

**Financial Services
Department**

**FY2015 Proposed Bond
Program Appropriation
and Sale Schedule**



**Bond Oversight
Committee**

June 18, 2014





Background Information

- State Law and City Charter provide authority to issue general obligation debt:
 - To fund permanent public improvements with long-term life cycles
 - Secured by “full faith and credit” of the City’s authority to levy ad valorem taxes to pay the debt service
 - Viewed as lowest credit risk to investors
 - Attracts lowest interest rates

- Reimbursement Resolution:
 - Allows the City to spend funds today and reimburse in the future via issuance of debt
 - Bonds must be issued no later than 18 months after the later of, the date the expenditure was made, or the date that the project with respect to which the expenditure was made, is placed in service
 - No later than three years after the date the expenditure was paid



Bond Sale FAQs

- Why is an entire bond program not sold in the first year?
 - Bond programs are scheduled to last several fiscal years
 - Appropriations and debt sales are timed according to project start dates and spending plans
 - Do not want to begin making debt service payments for projects that have not begun

- Why does the City issue bonds in August?
 - To coincide with setting the tax rate
 - Issued once a year in order to realize savings related to cost of issuance

- How are bonds issued without voter approval?
 - State law (Local Govt. Code, Chp. 271 – Public Property Finance Act)
 - Financial policies provide guidance on use of non-voter approved debt
 - Council previously approves appropriations for projects and associated intent for City to reimburse itself for related costs by issuing debt



Proposed Appropriation/Sale Summary

Bond	Thru FY14	FY15	FY16	FY17	FY18	Future	TOTAL
2006 – Approp.	567,400	0	0	0	0	0	567,400
2006 – Sale	494,000	21,000	52,200	0	0	0	567,400
2010 – Approp.	90,000	0	0	0	0	0	90,000
2010 – Sale	75,305	14,695	0	0	0	0	90,000
2012 – Approp.	137,720	89,962	68,713	9,761	479	0	306,635
2012 – Sale	35,000	68,925	77,750	78,682	46,278	0	306,635
2013 – Approp.	15,000	10,000	10,000	10,000	10,000	10,000	65,000
2013 – Sale	0	10,000	10,000	10,000	10,000	25,000	65,000
TOTAL – Approp.	810,120	99,962	78,713	19,761	10,479	10,000	1,029,035
TOTAL – Sale	604,505	114,620	139,950	88,682	56,278	25,000	1,029,035

(Amounts are in 000s of dollars)



FY15 G.O. Bond Approp. Detail

- 2006 Bonds
 - Fully appropriated

- 2010 Bonds
 - Fully appropriated

- 2012 Bonds (\$89.96M)
 - P12 Transportation - \$46.12M
 - P14 Parks & Recreation - \$24.80M
 - P16 Public Safety Facilities - \$10.36M
 - P17 Health and Human Services Facilities - \$4.04M
 - P18 Library and Cultural - \$4.65M

- 2013 Bonds (\$10.0M)
 - P1 Affordable Housing - \$10.0M



FY15 G.O. Bond Sale Detail

- 2006 Bonds (\$21.0M)
 - P3 Parks (Facilities and pools) - \$1.0M
 - P6 New Central Library - \$20.0M

- 2010 Bonds (\$14.7M)
 - P1 Transportation/Mobility (Street reconstruction, Ped/ADA/Bikeways, mobility) - \$14.7M

- 2012 Bonds (\$68.9M)
 - P12 Transportation (Street & bridge, arterial congestion, Bike/Ped, corridor mobility) - \$40.2M
 - P13 Open Space - \$10.0M
 - P14 Parks & Recreation (Facilities, cemeteries, park improvements) - \$7.3M
 - P16 Public Safety Facilities - \$6.7M
 - P17 Health and Human Services Facilities - \$1.7M
 - P18 Library and Cultural (Library facilities, Austin Film) - \$3.0M

- 2013 Bonds (\$10.0M)
 - P1 Affordable Housing - \$10.0M