

Chat GPT-Generated Reasons to Take Issuances to Voters

Cities often seek voter approval before issuing debt for several reasons, as it is a significant decision that can have long-term implications for the community. Here are some key reasons:

Democratic Process: Seeking voter approval aligns with democratic principles by involving the community in important financial decisions. It allows residents to have a say in how their tax dollars are utilized and promotes transparency in governance.

Accountability: When voters approve or disapprove of issuing debt, it creates a level of accountability for local government officials. Elected officials are more likely to be cautious and responsible in their financial decisions when they know they are answerable to the electorate.

Public Trust: Engaging the public in decisions about debt issuance fosters trust between the government and the community. Trust is essential for a well-functioning democracy, and involving citizens in financial decisions helps build confidence in the government's ability to manage public funds responsibly.

Financial Responsibility: Voter approval acts as a check on the government's ability to accumulate excessive debt. It ensures that the community's financial health is not jeopardized by irresponsible borrowing and encourages fiscal responsibility on the part of local officials.

Community Input: Residents often have valuable insights into local priorities and needs. By involving them in decisions related to debt issuance, the city can benefit from the collective wisdom of its residents, ensuring that the borrowed funds are used for projects that align with community values and priorities.

Public Awareness: Holding a vote on debt issuance increases public awareness of the city's financial situation and the specific projects for which the debt is being proposed. This informed electorate is better equipped to understand the implications of borrowing and can make decisions that align with the city's overall well-being.

By seeking voter approval before issuing debt, cities aim to balance the need for funding with the responsibility of managing public finances in a manner that reflects the wishes and priorities of the community.

Recent "Peer City" General Obligation Bond Elections

Calendar Year 2023

City of Hill Country Village - redirected \$3 million in unspent funds from a 2019 road improvement bond toward building new municipal complex; 77.8% approved. Sources: City of Hill Country Village website; Bexar County Elections Department website

Calendar Year 2022

City of Boerne - \$23 million Streets and Mobility; 60.28% approved

\$13 million Parks and Open Space; 59.81% approved
Sources: City of Boerne Website

City of Kerrville - \$45 million roads; 54% approved

Sources: Texas Bond Review Board 2022 Local Annual Report Table A.3, City of Kerrville website

City of Live Oak - \$18 million Street and Bridge; 66.68% approved

Sources: Texas Bond Review Board 2022 Local Annual Report Table A.3; Bexar County Elections Department website

City of Shavano Park - \$10 million road; 82.12% approved

Sources: Texas Bond Review Board 2022 Local Annual Report Table A.3; Bexar County Elections Department website

City of Windcrest - \$5 million Aquatic Center; 58.82% disapproved

Sources: Texas Bond Review Board 2022 Local Annual Report Table A.4; City of Windcrest website

Calendar Year 2021

City of Schertz - \$15.5 million Public Safety facilities; 71.9% approved

Sources: Texas Bond Review Board 2022 Local Annual Report Table A.5; City of Schertz website

Calendar Year 2020

City of Alamo Heights - \$13.3 million Austin Highway/Lower Broadway; 78.7% approved

Sources: Texas Bond Review Board 2021 Local Annual Report Table A.5; Bexar County Elections Department website

Use of Bonds by Fair Oaks Ranch

General Obligation Bonds

General Obligation Bonds, Series 2015

\$7 million roads approved in November 2014 with 64% in favor (80% voter participation)

Source: The Fair Oaks Gazette, Volume 4, Issue 12 "From the Mayor's Desk"

Certificates of Obligation

1997/1998

City of Fair Oaks Ranch used certificates of obligation to purchase Glenpool (water/wastewater utility) for \$4.1 million

City held town hall meetings and sent postcards to residents soliciting their input. Out of 835 mail-in postcards returned, 821 were in favor of the purchase.

Sale of utility completed on December 2, 1997.

Source: Vision to Reality, City of Fair Oaks Ranch, Texas, A Brief History of Fair Oaks Ranch. Gary D. Youngblood Piper Plus Publications 2013

September 3, 2020

City of Fair Oaks Ranch approved \$2.7 million "City of Fair Oaks Ranch, Texas combination Tax and Limited Pledge Revenue Certificates of Obligation, Series 2020" to refinance a capital lease for Supervisory Control and Data Acquisition (SCADA) system for the Water/Wastewater Utility acquired in 2014.

City followed required legal notifications and public meeting approvals.

Source: Fair Oaks Ranch City Council Meeting September 3, 2020 agenda backup