

City of Austin, Texas

Annual Comprehensive Financial Report

For the fiscal year ended September 30, 2023

2023



FINANCIAL SERVICES
DEPARTMENT



Annual Comprehensive Financial Report



City of Austin, Texas

*For the fiscal year ended
September 30, 2023*

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Financial Services Department*

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City Council

Kirk Watson

Mayor

Term expires January 2025

Paige Ellis *Mayor Pro Tem (District 8)*

Term expires January 2027

| Council Members | District | Term expiration |
|------------------------|-----------------|------------------------|
| Natasha Harper-Madison | 1 | January 2027 |
| Vanessa Fuentes | 2 | January 2025 |
| José Velásquez | 3 | January 2027 |
| José “Chito” Vela | 4 | January 2025 |
| Ryan Alter | 5 | January 2027 |
| Mackenzie Kelly | 6 | January 2025 |
| Leslie Pool | 7 | January 2025 |
| Zohaib “Zo” Qadri | 9 | January 2027 |
| Alison Alter | 10 | January 2025 |

Jesús Garza

Interim City Manager

CITY OF AUSTIN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
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INTRODUCTION



City of Austin

City Hall 301 West 2nd St., P.O. Box 1088, Austin, Texas 78767

March 12, 2024

City of Austin, Texas

Honorable Mayor, Mayor Pro Tem, Council members, and Residents of Austin

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the City of Austin, Texas (the City) for the fiscal year ended September 30, 2023. The ACFR is provided to give detailed information about the financial position and activities of the City to residents, City Council, City staff, and other readers.

City management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentations, including all disclosures. We believe the data, as presented, is accurate in all material respects and is presented in a manner which fairly sets forth the financial position and results of operations of the City. These financial statements have been prepared by the Financial Services Department in accordance with generally accepted accounting principles (GAAP) for local governments.

The basic financial statements and related notes have been audited by the independent firm of Certified Public Accountants, Deloitte & Touche LLP. This audit satisfies Article VII, Section 16 of the City Charter, which requires an annual audit of all accounts of the City by an independent Certified Public Accountant. Grant awards are being audited under the provisions of Title 2 U.S. Code of Federal Regulations Part 200, and the Texas Grant Management Standards. The Single Audit report will be issued separately.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report. It provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

AUSTIN'S GOVERNMENT AND THE REPORTING ENTITY

General Information

The City of Austin, chartered in 1839, has a Council-Manager form of government with a Mayor who is elected at large and ten Council members who are elected by geographic district. The districts, drawn by an independent commission, are to be adjusted after each U.S. census. Following results of the 2020 Census, the commission presented a certified map to City Council in October 2021. The City Manager, appointed by the City Council, is responsible to the City Council for the management of all City employees, except for City Council appointees, and for the administration of all City affairs.

Austin, the capital of Texas, is the fourth most populous city in the state (behind Houston, San Antonio, and Dallas) and in 2023 became the tenth largest city in the nation with a population of just under 1 million according to City and U.S. Census Bureau estimates. Geographically, Austin consists of approximately 333 square miles that lies on the Colorado River in the Central Texas hill country region. The current estimated median household income for Austin residents is \$80,284 according to data reported by Claritas, LLC. and Austin's per capita personal income is estimated to be \$82,100. These represent a decrease



of 0.2% and an increase of 9.3%, respectively over 2022. Regionally, the Austin-Round Rock MSA is projected to be the fastest growing large metro area in the next 5 years. With growth also burgeoning between Austin and San Antonio to the south, discussion of the region as a metroplex has begun to evolve. The entire area's continued attraction for businesses and workers has pressured transportation systems, as well as housing and natural resources – calling for greater collaboration between city governments in the region.

Higher education remains a significant aspect of life in the Austin area. More than 56.5% of Austin residents over 25 years of age hold a bachelor's degree, which remains significantly higher than the state or national rates. Austin is host to six universities, a robust community college system, and numerous other institutions of higher learning. The University of Texas at Austin (UT), a world-class center of education and research, consistently ranks in the top 10 largest public universities in the U.S. in terms of undergraduate enrollment. In the 2023 *U.S. News & World Report* Best Colleges survey, the university ranks ninth among public universities and its business programs were ranked fifth (tied) among national universities.

Reporting Entity

This ACFR includes all funds of the City, including those organizations required to be included because the City is financially accountable for them. The City provides a full range of services, including general government; public safety; transportation, planning, and sustainability; public health; public recreation and culture; urban growth management; electric; water; wastewater; airport; convention; and other enterprise services. In addition, the financial statements include these separate legal entities: the Austin Housing Finance Corporation, the Austin Housing Public Facility Corporation, the Austin Industrial Development Corporation, the Austin-Bergstrom International Airport Development Corporation, the Mueller Local Government Corporation, and the Urban Renewal Agency. These entities are reported as governmental activities. Nacogdoches Power, LLC, a business-type activities component unit, is blended with Austin Energy. The Austin Public Facilities Corporation is also a blended component unit but had no financial activity during the year. Additionally, the financial statements include Austin-Bergstrom Landhost Enterprises, Inc., Austin Convention Enterprises, Inc., Austin Economic Development Corporation, Austin Transit Partnership Local Government Corporation, Austin Travis County Sobriety Center Local Government Corporation, Creekside Senior Housing Limited Partnership, and Retreat at North Bluff, LP as discrete component units on the government-wide statements. The Waller Creek Local Government Corporation is also a discrete component unit but had no financial activity during the year. Additionally, Central Housing, LP and Hyde Park Housing, LP were formed in 2023 and due to their December 31 fiscal year end, final financial reports are not available for inclusion in the City's 2023 financial statements.

THE ECONOMIC OUTLOOK AND MAJOR INITIATIVES

Local Economy

Following the record-breaking economic surge of the pandemic, activity was projected to level off at the beginning of 2023 as interest rates rose and the boost of federal stimulus dollars waned. The Austin area is expected to continue growing, according to industry experts with the overall economy slated to expand up to 5% in 2024. As one senior economist noted, there are no red flags that might prevent the area from continuing to grow at a steady pace.

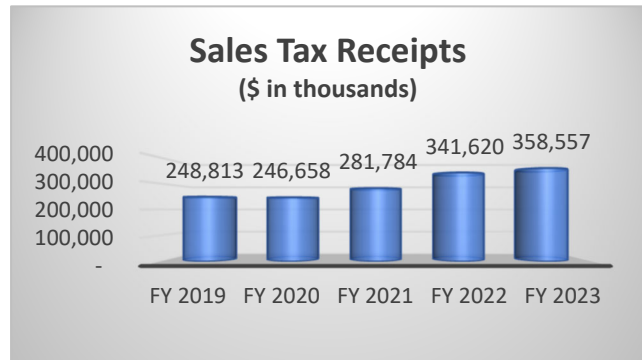
In the *Business Facilities 2023* report, the Austin metro maintained its top ranking for tech talent leaders in mid-tier labor pool cities and ranked second for best business climate. The Austin-Round Rock MSA maintained its second-place ranking in Milken Institute's *Best Performing Cities 2023* report for Tier 1 large cities due largely to high-tech job and wage growth, citing Austin "continues to be a national leader in attracting high-tech investment". Availability of affordable housing was noted as the one area of focus in the report.

According to *Emerging Trends in Real Estate 2024*, published by PricewaterhouseCoopers U.S. and the Urban Land Institute, Austin landed fifth on the list for overall real estate markets to watch. This report is a compilation of interviews and surveys of over 2,000 real estate professionals across all segments of the industry. The Sun Belt markets, which includes Austin, are seen as trending for interest in development and urban growth.

Texas Economy – With a gross state product exceeding \$2.0 trillion, Texas remains the second largest economy in the nation behind California. The long-term outlook for the State remains positive with job growth in the state outpacing job growth nationally. According to the Federal Reserve Bank of Dallas, the Texas Business-Cycle Index increased 6.43% year-over-year in December. The Texas Consumer Confidence Index was up a significant 23.5% year-over-year compared to a decrease of 6.0% in 2022, and an increase of just 1.6% nationally. With the expiration of the Chapter 313 tax incentives program in 2022, there was concern about the state’s ability to continue to attract large businesses in today’s competitive environment. To address these concerns, the state enacted new legislation known as the Texas Jobs, Energy, Technology and Innovation Act, effective January 2024. This new program, Chapter 403, will limit the tax abatement to 50% of a property’s value instead of 100% as it was under Chapter 313.

Employment –Unemployment rates in Austin remained low in 2023, in keeping with conditions at the state and national levels although all saw a slight increase from 2022. An analysis by the Dallas Fed showed that the Austin area saw a higher than usual level of mass layoffs in 2023 compared to Dallas and Houston. The Dallas Fed attributed this to substantial downsizing within the tech sector, but others note that the elimination of about 3,500 jobs was likely due to the high pace of hiring during the pandemic and was more than offset by the number of jobs added to the region. Local hiring in recent years resulted in 1.34 million people working in Austin, the greatest number ever reported. At 3.0%, Austin area unemployment in December continued to fall below the state and national unemployment rates of 4.0% and of 3.5%, respectively.

Sales Taxes – Consumer spending growth (as measured by sales tax collections) reflects Austin’s population and economic growth. Sales tax collections in fiscal year 2023 experienced a 5.0% increase from fiscal year 2022. This increase aligns with the expectation that sales tax growth will level out post pandemic. Future years are anticipated to continue this trend. For the second year in a row, on-premise alcohol sales exceeded \$1 billion in Austin, raising the mixed drink tax revenue by 16.8% in 2023. However, not all tax revenues increased in 2023 - vehicle rental tax revenues and franchise fees both came in lower than 2022.



Tourism – Passenger traffic at Austin Bergstrom International Airport (ABIA) remained high in 2023 with a single-day record of 43,243 passengers in October following the Formula One race. In a national ranking, ABIA was ranked second for number of flights added from 2019 to 2023, bucking a national downward trend for flight operations at the nation’s 150 largest airports. The Austin Convention Center Department announced the selection of a contractor for its upcoming \$1.3 billion expansion. In addition to doubling the current rentable space, the plan will add new outdoor and community spaces and integrate with the Project Connect light rail line. The convention center is expected to close for construction in the spring of 2025 and is set to reopen before the 2029 South by Southwest festival.

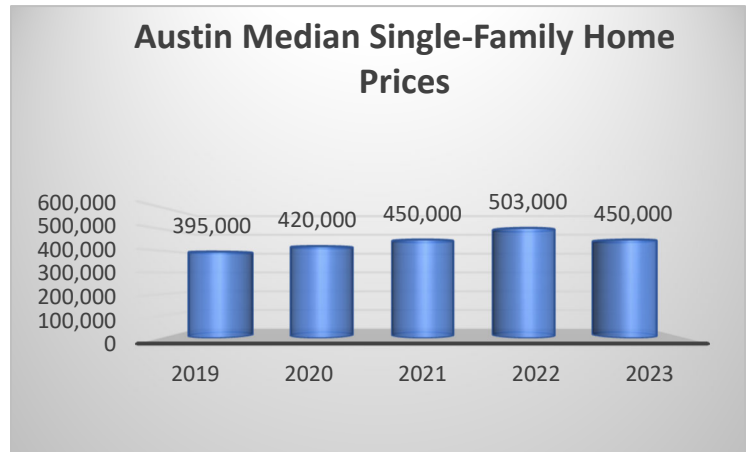
Local festivals continued strong in 2023 with five events drawing 400,000 or more attendees. Reinforcing the Live Music Capital of the World moniker, the Austin City Limits festival drew the most festival-goers at 450,000 over two weekends in Zilker Park. The South by Southwest Conference and Festivals had over 345,000 attendees and created an economic impact of \$380 million indicating a return to pre-pandemic levels.

As a result of the increased tourism activity, hotel occupancy tax (HOT) revenues increased 12.4% compared to fiscal year 2022.

Notable Developments – Plans for UT to build a cancer treatment and research hub in partnership with MD Anderson was announced in August. At an estimated cost of \$2.5 billion, the hospital is expected to create 4,000 to 5,000 jobs and will be located at a site just north of Austin’s Innovation District. This is expected to add significantly to Austin’s life sciences footprint for which employment has grown 74% in the past few years. This strong growth has resulted in the area ranking first for life sciences growth by Business Facilities, bringing greater diversity to the economic base. Regionally, the \$17 billion Samsung plant being constructed in Taylor and the Tesla Gigafactory continue to drive growth. Samsung estimated its economic impact doubled to \$13.6 billion in 2022 from \$6.3 billion

in 2021. The Tesla Gigafactory has also made a significant contribution to the area reportedly supporting as many as 15,000 jobs in Travis County while continuing to expand into other central Texas counties.

Real Estate – Multiple increases in mortgage interest rates over the course of 2023 continued to temper the real estate market in Austin and surrounding areas. For the first time in many years, the annual median price of an Austin area home decreased in 2023, dropping to \$450,000, a 10.5% decrease from the previous year of \$503,000. In the Austin-Round Rock MSA, the total number of home sales in 2023 fell to 30,353, 9.5% lower than 2022. Homes remained on the market for 70 days, a significant 38-day increase over 2022, as the market continues to find its footing giving buyers increased leverage. With signs of interest rates stabilizing, the mortgage industry expects a rebound in home purchases.



Conditions in the multi-family sector were again more conducive for renters in 2023, due to the addition of thousands of new apartment units and slower demand. The metro area ranked second in the nation for percentage declines in rental rates with a year over-year decrease of about 6%. Due to the increased number of units, vacancy rates for the multifamily sector are expected to increase, which is anticipated to hold true for most major markets nationally.

The Austin office market was impacted by the uncertainty surrounding interest rates, slowing new capital investment while developers assess whether market conditions will improve in 2024. The Austin metro area saw an increase in the commercial vacancy rate in 2023 to 23.1%, in comparison to 2022 at 18.9%. The market experienced a negative net absorption rate of 1.2 million square feet, the first since 2020, though this did not result in decreasing rates. Citywide, Class A office space averaged \$56.13 per square foot in 2023, up from \$54.07 per square foot in 2022, according to CBRE Research. There were just over 5.0 million square feet of office space under development throughout the city at the end of 2023 concentrated in the central business district and east Austin. With just under 100 tenants seeking 2.8 million square feet of office space at the end of 2023, absorption rates could continue to remain negative.

By comparison, the industrial and warehouse sector continued to perform well with a third consecutive year of positive net absorption. A record 4.5 million square feet of net absorption was recorded over the year and asking rents were up. Vacancy rates increased to 8.1% but remain well below pre-pandemic levels. There were 14.1 million square feet under construction in the Austin metro area at the end of 2023, with approximately a third of that being pre-leased. Not immune from market forces, construction starts did drop in the last part of the year as liquidity remained tight in the construction sector. While the area has not traditionally been a strong warehouse market, it has benefitted from being situated along I-35 which has become the spine of an 'auto manufacturing megaregion', increasing demand from companies seeking to optimize their logistics networks.

Performance-Based Incentive Agreements – The City has performance-based incentive agreements where taxes are reimbursed to the entities after the entities have paid their taxes and have documented compliance with the performance-based requirements such as job creation and retention. Originally approved in 2003, the City's Economic Development Program was developed to identify and recruit diverse industries for job creation. The program has evolved and in 2018 the Chapter 380 policy and Economic Development Guiding Principles were adopted by City Council, creating the Business Expansion Program. The purpose of the policy is to balance the exchange of incentives with community values including equitable prosperity, opportunity, and affordability as envisioned in the Austin Strategic Direction 2023.

Funding for economic development incentive agreements is accounted for in the Economic Incentives Reserve Fund, which is reported as part of the General Fund. The fiscal year 2023 budget included approved requirements of \$11.3 million. Revenues are collected and held in reserve before being rebated to the entity the following year. Rebates are contingent upon compliance reviews confirming that expected benefits have been demonstrated.

Staff in the Economic Development Department are responsible for conducting annual compliance reviews, which are verified by an independent party using agreed upon procedures. Currently there are four active Chapter 380 agreements, which rebate a percentage of paid property and/or sales tax. The City anticipates \$4.5 billion in terms of total investment committed from these four agreements. There are other active economic development agreements under which payments are made to businesses based on a flat rate per job created, but they are not considered tax abatement agreements. A listing of the agreements along with payment and compliance reports and can be found at the City's open data portal by searching for economic development.

Major Initiatives

The City has a highly dedicated and exceptional workforce that is committed to creating a work environment that fosters sustainable and equitable solutions, creative thinking, and innovation throughout the organization, thereby better positioning the workforce to respond more effectively to new challenges and new opportunities. City employees take great pride in their public service to our community.

Imagine Austin

Imagine Austin, a comprehensive plan for the City's future approved by City Council in June 2012, sets a context to guide decision-makers for the next 30 years. The plan adheres to six core principles established in collaboration with Austin residents: (1) Grow as a compact, connected city, (2) Integrate nature into the city, (3) Provide paths to prosperity for all, (4) Develop as an affordable and healthy community, (5) Sustainably manage water, energy, and other environmental resources, and (6) Think creatively and work together.

Strategic Initiatives

Mobility – Completion of the 2016 Bond sidewalk program a year ahead of schedule. As a result of the \$720 million Mobility Bonds approved in 2016, the city has constructed or repaired more than 56 miles of sidewalk.

Later bond programs approved in 2018 and 2020 have contributed additional funding for sidewalks as the need throughout the City remains high. In July, a one-mile segment of the Violet Crown Trail was completed, providing 11 uninterrupted miles of trail from Barton Spring to MoPac and William Cannon Dr. When complete, the Violet Crown Trail will cover more than 30 miles.

Economic Opportunity and Affordability – Working to prevent the displacement of renters and homeowners in proximity to the new transit lines planned with Project Connect, the Housing Department and the Austin Housing Finance Corporation awarded \$16.5 million to 12 organizations in September. This is a portion of the \$300 million approved by voters in 2020 to address displacement. In November, the Economic Development Department awarded \$3.5 million in grants to 368 local professional musicians, bands and independent promoters through the 2023 Live Music Fund Event Program. Funding for the program comes through a percentage of the Hotel Occupancy Tax and is intended to encourage, improve and showcase Austin's diverse live music industry.

Safety – In September, City Council appropriated \$22.9 million in federal grant funding for the US Department of Transportation's Safe Streets and Roads for All program. The grant is anticipated to provide major intersection safety at 5-7 locations, up to 10 pedestrian hybrid beacons, and other safety priorities including education and low-cost safety treatments. In an effort to mitigate wildfire risk, City Council approved the negotiation of a contract with a firm that utilizes artificial intelligence to aid first responders in the detection and response to wildfires. The system can triangulate the exact location of a fire and then alert the 911 call center to activate the closest fire department. The system will be able to survey nearly all of Travis County.

Health and Environment – At the beginning of the year, winter storm Mara tested the City’s power grid and response in new ways as three days of arctic air caused continual rain to accumulate as ice on tree limbs across the city. As the limbs shattered and crashed, many limbs caused power outages and created ‘hurricane level of debris’. The General Fund Emergency Reserve Fund was tapped by City Council, providing \$15.4 million to Austin Resource Recovery (ARR) and their contractors to help cover the costs related to clearing over 1 million cubic yards of debris. Over \$50 million was expended in response to the event by ARR, Austin Energy and other departments. The Office of Homeland Security and Emergency Management is leading the effort to submit requests to FEMA for cost reimbursement. The Texas A&M Forest Service estimated that 10.5 million trees were damaged during the three-day storm. An after-action report highlighted strengths and weaknesses in the City’s response, which included more than 30 departments. Suggested improvements in the report are intended to help build preparedness and resiliency for future severe weather events.



Culture and Lifelong Learning – In September 2023, the City announced the signing of a Protocol of Cooperation Agreement between Austin, Texas and Florence, Italy. Through joint initiatives, the cities will share knowledge, exchange best practices, and explore avenues of collaboration to develop partnerships benefitting residents, businesses, and institutions in both cities.

Government that Works for All – A well-functioning city depends on its workforce to conduct the vital activities that its residents rely on. The City made progress toward decreasing departmental staff vacancies during 2023. The overall vacancy rate dropped to 13.3% from 18.6% the prior year and the number of departments with vacancy rates above 20% has been reduced to four as of August 2023.

Ending Homelessness – With many initiatives addressing homelessness spanning multiple departments, the Homeless Strategy Office (HSO) was established as a stand-alone office reporting directly to the City Manager’s Office at the end of 2023. Previously operating as a division of Austin Public Health, the creation of the HSO is intended to provide a consolidated organizational approach to this complex issue. Among its many responsibilities are overseeing City-run and City-owned homeless shelters, and procuring, managing, and monitoring all homelessness-related contracts between the City and third-party vendors.

The City preserved over 100 centrally-located shelter beds by acquiring the downtown Salvation Army shelter in November. One of the few shelter spaces in the downtown area, the City had been working to keep the shelter open after the Salvation Army announced it would be permanently closing the facility in March 2023.

FINANCIAL INFORMATION

Internal Controls

City management is responsible for establishing, implementing, and maintaining a framework of internal controls designed to ensure that City assets are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The system of internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

Financial Policies

The City adopted a comprehensive set of Financial Policies to ensure that the City’s financial resources are managed in a prudent manner and to provide a foundation for financial sustainability. Compliance with these policies is reviewed annually as part of the budget process. The policies and results of the review are published in the Approved Budget document. An important element of the policies dictates that current revenue will be sufficient to support current expenditures (defined as “structural balance”). Assigned and unassigned fund balances in

excess of what is required shall normally be used to fund capital items. The City maintains the goal of a structurally balanced budget to achieve long-term financial stability for the City. In 2023, City Council revised the General Fund financial policies and established a goal to increase the Emergency Reserve from 8% to 10% and to limit expenditure of the Budget Stabilization Reserve to emergency situations unless it exceeds 7%. This will result in an increase of total General Fund reserves from 14% to 17% of operating expenses beginning with fiscal year 2024.

Long-term Financial Planning

Austin leaders are continually looking towards and planning for the future. A key City financial policy requires annual preparation of a five-year financial forecast projecting revenues and expenditures for all operating funds. This forecast is used as a tool to develop the following year's operating budget. In addition, the City annually prepares a five-year Capital Improvement Project (CIP) Plan that outlines all capital projects in progress, those that will be implemented in the five-year horizon, and related funding sources. Such an approach assists in aligning the City's CIP investments with the Imagine Austin Comprehensive Plan and the City Council's strategic priorities as the City strives to strike a balance between ongoing capital needs necessary to maintain services for a rapidly growing community and strategic investments that support community priorities.

City departments prepare a number of long- and mid- range service plans that provide input into decisions made in the planning and budgeting process. These plans range from clean energy and climate protection to strategic mobility planning.

Maintaining sound financial and economic development policies within the City organization allows for a high level of services to the community. It also results in positive bond ratings, which measures the City's ability to repay its debt. A strong bond rating allows for lower interest expense. In further indications of return to economic stability, there were no changes to any of the City's bond ratings in 2023. The City's bond ratings for general obligation bonds remained AAA, the highest rating available, for S&P Global Ratings and AA+ for Fitch Ratings, Inc. The airport maintained its A1 and A+ ratings from Moody's and S&P, respectively.

Budgetary Control

The annual operating budget is proposed by the City Manager and approved by the City Council after public discussion. Annual budgets are legally required for the General Fund, debt service funds, and certain special revenue funds. While not legally required, annual budgets are also adopted for the enterprise and internal service funds. Annual updates to the Capital Improvements Program budgets follow a similar process. Multi-year budgets are adopted for capital projects and grant funds.

Throughout the year, primary responsibility for fiscal analysis of budget to actual expense or revenue and overall program fiscal standing rests with the department operating the program. The City Manager is authorized to transfer appropriation balances within a department of the City. The City Council must approve amendments to the budget and transfers of appropriations from one department to another. As demonstrated by the statements and schedules included in this 2023 ACFR, the City continues to meet its responsibility for sound financial management.

Budgetary Information

With stronger economic growth following the pandemic, the fiscal year 2023 Budget allowed for a greater focus on employee retention. Council approved a 4% across the board civilian wage increase, the highest in more than two decades. Council also approved an increase to the Living Wage from \$15 per hour to \$20 per hour, the largest increase in entry pay in more than two decades. The budget development process integrates a collaborative approach to the City's finances with business planning, performance measurement, and resident input. By organizing around City Council identified strategic outcomes, the document focuses more on the bigger picture and less on the details of departmental expenditures. The 2023 budget development process maintained some remote activity but brought more in-person involvement. Input was gathered and evaluated to address the issues, concerns, and priorities identified by Austin's residents, employees, boards and commissions, and Council members.

The fiscal year 2023 Budget totaled \$5.0 billion and included \$1.3 billion for the General Fund, providing for the continuation of high-quality public safety, health, library, parks, water, energy, infrastructure, development, and other services for the growing number of Austin residents and visitors. Budgeted revenue comes from utility charges

(44%), various taxes, including property and sales tax (31%), charges for services and goods (14%), and other revenue such as interest, fees, and transfers (11%). The fiscal year 2023 budget was approved with a 7.83 cent decrease to the property tax rate, from 54.10 to 46.27 cents per \$100 of taxable value. Increases in assessed values and new construction enabled the reduction. Increases in utility fees for Austin Energy, Austin Resource Recovery and the Transportation User Fee resulted in an overall 3.8% increase for the typical Austin homeowner in 2023.

The City's largest enterprise department, Austin Energy, served over 540,000 customers within a service territory of approximately 437 square miles in the Greater Austin area. Austin Energy's fiscal year 2023 budget was \$1.7 billion in annual revenues, including transfers. An increase in base rates began in March of 2023, the first increase in the base rate in more than 10 years. The utility has a diverse generation mix that includes nuclear, coal, natural gas, and an increasing portfolio of renewable energy sources such as solar and wind.

The City's second largest enterprise department is Austin Water, which provided water and wastewater services to more than one million retail and wholesale customers spanning more than 548 square miles within Austin and surrounding areas. The Austin Water fiscal year 2023 budget resulted in revenues and transfers in of \$673.3 million. Despite increased infrastructure investments, there were no planned changes to water and wastewater rates for fiscal year 2023, largely due to savings the utility was able to achieve through low-interest loan programs and refunding higher interest rate debt.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to a governmental unit that publishes an Annual Comprehensive Financial Report that meets the GFOA program standards. The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its 2022 ACFR. The City has received this award for 16 consecutive years. The certificate is valid for a period of one year only. City management believes that this 2023 ACFR conforms to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for review.

The City also received the GFOA Distinguished Budget Presentation award for the 2022 budget, the 2022 Certificate of Excellence in Performance Measurement from the ICMA, and the Achievement of Excellence in Procurement from the National Procurement Institute in 2023.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the dedicated services of the Accounting and Financial Reporting staff within the Financial Services Department. Other departments and offices of the City have also contributed directly or indirectly to the preparation of this report: Budget and Treasury staff within the Financial Services Department, the Office of the City Auditor, the financial staff at Austin Energy and other financial staff throughout the City. We would like to express our sincere appreciation to all who assisted in this effort.

We acknowledge the thorough, professional, and timely manner in which our independent auditor, Deloitte & Touche LLP, conducted the audit.

Finally, we acknowledge the Mayor and Council members as well as the City Manager, who consistently aid in furthering the City's goal of excellence in all aspects of financial management. Your support is greatly appreciated.



Ed Van Eenoo
Chief Financial Officer



Marija Jukic, CPA
Controller



CITY OF AUSTIN RESIDENTS



Office of the City Auditor

Municipal Court

Mayor and City Council

Office of the City Clerk

Police Oversight

Deputy City Manager

Law Department

Austin Energy

City Manager

Assistant City Manager

Assistant City Manager

Chief of Staff

Chief Financial Officer

Assistant City Manager

Assistant City Manager

Strategic Communication & External Relations

- Austin Convention Center
- Development Services
- Economic Development
- Housing
- Intergovernmental Relations
- Planning

- Austin Water
- Aviation
- Capital Delivery Services
- Transportation & Public Works
- Watershed Protection

- Communications & Technology Management
- Human Resources
- Labor Relations
- Information Security
- Small & Minority Business Resources
- Civil Rights
- Equity
- Innovation
- Resilience
- Sustainability

- Building Services
- Financial Services
- Fleet Mobility

- Animal Services
- Austin Parks & Recreation
- Austin Public Health
- Homeless Strategy Office
- Austin Public Library
- Austin Resource Recovery

- Austin Fire
- Austin Police
- Austin/Travis County Emergency Medical Services
- Chief Medical Officer
- Downtown Austin Community Court
- Forensic Science
- Homeland Security & Emergency Management

- Communications & Public Information

XI.



The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Austin, Texas for its Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2022.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. City management believes that this 2023 Annual Report conforms to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for their review.

Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Austin
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Council,
City of Austin, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Austin, Texas (the "City"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Austin, Texas, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Austin-Bergstrom Landhost Enterprises Inc. (ABLE), Austin Convention Enterprises Inc. (ACE), Austin Transit Partnership Local Government Corporation (ATP), and Retreat at North Bluff, LP (RNB) which represent 98.6% and 97.6%, respectively, of the assets and revenues of the discretely presented component units as of September 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for ABLE, ACE, ATP, and RNB is based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the City presented its financial statements to reflect the effects of the adoption of Governmental Accounting Standards Board Statements No. 94, *Private-Public and Public-Public Partnerships and Availability Payment Arrangements*, and No. 96, *Subscription-Based Information Technology Arrangements*, on October 1, 2022. Additionally, as discussed in Note 21, the City has

elected to discontinue the use of regulatory accounting for Austin Water. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the General Fund—Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual—Budget Basis and related notes, the Retirement Plans—Trend Information, and the Other Postemployment Benefits—Trend Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and supplemental schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Deloitte & Touche LLP

March 12, 2024

The Management's Discussion and Analysis (MD&A) section of the City of Austin's (the City) Annual Comprehensive Financial Report presents a narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023.

The financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). The City has implemented GASB Statements No. 1 through No. 100.

FINANCIAL HIGHLIGHTS

Government-wide financial statements

The City's assets and deferred outflows exceeded its liabilities and deferred inflows in fiscal year 2023, resulting in \$4.1 billion of net position. Net position associated with governmental activities is a deficit of approximately \$860.7 million, while the net position associated with business-type activities is approximately \$5.0 billion, or 121.0% of the total net position of the City. The largest portion of net position consists of net investment in capital assets, which is \$6.1 billion, or 147.8% of total net position.

The City's unrestricted net position is a deficit of \$3.7 billion. Unrestricted net position for governmental activities is a deficit of \$3.9 billion, while unrestricted net position for business-type activities is approximately \$117.5 million, or 2.4% of total business-type net position. The deficit in governmental unrestricted net position is largely due to the net pension liability of \$2.3 billion and other postemployment benefits (OPEB) liability of \$1.9 billion.

During fiscal year 2023, total net position for the City of Austin increased \$69.3 million or 1.7%. Of this amount, governmental activities decreased \$113.9 million, or 15.3% from the previous year and business-type activities increased \$183.2 million, or 3.8%.

Total revenues for the City increased \$484.2 million; revenues for governmental activities increased \$156.4 million; revenues for business-type activities increased \$327.9 million. Total expenses for the City increased \$641.3 million; expenses for governmental activities increased \$279.3 million; expenses for business-type activities increased \$362.0 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, consisting of three components:

- government-wide financial statements,
- fund financial statements, and
- notes to the financial statements.

This report also contains required supplementary information in addition to the basic financial statements.

a -- Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner comparable to a private-sector business. The two government-wide financial statements are as follows:

- The **Statement of Net Position** presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The **Statement of Activities** presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues for uncollected taxes and expenses for future general obligation debt payments. The statement includes annual depreciation for infrastructure and governmental assets.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include: general government; public safety; transportation, planning and sustainability; public health; public recreation and culture; and urban growth management. The business-type activities include: electric; water; wastewater; airport; convention; environmental and health services; public recreation; and urban growth management.

OVERVIEW OF THE FINANCIAL STATEMENTS, continued

a -- Government-wide financial statements, continued

The government-wide financial statements include the City as well as blended component units: Austin Housing Finance Corporation (AHFC), Austin Housing Public Facility Corporation (AHPFC), Austin Public Facilities Corporation (APFC), Urban Renewal Agency (URA), Austin Industrial Development Corporation (AIDC), Mueller Local Government Corporation (MLGC), Austin-Bergstrom International Airport (ABIA) Development Corporation, and Nacogdoches Power, LLC (NP). The operations of AHFC, AHPFC, APFC, URA, AIDC, MLGC, and ABIA are included within the governmental activities of the government-wide financial statements. The operations of NP are reported in the business-type activities of the government-wide financial statements. Although legally separate from the City, these component units are blended with the City because of their governance or financial relationships to the City.

The government-wide financial statements also include ten discretely presented component units: Austin-Bergstrom Landhost Enterprises, Inc. (ABLE), Austin Convention Enterprises, Inc. (ACE), Austin Economic Development Corporation (AEDC), Austin Transit Partnership Local Government Corporation (ATP), Austin Travis County Sobriety Center Local Government Corporation (SCLGC), Central Housing, LP (CHLP), Creekside Senior Housing Limited Partnership (CSHLP), Hyde Park Housing, LP (HPLP), Retreat at North Bluff, LP (RNBLP), and Waller Creek Local Government Corporation (WCLGC). These entities are legally separate entities that do not meet the GASB reporting requirements for inclusion as part of the City's operations; therefore, data from these units are shown separately from data of the City. More information on these entities can be found in Note 1, including how to get a copy of separately audited financial statements for ABLE, ACE, AEDC, ATP, CSHLP, RNBLP, and SCLGC. WCLGC activities are recorded in the City's financial system and City staff prepares the financial reports for this entity. There was no WCLGC activity in fiscal year 2023. Additionally, CHLP and HPHLP were formed in 2023 and due to their December 31 fiscal year end, final financial reports are not available for inclusion in the City's 2023 financial statements.

b -- Fund financial statements

The fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into the following three categories: governmental, proprietary, and fiduciary funds. Within the governmental and proprietary categories, the emphasis is on the major funds.

Governmental funds -- Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are reported in governmental funds. These funds focus on current sources and uses of liquid resources and on the balances of available resources at the end of the fiscal year. This information may be useful in determining what financial resources are available in the near term to finance the City's future obligations.

Because the focus of governmental fund level statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented in the government-wide statements. In addition to the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances, separate statements are provided that reconcile between the government-wide and fund level financial statements.

The City's General Fund is reported as a major fund and information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances. In addition, the City maintains several individual governmental funds organized according to their type (special revenue, debt service, capital projects, and permanent funds). Data from these governmental funds are combined into a single column labeled nonmajor governmental funds. Individual fund data for the funds is provided in the form of combining statements in the supplementary section of this report.

Proprietary funds -- Proprietary funds are generally used to account for services for which the City charges customers – either outside customers or internal units or departments of the City. Proprietary fund statements provide the same type of information shown in the government-wide financial statements, only in more detail. The City maintains the following two types of proprietary funds:

- Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of three of the City's major funds, Austin EnergyTM, Austin Water, and Austin-Bergstrom International Airport (Airport), as well as the nonmajor enterprise funds.

OVERVIEW OF THE FINANCIAL STATEMENTS, continued

b -- Fund financial statements, continued

- Internal Service funds are used to report activities that provide supplies and services for many City programs and activities. The City’s internal service funds include: Capital Projects Management; Combined Transportation, Emergency and Communications Center (CTECC); Employee Benefits; Fleet Maintenance; Information and Technology; Liability Reserve; Support Services; Wireless Communication; and Workers’ Compensation. Because these services predominantly benefit governmental operations rather than business-type functions, they have been included in governmental activities in the government-wide financial statements.

The nonmajor enterprise funds and the internal service funds are combined into separately aggregated presentations in the proprietary fund financial statements. Individual fund data for the funds are provided in the form of combining statements following the Required Supplementary Information section of this report.

Fiduciary funds -- Fiduciary funds are used to account for resources held for the benefit of parties outside City government. Since the resources of fiduciary funds are not available to support the City’s own programs, they are not reflected in the government-wide financial statements. The accounting policies applied to fiduciary funds are much like those used for proprietary funds.

Comparison of government-wide and fund financial components -- The following chart compares how the City’s funds are included in the government-wide and fund financial statements:

| Fund Types/Other | Government-wide | Fund Financials |
|--|------------------------|--------------------------------------|
| General Fund | Governmental | Governmental - Major |
| Special revenue funds | Governmental | Governmental - Nonmajor |
| Debt service funds | Governmental | Governmental - Nonmajor |
| Capital projects funds | Governmental | Governmental - Nonmajor |
| Permanent funds | Governmental | Governmental - Nonmajor |
| Internal service funds | Governmental | Proprietary |
| Governmental capital assets, including infrastructure assets | Governmental | Excluded |
| Governmental liabilities not expected to be liquidated with available expendable financial resources | Governmental | Excluded |
| Austin Energy | Business-type | Proprietary - Major |
| Austin Water | Business-type | Proprietary - Major |
| Airport | Business-type | Proprietary - Major |
| Convention | Business-type | Proprietary - Nonmajor |
| Environmental and health services | Business-type | Proprietary - Nonmajor |
| Public recreation | Business-type | Proprietary - Nonmajor |
| Urban growth management | Business-type | Proprietary - Nonmajor |
| Fiduciary funds | Excluded | Fiduciary |
| Discrete component units | Component units | Discretely Presented Component Units |

Basis of reporting -- The government-wide statements and fund-level proprietary statements are reported using the flow of economic resources measurement focus and the full accrual basis of accounting. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

c -- Notes to the financial statements

The notes to the financial statements provide additional information that is essential to fully understanding the data provided in the government-wide and fund financial statements.

d -- Other information

The Required Supplementary Information (RSI) section immediately follows the basic financial statements and related notes section of this report. The City adopts an annual appropriated budget for the General Fund plus eleven separately budgeted activities, all of which comprise the General Fund for GAAP reporting. RSI provides a comparison of revenues, expenditures and other financing sources and uses to budget and demonstrates budgetary compliance. In addition, trend information related to the City’s retirement and other postemployment benefits plans is presented in RSI. Following the RSI are other statements and schedules, including the combining statements for nonmajor governmental and enterprise funds, internal service funds, and fiduciary funds.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS

a -- Net position

The following table reflects a summary statement of net position compared to prior year, as restated:

| | Condensed Statement of Net Position as of September 30 (in thousands) | | | | | |
|----------------------------------|--|--------------------|-------------------------------------|-------------------|--------------------|--------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Current assets | \$ 950,303 | 909,151 | 2,019,653 | 1,902,794 | 2,969,956 | 2,811,945 |
| Capital assets | 4,096,451 | 3,857,660 | 9,807,388 | 9,457,642 | 13,903,839 | 13,315,302 |
| Other noncurrent assets | 525,119 | 545,628 | 3,592,709 | 3,457,512 | 4,117,828 | 4,003,140 |
| Total assets | <u>5,571,873</u> | <u>5,312,439</u> | <u>15,419,750</u> | <u>14,817,948</u> | <u>20,991,623</u> | <u>20,130,387</u> |
| Deferred outflows of resources | <u>1,833,864</u> | <u>1,478,761</u> | <u>1,468,407</u> | <u>1,078,108</u> | <u>3,302,271</u> | <u>2,556,869</u> |
| Current liabilities | 702,739 | 721,864 | 837,730 | 787,305 | 1,540,469 | 1,509,169 |
| Noncurrent liabilities | 5,986,569 | 5,384,382 | 9,597,259 | 9,199,733 | 15,583,828 | 14,584,115 |
| Total liabilities | <u>6,689,308</u> | <u>6,106,246</u> | <u>10,434,989</u> | <u>9,987,038</u> | <u>17,124,297</u> | <u>16,093,284</u> |
| Deferred inflows of resources | <u>1,577,139</u> | <u>1,431,731</u> | <u>1,498,462</u> | <u>1,137,542</u> | <u>3,075,601</u> | <u>2,569,273</u> |
| Net position: | | | | | | |
| Net investment in capital assets | 2,571,330 | 2,332,283 | 3,480,617 | 2,441,596 | 6,051,947 | 4,773,879 |
| Restricted | 424,875 | 341,114 | 1,356,558 | 1,236,318 | 1,781,433 | 1,577,432 |
| Unrestricted (deficit) | <u>(3,856,915)</u> | <u>(3,420,174)</u> | <u>117,531</u> | <u>1,093,562</u> | <u>(3,739,384)</u> | <u>(2,326,612)</u> |
| Total net position | <u>\$ (860,710)</u> | <u>(746,777)</u> | <u>4,954,706</u> | <u>4,771,476</u> | <u>4,093,996</u> | <u>4,024,699</u> |

In the current fiscal year, total assets increased \$861.2 million and deferred outflows of the City increased by \$745.4 million. Total liabilities increased \$1.0 billion and deferred inflows increased by \$506.3 million. Governmental-type total assets increased by \$259.4 million, and business-type increased by \$601.8 million, while governmental-type liabilities increased by \$583.1 million and business-type increased by \$448.0 million.

The most significant increase in governmental total assets resulted from an increase in capital assets of \$238.8 million as the City continues to build out projects from the 2018, 2020, and other bond programs. Factors in the increase of governmental-type liabilities of \$583.1 million include an increase in net pension liability of \$1.1 billion and an increase in bonds payable of \$33.2 million, offset by a decrease in the other postemployment benefits liability of \$54.4 million and a decrease in other liabilities of \$77.5 million. The increase in the pension liability is driven mainly by unfavorable investment returns, whereas the decrease in the other postemployment benefits liability is primarily due to changes in the discount rate.

The most significant factors in the increase of business-type total assets of \$601.8 million is related to the increase in capital assets of \$349.7 million and an increase in regulatory assets of \$113.2 million. Significant asset additions included the City's Austin Water ongoing installation of advanced water metering infrastructure, enhancements to the North Austin Reservoir and Pump Station and upgrades to the Ullrich Water Treatment Plant system. In addition, the City's airport initiated renovations in the security and badging area and is expanding the data center to bolster IT services. The primary factor for the increase in business-type total liabilities of \$448.0 million is an increase of \$817.4 million in net pension liability, offset by a decrease of \$357.8 million in other postemployment benefits.

As noted earlier, net position may serve as a useful indicator of a government's financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$4.1 billion at the end of the current fiscal year. However, the largest portion of the City's net position is represented in the net investment in capital assets (e.g., land, buildings, and equipment offset by related debt), which is \$6.1 billion, or 147.8% of the total amount of the City's net position. The City uses these capital assets to provide services to citizens. Capital assets are generally not highly liquid; consequently, they are not considered future available resources. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion, \$1.8 billion of the City's net position, represents resources that are subject to external restrictions on how they may be used in the future. The remaining balance is a deficit of \$3.7 billion of unrestricted net position. Unrestricted net position decreased by \$1.4 billion in the current fiscal year.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

a—Net position, continued

At the end of the current fiscal year, the City reported positive balances in all three categories of net position for business-type activities. However, both governmental activities and the government as a whole, reported deficits of \$3.9 billion and \$3.7 billion for unrestricted net position, respectively.

b -- Changes in net position

**Condensed Statement of Changes in Net Position
September 30
(in thousands)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|-------------------------|------------------|--------------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| Program revenues: | | | | | | |
| Charges for services | \$ 168,069 | 146,739 | 3,287,020 | 3,084,992 | 3,455,089 | 3,231,731 |
| Operating grants and contributions | 102,532 | 105,901 | 43,768 | 50,859 | 146,300 | 156,760 |
| Capital grants and contributions | 82,480 | 77,827 | 144,227 | 165,649 | 226,707 | 243,476 |
| General revenues: | | | | | | |
| Property tax | 993,687 | 978,108 | -- | -- | 993,687 | 978,108 |
| Sales tax | 358,557 | 341,620 | -- | -- | 358,557 | 341,620 |
| Franchise fees and gross receipts tax | 224,688 | 205,978 | -- | -- | 224,688 | 205,978 |
| Intergovernmental | 47,933 | 19,833 | -- | -- | 47,933 | 19,833 |
| Interest and other | 101,603 | 47,175 | 133,511 | (20,844) | 235,114 | 26,331 |
| Total revenues | <u>2,079,549</u> | <u>1,923,181</u> | <u>3,608,526</u> | <u>3,280,656</u> | <u>5,688,075</u> | <u>5,203,837</u> |
| Program expenses: | | | | | | |
| General government | 344,368 | 279,333 | -- | -- | 344,368 | 279,333 |
| Public safety | 863,798 | 766,390 | -- | -- | 863,798 | 766,390 |
| Transportation, planning, and sustainability | 260,900 | 247,850 | -- | -- | 260,900 | 247,850 |
| Public health | 254,603 | 200,004 | -- | -- | 254,603 | 200,004 |
| Public recreation and culture | 241,914 | 206,004 | -- | -- | 241,914 | 206,004 |
| Urban growth management | 173,652 | 162,493 | -- | -- | 173,652 | 162,493 |
| Interest on debt | 72,986 | 70,858 | -- | -- | 72,986 | 70,858 |
| Electric | -- | -- | 1,800,366 | 1,605,171 | 1,800,366 | 1,605,171 |
| Water | -- | -- | 327,231 | 323,833 | 327,231 | 323,833 |
| Wastewater | -- | -- | 280,912 | 290,506 | 280,912 | 290,506 |
| Airport | -- | -- | 283,897 | 239,651 | 283,897 | 239,651 |
| Convention | -- | -- | 88,744 | 74,831 | 88,744 | 74,831 |
| Environmental and health services | -- | -- | 182,466 | 146,379 | 182,466 | 146,379 |
| Public recreation | -- | -- | 12,655 | 10,663 | 12,655 | 10,663 |
| Urban growth management | -- | -- | 430,286 | 353,553 | 430,286 | 353,553 |
| Total expenses | <u>2,212,221</u> | <u>1,932,932</u> | <u>3,406,557</u> | <u>3,044,587</u> | <u>5,618,778</u> | <u>4,977,519</u> |
| Excess (deficiency) before transfers | (132,672) | (9,751) | 201,969 | 236,069 | 69,297 | 226,318 |
| Transfers | 18,739 | 58,107 | (18,739) | (58,107) | -- | -- |
| Increase (decrease) in net position | <u>(113,933)</u> | <u>48,356</u> | <u>183,230</u> | <u>177,962</u> | <u>69,297</u> | <u>226,318</u> |
| Beginning net position, as previously reported | (744,124) | (792,480) | 4,203,548 | 4,025,586 | 3,459,424 | 3,233,106 |
| Restatement adjustment | (2,653) | -- | 567,928 | -- | 565,275 | -- |
| Beginning net position, as restated (see Note 21) | <u>(746,777)</u> | <u>(792,480)</u> | <u>4,771,476</u> | <u>4,025,586</u> | <u>4,024,699</u> | <u>3,233,106</u> |
| Ending net position | <u>\$ (860,710)</u> | <u>(744,124)</u> | <u>4,954,706</u> | <u>4,203,548</u> | <u>4,093,996</u> | <u>3,459,424</u> |

Total net position of the City increased by \$69.3 million in the current fiscal year. Governmental net position decreased by \$113.9 million. The decrease is attributable to expenses exceeding revenues by \$132.7 million before transfers from other funds of \$18.7 million. Business-type net position increased by \$183.2 million due to revenues exceeding expenses by \$202.0 million before transfers of \$18.7 million to other funds.

In addition, the City restated beginning net position for governmental and business-type activities as a result of implementation of GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements" and the elimination of regulatory reporting for Austin Water. For more information, see Note 21.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

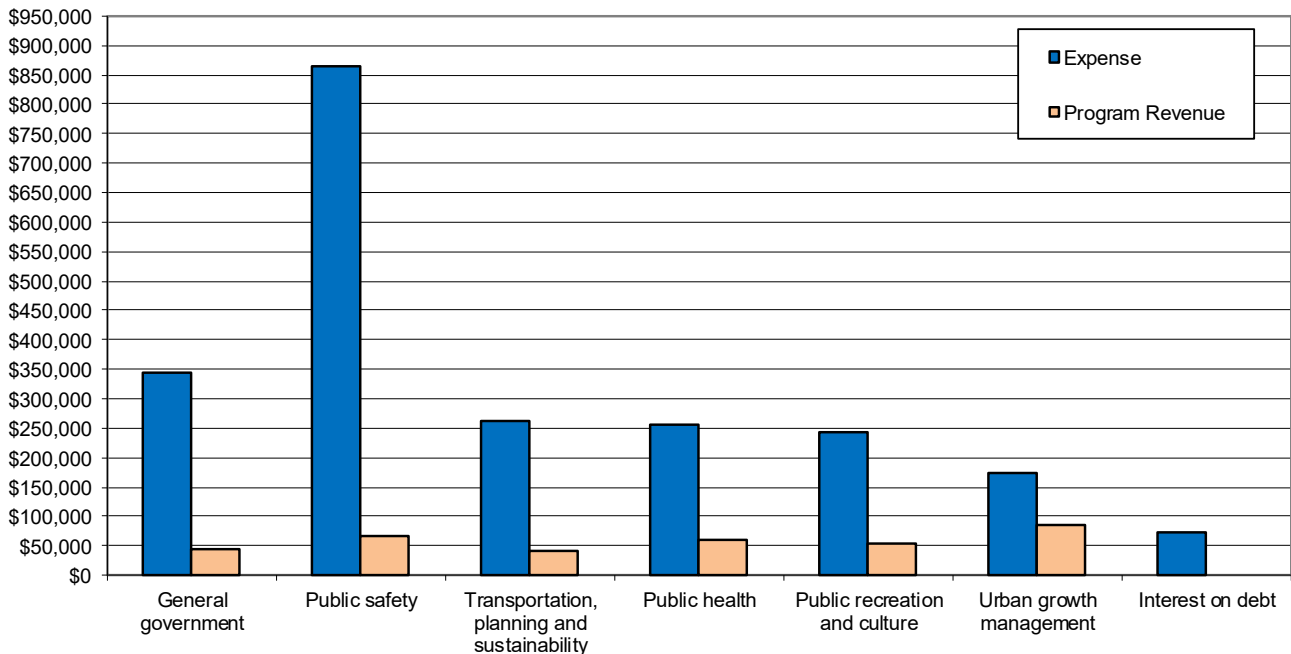
c -- Program revenues and expenses -- governmental activities

Governmental activities decreased the City’s net position by \$113.9 million in fiscal year 2023, a 15.3% decrease of governmental net position from the previous year. The primary reason for the change in net position is due to an increase in pension expenses as a result of changes in assumptions and the net difference between projected and actual earnings. Additional factors that contributed to the change from fiscal year 2022 to 2023 are as follows:

- Property tax revenues increased \$15.6 million primarily due to an increase in assessed property values.
- Sales tax increased \$16.9 million due to Austin’s population and economic growth.
- Franchise fees and gross receipts tax increased \$18.7 million due to an increase in hotel occupancy tax revenue due to an increase in tourism.
- General Government expenses increased by \$65.0 million due to an increase in pension expenses which was offset by a reduction in OPEB expenses.
- Public safety expenses increased by \$97.4 million mainly due to an increase in pension expenses and the creation and staffing of the Forensic Science Department.
- Public Health expenses increased \$54.6 million due to an increase in expenditures related to the American Rescue Plan Act – State and Local Fiscal Recovery Fund and a decrease in reimbursements received for COVID-19 response activities.

The chart below illustrates the City’s governmental expense and revenues by function: general government; public safety; transportation, planning and sustainability; public health; public recreation and culture; urban growth management; and interest on debt.

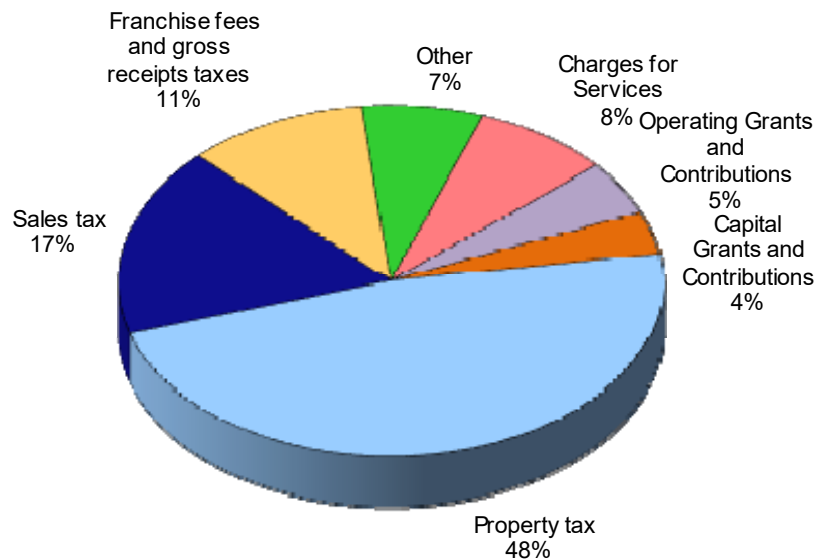
**Government-wide Program Expenses and Revenues – Governmental Activities
(in thousands)**



FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued
c -- Program revenues and expenses -- governmental activities, continued

General revenues such as property taxes, sales taxes, and franchise fees are not shown by program, but are used to support all governmental activities. Property taxes are the largest source of governmental revenues, followed by sales taxes, and franchise fees and gross receipts taxes.

Government-wide Revenues by Source -- Governmental Activities



d -- Program revenues and expenses -- business-type activities

Business-type activities increased the City’s net position by approximately \$183.2 million, accounting for a 4.5% increase in the City’s total net position. Key factors include:

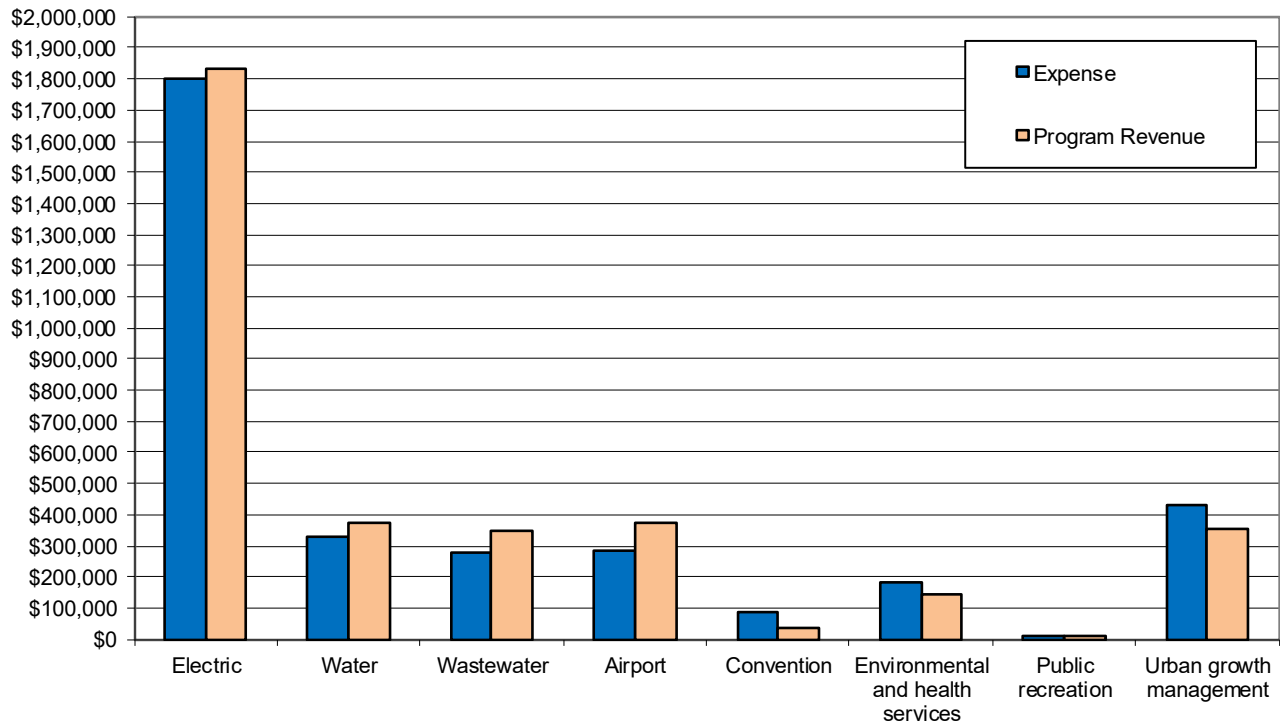
- Austin Energy net position decreased \$30.5 million. This decrease can be attributed to increased operating costs related to Winter Storm Mara.
- Austin Water net position increased approximately \$84.9 million. Both revenues and expenses decreased slightly, by 2.0% and 1.0% respectively. The increase in net position is due largely to the change in the reporting methodology on costs to be recovered for regulatory assets.
- Airport net position increased approximately \$134.4 million. Revenue increased 15.0% due to an increase in passenger traffic, landing fees, and parking revenues. Expenses increased 18.5%, due to an increase in operating and maintenance expenses following the increase in passenger traffic and revenues.
- Convention Center net position increased approximately \$90.4 million. Revenues increased 20.0% due to an increase in the number of events that occurred in fiscal year 2023 compared to fiscal year 2022. As a result of the increase in events, revenues from food and beverage concessions, parking fees, and utility service increased. Expenses increased 18.6% due to the increase in event activity. The primary drivers include food and beverage expense and temporary employee wages to keep up with the increase in events.
- Environmental and health services is comprised of the Austin Resource Recovery nonmajor enterprise fund. Net position decreased approximately \$20.4 million. Revenues increased 3.3% due mainly to an increase in the Clean Community Fee, recycling sales, and the base fee for residential accounts and customer growth. Expenses increased by 24.7% due largely to increased operating expenses related to Winter Storm Mara, as well as an increase in staffing, fuel purchases, maintenance of vehicles, landfill, and recycling processing contracts.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued
d -- Program revenues and expenses -- business-type activities, continued

- Urban growth management activities are comprised of the following nonmajor enterprise funds: Development Services, Drainage, and Transportation. Net position for the urban growth management activities decreased by approximately \$76.2 million.
 - Development Services revenues decreased by 19.1%, primarily as a result of decreased revenues generated from review, permitting, and inspections associated with residential and commercial development. Expenditures increased 15.7% overall, due to the addition of 12 positions, wage adjustments, and an increase in employee retirement contributions.
 - Drainage revenues decreased 2.1% primarily due to a decrease in contributions of \$5.1 million from prior year. Expenses increased 25.7% due to an increase in pension expense and wage adjustments.
 - Transportation revenues increased 16.8% due to an increase in: the transportation user fee, customer base, barricade permit fees, and interest revenue. Expenditures increased 22.6% due to the addition of 61 positions and wage adjustments.

As shown in the following chart, Austin Energy (electric), with expenses of \$1.8 billion is the City’s largest business-type activity, followed by urban growth management with \$430.3 million, water with \$327.2 million, airport with \$283.9 million, wastewater with \$280.9 million, environmental and health services with \$182.5 million, convention with \$88.7 million, and public recreation with \$12.7 million. For the fiscal year, expenses exceeded revenues for convention, environmental and health services, and urban growth management activities.

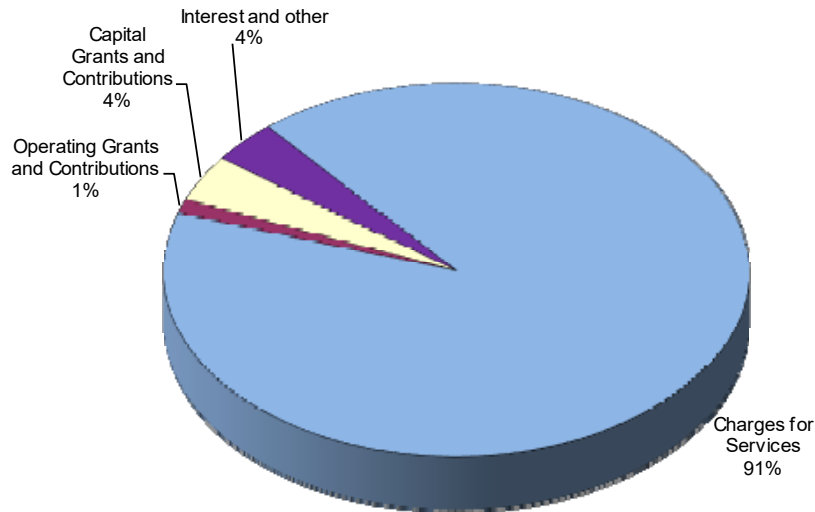
Government-wide Expenses and Program Revenues -- Business-type Activities
(Excludes General Revenues and Transfers)
(in thousands)



FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued
d -- Program revenues and expenses -- business-type activities, continued

For all business-type activities, charges for services provide the largest percentage of revenues, followed by capital grants and contributions, interest and other revenues, and operating grants and contributions.

Government-wide Revenue by Source – Business-type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUND LEVEL STATEMENTS

In comparison to the government-wide statements, the fund-level statements focus on the key funds of the City. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

a -- Governmental funds

The City reports the following types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and available resources. Such information is useful in assessing the City’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available at the end of the fiscal year.

At the end of the fiscal year, the City’s governmental funds reported combined ending fund balances of \$783.9 million, an increase of \$44.4 million from the previous year. Approximately \$3.1 million is nonspendable, \$429.2 million is restricted, \$90.9 million is committed, \$352.0 million is assigned, and a deficit of \$91.3 million is unassigned.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the General Fund reported nonspendable fund balance of \$2.0 million, assigned fund balance of \$179.5 million, and unassigned fund balance of \$177.2 million. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 13.9% of total General Fund expenditures of \$1.3 billion, and total fund balance represents 28.2% of expenditures. The City’s financial policies provide that surplus fund balance be identified for budget stabilization. This amount is a component of unassigned fund balance. The fund balance identified for budget stabilization was \$106.7 million. The balance identified for budget stabilization may be appropriated to fund capital or other one-time expenditures in the subsequent fiscal year, if the reserve exceeds six percent of total General Fund requirements, but such appropriation should not exceed one-third of the total amount in the reserve.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND LEVEL STATEMENTS, continued

a -- Governmental funds, continued

The fund balance of the General Fund increased \$16.9 million during the fiscal year. Significant differences from the previous year include:

- Property tax revenues increased \$15.2 million due primarily to an increase in assessed property values.
- Sales tax revenue increased \$16.9 million due to Austin's population and economic growth.
- Charges for services/goods revenue increased \$8.8 million due to a higher rate of collection for services provided.
- Interest revenue increased \$16.8 million due to higher interest rates.
- Public safety expenditures increased \$35.2 million due to an increase in salaries and fringe benefits of \$19.9 million, which was mostly driven by higher overtime pay due to staffing shortages, and \$10.0 million for the creation and staffing of the Forensics Science Department.
- Public health expenditures increased \$17.4 million, which is the result of increased social services expenses of \$8.5 million due to an increase in staffing and wage adjustments, and an increase of \$7.0 million due to increased spending related to homelessness and health equity initiatives.
- Public recreation and culture expenditures increased \$20.5 million due to an increase in staffing and salaries.

b -- Proprietary funds

The City's proprietary funds provide the same type of information found in the business-type activities of the government-wide financial statements, but in more detail. Overall, net position of the City's enterprise funds increased by \$186.3 million before consolidation of the internal service funds activities.

Factors that contributed to the increase in net position are discussed in the business-type activities section of the government-wide section.

OTHER INFORMATION

a -- General Fund budgetary highlights

During fiscal year 2023, an amendment to the Emergency Reserve fund increased transfers out by \$15,363,750 to Austin Resource Recovery to help with expenditures related to Winter Storm Mara. Additional amendments include a decrease in General Fund general city responsibilities expenditures of \$7,600,000 and an increase to Police and Emergency Medical Services expenditures of \$4,200,000 and \$3,400,000, respectively, to cover wages and benefits.

During the year, actual-budget basis revenues were \$39.3 million more than budgeted. Property taxes were \$5.3 million less than budgeted due to ongoing property tax protests. Sales taxes were \$4.2 million more than budgeted due to Austin's population and economic growth. Emergency Medical Services were \$8.6 million more than budgeted due to increased collections of prior year services, and increased funding from the Health and Human Services Commission (HHSC). Interest revenues were \$20.3 million more than budgeted due to rising interest rates.

Actual-budget basis expenditures were \$399 thousand less than budgeted. Most departments were under budget except for Municipal Court, which was over budget by \$60 thousand, EMS, which was over budget by \$64 thousand, Police, which was over budget by \$2.9 million, and General City Responsibilities, which was over budget by \$4.5 million. General City Responsibilities exceeded budget due to wage increases as part of the new fire labor contract, whereas Police exceeded budget due to increased overtime pay because of staffing shortages. Fire was under budget by \$1.7 million due to the reimbursement of emergency deployments from outside entities. Parks and Recreation was under budget by \$1.3 million due to delay in Austin Civilian Conservation Corporation projects budgeted in fiscal year 2023 that will be completed at a later date. Housing and Planning was under budget by \$1.6 million due to projects that were budgeted in fiscal year 2023 but will be completed at a later date. Other Urban Growth Management was under budget by \$2.1 million due to the delay in securing contractual services for the Creative Space Assistance program. The total budget-basis fund balance at year-end was \$246.1 million.

OTHER INFORMATION, continued

b -- Capital assets

The City's capital assets for governmental and business-type activities as of September 30, 2023, total \$13.9 billion (net of accumulated depreciation and amortization). Capital assets include buildings and improvements, plant and equipment, vehicles, electric plant, non-electric plant, nuclear fuel, water rights, infrastructure, land and improvements, construction in progress, development in progress, plant held for future use, intangible right-to-use lease and IT subscription assets, and other assets not depreciated. The total increase in the City's capital assets for the current fiscal year was \$587 million, with an increase of 6.2% for governmental activities and an increase of 3.7% for business-type activities. Additional information regarding the City's capital assets can be found in Note 5. Capital asset balances are as follows, as restated:

**Capital Assets, Net of Accumulated Depreciation
and Amortization
(in millions)**

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|----------------------------|--------------|-----------------------------|--------------|---------------|---------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| | Building and improvements | \$ 958 | 928 | 2,260 | 2,324 | 3,218 |
| Plant and equipment | 76 | 82 | 2,668 | 2,595 | 2,744 | 2,677 |
| Vehicles | 86 | 75 | 113 | 100 | 199 | 175 |
| Electric plant | -- | -- | 2,383 | 2,334 | 2,383 | 2,334 |
| Non-electric plant | -- | -- | 236 | 241 | 236 | 241 |
| Nuclear fuel | -- | -- | 53 | 54 | 53 | 54 |
| Water rights | -- | -- | 76 | 77 | 76 | 77 |
| Infrastructure | 1,751 | 1,741 | -- | -- | 1,751 | 1,741 |
| Land and improvements | 602 | 540 | 831 | 815 | 1,433 | 1,355 |
| Construction in progress | 423 | 291 | 1,087 | 816 | 1,510 | 1,107 |
| Development in progress | 7 | -- | -- | -- | 7 | -- |
| Plant held for future use | -- | -- | 22 | 23 | 22 | 23 |
| Intangible right-to-use lease and IT subscription assets | 162 | 171 | 70 | 73 | 232 | 244 |
| Other assets not depreciated | 31 | 30 | 8 | 6 | 39 | 36 |
| Total net capital assets | <u>\$ 4,096</u> | <u>3,858</u> | <u>9,807</u> | <u>9,458</u> | <u>13,903</u> | <u>13,316</u> |

Major capital asset events during the current fiscal year include the following:

- Governmental capital assets increased \$238.8 million, largely attributed to the addition of new facilities and enhancements to existing ones. Notable contributions to this increase include the acquisition of parkland, the construction of EMS and fire stations, and improvements to service center and tennis facilities. During the fiscal year, the City's Parks and Recreation Department procured land, the City's Municipal Court implemented a new case management system, and the Austin Police Department's Air Support unit acquired a new Airbus helicopter.
- Business-type activities purchased, constructed, or received capital asset contributions of \$349.7 million. Significant asset additions included Austin Water's ongoing installation of advanced water metering infrastructure, enhancements to the North Austin Reservoir and Pump Station, and upgrades to the Ullrich Water Treatment Plant system. In addition, the Airport and Austin Convention Center made facility security improvements.

OTHER INFORMATION, continued

c -- Debt administration

At the end of the current fiscal year, the City reported \$7.9 billion in outstanding debt. The table below reflects the outstanding debt at September 30. Additional information can be found in Note 9.

| Outstanding Debt General Obligation and Revenue Debt (in millions) | | | | | | |
|---|------------------------------------|--------------|-------------------------------------|--------------|--------------|--------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| General obligation bonds and other tax supported debt, net | \$ 1,628 | 1,595 | 59 | 60 | 1,687 | 1,655 |
| Commercial paper notes, net | -- | -- | 176 | 260 | 176 | 260 |
| Revenue bonds, net | -- | -- | 5,735 | 5,709 | 5,735 | 5,709 |
| Revenue notes from direct placements, net | -- | -- | 291 | 256 | 291 | 256 |
| Financed purchase obligations | 10 | 16 | -- | -- | 10 | 16 |
| Total | \$ 1,638 | 1,611 | 6,261 | 6,285 | 7,899 | 7,896 |

During fiscal year 2023, the City's total outstanding debt increased by \$3.0 million. The City issued new debt and refinanced portions of existing debt to achieve lower borrowing costs. Debt issues include the following:

- Outstanding debt for governmental activities increased by \$27.8 million. The City issued \$241.5 million in new debt to be used primarily for cultural arts facility improvements, water quality protection, streets and mobility, park improvements, capital equipment, Waller Creek District and erosion control, affordable housing, engineering services, and the acquisition of a hotel property for a family violence shelter. This issuance was offset by a debt refunding of \$30.8 million and debt payments of \$157.1 million made during the year.
- Outstanding debt for business-type activities decreased by \$24.8 million. The City issued \$417.6 million of Electric Utility System Revenue Refunding and Improvement bonds to refund commercial paper and revenue bond debt, and to finance the acquisition of a new field service center and warehouse facility. Additionally, the City issued \$439.6 million in Water and Wastewater System revenue refunding bonds to refund commercial paper and revenue bond debt. The City also issued \$50.9 million of Water and Wastewater System revenue bonds to improve and extend the water and wastewater system. These issuances were offset by debt payments during the year and a cash defeasance of \$48.3 million in Water and Wastewater separate lien revenue bonds.

The City's commercial paper ratings are related to the ratings of the liquidity providers associated with those obligations; commercial paper ratings were unchanged in the current fiscal year. All other bond ratings were unchanged. The City has elected to forego ratings by Moody's for GO issuances after 2022 due to a change in methodology but will continue to use Fitch and S&P Global Ratings. Ratings of the City's obligations for various debt instruments at September 30, 2023 and 2022 were as follows:

| Debt | Moody's Investors Service, Inc. S&P Global Ratings Fitch Ratings, Inc. | | | | | |
|---|---|-------------|-------------|-------------|-------------|-------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| General obligation bonds and other tax supported debt | NUR (1) | Aa1 | AAA | AAA | AA+ | AA+ |
| Commercial paper notes - tax exempt | P-1 | P-1 | A-1+ | A-1+ | F1+ | F1+ |
| Commercial paper notes - taxable | P-1 | P-1 | A-1+ | A-1+ | F1 | F1 |
| Utility revenue bonds - subordinate lien | Aa2 | Aa2 | AA | AA | AA- | AA- |
| Utility revenue bonds - separate lien: | | | | | | |
| Austin Energy | Aa3 | Aa3 | AA- | AA- | AA- | AA- |
| Austin Water Utility | Aa2 | Aa2 | AA | AA | AA- | AA- |
| Airport system revenue bonds | A1 | A1 | A+ | A+ | NUR (1) | NUR (1) |
| Convention Center revenue bonds | Aa3 | Aa3 | AA | AA | NUR (1) | NUR (1) |

(1) No underlying rating

OTHER INFORMATION, continued

d -- Economic factors and next year's budget and rates

With inflationary pressures triggering a rise in interest rates, Austin's economy largely mirrored that of the nation with a slow-down in the housing market and a marginal cooling of the technology sector. The elevated growth levels of the past two post-pandemic years were largely considered unsustainable.

According to one expert, the Austin economy is expected to fare better than the nation and the state in 2024. The Austin area gained nearly 33 thousand jobs from December 2022 through December 2023 with the greatest number in education and health services, mining and logging, and construction sectors. Despite lay-off headlines in the technology sector in the past year, the unemployment rate for the Austin-Round Rock MSA was 3.0%, while the state unemployment rate was 4.0%, and the national unemployment rate was 3.5%.

With several interest rate increases during the year, the residential market further cooled in 2023, offering buyers greater opportunity as inventory increased. Compared to 2022, the Austin metro residential market experienced a 9.5% decrease in sales and a 10.5% decrease in median home prices. Sales tax revenue increased 5.0% from the previous year, reflecting a return to a more normal growth rate after the influx of pandemic stimulus funds into the economy. Overall, Austin maintains its diverse ecosystem and "hub magnet quality" which have drawn both technology companies and talent and will attract both established companies and start-ups alike.

The overriding goal of the 2024 budget process was to maintain focus on the core of City operations. Each year during the budget process, the Austin City Council adopts a comprehensive set of financial policies that provide the foundation for long-range financial sustainability. These financial policies are directly aligned with the Council's underlying goals of budget stability, maintaining affordability, investing in future economic development, infrastructure needs, and quality of life. These policies are also crucial in maintaining the City's favorable bond ratings. The City's general obligation (GO) bond rating had no changes in 2023. The City has elected to forego ratings by Moody's Investors Service, Inc. for GO issuances after 2022 due to a change in their methodology, but will continue to use Fitch Rating, Inc. and S&P Global Ratings. Additionally, the City's revenue system debt for Austin Energy, Austin Water, and the Airport also maintained high bond ratings with no changes.

Growth of taxable property values within the City increased by 11.3% in 2023 for fiscal year 2024. The property tax rate for fiscal year 2024 is 44.58 cents per \$100 valuation, down from 46.27 cents per \$100 valuation in 2023. The tax rate consists of 35.77 cents for the General Fund and Project Connect, and 8.81 cents for debt service. The change in rates, fees, and property tax for the typical City ratepayer is \$171.10 based on the increases to rates and utility fees for Austin Energy, Austin Water, Austin Resource Recovery, and the Drainage Utility Fee. There were no changes to the Transportation User Fee.

e -- Requests for Information

This financial report is designed to provide our residents, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Financial Services Department – Accounting & Reporting Division of the City of Austin, P.O. Box 2920, Austin, Texas 78768, or (512) 974-2600 or on the web at: <https://www.austintexas.gov>.



BASIC FINANCIAL STATEMENTS



Statement of Net Position
September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit A-1

| | Governmental Activities | Business-type Activities | Total (†) | Component Units |
|---|------------------------------------|-------------------------------------|-------------------|----------------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash | \$ 47 | 42 | 89 | -- |
| Pooled investments and cash | 729,775 | 874,289 | 1,604,064 | 11,697 |
| Pooled investments and cash - restricted | 721 | 227,809 | 228,530 | -- |
| Total pooled investments and cash | 730,496 | 1,102,098 | 1,832,594 | 11,697 |
| Investments - restricted | 28,805 | 226,600 | 255,405 | -- |
| Cash held by trustee | -- | 9,337 | 9,337 | -- |
| Cash held by trustee - restricted | 6,480 | 7,759 | 14,239 | 2,961 |
| Working capital advances | -- | 2,685 | 2,685 | -- |
| Property taxes receivable, net of allowance \$1,105 | 14,388 | -- | 14,388 | -- |
| Accounts receivable, net of allowance \$457,060 | 131,388 | 302,317 | 433,705 | 4,559 |
| Interest receivable | 9,134 | 6,452 | 15,586 | -- |
| Receivables from other governments | 46,090 | 8 | 46,098 | -- |
| Receivables from other governments - restricted | -- | 11,691 | 11,691 | 969 |
| Leases receivable | 528 | 24,055 | 24,583 | -- |
| Notes receivable, net of allowance \$30,700 | 64,790 | -- | 64,790 | -- |
| Inventories, at cost | 3,977 | 124,526 | 128,503 | 232 |
| Internal balances | (115,079) | 115,079 | -- | -- |
| Real property held for resale | 3,499 | -- | 3,499 | -- |
| Regulatory assets, net of accumulated amortization | -- | 50,867 | 50,867 | -- |
| Prepaid expenses | 8,216 | 22,982 | 31,198 | 1,078 |
| Other receivables - restricted | -- | 6,040 | 6,040 | -- |
| Other assets | 17,544 | 7,115 | 24,659 | -- |
| Total current assets | 950,303 | 2,019,653 | 2,969,956 | 21,496 |
| Noncurrent assets: | | | | |
| Cash - restricted | -- | 4,712 | 4,712 | -- |
| Pooled investments and cash - restricted | 341,327 | 1,366,793 | 1,708,120 | -- |
| Investments | -- | -- | -- | 362,127 |
| Investments - restricted | -- | 350,077 | 350,077 | 48,052 |
| Investments held by trustee - restricted | 9,845 | 283,781 | 293,626 | -- |
| Cash held by trustee - restricted | 1,013 | 4,676 | 5,689 | 7,056 |
| Interest receivable - restricted | -- | 4,795 | 4,795 | -- |
| Leases receivable | 50,249 | 126,767 | 177,016 | -- |
| Depreciable capital assets, net | 2,871,590 | 7,788,953 | 10,660,543 | 188,075 |
| Nondepreciable capital assets | 1,062,433 | 1,948,410 | 3,010,843 | 127,835 |
| Intangible right-to-use lease and IT subscription assets, net | 162,428 | 70,025 | 232,453 | 8,886 |
| Derivative instruments - energy risk management | -- | 1,226 | 1,226 | -- |
| Regulatory assets, net of accumulated amortization | -- | 1,389,417 | 1,389,417 | -- |
| Other receivables - restricted | -- | 9,402 | 9,402 | -- |
| Other long-term assets | 122,685 | 30,036 | 152,721 | 924 |
| Other long-term assets - restricted | -- | 21,027 | 21,027 | -- |
| Total noncurrent assets | 4,621,570 | 13,400,097 | 18,021,667 | 742,955 |
| Total assets | 5,571,873 | 15,419,750 | 20,991,623 | 764,451 |
| DEFERRED OUTFLOWS OF RESOURCES | \$ 1,833,864 | 1,468,407 | 3,302,271 | 10,605 |

(†) After internal receivables and payables have been eliminated.

(Continued)

The accompanying notes are an integral part of the financial statements.

Statement of Net Position
September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit A-1
(Continued)

| | Governmental Activities | Business-type Activities | Total (†) | Component Units |
|---|------------------------------------|-------------------------------------|-------------------|----------------------------|
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ 105,306 | 158,638 | 263,944 | 27,610 |
| Accounts and retainage payable from restricted assets | 14,763 | 115,627 | 130,390 | -- |
| Accrued payroll | 21,879 | 13,860 | 35,739 | 313 |
| Accrued compensated absences | 81,050 | 39,500 | 120,550 | -- |
| Claims payable | 41,440 | 2,187 | 43,627 | -- |
| Due to other governments | 1 | 5,300 | 5,301 | 6,529 |
| Accrued interest payable from restricted assets | 1 | 92,754 | 92,755 | 5,547 |
| Interest payable on other debt | 7,498 | 1,605 | 9,103 | -- |
| Bonds payable | 97,891 | 7,376 | 105,267 | 11,425 |
| Bonds payable from restricted assets | 30,946 | 200,756 | 231,702 | -- |
| Leases and IT subscriptions payable | 36,380 | 17,266 | 53,646 | 14 |
| Other postemployment benefits liability | 40,569 | 29,449 | 70,018 | -- |
| Financed purchase obligations | 3,384 | -- | 3,384 | -- |
| Customer and escrow deposits payable from restricted assets | 95,246 | 136,792 | 232,038 | -- |
| Accrued landfill closure and postclosure costs | -- | 874 | 874 | -- |
| Other liabilities | 125,832 | 15,180 | 141,012 | 11,312 |
| Other liabilities payable from restricted assets | 553 | 566 | 1,119 | -- |
| Total current liabilities | 702,739 | 837,730 | 1,540,469 | 62,750 |
| Noncurrent liabilities, net of current portion: | | | | |
| Accrued compensated absences | 80,349 | 3,407 | 83,756 | -- |
| Claims payable | 34,554 | 540 | 35,094 | -- |
| Commercial paper notes payable, net of discount | -- | 176,300 | 176,300 | -- |
| Bonds and loans payable, net | 1,499,485 | 5,876,074 | 7,375,559 | 242,017 |
| Leases and IT subscriptions payable | 124,761 | 52,045 | 176,806 | 1,896 |
| Net pension liability | 2,323,414 | 1,636,176 | 3,959,590 | -- |
| Other postemployment benefits liability | 1,903,155 | 1,381,545 | 3,284,700 | -- |
| Financed purchase obligations | 7,022 | -- | 7,022 | -- |
| Accrued landfill closure and postclosure costs | -- | 17,635 | 17,635 | -- |
| Asset retirement obligations | 518 | 438,699 | 439,217 | -- |
| Derivative instruments - interest rate swaps | -- | 301 | 301 | -- |
| Other liabilities | 13,311 | 9,400 | 22,711 | 3,549 |
| Other liabilities payable from restricted assets | -- | 5,137 | 5,137 | -- |
| Total noncurrent liabilities | 5,986,569 | 9,597,259 | 15,583,828 | 247,462 |
| Total liabilities | 6,689,308 | 10,434,989 | 17,124,297 | 310,212 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| | 1,577,139 | 1,498,462 | 3,075,601 | 772 |
| NET POSITION | | | | |
| Net investment in capital assets | 2,571,330 | 3,480,617 | 6,051,947 | 105,123 |
| Restricted for: | | | | |
| Bond reserve | -- | 61,227 | 61,227 | -- |
| Capital projects | 144,455 | 735,467 | 879,922 | -- |
| Debt service | 27,306 | 133,799 | 161,105 | 27,677 |
| Housing activities | 102,788 | -- | 102,788 | 75,141 |
| Operating reserve | -- | 88,895 | 88,895 | -- |
| Passenger facility charges | -- | 106,233 | 106,233 | -- |
| Perpetual care: | | | | |
| Expendable | 1 | -- | 1 | -- |
| Nonexpendable | 1,070 | -- | 1,070 | -- |
| Public safety activities | 12,995 | -- | 12,995 | -- |
| Capital reserve | -- | 82,595 | 82,595 | -- |
| Contingency reserve | -- | 108,638 | 108,638 | -- |
| Power supply stabilization reserve | -- | 39,704 | 39,704 | -- |
| Tourism | 94,214 | -- | 94,214 | -- |
| Urban growth programs | 33,432 | -- | 33,432 | -- |
| Other purposes | 8,614 | -- | 8,614 | -- |
| Unrestricted (deficit) | (3,856,915) | 117,531 | (3,739,384) | 256,131 |
| Total net position | \$ (860,710) | 4,954,706 | 4,093,996 | 464,072 |

(†) After internal receivables and payables have been eliminated.

The accompanying notes are an integral part of the financial statements.

Statement of Activities
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit A-2

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | | Component Units |
|---|--------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|-------------|-----------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | | |
| | | | | | Governmental Activities | Business-type Activities | Total | |
| Governmental activities | | | | | | | | |
| General government | \$ 344,368 | 35,155 | 863 | 9,206 | (299,144) | -- | (299,144) | -- |
| Public safety | 863,798 | 58,264 | 8,800 | 80 | (796,654) | -- | (796,654) | -- |
| Transportation, planning, and sustainability | 260,900 | 1,537 | 2,750 | 37,064 | (219,549) | -- | (219,549) | -- |
| Public health | 254,603 | 15,985 | 44,040 | -- | (194,578) | -- | (194,578) | -- |
| Public recreation and culture | 241,914 | 16,908 | 428 | 36,050 | (188,528) | -- | (188,528) | -- |
| Urban growth management | 173,652 | 40,220 | 45,651 | 80 | (87,701) | -- | (87,701) | -- |
| Interest on debt | 72,986 | -- | -- | -- | (72,986) | -- | (72,986) | -- |
| Total governmental activities | 2,212,221 | 168,069 | 102,532 | 82,480 | (1,859,140) | -- | (1,859,140) | -- |
| Business-type activities | | | | | | | | |
| Electric | 1,800,366 | 1,788,622 | 24 | 41,631 | -- | 29,911 | 29,911 | -- |
| Water | 327,231 | 340,901 | 2,855 | 30,737 | -- | 47,262 | 47,262 | -- |
| Wastewater | 280,912 | 297,531 | 99 | 51,129 | -- | 67,847 | 67,847 | -- |
| Airport | 283,897 | 320,774 | 40,288 | 12,859 | -- | 90,024 | 90,024 | -- |
| Convention | 88,744 | 35,742 | -- | -- | -- | (53,002) | (53,002) | -- |
| Environmental and health services | 182,466 | 145,395 | 502 | -- | -- | (36,569) | (36,569) | -- |
| Public recreation | 12,655 | 13,006 | -- | 334 | -- | 685 | 685 | -- |
| Urban growth management | 430,286 | 345,049 | -- | 7,537 | -- | (77,700) | (77,700) | -- |
| Total business-type activities | 3,406,557 | 3,287,020 | 43,768 | 144,227 | -- | 68,458 | 68,458 | -- |
| Total primary government | \$ 5,618,778 | 3,455,089 | 146,300 | 226,707 | (1,859,140) | 68,458 | (1,790,682) | -- |
| Component Units | 163,761 | 90,773 | 39,398 | - | -- | -- | -- | (33,590) |
| General revenues: | | | | | | | | |
| Property tax | | | | | 993,687 | -- | 993,687 | -- |
| Sales tax | | | | | 358,557 | -- | 358,557 | -- |
| Franchise fees and gross receipts tax | | | | | 224,688 | -- | 224,688 | -- |
| Intergovernmental | | | | | 47,933 | -- | 47,933 | 125,095 |
| Interest and other income (loss) | | | | | 101,603 | 133,511 | 235,114 | 15,640 |
| Transfers-internal activities | | | | | 18,739 | (18,739) | -- | -- |
| Total general revenues and transfers | | | | | 1,745,207 | 114,772 | 1,859,979 | 140,735 |
| Net change in net position | | | | | (113,933) | 183,230 | 69,297 | 107,145 |
| Beginning net position, as restated (see Note 21) | | | | | (746,777) | 4,771,476 | 4,024,699 | 356,927 |
| Ending net position | | | | | \$ (860,710) | 4,954,706 | 4,093,996 | 464,072 |

The accompanying notes are an integral part of the financial statements.



**Governmental Funds
Balance Sheet
September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit B-1**

| | <u>General Fund</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|-------------------------|--|---|
| ASSETS | | | |
| Cash | \$ 40 | -- | 40 |
| Pooled investments and cash | 329,112 | 496,507 | 825,619 |
| Investments - restricted | -- | 28,805 | 28,805 |
| Cash held by trustee - restricted | -- | 6,940 | 6,940 |
| Investments held by trustee - restricted | -- | 9,845 | 9,845 |
| Property taxes receivable, net of allowance | 11,522 | 2,866 | 14,388 |
| Accounts receivable, net of allowance | 83,574 | 44,753 | 128,327 |
| Interest receivable | 3,595 | 5,080 | 8,675 |
| Receivables from other governments | 1 | 45,352 | 45,353 |
| Leases receivable | 7,098 | 1,927 | 9,025 |
| Notes receivable, net of allowance | 120 | 64,670 | 64,790 |
| Due from other funds | -- | 228,255 | 228,255 |
| Advances to other funds | -- | 45,756 | 45,756 |
| Inventories, at cost | 2 | -- | 2 |
| Real property held for resale | -- | 3,499 | 3,499 |
| Prepaid items | 2,003 | -- | 2,003 |
| Other assets | 8,202 | 9,342 | 17,544 |
| Total assets | <u>445,269</u> | <u>993,597</u> | <u>1,438,866</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Accounts payable | 31,412 | 67,951 | 99,363 |
| Accrued payroll | 17,477 | 167 | 17,644 |
| Accrued compensated absences | 1,758 | -- | 1,758 |
| Due to other funds | 5 | 228,293 | 228,298 |
| Due to other governments | 1 | -- | 1 |
| Unearned revenue | -- | 116,911 | 116,911 |
| Advances from other funds | -- | 45,669 | 45,669 |
| Deposits and other liabilities | 4,784 | 96,159 | 100,943 |
| Total liabilities | <u>55,437</u> | <u>555,150</u> | <u>610,587</u> |
| DEFERRED INFLOWS OF RESOURCES | <u>31,130</u> | <u>13,287</u> | <u>44,417</u> |
| FUND BALANCES | | | |
| Nonspendable: | | | |
| Inventories and prepaid items | 2,005 | -- | 2,005 |
| Permanent funds | -- | 1,070 | 1,070 |
| Restricted | -- | 429,172 | 429,172 |
| Committed | -- | 90,855 | 90,855 |
| Assigned | 179,469 | 172,564 | 352,033 |
| Unassigned | 177,228 | (268,501) | (91,273) |
| Total fund balances | <u>358,702</u> | <u>425,160</u> | <u>783,862</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 445,269</u> | <u>993,597</u> | <u>1,438,866</u> |

The accompanying notes are an integral part of the financial statements.

**Governmental Funds
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit B-1.1**

Total fund balances - Governmental funds \$ 783,862

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.

| | | |
|---|-------------|-----------|
| Governmental capital assets | 6,331,139 | |
| Less: accumulated depreciation | (2,466,020) | |
| Intangible right-to-use lease and IT subscription assets, net | 76,647 | 3,941,766 |

Other long-term assets and certain revenues are not available as current-period resources and are not reported in the funds.

| | | |
|--------------|--|---------|
| Other assets | | 122,685 |
|--------------|--|---------|

Deferred outflows represent the consumption of net position that are applicable to a future reporting period.

| | | |
|-------------------------------|-----------|-----------|
| Pensions | 1,193,670 | |
| Other postemployment benefits | 633,420 | |
| Loss on debt refundings | 6,659 | 1,833,749 |

Long-term liabilities are not payable in the current period and are not reported in the funds.

| | | |
|---|-------------|-------------|
| Compensated absences | (145,450) | |
| Interest payable | (6,506) | |
| Bonds and other tax supported debt payable, net | (1,627,374) | |
| Leases and IT subscriptions payable | (77,664) | |
| Net pension liability | (2,323,414) | |
| Other postemployment benefits | (1,943,724) | |
| Financed purchase obligations | (10,406) | |
| Other liabilities | (15,814) | (6,150,352) |

Deferred inflows represent an acquisition of net position that is applicable to a future reporting period.

| | | |
|---|-----------|-------------|
| Unavailable revenue | | |
| Property taxes and interest | 15,128 | |
| Accounts and other taxes receivable | 7,565 | |
| Pensions | (480,896) | |
| Other postemployment benefits | (870,379) | |
| Deferred gain on debt refundings | (1,224) | |
| Public-private partnership arrangements | (161,739) | (1,491,545) |

Internal service funds are used by management to charge the costs of capital project management, combined emergency communication center, employee benefits, fleet maintenance, information systems, liability reserve, support services, wireless communication, and workers' compensation to individual funds.

Certain assets, deferred outflows of resources, liabilities and deferred inflows of resources of the internal service funds are included in governmental activities in the statement of net position.

99,125

| | | |
|--|--|--------------|
| Total net position - Governmental activities | | \$ (860,710) |
|--|--|--------------|

The accompanying notes are an integral part of the financial statements.

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit B-2

| | General Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|-------------------------|--|---|
| REVENUES | | | |
| Property taxes | \$ 605,483 | 383,865 | 989,348 |
| Sales taxes | 358,557 | -- | 358,557 |
| Franchise fees and other taxes | 47,905 | 176,783 | 224,688 |
| Fines, forfeitures and penalties | 4,531 | 2,249 | 6,780 |
| Licenses, permits and inspections | 22,330 | 3,463 | 25,793 |
| Charges for services/goods | 77,034 | 29,645 | 106,679 |
| Intergovernmental | -- | 155,209 | 155,209 |
| Property owners' participation and contributions | -- | 34,517 | 34,517 |
| Lease revenue | 156 | 29 | 185 |
| Interest and other income (loss) | 51,234 | 46,972 | 98,206 |
| Total revenues | 1,167,230 | 832,732 | 1,999,962 |
| EXPENDITURES | | | |
| Current: | | | |
| General government | 226,080 | 1,269 | 227,349 |
| Public safety | 699,638 | 11,964 | 711,602 |
| Transportation, planning, and sustainability | -- | 165,871 | 165,871 |
| Public health | 122,069 | 92,009 | 214,078 |
| Public recreation and culture | 166,666 | 1,545 | 168,211 |
| Urban growth management | 47,346 | 124,533 | 171,879 |
| Debt service: | | | |
| Principal | -- | 157,791 | 157,791 |
| Interest | -- | 71,793 | 71,793 |
| Fees and commissions | -- | 32 | 32 |
| Lease and IT subscription financing principal | 8,757 | 1,618 | 10,375 |
| Interest expense on leases and IT subscriptions | 1,134 | 68 | 1,202 |
| Capital outlay-capital project funds | -- | 332,436 | 332,436 |
| Total expenditures | 1,271,690 | 960,929 | 2,232,619 |
| Deficiency of revenues under expenditures | (104,460) | (128,197) | (232,657) |
| OTHER FINANCING SOURCES (USES) | | | |
| Issuance of tax supported debt | -- | 202,236 | 202,236 |
| Issuance of refunding bonds | -- | 30,834 | 30,834 |
| Bond premiums | -- | 17,463 | 17,463 |
| Payment to refunding bond escrow agent | -- | (30,834) | (30,834) |
| Lease and IT subscription proceeds | 3,611 | 2,169 | 5,780 |
| Transfers in | 171,867 | 177,994 | 349,861 |
| Transfers out | (54,151) | (244,088) | (298,239) |
| Total other financing sources (uses) | 121,327 | 155,774 | 277,101 |
| Net change in fund balances | 16,867 | 27,577 | 44,444 |
| Fund balances at beginning of year, as restated (see Note 21) | 341,835 | 397,583 | 739,418 |
| Fund balances at end of year | \$ 358,702 | 425,160 | 783,862 |

The accompanying notes are an integral part of the financial statements.

Governmental Funds
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit B-2.1

Net change in fund balances - Governmental funds \$ 44,444

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

| | | |
|--|-----------------|---------|
| Capital outlay-capital project funds | 332,436 | |
| Capital outlay-other funds | 50,374 | |
| Depreciation expense | (154,390) | |
| Amortization expense | (10,671) | |
| Loss on disposal of capital assets | (1,822) | |
| Capital asset transfers to business-type activities, net | (3,711) | |
| Other asset adjustments | <u>(30,167)</u> | 182,049 |

Revenues and transfers in the statement of activities that do not provide current available financial resources are not reported as revenues or transfers in the funds.

| | | |
|-----------------------------|---------------|--------|
| Property taxes | 4,339 | |
| Charges for services | 7,043 | |
| Capital asset contributions | <u>48,914</u> | 60,296 |

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

| | | |
|--|---------------|----------|
| Issuance of long-term debt | (202,236) | |
| Principal repayment on long-term debt | 157,791 | |
| Issuance of refunding bonds | (30,834) | |
| Bond premiums | (17,463) | |
| Payment to refunding bond escrow agent | 30,834 | |
| Lease and IT subscription proceeds | (5,780) | |
| Lease and IT subscription financing principal payments | <u>10,375</u> | (57,313) |

Some expenses reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.

| | | |
|-------------------------------|---------------|-----------|
| Compensated absences | (18,332) | |
| Pensions | (195,361) | |
| Other postemployment benefits | (138,754) | |
| Interest and other | <u>19,465</u> | (332,982) |

A portion of the net revenue (expense) of the internal service funds is reported with the governmental activities. (10,427)

Change in net position - Governmental activities \$ (113,933)

The accompanying notes are an integral part of the financial statements.

Proprietary Funds
Statement of Net Position
September 30, 2023
(In thousands)

| | Business-Type Activities | | |
|---|---------------------------------|---------------------|------------------|
| | Austin Energy | Austin Water | Airport |
| ASSETS | | | |
| Current assets: | | | |
| Cash | \$ 16 | 3 | 3 |
| Pooled investments and cash | 174,888 | 307,595 | 19,382 |
| Pooled investments and cash - restricted | 116,341 | 69,363 | 24,872 |
| Total pooled investments and cash | 291,229 | 376,958 | 44,254 |
| Investments - restricted | 88,651 | 75,526 | 53,744 |
| Cash held by trustee | -- | 9,337 | -- |
| Cash held by trustee - restricted | -- | 7,759 | -- |
| Working capital advances | 2,685 | -- | -- |
| Accounts receivable, net of allowance | 181,206 | 72,488 | 15,417 |
| Interest receivable | 2,279 | 1,343 | 1,125 |
| Receivables from other governments | -- | 8 | -- |
| Receivables from other governments - restricted | 2,310 | -- | 5,108 |
| Leases receivable | -- | 184 | 23,433 |
| Due from other funds | 4,487 | 301 | -- |
| Inventories, at cost | 114,960 | 3,082 | 2,811 |
| Regulatory assets, net of accumulated amortization | 50,867 | -- | -- |
| Prepaid expenses | 19,595 | 1,153 | 838 |
| Other receivables - restricted | -- | -- | 6,040 |
| Other assets | 6,000 | 102 | 896 |
| Total current assets | 764,285 | 548,244 | 153,669 |
| Noncurrent assets: | | | |
| Cash - restricted | 4,712 | -- | -- |
| Pooled investments and cash - restricted | 131,369 | 33,615 | 898,558 |
| Advances to other funds | 19,608 | 301 | -- |
| Advances to other funds - restricted | -- | -- | -- |
| Investments - restricted | 238,243 | 18,001 | 83,570 |
| Investments held by trustee - restricted | 257,214 | 26,567 | -- |
| Cash held by trustee - restricted | -- | -- | -- |
| Interest receivable - restricted | 1,020 | 141 | 2,798 |
| Leases receivable | -- | 1,817 | 121,099 |
| Depreciable capital assets, net | 2,694,119 | 3,436,629 | 1,264,221 |
| Nondepreciable capital assets | 339,407 | 781,641 | 348,390 |
| Intangible right-to-use lease and IT subscription assets, net | 33,362 | 1,460 | 1,078 |
| Derivative instruments - energy risk management | 1,226 | -- | -- |
| Regulatory assets, net of accumulated amortization | 1,389,417 | -- | -- |
| Other receivables - restricted | 9,281 | 121 | -- |
| Other long-term assets | 13,981 | 366 | 15,149 |
| Other long-term assets - restricted | 21,027 | -- | -- |
| Total noncurrent assets | 5,153,986 | 4,300,659 | 2,734,863 |
| Total assets | 5,918,271 | 4,848,903 | 2,888,532 |
| DEFERRED OUTFLOWS OF RESOURCES | \$ 570,936 | 264,750 | 122,809 |

The accompanying notes are an integral part of the financial statements.

| | <u>Business-Type Activities</u> | | <u>Governmental Activities- Internal Service Funds</u> |
|---|--|-------------------|--|
| | <u>Nonmajor Enterprise Funds</u> | <u>Total</u> | |
| ASSETS | | | |
| Current assets: | | | |
| Cash | 20 | 42 | 7 |
| Pooled investments and cash | 372,424 | 874,289 | 238,582 |
| Pooled investments and cash - restricted | 17,233 | 227,809 | 721 |
| Total pooled investments and cash | <u>389,657</u> | <u>1,102,098</u> | <u>239,303</u> |
| Investments - restricted | 8,679 | 226,600 | -- |
| Cash held by trustee | -- | 9,337 | -- |
| Cash held by trustee - restricted | -- | 7,759 | 553 |
| Working capital advances | -- | 2,685 | -- |
| Accounts receivable, net of allowance | 33,206 | 302,317 | 3,061 |
| Interest receivable | 1,705 | 6,452 | 459 |
| Receivables from other governments | -- | 8 | 737 |
| Receivables from other governments - restricted | 4,273 | 11,691 | -- |
| Leases receivable | 438 | 24,055 | 411 |
| Due from other funds | -- | 4,788 | -- |
| Inventories, at cost | 3,673 | 124,526 | 3,975 |
| Regulatory assets, net of accumulated amortization | -- | 50,867 | -- |
| Prepaid expenses | 1,396 | 22,982 | 6,213 |
| Other receivables - restricted | -- | 6,040 | -- |
| Other assets | 117 | 7,115 | -- |
| Total current assets | <u>443,164</u> | <u>1,909,362</u> | <u>254,719</u> |
| Noncurrent assets: | | | |
| Cash - restricted | -- | 4,712 | -- |
| Pooled investments and cash - restricted | 303,251 | 1,366,793 | 6,901 |
| Advances to other funds | -- | 19,909 | -- |
| Advances to other funds - restricted | 26 | 26 | -- |
| Investments - restricted | 10,263 | 350,077 | -- |
| Investments held by trustee - restricted | -- | 283,781 | -- |
| Cash held by trustee - restricted | 4,676 | 4,676 | -- |
| Interest receivable - restricted | 836 | 4,795 | -- |
| Leases receivable | 3,851 | 126,767 | 41,341 |
| Depreciable capital assets, net | 393,984 | 7,788,953 | 60,446 |
| Nondepreciable capital assets | 478,972 | 1,948,410 | 8,458 |
| Intangible right-to-use lease and IT subscription assets, net | 34,125 | 70,025 | 85,781 |
| Derivative instruments - energy risk management | -- | 1,226 | -- |
| Regulatory assets, net of accumulated amortization | -- | 1,389,417 | -- |
| Other receivables - restricted | -- | 9,402 | -- |
| Other long-term assets | 540 | 30,036 | -- |
| Other long-term assets - restricted | -- | 21,027 | -- |
| Total noncurrent assets | <u>1,230,524</u> | <u>13,420,032</u> | <u>202,927</u> |
| Total assets | <u>1,673,688</u> | <u>15,329,394</u> | <u>457,646</u> |
| DEFERRED OUTFLOWS OF RESOURCES | <u>509,912</u> | <u>1,468,407</u> | <u>115</u> |

The accompanying notes are an integral part of the financial statements.

(Continued)

Proprietary Funds
Statement of Net Position
September 30, 2023
(In thousands)

| | Business-Type Activities | | |
|---|---------------------------------|---------------------|------------------|
| | Austin Energy | Austin Water | Airport |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 132,810 | 6,541 | 5,640 |
| Accounts and retainage payable from restricted assets | 30,039 | 33,871 | 43,096 |
| Accrued payroll | 4,645 | 2,921 | 1,065 |
| Accrued compensated absences | 15,515 | 8,097 | 3,280 |
| Claims payable | 2,102 | 85 | -- |
| Due to other funds | -- | -- | -- |
| Due to other governments | 5,284 | -- | 16 |
| Accrued interest payable from restricted assets | 32,093 | 35,333 | 24,870 |
| Accrued interest payable | 707 | 449 | 24 |
| Bonds payable | -- | -- | -- |
| Bonds payable from restricted assets | 88,717 | 68,794 | 33,050 |
| Leases and IT subscriptions payable | 12,090 | 345 | 446 |
| Other postemployment benefits liability | 8,304 | 5,952 | 2,997 |
| Customer and escrow deposits payable from restricted assets | 115,759 | 10,142 | 1,352 |
| Accrued landfill closure and postclosure costs | -- | -- | -- |
| Other liabilities | 1,342 | 7,618 | 5,944 |
| Other liabilities payable from restricted assets | 566 | -- | -- |
| Total current liabilities | 449,973 | 180,148 | 121,780 |
| Noncurrent liabilities, net of current portion: | | | |
| Accrued compensated absences | -- | 12 | 204 |
| Claims payable | 160 | 380 | -- |
| Advances from other funds | -- | -- | -- |
| Advances from other funds payable from restricted assets | -- | 5,952 | -- |
| Commercial paper notes payable, net of discount | 76,900 | 99,400 | -- |
| Bonds payable, net of discount and inclusive of premium | 2,021,245 | 2,305,612 | 1,431,894 |
| Leases and IT subscriptions payable | 19,865 | 1,104 | 668 |
| Net pension liability | 585,163 | 321,971 | 109,371 |
| Other postemployment benefits liability | 389,565 | 279,200 | 140,585 |
| Accrued landfill closure and postclosure costs | -- | -- | -- |
| Asset retirement obligations | 437,367 | 1,332 | -- |
| Derivative instruments - interest rate swaps | -- | -- | -- |
| Other liabilities | 8,520 | 249 | 631 |
| Other liabilities payable from restricted assets | 145 | 316 | -- |
| Total noncurrent liabilities | 3,538,930 | 3,015,528 | 1,683,353 |
| Total liabilities | 3,988,903 | 3,195,676 | 1,805,133 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| | \$ 734,303 | 135,327 | 362,138 |

The accompanying notes are an integral part of the financial statements.

(Continued)

| | Business-Type Activities | | Governmental Activities- Internal Service Funds |
|---|---------------------------------|-------------------|--|
| | Nonmajor Enterprise Funds | Total | |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | 13,647 | 158,638 | 20,706 |
| Accounts and retainage payable from restricted assets | 8,621 | 115,627 | -- |
| Accrued payroll | 5,229 | 13,860 | 4,235 |
| Accrued compensated absences | 12,608 | 39,500 | 12,895 |
| Claims payable | -- | 2,187 | 41,440 |
| Due to other funds | 301 | 301 | 4,444 |
| Due to other governments | -- | 5,300 | -- |
| Accrued interest payable from restricted assets | 458 | 92,754 | 1 |
| Accrued interest payable | 425 | 1,605 | 992 |
| Bonds payable | 7,376 | 7,376 | 134 |
| Bonds payable from restricted assets | 10,195 | 200,756 | -- |
| Leases and IT subscriptions payable | 4,385 | 17,266 | 25,901 |
| Other postemployment benefits liability | 12,196 | 29,449 | -- |
| Customer and escrow deposits payable from restricted assets | 9,539 | 136,792 | 721 |
| Accrued landfill closure and postclosure costs | 874 | 874 | -- |
| Other liabilities | 276 | 15,180 | -- |
| Other liabilities payable from restricted assets | -- | 566 | 553 |
| Total current liabilities | 86,130 | 838,031 | 112,022 |
| Noncurrent liabilities, net of current portion: | | | |
| Accrued compensated absences | 3,191 | 3,407 | 1,296 |
| Claims payable | -- | 540 | 34,554 |
| Advances from other funds | 414 | 414 | 13,656 |
| Advances from other funds payable from restricted assets | -- | 5,952 | -- |
| Commercial paper notes payable, net of discount | -- | 176,300 | -- |
| Bonds payable, net of discount and inclusive of premium | 117,323 | 5,876,074 | 814 |
| Leases and IT subscriptions payable | 30,408 | 52,045 | 57,576 |
| Net pension liability | 619,671 | 1,636,176 | -- |
| Other postemployment benefits liability | 572,195 | 1,381,545 | -- |
| Accrued landfill closure and postclosure costs | 17,635 | 17,635 | -- |
| Asset retirement obligations | -- | 438,699 | 518 |
| Derivative instruments - interest rate swaps | 301 | 301 | -- |
| Other liabilities | -- | 9,400 | -- |
| Other liabilities payable from restricted assets | 4,676 | 5,137 | -- |
| Total noncurrent liabilities | 1,365,814 | 9,603,625 | 108,414 |
| Total liabilities | 1,451,944 | 10,441,656 | 220,436 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| | 266,694 | 1,498,462 | 41,177 |

The accompanying notes are an integral part of the financial statements.

(Continued)

**Proprietary Funds
Statement of Net Position
September 30, 2023
(In thousands)**

| | <u>Business-Type Activities</u> | | |
|---|---------------------------------|---------------------|----------------|
| | <u>Austin Energy</u> | <u>Austin Water</u> | <u>Airport</u> |
| NET POSITION | | | |
| Net investment in capital assets | \$ 527,770 | 1,765,650 | 451,407 |
| Restricted for: | | | |
| Bond reserve | 30,634 | 14,118 | 9,206 |
| Capital projects | -- | 35,889 | 395,793 |
| Debt service | 56,558 | 40,193 | 28,873 |
| Operating reserve | -- | 59,437 | 23,520 |
| Passenger facility charges | -- | -- | 106,233 |
| Capital reserve | 71,368 | -- | 10,000 |
| Contingency reserve | 108,638 | -- | -- |
| Power supply stabilization reserve | 39,704 | -- | -- |
| Unrestricted | 931,329 | (132,637) | (180,962) |
| Total net position | <u>\$ 1,766,001</u> | <u>1,782,650</u> | <u>844,070</u> |
| Reconciliation to government-wide Statement of Net Position | | | |
| Adjustment to consolidate internal service activities | 37,787 | 19,232 | 7,156 |
| Total net position - Business-type activities | <u>\$ 1,803,788</u> | <u>1,801,882</u> | <u>851,226</u> |

The accompanying notes are an integral part of the financial statements.

(Continued)

| | <u>Business-Type Activities</u> | | <u>Governmental Activities- Internal Service Funds</u> |
|---|--|------------------|--|
| | <u>Nonmajor Enterprise Funds</u> | <u>Total</u> | |
| NET POSITION | | | |
| Net investment in capital assets | 735,790 | 3,480,617 | 70,260 |
| Restricted for: | | | |
| Bond reserve | 7,269 | 61,227 | -- |
| Capital projects | 303,785 | 735,467 | 6,901 |
| Debt service | 8,175 | 133,799 | -- |
| Operating reserve | 5,938 | 88,895 | -- |
| Passenger facility charges | -- | 106,233 | -- |
| Capital reserve | 1,227 | 82,595 | -- |
| Contingency reserve | -- | 108,638 | -- |
| Power supply stabilization reserve | -- | 39,704 | -- |
| Unrestricted | (597,222) | 20,508 | 118,987 |
| Total net position | <u>464,962</u> | <u>4,857,683</u> | <u>196,148</u> |
| Reconciliation to government-wide Statement of Net Position | | | |
| Adjustment to consolidate internal service activities | 32,848 | 97,023 | |
| Total net position - Business-type activities | <u>497,810</u> | <u>4,954,706</u> | |

The accompanying notes are an integral part of the financial statements.

Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the year ended September 30, 2023
(In thousands)

| | <u>Business-Type Activities</u> | | |
|---|---------------------------------|---------------------|----------------|
| | <u>Austin Energy</u> | <u>Austin Water</u> | <u>Airport</u> |
| OPERATING REVENUES | | | |
| Utility services | \$ 1,788,622 | 638,197 | -- |
| User fees and rentals | -- | -- | 255,118 |
| Billings to departments | -- | -- | -- |
| Employee contributions | -- | -- | -- |
| Lease revenue | -- | 235 | 23,393 |
| Operating revenues from other governments | -- | -- | -- |
| Other operating revenues | -- | -- | -- |
| Total operating revenues | <u>1,788,622</u> | <u>638,432</u> | <u>278,511</u> |
| OPERATING EXPENSES | | | |
| Operating expenses before depreciation | 1,529,070 | 388,579 | 177,519 |
| Depreciation and amortization | <u>227,507</u> | <u>143,786</u> | <u>49,165</u> |
| Total operating expenses | <u>1,756,577</u> | <u>532,365</u> | <u>226,684</u> |
| Operating income (loss) | <u>32,045</u> | <u>106,067</u> | <u>51,827</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Interest and other income | 39,836 | 21,593 | 45,607 |
| Interest on revenue bonds and other debt | (75,728) | (73,318) | (56,051) |
| Interest expense on leases and IT subscriptions | (645) | (28) | (36) |
| Passenger facility charges | -- | -- | 42,263 |
| Gain on in-substance defeasance | -- | 665 | -- |
| Cost to be recovered in future years | 35,002 | -- | -- |
| Other nonoperating revenues (expenses) | (669) | 1,119 | 38,538 |
| Total nonoperating revenues (expenses) | <u>(2,204)</u> | <u>(49,969)</u> | <u>70,321</u> |
| Income (loss) before contributions and transfers | 29,841 | 56,098 | 122,148 |
| Capital contributions | 41,631 | 81,866 | 12,859 |
| Transfers in | 31,710 | 75 | 143 |
| Transfers out | (131,959) | (51,925) | (53) |
| Change in net position | <u>(28,777)</u> | <u>86,114</u> | <u>135,097</u> |
| Beginning net position, as restated (see Note 21) | <u>1,794,778</u> | <u>1,696,536</u> | <u>708,973</u> |
| Ending net position | <u>\$ 1,766,001</u> | <u>1,782,650</u> | <u>844,070</u> |
| Reconciliation to government-wide Statement of Activities | | | |
| Change in net position | (28,777) | 86,114 | 135,097 |
| Adjustment to consolidate internal service activities | (1,725) | (1,262) | (657) |
| Change in net position - Business-type activities | <u>\$ (30,502)</u> | <u>84,852</u> | <u>134,440</u> |

The accompanying notes are an integral part of the financial statements.

| | Business-Type Activities | | Governmental Activities- Internal Service Funds |
|---|--|------------------|--|
| | Nonmajor Enterprise Funds | Total | |
| OPERATING REVENUES | | | |
| Utility services | -- | 2,426,819 | -- |
| User fees and rentals | 538,696 | 793,814 | -- |
| Billings to departments | -- | -- | 598,018 |
| Employee contributions | -- | -- | 47,419 |
| Lease revenue | 496 | 24,124 | 721 |
| Operating revenues from other governments | -- | -- | 9,013 |
| Other operating revenues | -- | -- | 12,576 |
| Total operating revenues | <u>539,192</u> | <u>3,244,757</u> | <u>667,747</u> |
| OPERATING EXPENSES | | | |
| Operating expenses before depreciation | 672,442 | 2,767,610 | 613,539 |
| Depreciation and amortization | 35,520 | 455,978 | 40,164 |
| Total operating expenses | <u>707,962</u> | <u>3,223,588</u> | <u>653,703</u> |
| Operating income (loss) | <u>(168,770)</u> | <u>21,169</u> | <u>14,044</u> |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Interest and other income | 26,475 | 133,511 | 5,106 |
| Interest on revenue bonds and other debt | (4,787) | (209,884) | (20) |
| Interest expense on leases and IT subscriptions | (653) | (1,362) | (1,681) |
| Passenger facility charges | -- | 42,263 | -- |
| Gain on in-substance defeasance | -- | 665 | -- |
| Cost to be recovered in future years | -- | 35,002 | -- |
| Other nonoperating revenues (expenses) | (4,542) | 34,446 | (1,841) |
| Total nonoperating revenues (expenses) | <u>16,493</u> | <u>34,641</u> | <u>1,564</u> |
| Income (loss) before contributions and transfers | <u>(152,277)</u> | <u>55,810</u> | <u>15,608</u> |
| Capital contributions | 7,871 | 144,227 | 8,780 |
| Transfers in | 167,942 | 199,870 | 9,051 |
| Transfers out | (29,645) | (213,582) | (46,961) |
| Change in net position | <u>(6,109)</u> | <u>186,325</u> | <u>(13,522)</u> |
| Beginning net position, as restated (see Note 21) | <u>471,071</u> | <u>4,671,358</u> | <u>209,670</u> |
| Ending net position | <u>464,962</u> | <u>4,857,683</u> | <u>196,148</u> |
| Reconciliation to government-wide Statement of Activities | | | |
| Change in net position | (6,109) | 186,325 | |
| Adjustment to consolidate internal service activities | 549 | (3,095) | |
| Change in net position - Business-type activities | <u>(5,560)</u> | <u>183,230</u> | |

The accompanying notes are an integral part of the financial statements.

Proprietary Funds
Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)

| | Business-Type Activities | | |
|---|---------------------------------|---------------------|------------------|
| | Austin Energy | Austin Water | Airport |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Cash received from customers | \$ 1,751,816 | 626,725 | 257,154 |
| Cash received from other funds | 30,706 | 10,341 | -- |
| Cash payments to suppliers for goods and services | (1,114,663) | (96,099) | (52,781) |
| Cash payments to other funds | (61,769) | (78,108) | (37,654) |
| Cash payments to employees for services | (257,424) | (155,366) | (61,368) |
| Cash payments to claimants/beneficiaries | (1,056) | (156) | (3) |
| Taxes collected and remitted to other governments | (52,032) | -- | 9 |
| Net cash provided (used) by operating activities | 295,578 | 307,337 | 105,357 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | |
| Transfers in | 13,586 | 75 | -- |
| Transfers out | (124,765) | (51,925) | -- |
| Collections from other sources | -- | 5,917 | 79 |
| Loans to other funds | (43) | -- | -- |
| Loan repayments to other funds | -- | -- | -- |
| Loan repayments from other funds | -- | 300 | -- |
| Payments from component units | -- | -- | 825 |
| Collections from other governments | 2,868 | 1,612 | 47,414 |
| Net cash provided (used) by noncapital financing activities | (108,354) | (44,021) | 48,318 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | |
| Proceeds from the sale of commercial paper notes | 96,000 | 99,400 | -- |
| Proceeds from the sale of general obligation bonds and other tax supported debt | -- | -- | -- |
| Proceeds from the sale of revenue bonds | 205,118 | 50,930 | -- |
| Principal paid on long-term debt | (80,783) | (80,913) | (31,725) |
| Principal paid on leases and IT subscriptions | (13,008) | (389) | (462) |
| Proceeds from the sale of capital assets | 3,550 | -- | -- |
| Interest paid on revenue bonds and other debt | (85,385) | (97,365) | (66,630) |
| Interest paid on leases and IT subscriptions | (255) | (20) | (12) |
| Interest income from leases | -- | 31 | 1,528 |
| Passenger facility charges | -- | -- | 41,913 |
| Acquisition and construction of capital assets | (238,204) | (233,636) | (176,614) |
| Contributions from state and federal governments | -- | -- | 12,859 |
| Contributions in aid of construction | 56,607 | 29,693 | -- |
| Bond issuance costs | (2,579) | (2,877) | -- |
| Bond discounts | -- | (626) | -- |
| Bond premiums | 56,859 | 36,739 | -- |
| Cash paid for bond defeasance | -- | (48,743) | -- |
| Bonds issued for advanced refundings of debt | 212,497 | 439,610 | -- |
| Cash paid for bond refunding escrow | (212,497) | (399,342) | -- |
| Cash paid to payoff commercial paper | (189,600) | (90,000) | -- |
| Cash paid for nuclear fuel inventory | (19,432) | -- | -- |
| Net cash provided (used) by capital and related financing activities | (211,112) | (297,508) | (219,143) |

The accompanying notes are an integral part of the financial statements.

| | Business-Type Activities | | Governmental |
|---|--|------------------|---|
| | Nonmajor Enterprise Funds | Total | Activities- Internal Service Funds |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Cash received from customers | 533,323 | 3,169,018 | 68,707 |
| Cash received from other funds | 4,231 | 45,278 | 594,277 |
| Cash payments to suppliers for goods and services | (140,971) | (1,404,514) | (141,476) |
| Cash payments to other funds | (103,862) | (281,393) | (22,173) |
| Cash payments to employees for services | (293,555) | (767,713) | (232,691) |
| Cash payments to claimants/beneficiaries | -- | (1,215) | (208,179) |
| Taxes collected and remitted to other governments | -- | (52,023) | -- |
| Net cash provided (used) by operating activities | (834) | 707,438 | 58,465 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | |
| Transfers in | 167,568 | 181,229 | 1,500 |
| Transfers out | (29,577) | (206,267) | (28,084) |
| Collections from other sources | 6 | 6,002 | -- |
| Loans to other funds | -- | (43) | -- |
| Loan repayments to other funds | (301) | (301) | -- |
| Loan repayments from other funds | -- | 300 | -- |
| Payments from component units | -- | 825 | -- |
| Collections from other governments | 668 | 52,562 | -- |
| Net cash provided (used) by noncapital financing activities | 138,364 | 34,307 | (26,584) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | |
| Proceeds from the sale of commercial paper notes | -- | 195,400 | -- |
| Proceeds from the sale of general obligation bonds and other tax supported debt | 8,440 | 8,440 | -- |
| Proceeds from the sale of revenue bonds | -- | 256,048 | -- |
| Principal paid on long-term debt | (17,210) | (210,631) | (2,238) |
| Principal paid on leases and IT subscriptions | (4,460) | (18,319) | (29,282) |
| Proceeds from the sale of capital assets | 598 | 4,148 | -- |
| Interest paid on revenue bonds and other debt | (5,375) | (254,755) | (79) |
| Interest paid on leases and IT subscriptions | (638) | (925) | (732) |
| Interest income from leases | 74 | 1,633 | 857 |
| Passenger facility charges | -- | 41,913 | -- |
| Acquisition and construction of capital assets | (57,215) | (705,669) | (4,290) |
| Contributions from state and federal governments | (56) | 12,803 | -- |
| Contributions in aid of construction | 4,891 | 91,191 | -- |
| Bond issuance costs | -- | (5,456) | -- |
| Bond discounts | -- | (626) | -- |
| Bond premiums | 61 | 93,659 | -- |
| Cash paid for bond defeasance | -- | (48,743) | -- |
| Bonds issued for advanced refundings of debt | -- | 652,107 | -- |
| Cash paid for bond refunding escrow | -- | (611,839) | -- |
| Cash paid to payoff commercial paper | -- | (279,600) | -- |
| Cash paid for nuclear fuel inventory | -- | (19,432) | -- |
| Net cash provided (used) by capital and related financing activities | (70,890) | (798,653) | (35,764) |

The accompanying notes are an integral part of the financial statements.

(Continued)

Proprietary Funds
Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)

| | Business-Type Activities | | |
|--|---------------------------------|---------------------|----------------|
| | Austin Energy | Austin Water | Airport |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Purchase of investment securities | (87,277) | (281,908) | (99,222) |
| Proceeds from sale and maturities of investment securities | 146,632 | 325,922 | 98,479 |
| Interest income (loss) on investments | 12,015 | 16,074 | 38,294 |
| Net cash provided (used) by investing activities | 71,370 | 60,088 | 37,551 |
| Net increase (decrease) in cash and cash equivalents | 47,482 | 25,896 | (27,917) |
| Cash and cash equivalents, beginning | 379,844 | 401,776 | 970,732 |
| Cash and cash equivalents, ending | \$ 427,326 | 427,672 | 942,815 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | | | |
| Operating income (loss) | \$ 32,045 | 106,067 | 51,827 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 227,507 | 143,786 | 49,165 |
| Change in assets and liabilities: | | | |
| Increase in working capital advances | 1,573 | -- | -- |
| (Increase) decrease in accounts receivable | (13,385) | 665 | (13,825) |
| Increase (decrease) in allowance for doubtful accounts | 1,206 | (524) | 1 |
| Increase in receivables from other governments | -- | -- | -- |
| (Increase) decrease in leases receivable | -- | 204 | (7,579) |
| Decrease in due from other funds | -- | -- | -- |
| (Increase) decrease in inventory | (25,895) | (902) | (244) |
| (Increase) decrease in prepaid expenses and other assets | (24,774) | (343) | 13 |
| (Increase) decrease in other long-term assets | 16,514 | -- | (1,016) |
| Increase in deferred outflows | (117,567) | (83,460) | (53,182) |
| Increase (decrease) in accounts payable | 8,093 | 291 | 412 |
| Increase in accrued payroll and compensated absences | 1,189 | 1,263 | 602 |
| Increase (decrease) in claims payable | 944 | 65 | (1,900) |
| Decrease in due to other funds | -- | -- | -- |
| Decrease in customer deposits | (18,829) | (1,476) | (76) |
| Increase in net pension liability | 285,474 | 162,665 | 53,042 |
| Decrease in other postemployment benefits liability | (125,368) | (72,606) | (7,859) |
| Increase (decrease) in other liabilities | (34,778) | -- | 112 |
| Increase in deferred inflows | 81,629 | 51,642 | 35,864 |
| Total adjustments | 263,533 | 201,270 | 53,530 |
| Net cash provided by operating activities | \$ 295,578 | 307,337 | 105,357 |
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES: | | | |
| Capital assets contributed from other funds | \$ -- | -- | -- |
| Capital assets contributed to other funds | -- | -- | (1,281) |
| Contributed facilities | -- | 52,173 | -- |
| Increase in the fair value of investments | 6,469 | -- | -- |
| Amortization of bond premiums | 14,425 | 25,794 | 12,211 |
| Amortization of deferred loss on refundings | (1,740) | (1,541) | (2,902) |
| Loss on disposal of assets | (1,664) | (540) | (549) |
| Costs to be recovered | 35,001 | -- | -- |
| Transfers from other funds | 18,124 | -- | 143 |
| Transfers to other funds | (7,194) | -- | (53) |

The accompanying notes are an integral part of the financial statements.

(Continued)

| | Business-Type Activities | | Governmental |
|--|--|------------------|---|
| | Nonmajor Enterprise Funds | Total | Activities- Internal Service Funds |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Purchase of investment securities | (12,543) | (480,950) | -- |
| Proceeds from sale and maturities of investment securities | 12,669 | 583,702 | -- |
| Interest income (loss) on investments | 24,529 | 90,912 | 3,981 |
| Net cash provided (used) by investing activities | 24,655 | 193,664 | 3,981 |
| Net increase (decrease) in cash and cash equivalents | 91,295 | 136,756 | 98 |
| Cash and cash equivalents, beginning | 606,309 | 2,358,661 | 246,666 |
| Cash and cash equivalents, ending | 697,604 | 2,495,417 | 246,764 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES: | | | |
| Operating income (loss) | (168,770) | 21,169 | 14,044 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 35,520 | 455,978 | 40,164 |
| Change in assets and liabilities: | | | |
| Increase in working capital advances | -- | 1,573 | -- |
| (Increase) decrease in accounts receivable | (98) | (26,643) | (405) |
| Increase (decrease) in allowance for doubtful accounts | (857) | (174) | 5 |
| Increase in receivables from other governments | -- | -- | (302) |
| (Increase) decrease in leases receivable | 365 | (7,010) | 397 |
| Decrease in due from other funds | -- | -- | 3,741 |
| (Increase) decrease in inventory | 1,397 | (25,644) | (628) |
| (Increase) decrease in prepaid expenses and other assets | 550 | (24,554) | 6,096 |
| (Increase) decrease in other long-term assets | 118 | 15,616 | (717) |
| Increase in deferred outflows | (153,935) | (408,144) | -- |
| Increase (decrease) in accounts payable | 3,308 | 12,104 | (5,114) |
| Increase in accrued payroll and compensated absences | 1,745 | 4,799 | 1,888 |
| Increase (decrease) in claims payable | -- | (891) | 3,296 |
| Decrease in due to other funds | -- | -- | (3,741) |
| Decrease in customer deposits | (40) | (20,421) | -- |
| Increase in net pension liability | 316,169 | 817,350 | -- |
| Decrease in other postemployment benefits liability | (151,966) | (357,799) | -- |
| Increase (decrease) in other liabilities | (1,388) | (36,054) | (259) |
| Increase in deferred inflows | 117,048 | 286,183 | -- |
| Total adjustments | 167,936 | 686,269 | 44,421 |
| Net cash provided by operating activities | (834) | 707,438 | 58,465 |
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES: | | | |
| Capital assets contributed from other funds | 508 | 508 | 8,780 |
| Capital assets contributed to other funds | (3,400) | (4,681) | (40) |
| Contributed facilities | -- | 52,173 | -- |
| Increase in the fair value of investments | -- | 6,469 | -- |
| Amortization of bond premiums | 1,180 | 53,610 | 29 |
| Amortization of deferred loss on refundings | (635) | (6,818) | (3) |
| Loss on disposal of assets | (2,415) | (5,168) | (2,418) |
| Costs to be recovered | -- | 35,001 | -- |
| Transfers from other funds | 374 | 18,641 | 7,551 |
| Transfers to other funds | (68) | (7,315) | (18,877) |

The accompanying notes are an integral part of the financial statements.

Fiduciary Funds
Statement of Fiduciary Net Position
September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit D-1

| | <u>Custodial</u> |
|--|------------------|
| ASSETS | |
| Pooled investments and cash | \$ 2,734 |
| Other assets | 8 |
| Total assets | <u>2,742</u> |
| LIABILITIES | |
| Accounts payable | 25 |
| Due to other governments | 450 |
| Total liabilities | <u>475</u> |
| NET POSITION | |
| Restricted for: | |
| Individuals, organizations and other governments | 2,267 |
| Total net position | <u>\$ 2,267</u> |

The accompanying notes are an integral part of the financial statements.

Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit D-2

| | <u>Custodial</u> |
|--------------------------------------|------------------------|
| ADDITIONS | |
| Contributions | \$ 94 |
| Interest and other | 73 |
| Fees collected for other governments | 1,242 |
| Miscellaneous | 24 |
| Total additions | <u>1,433</u> |
| DEDUCTIONS | |
| Beneficiary payments | 81 |
| Payment of fees to other governments | 1,242 |
| Administrative expenses | 1 |
| Total deductions | <u>1,324</u> |
| Change in net position | 109 |
| Beginning net position | <u>2,158</u> |
| Ending net position | <u><u>\$ 2,267</u></u> |

The accompanying notes are an integral part of the financial statements.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Austin, Texas (the City) is a municipal corporation incorporated under Article XI, Section 5 of the Constitution of the State of Texas (Home Rule Amendment). The City operates under a Council-Manager form of government. The City Council is composed of a Mayor who is elected at large and ten Council members who are elected by geographic district, all of whom serve four-year staggered terms subject to a maximum of two consecutive terms. A petition signed by 5% of the registered voters waives the term limit for a member of the City Council.

The City's major activities or programs include: general government; public safety; transportation, planning, and sustainability; public health; public recreation and culture; and urban growth management. In addition, the City owns and operates certain major enterprise activities including an electric utility, water and wastewater utility, airport, and nonmajor enterprise activities including convention, environmental and health services, public recreation, and urban growth management activities. These activities are included in the accompanying financial statements.

The City of Austin's charter requires an annual audit by an independent certified public accountant. These financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) for local governments as prescribed by the Governmental Accounting Standards Board (GASB). The City has implemented GASB Statements No.1 through No. 100. In fiscal year 2023, the City implemented the following GASB Statements:

| GASB Statement | Impact |
|--|---|
| 91 – “Conduit Debt Obligations” | This statement defines conduit debt obligations for accounting and financial reporting purposes and establishes related standards for recognition, measurement, and disclosure for issuers. The implementation of this standard had no impact on the financial statements. |
| 94 – “Public-Private and Public-Public Partnerships and Availability Payment Arrangements” | This statement's primary objective is to improve financial reporting by addressing issues related to public-private and public-public partnerships (PPPs) and availability payment arrangements (APAs). This statement establishes the definitions of PPPs and APAs and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. In addition, the statement provides more relevant and reliable information for financial statement users and creates consistency in practice. The implementation of this standard resulted in a restatement to the beginning balances of receivables, capital assets, deferred inflows, and a restatement of net position. For governmental activities, the receivables increased \$7.5 million, the deferred inflows increased \$10.1 million, and net position decreased \$2.6 million. For business-type activities, the receivables increased \$2.0 million, and the deferred inflows increased \$2.0 million. See Note 21. |
| 96 – “Subscription-Based Information Technology Arrangements” | This statement is intended to reduce inconsistencies and improve the accounting and financial reporting of subscription-based information technology arrangements (SBITAs). This statement defines a SBITA as a contract that conveys control of the right to use another party's information technology as specified in the contract for a period of time in an exchange or exchange-like transaction. It establishes that a SBITA will result in an intangible right-to-use subscription asset and a corresponding subscription liability. The adoption of GASB 96 resulted in a restatement to beginning balances of the right-to-use IT subscription assets and IT subscriptions payable. Right-to-use IT subscription assets and IT subscriptions payable were restated by \$59.3 million for governmental activities and \$15.8 million for business-type activities. The adoption of GASB 96 had no impact on the beginning net position. |
| 100 – “Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62.” | The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The new standard defines four categories of accounting changes and error corrections and related accounting and financial reporting requirements. The implementation of this standard had no financial impact on the City. |

The more significant accounting and reporting policies and practices used by the City are described below.

As a local government, the City is not subject to federal income taxes, under the Internal Revenue Code Section 115. Furthermore, it is not subject to state sales tax.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
a -- Reporting Entity

These financial statements present the City's primary government, its component units, and other entities for which the City is considered financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations; therefore, data from these units are combined with data of the City. Discrete component units are legally separate entities that are not considered part of the City's operations; therefore, data from these units are shown separately from data of the City.

Blended Component Units – Following are the City's blended component units.

| <u>Blended Component Units</u> | <u>Brief Description of Activities, Relationship to City, and Key Inclusion Criteria</u> |
|--|--|
| Austin Housing Finance Corporation (AHFC) | <p>AHFC was created in 1979 as a public, nonprofit corporation and instrumentality of the City under the provisions of the Texas Housing Finance Corporation Act, Chapter 394, and the Texas Local Government Code. The mission of the AHFC is to generate and implement strategic housing solutions for the benefit of low- and moderate- income residents of the City. AHFC is governed by a board composed of the City Council. In addition, City management has operational responsibilities for this component unit.</p> <p>Reporting Fund: Austin Housing Finance Corporation fund, a nonmajor special revenue fund</p> |
| Austin Housing Public Facility Corporation (AHPFC) | <p>AHPFC was created in March 2022 as a nonprofit public facility corporation under the Texas Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code. The purpose of the AHPFC is to serve as an issuer of private activity bonds to finance all or part of the cost of affordable housing developments in the City of Austin. AHPFC is governed by a board composed of the City Council. In addition, City management has operational responsibilities for this component unit.</p> <p>Reporting Fund: Austin Housing Public Facility Corporation fund, a nonmajor special revenue fund</p> |
| Austin Public Facilities Corporation (APFC) | <p>APFC was created in May 2023 as a nonprofit public facility corporation under the Texas Public Facility Corporation Act, Chapter 303 of the Texas Local Government Code. The primary purpose of APFC is to assist the City in financing, refinancing, or providing for the costs of public facilities. APFC is governed by a board that is appointed by the City Council. In addition, City management has operational responsibilities for this component unit.</p> <p>There is no financial activity to report related to this component unit.</p> |
| Urban Renewal Agency (URA) | <p>URA was created by the City under Chapter 374 of the Texas Local Government Code. The Mayor, with consent of the City Council, appoints the board of commissioners for this agency, whose primary responsibility is to oversee the implementation and compliance of urban renewal plans adopted by the City Council. An urban renewal plan's primary purpose is to eliminate slum and blighting influence within a designated area of the city. City Council maintains the ability to impose its will on the organization. URA exclusively receives financial support/benefits from its relationship with the City. Additionally, the City is fiscally responsible for the obligations of URA, therefore URA is reported as a blended component unit of the City.</p> <p>Reporting Fund: Urban Renewal Agency fund, a nonmajor special revenue fund</p> |
| Austin Industrial Development Corporation (AIDC) | <p>AIDC was created under the Texas Development Corporation Act of 1979 to provide a means of extending tax-exempt financing to projects that are deemed to have substantial social benefit through the creation of commercial, industrial, and manufacturing enterprises, in order to promote and encourage employment in the City. City Council acts as the board of directors of the corporation. In addition, City management has operational responsibilities for this component unit.</p> <p>Reporting Fund: Austin Industrial Development Corporation fund, a nonmajor special revenue fund</p> |

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
a -- Reporting Entity, continued

Blended Component Units

Mueller Local Government Corporation (MLGC)

Brief Description of Activities, Relationship to City, and Key Inclusion Criteria

MLGC is a non-profit local government corporation created by the City under Subchapter D of Chapter 431 of the Texas Transportation Code. MLGC was created for the purpose of financing infrastructure projects required for the development of the former site of Mueller Airport. City Council acts as the board of directors of the corporation. Members of the City staff serve as officers of the corporation and have operational responsibilities for this component unit.

Reporting Fund: Mueller Local Government Corporation, a nonmajor special revenue fund

Austin-Bergstrom International Airport (ABIA) Development Corporation

ABIA Development Corporation is governed by a board composed of the City Council. The entity has no day-to-day operations. Its existence relates only to the authorization for issuance of industrial revenue bonds or to other similar financing arrangements in accordance with the Texas Development Corporation Act of 1979. To date, none of the bonds issued constitute a liability of ABIA Development Corporation or the City. In addition, City management has operational responsibilities for this component unit.

There is no financial activity to report related to this component unit.

Nacogdoches Power, LLC (NP)

Austin Energy acquired Nacogdoches Power, LLC on June 13, 2019, which included the purchase of a 115 MW biomass power plant that was transferred to Austin Energy. NP provides renewable energy exclusively for the benefit of Austin Energy customers and Austin Energy staff serve as officers of the corporation. Additionally, Austin Energy is fiscally responsible for the obligations of NP, therefore NP is reported as a blended component unit in the Austin Energy enterprise fund.

Reporting Fund: Austin Energy, a major proprietary fund

Discretely Presented Component Units – Following are the City’s discretely presented component units. Financial statements for these entities can be requested from the addresses located below.

Discretely Presented Component Units

Austin-Bergstrom Landhost Enterprises, Inc. (ABLE)
3600 Presidential Blvd, Suite 411
Austin, TX 78719

Description of Activities, Relationship to City, and Key Inclusion Criteria

ABLE is a legally separate entity that issues revenue bonds for the purpose of financing the cost of acquiring, improving, and equipping a full-service hotel on airport property. City Council appoints this entity’s Board and maintains a contractual ability to remove board members at will. Debt issued by ABLE does not constitute a debt or pledge of the faith and credit of the City.

Austin Convention Enterprises, Inc. (ACE)
500 East 4th Street
Austin, TX 78701

ACE is a legally separate entity that owns, operates, and finances the Austin Convention Center Hotel. City Council appoints this entity’s Board and maintains a contractual ability to remove board members at will. Debt issued by ACE does not constitute a debt or pledge of the faith and credit of the City.

Austin Economic Development Corporation (AEDC)
301 W. 2nd Street, Ste 2030
Austin, TX 78701

AEDC is a legally separate entity created in October 2020 by the City under Subchapter D of Chapter 431 of the Texas Transportation Code. The purpose of AEDC is to engage in socially beneficial real estate and economic development within the City. City Council has appointed the entity’s initial Board and maintains the ability to remove members of the Board. AEDC is fiscally dependent on the City and in a relationship of financial benefit/burden with the City.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
a -- Reporting Entity, continued

| <u>Discretely Presented Component Units</u> | <u>Description of Activities, Relationship to City, and Key Inclusion Criteria</u> |
|---|---|
| <p>Austin Transit Partnership Local Government Corporation (ATP) 203 Colorado Street Austin, TX 78701</p> | <p>ATP is a legally separate entity created in December 2020 by the City and the Capital Metropolitan Transportation Authority (Capital Metro) under Subchapter D of Chapter 431 of the Texas Transportation Code. The purpose of ATP is to serve as the independent entity responsible for the implementation of the Project Connect System Plan (Project Connect). The implementation of Project Connect is comprised of the financing, design, engineering, and construction of a fixed rail and bus transit system, including customer technology, park & ride hubs, on-demand neighborhood circulators, and associated improvements to roadways, bikeways, sidewalks, and street lighting. Project Connect also includes transit-supportive anti-displacement strategies for the purpose of preventing displacement and encouraging transit-oriented affordable housing along Project Connect transit corridors. ATP's Board is jointly appointed by the City and Capital Metro. ATP is fiscally dependent on the City and in a relationship of financial benefit/burden with the City. Additionally, the nature of ATP's relationship with the City is of significance, and exclusion from the City's financial statements would be misleading.</p> |
| <p>Austin Travis County Sobriety Center Local Government Corporation (SCLGC) 700 Lavaca Street Austin, TX 78701</p> | <p>SCLGC is a non-profit local government corporation created by the City and Travis County under Subchapter D of Chapter 431 of the Texas Transportation Code. The purpose of SCLGC is to operate a sobriety center located within the City of Austin and Travis County. The City Council and the County each appoint five members of the SCLGC board. The operations of the Sobriety Center are primarily funded by the City. The SCLGC is fiscally dependent on the City and in a relationship of financial benefit/burden with the City.</p> |
| <p>Central Housing, LP (CHLP) 1000 E. 11th St., Suite 200 Austin, TX 78702</p> | <p>CHLP is a Texas limited partnership for which AHFC Arbors Non-Profit Corporation, a blended component unit of AHFC, can impose a financial benefit or burden as a 50% general partner. CHLP was formed in 2023 and due to their December 31 fiscal year end, final financial reports are not available for inclusion in the City's 2023 financial statements.</p> |
| <p>Creekside Senior Housing Limited Partnership (CSHLP) 1000 E. 11th St., Suite 200 Austin, TX 78702</p> | <p>CSHLP is a Texas limited partnership for which AHFC Arbors Non-Profit Corporation, a blended component unit of AHFC, can impose a financial benefit or burden as a 50% general partner. CSHLP follows applicable FASB standards. For presentation purposes, certain transactions are reflected differently in these financial statements to conform to the GASB presentation of the City.</p> |
| <p>Hyde Park Housing, LP (HPLP) 1000 E. 11th St., Suite 200 Austin, TX 78702</p> | <p>HPLP is a Texas limited partnership for which AHFC Arbors Non-Profit Corporation, a blended component unit of AHFC, can impose a financial benefit or burden as a 50% general partner. HPLP was formed in 2023 and due to their December 31 fiscal year end, final financial reports are not available for inclusion in the City's 2023 financial statements.</p> |
| <p>Retreat at North Bluff, LP (RNBLP) 1000 E. 11th St., Suite 200 Austin, TX 78702</p> | <p>RNBLP is a Texas limited partnership for which AHFC Arbors Non-Profit Corporation, a blended component unit of AHFC, can impose a financial benefit or burden as a 50% general partner. RNBLP follows applicable FASB standards. For presentation purposes, certain transactions are reflected differently in these financial statements to conform to the GASB presentation of the City.</p> |
| <p>Waller Creek Local Government Corporation (WCLGC) 124 W. 8th Street Austin, TX 78701</p> | <p>WCLGC is a non-profit local government corporation created by the City under Subchapter D of Chapter 431 of the Texas Transportation Code. The purpose of WCLGC is implementing the financing, design, construction, maintenance and operation of certain public improvements located within or around the Waller Creek Redevelopment Project district. The WCLGC is fiscally dependent on the City and in a relationship of financial benefit/burden with the City.</p> |

There is no financial activity to report related to this component unit.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
a – Reporting Entity, continued

Related Organizations -- The City Council appoints the voting majority of the board members, but the City has no significant financial accountability for the Austin Housing Authority. The Mayor appoints the persons to serve as commissioners of this organization; however, this entity is separate from the operating activities of the City.

The City of Austin retirement plans (described in Note 10) and the City of Austin Deferred Compensation Plan are not included in the City's reporting entity since the City does not exercise substantial control over these plans.

Related organizations are not included in the City's reporting entity.

b -- Government-wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all governmental and business-type activities of the primary government and its component units. Fiduciary activities are not included in the government-wide statements. Internal service fund asset, deferred outflow of resources, liability, and deferred inflow of resources balances that are not eliminated in the statement of net position are primarily reported in the governmental activities' column on the government-wide statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers.

The statement of activities demonstrates the degree to which the direct expenses of a function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Certain indirect costs are included in the program expenses of most business-type activities. Program revenues include: 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meet the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

The accounts of the City are organized on the basis of funds. The fund-level statements focus on the governmental, proprietary, and fiduciary funds. Each fund was established to account for specific activities in accordance with applicable regulations, restrictions, or limitations. Major funds are determined by criteria specified by GAAP. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All other funds are aggregated into nonmajor governmental, nonmajor enterprise, or internal service fund groupings. A reconciliation of the fund financial statements to the government-wide statements is provided in the financial statements to explain the differences between the two different reporting approaches.

The City's fiduciary funds are presented in the fund financial statements by type (custodial). By definition, fiduciary fund assets are held for the benefit of a third party and cannot be used to address activities or obligations of the primary government; therefore, they are not included in the government-wide statements.

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements have been met.

c -- Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual (i.e. both measurable and available). Revenues, other than grants, are considered available when they are collectible within the current period or soon enough thereafter to liquidate liabilities of the current period (defined by the City as collected within 60 days of the end of the fiscal year). Revenues billed under a contractual agreement with another governmental entity, including federal and state grants, are recognized when billed or when all eligibility requirements of the provider have been met, and they are considered to be available if expected to be collected within one year. Expenditures generally are recorded when incurred. However, expenditures related to compensated absences and arbitrage are recorded when payment is due. Debt service expenditures are recognized when payment is due. The reported fund balance of governmental funds is considered a measure of available spendable resources.

Property taxes, sales taxes, franchise taxes, hotel occupancy taxes, vehicle rental taxes, municipal court fines, public health charges, emergency medical service charges, and interest associated with the current fiscal period are all considered to be susceptible to accrual and, to the extent they are considered available, have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available in the fiscal period the City receives cash.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
c -- Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Governmental Funds: Consist of the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds.

The City reports the following major governmental fund:

General Fund: The primary operating fund of the City. It is used to account for all financial resources that are not required to be accounted for in another fund. It includes the following activities: general government; public safety; public health; public recreation and culture; and urban growth management.

In addition, the City reports the following nonmajor governmental funds:

Special Revenue Funds: Account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Debt Service Funds: Account for and report financial resources, and the accumulation of those financial resources, that are restricted to expenditures for principal and interest of general long-term debt and HUD Section 108 loans.

Capital Projects Funds: Account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those reported within proprietary funds). It is primarily funded by general obligation debt, other tax supported debt, property owners' participation and contributions, interest income, and other intergovernmental revenues. A 1981 ordinance requires the establishment of a separate fund for each bond proposition approved in each bond election.

Permanent Funds: Account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.

Proprietary Funds: Consist of enterprise funds and internal service funds. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations, such as providing electric or water-wastewater services. Other revenues or expenses are nonoperating items.

Enterprise Funds: Account for operations that are financed and operated in a manner similar to private business enterprises. Costs are financed or recovered primarily through user charges.

The City reports the following major enterprise funds:

- Austin Energy™: Accounts for the activities of the City-owned electric utility.
- Austin Water: Accounts for the activities of the City-owned water and wastewater utility.
- Airport: Accounts for the operations of the Austin-Bergstrom International Airport.

The City reports the following nonmajor business-type activities in Exhibit A-2:

- Convention: Accounts for convention center and public event activities.
- Environmental and health services: Accounts for solid waste services activities.
- Public recreation: Accounts for golf activities.
- Urban growth management: Accounts for development, drainage, and transportation activities.

Internal Service Funds: Account for the financing of goods or services provided by one City department or agency to other City departments or to other governmental units on a cost-reimbursement basis. These activities include, but are not limited to, capital projects management, combined emergency center operations, employee health benefits, fleet services, information and technology services, liability reserve (City-wide self-insurance) services, support services, wireless communication services, and workers' compensation coverage.

Fiduciary Funds: Account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, or other governments:

Custodial Funds: Account for assets held by the City as an agent for individuals, private organizations, and other governmental units. Municipal Court service fees and unclaimed property make up the majority of assets accounted for in these funds.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
d -- Budget

The City Manager is required by the City Charter to present proposed operating and capital budgets to the City Council at least 30 days prior to October 1st, the beginning of the City’s fiscal year. In addition, the City of Austin Charter mandates that a budget be adopted no later than September 27th for the next fiscal year. During the final adoption process, the City Council passes an appropriation ordinance and a tax-levying ordinance.

Annual budgets are legally adopted for the General Fund, certain special revenue funds, and debt service funds. The following types of special revenue funds do not have a legally adopted budget: funds whose revenue source is primarily donations or contributions from the public; funds used to account for escrow or performance deposits; funds controlled by another legal entity; and funds used to account for the repayment of certain loans. Annual budgets are also adopted for enterprise and internal service funds, although they are not legally required. Multi-year budgets are adopted for capital projects and grant funds, where appropriations remain authorized for the life of the projects, irrespective of fiscal year. Expenditures are appropriated on a modified accrual basis, except that commitments related to purchase orders are treated as expenditures in the year of commitment. Certain employee training and other fund-level expenditures are budgeted as general city responsibilities.

Formal budgetary control is employed during the year at the fund and department level as a management control device for annual budgeted funds.

Budgets are modified throughout the year. The City Manager is authorized to transfer appropriation balances within a department of the City. The City Council approves amendments to the budget and transfers of appropriations from one department to another. The original and final budgets for the General Fund are reported in the required supplementary information. Unencumbered appropriations for annual budgets lapse at fiscal year end.

e -- Financial Statement Elements

Pooled Investments and Cash -- Cash balances of all City funds (except for certain funds shown in Note 3 as having non-pooled investments) are pooled and invested. Interest earned on investments purchased with pooled cash is allocated monthly to each participating fund based upon the fund’s average daily balance. Funds that carry a negative balance in pooled cash and investments are not allocated interest earnings nor charged interest expense.

Investments -- Investments can be reported at either fair value or amortized cost. Realized gains or losses resulting from the sale of investments are determined by the specific cost of the securities sold. The City carries all of its investments in U.S. government and agency debt securities at fair value and money market mutual funds at amortized cost. Investments in local government investment pools are carried at either net asset value (NAV) or at amortized cost.

Accounts Receivable -- Balances of accounts receivable, reported on the government-wide statement of net position, are aggregations of different components such as charges for services, fines, and balances due from taxpayers or other governments. To assist the reader, the following information has been provided regarding significant components of receivable balances as of September 30, 2023 (in thousands):

| | General Fund | Nonmajor Governmental Funds | Internal Service Funds | Total |
|---------------------------------|-------------------------|--|---------------------------------------|----------------|
| Governmental activities | | | | |
| Charges for services | \$ 427,041 | 155 | 3,374 | 430,570 |
| Fines | 13,016 | 8 | -- | 13,024 |
| Taxes | 63,149 | 36,349 | -- | 99,498 |
| Other governments | -- | 4,290 | -- | 4,290 |
| Other | -- | 6,148 | -- | 6,148 |
| Allowance for doubtful accounts | (419,632) | (2,197) | (313) | (422,142) |
| Total | <u>\$ 83,574</u> | <u>44,753</u> | <u>3,061</u> | <u>131,388</u> |

Receivables reported in business-type activities are primarily comprised of charges for services.

| | Austin Energy | Austin Water | Airport | Nonmajor Enterprise | Total |
|---------------------------------|--------------------------|-------------------------|----------------|--------------------------------|----------------|
| Business-type activities | | | | | |
| Accounts receivable | \$ 207,024 | 75,713 | 17,415 | 37,083 | 337,235 |
| Allowance for doubtful accounts | (25,818) | (3,225) | (1,998) | (3,877) | (34,918) |
| Total | <u>\$ 181,206</u> | <u>72,488</u> | <u>15,417</u> | <u>33,206</u> | <u>302,317</u> |

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

Elimination of Internal Activities -- The elimination of internal service fund activity is needed in order to eliminate duplicate activity in making the transition from the fund-level financial statements to the government-wide financial statements. In addition, the elimination of internal service fund activity requires the City to “look back” and adjust the internal service funds’ internal charges. A positive change in net position derived from internal service fund activity results in a pro-rata reduction in the charges made to the participatory funds. A deficit change in net position of internal service funds requires a pro-rata increase in the amounts charged to the participatory funds.

Internal Balances -- In the government-wide statement of net position, internal balances are the receivables and payables between the governmental and business-type activities.

Interfund Receivables and Payables -- During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the fund-level statements when they are expected to be liquidated within one year. If receivables or payables are not expected to be liquidated within one year, they are classified as “advances to other funds” or “advances from other funds”.

Inventories -- Inventories are valued at cost using the average cost valuation method. Inventories for all funds are accounted for using the consumption method and expenditures are recorded when issued.

Public-Private Partnership Arrangements -- Public-private and public-public partnerships, collectively referred to as PPPs, are arrangements in which a government (the transferor) contracts with an operator to provide public services by conveying the control of the right to operate a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. A service concession arrangement (SCA) is a PPP in which the transferor conveys the use of a capital asset to an operator in exchange for significant consideration; where the operator is compensated by third parties; where the City determines what services are provided, to whom and for what price; and where the City retains a significant residual interest in the service utility of the asset after the SCA terminates.

PPP guidance generally requires the City to continue to report existing PPP assets as a capital asset; however, if the underlying asset is a new asset constructed by the operator, and does not meet the definition of a SCA, the City will recognize a receivable based on the operator’s estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership from the operator. If the asset becomes the City’s property when placed in service, it is classified as a capital asset. Additionally, a receivable, equal to the net present value of any future installment payments is recorded when the arrangement commences. A deferred inflow of resources is recognized as the sum of the receivables and is recorded concurrently with the recognition of the related assets.

Leases -- Leases are defined as a contractual agreement that conveys control of the right to use another entity’s nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. The lease term is defined as the period during which a lessee has a noncancelable right to use an underlying asset, plus any applicable periods covered by any renewal options that are reasonably certain to be exercised, or options to terminate that are not reasonably certain to be exercised. Contracts that transfer ownership of the underlying asset are recognized as financed purchases in the financial statements. Leases that have a maximum term of less than 12 months are considered short-term leases. Short-term lease payments are recognized in the period of payment.

As a lessor, the City recognizes a lease receivable and a deferred inflow of resources. At the commencement of a lease, the lease receivable is recorded at the net present value of the future fixed lease payments, discounted at either the explicit interest rate in the agreement or the City’s incremental borrowing rate at lease inception. The deferred inflow of resources is recognized as inflows (revenue) on a straight-line basis over the term of the lease.

As a lessee, the City recognizes a lease payable and an intangible right-to-use lease asset. At the commencement of a lease, the lease payable is recorded at the net present value of the future fixed lease payments, discounted at either the explicit interest rate in the agreement or the City’s incremental borrowing rate at lease inception. The right-to-use asset is initially recorded at the amount of the lease liability plus any prepayments less lease incentives received prior to lease commencement. The right-to-use asset is amortized on a straight-line basis over the term of the lease.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

Subscription-Based Information Technology Arrangements (SBITA) -- SBITAs are defined as contracts that convey control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. The subscription term is the period during which the City has a noncancellable right to use the underlying IT asset, plus any applicable periods covered by options to extend that are reasonably certain to be exercised, or options to terminate that are reasonably certain to not be exercised. The subscription term commences when the initial implementation stage is completed, and the subscription asset is placed into service. At commencement, the City recognizes a subscription liability and an intangible right-to-use subscription asset.

Restricted Assets -- Restricted assets are assets whose use is subject to constraints that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Since Austin Energy reports in accordance with accounting for regulated operations, enabling legislation also includes restrictions on asset use established by its governing board which is the City Council. Restricted assets used to repay maturing debt and other current liabilities are classified as current.

The balances of restricted assets are as follows (in thousands):

| | <u>Business-Type Activities</u> | | | | | Total Restricted Assets |
|------------------------------------|------------------------------------|--------------------------|-------------------------|------------------|--------------------------------|--|
| | Governmental Activities | Austin Energy | Austin Water | Airport | Nonmajor Enterprise | |
| Capital projects | \$ 22,313 | 96,663 | 55,244 | 782,106 | 308,763 | 1,265,089 |
| Customer and escrow deposits | 76,171 | 115,759 | 10,136 | 1,352 | 9,237 | 212,655 |
| Debt service | 30,946 | 88,651 | 75,530 | 62,801 | 8,705 | 266,633 |
| Federal receivables | -- | 2,422 | -- | 5,108 | 4,273 | 11,803 |
| Housing activities | 38,057 | -- | -- | -- | -- | 38,057 |
| Operating reserve account | -- | -- | 59,227 | 23,520 | 6,588 | 89,335 |
| Passenger facility charge account | -- | -- | -- | 106,233 | -- | 106,233 |
| Perpetual care | 1,070 | -- | -- | -- | -- | 1,070 |
| Plant decommissioning | -- | 311,553 | -- | -- | -- | 311,553 |
| Public health activities | 115,025 | -- | -- | -- | -- | 115,025 |
| Capital reserve | -- | 71,368 | -- | 10,000 | 1,408 | 82,776 |
| Revenue bond reserve | -- | 30,634 | 30,641 | 83,570 | 10,263 | 155,108 |
| Revolving loan reserve | -- | 4,712 | -- | -- | -- | 4,712 |
| Contingency reserve | -- | 108,638 | -- | -- | -- | 108,638 |
| Power supply stabilization reserve | -- | 39,704 | -- | -- | -- | 39,704 |
| Tourism | 64,190 | -- | -- | -- | -- | 64,190 |
| Urban growth programs | 14,974 | -- | -- | -- | -- | 14,974 |
| Other purposes | 25,445 | 64 | 315 | -- | -- | 25,824 |
| Total | \$ 388,191 | 870,168 | 231,093 | 1,074,690 | 349,237 | 2,913,379 |

Capital Assets -- Capital assets, which primarily include land and improvements, buildings and improvements, plant and equipment, vehicles, water rights, lease right-to-use, IT subscription, and infrastructure assets, are reported in the proprietary funds and the applicable governmental or business-type activity columns of the government-wide statement of net position; related depreciation or amortization is allocated to programs in the statement of activities. Capital assets are defined as assets with an initial individual cost of \$5,000 or more and an estimated useful life of greater than one year. Assets purchased, internally generated, or constructed are capitalized at historical cost. Contributed or annexed capital assets are recorded at estimated fair value at the time received. Donated capital assets and assets received in service concession arrangements are reported at estimated acquisition value on the date of receipt. Capital outlay is recorded as an expenditure in the General Fund and other governmental funds and as an asset in the government-wide financial statements and proprietary funds. Maintenance and repairs are charged to operations as incurred. Improvements and betterments that extend the useful lives of capital assets or increase their value are capitalized in the government-wide and proprietary statement of net position and expended in governmental funds.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

The City obtains public domain capital assets (infrastructure) through capital improvement projects (CIP) construction or through annexation or developer contribution. Infrastructure assets include streets and roads, bridges, pedestrian facilities, drainage systems, and traffic signal systems acquired after September 30, 1980.

Capital assets, except for nuclear fuel, are depreciated or amortized using the straight-line method over the following estimated useful lives (in years):

| Assets | Business-type Activities | | | | |
|-----------------------------|--------------------------|---------------|--------------|---------|---------------------|
| | Governmental Activities | Austin Energy | Austin Water | Airport | Nonmajor Enterprise |
| Buildings and improvements | 5-40 | -- | 15-50 | 15-40 | 12-40 |
| Plant and equipment | 5-50 | -- | 5-60 | 4-50 | 5-40 |
| Vehicles | 3-20 | 4-15 | 3-20 | 3-20 | 3-30 |
| Electric plant | -- | 4-50 | -- | -- | -- |
| Non-electric plant | -- | 4-30 | -- | -- | -- |
| Communication equipment | 7-15 | -- | 7 | 7 | 7 |
| Furniture and fixtures | 12 | -- | 12 | 12 | 12 |
| Computers and EDP equipment | 3-7 | -- | 3-7 | 3-7 | 3-7 |
| Nuclear fuel (1) | -- | Other | -- | -- | -- |
| Water rights | -- | -- | 101 | -- | -- |
| Infrastructure | | | | | |
| Streets and roads | 30 | -- | -- | -- | -- |
| Bridges | 50 | -- | -- | -- | -- |
| Drainage systems | 50 | -- | -- | -- | -- |
| Pedestrian facilities | 20 | -- | -- | -- | -- |
| Traffic signals | 25 | -- | -- | -- | -- |

(1) Nuclear fuel is amortized over units of production

Depreciation of assets is classified by functional component. The City considers land, arts and treasures, and library collections to be inexhaustible; therefore, these assets are reported as nondepreciable. The true value of arts and treasures is expected to be maintained over time and, thus, is not depreciated. The initial investment of library collections for each library is capitalized. All subsequent expenditures related to the maintenance of the collection (replacement of individual items) are expensed, with the overall value of the collection being maintained, and therefore, not depreciated.

In the government-wide and proprietary fund statements, the City recognizes a gain or loss on the disposal of assets when it retires or otherwise disposes of capital assets.

Water rights represent the amortized cost of a \$100 million contract, net of accumulated amortization of \$23.7 million, between the City and the Lower Colorado River Authority (LCRA) for a fifty-one year assured water supply agreement, with an option to extend another fifty years. The City and the LCRA entered into the contract in 1999. The asset amortization period is 101.25 years.

Regulatory Assets -- In accordance with accounting for regulated operations, certain utility expenses are recorded as assets and amortized over future periods if they are intended to be recovered through future rates. These expenses include unrealized gain/loss on investments, debt issuance costs, pension, other postemployment benefits, financed asset costs, and pass-through rates, such as the Power Supply Adjustment, Community Benefit Charge, and Regulatory Charge. Regulatory Assets will be recovered in future periods by setting rates sufficient to provide funds for the requirements. If regulatory assets are not recoverable in future rates, the regulatory asset will be subject to write off. Retail deregulation of electric rates in the future may affect the City's current accounting treatment of its electric utility revenues and expenses.

Other Assets -- Other assets include amounts deposited in pre-closing escrow accounts and payments made as part of advance funding agreements for governmental activities construction projects. In addition, the City records its receivables from Public-Private Partnerships (PPPs) as other assets.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

Deferred Outflows (Inflows) of Resources -- Deferred outflows of resources represent a consumption of net assets that applies to future periods. Deferred outflows have a positive effect on net position, similar to assets. Deferred inflows of resources represent an acquisition of net assets that applies to future periods, similar to liabilities.

The following chart reflects the activities included in deferred outflows and inflows (in thousands).

| Funds | Deferred Outflows | | Deferred Inflows | |
|--|-------------------------|--------------------------|-------------------------|--------------------------|
| | Governmental Activities | Business-type Activities | Governmental Activities | Business-type Activities |
| Asset Retirement Obligations (ARO) -- When an ARO is recognized, a corresponding deferred outflow of resources is recognized and amortized over the remaining life of the corresponding tangible asset. Deferred outflows only. | | | | |
| Governmental Activities | \$ 97 | -- | -- | -- |
| Austin Energy | -- | 186,936 | -- | -- |
| Austin Water | -- | 499 | -- | -- |
| Derivative Instruments -- Derivative instruments are reported in the statement of net position at fair value. Changes in fair value of hedging derivative instruments are recognized through the application of hedge accounting as either deferred outflows or inflows in the statement of net position, as an offset to the related hedging derivative instrument. Can be deferred outflows or inflows. | | | | |
| Austin Energy | -- | -- | -- | 1,226 |
| Nonmajor Enterprise Funds | -- | 301 | -- | -- |
| Excess consideration -- When a government acquires another entity in exchange for significant consideration, the amount of consideration that exceeds the net position acquired should be reported as a deferred outflow of resources and amortized over future periods. | | | | |
| Austin Energy | -- | 4,111 | -- | -- |
| Gain/loss on debt refundings -- When debt is refunded, the associated gains (deferred inflows) or losses (deferred outflows) are recognized as deferred outflows or inflows of resources and amortized over future periods. Can be deferred outflows or inflows. | | | | |
| Governmental Activities | 6,677 | -- | 1,224 | -- |
| Austin Energy | -- | 5,132 | -- | 14,425 |
| Austin Water | -- | 27,382 | -- | 8,082 |
| Airport | -- | 6,287 | -- | -- |
| Nonmajor Enterprise Funds | -- | 4,164 | -- | 7 |
| Leases -- The resources related to the lease arrangements that will be recognized as revenue in future years over the terms of leases between the City and the operators are reported as deferred inflows of resources. | | | | |
| Governmental Activities | -- | -- | 50,047 | -- |
| Austin Water | -- | -- | -- | 1,961 |
| Airport | -- | -- | -- | 141,277 |
| Nonmajor Enterprise Funds | -- | -- | -- | 4,147 |
| Other postemployment benefits -- Changes in actuarial assumptions, differences between projected and actual actuarial experience, and changes in proportionate share (between funds) may be treated as either deferred outflows or inflows. City benefit payments made between the measurement date (December 31) and the City's fiscal year end (September 30) are recognized as deferred outflows. Can be deferred outflows or inflows. | | | | |
| Governmental Activities | 633,420 | -- | 870,379 | -- |
| Austin Energy | -- | 133,219 | -- | 185,586 |
| Austin Water | -- | 98,610 | -- | 122,986 |
| Airport | -- | 70,633 | -- | 63,924 |
| Nonmajor Enterprise Funds | -- | 229,036 | -- | 256,531 |
| Pensions -- Differences between estimated and actual investment earnings, changes in actuarial assumptions, differences between projected and actual actuarial experience, and changes in proportionate share (between funds), may be treated as either deferred outflows or inflows. Contributions made to the pension systems between the Plans' measurement date (December 31) and the City's fiscal year end (September 30) are recognized as deferred outflows. Can be deferred outflows or inflows. | | | | |
| Governmental Activities | 1,193,670 | -- | 480,896 | -- |
| Austin Energy | -- | 241,538 | -- | 8,690 |
| Austin Water | -- | 138,259 | -- | 2,298 |
| Airport | -- | 45,889 | -- | 3,524 |
| Nonmajor Enterprise Funds | -- | 276,411 | -- | 4,574 |

(Continued)

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

| Funds | Deferred Outflows | | Deferred Inflows | |
|---|-------------------------|--------------------------|-------------------------|--------------------------|
| | Governmental Activities | Business-type Activities | Governmental Activities | Business-type Activities |
| Public-Private Partnership Arrangements -- The resources related to the public-private partnership arrangements that will be recognized as revenue in future years over the terms of arrangements between the City and the operators are reported as deferred inflows of resources. | | | | |
| Governmental Activities | -- | -- | 174,593 | -- |
| Airport | -- | -- | -- | 153,413 |
| Nonmajor Enterprise Funds | -- | -- | -- | 1,435 |
| Regulated operations. In accordance with accounting for regulated operations, certain credits to income are held as deferred inflows of resources until the anticipated matched charge is incurred. These credits include unrealized gain/loss on investments, contributions, interest, decommissioning, and pass-through rates. Deferred outflows or inflows. | | | | |
| Austin Energy | -- | -- | -- | 524,376 |
| Total | \$ 1,833,864 | 1,468,407 | 1,577,139 | 1,498,462 |
| Totals by Fund | | | | |
| Governmental Activities | 1,833,864 | -- | 1,577,139 | -- |
| Austin Energy | -- | 570,936 | -- | 734,303 |
| Austin Water | -- | 264,750 | -- | 135,327 |
| Airport | -- | 122,809 | -- | 362,138 |
| Nonmajor Enterprise Funds | -- | 509,912 | -- | 266,694 |
| Grand Total | \$ 1,833,864 | 1,468,407 | 1,577,139 | 1,498,462 |

The governmental funds' statements include amounts recognized as deferred inflows of resources as a result of property taxes, other taxes, and certain revenues (\$22.7 million) that are not available to liquidate current liabilities in the funds. These amounts will be recognized in the period these amounts become available.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

Compensated Absences -- The amounts owed to employees for unpaid vacation, exception vacation, and sick leave liabilities, including the City’s share of employment-related taxes, are reported on the accrual basis of accounting in the government-wide statements and in the proprietary activities of the fund financial statements. The liabilities and expenditures are reported on the modified accrual basis in the governmental fund financial statements; the estimated liability in governmental funds is the amount of unused vacation, exception vacation, and sick leave eligible for payout upon termination for employees that terminated by the fiscal year end.

Accumulated leave payouts are limited to the lower of actual accumulated hours or the hours listed below:

| | Work-week | Non-Sworn Employees (1) | Sworn Police (2) | Sworn Fire (3) | Sworn EMS (4) |
|------------------------|------------------|--------------------------------|-------------------------|-----------------------|----------------------|
| Vacation | 0-40 | 240 | 240 | 240 | 240 |
| | 42 | N/A | N/A | N/A | 240 |
| | 48 | N/A | N/A | N/A | 240 |
| | 53 | N/A | N/A | 360 | N/A |
| Exception vacation (5) | 0-40 | 160 | 160 | 176 | 160 |
| | 42 | 160 | N/A | N/A | 160 |
| | 48 | 160 | N/A | N/A | 160 |
| | 53 | N/A | N/A | 264 | N/A |
| Sick leave | 0-40 | 720 | 900 | 720 | 1080 |
| | 42 | N/A | N/A | N/A | 1080 |
| | 48 | N/A | N/A | N/A | 1080 |
| | 53 | N/A | N/A | 1,080 | N/A |
| Compensatory time (6) | | 120 | 120 | 120 | 120 |

- (1) Non-sworn employees are eligible for accumulated sick leave payout if hired before October 1, 1986.
- (2) Sworn police employees with 16 years of actual service are eligible for accumulated sick leave payout. As of March 8, 2023, officers may be eligible to receive up to 1,700 hours of sick leave if certain criteria are met.
- (3) Sworn fire employees are eligible for accumulated sick leave payout regardless of hire date.
- (4) Sworn EMS employees with 12 years of actual service are eligible for accumulated sick leave payout if certain criteria are met.
- (5) Exception vacation hours are hours accumulated by an employee when the employee works on a City holiday.
- (6) Employees may earn compensatory time in lieu of paid overtime; maximum payout is 120 hours for all employees.

Other Postemployment Benefits (OPEB) -- The City provides certain health care benefits for its retired employees and their families as more fully described in Note 11. At September 30, 2023, the City’s total OPEB liability for these retiree benefits was approximately \$3.4 billion. The City funds the costs of these benefits on a pay-as-you-go basis.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

Long-Term Debt -- The debt service for general obligation bonds and other general obligation debt (including loans), issued to fund general government capital projects, is paid from tax revenues, interfund transfers, and intergovernmental revenues. Such general obligation debt is reported in the government-wide statements under governmental activities.

The debt service for general obligation bonds and other general obligation debt issued to finance proprietary fund capital projects is normally paid from net revenues of the applicable proprietary fund, although such debt will be repaid from tax revenues if necessary. Such general obligation debt is shown as a specific liability of the applicable proprietary fund, which is appropriate under GAAP and in view of the expectation that the proprietary fund will provide resources to service the debt.

Revenue bonds issued to finance capital projects of certain enterprise funds are to be repaid from select revenues of these funds. Note 9 contains more information about pledged revenues by fund. The corresponding debt is recorded in the applicable fund.

The City has certain contractual commitments with several municipal utility districts (MUDs) for the construction of additions and improvements to the City's water and wastewater system that serve the MUDs and surrounding areas. These additions and improvements are funded by other tax-supported debt, whose principal and interest are payable primarily from the net revenues of Austin Water.

For proprietary funds and for governmental activities in the government-wide financial statements, the City defers and amortizes gains and losses realized on refundings of debt and reports both the new debt as a liability and the related deferred loss (gain) amount as deferred outflows (or deferred inflows) of resources on the statement of net position. Austin Energy recognizes gains and losses on debt defeasance in accordance with accounting for regulated operations.

Landfill Closure and Postclosure Care Costs -- Municipal solid waste landfill costs and the liability for landfill closure and postclosure costs are reported in Austin Resource Recovery, a nonmajor enterprise fund.

Asset Retirement Obligations (AROs) -- Austin Energy is reporting AROs related to the South Texas Project and the Fayette Power Project, Austin Water is reporting AROs related to wastewater treatment plants, and Fleet is reporting AROs related to petroleum underground storage tanks.

Other Liabilities -- Other liabilities includes Austin Energy's ownership portion of the South Texas Project net pension liability and other postemployment benefits liability.

Operating Revenues -- Revenues are recorded net of allowances, including bad debt, in the government-wide and proprietary fund-level statements. The funds listed below report revenues net of bad debt expense. The associated bad debt expense is as follows (in thousands):

| | Bad Debt Expense |
|---------------------|-----------------------------|
| Austin Energy | \$ 8,774 |
| Austin Water | 1,173 |
| Airport | 1 |
| Nonmajor Enterprise | 2,463 |

Electric, water, and wastewater revenue is recorded when earned. Customers' electric and water meters are read, and bills rendered on a cycle basis by billing district. Electric rate schedules include a power supply adjustment rate that permits recovery of fuel costs in the month incurred or in future months. The City reports fuel costs on the same basis as it recognizes revenue. Unbilled revenue is recorded for Austin Energy by estimating the daily net load and allocating by each billing district meter read dates as of September 30, 2023. The amount of unbilled revenue reported in accounts receivable as of September 30, 2023 was \$47.8 million. Austin Water records unbilled revenue as earned based upon the percentage of October's billing that represented water usage through September 30, 2023. The amount of unbilled revenue reported in accounts receivable as of September 30, 2023 was \$21.1 million for water and \$16.5 million for wastewater.

Revenues are also recorded net of discounts in the government-wide and proprietary fund-level statements. Discounts are offered as incentives geared towards generating additional revenue in the form of new or expanded business, or to encourage events with a significant economic impact, as well as expedient event planning. The funds listed below report revenues net of discounts. The associated discounts are as follows (in thousands):

| | Discounts |
|---------------------|------------------|
| Airport | \$ 3,423 |
| Nonmajor Enterprise | 4,287 |

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

Interfund Revenues, Expenses, and Transfers -- Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the governmental unit are accounted for as revenues, expenditures, or expenses in the funds involved, such as billing for utility services. Transactions between funds that constitute reimbursements for expenditures or expenses are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. Transfers between funds are reported in the operations of governmental and proprietary funds. In the government-wide statement of activities, the effect of interfund activity has generally been removed from the statements. Exceptions include the chargeback of services, such as utilities or vehicle maintenance, and charges for central administrative costs. Elimination of these charges would distort the direct costs and program revenues of the various functions reported. The City recovers indirect costs that are incurred in the Support Services fund, which is reported as an internal service fund. Indirect costs are calculated in a citywide cost allocation plan or through indirect cost rates, which are based on the cost allocation plan.

Intergovernmental Revenues, Receivables, and Liabilities -- Intergovernmental revenues and related receivables arise primarily through funding received from Federal and State grants. Revenues are earned through expenditure of money for grant purposes. Intergovernmental liabilities arise primarily from funds held in an agency capacity for other local governmental units.

Federal and State Grants, Entitlements, and Shared Revenues -- Grants, entitlements, and shared revenues may be accounted for within any City fund. The purpose and requirements of each grant, entitlement, or shared revenue are analyzed to determine the appropriate fund statement and revenue category in which to report the related transactions. Grants, entitlements, and shared revenues received for activities normally recorded in a particular fund may be accounted for in that fund, provided that applicable legal restrictions can be satisfied.

Revenues received for activities normally accounted for within the nonmajor governmental fund groupings include: Federal grant funds, State grant funds, and other special revenue grant funds. Capital grants restricted for capital acquisitions or construction, other than those associated with proprietary type funds, are accounted for in the applicable capital projects funds. Revenues received for operating activities of proprietary funds or revenues that may be used for either operations or capital expenses are recognized in the applicable proprietary fund.

Fund Equity -- Fund balances for governmental funds are reported in classifications that demonstrate the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The governmental fund type classifications are as follows:

Nonspendable: The portion of fund balance that cannot be spent because it is either (a) not in spendable form, such as inventories and prepaid items, or (b) legally or contractually required to be maintained intact.

Restricted: The portion of fund balance that is restricted to specific purposes due to constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitution provisions or enabling legislation.

Committed: The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by an ordinance, the highest-level action taken, adopted by the City Council. An equal action (ordinance) must be enacted to rescind the commitment. The City Council is the highest level of decision-making authority.

Assigned: The portion of fund balance that is constrained by the City's intent to use for specific purposes but are neither restricted nor committed. Under the City charter, the City Manager is authorized to assign individual amounts up to \$72,000 in fiscal year 2023 to a specific purpose. This amount is reviewed annually and subject to be updated based on the most recently published federal government, Bureau of Labor Statistics Indicator, Consumer Price Index (CPI-W U.S. City Average) U.S. City Average.

Unassigned: The portion of fund balance that is not restricted, committed, or assigned to specific purposes; only the General Fund reports a positive unassigned fund balance.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

The constraints placed on the fund balances of the General Fund and the nonmajor governmental funds are presented below (in thousands):

| | General Fund | Nonmajor Governmental | | | Total |
|--|-------------------|-----------------------|---------------|------------------|-----------------|
| | | Special Revenue | Debt Service | Capital Projects | |
| Nonspendable | | | | | |
| Inventory | \$ 2 | -- | -- | -- | 2 |
| Prepaid items | 2,003 | -- | -- | -- | 2,003 |
| Permanent funds | -- | -- | -- | -- | 1,070 |
| Total Nonspendable | 2,005 | -- | -- | -- | 3,075 |
| Restricted | | | | | |
| Municipal court services | -- | 474 | -- | -- | 474 |
| General government services | -- | 22 | -- | -- | 22 |
| Fire special purpose | -- | 61 | -- | -- | 61 |
| Police special purpose | -- | 12,934 | -- | -- | 12,934 |
| Transportation, planning, and sustainability | -- | 604 | -- | -- | 604 |
| Public health services | -- | 1,957 | -- | -- | 1,957 |
| Library services | -- | 5,525 | -- | -- | 5,526 |
| Parks services | -- | 636 | -- | -- | 636 |
| Tourism programs | -- | 96,252 | -- | -- | 96,252 |
| Affordable housing programs | -- | 102,788 | -- | -- | 102,788 |
| Urban growth programs | -- | 30,790 | -- | -- | 30,790 |
| Capital construction | -- | -- | -- | 147,063 | 147,063 |
| Debt service | -- | -- | 30,065 | -- | 30,065 |
| Total Restricted | -- | 252,043 | 30,065 | 147,063 | 429,172 |
| Committed | | | | | |
| Tourism programs | -- | 243 | -- | -- | 243 |
| Urban growth programs | -- | 90,612 | -- | -- | 90,612 |
| Total Committed | -- | 90,855 | -- | -- | 90,855 |
| Assigned | | | | | |
| Municipal court services | 3,031 | -- | -- | -- | 3,031 |
| EMS activities | 498 | -- | -- | -- | 498 |
| Fire activities | 1,536 | -- | -- | -- | 1,536 |
| Police activities | 7,377 | -- | -- | -- | 7,377 |
| Public health services | 25,603 | -- | -- | -- | 25,603 |
| Library services | 1,702 | -- | -- | -- | 1,702 |
| Parks services | 1,643 | -- | -- | -- | 1,643 |
| Tourism programs | -- | 3 | -- | -- | 3 |
| Affordable housing programs | 9,348 | 700 | -- | -- | 10,048 |
| Urban growth programs | 128,731 | 682 | -- | -- | 129,413 |
| Capital construction | -- | -- | -- | 171,179 | 171,179 |
| Total Assigned | 179,469 | 1,385 | -- | 171,179 | 352,033 |
| Unassigned | 177,228 | (2,634) | -- | (265,867) | (91,273) |
| Total Fund Balance | \$ 358,702 | 341,649 | 30,065 | 52,375 | 783,862 |

Restricted resources -- If both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and unrestricted resources as needed. In governmental funds, unrestricted resources would be utilized in order from committed to assigned and finally unassigned.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
e -- Financial Statement Elements, continued

Budgetary Reserve Funds -- By formal action of City Council, the General Fund maintains two reserve funds; a budget stabilization reserve and an emergency reserve fund. These reserves are part of unassigned fund balance for the General Fund. As of September 30, 2023, the budget stabilization reserve reports a balance of \$106.7 million, the emergency reserve maintains a balance of eight percent of total General Fund requirements, or \$102.2 million. The funds in the budget stabilization reserve may be appropriated to fund capital or other one-time costs if the reserve exceeds 6% of total General Fund requirements, but such appropriation should not exceed one-third of the total amount in the reserve.

Cash and Cash Equivalents -- For purposes of the statement of cash flows, the City considers cash and cash equivalents to be currency on hand, cash held by trustee, demand deposits with banks, and all amounts included in pooled investments and cash accounts. The City considers the investment pool to be highly liquid, similar to a money market mutual fund.

Pensions -- For purposes of measuring the net pension liability, deferred inflows and outflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's three pension plans and additions to/deductions from each plan's fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The net pension liability, pension expenses, and long-term deferrals are allocated to funds based on actual contributions by fund during the corresponding measurement period with the exception of the internal service funds, which are presented in governmental activities in the government-wide statements (see Note 10).

Risk Management -- The City is exposed to employee-related risks for health benefits and workers' compensation, as well as to various risks of loss related to torts; theft of, damage to, or destruction of assets; fraud; and natural disasters. The City is self-insured for legal liabilities, workers' compensation claims, and employee health benefits, but the City does purchase stop-loss insurance for the City's PPO, HMO, and CDHP plans.

The City does not participate in a risk pool but purchases commercial insurance coverage for property loss or damage, commercial crime, fidelity bonds, airport operations, and contractors working at selected capital improvement project sites (see Note 17).

Austin Energy has established an energy risk management program. This program was authorized by City Council and led by the risk oversight committee. Under this program, Austin Energy enters into futures contracts, options, and swaps to reduce exposure to natural gas and energy price fluctuations. For additional details see Note 12.

f -- COVID-19 Response Funding

Emergency Rental Assistance Funding -- The City was awarded an additional \$500 thousand in fiscal year 2023 for a total of \$66.4 million from the US Department of the Treasury for the COVID-19 relief Emergency Rental Assistance Program grant. Through the end of the fiscal year, the City expended \$65.5 million. The Housing and Planning Department oversees this grant which is being used to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic.

American Rescue Plan Act -- Coronavirus State and Local Fiscal Recovery Fund (SLFRF) -- The City was allocated and received \$188.5 million in federal funding from SLFRF administered by the US Department of the Treasury. Through the end of the fiscal year, the City expended \$75.2 million. SLFRF will provide relief services and assistance to Austin residents, creatives, non-profits, and businesses to address the needs created by this public health emergency.

g -- Comparative Data

Governments are required to present comparative data only in connection with Management's Discussion and Analysis (MD&A). Comparative data has been utilized within the MD&A to help readers more fully understand the City's financial statements for the current period.

h -- Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2 – POOLED INVESTMENTS AND CASH

The following summarizes the amounts of pooled investments and cash by fund at September 30, 2023 (in thousands):

| | Pooled Investments and Cash | |
|--------------------------------------|------------------------------------|-------------------|
| | Unrestricted | Restricted |
| General Fund | \$ 329,112 | -- |
| Nonmajor governmental funds | 496,507 | -- |
| Austin Energy | 174,888 | 247,710 |
| Austin Water | 307,595 | 102,978 |
| Airport | 19,382 | 923,430 |
| Nonmajor enterprise funds | 372,424 | 320,484 |
| Internal service funds | 238,582 | 7,622 |
| Fiduciary funds | 2,734 | -- |
| Subtotal pooled investments and cash | <u>1,941,224</u> | <u>1,602,224</u> |
| Total pooled investments and cash | <u>\$ 3,543,448</u> | |

3 – INVESTMENTS AND DEPOSITS

a -- Investments

Chapter 2256 of the Texas Government Code (the Public Funds Investment Act) authorizes the City to invest its funds under a written investment policy (the "Investment Policy") that primarily emphasizes safety of principal and liquidity; addresses investment diversification, yield, and maturity; and addresses the quality and capability of investment personnel. The Investment Policy defines what constitutes the legal list of investments allowed under the policy, which excludes certain investment instruments allowed under Chapter 2256 of the Texas Government Code.

The City's deposits and investments are invested pursuant to the Investment Policy, which is approved annually by the City Council. The Investment Policy includes a list of authorized investment instruments, a maximum allowable stated maturity of any individual investment, and the maximum average dollar weighted maturity allowed for pooled fund groups. In addition, it includes an "Investment Strategy Statement" that specifically addresses each fund's investment options and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification, and yield. Additionally, the soundness of financial institutions in which the City will deposit funds is addressed.

The City Treasurer submits an investment report each quarter to the investment committee. Members of the Investment Committee include the Chief Financial Officer (as chair), the City Treasurer (as vice chair), Deputy Treasurer over Investment Management, Division Chief over Debt Management, representation from Accounting & Financial Reporting, a public sector investment expert, a Financial Advisor's representative, a representative from Austin Energy, a representative from Austin Water, and a representative from the Law Department. The report details the investment position of the City and the compliance of the investment portfolio as it relates to both the adopted investment strategy statements and Texas state law.

3 – INVESTMENTS AND DEPOSITS, continued
a -- Investments, continued

The City is authorized to invest in the following investment instruments if they meet the guidelines of the investment policy:

1. Obligations of the United States or its agencies and instrumentalities;
2. Direct obligations of the State of Texas;
3. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States or its agencies and instrumentalities;
4. Obligations of other states, cities, counties, or other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than A or its equivalent;
5. Bankers' acceptances, so long as each such acceptance has a stated maturity of 270 days or less from the date of its issuance, will be liquidated in full at maturity, are eligible collateral for borrowing from a Federal Reserve Bank, and are accepted by a domestic bank whose short-term obligations are rated at least A-1, P-1, or the equivalent by a nationally recognized credit rating agency or which is the largest subsidiary of a bank holding company whose short-term obligations are so rated;
6. Commercial paper with a stated maturity of 365 days or less from the date of its issuance that is either rated not less than A-1, P-1, or the equivalent by at least two nationally recognized credit rating agencies or is rated at least A-1, P-1, or the equivalent by at least one nationally recognized credit rating agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state thereof;
7. Collateralized repurchase agreements having a defined termination date and described in more detail in the Investment Policy;
8. Certificates of deposit issued by depository institutions that have a main office or branch office in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or as further described in the Investment Policy;
9. Share certificates issued by a depository institution that has a main office or branch office in Texas;
10. Money market mutual funds;
11. Local government investment pools (LGIPs); and
12. Securities lending program.

The City did not participate in any reverse repurchase agreements or security lending arrangements during fiscal year 2023.

All City investments are insured, registered, or held by an agent in the City's name; therefore, the City is not exposed to custodial credit risk.

The City participates in TexPool/TexPool Prime, TexasDAILY, TexStar, and Texas CLASS (collectively referred to as the LGIPs). There is no federal regulatory oversight for any of the LGIPs but all must obtain and retain a AAAM or equivalent rating, each provides audited Annual Finance Reports with an opinion from an independent auditor, and each has a form of independent oversight. The State Comptroller oversees TexPool/TexPool Prime, with Federated Hermes managing the daily operations of the pool under a contract with the State Comptroller. The Texas Range Investment Program has an advisory board consisting of participants or their designees which maintains oversight responsibility for TexasDAILY. PFM Asset Management LLC manages the daily operations of TexasDAILY under a contract with the advisory board. JPMorgan Investment Management, Inc. and Hilltop Securities, Inc. serve as co-administrators for TexStar under an agreement with the TexStar board of directors. Public Trust Advisors, LLC serves as the program administrator of Texas CLASS under a Trust Agreement with the Board of Trustees.

The City invests in LGIPs to provide its liquidity needs. The LGIPs were established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Code. The LGIPs are structured like money market mutual funds and allow shareholders the ability to deposit or withdraw funds on a daily basis. In addition, interest rates are adjusted on a daily basis, and the funds seek to maintain a constant NAV of \$1.00, although this cannot be fully guaranteed. The LGIPs are rated AAAM and must maintain a dollar weighted average maturity not to exceed a 60-day limit. At September 30, 2023, TexPool, TexPool Prime, TexasDAILY, TexStar, and Texas CLASS had a weighted average maturity of 28 days, 46 days, 30 days, 30 days, and 49 days, respectively. The City's LGIP investments are not subject to limitations, penalties, or restrictions on withdrawals outside emergency conditions that make the sale of assets or determination of fund NAV not reasonably practical, and therefore, the City considers holdings in these funds to have an effective weighted average maturity of one day.

Certain external investment pools and pool participants have an option to measure these investment pools at amortized cost rather than fair value if certain criteria are met. All City LGIPs are qualifying pools for these purposes. TexPool, TexPool Prime, and TexasDAILY opted to report at amortized cost, while TexStar, and Texas CLASS measure their investments at fair value.

3 – INVESTMENTS AND DEPOSITS, continued
a -- Investments, continued

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are other observable inputs; Level 3 inputs are unobservable inputs.

The City has the following recurring fair value measurements as of September 30, 2023:

- U.S. Treasury securities of \$1.9 billion are valued using quoted prices (unadjusted) in active markets for identical financial assets which the City can access at the measurement date (Level 1 inputs).
- U.S. Agency securities of \$1.2 billion are valued using other observable inputs, including but not limited to, model processes, benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing (Level 2 inputs).

As of September 30, 2023, the City presented Money Market Funds of \$78.9 million, LGIPs of \$1.2 billion valued using amortized cost, and LGIPs of \$79.7 million valued using NAV.

The following table includes the portfolio balances of all non-pooled and pooled investments of the City at September 30, 2023 (in thousands):

| | Governmental Activities | Business- type Activities | Fiduciary Funds | Total |
|-----------------------------------|------------------------------------|--------------------------------------|----------------------------|------------------|
| Non-pooled investments: | | | | |
| Local Government Investment Pools | \$ 28,805 | 358,787 | -- | 387,592 |
| Money Market Funds | 9,845 | 69,086 | -- | 78,931 |
| US Treasury Notes | -- | 171,948 | -- | 171,948 |
| US Treasury Bills | -- | 24,336 | -- | 24,336 |
| US Agency Bonds | -- | 174,486 | -- | 174,486 |
| US Agency Discounts Notes | -- | 61,815 | -- | 61,815 |
| Total non-pooled investments | <u>38,650</u> | <u>860,458</u> | <u>--</u> | <u>899,108</u> |
| Pooled investments: | | | | |
| Local Government Investment Pools | 269,316 | 620,368 | 676 | 890,360 |
| US Treasury Notes | 445,347 | 1,025,835 | 1,136 | 1,472,318 |
| US Treasury Bills | 79,789 | 183,788 | 204 | 263,781 |
| US Agency Bonds | 112,253 | 258,569 | 286 | 371,108 |
| US Agency Discount Notes | 169,541 | 390,531 | 432 | 560,504 |
| Total pooled investments | <u>1,076,246</u> | <u>2,479,091</u> | <u>2,734</u> | <u>3,558,071</u> |
| Total investments | <u>\$ 1,114,896</u> | <u>3,339,549</u> | <u>2,734</u> | <u>4,457,179</u> |

Concentration of Credit Risk

At September 30, 2023, the City of Austin was exposed to concentration of credit risk since it held investments with more than five percent of the total investment portfolio balances of the City in securities of the following issuers: Federal Farm Credit Bank (\$537.4 million or 12.1%) and Federal Home Loan Bank (\$537 million or 12%) both have discount notes of \$328.6 million and \$274 million, respectively, that will mature in less than one year.

The risk exposures for governmental and business-type activities, individual major funds, nonmajor funds in the aggregate, and fiduciary fund types of the City are not significantly greater than the deposit and investment risk of the primary government. The Investment Policy segregates the portfolios into strategic categories including:

1. Operating funds excluding special project funds,
2. Debt service funds,
3. Debt service reserve funds, and
4. Special project funds or special purpose funds.

The City's credit risk is controlled by complying with the Investment Policy, which includes qualification of the brokers and financial institutions with whom the City will transact, sufficient collateralization, portfolio diversification, and maturity limitations.

3 – INVESTMENTS AND DEPOSITS, continued
b -- Investment Categories

As of September 30, 2023, the City had the following investments in each of these strategic categories (in thousands):

| Investment Type by Category | Governmental Activities | Business- type Activities | Fiduciary Funds | Total | Weighted Average Maturity (days) |
|---|----------------------------|------------------------------|--------------------|-----------|---|
| Operating funds | | | | | |
| Local Government Investment Pools | \$ 269,316 | 620,368 | 676 | 890,360 | 1 |
| US Treasury Notes | 445,347 | 1,025,835 | 1,136 | 1,472,318 | 366 |
| US Treasury Bills | 79,789 | 183,788 | 204 | 263,781 | 158 |
| US Agency Bonds | 112,253 | 258,569 | 286 | 371,108 | 347 |
| US Agency Discount Notes | 169,541 | 390,531 | 432 | 560,504 | 120 |
| Total Operating funds | 1,076,246 | 2,479,091 | 2,734 | 3,558,071 | |
| Debt service funds | | | | | |
| General Obligation Debt Service | | | | | |
| Local Government Investment Pools | 28,805 | -- | -- | 28,805 | 1 |
| Utility (1) | | | | | |
| Local Government Investment Pools | -- | 164,177 | -- | 164,177 | 1 |
| Airport | | | | | |
| Local Government Investment Pools | -- | 53,744 | -- | 53,744 | 1 |
| Nonmajor Enterprise-Convention Center | | | | | |
| Local Government Investment Pools | -- | 8,679 | -- | 8,679 | 1 |
| Total Debt service funds | 28,805 | 226,600 | -- | 255,405 | |
| Debt service reserve funds | | | | | |
| Utility (1) | | | | | |
| Local Government Investment Pools | -- | 12,049 | -- | 12,049 | 1 |
| Money Market Funds | -- | 4,881 | -- | 4,881 | 1 |
| Airport | | | | | |
| Local Government Investment Pools | -- | 83,570 | -- | 83,570 | 1 |
| Nonmajor Enterprise-Convention Center | | | | | |
| Local Government Investment Pools | -- | 10,263 | -- | 10,263 | 1 |
| Total Debt service reserve funds | -- | 110,763 | -- | 110,763 | |
| Special projects/purpose funds | | | | | |
| Austin Energy Contingency, Power Supply, and Capital Reserve | | | | | |
| Local Government Investment Pools | -- | 1,810 | -- | 1,810 | 1 |
| US Treasury Notes | -- | 63,647 | -- | 63,647 | 206 |
| US Agency Bonds | -- | 129,558 | -- | 129,558 | 413 |
| US Agency Discount Notes | -- | 24,685 | -- | 24,685 | 90 |
| Total Austin Energy Contingency, Power Supply, and Capital Reserve | -- | 219,700 | -- | 219,700 | |
| Austin Energy Nuclear Decommissioning | | | | | |
| Trust Funds (NDTF) | | | | | |
| Money Market Funds | -- | 42,518 | -- | 42,518 | 1 |
| US Treasury Notes | -- | 108,301 | -- | 108,301 | 273 |
| US Treasury Bills | -- | 24,336 | -- | 24,336 | 182 |
| US Agency Bonds | -- | 44,928 | -- | 44,928 | 143 |
| US Agency Discount Notes | -- | 37,130 | -- | 37,130 | 166 |
| Total Austin Energy NDTF | -- | 257,213 | -- | 257,213 | |
| Special Projects - Utility Reserve (1) | | | | | |
| Local Government Investment Pools | -- | 24,495 | -- | 24,495 | 1 |
| Special Projects - Other | | | | | |
| Money Market Funds | 9,845 | 21,687 | -- | 31,532 | 1 |
| Total Special Projects | 9,845 | 46,182 | -- | 56,027 | |
| Total Special projects/purpose funds | 9,845 | 523,095 | -- | 532,940 | |
| Total funds | \$ 1,114,896 | 3,339,549 | 2,734 | 4,457,179 | |

(1) Includes combined pledge debt service

3 – INVESTMENTS AND DEPOSITS, continued
b -- Investment Categories, continued

Credit Risk

At September 30, 2023, City funds held investments in LGIPs and Money Market Funds rated AAAm by S&P Global Ratings or AAAmmf by Fitch Ratings, Inc., short-to-medium term U.S. Agency bonds rated AA+ by S&P Global Ratings, and the remaining investments in Treasury securities, which are direct obligations of the U.S. government.

Concentration of Credit Risk

Operating Funds

At September 30, 2023, the operating funds held investments with more than five percent of the total portfolio in securities of the following issuers (in millions): Federal Farm Credit Bank (\$467.6 or 13.1%) and Federal Home Loan Bank (\$395.0 or 11.1%)

Special Projects or Special Purpose Funds

At September 30, 2023, the Austin Energy Contingency, Power Supply, and Capital Reserve Fund held investments with more than five percent of the total in securities of the following issuers (in millions): Federal Farm Credit Bank (\$56.1 or 25.5%), Federal Home Loan Bank (\$73.8 or 33.6%), and Federal National Mortgage Association (\$19.6 or 8.9%).

At September 30, 2023, the Nuclear Decommissioning Trust Fund held investments with more than 5% of the total in securities of the following issuers (in millions): Federal Farm Credit Bank (\$13.8 or 5.4%), and Federal Home Loan Bank (\$68.2 or 26.5%).

Interest Rate Risk

Operating Funds

As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that investment maturities will not exceed the lesser of a dollar weighted average maturity of 720 days or the anticipated cash flow requirements of the funds. Quality short-to-medium term securities should be purchased, which complement each other in a structured manner that minimizes risk and meets the City's cash flow requirements. Five years is the maximum period before maturity.

At September 30, 2023, less than a third of the Investment Pool was invested in AAAm rated LGIPs, with the remainder invested in short-to-medium term U.S. Agency and Treasury obligations. Term limits on individual maturities did not exceed five years from the purchase date. The dollar weighted average maturity of all securities was 218 days, which was less than the threshold of 720 days.

Debt Service Funds

Investment strategies for debt service funds have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. As a means of minimizing risk of loss due to interest rate fluctuations, securities purchased cannot have a stated final maturity date which exceeds the debt service payment date.

Debt Service Reserve Funds

Investment strategies for debt service reserve funds have as the primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund from securities with a low degree of volatility. Except as may be required by bond ordinance specific to an individual issue, securities should be of high quality, with short-term to intermediate-term maturities.

Special Projects or Special Purpose Funds

As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that investment maturities in this category not exceed the anticipated cash flow requirements of the funds.

Special Purpose Funds - Austin Energy Contingency, Power Supply, and Capital Reserve Fund

At September 30, 2023, the portfolios held investments in TexPool, U.S. Treasury, and U.S. Agency obligations with maturities that will meet anticipated cash flow requirements and an overall dollar weighted average maturity of 321 days.

Special Purpose Funds - Austin Energy Nuclear Decommissioning Trust Funds (NDF)

As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy for the NDF portfolios requires that the dollar weighted average maturity, using final stated maturity dates, shall not exceed seven years, although the portfolio's weighted average maturity may be substantially shorter if market conditions so dictate. At September 30, 2023, the dollar weighted average maturity was 181 days.

Special Purpose Funds - Investments Held by Trustee

Investment objectives for these special purpose funds have as the primary objective the safety of principal and assurance of liquidity adequate to cover construction expense draws. As a means of minimizing risk of loss due to interest rate fluctuations, funds are being held in overnight money market funds.

3 – INVESTMENTS AND DEPOSITS, continued
c -- Investment and Deposits

Investments and deposits portfolio balances at September 30, 2023, are as follows (in thousands):

| | Governmental Activities | Business-type Activities | Fiduciary Funds | Total |
|---------------------------------|------------------------------------|-------------------------------------|----------------------------|------------------|
| Non-pooled investments and cash | \$ 46,190 | 886,984 | -- | 933,174 |
| Pooled investments and cash | 1,077,397 | 2,481,742 | 2,734 | 3,561,873 |
| Total investments and cash | <u>1,123,587</u> | <u>3,368,726</u> | <u>2,734</u> | <u>4,495,047</u> |
| Unrestricted cash | 47 | 9,379 | -- | 9,426 |
| Restricted cash | 7,493 | 17,147 | -- | 24,640 |
| Pooled investments and cash | 1,077,397 | 2,481,742 | 2,734 | 3,561,873 |
| Investments | 38,650 | 860,458 | -- | 899,108 |
| Total | <u>\$ 1,123,587</u> | <u>3,368,726</u> | <u>2,734</u> | <u>4,495,047</u> |

The bank balance of the portfolio exceeds the book balance by approximately \$18.4 million (net), which primarily consists of outstanding checks and deposits in transit. The outstanding checks decrease the book balance as compared to the bank, whereas the deposits in transit increase it. The difference eliminates once both the outstanding checks and deposits in transit clear the bank.

Deposits

The September 30, 2023 carrying amount of deposits at the bank and cash on hand are as follows (in thousands):

| | Governmental Activities | Business-type Activities | Total |
|----------------------|------------------------------------|-------------------------------------|---------------|
| Cash | | | |
| Unrestricted | \$ 47 | 42 | 89 |
| Restricted | -- | 4,712 | 4,712 |
| Cash held by trustee | | | |
| Unrestricted | -- | 9,337 | 9,337 |
| Restricted | 7,493 | 12,435 | 19,928 |
| Non-pooled cash | <u>7,540</u> | <u>26,526</u> | <u>34,066</u> |
| Pooled cash | <u>1,151</u> | <u>2,651</u> | <u>3,802</u> |
| Total deposits | <u>\$ 8,691</u> | <u>29,177</u> | <u>37,868</u> |

All bank accounts were either insured or collateralized with securities held by the City or its agents in the City's name at September 30, 2023.

4 – PROPERTY TAXES

The City's property tax is levied each October 1 on the assessed value listed as of January 1 for all real and personal property located in the City. The adjusted assessed value for the roll as of January 1, 2022, upon which the 2023 levy was based, was \$216,893,650,976.

Taxes are due by January 31 following the October 1 levy date. During the year ended September 30, 2023, 99.20% of the current tax levy (October 1, 2022) was collected. The statutory lien date is January 1.

The methods of property assessment and tax collection are determined by Texas statutes. The statutes provide for a property tax code, countywide appraisal districts, a State property tax board, and certain exemptions from taxation, such as intangible personal property, household goods, and family-owned automobiles.

The appraisal of property within the City is the responsibility of the Travis Central Appraisal District, the Williamson Central Appraisal District, and the Hays Central Appraisal District. The appraisal districts are required under the Property Tax Code to assess all real and personal property within the appraisal district on the basis of 100% of its appraised value and are prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every two years; however, the City may require more frequent reviews of appraised values at its own expense. The Travis Central Appraisal District and the Hays Central Appraisal District have chosen to review the value of property in their respective districts every two years, while the Williamson Central Appraisal District has chosen to review the value of property on an annual basis. The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action.

The City is authorized to set tax rates on property within the city limits. State law governing municipalities' authority to increase property tax rates was changed during 2019. Effective 2021, any increase in the property tax rate for maintenance and operations of more than 3.5% above the no-new-revenue-property tax rate requires voter approval on the November general election ballot. The no-new-revenue rate is the rate at which the City would generate the same amount of property tax revenue for maintenance and operations as in the prior year from properties taxed in both years, net of certain adjustments. The City has the ability to set its debt service tax rate at the level necessary to generate sufficient revenue to make its payments on voter-approved bonds, certificates of obligation, and other contractual obligations.

The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. Under the City charter, a limit on taxes levied for general governmental services, exclusive of payments of principal and interest on general obligation long-term debt, has been established at \$1.00 per \$100 assessed valuation. A practical limitation on taxes levied for debt service of \$1.50 per \$100 of assessed valuation is established by state statute and City charter limitations. Through contractual arrangements, Travis, Williamson, and Hays Counties bill and collect property taxes for the City.

The tax rate to finance general governmental functions and fund Project Connect, other than the payment of principal and interest on general obligation long-term debt, for the year ended September 30, 2023, was \$0.3669 per \$100 assessed valuation. The tax rate for servicing the payment of principal and interest on general obligation long-term debt for the fiscal year ended September 30, 2023, was \$0.0958 per \$100 assessed valuation. The City has a tax margin for general governmental purposes of \$0.6331 per \$100 assessed valuation and could levy approximately \$1,373,153,704 in additional taxes from the assessed valuation of \$216,893,650,976 before the legislative limit is reached.

5 – CAPITAL ASSETS AND INFRASTRUCTURE
a -- Capital Assets

Governmental Activities

Capital asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | <u>Beginning Balance</u> | (1) | <u>Increases</u> | (2) | <u>Decreases</u> | (2) | <u>Ending Balance</u> |
|--|------------------------------|-----|------------------|-----|------------------|-----|---------------------------|
| Depreciable capital assets | | | | | | | |
| Building and improvements | \$ 1,467,922 | | 73,039 | | -- | | 1,540,961 |
| Plant and equipment | 293,305 | | 15,345 | | (57,841) | | 250,809 |
| Vehicles | 189,919 | | 28,636 | | (8,741) | | 209,814 |
| Infrastructure | 3,345,242 | | 101,206 | | (1,660) | | 3,444,788 |
| Intangible assets: | | | | | | | |
| Right-to-use leased assets | 126,138 | | 3,273 | | (2,378) | | 127,033 |
| Right-to-use IT subscriptions | 59,263 | | 26,246 | | -- | | 85,509 |
| Total depreciable capital assets | <u>5,481,789</u> | | <u>247,745</u> | | <u>(70,620)</u> | | <u>5,658,914</u> |
| Less accumulated depreciation/amortization for | | | | | | | |
| Building and improvements | (539,522) | | (43,568) | | -- | | (583,090) |
| Plant and equipment | (211,503) | | (17,544) | | 54,498 | | (174,549) |
| Vehicles | (115,188) | | (16,348) | | 8,003 | | (123,533) |
| Infrastructure | (1,604,146) | | (89,464) | | -- | | (1,693,610) |
| Intangible assets: | | | | | | | |
| Right-to-use leased assets | (15,031) | | (15,675) | | 2,378 | | (28,328) |
| Right-to-use IT subscriptions | -- | | (21,786) | | -- | | (21,786) |
| Total accumulated depreciation/amortization | <u>(2,485,390)</u> | | <u>(204,385)</u> | (3) | <u>64,879</u> | | <u>(2,624,896)</u> |
| Depreciable capital assets, net | <u>2,996,399</u> | | <u>43,360</u> | | <u>(5,741)</u> | | <u>3,034,018</u> |
| Nondepreciable capital assets | | | | | | | |
| Land and improvements | 539,625 | | 65,075 | | (2,614) | | 602,086 |
| Arts and treasures | 12,268 | | 354 | | -- | | 12,622 |
| Library collections | 18,167 | | -- | | -- | | 18,167 |
| Construction in progress | 291,201 | | 266,889 | | (135,225) | | 422,865 |
| Development in progress | -- | | 6,693 | | -- | | 6,693 |
| Total nondepreciable assets | <u>861,261</u> | | <u>339,011</u> | | <u>(137,839)</u> | | <u>1,062,433</u> |
| Total capital assets | <u>\$ 3,857,660</u> | | <u>382,371</u> | | <u>(143,580)</u> | | <u>4,096,451</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$59.3 million. Additionally, right-to-use leased assets have been incorporated into the footnote for consistency.

(2) Increases and decreases do not include transfers (at net book value) between Governmental Activities.

(3) Components of accumulated depreciation/amortization increases:

Governmental Activities:

| | |
|--|-------------------|
| General government | \$ 8,876 |
| Public safety | 24,229 |
| Transportation, planning and sustainability | 70,861 |
| Public health | 5,222 |
| Public recreation and culture | 28,261 |
| Urban growth management | 27,612 |
| Internal service funds | 39,324 |
| Total increases in accumulated depreciation/amortization | <u>\$ 204,385</u> |

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
a -- Capital Assets, continued

Business-type Activities: Total

Capital asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | <u>Beginning</u> <u>Balance</u> | (1) <u>Increases</u> | (2) <u>Decreases</u> | (2) <u>Ending</u> <u>Balance</u> |
|--|------------------------------------|----------------------|----------------------|-------------------------------------|
| Depreciable capital assets | | | | |
| Building and improvements | \$ 3,460,244 | 16,524 | (422) | 3,476,346 |
| Plant and equipment | 4,700,824 | 200,880 | (36,999) | 4,864,705 |
| Vehicles | 270,240 | 29,620 | (18,746) | 281,114 |
| Electric plant | 6,040,991 | 251,039 | (69,226) | 6,222,804 |
| Non-electric plant | 353,084 | 9,612 | -- | 362,696 |
| Nuclear fuel | 481,762 | 19,433 | -- | 501,195 |
| Water rights | 100,000 | -- | -- | 100,000 |
| Intangible assets: | | | | |
| Right-to-use leased assets | 72,337 | 3,683 | (5,277) | 70,743 |
| Right-to-use IT subscriptions | 15,758 | 13,444 | -- | 29,202 |
| Total depreciable capital assets | <u>15,495,240</u> | <u>544,235</u> | <u>(130,670)</u> | <u>15,908,805</u> |
| Less accumulated depreciation/amortization for | | | | |
| Building and improvements | (1,136,132) | (80,385) | 102 | (1,216,415) |
| Plant and equipment | (2,105,958) | (125,194) | 34,380 | (2,196,772) |
| Vehicles | (170,807) | (19,727) | 22,167 | (168,367) |
| Electric plant | (3,706,769) | (194,192) | 61,717 | (3,839,244) |
| Non-electric plant | (111,987) | (15,208) | -- | (127,195) |
| Nuclear fuel | (428,386) | (19,824) | -- | (448,210) |
| Water rights | (22,716) | (988) | -- | (23,704) |
| Intangible assets: | | | | |
| Right-to-use leased assets | (15,248) | (14,637) | 5,612 | (24,273) |
| Right-to-use IT subscriptions | -- | (5,647) | -- | (5,647) |
| Total accumulated depreciation/amortization | <u>(7,698,003)</u> | <u>(475,802)</u> | <u>123,978</u> | <u>(8,049,827)</u> |
| Depreciable capital assets, net | <u>7,797,237</u> | <u>68,433</u> | <u>(6,692)</u> | <u>7,858,978</u> |
| Nondepreciable capital assets | | | | |
| Land and improvements | 815,263 | 22,979 | (6,999) | 831,243 |
| Arts and treasures | 6,334 | 1,404 | -- | 7,738 |
| Construction in progress | 816,213 | 704,045 | (433,424) | 1,086,834 |
| Plant held for future use | 22,595 | -- | -- | 22,595 |
| Total nondepreciable assets | <u>1,660,405</u> | <u>728,428</u> | <u>(440,423)</u> | <u>1,948,410</u> |
| Total capital assets | <u>\$ 9,457,642</u> | <u>796,861</u> | <u>(447,115)</u> | <u>9,807,388</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$15.8 million. Additionally, right-to-use leased assets have been incorporated into the footnote for consistency.

(2) Increases and decreases do not include transfers (at net book value) between Business-type Activities.

(3) Components of accumulated depreciation/amortization increases:

Business-type Activities:

| | |
|--|-------------------|
| Electric | \$ 227,507 |
| Water | 68,310 |
| Wastewater | 75,476 |
| Airport | 49,165 |
| Convention | 9,523 |
| Environmental and health services | 11,400 |
| Public recreation | 1,397 |
| Urban growth management | 13,200 |
| Total increases in accumulated depreciation/amortization | <u>455,978</u> |
| Current year amortization included in operating expense | 19,824 |
| Total increases in accumulated depreciation/amortization | <u>\$ 475,802</u> |

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
a -- Capital Assets, continued

Business-type Activities: Austin Energy

Capital asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | <u>Beginning Balance</u> | (1) | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|-----|----------------------|------------------|---------------------------|
| Depreciable capital assets | | | | | |
| Vehicles | \$ 41,477 | | 4,393 | (1,660) | 44,210 |
| Electric plant | 6,040,991 | | 251,039 | (69,226) | 6,222,804 |
| Non-electric plant | 353,084 | | 9,612 | -- | 362,696 |
| Nuclear fuel | 481,762 | | 19,433 | -- | 501,195 |
| Intangible assets: | | | | | |
| Right-to-use leased assets | 34,080 | | 1,971 | (5,277) | 30,774 |
| Right-to-use IT subscriptions | 12,512 | | 11,109 | -- | 23,621 |
| Total depreciable capital assets | <u>6,963,906</u> | | <u>297,557</u> | <u>(76,163)</u> | <u>7,185,300</u> |
| Less accumulated depreciation/amortization for | | | | | |
| Vehicles | (24,542) | | (3,392) | 5,797 | (22,137) |
| Electric plant | (3,706,769) | | (194,192) | 61,717 | (3,839,244) |
| Non-electric plant | (111,987) | | (15,208) | -- | (127,195) |
| Nuclear fuel | (428,386) | | (19,824) | -- | (448,210) |
| Intangible assets: | | | | | |
| Right-to-use leased assets | (11,930) | | (10,644) | 5,612 | (16,962) |
| Right-to-use IT subscriptions | -- | | (4,071) | -- | (4,071) |
| Total accumulated depreciation/amortization | <u>(4,283,614)</u> | | <u>(247,331)</u> (2) | <u>73,126</u> | <u>(4,457,819)</u> |
| Depreciable capital assets, net | <u>2,680,292</u> | | <u>50,226</u> | <u>(3,037)</u> | <u>2,727,481</u> |
| Nondepreciable capital assets | | | | | |
| Land and improvements | 77,867 | | 14,036 | (6,051) | 85,852 |
| Construction in progress | 280,351 | | 214,105 | (263,496) | 230,960 |
| Plant held for future use | 22,595 | | -- | -- | 22,595 |
| Total nondepreciable assets | <u>380,813</u> | | <u>228,141</u> | <u>(269,547)</u> | <u>339,407</u> |
| Total capital assets | <u>\$ 3,061,105</u> | | <u>278,367</u> | <u>(272,584)</u> | <u>3,066,888</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$12.5 million. Additionally, right-to-use leased assets have been incorporated into the footnote for consistency.

(2) Components of accumulated depreciation/amortization increases:

| | |
|--|-------------------|
| Current year depreciation/amortization | \$ 227,507 |
| Current year amortization included in operating expense | 19,824 |
| Total increases in accumulated depreciation/amortization | <u>\$ 247,331</u> |

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
a -- Capital Assets, continued

Business-type Activities: Austin Water

Capital asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | Beginning | (1) | Increases | Decreases | Ending |
|--|---------------------|-----|----------------------|------------------|--------------------|
| | Balance | | | | Balance |
| Depreciable capital assets | | | | | |
| Building and improvements | \$ 1,299,501 | | 11,314 | -- | 1,310,815 |
| Plant and equipment | 4,373,691 | | 187,045 | (15,390) | 4,545,346 |
| Vehicles | 49,023 | | 3,988 | (1,028) | 51,983 |
| Water rights | 100,000 | | -- | -- | 100,000 |
| Intangible assets: | | | | | |
| Right-to-use leased assets | 1,297 | | -- | -- | 1,297 |
| Right-to-use IT subscriptions | 350 | | 296 | -- | 646 |
| Total depreciable capital assets | <u>5,823,862</u> | | <u>202,643</u> | <u>(16,418)</u> | <u>6,010,087</u> |
| Less accumulated depreciation/amortization for | | | | | |
| Building and improvements | (431,355) | | (27,300) | -- | (458,655) |
| Plant and equipment | (1,958,573) | | (112,010) | 14,863 | (2,055,720) |
| Vehicles | (31,284) | | (3,166) | 1,014 | (33,436) |
| Water rights | (22,716) | | (988) | -- | (23,704) |
| Intangible assets: | | | | | |
| Right-to-use leased assets | (161) | | (176) | -- | (337) |
| Right-to-use IT subscriptions | -- | | (146) | -- | (146) |
| Total accumulated depreciation/amortization | <u>(2,444,089)</u> | | <u>(143,786)</u> (2) | <u>15,877</u> | <u>(2,571,998)</u> |
| Depreciable capital assets, net | <u>3,379,773</u> | | <u>58,857</u> | <u>(541)</u> | <u>3,438,089</u> |
| Nondepreciable capital assets | | | | | |
| Land and improvements | 231,725 | | 7,703 | -- | 239,428 |
| Arts and treasures | 111 | | -- | -- | 111 |
| Construction in progress | 447,087 | | 240,455 | (145,440) | 542,102 |
| Total nondepreciable assets | <u>678,923</u> | | <u>248,158</u> | <u>(145,440)</u> | <u>781,641</u> |
| Total capital assets | <u>\$ 4,058,696</u> | | <u>307,015</u> | <u>(145,981)</u> | <u>4,219,730</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$350 thousand. Additionally, right-to-use leased assets have been incorporated into the footnote for consistency.

(2) Components of accumulated depreciation/amortization increases:

| | |
|--|-------------------|
| Current year depreciation/amortization | |
| Water | \$ 68,310 |
| Wastewater | 75,476 |
| Total increases in accumulated depreciation/amortization | <u>\$ 143,786</u> |

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
a -- Capital Assets, continued

Business-type Activities: Airport

Capital asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | Beginning Balance | (1) | Increases | Decreases | Ending Balance |
|--|------------------------------|-----|---------------------|------------------|---------------------------|
| Depreciable capital assets | | | | | |
| Building and improvements | \$ 1,772,609 | | 1,976 | -- | 1,774,585 |
| Plant and equipment | 51,160 | | 1,996 | (4,636) | 48,520 |
| Vehicles | 20,104 | | 1,984 | (1,759) | 20,329 |
| Intangible assets: | | | | | |
| Right-to-use leased assets | 90 | | -- | -- | 90 |
| Right-to-use IT subscriptions | 1,067 | | 455 | -- | 1,522 |
| Total depreciable capital assets | <u>1,845,030</u> | | <u>6,411</u> | <u>(6,395)</u> | <u>1,845,046</u> |
| Less accumulated depreciation/amortization for | | | | | |
| Building and improvements | (498,517) | | (43,910) | -- | (542,427) |
| Plant and equipment | (24,441) | | (3,195) | 4,272 | (23,364) |
| Vehicles | (13,359) | | (1,562) | 1,499 | (13,422) |
| Intangible assets: | | | | | |
| Right-to-use leased assets | (36) | | (35) | -- | (71) |
| Right-to-use IT subscriptions | -- | | (463) | -- | (463) |
| Total accumulated depreciation/amortization | <u>(536,353)</u> | | <u>(49,165)</u> (2) | <u>5,771</u> | <u>(579,747)</u> |
| Depreciable capital assets, net | <u>1,308,677</u> | | <u>(42,754)</u> | <u>(624)</u> | <u>1,265,299</u> |
| Nondepreciable capital assets | | | | | |
| Land and improvements | 96,381 | | -- | -- | 96,381 |
| Arts and treasures | 5,611 | | 1,277 | -- | 6,888 |
| Construction in progress | 45,322 | | 204,759 | (4,960) | 245,121 |
| Total nondepreciable assets | <u>147,314</u> | | <u>206,036</u> | <u>(4,960)</u> | <u>348,390</u> |
| Total capital assets | <u>\$ 1,455,991</u> | | <u>163,282</u> | <u>(5,584)</u> | <u>1,613,689</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$1.1 million. Additionally, right-to-use leased assets have been incorporated into the footnote for consistency.

(2) Components of accumulated depreciation/amortization increases:

| | |
|--|------------------|
| Current year depreciation/amortization | <u>\$ 49,165</u> |
|--|------------------|

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
a -- Capital Assets, continued

Business-type Activities: Nonmajor Enterprise Funds

Capital asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | <u>Beginning</u> <u>Balance</u> | (1) <u>Increases</u> | (2) <u>Decreases</u> | (2) <u>Ending</u> <u>Balance</u> |
|--|------------------------------------|----------------------|----------------------|-------------------------------------|
| Depreciable capital assets | | | | |
| Building and improvements | \$ 388,134 | 3,234 | (422) | 390,946 |
| Plant and equipment | 275,973 | 11,839 | (16,973) | 270,839 |
| Vehicles | 159,636 | 19,255 | (14,299) | 164,592 |
| Intangible assets: | | | | |
| Right-to-use leased assets | 36,870 | 1,712 | -- | 38,582 |
| Right-to-use IT subscriptions | 1,829 | 1,584 | -- | 3,413 |
| Total depreciable capital assets | <u>862,442</u> | <u>37,624</u> | <u>(31,694)</u> | <u>868,372</u> |
| Less accumulated depreciation/amortization for | | | | |
| Building and improvements | (206,260) | (9,175) | 102 | (215,333) |
| Plant and equipment | (122,944) | (9,989) | 15,245 | (117,688) |
| Vehicles | (101,622) | (11,607) | 13,857 | (99,372) |
| Intangible assets: | | | | |
| Right-to-use leased assets | (3,121) | (3,782) | -- | (6,903) |
| Right-to-use IT subscriptions | -- | (967) | -- | (967) |
| Total accumulated depreciation/amortization | <u>(433,947)</u> | <u>(35,520)</u> | <u>29,204</u> | <u>(440,263)</u> |
| Depreciable capital assets, net | <u>428,495</u> | <u>2,104</u> | <u>(2,490)</u> | <u>428,109</u> |
| Nondepreciable capital assets | | | | |
| Land and improvements | 409,290 | 1,240 | (948) | 409,582 |
| Arts and treasures | 612 | 127 | -- | 739 |
| Construction in progress | 43,453 | 44,726 | (19,528) | 68,651 |
| Total nondepreciable assets | <u>453,355</u> | <u>46,093</u> | <u>(20,476)</u> | <u>478,972</u> |
| Total capital assets | <u>\$ 881,850</u> | <u>48,197</u> | <u>(22,966)</u> | <u>907,081</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$1.8 million. Additionally, right-to-use leased assets have been incorporated into the footnote for consistency.

(2) Increases and decreases do not include transfers (at net book value) between nonmajor enterprise funds.

(3) Components of accumulated depreciation/amortization increases:

| | |
|--|------------------|
| Current year depreciation/amortization | |
| Convention | \$ 9,523 |
| Environmental and health services | 11,400 |
| Public recreation | 1,397 |
| Urban growth management | 13,200 |
| Total increases in accumulated depreciation/amortization | <u>\$ 35,520</u> |

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
b -- Right-to-Use Assets

Governmental Activities

Intangible right-to-use asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | <u>Beginning Balance</u> | (1) | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|---|------------------------------|-----|------------------|------------------|---------------------------|
| Intangible right-to-use assets | | | | | |
| Buildings | \$ 108,041 | | 645 | (996) | 107,690 |
| Infrastructure | 1,727 | | -- | -- | 1,727 |
| Land | 13,497 | | -- | -- | 13,497 |
| Equipment | -- | | 564 | -- | 564 |
| Computer Equipment | 2,873 | | 2,064 | (1,382) | 3,555 |
| Software | 59,263 | | 26,246 | -- | 85,509 |
| Total intangible right-to-use assets | <u>185,401</u> | | <u>29,519</u> | <u>(2,378)</u> | <u>212,542</u> |
| Less accumulated amortization for: | | | | | |
| Buildings | (13,488) | | (13,618) | 996 | (26,110) |
| Infrastructure | (171) | | (171) | -- | (342) |
| Land | (144) | | (211) | -- | (355) |
| Equipment | -- | | (25) | -- | (25) |
| Computer Equipment | (1,228) | | (1,650) | 1,382 | (1,496) |
| Software | -- | | (21,786) | -- | (21,786) |
| Total accumulated amortization | <u>(15,031)</u> | | <u>(37,461)</u> | (2) <u>2,378</u> | <u>(50,114)</u> |
| Governmental activities, net | <u>\$ 170,370</u> | | <u>(7,942)</u> | <u>--</u> | <u>162,428</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$59.3 million.

(2) Components of accumulated amortization increases:

Governmental Activities:

| | |
|---|------------------|
| Public safety | \$ 4,937 |
| Transportation, planning and sustainability | 841 |
| Public health | 3,239 |
| Public recreation and culture | 302 |
| Urban growth management | 1,352 |
| Internal service funds | 26,790 |
| Total increases in accumulated amortization | <u>\$ 37,461</u> |

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
b -- Right-to-Use Assets, continued

Business-type Activities: Total

Intangible right-to-use asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | <u>Beginning Balance</u> | (1) | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|---|------------------------------|-----|------------------|------------------|---------------------------|
| Intangible right-to-use assets | | | | | |
| Buildings | \$ 48,126 | | -- | (3,548) | 44,578 |
| Land | 541 | | -- | -- | 541 |
| Equipment | 3,921 | | 138 | -- | 4,059 |
| Vehicles | 15,528 | | 3,545 | -- | 19,073 |
| Computer Equipment | 4,221 | | -- | (1,729) | 2,492 |
| Software | 15,758 | | 13,444 | -- | 29,202 |
| Total intangible right-to-use assets | <u>88,095</u> | | <u>17,127</u> | <u>(5,277)</u> | <u>99,945</u> |
| Less accumulated amortization for: | | | | | |
| Buildings | (6,966) | | (6,296) | 3,883 | (9,379) |
| Land | (47) | | (46) | -- | (93) |
| Equipment | (688) | | (976) | -- | (1,664) |
| Vehicles | (5,625) | | (6,002) | -- | (11,627) |
| Computer Equipment | (1,922) | | (1,317) | 1,729 | (1,510) |
| Software | -- | | (5,647) | -- | (5,647) |
| Total accumulated amortization | <u>(15,248)</u> | | <u>(20,284)</u> | (2) <u>5,612</u> | <u>(29,920)</u> |
| Business-type activities, net | <u>\$ 72,847</u> | | <u>(3,157)</u> | <u>335</u> | <u>70,025</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$15.8 million.

(2) Components of accumulated amortization increases:

Business-type Activities:

| | |
|---|------------------|
| Electric | \$ 14,715 |
| Water | 187 |
| Wastewater | 135 |
| Airport | 498 |
| Convention | 79 |
| Environmental and health services | 906 |
| Public recreation | 758 |
| Urban growth management | 3,006 |
| Total business-type activities accumulated amortization | <u>\$ 20,284</u> |

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
b -- Right-to-Use Assets, continued

Business-type Activities: Austin Energy

Intangible right-to-use asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | Beginning Balance | (1) | Increases | Decreases | Ending Balance |
|--|----------------------|-----|-----------------|----------------|-------------------|
| Intangible right-to-use assets | | | | | |
| Buildings | \$ 12,616 | | -- | (3,548) | 9,068 |
| Land | 541 | | -- | -- | 541 |
| Equipment | 1,539 | | 73 | -- | 1,612 |
| Vehicles | 15,163 | | 1,898 | -- | 17,061 |
| Computer Equipment | 4,221 | | -- | (1,729) | 2,492 |
| Software | 12,512 | | 11,109 | -- | 23,621 |
| Total intangible right-to-use assets | <u>46,592</u> | | <u>13,080</u> | <u>(5,277)</u> | <u>54,395</u> |
| Less accumulated amortization for: | | | | | |
| Buildings | (3,907) | | (3,237) | 3,883 | (3,261) |
| Land | (47) | | (46) | -- | (93) |
| Equipment | (430) | | (432) | -- | (862) |
| Vehicles | (5,624) | | (5,612) | -- | (11,236) |
| Computer Equipment | (1,922) | | (1,317) | 1,729 | (1,510) |
| Software | -- | | (4,071) | -- | (4,071) |
| Total accumulated amortization | <u>(11,930)</u> | | <u>(14,715)</u> | <u>5,612</u> | <u>(21,033)</u> |
| Intangible right-to-use assets, net | <u>\$ 34,662</u> | | <u>(1,635)</u> | <u>335</u> | <u>33,362</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$12.5 million.

(2) Components of accumulated amortization increases:

| | |
|---------------------------------------|------------------|
| Current year accumulated amortization | <u>\$ 14,715</u> |
|---------------------------------------|------------------|

Business-type Activities: Austin Water

Intangible right-to-use asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | Beginning Balance | (1) | Increases | Decreases | Ending Balance |
|--|----------------------|-----|--------------|-----------|-------------------|
| Intangible right-to-use assets | | | | | |
| Buildings | \$ 985 | | -- | -- | 985 |
| Equipment | 312 | | -- | -- | 312 |
| Software | 350 | | 296 | -- | 646 |
| Total intangible right-to-use assets | <u>1,647</u> | | <u>296</u> | <u>--</u> | <u>1,943</u> |
| Less accumulated amortization for: | | | | | |
| Buildings | (114) | | (114) | -- | (228) |
| Equipment | (47) | | (62) | -- | (109) |
| Software | -- | | (146) | -- | (146) |
| Total accumulated amortization | <u>(161)</u> | | <u>(322)</u> | <u>--</u> | <u>(483)</u> |
| Intangible right-to-use assets, net | <u>\$ 1,486</u> | | <u>(26)</u> | <u>--</u> | <u>1,460</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$350 thousand.

(2) Components of accumulated amortization increases:

| | |
|---|---------------|
| Current year accumulated amortization | |
| Water | \$ 187 |
| Wastewater | 135 |
| Total increases in accumulated amortization | <u>\$ 322</u> |

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued
b -- Right-to-Use Assets, continued

Business-type Activities: Airport

Intangible right-to-use asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | <u>Beginning Balance</u> | (1) | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|-----|------------------|------------------|---------------------------|
| Intangible right-to-use assets | | | | | |
| Equipment | \$ 90 | | -- | -- | 90 |
| Software | 1,067 | | 455 | -- | 1,522 |
| Total intangible right-to-use assets | <u>1,157</u> | | <u>455</u> | <u>--</u> | <u>1,612</u> |
| Less accumulated amortization for: | | | | | |
| Equipment | (36) | | (35) | -- | (71) |
| Software | -- | | (463) | -- | (463) |
| Total accumulated amortization | <u>(36)</u> | | <u>(498)</u> | (2) <u>--</u> | <u>(534)</u> |
| Intangible right-to-use assets, net | <u>\$ 1,121</u> | | <u>(43)</u> | <u>--</u> | <u>1,078</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$1.1 million.

(2) Components of accumulated amortization increases:

| | |
|---------------------------------------|---------------|
| Current year accumulated amortization | <u>\$ 498</u> |
|---------------------------------------|---------------|

Business-type Activities: Nonmajor Enterprise Funds

Intangible right-to-use asset activity for the year ended September 30, 2023, was as follows (in thousands):

| | <u>Beginning Balance</u> | (1) | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|-----|------------------|------------------|---------------------------|
| Intangible right-to-use assets | | | | | |
| Buildings | \$ 34,525 | | -- | -- | 34,525 |
| Equipment | 1,980 | | 65 | -- | 2,045 |
| Vehicles | 365 | | 1,647 | -- | 2,012 |
| Software | 1,829 | | 1,584 | -- | 3,413 |
| Total intangible right-to-use assets | <u>38,699</u> | | <u>3,296</u> | <u>--</u> | <u>41,995</u> |
| Less accumulated amortization for: | | | | | |
| Buildings | (2,945) | | (2,945) | -- | (5,890) |
| Equipment | (175) | | (447) | -- | (622) |
| Vehicles | (1) | | (390) | -- | (391) |
| Software | -- | | (967) | -- | (967) |
| Total accumulated amortization | <u>(3,121)</u> | | <u>(4,749)</u> | (2) <u>--</u> | <u>(7,870)</u> |
| Intangible right-to-use assets, net | <u>\$ 35,578</u> | | <u>(1,453)</u> | <u>--</u> | <u>34,125</u> |

(1) With the implementation of GASB 96 in the current fiscal year, it was required to restate the prior fiscal year ending balance for the right-to-use IT subscriptions. This restatement amounted to \$1.8 million.

(2) Components of accumulated amortization increases:

| | |
|---|-----------------|
| Convention | \$ 79 |
| Environmental and health services | 906 |
| Public recreation | 758 |
| Urban growth management | 3,006 |
| Total nonmajor enterprise activities accumulated amortization | <u>\$ 4,749</u> |

6 – PUBLIC-PRIVATE PARTNERSHIPS

A public-private partnership (PPP) is an arrangement in which the City (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital assets. The City is the transferor in the following PPP arrangements.

a -- Governmental Activities

The City has granted a private operator operating rights for the Umlauf Sculpture Garden and Museum. This arrangement meets the definition of an SCA. The operator made improvements to the City-owned garden and museum as part of this agreement. As of September 30, 2023, the net book value of the operator-constructed capital assets transferred to the City is \$472 thousand and reported within the building and improvements category of Note 5a. The original agreement had a term that ended in November 2021. However, the operator will continue to operate the facility under a separately negotiated management and operating agreement.

The City has entered a development and construction agreement with the Young Men's Christian Association (YMCA) to develop and operate a new joint-use recreational facility for public use. The facility is owned by the City and operated by the YMCA under a 20-year agreement extending through 2032. This arrangement meets the definition of an SCA. As of September 30, 2023, the net book value of the operator-constructed capital assets transferred to the City is \$972 thousand and reported within the building and improvements category of the capital asset table in Note 5a. The related deferred inflow balance is \$455 thousand and is being amortized through 2030. For the fiscal year ending September 30, 2023, a total of \$67 thousand was recorded as inflows of resources related to this arrangement.

The City has entered a joint design, development, management, and operation agreement with Waller Creek Local Government Corporation and the Waterloo Greenway Conservancy (WGC). The agreement established the roles and responsibilities of each entity regarding the development and operation of the Waller Creek District. The WGC contributed funding to Waller Creek District facilities that will be owned by the City. This arrangement meets the definition of an SCA. The WGC will operate the facilities for an initial term of 20 years, with options to extend through 2113. As of September 30, 2023, the net book value of capital assets the operator has provided to the City is \$26.7 million and reported within the building and improvements category of the capital asset table in Note 5a. The related deferred inflow balance was \$28.1 million and is being amortized through 2113. For the fiscal year ending September 30, 2023, a total of \$312 thousand was recorded as inflows of resources related to this arrangement.

The City has engaged in several PPP arrangements focused on affordable housing. These partnerships, formed to develop and manage affordable housing projects, operate under ground lease agreements with terms expiring between 2031 and 2117. At the inception of the arrangement, each project developer transfers land to the City. Upon the expiration of these leases, the City will gain residual ownership of the buildings and improvements. As of September 30, 2023, the net book value of capital assets the operators have transferred to the City is \$43.9 million and reported within the land and building and improvement category of the capital asset table in Note 5a. The receivable balance for future installment payments associated with these PPP arrangements is \$3.3 million. The installment payments were discounted using rates between 2.02% and 4.32%. Interest receivable related to these arrangements is \$30 thousand as of September 30, 2023. The related deferred inflow balance was \$46.5 million and is being amortized over the term of the respective ground lease. For the fiscal year ending September 30, 2023, a total of \$733 thousand was recorded as inflows of resources related to these arrangements.

The City has granted a private operator operating rights for boating concession on Lady Bird Lake. The operator developed infrastructure on City-owned land as part of this agreement. The receivable balance for future installment payments associated with this PPP was \$3.9 million. The installment payments were discounted using a rate of 4.03%. The related deferred inflow balance was \$3.8 million and is being amortized through 2040. For the fiscal year ending September 30, 2023, a total of \$226 thousand was recorded as inflows of resources related to this arrangement.

The City has granted a private operator development right for the Q2 stadium on City-owned land. The operator will operate the stadium for a minimum of 20 years with options to extend through 2071. The receivable balance for future installment payments associated with this PPP was \$4.2 million, and the City has recorded a receivable for the underlying asset which will be transferred to the City at the end of the agreement in the amount of \$104 million. The underlying asset receivable is presented as other long-term assets. The installment payments were discounted using a rate of 5.00% and the interest receivable related to the arrangement is \$503 thousand as of September 30, 2023. The related deferred inflow balance was \$95.6 million as of September 30, 2023. The deferred inflows are being amortized through 2041, and for the fiscal year ending September 30, 2023, \$5.4 million was recorded in inflows of resources related to this arrangement.

6 – PUBLIC-PRIVATE PARTNERSHIPS, continued
b -- Business-Type Activities

The City has granted a private operator operating rights for a Consolidated Rental Car Facility (CONRAC) at the Airport. As part of this agreement, the operator developed a joint-use parking facility on City-owned land. This arrangement meets the definition of an SCA. As of September 30, 2023, the net book value of capital assets the operator has transferred to the City is \$122.1 million and reported within the building and improvement category of the capital asset table in Note 5a. The receivable balance for future installment payments associated with this PPP was \$7.3 million. The installment payments were discounted using a rate of 5.53%. The related deferred inflow balance was \$121.4 million and is being amortized through 2046. For the fiscal year ending September 30, 2023, \$5.5 million was recorded as inflows of resources related to this arrangement.

The City has granted a private operator operating rights for onsite parking and services at the Airport. As part of this agreement, the operator developed parking infrastructure and buildings on City-owned land. This arrangement meets the definition of an SCA. As of September 30, 2023, the net book value of capital assets the operator has transferred to the City is \$22.4 million and reported within the building and improvement category of the capital asset table in Note 5a. The receivable balance for future installment payments associated with this PPP was \$6.7 million. The installment payments were discounted using a rate of 4.52%. The related deferred inflow balance was \$30.0 million and is being amortized through 2056. For the fiscal year ending September 30, 2023, a total of \$910 thousand was recorded as inflows of resources related to this arrangement.

The City has granted a private operator operating rights for the Butler Pitch and Putt Golf Course. The operator constructed improvements on City-owned parkland as part of this agreement. This arrangement meets the definition of an SCA. As of September 30, 2023, the net book value of capital assets the operator has transferred to the City is \$1.1 million and reported within the building and improvement category of the capital asset table in Note 5a. The receivable balance for future installment payments associated with this PPP was \$657 thousand. The installment payments were discounted using a rate of 1.08%. The related deferred inflow balance was \$1.4 million and is being amortized through 2029. For the fiscal year ending September 30, 2023, a total of \$243 thousand was recorded as inflows of resources related to this arrangement.

The City has granted operating rights for a freight and ground service facility at the Airport to a private operator. The operator will develop infrastructure on City-owned land as part of this agreement. These improvements, to be completed within 720 days of receiving the City's notice to proceed, will revert to City ownership at the end of the contract in 2039. As of September 30, 2023, development of these improvements is still ongoing. The receivable balance for future installment payments associated with this PPP was \$2.0 million. The installment payments were discounted using a rate of 3.49%. The related deferred inflow balance was \$2.0 million and is being amortized through 2039. For the fiscal year ending September 30, 2023, a total of \$69 thousand was recorded as inflows of resources related to this arrangement.

7 – LEASES

A lease is a contractual agreement that conveys control of the right to use another entity's nonfinancial asset for a minimum of one year in an exchange or exchange-like transaction. The City has entered into various leasing arrangements as both lessee and lessor.

a -- City as Lessor

As lessor, the City has entered into numerous leases of City-owned land, buildings, and infrastructure. These leases have annual interest rates ranging from 0.213% to 4.229%. The terms end between October 2023 and August 2101 with varying extension options. Lease receivables are reported for governmental activities, and Austin Energy, Austin Water, Airport, and nonmajor enterprise funds.

In October 1981, the City entered into a 99-year ground lease for land located in downtown Austin. As of September 30, 2023, the lease receivable associated with this lease was \$40.9 million, or 80.5% of the governmental activities leases receivable balance.

The City has entered into certain lease agreements as the lessor of land, terminal space, cargo facilities, and other structures to concessionaires serving the Airport. The concession agreements provide for both fixed and variable payments and do not meet the criteria of regulated leases. About half of the City's leases and two-thirds of the City's leases receivable balance arise from Airport operations.

7 – LEASES, continued
a -- City as Lessor, continued

The present value of lease payments expected to be received during the lease term is recorded as a lease receivable and is deferred until received. Lease receivable activity for the year ended September 30, 2023, is as follows (in thousands):

| Leases Receivable | October 1, 2022 | Additions | Reductions | September 30, 2023 |
|---------------------------------------|--------------------|---------------|-----------------|-----------------------|
| Governmental activities | \$ 54,895 | -- | (4,118) | 50,777 |
| Business-type activities | | | | |
| Austin Water | 2,205 | -- | (204) | 2,001 |
| Airport | 136,953 | 37,042 | (29,463) | 144,532 |
| Nonmajor enterprise | 4,654 | 786 | (1,151) | 4,289 |
| Business-type activities total | <u>143,812</u> | <u>37,828</u> | <u>(30,818)</u> | <u>150,822</u> |
| Total leases receivable | <u>\$ 198,707</u> | <u>37,828</u> | <u>(34,936)</u> | <u>201,599</u> |

For the year ended September 30, 2023, lease inflows are as follows (in thousands):

| Description | Lease Revenue | Lease Interest Income | Total |
|---------------------------------------|------------------|--------------------------|---------------|
| Governmental activities | | | |
| General Fund | \$ 156 | 134 | 290 |
| Nonmajor governmental | 29 | 8 | 37 |
| Governmental activities total | <u>185</u> | <u>142</u> | <u>327</u> |
| Business-type activities | | | |
| Austin Water | 235 | 55 | 290 |
| Airport | 23,393 | 2,019 | 25,412 |
| Nonmajor enterprise | 496 | 76 | 572 |
| Business-type activities total | <u>24,124</u> | <u>2,150</u> | <u>26,274</u> |
| Total all activities | <u>\$ 24,309</u> | <u>2,292</u> | <u>26,601</u> |

The City also received variable lease revenues during the year that are not included in lease inflows or in the measurement of the lease receivable. Variable lease revenues for the year ended September 30, 2023, are as follows (in thousands):

| Description | Governmental Activities | Business-Type Activities | Total |
|--------------------------------|----------------------------|-----------------------------|---------------|
| Sales-based | \$ 215 | 19,588 | 19,803 |
| Utilities | 8 | -- | 8 |
| Total variable payments | <u>\$ 223</u> | <u>19,588</u> | <u>19,811</u> |

Principal and interest to maturity for the lease receivable as of September 30, 2023, are as follows (in thousands):

| Fiscal Year Ended September 30 | Governmental Activities | | Business-Type Activities | | Total |
|--------------------------------------|-------------------------|---------------|--------------------------|---------------|----------------|
| | Principal | Interest | Principal | Interest | |
| 2024 | \$ 528 | 981 | 24,055 | 2,413 | 27,977 |
| 2025 | 572 | 962 | 23,064 | 1,808 | 26,406 |
| 2026 | 584 | 951 | 23,554 | 1,512 | 26,601 |
| 2027 | 597 | 939 | 23,450 | 1,208 | 26,194 |
| 2028 | 613 | 927 | 11,532 | 961 | 14,033 |
| 2029 - 2033 | 3,306 | 4,442 | 29,730 | 2,724 | 40,202 |
| 2034 - 2038 | 3,553 | 4,093 | 8,533 | 1,026 | 17,205 |
| 2039 - 2043 | 3,808 | 3,712 | 3,807 | 443 | 11,770 |
| 2044 - 2048 | 3,737 | 3,338 | 1,614 | 194 | 8,883 |
| 2049 - 2053 | 4,161 | 2,968 | 400 | 121 | 7,650 |
| 2054 - 2058 | 4,633 | 2,556 | 439 | 82 | 7,710 |
| 2059 - 2063 | 5,158 | 2,097 | 482 | 39 | 7,776 |
| 2064 - 2068 | 5,741 | 1,587 | 162 | 3 | 7,493 |
| 2069 - 2073 | 5,823 | 1,040 | -- | -- | 6,863 |
| 2074 - 2078 | 5,492 | 499 | -- | -- | 5,991 |
| 2079 - 2083 | 2,353 | 58 | -- | -- | 2,411 |
| 2084 - 2088 | 31 | 10 | -- | -- | 41 |
| 2089 - 2093 | 34 | 7 | -- | -- | 41 |
| 2094 - 2098 | 37 | 4 | -- | -- | 41 |
| 2099 - 2101 | 16 | -- | -- | -- | 16 |
| Total | <u>\$ 50,777</u> | <u>31,171</u> | <u>150,822</u> | <u>12,534</u> | <u>245,304</u> |

7 – LEASES, continued
b -- City as Lessee

As lessee, the City leases buildings, equipment, land, infrastructure, vehicles, and computer equipment to support its operations. These leases have annual interest rates ranging from 0.213% to 6.95%. For the fiscal year ended September 30, 2023, the City's governmental and business-type activities reported interest expenses of \$1.6 million and \$840 thousand, respectively. The terms end between October 2023 and February 2103, with varying extension options. The majority of the leases are for buildings and computer equipment. The present value of lease payments expected to be made during the lease term is recorded as a lease liability and the associated asset is recognized as an intangible right-to-use lease asset. Information on lease assets by major class and related accumulated amortization information can be found in Note 5. Lease payable activity for the year ended September 30, 2023, is as follows (in thousands):

| Leases Payable | October 1, 2022 | Additions | Reductions | September 30, 2023 |
|---------------------------------------|--------------------|--------------|-----------------|-----------------------|
| Governmental activities | \$ 111,814 | 3,273 | (14,945) | 100,142 |
| Business-type activities | | | | |
| Austin Energy | 19,039 | 2,302 | (10,214) | 11,127 |
| Austin Water | 1,193 | -- | (212) | 981 |
| Airport | 54 | -- | (36) | 18 |
| Nonmajor enterprise | 34,129 | 1,711 | (3,400) | 32,440 |
| Business-type activities total | <u>54,415</u> | <u>4,013</u> | <u>(13,862)</u> | <u>44,566</u> |
| Total leases payable | <u>\$ 166,229</u> | <u>7,286</u> | <u>(28,807)</u> | <u>144,708</u> |

The City also made variable lease payments during the year that are not included in the measurement of the lease liability. Variable lease payments for the year ended September 30, 2023, were as follows (in thousands):

| Description | Governmental Activities | Business-Type Activities | Total |
|-------------------------|----------------------------|-----------------------------|--------------|
| Operating expenses | \$ 6,843 | 1,368 | 8,211 |
| Property taxes | 8 | -- | 8 |
| Rental credits | (3) | -- | (3) |
| Utilities | 206 | -- | 206 |
| Late fees | 8 | -- | 8 |
| Maintenance and repairs | 7 | -- | 7 |
| Other | 4 | -- | 4 |
| Total variable payments | <u>\$ 7,073</u> | <u>1,368</u> | <u>8,441</u> |

As of September 30, 2023, future annual lease commitments include the following (in thousands):

| Fiscal Year Ended September 30 | Governmental Activities | | Business-Type Activities | | Total |
|--------------------------------------|-------------------------|---------------|--------------------------|--------------|----------------|
| | Principal | Interest | Principal | Interest | |
| 2024 | \$ 12,727 | 1,549 | 7,575 | 840 | 22,691 |
| 2025 | 8,147 | 1,411 | 6,270 | 657 | 16,485 |
| 2026 | 4,366 | 1,303 | 4,085 | 555 | 10,309 |
| 2027 | 4,064 | 1,229 | 3,288 | 483 | 9,064 |
| 2028 | 3,938 | 1,165 | 2,784 | 430 | 8,317 |
| 2029 - 2033 | 18,827 | 4,903 | 10,745 | 1,382 | 35,857 |
| 2034 - 2038 | 17,220 | 3,454 | 7,375 | 538 | 28,587 |
| 2039 - 2043 | 7,538 | 2,252 | 2,444 | 38 | 12,272 |
| 2044 - 2048 | 838 | 2,063 | -- | -- | 2,901 |
| 2049 - 2053 | 1,048 | 1,976 | -- | -- | 3,024 |
| 2054 - 2058 | 1,292 | 1,868 | -- | -- | 3,160 |
| 2059 - 2063 | 1,573 | 1,737 | -- | -- | 3,310 |
| 2064 - 2068 | 1,896 | 1,579 | -- | -- | 3,475 |
| 2069 - 2073 | 2,268 | 1,391 | -- | -- | 3,659 |
| 2074 - 2078 | 2,694 | 1,167 | -- | -- | 3,861 |
| 2079 - 2083 | 2,122 | 931 | -- | -- | 3,053 |
| 2084 - 2088 | 1,835 | 778 | -- | -- | 2,613 |
| 2089 - 2093 | 2,283 | 602 | -- | -- | 2,885 |
| 2094 - 2098 | 2,800 | 384 | -- | -- | 3,184 |
| 2099 - 2103 | 2,666 | 119 | -- | -- | 2,785 |
| Total | <u>\$ 100,142</u> | <u>31,861</u> | <u>44,566</u> | <u>4,923</u> | <u>181,492</u> |

7 – LEASES, continued
c -- Regulated Leases

The City has various aeronautical leasing agreements which are not included in the measurement of lease receivables, or within deferred inflows of resources, as they meet the definition of a regulated lease. These airline agreements are generally aeronautical in nature and are subject to certain regulations set forth by the Federal Aviation Administration. The Airport's Airline Use and Lease Agreement governs airline use of the main terminal building on a preferential use basis. Separate leases with cargo terminal operators, general aviation operators, and hangar leases are maintained on an exclusive use basis. The current Airline Use and Lease Agreement is set to expire on September 30, 2024. In fiscal year 2023, Airport recognized user fees and rental revenue of \$119.1 million related to regulated leases. Future minimum payments through the September 30, 2024 expiration of the current Airline Use and Lease Agreement is expected to be \$139.1 million.

8 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

A SBITA is defined as a contractual agreement that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), for a minimum of one year in an exchange or exchange-like transaction.

The City has entered into various SBITAs for noncancellable software subscriptions to support its operations. These SBITAs have annual interest rates ranging from 2.31% to 3.53%. For the fiscal year ended September 30, 2023, the City's governmental and business-type activities reported interest expenses of \$1.7 million and \$609 thousand, respectively. The terms end between December 2023 and December 2029, with varying extension options. The majority of the subscription arrangements are contracted through cloud computing arrangements, such as software as a services and platform as a service. The present value of subscription payments expected to be made during the SBITA term is recorded as a SBITA liability and the associated assets is recognized as an intangible right-to-use SBITA asset. Information on SBITA assets by major class and related accumulated amortization information can be found in Note 5.

Variable payments, other than those that depend on an index or a rate or are fixed in substance, and other payments that are not known or certain to be exercised are excluded from the measurement of the subscription liabilities. Rather, these variable and other payments are recognized as outflows of resources in the period in which the obligation for those payments is incurred. The amount of outflows of resources recognized in the fiscal year ended September 30, 2023, for variable and other payments not previously included in the measurement of the subscription liability are \$6.3 million and \$1.6 million for governmental and business activities, respectively.

As of September 30, 2023, the City is contractually committed for SBITAs that have not yet commenced in the amounts of \$9.4 million and \$3.4 million in governmental and business-type activities, respectively.

IT subscriptions payable activity for the year ended September 30, 2023, is as follows (in thousands):

| IT subscriptions payable | October 1, 2022 | Additions | Reductions | September 30, 2023 |
|---------------------------------------|--------------------|---------------|-----------------|-----------------------|
| Governmental activities | \$ 59,263 | 26,246 | (24,510) | 60,999 |
| Business-type activities | | | | |
| Austin Energy | 12,512 | 11,104 | (2,788) | 20,828 |
| Austin Water | 350 | 297 | (179) | 468 |
| Airport | 1,067 | 454 | (425) | 1,096 |
| Nonmajor enterprise | 1,829 | 1,584 | (1,060) | 2,353 |
| Business-type activities total | <u>15,758</u> | <u>13,439</u> | <u>(4,452)</u> | <u>24,745</u> |
| Total IT subscriptions payable | <u>\$ 75,021</u> | <u>39,685</u> | <u>(28,962)</u> | <u>85,744</u> |

As of September 30, 2023, future annual SBITA commitments include the following (in thousands):

| Fiscal Year Ended September 30 | Governmental Activities | | Business-Type Activities | | Total |
|--------------------------------------|-------------------------|--------------|--------------------------|--------------|---------------|
| | Principal | Interest | Principal | Interest | |
| 2024 | \$ 23,653 | 1,633 | 9,691 | 770 | 35,747 |
| 2025 | 14,880 | 1,129 | 6,881 | 427 | 23,317 |
| 2026 | 10,547 | 671 | 4,040 | 217 | 15,475 |
| 2027 | 7,601 | 354 | 3,887 | 105 | 11,947 |
| 2028 | 3,160 | 132 | 246 | 5 | 3,543 |
| 2029 - 2030 | 1,158 | 39 | -- | -- | 1,197 |
| Total | <u>\$ 60,999</u> | <u>3,958</u> | <u>24,745</u> | <u>1,524</u> | <u>91,226</u> |

9 – DEBT AND NON-DEBT LIABILITIES
a -- Long-Term Liabilities

Payments on bonds for governmental activities will be made from the general obligation debt service funds. Accrued compensated absences that pertain to governmental activities will be liquidated by the General Fund, special revenue funds, and internal service funds. Claims payable will be liquidated by Austin Energy, Austin Water, Airport, and internal service funds. Other liabilities that pertain to governmental activities will be liquidated by the General Fund, special revenue funds, general governmental capital improvement projects funds, and internal service funds.

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all limitations and restrictions.

Internal service funds predominately serve the governmental funds. Accordingly, long-term liabilities for these funds are included in governmental activities.

The following is a summary of changes in long-term obligations. Certain long-term obligations provide financing to both governmental and business-type activities. Balances at September 30, 2023, were as follows (in thousands):

| Description | October 1, 2022 | Increases | Decreases | September 30, 2023 | Amounts Due Within One Year |
|--|--------------------|------------------|--------------------|-----------------------|--------------------------------|
| Governmental activities | | | | | |
| General obligation bonds, net | \$ 1,145,175 | 232,292 | (175,949) | 1,201,518 | 95,741 |
| Certificates of obligation, net | 339,309 | 8,131 | (19,701) | 327,739 | 15,226 |
| Contractual obligations, net | 110,618 | 10,110 | (21,663) | 99,065 | 17,870 |
| General obligation bonds and other tax supported debt total | 1,595,102 | 250,533 | (217,313) | 1,628,322 | 128,837 |
| Financed purchase obligations | 15,823 | -- | (5,417) | 10,406 | 3,384 |
| Net debt | 1,610,925 | 250,533 | (222,730) | 1,638,728 | 132,221 |
| Other long-term obligations | | | | | |
| Accrued compensated absences | 141,166 | 22,088 | (1,855) | 161,399 | 81,050 |
| Claims payable | 72,698 | 211,475 | (208,179) | 75,994 | 41,440 |
| Net pension liability | 1,204,363 | 1,670,179 | (551,128) | 2,323,414 | -- |
| Other postemployment benefits | 2,485,159 | 435,651 | (977,086) | 1,943,724 | 40,569 |
| Asset retirement obligations | 518 | -- | -- | 518 | -- |
| Other liabilities | 417,077 | 52,363 | (73,357) | 396,083 | 258,011 |
| Governmental activities total | 5,931,906 | 2,642,289 | (2,034,335) | 6,539,860 | 553,291 |
| Total business-type activities | | | | | |
| General obligation bonds, net | 18,058 | -- | (3,117) | 14,941 | 2,753 |
| Certificates of obligation, net | 25,590 | 8,500 | (2,010) | 32,080 | 1,766 |
| Contractual obligations, net | 12,531 | -- | (3,452) | 9,079 | 2,809 |
| Other tax supported debt, net | 3,675 | -- | (884) | 2,791 | 920 |
| General obligation bonds and other tax supported debt total | 59,854 | 8,500 | (9,463) | 58,891 | 8,248 |
| Commercial paper notes, net | 260,500 | 195,400 | (279,600) | 176,300 | -- |
| Revenue bonds, net | 5,708,672 | 950,197 | (924,835) | 5,734,034 | 182,249 |
| Revenue notes from direct placements, net | 256,281 | 50,930 | (15,930) | 291,281 | 17,635 |
| Net debt | 6,285,307 | 1,205,027 | (1,229,828) | 6,260,506 | 208,132 |
| Other long-term obligations | | | | | |
| Accrued compensated absences | 39,965 | 6,055 | (3,113) | 42,907 | 39,500 |
| Claims payable | 3,618 | 2,221 | (3,112) | 2,727 | 2,187 |
| Net pension liability | 818,825 | 1,162,648 | (345,297) | 1,636,176 | -- |
| Other postemployment benefits | 1,768,796 | 377,292 | (735,094) | 1,410,994 | 29,449 |
| Accrued landfill closure and postclosure costs | 19,429 | 659 | (1,579) | 18,509 | 874 |
| Asset retirement obligations | 473,612 | 11,645 | (46,558) | 438,699 | -- |
| Other liabilities | 242,904 | 19,482 | (26,000) | 236,386 | 169,804 |
| Business-type activities total | 9,652,456 | 2,785,029 | (2,390,581) | 10,046,904 | 449,946 |
| Total liabilities (1) | 15,584,362 | 5,427,318 | (4,424,916) | 16,586,764 | 1,003,237 |

(1) This schedule excludes select short-term liabilities of \$149,448 for governmental activities. For business-type activities, it excludes select short-term liabilities of \$387,784, and derivative instruments of \$301.

9 – DEBT AND NON-DEBT LIABILITIES, continued
a -- Long-Term Liabilities, continued

| Description | October 1, 2022 | Increases | Decreases | September 30, 2023 | Amounts Due Within One Year |
|--|---------------------|------------------|------------------|-----------------------|--------------------------------|
| Business-type activities: | | | | | |
| Electric activities | | | | | |
| Commercial paper notes, net | \$ 170,500 | 96,000 | (189,600) | 76,900 | -- |
| Revenue bonds, net | 1,957,750 | 474,474 | (322,262) | 2,109,962 | 88,717 |
| Net debt | 2,128,250 | 570,474 | (511,862) | 2,186,862 | 88,717 |
| Other long-term obligations | | | | | |
| Accrued compensated absences | 14,708 | 807 | -- | 15,515 | 15,515 |
| Claims payable | 1,318 | 2,000 | (1,056) | 2,262 | 2,102 |
| Net pension liability | 299,688 | 409,260 | (123,785) | 585,163 | -- |
| Other postemployment benefits | 523,237 | 85,904 | (211,272) | 397,869 | 8,304 |
| Asset retirement obligations | 472,330 | 11,595 | (46,558) | 437,367 | -- |
| Other liabilities | 168,843 | 12,972 | (23,528) | 158,287 | 129,757 |
| Electric activities total | 3,608,374 | 1,093,012 | (918,061) | 3,783,325 | 244,395 |
| Water and Wastewater activities | | | | | |
| General obligation bonds, net | 1,222 | -- | (251) | 971 | 252 |
| Certificates of obligation bonds, net | 312 | -- | (30) | 282 | 31 |
| Contractual obligations, net | 176 | -- | (176) | -- | -- |
| Other tax supported debt, net | 2,353 | -- | (566) | 1,787 | 589 |
| General obligation bonds and other tax supported debt total | 4,063 | -- | (1,023) | 3,040 | 872 |
| Commercial paper notes, net | 90,000 | 99,400 | (90,000) | 99,400 | -- |
| Revenue bonds, net | 2,206,450 | 475,723 | (555,513) | 2,126,660 | 57,252 |
| Revenue notes from direct placements, net | 202,881 | 50,930 | (9,105) | 244,706 | 10,670 |
| Net debt | 2,503,394 | 626,053 | (655,641) | 2,473,806 | 68,794 |
| Other long-term obligations | | | | | |
| Accrued compensated absences | 7,384 | 725 | -- | 8,109 | 8,097 |
| Claims payable | 400 | 221 | (156) | 465 | 85 |
| Net pension liability | 159,306 | 227,948 | (65,283) | 321,971 | -- |
| Other postemployment benefits | 357,758 | 69,947 | (142,553) | 285,152 | 5,952 |
| Asset retirement obligations | 1,282 | 50 | -- | 1,332 | -- |
| Other liabilities | 17,840 | 3,446 | (1,512) | 19,774 | 18,105 |
| Water and Wastewater activities total | 3,047,364 | 928,390 | (865,145) | 3,110,609 | 101,033 |
| Airport activities | | | | | |
| Revenue bonds, net | 1,474,140 | -- | (39,306) | 1,434,834 | 28,320 |
| Revenue notes from direct placements, net | 34,740 | -- | (4,630) | 30,110 | 4,730 |
| Net debt | 1,508,880 | -- | (43,936) | 1,464,944 | 33,050 |
| Other long-term obligations | | | | | |
| Accrued compensated absences | 3,112 | 372 | -- | 3,484 | 3,280 |
| Claims payable | 1,900 | -- | (1,900) | -- | -- |
| Net pension liability | 56,329 | 76,855 | (23,813) | 109,371 | -- |
| Other postemployment benefits | 151,441 | 70,751 | (78,610) | 143,582 | 2,997 |
| Other liabilities | 7,323 | 1,558 | 160 | 9,041 | 7,742 |
| Airport activities total | 1,728,985 | 149,536 | (148,099) | 1,730,422 | 47,069 |
| Nonmajor enterprise activities | | | | | |
| General obligation bonds, net | 16,836 | -- | (2,866) | 13,970 | 2,501 |
| Certificates of obligation, net | 25,278 | 8,500 | (1,980) | 31,798 | 1,735 |
| Contractual obligations | 12,355 | -- | (3,276) | 9,079 | 2,809 |
| Other tax supported debt, net | 1,322 | -- | (318) | 1,004 | 331 |
| General obligation bonds and other tax supported debt total | 55,791 | 8,500 | (8,440) | 55,851 | 7,376 |
| Revenue bonds, net | 70,332 | -- | (7,754) | 62,578 | 7,960 |
| Revenue notes from direct placements, net | 18,660 | -- | (2,195) | 16,465 | 2,235 |
| Net debt | 144,783 | 8,500 | (18,389) | 134,894 | 17,571 |
| Other long-term obligations | | | | | |
| Accrued compensated absences | 14,761 | 4,151 | (3,113) | 15,799 | 12,608 |
| Net pension liability | 303,502 | 448,585 | (132,416) | 619,671 | -- |
| Other postemployment benefits | 736,360 | 150,690 | (302,659) | 584,391 | 12,196 |
| Accrued landfill closure and postclosure costs | 19,429 | 659 | (1,579) | 18,509 | 874 |
| Other liabilities | 48,898 | 1,506 | (1,120) | 49,284 | 14,200 |
| Nonmajor enterprise activities total | \$ 1,267,733 | 614,091 | (459,276) | 1,422,548 | 57,449 |

9 – DEBT AND NON-DEBT LIABILITIES, continued
b -- Governmental Activities Long-Term Liabilities

General Obligation Bonds -- General obligation debt is collateralized by the full faith and credit of the City. The City intends to retire its general obligation debt, plus interest, from future ad valorem tax levies and is required by ordinance to create from such tax revenues a sinking fund sufficient to pay the current interest due thereon and each installment of principal as it becomes due. General obligation debt issued to finance capital assets of enterprise funds is reported as an obligation of these enterprise funds, although the funds are not obligated by the applicable bond indentures to repay any portion of principal and interest on outstanding general obligation debt. However, the City intends for the enterprise funds to meet the debt service requirements from program revenues.

The following table summarizes significant facts about general obligation bonds, certificates of obligation, contractual obligations, and assumed municipal utility district (MUD) bonds outstanding at September 30, 2023, including those reported in certain proprietary funds (in thousands):

| Series | Fiscal Year | Original Amount Issue | Principal Outstanding | Aggregate Interest Requirements Outstanding | Interest Rates of Debt Outstanding | Maturity Dates of Serial Debt |
|---|-------------|-----------------------|-----------------------|---|------------------------------------|-------------------------------|
| NW Austin MUD - 2006 | 2006 | \$ 7,995 | 2,790 | 237 (1)(3) | 4.25% | 9/1/2024-2026 |
| Mueller Contractual Obligation - 2006 | 2006 | 12,000 | 2,735 | 249 (1)(4) | 4.00 - 5.00% | 9/1/2024-2026 |
| Public Improvement - 2009B | 2009 | 78,460 | 40,320 | 7,232 (1) | 4.75 - 5.31% | 9/1/2024-2029 |
| Mueller Contractual Obligation - 2009 | 2010 | 15,000 | 5,905 | 903 (1)(4) | 4.00 - 4.25% | 9/1/2024-2029 |
| Public Improvement - 2012A | 2013 | 74,280 | 30,975 | 5,035 (1) | 3.00 - 5.00% | 9/1/2024-2032 |
| Public Improvement - 2012B | 2013 | 6,640 | 3,285 | 593 (1) | 2.70 - 3.50% | 9/1/2024-2032 |
| Certificates of Obligation - 2012 | 2013 | 24,645 | 14,015 | 2,591 (1) | 3.00 - 4.00% | 9/1/2024-2037 |
| Mueller Contractual Obligation - 2012 | 2013 | 16,735 | 10,465 | 2,101 (1)(4) | 3.00 - 3.38% | 9/1/2024-2032 |
| Public Improvement - 2013 | 2014 | 104,665 | 62,375 | 19,029 (1) | 4.00 - 5.00% | 9/1/2024-2033 |
| Certificates of Obligation - 2013 | 2014 | 25,355 | 18,430 | 6,824 (1) | 3.25 - 4.50% | 9/1/2024-2038 |
| Public Improvement Refunding - 2013A | 2014 | 43,250 | 6,945 | 347 (1) | 5.00% | 9/1/2024 |
| Public Improvement - 2014 | 2015 | 89,915 | 83,070 | 31,687 (1) | 3.00 - 5.00% | 9/1/2024-2034 |
| Public Improvement - 2014 | 2015 | 10,000 | 8,775 | 2,601 (1) | 3.10 - 4.02% | 9/1/2024-2034 |
| Certificates of Obligation - 2014 | 2015 | 35,490 | 23,540 | 7,730 (1) | 4.00 - 5.00% | 9/1/2024-2034 |
| Certificates of Obligation - 2014 | 2015 | 9,600 | 6,150 | 1,525 (1) | 3.10 - 3.92% | 9/1/2024-2034 |
| Mueller Contractual Obligation - 2014 | 2015 | 15,845 | 11,085 | 2,082 (1)(4) | 3.00 - 5.00% | 9/1/2024-2029 |
| Public Improvement and Refunding - 2015 | 2016 | 236,905 | 149,180 | 27,823 (1) | 2.95 - 5.00% | 9/1/2024-2035 |
| Public Improvement - 2015 | 2016 | 10,000 | 7,050 | 1,960 (1) | 3.04 - 4.27% | 9/1/2024-2035 |
| Certificates of Obligation - 2015 | 2016 | 43,710 | 30,760 | 10,796 (1) | 3.25 - 5.00% | 9/1/2024-2035 |
| Public Improvement and Refunding - 2016 | 2017 | 98,365 | 61,105 | 15,022 (1) | 3.00 - 5.00% | 9/1/2024-2036 |
| Certificates of Obligation - 2016 | 2017 | 44,015 | 32,960 | 12,036 (1) | 3.00 - 5.00% | 9/1/2024-2036 |
| Contractual Obligation - 2016 | 2017 | 22,555 | 1,540 | 31 (2) | 4.00% | 11/1/2023 |
| Public Improvement - 2016 | 2017 | 12,000 | 8,505 | 1,850 (1) | 2.10 - 3.16% | 9/1/2024-2036 |
| Certificates of Obligation - 2016 | 2017 | 8,700 | 6,165 | 1,339 (1) | 2.10 - 3.16% | 9/1/2024-2036 |
| Public Improvement - 2017 | 2018 | 63,580 | 39,195 | 14,596 (1) | 5.00% | 9/1/2024-2037 |
| Certificates of Obligation - 2017 | 2018 | 29,635 | 23,315 | 9,618 (1) | 5.00% | 9/1/2024-2037 |
| Contractual Obligation - 2017 | 2018 | 5,075 | 1,170 | 51 (2) | 3.00 - 5.00% | 11/1/2023-2024 |
| Public Improvement - 2017 | 2018 | 25,000 | 20,370 | 5,406 (1) | 2.50 - 3.48% | 9/1/2024-2037 |
| Public Improvement - 2018 | 2019 | 65,595 | 20,455 | 5,022 (1) | 3.00 - 5.00% | 9/1/2024-2038 |
| Certificates of Obligation - 2018 | 2019 | 7,140 | 5,885 | 1,818 (1) | 3.00 - 5.00% | 9/1/2024-2038 |
| Contractual Obligation - 2018 | 2019 | 21,215 | 8,465 | 574 (2) | 4.00 - 5.00% | 11/1/2023-2025 |
| Public Improvement - 2018 | 2019 | 6,980 | 5,750 | 1,881 (1) | 3.38 - 5.00% | 9/1/2024-2038 |
| Public Improvement and Refunding - 2019 | 2020 | 146,090 | 75,920 | 30,650 (1) | 4.00 - 5.00% | 9/1/2024-2039 |
| Certificates of Obligation - 2019 | 2020 | 5,055 | 4,375 | 2,046 (1) | 4.00 - 5.00% | 9/1/2024-2039 |
| Contractual Obligation - 2019 | 2020 | 25,780 | 14,095 | 1,442 (2) | 5.00% | 11/1/2023-2026 |
| Public Improvement - 2019 | 2020 | 40,535 | 34,055 | 8,463 (1) | 1.97 - 5.00% | 9/1/2024-2039 |
| Certificates of Obligation - 2019 | 2020 | 14,935 | 12,545 | 3,118 (1) | 1.97 - 5.00% | 9/1/2024-2039 |
| Public Improvement and Refunding - 2020 | 2021 | 86,440 | 64,210 | 19,183 (1) | 5.00% | 9/1/2024-2040 |
| Certificates of Obligation - 2020 | 2021 | 109,080 | 74,655 | 41,954 (1) | 5.00% | 9/1/2024-2040 |
| Contractual Obligation - 2020 | 2021 | 23,205 | 15,375 | 1,962 (2) | 5.00% | 11/1/2023-2027 |
| Public Improvement and Refunding - 2020 | 2021 | 49,410 | 35,490 | 5,466 (1) | 0.89 - 4.00% | 9/1/2024-2040 |
| Public Improvement and Refunding - 2021 | 2022 | 153,685 | 116,410 | 42,789 (1) | 4.00 - 5.00% | 9/1/2024-2041 |
| Certificates of Obligation - 2021 | 2022 | 35,670 | 33,280 | 14,731 (1) | 4.00 - 5.00% | 9/1/2024-2041 |
| Contractual Obligation - 2021 | 2022 | 27,110 | 21,840 | 3,660 (2) | 5.00% | 11/1/2023-2028 |
| Public Improvement and Refunding - 2021 | 2022 | 81,880 | 66,655 | 15,086 (1) | 1.65 - 3.00% | 9/1/2024-2041 |
| Certificates of Obligation - 2021 | 2022 | 20,300 | 18,645 | 3,765 (1) | 1.00 - 4.00% | 9/1/2024-2041 |
| Public Improvement and Refunding - 2022 | 2023 | 156,275 | 131,535 | 64,169 (1) | 5.00% | 9/1/2024-2042 |
| Contractual Obligation - 2022 | 2023 | 9,300 | 8,625 | 1,587 (2) | 5.00% | 11/1/2023-2029 |
| Public Improvement - 2022 | 2023 | 59,555 | 50,105 | 27,212 (1) | 4.44 - 5.00% | 9/1/2024-2042 |
| Certificates of Obligation - 2022 | 2023 | 16,380 | 15,835 | 8,577 (1) | 4.49 - 5.00% | 9/1/2024-2042 |
| | | | <u>\$ 1,546,380</u> | | | |

(1) Interest is paid semiannually on March 1 and September 1.

(2) Interest is paid semiannually on May 1 and November 1.

(3) Includes Austin Water principal of \$1,786 and interest of \$152 and Drainage fund principal of \$1,004 and interest of \$85.

(4) Included with contractual obligations are Mueller Local Government Corporation contract revenue bonds.

9 – DEBT AND NON-DEBT LIABILITIES, continued

b -- Governmental Activities Long-Term Liabilities, continued

In October 2022, the City issued \$156,275,000 of Public Improvement and Refunding Bonds, Series 2022. The net proceeds of \$140,000,000 (after issue costs, discounts, and premiums) from this issuance will be used as follows: streets and mobility (\$119,000,000), water quality protection (\$3,000,000), park improvements (\$15,000,000), and cultural arts facility improvements (\$3,000,000). The net proceeds of the refunding portion of \$31,000,181 were used to refund \$30,795,000 Public Improvement Bonds, Series 2012A. Principal payments are due on September 1 of each year from 2023 to 2042. Interest is payable on March 1 and September 1 of each year, commencing March 1, 2023. Total interest requirements for these bonds, at a rate of 5.0%, are \$71,071,146. An accounting gain of \$1,343,339, which will be deferred and amortized, was recorded on this refunding.

In October 2022, the City issued \$9,300,000 of Public Property Finance Contractual Obligations, Series 2022. The net proceeds of \$10,050,000 (after issue costs, discounts, and premiums) from this issuance will be used for capital equipment. Principal payments are due on May 1 and November 1 of each year from 2023 to 2029. Interest is payable on May 1 and November 1 of each year, commencing May 1, 2023. Total interest requirements for these obligations, at a rate of 5.0%, are \$1,842,750.

In October 2022, the City issued \$59,555,000 of Public Improvement Bonds, Taxable Series 2022. The new money net proceeds of \$60,000,000 (after issue costs, discounts, and premiums) from this issuance will be used for affordable housing. Interest is payable March 1 and September 1 of each year from 2023 to 2042, commencing on March 1, 2023. Principal payments are due September 1 of each year from 2023 to 2042. Total interest requirements for this obligation, at rates ranging from 4.44% to 5.00%, are \$29,759,836.

In October 2022, the City issued \$16,380,000 of Certificates of Obligation, Taxable Series 2022. The new money net proceeds of \$16,500,000 (after issue costs, discounts, and premiums) from this issuance will be used for Waller Creek District and erosion control (\$9,600,000), and engineering services and acquisition of a hotel property for a family violence shelter (\$6,900,000). Interest is payable March 1 and September 1 of each year from 2023 to 2042, commencing on March 1, 2023. Principal payments are due September 1 of each year from 2023 to 2042. Total interest requirements for this obligation, at rates ranging from 4.49% to 5.00%, are \$9,274,937.

General obligation bonds authorized and unissued amounted to \$1,819,845 at September 30, 2023. Bond ratings at September 30, 2023, were AAA (S&P Global Ratings), and AA+ (Fitch Ratings, Inc.). The City has elected to forego ratings by Moody's for GO issuances after 2022 due to a change in their methodology, but will continue to use Fitch and S&P Global Ratings.

c -- Business-Type Activities Long-Term Liabilities

Utility Debt -- The City has previously issued combined debt for Austin Energy and Austin Water. The City began issuing separate debt for electric and water and wastewater activities in 2000. The following paragraphs describe both combined and separate debt.

Combined Utility Systems Debt -- General - Austin Energy and Austin Water comprise the combined utility systems, which issue combined utility systems revenue bonds to finance capital projects. Principal and interest on these bonds are payable solely from the combined net revenues of Austin Energy and Austin Water. Revenue bonds authorized and unissued amount to \$1,492,642,660. Bond ratings at September 30, 2023, were Aa2 (Moody's Investors Service, Inc.), AA (S&P Global Ratings), and AA- (Fitch Ratings, Inc.).

Combined Utility Systems Debt -- Revenue Bond Refunding Issues - The combined utility systems have refunded various issues of revenue bonds, notes, and certificates of obligation through refunding revenue bonds. Principal and interest on these refunding bonds are payable solely from the combined net revenues of Austin Energy and Austin Water. The subordinate lien bonds are subordinate to prior lien revenue bonds, which have been paid in full, and to subordinate lien revenue bonds outstanding at the time of issuance. Some of these bonds are callable prior to maturity at the option of the City. The term bonds are subject to a mandatory redemption prior to the maturity dates as defined in the respective official statements.

The net proceeds of each of the refunding bond issuances were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service. As a result, the refunded bonds are considered to be legally defeased and the liability for the refunded bonds has been removed from the financial statements. The accounting gains and losses due to the advance refunding of debt have been deferred and are being

9 – DEBT AND NON-DEBT LIABILITIES, continued
c -- Business-Type Activities Long-Term Liabilities, continued

amortized over the life of the refunding bonds by the straight-line method. However, a gain or loss on refunded bonds is recognized when funds from current operations are used.

Combined Utility Systems Debt -- Bonds Issued and Outstanding - The following table shows the refunding revenue bonds outstanding at September 30, 2023 (in thousands):

| <u>Series</u> | <u>Fiscal Year</u> | <u>Original Amount Issued</u> | <u>Principal Outstanding</u> | <u>Aggregate Interest Requirements Outstanding</u> | <u>Interest Rates of Debt Outstanding</u> | <u>Maturity Dates of Serial Debt</u> |
|----------------|--------------------|-------------------------------|------------------------------|--|---|--------------------------------------|
| 1998 Refunding | 1999 | \$ 139,965 | \$ 32,980 | 2,521 (1) | 5.25% | 5/15/2024-2025 |

(1) Interest is paid semiannually on May 15 and November 15.

Combined Utility Systems Debt -- Tax Exempt Commercial Paper Notes - The City is authorized by ordinance to issue commercial paper notes in an aggregate principal amount not to exceed \$400,000,000 outstanding at any one time. Proceeds from the notes are used to provide interim financing for capital project costs for additions, improvements, and extensions to the City's electric system and the City's water and wastewater system and to refinance, renew, or refund maturing notes and other obligations of the systems. Note ratings at September 30, 2023, were P-1 (Moody's Investors Service, Inc.), A-1+ (S&P Global Ratings), and F1+ (Fitch Ratings, Inc.). The notes are in denominations of \$100,000 or more and mature not more than 270 days from the date of issuance. Principal and interest on the notes are payable from the combined net revenues of Austin Energy and Austin Water.

At September 30, 2023, Austin Energy had tax exempt commercial paper notes of \$54,400,000 outstanding and Austin Water had \$99,400,000 of commercial paper notes outstanding with interest ranging from 3.42% to 4.20%, which are adjusted daily. Subsequent issues cannot exceed the maximum rate of 12%. The City intends to refinance maturing commercial paper notes by issuing additional commercial paper notes or by issuing long-term debt. The associated letter of credit agreements have the following terms (in thousands):

Commercial Paper Tax-Exempt Variable Rate Demand Notes

| <u>Note Series</u> | <u>Liquidity Provider</u> | <u>Commitment Fee Rate</u> | <u>Remarketing</u> | <u>Remarketing Fee Rate</u> | <u>Outstanding</u> | <u>Expiration</u> |
|--------------------|---------------------------|----------------------------|--------------------|-----------------------------|--------------------|-------------------|
| Various | J.P. Morgan Chase Bank NA | 0.33% | Goldman Sachs | 0.05% | \$ 153,800 | 9/30/2024 (1) |

(1) Outstanding commercial paper notes scheduled to mature during the ensuing fiscal year will be refinanced by issuing additional commercial paper notes or by issuing long-term debt and will not require the use of working capital during that period, therefore these liabilities are classified as long-term obligations

These notes are payable at maturity to the holder at a price equal to principal plus accrued interest. If the remarketing agent is unable to successfully remarket the notes, the notes will be purchased by the respective liquidity providers and become bank notes with principal to be paid in 12 equal, quarterly installments. Bank notes bear an interest rate based on the bank rate which is the lesser of the base rate plus any applicable excess interest or the maximum rate. In the event of a default, at the discretion of the bank and with written notice to the City, the outstanding amount of both principal and interest may become immediately due and payable.

Combined Utility Systems Debt – Taxable Commercial Paper Notes - The City is authorized by ordinance to issue taxable commercial paper notes (the "taxable notes") in an aggregate principal amount not to exceed \$100,000,000 outstanding at any time. Proceeds from the taxable notes are used to provide interim financing for capital project costs for additions, improvements, and extensions to the City's electric system and the City's water and wastewater system and to refinance, renew, or refund maturing notes and other obligations of the systems. Note ratings at September 30, 2023, were P-1 (Moody's Investors Service, Inc.), A-1+ (S&P Global Ratings), and F1 (Fitch Ratings, Inc.).

The taxable notes are issued in denominations of \$100,000 or more and mature not more than 270 days from the date of issuance. Principal and interest on the taxable notes are payable from the combined net revenues of Austin Energy and Austin Water.

9 – DEBT AND NON-DEBT LIABILITIES, continued
c -- Business-Type Activities Long-Term Liabilities, continued

At September 30, 2023, Austin Energy had outstanding taxable commercial paper notes of \$22,500,000 with interest rates ranging from 5.37% to 5.41%. The City intends to refinance maturing commercial paper notes by issuing long-term debt. The associated letter of credit agreement has the following terms (in thousands):

| <u>Note Series</u> | <u>Liquidity Provider</u> | <u>Commitment Fee Rate</u> | <u>Remarketing</u> | <u>Remarketing Fee Rate</u> | <u>Outstanding</u> | <u>Expiration</u> |
|--------------------|---------------------------|----------------------------|--------------------|-----------------------------|--------------------|-------------------|
| Various | Barclays Bank PLC | 0.35% | Goldman Sachs | 0.05% | \$ 22,500 | 9/30/2024 (1) |

(1) Outstanding taxable commercial paper notes scheduled to mature during the ensuing fiscal year will be refinanced by issuing long-term debt and will not require the use of working capital during that period, therefore these liabilities are classified as long-term obligations.

These taxable notes are payable at maturity to the holder at a price equal to the par value of the note. If the remarketing agent is unable to successfully remarket the notes, the notes will be purchased by the respective liquidity provider and become bank notes with principal due immediately. Bank notes bear an interest rate based on the bank rate which is the lesser of the base rate plus any applicable excess note interest or the maximum rate. In the event of a default, at the discretion of the bank and with written notice to the City, the outstanding amount of both principal and interest may become immediately due and payable.

The taxable notes are secured by a direct-pay Letter of Credit issued by Barclays Bank PLC, which permits draws for the payment of the Notes. Draws made under the Letter of Credit are immediately due and payable by the City from the resources more fully described in the ordinance. A 24-month term loan feature is provided by this agreement.

Electric Utility System Revenue Debt -- General - The City is authorized by ordinance to issue electric utility system revenue obligations. Proceeds from these obligations are used only to fund electric capital projects or to refund debt issued to fund these capital projects. Principal and interest on these obligations are payable solely from the net revenues of Austin Energy. Bond ratings at September 30, 2023, were Aa3 (Moody’s Investors Service, Inc.), AA- (S&P Global Ratings), and AA- (Fitch Ratings, Inc.).

Electric Utility System Revenue Debt – Revenue Bond Refunding Issues – In May 2023, the City issued \$417,615,000 of Electric Utility System Revenue Refunding and Improvement Bonds, Series 2023. The net proceeds of \$472,097,137 (after issue costs, premium and discounts) from the issuance were used to refund \$189,600,000 in tax-exempt commercial paper, \$212,340,000 in Electric Utility System Revenue Refunding Bonds, Series 2012A, and \$70,000,000 will be used to finance the acquisition of a new Austin Energy field service center and warehouse facility. Principal payments are due November 15 of each year from 2024 to 2053. Interest payments are due May 15 and November 15 of each year from 2023 to 2053. Total interest requirements for the bonds, at rates ranging from 5.00% to 5.25%, are \$345,422,218. An economic gain of \$22,781,759 was recognized on this transaction. The change in net cash flows that resulted from the refunding was a decrease of \$25,671,301. An accounting gain of \$14,704,618, which will be deferred and amortized, was recorded on this refunding.

Electric Utility System Revenue Debt -- Bonds Issued and Outstanding - The following table summarizes all electric system refunding revenue bonds outstanding at September 30, 2023 (in thousands):

| <u>Series</u> | <u>Fiscal Year</u> | <u>Original Amount Issued</u> | <u>Principal Outstanding</u> | <u>Aggregate Interest Requirements Outstanding</u> | <u>Interest Rates of Debt Outstanding</u> | <u>Maturity Dates of Serial Debt</u> |
|-----------------|--------------------|-------------------------------|------------------------------|--|---|--------------------------------------|
| 2008 Refunding | 2008 | \$ 50,000 | 29,370 | 10,141 (1) | 6.26% | 11/15/2023-2032 |
| 2010B Refunding | 2010 | 100,990 | 87,805 | 49,734 (1) | 5.09 - 5.72% | 11/15/2023-2040 |
| 2012A Refunding | 2013 | 267,770 | 17,200 | 3,117 (1) | 2.50 - 5.00% | 11/15/2023-2040 |
| 2012B Refunding | 2013 | 107,715 | 63,775 | 6,255 (1) | 2.61 - 3.16% | 11/15/2023-2027 |
| 2015A Refunding | 2015 | 327,845 | 285,885 | 187,319 (1) | 5.00% | 11/15/2023-2045 |
| 2015B Refunding | 2015 | 81,045 | 30,770 | 14,820 (1) | 3.26 - 4.66% | 11/15/2023-2037 |
| 2017 Refunding | 2017 | 101,570 | 96,340 | 50,733 (1) | 4.00 - 5.00% | 11/15/2023-2038 |
| 2019A Refunding | 2019 | 464,540 | 337,490 | 46,597 (1) | 2.52 - 3.09% | 11/15/2023-2031 |
| 2019B Refunding | 2019 | 169,850 | 169,100 | 147,568 (1) | 5.00% | 11/15/2023-2049 |
| 2019C Refunding | 2019 | 104,775 | 102,025 | 56,066 (1) | 2.12 - 3.57% | 11/15/2023-2049 |
| 2020A Refunding | 2021 | 227,495 | 227,495 | 172,093 (1) | 5.00% | 11/15/2023-2050 |
| 2020B Refunding | 2021 | 49,870 | 49,870 | 23,938 (1) | 0.73 - 2.93% | 11/15/2024-2050 |
| 2023 Refunding | 2023 | 417,615 | 417,615 | 345,422 (1) | 5.00 - 5.25% | 11/15/2024-2053 |
| | | | \$ 1,914,740 | | | |

(1) Interest is paid semiannually on May 15 and November 15.

9 – DEBT AND NON-DEBT LIABILITIES, continued
c -- Business-Type Activities Long-Term Liabilities, continued

Electric Utility System Revenue Debt -- Pledged Revenues - The net revenue of Austin Energy was pledged to service the outstanding principal and interest payments for revenue debt outstanding. The table below represents the pledged amounts at September 30, 2023 (in thousands):

| | Gross Revenue (1) | Operating Expense (2) (3) | Net Revenue | Debt Service Requirement | Revenue Bond Coverage |
|----|------------------------------|--------------------------------------|--------------------|-------------------------------------|----------------------------------|
| \$ | 1,819,476 | 1,446,114 | 373,362 | 156,722 | 2.38 |

- (1) Gross revenue includes revenues from operations and interest income.
- (2) Excludes depreciation, amortization of excess consideration, other postemployment benefits and net pension liability accruals.
- (3) Includes lease and IT subscriptions expenses

Austin Energy obtained a credit facility with Wells Fargo Bank, NA for a Note Purchase Agreement and associated Letter of Credit for a maximum amount of \$100 million. The agreement has an initial expiration of September 28, 2024 with a one-year automatic extension option. Austin Energy is providing financial security in the form of an irrevocable letter of credit delivered to Electric Reliability Council of Texas, Inc (ERCOT) as the beneficiary in compliance with ERCOT Nodal Protocols. Draws made under the Note Purchase agreement are payable by the City from the resources more fully described in the ordinance.

Water and Wastewater System Revenue Debt -- General - The City is authorized by ordinance to issue Austin Water revenue obligations. Proceeds from these obligations are used only to fund water and wastewater capital projects or to refund debt issued to fund these capital projects. Principal and interest on these obligations are payable solely from the net revenues of Austin Water. Bond ratings at September 30, 2023, were Aa2 (Moody's Investors Service, Inc.), AA (S&P Global Ratings), and AA- (Fitch Ratings, Inc.).

Water and Wastewater System Revenue Debt -- Revenue Bond Refunding Issue - In October 2022, the City issued \$295,840,000 of Water and Wastewater System Revenue Refunding Bonds, Series 2022. The net proceeds of \$334,858,726 (after issue costs, premium and discounts) from the issuance were used to refund \$90,000,000 in tax-exempt commercial paper, \$146,895,000 in separate lien revenue bonds, Series 2012, and \$93,500,000 in variable rate bonds, Series 2008. The first principal payment was paid on May 15, 2023, with all subsequent principal payments due November 15 of each year from 2023 to 2052. Interest is payable May 15 and November 15 of each year from 2023 to 2052. There was a swap termination fee of \$3,165,000 associated with the refunding of the 2008 variable rate bonds. Total interest requirements for this obligation, at a rate of 5.0%, are \$185,905,350. An economic gain of \$27,182,247 was recognized on this transaction. The change in net cash flows that resulted from the refunding was a decrease of \$37,846,353. An accounting loss of \$77,970, which will be deferred and amortized, was recorded on this refunding.

The same issuance includes \$143,770,000 in forward delivery bonds, Series 2023, dated February 15, 2023, which will be used to refund \$152,590,000 in separate lien revenue bonds, Series 2013A. Principal payments are due on November 15 of each year from 2028 to 2043. Interest is payable May 15 and November 15 of each year from 2023 to 2043. Total interest requirements for this obligation, at a rate of 5.0%, are \$93,656,875. An economic gain of \$9,753,870 was recognized on this transaction. The change in net cash flows that resulted from the refunding was a decrease of \$15,056,250. An accounting gain of \$1,631,161 which will be deferred and amortized, was recorded on this refunding.

Water and Wastewater System Revenue Debt -- Revenue Bond Issues - In November 2022, the City issued \$18,000,000 of Water and Wastewater System Revenue Bonds, Series 2022A. This is a private placement structured through a memorandum with the Texas Water Development Board (TWDB). Project funds of \$16,702,989 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2023 to 2042. Interest payments are due May 15 and November 15 of each year from 2023 to 2042. Total interest requirements for the bonds are \$6,553,403, with interest rates ranging from 2.36% to 3.60%.

In November 2022, the City issued \$24,630,000 of Water and Wastewater System Revenue Bonds, Series 2022B. This is a private placement structured through a memorandum with TWDB. Project funds of \$22,989,581 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2023 to 2052. Interest payments are due May 15 and November 15 of each year from 2023 to 2052. Total interest requirements for the bonds are \$10,087,902, with interest rates ranging from 1.47% to 2.61%.

9 – DEBT AND NON-DEBT LIABILITIES, continued
c -- Business-Type Activities Long-Term Liabilities, continued

In November 2022, the City issued \$8,300,000 of Water and Wastewater System Revenue Bonds, Series 2022C. This is a private placement structured through a memorandum with TWDB. Project funds of \$7,772,512 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2023 to 2052. Interest payments are due May 15 and November 15 of each year from 2023 to 2052. Total interest requirements for the bonds are \$3,239,949, with interest rates ranging from 1.37% to 2.51%.

Water and Wastewater System Revenue Debt -- Revenue Bond In-Substance Defeasance - In December 2022, the City defeased \$18,675,000 of separate lien revenue refunding bonds, Series 2012, \$17,725,000 of separate lien revenue refunding bonds, Series 2013A, \$9,800,000 of separate lien revenue refunding bonds, Series 2014, and \$1,950,000 of separate lien revenue refunding bonds, Series 2020C, with a \$18,770,670 cash payment for the 2012 Series and a \$29,976,598 cash payment for the remaining series. The funds were deposited in an irrevocable escrow account, that holds risk-free U.S. Treasury Notes, to provide for the future debt service payments on the defeased bonds. The City is legally released from the obligation for the defeased debt. Revenue bond debt service savings from the fiscal year 2023 defeasance was \$41,359,000 over a seven-year period. The savings, coupled with future planned debt defeasance transactions, will help achieve rate stability over the next few years. An accounting gain of \$657,453 was recorded and recognized in the current period on the defeasance.

Water and Wastewater System Revenue Debt -- Bonds Issued and Outstanding - The following table summarizes all water and wastewater system original and refunding revenue bonds outstanding at September 30, 2023 (in thousands):

| Series | Fiscal Year | Original Amount Issued | Principal Outstanding | Aggregate Interest Requirements Outstanding | Interest Rates of Debt Outstanding | Maturity Dates of Serial Debt |
|-----------------|-------------|------------------------|-----------------------|---|------------------------------------|-------------------------------|
| 2010 | 2010 | \$ 31,815 | 20,145 | -- (2) | 0.00% | 11/15/2023-2041 |
| 2010B Refunding | 2011 | 100,970 | 78,765 | 47,113 (1) | 4.85 - 6.02% | 11/15/2023-2040 |
| 2012 Refunding | 2012 | 336,820 | 7,595 | 916 (1) | 5.00% | 11/15/2023-2029 |
| 2013A Refunding | 2013 | 282,460 | 46,220 | 5,740 (1) | 3.70 - 5.00% | 11/15/2023-2027 |
| 2014 Refunding | 2014 | 282,205 | 237,210 | 126,341 (1) | 5.00% | 11/15/2023-2043 |
| 2015A Refunding | 2015 | 249,145 | 167,260 | 45,754 (1) | 2.85 - 5.00% | 11/15/2023-2036 |
| 2016 Refunding | 2016 | 247,770 | 241,450 | 149,049 (1) | 5.00% | 11/15/2023-2045 |
| 2016A | 2017 | 20,430 | 14,850 | 2,006 (1) | 0.92 - 2.12% | 11/15/2023-2036 |
| 2017 Refunding | 2017 | 311,100 | 263,480 | 134,299 (1) | 4.22 - 5.00% | 11/15/2023-2046 |
| 2017A | 2018 | 45,175 | 34,945 | 5,508 (1) | 1.01 - 2.29% | 11/15/2023-2037 |
| 2018 | 2019 | 3,000 | 2,485 | 486 (1) | 1.51 - 2.61% | 11/15/2023-2038 |
| 2019 | 2020 | 6,200 | 5,355 | 764 (1) | 0.87 - 1.94% | 11/15/2023-2039 |
| 2020A | 2020 | 11,200 | 10,090 | 430 (1) | 0.00 - 0.50% | 11/15/2023-2049 |
| 2020B | 2020 | 3,800 | 3,425 | 278 (1) | 0.00 - 0.80% | 11/15/2023-2049 |
| 2020C Refunding | 2021 | 203,505 | 201,230 | 169,066 (1) | 5.00% | 11/15/2023-2050 |
| 2020D | 2021 | 16,995 | 15,385 | 1,731 (1) | 0.14 - 1.55% | 11/15/2023-2040 |
| 2021A | 2021 | 10,400 | 9,770 | -- (2) | 0.00% | 11/15/2023-2050 |
| 2021B | 2021 | 9,400 | 8,835 | 17 (1) | 0.00 - 0.06% | 11/15/2023-2050 |
| 2021 Refunding | 2022 | 216,380 | 216,380 | 125,624 (1) | 4.00 - 5.00% | 11/15/2024-2051 |
| 2021C | 2022 | 18,000 | 17,160 | 2,561 (1) | 0.21 - 1.85% | 11/15/2023-2041 |
| 2021D | 2022 | 23,100 | 22,330 | 237 (1) | 0.00 - 0.19% | 11/15/2023-2051 |
| 2021E | 2022 | 30,000 | 29,000 | 578 (1) | 0.00 - 0.29% | 11/15/2023-2051 |
| 2022 Refunding | 2023 | 295,840 | 289,840 | 177,768 (1) | 5.00% | 11/15/2023-2052 |
| 2022A | 2023 | 18,000 | 18,000 | 6,286 (1) | 2.36 - 3.60% | 11/15/2023-2042 |
| 2022B | 2023 | 24,630 | 24,630 | 9,819 (1) | 1.47 - 2.61% | 11/15/2023-2052 |
| 2022C | 2023 | 8,300 | 8,300 | 3,154 (1) | 1.37 - 2.51% | 11/15/2023-2052 |
| 2023 Refunding | 2023 | 143,770 | 143,770 | 91,860 (1) | 5.00% | 11/15/2028-2043 |
| | | | <u>\$ 2,137,905</u> | | | |

(1) Interest is paid semiannually on May 15 and November 15.

(2) Zero interest bond placed with Texas Water Development Board.

These bonds are subject to purchase on the demand of the holder at a price equal to principal plus accrued interest with proper notice and delivery to the corresponding remarketing agent. If the remarketing agent is unable to successfully remarket the bonds, the bonds will be purchased by the respective liquidity providers and become bank bonds with principal to be paid in equal semiannual installments over a 5-year amortization period. Bank bonds bear an interest rate based on the bank rate which is the lesser of the base rate plus any applicable excess interest or the maximum rate. The remarketing agent takes the variable debt to auction on a weekly basis; the winning bid determines the weekly rate paid. The City currently has an irrevocable Letter of Credit Reimbursement Agreement, which has provisions within the agreement that, in the event of a default, the bank has the ability to declare the principal and accrued interest immediately due and payable.

9 – DEBT AND NON-DEBT LIABILITIES, continued
c -- Business-Type Activities Long-Term Liabilities, continued

Water and Wastewater System Revenue Debt -- Pledged Revenues - The net revenue of Austin Water was pledged to service the outstanding principal and interest payments for revenue debt outstanding. The table below represents the pledged amounts at September 30, 2023 (in thousands):

| | Gross Revenue (1) | Operating Expense (2) (4) | Net Revenue | Debt Service Requirement | Revenue Bond Coverage (3) |
|----|--------------------------|----------------------------------|--------------------|---------------------------------|----------------------------------|
| \$ | 657,637 | 330,549 | 327,088 | 176,595 | 1.85 |

- (1) Gross revenue includes revenues from operations and interest income.
- (2) Excludes depreciation, other postemployment benefits and net pension liability accruals.
- (3) The coverage calculation presented considers all Water and Wastewater debt service obligations, regardless of type or designation. This methodology closely approximates but does not follow exactly the coverage calculation required by the master ordinance.
- (4) Includes lease and IT subscriptions expenses

Airport System Revenue Debt -- General - The City's Airport issues airport system revenue bonds to fund Airport capital projects. Principal and interest on these bonds are payable solely from the net revenues of the Airport fund. Revenue bonds authorized and unissued amount to \$735,795,000. Bond ratings at September 30, 2023, for the revenue bonds were A1 (Moody's Investors Service, Inc.) and A+ (S&P Global Ratings).

Airport System Revenue Debt -- Bonds Issued and Outstanding - The following table summarizes all airport system original and refunding revenue bonds outstanding at September 30, 2023 (in thousands):

| Series | Fiscal Year | Original Amount Issued | Principal Outstanding | Aggregate Interest Requirements Outstanding | Interest Rates of Debt Outstanding | Maturity Dates of Serial Debt |
|---------------|--------------------|-------------------------------|------------------------------|--|---|--------------------------------------|
| 2013 Revenue | 2013 | \$ 60,000 | 30,110 | 2,019 (1) | 2.25% | 11/15/2023-2028 (2) |
| 2014 Revenue | 2015 | 244,495 | 244,495 | 170,450 (1) | 5.00% | 11/15/2026-2044 |
| 2017A Revenue | 2017 | 185,300 | 185,300 | 141,370 (1) | 5.00% | 11/15/2026-2046 |
| 2017B Revenue | 2017 | 129,665 | 129,665 | 98,923 (1) | 5.00% | 11/15/2026-2046 |
| 2019 Revenue | 2019 | 151,720 | 74,035 | 5,658 (1) | 5.00% | 11/15/2023-2025 |
| 2019A Revenue | 2019 | 16,975 | 16,975 | 22,492 (1) | 5.00% | 11/15/2049 |
| 2019B Revenue | 2019 | 248,170 | 243,715 | 191,756 (1) | 5.00% | 11/15/2023-2048 |
| 2022 Revenue | 2022 | 416,060 | 416,060 | 398,314 (1) | 5.00 - 5.25% | 11/15/2025-2052 |
| | | | <u>\$ 1,340,355</u> | | | |

- (1) Interest is paid semiannually on May 15 and November 15.
- (2) Series matures on May 15 of the final year.

Airport System Revenue Debt -- Pledged Revenues - The net revenue of the Airport fund was pledged to service the outstanding principal and interest payments for revenue debt outstanding (including revenue bonds and revenue notes). The table below represents the pledged amounts at September 30, 2023 (in thousands):

| Gross Revenue (1) | Other Available Funds (2) | Operating Expense (3) (5) | Net Revenue and Other Available Funds | Debt Service Requirement (4) | Revenue Bond Coverage |
|--------------------------|----------------------------------|----------------------------------|--|-------------------------------------|------------------------------|
| \$ 317,909 | 13,548 | 151,267 | 180,190 | 54,190 | 3.33 |

- (1) Gross revenue includes revenues from operations and interest income.
- (2) Pursuant to the bond ordinance, in addition to gross revenue, the Airport is authorized to use "other available funds" in the calculation of revenue bond coverage not to exceed 25% of the debt service requirements.
- (3) Excludes depreciation, other postemployment benefits and net pension liability accruals.
- (4) Excludes debt service amounts paid with passenger facility charge revenues and restricted bond proceeds applied to current interest payments.
- (5) Includes lease and IT subscriptions expenses

9 – DEBT AND NON-DEBT LIABILITIES, continued
c -- Business-Type Activities Long-Term Liabilities, continued

Nonmajor Enterprise Fund Debt:

Convention Center Revenue Debt -- General - The City's Convention Center fund issues convention center revenue bonds and hotel occupancy tax revenue bonds to fund Convention Center fund capital projects. Principal and interest on these bonds are payable solely from pledged hotel occupancy tax revenues and the special motor vehicle rental tax revenues. Revenue bonds authorized and unissued amount to \$760,000. Bond ratings at September 30, 2023, for the revenue bonds were Aa3 (Moody's Investors Service, Inc.), and AA (S&P Global Ratings).

Convention Center Revenue Debt -- Bonds Issued and Outstanding - The following table summarizes all Convention Center refunding revenue bonds outstanding at September 30, 2023 (in thousands):

| Series | Fiscal Year | Original Amount Issued | Principal Outstanding | Aggregate Interest Requirements Outstanding | Interest Rates of Debt Outstanding | Maturity Dates of Serial Debt |
|------------------|-------------|------------------------|-----------------------|---|------------------------------------|-------------------------------|
| 2008AB Refunding | 2008 | \$ 125,280 | 51,965 | 5,583 (2) | 1.44 - 4.64% | 11/15/2023-2029 |
| 2012 Refunding | 2012 | 20,185 | 10,430 | 1,771 (1) | 3.63 - 5.00% | 11/15/2023-2029 |
| 2016 Refunding | 2017 | 29,080 | 16,465 | 1,101 (1) | 1.88% | 11/15/2023-2029 |
| | | | <u>\$ 78,860</u> | | | |

(1) Interest is paid semiannually on May 15 and November 15.

(2) Interest is paid monthly and is based on a variable rate. Aggregate interest requirement is calculated utilizing the rate of 3.25% in effect at the end of the fiscal year.

The Series 2008 A and B refunding bonds are variable rate demand bonds. The associated letter of credit agreements have the following terms (in thousands):

| Bond Sub-Series | Liquidity Provider | Commitment Fee Rate | Remarketing Agent | Remarketing Fee Rate | Outstanding | Expiration |
|-----------------|-------------------------------------|---------------------|-----------------------|----------------------|------------------|------------|
| 2008-A | UBS AG | 0.28% | Raymond James | 0.06% | \$ 25,980 | 10/2/2024 |
| 2008-B | Sumitomo Mitsui Banking Corporation | 0.33% | BofA Securities, Inc. | 0.05% | 25,985 | 10/4/2024 |
| | | | | | <u>\$ 51,965</u> | |

These bonds are subject to purchase on the demand of the holder at a price equal to principal plus accrued interest with proper notice and delivery to the corresponding remarketing agent. If the remarketing agent is unable to successfully remarket the bonds or if the agreement expires with no new agreement in place, the bonds will be purchased by the respective liquidity provider and become bank bonds with principal to be paid in equal semiannual installments over a 5-year amortization period beginning six months from the triggering repayment event. Bank bonds bear an interest rate based on the bank rate which is the lesser of the base rate plus any applicable excess interest or the maximum rate. The remarketing agent takes the variable debt to auction on a weekly basis; the winning bid determines the weekly rate paid. The City currently has an irrevocable Letter of Credit Reimbursement Agreement, which has provisions within the agreement that, in the event of a default, the bank has the ability to declare the principal and accrued interest immediately due and payable.

9 – DEBT AND NON-DEBT LIABILITIES, continued
d -- Debt Service Requirements

| Fiscal Year Ended September 30 | Governmental Activities (in thousands) | | | | | |
|--------------------------------------|---|----------|----------------------------|----------|----------------------------|----------|
| | General Obligation Bonds | | Certificates of Obligation | | Contractual Obligations | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 95,741 | 47,986 | 15,226 | 12,685 | 17,870 | 4,130 |
| 2025 | 94,011 | 43,745 | 15,897 | 12,013 | 17,220 | 3,306 |
| 2026 | 93,531 | 39,336 | 16,631 | 11,295 | 16,695 | 2,504 |
| 2027 | 94,886 | 35,055 | 13,218 | 10,549 | 13,350 | 1,736 |
| 2028 | 91,141 | 31,251 | 13,779 | 9,999 | 10,795 | 1,130 |
| 2029-2033 | 352,926 | 104,724 | 92,898 | 39,988 | 16,805 | 1,020 |
| 2034-2038 | 200,680 | 39,454 | 92,936 | 17,868 | -- | -- |
| 2039-2043 | 85,867 | 8,167 | 29,528 | 2,198 | -- | -- |
| Total debt service requirements | 1,108,783 | 349,718 | 290,113 | 116,595 | 92,735 | 13,826 |
| Less: Unamortized bond discounts | (222) | -- | (246) | -- | (104) | -- |
| Add: Unamortized bond premiums | 92,957 | -- | 37,872 | -- | 6,434 | -- |
| Net debt | 1,201,518 | 349,718 | 327,739 | 116,595 | 99,065 | 13,826 |

| Fiscal Year Ended September 30 | Financed Purchase Obligations | | Total Governmental Debt Service Requirements | | |
|--------------------------------------|----------------------------------|----------|---|----------|-----------|
| | Principal | Interest | Principal | Interest | Total |
| | 2024 | 3,384 | 259 | 132,221 | 65,060 |
| 2025 | 3,468 | 175 | 130,596 | 59,239 | 189,835 |
| 2026 | 3,554 | 89 | 130,411 | 53,224 | 183,635 |
| 2027 | -- | -- | 121,454 | 47,340 | 168,794 |
| 2028 | -- | -- | 115,715 | 42,380 | 158,095 |
| 2029-2033 | -- | -- | 462,629 | 145,732 | 608,361 |
| 2034-2038 | -- | -- | 293,616 | 57,322 | 350,938 |
| 2039-2043 | -- | -- | 115,395 | 10,365 | 125,760 |
| Total debt service requirements | 10,406 | 523 | 1,502,037 | 480,662 | 1,982,699 |
| Less: Unamortized bond discounts | -- | -- | (572) | -- | (572) |
| Add: Unamortized bond premiums | -- | -- | 137,263 | -- | 137,263 |
| Net debt | \$ 10,406 | 523 | 1,638,728 | 480,662 | 2,119,390 |

9 – DEBT AND NON-DEBT LIABILITIES, continued
d -- Debt Service Requirements, continued

| Fiscal Year Ended September 30 | Business-type Activities (in thousands) | | | | | |
|--------------------------------------|--|----------|-------------------------------|----------|-------------------------|----------|
| | General Obligation Bonds | | Certificates of Obligation | | Contractual Obligations | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 2,753 | 645 | 1,766 | 1,470 | 2,809 | 378 |
| 2025 | 1,104 | 509 | 1,853 | 1,389 | 2,516 | 246 |
| 2026 | 1,189 | 451 | 1,925 | 1,313 | 1,830 | 132 |
| 2027 | 1,259 | 393 | 2,022 | 1,218 | 1,075 | 52 |
| 2028 | 1,334 | 330 | 2,125 | 1,118 | 335 | 8 |
| 2029-2033 | 3,739 | 772 | 12,318 | 3,913 | -- | -- |
| 2034-2038 | 1,280 | 270 | 6,070 | 1,164 | -- | -- |
| 2039-2043 | 294 | 15 | 2,363 | 288 | -- | -- |
| 2044-2048 | -- | -- | -- | -- | -- | -- |
| 2049-2053 | -- | -- | -- | -- | -- | -- |
| 2054 | -- | -- | -- | -- | -- | -- |
| Total debt service requirements | 12,952 | 3,385 | 30,442 | 11,873 | 8,565 | 816 |
| Less: Unamortized bond discounts | -- | -- | (3) | -- | -- | -- |
| Add: Unamortized bond premiums | 1,989 | -- | 1,641 | -- | 514 | -- |
| Net debt | 14,941 | 3,385 | 32,080 | 11,873 | 9,079 | 816 |

| Fiscal Year Ended September 30 | Other Tax Supported Debt | | Commercial Paper Notes (1) | | Revenue Bonds (2) | |
|--------------------------------------|-----------------------------|----------|-------------------------------|----------|----------------------|-----------|
| | Principal | Interest | Principal | Interest | Principal | Interest |
| | 2024 | 920 | 119 | 176,300 | 236 | 182,249 |
| 2025 | 965 | 79 | -- | -- | 202,670 | 235,303 |
| 2026 | 906 | 39 | -- | -- | 220,230 | 225,592 |
| 2027 | -- | -- | -- | -- | 238,705 | 215,725 |
| 2028 | -- | -- | -- | -- | 246,670 | 205,705 |
| 2029-2033 | -- | -- | -- | -- | 1,095,871 | 866,093 |
| 2034-2038 | -- | -- | -- | -- | 965,294 | 629,125 |
| 2039-2043 | -- | -- | -- | -- | 945,450 | 388,037 |
| 2044-2048 | -- | -- | -- | -- | 722,370 | 173,945 |
| 2049-2053 | -- | -- | -- | -- | 378,150 | 42,530 |
| 2054 | -- | -- | -- | -- | 15,900 | 417 |
| Total debt service requirements | 2,791 | 237 | 176,300 | 236 | 5,213,559 | 3,226,168 |
| Less: Unamortized bond discounts | -- | -- | -- | -- | (1,565) | -- |
| Add: Unamortized bond premiums | -- | -- | -- | -- | 522,040 | -- |
| Net debt | \$ 2,791 | 237 | 176,300 | 236 | 5,734,034 | 3,226,168 |

(1) The City intends to refinance maturing commercial paper notes by issuing additional commercial paper notes or by issuing long-term debt.

(Continued)

(2) A portion of these bonds are variable rate bonds with rates ranging from 1.44% - 4.64%.

9 – DEBT AND NON-DEBT LIABILITIES, continued
d -- Debt Service Requirements, continued

Business-type Activities, continued
(in thousands)

| Fiscal Year Ended September 30 | Revenue Notes from Direct Placements | | Total Business-Type Activities Debt Service Requirements | | |
|--------------------------------------|---|-----------|---|-----------|-----------|
| | Principal | Interest | Principal | Interest | Total |
| | 2024 | \$ 17,635 | 3,548 | 384,432 | 250,092 |
| 2025 | 17,845 | 3,329 | 226,953 | 240,855 | 467,808 |
| 2026 | 18,045 | 3,099 | 244,125 | 230,626 | 474,751 |
| 2027 | 18,300 | 2,863 | 261,361 | 220,251 | 481,612 |
| 2028 | 23,870 | 2,615 | 274,334 | 209,776 | 484,110 |
| 2029-2033 | 61,155 | 10,078 | 1,173,083 | 880,856 | 2,053,939 |
| 2034-2038 | 58,436 | 6,365 | 1,031,080 | 636,924 | 1,668,004 |
| 2039-2043 | 37,550 | 3,050 | 985,657 | 391,390 | 1,377,047 |
| 2044-2048 | 21,055 | 1,516 | 743,425 | 175,461 | 918,886 |
| 2049-2053 | 17,390 | 512 | 395,540 | 43,042 | 438,582 |
| 2054 | -- | -- | 15,900 | 417 | 16,317 |
| Total debt service requirements | 291,281 | 36,975 | 5,735,890 | 3,279,690 | 9,015,580 |
| Less: Unamortized bond discounts | -- | -- | (1,568) | -- | (1,568) |
| Add: Unamortized bond premiums | -- | -- | 526,184 | -- | 526,184 |
| Net debt | \$ 291,281 | 36,975 | 6,260,506 | 3,279,690 | 9,540,196 |

9 – DEBT AND NON-DEBT LIABILITIES, continued
d -- Debt Service Requirements, continued

Business-type Activities: Austin Energy
(in thousands)

| Fiscal Year Ended September 30 | Commercial Paper | | Revenue Bonds | |
|--------------------------------------|------------------|------------|------------------|------------------|
| | Notes (1) | | Principal | Interest |
| | Principal | Interest | | |
| 2024 | \$ 76,900 | 177 | 88,717 | 84,323 |
| 2025 | -- | -- | 88,022 | 80,972 |
| 2026 | -- | -- | 82,065 | 77,487 |
| 2027 | -- | -- | 99,480 | 74,162 |
| 2028 | -- | -- | 97,075 | 70,525 |
| 2029-2033 | -- | -- | 447,930 | 293,460 |
| 2034-2038 | -- | -- | 318,925 | 211,430 |
| 2039-2043 | -- | -- | 288,010 | 136,583 |
| 2044-2048 | -- | -- | 267,750 | 68,277 |
| 2049-2053 | -- | -- | 145,345 | 18,038 |
| 2054 | -- | -- | 15,900 | 417 |
| Total debt service requirements | <u>76,900</u> | <u>177</u> | <u>1,939,219</u> | <u>1,115,674</u> |
| Less: Unamortized bond discounts | -- | -- | (104) | -- |
| Add: Unamortized bond premiums | -- | -- | 170,847 | -- |
| Net debt | <u>76,900</u> | <u>177</u> | <u>2,109,962</u> | <u>1,115,674</u> |

| Fiscal Year Ended September 30 | Total Austin Energy Debt Service Requirements | | |
|--------------------------------------|--|------------------|------------------|
| | Principal | Interest | Total |
| 2024 | 165,617 | 84,500 | 250,117 |
| 2025 | 88,022 | 80,972 | 168,994 |
| 2026 | 82,065 | 77,487 | 159,552 |
| 2027 | 99,480 | 74,162 | 173,642 |
| 2028 | 97,075 | 70,525 | 167,600 |
| 2029-2033 | 447,930 | 293,460 | 741,390 |
| 2034-2038 | 318,925 | 211,430 | 530,355 |
| 2039-2043 | 288,010 | 136,583 | 424,593 |
| 2044-2048 | 267,750 | 68,277 | 336,027 |
| 2049-2053 | 145,345 | 18,038 | 163,383 |
| 2054 | 15,900 | 417 | 16,317 |
| Total debt service requirements | <u>2,016,119</u> | <u>1,115,851</u> | <u>3,131,970</u> |
| Less: Unamortized bond discounts | (104) | -- | (104) |
| Add: Unamortized bond premiums | 170,847 | -- | 170,847 |
| Net debt | <u>\$ 2,186,862</u> | <u>1,115,851</u> | <u>3,302,713</u> |

(1) The City intends to refinance maturing commercial paper notes by issuing additional commercial paper notes by issuing long-term debt.

9 – DEBT AND NON-DEBT LIABILITIES, continued
d -- Debt Service Requirements, continued

Business-type Activities: Austin Water
(in thousands)

| Fiscal Year Ended September 30 | General Obligation Bonds | | Certificates of Obligation | | Other Tax Supported Debt | | Commercial Paper Notes (1) | |
|--------------------------------------|-----------------------------|----------|-------------------------------|----------|-----------------------------|----------|-------------------------------|----------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 252 | 42 | 31 | 9 | 589 | 76 | 99,400 | 59 |
| 2025 | 70 | 30 | 32 | 8 | 618 | 51 | -- | -- |
| 2026 | 75 | 26 | 30 | 7 | 580 | 25 | -- | -- |
| 2027 | 80 | 22 | 30 | 6 | -- | -- | -- | -- |
| 2028 | 80 | 18 | 30 | 5 | -- | -- | -- | -- |
| 2029-2033 | 285 | 29 | 129 | 10 | -- | -- | -- | -- |
| 2034-2038 | -- | -- | -- | -- | -- | -- | -- | -- |
| 2039-2043 | -- | -- | -- | -- | -- | -- | -- | -- |
| 2044-2048 | -- | -- | -- | -- | -- | -- | -- | -- |
| 2049-2053 | -- | -- | -- | -- | -- | -- | -- | -- |
| Total debt service requirements | 842 | 167 | 282 | 45 | 1,787 | 152 | 99,400 | 59 |
| Less: Unamortized bond discounts | -- | -- | (1) | -- | -- | -- | -- | -- |
| Add: Unamortized bond premiums | 129 | -- | 1 | -- | -- | -- | -- | -- |
| Net debt | 971 | 167 | 282 | 45 | 1,787 | 152 | 99,400 | 59 |

| Fiscal Year Ended September 30 | Revenue Bonds (2) | | Revenue Notes from Direct Placements | | Total Austin Water Debt Service Requirements | | |
|--------------------------------------|-------------------|-----------|---|----------|---|-----------|-----------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Total |
| 2024 | 57,252 | 92,586 | 10,670 | 2,636 | 168,194 | 95,408 | 263,602 |
| 2025 | 76,803 | 89,281 | 10,725 | 2,566 | 88,248 | 91,936 | 180,184 |
| 2026 | 91,710 | 85,042 | 10,780 | 2,491 | 103,175 | 87,591 | 190,766 |
| 2027 | 100,760 | 80,500 | 10,885 | 2,410 | 111,755 | 82,938 | 194,693 |
| 2028 | 109,295 | 75,957 | 10,955 | 2,322 | 120,360 | 78,302 | 198,662 |
| 2029-2033 | 447,851 | 305,340 | 56,260 | 9,986 | 504,525 | 315,365 | 819,890 |
| 2034-2038 | 415,259 | 202,106 | 58,436 | 6,365 | 473,695 | 208,471 | 682,166 |
| 2039-2043 | 361,725 | 101,397 | 37,550 | 3,050 | 399,275 | 104,447 | 503,722 |
| 2044-2048 | 164,110 | 34,586 | 21,055 | 1,516 | 185,165 | 36,102 | 221,267 |
| 2049-2053 | 76,935 | 7,385 | 17,390 | 512 | 94,325 | 7,897 | 102,222 |
| Total debt service requirements | \$ 1,901,700 | 1,074,180 | 244,706 | 33,854 | 2,248,717 | 1,108,457 | 3,357,174 |
| Less: Unamortized bond discounts | (1,356) | -- | -- | -- | (1,357) | -- | -- |
| Add: Unamortized bond premiums | 226,316 | -- | -- | -- | 226,446 | -- | -- |
| Net debt | 2,126,660 | 1,074,180 | 244,706 | 33,854 | 2,473,806 | 1,108,457 | 3,582,263 |

(1) The City intends to refinance maturing commercial paper notes by issuing additional commercial paper notes or by issuing long-term debt.

(2) Portions of these bonds are variable rate bonds with rates of 0.03% - 1.87%.

9 – DEBT AND NON-DEBT LIABILITIES, continued
d -- Debt Service Requirements, continued

Business-type Activities: Airport
(in thousands)

| Fiscal Year Ended September 30 | Revenue Bonds | | Revenue Notes from Direct Placements | |
|--------------------------------------|---------------|-----------|---|----------|
| | Principal | Interest | Principal | Interest |
| 2024 | \$ 28,320 | 64,812 | 4,730 | 624 |
| 2025 | 29,585 | 63,365 | 4,845 | 517 |
| 2026 | 37,875 | 61,678 | 4,950 | 406 |
| 2027 | 29,585 | 59,991 | 5,060 | 294 |
| 2028 | 31,080 | 58,474 | 10,525 | 179 |
| 2029-2033 | 180,595 | 266,805 | -- | -- |
| 2034-2038 | 231,110 | 215,589 | -- | -- |
| 2039-2043 | 295,715 | 150,057 | -- | -- |
| 2044-2048 | 290,510 | 71,082 | -- | -- |
| 2049-2053 | 155,870 | 17,107 | -- | -- |
| Total debt service requirements | 1,310,245 | 1,028,960 | 30,110 | 2,020 |
| Less: Unamortized bond discounts | (81) | -- | -- | -- |
| Add: Unamortized bond premiums | 124,670 | -- | -- | -- |
| Net debt | 1,434,834 | 1,028,960 | 30,110 | 2,020 |

| Fiscal Year Ended September 30 | Total Airport Debt Service Requirements | | |
|--------------------------------------|--|-----------|-----------|
| | Principal | Interest | Total |
| 2024 | 33,050 | 65,436 | 98,486 |
| 2025 | 34,430 | 63,882 | 98,312 |
| 2026 | 42,825 | 62,084 | 104,909 |
| 2027 | 34,645 | 60,285 | 94,930 |
| 2028 | 41,605 | 58,653 | 100,258 |
| 2029-2033 | 180,595 | 266,805 | 447,400 |
| 2034-2038 | 231,110 | 215,589 | 446,699 |
| 2039-2043 | 295,715 | 150,057 | 445,772 |
| 2044-2048 | 290,510 | 71,082 | 361,592 |
| 2049-2053 | 155,870 | 17,107 | 172,977 |
| Total debt service requirements | 1,340,355 | 1,030,980 | 2,371,335 |
| Less: Unamortized bond discounts | (81) | -- | (81) |
| Add: Unamortized bond premiums | 124,670 | -- | 124,670 |
| Net debt | \$ 1,464,944 | 1,030,980 | 2,495,924 |

9 – DEBT AND NON-DEBT LIABILITIES, continued
d -- Debt Service Requirements, continued

Business-type Activities: Nonmajor Enterprise
(in thousands)

| Fiscal Year Ended September 30 | General Obligation Bonds | | Certificates of Obligation | | Contractual Obligations | | Other Tax Supported Debt | |
|-----------------------------------|--------------------------|----------|----------------------------|----------|-------------------------|----------|--------------------------|----------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Principal | Interest |
| 2024 | \$ 2,501 | 603 | 1,735 | 1,461 | 2,809 | 378 | 331 | 43 |
| 2025 | 1,034 | 479 | 1,821 | 1,381 | 2,516 | 246 | 347 | 28 |
| 2026 | 1,114 | 425 | 1,895 | 1,306 | 1,830 | 132 | 326 | 14 |
| 2027 | 1,179 | 371 | 1,992 | 1,212 | 1,075 | 52 | -- | -- |
| 2028 | 1,254 | 312 | 2,095 | 1,113 | 335 | 8 | -- | -- |
| 2029-2033 | 3,454 | 743 | 12,189 | 3,903 | -- | -- | -- | -- |
| 2034-2038 | 1,280 | 270 | 6,070 | 1,164 | -- | -- | -- | -- |
| 2039-2043 | 294 | 15 | 2,363 | 288 | -- | -- | -- | -- |
| Total debt service requirements | 12,110 | 3,218 | 30,160 | 11,828 | 8,565 | 816 | 1,004 | 85 |
| Less: Unamortized bond discounts | -- | -- | (2) | -- | -- | -- | -- | -- |
| Add: Unamortized bond premiums | 1,860 | -- | 1,640 | -- | 514 | -- | -- | -- |
| Net debt | 13,970 | 3,218 | 31,798 | 11,828 | 9,079 | 816 | 1,004 | 85 |

| Fiscal Year Ended September 30 | Revenue Bonds (1) | | Revenue Notes from Direct Placements | | Total Nonmajor Enterprise Debt Service Requirements | | |
|-----------------------------------|-------------------|----------|--------------------------------------|----------|---|----------|---------|
| | Principal | Interest | Principal | Interest | Principal | Interest | Total |
| 2024 | 7,960 | 1,975 | 2,235 | 288 | 17,571 | 4,748 | 22,319 |
| 2025 | 8,260 | 1,685 | 2,275 | 246 | 16,253 | 4,065 | 20,318 |
| 2026 | 8,580 | 1,385 | 2,315 | 202 | 16,060 | 3,464 | 19,524 |
| 2027 | 8,880 | 1,072 | 2,355 | 159 | 15,481 | 2,866 | 18,347 |
| 2028 | 9,220 | 749 | 2,390 | 114 | 15,294 | 2,296 | 17,590 |
| 2029-2033 | 19,495 | 488 | 4,895 | 92 | 40,033 | 5,226 | 45,259 |
| 2034-2038 | -- | -- | -- | -- | 7,350 | 1,434 | 8,784 |
| 2039-2043 | -- | -- | -- | -- | 2,657 | 303 | 2,960 |
| Total debt service requirements | 62,395 | 7,354 | 16,465 | 1,101 | 130,699 | 24,402 | 155,101 |
| Less: Unamortized bond discounts | (24) | -- | -- | -- | (26) | -- | (26) |
| Add: Unamortized bond premiums | 207 | -- | -- | -- | 4,221 | -- | 4,221 |
| Net debt | \$ 62,578 | 7,354 | 16,465 | 1,101 | 134,894 | 24,402 | 159,296 |

(1) A portion of these bonds are variable rate bonds with rates ranging from 1.44% - 4.64%.

Over time, the City has issued refunding bonds to advance refund certain public improvement bonds, certificates of obligation, and enterprise revenue bonds. The proceeds of the sale of the refunding bonds were deposited with an escrow agent in an amount necessary to accomplish the discharge and final payment of the refunded obligations. These funds are held by the escrow agent in an escrow fund and used to purchase direct obligations of the United States of America to be held in the escrow fund. The escrow fund is irrevocably pledged to the payment of the principal and interest on the refunded obligations.

On September 30, 2023, defeased bonds remaining unredeemed or unmatured are provided below (in thousands):

| Refunded Bonds | Escrow | |
|---------------------------------------|-------------------------|------------------|
| | Maturity Dates | Balance (1) |
| General Obligation | | |
| Public Improvement Bonds, Series 2020 | 9/1/2024 - 9/1/2029 | \$ 380 |
| Austin Water | | |
| Series 2014 | 11/15/2023 - 05/15/2024 | 7,300 |
| Series 2017 | 11/15/2023 | 7,000 |
| Series 2020C | 11/15/2024 - 11/15/2025 | 1,950 |
| | | <u>\$ 16,630</u> |

(1) The balances shown have been escrowed to their respective call dates.

10 – RETIREMENT PLANS
a -- General Information

Plan Description -- The City participates in funding three contributory, defined benefit retirement plans: the City of Austin Employees' Retirement and Pension Plan (City Employees), the City of Austin Police Officers' Retirement and Pension Plan (Police Officers), and the Fire Fighters' Relief and Retirement Plan of Austin, Texas (Fire Fighters). An Independent Board of Trustees administers each plan. These plans are City-wide single employer funded plans each with a fiscal year end of December 31.

All three plans were created by state law and can be found in Vernon's Texas Civil Statutes as follows:

| | |
|-----------------------|-----------------|
| City Employees' Plan | Article 6243n |
| Police Officers' Plan | Article 6243n-1 |
| Fire Fighters' Plan | Article 6243e.1 |

State law governs the three pension systems including benefit and contribution provisions. Amendments may be made by the Legislature of the State of Texas. During fiscal year 2023, the Legislature passed, and the Governor signed Senate Bill 1444 (SB 1444) that enacted substantial reforms to the City Employees' plan. These changes will become effective January 1, 2024, and are intended to place the fund on an actuarially sound path and to reduce the project funding period to 30 years. The most significant legislative changes include: implementing a more flexible actuarially determined employer contribution rate which will be updated on an annual basis; establishing an additional City contribution to the system to cover the unfunded legacy liability over a 30-year period; increasing the employee contribution rate from 8% to 10% over a two-year period; converting one of the four elected active member retirement board positions to a City of Austin appointed position; and removing the authority of the retirement system board to unilaterally approve cost-of living adjustments or to change member benefits. No other changes were made to employee benefits and any future benefit changes require changes to the law.

Plan Financial Statements -- The most recently available financial statements of the pension funds are for the year ended December 31, 2022. Stand-alone financial reports that include financial statements and supplementary information for each plan are publicly available at the locations and internet addresses shown below.

| Plan | Address | Telephone |
|---|---|---------------|
| City of Austin Employees' Retirement and Pension Fund | 6836 Austin Center Blvd, Suite 190 Austin, TX 78731 www.coaers.org | (512)458-2551 |
| City of Austin Police Officers' Retirement and Pension Fund | 2520 S. IH 35, Ste. 100 Austin, Texas 78704 www.ausprs.org | (512)416-7672 |
| Fire Fighters' Relief and Retirement Fund of Austin, Texas | 4101 Parkstone Heights Dr., Ste. 270 Austin, Texas 78746 www.afrs.org | (512)454-9567 |

Classes of Employees Covered -- The three pension plans cover substantially all full-time employees. The City Employees' Plan covers all regular, full-time employees working 30 hours or more except for civil service police officers and fire fighters. Membership in this fund is comprised of two tiers. Group A includes all employees hired before January 1, 2012. Group B includes all employees hired on or after this date. The Police Officers' Plan covers all commissioned law enforcement officers and cadets upon enrollment in the Austin Police Academy. Effective January 1, 2022, membership in this fund is comprised of two tiers. Group A includes all Police Officers hired before the effective date, and Group B includes those hired on or after that date. The Fire Fighters' Plan covers all commissioned civil service and Texas state-certified fire fighters with at least six months of service employed by the Austin Fire Department.

Benefits Provided -- Each plan provides service retirement, death, and disability benefits as shown in the following chart. For the City Employees' Plan, vesting occurs after 5 years of creditable service. For the other two systems, vesting occurs after 10 years of creditable service. For all three systems, creditable service includes employment at the City plus purchases of certain types of service where applicable. Withdrawals from the systems include actual contributions plus interest at varying rates depending on the system. This applies to both non-vested employees who leave the City as well as vested employees who leave the City and wish to withdraw their contributions. In addition, each plan offers various Deferred Retirement Option Programs (DROP). These are not included in the discussion of benefits provided.

10 – RETIREMENT PLANS, continued
a -- General Information, continued

| | <u>City Employees</u> | <u>Police Officers</u> | <u>Fire Fighters</u> |
|-----------------------------------|--|--|---|
| Eligibility | Group A members qualify for retirement benefits at age 62 with 5 years of creditable service; age 55 with 20 years creditable service; or any age with 23 years creditable service. No reduced benefits are available. Group B members qualify for normal retirement benefits at age 65 with 5 years creditable service or at age 62 with 30 years creditable service. Reduced benefits are available at age 55 with 10 years of creditable service. | Group A members are eligible for retirement benefits at any age with 23 years creditable service or at age 55 with 20 years creditable service (both excluding pre-membership military service). Group B members are eligible for retirement benefits at age 50 with 25 years creditable service (excluding pre-membership military service.) Any member is eligible for retirement at age 62 and any number of years of creditable service. | Members are eligible for normal retirement benefits upon the earlier of age 50 with 10 years of service or 25 years of service regardless of age. Members are eligible for early retirement at 45 with 10 years of service or with 20 years of service regardless of age. |
| Calculation | Average of 36 highest months of base pay multiplied by years and months of creditable service multiplied by 3% for Group A and 2.5% for Group B. | For Group A, the average of 36 highest months of base salary plus longevity pay multiplied by years and months of service multiplied by 3.2%. For Group B, 60 months and 2.5% are substituted for 36 months and 3.2%, respectively. | Average of 36 highest months of base salary plus longevity pay multiplied by years of service multiplied by 3.3% with a \$2,000 monthly minimum. |
| Death Benefits | Retiree or active member eligible for retirement, \$10,000 lump sum and continuation of benefits to beneficiary if this option was selected. If not eligible for retirement, refund of accumulated deposits plus death benefit from COAERS equal to those deposits excluding purchases of time. | For retirees and members eligible for retirement, \$10,000 lump sum and the member's accrued benefit as of the date of death based on annuity selected. Non-vested members receive the greater of \$10,000 or twice the amount of the member's accumulated contributions. | Surviving spouse receives 75% of retiree benefits based on the greater of 20 years or years of service at time of death. If surviving spouse exists, each dependent receives 15% of the payment paid to the surviving spouse. If no surviving spouse exists, dependents split equally the amount that would have been paid to surviving spouse. |
| Disability Benefits | After approved for disability benefits, active members may choose from several different disability retirement options. Must have 5 years of service if disability is not job related. | After approved for disability benefits, if disability is the result of employment duties, benefit is based on the greater of 20 years for Group A and 25 years for Group B or normal retirement calculation. Must have 10 years of service if disability is not job related and calculation is based on actual years of service. | For the first 30 months, eligible for retiree benefits based on the greater of service at time of disability or 20 years. After 30 months, continuance of annuity may be reevaluated. |
| Cost of Living Adjustments (COLA) | The plan does not require automatic COLAs. Such increases must be deemed sustainable by the actuary and approved by the City Council and Board of Trustees of the fund. The most recent COLA went into effect in 2002. | The most recent COLA went into effect in 2007. Effective September 1, 2021, State law no longer allows the board to approve COLAs. Any such future adjustments require legislative approval. | The plan does not require automatic COLAs. Such increases must be approved by the Board of Trustees and the actuary of the fund. The most recent COLA went into effect for 2023. |

10 – RETIREMENT PLANS, continued
a -- General Information, continued

Employees Covered by Benefit Terms -- Membership in the plans as of December 31, 2022, is as follows:

| | <u>City Employees</u> | <u>Police Officers</u> | <u>Fire Fighters</u> |
|--|-----------------------|------------------------|----------------------|
| Inactive employees or beneficiaries: | | | |
| Currently receiving benefits | 7,530 | 1,258 | 979 |
| Entitled to but not yet receiving benefits | 1,529 | 61 | 35 |
| Nonvested terminated due refunds | 2,405 | 96 | 0 |
| Active employees | <u>10,438</u> | <u>1,633</u> | <u>1,199</u> |
| Total | <u>21,902</u> | <u>3,048</u> | <u>2,213</u> |

Contributions -- For all three systems, minimum contributions are determined by the enabling legislation cited above. In certain cases, the City may contribute at a level greater than that stated in the law. While the contribution requirements for Fire Fighters are not actuarially determined, state law requires that a qualified actuary approve each plan of benefits adopted.

| | <u>City Employees</u> | <u>Police Officers</u> | <u>Fire Fighters</u> |
|---|-----------------------|------------------------|----------------------|
| Employee contribution (percent of earnings) | 8% | 15% (1) | 18.7% |
| City contribution (percent of earnings) | 19% | 9.85% (2) | 22.05% |
| City contributions year ended | | | |
| September 30, 2023 (in thousands) | \$157,846 | 48,311 | 23,292 |

- (1) A rate of 15% was effective January 1, 2022 subject to a possible increase of up to 2% of pay (17% of pay total) if the Actuarially Determined Contributions (ADC) exceeds the corridor maximum. Prior to that change, the rate was 13%.
- (2) An ADC of 9.85% was effective January 1, 2023. Prior to that change the rate was 10.1%. The City also contributes according to a fixed payment plan established to eliminate the legacy unfunded liability existing as of December 31, 2020 over a 30-year period. For calendar year 2023 this amount is \$1,355,856 per pay period.

b -- Net Pension Liability

The City's net pension liability was measured as of December 31, 2022, for all three systems. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, for the City Employees' and Police Officers' Plans. The Fire Fighters plan net pension liability was determined using the total pension liability from an actuarial valuation ending December 31, 2021. The valuation was updated using 2022 assumptions and rolled forward to the year ending December 31, 2022.

Actuarial Assumptions -- Actuarial assumptions used in the most recent calculation of the net pension liability include:

| | <u>City Employees</u> | <u>Police Officers</u> | <u>Fire Fighters</u> |
|---|--|---|---|
| Inflation rate | 2.5% | 2.5% | 2.5% |
| Projected annual salary increases | 3.5% to 5.75% | 3% to 15.2% Service based (1) | 3% to 10% Service based |
| Investment rate of return | 6.75% | 7.25% | 7.3% |
| Ad hoc postemployment benefit changes including COLAs | None | None | None |
| Experience study period | Data collected through December 31, 2018 | January 1, 2013 – December 31, 2017 | January 1, 2010 – December 31, 2019 |
| Source for mortality assumptions | PubG-2010 Mortality Tables with full generational projection assuming immediate convergence of rates in the mortality projection scale MP-2018, 2D for male and female. Mortality improvement is projected from the mortality table's base year of 2010. | PubS-2010 Mortality Table for males and females. Generational mortality improvements projected from the year 2010 using the ultimate mortality improvement rates in the MP 2018 tables. | PubS-2010 mortality table with mortality improvements projected from the base year of 2010 generationally using MP-2021 |

(1) This includes the classification status change upon graduation from the academy.

10 – RETIREMENT PLANS, continued
b -- Net Pension Liability, continued

Development of Long-Term Rate of Return on Investments -- Each pension plan utilizes different asset allocations and assumed rates of return in developing the long-term rate of return on investments. However, all three use the same methodology as follows:

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following provides asset allocations and long-term expected real rate of return for each asset class for the three funds.

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|---|--------------------------|---|
| City Employees: | | |
| US equity | 34% | 5.8% to 6.3% |
| Developed markets equities | 16% | 7.5% to 8% |
| Emerging markets equities | 6% | 10.3% |
| Fixed income | 21% | 2.5% |
| Alternative investments | 13% | 1.5% to 5% |
| Real estate | 10% | 6% |
| Total | <u>100%</u> | |
| Police Officers: | | |
| Domestic equity | 42.5% | 7.5% |
| International equity | 15% | 8.5% |
| Other equity | 12.5% | 7.5% |
| US and non-US fixed income | 10% | 3% |
| Other fixed income | 0% | 3.5% |
| Real estate | 15% | 4.5% |
| Multi asset class | 5% | 5% |
| Total | <u>100%</u> | |
| Fire Fighters: | | |
| Domestic Equity | 20% | 4.2% |
| Developed Market Equity (non-US) | 10% | 4.9% |
| Emerging Market Equity | 12% | 5.8% |
| Private Equity | 15% | 6.0% |
| Investment Grade Bonds | 13% | (0.2%) |
| Treasury inflation protected securities | 5% | (0.2%) |
| High yield | 2.5% | 1.8% |
| Bank Loans | 2.5% | 1.4% |
| Emerging Market Bonds | 7% | 1.8% |
| Private Real Estate | 10% | 4.8% |
| Natural resources | 3% | 5.9% |
| Total | <u>100%</u> | |

10 – RETIREMENT PLANS, continued
b -- Net Pension Liability, continued

Discount Rate -- The following provides information on the discount rate used to measure the City's total pension liability. Based on the assumptions presented below, the fiduciary net positions of Police Officers and Fire Fighters funds was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of project benefit payments to determine the total pension liability. The City Employees' fund was projected to make all projected benefit payments of current and inactive employees through the year 2057. Therefore, the long term expected rate of return on pension plan investments was applied to projected benefit payments through 2057 fiscal year, and the municipal bond rate of 4.05% was applied to all benefit payments after that date, with the resulting blended discount rate being 5.87%.

| | <u>City Employees</u> | <u>Police Officers</u> | <u>Fire Fighters</u> |
|---|--|---|--|
| Discount rate | 5.87% | 7.25% | 7.3% |
| Change since last measurement date | (0.88%) | 0% | 0% |
| Long-term expected rate of return on pension plan investments | 6.75% | 7.25% | 7.3% |
| Cash flow assumptions | Plan member contributions will be made at the current rate. City contributions will be made at the current rate for 34 years and then will decrease to 8%. | Plan member and employer contributions will be made in accordance with the provisions of HB 4368, 87th Texas Legislature. | Plan member contributions will be made at current contribution rates. City contributions will be continued at the currently negotiated rate of 22.05%. |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate -- The following presents the net pension liability of each of the pension funds of the City calculated using the long-term expected rate of return on pension plan investments, as well as what the net pension liability (in thousands) would be if it were calculated using a discount rate that is 1-percentage point lower and 1-percentage point higher than the current rate.

| | <u>1% Decrease</u> | | <u>Current Discount Rate</u> | | <u>1% Increase</u> | |
|-----------------|--------------------|------------------------------|------------------------------|------------------------------|--------------------|------------------------------|
| | <u>Rate</u> | <u>Net Pension Liability</u> | <u>Rate</u> | <u>Net Pension Liability</u> | <u>Rate</u> | <u>Net Pension Liability</u> |
| City Employees | 4.87% | \$ 3,731,198 | 5.87% | \$ 2,924,353 | 6.87% | \$ 2,263,530 |
| Police Officers | 6.25% | 959,458 | 7.25% | 756,918 | 8.25% | 584,162 |
| Fire Fighters | 6.3% | 405,943 | 7.3% | 278,319 | 8.3% | 170,702 |

Pension Plan Fiduciary Net Position -- Detailed information about the pension plans' fiduciary net position is available in the separately issued financial report of each of the pension systems.

10 – RETIREMENT PLANS, continued
b -- Net Pension Liability, continued

Schedule of Changes in Net Pension Liability -- Changes in net pension liability for all three funds and the City for the measurement period ended December 31, 2022, are as follows (in thousands):

| | City | | | |
|---|---------------------|------------------------|----------------------|------------------|
| | Employees | Police Officers | Fire Fighters | Total |
| Total pension liability at December 31, 2021 | \$ 5,032,043 | 1,625,187 | 1,315,377 | 7,972,607 |
| Changes for the year: | | | | |
| Service cost | 132,574 | 38,394 | 31,101 | 202,069 |
| Interest | 335,216 | 116,130 | 94,234 | 545,580 |
| Differences between expected and actual experience | 60,429 | (4,529) | 13,461 | 69,361 |
| Assumption changes | 588,187 | -- | 20,949 | 609,136 |
| Contribution buy back | -- | 2,554 | -- | 2,554 |
| Benefit payments including refunds | (264,321) | (87,734) | (80,970) | (433,025) |
| Net change in total pension liability | 852,085 | 64,815 | 78,775 | 995,675 |
| Total pension liability at December 31, 2022 | 5,884,128 | 1,690,002 | 1,394,152 | 8,968,282 |
| Total plan fiduciary net position at December 31, 2021 | 3,565,140 | 1,080,734 | 1,303,545 | 5,949,419 |
| Changes for the year: | | | | |
| Employer contributions | 146,618 | 44,419 | 22,765 | 213,802 |
| Employee contributions | 69,189 | 23,811 | 19,306 | 112,306 |
| Contribution buy back | -- | 2,554 | -- | 2,554 |
| Pension plan net investment income (loss) | (550,087) | (127,690) | (147,530) | (825,307) |
| Benefits payments and refunds | (264,321) | (87,734) | (80,970) | (433,025) |
| Pension plan administrative and other expense | (6,764) | (3,010) | (1,283) | (11,057) |
| Net change in total plan fiduciary net position | (605,365) | (147,650) | (187,712) | (940,727) |
| Total plan fiduciary net position at December 31, 2022 | 2,959,775 | 933,084 | 1,115,833 | 5,008,692 |
| Net pension liability at December 31, 2021 | 1,466,903 | 544,453 | 11,832 | 2,023,188 |
| Net pension liability at December 31, 2022 | \$ 2,924,353 | 756,918 | 278,319 | 3,959,590 |

10 – RETIREMENT PLANS, continued
b -- Net Pension Liability, continued

The City Employees' Plan had no significant changes to benefit terms. The only assumption change is the single discount rate of 6.75% changed to a single blended discount rate of 5.87%.

The Police Officers' Plan had no significant changes to benefit terms or assumptions that affected the total pension liability for the measurement period, however, effective January 1, 2022, HB 4368 created a new tier of benefits for employees in the Police Officers' pension system. Participants hired on or after January 1, 2022, will have different age and service requirements for normal retirement eligibility.

The Fire Fighters' Plan had changes to benefit terms. Effective January 1, 2022, eligible retirees received a 5.4% cost-of-living adjustment.

Changes of assumptions for the Fire Fighters' fund included:

- The plan's mortality assumption was changed from the PubS-2010 above median income table with mortality improvements projected 5 years past the valuation date using MP-2021 to the PubS-2010 table with mortality improvements projected from the base year 2010 generationally using MP-2021.
- The DROP period assumption was changed from a rate table to the DROP period that maximizes the value of the retirement benefits, including any previously granted COLAs the active member is eligible for during the period.

c -- Pension Expense

Total pension expense recognized by the City for the fiscal year ended September 30, 2023, was comprised of the following (in thousands):

| | Pension Expense |
|-----------------|----------------------------|
| City Employees | \$ 489,072 |
| Police Officers | 79,396 |
| Fire Fighters | 45,172 |
| Total | \$ 613,640 |

10 – RETIREMENT PLANS, continued

d -- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2023, the City reported deferred outflows and inflows of resources related to pensions from the following sources (in thousands):

| <u>Source</u> | <u>City Employees</u> | <u>Police Officers</u> | <u>Fire Fighters</u> | <u>Total</u> |
|--|---------------------------|------------------------|----------------------|------------------|
| Deferred Outflows of Resources | | | | |
| Contributions to the plans subsequent to the measurement date | \$ 122,589 | 38,445 | 17,964 | 178,998 |
| Differences between expected and actual experience | 59,086 | 18,720 | 15,962 | 93,768 |
| Changes in assumptions | 620,101 | 361,085 | 38,066 | 1,019,252 |
| Net difference between projected and actual earnings on pension plan investments | 409,788 | 71,791 | 97,310 | 578,889 |
| Changes in proportionate share (between funds) | 24,860 | -- | -- | 24,860 |
| Total | <u>1,236,424</u> | <u>490,041</u> | <u>169,302</u> | <u>1,895,767</u> |
| Deferred Inflows of Resources | | | | |
| Differences between expected and actual experience | 7,212 | 12,656 | 6,237 | 26,105 |
| Changes in assumptions | -- | 447,225 | 1,792 | 449,017 |
| Changes in proportionate share (between funds) | 24,860 | -- | -- | 24,860 |
| Total | <u>\$ 32,072</u> | <u>459,881</u> | <u>8,029</u> | <u>499,982</u> |

The portion of deferred outflows and inflows of resources that will be recognized as an increase (decrease) in pension expense is as follows (in thousands):

| <u>Fiscal Year Ended September 30</u> | <u>City Employees</u> | <u>Police Officers</u> | <u>Fire Fighters</u> | <u>Total</u> |
|---|---------------------------|----------------------------|----------------------|------------------|
| 2024 | \$ 250,599 | 3,351 | 10,576 | 264,526 |
| 2025 | 270,712 | 21,215 | 23,308 | 315,235 |
| 2026 | 277,444 | 28,572 | 37,453 | 343,469 |
| 2027 | 283,008 | (5,477) | 55,786 | 333,317 |
| 2028 | -- | (55,608) | 7,176 | (48,432) |
| Thereafter | -- | (338) | 9,010 | 8,672 |
| Total | <u>\$ 1,081,763</u> | <u>(8,285)</u> | <u>143,309</u> | <u>1,216,787</u> |

11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)
a -- General Information

Plan Description -- In addition to the contributions made to the three pension systems, the City provides certain other postemployment benefits to its retirees. The City of Austin OPEB Plan is a defined-benefit single-employer plan. Allocation of City funds to pay postemployment benefits other than pensions is determined on an annual basis by the City Council as part of the budget approval process on a pay-as-you-go basis. The City is under no obligation to pay any portion of the cost of other postemployment benefits for retirees or their dependents. The City does not accumulate assets in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Day-to-day accounting and administration of the OPEB activities is provided by the City and recorded in the Employee Benefits fund. However, at year end an adjustment was made to recognize OPEB expense in the operating funds that provide funding to the Employee Benefits fund to pay for these benefits. No separate plan report is available.

Unlike pensions, State law does not provide specific requirements or authority for OPEB. Instead, the City relies on its status as a municipal corporation under Article XI, Section 5 of the Constitution of the State of Texas, the Home Rule Amendment, as the authority under which OPEB is provided to retirees. Any amendments to the OPEB Plan are approved by City Council through the annual budget approval process.

Benefits Provided -- Other postemployment benefits include access to medical, dental, and vision insurance for the retiree and the retiree’s family and \$1,000 of life insurance on the retiree only. All retirees who are eligible to receive pension benefits under any of the City’s three pension systems as described in Note 10 are eligible for other postemployment benefits. Retirees may also enroll eligible dependents under the medical, dental, and vision plan(s) in which they participate.

Plan members do not pay into the OPEB Plan while in active employment nor does the City pay on behalf of active employees. The City pays actual claims for medical and prescription drug coverage as a primary provider for non-Medicare eligible, and as a secondary provider for Medicare eligible retirees through either a PPO, HMO, or CDHP, (Consumer Driven Health Plan), medical plan as selected by the retiree. The City subsidizes a maximum of 80% of the projected medical premium for retirees, 50% for dependents, and 70% (75% if pre-Medicare) for surviving spouses. Subsidies are based on years of service at retirement as displayed in the table below and are applied to the corresponding maximum reflected above. For example, a retiree with less than five years of service would be eligible for a subsidy of 16% (20% of 80%). Retirees must pay the unsubsidized portion of the premium.

For the 2023 plan year, (January 1 to December 31), the percentage of the maximum subsidy paid by the City was as follows:

| <u>Years of Service at Retirement</u> | <u>Percent of Maximum Subsidy Paid by the City</u> |
|---------------------------------------|--|
| <5 | 20% |
| 5-9 | 30% |
| 10-14 | 50% |
| 15-19 | 70% |
| 20 and over | 100% |

The City pays 100% of the retiree’s basic life insurance premium. The cost of coverage above the \$1,000 level is paid by the retiree. Group dental and vision coverage is available to retirees and their eligible dependents. The retiree pays the full cost of vision premiums and certain dental premiums. If excise tax is payable in the future, it is assumed that these costs will also be paid by the retirees.

Employees Covered by Benefit Terms -- The City has elected to do biennial actuarial valuations of its other postemployment benefits liability with a roll forward in the off years. The current year is a roll forward year and as a result membership in the plan is presented as of December 31, 2021:

| | |
|--|---------------|
| Inactive employees or beneficiaries currently receiving benefits | 8,510 |
| Inactive employees entitled to but not yet receiving benefits | 3,626 |
| Active employees | <u>13,108</u> |
| Total | <u>25,244</u> |

11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued
b -- Total OPEB Liability

The City's total OPEB liability of \$3.4 billion was determined by an actuarial valuation as of December 31, 2021 that was rolled forward to December 31, 2022, the measurement date. Of the total liability, \$70.0 million is considered to be due within one year.

Actuarial Assumptions and Other Inputs -- Actuarial assumptions used in the most recent actuarial valuations are shown below. The majority of the demographic assumptions used in the OPEB valuation are identical to those used in the pension valuations from the previous reporting period. As a result, experience studies performed by the pension systems as described in Note 10a and Required Supplementary Information were also relied upon.

| General Assumptions | |
|---|---|
| Inflation rate | • NA |
| Salary increases | • Vary by retirement group, age, and years of service |
| Discount rate | • 3.72% |
| Experience studies (Medical and Prescription) | • Experience for medical and prescription healthcare costs was based on activity from January 1, 2019 to December 31, 2021. |
| Experience studies (Dental) | • Experience for dental healthcare costs was based on activity from April 1, 2021 through March 31, 2022. |
| Healthcare cost trend rates | |
| Medical (pre-65) | • 6.5% graded to 4.5% over 8 years |
| Medical (post-65) | • 5.5% graded to 4.5% over 4 years |
| Prescription drug | • 7.5% graded to 4.5% over 12 years |
| Dental | • 3% |
| Administrative costs | • 2.5% |
| Sources for mortality rate assumptions | |
| General (Actives) | • PubG-2010 Employee Mortality Table projected generationally using the ultimate mortality improvement rate in the MP tables |
| General (Healthy retirees) | • PubG-2010 Healthy Retiree Mortality Table projected generationally using the ultimate mortality improvement rate in the MP tables |
| General (Disabled retirees) | • PubG-2010 Healthy Retiree Mortality Table, set forward three years, projected generationally using the ultimate mortality improvement rate in the MP tables |
| Police (Actives) | • PubS-2010 Employee Mortality Table projected generationally using the ultimate mortality improvement rates in the MP tables |
| Police (Healthy Retirees) | • PubS-2010 Healthy Retiree Mortality Table projected generationally using the ultimate mortality improvement rates in the MP tables |
| Police (Disabled Retirees) | • PubS-2010 Disabled Mortality Table projected generationally using the ultimate mortality improvement rates in the MP tables |
| Fire (Actives) | • PubS-2010(A) Employee Mortality Table projected from 2010 to 5 years beyond the valuation date using scale MP-2020 |
| Fire (Healthy Retirees) | • PubS-2010(A) Healthy Retiree Mortality Table projected from 2010 to 5 years beyond the valuation date using scale MP-2020 |
| Fire (Disabled retirees) | • PubS-2010(A) Disabled Mortality Table projected from 2010 to 5 years beyond the valuation date using scale MP-2020 |
| Fire (Contingent Survivors) | • PubS-2010(A) Contingent Survivors Mortality Table projected from 2010 to 5 years beyond the valuation date using scale MP-2020 |

Discount Rate -- The discount rate for OPEB, which is funded entirely on a pay-as-you-go basis, is the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). For the OPEB measurement at December 31, 2022, the City's actuaries used the Bond Buyer US Weekly Yields 20 General Obligation Bond Index of 3.72%.

11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued
b -- Total OPEB Liability, continued

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate -- The following presents the City's total OPEB liability calculated using the discount rate discussed above, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower and 1-percentage point higher than the current rate (in thousands).

| <u>1% Decrease</u> | | <u>Current Discount Rate</u> | | <u>1% Increase</u> | |
|--------------------|------------------|------------------------------|------------------|--------------------|------------------|
| <u>Total OPEB</u> | | <u>Total OPEB</u> | | <u>Total OPEB</u> | |
| <u>Rate</u> | <u>Liability</u> | <u>Rate</u> | <u>Liability</u> | <u>Rate</u> | <u>Liability</u> |
| 2.72% | \$ 4,166,560 | 3.72% | \$ 3,354,718 | 4.72% | \$ 2,744,495 |

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates -- The following presents the City's total OPEB liability calculated using the healthcare cost trend rates displayed above, as well as what the total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower and 1-percentage point higher than the current rates (in thousands).

| <u>1% Decrease</u> | <u>Current Rate</u> | <u>1% Increase</u> |
|-----------------------------|-----------------------------|-----------------------------|
| <u>Total OPEB Liability</u> | <u>Total OPEB Liability</u> | <u>Total OPEB Liability</u> |
| \$ 2,693,503 | \$ 3,354,718 | \$ 4,253,447 |

Schedule of Changes in Total OPEB Liability -- Changes in the total OPEB liability for the measurement period ended December 31, 2022 are as follows (in thousands):

| | |
|--|---------------------|
| Total OPEB liability at December 31, 2021 | <u>\$ 4,253,955</u> |
| Changes for the year: | |
| Service cost | 220,001 |
| Interest | 92,840 |
| Differences between expected and actual experience | 107,084 |
| Assumption changes | (1,253,523) |
| Benefit payments | (65,639) |
| Net change in total OPEB liability | <u>(899,237)</u> |
| Total OPEB liability at December 31, 2022 | <u>\$ 3,354,718</u> |

The OPEB plan changes included:

- Effective January 1, 2022, BlueCross BlueShield medical copays and deductibles increased for both PPO and HMO plans.
- Effective January 1, 2022, HB 4368 created a new tier of benefits for employees in the Police Officers' pension system. Participants hired on or after January 1, 2022, will have different age and service requirements for normal retirement eligibility.

The OPEB plan assumption changes included:

- Increasing the discount rate from 2.06% to 3.72% based on the Bond Buyer US Weekly Yields 20 General Obligation Bond Index as of the measurement date,

11 – OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued
c -- Other Postemployment Benefits Expense

Total OPEB expenses recognized by the City for the fiscal year ended September 30, 2023 were \$328.1 million.

d -- Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At September 30, 2023, the City reported deferred outflows and inflows of resources related to OPEB from the following sources (in thousands):

| | <u>Deferred Outflows</u> | <u>Deferred Inflows</u> |
|---|------------------------------|-----------------------------|
| Benefit payments subsequent to the measurement date | \$ 57,230 | -- |
| Differences between expected and actual experience | 157,068 | 3,646 |
| Changes in assumptions | 876,657 | 1,421,797 |
| Changes in proportionate share (between funds) | 73,963 | 73,963 |
| Total | <u>\$ 1,164,918</u> | <u>1,499,406</u> |

The portion of deferred outflows and inflows of resources that will be recognized in OPEB expense is as follows (in thousands):

| <u>Fiscal Year Ended September 30</u> | |
|---|---------------------|
| 2024 | \$ 18,927 |
| 2025 | (1,775) |
| 2026 | (10,701) |
| 2027 | (61,966) |
| 2028 | (166,447) |
| Thereafter | (169,756) |
| Total | <u>\$ (391,718)</u> |

12 -- DERIVATIVE INSTRUMENTS

The City has derivative instruments in two hedging programs: Energy Risk Management Program and Variable Rate Debt Management Program.

In accordance with GAAP, the City is required to report the fair value of all derivative instruments on the statement of net position. All derivative instruments must be categorized into two basis types – (1) hedging derivative instruments and (2) investment derivative instruments. Hedging derivative instruments significantly reduce an identified financial risk by substantially offsetting changes in cash flows or fair values of an associated hedgeable item. Investment derivative instruments are entered into primarily for income or profit purposes or they are derivative instruments that do not meet the criteria of an effective hedging derivative instrument. Changes in fair value of hedging derivative instruments are deferred on the statement of net position, and changes in fair value of investment derivative instruments are recognized as gains or losses on the statement of activities.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, which is the City's fiscal year end date of September 30. This requires consideration of nonperformance risk when measuring the fair value of a liability and considers the effect of the government's own credit quality and any other factors that might affect the likelihood that the obligation will or will not be fulfilled.

a -- Energy Risk Management Program

In an effort to mitigate the financial and market risk associated with the purchase and sale of natural gas, energy, capacity, and congestion price volatility, Austin Energy has established a Risk Management Program. This program was authorized by the Austin City Council and is led by the Risk Oversight Committee. Under this program, Austin Energy enters into futures contracts, forwards, options, swaps and congestion revenue rights for the purpose of reducing exposure to natural gas, energy, capacity, and congestion price risk. Use of these types of instruments for the purpose of reducing exposure to price risk is performed as a hedging activity. These contracts may be settled in cash or delivery of certain commodities. Austin Energy typically settles these contracts in cash.

12 – DERIVATIVE INSTRUMENTS, continued
a -- Energy Risk Management Program, continued

Hedging Derivative Instruments

Natural Gas Derivative Instruments

Austin Energy purchases financial contracts on the New York Mercantile Exchange (NYMEX) to provide a hedge against the physical delivery price of natural gas from its various hubs. Austin Energy enters into basis swaps to protect delivery price differences between Henry Hub and its natural gas delivery points, Katy and the Houston Ship Channel (HSC).

The fair value of futures, swaps, and basis swap contracts is determined using the NYMEX closing settlement prices as of the last day of the reporting period, using a hierarchy level 2 market approach. The fair value is calculated by deriving the difference between the closing futures price on the last day of the reporting period and purchase price at the time the positions were established. The fair value of the options is categorized as hierarchy level 2, calculated using the Black/Scholes valuation method utilizing implied volatility based on the NYMEX closing settlement prices of the options as of the last day of the reporting period, including any necessary price analysis adjustments, risk free interest rate, time to maturity, and the NYMEX forward price of the underlier as of the last day of the reporting period.

Premiums paid for options are deferred until the contract is settled. As of September 30, 2023, no premiums were deferred. As of September 30, 2023, the fair value of Austin Energy's futures, options, and swaps was an unrealized gain of \$1.2 million, all of which is reported as derivative instruments in assets. The fair values of these derivative instruments are deferred until future periods on the statement of net position using deferred outflows and deferred inflows.

Congestion Revenue Rights Derivatives

Preassigned Congestion Revenue Rights (PCRRs) and Congestion Revenue Rights (CRRs) function as financial hedges against the cost of resolving congestion in the Electric Reliability Council of Texas (ERCOT) market. These instruments allow Austin Energy to hedge expected future congestion that may arise during a certain period. CRRs are purchased at auction, annually and monthly at fair value. Municipally owned utilities are granted the right to purchase PCRRs annually at 10-20% of the cost of CRRs. While the instruments exhibit all three characteristics - settlement, leverage, and net settlement - to classify them as derivative instruments, they are generally used by Austin Energy as factors in the cost of transmission, and therefore meet the Normal Purchases and Normal Sales scope exception allowing them to be reported at cost.

In fiscal year 2023, Austin Energy sold PCRRs and recorded a gain of \$0.8 million; however, this gain was deferred under the accounting requirements for regulated operations. At September 30, 2023, the \$0.8 million gain remained deferred under the accounting requirements for regulated operations.

On September 30, 2023, Austin Energy had the following outstanding hedging derivative instruments (in thousands):

| Type of Transaction | Reference Index | Maturity Dates | Fair Value at September 30, 2023 | | Change in Fair Value | Premiums Deferred |
|-----------------------|-----------------|--------------------------------------|----------------------------------|------------|----------------------|-------------------|
| | | | Notional Volumes | Fair Value | | |
| Long OTC Call Options | Henry Hub | Dec 2023 - Mar 2025 | 3,655,000 (1) | \$ 1,226 | 1,226 | -- |
| | | Derivative instruments (assets) | | 1,226 | 1,226 | -- |
| Short OTC Put Options | Henry Hub | Dec 2023 - Mar 2025 | (3,655,000) (1) | -- | -- | -- |
| | | Derivative instruments (liabilities) | | -- | -- | -- |
| | | Total | | \$ 1,226 | 1,226 | -- |

(1) Volume in MMBTUs

Austin Energy routinely purchases derivative instruments. The outstanding hedging derivative instruments were purchased at various dates. Any realized gains and losses related to the hedging activity derivative instruments are netted to Power Supply Adjustment expense in the period realized.

12 – DERIVATIVE INSTRUMENTS, continued
a -- Energy Risk Management Program, continued

Risks

Credit Risk. Credit risk is the risk of loss due to a counterparty defaulting on its obligations. Austin Energy's fuel derivative instrument contracts expose Austin Energy to custodial credit risk on exchange-traded derivative instrument positions. In the event of default or nonperformance by brokers or the exchange, Austin Energy's operations will not be materially affected.

The over-the-counter agreements expose Austin Energy to credit risk. However, Austin Energy does not expect the counterparties to fail to meet their obligations given their high credit ratings and strict oversight by federal regulators. The contractual provisions applied to these contracts under the International Swaps and Derivatives Association (ISDA) agreement include collateral provisions at specified thresholds. At September 30, 2023, Austin Energy had no collateral posted under these provisions.

The congestion revenue rights expose Austin Energy to custodial credit risk in the event of default or nonperformance by ERCOT, a regulatory entity of the State of Texas. In the event of default of nonperformance, Austin Energy's operations will not be materially affected.

Termination Risk. Termination risk is the risk that a derivative instrument will terminate prior to its scheduled maturity due to a contractual event. Contractual events include illegality, tax and credit events upon merger and other events. Termination risk for exchange-traded instruments is greatly reduced by the strict rules and guidelines set up by the exchange, which is governed by the Commodity Futures Trade Commission. Austin Energy's exposure to termination risk for over-the-counter agreements is mitigated due to the high credit rating of the counterparties and the contractual provisions under the ISDA agreement applied to these contracts. Termination risk is associated with all of Austin Energy's derivative instruments up to the fair value of the instruments.

Netting Arrangements. Austin Energy enters into netting arrangements whenever it has entered into more than one derivative instrument transaction with a counterparty. Under the terms of these arrangements, should one party become insolvent or otherwise default on its obligations, close-out netting provisions permit the non-defaulting party to accelerate and terminate all outstanding transactions and net the transactions' fair values so that a single sum will be owed by or owed to the non-defaulting party.

Basis Risk. Austin Energy is exposed to basis risk on its fuel hedges because the expected commodity purchases being hedged will price based on a delivery point (Katy/HSC) different than that at which the financial hedging contracts are expected to settle, i.e. NYMEX (Henry Hub). As of September 30, 2023, the NYMEX price was \$2.68 per MMBTU (one million British thermal unit, a measurement of heating value), Katy was \$2.36 per MMBTU, and the HSC Hub price was \$2.30 per MMBTU.

b -- Variable Rate Debt Management Program

Hedging Derivative Instruments

The intention of each of the City's swaps is to provide a cash flow hedge for its variable interest rate bonds by providing synthetic fixed rate bonds. As a means to lower its borrowing costs when compared against fixed rate bonds at the time of issuance, the City executed pay-fixed, receive-variable swaps in connection with its issuance of variable rate bonds.

As of September 30, 2023, the City has one outstanding swap transaction with initial and outstanding notional amounts totaling \$125.3 million and \$52 million, respectively. The fair value of the interest rate derivative instrument transaction was estimated based on an independent pricing service. The valuation provided was derived from proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The expected transaction cash flows are calculated using the zero-coupon discounting method which takes into consideration the prevailing benchmark interest rate environment, the specific terms and conditions of a given transaction, and assumes that the current forward rates implied by the benchmark yield curve are the market's best estimate of future spot interest rates. The income approach is then used to obtain the fair value of the transaction, where future amounts (the expected transaction cash flows) are converted to a single current amount, discounted using a rate of return that takes into account the relative risk of nonperformance associated with the cash flows. Where applicable under the income approach an option pricing model is applied such as the Black-Scholes-Merton model, the Black-Derman-Toy model, one of the short-rate models, or other market standard models consistent with accepted practices in the market for interest rate option products. The option models consider probabilities, volatilities, time, settlement prices, and other variables pertinent to the transactions. This valuation technique is applied consistently across all the transactions. Given the observability of inputs significant to the measurements, the fair value of the transactions is categorized as Level 2.

12 – DERIVATIVE INSTRUMENTS, continued
b -- Variable Rate Debt Management Program, continued

On September 30, 2023, the City had the following outstanding interest rate swap hedging derivative instrument (in thousands):

| Item | Related Variable Rate Bonds | Terms | Effective Date | Maturity Date | Notional Amount | Fair Value |
|----------------------------------|---|---------------------------------|----------------|---------------|-----------------|------------|
| Business-Type Activities: | | | | | | |
| Hedging derivatives: | | | | | | |
| HOT1 | Hotel Occupancy Tax Subordinate Lien Variable Rate Revenue Refunding Bonds, Series 2008 | Pay 3.251%, receive 67% of SOFR | 8/14/2008 | 11/15/2029 | \$ 51,965 | (301) |

The City's swap is a pay-fixed interest rate swap. It was entered into with the objective of hedging changes in the cash flows on the related variable rate debt.

The fair value of the City's interest rate swap hedging derivative instrument is reported as derivative instruments in liabilities with an offsetting adjustment to deferred outflow of resources. The table below provides for the fair value and changes in fair value of the City's interest rate swap agreement as of September 30, 2023 (in thousands):

| Item | Outstanding Notional Amount | Fair Value and Classification | | Change in fair value | |
|--|-----------------------------|-------------------------------|-----------------------|----------------------|------------------|
| | | | | Deferred Outflows | Deferred Inflows |
| Business-Type Activities: | | | | | |
| Hedging derivative instrument (cash flow hedges): | | | | | |
| HOT1 | \$ 51,965 | (301) | Non-current liability | (942) | -- |

The City's interest rate swap hedging derivative instrument had a negative fair value as of September 30, 2023. The fair value takes into consideration nonperformance risk, the prevailing interest rate environment, the specific terms and conditions of a given transaction, and any upfront payments that may have been received.

Risks

Credit risk. As of September 30, 2023, the City was not exposed to credit risk on its outstanding swap agreements because each swap had a negative fair value. However, should interest rates change and the fair value of a swap become positive, the City would be exposed to credit risk in the amount of the swap's fair value.

The counterparty credit ratings for the City's interest rate swap hedging derivative instrument at September 30, 2023, are included in the table below:

| Item | Related Variable Rate Bonds | Counterparty | Counterparty Ratings | | |
|----------------------------------|---|------------------|--------------------------------|--------------------|--------------------|
| | | | Moody's Investors Service, Inc | S&P Global Ratings | Fitch Ratings, Inc |
| Business-Type Activities: | | | | | |
| HOT1 | Hotel Occupancy Tax Subordinate Lien Variable Rate Revenue Refunding Bonds, Series 2008 | Deutsche Bank AG | A1 | A- | A |

The swap agreement contains collateral agreements with the counterparty. This swap agreement requires collateralization of the fair value of the swap should the counterparty's credit rating fall below the applicable thresholds in the agreement. For Swap HOT1, the credit support provider is Deutsche Bank AG, New York Branch (DBAG). This swap requires collateralization of the fair value of the swap should DBAG's credit rating fall below the applicable thresholds in the agreement.

12 – DERIVATIVE INSTRUMENTS, continued
b -- Variable Rate Debt Management Program, continued

Swap payments and associated debt. The net cash flows for the City's interest rate swap hedging derivative instrument for the year ended September 30, 2023, is included in the table below (in thousands):

| Item | Related Variable Rate Bonds | Counterparty Swap Interest | | | Interest to Bondholders | Net Interest Payments |
|----------------------------------|-----------------------------|----------------------------|---------|------|-------------------------|-----------------------|
| | | Pay | Receive | Net | | |
| Business-Type Activities: | | | | | | |
| | Hotel Occupancy Tax | | | | | |
| | Subordinate Lien Variable | | | | | |
| | Rate Revenue Refunding | | | | | |
| HOT1 | Bonds, Series 2008 | \$ (1,724) | 1,628 | (96) | (1,573) | (1,669) |

Basis and interest rate risk. Basis risk is the risk that the interest rate paid by the City on underlying variable rate bonds to bondholders temporarily differs from the variable swap rate received from the applicable counterparty. At September 30, 2023, the City bears basis risk on the Swap HOT1. This swap has basis risk since the City receives a percentage of SOFR to offset the actual variable rate the City pays on the related bond. The City is exposed to basis risk should the floating rate that it receives on a swap drop below the actual variable rate the City pays on the bond. Depending on the magnitude and duration of any basis risk shortfall, the expected cost of the basis risk may vary.

The City will be exposed to interest rate risk only if the counterparty to the swap defaults or if the swap is terminated.

Tax risk. Tax risk is a specific type of basis risk. Tax risk is the risk of a permanent mismatch occurring between the interest rate paid on the City's underlying variable rate bonds and the rate received on the swap caused by a reduction or elimination in the benefits of the tax exemption for municipal bonds. For example, a grandfathering of the elimination of federal tax-exemption on existing tax-exempt bonds, or a tax cut, would result in the yields required by investors on the City's bonds coming close to or being equal to taxable yields. This would result in an increase in the ratio of tax-exempt to taxable yields. The City is receiving 67% of SOFR on Swap HOT1 and would experience a shortfall relative to the rate paid on its bond if marginal income tax rates decrease relative to expected levels, thus increasing the overall cost of its synthetic fixed rate debt.

Nonperformance/Termination risk. The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the respective contract. If the swap is terminated, the associated variable rate bond would no longer be hedged to a fixed rate. If at the time of termination, the swap has a negative fair value, the City would be liable to the counterparty for a payment equal to the swap's fair value. The additional termination events in the agreement are limited to credit related events only and the ratings triggers are substantially below the current credit rating of the City.

Rollover risk. The City is exposed to rollover risk on hedging derivative instruments that are hedges of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate, the City will be re-exposed to the risks being hedged by the hedging derivative instruments. The City is currently not exposed to rollover risk on its hedging derivative instrument.

Investment Derivative Instruments

At September 30, 2023, the City did not have any investment derivative instruments related to interest rate swaps.

12 – DERIVATIVE INSTRUMENTS, continued
c -- Swap Payments and Associated Debt

As of September 30, 2023, debt service requirement of the City's variable rate debt and net swap payments, assuming current interest rates remain the same, for their term are as follows (as rates vary, variable rate bond interest payments and net swap payments will vary):

| Fiscal Year Ended September 30 | Variable Rate Bonds (in thousands) | | Interest Rate Swaps, Net | Total Interest |
|--------------------------------------|---------------------------------------|--------------|-----------------------------|-------------------|
| | Principal | Interest (1) | | |
| 2024 | \$ 6,675 | 345 | 1,163 | 1,508 |
| 2025 | 6,910 | 294 | 991 | 1,285 |
| 2026 | 7,160 | 241 | 813 | 1,054 |
| 2027 | 7,395 | 186 | 628 | 814 |
| 2028 | 7,660 | 129 | 438 | 567 |
| 2029 | 16,165 | 81 | 274 | 355 |
| Total | \$ 51,965 | 1,276 | 4,307 | 5,583 |

- (1) The net effect of the reference rate projected to be paid to the City versus the variable rate projected to be paid to bondholders utilizing rates in effect at the end of the fiscal year.

13 – DEFICITS IN FUND BALANCES AND NET POSITION

At September 30, 2023, the following funds reported deficits in fund balances/net position (in thousands). Management intends to recover these deficits through future operating revenues, transfers, or debt issuances.

| <u>Nonmajor Governmental</u> | <u>Deficit</u> |
|----------------------------------|----------------|
| Special Revenue Funds: | |
| Project Connect | \$ 103 |
| Project Connect - Office | 36 |
| Fiscal Surety - Land Development | 2,495 |
| Capital Projects Funds: | |
| 2006 fund | |
| Drainage & Open Spaces | 12 |
| 2012 fund | |
| Transportation | 6,105 |
| 2016 fund | |
| Mobility | 84,109 |
| 2018 fund | |
| Library & Cultural | 12,975 |
| Parks | 23,755 |
| Open Space | 8,248 |
| Public Safety | 3,383 |
| Transportation | 38,374 |
| 2020 fund | |
| Transportation | 46,071 |
| 2022 fund | |
| Affordable Housing | 532 |
| Other funds | |
| Police and Courts | 2,198 |
| Fire - General | 35,276 |
| Public Works | 110 |
| Waller Creek District | 4,719 |
| Nonmajor Enterprise | |
| Austin Resource Recovery | 161,181 |
| Development Services | 151,919 |
| Transportation | 202,789 |
| Internal Service | |
| Workers' Compensation | 12,175 |

14 – INTERFUND BALANCES AND TRANSFERS
a -- Interfund Receivables, Payables, and Advances

Interfund receivables, payables, and advances at September 30, 2023, are as follows (in thousands):

| Due To | Due From | | | |
|-----------------------|-----------------------|---------------|--------------|---------|
| | Nonmajor Governmental | Austin Energy | Austin Water | Total |
| General Fund | \$ 5 | -- | -- | 5 |
| Nonmajor governmental | 228,250 | 43 | -- | 228,293 |
| Nonmajor enterprise | -- | -- | 301 | 301 |
| Internal Service | -- | 4,444 | -- | 4,444 |
| Total | \$ 228,255 | 4,487 | 301 | 233,043 |

Interfund receivables (due from) and payables (due to) reflect short-term loans between funds, mainly the result of short-term deficits in pooled investments and cash (\$185.9 million), the majority of which is related to capital projects (\$181.7 million). Deficits in grant funds awaiting reimbursement from grantors (\$41.1 million) were borrowed from Fiscal Surety - Land Development Fund.

| Advances From | Advances To | | | | |
|-----------------------|-----------------------|---------------|--------------|---------------------|--------|
| | Nonmajor Governmental | Austin Energy | Austin Water | Nonmajor Enterprise | Total |
| Nonmajor governmental | \$ 45,643 | -- | -- | 26 | 45,669 |
| Austin Water | -- | 5,952 | -- | -- | 5,952 |
| Nonmajor enterprise | 113 | -- | 301 | -- | 414 |
| Internal Service | -- | 13,656 | -- | -- | 13,656 |
| Total | \$ 45,756 | 19,608 | 301 | 26 | 65,691 |

Advances to and advances from reflect borrowings that will not be liquidated within one year. Advances to nonmajor governmental projects are primarily for transportation, mobility, and expansion of park projects that will be funded by bonds and new development fees. Advances to Austin Water from Austin Energy funded the Combined Utility System Revenue Bond Retirement Reserve Account. Austin Energy funded the entire reserve, which replaced an insurance policy previously held for combined lien reserve, on behalf of both enterprise funds. Austin Energy also transferred the Town Lake Center property to Support Services, which will be paid out by Support Services over a 5-year period. The long-term portion of the payable is reflected as an advance.

b -- Transfers

Transfers at September 30, 2023, are as follows (in thousands):

| Transfers Out | Transfers In | | | | | | | |
|-----------------------|--------------|-----------------------|---------------|--------------|---------|---------------------|------------------|---------|
| | General Fund | Nonmajor Governmental | Austin Energy | Austin Water | Airport | Nonmajor Enterprise | Internal Service | Total |
| General Fund | \$ -- | 28,064 | -- | -- | -- | 25,087 | 1,000 | 54,151 |
| Nonmajor governmental | 1,225 | 101,170 | 670 | -- | -- | 141,023 | -- | 244,088 |
| Austin Energy | 114,765 | 10,001 | -- | -- | -- | -- | 7,193 | 131,959 |
| Austin Water | 51,350 | 75 | 500 | -- | -- | -- | -- | 51,925 |
| Airport | -- | -- | -- | -- | -- | 53 | -- | 53 |
| Nonmajor enterprise | 4,527 | 23,773 | -- | 75 | 31 | 470 | 769 | 29,645 |
| Internal service | -- | 14,911 | 30,540 | -- | 112 | 1,309 | 89 | 46,961 |
| Total | \$ 171,867 | 177,994 | 31,710 | 75 | 143 | 167,942 | 9,051 | 558,782 |

Interfund transfers are authorized through City council approval. Significant transfers include:

- Austin Energy and Austin Water transfer funds to the General Fund (\$166.1 million), which are comparable to a return on investment to owners.
- The Hotel-Motel Occupancy Tax (\$126.6 million) and the Vehicle Rental Tax (\$14.2 million), both special revenue funds, transfer funds to Convention Center in support of convention operations and debt services.
- Affordable Housing (\$49.4 million), a capital projects fund, transferred funds to Austin Housing Finance Corporation, a special revenue fund, in support of affordable housing.

15 – SELECTED REVENUES

Austin Energy and Austin Water

The Public Utility Commission of Texas (PUCT) has jurisdiction over electric utility wholesale transmission rates. The PUCT approved the City's most recent wholesale transmission rate of \$1.24822/KW effective August 24, 2022. Transmission revenues totaled approximately \$94.4 million in fiscal year 2023. The City Council has jurisdiction over all other electric utility rates and over all water and wastewater utility rates and other services. The Council determines electric utility and water and wastewater utility rates based on the cost of operations.

Under a bill passed by the Texas Legislature in 1999, municipally-owned electric utilities such as the City's utility system have the option of offering retail competition after January 1, 2002. As of September 30, 2023, the City has elected not to enter the retail market, as allowed by state law.

Electric rates include a fixed-rate component and cost-adjustment factors that allow for recovery of power supply, regulatory, and community benefit costs. If actual costs differ from amounts billed to customers, then regulatory assets or deferred inflows are recorded by Austin Energy. Any over- or under-collections of the power supply, regulatory, or community benefit costs are applied to the respective cost-adjustment factor.

16 – TAX ABATEMENTS

The City grants tax abatements under one of two programs, the Chapter 380 Performance Based Economic Development Incentive Program under which sales and property taxes may be rebated if the entity meets performance criteria, and the Media Production and Development Zone program under which sales and use taxes may be abated.

a -- Performance Based Rebate Program

To promote local economic development and stimulate business and commercial activity in the municipality, the City has granted tax rebate agreements under the authority of Chapter 380 of the Texas Local Government Code through the City's Chapter 380 Performance Based Economic Development Incentive Program. All or a portion of property tax, sales tax, or a combination of the two are abated as a part of these agreements. To be eligible to participate in the program an entity must make a commitment to move or expand its business in the City through investments in real and/or personal property or leasehold improvements as well as commitments about the number of new jobs it will create. Some agreements also require the participants in this program to meet other City requirements such as average compensation and local business participation. Each agreement is negotiated individually, and the terms vary depending on the type of development and the economic benefits to the City.

Sales taxes abated may either be all or a portion of those generated by the entity or its actions. The amount of property taxes abated may be all or a portion of property taxes on the entity's real and personal property or leasehold investment. Agreements generally run for a certain number of years. All taxes are collected and then a portion is refunded if the entity meets commitments made under the agreement. If criteria are not met, no taxes are refunded.

During fiscal year 2023, the City had four active agreements under this program. Two agreements demonstrated compliance with their performance requirements in fiscal year 2022 (monitored in 2023) which resulted in abatement of taxes paid of approximately \$6.8 million. The City had no commitments related to these agreements other than the timeframe during which a compliance review will occur.

b -- Exemption Program

The Media Production Development and Zone Program offers exemption to the limited sales, excise, and use taxes to qualified persons who build, construct, renovate, improve, or expand a media production facility within the state. The city had one agreement in fiscal year 2023 that resulted in an exemption of approximately \$15 thousand. In addition, approximately \$4.0 million of rebates was paid in fiscal year 2023 for compliance requirements satisfied for fiscal year 2021 compliance periods.

The City is not subject to any tax abatement agreements entered into by other governmental entities.

17 – COMMITMENTS AND CONTINGENCIES

a -- Fayette Power Project

Austin Energy’s coal-fired electric generating units are located at the Fayette Power Project (FPP) and operate pursuant to a participation agreement with LCRA. Austin Energy has an undivided 50 percent interest in Units 1 and 2, and LCRA wholly owns Unit 3. A management committee of four members governs the FPP; each participant administratively appoints two members. As managing partner, LCRA is responsible for the operation of the project and appoints project management.

Austin Energy’s investment is financed through operations, revenue bonds, or commercial paper, which are repaid by Austin Energy (see Note 9), and its pro-rata share of operations is recorded as if wholly owned. Austin Energy’s pro-rata interest in the FPP was \$30 million as of September 30, 2023. The pro-rata interest in the FPP is calculated pursuant to the participation agreement and is reported in various asset and liability accounts within the City’s financial statements. The original cost of Austin Energy’s share of the FPP’s generation and transmission facilities is recorded in the utility plant accounts of the City in accordance with its accounting policies.

b -- South Texas Project

Austin Energy is one of three participants in the South Texas Project (STP), which consists of two 1,250-megawatt nuclear generating units in Matagorda County, Texas. The other participants in the STP are NRG South Texas LP and City Public Service of San Antonio. In-service dates for the STP were August 1988 for Unit 1 and June 1989 for Unit 2. Austin Energy’s 16 percent ownership in the STP represents 400 megawatts of plant capacity. At September 30, 2023, Austin Energy’s investment in the STP was approximately \$357 million, net of accumulated depreciation. As of November 1, 2023, Constellation South Texas, LLC, acquired NRG’s 44% ownership percentage. This change in ownership did not result in any adjustment to STP’s financial statements.

Effective November 17, 1997, the participation agreement among the owners of the STP was amended and restated, and the STP Nuclear Operating Company (STPNOC), a Texas non-profit non-member corporation created by the participants, assumed responsibility as the licensed operator of the STP. The participants share costs in proportion to ownership interests, including all liabilities and expenses of the STPNOC.

Each participant is responsible for its STP funding. The City’s portion is financed through operations, revenue bonds, or commercial paper, which are repaid by Austin Energy (see Note 9). In addition, each participant has the obligation to finance any deficits that may occur. Each participant appoints one member to the board of directors of the STPNOC, as well as one other member to the management committee. A member of the management committee may serve on the board of directors in the absence of a board member. The City’s portion of the STP is classified as plant in service, construction in progress, and nuclear fuel inventory. Nuclear fuel includes fuel in the reactor as well as nuclear fuel in process.

The STP was issued a 20-year license renewal by the Nuclear Regulatory Commission (NRC) in September 2017. Unit 1 and 2 are currently licensed through 2047 and 2048, respectively.

c -- South Texas Project Decommissioning

Austin Energy began collecting in rates and accumulating funds for decommissioning the STP in 1989 in an external trust. The Decommissioning Trust assets are reported as restricted investments held by trustee. The related liability is reported as an asset retirement obligation. Excess or unfunded liabilities related to decommissioning the STP will be adjusted in future rates so that there are sufficient funds in place to pay for decommissioning. At September 30, 2023, the trust’s assets exceeded total expenses amortized over the pro-rata useful life by \$13.9 million, which is reported as part of deferred inflows of resources (in thousands):

| | |
|----------------------------------|------------------|
| Decommissioning Trust Assets | \$ 259,260 |
| Pro Rata Decommissioning Expense | (245,366) |
| | <u>\$ 13,894</u> |

The STP is subject to regulation by the Nuclear Regulatory Commission (NRC). The NRC requires that each holder of a nuclear plant-operating license submit a certificate of financial assurance to the NRC for plant decommissioning every two years or upon transfer of ownership. The certificate provides reasonable assurance that sufficient funds are being accumulated to provide the minimum requirement for decommissioning mandated by the NRC. The most recent calculation of financial assurance filed for December 31, 2022 showed that the trust assets exceeded the minimum required assurance by \$83.2 million.

d -- Purchase Power

Austin Energy has commitments totaling \$4.0 billion to purchase energy and capacity through purchase power agreements. This amount includes provisions for wind power through 2041 and solar through 2046.

17 – COMMITMENTS AND CONTINGENCIES, continued

e -- Decommissioning and Environmental/Pollution Remediation Contingencies

Austin Energy may incur costs for environmental/pollution remediation of certain sites including the Holly and Fayette Power Plants. At September 30, 2023, the financial statements include a \$0.8 million environmental liability. The amount is based on 2023 cost estimates to perform remediation and decommissioning. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

f -- Airport Grant Agreement

In October 2017, the Airport entered into a grant agreement with ABLE to provide support for ABLE’s \$45,600,000 Series 2017 Airport Hotel Senior Revenue Refunding and Improvement Bonds issuance. The bonds are special limited obligations of ABLE and are payable by ABLE from revenues generated from the hotel located adjacent to the airport. Pursuant to the agreement, the Airport agreed to provide financial assistance to restore deficiencies in ABLE’s Senior Debt Service Reserve Fund, to the extent that Surplus Airport System Revenues, as defined in the grant agreement, are available. The Airport has no obligation under this agreement to fund a deficiency if the hotel ceases operations nor does the agreement constitute a commitment, conditional or otherwise, to pay the debt service on the bonds. The terms of the agreement end on the date when the bonds are no longer outstanding. As of September 30, 2023, the Airport has provided \$4.8 million in financial assistance to restore deficiencies in ABLE’s Senior Debt Service Reserve Fund.

g -- Arbitrage Rebate Payable

The City’s arbitrage consultant has determined that the City has earned interest revenue on unused bond proceeds in excess of amounts allowed by applicable Federal regulations. The City will be required to rebate the excess amounts to the federal government. The estimated amounts payable at September 30, 2023, was \$2.0 million for governmental activities, \$158.8 thousand for Austin Energy, \$248.6 thousand for Austin Water, and \$630.9 thousand for Airport.

h -- Federal and State Financial Assistance Programs

The City participates in a number of federally assisted and state grant programs, financed primarily by the U.S. Department of Transportation, U.S. Environmental Protection Agency and U.S. Department of Housing and Urban Development. The City’s programs are subject to program compliance audits by the grantor agencies. Management believes that no material liability will arise from any such audits.

i -- Capital Improvement Plan

As required by charter, the City has a *Capital Improvements Program* plan (capital budget) covering a five-year period which details anticipated spending for projects in the upcoming and future years. The City’s 2023 Capital Budget has substantial contractual commitments relating to its capital improvement plan.

The key projects in progress include improvements to and development of the electric system, water and wastewater systems, airport, transportation infrastructure, public recreation and culture activities, and urban growth management activities. Remaining commitments represent current unspent budget and future costs required to complete projects.

| Project | Remaining Commitment (in thousands) |
|--|--|
| Governmental activities: | |
| General government | \$ 72,835 |
| Public safety | 119,675 |
| Transportation, planning, and sustainability | 517,716 |
| Public health | 25,092 |
| Public recreation and culture | 185,118 |
| Urban growth management | 94,618 |
| Business-type activities: | |
| Electric | 223,323 |
| Water | 154,292 |
| Wastewater | 386,222 |
| Airport | 306,188 |
| Convention | 171,464 |
| Environmental and health services | 27,839 |
| Public recreation and culture | 535 |
| Urban growth management | 195,253 |
| Total | \$ 2,480,170 |

17 – COMMITMENTS AND CONTINGENCIES, continued
j -- Encumbrances

The City utilizes encumbrances to track commitments against budget in governmental funds. The amount of outstanding encumbrances at September 30, 2023 is as follows (in thousands):

| | <u>Encumbrances</u> |
|-----------------------|---------------------|
| General Fund | \$ 70,689 |
| Nonmajor governmental | |
| Special Revenue | 79,445 |
| Capital Projects | 387,859 |
| | <u>\$ 537,993</u> |

Significant encumbrances include reservations for 2016 bond programs (\$57,776), General government projects (\$54,615), Coronavirus State & Local Fiscal Recovery projects (\$53,328), 2020 Transportation Programs (\$36,855), 2018 Prop D bond programs (\$30,078), and 1992 Erosion control bond programs (\$28,396).

k -- Landfill Closure and Postclosure Liability

State and federal regulations require the City to place a final cover on the City of Austin landfill site (located on FM 812) when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, a portion of these future closure and postclosure care costs are reported as an operating expense in each period as incurred in the Austin Resource Recovery fund, a nonmajor enterprise fund. Closure with TCEQ occurred in May 2021. While the landfill only reached 99.04% capacity, the City is no longer accepting waste. The amount of costs reported, based on landfill capacity of 100% as of September 30, 2023, is as follows (in thousands):

| | <u>Closure</u> | <u>Postclosure</u> | <u>Total</u> |
|-----------------------------------|----------------|--------------------|---------------|
| Total estimated costs | \$ 25,381 | 20,726 | 46,107 |
| % capacity used | 100% | 100% | 100% |
| Cumulative liability accrued | 25,381 | 20,726 | 46,107 |
| Costs incurred | (25,381) | (2,217) | (27,598) |
| Closure and postclosure liability | <u>\$ --</u> | <u>18,509</u> | <u>18,509</u> |

These amounts are based on the 2023 cost estimates to perform closure and postclosure care. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. State and federal laws require owners to demonstrate financial assurance for closure, postclosure, and/or corrective action. The City complies with the financial and public notice components of the local government financial test and government-guarantee of the test.

l -- Asset Retirement Obligations (ARO)

South Texas Project (STP) -- Federal regulations require Austin Energy to perform certain asset retirement obligations related to decommissioning the STP, a nuclear power station located in Bay City, Texas. These regulations are provided by the Nuclear Regulatory Commission (NRC) and require licensed nuclear facilities to follow both technical and financial criteria for decommissioning activities. An external decommissioning cost study is performed every five years. The most recent cost study was completed in May 2023 by TLG Services, Inc. and included a total decommissioning cost estimate of \$2.6 billion. The study assumes that the U.S. Department of Energy will commence pickup of spent fuel from the STP site no later than 2067. Austin Energy, holding a 16% ownership interest in the STP, has included a total ARO estimate of \$414.8 million (2023 dollars) and an associated deferred outflow of resources of \$169.4 million. Austin Energy has restricted assets held in an irrevocable trust to cover the eventual decommissioning costs and as of September 30, 2023, trust assets totaled \$259.3 million.

Fayette Power Project (FPP) -- Federal and state regulations as well as contractual obligations require Austin Energy to perform certain asset retirement activities associated with our ownership of FPP, two coal-fired electric generating units. A cost study performed by the LCRA assessed the activities required for capital asset retirement and includes a best estimate of the current value of costs to be incurred related to legal or contractual obligations. Austin Energy, holding a 50% ownership in Units 1 and 2 with the LCRA, has included a total ARO estimate of \$22.6 million and an associated deferred outflow of resources of \$17.5 million. Austin Energy, as joint owner of the facility, will amortize the deferred outflow related to regulatory obligations over 18 years, the estimated remaining useful life of the plant. Austin Energy will amortize the deferred outflow related to the contractual obligation over the remaining leased period of 1 year.

17 – COMMITMENTS AND CONTINGENCIES, continued
l -- Asset Retirement Obligations (ARO), continued

Wastewater treatment plants -- Federal regulations require the City to perform certain asset retirement obligations related to its wastewater treatment plants. The City must close the wastewater treatment facilities in a manner that minimizes the need for further maintenance and minimizes or controls postclosure escape of hazardous waste, hazardous constituents, leachate, contaminated run-off, or hazardous waste decomposition products to the ground or surface waters. Based on historical vendor invoices to remove solids from wastewater treatment plants, the ARO for wastewater treatment plants was approximately \$1.3 million as of September 30, 2023 and is reported as asset retirement obligations in the Austin Water fund, a major enterprise fund. The associated deferred outflow of \$499 thousand will be amortized over the remaining useful lives of the City’s wastewater treatment plants, which range from 3 to 38 years.

Petroleum underground storage tanks -- State regulations require the City to perform certain asset retirement obligations pertaining to its petroleum underground storage tanks. Upon retirement of the tanks, the City is required to either remove the tank from the ground, permanently fill the tank in place, or conduct a permanent change in service. The City is opting to remove the tanks from the ground upon retirement. Based on an estimate from a certified vendor, the ARO for petroleum underground storage tanks was approximately \$518 thousand as of September 30, 2023 and is reported as asset retirement obligations in the Fleet Maintenance fund, an internal service fund. The associated deferred outflow of \$96.6 thousand will be amortized over the remaining useful lives of the City’s petroleum underground storage tanks, which range from 1 to 20 years.

m -- Risk-Related Contingencies

The City uses internal service funds to account for risks related to health benefits, third-party liability, and workers’ compensation. The funds are as follows:

| Fund Name | Description |
|-----------------------|---|
| Employee Benefits | City employees and retirees may choose a self-insured PPO, HMO, or CDHP with HSA for health coverage. Approximately 74% of City employees and 83% of retirees use the PPO option; approximately 8% of City employees and 15% of retirees use the HMO option; and approximately 18% of City employees and 2% of retirees use the CDHP with HSA option. Costs are charged to City funds through a charge per employee per pay period. |
| Liability Reserve | This self-insured program includes losses and claims related to liability for bodily injury, property damage, professional liability, and certain employment liability. Premiums are charged to other City funds each year based on historical costs. Third-party claims activities are also reported directly in the Austin Energy, Austin Water, and Airport enterprise funds. |
| Workers’ Compensation | Premium charges for this self-insured program are assessed to other funds each year based on the number of full-time equivalent (FTE) employees per fund. |

The City purchases stop-loss insurance for the City’s PPO, HMO, and CDHP plans. Stop-loss insurance covers individual claims that exceed a stated threshold amount per calendar year. Beginning in 2019 the stated threshold amount is \$750,000 with an unlimited maximum. In fiscal year 2023, six claims exceeded the stop loss limit of \$750,000. In fiscal year 2021, two claims exceeded the stop loss limit of \$750,000. In fiscal year 2020, four claims exceeded the stop loss limit of \$750,000. City coverage is unlimited for lifetime of benefits. The City does not purchase stop-loss insurance for workers’ compensation claims.

The City is self-insured for much of its risk exposure; however, the City purchases commercial insurance coverage for loss or damage to real property, theft and other criminal acts committed by employees, and third-party liability associated with the airport, owned aircraft, and electric utility operations. There have been no claims settlements in excess of the purchased insurance coverage to date. The City also purchases insurance coverage through a program that provides workers’ compensation, employer’s liability, and third-party liability coverage to contractors working on designated capital improvement project sites.

Liabilities are reported when it is probable that a loss has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. The City utilizes actuarial information, which is based on historical claim settlement trends, to determine the claim liabilities for the Employee Benefits fund and Workers’ Compensation fund. Claims liabilities for the Austin Energy, Austin Water, Airport, and Liability Reserve funds are calculated based on an estimate of outstanding claims, which may differ from the actual amounts paid. Possible losses are estimated to range from \$78.7 to \$92.3 million. In accordance with GAAP, \$78.7 million is recognized as claims payable in the financial statements with \$43.6 million recognized as a current liability and \$35.1 million recognized as long-term liability.

17 – COMMITMENTS AND CONTINGENCIES, continued
m -- Risk-Related Contingencies, continued

Changes in the balances of claims liability are as follows (in thousands):

| | <u>Austin Energy</u> | | <u>Austin Water</u> | | <u>Airport</u> | |
|---------------------------------------|----------------------|--------------|---------------------|-------------|----------------|--------------|
| | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> |
| Liability balances, beginning of year | \$ 1,318 | 1,229 | 400 | 280 | 1,900 | -- |
| Claims and changes in estimates | 2,000 | 300 | 221 | 293 | (1,897) | 1,900 |
| Claim payments | (1,056) | (211) | (156) | (173) | (3) | -- |
| Liability balances, end of year | <u>2,262</u> | <u>1,318</u> | <u>465</u> | <u>400</u> | <u>--</u> | <u>1,900</u> |

| | <u>Employee Benefits</u> | | <u>Liability Reserve</u> | | <u>Workers' Compensation</u> | |
|---------------------------------------|--------------------------|---------------|--------------------------|---------------|------------------------------|---------------|
| | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> | <u>2023</u> | <u>2022</u> |
| Liability balances, beginning of year | 15,857 | 16,286 | 11,800 | 26,606 | 45,041 | 43,494 |
| Claims and changes in estimates | 198,900 | 188,234 | 4,045 | 7,075 | 8,530 | 9,232 |
| Claim payments | (194,206) | (188,663) | (7,105) | (21,881) | (6,868) | (7,685) |
| Liability balances, end of year | <u>\$ 20,551</u> | <u>15,857</u> | <u>8,740</u> | <u>11,800</u> | <u>46,703</u> | <u>45,041</u> |

The Austin Water fund claims liability balance at fiscal year-end included liabilities of \$279 thousand discounted at 4.23% in 2023 and \$269 thousand discounted at 4.16% in 2022. The claims liability balance for all other funds had no discounted liability in fiscal years 2023 and 2022.

n -- No-Commitment Special Assessment Debt

In November 2011, the City issued \$15,500,000 of Special Assessment Revenue Bonds, Senior Series 2011 related to the Whisper Valley Public Improvement District. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. \$2,441,202 in total assessments were levied in the year ended September 30, 2023. The aggregate principal outstanding at September 30, 2023 is \$6,735,000.

In November 2011, the City issued \$2,860,000 of Special Assessment Revenue Bonds, Senior Series 2011 related to the Indian Hills Public Improvement District. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. \$490,919 in total assessments were levied in the year ended September 30, 2023. The aggregate principal outstanding at September 30, 2023 is \$1,345,000.

In July 2013, the City issued \$12,590,000 of Special Assessment Revenue Bonds, Series 2013 related to the Estancia Hill Country Public Improvement District. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. \$1,918,468 in total assessments were levied during the fiscal year ended September 30, 2023. The aggregate principal outstanding at September 30, 2023 is \$6,455,000.

17 – COMMITMENTS AND CONTINGENCIES, continued
n -- No-Commitment Special Assessment Debt, continued

In December 2018, the City issued \$4,265,000 and \$8,305,000 of Special Assessment Revenue Bonds, Series 2018 #1 and #2, respectively, related to the Estancia Hill Country Public Improvement District. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. \$749,346 in total assessments were levied during the fiscal year ended September 30, 2023. The aggregate principal outstanding and the balance of bond proceeds held by the trustee at September 30, 2023 are \$8,205,000 and \$871 respectively.

In April 2019, the City issued \$4,500,000 of Special Assessment Revenue Bonds, Series 2019 related to the Whisper Valley Public Improvement District, Phase 1. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. \$280,073 in total assessments were levied during the fiscal year ended September 30, 2023. The aggregate principal outstanding and the balance of bond proceeds held by the trustee at September 30, 2023 are \$4,260,000 and \$5,200, respectively.

In December 2022, the City issued \$6,820,000 of Special Assessment Revenue Bonds, Series 2022 related to the Whisper Valley Public Improvement District, Phase 2. The bonds are special obligations of the City payable solely from the assessments levied against parcels within the Public Improvement District and other pledged funds held under the indenture. The bonds do not give rise to a charge against the general credit or taxing powers of the City. The City is acting as an agent for the property owners within the district in collecting the future assessments, forwarding collections to trustees, approving bond proceed disbursements, and initiating any future foreclosures. \$456,269 in total assessments were levied during the fiscal year ended September 30, 2023. The aggregate principal outstanding at September 30, 2023 is \$6,820,000.

18 – LITIGATION

A number of claims and lawsuits against the City are pending with respect to various matters arising in the normal course of the City's operations. Legal counsel and City management are of the opinion that settlement of these claims and lawsuits will not have a material effect on the City's financial statements. The City has accrued liabilities in the Austin Energy, Austin Water, Airport, and Liability Reserve funds for claims payable at September 30, 2023. These liabilities, reported in the government-wide statement of net position, include amounts for claims and lawsuits settled subsequent to year end.

19 – CONDUIT DEBT

The City has issued several series of housing revenue bonds to provide for low-cost housing. These bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. As of September 30, 2023, \$390.9 million in housing revenue bonds were outstanding with an original issue value of \$405.7 million.

Revenue bonds have been issued by various related entities to provide for facilities located at the international airport. These bonds are special limited obligations payable solely from and secured by a pledge of revenue to be received from agreements between the entities and various third parties. As of September 30, 2023, \$147.3 million in revenue and revenue refunding bonds were outstanding with an original issue value of \$147.3 million.

The above bonds do not constitute a debt or pledge of the faith and credit of the City and accordingly have not been reported in the accompanying financial statements.

20 – SEGMENT INFORMATION – CONVENTION CENTER

The Convention Center provides event facilities and services to its customers. Below are the condensed financial statements for this segment (in thousands):

| Condensed Statement of Net Position | |
|--|-------------------|
| ASSETS | |
| Current assets | \$ 92,519 |
| Advances to other funds | 26 |
| Capital assets | 212,083 |
| Other noncurrent assets | 296,109 |
| Total assets | 600,737 |
| Deferred outflows of resources | 50,018 |
| LIABILITIES | |
| Other current liabilities | 21,804 |
| Other noncurrent liabilities | 195,082 |
| Total liabilities | 216,886 |
| Deferred inflows of resources | 37,863 |
| NET POSITION | |
| Net investment in capital assets | 134,536 |
| Restricted | 304,604 |
| Unrestricted | (43,134) |
| Total net position | \$ 396,006 |

| Condensed Statement of Revenues, Expenses, and Changes in Net Position | |
|---|-------------------|
| OPERATING REVENUES | |
| User fees and rentals | \$ 35,246 |
| Lease revenue | 496 |
| Total operating revenues | 35,742 |
| OPERATING EXPENSES | |
| Operating expenses before depreciation | 75,302 |
| Depreciation and amortization | 9,523 |
| Total operating expenses | 84,825 |
| Operating income (loss) | (49,083) |
| Nonoperating revenues (expenses) | 9,034 |
| Transfers | 130,726 |
| Change in net position | 90,677 |
| Beginning net position | 305,329 |
| Ending net position | \$ 396,006 |

| Condensed Statement of Cash Flows | |
|---|-------------------|
| Net cash provided (used) by: | |
| Operating activities | \$ (27,280) |
| Noncapital financing activities | 130,732 |
| Capital and related financing activities | (18,851) |
| Investing activities | 11,756 |
| Net increase (decrease) in cash and cash equivalents | 96,357 |
| Cash and cash equivalents, beginning | 265,891 |
| Cash and cash equivalents, ending | \$ 362,248 |

21 – RESTATEMENTS

Changes in Accounting Principles

Elimination of Regulatory Reporting for Austin Water

Effective with fiscal year 2023, the City has elected to discontinue the use of the regulatory reporting methodology outlined in GASB Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements" for Austin Water. While most publicly owned electric utilities follow the regulatory reporting guidelines in GASB Statement No. 62, that is not the industry practice for publicly owned water utilities. This change in accounting principle will enhance comparability with the industry and will align Austin Water with prevailing reporting standards for other publicly owned water utilities.

As a result of this change in accounting principle, the City will eliminate regulatory assets, net of accumulated amortization, in the amount of \$462.5 million, eliminate deferred inflows related to regulatory operations in the amount of \$1 billion, and restate the net position by \$567.9 million for both Austin Water and business-type activities as of October 1, 2022.

Implementation of GASB Statement No. 94

During fiscal year 2023, the City implemented a new accounting standard, GASB Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements." This statement's primary objective is to improve financial reporting by addressing issues related to public-private and public-public partnerships (PPPs) and availability payment arrangements (APAs). As a result of implementing this new accounting standard, the governmental activities beginning net position for fiscal year 2023 was restated by \$2.6 million and the beginning fund balances for nonmajor governmental funds was restated by \$29.1 million.

During fiscal year 2023, these changes in accounting principles resulted in adjustments to and restatements of beginning net position, as follows (in thousands):

| <u>September 30, 2022</u> | <u>Government-wide</u> | | <u>Proprietary Funds</u> |
|--|---|---------------------------------|--------------------------|
| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Austin Water</u> |
| Net position, as previously reported | \$ (744,124) | 4,203,548 | 1,128,608 |
| Adjustments to properly record: | | | |
| Implementation of GASB Statement No. 94 | (2,653) | -- | -- |
| Elimination of Regulatory Reporting for Austin Water | -- | 567,928 | 567,928 |
| Addition of Discretely Presented Component Units | -- | -- | -- |
| Net Position, as restated | <u>\$ (746,777)</u> | <u>4,771,476</u> | <u>1,696,536</u> |
| | <u>Governmental Funds</u> | | |
| | <u>Nonmajor Governmental Funds</u> | | |
| <u>September 30, 2022</u> | | | |
| Fund balances, as previously reported | \$ 368,493 | | |
| Adjustments to properly record: | | | |
| Implementation of GASB Statement No. 94 | 29,090 | | |
| Fund balances, as restated | <u>\$ 397,583</u> | | |

22 – SUBSEQUENT EVENTS

a -- General Obligation Bond Issue

In October 2023, the City issued \$221,950,000 of Public Improvement and Refunding Bonds, Series 2023. The net proceeds of \$170,500,000 (after issue costs, discounts, and premiums) from this issuance will be used as follows: streets and mobility (\$140,000,000), water quality protection (\$6,500,000), park improvements (\$15,000,000), cultural arts facility improvements (\$8,000,000), and public safety (\$1,000,000). The net proceeds of the refunding portion of \$70,977,758 were used to refund \$54,270,000 Public Improvement Bonds, Series 2013 and \$16,400,000 Certificates of Obligation, Series 2013. Principal payments are due on September 1 of each year from 2024 to 2043. Interest is payable on March 1 and September 1 of each year, commencing March 1, 2024. Total interest requirements for these bonds, at a rate of 5.0%, are \$108,189,771.

In October 2023, the City issued \$8,750,000 of Public Property Finance Contractual Obligation, Series 2023. The net proceeds of \$9,315,000 (after issue costs, discounts, and premiums) from this issuance will be used for capital equipment. Principal payments are due on May 1 and November 1 of each year from 2024 to 2030. Interest is payable on May 1 and November 1 of each year, commencing May 1, 2024. Total interest requirements for these obligations, at a rate of 5.0%, are \$1,857,396.

In October 2023, the City issued \$25,790,000 of Certificates of Obligation, Series 2023. The new money net proceeds of \$28,000,000 (after issue costs, discounts, and premiums) from this issuance will be used for a new Fire/EMS station and station improvements (\$20,300,000) and street improvements/transportation projects (\$7,700,000). Interest is payable March 1 and September 1 of each year from 2024 to 2043, commencing on March 1, 2024. Principal payments are due September 1 of each year from 2024 to 2043. Total interest requirements for this obligation, at a rate of 5.0%, are \$15,413,554.

b -- Water and Wastewater System Revenue Debt – Revenue Bond Refunding Issue

In November 2023, the City issued \$18,000,000 of Water and Wastewater System Revenue Bonds, Series 2023A. This is a private placement structured through a memorandum with the Texas Water Development Board (TWDB). Project funds of \$16,662,242 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2024 to 2043. Interest payments are due May 15 and November 15 of each year from 2024 to 2043. Total interest requirements for the bonds are \$6,651,729, with interest rates ranging from 2.64% to 3.60%.

c -- Water and Wastewater System Revenue Debt – Revenue Bond In-Substance Defeasance

In December 2023 the City defeased \$2,360,000 of separate lien revenue refunding bonds, Series 2012, \$14,975,000 of separate lien revenue refunding bonds, Series 2013A, \$14,560,000 of separate lien revenue refunding bonds, Series 2014, \$21,205,000 of separate lien revenue refunding bonds, Series 2015A, \$1,680,000 of separate lien revenue refunding bonds, Series 2016, and \$4,000,000 of separate lien revenue refunding bonds, Series 2017 with a \$2,370,096 cash payment for the 2012 Series and a \$57,478,990 cash payment for the remaining series. The funds were deposited in irrevocable escrow accounts to provide for the future debt service payments on the defeased bonds. The City is legally released from the obligation for the defeased debt.



**REQUIRED
SUPPLEMENTARY
INFORMATION (RSI)**



General Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
RSI

| General Fund | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|-------------------|------------------------|----------------------------|------------------|------------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Taxes | \$ 982,227 | 100 | 982,327 | 981,734 | 981,734 | 593 |
| Franchise fees | 29,718 | (5) | 29,713 | 29,907 | 29,907 | (194) |
| Fines, forfeitures and penalties | 4,531 | -- | 4,531 | 4,229 | 4,229 | 302 |
| Licenses, permits and inspections | 22,330 | (280) | 22,050 | 19,342 | 19,342 | 2,708 |
| Charges for services/goods | 77,034 | 3,082 | 80,116 | 69,289 | 69,289 | 10,827 |
| Lease revenue | 156 | (156) | -- | -- | -- | -- |
| Interest and other income (loss) | 51,234 | (3,374) | 47,860 | 22,833 | 22,833 | 25,027 |
| Total revenues | 1,167,230 | (633) | 1,166,597 | 1,127,334 | 1,127,334 | 39,263 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| Municipal Court | 36,798 | 656 | 37,454 | 37,394 | 37,394 | (60) |
| Public safety | | | | | | |
| Emergency Medical Services | 99,595 | 16,181 | 115,776 | 112,312 | 115,712 | (64) |
| Fire | 207,140 | 21,658 | 228,798 | 230,523 | 230,523 | 1,725 |
| Forensic Science | 9,985 | 2,487 | 12,472 | 13,054 | 13,054 | 582 |
| Police | 382,918 | 69,161 | 452,079 | 445,006 | 449,206 | (2,873) |
| Public health | | | | | | |
| Animal Services | 15,535 | 2,566 | 18,101 | 18,155 | 18,155 | 54 |
| Public Health | 52,556 | 18,086 | 70,642 | 70,849 | 70,849 | 207 |
| Social Services | 53,978 | (462) | 53,516 | 53,546 | 53,546 | 30 |
| Public recreation and culture | | | | | | |
| Austin Public Library | 56,151 | 9,224 | 65,375 | 65,592 | 65,592 | 217 |
| Parks and Recreation | 110,515 | 10,243 | 120,758 | 122,099 | 122,099 | 1,341 |
| Urban growth management | | | | | | |
| Housing and Planning | 13,462 | 12,492 | 25,954 | 27,582 | 27,582 | 1,628 |
| Other urban growth management | 33,884 | 1,982 | 35,866 | 37,934 | 37,934 | 2,068 |
| Lease and IT subscription financing principal | 8,757 | (8,757) | -- | -- | -- | -- |
| Interest expense on leases and IT subscriptions | 1,134 | (1,134) | -- | -- | -- | -- |
| General city responsibilities (4) | 189,282 | (175,793) | 13,489 | 16,633 | 9,033 | (4,456) |
| Total expenditures | 1,271,690 | (21,410) | 1,250,280 | 1,250,679 | 1,250,679 | 399 |
| Excess (deficiency) of revenues over expenditures | (104,460) | 20,777 | (83,683) | (123,345) | (123,345) | 39,662 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Lease and IT subscription proceeds | 3,611 | (3,611) | -- | -- | -- | -- |
| Transfers in | 171,867 | 97,085 | 268,952 | 246,024 | 246,024 | 22,928 |
| Transfers out | (54,151) | (137,182) | (191,333) | (143,199) | (158,562) | (32,771) |
| Other adjustments (1) | -- | 7,579 | 7,579 | -- | -- | 7,579 |
| Total other financing sources (uses) | 121,327 | (36,129) | 85,198 | 102,825 | 87,462 | (2,264) |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 16,867 | (15,352) | 1,515 | (20,520) | (35,883) | 37,398 |
| Fund balances at beginning of year | 341,835 | (97,271) | 244,564 | 211,506 | 211,506 | 33,058 |
| Fund balances at end of year | \$ 358,702 | (112,623) | 246,079 | 190,986 | 175,623 | 70,456 |

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.
- (2) Includes adjustments to revenues/transfers required for adjusted budget basis presentation.
- (3) Variance is actual-budget basis to final budget.
- (4) Actual expenditures include employee training costs and amounts budgeted as fund-level expenditures or operating transfers. Actual-budget basis expenditures include employee training costs and amounts budgeted as fund-level expenditures.

BUDGET BASIS REPORTING

a -- General

The City of Austin prepares its annual operating budget based on the modified accrual basis. Encumbrances constitute the equivalent of expenditures for budgetary purposes. In order to provide a meaningful comparison of actual results to the budget, the Schedule of Revenues, Expenditures and Changes in Fund Balances -- Budget and Actual-Budget Basis for the General Fund presents the actual and actual-budget basis amounts in comparison with original and final budgets.

The General Fund, as reported in the financial statements, is comprised of twelve separately budgeted funds in the City's legally adopted budget: the Budgetary General Fund (represented as the General Fund in the City's budget document), plus Barton Springs Conservation, Budget Stabilization Reserve, Economic Development, Economic Incentives Reserve, Emergency Reserve, Housing and Planning Technology, Iconic Venue, Long Center Capital Improvements, Neighborhood Housing-Housing Trust, Pay for Success, and Seaholm Parking Garage Revenue. RSI reflects the budgetary comparison for the consolidated General Fund.

The General Fund budget includes other revenues and requirements, which are presented in the general city responsibilities category. The expenditure budget for these general city requirements includes interdepartmental charges (\$4,873,332).

b -- Budget Amendments

During fiscal year 2023, Emergency Reserve Fund increased transfers out by \$15,363,750 to the Austin Resource Recovery fund to help with expenditures related to Winter Storm Mara. Additional amendments include: a decrease to General Fund general city responsibilities for \$7,600,000 and an increase to Police and Emergency Medical Services expenditures for \$4,200,000 and \$3,400,000, respectively, to cover wages and benefits.

c -- Reconciliation of GAAP Basis and Budget Basis Amounts

The primary differences between GAAP-basis and budget-basis reporting for the General Fund are the reporting of encumbrances and the reporting of certain transfers. General Fund accrued payroll is recorded at the department level on a GAAP basis and as an expenditure in the general city responsibilities activity on the budget basis. Adjustments necessary to convert the excess revenues and other sources over expenditures and other uses on a GAAP basis to a budget basis for the activities comprising the General Fund are provided, as follows (in thousands):

| | <u>General Fund</u> |
|--|---------------------|
| Excess (deficiency) of revenues and other sources over expenditures and other uses - GAAP basis | \$ 16,867 |
| Adjustments - increases (decreases) due to: | |
| Unbudgeted revenues | (1,733) |
| Net compensated absences accrual | (493) |
| Outstanding encumbrances established in current year | (51,006) |
| Payments against prior year encumbrances | 39,142 |
| Other | (1,262) |
| Excess (deficiency) of revenues and other sources over expenditures and other uses - budget basis | <u>\$ 1,515</u> |

Required Supplementary Information
Retirement Plans- Trend Information
September 30, 2023
(In thousands)

Schedule of Changes in the City Employees' Plan Net Pension Liability and Related Ratios
Measurement Period Ended December 31

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|---|--------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Beginning total pension liability | \$ 2,909,918 | 3,094,056 | 3,391,796 | 3,591,376 | 3,797,823 |
| Changes for the year: | | | | | |
| Service cost | 89,235 | 93,506 | 107,111 | 107,767 | 111,438 |
| Interest | 222,710 | 236,844 | 251,684 | 266,257 | 281,404 |
| Differences between expected and actual experience | 33,911 | 13,414 | 19,914 | 22,755 | 1,882 |
| Assumption changes | -- | 123,493 | -- | -- | -- |
| Benefit payments including refunds | <u>(161,718)</u> | <u>(169,517)</u> | <u>(179,129)</u> | <u>(190,332)</u> | <u>(202,987)</u> |
| Net change in total pension liability | <u>184,138</u> | <u>297,740</u> | <u>199,580</u> | <u>206,447</u> | <u>191,737</u> |
| Ending total pension liability | <u><u>3,094,056</u></u> | <u><u>3,391,796</u></u> | <u><u>3,591,376</u></u> | <u><u>3,797,823</u></u> | <u><u>3,989,560</u></u> |
| Beginning total plan fiduciary net position | <u>2,130,624</u> | <u>2,209,800</u> | <u>2,144,804</u> | <u>2,299,688</u> | <u>2,650,438</u> |
| Changes for the year: | | | | | |
| Employer contributions | 93,331 | 100,485 | 104,273 | 110,846 | 116,486 |
| Employee contributions | 50,490 | 54,066 | 60,801 | 56,194 | 58,713 |
| Pension plan net investment income (loss) | 99,704 | (47,608) | 171,640 | 376,820 | (157,242) |
| Benefits payments and refunds | (161,718) | (169,517) | (179,129) | (190,332) | (202,987) |
| Pension plan administrative and other expense | <u>(2,631)</u> | <u>(2,422)</u> | <u>(2,701)</u> | <u>(2,778)</u> | <u>(4,025)</u> |
| Net change in plan fiduciary net position | <u>79,176</u> | <u>(64,996)</u> | <u>154,884</u> | <u>350,750</u> | <u>(189,055)</u> |
| Ending total plan fiduciary net position | <u><u>2,209,800</u></u> | <u><u>2,144,804</u></u> | <u><u>2,299,688</u></u> | <u><u>2,650,438</u></u> | <u><u>2,461,383</u></u> |
| Beginning net pension liability | <u>779,294</u> | <u>884,256</u> | <u>1,246,992</u> | <u>1,291,688</u> | <u>1,147,385</u> |
| Ending net pension liability | <u><u>\$ 884,256</u></u> | <u><u>1,246,992</u></u> | <u><u>1,291,688</u></u> | <u><u>1,147,385</u></u> | <u><u>1,528,177</u></u> |
| Plan fiduciary net position as a percentage of the total pension liability | 71.42% | 63.24% | 64.03% | 69.79% | 61.70% |
| Covered Payroll | \$ 514,787 | 546,058 | 573,308 | 609,553 | 640,464 |
| City's net pension liability as a percentage of covered payroll | 171.77% | 228.36% | 225.30% | 188.23% | 238.60% |

Notes to the Schedule of Changes in the City Employees' Net Pension Liability and Related Ratios

- Until a full 10-year trend is compiled, this schedule will present only those years for which information is available.
- This fund had no significant changes of benefit terms in any of the years presented.
- The inflation assumption was decreased from 3.25% to 2.75% in 2015 and to 2.5% in 2019.
- The investment rate of return was decreased from 7.75% to 7.5% in 2015, to 7% in 2019, and to 6.75% in 2021.
- The salary increase assumption was decreased from 4.5% to 4% in 2015, and to 3.5% in 2019.
- The new hire wage growth assumption was increased from 3.75% to 4% in 2015 and decreased to 3.5% in 2019.
- The tables for rates of retirement were adjusted in 2015 and again in 2019 to be more consistent with experience.
- Termination rate assumptions were revised in 2015 and again in 2019 to be more consistent with actual experience.
- Mortality rates were changed from RP-2000 to RP-2014 in 2015 and to PubG-2010 in 2019.
- The discount rate decreased from 7.75% to 7.5% in 2015, to 7% in 2019, and to 6.75% in 2021 mirroring the investment rate of return. In 2022, a single blended discount rate was required resulting in a rate of 5.87%.

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|---|------------------|------------------|------------------|------------------|
| Beginning total pension liability | 3,989,560 | 4,487,884 | 4,701,215 | 5,032,043 |
| Changes for the year: | | | | |
| Service cost | 117,635 | 121,881 | 122,860 | 132,574 |
| Interest | 295,341 | 310,319 | 324,736 | 335,216 |
| Differences between expected and actual experience | 23,672 | 12,524 | (11,910) | 60,429 |
| Assumption changes | 279,897 | -- | 142,270 | 588,187 |
| Benefit payments including refunds | (218,221) | (231,393) | (247,128) | (264,321) |
| Net change in total pension liability | <u>498,324</u> | <u>213,331</u> | <u>330,828</u> | <u>852,085</u> |
| Ending total pension liability | <u>4,487,884</u> | <u>4,701,215</u> | <u>5,032,043</u> | <u>5,884,128</u> |
| | | | | |
| Beginning total plan fiduciary net position | 2,461,383 | 2,928,033 | 3,199,546 | 3,565,140 |
| Changes for the year: | | | | |
| Employer contributions | 123,610 | 130,743 | 141,219 | 146,618 |
| Employee contributions | 63,626 | 71,470 | 66,820 | 69,189 |
| Pension plan net investment income (loss) | 503,853 | 307,289 | 411,210 | (550,087) |
| Benefits payments and refunds | (218,221) | (231,393) | (247,128) | (264,321) |
| Pension plan administrative and other expense | (6,218) | (6,596) | (6,527) | (6,764) |
| Net change in plan fiduciary net position | <u>466,650</u> | <u>271,513</u> | <u>365,594</u> | <u>(605,365)</u> |
| Ending total plan fiduciary net position | <u>2,928,033</u> | <u>3,199,546</u> | <u>3,565,140</u> | <u>2,959,775</u> |
| | | | | |
| Beginning net pension liability | <u>1,528,177</u> | <u>1,559,851</u> | <u>1,501,669</u> | <u>1,466,903</u> |
| Ending net pension liability | <u>1,559,851</u> | <u>1,501,669</u> | <u>1,466,903</u> | <u>2,924,353</u> |
| | | | | |
| Plan fiduciary net position as a percentage of the total pension liability | 65.24% | 68.06% | 70.85% | 50.30% |
| | | | | |
| Covered Payroll | 678,500 | 713,527 | 743,256 | 761,246 |
| | | | | |
| City's net pension liability as a percentage of covered payroll | 229.90% | 210.46% | 197.36% | 384.15% |

Required Supplementary Information
Retirement Plans- Trend Information
September 30, 2023
(In thousands)

Schedule of Changes in the Police Officers' Plan Net Pension Liability and Related Ratios
Measurement Period Ended December 31

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|---|-------------------|------------------|------------------|------------------|------------------|
| Beginning total pension liability | \$ 909,000 | 971,623 | 1,028,909 | 1,106,189 | 1,189,591 |
| Changes for the year: | | | | | |
| Service cost | 30,254 | 32,138 | 32,990 | 35,322 | 33,757 |
| Interest | 72,443 | 76,999 | 80,846 | 84,472 | 90,479 |
| Benefit changes | (11,015) | (4,080) | -- | -- | -- |
| Differences between expected and actual experience | -- | (6,318) | 7,455 | 17,241 | (12,905) |
| Assumption changes | 14,137 | 3,904 | 5,148 | -- | 666,873 |
| Contribution buy back | 2,207 | 4,648 | 1,668 | 2,915 | 1,142 |
| Benefit payments including refunds | (45,403) | (50,005) | (50,827) | (56,548) | (63,983) |
| Net change in total pension liability | <u>62,623</u> | <u>57,286</u> | <u>77,280</u> | <u>83,402</u> | <u>715,363</u> |
| Ending total pension liability | <u>971,623</u> | <u>1,028,909</u> | <u>1,106,189</u> | <u>1,189,591</u> | <u>1,904,954</u> |
| Beginning total plan fiduciary net position | 595,110 | 638,019 | 644,174 | 686,020 | 769,475 |
| Changes for the year: | | | | | |
| Employer contributions | 32,400 | 33,239 | 33,814 | 35,141 | 35,244 |
| Employee contributions | 19,458 | 20,061 | 20,623 | 21,437 | 21,461 |
| Contribution buy back | 2,207 | 4,648 | 1,668 | 2,915 | 1,142 |
| Pension plan net investment income (loss) | 35,574 | (322) | 37,965 | 82,072 | (43,398) |
| Benefits payments and refunds | (45,403) | (50,005) | (50,827) | (56,548) | (63,983) |
| Pension plan administrative expense | (1,327) | (1,466) | (1,397) | (1,562) | (1,421) |
| Net change in plan fiduciary net position | <u>42,909</u> | <u>6,155</u> | <u>41,846</u> | <u>83,455</u> | <u>(50,955)</u> |
| Ending total plan fiduciary net position | <u>638,019</u> | <u>644,174</u> | <u>686,020</u> | <u>769,475</u> | <u>718,520</u> |
| Beginning net pension liability | 313,890 | 333,604 | 384,735 | 420,169 | 420,116 |
| Ending net pension liability | <u>\$ 333,604</u> | <u>384,735</u> | <u>420,169</u> | <u>420,116</u> | <u>1,186,434</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 65.67% | 62.61% | 62.02% | 64.68% | 37.72% |
| Covered Payroll | \$ 149,686 | 152,696 | 157,303 | 163,995 | 164,112 |
| City's net pension liability as a percentage of covered payroll | 222.87% | 251.96% | 267.11% | 256.18% | 722.94% |

Notes to the Schedule of Changes in the Police Officers' Net Pension Liability and Related Ratios

- Until a full 10-year trend is compiled, this schedule will present only those years for which information is available.
- This fund had no significant changes of benefit terms in any of the years presented.
- The investment return assumption was decreased annually from 2015 to 2018 from a high of 8% to the current 7.25%.
- The core inflation rate assumption was decreased from 3.25% to 3% in 2016 and to 2.5% in 2018.
- The discount rate decreased annually from 2015 to 2017 from 8% to 7.7% mirroring the investment rate of return. In 2018 and 2019 a blended discount rate was required resulting in rates of 4.7% and 4.1% respectively. As the result of legislative changes which increase future contribution rates, the discount rate was increased to 7.25% for 2020, again matching the investment rate of return.
- The general wage inflation rate assumption was decreased from 3.5% to 3.25% in 2016.
- In 2016 assumed rates of salary increase were amended at most service points, and in 2018 individual salary increase rates were modified to better reflect the current expectation for inflation and the current step schedule.
- The payroll growth assumption was increased from 3.5% to 4% in 2016 and decreased from 4% to 3% in 2018.
- An explicit administrative expense load of 0.9% of payroll was added to the normal cost in 2018.
- In 2018, mortality rate assumptions were changed to PubS-2010 fully generational mortality improvement using the ultimate mortality improvement rates in the MP tables. Previously RP2000 (fully generational using Scale AA) set back two years - sex distinct were used.
- In 2018, termination and retirement rates were modified to be more consistent with experience.
- Prior to 2022, the members and employers contributions are based on statutorily fixed rates. Beginning with January 1 2022, the employer contribution rate is determined actuarially.

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|---|------------------|------------------|------------------|------------------|
| Beginning total pension liability | 1,904,954 | 2,175,170 | 1,544,153 | 1,625,187 |
| Changes for the year: | | | | |
| Service cost | 71,334 | 84,469 | 40,070 | 38,394 |
| Interest | 89,680 | 89,376 | 110,642 | 116,130 |
| Benefit changes | -- | -- | -- | -- |
| Differences between expected and actual experience | (4,743) | 10,320 | 6,536 | (4,529) |
| Assumption changes | 179,003 | (740,167) | -- | -- |
| Contribution buy back | 1,261 | 1,941 | 3,993 | 2,554 |
| Benefit payments including refunds | (66,319) | (76,956) | (80,207) | (87,734) |
| Net change in total pension liability | <u>270,216</u> | <u>(631,017)</u> | <u>81,034</u> | <u>64,815</u> |
| Ending total pension liability | <u>2,175,170</u> | <u>1,544,153</u> | <u>1,625,187</u> | <u>1,690,002</u> |
| Beginning total plan fiduciary net position | 718,520 | 857,839 | 938,226 | 1,080,734 |
| Changes for the year: | | | | |
| Employer contributions | 35,993 | 36,577 | 35,429 | 44,419 |
| Employee contributions | 21,942 | 22,181 | 21,186 | 23,811 |
| Contribution buy back | 1,261 | 1,941 | 3,993 | 2,554 |
| Pension plan net investment income (loss) | 148,163 | 98,573 | 164,509 | (127,690) |
| Benefits payments and refunds | (66,319) | (76,956) | (80,207) | (87,734) |
| Pension plan administrative expense | (1,721) | (1,929) | (2,402) | (3,010) |
| Net change in plan fiduciary net position | <u>139,319</u> | <u>80,387</u> | <u>142,508</u> | <u>(147,650)</u> |
| Ending total plan fiduciary net position | <u>857,839</u> | <u>938,226</u> | <u>1,080,734</u> | <u>933,084</u> |
| Beginning net pension liability | <u>1,186,434</u> | <u>1,317,331</u> | <u>605,927</u> | <u>544,453</u> |
| Ending net pension liability | <u>1,317,331</u> | <u>605,927</u> | <u>544,453</u> | <u>756,918</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 39.44% | 60.76% | 66.50% | 55.21% |
| Covered Payroll | 167,835 | 169,308 | 162,973 | 336,731 |
| City's net pension liability as a percentage of covered payroll | 784.90% | 357.88% | 334.08% | 224.78% |

Required Supplementary Information
Retirement Plans- Trend Information
September 30, 2023
(In thousands)

Schedule of Changes in the Fire Fighters' Plan Net Pension Liability and Related Ratios
Measurement Period Ended December 31

| | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> |
|---|------------------|----------------|----------------|------------------|------------------|
| Beginning total pension liability | \$ 806,282 | 861,468 | 913,618 | 977,723 | 1,038,801 |
| Changes for the year: | | | | | |
| Service cost | 25,319 | 23,309 | 24,323 | 23,830 | 25,131 |
| Interest | 62,977 | 66,405 | 70,893 | 75,812 | 80,552 |
| Benefit changes | -- | -- | 5,491 | 8,964 | 10,188 |
| Differences between expected and actual experience | -- | 7,193 | 8,893 | 4,360 | (735) |
| Assumption changes | 4,883 | -- | -- | -- | (4,779) |
| Benefit payments including refunds | (37,993) | (44,757) | (45,495) | (51,888) | (55,979) |
| Net change in total pension liability | <u>55,186</u> | <u>52,150</u> | <u>64,105</u> | <u>61,078</u> | <u>54,378</u> |
| Ending total pension liability | <u>861,468</u> | <u>913,618</u> | <u>977,723</u> | <u>1,038,801</u> | <u>1,093,179</u> |
| Beginning total plan fiduciary net position | <u>752,622</u> | <u>789,433</u> | <u>785,211</u> | <u>829,610</u> | <u>953,798</u> |
| Changes for the year: | | | | | |
| Employer contributions | 18,670 | 19,222 | 19,104 | 19,242 | 20,085 |
| Employee contributions | 14,660 | 15,547 | 15,884 | 16,319 | 17,033 |
| Pension plan net investment income (loss) | 42,005 | 6,328 | 55,569 | 141,915 | (25,114) |
| Benefits payments and refunds | (37,993) | (44,757) | (45,496) | (51,888) | (55,979) |
| Pension plan administrative expense | (531) | (562) | (662) | (1,400) | (705) |
| Net change in plan fiduciary net position | <u>36,811</u> | <u>(4,222)</u> | <u>44,399</u> | <u>124,188</u> | <u>(44,680)</u> |
| Ending total plan fiduciary net position | <u>789,433</u> | <u>785,211</u> | <u>829,610</u> | <u>953,798</u> | <u>909,118</u> |
| Beginning net pension liability | <u>53,660</u> | <u>72,035</u> | <u>128,407</u> | <u>148,113</u> | <u>85,003</u> |
| Ending net pension liability | <u>\$ 72,035</u> | <u>128,407</u> | <u>148,113</u> | <u>85,003</u> | <u>184,061</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 91.64% | 85.95% | 84.85% | 91.82% | 83.16% |
| Covered Payroll | \$ 84,589 | 83,979 | 86,632 | 87,266 | 91,087 |
| City's net pension liability as a percentage of of covered payroll | 85.16% | 152.90% | 170.97% | 97.41% | 202.07% |

Notes to the Schedule of Changes in the Fire Fighters' Net Pension Liability and Related Ratios

- Until a full 10-year trend is compiled, this schedule will present only those years for which information is available.
- Changes of benefit terms in the form of cost-of-living adjustments were granted on January 1st of each of the following years in the following amounts: 2015 - 1.3%; 2017 - 1.5%; 2018 - 2.2%; 2019 - 2.3%; 2020 - 1.7%; 2021 - 1.4%; and 2022 - 5.4%.
- The inflation assumption was decreased from 3.5% to 2.75% in 2018 and to 2.5% in 2019.
- The investment rate of return was decreased from 7.7% to 7.5% in 2019 and from 7.5% to 7.3% in 2020.
- The payroll growth rate was increased from 2% to 2.5% in 2020.
- Since 2018 the PubS-2010 mortality tables were used with mortality improvement project using the MP-2018 tables in 2018, the MP-2019 tables in 2019, the MP-2020 tables in 2020, and MP-2021 tables in 2021 and 2022. Prior to that the RP-2000 (Fully Generational using Scale AA) tables were used.
- Assumptions related to salary increases, retirement rates, retro-drop elections, withdrawal rates and disability rates were all adjusted in 2019 to be more consistent with experience.

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Beginning total pension liability | 1,093,179 | 1,156,025 | 1,232,431 | 1,315,377 |
| Changes for the year: | | | | |
| Service cost | 26,192 | 26,170 | 28,112 | 31,101 |
| Interest | 84,547 | 86,821 | 91,655 | 94,234 |
| Benefit changes | 8,059 | 7,159 | 30,096 | -- |
| Differences between expected and actual experience | (9,835) | (1,671) | 3,266 | 13,461 |
| Assumption changes | 12,707 | 21,411 | -- | 20,949 |
| Benefit payments including refunds | (58,824) | (63,484) | (70,183) | (80,970) |
| Net change in total pension liability | <u>62,846</u> | <u>76,406</u> | <u>82,946</u> | <u>78,775</u> |
| Ending total pension liability | <u><u>1,156,025</u></u> | <u><u>1,232,431</u></u> | <u><u>1,315,377</u></u> | <u><u>1,394,152</u></u> |
| | | | | |
| Beginning total plan fiduciary net position | 909,118 | 1,029,893 | 1,162,024 | 1,303,545 |
| Changes for the year: | | | | |
| Employer contributions | 21,058 | 21,311 | 22,041 | 22,765 |
| Employee contributions | 17,858 | 18,073 | 18,697 | 19,306 |
| Pension plan net investment income (loss) | 141,535 | 157,323 | 171,936 | (147,530) |
| Benefits payments and refunds | (58,824) | (63,484) | (70,183) | (80,970) |
| Pension plan administrative expense | (852) | (1,092) | (970) | (1,283) |
| Net change in plan fiduciary net position | <u>120,775</u> | <u>132,131</u> | <u>141,521</u> | <u>(187,712)</u> |
| Ending total plan fiduciary net position | <u><u>1,029,893</u></u> | <u><u>1,162,024</u></u> | <u><u>1,303,545</u></u> | <u><u>1,115,833</u></u> |
| | | | | |
| Beginning net pension liability | <u>184,061</u> | <u>126,132</u> | <u>70,407</u> | <u>11,832</u> |
| Ending net pension liability | <u><u>126,132</u></u> | <u><u>70,407</u></u> | <u><u>11,832</u></u> | <u><u>278,319</u></u> |
| | | | | |
| Plan fiduciary net position as a percentage of the total pension liability | 89.09% | 94.29% | 99.10% | 80.04% |
| | | | | |
| Covered Payroll | 95,499 | 96,649 | 99,962 | 103,244 |
| | | | | |
| City's net pension liability as a percentage of covered payroll | 132.08% | 72.85% | 11.84% | 269.57% |

RETIREMENT PLANS-TREND INFORMATION, continued

Information pertaining to City contributions to the retirement systems is shown in the following three tables (in thousands). An actuarially determined contribution was calculated for the City Employees' and Police Officers' plan, but was not calculated for the Fire Fighters' plan.

**Schedule of Actuarially Determined City Contributions to the City Employees' Plan
 (in thousands)**

| Fiscal Year Ended September 30 | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll |
|---------------------------------------|--|----------------------------|---|------------------------|--|
| | \$ | \$ | \$ | \$ | |
| 2015 | 96,554 | 97,655 | (1,101) | 540,110 | 18.08% |
| 2016 | 109,725 | 102,609 | 7,116 | 566,227 | 18.12% |
| 2017 | 119,038 | 108,929 | 10,109 | 600,726 | 18.13% |
| 2018 | 123,058 | 114,149 | 8,909 | 630,631 | 18.10% |
| 2019 | 129,910 | 120,795 | 9,115 | 667,256 | 18.10% |
| 2020 | 149,110 | 127,990 | 21,120 | 706,471 | 18.12% |
| 2021 | 156,682 | 137,068 | 19,614 | 727,280 | 18.85% |
| 2022 | 169,668 | 148,844 | 20,824 | 778,048 | 19.13% |
| 2023 | 188,420 | 157,846 | 30,574 | 825,575 | 19.12% |

Notes to Schedule of Actuarially Determined City Contributions to the City Employees' plan

| Valuation Date | |
|---|--|
| Date | • December 31 of each calendar year occurring during the fiscal year. |
| Notes | • A funding period is solved for through open group projections. |
| Methods and Assumptions Used to Determine Contribution Rates | |
| Actuarial Cost Method | • Entry Age Normal (all years) |
| Asset Valuation Method | • 2017 forward - Expected actuarial value plus 20% recognition of prior years' differences between expected and actual investment income. • 2016 and 2015 - 20% of market plus 80% of expected actuarial value. |
| Inflation | • 2.5% for 2020 through 2023, 2.75% for 2016 through 2019, 3.25% for 2015 |
| Salary Increases | • 3.5% to 5.75% for 2020 through 2023, 4% to 6.25% for 2016 through 2019, 4.5% to 6% for 2015 |
| Investment Rate of Return | • 6.75% for 2022 and 2023, 7% for 2020 and 2021, 7.5% for 2016 through 2019, 7.75% for 2015 |
| Retirement Age | • Experience-based table of rates that are gender specific. • 2020 - 2023 - Last updated for December 31, 2019 valuation pursuant to an experience study of the period ending December 31, 2018. • 2016 - 2019 - Last updated for December 31, 2015 valuation pursuant to an experience study of the 5-year period ending December 31, 2015. • 2015 - Last updated for December 31, 2012 valuation pursuant to an experience study of the 5-year period ending December 31, 2011. |
| Mortality | • 2020 through 2022 - PubG-2010 Healthy Retiree Mortality Table (for General employees) for males and females with full generational projection assuming immediate convergence of rates in the mortality projection scale MP- 2018, 2D for male and female. • 2016 through 2019 - RP-2014 Mortality Table with Blue Collar adjustment. Generational mortality improvements in accordance with Scale BB are projected from the year 2014. • For 2015 RP-2000 Mortality Table with White Collar adjustment and multipliers of 110% for males and 120% for females. Generational mortality improvements in accordance with Scale AA are projected from the year 2000. |
| Other Information | |
| Notes | • There were no benefit changes during the periods displayed. • City contributions increased from 18% to 19% as of January 1, 2021. |

RETIREMENT PLANS-TREND INFORMATION, continued

Schedule of Actuarially Determined City Contributions to the Police Officers' Plan
 (in thousands)

| Fiscal Year Ended September 30 | Actuarially Determined Contribution | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll |
|--------------------------------|-------------------------------------|---------------------|----------------------------------|-----------------|---|
| | \$ | \$ | \$ | \$ | |
| 2022 | 47,577 | 43,030 | 4,547 | 157,783 | 27.27% |
| 2023 | 47,394 | 48,311 | (917) | 154,878 | 31.19% |

Notes to Schedule of Actuarially Determined City Contributions to the Police Officers' plan

| Valuation Date | |
|--|---|
| Date | <ul style="list-style-type: none"> December 31, 2022 |
| Notes | <ul style="list-style-type: none"> Actuarially determined contribution rates are calculated as of December 31. |
| Methods and Assumptions Used to Determine Contribution Rates | |
| Actuarial Cost Method | <ul style="list-style-type: none"> Entry Age Normal |
| Asset Valuation Method | <ul style="list-style-type: none"> 2023 - Expected actuarial value plus 20% recognition of prior 5 years' differences between expected and actual investment income. 2022 - Smoothed market value recognition of prior 5 years' differences between expected and actual investment income. |
| Inflation | <ul style="list-style-type: none"> 2.50% |
| Salary Increases | <ul style="list-style-type: none"> 3% to 15.20% |
| Investment Rate of Return | <ul style="list-style-type: none"> 7.25% |
| Retirement Age | <ul style="list-style-type: none"> Experience-based table of rates, last updated for the December 31, 2018 valuation. |
| Mortality | <ul style="list-style-type: none"> 2023 - PubS-2010 gender-distinct mortality tables (employee, healthy retiree, disabled retiree) as appropriate, projected from 2010 with the ultimate mortality improvement rates from MP-2018. 2022 - PubS-2020 gender-distinct mortality tables (employee, healthy retiree, disabled retiree) as appropriate, projected from 2010 with the ultimate mortality improvement rates from MP-2018. |
| Other Information | |
| Notes | <ul style="list-style-type: none"> There were no benefit changes during the periods displayed. Prior to 2022, contributions were statutorily determined and can be found on the next table. Beginning with the January 1, 2022 contributions, the employer contribution rate is determined actuarially. The ADC actual contribution amount of \$43.0 million includes \$9.3 million of statutorily required contributions made prior to January 1, 2022. An actuarially determined contribution of 10.1% was effective January 1, 2022. Prior to that change the rate was 21.737%. In addition, the City is making payments according to a 30 year fixed payment plan that was established to eliminate the unfunded legacy liability existing as of December 31, 2020. For calendar year 2023 this amount is \$1,335,856 per pay period. |

RETIREMENT PLANS-TREND INFORMATION, continued

Schedule of Statutorily Required City Contributions to the Police Officers' Plan and the Fire Fighters' Plan
 (in thousands)

| Fiscal Year Ended September 30 | Statutorily Required Contribution (2) | Actual Contribution | Contribution Deficiency (Excess) | Covered Payroll | Actual Contribution as a % of Covered Payroll (1) |
|--------------------------------|---------------------------------------|---------------------|----------------------------------|-----------------|---|
| | \$ | \$ | \$ | \$ | |
| Police Officers | | | | | |
| 2015 | 32,942 | 32,942 | -- | 152,229 | 21.64% |
| 2016 | 33,141 | 33,141 | -- | 155,476 | 21.32% |
| 2017 | 34,717 | 34,717 | -- | 162,891 | 21.31% |
| 2018 | 34,944 | 34,944 | -- | 163,956 | 21.31% |
| 2019 | 35,603 | 35,617 | (14) | 167,048 | 21.32% |
| 2020 | 36,261 | 36,268 | (7) | 170,135 | 21.32% |
| 2021 | 35,617 | 35,619 | (2) | 163,856 | 21.74% |
| 2022 | 9,287 | 9,287 | -- | 42,724 | 21.74% |
| Fire Fighters | | | | | |
| 2015 | 18,327 | 18,327 | -- | 83,118 | 22.05% |
| 2016 | 19,145 | 19,145 | -- | 86,826 | 22.05% |
| 2017 | 19,104 | 19,104 | -- | 86,642 | 22.05% |
| 2018 | 19,809 | 19,809 | -- | 89,834 | 22.05% |
| 2019 | 20,890 | 20,890 | -- | 94,740 | 22.05% |
| 2020 | 21,141 | 21,141 | -- | 95,877 | 22.05% |
| 2021 | 21,851 | 21,851 | -- | 99,099 | 22.05% |
| 2022 | 23,496 | 23,496 | -- | 106,560 | 22.05% |
| 2023 | 23,292 | 23,292 | -- | 105,631 | 22.05% |

(1) Statutorily required contribution for Police Officers decreased from 21.63% in 2015 to 21.313% in 2016 and increased to 21.737% in 2021.

(2) Statutorily required contribution was effective for the first 3 months of fiscal year 2022 (October - December 2021) for Police Officers. Effective January 1, 2022 Police contributions are actuarially determined.

OTHER POSTEMPLOYMENT BENEFITS-TREND INFORMATION

The other postemployment benefits plan information for the City's plan provided below represents six years of trend information. Additional years will be added each year until ten years of trend data is available. Changes in other postemployment benefits liability for the other postemployment benefits plan for each of the six years ended December 31, 2017 through 2022 (measurement periods) are presented below:

Schedule of Changes in the City of Austin OPEB Liability and Related Ratios (in thousands)

| | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> |
|--|---------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning total OPEB liability | \$ 2,055,627 | 2,524,897 | 2,395,447 | 3,504,494 | 4,346,367 | 4,253,955 |
| Changes for the year: | | | | | | |
| Service cost | 86,687 | 108,478 | 88,486 | 167,027 | 195,576 | 220,001 |
| Interest | 80,132 | 89,675 | 100,978 | 99,915 | 95,670 | 92,840 |
| Benefit changes | -- | 231 | (3,829) | -- | (36,411) | -- |
| Differences between expected and actual experience | 64,227 | -- | 12,335 | (6,103) | 64,216 | 107,084 |
| Assumption changes | 283,099 | (274,758) | 953,202 | 631,360 | (352,788) | (1,253,523) |
| Benefit payments | (44,875) | (53,076) | (42,125) | (50,326) | (58,675) | (65,639) |
| Net change in total OPEB liability | <u>469,270</u> | <u>(129,450)</u> | <u>1,109,047</u> | <u>841,873</u> | <u>(92,412)</u> | <u>(899,237)</u> |
| Ending total OPEB liability | <u>\$ 2,524,897</u> | <u>2,395,447</u> | <u>3,504,494</u> | <u>4,346,367</u> | <u>4,253,955</u> | <u>3,354,718</u> |
| Covered-employee payroll | \$ 968,403 | 1,000,536 | 1,051,771 | 1,103,927 | 1,140,948 | 1,199,777 |
| City's total OPEB liability as a percentage of covered-employee payroll | 260.73% | 239.42% | 333.20% | 393.72% | 372.84% | 279.61% |

Allocation of City funds to pay postemployment benefits other than pensions is determined on an annual basis by the City Council as part of the budget approval process on a pay-as-you-go basis. The City does not accumulate assets in a trust that meets the criteria in paragraph 4 of GASB statement No. 75. For the years ended December 31, 2018 and 2019 there were changes to benefit terms that affected the measurement of the total OPEB liability. There were no significant changes in benefit terms for years ended December 31, 2017, 2020 and 2021. However, plan changes effective January 1, 2022 impacted the total OPEB liability. For all years presented there were assumption changes.

The OPEB plan benefit term changes included:

- Increasing the maximum value of the Health Reimbursement Account (HRA) for retirees in the Consumer Driven Health Plan (CDHP) from \$500 to \$1,000 for individuals and \$1,000 to \$1,500 for families effective January 1, 2019, and decreasing the maximum value of the HRA for retirees in the CDHP from \$1,000 to \$500 for individuals and from \$1,500 to \$1,000 for families effective January 1, 2020.
- Switching health benefit providers from United Healthcare to BlueCross BlueShield effective January 1, 2019. However, the plan of benefits was unchanged and plan costs were not projected to change materially as a result of this change.
- The fully insured Cigna dental PPO option was replaced with the self-insured BlueCross BlueShield BlueCare dental PPO, effective January 1, 2021. Retiree contribution rates for both the prior fully-insured option and the new self-insured option are expected to cover the full cost of the benefits, thus the net OPEB liability associated with dental benefits remain \$0 after the plan change only for the 2020 valuation.
- Effective January 1, 2022, the schedules of benefits for the PPO and HMO plans were changed. These changes included increasing deductibles and copays for individual and family plans.

The OPEB plan assumption changes included:

- Adjusting the discount rate based on the Bond Buyer US Weekly Yields 20 General Obligation Bond Index as of the measurement date as follows: 2017 - 3.44% (from 3.78%), 2018 - 4.1%, 2019 - 2.74%, 2020 - 2.12%, 2021 - 2.06%, 2022 - 3.72%,
- Updating medical, dental, and prescription drug claim costs each year to reflect the most recent experience,
- Modifying medical and prescriptions drug trend rates in 2017 by splitting the single category from the previous valuation into three categories, grading these categories for different periods, and lowering the ultimate trend rate from 5% to 4.5%; and in 2019 by adjusting 2020 assumed trend rates from 6.5% to 7% for pre-65 and 5.5% to 6% for post-65 and trending rates down at 0.25% rather than 0.5% annually,
- Modifying health care cost trend rates in 2020 by adding a dental category trend rate at 3%,
- Updating third-party administrator and vendor administrative expenses to reflect the most recent contracts and assumed trends on such costs, (currently \$582 per covered individual),
- Adjusting retiree enrollment and plan election assumptions in 2019 to be more consistent with actual experience,

OTHER POSTEMPLOYMENT BENEFITS-TREND INFORMATION, continued

The OPEB plan assumption changes included, continued:

- Updating firefighters' mortality projection scale in 2021 for all lives to MP-2020, previously MP-2019,
- Addition of firefighters' separate mortality table for Contingent Survivors in 2021,
- Addition of projected net costs as part of the OPEB liability was made in 2021 after reviewing the actual experience of the self-insured dental PPO beginning January 1, 2021. It was determined that retiree contribution rates do not fully cover the cost of the dental benefits,
- Addition of a separate 70% PPO dental coverage election assumption and a separate PPO dental spouse coverage election assumption of 65% for males and 35% for females in 2021, and
- Adjusting demographic assumptions each year to mirror changes in the pension plan demographic assumptions for the previous plan year. See Required Supplementary Information, Retirement Plans-Trend Information for additional information on these changes.



**COMBINING AND INDIVIDUAL
FUND FINANCIAL
STATEMENTS AND
SCHEDULES**



GENERAL FUND

General Fund
Schedule of Revenues - Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-1

| | Actual | Adjustments (1) | Actual- Budget Basis | Budget | Variance- Positive (Negative) |
|---|---------------------|----------------------------|-------------------------------------|------------------|--|
| Taxes | | | | | |
| Property taxes: | | | | | |
| Current | \$ 609,475 | 100 | 609,575 | 608,410 | 1,165 |
| Delinquent | (6,360) | -- | (6,360) | 200 | (6,560) |
| Penalty and interest | 2,368 | -- | 2,368 | 2,235 | 133 |
| Property taxes | 605,483 | 100 | 605,583 | 610,845 | (5,262) |
| Sales taxes | 358,557 | -- | 358,557 | 354,398 | 4,159 |
| Other taxes | 18,187 | -- | 18,187 | 16,491 | 1,696 |
| Total taxes | 982,227 | 100 | 982,327 | 981,734 | 593 |
| Franchise fees | 29,718 | (5) | 29,713 | 29,907 | (194) |
| Fines, forfeitures, and penalties | | | | | |
| Library fines | 117 | -- | 117 | 43 | 74 |
| Traffic fines | 1,622 | -- | 1,622 | 1,639 | (17) |
| Parking violations | 2,256 | -- | 2,256 | 1,899 | 357 |
| Other | 536 | -- | 536 | 648 | (112) |
| Total fines, forfeitures, and penalties | 4,531 | -- | 4,531 | 4,229 | 302 |
| Licenses, permits, and inspections | | | | | |
| Alarm permits | 4,464 | (1) | 4,463 | 4,639 | (176) |
| Public health | 5,703 | (3) | 5,700 | 4,980 | 720 |
| Development | 7,404 | -- | 7,404 | 7,129 | 275 |
| Building safety | 1,661 | -- | 1,661 | 908 | 753 |
| Beer and wine permits | 628 | -- | 628 | 425 | 203 |
| Other | 2,470 | (276) | 2,194 | 1,261 | 933 |
| Total licenses, permits, and inspections | 22,330 | (280) | 22,050 | 19,342 | 2,708 |
| Charges for services/goods | | | | | |
| Recreation and culture | 10,473 | 94 | 10,567 | 8,621 | 1,946 |
| Public health | 8,751 | 332 | 9,083 | 8,413 | 670 |
| Emergency medical services | 48,852 | 2,656 | 51,508 | 42,926 | 8,582 |
| General government | 8,958 | -- | 8,958 | 9,329 | (371) |
| Total charges for services/goods | 77,034 | 3,082 | 80,116 | 69,289 | 10,827 |
| Lease revenue | | | | | |
| Recreation and culture | 5 | (5) | -- | -- | -- |
| General government | 151 | (151) | -- | -- | -- |
| Total lease revenue | 156 | (156) | -- | -- | -- |
| Interest and other | | | | | |
| Interest | 23,264 | (298) | 22,966 | 2,706 | 20,260 |
| Rental income | 1,035 | 195 | 1,230 | 870 | 360 |
| Sale of property | 1,545 | -- | 1,545 | 2,705 | (1,160) |
| Other | 25,390 | (3,271) | 22,119 | 16,552 | 5,567 |
| Total interest and other | 51,234 | (3,374) | 47,860 | 22,833 | 25,027 |
| Total revenues | \$ 1,167,230 | (633) | 1,166,597 | 1,127,334 | 39,263 |

(1) Adjustments and actual-budget basis include amounts budgeted as fund-level revenues.

General Fund
Schedule of Expenditures - Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-2

| | Actual | Adjustments (1) | Actual- Budget Basis | Budget | Variance- Positive (Negative) |
|---------------------------------|------------------|----------------------------|-------------------------------------|----------------|--|
| General government | | | | | |
| Municipal Court: | | | | | |
| Salaries and fringe benefits | \$ 17,489 | 35 | 17,524 | 16,869 | (655) |
| Contractual services | 19,133 | 641 | 19,774 | 20,285 | 511 |
| Commodities | 364 | (37) | 327 | 240 | (87) |
| Expense refunds | (194) | -- | (194) | -- | 194 |
| Capital outlay | 6 | 17 | 23 | -- | (23) |
| Total general government | 36,798 | 656 | 37,454 | 37,394 | (60) |
| Public safety | | | | | |
| Emergency Medical Services: | | | | | |
| Salaries and fringe benefits | 85,131 | 1,021 | 86,152 | 85,423 | (729) |
| Contractual services | 11,281 | 15,826 | 27,107 | 27,007 | (100) |
| Commodities | 4,938 | (653) | 4,285 | 4,776 | 491 |
| Expense refunds | (2,090) | -- | (2,090) | (1,901) | 189 |
| Capital outlay | 335 | (13) | 322 | 407 | 85 |
| | 99,595 | 16,181 | 115,776 | 115,712 | (64) |
| Fire: | | | | | |
| Salaries and fringe benefits | 192,672 | 508 | 193,180 | 190,020 | (3,160) |
| Contractual services | 22,700 | 20,550 | 43,250 | 44,344 | 1,094 |
| Commodities | 4,663 | 381 | 5,044 | 5,337 | 293 |
| Indirect cost | 888 | -- | 888 | 861 | (27) |
| Expense refunds | (14,576) | -- | (14,576) | (10,963) | 3,613 |
| Capital outlay | 793 | 219 | 1,012 | 924 | (88) |
| | 207,140 | 21,658 | 228,798 | 230,523 | 1,725 |
| Forensic Science: | | | | | |
| Salaries and fringe benefits | 8,616 | (82) | 8,534 | 8,604 | 70 |
| Contractual services | 1,073 | 2,005 | 3,078 | 3,794 | 716 |
| Commodities | 412 | 238 | 650 | 278 | (372) |
| Expense refunds | (116) | -- | (116) | (82) | 34 |
| Capital outlay | -- | 326 | 326 | 460 | 134 |
| | 9,985 | 2,487 | 12,472 | 13,054 | 582 |
| Police: | | | | | |
| Salaries and fringe benefits | 352,822 | 3,767 | 356,589 | 342,851 | (13,738) |
| Contractual services | 43,059 | 67,083 | 110,142 | 113,641 | 3,499 |
| Commodities | 5,110 | (1,689) | 3,421 | 4,456 | 1,035 |
| Expense refunds | (18,436) | 1 | (18,435) | (12,481) | 5,954 |
| Capital outlay | 363 | (1) | 362 | 739 | 377 |
| | 382,918 | 69,161 | 452,079 | 449,206 | (2,873) |
| Total public safety | 699,638 | 109,487 | 809,125 | 808,495 | (630) |
| Public health | | | | | |
| Animal Services: | | | | | |
| Salaries and fringe benefits | 10,555 | 4 | 10,559 | 10,322 | (237) |
| Contractual services | 3,951 | 2,524 | 6,475 | 6,675 | 200 |
| Commodities | 1,335 | 6 | 1,341 | 1,318 | (23) |
| Expense refunds | (306) | (2) | (308) | (162) | 146 |
| Capital outlay | -- | 34 | 34 | 2 | (32) |
| | 15,535 | 2,566 | 18,101 | 18,155 | 54 |
| Public Health: | | | | | |
| Salaries and fringe benefits | 35,795 | (1,213) | 34,582 | 35,840 | 1,258 |
| Contractual services | 16,271 | 19,033 | 35,304 | 35,074 | (230) |
| Commodities | 1,869 | (69) | 1,800 | 1,210 | (590) |
| Expense refunds | (1,386) | -- | (1,386) | (1,275) | 111 |
| Capital outlay | 7 | 335 | 342 | -- | (342) |
| | \$ 52,556 | 18,086 | 70,642 | 70,849 | 207 |

(Continued)

(1) Includes adjustments for current year encumbrances, payments against prior year encumbrances, compensated absences, and amounts budgeted as operating transfers or fund-level expenditures.

General Fund
Schedule of Expenditures - Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-2

(Continued)

| | Actual | Adjustments (1) | Actual- Budget Basis | Budget | Variance- Positive (Negative) |
|---|---------------------|----------------------------|-------------------------------------|------------------|--|
| Public health, continued | | | | | |
| Social Services: | | | | | |
| Salaries and fringe benefits | \$ 112 | -- | 112 | -- | (112) |
| Contractual services | 55,625 | (462) | 55,163 | 55,292 | 129 |
| Commodities | 93 | -- | 93 | -- | (93) |
| Expense refunds | (1,852) | -- | (1,852) | (1,746) | 106 |
| | <u>53,978</u> | <u>(462)</u> | <u>53,516</u> | <u>53,546</u> | <u>30</u> |
| Total public health | <u>122,069</u> | <u>20,190</u> | <u>142,259</u> | <u>142,550</u> | <u>291</u> |
| Public recreation and culture | | | | | |
| Austin Public Library: | | | | | |
| Salaries and fringe benefits | 39,764 | 55 | 39,819 | 39,095 | (724) |
| Contractual services | 11,657 | 9,933 | 21,590 | 21,530 | (60) |
| Commodities | 4,732 | (588) | 4,144 | 4,891 | 747 |
| Expense refunds | (457) | -- | (457) | (229) | 228 |
| Capital outlay | 455 | (176) | 279 | 305 | 26 |
| | <u>56,151</u> | <u>9,224</u> | <u>65,375</u> | <u>65,592</u> | <u>217</u> |
| Parks and Recreation: | | | | | |
| Salaries and fringe benefits | 83,253 | (28) | 83,225 | 83,423 | 198 |
| Contractual services | 29,871 | 10,439 | 40,310 | 40,033 | (277) |
| Commodities | 5,989 | (184) | 5,805 | 4,235 | (1,570) |
| Indirect cost | 557 | -- | 557 | 347 | (210) |
| Expense refunds | (9,329) | -- | (9,329) | (6,072) | 3,257 |
| Capital outlay | 174 | 16 | 190 | 133 | (57) |
| | <u>110,515</u> | <u>10,243</u> | <u>120,758</u> | <u>122,099</u> | <u>1,341</u> |
| Total public recreation and culture | <u>166,666</u> | <u>19,467</u> | <u>186,133</u> | <u>187,691</u> | <u>1,558</u> |
| Urban growth management | | | | | |
| Housing and Planning: | | | | | |
| Salaries and fringe benefits | 14,462 | 2 | 14,464 | 15,364 | 900 |
| Contractual services | 2,869 | 12,486 | 15,355 | 17,369 | 2,014 |
| Commodities | 257 | 4 | 261 | 47 | (214) |
| Expense refunds | (4,126) | -- | (4,126) | (5,198) | (1,072) |
| | <u>13,462</u> | <u>12,492</u> | <u>25,954</u> | <u>27,582</u> | <u>1,628</u> |
| Other Urban Growth Management: | | | | | |
| Salaries and fringe benefits | 9,051 | 7 | 9,058 | 9,143 | 85 |
| Contractual services | 25,941 | 1,943 | 27,884 | 29,574 | 1,690 |
| Commodities | 281 | 32 | 313 | 729 | 416 |
| Expense refunds | (1,389) | -- | (1,389) | (1,512) | (123) |
| | <u>33,884</u> | <u>1,982</u> | <u>35,866</u> | <u>37,934</u> | <u>2,068</u> |
| Total urban growth management | <u>47,346</u> | <u>14,474</u> | <u>61,820</u> | <u>65,516</u> | <u>3,696</u> |
| Lease and IT subscription financing principal | 8,757 | (8,757) | -- | -- | -- |
| Interest expense on leases and IT subscriptions | 1,134 | (1,134) | -- | -- | -- |
| General city responsibilities (2) | 189,282 | (175,793) | 13,489 | 9,033 | (4,456) |
| Total expenditures | <u>1,271,690</u> | <u>(21,410)</u> | <u>1,250,280</u> | <u>1,250,679</u> | <u>399</u> |
| General fund expenditures | | | | | |
| Salaries | 849,722 | 4,076 | 853,798 | 836,954 | (16,844) |
| Contractuals | 243,431 | 162,001 | 405,432 | 414,618 | 9,186 |
| Commodities | 30,043 | (2,559) | 27,484 | 27,517 | 33 |
| Indirect cost | 1,445 | -- | 1,445 | 1,208 | (237) |
| Expense refunds | (54,257) | (1) | (54,258) | (41,621) | 12,637 |
| Capital outlay | 2,133 | 757 | 2,890 | 2,970 | 80 |
| Lease and IT subscription financing principal | 8,757 | (8,757) | -- | -- | -- |
| Interest expense on leases and IT subscriptions | 1,134 | (1,134) | -- | -- | -- |
| General city responsibilities | 189,282 | (175,793) | 13,489 | 9,033 | (4,456) |
| Total expenditures | <u>\$ 1,271,690</u> | <u>(21,410)</u> | <u>1,250,280</u> | <u>1,250,679</u> | <u>399</u> |

(1) Includes adjustments for current year encumbrances, payments against prior year encumbrances, compensated absences, and amounts budgeted as operating transfers or fund-level expenditures.

(2) Actual expenditures include employee training costs and amounts budgeted as fund-level expenditures or operating transfers. Actual-budget basis expenditures include employee training costs and amounts budgeted as fund-level expenditures.

General Fund
Schedule of Other Financing Sources (Uses) - Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-3

| | Actual | Adjustments (1) | Actual- Budget Basis | Budget | Variance- Positive (Negative) |
|---|-------------------|--------------------|----------------------------|------------------|-------------------------------------|
| Lease and IT subscription proceeds | \$ 3,611 | (3,611) | -- | -- | -- |
| Transfers in | | | | | |
| General Fund: | | | | | |
| Budgetary General Fund | -- | 86,308 | 86,308 | 52,628 | 33,680 |
| Budget Stabilization Reserve | -- | 9,416 | 9,416 | 9,416 | -- |
| Economic Development | -- | 1,311 | 1,311 | 1,311 | -- |
| Special revenue funds: | | | | | |
| Project Connect | 1,225 | 50 | 1,275 | 1,027 | 248 |
| Enterprise funds: | | | | | |
| Austin Energy | 114,765 | -- | 114,765 | 124,765 | (10,000) |
| Austin Water | 51,350 | -- | 51,350 | 51,350 | -- |
| Austin Resource Recovery | 727 | -- | 727 | 727 | -- |
| Development Services | 3,800 | -- | 3,800 | 3,800 | -- |
| Internal service funds: | | | | | |
| Fleet Maintenance | -- | -- | -- | 1,000 | (1,000) |
| Total transfers in | 171,867 | 97,085 | 268,952 | 246,024 | 22,928 |
| Transfers out | | | | | |
| General Fund: | | | | | |
| Barton Springs Conservation | -- | (53) | (53) | (53) | -- |
| Budget Stabilization Reserve | -- | (61,878) | (61,878) | (28,732) | (33,146) |
| Economic Development | -- | (10,169) | (10,169) | (10,169) | -- |
| Economic Incentives Reserve | -- | (7,980) | (7,980) | (7,443) | (537) |
| Emergency Reserve | -- | (6,916) | (6,916) | (6,916) | -- |
| Long Center Capital Improvements | -- | (300) | (300) | (300) | -- |
| Neighborhood Housing-Housing Trust | -- | (9,742) | (9,742) | (9,742) | -- |
| Special revenue funds: | | | | | |
| Austin Cable Access | (475) | -- | (475) | (475) | -- |
| East Sixth Street Public Improvement District | (35) | -- | (35) | (35) | -- |
| Housing Trust Fund Projects | (1,737) | 1,737 | -- | -- | -- |
| Mueller Local Government Corporation | (994) | -- | (994) | (994) | -- |
| Second Street Tax Increment Financing | -- | (100) | (100) | (100) | -- |
| South Congress Public Improvement District | (3) | -- | (3) | (3) | -- |
| Debt service funds: | | | | | |
| General Obligation | (1,092) | -- | (1,092) | (1,129) | 37 |
| Capital projects funds | (24,727) | (14,136) | (38,863) | (38,863) | -- |
| Enterprise funds: | | | | | |
| Development Services | (8,871) | -- | (8,871) | (9,244) | 373 |
| Golf | -- | -- | -- | (500) | 500 |
| Austin Resource Recovery | (15,364) | -- | (15,364) | (15,364) | -- |
| Transportation | (853) | -- | (853) | (853) | -- |
| Internal service funds: | | | | | |
| Fleet Maintenance | -- | -- | -- | (2) | 2 |
| Information Systems | -- | (532) | (532) | (532) | -- |
| Liability Reserve | -- | (24,652) | (24,652) | (24,652) | -- |
| Support Services | -- | (2,399) | (2,399) | (2,399) | -- |
| Workers Compensation | -- | (62) | (62) | (62) | -- |
| Total transfers out | (54,151) | (137,182) | (191,333) | (158,562) | (32,771) |
| Net transfers | 117,716 | (40,097) | 77,619 | 87,462 | (9,843) |
| Other adjustments | -- | 7,579 | 7,579 | -- | 7,579 |
| Total other financing sources (uses) | \$ 121,327 | (36,129) | 85,198 | 87,462 | (2,264) |

(1) Includes adjustments to actual transfers required for adjusted budget basis presentation.



**NONMAJOR
GOVERNMENTAL
FUNDS**



**Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit E-4**

| | Special Revenue | Debt Service | Capital Projects | Permanent Funds | Total |
|--|--------------------|-----------------|---------------------|--------------------|----------------|
| ASSETS | | | | | |
| Pooled investments and cash | \$ 400,625 | 2,141 | 92,670 | 1,071 | 496,507 |
| Investments - restricted | -- | 28,805 | -- | -- | 28,805 |
| Cash held by trustee - restricted | 6,940 | -- | -- | -- | 6,940 |
| Investments held by trustee - restricted | 9,845 | -- | -- | -- | 9,845 |
| Property taxes receivable, net of allowance | -- | 2,866 | -- | -- | 2,866 |
| Accounts receivable, net of allowance | 40,463 | -- | 4,290 | -- | 44,753 |
| Interest receivable | 1,056 | 77 | 3,947 | -- | 5,080 |
| Receivables from other governments | 45,346 | -- | 6 | -- | 45,352 |
| Leases receivable | 1,927 | -- | -- | -- | 1,927 |
| Notes receivable, net of allowance | 64,670 | -- | -- | -- | 64,670 |
| Due from other funds | 42,398 | 5 | 185,852 | -- | 228,255 |
| Advances to other funds | -- | 113 | 45,643 | -- | 45,756 |
| Real property held for resale | 3,499 | -- | -- | -- | 3,499 |
| Other assets | 9,342 | -- | -- | -- | 9,342 |
| Total assets | <u>626,111</u> | <u>34,007</u> | <u>332,408</u> | <u>1,071</u> | <u>993,597</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | 19,836 | -- | 48,115 | -- | 67,951 |
| Accrued payroll | 167 | -- | -- | -- | 167 |
| Due to other funds | 42,441 | -- | 185,852 | -- | 228,293 |
| Unearned revenue | 116,911 | -- | -- | -- | 116,911 |
| Advances from other funds | -- | 26 | 45,643 | -- | 45,669 |
| Deposits and other liabilities | 95,287 | 449 | 423 | -- | 96,159 |
| Total liabilities | <u>274,642</u> | <u>475</u> | <u>280,033</u> | <u>--</u> | <u>555,150</u> |
| DEFERRED INFLOWS OF RESOURCES | <u>9,820</u> | <u>3,467</u> | <u>--</u> | <u>--</u> | <u>13,287</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Permanent funds | -- | -- | -- | 1,070 | 1,070 |
| Restricted | 252,043 | 30,065 | 147,063 | 1 | 429,172 |
| Committed | 90,855 | -- | -- | -- | 90,855 |
| Assigned | 1,385 | -- | 171,179 | -- | 172,564 |
| Unassigned | (2,634) | -- | (265,867) | -- | (268,501) |
| Total fund balances | <u>341,649</u> | <u>30,065</u> | <u>52,375</u> | <u>1,071</u> | <u>425,160</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 626,111</u> | <u>34,007</u> | <u>332,408</u> | <u>1,071</u> | <u>993,597</u> |

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-5

| | Special Revenue | Debt Service | Capital Projects | Permanent Funds | Total |
|---|----------------------------|-------------------------|-----------------------------|----------------------------|----------------|
| REVENUES | | | | | |
| Property taxes | \$ 185,002 | 198,863 | -- | -- | 383,865 |
| Franchise fees and other taxes | 176,783 | -- | -- | -- | 176,783 |
| Fines, forfeitures and penalties | 2,249 | -- | -- | -- | 2,249 |
| Licenses, permits and inspections | 3,463 | -- | -- | -- | 3,463 |
| Charges for services/goods | 29,645 | -- | -- | -- | 29,645 |
| Intergovernmental | 145,785 | -- | 9,424 | -- | 155,209 |
| Property owners' participation and contributions | 4,654 | -- | 29,863 | -- | 34,517 |
| Lease revenue | 29 | -- | -- | -- | 29 |
| Interest and other income (loss) | 16,756 | 9,462 | 20,753 | 1 | 46,972 |
| Total revenues | 564,366 | 208,325 | 60,040 | 1 | 832,732 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 1,269 | -- | -- | -- | 1,269 |
| Public safety | 11,964 | -- | -- | -- | 11,964 |
| Transportation, planning, and sustainability | 165,871 | -- | -- | -- | 165,871 |
| Public health | 92,009 | -- | -- | -- | 92,009 |
| Public recreation and culture | 1,545 | -- | -- | -- | 1,545 |
| Urban growth management | 124,533 | -- | -- | -- | 124,533 |
| Debt service: | | | | | |
| Principal | 3,456 | 154,335 | -- | -- | 157,791 |
| Interest | 1,381 | 70,412 | -- | -- | 71,793 |
| Fees and commissions | -- | 32 | -- | -- | 32 |
| Lease and IT subscription financing principal | 1,204 | -- | 414 | -- | 1,618 |
| Interest expense on leases and IT subscriptions | 27 | -- | 41 | -- | 68 |
| Capital outlay | -- | -- | 332,436 | -- | 332,436 |
| Total expenditures | 403,259 | 224,779 | 332,891 | -- | 960,929 |
| Excess (deficiency) of revenues over (under) expenditures | 161,107 | (16,454) | (272,851) | 1 | (128,197) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Issuance of tax supported debt | -- | 817 | 201,419 | -- | 202,236 |
| Issuance of refunding bonds | -- | 30,834 | -- | -- | 30,834 |
| Bond premiums | -- | -- | 17,463 | -- | 17,463 |
| Payment to refunding bond escrow agent | -- | (30,834) | -- | -- | (30,834) |
| Lease and IT subscription proceeds | 2,169 | -- | -- | -- | 2,169 |
| Transfers in | 93,644 | 14,021 | 70,329 | -- | 177,994 |
| Transfers out | (185,424) | -- | (58,664) | -- | (244,088) |
| Total other financing sources (uses) | (89,611) | 14,838 | 230,547 | -- | 155,774 |
| Net change in fund balances | 71,496 | (1,616) | (42,304) | 1 | 27,577 |
| Fund balances at beginning of year, as restated | 270,153 | 31,681 | 94,679 | 1,070 | 397,583 |
| Fund balances at end of year | \$ 341,649 | 30,065 | 52,375 | 1,071 | 425,160 |





SPECIAL REVENUE FUNDS

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The City reports the following nonmajor special revenue funds:

FEDERAL, STATE AND OTHER SPECIAL REVENUE GRANTS

These represent grants awarded to the City from various federal, state and other sources. This category includes operational and capital grant activities. Grants awarded to enterprise operations are consolidated with enterprise reporting and are reported in the supplemental schedules.

OTHER SPECIAL REVENUE FUNDS

General Government

Municipal Court:

Municipal Court Local Consolidated Court Fund - Accounts for court fees collected that must be used to enhance and maintain court security, technology, juvenile diversion, and jury reimbursement.

Other General Government:

Campaign Financing Fund - Accounts for and reports donations and fees for the Austin Fair Campaign Ordinance.

Public Safety

Police:

ARIC Sustainability Fund - Accounts for revenue from contributions from the Austin Regional Intelligence Center (ARIC) partner agencies via an Interlocal Agreement with those agencies. These funds are used to sustain operation of the ARIC.

Auto Theft Interdiction Fund - Accounts for funds forfeited related to current auto theft investigations and is used to support these activities.

Police Benefit Fund - Accounts for donations received for the benefit and improvement of the Police Department.

Police Federal Dept. of Justice Asset Forfeiture Fund - Accounts for all Dept. of Justice federal forfeited funds generated by police enforcement activities. Funds must be used to increase law enforcement resources.

Police Federal Dept. of Treasury Asset Forfeiture Fund - Accounts for all Dept. of Treasury federal forfeited funds generated by police enforcement activities. Funds must be used to increase law enforcement resources.

Police State Contraband Asset Forfeiture Fund - Accounts for all State forfeited funds generated by police enforcement activities. Funds must be used to increase law enforcement resources.

Police State Gambling Asset Forfeiture Fund - Accounts for proceeds from the sale of property forfeited through the courts for illegal gambling operations. Funds must be used to increase law enforcement resources.

Fire:

Fire Miscellaneous Fund - Accounts for contributions from various business, individual or charitable organizations for "The Firehouse", a public safety awareness exhibit, which is transported to different sites throughout Austin. Some of these funds are used to purchase fire alarms (smoke alarms) for the public or households without smoke alarms.

Transportation, Planning, and Sustainability

Public Works and Transportation:

Child Safety Fund - Accounts for certain fines and fees collected that are used to provide school crossing guards at schools in the City.

Project Connect Fund - Accounts for the collection of property tax revenue dedicated to Austin Transit Partnership Local Government Corporation (ATP). Revenue for this fund is generated from a dedicated portion of the City's property tax rate and disbursements to ATP are made in accordance with the terms of the interlocal agreement.

Project Connect - Office Fund - accounts for the revenue received from Austin Transit Partnership to support the operating expenses related to the City's Project Connect Office.

Public Health

Health and Human Services:

Coronavirus State & Local Fiscal Recovery Fund - Accounts for federal monies received as part of the American Rescue Plan Act. Funding will provide relief services and assistance to address the needs created by this public health emergency.

Health Miscellaneous Fund - Accounts for contributions and activities for Strategic Intervention for High-Risk Youth.

Opioid Settlement Fund - Accounts for revenue received through eight settlements that provide funding relief to communities that have been hit the hardest by the opioid epidemic. The revenue received through these settlements is utilized for communication and harm reduction strategies to address the escalating public health crisis caused by drug overdoses.

Other Public Health:

Animal Services Fund - Accounts for donations to fund animal services activities.

Public Recreation and Culture

Austin Public Library:

Austin History Center Fund - Accounts for contributions from the Austin History Center Association, which includes book sales, donations, and royalties which are used for the Austin-Travis County Collection.

Friends of Austin Public Library Fund - Accounts for proceeds of book sales. Funds can be used for one-time purchases when General Funds are not available.

Library Facilities Maintenance and Improvements Fund - Accounts for revenue generating operations at the Central Library. These proceeds are used for library and parking facility improvements and maintenance.

Special Library Fund - Accounts for donations received to purchase books or special equipment.

Parks and Recreation:

PARD Parking Fund - Accounts for revenue collected at Parks and Recreation sites that charge parking fees or entry fees. Parking fees are restricted to use on projects that would improve or benefit parking on or rehabilitation of park facilities.

Urban Growth Management

Housing and Planning:

Homestead Preservation Reinvestment Tax Increment Fund - Accounts for property tax revenue that is collected in the City of Austin reinvestment zone. Funds are used to increase home ownership for low- and moderate-income families.

Housing Loan Fund - Accounts for affordable housing loan activity.

Neighborhood Revitalization Fund - Accounts for and reports escrow deposits and payments to loan recipients.

UNO Housing Trust Fund - Accounts for revenue that is collected from participating developments in the UNO area. Provides affordable housing for low- income and moderate-income families in that area.

Urban Renewal Agency Fund - Accounts for the agency responsible for overseeing the implementation and compliance of urban renewal plans. (blended component unit)

OTHER SPECIAL REVENUE FUNDS, continued
Urban Growth Management, continued

Development Services and Watershed Protection:

Austin Industrial Development Corporation (AIDC) - Accounts for the administrative costs related to the Corporation. (blended component unit)

Austin Lake Hills Water Quality Fund - Accounts for developer funding to design and construct water quality controls for specific lots located in the Austin Lake Hills subdivision.

Barton Springs Zone Mitigation Fund - Accounts for the Barton Springs zone mitigation fee. Funds are used to purchase property within the Barton Springs Zone.

Fiscal Surety - Land Development Fund - Escrow funds received from contractors for improvements for environmental, health, safety controls, and public infrastructure.

Planting for the Future Fund - Accounts for donations received for the purchase, planting, education, and preservation of trees.

Riparian Zone Mitigation Fund - Accounts for the fees paid by developers to restore riparian health or provide mitigation if on-site restoration is infeasible in the Critical Water Quality Zone.

Urban Forest Replenishment Fund - Provides funding for tree planting and maintenance, promotion of tree care and preservation, and urban forest conservation.

Water Supply Mitigation Fund - Accounts for funds received from properties located in a water supply rural or water supply suburban watershed.

Other Urban Growth Management:

Austin Cable Access Fund - Accounts for payments from cable companies and disbursements for operations of the City's public access channels.

City Hall Fund - Accounts for revenue and operating expenditures related to City Hall's retail leases and underground parking garage.

Cultural Arts Fund - Records activities for cultural project purposes. Funded by a portion of the hotel-motel occupancy tax.

Downtown Public Improvement District Fund - Accounts for the activities related to the Downtown public improvement district.

East Sixth Street Public Improvement District Fund - Accounts for the activities related to the E Sixth Street public improvement district.

Estancia Hill Country Public Improvement District Fund - Accounts for the Estancia Hill Country public improvement district, which issued bonds to finance the construction, ownership, and maintenance of certain improvements.

Historic Preservation Fund - Accounts for eligible historic restoration and preservation projects and activities. Funded by a portion of the hotel-motel occupancy tax.

Hotel-Motel Occupancy Tax Fund - Accounts for hotel-motel occupancy tax revenues and transfer of these revenues to participating funds.

I-35 Parking Program Fund - Accounts for activity related to the two parking lots located under the I-35 overpass.

Indian Hills Public Improvement District Fund - Accounts for the Indian Hills public improvement district which issued bonds to finance the construction, ownership, and maintenance of certain improvements.

Live Music Fund - Accounts for local music initiatives for the encouragement, promotion, improvement, and application of the arts. Funded by a portion of the hotel-motel occupancy tax.

Mueller Development Fund - Established to account for the Mueller Master Development Agreement with Catellus Corporation. Funds collected are used by the City to cover the costs of oversight of the redevelopment project.

Mueller Local Government Corporation - Uses revenue collected by the Mueller Tax Increment Financing (TIF) Reinvestment Zone No. 16 for debt service and associated costs for bonds issued to finance the redevelopment of the former site of Robert Mueller Municipal Airport. (blended component unit)

Mueller Tax Increment Financing Fund - Accounts for property tax revenue that is collected in the Mueller Tax Increment Financing Reinvestment Zone No. 16

One Texas Center Fund - Accounts for revenue, operating expenses, and debt service requirements for One Texas Center, a City-owned office tower located on Barton Springs Road.

Permitting and Development Center Fund - Accounts for the revenue, operating expenses, and debt service requirements for the Permitting and Development Center, a City-owned office building.

Public Arts Fund - Provides for preservation and conservation of the City of Austin public art collection.

Rainey Street Historic District Fund - Accounts for activities related to the assistance in the rehabilitation of the existing single-family structures that are relocated outside of the Rainey Street District.

Rutherford Lane Facility Fund - Accounts for the revenue, expenditures and debt service requirements associated with the Rutherford Lane facilities.

Seaholm Tax Increment Financing Fund - Accounts for property tax revenue that is collected in the Seaholm Tax Increment Financing Reinvestment Zone No. 18 to finance the construction of public improvements for the Seaholm Redevelopment Project.

Second Street Tax Increment Financing Fund - Accounts for property tax revenue that is collected and used in maintaining the plazas, streetscapes and other public improvements installed on specific downtown blocks in the vicinity of City Hall.

Section 108 Family Business Loan Fund - Accounts for the public-private partnership loan program funded by HUD Section 108 loan guarantee.

South Congress Public Improvement District Fund - Accounts for the activities related to the South Congress public improvement district.

Tourism and Promotion Fund - Accounts for the promotion of tourism in Austin as both a leisure and business destination. Funded by a portion of the hotel-motel occupancy tax.

Vehicle Rental Tax Fund - Accounts for the levy of the short-term motor vehicle rental tax of 5%. Funds are used to pay debt service and operating expenses for the Palmer Event Center and garage facilities.

Waller Creek Reserve Fund - Accounts for the revenue received from the Waller Creek Tax Increment Fund and the Build America Bond proceeds which are utilized to fund the Waller Creek tunnel project.

Waller Creek Tax Increment Financing Fund - Accounts for property tax revenue that is collected in the Waller Creek Tax Increment Financing Reinvestment Zone No. 17.

Whisper Valley Public Improvement District Fund - Accounts for the Whisper Valley public improvement district, which issued bonds to finance the construction, ownership, and maintenance of certain improvements.

Wildland Conservation Fund - Accounts for the City's activities pertaining to the management of the Balcones Canyonlands Preserve. The primary funding source is participation certificates awarded to landowners in the preserve to make improvements necessary to comply with the Endangered Species Act (ESA).

AUSTIN HOUSING FINANCE CORPORATION (AHFC)

Accounts for the activities of the Austin Housing Finance Corporation. (blended component unit)

AUSTIN HOUSING PUBLIC FACILITY CORPORATION (AHPFC)

Accounts for the activities of the Austin Housing Public Facility Corporation. (blended component unit)

Special Revenue Funds
Combining Balance Sheet
September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-6

| | Federal, State, and Other Special Revenue Grants | Other Special Revenue Funds | Austin Housing Finance Corporation | Austin Housing Public Facility Corporation | Total |
|--|---|-----------------------------------|--|--|----------------|
| ASSETS | | | | | |
| Pooled investments and cash | \$ 3,427 | 381,339 | 15,483 | 376 | 400,625 |
| Cash held by trustee - restricted | 671 | 6,269 | -- | -- | 6,940 |
| Investments held by trustee - restricted | -- | 9,845 | -- | -- | 9,845 |
| Accounts receivable, net of allowance | -- | 40,463 | -- | -- | 40,463 |
| Interest receivable | -- | 1,001 | 54 | 1 | 1,056 |
| Receivables from other governments | 45,280 | -- | 61 | 5 | 45,346 |
| Leases receivable | -- | 1,927 | -- | -- | 1,927 |
| Notes receivable, net of allowance | -- | 2,485 | 62,185 | -- | 64,670 |
| Due from other funds | -- | 42,398 | -- | -- | 42,398 |
| Real property held for resale | -- | -- | 3,499 | -- | 3,499 |
| Other assets | 728 | 3,432 | 5,182 | -- | 9,342 |
| Total assets | 50,106 | 489,159 | 86,464 | 382 | 626,111 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | 2,667 | 14,597 | 2,572 | -- | 19,836 |
| Accrued payroll | 42 | 125 | -- | -- | 167 |
| Due to other funds | 41,108 | 1,333 | -- | -- | 42,441 |
| Unearned revenue | 3,619 | 113,292 | -- | -- | 116,911 |
| Deposits and other liabilities | 2,670 | 91,745 | 872 | -- | 95,287 |
| Total liabilities | 50,106 | 221,092 | 3,444 | -- | 274,642 |
| DEFERRED INFLOWS OF RESOURCES | -- | 4,610 | 5,210 | -- | 9,820 |
| FUND BALANCES | | | | | |
| Restricted | -- | 173,851 | 77,810 | 382 | 252,043 |
| Committed | -- | 90,855 | -- | -- | 90,855 |
| Assigned | -- | 1,385 | -- | -- | 1,385 |
| Unassigned | -- | (2,634) | -- | -- | (2,634) |
| Total fund balances | -- | 263,457 | 77,810 | 382 | 341,649 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 50,106 | 489,159 | 86,464 | 382 | 626,111 |

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-7

| | Federal, State, and Other Special Revenue Grants | Other Special Revenue Funds | Austin Housing Finance Corporation | Austin Housing Public Facility Corporation | Total |
|---|---|--|---|---|-----------------|
| REVENUES | | | | | |
| Property taxes | \$ -- | 185,002 | -- | -- | 185,002 |
| Franchise fees and other taxes | -- | 176,783 | -- | -- | 176,783 |
| Fines, forfeitures, and penalties | -- | 2,249 | -- | -- | 2,249 |
| Licenses, permits and inspections | -- | 3,463 | -- | -- | 3,463 |
| Charges for services/goods | -- | 29,645 | -- | -- | 29,645 |
| Intergovernmental | 86,411 | 50,570 | 8,455 | 349 | 145,785 |
| Property owners' participation and contributions | -- | 4,654 | -- | -- | 4,654 |
| Lease revenue | -- | 29 | -- | -- | 29 |
| Interest and other income (loss) | -- | 16,277 | 476 | 3 | 16,756 |
| Total revenues | 86,411 | 468,672 | 8,931 | 352 | 564,366 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 838 | 431 | -- | -- | 1,269 |
| Public safety | 8,244 | 3,720 | -- | -- | 11,964 |
| Transportation, planning, and sustainability | 110 | 165,761 | -- | -- | 165,871 |
| Public health | 44,257 | 47,752 | -- | -- | 92,009 |
| Public recreation and culture | 192 | 1,353 | -- | -- | 1,545 |
| Urban growth management | 33,289 | 48,580 | 42,664 | -- | 124,533 |
| Debt service: | | | | | |
| Principal | -- | 3,456 | -- | -- | 3,456 |
| Interest | -- | 1,381 | -- | -- | 1,381 |
| Lease and IT subscription financing principal | 113 | 1,091 | -- | -- | 1,204 |
| Interest expense on leases and IT subscriptions | 13 | 14 | -- | -- | 27 |
| Total expenditures | 87,056 | 273,539 | 42,664 | -- | 403,259 |
| Excess (deficiency) of revenues over (under) expenditures | (645) | 195,133 | (33,733) | 352 | 161,107 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Lease and IT subscription proceeds | 645 | 1,524 | -- | -- | 2,169 |
| Transfers in | -- | 34,266 | 59,378 | -- | 93,644 |
| Transfers out | -- | (185,424) | -- | -- | (185,424) |
| Total other financing sources (uses) | 645 | (149,634) | 59,378 | -- | (89,611) |
| Net change in fund balances | -- | 45,499 | 25,645 | 352 | 71,496 |
| Fund balances at beginning of year, as restated | -- | 217,958 | 52,165 | 30 | 270,153 |
| Fund balances at end of year | \$ -- | 263,457 | 77,810 | 382 | 341,649 |

Special Revenue Funds
Combining Balance Sheet - All Special Revenue Grants
September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-8

| | Assets | | | | | Liabilities and Fund Balances | | | | | | | |
|---|--|-------------------------|------------------------------|-----------------|-----------------|--------------------------------|--------------------------|---------------|-----------------------------|----------------------|---------------------------|--|---------------|
| | Pooled Investments by Trustee, and Cash | Cash Held Restricted | Receivables | | Total Assets | Accounts Accrued Payable | Due to Other Funds | Payroll | Deposits | | Total Fund Balances | Total Liabilities and Fund Balances | |
| | | | from Other Governments | Other Assets | | | | | and Other Liabilities | Total Liabilities | | | |
| Federal grants | | | | | | | | | | | | | |
| Corporation for National and Community Services | \$ -- | -- | 7 | -- | 7 | -- | -- | 7 | -- | -- | 7 | -- | 7 |
| Equal Employment Opportunity Commission | -- | -- | 146 | 24 | 170 | -- | -- | 170 | -- | -- | 170 | -- | 170 |
| Institute of Museum and Library Services | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| National Endowment for the Arts | 20 | -- | 99 | -- | 119 | -- | -- | 99 | 20 | -- | 119 | -- | 119 |
| National Science Foundation | 4 | -- | -- | -- | 4 | -- | -- | -- | -- | 4 | 4 | -- | 4 |
| U.S. Department of Agriculture | 175 | -- | 1,970 | -- | 2,145 | 23 | -- | 1,948 | -- | 174 | 2,145 | -- | 2,145 |
| U.S. Department of Energy | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| U.S. Department of Health & Human Services | 12 | -- | 7,722 | 12 | 7,746 | 1,635 | 1 | 5,949 | 129 | 32 | 7,746 | -- | 7,746 |
| U.S. Department of Homeland Security | 38 | -- | 17,421 | 336 | 17,795 | 48 | -- | 17,545 | 202 | -- | 17,795 | -- | 17,795 |
| U.S. Department of Housing and Urban Development | 2,264 | 671 | 3,684 | 168 | 6,787 | 666 | -- | 2,983 | 720 | 2,418 | 6,787 | -- | 6,787 |
| U.S. Department of Interior | -- | -- | 113 | -- | 113 | -- | -- | 113 | -- | -- | 113 | -- | 113 |
| U.S. Department of Justice | -- | -- | 1,333 | 188 | 1,521 | 234 | 35 | 1,252 | -- | -- | 1,521 | -- | 1,521 |
| U.S. Department of Labor | -- | -- | 10 | -- | 10 | -- | -- | 10 | -- | -- | 10 | -- | 10 |
| U.S. Department of State | 7 | -- | -- | -- | 7 | -- | -- | -- | -- | 7 | 7 | -- | 7 |
| U.S. Department of Transportation | 17 | -- | 3,737 | -- | 3,754 | 14 | 3 | 3,720 | 17 | -- | 3,754 | -- | 3,754 |
| U.S. Department of Treasury | 763 | -- | -- | -- | 763 | -- | -- | -- | 763 | -- | 763 | -- | 763 |
| Total federal grants | 3,300 | 671 | 36,242 | 728 | 40,941 | 2,620 | 39 | 33,796 | 1,851 | 2,635 | 40,941 | -- | 40,941 |
| State grants | | | | | | | | | | | | | |
| Texas Commission of Environmental Quality | -- | -- | 691 | -- | 691 | -- | -- | 691 | -- | -- | 691 | -- | 691 |
| Texas Department of Housing and Community Affairs | -- | -- | 193 | -- | 193 | 28 | -- | 165 | -- | -- | 193 | -- | 193 |
| Texas Department of Family & Protective Services | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Texas Department of Motor Vehicles | -- | -- | 160 | -- | 160 | 18 | 3 | 139 | -- | -- | 160 | -- | 160 |
| Texas Department of State Health Services | -- | -- | 294 | -- | 294 | -- | -- | 294 | -- | -- | 294 | -- | 294 |
| Texas Governor's Office Criminal Justice Division | -- | -- | 116 | -- | 116 | -- | -- | 94 | -- | 22 | 116 | -- | 116 |
| Texas Parks and Wildlife Department | -- | -- | 28 | -- | 28 | -- | -- | 28 | -- | -- | 28 | -- | 28 |
| Total state grants | -- | -- | 1,482 | -- | 1,482 | 46 | 3 | 1,411 | -- | 22 | 1,482 | -- | 1,482 |
| Other special revenue grants | 127 | -- | 7,556 | -- | 7,683 | 1 | -- | 5,901 | 1,768 | 13 | 7,683 | -- | 7,683 |
| Total all grants | \$ 3,427 | 671 | 45,280 | 728 | 50,106 | 2,667 | 42 | 41,108 | 3,619 | 2,670 | 50,106 | -- | 50,106 |

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - All Special Revenue Grants
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-9

150

| | <u>Revenues</u> | <u>Expenditures</u> | <u>Excess (Deficiency) Of Revenues Over (Under) Expenditures</u> | <u>Other Financing Sources</u> | <u>Fund Balances at Beginning of Year</u> | <u>Fund Balances at End of Year</u> |
|---|--------------------------------|-----------------------------|--|--|---|---|
| | <u>Inter- governmental</u> | <u>Special Projects</u> | | | | |
| Federal grants | | | | | | |
| Corporation for National and Community Services | \$ 47 | 47 | -- | -- | -- | -- |
| Equal Employment Opportunity Commission | 36 | 36 | -- | -- | -- | -- |
| Institute of Museum and Library Services | 46 | 46 | -- | -- | -- | -- |
| National Endowment for the Arts | 17 | 17 | -- | -- | -- | -- |
| National Science Foundation | -- | -- | -- | -- | -- | -- |
| U.S. Department of Agriculture | 6,965 | 7,610 | (645) | 645 | -- | -- |
| U.S. Department of Energy | -- | -- | -- | -- | -- | -- |
| U.S. Department of Health & Human Services | 25,511 | 25,511 | -- | -- | -- | -- |
| U.S. Department of Homeland Security | 11,133 | 11,133 | -- | -- | -- | -- |
| U.S. Department of Housing and Urban Development | 17,611 | 17,611 | -- | -- | -- | -- |
| U.S. Department of Interior | 43 | 43 | -- | -- | -- | -- |
| U.S. Department of Justice | 2,630 | 2,630 | -- | -- | -- | -- |
| U.S. Department of Labor | -- | -- | -- | -- | -- | -- |
| U.S. Department of State | -- | -- | -- | -- | -- | -- |
| U.S. Department of Transportation | 752 | 752 | -- | -- | -- | -- |
| U.S. Department of Treasury | 275 | 275 | -- | -- | -- | -- |
| Total federal grants | <u>65,066</u> | <u>65,711</u> | <u>(645)</u> | <u>645</u> | <u>--</u> | <u>--</u> |
| State grants | | | | | | |
| Texas Commission on Environmental Quality | -- | -- | -- | -- | -- | -- |
| Texas Department of Housing and Community Affairs | 487 | 487 | -- | -- | -- | -- |
| Texas Department of Family & Protective Services | 182 | 182 | -- | -- | -- | -- |
| Texas Department of Motor Vehicles | 419 | 419 | -- | -- | -- | -- |
| Texas Department of State Health Services | 1,893 | 1,893 | -- | -- | -- | -- |
| Texas Governor's Office Criminal Justice Division | 853 | 853 | -- | -- | -- | -- |
| Texas Parks and Wildlife Department | -- | -- | -- | -- | -- | -- |
| Total state grants | <u>3,834</u> | <u>3,834</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Other special revenue grants | <u>17,511</u> | <u>17,511</u> | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Total all grants | <u>\$ 86,411</u> | <u>87,056</u> | <u>(645)</u> | <u>645</u> | <u>--</u> | <u>--</u> |

Special Revenue Funds
Combining Schedule of Expenditures - All Special Revenue Grants
From Inception to September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-10

151

| | Total Expenditures at | | | Current Year | | Total Expenditures at | | | Budget | | |
|---|-----------------------|---------------|------------------|---------------|---------------|-----------------------|---------------|------------------|------------------|---------------|------------------|
| | Beginning of Year | | | | | End of Year | | | | | |
| | Grant | In-Kind Match | Total | Grant | In-Kind Match | Grant | In-Kind Match | Total | Grant | In-Kind Match | Total |
| Federal grants | | | | | | | | | | | |
| Corporation for National and Community Services | \$ 100 | 78 | 178 | 47 | 23 | 147 | 101 | 248 | 251 | 120 | 371 |
| Equal Employment Opportunity Commission | 1,447 | -- | 1,447 | 36 | -- | 1,483 | -- | 1,483 | 1,600 | -- | 1,600 |
| Institute of Museum and Library Services | 435 | 33 | 468 | 46 | -- | 481 | 33 | 514 | 814 | 33 | 847 |
| National Endowment for the Arts | 226 | 94 | 320 | 17 | -- | 243 | 94 | 337 | 252 | 108 | 360 |
| National Science Foundation | 174 | 18 | 192 | -- | -- | 174 | 18 | 192 | 175 | 20 | 195 |
| U.S. Department of Agriculture | 92,083 | 5 | 92,088 | 7,610 | -- | 99,693 | 5 | 99,698 | 105,407 | 5 | 105,412 |
| U.S. Department of Energy | 806 | 1,191 | 1,997 | -- | 9 | 806 | 1,200 | 2,006 | 1,063 | 1,217 | 2,280 |
| U.S. Department of Health & Human Services | 232,756 | 1,894 | 234,650 | 25,511 | 182 | 258,267 | 2,076 | 260,343 | 308,958 | 2,596 | 311,554 |
| U.S. Department of Homeland Security | 93,755 | 5,428 | 99,183 | 11,133 | 813 | 104,888 | 6,241 | 111,129 | 120,115 | 7,212 | 127,327 |
| U.S. Department of Housing and Urban Development | 397,397 | 7,783 | 405,180 | 17,611 | 472 | 415,008 | 8,255 | 423,263 | 437,019 | 8,844 | 445,863 |
| U.S. Department of Interior | 1,081 | 1,222 | 2,303 | 43 | 51 | 1,124 | 1,273 | 2,397 | 1,750 | 1,279 | 3,029 |
| U.S. Department of Justice | 48,995 | 7,368 | 56,363 | 2,630 | 38 | 51,625 | 7,406 | 59,031 | 57,793 | 8,120 | 65,913 |
| U.S. Department of Labor | 68 | -- | 68 | -- | -- | 68 | -- | 68 | 82 | -- | 82 |
| U.S. Department of State | 1,227 | -- | 1,227 | -- | -- | 1,227 | -- | 1,227 | 1,351 | 166 | 1,517 |
| U.S. Department of Transportation | 62,759 | 17,554 | 80,313 | 752 | 1,450 | 63,511 | 19,004 | 82,515 | 100,391 | 27,192 | 127,583 |
| U.S. Department of Treasury | 72,577 | -- | 72,577 | 275 | -- | 72,852 | -- | 72,852 | 73,798 | -- | 73,798 |
| Total federal grants | 1,005,886 | 42,668 | 1,048,554 | 65,711 | 3,038 | 1,071,597 | 45,706 | 1,117,303 | 1,210,819 | 56,912 | 1,267,731 |
| State grants | | | | | | | | | | | |
| Texas Commission on Environmental Quality | 7,768 | 5,539 | 13,307 | -- | -- | 7,768 | 5,539 | 13,307 | 9,546 | 5,577 | 15,123 |
| Texas Department of Housing and Community Affairs | 7,979 | 192 | 8,171 | 487 | -- | 8,466 | 192 | 8,658 | 8,822 | 192 | 9,014 |
| Texas Department of Family & Protective Services | 674 | -- | 674 | 182 | -- | 856 | -- | 856 | 856 | -- | 856 |
| Texas Department of Motor Vehicles | 5,706 | 2,134 | 7,840 | 419 | 201 | 6,125 | 2,335 | 8,460 | 6,742 | 2,565 | 9,307 |
| Texas Department of State Health Services | 14,749 | 1,268 | 16,017 | 1,893 | 129 | 16,642 | 1,397 | 18,039 | 18,915 | 1,493 | 20,408 |
| Texas Governor's Office Criminal Justice Division | 2,304 | 344 | 2,648 | 853 | -- | 3,157 | 344 | 3,501 | 3,392 | 345 | 3,737 |
| Texas Parks and Wildlife Department | 4,629 | 5,292 | 9,921 | -- | 416 | 4,629 | 5,708 | 10,337 | 5,709 | 5,789 | 11,498 |
| Total state grants | 43,809 | 14,769 | 58,578 | 3,834 | 746 | 47,643 | 15,515 | 63,158 | 53,982 | 15,961 | 69,943 |
| Other special revenue grants | 14,449 | 177 | 14,626 | 17,511 | 22 | 31,960 | 199 | 32,159 | 73,141 | 549 | 73,690 |
| Total all grants | \$ 1,064,144 | 57,614 | 1,121,758 | 87,056 | 3,806 | 1,151,200 | 61,420 | 1,212,620 | 1,337,942 | 73,422 | 1,411,364 |

Special Revenue Funds - Other
Combining Balance Sheet
September 30, 2023
(In thousands)

| | Assets | | | | | | | |
|---|--------------------|-------------------|--------------------|-------------------|-------------------|-----------------|---------------|----------------|
| | Pooled | Cash | Investments | Net | Net | Due from | Other | Total |
| | Investments | Held by | Held by | Accounts | Other | Other | Assets | Assets |
| | and Cash | Trustee, | Trustee, | Receivable | Receivable | Funds | Assets | Assets |
| | Restricted | Restricted | Restricted | Receivable | Receivable | Funds | Assets | Assets |
| General government | | | | | | | | |
| <i>Municipal Court:</i> | | | | | | | | |
| Municipal Court Local | | | | | | | | |
| Consolidated Court | \$ 476 | -- | -- | -- | -- | -- | 2 | 478 |
| Total Municipal Court | 476 | -- | -- | -- | -- | -- | 2 | 478 |
| <i>Other general government:</i> | | | | | | | | |
| Campaign Financing | 22 | -- | -- | -- | -- | -- | -- | 22 |
| Total other general government | 22 | -- | -- | -- | -- | -- | -- | 22 |
| Total general government | 498 | -- | -- | -- | -- | -- | 2 | 500 |
| Public safety | | | | | | | | |
| <i>Police:</i> | | | | | | | | |
| ARIC Sustainability | 2,868 | -- | -- | -- | -- | -- | 10 | 2,878 |
| Auto Theft Interdiction | 37 | -- | -- | -- | -- | -- | -- | 37 |
| Police Benefit | 235 | -- | -- | -- | -- | -- | -- | 235 |
| Police Federal Dept. of Justice | | | | | | | | |
| Asset Forfeiture | 2,410 | -- | -- | -- | -- | -- | 8 | 2,418 |
| Police Federal Dept. of Treasury | | | | | | | | |
| Asset Forfeiture | 3,983 | -- | -- | -- | -- | -- | 15 | 3,998 |
| Police State Contraband Asset | | | | | | | | |
| Forfeiture | 2,683 | -- | -- | -- | -- | -- | 9 | 2,692 |
| Police State Gambling Asset | | | | | | | | |
| Forfeiture | 677 | -- | -- | -- | -- | -- | 2 | 679 |
| Total Police | 12,893 | -- | -- | -- | -- | -- | 44 | 12,937 |
| <i>Fire:</i> | | | | | | | | |
| Fire Miscellaneous | 61 | -- | -- | -- | -- | -- | -- | 61 |
| Total Fire | 61 | -- | -- | -- | -- | -- | -- | 61 |
| Total public safety | 12,954 | -- | -- | -- | -- | -- | 44 | 12,998 |
| Transportation, planning, and sustainability | | | | | | | | |
| <i>Public Works and Transportation:</i> | | | | | | | | |
| Child Safety | 633 | -- | -- | 8 | -- | -- | 2 | 643 |
| Project Connect | 211 | -- | -- | -- | -- | -- | 1 | 212 |
| Project Connect - Office | -- | -- | -- | 1,152 | -- | -- | 3 | 1,155 |
| Total Public Works and Transportation | 844 | -- | -- | 1,160 | -- | -- | 6 | 2,010 |
| Total transportation, planning, and sustainability | 844 | -- | -- | 1,160 | -- | -- | 6 | 2,010 |
| Public health | | | | | | | | |
| <i>Health & Human Services:</i> | | | | | | | | |
| Coronavirus State & Local | | | | | | | | |
| Fiscal Recovery | 121,043 | -- | -- | -- | -- | 1,152 | 124 | 122,319 |
| Health Miscellaneous | 163 | -- | -- | -- | -- | -- | -- | 163 |
| Opioid Settlement | 1,508 | -- | -- | -- | -- | -- | -- | 1,508 |
| Total Health & Human Services | 122,714 | -- | -- | -- | -- | 1,152 | 124 | 123,990 |
| <i>Other public health:</i> | | | | | | | | |
| Animal Services | 502 | -- | -- | -- | -- | -- | 3 | 505 |
| Total other public health | 502 | -- | -- | -- | -- | -- | 3 | 505 |
| Total public health | \$ 123,216 | -- | -- | -- | -- | 1,152 | 127 | 124,495 |

| Liabilities | | | | | | | Fund Balances | | | | | Total Liabilities, Deferred Inflows of Resources, and Fund Balances |
|---------------------|--------------------|--------------------------|---------------------|---|----------------------|-------------------------------------|-----------------|----------------|---------------|-----------------|---------------------------|---|
| Accounts Payable | Accrued Payroll | Due to Other Funds | Unearned Revenue | Deposits and Other Liabilities | Total Liabilities | Deferred Inflows of Resources | Restr- icted | Com- mitted | Assi- gned | Unass- igned | Total Fund Balances | |
| 4 | -- | -- | -- | -- | 4 | -- | 474 | -- | -- | -- | 474 | 478 |
| 4 | -- | -- | -- | -- | 4 | -- | 474 | -- | -- | -- | 474 | 478 |
| -- | -- | -- | -- | -- | -- | -- | 22 | -- | -- | -- | 22 | 22 |
| -- | -- | -- | -- | -- | -- | -- | 22 | -- | -- | -- | 22 | 22 |
| 4 | -- | -- | -- | -- | 4 | -- | 496 | -- | -- | -- | 496 | 500 |
| -- | -- | -- | -- | -- | -- | -- | 2,878 | -- | -- | -- | 2,878 | 2,878 |
| -- | -- | -- | -- | -- | -- | -- | 37 | -- | -- | -- | 37 | 37 |
| -- | -- | -- | -- | -- | -- | -- | 235 | -- | -- | -- | 235 | 235 |
| 3 | -- | -- | -- | -- | 3 | -- | 2,415 | -- | -- | -- | 2,415 | 2,418 |
| -- | -- | -- | -- | -- | -- | -- | 3,998 | -- | -- | -- | 3,998 | 3,998 |
| -- | -- | -- | -- | -- | -- | -- | 2,692 | -- | -- | -- | 2,692 | 2,692 |
| -- | -- | -- | -- | -- | -- | -- | 679 | -- | -- | -- | 679 | 679 |
| 3 | -- | -- | -- | -- | 3 | -- | 12,934 | -- | -- | -- | 12,934 | 12,937 |
| -- | -- | -- | -- | -- | -- | -- | 61 | -- | -- | -- | 61 | 61 |
| -- | -- | -- | -- | -- | -- | -- | 61 | -- | -- | -- | 61 | 61 |
| 3 | -- | -- | -- | -- | 3 | -- | 12,995 | -- | -- | -- | 12,995 | 12,998 |
| 11 | 28 | -- | -- | -- | 39 | -- | 604 | -- | -- | -- | 604 | 643 |
| -- | -- | -- | -- | 315 | 315 | -- | -- | -- | -- | (103) | (103) | 212 |
| 5 | 34 | 1,152 | -- | -- | 1,191 | -- | -- | -- | -- | (36) | (36) | 1,155 |
| 16 | 62 | 1,152 | -- | 315 | 1,545 | -- | 604 | -- | -- | (139) | 465 | 2,010 |
| 16 | 62 | 1,152 | -- | 315 | 1,545 | -- | 604 | -- | -- | (139) | 465 | 2,010 |
| 8,972 | 55 | -- | 113,292 | -- | 122,319 | -- | -- | -- | -- | -- | -- | 122,319 |
| -- | -- | -- | -- | 108 | 108 | -- | 55 | -- | -- | -- | 55 | 163 |
| -- | -- | -- | -- | -- | -- | -- | 1,508 | -- | -- | -- | 1,508 | 1,508 |
| 8,972 | 55 | -- | 113,292 | 108 | 122,427 | -- | 1,563 | -- | -- | -- | 1,563 | 123,990 |
| 49 | 2 | -- | -- | 60 | 111 | -- | 394 | -- | -- | -- | 394 | 505 |
| 49 | 2 | -- | -- | 60 | 111 | -- | 394 | -- | -- | -- | 394 | 505 |
| 9,021 | 57 | -- | 113,292 | 168 | 122,538 | -- | 1,957 | -- | -- | -- | 1,957 | 124,495 |

(Continued)

Special Revenue Funds - Other
Combining Balance Sheet
September 30, 2023
(In thousands)

| Assets | | | | | | | | |
|---|--------------------|-------------------|--------------------|-------------------|-------------------|-----------------|---------------|---------------|
| | Pooled | Cash | Investments | Net | Net | Due from | Other | Total |
| | Investments | Held by | Held by | Accounts | Other | Other | Assets | Assets |
| | and Cash | Trustee, | Trustee, | Receivable | Receivable | Funds | Assets | Assets |
| | Restricted | Restricted | Restricted | Receivable | Receivable | Funds | Assets | Assets |
| Public recreation and culture | | | | | | | | |
| <i>Austin Public Library:</i> | | | | | | | | |
| Austin History Center | \$ 147 | -- | -- | -- | -- | -- | -- | 147 |
| Friends of Austin Public Library | 619 | -- | -- | -- | -- | -- | -- | 619 |
| Library Facilities Maintenance and Improvements | 3,106 | -- | -- | 49 | -- | -- | -- | 3,155 |
| Special Library | 1,714 | -- | -- | -- | -- | -- | -- | 1,714 |
| Total Austin Public Library | 5,586 | -- | -- | 49 | -- | -- | -- | 5,635 |
| <i>Parks and Recreation:</i> | | | | | | | | |
| PARD Parking | 633 | -- | -- | -- | -- | -- | 3 | 636 |
| Total Parks and Recreation | 633 | -- | -- | -- | -- | -- | 3 | 636 |
| Total public recreation and culture | 6,219 | -- | -- | 49 | -- | -- | 3 | 6,271 |
| Urban growth management | | | | | | | | |
| <i>Housing & Planning:</i> | | | | | | | | |
| Homestead Preservation | | | | | | | | |
| Reinvestment Tax Increment | 16,392 | -- | -- | -- | -- | -- | -- | 16,392 |
| Housing Loan | -- | -- | -- | -- | 2,477 | -- | -- | 2,477 |
| Neighborhood Revitalization | 3,536 | -- | -- | -- | -- | -- | -- | 3,536 |
| UNO Housing Trust | 3,135 | -- | -- | -- | -- | -- | 11 | 3,146 |
| Urban Renewal Agency | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Housing & Planning | 23,063 | -- | -- | -- | 2,477 | -- | 11 | 25,551 |
| <i>Development Services & Watershed Protection:</i> | | | | | | | | |
| Austin Industrial Development Corporation (AIDC) | 1 | -- | -- | -- | -- | -- | -- | 1 |
| Austin Lake Hills Water Quality | 105 | -- | -- | -- | -- | -- | -- | 105 |
| Barton Springs Zone Mitigation | 199 | -- | -- | -- | -- | -- | -- | 199 |
| Fiscal Surety-Land Development | 41,702 | -- | -- | -- | -- | 41,109 | 302 | 83,113 |
| Planting for the Future | 65 | -- | -- | -- | -- | -- | -- | 65 |
| Riparian Zone Mitigation | 5,197 | -- | -- | -- | -- | -- | 17 | 5,214 |
| Urban Forest Replenishment | 8,438 | -- | -- | -- | 8 | -- | 29 | 8,475 |
| Water Supply Mitigation | 9 | -- | -- | -- | -- | -- | -- | 9 |
| Total Development Services & Watershed Protection | \$ 55,716 | -- | -- | -- | 8 | 41,109 | 348 | 97,181 |

(Continued)

| Liabilities | | | | | | | Fund Balances | | | | | Total Liabilities, Deferred Inflows of Resources, and Fund Balances |
|---------------------|--------------------|--------------------------|---------------------|---|----------------------|-------------------------------------|-----------------|----------------|---------------|-----------------|---------------------------|---|
| Accounts Payable | Accrued Payroll | Due to Other Funds | Unearned Revenue | Deposits and Other Liabilities | Total Liabilities | Deferred Inflows of Resources | Restr- icted | Com- mitted | Assi- gned | Unass- igned | Total Fund Balances | |
| 4 | -- | -- | -- | -- | 4 | -- | 143 | -- | -- | -- | 143 | 147 |
| -- | -- | -- | -- | -- | -- | -- | 619 | -- | -- | -- | 619 | 619 |
| 1 | -- | -- | -- | 104 | 105 | -- | 3,050 | -- | -- | -- | 3,050 | 3,155 |
| 1 | -- | -- | -- | -- | 1 | -- | 1,713 | -- | -- | -- | 1,713 | 1,714 |
| 6 | -- | -- | -- | 104 | 110 | -- | 5,525 | -- | -- | -- | 5,525 | 5,635 |
| -- | -- | -- | -- | -- | -- | -- | 636 | -- | -- | -- | 636 | 636 |
| -- | -- | -- | -- | -- | -- | -- | 636 | -- | -- | -- | 636 | 636 |
| 6 | -- | -- | -- | 104 | 110 | -- | 6,161 | -- | -- | -- | 6,161 | 6,271 |
| -- | -- | -- | -- | -- | -- | -- | 16,392 | -- | -- | -- | 16,392 | 16,392 |
| -- | -- | -- | -- | -- | -- | -- | 2,477 | -- | -- | -- | 2,477 | 2,477 |
| -- | -- | -- | -- | 255 | 255 | -- | 3,281 | -- | -- | -- | 3,281 | 3,536 |
| -- | -- | -- | -- | -- | -- | -- | 2,446 | -- | 700 | -- | 3,146 | 3,146 |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | 255 | 255 | -- | 24,596 | -- | 700 | -- | 25,296 | 25,551 |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | 1 | -- | 1 | 1 |
| -- | -- | -- | -- | -- | -- | -- | -- | 105 | -- | -- | 105 | 105 |
| -- | -- | -- | -- | -- | -- | -- | -- | 198 | 1 | -- | 199 | 199 |
| 75 | -- | 43 | -- | 85,490 | 85,608 | -- | -- | -- | -- | (2,495) | (2,495) | 83,113 |
| -- | -- | -- | -- | -- | -- | -- | 65 | -- | -- | -- | 65 | 65 |
| -- | -- | -- | -- | -- | -- | -- | -- | 5,080 | 134 | -- | 5,214 | 5,214 |
| 115 | -- | -- | -- | -- | 115 | -- | -- | 7,816 | 544 | -- | 8,360 | 8,475 |
| -- | -- | -- | -- | -- | -- | -- | -- | 9 | -- | -- | 9 | 9 |
| 190 | -- | 43 | -- | 85,490 | 85,723 | -- | 65 | 13,208 | 680 | (2,495) | 11,458 | 97,181 |

(Continued)

Special Revenue Funds - Other
Combining Balance Sheet
September 30, 2023
(In thousands)

| Assets | | | | | | | | |
|--|--|---|--|--|-------------------------------------|-------------------------------------|-------------------------|-------------------------|
| | Pooled Investments and Cash | Cash Held by Trustee, Restricted | Investments Held by Trustee, Restricted | Net Accounts Receivable | Net Other Receivable | Due from Other Funds | Other Assets | Total Assets |
| Urban growth management, continued | | | | | | | | |
| <i>Other urban growth management :</i> | | | | | | | | |
| Austin Cable Access | \$ 6,762 | -- | -- | 11 | -- | -- | 39 | 6,812 |
| City Hall | 693 | -- | -- | -- | 1,927 | -- | 3 | 2,623 |
| Cultural Arts | 26,531 | -- | -- | -- | -- | -- | 94 | 26,625 |
| Downtown Public Improvement District | 8,603 | -- | -- | 41 | -- | -- | 31 | 8,675 |
| East Sixth Street Public Improvement District | 132 | -- | -- | -- | -- | -- | -- | 132 |
| Estancia Hill Country Public Improvement District | 220 | -- | 5,310 | 1 | -- | -- | 1 | 5,532 |
| Historic Preservation | 33,599 | -- | -- | -- | -- | -- | 139 | 33,738 |
| Hotel-Motel Occupancy Tax | 65 | -- | -- | 34,289 | -- | -- | -- | 34,354 |
| I-35 Parking Program | 48 | -- | -- | -- | -- | -- | -- | 48 |
| Indian Hills Public Improvement District | 197 | -- | 535 | -- | -- | -- | -- | 732 |
| Live Music | 9,410 | -- | -- | -- | -- | -- | 25 | 9,435 |
| Mueller Development | 162 | -- | -- | 2,708 | -- | -- | 1 | 2,871 |
| Mueller Local Government Corporation | 30,804 | 1,013 | -- | -- | -- | -- | 110 | 31,927 |
| Mueller Tax Increment Financing | -- | -- | -- | -- | -- | -- | -- | -- |
| One Texas Center | -- | -- | -- | 144 | -- | -- | -- | 144 |
| Permitting & Development Center | -- | -- | -- | -- | -- | -- | -- | -- |
| Public Arts | 14 | -- | -- | -- | -- | -- | -- | 14 |
| Rainey Street Historic District | 922 | -- | -- | -- | -- | -- | 3 | 925 |
| Rutherford Lane Facility | 780 | -- | -- | -- | -- | -- | 2 | 782 |
| Seaholm Tax Increment Financing | 2,818 | -- | -- | -- | -- | -- | 10 | 2,828 |
| Second Street Tax Increment Financing | 235 | -- | -- | -- | -- | -- | 1 | 236 |
| Section 108 Family Business Loan | 693 | 5,256 | -- | -- | -- | -- | 3,277 | 9,226 |
| South Congress Public Improvement District | 158 | -- | -- | -- | -- | -- | 1 | 159 |
| Tourism and Promotion | 4,241 | -- | -- | -- | -- | -- | 15 | 4,256 |
| Vehicle Rental Tax | -- | -- | -- | 2,060 | -- | -- | 16 | 2,076 |
| Waller Creek Reserve | 30,086 | -- | -- | -- | -- | 137 | 119 | 30,342 |
| Waller Creek Tax Increment Financing | -- | -- | -- | -- | -- | -- | -- | -- |
| Whisper Valley Public Improvement District | 871 | -- | 4,000 | -- | -- | -- | 3 | 4,874 |
| Wildland Conservation | 785 | -- | -- | -- | -- | -- | 2 | 787 |
| Total other urban growth management | 158,829 | 6,269 | 9,845 | 39,254 | 1,927 | 137 | 3,892 | 220,153 |
| Total urban growth management | 237,608 | 6,269 | 9,845 | 39,254 | 4,412 | 41,246 | 4,251 | 342,885 |
| Total | \$ 381,339 | 6,269 | 9,845 | 40,463 | 4,412 | 42,398 | 4,433 | 489,159 |

(Continued)

| Liabilities | | | | | | | Fund Balances | | | | | Total Liabilities, Deferred Inflows of Resources, and Fund Balances |
|---------------------|--------------------|--------------------------|---------------------|---|----------------------|-------------------------------------|-----------------|----------------|---------------|-----------------|---------------------------|---|
| Accounts Payable | Accrued Payroll | Due to Other Funds | Unearned Revenue | Deposits and Other Liabilities | Total Liabilities | Deferred Inflows of Resources | Restr- icted | Com- mitted | Assi- gned | Unass- igned | Total Fund Balances | |
| 43 | -- | -- | -- | -- | 43 | -- | 6,769 | -- | -- | -- | 6,769 | 6,812 |
| 196 | -- | -- | -- | -- | 196 | 1,902 | -- | 525 | -- | -- | 525 | 2,623 |
| 3,359 | -- | -- | -- | -- | 3,359 | -- | 23,266 | -- | -- | -- | 23,266 | 26,625 |
| 1 | -- | -- | -- | -- | 1 | -- | 8,674 | -- | -- | -- | 8,674 | 8,675 |
| -- | -- | -- | -- | -- | -- | -- | 132 | -- | -- | -- | 132 | 132 |
| 4 | -- | -- | -- | 26 | 30 | -- | 5,502 | -- | -- | -- | 5,502 | 5,532 |
| -- | -- | -- | -- | -- | -- | -- | 33,735 | -- | 3 | -- | 33,738 | 33,738 |
| -- | -- | -- | -- | 65 | 65 | -- | 34,289 | -- | -- | -- | 34,289 | 34,354 |
| -- | -- | -- | -- | -- | -- | -- | 46 | -- | 2 | -- | 48 | 48 |
| 3 | -- | -- | -- | -- | 3 | -- | 729 | -- | -- | -- | 729 | 732 |
| 484 | -- | -- | -- | -- | 484 | -- | -- | 8,951 | -- | -- | 8,951 | 9,435 |
| -- | -- | -- | -- | 7 | 7 | 2,708 | -- | 156 | -- | -- | 156 | 2,871 |
| -- | -- | -- | -- | -- | -- | -- | -- | 31,927 | -- | -- | 31,927 | 31,927 |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | 100 | -- | -- | 100 | -- | -- | 44 | -- | -- | 44 | 144 |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | 2 | 2 | -- | -- | 12 | -- | -- | 12 | 14 |
| -- | -- | -- | -- | -- | -- | -- | 925 | -- | -- | -- | 925 | 925 |
| 81 | -- | -- | -- | -- | 81 | -- | -- | 701 | -- | -- | 701 | 782 |
| -- | -- | -- | -- | -- | -- | -- | 2,828 | -- | -- | -- | 2,828 | 2,828 |
| 11 | -- | -- | -- | -- | 11 | -- | 225 | -- | -- | -- | 225 | 236 |
| 2 | -- | -- | -- | 5,256 | 5,258 | -- | -- | 3,968 | -- | -- | 3,968 | 9,226 |
| 66 | -- | -- | -- | -- | 66 | -- | 93 | -- | -- | -- | 93 | 159 |
| 1,089 | -- | -- | -- | -- | 1,089 | -- | 2,924 | 243 | -- | -- | 3,167 | 4,256 |
| -- | -- | 38 | -- | -- | 38 | -- | 2,038 | -- | -- | -- | 2,038 | 2,076 |
| -- | -- | -- | -- | -- | -- | -- | -- | 30,342 | -- | -- | 30,342 | 30,342 |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 15 | -- | -- | -- | 57 | 72 | -- | 4,802 | -- | -- | -- | 4,802 | 4,874 |
| 3 | 6 | -- | -- | -- | 9 | -- | -- | 778 | -- | -- | 778 | 787 |
| 5,357 | 6 | 138 | -- | 5,413 | 10,914 | 4,610 | 126,977 | 77,647 | 5 | -- | 204,629 | 220,153 |
| 5,547 | 6 | 181 | -- | 91,158 | 96,892 | 4,610 | 151,638 | 90,855 | 1,385 | (2,495) | 241,383 | 342,885 |
| 14,597 | 125 | 1,333 | 113,292 | 91,745 | 221,092 | 4,610 | 173,851 | 90,855 | 1,385 | (2,634) | 263,457 | 489,159 |

Special Revenue Funds - Other
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

| | Revenues | | | | | | | Interest and Other Income (Loss) | Total Revenues |
|---|-------------------|----------------------------|--|--|-----------------------------------|------------------------|--------------------|---|-------------------|
| | Property Taxes | Gross Receipts Taxes | Fines, Forfeitures and Penalties | Licenses, Permits, and Inspections | Charges for Services/ Goods | Intergov- ernmental | Contri- butions | | |
| General government | | | | | | | | | |
| <i>Municipal Court:</i> | | | | | | | | | |
| Municipal Court Local Consolidated Court | \$ -- | -- | 231 | -- | -- | -- | -- | 20 | 251 |
| Total Municipal Court | -- | -- | 231 | -- | -- | -- | -- | 20 | 251 |
| <i>Other general government:</i> | | | | | | | | | |
| Campaign Financing | -- | -- | -- | -- | -- | -- | 25 | -- | 25 |
| Total other general government | -- | -- | -- | -- | -- | -- | 25 | -- | 25 |
| Total general government | -- | -- | 231 | -- | -- | -- | 25 | 20 | 276 |
| Public safety | | | | | | | | | |
| <i>Police:</i> | | | | | | | | | |
| ARIC Sustainability | -- | -- | -- | -- | -- | -- | 449 | 97 | 546 |
| Auto Theft Interdiction | -- | -- | -- | -- | -- | -- | -- | 1 | 1 |
| Police Benefit | -- | -- | -- | -- | -- | -- | 107 | -- | 107 |
| Police Federal Dept. of Justice Asset Forfeiture | -- | -- | 466 | -- | -- | -- | -- | 86 | 552 |
| Police Federal Dept. of Treasury Asset Forfeiture | -- | -- | 15 | -- | -- | -- | -- | 133 | 148 |
| Police State Contraband Asset Forfeiture | -- | -- | -- | -- | -- | -- | -- | 92 | 92 |
| Police State Gambling Asset Forfeiture | -- | -- | -- | -- | -- | -- | -- | 21 | 21 |
| Total Police | -- | -- | 481 | -- | -- | -- | 556 | 430 | 1,467 |
| <i>Fire:</i> | | | | | | | | | |
| Fire Miscellaneous | -- | -- | -- | -- | -- | -- | -- | 2 | 2 |
| Total Fire | -- | -- | -- | -- | -- | -- | -- | 2 | 2 |
| Total public safety | -- | -- | 481 | -- | -- | -- | 556 | 432 | 1,469 |
| Transportation, planning, and sustainability | | | | | | | | | |
| <i>Public Works and Transportation:</i> | | | | | | | | | |
| Child Safety | -- | -- | 1,537 | -- | -- | -- | -- | 9 | 1,546 |
| Project Connect | 159,338 | -- | -- | -- | -- | -- | -- | 1,655 | 160,993 |
| Project Connect - Office | -- | -- | -- | -- | -- | 2,640 | -- | -- | 2,640 |
| Total Public Works and Transportation | 159,338 | -- | 1,537 | -- | -- | 2,640 | -- | 1,664 | 165,179 |
| Total transportation, planning, and sustainability | 159,338 | -- | 1,537 | -- | -- | 2,640 | -- | 1,664 | 165,179 |
| Public health | | | | | | | | | |
| <i>Health & Human Services:</i> | | | | | | | | | |
| Coronavirus State & Local Fiscal Recovery | -- | -- | -- | -- | -- | 47,930 | -- | -- | 47,930 |
| Health Miscellaneous | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Opioid Settlement | -- | -- | -- | -- | 1,531 | -- | -- | -- | 1,531 |
| Total Health & Human Services | -- | -- | -- | -- | 1,531 | 47,930 | -- | -- | 49,461 |
| <i>Other public health:</i> | | | | | | | | | |
| Animal Services | -- | -- | -- | -- | -- | -- | 302 | 24 | 326 |
| Total other public health | -- | -- | -- | -- | -- | -- | 302 | 24 | 326 |
| Total public health | \$ -- | -- | -- | -- | 1,531 | 47,930 | 302 | 24 | 49,787 |

(1) Expenditures include capital outlay of \$2.19 million.

| Expenditures | | | Excess (Deficiency) Of Revenues Over (Under) Expenditures | Other Financing Sources (Uses) | | | Net Change in Fund Balances | Fund Balances at Beginning of Year | Fund Balances at End of Year |
|----------------------------------|--------------|----------|--|--|-----------------|------------------|--------------------------------------|---|---------------------------------------|
| Current Expend- itures (1) | Debt Service | | | Lease and IT Subscription Proceeds | Transfers In | Transfers Out | | | |
| | Principal | Interest | | | | | | | |
| 365 | -- | -- | (114) | -- | -- | -- | (114) | 588 | 474 |
| 365 | -- | -- | (114) | -- | -- | -- | (114) | 588 | 474 |
| 66 | -- | -- | (41) | -- | -- | -- | (41) | 63 | 22 |
| 66 | -- | -- | (41) | -- | -- | -- | (41) | 63 | 22 |
| 431 | -- | -- | (155) | -- | -- | -- | (155) | 651 | 496 |
| 1,899 | -- | -- | (1,353) | 1,524 | -- | -- | 171 | 2,707 | 2,878 |
| -- | -- | -- | 1 | -- | -- | -- | 1 | 36 | 37 |
| 273 | -- | -- | (166) | -- | -- | -- | (166) | 401 | 235 |
| 698 | -- | -- | (146) | -- | -- | -- | (146) | 2,561 | 2,415 |
| 420 | -- | -- | (272) | -- | -- | -- | (272) | 4,270 | 3,998 |
| 751 | -- | -- | (659) | -- | -- | -- | (659) | 3,351 | 2,692 |
| -- | -- | -- | 21 | -- | -- | -- | 21 | 658 | 679 |
| 4,041 | -- | -- | (2,574) | 1,524 | -- | -- | (1,050) | 13,984 | 12,934 |
| -- | -- | -- | 2 | -- | -- | -- | 2 | 59 | 61 |
| -- | -- | -- | 2 | -- | -- | -- | 2 | 59 | 61 |
| 4,041 | -- | -- | (2,572) | 1,524 | -- | -- | (1,048) | 14,043 | 12,995 |
| 3,231 | -- | -- | (1,685) | -- | 2,050 | -- | 365 | 239 | 604 |
| 159,868 | -- | -- | 1,125 | -- | -- | (1,225) | (100) | (3) | (103) |
| 2,662 | -- | -- | (22) | -- | -- | -- | (22) | (14) | (36) |
| 165,761 | -- | -- | (582) | -- | 2,050 | (1,225) | 243 | 222 | 465 |
| 165,761 | -- | -- | (582) | -- | 2,050 | (1,225) | 243 | 222 | 465 |
| 47,930 | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- | -- | -- | 55 | 55 |
| 23 | -- | -- | 1,508 | -- | -- | -- | 1,508 | -- | 1,508 |
| 47,953 | -- | -- | 1,508 | -- | -- | -- | 1,508 | 55 | 1,563 |
| 583 | -- | -- | (257) | -- | -- | -- | (257) | 651 | 394 |
| 583 | -- | -- | (257) | -- | -- | -- | (257) | 651 | 394 |
| 48,536 | -- | -- | 1,251 | -- | -- | -- | 1,251 | 706 | 1,957 |

(Continued)

Special Revenue Funds - Other
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

| | Revenues | | | | | | | | Total Revenues |
|---|----------------|----------------------|----------------------------------|------------------------------------|-----------------------------|-------------------|---------------|----------------------------------|----------------|
| | Property Taxes | Gross Receipts Taxes | Fines, Forfeitures and Penalties | Licenses, Permits, and Inspections | Charges for Services/ Goods | Intergovernmental | Contributions | Interest and Other Income (Loss) | |
| Public recreation and culture | | | | | | | | | |
| <i>Austin Public Library:</i> | | | | | | | | | |
| Austin History Center | \$ -- | -- | -- | -- | -- | -- | 22 | -- | 22 |
| Friends of Austin Public Library | -- | -- | -- | -- | -- | -- | 125 | -- | 125 |
| Library Facilities Maintenance and Improvements | -- | -- | -- | -- | 808 | -- | -- | 355 | 1,163 |
| Special Library | -- | -- | -- | -- | -- | -- | 89 | -- | 89 |
| Total Austin Public Library | -- | -- | -- | -- | 808 | -- | 236 | 355 | 1,399 |
| <i>Parks and Recreation:</i> | | | | | | | | | |
| PARD Parking | -- | -- | -- | -- | 209 | -- | -- | 1,528 | 1,737 |
| Total parks and recreation | -- | -- | -- | -- | 209 | -- | -- | 1,528 | 1,737 |
| Total public recreation and culture | -- | -- | -- | -- | 1,017 | -- | 236 | 1,883 | 3,136 |
| Urban growth management | | | | | | | | | |
| <i>Housing & Planning:</i> | | | | | | | | | |
| Homestead Preservation | | | | | | | | | |
| Reinvestment Tax Increment | 4,998 | -- | -- | -- | -- | -- | -- | -- | 4,998 |
| Housing Loan | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Neighborhood Revitalization | -- | -- | -- | -- | -- | -- | -- | 3,300 | 3,300 |
| UNO Housing Trust | -- | -- | -- | -- | 602 | -- | -- | 86 | 688 |
| Urban Renewal Agency | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Housing & Planning | 4,998 | -- | -- | -- | 602 | -- | -- | 3,386 | 8,986 |
| <i>Development Services & Watershed Protection:</i> | | | | | | | | | |
| Austin Industrial Development Corporation (AIDC) | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Austin Lake Hills Water Quality | -- | -- | -- | -- | -- | -- | -- | 3 | 3 |
| Barton Springs Zone Mitigation | -- | -- | -- | -- | -- | -- | 198 | -- | 198 |
| Fiscal Surety-Land Development | -- | -- | -- | -- | -- | -- | -- | 2,590 | 2,590 |
| Planting for the Future | -- | -- | -- | -- | -- | -- | 24 | -- | 24 |
| Riparian Zone Mitigation | -- | -- | -- | -- | -- | -- | 3,313 | 89 | 3,402 |
| Urban Forest Replenishment | -- | -- | -- | 3,463 | -- | -- | -- | 248 | 3,711 |
| Water Supply Mitigation | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Total Development Services & Watershed Protection | \$ -- | -- | -- | 3,463 | -- | -- | 3,535 | 2,930 | 9,928 |

(1) Expenditures include capital outlay of \$2.19 million.

(Continued)

| Expenditures | | | Excess (Deficiency) Of Revenues Over (Under) Expenditures | Other Financing Sources (Uses) | | | Net Change in Fund Balances | Fund Balances at Beginning of Year | Fund Balances at End of Year |
|----------------------------------|--------------|----------|--|--|-----------------|------------------|--------------------------------------|---|---------------------------------------|
| Current Expend- itures (1) | Debt Service | | | Lease and IT Subscription Proceeds | Transfers In | Transfers Out | | | |
| | Principal | Interest | | | | | | | |
| 13 | -- | -- | 9 | -- | -- | -- | 9 | 134 | 143 |
| 204 | -- | -- | (79) | -- | -- | -- | (79) | 698 | 619 |
| 778 | -- | -- | 385 | -- | -- | -- | 385 | 2,665 | 3,050 |
| 111 | -- | -- | (22) | -- | -- | -- | (22) | 1,735 | 1,713 |
| 1,106 | -- | -- | 293 | -- | -- | -- | 293 | 5,232 | 5,525 |
| 247 | -- | -- | 1,490 | -- | -- | (1,084) | 406 | 230 | 636 |
| 247 | -- | -- | 1,490 | -- | -- | (1,084) | 406 | 230 | 636 |
| 1,353 | -- | -- | 1,783 | -- | -- | (1,084) | 699 | 5,462 | 6,161 |
| -- | -- | -- | 4,998 | -- | -- | -- | 4,998 | 11,394 | 16,392 |
| 161 | -- | -- | (161) | -- | -- | -- | (161) | 2,638 | 2,477 |
| -- | -- | -- | 3,300 | -- | -- | -- | 3,300 | (19) | 3,281 |
| -- | -- | -- | 688 | -- | -- | -- | 688 | 2,458 | 3,146 |
| 682 | -- | -- | (682) | -- | 4 | -- | (678) | 678 | -- |
| 843 | -- | -- | 8,143 | -- | 4 | -- | 8,147 | 17,149 | 25,296 |
| -- | -- | -- | -- | -- | -- | -- | -- | 1 | 1 |
| -- | -- | -- | 3 | -- | -- | -- | 3 | 102 | 105 |
| -- | -- | -- | 198 | -- | -- | -- | 198 | 1 | 199 |
| -- | -- | -- | 2,590 | -- | -- | -- | 2,590 | (5,085) | (2,495) |
| 246 | -- | -- | (222) | -- | -- | -- | (222) | 287 | 65 |
| -- | -- | -- | 3,402 | -- | -- | -- | 3,402 | 1,812 | 5,214 |
| 2,382 | -- | -- | 1,329 | -- | -- | (1,666) | (337) | 8,697 | 8,360 |
| -- | -- | -- | -- | -- | -- | -- | -- | 9 | 9 |
| 2,628 | -- | -- | 7,300 | -- | -- | (1,666) | 5,634 | 5,824 | 11,458 |

(Continued)

Special Revenue Funds - Other
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

| | Revenues | | | | | | | | Total Revenues |
|---|------------------|----------------------|----------------------------------|------------------------------------|-----------------------------|---------------------|-----------------|--------------------|----------------|
| | Property Taxes | Gross Receipts Taxes | Fines, Forfeitures and Penalties | Licenses, Permits, and Inspections | Charges for Services/ Goods | Intergov- ernmental | Contri- butions | Interest and Other | |
| | | | | | | | | Income (Loss) | |
| Urban growth management, continued | | | | | | | | | |
| <i>Other urban growth management:</i> | | | | | | | | | |
| Austin Cable Access | \$ -- | 1,365 | -- | -- | -- | -- | -- | 234 | 1,599 |
| City Hall | -- | -- | -- | -- | 1,154 | -- | -- | 38 | 1,192 |
| Cultural Arts | -- | 15,647 | -- | -- | -- | -- | -- | 699 | 16,346 |
| Downtown Public Improvement District | -- | -- | -- | -- | 13,342 | -- | -- | 372 | 13,714 |
| East Sixth Street Public Improvement District | -- | -- | -- | -- | 55 | -- | -- | 5 | 60 |
| Estancia Hill Country Public Improvement District | -- | -- | -- | -- | 2,646 | -- | -- | 199 | 2,845 |
| Historic Preservation | -- | 15,647 | -- | -- | -- | -- | -- | 1,041 | 16,688 |
| Hotel-Motel Occupancy Tax | -- | 125,307 | -- | -- | -- | -- | -- | -- | 125,307 |
| I-35 Parking Program | -- | -- | -- | -- | 34 | -- | -- | 2 | 36 |
| Indian Hills Public Improvement District | -- | -- | -- | -- | 497 | -- | -- | 39 | 536 |
| Live Music | -- | -- | -- | -- | -- | -- | -- | 197 | 197 |
| Mueller Development | -- | -- | -- | -- | 23 | -- | -- | 255 | 278 |
| Mueller Local Government Corporation | -- | -- | -- | -- | -- | -- | -- | 996 | 996 |
| Mueller Tax Increment Financing | 9,594 | -- | -- | -- | -- | -- | -- | 15 | 9,609 |
| One Texas Center | -- | -- | -- | -- | 188 | -- | -- | -- | 188 |
| Permitting & Development Center | -- | -- | -- | -- | 218 | -- | -- | -- | 218 |
| Public Arts | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Rainey Street Historic District | -- | -- | -- | -- | -- | -- | -- | 29 | 29 |
| Rutherford Lane Facility | -- | -- | -- | -- | 3,772 | -- | -- | 21 | 3,793 |
| Seaholm Tax Increment Financing | 1,714 | -- | -- | -- | -- | -- | -- | 58 | 1,772 |
| Second Street Tax Increment Financing | 100 | -- | -- | -- | -- | -- | -- | 10 | 110 |
| Section 108 Family Business Loan | -- | -- | -- | -- | -- | -- | -- | 16 | 16 |
| South Congress Public Improvement District | -- | -- | -- | -- | 243 | -- | -- | 7 | 250 |
| Tourism and Promotion | -- | 5,964 | -- | -- | -- | -- | -- | 127 | 6,091 |
| Vehicle Rental Tax | -- | 12,853 | -- | -- | -- | -- | -- | 85 | 12,938 |
| Waller Creek Reserve | -- | -- | -- | -- | -- | -- | -- | 1,002 | 1,002 |
| Waller Creek Tax Increment Financing | 9,258 | -- | -- | -- | -- | -- | -- | -- | 9,258 |
| Whisper Valley Public Improvement District | -- | -- | -- | -- | 4,352 | -- | -- | 244 | 4,596 |
| Wildland Conservation | -- | -- | -- | -- | -- | -- | -- | 247 | 247 |
| Total other urban growth management | 20,666 | 176,783 | -- | -- | 26,524 | -- | -- | 5,938 | 229,911 |
| Total urban growth management | 25,664 | 176,783 | -- | 3,463 | 27,126 | -- | 3,535 | 12,254 | 248,825 |
| Total | \$185,002 | 176,783 | 2,249 | 3,463 | 29,674 | 50,570 | 4,654 | 16,277 | 468,672 |

(1) Expenditures include capital outlay of \$2.19 million.

(Continued)

| Expenditures | | | Excess (Deficiency) Of Revenues Over (Under) Expenditures | Other Financing Sources (Uses) | | | Net Change in Fund Balances | Fund Balances at Beginning of Year | Fund Balances at End of Year |
|----------------------------------|--------------|----------|--|--|-----------------|------------------|--------------------------------------|---|---------------------------------------|
| Current Expend- itures (1) | Debt Service | | | Lease and IT Subscription Proceeds | Transfers In | Transfers Out | | | |
| | Principal | Interest | | | | | | | |
| 2,157 | -- | -- | (558) | -- | 475 | (400) | (483) | 7,252 | 6,769 |
| 1,018 | -- | -- | 174 | -- | -- | (9) | 165 | 360 | 525 |
| 7,754 | -- | -- | 8,592 | -- | -- | -- | 8,592 | 14,674 | 23,266 |
| 11,637 | -- | -- | 2,077 | -- | 360 | -- | 2,437 | 6,237 | 8,674 |
| 78 | -- | -- | (18) | -- | 35 | -- | 17 | 115 | 132 |
| 2,723 | -- | -- | 122 | -- | -- | -- | 122 | 5,380 | 5,502 |
| 3,324 | -- | -- | 13,364 | -- | 4,468 | (7,923) | 9,909 | 23,829 | 33,738 |
| -- | -- | -- | 125,307 | -- | -- | (126,582) | (1,275) | 35,564 | 34,289 |
| 3 | -- | -- | 33 | -- | -- | (102) | (69) | 117 | 48 |
| 495 | -- | -- | 41 | -- | -- | -- | 41 | 688 | 729 |
| 2,606 | -- | -- | (2,409) | -- | 4,468 | -- | 2,059 | 6,892 | 8,951 |
| 251 | -- | -- | 27 | -- | -- | -- | 27 | 129 | 156 |
| 5 | 3,456 | 1,381 | (3,846) | -- | 10,603 | -- | 6,757 | 25,170 | 31,927 |
| -- | -- | -- | 9,609 | -- | -- | (9,609) | -- | -- | -- |
| -- | -- | -- | 188 | -- | -- | (144) | 44 | -- | 44 |
| -- | -- | -- | 218 | -- | 1,100 | (1,318) | -- | -- | -- |
| -- | -- | -- | -- | -- | -- | -- | -- | 12 | 12 |
| 14 | -- | -- | 15 | -- | 200 | -- | 215 | 710 | 925 |
| 2,215 | -- | -- | 1,578 | -- | -- | (2,035) | (457) | 1,158 | 701 |
| -- | -- | -- | 1,772 | -- | -- | -- | 1,772 | 1,056 | 2,828 |
| 108 | -- | -- | 2 | -- | -- | -- | 2 | 223 | 225 |
| 22 | -- | -- | (6) | -- | -- | (987) | (993) | 4,961 | 3,968 |
| 258 | -- | -- | (8) | -- | 3 | -- | (5) | 98 | 93 |
| 6,547 | -- | -- | (456) | -- | 1,242 | -- | 786 | 2,381 | 3,167 |
| -- | -- | -- | 12,938 | -- | -- | (14,175) | (1,237) | 3,275 | 2,038 |
| -- | -- | -- | 1,002 | -- | 9,258 | (8,907) | 1,353 | 28,989 | 30,342 |
| -- | -- | -- | 9,258 | -- | -- | (9,258) | -- | -- | -- |
| 3,677 | -- | -- | 919 | -- | -- | -- | 919 | 3,883 | 4,802 |
| 217 | -- | -- | 30 | -- | -- | -- | 30 | 748 | 778 |
| 45,109 | 3,456 | 1,381 | 179,965 | -- | 32,212 | (181,449) | 30,728 | 173,901 | 204,629 |
| 48,580 | 3,456 | 1,381 | 195,408 | -- | 32,216 | (183,115) | 44,509 | 196,874 | 241,383 |
| 268,702 | 3,456 | 1,381 | 195,133 | 1,524 | 34,266 | (185,424) | 45,499 | 217,958 | 263,457 |

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis

City of Austin, Texas
Exhibit E-13

For the year ended September 30, 2023
(In thousands)

| | Fund Balances at Beginning of Year | Revenues | Expenditures | Other Financing Sources (Uses) | | Excess of Sources Over (Under) Uses | Adjustments (1) | Fund Balances at End of Year |
|---|---|----------|--------------|-----------------------------------|-----------------|--|--------------------|---------------------------------------|
| | | | | Transfer In | Transfer Out | | | |
| General government | | | | | | | | |
| <i>Municipal Court:</i> | | | | | | | | |
| Municipal Court Local Consolidated Court | | | | | | | | |
| Actual-budget basis | \$ 588 | 251 | 364 | -- | 8 | (121) | (21) | 446 |
| Budget | 756 | 287 | 474 | -- | 8 | (195) | -- | 561 |
| Variance-Positive (Negative) | (168) | (36) | 110 | -- | -- | 74 | -- | (115) |
| Public safety | | | | | | | | |
| <i>Police:</i> | | | | | | | | |
| Police Federal Dept. of Justice Asset Forfeiture | | | | | | | | |
| Actual-budget basis | 2,561 | 552 | 698 | -- | -- | (146) | 3 | 2,418 |
| Budget | 2,441 | -- | 2,441 | -- | -- | (2,441) | -- | -- |
| Variance-Positive (Negative) | 120 | 552 | 1,743 | -- | -- | 2,295 | -- | 2,418 |
| Police Federal Dept. of Treasury Asset Forfeiture | | | | | | | | |
| Actual-budget basis | 4,269 | 149 | 4,090 | -- | -- | (3,941) | -- | 328 |
| Budget | 4,177 | -- | 4,177 | -- | -- | (4,177) | -- | -- |
| Variance-Positive (Negative) | 92 | 149 | 87 | -- | -- | 236 | -- | 328 |
| Police State Contraband Asset Forfeiture | | | | | | | | |
| Actual-budget basis | 3,254 | 92 | 1,000 | -- | -- | (908) | -- | 2,346 |
| Budget | 3,318 | -- | 3,318 | -- | -- | (3,318) | -- | -- |
| Variance-Positive (Negative) | (64) | 92 | 2,318 | -- | -- | 2,410 | -- | 2,346 |
| Police State Gambling Asset Forfeiture | | | | | | | | |
| Actual-budget basis | 657 | 22 | -- | -- | -- | 22 | -- | 679 |
| Budget | 654 | -- | 654 | -- | -- | (654) | -- | -- |
| Variance-Positive (Negative) | 3 | 22 | 654 | -- | -- | 676 | -- | 679 |
| Transportation, planning, and sustainability | | | | | | | | |
| <i>Public Works and Transportation:</i> | | | | | | | | |
| Child Safety | | | | | | | | |
| Actual-budget basis | 239 | 1,546 | 3,257 | 2,050 | 12 | 327 | 35 | 601 |
| Budget | 237 | 1,425 | 3,610 | 2,050 | 12 | (147) | -- | 90 |
| Variance-Positive (Negative) | 2 | 121 | 353 | -- | -- | 474 | -- | 511 |
| Project Connect | | | | | | | | |
| Actual-budget basis | (2) | 160,992 | 159,868 | -- | 1,225 | (101) | -- | (103) |
| Budget | -- | 159,171 | 158,144 | -- | 1,027 | -- | -- | -- |
| Variance-Positive (Negative) | (2) | 1,821 | (1,724) | -- | (198) | (101) | -- | (103) |

(Continued)

(1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis

City of Austin, Texas
 Exhibit E-13

For the year ended September 30, 2023
 (In thousands)

(Continued)

| | Fund Balances at Beginning of Year | Revenues | Expenditures | Other Financing Sources (Uses) | | Excess of Sources Over (Under) Uses | Adjustments (1) | Fund Balances at End of Year |
|--|---|----------|--------------|-----------------------------------|-----------------|--|--------------------|---------------------------------------|
| | | | | Transfer In | Transfer Out | | | |
| Transportation, planning, and sustainability, continued | | | | | | | | |
| Project Connect - Office Fund | | | | | | | | |
| Actual-budget basis | \$ (57) | 2,640 | 2,640 | -- | -- | -- | 4 | (53) |
| Budget | -- | 3,492 | 3,492 | -- | -- | -- | -- | -- |
| Variance-Positive (Negative) | (57) | (852) | 852 | -- | -- | -- | -- | (53) |
| Public health | | | | | | | | |
| <i>Health & Human Services:</i> | | | | | | | | |
| Opioid Settlement | | | | | | | | |
| Actual-budget basis | -- | 1,531 | 23 | -- | -- | 1,508 | -- | 1,508 |
| Budget | -- | 1,531 | 1,531 | -- | -- | -- | -- | -- |
| Variance-Positive (Negative) | -- | -- | 1,508 | -- | -- | 1,508 | -- | 1,508 |
| Public recreation and culture | | | | | | | | |
| <i>Austin Public Library</i> | | | | | | | | |
| Library Facilities Maintenance and Improvements | | | | | | | | |
| Actual-budget basis | 2,518 | 1,419 | 979 | -- | -- | 440 | (273) | 2,685 |
| Budget | 2,694 | 1,159 | 1,095 | -- | -- | 64 | -- | 2,758 |
| Variance-Positive (Negative) | (176) | 260 | 116 | -- | -- | 376 | -- | (73) |
| <i>Parks and Recreation:</i> | | | | | | | | |
| PARD Parking | | | | | | | | |
| Actual-budget basis | 230 | 1,737 | 1,331 | -- | -- | 406 | -- | 636 |
| Budget | 503 | 1,333 | 1,308 | -- | -- | 25 | -- | 528 |
| Variance-Positive (Negative) | (273) | 404 | (23) | -- | -- | 381 | -- | 108 |
| Urban growth management | | | | | | | | |
| <i>Housing and Planning:</i> | | | | | | | | |
| Homestead Preservation Reinvestment Tax Increment | | | | | | | | |
| Actual-budget basis | 11,394 | 4,998 | -- | -- | -- | 4,998 | -- | 16,392 |
| Budget | 11,394 | 4,920 | 16,314 | -- | -- | (11,394) | -- | -- |
| Variance-Positive (Negative) | -- | 78 | 16,314 | -- | -- | 16,392 | -- | 16,392 |
| UNO Housing Trust | | | | | | | | |
| Actual-budget basis | 2,458 | 688 | -- | -- | -- | 688 | -- | 3,146 |
| Budget | 2,458 | 3 | 2,222 | -- | -- | (2,219) | -- | 239 |
| Variance-Positive (Negative) | -- | 685 | 2,222 | -- | -- | 2,907 | -- | 2,907 |

(Continued)

(1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-13

(Continued)

| | Fund Balances at Beginning of Year | Revenues | Expenditures | Other Financing Sources (Uses) | | Excess of Sources Over (Under) Uses | Adjustments (1) | Fund Balances at End of Year |
|---|---|----------|--------------|-----------------------------------|-----------------|--|--------------------|---------------------------------------|
| | | | | Transfer In | Transfer Out | | | |
| Urban growth management, continued | | | | | | | | |
| <i>Development Services & Watershed Protection:</i> | | | | | | | | |
| Urban Forest Replenishment | | | | | | | | |
| Actual-budget basis | \$ 8,521 | 3,712 | 2,384 | -- | 1,666 | (338) | 129 | 8,312 |
| Budget | 7,823 | 4,308 | 2,340 | -- | 1,666 | 302 | -- | 8,125 |
| Variance-Positive (Negative) | 698 | (596) | (44) | -- | -- | (640) | -- | 187 |
| <i>Other urban growth management:</i> | | | | | | | | |
| Austin Cable Access | | | | | | | | |
| Actual-budget basis | 6,284 | 1,599 | 2,652 | 475 | 400 | (978) | (19) | 5,287 |
| Budget | 6,003 | 1,512 | 3,529 | 475 | 400 | (1,942) | -- | 4,061 |
| Variance-Positive (Negative) | 281 | 87 | 877 | -- | -- | 964 | -- | 1,226 |
| City Hall | | | | | | | | |
| Actual-budget basis | 235 | 1,201 | 1,022 | -- | -- | 179 | 55 | 469 |
| Budget | (199) | 1,198 | 945 | -- | -- | 253 | -- | 54 |
| Variance-Positive (Negative) | 434 | 3 | (77) | -- | -- | (74) | -- | 415 |
| Cultural Arts | | | | | | | | |
| Actual-budget basis | 14,281 | 700 | 11,492 | 15,647 | -- | 4,855 | 40 | 19,176 |
| Budget | 11,551 | -- | 12,894 | 10,342 | -- | (2,552) | -- | 8,999 |
| Variance-Positive (Negative) | 2,730 | 700 | 1,402 | 5,305 | -- | 7,407 | -- | 10,177 |
| Downtown Public Improvement District | | | | | | | | |
| Actual-budget basis | 1,294 | 13,713 | 12,710 | 360 | -- | 1,363 | (31) | 2,626 |
| Budget | 1,637 | 12,350 | 12,710 | 360 | -- | -- | -- | 1,637 |
| Variance-Positive (Negative) | (343) | 1,363 | -- | -- | -- | 1,363 | -- | 989 |
| East Sixth Street Public Improvement District | | | | | | | | |
| Actual-budget basis | 44 | 59 | 88 | 35 | -- | 6 | 82 | 132 |
| Budget | 17 | 53 | 88 | 35 | -- | -- | -- | 17 |
| Variance-Positive (Negative) | 27 | 6 | -- | -- | -- | 6 | -- | 115 |
| Estancia Hill Country Public Improvement District | | | | | | | | |
| Actual-budget basis | 5,381 | 2,846 | 2,724 | -- | -- | 122 | (1) | 5,502 |
| Budget | 5,405 | 3,566 | 3,117 | -- | -- | 449 | -- | 5,854 |
| Variance-Positive (Negative) | (24) | (720) | 393 | -- | -- | (327) | -- | (352) |
| Historic Preservation | | | | | | | | |
| Actual-budget basis | 22,636 | 1,041 | 4,145 | 20,115 | 7,923 | 9,088 | 18 | 31,742 |
| Budget | 18,512 | 60 | 12,848 | 13,297 | 7,923 | (7,414) | -- | 11,098 |
| Variance-Positive (Negative) | 4,124 | 981 | 8,703 | 6,818 | -- | 16,502 | -- | 20,644 |

(Continued)

(1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-13

(Continued)

| | Fund Balances at Beginning of Year | Revenues | Expenditures | Other Financing Sources (Uses) | | Excess of Sources Over (Under) Uses | Adjustments (1) | Fund Balances at End of Year |
|---|---|----------|--------------|-----------------------------------|-----------------|--|--------------------|---------------------------------------|
| | | | | Transfer In | Transfer Out | | | |
| Urban growth management, continued | | | | | | | | |
| Hotel-Motel Occupancy Tax | | | | | | | | |
| Actual-budget basis | \$ -- | 162,716 | -- | -- | 163,840 | (1,124) | 1,124 | -- |
| Budget | -- | 108,349 | -- | -- | 108,349 | -- | -- | -- |
| Variance-Positive (Negative) | -- | 54,367 | -- | -- | (55,491) | (1,124) | -- | -- |
| I-35 Parking Program | | | | | | | | |
| Actual-budget basis | 117 | 37 | 4 | -- | 102 | (69) | -- | 48 |
| Budget | 37 | 154 | 89 | -- | 102 | (37) | -- | -- |
| Variance-Positive (Negative) | 80 | (117) | 85 | -- | -- | (32) | -- | 48 |
| Indian Hills Public Improvement District | | | | | | | | |
| Actual-budget basis | 682 | 536 | 495 | -- | -- | 41 | 4 | 727 |
| Budget | 670 | 506 | 523 | -- | -- | (17) | -- | 653 |
| Variance-Positive (Negative) | 12 | 30 | 28 | -- | -- | 58 | -- | 74 |
| Live Music | | | | | | | | |
| Actual-budget basis | 6,891 | 197 | 4,089 | 4,468 | -- | 576 | -- | 7,467 |
| Budget | 6,122 | 2 | 4,100 | 2,955 | -- | (1,143) | -- | 4,979 |
| Variance-Positive (Negative) | 769 | 195 | 11 | 1,513 | -- | 1,719 | -- | 2,488 |
| Mueller Tax Increment Financing | | | | | | | | |
| Actual-budget basis | -- | 9,609 | -- | -- | 9,609 | -- | -- | -- |
| Budget | -- | 9,858 | -- | -- | 9,858 | -- | -- | -- |
| Variance-Positive (Negative) | -- | (249) | -- | -- | 249 | -- | -- | -- |
| One Texas Center | | | | | | | | |
| Actual-budget basis | -- | 188 | -- | -- | 144 | 44 | -- | 44 |
| Budget | -- | 144 | -- | -- | 144 | -- | -- | -- |
| Variance-Positive (Negative) | -- | 44 | -- | -- | -- | 44 | -- | 44 |
| Permitting and Development Center Fund | | | | | | | | |
| Actual-budget basis | -- | 218 | -- | 1,100 | 1,318 | -- | -- | -- |
| Budget | -- | 218 | -- | 1,100 | 1,318 | -- | -- | -- |
| Variance-Positive (Negative) | -- | -- | -- | -- | -- | -- | -- | -- |
| Rainey Street Historic District | | | | | | | | |
| Actual-budget basis | 710 | 29 | 14 | 200 | -- | 215 | -- | 925 |
| Budget | 707 | 1 | 908 | 200 | -- | (707) | -- | -- |
| Variance-Positive (Negative) | 3 | 28 | 894 | -- | -- | 922 | -- | 925 |

(Continued)

(1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-13

(Continued)

| | Fund Balances at Beginning of Year | Revenues | Expenditures | Other Financing Sources (Uses) | | Excess of Sources Over (Under) Uses | Adjustments (1) | Fund Balances at End of Year |
|--|---|-----------------|---------------------|---------------------------------------|---------------------|--|------------------------|-------------------------------------|
| | | | | Transfer In | Transfer Out | | | |
| Urban growth management, continued | | | | | | | | |
| Rutherford Lane Facility | | | | | | | | |
| Actual-budget basis | \$ 687 | 3,794 | 2,041 | -- | 2,035 | (282) | 125 | 530 |
| Budget | 661 | 3,777 | 2,236 | -- | 2,035 | (494) | -- | 167 |
| Variance-Positive (Negative) | 26 | 17 | 195 | -- | -- | 212 | -- | 363 |
| Seaholm Tax Increment Financing | | | | | | | | |
| Actual-budget basis | 1,057 | 1,771 | -- | -- | -- | 1,771 | -- | 2,828 |
| Budget | 1,053 | 1,704 | -- | -- | -- | 1,704 | -- | 2,757 |
| Variance-Positive (Negative) | 4 | 67 | -- | -- | -- | 67 | -- | 71 |
| Second Street Tax Increment Financing | | | | | | | | |
| Actual-budget basis | 202 | 10 | 115 | 100 | -- | (5) | 5 | 202 |
| Budget | 130 | -- | 210 | 100 | -- | (110) | -- | 20 |
| Variance-Positive (Negative) | 72 | 10 | 95 | -- | -- | 105 | -- | 182 |
| Section 108 Family Business Loan | | | | | | | | |
| Actual-budget basis | 1,376 | 244 | -- | -- | 987 | (743) | 47 | 680 |
| Budget | 1,137 | 5,095 | 4,662 | -- | 917 | (484) | -- | 653 |
| Variance-Positive (Negative) | 239 | (4,851) | 4,662 | -- | (70) | (259) | -- | 27 |
| South Congress Public Improvement District | | | | | | | | |
| Actual-budget basis | (27) | 259 | 263 | 3 | -- | (1) | (74) | (102) |
| Budget | (22) | 260 | 263 | 3 | -- | -- | -- | (22) |
| Variance-Positive (Negative) | (5) | (1) | -- | -- | -- | (1) | -- | (80) |
| Tourism and Promotion | | | | | | | | |
| Actual-budget basis | 2,381 | 128 | 6,547 | 7,206 | -- | 787 | (1) | 3,167 |
| Budget | 1,364 | 1 | 6,547 | 5,182 | -- | (1,364) | -- | -- |
| Variance-Positive (Negative) | 1,017 | 127 | -- | 2,024 | -- | 2,151 | -- | 3,167 |
| Vehicle Rental Tax | | | | | | | | |
| Actual-budget basis | -- | 12,938 | -- | -- | 14,175 | (1,237) | 1,237 | -- |
| Budget | -- | 9,931 | -- | -- | 9,931 | -- | -- | -- |
| Variance-Positive (Negative) | -- | 3,007 | -- | -- | (4,244) | (1,237) | -- | -- |
| Waller Creek Reserve | | | | | | | | |
| Actual-budget basis | 28,989 | 1,002 | -- | 9,896 | 9,546 | 1,352 | 1 | 30,342 |
| Budget | 28,863 | 2,036 | -- | 13,330 | 9,591 | 5,775 | -- | 34,638 |
| Variance-Positive (Negative) | 126 | (1,034) | -- | (3,434) | 45 | (4,423) | -- | (4,296) |

(Continued)

(1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.

Special Revenue Funds - Other
 Combining Schedule of Revenues, Expenditures, and Transfers -
 Budget and Actual-Budget Basis
 For the year ended September 30, 2023
 (In thousands)

City of Austin, Texas
 Exhibit E-13

(Continued)

| | Fund Balances at Beginning of Year | Revenues | Expenditures | Other Financing Sources (Uses) | | Excess of Sources Over (Under) Uses | Adjustments (1) | Fund Balances at End of Year |
|--|---|----------|--------------|-----------------------------------|-----------------|--|--------------------|---------------------------------------|
| | | | | Transfer In | Transfer Out | | | |
| Urban growth management, continued | | | | | | | | |
| Waller Creek Tax Increment Financing | | | | | | | | |
| Actual-budget basis | \$ -- | 9,258 | -- | -- | 9,258 | -- | -- | -- |
| Budget | -- | 12,650 | -- | -- | 12,650 | -- | -- | -- |
| Variance-Positive (Negative) | -- | (3,392) | -- | -- | 3,392 | -- | -- | -- |
| Whisper Valley Public Improvement District | | | | | | | | |
| Actual-budget basis | 3,883 | 4,596 | 3,677 | -- | -- | 919 | -- | 4,802 |
| Budget | 3,724 | 3,302 | 3,231 | -- | -- | 71 | -- | 3,795 |
| Variance-Positive (Negative) | 159 | 1,294 | (446) | -- | -- | 848 | -- | 1,007 |
| Wildland Conservation | | | | | | | | |
| Actual-budget basis | 680 | 247 | 273 | -- | -- | (26) | 16 | 670 |
| Budget | 580 | 300 | 456 | -- | -- | (156) | -- | 424 |
| Variance-Positive (Negative) | 100 | (53) | 183 | -- | -- | 130 | -- | 246 |
| Total | | | | | | | | |
| Actual-budget basis | \$ 134,413 | 409,265 | 228,985 | 61,655 | 222,248 | 19,687 | 2,505 | 156,605 |
| Budget | 124,407 | 354,656 | 270,476 | 49,429 | 165,931 | (32,322) | -- | 92,085 |
| Variance-Positive (Negative) | 10,006 | 54,609 | 41,491 | 12,226 | (56,317) | 52,009 | -- | 64,520 |

(1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.





DEBT SERVICE FUNDS

Debt service funds account for and report financial resources, and the accumulation of those financial resources, that are restricted to expenditures for principal and interest of general long-term debt and HUD Section 108 loans. The City reports the following nonmajor debt service funds:

General Obligation Debt Service Fund - Accounts for payments of principal, interest and related costs of general obligation and other tax-supported debt;

HUD Section 108 Loans Fund - Accounts for payments of principal, interest, and related costs of HUD debt.



Debt Service Funds
Combining Balance Sheet
September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-14

| | General Obligation | HUD Section 108 Loans | Total |
|--|-----------------------|--------------------------|---------------|
| ASSETS | | | |
| Pooled investments and cash | \$ 2,141 | -- | 2,141 |
| Investments - restricted | 28,805 | -- | 28,805 |
| Property taxes receivable, net of allowance | 2,866 | -- | 2,866 |
| Interest receivable | 77 | -- | 77 |
| Due from other funds | 5 | -- | 5 |
| Advances to other funds | 113 | -- | 113 |
| Total assets | 34,007 | -- | 34,007 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| LIABILITIES | | | |
| Advances from other funds | 26 | -- | 26 |
| Deposits and other liabilities | 449 | -- | 449 |
| Total liabilities | 475 | -- | 475 |
| DEFERRED INFLOWS OF RESOURCES | 3,467 | -- | 3,467 |
| FUND BALANCES | | | |
| Restricted | 30,065 | -- | 30,065 |
| Total fund balances | 30,065 | -- | 30,065 |
| Total liabilities, deferred inflows of resources, and fund balances | \$ 34,007 | -- | 34,007 |

Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit E-15

| | <u>General Obligation</u> | <u>HUD Section 108 Loans</u> | <u>Total</u> |
|---|-------------------------------|----------------------------------|----------------|
| REVENUES | | | |
| Property taxes | | | |
| Current | \$ 198,098 | -- | 198,098 |
| Penalty and interest | 765 | -- | 765 |
| Total property taxes | <u>198,863</u> | <u>--</u> | <u>198,863</u> |
| Interest and other income (loss) | <u>9,300</u> | <u>162</u> | <u>9,462</u> |
| Total revenues | <u>208,163</u> | <u>162</u> | <u>208,325</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Principal | 153,606 | 729 | 154,335 |
| Interest | 69,999 | 413 | 70,412 |
| Fees and commissions | 25 | 7 | 32 |
| Total expenditures | <u>223,630</u> | <u>1,149</u> | <u>224,779</u> |
| Excess (deficiency) of revenues over (under) expenditures | (15,467) | (987) | (16,454) |
| OTHER FINANCING SOURCES (USES) | | | |
| Issuance of tax supported debt | 817 | -- | 817 |
| Issuance of refunding bonds | 30,834 | -- | 30,834 |
| Payment to refunding bond escrow agent | (30,834) | -- | (30,834) |
| Transfers in | 13,034 | 987 | 14,021 |
| Total other financing sources (uses) | <u>13,851</u> | <u>987</u> | <u>14,838</u> |
| Net change in fund balances | (1,616) | -- | (1,616) |
| Fund balances at beginning of year | <u>31,681</u> | <u>--</u> | <u>31,681</u> |
| Fund balances at end of year | <u>\$ 30,065</u> | <u>--</u> | <u>30,065</u> |

Debt Service Funds
Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

| | General Obligation | | | HUD Section 108 Loans | | | Total |
|--|----------------------------|----------------|-------------------------------------|----------------------------|--------------|-------------------------------------|------------------------|
| | Actual- Budget Basis | Budget | Variance- Positive (Negative) | Actual- Budget Basis | Budget | Variance- Positive (Negative) | Actual-Budget Basis |
| REVENUES | | | | | | | |
| Property taxes | \$ 198,863 | 203,835 | (4,972) | -- | -- | -- | 198,863 |
| Interest | 8,326 | 750 | 7,576 | -- | -- | -- | 8,326 |
| Other revenue | 1,790 | 1,000 | 790 | 162 | -- | 162 | 1,952 |
| Total revenues | 208,979 | 205,585 | 3,394 | 162 | -- | 162 | 209,141 |
| EXPENDITURES | | | | | | | |
| Principal | 161,170 | 158,777 | (2,393) | 729 | 729 | -- | 161,899 |
| Interest | 72,839 | 75,742 | 2,903 | 413 | 344 | (69) | 73,252 |
| Fees and commissions | 25 | 30 | 5 | 7 | 6 | (1) | 32 |
| Total expenditures | 234,034 | 234,549 | 515 | 1,149 | 1,079 | (70) | 235,183 |
| Excess (deficiency) of revenues over expenditures | (25,055) | (28,964) | 3,909 | (987) | (1,079) | 92 | (26,042) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | 23,439 | 23,335 | 104 | 987 | 1,079 | (92) | 24,426 |
| Total other financing sources (uses) | 23,439 | 23,335 | 104 | 987 | 1,079 | (92) | 24,426 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (1,616) | (5,629) | 4,013 | -- | -- | -- | (1,616) |
| Fund balances at beginning of year | 31,596 | 29,084 | 2,512 | -- | -- | -- | 31,596 |
| Fund balances at end of year | \$ 29,980 | 23,455 | 6,525 | -- | -- | -- | 29,980 |



CAPITAL PROJECTS FUNDS

Capital projects funds account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those reported within proprietary funds). The City reports the following nonmajor capital projects funds:

- 1984:* Funds authorized September 8, 1984, for street improvements;
- 1985:* Funds authorized July 26, 1985, for parks and recreation;
- 1998:* Funds authorized November 3, 1998, for various purposes;
- 2000:* Funds authorized November 7, 2000, for mobility transportation;
- 2006:* Funds authorized November 7, 2006, for various purposes;
- 2010:* Funds authorized November 2, 2010, for mobility transportation;
- 2012:* Funds authorized November 6, 2012, for various purposes;
- 2016:* Funds authorized November 8, 2016, for mobility transportation;
- 2018:* Funds authorized November 6, 2018, for various purposes;
- 2020:* Funds authorized November 3, 2020, for mobility transportation;
- 2022:* Funds authorized November 8, 2022, for affordable housing facilities; and
- Other:* Other funds established for various purposes.



**Capital Projects Funds
Combining Balance Sheet
September 30, 2023
(In thousands)**

| | Assets | | | | | | Total Assets |
|---|-----------------------------|-------------------------|---------------------|-----------------------------------|----------------------|-------------------------|--------------|
| | Pooled Investments and Cash | Net Accounts Receivable | Interest Receivable | Receivable from Other Governments | Due from Other Funds | Advances to Other Funds | |
| Funds authorized September 8, 1984 | | | | | | | |
| Street improvements | \$ 437 | -- | -- | -- | -- | -- | 437 |
| Total Funds authorized in 1984 | 437 | -- | -- | -- | -- | -- | 437 |
| Funds authorized July 26, 1985 | | | | | | | |
| Neighborhood park and recreation | 7,256 | -- | -- | -- | -- | -- | 7,256 |
| Total Funds authorized in 1985 | 7,256 | -- | -- | -- | -- | -- | 7,256 |
| Funds authorized November 3, 1998 | | | | | | | |
| Traffic signals | 664 | -- | -- | -- | -- | -- | 664 |
| Total Funds authorized in 1998 | 664 | -- | -- | -- | -- | -- | 664 |
| Funds authorized November 7, 2000 | | | | | | | |
| Transportation mobility improvement | 126 | -- | -- | -- | -- | -- | 126 |
| Total Funds authorized in 2000 | 126 | -- | -- | -- | -- | -- | 126 |
| Funds authorized November 7, 2006 | | | | | | | |
| Transportation | -- | -- | -- | -- | -- | -- | -- |
| Drainage & open spaces | -- | -- | -- | -- | -- | -- | -- |
| Parks | -- | -- | -- | -- | -- | -- | -- |
| Cultural facilities | 350 | -- | -- | -- | -- | -- | 350 |
| Affordable housing | -- | -- | -- | -- | -- | -- | -- |
| Central library | 250 | -- | -- | -- | -- | -- | 250 |
| Public safety | 958 | -- | -- | -- | -- | -- | 958 |
| Total Funds authorized in 2006 | \$ 1,558 | -- | -- | -- | -- | -- | 1,558 |

| Liabilities | | | | | Fund Balances | | | | Total Liabilities, Deferred Inflows of Resources, and Fund Balances |
|---------------------|--------------------------|------------------------------------|--------------------------------------|----------------------|---------------|----------|------------|---------------------------|---|
| Accounts Payable | Due to Other Funds | Advances from Other Funds | Deposits and Other Liabilities | Total Liabilities | Restricted | Assigned | Unassigned | Total Fund Balances | |
| -- | -- | -- | -- | -- | -- | 437 | -- | 437 | 437 |
| -- | -- | -- | -- | -- | -- | 437 | -- | 437 | 437 |
| 157 | -- | -- | -- | 157 | 7,029 | 70 | -- | 7,099 | 7,256 |
| 157 | -- | -- | -- | 157 | 7,029 | 70 | -- | 7,099 | 7,256 |
| -- | -- | -- | -- | -- | 664 | -- | -- | 664 | 664 |
| -- | -- | -- | -- | -- | 664 | -- | -- | 664 | 664 |
| -- | -- | -- | -- | -- | 126 | -- | -- | 126 | 126 |
| -- | -- | -- | -- | -- | 126 | -- | -- | 126 | 126 |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 12 | -- | -- | -- | 12 | -- | -- | (12) | (12) | -- |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | 350 | -- | -- | 350 | 350 |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | 250 | -- | -- | 250 | 250 |
| 13 | -- | -- | -- | 13 | 945 | -- | -- | 945 | 958 |
| 25 | -- | -- | -- | 25 | 1,545 | -- | (12) | 1,533 | 1,558 |

(Continued)

**Capital Projects Funds
Combining Balance Sheet
September 30, 2023
(In thousands)**

| | Assets | | | | | | |
|--|-----------------------------------|-------------------------------|------------------------|--|-------------------------|-------------------------------|-----------------|
| | Pooled Investments and Cash | Net Accounts Receivable | Interest Receivable | Receivable from Other Govern- ments | Due from Other Funds | Advances to Other Funds | Total Assets |
| Funds authorized November 2, 2010 | | | | | | | |
| Mobility | \$ -- | -- | -- | -- | -- | -- | -- |
| Total Funds authorized in 2010 | -- | -- | -- | -- | -- | -- | -- |
| Funds authorized November 6, 2012 | | | | | | | |
| Transportation | -- | -- | -- | -- | -- | -- | -- |
| Parks | -- | -- | -- | -- | 5,000 | 45 | 5,045 |
| Public safety | 1,780 | -- | -- | -- | -- | 604 | 2,384 |
| Health | 119 | -- | -- | -- | -- | -- | 119 |
| Library & cultural | 602 | -- | -- | -- | -- | -- | 602 |
| Total Funds authorized in 2012 | 2,501 | -- | -- | -- | 5,000 | 649 | 8,150 |
| Funds authorized November 8, 2016 | | | | | | | |
| Mobility | -- | -- | -- | -- | -- | -- | -- |
| Total Funds authorized in 2016 | -- | -- | -- | -- | -- | -- | -- |
| Funds authorized November 6, 2018 | | | | | | | |
| Affordable housing | 12,775 | -- | -- | -- | -- | -- | 12,775 |
| Library & cultural | -- | -- | -- | -- | -- | -- | -- |
| Parks | -- | -- | -- | -- | -- | -- | -- |
| Open space | -- | -- | -- | -- | -- | -- | -- |
| Health | 2,106 | -- | -- | -- | -- | -- | 2,106 |
| Public safety | -- | -- | -- | -- | -- | -- | -- |
| Transportation | -- | -- | -- | -- | -- | -- | -- |
| Total Funds authorized in 2018 | 14,881 | -- | -- | -- | -- | -- | 14,881 |
| Funds authorized November 3, 2020 | | | | | | | |
| Transportation | -- | -- | -- | -- | -- | -- | -- |
| Total Funds authorized in 2020 | -- | -- | -- | -- | -- | -- | -- |
| Funds authorized November 8, 2022 | | | | | | | |
| Affordable housing | -- | -- | -- | -- | -- | -- | -- |
| Total Funds authorized in 2022 | \$ -- | -- | -- | -- | -- | -- | -- |

(Continued)

| Liabilities | | | | | Fund Balances | | | | Total Liabilities, Deferred Inflows of Resources, and Fund Balances |
|---------------------|--------------------------|------------------------------------|--------------------------------------|----------------------|---------------|----------|------------|---------------------------|---|
| Accounts Payable | Due to Other Funds | Advances from Other Funds | Deposits and Other Liabilities | Total Liabilities | Restricted | Assigned | Unassigned | Total Fund Balances | |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 456 | 5,000 | 649 | -- | 6,105 | -- | -- | (6,105) | (6,105) | -- |
| 105 | -- | -- | -- | 105 | 4,940 | -- | -- | 4,940 | 5,045 |
| 21 | -- | -- | -- | 21 | 2,363 | -- | -- | 2,363 | 2,384 |
| -- | -- | -- | -- | -- | 119 | -- | -- | 119 | 119 |
| 136 | -- | -- | -- | 136 | 466 | -- | -- | 466 | 602 |
| 718 | 5,000 | 649 | -- | 6,367 | 7,888 | -- | (6,105) | 1,783 | 8,150 |
| 9,057 | 75,052 | -- | -- | 84,109 | -- | -- | (84,109) | (84,109) | -- |
| 9,057 | 75,052 | -- | -- | 84,109 | -- | -- | (84,109) | (84,109) | -- |
| -- | -- | -- | -- | -- | 12,775 | -- | -- | 12,775 | 12,775 |
| 3,166 | 8,000 | 1,809 | -- | 12,975 | -- | -- | (12,975) | (12,975) | -- |
| 2,135 | 15,000 | 6,620 | -- | 23,755 | -- | -- | (23,755) | (23,755) | -- |
| 1,489 | 6,500 | 259 | -- | 8,248 | -- | -- | (8,248) | (8,248) | -- |
| 1,196 | -- | -- | -- | 1,196 | 910 | -- | -- | 910 | 2,106 |
| 1,086 | 1,000 | 1,297 | -- | 3,383 | -- | -- | (3,383) | (3,383) | -- |
| 3,919 | 30,000 | 4,455 | -- | 38,374 | -- | -- | (38,374) | (38,374) | -- |
| 12,991 | 60,500 | 14,440 | -- | 87,931 | 13,685 | -- | (86,735) | (73,050) | 14,881 |
| 5,341 | 25,000 | 15,730 | -- | 46,071 | -- | -- | (46,071) | (46,071) | -- |
| 5,341 | 25,000 | 15,730 | -- | 46,071 | -- | -- | (46,071) | (46,071) | -- |
| -- | -- | 532 | -- | 532 | -- | -- | (532) | (532) | -- |
| -- | -- | 532 | -- | 532 | -- | -- | (532) | (532) | -- |

(Continued)

**Capital Projects Funds
Combining Balance Sheet
September 30, 2023
(In thousands)**

| | Assets | | | | | | |
|-------------------------------------|--|--|--------------------------------|--|---------------------------------|--|-------------------------|
| | Pooled Investments and Cash | Net Accounts Receivable | Interest Receivable | Receivable from Other Govern- ments | Due from Other Funds | Advances to Other Funds | Total Assets |
| Other funds | | | | | | | |
| ATD Street impact fee | \$ 5,127 | 9 | 17 | -- | -- | -- | 5,153 |
| ATD Transportation | -- | -- | 80 | -- | 10,000 | 13,080 | 23,160 |
| TPSD general improvements | 10,349 | 39 | -- | -- | -- | 1,651 | 12,039 |
| Library automation system | 1,336 | -- | -- | -- | -- | -- | 1,336 |
| General government projects | 14,171 | -- | 1,384 | -- | -- | -- | 15,555 |
| Health projects | 2,695 | -- | -- | -- | -- | -- | 2,695 |
| Build Austin | 9 | -- | -- | 6 | -- | -- | 15 |
| CMTA Mobility | 220 | 1,080 | 1 | -- | -- | -- | 1,301 |
| Park improvements | 912 | -- | -- | -- | -- | -- | 912 |
| Parks and Recreation | -- | 1,562 | -- | -- | 20,300 | 8,733 | 30,595 |
| Police and courts | -- | -- | -- | -- | -- | -- | -- |
| Fire - general | -- | -- | -- | -- | -- | -- | -- |
| CTM | -- | 1,346 | 1,503 | -- | 48,628 | -- | 51,477 |
| Neighborhood housing & conservation | 22 | -- | -- | -- | -- | -- | 22 |
| GCP-PLD In Lieu Of Fee | -- | -- | 240 | -- | 60,500 | 7,870 | 68,610 |
| Capital Rehabilitation | 1,351 | -- | -- | -- | 26,424 | -- | 27,775 |
| Public Works | 1,442 | 57 | -- | -- | -- | -- | 1,499 |
| Public Works CIP | 8,369 | 197 | -- | -- | -- | -- | 8,566 |
| GCP-PLD Development Fee | 1 | -- | 70 | -- | 15,000 | 4,447 | 19,518 |
| GCP-PLD COMM Development Fee | 160 | -- | -- | -- | -- | -- | 160 |
| Colony Park | 2,778 | -- | -- | -- | -- | -- | 2,778 |
| NPZ general | 6,921 | -- | -- | -- | -- | -- | 6,921 |
| Waller Creek District | -- | -- | -- | -- | -- | -- | -- |
| Waller Creek Tunnel | 1,703 | -- | 6 | -- | -- | -- | 1,709 |
| Fleet general improvements | 55 | -- | -- | -- | -- | -- | 55 |
| Interest income fund | 7,626 | -- | 646 | -- | -- | 9,213 | 17,485 |
| Total other funds | 65,247 | 4,290 | 3,947 | 6 | 180,852 | 44,994 | 299,336 |
| Totals | \$ 92,670 | 4,290 | 3,947 | 6 | 185,852 | 45,643 | 332,408 |

(Continued)

| Liabilities | | | | | Fund Balances | | | | Total Liabilities, Deferred Inflows of Resources, and Fund Balances |
|---------------------|--------------------------|------------------------------------|--------------------------------------|----------------------|---------------|----------|------------|---------------------------|---|
| Accounts Payable | Due to Other Funds | Advances from Other Funds | Deposits and Other Liabilities | Total Liabilities | Restricted | Assigned | Unassigned | Total Fund Balances | |
| -- | -- | -- | -- | -- | 5,153 | -- | -- | 5,153 | 5,153 |
| 2 | -- | -- | -- | 2 | -- | 23,158 | -- | 23,158 | 23,160 |
| 568 | -- | -- | -- | 568 | -- | 11,471 | -- | 11,471 | 12,039 |
| 387 | -- | -- | -- | 387 | -- | 949 | -- | 949 | 1,336 |
| 5,134 | -- | -- | 423 | 5,557 | -- | 9,998 | -- | 9,998 | 15,555 |
| 428 | -- | -- | -- | 428 | -- | 2,267 | -- | 2,267 | 2,695 |
| -- | -- | -- | -- | -- | 15 | -- | -- | 15 | 15 |
| 5 | -- | -- | -- | 5 | 988 | 308 | -- | 1,296 | 1,301 |
| 80 | -- | -- | -- | 80 | -- | 832 | -- | 832 | 912 |
| 642 | -- | -- | -- | 642 | 694 | 29,259 | -- | 29,953 | 30,595 |
| -- | -- | 2,198 | -- | 2,198 | -- | -- | (2,198) | (2,198) | -- |
| 7,076 | 20,300 | 7,900 | -- | 35,276 | -- | -- | (35,276) | (35,276) | -- |
| 2,003 | -- | -- | -- | 2,003 | 26,855 | 22,619 | -- | 49,474 | 51,477 |
| -- | -- | -- | -- | -- | 22 | -- | -- | 22 | 22 |
| 246 | -- | -- | -- | 246 | 61,889 | 6,475 | -- | 68,364 | 68,610 |
| 756 | -- | -- | -- | 756 | -- | 27,019 | -- | 27,019 | 27,775 |
| 1,609 | -- | -- | -- | 1,609 | -- | -- | (110) | (110) | 1,499 |
| 304 | -- | -- | -- | 304 | 2,983 | 5,279 | -- | 8,262 | 8,566 |
| 32 | -- | -- | -- | 32 | 15,877 | 3,609 | -- | 19,486 | 19,518 |
| -- | -- | -- | -- | -- | 160 | -- | -- | 160 | 160 |
| 18 | -- | -- | -- | 18 | -- | 2,760 | -- | 2,760 | 2,778 |
| 11 | -- | -- | -- | 11 | -- | 6,910 | -- | 6,910 | 6,921 |
| 525 | -- | 4,194 | -- | 4,719 | -- | -- | (4,719) | (4,719) | -- |
| -- | -- | -- | -- | -- | 1,435 | 274 | -- | 1,709 | 1,709 |
| -- | -- | -- | -- | -- | 55 | -- | -- | 55 | 55 |
| -- | -- | -- | -- | -- | -- | 17,485 | -- | 17,485 | 17,485 |
| 19,826 | 20,300 | 14,292 | 423 | 54,841 | 116,126 | 170,672 | (42,303) | 244,495 | 299,336 |
| 48,115 | 185,852 | 45,643 | 423 | 280,033 | 147,063 | 171,179 | (265,867) | 52,375 | 332,408 |

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

| | Revenues | | | | Expenditures |
|---------------------------------------|-----------------------------|--|----------------------------------|----------------|--------------------|
| | Inter-governmental Revenues | Property Owners' Participation and Contributions | Interest and Other Income (Loss) | Total Revenues | Capital Outlay (1) |
| Funds authorized | | | | | |
| September 8, 1984 | | | | | |
| Street improvements | \$ -- | -- | -- | -- | -- |
| Total Funds authorized in 1984 | -- | -- | -- | -- | -- |
| Funds authorized | | | | | |
| July 26, 1985 | | | | | |
| Neighborhood park and recreation | -- | 417 | -- | 417 | 925 |
| Total Funds authorized in 1985 | -- | 417 | -- | 417 | 925 |
| Funds authorized | | | | | |
| November 3, 1998 | | | | | |
| Traffic signals | -- | -- | -- | -- | 5 |
| Total Funds authorized in 1998 | -- | -- | -- | -- | 5 |
| Funds authorized | | | | | |
| November 7, 2000 | | | | | |
| Transportation mobility improvement | -- | -- | -- | -- | 58 |
| Total Funds authorized in 2000 | -- | -- | -- | -- | 58 |
| Funds authorized | | | | | |
| November 7, 2006 | | | | | |
| Transportation | -- | -- | -- | -- | 37 |
| Drainage & open spaces | -- | -- | -- | -- | 2,480 |
| Parks | -- | -- | -- | -- | 35 |
| Cultural facilities | -- | -- | -- | -- | 290 |
| Affordable housing | -- | -- | -- | -- | -- |
| Central library | -- | -- | -- | -- | -- |
| Public safety | -- | -- | -- | -- | 967 |
| Total Funds authorized in 2006 | \$ -- | -- | -- | -- | 3,809 |

(1) Capital Outlay includes financed purchase obligations principal of \$3.3 million and interest of \$341 thousand.

| Excess (Deficiency) of Revenues Over (Under) Expenditures | Other Financing Sources (Uses) | | | | | Net Change In Fund Balances | Fund Balances at Beginning of Year | Fund Balances at End of Year |
|--|---|------------------|-----------------|------------------|---|--------------------------------------|---|---------------------------------------|
| | Issuance of Tax Supported Debt | Bond Premiums | Transfers In | Transfers Out | Total Other Financing Sources (Uses) | | | |
| -- | -- | -- | -- | -- | -- | -- | 437 | 437 |
| -- | -- | -- | -- | -- | -- | -- | 437 | 437 |
| (508) | -- | -- | -- | -- | -- | (508) | 7,607 | 7,099 |
| (508) | -- | -- | -- | -- | -- | (508) | 7,607 | 7,099 |
| (5) | -- | -- | -- | -- | -- | (5) | 669 | 664 |
| (5) | -- | -- | -- | -- | -- | (5) | 669 | 664 |
| (58) | -- | -- | -- | -- | -- | (58) | 184 | 126 |
| (58) | -- | -- | -- | -- | -- | (58) | 184 | 126 |
| (37) | -- | -- | -- | -- | -- | (37) | 37 | -- |
| (2,480) | -- | -- | -- | (146) | (146) | (2,626) | 2,614 | (12) |
| (35) | -- | -- | -- | -- | -- | (35) | 35 | -- |
| (290) | -- | -- | -- | (7) | (7) | (297) | 647 | 350 |
| -- | -- | -- | -- | (7,761) | (7,761) | (7,761) | 7,761 | -- |
| -- | -- | -- | -- | -- | -- | -- | 250 | 250 |
| (967) | -- | -- | -- | (3) | (3) | (970) | 1,915 | 945 |
| (3,809) | -- | -- | -- | (7,917) | (7,917) | (11,726) | 13,259 | 1,533 |

(Continued)

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

| | Revenues | | | | Expenditures |
|---------------------------------------|-----------------------------|--|----------------------------------|----------------|--------------------|
| | Inter-governmental Revenues | Property Owners' Participation and Contributions | Interest and Other Income (Loss) | Total Revenues | Capital Outlay (1) |
| Funds authorized | | | | | |
| November 2, 2010 | | | | | |
| Mobility | \$ -- | -- | -- | -- | 254 |
| Total Funds authorized in 2010 | -- | -- | -- | -- | 254 |
| Funds authorized | | | | | |
| November 6, 2012 | | | | | |
| Transportation | -- | -- | -- | -- | 2,174 |
| Parks | -- | -- | -- | -- | 1,276 |
| Public safety | -- | -- | -- | -- | 648 |
| Health | -- | -- | -- | -- | 14 |
| Library & cultural | -- | -- | -- | -- | 440 |
| Total Funds authorized in 2012 | -- | -- | -- | -- | 4,552 |
| Funds authorized | | | | | |
| November 8, 2016 | | | | | |
| Mobility | -- | -- | -- | -- | 70,508 |
| Total Funds authorized in 2016 | -- | -- | -- | -- | 70,508 |
| Funds authorized | | | | | |
| November 6, 2018 | | | | | |
| Affordable housing | -- | -- | -- | -- | 88 |
| Library & cultural | -- | -- | -- | -- | 12,190 |
| Parks | -- | -- | -- | -- | 19,950 |
| Open space | -- | -- | -- | -- | 5,832 |
| Health | -- | -- | -- | -- | 1,542 |
| Public safety | -- | -- | -- | -- | 5,899 |
| Transportation | -- | -- | -- | -- | 31,905 |
| Total Funds authorized in 2018 | -- | -- | -- | -- | 77,406 |
| Funds authorized | | | | | |
| November 3, 2020 | | | | | |
| Transportation | -- | -- | -- | -- | 42,179 |
| Total Funds authorized in 2020 | -- | -- | -- | -- | 42,179 |
| Funds authorized | | | | | |
| November 8, 2022 | | | | | |
| Affordable housing | -- | -- | -- | -- | 44 |
| Total Funds authorized in 2022 | \$ -- | -- | -- | -- | 44 |

(1) Capital Outlay includes financed purchase obligations principal of \$3.3 million and interest of \$341 thousand.

(Continued)

| Excess (Deficiency) of Revenues Over (Under) Expenditures | Other Financing Sources (Uses) | | | | Total Other Financing Sources(Uses) | Net Change In Fund Balances | Fund Balances at Beginning of Year | Fund Balances at End of Year |
|--|---|------------------|-----------------|------------------|--|--------------------------------------|---|---------------------------------------|
| | Issuance of Tax Supported Debt | Bond Premiums | Transfers In | Transfers Out | | | | |
| (254) | -- | -- | -- | (1) | (1) | (255) | 255 | -- |
| (254) | -- | -- | -- | (1) | (1) | (255) | 255 | -- |
| (2,174) | -- | -- | -- | -- | -- | (2,174) | (3,931) | (6,105) |
| (1,276) | -- | -- | -- | (22) | (22) | (1,298) | 6,238 | 4,940 |
| (648) | -- | -- | -- | -- | -- | (648) | 3,011 | 2,363 |
| (14) | -- | -- | -- | -- | -- | (14) | 133 | 119 |
| (440) | -- | -- | -- | -- | -- | (440) | 906 | 466 |
| (4,552) | -- | -- | -- | (22) | (22) | (4,574) | 6,357 | 1,783 |
| (70,508) | 98,307 | 12,223 | -- | (324) | 110,206 | 39,698 | (123,807) | (84,109) |
| (70,508) | 98,307 | 12,223 | -- | (324) | 110,206 | 39,698 | (123,807) | (84,109) |
| (88) | 59,305 | 906 | -- | (49,358) | 10,853 | 10,765 | 2,010 | 12,775 |
| (12,190) | 2,666 | 334 | -- | -- | 3,000 | (9,190) | (3,785) | (12,975) |
| (19,950) | 13,333 | 1,667 | -- | (31) | 14,969 | (4,981) | (18,774) | (23,755) |
| (5,832) | 2,667 | 333 | -- | -- | 3,000 | (2,832) | (5,416) | (8,248) |
| (1,542) | -- | -- | -- | (52) | (52) | (1,594) | 2,504 | 910 |
| (5,899) | -- | -- | -- | -- | -- | (5,899) | 2,516 | (3,383) |
| (31,905) | -- | -- | -- | -- | -- | (31,905) | (6,469) | (38,374) |
| (77,406) | 77,971 | 3,240 | -- | (49,441) | 31,770 | (45,636) | (27,414) | (73,050) |
| (42,179) | 8,000 | 1,000 | -- | (10) | 8,990 | (33,189) | (12,882) | (46,071) |
| (42,179) | 8,000 | 1,000 | -- | (10) | 8,990 | (33,189) | (12,882) | (46,071) |
| (44) | -- | -- | -- | (488) | (488) | (532) | -- | (532) |
| (44) | -- | -- | -- | (488) | (488) | (532) | -- | (532) |

(Continued)

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

| | Revenues | | | Total Revenues | Expenditures |
|-------------------------------------|-----------------------------|--|----------------------------------|----------------|--------------------|
| | Inter-governmental Revenues | Property Owners' Participation and Contributions | Interest and Other Income (Loss) | | Capital Outlay (1) |
| Other funds | | | | | |
| ATD Street impact fee | \$ -- | -- | 4,915 | 4,915 | -- |
| ATD Transportation | -- | -- | 1,688 | 1,688 | 1,936 |
| TPSD general improvements | -- | 205 | -- | 205 | 5,729 |
| Library automation system | -- | -- | -- | -- | 1,358 |
| General government projects | 2,772 | 2,646 | 606 | 6,024 | 34,818 |
| Health projects | -- | -- | -- | -- | 4,843 |
| Build Austin | -- | -- | -- | -- | -- |
| CMTA Mobility | 1,249 | -- | 31 | 1,280 | 1,911 |
| Park improvements | 416 | -- | -- | 416 | 610 |
| Parks and Recreation | -- | 3,560 | 1,053 | 4,613 | 6,217 |
| Police and courts | -- | -- | -- | -- | 2,613 |
| Fire - general | -- | 80 | -- | 80 | 30,238 |
| CTM | -- | 3,941 | -- | 3,941 | 20,613 |
| Neighborhood housing & conservation | -- | -- | -- | -- | -- |
| GCP-PLD In Lieu Of Fee | -- | 15,268 | 1,998 | 17,266 | 4,817 |
| Capital Rehabilitation | -- | -- | -- | -- | 4,928 |
| Public Works | 4,987 | 424 | -- | 5,411 | 5,210 |
| Public Works CIP | -- | 842 | -- | 842 | 806 |
| GCP-PLD Development Fee | -- | 2,320 | 630 | 2,950 | 1,883 |
| GCP-PLD COMM Development Fee | -- | 160 | -- | 160 | -- |
| Colony Park | -- | -- | -- | -- | 8 |
| NPZ general | -- | -- | -- | -- | 145 |
| Waller Creek District | -- | -- | -- | -- | 4,468 |
| Waller Creek Tunnel | -- | -- | 55 | 55 | -- |
| Fleet general improvements | -- | -- | -- | -- | -- |
| Interest income fund | -- | -- | 9,777 | 9,777 | -- |
| Total other funds | 9,424 | 29,446 | 20,753 | 59,623 | 133,151 |
| Totals | \$ 9,424 | 29,863 | 20,753 | 60,040 | 332,891 |

(1) Capital Outlay includes financed purchase obligations principal of \$3.3 million and interest of \$341 thousand.

(Continued)

| Excess (Deficiency) of Revenues Over (Under) Expenditures | Other Financing Sources (Uses) | | | | Total Other Financing Sources(Uses) | Net Change In Fund Balances | Fund Balances at Beginning of Year | Fund Balances at End of Year |
|--|---|------------------|-----------------|------------------|--|--------------------------------------|---|---------------------------------------|
| | Issuance of Tax Supported Debt | Bond Premiums | Transfers In | Transfers Out | | | | |
| 4,915 | -- | -- | -- | -- | -- | 4,915 | 238 | 5,153 |
| (248) | -- | -- | -- | -- | -- | (248) | 23,406 | 23,158 |
| (5,524) | -- | -- | 10,320 | (181) | 10,139 | 4,615 | 6,856 | 11,471 |
| (1,358) | -- | -- | -- | -- | -- | (1,358) | 2,307 | 949 |
| (28,794) | -- | -- | 8,985 | -- | 8,985 | (19,809) | 29,807 | 9,998 |
| (4,843) | 6,799 | 164 | 4,000 | -- | 10,963 | 6,120 | (3,853) | 2,267 |
| -- | -- | -- | -- | -- | -- | -- | 15 | 15 |
| (631) | -- | -- | -- | (2) | (2) | (633) | 1,929 | 1,296 |
| (194) | -- | -- | -- | -- | -- | (194) | 1,026 | 832 |
| (1,604) | -- | -- | 12,204 | -- | 12,204 | 10,600 | 19,353 | 29,953 |
| (2,613) | -- | -- | -- | -- | -- | (2,613) | 415 | (2,198) |
| (30,158) | -- | -- | -- | (31) | (31) | (30,189) | (5,087) | (35,276) |
| (16,672) | 9,268 | 810 | 15,309 | (14) | 25,373 | 8,701 | 40,773 | 49,474 |
| -- | -- | -- | -- | (2) | (2) | (2) | 24 | 22 |
| 12,449 | -- | -- | -- | -- | -- | 12,449 | 55,915 | 68,364 |
| (4,928) | -- | -- | 18,628 | -- | 18,628 | 13,700 | 13,319 | 27,019 |
| 201 | -- | -- | -- | -- | -- | 201 | (311) | (110) |
| 36 | -- | -- | 155 | -- | 155 | 191 | 8,071 | 8,262 |
| 1,067 | -- | -- | -- | -- | -- | 1,067 | 18,419 | 19,486 |
| 160 | -- | -- | -- | -- | -- | 160 | -- | 160 |
| (8) | -- | -- | -- | (32) | (32) | (40) | 2,800 | 2,760 |
| (145) | -- | -- | 728 | -- | 728 | 583 | 6,327 | 6,910 |
| (4,468) | 1,074 | 26 | -- | (199) | 901 | (3,567) | (1,152) | (4,719) |
| 55 | -- | -- | -- | -- | -- | 55 | 1,654 | 1,709 |
| -- | -- | -- | -- | -- | -- | -- | 55 | 55 |
| 9,777 | -- | -- | -- | -- | -- | 9,777 | 7,708 | 17,485 |
| <u>(73,528)</u> | <u>17,141</u> | <u>1,000</u> | <u>70,329</u> | <u>(461)</u> | <u>88,009</u> | <u>14,481</u> | <u>230,014</u> | <u>244,495</u> |
| <u>(272,851)</u> | <u>201,419</u> | <u>17,463</u> | <u>70,329</u> | <u>(58,664)</u> | <u>230,547</u> | <u>(42,304)</u> | <u>94,679</u> | <u>52,375</u> |





PERMANENT FUNDS

Permanent funds account for and report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs. The City reports the following nonmajor permanent funds:

3M Maintenance Endowment Fund - Accounts for 3M Mitigation Land Endowment.

Ellis Library Trust Fund - Accounts for principal and interest income earned on the principal from the Ellis estate. This income is used for purchasing books on the subject of mental health.

Perpetual Care Fund - Accounts for revenues to be used for maintenance and care of cemeteries.



Permanent Funds
Combining Balance Sheet
September 30, 2023
(In thousands)

City of Austin, Texas
 Exhibit E-19

| | 3M | | | |
|--|----------------------------------|--------------------------------|---------------------------|--------------|
| | Maintenance Endowment | Ellis Library Trust | Perpetual Care | Total |
| ASSETS | | | | |
| Pooled investments and cash | \$ 50 | 10 | 1,011 | 1,071 |
| Total assets | <u>50</u> | <u>10</u> | <u>1,011</u> | <u>1,071</u> |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Permanent funds | 50 | 9 | 1,011 | 1,070 |
| Restricted | -- | 1 | -- | 1 |
| Total fund balances | <u>50</u> | <u>10</u> | <u>1,011</u> | <u>1,071</u> |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 50</u> | <u>10</u> | <u>1,011</u> | <u>1,071</u> |

Permanent Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
 Exhibit E-20

| | 3M | | | Total |
|---|--------------------------|------------------------|-------------------|--------------|
| | Maintenance Endowment | Ellis Library Trust | Perpetual Care | |
| REVENUES | | | | |
| Interest and other | \$ -- | 1 | -- | 1 |
| Total revenues | <u>--</u> | <u>1</u> | <u>--</u> | <u>1</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public recreation and culture | -- | -- | -- | -- |
| Total expenditures | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Excess (deficiency) of revenues over (under) expenditures | -- | 1 | -- | 1 |
| Total other financing sources (uses) | <u>--</u> | <u>--</u> | <u>--</u> | <u>--</u> |
| Fund balances at beginning of year | 50 | 9 | 1,011 | 1,070 |
| Fund balances at end of year | <u>\$ 50</u> | <u>10</u> | <u>1,011</u> | <u>1,071</u> |





NONMAJOR ENTERPRISE FUNDS

Enterprise funds account for the acquisition, operations, and maintenance of the City's facilities and services that are entirely or predominantly supported by user charges or those for which the City has decided that periodic determination of the revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. All activities necessary to provide services are accounted for in these funds, including, but not limited to, administration, operations, and maintenance. The City reports the following nonmajor enterprise funds:

Austin Resource Recovery Fund – Accounts for activities involving collection and remediation of multiple residential and commercial waste streams.

Convention Center Fund – Accounts for activities related to the Convention Center and Palmer Events Center, as well as city-wide tourism.

Development Services Fund – Accounts for plan review, permit and inspection activities.

Drainage Fund – Accounts for activities including flood mitigation and water quality protection.

Golf Fund – Accounts for activities associated with the City-owned golf courses.

Transportation Fund – Accounts for activities involving street maintenance and repair, parking and mobility services.



Nonmajor Enterprise Funds
Combining Statement of Net Position
September 30, 2023
(In thousands)

| | Austin Resource Recovery | Convention Center | Development Services |
|---|---|------------------------------|---------------------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash | \$ 3 | 10 | 3 |
| Pooled investments and cash | 32,153 | 69,394 | 25,088 |
| Pooled investments and cash - restricted | 2,262 | 11,685 | 3,286 |
| Total pooled investments and cash | 34,415 | 81,079 | 28,374 |
| Investments - restricted | -- | 8,679 | -- |
| Accounts receivable, net of allowance | 14,039 | 1,582 | 250 |
| Interest receivable | 134 | 478 | 107 |
| Receivables from other governments - restricted | 18 | -- | -- |
| Leases receivable | -- | 438 | -- |
| Inventories, at cost | -- | 81 | -- |
| Prepaid expenses | 185 | 172 | 149 |
| Other assets | -- | -- | -- |
| Total current assets | 48,794 | 92,519 | 28,883 |
| Noncurrent assets: | | | |
| Pooled investments and cash - restricted | -- | 281,159 | -- |
| Advances to other funds - restricted | -- | 26 | -- |
| Investments - restricted | -- | 10,263 | -- |
| Cash held by trustee - restricted | -- | -- | -- |
| Interest receivable - restricted | -- | 836 | -- |
| Leases receivable | -- | 3,851 | -- |
| Depreciable capital assets, net | 48,937 | 164,752 | 285 |
| Nondepreciable capital assets | 23,268 | 46,955 | -- |
| Intangible right-to-use-lease and IT subscription assets, net | 15,016 | 376 | 281 |
| Other long-term assets | -- | -- | -- |
| Total noncurrent assets | 87,221 | 508,218 | 566 |
| Total assets | 136,015 | 600,737 | 29,449 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| | \$ 110,485 | 50,018 | 98,885 |

| | <u>Drainage</u> | <u>Golf</u> | <u>Transportation</u> | <u>Total</u> |
|---|-----------------|---------------|-----------------------|------------------|
| ASSETS | | | | |
| Current assets: | | | | |
| Cash | 1 | 1 | 2 | 20 |
| Pooled investments and cash | 189,804 | 5,787 | 50,198 | 372,424 |
| Pooled investments and cash - restricted | -- | -- | -- | 17,233 |
| Total pooled investments and cash | 189,804 | 5,787 | 50,198 | 389,657 |
| Investments - restricted | -- | -- | -- | 8,679 |
| Accounts receivable, net of allowance | 4,898 | -- | 12,437 | 33,206 |
| Interest receivable | 775 | 26 | 185 | 1,705 |
| Receivables from other governments - restricted | 4,255 | -- | -- | 4,273 |
| Leases receivable | -- | -- | -- | 438 |
| Inventories, at cost | -- | -- | 3,592 | 3,673 |
| Prepaid expenses | 205 | 41 | 644 | 1,396 |
| Other assets | -- | 117 | -- | 117 |
| Total current assets | <u>199,938</u> | <u>5,972</u> | <u>67,058</u> | <u>443,164</u> |
| Noncurrent assets: | | | | |
| Pooled investments and cash - restricted | 20,730 | 1,362 | -- | 303,251 |
| Advances to other funds - restricted | -- | -- | -- | 26 |
| Investments - restricted | -- | -- | -- | 10,263 |
| Cash held by trustee - restricted | 4,676 | -- | -- | 4,676 |
| Interest receivable - restricted | -- | -- | -- | 836 |
| Leases receivable | -- | -- | -- | 3,851 |
| Depreciable capital assets, net | 155,679 | 9,040 | 15,291 | 393,984 |
| Nondepreciable capital assets | 399,629 | 6,290 | 2,830 | 478,972 |
| Intangible right-to-use-lease and IT subscription assets, net | 1,832 | 2,667 | 13,953 | 34,125 |
| Other long-term assets | -- | 540 | -- | 540 |
| Total noncurrent assets | <u>582,546</u> | <u>19,899</u> | <u>32,074</u> | <u>1,230,524</u> |
| Total assets | <u>782,484</u> | <u>25,871</u> | <u>99,132</u> | <u>1,673,688</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| | <u>81,162</u> | <u>6,560</u> | <u>162,802</u> | <u>509,912</u> |

(Continued)

Nonmajor Enterprise Funds
Combining Statement of Net Position
September 30, 2023
(In thousands)

| | Austin Resource Recovery | Convention Center | Development Services |
|---|---|------------------------------|---------------------------------|
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 3,327 | 2,016 | 376 |
| Accounts and retainage payable from restricted assets | -- | 518 | -- |
| Accrued payroll | 1,176 | 502 | 1,009 |
| Accrued compensated absences | 2,626 | 1,691 | 2,921 |
| Due to other funds | -- | -- | -- |
| Accrued interest payable from restricted assets | -- | 458 | -- |
| Accrued interest payable | 205 | 23 | 4 |
| Bonds payable | 3,265 | 1,305 | -- |
| Bonds payable from restricted assets | -- | 10,195 | -- |
| Leases and IT subscriptions payable | 778 | 84 | 234 |
| Other postemployment benefits liability | 3,004 | 1,323 | 2,129 |
| Customer and escrow deposits payable from restricted assets | 2,262 | 3,689 | 3,286 |
| Accrued landfill closure and postclosure costs | 874 | -- | -- |
| Other liabilities | -- | -- | 275 |
| Total current liabilities | 17,517 | 21,804 | 10,234 |
| Noncurrent liabilities, net of current portion: | | | |
| Accrued compensated absences | 1,018 | 5 | -- |
| Advances from other funds | 113 | -- | -- |
| Bonds payable, net of discount and inclusive of premium | 11,340 | 72,759 | -- |
| Leases and IT subscriptions payable | 14,580 | 279 | -- |
| Net pension liability | 140,661 | 59,657 | 124,285 |
| Other postemployment benefits liability | 140,913 | 62,081 | 99,855 |
| Accrued landfill closure and postclosure costs | 17,635 | -- | -- |
| Derivative instruments - interest rate swaps | -- | 301 | -- |
| Other liabilities payable from restricted assets | -- | -- | -- |
| Total noncurrent liabilities | 326,260 | 195,082 | 224,140 |
| Total liabilities | 343,777 | 216,886 | 234,374 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| | 63,904 | 37,863 | 45,879 |
| NET POSITION | | | |
| Net investment in capital assets | 57,543 | 134,536 | 332 |
| Restricted for: | | | |
| Bond reserve | -- | 7,269 | -- |
| Capital projects | -- | 281,995 | -- |
| Debt service | -- | 8,175 | -- |
| Operating reserve | -- | 5,938 | -- |
| Capital reserve | -- | 1,227 | -- |
| Unrestricted | (218,724) | (43,134) | (152,251) |
| Total net position | (161,181) | 396,006 | (151,919) |
| Reconciliation to government-wide Statement of Net Position | | | |
| Adjustment to consolidate internal service activities | 11,057 | 4,217 | 1,793 |
| Total net position - Business-type activities | \$ (150,124) | 400,223 | (150,126) |

(Continued)

| | Drainage | Golf | Transportation | Total |
|---|----------------|---------------|------------------|------------------|
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 1,281 | 13 | 6,634 | 13,647 |
| Accounts and retainage payable from restricted assets | 8,054 | 49 | -- | 8,621 |
| Accrued payroll | 838 | 109 | 1,595 | 5,229 |
| Accrued compensated absences | 2,783 | 263 | 2,324 | 12,608 |
| Due to other funds | -- | -- | 301 | 301 |
| Accrued interest payable from restricted assets | -- | -- | -- | 458 |
| Accrued interest payable | 131 | 12 | 50 | 425 |
| Bonds payable | 2,302 | -- | 504 | 7,376 |
| Bonds payable from restricted assets | -- | -- | -- | 10,195 |
| Leases and IT subscriptions payable | 538 | 765 | 1,986 | 4,385 |
| Other postemployment benefits liability | 1,883 | 203 | 3,654 | 12,196 |
| Customer and escrow deposits payable from restricted assets | 302 | -- | -- | 9,539 |
| Accrued landfill closure and postclosure costs | -- | -- | -- | 874 |
| Other liabilities | -- | 1 | -- | 276 |
| Total current liabilities | 18,112 | 1,415 | 17,048 | 86,130 |
| Noncurrent liabilities, net of current portion: | | | | |
| Accrued compensated absences | -- | 105 | 2,063 | 3,191 |
| Advances from other funds | -- | -- | 301 | 414 |
| Bonds payable, net of discount and inclusive of premium | 31,368 | -- | 1,856 | 117,323 |
| Leases and IT subscriptions payable | 1,269 | 1,971 | 12,309 | 30,408 |
| Net pension liability | 102,060 | 8,188 | 184,820 | 619,671 |
| Other postemployment benefits liability | 88,358 | 9,526 | 171,462 | 572,195 |
| Accrued landfill closure and postclosure costs | -- | -- | -- | 17,635 |
| Derivative instruments - interest rate swaps | -- | -- | -- | 301 |
| Other liabilities payable from restricted assets | 4,676 | -- | -- | 4,676 |
| Total noncurrent liabilities | 227,731 | 19,790 | 372,811 | 1,365,814 |
| Total liabilities | 245,843 | 21,205 | 389,859 | 1,451,944 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| | 38,596 | 5,588 | 74,864 | 266,694 |
| NET POSITION | | | | |
| Net investment in capital assets | 513,612 | 14,348 | 15,419 | 735,790 |
| Restricted for: | | | | |
| Bond reserve | -- | -- | -- | 7,269 |
| Capital projects | 20,428 | 1,362 | -- | 303,785 |
| Debt service | -- | -- | -- | 8,175 |
| Operating reserve | -- | -- | -- | 5,938 |
| Capital reserve | -- | -- | -- | 1,227 |
| Unrestricted | 45,167 | (10,072) | (218,208) | (597,222) |
| Total net position | 579,207 | 5,638 | (202,789) | 464,962 |
| Reconciliation to government-wide Statement of Net Position | | | | |
| Adjustment to consolidate internal service activities | 7,288 | 589 | 7,904 | 32,848 |
| Total net position - Business-type activities | 586,495 | 6,227 | (194,885) | 497,810 |

Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the year ended September 30, 2023
(In thousands)

| | Austin Resource Recovery | Convention Center | Development Services |
|---|---|------------------------------|---------------------------------|
| OPERATING REVENUES | | | |
| User fees and rentals | \$ 145,395 | 35,246 | 54,208 |
| Lease revenue | -- | 496 | -- |
| Total operating revenues | 145,395 | 35,742 | 54,208 |
| OPERATING EXPENSES | | | |
| Operating expenses before depreciation | 171,138 | 75,302 | 95,682 |
| Depreciation and amortization | 11,401 | 9,523 | 279 |
| Total operating expenses | 182,539 | 84,825 | 95,961 |
| Operating income (loss) | (37,144) | (49,083) | (41,753) |
| NONOPERATING REVENUES (EXPENSES) | | | |
| Interest and other income (loss) | 1,401 | 12,718 | 1,453 |
| Interest on revenue bonds and other debt | (199) | (3,279) | -- |
| Interest expense on leases and IT subscriptions | (258) | (4) | (5) |
| Other nonoperating revenues (expenses) | 165 | (401) | 3 |
| Total nonoperating revenues (expenses) | 1,109 | 9,034 | 1,451 |
| Income (loss) before contributions and transfers | (36,035) | (40,049) | (40,302) |
| Capital contributions | -- | -- | -- |
| Transfers in | 15,598 | 141,189 | 8,909 |
| Transfers out | (840) | (10,463) | (4,906) |
| Change in net position | (21,277) | 90,677 | (36,299) |
| Beginning net position | (139,904) | 305,329 | (115,620) |
| Ending net position | \$ (161,181) | 396,006 | (151,919) |
| Reconciliation to government-wide Statement of Activities | | | |
| Change in net position | (21,277) | 90,677 | (36,299) |
| Adjustment to consolidate internal service activities | 867 | (275) | (189) |
| Change in net position - Business-type activities | \$ (20,410) | 90,402 | (36,488) |

| | Drainage | Golf | Transportation | Total |
|---|-----------------|---------------|------------------|------------------|
| OPERATING REVENUES | | | | |
| User fees and rentals | 102,044 | 13,006 | 188,797 | 538,696 |
| Lease revenue | -- | -- | -- | 496 |
| Total operating revenues | <u>102,044</u> | <u>13,006</u> | <u>188,797</u> | <u>539,192</u> |
| OPERATING EXPENSES | | | | |
| Operating expenses before depreciation | 109,597 | 11,650 | 209,073 | 672,442 |
| Depreciation and amortization | 7,646 | 1,396 | 5,275 | 35,520 |
| Total operating expenses | <u>117,243</u> | <u>13,046</u> | <u>214,348</u> | <u>707,962</u> |
| Operating income (loss) | <u>(15,199)</u> | <u>(40)</u> | <u>(25,551)</u> | <u>(168,770)</u> |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest and other income (loss) | 8,778 | 197 | 1,928 | 26,475 |
| Interest on revenue bonds and other debt | (1,272) | -- | (37) | (4,787) |
| Interest expense on leases and IT subscriptions | (61) | (116) | (209) | (653) |
| Other nonoperating revenue (expense) | (3,008) | 335 | (1,636) | (4,542) |
| Total nonoperating revenues (expenses) | <u>4,437</u> | <u>416</u> | <u>46</u> | <u>16,493</u> |
| Income (loss) before contributions and transfers | <u>(10,762)</u> | <u>376</u> | <u>(25,505)</u> | <u>(152,277)</u> |
| Capital contributions | 6,866 | 334 | 671 | 7,871 |
| Transfers in | 319 | -- | 1,927 | 167,942 |
| Transfers out | (758) | -- | (12,678) | (29,645) |
| Change in net position | <u>(4,335)</u> | <u>710</u> | <u>(35,585)</u> | <u>(6,109)</u> |
| Beginning net position | <u>583,542</u> | <u>4,928</u> | <u>(167,204)</u> | <u>471,071</u> |
| Ending net position | <u>579,207</u> | <u>5,638</u> | <u>(202,789)</u> | <u>464,962</u> |
| Reconciliation to government-wide Statement of Activities | | | | |
| Change in net position | (4,335) | 710 | (35,585) | (6,109) |
| Adjustment to consolidate internal service activities | 710 | (46) | (518) | 549 |
| Change in net position - Business-type activities | <u>(3,625)</u> | <u>664</u> | <u>(36,103)</u> | <u>(5,560)</u> |

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)

| | Austin Resource Recovery | Convention Center | Development Services |
|--|---|------------------------------|---------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Cash received from customers | \$ 145,253 | 36,008 | 53,897 |
| Cash received from other funds | 422 | -- | -- |
| Cash payments to suppliers for goods and services | (39,367) | (25,123) | (4,928) |
| Cash payments to other funds | (35,635) | (8,616) | (10,274) |
| Cash payments to employees for services | (69,069) | (29,549) | (54,265) |
| Net cash provided (used) by operating activities | 1,604 | (27,280) | (15,570) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | |
| Transfers in | 15,364 | 141,189 | 8,871 |
| Transfers out | (802) | (10,463) | (4,906) |
| Collections from other sources | -- | -- | -- |
| Loan repayments to other funds | -- | -- | -- |
| Collections from other governments | 510 | 6 | -- |
| Net cash provided (used) by noncapital financing activities | 15,072 | 130,732 | 3,965 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | |
| Proceeds from the sale of general obligation bonds and other tax-supported debt | -- | -- | -- |
| Principal paid on long-term debt | (3,102) | (10,965) | -- |
| Principal paid on leases and IT subscriptions | (741) | (86) | (275) |
| Proceeds from the sale of capital assets | -- | -- | -- |
| Interest paid on revenue bonds and other debt | (777) | (2,867) | -- |
| Interest paid on leases and IT subscriptions | (258) | (4) | (1) |
| Interest income from leases | -- | 74 | -- |
| Acquisition and construction of capital assets | (12,455) | (5,003) | (36) |
| Contributions from state and federal governments | -- | -- | -- |
| Contributions in aid of construction | -- | -- | -- |
| Bond premiums | -- | -- | -- |
| Net cash provided (used) by capital and related financing activities | (17,333) | (18,851) | (312) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Purchase of investment securities | -- | (12,543) | -- |
| Proceeds from sale and maturities of investment securities | -- | 12,669 | -- |
| Interest income (loss) on investments | 1,303 | 11,630 | 1,387 |
| Net cash provided (used) by investing activities | 1,303 | 11,756 | 1,387 |
| Net increase (decrease) in cash and cash equivalents | 646 | 96,357 | (10,530) |
| Cash and cash equivalents, beginning | 33,772 | 265,891 | 38,907 |
| Cash and cash equivalents, ending | \$ 34,418 | 362,248 | 28,377 |

| | Drainage | Golf | Transportation | Total |
|---|-----------------|--------------|-----------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Cash received from customers | 98,523 | 12,880 | 186,762 | 533,323 |
| Cash received from other funds | 3,540 | -- | 269 | 4,231 |
| Cash payments to suppliers for goods and services | (23,936) | (2,550) | (45,067) | (140,971) |
| Cash payments to other funds | (17,183) | (1,393) | (30,761) | (103,862) |
| Cash payments to employees for services | (47,202) | (5,894) | (87,576) | (293,555) |
| Net cash provided (used) by operating activities | 13,742 | 3,043 | 23,627 | (834) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | |
| Transfers in | 266 | -- | 1,878 | 167,568 |
| Transfers out | (728) | -- | (12,678) | (29,577) |
| Collections from other sources | -- | -- | 6 | 6 |
| Loan repayments to other funds | -- | -- | (301) | (301) |
| Collections from other governments | -- | -- | 152 | 668 |
| Net cash provided (used) by noncapital financing activities | (462) | -- | (10,943) | 138,364 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | |
| Proceeds from the sale of general obligation bonds and other tax-supported debt | 8,440 | -- | -- | 8,440 |
| Principal paid on long-term debt | (2,424) | -- | (719) | (17,210) |
| Principal paid on leases and IT subscriptions | (627) | (692) | (2,039) | (4,460) |
| Proceeds from the sale of capital assets | -- | 598 | -- | 598 |
| Interest paid on revenue bonds and other debt | (1,610) | -- | (121) | (5,375) |
| Interest paid on leases and IT subscriptions | (59) | (116) | (200) | (638) |
| Interest income from leases | -- | -- | -- | 74 |
| Acquisition and construction of capital assets | (35,604) | (202) | (3,915) | (57,215) |
| Contributions from state and federal governments | (56) | -- | -- | (56) |
| Contributions in aid of construction | 3,966 | 302 | 623 | 4,891 |
| Bond premiums | 61 | -- | -- | 61 |
| Net cash provided (used) by capital and related financing activities | (27,913) | (110) | (6,371) | (70,890) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Purchase of investment securities | -- | -- | -- | (12,543) |
| Proceeds from sale and maturities of investment securities | -- | -- | -- | 12,669 |
| Interest income (loss) on investments | 8,246 | 176 | 1,787 | 24,529 |
| Net cash provided (used) by investing activities | 8,246 | 176 | 1,787 | 24,655 |
| Net increase (decrease) in cash and cash equivalents | (6,387) | 3,109 | 8,100 | 91,295 |
| Cash and cash equivalents, beginning | 221,598 | 4,041 | 42,100 | 606,309 |
| Cash and cash equivalents, ending | 215,211 | 7,150 | 50,200 | 697,604 |

(Continued)

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)

| | Austin Resource Recovery | Convention Center | Development Services |
|---|---|------------------------------|---------------------------------|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET | | | |
| CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | |
| Operating income (loss) | \$ (37,144) | (49,083) | (41,753) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 11,401 | 9,523 | 279 |
| Change in assets and liabilities: | | | |
| (Increase) decrease in accounts receivable | 896 | 312 | 122 |
| Increase (decrease) in allowance for doubtful accounts | (538) | -- | -- |
| (Increase) decrease in leases receivable | -- | 365 | -- |
| (Increase) decrease in inventory | -- | (19) | -- |
| (Increase) decrease in prepaid expenses and other assets | (47) | 154 | 116 |
| (Increase) decrease in other long-term assets | -- | -- | -- |
| (Increase) decrease in deferred outflows | (31,163) | (12,708) | (30,318) |
| Increase (decrease) in accounts payable | 735 | 1,297 | (232) |
| Increase (decrease) in accrued payroll and compensated absences | 484 | 146 | 484 |
| Increase (decrease) in customer deposits | (78) | 38 | -- |
| Increase (decrease) in net pension liability | 69,223 | 27,972 | 65,609 |
| Increase (decrease) in other postemployment benefits liability | (39,426) | (19,548) | (29,038) |
| Increase (decrease) in other liabilities | (920) | (36) | (433) |
| Increase (decrease) in deferred inflows | 28,181 | 14,307 | 19,594 |
| Total adjustments | 38,748 | 21,803 | 26,183 |
| Net cash provided (used) by operating activities | \$ 1,604 | (27,280) | (15,570) |
| NONCASH INVESTING, CAPITAL, AND FINANCING | | | |
| ACTIVITIES: | | | |
| Capital assets contributed from other funds | \$ -- | -- | -- |
| Capital assets contributed to other funds | -- | (40) | -- |
| Amortization of bond (discounts) premiums | 539 | 199 | -- |
| Amortization of deferred gain (loss) on refundings | (12) | (623) | -- |
| Gain (loss) on disposal of assets | (363) | (347) | -- |
| Transfers from other funds | 234 | -- | 38 |
| Transfers to other funds | (38) | -- | -- |

(Continued)

| | Drainage | Golf | Transportation | Total |
|---|---------------|--------------|----------------|----------------|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET | | | | |
| CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | |
| Operating income (loss) | (15,199) | (40) | (25,551) | (168,770) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 7,646 | 1,396 | 5,275 | 35,520 |
| Change in assets and liabilities: | | | | |
| (Increase) decrease in accounts receivable | 79 | -- | (1,507) | (98) |
| Increase (decrease) in allowance for doubtful accounts | (60) | -- | (259) | (857) |
| (Increase) decrease in leases receivable | -- | -- | -- | 365 |
| (Increase) decrease in inventory | -- | -- | 1,416 | 1,397 |
| (Increase) decrease in prepaid expenses and other assets | 11 | -- | 316 | 550 |
| (Increase) decrease in other long-term assets | -- | 118 | -- | 118 |
| (Increase) decrease in deferred outflows | (26,818) | (2,051) | (50,877) | (153,935) |
| Increase (decrease) in accounts payable | 257 | (21) | 1,272 | 3,308 |
| Increase (decrease) in accrued payroll and compensated absences | 238 | 86 | 307 | 1,745 |
| Increase (decrease) in customer deposits | -- | -- | -- | (40) |
| Increase (decrease) in net pension liability | 53,065 | 3,494 | 96,806 | 316,169 |
| Increase (decrease) in other postemployment benefits liability | (22,914) | (1,757) | (39,283) | (151,966) |
| Increase (decrease) in other liabilities | -- | 1 | -- | (1,388) |
| Increase (decrease) in deferred inflows | 17,437 | 1,817 | 35,712 | 117,048 |
| Total adjustments | 28,941 | 3,083 | 49,178 | 167,936 |
| Net cash provided (used) by operating activities | 13,742 | 3,043 | 23,627 | (834) |
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES: | | | | |
| Capital assets contributed from other funds | 428 | 32 | 48 | 508 |
| Capital assets contributed to other funds | (2,986) | (251) | (123) | (3,400) |
| Amortization of bond (discounts) premiums | 360 | -- | 82 | 1,180 |
| Amortization of deferred gain (loss) on refundings | 3 | -- | (3) | (635) |
| Gain (loss) on disposal of assets | (22) | (12) | (1,671) | (2,415) |
| Transfers from other funds | 53 | -- | 49 | 374 |
| Transfers to other funds | (30) | -- | -- | (68) |





INTERNAL SERVICE FUNDS

Internal service funds account for and report the financing of goods or services provided by one department to other departments of the City and other agencies on a cost-reimbursement basis. The City reports the following internal service funds:

Capital Projects Management Fund – Accounts for project delivery costs related to the City's capital improvement projects.

Combined Transportation, Emergency and Communications Center Fund (CTECC) – Accounts for the operation of shared critical emergency communications and transportation management for the region.

Employee Benefits Fund – Accounts for activities related to the health, dental, and life insurance costs of City employees.

Fleet Maintenance Fund - Accounts for City vehicle and equipment services.

Information and Technology Fund – Accounts for the activities of the Communications and Technology Management Department.

Liability Reserve Fund – Accounts for coverage of the City's major claims liabilities.

Support Services Fund - Accounts for the activities of the various support service departments.

Wireless Communication Fund - Accounts for communication support activities.

Workers' Compensation Fund - Accounts for workers' compensation costs.



Internal Service Funds
Combining Statement of Net Position
September 30, 2023
(In thousands)

| | Capital Projects Management | CTECC | Employee Benefits | Fleet Maintenance | Information and Technology |
|---|-----------------------------------|---------------|----------------------|----------------------|-------------------------------|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash | \$ -- | -- | -- | -- | -- |
| Pooled investments and cash | 9,638 | 1,895 | 87,302 | 9,083 | 21,707 |
| Pooled investments and cash - restricted | -- | -- | -- | -- | -- |
| Total pooled investments and cash | 9,638 | 1,895 | 87,302 | 9,083 | 21,707 |
| Cash held by trustee - restricted | -- | -- | 553 | -- | -- |
| Accounts receivable, net of allowance | -- | 1,951 | 327 | 3 | 97 |
| Interest receivable | 36 | 10 | -- | 41 | 81 |
| Receivables from other governments | -- | -- | 737 | -- | -- |
| Leases receivable | -- | -- | -- | -- | 2 |
| Inventories, at cost | -- | -- | -- | 3,975 | -- |
| Prepaid expenses | 127 | 1,581 | -- | 37 | 3,185 |
| Total current assets | 9,801 | 5,437 | 88,919 | 13,139 | 25,072 |
| Noncurrent assets: | | | | | |
| Pooled investments and cash - restricted | 494 | -- | -- | 6,407 | -- |
| Leases receivable | -- | -- | -- | -- | 327 |
| Depreciable capital assets, net | 707 | 12,416 | -- | 13,215 | 10,006 |
| Nondepreciable capital assets | -- | 32 | -- | 2,679 | -- |
| Intangible right-to-use lease and IT subscription assets, net | 3,067 | 11,687 | -- | 1,094 | 25,019 |
| Total noncurrent assets | 4,268 | 24,135 | -- | 23,395 | 35,352 |
| Total assets | 14,069 | 29,572 | 88,919 | 36,534 | 60,424 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| | -- | -- | -- | 115 | -- |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 110 | 537 | 5,810 | 2,404 | 2,064 |
| Accrued payroll | 541 | 142 | -- | 435 | 677 |
| Accrued compensated absences | 1,646 | 481 | -- | 1,205 | 2,174 |
| Claims payable | -- | -- | 20,551 | -- | -- |
| Due to other funds | -- | -- | -- | -- | -- |
| Accrued interest payable from restricted assets | -- | -- | -- | 1 | -- |
| Accrued interest payable | 5 | 205 | -- | 1 | 580 |
| Bonds payable | -- | -- | -- | 134 | -- |
| Leases and IT subscriptions payable | 2,179 | 3,109 | -- | 597 | 15,193 |
| Customer and escrow deposits payable from restricted assets | -- | -- | -- | -- | -- |
| Other liabilities payable from restricted assets | -- | -- | 553 | -- | -- |
| Total current liabilities | 4,481 | 4,474 | 26,914 | 4,777 | 20,688 |
| Noncurrent liabilities, net of current portion: | | | | | |
| Accrued compensated absences | 430 | 122 | -- | -- | 112 |
| Claims payable | -- | -- | -- | -- | -- |
| Advances from other funds | -- | -- | -- | -- | -- |
| Bonds payable, net of discount and inclusive of premium | -- | -- | -- | 814 | -- |
| Leases and IT subscriptions payable | 925 | 7,849 | -- | 528 | 7,635 |
| Asset retirement obligations | -- | -- | -- | 518 | -- |
| Total noncurrent liabilities | 1,355 | 7,971 | -- | 1,860 | 7,747 |
| Total liabilities | 5,836 | 12,445 | 26,914 | 6,637 | 28,435 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| | -- | -- | -- | -- | 325 |
| NET POSITION | | | | | |
| Net investment in capital assets | 670 | 13,177 | -- | 14,915 | 12,197 |
| Restricted for: | | | | | |
| Capital projects | 494 | -- | -- | 6,407 | -- |
| Unrestricted | 7,069 | 3,950 | 62,005 | 8,690 | 19,467 |
| Total net position | \$ 8,233 | 17,127 | 62,005 | 30,012 | 31,664 |

| | Liability Reserve | Support Services | Wireless Communication | Workers' Compensation | Total |
|---|----------------------|---------------------|---------------------------|--------------------------|---------|
| ASSETS | | | | | |
| Current assets: | | | | | |
| Cash | -- | 7 | -- | -- | 7 |
| Pooled investments and cash | 17,462 | 51,305 | 5,480 | 34,710 | 238,582 |
| Pooled investments and cash - restricted | -- | 721 | -- | -- | 721 |
| Total pooled investments and cash | 17,462 | 52,026 | 5,480 | 34,710 | 239,303 |
| Cash held by trustee - restricted | -- | -- | -- | -- | 553 |
| Accounts receivable, net of allowance | -- | 19 | 664 | -- | 3,061 |
| Interest receivable | -- | 274 | 17 | -- | 459 |
| Receivables from other governments | -- | -- | -- | -- | 737 |
| Leases receivable | -- | 409 | -- | -- | 411 |
| Inventories, at cost | -- | -- | -- | -- | 3,975 |
| Prepaid expenses | -- | 798 | 485 | -- | 6,213 |
| Total current assets | 17,462 | 53,533 | 6,646 | 34,710 | 254,719 |
| Noncurrent assets: | | | | | |
| Pooled investments and cash - restricted | -- | -- | -- | -- | 6,901 |
| Leases receivable | -- | 41,014 | -- | -- | 41,341 |
| Depreciable capital assets, net | -- | 7,866 | 16,236 | -- | 60,446 |
| Nondepreciable capital assets | -- | 5,485 | 262 | -- | 8,458 |
| Intangible right-to-use lease and IT subscription assets, net | -- | 43,141 | 1,773 | -- | 85,781 |
| Total noncurrent assets | -- | 97,506 | 18,271 | -- | 202,927 |
| Total assets | 17,462 | 151,039 | 24,917 | 34,710 | 457,646 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| | -- | -- | -- | -- | 115 |
| LIABILITIES | | | | | |
| Current liabilities: | | | | | |
| Accounts payable | 363 | 8,684 | 552 | 182 | 20,706 |
| Accrued payroll | -- | 2,364 | 76 | -- | 4,235 |
| Accrued compensated absences | -- | 7,114 | 275 | -- | 12,895 |
| Claims payable | 8,140 | -- | -- | 12,749 | 41,440 |
| Due to other funds | -- | 4,444 | -- | -- | 4,444 |
| Accrued interest payable from restricted assets | -- | -- | -- | -- | 1 |
| Accrued interest payable | -- | 189 | 12 | -- | 992 |
| Bonds payable | -- | -- | -- | -- | 134 |
| Leases and IT subscriptions payable | -- | 4,605 | 218 | -- | 25,901 |
| Customer and escrow deposits payable from restricted assets | -- | 721 | -- | -- | 721 |
| Other liabilities payable from restricted assets | -- | -- | -- | -- | 553 |
| Total current liabilities | 8,503 | 28,121 | 1,133 | 12,931 | 112,022 |
| Noncurrent liabilities, net of current portion: | | | | | |
| Accrued compensated absences | -- | 630 | 2 | -- | 1,296 |
| Claims payable | 600 | -- | -- | 33,954 | 34,554 |
| Advances from other funds | -- | 13,656 | -- | -- | 13,656 |
| Bonds payable, net of discount and inclusive of premium | -- | -- | -- | -- | 814 |
| Leases and IT subscriptions payable | -- | 39,081 | 1,558 | -- | 57,576 |
| Asset retirement obligations | -- | -- | -- | -- | 518 |
| Total noncurrent liabilities | 600 | 53,367 | 1,560 | 33,954 | 108,414 |
| Total liabilities | 9,103 | 81,488 | 2,693 | 46,885 | 220,436 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| | -- | 40,852 | -- | -- | 41,177 |
| NET POSITION | | | | | |
| Net investment in capital assets | -- | 12,806 | 16,495 | -- | 70,260 |
| Restricted for: | | | | | |
| Capital projects | -- | -- | -- | -- | 6,901 |
| Unrestricted | 8,359 | 15,893 | 5,729 | (12,175) | 118,987 |
| Total net position | 8,359 | 28,699 | 22,224 | (12,175) | 196,148 |

Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the year ended September 30, 2023
(In thousands)

| | Capital Projects Management | CTECC | Employee Benefits | Fleet Maintenance | Information and Technology |
|---|--|----------------|------------------------------|------------------------------|---------------------------------------|
| OPERATING REVENUES | | | | | |
| Billings to departments | \$ 36,530 | 20,846 | 143,262 | 68,755 | 87,108 |
| Employee contributions | -- | -- | 47,419 | -- | -- |
| Lease revenue | -- | -- | -- | -- | 4 |
| Operating revenues from other governments | -- | 6,032 | -- | 1,387 | 6 |
| Other operating revenues | 4,448 | -- | 2,896 | 1,428 | 447 |
| Total operating revenues | 40,978 | 26,878 | 193,577 | 71,570 | 87,565 |
| OPERATING EXPENSES | | | | | |
| Operating expenses before depreciation | 35,549 | 23,015 | 209,549 | 67,843 | 67,069 |
| Depreciation and amortization | 2,277 | 4,234 | -- | 2,564 | 20,433 |
| Total operating expenses | 37,826 | 27,249 | 209,549 | 70,407 | 87,502 |
| Operating income (loss) | 3,152 | (371) | (15,972) | 1,163 | 63 |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Interest and other income (loss) | 271 | 156 | 659 | 501 | 601 |
| Interest on revenue bonds and other debt | -- | -- | -- | (20) | -- |
| Interest expense on leases and IT subscriptions | (30) | (237) | -- | (30) | (848) |
| Other nonoperating revenues (expenses) | -- | (452) | -- | (85) | (1,269) |
| Total nonoperating revenues (expenses) | 241 | (533) | 659 | 366 | (1,516) |
| Income (loss) before contributions and transfers | 3,393 | (904) | (15,313) | 1,529 | (1,453) |
| Capital contributions | -- | 716 | -- | 1,714 | 1,717 |
| Transfers in | 769 | -- | -- | 1,119 | -- |
| Transfers out | (758) | (4,701) | -- | (695) | (4,555) |
| Change in net position | 3,404 | (4,889) | (15,313) | 3,667 | (4,291) |
| Beginning net position | 4,829 | 22,016 | 77,318 | 26,345 | 35,955 |
| Ending net position | \$ 8,233 | 17,127 | 62,005 | 30,012 | 31,664 |

| | Liability Reserve | Support Services | Wireless Communication | Workers' Compensation | Total |
|---|-------------------|------------------|------------------------|-----------------------|-----------------|
| OPERATING REVENUES | | | | | |
| Billings to departments | 30,212 | 181,931 | 17,670 | 11,704 | 598,018 |
| Employee contributions | -- | -- | -- | -- | 47,419 |
| Lease revenue | -- | 717 | -- | -- | 721 |
| Operating revenues from other governments | -- | 1,320 | 268 | -- | 9,013 |
| Other operating revenues | -- | 305 | 3,052 | -- | 12,576 |
| Total operating revenues | 30,212 | 184,273 | 20,990 | 11,704 | 667,747 |
| OPERATING EXPENSES | | | | | |
| Operating expenses before depreciation | 5,970 | 177,391 | 11,929 | 15,224 | 613,539 |
| Depreciation and amortization | -- | 4,664 | 5,992 | -- | 40,164 |
| Total operating expenses | 5,970 | 182,055 | 17,921 | 15,224 | 653,703 |
| Operating income (loss) | 24,242 | 2,218 | 3,069 | (3,520) | 14,044 |
| NONOPERATING REVENUES (EXPENSES) | | | | | |
| Interest and other income (loss) | (93) | 2,673 | 103 | 235 | 5,106 |
| Interest on revenue bonds and other debt | -- | -- | -- | -- | (20) |
| Interest expense on leases and IT subscriptions | -- | (512) | (24) | -- | (1,681) |
| Other nonoperating revenues (expenses) | -- | (22) | (13) | -- | (1,841) |
| Total nonoperating revenues (expenses) | (93) | 2,139 | 66 | 235 | 1,564 |
| Income (loss) before contributions and transfers | 24,149 | 4,357 | 3,135 | (3,285) | 15,608 |
| Capital contributions | -- | 2,196 | 2,437 | -- | 8,780 |
| Transfers in | -- | 7,133 | 30 | -- | 9,051 |
| Transfers out | -- | (31,212) | (5,040) | -- | (46,961) |
| Change in net position | 24,149 | (17,526) | 562 | (3,285) | (13,522) |
| Beginning net position | (15,790) | 46,225 | 21,662 | (8,890) | 209,670 |
| Ending net position | 8,359 | 28,699 | 22,224 | (12,175) | 196,148 |

Internal Service Funds
Combining Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)

| | Capital Projects Management | CTECC | Employee Benefits | Fleet Maintenance | Information and Technology |
|---|--|----------------|------------------------------|------------------------------|---------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Cash received from customers | \$ 4,448 | 5,513 | 49,685 | 2,822 | 465 |
| Cash received from other funds | 36,530 | 20,846 | 143,262 | 68,755 | 87,108 |
| Cash payments to suppliers for goods and services | (2,435) | (13,817) | (7,330) | (44,283) | (27,193) |
| Cash payments to other funds | (3,491) | (380) | (2,588) | (721) | (160) |
| Cash payments to employees for services | (28,881) | (7,623) | -- | (24,683) | (35,951) |
| Cash payments to claimants/beneficiaries | -- | -- | (194,206) | -- | -- |
| Net cash provided (used) by operating activities | 6,171 | 4,539 | (11,177) | 1,890 | 24,269 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | | |
| Transfers in | 500 | -- | -- | 1,000 | -- |
| Transfers out | (758) | (4,701) | -- | (6) | (4,522) |
| Net cash provided (used) by noncapital financing activities | (258) | (4,701) | -- | 994 | (4,522) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | | |
| Principal paid on long-term debt | -- | -- | -- | (123) | -- |
| Principal paid on leases and IT subscriptions | (2,121) | (3,306) | -- | (573) | (19,180) |
| Interest paid on revenue bonds and other debt | -- | (33) | -- | (46) | -- |
| Interest paid on leases and IT subscriptions | (28) | -- | -- | (31) | (282) |
| Interest income from leases | -- | -- | -- | -- | (54) |
| Acquisition and construction of capital assets | (1) | -- | -- | (2,525) | -- |
| Net cash provided (used) by capital and related financing activities | (2,150) | (3,339) | -- | (3,298) | (19,516) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Interest income (loss) on investments | 242 | 153 | 659 | 475 | 601 |
| Net cash provided (used) by investing activities | 242 | 153 | 659 | 475 | 601 |
| Net increase (decrease) in cash and cash equivalents | 4,005 | (3,348) | (10,518) | 61 | 832 |
| Cash and cash equivalents, beginning | 6,127 | 5,243 | 98,373 | 15,429 | 20,875 |
| Cash and cash equivalents, ending | \$ 10,132 | 1,895 | 87,855 | 15,490 | 21,707 |

| | Liability Reserve | Support Services | Wireless Communication | Workers' Compensation | Total |
|---|-------------------|------------------|------------------------|-----------------------|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | | |
| Cash received from customers | -- | 2,579 | 3,195 | -- | 68,707 |
| Cash received from other funds | 26,471 | 181,931 | 17,670 | 11,704 | 594,277 |
| Cash payments to suppliers for goods and services | (1,811) | (31,949) | (7,797) | (4,861) | (141,476) |
| Cash payments to other funds | -- | (12,469) | (478) | (1,886) | (22,173) |
| Cash payments to employees for services | -- | (132,093) | (3,460) | -- | (232,691) |
| Cash payments to claimants/beneficiaries | (7,105) | -- | -- | (6,868) | (208,179) |
| Net cash provided (used) by operating activities | 17,555 | 7,999 | 9,130 | (1,911) | 58,465 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | | |
| Transfers in | -- | -- | -- | -- | 1,500 |
| Transfers out | -- | (13,092) | (5,005) | -- | (28,084) |
| Net cash provided (used) by noncapital financing activities | -- | (13,092) | (5,005) | -- | (26,584) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | | |
| Principal paid on long-term debt | -- | -- | (2,115) | -- | (2,238) |
| Principal paid on leases and IT subscriptions | -- | (3,888) | (214) | -- | (29,282) |
| Interest paid on revenue bonds and other debt | -- | -- | -- | -- | (79) |
| Interest paid on leases and IT subscriptions | -- | (365) | (26) | -- | (732) |
| Interest income from leases | -- | 911 | -- | -- | 857 |
| Acquisition and construction of capital assets | -- | (1,652) | (112) | -- | (4,290) |
| Net cash provided (used) by capital and related financing activities | -- | (4,994) | (2,467) | -- | (35,764) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | | |
| Interest income (loss) on investments | (93) | 1,619 | 90 | 235 | 3,981 |
| Net cash provided (used) by investing activities | (93) | 1,619 | 90 | 235 | 3,981 |
| Net increase (decrease) in cash and cash equivalents | 17,462 | (8,468) | 1,748 | (1,676) | 98 |
| Cash and cash equivalents, beginning | -- | 60,501 | 3,732 | 36,386 | 246,666 |
| Cash and cash equivalents, ending | 17,462 | 52,033 | 5,480 | 34,710 | 246,764 |

(Continued)

Internal Service Funds
Combining Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)

| | Capital Projects Management | CTECC | Employee Benefits | Fleet Maintenance | Information and Technology |
|---|--|--------------|------------------------------|------------------------------|---------------------------------------|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET | | | | | |
| CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | | |
| Operating income (loss) | \$ 3,152 | (371) | (15,972) | 1,163 | 63 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | | |
| Depreciation and amortization | 2,277 | 4,234 | -- | 2,564 | 20,433 |
| Change in assets and liabilities: | | | | | |
| (Increase) decrease in accounts receivable | -- | (519) | (327) | 2 | 12 |
| Increase (decrease) in allowance for doubtful accounts | -- | -- | -- | 5 | -- |
| (Increase) decrease in receivable from other governments | -- | -- | (303) | -- | -- |
| (Increase) decrease in leases receivable | -- | -- | -- | -- | (4) |
| (Increase) decrease in due from other funds | -- | -- | -- | -- | -- |
| (Increase) decrease in inventory | -- | -- | -- | (800) | -- |
| (Increase) decrease in prepaid expenses and other assets | 182 | 1,059 | -- | 15 | 3,680 |
| (Increase) decrease in other long-term assets | -- | -- | -- | -- | -- |
| Increase (decrease) in accounts payable | 52 | 79 | 988 | (1,280) | (75) |
| Increase (decrease) in accrued payroll and compensated absences | 508 | 57 | -- | 221 | 160 |
| Increase (decrease) in claims payable | -- | -- | 4,694 | -- | -- |
| Increase (decrease) in due to other funds | -- | -- | -- | -- | -- |
| Increase (decrease) in other liabilities | -- | -- | (257) | -- | -- |
| Total adjustments | 3,019 | 4,910 | 4,795 | 727 | 24,206 |
| Net cash provided (used) by operating activities | \$ 6,171 | 4,539 | (11,177) | 1,890 | 24,269 |
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES: | | | | | |
| Capital assets contributed from other funds | \$ -- | 716 | -- | 1,714 | 1,717 |
| Capital assets contributed to other funds | -- | -- | -- | (18) | -- |
| Amortization of bond (discounts) premiums | -- | -- | -- | 29 | -- |
| Amortization of deferred gain (loss) on refundings | -- | -- | -- | (3) | -- |
| Gain (loss) on disposal of assets | -- | (452) | -- | (697) | (1,269) |
| Transfers from other funds | 269 | -- | -- | 119 | -- |
| Transfers to other funds | -- | -- | -- | (689) | (33) |

(Continued)

| | Liability Reserve | Support Services | Wireless Communication | Workers' Compensation | Total |
|--|----------------------|---------------------|---------------------------|--------------------------|---------------|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET | | | | | |
| CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | | | |
| Operating income (loss) | 24,242 | 2,218 | 3,069 | (3,520) | 14,044 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | | |
| Depreciation and amortization | -- | 4,664 | 5,992 | -- | 40,164 |
| Change in assets and liabilities: | | | | | |
| (Increase) decrease in accounts receivable | -- | 552 | (125) | -- | (405) |
| Increase (decrease) in allowance for doubtful accounts | -- | -- | -- | -- | 5 |
| (Increase) decrease in receivable from other governments | -- | 1 | -- | -- | (302) |
| (Increase) decrease in leases receivable | -- | 401 | -- | -- | 397 |
| (Increase) decrease in due from other funds | -- | 3,741 | -- | -- | 3,741 |
| (Increase) decrease in inventory | -- | -- | 172 | -- | (628) |
| (Increase) decrease in prepaid expenses and other assets | -- | 1,579 | (419) | -- | 6,096 |
| (Increase) decrease in other long-term assets | -- | (717) | -- | -- | (717) |
| Increase (decrease) in accounts payable | 114 | (5,320) | 381 | (53) | (5,114) |
| Increase (decrease) in accrued payroll and compensated absences | -- | 882 | 60 | -- | 1,888 |
| Increase (decrease) in claims payable | (3,060) | -- | -- | 1,662 | 3,296 |
| Increase (decrease) in due to other funds | (3,741) | -- | -- | -- | (3,741) |
| Increase (decrease) in other liabilities | -- | (2) | -- | -- | (259) |
| Total adjustments | (6,687) | 5,781 | 6,061 | 1,609 | 44,421 |
| Net cash provided (used) by operating activities | 17,555 | 7,999 | 9,130 | (1,911) | 58,465 |
| NONCASH INVESTING, CAPITAL AND FINANCING | | | | | |
| ACTIVITIES: | | | | | |
| Capital assets contributed from other funds | -- | 2,196 | 2,437 | -- | 8,780 |
| Capital assets contributed to other funds | -- | (22) | -- | -- | (40) |
| Amortization of bond (discounts) premiums | -- | -- | -- | -- | 29 |
| Amortization of deferred gain (loss) on refundings | -- | -- | -- | -- | (3) |
| Gain (loss) on disposal of assets | -- | -- | -- | -- | (2,418) |
| Transfers from other funds | -- | 7,133 | 30 | -- | 7,551 |
| Transfers to other funds | -- | (18,120) | (35) | -- | (18,877) |





FIDUCIARY FUNDS

Fiduciary funds account for assets held by the City in a trustee capacity for other agencies, individuals, private organizations, or governmental units. The City does not hold these funds in a dedicated trust fund but utilizes custodial funds on behalf of other entities or persons to whom the funds will ultimately be disbursed. These custodial funds are considered fiduciary funds.

The City reports the following custodial funds:

Municipal Court Fund - Accounts for and reports service fees collected at Municipal Court that will be remitted to the State Comptroller of Public Accounts.

Public School Energy Assistance Fund - Accounts for and reports contributions for the benefit of public schools energy bills. Contributions are received with electric bill payments.

Science Fest Fund - Accounts for and reports all contributions, registration fees and other donations received for the Regional Science Festival.

Unclaimed Property Fund - Accounts for and reports unclaimed City of Austin checks.



Fiduciary Funds
Custodial Funds
Combining Statement of Fiduciary Net Position
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit H-1

| | Municipal Court | Public School Energy Assistance | Science Fest | Unclaimed Property | Total |
|---|--------------------|--|--------------|-----------------------|--------------|
| ASSETS | | | | | |
| Pooled investments and cash | \$ 346 | 27 | 123 | 2,238 | 2,734 |
| Other assets | -- | -- | -- | 8 | 8 |
| Total assets | 346 | 27 | 123 | 2,246 | 2,742 |
| LIABILITIES | | | | | |
| Accounts payable | -- | 25 | -- | -- | 25 |
| Due to other governments | 346 | -- | -- | 104 | 450 |
| Total liabilities | 346 | 25 | -- | 104 | 475 |
| NET POSITION | | | | | |
| Restricted for: | | | | | |
| Individuals, organizations and other governments | -- | 2 | 123 | 2,142 | 2,267 |
| Total net position | \$ -- | 2 | 123 | 2,142 | 2,267 |

Fiduciary Funds
Custodial Funds
Combining Statement of Changes in Fiduciary Net Position
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit H-2

| | Municipal Court | Public School Energy Assistance | Science Fest | Unclaimed Property | Total |
|--------------------------------------|--------------------|--|--------------|-----------------------|--------------|
| ADDITIONS | | | | | |
| Contributions | \$ -- | 26 | 68 | -- | 94 |
| Interest and other | -- | -- | 3 | 70 | 73 |
| Fees collected for other governments | 1,242 | -- | -- | -- | 1,242 |
| Miscellaneous | -- | -- | -- | 24 | 24 |
| Total additions | <u>1,242</u> | <u>26</u> | <u>71</u> | <u>94</u> | <u>1,433</u> |
| DEDUCTIONS | | | | | |
| Beneficiary payments | -- | 25 | 56 | -- | 81 |
| Payment of fees to other governments | 1,242 | -- | -- | -- | 1,242 |
| Administrative expenses | -- | -- | -- | 1 | 1 |
| Total deductions | <u>1,242</u> | <u>25</u> | <u>56</u> | <u>1</u> | <u>1,324</u> |
| Change in net position | -- | 1 | 15 | 93 | 109 |
| Beginning net position | -- | 1 | 108 | 2,049 | 2,158 |
| Ending net position | <u>\$ --</u> | <u>2</u> | <u>123</u> | <u>2,142</u> | <u>2,267</u> |





DISCRETELY PRESENTED COMPONENT UNITS

The City reports the following discretely presented component units:

Austin-Bergstrom Landhost Enterprises, Inc. (ABLE) – This legally separate entity issues revenue bonds to finance the cost of acquiring, improving, and equipping a full-service hotel on the airport property.

Austin Convention Enterprises, Inc (ACE) – This legally separate entity owns, operates, and finances the Austin Convention Center Hotel.

Austin Economic Development Corporation (AEDC) – This legally separate entity engages in and supports socially beneficial real estate and economic development within the City.

Austin Transit Partnership Local Government Corporation (ATP) – This legally separate entity is responsible for the implementation of the Project Connect System Plan. Project Connect will create an integrated system that will improve transportation by addressing the needs for safer, faster, and more reliable transit.

Austin Travis County Sobriety Center Local Government Corporation (SCLGC) – This legally separate entity was created to operate a sobriety center located within the City of Austin and Travis County.

Creekside Senior Housing Limited Partnership (CSHLP) – This legally separate entity was formed to rehabilitate a multi-family housing development for seniors.

Retreat at North Bluff, LP (RNBLP) – This legally separate entity was formed to acquire, rehabilitate, and operate low or moderate income, and market-rate multifamily rental development for families.



**Discretely Presented Component Units
Combining Statement of Net Position
September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit I-1**

| | Austin Bergstrom Landhost Enterprises, Inc. (1) | Austin Convention Enterprises, Inc. (1) | Austin Economic Development Corporation | Austin Transit Partnership Local Government Corporation |
|---|--|--|--|--|
| ASSETS | | | | |
| Current Assets: | | | | |
| Pooled investments and cash | \$ 1,291 | 6,038 | 1,577 | 39 |
| Cash held by trustee - restricted | 2,961 | -- | -- | -- |
| Accounts receivable, net of allowance | 962 | 3,555 | -- | -- |
| Receivables from other governments - restricted | -- | -- | -- | 969 |
| Inventories, at cost | 59 | 173 | -- | -- |
| Prepaid expenses | 112 | 699 | -- | 52 |
| Total current assets | 5,385 | 10,465 | 1,577 | 1,060 |
| Noncurrent assets: | | | | |
| Investments | -- | -- | 1,814 | 360,313 |
| Investments - restricted | -- | 48,052 | -- | -- |
| Cash held by trustee - restricted | 7,056 | -- | -- | -- |
| Depreciable capital assets, net | 28,605 | 139,621 | -- | 2,733 |
| Nondepreciable capital assets | -- | 8,914 | -- | 117,749 |
| Intangible right-to-use lease and IT subscription assets, net | -- | -- | -- | 5,850 |
| Other long-term assets | 31 | -- | -- | -- |
| Total noncurrent assets | 35,692 | 196,587 | 1,814 | 486,645 |
| Total assets | 41,077 | 207,052 | 3,391 | 487,705 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| | -- | 10,605 | -- | -- |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 581 | 6,236 | 142 | 20,544 |
| Accrued payroll | 251 | -- | 4 | -- |
| Due to other governments | 825 | -- | -- | 5,704 |
| Accrued interest payable from restricted assets | 535 | 3,923 | -- | -- |
| Bonds payable | 1,425 | 9,860 | -- | -- |
| Leases and IT subscriptions payable | -- | -- | -- | -- |
| Other liabilities | 2,559 | 3,333 | 2,662 | 1,864 |
| Total current liabilities | 6,176 | 23,352 | 2,808 | 28,112 |
| Noncurrent liabilities, net of current portion: | | | | |
| Bonds and loans payable, net | 44,162 | 159,370 | -- | -- |
| Leases and IT subscriptions payable | -- | -- | -- | -- |
| Other liabilities | -- | -- | -- | 3,011 |
| Total noncurrent liabilities | 44,162 | 159,370 | -- | 3,011 |
| Total liabilities | 50,338 | 182,722 | 2,808 | 31,123 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| | -- | 772 | -- | -- |
| NET POSITION | | | | |
| Net investment in capital assets | (11,253) | 12,612 | -- | 122,807 |
| Restricted for: | | | | |
| Debt service | 7,022 | 20,655 | -- | -- |
| Housing activities | -- | -- | -- | 75,141 |
| Unrestricted (deficit) | (5,030) | 896 | 583 | 258,634 |
| Total net position | \$ (9,261) | 34,163 | 583 | 456,582 |

(1) Data as of December 31, 2022, the fiscal year end for this component unit. See Note 1 for additional information about how to obtain the separately audited financial statements for this component unit.

**Discretely Presented Component Units
Combining Statement of Net Position
September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit I-1**

| | Austin Travis County Sobriety Center Local Government Corporation | Creekside Senior Housing Limited Partnership (1), (2) | Retreat at North Bluff, LP (1), (2) | Total |
|---|--|--|--|----------------|
| ASSETS | | | | |
| Current Assets: | | | | |
| Pooled investments and cash | 119 | 114 | 2,519 | 11,697 |
| Cash held by trustee - restricted | -- | -- | -- | 2,961 |
| Accounts receivable, net of allowance | 7 | 10 | 25 | 4,559 |
| Receivables from other governments - restricted | -- | -- | -- | 969 |
| Inventories, at cost | -- | -- | -- | 232 |
| Prepaid expenses | 10 | 41 | 164 | 1,078 |
| Total current assets | 136 | 165 | 2,708 | 21,496 |
| Noncurrent assets: | | | | |
| Investments | -- | -- | -- | 362,127 |
| Investments - restricted | -- | -- | -- | 48,052 |
| Cash held by trustee - restricted | -- | -- | -- | 7,056 |
| Depreciable capital assets, net | 88 | 6,354 | 10,674 | 188,075 |
| Nondepreciable capital assets | -- | -- | 1,172 | 127,835 |
| Intangible right-to-use lease and IT subscription assets, net | -- | -- | 3,036 | 8,886 |
| Other long-term assets | -- | 744 | 149 | 924 |
| Total noncurrent assets | 88 | 7,098 | 15,031 | 742,955 |
| Total assets | 224 | 7,263 | 17,739 | 764,451 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| | -- | -- | -- | 10,605 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 1 | 102 | 4 | 27,610 |
| Accrued payroll | 55 | 3 | -- | 313 |
| Due to other governments | -- | -- | -- | 6,529 |
| Accrued interest payable from restricted assets | -- | 1,089 | -- | 5,547 |
| Bonds payable | -- | 140 | -- | 11,425 |
| Leases and IT subscriptions payable | -- | -- | 14 | 14 |
| Other liabilities | -- | 642 | 252 | 11,312 |
| Total current liabilities | 56 | 1,976 | 270 | 62,750 |
| Noncurrent liabilities, net of current portion: | | | | |
| Bonds and loans payable, net | -- | 8,996 | 29,489 | 242,017 |
| Leases and IT subscriptions payable | -- | -- | 1,896 | 1,896 |
| Other liabilities | -- | 538 | -- | 3,549 |
| Total noncurrent liabilities | -- | 9,534 | 31,385 | 247,462 |
| Total liabilities | 56 | 11,510 | 31,655 | 310,212 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| | -- | -- | -- | 772 |
| NET POSITION | | | | |
| Net investment in capital assets | 88 | (2,642) | (16,489) | 105,123 |
| Restricted for: | | | | |
| Debt service | -- | -- | -- | 27,677 |
| Housing activities | -- | -- | -- | 75,141 |
| Unrestricted (deficit) | 80 | (1,605) | 2,573 | 256,131 |
| Total net position | 168 | (4,247) | (13,916) | 464,072 |

(1) Data as of December 31, 2022, the fiscal year end for this component unit. See Note 1 for additional information about how to obtain the separately audited financial statements for this component unit.

(2) For presentation purposes, certain transactions are reflected differently in these financial statements to conform to the GASB presentation of the City.

Discretely Presented Component Units
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit I-2

| | Austin Bergstrom Landhost Enterprises, Inc. (1) | Austin Convention Enterprises, Inc. (1) | Austin Economic Development Corporation | Austin Transit Partnership Local Government Corporation |
|---|--|--|--|--|
| OPERATING REVENUES | | | | |
| User fees and rentals | \$ 16,333 | 71,500 | -- | -- |
| Operating grants and contributions | -- | -- | 2,071 | 35,000 |
| Operating revenues from primary government | -- | -- | -- | 125,095 |
| Other operating revenues | -- | -- | -- | -- |
| Total operating revenues | 16,333 | 71,500 | 2,071 | 160,095 |
| OPERATING EXPENSES | | | | |
| Operating expenses before depreciation | 11,301 | 40,073 | 1,494 | 69,900 |
| Depreciation and amortization | 3,236 | 11,414 | -- | -- |
| Total operating expenses | 14,537 | 51,487 | 1,494 | 69,900 |
| Operating income (loss) | 1,796 | 20,013 | 577 | 90,195 |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest and other revenues | 63 | 523 | 15 | 15,035 |
| Interest on revenue bonds and other debt | (1,574) | (6,856) | -- | -- |
| Other nonoperating revenue (expense) | 1,285 | -- | -- | -- |
| Total nonoperating revenues (expenses) | (226) | (6,333) | 15 | 15,035 |
| Change in net position | 1,570 | 13,680 | 592 | 105,230 |
| Beginning net position | (10,831) | 20,483 | (9) | 351,352 |
| Ending net position | \$ (9,261) | 34,163 | 583 | 456,582 |

(1) Data as of the year ended December 31, 2022, the fiscal year end for this component unit. See Note 1 for additional information about how to obtain the separately audited financial statements for this component unit.

**Discretely Presented Component Units
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit I-2**

| | Austin Travis County Sobriety Center Local Government Corporation | Creekside Senior Housing Limited Partnership (1), (2) | Retreat at North Bluff, LP (1), (2) | Total |
|---|--|--|--|----------------|
| OPERATING REVENUES | | | | |
| User fees and rentals | -- | 1,590 | 1,184 | 90,607 |
| Operating grants and contributions | 2,327 | -- | -- | 39,398 |
| Operating revenues from primary government | -- | -- | -- | 125,095 |
| Other operating revenues | 49 | 31 | 86 | 166 |
| Total operating revenues | 2,376 | 1,621 | 1,270 | 255,266 |
| OPERATING EXPENSES | | | | |
| Operating expenses before depreciation | 2,348 | 1,172 | 350 | 126,638 |
| Depreciation and amortization | 50 | 360 | 117 | 15,177 |
| Total operating expenses | 2,398 | 1,532 | 467 | 141,815 |
| Operating income (loss) | (22) | 89 | 803 | 113,451 |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest and other revenues | -- | 4 | -- | 15,640 |
| Interest on revenue bonds and other debt | -- | (602) | (495) | (9,527) |
| Other nonoperating revenue (expense) | -- | 520 | (14,224) | (12,419) |
| Total nonoperating revenues (expenses) | -- | (78) | (14,719) | (6,306) |
| Change in net position | (22) | 11 | (13,916) | 107,145 |
| Beginning net position | 190 | (4,258) | -- | 356,927 |
| Ending net position | 168 | (4,247) | (13,916) | 464,072 |

(1) Data as of the year ended December 31, 2022, the fiscal year end for this component unit. See Note 1 for additional information about how to obtain the separately audited financial statements for this component unit.

(2) For presentation purposes, certain transactions are reflected differently in these financial statements to conform to the GASB presentation of the City.

**Discretely Presented Component Units
Combining Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit I-3**

| | Austin Bergstrom Landhost Enterprises, Inc. (1) | Austin Convention Enterprises, Inc. (1) | Austin Travis County Sobriety Center Local Government Corporation |
|---|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Cash received from customers | \$ 16,122 | 71,443 | 49 |
| Cash payments to suppliers for goods and services | (8,573) | (21,193) | (546) |
| Cash payments to employees for services | (2,851) | (17,244) | (1,780) |
| Cash received from other governments | -- | -- | -- |
| Cash received from donors | -- | -- | 2,327 |
| Net cash provided (used) by operating activities | 4,698 | 33,006 | 50 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | |
| Grant from Airport for DSRF replenishment | 46 | -- | -- |
| Proceeds from Paycheck Protection Program Loan | (525) | -- | -- |
| Interest paid on long-term debt | (45) | -- | -- |
| Principal paid on long-term debt | (27) | -- | -- |
| Contributions from partners | -- | -- | -- |
| Distribution to partners | -- | -- | -- |
| Due diligence cost | -- | -- | -- |
| Net cash provided (used) by noncapital financing activities | (551) | -- | -- |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | |
| Principal paid on long-term debt | (1,275) | (9,390) | -- |
| Contributions of fixed assets | -- | -- | -- |
| Debt issuance costs paid | -- | -- | -- |
| Principal paid on leases and IT subscriptions | -- | -- | -- |
| Interest paid on revenue bonds and other debt | (2,068) | (8,081) | -- |
| Acquisition and construction of capital assets | (396) | (1,716) | (5) |
| Payment from primary government | 2,142 | -- | -- |
| Net cash provided (used) by capital and related financing activities | (1,597) | (19,187) | (5) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| (Purchase) sale of investment securities | -- | (12,631) | -- |
| Change in real estate tax and insurance escrows | -- | -- | -- |
| Change in reserve for replacements | -- | -- | -- |
| (Increase) decrease in insurance escrows | -- | -- | -- |
| (Increase) decrease in reserve for replacements | -- | -- | -- |
| Interest on investments | 69 | 523 | -- |
| Net cash provided (used) by investing activities | 69 | (12,108) | -- |
| Net increase (decrease) in cash and cash equivalents | 2,619 | 1,711 | 45 |
| Cash and cash equivalents, beginning | 8,689 | 4,327 | 74 |
| Cash and cash equivalents, ending | \$ 11,308 | 6,038 | 119 |

(1) Data as of the year ended December 31, 2022, the fiscal year end for this component unit. See Note 1 for additional information about how to obtain the separately audited financial statements for this component unit.

**Discretely Presented Component Units
Combining Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit I-3**

| | Creekside Senior Housing Limited Partnership (1), (2) | Retreat at North Bluff, LP (1), (2) | Total |
|---|--|--|-----------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Cash received from customers | 1,627 | 1,246 | 90,487 |
| Cash payments to suppliers for goods and services | (1,372) | (167) | (31,851) |
| Cash payments to employees for services | (139) | (92) | (22,106) |
| Cash received from other governments | -- | -- | -- |
| Cash received from donors | -- | -- | 2,327 |
| Net cash provided (used) by operating activities | 116 | 987 | 38,857 |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | |
| Grant from Airport for DSRF replenishment | -- | -- | 46 |
| Proceeds from Paycheck Protection Program Loan | -- | -- | (525) |
| Interest paid on long-term debt | -- | -- | (45) |
| Principal paid on long-term debt | (142) | -- | (169) |
| Contributions from partners | 519 | 22,051 | 22,570 |
| Distribution to partners | -- | (138) | (138) |
| Due diligence cost | -- | (43) | (43) |
| Net cash provided (used) by noncapital financing activities | 377 | 21,870 | 21,696 |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | |
| Principal paid on long-term debt | -- | 30,137 | 19,472 |
| Contributions of fixed assets | -- | (36,072) | (36,072) |
| Debt issuance costs paid | -- | (670) | (670) |
| Principal paid on leases and IT subscriptions | -- | (1,154) | (1,154) |
| Interest paid on revenue bonds and other debt | (602) | (495) | (11,246) |
| Acquisition and construction of capital assets | (30) | (11,963) | (14,110) |
| Payment from primary government | -- | -- | 2,142 |
| Net cash provided (used) by capital and related financing activities | (632) | (20,217) | (41,638) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| (Purchase) sale of investment securities | -- | -- | (12,631) |
| Change in real estate tax and insurance escrows | -- | (101) | (101) |
| Change in reserve for replacements | -- | (20) | (20) |
| (Increase) decrease in insurance escrows | (162) | -- | (162) |
| (Increase) decrease in reserve for replacements | 315 | -- | 315 |
| Interest on investments | 5 | -- | 597 |
| Net cash provided (used) by investing activities | 158 | (121) | (12,002) |
| Net increase (decrease) in cash and cash equivalents | 19 | 2,519 | 6,913 |
| Cash and cash equivalents, beginning | 95 | -- | 13,185 |
| Cash and cash equivalents, ending | 114 | 2,519 | 20,098 |

(1) Data as of the year ended December 31, 2022, the fiscal year end for this component unit. See Note 1 for additional information about how to obtain the separately audited financial statements for this component unit.

(2) For presentation purposes, certain transactions are reflected differently in these financial statements to conform to the GASB presentation of the City.

**Discretely Presented Component Units
Combining Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit I-3**

| | Austin Bergstrom Landhost Enterprises, Inc. (1) | Austin Convention Enterprises, Inc. (1) | Austin Travis County Sobriety Center Local Government Corporation |
|---|--|--|--|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | |
| Operating income (loss) | \$ 1,796 | 20,013 | (22) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 3,236 | 11,414 | 50 |
| Change in assets and liabilities: | | | |
| (Increase) decrease in accounts receivable | (211) | (1,076) | -- |
| (Increase) decrease in inventory | (29) | 36 | -- |
| (Increase) decrease in prepaid expenses and other assets | (29) | (17) | (3) |
| Increase (decrease) in accounts payable | 189 | 5 | (4) |
| Increase (decrease) in accrued payroll and compensated absences | 67 | -- | 29 |
| Increase (decrease) in other liabilities | (321) | 2,631 | -- |
| Total adjustments | 2,902 | 12,993 | 72 |
| Net cash provided (used) by operating activities | \$ 4,698 | 33,006 | 50 |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES: | | | |
| Amortization of bond (discounts) premiums | \$ -- | 1,921 | -- |
| Amortization of deferred gain (loss) on refundings | -- | (930) | -- |
| Paycheck Protection Program loan forgiven | 1,285 | -- | -- |

(1) Data as of the year ended December 31, 2022, the fiscal year end for this component unit. See Note 1 for additional information about how to obtain the separately audited financial statements for this component unit.

Discretely Presented Component Units
Combining Statement of Cash Flows
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit I-3

(Continued)

| | Creekside Senior Housing Limited Partnership (1), (2) | Retreat at North Bluff, LP (1), (2) | Total |
|---|---|---|---------------|
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | |
| Operating income (loss) | 89 | 803 | 22,679 |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 360 | 117 | 15,177 |
| Change in assets and liabilities: | | | |
| (Increase) decrease in accounts receivable | 6 | (25) | (1,306) |
| (Increase) decrease in inventory | -- | -- | 7 |
| (Increase) decrease in prepaid expenses and other assets | (35) | (164) | (248) |
| Increase (decrease) in accounts payable | (390) | 4 | (196) |
| Increase (decrease) in accrued payroll and compensated absences | (7) | -- | 89 |
| Increase (decrease) in other liabilities | 93 | 252 | 2,655 |
| Total adjustments | <u>27</u> | <u>184</u> | <u>16,178</u> |
| Net cash provided (used) by operating activities | <u>116</u> | <u>987</u> | <u>38,857</u> |
| NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES: | | | |
| Amortization of bond (discounts) premiums | -- | 22 | 1,943 |
| Amortization of deferred gain (loss) on refundings | -- | -- | (930) |
| Paycheck Protection Program loan forgiven | -- | -- | 1,285 |

(1) Data as of the year ended December 31, 2022, the fiscal year end for this component unit. See Note 1 for additional information about how to obtain the separately audited financial statements for this component unit.

(2) For presentation purposes, certain transactions are reflected differently in these financial statements to conform to the GASB presentation of the City.





SUPPLEMENTAL SCHEDULES

**Budgetary General Fund
Supplementary Schedule of Revenues, Expenditures, and Changes in
Fund balance--Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit J-1**

The General Fund, as reported in the financial statements, is comprised of twelve separately budgeted funds in the City's legally adopted budget: the Budgetary General Fund (represented as the General Fund in the City's budget document), plus Barton Springs Conservation, Budget Stabilization Reserve, Economic Development, Economic Incentives Reserve, Emergency Reserve, Housing and Planning Technology, Iconic Venue, Long Center Capital Improvements, Neighborhood Housing-Housing Trust, Pay for Success, and Seaholm Parking Garage Revenue. RSI reflects the budgetary comparison for the consolidated General Fund. Below are the budgetary comparisons for each of the twelve funds.

| Budgetary General Fund | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|------------------|------------------------|----------------------------|------------------|------------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Taxes | \$ 982,227 | 100 | 982,327 | 981,734 | 981,734 | 593 |
| Franchise fees | 29,718 | (5) | 29,713 | 29,907 | 29,907 | (194) |
| Fines, forfeitures and penalties | 4,531 | -- | 4,531 | 4,229 | 4,229 | 302 |
| Licenses, permits and inspections | 22,267 | (280) | 21,987 | 19,285 | 19,285 | 2,702 |
| Charges for services/goods | 77,034 | 3,082 | 80,116 | 69,289 | 69,289 | 10,827 |
| Lease revenue | 156 | (156) | -- | -- | -- | -- |
| Interest and other income (loss) | 33,243 | (3,374) | 29,869 | 7,028 | 7,028 | 22,841 |
| Total revenues | 1,149,176 | (633) | 1,148,543 | 1,111,472 | 1,111,472 | 37,071 |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| Municipal Court | 36,722 | 732 | 37,454 | 37,394 | 37,394 | (60) |
| Public safety | | | | | | |
| Emergency Medical Services | 99,372 | 16,222 | 115,594 | 112,130 | 115,530 | (64) |
| Fire | 206,351 | 21,396 | 227,747 | 229,472 | 229,472 | 1,725 |
| Forensic Science | 9,985 | 2,487 | 12,472 | 13,054 | 13,054 | 582 |
| Police | 382,721 | 69,226 | 451,947 | 444,854 | 449,054 | (2,893) |
| Public health | | | | | | |
| Animal Services | 15,535 | 2,566 | 18,101 | 17,985 | 17,985 | (116) |
| Public Health | 50,286 | 17,035 | 67,321 | 67,505 | 67,505 | 184 |
| Social Services | 53,978 | (462) | 53,516 | 53,546 | 53,546 | 30 |
| Public recreation and culture | | | | | | |
| Austin Public Library | 56,127 | 9,224 | 65,351 | 65,568 | 65,568 | 217 |
| Parks and Recreation | 108,717 | 10,189 | 118,906 | 118,979 | 118,979 | 73 |
| Urban growth management | | | | | | |
| Housing and Planning | 13,353 | 4,386 | 17,739 | 19,347 | 19,347 | 1,608 |
| Other urban growth management | 35 | (35) | -- | -- | -- | -- |
| Lease and IT subscription financing principal | 8,279 | (8,279) | -- | -- | -- | -- |
| Interest expense on leases and IT subscriptions | 1,134 | (1,134) | -- | -- | -- | -- |
| General city responsibilities (4) | 168,733 | (160,941) | 7,792 | 12,938 | 5,338 | (2,454) |
| Total expenditures | 1,211,328 | (17,388) | 1,193,940 | 1,192,772 | 1,192,772 | (1,168) |
| Excess (deficiency) of revenues over expenditures | (62,152) | 16,755 | (45,397) | (81,300) | (81,300) | 35,903 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Lease and IT subscription proceeds | 3,611 | (3,611) | -- | -- | -- | -- |
| Transfers in | 155,837 | -- | 155,837 | 165,837 | 165,837 | (10,000) |
| Transfers out | (23,685) | (93,623) | (117,308) | (84,537) | (84,537) | (32,771) |
| Eliminated transfers | (70,951) | 70,951 | -- | -- | -- | -- |
| Other adjustments (1) | -- | 6,868 | 6,868 | -- | -- | 6,868 |
| Total other financing sources (uses) | 64,812 | (19,415) | 45,397 | 81,300 | 81,300 | (35,903) |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 2,660 | (2,660) | -- | -- | -- | -- |
| Fund balance at beginning of year | 85,866 | (85,866) | -- | -- | -- | -- |
| Fund balance at end of year | \$ 88,526 | (88,526) | -- | -- | -- | -- |

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.
- (2) Includes adjustments to revenues/transfers required for adjusted budget basis presentation.
- (3) Variance is actual-budget basis to final budget.
- (4) Actual expenditures include employee training costs and amounts budgeted as fund-level expenditures or operating transfers. Actual-budget basis expenditures include employee training costs and amounts budgeted as fund-level expenditures.

Budgetary General Fund
Supplementary Schedule of Revenues, Expenditures, and Changes in
Fund balance--Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

| Barton Springs Conservation | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|-------------------|--------------------------------|-------------------------------------|-----------------|---------------|---|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Interest and other income (loss) | \$ 26 | -- | 26 | 2 | 2 | 24 |
| Total revenues | 26 | -- | 26 | 2 | 2 | 24 |
| EXPENDITURES | | | | | | |
| Urban growth management | | | | | | |
| Housing and Planning | (230) | 232 | 2 | -- | -- | (2) |
| Other urban growth management | 303 | (11) | 292 | 350 | 350 | 58 |
| Total expenditures | 73 | 221 | 294 | 350 | 350 | 56 |
| Excess (deficiency) of revenues over expenditures | (47) | (221) | (268) | (348) | (348) | 80 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | -- | 53 | 53 | 53 | 53 | -- |
| Transfers out | (233) | 233 | -- | -- | -- | -- |
| Eliminated transfers | 53 | (53) | -- | -- | -- | -- |
| Total other financing sources (uses) | (180) | 233 | 53 | 53 | 53 | -- |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (227) | 12 | (215) | (295) | (295) | 80 |
| Fund balance at beginning of year | 837 | (21) | 816 | 760 | 760 | 56 |
| Fund balance at end of year | \$ 610 | (9) | 601 | 465 | 465 | 136 |
| Budget Stabilization Reserve | | | | | | |
| | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
| | | | | Original | Final | |
| EXPENDITURES | | | | | | |
| General government | | | | | | |
| Municipal Court | \$ 76 | (76) | -- | -- | -- | -- |
| Public safety | | | | | | |
| Emergency Medical Services | 223 | (41) | 182 | 182 | 182 | -- |
| Fire | 789 | 262 | 1,051 | 1,051 | 1,051 | -- |
| Police | 197 | (65) | 132 | 152 | 152 | 20 |
| Public health | | | | | | |
| Animal Services | -- | -- | -- | 170 | 170 | 170 |
| Public Health | 2,270 | 1,051 | 3,321 | 3,344 | 3,344 | 23 |
| Public recreation and culture | | | | | | |
| Austin Public Library | 24 | -- | 24 | 24 | 24 | -- |
| Parks and Recreation | 1,798 | 54 | 1,852 | 3,120 | 3,120 | 1,268 |
| Urban growth management | | | | | | |
| Housing and Planning | 228 | 7,932 | 8,160 | 8,160 | 8,160 | -- |
| Other urban growth management | -- | -- | -- | 1,225 | 1,225 | 1,225 |
| General city responsibilities (4) | 1,788 | (178) | 1,610 | 2,495 | 2,495 | 885 |
| Total expenditures | 7,393 | 8,939 | 16,332 | 19,923 | 19,923 | 3,591 |
| Excess (deficiency) of revenues over expenditures | (7,393) | (8,939) | (16,332) | (19,923) | (19,923) | 3,591 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | -- | 31,988 | 31,988 | 29,731 | 29,731 | 2,257 |
| Transfers out | (13,114) | (9,418) | (22,532) | (22,532) | (22,532) | -- |
| Eliminated transfers | 52,460 | (52,460) | -- | -- | -- | -- |
| Other adjustments (1) | -- | 206 | 206 | -- | -- | 206 |
| Total other financing sources (uses) | 39,346 | (29,684) | 9,662 | 7,199 | 7,199 | 2,463 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 31,953 | (38,623) | (6,670) | (12,724) | (12,724) | 6,054 |
| Fund balance at beginning of year | 116,857 | (3,447) | 113,410 | 87,639 | 87,639 | 25,771 |
| Fund balance at end of year | \$ 148,810 | (42,070) | 106,740 | 74,915 | 74,915 | 31,825 |

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.
- (2) Includes adjustments to revenues/transfers required for adjusted budget basis presentation.
- (3) Variance is actual-budget basis to final budget.
- (4) Actual expenditures include employee training costs and amounts budgeted as fund-level expenditures or operating transfers. Actual-budget basis expenditures include employee training costs and amounts budgeted as fund-level expenditures.

Budgetary General Fund
Supplementary Schedule of Revenues, Expenditures, and Changes in
Fund balance--Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

Economic Development

| | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|------------------|------------------------|----------------------------|---------------|---------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Interest and other income (loss) | \$ 1,076 | -- | 1,076 | 83 | 83 | 993 |
| Total revenues | <u>1,076</u> | <u>--</u> | <u>1,076</u> | <u>83</u> | <u>83</u> | <u>993</u> |
| EXPENDITURES | | | | | | |
| Urban growth management | | | | | | |
| Housing and Planning | 60 | (60) | -- | -- | -- | -- |
| Other urban growth management | 18,041 | 4,365 | 22,406 | 23,285 | 23,285 | 879 |
| Lease and IT subscription financing principal | 478 | (478) | -- | -- | -- | -- |
| Total expenditures | <u>18,579</u> | <u>3,827</u> | <u>22,406</u> | <u>23,285</u> | <u>23,285</u> | <u>879</u> |
| Excess (deficiency) of revenues over expenditures | (17,503) | (3,827) | (21,330) | (23,202) | (23,202) | 1,872 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 14,805 | 7,670 | 22,475 | 22,475 | 22,475 | -- |
| Transfers out | (188) | (4,317) | (4,505) | (4,505) | (4,505) | -- |
| Eliminated transfers | 6,358 | (6,358) | -- | -- | -- | -- |
| Other adjustments (1) | -- | 224 | 224 | -- | -- | 224 |
| Total other financing sources (uses) | <u>20,975</u> | <u>(2,781)</u> | <u>18,194</u> | <u>17,970</u> | <u>17,970</u> | <u>224</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 3,472 | (6,608) | (3,136) | (5,232) | (5,232) | 2,096 |
| Fund balance at beginning of year | 10,813 | (3,792) | 7,021 | 5,232 | 5,232 | 1,789 |
| Fund balance at end of year | <u>\$ 14,285</u> | <u>(10,400)</u> | <u>3,885</u> | <u>--</u> | <u>--</u> | <u>3,885</u> |

Economic Incentives Reserve

| | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|-----------------|------------------------|----------------------------|---------------|---------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Interest and other income (loss) | \$ 801 | -- | 801 | 175 | 175 | 626 |
| Total revenues | <u>801</u> | <u>--</u> | <u>801</u> | <u>175</u> | <u>175</u> | <u>626</u> |
| EXPENDITURES | | | | | | |
| Urban growth management | | | | | | |
| Other urban growth management | 11,763 | (1,645) | 10,118 | 10,274 | 10,274 | 156 |
| Total expenditures | <u>11,763</u> | <u>(1,645)</u> | <u>10,118</u> | <u>10,274</u> | <u>10,274</u> | <u>156</u> |
| Excess (deficiency) of revenues over expenditures | (10,962) | 1,645 | (9,317) | (10,099) | (10,099) | 782 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | 1,225 | 8,028 | 9,253 | 8,470 | 8,470 | 783 |
| Transfers out | (994) | -- | (994) | (994) | (994) | -- |
| Eliminated transfers | 8,028 | (8,028) | -- | -- | -- | -- |
| Other adjustments (1) | -- | 31 | 31 | -- | -- | 31 |
| Total other financing sources (uses) | <u>8,259</u> | <u>31</u> | <u>8,290</u> | <u>7,476</u> | <u>7,476</u> | <u>814</u> |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (2,703) | 1,676 | (1,027) | (2,623) | (2,623) | 1,596 |
| Fund balance at beginning of year | 12,171 | (1,305) | 10,866 | 10,124 | 10,124 | 742 |
| Fund balance at end of year | <u>\$ 9,468</u> | <u>371</u> | <u>9,839</u> | <u>7,501</u> | <u>7,501</u> | <u>2,338</u> |

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.
- (2) Includes adjustments to revenues/transfers required for adjusted budget basis presentation.
- (3) Variance is actual-budget basis to final budget.

**Budgetary General Fund
Supplementary Schedule of Revenues, Expenditures, and Changes in
Fund balance--Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit J-1**

(Continued)

| Emergency Reserve | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|------------------|------------------------|----------------------------|---------------|---------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Interest and other income (loss) | \$ 5,848 | -- | 5,848 | 15,000 | 15,000 | (9,152) |
| Total revenues | 5,848 | -- | 5,848 | 15,000 | 15,000 | (9,152) |
| EXPENDITURES | | | | | | |
| General city responsibilities (4) | 18,761 | (14,674) | 4,087 | -- | -- | (4,087) |
| Total expenditures | 18,761 | (14,674) | 4,087 | -- | -- | (4,087) |
| Excess (deficiency) of revenues over expenditures | (12,913) | 14,674 | 1,761 | 15,000 | 15,000 | (13,239) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | -- | 36,804 | 36,804 | 6,916 | 6,916 | 29,888 |
| Transfers out | (15,363) | (14,651) | (30,014) | (14,651) | (30,014) | -- |
| Eliminated transfers | 6,916 | (6,916) | -- | -- | -- | -- |
| Total other financing sources (uses) | (8,447) | 15,237 | 6,790 | (7,735) | (23,098) | 29,888 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (21,360) | 29,911 | 8,551 | 7,265 | (8,098) | 16,649 |
| Fund balance at beginning of year | 93,669 | (35) | 93,634 | 92,620 | 92,620 | 1,014 |
| Fund balance at end of year | \$ 72,309 | 29,876 | 102,185 | 99,885 | 84,522 | 17,663 |

| Housing and Planning Technology | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|---------------|------------------------|----------------------------|------------|------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Licenses, permits and inspections | \$ 63 | -- | 63 | 57 | 57 | 6 |
| Interest and other income (loss) | 8 | -- | 8 | 1 | 1 | 7 |
| Total revenues | 71 | -- | 71 | 58 | 58 | 13 |
| EXPENDITURES | | | | | | |
| Urban growth management Housing and Planning | 51 | 2 | 53 | 75 | 75 | 22 |
| Total expenditures | 51 | 2 | 53 | 75 | 75 | 22 |
| Excess (deficiency) of revenues over expenditures | 20 | (2) | 18 | (17) | (17) | 35 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 20 | (2) | 18 | (17) | (17) | 35 |
| Fund balance at beginning of year | 239 | (4) | 235 | 155 | 155 | 80 |
| Fund balance at end of year | \$ 259 | (6) | 253 | 138 | 138 | 115 |

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.
- (2) Includes adjustments to revenues/transfers required for adjusted budget basis presentation.
- (3) Variance is actual-budget basis to final budget.
- (4) Actual expenditures include employee training costs and amounts budgeted as fund-level expenditures or operating transfers. Actual-budget basis expenditures include employee training costs and amounts budgeted as fund-level expenditures.

Budgetary General Fund
Supplementary Schedule of Revenues, Expenditures, and Changes in
Fund balance--Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

| Iconic Venue | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|-----------------|------------------------|----------------------------|--------------|--------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Interest and other income (loss) | \$ 180 | -- | 180 | -- | -- | 180 |
| Total revenues | 180 | -- | 180 | -- | -- | 180 |
| EXPENDITURES | | | | | | |
| Urban growth management | | | | | | |
| Other urban growth management | 3,450 | (700) | 2,750 | 2,500 | 2,500 | (250) |
| Total expenditures | 3,450 | (700) | 2,750 | 2,500 | 2,500 | (250) |
| Excess (deficiency) of revenues over expenditures | (3,270) | 700 | (2,570) | (2,500) | (2,500) | (70) |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | -- | 2,500 | 2,500 | 2,500 | 2,500 | -- |
| Eliminated transfers | 2,500 | (2,500) | -- | -- | -- | -- |
| Total other financing sources (uses) | 2,500 | -- | 2,500 | 2,500 | 2,500 | -- |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | (770) | 700 | (70) | -- | -- | (70) |
| Fund balance at beginning of year | 4,923 | (2,400) | 2,523 | 2,505 | 2,505 | 18 |
| Fund balance at end of year | \$ 4,153 | (1,700) | 2,453 | 2,505 | 2,505 | (52) |

Long Center Capital Improvements

| | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|---------------|------------------------|----------------------------|------------|------------|--|
| | | | | Original | Final | |
| EXPENDITURES | | | | | | |
| Urban growth management | | | | | | |
| Other urban growth management | \$ 292 | 8 | 300 | 300 | 300 | -- |
| Total expenditures | 292 | 8 | 300 | 300 | 300 | -- |
| Excess (deficiency) of revenues over expenditures | (292) | (8) | (300) | (300) | (300) | -- |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | -- | 300 | 300 | 300 | 300 | -- |
| Eliminated transfers | 300 | (300) | -- | -- | -- | -- |
| Total other financing sources (uses) | 300 | -- | 300 | 300 | 300 | -- |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 8 | (8) | -- | -- | -- | -- |
| Fund balance at beginning of year | 151 | (151) | -- | -- | -- | -- |
| Fund balance at end of year | \$ 159 | (159) | -- | -- | -- | -- |

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.
- (2) Includes adjustments to revenues/transfers required for adjusted budget basis presentation.
- (3) Variance is actual-budget basis to final budget.

Budgetary General Fund
Supplementary Schedule of Revenues, Expenditures, and Changes in
Fund balance--Budget and Actual-Budget Basis
For the year ended September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

Neighborhood Housing-Housing Trust

| | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|------------------|------------------------|----------------------------|----------------|----------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Interest and other income (loss) | \$ 9,379 | -- | 9,379 | 10 | 10 | 9,369 |
| Total revenues | 9,379 | -- | 9,379 | 10 | 10 | 9,369 |
| Excess (deficiency) of revenues over expenditures | 9,379 | -- | 9,379 | 10 | 10 | 9,369 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers in | -- | 9,742 | 9,742 | 9,742 | 9,742 | -- |
| Transfers out | -- | (15,406) | (15,406) | (15,406) | (15,406) | -- |
| Eliminated transfers | (5,664) | 5,664 | -- | -- | -- | -- |
| Other adjustments (1) | -- | 250 | 250 | -- | -- | 250 |
| Total other financing sources (uses) | (5,664) | 250 | (5,414) | (5,664) | (5,664) | 250 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 3,715 | 250 | 3,965 | (5,654) | (5,654) | 9,619 |
| Fund balance at beginning of year | 8,282 | (250) | 8,032 | 5,654 | 5,654 | 2,378 |
| Fund balance at end of year | \$ 11,997 | -- | 11,997 | -- | -- | 11,997 |

Pay for Success

| | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|-----------------|------------------------|----------------------------|--------------|--------------|--|
| | | | | Original | Final | |
| EXPENDITURES | | | | | | |
| General city responsibilities (4) | \$ -- | -- | -- | 1,200 | 1,200 | 1,200 |
| Total expenditures | -- | -- | -- | 1,200 | 1,200 | 1,200 |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | -- | -- | -- | (1,200) | (1,200) | 1,200 |
| Fund balance at beginning of year | 6,000 | -- | 6,000 | 4,800 | 4,800 | 1,200 |
| Fund balance at end of year | \$ 6,000 | -- | 6,000 | 3,600 | 3,600 | 2,400 |

Seaholm Parking Garage Revenue

| | Actual | Adjustments (1) (2) | Actual- Budget Basis | Budget | | Variance (3) Positive (Negative) |
|---|-----------------|------------------------|----------------------------|--------------|--------------|--|
| | | | | Original | Final | |
| REVENUES | | | | | | |
| Interest and other income (loss) | \$ 673 | -- | 673 | 534 | 534 | 139 |
| Total revenues | 673 | -- | 673 | 534 | 534 | 139 |
| Excess (deficiency) of revenues over expenditures | 673 | -- | 673 | 534 | 534 | 139 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers out | (574) | -- | (574) | (574) | (574) | -- |
| Total other financing sources (uses) | (574) | -- | (574) | (574) | (574) | -- |
| Excess (deficiency) of revenues and other sources over expenditures and other uses | 99 | -- | 99 | (40) | (40) | 139 |
| Fund balance at beginning of year | 2,027 | -- | 2,027 | 2,017 | 2,017 | 10 |
| Fund balance at end of year | \$ 2,126 | -- | 2,126 | 1,977 | 1,977 | 149 |

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, prepaids, and amounts budgeted as operating transfers.
- (2) Includes adjustments to revenues/transfers required for adjusted budget basis presentation.
- (3) Variance is actual-budget basis to final budget.
- (4) Actual expenditures include employee training costs and amounts budgeted as fund-level expenditures or operating transfers. Actual-budget basis expenditures include employee training costs and amounts budgeted as fund-level expenditures.

Enterprise Related Grants
Combining Balance Sheet
September 30, 2023
(In thousands)

| | Assets | | Liabilities and Fund Balances | | | |
|--|--|-----------------|-------------------------------|----------------------|------------------|---|
| | Receivables from Other Governments | Total Assets | Other Liabilities | Total Liabilities | Fund Balances | Total Liabilities and Fund Balances |
| AUSTIN ENERGY RELATED | | | | | | |
| U.S. Department of Energy | \$ 41 | 41 | 41 | 41 | -- | 41 |
| Total Austin Energy | <u>41</u> | <u>41</u> | <u>41</u> | <u>41</u> | <u>--</u> | <u>41</u> |
| AIRPORT RELATED | | | | | | |
| U.S. Department of Homeland Security | 88 | 88 | 88 | 88 | -- | 88 |
| U.S. Department of Transportation | 12,308 | 12,308 | 12,308 | 12,308 | -- | 12,308 |
| Total Airport | <u>12,396</u> | <u>12,396</u> | <u>12,396</u> | <u>12,396</u> | <u>--</u> | <u>12,396</u> |
| DRAINAGE RELATED | | | | | | |
| U.S. Department of Army Corps of Engineers | -- | -- | -- | -- | -- | -- |
| U.S. Department of Homeland Security | 1,305 | 1,305 | 1,305 | 1,305 | -- | 1,305 |
| Total Drainage | <u>1,305</u> | <u>1,305</u> | <u>1,305</u> | <u>1,305</u> | <u>--</u> | <u>1,305</u> |
| AUSTIN RESOURCE RECOVERY RELATED | | | | | | |
| U.S. Environmental Protection Agency | 484 | 484 | 484 | 484 | -- | 484 |
| Total Austin Resource Recovery | <u>484</u> | <u>484</u> | <u>484</u> | <u>484</u> | <u>--</u> | <u>484</u> |
| Total grants, enterprise related | <u>\$ 14,226</u> | <u>14,226</u> | <u>14,226</u> | <u>14,226</u> | <u>--</u> | <u>14,226</u> |

NOTE: These grants have been reported in the enterprise fund financial statements.

Enterprise Related Grants
Combining Schedule of Expenditures
From Inception to September 30, 2023
(In thousands)

City of Austin, Texas
Exhibit J-3

| | Total Expenditures at Beginning of Year | | | Current Year | | Total Expenditures at End of Year | | | Budget | | |
|--|--|---------------|----------------|---------------|--------------|--------------------------------------|---------------|----------------|----------------|---------------|----------------|
| | In-Kind | | | In-Kind | | In-Kind | | | In-Kind | | |
| | Grant | Match | Total | Grant | Match | Grant | Match | Total | Grant | Match | Total |
| AUSTIN ENERGY RELATED | | | | | | | | | | | |
| U.S. Department of Energy | \$ 33,992 | 5,703 | 39,695 | 24 | 66 | 34,016 | 5,769 | 39,785 | 34,473 | 5,934 | 40,407 |
| Total Austin Energy | <u>33,992</u> | <u>5,703</u> | <u>39,695</u> | <u>24</u> | <u>66</u> | <u>34,016</u> | <u>5,769</u> | <u>39,785</u> | <u>34,473</u> | <u>5,934</u> | <u>40,407</u> |
| AIRPORT RELATED | | | | | | | | | | | |
| U.S. Department of Homeland Security | 19,438 | -- | 19,438 | 676 | -- | 20,114 | -- | 20,114 | 20,937 | -- | 20,937 |
| U.S. Department of Transportation | 229,998 | 39,526 | 269,524 | 52,471 | 572 | 282,469 | 40,098 | 322,567 | 323,665 | 50,564 | 374,229 |
| Total Airport | <u>249,436</u> | <u>39,526</u> | <u>288,962</u> | <u>53,147</u> | <u>572</u> | <u>302,583</u> | <u>40,098</u> | <u>342,681</u> | <u>344,602</u> | <u>50,564</u> | <u>395,166</u> |
| DRAINAGE RELATED | | | | | | | | | | | |
| U.S. Department of Army Corps of Engineers | -- | -- | -- | 2,743 | 1,394 | 2,743 | 1,394 | 4,137 | 9,025 | 3,008 | 12,033 |
| U.S. Department of Homeland Security | 10,073 | 4,469 | 14,542 | 872 | 3,011 | 10,945 | 7,480 | 18,425 | 21,362 | 17,831 | 39,193 |
| Total Drainage | <u>10,073</u> | <u>4,469</u> | <u>14,542</u> | <u>3,615</u> | <u>4,405</u> | <u>13,688</u> | <u>8,874</u> | <u>22,562</u> | <u>30,387</u> | <u>20,839</u> | <u>51,226</u> |
| AUSTIN RESOURCE RECOVERY RELATED | | | | | | | | | | | |
| U.S. Environmental Protection Agency | 1,098 | 176 | 1,274 | 502 | 3 | 1,600 | 179 | 1,779 | 2,620 | 264 | 2,884 |
| Total Austin Resource Recovery | <u>1,098</u> | <u>176</u> | <u>1,274</u> | <u>502</u> | <u>3</u> | <u>1,600</u> | <u>179</u> | <u>1,779</u> | <u>2,620</u> | <u>264</u> | <u>2,884</u> |
| Total grants, enterprise related | <u>\$294,599</u> | <u>49,874</u> | <u>344,473</u> | <u>57,288</u> | <u>5,046</u> | <u>351,887</u> | <u>54,920</u> | <u>406,807</u> | <u>412,082</u> | <u>77,601</u> | <u>489,683</u> |

NOTE: These grants have been reported in the enterprise fund financial statements.

**Schedule of General Obligation Bonds
Authorized and Unissued
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit J-4**

| Date Authorized | Purpose | Original Authorized | Previously Issued (1) (2) | Issued During Current Year (2) | Unissued September 30, 2023 |
|------------------------|---------------------------|----------------------------|----------------------------------|---------------------------------------|------------------------------------|
| 10-22-83 | Brackenridge 2000 | \$ 50,000 | 40,785 | -- | 9,215 |
| 09-08-84 | Parks improvements | 9,975 | 9,648 | -- | 327 |
| 01-19-85 | Cultural arts | 20,285 | 14,890 | -- | 5,395 |
| 11-07-06 | Cultural arts | 31,500 | 27,500 | -- | 4,000 |
| 11-06-12 | Mobility transportation | 143,299 | 130,315 | -- | 12,984 |
| 11-06-12 | Park improvements | 77,680 | 76,180 | -- | 1,500 |
| 11-06-12 | Public safety facility | 31,079 | 31,075 | -- | 4 |
| 11-06-12 | HHS facility | 11,148 | 11,145 | -- | 3 |
| 11-06-12 | Cultural arts | 13,442 | 13,440 | -- | 2 |
| 11-08-16 | Mobility transportation | 720,000 | 172,095 | 110,000 | 437,905 |
| 11-06-18 | Affordable housing | 250,000 | 140,295 | 60,000 (3) | 49,705 |
| 11-06-18 | Cultural arts | 128,000 | 6,700 | 3,000 | 118,300 |
| 11-06-18 | Park Improvements | 149,000 | 28,275 | 15,000 | 105,725 |
| 11-06-18 | Flood mitigation | 184,000 | 72,685 | 3,000 | 108,315 |
| 11-06-18 | Health and human services | 16,000 | 4,190 | -- | 11,810 |
| 11-06-18 | Public safety | 38,000 | 9,450 | -- | 28,550 |
| 11-06-18 | Mobility transportation | 160,000 | 34,895 | -- | 125,105 |
| 11-03-20 | Mobility transportation | 460,000 | -- | 9,000 | 451,000 |
| 11-08-22 | Affordable housing | 350,000 | -- | -- | 350,000 |
| | | \$ 2,843,408 | 823,563 | 200,000 | 1,819,845 |

Source: Bond Sale Official Statements

- (1) This schedule displays only those previously issued bonds that relate to bond authorizations included herein. It does not display all debt previously issued and still outstanding or refunding bonds. It includes general obligation bonds reported in the government-wide governmental activities and in proprietary funds.
- (2) Includes premium applied against voted authorization.
- (3) Financed with proceeds of the Taxable Bonds.

**Schedule of Revenue Bonds Authorized,
Deauthorized and Unissued
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit J-5**

| Date Authorized | Purpose | Original Authorized | Deauthorized | Previously Issued (1) | Issued During Current Year | Unissued September 30, 2023 |
|-----------------------------------|--|----------------------------|---------------------|------------------------------|-----------------------------------|------------------------------------|
| AUSTIN ENERGY | | | | | | |
| 10-22-83 | Hydrogeneration power plant and electric system | \$ 39,000 | -- | 10,620 | -- | 28,380 |
| 03-01-84 | Electric system, South Texas Nuclear Project | 605,000 | -- | 315,232 | -- | 289,768 |
| 09-08-84 | Electric improvements (gas turbines) | 32,775 | -- | 31,237 | -- | 1,538 |
| 09-08-84 | Electric improvements (western coal plant) | 47,725 | -- | 31,199 | -- | 16,526 |
| 09-08-84 | Electric transmission and reliability improvements | 39,945 | -- | 20,040 | -- | 19,905 |
| 12-14-85 | Transmission lines and substations | 175,130 | -- | 96,017 | -- | 79,113 |
| 12-14-85 | Overhead and underground distribution | 76,055 | -- | 46,845 | -- | 29,210 |
| 12-14-85 | Miscellaneous | 25,891 | -- | 10,443 | -- | 15,448 |
| 08-10-92 | Electrical distribution and street lighting | 82,500 | -- | -- | -- | 82,500 |
| Total Austin Energy | | 1,124,021 | -- | 561,633 | -- | 562,388 |
| AUSTIN WATER (Water) | | | | | | |
| 09-11-82 | Green water treatment plant, water lines and reservoir | 40,300 | -- | 28,885 | -- | 11,415 |
| 09-11-82 | Ullrich water treatment plant, water lines and reservoir | 49,100 | -- | 42,210 | -- | 6,890 |
| 09-11-82 | Davis water treatment plant, water lines and reservoir | 40,800 | -- | 32,274 | -- | 8,526 |
| 09-11-82 | Waterworks system rehabilitation and improvements | 12,800 | -- | 9,164 | -- | 3,636 |
| 09-08-84 | Waterworks north central, northeast, and east service area | 39,385 | 17,000 | 3,990 | -- | 18,395 |
| 09-08-84 | Waterworks northwest service area | 14,970 | -- | 11,430 | -- | 3,540 |
| 09-08-84 | Water improvements in north central and northwest service area | 14,470 | -- | 2,745 | -- | 11,725 |
| 09-08-84 | Waterworks system improvements | 141,110 | -- | 36,513 | -- | 104,597 |
| 09-08-84 | Ullrich water treatment plant improvements to South Austin | 47,870 | -- | 23,245 | -- | 24,625 |
| 09-08-84 | Water lines, reservoir improvements to south corridor area | 12,570 | -- | 6,585 | -- | 5,985 |
| 09-08-84 | Water lines, pump station improvements to North Austin area | 7,945 | -- | 7,765 | -- | 180 |
| 09-08-84 | Waterworks system rehabilitation and improvements | 26,500 | -- | 3,665 | -- | 22,835 |
| 12-14-85 | Northeast area improvements | 37,950 | 10,000 | 7,493 | -- | 20,457 |
| 12-14-85 | South/southeast area improvements | 42,090 | 14,000 | 6,035 | -- | 22,055 |
| 12-14-85 | Improvements/extensions | 9,775 | -- | 3,689 | -- | 6,086 |
| 08-10-92 | Improvements to meet EPA safe drinking water act | 23,000 | -- | -- | -- | 23,000 |
| 08-10-92 | Improvements and replacement of deteriorated water system facilities | 5,000 | -- | -- | -- | 5,000 |
| 08-10-92 | General utility relocation | 2,000 | -- | -- | -- | 2,000 |
| 05-03-97 | Improvements/extensions to City's waterworks and wastewater system | 35,000 | -- | -- | -- | 35,000 |
| 05-02-98 | Aquifer preservation | 65,000 | -- | -- | -- | 65,000 |
| 11-03-98 | Water improvements, upgrade, replace | 64,900 | -- | -- | -- | 64,900 |
| 11-03-98 | Water expansion and improvements | 49,940 | -- | -- | -- | 49,940 |
| 11-03-98 | Water improvements and extensions | 19,800 | -- | -- | -- | 19,800 |
| Total Austin Water (Water) | | \$ 802,275 | 41,000 | 225,688 | -- | 535,587 |

(Continued)

Source: Bond sale official statements

(1) This schedule displays only those previously issued bonds which relate to bond authorizations included herein. It does not display all debt previously issued and still outstanding, refunding bonds, or commercial paper.

**Schedule of Revenue Bonds Authorized,
Deauthorized and Unissued
For the year ended September 30, 2023
(In thousands)**

**City of Austin, Texas
Exhibit J-5**

(Continued)

| Date Authorized | Purpose | Original Authorized | Deauthorized | Previously Issued (1) | Issued During Current Year | Unissued September 30, 2023 |
|--|---|----------------------------|---------------------|------------------------------|-----------------------------------|------------------------------------|
| AUSTIN WATER (Wastewater) | | | | | | |
| 11-20-76 | Sewer system improvements | \$ 46,920 | -- | 38,920 | -- | 8,000 |
| 09-11-82 | Govalle sewage treatment plant, sewer lines and improvements to Canterbury lift station | 28,300 | -- | 24,658 | -- | 3,642 |
| 09-11-82 | Onion Creek sewage treatment plant and sewer lines | 57,000 | -- | 49,345 | -- | 7,655 |
| 09-11-82 | Sewer lines for north central and northwest Austin | 20,700 | -- | 17,975 | -- | 2,725 |
| 09-11-82 | Walnut Creek sewage treatment plant additions | 20,400 | -- | 17,971 | -- | 2,429 |
| 09-11-82 | Sewer system rehabilitation and improvements | 4,800 | -- | 3,930 | -- | 870 |
| 09-08-84 | Sewer system rehabilitation and improvements | 43,515 | -- | 36,950 | -- | 6,565 |
| 09-08-84 | Onion Creek and Walnut Creek sewage treatment plant improvements | 44,795 | -- | 42,284 | -- | 2,511 |
| 09-08-84 | Sewer system rehabilitation and improvements | 46,230 | -- | 14,925 | -- | 31,305 |
| 04-06-85 | Sewer system improvements | 54,000 | -- | 33,106 | -- | 20,894 |
| 12-14-85 | Advanced wastewater treatment | 34,500 | -- | -- | -- | 34,500 |
| 12-14-85 | Northeast area improvements | 47,035 | 32,300 | 1,857 | -- | 12,878 |
| 12-14-85 | Southeast area improvements | 9,200 | 4,200 | 757 | -- | 4,243 |
| 12-14-85 | Improvements/extensions | 24,725 | -- | 12,621 | -- | 12,104 |
| 12-14-85 | Walnut Creek WWTP expansion | 46,000 | -- | 13,717 | -- | 32,283 |
| 12-14-85 | Bear Creek interceptor | 1,840 | 1,511 | 265 | -- | 64 |
| 08-10-92 | Improvement to Hornsby Bend beneficial re-use program | 11,000 | -- | -- | -- | 11,000 |
| 08-10-92 | Replacement and rehabilitation of deteriorated wastewater facilities | 3,000 | -- | -- | -- | 3,000 |
| 11-03-98 | Wastewater improvements, upgrades and replacements | 77,000 | -- | -- | -- | 77,000 |
| 11-03-98 | Wastewater improvements and expansion | 121,000 | -- | -- | -- | 121,000 |
| Total Austin Water (Wastewater) | | 741,960 | 38,011 | 309,281 | -- | 394,668 |
| Total Utility | | 2,668,256 | 79,011 | 1,096,602 | -- | 1,492,643 |
| AIRPORT | | | | | | |
| 11-03-87 | Relocation/construction of new airport | 728,000 | -- | 30,000 | -- | 698,000 |
| 05-01-93 | Construction of new municipal airport at Bergstrom AFB site | 400,000 | -- | 362,205 | -- | 37,795 |
| Total Airport | | 1,128,000 | -- | 392,205 | -- | 735,795 |
| CONVENTION CENTER | | | | | | |
| 07-29-89 | New convention center | 69,000 | -- | 68,240 | -- | 760 |
| Total Convention Center | | 69,000 | -- | 68,240 | -- | 760 |
| Total revenue bonds | | \$ 3,865,256 | 79,011 | 1,557,047 | -- | 2,229,198 |

Source: Bond sale official statements

(1) This schedule displays only those previously issued bonds which relate to bond authorizations included herein. It does not display all debt previously issued and still outstanding, refunding bonds, or commercial paper.





STATISTICAL SECTION - UNAUDITED

This section of the City of Austin's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial condition.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. (Tables 1 - 5)

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes. (Tables 6 - 11)

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. (Tables 12 - 16)

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments. (Tables 17 - 18)

Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. (Tables 19 - 21)

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Net Position by Component
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

City of Austin, Texas
Table 1

| | Fiscal Year Ended September 30 | | | | | | | | | |
|---|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | 1,621,208 | 1,645,359 | 1,719,704 | 1,709,146 | 1,735,481 | 1,844,751 | 1,999,355 | 2,208,451 | 2,332,283 | 2,571,330 |
| Restricted | 118,335 | 133,984 | 124,695 | 140,299 | 146,496 | 215,091 | 235,505 | 265,681 | 341,114 | 424,875 |
| Unrestricted (deficit) | (431,349) | (1,117,293) | (1,211,495) | (1,394,092) | (2,135,186) | (2,336,696) | (2,835,470) | (3,266,612) | (3,417,521) | (3,856,915) |
| Total governmental activities net position | <u>1,308,194</u> | <u>662,050</u> | <u>632,904</u> | <u>455,353</u> | <u>(253,209)</u> | <u>(276,854)</u> | <u>(600,610)</u> | <u>(792,480)</u> | <u>(744,124)</u> | <u>(860,710)</u> |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | 2,216,347 | 2,223,964 | 2,250,698 | 2,358,240 | 2,375,219 | 2,366,162 | 2,303,795 | 2,408,833 | 2,441,596 | 3,480,617 |
| Restricted | 524,653 | 642,052 | 690,459 | 702,749 | 795,049 | 1,015,860 | 1,085,723 | 1,107,411 | 1,236,318 | 1,356,558 |
| Unrestricted | 587,362 | 560,321 | 737,150 | 915,825 | 789,217 | 646,000 | 628,579 | 509,342 | 525,634 | 117,531 |
| Total business-type activities net position | <u>3,328,362</u> | <u>3,426,337</u> | <u>3,678,307</u> | <u>3,976,814</u> | <u>3,959,485</u> | <u>4,028,022</u> | <u>4,018,097</u> | <u>4,025,586</u> | <u>4,203,548</u> | <u>4,954,706</u> |
| Primary government | | | | | | | | | | |
| Net investment in capital assets | 3,837,555 | 3,869,323 | 3,970,402 | 4,067,386 | 4,110,700 | 4,210,913 | 4,303,150 | 4,617,284 | 4,773,879 | 6,051,947 |
| Restricted | 642,988 | 776,036 | 815,154 | 843,048 | 941,545 | 1,230,951 | 1,321,228 | 1,373,092 | 1,577,432 | 1,781,433 |
| Unrestricted (deficit) | 156,013 | (556,972) | (474,345) | (478,267) | (1,345,969) | (1,690,696) | (2,206,891) | (2,757,270) | (2,891,887) | (3,739,384) |
| Total primary government net position | <u>4,636,556</u> | <u>4,088,387</u> | <u>4,311,211</u> | <u>4,432,167</u> | <u>3,706,276</u> | <u>3,751,168</u> | <u>3,417,487</u> | <u>3,233,106</u> | <u>3,459,424</u> | <u>4,093,996</u> |

Note: The City implemented GASB Statement No. 68 in fiscal year 2015 and GASB Statement No. 75 in fiscal year 2018, both of which significantly impacted the net position of the governmental activities.

Changes in Net Position
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

City of Austin, Texas
Table 2

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Expenses | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | 118,074 | 131,993 | 177,302 | 192,231 | 200,125 | 201,747 | 283,532 | 327,126 | 279,333 | 344,368 |
| Public safety | 576,118 | 601,112 | 657,846 | 719,032 | 704,566 | 810,140 | 842,450 | 853,434 | 766,390 | 863,798 |
| Transportation, planning, and sustainability | 83,971 | 77,349 | 66,739 | 72,517 | 72,240 | 83,967 | 88,948 | 232,056 | 247,850 | 260,900 |
| Public health | 80,796 | 85,326 | 100,195 | 119,278 | 117,578 | 123,304 | 278,340 | 204,819 | 200,004 | 254,603 |
| Public recreation and culture | 117,441 | 134,567 | 147,191 | 161,226 | 173,333 | 175,567 | 178,481 | 185,110 | 206,004 | 241,914 |
| Urban growth management | 136,110 | 135,386 | 179,081 | 156,180 | 176,453 | 133,763 | 162,677 | 242,225 | 162,493 | 173,652 |
| Interest on debt | 49,617 | 55,855 | 61,500 | 61,879 | 65,147 | 64,986 | 69,002 | 68,724 | 70,858 | 72,986 |
| Total governmental expenses | 1,162,127 | 1,221,588 | 1,389,854 | 1,482,343 | 1,509,442 | 1,593,474 | 1,903,430 | 2,113,494 | 1,932,932 | 2,212,221 |
| Business-type activities: | | | | | | | | | | |
| Electric | 1,251,599 | 1,203,729 | 1,226,585 | 1,277,623 | 1,268,610 | 1,397,591 | 1,345,003 | 1,256,788 | 1,605,171 | 1,800,366 |
| Water | 232,778 | 294,624 | 244,907 | 281,787 | 312,276 | 314,899 | 318,889 | 245,336 | 323,833 | 327,231 |
| Wastewater | 221,216 | 219,320 | 237,450 | 219,609 | 286,736 | 263,362 | 263,230 | 232,053 | 290,506 | 280,912 |
| Airport | 108,291 | 120,015 | 135,860 | 158,863 | 184,084 | 202,366 | 216,183 | 213,129 | 239,651 | 283,897 |
| Convention | 58,763 | 65,657 | 63,796 | 75,377 | 80,990 | 84,673 | 76,382 | 65,938 | 74,831 | 88,744 |
| Environmental and health services | 92,997 | 97,690 | 102,994 | 108,658 | 111,184 | 121,987 | 134,680 | 155,957 | 146,379 | 182,466 |
| Public recreation | 6,765 | 8,824 | 8,266 | 8,736 | 9,009 | 9,195 | 9,681 | 10,293 | 10,663 | 12,655 |
| Urban growth management | 125,983 | 135,360 | 173,360 | 183,532 | 196,817 | 308,303 | 312,267 | 334,450 | 353,553 | 430,286 |
| Total business-type expenses | 2,098,392 | 2,145,219 | 2,193,218 | 2,314,185 | 2,449,706 | 2,702,376 | 2,676,315 | 2,513,944 | 3,044,587 | 3,406,557 |
| Total primary government expenses | 3,260,519 | 3,366,807 | 3,583,072 | 3,796,528 | 3,959,148 | 4,295,850 | 4,579,745 | 4,627,438 | 4,977,519 | 5,618,778 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | 17,890 | 15,434 | 15,915 | 21,345 | 27,276 | 26,806 | 28,727 | 24,886 | 30,247 | 35,155 |
| Public safety | 62,832 | 65,221 | 65,087 | 57,728 | 57,950 | 57,620 | 46,482 | 45,504 | 47,671 | 58,264 |
| Transportation, planning, and sustainability | 5,214 | 5,006 | 4,572 | 1,698 | 1,503 | 1,490 | 1,277 | 383 | 1,440 | 1,537 |
| Public health | 9,720 | 10,351 | 9,160 | 12,374 | 8,109 | 8,239 | 11,265 | 18,229 | 12,649 | 15,985 |
| Public recreation and culture | 8,205 | 8,330 | 8,781 | 11,251 | 12,401 | 11,558 | 3,799 | 6,955 | 16,789 | 16,908 |
| Urban growth management | 37,848 | 56,366 | 78,530 | 72,244 | 66,161 | 26,166 | 27,502 | 30,686 | 37,943 | 40,220 |
| Operating grants and contributions | 50,333 | 45,470 | 47,430 | 45,162 | 42,489 | 66,439 | 190,534 | 182,566 | 105,901 | 102,532 |
| Capital grants and contributions | 66,856 | 70,484 | 95,486 | 90,256 | 107,865 | 78,826 | 60,724 | 99,864 | 77,827 | 82,480 |
| Total governmental program revenues | 258,898 | 276,662 | 324,961 | 312,058 | 323,754 | 277,144 | 370,310 | 409,073 | 330,467 | 353,081 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Electric | 1,367,155 | 1,351,436 | 1,370,228 | 1,362,132 | 1,400,523 | 1,447,300 | 1,373,556 | 1,271,808 | 1,676,308 | 1,788,622 |
| Water | 240,526 | 277,180 | 301,860 | 324,562 | 304,182 | 287,454 | 305,072 | 295,295 | 337,719 | 340,901 |
| Wastewater | 232,067 | 239,811 | 259,974 | 274,518 | 270,884 | 264,116 | 261,053 | 271,927 | 288,210 | 297,531 |

(Continued)

Changes in Net Position
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

City of Austin, Texas
Table 2
(Continued)

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Airport | 128,766 | 142,353 | 159,866 | 178,433 | 197,426 | 213,458 | 162,010 | 178,077 | 272,478 | 320,774 |
| Convention | 25,087 | 28,657 | 33,221 | 40,196 | 33,752 | 43,600 | 16,655 | 6,018 | 29,693 | 35,742 |
| Environmental and health services | 84,655 | 96,622 | 103,420 | 109,274 | 115,499 | 117,998 | 119,692 | 131,414 | 140,348 | 145,395 |
| Public recreation | 5,849 | 5,736 | 6,480 | 6,705 | 7,278 | 7,060 | 6,134 | 10,281 | 10,655 | 13,006 |
| Urban growth management | 141,755 | 154,337 | 176,163 | 204,439 | 214,244 | 286,780 | 283,435 | 296,609 | 329,581 | 345,049 |
| Operating grants and contributions | 1,489 | 1,039 | 739 | 861 | 876 | 785 | 24,383 | 32,377 | 50,859 | 43,768 |
| Capital grants and contributions | 65,550 | 110,580 | 144,139 | 137,464 | 122,396 | 164,700 | 147,545 | 150,385 | 165,649 | 144,227 |
| Total business-type revenues | <u>2,292,899</u> | <u>2,407,751</u> | <u>2,556,090</u> | <u>2,638,584</u> | <u>2,667,060</u> | <u>2,833,251</u> | <u>2,699,535</u> | <u>2,644,191</u> | <u>3,301,500</u> | <u>3,475,015</u> |
| Total primary government revenues | <u>2,551,797</u> | <u>2,684,413</u> | <u>2,881,051</u> | <u>2,950,642</u> | <u>2,990,814</u> | <u>3,110,395</u> | <u>3,069,845</u> | <u>3,053,264</u> | <u>3,631,967</u> | <u>3,828,096</u> |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | (903,229) | (944,926) | (1,064,893) | (1,170,285) | (1,185,688) | (1,316,330) | (1,533,120) | (1,704,421) | (1,602,465) | (1,859,140) |
| Business-type activities | 194,507 | 262,532 | 362,872 | 324,399 | 217,354 | 130,875 | 23,220 | 130,247 | 256,913 | 68,458 |
| Total primary government net expense | <u>(708,722)</u> | <u>(682,394)</u> | <u>(702,021)</u> | <u>(845,886)</u> | <u>(968,334)</u> | <u>(1,185,455)</u> | <u>(1,509,900)</u> | <u>(1,574,174)</u> | <u>(1,345,552)</u> | <u>(1,790,682)</u> |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes | 448,083 | 476,439 | 507,485 | 554,631 | 616,745 | 671,614 | 732,336 | 937,352 | 978,108 | 993,687 |
| Sales tax | 189,464 | 204,029 | 212,634 | 218,790 | 232,319 | 248,813 | 246,658 | 281,784 | 341,620 | 358,557 |
| Franchise fees and gross receipts tax | 128,032 | 141,368 | 147,773 | 151,670 | 159,754 | 175,182 | 117,810 | 120,085 | 205,978 | 224,688 |
| Intergovernmental | -- | -- | -- | -- | -- | -- | -- | -- | 19,833 | 47,933 |
| Interest and other | 21,275 | 21,951 | 41,708 | 26,950 | 34,333 | 53,330 | 41,862 | 40,374 | 47,175 | 101,603 |
| Transfers | 62,215 | 70,865 | 121,838 | 40,693 | 73,664 | 133,907 | 70,698 | 125,945 | 58,107 | 18,739 |
| Special items | 15,830 | 11,983 | 4,309 | -- | -- | 10,201 | -- | -- | -- | -- |
| Total general revenues and transfers | <u>864,899</u> | <u>926,635</u> | <u>1,035,747</u> | <u>992,734</u> | <u>1,116,815</u> | <u>1,293,047</u> | <u>1,209,364</u> | <u>1,505,540</u> | <u>1,650,821</u> | <u>1,745,207</u> |
| Business-type activities: | | | | | | | | | | |
| Interest and other | 5,717 | 10,498 | 10,936 | 14,801 | 27,730 | 71,569 | 37,553 | 3,187 | (20,844) | 133,511 |
| Transfers | (62,215) | (70,865) | (121,838) | (40,693) | (73,664) | (133,907) | (70,698) | (125,945) | (58,107) | (18,739) |
| Total business-type activities | <u>(56,498)</u> | <u>(60,367)</u> | <u>(110,902)</u> | <u>(25,892)</u> | <u>(45,934)</u> | <u>(62,338)</u> | <u>(33,145)</u> | <u>(122,758)</u> | <u>(78,951)</u> | <u>114,772</u> |
| Total primary government | <u>808,401</u> | <u>866,268</u> | <u>924,845</u> | <u>966,842</u> | <u>1,070,881</u> | <u>1,230,709</u> | <u>1,176,219</u> | <u>1,382,782</u> | <u>1,571,870</u> | <u>1,859,979</u> |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | (38,330) | (18,291) | (29,146) | (177,551) | (68,873) | (23,283) | (323,756) | (198,881) | 48,356 | (113,933) |
| Business-type activities | 138,009 | 202,165 | 251,970 | 298,507 | 171,420 | 68,537 | (9,925) | 7,489 | 177,962 | 183,230 |
| Total primary government | <u>99,679</u> | <u>183,874</u> | <u>222,824</u> | <u>120,956</u> | <u>102,547</u> | <u>45,254</u> | <u>(333,681)</u> | <u>(191,392)</u> | <u>226,318</u> | <u>69,297</u> |

Program Revenues by Function/Program
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

City of Austin, Texas
Table 3

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Function/Program | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | 29,150 | 24,715 | 29,665 | 29,022 | 44,526 | 28,514 | 30,567 | 31,259 | 35,716 | 45,224 |
| Public safety | 74,805 | 71,035 | 71,626 | 64,937 | 67,314 | 64,235 | 54,020 | 66,744 | 55,721 | 67,144 |
| Transportation, planning, and sustainability | 55,324 | 61,405 | 80,375 | 75,165 | 83,068 | 63,260 | 45,045 | 66,638 | 46,771 | 41,351 |
| Public health | 29,390 | 29,524 | 28,822 | 33,034 | 29,742 | 30,045 | 171,392 | 94,276 | 58,354 | 60,025 |
| Public recreation and culture | 17,233 | 15,390 | 17,685 | 23,050 | 24,840 | 30,371 | 20,232 | 36,117 | 44,264 | 53,386 |
| Urban growth management | 52,996 | 74,593 | 96,788 | 86,850 | 74,264 | 60,719 | 49,054 | 114,039 | 89,641 | 85,951 |
| Subtotal governmental activities | <u>258,898</u> | <u>276,662</u> | <u>324,961</u> | <u>312,058</u> | <u>323,754</u> | <u>277,144</u> | <u>370,310</u> | <u>409,073</u> | <u>330,467</u> | <u>353,081</u> |
| Business-type activities: | | | | | | | | | | |
| Electric | 1,381,040 | 1,374,895 | 1,411,135 | 1,406,147 | 1,435,613 | 1,492,881 | 1,419,070 | 1,313,226 | 1,717,276 | 1,830,277 |
| Water | 264,265 | 312,102 | 349,195 | 369,506 | 351,089 | 337,352 | 356,634 | 346,669 | 392,631 | 374,493 |
| Wastewater | 246,569 | 261,680 | 290,717 | 304,260 | 297,869 | 290,883 | 300,894 | 304,130 | 345,247 | 348,759 |
| Airport | 134,208 | 151,368 | 163,432 | 193,769 | 205,635 | 227,535 | 192,893 | 218,558 | 325,015 | 373,921 |
| Convention | 25,138 | 28,657 | 33,221 | 40,196 | 33,752 | 43,600 | 16,655 | 6,018 | 29,792 | 35,742 |
| Environmental and health services | 84,807 | 96,674 | 103,538 | 109,546 | 115,768 | 118,331 | 119,953 | 131,608 | 141,184 | 145,897 |
| Public recreation | 6,626 | 6,206 | 6,701 | 6,995 | 7,508 | 7,286 | 6,326 | 10,549 | 10,913 | 13,340 |
| Urban growth management | 150,246 | 176,169 | 198,151 | 208,165 | 219,826 | 315,383 | 287,110 | 313,433 | 339,442 | 352,586 |
| Subtotal business-type activities | <u>2,292,899</u> | <u>2,407,751</u> | <u>2,556,090</u> | <u>2,638,584</u> | <u>2,667,060</u> | <u>2,833,251</u> | <u>2,699,535</u> | <u>2,644,191</u> | <u>3,301,500</u> | <u>3,475,015</u> |
| Total primary government | <u><u>2,551,797</u></u> | <u><u>2,684,413</u></u> | <u><u>2,881,051</u></u> | <u><u>2,950,642</u></u> | <u><u>2,990,814</u></u> | <u><u>3,110,395</u></u> | <u><u>3,069,845</u></u> | <u><u>3,053,264</u></u> | <u><u>3,631,967</u></u> | <u><u>3,828,096</u></u> |

Fund Balances, Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

City of Austin, Texas
 Table 4

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| General Fund | | | | | | | | | | |
| Nonspendable | 950 | 949 | 546 | 727 | 2,064 | 1,771 | 2,879 | 3,369 | 3,000 | 2,005 |
| Assigned | 25,887 | 26,123 | 28,700 | 29,618 | 37,561 | 53,441 | 95,545 | 116,428 | 150,130 | 179,469 |
| Unassigned | 156,659 | 150,091 | 131,743 | 141,469 | 173,309 | 180,424 | 173,091 | 153,305 | 188,705 | 177,228 |
| Total general fund | <u>183,496</u> | <u>177,163</u> | <u>160,989</u> | <u>171,814</u> | <u>212,934</u> | <u>235,636</u> | <u>271,515</u> | <u>273,102</u> | <u>341,835</u> | <u>358,702</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | 1,052 | 1,070 | 1,070 | 1,070 | 1,070 | 1,070 | 1,070 | 1,070 | 1,070 | 1,070 |
| Restricted | 162,000 | 175,977 | 186,395 | 214,582 | 223,062 | 243,746 | 299,091 | 300,032 | 355,070 | 429,172 |
| Committed | 27,486 | 40,196 | 42,508 | 40,652 | 45,169 | 41,896 | 47,182 | 59,131 | 79,492 | 90,855 |
| Assigned | 64,142 | 75,821 | 107,833 | 109,692 | 108,333 | 130,735 | 120,579 | 127,620 | 123,449 | 172,564 |
| Unassigned | (70,581) | (51,622) | (14,876) | (25,369) | (11,113) | (39,921) | (161,127) | (201,583) | (190,588) | (268,501) |
| Total all other governmental funds | <u>184,099</u> | <u>241,442</u> | <u>322,930</u> | <u>340,627</u> | <u>366,521</u> | <u>377,526</u> | <u>306,795</u> | <u>286,270</u> | <u>368,493</u> | <u>425,160</u> |

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

City of Austin, Texas
Table 5

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Revenues | | | | | | | | | | |
| Property taxes | 446,876 | 474,704 | 509,104 | 554,411 | 616,424 | 671,238 | 729,633 | 942,369 | 977,478 | 989,348 |
| Sales taxes | 189,464 | 204,029 | 212,634 | 218,790 | 232,319 | 248,813 | 246,658 | 281,784 | 341,620 | 358,557 |
| Franchise fees and other taxes | 128,032 | 141,368 | 147,773 | 151,670 | 159,754 | 175,182 | 117,810 | 120,085 | 205,978 | 224,688 |
| Fine, forfeitures, and penalties | 22,520 | 22,884 | 20,079 | 17,628 | 15,764 | 14,408 | 8,505 | 5,528 | 7,798 | 6,780 |
| Licenses, permits, and inspections | 33,719 | 39,805 | 50,186 | 61,450 | 54,424 | 16,648 | 15,619 | 20,065 | 24,720 | 25,793 |
| Charges for services/goods | 72,924 | 86,576 | 98,911 | 81,368 | 84,315 | 85,381 | 74,908 | 78,970 | 93,667 | 106,679 |
| Intergovernmental | 79,407 | 62,622 | 56,746 | 59,572 | 65,632 | 73,829 | 192,743 | 186,511 | 125,196 | 155,209 |
| Property owners' participation and contributions | 12,718 | 12,763 | 14,554 | 14,659 | 16,355 | 21,525 | 22,911 | 36,992 | 30,076 | 34,517 |
| Lease revenue | -- | -- | -- | -- | -- | -- | -- | -- | 439 | 185 |
| Interest and other | 21,393 | 21,517 | 38,334 | 27,050 | 34,254 | 45,848 | 40,689 | 40,184 | 48,392 | 98,206 |
| Total revenues | 1,007,053 | 1,066,268 | 1,148,321 | 1,186,598 | 1,279,241 | 1,352,872 | 1,449,476 | 1,712,488 | 1,855,364 | 1,999,962 |
| Expenditures | | | | | | | | | | |
| General government | 91,668 | 102,222 | 118,773 | 128,708 | 138,011 | 145,587 | 213,746 | 251,843 | 228,124 | 227,349 |
| Public safety | 528,670 | 565,070 | 576,461 | 593,406 | 597,085 | 619,308 | 548,210 | 640,385 | 672,270 | 711,602 |
| Transportation, planning, and sustainability | 14,053 | 7,032 | 7,039 | 5,125 | 5,162 | 5,734 | 3,617 | 152,070 | 160,371 | 165,871 |
| Public health | 74,310 | 80,630 | 92,076 | 101,025 | 106,016 | 108,635 | 256,316 | 176,753 | 170,009 | 214,078 |
| Public recreation and culture | 99,780 | 110,745 | 116,531 | 126,599 | 134,575 | 133,422 | 128,753 | 130,105 | 147,719 | 168,211 |
| Urban growth management | 106,715 | 116,912 | 155,459 | 127,982 | 150,635 | 108,175 | 142,816 | 271,505 | 160,315 | 171,879 |
| Debt service: | | | | | | | | | | |
| Principal | 69,768 | 71,532 | 80,859 | 87,367 | 99,572 | 128,163 | 137,841 | 150,825 | 161,151 | 157,791 |
| Interest | 49,367 | 55,794 | 61,388 | 61,862 | 64,674 | 64,570 | 68,070 | 67,710 | 69,163 | 71,793 |
| Fees and commissions | 6 | 9 | 13 | 13 | 27 | 31 | 29 | 33 | 32 | 32 |
| Lease financing principal | -- | -- | -- | -- | -- | -- | -- | -- | 5,978 | 10,375 |
| Interest expense on leases and IT subscriptions | -- | -- | -- | -- | -- | -- | -- | -- | -- | 1,202 |
| Capital outlay | 257,420 | 186,870 | 142,822 | 130,783 | 139,324 | 202,954 | 359,503 | 255,277 | 274,406 | 332,436 |
| Total expenditures | 1,291,757 | 1,296,816 | 1,351,421 | 1,362,870 | 1,435,081 | 1,516,579 | 1,858,901 | 2,096,506 | 2,049,538 | 2,232,619 |
| Excess (deficiency) of revenues over expenditures | (284,704) | (230,548) | (203,100) | (176,272) | (155,840) | (163,707) | (409,425) | (384,018) | (194,174) | (232,657) |
| Other financing sources (uses) | | | | | | | | | | |
| Issuance of tax supported debt | 154,444 | 159,939 | 142,775 | 130,665 | 118,216 | 96,341 | 207,750 | 180,366 | 225,154 | 202,236 |
| Issuance of refunding bonds | 107,923 | -- | 139,690 | 54,970 | -- | -- | 12,620 | 78,949 | 89,625 | 30,834 |
| Bond premiums | 16,212 | 20,093 | 33,305 | 35,430 | 17,237 | 6,200 | 27,875 | 50,545 | 47,082 | 17,463 |
| Payment to escrow agent | (113,836) | -- | (159,589) | (68,744) | -- | -- | (13,238) | (93,417) | (104,026) | (30,834) |
| Lease proceeds | -- | -- | -- | -- | -- | -- | -- | -- | 13,010 | 5,780 |
| Capital leases | -- | -- | -- | -- | -- | -- | 23,702 | -- | -- | -- |
| Transfers in | 221,868 | 239,666 | 248,331 | 222,540 | 242,856 | 272,354 | 306,332 | 361,844 | 301,132 | 349,861 |
| Transfers out | (114,385) | (150,123) | (140,407) | (170,067) | (155,455) | (187,682) | (190,468) | (220,218) | (226,847) | (298,239) |
| Total other financing sources (uses) | 272,226 | 269,575 | 264,105 | 204,794 | 222,854 | 187,213 | 374,573 | 358,069 | 345,130 | 277,101 |
| Special item | 15,830 | 11,983 | 4,309 | -- | -- | 10,201 | -- | -- | -- | -- |
| Net change in fund balances | 3,352 | 51,010 | 65,314 | 28,522 | 67,014 | 33,707 | (34,852) | (25,949) | 150,956 | 44,444 |
| Debt service as a percentage of noncapital expenditures | 11.2% | 11.3% | 11.5% | 11.9% | 12.8% | 14.7% | 13.9% | 12.2% | 13.2% | 12.4% |

Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

City of Austin, Texas
Table 6

| Fiscal Year Ended Sept. 30 | Franchise Fees and Other Taxes | | | | | | Total |
|-------------------------------------|--------------------------------|-----------|-------------------|---------------------------------|--------------------|--------------------------|-----------|
| | Property Tax | Sales Tax | Franchise Fees | Hotel-Motel Occupancy Tax | Mixed Drink Tax | Vehicle Rental Tax | |
| | \$ | \$ | \$ | \$ | \$ | \$ | |
| 2014 | 446,876 | 189,464 | 39,366 | 70,683 | 9,355 | 8,628 | 764,372 |
| 2015 | 474,704 | 204,029 | 39,984 | 82,361 | 10,352 | 8,671 | 820,101 |
| 2016 | 509,104 | 212,634 | 38,858 | 88,661 | 11,177 | 9,077 | 869,511 |
| 2017 | 554,411 | 218,790 | 38,177 | 92,545 | 11,588 | 9,360 | 924,871 |
| 2018 | 616,424 | 232,319 | 37,888 | 99,218 | 12,653 | 9,995 | 1,008,497 |
| 2019 | 671,238 | 248,813 | 37,308 | 111,751 | 13,782 | 12,341 | 1,095,233 |
| 2020 | 729,633 | 246,658 | 30,452 | 71,348 | 9,308 | 6,702 | 1,094,101 |
| 2021 | 942,369 | 281,784 | 27,930 | 71,486 | 11,873 | 8,796 | 1,344,238 |
| 2022 | 977,478 | 341,620 | 32,435 | 144,610 | 15,569 | 13,364 | 1,525,076 |
| 2023 | 989,348 | 358,557 | 31,083 | 162,565 | 18,187 | 12,853 | 1,572,593 |
| Change 2014-2023 | 121.4% | 89.2% | -21.0% | 130.0% | 94.4% | 49.0% | |

**Property Appraised Value, Taxable Value, Tax Rates,
Tax Levies, and Tax Collections
Last Ten Fiscal Years**

**City of Austin, Texas
Table 7**

| Fiscal Year Ended Sept. 30 | Valuation Date (January 1) | Ratio of Taxable Value to Appraised Value | Total Appraised Value at January 1 | Less Exemptions (October 1) | Total Taxable Value (October 1) | Percent of Growth In Taxable Value | Tax Rate (per \$100 Valuation) | | | | |
|----------------------------|----------------------------|---|------------------------------------|-----------------------------|---------------------------------|------------------------------------|--------------------------------|-------------------|----------------------|--------|-------------------------------|
| | | | | | | | General Fund | Debt Service Fund | Project Connect Fund | Total | Percentage Change in Tax Rate |
| | | % | \$ | \$ | \$ | % | \$ | \$ | \$ | \$ | % |
| 2014 | 2013 | 86.94 | 102,102,789,438 | 13,336,691,278 | 88,766,098,160 | 6.57 | 0.3856 | 0.1171 | -- | 0.5027 | (0.04) |
| 2015 | 2014 | 84.70 | 116,469,347,283 | 17,817,167,853 | 98,652,179,430 | 11.14 | 0.3691 | 0.1118 | -- | 0.4809 | (4.34) |
| 2016 | 2015 | 81.06 | 136,703,100,149 | 26,177,073,750 | 110,526,026,399 | 12.04 | 0.3527 | 0.1062 | -- | 0.4589 | (4.57) |
| 2017 | 2016 | 79.97 | 156,764,185,067 | 31,392,530,411 | 125,371,654,656 | 13.43 | 0.3399 | 0.1019 | -- | 0.4418 | (3.73) |
| 2018 | 2017 | 80.44 | 172,067,755,668 | 33,649,108,408 | 138,418,647,260 | 10.41 | 0.3393 | 0.1055 | -- | 0.4448 | 0.68 |
| 2019 | 2018 | 80.53 | 188,936,370,655 | 36,788,864,886 | 152,147,505,769 | 9.92 | 0.3308 | 0.1095 | -- | 0.4403 | (1.01) |
| 2020 | 2019 | 80.64 | 204,860,740,992 | 39,666,633,105 | 165,194,107,887 | 8.57 | 0.3337 | 0.1094 | -- | 0.4431 | 0.64 |
| 2021 | 2020 | 81.24 | 218,073,161,273 | 41,401,377,964 | 176,671,783,309 | 6.95 | 0.3334 | 0.1126 | 0.0875 | 0.5335 | 20.40 |
| 2022 | 2021 | 76.09 | 238,447,054,856 | 57,011,786,096 | 181,435,268,760 | 2.70 | 0.3390 | 0.1130 | 0.0890 | 0.5410 | 1.41 |
| 2023 | 2022 | 69.80 | 310,727,560,659 | 93,833,909,683 | 216,893,650,976 | 19.54 | 0.2906 | 0.0958 | 0.0763 | 0.4627 | (14.47) |
| 2024 | 2023 | (1) 71.12 | 339,513,306,838 | 98,045,999,880 | 241,467,306,958 | 11.33 | 0.2833 | 0.0881 | 0.0744 | 0.4458 | (3.65) |

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| Fiscal Year Ended Sept. 30 | Valuation Date (January 1) | Total Tax Levy (October 1) | Collected within the Fiscal Year of the Levy | | Net Collections in Subsequent Years | Total Collections to Date | | Total Outstanding Delinquencies (2) | |
|----------------------------|----------------------------|----------------------------|--|--------------------|-------------------------------------|---------------------------|------------|-------------------------------------|------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage | Amount | Percentage |
| | | \$ | \$ | % | \$ | \$ | % | \$ | % |
| 2014 | 2013 | 446,227,175 | 442,872,352 | 99.25 | 1,303,002 | 444,175,354 | 99.54 | 13,037,334 | 2.92 |
| 2015 | 2014 | 474,418,331 | 470,959,014 | 99.27 | 1,443,319 | 472,402,333 | 99.58 | 14,469,523 | 3.05 |
| 2016 | 2015 | 507,203,935 | 504,891,858 | 99.54 | 760,817 | 505,652,675 | 99.69 | 13,711,114 | 2.70 |
| 2017 | 2016 | 553,891,970 | 551,107,380 | 99.50 | (1,149,178) | 549,958,202 | 99.29 | 13,903,694 | 2.51 |
| 2018 | 2017 | 615,686,143 | 612,423,673 | 99.47 | (1,237,386) | 611,186,287 | 99.27 | 14,403,647 | 2.34 |
| 2019 | 2018 | 669,905,468 | 666,262,136 | 99.46 | (1,915,204) | 664,346,932 | 99.17 | 15,104,516 | 2.25 |
| 2020 | 2019 | 731,975,092 | 725,918,569 | 99.17 | (1,744,224) | 724,174,345 | 98.93 | 15,986,530 | 2.18 |
| 2021 | 2020 | 942,543,964 | 935,755,154 | 99.28 | (5,441,228) | 930,313,927 | 98.70 | 10,161,325 | 1.08 |
| 2022 | 2021 | 981,564,804 | 975,610,459 | 99.39 | (4,105,002) | 971,505,457 | 98.98 | 11,050,102 | 1.13 |
| 2023 | 2022 | 1,003,566,923 | 995,527,109 | 99.20 | -- | 995,527,109 | 99.20 | 12,092,157 | 1.20 |
| 2024 | 2023 | (1) 1,076,461,254 | ** | ** | ** | ** | ** | ** | ** |

** Information not yet available for fiscal year 2024.

Note: Appraisal district appraises property at market value.

(1) Appraised value at January 1, 2023, is subject to change pending additional exemptions and appeals. Accordingly, the tax levy represents an estimate.

(2) The total amount of original outstanding delinquencies for all prior years as of fiscal year end.

**Assessed Taxable Property Value by Class
Last Ten Fiscal Years (In thousands)**

| Fiscal Year Sept. 30 | Single Family Property | Multi- Family Property | Land | Commercial Property | Personal Property | Total Assessed Taxable Value | Tax Rates (per \$100 Assessed Value) |
|-------------------------------------|---------------------------------------|---------------------------------------|-------------|--------------------------------|------------------------------|---|---|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2014 | 43,262,362 | 12,628,999 | 1,543,314 | 21,774,725 | 9,280,001 | 88,489,401 | 0.5027 |
| 2015 | 47,675,285 | 15,190,842 | 1,600,848 | 24,521,122 | 9,744,775 | 98,732,872 | 0.4809 |
| 2016 | 50,576,097 | 18,362,372 | 1,736,615 | 29,885,285 | 10,183,100 | 110,743,469 | 0.4589 |
| 2017 | 56,088,650 | 21,991,357 | 2,005,473 | 35,465,401 | 10,227,269 | 125,778,150 | 0.4418 |
| 2018 | 61,853,216 | 24,882,015 | 2,220,397 | 39,794,515 | 10,139,354 | 138,889,497 | 0.4448 |
| 2019 | 67,383,868 | 27,728,130 | 2,392,338 | 44,758,799 | 10,403,146 | 152,666,281 | 0.4403 |
| 2020 | 72,906,918 | 30,805,029 | 3,075,851 | 49,014,361 | 10,265,796 | 166,067,955 | 0.4431 |
| 2021 | 75,295,422 | 32,387,327 | 3,073,519 | 53,174,245 | 10,191,646 | 174,122,159 | 0.5335 |
| 2022 | 79,063,093 | 35,571,587 | 2,907,607 | 54,518,632 | 10,055,679 | 182,116,598 | 0.5410 |
| 2023 | 98,602,780 | 45,015,648 | 3,329,104 | 61,013,757 | 10,297,834 | 218,259,123 | 0.4627 |

Source: July certified tax rolls received from Travis, Williamson, and Hays Central Appraisal Districts. Excludes exemptions and appeal adjustments made between January 1 appraisal date and July certified roll date.

Note: Does not reflect appeal adjustments between July and October 1 assessment date. See Table 7 for additional property tax information.

Property Taxes and Tax Levies for Direct and Overlapping Governments with Applicable Percentages Over 10% Last Ten Fiscal Years

| Government | Tax Rates (per \$100 Assessed Value) for Fiscal Year Ended September 30 | | | | | | | | | |
|--|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| City of Austin | 0.5027 | 0.4809 | 0.4589 | 0.4418 | 0.4448 | 0.4403 | 0.4431 | 0.5335 | 0.5410 | 0.4627 |
| Austin Community College | 0.0949 | 0.0942 | 0.1005 | 0.1020 | 0.1008 | 0.1048 | 0.1049 | 0.1058 | 0.1048 | 0.0987 |
| Austin Independent School District | 1.2420 | 1.2220 | 1.2020 | 1.1920 | 1.1920 | 1.1920 | 1.1220 | 1.1027 | 1.0617 | 0.9966 |
| Avery Ranch Road District #1 | 0.1162 | 0.1037 | 0.0975 | 0.0880 | 0.0850 | 0.0810 | 0.0766 | 0.0741 | 0.0665 | 0.0414 |
| Del Valle Independent School District | 1.4700 | 1.4700 | 1.5300 | 1.5200 | 1.4600 | 1.3900 | 1.3100 | 1.2570 | 1.2020 | 1.1846 |
| Eanes Independent School District | 1.2125 | 1.2125 | 1.2125 | 1.2125 | 1.2000 | 1.2000 | 1.1300 | 1.1164 | 1.0608 | 1.0046 |
| Leander Independent School District | 1.5119 | 1.5119 | 1.5119 | 1.5119 | 1.5119 | 1.5100 | 1.4375 | 1.4184 | 1.3370 | 1.1087 |
| Manor Independent School District | 1.5150 | 1.5150 | 1.5150 | 1.5150 | 1.5150 | 1.5150 | 1.4700 | 1.4427 | 1.3520 | 1.3520 |
| Northtown MUD | 0.7500 | 0.7360 | 0.7220 | 0.7075 | 0.7075 | 0.6300 | 0.6250 | 0.6250 | 0.6150 | 0.5725 |
| Northwoods Road District #1 | -- | -- | -- | -- | -- | 0.2846 | 0.2825 | 0.2725 | 0.2453 | 0.2075 |
| Pearson Place Road District | -- | -- | -- | 0.2750 | 0.1578 | 0.1200 | 0.1100 | 0.1000 | 0.0900 | 0.0702 |
| Pflugerville Independent School District | 1.5400 | 1.5400 | 1.5400 | 1.5400 | 1.5400 | 1.5200 | 1.4500 | 1.4223 | 1.3880 | 1.2646 |
| Round Rock Independent School District | 1.3674 | 1.3375 | 1.3325 | 1.3325 | 1.3048 | 1.3048 | 1.2348 | 1.2212 | 1.1336 | 1.0626 |
| Travis County (1) | 0.4946 | 0.4563 | 0.4169 | 0.3838 | 0.3690 | 0.3542 | 0.3693 | 0.3744 | 0.3574 | 0.3182 |
| Travis County Healthcare District | 0.1290 | 0.1264 | 0.1178 | 0.1105 | 0.1074 | 0.1052 | 0.1056 | 0.1103 | 0.1103 | 0.0987 |
| Upper Brushy Creek WCID | 0.0200 | 0.0200 | 0.0200 | 0.0198 | 0.0200 | 0.0200 | 0.0200 | 0.0200 | 0.0175 | 0.0175 |
| Williamson County (2) | 0.8150 | 0.8062 | 0.7306 | 0.7230 | 0.7230 | 0.7230 | 0.7465 | 0.7465 | 0.6990 | 0.6420 |

| Government | Tax Levies (in 000's) for Fiscal Year Ended September 30 | | | | | | | | | |
|--|--|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| City of Austin | 446,227 | 474,418 | 507,204 | 553,892 | 615,686 | 669,905 | 731,975 | 942,544 | 981,565 | 1,003,567 |
| Austin Community College | 90,079 | 99,308 | 121,203 | 140,069 | 153,797 | 176,161 | 190,826 | 193,895 | 219,574 | 249,464 |
| Austin Independent School District | 834,029 | 918,306 | 1,030,642 | 1,174,333 | 1,312,699 | 1,448,359 | 1,484,391 | 1,554,355 | 1,605,322 | 1,784,804 |
| Avery Ranch Road District #1 | 1,213 | 1,213 | 1,243 | 1,212 | 1,234 | 1,209 | 1,189 | 1,222 | 1,220 | 922 |
| Del Valle Independent School District | 51,559 | 53,414 | 60,093 | 67,076 | 75,395 | 86,276 | 94,457 | 101,403 | 113,458 | 144,281 |
| Eanes Independent School District | 123,749 | 135,138 | 148,545 | 164,250 | 173,161 | 184,415 | 182,995 | 187,008 | 192,791 | 212,950 |
| Leander Independent School District | 219,988 | 248,089 | 273,849 | 305,591 | 336,487 | 370,356 | 383,124 | 400,096 | 432,426 | 516,707 |
| Manor Independent School District | 47,605 | 63,098 | 58,687 | 70,423 | 74,155 | 81,305 | 84,123 | 90,436 | 93,018 | 124,946 |
| Northtown MUD | 3,736 | 3,785 | 4,182 | 4,588 | 4,971 | 4,866 | 5,004 | 5,153 | 5,669 | 6,693 |
| Northwoods Road District #1 | -- | -- | -- | -- | 628 | 682 | 688 | 690 | 691 | 692 |
| Pearson Place Road District | -- | -- | -- | 288 | 247 | 278 | 301 | 328 | 324 | 293 |
| Pflugerville Independent School District | 118,412 | 133,432 | 147,355 | 166,578 | 189,307 | 215,566 | 226,363 | 242,003 | 266,077 | 306,838 |
| Round Rock Independent School District | 288,217 | 332,436 | 360,251 | 360,251 | 401,198 | 428,841 | 470,534 | 488,014 | 505,134 | 573,072 |
| Travis County (1) | 529,149 | 543,863 | 568,520 | 592,824 | 632,925 | 671,334 | 755,171 | 813,304 | 839,236 | 909,922 |
| Travis County Healthcare District | 138,132 | 150,765 | 160,701 | 170,812 | 184,237 | 199,366 | 215,815 | 239,562 | 286,582 | 282,073 |
| Upper Brushy Creek WCID | 5,443 | 6,171 | 6,960 | 7,744 | 8,431 | 9,269 | 10,063 | 10,625 | 10,664 | 13,105 |
| Williamson County (2) | 179,937 | 200,784 | 223,348 | 246,935 | 267,509 | 290,290 | 315,060 | 336,949 | 371,191 | 402,442 |

Source: Travis Central Appraisal District, Williamson Central Appraisal District, Hays Central Appraisal District, and taxing entities.

Note:

- (1) Includes taxes and levies for Travis County and Farm to Market Road
- (2) Includes taxes and levies for Williamson County and Farm to Market Road

**Principal Property Taxpayers
Current Year and Nine Years Ago**

**City of Austin, Texas
Table 10**

| Taxpayer | Type of Property | Fiscal Year Ended September 30 | | | | | |
|------------------------------------|------------------|--|------|--|--|------|---|
| | | 2023 | | | 2014 | | |
| | | January 1, 2022 Assessed Valuation | Rank | Percent of Total Assessed Valuation of \$ 216,893,650,976 | January 1, 2013 Assessed Valuation | Rank | Percent of Total Assessed Valuation of \$ 88,766,098,160 |
| | | \$ | % | \$ | | % | |
| Samsung Austin Semiconductor LLC | Manufacturing | 1,390,576,683 | 1 | 0.64 | 2,301,880,881 | 1 | 2.59 |
| Columbia/St. Davids Health Care | Hospital/Medical | 551,659,321 | 2 | 0.25 | 473,171,227 | 3 | 0.53 |
| University of Texas | Education | 512,657,750 | 3 | 0.24 | | | |
| Oracle America Inc | Manufacturing | 490,997,487 | 4 | 0.23 | | | |
| Apple | Manufacturing | 458,198,000 | 5 | 0.21 | | | |
| CS Kinross Lake Parkway LLC | Commercial | 447,052,204 | 6 | 0.21 | | | |
| BPP Alphabet MF Riata LP (1) | Commercial | 445,076,136 | 7 | 0.21 | 211,437,260 | 8 | 0.24 |
| CSHV-401 Congress LLC | Commercial | 389,644,565 | 8 | 0.18 | | | |
| GW Block 23 Office LLC | Commercial | 385,000,000 | 9 | 0.18 | | | |
| Capital Metropolitann TA | Transportation | 345,276,800 | 10 | 0.16 | | | |
| TPG-300 West 6th Street LLC (2) | Commercial | | | | 705,803,174 | 2 | 0.80 |
| Circuit of the Americas, LLC | Commercial | | | | 290,759,234 | 4 | 0.33 |
| IBM Corporation | Manufacturing | | | | 231,562,615 | 5 | 0.26 |
| Freescale Semiconductor, Inc. | Manufacturing | | | | 230,664,320 | 6 | 0.26 |
| Shopping Center at Gateway LP | Commercial | | | | 214,852,216 | 7 | 0.24 |
| Brandywine Acquisition Partners LP | Commercial | | | | 207,880,187 | 9 | 0.23 |
| HEB Grocery Company LP | Retail | | | | 204,172,204 | 10 | 0.23 |
| Total assessed valuation | | 5,416,138,946 | | 2.51 | 5,072,183,318 | | 5.71 |

Source: Travis, Williamson, and Hays Central Appraisal Districts

Note:

- (1) In 2014 taxpayer name was IMT Capital II Riata LP.
- (2) In 2014 taxpayer name was Thomas Property Group LLC.

**Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years**

| Fiscal Year Ended Sept. 30 | City Direct Rate (1) | Capital Metro Rate (2) | State of Texas Rate (3) |
|---|-------------------------------------|---------------------------------------|--|
| | % | % | % |
| 2014 | 1.00 | 1.00 | 6.25 |
| 2015 | 1.00 | 1.00 | 6.25 |
| 2016 | 1.00 | 1.00 | 6.25 |
| 2017 | 1.00 | 1.00 | 6.25 |
| 2018 | 1.00 | 1.00 | 6.25 |
| 2019 | 1.00 | 1.00 | 6.25 |
| 2020 | 1.00 | 1.00 | 6.25 |
| 2021 | 1.00 | 1.00 | 6.25 |
| 2022 | 1.00 | 1.00 | 6.25 |
| 2023 | 1.00 | 1.00 | 6.25 |

Sources: Capital Metro, Comptroller of Public Accounts, and City of Austin

(1) City of Austin 1% sales tax levy effective January 1, 1968

(2) Capital Metro 1% sales tax levy effective October 1, 1995

(3) State of Texas 6.25% sales tax levy effective July 1, 1990

**Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (In thousands except per capita)**

| Governmental Activities | | | | | | |
|----------------------------|--------------------------|----------------------------|-------------------------|-----------------------------------|---------------------------|-------------------------------|
| Fiscal Year Ended Sept. 30 | General Obligation Bonds | Certificates of Obligation | Contractual Obligations | Financed Purchase Obligations (4) | Financing Leases & SBITAs | Total Governmental Activities |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 2014 | 974,855 | 135,829 | 85,036 | -- | -- | 1,195,720 |
| 2015 | 1,030,680 | 165,350 | 102,396 | -- | -- | 1,298,426 |
| 2016 | 1,108,558 | 166,201 | 101,012 | -- | -- | 1,375,771 |
| 2017 | 1,109,766 | 214,394 | 111,868 | -- | -- | 1,436,028 |
| 2018 | 1,123,455 | 239,446 | 94,064 | 9,880 | -- | 1,466,845 |
| 2019 | 1,081,774 | 235,667 | 93,938 | 9,880 | -- | 1,421,259 |
| 2020 | 1,143,341 | 244,725 | 98,448 | 26,203 | -- | 1,512,717 |
| 2021 | 1,098,303 | 328,343 | 100,471 | 21,087 | -- | 1,548,204 |
| 2022 | 1,145,175 | 339,309 | 110,618 | 15,823 | 111,814 (5) | 1,722,739 |
| 2023 | 1,201,518 | 327,739 | 99,065 | 10,406 | 161,141 | 1,799,869 |

| Business-type Activities | | | | | | | | | | |
|----------------------------|--------------------------|----------------------------|-------------------------|--------------------------|------------------------|-------------------|--|-----------------------------------|---------------------------|--------------------------------|
| Fiscal Year Ended Sept. 30 | General Obligation Bonds | Certificates of Obligation | Contractual Obligations | Other Tax Supported Debt | Commercial Paper Notes | Revenue Bonds (1) | Revenue Notes from Direct Placements (1) | Financed Purchase Obligations (4) | Financing Leases & SBITAs | Total Business-type Activities |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2014 | 33,701 | 27,232 | 65,854 | 9,195 | 241,456 | 4,208,958 | 89,685 | 1,135 | -- | 4,677,216 |
| 2015 | 28,852 | 40,695 | 54,686 | 8,450 | 200,581 | 4,512,192 | 88,625 | 1,089 | -- | 4,935,170 |
| 2016 | 24,073 | 58,814 | 45,537 | 7,655 | 129,916 | 4,491,807 | 86,685 | 1,040 | -- | 4,845,527 |
| 2017 | 20,303 | 55,242 | 32,895 | 7,116 | 146,097 | 4,748,777 | 132,425 | 989 | -- | 5,143,844 |
| 2018 | 16,217 | 52,277 | 26,518 | 6,905 | 254,767 | 4,532,336 | 169,465 | 934 | -- | 5,059,419 |
| 2019 | 12,820 | 49,585 | 21,010 | 6,115 | 129,300 | 5,465,167 | 162,185 | 878 | -- | 5,847,060 |
| 2020 | 16,545 | 39,786 | 17,925 | 5,340 | 366,480 | 5,228,311 | 172,830 | 819 | -- | 5,848,036 |
| 2021 | 17,868 | 32,049 | 16,842 | 4,520 | 178,600 | 5,460,516 | 198,150 | 756 | -- | 5,909,301 |
| 2022 | 18,058 | 25,590 | 12,531 | 3,675 | 260,500 | 5,708,672 | 256,281 | -- | 54,415 (5) | 6,339,722 |
| 2023 | 14,941 | 32,080 | 9,079 | 2,791 | 176,300 | 5,734,034 | 291,281 | -- | 69,311 | 6,329,817 |

| Fiscal Year Ended Sept. 30 | Total Primary Government | Percentage of Personal Income (2) | Debt Per Capita (2) |
|----------------------------|--------------------------|-----------------------------------|---------------------|
| | \$ | % | \$ |
| 2014 | 5,872,936 | 0.12 | 6,689 |
| 2015 | 6,233,596 | 0.13 | 6,933 |
| 2016 | 6,221,298 | 0.11 | 6,722 |
| 2017 | 6,579,872 | 0.12 | 6,955 |
| 2018 | 6,526,264 | 0.11 | 6,771 |
| 2019 | 7,268,319 | 0.11 | 7,410 |
| 2020 | 7,360,753 | 0.11 | 7,653 |
| 2021 | 7,457,505 | 0.10 | 7,646 (3) |
| 2022 | 8,062,461 | 0.10 | 8,214 |
| 2023 | 8,129,686 | 0.10 | 8,165 |

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
(1) The City implemented GASB Statement No. 88 in fiscal year 2019, which expands note disclosures related to direct borrowings and direct placements. These columns were restated.
(2) Population and personal income statistics can be found in Table 17.
(3) Figure revised to match the census count numbers.
(4) Previously reported as Capital Lease Obligations prior to fiscal year 2022.
(5) The City implemented GASB Statement No. 87 in fiscal year 2022 and GASB No. 96 in fiscal year 2023. This figure was not included in the fiscal year 2022 Annual Comprehensive Financial Report.

**Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years (In thousands except per capita)**

| Fiscal Year Ended Sept. 30 | General Bonded Debt Outstanding | | | Resources Restricted for Repayment of Outstanding Debt Principal | Net General Bonded Debt | Percentage of Actual Taxable Value of Property (1) | Net General Bonded Debt Per Capita (2) |
|-------------------------------------|---------------------------------|--------------------------------|-----------|--|-------------------------------|--|---|
| | General Obligation Bonds | Other Tax Supported Debt | Total | | | | |
| | \$ | \$ | \$ | \$ | \$ | % | \$ |
| 2014 | 1,008,556 | 323,146 | 1,331,702 | 18,368 | 1,313,334 | 1.48 | 1,495.82 |
| 2015 | 1,059,532 | 371,577 | 1,431,109 | 21,725 | 1,409,384 | 1.43 | 1,567.52 |
| 2016 | 1,132,631 | 379,219 | 1,511,850 | 21,629 | 1,490,221 | 1.35 | 1,610.20 |
| 2017 | 1,130,069 | 421,515 | 1,551,584 | 24,587 | 1,526,997 | 1.22 | 1,614.03 |
| 2018 | 1,139,672 | 419,210 | 1,558,882 | 29,283 | 1,529,599 | 1.11 | 1,587.06 |
| 2019 | 1,094,594 | 406,315 | 1,500,909 | 32,154 | 1,468,755 | 0.97 | 1,497.38 |
| 2020 | 1,159,886 | 406,224 | 1,566,110 | 31,285 | 1,534,825 | 0.93 | 1,595.69 |
| 2021 | 1,116,171 | 482,225 | 1,598,396 | 33,617 | 1,564,779 | 0.89 | 1,604.37 (3) |
| 2022 | 1,163,233 | 491,723 | 1,654,956 | 31,681 | 1,623,275 | 0.89 | 1,653.69 |
| 2023 | 1,216,459 | 470,754 | 1,687,213 | 30,065 | 1,657,148 | 0.76 | 1,664.27 |

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Table 7 for property value data.

(2) Population data can be found in Table 17.

(3) Figure revised to match the census count numbers

**Direct and Overlapping Governmental Activities Debt
As of September 30, 2023**

| Name of Governmental Unit | Net Debt Outstanding as of September 30, 2023 (in 000's) | Percent Applicable to City of Austin | Amount Applicable to City of Austin (in 000's) |
|--|---|--------------------------------------|---|
| | \$ | % | \$ |
| Direct debt: Governmental activities debt | | | |
| General obligation bonds | 1,201,518 | | |
| Certificates of obligation | 327,739 | | |
| Contractual obligations | 99,065 | | |
| Financed purchase obligations | 10,406 | | |
| Financing leases and SBITAs | 161,141 | | |
| Total direct debt | <u>1,799,869</u> (1) | 100.00 | <u>1,799,869</u> |
| Overlapping debt | | | |
| Greater than 10%: | | | |
| Austin Community College | 562,445 | 67.29 | 378,469 |
| Austin Independent School District | 1,918,461 | 95.03 | 1,823,113 |
| Avery Ranch Road District #1 | 1,430 | 100.00 | 1,430 |
| Del Valle Independent School District | 655,350 | 55.82 | 365,816 |
| Eanes Independent School District | 162,540 | 37.41 | 60,806 |
| Leander Independent School District | 1,376,629 | 11.63 | 160,102 |
| Manor Independent School District | 501,475 | 62.50 | 313,422 |
| Northtown MUD | 20,880 | 19.45 | 4,061 |
| Northwoods Road District #1 | 9,015 | 100.00 | 9,015 |
| Pearson Place Road District | 4,410 | 100.00 | 4,410 |
| Pflugerville Independent School District | 780,930 | 34.22 | 267,234 |
| Round Rock Independent School District | 741,145 | 35.21 | 260,957 |
| Travis County | 900,550 | 70.02 | 630,565 |
| Travis County Healthcare District | 173,145 | 70.02 | 121,236 |
| Upper Brushy Creek WCID | 51,320 | 16.48 | 8,458 |
| Williamson County | 1,122,900 | 10.98 | 123,294 |
| Subtotal greater than 10% | <u>8,982,625</u> | | <u>4,532,388</u> |
| Less than 10%: | | | |
| Hays Independent School District | 916,140 | 1.71 | 15,666 |
| Hays County | 500,607 | 0.72 | 3,604 |
| Lake Travis Independent School District | 560,550 | 0.04 | 224 |
| Pilot Knob MUD #3 | 62,395 | 0.02 | 12 |
| Travis County MUD #8 | 9,495 | 0.50 | 47 |
| Travis County WC & ID #10 | 37,230 | 3.33 | 1,240 |
| Travis County WC & ID #17 | 40,125 | 0.08 | 32 |
| Subtotal less than 10% | <u>2,126,542</u> | | <u>20,825</u> |
| Total overlapping debt | <u>11,109,167</u> | | <u>4,553,213</u> |
| Total direct and overlapping debt | <u>12,909,036</u> | | <u>6,353,082</u> |

Ratio of total direct and overlapping debt to assessed valuation (2)

2.93 %

Per capita of total direct and overlapping debt (3)

\$ 6,380.38

Source: Taxing jurisdictions, Travis, Williamson, and Hays Central Appraisal Districts and Municipal Advisory Council of Texas.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the City residents and businesses. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

(1) Excludes general obligation debt reported in business-type activities. See Note 9.

(2) Based on assessed valuation of \$216,893,650,976 provided by the Travis, Williamson, and Hays Central Appraisal Districts.

(3) Based on 2023 population of 995,722.

**Legal Debt Margin Information
Last Ten Fiscal Years (In thousands)**

Legal Debt Margin Calculation for Fiscal Year 2023

| | |
|---|-----------------------------|
| Assessed taxable value (1) | \$ 214,724,714 |
| Debt limit (2) | 31,622,986 |
| Debt applicable to limit: | |
| General obligation debt | 1,543,590 |
| Less: Amount set aside for repayment of general obligation debt | (30,065) |
| Total net debt applicable to limit | <u>1,513,525</u> |
| Legal debt margin | <u><u>\$ 30,109,461</u></u> |

256

| | Fiscal Year | | | | | | | | | |
|---|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Debt limit | 12,942,046 | 14,383,428 | 16,114,633 | 18,279,122 | 20,181,369 | 22,183,034 | 24,085,222 | 25,758,656 | 26,453,172 | 31,622,986 |
| Total net debt applicable to limit | 1,253,012 | 1,332,360 | 1,387,051 | 1,401,193 | 1,403,032 | 1,357,421 | 1,417,745 | 1,423,113 | 1,465,642 | 1,513,525 |
| Legal debt margin | 11,689,034 | 13,051,068 | 14,727,582 | 16,877,929 | 18,778,337 | 20,825,613 | 22,667,477 | 24,335,543 | 24,987,530 | 30,109,461 |
| Total net debt applicable to the limit as a percentage of debt limit | 9.68% | 9.26% | 8.61% | 7.67% | 6.95% | 6.12% | 5.89% | 5.52% | 5.54% | 4.79% |

Note: Ad valorem tax limitations: The City is permitted by Article XI, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including payment of principal and interest on general obligation long-term debt. However, under the City Charter, a limitation on taxes levied for general governmental services, exclusive of payments of principal and interest on general obligation long-term debt, has been established at \$1.00 per \$100 per assessed valuation. A practical limitation on taxes levied for debt service of \$1.50 per \$100 of addressed valuation is established by referring to the State Statute and City Charter limitations

- (1) Assessed value 100% of estimated market value as of January 1, 2022, of \$216,893,650,976 at a 99% collection rate.
- (2) Assuming the maximum tax rate for debt service of \$1.50 on January 1, 2022, for collections on \$214,724,714 results in tax revenues of \$3,220,871, this revenue could service the debt on \$31,622,986 issued as 8% 20-year serial bonds with level debt service payments.

**Pledged-Revenue Coverage
Last Ten Fiscal Years (In thousands)**

**City of Austin, Texas
Table 16**

| Fiscal Year Ended Sept. 30 | Electric Revenue Bonds | | | | | | Water and Wastewater Revenue Bonds | | | | | |
|----------------------------|-----------------------------|------------------------------|-----------------------|------------------|----------|--------------|------------------------------------|------------------------------|-----------------------|------------------|----------|--------------|
| | Utility Service Charges (1) | Less: Operating Expenses (2) | Net Available Revenue | Debt Service (3) | | Coverage (4) | Utility Service Charges (1) | Less: Operating Expenses (2) | Net Available Revenue | Debt Service (3) | | Coverage (4) |
| | | | | Principal | Interest | | | | | Principal | Interest | |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| 2014 | 1,375,294 | 1,028,794 | 346,500 | 83,151 | 60,101 | 2.42 | 472,717 | 218,071 | 254,646 | 98,245 | 105,901 | 1.25 |
| 2015 | 1,359,097 | 978,283 | 380,814 | 47,904 | 59,017 | 3.56 | 517,253 | 208,307 | 308,946 | 97,176 | 124,134 | 1.40 |
| 2016 | 1,378,749 | 989,768 | 388,981 | 65,132 | 62,599 | 3.05 | 563,066 | 217,457 | 345,609 | 79,564 | 105,186 | 1.87 |
| 2017 | 1,373,020 | 1,018,604 | 354,416 | 44,278 | 60,692 | 3.38 | 601,928 | 233,592 | 368,336 | 85,927 | 141,455 | 1.62 |
| 2018 | 1,417,232 | 1,083,928 | 333,304 | 34,971 | 58,657 | 3.56 | 581,324 | 250,223 | 331,101 | 57,712 | 152,572 | 1.57 |
| 2019 | 1,471,267 | 1,105,466 | 365,801 | 37,007 | 54,364 | 4.00 | 560,168 | 261,004 | 299,164 | 33,888 | 129,707 | 1.83 |
| 2020 | 1,388,841 | 1,066,666 | 322,175 | 78,348 | 72,725 | 2.13 | 571,100 | 266,060 | 305,040 | 57,060 | 103,455 | 1.90 |
| 2021 | 1,276,554 | 980,277 | 296,277 | 78,886 | 78,245 | 1.89 | 568,031 | 272,750 | 295,281 | 73,129 | 99,871 | 1.71 |
| 2022 | 1,683,920 | 1,333,238 | 350,682 | 86,427 | 79,609 | 2.11 | 628,877 | 295,748 | 333,129 | 59,853 | 99,779 | 2.09 |
| 2023 | 1,819,476 | 1,446,114 | 373,362 | 80,233 | 76,489 | 2.38 | 657,637 | 330,549 | 327,088 | 80,463 | 96,132 | 1.85 |

| Fiscal Year Ended Sept. 30 | Airport Revenue Bonds | | | | | | Convention Center Revenue Bonds | | | | | | |
|----------------------------|-----------------------|---------------------------|------------------------------|-----------------------|------------------|----------|---------------------------------|---------------------------------|------------------------------|-----------------------|------------------|----------|--------------|
| | Service Charges (1) | Other Available Funds (5) | Less: Operating Expenses (2) | Net Available Revenue | Debt Service (3) | | Coverage (4) | User Fees Revenue Transfers (1) | Less: Operating Expenses (2) | Net Available Revenue | Debt Service (3) | | Coverage (4) |
| | | | | | Principal | Interest | | | | | Principal | Interest | |
| | \$ | \$ | \$ | \$ | \$ | \$ | | \$ | \$ | \$ | \$ | \$ | |
| 2014 | 109,263 | 3,620 | 73,822 | 39,061 | 8,520 | 5,960 | 2.70 | 82,971 | 41,142 | 41,829 | 10,750 | 7,278 | 2.32 |
| 2015 | 120,780 | 3,551 | 76,995 | 47,336 | 9,264 | 4,941 | 3.33 | 94,847 | 47,746 | 47,101 | 10,930 | 6,691 | 2.67 |
| 2016 | 137,826 | 3,700 | 82,330 | 59,196 | 9,616 | 5,184 | 4.00 | 106,037 | 45,306 | 60,731 | 11,740 | 6,352 | 3.36 |
| 2017 | 154,570 | 4,830 | 94,139 | 65,261 | 13,003 | 6,316 | 3.38 | 118,013 | 54,533 | 63,480 | 12,150 | 5,653 | 3.57 |
| 2018 | 176,235 | 5,469 | 108,045 | 73,659 | 15,906 | 5,969 | 3.37 | 115,934 | 60,807 | 55,127 | 12,955 | 4,713 | 3.12 |
| 2019 | 191,166 | 6,107 | 118,610 | 78,663 | 14,836 | 9,593 | 3.22 | 138,439 | 66,280 | 72,159 | 13,440 | 4,109 | 4.11 |
| 2020 | 174,257 (6) | 7,446 | 118,053 | 63,650 | 6,205 | 23,578 | 2.14 | 95,905 | 55,156 | 40,749 | 13,965 | 3,782 | 2.30 |
| 2021 | 186,715 (7) | 11,178 | 101,963 | 95,930 | 17,181 | 27,529 | 2.15 | 55,780 | 43,800 | 11,980 | 9,310 | 3,188 | 0.96 |
| 2022 | 246,263 (8) | 12,422 | 127,700 | 130,985 | 15,599 | 34,088 | 2.64 | 148,809 | 54,957 | 93,852 | 9,610 | 2,879 | 7.51 |
| 2023 | 317,909 | 13,548 | 151,267 | 180,190 | 20,632 | 33,558 | 3.33 | 188,535 | 64,922 | 123,613 | 9,870 | 2,526 | 9.97 |

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

- (1) Operating revenue, rental tax revenue, hotel tax revenue, and interest income.
- (2) Operating expenses other than interest on debt, depreciation, amortization, and year end unfunded other postemployment benefit and pension expenses
- (3) Debt service calculations are done on a cash basis rather than the accrual basis used in preparation of the financial statements. Airport excludes debt service amounts paid with passenger facility charge revenue and restricted bond proceeds applied to current interest payments.
- (4) Revenue bond coverage is equal to net revenue available for debt service divided by total principal and interest payments made during each fiscal year. Coverage includes prior, subordinate, and separate lien bonds only. For Austin Water and Convention Center, this methodology does not follow exactly the coverage calculation required by the master ordinance.
- (5) Pursuant to bond ordinance, Airport is authorized to use "other available funds" in the calculation of revenue bond coverage to not exceed 25% of the debt service requirements.
- (6) Gross revenue includes funds from the CARES Act of \$21.5 million.
- (7) Gross revenue includes funds from the CARES Act of \$29.9 million.
- (8) Gross revenue includes funds from the CARES Act of \$7.3 million.

**Demographic and Economic Statistics
Last Ten Fiscal Years**

**City of Austin, Texas
Table 17**

| Fiscal Year Ended Sept. 30 | City of Austin Population (1) | Area of Incorporation (Sq. Miles) (1) | Population MSA (2) | Income (MSA) (thousands of dollars) (2) | Median Household Income MSA (3) | Per Capita Personal Income MSA (2) | Unemployment Rate (MSA) (4) |
|-----------------------------------|--------------------------------------|--|---------------------------|--|--|---|------------------------------------|
| | | | | \$ | \$ | \$ | % |
| 2014 | 878,002 | 321 | 1,943,409 | 97,181,958 | 49,227 | 50,006 | 4.2 |
| 2015 | 899,119 | 323 | 2,002,491 | 103,244,100 | 52,519 | 51,555 | 3.4 |
| 2016 | 925,491 | 326 | 2,062,211 | 107,664,294 | 56,163 | 52,208 | 3.3 |
| 2017 | 946,080 | 325 | 2,115,230 | 117,458,116 | 56,849 | 55,530 | 3.1 |
| 2018 | 963,797 | 326 | 2,168,316 | 127,439,164 | 63,191 | 58,773 | 2.9 |
| 2019 | 980,886 | 327 | 2,187,161 | 138,650,094 | 65,950 | 69,393 | 2.6 |
| 2020 | 961,855 | 327 | 2,235,584 | 150,639,599 | 69,001 | 64,913 | 6.3 |
| 2021 | 975,321 | 327 | 2,298,224 | 163,778,682 | 71,186 | 71,300 | 3.5 |
| 2022 | 981,610 | 328 | 2,421,115 | 181,870,848 | 80,412 | 75,119 | 2.8 |
| 2023 | 995,722 | 333 | 2,433,199 (3) | 199,847,793 (5) | 80,284 | 82,100 (5) | 3.6 |
| 2014-2023 Change | 13.41% | 3.64% | 25.20% | 105.64% | 63.09% | 64.18% | |

Note: Prior year statistics are subject to change as more precise numbers become available.

(1) Source: City Demographer, City of Austin, Housing and Planning Department based on full purpose area as of September 30, 2023.

(2) Source: Bureau of Economic Analysis.

(3) Source: Claritas, LLC. Figures are esitmated.

(4) Source: Bureau of Labor Statistics, United States Department of Labor as of September 30, 2023.

(5) Data not available for 2023. Figures are estimated.

**Principal Employers
Current Year and Nine Years Ago**

**City of Austin, Texas
Table 18**

| | | Fiscal Year Ended September 30 | | | | | | |
|------------------------------------|---------------|--------------------------------|----------------|--------------|------|-----------|----------------|--------------|
| | | 2023 | | | 2014 | | | |
| 10 Largest Employers | Industry | Rank | Employees | Percent | Rank | Employees | Percent | |
| | | | | of MSA | | | of MSA | |
| | | | | Total (1) | | | Total (1) | |
| | | | | % | | | % | |
| State Government | Government | 1 | 38,681 (2) | 2.91 | 1 | 37,816 | 4.07 | |
| The University of Texas at Austin | Education | 2 | 31,106 (3) | 2.34 | 2 | 24,610 | 2.65 | |
| H-E-B | Retail | 3 | 22,955 (6) | 1.73 | 7 | 11,277 | 1.21 | |
| City of Austin | Government | 4 | 16,029 (5) | 1.21 | 4 | 12,782 | 1.38 | |
| Ascension Seton (7) | Healthcare | 5 | 14,842 (6) | 1.12 | 5 | 12,770 | 1.37 | |
| Federal Government | Government | 6 | 14,600 (4) | 1.10 | 8 | 9,700 | 1.04 | |
| Dell Computer Corporation | Computers | 7 | 13,000 (6) | 0.98 | 3 | 14,000 | 1.51 | |
| Tesla, Inc. | Manufacturing | 8 | 12,277 (6) | 0.92 | | | | |
| St. David's Healthcare Partnership | Healthcare | 9 | 11,484 (6) | 0.86 | 9 | 8,100 | 0.87 | |
| Amazon.com LLC | Retail | 10 | 11,000 (6) | 0.83 | | | | |
| Austin Independent School District | Education | | | | 6 | 11,538 | 1.24 | |
| IBM Corporation | Computers | | | | 10 | 6,000 | 0.65 | |
| | | | <u>185,974</u> | <u>14.00</u> | | | <u>148,593</u> | <u>15.99</u> |

Notes: Data subject to change as more precise numbers become available.

- (1) Texas Workforce Commission - Total refers to a Metropolitan Statistical Area (MSA) employed work force of 1,330,200 for 2023 and 929,600 for 2014.
- (2) Texas State Auditor's Office: Regular and Part Time State Employees for 2023 in Bastrop, Caldwell, Hays, Travis and Williamson Counties.
- (3) The University of Texas at Austin: Appointments and WD Filled Positions.
- (4) Bureau of Labor Statistics Federal Government employees in Austin MSA in September 2023.
- (5) 2023-24 City of Austin Approved Budget, page 621 (Personnel Summary: 2022-23 Amended column).
- (6) Austin Business Journal, July 2023
- (7) Seton Healthcare Network changed their name to Ascension Seton on April 1, 2019.

**Full-time Equivalent Employees by Function/Program
Last Ten Fiscal Years**

**City of Austin, Texas
Table 19**

| Function/Program | Fiscal Year Ended September 30 | | | | | | | | | |
|--|--------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Governmental activities | | | | | | | | | | |
| General government | 232 | 235 | 238 | 239 | 240 | 254 | 262 | 257 | 274 | 262 |
| Public safety | 4,281 | 4,401 | 4,523 | 4,664 | 4,676 | 4,732 | 4,825 | 4,708 | 4,757 | 4,828 |
| Transportation, planning, and sustainability | 9 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 14 | 15 |
| Public health | 513 | 532 | 575 | 592 | 598 | 641 | 648 | 688 | 725 | 777 |
| Public recreation and culture | 985 | 1,009 | 1,075 | 1,088 | 1,096 | 1,122 | 1,137 | 1,149 | 1,179 | 1,220 |
| Urban growth management (1) | 411 | 417 | 449 | 472 | 474 | 119 | 126 | 120 | 129 | 136 |
| Total governmental employees | 6,431 | 6,608 | 6,874 | 7,069 | 7,098 | 6,882 | 7,012 | 6,936 | 7,078 | 7,238 |
| Business-type activities | | | | | | | | | | |
| Electric | 1,682 | 1,676 | 1,674 | 1,718 | 1,749 | 1,774 | 1,784 | 1,813 | 1,897 | 1,897 |
| Water | 592 | 587 | 590 | 604 | 611 | 623 | 639 | 647 | 698 | 720 |
| Wastewater | 566 | 560 | 558 | 566 | 574 | 577 | 579 | 589 | 616 | 641 |
| Airport | 362 | 379 | 415 | 456 | 489 | 538 | 549 | 549 | 629 | 684 |
| Convention | 251 | 250 | 266 | 277 | 296 | 300 | 301 | 301 | 301 | 301 |
| Environmental and health services | 523 | 522 | 546 | 573 | 608 | 610 | 630 | 652 | 665 | 685 |
| Public recreation | 38 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 47 |
| Urban growth management (1) | 767 | 775 | 809 | 881 | 923 | 1,403 | 1,452 | 1,561 | 1,663 | 1,754 |
| Total business-type employees | 4,781 | 4,790 | 4,899 | 5,116 | 5,291 | 5,866 | 5,975 | 6,153 | 6,510 | 6,729 |
| Internal Services (2) | 1,570 | 1,579 | 1,598 | 1,640 | 1,649 | 1,723 | 1,785 | 1,875 | 1,960 | 2,062 |
| Total full-time equivalent employees | 12,782 | 12,977 | 13,371 | 13,825 | 14,038 | 14,471 | 14,772 | 14,964 | 15,548 | 16,029 |

Source: Budget Office

Notes:

(1) Development Services is reflected in Business-type activities beginning fiscal year 2019.

(2) Internal service activities are allocated to other programs and functions on a government-wide basis.

**Operating Indicators by Function/Program
Last Ten Fiscal Years**

**City of Austin, Texas
Table 20**

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Governmental activities | | | | | | | | | | |
| General government | | | | | | | | | | |
| Municipal court cases filed | 369,906 | 351,757 | 323,504 | 306,689 | 239,367 | 185,602 | 139,801 | 128,988 | 139,939 | 164,893 |
| Number of higher charges magistrates/arraigned (1) | 63,948 | 62,316 | 61,037 | 60,896 | 58,554 | 53,693 | 41,173 | 35,147 | 39,973 | 45,210 |
| Number of Class C warrants issued (1) | 80,396 | 71,247 | 65,984 | 57,953 | 42,231 | 35,183 | 3,634 | 6,220 | 27,045 | 5,251 |
| Public safety | | | | | | | | | | |
| Number of incidents responded to by patrol officers | 595,292 | 572,623 | 572,303 | 570,707 | 600,053 | 686,263 | 431,970 | 372,681 | 366,717 | 370,036 |
| Number of citation violations issued by APD officers | 184,254 | 156,088 | 143,173 | 128,925 | 89,149 | 73,139 | 39,315 | 22,425 | 22,005 | 18,154 |
| Fire emergency responses | 89,538 | 89,563 | 81,973 | 86,665 | 87,934 | 92,612 | 89,795 | 103,635 | 109,280 | 110,304 |
| Fire responses | 2,129 | 2,066 | 2,120 | 2,505 | 2,540 | 2,283 | 2,511 | 3,073 | 4,331 | 4,326 |
| Fire inspections | 32,619 | 35,154 | 36,259 | 36,393 | 31,187 | 26,232 | 23,121 | 27,572 | 27,011 | 31,024 |
| EMS response units dispatched | 138,881 | 157,827 | 159,992 | 145,489 | 131,207 | 134,427 | 130,873 | 141,754 | 179,630 | 167,679 |
| EMS 911 calls received | 126,638 | 140,212 | 143,804 | 146,448 | 143,353 | 139,020 | 137,399 | 152,574 | 138,443 | 131,362 |
| EMS ground patient transports | 76,791 | 82,987 | 78,725 | 78,164 | 74,924 | 75,618 | 68,783 | 68,757 | 73,033 | 76,101 |
| Public health | | | | | | | | | | |
| Number of animals sheltered | 19,137 | 18,630 | 17,431 | 17,284 | 16,406 | 18,873 | 11,365 | 11,274 | 15,609 | 14,274 |
| Birth and death certificates | 69,678 | 71,293 | 74,946 | 75,565 | 71,054 | 73,683 | 64,772 | 70,747 | 78,282 | 80,840 |
| STD patient clinic visits | 12,956 | 13,722 | 13,860 | 12,740 | 9,236 | 11,234 | 8,621 | 6,699 | 9,222 | 10,886 |
| Shots for Tots Clinics vaccine visits (ages 0-18) | 7,583 | 7,541 | 8,156 | 8,373 | 7,322 | 3,400 | 6,610 | 6,454 | 7,157 | 8,987 |
| Food establishment permits issued | 12,445 | 12,779 | 13,227 | 14,485 | 13,561 | 13,866 | 11,801 | 11,248 | 14,543 | 14,402 |
| Number of HIV/STD tests provided in outreach settings | 2,374 | 2,151 | 2,558 | 1,613 | 2,430 | 2,807 | 1,377 | 1,233 | 1,238 | 1,504 |
| Public recreation and culture | | | | | | | | | | |
| Volumes in library collection (2) | 1,425,914 | 1,725,535 | 1,869,385 | 1,919,511 | 2,031,770 | 2,098,116 | 2,067,174 | 2,130,735 | 2,370,361 | 2,668,791 |
| Library volumes borrowed | 5,392,446 | 5,572,268 | 5,921,193 | 5,762,874 | 6,562,604 | 7,500,734 | 6,711,963 | 8,179,576 | 6,762,923 | 8,970,166 |
| Registered library borrowers | 508,397 | 542,358 | 570,446 | 597,545 | 640,104 | 702,023 | 792,918 | 408,958 | 455,246 | 490,545 |
| Meals served to senior citizens | 63,718 | 78,147 | 79,183 | 81,452 | 90,185 | 93,713 | 11,319 | 8,744 | 54,302 | 50,858 |
| Visits to educational and cultural facilities | 329,734 | 256,526 | 307,136 | 356,389 | 395,917 | 351,304 | 244,941 | 69,356 | 225,361 | 312,193 |
| Pool visits | 1,202,587 | 1,253,624 | 1,115,800 | 1,403,260 | 1,603,818 | 1,509,654 | 378,610 | 690,358 | 973,470 | 1,244,630 |

(continued)

Source: Various City departments; budget documents and performance reports

Notes:

(1) Newly implemented performance measure.

(2) 2022 figure revised.

**Operating Indicators by Function/Program
Last Ten Fiscal Years, continued**

**City of Austin, Texas
Table 20**

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| Governmental activities continued | | | | | | | | | | |
| Urban growth management | | | | | | | | | | |
| Number of zoning applications processed (1) | 149 | 169 | 139 | 144 | 149 | 159 | 140 | 180 | 178 | 161 |
| Repair services provided to homeowners | 692 | 622 | 708 | 603 | 421 | 423 | 294 | 249 | 248 | 271 |
| Housing related services provided | 931 | 934 | 1,185 | 1,011 | 956 | 613 | 1,053 | 706 | 2,209 | 1,084 |
| Svcs provided through housing/community development activities | 2,613 | 2,590 | 2,896 | 2,740 | 2,408 | 1,777 | 1,502 | 4,112 | 3,114 | 2,988 |
| Business-type activities | | | | | | | | | | |
| Electric | | | | | | | | | | |
| Electric sales (in millions of KWH) | 12,572 | 12,674 | 12,874 | 12,983 | 13,410 | 13,446 | 13,262 | 13,113 | 14,340 | 14,282 |
| Number of metered customers | 439,403 | 450,479 | 461,345 | 472,701 | 485,204 | 496,258 | 507,660 | 520,757 | 530,698 | 541,368 |
| Water | | | | | | | | | | |
| Actual water pumpage (millions of gallons) | 43,239 | 43,481 | 44,687 | 47,312 | 48,521 | 47,312 | 51,154 | 51,614 | 55,728 | 54,850 |
| Average daily consumption (thousands of gallons) | 105,994 | 103,261 | 108,887 | 112,791 | 113,545 | 129,664 | 139,764 | 141,412 | 148,819 | 150,245 |
| Average daily consumption per capita | 125 | 122 | 122 | 126 | 124 | 120 | 127 | 126 | 135 | 131 |
| Peak daily capacity (thousands of gallons) | 285,000 | 285,000 | 335,000 | 335,000 | 335,000 | 335,000 | 335,000 | 335,000 | 335,000 | 335,000 |
| Wastewater | | | | | | | | | | |
| Average daily sewage treatment (millions of gallons) | 102 | 105 | 109 | 104 | 99 | 106 | 99 | 102 | 94 | 101 |
| Combined daily capacity (thousands of gallons) | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 |
| Airport | | | | | | | | | | |
| Enplanements | 5,275,464 | 5,792,387 | 6,180,464 | 6,729,108 | 7,739,811 | 8,464,615 | 4,723,544 | 5,207,769 | 10,133,735 | 10,960,717 |
| Deplanements | 5,244,569 | 5,769,778 | 6,161,240 | 6,676,658 | 7,711,086 | 8,442,060 | 4,711,341 | 5,187,752 | 10,098,752 | 10,945,961 |
| Cargo (in millions of pounds) | 156 | 158 | 168 | 189 | 183 | 180 | 201 | 233 | 310 | 285 |
| Convention | | | | | | | | | | |
| Convention contracts executed | 353 | 292 | 279 | 240 | 260 | 266 | 140 | 181 | 212 | 213 |
| Exhibit Hall and Ballroom occupancy level | 59 | 61 | 64 | 65 | 67 | 65 | 25 | 11 | 57 | 63 |
| Environmental and health services | | | | | | | | | | |
| Tons of trash collected | 127,924 | 130,784 | 129,266 | 131,815 | 128,829 | 130,307 | 136,709 | 138,955 | 134,125 | 132,867 |
| Tons of recyclables collected | 55,494 | 57,324 | 58,903 | 58,689 | 58,647 | 59,290 | 63,424 | 63,030 | 57,448 | 53,839 |
| Tons of brush collected | 6,692 | 7,776 | 9,036 | 7,367 | 6,292 | 6,447 | 3,323 | 8,339 | 5,636 | 175,089 |
| Tons of bulk items collected | 9,068 | 9,672 | 12,144 | 11,334 | 10,431 | 11,298 | 5,506 | 11,973 | 8,364 | 8,605 |
| Tons of yard trimmings collected | 27,357 | 28,680 | 32,605 | 34,316 | 32,244 | 37,265 | 48,105 | 56,481 | 43,548 | 44,445 |
| Public recreation | | | | | | | | | | |
| Golf rounds played | 190,244 | 181,285 | 196,972 | 208,118 | 202,600 | 191,042 | 174,183 | 258,783 | 252,306 | 294,348 |
| Youth sports participants | 23,769 | 26,165 | 22,196 | 14,581 | 18,690 | 20,139 | 15,911 | 15,836 | 26,602 | 26,188 |

(continued)

Source: Various City departments; budget documents and performance reports

Notes:

(1) Newly implemented performance measure.

**Operating Indicators by Function/Program
Last Ten Fiscal Years, continued**

**City of Austin, Texas
Table 20**

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Business-type activities continued | | | | | | | | | | |
| Urban growth management | | | | | | | | | | |
| Number of new protected bicycle lanes (1) | 15 | 12 | 12 | 11 | 8 | 15 | 14 | 18 | 12 | 24 |
| Number of collisions in work zones within the right-of-way | N/A | N/A | N/A | 60 | 115 | 131 | 112 | 144 | 128 | 263 |
| Number of parking spaces in the system | N/A | N/A | N/A | 7,364 | 8,184 | 8,626 | 9,250 | 9,094 | 9,511 | 10,380 |
| Linear feet of pipeline cleaned | 69,380 | 83,716 | 79,606 | 78,106 | 82,819 | 77,909 | 41,593 | 39,308 | 76,259 | 76,646 |
| Number of buildings, properties, & roadways with reduced flood risk | N/A | N/A | 321 | 82 | 41 | 51 | 68 | 13 | 13 | 17 |
| Tons of stormwater pollution removed by treatment facilities | 776 | 778 | 784 | 785 | 786 | 787 | 832 | 844 | 858 | 862 |
| Lane miles of preventative street maintenance completed | 804 | 607 | 659 | 637 | 721 | 606 | 340 | 759 | 713 | 706 |
| Total miles of arterials with bicycle lanes | N/A | 117 | 124 | 125 | 128 | 145 | 145 | 176 | 185 | 411 |
| Percent of DSD controlled activities performed on-time | N/A | N/A | N/A | 85 | 86 | 87 | 92 | 87 | 88 | 87 |
| Percent of operating expenses held in reserve | N/A | N/A | N/A | N/A | N/A | 25 | 31 | 49 | 48 | 29 |
| Internal services activities (2) | | | | | | | | | | |
| Internal services | | | | | | | | | | |
| Units auctioned off | 379 | 491 | 361 | 307 | 335 | 446 | 457 | 722 | 483 | 485 |
| Fleet availability rate | 94 | 94 | 94 | 94 | 93 | 93 | 94 | 93 | 92 | 91 |
| Payment transactions processed | 185,463 | 187,938 | 174,116 | 180,556 | 172,735 | 160,513 | 111,884 | 103,735 | 107,249 | 111,175 |
| Payroll payments | 453,686 | 466,928 | 474,170 | 487,292 | 492,045 | 501,025 | 499,383 | 493,509 | 513,141 | 510,599 |
| Employees enrolled in medical benefit plans | 11,551 | 11,873 | 11,991 | 12,365 | 12,580 | 12,857 | 13,030 | 13,074 | 12,997 | 13,132 |
| Requests for council action processed | 2,284 | 2,135 | 2,533 | 2,278 | 2,166 | 2,192 | 2,240 | 2,313 | 2,839 | 2,186 |
| Active construction projects managed in-house | 357 | 336 | 336 | 355 | 348 | 400 | 436 | 431 | 507 | 536 |
| Land parcels acquired | 160 | 264 | 250 | 122 | 112 | 80 | 112 | 70 | 36 | 63 |

Source: Various City departments; budget documents and performance reports

Notes:

(1) 2014-2019 figures revised.

(2) Internal service activities are allocated to other programs and functions on a government-wide basis.

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

| Function/Program | Fiscal Year Ended September 30 | | | | | | | | | |
|--------------------------------------|--------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Governmental activities | | | | | | | | | | |
| Public safety | | | | | | | | | | |
| Police stations | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Police zones | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Patrol units | 372 | 360 | 365 | 360 | 364 | 365 | 365 | 461 | 467 | 464 |
| Fire stations | 45 | 45 | 45 | 45 | 45 | 46 | 47 | 48 | 48 | 51 |
| EMS stations | 37 | 37 | 37 | 37 | 42 | 42 | 44 | 46 | 47 | 48 |
| Public health | | | | | | | | | | |
| Health facilities (sq. ft.) | 383,306 | 383,306 | 389,221 | 389,221 | 389,221 | 389,221 | 325,298 | 375,298 | 369,983 | 369,983 |
| Program vehicles | 90 | 85 | 109 | 111 | 116 | 116 | 89 | 101 | 96 | 97 |
| Public recreation and culture | | | | | | | | | | |
| Libraries | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| District parks | 15 | 15 | 15 | 14 | 14 | 14 | 14 | 14 | 14 | 14 |
| Metropolitan parks | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 | 11 |
| Natural preserves | 15 | 15 | 14 | 14 | 15 | 16 | 16 | 16 | 16 | 16 |
| Greenbelts | 40 | 43 | 44 | 48 | 50 | 48 | 49 | 65 | 67 | 70 |
| Neighborhood parks | 84 | 85 | 86 | 90 | 91 | 94 | 95 | 102 | 107 | 112 |
| Special parks (museums, etc.) | 40 | 42 | 41 | 37 | 35 | 40 | 40 | 40 | 41 | 42 |
| Youth entertainment complexes | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Recreation centers | 22 | 23 | 23 | 23 | 23 | 23 | 23 | 22 | 22 | 22 |
| Open fields | 101 | 101 | 101 | 78 | 78 | 78 | 74 | 70 | 70 | 70 |
| Senior activity centers | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Veloway (miles) | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Hike and bike trails (miles) | 203 | 208 | 227 | 234 | 230 | 208 | 258 | 253 | 265 | 269 |
| Tennis courts | 124 | 124 | 124 | 124 | 122 | 127 | 92 | 100 | 86 | 87 |
| Swimming pools | 51 | 51 | 51 | 51 | 51 | 51 | 48 | 35 | 35 | 33 |
| Business-type activities | | | | | | | | | | |
| Electric | | | | | | | | | | |
| Overhead distribution (miles) | 5,263 | 5,104 | 5,017 | 4,961 | 4,916 | 4,892 | 4,992 | 5,012 | 5,004 | 5,002 |
| Underground distribution (miles) | 6,167 | 6,338 | 6,500 | 6,630 | 6,735 | 6,774 | 6,900 | 7,023 | 7,200 | 7,262 |
| Water | | | | | | | | | | |
| Treatment plants | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Water mains (miles) | 3,713 | 3,807 | 3,845 | 3,884 | 3,929 | 3,942 | 3,959 | 4,035 | 4,031 | 4,025 |
| Booster pumps | 39 | 40 | 44 | 44 | 47 | 47 | 47 | 47 | 47 | 47 |
| Fire hydrants | 36,217 | 37,518 | 38,265 | 39,445 | 40,154 | 40,792 | 41,389 | 43,271 | 44,127 | 44,683 |
| Wastewater | | | | | | | | | | |
| Sanitary sewers (miles) | 2,692 | 2,776 | 2,806 | 2,848 | 2,890 | 2,915 | 2,944 | 2,970 | 2,997 | 3,015 |
| Connections | 204,378 | 212,760 | 214,373 | 215,879 | 221,866 | 225,760 | 230,127 | 233,637 | 236,768 | 238,748 |

(Continued)

Source: Various City departments; budget documents and performance reports

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years, continued**

**City of Austin, Texas
Table 21**

| Function/Program | Fiscal Year Ended September 30 | | | | | | | | | |
|--|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
| Business-type activities, continued | | | | | | | | | | |
| Airport | | | | | | | | | | |
| Buildings maintained (sq. ft.) | 2,306,130 | 2,361,831 | 2,361,831 | 2,361,831 | 2,361,831 | 2,712,429 | 2,794,229 | 2,925,509 | 2,925,509 | 2,925,509 |
| Facility (terminal) maintained (sq. ft.) | 687,940 | 743,641 | 743,641 | 743,641 | 743,641 | 743,641 | 916,205 | 1,092,686 | 1,092,686 | 1,092,686 |
| Acres - air side | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 | 1,700 |
| Convention | | | | | | | | | | |
| Convention facilities (sq. ft.) | 2,080,222 | 2,080,222 | 2,080,222 | 2,080,222 | 2,080,222 | 2,080,222 | 2,080,222 | 2,080,222 | 2,080,222 | 2,080,222 |
| Environment and health services | | | | | | | | | | |
| Refuse collection trucks | 64 | 66 | 67 | 67 | 69 | 69 | 68 | 68 | 71 | 75 |
| Recycle collection trucks | 41 | 43 | 45 | 46 | 46 | 46 | 46 | 47 | 48 | 48 |
| Public recreation | | | | | | | | | | |
| Golf courses | 6 | 6 | 5 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Athletic fields | 172 | 172 | 172 | 172 | 172 | 168 | 174 | 172 | 172 | 169 |
| Softball fields | 35 | 35 | 35 | 35 | 35 | 35 | 38 | 37 | 37 | 34 |
| Urban growth management | | | | | | | | | | |
| Residential ponds | 865 | 873 | 894 | 994 | 1,040 | 1,045 | 1,052 | 1,046 | 1,083 | 1,148 |
| Street (miles) | 7,618 | 7,582 | 7,663 | 7,825 | 7,851 | 7,863 | 7,917 | 7,958 | 7,997 | 7,997 |
| Bridges | 447 | 450 | 450 | 436 | 449 | 449 | 454 | 452 | 455 | 455 |
| Traffic signals | 1,000 | 1,016 | 1,029 | 1,057 | 1,080 | 1,093 | 1,107 | 1,132 | 1,161 | 1,178 |
| Metered parking spaces | 6,072 | 7,300 | 7,600 | 8,217 | 8,394 | 8,626 | 9,250 | 9,147 | 9,507 | 12,593 |
| Internal Services (1) | | | | | | | | | | |
| Fleet facilities (sq. ft.) | 127,916 | 127,916 | 127,916 | 127,916 | 127,916 | 127,916 | 127,916 | 128,236 | 128,236 | 128,457 |
| City facilities insured | 1,134 | 1,134 | 1,253 | 1,241 | 1,283 | 1,285 | 1,285 | 1,295 | 1,305 | 1,284 |
| Facilities maintained (sq. ft.) | 1,539,244 | 1,539,244 | 1,539,244 | 1,539,244 | 1,539,244 | 1,539,244 | 1,464,423 | 1,464,423 | 1,957,803 | 2,893,006 |

Source: Various City departments; budget documents and performance reports

(1) Internal service activities are allocated to other programs and functions on a government-wide basis.







FINANCIAL SERVICES DEPARTMENT

Financial Services Department – Accounting & Reporting Division
P.O. Box 2920, Austin, Texas 78768 | 512-974-2600 | austintexas.gov

The City of Austin is in compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.