



**BUDGET IN BRIEF
FISCAL YEAR 2020**

**FUTURE
FOCUS**

**ROUND ROCK
FY2020 BUDGET**



The City of Round Rock's vision is to be:

- **A Family-Friendly Community** that is **Safe and Distinctive by Design**
- **"The Sports Capital of Texas"** and **Major Medical and Educational Destination**
- **An Authentic Downtown** and **choice of Great Neighborhoods**



Introduction

Dear Round Rock Residents,

I am pleased to present the City of Round Rock's Proposed Budget for fiscal year October 1, 2019 through September 30, 2020. This budget contains spending plans and revenue estimates for all City funds. The City Council continues to take a conservative approach to its financial and operational planning. The decisions that are made now strongly influence what the City will look like and how it will operate for years to come. With this in mind, City staff have been challenged with this budget to consider both the short- and long-term implications of the recommendations.

Strategic Priorities

In February 2019 the City Council affirmed and refined Round Rock's 6 strategic goals. The total proposed budget of **\$444.7 million** is focused on furthering these goals listed below:



Financially Sound City Providing High Value Services



City Infrastructure: Today and for Tomorrow



Great Community to Live



"Sports Capital of Texas" for Tourism and Residents



Authentic Downtown - Exciting Community Destination



Sustainable Neighborhoods - Old and New

The City's most recent biennial citizen survey revealed that traffic and transportation is the top concern of our community. While major improvements to I-35, SH45, and U.S. 79 remain under the jurisdiction of TxDOT and outside the scope of our City budget, this proposed budget does include funding for improvements to the City's transportation network that will provide relief to our residents. Some of these improvements include:

- Continue \$4.3 million annual funding for **neighborhood street maintenance**. The City has \$12.5 million in these projects recently completed or in progress.
- The **McNeil (East Bagdad) Extension** will extend McNeil Road east to Georgetown Street to help redirect traffic around our historic downtown, enhancing the downtown core for pedestrians.
- Significant engineering and staff work to prepare for **upcoming road improvement projects** - including Kenney Fort Boulevard, Gattis School Road, Red Bud Lane and University Boulevard.

The City continues to invest in the historic downtown with upgrades in FY 2020 to roads and gathering spaces and more activities to make your family feel right at home in the heart of our community. Some of these upgrades include:

- **Downtown parklets, landscaping, lighting and sidewalk improvements** will help make the downtown more accessible and inviting for visiting, dining, shopping, and socializing.
- Rehabilitation and new lighting solutions for the **historic downtown water tower** will make one of the City's most recognizable landmarks look great year-round.
- Transportation and utility **infrastructure improvements to the north-east downtown**, including planning and design of a future parking garage.

Round Rock's recreation and cultural amenities set our City apart from many municipalities. This FY 2020 Proposed Budget includes funding for improvements and connections to these amenities that will continue to make Round Rock distinctive. Some of these improvements and connections include:

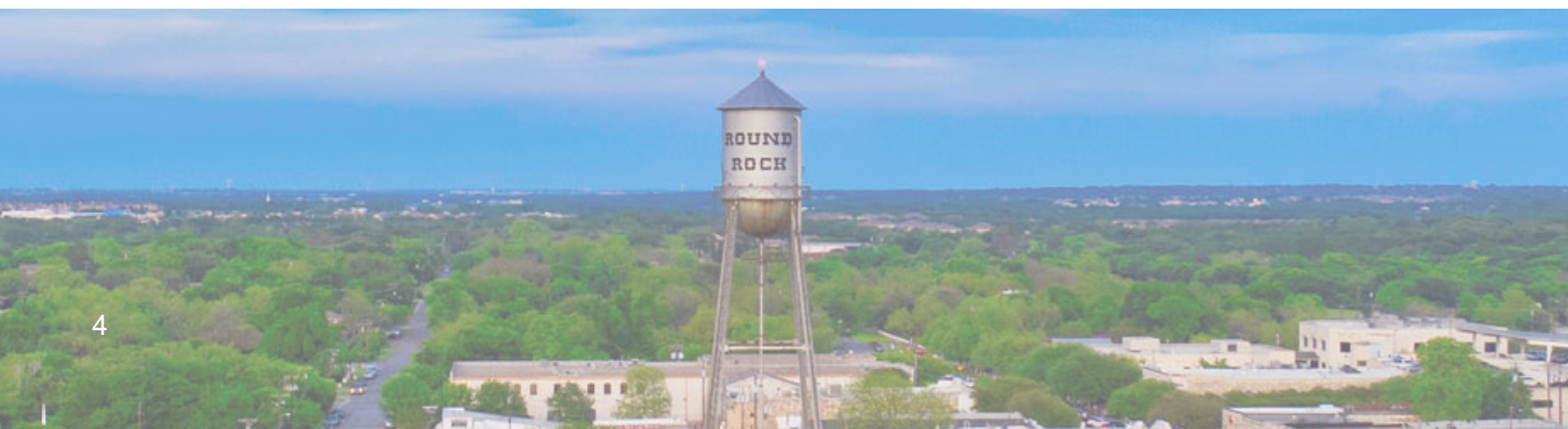
- **Trail connectivity** has been a goal for several years now. The timing has been delayed due to some right-of-way acquisition challenges, but this proposed budget includes the funding necessary to connect our major trail systems and to provide a continuous trail experience across our City.
- The **design of our new library facility** to be built downtown will continue in FY 2020. Groundbreaking is planned for late 2021 with an opening date in November 2023.
- Continued funding for our ever **popular family-friendly events** including the July 4th Parade, Hometown Holiday Lights, Pop up Play Days, Music on Main and more. Funding is also included for Behran's Ranch park and new playgrounds for Mesa Villa and Bradford Parks.

Public Safety remains a top priority for the City Council and Round Rock consistently ranks as one of the safest cities in the nation. This proposed budget includes funding for several initiatives to secure the highest level of public safety for years to come, including:

- Construction of a new **Fire Station #3** is underway and the new station is scheduled to open November 2020.
- One **additional fire code inspector** to help the Fire Prevention division keep up with inspections of new and existing businesses amidst the City's continued growth.
- Two **additional police officers** and two **additional victims' assistants** to assist in efforts to keep Round Rock one of the safest cities in the nation

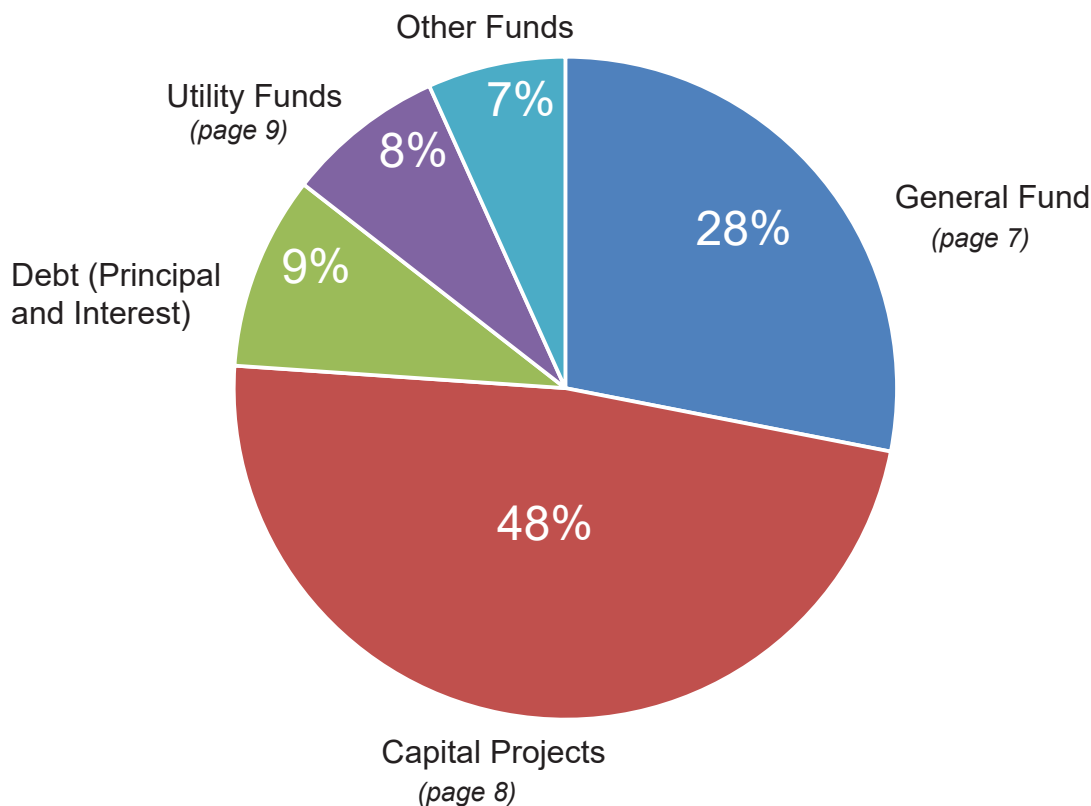


Laurie Hadley, City Manager



Citywide Budget

The Fiscal Year 2020 Proposed Budget totals \$444.7 million. The expenses are categorized in the pie chart below and are summarized in the pages that follow.



Proposed Property Tax Rate

The **proposed property tax rate** for FY 2020 is **\$0.4390** per \$100 of valuation, 1.9 cents more than the FY 2019 nominal rate of \$0.4200.

- The proposed rate of \$0.4390 is an increase of 3.7 cents or 9.3% above the effective tax rate of \$0.4016, which takes into account the 5% growth in existing property values from last year.
- New property valued at \$367 million was added to the property tax roll since last year. This amount of new property will generate \$1.6 million in additional property tax revenues for FY 2020 - which is enough to fund salary adjustments budgeted for FY 2020 for the City's public safety employees.

The median home value in Round Rock for FY 2020 is \$255,198. An **owner of a median valued home will pay \$93 per month** in City property taxes for next year.

Sales tax continues to be an important revenue thanks to the strong local economy. These **sales tax revenues help the property tax rate** as well.

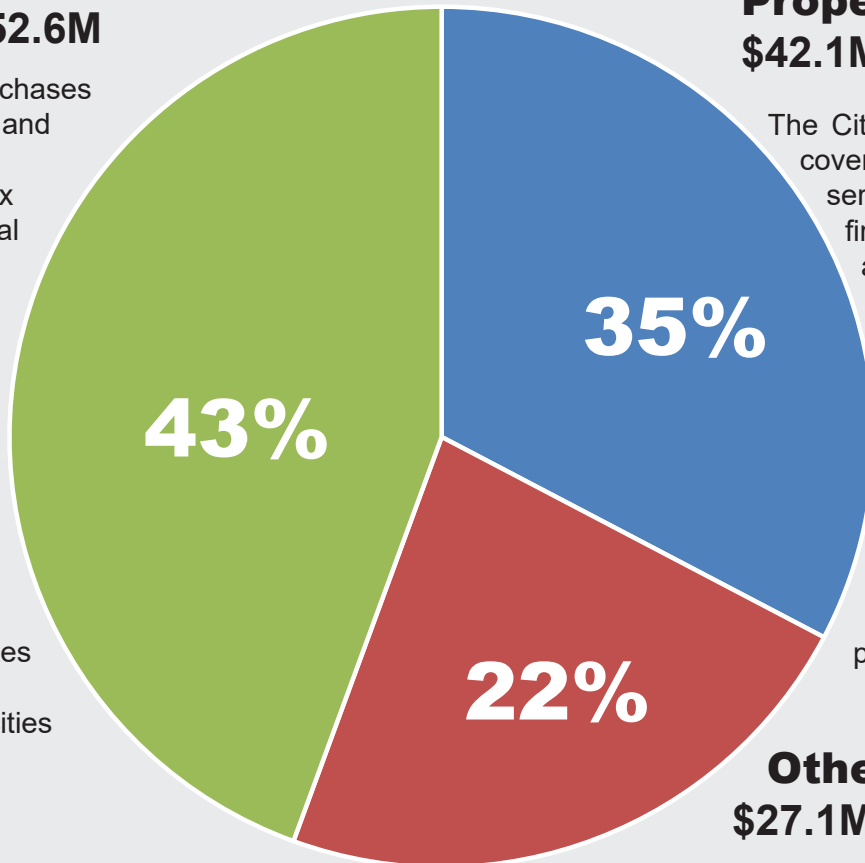
- Built into the 2% local option sales tax rate is a half-cent for property tax reduction.
- This piece reduces the property tax rate for FY 2020 by 14.5 cents. That saves the median homeowner \$31 a month or 25% on their monthly tax bill.

General Fund Revenues

The City's General Fund Revenues come from a wide variety of revenue sources. A more detailed look at the General Fund Revenues is available in the FY 2020 Proposed Budget Book on the City's website.

Sales Tax \$52.6M

For every \$100 in purchases by visitors, residents, and businesses, the City collects \$2 in sales tax revenues. The General Fund gets \$1.50 and the remaining 50 cents goes to the Type B Fund to pay for roads and economic development. Round Rock's unique mix of destination shopping and corporate headquarters generates far more sales tax revenues than most cities our size.



Property Tax \$42.1M

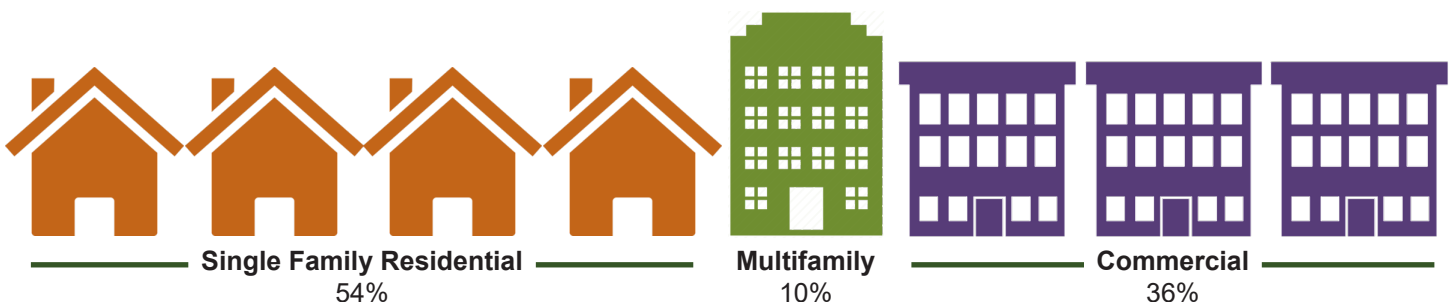
The City's property taxes help cover many of our core services including police, fire, transportation, parks and recreation, and the library. Over the past three years the City has opened three new fire stations, added 19 new firefighters and 11 new police officers, and has opened a new Public Safety Training Facility - all thanks in part to property tax revenues.

Other Revenues \$27.1M

Over 100 different revenue sources make up the remainder of General Fund revenues. Some of these are large, like the Electric Franchise Tax revenues budgeted at \$3.6 million for FY 2020. This category includes fees for the City's many recreation programs, building permits, and other services.

Taxable Value by Property Type

Round Rock enjoys a diverse and growing economy with all types of development happening across the City. This diversity of land use means that even though single-family homes make up 92% of the properties in Round Rock, nearly half of all property tax revenues are paid by owners of commercial and multifamily property.



General Fund Expenses

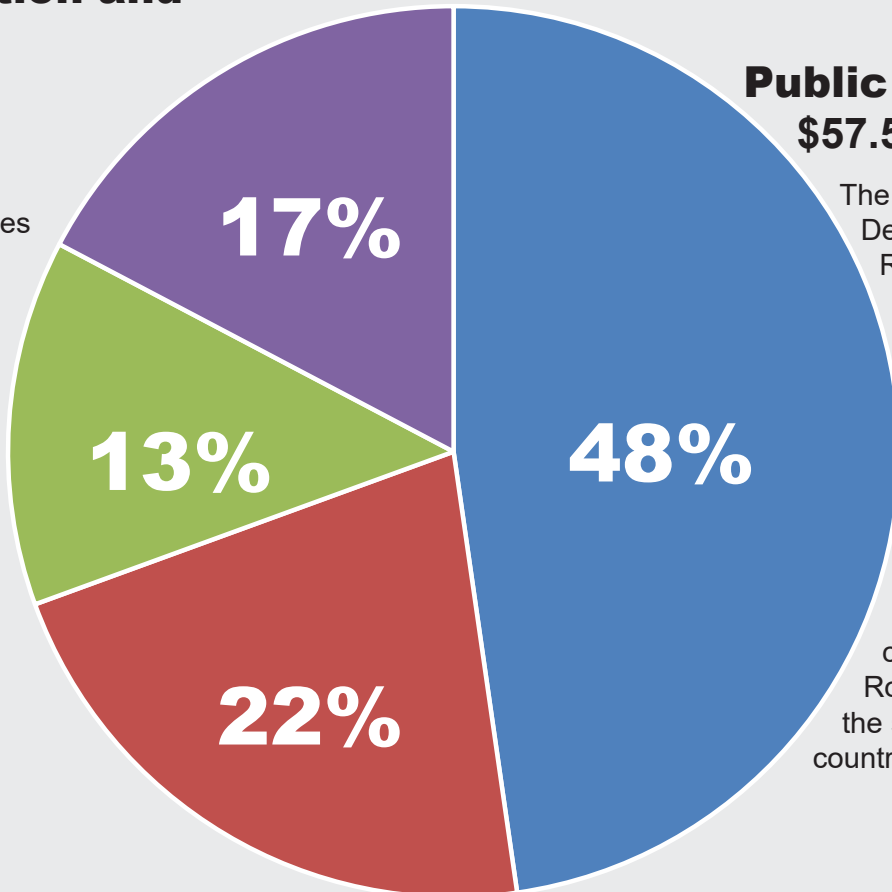
The City's General Fund operating expenses in the FY 2020 Proposed Budget total \$121.2 million. A more detailed look at the General Fund Revenues is available in the FY 2020 Proposed Budget Book on the City website.

Transportation and Planning \$20.6M

Transportation and Planning and Development Services are on the front lines of planning and managing the City's growth and development and maintaining roads and neighborhood streets.

Recreation & Culture \$15.9M

The Parks and Recreation and Library Departments offer the high-quality recreation and cultural services that Round Rock's residents have come to expect.



Public Safety \$57.5M

The Round Rock Police Department and the Round Rock Fire Department are always top priorities for the City Council in prioritizing General Fund expenses. The police, fire, and emergency medical protection these departments offer continue to make Round Rock one of the safest cities in the country.

Support Services \$27.2M

Support Services departments in the General Fund include Administration, HR, IT, Finance, Facilities Maintenance, and Vehicle Maintenance. These departments provide support to all City divisions and functions, including those divisions and functions housed in other funds.



Capital Projects

The City has a five-year capital plan that enables long-range, proactive planning for the maintenance, improvements, and expansions to the City's infrastructure. The total cost of the capital plan included in the FY 2020 proposed budget over the next five years is **\$610.8 million**. Because of our conservative approach to financial planning, only 39% of our planned capital projects will be debt-financed.

Recreation and Culture \$40.2M

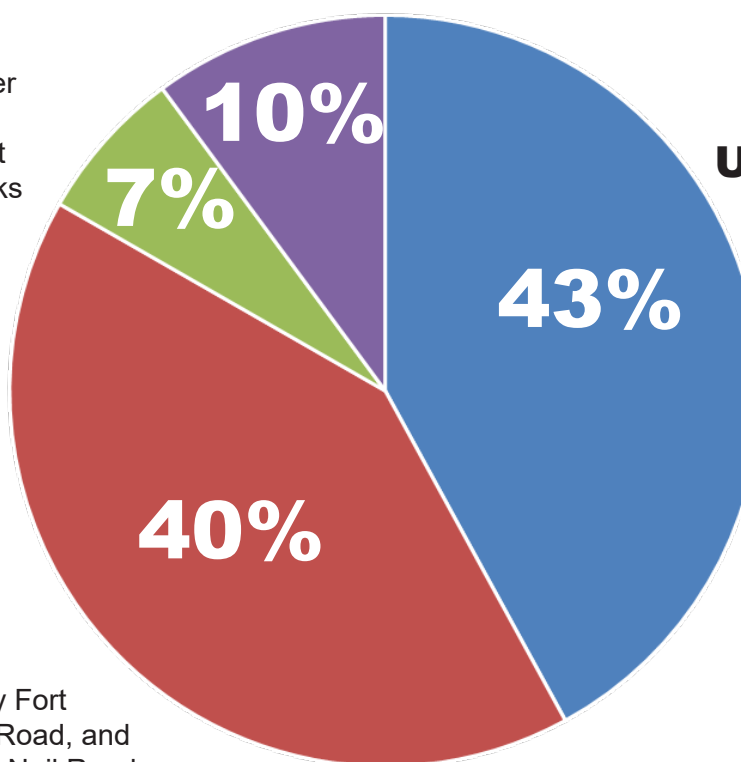
A new main library is under design. Extensions to the City's trail system will start soon along with other parks and recreation facility improvements.

Transportation \$252.0M

Road improvements and expansions will improve the City's transportation infrastructure. Major roadways scheduled for expansion include Kenney Fort Boulevard, Gattis School Road, and University Boulevard & McNeil Road extension.

Other Projects \$61.8M

Other projects include fire station expansions, construction of new City facilities, and other necessary capital improvements.



Utilities \$256.8M

The water, wastewater, and drainage systems have some big capital projects underway, including expansions to the regional water and wastewater systems.

Major Capital Projects

Projects	Estimated Completion Date	Total Project Cost
New Main Library Facility	Nov 2023	\$37.0M
Trail Projects (Brushy Creek, Heritage Trail, and Lake Creek)	Fall 2022	18.9M
East WWTP Expansion and Re-Rate Improvements (BCRWWS)	Fall 2021	112.0M
University Blvd Improvements	FY 2021	9.0M
McNeil Extension	FY 2020	7.0M
Phase 1C Water Treatment Plant Expansion	FY 2020	19.0M

Utilities and Drainage

Round Rock operates water, wastewater, and drainage systems that serve over 35,000 customers. **There are no utility rate increases** in FY 2019/20.

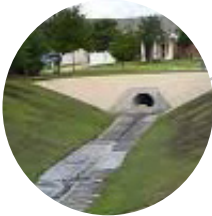
Utility Funds Expenses



Water

\$38.9M


The City provides water to over 140,000 people within the City limits and the surrounding area. All of these customers rely daily on our water system to deliver clean, safe water.



Drainage

\$7.9M

The drainage utility accounts for all aspects of the storm water program associated with storm water drainage, floodplain management, and water quality management.



Utility Billing Department
221 East Main Street
Round Rock, TX 78664

DOE JANE
211 E MAIN ST
ROUND ROCK, TX 78664-0

ACCOUNT STATEMENT

CID - ACCOUNT #	DUE DATE	AMOUNT DUE
00000-000000	08/10/2018	\$99.12

ACCOUNT INFORMATION

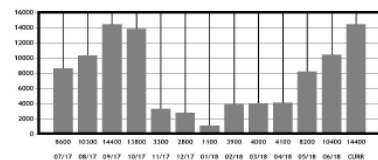
Account Name: DOE JANE
Service Address: 211 E MAIN ST
Current Statement Date: 07/23/2018
Last Payment: 07/09/2018
Last Payment Amount: 89.16
Penalty Applied: 08/13/2018

CURRENT CHARGE SUMMARY

Water:	\$51.90
Wastewater:	\$22.08
Solid Waste:	\$18.83
Storm Water Drainage:	\$4.75

TOTAL AMOUNT DUE \$99.12
Total Due After 08/10/2018 \$108.41

WATER CONSUMPTION (IN HUNDREDS)



CONTACT INFORMATION

For inquiries call: (512) 218-5460
Hours of Operation: Monday - Friday 8:00 a.m. - 5:00 p.m.
Emergency After-Hours: (512) 218-5555
24-Hour Drop Box: Located on the south side of City Hall
Pay by phone: 1-855-894-2392
Make a payment online at: RRTXWater.com

IMPORTANT MESSAGE

THANK YOU FOR PAYING ON TIME!
WE APPRECIATE YOUR PROMPTNESS



Wastewater

\$60.3M

The City's wastewater system includes over 7,500 manholes, 354 miles of wastewater line, lift stations, a reuse water system, and two wastewater treatment plants.



Utility Revenues

Utility rates are structured to generate sufficient revenues to fully cover the operations, maintenance, and expansions to the water, wastewater, and drainage systems.

Charges for Utility Service	\$51.1 M
Impact Fees	8.0 M
Contracts & Other	38.3 M
	\$97.4 M

Hotel Occupancy Tax and Venue Tax Funds

Tourism is a big deal in Round Rock, especially so for a City of our size. We have over 3,200 hotel rooms with another 476 under construction not including the 975 rooms that Kalahari will bring. Visitors come to Round Rock for the wide-range of indoor and outdoor sporting events held in the Sports Capital of Texas; for our destination-based retail including IKEA, Bass Pro Shops, and the Round Rock Premium Outlets; and for the variety of restaurants, outdoor adventures, and numerous lodging options in the heart of Central Texas. Each one of these visitors who come and stay overnight in one of Round Rock's hotels pays a 9% City occupancy tax that is split between our two tourism-related funds: the Hotel Occupancy Tax Fund and the Venue Tax Fund.

Hotel Occupancy Tax Fund

The Hotel Occupancy Tax Fund has a FY 2020 Proposed Budget of \$4.9 million which funds the following attractions in Round Rock.



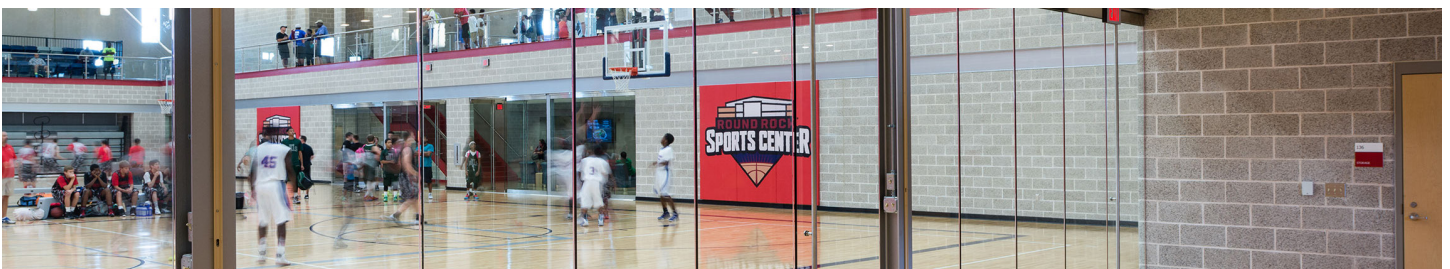
The **Dell Diamond** opened in 2000, is consistently recognized as one of the best minor league stadiums in the country ever since, and has one of the highest attendance rates.



The **Round Rock Multipurpose Complex** opened in May 2017. Since its inception it has hosted dozens of regional tournaments, national tournaments for US Women's Lacrosse and Quidditch, has been named a home field for a new professional rugby team, and has been selected as the future host for national tournaments of NIRSA National Flag Football Championships and NIRSA Soccer National Championships.

Venue Tax Fund

The Venue Tax or Sports Center Fund has a FY 2020 Proposed Budget of \$2.2 million which funds the Round Rock Sports Center.



The **Round Rock Sports Center** opened in January 2014 and has since been the host of numerous sporting events as well as banquets, wedding expos, corporate meetings, and other events that bring visitors to Round Rock.

How to Become Involved in the Budget Process

The City of Round Rock values public participation in the budget and property tax rate setting process. There are opportunities for participation by attending public City Council meetings where the budget will be discussed and online engagement through Facebook, Twitter, and Nextdoor.



Public Meetings

- **August 22, 6:00pm - Council Meeting** - Council will take action to publish and propose a maximum property tax rate for FY 2020 and will formally set the dates and times for the budget and tax rate public hearings. There will be a budget public hearing and the first reading on the budget ordinance.
- **September 12, 6:00pm - Council Meeting** - Council agenda will include the final adoption of the budget ordinance. There will be a public hearing on the property tax rate.
- **September 19, 6:00pm - Council Meeting** - Council will hold the second public hearing on the property tax rate.
- **September 26, 6:00pm - Council Meeting** - Council agenda will include the final readings of the property tax rate and final adoption of the same.

Public hearings are held at Round Rock City Hall, 211 E. Main Street



Online Engagement

- The City has developed an engagement campaign for the FY 2020 Proposed Budget and is always welcoming of questions and comments through Facebook, Twitter, Nextdoor, and email.
- Stay tuned to the City's Facebook and Twitter feeds and the news archive on roundrocktexas.gov for more information.

A more detailed look at the
FY 2020 Proposed Budget
is available on the City's website at
roundrocktexas.gov/budget

