On behalf of the Georgetown City Council, I am honored to present the City’s Popular Annual Financial Report for the fiscal year that spanned Oct. 1, 2017, through Sept. 30, 2018. Managing resources and shaping growth thoughtfully is always a challenge, especially when Georgetown is perennially highlighted as one of the fastest growing cities in the nation. In terms of affordability, the City has worked to maintain the lowest tax rate in the region, as well as competitive water and electric rates.

The City is focused on expanding employment opportunities and bring high quality retailers to Georgetown, while preparing for the many new people who will make Georgetown their home this year. We kicked off 2018 with the opening of the new Randalls grocery store. Wolf Crossing, a 250,000 square foot retail development across I-35 from Wolf Ranch broke ground this fall. Just north of Wolf Ranch, Wolf Lakes recently secured approval and financing for a mixed-use concept with office, medical, retail, and residential components across their 164 acres.

However, City Council is committed to preserving Georgetown’s unique charm and character—from the San Gabriel River, to Southwestern University, to having the Most Beautiful Town Square in Texas, to our great school district—these are the reasons why people choose to make Georgetown their home. Last year, the Georgetown City Council confirmed a new vision statement for the city: “Georgetown: A caring community honoring our past and innovating for the future.” The City has worked very hard to make Georgetown the community it is today, and is working to ensure Georgetown maintains its unique character, maximizes opportunities for thoughtful development, and enhances the quality of life for our residents.

While not wanting to rest on our laurels, it is important to pause and reflect on the great successes from this past year. This report is divided into four sections: Awards, Best Projects, Technical Innovation and People's Choice. Each section is designed to reflect upon the accomplishments of the City for the 2018 fiscal year. Broadly, this was a rewarding year for the City, with the opening of Garey Park; the opening of the Southwest Bypass, a critical north-south arterial; and the groundbreaking of a new Holt Cat dealership for Caterpillar construction equipment. In addition, Georgetown was honored to be named No. 1 on The South’s Best Cities to Live in 2018 by Southern Living magazine. We were No. 12 on The South’s Prettiest Cities 2018 list by Southern Living. It’s good to see others recognize what we already know to be true about Georgetown!

Financial data is also provided. The data conforms to generally accepted accounting principles. More detailed financial information can be found in the City’s Comprehensive Annual Financial Report on the City’s website at Georgetown.org. The Central Texas region is projected to more than double in size by 2050. With that in mind, Georgetown is committed to continuing to provide high-quality, cost-effective, and award-winning services that will ensure we are a premier community in Texas.

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Garey Park Grand Opening

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The City of Georgetown is the home of Southwestern University. Southwestern University is an independent, selective four-year undergraduate college, offering traditional liberal arts and sciences education, with a student population of approximately 1,500. It was the first institution of higher learning in Texas, chartered by the Republic of Texas in 1840, and has received national recognition for its academic program and cost-effectiveness.

Georgetown Independent School District is a Texas Education Agency Recognized School District and serves a diverse population of Williamson County students from pre-K to 12th grade. Georgetown ISD serves approximately 11,500 students at nine member districts and serve staggered, three-year terms.

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Great Neighborhoods in the U.S.
The City celebrated Downtown Georgetown, as one of five Great Neighborhoods in the U.S., with an ice cream Social. The announcement was made in October to an excited Mayor Ross.

“It is exciting to learn that Georgetown’s historic downtown district, centered around the Most Beautiful Town Square in Texas, has been named one of the Great Places in America,” Ross said. “Our downtown, with art galleries, museums, our public library, and street festivals, is also a state-recognized cultural district. This wonderful recognition for the heart of our community is a tribute to our citizens who have cared for the historic buildings, as well as the people who live and work and visit here”.

According to the American Planning Associations, the Great Places in America Program recognizes the streets, neighborhoods, and public spaces in the U.S. demonstrating exceptional character, quality, and planning—attributes that enrich communities, facilitate economic growth, and inspire others around the country.

No. 2 Healthiest County
Williamson was ranked the No. 2 healthiest county among the 242 counties ranked in Texas in the 2018 County Health Rankings.

The county health rankings are an annual report by the University of Wisconsin Population Health Institute and the Robert Wood Johnson Foundation. The rankings score counties on a range of factors including air quality, clean water, community safety, commuting times, educational attainment, employment rates, graduation rates, health behaviors, health provider ratios, healthcare quality, and longevity.

Institute of Museum and Library Services National Medal
The Georgetown Public Library was announced as one of 10 recipients of the 2018 National Medal for Museum and Library Service in May. The Medal is the nation’s highest honor given to museums and libraries that make significant and exceptional contributions to their communities.

The Institute of Museum and Library Services selected the winners from a pool of 29 national finalists. The winners represent institutions that provide dynamic programming and services that exceed expected levels of service.

At the Georgetown Public Library patrons encounter three words as they enter the building: Engage, Enlighten, Empower. This is the mission statement that drives the library to serve as a catalyst for community wellbeing and enrichment.

Georgetown strives to be a city of excellence in innovation, community enrichment and community engagement. The city received five noteworthy awards in 2018 that exemplify this culture of excellence.

Awards

Great Neighborhoods in the U.S.

No. 2 Healthiest County

Institute of Museum and Library Services National Medal

The city received national notoriety for winning $1 million in the Bloomberg philanthropies U.S. Mayors Challenge for its innovative approach to developing a “virtual power plant”. Georgetown’s winning idea is to lease rooftop space for solar panels and ground space for facilities from residential and commercial properties. offsets the future need to purchase additional power from outside sources to meet growing peak power demand in this completely renewable energy-powered city. The city joins Denver, CO; Durham, NC; Fort Collins, CO; Huntington, WV; Los Angeles, CA; New Rochelle, NY; Philadelphia, PA; and South Bend, IN as winners of the U.S. Mayors Challenge.
San Gabriel Park Phase II and Phase I Opening

The City broke ground on Phase 2 of improvements of San Gabriel Park on Sept. 6, while also celebrating the completion of the first phase of improvements.

Phase 2 of the San Gabriel Park improvements project includes a new basketball court, restrooms at the disc golf course, two new playgrounds and swings, additional pavilions, road improvements, restoration of two existing springs, and trail improvements—including the extension of the San Gabriel Trail to Katy Crossing neighborhood.

The $4.2 million Phase 2 project is expected to be completed next summer. Phase 1 of the project included a new playground with sensory walk, improved entry and directional signage, and the restoration of the spring habitat to its natural state through the re-establishment of the spring channel and native vegetation.

Other improvements completed in Phase 1 included parking, roadway, utility and drainage improvements; realignment of the Morrow Street and Chamber Way intersection; additional restrooms and pavilions; upgraded park furnishings throughout; and trail and accessibility improvements throughout the park.

Funding for the improvements was approved by voters in a 2008 bond package.

Southwest Bypass Opening

The first segment of Southwest Bypass will be opened on July 18. Southwest Bypass provides a north-south connection on the west side of Georgetown from DB Wood Road to Leander Road. The new $18.3 million arterial was one of 20 transportation projects approved by Georgetown voters in the May 2013 bond election.

Southwest Bypass will provide a continuous arterial around the south and west sides of the city. The road is being designed and built in conjunction with Williamson County. In addition to the City’s 2.4-mile segment from University Avenue to Leander Road, the County is building a 1.25-mile segment from Leander Road to Interstate 35. The County’s project is anticipated to be completed in late 2019.

Solar Farm Ribbon Cutting

On July 1, the City celebrated the opening of the Buckthorn solar plant in West Texas. The 154 megawatt solar farm, provides power for the City utility, making Georgetown one of the largest cities in the U.S. to be 100 percent renewable.

The 1,250-acre Buckthorn solar plant located 15 miles north of Fort Stockton contains 1.7 million solar panels. The panels are mounted on a single-axis tracking system that rotate over the course of each day to maintain a 90-degree angle to the sun in order to maximize output. The plant is in Pecos County, which has the second-highest radiance factor in the state. Radiance is a rating for available sunlight.

Since April 2017, Georgetown has been 100 percent renewable based on the state’s system of accounting for renewable power based on renewable energy credits.

The 2018 Best Upcoming Projects/Best Completed Projects category includes highlights of the best large construction projects that the City began or completed in 2018.

The construction cost for the roadway project is $5.1 million. Rivery Boulevard Extension was approved by Georgetown voters in the 2015 transportation bond election. When complete, Rivery Boulevard Extension will provide a link from I-35 to the Rivery retail, hotel, and convention center development. On the north end, the road will connect to the new Northwest Boulevard bridge over Interstate 35, which is scheduled to begin in 2019. The Rivery Boulevard and Northwest Boulevard projects provide an alternate to Williams Drive, which is one of the busiest roads in the city.

The City of Georgetown held a groundbreaking for the Rivery Boulevard at Williams Drive extension on Aug. 7. The new Rivery Boulevard segment will extend from the north end of the existing Rivery Boulevard to the new Northwest Boulevard bridge.

Rivery Boulevard is a four-lane divided street that includes a 10-foot-wide pedestrian median. The road will include a traffic circle at the intersection with Park Lane, a new $18.3 million arterial was one of 20 transportation projects approved by Georgetown voters in 2013.

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Since April 2017, Georgetown has been 100 percent renewable based on the state’s system of accounting for renewable power based on renewable energy credits.

The City will celebrate the grand opening of Garey Park on June 9. Amenities at the park include a playground, a splash pad, a dog park, an equestrian arena, the Garey House event space, pavilions, two fishing ponds, 4.7 miles of hiking trails, and 4.2 miles of equestrian trails.

At 525 acres, Garey Park is one of the largest city parks in the state and is roughly 1.5 times the size of Zilker Park in Austin. To maintain and plan programs for the City’s largest park, Garey Park will be staffed with six full-time and three part-time employees, including a park foreman, recreation coordinator, recreation specialist and group sales and servicing coordinator.

The park, which is located along the South San Gabriel River at 6450 RM 2243, was donated by Jack and Camille Garey in 2004 along with $5 million for park development. In 2008 Georgetown voters approved a bond for an additional $10 million for the park’s construction. The total project cost of $15 million included $1.5 million for design and $13.5 million for construction.
The San Antonio-based company sells, and will be a state-of-the-art facility, as well as the existing Georgetown Public Library that opened in 2007, the Historic Light and Water Works office building, and a public parking lot on Eighth Street.

The $13 million project is funded by proceeds from the sale of City buildings, municipal bonds, and fee revenues. Construction should be complete in 12 months. The architect for the project is Lawrence Group and the contractor is Balfour Beatty.

"This new sidewalk will provide a key connection between residents who live around Leander Road to restaurants, shopping, and jobs on Highway 29, and vice-versa. This investment allows people in Georgetown to have a safe and accessible route along a key corridor in our city," Georgetown Mayor Dale Ross said. "This project was possible because of the good work and dedication of former Councilmember Keith Brainard. Keith's pragmatism and diplomacy prioritized this project and made it a reality."

"Recognizing the growing need to support our customers and employees along the I-35 corridor, our new location in Georgetown will provide a great work environment that will be part of the community, " said Tony Shedrock, Holt Cat vice president of general services.

The City and Georgetown Preservation will celebrated the opening of Founders Park, and the Grace Heritage Center with consecutive ribbon-cutting ceremonies on Dec. 13.

The sidewalk provides a north-south connection from Leander Road to University Avenue on Nov. 10.

"We appreciate the City of Georgetown’s decision, and are excited for Holt Cat to be a bigger part of the community," said Tony Shedrock, Holt Cat vice president of general services. "Recognizing the growing need to support our customers and employees along the I-35 corridor, our new location in Georgetown will provide a great work environment that will assist in better serving our customers and will provide for a substantial positive economic impact for Georgetown and their citizens."
Lyft Pilot
As a way to learn more about rideshare programs and their place in the mobility picture, the City partnered with Lyft to offer discounted rides to Georgetown residents in 2018. Rides originating in the Georgetown city limits were eligible for the Lyft partnership. Lyft passengers were responsible for the first $2 of the cost of the ride with the City paying up to $10 in additional cost. The passenger is responsible for any additional cost of the ride. Data from the limited-time promotion is helping the City to better understand ride use patterns for a transportation network company.

New Historic District Street Signs
The City installed new historic district street signs throughout the Old Town and Downtown historic districts in October 2017. The signs are a red poppy color and feature a flower as part of the architectural design. The design pays tribute to the architectural heritage of the Georgetown community and will help identify the districts and promote the historic nature to residents and visitors. Old blue street signs were sold for $10 each on a first-come, first-served basis.

Downtown Parking Ambassadors
Two downtown parking ambassadors started in March 2018 in the downtown parking zone around the Williamson County Courthouse Square. The part-time City of Georgetown employees provide information about parking lots, shops, and offices in downtown and also enforce the three-hour parking ordinance for on-street parking in the downtown zone. The goal of the three-hour limit for on-street spaces in the downtown zone is to provide for the turnover of these spaces so they are available for visitors and shoppers.

Water Infrastructure
Improvements to the water treatment, storage, and distribution system for the water utility continued in 2018. Major projects included the rebuild of the Domel Pump Station and the Pastor Pump Station expansion. Construction continued on a new 2-million gallon elevated water tank in Sun City that is slated to be complete in 2019. A new 3-million gallon Braun elevated storage tank and a 30-inch water line along Ronald Reagan Boulevard that got started in 2018 will increase capacity in areas along west State Highway 29 and north of Liberty Hill. After a water pump failure at the Lake Water Treatment Plant caused a water service outage and the need to issue a boil water notice for water customers along State Highway 29 and north of Liberty Hill, the City is assessing ways to expand customer communications and use new tools to convey important non-emergency information. The City aims to introduce new solutions as a result of the assessment.

Early in 2018, the City of Georgetown began a process to request proposals from potential buyers for three city-owned buildings: the historic Post Office at 113 E. Eighth St., the Municipal Court and City Council Chambers at 101 E. Seventh St., and the Visitors Center at 103 W. Seventh St.

In the fall of 2018, the City Council approved the sale of two downtown buildings. The new owners of the Post Office plan to convert the building into a restaurant, bar, and ballroom. The new owners of the Municipal Court and City Council Chambers plan to remake that building into a restaurant and micro-distillery. The Visitors Center will remain a City building at the current location for now.

The sale of the buildings was in preparation for moving offices to the new City Hall and the Council and Court Building on Martin Luther King, Jr. Street, set for completion by the end of 2018.
Although traffic has continued to be an area of concern for Georgetown residents, 98 percent of those who responded to the City’s biennial citizen survey completed in 2018 rated the City’s overall quality of life as good or excellent. That’s up from 97 percent in the 2016 citizen survey.

According to the survey, 81 percent of residents also said they feel the value they receive for the taxes they pay are good or excellent.

Georgetown’s safety was also highly rated, including 96 percent of those polled saying they think the police protective services are good or excellent and 97 percent feel fire protective services are good or excellent.

Other City services, including parks, recreation programs, and the library were also rated as good or excellent by more than 90 percent of respondents.

The survey also identified areas for improvement, including mobility and growth management.

Engagement for 2030 Plan Update

As part of the City’s 2030 Comprehensive Plan update that began in July 2018, the City hosted a community-wide event called On The Table to gather residents’ ideas for the future of Georgetown. Nearly 1,500 people participated in the event, including nearly 450 students and staff from Georgetown ISD, and 1,460 people took the first public survey for the 2030 Plan update.

The major themes that emerged from the public input are: maintain the family-oriented, small-town feel, continue to encourage high-quality development, enhance citizen participation and engagement, focus on housing and affordability, enhance economic development opportunities, maintain and expand existing parks and recreation amenities, and improve and diversify the transportation network.

Georgetown’s 2030 Comprehensive Plan, first adopted in 2008, provides long-range guidance for the community’s development and character and serves as a roadmap to guide the City’s growth and future development decisions.

New Utility Billing System

Georgetown Utility Systems launched a new utility billing system on Aug. 4 that allows customers to manage their usage and pay bills more effectively.

The new system will allow customers to receive bills via text or email, get payment reminders and alerts, and have more control over credit card and payment data.

As part of the new systems roll out, customers who had been paying utility bills automatically or online had to create new accounts for the new system. The sign-up process was difficult for many customers.

To address the issues, the City added staff to the City’s call center and hosted onsite customer care help at locations throughout the City. During the process more than 20,000 people created new utility accounts.

For more information, visit gus.georgetown.org.

Vision Statement

In September 2017 the City began the process of creating a vision statement to capture Georgetown’s identity and aspirations.

As part of the process, the City sought ideas and input from Georgetown residents, including hosting a public meeting and an online survey. The visioning process was used to write a brief vision statement expressing our common identity and direction as a community.

The goal of the community visioning process was to gather ideas from community members and the City Council to develop a vision statement for Georgetown. The vision statement will serve to help align the community’s future direction and serve as a building block for City Council goal-setting, updating the City’s comprehensive plan, and future branding initiatives.

In December 2017, the council adopted this vision statement: Georgetown: A caring community honoring our past and innovating for the future.
The following financial information comes from the City’s Comprehensive Annual Financial Report (CAFR). The entire report is available at https://finance.georgetown.org/financial-transparency/. The statements from the CAFR conform to accounting principles generally accepted in the United States of America, as set forth by the Governmental Accounting Standards Board and have been audited by independent auditors in accordance with generally accepted auditing standards. The statements in this document are designed to provide readers with a broad overview of the finances of the City. For more detailed financial information, please refer to the CAFR.

Financial Operations of the City are guided by its Fiscal and Budgetary Policy, which is reviewed and adopted each year by the City Council. This policy is meant to ensure financial stability and promote fiscal responsibility. The City currently receives the Government Finance Officers Association awards for its CAFR, annual budget, and popular annual financial report. All three awards recognize the City’s commitment to fiscal discipline and transparency.

Financial Information

The City of Georgetown is a home-rule municipality located in the western part of Texas, USA. The City is governed by a five-member City Council, which is composed of the Mayor and four council members. The City of Georgetown has adopted an annual budget for FY 2018 that is required by law to be a reasonably accurate representation of all major revenues and expenses anticipated to be incurred by the City during FY 2018. The Mayor and City Council are responsible for the administration of city finances.

The total revenues for all of the City’s activities were $258.017 million in FY 2018, or a 8.93 percent increase from FY 2017. The increase stems primarily from increases in property and sales tax collections, increased capital grants and contributions, and utility revenue growth. The Charges for services category represents receipts primarily from electric, water, wastewater, environmental services, development and building inspection fees, parks fees, and court fines. Charges for services were $1.27 billion in FY 2018, a 38 percent increase from FY 2017. Property taxes totaled $37.6 million in FY 2017. One driver of this increase was developer contributed capital and additions to capital assets. Current year net position for business-type activities increased by $22.6 million, due to the growth in the customer base, developer contributed capital, and capital assets. During 2018, the City invested $23 million towards improving and expansion of utility infrastructure, compared to $25 million in 2017.

In the most general terms, the Statement of Activities provides information showing how the City’s net position changed during FY 2018. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows.

Expenses

The total expenses for all of the City's activities were $211.857 million in FY 2018, or a 10 percent increase from FY 2017. Major expenses include the Environmental Services (sanitation) contract, IT allocations, energy contracts, as well as for parks and streets maintenance. Salary increases implemented during the fiscal year included step increases for public safety as well as merit and market increases for non-public safety employees effective February 2018.

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Broadly, the Statement of Net position is the difference between the City’s assets (what the City owns) and liabilities (what the City owes). This is one way to measure the financial health of the City. Over time, increases or decreases in the City’s net position is an indicator of whether its financial health is improving or deteriorating. The City’s combined net position increased by more than $46 million in FY 2018 to $791 million from $745 million in FY 2017. One driver of this increase was developer contributed capital and additions to capital assets. Current year net position for business-type activities increased by $22.6 million, due to the growth in the customer base, developer contributed capital, and capital assets. During 2018, the City invested $23 million towards improving and expansion of utility infrastructure, compared to $25 million in 2017.

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The City’s assets are primarily invested in its capital infrastructure, such as utility lines, electric substations, roads, and parks. Many of these assets are funded through debt. As of September 30, 2018, the City had a total of $204 million in general obligation debt outstanding. This represents a 10.9 percent increase over the prior year. Current General Obligation debt is being used to pay for park and road projects, including $20 million for the City’s largest road project in its history, the Southwest Bypass. Additional bond payments are related to the library, recreation center, and community center, and the Public Safety Training and Operations Center.

Below are graphs and charts that illustrate key financial indicators within the City:

- **Sales Tax Revenues**: Increased 2 percent over FY2017, demonstrating continued growth in the local economy for the ninth consecutive year.
- **Assessed Value & Tax Rate**: Assessed valuations increased by more than $525 million in FY2018. The property tax rate remained at the prior year’s rate.
- **Regional Property Tax Rates**: The property tax rate for Georgetown is the lowest in central Texas.
- **Sales Tax Percent Change**: The sales tax revenue increased by more than 5.5% over FY2017.
- **Population**: The population grew by 2.6 percent in 2018. The 10-year percent change in population is 38.3 percent.

Chet Garner at the annual Red Poppy Festival parade