

First and foremost, what is a GO bond?

A General Obligation (GO) bond is a debt obligation that local governments use to raise funds for public purpose capital improvements, such as roads, parks and public facilities. GO bonds are secured by and payable from the City's pledge of ad valorem tax levied on all taxable property within the City. GO Bonds are proposed and voted on in citywide elections.

How were certain projects identified for the bond program?

In response to the needs of our quickly growing population, the City Council organized a Buda Bond Oversight Committee (BBOC) comprised of residents representing various backgrounds and interests of the Buda community to review master plans, capital improvement plans, and community surveys to recommend and prioritize bond projects. The BBOC analyzed potential projects considering constructability, cost, and public benefit and recommended the projects in Proposition A and Proposition B.

What is the difference between Proposition A and Proposition B?

Based on recommendations from the BBOC, the bond package included two propositions: Proposition A will focus on transportation projects and Proposition B will focus on parks and recreation projects.

Can funds approved in Prop A be used to fund projects in Prop B or vice versa?

Amounts approved for one proposition cannot be assigned to another proposition, even if there are excess funds available. Spending of funds must strictly align with what was approved by voters in the bond election.

Can the bond fund projects that were not included in the original proposition?

Proposition A included 12 specific projects and \$5 million to contribute to Future Small Mobility Improvements and projects that could be "Shovel Ready" for potential grant funding. The City of Buda understands the need to address additional projects and capital improvements and continues to analyze the needs of the community, including other avenues for funding to support additional projects.

The bond was approved. What happens now?

The City of Buda hired a consultant Bond Program Manager, WSB, in April 2022 to assist with project implementation and selected Frost Bank in May of 2022 for the bond issuance and funding. Now staff is working with the consultant and the BBOC to establish project scopes, and timelines for each of the projects in the bond.

Each project has different needs, and the planning process considers how much design is needed, whether right of way is needed or utilities need to be relocated, what other agencies are involved (Texas Department of Transportation, Hays County, etc.) and what other construction is occurring in the area. The City is eager to move these projects forward as quickly and seamlessly as possible. As new information is available for each project it will be updated on the BudaBonds.com site and shared with the community.

How long will the City of Buda be paying off the bond?

The City has traditionally sold bonds with a 20-year payoff timeframe. Federal tax law does not allow the city to sell bonds that exceed the useful life of the project being financed. That means that if a road is expected to last 20 years, the bond payoff timeframe cannot exceed 20 years.

Buda Bonds FAQs



I am concerned about one of the projects. How can I get more information?

Information is available on BudaBonds.com, in the Buda Bonds E-Newsletter ([sign up here](#)), through community meetings, on City of Buda social media, and through other communication channels.

If you have questions about the bond program or if you would like us to share information with your neighborhood association, please call 512-523-0077 or email BudaBonds@ci.buda.tx.us.