

# Briefing on Public Improvement Bonds for the Capital Improvement Program

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AUDIT AND FINANCE COMMITTEE

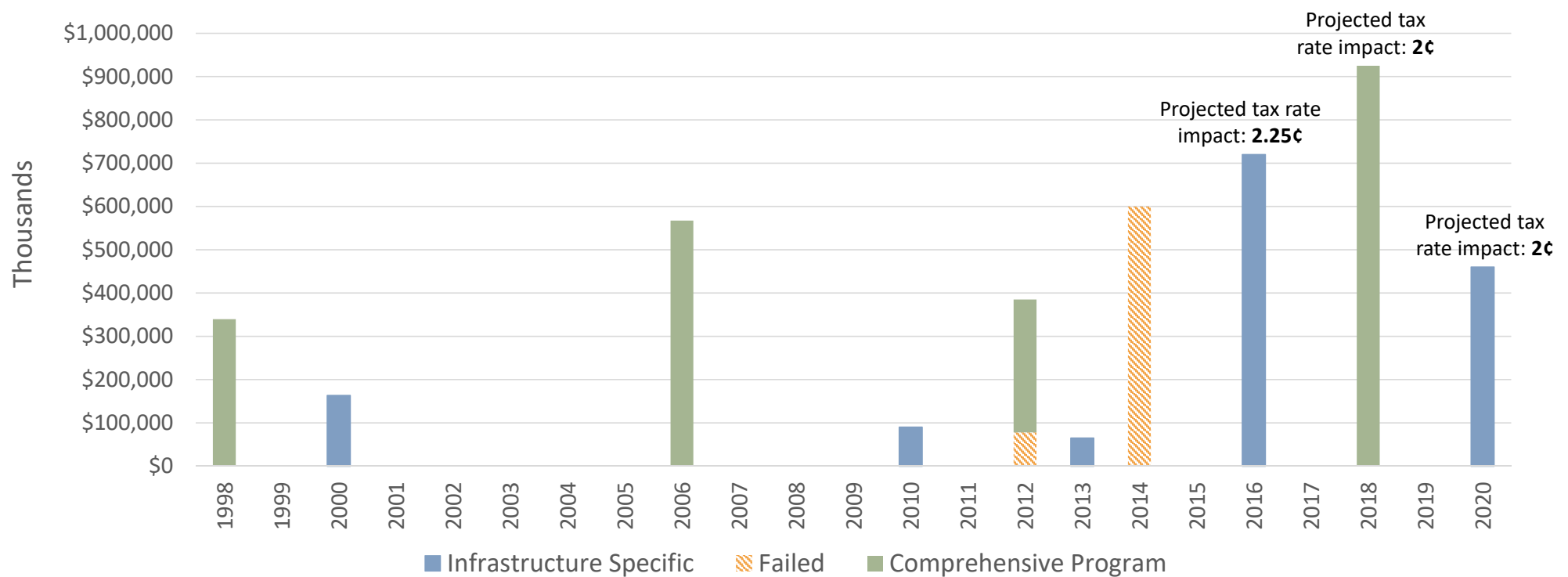
FEBRUARY 23, 2022

PRESENTED BY KERRI LANG, BUDGET OFFICER

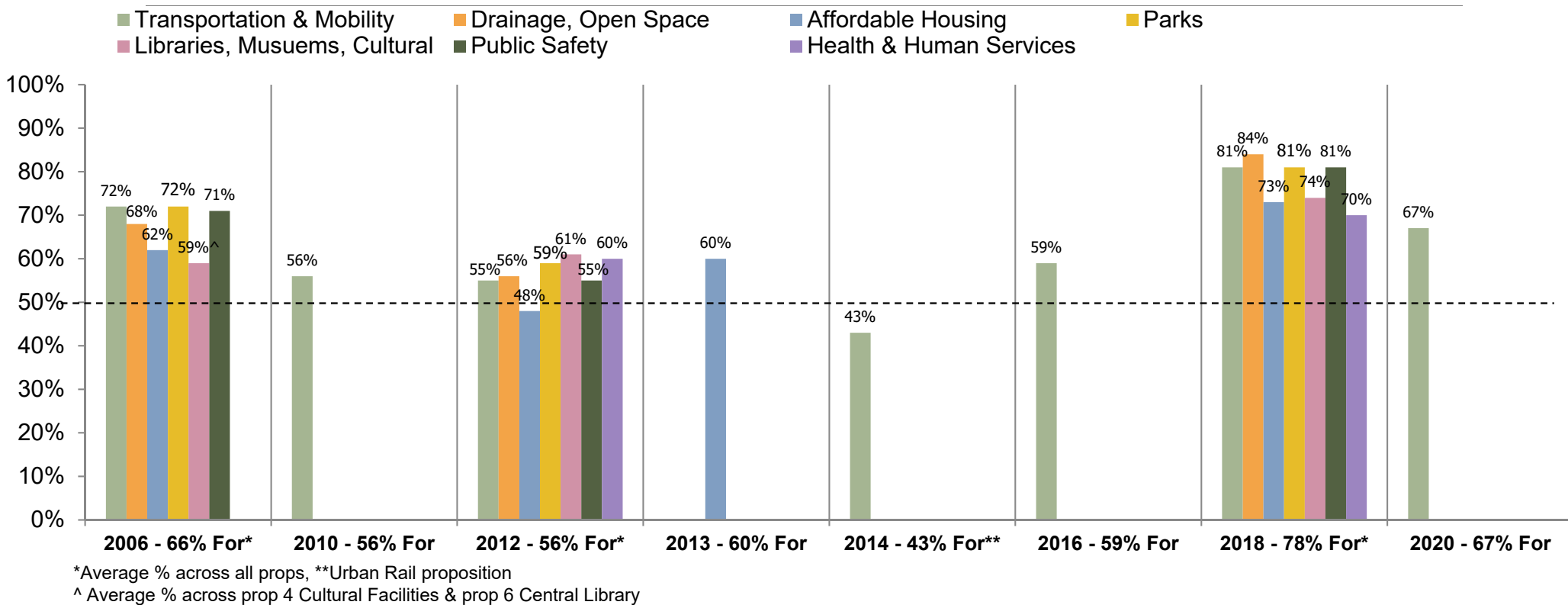
FINANCIAL SERVICES DEPARTMENT

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# Public Improvement Bonds (PIBs) – Funding History (1998-2020)

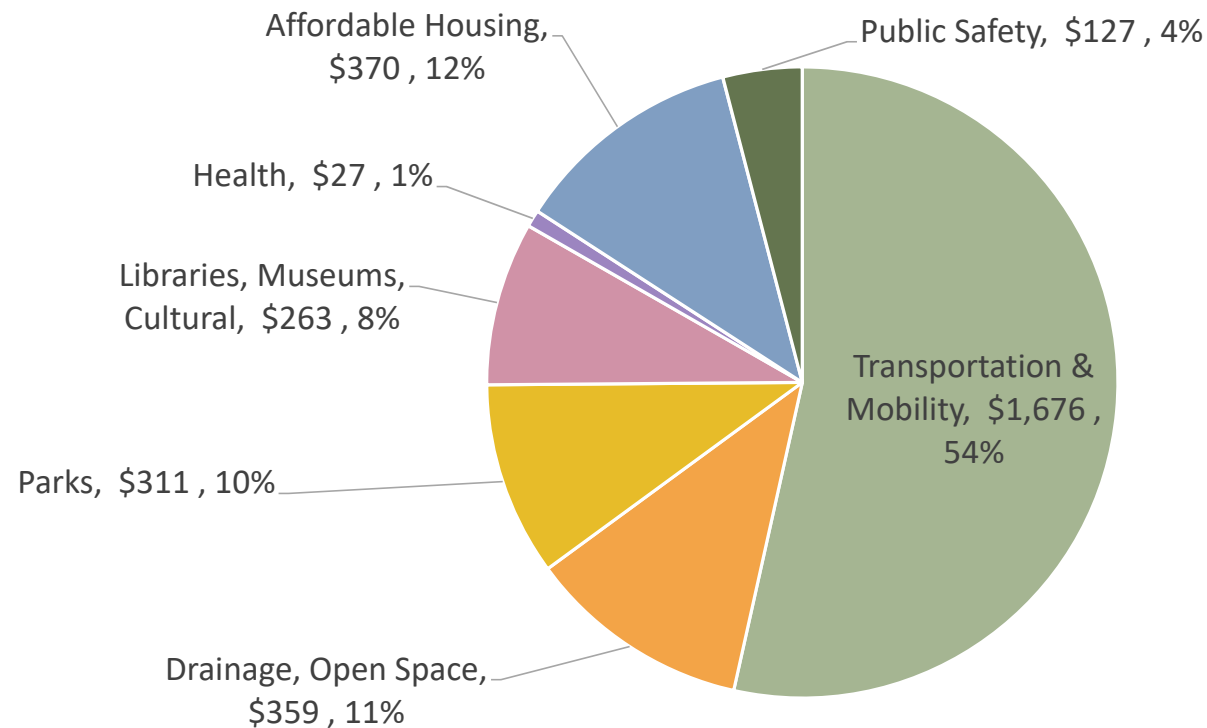


# PIBs – Voting History (2006-2020)



# PIBs – Aggregate Authorization by Category (2006 – 2020)

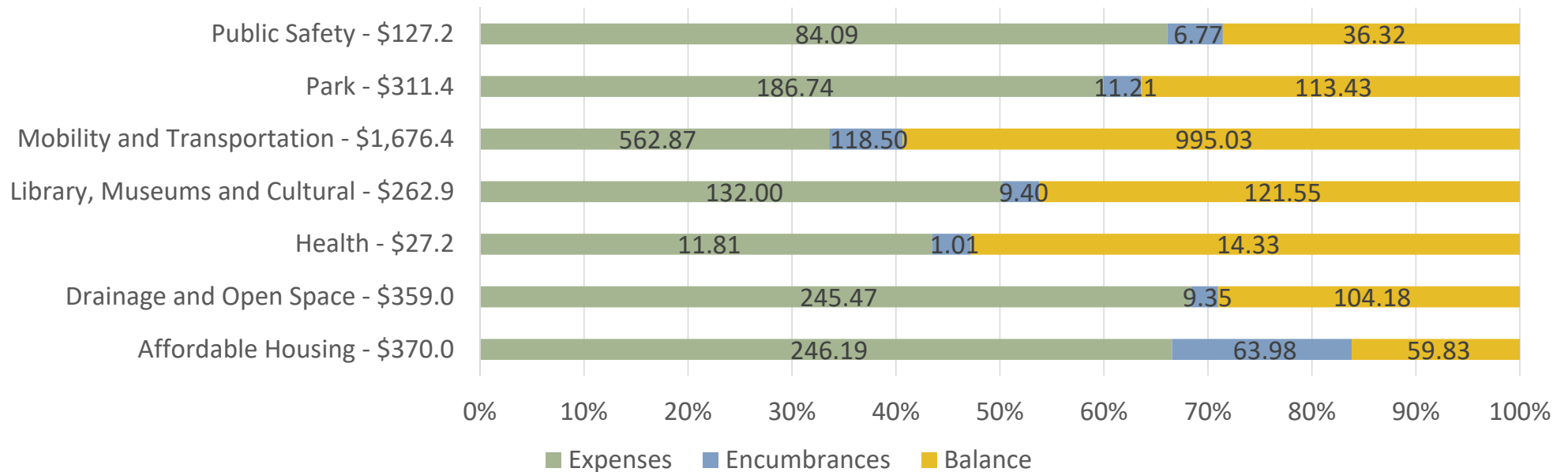
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**\$3.1 Billion Total  
PIB Authorization**

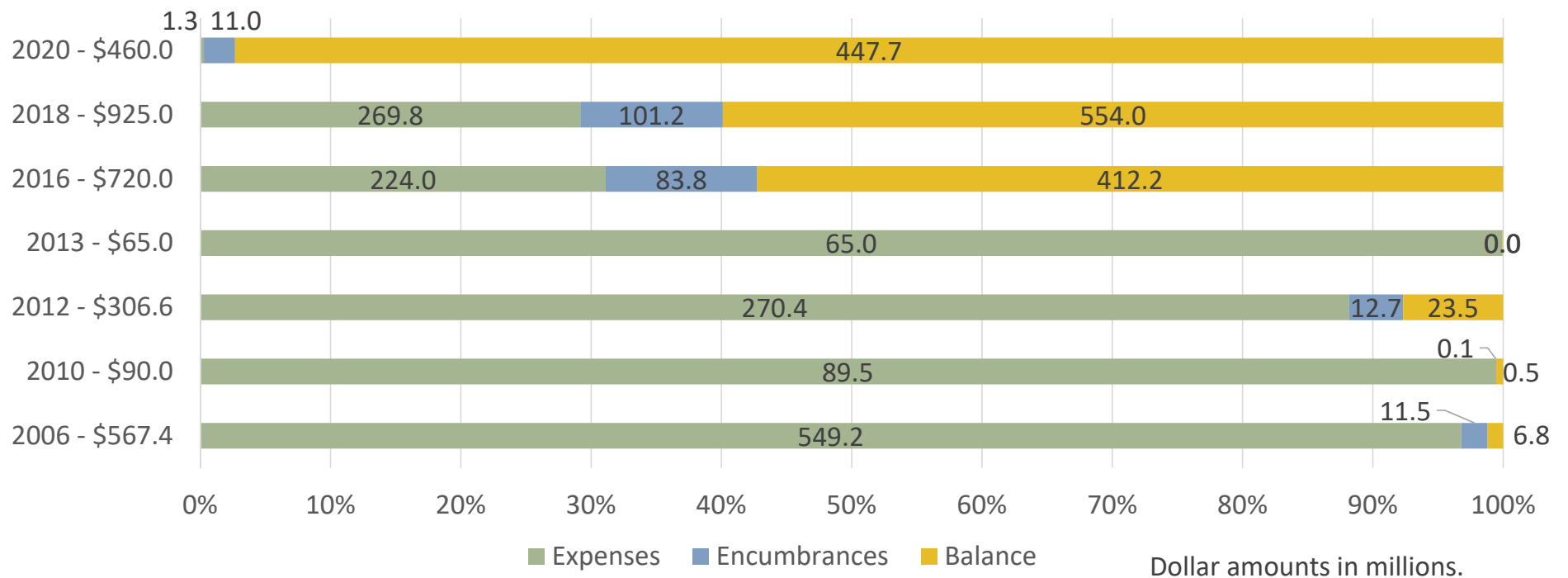
Dollar amounts in millions.

# PIBs – Aggregate Balance Status by Category (2006-2020)



Dollar amounts in millions.

# PIBs – Balance Status by Election Year (2006 -2020)



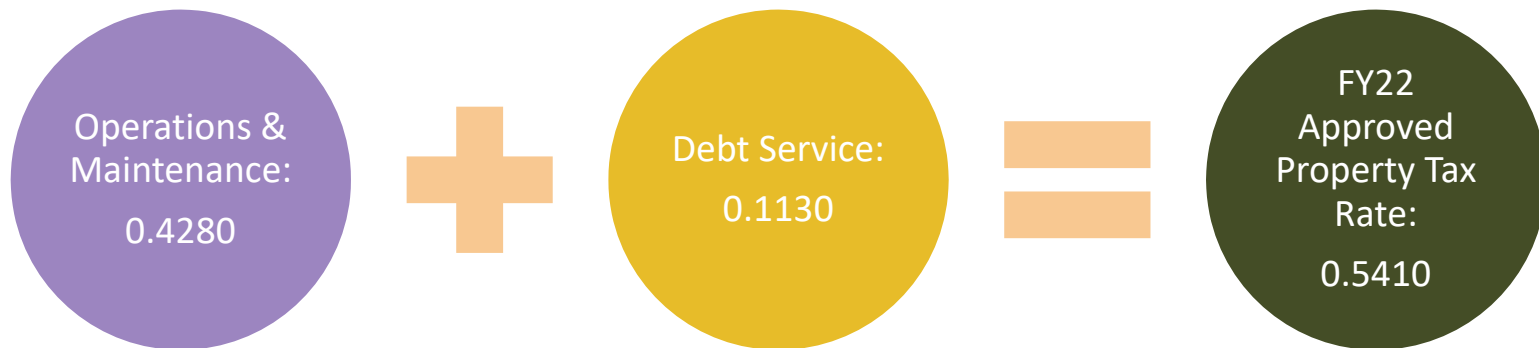
# PIBs – Balance Status by Election Year (2006-2020)

Bond Program	Contract with Voters (years)	Authorized	% Expended	% Obligated
2006-Comprehensive	NA	\$567.4	97%	99%
2010-Transportation	NA	\$90.0	99%	99%
2012-Comprehensive	NA	\$306.6	88%	92%
2013-Housing	NA	\$65.0	100%	100%
2016-Mobility	8	\$720.0	31%	43%
2018-Comprehensive	8	\$925.0	29%	40%
2020 – Mobility	6	\$460.0	0.3%	3%
<b>Totals</b>		<b>\$3,134.0</b>	<b>47%</b>	<b>54%</b>

# FY 2021-22 Property Tax Rate

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Property Tax Rate has 2 components:

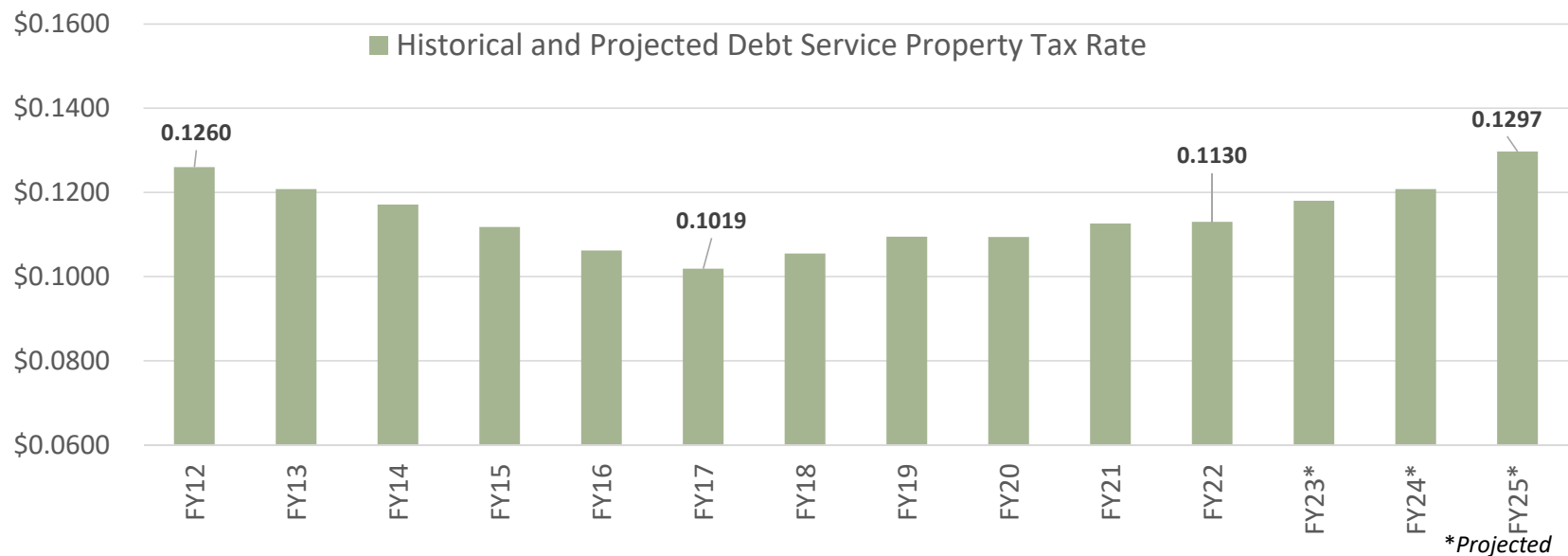


Debt service tax rate set annually at a level necessary to fund principal and interest payments on debt that has been issued and pledged with property tax.

General Obligation debt service payments are budgeted from the General Obligation Debt Service Fund and can be supported by both the Operations & Maintenance rate and the Debt Service rate.

Total General Obligation debt service includes both voter-approved PIBs and non-voter approved certificates of obligation and contractual obligations.

# Debt Service Tax Rate History and Projection



- As of FY22, each \$250 million of debt issued translates to an annual property tax impact of \$35.50 for the City's typical homeowner.

# Comprehensive Bond Development Process

## Initiation (Est. 4-5 months)

- Identify needs
- Identify fiscal impact
- Council creates Community Engagement Taskforce
- Council creates goals



## Program Development (Est. 8-9 months)

- Community Engagement Taskforce Process
  - Create sub-committees
  - Staff presentations
  - Public input/hearing
  - Recommendation



## Setting the Election (Est. 4 months)

- Reports from Community Engagement Taskforce
- Updates on needs and fiscal impact
- Set election propositions and dollar amounts
- Conduct election



# Council Adopted Financial Policies for Public Improvement Bonds

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- Timing of general obligation bond elections shall be determined by the inventory of current authorized unissued bonds remaining to be sold. An estimated two years of authorized unissued bonds shall remain before an election will be held.
- The total dollar amount of bond election propositions recommended to the voters shall not exceed the City's estimated ability to issue said bonds within a normal six-year period.

The City currently has \$1.7 billion in authorized but unissued Public Improvement Bonds.

# Resources



## Capital Projects Explorer

*A single entry point for the community of Austin to find information about capital infrastructure investments*

[capitalprojects.austintexas.gov](https://capitalprojects.austintexas.gov)



## City of Austin Open Budget - Capital

*Data that provides appropriation-to-date and expenses-to-date metrics for active capital projects, which can be funded through multiple fiscal year capital budgets.*

[budget.austintexas.gov/#!/year/All%20Years/capital/0/fdu\\_sponsor\\_department](https://budget.austintexas.gov/#!/year/All%20Years/capital/0/fdu_sponsor_department)

