

City of Austin, Texas

Annual Comprehensive Financial Report

For the fiscal year ended September 30, 2021

2021



FINANCIAL SERVICES
DEPARTMENT



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Top row, middle and bottom right photographs provided by Waterloo Greenway Conservancy. Bottom left photograph courtesy of Alliance Children's Garden video footage by City of Austin Parks & Recreation Department.

Annual Comprehensive Financial Report



*City of Austin,
Texas*

*For the year ended
September 30, 2021*

*Prepared by:
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City Council

Steve Adler

Mayor

Term expires January 2023

Natasha Harper-Madison *Mayor Pro Tem (District 1)*

Term expires January 2023

Council Members	District	Term expiration
Vanessa Fuentes	2	January 2025
Sabino “Pio” Renteria	3	January 2023
Jose “Chito” Vela	4	January 2025
Ann Kitchen	5	January 2023
Mackenzie Kelly	6	January 2025
Leslie Pool	7	January 2025
Paige Ellis	8	January 2023
Kathie Tovo	9	January 2023
Alison Alter	10	January 2025

Spencer Cronk

City Manager

CITY OF AUSTIN, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2021

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INTRODUCTION



City of Austin

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

March 14, 2022

Honorable Mayor, Mayor Pro Tem and Council members, and Citizens of Austin
City of Austin, Texas

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, 2021. The ACFR is provided to give detailed information about the financial position and activities of the City to citizens, 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 the Uniform Grant Guidance, and the *State of Texas Uniform Grants 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 citizen's commission, are to be adjusted after each U.S. census. Following results of the 2020 Census, the Independent Citizens Redistricting Commission presented a certified map to City Council in October 2021, which will be in effect for the 2022 elections. The City's elected officials serve four-year staggered terms subject to a maximum of two consecutive terms. The City Manager, appointed by the City Council, is responsible to the City Council for the management of all City employees, except 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 the eleventh largest in the nation with a September 2021 population of 975,321 according to the City's estimates (2020 figures were revised following release of the U.S. Census). Geographically, Austin consists of approximately 327 square miles. The current estimated median household income for Austin residents is \$71,186 according to Nielsen Site Reports and Austin's per capita personal income is estimated to be \$71,300 a 9.8% increase over 2020.

Austinites know that despite tremendous growth, Austin remains a very special place to live. Austin's special character in part derives from its diverse population, the unique beauty afforded being at the foothills of the hill country, as well as its reputation as a welcoming and collaborative community. Austin consistently ranks high in the *U.S. News & World Report* list of best places to live and ranked fifth for the 2021-2022 list. For quality of life, Austin

ranked 4th in the US and 8th worldwide in a quality-of-life index based in part on purchasing power, safety, health care, and pollution and climate.

Higher education is a significant aspect of life in the Austin area which 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 2022 *U.S. News & World Report* Best Colleges survey, the university ranks tenth (tied) among public universities and its business programs were ranked fifth (tied) among national universities, both public and private. Also in a new global ranking, UT placed 43rd and was the top school in Texas.

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 Industrial Development Corporation, 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. Additionally, the financial statements include Austin-Bergstrom Landhost Enterprises, Inc., Austin Convention Enterprises, Inc., Austin Economic Development Corporation, Austin Transit Partnership Local Government Corporation, and Austin Travis County Sobriety Center Local Government Corporation as discrete component units on the government-wide statements. Waller Creek Local Government Corporation is also a discrete component unit but had no financial activity during the year.

THE ECONOMIC OUTLOOK AND MAJOR INITIATIVES

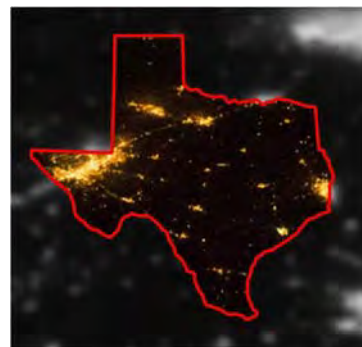
COVID-19

As with many communities across the nation, the first confirmed cases of COVID-19 in Austin occurred March 13, 2020, the same day it was declared a national emergency in the United States. The toll the COVID-19 pandemic took on the City and its residents may be difficult to quantify, but without a doubt the ongoing pandemic will be reflected upon as one of the most significant challenges the City faced in its 182-year history. And while the surge abated with the rollout of vaccines this past spring, COVID-19 remained a large part of the City's and the country's narrative for 2021. Particularly, the arrival of Delta and Omicron variants dampened the path to full recovery.

To assist in mitigating some of the worst financial consequences of the pandemic, the federal government passed several laws that provided funding for individuals, businesses, and state and local governments. In addition to the \$170.8 million the City received through the Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Relief Fund in fiscal year 2020, the City was also allocated \$188.5 million through the American Rescue Plan Act of 2021 (ARPA), Local Fiscal Recovery Fund. The first \$94.2 million tranche of ARPA funding was received in May 2021, with the remaining funding expected to be received in May 2022. In June, City Council approved an ARPA spending framework that focuses on residents, businesses, and organizations that were most impacted by the pandemic. Detail on that spending framework is provided within the Strategic Plan discussion later in this letter. Just under \$65 million from the U.S. Department of Treasury was awarded to the City for emergency rental assistance, of which approximately 86% has been dispersed. Additionally, the City received \$13.8 million in reimbursements from the Federal Emergency Management Agency for emergency protective measures taken to respond to the pandemic emergency. All federal COVID-19 monies carry strict limitations on how and when the funds can be spent. The City continues use of its extensive financial accounting and reporting controls to ensure compliance with the federal funding restrictions.

Winter Storm Uri

From February 14, 2021 through February 19, 2021, Texas experienced a severe winter weather event as Winter Storm Uri brought days of sub-freezing temperatures. The failure of infrastructure and power outages left 4 million Texas residents without power for significant stretches of the week. Austin Energy generation assets largely stayed online during the storm, though large segments of the City suffered prolonged blackouts, some lasting days. In the City, significant disruption to water service ultimately resulted in widespread water outages and a citywide boil water notice that lasted thru February 23, 2021. The impacts of the storm lasted considerably longer with many residents facing repairs due to burst water pipes and flooding. The Austin-Travis County After Action Report (AAR) evaluated the completeness of the response and level of preparedness, noting the complexity and magnitude of the event which overlapped the ongoing demands of the COVID-19 response operation. The AAR included an improvement plan to address shortfalls in order to adequately prepare for future events. In addition, City Council directed the City Auditor to undertake an audit of the city's response and established a Winter Storm Review Task Force to collect information from individuals and organizations on their experiences. Recommendations from the task force ranged from improving early-warning communications to improved coordination of services with community-led organizations. The City Auditor's Office also issued ten recommendations related to revising disaster plans, increasing staff and emergency supplies on-hand, and enhancing public communication. At the state level, new regulators have been appointed and several bills passed the Legislature to improve emergency preparedness, particularly the statewide electric grid and communications.



Local Economy

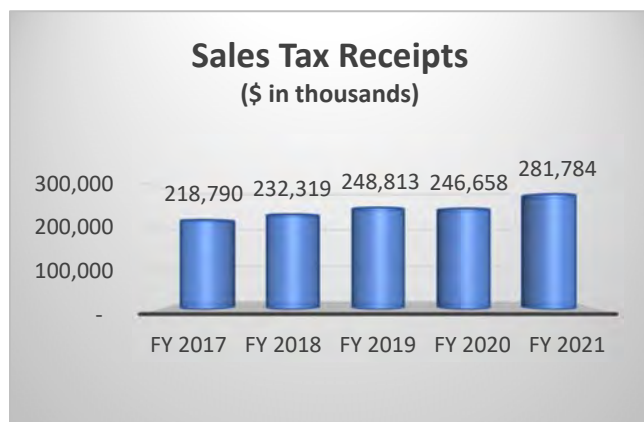
Keep Austin Weird is the City's unofficial tagline. It speaks to Austin's reputation as a creative and playful place to live. In the *Business Facilities 2021* report, the Austin metro ranked first for fastest-growing metros, and the Austin-Round Rock MSA maintained its third-place ranking in Milken Institute's *Best Performing Cities 2021* report.

The pandemic had less of an impact on Austin than other major metro areas in the country. Data from the Bureau of Economic Analysis shows GDP for the Austin metro area grew 1.2% compared to GDP for the metropolitan portion of the U.S. which in aggregate dropped 3.5% in 2020. As proof of Austin's attractiveness and resilience, the number of announcements in 2021 for business relocations and expansions in the Austin area doubled over 2020. Ninety businesses, varying in size and industry have pledged to create 11,700 direct jobs across the metro area. Among the list of those companies announcing moves to Austin include data center Digital Realty Trust, Inc., Amazing Magnets LLC, and digital banking company Green Dot Corp. Additionally, expansion of another 138 existing local businesses is expected to create another 15,000 jobs.

According to *Emerging Trends in Real Estate 2022*, published by PricewaterhouseCoopers U.S. and the Urban Land Institute, Austin landed fourth and fifth on the lists for overall real estate prospects and homebuilding prospects, respectively, in 2022. This report is the compilation of interviews and surveys of over 2,000 real estate professionals across all segments of the industry. Identified as a supernova market in the U.S., the report cites that the Austin metro area 'has long been among the brightest stars in the constellation and a darling for investors and developers alike'. The report also identifies Austin as a comparatively lower cost metro area that is attracting skilled workers from more traditional gateway markets.

Texas Economy – With a gross state product of \$2.0 trillion, Texas remains the second largest economy in the nation behind California. The long-term outlook for the State remains positive with strong employment, income and economic forecasts. According to the Real Estate Center at Texas A&M University, the Dallas Fed's Texas Business-Cycle Index increased 10.4% year-over-year in December. In one sign of tension, the Texas Consumer Confidence Index hit a post-pandemic high in June, but then fluctuated through the remaining months of the year amid mounting concerns regarding inflation and the ongoing pandemic, largely following national trends. In continued signs of the state's draw, Texas again added more residents for the year than any other state as of July 2021, according to U.S. Census estimates.

Employment – In 2021, Austin’s change in unemployment rates largely mirrored the state and nation’s trajectory of gradual improvement to pre-pandemic levels at the end of the year. For the Austin area, the employment landscape continues to be robust with the announcements of the relocations and expansions mentioned above. At 2.9%, Austin area unemployment in December ran below the state and national unemployment rates of 5.0% and of 3.9%, respectively. The intense demand for workers in the region may further drop the unemployment rate in 2022. The highest job growth sector for the Austin area in 2021 was in the leisure and hospitality sector with a 19.1% increase. This was also the greatest job loss sector in 2020, so its growth signals a return to positive economic activity in that sector. Professional and business services also saw significant year-over-year job gains.



Sales Taxes – Consumer spending growth (as measured by sales tax collections) reflects Austin’s population and economic growth. Sales tax collections in fiscal year 2021 experienced a 14.2% increase from fiscal year 2020, highlighting the strength of the area’s rebound from the pandemic. The expectation that sales tax collections in 2021 would be consistent with 2020 levels was conservative. All reported tax revenue streams increased in 2021 over the prior year, with the exception of franchise fees. Sales taxes revenue hit an historic high in 2021. The City anticipates sales tax growth to continue at a more moderate and consistent level over the next few years as the region continues to rebound from the economic disruption of the pandemic.

Tourism – Given tourism’s tremendous hit from COVID-19 in 2020 and the continued presence of variants through the year, 2021 provided an uneven recovery within the tourism ecosystem.

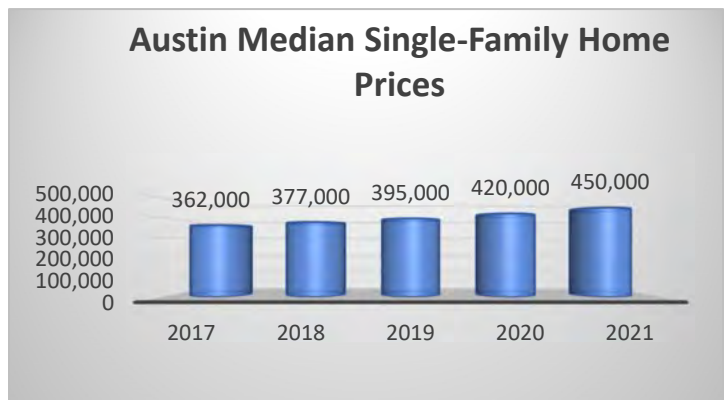
As anticipated, passenger traffic at Austin Bergstrom International Airport (ABIA) abruptly dropped in the spring of 2020 with the onset of the pandemic. However, after the first quarter of 2021, passenger traffic quickly regained ground. Activity during the last two months of the year even surpassed 2019 activity, with many airlines posting over 100% year-over-year increases. Airlines are signaling expectations that strong growth will continue by adding a record number of new non-stop flights from ABIA in 2021 to both national and international destinations.

While festivals have begun a slow comeback, the largest single-day sporting event in Austin occurred in October, with 140,000 attendees at the F1 race. Weekend attendance reached 400,000, even exceeding projections made by the event organizers. The much beloved Austin City Limits festival returned for two weekends in October, with attendance reportedly matching that of the 2019 festival at 450,000 total attendees. The inaugural games of Austin FC, Austin’s first and much-anticipated major league soccer team housed in a new facility known as Q2 Stadium, had the fifth highest attendance in the league with most games sold out.

The uncertainty of the pandemic made large gatherings difficult, resulting in a slower rebound for the Austin Convention Center in 2021. Hotel occupancy tax (HOT) revenues were marginally higher compared to fiscal year 2020, but still significantly lagging from prior years, reflecting the continued effect of COVID-19 on the conference and convention industries. In response, City Council approved a one-time \$4.8 million transfer from the Budget Stabilization Reserve Fund to the Cultural Arts Fund, a recipient of HOT revenue, to make up some of the shortfall.

Notable Developments – In November 2021, Samsung announced the selection of Taylor, Texas for its new \$17 billion chipmaking plant. Taylor lies northeast of Austin but is considered part of the Austin metro area. The 6 million-square-foot plant which will produce the company’s most advanced computer chips, is expected to employ 1,800 people directly, making a transformative change to the rural town. Electric car manufacturer Tesla Motors completed its new 5 million-square-foot factory and began production at the end of 2021. Also, Tesla announced in October 2021, the relocation of its headquarters from California to its plant at the southeastern edge of Travis County in the City’s extraterritorial jurisdiction. In speculative news, another semiconductor company, Micron, is considering central Texas for its next fabrication plant.

Real Estate – The real estate market in Austin and surrounding areas has continued its stratospheric rise in 2021, with growth in every sector, except commercial. As of December 2021, the median price of an Austin area home increased to an all-time high of \$450,000, a 7.1% increase from the previous year of \$420,000. In the Austin-Round Rock MSA, the total number of home sales in 2021 exceeded 41,000, 2.5% higher than 2020. These trends are expected to continue as inventory across the region remains low – unchanged at 0.6 months since December 2020. It has been speculated that lack of inventory and supply chain issues may lead to a decline in closed sales in 2022. Investors and international buyers, in addition to residents moving to the area, all contribute to the pressure on this market.



The multi-family sector faltered in 2020 due to the pandemic, but it rebounded in 2021. The pressures on single-family properties spilled over to multi-family as a shortage in inventory and increasing job growth put median rental prices in the metro area at an all-time high, increasing 25% year-over-year as of December, higher than all of the other major Texas metro areas. As a result, construction of multi-family projects is also seeing a boom, with 13,000 units under construction and another 37,000 proposed as of the end of the year.

As predicted, the Austin office market showed improved stabilization after dropping during 2020. Absorption, which was negative for the first time in over a decade in 2020, regained ground and ended 2021 in positive territory. The Austin metro area saw an increase to the overall commercial vacancy rate in 2021 of 20.7%, in comparison to 2020 at 16.7%, but subleasing activity saw a decline. Rental rates and new construction have also been impacted. City wide, Class A office space averaged \$49.02 per square foot in 2021, up from \$44.62 per square foot in 2020, according to CBRE Research. Prospects for development in the downtown area remain positive with builders constructing or planning to construct 2.1 million-square-feet of office space as of the end of the fourth quarter. Despite the increase in vacancy rates, there was almost 5 million-square-feet of new office space under construction in the Austin metro area, amid news that Austin ranked first among top targets for commercial real estate investment in 2021.

Industrial and warehouse space continued with strong growth in 2021. Vacancy rates dropped throughout the year and nearly 6.4 million-square-feet were under construction in the Austin metro area at the end of 2021. As of the fourth quarter 2021, the Austin market had 30 consecutive quarters of positive net demand. And while Austin is not considered a major industrial market nationally, it is considered on par with other cities its size and 'likely outperforms larger cities on a pound-for-pound basis' according to commercial real estate researchers at Jones Lang Lasalle.

Tax Abatements – Originally approved in 2003, the City's Economic Development Program was developed to identify and recruit diverse industries for job creation in the wake of the dot-com recession. 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. The City has no tax abatement agreements. Instead, the City has performance-based incentive agreements where taxes are rebated 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.

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 2022 budget includes approved expenditures of \$11.7 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

Efforts led by multiple city departments this year focused on curtailing the spread of COVID-19 and supporting the community including small businesses, individuals, and families to weather the unprecedented challenge of the global pandemic. 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 more effectively respond to new challenges as well as new opportunities. City employees take enormous 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 citizens: (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 Plan

In the spring of 2018, the City Council adopted a strategic plan, Strategic Direction 2023, to provide a shared vision for the City for the next five years. Strategic Direction 2023 is inspired by Imagine Austin, which laid out a 30-year vision for our community. Six priority strategic outcomes were identified to help develop and guide City policies, initiatives, and budget development. The six outcomes are:

- ❖ *Mobility* - getting us where we want to go, when we want to get there, safely and cost effectively;
- ❖ *Economic Opportunity and Affordability* - having economic opportunities and resources that enable us to thrive in our community;
- ❖ *Safety* - being safe in our home, at work, and in our community;
- ❖ *Health and Environment* - enjoying a sustainable environment and a healthy life, physically and mentally;
- ❖ *Culture and Lifelong Learning* - being enriched by Austin's unique civic, cultural, ethnic, and learning opportunities; and
- ❖ *Government that Works for All* - believing that city government works effectively and collaboratively for all of us - that is equitable, ethical and innovative.

As a result of the Strategic Direction 2023 effort, the annual budget presents departmental expenditure plans and measures in alignment with these six outcomes.

Mobility – The Austin Transit Partnership Local Government Corporation, created to oversee the Project Connect program, including a new rail system, a downtown transit tunnel, and expanded bus system established its board, brought on staff and approved its first full-year budget in September. The bulk of the funds will go toward the development of two new rail lines. In addition, approximately \$300 million will be transferred to the City over 13 years, to be used for transit-supportive, anti-displacement investments along the Project Connect System Plan.

Of the \$371.5 million total capital spending plan for Mobility initiatives in 2022, \$101.3 million, over 27%, is earmarked for capacity building of streets. These projects stem from multiple prior year bond packages and include the Corridor Construction Program, Regional Mobility projects with the Texas Department of Transportation, and various bikeway and intersection safety improvement projects. Improvements to the Violet Crown Trail, expected to be Austin's longest urban trail once completed, are also scheduled for completion in 2022. A new trail entrance at Zilker park will provide an overlook, gathering area and rain garden highlighting the importance of this mobility asset.



Planned entrance to the Violet Crown Trail in Zilker Park

Economic Opportunity and Affordability – Strategies for this outcome focus on reducing economic disparities by understanding and addressing their root causes. Funding was included in the Parks and Recreation Department operating budget for the Austin Civilian Conservation Corps (ACCC), a program designed to help Austinites economically impacted by COVID-19. ACCC partners with nonprofit organizations to hire and train crews to restore landscapes at City parks and conduct tree maintenance. These activities help to create more resilient landscapes while providing quality jobs and a living wage. Funding for this project comes from ARPA and the Budget Stabilization Fund.

Capital expenditures in the Housing and Planning department comprise nearly 70%, or \$81.3 million, of the total capital budget for this strategic outcome. The majority of the \$81.3 million comes from the 2018 Affordable Housing bonds which aim to continue the City's commitment to reach key affordable housing goal targets. The strategic vision is to create 60,000 affordable housing units for those making less than 80% of the median family income and ensure that there is affordable housing throughout the city. Ending homelessness continues to be a high priority item for City Council and because this issue cuts across all of the City's strategic outcomes, it is highlighted separately at the end of this section.

Safety – The Reimagining Public Safety (RPS) framework established in 2020 endeavors to prioritize a holistic approach to providing public safety services and community-centered crime prevention strategies to ensure that everyone in the community feels safe in their home and neighborhood. The fiscal year 2022 budget funds several public safety reform recommendations proposed by the City-Community RPS Task force, including enhanced funding for the Office of Violence Prevention and Victim Services within the Austin Police Department (APD). APD adopted a new training academy curriculum which was used with the 144th Police cadet class which began in June. The new program involves expanded community engagement and includes an independent monitor to evaluate the class and ensure the implementation of recommendations made as a result an assessment of the APD training academy last year.

As a result of the Winter storm Uri task force recommendations, the budget also contains funds for a one-time emergency preparedness campaign to encourage residents to prepare for potential emergencies. The operating budget for the safety outcome increased to \$1.1 billion for the fiscal year 2022 budget.

The capital budget for this strategic outcome is predominantly in support of the Austin Fire Department, which is in the process of constructing five new stations in six years as part of a City Council resolution adopted in 2018. Station 51, serving the Travis Country and Sunset Valley neighborhoods, opened over the summer and renovations on two other stations were completed.

Health and Environment – In 2021, Austin Public Health (APH) implemented a vaccine strategy that mobilized vaccine providers to fully vaccinate more than 68% of eligible Travis County residents. APH administered over 355,000 vaccine doses through mass clinics, mobile clinics, and traditional immunization clinics, while also improving outreach efforts. APH focused on improving equity in public information on COVID-19 by making outreach and education information available in multiple languages. Two townhall meetings captured public input in seven different languages to inform and improve vaccination processes.

Capital expenditures for this strategic outcome lie predominantly with Austin Water, which in fiscal year 2022 is scheduling upgrades to electrical systems, replacing aging infrastructure, and making advanced metering infrastructure improvements. The utility also has \$6.9 million budgeted in capital spending to expand its reclaimed water system infrastructure, allowing more customers to connect for irrigation, cooling towers and industrial uses. By improving efficiencies in the system, Austin Water can reduce operating costs in addition to conserving water resources.

Culture and Lifelong Learning - The majority of the fiscal year 2022 budget for this strategic outcome lies with the Austin Public Library for continued support of the Central Library as well as library branches across the City. The newly established Austin Economic Development Corporation (AEDC) will assist with the acquisition of creative spaces, which the Economic Development Department will oversee by contract with operators for the facilities. Also of note is funding of the Iconic Venue Fund to save and preserve Austin's iconic cultural venues and protect the city's unique creative cultural brand via a \$2.5 million transfer from the Budget Stabilization Fund. The Iconic Venue Fund is managed by the AEDC. With respect to capital spending, the 2018 voter approved public improvement bonds included funding for construction of a new facility for the Dougherty Arts Center which has been operating out of a naval reserve facility built in 1947. The project, destined for Buter Shores will begin its design phase in fiscal year 2022.

Government that Works for All – In an effort to bring internet access to all members of the community, the Telecommunications and Regulatory Affairs Division of the Financial Services Department will conduct and begin implementation of the Community Technology Study in 2022. More in house, the Office of Real Estate Services, previously a stand-alone division, will be incorporated into the Financial Services Department. This consolidation is intended to improve synergies and streamline implementation of the City's strategic facilities governance process.

As to capital spending for fiscal year 2022, Austin Energy accounts for the majority of the expenditures in this strategic outcome, ensuring the maintenance of and upgrades to the electric infrastructure in order to provide safe and uninterrupted electric service. Major projects include a new warehouse facility, a new downtown substation, as well as generation and transmission projects.

Ending Homelessness – Prominent national trends such as rising rent costs, insufficient affordable housing and other factors continue to push many into homelessness. Despite recent efforts by the City to invest in ending homelessness, the number of people experiencing homelessness did not significantly change between 2020 and 2021 according to counts by the Ending Community Homelessness Coalition. Homelessness has been highlighted separately as a community priority with a goal of making homelessness something that is rare, brief, and nonrecurring.

The appropriation framework that City Council adopted for homeless services in the fiscal year 2022 budget incorporates all six strategic outcomes and involves no fewer than 13 City departments and multiple community partners. The appropriation of \$67.2 million is allocated to the following four core components: Reducing Inflow, Crisis Response, Housing Stabilization, and Public Space Management, with the largest allocation going to Housing Stabilization (\$30.1 million). The majority of those funds, over 80%, are from the City's operating budget with the remainder from CIP funds and federal and state funding.

At a summit in April of 2021, a coalition of homeless advocates and city leaders set a goal to house 3,000 individuals experiencing homelessness over three years. The estimated cost was estimated at \$240 million for operating expenditures and \$275 million for capital expenditures. In May, a ballot initiative to ban public camping was approved by voters. The Texas legislature also passed House Bill 1925 which prohibited public camping, further stressing the need for the City to address the challenge of helping the unsheltered find housing.

The federal funding made available by ARPA through the City and Travis County meant that a portion of the goal addressed in the summit had been met. The City's portion came in at \$106.7 million and Travis County's at \$57 million. In October, the City's Homeless Strategy Officer presented the plan showing how the funding would be used to achieve the goal of housing 3,000 individuals and stabilizing another 2,300 households within the three years. That same day, representatives from social services groups and charitable foundations announced the beginning of an effort to raise the remaining funds from the private sector and philanthropic organizations.

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.

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. A second plan covering a 10-year planning horizon, the Long-Range CIP Strategic Plan, is updated biennially. This plan provides a data-driven approach to planning for how the City's future capital improvements support the way Austin functions and grows. 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 other 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. The City's bond ratings for general obligation bonds remained AAA, the highest rating available, for Standard & Poor's ratings. Moody's Investors Service, Inc. maintained the City's general obligation bonds in 2021 at Aa1 with a stable outlook. However, in August 2021 Fitch Ratings, Inc. downgraded the City's outstanding general obligation bonds to AA+ from AAA and assigned a stable outlook. The reasoning behind the downgrade involves the continued concern over pension liabilities and a new concern regarding the approval of a proposition in May 2021 which provides for binding arbitration on labor contract negotiations with the Austin Fire Association.

Actuarial funding data for the City Employees' and Police Officers' retirement plans show that both systems, while still underfunded, have made headway. The City is working with these systems to resolve the funding shortfalls and amortization periods have improved as a result. During 2021, the legislature approved, and the governor signed House Bill 4368 enacting substantial reforms to the Police Officers' retirement system. Effective January 1, 2022, a new tier was established for officers hired on or after that date and new contribution levels and methodologies were established. For the Police Officers' retirement system, the amortization period has decreased

from infinite to 31 years. The City increased funding to the City of Austin Employees' Retirement System in January 2021 which contributed to a reduction in its amortization period from 40 to 32 years.

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 the 2021 ACFR, the City continues to meet its responsibility for sound financial management.

Budgetary Information

Despite the constraint of the pandemic, the fiscal year 2022 Budget avoided furloughs and layoffs and maintained General Fund reserves at the newly established level of 14% (previously 12%) in compliance with financial policy thresholds. This was in part due to prudent financial management and the City's ability to leverage federal relief funds. 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. Although this year's budget development process was also largely remote, input was gathered and evaluated to address the issues, concerns, and priorities identified by Austin's citizens, employees, boards and commissions, and Council members. The result is a budget built around the ideals of resiliency, affordability, equity, and inclusivity that dictate the operations of Austin's city government.

The balanced fiscal year 2022 Approved Budget totals \$4.7 billion and includes \$1.2 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 citizens of Austin and visitors. Budgeted revenue comes from utility charges (46%), various taxes, including property tax (30%), charges for services and goods (13%), and other revenue such as interest, fees, and transfers (11%). The fiscal year 2022 budget was approved with a \$0.0075 increase to the property tax rate, from 53.35 to 54.10 cents per \$100 of taxable value. To lessen the impact of the tax increase, City Council approved an increase to the general homestead exemption raising it to 20%, the highest amount permitted by state law. The 3.5% tax cap established during the 2019 Texas legislative session went into effect in 2021. The City was able to balance the fiscal year 2022 budget within the 3.5% cap.

The City's largest enterprise department, Austin Energy, serves just over half a million customers within a service territory of approximately 437 square miles in the Greater Austin area. Austin Energy's approved fiscal year 2022 budget is \$1.5 billion in annual revenues, including transfers. 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 provides water and wastewater services to more than one million retail and wholesale customers spanning more than 540 square miles within Austin and surrounding areas. The fiscal year 2022 budget projects revenues and transfers in of \$658.2 million. There are no planned changes to water and wastewater rates for fiscal year 2022.

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 2020 ACFR. The City has received this award for 14 consecutive

years. The certificate is valid for a period of one year only. City management believes that this 2021 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 2021 budget, the 2021 Certificate of Excellence in Performance Measurement from the ICMA, and the Achievement of Excellence in Procurement from the National Procurement Institute in 2020.

GFOA also recognized Austin Water in 2021 with an Award for Excellence in Government Finance. The utility's debt management strategies have not only saved customers nearly \$700 million since 2016, but they have allowed for increasing affordability for customers as well as improving and maintaining critical infrastructure for Austin's growing population.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the dedicated services of the Financial Services Department – Controller's staff. Other departments and offices of the City have also contributed directly or indirectly to the preparation of this report: the Budget and Treasury divisions 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 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 have consistently supported the City's goal of excellence in all aspects of financial management. Your support is greatly appreciated.



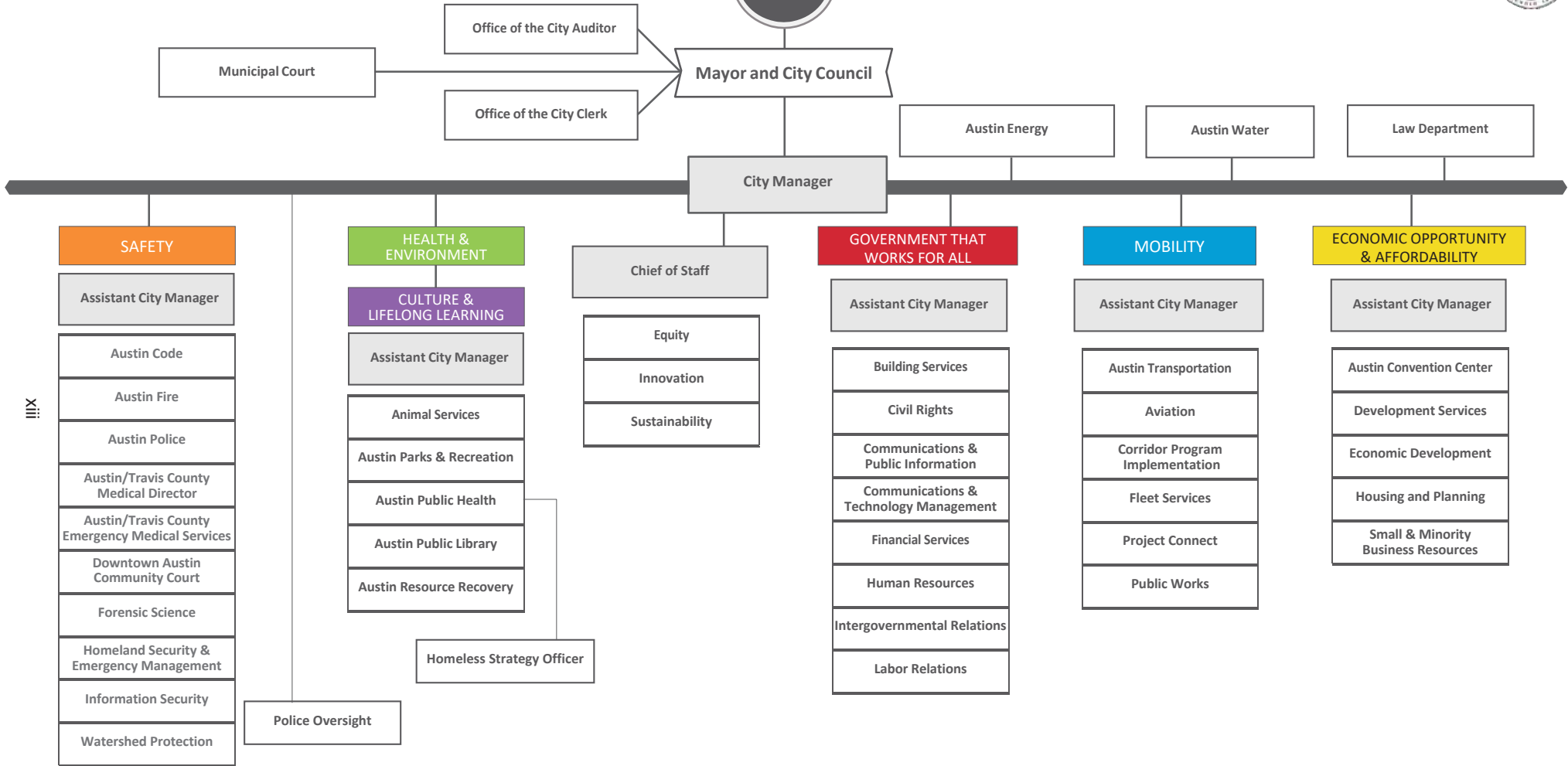
Ed Van Eenoo
Chief Financial Officer



Marija Jukic, CPA
Controller



CITY OF AUSTIN RESIDENTS



OUR VISION:

Austin is a beacon of sustainability, social equity, and economic opportunity; where diversity and creativity are celebrated; where community needs and values are recognized; where leadership comes from its community members; and where the necessities of life are affordable and accessible to all.

CITY OF AUSTIN
STRATEGIC DIRECTION

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, 2020.

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 2021 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, 2020

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying 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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Austin-Bergstrom Landhost Enterprises Inc. (ABLE), Austin Convention Enterprises Inc. (ACE), Austin Economic Development Corporation (AEDC), and Austin Transit Partnership Local Government Corporation (ATP), which represent 99.9%, 99.8%, and 99.2%, respectively, of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose reports, one of which (ABLE) contains an emphasis of matter paragraph related to a going concern issue, have been furnished to us, and our opinion, insofar as it relates to the amounts included for ABLE, ACE, AEDC, and ATP, is based solely on the reports of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the 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, 2021, 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.

Emphasis of Matter

As discussed in Note 19 to the basic financial statements, the City adjusted its beginning net position and fund balance as of October 1, 2020, to reflect the impact of the implementation of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. Our opinion is not modified with respect to this change.

Other Matters

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, 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, 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 the 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.

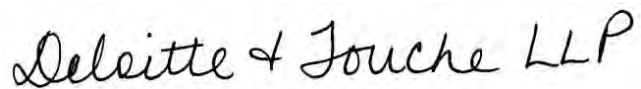
Other Information

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 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the other auditors, 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

March 14, 2022

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, 2021.

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. 86, No. 88 through No. 90, No. 92 and No. 93, No. 95, No. 97 and No. 98.

FINANCIAL HIGHLIGHTS

Government-wide financial statements

The City's assets and deferred outflows exceeded its liabilities and deferred inflows in fiscal year 2021, resulting in \$3.2 billion of net position. Net position associated with governmental activities is a deficit of approximately \$792.5 million, while the net position associated with business-type activities is approximately \$4.0 billion, or 124.5% of the total net position of the City. The largest portion of net position consists of net investment in capital assets, which is \$4.6 billion, or 142.8% of total net position.

The City's unrestricted net position is a deficit of \$2.8 billion. Unrestricted net position for governmental activities is a deficit of \$3.3 billion, while unrestricted net position for business-type activities is approximately \$509.3 million, or 12.7% of total business-type net position. The deficit in governmental unrestricted net position is largely due to the net pension liability of \$1.3 billion and other postemployment benefits (OPEB) liability of \$2.6 billion.

During fiscal year 2021, total net position for the City of Austin decreased \$191.4 million or 5.6%. Of this amount, governmental activities decreased \$198.9 million, or 33.5% from the previous year and business-type activities increased \$7.5 million, or 0.2%.

Total revenues for the City increased \$190.0 million; revenues for governmental activities increased \$279.7 million; revenues for business-type activities decreased \$89.7 million. Total expenses for the City increased \$47.7 million; expenses for governmental activities increased \$210.1 million; expenses for business-type activities decreased \$162.4 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), 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, 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 six 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), 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, 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 2021.

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.
- 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.

OVERVIEW OF THE FINANCIAL STATEMENTS, continued

b -- Fund financial statements, continued

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 sixteen 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 City restated the beginning net position for governmental activities as a result of the implementation of GASB Statement No. 84, "Fiduciary Activities." For more information, see Note 19.

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	
	2021	2020	2021	2020	2021	2020
Current assets	\$ 798,949	779,982	1,839,337	1,867,245	2,638,286	2,647,227
Capital assets	3,534,103	3,305,902	9,233,077	8,974,945	12,767,180	12,280,847
Other noncurrent assets	393,899	246,952	3,102,554	2,854,365	3,496,453	3,101,317
Total assets	4,726,951	4,332,836	14,174,968	13,696,555	18,901,919	18,029,391
Deferred outflows of resources	1,682,325	1,576,856	1,126,855	1,021,150	2,809,180	2,598,006
Current liabilities	631,759	503,997	627,429	582,656	1,259,188	1,086,653
Noncurrent liabilities	5,425,174	5,712,633	8,832,303	8,403,024	14,257,477	14,115,657
Total liabilities	6,056,933	6,216,630	9,459,732	8,985,680	15,516,665	15,202,310
Deferred inflows of resources	1,144,823	286,661	1,816,505	1,713,928	2,961,328	2,000,589
Net position:						
Net investment in capital assets	2,208,451	1,999,355	2,408,833	2,303,795	4,617,284	4,303,150
Restricted	265,681	242,516	1,107,411	1,085,723	1,373,092	1,328,239
Unrestricted (deficit)	(3,266,612)	(2,835,470)	509,342	628,579	(2,757,270)	(2,206,891)
Total net position	\$ (792,480)	(593,599)	4,025,586	4,018,097	3,233,106	3,424,498

In the current fiscal year, total assets increased \$872.5 million and deferred outflows of the City increased by \$211.2 million. Total liabilities increased \$314.4 million and deferred inflows increased by \$960.7 million. Governmental-type total assets increased by \$394.1 million and business-type increased by \$478.4 million, while governmental-type liabilities decreased by \$159.7 million and business-type increased by \$474.1 million.

The most significant increase in governmental total assets resulted from an increase in capital assets of \$228.2 million as the City continues to build out projects from the 2012, 2016, and 2018 bond programs. Factors in the decrease of governmental-type liabilities of \$159.7 million include a decrease in net pension liability of \$797.2 million offset by an increase in OPEB liability of \$482.4 million, bonds payable of \$40.6 million, and other liabilities of \$74.4 million. A 3.15% increase in the discount rate used in calculating the Police Officers' fund net pension liability resulted in a decrease of \$711.4 million. The discount rate changed as the result of legislative changes to both the City and Police Officer contributions to the system. The increase in OPEB liability is primarily due to the change in discount rate assumption from 2.74% to 2.12%.

The most significant factor in the increase of business-type total assets is related to the \$258.1 million in capital assets, of which approximately \$106.6 million is related to various water and wastewater treatment plant improvements including installation of advanced metering infrastructure, construction of the North Austin Reservoir, and pump station improvements. Another factor is an increase in regulatory assets, which consists of a \$111.6 million increase in Austin Energy deferred depreciation and a combined increase of \$97.6 million in deferred pension and OPEB expenses for Austin Energy and Austin Water. The primary factors in the increase in business-type total liabilities of \$474.1 million include an increase in both the OPEB liability of \$359.5 million and bonds payable of \$249.2 million offset by a decrease in commercial paper of \$187.9 million.

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 \$3.2 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 \$4.6 billion, or 142.8% 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, \$1.4 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 \$2.8 billion of unrestricted net position. Unrestricted net position decreased \$550.4 million 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 \$3.3 billion and \$2.8 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	
	2021	2020	2021	2020	2021	2020
Program revenues:						
Charges for services	\$ 126,643	119,052	2,461,429	2,527,607	2,588,072	2,646,659
Operating grants and contributions	182,566	190,534	32,377	24,383	214,943	214,917
Capital grants and contributions	99,864	60,724	150,385	147,545	250,249	208,269
General revenues:						
Property tax	937,352	732,336	--	--	937,352	732,336
Sales tax	281,784	246,658	--	--	281,784	246,658
Franchise fees and gross receipts tax	120,085	117,810	--	--	120,085	117,810
Interest and other	40,374	41,862	3,187	37,553	43,561	79,415
Special item - land sale	--	--	--	--	--	--
Total revenues	<u>1,788,668</u>	<u>1,508,976</u>	<u>2,647,378</u>	<u>2,737,088</u>	<u>4,436,046</u>	<u>4,246,064</u>
Program expenses:						
General government	327,126	283,532	--	--	327,126	283,532
Public safety	853,434	842,450	--	--	853,434	842,450
Transportation, planning, and sustainability	232,056	88,948	--	--	232,056	88,948
Public health	204,819	278,340	--	--	204,819	278,340
Public recreation and culture	185,110	178,481	--	--	185,110	178,481
Urban growth management	242,225	162,677	--	--	242,225	162,677
Interest on debt	68,724	69,002	--	--	68,724	69,002
Electric	--	--	1,256,788	1,345,003	1,256,788	1,345,003
Water	--	--	245,336	318,889	245,336	318,889
Wastewater	--	--	232,053	263,230	232,053	263,230
Airport	--	--	213,129	216,183	213,129	216,183
Convention	--	--	65,938	76,382	65,938	76,382
Environmental and health services	--	--	155,957	134,680	155,957	134,680
Public recreation	--	--	10,293	9,681	10,293	9,681
Urban growth management	--	--	334,450	312,267	334,450	312,267
Total expenses	<u>2,113,494</u>	<u>1,903,430</u>	<u>2,513,944</u>	<u>2,676,315</u>	<u>4,627,438</u>	<u>4,579,745</u>
Excess (deficiency) before transfers	(324,826)	(394,454)	133,434	60,773	(191,392)	(333,681)
Transfers	125,945	70,698	(125,945)	(70,698)	--	--
Increase (decrease) in net position	<u>(198,881)</u>	<u>(323,756)</u>	<u>7,489</u>	<u>(9,925)</u>	<u>(191,392)</u>	<u>(333,681)</u>
Beginning net position, as previously reported	(600,610)	(276,854)	4,018,097	4,028,022	3,417,487	3,751,168
Restatement adjustment	7,011	--	--	--	7,011	--
Beginning net position, as restated (see Note 19)	<u>(593,599)</u>	<u>(276,854)</u>	<u>4,018,097</u>	<u>4,028,022</u>	<u>3,424,498</u>	<u>3,751,168</u>
Ending net position	<u>\$ (792,480)</u>	<u>\$ (600,610)</u>	<u>4,025,586</u>	<u>4,018,097</u>	<u>3,233,106</u>	<u>3,417,487</u>

Total net position of the City decreased by \$191.4 million in the current fiscal year. Governmental net position decreased by \$198.9 million. The decrease is attributable to expenses exceeding revenues by \$324.8 million before transfers from other funds of \$125.9 million. Business-type net position increased by \$7.5 million due to revenues exceeding expenses of \$133.4 million before transfers of \$125.9 to other funds.

FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

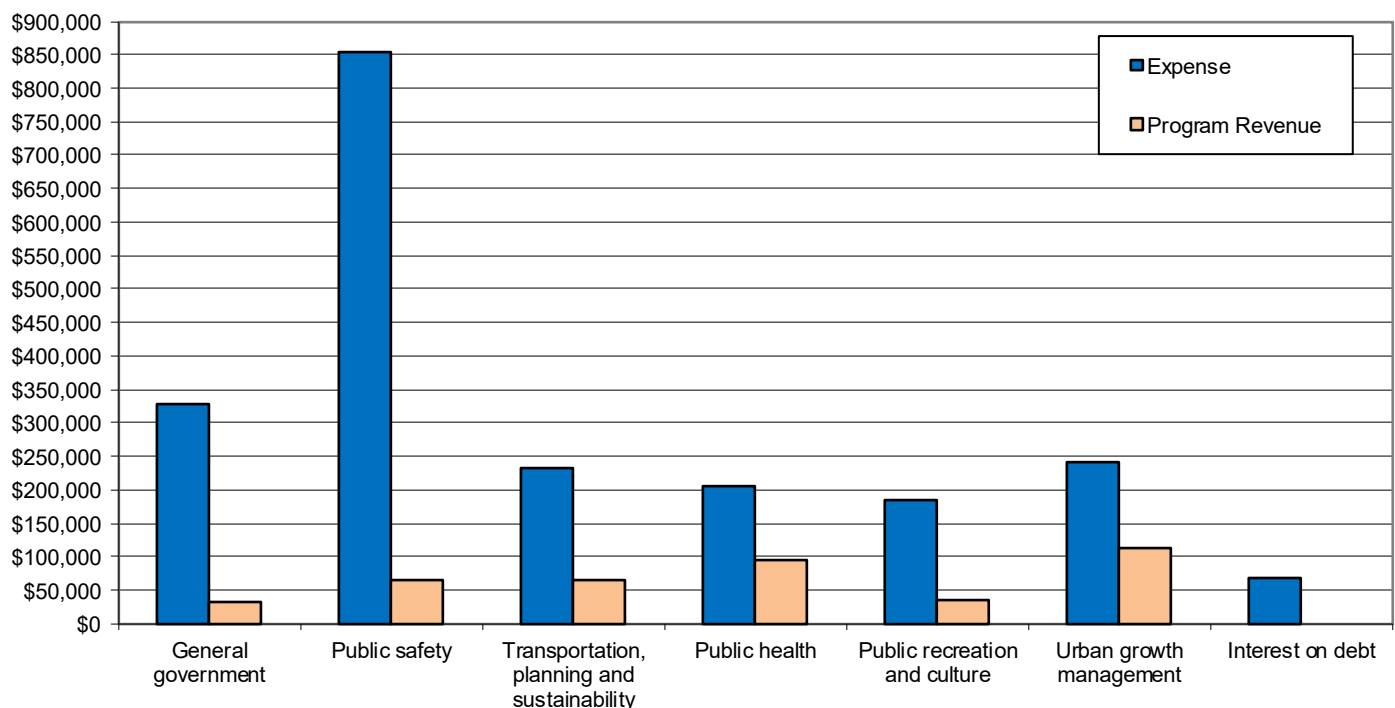
c -- Program revenues and expenses -- governmental activities

Governmental activities decreased the City's net position by \$198.9 million in fiscal year 2021, a 33.5% decrease of governmental net position from the previous year. The primary reason for the decrease in net position is due to expenses related to the ongoing COVID-19 response effort, which the City anticipates to recover through the Federal Emergency Management Agency (FEMA) Public Assistance program in subsequent fiscal years. Additional factors that contributed to the change from fiscal year 2020 to 2021 are as follows:

- Property taxes increased \$205.0 million due to an increase in assessed property values of \$8.1 billion as well as a property tax rate increase from \$0.4431 to \$0.5335 per \$100 of valuation. Approximately \$150 million of this amount, or \$0.0875 of the \$0.0904 total tax rate increase, was approved by voters in November 2020 to fund the Project Connect System Plan (Project Connect). On the expense side, transportation, planning, and sustainability expenses increased by \$143.1 million as a result of the payment of these tax collections to ATP for the implementation of Project Connect.
- General government expenses increased by \$43.6 million due to a \$21.2 million transfer of support service functions from the Police Department to the Support Service fund and an increase of \$17.3 million related to pandemic response for various emergency relief programs.
- Public health expenses decreased by \$73.5 million due to the decrease in expenses funded by the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) Coronavirus Relief Fund (CRF). Additionally, the City's grants and contributions also decreased by \$95.2 million due to the decrease in CARES-CRF federal assistance, which supported emergency management, public safety costs, quarantine facilities, rental assistance, and various economic support programs.
- Urban growth management expenses increased by \$79.5 million primarily due to expenses funded by the Emergency Rental Assistance program in the amount of \$55.9 million. In addition, AHFC purchased \$20.6 million of land for use towards housing assistance and housing projects.

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)**

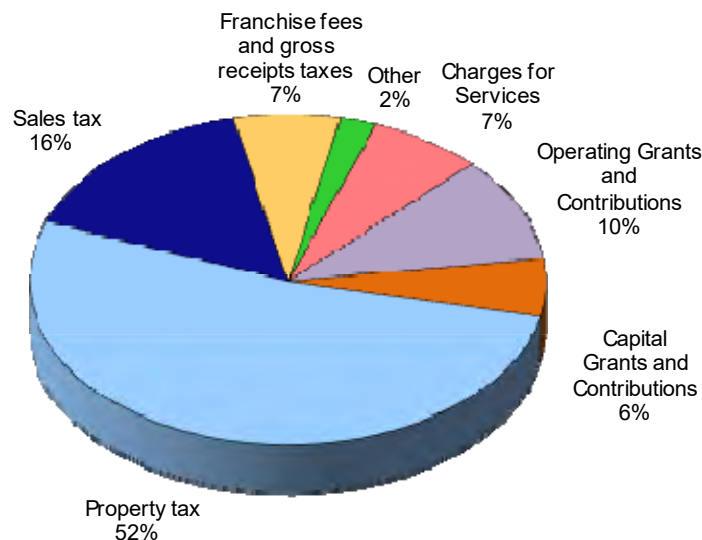


FINANCIAL ANALYSIS OF THE GOVERNMENT-WIDE STATEMENTS, continued

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 operating grants and contributions.

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 \$7.5 million, accounting for a 0.2% increase in the City's total net position. Key factors include:

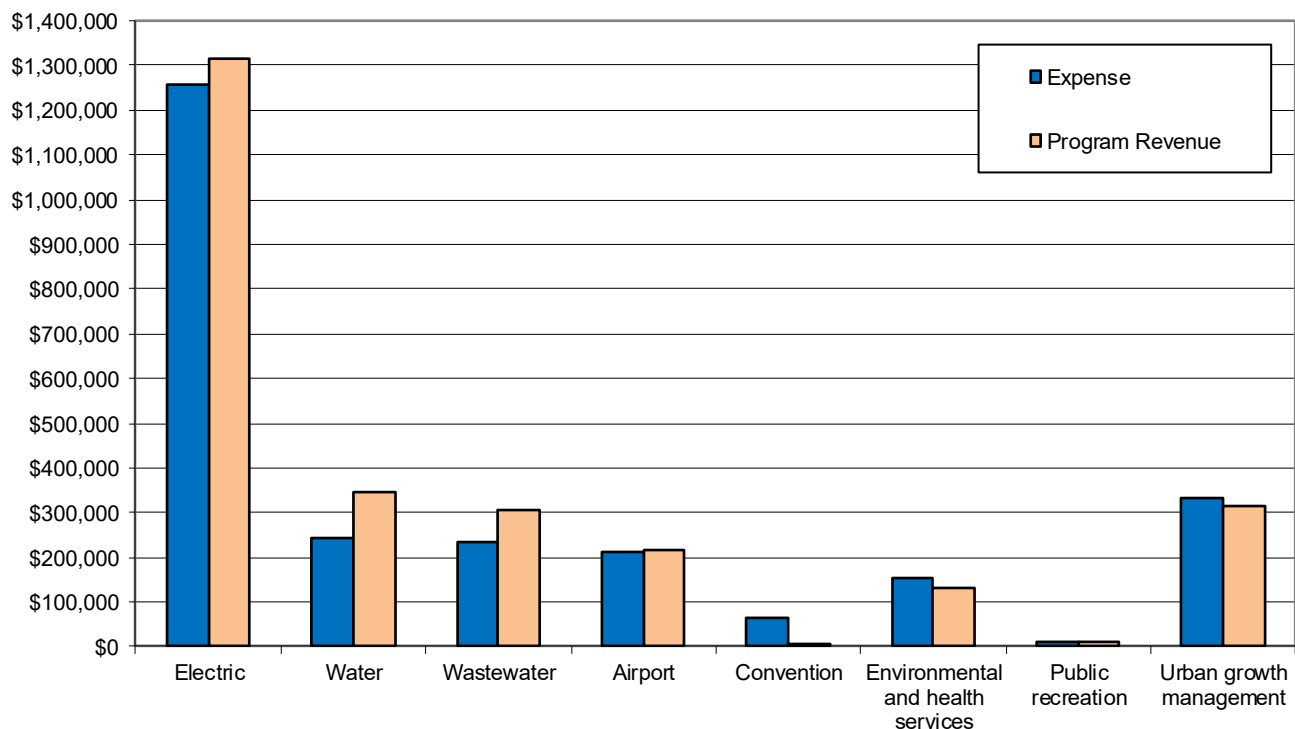
- Austin Energy net position decreased \$56.2 million. This decrease can be attributed to lower base revenue and interest income due to lower utility usage and lower interest rates on investments.
- Austin Water net position increased approximately \$116.4 million. Revenues remained constant from the previous year. Expenses decreased by 18% mainly due to a regulatory accounting adjustment to deferred depreciation.
- Airport net position increased approximately \$5.4 million. Revenue increased 13.3% due to a steady increase in passenger traffic, resulting in an increase of rental revenue, landing fees, and parking revenue. In addition, Airport received \$8.4 million more in CARES-CRF grant funds than the prior year. Expenses decreased 1.4%, due to a decrease in operating and maintenance expenses.
- Convention Center net position decreased approximately \$16.4 million. Revenues decreased 63.9% due to the cancellation of events because of COVID-19. As a result of the decrease in events, revenues from facility, food and beverage concessions decreased. Parking revenues also saw a decrease due to the loss of contract, daily, and event parking. Cost containment measures, such as a hiring freeze, were put in place to help mitigate the decrease in revenues. These measures allowed for operating expenses in personnel, contractual, and commodities to decrease, which aided in overall expenses decreasing by 13.7%.
- Environmental and health services is comprised of the Austin Resource Recovery nonmajor enterprise fund. Net position decreased approximately \$24.9 million. Revenues increased 9.7% due mainly to an increase in the base fee for residential accounts and an increase in revenue from the Clean Community Fee. Expenses increased by 15.8% primarily due to an increase in the OPEB liability and an increase in the landfill post closure liability estimate.

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 \$18.1 million.
 - Development Services revenues increased by 12.2%, primarily as a result of increased revenues generated from review, permitting, and inspections associated with residential and commercial development. Expenditures increased 1.3% overall, with the primary drivers being an increase in employee wages, fleet maintenance and fuel allocations, and other overhead costs. Although revenues increased by a greater amount than expenses, the fund still experienced a \$6.6 million loss in net position.
 - Drainage revenues decreased 14.1% primarily due to a decrease in contributions of \$26.0 million from prior year related to phase two of the home buyout program. Expenses increased 11.4% due to the addition of 34 positions, administrative support, interdepartmental charges, and services related to the homelessness encampment cleanup.
 - Transportation revenues increased 3.6%, because of a \$0.25 increase in the monthly Transportation User Fee coupled with the effects of population growth. Expenditures increased 7.6% overall with the primary drivers being an increase in service contracts and an increase in the OPEB liability estimate.

As shown in the following chart, Austin Energy (electric), with expenses of \$1.3 billion is the City's largest business-type activity, followed by urban growth management with \$334.5 million, water with \$245.3 million, wastewater with \$232.1 million, airport with \$213.1 million, environmental and health services with \$156.0 million, convention with \$65.9 million, and public recreation with \$10.3 million. For the fiscal year, expenses exceeded revenues for convention, environmental and health services, and urban growth management activities.

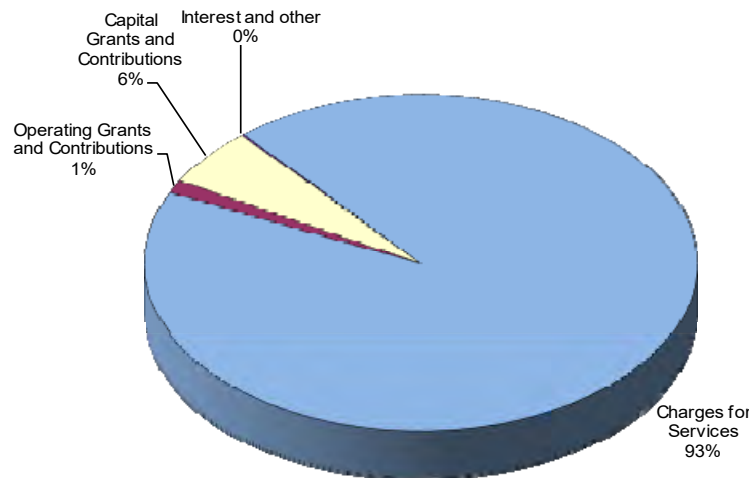
Government-wide Expenses and Program Revenues -- Business-type Activities
(Excludes General Revenues and Transfers)
(in thousands)



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, operating grants and contributions, and interest and other revenues.

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 \$559.4 million, a decrease of \$25.9 million from the previous year. Approximately \$4.4 million is nonspendable, \$300.0 million is restricted, \$59.1 million is committed, \$244.0 million is assigned, and a deficit of \$48.3 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 \$3.4 million, assigned fund balance of \$116.4 million, and unassigned fund balance of \$153.3 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 13.5% of total General Fund expenditures of \$1.1 billion, and total fund balance represents 24.0% 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 \$68.8 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.

The fund balance of the General Fund increased \$1.0 million during the fiscal year. Significant differences from the previous year include:

- Property tax revenues increased \$34.8 million due primarily to an increase in assessed property values.
- Sales tax revenue increased \$35.1 million due to economic growth and revival of activity from the pandemic.
- General government expenditures increased by \$38.3 million due to the City's ongoing COVID-19 response activities.
- Public Safety expenditures increased by \$78.9 million as a result of the decrease in CARES-CRF funded reimbursements.
- Transfers in increased by \$14 million to help fund various iconic venue, business preservation, and COVID-19 response programs.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND LEVEL STATEMENTS

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 \$10.2 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

There were several budget amendments during fiscal year 2021:

- The Police Department expense budget, transfers in and transfers out decreased by \$27,994,537 for the creation of two new departments: Emergency Communications (\$16,085,640) and Forensic Science (\$11,908,897). In addition, the Police Department expense budget decreased and transfers out increased due to the Alarm Permitting Unit moving to the Development Services Fund (\$551,790). There was an additional decrease to transfers in and transfers out of \$17,309,632 due to the movement of support functions to the Support Services Fund.
- Other Urban Growth Management expenses and transfers in increased by \$2,400,000 due to the creation of the new Iconic Venue Fund.
- Neighborhood Housing - Housing Trust Fund transfers out increased \$13,250,000 and Housing and Planning expenses decreased by \$900,000 to support the Capital-Housing Trust Fund.
- General City Responsibilities expense budget increased by \$18,800,000 and transfers in increased by \$8,800,000 due to the following ongoing COVID-19 response activities:
 - \$15,000,000 for Save Austin's Vital Economic Sectors (SAVES) program to support COVID-19 emergency relief.
 - \$1,500,000 to provide economic recovery support to local businesses impacted by COVID-19 and to support emergency food access
 - \$2,300,000 for business preservation

During the year, actual-budget basis revenues were \$37.2 million more than budgeted. Property taxes were \$17.2 million more than budgeted due to an increase in overall property values. Sales taxes were \$36.5 million more than budgeted due to ongoing COVID-19 economic recovery. Traffic and other fines were \$2.3 million less than budgeted due to a combination of less tickets issued as well as Municipal Court closures when COVID-19 risk levels were high. Recreation and culture revenues were \$5.2 million less than budgeted due to reduced services as part of the COVID-19 response. Interest was \$2.2 million lower than budgeted due to significantly lower interest rates than expected.

Actual-budget basis expenditures were \$5.1 million less than budgeted. Most departments were under budget except for Austin Public Health, which was over budget by \$0.7 million. General City Responsibilities was over budget by \$31.6 million, due to ongoing COVID-19 response. In addition, the City realized less reimbursements related to CARES-CRF in fiscal year 2021 which lead to expense refunds being under budget. EMS was under budget \$1.8 million due to fewer events requiring EMS services and less travel due to COVID-19 restrictions. Fire was under budget \$2.6 million due to higher than expected FEMA and Travis County reimbursements and lower than expected contractual costs due to COVID-19 restrictions. Police was under budget by \$1.2 million due to the Reimagining Public Safety initiative. Library was under budget \$3.9 million due to a high employment vacancy rate from higher than expected turnover and retirements. Parks and Recreation was under budget \$7.3 million due to reduced services as part of the COVID-19 response. Housing and Planning was under budget \$13.2 million due to lack of projects which met the criteria specified in the ordinance, projects in the early development stage for which funds were budgeted but not encumbered or spent, and the prioritization of federally funded COVID-19 relief programs related to displacement prevention. Other Urban Growth Management was under budget \$6.2 million due to federal funding reimbursements from CARES-CRF and SAVES for COVID-19 response activities. The total budget-basis fund balance at year-end was \$208.6 million.

OTHER INFORMATION, continued

b -- Capital assets

The City's capital assets for governmental and business-type activities as of September 30, 2021, total \$12.8 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, and plant held for future use. The total increase in the City's capital assets for the current fiscal year was \$486.3 million, with an increase of 6.9% for governmental activities and an increase of 2.9% for business-type activities. Additional information regarding the City's capital assets can be found in Note 5. Capital asset balances are as follows:

Capital Assets, Net of Accumulated Depreciation and Amortization (in millions)						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Building and improvements	\$ 917	828	2,261	2,250	3,178	3,078
Plant and equipment	88	98	2,557	2,446	2,645	2,544
Vehicles	77	62	103	86	180	148
Electric plant	--	--	2,429	2,434	2,429	2,434
Non-electric plant	--	--	167	175	167	175
Nuclear fuel	--	--	51	47	51	47
Water rights	--	--	78	79	78	79
Infrastructure	1,717	1,711	--	--	1,717	1,711
Land and improvements	483	409	811	787	1,294	1,196
Construction in progress	222	168	747	644	969	812
Plant held for future use	--	--	23	23	23	23
Other assets not depreciated	30	30	6	4	36	34
Total net capital assets	<u>\$ 3,534</u>	<u>3,306</u>	<u>9,233</u>	<u>8,975</u>	<u>12,767</u>	<u>12,281</u>

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

- Governmental capital assets increased \$228.2 million primarily due to additions of new facilities and improvements to existing facilities. Significant additions and improvements include acquisitions of parkland, pedestrian and cycling facility improvements, and street reconstructions funded by 2012, 2016, and 2018 bond programs. During the fiscal year, construction was completed at Waterloo Park and the City of Austin FIRE51 and EMS40 station in Southwest Austin. Additionally, the City closed on the purchase of two additional hotels to continue to meet future needs of people experiencing homelessness in the community.
- Business-type activities purchased, constructed, or received capital asset contributions of \$258.1 million. Asset additions included ongoing construction of an updated data center for IT services and completion of a consolidated maintenance facility at the Airport, installation of advanced water metering infrastructure, and construction of the North Austin Reservoir and pump station improvements. Additionally, Austin Energy closed on the purchase of their new corporate headquarters, the Mueller Office Building.

OTHER INFORMATION, continued

c -- Debt administration

At the end of the current fiscal year, the City reported \$7.5 billion in outstanding debt. The table below reflects the outstanding debt at September 30. Additional information can be found in Note 6.

Outstanding Debt General Obligation and Revenue Debt (in millions)						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds and other tax supported debt, net	\$ 1,527	1,487	71	80	1,598	1,567
Commercial paper notes, net	--	--	179	366	179	366
Revenue bonds, net	--	--	5,461	5,228	5,461	5,228
Revenue notes from direct placements, net	--	--	198	173	198	173
Capital lease obligations	21	26	1	1	22	27
Total	<u>\$ 1,548</u>	<u>1,513</u>	<u>5,910</u>	<u>5,848</u>	<u>7,458</u>	<u>7,361</u>

During fiscal year 2021, the City's total outstanding debt increased by \$96.8 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 \$35.5 million. The resulting net increase is a combination of the issuance of \$268.1 million in new debt to be used primarily for facility improvements, water quality protection, streets and mobility, new fire stations, a planning and development center, capital equipment, curbside composting expansion, and affordable housing, offset by the refunding portion of the issuance of \$98.8 million and debt payments during the year.
- Outstanding debt for business-type activities increased by \$61.3 million. The City issued \$227.5 million of Electric Utility System Revenue Refunding and Improvement bonds for the construction and acquisition of Austin Energy's new headquarters complex and to refund commercial paper and revenue bond debt. Additionally, the City issued \$203.5 million in Water and Wastewater System revenue refunding bonds to refund commercial paper and revenue bond debt, and \$36.8 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.

During the year, the rating for the City's General Obligation bonds was revised by Fitch Ratings, Inc. from AAA to AA+, and the rating for the City's Taxable Commercial Paper Notes was revised by Fitch Ratings, Inc. from F1+ to F1. The City's commercial paper ratings are related to the ratings of the liquidity providers associated with those obligations. All other bond ratings were unchanged. Ratings of the City's obligations for various debt instruments at September 30, 2021 and 2020 were as follows:

Debt	Moody's Investors Service, Inc.		Standard & Poor's		Fitch Ratings, Inc.	
	2021	2020	2021	2020	2021	2020
General obligation bonds and other tax supported debt	Aa1	Aa1	AAA	AAA	AA+	AAA
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

Recovery from the COVID-19 pandemic continued to be the most significant economic factor of this past year for Austin and the nation, with the focus shifting from stay-at-home orders and capacity restrictions to vaccinations and variant response activities. With Austin's economy strong prior to the pandemic, and doing unexpectedly well during the pandemic, many metrics continue to show improvement, proving Austin's resilience.

Austin's growing and diverse economic base and national reputation continues to attract new employers and talented individuals to the area. In fact, Austin has not had a decade of growth under double digits since its population first started being tracked in 1840. The Austin economy is expected to continue to expand at rates above the national economy. The Austin area gained over 80,000 jobs from December 2020 through December 2021 driven primarily by gains in the professional and business services and hospitality sector, which shed the most jobs in 2020. As of December 2021, the unemployment rate for the Austin-Round Rock MSA was 2.9%, while the state unemployment rate was 5.0% and the national unemployment rate was 3.9%.

A record-breaking number of companies announced plans to relocate or expand operations in the Austin Metro area in 2021. These businesses, which range from technology to manufacturing to financial services anticipate creating nearly 27,000 new jobs. This naturally creates higher demand for real estate which continues to see an increase in both sales and prices, particularly in the residential and industrial sectors. In 2021 the Austin metro residential market experienced a 2.5% increase in sales compared with the same period in 2020. Sales tax revenue increased 14.2% from the previous year, another indicator of the economic rebound. Overall, Austin proved to be less exposed to the industries most affected by COVID-19 and economic recovery continues to strengthen.

While development of the City's fiscal year 2022 budget remained primarily remote and on-line, it also remained a process true to City Management's unwavering commitment to openness, transparency, and public engagement. The overriding goal of the 2022 budget process was to maintain City operations with no furloughs or layoffs and to support the community through the uncertainty of the pandemic. The budget is projected to increase General Fund reserves to 14% (from 12%) without any significant increases to taxes or fees. 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 City 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. Fitch Ratings, Inc. downgraded their rating on the City's general obligation bonds to AA+ around their continued concerns over pension liabilities and new provisions for binding arbitration on labor contract negotiations with the Austin Fire Association. The City has taken corrective action to improve the financial condition of both the City of Austin Employees' Retirement System (COAERS) and the Austin Police Retirement System, reducing amortization periods to 32 and 31 years, respectively. In addition, further steps to improve the financial condition of the COAERS are expected to be addressed during the next State legislative session.

Taxable property values within the City increased by 3.87% in 2021 for fiscal year 2022. The property tax rate for fiscal year 2022 is 54.10 cents per \$100 valuation, up from 53.35 cents per \$100 valuation in 2021. The tax rate consists of 42.80 cents for the General Fund and Project Connect, and 11.30 cents for debt service. The change in property tax for the median valued home for 2022 is (\$17.12) based on the increase of the homestead exemption from 10% to 20% which was approved by City Council in June. This decrease in property tax will partially offset increases to fees for Austin Resource Recovery and the Transportation User Fee. There are no changes to the Drainage Utility Fee, Austin Energy rates or Austin Water rates.

e -- Requests for Information

This financial report is designed to provide our citizens, 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 Controller's Office 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, 2021
(In thousands)

City of Austin, Texas
Exhibit A-1

	Governmental Activities	Business-type Activities	Total (†)	Component Units
ASSETS				
Current assets:				
Cash	\$ 45	65	110	219,805
Pooled investments and cash	631,084	926,660	1,557,744	--
Pooled investments and cash - restricted	--	157,000	157,000	--
Total pooled investments and cash	631,084	1,083,660	1,714,744	--
Investments - restricted	30,488	223,188	253,676	--
Cash held by trustee	--	463	463	--
Cash held by trustee - restricted	9,389	857	10,246	--
Working capital advances	--	2,687	2,687	--
Property taxes receivable, net of allowance \$8,070	10,289	--	10,289	--
Accounts receivable, net of allowance \$406,810	123,900	271,115	395,015	1,340
Interest receivable	2,164	1,492	3,656	--
Receivables from other governments	28,263	59	28,322	--
Receivables from other governments - restricted	--	4,883	4,883	1,561
Notes receivable, net of allowance \$26,718	42,092	--	42,092	--
Inventories, at cost	2,967	97,246	100,213	173
Internal balances	(99,410)	99,410	--	--
Real property held for resale	4,177	--	4,177	--
Regulatory assets, net of accumulated amortization	--	21,133	21,133	--
Prepaid expenses	11,717	24,407	36,124	2,263
Other receivables - restricted	--	4,080	4,080	--
Other assets	1,784	4,592	6,376	--
Total current assets	798,949	1,839,337	2,638,286	225,142
Noncurrent assets:				
Cash - restricted	--	4,790	4,790	--
Pooled investments and cash - restricted	273,155	771,487	1,044,642	--
Due from component units - restricted	--	1,350	1,350	--
Investments - restricted	--	417,815	417,815	43,804
Investments held by trustee - restricted	9,038	283,538	292,576	--
Cash held by trustee - restricted	963	--	963	5,686
Interest receivable - restricted	--	546	546	--
Depreciable capital assets, net	2,798,893	7,645,495	10,444,388	194,193
Nondepreciable capital assets	735,210	1,587,582	2,322,792	46,500
Derivative instruments - energy risk management	--	2,330	2,330	--
Regulatory assets, net of accumulated amortization	--	1,531,350	1,531,350	--
Other receivables - restricted	--	7,789	7,789	--
Other long-term assets	110,743	59,946	170,689	144
Other long-term assets - restricted	--	21,613	21,613	--
Total noncurrent assets	3,928,002	12,335,631	16,263,633	290,327
Total assets	4,726,951	14,174,968	18,901,919	515,469
DEFERRED OUTFLOWS OF RESOURCES				
	\$ 1,682,325	1,126,855	2,809,180	12,605

(†) 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, 2021
(In thousands)

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

	Governmental Activities	Business-type Activities	Total (†)	Component Units
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 72,963	119,337	192,300	6,454
Accounts and retainage payable from restricted assets	18,775	45,343	64,118	--
Accrued payroll	46,711	31,550	78,261	217
Accrued compensated absences	73,900	33,765	107,665	--
Claims payable	49,100	263	49,363	--
Due to other governments	--	4,092	4,092	--
Due to component units	--	2,189	2,189	--
Accrued interest payable from restricted assets	5	86,358	86,363	4,923
Interest payable on other debt	5,963	555	6,518	--
Bonds payable	83,441	8,434	91,875	58,042
Bonds payable from restricted assets	33,255	183,364	216,619	--
Other postemployment benefits liability	37,488	25,915	63,403	--
Capital lease obligations payable	5,264	66	5,330	--
Customer and escrow deposits payable from restricted assets	83,166	76,015	159,181	--
Accrued landfill closure and postclosure costs	--	855	855	--
Other liabilities	121,728	8,795	130,523	51,337
Other liabilities payable from restricted assets	--	533	533	--
Total current liabilities	631,759	627,429	1,259,188	120,973
Noncurrent liabilities, net of current portion:				
Accrued compensated absences	67,133	5,702	72,835	--
Claims payable	37,286	1,246	38,532	--
Commercial paper notes payable, net of discount	--	178,600	178,600	--
Bonds payable, net of discount and inclusive of premium	1,410,421	5,538,147	6,948,568	182,592
Net pension liability	1,346,529	831,474	2,178,003	--
Other postemployment benefits liability	2,532,517	1,750,447	4,282,964	--
Capital lease obligations payable	15,823	690	16,513	--
Accrued landfill closure and postclosure costs	--	18,944	18,944	--
Asset retirement obligations	518	437,881	438,399	--
Derivative instruments - interest rate swaps	--	21,490	21,490	--
Other liabilities	14,947	46,423	61,370	265
Other liabilities payable from restricted assets	--	1,259	1,259	--
Total noncurrent liabilities	5,425,174	8,832,303	14,257,477	182,857
Total liabilities	6,056,933	9,459,732	15,516,665	303,830
DEFERRED INFLOWS OF RESOURCES				
	1,144,823	1,816,505	2,961,328	911
NET POSITION				
Net investment in capital assets	2,208,451	2,408,833	4,617,284	41,750
Restricted for:				
Bond reserve	--	53,022	53,022	--
Capital projects	103,448	474,268	577,716	--
Debt service	29,799	136,872	166,671	19,209
Housing activities	44,660	--	44,660	23,000
Operating reserve	--	77,082	77,082	--
Passenger facility charges	--	67,468	67,468	--
Perpetual care:				
Nonexpendable	1,070	--	1,070	--
Public safety activities	12,838	--	12,838	--
Renewal and replacement	--	80,931	80,931	--
Strategic reserve	--	217,768	217,768	--
Tourism	36,611	--	36,611	--
Urban growth programs	30,361	--	30,361	--
Other purposes	6,894	--	6,894	--
Unrestricted (deficit)	(3,266,612)	509,342	(2,757,270)	139,374
Total net position	\$ (792,480)	4,025,586	3,233,106	223,333

(†) 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, 2021
(In thousands)

City of Austin, Texas
Exhibit A-2

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Governmental activities								
General government	\$ 327,126	24,886	231	6,142	(295,867)	--	(295,867)	--
Public safety	853,434	45,504	21,240	--	(786,690)	--	(786,690)	--
Transportation, planning, and sustainability	232,056	383	--	66,255	(165,418)	--	(165,418)	--
Public health	204,819	18,229	76,047	--	(110,543)	--	(110,543)	--
Public recreation and culture	185,110	6,955	1,695	27,467	(148,993)	--	(148,993)	--
Urban growth management	242,225	30,686	83,353	--	(128,186)	--	(128,186)	--
Interest on debt	68,724	--	--	--	(68,724)	--	(68,724)	--
Total governmental activities	2,113,494	126,643	182,566	99,864	(1,704,421)	--	(1,704,421)	--
Business-type activities								
Electric	1,256,788	1,271,808	19	41,399	--	56,438	56,438	--
Water	245,336	295,295	--	51,374	--	101,333	101,333	--
Wastewater	232,053	271,927	--	32,203	--	72,077	72,077	--
Airport	213,129	178,077	32,209	8,272	--	5,429	5,429	--
Convention	65,938	6,018	--	--	--	(59,920)	(59,920)	--
Environmental and health services	155,957	131,414	149	45	--	(24,349)	(24,349)	--
Public recreation	10,293	10,281	--	268	--	256	256	--
Urban growth management	334,450	296,609	--	16,824	--	(21,017)	(21,017)	--
Total business-type activities	2,513,944	2,461,429	32,377	150,385	--	130,247	130,247	--
Total primary government	\$ 4,627,438	2,588,072	214,943	250,249	(1,704,421)	130,247	(1,574,174)	--
Component Units	63,071	26,954	23,058	195,400	--	--	--	182,341
General revenues:								
Property tax					937,352	--	937,352	--
Sales tax					281,784	--	281,784	--
Franchise fees and gross receipts tax					120,085	--	120,085	--
Interest and other					40,374	3,187	43,561	209
Transfers-internal activities					125,945	(125,945)	--	--
Total general revenues and transfers					1,505,540	(122,758)	1,382,782	209
Net change in net position					(198,881)	7,489	(191,392)	182,550
Beginning net position, as restated (see Note 19)					(593,599)	4,018,097	3,424,498	40,783
Ending net position	\$				(792,480)	4,025,586	3,233,106	223,333

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



Governmental Funds
Balance Sheet
September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit B-1

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Cash	\$ 37	1	38
Pooled investments and cash	266,115	367,196	633,311
Investments - restricted	--	30,488	30,488
Cash held by trustee - restricted	--	6,269	6,269
Investments held by trustee - restricted	--	9,038	9,038
Property taxes receivable, net of allowance	7,782	2,507	10,289
Accounts receivable, net of allowance	85,215	34,530	119,745
Interest receivable	1,746	359	2,105
Receivables from other governments	3	27,810	27,813
Notes receivable, net of allowance	157	41,935	42,092
Due from other funds	--	128,441	128,441
Advances to other funds	--	70,176	70,176
Real property held for resale	--	4,177	4,177
Prepaid items	3,369	--	3,369
Other assets	--	1,784	1,784
Total assets	<u>364,424</u>	<u>724,711</u>	<u>1,089,135</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	33,086	39,520	72,606
Accrued payroll	35,871	948	36,819
Accrued compensated absences	1,597	--	1,597
Due to other funds	5	128,436	128,441
Unearned revenue	--	95,949	95,949
Advances from other funds	--	70,021	70,021
Deposits and other liabilities	4,359	98,623	102,982
Total liabilities	<u>74,918</u>	<u>433,497</u>	<u>508,415</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>16,404</u>	<u>4,944</u>	<u>21,348</u>
FUND BALANCES			
Nonspendable:			
Prepaid items	3,369	--	3,369
Permanent funds	--	1,070	1,070
Restricted	--	300,032	300,032
Committed	--	59,131	59,131
Assigned	116,428	127,620	244,048
Unassigned	153,305	(201,583)	(48,278)
Total fund balances	<u>273,102</u>	<u>286,270</u>	<u>559,372</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 364,424</u>	<u>724,711</u>	<u>1,089,135</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, 2021
(In thousands)

City of Austin, Texas
Exhibit B-1.1

Total fund balances - Governmental funds \$ 559,372

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	5,692,441	
Less: accumulated depreciation	<u>(2,226,209)</u>	3,466,232

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

Other assets		110,743
--------------	--	---------

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

Pensions	807,297	
Other postemployment benefits	863,452	
Loss on debt refundings	<u>11,426</u>	1,682,175

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

Compensated absences	(126,731)	
Interest payable	(5,963)	
Bonds and other tax supported debt payable, net	(1,525,731)	
Net pension liability	(1,346,529)	
Other postemployment benefits	(2,570,005)	
Capital lease obligations payable	(16,929)	
Other liabilities	<u>(15,525)</u>	(5,607,413)

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

Unavailable revenue		
Property taxes and interest	10,160	
Accounts and other taxes receivable	11,188	
Pensions	(885,633)	
Other postemployment benefits	(124,609)	
Deferred gain on service concession agreement	(28,060)	
Deferred gain on public-private partnership arrangement	<u>(106,521)</u>	(1,123,475)

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.

119,886

Total net position - Governmental activities	<u>\$ (792,480)</u>
--	---------------------

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, 2021
(In thousands)

City of Austin, Texas
Exhibit B-2

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Property taxes	\$ 567,041	375,328	942,369
Sales taxes	281,784	--	281,784
Franchise fees and other taxes	38,062	82,023	120,085
Fines, forfeitures and penalties	4,607	921	5,528
Licenses, permits and inspections	16,612	3,453	20,065
Charges for services/goods	57,278	21,692	78,970
Intergovernmental	--	186,511	186,511
Property owners' participation and contributions	--	36,992	36,992
Interest and other	17,246	22,938	40,184
Total revenues	982,630	729,858	1,712,488
EXPENDITURES			
Current:			
General government	251,070	773	251,843
Public safety	619,373	21,012	640,385
Transportation, planning, and sustainability	--	152,070	152,070
Public health	100,234	76,519	176,753
Public recreation and culture	127,716	2,389	130,105
Urban growth management	40,851	230,654	271,505
Debt service:			
Principal	--	150,825	150,825
Interest	--	67,710	67,710
Fees and commissions	--	33	33
Capital outlay-capital project funds	--	255,277	255,277
Total expenditures	1,139,244	957,262	2,096,506
Deficiency of revenues under expenditures	(156,614)	(227,404)	(384,018)
OTHER FINANCING SOURCES (USES)			
Issuance of tax supported debt	--	180,366	180,366
Issuance of refunding bonds	--	78,949	78,949
Bond premiums	--	50,545	50,545
Payment to refunding bond escrow agent	--	(93,417)	(93,417)
Transfers in	186,441	175,403	361,844
Transfers out	(28,863)	(191,355)	(220,218)
Total other financing sources (uses)	157,578	200,491	358,069
Net change in fund balances	964	(26,913)	(25,949)
Fund balances at beginning of year, as restated (see Note 19)	272,138	313,183	585,321
Fund balances at end of year	\$ 273,102	286,270	559,372

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, 2021
(In thousands)

City of Austin, Texas
Exhibit B-2.1

Net change in fund balances - Governmental funds \$ (25,949)

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	255,277	
Capital outlay-other funds	56,637	
Depreciation expense	(145,278)	
Loss on disposal of capital assets	(3,597)	
Capital asset transfers to business-type activities, net	(4,413)	
Other asset adjustments	(27,863)	
		130,763

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	(5,017)	
Charges for services	3,529	
Capital asset contributions	72,129	
		70,641

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	(180,366)	
Principal repayment on long-term debt	150,825	
Issuance of refunding bonds	(78,949)	
Bond premiums	(50,545)	
Payment to refunding bond escrow agent	93,417	
		(65,618)

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	4,939	
Pensions	(47,254)	
Other postemployment benefits	(254,838)	
Interest and other	32,903	
		(264,250)

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

(44,468)

Change in net position - Governmental activities \$ (198,881)

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

Proprietary Funds
Statement of Net Position
September 30, 2021
(In thousands)

	Business-Type Activities		
	Austin Energy	Austin Water	Airport
ASSETS			
Current assets:			
Cash	\$ 26	5	3
Pooled investments and cash	328,847	201,225	18,455
Pooled investments and cash - restricted	57,507	63,054	20,376
Total pooled investments and cash	386,354	264,279	38,831
Investments - restricted	85,454	88,532	40,959
Cash held by trustee	--	463	--
Cash held by trustee - restricted	--	857	--
Working capital advances	2,687	--	--
Accounts receivable, net of allowance	153,016	74,255	12,933
Interest receivable	850	237	57
Receivables from other governments	--	59	--
Receivables from other governments - restricted	1,163	--	3,720
Due from other funds	--	301	--
Inventories, at cost	88,940	1,750	1,908
Regulatory assets, net of accumulated amortization	21,133	--	--
Prepaid expenses	21,575	1,073	694
Other receivables - restricted	--	--	4,080
Other assets	3,500	102	990
Total current assets	764,698	431,913	104,175
Noncurrent assets:			
Cash - restricted	4,790	--	--
Pooled investments and cash - restricted	107,150	90,890	438,715
Advances to other funds	5,952	902	--
Advances to other funds - restricted	--	--	1
Due from component units - restricted	--	--	1,350
Investments - restricted	296,388	49,497	61,667
Investments held by trustee - restricted	240,598	42,940	--
Interest receivable - restricted	64	62	337
Depreciable capital assets, net	2,665,044	3,332,491	1,296,965
Nondepreciable capital assets	382,221	570,464	155,295
Derivative instruments - energy risk management	2,330	--	--
Regulatory assets, net of accumulated amortization	1,106,632	424,718	--
Other receivables - restricted	7,789	--	--
Other long-term assets	44,348	570	15,028
Other long-term assets - restricted	515	21,098	--
Total noncurrent assets	4,863,821	4,533,632	1,969,358
Total assets	5,628,519	4,965,545	2,073,533
DEFERRED OUTFLOWS OF RESOURCES	\$ 473,033	215,070	84,935

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

	Business-Type Activities		Governmental Activities-
	Nonmajor Enterprise Funds	Total	Internal Service Funds
ASSETS			
Current assets:			
Cash	31	65	7
Pooled investments and cash	378,133	926,660	264,973
Pooled investments and cash - restricted	16,063	157,000	--
Total pooled investments and cash	394,196	1,083,660	264,973
Investments - restricted	8,243	223,188	--
Cash held by trustee	--	463	--
Cash held by trustee - restricted	--	857	4,083
Working capital advances	--	2,687	--
Accounts receivable, net of allowance	30,911	271,115	4,155
Interest receivable	348	1,492	59
Receivables from other governments	--	59	450
Receivables from other governments - restricted	--	4,883	--
Due from other funds	--	301	--
Inventories, at cost	4,648	97,246	2,967
Regulatory assets, net of accumulated amortization	--	21,133	--
Prepaid expenses	1,065	24,407	8,348
Other receivables - restricted	--	4,080	--
Other assets	--	4,592	--
Total current assets	439,442	1,740,228	285,042
Noncurrent assets:			
Cash - restricted	--	4,790	--
Pooled investments and cash - restricted	134,732	771,487	5,955
Advances to other funds	79	6,933	--
Advances to other funds - restricted	31	32	--
Due from component units - restricted	--	1,350	--
Investments - restricted	10,263	417,815	--
Investments held by trustee - restricted	--	283,538	--
Interest receivable - restricted	83	546	--
Depreciable capital assets, net	350,995	7,645,495	66,478
Nondepreciable capital assets	479,602	1,587,582	1,393
Derivative instruments - energy risk management	--	2,330	--
Regulatory assets, net of accumulated amortization	--	1,531,350	--
Other receivables - restricted	--	7,789	--
Other long-term assets	--	59,946	--
Other long-term assets - restricted	--	21,613	--
Total noncurrent assets	975,785	12,342,596	73,826
Total assets	1,415,227	14,082,824	358,868
DEFERRED OUTFLOWS OF RESOURCES	353,817	1,126,855	150

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

(Continued)

Proprietary Funds
Statement of Net Position
September 30, 2021
(In thousands)

	Business-Type Activities		
	Austin Energy	Austin Water	Airport
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 98,036	4,917	2,686
Accounts and retainage payable from restricted assets	7,858	27,230	3,965
Accrued payroll	11,482	6,083	2,053
Accrued compensated absences	12,365	6,516	2,826
Claims payable	242	21	--
Due to other funds	--	--	--
Due to other governments	4,088	--	4
Due to component units	--	--	2,189
Accrued interest payable from restricted assets	30,325	36,993	18,574
Interest payable on other debt	38	36	--
Bonds payable	--	--	1
Bonds payable from restricted assets	86,427	61,102	26,225
Other postemployment benefits liability	7,735	5,269	2,340
Capital lease obligations payable	66	--	--
Customer and escrow deposits payable from restricted assets	54,553	10,359	1,415
Accrued landfill closure and postclosure costs	--	--	--
Other liabilities	2,285	860	4,276
Other liabilities payable from restricted assets	533	--	--
Total current liabilities	<u>316,033</u>	<u>159,386</u>	<u>66,554</u>
Noncurrent liabilities, net of current portion:			
Accrued compensated absences	2,362	845	145
Claims payable	987	259	--
Advances from other funds	--	75	--
Advances from other funds payable from restricted assets	--	5,952	--
Commercial paper notes payable, net of discount	76,600	102,000	--
Bonds payable, net of discount and inclusive of premium	1,971,799	2,354,092	1,065,661
Net pension liability	307,542	160,979	61,118
Other postemployment benefits liability	522,522	355,914	158,041
Capital lease obligations payable	690	--	--
Accrued landfill closure and postclosure costs	--	--	--
Asset retirement obligations	436,599	1,282	--
Derivative instruments - interest rate swaps	--	14,383	--
Other liabilities	45,306	--	1,117
Other liabilities payable from restricted assets	1,259	--	--
Total noncurrent liabilities	<u>3,365,666</u>	<u>2,995,781</u>	<u>1,286,082</u>
Total liabilities	<u>3,681,699</u>	<u>3,155,167</u>	<u>1,352,636</u>
DEFERRED INFLOWS OF RESOURCES	<u>\$ 603,191</u>	<u>967,295</u>	<u>178,020</u>

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

(Continued)

	Business-Type Activities		Governmental Activities-
	Nonmajor Enterprise Funds	Total	Internal Service Funds
LIABILITIES			
Current liabilities:			
Accounts payable	13,698	119,337	19,132
Accounts and retainage payable from restricted assets	6,290	45,343	--
Accrued payroll	11,932	31,550	9,892
Accrued compensated absences	12,058	33,765	10,100
Claims payable	--	263	49,100
Due to other funds	301	301	--
Due to other governments	--	4,092	--
Due to component units	--	2,189	--
Accrued interest payable from restricted assets	466	86,358	5
Interest payable on other debt	481	555	--
Bonds payable	8,433	8,434	269
Bonds payable from restricted assets	9,610	183,364	--
Other postemployment benefits liability	10,571	25,915	--
Capital lease obligations payable	--	66	2,043
Customer and escrow deposits payable from restricted assets	9,688	76,015	698
Accrued landfill closure and postclosure costs	855	855	--
Other liabilities	1,374	8,795	4,687
Other liabilities payable from restricted assets	--	533	--
Total current liabilities	<u>85,757</u>	<u>627,730</u>	<u>95,926</u>
Noncurrent liabilities, net of current portion:			
Accrued compensated absences	2,350	5,702	2,605
Claims payable	--	1,246	37,286
Advances from other funds	1,093	1,168	--
Advances from other funds payable from restricted assets	--	5,952	--
Commercial paper notes payable, net of discount	--	178,600	--
Bonds payable, net of discount and inclusive of premium	146,595	5,538,147	1,117
Net pension liability	301,835	831,474	--
Other postemployment benefits liability	713,970	1,750,447	--
Capital lease obligations payable	--	690	2,115
Accrued landfill closure and postclosure costs	18,944	18,944	--
Asset retirement obligations	--	437,881	518
Derivative instruments - interest rate swaps	7,107	21,490	--
Other liabilities	--	46,423	--
Other liabilities payable from restricted assets	--	1,259	--
Total noncurrent liabilities	<u>1,191,894</u>	<u>8,839,423</u>	<u>43,641</u>
Total liabilities	<u>1,277,651</u>	<u>9,467,153</u>	<u>139,567</u>
DEFERRED INFLOWS OF RESOURCES	<u>67,999</u>	<u>1,816,505</u>	<u>--</u>

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

(Continued)

Proprietary Funds
Statement of Net Position
September 30, 2021
(In thousands)

	Business-Type Activities		
	Austin Energy	Austin Water	Airport
NET POSITION			
Net investment in capital assets	\$ 612,273	724,823	402,850
Restricted for:			
Bond reserve	30,242	10,550	4,961
Capital projects	50,557	45,608	243,591
Debt service	55,129	51,539	22,385
Operating reserve	--	52,701	18,961
Passenger facility charges	--	--	67,468
Renewal and replacement	70,391	--	10,000
Strategic reserve	217,768	--	--
Unrestricted	780,302	172,932	(142,404)
Total net position	\$ 1,816,662	1,058,153	627,812
Reconciliation to government-wide Statement of Net Position			
Adjustment to consolidate internal service activities	38,440	21,033	7,943
Total net position - Business-type activities	\$ 1,855,102	1,079,186	635,755

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

(Continued)

	Business-Type Activities		Governmental Activities- Internal Service Funds
	Nonmajor Enterprise Funds	Total	
NET POSITION			
Net investment in capital assets	668,887	2,408,833	62,327
Restricted for:			
Bond reserve	7,269	53,022	--
Capital projects	134,512	474,268	5,955
Debt service	7,819	136,872	--
Operating reserve	5,420	77,082	--
Passenger facility charges	--	67,468	--
Renewal and replacement	540	80,931	--
Strategic reserve	--	217,768	--
Unrestricted	(401,053)	409,777	151,169
Total net position	423,394	3,926,021	219,451
Reconciliation to government-wide Statement of Net Position			
Adjustment to consolidate internal service activities	32,149	99,565	
Total net position - Business-type activities	455,543	4,025,586	

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, 2021
(In thousands)

	Business-Type Activities		
	Austin Energy	Austin Water	Airport
OPERATING REVENUES			
Utility services	\$ 1,271,808	567,222	--
User fees and rentals	--	--	155,711
Billings to departments	--	--	--
Employee contributions	--	--	--
Operating revenues from other governments	--	--	--
Other operating revenues	--	--	--
Total operating revenues	1,271,808	567,222	155,711
OPERATING EXPENSES			
Operating expenses before depreciation	1,055,984	311,047	121,776
Depreciation and amortization	280,815	132,572	44,155
Total operating expenses	1,336,799	443,619	165,931
Operating income (loss)	(64,991)	123,603	(10,220)
NONOPERATING REVENUES (EXPENSES)			
Interest and other revenues	2,967	119	--
Interest on revenue bonds and other debt	(69,207)	(83,545)	(39,973)
Passenger facility charges	--	--	22,366
Cost (recovered) to be recovered in future years	148,814	53,668	--
Other nonoperating revenue (expense)	(712)	(2,949)	25,161
Total nonoperating revenues (expenses)	81,862	(32,707)	7,554
Income (loss) before contributions and transfers	16,871	90,896	(2,666)
Capital contributions	41,399	83,605	8,272
Transfers in	6,762	75	--
Transfers out	(122,367)	(57,230)	(41)
Change in net position	(57,335)	117,346	5,565
Beginning net position	1,873,997	940,807	622,247
Ending net position	\$ 1,816,662	1,058,153	627,812
Reconciliation to government-wide Statement of Activities			
Change in net position	(57,335)	117,346	5,565
Adjustment to consolidate internal service activities	1,135	(944)	(193)
Change in net position - Business-type activities	\$ (56,200)	116,402	5,372

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	--	1,839,030	--
User fees and rentals	444,322	600,033	--
Billings to departments	--	--	507,362
Employee contributions	--	--	45,323
Operating revenues from other governments	--	--	5,400
Other operating revenues	--	--	13,151
Total operating revenues	444,322	2,439,063	571,236
OPERATING EXPENSES			
Operating expenses before depreciation	522,656	2,011,463	592,055
Depreciation and amortization	29,779	487,321	13,773
Total operating expenses	552,435	2,498,784	605,828
Operating income (loss)	(108,113)	(59,721)	(34,592)
NONOPERATING REVENUES (EXPENSES)			
Interest and other revenues	101	3,187	137
Interest on revenue bonds and other debt	(5,473)	(198,198)	(77)
Passenger facility charges	--	22,366	--
Cost (recovered) to be recovered in future years	--	202,482	--
Other nonoperating revenue (expense)	(6,354)	15,146	(1,360)
Total nonoperating revenues (expenses)	(11,726)	44,983	(1,300)
Income (loss) before contributions and transfers	(119,839)	(14,738)	(35,892)
Capital contributions	17,217	150,493	4,784
Transfers in	61,805	68,642	349
Transfers out	(14,579)	(194,217)	(16,400)
Change in net position	(55,396)	10,180	(47,159)
Beginning net position	478,790	3,915,841	266,610
Ending net position	423,394	3,926,021	219,451
Reconciliation to government-wide Statement of Activities			
Change in net position	(55,396)	10,180	
Adjustment to consolidate internal service activities	(2,689)	(2,691)	
Change in net position - Business-type activities	(58,085)	7,489	

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

Proprietary Funds
Statement of Cash Flows
For the year ended September 30, 2021
(In thousands)

	Business-Type Activities		
	Austin Energy	Austin Water	Airport
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 1,292,178	552,984	149,492
Cash received from other funds	28,359	9,181	--
Cash payments to suppliers for goods and services	(582,907)	(66,676)	(20,369)
Cash payments to other funds	(66,483)	(75,715)	(35,588)
Cash payments to employees for services	(234,256)	(128,102)	(45,360)
Cash payments to claimants/beneficiaries	(120)	(120)	--
Taxes collected and remitted to other governments	(41,021)	--	(1)
Net cash provided by operating activities	395,750	291,552	48,174
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	6,762	75	--
Transfers out	(122,367)	(57,083)	(41)
Collections from other sources	151	485	--
Loans from other funds	--	--	--
Loan repayments to other funds	--	(196)	(174)
Loan repayments from other funds	546	300	1
Payments to component units	--	--	(3,995)
Collections from other governments	2,210	2,461	30,072
Net cash provided (used) by noncapital financing activities	(112,698)	(53,958)	25,863
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from the sale of commercial paper notes	76,600	102,000	--
Proceeds from the sale of general obligation bonds and other tax supported debt	--	--	--
Proceeds from the sale of revenue bonds	186,883	36,795	--
Principal paid on long-term debt	(79,656)	(74,610)	(26,877)
Proceeds from the sale of capital assets	--	--	--
Interest paid on revenue bonds and other debt	(78,663)	(99,202)	(48,643)
Passenger facility charges	--	--	19,795
Acquisition and construction of capital assets	(315,448)	(192,065)	(71,126)
Contributions from state and federal governments	--	75	8,272
Contributions in aid of construction	43,245	44,262	--
Bond issuance costs	(1,774)	(1,990)	--
Bond premiums	65,383	60,413	--
Bonds issued for advanced refundings of debt	90,482	203,505	--
Cash paid for bond refunding escrow	(90,482)	(59,839)	--
Cash paid to payoff commercial paper	(162,480)	(204,000)	--
Cash paid for nuclear fuel inventory	(23,513)	--	--
Net cash provided (used) by capital and related financing activities	(289,423)	(184,656)	(118,579)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investment securities	(483,970)	(224,327)	(74,491)
Proceeds from sale and maturities of investment securities	476,585	190,280	75,518
Interest on investments	1,088	258	414
Net cash provided (used) by investing activities	(6,297)	(33,789)	1,441
Net increase (decrease) in cash and cash equivalents	(12,668)	19,149	(43,101)
Cash and cash equivalents, beginning	510,988	337,345	520,650
Cash and cash equivalents, ending	\$ 498,320	356,494	477,549

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	438,213	2,432,867	62,298
Cash received from other funds	3,920	41,460	507,362
Cash payments to suppliers for goods and services	(94,230)	(764,182)	(118,021)
Cash payments to other funds	(87,176)	(264,962)	(48,644)
Cash payments to employees for services	(243,898)	(651,616)	(201,186)
Cash payments to claimants/beneficiaries	--	(240)	(182,660)
Taxes collected and remitted to other governments	--	(41,022)	--
Net cash provided by operating activities	16,829	752,305	19,149
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	61,805	68,642	--
Transfers out	(14,398)	(193,889)	(16,400)
Collections from other sources	7,111	7,747	--
Loans from other funds	3	3	--
Loan repayments to other funds	(1,807)	(2,177)	--
Loan repayments from other funds	1,685	2,532	--
Payments to component units	--	(3,995)	--
Collections from other governments	276	35,019	--
Net cash provided (used) by noncapital financing activities	54,675	(86,118)	(16,400)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from the sale of commercial paper notes	--	178,600	--
Proceeds from the sale of general obligation bonds and other tax supported debt	4,260	4,260	--
Proceeds from the sale of revenue bonds	--	223,678	--
Principal paid on long-term debt	(19,716)	(200,859)	(2,410)
Proceeds from the sale of capital assets	--	--	--
Interest paid on revenue bonds and other debt	(6,344)	(232,852)	(79)
Passenger facility charges	--	19,795	--
Acquisition and construction of capital assets	(73,956)	(652,595)	(2,148)
Contributions from state and federal governments	45	8,392	--
Contributions in aid of construction	5,042	92,549	--
Bond issuance costs	(8)	(3,772)	--
Bond premiums	1,886	127,682	--
Bonds issued for advanced refundings of debt	4,524	298,511	--
Cash paid for bond refunding escrow	(5,646)	(155,967)	--
Cash paid to payoff commercial paper	--	(366,480)	--
Cash paid for nuclear fuel inventory	--	(23,513)	--
Net cash provided (used) by capital and related financing activities	(89,913)	(682,571)	(4,637)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investment securities	(13,322)	(796,110)	--
Proceeds from sale and maturities of investment securities	13,396	755,779	--
Interest on investments	533	2,293	(385)
Net cash provided (used) by investing activities	607	(38,038)	(385)
Net increase (decrease) in cash and cash equivalents	(17,802)	(54,422)	(2,273)
Cash and cash equivalents, beginning	546,761	1,915,744	277,291
Cash and cash equivalents, ending	528,959	1,861,322	275,018

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

(Continued)

Proprietary Funds
Statement of Cash Flows
For the year ended September 30, 2021
(In thousands)

	Business-Type Activities		
	Austin Energy	Austin Water	Airport
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (64,991)	123,603	(10,220)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	280,815	132,572	44,155
Change in assets and liabilities:			
Decrease in working capital advances	37	--	--
Increase in accounts receivable	(19,784)	(7,049)	(1,140)
Increase in allowance for doubtful accounts	10,191	823	62
Increase in receivables from other governments	--	--	--
(Increase) decrease in inventory	9,280	330	61
(Increase) decrease in prepaid expenses and other assets	(21,142)	(167)	96
Decrease in advances to other funds	--	--	--
(Increase) decrease in other long-term assets	(26,679)	--	980
Increase in deferred outflows	(22,290)	(31,548)	(9,091)
Increase (decrease) in accounts payable	11,855	1,760	118
Increase in accrued payroll and compensated absences	2,565	1,269	361
Increase (decrease) in claims payable	977	(30)	--
Increase in customer deposits	17,562	248	331
Decrease in net pension liability	(17,688)	(1,869)	(1,744)
Increase in other postemployment benefits liability	106,213	71,711	30,014
Increase (decrease) in other liabilities	32,959	(1,045)	9
Increase (decrease) in deferred inflows	95,870	944	(5,818)
Total adjustments	460,741	167,949	58,394
Net cash provided by operating activities	\$ 395,750	291,552	48,174
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Capital assets contributed from other funds	\$ --	28	--
Capital assets contributed to other funds	--	--	--
Contributed facilities	--	39,240	--
Increase in the fair value of investments	(512)	--	--
Amortization of bond (discounts) premiums	13,856	23,240	11,117
Amortization of deferred loss on refundings	(2,351)	(4,726)	(2,902)
Gain (loss) on disposal of assets	(1,050)	(4,014)	(405)
Costs (recovered) to be recovered	148,813	53,668	--
Transfers from other funds	--	--	--
Transfers to other funds	--	(147)	--

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

(Continued)

	Business-Type Activities		Governmental
	Nonmajor Enterprise Funds	Total	Activities- Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET			
CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	(108,113)	(59,721)	(34,592)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	29,779	487,321	13,773
Change in assets and liabilities:			
Decrease in working capital advances	--	37	--
Increase in accounts receivable	(5,957)	(33,930)	(1,383)
Increase in allowance for doubtful accounts	870	11,946	--
Increase in receivables from other governments	--	--	(193)
(Increase) decrease in inventory	(1,654)	8,017	(712)
(Increase) decrease in prepaid expenses and other assets	434	(20,779)	(879)
Decrease in advances to other funds	--	--	2
(Increase) decrease in other long-term assets	--	(25,699)	--
Increase in deferred outflows	(62,335)	(125,264)	--
Increase (decrease) in accounts payable	(44)	13,689	1,773
Increase in accrued payroll and compensated absences	3,271	7,466	2,148
Increase (decrease) in claims payable	--	947	37,264
Increase in customer deposits	1,667	19,808	11
Decrease in net pension liability	(6,859)	(28,160)	--
Increase in other postemployment benefits liability	151,556	359,494	--
Increase (decrease) in other liabilities	10,096	42,019	1,937
Increase (decrease) in deferred inflows	4,118	95,114	--
Total adjustments	124,942	812,026	53,741
Net cash provided by operating activities	16,829	752,305	19,149
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Capital assets contributed from other funds	12,130	12,158	4,784
Capital assets contributed to other funds	(12,512)	(12,512)	--
Contributed facilities	--	39,240	--
Increase in the fair value of investments	--	(512)	--
Amortization of bond (discounts) premiums	1,492	49,705	23
Amortization of deferred loss on refundings	(678)	(10,657)	(22)
Gain (loss) on disposal of assets	(1,126)	(6,595)	(846)
Costs (recovered) to be recovered	--	202,481	--
Transfers from other funds	--	--	349
Transfers to other funds	(181)	(328)	--

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

Fiduciary Funds
Statement of Fiduciary Net Position
September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit D-1

	<u>Custodial</u>
ASSETS	
Pooled investments and cash	\$ 2,662
Total assets	<u>2,662</u>
LIABILITIES	
Accounts payable	19
Due to other governments	<u>522</u>
Total liabilities	<u>541</u>
NET POSITION	
Restricted for:	
Individuals, organizations and other governments	2,121
Total net position	<u>\$ 2,121</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, 2021
(In thousands)

City of Austin, Texas
Exhibit D-2

	<u>Custodial</u>
ADDITIONS	
Contributions	\$ 28
Interest and other	4
Fees collected for other governments	1,724
Miscellaneous	88
Total additions	<u>1,844</u>
DEDUCTIONS	
Beneficiary payments	29
Payment of fees to other governments	1,725
Administrative expenses	1
Total deductions	<u>1,755</u>
Change in net position	89
 Beginning net position, as restated (see Note 19)	 <u>2,032</u>
Ending net position	<u><u>\$ 2,121</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. 86, No. 88 through No. 90, No. 92 and No. 93, No. 95, No. 97 and No. 98. In fiscal year 2021, the City implemented the following GASB Statements:

GASB Statement	Impact
84 – <i>"Fiduciary Activities"</i>	This statement enhances guidance for identifying fiduciary activities and financial reporting of those activities, which allows for increased consistency and comparability between reporting entities. The adoption of GASB Statement No. 84 required restatement of beginning net position (see Note 19).
90 – <i>"Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61"</i>	This statement is an amendment of GASB statements No. 14 and No. 61. The objective of the statement is to clarify situations in which a government's purpose for holding a majority equity interest meets both the definition of an investment and the criteria to be reported as a component unit. The City has identified a single entity, Nacogdoches Power, LLC, in which the City is a holder of a major equity interest. It is currently reported as a blended component unit. The implementation of this standard had no impact on the financial statements.
92 – <i>"Omnibus 2020"</i>	This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. The only portion applicable to the City's financial statements is the change of terminology used to refer to derivative instruments. The City made all required changes.
93 – <i>"Replacement of Interbank Offered Rates"</i>	This statement helps to preserve the consistency and comparability of reporting hedging derivative instruments and leases after a government amends or substitutes agreements to replace an Interbank Offered Rate. The City has identified one applicable hedging derivative instrument that utilizes a London Interbank Offered Rate (LIBOR) and is making updates to the language in the agreement which provides fallback protocol language to trigger a change to a new reference rate when the LIBOR tenor ceases to be published. No further action is needed at this time.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

GASB Statement	Impact
97 – “Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans”	This statement improves consistency in financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. This statement also enhances the relevance, consistency, and comparability of the information related to Section 457 plans that meet the definition of a pension plan and the benefits provided through those plans, as well as investment information for all Section 457 plans. The implementation of this standard had no impact on the financial statements.
98 – “The Annual Comprehensive Financial Report”	This statement replaces the terms comprehensive annual financial report and comprehensive annual financial reports with annual comprehensive financial report and annual comprehensive financial reports, respectively. The associated acronyms are replaced with ACFR and ACFRs. The implementation of this standard had no impact on the financial statements.

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.

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.

Blended Component Units

Austin Housing Finance Corporation
(AHFC)

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

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 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.

Reporting Fund: Austin Housing Finance Corporation fund, a nonmajor special revenue fund

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

Blended Component Units

Urban Renewal Agency (URA)

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

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.

Reporting Fund: Urban Renewal Agency fund, a nonmajor special revenue fund

Austin Industrial Development Corporation (AIDC)

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.

Reporting Fund: Austin Industrial Development Corporation fund, a nonmajor special revenue fund

Mueller Local Government Corporation (MLGC)

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.

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

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.

Austin Transit Partnership Local Government Corporation (ATP)
203 Colorado Street
Austin, TX 78701

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.

Austin Travis County Sobriety Center Local Government Corporation (SCLGC)
700 Lavaca Street
Austin, TX 78701

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.

Waller Creek Local Government Corporation (WCLGC)
124 W. 8th Street
Austin, TX 78701

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.

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 7) 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.

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.

b -- Government-wide and Fund Financial Statements

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.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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

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.

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, committed, or assigned to expenditure 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, 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 services, liability reserve (City-wide self-insurance) services, support services, wireless communication services, and workers' compensation coverage.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

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

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.

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. 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.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
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. In order to assist the reader, the following information has been provided regarding significant components of receivable balances as of September 30, 2021 (in thousands):

	General Fund	Nonmajor Governmental Funds	Internal Service Funds	Total
Governmental activities				
Charges for Services	\$ 387,396	--	4,431	391,827
Fines	10,539	--	--	10,539
Taxes	60,333	28,582	--	88,915
Other Governments	--	3,295	--	3,295
Other	131	4,758	--	4,889
Allowance for doubtful accounts	(373,184)	(2,105)	(276)	(375,565)
Total	<u>\$ 85,215</u>	<u>34,530</u>	<u>4,155</u>	<u>123,900</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	\$ 175,080	77,761	14,926	34,593	302,360
Allowance for doubtful accounts	(22,064)	(3,506)	(1,993)	(3,682)	(31,245)
Total	<u>\$ 153,016</u>	<u>74,255</u>	<u>12,933</u>	<u>30,911</u>	<u>271,115</u>

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".

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

Inventories -- Inventories are valued at cost, which is determined as follows:

<u>Fund</u>	<u>Inventory Valuation Method</u>
Austin Energy	
Fuel oil – Distillate #2	Last-in, first-out
Other inventories	Average cost
All others	Average cost

Inventories for all funds are accounted for using the consumption method and expenditures are recorded when issued.

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 and Austin Water report 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>					<u>Total</u>
	<u>Governmental</u>	<u>Austin</u>	<u>Austin</u>		<u>Nonmajor</u>	<u>Restricted</u>
	<u>Activities</u>	<u>Energy</u>	<u>Water</u>	<u>Airport</u>	<u>Enterprise</u>	<u>Assets</u>
Capital projects	\$ 43,513	55,098	150,330	366,022	134,815	749,778
Customer and escrow deposits	83,166	54,553	10,353	1,415	9,386	158,873
Debt service	33,255	85,454	88,532	41,951	8,243	257,435
Federal receivables	--	1,510	--	3,720	--	5,230
Housing activities	15,614	--	--	--	--	15,614
Operating reserve account	--	--	52,701	18,961	6,137	77,799
Passenger facility charge account	--	--	--	67,468	--	67,468
Perpetual care	1,070	--	--	--	--	1,070
Plant decommissioning	--	279,736	--	--	--	279,736
Public health activities	86,538	--	--	--	--	86,538
Public safety activities	12,838	--	--	--	--	12,838
Renewal and replacement account	--	70,391	--	10,000	540	80,931
Revenue bond reserve	--	30,242	55,014	61,667	10,263	157,186
Revolving loan reserve	--	4,790	--	--	--	4,790
Strategic reserve	--	217,768	--	--	--	217,768
Tourism	12,484	--	--	--	--	12,484
Urban growth programs	16,857	--	--	--	--	16,857
Other purposes	17,698	1,876	--	--	--	19,574
Total	\$ 323,033	801,418	356,930	571,204	169,384	2,221,969

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

Capital Assets -- Capital assets, which primarily include land and improvements, buildings and improvements, plant and equipment, vehicles, water rights, 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.

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	Governmental Activities	Business-type 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	3-15	3-20	3-20	3-30
Electric plant	--	3-50	--	--	--
Non-electric plant	--	3-30	--	--	--
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.

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

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 \$21.7 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 that do not currently require funding 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, interest, decommissioning, and pass-through rates, such as the Power Supply Adjustment charge, Community Benefit charge, and Regulatory charge. Regulatory Assets will be recovered in these 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 Austin Water and governmental activities construction projects. In addition, the receivable related to service concession arrangements for the Airport, a major enterprise fund, is recorded as other assets.

Deferred Outflows (Inflows) of Resources -- Deferred outflows of resources represent the consumption of net position that are applicable to a future reporting period. Deferred outflows have a positive effect on net position, similar to assets. Deferred inflows of resources represent the acquisition of net position that have a negative effect on net position, 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.				
Governmental Activities	\$ 116	--	--	--
Austin Energy	--	199,924	--	--
Austin Water	--	501	--	--
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.				
Austin Energy	--	-	--	2,330
Austin Water	--	14,383	--	--
Nonmajor enterprise	--	7,107	--	--
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	--	20,553	--	--
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.				
Governmental Activities	11,460	--	--	--
Austin Energy	--	9,584	--	--
Austin Water	--	41,426	--	578
Airport	--	12,092	--	--
Nonmajor enterprise	--	5,520	--	146

(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
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.				
Governmental Activities	863,452	--	124,609	--
Austin Energy	--	180,024	--	26,524
Austin Water	--	122,436	--	17,293
Airport	--	58,541	--	6,305
Nonmajor enterprise	--	267,468	--	31,329
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.				
Governmental Activities	807,297	--	885,633	--
Austin Energy	--	62,948	--	41,484
Austin Water	--	36,324	--	24,629
Airport	--	14,302	--	7,396
Nonmajor enterprise	--	73,722	--	36,524
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	--	--	106,521	--
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	--	--	--	532,853
Austin Water	--	--	--	924,795
Service concession arrangements -- The resources related to the service concession 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	--	--	28,060	--
Airport	--	--	--	164,319
Total	\$ 1,682,325	1,126,855	1,144,823	1,816,505
Totals by Fund				
Governmental Activities	\$ 1,682,325	--	1,144,823	--
Austin Energy	--	473,033	--	603,191
Austin Water	--	215,070	--	967,295
Airport	--	84,935	--	178,020
Nonmajor Enterprise	--	353,817	--	67,999
Grand Total	\$ 1,682,325	1,126,855	1,144,823	1,816,505

The governmental funds' statements include amounts recognized as deferred inflows of resources as a result of property taxes, other taxes, and certain revenues (\$21.3 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 financials 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 November 15, 2018, 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 8. At September 30, 2021, the City's total OPEB liability for these retiree benefits was approximately \$4.3 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 generally accepted accounting principles 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 6 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 and Austin Water recognize 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, as follows (in thousands):

	Bad Debt Expense
Austin Energy	\$ 13,831
Austin Water	1,662
Airport	62
Nonmajor Enterprise	2,530

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 fuel cost adjustment clause 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 in Austin Energy by estimating the daily power generation and allocating by each billing district meter read dates as of September 30, 2021. The amount of unbilled revenue reported in accounts receivable as of September 30, 2021 was \$31.4 million. Austin Water records unbilled revenue as earned based upon the percentage of October's billing that represented water usage through September 30, 2021. The amount of unbilled revenue reported in accounts receivable as of September 30, 2021 was \$19.3 million for water and \$15.2 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, as follows (in thousands):

	Discounts
Airport	\$ 5,736
Nonmajor Enterprise	2,108

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 \$62,000 in fiscal year 2021 to a specific purpose. This amount is updated annually 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					
Prepaid items	\$ 3,369	--	--	--	3,369
Permanent funds	--	--	--	1,070	1,070
Total Nonspendable	3,369	--	--	1,070	4,439
Restricted					
Municipal court services	--	959	--	--	959
General government services	--	21	--	--	21
Fire special purpose	--	58	--	--	58
Police special purpose	--	12,780	--	--	12,780
Transportation, planning, and sustainability	--	217	--	--	217
Public health services	--	483	--	--	483
Library services	--	4,736	--	--	4,736
Parks services	--	478	--	--	478
Tourism programs	--	39,444	--	--	39,444
Affordable housing programs	--	44,660	--	--	44,660
Urban growth programs	--	27,528	--	--	27,528
Capital construction	--	--	--	135,051	135,051
Debt service	--	--	33,617	--	33,617
Total Restricted	--	131,364	33,617	135,051	300,032
Committed					
Tourism programs	--	102	--	--	102
Affordable housing programs	--	678	--	--	678
Urban growth programs	--	58,351	--	--	58,351
Total Committed	--	59,131	--	--	59,131
Assigned					
Municipal court services	4,788	--	--	--	4,788
EMS activities	892	--	--	--	892
Fire activities	436	--	--	--	436
Police activities	8,815	--	--	--	8,815
Public health services	31,952	--	--	--	31,952
Library services	3,235	--	--	--	3,235
Parks services	3,909	--	--	--	3,909
Affordable housing programs	499	602	--	--	1,101
Urban growth programs	61,902	379	--	--	62,281
Capital construction	--	--	--	126,639	126,639
Total Assigned	116,428	981	--	126,639	244,048
Unassigned	153,305	(1,220)	--	(200,363)	(48,278)
Total Fund Balance	\$ 273,102	190,256	33,617	61,327	559,372

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. These reserves are part of unassigned fund balance for the General Fund. As of September 30, 2021, the budget stabilization reserve reports a balance of \$68.8 million and the emergency reserve maintains a balance of eight percent of total General Fund requirements, or \$84 million. The funds in the budget stabilization reserve may be appropriated to fund capital or other one-time costs 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.

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 outflows of resources and deferred inflows 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 7).

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.

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 14).

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 9.

f -- COVID-19 Response Funding

CARES Act -- The City received \$170.8 million in federal funding from the Federal Coronavirus Aid, Relief, and Economic Security Act (CARES) Coronavirus Relief Fund (CRF) in April 2020 administered by the US Department of the Treasury. By the end of fiscal year 2021, the City expended the remaining \$33.8 million of the CARES CRF funding. The funds were used in direct response to the COVID-19 pandemic in relation to emergency management, public safety costs, quarantine facilities, rental assistance, and various economic support programs to assist the citizens of the City.

Emergency Rental Assistance Funding -- The City was awarded \$64.9 million from the US Department of the Treasury for the COVID-19 relief Emergency Rental Assistance Program grant. By the end of fiscal year 2021, the City expended \$55.9 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 \$188.5 million in federal funding from the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) administered by the US Department of the Treasury. The City received the first tranche of funding in May 2021 totaling \$94.2 million and is expected to receive the remaining funding in May 2022. By the end of fiscal year 2021, the City expended \$7.4 million of the SLFRF funding. 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.

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued
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, 2021 (in thousands):

	Pooled Investments and Cash	
	Unrestricted	Restricted
General Fund	\$ 266,115	--
Nonmajor governmental funds	367,196	--
Austin Energy	328,847	164,657
Austin Water	201,225	153,944
Airport	18,455	459,091
Nonmajor enterprise funds	378,133	150,795
Internal service funds	264,973	5,955
Fiduciary funds	2,662	--
Subtotal pooled investments and cash	<u>1,827,606</u>	<u>934,442</u>
Total pooled investments and cash	<u>\$ 2,762,048</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, Deputy Treasurer over Debt Management, representation from the Controller's office, a public sector investment expert, a Financial Advisor's representative, a representative from Austin Energy, a representative from the 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 2021.

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, 2021, TexPool, TexPool Prime, TexasDAILY, TexStar, and Texas CLASS had a weighted average maturity of 37 days, 48 days, 48 days, 39 days, and 53 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.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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.

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

The City has the following recurring fair value measurements as of September 30, 2021:

- U.S. Treasury securities of \$1.8 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 \$774.9 million 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, 2021, the City presented Money Market Funds of \$64.6 million, LGIPs of \$1.05 billion valued using amortized cost, and LGIPs of \$26.8 million valued using NAV.

The following table includes the portfolio balances of all non-pooled and pooled investments of the City at September 30, 2021 (in thousands):

	Governmental Activities	Business- type Activities	Fiduciary Funds	Total
Non-pooled investments:				
Local Government Investment Pools	\$ 30,488	380,542	--	411,030
Money Market Funds	9,038	55,542	--	64,580
US Treasury Notes	--	247,044	--	247,044
US Treasury Bills	--	41,494	--	41,494
US Agency Bonds	--	159,929	--	159,929
US Agency Discounts Notes	--	39,990	--	39,990
Total non-pooled investments	<u>39,526</u>	<u>924,541</u>	<u>--</u>	<u>964,067</u>
Pooled investments:				
Local Government Investment Pools	217,553	446,357	618	664,528
US Treasury Notes	315,801	647,901	930	964,632
US Treasury Bills	189,865	389,530	559	579,954
US Agency Bonds	114,580	235,074	338	349,992
US Agency Discount Notes	73,649	151,098	217	224,964
Total pooled investments	<u>911,448</u>	<u>1,869,960</u>	<u>2,662</u>	<u>2,784,070</u>
Total investments	<u>\$ 950,974</u>	<u>2,794,501</u>	<u>2,662</u>	<u>3,748,137</u>

Concentration of Credit Risk

At September 30, 2021, 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 (in millions): Federal Farm Credit Bank (\$519.9 or 14%), of which \$205.4 were discount notes maturing 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, 2021, 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
Operating funds					
Local Government Investment Pools	\$ 217,553	446,357	618	664,528	1
US Treasury Notes	315,801	647,901	930	964,632	298
US Treasury Bills	189,865	389,530	559	579,954	69
US Agency Bonds	114,580	235,074	338	349,992	450
US Agency Discount Notes	73,649	151,098	217	224,964	141
Total Operating funds	911,448	1,869,960	2,662	2,784,070	
Debt service funds					
General Obligation Debt Service					
Local Government Investment Pools	30,488	--	--	30,488	1
Utility (1)					
Local Government Investment Pools	--	173,984	--	173,984	1
Airport					
Local Government Investment Pools	--	40,959	--	40,959	1
Nonmajor Enterprise-Convention Center					
Local Government Investment Pools	--	8,243	--	8,243	1
Total Debt service funds	30,488	223,186	--	253,674	
Debt service reserve funds					
Utility (1)					
Local Government Investment Pools	--	43,546	--	43,546	1
Money Market Funds	--	4,660	--	4,660	1
Airport					
Local Government Investment Pools	--	61,667	--	61,667	1
Nonmajor Enterprise-Convention Center					
Local Government Investment Pools	--	10,263	--	10,263	1
Total Debt service reserve funds	--	120,136	--	120,136	
Special projects/purpose funds					
Austin Energy Strategic Reserve					
Local Government Investment Pools	--	18,633	--	18,633	1
US Treasury Notes	--	85,533	--	85,533	395
US Treasury Bills	--	9,999	--	9,999	90
US Agency Bonds	--	139,931	--	139,931	812
US Agency Discount Notes	--	24,998	--	24,998	75
Total Austin Energy Strategic Reserve	--	279,094	--	279,094	
Austin Energy Nuclear Decommissioning Trust Funds (NDTF)					
Money Market Funds	--	12,602	--	12,602	1
US Treasury Notes	--	161,511	--	161,511	424
US Treasury Bills	--	31,495	--	31,495	124
US Agency Bonds	--	19,998	--	19,998	74
US Agency Discount Notes	--	14,992	--	14,992	265
Total Austin Energy NDTF	--	240,598	--	240,598	
Special Projects - Utility Reserve (1)					
Local Government Investment Pools	--	23,247	--	23,247	1
Special Projects - Other					
Money Market Funds	9,038	38,280	--	47,318	1
Total Special projects/purpose funds	9,038	581,219	--	590,257	
Total funds	\$ 950,974	2,794,501	2,662	3,748,137	

(1) Includes combined pledge debt service

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

Credit Risk

At September 30, 2021, City funds held investments in LGIPs and Money Market Funds rated AAAM by Standard & Poor's or AAAmmf by Fitch Ratings, Inc., short-to-medium term U.S. Agency bonds rated AA+ by Standard & Poor's, 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, 2021, 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 (\$400 or 14%)

Special Projects or Special Purpose Funds

At September 30, 2021, the Austin Energy Strategic Reserve Fund held investments with more than five percent of the total in securities of the following issuers (in millions): Federal Farm Credit Bank (\$104.9 or 37.6%), and Federal Home Loan Mortgage Corporation (\$40 or 14%).

At September 30, 2021, the NDTF held investments with more than five percent of the total in securities of the following issuers (in millions): Federal Farm Credit Bank (\$15 or 6%) and Federal Home Loan Bank (\$20 or 8%).

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 365 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. Three years is the maximum period before maturity.

At September 30, 2021, less than half 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 three years from the purchase date. The dollar weighted average maturity of all securities was 186 days, which was less than the threshold of 365 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 Strategic Reserve Fund

At September 30, 2021, 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 538 days.

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

As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy for the NDTF 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, 2021, the dollar weighted average maturity was 324 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, 2021, are as follows (in thousands):

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Non-pooled investments and cash	\$ 49,923	930,716	--	980,639
Pooled investments and cash	912,345	1,871,854	2,662	2,786,861
Total investments and cash	<u>962,268</u>	<u>2,802,570</u>	<u>2,662</u>	<u>3,767,500</u>
Unrestricted cash	45	528	--	573
Restricted cash	10,352	5,647	--	15,999
Pooled investments and cash	912,345	1,871,854	2,662	2,786,861
Investments	39,526	924,541	--	964,067
Total	<u>\$ 962,268</u>	<u>2,802,570</u>	<u>2,662</u>	<u>3,767,500</u>

The bank balance of the portfolio exceeds the book balance by approximately \$25 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, 2021 carrying amount of deposits at the bank and cash on hand are as follows (in thousands):

	Governmental Activities	Business-type Activities	Total
Cash			
Unrestricted	\$ 45	65	110
Restricted	--	4,790	4,790
Cash held by trustee			
Unrestricted	--	463	463
Restricted	10,352	857	11,209
Non-pooled cash	<u>10,397</u>	<u>6,175</u>	<u>16,572</u>
Pooled cash	<u>915</u>	<u>1,876</u>	<u>2,791</u>
Total deposits	<u>\$ 11,312</u>	<u>8,051</u>	<u>19,363</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, 2021.

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, 2020, upon which the 2021 levy was based, was \$176,671,783,309.

Taxes are due by January 31 following the October 1 levy date. During the year ended September 30, 2021, 99.28% of the current tax levy (October 1, 2020) 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 for fiscal year 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 will require 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 will continue to have 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, 2021, was \$0.4209 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, 2021, was \$0.1126 per \$100 assessed valuation. The City has a tax margin for general governmental purposes of \$0.5791 per \$100 assessed valuation and could levy approximately \$1,023,106,297 in additional taxes from the assessed valuation of \$176,671,783,309 before the legislative limit is reached.

5 – CAPITAL ASSETS AND INFRASTRUCTURE

Governmental Activities

Capital asset activity for the year ended September 30, 2021, was as follows (in thousands):

	Beginning Balance	Increases (1)	Decreases (1)	Ending Balance
Depreciable capital assets				
Building and improvements	\$ 1,284,422	129,843	(257)	1,414,008
Plant and equipment	309,784	10,604	(24,993)	295,395
Vehicles	166,991	30,577	(13,711)	183,857
Infrastructure	3,144,219	89,629	--	3,233,848
Total depreciable capital assets	<u>4,905,416</u>	<u>260,653</u>	<u>(38,961)</u>	<u>5,127,108</u>
Less accumulated depreciation for				
Building and improvements	(456,711)	(40,947)	214	(497,444)
Plant and equipment	(211,486)	(19,264)	23,745	(207,005)
Vehicles	(104,992)	(14,993)	13,288	(106,697)
Infrastructure	(1,433,061)	(84,008)	--	(1,517,069)
Total accumulated depreciation	<u>(2,206,250)</u>	<u>(159,212)</u> (2)	<u>37,247</u>	<u>(2,328,215)</u>
Depreciable capital assets, net	<u>2,699,166</u>	<u>101,441</u>	<u>(1,714)</u>	<u>2,798,893</u>
Nondepreciable capital assets				
Land and improvements	409,346	76,047	(2,777)	482,616
Arts and treasures	11,664	294	--	11,958
Library collections	18,167	--	--	18,167
Construction in progress	167,559	165,895	(110,985)	222,469
Total nondepreciable assets	<u>606,736</u>	<u>242,236</u>	<u>(113,762)</u>	<u>735,210</u>
Total capital assets	<u>\$ 3,305,902</u>	<u>343,677</u>	<u>(115,476)</u>	<u>3,534,103</u>

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

(2) Components of accumulated depreciation/amortization increases:

Governmental Activities:

General government	\$ 9,656
Public safety	17,991
Transportation, planning and sustainability	65,068
Public health	2,974
Public recreation and culture	25,273
Urban growth management	24,317
Internal service funds	13,751
Total increases in accumulated depreciation/amortization	<u>159,030</u>
Transferred accumulated depreciation	182
Total increases in accumulated depreciation/amortization	<u>\$ 159,212</u>

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued

Business-type Activities: Total

Capital asset activity for the year ended September 30, 2021, was as follows (in thousands):

	Beginning Balance	Increases (1)	Decreases (1)	Ending Balance
Depreciable capital assets				
Building and improvements	\$ 3,238,104	87,452	(7,058)	3,318,498
Plant and equipment	4,330,764	229,112	(17,001)	4,542,875
Vehicles	260,397	36,729	(20,758)	276,368
Electric plant	5,749,728	278,425	(22,400)	6,005,753
Non-electric plant	285,500	4,110	(21,549)	268,061
Nuclear fuel	435,752	23,513	--	459,265
Water rights	100,000	--	--	100,000
Total depreciable capital assets	<u>14,400,245</u>	<u>659,341</u>	<u>(88,766)</u>	<u>14,970,820</u>
Less accumulated depreciation/amortization for				
Building and improvements	(987,878)	(74,636)	4,810	(1,057,704)
Plant and equipment	(1,884,936)	(114,433)	13,196	(1,986,173)
Vehicles	(174,607)	(19,049)	20,209	(173,447)
Electric plant	(3,315,246)	(268,243)	6,899	(3,576,590)
Non-electric plant	(110,821)	(9,792)	19,532	(101,081)
Nuclear fuel	(389,199)	(19,403)	--	(408,602)
Water rights	(20,742)	(986)	--	(21,728)
Total accumulated depreciation/amortization	<u>(6,883,429)</u>	<u>(506,542)</u> (2)	<u>64,646</u>	<u>(7,325,325)</u>
Depreciable capital assets, net	<u>7,516,816</u>	<u>152,799</u>	<u>(24,120)</u>	<u>7,645,495</u>
Nondepreciable capital assets				
Land and improvements	787,394	23,615	--	811,009
Arts and treasures	4,113	2,062	--	6,175
Construction in progress	643,507	523,827	(420,051)	747,283
Plant held for future use	23,115	--	--	23,115
Total nondepreciable assets	<u>1,458,129</u>	<u>549,504</u>	<u>(420,051)</u>	<u>1,587,582</u>
Total capital assets	<u>\$ 8,974,945</u>	<u>702,303</u>	<u>(444,171)</u>	<u>9,233,077</u>

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

(2) Components of accumulated depreciation/amortization increases:

Business-type Activities:

Electric	\$ 280,815
Water	63,714
Wastewater	68,858
Airport	44,155
Convention	8,566
Environmental and health services	10,055
Public recreation	615
Urban growth management	10,543
Total business-type activities depreciation expense	<u>487,321</u>
Transferred accumulated depreciation	(182)
Current year amortization included in operating expense	19,403
Total increases in accumulated depreciation/amortization	<u>\$ 506,542</u>

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued

Business-type Activities: Austin Energy

Capital asset activity for the year ended September 30, 2021, was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Depreciable capital assets				
Vehicles	\$ 38,757	7,294	(3,963)	42,088
Electric plant	5,749,728	278,425	(22,400)	6,005,753
Non-electric plant	285,500	4,110	(21,549)	268,061
Nuclear fuel	435,752	23,513	--	459,265
Total depreciable capital assets	<u>6,509,737</u>	<u>313,342</u>	<u>(47,912)</u>	<u>6,775,167</u>
Less accumulated depreciation/amortization for				
Vehicles	(25,029)	(2,780)	3,959	(23,850)
Electric plant	(3,315,246)	(268,243)	6,899	(3,576,590)
Non-electric plant	(110,821)	(9,792)	19,532	(101,081)
Nuclear fuel	(389,199)	(19,403)	--	(408,602)
Total accumulated depreciation/amortization	<u>(3,840,295)</u>	<u>(300,218) (1)</u>	<u>30,390</u>	<u>(4,110,123)</u>
Depreciable capital assets, net	<u>2,669,442</u>	<u>13,124</u>	<u>(17,522)</u>	<u>2,665,044</u>
Nondepreciable capital assets				
Land and improvements	71,037	5,417	--	76,454
Construction in progress (2)	204,243	209,098	(130,689)	282,652
Plant held for future use	23,115	--	--	23,115
Total nondepreciable assets	<u>298,395</u>	<u>214,515</u>	<u>(130,689)</u>	<u>382,221</u>
Total capital assets	<u>\$ 2,967,837</u>	<u>227,639</u>	<u>(148,211)</u>	<u>3,047,265</u>

(1) Components of accumulated depreciation/amortization increases:

Current year depreciation	\$ 280,815
Current year amortization included in operating expense	19,403
Total increases in accumulated depreciation/amortization	<u>\$ 300,218</u>

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued

Business-type Activities: Austin Water

Capital asset activity for the year ended September 30, 2021, was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Depreciable capital assets				
Building and improvements	\$ 1,247,005	8,604	(6,360)	1,249,249
Plant and equipment	4,039,558	215,952	(10,981)	4,244,529
Vehicles	45,804	6,555	(4,848)	47,511
Water rights	100,000	--	--	100,000
Total depreciable capital assets	<u>5,432,367</u>	<u>231,111</u>	<u>(22,189)</u>	<u>5,641,289</u>
Less accumulated depreciation/amortization for				
Building and improvements	(383,024)	(26,675)	4,618	(405,081)
Plant and equipment	(1,756,343)	(102,328)	8,044	(1,850,627)
Vehicles	(33,606)	(2,583)	4,827	(31,362)
Water rights	(20,742)	(986)	--	(21,728)
Total accumulated depreciation/amortization	<u>(2,193,715)</u>	<u>(132,572) (1)</u>	<u>17,489</u>	<u>(2,308,798)</u>
Depreciable capital assets, net	<u>3,238,652</u>	<u>98,539</u>	<u>(4,700)</u>	<u>3,332,491</u>
Nondepreciable capital assets				
Land and improvements	231,286	220	--	231,506
Arts and treasures	111	--	--	111
Construction in progress	326,336	196,558	(184,047)	338,847
Total nondepreciable assets	<u>557,733</u>	<u>196,778</u>	<u>(184,047)</u>	<u>570,464</u>
Total capital assets	<u>\$ 3,796,385</u>	<u>295,317</u>	<u>(188,747)</u>	<u>3,902,955</u>

(1) Components of accumulated depreciation/amortization increases:

Current year depreciation	
Water	\$ 62,728
Wastewater	68,858
Current year amortization	
Water	986
Total increases in accumulated depreciation/amortization	<u>\$ 132,572</u>

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued

Business-type Activities: Airport

Capital asset activity for the year ended September 30, 2021, was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Depreciable capital assets				
Building and improvements	\$ 1,642,188	76,623	(16)	1,718,795
Plant and equipment	51,191	1,175	(4,015)	48,351
Vehicles	19,283	385	(978)	18,690
Total depreciable capital assets	<u>1,712,662</u>	<u>78,183</u>	<u>(5,009)</u>	<u>1,785,836</u>
Less accumulated depreciation for				
Building and improvements	(415,584)	(39,710)	--	(455,294)
Plant and equipment	(22,607)	(2,814)	3,752	(21,669)
Vehicles	(11,114)	(1,631)	837	(11,908)
Total accumulated depreciation	<u>(449,305)</u>	<u>(44,155) (1)</u>	<u>4,589</u>	<u>(488,871)</u>
Depreciable capital assets, net	<u>1,263,357</u>	<u>34,028</u>	<u>(420)</u>	<u>1,296,965</u>
Nondepreciable capital assets				
Land and improvements	96,381	--	--	96,381
Arts and treasures	3,390	2,062	--	5,452
Construction in progress	66,338	66,889	(79,765)	53,462
Total nondepreciable assets	<u>166,109</u>	<u>68,951</u>	<u>(79,765)</u>	<u>155,295</u>
Total capital assets	<u>\$ 1,429,466</u>	<u>102,979</u>	<u>(80,185)</u>	<u>1,452,260</u>

(1) Components of accumulated depreciation/amortization increases:

Current year depreciation	<u>\$ 44,155</u>
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5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued

Business-type Activities: Nonmajor Enterprise Funds

Capital asset activity for the year ended September 30, 2021, was as follows (in thousands):

	Beginning Balance	Increases (1)	Decreases (1)	Ending Balance
Depreciable capital assets				
Building and improvements	\$ 348,911	2,225	(682)	350,454
Plant and equipment	240,015	11,985	(2,005)	249,995
Vehicles	156,553	22,495	(10,969)	168,079
Total depreciable capital assets	<u>745,479</u>	<u>36,705</u>	<u>(13,656)</u>	<u>768,528</u>
Less accumulated depreciation for				
Building and improvements	(189,270)	(8,251)	192	(197,329)
Plant and equipment	(105,986)	(9,291)	1,400	(113,877)
Vehicles	(104,858)	(12,055)	10,586	(106,327)
Total accumulated depreciation	<u>(400,114)</u>	<u>(29,597) (2)</u>	<u>12,178</u>	<u>(417,533)</u>
Depreciable capital assets, net	<u>345,365</u>	<u>7,108</u>	<u>(1,478)</u>	<u>350,995</u>
Nondepreciable capital assets				
Land and improvements	388,690	17,978	--	406,668
Arts and treasures	612	--	--	612
Construction in progress	46,590	51,282	(25,550)	72,322
Total nondepreciable assets	<u>435,892</u>	<u>69,260</u>	<u>(25,550)</u>	<u>479,602</u>
Total capital assets	<u>\$ 781,257</u>	<u>76,368</u>	<u>(27,028)</u>	<u>830,597</u>

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

(2) Components of accumulated depreciation/amortization increases:

Current year depreciation	
Convention	\$ 8,566
Environmental and health services	10,055
Public recreation	615
Urban growth management	10,543
Total nonmajor enterprise activities depreciation expense	<u>29,779</u>
Transferred accumulated depreciation	(182)
Total increases in accumulated depreciation/amortization	<u>\$ 29,597</u>

Service Concession Arrangements -- The City has recorded net capital assets of \$182.4 million, other assets of \$16 million and deferred inflows of \$192.4 million derived from five service concession arrangements (SCA) described below. An SCA is an arrangement in which the City conveys use of a capital asset to an operator in exchange for significant consideration; where the operator is compensated from third parties; where the City may determine what services are provided, to whom and for what price; where the City retains a significant residual interest in the asset after the SCA terminates.

The City has had an agreement with the Friends of Umlauf Garden, Inc. since 1991 to manage and operate the Umlauf Sculpture Garden and Museum. The agreement extended through November 2021 and is for the purpose of displaying the artistic works of Charles Umlauf for the public enjoyment and education. Structures, which are dedicated to the City, have been built on City-owned land and display City-owned artwork.

5 – CAPITAL ASSETS AND INFRASTRUCTURE, continued

In 2010, the City entered into an 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.

In 2014, the City 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. The WGC will operate the facilities for an initial term of 20 years, with options to extend through 2113.

In 2016, the City entered into a Master Lease Agreement with Austin CONRAC LLC, a corporation established to operate Austin's consolidated rent-a-car facility ("CONRAC"). The master lease, with a 20-year initial term and a 10-year extension option, provides for construction, financing, and management of a joint use facility. CONRAC began operations October 1, 2015. The operator pays annual rent of \$900,000 to the Airport. The present value of the future rent payments was \$13 million at lease inception. As of September 30, 2021, the unamortized balance was \$8.5 million and is presented in other assets. The related deferred inflow balance is \$10.4 million. The CONRAC was financed with \$143 million in City issued Rental Car Special Facility Bonds, conduit debt secured by customer facilities charges (CFC). CFC funds are remitted by rental car concessionaires directly to the bond trustee. See Note 16 for conduit debt information. Construction costs totaled \$152.5 million and the City has recorded the asset with a corresponding deferred inflow of resources to be amortized over the 30-year term of the master lease agreement.

In 2017, the City entered into a Lease and Development Agreement with Scott Airport Parking, LLC (Scott) to develop and operate a 2,000-space covered parking facility and full-service pet boarding facility (Bark and Zoom). The lease has a 40-year term which began on October 2016. Scott pays a monthly square footage rate, a monthly percentage rate, and a fixed monthly rate in exchange for the right to operate the facilities, as defined in the lease and development agreement. The fixed monthly rate for the first five years is \$5,000. The present value of the future payments was \$9.2 million at lease inception. As of September 30, 2021, the unamortized balance was \$7.5 million and is presented in other assets. The related deferred inflow balance is \$8.1 million. Construction costs totaled \$27.1 million and the City has recorded the asset with a corresponding deferred inflow of resources to be amortized over the 40-year term of the master lease agreement.

As of September 30, 2021, the City reported the following SCA activities (in thousands):

Service Concession Arrangement	Beginning	Current Year	Beginning	Current Year	Ending	Net Book
	Asset Construction Cost		Accumulated Depreciation		Accumulated Depreciation	
		Additions		Depreciation		Value
Governmental Activities:						
Umlauf Sculpture Garden	\$ 2,337	--	1,689	59	1,748	589
YMCA Northeast Recreation Center	1,333	--	260	34	294	1,039
Waterloo Park and Amphitheater	--	27,515	--	151	151	27,364
Total Governmental Activities	3,670	27,515	1,949	244	2,193	28,992
Business-type Activities:						
CONRAC facility	152,496	--	19,000	3,811	22,811	129,685
Bark and Zoom facility	27,098	--	2,643	702	3,345	23,753
Total Business-type Activities	179,594	--	21,643	4,513	26,156	153,438

Service Concession Arrangement	Beginning	Current Year	Beginning	Current Year	Ending	Ending
	Deferred Inflows		Accumulated Amortization		Accumulated Amortization	Deferred Inflows
		Additions		Amortization		
Governmental Activities:						
Umlauf Sculpture Garden	84	--	2,253	78	2,331	6
YMCA Northeast Recreation Center	655	--	678	66	744	589
Waterloo Park and Amphitheater	--	27,515	--	50	50	27,465
Total Governmental Activities	739	27,515	2,931	194	3,125	28,060
Business-type Activities:						
CONRAC facility	127,112	--	25,384	5,084	30,468	122,028
CONRAC base rent agreement	10,867	--	2,174	435	2,609	10,432
Bark and Zoom facility	24,455	--	2,643	702	3,345	23,753
Bark and Zoom base rent agreement	8,338	--	926	232	1,158	8,106
Total Business-type Activities	\$ 170,772	--	31,127	6,453	37,580	164,319

6 – 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, 2021, were as follows (in thousands):

Description	October 1, 2020	Increases	Decreases	September 30, 2021	Amounts Due Within One Year
Governmental activities					
General obligation bonds, net	\$ 1,143,341	152,991	(198,029)	1,098,303	87,072
Certificates of obligation, net	244,725	134,558	(50,940)	328,343	13,121
Contractual obligations, net	98,448	22,311	(20,288)	100,471	16,503
General obligation bonds and other tax supported debt total	1,486,514	309,860	(269,257)	1,527,117	116,696
Capital lease obligations	26,203	--	(5,116)	21,087	5,264
Net debt	1,512,717	309,860	(274,373)	1,548,204	121,960
Other long-term obligations					
Accrued compensated absences	143,994	7,760	(10,721)	141,033	73,900
Claims payable	49,122	219,924	(182,660)	86,386	49,100
Net pension liability	2,143,680	421,587	(1,218,738)	1,346,529	--
Other postemployment benefits	2,087,627	703,556	(221,178)	2,570,005	37,488
Asset retirement obligations	518	--	--	518	--
Other liabilities	147,354	73,291	(804)	219,841	204,894
Governmental activities total	6,085,012	1,735,978	(1,908,474)	5,912,516	487,342
Total business-type activities					
General obligation bonds, net	16,545	5,672	(4,349)	17,868	3,239
Certificates of obligation, net	39,786	--	(7,737)	32,049	1,733
Contractual obligations, net	17,925	5,025	(6,108)	16,842	3,866
Other tax supported debt, net	5,340	--	(820)	4,520	845
General obligation bonds and other tax supported debt total	79,596	10,697	(19,014)	71,279	9,683
Commercial paper notes, net	366,480	178,600	(366,480)	178,600	--
Revenue bonds, net	5,228,311	606,666	(374,461)	5,460,516	169,145
Revenue notes from direct placements, net	172,830	36,795	(11,475)	198,150	12,970
Capital lease obligations	819	--	(63)	756	66
Net debt	5,848,036	832,758	(771,493)	5,909,301	191,864
Other long-term obligations					
Accrued compensated absences	36,256	3,823	(612)	39,467	33,765
Claims payable	562	1,187	(240)	1,509	263
Net pension liability	859,634	213,235	(241,395)	831,474	--
Other postemployment benefits	1,416,867	511,473	(151,978)	1,776,362	25,915
Accrued landfill closure and postclosure costs	10,915	8,957	(73)	19,799	855
Decommissioning liability payable	1,194	--	(1,194)	--	--
Asset retirement obligations	417,962	20,421	(502)	437,881	--
Other liabilities	101,425	33,802	(2,202)	133,025	85,343
Business-type activities total	8,692,851	1,625,656	(1,169,689)	9,148,818	338,005
Total liabilities (1)	\$ 14,777,863	3,361,634	(3,078,163)	15,061,334	825,347

(1) This schedule excludes select short-term liabilities of \$144,417 for governmental activities. For business-type activities, it excludes select short-term liabilities of \$289,424, and derivative instruments of \$21,490.

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

Description	October 1, 2020	Increases	Decreases	September 30, 2021	Amounts Due Within One Year
Business-type activities:					
Electric activities					
General obligation bonds, net	\$ 4	--	(4)	--	--
General obligation bonds and other tax supported debt total	<u>4</u>	<u>--</u>	<u>(4)</u>	<u>--</u>	<u>--</u>
Commercial paper notes, net	162,480	76,600	(162,480)	76,600	--
Revenue bonds, net	1,899,988	342,748	(184,510)	2,058,226	86,427
Capital lease obligations	819	--	(63)	756	66
Net debt	<u>2,063,291</u>	<u>419,348</u>	<u>(347,057)</u>	<u>2,135,582</u>	<u>86,493</u>
Other long-term obligations					
Accrued compensated absences	13,500	1,227	--	14,727	12,365
Claims payable	252	1,097	(120)	1,229	242
Net pension liability	325,229	66,461	(84,148)	307,542	--
Other postemployment benefits	424,044	149,439	(43,226)	530,257	7,735
Decommissioning liability payable	1,194	--	(1,194)	--	--
Asset retirement obligations	416,680	20,421	(502)	436,599	--
Other liabilities	74,541	29,928	(533)	103,936	57,371
Electric activities total	<u>3,318,731</u>	<u>687,921</u>	<u>(476,780)</u>	<u>3,529,872</u>	<u>164,206</u>
Water and Wastewater activities					
General obligation bonds, net	744	--	(197)	547	187
Certificates of obligation bonds, net	1,400	--	(103)	1,297	102
Contractual obligations, net	1,298	--	(694)	604	419
Other tax supported debt, net	3,419	--	(525)	2,894	541
General obligation bonds and other tax supported debt total	<u>6,861</u>	<u>--</u>	<u>(1,519)</u>	<u>5,342</u>	<u>1,249</u>
Commercial paper notes, net	204,000	102,000	(204,000)	102,000	--
Revenue bonds, net	2,156,947	263,918	(149,073)	2,271,792	53,573
Revenue notes from direct placements, net	106,195	36,795	(4,930)	138,060	6,280
Net debt	<u>2,474,003</u>	<u>402,713</u>	<u>(359,522)</u>	<u>2,517,194</u>	<u>61,102</u>
Other long-term obligations					
Accrued compensated absences	6,812	697	(148)	7,361	6,516
Claims payable	310	90	(120)	280	21
Net pension liability	162,848	46,524	(48,393)	160,979	--
Other postemployment benefits	289,472	101,233	(29,522)	361,183	5,269
Asset retirement obligations	1,282	--	--	1,282	--
Other liabilities	12,234	30	(1,045)	11,219	11,219
Water and Wastewater activities total	<u>2,946,961</u>	<u>551,287</u>	<u>(438,750)</u>	<u>3,059,498</u>	<u>84,127</u>
Airport activities					
General obligation bonds, net	3	--	(2)	1	1
General obligation bonds and other tax supported debt total	<u>3</u>	<u>--</u>	<u>(2)</u>	<u>1</u>	<u>1</u>
Revenue bonds, net	1,086,183	--	(33,567)	1,052,616	21,695
Revenue notes from direct placements, net	43,695	--	(4,425)	39,270	4,530
Net debt	<u>1,129,881</u>	<u>--</u>	<u>(37,994)</u>	<u>1,091,887</u>	<u>26,226</u>
Other long-term obligations					
Accrued compensated absences	2,798	173	--	2,971	2,826
Claims payable	--	--	--	--	--
Net pension liability	62,862	15,667	(17,411)	61,118	--
Other postemployment benefits	130,367	44,381	(14,367)	160,381	2,340
Other liabilities	6,467	964	(623)	6,808	5,691
Airport activities total	<u>1,332,375</u>	<u>61,185</u>	<u>(70,395)</u>	<u>1,323,165</u>	<u>37,083</u>
Nonmajor enterprise activities					
General obligation bonds, net	15,794	5,672	(4,146)	17,320	3,051
Certificates of obligation, net	38,386	--	(7,634)	30,752	1,631
Contractual obligations	16,627	5,025	(5,414)	16,238	3,447
Other tax supported debt, net	1,921	--	(295)	1,626	304
General obligation bonds and other tax supported debt total	<u>72,728</u>	<u>10,697</u>	<u>(17,489)</u>	<u>65,936</u>	<u>8,433</u>
Revenue bonds, net	85,193	--	(7,311)	77,882	7,450
Revenue notes from direct placements, net	22,940	--	(2,120)	20,820	2,160
Net debt	<u>180,861</u>	<u>10,697</u>	<u>(26,920)</u>	<u>164,638</u>	<u>18,043</u>
Other long-term obligations					
Accrued compensated absences	13,146	1,726	(464)	14,408	12,058
Net pension liability	308,695	84,583	(91,443)	301,835	--
Other postemployment benefits	572,984	216,420	(64,863)	724,541	10,571
Accrued landfill closure and postclosure costs	10,915	8,957	(73)	19,799	855
Other liabilities	8,183	2,880	(1)	11,062	11,062
Nonmajor enterprise activities total	<u>\$ 1,094,784</u>	<u>325,263</u>	<u>(183,764)</u>	<u>1,236,283</u>	<u>52,589</u>

6 – 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, 2021, 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	4,520	584 (1)(3)	4.20 - 4.25%	9/1/2022-2026
Mueller Contractual Obligation - 2006	2006	12,000	4,355	611 (1)(4)	4.00 - 5.00%	9/1/2022-2026
Public Improvement - 2009B	2009	78,460	52,710	12,328 (1)	4.75 - 5.31%	9/1/2022-2029
Mueller Contractual Obligation - 2009	2010	15,000	7,565	1,497 (1)(4)	4.00 - 4.25%	9/1/2022-2029
Public Improvement Refunding - 2010	2011	91,560	19,070	1,089 (1)	4.34 - 4.92%	9/1/2022-2023
Public Improvement - 2011A	2012	78,090	62,090	15,490 (1)	3.00 - 4.00%	9/1/2022-2031
Public Improvement - 2011B	2012	8,450	6,550	1,578 (1)	3.50 - 4.50%	9/1/2022-2031
Certificates of Obligation - 2011	2012	51,150	39,290	17,262 (1)	3.13 - 5.00%	9/1/2022-2041
Public Improvement Refunding - 2011A	2012	68,285	8,890	532 (1)	5.00%	9/1/2022-2023
Public Improvement - 2012A	2013	74,280	70,945	14,848 (1)	3.00 - 5.00%	9/1/2023-2032
Public Improvement - 2012B	2013	6,640	3,940	830 (1)	2.50 - 3.50%	9/1/2022-2032
Certificates of Obligation - 2012	2013	24,645	16,330	3,630 (1)	3.00 - 4.00%	9/1/2022-2037
Mueller Contractual Obligation - 2012	2013	16,735	11,790	2,828 (1)(4)	2.63 - 3.38%	9/1/2022-2032
Public Improvement - 2013	2014	104,665	85,965	26,572 (1)	4.00 - 5.00%	9/1/2022-2033
Certificates of Obligation - 2013	2014	25,355	20,320	8,503 (1)	3.25 - 5.00%	9/1/2022-2038
Public Improvement Refunding - 2013A	2014	43,250	11,725	1,520 (1)	5.00%	9/1/2022-2024
Public Improvement - 2014	2015	89,915	86,810	39,945 (1)	3.00 - 5.00%	9/1/2022-2034
Public Improvement - 2014	2015	10,000	9,280	3,294 (1)	2.80 - 4.02%	9/1/2022-2034
Certificates of Obligation - 2014	2015	35,490	26,485	10,215 (1)	3.00 - 5.00%	9/1/2022-2034
Certificates of Obligation - 2014	2015	9,600	6,995	2,018 (1)	2.80 - 3.92%	9/1/2022-2034
Contractual Obligation - 2014	2015	14,100	1,445	36 (2)	5.00%	11/1/2021
Mueller Contractual Obligation - 2014	2015	15,845	13,130	3,288 (1)(4)	3.00 - 5.00%	9/1/2022-2029
Public Improvement and Refunding - 2015	2016	236,905	179,455	42,283 (1)	2.95 - 5.00%	9/1/2022-2035
Public Improvement - 2015	2016	10,000	7,970	2,545 (1)	2.89 - 4.27%	9/1/2022-2035
Certificates of Obligation - 2015	2016	43,710	34,410	14,076 (1)	3.25 - 5.00%	9/1/2022-2035
Contractual Obligation - 2015	2016	14,450	3,500	176 (2)	5.00%	11/1/2021-2022
Public Improvement and Refunding - 2016	2017	98,365	73,760	22,021 (1)	3.00 - 5.00%	9/1/2022-2036
Certificates of Obligation - 2016	2017	44,015	36,440	15,479 (1)	3.00 - 5.00%	9/1/2022-2036
Contractual Obligation - 2016	2017	22,555	7,795	493 (2)	3.00 - 5.00%	11/1/2021-2023
Public Improvement - 2016	2017	12,000	9,585	2,353 (1)	1.81 - 3.16%	9/1/2022-2036
Certificates of Obligation - 2016	2017	8,700	6,950	1,704 (1)	1.81 - 3.16%	9/1/2022-2036
Public Improvement - 2017	2018	63,580	43,740	18,859 (1)	5.00%	9/1/2022-2037
Certificates of Obligation - 2017	2018	29,635	25,575	12,120 (1)	5.00%	9/1/2022-2037
Contractual Obligation - 2017	2018	5,075	2,645	217 (2)	2.00 - 5.00%	11/1/2021-2024
Public Improvement - 2017	2018	25,000	22,315	6,786 (1)	2.35 - 5.00%	9/1/2022-2037
Public Improvement - 2018	2019	65,595	24,625	7,081 (1)	3.00 - 5.00%	9/1/2022-2038
Certificates of Obligation - 2018	2019	7,140	6,410	2,313 (1)	3.00 - 5.00%	9/1/2022-2038
Contractual Obligation - 2018	2019	21,215	14,540	1,735 (2)	4.00 - 5.00%	11/1/2021-2025
Public Improvement - 2018	2019	6,980	6,270	2,377 (1)	3.38 - 5.00%	9/1/2022-2038
Public Improvement and Refunding - 2019	2020	146,090	86,950	38,866 (1)	4.00 - 5.00%	9/1/2022-2039
Certificates of Obligation - 2019	2020	5,055	4,720	2,504 (1)	4.00 - 5.00%	9/1/2022-2039
Contractual Obligation - 2019	2020	25,780	21,120	3,295 (2)	5.00%	11/1/2021-2026
Public Improvement - 2019	2020	40,535	37,385	10,451 (1)	1.92 - 5.00%	9/1/2022-2039
Certificates of Obligation - 2019	2020	14,935	13,775	3,851 (1)	1.92 - 5.00%	9/1/2022-2039
Public Improvement and Refunding - 2020	2021	86,440	76,500	26,611 (1)	5.00%	9/1/2022-2040
Certificates of Obligation - 2020	2021	109,080	81,330	49,925 (1)	5.00%	9/1/2022-2040
Contractual Obligation - 2020	2021	23,205	21,555	3,888 (2)	5.00%	11/1/2021-2027
Public Improvement and Refunding - 2020	2021	49,410	41,730	7,094 (1)	0.27 - 4.00%	9/1/2022-2040
			<u>\$ 1,461,250</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 \$2,894 and interest of \$374 and Drainage fund principal of \$1,626 and interest of \$210.

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

6 – DEBT AND NON-DEBT LIABILITIES, continued

b -- Governmental Activities Long-Term Liabilities, continued

In October 2020, the City issued \$86,440,000 of Public Improvement and Refunding Bonds, Series 2020. The net proceeds of \$30,865,000 (after issue costs, discounts, and premiums) from the issue will be used as follows: streets and mobility (\$17,360,000), water quality protection (\$12,955,000), and facility improvements (\$550,000). The net proceeds of the refunding portion of \$76,639,463 were used to refund \$62,380,000 Public Improvement Bonds, Series 2010A and \$13,815,000 Certificates of Obligation, Series 2010. Principal payments are due on September 1 of each year from 2021 to 2040. Interest is payable on March 1 and September 1 of each year, commencing March 1, 2021. Total interest requirements for these bonds, at a rate of 5.0%, are \$30,513,056. An economic gain of \$11,871,153 was recognized on this transaction. The change in net cash flows that resulted from the refunding was a decrease of \$13,326,230. An accounting loss of \$584,358, which will be deferred and amortized, was recorded on this refunding.

In October 2020, the City issued \$109,080,000 of Certificates of Obligation, Series 2020. The net proceeds of \$133,800,000 (after issue costs, discounts, and premiums) from this issue will be used for new fire stations and a planning and development center. Principal payments are due on September 1 of each year from 2021 to 2040. Interest is payable on March 1 and September 1 of each year, commencing on March 1, 2021. Total interest requirements for these obligations, at a rate of 5.0%, are \$54,848,250.

In October 2020, the City issued \$23,205,000 of Public Property Finance Contractual Obligations, Series 2020. The net proceeds of \$27,175,000 (after issue costs, discounts, and premiums) from this issue will be used for capital equipment and curbside composting expansion. Principal payments are due on May 1 and November 1 of each year from 2021 to 2027. Interest is payable on May 1 and November 1 of each year, commencing May 1, 2021. Total interest requirements for these obligations, at a rate of 5.0%, are \$4,548,698.

In October 2020, the City issued \$49,410,000 of Public Improvement and Refunding Taxable Bonds, Series 2020. The new money net proceeds of \$27,735,000 (after issue costs, discounts, and premiums) from the issuance will be used for affordable housing. The net proceeds of the refunding portion of \$22,787,646 were used to refund \$22,620,000 Public Improvement Bonds, Taxable Series 2010B. Principal payments are due September 1 of each year from 2021 to 2040. Interest is payable March 1 and September 1 of each year from 2021 to 2040, commencing on March 1, 2021. Total interest requirements for this obligation, at rates ranging from 0.17% to 4.0%, are \$7,844,582. An economic gain of \$3,755,606 was recognized on this transaction. The change in net cash flows that resulted from the refunding was a decrease of \$4,077,182. An accounting gain of \$184, which will be deferred and amortized, was recorded on this refunding.

General obligation bonds authorized and unissued amounted to \$1,829,395,000 at September 30, 2021. Bond ratings at September 30, 2021 were Aa1 (Moody's Investors Service, Inc.), AAA (Standard & Poor's), and AA+ (Fitch Ratings, Inc.).

c -- Business-Type Activities Long-Term Liabilities

Utility Debt -- The City has previously issued combined debt for the 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, 2021, were Aa2 (Moody's Investors Service, Inc.), AA (Standard & Poor's), 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.

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

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 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, 2021 (in thousands):

Series	Fiscal Year	Original Amount Issued	Principal Outstanding	Aggregate Interest Requirements Outstanding	Interest Rates of Debt Outstanding	Maturity Dates of Serial Debt
1998 Refunding	1999	\$ 139,965	\$ 67,700	8,716 (1)	5.25%	5/15/2022-2025

(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, 2021, were P-1 (Moody's Investors Service, Inc.), A-1+ (Standard & Poor's), 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, 2021, Austin Energy had tax exempt commercial paper notes of \$66,200,000 outstanding and Austin Water had \$102,000,000 of commercial paper notes outstanding with interest ranging from 0.05% to 0.08%, 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):

Note Series	Liquidity Provider	Commitment Fee Rate	Remarketing	Remarketing Fee Rate	Outstanding	Expiration
Various	JP Morgan Chase Bank NA	0.70%	Goldman Sachs	0.05%	\$ 168,200	9/30/2022

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, 2021, were P-1 (Moody's Investors Service, Inc.), A-1+ (Standard & Poor's), and F1 (Fitch Ratings, Inc.).

6 – DEBT AND NON-DEBT LIABILITIES, continued

c -- Business-Type Activities Long-Term Liabilities, continued

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.

At September 30, 2021, Austin Energy had outstanding taxable commercial paper notes of \$10,400,000 with interest rates ranging from 0.10% to 0.11%. 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):

Note Series	Liquidity Provider	Commitment Fee Rate	Remarketing	Remarketing Fee Rate	Outstanding	Expiration
Various	Barclays Bank PLC	0.68%	Goldman Sachs	0.05%	\$ 10,400	9/30/2022

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 JP Morgan Chase Bank 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 JP Morgan Chase Bank, 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 36-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, 2021, were Aa3 (Moody's Investors Service, Inc.), AA (Standard & Poor's), and AA (Fitch Ratings, Inc.).

Electric Utility System Revenue Debt -- Revenue Bond Refunding Issues - In November 2020, the City issued \$227,495,000 of Electric Utility System Revenue Refunding and Improvement Bonds, Series 2020A. The net proceeds of \$291,482,361 (after issue costs, premium and discounts) from the issuance were used to refund \$113,000,000 in tax-exempt commercial paper, \$90,090,000 in Electric Utility System Revenue Refunding Bonds, Series 2010A, and \$88,000,000 will be used to fund the construction and acquisition of Austin Energy's new headquarters complex. Principal payments are due November 15 of each year from 2023 to 2050. Interest payments are due May 15 and November 15 of each year from 2021 to 2050. Total interest requirements for the bonds, at a rate of 5.0%, are \$200,466,807. An economic gain of \$22,199,538 was recognized on this transaction. The change in net cash flows that resulted from the refunding was a decrease of \$24,424,053. An accounting loss of \$526,962 was recorded on this refunding. This loss will be deferred and amortized.

In November 2020, the City issued \$49,870,000 of Electric Utility System Revenue Refunding Bonds, Taxable Series 2020B. The net proceeds of \$49,480,000 (after issue costs, discounts and premiums) from the issuance were used to refund \$49,480,000 of taxable commercial paper notes. Principal payments are due November 15 of each year from 2024 to 2050. Interest payments are due May 15 and November 15 of each year from 2021 to 2050. Total interest requirements for the bonds, at rates ranging from 0.73% to 2.93%, are \$27,142,046. This issuance only encompassed a commercial paper refunding; therefore, there was no real economic gain achieved with this transaction, nor was an accounting loss or gain recorded. The refunding issuances enabled the City to restore the available capacity under its tax-exempt and taxable commercial paper notes.

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

Electric Utility System Revenue Debt -- Bonds Issued and Outstanding - The following table summarizes all electric system refunding revenue bonds outstanding at September 30, 2021 (in thousands):

Series	Fiscal Year	Original Amount Issued	Principal Outstanding	Aggregate Interest Requirements Outstanding	Interest Rates of Debt Outstanding	Maturity Dates of Serial Debt
2008 Refunding	2008	\$ 50,000	33,345	14,072 (1)	6.26%	11/15/2021-2032
2010B Refunding	2010	100,990	94,595	59,924 (1)	5.09 - 5.72%	11/15/2021-2040
2012A Refunding	2013	267,770	229,725	120,784 (1)	2.50 - 5.00%	11/15/2021-2040
2012B Refunding	2013	107,715	77,780	10,355 (1)	2.36 - 3.16%	11/15/2021-2027
2015A Refunding	2015	327,845	327,845	217,978 (1)	5.00%	11/15/2021-2045
2015B Refunding	2015	81,045	36,820	17,624 (1)	2.79 - 4.66%	11/15/2021-2037
2017 Refunding	2017	101,570	96,850	59,646 (1)	4.00 - 5.00%	11/15/2021-2038
2019A	2019	464,540	402,060	67,358 (1)	2.43 - 3.09%	11/15/2021-2031
2019B Refunding	2019	169,850	169,850	164,534 (1)	5.00%	11/15/2022-2049
2019C Refunding	2019	104,775	104,120	62,721 (1)	2.05 - 3.57%	11/15/2021-2049
2020A Refunding	2021	227,495	227,495	194,843 (1)	5.00%	11/15/2023-2050
2020B Refunding	2021	49,870	49,870	26,507 (1)	0.73 - 2.93%	11/15/2024-2050
			<u>\$ 1,850,355</u>			

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

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, 2021 (in thousands):

Gross Revenue (1)	Operating Expense (2)	Net Revenue	Debt Service Requirement	Revenue Bond Coverage
\$ 1,276,554	980,277	296,277	157,131	1.89

(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.

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, 2021, were Aa2 (Moody's Investors Service, Inc.), AA (Standard & Poor's), and AA- (Fitch Ratings, Inc.).

Water and Wastewater System Revenue Debt -- Revenue Bond Refunding Issue - In November 2020, the City issued \$203,505,000 of Water and Wastewater System Revenue Refunding Bonds, Series 2020C. The net proceeds of \$262,492,469 (after issue costs, premium and discounts) from the issuance were used to refund \$204,000,000 in tax-exempt commercial paper, and \$58,170,000 in separate lien revenue refunding bonds, Series 2010A. Principal payments are due November 15 of each year from 2022 to 2050. Interest is payable May 15 and November 15 of each year from 2021 to 2050. Total interest requirements for this obligation, at a rate of 5.0%, are \$194,835,823. An economic gain of \$18,769,390 was recognized on this transaction. The change in net cash flows that resulted from the refunding was a decrease of \$22,271,726. An accounting loss of \$821,493, which will be deferred and amortized, was recorded on this refunding.

Water and Wastewater System Revenue Debt -- Revenue Bond Issues - In November 2020, the City issued \$16,995,000 of Water and Wastewater System Revenue Bonds, Series 2020D. This is a private placement structured through a memorandum with the Texas Water Development Board (TWDB). Project funds of \$15,942,362 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2021 to 2040. Interest payments are due May 15 and November 15 of each year from 2021 to 2040. Total interest requirements for the bonds, at rates ranging from 0.10% to 1.55%, are \$2,093,534.

In January 2021, the City issued \$10,400,000 of Water and Wastewater System Revenue Bonds, Series 2021A. This is a private placement structured through a memorandum with the Texas Water Development Board (TWDB). Project funds of \$9,859,049 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2021 to 2050. These bonds are interest-free.

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

In January 2021, the City issued \$9,400,000 of Water and Wastewater System Revenue Bonds, Series 2021B. This is a private placement structured through a memorandum with the Texas Water Development Board (TWDB). Project funds of \$8,886,854 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2021 to 2050. Interest payments are due May 15 and November 15 of each year from 2021 to 2050. Total interest requirements for the bonds, at rates ranging from 0.00% to 0.06%, are \$18,877.

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, 2021 (in thousands):

Series	Fiscal Year	Original Amount Issued	Principal Outstanding	Aggregate Interest Requirements Outstanding	Interest Rates of Debt Outstanding	Maturity Dates of Serial Debt
2008 Refunding	2008	\$ 170,605	94,030	20,122 (2)	0.03 - 0.14%	11/15/2021-2031 (3)
2010	2010	31,815	22,265	-- (4)	0.00%	11/15/2021-2041
2010B Refunding	2011	100,970	84,760	56,589 (1)	4.45 - 6.02%	11/15/2021-2040
2011 Refunding	2012	237,530	189,970	104,281 (1)	3.13 - 5.00%	11/15/2022-2041
2012 Refunding	2012	336,820	222,220	115,445 (1)	2.50 - 5.00%	11/15/2021-2042
2013A Refunding	2013	282,460	241,165	128,247 (1)	3.70 - 5.00%	11/15/2021-2043
2014 Refunding	2014	282,205	255,680	153,033 (1)	5.00%	11/15/2021-2043
2015A Refunding	2015	249,145	208,770	63,260 (1)	2.85 - 5.00%	11/15/2021-2036
2016 Refunding	2016	247,770	243,210	173,238 (1)	5.00%	11/15/2021-2045
2016A	2017	20,430	16,750	2,507 (1)	0.76 - 2.12%	11/15/2021-2036
2017 Refunding	2017	311,100	296,805	162,445 (1)	2.50 - 5.00%	11/15/2021-2046
2017A	2018	45,175	39,080	6,784 (1)	0.78 - 2.29%	11/15/2021-2037
2018	2019	3,000	2,745	595 (1)	1.37 - 2.61%	11/15/2021-2038
2019	2020	6,200	5,920	918 (1)	0.84 - 1.94%	11/15/2021-2039
2020A	2020	11,200	10,830	472 (1)	0.00 - 0.50%	11/15/2021-2049
2020B	2020	3,800	3,675	307 (1)	0.00 - 0.80%	11/15/2021-2049
2020C Refunding	2021	203,505	203,505	189,607 (1)	5.00%	11/15/2022-2050
2020D	2021	16,995	16,995	2,021 (1)	0.10 - 1.55%	11/15/2021-2040
2021A	2021	10,400	10,400	-- (4)	0.00%	11/15/2021-2050
2021B	2021	9,400	9,400	19 (1)	0.00 - 0.06%	11/15/2021-2050
			<u>\$ 2,178,175</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 3.60% in effect at the end of the fiscal year.

(3) Series matures on May 15 of the final year.

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

Series 2008 refunding bonds are variable rate demand bonds. The associated letter of credit agreement has the following terms (in thousands):

Bond Sub-Series	Liquidity Provider	Commitment Fee Rate	Remarketing Agent	Remarketing Fee Rate	Outstanding	Expiration
2008	Barclays Bank PLC	0.25%	Goldman Sachs	0.05%	<u>\$ 94,030</u>	10/28/2022

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 semi-annual 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.

6 – 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, 2021 (in thousands):

Gross Revenue (1)	Operating Expense (2)	Net Revenue	Debt Service Requirement	Revenue Bond Coverage (3)
\$ 568,031	272,750	295,281	173,000	1.71

(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.

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, 2021, for the revenue bonds were A1 (Moody's Investors Service, Inc.) and A (Standard & Poor's).

Airport System Revenue Debt -- Bonds Issued and Outstanding - The following table summarizes all airport system original and refunding revenue bonds outstanding at September 30, 2021 (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	39,270	3,582 (1)	2.25%	11/15/2021-2028 (2)
2014 Revenue	2015	244,495	244,495	194,899 (1)	5.00%	11/15/2026-2044
2017A Revenue	2017	185,300	185,300	159,900 (1)	5.00%	11/15/2026-2046
2017B Revenue	2017	129,665	129,665	111,889 (1)	5.00%	11/15/2026-2046
2019 Revenue	2019	151,720	118,370	15,302 (1)	5.00%	11/15/2021-2025
2019A Revenue	2019	16,975	16,975	24,189 (1)	5.00%	11/15/2049
2019B Revenue	2019	248,170	248,170	216,461 (1)	5.00%	11/15/2022-2048
			<u>\$ 982,245</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, 2021 (in thousands):

Gross Revenue (1) (5)	Other Available Funds (2)	Operating Expense (3)	Net Revenue and Other Available Funds	Debt Service Requirement (4)	Revenue Bond Coverage
\$ 186,715	11,178	101,963	95,930	44,710	2.15

(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) Gross revenue includes funds from the CARES Act of \$29.9 million.

6 – 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, 2021, for the revenue bonds were Aa3 (Moody's Investors Service, Inc.), and AA (Standard & Poor's).

Convention Center Revenue Debt -- Bonds Issued and Outstanding - The following table summarizes all Convention Center refunding revenue bonds outstanding at September 30, 2021 (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	64,690	9,240 (2)	0.02 - 0.16%	11/15/2021-2029
2012 Refunding	2012	20,185	12,830	2,888 (1)	3.63 - 5.00%	11/15/2021-2029
2016 Refunding	2017	29,080	20,820	1,800 (1)	1.88%	11/15/2021-2029
			<u>\$ 98,340</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	Citibank	0.28%	Raymond James	0.06%	\$ 32,345	10/7/2021 (1)
2008-B	Sumitomo Mitsui Banking Corporation	0.33%	BofA Securities, Inc.	0.05%	32,345	10/7/2022
					<u>\$ 64,690</u>	

(1) In October 2021, the City extended the letter of credit agreement. The new agreement expires October 2, 2024, thus the City has classified this debt as long-term at the end of the fiscal year.

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 semi-annual 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.

6 – 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
2022	\$ 87,072	43,825	13,121	12,995	16,503	4,113
2023	85,005	39,746	13,727	12,414	15,118	3,351
2024	85,886	36,041	14,336	11,813	13,520	2,662
2025	84,326	32,275	14,979	11,189	12,655	2,057
2026	83,301	28,386	15,670	10,523	11,895	1,486
2027-2031	355,937	91,493	71,836	43,540	22,115	2,305
2032-2036	198,365	27,113	96,112	24,516	2,085	70
2037-2041	32,705	2,409	49,460	5,677	--	--
2042-2046	--	--	--	--	--	--
Total debt service requirements	1,012,597	301,288	289,241	132,667	93,891	16,044
Less: Unamortized bond discounts	(352)	--	(467)	--	(143)	--
Add: Unamortized bond premiums	86,058	--	39,569	--	6,723	--
Net debt	1,098,303	301,288	328,343	132,667	100,471	16,044

Fiscal Year Ended September 30	Capital Lease Obligations		Total Governmental Debt Service Requirements		
	Principal	Interest	Principal	Interest	Total
2022	5,264	567	121,960	61,500	183,460
2023	5,416	416	119,266	55,927	175,193
2024	3,384	259	117,126	50,775	167,901
2025	3,468	175	115,428	45,696	161,124
2026	3,555	89	114,421	40,484	154,905
2027-2031	--	--	449,888	137,338	587,226
2032-2036	--	--	296,562	51,699	348,261
2037-2041	--	--	82,165	8,086	90,251
2042-2046	--	--	--	--	--
Total debt service requirements	21,087	1,506	1,416,816	451,505	1,868,321
Less: Unamortized bond discounts	--	--	(962)	--	(962)
Add: Unamortized bond premiums	--	--	132,350	--	132,350
Net debt	\$ 21,087	1,506	1,548,204	451,505	1,999,709

6 – 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
2022	\$ 3,239	780	1,733	1,389	3,866	687
2023	2,369	620	1,818	1,322	3,118	516
2024	2,479	500	1,909	1,245	2,810	378
2025	814	377	2,002	1,160	2,515	246
2026	879	336	2,085	1,081	1,830	132
2027-2031	3,888	983	12,144	3,788	1,410	61
2032-2036	1,145	383	8,098	948	--	--
2037-2041	850	86	--	--	--	--
2042-2046	--	--	--	--	--	--
2047-2051	--	--	--	--	--	--
Total debt service requirements	15,663	4,065	29,789	10,933	15,549	2,020
Less: Unamortized bond discounts	--	--	(15)	--	--	--
Add: Unamortized bond premiums	2,205	--	2,275	--	1,293	--
Net debt	17,868	4,065	32,049	10,933	16,842	2,020

Fiscal Year Ended September 30	Other Tax Supported Debt		Commercial Paper Notes (1)		Revenue Bonds (2)	
	Principal	Interest	Principal	Interest	Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest
2022	845	191	178,600	11	169,145	228,145
2023	885	156	--	--	198,559	220,154
2024	920	119	--	--	228,220	210,889
2025	965	79	--	--	239,250	200,557
2026	905	39	--	--	234,330	189,753
2027-2031	--	--	--	--	1,194,840	791,440
2032-2036	--	--	--	--	851,120	562,010
2037-2041	--	--	--	--	874,285	346,441
2042-2046	--	--	--	--	710,510	148,657
2047-2051	--	--	--	--	278,406	28,049
Total debt service requirements	4,520	584	178,600	11	4,978,665	2,926,095
Less: Unamortized bond discounts	--	--	--	--	(424)	--
Add: Unamortized bond premiums	--	--	--	--	482,275	--
Net debt	\$ 4,520	584	178,600	11	5,460,516	2,926,095

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

(2) A portion of these bonds are variable rate bonds with rates ranging from 0.02% - 0.16%.

(Continued)

6 – 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		Capital Lease		Total Business-Type Activities		
	Direct Placements		Obligations		Debt Service Requirements		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2022	\$ 12,970	2,420	66	72	370,464	233,695	604,159
2023	13,320	2,246	70	69	220,139	225,083	445,222
2024	13,480	2,065	74	65	249,892	215,261	465,153
2025	13,665	1,878	77	61	259,288	204,358	463,646
2026	13,835	1,682	81	57	253,945	193,080	447,025
2027-2031	58,910	5,420	388	191	1,271,580	801,883	2,073,463
2032-2036	35,645	2,649	--	--	896,008	565,990	1,461,998
2037-2041	24,005	527	--	--	899,140	347,054	1,246,194
2042-2046	6,905	94	--	--	717,415	148,751	866,166
2047-2051	5,415	26	--	--	283,821	28,075	311,896
Total debt service requirements	198,150	19,007	756	515	5,421,692	2,963,230	8,384,922
Less: Unamortized bond discounts	--	--	--	--	(439)	--	(439)
Add: Unamortized bond premiums	--	--	--	--	488,048	--	488,048
Net debt	\$ 198,150	19,007	756	515	5,909,301	2,963,230	8,872,531

6 – 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 Notes (1)		Revenue Bonds		Capital Lease Obligations	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 76,600	3	86,427	79,609	66	72
2023	--	--	80,233	76,490	70	69
2024	--	--	88,717	73,255	74	65
2025	--	--	93,327	69,654	77	61
2026	--	--	87,875	65,890	81	57
2027-2031	--	--	493,200	272,640	388	191
2032-2036	--	--	308,290	188,564	--	--
2037-2041	--	--	276,100	120,880	--	--
2042-2046	--	--	252,115	61,605	--	--
2047-2051	--	--	134,321	14,228	--	--
Total debt service requirements	76,600	3	1,900,605	1,022,815	756	515
Less: Unamortized bond discounts	--	--	(121)	--	--	--
Add: Unamortized bond premiums	--	--	157,742	--	--	--
Net debt	76,600	3	2,058,226	1,022,815	756	515

Fiscal Year Ended September 30	Total Austin Energy Debt Service Requirements		
	Principal	Interest	Total
2022	163,093	79,684	242,777
2023	80,303	76,559	156,862
2024	88,791	73,320	162,111
2025	93,404	69,715	163,119
2026	87,956	65,947	153,903
2027-2031	493,588	272,831	766,419
2032-2036	308,290	188,564	496,854
2037-2041	276,100	120,880	396,980
2042-2046	252,115	61,605	313,720
2047-2051	134,321	14,228	148,549
2052-2056	--	--	--
Total debt service requirements	1,977,961	1,023,333	3,001,294
Less: Unamortized bond discounts	(121)	--	(121)
Add: Unamortized bond premiums	157,742	--	157,742
Net debt	\$ 2,135,582	1,023,333	3,158,915

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

6 – 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		Contractual Obligations		Other Tax Supported Debt	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 187	27	102	50	419	23	541	122
2023	155	17	109	47	175	4	567	100
2024	188	9	114	43	--	--	589	76
2025	--	--	119	38	--	--	618	51
2026	--	--	121	34	--	--	579	25
2027-2031	--	--	686	87	--	--	--	--
2032-2036	--	--	35	1	--	--	--	--
2037-2041	--	--	--	--	--	--	--	--
2042-2046	--	--	--	--	--	--	--	--
2047-2051	--	--	--	--	--	--	--	--
Total debt service requirements	530	53	1,286	300	594	27	2,894	374
Less: Unamortized bond discounts	--	--	(3)	--	--	--	--	--
Add: Unamortized bond premiums	17	--	14	--	10	--	--	--
Net debt	547	53	1,297	300	604	27	2,894	374

Fiscal Year Ended September 30	Commercial Paper Notes (1)		Revenue Bonds (2)		Revenue Notes from Direct Placements		Total Austin Water Debt Service Requirements		
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2022	102,000	8	53,573	99,408	6,280	1,217	163,102	100,855	263,957
2023	--	--	83,556	96,025	6,495	1,187	91,057	97,380	188,437
2024	--	--	103,223	91,658	6,515	1,153	110,629	92,939	203,568
2025	--	--	108,078	86,665	6,545	1,115	115,360	87,869	203,229
2026	--	--	106,965	81,436	6,570	1,074	114,235	82,569	196,804
2027-2031	--	--	540,960	329,932	33,685	4,583	575,331	334,602	909,933
2032-2036	--	--	385,485	221,771	35,645	2,649	421,165	224,421	645,586
2037-2041	--	--	397,100	118,476	24,005	527	421,105	119,003	540,108
2042-2046	--	--	221,575	36,453	6,905	94	228,480	36,547	265,027
2047-2051	--	--	57,050	6,688	5,415	26	62,465	6,714	69,179
Total debt service requirements	102,000	8	2,057,565	1,168,512	138,060	13,625	2,302,929	1,182,899	3,485,828
Less: Unamortized bond discounts	--	--	(262)	--	--	--	(265)	--	(265)
Add: Unamortized bond premiums	--	--	214,489	--	--	--	214,530	--	214,530
Net debt	\$ 102,000	8	2,271,792	1,168,512	138,060	13,625	2,517,194	1,182,899	3,700,093

(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% - 0.14%.

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

Business-type Activities: Airport
(in thousands)

Fiscal Year Ended September 30	General Obligation		Revenue Bonds		Revenue Notes from	
	Bonds		Revenue Bonds		Direct Placements	
	Principal	Interest	Principal	Interest	Principal	Interest
2022	\$ 1	--	21,695	46,606	4,530	833
2023	--	--	27,095	45,386	4,630	730
2024	--	--	28,320	44,002	4,730	624
2025	--	--	29,585	42,553	4,845	517
2026	--	--	30,910	41,042	4,950	406
2027-2031	--	--	123,085	186,559	15,585	472
2032-2036	--	--	157,345	151,675	--	--
2037-2041	--	--	201,085	107,085	--	--
2042-2046	--	--	236,820	50,599	--	--
2047-2051	--	--	87,035	7,133	--	--
2052-2056	--	--	--	--	--	--
Total debt service requirements	1	--	942,975	722,640	39,270	3,582
Add: Unamortized bond premiums	--	--	109,641	--	--	--
Net debt	1	--	1,052,616	722,640	39,270	3,582

Fiscal Year Ended September 30	Total Airport		
	Debt Service Requirements		
	Principal	Interest	Total
2022	26,226	47,439	73,665
2023	31,725	46,116	77,841
2024	33,050	44,626	77,676
2025	34,430	43,070	77,500
2026	35,860	41,448	77,308
2027-2031	138,670	187,031	325,701
2032-2036	157,345	151,675	309,020
2037-2041	201,085	107,085	308,170
2042-2046	236,820	50,599	287,419
2047-2051	87,035	7,133	94,168
Total debt service requirements	982,246	726,222	1,708,468
Add: Unamortized bond premiums	109,641	--	109,641
Net debt	\$ 1,091,887	726,222	1,818,109

6 – 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
2022	\$ 3,051	753	1,631	1,339	3,447	664	304	69
2023	2,214	603	1,709	1,275	2,943	512	318	56
2024	2,291	491	1,795	1,202	2,810	378	331	43
2025	814	377	1,883	1,122	2,515	246	347	28
2026	879	336	1,964	1,047	1,830	132	326	14
2027-2031	3,888	983	11,458	3,701	1,410	61	--	--
2032-2036	1,145	383	8,063	947	--	--	--	--
2037-2041	850	86	--	--	--	--	--	--
Total debt service requirements	15,132	4,012	28,503	10,633	14,955	1,993	1,626	210
Less: Unamortized bond discounts	--	--	(12)	--	--	--	--	--
Add: Unamortized bond premiums	2,188	--	2,261	--	1,283	--	--	--
Net debt	17,320	4,012	30,752	10,633	16,238	1,993	1,626	210

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
2022	7,450	2,522	2,160	370	18,043	5,717	23,760
2023	7,675	2,253	2,195	329	17,054	5,028	22,082
2024	7,960	1,974	2,235	288	17,422	4,376	21,798
2025	8,260	1,685	2,275	246	16,094	3,704	19,798
2026	8,580	1,385	2,315	202	15,894	3,116	19,010
2027-2031	37,595	2,309	9,640	365	63,991	7,419	71,410
2032-2036	--	--	--	--	9,208	1,330	10,538
2037-2041	--	--	--	--	850	86	936
Total debt service requirements	77,520	12,128	20,820	1,800	158,556	30,776	189,332
Less: Unamortized bond discounts	(41)	--	--	--	(53)	--	(53)
Add: Unamortized bond premiums	403	--	--	--	6,135	--	6,135
Net debt	\$ 77,882	12,128	20,820	1,800	164,638	30,776	195,414

(1) A portion of these bonds are variable rate bonds with rates ranging from 0.02% - 0.16%.

6 – DEBT AND NON-DEBT LIABILITIES, continued
e -- Defeased Bonds

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, 2021, defeased bonds remaining unredeemed or unmatured are provided below (in thousands):

Refunded Bonds		Escrow Maturity Dates	Balance (1)
Austin Water			
Series 2011		11/15/2021	\$ 29,440
Series 2012		11/15/2021 - 11/15/2022	16,595
Series 2013A		11/15/2021	9,425
Series 2014		11/15/2021 - 5/15/2022	5,880
Series 2015A		11/15/2021 - 5/15/2022	7,675
			<u>\$ 69,015</u>

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

7 – 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 Fund (City Employees), the City of Austin Police Officers' Retirement and Pension Fund (Police Officers), and the Fire Fighters' Relief and Retirement Fund 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' Fund	Article 6243n
Police Officers' Fund	Article 6243n-1
Fire Fighters' Fund	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 2021, the Legislature passed, and Governor signed, House Bill 4368 (HB 4368) that enacted substantial reforms to the Police Officers' pension system. These changes which become effective January 1, 2022, are intended to place the fund on an actuarially sound path and reduce the projected funding period to 30 years. A new tier was established for officers hired after December 31, 2021, contribution levels and methodologies were changed, the governance structure was revised, and certain roles previously delegated to the board were revoked or revised. Further information regarding these changes is disclosed in the relevant sections of this footnote.

Plan Financial Statements -- The most recently available financial statements of the pension funds are for the year ended December 31, 2020. 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' fund 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' fund covers all commissioned law enforcement officers and cadets upon enrollment in the Austin Police Academy. Effective January 1, 2022, membership in this fund will be 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' fund 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' fund, 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.

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

	City Employees	Police Officers	Fire Fighters
Eligibility	Group A members qualify for retirement benefits at age 62; 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 2021.

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

Employees Covered by Benefit Terms -- Membership in the plans as of December 31, 2020, is as follows:

	<u>City Employees</u>	<u>Police Officers</u>	<u>Fire Fighters</u>
Inactive employees or beneficiaries:			
Currently receiving benefits	6,963	1,045	888
Entitled to but not yet receiving benefits	1,264	49	24
Nonvested terminated due refunds	1,854	66	0
Active employees	10,138	1,775	1,154
Total	<u>20,219</u>	<u>2,935</u>	<u>2,066</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 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%	13% (2)	18.7%
City contribution (percent of earnings)	19% (1)	21.737% (3)	22.05%
City contributions year ended			
September 30, 2021 (in thousands)	\$137,068	35,431	21,851

(1) A rate of 19% was effective January 1, 2021. Prior to that change, the rate was 18%.

(2) A rate of 15% will be effective January 1, 2022.

(3) The new rate of 21.737% was effective October 1, 2020. An actuarially determined contribution of 10.1% will be effective January 1, 2022. The City will also contribute according to a fixed payment plan established to eliminate the legacy unfunded liability existing as of December 31, 2020 over a 30-year period.

b -- Net Pension Liability

The City's net pension liability was measured as of December 31, 2020 for all three systems. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date for the City Employees' and Police Officers' funds. For the Fire Fighters fund, the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019 using the final 2020 assumptions and then was rolled forward to the plan's year ending December 31, 2020.

Actuarial Assumptions -- Actuarial assumptions used in the most recent actuarial valuations 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)	3.25% to 10% Service based
Investment rate of return	7%	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 Tables for males and females. Generational mortality improvements projected from the year 2010 using the ultimate mortality improvement rates in the MP tables.	PubS-2010(A) Mortality Tables sex distinct with mortality improvement projected five years beyond the valuation date using scale MP-2020 and a base year of 2010.

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

7 – 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.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
City Employees:		
US equity	32%	6.25 to 6.75%
Developed markets equities	15%	7.75% to 8.25%
Emerging markets equities	8%	10%
Fixed income	20%	3%
Alternative investments	15%	2.25% to 5.5%
Real estate	10%	6%
Total	100.0%	
Police Officers:		
Domestic equity	42.5%	7.5%
International equity	15%	8.5%
Other equity	7.5%	7.5%
US and non-US fixed income	10%	3%
Other fixed income	5%	3.5%
Real estate	15%	4.5%
Multi asset class	5%	5%
Total	100.0%	
Fire Fighters:		
Public domestic equity	20%	4.8%
Public foreign equity	22%	6%
Private equity fund of funds	15%	5.6%
Investment grade bonds	13%	0.4%
Treasury inflation protected securities	5%	0.3%
High yield/bank loans	5%	2.5%
Emerging market debt	7%	2.1%
Core real estate	5%	3.7%
Non-core real estate	5%	5.8%
Natural resources	3%	6.2%
Total	100.0%	

7 – 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 position for all three 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 projected benefit payments to determine the total pension liability. The increase in the Police Officers' Fund discount rate is attributable to the assumption that City and employee contributions will increase in accordance with HB 4368 beginning January 1, 2022. The result is that a blended discount rate that incorporates the municipal bond rate is no longer required.

	<u>City Employees</u>	<u>Police Officers</u>	<u>Fire Fighters</u>
Discount rate	7.0%	7.25%	7.3%
Change since last measurement date	0%	3.15%	(0.2%)
Long-term expected rate of return on pension plan investments	7.0%	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 28 years and then will decrease to 8%.	Plan member contributions and City contributions will be made in accordance with HB 4368.	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 (Asset)</u>
City Employees	6.0%	\$ 2,094,328	7.0%	\$ 1,501,669	8.0%	\$ 1,011,716
Police Officers	6.25%	788,429	7.25%	605,927	8.25%	441,307
Fire Fighters	6.3%	188,243	7.3%	70,407	8.3%	(29,135)

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.

7 – 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, 2020 are as follows (in thousands):

	<u>City Employees</u>	<u>Police Officers</u>	<u>Fire Fighters</u>	<u>Total</u>
Total pension liability at December 31, 2019	<u>\$ 4,487,884</u>	<u>2,175,170</u>	<u>1,156,025</u>	<u>7,819,079</u>
Changes for the year:				
Service cost	121,881	84,469	26,170	232,520
Interest	310,319	89,376	86,821	486,516
Benefit changes	--	--	7,159	7,159
Differences between expected and actual experience	12,524	10,320	(1,671)	21,173
Assumption changes	--	(740,167)	21,411	(718,756)
Contribution buy back	--	1,941	--	1,941
Benefit payments including refunds	<u>(231,393)</u>	<u>(76,956)</u>	<u>(63,484)</u>	<u>(371,833)</u>
Net change in total pension liability	<u>213,331</u>	<u>(631,017)</u>	<u>76,406</u>	<u>(341,280)</u>
Total pension liability at December 31, 2020	<u>4,701,215</u>	<u>1,544,153</u>	<u>1,232,431</u>	<u>7,477,799</u>
Total plan fiduciary net position at December 31, 2019	<u>2,928,033</u>	<u>857,839</u>	<u>1,029,893</u>	<u>4,815,765</u>
Changes for the year:				
Employer contributions	130,743	36,577	21,311	188,631
Employee contributions	71,470	22,181	18,073	111,724
Contribution buy back	--	1,941	--	1,941
Pension plan net investment income (loss)	307,289	98,573	157,323	563,185
Benefits payments and refunds	<u>(231,393)</u>	<u>(76,956)</u>	<u>(63,484)</u>	<u>(371,833)</u>
Pension plan administrative expense	<u>(6,596)</u>	<u>(1,929)</u>	<u>(1,092)</u>	<u>(9,617)</u>
Net change in total plan fiduciary net position	<u>271,513</u>	<u>80,387</u>	<u>132,131</u>	<u>484,031</u>
Total plan fiduciary net position at December 31, 2020	<u>3,199,546</u>	<u>938,226</u>	<u>1,162,024</u>	<u>5,299,796</u>
Net pension liability at December 31, 2019	<u>1,559,851</u>	<u>1,317,331</u>	<u>126,132</u>	<u>3,003,314</u>
Net pension liability at December 31, 2020	<u>\$ 1,501,669</u>	<u>605,927</u>	<u>70,407</u>	<u>2,178,003</u>

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

The City Employees' fund had no significant changes to benefit terms or assumptions that affected the total pension liability for the measurement period.

The Police Officers' fund had no significant changes to benefit terms that affected the total pension liability for the measurement period. The only assumption change is an increase in the investment rate of return from 4.1% to 7.25% resulting from a revised cash flow assumption that future contributions will be increased in accordance with HB 4368.

The Fire Fighters' fund had changes of assumptions and benefit terms that affected the pension liability. Effective January 1, 2021 a cost-of-living adjustment increase of 1.4% went into effect.

Changes of assumptions for the Fire Fighters' fund included:

- The investment rate of return was decreased from 7.5% to 7.3%.
- The payroll growth rate increased from 2.0% to 2.5%.
- Although the mortality tables used, PubS-2010(A), remained the same, scale MP-2020 was used to project mortality improvement five years beyond the valuation date replacing scale MP-2019 which was used in the previous year.

c -- Pension Expense

Total pension expense recognized by the City for the fiscal year ended September 30, 2021, was comprised of the following (in thousands):

	Pension Expense
City Employees	\$ 176,955
Police Officers	90,811
Fire Fighters	(2,015)
Total	\$ 265,751

7 – RETIREMENT PLANS, continued

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

At September 30, 2021, the City reported deferred outflows and inflows of resources related to pensions from the following sources (in thousands):

Source	City Employees	Police Officers	Fire Fighters	Total
Deferred Outflows of Resources				
Contributions to the plans subsequent to the measurement date	\$ 101,751	25,941	15,988	143,680
Differences between expected and actual experience	33,122	22,135	7,002	62,259
Changes in assumptions	172,362	570,198	29,350	771,910
Changes in proportionate share (between funds)	16,744	--	--	16,744
Total	323,979	618,274	52,340	994,593
Deferred Inflows of Resources				
Differences between expected and actual experience	--	14,355	9,298	23,653
Changes in assumptions	--	642,520	2,987	645,507
Net difference between projected and actual earnings on pension plan investments	181,710	51,447	76,605	309,762
Changes in proportionate share (between funds)	16,744	--	--	16,744
Total	\$ 198,454	708,322	88,890	995,666

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):

Fiscal Year Ended September 30	City Employees	Police Officers	Fire Fighters	Total
2022	\$ 9,460	(3,242)	(19,482)	(13,264)
2023	46,600	2,273	(3,738)	45,135
2024	(26,415)	(18,494)	(24,741)	(69,650)
2025	(6,302)	(629)	(12,008)	(18,939)
2026	431	6,727	2,138	9,296
Thereafter	--	(102,624)	5,293	(97,331)
Total	\$ 23,774	(115,989)	(52,538)	(144,753)

8 – 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 7 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 2021 plan year, (January 1 to December 31), the percentage of the maximum subsidy paid by the City was as follows:

Years of Service at Retirement	Percent of Maximum Subsidy Paid by the City
<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 the dental and vision premium. 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, 2019:

Inactive employees or beneficiaries currently receiving benefits	7,756
Inactive employees entitled to but not yet receiving benefits	3,179
Active employees	13,187
Total	<u>24,122</u>

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

The City's total OPEB liability of \$4.3 billion was determined by an actuarial valuation as of December 31, 2019 that was rolled forward to December 31, 2020, the measurement date. Of the total liability, \$63.4 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 7a 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	• 2.12%
Healthcare cost trend rates	
Medical (pre-65)	• 6.75% graded to 4.5% over 9 years
Medical (post-65)	• 5.75% graded to 4.5% over 5 years
Prescription drug	• 7.75% graded to 4.5% over 13 years
Dental	• 3%
Administrative costs	• 2.5%
Experience studies	• Experience for healthcare cost trend rates was based on activity from January 1, 2017 to December 31, 2019 for medical costs and prescriptions.
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-2019
Fire (Healthy Retirees)	• PubS-2010(A) Healthy Retiree Mortality Table projected from 2010 to 5 years beyond the valuation date using scale MP-2019
Fire (Disabled retirees)	• PubS-2010(A) Disabled Mortality Table projected from 2010 to 5 years beyond the valuation date using scale MP-2019

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, 2020, the City's actuaries used the Bond Buyer US Weekly Yields 20 General Obligation Bond Index of 2.12%. The decrease in the discount rate from 2.74% in the prior year to 2.12% in the current year resulted in a significant increase in the total OPEB liability. Approximately 60% of the increase from the prior year, or \$504 million, is attributable to the change in the discount rate assumption.

8 – 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).

1% Decrease		Current Discount Rate		1% Increase	
Rate	Total OPEB Liability	Rate	Total OPEB Liability	Rate	Total OPEB Liability
1.12%	\$ 5,391,838	2.12%	\$ 4,346,367	3.12%	\$ 3,559,000

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).

1% Decrease	Current Rate	1% Increase
Total OPEB Liability	Total OPEB Liability	Total OPEB Liability
\$ 3,491,620	\$ 4,346,367	\$ 5,506,954

Schedule of Changes in Total OPEB Liability -- Changes in the total OPEB liability for the measurement period ended December 31, 2020 are as follows (in thousands):

Total OPEB liability at December 31, 2019	<u>\$ 3,504,494</u>
Changes for the year:	
Service cost	167,027
Interest	99,915
Benefit changes	--
Differences between expected and actual experience	(6,103)
Assumption changes	631,360
Benefit payments	(50,326)
Net change in total OPEB liability	<u>841,873</u>
Total OPEB liability at December 31, 2020	<u>\$ 4,346,367</u>

The OPEB plan changes included:

- Effective January 1, 2021, the fully insured Cigna dental PPO option was replaced with the self-insured BlueCross BlueShield BlueCare dental PPO. 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.

The OPEB plan assumption changes included:

- Decreasing the discount rate from 2.74% to 2.12% based on the Bond Buyer US Weekly Yields 20 General Obligation Bond Index as of the measurement date,
- Assuming level rather than increasing premium rates from the prior year,
- Adjusting demographic assumptions to mirror any changes in the pension plan demographic assumptions for the previous plan year. See pension plan Note 7a and Required Supplementary Information for additional information on these changes.

8 -- OTHER POSTEMPLOYMENT BENEFITS (OPEB), continued

c -- Other Postemployment Benefits Expense

Total OPEB expenses recognized by the City for the fiscal year ended September 30, 2021 were \$492.2 million.

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

At September 30, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following sources (in thousands):

	Deferred Outflows	Deferred Inflows
Benefit payments subsequent to the measurement date	\$ 40,468	--
Differences between expected and actual experience	39,223	5,284
Changes in assumptions	1,377,037	165,583
Changes in proportionate share (between funds)	35,193	35,193
Total	\$ 1,491,921	206,060

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

Fiscal Year Ended September 30	
2022	\$ 223,141
2023	223,141
2024	223,141
2025	202,440
2026	193,514
Thereafter	180,016
Total	\$ 1,245,393

9 -- DERIVATIVE INSTRUMENTS

The City has derivatives 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 derivatives 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 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, 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.

9 – 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, 2021, no premiums were deferred. As of September 30, 2021, the fair value of Austin Energy's futures, options, and swaps was an unrealized gain of \$2.3 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 Derivative Instruments

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 market 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 2021, Austin Energy did not sell PCRRs. At September 30, 2021, \$222 thousand remained deferred under the accounting requirements for regulated operations.

On September 30, 2021, Austin Energy had the following outstanding hedging derivative instruments (in thousands):

Type of Transaction	Reference Index	Fair Value at September 30, 2021			Change in Fair Value	Premiums Deferred
		Maturity Dates	Notional Volumes	Fair Value		
Long OTC Call Options	Henry Hub	Dec 2021 - Sept 2022	2,130,000 (1)	\$ 2,330	2,233	--
		Derivative instruments (assets)		2,330	2,233	--
Short OTC Put Options	Henry Hub	Dec 2021 - Sept 2022	(2,130,000) (1)	--	76	--
		Derivative instruments (liabilities)		--	76	--
		Total		\$ 2,330	2,309	--

(1) Volume in MMBTUs

Austin Energy routinely purchases derivative instruments. The outstanding hedging derivative instruments were purchased at various dates.

The realized gains and losses related to the hedging activity derivative instruments are netted to Power Supply Adjustment expense in the period realized.

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.

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

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, 2021, no collateral was required 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 or 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 instrument.

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, 2021, the NYMEX price was \$5.84 per MMBTU (one million British thermal unit, a measurement of heating value), Katy was \$5.85 per MMBTU, and the HSC Hub price was \$5.87 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, 2021, the City has two outstanding swap transactions with initial and outstanding notional amounts totaling \$295.9 million and \$159 million, respectively. The fair values of the interest rate derivative instrument transactions were estimated based on an independent pricing service. The valuations provided were 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 transactions, 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 values of the transactions are categorized as Level 2.

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

On September 30, 2021, the City had the following outstanding interest rate swap hedging derivative instruments (in thousands):

Item	Related Variable Rate Bonds	Terms	Effective Date	Maturity Date	Notional Amount	Fair Value
Business-Type Activities:						
Hedging derivatives:						
WW2	Water & Wastewater Revenue Refunding Bonds, Series 2008	Pay 3.600%, receive SIFMA swap index	5/15/2008	5/15/2031	\$ 94,030	(14,383)
HOT1	Hotel Occupancy Tax Subordinate Lien Variable Rate Revenue Refunding Bonds, Series 2008	Pay 3.251%, receive 67% of LIBOR	8/14/2008	11/15/2029	64,690	(7,107)
					<u>\$ 158,720</u>	<u>(21,490)</u>

All swaps are pay-fixed interest rate swaps. All were 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 instruments 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 agreements as of September 30, 2021 (in thousands):

	Outstanding			Change in fair value	
	Notional	Fair Value and Classification		Deferred	Deferred
Item	Amount	Amount	Classification	Outflows	Inflows
Business-Type Activities:					
Hedging derivative instruments (cash flow hedges):					
WW2	\$ 94,030	(14,383)	Non-current liability	(5,650)	--
HOT1	64,690	(7,107)	Non-current liability	(3,274)	--
	<u>\$ 158,720</u>	<u>(21,490)</u>		<u>(8,924)</u>	<u>--</u>

Due to the continued low interest rate levels during fiscal year 2021, the City's interest rate swap hedging derivative instruments had negative fair values as of September 30, 2021. 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, 2021, the City was not exposed to credit risk on any of 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 instruments at September 30, 2021, are included in the table below:

			Counterparty Ratings		
			Moody's Investors Service, Inc	Standard & Poor's	Fitch Ratings, Inc
Item	Related Variable Rate Bonds	Counterparty			
Business-Type Activities:					
WW2	Water & Wastewater Revenue Refunding Bonds, Series 2008	Goldman Sachs Bank USA	A1	A+	A+
HOT1	Hotel Occupancy Tax Subordinate Lien Variable Rate Revenue Refunding Bonds, Series 2008	Morgan Keegan Financial Products (MKFP)	A2	BBB+	A-

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

Swap agreements for both swaps contain collateral agreements with the counterparties. These swap agreements require collateralization of the fair value of the swap should the counterparty's credit rating fall below the applicable thresholds in the agreements. For Swap HOT1, the credit support provider of MKFP 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.

Swap payments and associated debt. The net cash flows for the City's interest rate swap hedging derivative instruments for the year ended September 30, 2021, are 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:							
WW2	Water & Wastewater Revenue Refunding Bonds, Series 2008	\$	(3,404)	57	(3,347)	(66)	(3,413)
HOT1	Hotel Occupancy Tax Subordinate Lien Variable Rate Revenue Refunding Bonds, Series 2008		(2,136)	51	(2,085)	(47)	(2,132)
		\$	(5,540)	108	(5,432)	(113)	(5,545)

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. The City does not bear basis risk on Swap WW2. At September 30, 2021, the City bears basis risk on the Swap HOT1. This swap has basis risk since the City receives a percentage of LIBOR 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 LIBOR 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 counterparties may terminate any of the swaps if the other party fails to perform under the terms of the respective contracts. If any of the swaps are terminated, the associated variable rate bonds 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 instrument. The City is currently not exposed to rollover risk on its hedging derivative instruments.

Investment Derivative Instruments

At September 30, 2021, the City did not have any investment derivative instruments related to interest rate swaps.

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

As of September 30, 2021, 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)		
2022	\$ 6,810	1,678	3,624	5,302
2023	17,385	1,502	3,446	4,948
2024	17,350	1,314	3,038	4,352
2025	17,945	1,121	2,619	3,740
2026	14,960	921	2,230	3,151
2027-2031	84,270	1,575	6,294	7,869
Total	<u>\$ 158,720</u>	<u>8,111</u>	<u>21,251</u>	<u>29,362</u>

- (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.

10 – DEFICITS IN FUND BALANCES AND NET POSITION

At September 30, 2021, 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.

Nonmajor Governmental	Deficit
Special Revenue Funds:	
Project Connect	\$ 2
Neighborhood Revitalization	19
Cultural Arts	1,199
Capital Projects Funds:	
2016 fund	
Mobility	49,036
2018 fund	
Affordable Housing	60,377
Parks	17,692
Open Space	22,420
Transportation	4,282
2020 fund	
Transportation	686
Other funds	
Build Austin	108
Fire - General	30,397
Public Works	82
Waller Creek District	15,283
Nonmajor Enterprise	
Austin Resource Recovery	135,107
Development Services	103,677
Transportation	148,487
Internal Service	
Liability Reserve	14,677
Workers' Compensation	5,047

11 – INTERFUND BALANCES AND TRANSFERS

a -- Interfund receivables, payables, and advances

Interfund receivables, payables, and advances at September 30, 2021, are as follows (in thousands):

Due To	Due From		
	Nonmajor Governmental	Austin Water	Total
General Fund	\$ 5	--	5
Nonmajor governmental	128,436	--	128,436
Nonmajor enterprise	--	301	301
Total	\$ 128,441	301	128,742

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 (\$124.8 million), the majority of which is related to capital project funds (\$113.1 million). Deficits in grant funds awaiting reimbursement from grantors (\$14.4 million) was borrowed from the Fiscal Surety - Land Development Fund.

Advances From	Advances To					
	Nonmajor Governmental	Austin Energy	Austin Water	Airport	Nonmajor Enterprise	Total
Nonmajor governmental	\$ 69,910	--	--	1	110	70,021
Austin Water	75	5,952	--	--	--	6,027
Nonmajor enterprise	191	--	902	--	--	1,093
Total	\$ 70,176	5,952	902	1	110	77,141

Advances to and advances from reflect borrowings that will not be liquidated within one year. The advances to Nonmajor Governmental was for the purchase of two hotels that will be converted to house the homeless, and the purchase of land for affordable housing projects. The advance to Austin Water Utility 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.

b -- Transfers

Transfers at September 30, 2021, are as follows (in thousands):

Transfers Out	Transfers In						Total
	General Fund	Nonmajor Governmental	Austin Energy	Austin Water	Nonmajor Enterprise	Internal Service	
General Fund	\$ --	17,945	--	--	10,918	--	28,863
Nonmajor governmental	8,548	131,140	1,060	--	50,607	--	191,355
Austin Energy	122,367	--	--	--	--	--	122,367
Austin Water	50,271	1,152	5,661	--	--	146	57,230
Airport	--	--	41	--	--	--	41
Nonmajor enterprise	5,255	9,068	--	75	--	181	14,579
Internal service	--	16,098	--	--	280	22	16,400
Total	\$ 186,441	175,403	6,762	75	61,805	349	430,835

Interfund transfers are authorized through City council approval. Significant transfers include:

- Austin Energy and Austin Water transfer funds to the General Fund (\$172.6 million), which are comparable to a return on investment to owners.
- The Hotel-Motel Occupancy Tax (\$42 million) and the Vehicle Rental Tax (\$7.2 million), both special revenue funds, transfer funds to the Convention Center in support of convention operations and debt services.
- Affordable Housing (\$78.5 million), a capital projects fund, transferred funds to Austin Housing Finance Corporation, a special revenue fund, in support of affordable housing.

12 – SELECTED REVENUES

a -- Major Enterprise Funds

Austin Energy and Austin Water

The Public Utility Commission (PUCT) has jurisdiction over electric utility wholesale transmission rates. On July 2, 2018, the PUCT approved the City's most recent wholesale transmission rate of \$1.187214/KW. Transmission revenues totaled approximately \$84 million in fiscal year 2021. 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, 2021, 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. Pass-through rates are set annually, and the power supply adjustment charge can be adjusted when over- or under-recovery is more than 10% of expected power supply costs. Any over- or under-collections of the power supply, regulatory, or community benefit costs are applied to the respective cost-adjustment factor.

Airport

The City has entered into certain lease agreements as the lessor for concessions at the Airport. These lease agreements qualify as operating leases for accounting purposes. In the fiscal year 2021, the Airport fund revenues included minimum concession guarantees of \$25,579,317.

The following is a schedule by year of minimum future rentals on non-cancelable operating leases with remaining terms of up to 80 years for the Airport fund as of September 30, 2021 (in thousands):

Fiscal Year Ended September 30	Airport Lease Receipts
2022	\$ 34,813
2023	31,821
2024	31,451
2025	31,329
2026	31,325
2027-2031	38,062
2032-2036	9,636
2037-2041	6,719
2042-2046	2,085
Thereafter	695
Totals	\$ 217,936

b -- Operating Lease Revenue

The City has entered into various lease agreements as the lessor of office space, antenna space and ground leases. Minimum guaranteed income on these non-cancelable operating leases is as follows (in thousands):

Fiscal Year Ended September 30	Future Lease Receivables
2022	\$ 2,434
2023	2,405
2024	2,346
2025	2,271
2026	2,208
2027-2031	10,287
2032-2036	9,810
2037-2041	9,118
2042-2046	7,602
Thereafter	53,418
Totals	\$ 101,899

13 – 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 were 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 and may be subject to a not-to-exceed maximum of taxes to be abated. All taxes are collected and then refunded if the entity meets commitments made under the agreement. If criteria are not met, no taxes are refunded.

During fiscal year 2021, the City had four active agreements under this program. Two agreements satisfied the compliance requirements in fiscal year 2021 which resulted in rebates of tax abatements of approximately \$6.9 million. The City had no commitments related to these agreements other than the timeframe during which a compliance review will occur.

b -- Exemption Program

There were no active agreements under the Media Production Development and Zone Program during fiscal year 2021.

The City is not subject to any tax abatement agreements entered into by other governmental entities.

14 – 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 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 6), and its pro-rata share of operations is recorded as if wholly owned. Austin Energy's pro-rata interest in FPP was \$24.2 million as of September 30, 2021. 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 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 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, 2021, Austin Energy's investment in the STP was approximately \$362.7 million, net of accumulated depreciation.

Effective November 17, 1997, the participation agreement among the owners of 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 STP. The participants share costs in proportion to ownership interests, including all liabilities and expenses of 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 6). In addition, each participant has the obligation to finance any deficits that may occur.

14 – COMMITMENTS AND CONTINGENCIES, continued

b -- South Texas Project, continued

Each participant appoints one member to the board of directors of 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 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.

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 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 STP will be adjusted in future rates so that there are sufficient funds in place to pay for decommissioning. At September 30, 2021, the trust's assets exceeded the total expenses amortized over the pro-rata useful life of the asset by \$6.9 million which is reported as part of deferred inflows of resources (in thousands).

Decommissioning Trust Assets	\$ 240,709
Pro Rata Decommissioning Expense	(233,808)
	<u>\$ 6,901</u>

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 annual calculation of financial assurance filed on December 31, 2020 showed that the trust assets exceeded the minimum required assurance by \$83.7 million.

d -- Purchased Power

Austin Energy has commitments totaling \$4.7 billion to purchase energy and capacity through purchase power agreements. This amount includes provisions for wind power through 2041 and solar through 2046.

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 and Austin Energy's system control center. At September 30, 2021, the financial statements include a \$1.7 million short term environmental liability classified as other liabilities. The amount is based on 2021 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, 2021, the Airport has provided \$2.6 million in financial assistance to restore deficiencies in ABLE's Senior Debt Service Reserve Fund.

14 – COMMITMENTS AND CONTINGENCIES, continued
g -- Arbitrage Rebate Payable

The City's arbitrage consultant has determined that the City has not earned interest revenue on unused bond proceeds in excess of amounts allowed by applicable Federal regulations. Therefore, the City will not be required to rebate any amounts to the federal government. There are no estimated payables at September 30, 2021.

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 Treasury, U.S. Department of Transportation, and U.S. Environmental Protection Agency. 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 2021 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	\$ 61,286
Public safety	93,300
Transportation, planning, and sustainability	291,141
Public health	29,236
Public recreation and culture	157,288
Urban growth management	49,552
Business-type activities:	
Electric	103,337
Water	180,200
Wastewater	177,386
Airport	103,147
Convention	49,111
Environmental and health services	9,469
Public recreation and culture	62
Urban growth management	120,890
Total	<u>\$ 1,425,405</u>

j -- Encumbrances

The City utilizes encumbrances to track commitments against budget in governmental funds. The amount of outstanding encumbrances at September 30, 2021 is as follows (in thousands):

	Encumbrances
General Fund	\$ 58,976
Nonmajor governmental	
Special Revenue	41,790
Capital Projects	190,152
	<u>\$ 290,918</u>

Significant encumbrances include reservations for COVID-19 contracts (\$11,146), 2012 General government projects (\$13,488), Communications and Technology Management (\$14,738), 2018 transportation bond programs (\$14,748), General government projects (\$17,443), and the 2016 mobility transportation bond program (\$68,827).

14 – COMMITMENTS AND CONTINGENCIES, continued
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. Substantial closure occurred in fiscal year 2011. Flooding in fiscal year 2015 delayed repairs and final landfill closure. Substantial repairs for damage sustained from flooding have since been completed, and 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, 2021, is as follows (in thousands):

	Closure	Postclosure	Total
Total estimated costs	\$ 25,381	20,240	45,621
% capacity used	100%	100%	100%
Cumulative liability accrued	25,381	20,240	45,621
Costs incurred	(25,381)	(441)	(25,822)
Closure and postclosure liability	\$ --	19,799	19,799

These amounts are based on the 2021 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 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 2018 by TLG Services, Inc. and included a total decommissioning cost estimate of \$2.5 billion. Austin Energy, holding a 16% ownership interest in STP, has included a total ARO estimate of \$418.7 million (adjusted to 2021 dollars) and an associated deferred outflow of resources of \$184.9 million. Austin Energy has restricted assets held in an irrevocable trust to cover the eventual decommissioning costs and as of September 30, 2021, trust assets totaled \$240.7 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 \$17.9 million and an associated deferred outflow of resources of \$15 million. Austin Energy, as joint owner of the facility, will amortize the deferred outflow related to regulatory obligations over 20 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 3 years.

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, 2021 and is reported as asset retirement obligations in the Austin Water fund, a major enterprise fund. The associated deferred outflow of \$501 thousand will be amortized over the remaining useful lives of the City's wastewater treatment plants, which range from 5 to 40 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, 2021 and is reported as asset retirement obligations in the Fleet Maintenance fund, an internal service fund. The associated deferred outflow of \$116 thousand will be amortized over the remaining useful lives of the City's petroleum underground storage tanks, which range from 1 to 22 years.

14 – COMMITMENTS AND CONTINGENCIES, continued
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 73% of City employees and 81% of retirees use the PPO option; approximately 10% of City employees and 17% of retirees use the HMO option; and approximately 17% 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 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. In fiscal year 2019, four claims exceeded the stop loss limit of \$500,000 related to calendar year 2018 claims and no claims exceeded the stop loss limit of \$750,000 related to 2019 claims. 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 \$87.9 to \$102.7 million. In accordance with GAAP, \$87.9 million is recognized as claims payable in the financial statements with \$49.4 million recognized as a current liability and \$38.5 million recognized as long term liability. For Employee Benefits and Workers Compensation, city funds contribute amounts to these internal service funds based on an estimate of anticipated costs for claims each year. Austin Energy, Austin Water, and Airport report their respective claims activities for third-party claims. All other funds contribute amounts to the Liability Reserve fund based on an estimate of anticipated costs for claims each year.

14 – COMMITMENTS AND CONTINGENCIES, continued
m -- Risk-Related Contingencies, continued

Changes in the balances of claims liability are as follows (in thousands):

	Austin Energy		Austin Water		Airport	
	2021	2020	2021	2020	2021	2020
Liability balances, beginning of year	\$ 252	232	310	310	--	--
Claims and changes in estimates	1,097	66	90	108	--	8
Claim payments	(120)	(46)	(120)	(108)	--	(8)
Liability balances, end of year	<u>1,229</u>	<u>252</u>	<u>280</u>	<u>310</u>	<u>--</u>	<u>--</u>

	Employee Benefits		Liability Reserve		Workers' Compensation	
	2021	2020	2021	2020	2021	2020
Liability balances, beginning of year	18,622	16,187	2,158	2,172	28,342	28,881
Claims and changes in estimates	170,960	165,241	28,368	999	20,596	3,693
Claim payments	(173,296)	(162,806)	(3,920)	(1,013)	(5,444)	(4,232)
Liability balances, end of year	<u>\$ 16,286</u>	<u>18,622</u>	<u>26,606</u>	<u>2,158</u>	<u>43,494</u>	<u>28,342</u>

The Austin Water claims liability balance at fiscal year-end included liabilities of \$284 thousand discounted at 2.44% in 2021 and \$250 thousand discounted at 2.46% in 2020. The claims liability balance for all other funds had no discounted liability in fiscal years 2021 and 2020.

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. In October 2020 a partial early redemption of \$185,000 occurred, reducing the outstanding bonds. \$2,246,619 in total assessments were levied in the year ended September 30, 2021. The aggregate principal outstanding at September 30, 2021 is \$9,850,000.

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. \$467,627 in total assessments were levied in the year ended September 30, 2021. The aggregate principal outstanding at September 30, 2021 is \$1,950,000.

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. In May 2021 a partial early redemption of \$155,000 occurred, reducing the outstanding bonds. \$1,837,991 in total assessments were levied during the fiscal year ended September 30, 2021. The aggregate principal outstanding and the balance of bond proceeds held by the trustee at September 30, 2021 are \$8,195,000 and \$833, respectively.

14 – 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. In May 2021 a partial optional redemption of \$100,000 occurred, reducing the outstanding bonds. 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. \$945,913 in total assessments were levied during the fiscal year ended September 30, 2021. The aggregate principal outstanding at September 30, 2021 is \$11,685,000.

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. \$267,108 in total assessments were levied during the fiscal year ended September 30, 2020. The aggregate principal outstanding and the balance of bond proceeds held by the trustee at September 30, 2021 are \$4,315,000 and \$4,973, respectively.

o -- Capital Leases

The City has entered into lease agreements to finance equipment for both governmental and business-type activities. These lease agreements qualify as capital leases for accounting purposes and have been recorded at the present value of the future minimum lease payments at their inception date. The lease agreements end in 2023, 2025 and 2031. See Note 6 for the debt service requirements on these leases.

The following summarizes capital assets recorded at September 30, 2021, under capital lease obligations (in thousands):

Capital Assets	Governmental Activities	Austin Energy
Building and improvements	\$ --	1,405
Communication equipment	23,702	--
Equipment	14,257	--
Accumulated depreciation	(6,222)	(668)
Net capital assets	<u>\$ 31,737</u>	<u>737</u>

14 – COMMITMENTS AND CONTINGENCIES, continued
p -- Operating Leases

The City is committed under various leases for building and office space, tracts of land and rights-of-way, and certain equipment. These leases are considered operating leases for accounting purposes. Lease expense for the year ended September 30, 2021, was \$29.6 million. Future minimum payments on these non-cancelable operating leases is as follows (in thousands):

Fiscal Year Ended September 30	Future Lease Payments
2022	\$ 29,819
2023	28,399
2024	20,697
2025	13,478
2026	7,392
2027-2031	11,929
2032-2036	1,989
2037-2041	1,718
2042-2046	1,718
Thereafter	11,680
Totals	\$ 128,819

15 – 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, 2021. These liabilities, reported in the government-wide statement of net position, include amounts for claims and lawsuits settled subsequent to year end.

16 – 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, 2021, \$210.8 million in housing revenue bonds were outstanding with an original issue value of \$217.8 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, 2021, \$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.

17 – PUBLIC-PRIVATE PARTNERSHIP ARRANGEMENTS

In 2018, the City entered into a Lease and Development agreement with Austin Stadco LLC, doing business as Austin FC, for the construction of the Q2 Stadium. As a result of this agreement, the City recognizes, in other long-term assets in the governmental activities' column of the statement of net position, a receivable for the estimated carrying value of stadium capital assets at the end of the contract term and the discounted value of future installment payments due to the City in the amounts of \$104 million and \$4.3 million, respectively. In 2021, a related deferred inflow of \$108.3 million was recorded and the City recognized \$1.8 million as revenue.

The City will use an imputed interest rate of 5% to discount the future payments. As the transferor in this arrangement, the City retains ownership rights to assets associated with the Q2 stadium which will be operated by Austin Stadco LLC, as Austin FC, for a minimum term of 20 years with options to extend through 2071.

18 – 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	\$ 112,139
Advances to other funds	26
Capital assets	212,310
Other noncurrent assets	126,475
Total assets	450,950
Deferred outflows of resources	50,075
LIABILITIES	
Other current liabilities	25,373
Other noncurrent liabilities	225,129
Total liabilities	250,502
Deferred inflows of resources	7,798
NET POSITION	
Net investment in capital assets	113,846
Restricted	137,254
Unrestricted	(8,375)
Total net position	\$ 242,725

Condensed Statement of Revenues, Expenses, and Changes in Net Position

OPERATING REVENUES	
User fees and rentals	\$ 6,018
Total operating revenues	6,018
OPERATING EXPENSES	
Operating expenses before depreciation	53,022
Depreciation and amortization	8,566
Total operating expenses	61,588
Operating income (loss)	(55,570)
Nonoperating revenues (expenses)	(4,301)
Transfers	43,587
Change in net position	(16,284)
Beginning net position	259,009
Ending net position	\$ 242,725

Condensed Statement of Cash Flows

Net cash provided (used) by:	
Operating activities	\$ (37,783)
Noncapital financing activities	43,587
Capital and related financing activities	(31,293)
Investing activities	291
Net increase (decrease) in cash and cash equivalents	(25,198)
Cash and cash equivalents, beginning	244,505
Cash and cash equivalents, ending	\$ 219,307

19 – RESTATEMENT

During fiscal year 2021, the City implemented a new accounting standard, GASB Statement No. 84, "Fiduciary Activities." This Statement establishes criteria for identifying and reporting fiduciary activities. As a result of implementing this statement, certain funds previously classified as Private Purpose Trust funds have been reclassified and combined within the City's General Fund, Austin Energy, or Custodial funds. Additionally, several funds previously classified as Agency funds have been reclassified within the City's Special Revenue funds or Custodial funds. Amounts previously reported as liabilities within the remaining custodial funds have been reclassified as beginning net position. Any references to the term "Agency Fund" have been updated to "Custodial Fund". The format of the fiduciary fund financial statements has also been updated to comply with the new requirements of this statement. Net position and fund balances were restated at October 1, 2020.

The impact of these changes on the beginning balances reported in the financial statements is shown below (in thousands):

		Government-wide	
		Governmental Activities	
September 30, 2020			
Net position, as previously reported		\$	(600,610)
Adjustments to properly record:			
Implementation of GASB Statement No. 84			7,011
Net Position, as restated		\$	<u>(593,599)</u>

		Governmental Funds	
		General Fund	Nonmajor Governmental Funds
September 30, 2020			
Fund balances, as previously reported		\$ 271,515	306,795
Adjustments to properly record:			
Implementation of GASB Statement No. 84		623	6,388
Fund balances, as restated		\$ <u>272,138</u>	<u>313,183</u>

		Fiduciary Funds	
		Private Purpose Trust	Custodial
September 30, 2020			
Net position, as previously reported		\$ 4,781	--
Adjustments to properly record:			
Implementation of GASB Statement No. 84		(4,781)	2,032
Net Position, as restated		\$ <u>--</u>	<u>2,032</u>

The adjustments associated with the implementation of this standard were deferred in accordance with accounting for regulated operations for Austin Energy. The amount deferred is \$3.9 million; therefore, there was no restatement to net position in this fund.

20 – SUBSEQUENT EVENTS

a -- General Obligation Bond Issue

In October 2021, the City issued \$153,685,000 of Public Improvement and Refunding Bonds, Series 2021. The net proceeds of \$81,895,000 (after issue costs, discounts, and premiums) from the issue will be used as follows: streets and mobility (\$38,980,000), water quality protection (\$22,880,000), park improvements (\$16,995,000) and facility improvements (\$3,040,000). The net proceeds of the refunding portion of \$102,566,092 were used to refund \$62,090,000 Public Improvement Bonds, Series 2011A and \$39,290,000 Certificates of Obligation, Series 2011. Principal payments are due on September 1 of each year from 2022 to 2041. Interest is payable on March 1 and September 1 of each year, commencing March 1, 2022. Total interest requirements for these bonds, at rates ranging from 4.0% to 5.0%, are \$54,806,195.

In October 2021, the City issued \$35,670,000 of Certificates of Obligation, Series 2021. The net proceeds of \$43,930,000 (after issue costs, discounts, and premiums) from this issue will be used for constructing and remodeling multiple Austin Fire Department facilities. Principal payments are due on September 1 of each year from 2022 to 2041. Interest is payable on March 1 and September 1 of each year, commencing on March 1, 2022. Total interest requirements for these obligations, at rates ranging from 4.0% to 5.0%, are \$17,646,785.

In October 2021, the City issued \$27,110,000 of Public Property Finance Contractual Obligations, Series 2021. The net proceeds of \$31,930,000 (after issue costs, discounts, and premiums) from this issue will be used for capital equipment. Principal payments are due on May 1 and November 1 of each year from 2022 to 2028. Interest is payable on May 1 and November 1 of each year, commencing May 1, 2022. Total interest requirements for these obligations, at a rate of 5.0%, are \$5,634,117.

In October 2021, the City issued \$81,880,000 of Public Improvement and Refunding Taxable Bonds, Series 2021. The new money net proceeds of \$77,655,000 (after issue costs, discounts, and premiums) from the issuance were used for affordable housing. The net proceeds of the refunding portion of \$6,690,260 were used to refund \$6,550,000 Public Improvement Bonds, Taxable Series 2011B. Interest is payable March 1 and September 1 of each year from 2022 to 2041, commencing on March 1, 2022. Principal payments are due September 1 of each year from 2022 to 2041. Total interest requirements for this obligation, at rates ranging from 1.65% to 3.00% are \$18,720,046.

In October 2021, the City issued \$20,300,000 of Certificates of Obligation, Taxable Series 2021. The new money net proceeds of \$20,525,000 (after issue costs, discounts, and premiums) from the issuance were used for Waller Creek Tunnel and Waller Creek District. Interest is payable March 1 and September 1 of each year from 2022 to 2041, commencing on March 1, 2022. Principal payments are due September 1 of each year from 2022 to 2041. Total interest requirements for this obligation, at rates ranging from 1.00% to 4.0% are \$4,610,025.

b -- Water and Wastewater – System Revenue Refunding Bond Issue

In November 2021 the City issued \$216,380,000 of Water and Wastewater System Revenue Refunding Bonds, Series 2021. The net proceeds of \$275,507,030 (after issue costs, premium and discounts) from the issuance were used to refund \$102,000,000 in tax-exempt commercial paper, and \$173,507,030 in separate lien revenue bonds, Series 2011. Principal payments are due November 15 of each year from 2024 to 2051. Interest is payable May 15 and November 15 of each year from 2022 to 2051. Total interest requirements for this obligation, at rates of 4.0% to 5.0%, are \$140,771,574.

c -- Water and Wastewater System Revenue Debt -- Revenue Bond Refunding Issue

In November 2021, the City issued \$18,000,000 of Water and Wastewater System Revenue Bonds, Series 2021C. This is a private placement structured through a memorandum with the Texas Water Development Board (TWDB). Project funds of \$16,893,269 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2022 to 2041. Interest payments are due May 15 and November 15 of each year from 2022 to 2041. Total interest requirements for the bonds are \$2,870,199, with interest rates ranging from 0.15% to 1.85%.

In November 2021, the City issued \$23,100,000 of Water and Wastewater System Revenue Bonds, Series 2021D. This is a private placement structured through a memorandum with the Texas Water Development Board (TWDB). Project funds of \$21,924,193 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2022 to 2051. Interest payments are due May 15 and November 15 of each year from 2022 to 2051. Total interest requirements for the bonds are \$250,982, with interest rates ranging from 0.00% to 0.19%.

In November 2021, the City issued \$30,000,000 of Water and Wastewater System Revenue Bonds, Series 2021E. This is a private placement structured through a memorandum with the Texas Water Development Board (TWDB). Project funds of \$28,391,138 will be used to improve and extend the water and wastewater system. Principal payments are due November 15 of each year from 2022 to 2051. Interest payments are due May 15 and November 15 of each year from 2022 to 2051. Total interest requirements for the bonds are \$613,152, with interest rates ranging from 0.00% to 0.29%.

20 – SUBSEQUENT EVENTS, continued

d -- Water and Wastewater System Revenue Debt -- Revenue Bond In-Substance Defeasance

In December 2021, the City defeased \$17,310,000 of Separate Lien Revenue Refunding Bonds, Series 2011, \$35,815,000 of Separate Lien Revenue Refunding Bonds, Series 2012, \$9,190,000 of Separate Lien Revenue Refunding Bonds, Series 2013A, and \$11,350,000 of Separate Lien Revenue Refunding Bonds, Series 2017, with a \$76,832,078 cash payment. The funds were deposited in an irrevocable escrow account 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



General Fund
Schedule of Revenues, Expenditures, and Changes in
Fund Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
RSI

General Fund	Adjustments		Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
	Actual	(1) (2)		Original	Final	
REVENUES						
Taxes	\$ 860,698	100	860,798	809,105	809,105	51,693
Franchise fees	26,189	14	26,203	27,488	27,488	(1,285)
Fines, forfeitures and penalties	4,607	--	4,607	7,482	7,482	(2,875)
Licenses, permits and inspections	16,612	(26)	16,586	16,591	16,591	(5)
Charges for services/goods	57,278	(3,160)	54,118	63,594	63,594	(9,476)
Interest and other	17,246	(9,807)	7,439	8,313	8,313	(874)
Total revenues	982,630	(12,879)	969,751	932,573	932,573	37,178
EXPENDITURES						
General government						
Municipal Court	31,343	1,494	32,837	33,253	33,253	416
Public safety						
Emergency Communications	16,084	--	16,084	--	16,087	3
Emergency Medical Services	87,794	12,419	100,213	102,002	102,002	1,789
Fire	189,247	23,333	212,580	215,186	215,186	2,606
Forensic Science	11,908	--	11,908	--	11,908	--
Police	314,340	70,495	384,835	414,583	386,037	1,202
Public health						
Animal Services	12,725	2,568	15,293	16,047	16,047	754
Public Health	47,010	5,368	52,378	51,636	51,636	(742)
Social Services	40,499	10,859	51,358	51,379	51,379	21
Public recreation and culture						
Austin Public Library	44,680	10,248	54,928	58,868	58,868	3,940
Parks and Recreation	83,036	11,303	94,339	101,626	101,626	7,287
Urban growth management						
Housing and Planning	14,352	2,451	16,803	30,939	30,039	13,236
Other urban growth management	26,499	1,404	27,903	31,675	34,075	6,172
General city responsibilities (4)	219,727	(158,458)	61,269	10,912	29,712	(31,557)
Total expenditures	1,139,244	(6,516)	1,132,728	1,118,106	1,137,855	5,127
Excess (deficiency) of revenues over expenditures	(156,614)	(6,363)	(162,977)	(185,533)	(205,282)	42,305
OTHER FINANCING SOURCES (USES)						
Transfers in	186,441	201,983	388,424	387,143	353,039	35,385
Transfers out	(28,863)	(208,664)	(237,527)	(206,707)	(175,204)	(62,323)
Total other financing sources (uses)	157,578	(6,681)	150,897	180,436	177,835	(26,938)
Excess (deficiency) of revenues and other sources over expenditures and other uses	964	(13,044)	(12,080)	(5,097)	(27,447)	15,367
Fund balance at beginning of year, as restated	272,138	(51,488)	220,650	153,938	166,295	54,355
Fund balance at end of year	\$ 273,102	(64,532)	208,570	148,841	138,848	69,722

(1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, and amounts budgeted as operating transfers. Additionally, this column includes adjustments between public safety and general city responsibilities related to public safety salaries reimbursed by the CARES - Coronavirus Relief special revenue fund.

(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 seventeen 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 APD Decouple, APD Re-imagine Safety, Barton Springs Conservation, Budget Stabilization Reserve, Community Development Incentives, Economic Development, Economic Incentives Reserve, Emergency Reserve, Housing and Planning Technology, Iconic Venue, Long Center Capital Improvements, Music Venue Assistance Program, Neighborhood Housing-Housing Trust, Pay for Success, Property Tax Reserve, 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 (\$650,118).

b -- Budget Amendments

There were several budget amendments during fiscal year 2021:

- The Police Department expense budget, transfers in and transfers out decreased by \$27,994,537 for the creation of two new departments: Emergency Communications (\$16,085,640) and Forensic Science (\$11,908,897). In addition, the Police Department expense budget decreased and transfers out increased due to the Alarm Permitting Unit moving to the Development Services Fund (\$551,790). There was an additional decrease to transfers in and transfers out of \$17,309,632 due to the movement of support functions to the Support Services Fund.
- Other Urban Growth Management expenses and transfers in increased by \$2,400,000 due to the creation of the new Iconic Venue Fund.
- Neighborhood Housing-Housing Trust Fund transfers out increased \$13,250,000 and Housing and Planning expenses decreased by \$900,000 to support the Capital-Housing Trust Fund.
- General City Responsibilities expense budget increased by \$18,800,000 and transfers in increased by \$8,800,000 due to the following ongoing COVID-19 response activities:
 - \$15,000,000 for Save Austin's Vital Economic Sectors program to support COVID-19 emergency relief
 - \$1,500,000 to provide economic recovery support to local businesses impacted by COVID-19 and to support emergency food access
 - \$2,300,000 for business preservation

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. Additionally, this year there are adjustments between public safety and general city responsibilities related to public safety salaries reimbursed by the CARES – Coronavirus Relief special revenue fund. 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):

	General Fund
Excess (deficiency) of revenues and other sources over expenditures and other uses - GAAP basis	\$ 964
Adjustments - increases (decreases) due to:	
Unbudgeted revenues	(7,159)
Net compensated absences accrual	(940)
Outstanding encumbrances established in current year	(48,810)
Payments against prior year encumbrances	44,895
Other	(1,030)
Excess (deficiency) of revenues and other sources over expenditures and other uses - budget basis	\$ (12,080)

Required Supplementary Information
Retirement Plans- Trend Information
September 30, 2021
(In thousands)

Schedule of Changes in the City Employees' Fund Net Pension Liability and Related Ratios
Measurement Period Ended December 31

	2014	2015	2016	2017
Beginning total pension liability	<u>\$ 2,909,918</u>	<u>3,094,056</u>	<u>3,391,796</u>	<u>3,591,376</u>
Changes for the year:				
Service cost	89,235	93,506	107,111	107,767
Interest	222,710	236,844	251,684	266,257
Differences between expected and actual experience	33,911	13,414	19,914	22,755
Assumption changes	--	123,493	--	--
Benefit payments including refunds	<u>(161,718)</u>	<u>(169,517)</u>	<u>(179,129)</u>	<u>(190,332)</u>
Net change in total pension liability	<u>184,138</u>	<u>297,740</u>	<u>199,580</u>	<u>206,447</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>
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>
Changes for the year:				
Employer contributions	93,331	100,485	104,273	110,846
Employee contributions	50,490	54,066	60,801	56,194
Pension plan net investment income (loss)	99,704	(47,608)	171,640	376,820
Benefits payments and refunds	(161,718)	(169,517)	(179,129)	(190,332)
Pension plan administrative expense	<u>(2,631)</u>	<u>(2,422)</u>	<u>(2,701)</u>	<u>(2,778)</u>
Net change in plan fiduciary net position	<u>79,176</u>	<u>(64,996)</u>	<u>154,884</u>	<u>350,750</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>
Beginning net pension liability	<u>779,294</u>	<u>884,256</u>	<u>1,246,992</u>	<u>1,291,688</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>
Plan fiduciary net position as a percentage of the total pension liability	71.42%	63.24%	64.03%	69.79%
Covered Payroll	<u>\$ 514,787</u>	<u>546,058</u>	<u>573,308</u>	<u>609,553</u>
City's net pension liability as a percentage of covered payroll	171.77%	228.36%	225.30%	188.23%

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 and to 7% in 2019.
- 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.

	2018	2019	2020
Beginning total pension liability	3,797,823	3,989,560	4,487,884
Changes for the year:			
Service cost	111,438	117,635	121,881
Interest	281,404	295,341	310,319
Differences between expected and actual experience	1,882	23,672	12,524
Assumption changes	--	279,897	--
Benefit payments including refunds	(202,987)	(218,221)	(231,393)
Net change in total pension liability	191,737	498,324	213,331
Ending total pension liability	3,989,560	4,487,884	4,701,215
Beginning total plan fiduciary net position	2,650,438	2,461,383	2,928,033
Changes for the year:			
Employer contributions	116,486	123,610	130,743
Employee contributions	58,713	63,626	71,470
Pension plan net investment income (loss)	(157,242)	503,853	307,289
Benefits payments and refunds	(202,987)	(218,221)	(231,393)
Pension plan administrative expense	(4,025)	(6,218)	(6,596)
Net change in plan fiduciary net position	(189,055)	466,650	271,513
Ending total plan fiduciary net position	2,461,383	2,928,033	3,199,546
Beginning net pension liability	1,147,385	1,528,177	1,559,851
Ending net pension liability	1,528,177	1,559,851	1,501,669
Plan fiduciary net position as a percentage of the total pension liability	61.70%	65.24%	68.06%
Covered Payroll	640,464	678,500	713,527
City's net pension liability as a percentage of covered payroll	238.60%	229.90%	210.46%

Required Supplementary Information
Retirement Plans- Trend Information
September 30, 2021
(In thousands)

Schedule of Changes in the Police Officers' Fund Net Pension Liability and Related Ratios
Measurement Period Ended December 31

	2014	2015	2016	2017
Beginning total pension liability	\$ 909,000	971,623	1,028,909	1,106,189
Changes for the year:				
Service cost	30,254	32,138	32,990	35,322
Interest	72,443	76,999	80,846	84,472
Benefit changes	(11,015)	(4,080)	--	--
Differences between expected and actual experience	--	(6,318)	7,455	17,241
Assumption changes	14,137	3,904	5,148	--
Contribution buy back	2,207	4,648	1,668	2,915
Benefit payments including refunds	(45,403)	(50,005)	(50,827)	(56,548)
Net change in total pension liability	62,623	57,286	77,280	83,402
Ending total pension liability	971,623	1,028,909	1,106,189	1,189,591
Beginning total plan fiduciary net position	595,110	638,019	644,174	686,020
Changes for the year:				
Employer contributions	32,400	33,239	33,814	35,141
Employee contributions	19,458	20,061	20,623	21,437
Contribution buy back	2,207	4,648	1,668	2,915
Pension plan net investment income (loss)	35,574	(322)	37,965	82,072
Benefits payments and refunds	(45,403)	(50,005)	(50,827)	(56,548)
Pension plan administrative expense	(1,327)	(1,466)	(1,397)	(1,562)
Net change in plan fiduciary net position	42,909	6,155	41,846	83,455
Ending total plan fiduciary net position	638,019	644,174	686,020	769,475
Beginning net pension liability	313,890	333,604	384,735	420,169
Ending net pension liability	\$ 333,604	384,735	420,169	420,116
Plan fiduciary net position as a percentage of the total pension liability	65.67%	62.61%	62.02%	64.68%
Covered Payroll	\$ 149,686	152,696	157,303	163,995
City's net pension liability as a percentage of covered payroll	222.87%	251.96%	267.11%	256.18%

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.

	2018	2019	2020
Beginning total pension liability	1,189,591	1,904,954	2,175,170
Changes for the year:			
Service cost	33,757	71,334	84,469
Interest	90,479	89,680	89,376
Benefit changes	--	--	--
Differences between expected and actual experience	(12,905)	(4,743)	10,320
Assumption changes	666,873	179,003	(740,167)
Contribution buy back	1,142	1,261	1,941
Benefit payments including refunds	(63,983)	(66,319)	(76,956)
Net change in total pension liability	715,363	270,216	(631,017)
Ending total pension liability	1,904,954	2,175,170	1,544,153
Beginning total plan fiduciary net position	769,475	718,520	857,839
Changes for the year:			
Employer contributions	35,244	35,993	36,577
Employee contributions	21,461	21,942	22,181
Contribution buy back	1,142	1,261	1,941
Pension plan net investment income (loss)	(43,398)	148,163	98,573
Benefits payments and refunds	(63,983)	(66,319)	(76,956)
Pension plan administrative expense	(1,421)	(1,721)	(1,929)
Net change in plan fiduciary net position	(50,955)	139,319	80,387
Ending total plan fiduciary net position	718,520	857,839	938,226
Beginning net pension liability	420,116	1,186,434	1,317,331
Ending net pension liability	1,186,434	1,317,331	605,927
Plan fiduciary net position as a percentage of the total pension liability	37.72%	39.44%	60.76%
Covered Payroll	164,112	167,835	169,308
City's net pension liability as a percentage of covered payroll	722.94%	784.90%	357.88%

Required Supplementary Information
Retirement Plans- Trend Information
September 30, 2021
(In thousands)

Schedule of Changes in the Fire Fighters' Fund Net Pension Liability and Related Ratios
Measurement Period Ended December 31

	2014	2015	2016	2017
Beginning total pension liability	<u>\$ 806,282</u>	<u>861,468</u>	<u>913,618</u>	<u>977,723</u>
Changes for the year:				
Service cost	25,319	23,309	24,323	23,830
Interest	62,977	66,405	70,893	75,812
Benefit changes	--	--	5,491	8,964
Differences between expected and actual experience	--	7,193	8,893	4,360
Assumption changes	4,883	--	--	--
Benefit payments including refunds	(37,993)	(44,757)	(45,495)	(51,888)
Net change in total pension liability	<u>55,186</u>	<u>52,150</u>	<u>64,105</u>	<u>61,078</u>
Ending total pension liability	<u>861,468</u>	<u>913,618</u>	<u>977,723</u>	<u>1,038,801</u>
Beginning total plan fiduciary net position	<u>752,622</u>	<u>789,433</u>	<u>785,211</u>	<u>829,610</u>
Changes for the year:				
Employer contributions	18,670	19,222	19,104	19,242
Employee contributions	14,660	15,547	15,884	16,319
Pension plan net investment income (loss)	42,005	6,328	55,569	141,915
Benefits payments and refunds	(37,993)	(44,757)	(45,496)	(51,888)
Pension plan administrative expense	(531)	(562)	(662)	(1,400)
Net change in plan fiduciary net position	<u>36,811</u>	<u>(4,222)</u>	<u>44,399</u>	<u>124,188</u>
Ending total plan fiduciary net position	<u>789,433</u>	<u>785,211</u>	<u>829,610</u>	<u>953,798</u>
Beginning net pension liability	<u>53,660</u>	<u>72,035</u>	<u>128,407</u>	<u>148,113</u>
Ending net pension liability	<u>\$ 72,035</u>	<u>128,407</u>	<u>148,113</u>	<u>85,003</u>
Plan fiduciary net position as a percentage of the total pension liability	91.64%	85.95%	84.85%	91.82%
Covered Payroll	<u>\$ 84,589</u>	<u>83,979</u>	<u>86,632</u>	<u>87,266</u>
City's net pension liability as a percentage of covered payroll	85.16%	152.90%	170.97%	97.41%

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%.
- 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, and the MP-2020 tables in 2020. 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.

	2018	2019	2020
Beginning total pension liability	1,038,801	1,093,179	1,156,025
Changes for the year:			
Service cost	25,131	26,192	26,170
Interest	80,552	84,547	86,821
Benefit changes	10,188	8,059	7,159
Differences between expected and actual experience	(735)	(9,835)	(1,671)
Assumption changes	(4,779)	12,707	21,411
Benefit payments including refunds	(55,979)	(58,824)	(63,484)
Net change in total pension liability	54,378	62,846	76,406
Ending total pension liability	1,093,179	1,156,025	1,232,431
Beginning total plan fiduciary net position	953,798	909,118	1,029,893
Changes for the year:			
Employer contributions	20,085	21,058	21,311
Employee contributions	17,033	17,858	18,073
Pension plan net investment income (loss)	(25,114)	141,535	157,323
Benefits payments and refunds	(55,979)	(58,824)	(63,484)
Pension plan administrative expense	(705)	(852)	(1,092)
Net change in plan fiduciary net position	(44,680)	120,775	132,131
Ending total plan fiduciary net position	909,118	1,029,893	1,162,024
Beginning net pension liability	85,003	184,061	126,132
Ending net pension liability	184,061	126,132	70,407
Plan fiduciary net position as a percentage of the total pension liability	83.16%	89.09%	94.29%
Covered Payroll	91,087	95,499	96,649
City's net pension liability as a percentage of covered payroll	202.07%	132.08%	72.85%

RETIREMENT PLANS-TREND INFORMATION, continued

Information pertaining to City contributions to the retirement systems is shown in the following two tables (in thousands). An actuarially determined contribution was calculated for the City Employees' fund but was not calculated for the other two funds.

**Schedule of Actuarially Determined City Contributions to the City Employees' Fund
(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%

Notes to Schedule of Actuarially Determined City Contributions to the City Employees' Fund

Valuation Date	
Date	<ul style="list-style-type: none"> December 31 of each calendar year occurring during the fiscal year.
Notes	<ul style="list-style-type: none"> Members and employers contribute based on statutorily fixed or negotiated rates. A funding period is solved for through open group projections.
Methods and Assumptions Used to Determine Contribution Rates	
Actuarial Cost Method	<ul style="list-style-type: none"> Entry Age Normal (all years)
Asset Valuation Method	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 2.5% for 2020 and 2021, 2.75% for 2016 through 2019, 3.25% for 2015
Salary Increases	<ul style="list-style-type: none"> 3.5% to 5.75% for 2020 and 2021, 4% to 6.25% for 2016 through 2019, 4.5% to 6% for 2015
Investment Rate of Return	<ul style="list-style-type: none"> 7% for 2020 and 2021, 7.5% for 2016 through 2019, 7.75% for 2015
Retirement Age	<ul style="list-style-type: none"> Experience-based table of rates that are gender specific. 2020 and 2021 - 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	<ul style="list-style-type: none"> 2020 and 2021 - 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	<ul style="list-style-type: none"> 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 Statutorily Required City Contributions to the Police Officers' Fund and the Fire Fighters' Fund
(in thousands)

Fiscal Year Ended September 30	Statutorily Required Contribution	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%
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%

(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.

OTHER POSTEMPLOYMENT BENEFITS-TREND INFORMATION

The other postemployment benefits plan information for the City's plan provided below represents four 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 four years ended December 31, 2017 through 2020 (measurement periods) are presented below:

Schedule of Changes in the City of Austin OPEB Liability and Related Ratios (in thousands)

	2017	2018	2019	2020
Beginning total OPEB liability	<u>\$ 2,055,627</u>	<u>2,524,897</u>	<u>2,395,447</u>	<u>3,504,494</u>
Changes for the year:				
Service cost	86,687	108,478	88,486	167,027
Interest	80,132	89,675	100,978	99,915
Benefit changes	--	231	(3,829)	--
Differences between expected and actual experience	64,227	--	12,335	(6,103)
Assumption changes	283,099	(274,758)	953,202	631,360
Benefit payments	(44,875)	(53,076)	(42,125)	(50,326)
Net change in total OPEB liability	<u>469,270</u>	<u>(129,450)</u>	<u>1,109,047</u>	<u>841,873</u>
Ending total OPEB liability	<u><u>\$ 2,524,897</u></u>	<u><u>2,395,447</u></u>	<u><u>3,504,494</u></u>	<u><u>4,346,367</u></u>
 Covered-employee payroll	 \$ 968,403	 1,000,536	 1,051,771	 1,103,927
City's total OPEB liability as a percentage of covered-employee payroll	260.73%	239.42%	333.20%	393.72%

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 year ended December 31, 2020. 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.

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% (decreased from 3.78%), 2018 - 4.1%, 2019 - 2.74%, and 2020 - 2.12%,
- Updating medical 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,
- Updating third-party administrator and vendor administrative expenses to reflect the most recent contracts and assumed trends on such costs, (currently \$437 per covered individual),
- Adjusting retiree enrollment and plan election assumptions in 2019 to be more consistent with actual experience, 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, 2021
(In thousands)

City of Austin, Texas
Exhibit E-1

	Actual	Adjustments (1)	Actual- Budget Basis	Budget	Variance- Positive (Negative)
Taxes					
Property taxes:					
Current	\$ 564,406	100	564,506	547,858	16,648
Delinquent	139	--	139	100	39
Penalty and interest	2,496	--	2,496	2,000	496
Property taxes	567,041	100	567,141	549,958	17,183
Sales taxes	281,784	--	281,784	245,241	36,543
Other taxes	11,873	--	11,873	13,906	(2,033)
Total taxes	860,698	100	860,798	809,105	51,693
Franchise fees	26,189	14	26,203	27,488	(1,285)
Fines, forfeitures, and penalties					
Library fines	141	--	141	163	(22)
Traffic fines	1,933	--	1,933	3,476	(1,543)
Parking violations	1,907	--	1,907	2,428	(521)
Other	626	--	626	1,415	(789)
Total fines, forfeitures, and penalties	4,607	--	4,607	7,482	(2,875)
Licenses, permits, and inspections					
Alarm permits	4,414	--	4,414	4,208	206
Public health	4,724	--	4,724	3,049	1,675
Development	4,385	(24)	4,361	6,773	(2,412)
Building safety	1,531	(2)	1,529	786	743
Beer and wine permits	579	--	579	579	--
Other	979	--	979	1,196	(217)
Total licenses, permits, and inspections	16,612	(26)	16,586	16,591	(5)
Charges for services/goods					
Recreation and culture	4,439	1	4,440	9,626	(5,186)
Public health	9,656	(3,422)	6,234	7,344	(1,110)
Emergency medical services	36,972	(1)	36,971	38,253	(1,282)
General government	6,211	262	6,473	8,371	(1,898)
Total charges for services/goods	57,278	(3,160)	54,118	63,594	(9,476)
Interest and other					
Interest	1,043	(1)	1,042	3,200	(2,158)
Rental income	636	(2)	634	1,459	(825)
Sale of property	2,261	--	2,261	1,772	489
Other	13,306	(9,804)	3,502	1,882	1,620
Total interest and other	17,246	(9,807)	7,439	8,313	(874)
Total revenues	\$ 982,630	(12,879)	969,751	932,573	37,178

(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, 2021
(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	\$ 15,876	(58)	15,818	16,267	449
Contractual services	15,463	1,517	16,980	17,118	138
Commodities	266	68	334	163	(171)
Expense refunds	(295)	--	(295)	(295)	--
Capital outlay	33	(33)	--	--	--
Total general government	31,343	1,494	32,837	33,253	416
Public safety					
Emergency Communications:					
Contractual services	16,084	--	16,084	16,087	3
	16,084	--	16,084	16,087	3
Emergency Medical Services:					
Salaries and fringe benefits	74,936	(339)	74,597	75,459	862
Contractual services	7,950	13,073	21,023	22,532	1,509
Commodities	5,299	(448)	4,851	4,224	(627)
Expense refunds	(1,209)	--	(1,209)	(1,370)	(161)
Capital outlay	818	133	951	1,157	206
	87,794	12,419	100,213	102,002	1,789
Fire:					
Salaries and fringe benefits	182,701	(919)	181,782	181,536	(246)
Contractual services	12,509	24,097	36,606	38,026	1,420
Commodities	4,728	132	4,860	4,711	(149)
Indirect cost	811	--	811	693	(118)
Expense refunds	(11,597)	--	(11,597)	(9,907)	1,690
Capital outlay	95	23	118	127	9
	189,247	23,333	212,580	215,186	2,606
Forensic Science:					
Contractual services	11,908	--	11,908	11,908	--
	11,908	--	11,908	11,908	--
Police:					
Salaries and fringe benefits	328,934	(270)	328,664	320,207	(8,457)
Contractual services	114,560	70,671	185,231	190,845	5,614
Commodities	3,478	(258)	3,220	5,146	1,926
Expense refunds	(132,681)	(137)	(132,818)	(130,734)	2,084
Capital outlay	49	489	538	573	35
	314,340	70,495	384,835	386,037	1,202
Total public safety	619,373	106,247	725,620	731,220	5,600
Public health					
Animal Services:					
Salaries and fringe benefits	8,483	(44)	8,439	9,009	570
Contractual services	3,510	2,450	5,960	5,789	(171)
Commodities	1,019	79	1,098	1,332	234
Expense refunds	(287)	--	(287)	(166)	121
Capital outlay	--	83	83	83	--
	12,725	2,568	15,293	16,047	754
Public Health:					
Salaries and fringe benefits	40,761	(2,389)	38,372	31,451	(6,921)
Contractual services	51,020	(2,611)	48,409	19,997	(28,412)
Commodities	13,424	(3,870)	9,554	1,322	(8,232)
Expense refunds	(58,228)	14,127	(44,101)	(1,134)	42,967
Capital outlay	33	111	144	--	(144)
	\$ 47,010	5,368	52,378	51,636	(742)

(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, 2021
(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:					
Contractual services	\$ 42,351	10,873	53,224	52,445	(779)
Commodities	18	(14)	4	--	(4)
Expense refunds	(1,870)	--	(1,870)	(1,066)	804
	40,499	10,859	51,358	51,379	21
Total public health	100,234	18,795	119,029	119,062	33
Public recreation and culture					
Austin Public Library:					
Salaries and fringe benefits	33,439	(36)	33,403	36,138	2,735
Contractual services	8,336	9,428	17,764	18,140	376
Commodities	2,967	713	3,680	4,711	1,031
Expense refunds	(119)	--	(119)	(221)	(102)
Capital outlay	57	143	200	100	(100)
	44,680	10,248	54,928	58,868	3,940
Parks and Recreation:					
Salaries and fringe benefits	61,849	(198)	61,651	69,101	7,450
Contractual services	19,954	11,205	31,159	32,756	1,597
Commodities	5,541	298	5,839	4,609	(1,230)
Indirect cost	532	--	532	316	(216)
Expense refunds	(5,180)	22	(5,158)	(5,401)	(243)
Capital outlay	340	(24)	316	245	(71)
	83,036	11,303	94,339	101,626	7,287
Total public recreation and culture	127,716	21,551	149,267	160,494	11,227
Urban growth management					
Housing and Planning:					
Salaries and fringe benefits	13,168	40	13,208	14,178	970
Contractual services	4,453	2,407	6,860	20,871	14,011
Commodities	56	4	60	312	252
Expense refunds	(3,325)	--	(3,325)	(5,322)	(1,997)
	14,352	2,451	16,803	30,039	13,236
Other Urban Growth Management:					
Salaries and fringe benefits	8,224	(23)	8,201	8,293	92
Contractual services	19,410	1,378	20,788	26,838	6,050
Commodities	299	49	348	409	61
Expense refunds	(1,434)	--	(1,434)	(1,465)	(31)
	26,499	1,404	27,903	34,075	6,172
Total urban growth management	40,851	3,855	44,706	64,114	19,408
General city responsibilities (2)	219,727	(158,458)	61,269	29,712	(31,557)
Total expenditures	1,139,244	(6,516)	1,132,728	1,137,855	5,127
General fund expenditures					
Salaries	768,371	(4,236)	764,135	761,639	(2,496)
Contractuals	327,508	144,488	471,996	473,352	1,356
Commodities	37,095	(3,247)	33,848	26,939	(6,909)
Indirect cost	1,343	--	1,343	1,009	(334)
Expense refunds	(216,225)	14,012	(202,213)	(157,081)	45,132
Capital outlay	1,425	925	2,350	2,285	(65)
General city responsibilities	219,727	(158,458)	61,269	29,712	(31,557)
Total expenditures	\$ 1,139,244	(6,516)	1,132,728	1,137,855	5,127

- (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 Transfers - Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-3

	Actual	Adjustments (1)	Actual- Budget Basis	Budget	Variance- Positive (Negative)
Transfers in					
General Fund:					
Budgetary General Fund	\$ --	104,859	104,859	104,816	43
Budget Stabilization Reserve	--	91,236	91,236	57,987	33,249
Community Development Incentives	--	38	38	25	13
Economic Development	--	1,318	1,318	1,318	--
Property Tax Reserve	--	4,500	4,500	4,500	--
Special revenue funds:					
Project Connect	1,263	--	1,263	--	1,263
Capital Projects	7,285	--	7,285	6,500	785
Enterprise funds:					
Austin Energy	122,367	--	122,367	122,367	--
Austin Resource Recovery	555	--	555	555	--
Austin Water	50,271	--	50,271	50,271	--
Convention Center Capital	2,400	--	2,400	2,400	--
Mobility	2,300	--	2,300	2,300	--
Fiduciary funds	--	32	32	--	32
Total transfers in	186,441	201,983	388,424	353,039	35,385
Transfers out					
General Fund:					
APD Decouple	--	31,478	31,478	31,478	--
APD Re-imagine Safety	--	44,852	44,852	44,852	--
Barton Springs Conservation	--	53	53	53	--
Budget Stabilization Reserve	--	55,236	55,236	7,326	(47,910)
Economic Development	--	7,809	7,809	7,809	--
Economic Incentives Reserve	--	10,257	10,257	11,121	864
Emergency Reserve	--	43,543	43,543	31,987	(11,556)
Long Center Capital Improvements	--	300	300	300	--
Neighborhood Housing-Housing Trust	--	7,713	7,713	7,713	--
Special revenue funds:					
Austin Cable Access	475	--	475	475	--
East Sixth Street Public Improvement District	35	--	35	35	--
Mueller Local Government Corporation	986	--	986	986	--
Second Street Tax Increment Financing	--	100	100	100	--
South Congress Public Improvement District	3	--	3	3	--
Debt service funds:					
General Obligation	576	--	576	576	--
Capital Projects	15,870	7,323	23,193	20,768	(2,425)
Enterprise funds:					
Development Services	9,035	--	9,035	7,739	(1,296)
Golf	1,000	--	1,000	1,000	--
Transportation	883	--	883	883	--
Total transfers out	28,863	208,664	237,527	175,204	(62,323)
Net transfers	\$ 157,578	(6,681)	150,897	177,835	(26,938)

(1) Includes adjustments to actual transfers required for adjusted budget basis presentation.



NONMAJOR GOVERNMENTAL FUNDS

**Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2021
(In thousands)**

**City of Austin, Texas
Exhibit E-4**

	Special Revenue	Debt Service	Capital Projects	Permanent Funds	Total
ASSETS					
Cash	\$ --	1	--	--	1
Pooled investments and cash	280,482	2,766	82,878	1,070	367,196
Investments - restricted	--	30,488	--	--	30,488
Cash held by trustee - restricted	6,269	--	--	--	6,269
Investments held by trustee - restricted	9,038	--	--	--	9,038
Property taxes receivable, net of allowance	--	2,507	--	--	2,507
Accounts receivable, net of allowance	31,422	--	3,108	--	34,530
Interest receivable	154	46	159	--	359
Receivables from other governments	27,804	--	6	--	27,810
Notes receivable, net of allowance	41,935	--	--	--	41,935
Due from other funds	15,336	5	113,100	--	128,441
Advances to other funds	--	266	69,910	--	70,176
Real property held for resale	4,177	--	--	--	4,177
Other assets	1,784	--	--	--	1,784
Total assets	418,401	36,079	269,161	1,070	724,711
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	15,117	2	24,401	--	39,520
Accrued payroll	948	--	--	--	948
Due to other funds	15,336	--	113,100	--	128,436
Unearned revenue	95,949	--	--	--	95,949
Advances from other funds	--	111	69,910	--	70,021
Deposits and other liabilities	98,087	113	423	--	98,623
Total liabilities	225,437	226	207,834	--	433,497
DEFERRED INFLOWS OF RESOURCES					
	2,708	2,236	--	--	4,944
FUND BALANCES					
Nonspendable:					
Permanent funds	--	--	--	1,070	1,070
Restricted	131,364	33,617	135,051	--	300,032
Committed	59,131	--	--	--	59,131
Assigned	981	--	126,639	--	127,620
Unassigned	(1,220)	--	(200,363)	--	(201,583)
Total fund balances	190,256	33,617	61,327	1,070	286,270
Total liabilities, deferred inflows of resources, and fund balances	\$ 418,401	36,079	269,161	1,070	724,711

Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-5

	Special Revenue	Debt Service	Capital Projects	Permanent Funds	Total
REVENUES					
Property taxes	\$ 177,217	198,111	--	--	375,328
Franchise fees and other taxes	82,023	--	--	--	82,023
Fines, forfeitures and penalties	921	--	--	--	921
Licenses, permits and inspections	3,453	--	--	--	3,453
Charges for services/goods	21,692	--	--	--	21,692
Intergovernmental	181,502	--	5,009	--	186,511
Property owners' participation and contributions	1,602	--	35,390	--	36,992
Interest and other	5,867	3,011	14,060	--	22,938
Total revenues	474,277	201,122	54,459	--	729,858
EXPENDITURES					
Current:					
General government	773	--	--	--	773
Public safety	21,012	--	--	--	21,012
Transportation, planning, and sustainability	152,070	--	--	--	152,070
Public health	76,519	--	--	--	76,519
Public recreation and culture	2,389	--	--	--	2,389
Urban growth management	230,654	--	--	--	230,654
Debt service:					
Principal	2,945	147,880	--	--	150,825
Interest	1,639	66,071	--	--	67,710
Fees and commissions	--	33	--	--	33
Capital outlay	--	--	255,277	--	255,277
Total expenditures	488,001	213,984	255,277	--	957,262
Excess (deficiency) of revenues over (under) expenditures	(13,724)	(12,862)	(200,818)	--	(227,404)
OTHER FINANCING SOURCES (USES)					
Issuance of tax supported debt	--	1,125	179,241	--	180,366
Issuance of refunding bonds	--	78,949	--	--	78,949
Bond premiums	--	14,468	36,077	--	50,545
Payment to refunding bond escrow agent	--	(93,417)	--	--	(93,417)
Transfers in	117,809	14,069	43,525	--	175,403
Transfers out	(96,696)	--	(94,659)	--	(191,355)
Total other financing sources (uses)	21,113	15,194	164,184	--	200,491
Net change in fund balances	7,389	2,332	(36,634)	--	(26,913)
Fund balances at beginning of year, as restated	182,867	31,285	97,961	1,070	313,183
Fund balances at end of year	\$ 190,256	33,617	61,327	1,070	286,270



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 Building Security Fund - Accounts for revenue derived from security fees, and is used for courthouse security personnel, equipment, and training.

Municipal Court Juvenile Case Manager Fund - Accounts for the collection of fees through fines. Funds are used for juvenile case manager salaries and benefits, supplies, and services.

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.

Municipal Court Technology Fund - Accounts for revenue derived from technology fees collected that must be used for technological enhancements of Municipal Court.

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.

Public Health

Health and Human Services:

CARES - Coronavirus Relief Fund - Accounts for federal relief monies received under the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

Coronavirus State & Local 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.

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.

City Hall Retail Tenant Improvement Fund - Accounts for revenue and deposits related to retail space in City Hall.

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)

Special Revenue Funds
Combining Balance Sheet
September 30, 2021
(In thousands)

City of Austin, Texas
 Exhibit E-6

	Federal, State, and Other Special Revenue Grants	Other Special Revenue Funds	Austin Housing Finance Corporation	Total
ASSETS				
Pooled investments and cash	\$ 9,352	263,265	7,865	280,482
Cash held by trustee - restricted	146	6,123	--	6,269
Investments held by trustee - restricted	--	9,038	--	9,038
Accounts receivable, net of allowance	--	31,422	--	31,422
Interest receivable	--	148	6	154
Receivables from other governments	27,696	--	108	27,804
Notes receivable, net of allowance	--	2,868	39,067	41,935
Due from other funds	--	15,336	--	15,336
Real property held for resale	--	678	3,499	4,177
Other assets	596	1,188	--	1,784
Total assets	37,790	330,066	50,545	418,401
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	10,463	1,956	2,698	15,117
Accrued payroll	767	181	--	948
Due to other funds	14,405	931	--	15,336
Unearned revenue	9,136	86,813	--	95,949
Deposits and other liabilities	3,019	80,840	14,228	98,087
Total liabilities	37,790	170,721	16,926	225,437
DEFERRED INFLOWS OF RESOURCES	--	2,708	--	2,708
FUND BALANCES				
Restricted	--	97,745	33,619	131,364
Committed	--	59,131	--	59,131
Assigned	--	981	--	981
Unassigned	--	(1,220)	--	(1,220)
Total fund balances	--	156,637	33,619	190,256
Total liabilities, deferred inflows of resources, and fund balances	\$ 37,790	330,066	50,545	418,401

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-7

	Federal, State, and Other Special Revenue Grants	Other Special Revenue Funds	Austin Housing Finance Corporation	Total
REVENUES				
Property taxes	\$ --	177,217	--	177,217
Franchise fees and other taxes	--	82,023	--	82,023
Fines, forfeitures, and penalties	--	921	--	921
Licenses, permits and inspections	--	3,453	--	3,453
Charges for services/goods	--	21,692	--	21,692
Intergovernmental	133,405	41,269	6,828	181,502
Property owners' participation and contributions	--	1,602	--	1,602
Interest and other	--	5,859	8	5,867
Total revenues	133,405	334,036	6,836	474,277
EXPENDITURES				
Current:				
General government	209	564	--	773
Public safety	20,694	318	--	21,012
Transportation, planning, and sustainability	485	151,585	--	152,070
Public health	34,565	41,954	--	76,519
Public recreation and culture	1,725	664	--	2,389
Urban growth management	75,727	34,438	120,489	230,654
Debt service:				
Principal	--	2,945	--	2,945
Interest	--	1,639	--	1,639
Total expenditures	133,405	234,107	120,489	488,001
Excess (deficiency) of revenues over (under) expenditures	--	99,929	(113,653)	(13,724)
OTHER FINANCING SOURCES (USES)				
Transfers in	--	30,502	87,307	117,809
Transfers out	--	(92,499)	(4,197)	(96,696)
Total other financing sources (uses)	--	(61,997)	83,110	21,113
Net change in fund balances	--	37,932	(30,543)	7,389
Fund balances at beginning of year, as restated	--	118,705	64,162	182,867
Fund balances at end of year	\$ --	156,637	33,619	190,256

Special Revenue Funds
Combining Balance Sheet - All Special Revenue Grants
September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-8

	Assets					Liabilities and Fund Balances							
	Receivables					Deposits and							Total
	Pooled Investments by Trustee, and Cash	Cash Held Restricted	from Other Governments	Other Assets	Total Assets	Accounts Payable	Accrued Payroll	Due to Other Funds	Unearned Revenue	Other Liabilities	Total Liabilities	Fund Balances	Liabilities and Fund Balances
Federal grants													
Corporation for National and Community Services	\$ --	--	8	--	8	--	--	8	--	--	8	--	8
Equal Employment Opportunity Commission	--	--	293	30	323	--	--	139	--	184	323	--	323
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	--	1,439	--	1,614	16	224	1,199	--	175	1,614	--	1,614
U.S. Department of Commerce	--	--	--	--	--	--	--	--	--	--	--	--	--
U.S. Department of Health & Human Services	39	--	3,258	11	3,308	731	318	1,766	51	442	3,308	--	3,308
U.S. Department of Homeland Security	6,782	--	1,381	44	8,207	14	12	903	7,145	133	8,207	--	8,207
U.S. Department of Housing and Urban Development	1,599	146	5,012	118	6,875	1,395	60	3,644	196	1,580	6,875	--	6,875
U.S. Department of Interior	--	--	13	--	13	--	--	13	--	--	13	--	13
U.S. Department of Justice	--	--	966	296	1,262	179	96	953	--	34	1,262	--	1,262
U.S. Department of Labor	--	--	10	--	10	--	--	10	--	--	10	--	10
U.S. Department of State	81	--	1	--	82	21	--	--	--	61	82	--	82
U.S. Department of Transportation	17	--	767	--	784	--	3	764	17	--	784	--	784
U.S. Department of Treasury	--	--	12,227	--	12,227	8,024	--	4,203	--	--	12,227	--	12,227
Total federal grants	8,717	146	25,474	499	34,836	10,380	713	13,701	7,429	2,613	34,836	--	34,836
State grants													
Texas Commission of Environmental Quality	--	--	--	97	97	--	--	--	--	97	97	--	97
Texas Department of Housing and Community Affairs	--	--	279	--	279	80	--	199	--	--	279	--	279
Texas Department of Motor Vehicles	--	--	242	--	242	1	7	234	--	--	242	--	242
Texas Department of State Health Services	--	--	356	--	356	2	47	269	--	38	356	--	356
Texas Governor's Office Criminal Justice Division	22	--	--	--	22	--	--	--	--	22	22	--	22
Texas Historical Commission	--	--	2	--	2	--	--	2	--	--	2	--	2
Texas Parks and Wildlife Department	152	--	--	--	152	--	--	--	--	152	152	--	152
Total state grants	174	--	879	97	1,150	83	54	704	--	309	1,150	--	1,150
Other special revenue grants	461	--	1,343	--	1,804	--	--	--	1,707	97	1,804	--	1,804
Total all grants	\$ 9,352	146	27,696	596	37,790	10,463	767	14,405	9,136	3,019	37,790	--	37,790

Special Revenue Funds
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances - All Special Revenue Grants
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-9

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	Revenues	Expenditures	Excess (Deficiency) Of Revenues Over (Under) Expenditures	Fund Balances at Beginning of Year	Fund Balances at End of Year
	Inter- governmental	Special Projects			
Federal grants					
Corporation for National and Community Services	\$ 21	21	--	--	--
Equal Employment Opportunity Commission	30	30	--	--	--
Institute of Museum and Library Services	50	50	--	--	--
National Endowment for the Arts	--	--	--	--	--
National Science Foundation	--	--	--	--	--
U.S. Department of Agriculture	6,735	6,735	--	--	--
U.S. Department of Commerce	33	33	--	--	--
U.S. Department of Health & Human Services	16,384	16,384	--	--	--
U.S. Department of Homeland Security	15,925	15,925	--	--	--
U.S. Department of Housing and Urban Development	21,120	21,120	--	--	--
U.S. Department of Interior	263	263	--	--	--
U.S. Department of Justice	3,533	3,533	--	--	--
U.S. Department of Labor	--	--	--	--	--
U.S. Department of State	208	208	--	--	--
U.S. Department of Transportation	1,312	1,312	--	--	--
U.S. Department of Treasury	63,288	63,288	--	--	--
Total federal grants	128,902	128,902	--	--	--
State grants					
Texas Commission on Environmental Quality	--	--	--	--	--
Texas Department of Housing and Community Affairs	659	659	--	--	--
Texas Department of Motor Vehicles	399	399	--	--	--
Texas Department of State Health Services	1,947	1,947	--	--	--
Texas Governor's Office Criminal Justice Division	--	--	--	--	--
Texas Historical Commission	--	--	--	--	--
Texas Parks and Wildlife Department	952	952	--	--	--
Total state grants	3,957	3,957	--	--	--
Other special revenue grants	546	546	--	--	--
Total all grants	\$ 133,405	133,405	--	--	--

Special Revenue Funds
Combining Schedule of Expenditures - All Special Revenue Grants
From Inception to September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-10

	Total Expenditures at Beginning of Year			Current Year		Total Expenditures at End of Year			Budget		
	In-Kind		Total	In-Kind		In-Kind		Total	In-Kind		Total
	Grant	Match		Grant	Match	Grant	Match		Grant	Match	
Federal grants											
Corporation for National and Community Services	\$ 62	43	105	21	18	83	61	144	100	80	180
Equal Employment Opportunity Commission	1,393	--	1,393	30	--	1,423	--	1,423	1,538	--	1,538
Institute of Museum and Library Services	279	33	312	50	--	329	33	362	341	33	374
National Endowment for the Arts	193	94	287	--	--	193	94	287	202	108	310
National Science Foundation	174	18	192	--	--	174	18	192	175	20	195
U.S. Department of Agriculture	78,478	5	78,483	6,735	--	85,213	5	85,218	90,384	5	90,389
U.S. Department of Commerce	815	35	850	33	--	848	35	883	849	35	884
U.S. Department of Health & Human Services	196,121	1,713	197,834	16,384	181	212,505	1,894	214,399	258,368	2,186	260,554
U.S. Department of Homeland Security	61,927	4,541	66,468	15,925	335	77,852	4,876	82,728	99,178	7,119	106,297
U.S. Department of Housing and Urban Development	347,118	7,060	354,178	21,120	528	368,238	7,588	375,826	405,690	8,176	413,866
U.S. Department of Interior	777	472	1,249	263	126	1,040	598	1,638	1,707	1,228	2,935
U.S. Department of Justice	42,152	6,812	48,964	3,533	213	45,685	7,025	52,710	53,400	7,739	61,139
U.S. Department of Labor	68	--	68	--	--	68	--	68	82	--	82
U.S. Department of State	816	--	816	208	--	1,024	--	1,024	1,351	166	1,517
U.S. Department of Transportation	60,722	16,630	77,352	1,312	389	62,034	17,019	79,053	93,050	25,374	118,424
U.S. Department of Treasury	--	--	--	63,288	--	63,288	--	63,288	72,249	--	72,249
Total federal grants	791,095	37,456	828,551	128,902	1,790	919,997	39,246	959,243	1,078,664	52,269	1,130,933
State grants											
Texas Commission on Environmental Quality	7,768	5,539	13,307	--	--	7,768	5,539	13,307	8,026	5,577	13,603
Texas Department of Housing and Community Affairs	6,605	192	6,797	659	--	7,264	192	7,456	8,032	192	8,224
Texas Department of Motor Vehicles	4,933	1,821	6,754	399	162	5,332	1,983	7,315	5,835	2,174	8,009
Texas Department of State Health Services	10,985	1,047	12,032	1,947	97	12,932	1,144	14,076	14,150	1,236	15,386
Texas Governor's Office Criminal Justice Division	1,492	344	1,836	--	--	1,492	344	1,836	1,501	345	1,846
Texas Historical Commission	--	--	--	--	--	--	--	--	11	8	19
Texas Parks and Wildlife Department	3,677	3,683	7,360	952	952	4,629	4,635	9,264	5,709	5,789	11,498
Total state grants	35,460	12,626	48,086	3,957	1,211	39,417	13,837	53,254	43,264	15,321	58,585
Other special revenue grants	5,517	113	5,630	546	64	6,063	177	6,240	7,122	549	7,671
Total all grants	\$ 832,072	50,195	882,267	133,405	3,065	965,477	53,260	1,018,737	1,129,050	68,139	1,197,189

Special Revenue Funds - Other
Combining Balance Sheet
September 30, 2021
(In thousands)

Assets									
	Pooled Investments and Cash	Cash Held by Trustee, Restricted	Investments Held by Trustee, Restricted	Net Accounts Receivable	Net Notes Receivable	Due from Other Funds	Real Property Held for Resale	Other Assets	Total Assets
General government									
<i>Municipal Court:</i>									
Municipal Court Building Security	\$ 71	--	--	--	--	--	--	--	71
Municipal Court Juvenile Case Manager	327	--	--	--	--	--	--	--	327
Municipal Court Local Consolidated Court	307	--	--	--	--	--	--	--	307
Municipal Court Technology	257	--	--	--	--	--	--	18	275
Total Municipal Court	962	--	--	--	--	--	--	18	980
<i>Other general government:</i>									
Campaign Financing Fund (1)	21	--	--	--	--	--	--	--	21
Total other general government	21	--	--	--	--	--	--	--	21
Total general government	983	--	--	--	--	--	--	18	1,001
Public safety									
<i>Police:</i>									
ARIC Sustainability	2,354	--	--	--	--	--	--	2	2,356
Auto Theft Interdiction	60	--	--	--	--	--	--	--	60
Police Benefit	308	--	--	--	--	--	--	--	308
Police Federal Dept. of Justice Asset Forfeiture	2,280	--	--	--	--	--	--	2	2,282
Police Federal Dept. of Treasury Asset Forfeiture	3,530	--	--	--	--	--	--	3	3,533
Police State Contraband Asset Forfeiture	3,595	--	--	--	--	--	--	3	3,598
Police State Gambling Asset Forfeiture	653	--	--	--	--	--	--	1	654
Total Police	12,780	--	--	--	--	--	--	11	12,791
<i>Fire:</i>									
Fire Miscellaneous	58	--	--	--	--	--	--	--	58
Total Fire	58	--	--	--	--	--	--	--	58
Total public safety	12,838	--	--	--	--	--	--	11	12,849
Transportation, planning, and sustainability									
<i>Public Works and Transportation:</i>									
Child Safety	374	--	--	--	--	--	--	--	374
Project Connect	351	--	--	--	--	--	--	2	353
Total Public Works and Transportation	725	--	--	--	--	--	--	2	727
Total transportation, planning, and sustainability	725	--	--	--	--	--	--	2	727
Public health									
<i>Health & Human Services:</i>									
CARES - Coronavirus Relief	--	--	--	--	--	--	--	--	--
Coronavirus State & Local Recovery	85,887	--	--	--	--	931	--	--	86,818
Health Miscellaneous	163	--	--	--	--	--	--	--	163
Total Health & Human Services	86,050	--	--	--	--	931	--	--	86,981
<i>Other public health:</i>									
Animal Services	488	--	--	--	--	--	--	--	488
Total other public health	488	--	--	--	--	--	--	--	488
Total public health	\$ 86,538	--	--	--	--	931	--	--	87,469

(1) Previously reported as a Fiduciary fund.

City of Austin, Texas
Exhibit E-11

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	Restricted	Committed	Assigned	Unassigned	Total Fund Balances	
--	--	--	--	--	--	--	71	--	--	--	71	71
1	20	--	--	--	21	--	306	--	--	--	306	327
--	--	--	--	--	--	--	307	--	--	--	307	307
--	--	--	--	--	--	--	275	--	--	--	275	275
1	20	--	--	--	21	--	959	--	--	--	959	980
--	--	--	--	--	--	--	21	--	--	--	21	21
--	--	--	--	--	--	--	21	--	--	--	21	21
1	20	--	--	--	21	--	980	--	--	--	980	1,001
3	--	--	--	--	3	--	2,353	--	--	--	2,353	2,356
--	--	--	--	--	--	--	60	--	--	--	60	60
8	--	--	--	--	8	--	300	--	--	--	300	308
--	--	--	--	--	--	--	2,282	--	--	--	2,282	2,282
--	--	--	--	--	--	--	3,533	--	--	--	3,533	3,533
--	--	--	--	--	--	--	3,598	--	--	--	3,598	3,598
--	--	--	--	--	--	--	654	--	--	--	654	654
11	--	--	--	--	11	--	12,780	--	--	--	12,780	12,791
--	--	--	--	--	--	--	58	--	--	--	58	58
--	--	--	--	--	--	--	58	--	--	--	58	58
11	--	--	--	--	11	--	12,838	--	--	--	12,838	12,849
3	154	--	--	--	157	--	217	--	--	--	217	374
295	--	--	--	60	355	--	--	--	--	(2)	(2)	353
298	154	--	--	60	512	--	217	--	--	(2)	215	727
298	154	--	--	60	512	--	217	--	--	(2)	215	727
--	--	--	--	--	--	--	--	--	--	--	--	--
5	--	--	86,813	--	86,818	--	--	--	--	--	--	86,818
--	--	--	--	108	108	--	55	--	--	--	55	163
5	--	--	86,813	108	86,926	--	55	--	--	--	55	86,981
--	--	--	--	60	60	--	428	--	--	--	428	488
--	--	--	--	60	60	--	428	--	--	--	428	488
5	--	--	86,813	168	86,986	--	483	--	--	--	483	87,469

(Continued)

Special Revenue Funds - Other
Combining Balance Sheet
September 30, 2021
(In thousands)

	Assets								
	Pooled Investments and Cash	Cash Held by Trustee, Restricted	Investments Held by Trustee, Restricted	Net Accounts Receivable	Net Notes Receivable	Due from Other Funds	Real Property Held for Resale	Other Assets	Total Assets
Public recreation and culture									
<i>Austin Public Library:</i>									
Austin History Center	\$ 125	--	--	--	--	--	--	--	125
Friends of Austin Public Library	566	--	--	--	--	--	--	--	566
Library Facilities Maintenance and Improvements	2,520	--	--	1	--	--	--	--	2,521
Special Library	1,609	--	--	--	--	--	--	--	1,609
Total Austin Public Library	4,820	--	--	1	--	--	--	--	4,821
<i>Parks and Recreation:</i>									
PARD Parking	476	--	--	2	--	--	--	--	478
Total Parks and Recreation	476	--	--	2	--	--	--	--	478
Total public recreation and culture	5,296	--	--	3	--	--	--	--	5,299
Urban growth management									
<i>Housing & Planning:</i>									
Homestead Preservation									
Reinvestment Tax Increment	7,195	--	--	--	--	--	--	--	7,195
Housing Loan	--	--	--	--	2,868	--	--	--	2,868
Neighborhood Revitalization (1)	236	--	--	--	--	--	--	--	236
UNO Housing Trust	1,579	--	--	--	--	--	--	1	1,580
Urban Renewal Agency	--	--	--	--	--	--	678	--	678
Total Housing & Planning	9,010	--	--	--	2,868	--	678	1	12,557
<i>Development Services & Watershed Protection:</i>									
Austin Industrial Development Corporation (AIDC)	--	--	--	--	--	--	--	--	--
Austin Lake Hills Water Quality	101	--	--	--	--	--	--	--	101
Barton Springs Zone Mitigation	68	--	--	--	--	--	--	--	68
Fiscal Surety-Land Development	60,901	--	--	--	--	14,405	--	61	75,367
Planting for the Future	354	--	--	--	--	--	--	--	354
Riparian Zone Mitigation	729	--	--	--	--	--	--	1	730
Urban Forest Replenishment	5,171	--	--	--	--	--	--	4	5,175
Water Supply Mitigation	8	--	--	--	--	--	--	--	8
Total Development Services & Watershed Protection	\$ 67,332	--	--	--	--	14,405	--	66	81,803

(1) Previously reported as a Fiduciary fund.

City of Austin, Texas
Exhibit E-11

(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	
--	--	--	--	--	--	--	125	--	--	--	125	125
--	--	--	--	--	--	--	566	--	--	--	566	566
--	--	--	--	85	85	--	2,436	--	--	--	2,436	2,521
--	--	--	--	--	--	--	1,609	--	--	--	1,609	1,609
--	--	--	--	85	85	--	4,736	--	--	--	4,736	4,821
--	--	--	--	--	--	--	478	--	--	--	478	478
--	--	--	--	--	--	--	478	--	--	--	478	478
--	--	--	--	85	85	--	5,214	--	--	--	5,214	5,299
--	--	--	--	--	--	--	7,195	--	--	--	7,195	7,195
--	--	--	--	--	--	--	2,868	--	--	--	2,868	2,868
--	--	--	--	255	255	--	--	--	--	(19)	(19)	236
--	--	--	--	--	--	--	978	--	602	--	1,580	1,580
--	--	--	--	--	--	--	--	678	--	--	678	678
--	--	--	--	255	255	--	11,041	678	602	(19)	12,302	12,557
--	--	--	--	--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	101	--	--	101	101
--	--	--	--	--	--	--	--	42	26	--	68	68
325	--	--	--	74,959	75,284	--	83	--	--	--	83	75,367
--	--	--	--	--	--	--	353	--	1	--	354	354
--	--	--	--	--	--	--	--	686	44	--	730	730
35	--	--	--	--	35	--	--	4,886	254	--	5,140	5,175
--	--	--	--	--	--	--	--	8	--	--	8	8
360	--	--	--	74,959	75,319	--	436	5,723	325	--	6,484	81,803

(Continued)

Special Revenue Funds - Other
Combining Balance Sheet
September 30, 2021
(In thousands)

	Assets								
	Pooled Investments and Cash	Cash Held by Trustee, Restricted	Investments Held by Trustee, Restricted	Net Accounts Receivable	Net Notes Receivable	Due from Other Funds	Real Property Held for Resale	Other Assets	Total Assets
<i>Other urban growth management (1):</i>									
Austin Cable Access	\$ 10,195	--	--	--	--	--	--	153	10,348
City Hall	116	--	--	--	--	--	--	4	120
City Hall Retail Tenant Improvement	--	--	--	--	--	--	--	--	--
Cultural Arts	--	--	--	--	--	--	--	--	--
Downtown Public Improvement District	5,696	--	--	113	--	--	--	5	5,814
East Sixth Street Public Improvement District	76	--	--	--	--	--	--	--	76
Estancia Hill Country Public Improvement District	191	--	6,015	4	--	--	--	--	6,210
Historic Preservation	10,880	--	--	--	--	--	--	25	10,905
Hotel-Motel Occupancy Tax	35	--	--	25,727	--	--	--	--	25,762
I-35 Parking Program	152	--	--	--	--	--	--	--	152
Indian Hills Public Improvement District	187	--	494	--	--	--	--	--	681
Live Music	3,244	--	--	--	--	--	--	2	3,246
Mueller Development	110	--	--	2,708	--	--	--	--	2,818
Mueller Local Government Corporation	18,228	963	--	--	--	--	--	7	19,198
Mueller Tax Increment Financing	--	--	--	--	--	--	--	7	7
One Texas Center	--	--	--	--	--	--	--	--	--
Permitting & Development Center	--	--	--	--	--	--	--	--	--
Public Arts	13	--	--	--	--	--	--	--	13
Rainey Street Historic District	506	--	--	--	--	--	--	--	506
Rutherford Lane Facility	1,210	--	--	--	--	--	--	1	1,211
Seaholm Tax Increment Financing	204	--	--	--	--	--	--	1	205
Second Street Tax Increment Financing	158	--	--	--	--	--	--	--	158
Section 108 Family Business Loan	1,228	5,160	--	--	--	--	--	1,007	7,395
South Congress Public Improvement District	133	--	--	12	--	--	--	--	145
Tourism and Promotion	472	--	--	--	--	--	--	--	472
Vehicle Rental Tax	--	--	--	2,855	--	--	--	3	2,858
Waller Creek Reserve	25,908	--	--	--	--	--	--	12	25,920
Waller Creek Tax Increment Financing	--	--	--	--	--	--	--	9	9
Whisper Valley Public Improvement District	791	--	2,529	--	--	--	--	1	3,321
Wildland Conservation	810	--	--	--	--	--	--	1	811
Total other urban growth management	80,543	6,123	9,038	31,419	--	--	--	1,238	128,361
Total urban growth management	156,885	6,123	9,038	31,419	2,868	14,405	678	1,305	222,721
Total	\$ 263,265	6,123	9,038	31,422	2,868	15,336	678	1,336	330,066

(1) Neighborhood Housing & Conservation and Affordable Housing are now reported as Capital Projects funds.

(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	
298	--	--	--	--	298	--	10,050	--	--	--	10,050	10,348
89	--	--	--	--	89	--	--	31	--	--	31	120
--	--	--	--	--	--	--	--	--	--	--	--	--
309	--	890	--	--	1,199	--	--	--	--	(1,199)	(1,199)	--
52	--	--	--	--	52	--	5,762	--	--	--	5,762	5,814
--	--	--	--	--	--	--	76	--	--	--	76	76
4	--	--	--	27	31	--	6,179	--	--	--	6,179	6,210
262	--	--	--	--	262	--	10,643	--	--	--	10,643	10,905
--	--	--	--	35	35	--	25,727	--	--	--	25,727	25,762
--	--	--	--	--	--	--	98	--	54	--	152	152
2	--	--	--	--	2	--	679	--	--	--	679	681
4	--	--	--	--	4	--	--	3,242	--	--	3,242	3,246
--	--	--	--	7	7	2,708	--	103	--	--	103	2,818
--	--	--	--	--	--	--	--	19,198	--	--	19,198	19,198
--	--	7	--	--	7	--	--	--	--	--	--	7
--	--	--	--	--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	--	--	--	--	--	--
--	--	--	--	2	2	--	--	11	--	--	11	13
--	--	--	--	--	--	--	506	--	--	--	506	506
110	--	--	--	--	110	--	--	1,101	--	--	1,101	1,211
--	--	--	--	--	--	--	205	--	--	--	205	205
--	--	--	--	--	--	--	158	--	--	--	158	158
11	--	--	--	5,160	5,171	--	--	2,224	--	--	2,224	7,395
--	--	--	--	--	--	--	145	--	--	--	145	145
129	--	--	--	--	129	--	241	102	--	--	343	472
--	--	25	--	--	25	--	2,833	--	--	--	2,833	2,858
--	--	--	--	--	--	--	--	25,920	--	--	25,920	25,920
--	--	9	--	--	9	--	--	--	--	--	--	9
5	--	--	--	82	87	--	3,234	--	--	--	3,234	3,321
6	7	--	--	--	13	--	--	798	--	--	798	811
1,281	7	931	--	5,313	7,532	2,708	66,536	52,730	54	(1,199)	118,121	128,361
1,641	7	931	--	80,527	83,106	2,708	78,013	59,131	981	(1,218)	136,907	222,721
1,956	181	931	86,813	80,840	170,721	2,708	97,745	59,131	981	(1,220)	156,637	330,066

Special Revenue Funds - Other
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

	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	Total Revenues
General government									
Municipal Court:									
Municipal Court Building Security \$	--	--	40	--	--	--	--	--	40
Municipal Court Juvenile Case Manager	--	--	16	--	--	--	--	1	17
Municipal Court Local Consolidated Court	--	--	202	--	--	--	--	--	202
Municipal Court Technology	--	--	39	--	--	--	--	--	39
Total Municipal Court	--	--	297	--	--	--	--	1	298
Other general government:									
Campaign Financing Fund (2)	--	--	--	--	--	--	22	--	22
Total other general government	--	--	--	--	--	--	22	--	22
Total general government	--	--	297	--	--	--	22	1	320
Public safety									
Police:									
ARIC Sustainability	--	--	--	--	--	--	438	5	443
Auto Theft Interdiction	--	--	28	--	--	--	--	1	29
Police Benefit	--	--	--	--	--	--	108	--	108
Police Federal Dept. of Justice Asset Forfeiture	--	--	84	--	--	--	--	13	97
Police Federal Dept. of Treasury Asset Forfeiture	--	--	89	--	--	--	--	14	103
Police State Contraband Asset Forfeiture	--	--	40	--	--	--	--	15	55
Police State Gambling Asset Forfeiture	--	--	--	--	--	--	--	2	2
Total Police	--	--	241	--	--	--	546	50	837
Fire:									
Fire Miscellaneous	--	--	--	--	--	--	--	1	1
Total Fire	--	--	--	--	--	--	--	1	1
Total public safety	--	--	241	--	--	--	546	51	838
Transportation, planning, and sustainability									
Public Works and Transportation:									
Child Safety	--	--	383	--	--	--	--	971	1,354
Project Connect	150,103	--	--	--	--	--	--	135	150,238
Total Public Works and Transportation	150,103	--	383	--	--	--	--	1,106	151,592
Total transportation, planning, and sustainability	150,103	--	383	--	--	--	--	1,106	151,592
Public health									
Health & Human Services:									
CARES - Coronavirus Relief	--	--	--	--	--	33,806	--	74	33,880
Coronavirus State & Local Recovery	--	--	--	--	--	7,428	--	--	7,428
Health Miscellaneous	--	--	--	--	--	--	--	--	--
Total Health & Human Services	--	--	--	--	--	41,234	--	74	41,308
Other public health:									
Animal Services	--	--	--	--	--	--	248	1	249
Total other public health	--	--	--	--	--	--	248	1	249
Total public health	\$ --	--	--	--	--	41,234	248	75	41,557

(1) Expenditures include capital outlay of \$16.43 million.

(2) Previously reported as a Fiduciary fund.

Expenditures			Excess (Deficiency) Of Revenues Over (Under) Expenditures	Other Financing Sources (Uses)		Net Change in Fund Balances	Fund Balances at Beginning of Year, as Restated	Fund Balances at End of Year
Current Expend- itures (1)	Debt Service			Transfers In	Transfers Out			
	Principal	Interest						
1	--	--	39	--	--	39	32	71
510	--	--	(493)	--	--	(493)	799	306
--	--	--	202	--	--	202	105	307
--	--	--	39	--	--	39	236	275
511	--	--	(213)	--	--	(213)	1,172	959
53	--	--	(31)	--	--	(31)	52	21
53	--	--	(31)	--	--	(31)	52	21
564	--	--	(244)	--	--	(244)	1,224	980
65	--	--	378	--	--	378	1,975	2,353
--	--	--	29	--	--	29	31	60
142	--	--	(34)	--	--	(34)	334	300
49	--	--	48	--	--	48	2,234	2,282
--	--	--	103	--	--	103	3,430	3,533
--	--	--	55	--	--	55	3,543	3,598
62	--	--	(60)	--	--	(60)	714	654
318	--	--	519	--	--	519	12,261	12,780
--	--	--	1	--	--	1	57	58
--	--	--	1	--	--	1	57	58
318	--	--	520	--	--	520	12,318	12,838
2,608	--	--	(1,254)	1,500	--	246	(29)	217
148,977	--	--	1,261	--	(1,263)	(2)	--	(2)
151,585	--	--	7	1,500	(1,263)	244	(29)	215
151,585	--	--	7	1,500	(1,263)	244	(29)	215
34,436	--	--	(556)	--	--	(556)	556	--
7,428	--	--	--	--	--	--	--	--
--	--	--	--	--	--	--	55	55
41,864	--	--	(556)	--	--	(556)	611	55
90	--	--	159	--	--	159	269	428
90	--	--	159	--	--	159	269	428
41,954	--	--	(397)	--	--	(397)	880	483

(Continued)

Special Revenue Funds - Other
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(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	
Public recreation and culture									
<i>Austin Public Library:</i>									
Austin History Center	\$ --	--	--	--	--	--	12	--	12
Friends of Austin Public Library	--	--	--	--	--	--	24	--	24
Library Facilities Maintenance and Improvements	--	--	--	--	375	--	--	73	448
Special Library	--	--	--	--	--	--	84	--	84
Total Austin Public Library	--	--	--	--	375	--	120	73	568
<i>Parks and Recreation:</i>									
PARD Parking	--	--	--	--	--	--	--	1,204	1,204
Total parks and recreation	--	--	--	--	--	--	--	1,204	1,204
Total public recreation and culture	--	--	--	--	375	--	120	1,277	1,772
Urban growth management									
<i>Housing & Planning:</i>									
Homestead Preservation									
Reinvestment Tax Increment	4,613	--	--	--	--	--	--	--	4,613
Housing Loan	--	--	--	--	--	--	--	--	--
Neighborhood Revitalization (2)	--	--	--	--	--	--	--	--	--
UNO Housing Trust	--	--	--	--	348	--	--	3	351
Urban Renewal Agency	--	--	--	--	--	--	--	--	--
Total Housing & Planning	4,613	--	--	--	348	--	--	3	4,964
<i>Development Services & Watershed Protection:</i>									
Austin Industrial Development Corporation (AIDC)	--	--	--	--	--	--	--	--	--
Austin Lake Hills Water Quality	--	--	--	--	--	--	--	--	--
Barton Springs Zone Mitigation	--	--	--	--	--	--	--	2	2
Fiscal Surety-Land Development	--	--	--	--	--	--	--	--	--
Planting for the Future	--	--	--	--	--	--	24	--	24
Riparian Zone Mitigation	--	--	--	--	--	--	565	2	567
Urban Forest Replenishment	--	--	--	3,453	--	--	77	9	3,539
Water Supply Mitigation	--	--	--	--	--	--	--	--	--
Total Development Services & Watershed Protection	\$ --	--	--	3,453	--	--	666	13	4,132

(1) Expenditures include capital outlay of \$16.43 million.

(2) Previously reported as a Fiduciary fund.

(Continued)

Expenditures			Excess (Deficiency) Of Revenues Over (Under) Expenditures	Other Financing Sources (Uses)		Net Change in Fund Balances	Fund Balances at Beginning of Year, as Restated	Fund Balances at End of Year
Current Expend- itures (1)	Debt Service Principal	Interest		Transfers In	Transfers Out			
3	--	--	9	--	--	9	116	125
--	--	--	24	--	(282)	(258)	824	566
256	--	--	192	2,244	--	2,436	--	2,436
190	--	--	(106)	--	(1,963)	(2,069)	3,678	1,609
449	--	--	119	2,244	(2,245)	118	4,618	4,736
215	--	--	989	--	(454)	535	(57)	478
215	--	--	989	--	(454)	535	(57)	478
664	--	--	1,108	2,244	(2,699)	653	4,561	5,214
--	--	--	4,613	--	--	4,613	2,582	7,195
150	--	--	(150)	--	--	(150)	3,018	2,868
--	--	--	--	--	--	--	(19)	(19)
--	--	--	351	--	--	351	1,229	1,580
45	--	--	(45)	45	--	--	678	678
195	--	--	4,769	45	--	4,814	7,488	12,302
194	--	--	(194)	--	--	(194)	194	--
--	--	--	--	--	--	--	101	101
--	--	--	2	--	(483)	(481)	549	68
675	--	--	(675)	--	--	(675)	758	83
35	--	--	(11)	--	--	(11)	365	354
--	--	--	567	--	(315)	252	478	730
1,816	--	--	1,723	--	(750)	973	4,167	5,140
--	--	--	--	--	--	--	8	8
2,720	--	--	1,412	--	(1,548)	(136)	6,620	6,484

(Continued)

Special Revenue Funds - Other
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

	Revenues								Total Revenues
	Property Taxes	Gross Receipts	Fines, Forfeitures and Penalties	Licenses, Permits, and Inspections	Charges for Services/ Goods	Intergovernmental	Contributions	Interest and Other	
<i>Other urban growth management (2):</i>									
Austin Cable Access	\$ --	1,741	--	--	--	--	--	21	1,762
City Hall	--	--	--	--	440	--	--	9	449
City Hall Retail Tenant Improvement	--	--	--	--	--	--	--	--	--
Cultural Arts	--	5,197	--	--	--	--	--	2	5,199
Downtown Public Improvement District	--	--	--	--	10,449	--	--	14	10,463
East Sixth Street Public Improvement District	--	--	--	--	54	--	--	--	54
Estancia Hill Country Public Improvement District	--	--	--	--	2,784	--	--	3	2,787
Historic Preservation	--	5,197	--	--	--	--	--	22	5,219
Hotel-Motel Occupancy Tax	--	59,111	--	--	--	--	--	--	59,111
I-35 Parking Program	--	--	--	--	12	--	--	1	13
Indian Hills Public Improvement District	--	--	--	--	441	--	--	1	442
Live Music	--	--	--	--	--	--	--	5	5
Mueller Development	--	--	--	--	--	--	--	1,252	1,252
Mueller Local Government Corporation	--	--	--	--	--	--	--	28	28
Mueller Tax Increment Financing	9,190	--	--	--	--	--	--	1	9,191
One Texas Center	--	--	--	--	350	--	--	--	350
Permitting & Development Center	--	--	--	--	--	--	--	--	--
Public Arts	--	--	--	--	--	--	--	10	10
Rainey Street Historic District	--	--	--	--	--	--	--	--	--
Rutherford Lane Facility	--	--	--	--	3,619	--	--	1	3,620
Seaholm Tax Increment Financing	1,838	--	--	--	--	--	--	--	1,838
Second Street Tax Increment Financing	100	--	--	--	--	--	--	--	100
Section 108 Family Business Loan	--	--	--	--	--	35	--	42	77
South Congress Public Improvement District	--	--	--	--	271	--	--	--	271
Tourism and Promotion	--	1,981	--	--	--	--	--	1	1,982
Vehicle Rental Tax	--	8,796	--	--	--	--	--	2	8,798
Waller Creek Reserve	--	--	--	--	--	--	--	1,548	1,548
Waller Creek Tax Increment Financing	11,373	--	--	--	--	--	--	3	11,376
Whisper Valley Public Improvement District	--	--	--	--	2,549	--	--	2	2,551
Wildland Conservation	--	--	--	--	--	--	--	365	365
Total other urban growth management	22,501	82,023	--	--	20,969	35	--	3,333	128,861
Total urban growth management	27,114	82,023	--	3,453	21,317	35	666	3,349	137,957
Total	\$ 177,217	82,023	921	3,453	21,692	41,269	1,602	5,859	334,036

(1) Expenditures include capital outlay of \$16.43 million.

(2) Neighborhood Housing & Conservation and Affordable Housing are now reported as Capital Projects funds.

(Continued)

Expenditures			Excess (Deficiency) Of Revenues Over (Under) Expenditures	Other Financing Sources (Uses)		Net Change in Fund Balances	Fund Balances at Beginning of Year, as Restated	Fund Balances at End of Year
Current Expend- itures (1)	Debt Service Principal	Interest		Transfers In	Transfers Out			
1,646	--	--	116	474	--	590	9,460	10,050
544	--	--	(95)	29	(200)	(266)	297	31
--	--	--	--	--	(29)	(29)	29	--
7,127	--	--	(1,928)	--	--	(1,928)	729	(1,199)
7,799	--	--	2,664	360	--	3,024	2,738	5,762
71	--	--	(17)	35	--	18	58	76
3,669	--	--	(882)	--	--	(882)	7,061	6,179
2,550	--	--	2,669	1,479	(2,650)	1,498	9,145	10,643
--	--	--	59,111	--	(42,020)	17,091	8,636	25,727
146	--	--	(133)	--	(102)	(235)	387	152
439	--	--	3	--	--	3	676	679
4	--	--	1	1,480	--	1,481	1,761	3,242
267	--	--	985	--	(1,000)	(15)	118	103
3	2,945	1,634	(4,554)	10,177	--	5,623	13,575	19,198
--	--	--	9,191	--	(9,191)	--	--	--
--	--	--	350	--	(326)	24	(24)	--
--	--	--	--	1,100	(1,100)	--	--	--
--	--	--	10	--	--	10	1	11
--	--	--	--	200	--	200	306	506
1,817	--	--	1,803	--	(1,534)	269	832	1,101
--	--	--	1,838	--	(1,706)	132	73	205
70	--	--	30	--	--	30	128	158
79	--	5	(7)	--	(633)	(640)	2,864	2,224
295	--	--	(24)	3	--	(21)	166	145
1,796	--	--	186	--	--	186	157	343
--	--	--	8,798	--	(7,212)	1,586	1,247	2,833
--	--	--	1,548	11,376	(7,910)	5,014	20,906	25,920
--	--	--	11,376	--	(11,376)	--	--	--
2,771	--	--	(220)	--	--	(220)	3,454	3,234
430	--	--	(65)	--	--	(65)	863	798
31,523	2,945	1,639	92,754	26,713	(86,989)	32,478	85,643	118,121
34,438	2,945	1,639	98,935	26,758	(88,537)	37,156	99,751	136,907
229,523	2,945	1,639	99,929	30,502	(92,499)	37,932	118,705	156,637

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-13

	Fund Balances at Beginning of Year	Revenues	Expenditures	Other Financing Sources (Uses)		Excess of Sources Over (Under) Uses	Fund Balances at End of Year
				Transfer In	Transfer Out		
General government							
<i>Municipal Court:</i>							
Municipal Court Building Security							
Actual-budget basis	\$ 30	10	--	--	--	10	40
Budget	14	84	83	--	--	1	15
Variance-Positive (Negative)	16	(74)	83	--	--	9	25
Municipal Court Juvenile Case Manager							
Actual-budget basis	786	17	503	--	7	(493)	293
Budget	763	144	776	--	7	(639)	124
Variance-Positive (Negative)	23	(127)	273	--	--	146	169
Municipal Court Local Consolidated Court							
Actual-budget basis	105	203	--	--	--	203	308
Budget	116	217	226	--	--	(9)	107
Variance-Positive (Negative)	(11)	(14)	226	--	--	212	201
Municipal Court Technology							
Actual-budget basis	234	13	4	--	--	9	243
Budget	254	126	296	--	--	(170)	84
Variance-Positive (Negative)	(20)	(113)	292	--	--	179	159
Public safety							
<i>Police:</i>							
Police Federal Dept. of Justice Asset Forfeiture							
Actual-budget basis	2,148	97	--	--	--	97	2,245
Budget	1,940	--	1,940	--	--	(1,940)	--
Variance-Positive (Negative)	208	97	1,940	--	--	2,037	2,245
Police Federal Dept. of Treasury Asset Forfeiture							
Actual-budget basis	3,429	102	--	--	--	102	3,531
Budget	2,743	--	2,743	--	--	(2,743)	--
Variance-Positive (Negative)	686	102	2,743	--	--	2,845	3,531
Police State Contraband Asset Forfeiture							
Actual-budget basis	3,504	56	116	--	--	(60)	3,444
Budget	3,443	--	3,443	--	--	(3,443)	--
Variance-Positive (Negative)	61	56	3,327	--	--	3,383	3,444
Police State Gambling Asset Forfeiture							
Actual-budget basis	714	2	62	--	--	(60)	654
Budget	714	--	714	--	--	(714)	--
Variance-Positive (Negative)	--	2	652	--	--	654	654

(Continued)

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis
For the year ended September 30, 2021
(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	Fund Balances at End of Year
				Transfer In	Transfer Out		
Transportation, planning, and sustainability							
<i>Public Works and Transportation:</i>							
Child Safety							
Actual-budget basis	\$ (14)	1,355	2,580	1,500	11	264	250
Budget	32	1,477	2,896	1,500	11	70	102
Variance-Positive (Negative)	(46)	(122)	316	--	--	194	148
Project Connect							
Actual-budget basis	--	150,238	150,240	--	--	(2)	(2)
Budget	--	144,701	144,701	--	--	--	--
Variance-Positive (Negative)	--	5,537	(5,539)	--	--	(2)	(2)
Public recreation and culture							
<i>Austin Public Library</i>							
Library Facilities Maintenance and Improvements							
Actual-budget basis	--	448	30	2,244	--	2,662	2,662
Budget	--	668	911	2,143	--	1,900	1,900
Variance-Positive (Negative)	--	(220)	881	101	--	762	762
<i>Parks and Recreation:</i>							
PARC Parking							
Actual-budget basis	(56)	1,204	669	--	--	535	479
Budget	(389)	1,088	699	--	--	389	--
Variance-Positive (Negative)	333	116	30	--	--	146	479
Urban growth management							
<i>Housing and Planning:</i>							
Homestead Preservation Reinvestment Tax Increment							
Actual-budget basis	2,582	4,613	--	--	--	4,613	7,195
Budget	2,582	1,240	3,179	--	--	(1,939)	643
Variance-Positive (Negative)	--	3,373	3,179	--	--	6,552	6,552
UNO Housing Trust							
Actual-budget basis	1,229	351	--	--	--	351	1,580
Budget	1,028	--	1,028	--	--	(1,028)	--
Variance-Positive (Negative)	201	351	1,028	--	--	1,379	1,580
<i>Development Services & Watershed Protection:</i>							
Urban Forest Replenishment							
Actual-budget basis	3,345	3,539	2,694	--	--	845	4,190
Budget	3,165	1,485	3,054	--	--	(1,569)	1,596
Variance-Positive (Negative)	180	2,054	360	--	--	2,414	2,594
<i>Other urban growth management:</i>							
Austin Cable Access							
Actual-budget basis	8,159	1,762	3,013	475	--	(776)	7,383
Budget	7,698	1,770	3,717	475	--	(1,472)	6,226
Variance-Positive (Negative)	461	(8)	704	--	--	696	1,157

(Continued)

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis
For the year ended September 30, 2021
(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	Fund Balances at End of Year
				Transfer In	Transfer Out		
Urban growth management, continued							
City Hall							
Actual-budget basis	\$ 164	449	1,108	29	200	(830)	(666)
Budget	41	1,344	1,087	--	200	57	98
Variance-Positive (Negative)	123	(895)	(21)	29	--	(887)	(764)
Cultural Arts							
Actual-budget basis	(699)	2	7,077	5,197	--	(1,878)	(2,577)
Budget	(1,081)	30	7,234	7,790	--	586	(495)
Variance-Positive (Negative)	382	(28)	157	(2,593)	--	(2,464)	(2,082)
Downtown Public Improvement District							
Actual-budget basis	488	10,525	10,070	360	--	815	1,303
Budget	1,201	9,615	10,252	360	--	(277)	924
Variance-Positive (Negative)	(713)	910	182	--	--	1,092	379
East Sixth Street Public Improvement District							
Actual-budget basis	11	56	45	35	--	46	57
Budget	51	59	90	35	--	4	55
Variance-Positive (Negative)	(40)	(3)	45	--	--	42	2
Estancia Hill Country Public Improvement District							
Actual-budget basis	1,714	2,787	3,664	--	--	(877)	837
Budget	3,220	2,772	2,117	--	--	655	3,875
Variance-Positive (Negative)	(1,506)	15	(1,547)	--	--	(1,532)	(3,038)
Historic Preservation							
Actual-budget basis	7,703	22	3,233	6,677	2,650	816	8,519
Budget	7,096	60	13,429	10,016	2,650	(6,003)	1,093
Variance-Positive (Negative)	607	(38)	10,196	(3,339)	--	6,819	7,426
Hotel-Motel Occupancy Tax							
Actual-budget basis	(14,014)	71,494	--	--	54,395	17,099	3,085
Budget	--	81,614	--	--	81,614	--	--
Variance-Positive (Negative)	(14,014)	(10,120)	--	--	27,219	17,099	3,085
I-35 Parking Program							
Actual-budget basis	351	13	145	--	102	(234)	117
Budget	298	270	207	--	102	(39)	259
Variance-Positive (Negative)	53	(257)	62	--	--	(195)	(142)
Indian Hills Public Improvement District							
Actual-budget basis	255	442	443	--	--	(1)	254
Budget	437	439	442	--	--	(3)	434
Variance-Positive (Negative)	(182)	3	(1)	--	--	2	(180)
Live Music							
Actual-budget basis	1,761	5	4	1,480	--	1,481	3,242
Budget	2,469	5	3,000	2,226	--	(769)	1,700
Variance-Positive (Negative)	(708)	--	2,996	(746)	--	2,250	1,542

(Continued)

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis
For the year ended September 30, 2021
(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	Fund Balances at End of Year
				Transfer In	Transfer Out		
Urban growth management, continued							
Mueller Tax Increment Financing							
Actual-budget basis	\$ --	9,191	--	--	9,191	--	--
Budget	(199)	8,033	--	--	7,834	199	--
Variance-Positive (Negative)	199	1,158	--	--	(1,357)	(199)	--
One Texas Center							
Actual-budget basis	(24)	350	--	--	326	24	--
Budget	(24)	350	--	--	350	--	(24)
Variance-Positive (Negative)	--	--	--	--	24	24	24
Rainey Street Historic District							
Actual-budget basis	300	--	--	200	--	200	500
Budget	300	--	200	200	--	--	300
Variance-Positive (Negative)	--	--	200	--	--	200	200
Rutherford Lane Facility							
Actual-budget basis	562	3,620	2,154	--	1,534	(68)	494
Budget	604	3,272	2,236	--	1,534	(498)	106
Variance-Positive (Negative)	(42)	348	82	--	--	430	388
Seaholm Tax Increment Financing							
Actual-budget basis	73	1,837	--	--	1,706	131	204
Budget	70	1,636	--	--	1,706	(70)	--
Variance-Positive (Negative)	3	201	--	--	--	201	204
Second Street Tax Increment Financing							
Actual-budget basis	90	--	100	100	--	--	90
Budget	93	2	100	100	--	2	95
Variance-Positive (Negative)	(3)	(2)	--	--	--	(2)	(5)
Section 108 Family Business Loan							
Actual-budget basis	620	1,365	102	--	643	620	1,240
Budget	413	9,583	3,473	--	934	5,176	5,589
Variance-Positive (Negative)	207	(8,218)	3,371	--	291	(4,556)	(4,349)
South Congress Public Improvement District							
Actual-budget basis	16	271	230	3	--	44	60
Budget	38	295	281	3	--	17	55
Variance-Positive (Negative)	(22)	(24)	51	--	--	27	5
Tourism and Promotion							
Actual-budget basis	156	1	1,795	1,981	--	187	343
Budget	--	18	2,986	2,968	--	--	--
Variance-Positive (Negative)	156	(17)	1,191	(987)	--	187	343

(Continued)

Special Revenue Funds - Other
Combining Schedule of Revenues, Expenditures, and Transfers -
Budget and Actual-Budget Basis
For the year ended September 30, 2021
(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	Fund Balances at End of Year
				Transfer In	Transfer Out		
Urban growth management, continued							
Vehicle Rental Tax							
Actual-budget basis	\$ (1,142)	8,798	--	--	7,212	1,586	444
Budget	--	10,723	--	--	10,723	--	--
Variance-Positive (Negative)	(1,142)	(1,925)	--	--	3,511	1,586	444
Waller Creek Reserve							
Actual-budget basis	20,906	1,548	--	11,376	7,910	5,014	25,920
Budget	21,418	3,309	--	8,565	7,910	3,964	25,382
Variance-Positive (Negative)	(512)	(1,761)	--	2,811	--	1,050	538
Waller Creek Tax Increment Financing							
Actual-budget basis	--	11,376	--	--	11,376	--	--
Budget	60	8,505	--	--	8,565	(60)	--
Variance-Positive (Negative)	(60)	2,871	--	--	(2,811)	60	--
Whisper Valley Public Improvement District							
Actual-budget basis	975	2,552	2,759	--	--	(207)	768
Budget	1,613	2,486	2,488	--	--	(2)	1,611
Variance-Positive (Negative)	(638)	66	(271)	--	--	(205)	(843)
Wildland Conservation							
Actual-budget basis	740	365	444	--	--	(79)	661
Budget	725	375	861	--	--	(486)	239
Variance-Positive (Negative)	15	(10)	417	--	--	407	422
Total							
Actual-budget basis	\$ 47,201	291,079	193,284	31,657	97,263	32,189	79,390
Budget	62,946	297,795	220,889	36,381	124,140	(10,853)	52,093
Variance-Positive (Negative)	(15,745)	(6,716)	27,605	(4,724)	26,877	43,042	27,297



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 HUD loans for construction costs.



Debt Service Funds
Combining Balance Sheet
September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-14

	General Obligation	HUD Section 108 Loans	Total
ASSETS			
Cash	\$ 1	--	1
Pooled investments and cash	2,766	--	2,766
Investments - restricted	30,488	--	30,488
Property taxes receivable, net of allowance	2,507	--	2,507
Interest receivable	46	--	46
Due from other funds	5	--	5
Advances to other funds	266	--	266
Total assets	36,079	--	36,079
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	2	--	2
Advances from other funds	111	--	111
Deposits and other liabilities	113	--	113
Total liabilities	226	--	226
DEFERRED INFLOWS OF RESOURCES	2,236	--	2,236
FUND BALANCES			
Restricted	33,617	--	33,617
Total fund balances	33,617	--	33,617
Total liabilities, deferred inflows of resources, and fund balances	\$ 36,079	--	36,079

Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-15

	General Obligation	HUD Section 108 Loans	Total
REVENUES			
Property taxes			
Current	\$ 197,285	--	197,285
Penalty and interest	826	--	826
Total property taxes	198,111	--	198,111
Interest and other	2,845	166	3,011
Total revenues	200,956	166	201,122
EXPENDITURES			
Current:			
Debt service:			
Principal	147,166	714	147,880
Interest	65,991	80	66,071
Fees and commissions	28	5	33
Total expenditures	213,185	799	213,984
Excess (deficiency) of revenues over (under) expenditures	(12,229)	(633)	(12,862)
OTHER FINANCING SOURCES (USES)			
Issuance of tax supported debt	1,125	--	1,125
Issuance of refunding bonds	78,949	--	78,949
Bond premiums	14,468	--	14,468
Payment to refunding bond escrow agent	(93,417)	--	(93,417)
Transfers in	13,436	633	14,069
Total other financing sources (uses)	14,561	633	15,194
Net change in fund balances	2,332	--	2,332
Fund balances at beginning of year	31,285	--	31,285
Fund balances at end of year	\$ 33,617	--	33,617

Debt Service Funds
Combining Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit E-16

	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	\$ 198,112	191,624	6,488	--	--	--	198,112
Interest	205	321	(116)	--	--	--	205
Other revenue	3,764	1,119	2,645	166	--	166	3,930
Total revenues	<u>202,081</u>	<u>193,064</u>	<u>9,017</u>	<u>166</u>	<u>--</u>	<u>166</u>	<u>202,247</u>
EXPENDITURES							
Principal	158,675	158,884	209	714	714	--	159,389
Interest	69,254	72,547	3,293	80	380	300	69,334
Fees and commissions	26	30	4	5	6	1	31
Total expenditures	<u>227,955</u>	<u>231,461</u>	<u>3,506</u>	<u>799</u>	<u>1,100</u>	<u>301</u>	<u>228,754</u>
Excess (deficiency) of revenues over expenditures	(25,874)	(38,397)	12,523	(633)	(1,100)	467	(26,507)
OTHER FINANCING SOURCES (USES)							
Transfers in	28,381	28,497	(116)	633	1,100	(467)	29,014
Total other financing sources (uses)	<u>28,381</u>	<u>28,497</u>	<u>(116)</u>	<u>633</u>	<u>1,100</u>	<u>(467)</u>	<u>29,014</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	2,507	(9,900)	12,407	--	--	--	2,507
Fund balances at beginning of year	30,958	32,946	(1,988)	--	--	--	30,958
Fund balances at end of year	<u>\$ 33,465</u>	<u>23,046</u>	<u>10,419</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>33,465</u>



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; and
- Other:* Other funds established for various purposes.



Capital Projects Funds
Combining Balance Sheet
September 30, 2021
(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 September 8, 1984							
Street improvements	\$ 437	--	--	--	--	--	437
Total Funds authorized in 1984	437	--	--	--	--	--	437
Funds authorized July 26, 1985							
Neighborhood park and recreation	9,892	--	--	--	--	--	9,892
Total Funds authorized in 1985	9,892	--	--	--	--	--	9,892
Funds authorized November 3, 1998							
Traffic signals	678	--	--	--	--	--	678
Parks and recreation facilities	2	--	--	--	--	--	2
Total Funds authorized in 1998	680	--	--	--	--	--	680
Funds authorized November 7, 2000							
Transportation mobility improvement	293	--	--	--	--	--	293
Total Funds authorized in 2000	293	--	--	--	--	--	293
Funds authorized November 7, 2006							
Transportation	96	--	--	--	--	--	96
Drainage & open spaces	3,396	--	--	--	--	--	3,396
Parks	129	--	--	--	--	--	129
Cultural facilities	1,186	--	--	--	--	--	1,186
Affordable housing	5,647	--	--	--	--	--	5,647
Central library	257	--	--	--	--	--	257
Public safety	4,498	--	--	--	--	--	4,498
Total Funds authorized in 2006	\$ 15,209	--	--	--	--	--	15,209

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
59	--	--	--	59	9,763	70	--	9,833	9,892
59	--	--	--	59	9,763	70	--	9,833	9,892
1	--	--	--	1	677	--	--	677	678
--	--	--	--	--	2	--	--	2	2
1	--	--	--	1	679	--	--	679	680
4	--	--	--	4	--	289	--	289	293
4	--	--	--	4	--	289	--	289	293
--	--	--	--	--	96	--	--	96	96
43	--	--	--	43	3,353	--	--	3,353	3,396
--	--	--	--	--	129	--	--	129	129
--	--	--	--	--	1,186	--	--	1,186	1,186
--	--	--	--	--	5,647	--	--	5,647	5,647
--	--	--	--	--	257	--	--	257	257
416	--	--	--	416	4,082	--	--	4,082	4,498
459	--	--	--	459	14,750	--	--	14,750	15,209

(Continued)

Capital Projects Funds
Combining Balance Sheet
September 30, 2021
(In thousands)

	Assets						
	Pooled Investments and Cash	Net Accounts Receivable	Interest Receivable	Receivable from Other Governments	Due from Other Funds	Advances to Other Funds	Total Assets
Funds authorized November 2, 2010							
Mobility	\$ 588	--	--	--	--	--	588
Total Funds authorized in 2010	588	--	--	--	--	--	588
Funds authorized November 6, 2012							
Transportation	532	--	--	--	9,000	--	9,532
Open space	14	--	--	--	--	--	14
Parks	8,985	--	--	--	--	--	8,985
Public safety	5,602	--	--	--	--	--	5,602
Health	152	--	--	--	--	--	152
Library & cultural	1,517	--	--	--	--	--	1,517
Total Funds authorized in 2012	16,802	--	--	--	9,000	--	25,802
Funds authorized November 8, 2016							
Mobility	--	--	--	--	--	--	--
Total Funds authorized in 2016	--	--	--	--	--	--	--
Funds authorized November 6, 2018							
Affordable housing (1)	--	--	--	--	--	--	--
Library & cultural	4,048	--	--	--	--	--	4,048
Parks	--	--	--	--	--	--	--
Open space	--	--	--	--	--	--	--
Health	439	--	--	--	--	--	439
Public safety	6,145	--	--	--	--	--	6,145
Transportation	--	--	--	--	--	--	--
Total Funds authorized in 2018	10,632	--	--	--	--	--	10,632
Funds authorized November 3, 2020							
Transportation	--	--	--	--	--	--	--
Total Funds authorized in 2020	\$ --	--	--	--	--	--	--

(1) Previously reported as a Special Revenue fund, Housing Assistance 2018

(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	
--	--	--	--	--	588	--	--	588	588
--	--	--	--	--	588	--	--	588	588
1,723	--	--	--	1,723	7,809	--	--	7,809	9,532
--	--	--	--	--	14	--	--	14	14
175	--	--	--	175	8,810	--	--	8,810	8,985
277	--	--	--	277	5,325	--	--	5,325	5,602
--	--	--	--	--	152	--	--	152	152
205	--	--	--	205	1,312	--	--	1,312	1,517
2,380	--	--	--	2,380	23,422	--	--	23,422	25,802
11,490	--	37,546	--	49,036	--	--	(49,036)	(49,036)	--
11,490	--	37,546	--	49,036	--	--	(49,036)	(49,036)	--
8	60,369	--	--	60,377	--	--	(60,377)	(60,377)	--
318	--	--	--	318	3,730	--	--	3,730	4,048
679	--	17,013	--	17,692	--	--	(17,692)	(17,692)	--
519	21,901	--	--	22,420	--	--	(22,420)	(22,420)	--
35	--	--	--	35	404	--	--	404	439
189	--	--	--	189	5,956	--	--	5,956	6,145
1,809	2,473	--	--	4,282	--	--	(4,282)	(4,282)	--
3,557	84,743	17,013	--	105,313	10,090	--	(104,771)	(94,681)	10,632
85	--	601	--	686	--	--	(686)	(686)	--
85	--	601	--	686	--	--	(686)	(686)	--

(Continued)

Capital Projects Funds
Combining Balance Sheet
September 30, 2021
(In thousands)

Assets							
	Pooled	Net	Interest	Receivable	Due from	Advances	Total
	Investments	Accounts	Receivable	from Other	Other Funds	to Other	Assets
	and Cash	Receivable		Govern-		Funds	
				ments			
Other funds							
ATD Transportation	\$ 496	--	11	--	14,000	--	14,507
TPSD general improvements	819	186	--	--	17,000	--	18,005
Library automation system	2,297	--	--	--	332	--	2,629
General government projects	224	--	--	--	18,040	--	18,264
Health projects	1,232	--	--	--	--	--	1,232
Build Austin	9	--	--	6	--	--	15
CMTA Mobility	1,793	1,218	1	--	--	--	3,012
Park improvements	860	--	--	--	--	--	860
Parks and Recreation	87	--	--	--	21,000	601	21,688
Police and courts	415	--	--	--	--	--	415
Fire - general	--	--	--	--	--	--	--
CTM	1,294	--	--	--	3,691	29,309	34,294
Neighborhood housing & conservation (1)	584	--	--	--	--	--	584
GCP-PLD In Lieu Of Fee	1,335	--	27	--	--	40,000	41,362
Capital Rehabilitation	745	--	--	--	9,000	--	9,745
Public Works	--	438	--	--	--	--	438
Public Works CIP	1,429	1,266	--	--	--	--	2,695
GCP-PLD Development Fee	914	--	11	--	15,037	--	15,962
City Hall, plaza, parking garage	--	--	--	--	--	--	--
Colony Park	1,574	--	--	--	--	--	1,574
NPZ general	616	--	--	--	6,000	--	6,616
Waller Creek District	--	--	--	--	--	--	--
Waller Creek Tunnel	1,648	--	1	--	--	--	1,649
Fleet general improvements	55	--	--	--	--	--	55
Interest income fund	9,919	--	108	--	--	--	10,027
Total other funds	28,345	3,108	159	6	104,100	69,910	205,628
Totals	\$ 82,878	3,108	159	6	113,100	69,910	269,161

(1) Previously reported as a Special Revenue fund

(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	
13	--	--	--	13	--	14,494	--	14,494	14,507
659	--	--	--	659	--	17,346	--	17,346	18,005
76	--	--	--	76	244	2,309	--	2,553	2,629
427	--	--	423	850	12,666	4,748	--	17,414	18,264
--	--	--	--	--	--	1,232	--	1,232	1,232
123	--	--	--	123	--	--	(108)	(108)	15
101	--	--	--	101	2,646	265	--	2,911	3,012
34	--	--	--	34	--	826	--	826	860
687	--	--	--	687	5,454	15,547	--	21,001	21,688
--	--	--	--	--	415	--	--	415	415
2,040	28,357	--	--	30,397	--	--	(30,397)	(30,397)	--
655	--	--	--	655	--	33,639	--	33,639	34,294
--	--	--	--	--	584	--	--	584	584
24	--	--	--	24	37,139	4,199	--	41,338	41,362
422	--	--	--	422	--	9,323	--	9,323	9,745
13	--	507	--	520	--	--	(82)	(82)	438
--	--	--	--	--	2,044	651	--	2,695	2,695
2	--	--	--	2	13,076	2,884	--	15,960	15,962
--	--	--	--	--	--	--	--	--	--
--	--	--	--	--	--	1,574	--	1,574	1,574
46	--	--	--	46	--	6,570	--	6,570	6,616
1,040	--	14,243	--	15,283	--	--	(15,283)	(15,283)	--
4	--	--	--	4	1,436	209	--	1,645	1,649
--	--	--	--	--	55	--	--	55	55
--	--	--	--	--	--	10,027	--	10,027	10,027
6,366	28,357	14,750	423	49,896	75,759	125,843	(45,870)	155,732	205,628
24,401	113,100	69,910	423	207,834	135,051	126,639	(200,363)	61,327	269,161

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

	Revenues				Expenditures
	Inter-governmental Revenues	Property Owners' Participation and Contributions	Interest and Other	Total Revenues	Capital Outlay (1)
Funds authorized					
September 8, 1984					
Street improvements	\$ --	--	--	--	3
Total Funds authorized in 1984	--	--	--	--	3
Funds authorized					
July 26, 1985					
Neighborhood park and recreation	--	769	--	769	1,910
Total Funds authorized in 1985	--	769	--	769	1,910
Funds authorized					
November 3, 1998					
Traffic signals	--	--	--	--	52
Parks and recreation facilities	--	--	--	--	1
Total Funds authorized in 1998	--	--	--	--	53
Funds authorized					
November 7, 2000					
Transportation mobility improvement	--	--	--	--	159
Total Funds authorized in 2000	--	--	--	--	159
Funds authorized					
November 7, 2006					
Transportation	--	--	--	--	66
Drainage & open spaces	--	--	--	--	323
Parks	--	--	--	--	27
Cultural facilities	--	--	--	--	35
Affordable housing	--	--	5,500	5,500	--
Central library	--	--	--	--	48
Public safety	--	--	--	--	2,155
Total Funds authorized in 2006	\$ --	--	5,500	5,500	2,654

(1) Capital Outlay includes capital lease principal of \$3.1 million and interest of \$500 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)			
(3)	--	--	--	--	--	(3)	440	437
(3)	--	--	--	--	--	(3)	440	437
(1,141)	--	--	--	--	--	(1,141)	10,974	9,833
(1,141)	--	--	--	--	--	(1,141)	10,974	9,833
(52)	--	--	--	--	--	(52)	729	677
(1)	--	--	--	--	--	(1)	3	2
(53)	--	--	--	--	--	(53)	732	679
(159)	--	--	--	--	--	(159)	448	289
(159)	--	--	--	--	--	(159)	448	289
(66)	--	--	--	--	--	(66)	162	96
(323)	--	--	--	--	--	(323)	3,676	3,353
(27)	--	--	--	--	--	(27)	156	129
(35)	--	--	--	--	--	(35)	1,221	1,186
5,500	--	--	--	--	--	5,500	147	5,647
(48)	--	--	--	--	--	(48)	305	257
(2,155)	--	--	--	--	--	(2,155)	6,237	4,082
2,846	--	--	--	--	--	2,846	11,904	14,750

(Continued)

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

	Revenues				Expenditures
	Inter- governmental Revenues	Property Owners' Participation and Contributions	Interest and Other	Total Revenues	Capital Outlay (1)
Funds authorized					
November 2, 2010					
Mobility	\$ --	--	--	--	98
Total Funds authorized in 2010	--	--	--	--	98
Funds Authorized					
November 6, 2012					
Transportation	--	--	--	--	13,237
Open space	--	--	--	--	44
Parks	--	--	--	--	3,211
Public safety	--	--	--	--	402
Health	--	--	--	--	140
Library & cultural	--	--	--	--	642
Total Funds authorized in 2012	--	--	--	--	17,676
Funds Authorized					
November 8, 2016					
Mobility	--	--	--	--	64,649
Total Funds authorized in 2016	--	--	--	--	64,649
Funds authorized					
November 6, 2018					
Affordable housing (2)	--	--	--	--	177
Library & cultural	--	--	--	--	2,355
Parks	--	--	--	--	20,589
Open space	--	--	--	--	14,260
Health	--	--	--	--	515
Public safety	--	--	--	--	2,553
Transportation	--	--	--	--	16,999
Total Funds authorized in 2018	--	--	--	--	57,448
Funds authorized					
November 3, 2020					
Transportation	--	--	--	--	686
Total Funds authorized in 2020	\$ --	--	--	--	686

(1) Capital Outlay includes capital lease principal of \$3.1 million and interest of \$500 thousand.

(2) Previously reported as a Special Revenue fund, Housing Assistance 2018.

(Continued)

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)			
(98)	--	--	--	--	--	(98)	686	588
(98)	--	--	--	--	--	(98)	686	588
(13,237)	--	--	--	--	--	(13,237)	21,046	7,809
(44)	--	--	--	--	--	(44)	58	14
(3,211)	--	--	--	--	--	(3,211)	12,021	8,810
(402)	--	--	--	--	--	(402)	5,727	5,325
(140)	--	--	--	--	--	(140)	292	152
(642)	--	--	--	--	--	(642)	1,954	1,312
(17,676)	--	--	--	--	--	(17,676)	41,098	23,422
(64,649)	5,167	1,428	--	(970)	5,625	(59,024)	9,988	(49,036)
(64,649)	5,167	1,428	--	(970)	5,625	(59,024)	9,988	(49,036)
(177)	27,290	542	4,197	(78,544)	(46,515)	(46,692)	(13,685)	(60,377)
(2,355)	--	--	--	--	--	(2,355)	6,085	3,730
(20,589)	--	--	--	--	--	(20,589)	2,897	(17,692)
(14,260)	10,343	2,805	--	--	13,148	(1,112)	(21,308)	(22,420)
(515)	431	119	--	--	550	35	369	404
(2,553)	--	--	--	(50)	(50)	(2,603)	8,559	5,956
(16,999)	8,434	2,331	--	--	10,765	(6,234)	1,952	(4,282)
(57,448)	46,498	5,797	4,197	(78,594)	(22,102)	(79,550)	(15,131)	(94,681)
(686)	--	--	--	--	--	(686)	--	(686)
(686)	--	--	--	--	--	(686)	--	(686)

(Continued)

Capital Projects Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

	Revenues				Expenditures
	Inter-governmental Revenues	Property Owners' Participation and Contributions	Interest and Other	Total Revenues	Capital Outlay (1)
Other funds					
ATD Transportation	\$ --	--	8,367	8,367	440
TPSD general improvements	--	2,494	--	2,494	7,792
Library automation system	--	--	--	--	268
General government projects	26	--	--	26	31,352
Health projects	--	--	--	--	229
Build Austin	--	--	--	--	123
CMTA Mobility	1,218	--	5	1,223	2,085
Park improvements	1,262	--	--	1,262	956
Parks and Recreation	117	161	--	278	2,905
Police and courts	--	--	--	--	--
Fire - general	--	--	--	--	23,715
CTM	--	6,036	--	6,036	20,420
Neighborhood housing & conservation (2)	--	--	--	--	8
GCP-PLD In Lieu Of Fee	--	18,593	62	18,655	5,971
Capital Rehabilitation	--	--	--	--	5,099
Public Works	480	635	--	1,115	588
Public Works CIP	1,906	189	--	2,095	53
GCP-PLD Development Fee	--	6,414	24	6,438	438
City Hall, plaza, parking garage	--	--	--	--	--
Colony Park	--	99	--	99	76
NPZ general	--	--	--	--	300
Waller Creek District	--	--	--	--	7,114
Waller Creek Tunnel	--	--	3	3	9
Fleet general improvements	--	--	--	--	--
Interest income fund	--	--	99	99	--
Total other funds	5,009	34,621	8,560	48,190	109,941
Totals	\$ 5,009	35,390	14,060	54,459	255,277

(1) Capital Outlay includes capital lease principal of \$3.1 million and interest of \$500 thousand.

(2) Previously reported as a Special Revenue fund.

(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				
7,927	--	--	--	--	--	7,927	6,567	14,494
(5,298)	--	--	3,016	(1,553)	1,463	(3,835)	21,181	17,346
(268)	--	--	500	--	500	232	2,321	2,553
(31,326)	116,809	26,319	4,748	(6,796)	141,080	109,754	(92,340)	17,414
(229)	--	--	--	--	--	(229)	1,461	1,232
(123)	--	--	--	--	--	(123)	15	(108)
(862)	--	--	--	--	--	(862)	3,773	2,911
306	--	--	44	--	44	350	476	826
(2,627)	--	--	3,429	(44)	3,385	758	20,243	21,001
--	--	--	--	--	--	--	415	415
(23,715)	10,767	2,533	--	(33)	13,267	(10,448)	(19,949)	(30,397)
(14,384)	--	--	12,891	--	12,891	(1,493)	35,132	33,639
(8)	--	--	--	(804)	(804)	(812)	1,396	584
12,684	--	--	--	--	--	12,684	28,654	41,338
(5,099)	--	--	7,348	(500)	6,848	1,749	7,574	9,323
527	--	--	--	(5)	(5)	522	(604)	(82)
2,042	--	--	651	--	651	2,693	2	2,695
6,000	--	--	--	--	--	6,000	9,960	15,960
--	--	--	4,962	--	4,962	4,962	(4,962)	--
23	--	--	1,000	(399)	601	624	950	1,574
(300)	--	--	728	--	728	428	6,142	6,570
(7,114)	--	--	--	--	--	(7,114)	(8,169)	(15,283)
(6)	--	--	--	--	--	(6)	1,651	1,645
--	--	--	11	--	11	11	44	55
99	--	--	--	(4,961)	(4,961)	(4,862)	14,889	10,027
(61,751)	127,576	28,852	39,328	(15,095)	180,661	118,910	36,822	155,732
(200,818)	179,241	36,077	43,525	(94,659)	164,184	(36,634)	97,961	61,327





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.



	3M Maintenance Endowment	Ellis Library Trust	Perpetual Care	Total
ASSETS				
Pooled investments and cash	\$ 50	9	1,011	1,070
Total assets	<u>50</u>	<u>9</u>	<u>1,011</u>	<u>1,070</u>
FUND BALANCES				
Nonspendable:				
Permanent funds	50	9	1,011	1,070
Total fund balances	<u>50</u>	<u>9</u>	<u>1,011</u>	<u>1,070</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 50</u>	<u>9</u>	<u>1,011</u>	<u>1,070</u>

Permanent Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
 Exhibit E-20

	3M			
	Maintenance	Ellis Library	Perpetual	Total
	Endowment	Trust	Care	
REVENUES				
Interest and other	\$ --	--	--	--
Total revenues	--	--	--	--
EXPENDITURES				
Current:				
Public recreation and culture	--	--	--	--
Total expenditures	--	--	--	--
Excess (deficiency) of revenues over (under)				
expenditures	--	--	--	--
Total other financing sources (uses)	--	--	--	--
Net change in fund balances	--	--	--	--
Fund balances at beginning of year	50	9	1,011	1,070
Fund balances at end of year	\$ 50	9	1,011	1,070





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, 2021
(In thousands)

	Austin Resource Recovery	Convention Center	Development Services
ASSETS			
Current assets:			
Cash	\$ 3	17	3
Pooled investments and cash	22,116	92,854	33,034
Pooled investments and cash - restricted	2,506	10,307	3,250
Total pooled investments and cash	24,622	103,161	36,284
Investments - restricted	--	8,243	--
Accounts receivable, net of allowance	14,464	354	--
Interest receivable	21	96	28
Inventories, at cost	--	61	--
Prepaid expenses	35	207	104
Total current assets	39,145	112,139	36,419
Noncurrent assets:			
Pooled investments and cash - restricted	--	116,129	--
Advances to other funds	--	--	--
Advances to other funds - restricted	5	26	--
Investments - restricted	--	10,263	--
Interest receivable - restricted	--	83	--
Depreciable capital assets, net	46,962	142,386	2,093
Nondepreciable capital assets	25,458	69,924	--
Total noncurrent assets	72,425	338,811	2,093
Total assets	111,570	450,950	38,512
DEFERRED OUTFLOWS OF RESOURCES			
	\$ 85,644	50,075	61,711

	Drainage	Golf	Transportation	Total
ASSETS				
Current assets:				
Cash	1	5	2	31
Pooled investments and cash	191,314	1,515	37,300	378,133
Pooled investments and cash - restricted	--	--	--	16,063
Total pooled investments and cash	191,314	1,515	37,300	394,196
Investments - restricted	--	--	--	8,243
Accounts receivable, net of allowance	6,037	1	10,055	30,911
Interest receivable	171	2	30	348
Inventories, at cost	--	--	4,587	4,648
Prepaid expenses	175	41	503	1,065
Total current assets	197,698	1,564	52,477	439,442
Noncurrent assets:				
Pooled investments and cash - restricted	17,981	622	--	134,732
Advances to other funds	79	--	--	79
Advances to other funds - restricted	--	--	--	31
Investments - restricted	--	--	--	10,263
Interest receivable - restricted	--	--	--	83
Depreciable capital assets, net	132,557	9,149	17,848	350,995
Nondepreciable capital assets	374,996	6,290	2,934	479,602
Total noncurrent assets	525,613	16,061	20,782	975,785
Total assets	723,311	17,625	73,259	1,415,227
DEFERRED OUTFLOWS OF RESOURCES	52,561	4,998	98,828	353,817

(Continued)

Nonmajor Enterprise Funds
Combining Statement of Net Position
September 30, 2021
(In thousands)

	Austin Resource Recovery	Convention Center	Development Services
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 2,999	6,213	328
Accounts and retainage payable from restricted assets	--	22	--
Accrued payroll	2,756	1,165	2,223
Accrued compensated absences	2,455	1,423	2,466
Due to other funds	--	--	--
Accrued interest payable from restricted assets	--	466	--
Interest payable on other debt	282	34	--
Bonds payable	3,068	1,522	--
Bonds payable from restricted assets	--	9,610	--
Other postemployment benefits liability	2,784	1,288	1,813
Customer and escrow deposits payable from restricted assets	2,506	3,630	3,250
Accrued landfill closure and postclosure costs	855	--	--
Other liabilities	--	--	1,374
Total current liabilities	<u>17,705</u>	<u>25,373</u>	<u>11,454</u>
Noncurrent liabilities, net of current portion:			
Accrued compensated absences	784	270	--
Advances from other funds	112	--	--
Bonds payable, net of discount and inclusive of premium	18,893	95,669	--
Net pension liability	70,729	35,139	56,463
Other postemployment benefits liability	188,022	86,944	122,493
Accrued landfill closure and postclosure costs	18,944	--	--
Derivative instruments - interest rate swaps	--	7,107	--
Total noncurrent liabilities	<u>297,484</u>	<u>225,129</u>	<u>178,956</u>
Total liabilities	<u>315,189</u>	<u>250,502</u>	<u>190,410</u>
DEFERRED INFLOWS OF RESOURCES	<u>17,132</u>	<u>7,798</u>	<u>13,490</u>
NET POSITION			
Net investment in capital assets	51,311	113,846	2,093
Restricted for:			
Bond reserve	--	7,269	--
Capital projects	--	116,211	--
Debt service	5	7,814	--
Operating reserve	--	5,420	--
Renewal and replacement	--	540	--
Unrestricted	(186,423)	(8,375)	(105,770)
Total net position	<u>(135,107)</u>	<u>242,725</u>	<u>(103,677)</u>
Reconciliation to government-wide Statement of Net Position			
Adjustment to consolidate internal service activities	11,473	4,518	1,987
Total net position - Business-type activities	<u>\$ (123,634)</u>	<u>247,243</u>	<u>(101,690)</u>

(Continued)

	Drainage	Golf	Transportation	Total
LIABILITIES				
Current liabilities:				
Accounts payable	876	108	3,174	13,698
Accounts and retainage payable from restricted assets	6,249	19	--	6,290
Accrued payroll	1,865	229	3,694	11,932
Accrued compensated absences	1,869	220	3,625	12,058
Due to other funds	--	--	301	301
Accrued interest payable from restricted assets	--	--	--	466
Interest payable on other debt	113	--	52	481
Bonds payable	2,452	--	1,391	8,433
Bonds payable from restricted assets	--	--	--	9,610
Other postemployment benefits liability	1,610	178	2,898	10,571
Customer and escrow deposits payable from restricted assets	302	--	--	9,688
Accrued landfill closure and postclosure costs	--	--	--	855
Other liabilities	--	--	--	1,374
Total current liabilities	15,336	754	15,135	85,757
Noncurrent liabilities, net of current portion:				
Accrued compensated absences	627	86	583	2,350
Advances from other funds	79	--	902	1,093
Bonds payable, net of discount and inclusive of premium	28,310	--	3,723	146,595
Net pension liability	48,804	4,505	86,195	301,835
Other postemployment benefits liability	108,787	11,992	195,732	713,970
Accrued landfill closure and postclosure costs	--	--	--	18,944
Derivative instruments - interest rate swaps	--	--	--	7,107
Total noncurrent liabilities	186,607	16,583	287,135	1,191,894
Total liabilities	201,943	17,337	302,270	1,277,651
DEFERRED INFLOWS OF RESOURCES				
	10,251	1,024	18,304	67,999
NET POSITION				
Net investment in capital assets	470,550	15,420	15,667	668,887
Restricted for:				
Bond reserve	--	--	--	7,269
Capital projects	17,679	622	--	134,512
Debt service	--	--	--	7,819
Operating reserve	--	--	--	5,420
Renewal and replacement	--	--	--	540
Unrestricted	75,449	(11,780)	(164,154)	(401,053)
Total net position	563,678	4,262	(148,487)	423,394
Reconciliation to government-wide Statement of Net Position				
Adjustment to consolidate internal service activities	4,748	663	8,760	32,149
Total net position - Business-type activities	568,426	4,925	(139,727)	455,543

Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the year ended September 30, 2021
(In thousands)

	Austin Resource Recovery	Convention Center	Development Services
OPERATING REVENUES			
User fees and rentals	\$ 131,414	6,018	60,263
Total operating revenues	<u>131,414</u>	<u>6,018</u>	<u>60,263</u>
OPERATING EXPENSES			
Operating expenses before depreciation	143,288	53,022	73,368
Depreciation and amortization	10,055	8,566	469
Total operating expenses	<u>153,343</u>	<u>61,588</u>	<u>73,837</u>
Operating income (loss)	<u>(21,929)</u>	<u>(55,570)</u>	<u>(13,574)</u>
NONOPERATING REVENUES (EXPENSES)			
Interest and other revenues	75	5	1
Interest on revenue bonds and other debt	(339)	(3,911)	--
Other nonoperating revenue (expense)	(56)	(395)	(13)
Total nonoperating revenues (expenses)	<u>(320)</u>	<u>(4,301)</u>	<u>(12)</u>
Income (loss) before contributions and transfers	(22,249)	(59,871)	(13,586)
Capital contributions	45	--	--
Transfers in	--	49,232	9,035
Transfers out	(630)	(5,645)	(1,118)
Change in net position	<u>(22,834)</u>	<u>(16,284)</u>	<u>(5,669)</u>
Beginning net position	<u>(112,273)</u>	<u>259,009</u>	<u>(98,008)</u>
Ending net position	<u>\$ (135,107)</u>	<u>242,725</u>	<u>(103,677)</u>
Reconciliation to government-wide Statement of Activities			
Change in net position	(22,834)	(16,284)	(5,669)
Adjustment to consolidate internal service activities	(2,070)	(91)	(945)
Change in net position - Business-type activities	<u>\$ (24,904)</u>	<u>(16,375)</u>	<u>(6,614)</u>

	Drainage	Golf	Transportation	Total
OPERATING REVENUES				
User fees and rentals	99,221	10,281	137,125	444,322
Total operating revenues	<u>99,221</u>	<u>10,281</u>	<u>137,125</u>	<u>444,322</u>
OPERATING EXPENSES				
Operating expenses before depreciation	82,513	9,652	160,813	522,656
Depreciation and amortization	6,321	615	3,753	29,779
Total operating expenses	<u>88,834</u>	<u>10,267</u>	<u>164,566</u>	<u>552,435</u>
Operating income (loss)	<u>10,387</u>	<u>14</u>	<u>(27,441)</u>	<u>(108,113)</u>
NONOPERATING REVENUES (EXPENSES)				
Interest and other revenues	19	1	--	101
Interest on revenue bonds and other debt	(1,094)	--	(129)	(5,473)
Other nonoperating revenue (expense)	(5,576)	--	(314)	(6,354)
Total nonoperating revenues (expenses)	<u>(6,651)</u>	<u>1</u>	<u>(443)</u>	<u>(11,726)</u>
Income (loss) before contributions and transfers	3,736	15	(27,884)	(119,839)
Capital contributions	16,810	268	94	17,217
Transfers in	797	1,000	1,741	61,805
Transfers out	(1)	--	(7,185)	(14,579)
Change in net position	<u>21,342</u>	<u>1,283</u>	<u>(33,234)</u>	<u>(55,396)</u>
Beginning net position	<u>542,336</u>	<u>2,979</u>	<u>(115,253)</u>	<u>478,790</u>
Ending net position	<u>563,678</u>	<u>4,262</u>	<u>(148,487)</u>	<u>423,394</u>
Reconciliation to government-wide Statement of Activities				
Change in net position	21,342	1,283	(33,234)	(55,396)
Adjustment to consolidate internal service activities	950	(26)	(507)	(2,689)
Change in net position - Business-type activities	<u>22,292</u>	<u>1,257</u>	<u>(33,741)</u>	<u>(58,085)</u>

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the year ended September 30, 2021
(In thousands)

	Austin Resource Recovery	Convention Center	Development Services
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 128,345	6,963	61,469
Cash received from other funds	388	--	--
Cash payments to suppliers for goods and services	(20,457)	(12,290)	(3,922)
Cash payments to other funds	(28,904)	(7,114)	(10,663)
Cash payments to employees for services	(60,401)	(25,342)	(43,460)
Net cash provided (used) by operating activities	18,971	(37,783)	3,424
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	--	49,232	9,035
Transfers out	(630)	(5,645)	(1,118)
Collections from other sources	--	--	--
Loans from other funds	--	--	--
Loan repayments to other funds	--	--	--
Loan repayments from other funds	179	--	--
Collections from other governments	154	--	--
Net cash provided (used) by noncapital financing activities	(297)	43,587	7,917
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from the sale of general obligation bonds and other tax-supported debt	4,260	--	--
Principal paid on long-term debt	(3,759)	(11,033)	--
Interest paid on revenue bonds and other debt	(987)	(3,623)	--
Acquisition and construction of capital assets	(17,617)	(16,637)	(488)
Contributions from state and federal governments	45	--	--
Contributions in aid of construction	--	--	--
Bond issuance costs	(7)	--	--
Bond premiums	1,769	--	--
Bonds issued for advanced refundings of debt	3,998	--	--
Cash paid for bond refunding escrow	(4,996)	--	--
Net cash provided (used) by capital and related financing activities	(17,294)	(31,293)	(488)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investment securities	--	(13,322)	--
Proceeds from sale and maturities of investment securities	--	13,396	--
Interest on investments	93	217	10
Net cash provided (used) by investing activities	93	291	10
Net increase (decrease) in cash and cash equivalents	1,473	(25,198)	10,863
Cash and cash equivalents, beginning	23,152	244,505	25,424
Cash and cash equivalents, ending	\$ 24,625	219,307	36,287

	Drainage	Golf	Transportation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	95,555	10,280	135,601	438,213
Cash received from other funds	3,340	--	192	3,920
Cash payments to suppliers for goods and services	(15,733)	(2,263)	(39,565)	(94,230)
Cash payments to other funds	(14,313)	(1,341)	(24,841)	(87,176)
Cash payments to employees for services	(37,889)	(4,840)	(71,966)	(243,898)
Net cash provided (used) by operating activities	30,960	1,836	(579)	16,829
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in	797	1,000	1,741	61,805
Transfers out	(1)	--	(7,004)	(14,398)
Collections from other sources	6,875	--	236	7,111
Loans from other funds	3	--	--	3
Loan repayments to other funds	--	(1,506)	(301)	(1,807)
Loan repayments from other funds	1,506	--	--	1,685
Collections from other governments	81	--	41	276
Net cash provided (used) by noncapital financing activities	9,261	(506)	(5,287)	54,675
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from the sale of general obligation bonds and other tax-supported debt	--	--	--	4,260
Principal paid on long-term debt	(2,595)	--	(2,329)	(19,716)
Interest paid on revenue bonds and other debt	(1,463)	--	(271)	(6,344)
Acquisition and construction of capital assets	(35,965)	(39)	(3,210)	(73,956)
Contributions from state and federal governments	--	--	--	45
Contributions in aid of construction	4,774	268	--	5,042
Bond issuance costs	--	--	(1)	(8)
Bond premiums	--	--	117	1,886
Bonds issued for advanced refundings of debt	--	--	526	4,524
Cash paid for bond refunding escrow	--	--	(650)	(5,646)
Net cash provided (used) by capital and related financing activities	(35,249)	229	(5,818)	(89,913)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchase of investment securities	--	--	--	(13,322)
Proceeds from sale and maturities of investment securities	--	--	--	13,396
Interest on investments	183	(1)	31	533
Net cash provided (used) by investing activities	183	(1)	31	607
Net increase (decrease) in cash and cash equivalents	5,155	1,558	(11,653)	(17,802)
Cash and cash equivalents, beginning	204,141	584	48,955	546,761
Cash and cash equivalents, ending	209,296	2,142	37,302	528,959

(Continued)

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the year ended September 30, 2021
(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)	\$ (21,929)	(55,570)	(13,574)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	10,055	8,566	469
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(3,622)	(295)	--
Increase (decrease) in allowance for doubtful accounts	489	--	--
(Increase) decrease in inventory	--	(1)	--
(Increase) decrease in prepaid expenses and other assets	119	(8)	180
(Increase) decrease in deferred outflows	(20,338)	(5,684)	(9,312)
Increase (decrease) in accounts payable	1,169	(1,084)	(69)
Increase (decrease) in accrued payroll and compensated absences	574	165	658
Increase (decrease) in customer deposits	452	1,240	(25)
Increase (decrease) in net pension liability	(1,804)	(2,141)	(3,123)
Increase (decrease) in other postemployment benefits liability	43,969	16,740	26,531
Increase (decrease) in other liabilities	8,883	(18)	1,231
Increase (decrease) in deferred inflows	954	307	458
Total adjustments	40,900	17,787	16,998
Net cash provided (used) by operating activities	\$ 18,971	(37,783)	3,424
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Capital assets contributed from other funds	\$ --	--	--
Capital assets contributed to other funds	--	(47)	--
Amortization of bond (discounts) premiums	708	298	--
Amortization of deferred gain (loss) on refundings	(15)	(639)	--
Gain (loss) on disposal of assets	(203)	(348)	(14)
Transfers to other funds	--	--	--

(Continued)

	Drainage	Golf	Transportation	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET				
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	10,387	14	(27,441)	(108,113)
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	6,321	615	3,753	29,779
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(422)	(1)	(1,617)	(5,957)
Increase (decrease) in allowance for doubtful accounts	96	--	285	870
(Increase) decrease in inventory	--	--	(1,653)	(1,654)
(Increase) decrease in prepaid expenses and other assets	(106)	--	249	434
(Increase) decrease in deferred outflows	(10,312)	(830)	(15,859)	(62,335)
Increase (decrease) in accounts payable	54	99	(213)	(44)
Increase (decrease) in accrued payroll and compensated absences	628	52	1,194	3,271
Increase (decrease) in customer deposits	--	--	--	1,667
Increase (decrease) in net pension liability	(1,111)	(487)	1,807	(6,859)
Increase (decrease) in other postemployment benefits liability	24,536	2,357	37,423	151,556
Increase (decrease) in other liabilities	--	--	--	10,096
Increase (decrease) in deferred inflows	889	17	1,493	4,118
Total adjustments	20,573	1,822	26,862	124,942
Net cash provided (used) by operating activities	30,960	1,836	(579)	16,829
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Capital assets contributed from other funds	12,036	--	94	12,130
Capital assets contributed to other funds	(12,451)	--	(14)	(12,512)
Amortization of bond (discounts) premiums	385	--	101	1,492
Amortization of deferred gain (loss) on refundings	(24)	--	--	(678)
Gain (loss) on disposal of assets	--	--	(561)	(1,126)
Transfers to other funds	--	--	(181)	(181)





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, 2021
(In thousands)

	Capital Projects Management	CTECC	Employee Benefits	Fleet Maintenance	Information and Technology (1)
ASSETS					
Current assets:					
Cash	\$ --	--	--	--	--
Pooled investments and cash	2,942	2,209	121,758	15,604	20,829
Cash held by trustee - restricted	--	--	4,083	--	--
Accounts receivable, net of allowance	--	3,277	--	9	103
Interest receivable	2	2	--	19	17
Receivables from other governments	--	--	449	--	--
Inventories, at cost	--	--	--	2,454	--
Prepaid expenses	19	2,416	--	6	5,314
Total current assets	2,963	7,904	126,290	18,092	26,263
Noncurrent assets:					
Pooled investments and cash - restricted	--	--	--	5,955	--
Depreciable capital assets, net	579	15,538	--	11,086	13,528
Nondepreciable capital assets	--	32	--	1,078	--
Total noncurrent assets	579	15,570	--	18,119	13,528
Total assets	3,542	23,474	126,290	36,211	39,791
DEFERRED OUTFLOWS OF RESOURCES					
	--	--	--	150	--
LIABILITIES					
Current liabilities:					
Accounts payable	15	176	4,126	1,916	1,536
Accrued payroll	1,343	311	--	1,002	1,565
Accrued compensated absences	1,274	265	--	1,096	1,921
Claims payable	--	--	16,286	--	--
Accrued interest payable from restricted assets	--	--	--	5	--
Bonds payable	--	--	--	269	--
Capital lease obligations payable	--	--	--	--	--
Customer and escrow deposits payable from restricted assets	--	--	--	--	--
Other liabilities	--	--	3,994	--	--
Total current liabilities	2,632	752	24,406	4,288	5,022
Noncurrent liabilities, net of current portion:					
Accrued compensated absences	432	189	--	--	182
Claims payable	--	--	--	--	--
Bonds payable, net of discount and inclusive of premium	--	--	--	1,117	--
Capital lease obligations payable	--	--	--	--	--
Asset retirement obligations	--	--	--	518	--
Total noncurrent liabilities	432	189	--	1,635	182
Total liabilities	3,064	941	24,406	5,923	5,204
NET POSITION					
Net investment in capital assets	579	15,570	--	10,778	13,528
Restricted for:					
Capital projects	--	--	--	5,955	--
Unrestricted	(101)	6,963	101,884	13,705	21,059
Total net position	\$ 478	22,533	101,884	30,438	34,587

(1) Previously reported as Information Systems.

	Liability Reserve	Support Services	Wireless Communication	Workers' Compensation	Total
ASSETS					
Current assets:					
Cash	--	7	--	--	7
Pooled investments and cash	12,243	50,438	225	38,725	264,973
Cash held by trustee - restricted	--	--	--	--	4,083
Accounts receivable, net of allowance	--	140	626	--	4,155
Interest receivable	--	19	--	--	59
Receivables from other governments	--	1	--	--	450
Inventories, at cost	--	--	513	--	2,967
Prepaid expenses	--	513	80	--	8,348
Total current assets	12,243	51,118	1,444	38,725	285,042
Noncurrent assets:					
Pooled investments and cash - restricted	--	--	--	--	5,955
Depreciable capital assets, net	--	3,160	22,587	--	66,478
Nondepreciable capital assets	--	21	262	--	1,393
Total noncurrent assets	--	3,181	22,849	--	73,826
Total assets	12,243	54,299	24,293	38,725	358,868
DEFERRED OUTFLOWS OF RESOURCES					
	--	--	--	--	150
LIABILITIES					
Current liabilities:					
Accounts payable	314	10,553	218	278	19,132
Accrued payroll	--	5,426	245	--	9,892
Accrued compensated absences	--	5,301	243	--	10,100
Claims payable	24,230	--	--	8,584	49,100
Accrued interest payable from restricted assets	--	--	--	--	5
Bonds payable	--	--	--	--	269
Capital lease obligations payable	--	--	2,043	--	2,043
Customer and escrow deposits payable from restricted assets	--	698	--	--	698
Other liabilities	--	10	683	--	4,687
Total current liabilities	24,544	21,988	3,432	8,862	95,926
Noncurrent liabilities, net of current portion:					
Accrued compensated absences	--	1,802	--	--	2,605
Claims payable	2,376	--	--	34,910	37,286
Bonds payable, net of discount and inclusive of premium	--	--	--	--	1,117
Capital lease obligations payable	--	--	2,115	--	2,115
Asset retirement obligations	--	--	--	--	518
Total noncurrent liabilities	2,376	1,802	2,115	34,910	43,641
Total liabilities	26,920	23,790	5,547	43,772	139,567
NET POSITION					
Net investment in capital assets	--	3,181	18,691	--	62,327
Restricted for:					
Capital projects	--	--	--	--	5,955
Unrestricted	(14,677)	27,328	55	(5,047)	151,169
Total net position	(14,677)	30,509	18,746	(5,047)	219,451

Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the year ended September 30, 2021
(In thousands)

	Capital Projects Management	CTECC	Employee Benefits	Fleet Maintenance	Information and Technology (1)
OPERATING REVENUES					
Billings to departments	\$ 31,519	19,112	130,463	51,782	80,195
Employee contributions	--	--	45,323	--	--
Operating revenues from other governments	--	5,107	--	2	--
Other operating revenues	4,770	--	2,143	1,337	437
Total operating revenues	36,289	24,219	177,929	53,121	80,632
OPERATING EXPENSES					
Operating expenses before depreciation	34,630	18,251	190,764	51,442	69,150
Depreciation and amortization	121	2,193	--	1,114	3,712
Total operating expenses	34,751	20,444	190,764	52,556	72,862
Operating income (loss)	1,538	3,775	(12,835)	565	7,770
NONOPERATING REVENUES (EXPENSES)					
Interest and other revenues	2	8	--	45	38
Interest on revenue bonds and other debt	--	--	--	(77)	--
Other nonoperating revenues (expenses)	(1)	(302)	(291)	(121)	(475)
Total nonoperating revenues (expenses)	1	(294)	(291)	(153)	(437)
Income (loss) before contributions and transfers	1,539	3,481	(13,126)	412	7,333
Capital contributions	--	542	--	1,496	2,077
Transfers in	181	--	--	--	--
Transfers out	(281)	(4,093)	--	--	(6,861)
Change in net position	1,439	(70)	(13,126)	1,908	2,549
Beginning net position	(961)	22,603	115,010	28,530	32,038
Ending net position	\$ 478	22,533	101,884	30,438	34,587

(1) Previously reported as Information Systems.

	Liability Reserve	Support Services	Wireless Communication	Workers' Compensation	Total
OPERATING REVENUES					
Billings to departments	3,982	169,633	10,155	10,521	507,362
Employee contributions	--	--	--	--	45,323
Operating revenues from other governments	--	56	235	--	5,400
Other operating revenues	1	1,123	3,340	--	13,151
Total operating revenues	3,983	170,812	13,730	10,521	571,236
OPERATING EXPENSES					
Operating expenses before depreciation	30,087	158,299	13,677	25,755	592,055
Depreciation and amortization	--	412	6,221	--	13,773
Total operating expenses	30,087	158,711	19,898	25,755	605,828
Operating income (loss)	(26,104)	12,101	(6,168)	(15,234)	(34,592)
NONOPERATING REVENUES (EXPENSES)					
Interest and other revenues	--	38	6	--	137
Interest on revenue bonds and other debt	--	--	--	--	(77)
Other nonoperating revenues (expenses)	(20)	(56)	(11)	(83)	(1,360)
Total nonoperating revenues (expenses)	(20)	(18)	(5)	(83)	(1,300)
Income (loss) before contributions and transfers	(26,124)	12,083	(6,173)	(15,317)	(35,892)
Capital contributions	--	206	463	--	4,784
Transfers in	--	--	168	--	349
Transfers out	--	(3,281)	(1,884)	--	(16,400)
Change in net position	(26,124)	9,008	(7,426)	(15,317)	(47,159)
Beginning net position	11,447	21,501	26,172	10,270	266,610
Ending net position	(14,677)	30,509	18,746	(5,047)	219,451

Internal Service Funds
Combining Statement of Cash Flows
For the year ended September 30, 2021
(In thousands)

	Capital Projects Management	CTECC	Employee Benefits	Fleet Maintenance	Information and Technology (1)
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 4,770	3,778	47,269	1,341	334
Cash received from other funds	31,519	19,112	130,463	51,782	80,195
Cash payments to suppliers for goods and services	(4,432)	(11,032)	(13,507)	(23,374)	(40,841)
Cash payments to other funds	(2,664)	(358)	(2,587)	(6,462)	(460)
Cash payments to employees for services	(26,868)	(7,161)	--	(21,079)	(33,071)
Cash payments to claimants/beneficiaries	--	--	(173,296)	--	--
Net cash provided (used) by operating activities	2,325	4,339	(11,658)	2,208	6,157
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers out	(281)	(4,093)	--	--	(6,861)
Net cash provided (used) by noncapital financing activities	(281)	(4,093)	--	--	(6,861)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal paid on long-term debt	--	--	--	(423)	--
Interest paid on revenue bonds and other debt	--	--	--	(79)	--
Acquisition and construction of capital assets	(21)	--	--	(1,740)	(202)
Net cash provided (used) by capital and related financing activities	(21)	--	--	(2,242)	(202)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on investments	1	4	(291)	5	4
Net cash provided (used) by investing activities	1	4	(291)	5	4
Net increase (decrease) in cash and cash equivalents	2,024	250	(11,949)	(29)	(902)
Cash and cash equivalents, beginning	918	1,959	137,790	21,588	21,731
Cash and cash equivalents, ending	\$ 2,942	2,209	125,841	21,559	20,829

(1) Previously reported as Information Systems.

	Liability Reserve	Support Services	Wireless Communication	Workers' Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	1	1,118	3,687	--	62,298
Cash received from other funds	3,982	169,633	10,155	10,521	507,362
Cash payments to suppliers for goods and services	(1,104)	(12,826)	(7,571)	(3,334)	(118,021)
Cash payments to other funds	(363)	(32,972)	(868)	(1,910)	(48,644)
Cash payments to employees for services	--	(107,934)	(5,073)	--	(201,186)
Cash payments to claimants/beneficiaries	(3,920)	--	--	(5,444)	(182,660)
Net cash provided (used) by operating activities	(1,404)	17,019	330	(167)	19,149
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers out	--	(3,281)	(1,884)	--	(16,400)
Net cash provided (used) by noncapital financing activities	--	(3,281)	(1,884)	--	(16,400)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal paid on long-term debt	--	(14)	(1,973)	--	(2,410)
Interest paid on revenue bonds and other debt	--	--	--	--	(79)
Acquisition and construction of capital assets	--	(185)	--	--	(2,148)
Net cash provided (used) by capital and related financing activities	--	(199)	(1,973)	--	(4,637)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on investments	(20)	(4)	(1)	(83)	(385)
Net cash provided (used) by investing activities	(20)	(4)	(1)	(83)	(385)
Net increase (decrease) in cash and cash equivalents	(1,424)	13,535	(3,528)	(250)	(2,273)
Cash and cash equivalents, beginning	13,667	36,910	3,753	38,975	277,291
Cash and cash equivalents, ending	12,243	50,445	225	38,725	275,018

(Continued)

Internal Service Funds
Combining Statement of Cash Flows
For the year ended September 30, 2021
(In thousands)

	Capital Projects Management	CTECC	Employee Benefits	Fleet Maintenance	Information and Technology (1)
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET					
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 1,538	3,775	(12,835)	565	7,770
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	121	2,193	--	1,114	3,712
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	--	(1,329)	--	2	(103)
(Increase) decrease in receivable from other governments	--	--	(197)	--	--
(Increase) decrease in inventory	--	--	--	(790)	--
(Increase) decrease in prepaid expenses and other assets	243	(328)	--	47	(782)
(Increase) decrease in advance to other funds	--	--	--	2	--
Increase (decrease) in accounts payable	10	(51)	2,067	1,050	(4,438)
Increase (decrease) in accrued payroll and compensated absences	413	79	--	218	(2)
Increase (decrease) in claims payable	--	--	(2,336)	--	--
Increase (decrease) in customer deposits	--	--	--	--	--
Increase (decrease) in other liabilities	--	--	1,643	--	--
Total adjustments	787	564	1,177	1,643	(1,613)
Net cash provided (used) by operating activities	\$ 2,325	4,339	(11,658)	2,208	6,157
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Capital assets contributed from other funds	\$ --	542	--	1,496	2,077
Amortization of bond (discounts) premiums	--	--	--	23	--
Amortization of deferred gain (loss) on refundings	--	--	--	(22)	--
Gain (loss) on disposal of assets	--	(298)	--	(73)	(475)
Transfers from other funds	181	--	--	--	--

(1) Previously reported as Information Systems.

(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)	(26,104)	12,101	(6,168)	(15,234)	(34,592)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation and amortization	--	412	6,221	--	13,773
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	--	(65)	112	--	(1,383)
(Increase) decrease in receivable from other governments	--	4	--	--	(193)
(Increase) decrease in inventory	--	--	78	--	(712)
(Increase) decrease in prepaid expenses and other assets	--	(38)	(21)	--	(879)
(Increase) decrease in advance to other funds	--	--	--	--	2
Increase (decrease) in accounts payable	252	3,143	(175)	(85)	1,773
Increase (decrease) in accrued payroll and compensated absences	--	1,441	(1)	--	2,148
Increase (decrease) in claims payable	24,448	--	--	15,152	37,264
Increase (decrease) in customer deposits	--	11	--	--	11
Increase (decrease) in other liabilities	--	10	284	--	1,937
Total adjustments	24,700	4,918	6,498	15,067	53,741
Net cash provided (used) by operating activities	(1,404)	17,019	330	(167)	19,149
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:					
Capital assets contributed from other funds	--	206	463	--	4,784
Amortization of bond (discounts) premiums	--	--	--	--	23
Amortization of deferred gain (loss) on refundings	--	--	--	--	(22)
Gain (loss) on disposal of assets	--	--	--	--	(846)
Transfers from other funds	--	--	168	--	349





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
September 30, 2021
(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	\$ 526	16	104	2,016	2,662
Total assets	<u>526</u>	<u>16</u>	<u>104</u>	<u>2,016</u>	<u>2,662</u>
LIABILITIES					
Accounts payable	4	15	--	--	19
Due to other governments	522	--	--	--	522
Total liabilities	<u>526</u>	<u>15</u>	<u>--</u>	<u>--</u>	<u>541</u>
NET POSITION					
Restricted for:					
Individuals, organizations and other governments	--	1	104	2,016	2,121
Total net position	<u>\$ --</u>	<u>1</u>	<u>104</u>	<u>2,016</u>	<u>2,121</u>

Fiduciary Funds
Custodial Funds
Combining Statement of Changes in Fiduciary Net Position
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit H-2

	Municipal Court	Public School Energy Assistance	Science Fest	Unclaimed Property	Total
ADDITIONS					
Contributions	\$ --	24	4	--	28
Interest and other	--	--	--	4	4
Fees collected for other governments	1,724	--	--	--	1,724
Miscellaneous	--	--	--	88	88
Total additions	1,724	24	4	92	1,844
DEDUCTIONS					
Beneficiary payments	--	25	4	--	29
Payment of fees to other governments	1,724	--	1	--	1,725
Administrative expenses	--	--	--	1	1
Total deductions	1,724	25	5	1	1,755
Change in net position	--	(1)	(1)	91	89
Beginning net position, as restated	--	2	105	1,925	2,032
Ending net position	\$ --	1	104	2,016	2,121



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, 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 will engage in and support 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.



Discretely Presented Component Units
Combining Statement of Net Position
September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit I-1

	Austin Bergstrom Landhost Enterprises, Inc. (1)	Austin Convention Enterprises, Inc. (1)	Austin Economic Development Corporation
ASSETS			
Current Assets:			
Cash	\$ 834	3,213	45
Accounts receivable, net of allowance	114	931	--
Receivables from other governments - restricted	1,561	--	--
Inventories, at cost	32	141	--
Prepaid expenses	77	835	--
Total current assets	<u>2,618</u>	<u>5,120</u>	<u>45</u>
Noncurrent assets:			
Investments - restricted	--	43,804	--
Cash held by trustee - restricted	5,686	--	--
Depreciable capital assets, net	33,600	160,430	--
Nondepreciable capital assets	682	9,971	--
Other long-term assets	32	--	--
Total noncurrent assets	<u>40,000</u>	<u>214,205</u>	<u>--</u>
Total assets	<u>42,618</u>	<u>219,325</u>	<u>45</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>--</u>	<u>12,605</u>	<u>--</u>
LIABILITIES			
Current liabilities:			
Accounts payable	908	3,428	--
Accrued payroll	141	--	8
Accrued interest payable from restricted assets	542	4,381	--
Bonds payable	49,102	8,940	--
Other liabilities	3,818	1,227	37
Total current liabilities	<u>54,511</u>	<u>17,976</u>	<u>45</u>
Noncurrent liabilities, net of current portion:			
Bonds payable, net of discount and inclusive of premium	22	182,570	--
Other liabilities	162	103	--
Total noncurrent liabilities	<u>184</u>	<u>182,673</u>	<u>--</u>
Total liabilities	<u>54,695</u>	<u>200,649</u>	<u>45</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>--</u>	<u>911</u>	<u>--</u>
NET POSITION			
Net investment in capital assets	(7,577)	13,317	--
Restricted for:			
Debt service	2,518	16,691	--
Housing activities	--	--	--
Unrestricted (deficit)	(7,018)	362	--
Total net position	<u>\$ (12,077)</u>	<u>30,370</u>	<u>--</u>

(1) Data as of December 31, 2020, 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, 2021
(In thousands)**

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

	Austin Transit Partnership Local Government Corporation	Austin Travis County Sobriety Center Local Government Corporation	Total
ASSETS			
Current Assets:			
Cash	215,438	275	219,805
Accounts receivable, net of allowance	295	--	1,340
Receivables from other governments - restricted	--	--	1,561
Inventories, at cost	--	--	173
Prepaid expenses	1,350	1	2,263
Total current assets	<u>217,083</u>	<u>276</u>	<u>225,142</u>
Noncurrent assets:			
Investments - restricted	--	--	43,804
Cash held by trustee - restricted	--	--	5,686
Depreciable capital assets, net	--	163	194,193
Nondepreciable capital assets	35,847	--	46,500
Other long-term assets	112	--	144
Total noncurrent assets	<u>35,959</u>	<u>163</u>	<u>290,327</u>
Total assets	<u>253,042</u>	<u>439</u>	<u>515,469</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>--</u>	<u>--</u>	<u>12,605</u>
LIABILITIES			
Current liabilities:			
Accounts payable	2,104	14	6,454
Accrued payroll	--	68	217
Accrued interest payable from restricted assets	--	--	4,923
Bonds payable	--	--	58,042
Other liabilities	46,252	3	51,337
Total current liabilities	<u>48,356</u>	<u>85</u>	<u>120,973</u>
Noncurrent liabilities, net of current portion:			
Bonds payable, net of discount and inclusive of premium	--	--	182,592
Other liabilities	--	--	265
Total noncurrent liabilities	<u>--</u>	<u>--</u>	<u>182,857</u>
Total liabilities	<u>48,356</u>	<u>85</u>	<u>303,830</u>
DEFERRED INFLOWS OF RESOURCES	<u>--</u>	<u>--</u>	<u>911</u>
NET POSITION			
Net investment in capital assets	35,847	163	41,750
Restricted for:			
Debt service	--	--	19,209
Housing activities	23,000	--	23,000
Unrestricted (deficit)	<u>145,839</u>	<u>191</u>	<u>139,374</u>
Total net position	<u>204,686</u>	<u>354</u>	<u>223,333</u>

Discretely Presented Component Units
Combining Statement of Revenues, Expenses, and Changes in Net Position
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit I-2

	Austin Bergstrom Landhost Enterprises, Inc. (1)	Austin Convention Enterprises, Inc. (1)	Austin Economic Development Corporation
OPERATING REVENUES			
User fees and rentals	\$ 5,302	21,652	--
Operating grants and contributions	--	--	--
Operating revenues from primary government	--	--	665
Other operating revenues	--	--	--
Total operating revenues	5,302	21,652	665
OPERATING EXPENSES			
Operating expenses before depreciation	6,909	23,522	665
Depreciation and amortization	1,488	12,812	--
Total operating expenses	8,397	36,334	665
Operating income (loss)	(3,095)	(14,682)	--
NONOPERATING REVENUES (EXPENSES)			
Interest and other revenues	79	130	--
Interest on revenue bonds and other debt	(1,643)	(7,562)	--
Other nonoperating revenue (expense)	1,561	2,943	--
Total nonoperating revenues (expenses)	(3)	(4,489)	--
Change in net position	(3,098)	(19,171)	--
Beginning net position	(8,979)	49,541	--
Ending net position	\$ (12,077)	30,370	--

(1) Data as of the year ended December 31, 2020, 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, 2021
(In thousands)

City of Austin, Texas
Exhibit I-2

	Austin Transit Partnership Local Government Corporation	Austin Travis County Sobriety Center Local Government Corporation	Total
OPERATING REVENUES			
User fees and rentals	--	--	26,954
Operating grants and contributions	23,000	51	23,051
Operating revenues from primary government	192,726	2,009	195,400
Other operating revenues	7	--	7
Total operating revenues	215,733	2,060	245,412
OPERATING EXPENSES			
Operating expenses before depreciation	11,047	1,881	44,024
Depreciation and amortization	--	46	14,346
Total operating expenses	11,047	1,927	58,370
Operating income (loss)	204,686	133	187,042
NONOPERATING REVENUES (EXPENSES)			
Interest and other revenues	--	--	209
Interest on revenue bonds and other debt	--	--	(9,205)
Other nonoperating revenue (expense)	--	--	4,504
Total nonoperating revenues (expenses)	--	--	(4,492)
Change in net position	204,686	133	182,550
Beginning net position	--	221	40,783
Ending net position	204,686	354	223,333

Discretely Presented Component Units
Combining Statement of Cash Flows
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit I-3

	Austin Bergstrom Landhost Enterprises, Inc. (1)	Austin Convention Enterprises, Inc. (1)	Austin Economic Development Corporation
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 5,452	23,286	--
Cash payments to suppliers for goods and services	(3,802)	(19,660)	(628)
Cash payments to employees for services	(2,622)	(7,419)	8
Cash received from other governments	--	--	665
Cash received from donors	--	--	--
Net cash provided (used) by operating activities	(972)	(3,793)	45
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Payment to primary government	--	(2,000)	--
Proceeds from Paycheck Protection Program Loan	908	--	--
Interest paid on long-term debt	(47)	--	--
Principal paid on long-term debt	(20)	--	--
Net cash provided (used) by noncapital financing activities	841	(2,000)	--
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid on long-term debt	(923)	(8,520)	--
Interest paid on revenue bonds and other debt	(2,175)	(4,901)	--
Acquisition and construction of capital assets	(9,918)	(4,540)	--
Net cash provided (used) by capital and related financing activities	(13,016)	(17,961)	--
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Purchase) sale of investment securities	--	19,560	--
Interest on investments	89	130	--
Net cash provided (used) by investing activities	89	19,690	--
Net increase (decrease) in cash and cash equivalents	(13,058)	(4,064)	45
Cash and cash equivalents, beginning	19,578	7,277	--
Cash and cash equivalents, ending	\$ 6,520	3,213	45

(1) Data as of the year ended December 31, 2020, 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, 2021
(In thousands)

City of Austin, Texas
Exhibit I-3

	Austin Travis County Sobriety Center Local Government Corporation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	--	28,738
Cash payments to suppliers for goods and services	(597)	(24,687)
Cash payments to employees for services	(1,366)	(11,399)
Cash received from other governments	2,009	2,674
Cash received from donors	51	51
Net cash provided (used) by operating activities	97	(4,623)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Payment to primary government	--	(2,000)
Proceeds from Paycheck Protection Program Loan	--	908
Interest paid on long-term debt	--	(47)
Principal paid on long-term debt	--	(20)
Net cash provided (used) by noncapital financing activities	--	(1,159)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Principal paid on long-term debt	--	(9,443)
Interest paid on revenue bonds and other debt	--	(7,076)
Acquisition and construction of capital assets	(26)	(14,484)
Net cash provided (used) by capital and related financing activities	(26)	(31,003)
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Purchase) sale of investment securities	--	19,560
Interest on investments	--	219
Net cash provided (used) by investing activities	--	19,779
Net increase (decrease) in cash and cash equivalents	71	(17,006)
Cash and cash equivalents, beginning	204	27,059
Cash and cash equivalents, ending	275	10,053

(Continued)

Discretely Presented Component Units
Combining Statement of Cash Flows
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit I-3

	Austin Bergstrom Landhost Enterprises, Inc. (1)	Austin Convention Enterprises, Inc. (1)	Austin Economic Development Corporation
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (3,095)	(14,682)	--
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	1,488	12,812	--
Subordinated management fee	--	869	--
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	150	1,634	--
(Increase) decrease in inventory	20	16	--
(Increase) decrease in prepaid expenses and other assets	(8)	641	--
Increase (decrease) in accounts payable	171	432	--
Increase (decrease) in accrued payroll and compensated absences	(51)	--	8
Increase (decrease) in other liabilities	353	(5,515)	37
Total adjustments	2,123	10,889	45
Net cash provided (used) by operating activities	\$ (972)	(3,793)	45
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Amortization of bond (discounts) premiums	\$ --	2,131	--
Amortization of deferred gain (loss) on refundings	--	(930)	--
Increase in deferred credits and other liabilities	--	597	--
General obligation bonds and other tax supported debt proceeds receivable	1,561	--	--

(1) Data as of the year ended December 31, 2020, 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, 2021
(In thousands)

City of Austin, Texas
Exhibit I-3

(Continued)

	Austin Travis County Sobriety Center Local Government Corporation	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	133	(17,644)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	46	14,346
Subordinated management fee	--	869
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	--	1,784
(Increase) decrease in inventory	--	36
(Increase) decrease in prepaid expenses and other assets	4	637
Increase (decrease) in accounts payable	(87)	516
Increase (decrease) in accrued payroll and compensated absences	(2)	(45)
Increase (decrease) in other liabilities	3	(5,122)
Total adjustments	(36)	13,021
Net cash provided (used) by operating activities	97	(4,623)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Amortization of bond (discounts) premiums	--	2,131
Amortization of deferred gain (loss) on refundings	--	(930)
Increase in deferred credits and other liabilities	--	597
General obligation bonds and other tax supported debt proceeds receivable	--	1,561





SUPPLEMENTAL SCHEDULES

Budgetary General Fund
Supplementary Schedule of Revenues, Expenditures, and Changes in
Fund Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit J-1

The General Fund, as reported in the financial statements, is comprised of seventeen 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 APD Decouple, APD Re-imagine Safety, Barton Springs Conservation, Budget Stabilization Reserve, Community Development Incentives, Economic Development, Economic Incentives Reserve, Emergency Reserve, Housing and Planning Technology, Iconic Venue, Long Center Capital Improvements, Music Venue Assistance Program, Neighborhood Housing-Housing Trust, Pay for Success, Property Tax Reserve, and Seaholm Parking Garage Revenue. RSI reflects the budgetary comparison for the consolidated General Fund. Below are the budgetary comparisons for each of the seventeen funds.

Budgetary General Fund

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
REVENUES						
Taxes	\$ 860,698	100	860,798	809,105	809,105	51,693
Franchise fees	26,189	14	26,203	27,488	27,488	(1,285)
Fines, forfeitures and penalties	4,607	--	4,607	7,482	7,482	(2,875)
Licenses, permits and inspections	16,550	(26)	16,524	16,529	16,529	(5)
Charges for services/goods	57,278	(3,160)	54,118	63,594	63,594	(9,476)
Interest and other	14,465	(9,807)	4,658	6,201	6,201	(1,543)
Total revenues	979,787	(12,879)	966,908	930,399	930,399	36,509
EXPENDITURES						
General government						
Municipal Court	30,978	1,859	32,837	33,253	33,253	416
Public safety						
Emergency Communications	16,084	--	16,084	--	16,087	3
Emergency Medical Services	87,794	12,419	100,213	102,002	102,002	1,789
Fire	189,218	23,362	212,580	215,186	215,186	2,606
Forensic Science	11,908	--	11,908	--	11,908	--
Police	238,663	70,503	309,166	292,949	309,707	541
Public health						
Animal Services	12,649	2,644	15,293	16,047	16,047	754
Public Health	45,884	6,495	52,379	51,636	51,636	(743)
Social Services	40,499	10,859	51,358	51,379	51,379	21
Public recreation and culture						
Austin Public Library	44,667	10,261	54,928	58,868	58,868	3,940
Parks and Recreation	82,709	11,630	94,339	101,626	101,626	7,287
Urban growth management						
Housing and Planning	13,066	2,553	15,619	17,171	17,171	1,552
Other Urban Growth	63	(63)	--	--	--	--
General city responsibilities (4)	131,021	(140,211)	(9,190)	9,712	9,712	18,902
Total expenditures	945,203	12,311	957,514	949,829	994,582	37,068
Excess (deficiency) of revenues over expenditures	34,584	(25,190)	9,394	(19,430)	(64,183)	73,577
OTHER FINANCING SOURCES (USES)						
Transfers in	160,545	741	161,286	160,544	160,544	742
Transfers out	(24,533)	(147,120)	(171,653)	(141,114)	(96,361)	(75,292)
Total other financing sources (uses)	136,012	(146,379)	(10,367)	19,430	64,183	(74,550)
Excess (deficiency) of revenues and other sources over expenditures and other uses	170,596	(171,569)	(973)	--	--	(973)
Fund balances at beginning of year	373,542	(341,143)	32,399	--	--	32,399
Fund balances at end of year	\$ 544,138	(512,712)	31,426	--	--	31,426

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, 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 Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

APD Decouple

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
EXPENDITURES						
Public safety						
Police	\$ 31,397	--	31,397	76,554	31,478	81
Total expenditures	31,397	--	31,397	76,554	31,478	81
Excess (deficiency) of revenues over expenditures	(31,397)	--	(31,397)	(76,554)	(31,478)	81
OTHER FINANCING SOURCES (USES)						
Transfers in	--	31,478	31,478	76,554	31,478	--
Total other financing sources (uses)	--	31,478	31,478	76,554	31,478	--
Excess (deficiency) of revenues and other sources over expenditures and other uses	(31,397)	31,478	81	--	--	81
Fund balances at beginning of year	--	--	--	--	--	--
Fund balances at end of year	\$ (31,397)	31,478	81	--	--	81

APD Re-imagine Safety

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
EXPENDITURES						
Public safety						
Police	\$ 44,272	--	44,272	45,080	44,852	580
Total expenditures	44,272	--	44,272	45,080	44,852	580
Excess (deficiency) of revenues over expenditures	(44,272)	--	(44,272)	(45,080)	(44,852)	580
OTHER FINANCING SOURCES (USES)						
Transfers in	--	44,852	44,852	45,080	44,852	--
Total other financing sources (uses)	--	44,852	44,852	45,080	44,852	--
Excess (deficiency) of revenues and other sources over expenditures and other uses	(44,272)	44,852	580	--	--	580
Fund balance at beginning of year	--	--	--	--	--	--
Fund balances at end of year	\$ (44,272)	44,852	580	--	--	580

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, 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 Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(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	\$ 2	--	2	12	12	(10)
Total revenues	2	--	2	12	12	(10)
EXPENDITURES						
Urban growth management						
Other urban growth mangement	90	--	90	190	190	100
Total expenditures	90	--	90	190	190	100
Excess (deficiency) of revenues over expenditures	(88)	--	(88)	(178)	(178)	90
OTHER FINANCING SOURCES (USES)						
Transfers in	--	53	53	53	53	--
Total other financing sources (uses)	--	53	53	53	53	--
Excess (deficiency) of revenues and other sources over expenditures and other uses	(88)	53	(35)	(125)	(125)	90
Fund balances at beginning of year	(15)	(55)	(70)	683	683	(753)
Fund balances at end of year	\$ (103)	(2)	(105)	558	558	(663)

Budget Stabilization Reserve

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
EXPENDITURES						
General government						
Municipal Court	\$ 365	(365)	--	--	--	--
Public safety						
Fire	29	(29)	--	--	--	--
Police	8	(8)	--	--	--	--
Public health						
Animal Services	76	(76)	--	--	--	--
Public Health	1,126	(1,127)	(1)	--	--	1
Public recreation and culture						
Austin Public Library	13	(13)	--	--	--	--
Parks and Recreation	327	(327)	--	--	--	--
General city responsibilities (4)	446	(446)	--	--	--	--
Total expenditures	2,390	(2,391)	(1)	--	--	1
Excess (deficiency) of revenues over expenditures	(2,390)	2,391	1	--	--	1
OTHER FINANCING SOURCES (USES)						
Transfers in	--	18,556	18,556	7,326	7,326	11,230
Transfers out	--	(43,339)	(43,339)	(57,987)	(57,987)	14,648
Total other financing sources (uses)	--	(24,783)	(24,783)	(50,661)	(50,661)	25,878
Excess (deficiency) of revenues and other sources over expenditures and other uses	(2,390)	(22,392)	(24,782)	(50,661)	(50,661)	25,879
Fund balances at beginning of year	32,312	61,228	93,540	95,125	95,125	(1,585)
Fund balances at end of year	\$ 29,922	38,836	68,758	44,464	44,464	24,294

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, 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 Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

Community Development Incentives

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
OTHER FINANCING SOURCES (USES)						
Transfers out	\$ --	(38)	(38)	(25)	(25)	(13)
Total other financing sources (uses)	--	(38)	(38)	(25)	(25)	(13)
Excess (deficiency) of revenues and other sources over expenditures and other uses	--	(38)	(38)	(25)	(25)	(13)
Fund balances at beginning of year	(808)	829	21	25	25	(4)
Fund balances at end of year	\$ (808)	791	(17)	--	--	(17)

Economic Development

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
REVENUES						
Interest and other	\$ 139	--	139	105	105	34
Total revenues	139	--	139	105	105	34
EXPENDITURES						
Urban growth management						
Housing and Planning	--	(64)	(64)	--	--	64
Other urban growth management	18,514	(2,534)	15,980	21,020	21,020	5,040
Total expenditures	18,514	(2,598)	15,916	21,020	21,020	5,104
Excess (deficiency) of revenues over expenditures	(18,375)	2,598	(15,777)	(20,915)	(20,915)	5,138
OTHER FINANCING SOURCES (USES)						
Transfers in	12,648	7,810	20,458	20,458	20,458	--
Transfers out	(188)	(1,311)	(1,499)	(1,519)	(1,519)	20
Total other financing sources (uses)	12,460	6,499	18,959	18,939	18,939	20
Excess (deficiency) of revenues and other sources over expenditures and other uses	(5,915)	9,097	3,182	(1,976)	(1,976)	5,158
Fund balances at beginning of year	(22,136)	19,303	(2,833)	2,050	2,050	(4,883)
Fund balances at end of year	\$ (28,051)	28,400	349	74	74	275

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, 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 Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

Economic Incentives Reserve

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
REVENUES						
Interest and other	\$ 170	--	170	350	350	(180)
Total revenues	170	--	170	350	350	(180)
EXPENDITURES						
Urban growth management						
Housing and Planning	--	(35)	(35)	--	--	35
Other urban growth management	7,524	1,578	9,102	10,158	10,158	1,056
Total expenditures	7,524	1,543	9,067	10,158	10,158	1,091
Excess (deficiency) of revenues over expenditures	(7,354)	(1,543)	(8,897)	(9,808)	(9,808)	911
OTHER FINANCING SOURCES (USES)						
Transfers in	1,263	10,257	11,520	11,128	11,128	392
Transfers out	(986)	--	(986)	(986)	(986)	--
Total other financing sources (uses)	277	10,257	10,534	10,142	10,142	392
Excess (deficiency) of revenues and other sources over expenditures and other uses	(7,077)	8,714	1,637	334	334	1,303
Fund balances at beginning of year	(113,901)	116,530	2,629	8,170	8,170	(5,541)
Fund balances at end of year	\$ (120,978)	125,244	4,266	8,504	8,504	(4,238)

Emergency Reserve

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
REVENUES						
Interest and other	\$ 146	--	146	--	--	146
Total revenues	146	--	146	--	--	146
EXPENDITURES						
General city responsibilities (4)	88,260	(17,801)	70,459	--	18,800	(51,659)
Total expenditures	88,260	(17,801)	70,459	--	18,800	(51,659)
Excess (deficiency) of revenues over expenditures	(88,114)	17,801	(70,313)	--	(18,800)	(51,513)
OTHER FINANCING SOURCES (USES)						
Transfers in	8,800	80,223	89,023	57,987	66,787	22,236
Total other financing sources (uses)	8,800	80,223	89,023	57,987	66,787	22,236
Excess (deficiency) of revenues and other sources over expenditures and other uses	(79,314)	98,024	18,710	57,987	47,987	(29,277)
Fund balances at beginning of year	2,302	63,029	65,331	31,144	31,144	34,187
Fund balances at end of year	\$ (77,012)	161,053	84,041	89,131	79,131	4,910

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, 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 Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

Housing and Planning Technology

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
REVENUES						
Licenses, permits and inspections	\$ 62	--	62	62	62	--
Interest and other	--	--	--	3	3	(3)
Total revenues	62	--	62	65	65	(3)
EXPENDITURES						
Urban growth management						
Housing and Planning	70	--	70	75	75	5
Total expenditures	70	--	70	75	75	5
Excess (deficiency) of revenues and other sources over expenditures and other uses	(8)	--	(8)	(10)	(10)	2
Fund balances at beginning of year	190	--	190	177	177	13
Fund balances at end of year	\$ 182	--	182	167	167	15

Iconic Venue

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
EXPENDITURES						
Urban growth management						
Other urban growth management	\$ --	2,400	2,400	--	2,400	--
Total expenditures	--	2,400	2,400	--	2,400	--
Excess (deficiency) of revenues over expenditures	--	(2,400)	(2,400)	--	(2,400)	--
OTHER FINANCING SOURCES (USES)						
Transfers in	2,400	--	2,400	--	2,400	--
Total other financing sources (uses)	2,400	--	2,400	--	2,400	--
Excess (deficiency) of revenues and other sources over expenditures and other uses	2,400	(2,400)	--	--	--	--
Fund balances at beginning of year	--	--	--	--	--	--
Fund balances at end of year	\$ 2,400	(2,400)	--	--	--	--

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	\$ 263	37	300	300	300	--
Total expenditures	263	37	300	300	300	--
Excess (deficiency) of revenues over expenditures	(263)	(37)	(300)	(300)	(300)	--
OTHER FINANCING SOURCES (USES)						
Transfers in	--	300	300	300	300	--
Total other financing sources (uses)	--	300	300	300	300	--
Excess (deficiency) of revenues and other sources over expenditures and other uses	(263)	263	--	--	--	--
Fund balances at beginning of year	(1,787)	1,787	--	--	--	--
Fund balances at end of year	\$ (2,050)	2,050	--	--	--	--

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, 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 Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

Music Venue Assistance Program

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
EXPENDITURES						
Urban growth management						
Other urban growth management	\$ --	--	--	7	7	7
Total expenditures	--	--	--	7	7	7
Excess (deficiency) of revenues over expenditures	--	--	--	(7)	(7)	7
OTHER FINANCING SOURCES (USES)						
Transfers out	--	(6)	(6)	--	--	(6)
Total other financing sources (uses)	--	(6)	(6)	--	--	(6)
Excess (deficiency) of revenues and other sources over expenditures and other uses	--	(6)	(6)	(7)	(7)	1
Fund balances at beginning of year	(359)	331	(28)	7	7	(35)
Fund balances at end of year	\$ (359)	325	(34)	--	--	(34)

Neighborhood Housing-Housing Trust

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
REVENUES						
Interest and other	\$ 1,782	--	1,782	819	819	963
Total revenues	1,782	--	1,782	819	819	963
EXPENDITURES						
Urban growth management						
Housing and Planning	1,216	(3)	1,213	13,693	12,793	11,580
Other urban growth management	45	(14)	31	--	--	(31)
Total expenditures	1,261	(17)	1,244	13,693	12,793	11,549
Excess (deficiency) of revenues over expenditures	521	17	538	(12,874)	(11,974)	12,512
OTHER FINANCING SOURCES (USES)						
Transfers in	--	7,713	7,713	7,713	7,713	--
Transfers out	(2,580)	(12,350)	(14,930)	--	(13,250)	(1,680)
Total other financing sources (uses)	(2,580)	(4,637)	(7,217)	7,713	(5,537)	(1,680)
Excess (deficiency) of revenues and other sources over expenditures and other uses	(2,059)	(4,620)	(6,679)	(5,161)	(17,511)	10,832
Fund balances at beginning of year	(3,815)	20,673	16,858	5,161	17,518	(660)
Fund balances at end of year	\$ (5,874)	16,053	10,179	--	7	10,172

(Continued)

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, 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 Balances--Budget and Actual-Budget Basis
For the year ended September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit J-1

(Continued)

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 balances at end of year	\$ --	6,000	6,000	3,600	3,600	2,400

Property Tax Reserve

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
OTHER FINANCING SOURCES (USES)						
Transfers out	\$ --	(4,500)	(4,500)	(4,500)	(4,500)	--
Total other financing sources (uses)	--	(4,500)	(4,500)	(4,500)	(4,500)	--
Excess (deficiency) of revenues and other sources over expenditures and other uses	--	(4,500)	(4,500)	(4,500)	(4,500)	--
Fund balances at beginning of year	4,500	--	4,500	4,500	4,500	--
Fund balances at end of year	\$ 4,500	(4,500)	--	--	--	--

Seaholm Parking Garage Revenue

	Actual	Adjustments (1) (2)	Actual- Budget Basis	Budget		Variance (3) Positive (Negative)
				Original	Final	
REVENUES						
Interest and other	\$ 542	--	542	823	823	(281)
Total revenues	542	--	542	823	823	(281)
Excess (deficiency) of revenues over expenditures	542	--	542	823	823	(281)
OTHER FINANCING SOURCES (USES)						
Transfers in	785	--	785	--	--	785
Transfers out	(576)	--	(576)	(576)	(576)	--
Total other financing sources (uses)	209	--	209	(576)	(576)	785
Excess (deficiency) of revenues and other sources over expenditures and other uses	751	--	751	247	247	504
Fund balances at beginning of year	2,113	--	2,113	2,096	2,096	17
Fund balances at end of year	\$ 2,864	--	2,864	2,343	2,343	521

- (1) Includes adjustments to expenditures for current year encumbrances, payments against prior year encumbrances, compensated absences, 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.

Enterprise Related Grants
Combining Balance Sheet
September 30, 2021
(In thousands)

City of Austin, Texas
Exhibit J-2

	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						
American Public Power Association	\$ 19	19	19	19	--	19
Total Austin Energy	19	19	19	19	--	19
AIRPORT RELATED						
U.S. Department of Homeland Security	70	70	70	70	--	70
U.S. Department of Transportation	3,650	3,650	3,650	3,650	--	3,650
Total Airport	3,720	3,720	3,720	3,720	--	3,720
DRAINAGE RELATED						
U.S. Department of Homeland Security	--	--	--	--	--	--
Total Drainage	--	--	--	--	--	--
AUSTIN RESOURCE RECOVERY RELATED						
U.S. Environmental Protection Agency	--	--	--	--	--	--
Private	--	--	--	--	--	--
Total Austin Resource Recovery	--	--	--	--	--	--
Total grants, enterprise related	\$ 3,739	3,739	3,739	3,739	--	3,739

NOTE: These grants have been reported in the enterprise fund financial statements.

Enterprise Related Grants
Combining Schedule of Expenditures
From Inception to September 30, 2021
(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											
American Public Power Association	\$ 144	--	144	19	--	163	--	163	167	--	167
Total Austin Energy	<u>144</u>	<u>--</u>	<u>144</u>	<u>19</u>	<u>--</u>	<u>163</u>	<u>--</u>	<u>163</u>	<u>167</u>	<u>--</u>	<u>167</u>
AIRPORT RELATED											
U.S. Department of Homeland Security	18,261	--	18,261	515	--	18,776	--	18,776	19,707	--	19,707
U.S. Department of Transportation	138,981	36,874	175,855	39,966	2,406	178,947	39,280	218,227	218,127	47,729	265,856
Total Airport	<u>157,242</u>	<u>36,874</u>	<u>194,116</u>	<u>40,481</u>	<u>2,406</u>	<u>197,723</u>	<u>39,280</u>	<u>237,003</u>	<u>237,834</u>	<u>47,729</u>	<u>285,563</u>
DRAINAGE RELATED											
U.S. Department of Homeland Security	8,928	3,797	12,725	504	306	9,432	4,103	13,535	21,362	17,831	39,193
Total Drainage	<u>8,928</u>	<u>3,797</u>	<u>12,725</u>	<u>504</u>	<u>306</u>	<u>9,432</u>	<u>4,103</u>	<u>13,535</u>	<u>21,362</u>	<u>17,831</u>	<u>39,193</u>
AUSTIN RESOURCE RECOVERY RELATED											
U.S. Environmental Protection Agency	873	2	875	149	161	1,022	163	1,185	2,020	264	2,284
Private	--	--	--	45	--	45	--	45	45	--	45
Total Austin Resource Recovery	<u>873</u>	<u>2</u>	<u>875</u>	<u>194</u>	<u>161</u>	<u>1,067</u>	<u>163</u>	<u>1,230</u>	<u>2,065</u>	<u>264</u>	<u>2,329</u>
Total grants, enterprise related	<u>\$ 167,187</u>	<u>40,673</u>	<u>207,860</u>	<u>41,198</u>	<u>2,873</u>	<u>208,385</u>	<u>43,546</u>	<u>251,931</u>	<u>261,428</u>	<u>65,824</u>	<u>327,252</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, 2021
(In thousands)**

**City of Austin, Texas
Exhibit J-4**

Date Authorized	Purpose	Original Authorized	Previously Issued (1)	Issued During Current Year	Unissued September 30, 2021
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	145,500	6,595	567,905
11-06-18	Affordable housing	250,000	34,905	27,735	187,360
11-06-18	Cultural arts	128,000	6,700	--	121,300
11-06-18	Park Improvements	149,000	11,280	--	137,720
11-06-18	Flood mitigation	184,000	36,850	12,955	134,195
11-06-18	Health and human services	16,000	600	550	14,850
11-06-18	Public safety	38,000	9,450	--	28,550
11-06-18	Mobility transportation	160,000	5,150	10,765	144,085
11-03-20	Mobility transportation	460,000	--	--	460,000
		<u>\$ 2,493,408</u>	<u>605,413</u>	<u>58,600</u>	<u>1,829,395</u>

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.

**Schedule of Revenue Bonds Authorized,
Deauthorized and Unissued
For the year ended September 30, 2021
(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, 2021
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 improvement	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)

(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, 2021
(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, 2021
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 - 12)

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 13 - 17)

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 18 - 19)

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 20 - 22)

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governmental activities										
Net investment in capital assets	1,666,653	1,649,431	1,621,208	1,645,359	1,719,704	1,709,146	1,735,481	1,844,751	1,999,355	2,208,451
Restricted	82,916	103,246	118,335	133,984	124,695	140,299	146,496	215,091	235,505	265,681
Unrestricted (deficit)	(334,332)	(397,244)	(431,349)	(1,117,293)	(1,211,495)	(1,394,092)	(2,135,186)	(2,336,696)	(2,835,470)	(3,266,612)
Total governmental activities net position	<u>1,415,237</u>	<u>1,355,433</u>	<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>
Business-type activities										
Net investment in capital assets	2,104,623	2,195,358	2,216,347	2,223,964	2,250,698	2,358,240	2,375,219	2,366,162	2,303,795	2,408,833
Restricted	554,215	535,490	524,653	642,052	690,459	702,749	795,049	1,015,860	1,085,723	1,107,411
Unrestricted	392,904	466,167	587,362	560,321	737,150	915,825	789,217	646,000	628,579	509,342
Total business-type activities net position	<u>3,051,742</u>	<u>3,197,015</u>	<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>
Primary government										
Net investment in capital assets	3,771,276	3,844,789	3,837,555	3,869,323	3,970,402	4,067,386	4,110,700	4,210,913	4,303,150	4,617,284
Restricted	637,131	638,736	642,988	776,036	815,154	843,048	941,545	1,230,951	1,321,228	1,373,092
Unrestricted (deficit)	58,572	68,923	156,013	(556,972)	(474,345)	(478,267)	(1,345,969)	(1,690,696)	(2,206,891)	(2,757,270)
Total primary government net position	<u>4,466,979</u>	<u>4,552,448</u>	<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>

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Expenses										
Governmental activities:										
General government	124,735	97,675	118,074	131,993	177,302	192,231	200,125	201,747	283,532	327,126
Public safety	536,132	580,074	576,118	601,112	657,846	719,032	704,566	810,140	842,450	853,434
Transportation, planning, and sustainability	64,247	78,594	83,971	77,349	66,739	72,517	72,240	83,967	88,948	232,056
Public health	75,799	73,186	80,796	85,326	100,195	119,278	117,578	123,304	278,340	204,819
Public recreation and culture	104,026	104,951	117,441	134,567	147,191	161,226	173,333	175,567	178,481	185,110
Urban growth management	93,593	137,478	136,110	135,386	179,081	156,180	176,453	133,763	162,677	242,225
Interest on debt	46,417	48,400	49,617	55,855	61,500	61,879	65,147	64,986	69,002	68,724
Total governmental expenses	1,044,949	1,120,358	1,162,127	1,221,588	1,389,854	1,482,343	1,509,442	1,593,474	1,903,430	2,113,494
Business-type activities:										
Electric	1,133,951	1,132,476	1,251,599	1,203,729	1,226,585	1,277,623	1,268,610	1,397,591	1,345,003	1,256,788
Water	223,228	231,774	232,778	294,624	244,907	281,787	312,276	314,899	318,889	245,336
Wastewater	194,650	214,580	221,216	219,320	237,450	219,609	286,736	263,362	263,230	232,053
Airport	101,991	107,389	108,291	120,015	135,860	158,863	184,084	202,366	216,183	213,129
Convention	56,142	62,884	58,763	65,657	63,796	75,377	80,990	84,673	76,382	65,938
Environmental and health services	87,450	81,544	92,997	97,690	102,994	108,658	111,184	121,987	134,680	155,957
Public recreation	5,624	7,185	6,765	8,824	8,266	8,736	9,009	9,195	9,681	10,293
Urban growth management	114,270	129,583	125,983	135,360	173,360	183,532	196,817	308,303	312,267	334,450
Total business-type expenses	1,917,306	1,967,415	2,098,392	2,145,219	2,193,218	2,314,185	2,449,706	2,702,376	2,676,315	2,513,944
Total primary government expenses	2,962,255	3,087,773	3,260,519	3,366,807	3,583,072	3,796,528	3,959,148	4,295,850	4,579,745	4,627,438
Program Revenues										
Governmental activities:										
Charges for services:										
General government	17,285	15,223	17,890	15,434	15,915	21,345	27,276	26,806	28,727	24,886
Public safety	51,009	53,826	62,832	65,221	65,087	57,728	57,950	57,620	46,482	45,504
Transportation, planning, and sustainability	4,158	4,431	5,214	5,006	4,572	1,698	1,503	1,490	1,277	383
Public health	5,106	9,510	9,720	10,351	9,160	12,374	8,109	8,239	11,265	18,229
Public recreation and culture	7,576	8,753	8,205	8,330	8,781	11,251	12,401	11,558	3,799	6,955
Urban growth management	28,613	32,917	37,848	56,366	78,530	72,244	66,161	26,166	27,502	30,686
Operating grants and contributions	57,818	48,567	50,333	45,470	47,430	45,162	42,489	66,439	190,534	182,566
Capital grants and contributions	35,880	64,781	66,856	70,484	95,486	90,256	107,865	78,826	60,724	99,864
Total governmental program revenues	207,445	238,008	258,898	276,662	324,961	312,058	323,754	277,144	370,310	409,073
Business-type activities:										
Charges for services:										
Electric	1,179,872	1,288,259	1,367,155	1,351,436	1,370,228	1,362,132	1,400,523	1,447,300	1,373,556	1,271,808
Water	229,454	240,081	240,526	277,180	301,860	324,562	304,182	287,454	305,072	295,295
Wastewater	213,253	236,700	232,067	239,811	259,974	274,518	270,884	264,116	261,053	271,927

(Continued)

Changes in Net Position
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

City of Austin, Texas
Table 2
(Continued)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Airport	114,318	123,021	128,766	142,353	159,866	178,433	197,426	213,458	162,010	178,077
Convention	19,200	22,783	25,087	28,657	33,221	40,196	33,752	43,600	16,655	6,018
Environmental and health services	75,499	81,833	84,655	96,622	103,420	109,274	115,499	117,998	119,692	131,414
Public recreation	5,239	6,069	5,849	5,736	6,480	6,705	7,278	7,060	6,134	10,281
Urban growth management	123,477	131,561	141,755	154,337	176,163	204,439	214,244	286,780	283,435	296,609
Operating grants and contributions	10,950	3,749	1,489	1,039	739	861	876	785	24,383	32,377
Capital grants and contributions	50,064	64,124	65,550	110,580	144,139	137,464	122,396	164,700	147,545	150,385
Total business-type revenues	2,021,326	2,198,180	2,292,899	2,407,751	2,556,090	2,638,584	2,667,060	2,833,251	2,699,535	2,644,191
Total primary government revenues	2,228,771	2,436,188	2,551,797	2,684,413	2,881,051	2,950,642	2,990,814	3,110,395	3,069,845	3,053,264
Net (Expense)/Revenue										
Governmental activities	(837,504)	(882,350)	(903,229)	(944,926)	(1,064,893)	(1,170,285)	(1,185,688)	(1,316,330)	(1,533,120)	(1,704,421)
Business-type activities	104,020	230,765	194,507	262,532	362,872	324,399	217,354	130,875	23,220	130,247
Total primary government net expense	(733,484)	(651,585)	(708,722)	(682,394)	(702,021)	(845,886)	(968,334)	(1,185,455)	(1,509,900)	(1,574,174)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	381,582	420,000	448,083	476,439	507,485	554,631	616,745	671,614	732,336	937,352
Sales tax	164,193	176,198	189,464	204,029	212,634	218,790	232,319	248,813	246,658	281,784
Franchise fees and gross receipts tax	99,011	114,147	128,032	141,368	147,773	151,670	159,754	175,182	117,810	120,085
Interest and other	15,884	23,888	21,275	21,951	41,708	26,950	34,333	53,330	41,862	40,374
Transfers	101,527	87,761	62,215	70,865	121,838	40,693	73,664	133,907	70,698	125,945
Special items	--	--	15,830	11,983	4,309	--	--	10,201	--	--
Total general revenues and transfers	762,197	821,994	864,899	926,635	1,035,747	992,734	1,116,815	1,293,047	1,209,364	1,505,540
Business-type activities:										
Interest and other	11,529	2,269	5,717	10,498	10,936	14,801	27,730	71,569	37,553	3,187
Transfers	(101,527)	(87,761)	(62,215)	(70,865)	(121,838)	(40,693)	(73,664)	(133,907)	(70,698)	(125,945)
Total business-type activities	(89,998)	(85,492)	(56,498)	(60,367)	(110,902)	(25,892)	(45,934)	(62,338)	(33,145)	(122,758)
Total primary government	672,199	736,502	808,401	866,268	924,845	966,842	1,070,881	1,230,709	1,176,219	1,382,782
Change in Net Position										
Governmental activities	(75,307)	(60,356)	(38,330)	(18,291)	(29,146)	(177,551)	(68,873)	(23,283)	(323,756)	(198,881)
Business-type activities	14,022	145,273	138,009	202,165	251,970	298,507	171,420	68,537	(9,925)	7,489
Total primary government	(61,285)	84,917	99,679	183,874	222,824	120,956	102,547	45,254	(333,681)	(191,392)

Program Revenues by Function/Program
Last Ten Fiscal Years (In thousands)
(Accrual basis of accounting)

City of Austin, Texas
Table 3

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Function/Program										
Governmental activities:										
General government	31,179	29,603	29,150	24,715	29,665	29,022	44,526	28,514	30,567	31,259
Public safety	59,997	60,221	74,805	71,035	71,626	64,937	67,314	64,235	54,020	66,744
Transportation, planning, and sustainability	24,942	51,095	55,324	61,405	80,375	75,165	83,068	63,260	45,045	66,638
Public health	28,122	30,307	29,390	29,524	28,822	33,034	29,742	30,045	171,392	94,276
Public recreation and culture	13,145	14,343	17,233	15,390	17,685	23,050	24,840	30,371	20,232	36,117
Urban growth management	50,060	52,439	52,996	74,593	96,788	86,850	74,264	60,719	49,054	114,039
Subtotal governmental activities	<u>207,445</u>	<u>238,008</u>	<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>
Business-type activities:										
Electric	1,201,722	1,303,299	1,381,040	1,374,895	1,411,135	1,406,147	1,435,613	1,492,881	1,419,070	1,313,226
Water	241,205	262,212	264,265	312,102	349,195	369,506	351,089	337,352	356,634	346,669
Wastewater	221,561	249,564	246,569	261,680	290,717	304,260	297,869	290,883	300,894	304,130
Airport	124,042	128,301	134,208	151,368	163,432	193,769	205,635	227,535	192,893	218,558
Convention	19,234	23,149	25,138	28,657	33,221	40,196	33,752	43,600	16,655	6,018
Environmental and health services	78,694	83,080	84,807	96,674	103,538	109,546	115,768	118,331	119,953	131,608
Public recreation	5,404	6,776	6,626	6,206	6,701	6,995	7,508	7,286	6,326	10,549
Urban growth management	129,464	141,799	150,246	176,169	198,151	208,165	219,826	315,383	287,110	313,433
Subtotal business-type activities	<u>2,021,326</u>	<u>2,198,180</u>	<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>
Total primary government	<u><u>2,228,771</u></u>	<u><u>2,436,188</u></u>	<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>

Fund Balances, Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

City of Austin, Texas
Table 4

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General Fund										
Nonspendable	862	774	950	949	546	727	2,064	1,771	2,879	3,369
Assigned	16,255	18,459	25,887	26,123	28,700	29,618	37,561	53,441	95,545	116,428
Unassigned	113,046	127,859	156,659	150,091	131,743	141,469	173,309	180,424	173,091	153,305
Total general fund	<u>130,163</u>	<u>147,092</u>	<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>
All Other Governmental Funds										
Nonspendable	1,040	1,040	1,052	1,070	1,070	1,070	1,070	1,070	1,070	1,070
Restricted	174,773	160,483	162,000	175,977	186,395	214,582	223,062	243,746	299,091	300,032
Committed	19,716	22,921	27,486	40,196	42,508	40,652	45,169	41,896	47,182	59,131
Assigned	82,511	80,219	64,142	75,821	107,833	109,692	108,333	130,735	120,579	127,620
Unassigned	<u>(38,012)</u>	<u>(47,512)</u>	<u>(70,581)</u>	<u>(51,622)</u>	<u>(14,876)</u>	<u>(25,369)</u>	<u>(11,113)</u>	<u>(39,921)</u>	<u>(161,127)</u>	<u>(201,583)</u>
Total all other governmental funds	<u>240,028</u>	<u>217,151</u>	<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>

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (In thousands)
(Modified accrual basis of accounting)

City of Austin, Texas
Table 5

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues										
Property taxes	381,611	419,965	446,876	474,704	509,104	554,411	616,424	671,238	729,633	942,369
Sales taxes	164,193	176,198	189,464	204,029	212,634	218,790	232,319	248,813	246,658	281,784
Franchise fees and other taxes	98,903	114,039	128,032	141,368	147,773	151,670	159,754	175,182	117,810	120,085
Fine, forfeitures, and penalties	20,251	21,128	22,520	22,884	20,079	17,628	15,764	14,408	8,505	5,528
Licenses, permits, and inspections	22,664	28,669	33,719	39,805	50,186	61,450	54,424	16,648	15,619	20,065
Charges for services/goods	56,397	63,568	72,924	86,576	98,911	81,368	84,315	85,381	74,908	78,970
Intergovernmental	76,233	76,085	79,407	62,622	56,746	59,572	65,632	73,829	192,743	186,511
Property owners' participation and contributions	6,624	10,167	12,718	12,763	14,554	14,659	16,355	21,525	22,911	36,992
Interest and other	15,932	24,345	21,393	21,517	38,334	27,050	34,254	45,848	40,689	40,184
Total revenues	842,808	934,164	1,007,053	1,066,268	1,148,321	1,186,598	1,279,241	1,352,872	1,449,476	1,712,488
Expenditures										
General government	74,846	84,504	91,668	102,222	118,773	128,708	138,011	145,587	213,746	251,843
Public safety	483,458	497,371	528,670	565,070	576,461	593,406	597,085	619,308	548,210	640,385
Transportation, planning, and sustainability	7,556	16,007	14,053	7,032	7,039	5,125	5,162	5,734	3,617	152,070
Public health	65,861	69,418	74,310	80,630	92,076	101,025	106,016	108,635	256,316	176,753
Public recreation and culture	80,818	92,282	99,780	110,745	116,531	126,599	134,575	133,422	128,753	130,105
Urban growth management	80,021	97,840	106,715	116,912	155,459	127,982	150,635	108,175	142,816	271,505
Debt service:										
Principal	71,906	69,625	69,768	71,532	80,859	87,367	99,572	128,163	137,841	150,825
Interest	46,188	48,199	49,367	55,794	61,388	61,862	64,674	64,570	68,070	67,710
Fees and commissions	16	17	6	9	13	13	27	31	29	33
Capital outlay	178,380	214,294	257,420	186,870	142,822	130,783	139,324	202,954	359,503	255,277
Total expenditures	1,089,050	1,189,557	1,291,757	1,296,816	1,351,421	1,362,870	1,435,081	1,516,579	1,858,901	2,096,506
Excess (deficiency) of revenues over expenditures	(246,242)	(255,393)	(284,704)	(230,548)	(203,100)	(176,272)	(155,840)	(163,707)	(409,425)	(384,018)
Other financing sources (uses)										
Issuance of tax supported debt	145,175	131,499	154,444	159,939	142,775	130,665	118,216	96,341	207,750	180,366
Issuance of refunding bonds	58,347	--	107,923	--	139,690	54,970	--	--	12,620	78,949
Bond premiums	8,207	8,452	16,212	20,093	33,305	35,430	17,237	6,200	27,875	50,545
Payment to escrow agent	(66,554)	--	(113,836)	--	(159,589)	(68,744)	--	--	(13,238)	(93,417)
Capital leases	--	--	--	--	--	--	--	--	23,702	-
Transfers in	178,768	209,161	221,868	239,666	248,331	222,540	242,856	272,354	306,332	361,844
Transfers out	(76,838)	(99,667)	(114,385)	(150,123)	(140,407)	(170,067)	(155,455)	(187,682)	(190,468)	(220,218)
Total other financing sources (uses)	247,105	249,445	272,226	269,575	264,105	204,794	222,854	187,213	374,573	358,069
Special item	--	--	15,830	11,983	4,309	--	--	10,201	--	--
Net change in fund balances	863	(5,948)	3,352	51,010	65,314	28,522	67,014	33,707	(34,852)	(25,949)
Debt service as a percentage of noncapital expenditures	12.9%	11.5%	11.2%	11.3%	11.5%	11.9%	12.8%	14.7%	13.9%	12.2%

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	
	\$	\$	\$	\$	\$	\$	\$
2012	381,611	164,193	34,348	51,434	5,964	7,157	644,707
2013	419,965	176,198	37,001	61,753	6,941	8,344	710,202
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
Change 2012-2021	146.9%	71.6%	-18.7%	39.0%	99.1%	22.9%	

**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
		%	\$	\$	\$	%	\$	\$	\$	\$	%
2012	2011	87.04	91,015,898,946	11,796,118,067	79,219,780,879	2.06	0.3551	0.1260	-	0.4811	5.25
2013	2012	87.30	95,412,581,152	12,118,044,659	83,294,536,493	5.14	0.3821	0.1208	-	0.5029	4.53
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	(1) 76.54	239,760,485,449	56,254,166,259	183,506,319,190	3.87	0.3390	0.1130	0.0890	0.5410	1.41

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Fiscal Year Ended Sept. 30	Valuation Date (January 1)	Collected within the Fiscal Year of the Levy				Net Collections in Subsequent Years	Total Collections to Date		Total Outstanding Delinquencies (2)		
		Total Tax Levy (October 1)	Percentage		Amount		Percentage	Amount	Percentage		
			Amount	of Levy						Amount	of Levy
2012	2011	381,126,366	378,351,758	99.27	1,313,394	379,665,152	99.72	12,177,159	3.20		
2013	2012	418,888,224	416,202,468	99.36	1,722,432	417,924,900	99.65	12,662,032	3.02		
2014	2013	446,227,175	442,872,352	99.25	1,207,812	444,080,164	99.55	13,037,334	2.92		
2015	2014	474,418,331	470,959,014	99.27	1,329,358	472,288,371	99.42	14,469,523	3.05		
2016	2015	507,203,935	504,891,858	99.54	624,124	505,515,982	99.32	13,711,114	2.70		
2017	2016	553,891,970	551,107,380	99.50	(1,258,782)	549,848,598	99.31	13,903,694	2.51		
2018	2017	615,686,143	612,423,673	99.47	(1,161,256)	611,262,417	99.37	14,403,647	2.34		
2019	2018	669,905,468	666,262,136	99.46	(922,964)	665,339,172	99.21	15,104,516	2.25		
2020	2019	731,975,092	725,918,569	99.17	85,518	726,004,087	99.17	15,986,530	2.18		
2021	2020	942,543,964	935,755,154	99.28	--	935,755,154	99.28	10,161,325	1.08		
2022	2021	(1) 992,769,187	**	**	**	**	**	**	**		

** Information not yet available for fiscal year 2022.

Note: Appraisal district appraises property at market value.

(1) Appraised value at January 1, 2021, is subject to change pending additional exemptions and appeals. Accordingly, the tax levy represents an estimate.

(2) The total amount of outstanding delinquencies for all prior years as of fiscal year end.

**Assessed Taxable Property Value by Class
Last Ten Fiscal Years (In thousands)**

**City of Austin, Texas
Table 8**

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)
	\$	\$	\$	\$	\$	\$	\$
2012	40,599,766	9,910,886	1,646,815	18,880,729	9,051,096	80,089,292	0.4811
2013	41,050,945	11,115,108	1,599,889	20,237,454	9,575,131	83,578,527	0.5029
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

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**

**City of Austin, Texas
Table 9**

Government	Tax Rates (per \$100 Assessed Value) for Fiscal Year Ended September 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
City of Austin	0.4811	0.5029	0.5027	0.4809	0.4589	0.4418	0.4448	0.4403	0.4431	0.5335
Austin Community College	0.0948	0.0951	0.0949	0.0942	0.1005	0.1020	0.1008	0.1048	0.1049	0.1058
Austin Independent School District	1.2420	1.2420	1.2420	1.2220	1.2020	1.1920	1.1920	1.1920	1.1220	1.1027
Del Valle Independent School District	1.5300	1.5300	1.4700	1.4700	1.5300	1.5200	1.4600	1.3900	1.3100	1.2570
Eanes Independent School District	1.2125	1.2125	1.2125	1.2125	1.2125	1.2125	1.2000	1.2000	1.1300	1.1164
Leander Independent School District	1.4998	1.5119	1.5119	1.5119	1.5119	1.5119	1.5119	1.5100	1.4375	1.4184
Manor Independent School District	1.5150	1.5150	1.5150	1.5150	1.5150	1.5150	1.5150	1.5150	1.4700	1.4427
North Austin MUD #1	0.3719	0.3450	0.3450	0.3399	0.3170	0.2890	0.2880	0.2830	0.2830	0.2817
Northwest Travis County RD #3 (1)	0.1550	0.1300	0.1223	--	--	--	--	--	--	--
Pflugerville Independent School District	1.4800	1.5400	1.5400	1.5400	1.5400	1.5400	1.5400	1.5200	1.4500	1.4223
Round Rock Independent School District	1.3350	1.3800	1.3674	1.3375	1.3325	1.3325	1.3048	1.3048	1.2348	1.2212
Travis County (2)	0.4855	0.5001	0.4946	0.4563	0.4169	0.3838	0.3690	0.3542	0.3693	0.3744
Travis County Healthcare District	0.0789	0.0789	0.1290	0.1264	0.1178	0.1105	0.1074	0.1052	0.1056	0.1103

Government	Tax Levies (in 000's) for Fiscal Year Ended September 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
City of Austin	381,126	418,888	446,227	474,418	507,204	553,892	615,686	669,905	731,975	942,544
Austin Community College	80,596	84,766	90,079	99,308	121,203	140,069	153,797	176,161	190,826	193,895
Austin Independent School District	746,896	775,231	834,029	918,306	1,030,642	1,174,333	1,312,699	1,448,359	1,484,391	1,554,355
Del Valle Independent School District	44,867	46,004	51,559	53,414	60,093	67,076	75,395	86,276	94,457	101,403
Eanes Independent School District	111,792	116,443	123,749	135,138	148,545	164,250	173,161	184,415	182,995	187,008
Leander Independent School District	195,248	204,896	219,988	248,089	273,849	305,591	336,487	370,356	383,124	400,096
Manor Independent School District	40,609	48,860	47,605	63,098	58,687	70,423	74,155	81,305	84,123	90,436
North Austin MUD #1	2,713	2,660	2,661	2,968	3,131	293	304	329	357	368
Northwest Travis County RD #3 (1)	607	565	568	--	--	--	--	--	--	--
Pflugerville Independent School District	105,197	111,719	118,412	133,432	147,355	166,578	189,307	215,566	226,363	242,003
Round Rock Independent School District	268,675	287,687	288,217	332,436	360,251	360,251	401,198	428,841	470,534	488,014
Travis County (2)	466,691	503,068	529,149	543,863	568,520	592,824	632,925	671,334	755,171	813,304
Travis County Healthcare District	75,928	79,480	138,132	150,765	160,701	170,812	184,237	199,366	215,815	239,562

Source: Travis Central Appraisal District, Williamson Central Appraisal District, Hays Central Appraisal District, and taxing entities.

Note:

- (1) Northwest Travis County RD #3 was dissolved in 2014.
- (2) Includes taxes and levies for Travis County and Farm to Market Roads.

**Principal Property Taxpayers
Current Year and Nine Years Ago**

**City of Austin, Texas
Table 10**

		Fiscal Year Ended September 30					
		2021			2012		
Taxpayer	Type of Property	January 1, 2020 Assessed Valuation	Rank	Percent of Total Assessed Valuation of \$ 176,671,783,309	January 1, 2011 Assessed Valuation	Rank	Percent of Total Assessed Valuation of \$ 79,219,780,879
		\$		%	\$		%
Samsung Austin Semiconductor LLC	Manufacturing	1,105,637,966	1	0.63	2,931,131,761	1	3.70
Applied Materials Inc.	Manufacturing	652,655,147	2	0.37			
Columbia/St. Davids Health Care	Hospital/Medical	556,202,234	3	0.31	469,269,754	3	0.59
Apple	Manufacturing	477,000,000	4	0.27			
Finley Company	Commercial	458,826,932	5	0.26			
Oracle America Inc	Manufacturing	421,313,663	6	0.24			
CSHV-401 Congress LLC	Commercial	410,868,000	7	0.23			
Domain Retail Property Owner LP	Commercial	379,221,401	8	0.21			
Icon IPC TX Property Owner	Commercial	377,003,136	9	0.21			
GW Block 23 Office LLC	Commercial	375,000,000	10	0.21			
TPG-300 West 6th Street LLC	Commercial				815,137,425	2	1.03
Freescale Semiconductor, Inc.	Manufacturing				266,777,729	4	0.34
IBM Corporation	Manufacturing				242,656,839	5	0.31
Dell Computer Corporation	Manufacturing				212,097,537	6	0.27
Shopping Center at Gateway LP	Commercial				206,168,052	7	0.26
Brandywine Acquisition Partners LP	Commercial				186,629,544	8	0.24
Advanced Micro Devices, Inc.	Manufacturing				179,886,526	9	0.23
HEB Grocery Company LP	Retail				160,358,893	10	0.20
Total assessed valuation		5,213,728,479		2.95	5,670,114,060		7.16

Source: Travis, Williamson and Hays Central Appraisal Districts

**Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years**

**City of Austin, Texas
Table 11**

Fiscal Year Ended Sept. 30	City Direct Rate (1)	Capital Metro Rate (2)	State of Texas Rate (3)
	%	%	%
2012	1.00	1.00	6.25
2013	1.00	1.00	6.25
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

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

**Taxable Sales by Category
Last Ten Fiscal Years (In thousands)**

**City of Austin, Texas
Table 12**

	Fiscal Year Ended September 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Agriculture, forestry, fishing, hunting	4,212	4,804	5,510	7,214	4,915	4,242	4,196	5,598	13,254	14,519 (1)
Mining	6,549	15,455	52,267	30,534	26,795	46,353	161,286	184,006	149,763	60,090
Construction	471,658	551,199	628,533	685,990	749,637	847,409	942,859	1,064,081	1,126,733	874,360
Manufacturing	1,644,016	1,755,428	1,747,367	1,931,586	2,058,115	2,457,238	2,982,218	3,399,973	4,285,484	5,342,793
Transportation, warehousing, utilities	512,542	565,999	439,136	414,567	386,898	358,473	399,288	371,458	409,606	440,820
Wholesale trade	804,224	854,964	993,560	1,047,647	1,109,486	1,172,432	1,226,960	1,327,686	1,328,664	1,350,843
Retail trade	6,225,353	6,413,528	6,632,916	7,015,660	7,257,673	7,226,473	7,415,440	7,763,599	7,268,641	7,812,586
Finance, insurance, real estate	237,753	260,982	273,513	305,481	439,690	410,974	456,237	425,299	359,903	328,466
Services	1,395,058	1,510,025	1,555,087	1,657,323	1,821,721	2,013,496	2,113,531	2,249,708	2,142,881	2,142,952
Public administration	472,311	504,887	519,273	544,881	542,879	514,568	531,250	549,388	507,610	477,727
Other	2,659,664	2,987,032	3,298,976	3,608,581	3,860,724	4,060,060	4,333,710	4,584,679	3,819,304	4,143,769
Total taxable sales by category	14,433,340	15,424,303	16,146,138	17,249,464	18,258,533	19,111,718	20,566,975	21,925,475	21,411,843	22,988,925 (2)

Source: State of Texas Comptroller of Public Accounts

Note: Data subject to change as more precise numbers become available.

(1) For Agriculture, forestry, fishing and hunting, data not available for fourth quarter of fiscal year 2017.

(2) Data not available for all categories for second, third, and fourth quarters of fiscal year 2021. Data is an average using last three fiscal quarters.

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years (In thousands except per capita)

City of Austin, Texas
Table 13

Fiscal Year Ended Sept. 30	Governmental Activities				Total Governmental Activities
	General Obligation Bonds	Certificates of Obligation	Contractual Obligations	Capital Lease Obligations	
	\$	\$	\$	\$	\$
2012	877,811	95,426	44,570	159	1,017,966
2013	902,750	114,798	67,788	--	1,085,336
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

Fiscal Year Ended Sept. 30	Business-type Activities								Total Business-type Activities
	General Obligation Bonds	Certificates of Obligation	Contractual Obligations	Other Tax Supported Debt	Commercial Paper Notes	Revenue Bonds (1)	Revenue Notes from Direct Placements (1)	Capital Lease Obligations	
	\$	\$	\$	\$	\$	\$	\$	\$	\$
2012	34,661	34,456	52,298	10,605	305,026	3,912,980	31,815	1,218	4,383,059
2013	31,381	33,658	55,508	9,915	193,991	4,113,451	90,750	1,176	4,529,830
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

Fiscal Year Ended Sept. 30	Total Primary Government	Percentage of Personal Income (2)	Debt Per Capita (2)
	\$	%	\$
2012	5,401,025	0.14	6,578
2013	5,615,166	0.12	6,672
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

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 18.

(3) Figure revised to match the census count numbers.

**Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years (In thousands except per capita)**

**City of Austin, Texas
Table 14**

Fiscal Year Ended Sept. 30	General Bonded Debt Outstanding			Resources		Percentage of Actual Taxable Value of Property (1)	Net General Bonded Debt Per Capita (2)
	General Obligation Bonds	Other Tax Supported Debt	Total	Restricted for Repayment of Outstanding Debt Principal	Net General Bonded Debt		
	\$	\$	\$	\$	\$	%	\$
2012	912,472	237,356	1,149,828	17,627	1,132,201	1.43	1,379.03
2013	934,131	281,667	1,215,798	17,068	1,198,730	1.44	1,424.26
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

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 18.

(3) Figure revised to match the census count numbers

**Direct and Overlapping Governmental Activities Debt
As of September 30, 2021**

**City of Austin, Texas
Table 15**

Name of Governmental Unit	Net Debt Outstanding as of September 30, 2021 (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	1,098,303		
Certificates of obligation	328,343		
Contractual obligations	100,471		
Capital leases	21,087		
Total direct debt	<u>1,548,204</u> (1)	100.00	<u>1,548,204</u>
Overlapping debt			
Greater than 10%:			
Austin Community College	436,260	71.14	310,355
Austin Independent School District	1,491,871	95.58	1,425,930
Avery Ranch Road District #1	3,465	100.00	3,465
Del Valle Independent School District	420,930	66.50	279,918
Eanes Independent School District	129,650	39.34	51,004
Leander Independent School District	1,078,957	13.35	144,041
Manor Independent School District	451,765	63.92	288,768
Northtown MUD	24,315	20.07	4,880
Northwoods Road District #1	9,620	100.00	9,620
Pearson Place Road District	4,755	100.00	4,755
Pflugerville Independent School District	570,555	35.01	199,751
Round Rock Independent School District	865,785	51.74	447,957
Travis County	1,054,720	73.38	773,954
Travis County Healthcare District	82,490	73.39	60,539
Williamson County	1,116,790	11.57	129,213
Subtotal greater than 10%	<u>7,741,928</u>		<u>4,134,150</u>
Less than 10%:			
Hays County	519,804	0.64	3,327
Travis County MUD #8	9,369	0.98	92
Travis County WC & ID #10	40,260	3.58	1,441
Travis County WC & ID #17	49,304	0.10	49
Subtotal less than 10%	<u>618,737</u>		<u>4,909</u>
Total overlapping debt	<u>8,360,665</u>		<u>4,139,059</u>
Total direct and overlapping debt	<u><u>9,908,869</u></u>		<u><u>5,687,263</u></u>
Ratio of total direct and overlapping debt to assessed valuation (2)		3.22 %	
Per capita of total direct and overlapping debt (3)		\$ 5,831.17	

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 6.

(2) Based on assessed valuation of \$176,671,783,309 provided by the Travis, Williamson, and Hays Central Appraisal Districts.

(3) Based on 2021 population of 975,321.

Legal Debt Margin Information
Last Ten Fiscal Years (In thousands)

City of Austin, Texas
Table 16

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed taxable value (1)	\$ 174,905,065
Debt limit (2)	25,758,656
Debt applicable to limit:	
General obligation debt	1,456,730
Less: Amount set aside for repayment of general obligation debt	(33,617)
Total net debt applicable to limit	1,423,113
Legal debt margin	<u>\$ 24,335,543</u>

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Debt limit	11,550,204	12,144,302	12,942,046	14,383,428	16,114,633	18,279,122	20,181,369	22,183,034	24,085,222	25,758,656
Total net debt applicable to limit	1,102,536	1,163,822	1,253,012	1,332,360	1,387,051	1,401,193	1,403,032	1,357,421	1,417,745	1,423,113
Legal debt margin	10,447,668	10,980,480	11,689,034	13,051,068	14,727,582	16,877,929	18,778,337	20,825,613	22,667,477	24,335,543
Total net debt applicable to the limit as a percentage of debt limit	9.55%	9.58%	9.68%	9.26%	8.61%	7.67%	6.95%	6.12%	5.89%	5.52%

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, 2020, of \$176,671,783,309 at a 99% collection rate.

(2) Assuming the maximum tax rate for debt service of \$1.50 on January 1, 2020, for collections on \$174,905,065 results in tax revenues of \$2,623,576, this revenue could service the debt on \$25,758,656 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 17**

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	
	\$	\$	\$	\$	\$		\$	\$	\$	\$		
2012	1,190,798	875,675	315,123	75,772	92,959	1.87	443,028	178,891	264,137	67,295	110,872	1.48
2013	1,295,116	927,294	367,822	105,091	71,052	2.09	477,013	209,890	267,123	75,186	113,826	1.41
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

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 and Revenue Transfers (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service (3)		Coverage (4)
					Principal	Interest					Principal	Interest	
	\$	\$	\$	\$	\$	\$		\$	\$	\$	\$		
2012	96,344	3,594	65,689	34,249	7,473	6,902	2.38	63,345	35,640	27,705	9,450	8,423	1.55
2013	103,705	3,805	69,338	38,172	8,438	6,783	2.51	73,977	44,684	29,293	10,205	7,991	1.61
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

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.

Demographic and Economic Statistics
Last Ten Fiscal Years

City of Austin, Texas
Table 18

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)
				\$	\$	\$	%
2012	821,012	319	1,834,926	85,635,903	46,818	46,670	5.7
2013	841,649	321	1,883,901	88,950,627	46,436	47,216	5.2
2014	878,002	321	1,943,409	97,181,958	49,227	50,006	4.2
2015	899,119	323	2,002,591	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	63,393	2.6
2020	961,855 (6)	327	2,235,584	150,639,599	69,001	64,913	6.3
2021	975,321	327	2,298,224 (3)	163,778,682 (5)	71,186	71,300 (5)	3.5
2012-2021 Change	18.79%	2.51%	25.25%	91.25%	52.05%	52.77%	

(1) Source: City Demographer, City of Austin, Housing and Planning Department based on full purpose area as of April 1, 2021.

(2) Source: Bureau of Economic Analysis for all years except 2021 which will not be available until first quarter 2022.

(3) Source: Nielsen SiteReports.

(4) Source: Bureau of Labor Statistics, United States Department of Labor as of September 30, 2021.

(5) Data not available for 2021. Figures are estimated.

(6) Figure revised to match the census count numbers.

Principal Employers
Current Year and Nine Years Ago

City of Austin, Texas
Table 19

		Fiscal Year Ended September 30					
		2021			2012		
10 Largest Employers	Industry	Rank	Employees	Percent of MSA Total (1)	Rank	Employees	Percent of MSA Total (1)(8)
				%			%
State Government	Government	1	39,685 (2)	3.42	1	36,462	4.28
The University of Texas at Austin	Education	2	28,061 (3)	2.42	2	22,956	2.69
H-E-B	Retail	3	19,008 (7)	1.64	8	10,545	1.24
Ascension Seton	Healthcare	4	15,218 (7)	1.31	4	12,606	1.48
Federal Government	Government	5	15,000 (4)	1.29	6	11,400	1.34
Walmart Stores Inc.	Retail	5	15,000 (7)	1.29			
City of Austin	Government	7	14,964 (5)	1.29	5	12,124 (8)	1.42
Dell Computer Corporation	Computers	8	13,000 (7)	1.12	3	14,000	1.64
Amazon.com LLC	Retail	9	11,000 (7)	0.95			
Austin Independent School District	Education	10	10,940 (6)	0.94	7	11,168	1.31
St. David's Healthcare Partnership	Healthcare				9	7,500	0.88
IBM Corporation	Computers				10	6,239	0.73
			181,876	15.67		145,000	17.01

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 1,159,100 for 2021 and 852,000 for 2012.

(2) Texas State Auditor's Office: Regular and Part Time State Employees for 2021 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 2021.

(5) 2021-22 City of Austin Approved Budget, page 573 (Personnel Summary: 2021-22 Amended column).

(6) Texas Education Agency 2020-2021 Staff Information for AISD District Number 227901.

(7) Austin Business Journal, July 2021.

(8) Figure revised.

**Full-time Equivalent Employees by Function/Program
Last Ten Fiscal Years**

**City of Austin, Texas
Table 20**

Function/Program	Fiscal Year Ended September 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
General government	173	177	232	235	238	239	240	254	262	257
Public safety	4,117	4,219	4,281	4,401	4,523	4,664	4,676	4,732	4,825	4,708
Transportation, planning, and sustainability	4	7	9	14	14	14	14	14	14	14
Public health	520	513	513	532	575	592	598	641	648	688
Public recreation and culture	887	917	985	1,009	1,075	1,088	1,096	1,122	1,137	1,149
Urban growth management (1)	378	386	411	417	449	472	474	119	126	120
Total governmental employees	6,079	6,219	6,431	6,608	6,874	7,069	7,098	6,882	7,012	6,936
Business-type activities										
Electric	1,722	1,719	1,682	1,676	1,674	1,718	1,749	1,774	1,784	1,813
Water	535	553	592	587	590	604	611	623	639	647
Wastewater	534	541	566	560	558	566	574	577	579	589
Airport	347	351	362	379	415	456	489	538	549	549
Convention	239	239	251	250	266	277	296	300	301	301
Environmental and health services	467	499	523	522	546	573	608	610	630	652
Public recreation	33	33	38	41	41	41	41	41	41	41
Urban growth management (1)	681	693	767	775	809	881	923	1,403	1,452	1,561
Total business-type employees	4,558	4,628	4,781	4,790	4,899	5,116	5,291	5,866	5,975	6,153
Internal Services (2)	1,487	1,524	1,570	1,579	1,598	1,640	1,649	1,723	1,785	1,875
Total full-time equivalent employees	12,124	12,371	12,782	12,977	13,371	13,825	14,038	14,471	14,772	14,964

Source: Budget Office

Notes:

- (1) Development Services are reflected in Business-type activities beginning in 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 21**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
General government										
Municipal court cases filed	323,513	364,930	369,906	351,757	323,504	306,689	239,367	185,602	139,801	128,988
Number of warrants prepared	89,969	88,401	88,400	82,311	71,159	66,391	51,271	50,450	22,082	17,704
Jail cases prepared	103,126	93,949	96,744	92,765	92,946	95,145	85,949	71,457	50,731	38,623
Public safety										
Number of incidents responded to by patrol officers	638,006	623,768	595,292	572,623	572,303	570,707	600,053	686,263	431,970	372,681
Number of citation violations issued by APD officers	152,971	187,033	184,254	156,088	143,173	128,925	89,149	73,139	39,315	22,425
Fire emergency responses	84,473	86,641	89,538	89,563	81,973	86,665	87,934	92,612	89,795	103,635
Fire responses	2,086	2,404	2,129	2,066	2,120	2,505	2,540	2,283	2,511	3,073
Fire inspections	23,837	29,602	32,619	35,154	36,259	36,393	31,187	26,232	23,121	27,572
EMS response units dispatched	128,334	133,160	138,881	157,827	159,992	145,489	131,207	134,427	130,873	141,754
EMS 911 calls received	117,310	127,772	126,638	140,212	143,804	146,448	143,353	139,020	137,399	152,574
EMS ground patient transports	75,510	75,123	76,791	82,987	78,725	78,164	74,924	75,618	68,783	68,757
Public health										
Number of animals sheltered	19,392	19,760	19,137	18,630	17,431	17,284	16,406	18,873	11,365	11,274
Birth and death certificates	57,841	61,918	69,678	71,293	74,946	75,565	71,054	73,683	64,772	70,747
STD patient clinic visits	13,033	12,927	12,956	13,722	13,860	12,740	9,236	11,234	8,621	6,699
Number of Shots for Tots Clinics vaccine visits (ages 0-18)	7,960	6,994	7,583	7,541	8,156	8,373	7,322	3,400	6,610	6,454
Food establishment permits issued	10,137	13,968	12,445	12,779	13,227	14,485	13,561	13,866	11,801	11,248
Number of HIV/STD tests provided in outreach settings	3,396	2,221	2,374	2,151	2,558	1,613	2,430	2,807	1,377	1,233
Public recreation and culture										
Volumes in library collection	1,480,479	1,464,512	1,425,914	1,725,535	1,869,385	1,919,511	2,031,770	2,098,116	2,067,174	2,130,735
Library volumes borrowed	4,845,067	5,129,759	5,392,446	5,572,268	5,921,193	5,762,874	6,562,604	7,500,734	6,711,963	8,179,576
Registered library borrowers	494,015	497,527	508,397	542,358	570,446	597,545	640,104	702,023	792,918	408,958
Meals served to senior citizens	65,965	62,053	63,718	78,147	79,183	81,452	90,185	93,713	11,319	8,744
Visits to educational and cultural facilities	388,650	302,778	329,734	256,526	307,136	356,389	395,917	351,304	244,941	69,356
Pool visits	1,098,545	1,312,941	1,202,587	1,253,624	1,115,800	1,403,260	1,603,818	1,509,654	378,610	690,358

(Continued)

Source: Various City departments; budget documents and performance reports

Operating Indicators by Function/Program
Last Ten Fiscal Years, continued

City of Austin, Texas
Table 21

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities continued										
Urban growth management										
Number of neighborhood plan amendments submitted per year	N/A	N/A	21	26	22	22	23	29	24	27
Repair services provided to homeowners	708	533	692	622	708	603	421	423	294	249
Housing related services provided	1,411	861	931	934	1,185	1,011	956	613	1,053	706
Svcs provided through housing/community development activities	3,337	2,438	2,613	2,590	2,896	2,740	2,408	1,777	1,502	4,112
Business-type activities										
Electric										
Electric sales (in millions of KWH)	12,534	12,305	12,572	12,674	12,874	12,983	13,410	13,446	13,262	13,113
Number of metered customers	422,375	430,582	439,403	450,479	461,345	472,701	485,204	496,258	507,660	520,757
Water										
Actual water pumpage (millions of gallons)	47,094	45,902	43,239	43,481	44,687	47,312	48,521	47,312	51,154	51,614
Average daily consumption (thousands of gallons)	117,182	115,555	105,994	103,261	108,887	112,791	113,545	129,664	139,764	141,412
Average daily consumption per capita	142	136	125	122	122	126	124	120	127	126
Peak daily capacity (thousands of gallons)	285,000	285,000	285,000	285,000	335,000	335,000	335,000	335,000	335,000	335,000
Wastewater										
Average daily sewage treatment (millions of gallons)	104	95	102	105	109	104	99	106	99	102
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	4,662,738	4,928,979	5,275,464	5,792,387	6,180,464	6,729,108	7,739,811	8,464,615	4,723,544	5,207,769
Deplanements	4,654,823	4,928,279	5,244,569	5,769,778	6,161,240	6,676,658	7,711,086	8,442,060	4,711,341	5,187,752
Cargo (in millions of pounds)	155	157	156	158	168	189	183	180	201	233
Convention										
Convention contracts executed	303	306	353	292	279	240	260	266	140	181
Exhibit Hall and Ballroom occupancy level	56	56	59	61	64	65	67	65	25	11
Environmental and health services										
Tons of trash collected	129,653	124,183	127,924	130,784	129,266	131,815	128,829	130,307	136,709	138,955
Tons of recyclables collected	54,009	53,702	55,494	57,324	58,903	58,689	58,647	59,290	63,424	63,030
Tons of brush collected	7,720	7,359	6,692	7,776	9,036	7,367	6,292	6,447	3,323	8,339
Tons of bulk items collected	7,844	8,681	9,068	9,672	12,144	11,334	10,431	11,298	5,506	11,973
Tons of yard trimmings collected	21,712	25,898	27,357	28,680	32,605	34,316	32,244	37,265	48,105	56,481
Public recreation										
Golf rounds played	195,000	201,086	190,244	181,285	196,972	208,118	202,600	191,042	174,183	258,783
Youth sports participants	N/A	18,475	23,769	26,165	22,196	14,581	18,690	20,139	15,911	15,836

(Continued)

Source: Various City departments; budget documents and performance reports

N/A: Information not available

Operating Indicators by Function/Program
Last Ten Fiscal Years, continued

City of Austin, Texas
Table 21

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities continued										
Urban growth management										
Number of new protected bicycle lanes (1)	N/A	N/A	1.7	3.1	3.9	3.1	3.44	6.9	13.6	17.7
Number of collisions in work zones within the right-of-way (1)	N/A	N/A	N/A	N/A	N/A	60	115	131	112	144
Number of parking spaces in the system (1)	N/A	N/A	N/A	N/A	N/A	7,364	8,184	8,626	9,250	9,094
Linear feet of pipeline cleaned	61,099	72,669	69,380	83,716	79,606	78,106	82,819	77,909	41,593	39,308
Number of buildings, properties, & roadways with reduced flood risk	N/A	N/A	N/A	N/A	321	82	41	51	68	13
Tons of stormwater pollution removed by treatment facilities	N/A	N/A	776	778	784	785	786	787	832	844
Lane miles of preventative street maintenance completed	734	857	804	607	659	637	721	606	340	759
Total miles of arterials with bicycle lanes (2)	N/A	N/A	N/A	117	124	125	128	145	145	176
Transit priority working group improvements completed	N/A	N/A	N/A	N/A	N/A	8	17	5	13	11
Percent of DSD controlled activities performed on-time (2)	N/A	N/A	N/A	N/A	N/A	85	86	87	92	87
Percent of operating expenses held in reserve (2)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	25	31	49
Internal services activities (3)										
Internal services										
Units auctioned off	340	319	379	491	361	307	335	446	457	159
Fleet Availability Rate	91	91	94	94	94	94	93	93	94	93
Payment transactions processed	158,413	170,450	185,463	187,938	174,116	180,556	172,735	160,513	111,884	103,735
Payroll payments	432,216	438,945	453,686	466,928	474,170	487,292	492,045	501,025	499,383	493,509
Employees enrolled in medical benefit plans	11,049	11,219	11,551	11,873	11,991	12,365	12,580	12,857	13,030 (4)	13,074
Requests for council action processed	2,284	2,476	2,284	2,135	2,533	2,278	2,166	2,192	2,240	2,313
Active construction projects managed in-house	380	387	357	336	336	355	348	400	436	431
Land parcels acquired	104	135	160	264	250	122	112	80	112	70

Source: Various City departments; budget documents and performance reports

N/A: Information not available

(1) Measures previously reported in Governmental activities.

(2) Newly implemented performance measure.

(3) Internal service activities are allocated to other programs and functions on a government-wide basis.

(4) Figure revised.

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

**City of Austin, Texas
Table 22**

Function/Program	Fiscal Year Ended September 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	349	345	372	360	365	360	364	365	365	461
Fire stations	45	45	45	45	45	45	45	46	47	48
EMS stations	35	37	37	37	37	37	42	42	44	46
Public health										
Health facilities (sq. ft.)	381,806	383,306	383,306	383,306	389,221	389,221	389,221	389,221	325,298	375,298
Program vehicles	82	83	90	85	109	111	116	116	89	101
Public recreation and culture										
Libraries	23	23	22	22	22	22	22	22	22	22
District parks	14	15	15	15	15	14	14	14	14	14
Metropolitan parks	11	11	11	11	11	11	11	11	11	11
Natural preserves	15	15	15	15	14	14	15	16	16	16
Greenbelts	39	39	40	43	44	48	50	48	49	65
Neighborhood parks	79	82	84	85	86	90	91	94	95	102
Special parks (museums, etc.)	38	40	40	42	41	37	35	40	40	40
Youth entertainment complexes	1	1	1	1	1	1	1	1	1	1
Recreation centers	20	20	22	23	23	23	23	23	23	22
Open fields	105	100	101	101	101	78	78	78	74	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)	199	185	203	208	227	234	230	208	258	253
Tennis courts	115	116	124	124	124	124	122	127	92	100
Swimming pools	52	52	51	51	51	51	51	51	48	35
Business-type activities										
Electric										
Overhead distribution (miles)	5,403	5,361	5,263	5,104	5,017	4,961	4,916	4,892	4,992	5,012
Underground distribution (miles)	5,995	6,068	6,167	6,338	6,500	6,630	6,735	6,774	6,900	7,023
Water										
Treatment plants	2	2	2	3	3	3	3	3	3	3
Water mains (miles)	3,682	3,711	3,713	3,807	3,845	3,884	3,929	3,942	3,959	4,035
Booster pumps	41	41	39	40	44	44	47	47	47	47
Fire hydrants	33,839	34,041	36,217	37,518	38,265	39,445	40,154	40,792	41,389	43,271
Wastewater										
Sanitary sewers (miles)	2,664	2,692	2,692	2,776	2,806	2,848	2,890	2,915	2,944	2,970
Connections	202,444	202,690	204,378	212,760	214,373	215,879	221,866	225,760	230,127	233,637

(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 22

Function/Program	Fiscal Year Ended September 30									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Business-type activities, continued										
Airport										
Buildings maintained (sq. ft.)	2,306,130	2,306,130	2,306,130	2,361,831	2,361,831	2,361,831	2,361,831	2,712,429	2,794,229	2,925,509
Facility (terminal) maintained (sq. ft.)	687,940	687,940	687,940	743,641	743,641	743,641	743,641	743,641	916,205	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	69	66	64	66	67	67	69	69	68	68
Recycle collection trucks	36	38	41	43	45	46	46	46	46	47
Public recreation										
Golf courses	5	5	6	6	5	6	6	6	6	6
Athletic fields	176	169	172	172	172	172	172	168	174	172
Softball fields	32	34	35	35	35	35	35	35	38	37
Urban growth management										
Residential ponds	840	860	865	873	894	994	1,040	1,045	1,052	1,046
Street (miles)	7,435	7,498	7,618	7,582	7,663	7,825	7,851	7,863	7,917	7,958
Bridges	438	438	447	450	450	436	449	449	454	452
Traffic signals	954	975	1,000	1,016	1,029	1,057	1,080	1,093	1,107	1,132
Metered parking spaces	5,508	6,015	6,072	7,300	7,600	8,217	8,394	8,626	9,250	9,147
Internal Services (1)										
Fleet facilities (sq. ft.)	127,916	127,916	127,916	127,916	127,916	127,916	127,916	127,916	127,916	128,236
City facilities insured	1,052	1,060	1,134	1,134	1,253	1,241	1,283	1,285	1,285	1,295
Facilities maintained (sq. ft.)	1,539,244	1,539,244	1,539,244	1,539,244	1,539,244	1,539,244	1,539,244	1,539,244	1,464,423	1,464,423

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.



Top left and middle row photographs provided by Waterloo Greenway Conservancy. Top right photograph courtesy of Alliance Children's Garden video footage by City of Austin Parks & Recreation Department. Bottom left photograph by Joe Ybarra | Be Well mural art by Carmen Rangel. Bottom right photograph by Philip Rogers | TEMPO Art: Little Pichu by Suzanne Wyss and Ilya Pieper. Back cover photograph provided by Waterloo Greenway Conservancy.



FINANCIAL SERVICES DEPARTMENT

Financial Services Department – Controller’s Division

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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.