



Annual Internal Review

Bond Oversight Commission

This report covers the time period of 6/28/2017 to 7/30/2018

The Bond Oversight Commission (BOC) mission statement (per Ordinance No. 20150813-010) is:

- A. The council creates the Bond Oversight Commission to ensure efficiency, equity, timeliness, and accountability in the implementation of existing and future City bond programs.
- B. The Commission shall monitor the city manager's plans relating to the issuance of bonds and the implementation of projects approved in bond elections, including the review of future potential bonds, the annual appropriation of bond funds, and any changes in the amount of bond funds issued or cash commitments made
- C. The mayor and council shall work with the commission to set priorities and goals of each new bond issue to be submitted to voters.
- D. The commission shall advise the council on proposed bonds and the implementation of projects approved in bond elections.
- E. The council shall appoint at least three members to the commission who have training or professional experience in financial matters.

Describe the board's actions supporting their mission during the previous calendar year. Address all elements of the board's mission statement as provided in the relevant sections of the City Code.

1. Assess and monitor the delivery of current, ongoing bond programs (2012 and 2016) (mission statements A, B and D)

Throughout the last year, the BOC continued receiving presentations about the 2012 Bond Program as follows:

- 2012 Prop. 12 Austin Public Health – May 25, 2017
- 2012 Prop. 18 New Central Library – June 28, 2017
- 2012 Prop. 18 Economic Development Department, Austin Film Studios Expansion – September 20, 2017
- 2012 Prop. 16 Public Safety – January 31, 2018

On October 30, 2017 the BOC held a Strategic Planning Retreat where the results of the staff presentations on the 2012 Bond Program were discussed. During the meeting the BOC approved a memo to Council with observations on the efficiency, timeliness, and accountability of the bond project delivery process and recommendations to improve the process going forward.

The BOC also received presentations from the Corridor Program Office (CPO) regarding implementation of the 2016 Mobility Bond Program as follows:

- Project Explorer website - September 20, 2017
- Presentation from CPO on the Corridor Construction Program and discussion from Capital Metro on project coordination – April 18, 2018

The BOC also developed a template for staff presentations to ensure that we get the information we need to evaluate and monitor bond programs.

2. Provide input and recommendations to the Bond Election Advisory Task Force (BEATF) on a potential 2018 Mobility Bond (mission statements A and C)

Two members of the BOC also serve on the BEATF, which was formed to make recommendations on a 2018 Bond Program. Those two members provided regular updates to the BOC throughout the year. The BOC observations and recommendations regarding the importance of performing sufficient feasibility analysis to develop a reasonably accurate cost estimate prior to placing a project on a bond program helped to inform some discussions of the BEATF.

3. Review and approve the annual bond sale schedule and appropriation of bond funds (mission statement B)

~~On May 25, the BOC received a presentation from the City Treasurer on the 2017 bond sale schedule.~~ Commissioner Jay Sands requested an alternative tax analysis from the Treasury Office related to the impact to the tax rate five years from now if the City issued no new bonds.

Determine if the board's actions throughout the year comply with the mission statement.

All BOC actions complied with our mission statement.

List the board's goals and objectives for the new calendar year.

This year, the BOC will focus on:

- Unused Bond Authority - Identify unused bond authority from all prior bond programs. Learn about the reasons the bond authority is going unused and what lessons should be learned for future bond programs. Determine if there is a way for the bond authority to be used for other projects or if it can be “retired” so that it doesn’t affect the city’s bond capacity (mission statements A, B and D).
- 2016 Mobility Bond - Review and monitor the implementation of the 2016 Mobility Bond Program (mission statement A and B).
- Review the bond sale schedule and appropriation of bond funds for 2018 (mission statement B).