

LONG TERM DEBT

GENERAL OBLIGATION BONDS

Payment Source

Payments for principal and interest on general obligation bonds are made from property tax revenues of the Debt Service Fund.

Debt Service Requirements

The debt service requirements on general obligation bonds are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2005	\$29,835,000	\$10,523,997	\$40,358,997
2006	29,785,000	9,001,385	38,786,385
2007	25,825,000	7,612,435	33,437,435
2008	21,955,000	6,416,530	28,371,530
2009	17,075,000	5,416,380	22,491,380
2010	16,460,000	4,689,730	21,149,730
2011	13,710,000	3,875,950	17,585,950
2012	13,890,000	3,245,550	17,135,550
2013	14,085,000	2,609,250	16,694,250
2014	11,965,000	1,989,050	13,954,050
2015	9,115,000	1,463,300	10,578,300
2016	8,935,000	1,089,681	10,024,681
2017	8,970,000	708,400	9,678,400
2018	5,115,000	315,000	5,430,000
2019	<u>5,385,000</u>	<u>161,550</u>	<u>5,546,550</u>
TOTALS	\$232,105,000	\$59,118,188	\$291,223,188

Legal Debt Margin

Under the Arizona Constitution, general obligation debt may not exceed six percent of the value of the County's taxable property as of the latest assessment. However, with voter approval, debt may be incurred up to 15 percent of the value of taxable property. Legal debt margin projected at June 30, 2005 is as follows:

	6% Limitation	15% Limitation
Secondary Net Assessed Valuation	\$5,620,156,274	\$5,620,156,274
Debt Limit	337,209,376	843,023,441
General Obligation Bonds Outstanding	(232,105,000)	(232,105,000)
Assets Available for Principal	<u>1,335,604</u>	<u>1,335,604</u>
Debt Applicable to Limit	(230,769,396)	(230,769,396)
Legal Debt Margin Available	<u>\$106,439,980</u>	<u>\$612,254,045</u>

Legal Debt Margin Percentage:

General Obligation Bonds Outstanding \$ 232,105,000 = 4.13%
 Secondary Net Assessed Valuation \$ 5,620,156,274

LONG TERM DEBT

Flood Control District General Obligation Bonds

Payment Source

Payments for principal and interest on general obligation bonds of the Flood Control District are made from property tax revenues of the Debt Service Fund of the district.

Debt Service Requirements

The debt service requirements on general obligation bonds of the Flood Control District are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2005	\$795,000	\$154,395	\$949,395
2006	780,000	122,595	902,595
2007	760,000	91,395	851,395
2008	745,000	60,995	805,995
2009	<u>725,000</u>	<u>30,450</u>	<u>755,450</u>
TOTALS	\$3,805,000	\$459,830	\$4,264,830

Legal Debt Margin

Flood Control general obligation debt may not exceed five percent of the value of the Flood Control District's taxable property as of the latest assessment. Legal debt margin projected at June 30, 2005 is as follows:

	5% Limitation
Secondary Net Assessed Valuation	\$4,907,357,254
Debt Limit	245,367,863
Flood Control GO Bonds Outstanding	<u>(3,805,000)</u>
Legal Debt Margin Available	<u><u>\$241,562,863</u></u>
Legal Debt Margin Percentage:	
Flood Control GO Bonds Outstanding	\$ <u>3,805,000</u> = 0.08%
Secondary Net Assessed Valuation	\$ 4,907,357,254

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Transportation Bonds

Payment Source

Payments for principal and interest on transportation bonds are made from Highway User Revenue Funds.

Debt Service Requirements

The debt service requirements on transportation bonds are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2005	\$8,905,000	\$3,965,013	\$12,870,013
2006	10,710,000	3,588,812	14,298,812
2007	11,435,000	3,140,413	14,575,413
2008	11,745,000	2,636,387	14,381,387
2009	8,075,000	2,160,275	10,235,275
2010	8,425,000	1,844,244	10,269,244
2011	8,805,000	1,500,963	10,305,963
2012	9,210,000	1,139,050	10,349,050
2013	2,670,000	745,713	3,415,713
2014	2,785,000	638,912	3,423,912
2015	2,910,000	527,513	3,437,513
2016	3,045,000	411,112	3,456,112
2017	3,190,000	281,700	3,471,700
2018	<u>3,340,000</u>	<u>146,125</u>	<u>3,486,125</u>
TOTALS	\$95,250,000	\$22,726,232	\$117,976,232

Legal Debt Margin

Arizona Revised Statute § 11-378 currently requires what is referred to as “two times coverage,” meaning that at the time of bond issuance in 1998 Highway User Revenue Funds (HURF) received in fiscal year 1997/98 (\$33,445,603) had to be at least two times the amount of the first debt service payment for fiscal year 1998/99 (\$6,151,333). For the bond issuance in 2002, HURF revenue was \$49,398,596 in fiscal year 2000/01; the first full year’s total debt service payment was \$11,904,825 (\$5,080,000 for Series 1998 bonds plus \$6,824,825 for Series 2002). For the bond issuance in 2003, HURF revenue was \$47,074,605 in fiscal year 2001/02; the first full year’s total debt service payment including Series 1998, 2002, and 2003 was \$14,608,613.

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Sewer Revenue Bonds

Payment Source

Payments for principal and interest on sewer revenue bonds are made from user charges received in the Wastewater Management Enterprise Fund.

Debt Service Requirements

The debt service requirements on sewer revenue bonds are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2005	\$4,705,000	\$2,953,103	\$7,658,103
2006	4,550,000	2,760,058	7,310,058
2007	5,570,000	2,573,045	8,143,045
2008	5,800,000	2,339,501	8,139,501
2009	6,025,000	2,098,077	8,123,077
2010	5,280,000	1,816,077	7,096,077
2011	5,515,000	1,587,776	7,102,776
2012	6,510,000	1,328,539	7,838,539
2013	5,910,000	1,016,969	6,926,969
2014	6,845,000	723,319	7,568,319
2015	<u>8,070,000</u>	<u>383,388</u>	<u>8,453,388</u>
TOTALS	\$64,780,000	\$19,579,852	\$84,359,852

Legal Debt Margin

There is no legal debt margin for sewer revenue bonds.

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Special Assessment Bonds

Payment Source

Special assessment bonds are secured by pledges of revenues from improvement districts which were established in order to finance specific construction projects which benefit a limited geographical area. While there is no legal obligation for the County to further secure the special assessment bonds of the districts, the County has made a moral commitment to take steps necessary to prevent default. Payments for principal and interest on special assessment bonds are made from assessments received in the Debt Service Fund.

Debt Service Requirements

The debt service requirements on special assessment bonds are summarized below.

	PRINCIPAL	INTEREST	TOTAL
2005	\$502,329	\$103,847	\$606,176
2006	224,002	78,640	302,642
2007	182,171	65,126	247,297
2008	182,171	53,285	235,456
2009	182,171	41,444	223,615
2010	182,171	29,603	211,774
2011	182,171	17,762	199,933
2012	<u>182,168</u>	<u>5,920</u>	<u>188,088</u>
TOTALS	\$1,819,354	\$395,627	\$2,214,981

Legal Debt Margin

There is no legal debt margin for special assessment bonds.

LONG TERM DEBT

Loans Payable

Payment Source

Payments for principal and interest on loans payable are made from user charges received in the Wastewater Enterprise Fund.

Debt Service Requirements

The debt service requirements on loans payable are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2005	\$4,950,734	\$3,056,058	\$8,006,792
2006	5,502,956	2,875,031	8,377,987
2007	5,640,513	2,672,464	8,312,977
2008	5,871,287	2,468,255	8,339,542
2009	6,230,118	2,255,652	8,485,770
2010	7,515,118	2,029,795	9,544,913
2011	7,798,740	1,756,689	9,555,429
2012	6,841,128	1,473,249	8,314,377
2013	5,933,979	1,223,618	7,157,597
2014	6,170,568	1,007,508	7,178,076
2015	6,385,211	782,757	7,167,968
2016	6,639,125	550,182	7,189,305
2017	1,036,084	308,267	1,344,351
2018	1,070,379	274,038	1,344,417
2019	1,105,808	238,609	1,344,417
2020	1,142,411	202,006	1,344,417
2021	1,180,224	164,193	1,344,417
2022	1,219,289	125,127	1,344,417
2023	1,259,648	84,769	1,344,417
2024	<u>1,301,342</u>	<u>43,074</u>	<u>1,344,416</u>
TOTALS	\$84,794,662	\$23,591,340	\$108,386,002

Legal Debt Margin

There is no legal debt margin for loans payable.

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Transportation HELP Loans

Payment Source

HELP loans were established by the state of Arizona under the provisions of the National Highway System Designation Act of 1995. Pima County uses this program to seek funding to expedite projects that would otherwise be delayed until federal grant money becomes available or the County has the capability to pay-as-you go. Payments for fiscal year 2004/2005 will be funded by an operating transfer from Transportation Special Revenue Fund.

Debt Service Requirements

The debt service requirements on Transportation HELP loans payable are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2005	\$1,040,000	\$89,010	\$1,129,010
2006	1,040,000	55,469	1,095,469
2016	<u>940,000</u>	<u>22,737</u>	<u>962,737</u>
TOTALS	\$3,020,000	\$167,216	\$3,187,216

LONG TERM DEBT

Reconciliation of Long Term Debt to Budgeted Debt Service Expenditures

Long Term Debt:	
General Obligation Bonds (GOB)	\$40,358,997
Flood Control GOB	949,395
Transportation Revenue Bonds	12,870,013
Transportation HELP Loans	1,129,010
Special Assessment Bonds	<u>606,177</u>
Total Long Term Debt	55,913,592
Additional budgeted GOB principal and interest for anticipated future bond sale in fiscal year 2004/05	5,040,321
Additional budgeted Transportation revenue bond interest payment on anticipated bond sale in fiscal year 2004/05	1,080,000
Fiscal and Other Charges	<u>14,120</u>
Total Budgeted Debt Service Expenditures	\$62,048,033

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Stadium District Debt

Payment Source

Payments for principal and interest on Stadium District debt are made from stadium revenues, Transient Lodging Excise Tax proceeds, Recreational Vehicle Space Surcharge proceeds, and Rental Car Tax proceeds.

Debt Service Requirements

The debt service requirements on Stadium District debt are summarized as follows:

	PRINCIPAL	INTEREST	TOTAL
2005	\$1,440,000	\$1,324,060	\$2,764,060
2006	1,750,000	1,292,160	3,042,160
2007	1,785,000	1,230,035	3,015,035
2008	1,870,000	1,138,660	3,008,660
2009	1,965,000	1,062,435	3,027,435
2010	2,025,000	982,335	3,007,335
2011	2,125,000	878,585	3,003,585
2012	2,230,000	774,385	3,004,385
2013	2,780,000	646,860	3,426,860
2014	2,482,000	510,950	2,992,950
2015	2,605,000	399,390	3,004,390
2016	2,710,000	293,090	3,003,090
2017	2,820,000	181,080	3,001,080
2018	<u>2,935,000</u>	<u>61,635</u>	<u>2,996,635</u>
TOTALS	\$31,522,000	\$10,775,660	\$42,297,660

Note:

This table does not include \$5,600 of fiscal charges which will be paid in each fiscal year.