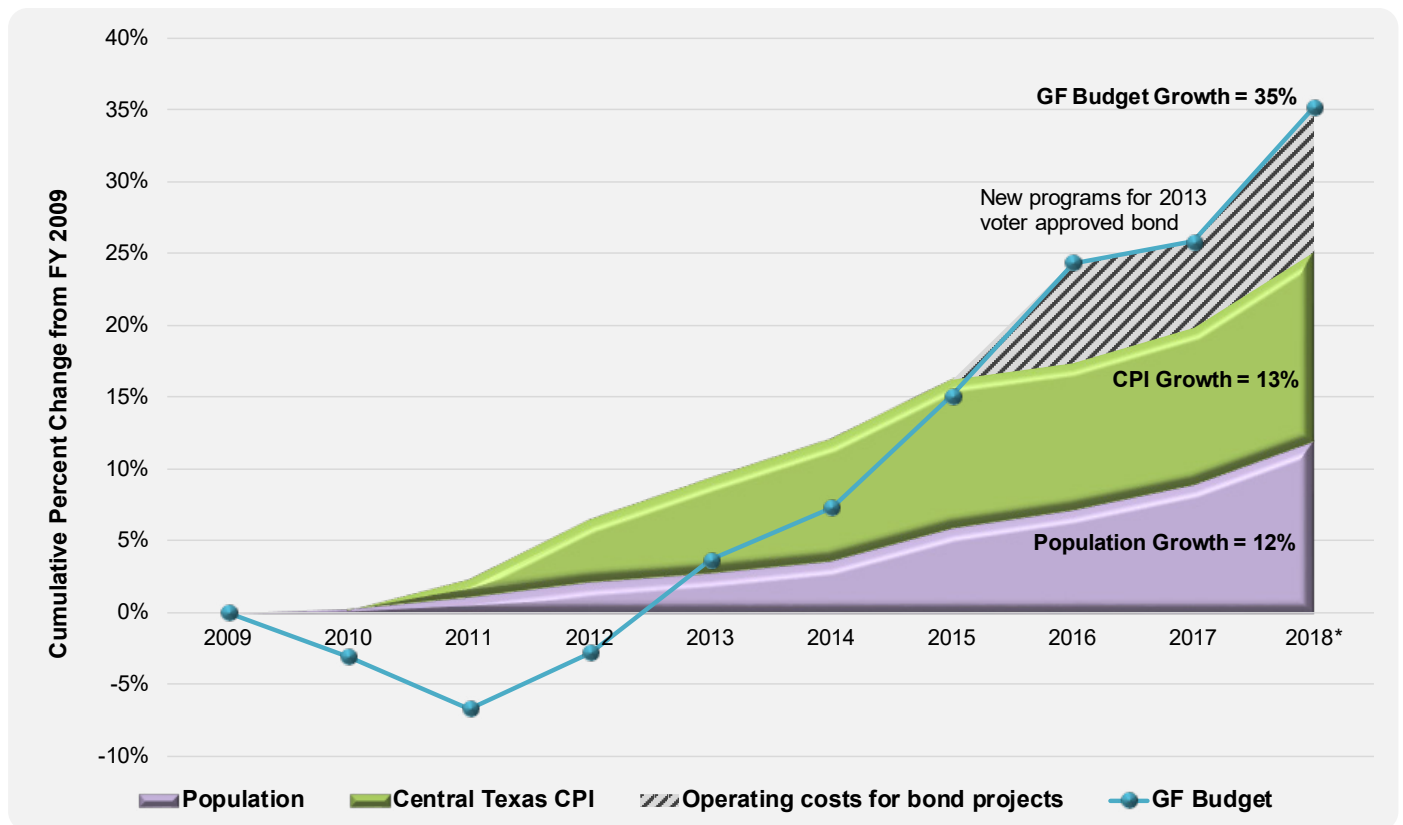


Year	Central Texas CPI	Percent of Change
2008	207.50	4.32%
2009	207.20	-0.14%
2010	210.00	1.35%
2011	216.50	3.10%
2012	221.20	2.17%
2013	225.20	1.81%
2014	228.80	1.60%
2015	228.75	-0.02%
2016	230.27	0.66%
2017*	234.90	2.01%
10 Year Growth	27.40	13.2%

* Projected

Data Source: Central Texas CPI Report

RATE OF CHANGE



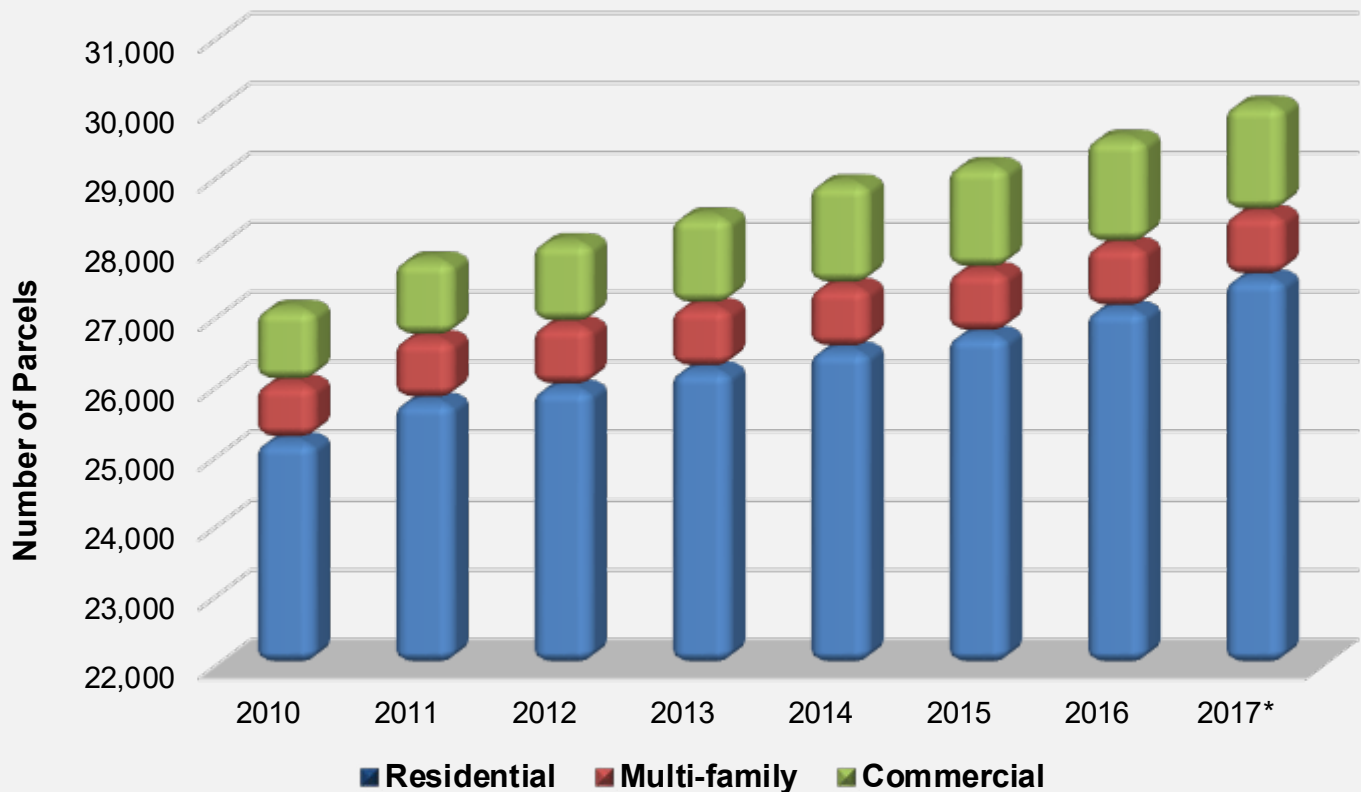
	FY 2009 Actual	FY 2018 Projected	Percent of Change
Consumer Price Index	207.2	234.9	13.4%
City Population	99,500	111,387	11.9%
General Fund Cost Pressure:			25.3%

	FY 2009 Actual	FY 2018 Projected	Percent of Change
General Fund Budget ¹	\$ 77,461,542	\$104,691,373	35.2%
General Fund FTEs	703.50	778.50	10.7%

1 - General Fund Budget is the Original Budget for each fiscal year net of sales tax rebates.

NOTE: Additional operating costs due to voter approved bond projects beginning in FY 2015/16 and continues into the following years.

PARCELS (TAXABLE)

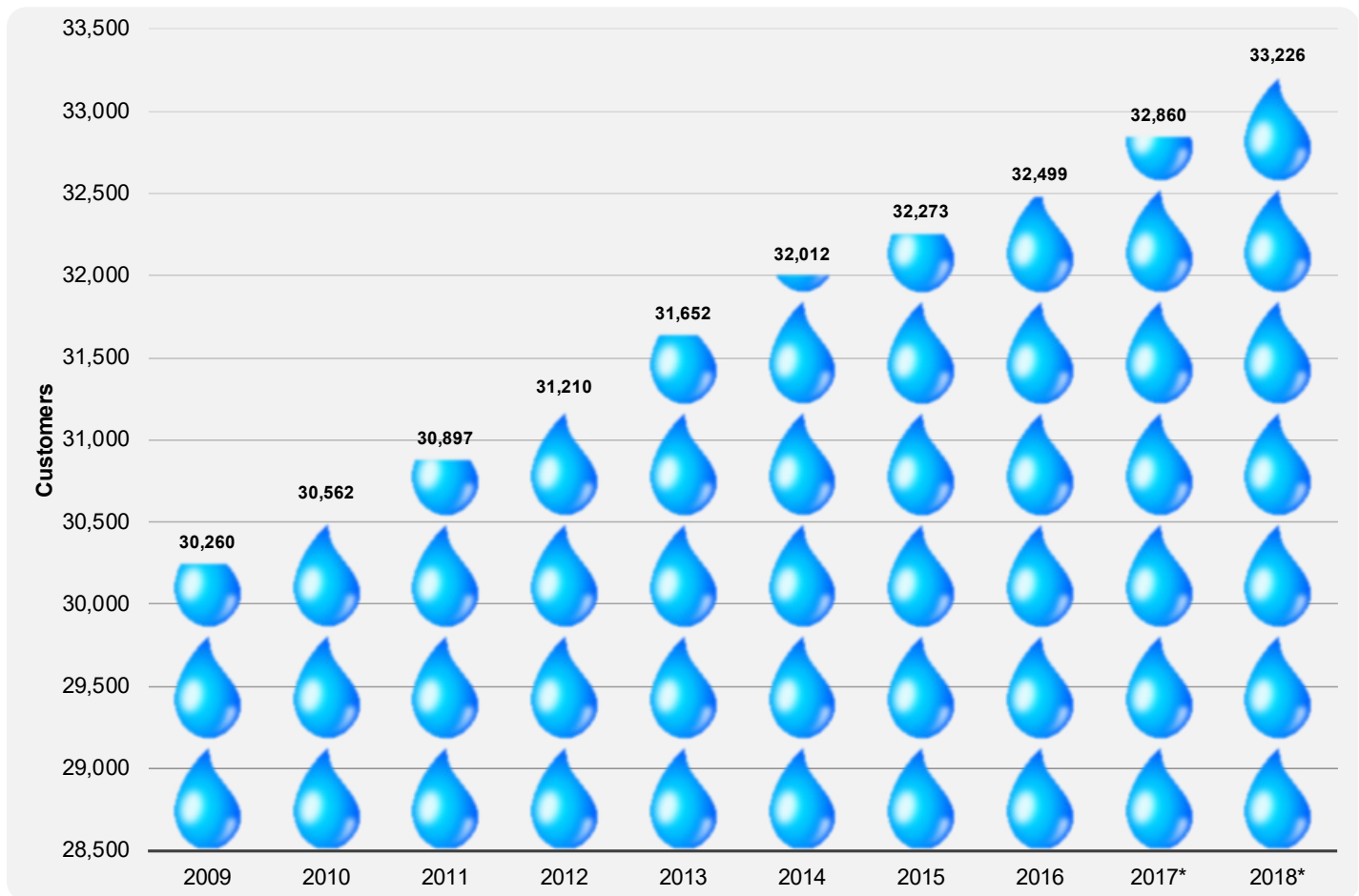


Tax Year	Residential	Multi-family	Commercial	Total Parcels
2010	25,234	830	1,073	27,137
2011	25,804	900	1,129	27,833
2012	25,991	908	1,196	28,095
2013	26,253	910	1,303	28,466
2014	26,538	915	1,488	28,941
2015	26,761	917	1,509	29,187
2016	27,122	919	1,542	29,583
2017*	27,574	926	1,567	30,067

* Projected

NOTE: Excludes personal property accounts.

UTILITY CUSTOMERS



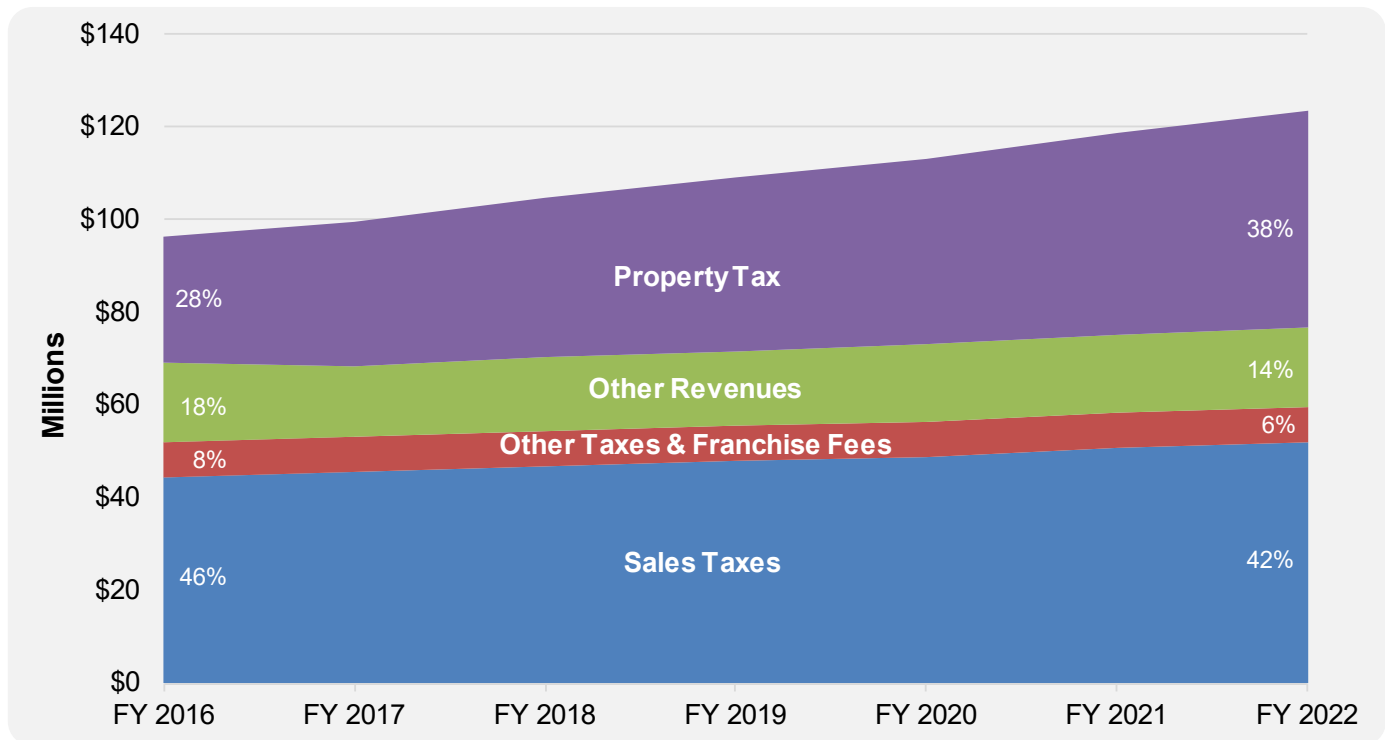
Year	Utility Billing Customers	Percent of Change
2009	30,260	1.03%
2010	30,562	1.00%
2011	30,897	1.10%
2012	31,210	1.01%
2013	31,652	1.42%
2014	32,012	1.14%
2015	32,273	0.82%
2016	32,499	0.70%
2017*	32,860	1.11%
2018*	33,226	1.11%
10-Year Growth	2,966	9.80%

* Projected



5 - YEAR GENERAL FUND FORECAST

5-YEAR REVENUE PROJECTIONS

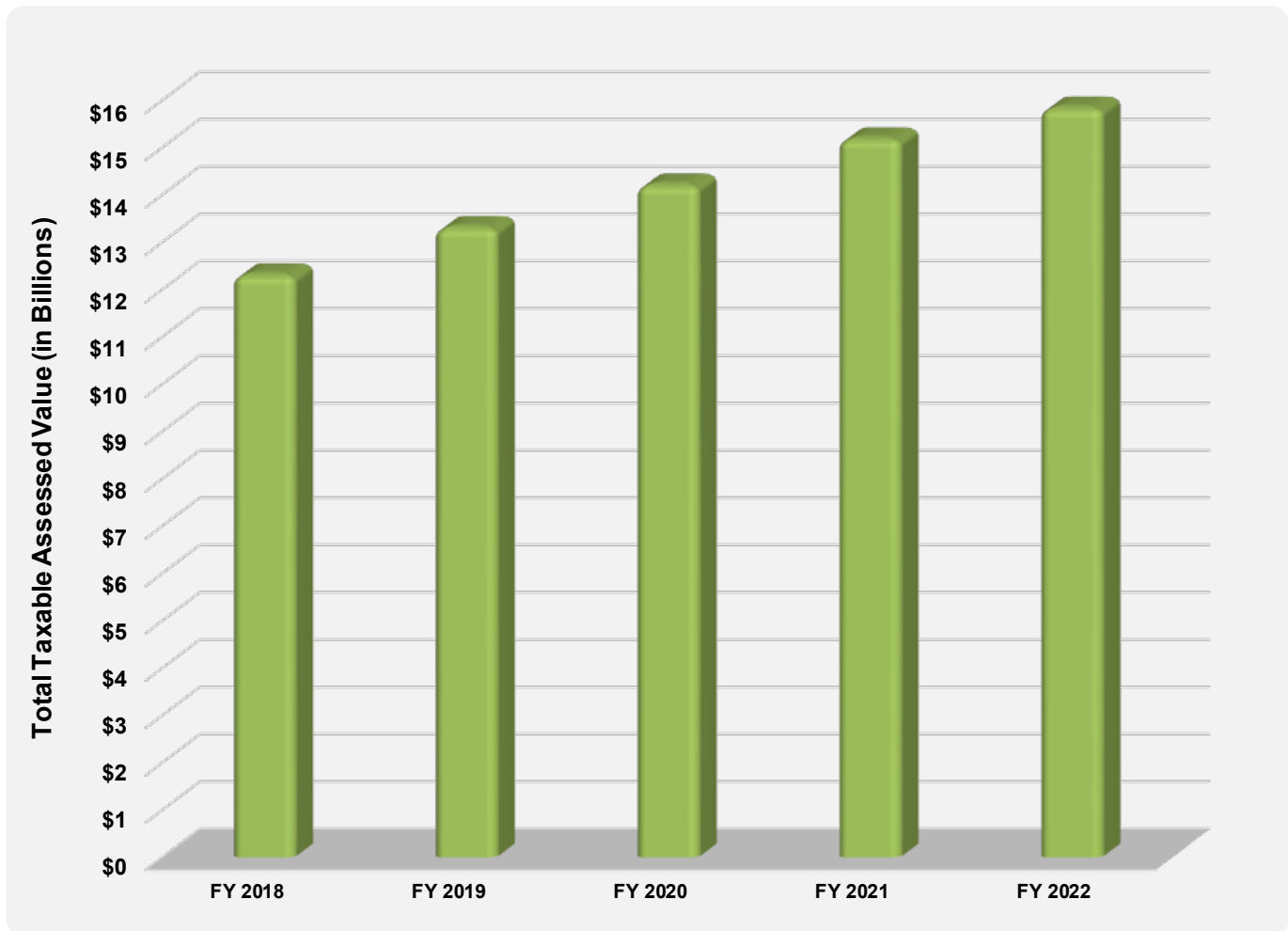


Revenue Source	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Sales Tax	\$44,470,674	\$45,650,000	\$46,950,000	\$47,950,000	\$48,980,000	\$50,838,843	\$51,979,811
Other Taxes & Franchise Fees	7,552,734	7,398,000	7,428,000	7,502,000	7,577,000	7,653,000	7,730,000
Other Revenues	17,301,951	15,331,085	16,122,729	16,305,400	16,523,400	16,710,400	16,934,400
Property Tax	27,017,296	31,353,218	34,200,000	37,487,621	40,016,837	43,390,243	47,043,516
Total General Fund Revenues	\$96,342,655	\$99,732,303	\$104,700,729	\$109,245,021	\$113,097,237	\$118,592,486	\$123,687,727

REVENUE ASSUMPTIONS

- Sales Tax: Dell sales tax revenues are projected to remain flat over the next five years and Non-Dell revenues are projected to increase 2.5% per year
- Other Taxes & Franchise Fees and Other Revenues projected to increase by 1% per year
- Property Tax: Assessed values projected to increase between 3% and 5% per year with growth from new property projected at \$150M to \$200M per year

5 YEAR PROPERTY TAX PROJECTIONS



	FY 2018 *	FY 2019	FY 2020	FY 2021	FY 2022
Taxable Assessed Value	\$12,054,715,287	\$13,104,000,000	\$14,054,000,000	\$14,804,000,000	\$15,554,000,000
New Property	250,208,079	200,000,000	150,000,000	150,000,000	150,000,000
New Kalahari Assessed Value				225,000,000	125,000,000
Total Taxable AV	\$12,304,923,366	\$13,304,000,000	\$14,204,000,000	\$15,179,000,000	\$15,829,000,000

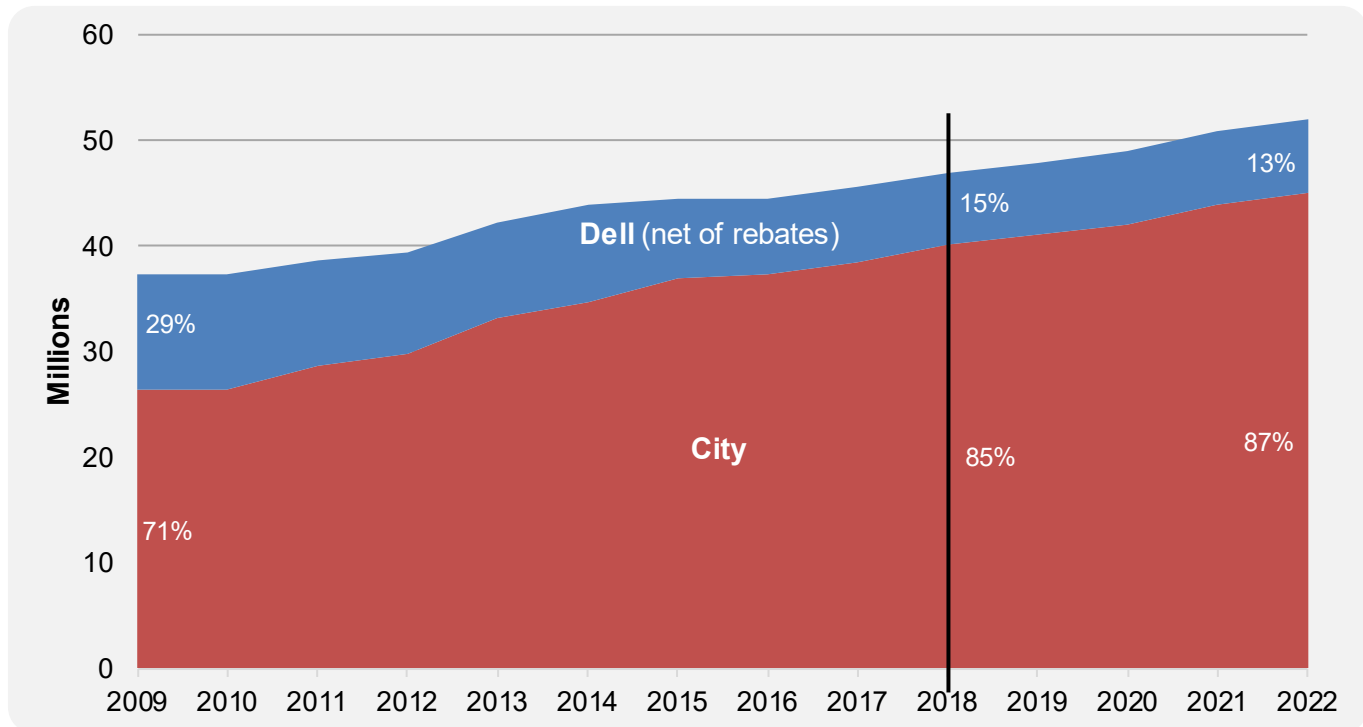
GF Property Tax Revenues	34,200,000	37,487,621	40,016,837	43,390,243	47,043,516
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Assumptions	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Taxable Assessed Value	8.76%	8.12%	6.76%	6.86%	4.28%

Estimated Tax Rate	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Assumes growth and new projects	0.43250	0.43875	0.44034	0.43451	0.44059

*Preliminary - Certified Tax Rolls will be available by July 25th

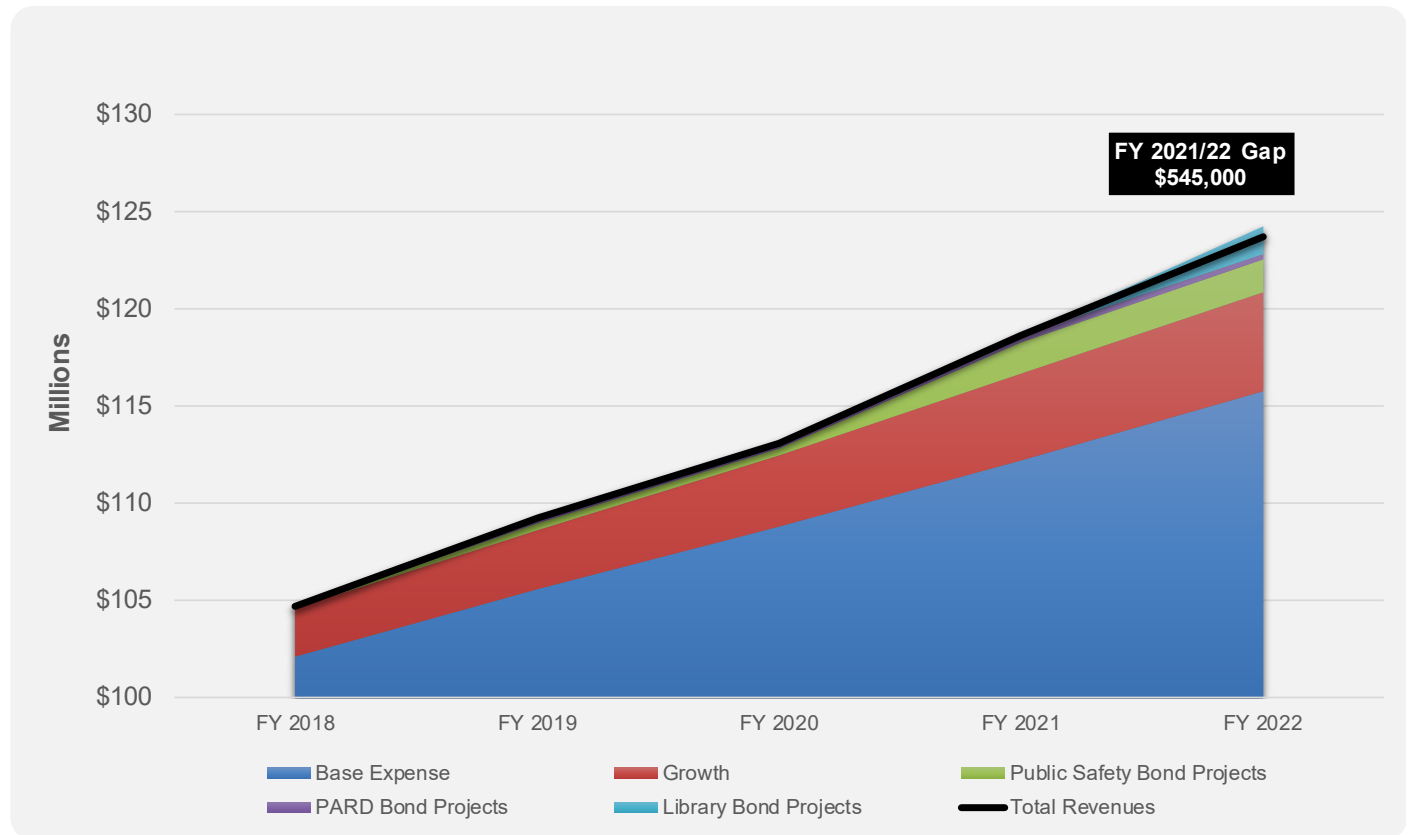
5-YEAR SALES TAX PROJECTIONS



Year	Dell (net of Rebate)	City	Total GF Sales Tax
2009	10,919,426	26,375,578	37,295,004
2010	10,818,148	26,478,686	37,296,834
2011	9,977,032	28,649,199	38,626,231
2012	9,549,499	29,893,933	39,443,432
2013	9,031,746	33,248,531	42,280,277
2014	9,294,555	34,631,885	43,926,440
2015	7,542,157	36,914,751	44,456,908
2016	7,153,436	37,317,239	44,470,674
2017	7,113,047	38,536,953	45,650,000
2018	6,859,823	40,090,177	46,950,000
2019	6,860,000	41,090,000	47,950,000
2020	6,860,000	42,120,000	48,980,000
2021	6,860,000	43,978,843	50,838,843
2022	6,860,000	45,119,811	51,979,811

Note: Sales tax revenue from Kalahari is projected to start in FY 2020/21.

5-YEAR EXPENSE PROJECTIONS



Category	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Base Expense	\$102,141,799	\$105,614,457	\$108,853,006	\$112,248,033	\$115,810,721
Growth	2,470,901	3,023,283	3,636,950	4,437,172	5,097,569
Public Safety Bond Projects	-	326,000	326,000	1,626,000	1,626,000
PARD Bond Projects	78,673	281,281	281,281	281,281	281,281
Library Bond Projects	-	-	-	-	1,417,000
Total Expense	\$104,691,373	\$109,245,021	\$113,097,237	\$118,592,486	\$124,232,571
Total Revenues	\$104,700,729	\$109,245,021	\$113,097,237	\$118,592,486	\$123,687,727
Surplus/(Gap)	\$9,356	\$0	\$0	\$0	(\$544,844)
Surplus/(Gap) % of Revenue	0.0%	0.0%	0.0%	0.0%	-0.4%

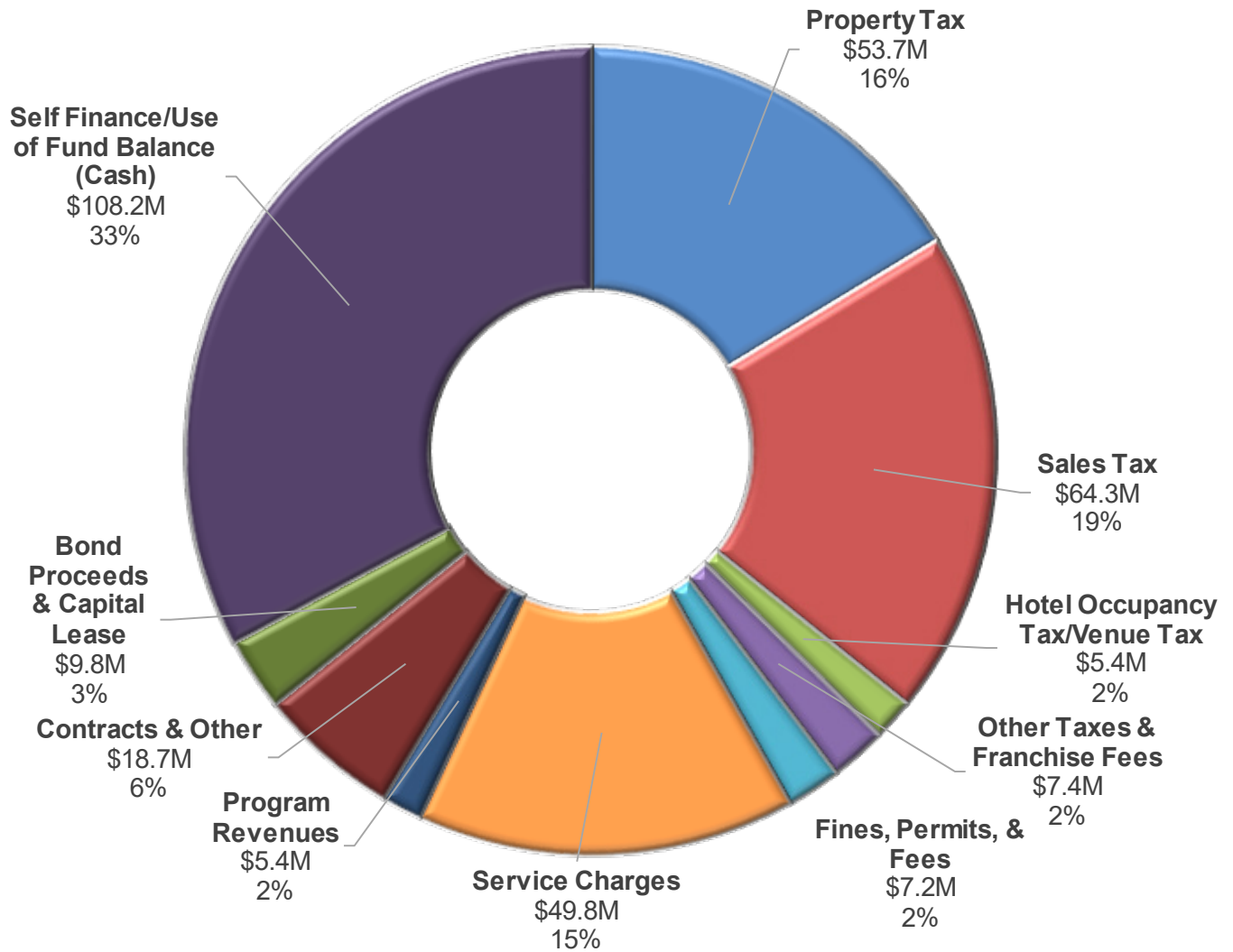


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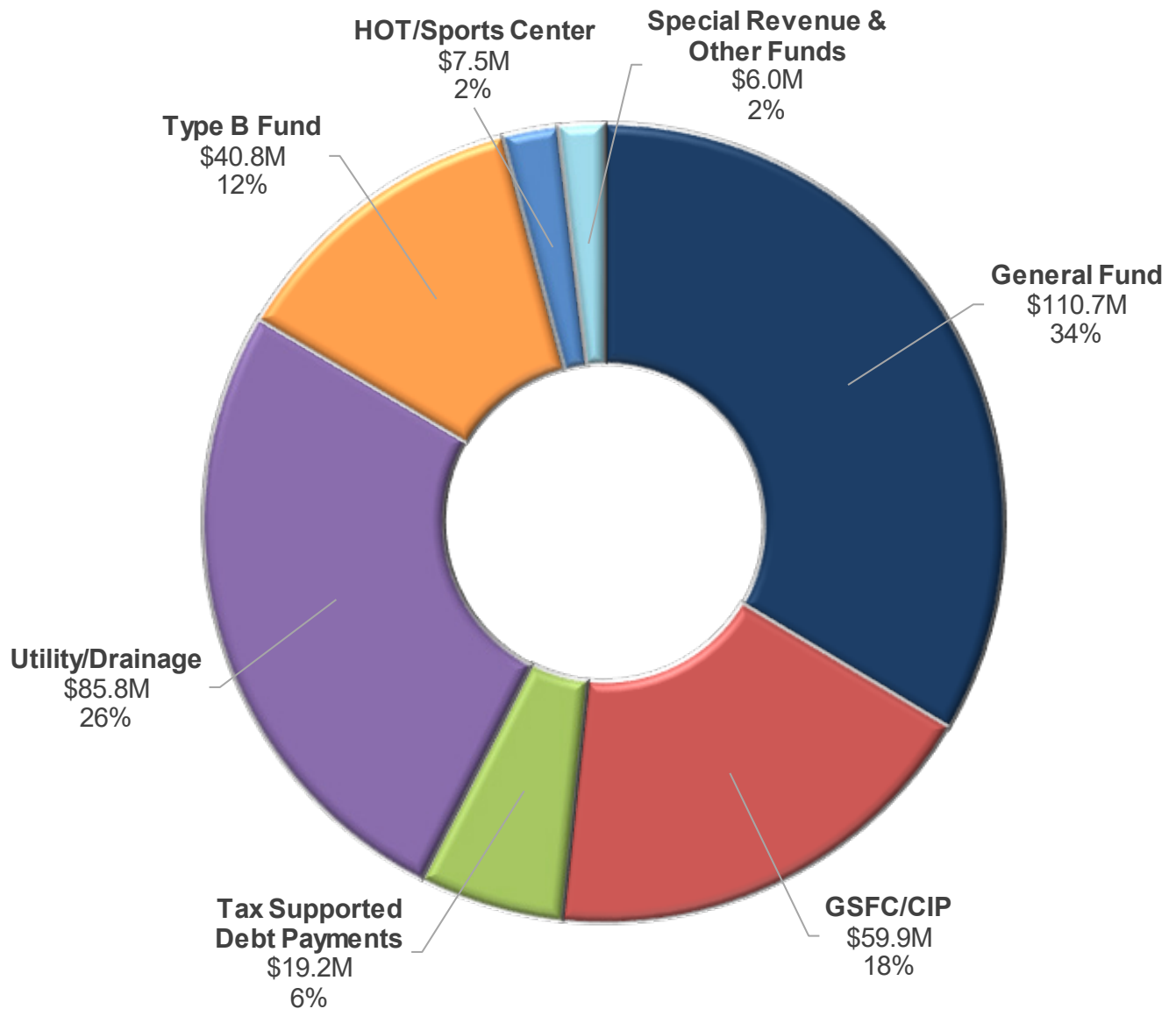
ALL FUNDS SUMMARY BY SOURCE

\$329.9 MILLION



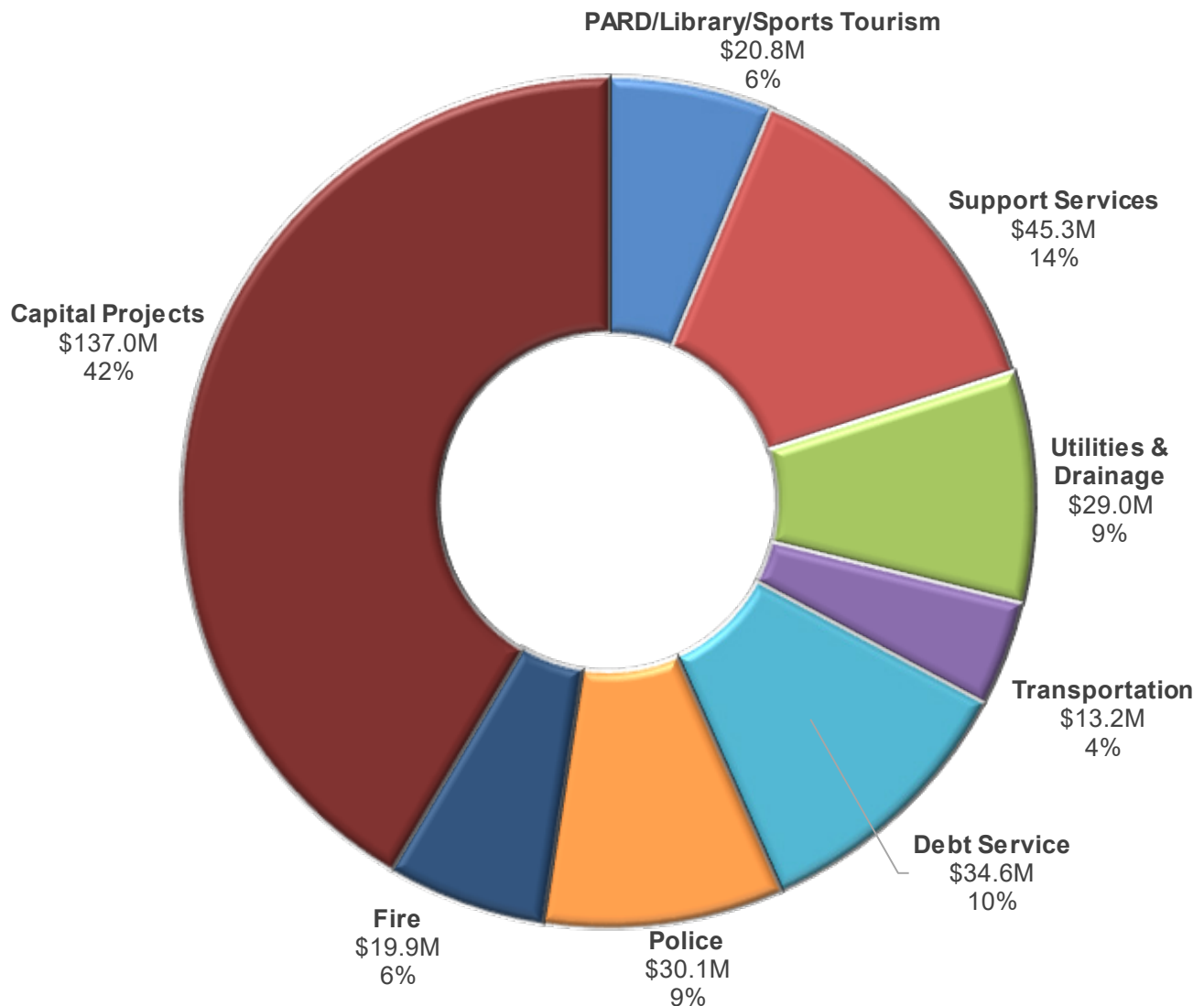
ALL FUNDS SUMMARY BY FUND

\$329.9 MILLION



ALL FUNDS SUMMARY BY USE

\$329.9 MILLION



Support Services Includes:

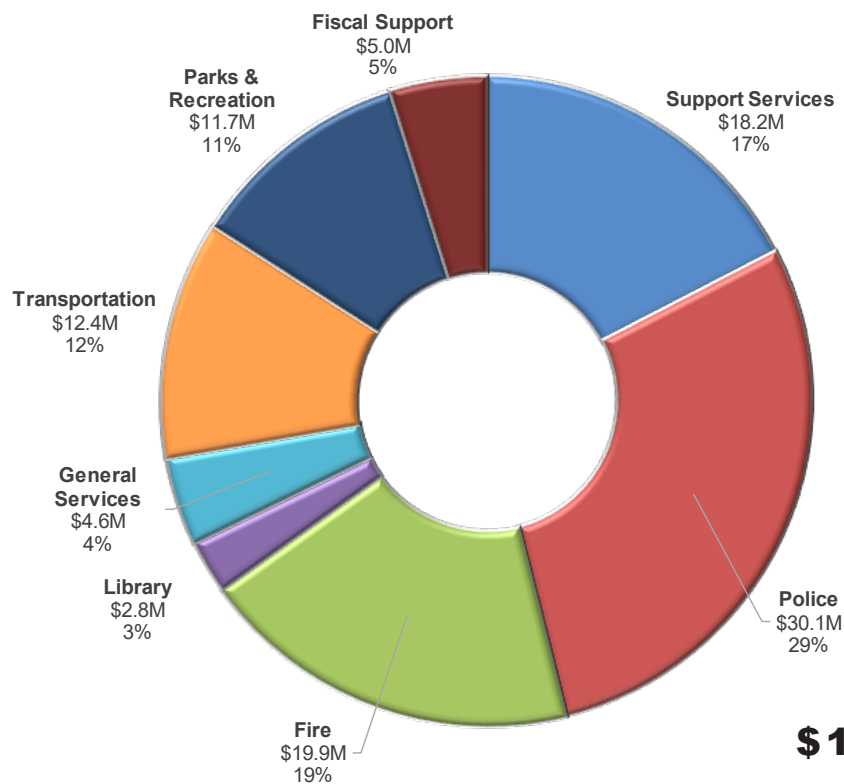
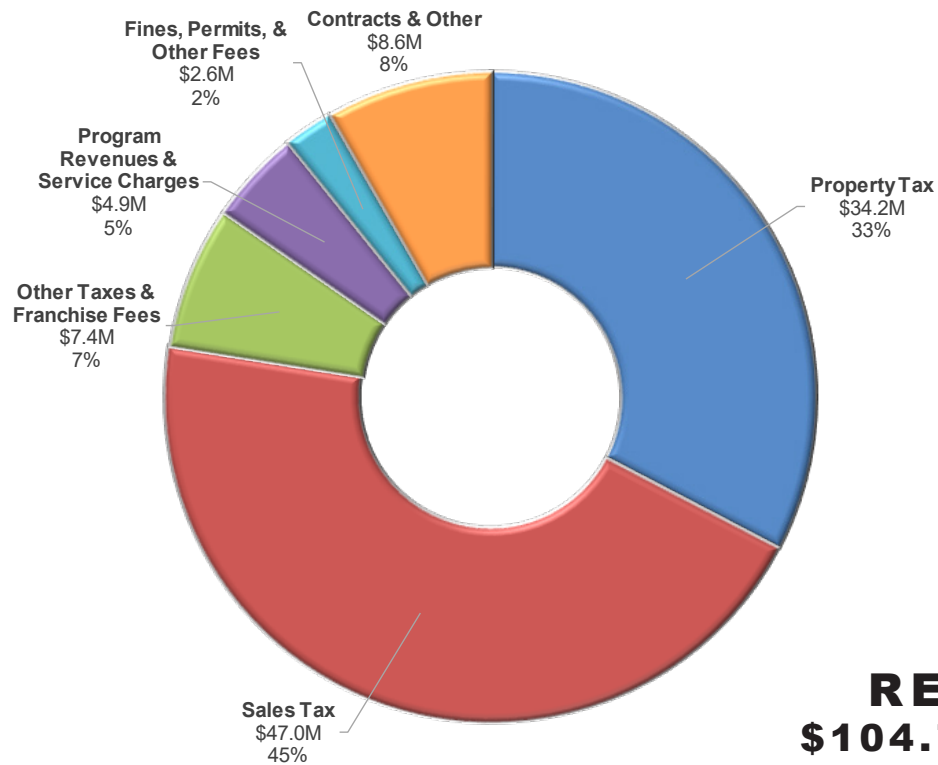
Support Departments (IT, HR, Finance, Admin, Gen. Svcs, etc.)	\$23.3M
Planning	\$4.4M
Transfers Out	\$11.1M
Fiscal Support	\$6.5M

ALL FUNDS SCHEDULE



GENERAL FUND

GENERAL FUND REVENUES & EXPENSES



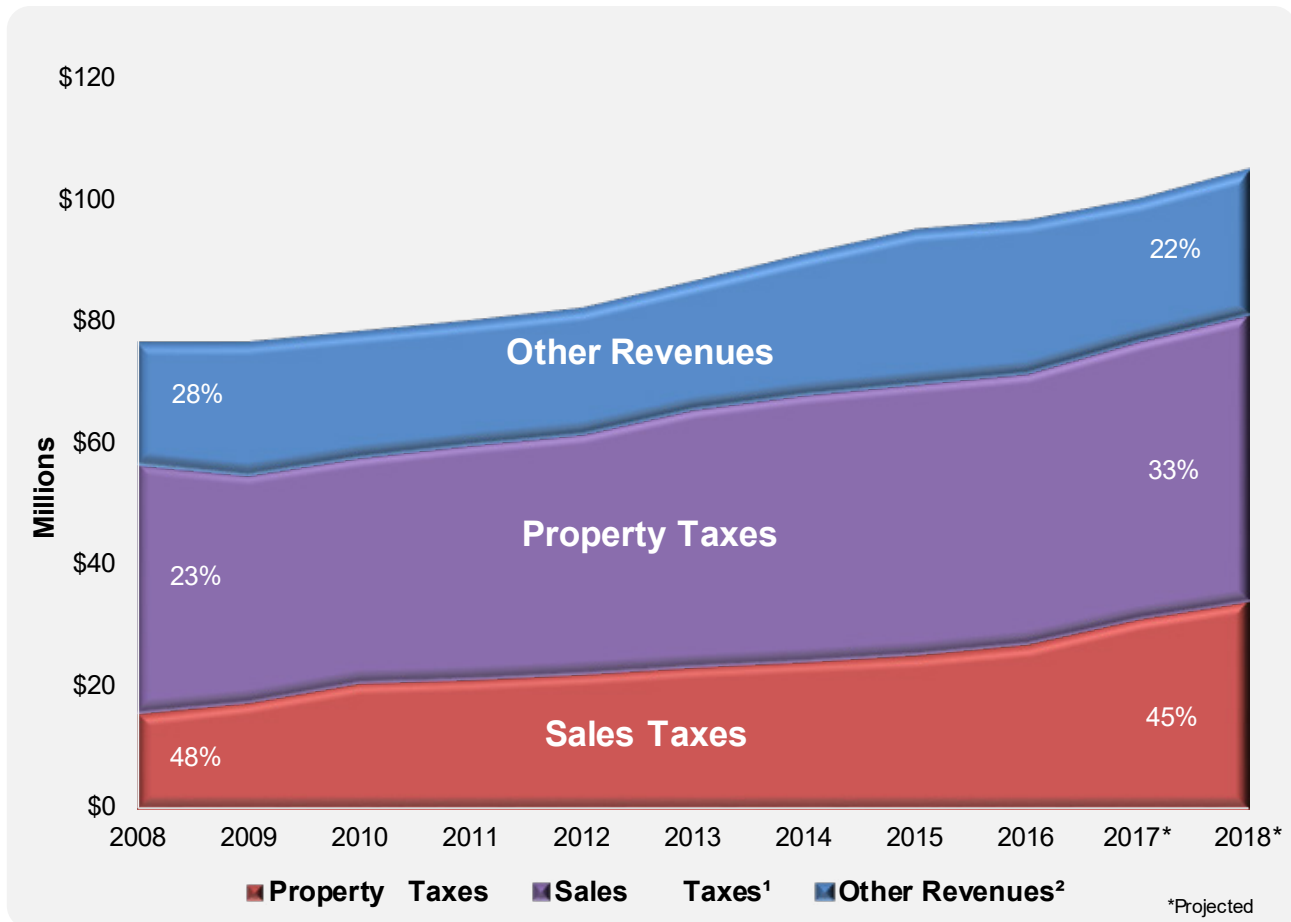
Policy Compliance: Ongoing revenues exceed ongoing expenses

GENERAL FUND SCHEDULE

	15/16 Actual	16/17 Rev Budget	16/17 Projected Actual	17/18 Proposed Budget	18/19 Estimated Budget
Beginning Fund Balance/Working Capital	\$50,708,210	\$ 49,374,486	\$ 52,800,084	\$ 47,466,994	\$ 41,438,897
Revenues					
Property Tax	27,092,340	31,150,000	31,353,218	34,200,000	36,900,000
Sales Tax ¹	44,470,674	43,995,294	45,650,000	46,950,000	47,200,000
Other Taxes & Franchise Fees	7,477,691	7,428,000	7,398,000	7,428,000	7,502,000
Licenses, Permits & Fees	1,838,308	1,266,743	1,200,650	1,580,150	1,595,000
Service Charges	1,297,118	1,428,000	1,421,000	1,423,000	1,459,000
Program Revenues	3,559,674	3,254,000	3,256,607	3,473,900	3,452,000
Fines & Forfeitures	1,339,334	990,000	975,023	980,000	990,000
Contracts & Other ⁴	5,977,518	4,749,400	5,122,005	5,276,321	5,323,000
Transfers In	3,290,000	3,355,800	3,355,800	3,389,358	3,423,000
Total Revenues	96,342,657	97,617,237	99,732,303	104,700,729	107,844,000
Expenses					
Administration ⁴	2,411,538	1,924,476	1,920,730	1,940,477	2,001,051
Communications	-	670,529	667,337	790,327	776,848
Finance	3,068,651	3,461,319	3,212,460	3,321,844	3,502,822
Fire ²	16,847,985	17,179,095	17,173,334	19,913,163	20,057,707
Fiscal Support ³	2,978,232	4,946,935	4,372,361	4,987,741	5,116,682
General Services ⁴	3,663,101	4,157,819	4,117,620	4,595,175	4,811,500
Human Resources	1,180,696	1,312,710	1,308,938	1,350,366	1,387,849
Information Technology	3,872,850	4,309,897	4,250,196	4,651,019	4,756,488
Legal Services	1,036,423	1,275,000	1,275,000	1,275,000	1,287,750
Library	2,603,260	2,755,998	2,732,205	2,826,825	2,918,909
Parks & Recreation	10,407,451	11,191,240	10,940,459	11,692,796	11,874,482
Planning & Development ⁴	3,181,328	3,798,664	3,724,030	4,415,583	4,636,546
Police ²	26,837,942	28,734,823	28,270,299	30,051,365	31,093,505
Recycling	137,585	146,818	143,519	148,935	150,424
Transportation ^{4,5}	6,867,933	11,390,548	11,356,905	12,410,757	12,563,966
Operating Transfer - Multipurpose Complex Fund	-	350,000	350,000	320,000	320,000
Total Expenses	85,094,975	97,605,871	95,815,393	104,691,373	107,256,529
Net Revenues	\$ 11,247,682	\$ 11,366	\$ 3,916,910	\$ 9,356	\$ 587,471
Less:					
Transfers ⁶	9,155,808	9,250,000	9,250,000	6,037,453	2,250,000
Ending Fund Balance	\$ 52,800,084	\$ 40,135,852	\$ 47,466,994	\$ 41,438,897	\$ 39,776,368
Contingency - Hold to FY2017 levels ⁷	30,162,631	32,162,438	32,162,438	31,362,438	31,362,438
Concentration Risk Fund	7,000,000	6,100,000	6,100,000	6,900,000	6,900,000
Total Reservations	37,162,631	38,262,438	38,262,438	38,262,438	38,262,438
Adjusted Ending Fund Balance	\$ 15,637,453	\$ 1,873,414	\$ 9,204,556	\$ 3,176,459	\$ 1,513,930
Contingency Reserves % of Operating Expense	35.4%	33.0%	33.57%	29.96%	29.24%
Schedule Includes:					
1 - Sales Tax presented net of rebates					
2 - Public Safety Step & Contract Increases are presented within the Police and Fire Lines.					
3 - Salary Increase for Non-Public Safety Employees of 3% Included in Fiscal Support for FY 2018.					
4 - FY 2017 Mid-Year Budget Amendment					
5 - Street Maintenance funding of \$3M annually continuing into FY 2018 and FY 2019					
6 - Transfers for FY 2018 & FY 2019 are proposed					
7 - Proposed policy change for FY 2017/18 to systematically normalize to 25%.					

Property Tax Rate - PRELIMINARY	
EFFECTIVE RATE:	0.39890
ROLLBACK RATE:	0.43312
TOTAL RATE:	0.43250

GENERAL FUND REVENUES BY MAJOR CATEGORY



Year	Property Taxes	Sales Taxes ¹	Other Revenues ²	Total Revenue
2009	17,714,701	37,295,004	21,584,840	76,594,545
2010	20,826,670	37,296,834	20,163,379	78,286,883
2011	21,457,249	38,626,231	20,123,483	80,206,963
2012	22,248,742	39,443,432	20,380,583	82,072,757
2013	23,493,510	42,280,277	20,610,670	86,384,457
2014	24,330,110	43,926,440	22,501,741	90,758,291
2015	25,416,408	44,456,908	25,162,098	95,035,414
2016	27,092,340	44,470,674	24,779,643	96,342,657
2017*	31,353,218	45,650,000	22,729,085	99,732,303
2018*	34,200,000	46,950,000	23,550,729	104,700,729

*Projected

1 - Sales tax presented net of rebate.

2 - Other revenues include: franchise, garbage, PARD program fees, bingo tax, mixed drink tax, licenses, permits, fees, fines, forfeitures, intergovernmental, and other.

For more details on General Fund Revenues, see pages 40 and 41.

GENERAL FUND REVENUES BY DETAILED CATEGORY

Revenues	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget ⁵	2016-17 Projected Actual ⁵	2017-18 Proposed Budget
Property Tax	\$24,138,472	\$25,329,614	\$27,092,340	\$31,150,000	\$31,353,218	\$34,200,000
Sales Tax	43,926,440	44,456,908	44,470,674	43,995,294	45,650,000	46,950,000
Bingo/Mixed Drink Tax	477,606	515,777	566,712	488,000	538,000	538,000
Franchise Fees	6,694,566	6,991,328	6,910,978	6,865,000	6,795,000	6,815,000
Building Permits/Inspections	494,182	1,129,239 ¹	1,288,156	912,643	810,000 ⁷	1,142,000 ⁹
Other Permits	43,788	54,944	55,220	40,000	50,000	52,000
Garbage	1,314,845	1,345,951	1,334,511	1,345,000	1,340,000	1,345,000
Fire Protection Fees	1,544,772	1,824,431	2,178,476	2,035,000	2,260,000	2,105,000
Police Reimbursements	800,725	909,018	1,620,065	1,410,000	1,410,000 ⁸	1,410,000
Recreation Fees	2,481,069	2,486,062	3,100,288 ³	2,864,000	2,887,457	2,973,500
Library Fees	194,507	168,581	110,145	115,000	100,023	105,000
Filing/Other Fees	163,888	208,186	244,274	160,500	140,050	162,050
Fines	2,266,821	1,817,319	1,145,118 ⁴	906,000	906,000	906,000
Rentals	168,697	324,508	363,617	314,000	314,000	369,000
Grants	325,477	180,119	77,320	-	-	-
Interest	203,406	265,991	429,904	300,000	400,000	425,000
Capital Lease Proceeds	727,699	1,327,490 ²	-	-	-	-
Administrative Allocations	3,251,255	3,655,000	3,453,000	3,526,800	3,526,800	3,570,408
Other	1,540,075	2,044,945	1,901,859	1,190,000 ⁶	1,251,755	1,632,771 ¹⁰
Total Revenues	\$90,758,291	\$95,035,412	\$96,342,657	\$97,617,237	\$99,732,303	\$104,700,729

GENERAL FUND REVENUE CHANGES

1. The large increase in Building Permits from FY 2014 actuals to FY 2015 actuals was due to an uptick in Subdivision Development Fee Revenues. Parkside at Mayfield Ranch and other smaller neighborhood fees received in FY 2015.
2. Capital Lease proceeds were moved to the Capital Projects Fund as part of the FY 2016 budget process.
3. Recreation Fees increased in FY 2016 because of increases in rental rates and membership fees and the expansion of Rock'N River.
4. Fines decreased in FY 2016 due to Red-Light Camera program being discontinued.
5. The FY 2017 Budget is lower for several revenue categories than the FY 2016 Actuals because we budget revenues conservatively based on several years of historical actuals and other trends. FY 2017 Projected Actuals are developed after 6 months of actuals are recognized.
6. Other Revenues were high for FY 2015 and FY 2016 actuals and lower in the FY 2017 Budget because \$700,000 for Teravista Master Development Fees was paid in FY 2015 and FY 2016.
7. Building Permits & Inspections for FY 2017 Projected Actuals are lower than the FY 2017 Re-

GENERAL FUND REVENUES BY DETAILED CATEGORY

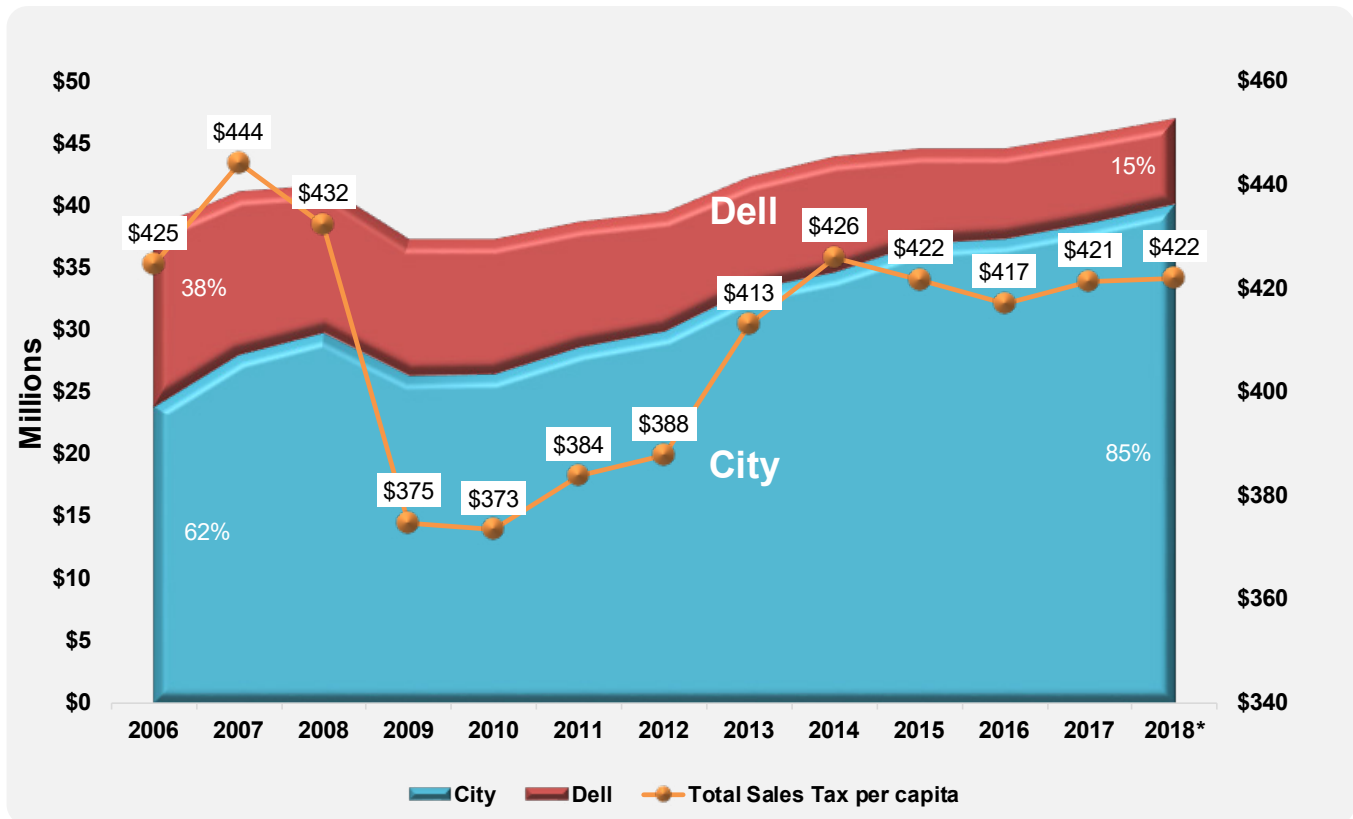
vised Budget because Subdivision Development Fees have come in lower than anticipated. The timing of Subdivision Development Fees is variable based on volatile development timelines.

8. Police Reimbursements is lower in FY 2017 and FY 2018 than the \$1.6 million received in FY 2016 due to one-time additional reimbursements from RRISD for new vehicles and equipment purchased for two SROs added in FY 2016. Seventy-five percent (75%) of these costs were reimbursed which caused a one-time uptick in FY 2016.
9. Building Permits & Inspections are projected to increase for the FY 2018 Proposed Budget due to projected growth.
10. Other Revenues are projected to increase for the FY 2018 Proposed Budget because of higher

GENERAL FUND REVENUE DEFINITIONS

- **Property Tax** – Revenues higher in FY 2018 primarily due to the recommended rate and new program requests. See further discussion of property tax rates and valuations under the Property Valuations & Taxes tab.
- **Sales Tax** – Sales tax revenues reflect 1.5% of the 2.0% local option taxes collected by the City. In FY 2017, sales tax amounts were reported as net of any rebates to simplify the presentation of the associated revenues and expenditures. For FY 2018, retail and other sectors continue to grow at a healthy rate but Dell sales tax receipts are projected to decline by 2.5%.
- **Franchise Fees** – Fees collected from electricity, gas, and telecommunications grow modestly with the general population growth. These fees are based on gross revenues; therefore, mild weather can reduce fees received from electric and gas providers.
- **Building Permits/Inspections** – These include planning and development related revenues. Large subdivisions or commercial site permits can create one time higher than average collections which happened in FY 2015 and FY 2016. To mitigate the impact of these one-time fees budget staff uses average collections when forecasting future revenues.
- **Garbage** – Revenues reflect the net fee from Round Rock Refuse. Average residential customers pay \$17.61 per month with the City retaining \$3.38 or 19.2%.
- **Fire Protection Fees** – These are primarily revenues received from Emergency Service District #9 to reimburse the City for providing fire protection services within that district.
- **Police Reimbursements** – This includes overtime reimbursements and the School Resource Officer reimbursements from RRISD. The reimbursements increased substantially in FY 2016 due to the SRO positions being fully staffed for the entire fiscal year.
- **Recreation Fees** – These are program revenues for all PARD programs, rentals, leagues, and the Clay Madsen Recreation Center.
- **Administrative Allocations** – The Utilities Fund, Drainage Fund, and Type B Fund reimburse the General Fund for their allocated share of administrative support costs. The cost allocations are reviewed annually and are based on generally accepted cost allocation methodology.
- **Other** – This category includes sale of assets, insurance reimbursements, and other miscellaneous small revenue categories.

SALES TAX REVIEW



Year	Dell (net of Rebate)	Net Dell %	Dell (net of Rebate) per capita	Other Businesses	City %	Other Business per capita	Total GF Sales Tax	Total Sales Tax per capita
2006	\$14,280,107	37%	\$159	\$23,848,607	63%	\$266	\$38,128,714	\$425
2007	13,103,083	32%	142	27,978,278	68%	302	41,081,361	444
2008	11,796,539	28%	123	29,806,072	72%	310	41,602,611	432
2009	10,919,426	29%	110	26,375,579	71%	265	37,295,004	375
2010	10,818,148	29%	108	26,478,686	71%	265	37,296,834	373
2011	9,977,032	26%	99	28,649,199	74%	285	38,626,231	384
2012	9,549,499	24%	94	29,893,933	76%	294	39,443,432	388
2013	9,031,746	21%	88	33,248,531	79%	325	42,280,277	413
2014	9,294,555	21%	90	34,631,885	79%	336	43,926,440	426
2015	7,542,157	17%	72	36,914,750	83%	350	44,456,908	422
2016	7,153,436	16%	67	37,317,239	84%	354	44,470,674	417
2017	7,113,047	16%	66	38,536,953	84%	362	45,650,000	421
2018*	6,859,823	15%	62	40,090,177	85%	370	46,950,000	422

GENERAL FUND RECONCILEMENT

Department	FY17 Revised Budget	Scheduled Line Items & Adjustments	Adjusted Base	New Programs & Additional Line Items	Proposed FY18 Budget	% Change
Administration	\$ 1,924,476	\$ 16,001	\$ 1,940,477	\$ -	\$ 1,940,477	0.8%
Communications	670,529	70,198	740,727	49,600	790,327	17.9%
Finance	3,461,319	(139,475)	3,321,844	-	3,321,844	-4.0%
Fire	17,179,095	1,470,834	18,649,929	1,263,234	19,913,163	15.9%
Fiscal Support & Legal Services	6,571,935	10,806	6,582,741	-	6,582,741	0.2%
General Services	4,157,819	254,591	4,412,410	182,765	4,595,175	10.5%
Human Resources	1,312,710	37,656	1,350,366	-	1,350,366	2.9%
Information Technology	4,309,897	341,122	4,651,019	-	4,651,019	7.9%
Library	2,755,998	53,716	2,809,714	17,111	2,826,825	2.6%
Parks & Recreation	11,191,240	317,793	11,509,033	183,763	11,692,796	4.5%
Planning & Development Service	3,798,664	265,519	4,064,183	351,400	4,415,583	16.2%
Police	28,734,823	1,077,329	29,812,152	239,213	30,051,365	4.6%
Recycling	146,818	2,117	148,935	-	148,935	1.4%
Transportation	11,390,548	757,721	12,148,269	262,488	12,410,757	9.0%
TOTAL	\$ 97,605,871	\$ 4,535,928	\$ 102,141,799	\$ 2,549,574	\$ 104,691,373	7.3%

Scheduled Line Items & Adjustments

Health Insurance Increase	\$1,867,000
Public Safety Salary Adjustments	\$996,000
Public Safety Market Study Implementation	\$912,000
Non Public Safety Salary Adjustments	\$860,000
Base Budgeting Savings	(\$99,000)
Total	\$4,536,000



OTHER FUNDS

UTILITIES FUND SCHEDULE

	15/16 Actual	16/17 Budget	16/17 Projected Actual	17/18 Proposed Budget	18/19 Estimated Budget
Beginning Fund Balance/Working Capital	\$89,841,345	\$83,676,159	\$98,285,085	\$85,687,768	\$62,553,358
Revenues					
Water Service	23,305,796	25,556,006	23,556,006	24,313,084	25,238,398
Water Related Charges	1,607,188	1,488,010	1,488,010	1,529,065	1,565,487
Sewer Service	16,911,448	16,511,660	16,511,660	17,167,680	17,246,208
Sewer Service - BCRWWS	1,430,567	1,640,000	1,640,000	1,640,000	1,640,000
Sewer Related Charges	283,427	263,000	263,000	263,000	263,000
Other Charges	1,453,804	1,659,000	1,729,999	1,659,000	1,659,000
Impact Fees	8,269,653	4,250,000	5,500,000	4,250,000	4,250,000
Investment, Donations & Other Misc ^{1,2}	2,096,646	1,137,000	285,500	1,972,000	4,312,000
Total Revenues	55,402,929	52,504,676	50,974,175	52,793,829	56,174,093
Operating Expenses					
Utility Billings & Collection	1,672,210	2,110,925	2,067,449	2,055,017	2,068,314
Fiscal Support Services	669,643	1,141,078	1,082,850	1,332,789	1,340,545
Utility Administration	1,731,528	1,757,246	1,900,880	2,099,060	2,141,727
Water Treatment Plant	7,095,879	10,092,347	9,030,637	9,542,105	9,583,531
Water Systems Support	2,318,238	2,996,661	2,990,528	3,482,602	3,471,532
Water Line Maintenance	2,350,389	2,483,511	2,552,663	2,663,988	2,738,776
Wastewater Treatment Plant	3,964,692	4,949,735	4,949,735	5,215,935	5,265,482
Wastewater System Support	449,881	478,713	475,356	515,021	526,558
Wastewater Line Maintenance	1,930,945	2,151,425	2,018,412	2,250,828	2,314,718
Environmental Services	564,786	633,989	615,883	660,294	676,316
Administrative Allocation	3,090,000	3,151,800	3,151,800	3,183,318	3,215,151
Debt Service Payment	6,031,356	5,800,000	5,800,000	5,772,000	5,800,000
Regional Water/WW Reimbursable Expense	1,152,588	100,000	100,000	100,000	100,000
Total Operating Expenses	37,341,592	42,194,930	40,614,043	43,012,957	43,409,649
Net Revenue	\$18,061,337	\$10,309,746	\$10,360,132	\$9,780,872	\$12,764,444
Capital Costs	9,617,597	20,794,700	22,957,449	32,915,282	20,065,600
Total Expenses	\$46,959,189	\$62,989,630	\$63,571,492	\$75,928,239	\$63,475,249
Ending Fund Balance/Working Capital	98,285,085	73,191,205	85,687,768	62,553,358	55,252,203
Fund Reserve (33% of operating expenses)	11,973,274	13,891,327	13,369,634	14,161,276	14,292,184
Available Fund Balance/Working Capital	\$86,311,812	\$59,299,878	\$72,318,134	\$48,392,082	\$40,960,019

NOTE: Revenues based on a 3.5% proposed water rate increase in Total Revenues because a rate structure has not been finalized.

1 - FY 17 Actual (\$285K) for other revenue is projected investment earnings and reimbursement from the BCRUA for General Manager/Admin/Legal

2 - FY17 Budget included \$810K in project participation from the partner cities for the Regional WW Plant re-rate. The project has been delayed and expanded to include a re-rate and expansion starting in FY18 and will span across 4-5 years to complete. Cost participation for next 2 years: FY18 - \$1.87M, FY19 - \$4.2M, which is the majority of the projected budgets for other revenue these 2 years

UTILITIES FUND REVENUES

	2013-14	2014-15	2015-16	2016-17	2016-17	2017-18
Revenues	Actual	Actual	Actual	Revised Budget	Projected Actual	Proposed Budget
Water & Related Services	22,032,335	23,016,845	24,912,984	27,044,016	25,044,016	25,842,149
Wastewater & Related Services	17,543,327	17,641,143	18,625,442	18,414,660	18,414,660	19,070,680
Other Charges	2,208,570	1,860,340	1,498,205	1,659,000	1,729,999	1,659,000
Impact Fees	4,709,386	7,933,508	8,269,653	4,250,000	5,500,000	4,250,000
Contracts & Other	1,818,712	965,771	2,096,646	1,137,000	285,500	1,972,000
Total Revenues	\$48,312,330	\$51,417,606	\$55,402,929	\$52,504,676	\$50,974,175	\$52,793,829

UTILITIES FUND REVENUE HIGHLIGHTS

- **Water and Wastewater Revenues** – These can vary greatly based on weather conditions. Customer growth has continued at a steady 1-2%. Average consumption is used for forecasting future revenues.
- Rate Study recently completed and water rate increase and rate structure changes are recommended
- No wastewater rate increases
- Water Revenues for FY 2017 Projected Actuals are lower than budget due to lower than anticipated sale of water to the City of Georgetown under an agreement implemented in FY 2016

DRAINAGE FUND SCHEDULE

	15/16 Actual	16/17 Budget	16/17 Projected Actual	17/18 Proposed Budget	18/19 Estimated Budget
Beginning Fund Balance/Working Capital	\$14,763,167	\$13,382,086	\$14,674,417	\$11,651,854	\$5,332,587
Revenues & Other Services					
Resident Fees	1,621,288	1,614,755	1,614,755	1,637,937	1,654,302
Commercial Fees	1,750,464	1,769,433	1,769,433	1,791,088	1,809,033
Investment, Donations & Other Misc ^{1,2}	106,691	700,000	44,290	-	-
Regional Detention Fees	291,477	150,000	150,000	150,000	150,000
Total Revenues	3,769,920	4,234,188	3,578,478	3,579,025	3,613,335
Operating Expenses					
Operations	1,199,570	1,588,578	1,588,578	1,707,759	1,725,540
Engineering	542,111	477,006	718,624	756,911	782,141
Administrative Allocation	200,000	204,000	204,000	206,040	208,100
Debt Service Payment	577,531	577,332	577,332	572,582	564,382
Total Operating Expenses	2,519,213	2,846,916	3,088,534	3,243,292	3,280,163
Net Revenue	1,250,707	1,387,272	489,944	335,733	333,171
Capital Replacement	41,358	312,000	312,000	385,000	100,000
Capital Costs (5yr CIP) ³	1,298,099	9,050,000	3,200,508	6,270,000	-
Total Expenses	3,858,670	12,208,916	6,601,042	9,898,292	3,380,163
Ending Fund Balance/Working Capital	14,674,417	5,407,358	11,651,854	5,332,587	5,565,758
Reserves (25% of operating expenses)	485,420	567,396	627,800	667,678	678,945
Available Fund Balance/Working Capital	14,188,996	4,839,962	11,024,053	4,664,909	4,886,813

1 - FY 2017 budget included \$700K for project cost participation from WILCO (\$500K) and CDBG (\$200K). WILCO is not receptive to the cost of the project and has not signed an agreement, funds were not included & CDBG funding for a joint street and drainage neighborhood revitalization project has not begun

2 - Drainage did not identify any FY 2018 - FY 2022s project in their updated CIP to be funded by outside funding (other than Dam 101 and the projected costs are unknown) therefore FY 2018 & FY 2019 are shown as zero budgets for "other revenue"

3 - Capital projects and funding sources are currently being evaluated for FY 2018/19.

HOT FUND SCHEDULE

	15/16 Actual	16/17 Adopted Budget	16/17 Projected Actuals	17/18 Proposed Budget	18/19 Estimated Budget	19/20 Estimated Budget	20/21 Estimated Budget	21/22 Estimated Budget
Beginning Fund Balance/Working Capital	\$8,855,723	\$6,672,657	\$9,538,639	\$3,843,200	\$2,774,239	\$2,500,403	\$3,162,480	\$4,168,677
Revenue								
Hotel Occupancy Tax	4,205,966	4,100,000	4,100,000	4,200,000	4,284,000	4,369,680	4,457,074	4,546,215
Kalahari Project Revenues							4,115,887	4,635,457
Interest Income	50,781	10,000	10,000	25,000	25,000	11,000	11,000	11,000
Insurance Proceeds - Fireball Grill	453,747		180,650					
Contributions - Fireball Grill			218,968					
Total Revenue	4,710,494	4,110,000	4,509,618	4,225,000	4,309,000	4,380,680	8,583,961	9,192,672
CVB Operating								
Personnel	272,335	366,766	293,780	449,686	463,177	477,072	491,384	506,126
Contractual Services	229,692	329,552	329,552	670,380	677,084	683,855	690,693	697,600
Materials & Supplies	8,908	23,280	23,280	30,550	30,856	31,164	31,476	31,790
Other Services & Charges	141,239	377,000	377,000	575,045	580,795	586,603	592,469	598,394
Total CVB Operating	652,174	1,096,598	1,023,612	1,725,661	1,751,911	1,778,694	1,806,022	1,833,910
Arts Operating	5,000	205,000	205,000	210,000	214,200	218,484	222,854	227,311
Operating, Debt Service, Transfers & Other								
Transfer to Sports Center	400,000	-	-	-	-	-	-	-
Transfer - OSP Multi-Purpose Complex	-	350,000	350,000	320,000	320,000	330,000	340,000	350,000
Property Insurance	53,189	57,500	57,500	57,500	57,500	57,500	57,500	57,500
Contingency	1,250	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Funding for Arts Facility Marketing Campaign	-	-	-	84,000	-	-	-	-
Dell Diamond Capital Repair	-	250,000	250,000	250,000	250,000	250,000	250,000	250,000
Dell Diamond Capital Improvement Fund	275,021	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Kalahari Debt Service (Conference Center Debt)	-	-	-	-	-	-	1,136,700	1,136,700
Kalahari Rebates/Project Costs	-	-	-	-	-	-	2,979,187	3,498,757
Debt Service	706,000	702,237	702,000	651,800	644,225	638,925	640,500	638,700
Total Operating, Debt Svc, Transfers & Other	1,435,460	1,504,737	1,504,500	1,508,300	1,416,725	1,421,425	5,548,887	6,076,657
Total Operating Expenditures	2,092,634	2,806,335	2,733,112	3,443,961	3,382,836	3,418,603	7,577,763	8,137,878
Net Revenues	2,617,860	1,303,665	1,776,506	781,039	926,164	962,077	1,006,198	1,054,794
Capital, Transfers & Other								
Capital Improvements - OSP MPC	1,659,597	4,100,000	5,840,403		-	-	-	-
Capital Improvements - Other	18,323							
First year start up costs - OSP MPC	-	500,000	500,000	-	-	-	-	-
Capital Improvements - Dell Diamond	174,443	520,000	270,000	850,000	1,200,000	300,000	-	-
Fireball Grill Repairs and Improvements	82,581		861,542					
Old Settlers Park Infield Replacement				250,000				
Relocation of Stage Coach Inn				750,000				
Total Capital, Transfers & Other	1,934,944	5,120,000	7,471,945	1,850,000	1,200,000	300,000	-	-
Total Expenditures	4,027,578	7,926,335	10,205,057	5,293,961	4,582,836	3,718,603	7,577,763	8,137,878
Ending Fund Balance/Working Capital	9,538,639	2,856,322	3,843,200	2,774,239	2,500,402.84	3,162,480	4,168,677	5,223,471
Fund Reserve (25% of operating expense)	271,885	438,525	635,663	618,040	604,653	612,419	1,649,316	1,787,295
Debt Service Reserve - per bond covenant (5)	838,000	838,000	838,000	262,700	262,700	262,700	262,700	262,700
Dell Diamond Fund Balance Reserve	426,559	-	-	-	-	-	-	-
Available Fund Balance/Working Capital	8,002,196	1,579,798	2,369,537	1,893,499	1,633,050	2,287,360	2,256,662	3,173,477

Note:

- 1 - FY 2018 will begin with 3,000 rooms. Growth projected at 2% per year starting in 2019.
- 2 - Modest growth in department costs for FY2018 to FY2022.
- 3 - 5% of HOT revenues net of rebates designated for Arts.
- 4 - Five year total costs for improvements at Dell Diamond capped at \$3.5 million.
- 5 - Debt Service Reserve is average of total annual debt service. The Venue portion of the reserve has been moved to the Sports Center Fund for FY 2018.
- 6 - Capital reserves used for OSP MPF and Dell Diamond projects as needed. Balance is manually adjusted in each year.
- 7 - Includes \$750,000 for Relocation of Stage Coach Inn in FY 2018.
- 8 - Includes \$250,000 for OSP Infield Replacement

Note: Future Debt Service

FY2023	641,000
FY2024	642,300
FY2025	642,600
FY2026	paid

Total 5 Year DD Investment:

Improvements	3,500,000
Amount Spent	(1,139,498)
Total Remaining	2,360,502

SPORTS CENTER FUND SCHEDULE

	15/16 Actual	16/17 Adopted Budget	16/17 Projected Actual	17/18 Proposed Budget	18/19 Estimated Budget	19/20 Estimated Budget	20/21 Estimated Budget	21/22 Estimated Budget
Beginning Fund Balance	\$2,608,285	\$3,314,673	\$3,843,704	\$3,798,751	\$3,941,490	\$4,142,261	\$4,316,830	\$4,259,843
Revenue								
Hotel Occupancy Tax - Venue Tax	1,201,701	1,110,000	1,110,000	1,200,000	1,224,000	1,248,480	1,273,450	1,298,919
Interest Income	20,514	4,000	4,000	15,000	15,000	1,000	1,000	1,000
Facility Rental	962,027	750,000	750,000	800,000	808,000	816,080	824,241	832,483
Concessions/League Fees	315,673	280,000	280,000	280,000	288,400	297,052	305,964	315,142
Donations/Sponsorships	61,396	50,000	50,000	50,000	51,500	53,045	54,636	56,275
Kalahari Project Revenues	-	-	-	-	-	-	1,175,968	1,324,416
Transfer in from HOT	400,000	-	-	-	-	-	-	-
Total Revenue	2,961,311	2,194,000	2,194,000	2,345,000	2,386,900	2,415,657	3,635,258	3,828,236
Sports Center Operating								
Personnel	775,683	773,882	926,239	1,072,991	1,144,476	1,190,255	1,237,865	1,287,380
Contractual Services	295,681	404,800	404,800	328,725	332,712	336,039	339,400	342,794
Materials & Supplies	243,579	276,335	276,335	275,297	278,050	280,830	283,639	286,475
Other Services & Charges	39,949	138,100	138,100	59,218	62,310	62,933	63,563	64,198
Total Sports Center Operating	1,354,892	1,593,117	1,745,474	1,736,231	1,817,548	1,870,058	1,924,466	1,980,847
Debt Service, Transfers & Other								
Transfer to Debt Svc	371,000	373,480	373,480	366,030	368,580	371,030	367,780	368,805
Total Operating Expenditures	1,725,892	1,966,597	2,118,954	2,102,261	2,186,128	2,241,088	2,292,246	2,349,652
Net Revenues	1,235,419	227,403	75,047	242,739	200,772	174,569	1,343,012	1,478,584
Capital & Transfers:								
Repayment to GSFC	-	-	-	-	-	-	1,400,000	1,500,000
Capital Improvements - Remodel	-	-	-	100,000	-	-	-	-
Capital Improvements - Drainage	-	100,000	120,000	-	-	-	-	-
Total Capital & Transfers	-	100,000	120,000	100,000	-	-	1,400,000	1,500,000
Total Expenditures	1,725,892	2,066,597	2,238,954	2,202,261	2,186,128	2,241,088	3,692,246	3,849,652
Ending Fund Balance/Working Capital	3,843,704	3,442,076	3,798,751	3,941,490	4,142,261	4,316,830	4,259,843	4,238,427
Fund Reserve (25% of operating expense)	338,723	423,279	466,368	434,058	454,387	467,514	481,117	495,212
Debt Svc Reserve - per Bond Covenant				506,000	506,000	506,000	506,000	506,000
Capital Replacement Fund	2,000,000	2,500,000	2,500,000	2,900,000	3,000,000	3,000,000	3,000,000	3,000,000
Available Fund Balance/Working Capital	\$1,504,981	\$518,797	\$832,382	\$101,432	\$687,874	\$849,316	\$778,726	\$743,215

Note: Future Debt Service Requirements
to be paid in full in FY2038

NOTES:

- 1 - HOT Revenues estimated to grow by 2% per year.
- 2 - Transfer in from HOT no longer needed in FY 2017 and beyond. Sports Center fund considered self-supporting.
- 3 - Modest growth projected in operating costs - 3% per year for personnel and 1% per year for other operating.
- 4 - Moved average annual debt service reserve for Venue debt.

TYPE B FUND SCHEDULE

	15/16	16/17	16/17	17/18	18/19	19/20	20/21	21/22
	Actual	Adopted Budget	Projected Actuals	Proposed Budget	Estimated Budget	Estimated Budget	Estimated Budget	Estimated Budget
Beginning Fund Balance	34,067,222	34,301,302	36,178,595	27,803,417	12,256,249	12,871,922	12,971,922	13,071,922
Revenue								
Sales Tax and Estimated Sales Tax ¹	16,835,030	16,433,333	17,113,896	17,301,920	17,526,845	17,789,748	18,086,836	18,414,208
Interest	225,004	100,000	105,000	100,000	100,000	100,000	100,000	100,000
Grant Proceeds	-	-	208,000	1,669,809	-	-	-	-
Donations/contributions	42,300	653,084	51,343	570,657	150,000	-	-	-
Kalahari Project Revenues to Offset Debt	-	-	-	-	-	491,760	3,438,970	5,751,170
WilCo. Participation - Kenney Ft. Blvd. 2-3	-	-	-	630,000	870,000	-	-	-
WilCo. Participation - RM620	-	2,000,000	250,000	1,000,000	2,000,000	-	-	-
WilCo. Participation - Roundville Ln	-	-	67,120	1,432,880	-	-	-	-
WilCo. Participation - University Blvd	-	1,500,000	-	2,500,000	-	-	-	-
Transfers	30,000	-	-	-	-	-	-	-
Other	177,776	-	132,500	-	-	-	-	-
Total Revenue	17,310,110	20,686,417	17,927,859	25,205,266	20,646,845	18,381,508	21,625,806	24,265,378
Transportation Expenditures								
TCIP Projects ²	8,894,924	28,281,536	17,362,448	32,975,757	12,210,601	980,000	616,000	-
Projects to be determined	-	-	-	1,000,000	1,000,000	9,958,051	10,575,110	14,022,086
Other Items: Commons, Street Sweeping, Paving								
Contract & Traffic Signals	685,327	800,000	800,000	816,000	832,320	848,966	865,946	883,265
Debt Service	5,019,599	4,020,199	4,020,199	3,930,485	3,935,567	3,923,755	3,921,097	1,367,437
Debt Service for Kalahari Road Debt & Conf Center	-	-	-	-	-	491,760	3,438,970	5,751,170
Due to General Fund	-	309,000	309,000	300,000	300,000	300,000	300,000	300,000
Total Transportation	14,599,850	33,410,735	22,491,647	39,022,242	18,278,488	16,502,533	19,717,123	22,323,957
Economic Dev. Expenditures								
Chamber Agreement	535,000	535,000	535,000	660,000	535,000	535,000	535,000	535,000
Downtown Improvements & Marketing	-	90,200	90,200	150,200	150,200	150,200	150,200	150,200
Economic Devel Projects - Committed ³	-	317,000	2,708,000	210,000	450,000	300,000	-	-
Economic Devel Projects to be Determined	63,886	701,133	478,190	709,992	617,484	793,775	1,123,484	1,156,221
Total Economic Development **	598,886	1,643,333	3,811,390	1,730,192	1,752,684	1,778,975	1,808,684	1,841,421
Total Expenditures	15,198,736	35,054,068	26,303,037	40,752,434	20,031,172	18,281,508	21,525,806	24,165,378
Net Revenues	2,111,373	(14,367,651)	(8,375,178)	(15,547,168)	615,672	100,000	100,000	100,000
Fund Balance	36,178,595	19,933,651	27,803,417	12,256,249	12,871,922	12,971,922	13,071,922	13,171,922
Fund Reserve ⁴	(7,027,439)	(5,628,279)	(5,628,279)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Economic Devel Projects to be determined		(7,246,843)	(5,254,833)	(5,254,833)	(5,254,833)	(5,254,833)	(5,254,833)	(5,254,833)
Available Fund Balance	29,151,157	7,058,529	16,920,306	6,001,416	6,617,089	6,717,089	6,817,089	6,917,089

Notes:

1 - Sales Tax growing at same rate as GF 5-Yr Model: FY 2018 based on detailed projections; FY19: +1.3%; FY20: +1.5%; FY21: +1.67%; FY22: +1.81%

2 - TCIP does not go out to FY 2022.

3 - Gypsum purchase from the City in FY 2017

4 - No reserve required for bond rating purposes because Sales Tax debt is gross pledge debt (first call on revenues similar to property tax). Therefore, Type B reserve is set as follows: Greater of \$1 million or 120 days or 33% of annual recurring (operating type) costs. As of 2016/17 these costs include: Paving contract & traffic signals, GF transfer for Admin support, chamber contract, and downtown marketing.

MULTIPURPOSE FIELD COMPLEX FUND SCHEDULE

	15/16 Actual	16/17 Adopted Budget	16/17 Projected Actual	17/18 Proposed Budget	18/19 Estimated Budget	19/20 Estimated Budget	20/21 Estimated Budget	21/22 Estimated Budget
Beginning Fund Balance	-	-	-	\$952,554	\$954,373	\$973,575	\$980,022	\$998,576
Revenue								
Tournament Revenues	-	35,445	35,445	65,445	67,408	69,431	71,514	73,659
Local Field Rentals	-	92,363	92,363	59,200	60,976	62,805	64,689	66,630
Program Revenues	-	-	-	-	-	-	-	-
Secondary Revenues	-	30,000	30,000	30,000	56,650	58,350	60,100	61,903
Transfer from HOT Fund	-	350,000	350,000	320,000	320,000	330,000	340,000	350,000
Transfer from HOT Fund - Start-up Costs	-	500,000	500,000	-	-	-	-	-
Transfer from General Fund	-	350,000	350,000	320,000	320,000	330,000	340,000	350,000
Total Revenue	-	1,357,808	1,357,808	794,645	825,034	850,586	876,303	902,192
Operating								
Personnel	-	294,688	108,739	278,974	287,343	295,963	304,842	313,987
Contractual Services	-	100,529	100,529	128,220	129,502	130,797	132,105	133,426
Materials & Supplies	-	93,336	93,336	299,532	302,527	305,553	308,608	311,694
Other Services & Charges	-	52,650	52,650	36,100	36,461	36,826	37,194	37,566
Total MPF Operating	-	541,203	355,254	742,826	755,833	769,138	782,749	796,673
Capital, Debt Service, Transfers & Other								
Initial Capital Outlay	-	43,500	50,000	50,000	50,000	-	-	-
Natural Grass Re-Sod	-	-	-	-	-	75,000	75,000	75,000
Total Capital, Debt Svc, Transfers & Other	-	43,500	50,000	50,000	50,000	75,000	75,000	75,000
Total Expenditures	-	584,703	405,254	792,826	805,833	844,138	857,749	871,673
Net Revenues	-	773,105	952,554	1,820	19,201	6,447	18,554	30,519
Ending Fund Balance/Working Capital	-	773,105	952,554	954,373	973,575	980,022	998,576	1,029,095
MPF Synthetic & Sod Replacement	-	-	-	50,000	250,000	450,000	650,000	750,000
Fund Reserve (25% of operating expenses)	-	135,301	88,814	185,706	188,958	211,035	214,437	217,918
Available Fund Balance/Working Capital	-	\$637,804	\$863,740	\$718,667	\$534,616	\$318,987	\$134,139	\$61,176

Note: Available Fund Balance can be used for Synthetic Turf Replacement

NOTES:

1 - The Multipurpose Field Complex Fund receives a subsidy from both the General Fund & the HOT Fund. This subsidy is \$320,000 from each fund for FY 2018.

2 - The operating expenses have projected modest growth of 3% for personnel and 1% for all other operating costs each year.

SUMMARY OF SPECIAL REVENUE FUNDS

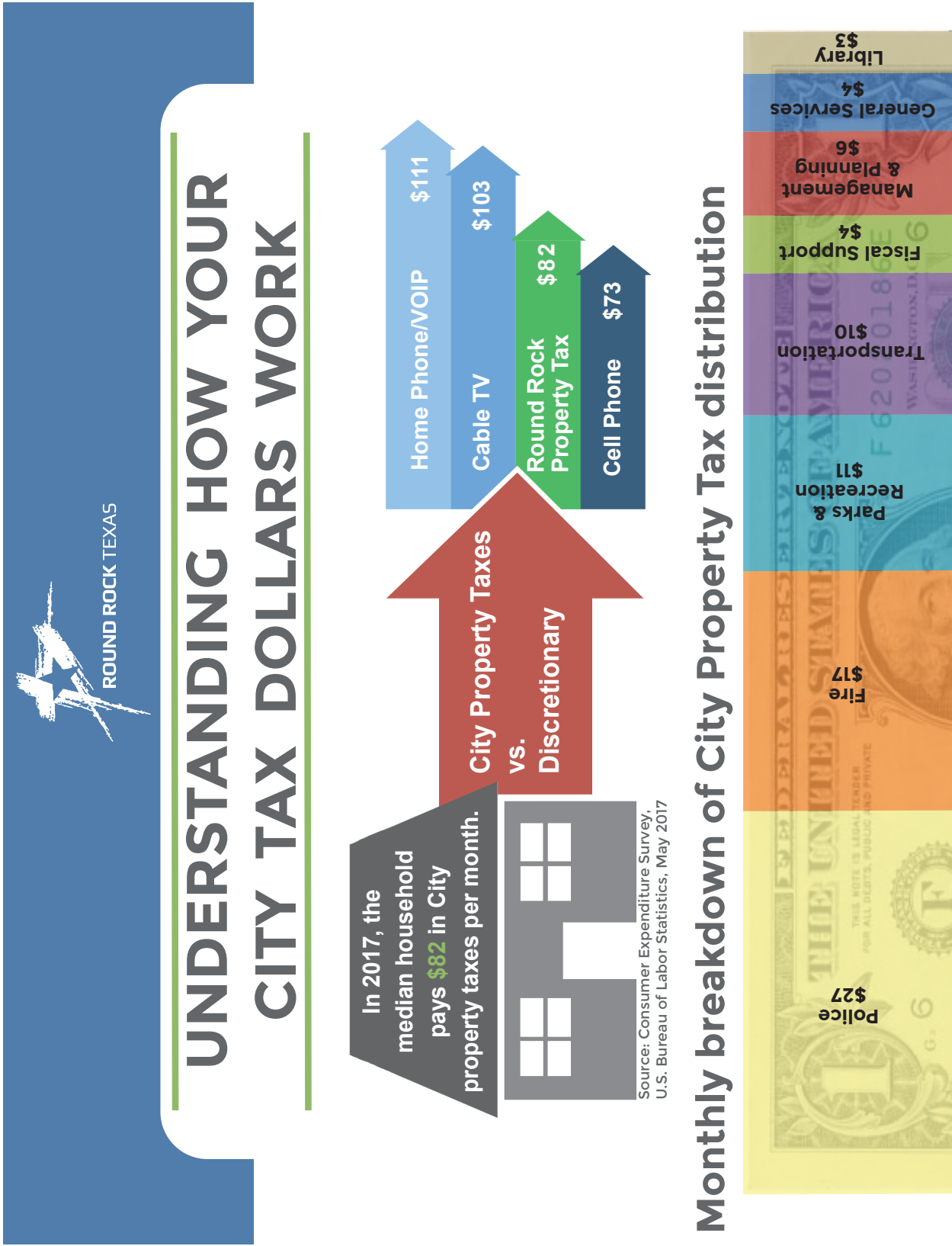
	Total Special Revenue Funds	Community Dev Block Grant (CDBG) Fund	Forest Creek Club Fund	Law Enforcement Fund	Library Fund	Multipurpose Complex Fund	Municipal Court & Acquisition Funds	Parks Improvement Fund	Public, Educational & Government Access Fund	Traffic Safety Fund	Tree Replacement Fund
Beginning Fund Balance	\$2,931,551	\$0	\$56,173	\$0	\$14,377	\$952,554	\$359,725	\$214,284	\$1,173,982	\$60,636	\$99,820
Revenues											
Licenses, Permits, & Fees	275,000								240,000		35,000
Program Revenues	868,645		730,000			124,645		14,000			
Fines & Forfeitures	160,000			80,000			80,000				
Contracts & Other	1,469,375	1,234,965			3,010	30,000	150	200,100	50		1,100
Transfers In	1,380,000		740,000			640,000					
Total Revenues	4,153,020	1,234,965	1,470,000	80,000	3,010	794,645	80,150	214,100	240,050	0	36,100
Expenditures											
Administration	1,414,032								1,414,032		
Finance	651,814	211,939					439,875				
Library	17,387				17,387						
Parks & Recreation	564,304							428,384			135,920
Police	60,636									60,636	
Sports Management & Tourism	2,112,826		1,370,000			742,826					
Capital Improvement Projects	1,229,199	1,023,026	156,173			50,000					
Total Expenditures	6,050,198	1,234,965	1,526,173	0	17,387	792,826	439,875	428,384	1,414,032	60,636	135,920
Net Change in Operations	(\$1,897,178)	\$0	(\$56,173)	\$80,000	(\$14,377)	\$1,820	(\$359,725)	(\$214,284)	(\$1,173,982)	(\$60,636)	(\$99,820)
Less Reservations											
Contingency	185,706					185,706					
Reservations & Designations	848,667			80,000		768,667					
Total Reservations	1,034,373	0	0	80,000	-	954,373	-	-	-	-	-
Available Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



PROPERTY VALUES & TAXES

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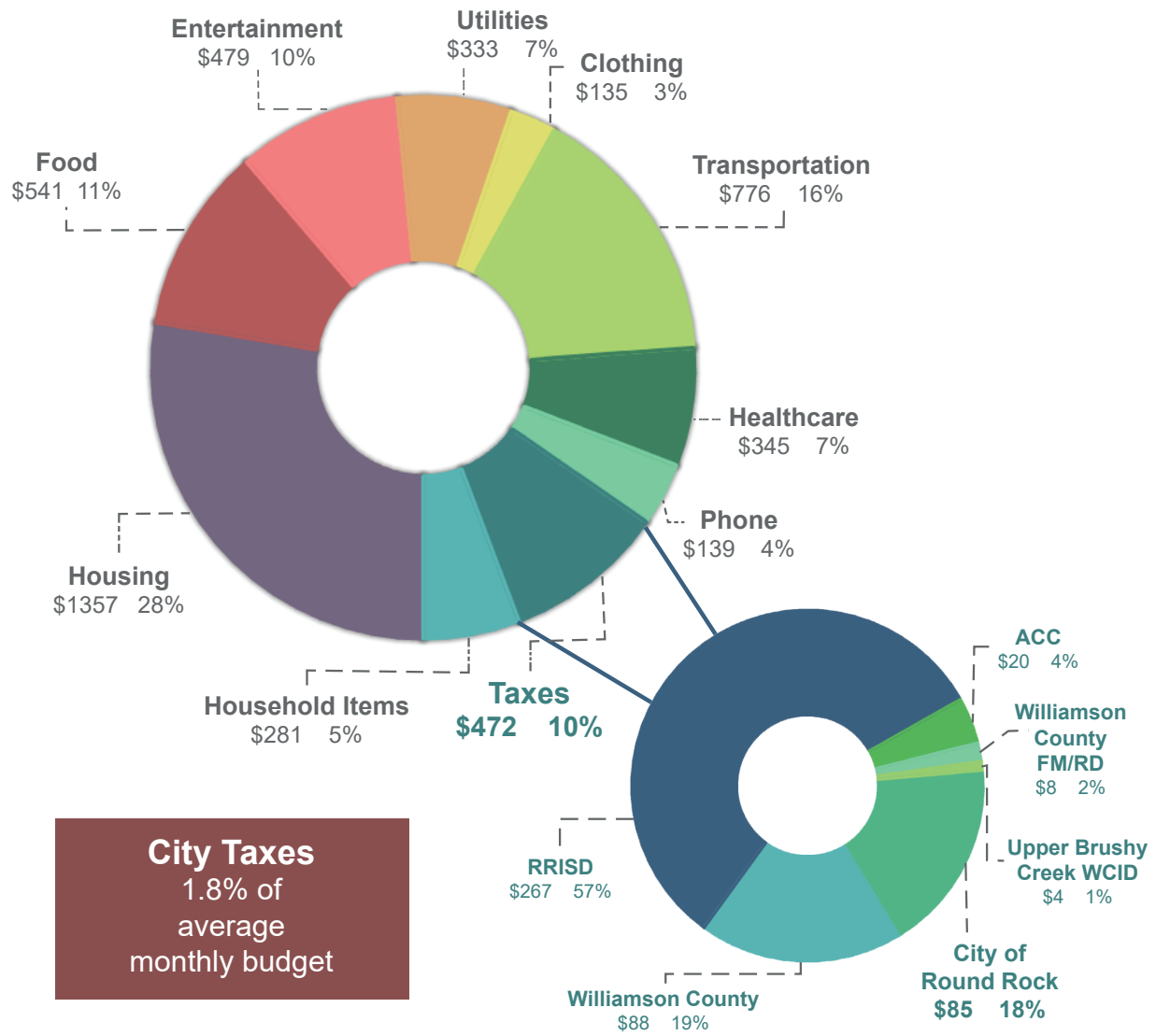
PROPERTY TAX VALUE INFOGRAPHIC



PROPERTY TAX IN MONTHLY BUDGET INFOGRAPHIC



Average Household Monthly Expenses vs. Monthly City Property Tax - 2017



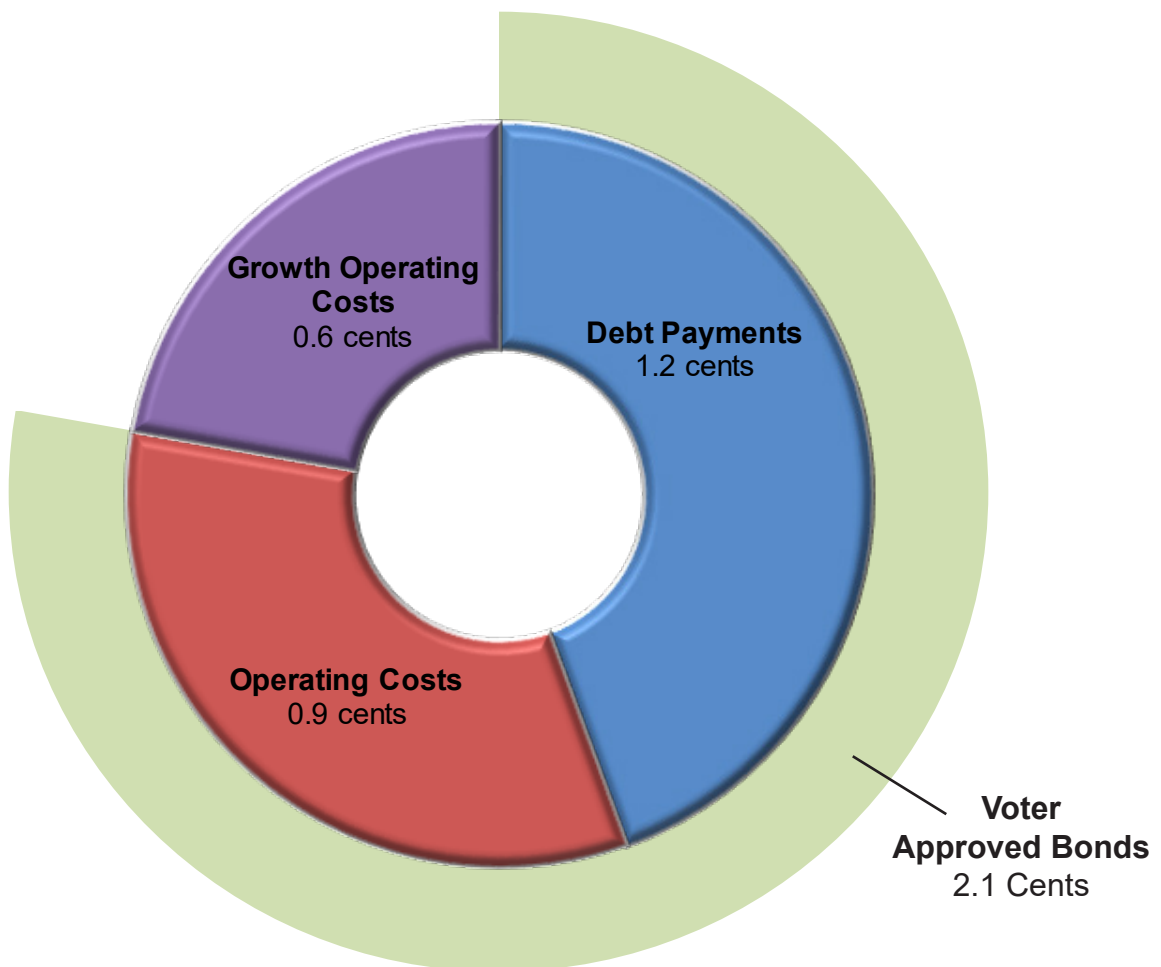
Source: Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, September, 2016

ALLOCATION OF TAX RATE INCREASE

Effective Tax Rate, <i>certified</i>	\$0.40317
Proposed Tax Rate	<u>\$0.43000</u>
Proposed Increase	2.7 cents
	+ 6.7%

Allocation of Increase

- Debt payments for voter authorized bonds	1.2 cents
- Operating costs for voter authorized bonds	0.9 cents
- Operating costs to keep up with growth	<u>0.6 cents</u>
Total Proposed Increase	2.7 cents



ALLOCATION OF TAX RATE INCREASE

	FY 2017 Actual	Proposed FY 2018	\$ Diff	% Diff
Taxable Property				
Total Assessed Value	\$11.3B	\$12.5B	\$1.0B	+10.6%
New Property	\$162M	\$243M	\$88M	+ 54.3%
Tax Rate Components				
Maintenance & Operations Rate	0.27187	0.28786	0.01599	+ 5.88%
Debt Rate	0.15313	0.14214	-0.01099	- 7.18%
Tax Rate	0.42500	0.43000	0.00500	+ 1.18%
Effective Tax Rate	0.39428	0.40317	0.00889	+ 2.25%
Rollback Tax Rate	0.42961	0.43494	0.00533	+ 1.24%
Debt (P & I)	\$17.5M	\$19.2M	+\$1.7M	+ 9.7%

Tax Rate and Median Bill Summary

Median Residential Property Value	\$208,906	\$227,714	\$18,808	+ 9.0%
Median Annual Tax Bill	\$888	\$979		
Median Tax Bill Increase		\$7.58/month	\$91/year	

For every \$100,000 in property value, the FY 2018 estimated City tax bill increase is \$430, which is an increase of \$5 from the year before.

TAX RATE TERMINOLOGY

Assessed Valuation – A valuation set upon real estate or other property by a government as a basis for levying taxes. (Note: Property values are established by WCAD & TCAD).

Certified Tax Roll – A list of all taxable properties, values, and exemptions in the City. This roll is established by WCAD & TCAD.

Property Tax – Taxes that are levied on both real and personal property according to the property's valuation and tax rate.

Tax Base – The total value of all real and personal property in the City as of January 1st of each year, as certified by the Appraisal Review Board.

Tax Levy – The total amount of taxes imposed by the City on taxable property, as determined by the Williamson Central Appraisal District.

Tax Rate – The amount of tax stated in terms of a unit of the tax base (e.g. cents per hundred dollars' valuation).

Travis Central Appraisal District (TCAD) – Established under state law and granted responsibility for discovering and listing all taxable property, appraising that property at market/production value, processing taxpayer applications for exemptions, and submitting the appraised values and exemptions to each taxing unit. This listing becomes the Certified Tax Roll for the taxing unit.

Williamson Central Appraisal District (WCAD) – Established under state law and granted responsibility for discovering and listing all taxable property, appraising that property at market/production value, processing taxpayer applications for exemptions, and submitting the appraised values and exemptions to each taxing unit. This listing becomes the Certified Tax Roll for the taxing unit.

Calculating the Effective Tax Rate

$$\frac{\text{Prior Year's Taxes} - \text{Taxes on Property Lost this Year}}{\text{Current Value of Property Taxes in the Prior Year}} \times \$100 = \text{Effective Tax Rate}$$

Source: Texas Comptroller of Public Accounts, 2013.

EFFECTIVE TAX RATE INFOGRAPHIC



Steps to Creating a Tax Rate

* hypothetical example

Step 1

Calculating Prior Year Revenues

FY 2017

Taxable Value	1,000,000
Tax Rate	0.50
	$1,000,000 \times 0.50 \div 100$
Revenue Collected	5,000

Step 2

Calculating New Year Effective Tax Rate

How do I get the same amount of revenue as last year when appraised values have gone up?

FY 2018

Taxable Value	1,080,000
Prior year Revenue Collected	5,000
	$5,000 \div 1,080,000 \times 100$
Rate needed to collect \$5,000	0.46

Step 3

Calculating Roll Back Tax Rate

The State allows the M&O tax rate to be 8% higher than the effective rate.

Debt Tax Rate	0.20
New M&O Effective Rate x 8%	0.26×1.08
Maximum M&O rate	0.28
Total tax rate allowed with out risking rollback election	$0.20 + 0.28 = \mathbf{0.48}$

The **Effective Tax Rate** is defined by state law to be the rate that generates the same property tax revenues as the prior year based on the new year's total value of taxable property. This rate has an inverse relationship with property values such that as property values rise the City's total value of taxable property increases, requiring a lower effective tax rate to generate the same amount of property tax revenues as the prior year.

The **Rollback Tax Rate** is defined by state law as 8% higher than the M&O Effective Tax Rate. If the City adopts a property tax rate greater than the rollback tax rate, the citizens have the right under state law to call for a rollback tax rate election to bring the property tax rate to a citywide vote. This rollback tax rate, therefore, allows the City 8% of growth above the effective M&O tax rate. Recent legislation pending in the state legislature has proposed decreasing the rollback rate to 4% or 5% higher than the effective tax rate, effectively limiting the flexibility of the City Council to increase the property tax rate.

EFFECTIVE TAX RATE CALCULATION

The **Effective Tax Rate** is defined by state law to be the rate that generates the same property tax revenues as the prior year based on the new year's total value of taxable property. This rate has an inverse relationship with property values such that as property values rise the City's total value of taxable property increases, requiring a lower effective tax rate to generate the same amount of property tax revenues as the prior year.

The **Rollback Tax Rate** is defined by state law as 8% higher than the Effective Tax Rate. If the City adopts a property tax rate greater than the rollback tax rate, the citizens have the right under state law to call for a rollback tax rate election to bring the property tax rate to a citywide vote. This rollback tax rate, therefore, allows the City 8% of growth above the effective M&O tax rate. Recent legislation pending in the state legislature has proposed decreasing the rollback rate to 4% or 5% higher than the effective tax rate, effectively limiting the flexibility of the City Council to increase the property tax rate.

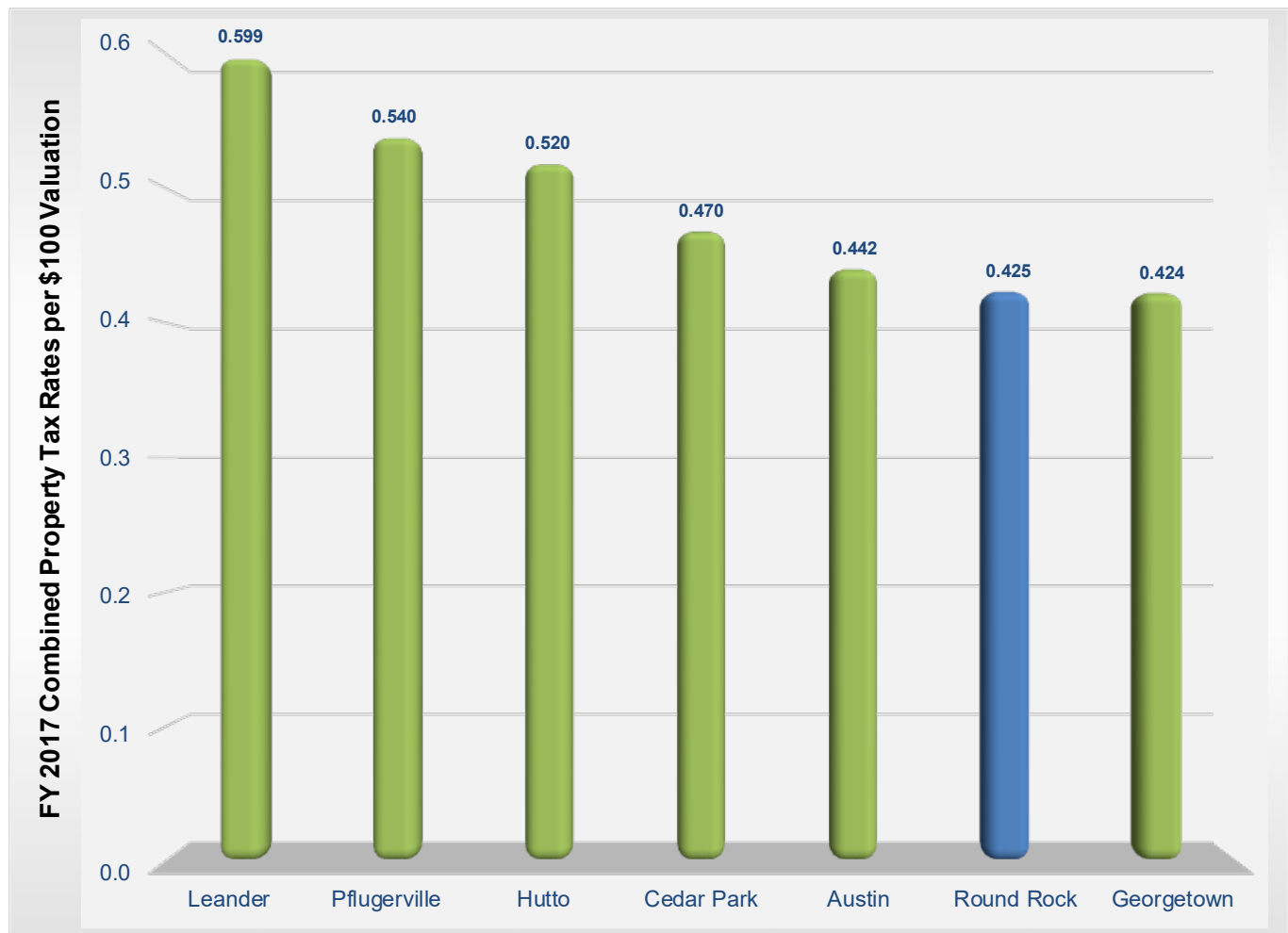
Below is a hypothetical example of the effective tax rate and the rollback tax rate calculation along with the actual FY 2018 calculation for comparison.

	<u>Hypothetical Example</u>		<u>Actual Calculation</u>	
Prior Year				
Total Taxable Value	1,000,000		11,568,725,786	
Property Tax Rate	0.50		0.42500	
Property Tax Revenues	5,000		49,107,104	
M&O Tax Revenues	3,000			
New Year				
Total Taxable Value	1,080,000	+ 8%	12,053,592,635	+ 4%
Effective Tax Rate	0.46	- 0.04	0.40741	- 0.01759
Effective M&O Rate	0.26		0.27412	
Rollback M&O Rate	0.28		0.29605	
Debt Tax Rate	0.20		0.14383	
Rollback Tax Rate	0.48	- 0.02	0.43988	+ 0.01488

In the hypothetical example, the total taxable value from the prior year to the new year increased by 8%. The effective tax rate of \$0.46 per \$100 of taxable value is lower than the prior year's property tax rate of \$0.50 because of the growth in taxable value. The rollback M&O tax rate is 8% higher than the effective M&O tax rate meaning that the City would be able to set a tax rate as high as \$0.48 before being subject to a potential rollback election. The debt rate, the rate needed based on total taxable value to generate revenues sufficient to meet the City's debt obligations, is not effected by the rollback tax rate calculation currently or under proposed legislative changes.

In the City's actual FY 2018 tax rate calculation, the total taxable value from the prior year increased by 4%. The effective tax rate of \$0.40741 per \$100 of taxable value is lower than the prior year's property tax rate of \$0.42500 because of the growth in taxable value. The rollback tax rate is about 8% higher than the effective tax rate meaning that the City would be able to set a tax rate as high as \$0.43988 before being subject to a potential rollback election. The rollback tax rate in the actual calculation is not exactly 8% above the effective rate because the calculation is complex and also involves the half-cent sales tax for property tax reduction.

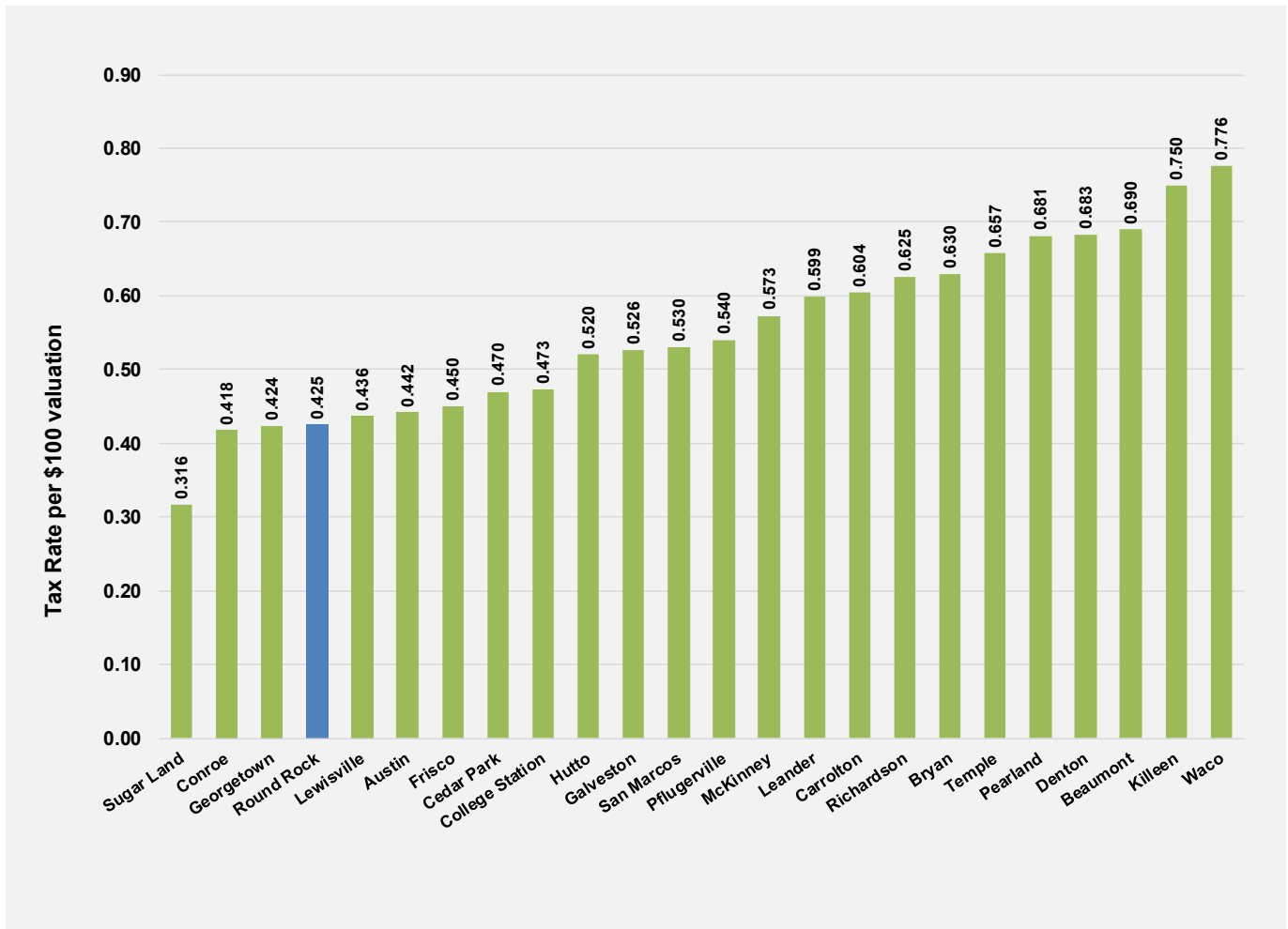
BENCHMARKING - TAX RATES OF LOCAL CITIES



City	Property Tax		
	M&O	Debt	Rate/\$100 Valuation
Leander	0.386	0.213	0.599
Pflugerville	0.353	0.187	0.540
Hutto	0.429	0.091	0.520
Cedar Park	0.231	0.239	0.470
Austin	0.340	0.102	0.442
Round Rock	0.272	0.153	0.425
Georgetown	0.197	0.227	0.424

NOTE: 2016 Tax rates are used because the 2017 Tax rates are not yet available.

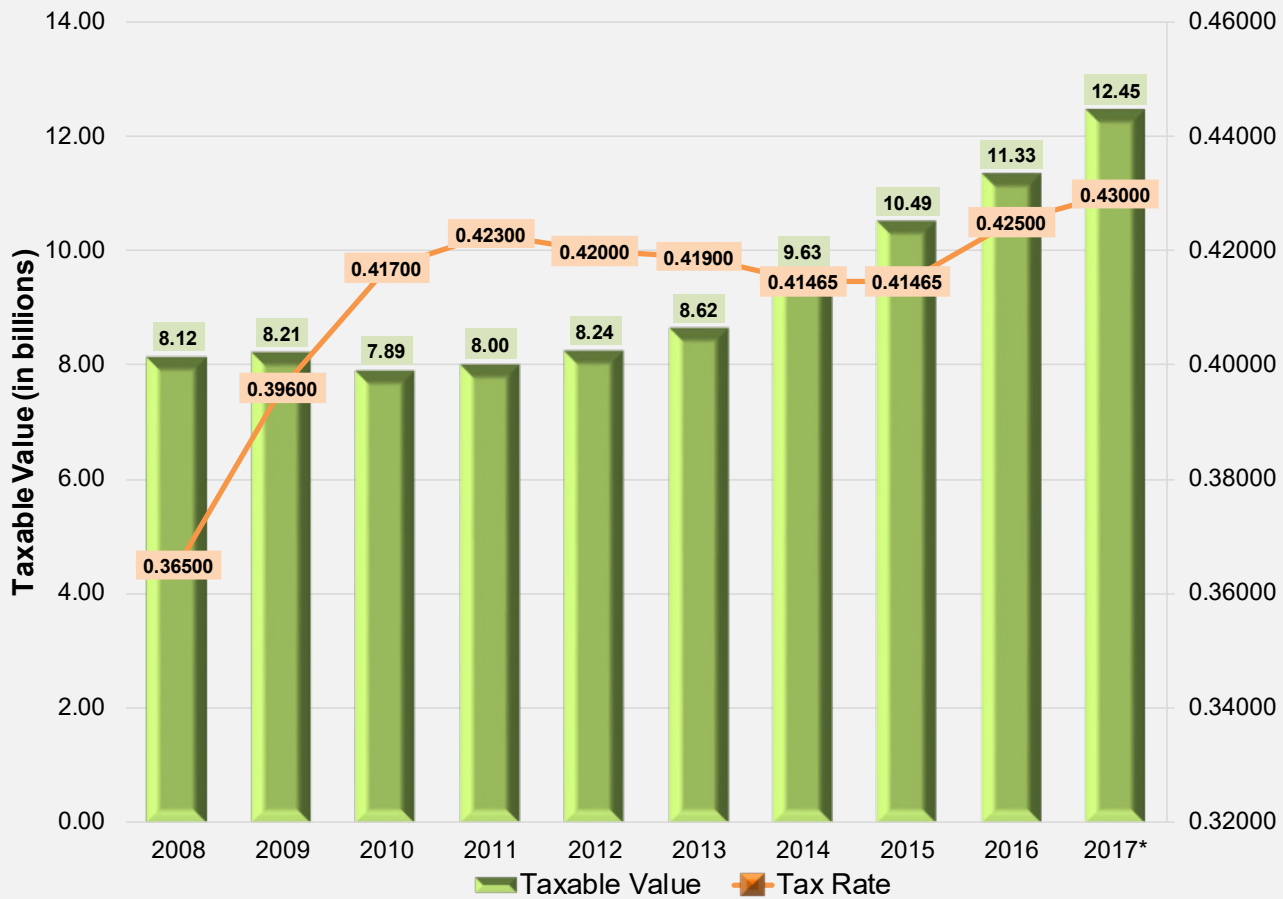
TAX YEAR 2016 BENCHMARKING - FY 2017 TAX RATES



TAX YEAR 2016 BENCHMARKING - FY 2017 TAX RATES

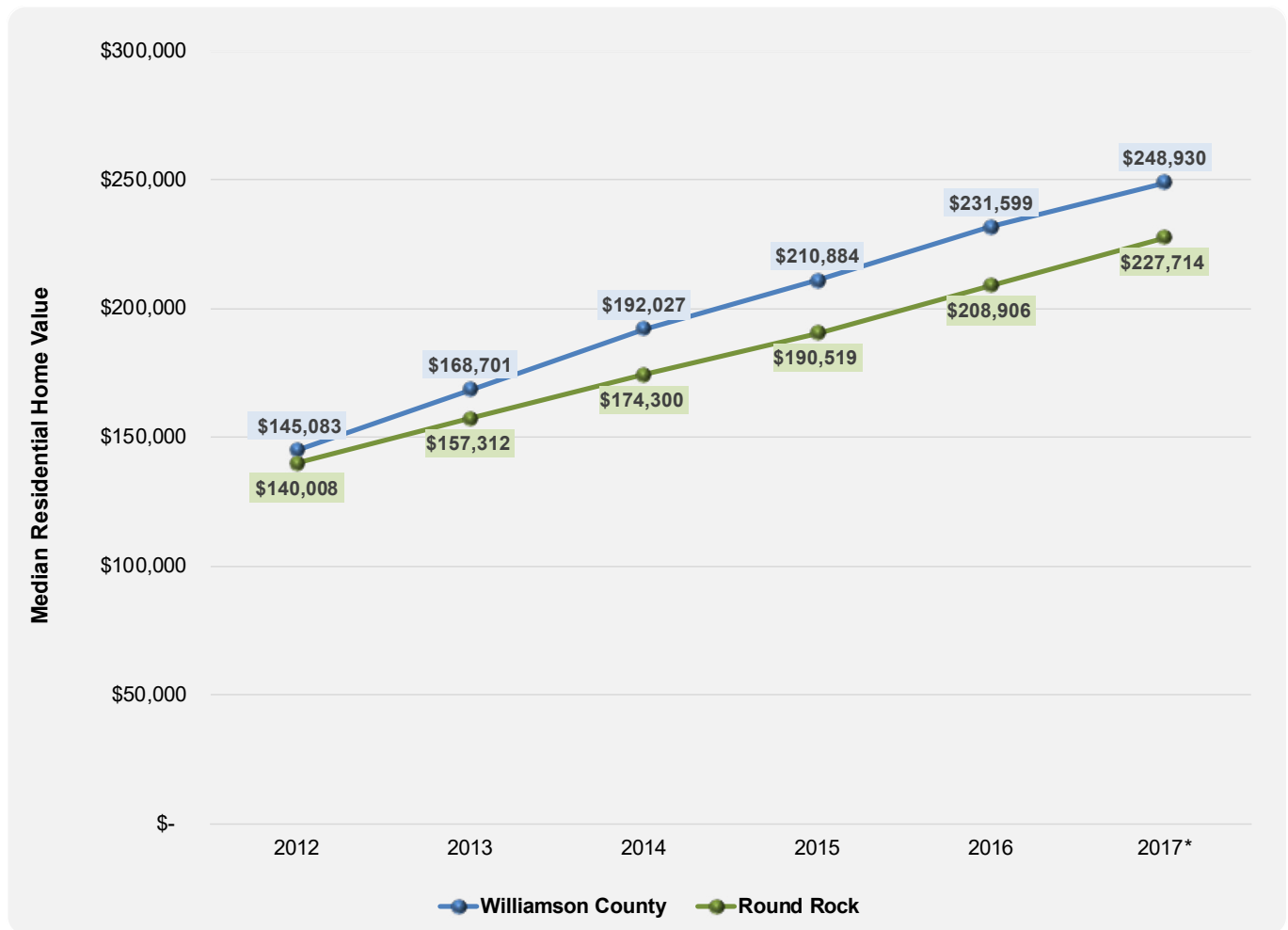
City	M&O	Debt	Property Tax	Population
			Rate/\$100 Valuation	
Sugar Land	0.170	0.146	0.316	87,367
Conroe	0.293	0.125	0.418	63,032
Georgetown	0.197	0.227	0.424	58,337
Round Rock	0.272	0.153	0.425	108,253
Lewisville	0.319	0.117	0.436	101,074
Austin	0.340	0.102	0.442	885,400
Frisco	0.294	0.156	0.450	152,710
Cedar Park	0.231	0.239	0.470	69,226
College Station	0.277	0.195	0.473	100,050
Hutto	0.429	0.091	0.520	19,728
Galveston	0.176	0.350	0.526	48,733
San Marcos	0.319	0.212	0.530	54,076
Pflugerville	0.353	0.187	0.540	55,298
McKinney	0.402	0.171	0.573	161,905
Leander	0.386	0.213	0.599	37,889
Carrollton	0.426	0.178	0.604	126,700
Richardson	0.370	0.255	0.625	104,475
Bryan	0.448	0.182	0.630	78,709
Temple	0.314	0.343	0.657	70,190
Pearland	0.241	0.440	0.681	100,065
Denton	0.467	0.217	0.683	123,099
Beaumont	0.484	0.206	0.690	117,796
Killeen	0.447	0.303	0.750	137,147
Waco	0.662	0.114	0.776	129,030

ASSESSED VALUES & PROPERTY TAX RATE HISTORY



Tax Year	Taxable Value	Tax Rate
2008	8,121,902,884	0.36500
2009	8,206,161,568	0.39600
2010	7,893,143,364	0.41700
2011	8,004,285,176	0.42300
2012	8,238,143,748	0.42000
2013	8,624,749,167	0.41900
2014	9,634,156,426	0.41465
2015	10,492,085,922	0.41465
2016	11,327,175,854	0.42500
2017	12,451,153,760	0.43000

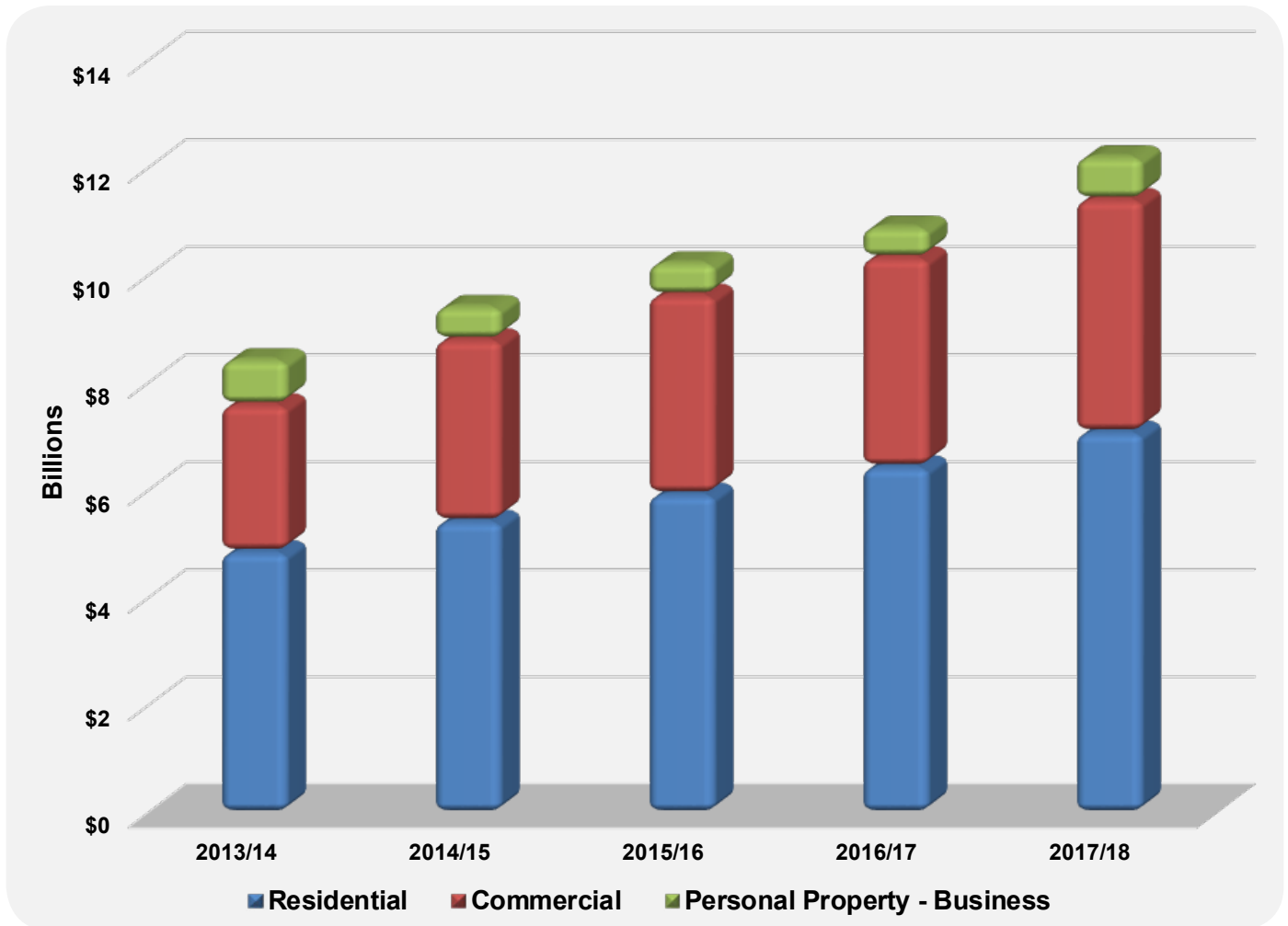
MEDIAN RESIDENTIAL HOME VALUE HISTORY



	Tax Year					
	2012	2013	2014	2015	2016	2017*
Round Rock	\$ 140,008	\$157,312	\$174,300	\$190,519	\$208,906	\$227,714
Williamson County	\$ 145,083	\$168,701	\$192,027	\$210,884	\$231,599	\$248,930

*Projected

ASSESSED VALUES & PROPERTY TAX RATE HISTORY



Class of Property	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Residential	4,625,876,899	4,863,360,862	5,431,201,350	5,933,189,051	6,443,692,473	7,088,512,604
Commercial	2,608,101,321	2,735,922,464	3,377,983,098	3,706,097,433	3,891,783,865	4,331,258,739
Personal Property - Business	854,667,451	836,731,060	616,107,675	597,705,791	568,650,989	790,683,984
Assessed Valuation	8,088,645,671	8,436,014,386	9,425,292,123	10,236,992,275	10,904,127,327	12,210,455,327
60% of ARB	149,498,077	188,734,781	208,864,303	255,093,647	423,048,527	240,698,433
Tax Roll Total	\$8,238,143,748	\$8,624,749,167	\$9,634,156,426	\$10,492,085,922	\$11,327,175,854	\$12,451,153,760

SENIOR TAX EXEMPTION INFORMATION

Benchmarking Over 65 Property Tax Exemptions

City	Over 65 Exemption Amount	Over 65 Property Tax Freeze
Round Rock	\$22,000	No
Cedar Park	30,000	Yes
Georgetown	12,000	Yes
Leander	10,000	Yes
Austin	82,500	No
Pflugerville	35,000	No
Sugar Land	70,000	No
McKinney	60,000	No
Carrollton	60,000	No
Pearland	40,000	No
Temple	10,000	No

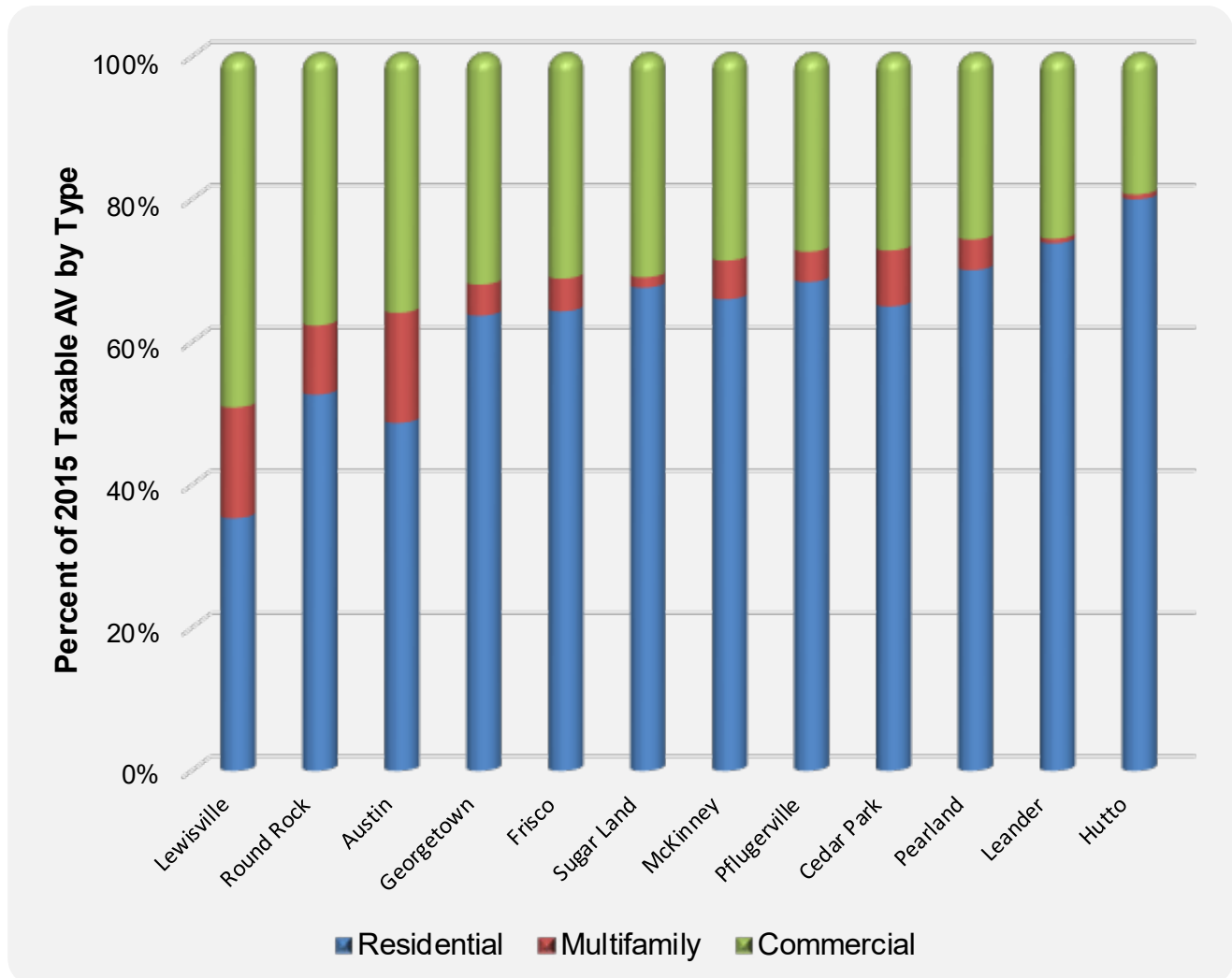
Senior Tax Exemption Facts

- Total parcels in 2017 - 30,067
- Homesteads - 19,141 parcels (zero exemption)
- Over 65 exemptions - 3,970 parcels (\$22,000 exemption)
- \$86 million in taxable assessed value reduced for seniors due to exemption - results in \$370,000 of property tax burden redistributed
- \$10,000 increase in the Over 65 Exemption would redistribute \$170,000 of property tax burden to other tax payers

History of City of Round Rock Senior Exemption

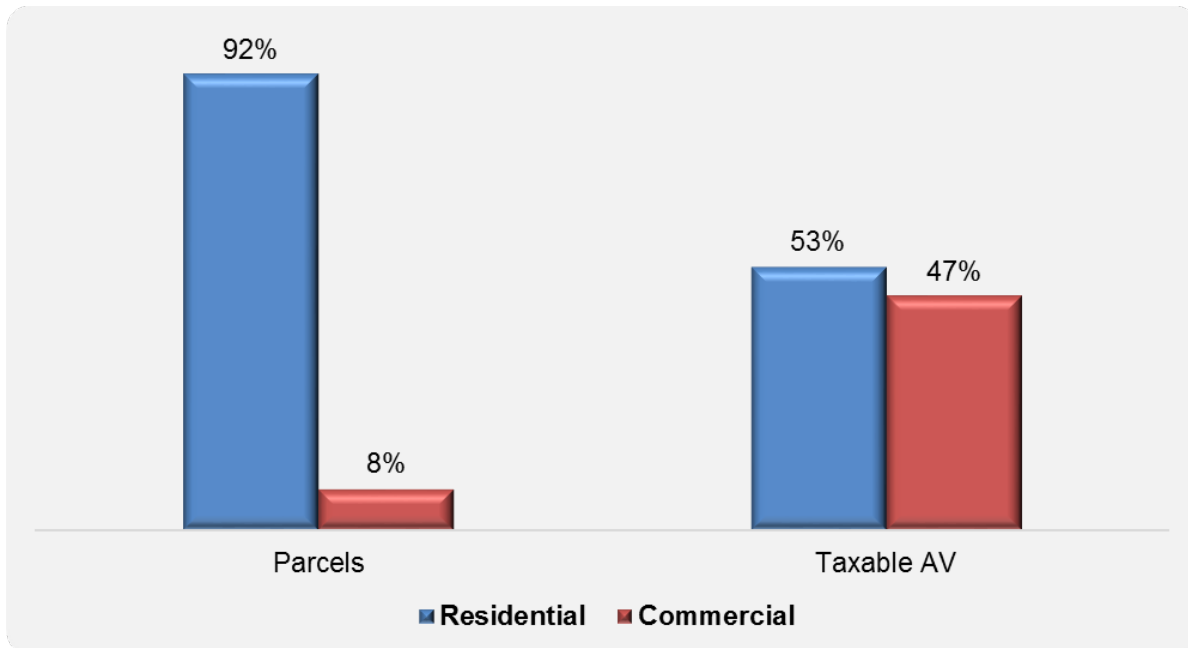
- 1974 - Senior exemption first adopted with an amount of \$3,000
- 1981 - Senior exemption increased from \$3,000 to \$15,000
- 1994 - Senior exemption increased from \$15,000 to current \$22,000

TAXABLE ASSESSED VALUE BY PROPERTY TYPE - BENCHMARKING



City	Total AV	% Commercial	% Multifamily	% Residential
Lewisville	9,380,949,206	49%	16%	35%
Round Rock	11,220,580,297	38%	10%	53%
Austin	122,297,080,249	36%	15%	49%
Georgetown	6,930,415,794	32%	4%	64%
Frisco	23,218,271,678	31%	5%	64%
Sugar Land	13,570,369,634	31%	1%	68%
McKinney	16,827,670,755	29%	5%	66%
Pflugerville	4,329,482,610	27%	4%	68%
Cedar Park	7,624,081,941	27%	8%	65%
Pearland	9,246,720,611	26%	4%	70%
Leander	3,395,454,011	25%	1%	74%
Hutto	1,332,497,276	19%	1%	80%

COMMERICAL VS. RESIDENTIAL PROPERTY TAX ASSESSED VALUE



Property Type	Parcels	% of Parcels	Taxable AV	% of AV	Average Tax Bill
Residential	27,574	92%	6,595,866,918	53%	\$659.87
Commercial	2,493	8%	5,849,165,003	47%	\$6,472.33
Total	30,067	100%	12,445,031,921	100%	

Commercial property makes up just 8% of the City's real parcels but represents 47% of the total taxable assessed value.



PERSONNEL & BENEFITS

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COMPENSATION & BENEFITS HIGHLIGHTS

Health Insurance Cost Increase, 28%	\$2.3 million
--	----------------------

- | | |
|--|---|
| <ul style="list-style-type: none">• Prior Year Catch Up• Current Year Increase• Health Insurance funding increased from \$7.8 million in FY 2017 to \$10.1 million for FY 2018 | <ul style="list-style-type: none">\$1.3 million\$1.0 million |
|--|---|

Public Safety (Police & Fire) Steps & Adjustments	\$2.0 million
--	----------------------

- | | |
|---|---|
| <ul style="list-style-type: none">• Contract and step increases• Public Safety Market Study Implementation | <ul style="list-style-type: none">\$1.1 million\$0.9 million |
|---|---|

General Government Salary Increases & Market Adjustments	\$942,000
---	------------------

TMRS	No Net Impact
-------------	----------------------

- | | |
|--|---|
| <ul style="list-style-type: none">• Total TMRS funding for FY 2018• FY 2018 contribution rate• Percent of pension liability funded | <ul style="list-style-type: none">\$9.0 million15.65%80.36% |
|--|---|

OPEB Liability	Fully Funded
-----------------------	---------------------

Training & Development	HR Staff & Dept. Budgets
-----------------------------------	---

SUMMARY OF NEW POSITIONS

FY 2017, as Amended **921.13**

NEW – GENERAL FUND

Fire

- Firefighter (Hire date: 10/1/17) 3.00
- Driver (Hire date: 10/1/17) 3.00
- Lieutenant (Hire date: 10/1/17) 3.00
- Logistics Officer (Hire date: 10/1/17) 1.00

Police

- Detectives (Hire date: 4/1/18) 2.00
- Crime Scene Specialist (Hire date: 4/1/18) 1.00

General Services

- Facility Maintenance Tech – CMRC (Hire date:10/1/17) 1.00
- Downtown Maintenance Tech (Hire date: 10/1/17) 1.00
- Custodian – Police Department (Hire date: 2/1/18) 1.00

Library

- Adult Services Assistant (Hire date: 1/1/18) 0.50

Parks & Recreation

- Play for All Park Maintenance Worker (Hire date: 10/1/17) 1.00
- Finalization of Temp to Part-Time Conversion 2.38

Planning

- Senior Engineer (Hire date: 10/1/17) 1.00
- Senior Engineer Tech (Hire date: 10/1/17) 1.00
- Code Enforcement Officer (Hire date: 10/1/17) 1.00
- Staff Engineer (Hire date: 4/1/2018) 1.00
- Engineering Technician (Hire date: 4/1/2018) 1.00

Transportation

- Crack Fill Crew (Hire date: 2/1/18) 4.00

GENERAL FUND SUB-TOTAL **28.88**

SUMMARY OF NEW POSITIONS (CONTINUED)

NEW – OTHER FUNDS

Utility Billing & Collection

- Additional Hours for Part-Time Customer Service Reps 0.25

Utility Admin, Water, & Wastewater

- Pretreatment Technician (Hire date: 4/1/18) 1.00
- Backflow Technician (Hire date: 10/1/17) 1.00
- System Mechanic (Hire date: 10/1/17) 1.00
- Utility Inspector (Hire date: 10/1/17) 1.00

Sports Management & Tourism

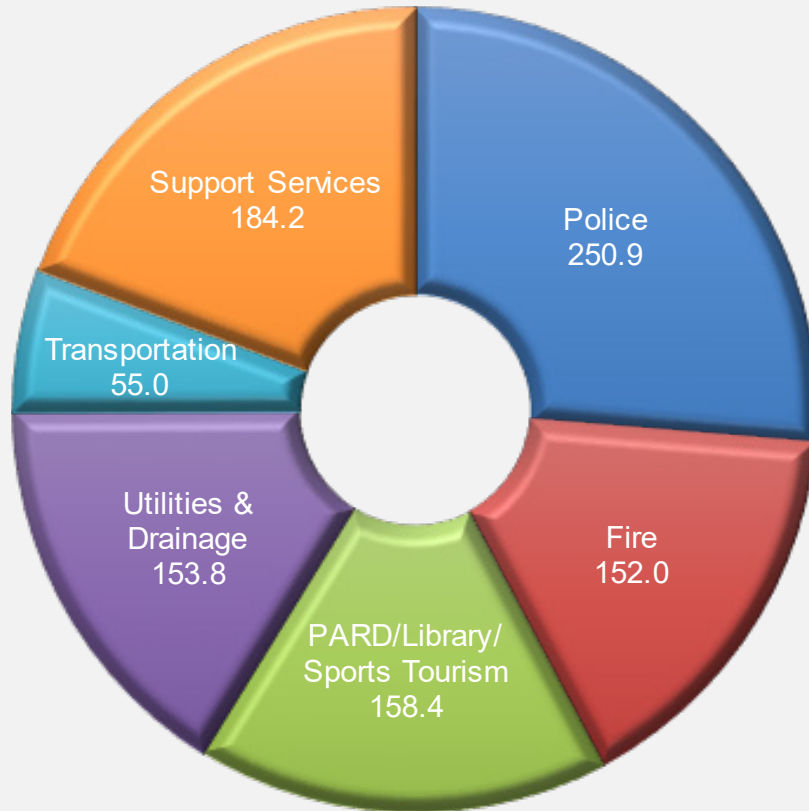
- Marketing and Advertising Coordinator 1.00
(Hire date: 10/1/17)
- Operations and Events Assistant Coordinator 1.00
(Hire date: 10/1/17)

TOTAL NEW: 35.13

Total Proposed FTEs 956.25

% Change 3.8%

SUMMARY OF FTES BY FUNCTION



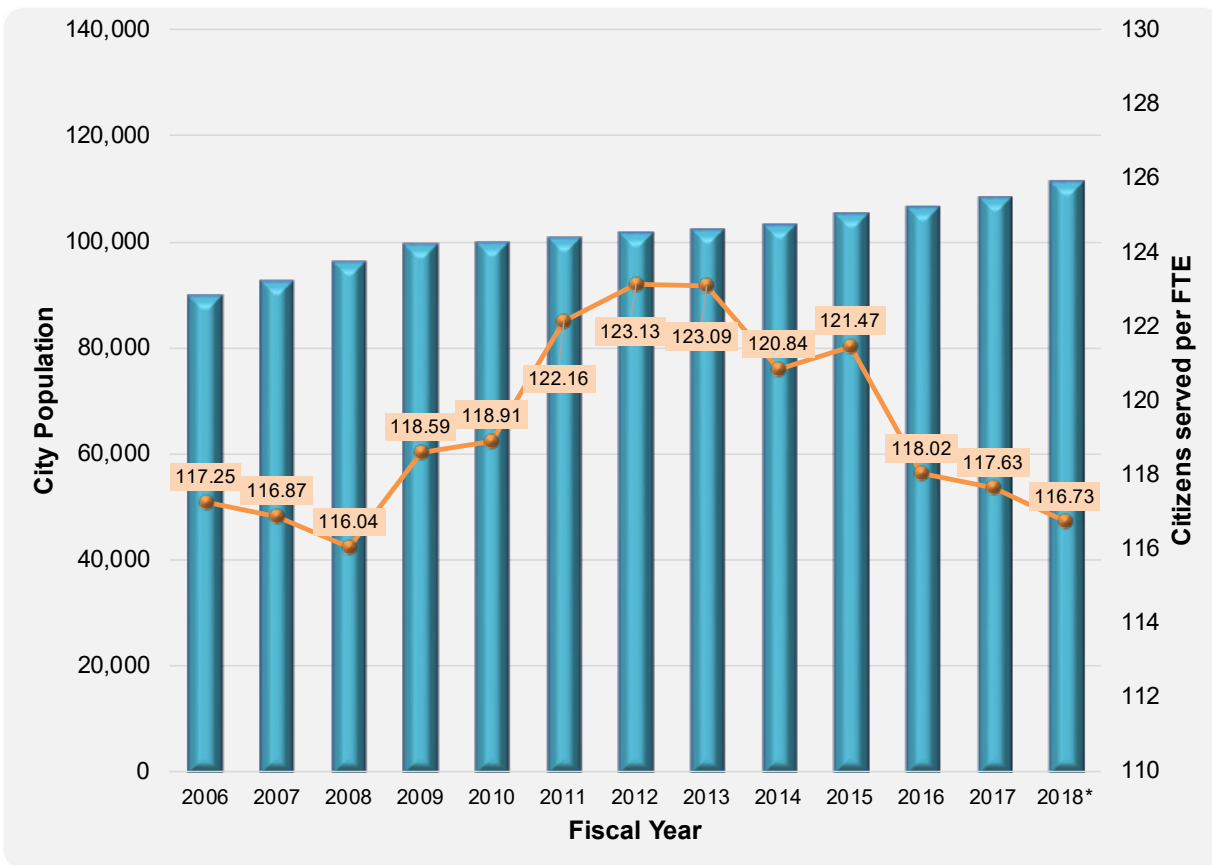
TOTAL FTES FY 2018 = 954.25

Function	2014-15 Actual	2015-16 Actual	2016-17 Revised	2017-18 Proposed	% of Total
Police	233.50	239.50	247.90	250.90	26.3%
Fire	137.00	140.00	142.00	152.00	15.9%
PARD/Library/Sports Tourism	134.75	149.38	152.50	158.38	16.6%
Utilities & Drainage	147.75	150.50	149.50	153.75	16.1%
Transportation	50.00	54.00	51.00	55.00	5.8%
Support Services	164.75	169.75	178.23	184.23	19.3%
Total	867.75	903.13	921.13	954.25	100.0%

FTE 10 YEAR HISTORY BY DEPARTMENT

	Full Time Equivalents												6/22/17 Current Vacancies
	2007-08 Actual	2008-09 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised	Transfers	New Program Add'l FTEs	2017-2018 Proposed
General Fund													
Administration ²	13.00	13.00	13.00	13.00	13.00	14.00	15.00	15.00	16.00	11.50	-	-	11.50
Communications ¹	-	-	-	-	-	-	-	-	-	5.00	-	-	5.00
Finance	42.00	42.00	42.00	42.00	43.00	41.00	41.00	41.00	39.50	38.75	-	-	38.75
Fire	129.00	129.00	129.00	129.00	129.00	130.00	137.00	137.00	140.00	142.00	-	10.00	152.00
Fiscal Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-
General Services ²	-	-	15.00	27.00	28.00	32.50	36.50	38.50	41.00	44.00	-	3.00	47.00
Human Resources	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	11.75	11.75	-	-	11.75
Information Technology	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	21.00	-	-	21.00
Legal Services	-	-	-	-	-	-	-	-	-	-	-	-	-
Library	29.25	29.25	29.25	29.25	30.50	29.50	30.50	30.50	30.50	30.50	-	0.50	31.00
Parks & Recreation	94.50	96.50	97.50	93.50	93.75	91.25	91.25	91.25	105.88	102.00	-	3.38	105.38
Planning & Development Services ²	19.75	19.75	19.75	22.75	39.75	33.75	33.75	34.75	36.75	43.75	-	3.00	46.75
Building Inspections	12.00	12.00	12.00	-	-	-	-	-	-	-	-	-	-
Engineering & Development Services	43.75	44.75	44.75	-	-	-	-	-	-	-	-	-	-
Police	208.00	213.00	213.00	218.50	218.50	221.00	223.00	233.50	239.50	247.90	-	3.00	250.90
Recycling Services	-	-	-	-	2.75	2.75	2.75	2.75	2.75	2.48	-	-	2.48
Transportation ²	8.50	8.50	8.50	-	47.00	52.00	52.00	50.00	54.00	51.00	-	4.00	55.00
Public Works-	-	-	-	72.75	-	-	-	-	-	-	-	-	-
Street	48.00	48.00	48.00	-	-	-	-	-	-	-	-	-	-
Shop	15.00	15.00	-	-	-	-	-	-	-	-	-	-	-
Total	695.50	703.50	704.50	680.50	678.00	680.50	695.50	707.00	739.63	751.63	-	26.88	778.51
Drainage Fund													
Drainage	-	-	-	15.00	17.00	18.00	18.00	19.00	22.00	22.00	-	-	22.00
Total	-	-	-	15.00	17.00	18.00	18.00	19.00	22.00	22.00	-	-	22.00
Utility Fund													
Utilities - Administration	10.00	8.00	8.00	8.00	11.00	10.00	10.00	11.00	12.00	12.00	-	1.00	13.00
Utilities - Billings & Collections	15.00	15.00	15.00	15.00	15.00	15.00	17.75	17.75	16.50	16.88	-	0.25	17.13
Utilities - Environmental Services	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	-	1.00	7.00
Utilities - Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Wastewater Line Maintenance	27.00	28.00	27.00	26.00	26.00	26.00	26.00	26.00	26.00	27.00	-	-	27.00
Wastewater Systems Support	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	-	2.00	6.00
Wastewater Treatment Plant	-	-	-	-	-	-	-	-	-	-	-	-	-
Water Line Maintenance	31.00	32.00	33.00	32.00	32.00	32.00	32.00	32.00	32.00	31.00	-	-	31.00
Water Systems Support	21.00	21.00	21.00	20.00	19.00	19.00	17.00	17.00	16.00	16.00	-	-	16.00
Water Treatment Plant	17.00	18.00	18.00	14.00	14.00	14.00	15.00	15.00	15.00	14.63	-	-	14.63
Total	130.00	132.00	132.00	125.00	127.00	126.00	127.75	128.75	127.50	127.50	-	4.25	131.75
HOT Funds													
Arts and Culture ¹	-	-	-	-	-	-	-	-	-	1.00	-	-	1.00
Convention & Visitors Bureau	3.50	3.50	3.50	3.50	3.00	3.00	3.00	3.00	3.00	4.00	-	1.00	5.00
Sports Management & Tourism	-	-	-	-	1.00	4.00	9.00	10.00	11.00	11.00	-	0.50	11.50
Total	3.50	3.50	3.50	3.50	4.00	7.00	12.00	13.00	14.00	16.00	-	1.50	17.50
MPF Complex Fund													
MPF Complex Fund	-	-	-	-	-	-	-	-	-	4.00	-	0.50	4.50
Total	-	-	-	-	-	-	-	-	-	4.00	-	0.50	4.50
Grand Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.00	839.00	840.00	824.00	826.00	831.50	853.25	867.75	903.13	921.13	-	33.13	954.25
Total	829.												

CITIZENS SERVED PER EMPLOYEE



Year	Population	Employees (FTEs)	Citizens Served per Employee
2006	89,900	766.75	117.25
2007	92,500	791.50	116.87
2008	96,200	829.00	116.04
2009	99,500	839.00	118.59
2010	99,887	840.00	118.91
2011	100,659	824.00	122.16
2012	101,702	826.00	123.13
2013	102,349	831.50	123.09
2014	103,107	853.25	120.84
2015	105,405	867.75	121.47
2016	106,591	903.13	118.02
2017	108,353	921.13	117.63
2018*	111,387	954.25	116.73

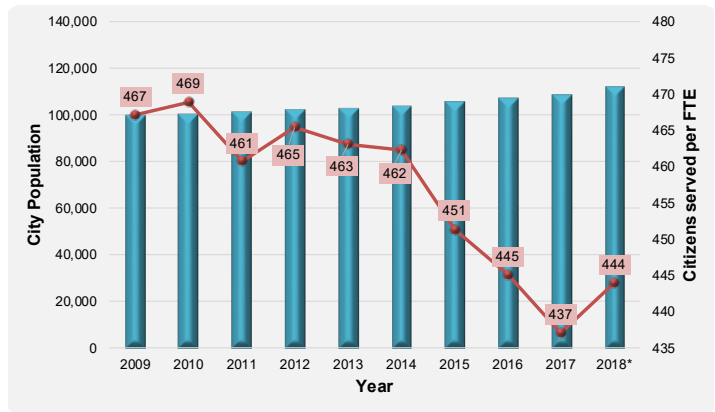
NOTABLE CHANGES

- Prior to 2015, the City utilized temporary staff that were converted to permanent FTEs in FY 2016
- FY 2018 - Increase of 9 Firefighters & 1 Logistics Officer for Fire Station 9

CITIZENS SERVED PER EMPLOYEE

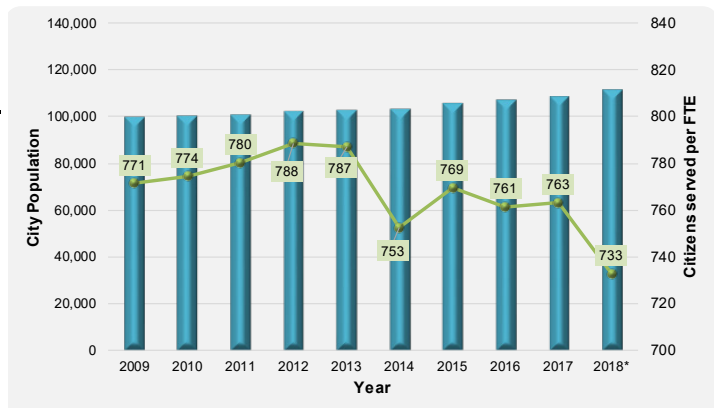
POLICE

Year	Population	Police FTEs	Citizens Served per Police FTE
2009	99,500	213.00	467
2010	99,887	213.00	469
2011	100,659	218.50	461
2012	101,702	218.50	465
2013	102,349	221.00	463
2014	103,107	223.00	462
2015	105,405	233.50	451
2016	106,591	239.50	445
2017	108,353	247.90	437
2018*	111,387	250.90	444



FIRE

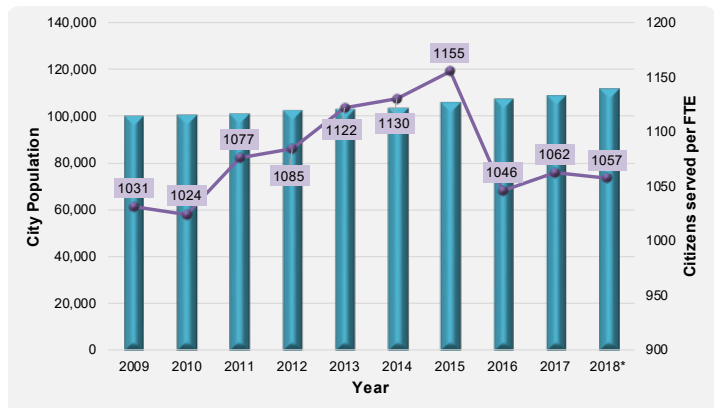
Year	Population	Fire FTEs	Citizens Served per Fire FTE
2009	99,500	129.00	771
2010	99,887	129.00	774
2011	100,659	129.00	780
2012	101,702	129.00	788
2013	102,349	130.00	787
2014	103,107	137.00 ¹	753
2015	105,405	137.00	769
2016	106,591	140.00	761
2017	108,353	142.00	763
2018*	111,387	152.00 ²	733



- 7 firefighters added as an Engine Company for Station 4 - Gattis School Road.
- 9 firefighters & 1 Logistics Officer added for Station 9

PARKS AND RECREATION*

Year	Population	PARD FTEs	Citizens Served per PARD FTE
2009	99,500	96.50	1031
2010	99,887	97.50	1024
2011	100,659	93.50	1077
2012	101,702	93.75	1085
2013	102,349	91.25	1122
2014	103,107	91.25	1130
2015	105,405	91.25	1155
2016	106,591	101.88	1046
2017	108,353	102.00	1062
2018*	111,387	105.38	1057



* Does not include staffing for local use of Sports Center or Multipurpose Complex

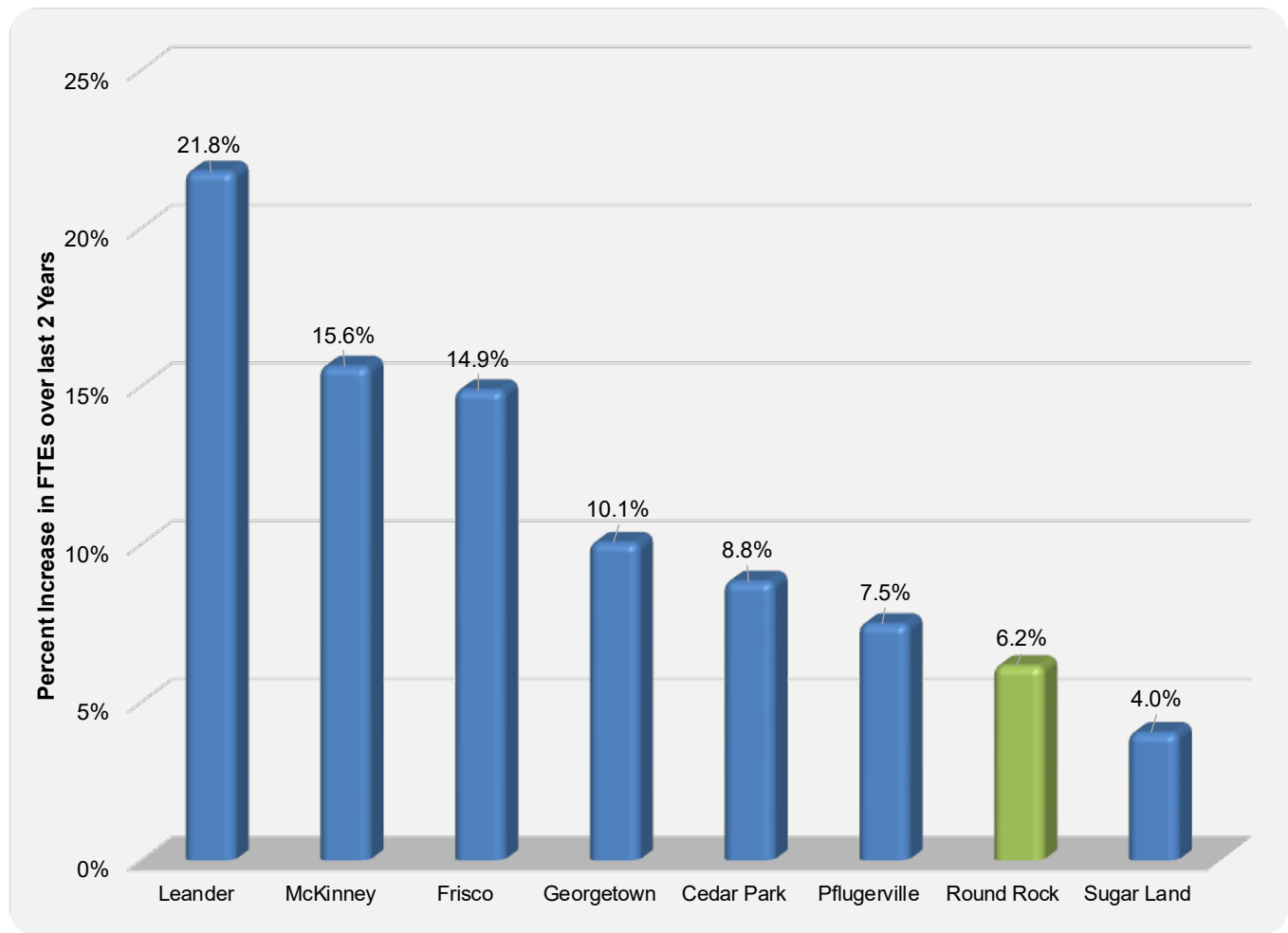
CITIZENS SERVED PER FTE - BENCHMARKING



City	Population	Employees (FTEs)	Citizens Served per Employee
Georgetown	61,915	695.25	89
Round Rock	108,353	921.13	118
Sugar Land	87,730	722.00	122
Frisco	165,773	1274.00	130
McKinney	168,358	1096.80	153
Cedar Park	70,917	459.5	154
Pflugerville	61,348	352.00	174
Leander	50,000	265.50	188

Source of Data: City's respective Budget Book documents and Comprehensive Annual Financial Reports (CAFR)

BENCHMARKING - 2 YEAR INCREASE IN FTES



City	FY 2015	FY 2016	FY 2017	Net Increase	% Increase
Leander	218.00	230.50	265.50	47.50	21.8%
McKinney	948.60	975.40	1,096.80	148.20	15.6%
Frisco	1,109.00	1,187.00	1,274.00	165.00	14.9%
Georgetown	631.75	672.75	695.25	63.50	10.1%
Cedar Park	422.25	442.50	459.50	37.25	8.8%
Pflugerville	327.50	339.00	352.00	24.50	7.5%
Round Rock	867.75	903.13	921.13	53.38	6.2%
Sugar Land	694.00	713.00	722.00	28.00	4.0%

DETAILS - 2 YEAR INCREASE IN FTES FOR CITIES

City	FY 15	FY 16	FTE Count Increase	FY 16	FY 17	FTE Count Increase	Net Change over Two Years
Round Rock	867.750	903.125	35.38	903.125	921.125	18.00	53.38
		Added: 2 General Services 1 Planning 2 Transportation 5 Police 3 Fire 1 CVB 10 Parks & Recreation 3 Drainage 8 Temp to FTE Conversion			Added: 2 General Services 3 Planning 1 Transportation 8 Police 2 Fire 1 CVB 1 Administration		6.2%
Cedar Park	422.25	442.50	20.25	442.50	459.50	17.00	37.25
		Added: 6.75 General Fund 5 Police 5 Fire 3 Utilities			Added: 7 General Fund 3 Police 5 Fire 2 Utilities		8.8%
Frisco	1,109.00	1,187.00	78.00	1,187.00	1,274.00	87.00	165.00
		Added: 33 General Fund 18 Police 10 Fire 11 Utilities 2 Drainage 3 Environmental Services 1 Hotel/Motel Fund			Added: 37 General Fund 26 Police 11 Fire 8 Utilities 2 Drainage 1 Environmental Services 2 Hotel/Motel Fund		14.9%
Georgetown	631.75	672.75	41.00	672.75	695.25	22.50	63.50
		Added: 6 General Fund 1 Police 9 Fire 29 Utilities			Added: 9 General Fund 1 Police 7 Fire 1 Joint Services 3 Utilities 1 Airport		10.1%
Leander	218.00	230.50	12.50	230.50	265.50	35.00	47.50
		Added: 7.5 General Fund 2 Police 3 Utilities			Added: 12 General Fund 8 Police 7 Fire 8 Utilities		21.8%
McKinney	948.60	975.40	26.80	975.40	1,096.80	121.40	148.20
		Added: 15 General Fund 8 Police 2 Utilities 1 Risk/Insurance Fund			Added: 44 General Fund 27 Police 51 Utilities		15.6%
Pflugerville	327.50	339.00	11.50	339.00	352.00	13.00	24.50
		Added: 7.5 Police 4 Utilities			Added: 5 General Fund 8 Police		7.5%
Sugar Land	694.00	713.00	19.00	713.00	722.00	9.00	28.00
		Added: 15 General Fund 1 Police 3 Airport Fund			Added: 8 General Fund 1 Airport Fund		4.0%

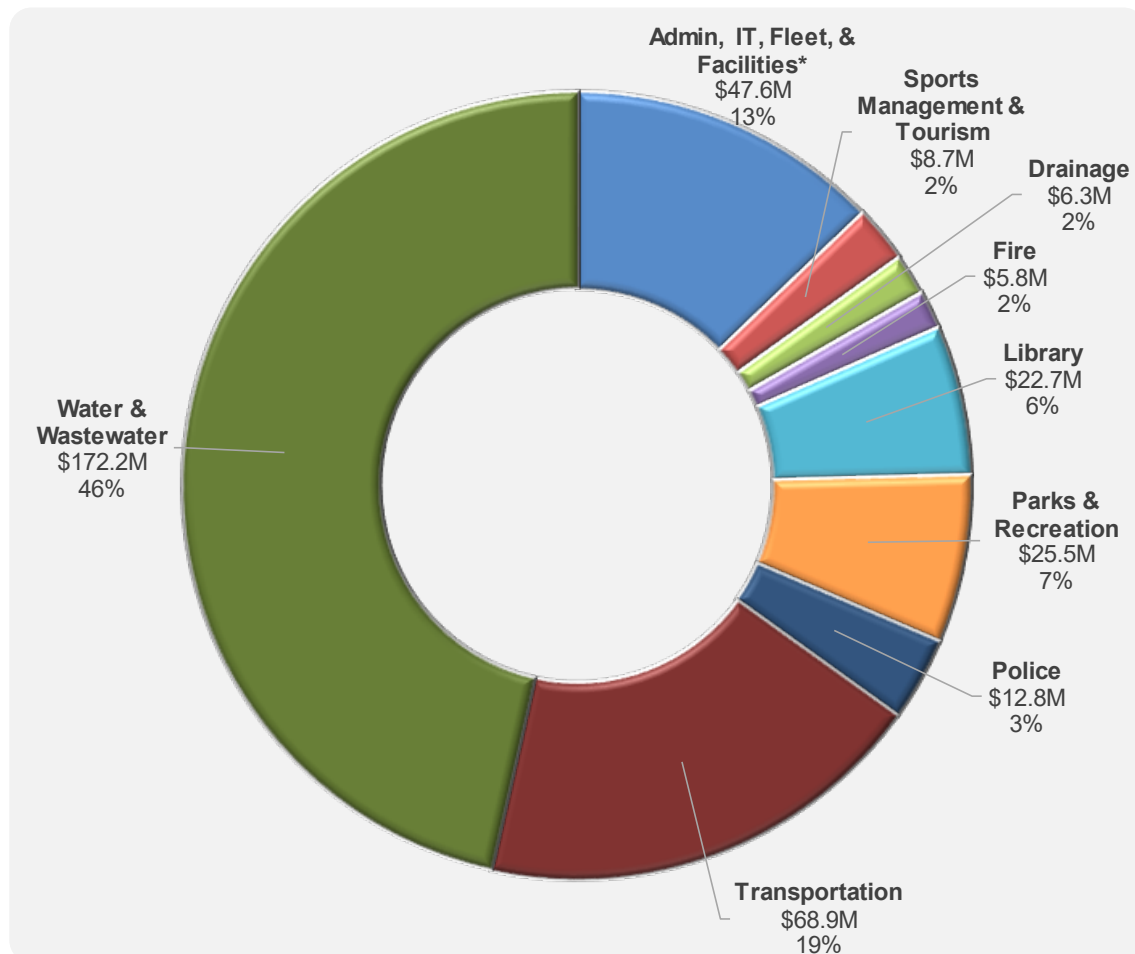


CAPITAL IMPROVEMENT PLAN

- 5 Year CIP by Use.....80
- 5 Year CIP by Source.....81
- Projects & Funding Sources by Department.....82

5 YEAR CIP BY USE

\$370.4 MILLION



	2018	2019	2020	2021	2022	Total
Administration, IT, & Facilities*	\$24,851,266	\$6,685,000	\$5,350,000	\$5,350,000	\$5,350,000	\$47,586,266
Sports Management & Tourism	5,756,173	1,550,000	650,000	350,000	350,000	8,656,173
Drainage	6,270,000	-	-	-	-	6,270,000
Fire	3,472,130	2,368,000	0	0	0	5,840,130
Library	2,000,000	4,000,000	8,000,000	6,700,000	2,000,000	22,700,000
Parks & Recreation	16,870,662	5,560,920	1,525,000	750,000	750,000	25,456,582
Police	12,441,049	400,549	-	-	-	12,841,598
Transportation	42,914,364	15,210,605	4,000,000	3,746,000	3,000,000	68,870,969
Water & Wastewater*	23,787,042	20,065,600	43,744,950	53,126,950	31,473,685	172,198,227
Total	\$138,362,686	\$55,840,674	\$63,269,950	\$70,022,950	\$42,923,685	\$370,419,945

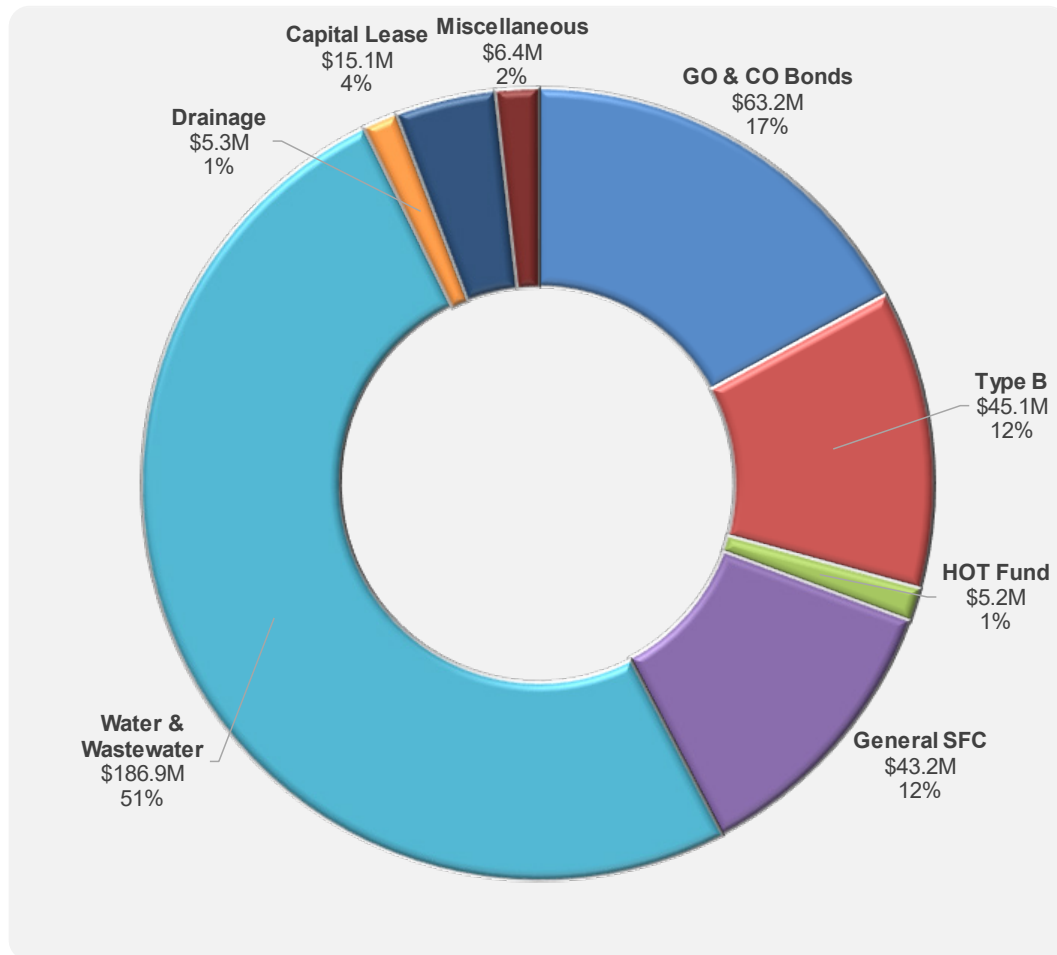
Note:

*Admin, IT, Fleet, & Facilities includes projects for Administration, Facility Maintenance, Fleet, General Services, & Information Technology.

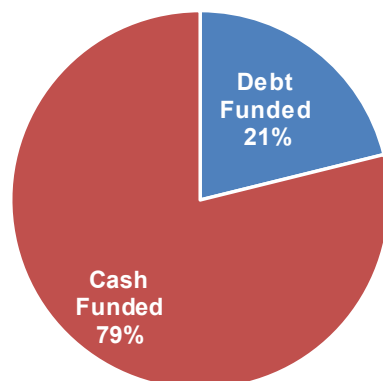
*Water & Wastewater includes projects for Regional Water System (BCRUA) & Regional WW System (BCRWWS)

5 YEAR CIP BY SOURCE

\$370.4 MILLION



Note:



PROJECTS & FUNDING SOURCE BY DEPARTMENT

ADMINISTRATION, IT, FLEET & FACILITIES						
Administration	2018	2019	2020	2021	2022	Total
Wmson County Reg Animal Shelter	1,250,000	1,250,000				2,500,000
<i>General Self Financed Construction</i>	<i>1,250,000</i>	<i>1,250,000</i>				<i>2,500,000</i>
Administration Total	1,250,000	1,250,000	-	-	-	2,500,000
Facility Maintenance	2018	2019	2020	2021	2022	Total
FM Internal Service - ALL 2019		750,000				750,000
<i>Pay As You Go</i>		<i>750,000</i>				<i>750,000</i>
FM Internal Service - ALL 2020			750,000			750,000
<i>Pay As You Go</i>			<i>750,000</i>			<i>750,000</i>
FM Internal Service - ALL 2021				750,000		750,000
<i>Pay As You Go</i>				<i>750,000</i>		<i>750,000</i>
FM Internal Service - ALL 2022					750,000	750,000
<i>Pay As You Go</i>					<i>750,000</i>	<i>750,000</i>
FM Internal Service - City Wide 2018	92,000					92,000
<i>Pay As You Go</i>	<i>92,000</i>					<i>92,000</i>
FM Internal Service - Fire Department 2018	162,000					162,000
<i>Pay As You Go</i>	<i>162,000</i>					<i>162,000</i>
FM Internal Service - PARD 2018	110,000					110,000
<i>Pay As You Go</i>	<i>110,000</i>					<i>110,000</i>
FM Internal Service - Police 2018	245,000					245,000
<i>Pay As You Go</i>	<i>245,000</i>					<i>245,000</i>
FM Internal Service - Public Works 2018	141,000					141,000
<i>Pay As You Go</i>	<i>141,000</i>					<i>141,000</i>
Facility Maintenance Total	750,000	750,000	750,000	750,000	750,000	3,750,000
Fleet	2018	2019	2020	2021	2022	Total
Vehicle&Equip.Replace-GEN 18-22	1,662,000	3,000,000	2,230,000	2,223,000	2,184,000	11,299,000
<i>Capital Lease</i>	<i>1,662,000</i>	<i>3,000,000</i>	<i>2,230,000</i>	<i>2,223,000</i>	<i>2,184,000</i>	<i>11,299,000</i>
Vehicle&Equip.Replace-DRAIN 18-22	385,000	100,000	100,000	100,000	100,000	785,000
<i>Drainage Fund</i>	<i>385,000</i>	<i>100,000</i>	<i>100,000</i>	<i>100,000</i>	<i>100,000</i>	<i>785,000</i>
Vehicle&Equip.Replace-UT 18-22	750,000	750,000	750,000	750,000	750,000	3,750,000
<i>Utility Fund</i>	<i>750,000</i>	<i>750,000</i>	<i>750,000</i>	<i>750,000</i>	<i>750,000</i>	<i>3,750,000</i>
Vehicles for Building Construction Division	30,500					30,500
<i>General Self Finance Purchases</i>	<i>30,500</i>					<i>30,500</i>
Code Enforcement Officer Vehicle	25,000					25,000
<i>General Self Finance Purchases</i>	<i>25,000</i>					<i>25,000</i>
Police Speed Trailer Replacement	24,000					24,000
<i>General Self Finance Purchases</i>	<i>24,000</i>					<i>24,000</i>
Police Detective Vehicles	117,000					117,000
<i>General Self Finance Purchases</i>	<i>117,000</i>					<i>117,000</i>
Battalion Command Vehicle		85,000				85,000
<i>Capital Lease</i>		<i>85,000</i>				<i>85,000</i>
Fire Apparatus	750,000					750,000
<i>General Self Finance Purchases</i>	<i>750,000</i>					<i>750,000</i>
Fire Apparatus	1,338,000		770,000	777,000	816,000	3,701,000
<i>Capital Lease</i>	<i>1,338,000</i>		<i>770,000</i>	<i>777,000</i>	<i>816,000</i>	<i>3,701,000</i>
Fleet Total	5,081,500	3,935,000	3,850,000	3,850,000	3,850,000	20,566,500
General Services	2018	2019	2020	2021	2022	Total
Luther Peterson Bldgs. Imprvts.	15,696,740					15,696,740
<i>Future CO Bond Issuance</i>	<i>6,750,000</i>					<i>6,750,000</i>
<i>Self-Finance Water Construction</i>	<i>8,946,740</i>					<i>8,946,740</i>
OSP Multipurpose Field Complex	300,000					300,000
<i>General Self Financed Construction</i>	<i>300,000</i>					<i>300,000</i>
General Services Total	15,996,740	-	-	-	-	15,996,740
Information Technology	2018	2019	2020	2021	2022	Total
IT Internal Services 2018 Network Hardware Refresh	125,000					125,000
<i>Pay As You Go</i>	<i>125,000</i>					<i>125,000</i>
IT Internal Services 2018 Virtual Server Expansion	75,000					75,000
<i>Pay As You Go</i>	<i>75,000</i>					<i>75,000</i>
IT Internal Services 2018 Departmental	50,000					50,000
<i>Pay As You Go</i>	<i>50,000</i>					<i>50,000</i>
IT Internal Services 2018 IT Center	500,000					500,000
<i>Pay As You Go</i>	<i>500,000</i>					<i>500,000</i>
IT Internal Services 2019		750,000				750,000
<i>Pay As You Go</i>		<i>750,000</i>				<i>750,000</i>
IT Internal Services 2020			750,000			750,000
<i>Pay As You Go</i>			<i>750,000</i>			<i>750,000</i>
IT Internal Services 2021				750,000		750,000
<i>Pay As You Go</i>				<i>750,000</i>		<i>750,000</i>
IT Internal Services 2022					750,000	750,000
<i>Pay As You Go</i>					<i>750,000</i>	<i>750,000</i>
Information Technology Total	750,000	750,000	750,000	750,000	750,000	3,750,000
ADMINISTRATION, IT, FLEET & FACILITIES TOTAL	\$ 23,828,240	\$ 6,685,000	\$ 5,350,000	\$ 5,350,000	\$ 5,350,000	\$ 46,563,240

PROJECTS & FUNDING SOURCE BY DEPARTMENT

CDBG HUD Entitlement Grant	2018	2019	2020	2021	2022	Total
CDBG HUD Entitlement Grant	1,023,026					1,023,026
2018 Allocation	393,600					393,600
Allocation from Prior Years	629,426					629,426
CDBG HUD Entitlement Grant Total	1,023,026	-	-	-	-	1,023,026
Library	2018	2019	2020	2021	2022	Total
New Main Library Facility	2,000,000	4,000,000	8,000,000	6,700,000	2,000,000	22,700,000
2014 GO Bonds	1,000,000					1,000,000
Future GO Bond Issuance	1,000,000	4,000,000	8,000,000	6,700,000	2,000,000	21,700,000
Library Total	2,000,000	4,000,000	8,000,000	6,700,000	2,000,000	22,700,000
Fire	2018	2019	2020	2021	2022	Total
Pending Fire Station Projects	2,856,630	2,000,000				4,856,630
2017 GO Bonds Issuance	2,856,630	2,000,000				4,856,630
Gender Friendly Bathroom Remodel	100,000					100,000
2017 GO Bonds Issuance	100,000					100,000
RRFD Radio Apex Replacement (FY 18-Year 3 of 4)	368,000	368,000				736,000
General Self Finance Purchases	368,000	368,000				736,000
NW Fire Station - Station 9	147,500					147,500
2014 GO Bonds	73,607					73,607
2017 GO Bonds Issuance	73,893					73,893
Fire Total	3,472,130	2,368,000	-	-	-	5,840,130
Parks and Recreation	2018	2019	2020	2021	2022	Total
Adult Sports Complex	731,717	4,536,000				5,267,717
2017 GO Bond Issuance	731,717	2,316,000				3,047,717
Sale of McNeil Park		2,220,000				2,220,000
BrushyCreekTrail-VeteransPk to Rabb Pk.	1,322,950					1,322,950
2014 GO Bonds	1,322,950					1,322,950
Clay Madsen Soccer Fields	681,500					681,500
General Self Financed Construction	500,000					500,000
Self-Finance Water Construction	181,500					181,500
Heritage Trail EAST	4,434,843					4,434,843
2014 GO Bonds	4,434,843					4,434,843
2018 PARD R&R Memorial Park Playground	195,000					195,000
Pay As You Go	195,000					195,000
2019 PARD Repair & Replace		750,000				750,000
Pay As You Go		750,000				750,000
2020 PARD Repair & Replace			750,000			750,000
Pay As You Go			750,000			750,000
Repair/Replace ADA 2020			775,000			775,000
2017 GO Bond Issuance			775,000			775,000
2021 PARD Repair & Replace				750,000		750,000
Pay As You Go				750,000		750,000
PARD Sports Complex	250,000					250,000
2017 GO Bond Issuance	250,000					250,000
BACA Improvements	100,000					100,000
2017 GO Bond Issuance	100,000					100,000
Round Rock West Greenbelt	500,000					500,000
2017 GO Bond Issuance	500,000					500,000
2022 PARD Repair & Replace					750,000	750,000
Pay As You Go					750,000	750,000
2018 PARD R&R CMRC Skatepark Repairs	305,000					305,000
Pay As You Go	305,000					305,000
2018 PARD R&R CMRC Basketball Light Replacement	50,000					50,000
Pay As You Go	50,000					50,000
2018 PARD R&R CMRC Basketball Fence Replacement	50,000					50,000
Pay As You Go	50,000					50,000
2018 PARD R&R Frontier Park Tennis Lights	75,000					75,000
Pay As You Go	75,000					75,000
2018 PARD R&R Round Rock West Park Tennis Lights	75,000					75,000
Pay As You Go	75,000					75,000
OSP Park Infield Replacement	250,000					250,000
Hotel Occupancy Fund	250,000					250,000
Indoor/Outdoor Multipurpose Building	269,555					269,555
General Self Financed Construction	268,155					268,155
Park Improvement & Acquisition Fund	1,400					1,400
Lake Creek Trail	1,537,049					1,537,049
2014 GO Bonds	1,537,049					1,537,049
Meadow Lake Park Pavilion	135,536					135,536
Park Improvement & Acquisition Fund	135,536					135,536
Clay Madsen Rec Center		274,920				274,920
2014 GO Bonds		274,920				274,920
PARD Repair/Replace-Frontier Park	224,821					224,821
2014 GO Bonds	186,156					186,156
Park Improvement & Acquisition Fund	38,665					38,665
Rock 'N River Expansion	350,000					350,000
2017 GO Bond Issuance	350,000					350,000
Heritage Trail WEST	5,302,691					5,302,691
2014 GO Bonds	5,302,691					5,302,691
OSP Chemical Storage Building	30,000					30,000
General Self Finance Purchases	30,000					30,000
Parks and Recreation Total	16,870,662	5,560,920	1,525,000	750,000	750,000	25,456,582

PROJECTS & FUNDING SOURCE BY DEPARTMENT

Police	2018	2019	2020	2021	2022	Total
Police Department Lobby Renovation	35,000					35,000
General Self Finance Purchases	35,000					35,000
Police Automated License Plate Reader	25,500					25,500
General Self Finance Purchases	25,500					25,500
Public Safety Radio Replacements (FY18-Year 4 of 5)	400,549	400,549				801,098
General Self Finance Purchases	400,549	400,549				801,098
Public Safety Training Center	11,980,000					11,980,000
2017 GO Bond Issuance	9,980,000					9,980,000
General Self Financed Construction	2,000,000					2,000,000
Police Total	12,441,049	400,549	-	-	-	12,841,598
Transportation	2018	2019	2020	2021	2022	Total
Arterial Improvements-Bottlenecks	350,000	500,000	500,000	246,000		1,596,000
Other Donations/Contributions			20,000	130,000		150,000
RR Trans & EcoDev Corp	350,000	500,000	480,000	116,000		1,446,000
Arterial Seal Coat	500,000	500,000	500,000	500,000		2,000,000
RR Trans & EcoDev Corp	500,000	500,000	500,000	500,000		2,000,000
UPS	2,424,581					2,424,581
Federal/State/Local Grant Funds	1,500,000					1,500,000
RR Trans & EcoDev Corp	924,581					924,581
East Bagdad Extension	3,650,000	2,440,240				6,090,240
RR Trans & EcoDev Corp	3,650,000	2,440,240				6,090,240
Logan Drive Bridge	250,000					250,000
RR Trans & EcoDev Corp	250,000					250,000
Street Maintenance Non-Arterial	7,500,000	3,000,000	3,000,000	3,000,000	3,000,000	19,500,000
General Self Financed Construction	7,500,000	3,000,000	3,000,000	3,000,000	3,000,000	19,500,000
Sign Replacement Program (FY18-Year 2 of 2)	350,000					350,000
General Self Finance Purchases	350,000					350,000
Gattis School Road Seg 3	400,000					400,000
RR Trans & EcoDev Corp	400,000					400,000
Red Bud North	322,000					322,000
RR Trans & EcoDev Corp	322,000					322,000
Gattis School Road Seg 6	400,000					400,000
RR Trans & EcoDev Corp	400,000					400,000
Gattis School Widening	2,230,000					2,230,000
RR Trans & EcoDev Corp	2,230,000					2,230,000
US 79 @ Kenney Fort (Kalahari)	3,000,000	1,947,878				4,947,878
RR Trans & EcoDev Corp	3,000,000	1,947,878				4,947,878
Kenney Fort Blvd Seg 2 & 3	630,000	1,611,872				2,241,872
RR Trans & EcoDev Corp	630,000	1,611,872				2,241,872
Landscaping (Creekbend & Downtown)	760,000					760,000
RR Trans & EcoDev Corp	760,000					760,000
2012-2016 Major Arterial Maintenance	1,534,676					1,534,676
RR Trans & EcoDev Corp	1,534,676					1,534,676
RM620 Road Improvements	1,656,000					1,656,000
RR Trans & EcoDev Corp	1,656,000					1,656,000
Arterial Sidewalks	250,000	93,962				343,962
RR Trans & EcoDev Corp	250,000	93,962				343,962
SH45 Frontage Roads	300,000					300,000
RR Trans & EcoDev Corp	300,000					300,000
Southwest Downtown Phase 5B	3,300,000	650,000				3,950,000
Federal/State/Local Grant Funds	1,156,168					1,156,168
RR Trans & EcoDev Corp	2,143,832	650,000				2,793,832
Neighborhood Connectivity	20,000	90,000				110,000
RR Trans & EcoDev Corp	20,000	90,000				110,000
Traffic Signals	850,000					850,000
RR Trans & EcoDev Corp	850,000					850,000
University Blvd. - I35 to Sunrise	8,577,496	4,376,653				12,954,149
RR Trans & EcoDev Corp	8,577,496	4,376,653				12,954,149
Railroad Quiet Zones	1,650,000					1,650,000
General Self Financed Construction	79,000					79,000
RR Trans & EcoDev Corp	1,571,000					1,571,000
Projects to be programmed	1,000,000					1,000,000
RR Trans & EcoDev Corp	1,000,000					1,000,000
Transportation Radio Replacements	200,000					200,000
General Self Finance Purchases	200,000					200,000
Crack Fill Crew - Road Machinery	90,000					90,000
General Self Finance Purchases	90,000					90,000
Street Sander Unit Replacement	60,000					60,000
General Self Finance Purchases	60,000					60,000
Downtown Sidewalk Sweeper	50,000					50,000
General Self Finance Purchases	50,000					50,000
Interest Earnings	609,611					609,611
2014 Transportation CO Bonds	609,611					609,611
Transportation Total	42,914,364	15,210,605	4,000,000	3,746,000	3,000,000	68,870,969

PROJECTS & FUNDING SOURCE BY DEPARTMENT

Sports Management & Tourism	2018	2019	2020	2021	2022	Total
Dell Diamond Capital Improvement & Repair	350,000	350,000	350,000	350,000	350,000	1,750,000
<i>Hotel Occupancy Fund</i>	<i>350,000</i>	<i>350,000</i>	<i>350,000</i>	<i>350,000</i>	<i>350,000</i>	<i>1,750,000</i>
Dell Diamond Convert Stadium Lighting to LED	850,000					850,000
<i>Hotel Occupancy Fund</i>	<i>850,000</i>					<i>850,000</i>
Dell Diamond Stadium Seating Replacement		1,200,000				1,200,000
<i>Hotel Occupancy Fund</i>		<i>1,200,000</i>				<i>1,200,000</i>
Dell Diamond Parking Lot			300,000			300,000
<i>Hotel Occupancy Fund</i>			<i>300,000</i>			<i>300,000</i>
Forest Creek Golf Course Improvements	3,656,173					3,656,173
<i>General Self Financed Construction</i>	<i>3,500,000</i>					<i>3,500,000</i>
<i>Golf Course Revenue Fund</i>	<i>156,173</i>					<i>156,173</i>
Relocation of Stage Coach Inn	750,000					750,000
<i>Hotel Occupancy Fund</i>	<i>750,000</i>					<i>750,000</i>
Sports Center Office Remodel	100,000					100,000
<i>Hotel Occupancy Fund</i>	<i>100,000</i>					<i>100,000</i>
Multipurpose Sports Complex Initial Capital Outlay	50,000					50,000
<i>Multipurpose Sports Complex Fund</i>	<i>50,000</i>					<i>50,000</i>
Sports Management & Tourism Total	5,756,173	1,550,000	650,000	350,000	350,000	8,656,173
Drainage & Storm Water	2018	2019	2020	2021	2022	Total
Brushy Slopes	650,000					650,000
<i>2014 Drainage Revenue Bonds</i>	<i>650,000</i>					<i>650,000</i>
Dry Branch Tributaries	2,500,000					2,500,000
<i>2014 Drainage Revenue Bonds</i>	<i>2,500,000</i>					<i>2,500,000</i>
Erosion Repair and Stabilization Projects	80,000					80,000
<i>2014 Drainage Revenue Bonds</i>	<i>80,000</i>					<i>80,000</i>
Kensington Drainage Improvements	1,500,000					1,500,000
<i>Regional Detention Fund</i>	<i>1,500,000</i>					<i>1,500,000</i>
Neighborhood Stormwater Modeling	240,000					240,000
<i>2014 Drainage Revenue Bonds</i>	<i>240,000</i>					<i>240,000</i>
Oak Bluff Flooding Improvements	1,000,000					1,000,000
<i>2014 Drainage Revenue Bonds</i>	<i>1,000,000</i>					<i>1,000,000</i>
Creek Stormwater Modeling	300,000					300,000
<i>Regional Detention Fund</i>	<i>300,000</i>					<i>300,000</i>
Drainage & Storm Water Total	6,270,000	-	-	-	-	6,270,000
Regional Water System (BCRUA)	2018	2019	2020	2021	2022	Total
BCRUA Phase 2 Deep Water & Raw Waterline Planning		1,200,000	1,500,000			2,700,000
<i>Self-Finance Water Construction</i>		<i>1,200,000</i>	<i>1,500,000</i>			<i>2,700,000</i>
Regional Water System (BCRUA) Total		1,200,000	1,500,000			2,700,000
Regional WW System (BCRWWS)	2018	2019	2020	2021	2022	Total
East WWTP Re-Rate Improvements	168,000	378,000	2,047,500	2,404,500	1,066,800	6,064,800
<i>Regional Wastewater System Partners</i>	<i>33,000</i>	<i>68,000</i>	<i>367,500</i>	<i>429,500</i>	<i>191,800</i>	<i>1,089,800</i>
<i>Self-Finance Wastewater Construction</i>	<i>135,000</i>	<i>310,000</i>	<i>1,680,000</i>	<i>1,975,000</i>	<i>875,000</i>	<i>4,975,000</i>
East WWTP 10 MGD Expansion	2,464,000	5,544,000	30,300,000	35,266,000	15,646,400	89,220,400
<i>Regional Wastewater System Partners</i>	<i>1,839,000</i>	<i>4,144,000</i>	<i>22,775,000</i>	<i>26,416,000</i>	<i>11,646,400</i>	<i>66,820,400</i>
<i>Self-Finance Wastewater Construction</i>	<i>625,000</i>	<i>1,400,000</i>	<i>7,525,000</i>	<i>8,850,000</i>	<i>4,000,000</i>	<i>22,400,000</i>
Regional WW System (BCRWWS) Total	2,632,000	5,922,000	32,347,500	37,670,500	16,713,200	95,285,200

PROJECTS & FUNDING SOURCE BY DEPARTMENT

Water & Wastewater	2018	2019	2020	2021	2022	Total
SH29 & DB WOOD Raw Water Line	250,000	375,000				625,000
<i>Self-Finance Water Construction</i>	250,000	375,000				625,000
Arterial "H" 16" Phase 2	2,641,000					2,641,000
<i>Self-Finance Water Construction</i>	2,641,000					2,641,000
Chandler Creek 2 Wastewater Improvements				260,100	260,100	520,200
<i>Self-Finance Wastewater Construction</i>				260,100	260,100	520,200
Southeast Red Bud Annexation Improvements		629,000				629,000
<i>Self-Finance Water Construction</i>		629,000				629,000
Brenda Lane 12" Waterline Annexation Imprvmts				1,037,000	1,037,000	2,074,000
<i>Self-Finance Water Construction</i>				1,037,000	1,037,000	2,074,000
Avery Center East 24" Waterline		624,000	624,000	1,456,000	1,456,000	4,160,000
<i>Self-Finance Water Construction</i>		624,000	624,000	1,456,000	1,456,000	4,160,000
Meadow Lake Waterline Improvements	275,000	2,092,000				2,367,000
<i>Self-Finance Water Construction</i>	275,000	2,092,000				2,367,000
Palm Valley Waterline Improvements, Phase 1		177,000	177,000	413,000	413,000	1,180,000
<i>Self-Finance Water Construction</i>		177,000	177,000	413,000	413,000	1,180,000
Saddlebrook Annexation Improvements				629,000		629,000
<i>Self-Finance Water Construction</i>				629,000		629,000
Misc Water Treatment Plant Improvements	500,000	500,000	500,000	500,000	500,000	2,500,000
<i>Self-Finance Water Construction</i>	500,000	500,000	500,000	500,000	500,000	2,500,000
Water Master Plan & Impace Fee Update	204,000		148,000	70,000	158,000	580,000
<i>Self-Finance Water Construction</i>	204,000		148,000	70,000	158,000	580,000
Misc Water System Improvements	500,000	500,000	500,000	500,000	500,000	2,500,000
<i>Self-Finance Water Construction</i>	500,000	500,000	500,000	500,000	500,000	2,500,000
Gattis School Rd 24" Waterline				847,950	2,402,525	3,250,475
<i>Self-Finance Water Construction</i>				847,950	2,402,525	3,250,475
AC Pipe Bursting	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	11,000,000
<i>Self-Finance Water Construction</i>	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000	11,000,000
TANK COATING REHAB	408,200	935,000	2,865,150	156,500	1,030,860	5,395,710
<i>Self-Finance Water Construction</i>	408,200	935,000	2,865,150	156,500	1,030,860	5,395,710
KENNEY FORT SEG 2/3 WATERLINE	500,000	500,000				1,000,000
<i>Self-Finance Water Construction</i>	500,000	500,000				1,000,000
Kalahari Waterline Extension	550,000					550,000
<i>Self-Finance Water Construction</i>	550,000					550,000
Chandler Creek 3 WW Line				857,600		857,600
<i>Self-Finance Wastewater Construction</i>				857,600		857,600
Lake Creek 4 WW Line Segments				2,235,000		2,235,000
<i>Self-Finance Wastewater Construction</i>				2,235,000		2,235,000
WW Collection System Inspection & Rehab Program	1,765,392	2,033,200	2,117,400	1,957,300		7,873,292
<i>Self-Finance Wastewater Construction</i>	1,765,392	2,033,200	2,117,400	1,957,300		7,873,292
McNutt Creek WW Line Segments		1,265,900	765,900			2,031,800
<i>Self-Finance Wastewater Construction</i>		1,265,900	765,900			2,031,800
Dry Creek WW Line	963,000					963,000
<i>Self-Finance Wastewater Construction</i>	963,000					963,000
Lake Creek WW Line Segment 1					2,466,000	2,466,000
<i>Self-Finance Wastewater Construction</i>					2,466,000	2,466,000
Lake Creek 10	643,000					643,000
<i>Self-Finance Wastewater Construction</i>	643,000					643,000
Lake Creek 11		1,112,500				1,112,500
<i>Self-Finance Wastewater Construction</i>		1,112,500				1,112,500
Wastewater Siphon Rehab	1,000,000					1,000,000
<i>Self-Finance Wastewater Construction</i>	1,000,000					1,000,000
Kenny Fort 24" Waterline Seg 4				2,337,000	2,337,000	4,674,000
<i>Self-Finance Water Construction</i>				2,337,000	2,337,000	4,674,000
WTP & Lake Georgetown Pump Station Improvements	2,796,550					2,796,550
<i>Self-Finance Water Construction</i>	2,796,550					2,796,550
2016 Rehab WW Collection System	3,500,000					3,500,000
<i>Self-Finance Wastewater Construction</i>	3,500,000					3,500,000
SE, South 81 & McNeil GST Pump Improvements	2,458,900					2,458,900
<i>Self-Finance Water Construction</i>	2,458,900					2,458,900
Water & Wastewater Total	21,155,042	12,943,600	9,897,450	15,456,450	14,760,485	74,213,027
GRAND TOTAL	138,362,686	55,840,674	63,269,950	70,022,950	42,923,685	370,419,945



DEBT

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DEBT OUTSTANDING BY TYPE

	Amount Issued (Net of Refunding)	10/1/17 Amount O/S (Net of Refunding)
General Obligation Bonds	219,435,000	196,930,000
Hotel Occupancy & Venue Tax Revenue Bonds	7,715,000	11,675,000
Drainage System Revenue Bonds	8,000,000	7,360,000
Utility System Revenue Bonds	140,285,000	131,070,000
RRTEDC - Type B Sales Tax Bonds	21,070,000	17,540,000
Total \$	396,505,000	\$ 364,575,000

Bond Issue	Par Amount of Bonds	Net Debt Service Reduction	Average Annual Debt Service Reduction	Net Present Value Savings (\$)	Net Present Value Savings (%)
2015 GO Refunding	\$ 32,465,000	\$ 4,068,603	\$ 226,034	\$ 3,146,470	9.00%
2015 RRTEDC Refunding	10,930,000	935,313	133,616	881,552	8.19%
2016 GO Refunding	6,995,000	1,508,470	88,734	1,248,169	16.78%
2016 Utility Revenue Refunding	35,185,000	6,042,787	302,139	4,671,016	13.83%
2016 HOT Refunding	4,455,000	567,175	63,019	481,558	10.10%
2016 BCRUA Refunding	53,955,000	10,401,943	472,816	7,785,138	14.23%
2017 RRTEDC Refunding	10,140,000	544,981	90,449	600,951	6.06%
Totals	\$154,125,000	\$ 24,069,272	\$ 1,376,807	\$ 18,814,854	12.04%



Public Safety Training Facility

BOND RATINGS TABLE

General Obligation			Confirmed
Agency	Rating	Date	
Standard & Poor's	AA+	May 2017	
Moody's	Aa1	Feb 2014	
Type B (Sales Tax)			
Agency	Rating	Date	
Standard & Poor's	AA	Jun 2014	
Moody's	Aa3	Apr 2010	
Fitch	AA	Mar 2015	
Utility			Upgraded
Agency	Rating	Date	
Standard & Poor's	AA+	May 2016	
Moody's	Aa2	Apr 2010	
Hotel			
Agency	Rating	Date	
Standard & Poor's	A	Jan 2010	
Fitch	A+	Mar 2015	
BCRUA			Upgraded
Agency	Rating	Date	
Standard & Poor's	AA+	May 2016	
Moody's	Aa3	Jan 2008	



Joanne Land - Old Settlers Park by RockStudios

BOND ISSUANCES AND AUTHORIZATIONS

General Obligation Bonds Authorized

		2014 1st Issuance Actual	2017 2nd Issuance Actual	2019 3rd Issuance Projected	Total
General Obligation Bonds					
Proposition 1	Fire Facilities	7,000,000	9,500,000	-	16,500,000
Proposition 2	Parks & Recreation	46,225,000	10,275,000	-	56,500,000
Proposition 3	Library	1,500,000	-	21,700,000	23,200,000
Proposition 4	Public Safety Training	16,300,000	11,100,000	-	27,400,000
Total		71,025,000	30,875,000	21,700,000	123,600,000
Certificates of Obligation					
	Transportation	28,000,000	-	-	28,000,000
Total		28,000,000	-	-	28,000,000
TOTAL		99,025,000	30,875,000	21,700,000	151,600,000

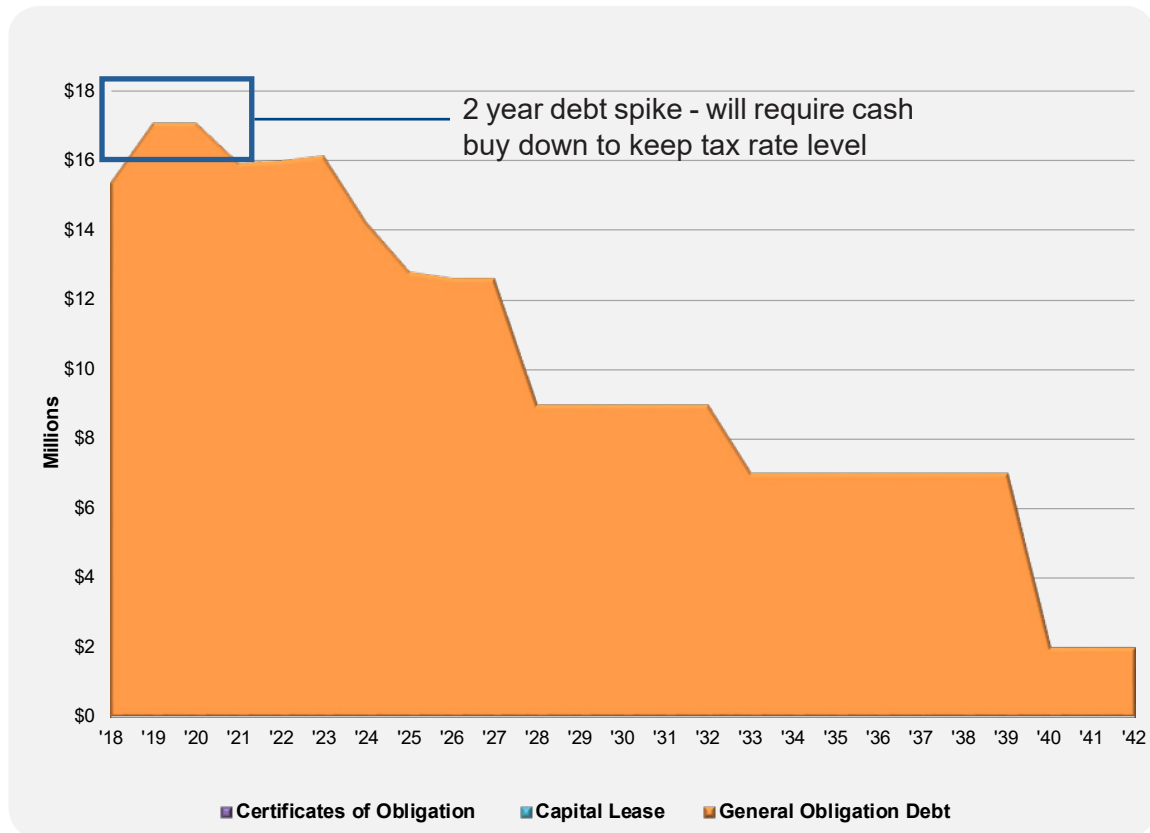
General Obligation Bonds Status

Projects	Original Bond Nov 2013 Projects	Current Bond Projects	Current Status	Comments
Fire Facilities - Proposition 1				
South East Fire Station-Red Bud	6,575,000	5,486,000	Complete	Grand opening December 2016
Fire Station #4 Relocation-Lisa Rae		5,314,000		
Pending Fire Station Project - Station #9	4,125,000	4,776,000	Fire station options are under consideration by Council	Slated for FY 2018
Fire Station #3 Relocation & Reconstruction	2,800,000	924,000		
Remodel of Central Fire Station	3,000,000			
Fire Facilities Authorization	16,500,000	16,500,000		
Parks and Recreation - Proposition 2				
			70% complete	
Park Improvements	9,000,000	5,125,000	Improvements completed at Stella Park, Stark Park, and Mesa Park	Remainder slated for FY 2018 and FY 2019
Trails	20,600,000	17,297,000	Design and land acquisition in process	80% of trail projects slated for FY 2018
OSP MultiPurpose Field Complex	11,000,000	18,100,000	Project near completion	Grand opening May 2017
OSP Soccer Complex and Field Upgrades	3,000,000	4,228,000	Soccer field complex to begin once Multipurpose Sports Complex opens in May 2017	Complete May 2018
Rock'N River Aquatic Ctr. Phase 2	6,600,000	8,450,000	Complete	Opened in May 2016
OSP Adult Softball Complex	3,300,000	3,300,000	Engineering underway	Slated for FY 2018
Behrens Ranch	3,000,000		N/A - funds not available	To be considered in future years
Parks and Recreation Authorization	56,500,000	56,500,000		
Library - Proposition 3				
Library	23,200,000	23,200,000	Design to begin in FY 2017	Construction starts late FY 2019
Public Safety - Proposition 4				
Public Safety Training Facility Authorization	27,400,000	27,400,000	Groundbreaking November 2016	Construction is in process. Facility expected to open August 2018
66% of approved projects are complete or under construction				
TOTAL AUTHORIZATION	123,600,000	123,600,000		



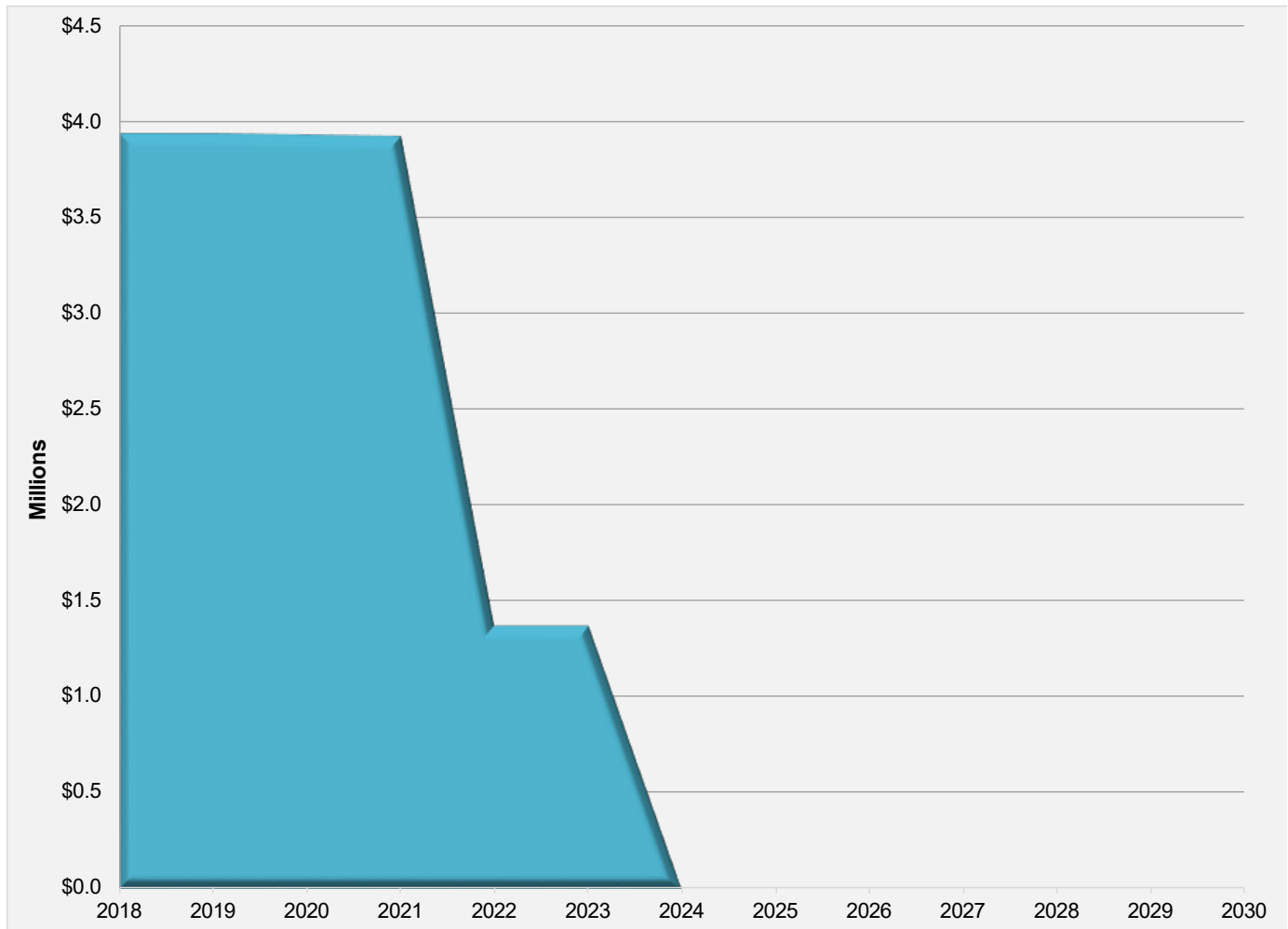
AMORTIZATION BY TYPE

AD VALOREM TAX SUPPORTED DEBT PAYMENTS



Year End September 30	Certificates Of Obligation	Capital Lease	Voter Approved General Obligation Debt	Total Requirements
2018	1,761,938	1,612,234	15,352,992	18,727,164
2019	1,766,038	1,309,884	17,067,529	20,143,450
2020	1,763,438	891,860	17,073,229	19,728,526
2021	1,764,638	891,860	15,904,306	18,560,804
2022	1,764,438	367,483	16,006,488	18,138,408
2023	1,762,838	-	16,143,681	17,906,519
2024	1,774,838	-	14,219,525	15,994,363
2025	1,764,838	-	12,805,706	14,570,544
2026	1,763,638	-	12,616,400	14,380,038
2027	1,765,838	-	12,618,706	14,384,544
2028	1,766,238	-	9,003,206	10,769,444
2029	1,761,438	-	8,994,006	10,755,444
2030	1,765,738	-	9,002,656	10,768,394
2031	1,762,300	-	8,999,706	10,762,006
2032	1,761,700	-	9,004,156	10,765,856
2033	1,764,100	-	7,022,256	8,786,356
2034	1,764,300	-	7,023,219	8,787,519
2035	1,762,644	-	7,022,819	8,785,463
2036	1,764,175	-	7,022,731	8,786,906
2037	1,763,713	-	7,017,306	8,781,019
2038	1,766,256	-	7,019,306	8,785,563
2039	1,761,625	-	7,022,619	8,784,244
2040	-	-	2,019,400	2,019,400
2041	-	-	2,022,600	2,022,600
2042	-	-	2,022,800	2,022,800
	38,816,700	5,073,321	250,027,350	293,917,371

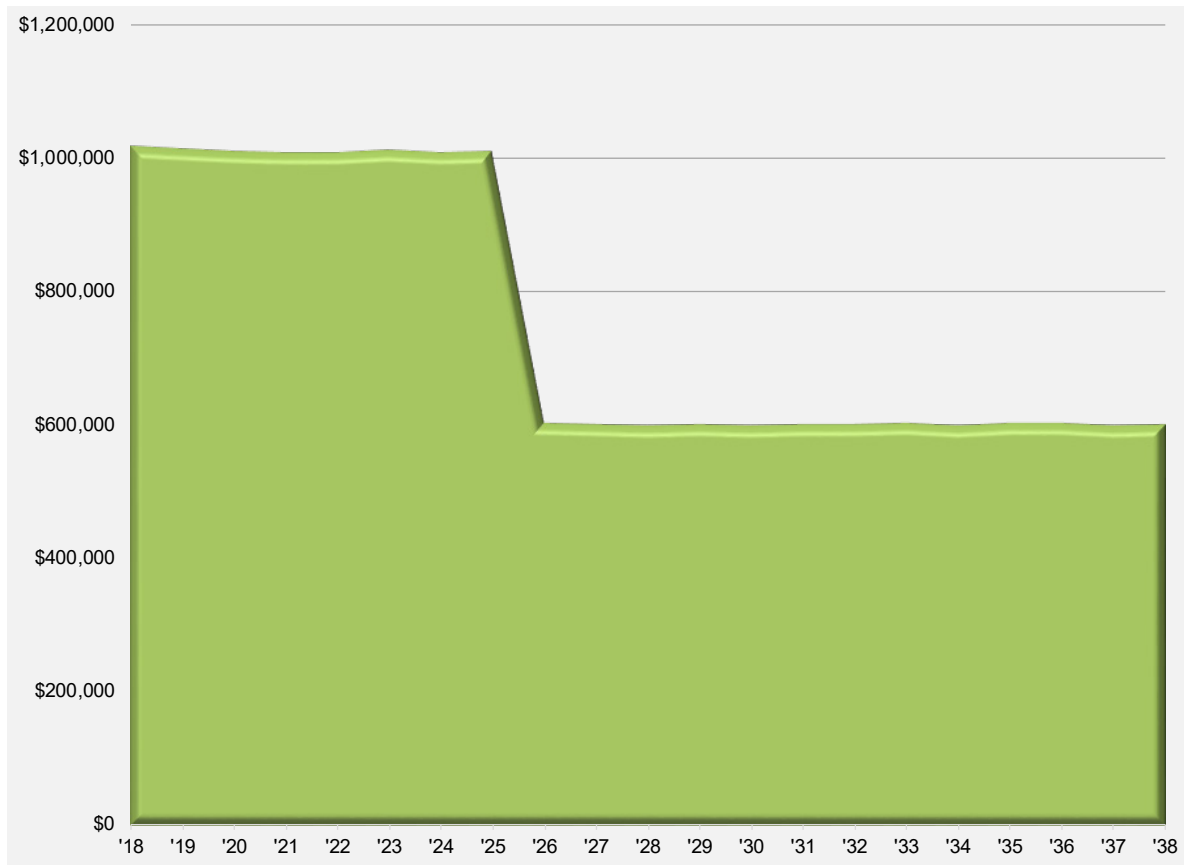
TYPE B DEBT PAYMENTS



Year Ending September 30	Outstanding Beginning of Year	Interest	Principal	Total Requirements
2018	17,308,880	315,485	3,615,000	3,930,485
2019	13,693,880	235,567	3,700,000	3,935,567
2020	9,993,880	173,755	3,750,000	3,923,755
2021	6,243,880	111,097	3,810,000	3,921,097
2022	2,433,880	47,437	1,320,000	1,367,437
2023	1,113,880	23,941	1,345,000	1,368,941
2024	-	-	-	-
2025	-	-	-	-
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
		907,282	17,540,000	18,447,282

Note: Debt used for State Highway 45 improvements

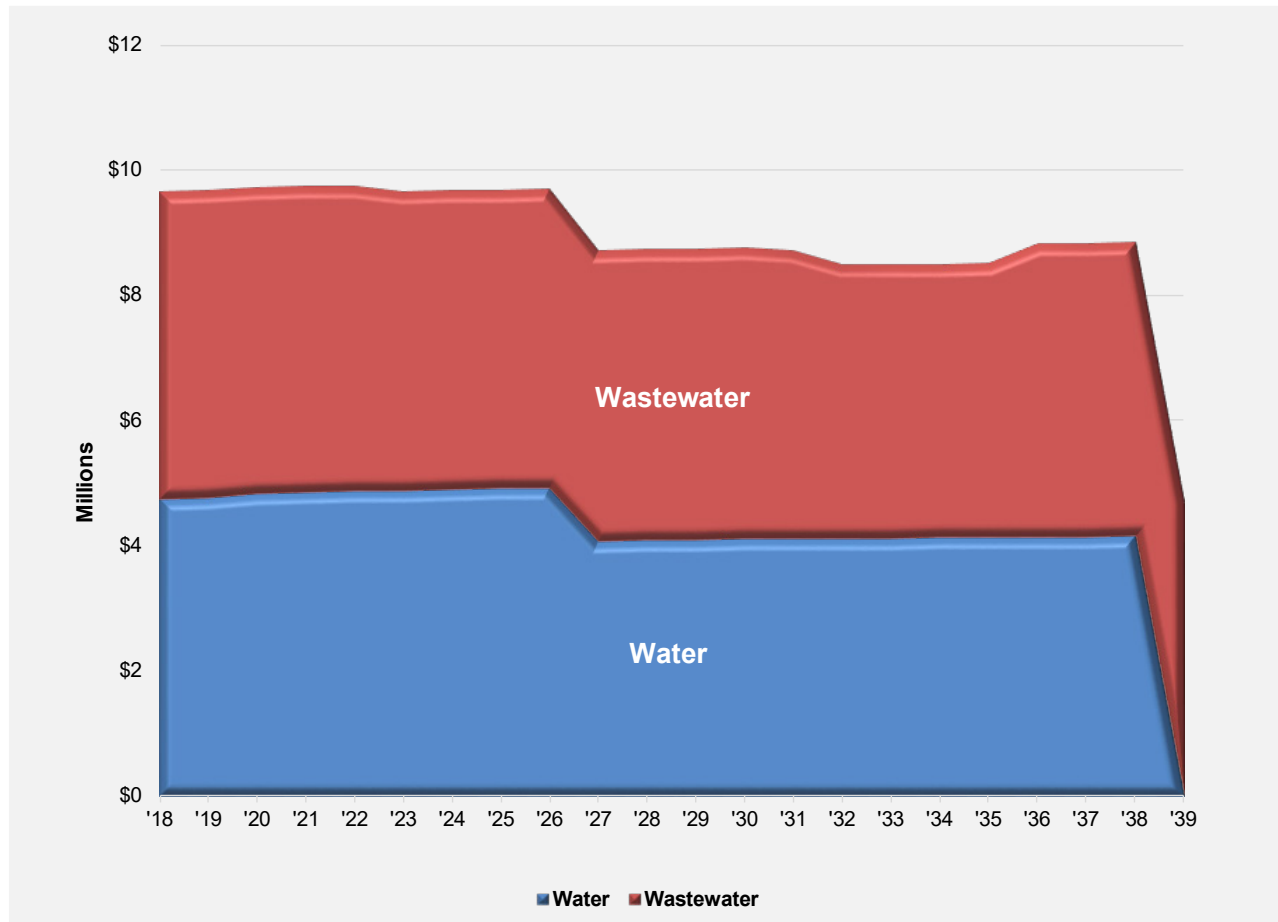
HOTEL OCCUPANCY TAX DEBT PAYMENTS



Year Ending September 30	Outstanding Beginning of Year	Interest	Principal	Total Requirements
2018	12,020,000	397,830	620,000	1,017,830
2019	11,400,000	382,805	630,000	1,012,805
2020	10,770,000	364,955	645,000	1,009,955
2021	10,125,000	343,280	665,000	1,008,280
2022	9,460,000	317,505	690,000	1,007,505
2023	8,770,000	290,680	720,000	1,010,680
2024	8,050,000	262,780	745,000	1,007,780
2025	7,305,000	233,805	775,000	1,008,805
2026	6,530,000	213,180	390,000	603,180
2027	6,140,000	201,330	400,000	601,330
2028	5,740,000	189,180	410,000	599,180
2029	5,330,000	176,655	425,000	601,655
2030	4,905,000	163,755	435,000	598,755
2031	4,470,000	150,255	450,000	600,255
2032	4,020,000	135,840	465,000	600,840
2033	3,555,000	118,700	485,000	603,700
2034	3,070,000	99,000	500,000	599,000
2035	2,570,000	78,500	525,000	603,500
2036	2,045,000	57,100	545,000	602,100
2037	1,500,000	34,900	565,000	599,900
2038	-	11,800	590,000	601,800
		4,223,835	11,675,000	15,898,835

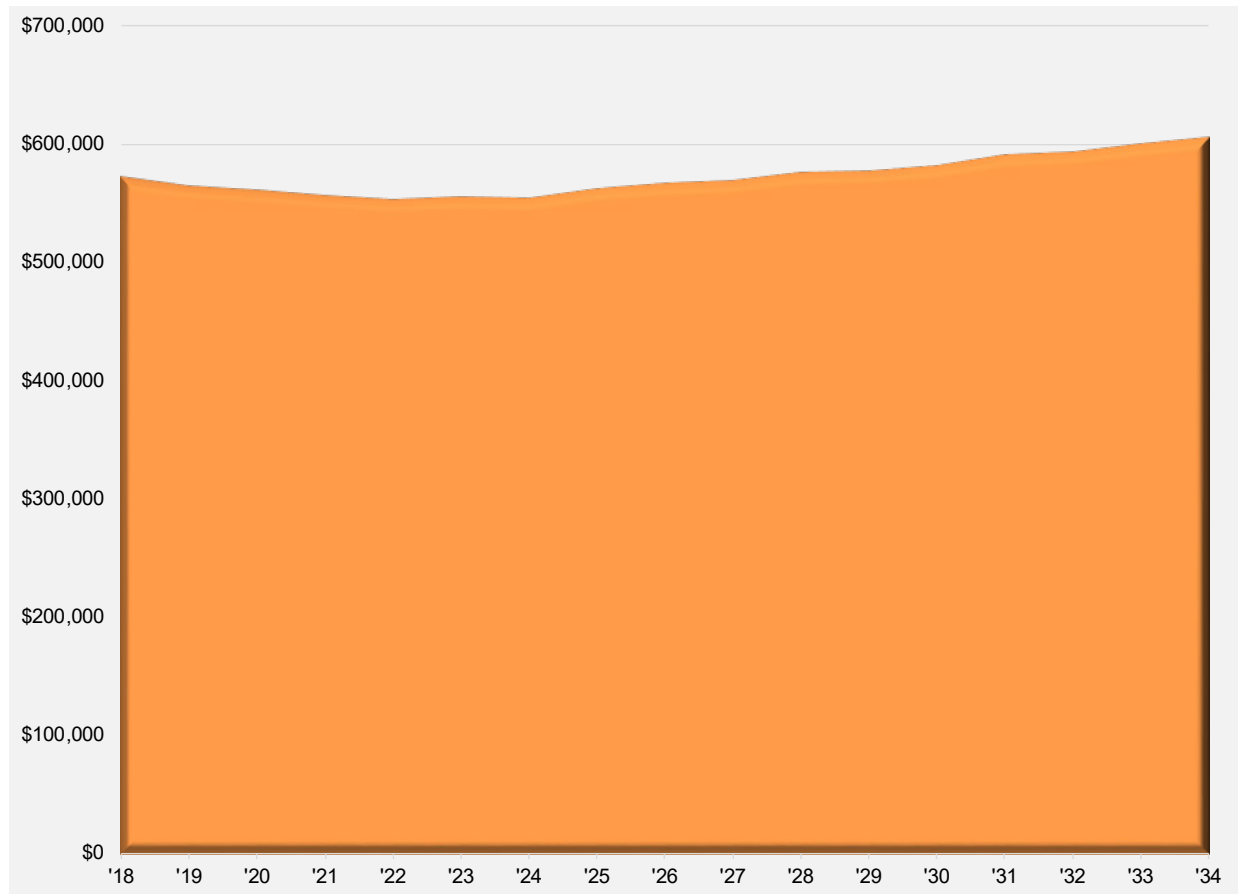
Note: Debt for Dell Diamond and Sports Center

WATER & WASTEWATER DEBT PAYMENTS



Year Ending September 30	Lake Georgetown		Total	BCRWWS	Total
	Raw Water	BCRUA Water	Water Debt	Wastewater	Utility Debt
2018	859,548	3,862,949	4,722,497	4,911,425	9,633,922
2019	861,793	3,890,241	4,752,034	4,907,025	9,659,059
2020	858,163	3,950,800	4,808,963	4,893,475	9,702,438
2021	858,775	3,971,550	4,830,325	4,886,875	9,717,200
2022	858,838	3,990,750	4,849,588	4,877,875	9,727,463
2023	862,978	4,006,150	4,869,128	4,765,275	9,634,403
2024	861,033	4,027,750	4,888,783	4,761,775	9,650,558
2025	858,123	4,040,150	4,898,273	4,759,575	9,657,848
2026	859,633	4,053,550	4,913,183	4,757,075	9,670,258
2027	-	4,062,750	4,062,750	4,642,825	8,705,575
2028	-	4,072,750	4,072,750	4,639,950	8,712,700
2029	-	4,086,000	4,086,000	4,640,325	8,726,325
2030	-	4,092,000	4,092,000	4,646,175	8,738,175
2031	-	4,095,000	4,095,000	4,609,550	8,704,550
2032	-	4,103,200	4,103,200	4,368,550	8,471,750
2033	-	4,106,200	4,106,200	4,366,900	8,473,100
2034	-	4,114,000	4,114,000	4,361,100	8,475,100
2035	-	4,126,200	4,126,200	4,365,500	8,491,700
2036	-	4,128,350	4,128,350	4,679,500	8,807,850
2037	-	4,135,150	4,135,150	4,677,000	8,812,150
2038	-	4,145,750	4,145,750	4,680,000	8,825,750
2039	-	-	-	4,677,750	4,677,750
	7,738,884	85,061,240	92,800,124	102,875,500	195,675,624

DRAINAGE DEBT PAYMENTS



Year End September 30	Outstanding Beginning of Year	Interest	Principal	Total Requirements
2018	7,360,000	242,581	330,000	572,581
2019	7,030,000	229,381	335,000	564,381
2020	6,695,000	215,981	345,000	560,981
2021	6,350,000	202,181	355,000	557,181
2022	5,995,000	187,981	365,000	552,981
2023	5,630,000	180,681	375,000	555,681
2024	5,255,000	169,431	385,000	554,431
2025	4,870,000	157,882	405,000	562,882
2026	4,465,000	147,250	420,000	567,250
2027	4,045,000	134,650	435,000	569,650
2028	3,610,000	121,600	455,000	576,600
2029	3,155,000	107,382	470,000	577,382
2030	2,685,000	92,106	490,000	582,106
2031	2,195,000	76,182	515,000	591,182
2032	1,680,000	58,800	535,000	593,800
2033	1,145,000	40,075	560,000	600,075
2034	585,000	20,475	585,000	605,475
		2,384,619	7,360,000	9,744,619



FLEET

- Proposed Fleet Replacements.....98
- Age Statistics of Vehicles for Replacement.....99

PROPOSED FLEET REPLACEMENTS

General Fund Vehicles	Number	Cost
Fire	4	\$165,800
General Services	2	76,900
Police	19	930,000
Parks & Recreation	9	370,610
Transportation	7	118,000
General Fund Total	41	\$1,661,310

Fire Apparatus	Number	Cost
Fire Apparatus	1	\$1,338,000
Total Fire Apparatus	1	\$1,338,000

Utility Fund Vehicles	Number	Cost
Water	6	\$221,843
Wastewater	9	455,427
Environmental Services	1	23,011
Utility Fund Total	16	\$700,281

Drainage Fund Vehicles	Number	Cost
Drainage	1	\$385,000
Drainage Fund Total	1	\$385,000

City Wide	59	\$4,084,591
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AGE STATISTICS OF VEHICLES FOR REPLACEMENT

POLICE

Model Year	FY 2016/17	FY 2017/18
2011	0	1
2010	2	2
2009	1	6
2008 and older	5	10
Police Total	8	19

ALL OTHER GENERAL FUND

Model Year	FY 2016/17	FY 2017/18
2009	0	3
2007	2	3
2006	4	3
2005	3	3
2004	0	1
2003	2	2
2002 and older	14	8
All Other GF Total	25	23

UTILITIES/DRAINAGE

Model Year	FY 2016/17	FY 2017/18
2008	2	1
2007	0	0
2006	3	3
2005	3	2
2004 and older	10	11
Utilities/Drainage Total	18	17

Grand Total	51	59
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This page shows age statistics of the various vehicles scheduled for replacement in the current year (FY 2016/17) and the proposed year (FY 2017/18). The comparison is provided to show how the fleet is getting caught up, especially for the Police vehicles, with the replacement of comparably old vehicles.



DEPARTMENTS (EXPENDITURES)

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CITY ORGANIZATIONAL CHART





ADMINISTRATION 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
Personnel Services	1,947,659	1,811,703	2,029,170	1,544,171	1,632,983
Operating Expenses	433,513	458,959	382,368	380,305	307,494
Capital Outlay	-	-	-	-	-
Total Expenditures:	\$2,381,172	\$2,270,662	\$2,411,538	\$1,924,476	\$1,940,477
Expenditures per Capita:	\$23.09	\$21.54	\$22.62	\$17.76	\$17.42
FTEs:	15.00	15.00	16.00	11.50	11.50
% Change:	11.5%	-4.6%	6.2%	-20.2%	0.8%

FY 2013/14

- Arts Director was removed from contract status to a FTE causing a slight increase in Personnel Services

FY 2015/16

- Transferred City Hall receptionist from the Utility Fund to Administration; this position once supported Utility Billing, but these duties were removed
- Increased Special Events Funding by \$20,000 to allow for Summer Children's Programming and Art Initiatives
- Community Services funds in the amount of \$63,850 were included to expand the neighborhood services program

FY 2016/17

- Community Service Grant Matching Program \$15,000
- 6 FTEs transferred to new Communications & Marketing Department - 5 FTEs to Communications in General Fund and 1 FTE to Arts in the HOT Fund
- 1 FTE added for Neighborhood Assistant through Mid-Year Budget Amendment
- 0.50 FTE transferred in to account for Part-Time Admin Tech

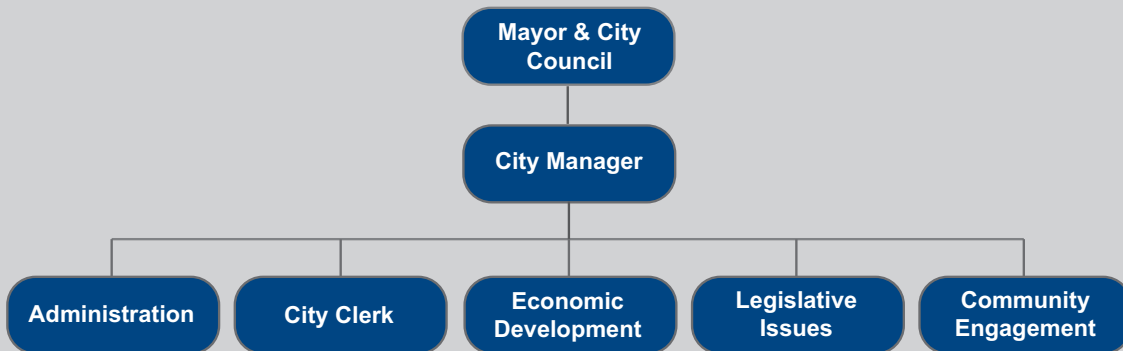
PROPOSED FY 2017/18

- No major programs or notable additions are proposed for FY 2017/18
- Administration reduced their operating budget by \$74,000 through the Zero-Based Budgeting process



ADMINISTRATION

The Administration Department consists of the Mayor and six Council members and the office of the City Manager. These two bodies, working together, are responsible for the formulation and execution of public policy to meet community needs and assure orderly development in the City. The City Manager's Office also provides for the general administration of a multi-million-dollar organization providing a full range of municipal services to over 100,000 customers.



VISION:

Round Rock is a family-friendly community that is safe and distinctive by design, is recognized as the “Sports Capital of Texas” and a major medical and educational destination, and has an authentic downtown and choice of great neighborhoods.

MISSION:

Our mission is to provide leadership and foster a culture of high performance, thereby delivering customer value and enhancing public confidence and satisfaction in Round Rock city government.

GUIDING COUNCIL STRATEGIC GOALS:



ADMINISTRATION

FY 2017 HIGHLIGHTS:

- City Council approved the Economic Agreement with Kalahari Resorts investing in a family resort, water park and convention center located on 351 acres south of U.S. 79 near Old Settlers Park and the Dell Diamond.
- Initial creation of Round Rock UniverCity, which is a 8-week program for citizens to gain knowledge about City departments and operations. The first class held September 2017.
- Coordinated efforts with the Chamber to fund Economic Development Study. The study involves analysis of specific target sectors, property availability, and redevelopment potential for the City of Round Rock.
- Continue to monitor and identify legislative issues in coordination with Randy Cain.
- Held the 4th Annual Neighborhood Conference with 80 attendees including home owner's association and neighborhood association representatives.
- Immortal Ten commemoration held to honor the Baylor Basketball team members who lost their lives in an accident at the railroad crossing in 1927. The survivors of the accident were also acknowledged with a bronze plaque installed at the Immortal Ten bridge on Mays Street.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Continue discussions with Round Rock Independent School District regarding land for a new main Public Library as well as the Luther Peterson Complex.
- Review and potentially make recommendations for changes to the noise ordinance.

NEW PROGRAMS FOR FY 2018:

- No New Program Requests.

FY 2019 OVERVIEW AND BEYOND:

- Continue open dialog with Kalahari Resorts to ensure best outcomes for the City of Round Rock relating to the project.
- Monitor and identify ways to increase sales tax with a push for the next development phase of the Premium Outlets and continue to strategize on efforts to attract significant retail to vacant locations.

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Agendas Posted	n/a	250	250	250
Public Notices Posted	n/a	106	100	100
City Council Items Processed		346	360	380
Open Record Requests Processed	n/a	1330	1400	1450
Economic Development Agreements Approved	n/a	5	3	3



COMMUNICATIONS AND MARKETING 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
Personnel Services	-	-	-	479,959	517,092
Operating Expenses	-	-	-	190,570	273,235
Capital Outlay	-	-	-	-	-
Total Expenditures:	\$0	\$0	\$0	\$670,529	\$790,327
Expenditures per Capita:	\$0.00	\$0.00	\$0.00	\$ 6.19	\$ 7.10
FTEs:	0.00	0.00	0.00	5.00	5.00

FY 2016/17

- New Communications & Marketing Department split out from Administration
- \$11,820 was added for an Annual Car Show

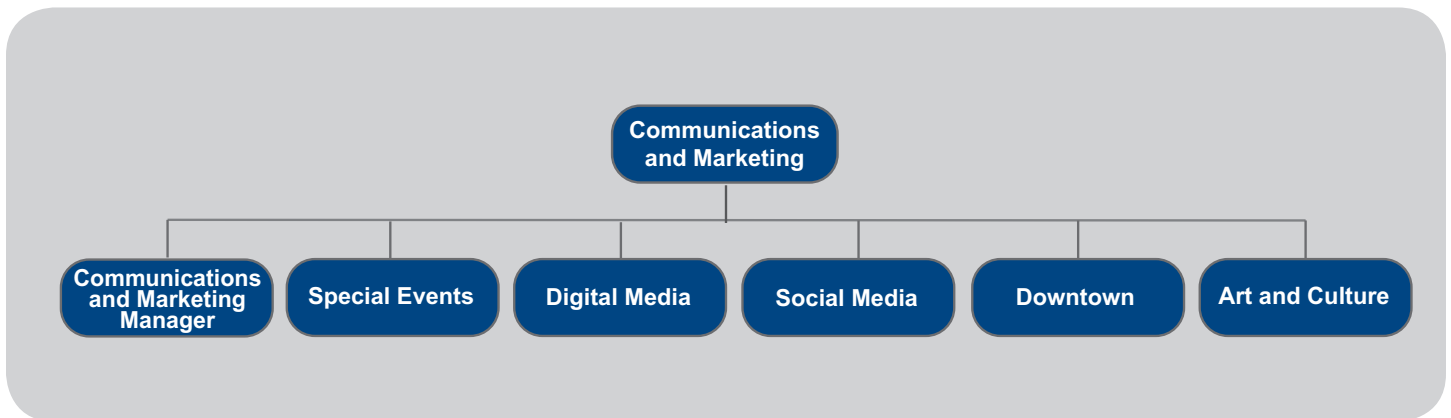
PROPOSED FY 2017/18

- \$20,000 for a Graphic Design Contract to improve City publications
- \$15,000 for a Citywide Photoshoot of City services to improve City publications
- \$14,600 for cost increases for marketing & advertising



COMMUNICATIONS AND MARKETING

The Communications and Marketing Department develops internal and external communications and citizen participation initiatives. The department is also responsible for marketing Downtown Round Rock and the Shop the Rock initiative. Most media relations are handled through this department. Emphasis is placed on engaging citizens in an ongoing dialogue about City policies and programs, designed to instill an attitude of trust and understanding in local decision making. Transparency in government is achieved through use of social media, local access television, newsletters, and the City's website, keeping citizens apprised of public forums for citizen involvement. The department serves its internal customers through the employee intranet, newsletter, blogs, and social media. The department includes the Special Events division which oversees the proactive recruitment and development of special events such as concerts, fairs, and other entertainment type of events to Downtown Round Rock. Focus on promoting the heart of our city, Downtown Round Rock, has been a City Council priority since 2010.



VISION:

We communicate openly and honestly about all the things that make Round Rock a great place to live and do business.

MISSION:

Our mission is to provide open communication which is vital for city government to build trust with the public and effectively govern. Our purpose is to communicate openly with citizens, employees, the media, public and private organizations, and visitors.

GUIDING COUNCIL STRATEGIC GOALS:



COMMUNICATIONS AND MARKETING

FY 2017 HIGHLIGHTS:

- While attending the Government Social Media Conference Austin Ellington, Cities Social Media Coordinator, was awarded 'Facebook Favorite' for Lost Teddy by Key Note Speaker, Katie Harbath, Global Politics and Government Outreach Director for Facebook.
- Communications and Marketing received six awards for its communications and marketing efforts from the [Texas Association of Information Officers](#) (TAMIO). The City won four first place TAMI Awards, one second and one third at the TAMIO conference June 8 in Lakeway.
- The City won seven awards Sept. 8 at the [City-County Communications and Marketing Association \(3CMA\)](#) annual conference in San Antonio. Round Rock won two first places, three second places and a third-place in the [Savvy Awards](#) competition, which honors excellence in local government communications.
- Communications and Marketing became separate department
- Implement Hootsuite, new social media platform across multiple channels
- Digital Media Communications Plan created

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Creating Media Library by hiring professional photographer to shoot City departments documenting services and public safety provided to the community.
- Contracting graphic design assistance to upgrade Cities public facing communications by staying on brand and increasing visual media.
- Expanding Hootsuite, a social media monitoring platform, to include an employee advocacy program which amplifies the cities messaging.
- Continue to support and drive advertisement for Downtown Round Rock and Shop the Rock

NEW PROGRAMS FOR FY 2018:

- Graphic Design Contract Services
- Citywide Photoshoot

FY 2019 OVERVIEW AND BEYOND:

- Increased personnel PIO/Videographer

WORKLOAD INDICATORS:

Indicator	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Target
Special Events Permit	21	25	30	35
Film Permits	13	15	20	20
Downtown Facebook Likes	3,981	8,266	10,000	14,000
City of Round Rock Facebook Likes	7,804	10,828	13,000	18,000
Shop the Rock Facebook Likes	1,596	2,252	3,000	n/a
Video Public Service Announcements	37	24	30	35
Billboard Videos	52	18	40	40
You Tube Subscribers	425	517	600	700



ARTS AND CULTURE (HOT FUND) 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	-	-	-	98,877	109,570
<i>Operating Expenses</i>	-	-	-	106,123	184,430
<i>Capital Outlay</i>	-	-	-	-	-
Total Expenditures:	\$0	\$0	\$0	\$205,000	\$294,000
Expenditures per Capita:	\$0.00	\$0.00	\$0.00	\$1.89	\$2.64
FTEs:	0.00	0.00	0.00	1.00	1.00

FY 2016/17

- A dedicated funding source for the Arts was established in the HOT fund, set by policy to not exceed 5% of Hotel Occupancy Tax revenues

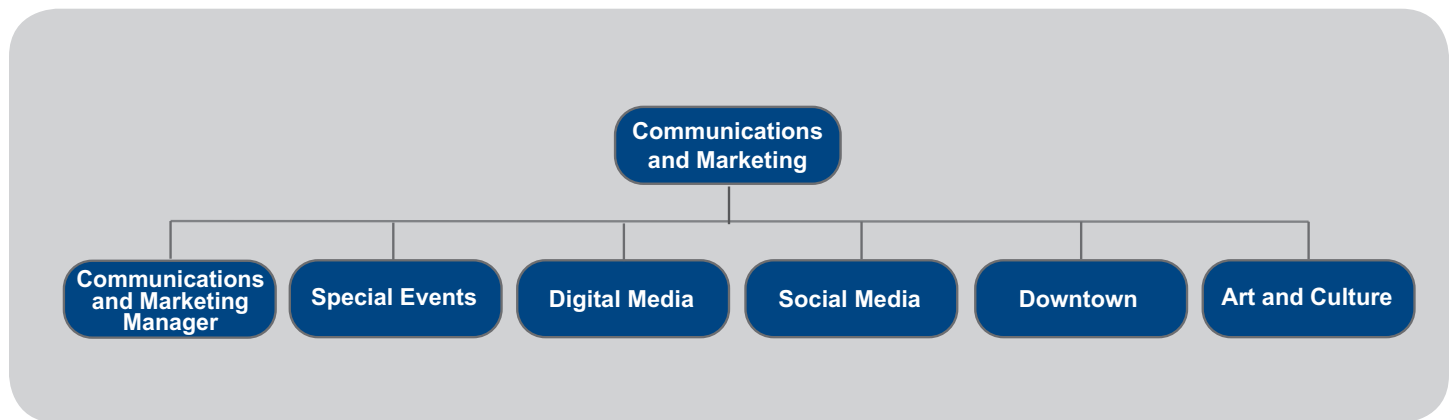
PROPOSED FY17/18

- \$84,000 for one-time Funding for Arts Facility Marketing Campaign



ARTS AND CULTURE

The Arts and Culture Director is responsible for implementing the City's Arts and Culture Master Plan. This office supports the economic development of the community by adding value through the arts to downtown Round Rock and other areas. A focus on promoting the heart of our city, Downtown Round Rock, has been a City Council priority since 2010. Arts and culture are important to quality of life, strong communities, and creating a fun and interesting place to live. The development of the Arts initiatives involves the coordination with various local art and cultural organizations to promote a vision of the Arts and Culture Master Plan.



VISION: The arts and culture are important to Round Rock's quality of life, strengthening our community, inspiring more investment, and creating a greater sense of place.

MISSION: To enrich the quality of life, support and foster the enjoyment, understanding, and development of the arts through diverse and engaging experiences. They contribute to the economy and tourism in the community. The arts and culture also provide resources, education, and artistic initiatives to support and serve individual artists and arts organizations in our community.

GUIDING COUNCIL STRATEGIC GOALS:



ARTS AND CULTURE

FY 2017 HIGHLIGHTS:

- Area Arts and Cultural Guide (printed and distributed at all hotels, festivals, events).
- Working with area arts groups on audience development.
- Re-designed City Arts Grants with Finance Department and distributed funding to arts groups.
- Chalk Walk growth and expansion.
- New Diwali Festival of the Lights (new festival at Centennial Plaza).
- New Holiday Concert with Round Rock Symphony and Round Rock Choir.
- Two new art sculptures at Chisholm Trail Park.
- Strategic Planning with CD Fulkes and Berkman Elementary as Arts Integration Academies.
- New museum location for Williamson Museum on Chisholm Trail.
- Started the Round Rock Foundation for the Arts and Entertainment.

NEW PROGRAMS FOR FY 2018:

- Arts Facility Marketing Campaign – \$84,000

FY 2019 OVERVIEW AND BEYOND:

- Extending the Arts Masterplan into its final phase: Building a flexible type theatre for Downtown and building and operating a regional performing arts facility.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Focus on maintaining and growing arts groups with audience development tools and resources.
- Growing more “making and doing” arts types of events in Downtown throughout the year.
- Fundraising with the Round Rock Foundation for the Arts and Entertainment for a regional performing and entertainment facility.
- Round Rock Foundation for the Arts and Entertainment (marketing, studies, fundraising...).
- More “making and doing” arts type events in Downtown.
- Art Walk with local artists – Downtown event in late Fall.
- All state high school Sculpture Festival with Texas Society of Sculpture and RRISD at Cedar Ridge High School.



FINANCE

5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	2,849,012	2,862,622	2,908,966	3,358,979	3,216,374
<i>Operating Expenses</i>	133,664	122,153	159,684	102,340	105,470
<i>Capital Outlay</i>	-	-	-	-	-
Total Expenditures:	\$2,982,676	\$2,984,775	\$3,068,651	\$3,461,319	\$3,321,844
Expenditures per Capita:	\$28.93	\$28.32	\$28.79	\$31.94	\$29.82
FTEs:	41.00	41.00	39.50	38.75	38.75
% Change:	2.8%	0.1%	2.8%	12.8%	-4.0%

FY 2013/14

- Eliminated a Supervisor and Buyer from the Purchasing Division

FY 2015/16

- \$25,000 for a Process Assessment was budgeted to review and design internal processes in Accounting and Purchasing
- 1 FTE was repurposed from Municipal Court to Finance, one FTE was repurposed and moved to Police and one part-time repurposed FTE was moved to Planning (Several vacancies in early FY 2015/16 led to personnel savings)
- Reorganization of Budget Department to maximize efficiencies and personnel savings

FY 2016/17

- Department budget includes costs for salary adjustments implemented in FY 2016/17.¹

PROPOSED FY 2017/18

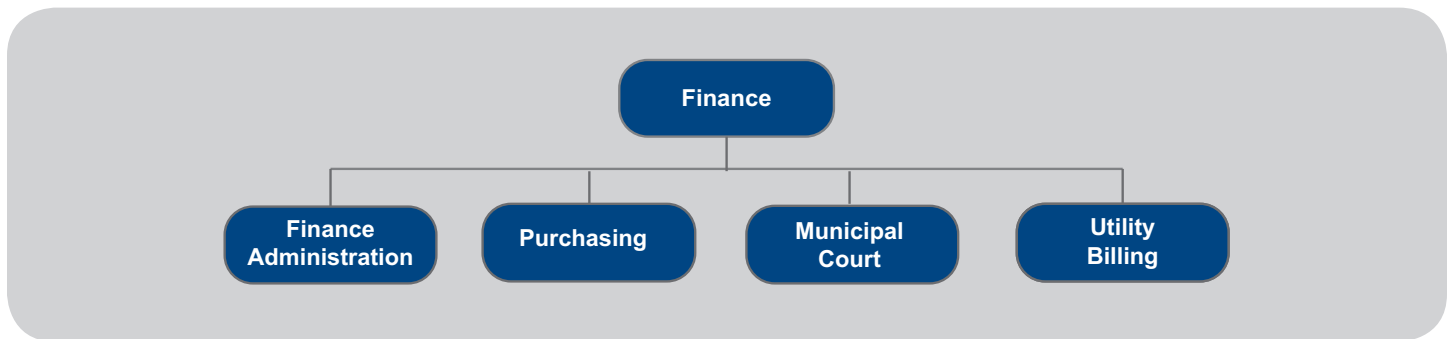
- \$50,000 for New Contract Management and Financial Transparency software to be funded from the IT Tech Fund
- Continued reorganization of positions which generated personnel savings for FY 2017/18 Base Budget

1. Vacancies in FY 2014, 2015 and 2016 led to salary savings in these years.



FINANCE

Management responsibility for all the City's financial activity is centralized in the Finance Department. The City Manager develops, oversees, and communicates strategic financial planning and programs. The Chief Financial Officer is responsible for the City's financial policies, debt management, and the day-to-day operations of the Finance Department and its divisions. Major areas of responsibility include accounting, reporting, payroll, utility billing and collection, purchasing, budget operations, treasury management, and municipal court operations. Other duties of the department include processing accounts payable transactions for all City programs; publishing the City's monthly, quarterly, and annual financial statements; administering the City's cash management and investment program; coordinating the capital improvement program; invoicing miscellaneous receivables; maintaining all capital asset records and administration of the City's Community Development Block Grant Program (CDBG) program.



VISION:

Provide leadership and direction to maintain the financial stability of the City and prepare for future growth.

MISSION:

The Finance Department is responsible for financial planning, policy development, and administration of the City's financial activities.

Finance will achieve our Vision and Mission by focusing on the six Finance Foundations:

- **Drive:**
We are dedicated and passionate about providing a positive work environment to enhance motivation. We are self-motivated and strive to improve service excellence.
- **Transparency:**
We maintain a level of integrity to promote ethical behavior, openness, and communication. We operate in a way that is easy for others to see what actions are performed to inspire trust.
- **Quality:**
We embrace the ongoing process of providing service excellence by assessing, anticipating, and fulfilling the stated and implied needs of our customers.

- **Respect:**

We are a motivated team inspiring a sincere working environment that supports different viewpoints and personalities.

- **Innovation:**

We inspire inventive and forward-thinking teams that network, observe, and connect ideas to achieve innovation.

- **Leadership:**

We lead by example, providing encouragement and guidance with a positive attitude and are responsible stewards of the management and care of resources. We apply ethical principles to make a significant difference.

GUIDING COUNCIL STRATEGIC GOALS



FINANCE

FY 2017 HIGHLIGHTS:

- Implemented Text Messaging reminder feature for Municipal Court defendants.
- Implemented Procurement Card module in MUNIS, the City's enterprise financial software, to fully automated preparation, approval and record keeping process for procurement cards.
- Reviewed and expanded the city's internal control monitoring program, including:
 - Implemented Gradient internal control analytical tool for procurement cards to better monitor transactions. Expenditures under \$3,000, typically through procurement cards, make up 80% of the City's purchases.
 - Developed HR/Payroll process documentation and established regular quality control monitoring program.
- Prepared financial review and analysis, and assisted in negotiations of the Kalahari Resorts economic development agreements.
- Solicited proposals, evaluated services provided and received Council approval for new independent auditors.
- Developed specifications and evaluated proposals for a new 5-year depository banking services agreement.
- Awarded first two Stars under the Texas Comptroller's Transparency recognition program for local governments for Traditional Finances and Debt Obligations.
- Issued \$31 million of General Obligation debt to complete the second phase of the City's 2013 \$123 million voter authorized bond program.
- Received GFOA Distinguished Budget Award for the 20th consecutive year, the GFOA CAFR award for the 30th consecutive year and the

GFOA Popular Financial Report award for the 5th consecutive year.

FY 2018 OVERVIEW AND SIGNIFICANT CHANGES:

- Apply for final three Stars under the Texas Comptroller's Transparency recognition program for local governments in Economic Development, Public Pensions and Contracts and Procurements.
- Evaluate and implement online open data transparency software tool to improve access to City's financial data for both citizens and internal users.
- Analyze the City's procurement and contract management systems and processes to develop a more effective and automated program.
- Conduct 2nd biennial internal customer service survey and implement needed improvements.
- Implement Tyler Content Management document imaging software in Municipal Court to further automate and digitize all paperwork and processes.
- Expand fiscal impact tools and analyses to better measure economic benefits of "Sports Capital of Texas", economic development and other City initiatives.
- Coordinate with Transportation Department to develop and implement a roadway impact fee.

FY 2019 OVERVIEW AND BEYOND:

- Develop OCA Collections program in Municipal Court to prepare for new statutory requirements that will begin in 2020.
- Develop citywide performance measurement system to better track the outputs and outcomes of the City's budget resources and Council's strategic goals.

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Accounts Payable Payments Processed	8,932	9,400	9,700	9,800
Payroll Payments Processed	42,923	43,500	44,000	44,000
Numbers of Purchase Orders Processed	1,251	1,300	1,350	1,350
Court cases filed	7,907	7,143	9,000	10,000
Courtroom appearances	2,970	2,783	3,200	3,500



UTILITY BILLING 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	813,460	829,343	805,739	993,974	1,156,263
<i>Operating Expenses</i>	697,643	759,049	616,471	810,021	903,674
<i>Capital Outlay</i>	-	-	250,000	306,929	-
Total Expenditures:	\$1,511,103	\$1,588,391	\$1,672,210	\$2,110,924	\$2,059,937
Expenditures per Capita:	\$14.66	\$15.07	\$15.69	\$19.48	\$18.49
FTEs:	17.75	17.75	16.50	16.88	17.13
% Change:	-48.2%	5.1%	5.3%	26.2%	-2.4%

FY 2013/14

- Meter Service FTEs were transferred from Water to Utility Billing

FY 2014/15

- Utility Rate Study was conducted

FY 2015/16

- Stage 1 of upgrade to Utility Billing Software was budgeted for \$250,000
- 2 FTEs (Administrative Tech moved to Administration and a Customer Service Representative moved to HR) were moved to the General Fund from Utility Billing and a part-time (0.75 FTE) Customer Service Rep was added

FY 2016/17

- Stage 2 of upgrade to Utility Billing Software - Customer Information System – was budgeted for \$306,929 (**the upgrade is currently underway**)
- During review of position control, transferred 0.375 FTE from Water to Utility Billing

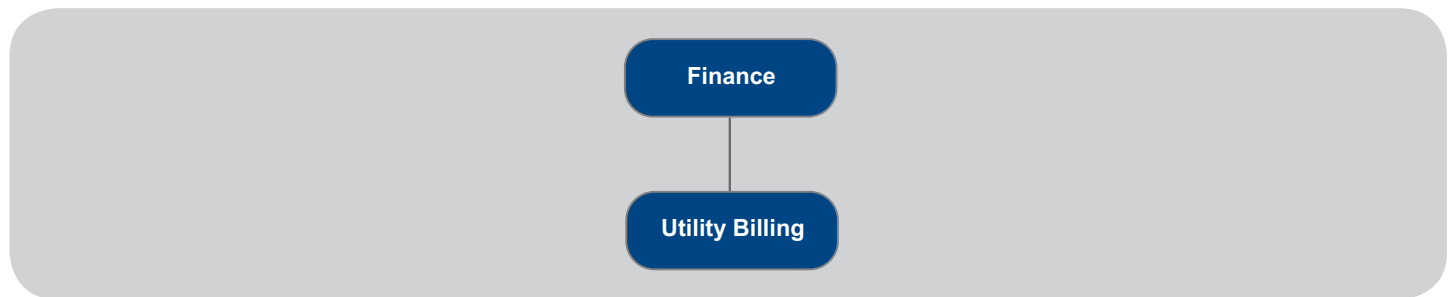
PROPOSED FY17/18

- Extension of Utility Billing Temp Position through the software upgrade \$23,633
- Additional hours (0.25 FTE) for PT Customer Service Rep in Utility Billing \$33,633



UTILITY BILLING

The Utility Billing Office Division is part of the Finance Department and responsible for the accounting, billing, and collection of all customer water, sewer, and garbage billings; connect and disconnect services; and helping customers.



VISION:

Provide leadership and direction to maintain the financial stability of the City and prepare for future growth.

MISSION:

The Finance Department is responsible for financial planning, policy development, and administration of the City's financial activities.

Utility Billing will achieve our Vision and Mission by focusing on the six Finance Foundations:

- **Drive:**
We are dedicated and passionate about providing a positive work environment to enhance motivation. We are self-motivated and strive to improve service excellence.
- **Transparency:**
We maintain a level of integrity to promote ethical behavior, openness, and communication. We operate in a way that is easy for others to see what actions are performed to inspire trust.
- **Quality:**
We embrace the ongoing process of providing service excellence by assessing, anticipating, and fulfilling the stated and implied needs of our customers.

- **Respect:**

We are a motivated team inspiring a sincere working environment that supports different viewpoints and personalities.

- **Innovation:**

We inspire inventive and forward-thinking teams that network, observe, and connect ideas to achieve innovation.

- **Leadership:**

We lead by example, providing encouragement and guidance with a positive attitude and are responsible stewards of the management and care of resources. We apply ethical principles to make a significant difference.

GUIDING COUNCIL STRATEGIC GOALS:



UTILITY BILLING

FY 2017 HIGHLIGHTS:

- Selected vendor and began implementation of new Utility Customer Information System (CIS).
- Reviewed and conducted extensive data clean-up of existing customer information in preparation for new CIS implementation.
- Developed specifications, selected provider and began implementation of new Customer Engagement Portal to complement the new CIS. (Recommendations will come to Council in August 2017.)
- Established secure FTP site for online customer applications.
- Transitioned to new print vendor in January 2017.

NIS to enhance and streamline Stormwater drainage account management and billing.

- Develop customer notifications and online options in preparation for the Fall 2017 closing of the Utility Billing customer drive through.

NEW PROGRAMS FOR FY 2018:

- Additional hours/benefits for two (2) existing part time positions.
- 12-month Extension for Temporary position

FY 2019 OVERVIEW AND BEYOND:

- Continue to expand and enhance customer service and improve internal processes through full integration of AMI metering system, new CIS and Customer Engagement Portal.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Fully implement new CIS core system with go-live date targeted for January 2018.
- Fully implement new Customer Engagement Portal concurrent with CIS with full roll out to customers by spring 2018.
- Implement Central Properties module in MU-

WORKLOAD INDICATORS:

Indicator	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Target
Customer Service Contacts	79,700	84,609	85,000	86,000
Field Trips	14,505	15,100	14,000	13,000
Active Customers	32,588	33,068	34,500	36,000
Consumption Billed	6,112,977,900	6,438,278,500	6,500,000,000	6,900,000,000
Dollars Billed	\$51,135,836.14	\$54,396,464.97	\$55,000,000.00	\$56,500,000.00
Dollars Collected	\$50,818,759.10	\$55,194,740.32	\$56,000,000.00	\$57,000,000.00
Collection Rate	99.38%	99%	99%	99%



FISCAL SUPPORT SERVICES & LEGAL 5 YEAR SUMMARY OF EXPENDITURES

	2013-14	2014-15	2015-16	2016-17	2017-18
	Actual	Actual	Actual	Revised Budget	Proposed Budget
Personnel Services	-	-	296,604	1,750,574	1,526,685
Operating Expenses	2,227,527	2,762,604	2,663,628	3,178,361	3,461,056
Legal Expenses	1,254,021	1,011,980	1,036,423	1,275,000	1,275,000
Capital Outlay	-	-	18,000	18,000	-
Total Expenditures:	3,481,548	3,774,584	4,014,655	6,221,935	6,262,741
Expenditures per Capita:	\$33.77	\$35.81	\$37.66	\$57.42	\$56.23
FTEs:	0.00	0.00	0.00	0.00	0.00
% Change:	1.6%	8.4%	6.4%	55.0%	0.7%

HISTORY

- Operating expenses include social service funding, tax district and tax collection expenses, power and light, professional services, Economic Development payments, and City Manager Contingency.
- The Legal Department includes the contract for City Attorney and all other outside counsel services required for the General Fund Departments and projects.

FY 2015/16

- Funding for pay raises, Fire Department market adjustments, and for Parks & Rec Staffing implementation was budgeted in the amount of \$916,604
- Contingency for Fuel & Lubricants in the amount of \$297,750 was transferred here from department budgets so that in the event of large increase in fuel prices, funds were available to be reallocated to departments

PROPOSED FY 2017/18

- No major programs or notable additions are proposed for FY 2017/18

See detailed breakout of Legal Service expenses on next page and a detailed description of what is included in Fiscal Support Services for FY 2017/18 on the following page.



LEGAL SERVICES DETAIL

UPDATED JULY 25, 2017

Legal Fees Paid by Fund and Vendor

	Vendor	FY 2017 YTD	FY 2016 Actual	FY 2015 Actual	FY 2014 Actual
General Fund	Advanced Discovery				499
	Bourland Law Firm ¹				141,218
	Cary L Bovey			624	1,014
	Clarence A West		345	467	3,312
	Court Reporters Clearinghouse				5,245
	Elert & Associates				6,040
	Herrera & Boyle		1,250	1,800	2,500
	Legalink Inc				1,369
	Linebarger Heard Goggan Blair Graham		-	-	38,048
	Lynn Ross & Gannaway ³	3,759	2,933	5,243	3,948
	McCall, Parkhurst & Horton		-	1,099	6,570
	McCreary Veselka Bragg & Allen PC ⁴	74,327	95,923	131,648	137,524
	Patrick H Wood III	8,333			
	Patrick O'Connor Keel				1,200
	Paul Horsby & Company			2,500	
	Sheets & Crossfield	718,478	1,041,913	1,033,847	1,105,721
	Wright & Greenhill	6,217			
	Wright Watson & Associates				3,411
	General Fund Legal Expenses	811,114	1,142,364	1,177,227	1,457,617
Utility Fund	Sheets & Crossfield	78,522	105,420	117,802	105,183
Type B	Sheets & Crossfield	109,861	113,126	81,031	124,222
HOT - CVB	Sheets & Crossfield	1,205	4,340	7,240	6,360
HOT - Sports Center	Sheets & Crossfield	4,512	3,530	10,232	18,385
Multi Comp	Sheets & Crossfield	3,528			
	Other Funds Legal Expenses	197,628	226,416	216,305	254,150
Total City-Wide Legal Expenses - Actuals		1,008,742	1,368,780	1,393,533	1,711,767
Total City-Wide Legal Expenses - Budget		1,395,000	1,643,000	1,638,000	1,725,000
Total City-Wide Legal Expenses - % of Budget		72%	83%	85%	99%

Professional Services Fees Paid by Fund and Vendor

	Vendor	FY 2017 YTD	FY 2016 Actual	FY 2015 Actual	FY 2014 Actual
	Julianne Acevedo ²	22,500	30,000	30,000	30,000
	Randy C Cain ²	60,000	72,000	72,000	72,000
	General Fund Professional Services Expenses	82,500	102,000	102,000	102,000
Total City-Wide Professional Services Expenses - Actuals		82,500	102,000	102,000	102,000
Total City-Wide Professional Services Expenses - Budget		102,000	102,000	102,000	102,000
Total City-Wide Professional Services Expenses - % of Budget		81%	100%	100%	100%

Notes:

- 1 - Union Pacific and Mercury Communications Agreements
- 2 - Lobbying Fee
- 3 - Human Resources related
- 4 - Municipal Court fine collections. Pass through cost paid by defendants.



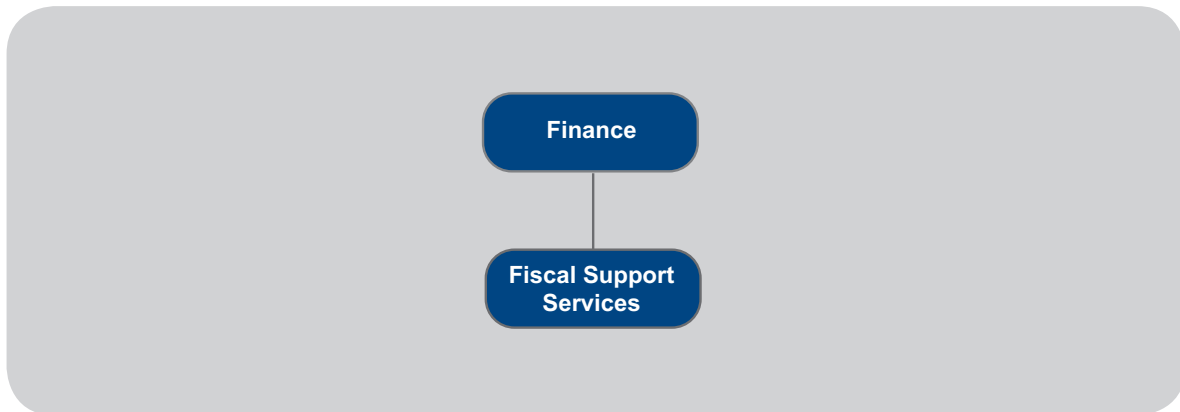
FISCAL SUPPORT DETAIL

Description	Amount
Personnel Services	
Non-Public Safety Salary Adjustments	\$860,085
Extra Health Insurance Increase Funding	666,600
Total Personnel Services	\$1,526,685
 Operating Expenses	
Social Service Funding	180,000
Intergovernmental Charges (Tax District, Health Unit, etc.)	614,762
Insurance - General Liability	350,000
City Manager's Contingency	500,000
Economic Development Payments (Dell PT, Emerson, etc.)	1,132,000
Dues & Fees (NLC, CAMPO, TML, etc.)	44,000
Investment Planning Services	75,000
External Audit Services	80,000
Sales Tax Analysis	36,000
Lobbying Services	102,000
Strategic Planning Services	30,000
Miscellaneous Expenses	317,294
Total Operating Expenses	\$3,461,056
 Legal Services	\$1,275,000
 Grand Total	\$6,262,741



FISCAL SUPPORT SERVICES

The Fiscal Support Services section of the budget provides funding for general government expenditures that are not allocable to any specific department. Due to the general, strictly financial nature of the Department's charge, oversight of the Fiscal Support Services Department's activities is the responsibility of the City's Finance Department.



VISION:

Provide leadership and direction to maintain the financial stability of the City and prepare for future growth.

MISSION:

The mission of the Fiscal Support Services Department is to provide general financial monitoring, oversight, and support to the City of Round Rock for all expenditures that are not allocable to any specific department.

MAJOR BUSINESS FUNCTIONS

Fiscal Support Services:

is a support department for the General Fund. This purely fiscal responsibility center captures expenditures associated with non-allocable costs for general fund related items. Examples of expenditures include various utility and maintenance costs for City Hall and general fund department's expenditure items such as taxes and insurance. Finally, funding is also provided for not-for-profit social service agencies, compensation consultants, legislative lobbying, and City participation in state and national organizations such as the Texas Municipal League and the National League of Cities.

KEY CUSTOMERS:

The Fiscal Support Services' primary customers include General Fund departments. External customers are the non-profit agencies and vendors related to economic development activities and various services the City funds.

CUSTOMER EXPECTATIONS & REQUIREMENTS:

Provide general financial monitoring, oversight and support to General Fund departments for all expenditures that are not allocable to any specific department. This department also responds to all administrative and departmental fiscal needs as necessary.



FIRE 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
Personnel Services	13,968,428	14,452,832	14,953,346	15,179,574	18,345,453
Operating Expenses	1,419,742	1,461,950	1,778,639	1,977,521	1,567,710
Capital Outlay	111,530	119,347	116,000	22,000	-
Total Expenditures:	\$15,499,700	\$16,034,129	\$16,847,985	\$17,179,095	\$19,913,163
Expenditures per Capita:	\$150.33	\$152.12	\$158.06	\$158.55	\$178.77
% Change:	8.3%	3.4%	5.1%	2.0%	15.9%
FTEs:	137.00	137.00	140.00	142.00	152.00
No. Sworn FTEs:	129.00	129.00	132.00	134.00	143.00
No. Civilian FTEs:	6.00	6.00	8.00	8.00	9.00

Each year reflects cost increases for scheduled step pay raises, contract pay increases, and any other market or cost of living adjustments and health insurance cost increases.

FY 2013/14

- 7 firefighters were added to staff a new Engine Company at Station Four

FY 2015/16

- 3 Battalion Chiefs were added so that 2 Battalion Chiefs staff each shift - increased the budget by \$415,639 including necessary equipment
- \$894,000 was funded in the General Capital Projects/Equipment Fund for the Paramedic Advance Care Program and the 911 Automated Dispatching System

FY 2016/17

- 2 FTEs were added (Fire Code Inspector & a second Assistant Chief) for a total cost of \$323,000
- Replacement of RRFD Radio Apex (year 2 of 4) was funded from the General Self-Finance Fund: \$367,949

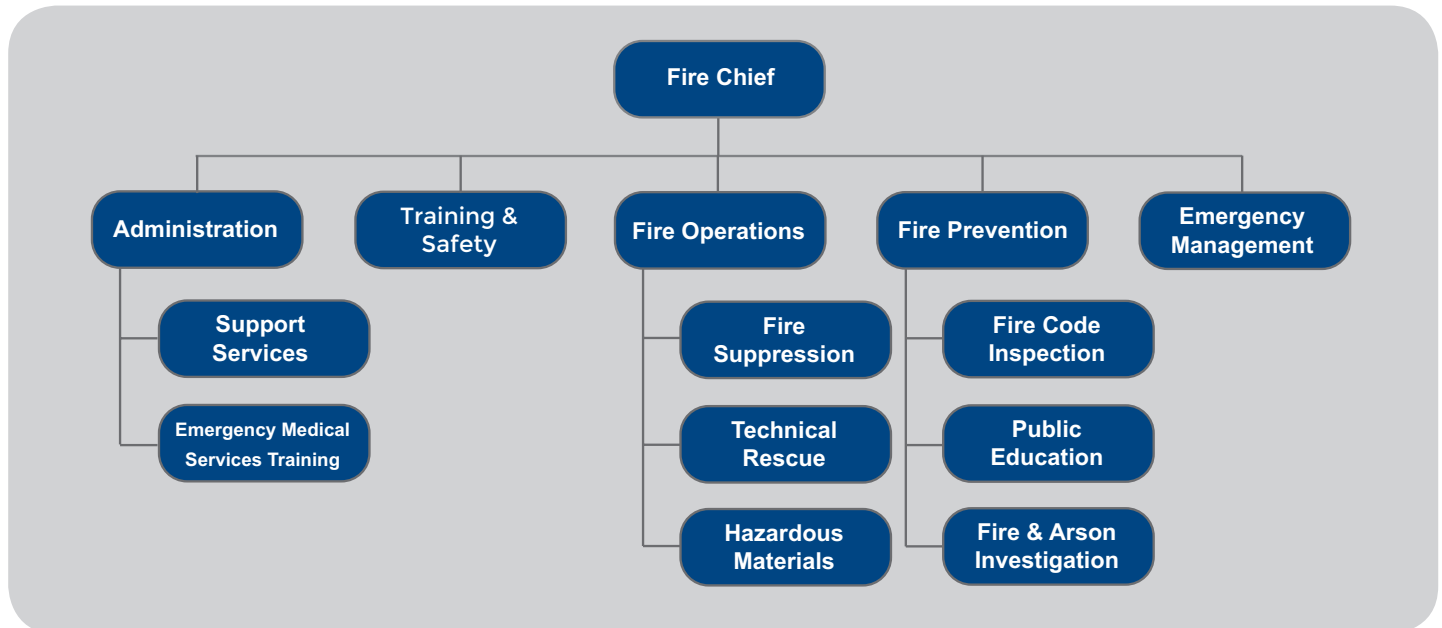
PROPOSED FY 2017/18

- \$188,538 for Station Nine (FM 3406) Equipment
- 9 FTEs proposed for Upgrade SQ3 to Engine 3 for 3 Firefighters, 3 Drivers, and 3 Lieutenants for \$981,000 (Hire Date: 10/1/17)
- 1 FTE proposed as a Logistics Officer for \$67,000 (Hire Date: 10/1/17)
- \$11,138 for Lexipol to review & create new policies for the RRFD
- \$15,000 for Fire Marshal Enhancement Program
- \$750,000 for a new Fire Engine for Station Nine funded from General Self Finance
- \$368,000 for year 3 of 4 for RRFD Radio Replacement funded from General Self Finance



FIRE

The primary responsibility of the Round Rock Fire Department (RRFD) is to provide the emergency services required to meet the demands of a growing population. There is a constant, deliberate effort to provide our customers with the most current knowledge, methodology, and technology available in the realms of fire and emergency services through our training and safety programs. The demands placed on personnel also necessitates the need for physical fitness and the most effective procedural training for firefighters to perform to the best of their ability in crisis situations. Attention is also given to the maintenance of all fire apparatus and peripheral equipment, such as fire hydrants, so that all tools will function properly when needed.



VISION:

The Round Rock Fire Department is a professional and dynamic department that will provide exceptional public safety through dedicated individuals.

MISSION:

Through a professional, well-trained, and safe work force, the members of the Round Rock Fire Department are committed to delivering the highest level of fire suppression, emergency medical, fire prevention, and disaster services, within the City's financial capability, for our rapidly changing residential, business, and corporate communities.

GUIDING COUNCIL STRATEGIC GOAL



FY 2017 HIGHLIGHTS

The fire department continues its process of implementing its 5-Year Strategic Plan. The Strategic Plan was created with input from the staff, strategic planning teams, International City/County Management Associ-

FIRE

ation (ICMA) report, two completed Management Advisory Group (MAG) reports completed in 2005 and 2010, ISO Public Protection Classification report of 2006, data analysis collected by members of the Round Rock Fire Department, and Round Rock GIS section. This plan outlines the future and current needs for staffing, fire apparatus, equipment, fire stations, and best placement of these stations. The department will continue to evaluate its operations, and ensure that the provided resources are used efficiently to meet the fire service demand for a growing population.

- **Round Rock Fire Station No.4 and Station No. 8 Opening:** Fire Station 4 & 8 were approved in 2013 bond. The new stations (which were a split out of our old Station No.4) are located at 1301 Double Creek Drive (Fire Station No. 4), and at 1612 Red Bud Lane (Fire Station No. 8). The department used Geographic Information System mapping to help select ideal locations to address emergency calls and arrive at the scene within the targeted time frame and are both within a quarter mile of where the GIS mapping system selected as optimal locations for the stations. Better response times are part of what went into selecting sites for two new fire stations to improve the level of service that department provides to the citizens of Round Rock. The Stations were built concurrently allowing for us to see a saving that could be used on another needed project.
- **Additional Inspector (Fire Marshal's Office):** The additional Lieutenant will allow for an additional Fire code inspector. The Prevention Division currently has five assigned Fire Code Inspectors, the Fire Marshal, Assistant Fire Marshal, and three Fire Code Inspectors. All personnel assigned to the Prevention Division have additional duties that include administrative, Arson Investigations, Juvenile Fire Setters Intervention, Public Education on Fire Safety, and Fire Extinguisher Training. These additional duties are of great importance to our citizens and contribute greatly in the prevention of fires.
- **2nd Assistant Chief:** The addition of an Assistant Chief allowed us to address an ongoing area of deficiency in senior level supervision.

The size and complexity of the Operations and Administrative areas of the fire department were overseen by a single Assistant Fire Chief. This restricted his ability to complete complex administrative tasks in a timely manner, address pressing needs in the fire operations division, and remain engaged at the Assistant Chief (Director) level of the City. Adding an additional Assistant Fire Chief allowed for the split of the Operations Division and the creation of an Administrative Division.

- **Round Rock Fire Station No.9 Opening:** A single-family home purchased by the City of Round Rock in 2015 after some renovations is now housing an engine company. This was done to improve response times to northwest Round Rock with the anticipated delays that the Texas Department of Transportation's (TXDOT) 3406 bridge project will have in that response area. TXDOT improvement project for the Farm to Market 3406 bridge at Interstate 35 will close the bridge to eastbound traffic as the work is completed. Funding for the renovations came from the bond savings from two recent Round Rock Fire Department projects, Fire Station No.4 and Fire Station No.8. The Round Rock Fire Department is hoping to house out of Station No.9 for the next 10 to 15 years.

FY 2018 OVERVIEW AND SIGNIFICANT CHANGES:

The department's focus in FY 2017-18 is to continue the building process of our Fire/Police Training Center, analyze and determine any pending construction for Station 9, and the relocation of Station 3. This is accomplished through continued analysis of current and projected needs, based on GIS mapping information, population growth projections, and response time criteria for emergency medical calls and structure fires. This analysis is done in collaboration with the Development Services Office, the Transportation department, and the General Services department.

- Continue the build out of the Fire and Police training facility.
- Procurement of land and construction of Fire Station 3

FIRE

NEW PROGRAMS FOR FY 2018:

- **Station 9 (FM3406):** This new program is to provide the operating expense to occupy the current structure at FM 3406 location for our Fire Station #9. A TXDOT project is underway to improve the over pass of Old settlers/FM 3406. Part of this project will involve shutting down the bridge entirely, while other parts will close east bound traffic over the bridge. The TXDOT project will cause an even longer delayed response on the northwest side of IH 35 in what is currently the Fire Station #1 district. This will enhance coverage and improving response to the northwest of Round Rock.
- **Upgrade Squad 3 to Engine 3/ Hire 9 Firefighters:** This New Program adds an Engine Company to Station #3 with an addition of personnel and equipment to address response needs in that district. District #3 is in the southwest area of Round Rock and is one of our busiest districts; it is located near two major roadways, Tollway 45 and IH 35. Due to roadways, residential and commercial businesses, and high call volume there is a significant need for an Engine Company in this area. The location of this district, and the areas infrastructures (Large Commercial structures, Multistory structures, and two major roadways (Tollway 45 and IH 35), a Quint and Engine are needed to fulfill its primary responsibility of providing fire and emergency services to our citizens.
- **Logistics Officer:** This program will add an additional Logistics Officer to assist with purchasing and managing the physical resources for the Fire Department. As the department continues to grow with the addition of uniformed positions, stations, and high dollar assets (Vehicles, Radios, and rescue equipment); we have seen an increased demand, in responsibility of our Logistics officers. Their areas of responsibilities and tasks include but are not limited to maintaining 9 stations, tracking and insuring TCFP regulations are met on firefighting equipment, DEA certification and tracking for our controlled medications, purchasing, issuing, and tracking of personal protective equipment, station clothing, rescue equipment, radio equipment, station furnishing, janitorial supplies, EMS supplies, and office supplies, tracking of repair and maintenance of all suppression and admin vehicles/equipment. On call rotations for 24hr support on incidents which includes delivering air trailer to fire scenes, onsite replacement of damaged equipment, and establishing rehab for personal on scene. Logistics also functions as fire department liaisons for Facilities, Vehicle Maintenance, and ITC.
- **Lexipol (Policy Software):** This new program is to establish a contract with Lexipol to review and create policies for the Round Rock Fire Department. Lexipol helps create policies that are compliant with state and federal laws and regulations; all while allowing for compliance and customization for our department needs. If any new legislation is implemented that influences our accepted policies, we will be notified and allowed to retain or change said policies. Training bulletins are made available that create an on-line training platform which ties our policy to real-world applications. This will bring us one step closer to obtaining an ISO 1 rating for the city, and accreditation for the department.
- **Fire Marshal Enhancement Program:** This is an overtime program designed to enhance the fire and life safety inspection program for existing occupancies in the City of Round Rock. The Prevention Division is required to inspect all existing commercial occupancies annually by ordinance; due to divisional demands, and growth of the city, the average time for completing inspections is 15 months. In recent years, new construction has been on the rise. The demand for public education is growing for all age groups. When fires occur, our Inspection Personnel are also the ones who conduct the fire investigations. Prevention staff have annual continuing education requirements that must be met for fire, medical, and law enforcement. We also have the Kalahari Development, Nutty Brown, and the depot developments coming to the City of Round Rock that will place even more demands on our inspection program and essentially occupy one of our inspectors throughout

FIRE

the process of development. This new program will allow for overtime funds to be used to supplement our division with shift personnel to meet the demands of the city new and existing.

FY 2019 OVERVIEW AND BEYOND:

We have identified a course of action for future fire stations, station locations, type and number of apparatuses, and what future staffing should be. This will ensure we meet the demands of a growing population and can provide our citizens, with the best fire service possible, in the years to come.

- Build, staff, and equip Fire Station 10.
- Remodel of Central Fire Station

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Total Calls	9,922	9,971	10,250	10,500
Total Unit Responses	13,653	13,721	14,000	14,500
Total Number of EMS Incidents	5,925	5,926	6,200	6,500
Total Number of Motor Vehicle Incidents	825	825	850	900
Hours of Fire Training	25,007	25,000	28,500	30,000
Hours of EMS Training	3,888	3,800	4,145	5,000
Hours of Command Level Training	9,481	9,500	10,365	10,000
New Construction Inspected	2,192	2,192	2,301	2425
Existing Construction Inspected	3,050	3,050	3,335	3690
Public Education Number of Events	232	232	250	260

*Numbers are based on approval of New Program (Fire Code Inspector)



GENERAL SERVICES 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	2,287,573	2,507,353	2,747,067	3,031,155	3,345,950
<i>Operating Expenses</i>	706,026	859,082	884,059	1,106,664	1,229,225
<i>Capital Outlay</i>	83,398	9,146	31,975	20,000	20,000
Total Expenditures:	\$3,076,997	\$3,375,581	\$3,663,101	\$4,157,819	\$4,595,175
Expenditures per Capita:	\$29.84	\$32.02	\$34.37	\$38.37	\$41.25
FTEs:	36.50	38.50	41.00	44.00	47.00
% Change:	13.4%	9.7%	8.5%	13.5%	10.5%

FY 2013/14

- 4 FTEs were added in Facilities Maintenance and Vehicle Maintenance to keep up with the infrastructure and vehicle maintenance needs

FY 2014/15

- 2 FTEs were added – a Mechanic and Administrative Associate – to help maintain the department workload

FY 2015/16

- 2 FTEs were added – a Small Engine Mechanic and a Facilities Maintenance Tech for a total of \$90,000
- 0.5 FTEs was added through the FY 2015/16 Mid-Year Budget Amendment which converted a 0.5 FTE Custodian at CMRC to a 1 FTE full-time position

FY 2016/17

- 1 FTE added as a Superintendent Building Construction for \$74,000
- One-time expense of \$25,000 for new Tire machines
- Additional line item funded for Temp Admin support \$40,660
- 1 FTE transferred from IT to General Services as an additional Superintendent Building Construction
- 1 FTE added for Assistant Director through the Mid-Year Budget Amendment

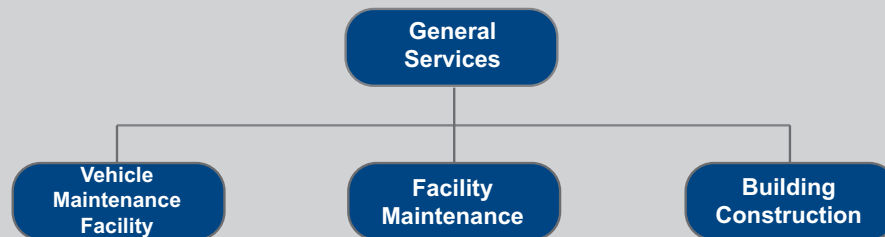
PROPOSED FY 2017/18

- 1 FTE proposed as a Custodian for the Police Department for \$39,517 (Hire Date: 2/1/18)
- 1 FTE proposed as a Facility Maintenance Tech for Clay Madsen Rec Center for \$79,482 (Hire Date: 10/1/17)
- 1 FTE proposed as a Downtown Maintenance Tech for \$58,207 (Hire Date: 10/1/17)
- A new vehicle (\$30,500) for Building Construction Division position added in the FY 2017 Mid-Year Budget Amendment and a new sidewalk sweeper (\$50,000) for Downtown Maintenance Tech proposed to be funded through General Self-Finance
- Additional Line Items: \$5,559 for Training & Education



GENERAL SERVICES

General Services is responsible for overseeing the fleet operations, building construction and the repair and maintenance of the City facilities. The Vehicle Maintenance Facility provides maintenance and repair of the City's vehicle fleet and equipment. The Building Construction Division handles all remodels and new construction. Facility Maintenance is responsible for repairs, maintenance, and custodial for most City buildings.



VISION:

To be a leader and provide exceptional customer service.

MISSION:

To provide a quality and safe environment for our customers and employees and demonstrate world-class stewardship of our physical assets.

GUIDING COUNCIL STRATEGIC GOAL



FY 2017 HIGHLIGHTS:

- Facility Maintenance – Implemented new work order software (Facility Dude)
- Facility Maintenance – Started converting lighting to LED
- Facility Maintenance – Began implementing Energy Management System (EMS) in City buildings. City Hall, Business Center, McConnico, Clay Madsen Recreation Center, Fire Stations 4 & 8, Sports Center, Baca Senior Center, and the Round Rock Police Department
- Building Construction – Completed construction of Fire Station #4 and #8
- Building Construction – Completed construction of the Fireball Grill
- Building Construction – Completed construction of Fire Station #9 Phase 1
- Building Construction – Completed construction of Old Settlers Multi-Purpose Complex
- Building Construction – Completed McConnico office remodel
- Building Construction – Completed assessment for Fire Station #3
- Building Construction – Luther Peterson in de-

GENERAL SERVICES

sign development

- Building Construction – Started construction on Public Safety Training Center
- Building Construction – Partnered with Transportation for Commons demolition
- Vehicle Shop – ASE Certified
- Equipment Lifts- will be purchased with Funds from this fiscal year
- Replace Tire Changer & Balancers- will be purchased with Funds from this fiscal year

FY 2018 OVERVIEW AND SIGNIFICANT CHANGES:

- Building Construction – Assisted CORR IT with test of OneDrive
- Building Construction – Implemented contractor startup packet
- Complete Police and Fire Training Center
- Start Construction – Luther Peterson Complex

FY 2019 OVERVIEW AND BEYOND:

- New FTE position to accommodate City's growth and to continue to provide excellent customer service.
- Building Construction Division to implement an architectural startup packet to improve communication.
- Building Construction Division to acquire and implement project management software.
- Facility Maintenance – Adding Library and Luther Peterson Complex
- Start Construction of the new Library

NEW PROGRAMS FOR FY 2018:

- Custodian – Police Department
- Facility Maintenance Tech for CMRC
- Vehicle for Building Construction Division
- Downtown Maintenance Technician

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Facility Maintenance Work orders	1,312	1,500	1,700	1,750
City Buildings Maintained	47	51	56	56
Trade Contracts	15	17	18	18
Service Contracts	5	5	5	5
Generators Maintained	23	25	27	27
City Vehicle/ Equip Owned	1,495	1,496	1,516	1,520
Vehicle Maintenance Work orders	4,500	4,761	5,249	5,300
Fuel Used (gallons)	375,850	354,756	414,375	415,000
New City Bldgs. (under Construction)	1	4	2	0



HUMAN RESOURCES 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	888,577	974,657	1,002,728	1,062,895	1,118,537
<i>Operating Expenses</i>	133,024	143,698	177,968	249,815	231,829
<i>Capital Outlay</i>	19,547	-	-	-	-
Total Expenditures:	\$1,041,148	\$1,118,355	\$1,180,696	\$1,312,710	\$1,350,366
Expenditures per Capita:	\$10.10	\$10.61	\$11.08	\$12.12	\$12.12
FTEs:	10.75	10.75	11.75	11.75	11.75
% Change:	8.7%	7.4%	5.6%	11.2%	2.9%

FY 2014/15

- An increased emphasis on employee training was added

FY 2015/16

- Additional costs for employee training and education were added for \$23,990
- 1 FTE was transferred from Utility Billing to Human Resources to account for a HR Assistant position
- Open positions lead to salary savings in Personnel Services

FY 2016/17

- Additional line item requests for Education Assistance Program, Vending & Food Services, Office & Employee Recognition Supplies were added for \$18,900

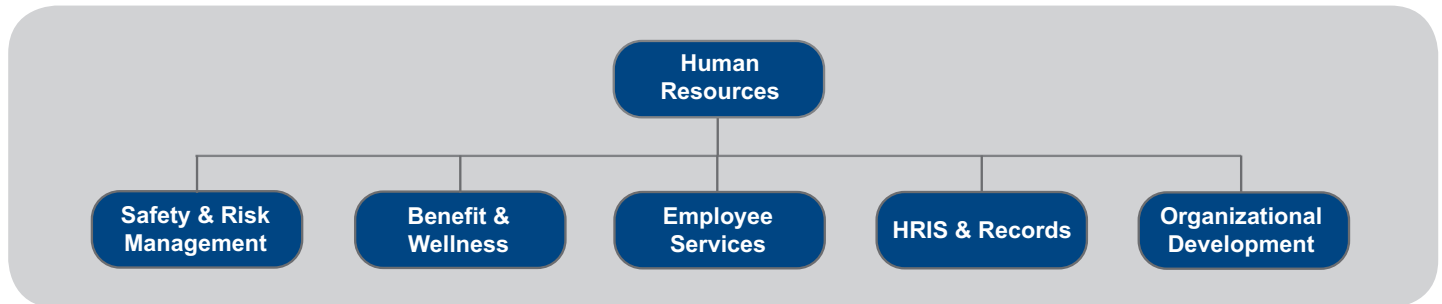
PROPOSED FY 2017/18

- No major programs or notable additions were requested for FY 2017/18
- Personnel costs include funding for health insurance cost increases
- Added \$5,200 in the base budget for Operating Expenses for the Customer Service Week which has been paid out of City Manager's Contingency in Fiscal Support in prior years



HUMAN RESOURCES

The Human Resources (HR) Department is responsible for providing direction and leadership in human resource matters that support the City's success. Our focus is to provide the following major HR business functions: Safety and Risk Management, Benefits and Wellness, Employee Services (Compensation, Talent Management & Employee Relations), managing the Human Resource Information System/Records, and Organizational Development.



VISION:

To encourage and support a work/life balance for employees while maintaining a diverse, respectful, and safe work environment.

MISSION:

To attract, engage, and retain the best talent to provide quality service to the citizens of Round Rock.

GUIDING COUNCIL STRATEGIC GOAL:



FY 2017 HIGHLIGHTS:

- HR Strategic Plan
- Internal handling procedures for auto accidents
- Risk Management manual modifications and training
- Pilot automated NeoGov Onboarding new hire process for seasonal employees
- LinkedIn employee recruitment and City brand recognition

HUMAN RESOURCES

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Succession Planning Initiative - departmental stay interviews and knowledge transfer process
- Full implementation of automated NeoGov Onboarding new hire process for regular employees
- Munis expansion - employee certifications, FMLA, training and employee evaluations
- Develop online compensation database to respond to compensation surveys request
- Increase awareness and use of EmployeeNet as a resource for City information
- Partner with Spanish @Work to offer a 6-month Business Spanish class to interested team members
- Expand Business Partnerships with departments
- Develop a diversity recruitment strategy with public safety departments
- Spanish @Work classes for directors

NEW PROGRAMS FY 2018:

- No New Program Requests.

WORKLOAD INDICATORS:

Indicators	FY 2017 Projected	FY 2018 Target
Number of Employment Verifications	116 to date; 136 by year-end	150
Number of App. Background Checks & Drug Screens	150 to date; 180 by year-end	225
Number of Exit Interviews	30 to date; 45 by year-end	50
Number of Compensation Surveys	15 to date; 30 by year-end	30
Number of Employee Development Trainings	48 to date; 72 by year-end	80
Number of Employment Applications	14,049 to date	18,000
Number of Open Records Request	15 to date; 21 by year-end	25



INFORMATION TECHNOLOGY 5 YEAR SUMMARY OF EXPENDITURES

	2013-14	2014-15	2015-16	2016-17	2017-18
	Actual	Actual	Actual	Revised Budget	Proposed Budget
<i>Personnel Services</i>	1,901,667	2,023,370	1,960,924	2,128,766	2,321,078
<i>Operating Expenses</i>	1,799,145	1,704,345	1,846,357	2,106,131	2,254,941
<i>Capital Outlay</i>	60,152	102,155	65,568	75,000	75,000
Total Expenditures:	\$3,760,964	\$3,829,870	\$3,872,850	\$4,309,897	\$4,651,019
Expenditures per Capita:	\$36.48	\$36.33	\$36.33	\$39.78	\$41.76
FTEs:	22.00	22.00	22.00	21.00	21.00
% Change:	1.5%	1.8%	1.1%	11.3%	7.9%

History

- Funding is provided in the General Capital Projects/Equipment Fund in the amount of \$750,000 or technology expansions and improvements.

FY 2014/15

- Budget included recommendations from the market study which lead to an increase in Personnel Services

FY 2016/17

- 1 FTE (Database Administrator) transferred to General Services to fill a need as an additional Superintendent Building Construction

PROPOSED FY 2017/18

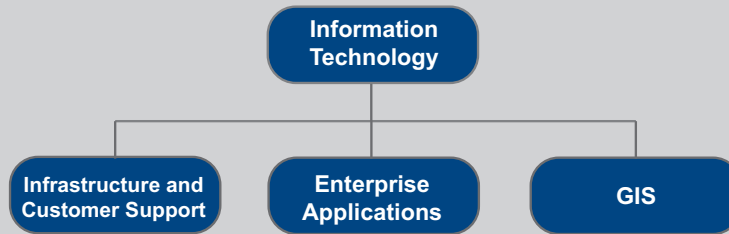
- No major programs were requested for FY 2017/18
- An examination of all software licensing costs was conducted and the base budget was increased accordingly to reflect the growing costs of software services
- Personnel costs include funding for health insurance cost increases



INFORMATION TECHNOLOGY

INFORMATION TECHNOLOGY

The Information Technology (IT) Department's function is to maintain and support the hardware and software infrastructure within the City government, assist in procurement and training for all major software systems, and help guide all departments in forming plans for their future use of technology.



FY 2017 HIGHLIGHTS:

MISSION:

The IT Department's mission is to assist all City departments to become more productive using technology, to safeguard relevant data, and to increase the sharing of important governmental information between City departments.

GUIDING COUNCIL STRATEGIC GOALS:



- Fiber Network and RRTX Wi-Fi Expansion to Rock'N River, new Fire Stations, and Lake Creek Pool, Multi-purpose fields, and Golden Gloves complex.
- Network security improvements
- Emergency Operations Center Audio/Visual technology upgrade
- Planned and implemented technology in two new Fire Stations
- Implementation of improved IT management and customer support tools
- Implementation of Microsoft Office 365 Online apps, Skype for Business Conferencing, and group collaboration sites
- Cloud datacenter connectivity with Microsoft Azure
- Enhancements to City websites – PD Bolos – CATS
- Re-design of City downtownroundrocktexas.com website
- Implement Police officer body camera program including infrastructure and in-car technology upgrades
- Facilities Maintenance Work Order System
- Implemented Storeroom module for inventory tracking in Cityworks
- Implemented Smart911 system for Public Safety
- Forest Creek Golf Course technology improvements

INFORMATION TECHNOLOGY

FY 2018 OVERVIEW AND SIGNIFICANT CHANGES: NEW PROGRAMS FY 2018:

- Support of new facilities - Multipurpose fields, Police/Fire Training Center, and Fire Station 9
- New Utility Billing system and customer facing water billing/usage analytics tools
- Fiber Network Expansion
- Parking Garage smart sensor/digital signage system
- Standardization of conference room technology
- Develop City Police department recruiting website
- Use of VR and Augmented reality technologies
- Use of voice control technology (Amazon Alexa/Google Home)
- Investigate new desktop and application streaming technology
- Expand Azure and AWS cloud capabilities

- No New Program Requests

FY 2019 OVERVIEW AND BEYOND

- Expansion in use of cloud Infrastructure services
- Expansion of fiber network and RRTX-WiFi
- Evaluate and implement “smart” facilities technology
- Focus on implementing the smartest technologies to run our business
- Continued emphasis on mobile technology and applications tailored for mobile
- Continue improvement of security measures to protect City data

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Help Desk Tickets Resolved	5,700	5,000	5,400	5,800
PC Replacement	160	195	230	250
IT Major Projects Implemented	10	14	12	10
Page Visits for Public Facing Websites	1,780,789	1,971,000	2,200,000	2,400,000
Usage of RRTX Wi-Fi (Data Usage)	26 TB	34 TB	48 TB	64 TB
Technology Funded Projects	8	15	13	5
Mobile App Downloads	1438	740	550	750



LIBRARY 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	1,771,014	1,896,202	1,940,131	2,022,524	2,105,201
<i>Operating Expenses</i>	677,892	628,379	663,129	733,474	721,624
<i>Capital Outlay</i>	-	-	-	-	-
Total Expenditures:	\$2,448,906	\$2,524,581	\$2,603,260	\$2,755,998	\$2,826,825
Expenditures per Capita:	\$23.75	\$23.95	\$24.42	\$25.44	\$25.38
FTEs:	30.50	30.50	30.50	30.50	31.00
% Change:	7.2%	3.1%	3.1%	5.9%	2.6%

FY 2013/14

- 1 FTE was added as a Youth Librarian

FY 2015/16

- Additional funding for on-line services, electronic materials and supplies was added totaling \$55,461

FY 2016/17

- Library Safety Monitor was added as a contract position for \$6,100
- Additional line items were added for Contract Labor, Office Supplies and Leased Library materials for \$26,900

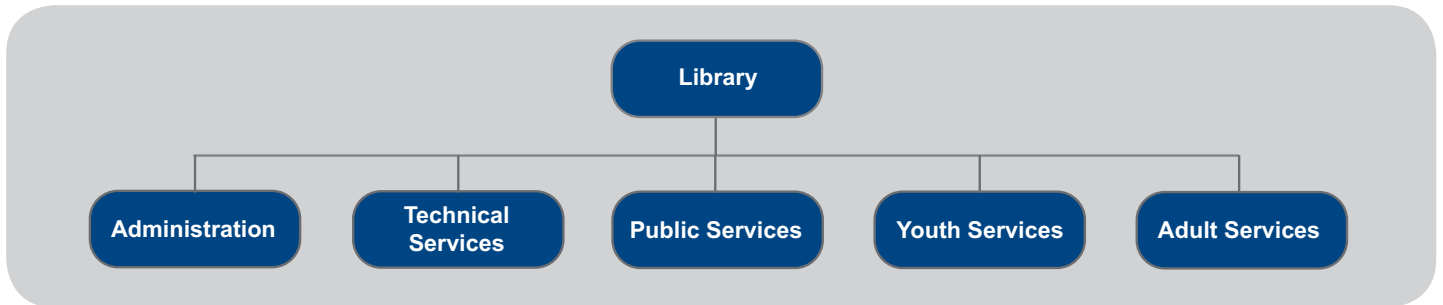
PROPOSED FY 2017/18

- 0.5 FTE proposed for a Part-Time Adult Services Assistant \$17,111 (Hire Date: 1/1/18)
- Additional line items requested for CollectionHQ software to be funded from the IT Tech Fund for \$15,000



LIBRARY

The Round Rock Public Library System provides our growing and diverse community a variety of exceptional programs and services. Our caring and knowledgeable staff maintains an attractive and dynamic environment in which to find information, enjoyment, and enrichment.



MISSION:

The Round Rock Public Library proudly serves its dynamic and growing community by providing high quality resources, services, and programs.

GUIDING COUNCIL STRATEGIC GOALS:



FY 2017 HIGHLIGHTS:

- Three staff retirements and six internal promotions
- Small Business Champion Award
- Best of Round Rock Winner for Children's Classes
- Site selected for new main library
- Hindi added to Bilingual Preschool Storytime
- Odilo Spanish-language eBooks for both adults and children
- Grant awards received for STEAM preschool story time
- New program series designed to help teens develop life skills

LIBRARY

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Succession planning and staff retirement in Public Services
- Take Home Technology Collection: Dash & Dot Robotic Kits
- Breakout Edu programs for tweens and teens

NEW PROGRAMS FOR FY 2018:

- Adult Services Part-Time Library Assistant

FY 2019 OVERVIEW AND BEYOND:

- Library Bond Project

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Reference Transactions	51,272	47,170	50,000	48,000
Volunteer Hours	8,025	8,265	8,000	7,264
Community Outreach Contacts	4,052	4,133	5,000	4,223
Circulation	972,094	942,932	1,000,000	1,001,947
Interlibrary Loans	4,400	4,268	4,000	4,326
Public Access Computer Uses	74,476	75,220	70,000	72,755
Database Uses	23,660	22,714	25,000	15,939
Program Attendance	44,755	54,153	50,000	51,703
Library Visits	388,625	408,056	390,000	422,556



PARKS AND RECREATION 5 YEAR SUMMARY OF EXPENDITURES

	2013-14	2014-15	2015-16	2016-17	2017-18
	Actual	Actual	Actual	Revised Budget	Proposed Budget
Personnel Services	6,052,984	6,424,801	6,877,099	7,578,038	7,826,941
Operating Expenses	3,312,808	3,439,180	3,429,110	3,516,202	3,745,665
Capital Outlay	236,008	452,842	101,242	97,000	120,190
Total Expenditures:	\$9,601,800	\$10,316,823	\$10,407,451	\$11,191,240	\$11,692,796
Expenditures per Capita:	\$93.12	\$97.88	\$97.64	\$103.29	\$104.97
FTEs:	91.25	91.25	101.88	102.00	105.38
% Change:	5.3%	7.4%	0.9%	7.5%	4.5%

- Each year reflects cost increases in overtime, temp salaries and other costs involved with providing Events and Programs to the constantly expanding population

FY 2015/16

- \$400,000 was included for implementation of a staffing study; the compounding of a full year impacted the FY 2016/17 personnel budget
- 1 FTE as an Aquatics Director, seasonal staff, and operating costs added for the expansion of Rock'N River for \$329,000
- 3.75 FTEs added through converting Temp staff to PT for the CMRC weekend team for \$53,214
- 5.875 FTEs added through the FY 2015/16 Mid-Year Budget Amendment: Camp Supervisor (1 FTE), Park Ranger (1 FTE), Marketing & Communications Coordinator (1 FTE), PT Bus Drivers (1.25 FTEs), Reservation Specialist (1 FTE), and converting Temp staff to PT (0.625 FTEs)

FY 2016/17

- Additional line item added for Contract Labor \$25,000

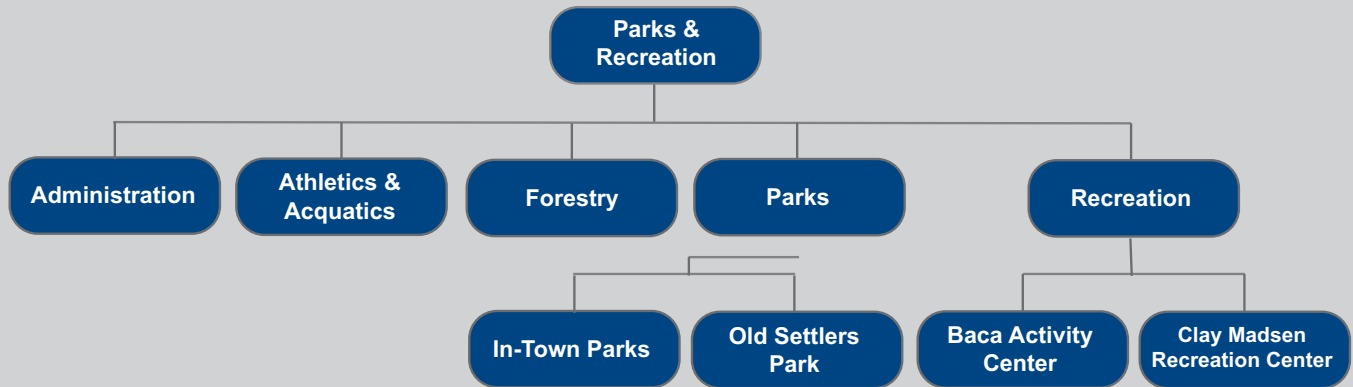
PROPOSED FY 2017/18

- 1 FTE proposed as a Play for All Maintenance Worker for \$78,673
- 2.375 FTEs proposed for converting Temp staff to PT
- \$30,000 for an OSP Chemical Storage Building funded through General Self Finance
- \$37,900 for an extension of a Musco Sports Lighting Warranty
- \$28,500 for Adaptive & Inclusive recreation programming
- \$31,400 for cost increases for materials & supplies and contract services



PARKS AND RECREATION

The Parks and Recreation Department (PARD) is responsible for the acquisition, design, development, and maintenance of the park system and the planting, conservation, and maintenance of trees. In addition, PARD is responsible for organized recreation programs, which include athletics, aquatics, instructional classes, special events, and senior citizen activities. PARD also manages the Clay Madsen Recreation Center and the Allen R. Baca Senior/Activity Center.



VISION:

To provide an active, vibrant, and beautiful city with a diversified and quality parks and recreation system that produces economic, health, and social benefits for the entire community.

MISSION:

People dedicated and empowered to create positive and memorable experiences in people's lives.

GUIDING COUNCIL STRATEGIC GOALS:



FY 2017 HIGHLIGHTS:

- Fundraising and groundbreaking of the Play for All Park Expansion Project. In partnership with the Play for All Foundation, over \$500,000 was raised for the expansion.
- Awarded the "Class 1 Aquatic Agency of the Year" by the Texas Public Pool Council.
- Creation of two (2) new, community-wide events with the Play for Fall event and Urban Excursion.
- Continued growth in the number of participants in various city events such as Flashlight Egg Hunt, Family Campout, Rock'N Lights, and Night Rider.
- Continued growth in recreation center memberships and recreation programs such as outdoor adventure programs and fitness classes.
- Construction and/or completion of various PARD Repair & Replacement Program Projects including: Rabb Playground and Pavilion Area Improvements, Stark Park, Behrens Ranch Trail Repairs, and Veterans Park Playground.
- Completion of various Bond Projects including: OSP Lakeside Trail Improvements, Joanne

PARKS AND RECREATION

Land Playground and OSP Soccer Complex Improvements.

- Groundbreaking and construction on various Bond Projects including: Heritage Trail West, CMRC Soccer Fields, and Brushy Creek Trail – Veterans to Rabb.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Opening of the Play for All Park Expansion
- Opening of the CMRC Soccer Fields and closure of the Luther Peterson Soccer Fields. Luther Peterson is needed for the addition of a new centralized City maintenance facility for the Utilities, Transportation, and General Services Department.
- Re-opening of the OSP Soccer Complex
- Construction and/or completion of several CIP Projects including: Heritage Trail West, Brushy Creek Trail – Veterans to Rabb, Lake Creek Trail – RR West to Centennial Plaza, Adult Sports Complex and RR West Greenbelt Renovations.
- Continuation of the PARD Repair & Replacement Program with the following parks projected to be renovated and improved: Clay Madison Park, Shayla Dame Skatepark, Frontier Park, RR West Tennis Court Lights and Memorial Park Playground Replacement.
- Creation and implementation of a new Old Settlers Park Repair & Enhancement Program. This program would create a dedicated funding source to go toward the repair and improvements of the existing facilities and amenities in Old Settlers Park. Funding for this new program has not been identified or included in the FY 2018 Proposed Budget.

NEW PROGRAMS FY 2018:

- Parks Maintenance Worker Position to create a full-time Attendant/Maintenance Person for the Play for All Park. This position will perform all daily park and restroom maintenance tasks for the estimated 1,200 people that will visit the park each day.
- Purchase of parks maintenance equipment including a Large Area Blower and Riding Spray-

er/Spreader. Both pieces of equipment will assist in increasing efficiency of maintenance.

- Capital Improvements to Rock'N River Waterpark including: additional commercial shade umbrellas, rentable luxury loungers, picnic tables and concrete pads for additional rentable areas. All proposed improvements increase the amount of free shade inside the waterpark while simultaneously adding rentable, revenue producing shade areas at several tiered price points.
- Purchase of a new 40HP back-up pump for Rock'N River. If a pump on the large water play structure (Splashville) goes out, we would be forced to shutdown the feature for the entire/remainder of the summer since the pump has a lead time of over 12 weeks. With a backup pump on hand, a damaged pump can be replaced in a matter of days and the attraction can be re-opened for pool users to enjoy.

FY 2019 OVERVIEW AND BEYOND:

- Completion and opening of Heritage Trail West, Brushy Creek Trail – Veterans to Rabb, Lake Creek Trail – RR West to Centennial Plaza and Adult Sports Complex.
- Construction of the Heritage Trail East Project and CMRC ADA Improvements.
- Continuation of the PARD Repair & Replacement Program with the following parks projected to be renovated and improved: Micki Krebsbach Pool, Mesa Village Park Playground Replacement and Baca Center.

PARKS AND RECREATION

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Parks Division Measures				
Acres of parkland and open space	2,035	2,270	2,270	2,280
Hours of athletic field use	23,450	25,669	25,000	25,000
Miles of trail	18.81	22.95	22.95	23.95
Average Park Certification Score	93.02	93.77	93	93
Recreation Division Measures				
Clay Madsen Recreation Center users	584,760	661,118	650,000	650,000
Baca Center users	115,000	145,559	145,000	150,000
Recreation programs offered	3,423	4,110	4,300	4,400
Recreation program participants	51,292	56,938	60,000	61,500
Athletics/Aquatics Division Measures				
Total pool attendance	81,132	124,722	130,000	135,000
Swim lesson participants	1,186	1,016	1,200	1,200
Athletic camps and classes offered	223	165	175	175
Forestry Division Measures				
Trees pruned in parks	1,673	1,591	1,700	1,700
Residential Tree Inspection services	91	157	125	125
Cubic yards of brush recycled	28,428	27,162	30,000	30,000
Administration Division Measures				
Value of positive media impressions	\$41,120	\$92,302	\$60,000	\$60,000
Sponsorships and donations received	\$75,083	\$89,580	\$90,000	\$90,000
Park Ranger patrol hours	4,177	4,457	6,350	7,500
Number of special events and tournaments	175	153	170	170
Facility rental hours	34,417	39,907	40,000	42,000



PLANNING AND DEVELOPMENT SERVICES 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	2,536,257	2,731,463	2,961,840	3,545,114	4,062,567
<i>Operating Expenses</i>	221,527	215,087	219,488	253,550	353,016
<i>Capital Outlay</i>	-	-	-	-	-
Total Expenditures:	\$2,757,784	\$2,946,550	\$3,181,328	\$3,798,664	\$4,415,583
Expenditures per Capita:	\$26.75	\$27.95	\$29.85	\$35.06	\$39.64
FTEs:	33.75	34.75	36.75	43.75	46.75
% Change:	1.8%	6.8%	8.0%	19.4%	16.2%

FY 2014/15

- 1 FTE added as a Building Inspector

FY 2015/16

- 1 FTE added as a Planning Technician to meet increased service demands for \$36,000
- 1 FTE added through the FY 2015/16 Mid-Year Budget Amendment as a Construction Inspector

FY 2016/17

- 2 FTEs added as a Building Plans Examiner and a Development Coordinator for \$213,000
- 5 FTEs added through the FY 2016/17 Mid-Year Budget Amendment: 4 Planning Inspectors transferred in from the Transportation Department and another new Planning Inspector added

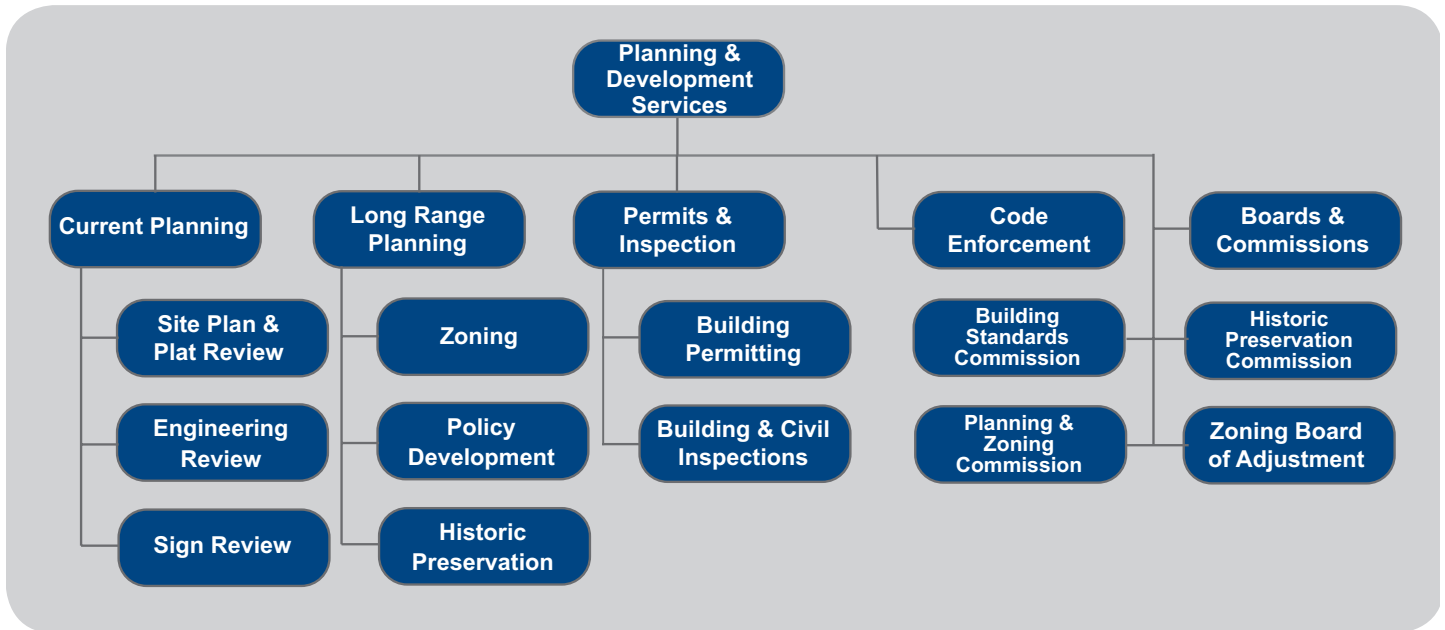
PROPOSED FY 2017/18

- 3 FTEs proposed as a Senior Engineer, Senior Engineer Tech, & Code Enforcement Officer for \$255,800 (Hire Date: 10/1/17)
- \$93,600 for a Landscape Inspection Contract
- Additional Line Item requests added for \$2,000



PLANNING AND DEVELOPMENT SERVICES

The Planning and Development Services Department is responsible for land use policy, administration of land development regulations, permit review and inspections, and code enforcement for the City under the leadership of the Planning and Development Services Director.



VISION:

Round Rock is a diverse, historic, and family-oriented community with a distinct identity as a desirable place to live, work, and play. Residents, government, and businesses are committed to working together to build a quality community.

MISSION:

To provide the citizens and development community with efficient, consistent, fair, and effective development review services; promote quality development and planning programs to enhance the quality of life and facilitate economic growth; and improve the built environment.

GUIDING COUNCIL STRATEGIC GOAL:



FY 2017 HIGHLIGHTS:

- Maintained or exceeded site plan, plat, zoning, and sign review timeframes for the clear majority of projects during a period of rapid development.
- Successfully assimilated civil inspections into the department.
- Annexed or secured agreements for over 2,000 acres of vacant land in the northeast.
- Enhanced customer service with the addition of the Development Facilitator.
- Improved neighborhood quality by securing Council adoption and then implementing the garage conversion, fence maintenance, and trash can placement ordinances.
- Secured approval of the Rock Development Code and several impactful policy changes such as exterior building materials, neighborhood connectivity, streamlined plat approvals, expedited home permit issuance, and a downtown bar cap.

PLANNING AND DEVELOPMENT SERVICES

FY 2018 OVERVIEW & SIGNIFICANT CHANGES: NEW PROGRAMS FOR FY 2018:

- Secure codification of the Rock Development Code.
- Focus on downtown redevelopment and the Depot site.
- Facilitate the entitlement process for the Kalahari Resort.
- Begin the General Plan 2020 process.
- Facilitate the land sale, development agreement, and entitlements for Nutty Brown.
- Oversee the successful relocation of the Stagecoach Inn.
- Reorganization and consolidation of Planning and Development Services Divisions.
- Senior Engineer
- Senior Engineering Technician
- Landscape Inspection Contract Services
- Code Enforcement Officer

FY 2019 OVERVIEW AND BEYOND:

- Consolidate the services the department provides into a single, comprehensive development counter on one floor.
- Play an instrumental role in downtown redevelopment and infrastructure planning and design.
- Implement an electronic plan review system.

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Total Approved Plats	46	60	65	65
Development Permits Received	83	90	100	110
Development Permits Issued	77	75	85	90
Number of Building Permits	2,747	2,864	2,950	3,175
Number of Inspections	15,105	15,422	16,225	23,600
Total Bandit Signs	5,594	5,500	5,500	4,980
Total Notified Code Violations	2,576	2,928	3,500	3,726



POLICE 5 YEAR SUMMARY OF EXPENDITURES

	2013-14	2014-15	2015-16	2016-17	2017-18
	Actual	Actual	Actual	Revised Budget	Proposed Budget
Personnel Services	21,510,363	22,346,567	23,639,744	24,596,617	25,919,736
Operating Expenses	4,030,572	3,591,770	3,181,513	3,987,025	4,081,197
Capital Outlay	532,885	792,898	16,685	151,181	50,432
Total Expenditures:	\$26,073,820	\$26,731,235	\$26,837,942	\$28,734,823	\$30,051,365
Expenditures per Capita:	\$252.88	\$253.60	\$251.78	\$265.20	\$269.79
% Change:	4.9%	2.5%	0.4%	7.1%	4.6%
FTEs:	223.00	233.50	239.50	247.90	250.90
No. Sworn FTEs:	129.00	137.00	138.00	145.00	147.00
No. Civilian FTEs:	94.00	96.50	101.50	102.90	103.90

Each year reflects cost increases for scheduled step pay raises, any market or cost of living adjustments and health insurance costs

FY 2013/14

- 2 FTEs added as School Resource Officers (SRO) during the year through a mid-year budget revision

FY 2014/15

- 10.5 FTEs added including 3 Police Officers, 4 SROs, and 3 Call-takers were added to the department at a cost of \$1.1 million

FY 2015/16

- 5 FTEs added as 5 new Call-takers for a total cost of \$318,000
- 1 FTE transferred by repurposing a vacant position from the Finance Department to add an additional Communications Specialist
- 34 police vehicles were replaced at a cost of \$1.6 million from the General Capital Projects/Equipment Fund

FY 2016/17

- 8 FTEs added as 5 Police Officers, 1 Police Sergeant, 1 Police Lieutenant & 1 Community Affairs Specialist for a total cost of \$927,000
- 8 police vehicles were replaced at a cost of \$394,000 from the General Capital Projects/Equipment Fund

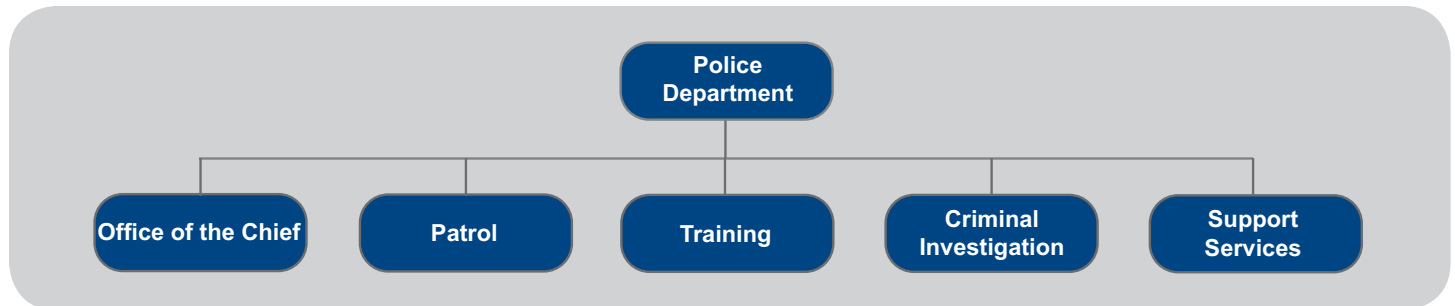
PROPOSED FY 2017/18

- 3 FTEs proposed as a Crime Scene Specialist & 2 Detectives for a total cost \$285,000, including 2 new vehicles
- \$85,000 as a one-time expense for Building Improvements to the Lobby and Automated License Plate Reader & Speed Trailer Replacements from General Self Finance
- \$70,400 for the first year of a Shotgun Phase-In
- \$400,600 for year 4 of 5 for Police Radio Replacement Program from General Self Finance
- 19 police vehicles proposed for replacement at a cost of \$930,000 from the General Capital Projects/Equipment Fund



POLICE

The Police Department provides public safety and enforces federal, state, and city laws and ordinances through proactive and responsive patrol of the City by state-commissioned peace officers. As its business model, the Department believes the best way to fight crime is to forge strategic partnerships that address quality-of-life issues before they become serious public safety or crime problems. The Department also is responsible for animal control; fire and police radio dispatch functions in the City limits; and maintaining the recruiting, training, crime victim, and support functions necessary to maintain a police force of the highest quality.



VISION:

Effectively adapt to the challenges created by a rapidly growing community that is striving to maintain its low crime rate and high quality of life. Deliver policing that responds to the needs of the community and engages them to share in the responsibility of keeping Round Rock a great community.

MISSION:

The Round Rock Police Department, in alliance with our community, provides public safety and promotes a high quality of life.

GUIDING COUNCIL STRATEGIC GOAL:



FY 2017 HIGHLIGHTS:

- The Department continued to refine its multi-faceted approach to community policing, with maturing programs like Kutz4Kids and the Junior Police Academy and newer programs, like Bless the Badge
- The bulk of construction for a new police-fire training facility occurred during 2017, with completion expected in 2018. The \$23 million project was funded in 2013 by voter-approved bonds
- The Department increased its transparency to the public in 2017, fully implementing a body worn camera program and the technology infrastructure to support it
- The Department expanded its recruitment efforts in 2017, establishing a presence at the Dell Diamond and developing a new police-recruitment website
- Body Worn Camera Replacements – A program to provide for the replacement of body worn cameras
- In-Car Video System Replacements – Funding for the scheduled replacement of 20 in-car video systems
- SWAT Equipment – A program that provides for the replacement of SWAT body armor and two sniper rifles, as well as ballistic glass in the SWAT team's Ballistic Engineered Armored Response (BEAR) vehicle

POLICE

- **Plate Carrier Replacements** – A program that establishes a five-year replacement cycle for ballistic plates and carriers for police officers
- **Evidence Ventilation** – Would outfit the Property and Evidence Control Unit with a new ventilation system to improve air quality in that section of the police headquarters building
- **Evidence Shelving** – Additional rolling shelves for the Property and Evident Control Unit
- **Forensic Computers** – Replacement of three forensic computers for the White-Collar Crimes Unit

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- The Department is looking forward to the completion of the police-fire training facility in 2018
- The Department will continue to seek out new ways to reach out to our community – especially previously unengaged segments of our community

NEW PROGRAMS FOR FY 2018:

- **Detectives** – Two additional police officer positions to work as detectives in the Criminal Investigation Division, addressing caseload issues
- **Building Improvements** – Would replace

benches and repair the floor tile in the police headquarters building lobby and provide the installation of carpet, acoustic tile and other materials in the Department's video studio

- **Crime Scene Specialist**- One (1) FTE Civilian position
- **Patrol Shotguns** – Phase-in of shotguns for regular field operations by Patrol Division officers
- **ALPR Equipment** – Would fund additional Automated License Plate Reader (ALPR) equipment as the Patrol Division plans for the end-of-life-cycle with its original ALPR equipment
- **Speed Trailers** – Would replace the Department's two existing speed trailers as part of the Traffic Unit's program to address traffic complaints in neighborhoods

FY 2019 OVERVIEW AND BEYOND:

- For FY 2019, the Department plans to seek funding for the development of a Real-Time Crime Center, which is designed to support field operations with tactical intelligence as incidents unfold.

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
External Calls for Service	64,114	70,973	68,209	72,027
Self-Initiated Events	52,568	48,473	45,779	46,973
Total Police Events	116,682	119,446	113,988	119,000
Felony Arrests	633	753	681	700
DWI Cases	361	362	416	425
Police Reports Taken	8,642	9,640	9,543	9,700
Traffic Stops	23,754	19,477	22,050	24,000
Foot Patrols	2,008	1,140	636	1,000



CONVENTION AND VISITORS BUREAU (HOT FUND)

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	252,889	262,380	272,335	366,766	449,686
<i>Operating Expenses</i>	415,798	347,817	379,842	729,832	1,275,975
<i>Capital Outlay</i>	33,034	-	-	-	-
Total Expenditures:	\$701,721	\$610,197	\$652,177	\$1,096,598	\$1,725,661
Expenditures per Capita:	\$6.81	\$5.79	\$6.12	\$10.12	\$15.49
FTEs:	3.00	3.00	3.00	4.00	5.00
% Change:	13.7%	-13.0%	6.9%	68.1%	57.4%

FY 2015/16

- Additional funding added for Professional Services and Special Events Programs for staff to continue to help showcase Round Rock as the destination of choice. These funds were originally part of the Sports Center budget and were moved to reflect responsibilities.

FY 2016/17

- 1 FTE added as an Events Manager for \$107,000

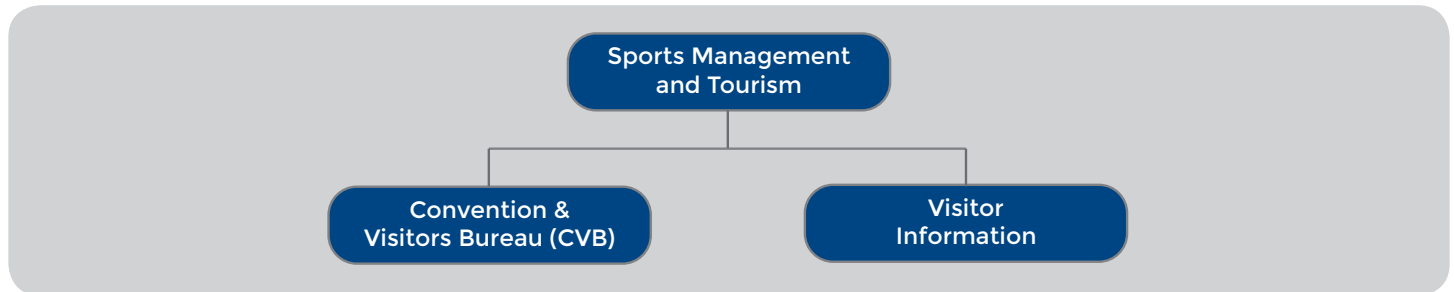
PROPOSED FY17/18

- 1 FTE proposed as a Coordinator – Marketing & Advertising to expand tourism marketing into the conventions and meetings industry. The total cost for the new program is \$574,000 split out as follows:
 - \$95,000 for 1 FTE – Coordinator – Marketing & Advertising
 - \$13,800 in operating costs for office supplies, technology, travel & training
 - \$25,000 Pole banners for brand identity throughout the City
 - \$23,500 for a “Did you know” campaign to inform residents about benefits of tourism
 - \$12,000 for Brand Awareness Posters using local artists
 - \$350,000 for expanding marketing efforts to the convention/conference industry
 - \$25,000 for “Sports Capital of Texas” themed public art
 - \$20,000 to design & develop a new brochure for event production in the City
 - \$10,000 for a Mobile Visitor Info Kiosk for use at large city events



CONVENTION AND VISITORS BUREAU

The function of this department is to implement the City's long-term Tourism Plan and represent the City in all other functions related to tourism and the Convention and Visitors Bureau (CVB). The CVB is the designated sales and marketing department for the City of Round Rock (designated DMO - "Destination Marketing Organization"). The tourism department's mission aligns with the strategic plan by directly contributing to the economic vitality and enhancing the quality of life in Round Rock.



VISION: To help promote Round Rock as the city of choice for tourists and citizens.

MISSION: To promote economic diversity by developing the tourism industry in Round Rock.

GUIDING COUNCIL STRATEGIC GOALS



FY 2017 HIGHLIGHTS:

- Twelve new events were held in the Sports Capital of Texas in 2016.
- Economic Activity from the total events held in 2016 was \$13,377,749, an increase of 8%.
- Sports Capital of Texas social media continues to grow giving a competitive edge when bidding large events. In 2016, post impressions reached 2,355,517, up 181%; there were 87,888 engaged users, up 160%; and 73,092 stories, up 181%.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- With the announcement of Kalahari Resorts and Conventions opening in 2020 this will take the CVB into new areas of tourism. Meetings and Conventions and leisure and group travel will now be markets to tap in to.
- Implementation of the recommendations from the Roger Brooks International report will merge all aspects of tourism in Round Rock requiring new messaging, public relations, and staffing.

CONVENTION AND VISITORS BUREAU

NEW PROGRAMS FY 2018:

Tourism Development & Marketing –

- **Pole Banners** - use for brand identity throughout the city and possibly an opportunity for some wayfinding. OVERALL COST - \$25,000
- **Informing Round Rock Residents About Benefits of Tourism** - use of utility fliers and other marketing avenues to introduce a “Did You Know” campaign about tourism. OVERALL COST - \$23,500
- **Brand Awareness Posters** - Using local artists to design “Sports Capital of Texas” themed art pieces for display in local businesses and city facilities. OVERALL COST - \$12,000
- **Expand Marketing Efforts to Convention/Conference Industry** - Design and develop new messaging and marketing materials for convention and conference sales. OVERALL COST - \$350,000
- **Public Art** - Collaborating with local artists to create and display “Sports Capital of Texas” themed artwork throughout city and in city facilities. OVERALL COST - \$25,000
- **Guide to Event Production Brochure** - Design and develop a new brochure for event

production in the city to include hosting any type of event in Round Rock. OVERALL COST - \$20,000

- **Mobile Visitor Information Kiosk** - Provide a visitor informational kiosk at large city events. OVERALL COST - \$10,000
- **One New FTE**- One (1) Coordinator- Marketing & Advertising

FY 2019 OVERVIEW & BEYOND:

- The CVB will continue to use sales and marketing efforts to find new ways to promote Round Rock.
- The CVB will continue to develop and grow relationships with sports events groups and meeting planners.
- The CVB will continue to educate citizens on the benefits of tourism and encourage our citizens to be brand ambassadors.
- The CVB will continue to be the city’s designated visitor information center.

WORKLOAD INDICATORS

	FY2015	FY2016	FY2017	FY2018
Indicator	Actual	Actual	Projected	Target
Events Held	45	50	55	60



FOREST CREEK GOLF CLUB (GOLF FUND)

	2013-14	2014-15	2015-16	2016-17	2017-18
	Actual	Actual	Actual	Revised Budget	Proposed Budget
<i>Operating Expenses</i>	-	14,460	-	1,408,390	1,370,000
<i>Capital Outlay</i>	-	-	-	381,610	100,000
<i>Minor Improvements</i>	-	14,460	73,908	-	56,173
Total Expenditures:	\$0	\$28,920	\$73,908	\$1,790,000	\$1,526,173
Expenditures per Capita:	\$0.00	\$0.27	\$0.69	\$16.52	\$13.70
FTEs:	0.00	0.00	0.00	0.00	0.00
% Change:			155.6%	2321.9%	-14.7%

FY 2016/17

- New management company, Kemper Sports, began oversight of the Forest Creek Golf Club; with change a more detailed record of the expenditures are being tracked and monitored
- Under the new management several items were repaired or replaced to improve the appearance and functionality of the course – initial start-up costs were incurred

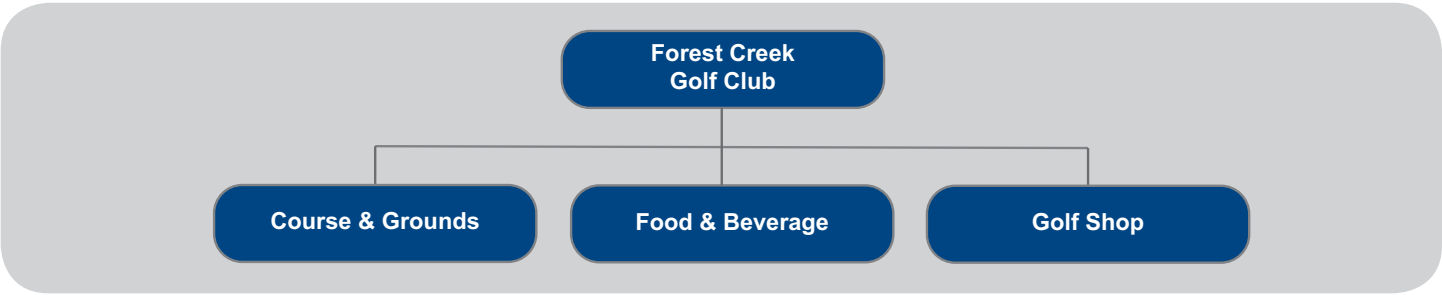
PROPOSED FY 2017/18

- Course to be closed for renovations from October 2017- August 2018
- \$740K will be transferred from General Self Finance to cover operating costs while Golf Club is closed



FOREST CREEK GOLF CLUB

Forest Creek Golf Club provides Hill Country golf at its finest. The 7,147-yard par-72 golf course has been nationally recognized as one of the finest public golf courses in Central Texas. Facility amenities include, a full-service grill, event center and an outstanding practice range enhanced by a putting green and short-game complex.



MISSION:

Differentiate Forest Creek Golf Club from competitors as the premier experience in the Round Rock area.

VISION:

Brand and establish Forest Creek Golf Club as a premier golf destination for public play, tournaments, and non-golf events in Round Rock and surrounding areas.

GUIDING COUNCIL STRATEGIC GOAL:



FOREST CREEK GOLF COURSE

FY 2017 HIGHLIGHTS:

- Successfully transitioned to a new golf management company (KemperSports) to handle all operations of the course.
- Renovated the clubhouse building and revamped the grill menu to significantly enhance the golfer's experience.
- Updated all on-course and driving range amenities to begin to bring the course back to a quality level.

FY 2018 OVERVIEW AND SIGNIFICANT CHANGES:

- Complete closure of the course for renovation from October 2017 – August 2018.
- Grand re-opening of the new and improved Forest Creek: August 2018

NEW PROGRAMS FY 2018:

- No new Programs for FY 2018.

FY 2019 OVERVIEW AND BEYOND:

- Establish Forest Creek as the go-to course for Round Rock residents, businesses, and guests.

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
1) Total Rounds	32,489	32,522	37,575	17,416
2) Net Income	N/A	N/A	\$72,800	(\$358,600)



MULTIPURPOSE COMPLEX 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	-	-	-	294,688	278,974
<i>Operating Expenses</i>	-	-	-	246,515	463,852
<i>Capital Outlay</i>	-	-	-	43,500	50,000
Total Expenditures:	\$0	\$0	\$0	\$584,703	\$792,826
Expenditures per Capita:	\$0.00	\$0.00	\$0.00	\$5.40	\$7.12
FTEs:	0.00	0.00	0.00	4.00	4.50
% Change:	0.0%	0.0%	0.0%	0.0%	35.6%

FY 2016/17

- New fund created to account for the operations, maintenance and programming for the Multipurpose Complex
- The Personnel Services costs include the budget for 5 FTEs which were originally approved through the FY 2015/16 Mid-Year Budget Amendment for the Multipurpose Complex. One FTE (a Reservation Specialist) became a Parks & Recreation Department position in General Fund.

PROPOSED FY17/18

- 0.5 FTE proposed as an Assistant Coordinator which will split their time 50/50 between the Sports Center & the Multipurpose Complex (Hire Date: 10/1/17). The cost for the Multipurpose Complex Fund is \$40,295.
- Full year of operating expense



MULTIPURPOSE COMPLEX

The Round Rock Multipurpose Complex (RRMPC) is a world-class outdoor athletic facility that was completed in May 2017. The facility can host a wide variety of sport tournaments and special events such as soccer, lacrosse, rugby, football, ultimate Frisbee and any other sport needing a large flat field. RRMPC features two (2) championship fields (one natural grass and one synthetic turf) and four (4) natural grass and four (4) synthetic turf multipurpose fields with all ten (10) fields lit with Musco lights. The clubhouse building features two (2) team rooms, restrooms, concessions, officials locker room and storage. There are two (2) additional restroom buildings located on either end of the quad multipurpose fields; spectator shade structures throughout the facility; two (2) playground areas; a festival area; and over 900 parking spaces.



MISSION:

To help promote the Round Rock Multipurpose Complex as a keystone to the sports tourism marketing program of Round Rock.

VISION:

To promote economic diversity by developing the tourism industry in Round Rock.

GUIDING COUNCIL STRATEGIC GOAL:



MULTIPURPOSE COMPLEX

FY 2017 HIGHLIGHTS:

- Completed construction and successfully opened the facility in May 2017.
- Hired an Assistant Operations Coordinator and three (3) Field Maintenance Technicians to oversee operations and maintenance of the facility.

FY 2018 OVERVIEW AND SIGNIFICANT CHANGES:

- Recruit, develop, maintain and build long-term partnerships with local sports organizations who will call the Multipurpose Complex their “home”.
- Establish relationships with regional and national sports governing bodies and event holders to host their events in Round Rock at the facility.

NEW PROGRAMS FY 2018:

- One (1) FTE Assistant Coordinator- Split time 50/50 between MPC and Sports Center

FY 2019 OVERVIEW AND BEYOND:

- Continue to establish and maintain positive relationships with local organizations and tournament directors to ensure the facility becomes the premier destination for outdoor field sports in the state.
- Continue to provide routine and preventative maintenance along with daily cleaning to maintain the City’s ‘first-class’ outdoor sports facility.
- Increase participation in local programs and develop/operate tournaments in-house.

WORKLOAD INDICATORS:

Indicator	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Multi-day Tournaments/Events Hosted	NA	14	20
One Day Tournaments/Events Hosted	NA	2	4
Total # of Field Bookings	NA	1150	2200
Total Revenues	NA	\$115,000	\$150,000



SPORTS CENTER 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	569,241	758,401	775,683	773,882	1,072,991
<i>Operating Expenses</i>	415,735	500,931	579,209	819,235	663,240
<i>Capital Outlay</i>	28,310	-	-	100,000	100,000
Total Expenditures:	\$1,013,286	\$1,259,332	\$1,354,892	\$1,693,117	\$1,836,231
Expenditures per Capita:	\$9.83	\$11.95	\$12.71	\$15.63	\$16.49
FTEs:	9.00	10.00	11.00	11.00	11.50
% Change:	658.2%	24.3%	7.6%	25.0%	8.5%

FY 2014/15

- The Round Rock Sports Center began operations in January 2014
- 1 FTE added as an Events and Marketing Coordinator

FY 2015/16

- 1 FTE added as a Program Manager through the FY 2015/16 Mid-Year Budget Amendment

FY 2016/17

- Capital Outlay included \$100,000 for Drainage improvements at the Sports Center

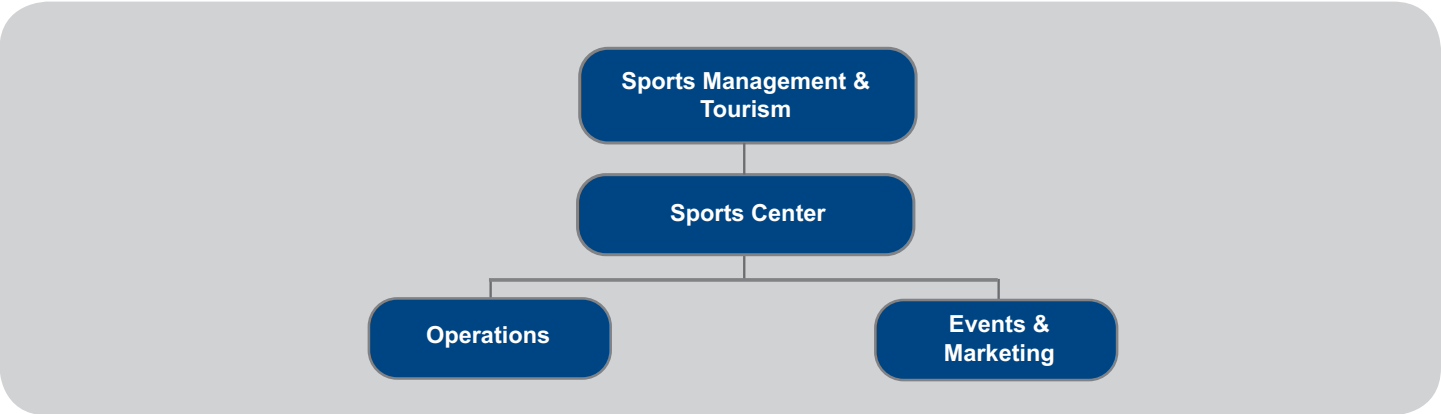
PROPOSED FY 2017/18

- 0.5 FTE proposed as an Assistant Coordinator which will split their time 50/50 between the Sports Center & the Multipurpose Complex (Hire Date: 10/1/17). The cost for the Sports Center Fund is \$40,295.
- Capital Outlay includes \$100,000 for an office remodel project at the Sports Center



SPORTS CENTER

The Round Rock Sports Center is a world-class indoor sports facility. The facility hosts over 70,000 players and 120,000 spectators annually for tournaments, leagues, and club sports. Focused on national and regional sporting events, the RRSC provides a premier players environment with spectator comfort and family entertainment opportunities. The center features a multi-sport building, outdoor pavilion and plaza, and over 500 parking spots.



VISION:

To help promote Round Rock Sports Center as a key-stone to the sports tourism marketing program of Round Rock.

GUIDING COUNCIL STRATEGIC GOALS:

MISSION:

To promote economic diversity by developing the tourism industry in Round Rock.



SPORTS CENTER

FY 2017 HIGHLIGHTS:

- Hosted over 50 tournaments/events throughout the year.
- More than 30 local organizations and schools made the Sports Center their “home” for practices and games.
- Showcased versatility of the Sports Center by hosting volleyball & basketball tournaments along with martial arts events, cake/baking expo, wrestling tournament, banquets, gun shows, and several new camps (soccer, football, golf – in conjunction with Forest Creek Golf Club).
- Upgraded food & beverage operation.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Continue to find and create efficiencies working across multiple facilities.
- New & Big events (US Soccer Development Academy Futsal Showcase & NCTTA National Championships).

NEW PROGRAMS FY 2018:

- One (1) FTE Assistant Coordinator- Split time 50/50 between MPC and Sports Center

FY 2019 OVERVIEW & BEYOND:

- Continue to maintain positive relationships with local organizations and tournament directors to ensure future success as new facilities continue to be developed in the area and region creating new competition.
- Continue to provide routine and preventative maintenance along with daily cleaning to maintain the City’s ‘first-class’ indoor sports facility.
- Increase participation in local programs and develop/operate tournaments in-house.
- Research and discuss the possibility of a “Sports Center 2” facility.
- Discuss the possibility of outdoor sand volleyball courts in the south parking lot with additional parking and support structures.

WORKLOAD INDICATORS

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Multi-day Tournaments/Events Hosted	27	34	38	34
One Day Tournaments/ Events Hosted	18	19	12	18
Total # of Court Bookings	5925	6752	7200	7000
Total Revenues	\$2,642,957	\$2,228,775	\$2,238,071	\$2,200,000



TRANSPORTATION 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	3,461,516	3,588,336	3,549,274	3,906,674	3,930,387
<i>Operating Expenses</i>	2,278,848	2,285,189	2,489,498	3,096,286	4,136,875
<i>Street Maintenance</i>	634,111	897,094	596,731	4,201,588	4,157,495
<i>Capital Outlay</i>	648,694	560,931	232,430	186,000	186,000
Total Expenditures:	\$7,023,169	\$7,331,550	\$6,867,933	\$11,390,548	\$12,410,757
Expenditures per Capita:	\$68.12	\$69.56	\$64.43	\$105.12	\$111.42
FTEs:	52.00	50.00	54.00	51.00	55.00
% Change:	11.7%	4.4%	-6.3%	65.9%	9.0%

FY 2014/15

- 2 FTEs (City Engineer & Senior Engineering Tech) were transferred out of Transportation to Utilities and Drainage

FY 2015/16

- 4 FTEs added for a Crack-Fill Crew and Concrete Maintenance Crew

FY 2016/17

- 1 FTE added as a Construction Inspector for \$118,000 including a new vehicle
- \$350,000 for first year of a Sign Replacement Program from General Self Finance
- \$400,000 added for ongoing ROW Maintenance Contract
- \$369,000 Transit Service Expansion Pilot Program from General Self Finance
- Annual Seal Coat Contract increased to a total recurring cost of \$3 million – at end of each fiscal year this budget moves to a transfer into GSFC
- 4 FTEs (Construction Inspectors) transferred out of Transportation to Planning and Utilities through the Mid-Year Budget Amendment

PROPOSED FY 2017/18

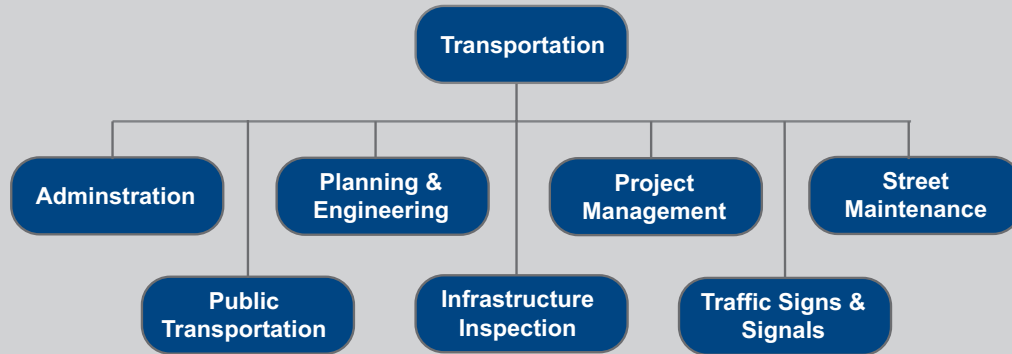
- 4 FTEs proposed for a Crack Fill Crew for a cost of \$294,000 including \$90,000 for equipment from General Self Finance
- \$60,000 to Replace Sander Units from General Self-Finance
- \$58,000 for Additional Line Item requests for Striping Contract
- Annual Seal Coat Contract proposed to continue at \$3 million per year



TRANSPORTATION

The Transportation Department consists of seven divisions: Administration, Transit and Public Transportation, Planning and Engineering, CIP/Infrastructure Inspection, CIP Project Management, Traffic Signs and Signals, and Street Maintenance.

The Transportation Department is responsible for planning, building, and maintaining the City's transportation infrastructure. In addition, the department oversees the City's Transit and Public Transportation activities. The Department also works extensively with regional partners for improved planning and project coordination.



VISION:

The Department strives to be a premier organization that values innovation, trust, teamwork, professionalism, and regional cooperation.

We will:

- Accept the challenge of change and be committed to continually enhancing the safety, environment, quality of life, and economic vitality of our community
- Be accountable for our performance and our organization's success and be recognized for our achievements
- Be committed to provide our employees a stable work environment with equal opportunity for learning and personal growth
- Be respectful of each other and the internal and external customers we support

MISSION:

Cost-effectively plan, build, and maintain the City's transportation infrastructure and provide public transportation in a manner that meets the needs of the community and supports the safety and welfare of our citizens.

GUIDING COUNCIL STRATEGIC GOALS:



TRANSPORTATION

FY 2017 HIGHLIGHTS:

- Transportation Master Plan Update completed
- Vibratory Compactors- Purchase two new vibratory rammers
- Creek Bend Boulevard extension completed
- Mays Street reconstruction completed
- Agreements with Capital Metro, ACC, and CARTS completed for Transit Program
- Update to Design and Construction Standards completed

NEW PROGRAMS FOR FY 2018:

- Fixed route and commuter bus services begin
- Crack Fill Crew- Four (4) New FTEs and Road Machinery Equipment
- Replacement of Sander Units- Replace 13-year-old units
- Striping Contract- Increased due to City's growth and lane miles

FY 2019 OVERVIEW AND BEYOND:

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Construction to begin on RM 620 Safety Improvements
- Kenney Fort Boulevard extensions
- Completion of SWDT Projects
- Maintain and update the five-year plan, as necessary
- Expansion of Kenney Fort Boulevard
- Begin construction on University Blvd. capacity and pedestrian improvements
- Begin capacity and safety improvements along Gattis School Road

WORKLOAD INDICATORS:

Indicator	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Target
Concrete Structures Repaired: sidewalks, curb and gutters, headwalls, valley gutters, trickle channels, etc.	650 cubic yards	1,000 cubic yards	1,200 cubic yards	1,400 cubic yards
Pavement Maintenance: street, alley, parking lot repairs	1,600 tons	1,600 tons	2,000 tons	2,500 tons
Right-of-way mowing	240 acres	240 acres	240 acres	240 acres
Pavement Maintenance: crack fill	376,175 linear feet	400,000 linear feet	450,000 linear feet	450,000 linear feet



UTILITIES ADMINISTRATION 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	1,388,429	1,388,441	1,382,283	1,506,802	1,913,141
<i>Operating Expenses</i>	1,491,923	1,015,106	884,990	1,302,995	1,394,502
<i>Capital Outlay</i>	-	-	698,684	722,516	784,500
Total Expenditures:	\$2,880,352	\$2,403,547	\$2,965,957	\$3,532,313	\$4,092,143
Expenditures per Capita:	\$27.94	\$22.80	\$27.83	\$32.60	\$36.74
FTEs:	16.00	17.00	18.00	18.00	20.00
% Change:	-1.3%	-16.6%	23.4%	19.1%	15.8%

*Utility Administration includes: Utility Administration & Environmental Services, & Fiscal Support Services.

- Capital Outlay includes funding for Fleet Replacements for the Utility Fund

FY 2013/14

- Created Fiscal Support Department to consolidate administrative expenses for Utilities (liability insurance, legal services, professional services and computer maintenance agreements)

FY 2014/15

- 1 FTE added as an Engineering Tech- Senior
- Utility Rate Study conducted
- Increased costs associated with Computer Maintenance Contracts

FY 2015/16

- 1 FTE transferred from Water Systems Support to Utilities Administration

PROPOSED FY 17/18

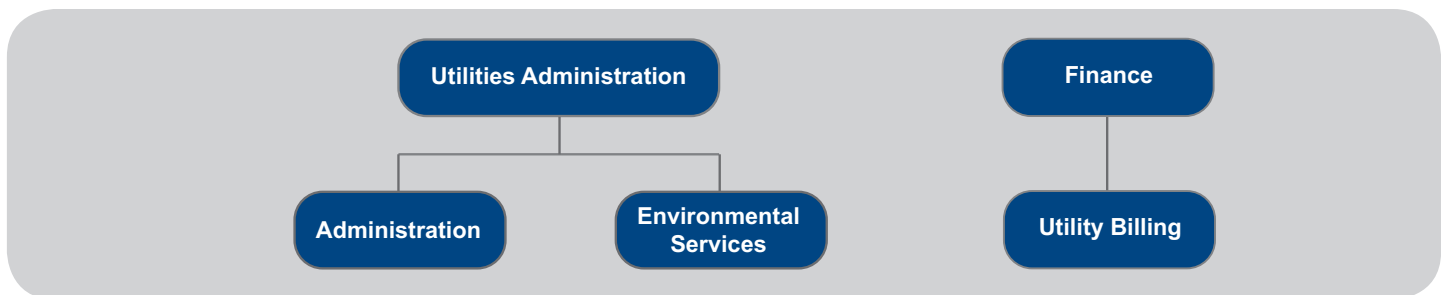
- 1 FTE proposed as an Environmental Services - Pretreatment Tech for \$35,000
- 1 FTE proposed as a Utility Inspector for \$51,000
- Personnel Services includes \$200,000 in Utility Fiscal Support Services for Non-Public Safety Salary Adjustments for the Utility Fund
- \$174,300 for Additional Line Item requests for Contract Services and Materials & Supplies



UTILITIES ADMINISTRATION

The Administration Division is responsible for providing support and oversight to eight other divisions that include: Water Treatment Plant, Water Systems Support, Water Line Maintenance, Wastewater Line Maintenance, Wastewater Systems Support, Wastewater Treatment Plant, Environmental Services, and Solid Waste/Recycling Services. This division consists of the Water/Reuse Water/Wastewater Systems Planning, Engineering, and Construction personnel that ensure proper design and construction of all water, reuse water, and wastewater capital improvement projects. This division also houses the Utility GIS staff which provides Utility GIS as well as GPS services for UES and other city departments.

The Environmental Services Division is responsible for the Industrial Waste Pretreatment, Household Hazardous Waste Services and Laboratory Services. These activities are accomplished by implementing and encouraging pollution prevention activities, enforcing environmental regulations, and quantifying pollutant concentrations.



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Employee Success - select and promote the best, encourage empowerment and leadership at every level, and foster development through continued education and knowledge sharing.

System Management - proactively plan, monitor, replace, and expand our utility systems to ensure infrastructure stability, orderly and sus-

tainable growth, and cost efficiencies.

Operational Excellence - efficiently operate and maintain systems, embrace technology and creative strategies, and strive for continuous improvement in managing and reducing costs.

GUIDING COUNCIL STRATEGIC GOALS:



UTILITIES ADMINISTRATION

FY 2017 HIGHLIGHTS:

Administration:

- Developed a plan for improved electric reliability for the Water Treatment Plant.
- Completed implementation of an automated water meter reading program.
- Reached an agreement with Brazos River Authority for participating in a feasibility study for a Regional Sludge Handling Facility.
- Designed a chemical dosing facility for the West Regional WWTP.
- Designed improvements to the raw water feed at the Reuse Facility.

Environmental Services:

- Successfully completed a Texas Commission on Environmental Quality audits of the pretreatment program and the Environmental Services laboratory.
- Permitted two new significant industrial users, Proportion Foods, Inc. and the City's Fire Training Facility.
- Increased the cost for after-hours bacteriological samples.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

Administration:

- A utility inspector will be incorporated directly into the CIP group to enhance reporting and project quality.
- Additional new marketing efforts will be forthcoming on utility public awareness issues.

Environmental Services:

- The Industrial Waste Pretreatment program is implementing the elements of the recently modified pretreatment ordinance and the new local limits for nondomestic wastewater discharges.
- The Environmental Laboratory is evaluating the need for a Laboratory Information Management System (LIMS).
- The Environmental Services division is reviewing work flow and billing procedures to improve efficiencies.

NEW PROGRAMS FOR FY 2018:

Administration:

- One (1) new FTE – Utility Inspector

Environmental Services:

- One (1) new FTE - Environmental Service Pretreatment Technician

FY 2019 OVERVIEW AND BEYOND:

Administration:

- Continue to work toward replacing CORR utility infrastructure at a rate of 2.5% per year.
- Planning to continue to build a redundant water distribution system to minimize customer outages and improve fire safety.

Environmental Services:

- The Environmental Services Laboratory will consider adding new fields of accreditation.
- The Industrial Waste Pretreatment Program will work with regional partners to implement new regulations related to the dental field and lower phosphorous limits at the wastewater plant.

UTILITIES ADMINISTRATION

WORKLOAD INDICATORS:

Administration:

	FY2015	FY2016	FY2017	FY2018
Indicator	Actual	Actual	Projected	Target
Water and Wastewater Rate/Impact Fee Comparison with other Utilities and Updated to Cover Cost of Service	100%	100%	100%	100%
CIPs on time and within budget	100%	100%	100%	100%
% of System Converted to an Automated Meeting Infrastructure.	25%	90%	97%	100%

Environmental Services:

	FY2015	FY2016	FY2017	FY2018
Indicator	Actual	Actual	Projected	Target
Wastewater Samples Analyzed	1,174	1,140	1,180	1,120
Bacteriological Samples Analyzed	12,130	12,945	13,000	13,200
Pretreatment Sampling Events	502	514	520	525



WATER 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	3,747,438	3,781,994	3,920,623	4,542,693	4,813,514
<i>Operating Expenses</i>	7,667,366	8,810,754	7,843,883	10,898,826	10,810,181
<i>Capital Outlay</i>	100,600	14,633	0	131,000	65,000
Total Expenditures:	\$11,515,404	\$12,607,381	\$11,764,506	\$15,572,519	\$15,688,695
Expenditures per Capita:	\$112.51	\$122.27	\$111.61	\$146.10	\$144.79
FTEs:	64.00	64.00	63.00	61.63	63.63
% Change:	0.6%	9.5%	-6.7%	32.4%	0.7%

FY 2014/15

- \$900,000 in operating costs for BCRUA was reclassified as an expense in Water

FY 2015/16

- 1 FTE transferred from Water Systems Support to Utilities Administration
- \$187,000 for increased raw and reserved water costs for Lake Georgetown and Lake Travis
- \$120,000 for increased BRA Debt Obligation for Lake Stillhouse
- \$300,000 in Operating Expenses was reclassified for fleet purchases

FY 2016/17

- Personnel Services costs reflect market and merit salary increases implemented in FY 2016/17
- \$195,000 was added for Entry Point Monitoring, Reuse System Spare Parts, and cost increases for Contractual Services, Materials & Supplies and Other Services & Charges
- \$1.4 million was added as an expense for projected costs associated with a contract to sell water to the City of Georgetown
- 1.375 FTEs were transferred internally from Water to Wastewater (1 FTE) and to Utility Billing (0.375 FTEs)

PROPOSED FY 2017/18

- 2 FTEs proposed including a Backflow Technician and a System Mechanic for a cost of \$182,000
- The contract to sell water to the City of Georgetown is to be removed from the budget



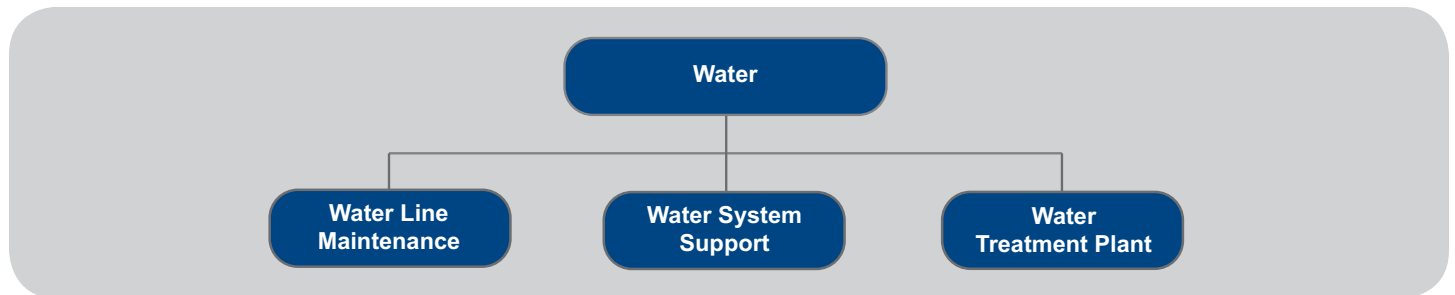
WATER

The City provides water to over 140,000 people living in the City Limits and ETJ. The sources of water are from the Edwards Aquifer, Lake Georgetown, Lake Stillhouse Hollow, and, in the future, Lake Travis. The Operations are divided up into the Water Treatment Plant, Water System Support, and Water Line Maintenance divisions.

The Water Treatment Plant Division handles the treatment of surface water, ground water, and reuse water to a level that meets or exceeds state and federal regulations. This is accomplished by utilizing sophisticated equipment, innovative treatment technologies, and state certified waterworks operators. The Water Treatment Plant is also responsible for the operations of the computer system used to monitor and control the treatment and distribution of water and the collection of wastewater.

The Water System Support Division is responsible for the operation, maintenance, accountability, and repair of the City's water distribution system. Water System Support is structured utilizing multiple maintenance crews and is under the direction of a Utility Support Superintendent.

The Water Line Maintenance Division maintains approximately 557 miles of waterlines, 13,549 valves, and 4,923 fire hydrants in the City's water distribution system. Water Line Maintenance uses multiple three-man maintenance crews and a three-man night crew under the direction of a Water Line Maintenance Superintendent.



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ensure efficient compliance with regulations, minimization of risk, and proactive efforts toward preserving and enhancing our natural resources.

Financial Strength:

strive to know the true cost of service, be transparent and competitive in our rates and fees, and provide a solid fiscal foundation for our customers and financiers.

Employee Success:

select and promote the best, encourage empowerment and leadership at every level, and foster development through continued education and knowledge sharing.

System Management:

proactively plan, monitor, replace, and expand our utility systems to ensure infrastructure stability, orderly and sustainable growth, and cost efficiencies.

Operational Excellence:

efficiently operate and maintain systems, embrace technology and creative strategies, and strive for continuous improvement in managing and reducing costs.

GUIDING COUNCIL STRATEGIC GOALS:



WATER

FY 2017 HIGHLIGHTS:

Water Treatment Plant:

- Installed free ammonia and monochloramine analyzers at the surface and ground water treatment facilities.
- Replaced twelve flocculator variable frequency drives.
- Currently developing strategies for operational resiliency under emergency conditions.

Water System Support:

- Designed improvements to the South 81 Pump Station and Southeast Ground Storage Tank site rehabilitation.
- Expanded system pressure monitoring at PRV 35 and 860 pressure plane.
- Rehabilitation of the pumps at the Southeast Elevated Storage Tank.
- Rehabilitation of the Lake Creek Storage Tank.
- Currently developing strategies for operational resiliency under emergency conditions.

Water Line Maintenance:

- Continued using Cityworks software to submit service requests, work orders, and inspections to further streamline processes and go paperless.
- Signed a 2-year contract with JBS Associates to conduct water leak detection assessment in our water distribution system. From October 2017 to date, 17 water leaks have been identified and repaired by our staff. This improvement has prevented a water loss of 29 million gallons per year, which is equivalent to \$70,600.
- Working with TX DOT, four **Superior Water System** signs have been installed as you enter the City's water system area.
- Created Fire Hydrant team to compete at the American Water Works Association conference held in Austin this year. The team won 3rd place.
- Currently developing strategies for operational resiliency under emergency conditions.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

Water Treatment Plant:

- Improve the primary electrical feed into the surface water treatment plant.
- Replace the filter media and rehabilitate the valves on the older portion of the water treatment plant.

Water System Support:

- Completion of South 81 Pump Station and Southeast Ground Storage Tank site rehabilitation.
- Design of raw water pump station and water treatment plant high service improvements.

Water Line Maintenance:

- Utilities created Leadership Development Academy approved and administered by Human Resources. This training will allow us to identify, grow, and promote a sustainable workforce, which in turn will help with succession planning.
- Utilities will continue with a cross-training program approved by Human Resources. Adopting this program has improved customer service, reduced labor costs, and maximized overall staff efficiencies.

NEW PROGRAMS FOR FY 2018:

Water Treatment Plant:

- No new programs.

Water System Support:

- Tank cleaning and Inspection: Chandler, South 81, High Country, and Reuse.
- Full Time Employee for Backflow Prevention.
- Full Time Employee for System Mechanic for the Water Treatment Plant.

Water Line Maintenance:

- No new programs.

WATER

FY 2019 OVERVIEW AND BEYOND:

Water Treatment Plant:

- Replacing vital portions of the Supervisory Control and Data Acquisition (SCADA) system.
- Adding more bulk storage capacity for the Liquid Ammonium Sulfate system at the water plant.

Water System Support:

- Completion of raw water pump station and water treatment plant high service improvements.

Water Line Maintenance:

- Will continue to improve our valves, fire hydrants and flushing as well as leak detection programs by cross training, obtaining dual licensing for employees.
- Will continue to update maps and provide hardware necessary for field personnel so that they will be able to access utility maps on the job site.

WORKLOAD INDICATORS:

Water Treatment Plant:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Gallons of Water Treated	6,629,875,000	6,926,717,000	6,895,102,560	7,033,004,000
Hours of Maintenance	90	90	88	88
Gallons of Type I Reuse	129,795,000	148,556,000	185,005,728	222,006,000

Water System Support:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
KW Usage Reduction	3%	5%	7%	9%
AMI Meter Installations	90%	95%	100%	100%
Water Loss	8%	7%	6%	6%
KWH/ MG Distributed (Surface)	437	400	380	390

Water Line Maintenance:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Valve Maintenance 13,549 Valves	43%	43%	50%	50%
Fire Hydrant Maintenance 4,923 FH	94%	94%	94%	94%
Customer Service Satisfaction Surveys	92%	98%	97%	100%



WASTEWATER 5 YEAR SUMMARY OF EXPENDITURES

	2013-14	2014-15	2015-16	2016-17	2017-18
	Actual	Actual	Actual	Revised Budget	Proposed Budget
<i>Personnel Services</i>	1,781,878	1,852,997	1,975,543	1,931,726	2,267,813
<i>Operating Expenses</i>	4,539,593	4,971,336	4,369,975	5,648,147	5,713,971
<i>Capital Outlay</i>	78,000	-	-	-	-
Total Expenditures:	\$6,399,471	\$6,824,333	\$6,345,518	\$7,579,873	\$7,981,784
Expenditures per Capita:	\$62.07	\$64.74	\$59.53	\$69.96	\$71.66
FTEs:	30.00	30.00	30.00	31.00	31.00
% Change:	7.5%	6.6%	-7.0%	19.5%	5.3%

- Several years show increased Personnel costs resulting from market and merit salary increases in each year
- Each year reflects an increase in Contractual Services due to increased O&M costs at the Brushy Creek Regional Wastewater System

FY 2016/17

- 1 FTE transferred from Water to Wastewater

PROPOSED FY17/18

- \$13,000 added for cost increases Pump Replacement & Maintenance lift stations



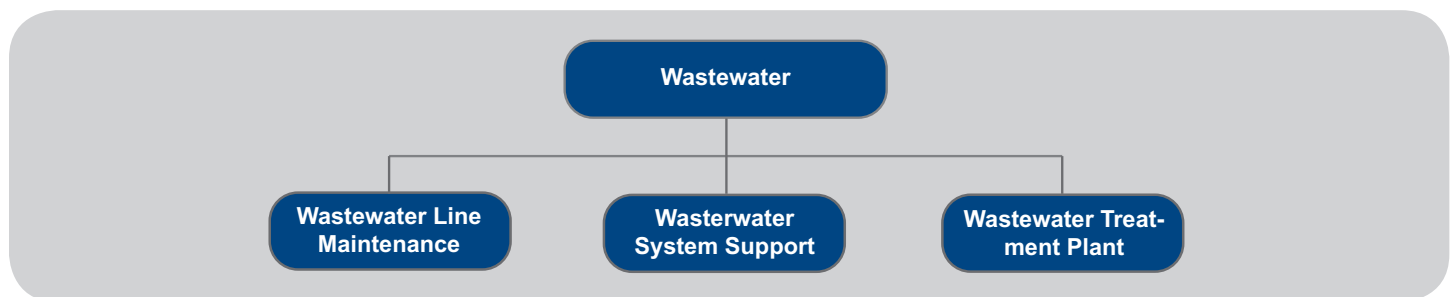
WASTEWATER

Operations of wastewater services in the City are divided up into the Wastewater Line Maintenance, Wastewater Systems Support, and Wastewater Treatment divisions.

The Wastewater Line Maintenance Division is responsible for the maintenance and repair of 9,239 manholes and 435 miles of wastewater lines in the City's Wastewater Collection System. Wastewater Line Maintenance is structured utilizing multiple three-man maintenance crews under the direction of the Wastewater Line Maintenance Superintendent.

The Wastewater Systems Support Division is responsible for the operation, maintenance and repair of the City's Wastewater Collection System Lift Stations and Reuse Water Treatment and Distribution System. Wastewater Systems Support is structured utilizing multiple water/wastewater maintenance crews and is under the direction of a Utility Support Superintendent.

The Wastewater Treatment Plant Division is responsible for the treatment of residential, commercial and industrial wastewater to a level that meets or exceeds state and federal regulations. This is accomplished by using sophisticated equipment, advanced treatment technologies, and state certified wastewater treatment plant operators provided by the Brazos River Authority. The City shares ownership in two Regional Wastewater Treatment Plants with the Cities of Austin, Cedar Park, and Leander.



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- **System Management:** proactively plan, monitor, replace, and expand our utility systems to ensure infrastructure stability, orderly and sustainable growth, and cost efficiencies.
- **Operational Excellence:** efficiently operate and maintain systems, embrace technology and creative strategies, and strive for continuous improvement in managing and reducing costs.

GUIDING COUNCIL STRATEGIC GOALS:



WASTEWATER

FY 2017 HIGHLIGHTS:

Wastewater Line Maintenance:

- Successfully completing the 2016 Inspection Rehab schedule required by TCEQ.
- Adding additional taps to the reuse system for Home Owners Associations as well as exercising values and updating signage to avoid cross connections.
- Completed the 2016 in-house rehabilitation/repair schedule, saving the city money that would normally go to a contractor.
- Installed new wastewater service to Fire Station 9.
- Collecting wastewater flow data from Cedar Park, Leander and Austin flow meters. This program will help us better assess any infiltration and inflow issues and at the same can help us to make sound decisions operating the wastewater treatment plant.
- Currently developing strategies for operational resiliency under emergency conditions.
- Utilities created a Leadership Development Academy approved and administered by Human Resources. This training has allowed us to identify, grow, and promote a sustainable workforce, which is turn will help with succession planning.
- Implemented a cross-training program approved by Human Resources. This has led to improved customer service, reduced labor costs, and maximized overall staff efficiencies.

Wastewater System Support:

- Completed design for the rehabilitation of Forest Creek Lift Station.
- Currently developing strategies for operational resiliency under emergency conditions.

Wastewater Treatment Plant:

- The plant has met and exceed all TCEQ requirements.
- Selected the engineer for the design of the next expansion to the Brushy Creek East Regional Wastewater Treatment Plant.
- Set up the chemical feed implementation to accomplish phosphorus removal.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

Wastewater Line Maintenance:

- The division will schedule the inspection of 153,082 linear feet of closed-circuit television (CCTV) as well as the inspection of over 703 manholes.
- Replace old and outdated CCTV System.
- Expand the Reuse Water System by adding additional taps.
- Utilities will continue training staff through the Leadership Development Academy approved and administered by Human Resources. This training will allow us to identify, grow, and promote a sustainable workforce, which is turn will help with succession planning.
- Utilities will continue with a cross-training program approved by Human Resources which will continue to improve customer service, reduce labor costs, and maximize overall staff efficiencies.

Wastewater System Support:

- Complete rehabilitation of the Forest Creek Lift Station.

Wastewater Treatment Plant:

- Start preliminary engineering design of the new wastewater treatment plant expansion.

FY 2019 OVERVIEW AND BEYOND:

Wastewater Line Maintenance:

- CCTV approximately 160,752 linear feet of wastewater lines over the Edwards Recharge Zone.
- Plan and work with manager, as well as engineers, on the rehabilitation of Chandler Creek inverted siphons.

Wastewater Treatment Plant:

- Construction of the wastewater treatment plant expansion.

WASTEWATER

WORKLOAD INDICATORS:

Wastewater Line Maintenance:

Indicator	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Target
Manholes Inspected in Selected Edwards Aquifer Basins	100%	100%	100%	100%
Miles of Lines Inspected in Selected Edwards Aquifer Basins	100%	100%	100%	100%

Wastewater System Support:

Indicator	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Target
KW Usage Reduction	3%	5%	7%	7%
AMI Meter Installations	90%	95%	100%	100%
Water Loss	8%	7%	6%	6%
KWH/ MG Distributed (Surface)	437	400	380	380

Wastewater Treatment Plant:

Indicator	FY2015 Actual	FY2016 Actual	FY2017 Projected	FY2018 Target
KWH/MG of Wastewater Treated	2500	2400	2300	2300
Effluent Parameters Reduction (BOD, TSS, and Ammonia)	98%	98%	98%	98%



DRAINAGE 5 YEAR SUMMARY OF EXPENDITURES

	2013-14	2014-15	2015-16	2016-17	2017-18
	Actual	Actual	Actual	Revised Budget	Proposed Budget
<i>Personnel Services</i>	1,146,712	1,229,744	1,286,307	1,270,334	1,627,916
<i>Operating Expenses</i>	559,183	475,968	455,374	795,250	797,754
<i>Capital Outlay</i>	65,690	498,500	41,358	312,000	424,000
Total Expenditures:	\$1,771,585	\$2,204,211	\$1,783,039	\$2,377,584	\$2,849,670
Expenditures per Capita:	\$17.18	\$20.91	\$16.73	\$21.94	\$25.58
FTEs:	18.00	19.00	22.00	22.00	22.00
% Change:	25.6%	24.4%	-19.1%	33.3%	19.9%

FY 2014/15

- FY 14/15- Several one-time large capital purchases were made in the amount of \$490,500. Items purchased were gradall equipment, mowing tractor, skid steer loader, gooseneck trailer and a replacement pickup truck
- 1 FTE (City Engineer) transferred Transportation (General Fund) to Drainage

FY 2015/16

- Drainage Crew (3 FTEs) was added at a cost of \$192,000 to accommodate growth in the drainage system

FY 2016/17

- \$15,000 for Storage Building for Drainage Operation & Maintenance Crews.
- \$21,500 for cost increases for Contractual Services, Materials & Supplies

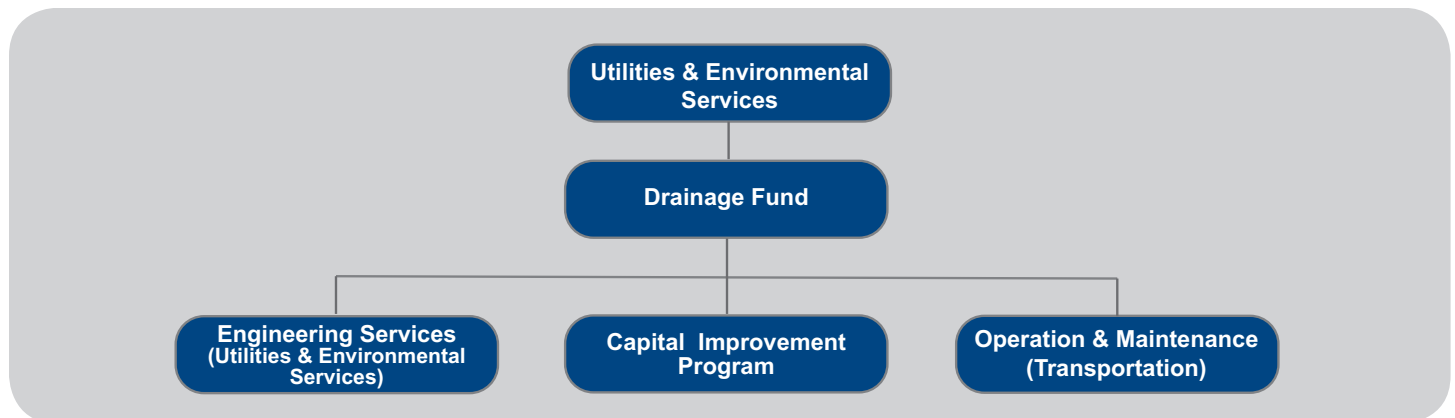
PROPOSED FY17/18

- \$39,000 New Equipment Trailer
- \$385,000 for replacing a Combo Truck
- \$11,500 for cost increases for contract services, materials & supplies



DRAINAGE

The Drainage Utility funds all aspects of the Storm Water Program associated with storm water drainage, flood-plain management and water quality management. The Storm Water Program Division is composed of three areas: Engineering Services, Capital Improvement Program, and Operations and Maintenance.



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- **Public Health, Safety, and the Environment:** ensure efficient compliance with regulations, minimization of risk, and proactive efforts toward preserving and enhancing our natural resources.
- **Financial Strength:** strive to know the true cost of service, be transparent and competitive in our rates and fees, and provide a solid fiscal foundation for our customers and financiers.
- **Employee Success:** select and promote the best, encourage empowerment and leadership at every level, and foster development through continued education and knowledge sharing.

- **System Management:**

proactively plan, monitor, replace, and expand our utility systems to ensure infrastructure stability, orderly and sustainable growth, and cost efficiencies.

- **Operational Excellence:**

efficiently operate and maintain systems, embrace technology and creative strategies, and strive for continuous improvement in managing and reducing costs.

GUIDING COUNCIL STRATEGIC GOALS:



DRAINAGE

FY 2017 HIGHLIGHTS:

- Established an Emergency Action and Flood Recovery Support contract with an engineering firm to serve as an extension of staff before, during, and after major flood events.
- Selected and Contracted with a preferred full service environmental consultant firm to assist all environmental related tasks within the City.
- Completed 30% design milestone for Lake Creek Watershed Flood Mitigation Projects.

NEW PROGRAMS FOR FY 2018:

- New Equipment Trailer
- Combo Truck

FY 2019 OVERVIEW AND BEYOND:

- Implement Lake Creek Watershed Flood Mitigation Projects.
- Implement revised and increased TPDES MS4 Permit

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Review existing drainage utility fee and recommend any necessary changes.
- Review existing Regional Storm Water Management Program structure, policies, and rates and recommend any necessary changes.

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Street Sweeping	602 Curb Miles	602 Curb Miles	602 Curb miles	615 curb miles
Drainage Maintenance	150 Miles	150 Miles	151 Miles	151 Miles
Mowing of Drainage Structures	530 Acres	530 Acres	530 Acres	530 Acres



RECYCLING 5 YEAR SUMMARY OF EXPENDITURES

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Revised Budget	2017-18 Proposed Budget
<i>Personnel Services</i>	104,192	107,919	103,877	113,230	114,865
<i>Operating Expenses</i>	33,265	34,102	33,707	33,588	34,070
<i>Capital Outlay</i>	-	-	-	-	-
Total Expenditures:	\$137,457	\$142,021	\$137,585	\$146,818	\$148,935
Expenditures per Capita:	\$1.33	\$1.35	\$1.29	\$1.35	\$1.34
FTEs:	2.75	2.75	2.75	2.48	2.48
% Change:	2.3%	3.3%	-3.1%	6.7%	1.4%

FY 2016/17

- Personnel Services costs reflect market and merit salary increases implemented in FY 2016/17
- Additional Line Items added for Contract Labor and R&M Plant & Equipment for \$3,000
- Parking Lot resurfaced from General Self Finance

PROPOSED FY 2017/18

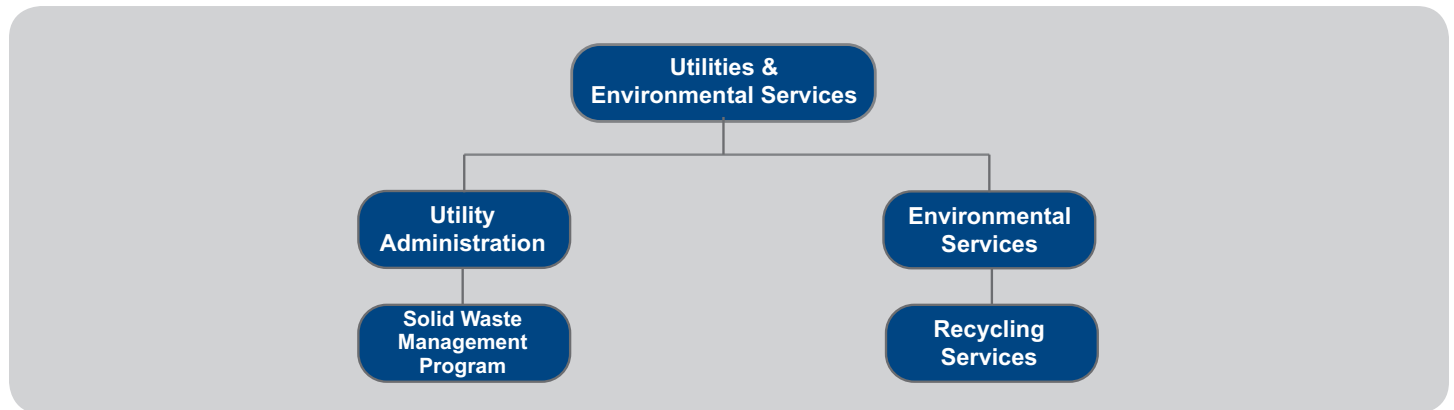
- No new programs or notable additions requested for FY 2017/18



RECYCLING

The Recycling/Solid Waste Services Department is responsible for garbage collection and recycling services provided to the citizens of Round Rock. These functions are handled by personnel in two separate divisions. The Environmental Services Division oversees the recycling drop-off center and the four used oil drop-off locations. The division also manages the City's in-house recycling program.

The Utility Administration Division oversees the solid waste management programs which include garbage collection and disposal by a third-party contractor as well as the curbside recycling program. In addition, this division oversees the franchise agreements with the commercial haulers who collect garbage for all commercial properties in the City. Both divisions promote environmental awareness to increase recycling and reduce the amount of waste disposed of in the landfill.



VISION:

Be the best at what we do.

MISSION:

Provide excellent service at the best value.

We will achieve our Vision and Mission by focusing on our five **Guiding Principles**:

- **Public Health, Safety, and the Environment:** ensure efficient compliance with regulations, minimization of risk, and proactive efforts toward preserving and enhancing our natural resources.
- **Financial Strength:** strive to know the true cost of service, be transparent and competitive in our rates and fees, and provide a solid fiscal foundation for our customers and financiers.
- **Employee Success:** select and promote the best, encourage empowerment and leadership at every level, and foster development through continued education and knowledge sharing.

- **System Management:**

proactively plan, monitor, replace, and expand our utility systems to ensure infrastructure stability, orderly and sustainable growth, and cost efficiencies.

- **Operational Excellence:**

efficiently operate and maintain systems, embrace technology and creative strategies, and strive for continuous improvement in managing and reducing costs.

GUIDING COUNCIL STRATEGIC GOALS:



RECYCLING

FY 2017 HIGHLIGHTS:

- Repaved the Recycling Center, improving traffic flow and material handling.
- Placed bulk recycling containers at seventeen city facilities, making in-house recycling more efficient.
- Evaluated the recycling and solid waste handling needs of the downtown Round Rock area.

FY 2018 OVERVIEW & SIGNIFICANT CHANGES:

- Implement recycling at multi-family locations.
- Work with the Parks Department to conduct recycling at city events.

NEW PROGRAMS FOR FY 2018:

- There are no New Programs proposed for FY 2018.

FY 2019 OVERVIEW AND BEYOND:

- Improve public outreach regarding recycling programs and the drop off Recycling Center.
- Expand recycling services to include city parks and recreation facilities.

WORKLOAD INDICATORS:

Indicator	FY 2015 Actual	FY 2016 Actual	FY 2017 Projected	FY 2018 Target
Traditional Recyclables (tons)	277.94	301.75	275	280
Automotive Fluids (gallons)	17,681	20,375	20,590	21,000
Electronics (tons)	102.2	30	0	0

Trend: Recycling of electronics is down because the drop off facility stopped taking televisions in 2015.



SUPPLEMENTAL

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TAX RATE TERMINOLOGY

Assessed Valuation – A valuation set upon real estate or other property by a government as a basis for levying taxes. (Note: Property values are established by WCAD & TCAD).

Certified Tax Roll – A list of all taxable properties, values, and exemptions in the City. This roll is established by WCAD & TCAD.

Property Tax – Taxes that are levied on both real and personal property according to the property's valuation and tax rate.

Tax Base – The total value of all real and personal property in the City as of January 1st of each year, as certified by the Appraisal Review Board.

Tax Levy – The total amount of taxes imposed by the City on taxable property, as determined by the Williamson Central Appraisal District.

Tax Rate – The amount of tax stated in terms of a unit of the tax base (e.g. cents per hundred dollars' valuation).

Travis Central Appraisal District (TCAD) – Established under state law and granted responsibility for discovering and listing all taxable property, appraising that property at market/production value, processing taxpayer applications for exemptions, and submitting the appraised values and exemptions to each taxing unit. This listing becomes the Certified Tax Roll for the taxing unit.

Williamson Central Appraisal District (WCAD) – Established under state law and granted responsibility for discovering and listing all taxable property, appraising that property at market/production value, processing taxpayer applications for exemptions, and submitting the appraised values and exemptions to each taxing unit. This listing becomes the Certified Tax Roll for the taxing unit.

GLOSSARY

Accrual Basis - A method of accounting that recognizes the financial effect of events, and interfund activities when they occur, regardless of the timing of related cash flows.

Ad Valorem Tax - A tax levied on the assessed value of real property (also known as “property taxes”).

Appropriation - A specific amount of money authorized by City Council to make expenditures and incur obligations for specific purposes, frequently used interchangeably with “expenditures”.

Assessed Valuation - A valuation set upon real estate or other property by a government as a basis for levying taxes. (Note: Property values are established by the Williamson County Appraisal District).

Benchmark - A comparison of performances across many organizations in order to better understand one’s own performance.

Bond - A written promise to pay a specific sum of money, called the face value or principal amount, at a specific date or dates in the future, called the maturity date, together with periodic interest at a specified rate.

Bonded Debt - The portion of indebtedness represented by outstanding bonds.

Budget - A plan of financial operation specifying expenditures to be incurred for a given period to accomplish specific goals, and the proposed means of financing them.

Budget Calendar - The schedule of key dates or milestones which the City follows in preparation, adoption, and administration of the budget.

Budget Year - From October 1st through September 30th, this is the same as the fiscal year.

Capital Improvement Program - A plan for capital expenditures to provide long-lasting physical improvements to be incurred over a fixed

period of several future years. Examples include land, improvements to land, easements, buildings, building improvements and infrastructure.

Capitalized Lease Proceeds - Financing obtained through a three to five year leasing program for durable equipment and rolling stock.

Capital Outlay - Expenditures which result in the acquisition of or addition to fixed assets.

Capital Projects Fund - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

Capital Recovery Fee - see Impact Fee

Community Development Block Grant (CDBG) - Federal HUD entitlement funds to meet a variety of needs of low income citizens including housing, infrastructure, equipment, facilities and public services.

Certificate of Obligation (C.O.) - A form of general obligation debt.

Certified Tax Roll - A list of all taxable properties, values, and exemptions in the City. These rolls are established by the Williamson Central Appraisal District and the Travis Central Appraisal District.

Comprehensive Annual Financial Report (CAFR) - The annual financial report prepared by the City of Round Rock covering all financial activities and audited by an independent certified public accountant.

Convention and Visitor’s Bureau (CVB) - The designated sales and marketing department for the City.

Debt Service - The payment of principal and interest on borrowed funds.

GLOSSARY

Debt Service Fund - A fund established to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

Delinquent Taxes - Taxes remaining unpaid on and after the date due.

Department - A logical division or classification of activities within the City (e.g. Police Department, Transportation Department, etc.).

Depreciation - The decrease in value of physical assets due to use and the passage of time.

Division - A logical subset of the City departments used to help manage expenditures by activity.

Encumbrance - Commitments related to unperformed (executory) contracts for goods or services.

Enterprise Fund - A fund used to account for operations financed and operated in a manner similar to private business enterprises in that they are self-supported by user fees. These funds use full accrual accounting.

Executive Pay - This is the pay structure established for the City Management and City Director level positions.

Exempt Pay - This is the City's pay structure for positions that are not paid by the hour. These positions also do not have overtime compensation.

Expenditure - The actual outflow of funds paid for an asset obtained or goods and services obtained.

Expense - A charge incurred in an accounting period, whether actually paid in that accounting period or not.

Fiscal Year - A twelve-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. The City's fiscal year is from October 1 to September 30.

Fixed Assets - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

Franchise - A special privilege granted by a government permitting the continuing use of public property and rights-of-way, such as city streets.

Full Faith and Credit - A pledge of the general taxing power of the City to repay debt obligations. This term is typically used in reference to general obligation bonds.

Full-time Equivalent (FTE) - A quantifiable unit of measure utilized to convert hours worked by part-time, seasonal employees into hours worked by full-time employees. Full-time employees (except for shift Fire positions) work 2080 hours annually. A part-time employee working 1040 hours annually represents a .5 FTE.

Fund - A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and residual equities or balances and changes therein. Funds are usually established to account for activities of a certain type.

Fund Balance - The excess of assets over liabilities in a governmental fund.

General Fund - The fund used to account for all financial resources except those required to be accounted for in another fund. This fund includes most of the basic operating services such as police and fire protection, parks and recreation, library services, street maintenance and general administration.

General Obligation Bonds - Bonds for the payment of which the full faith and credit of the City is pledged.

Goals - Generalized statements of where an organization desires to be at some future time with regard to certain operating elements (e.g. financial condition, service levels provided, etc.)

GLOSSARY

Governmental Fund - A fund accounting for core government services such as the General Fund, all Special Revenue Funds and Debt Service Funds.

Grant - Contributions or gifts of cash or other assets from another government to be used for a specific purpose, activity or facility.

Hotel Occupancy Tax (HOT) - A 7% tax on City room rentals, limited by state law to specific tourism promotion purposes.

- Typically termed as “heads in beds” programs

Impact Fee - A fee assessed to new water and wastewater service connections. Fees are to be used for specific water and wastewater system improvements and are accounted for in the Water/Wastewater Utility Impact Fee account group.

Infrastructure - substructure or underlying foundation of the City (e.g. streets, utility lines, water and wastewater treatment facilities, etc.)

Inputs - A program performance indicator that measures the amount of resources expended or consumed by the program in the delivery of service during the fiscal year.

Levy - To impose taxes, special assessments, or service charges for the support of City activities.

Modified Accrual Basis - The basis of accounting in which revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Non-exempt Pay - This is the City’s pay structure for positions that are paid by the hour. These positions are eligible for overtime pay after working eight hours a day which would reflect a week’s total hours above 40.

Operating Budget - Plans of current, day-to-day expenditures and the proposed means of financing them.

Policy - A plan, course of action, or guiding principle designed to set parameters for decisions and actions.

Property Tax - Taxes that are levied on both real and personal property according to the property’s valuation and tax rate.

Reserve - An account used to indicate that a portion of a fund’s balance is legally restricted for a specific purpose and is, therefore, not available for general appropriation.

Re-use Water - Water that has been treated from the wastewater treatment plant which meets TCEQ requirements to be used in limited ways rather than potable water.

Revenue - Funds received as income. It includes such items as tax payments, fees from specific services, fines, interest income, franchise fees, etc.

Revenue Bond - Bonds whose principal and interest are payable exclusively from user fees (e.g. Water and Wastewater utility rates).

Risk Management - An organized effort to protect the City’s assets against loss, utilizing the most economical methods.

Round Rock Transportation and Economic Development Corporation (RRT-EDC) - The City’s Type B sales tax entity that funds transportation improvements and economic development projects. The main funding source is 0.5 cents of the City’s sales tax.

Sales Tax - Levied on applicable sales of goods and services at the rate of 8.25 percent in Round Rock. The City receives revenue from the sales tax at the rate of 1.5 percent. The Round Rock Transportation and Economic Development Corp. receives 0.5 percent. Revenue from the remaining portion of the rate is collected by the state.

- 1.0% - General uses – goes to General Fund
- 0.5% - Property tax reduction – goes to General Fund

GLOSSARY

- 0.5% - Economic Development / Transportation – goes to Type B fund

Self-Financed Construction Fund - A

fund used to allocate cash funding for projects rather than issuing debt. The fund's sources are year-end transfers from the respective fund.

- Cash balances to fund major CIP and Repair & Maintenance of facilities, parks and internal services
- These funds support the City's pay-as-you-go philosophy
- City has typically used conservative revenue projections to create excess sales tax revenues from prior years to cash fund projects and maintenance that might otherwise be debt financed or deferred
- Both the General Fund and Utilities strategically manage cash available to fund current and future projects
- GSFC – General Self Financed Construction, from excess General Fund Revenues or unspent General Fund budget
- UFSC – Utility Self Financed Construction, from excess water and wastewater revenues or unspent utility budget

Special Revenue Fund - A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes (e.g. Hotel/Motel Special Revenue Funds, Drainage Fund, Law Enforcement Fund, Library Fund, Municipal Court Fund, Parks Improvement and Acquisition Fund, PEG Fund, Tree Replacement Fund).

Strategic Budget - A budget that is closely linked to the City's Strategic Plan and Departmental Goals, Objectives, and Performance Measures. Strategic Budgeting is the process that the City of Round Rock utilizes to link the City's Strategic Plan and individual Departmental strategy and performance to the City's Budget.

Strategic Plan - A collectively supported vision of the City's future including observations regarding the potential effects of various operating decisions.

Tax Base - The total value of all real and personal property in the City as of January 1st of each year, as certified by the Appraisal Review Board.

Tax Levy - The total amount of taxes imposed by the City on taxable property, as determined by the Williamson Central Appraisal District.

Tax Rate - The amount of tax stated in terms of a unit of the tax base (e.g. cents per hundred dollars valuation).

Travis Central Appraisal District (TCAD)

- Established under state law and granted responsibility for discovering and listing all taxable property, appraising that property at market/production value, processing taxpayer applications for exemptions, and submitting the appraised values and exemptions to each taxing unit. This listing becomes the Certified Tax Roll for the taxing unit.

Utility Fund - A governmental accounting fund better known as an enterprise fund or proprietary fund in which the services provided are financed and operated similarly to those of a private business. The rates for these services are established to insure that revenues are adequate to meet all necessary expenditures.

Venue Tax - A 2% hotel occupancy tax on City room rentals dedicated to funding the Round Rock Sports Center.

Williamson Central Appraisal District (WCAD)

- Established under state law and granted responsibility for discovering and listing all taxable property, appraising that property at market/production value, processing taxpayer applications for exemptions, and submitting the appraised values and exemptions to each taxing unit. This listing becomes the Certified Tax Roll for the taxing unit.

Working Capital - The excess of current assets over current liabilities.

HOME RULE CHARTER

ARTICLE 8

FINANCIAL ADMINISTRATION

SECTION 8.01 FISCAL YEAR

The fiscal year of the City shall begin on the first day of each October and end on the last day of September of the succeeding year. All funds collected by the City during any fiscal year, including both current and delinquent revenues, shall belong to such fiscal year and, except for funds derived to pay interest and create a sinking fund on the bonded indebtedness of the City, may be applied to the payment of expenses incurred during such fiscal year, except as provided in this Charter. Any revenues uncollected at the end of any fiscal year, and any unencumbered funds actually on hand, shall become resources of the next succeeding fiscal year.

SECTION 8.02 PUBLIC RECORD

Copies of the budget adopted shall be public records and shall be made available to the public for inspection upon request.

SECTION 8.03 ANNUAL BUDGET

(a) Content.

The budget shall provide a complete financial plan of all City funds and activities and, except as required by law or this Charter, shall be in such form as the City Manager deems desirable or the City Council may require. A budget message explaining the budget both in fiscal terms and in terms of the work programs shall be submitted with the budget. It shall outline the proposed financial policies of the City for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year in financial policies, expenditures, and revenues, with reasons for such changes. It shall also summarize the City's debt position and include such other material as the City Manager deems desirable. The budget shall begin with a clear general summary of its contents and shall show in detail all estimated income, indicating the proposed property tax levy, and all proposed expenditures, including debt service, for the ensuing fiscal year. The proposed budget expenditures shall not exceed the total of estimated income. The budget shall be so arranged as to show comparative figures for actual and estimated income and expenditures of the current fiscal year and actual income and expenditures of the preceding fiscal year, compared to the estimate for the budgeted year. It shall include in separate sections:

- (1) an itemized estimate of the expense of conducting each department, division, and office;
- (2) reasons for proposed increases or decreases of such items of expenditure compared with the current fiscal year;
- (3) a separate schedule for each department, indicating tasks to be accomplished by the department during the year, and additional desirable tasks to be accomplished, if possible;
- (4) a statement of the total probable income of the City from taxes for the period covered by the estimate;
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FINANCIAL POLICIES

PURPOSE

The City of Round Rock has an important responsibility to its citizens, taxpayers, ratepayers, and customers to carefully account for public funds, to manage the City's finances wisely, and to plan for the adequate funding of public services. ***These policies implement and enhance the City Council's strategic goal which states "The City of Round Rock is a financially sound city providing high value services."*** To facilitate this responsibility, certain financial policies have been developed and implemented within the parameters established by provisions of the Texas Local Government Code and the Round Rock City Charter. These policies, as itemized below, are adopted by the City Council annually and are considered the basis for financial management, planning and budget preparation. These policies guide both the City of Round Rock and its component unit, the Round Rock Transportation and Economic Development Corporation (RRTEDC).

FUND STRUCTURE & BASIS OF ACCOUNTING

All fund structures and accounting standards of the City of Round Rock are in compliance with Generally Accepted Accounting Principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB) and other recognized professional standards.

GOVERNMENTAL FUNDS

Governmental funds revenues and expenditures are recognized on the modified accrual basis. Revenues are recognized in the accounting period in which they become available and measurable while expenditures are recognized in the accounting period in which the liability is incurred, if measurable. 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.

The governmental funds are used to account for general government operations and include the General Fund, Debt Service funds, Special Revenue funds, and Capital Projects funds. The City utilizes a full-cost approach to budgeting all of its services, which results in limited inter-fund transfers.

- **General Fund**

The General Fund is the primary fund for core government services and is used to account for all resources not required to be accounted for in another fund and not otherwise devoted to specific activities. Most of the financial transactions for the City are reported in this fund. The services provided by the City are classified according to activity and presented as operating departments in the budget.

- **Debt Service Funds**

This fund type is used to account for resources used to service the principal and interest on long-term debt such as general obligation bonds, revenue bonds, certificates of obligation and tax-exempt leases classified as debt.

FINANCIAL POLICIES

- **Capital Project Funds**

Capital Projects funds are used to account for resources restricted for the acquisition or development of major capital equipment and structures. Financing sources are usually provided by transfers from other funds, bond issue proceeds, or grants-in-aid. Capital projects are generally tracked on a project-length basis. The required financing is not appropriated on an annual basis, or any other period-length basis, but is approved at the outset of the project. The expected expenditures under the Capital Improvement Programs (called CIP) are presented as part of the overall budget adoption to accurately reflect the City's total expected use of funds in any given budget year, but these estimates are not considered binding appropriations.

- **Special Revenue Funds**

This fund type is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

PROPRIETARY FUNDS

Proprietary fund revenues and expenses are recognized on the accrual basis. Revenues are recognized in the accounting period in which they are earned and become measurable while expenses are recognized in the period incurred, if measurable. 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. Depreciation and compensated absences are not recognized as budgeted expenses.

Proprietary funds are used to account for the City's activities that are similar to commercial enterprise accounting. These funds include the Utility Fund and the Drainage Fund.

- **Utility Fund**

The Utility Fund consists of utility administration, water and wastewater operations, billing and collections, environmental services, and utility fiscal support. It is the policy of the City that the water and wastewater operations be self-sufficient and not cross subsidize the other. Rates will be set to reflect cost of service by customer class where practical. The Utility Fund also accounts for the debt service and capital improvements of the utility system.

- **Water** – Water operations include water line maintenance, water systems support, and the water treatment plant.
- **Wastewater** – Wastewater operations include wastewater line maintenance, wastewater systems support, and the wastewater treatment plant.

- **Drainage Fund**

The Drainage Fund administers all aspects of the City's Storm Water Program including planning, engineering, programs, operations and maintenance associated with storm water drainage, floodplain management, and water quality management. The Drainage Fund collects fees based on a property's impact to the City's drainage system. The fund also accounts for the debt service and capital improvements of the drainage system.

FINANCIAL POLICIES

STRATEGIC PLANNING AND GOALS

City Council Strategic Plan

The Council's Strategic Plan consists of the long-term Vision (15 years), five year Goals, and near term Policy and Management priorities. The Vision, Goals, and Priorities are reviewed by Council and staff annually and are amended and refined by the City Council at its annual Strategic Planning Retreat.

Council Vision and Goals

The Council has further defined the City's Strategic Plan around six (6) goals. These goals become the City's strategic direction for development and implementation of its master planning, capital improvement programs for infrastructure, long-term financial plans and annual budgets. The goals may be reprioritized or refined from year to year, but generally stay consistent.

1. Financially Sound City Providing High Value Services
2. City Infrastructure: Today and for Tomorrow
3. Great Community to Live
4. "The Sports Capital of Texas" for Tourism and Residents
5. Authentic Downtown – Exciting Community Destination
6. Sustainable Neighborhoods – Old and New

LONG-TERM FINANCIAL PLANNING

A Five-Year Financial Forecast and Plan will be maintained and updated annually that will identify potential tax impacts, rate adjustments, and other factors that will enable or impede the implementation of the City's Strategic Goals. Five-year plans will be created and updated for each of the City's major operating funds, including:

- General Fund, including impacts to the Maintenance and Operations (M&O) and Debt portions of the property tax rate
- Utility Fund
- Drainage Fund
- RRTEDC (also known as Type B) fund
- Hotel Occupancy Tax (HOT) Fund
- Sports Center Fund
- Multi-Purpose Field Complex Fund

The financial forecasts will assess long-term financial implications of current and proposed policies and programs, and assist with the development of strategies to achieve the City's goals.

ANNUAL BUDGET

Preparation

The Round Rock Charter (Section 8.03) requires that "the budget will provide a complete financial plan for all City funds and activities and, except as required by law or this Charter, shall be in such a form as the City Manager deems desirable or the City Council may require." The

FINANCIAL POLICIES

budget shall be submitted on or before the first day of August of each year to the City Council.

Guiding Principles:

- The annual budget will be prepared to address Council Strategic Goals and direction.
- Long-term financial needs identified in the five-year plans will be considered and addressed when appropriate.
- Current expenditures (operating and recurring capital) are to be funded with current, on-going revenues.

Proposed Budget

A proposed budget shall be prepared by the City Manager with participation of all of the City's Department Directors within the provision of the Round Rock Charter and the City Council's strategic goals. A copy of the proposed budget will be available for citizen review at Round Rock City Hall and the Round Rock Public Library.

Balanced Budget

A primary 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.

Revenues and Expenditures

The annual budget is staff and Council's best estimate of the revenues, expenditures, and available fund balances at the time of preparation. Therefore, transfers and amendments may be needed from time to time due to changing conditions.

Administrative Allocations

Allocations for general support services to the Utilities Fund, Drainage Fund, RRTEDC and any other operating funds will be reviewed, documented, and adjusted if necessary at least once every three years to assure reasonable cost of services is allocated to those funds.

Personnel

The annual budget will also include the approved number of full time equivalents (FTEs) for the City. Budget approval is considered approval of the FTEs. The City Manager may transfer and/or repurpose FTEs among departments and funds as needed to meet the needs of the community. If a transfer changes the total appropriations for any particular fund, then City Council approval is necessary.

In order to maintain effective staffing levels, the Police department may exceed total budgeted FTEs by 4.0 FTEs to accommodate planned departures and retirements in light of the long personnel recruitment and training times required. The department must stay within the appropriated budget for that fiscal year and receive advanced approval from the City Manager.

Fund Balance

Balances in excess of authorized reserves will be used to fund pay-as-you-go repair and maintenance programs, major capital projects and other one-time needs.

FINANCIAL POLICIES

Adoption

Upon finalization of the budget proposal, the City Council will hold a public hearing, and subsequently adopt by ordinance the final budget as amended. State law requires at least 60 percent of the members of the governing body to vote in favor of an ordinance setting a property tax rate that exceeds the effective tax rate. The budget shall be finally adopted not later than the final day of the last month of the fiscal year. The budget will be effective for the fiscal year beginning October 1st.

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

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 quickly review the overall budget and financial status.

Budget Amendments

The City will amend the budget at year end, if needed, for revenue-based expenditures that exceeded budgeted amounts due to increased revenues. The City will also amend the budget if necessary as part of the mid-year review process if any known adjustments are needed and approved at that time. The Chief Financial Officer (CFO) must certify availability of revenues or funding sources prior to amendment.

Emergency Appropriations

The Round Rock Charter (Section 8.05) allows for emergency appropriations “to meet a pressing need for public expenditure, for other than regular or recurring requirements, to protect the public health, safety or welfare.” An ordinance must be adopted by favorable votes of five (5) or more to the City Council members.

CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

A City goal is to maintain City facilities and infrastructure in order to provide services to the citizens within the community, meet growth related needs, and comply with state and federal regulations.

Preparation

The City will maintain and periodically update master plans to maintain and expand its infrastructure including, but not limited to: City Facilities, Drainage, Parks and Recreation, Transportation, Water and Wastewater. The City annually updates a five-year CIP schedule. The capital budget will include all capital projects, capital resources, and estimated operational impacts. Capital projects are generally tracked on a project-length basis. The required financing is not appropriated on an annual basis but is approved at the outset of the project. The expected expenditures under the CIP schedule are presented as part of the overall budget adoption to accurately reflect the City’s total expected use of funds in any given budget year but these estimates are not considered binding appropriations in that year.

FINANCIAL POLICIES

Financing Programs

When determining the financing options for CIP, the City will first evaluate available funds in the Self Finance Construction Funds. Where applicable, assessments, impact fees, pro rata charges, or other fees should be used when a specific developer can be identified as specifically benefitting from a particular project. Once other financing options have been considered, long-term debt financing will be explored to acquire major assets with expected lives equal to 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.

CAPITAL MAINTENANCE AND REPLACEMENT

The City recognizes that deferred maintenance increases future capital costs. Assessments are made annually as part of the budget preparation process to ensure major repairs, replacements, and maintenance necessary to preserve the City's capital investments are funded. To the extent that prior year excess fund balances are available, the City will annually fund allocations to the following:

- Fleet Maintenance and Replacement
- Information Technology
- Facilities Maintenance
- Parks and Recreation
- Public Safety Equipment

BUDGET CONTINGENCY PLAN

The City will take immediate corrective action at any time during the fiscal year if expenditure and revenue estimates are such that an operating deficit is projected at year end. Corrective actions in order of the precedence they will be explored are:

1. Reduce transfers to Self Finance Construction Funds for pay-as-you-go CIP.
2. Deferral of capital purchases
3. Expenditure reductions
4. Hiring freezes
5. Freeze merit increases
6. Use of fund balance, including repair and maintenance funds
7. Increase fees
8. Lay-off employees

The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit only with a subsequent approval of a plan to replenish the fund balance if it is expended below policy level.

FINANCIAL POLICIES

FUND RESERVES AND DESIGNATIONS

The City of Round Rock will maintain budgeted minimum reserves in the ending working capital/fund balances of its operating and debt funds to provide a secure, healthy financial base for the City in the event of a natural disaster or other emergency and to maintain or enhance its credit worthiness.

General Fund

- **Reserve**

In recognition of the City's reliance on sales tax revenues, the fund balance reserve in the General Fund should equal one hundred twenty (120) days or 33% of annual budgeted General Fund operating expenditures.

- **Designation**

Concentration Risk account: For any single sales tax payer that represents more than 5% of the City's net General Fund revenues, the city will designate a concentration risk fund at or above the City's annual net exposure to that revenue source. If at any time a single tax payer drops below that threshold or no tax payer meets this threshold, this account may be gradually reduced and used for one-time expenditures.

Self Finance Construction Funds

These designated funds support the City's pay-as-you-go philosophy for repair and maintenance and major capital projects to reduce or eliminate the use of long-term debt where possible. The funding sources are year-end transfers from the respective fund using excess fund balance.

- **General Self Finance Construction (GSFC)**

Transfers from the General Fund provides funding for repair and maintenance of fleet, facilities, parks, information technology, public safety equipment, one-time programs and general capital improvements.

- **Utility Self Finance Construction (USFC)**

Transfers from the Utility fund provides funding for major capital improvements of the Utility System.

Utilities Fund

- **Reserve**

Working capital reserves should be 33% or one hundred twenty (120) days of operating expenses and annual payments for long-term water contract costs. The City will maintain 1.35 times average annual debt service, which is above the bond covenant minimum requirement of 1.25 times average annual debt service.

Drainage Fund

- **Reserve**

Working capital reserves should be 25% or ninety (90) days of operating expenses, net of debt service requirements. The City will maintain 1.35 times average annual debt service, which is above the bond covenant minimum requirement of 1.25 times average annual debt service.

FINANCIAL POLICIES

Hotel Occupancy Tax (HOT) Fund

- **Reserve**
Fund balance reserves should be 25% or ninety (90) days of operating expenditures, net of debt service requirements and other designations. The bond covenants also require 1.40 times average annual debt service to be reserved.
- **Designations**
 - **Capital Infrastructure**
The City Council may designate available fund balance for the maintenance of assets considered part of the City's "Sports Capital of Texas" strategic goal and to meet the statutory requirements for the use of these funds. These projects may include the city-owned Dell Diamond baseball stadium and conference center, the Round Rock Sports Center, Champion Fields at Old Settlers Park (OSP) – Baseball and Softball, and the OSP Multi-Purpose Field Complex.
 - **Promotion of the Arts**
A minimum of five percent (5%) of HOT revenues, net of any rebates, is designated to fund the promotion of the Arts. The City will ensure that these funds are used to promote tourism as required by statute through an annual review of the use of the funds.

Round Rock Transportation and Economic Development Corporation (RRTEDC) (Type B)

- **Transportation Projects**
No less than 90% of Type B funds received will be used for transportation projects. Transportation capital improvement projects (TCIP) will be reviewed by staff at least quarterly and will be presented to the Type B board at the next scheduled meeting, as needed.
- **Economic Development Purposes**
The remaining 10% of Type B funds may be used for economic development purposes covered under local government code including:
 - City funding for the Round Rock Economic Development Partnership for ongoing programs.
 - Any remaining funds will be placed into a dedicated economic development account to be used for any lawful purpose under the local government code and in accordance with economic development strategies.

The economic incentive program payments (EIPs) will be reviewed by staff at least quarterly and will be presented to the Type B board at its next scheduled meeting, as needed.

- **Designation**
The City Council designates an account equal to 1.25 times average annual debt service as an internal assurance that debt service requirements will be met due to sales tax being the only funding source for these debt payments. This is a self-imposed designation and should not be construed as a requirement of the debt or a commitment to bond holders.

FINANCIAL POLICIES

Sports Center

- **Reserve**
Fund balance reserves should be 25% or ninety (90) days of operating expenses, net debt service requirements and other designations.
- **Designation**
It is the goal of the City Council to establish a capital replacement account of \$3 million to ensure the facility is maintained.
 - **Investment Reimbursement**
At such time as revenues are sufficient to meet operations, reserve and replacement funds, this fund is expected to repay the GSFC and HOT for initial investment in the Sports Center Facility.

Multi-Purpose Field Complex

- **Reserve**
Fund balance reserves should be 25% or ninety (90) days of operating expenses. Operations not covered by tournament and field rentals will be funded by transfers from the General Fund and HOT Fund at 50% from each fund.
- **Designation**
It is the goal of the City Council to establish a capital replacement account once the complex is fully operational.

REVENUES

The City will maintain a diverse and stable revenue system. In order to protect the City from revenue shortfalls and to maintain a stable level of service, revenues will be estimated realistically and conservatively taking into account the volatile nature of various revenue streams. The analysis will include probable economic changes and their impacts on revenues, historical collection rates, and trends. The benefits of a revenue source should exceed the cost of administration and collection of that revenue.

- **Property Tax**
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 current appraisals supplied by Williamson Central Appraisal District and Travis Central Appraisal District.
- **Sales Tax**
Used to fund the recurring operations of the General Fund and the transportation improvements and economic development activities of the RRTEDC (Type B) fund. Sales tax revenue fluctuates due to changes in economic conditions and will be closely monitored to ensure the needs of the City are met. When financially advisable, a transfer from the General Fund sales tax may be budgeted to fund pay-as-you-go one time capital expenditures or projects.
- **User Fees and Charges**
For services associated with a user fee or charge, the direct and/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 fees provide adequate coverage for the cost of

FINANCIAL POLICIES

services. The City Council will determine how much of the cost of a service should be recovered by fees and charges.

- **Utility Rates**

Rates will be reviewed periodically and adopted to generate sufficient revenues to fully cover operating expenses, meet debt coverage requirements and provide an adequate level of working capital. Utility revenues will be budgeted based on an average year's rainfall/consumption. The rate analysis will anticipate neither drought nor wet conditions. Adjustments to the utility rates will be made based on revenue requirements over the five-year forecast for the Utility Fund. When financially feasible, a transfer from the Utility Fund will be budgeted to fund pay-as-you-go one time capital expenditures or projects. It is the City's goal to have growth pay for growth through impact fees and developer contributions where practical.

- **Franchise Fees**

Derived from major public utilities operating within the City, franchise fees are intended to reimburse the City for use of public streets and rights of way.

- **Hotel Occupancy & Venue Taxes**

Taxes imposed on hotel room nights allowed by statutory and charter authority. The use of these revenues are limited by state law to specific tourism promoting activities. The revenues will be estimated using actual properties and occupancy rates and prior year revenue collections.

- **Non-Recurring Revenues**

One-time or non-recurring revenues should not be used to finance current ongoing operations.

EXPENDITURES

- **Appropriations & Transfers**

All expenses of the City will be made in accordance with the adopted annual budget or as legally amended. The legal level of control is at the fund level. The City Manager is authorized to transfer budgeted amounts among departments within any fund; however, any transfers or amendments that change the total expenditures of any fund must be approved by the City Council.

- **Procurement**

In accordance with state law and city ordinances, the City is to provide for the fair and equitable treatment of all persons involved in public purchasing with the City of Round Rock, to maximize the purchasing value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity while meeting all legally mandated federal, state, and local requirements. Competitive pricing will be sought in accordance with the following guidelines to ensure the best value is obtained through the procurement of products and services.

FINANCIAL POLICIES

- **Formal Approvals**

City Manager or City Council approval is required as detailed below.

- City Manager Approval
 - Any outside agreement/contract that requires a signature under \$50,000.00
- City Council Approval
 - Any item the City Manager deems necessary to require City Council approval;
 - Any outside agreement/contract over \$50,000.00;
 - All intergovernmental agreements

- **Authorized Purchases**

The adopted annual budget will include an Authorized Purchases list that considers certain planned purchases as approved in advance by Council. This policy allows the City Manager to approve items as listed without going back to Council under certain conditions.

- Routine equipment and technology purchases as included in the budget and the budget list are considered approved by Council, unless:
 - Item is \$200,000 or greater, unless the Council makes an exception,
 - Item contains a contract requiring the Mayor's signature;
 - Purchase deviates from the original purchase as designated on the list;
 - Cost exceeds the greater of 10% or \$10,000; or
 - Council has designated that item(s) come back for approval
- Capital projects and funding agreements will be presented to Council for consideration and approval.

CASH MANAGEMENT AND INVESTMENTS

The City Council has formally approved a separate Investment Policy for the City of Round Rock 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. The City will maintain cash management and investment policies and procedures and will maintain public trust through responsible actions as custodians of public funds.

- **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.

- **Investment 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.

FINANCIAL POLICIES

- Maximize earnings (yield) to the greatest extent possible consistent with the City's investment policy.

DEBT

The City of Round Rock establishes the following policy concerning the issuance and management of debt. This policy is to improve the quality of decisions in relation to the City's financing activities, provide a comprehensive view of the City's long-term debt and make it easier for decision-makers to understand issues concerning debt issuance and management. It is the intent of this policy that the City's debt be managed and monitored so as to enhance or maintain its credit rating with major ratings agencies.

CONDITIONS OF DEBT ISSUANCE

Debt should be issued for the purpose of meeting the needs of the community through funding of capital projects and equipment but without constituting an unreasonable burden to taxpayers.

Long-term debt is only issued to finance the acquisition and/or construction of capital improvements. Additionally, only capital needs identified in the capital improvement program will be considered. Refunding bonds will only be issued if the present value of debt service savings exceeds three percent of the par value of the refunded bonds.

TYPES OF DEBT

- **General Obligation Bonds**
General Obligation (GO) Bonds may only be issued with a majority approval of a popular vote. The use of the proceeds from GO Bonds is limited to the acquisition or improvement of real property and other uses allowed by law and applicable bond ordinances. Libraries, parks and public safety facilities are all types of facilities that could be financed with GO Bonds. To the extent that property tax revenues are used to fund debt service, an increase to the property tax will be proposed.
- **Enterprise Revenue Bonds**
Enterprise Revenue Bonds finance facilities for a revenue producing enterprise, and are payable from revenue sources within that enterprise. Municipal Water and Sewer and Solid Waste are examples of revenue producing enterprises within the City.
- **Refunding Obligations**
Pursuant to the Government Code and various other financing statutes applicable in particular situations, the City Council is authorized to provide for the issuance of bonds for the purpose of refunding any long-term obligation of the City. Absent any significant non-economic factors, a refunding should produce minimum net debt service savings (net of reserve fund earnings and other offsets) of at least 3% of the par value of the refunded bonds on a net present value basis, using the refunding issue's True Interest Cost (TIC) as the discount rate, unless the Finance Department determines that a lower savings percentage is acceptable for issues or maturities with short maturity dates.

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- **Tax Anticipation Notes**

Proceeds from Tax Anticipation Notes are used to fund projects whose source of payment is future tax revenues. These instruments have a term of one to three years and are for a specific purpose such as temporary financing for capital improvements, cash flow needs and major equipment leasing.

- **Leases**

Leases may be used to finance major capital purchases, other than infrastructure, including fleet, major system upgrades and large equipment purchases.

- **Assessment Bonds**

Proceeds from Assessment Bonds may be used to finance local public improvements, provided that said improvements benefit the parcels of land to be assessed. Local streets, street lights, landscaping, sidewalks and sanitary sewers are some examples of local improvements commonly financed by assessment bonds.

- **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. Loans will be repaid within ten (10) years. A loan will be considered an investment of working capital reserves by the lending fund.

- **Other Obligations**

There may be special circumstances when other forms of debt are appropriate and may be evaluated on a case-by-case basis. Such other forms include, but are not limited to limited tax notes, non-enterprise revenue bonds, bond anticipation notes, grant anticipation notes and judgment or settlement obligation bonds.

RESTRICTION ON DEBT ISSUANCE

- The City of Round Rock **will not** use long-term debt to finance current operations or normal maintenance.
- Derivative products **will not** be used by the City.
- Swaps **will not** be entered into without establishment of a Swap Policy.
- Variable rate debt **will not** be entered into without establishment of a Variable Rate Debt Policy.

LIMITATIONS ON OUTSTANDING DEBT

There is no direct debt limitation in the Round Rock City Charter or under State law. The City operates under a Home Rule Charter (Article XI, Section 5, Texas Constitution) approved by voters in August 1977 that limits maximum tax rate, for all City purposes to \$2.50 per \$100 assessed valuation. Administratively, the Attorney General of the State of Texas will permit allocation of \$1.50 of the \$2.50 maximum tax rate for general obligation debt service.

CHARACTERISTICS OF DEBT ISSUANCE

When the City finances capital projects by issuing bonds, it will pay back the bonds within standard terms that include the following:

FINANCIAL POLICIES

- Term may be up to 30 years depending on cash flow assumptions, or useful life of asset being financed.
- Call provisions will be shortest possible optional call consistent with optimal pricing.
- The City will seek level or declining debt repayment schedules and will avoid issuing debt that provides for balloon principal payments reserved at the end of the term of the issue.
- The City will avoid variable-rate debt due to the potential volatility of such instruments. Therefore, the City will avoid the use of variable-rate debt for its general obligation bond issues.
- The Debt service program will be managed in conformity with applicable bond covenants.

Commercial insurance or other credit enhancements to the bond rating shall be considered when cost-effective.

DEBT ISSUANCE PROCESS

The City shall utilize the services of an independent, Municipal Securities Rulemaking Board-registered financial advisor on all debt financing. Although not required, the City may utilize a request for proposals (RFP) selected pool of underwriters to mitigate time constraints and reduce overhead costs to the City in procuring such services. Bond counsel will be used for each transaction.

The Finance Department shall review each debt issuance transaction on a case-by-case basis to determine the most appropriate method of sale.

- **Competitive Sale**

In a competitive sale, bids for the purchase of the bonds are opened at a specified place and time and are awarded to the underwriter (or syndicate) whose conforming bid represents the lowest true interest cost (TIC) to the City. This method is most advantageous when the debt to be issued is less complex, the municipal bond market for high-grade credits is stable, and the sale of the City's bonds is assured.

 - Bond sales shall be cancelable at any time prior to the time bids are to be received.
 - Upon award to the bidder whose conforming bid represents the lowest true interest cost, the City may restructure the bonds in accordance with the Official Notice of Sale. The City shall reserve the unfettered right to reject all bids or waive bid irregularities.
- **Negotiated Sale**

In a negotiated sale, the City chooses the initial buyer of the bonds in advance of the sale date. The initial buyer is usually an investment banking firm, or a syndicate of investment banking firms interested in reoffering the bonds to investors through an underwriting process. This type of sale allows the City to discuss different financing techniques with the underwriter in advance of the sale date. This method is most advantageous when the debt issue is complex, debt structuring flexibility is required (as would be the case in a bond refunding) or the municipal bond market is unstable or uncertain.

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- **Direct Purchase**

In a direct purchase, the City may select a private purchaser willing to bid a below market rate or other preferential financing terms. Such transactions often allow debt to be issued more efficiently by eliminating the need for bond ratings and other associated issuance costs. Such financing will be analyzed on a case-by-case basis, depending primarily on rates prevailing in the market from time to time.

RATING AGENCY COMMUNICATION & DISCLOSURE

The City will seek to maintain and improve its current bond ratings so its borrowing costs are reduced and its access to credit is preserved. In conjunction with the financial advisor, the City will open a line of communication with at least one of the rating agencies (Standard and Poor's, Moody's or Fitch) when issuing new bonds or refunding existing bonds to obtain an affirmed or upgraded rating.

Full disclosure of the City's operations will be made to the bond rating agencies. City staff, with the assistance of the financial advisors and bond counsel, will prepare the necessary materials for presentation to rating agencies.

The City will adhere to the recommended disclosure guidelines as endorsed by the Public Securities Association, the Government Finance Officers Association, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, and the nationally recognized municipal securities information repository (NRMSIR) and any state information depository (SID) that is designated by the State of Texas and approved by the staff of the United States Securities and Exchange Commission (the SEC). SEC Rule 15c2-12 defines disclosure required by the SEC.

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.

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

FINANCIAL POLICIES

INVESTMENT OF BOND PROCEEDS

The City maintains in its Investment Policy document approved by the City Council, the strategy and policies for investing bond proceeds. The City's Investment Policy complies, and will at all times comply, with the provisions of the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended. Interest on bond proceeds is restricted such that it may only be used to fund projects that have the same purpose as the purpose for which the bonds were originally issued. Construction proceeds are typically invested in short-term securities so that they are liquid. Interest and sinking funds may be invested longer as they have to be maintained for the life of the issue.

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.

ECONOMIC DEVELOPMENT

The City will actively promote economic development and business retention with prescribed business focus areas to maintain and expand the long-term business, financial and employment base for the community. These efforts will be accomplished through a contract with the Chamber of Commerce and in partnership with City staff, Council and local business leadership.

- An economic development plan or strategy will be developed and periodically reviewed and updated as conditions change.
- Financial incentive guidelines will be established and periodically reviewed.
- Both economic impact and direct financial impact to the City will be evaluated and considered for each incentive proposal.
- Risks will be assessed as part of each proposed agreement and mitigated by emphasizing performance based programs and financial surety provisions where possible for any up front investments by the City or its partners.

Approved incentive agreements will be monitored for compliance with reporting of that compliance made to the City Manager at least annually.

ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- **Accounting**
The City is solely responsible for the recording and reporting of its financial affairs, both internally and externally. The Chief Financial Officer (CFO) is responsible for establishing the structure for the City's Chart of Accounts and for assuring that

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procedures are in place to properly record financial transactions and report the City's financial position.

- **Audit of Accounts**

In accordance with the Round Rock City Charter, an independent audit of City accounts will be performed every year. The auditor is retained by and is accountable to the City Council and will have no personal interest, directly or indirectly, in the financial affairs of the City or any of its officers. The auditing firm will serve for up to 5 years, at which time, the City will re-solicit proposals for these services if deemed necessary by the City Council. The actual need to rotate an auditing firm will be considered, but only at the discretion of the City Council in providing for the best financial oversight of the City.

- **External Reporting**

Upon completion and acceptance of the annual audit by the City's auditors, the City will prepare a written Comprehensive Annual Financial Report (CAFR) which will be presented to the City Council within 180 calendar days of the City's fiscal year end. The CAFR will be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and will be presented annually to the Government Finance Officer Association (GFOA) for evaluation and consideration for the Certificate of Achievement in Financial Reporting.

- **Receivables Policy**

All receivables of the City are accounted for, aged and collected at the earliest opportunity. Delinquent receivables are processed expediently and collection agencies are utilized when appropriate.

- **Payables Policy**

All payables for incurred expenses are accounted for, aged and paid at the latest permissible time to maximize the City's investment earning capability. All applicable discounts are taken.

INTERNAL CONTROLS

The Finance Department is responsible for designing appropriate controls for City departments and departments are responsible for implementation. Inherent in these responsibilities is the recognition that the cost of an internal control should not exceed the benefits expected to be derived. The objective of internal controls is to provide management with reasonable, but not necessarily absolute, assurance that assets are safeguarded from fraud and are recorded properly.

- **Department Policies**

Where appropriate, this City will maintain appropriate policies to manage budgetary expenditures and control, procurements, personnel, and staffing management. These policies will be developed, updated, and approved by the City Manager as necessary.

- **Written Procedures**

Wherever possible, written procedures will be established and maintained by the CFO for all functions involving cash handling and/or accounting throughout the City.

FINANCIAL POLICIES

- **Internal Audit Program**

An internal audit program will be maintained by the CFO to ensure compliance with City policies and procedures and to prevent the potential for fraud.

EMPLOYEES & COMPENSATION

The City's policy as an employer is to attract and retain quality employees who provide excellent, friendly service to the Round Rock community in an effective and efficient manner.

To meet the goal of a quality workforce, the City strives to maintain competitive compensation and benefit programs.

- Proposed budgets will include an amount adequate to cover changes in market salaries, and may include funds for performance-based merit increases as determined by the City Manager.
- The City will maintain a health insurance program providing quality benefits in a cost effective manner.

SELF INSURANCE & RISK MANAGEMENT

The City will maintain an internal service fund to account for the self-funded health insurance coverage for all City employees. In addition to the basic coverage provided to each employee, employees may purchase dependent coverage through payroll deductions. Coverage will be financed by contributions from both the City and the employee through payroll deductions.

The City will make a diligent effort to avoid or prevent loss of City assets and to reduce the City's exposure to liability. All reasonable options will be investigated to finance risk exposure. If risk is retained, reserves will be established based on actuarial determinations.

FEDERAL AND STATE GRANTS

The City will seek State and Federal grants where applicable and practical. The benefits of the grant should exceed the cost of administration of the grant when possible. Council should approve the application of all grants that will have future funding requirements.