

## Austin Independent School District ( " AISD " )

**The** Rating Summary: The long-term rating assignment on the Series 2023 Unlimited Tax School Building Bonds (Non-PSF) ("Series 2023 Bonds") reflects AISD's (the "District") strong financial management policies and practices guided by DMP@File 4 • F leadership team, as evidenced by the management team's ability to successfully navigate through the COVID-19 pandemic despite the need to remit local tax revenues to the State as part of the States' education funding redistribution construct. The rating also incorporates a diverse economic base that has experienced rapid growth, particularly in terms of property tax base growth, and a well-managed, conservative debt profile.

Proceeds of the Series 2023 Bonds will be used for the construction and acquisition of school buildings, upgrading technology systems, and stadium improvements. The issuance was auf1634(auf16(w)5(as )34(auf1.02 Tm0 g0 GC4(i)-7(e)-3(s ET0.00



In KBRA's view, the District's management experience, practices, and policies provide a strong capacity to manage its complex finances and the State's recapture of local property tax revenue. While State statute limits the tax rate collected to fund operations, the District maintains unlimited flexibility to set its debt service levy. Additionally, the District adheres to a reserve policy to maintain an unassigned fund balance equal to at least 20% of GF budgeted expenditures - a level that KBRA considers to be excellent.

KBRA views the District's overall debt and continuing obligations profile as strong based on its low debt burden, conservative debt structure, and modest fixed costs as a percentage of governmental expenditures. Inclusive of the Series 2023 Bonds being offered, the District will have approximately \$2.02





KBRA views the District's FY 2022 annual pension contribution of \$19.5 million as low at 0.9% of governmental expenditures. The plan is well funded with fiduciary net position as of FYE 2021 equivalent to 88.8% of the total pension liability.

#### OPEB Liabilities

The District participates in the Texas Public School Retired Employees Group Ins(p)-3leth fiduciary APr0000912 0 612 792 reW(o



