



Budget Work Session 1

FY 2020 Proposed Budget Discussion

August 20, 2019





Today's Agenda – Budget Work Session 1

- ✓ Budget and Tax Rate Adoption Timelines
- ✓ Financial Policy Changes
- ✓ Topics for Future Budget Work Sessions
(August 29th and September 4th)

Budget and Tax Rate Adoption Timelines



Description	Date	Start Time
Budget Work Session 1	August 20 th	9:00 AM
Proposed Budget Public Hearing 1	August 22 nd	1:00 PM
Proposed Budget Public Hearing 2 (<i>and utility rate hearings</i>)	August 28 th	6:00 PM
Budget Work Session 2	August 29 th	9:00 AM
Budget Work Session 3	September 4 th	9:00 AM
Proposed Budget Adoption	September 10th	10:00 AM
Tax Rate Public Hearing 1 *	September 13 th	1:00 PM
Tax Rate Public Hearing 2	September 19 th	4:00 PM
Tax Rate Adoption (<i>immediately following the AE Utility Oversight Committee meeting</i>) *	September 25 th	2:00 PM

* *Special Called Meeting*

Austin Resource Recovery

The Austin Resource Recovery Fund shall ~~establish and fund a reserve to~~ provide for the closure, ~~and monitoring~~ monitoring, and all post-closure care of the City's landfills in compliance with Federal and State regulations.

~~*Note: ARR uses CIP and operating budgets.*~~





Employee Benefits Fund (EBF) Reserves

An individual-specific stop-loss policy shall be maintained for the City Health Plan. In addition, the Employee Benefits Fund will maintain ~~a stop-loss reserve in an amount recommended by the City's actuary. Further, the Employee Benefits Fund will maintain a~~ a reserve equal to 10% of the cost of employee and retiree medical benefits and a cash balance equal to anticipated end-of-year claims incurred but not paid and other current liabilities.

Summary of Tax-Increment Financing (TIF) Policy Changes

- ✓ Increase the cap on the percentage of City taxable value that may be included within reinvestment zones from 5% to 10%
- ✓ Formalize current practice of requiring that all tax increment reinvestment zones (TIRZ) undergo a rigorous “but for” analysis
- ✓ Mandate that any housing development related to a TIRZ project plan provide at least 20% of the units at rates affordable to households earning at or below 60% of MFI for rental, 80% for ownership
- ✓ Creating a separate financial policy governing the use of Public Improvement Districts (*Anticipate policy change coming to Council by the end of the calendar year*)



Audit and Finance Committee Recommendations

- ✓ Approve landfill and employee benefits fund policy changes (*passed 5-0*)
- ✓ Advance tax-increment financing policy changes to the full Council (*passed 5-0*)



THANK YOU

More information available at:

- austintexas.gov/financeonline/
- austintexas.gov/budget/
- budget.austintexas.gov