

The City's debt service is broken into three categories and is recorded in separate funds for each category. They are General Obligation Bonds, Bancroft Bonds and Enterprise Bonds.

General Obligation Bonds are backed by the City's full faith and credit and are recorded in the General Obligation Bond Fund. These bonds carry with them the ability to levy taxes to make the principal and interest payments. The estimated levy rate for Fiscal Year 2016-17 is \$0.24 per \$1,000 of assessed value. There are three outstanding general obligation bonds. The 2005 Parks Improvement Bonds financed improvements at Community Park, Ibach Park, Jurgens Park, pathways at the Tualatin River Greenway, improvements at Sweek Pond Natural Area, running trails, and an artificial surface sports field at Tualatin High School. The 2006 Library Bond funded improvements to the Tualatin Public Library. The 2008 General Obligation Refunding Bonds refunded the 1999 Police Facility Bonds, which financed construction of the Tualatin Police Facility.

The Bancroft Bonds account for payment of principal and interest on general obligation debt for projects which directly enhance the value of specific properties. The owners of these properties reimburse the City for their proportionate share of these public improvements on a schedule matching the payment schedule of the bond which financed the project. There is one outstanding bond which funded the construction of 95<sup>th</sup> Place. The last principal payment on this bond was paid in June 2013.

The Enterprise Bond Fund accounts for debt service financing for the water reservoir construction and other improvements to the water system. This bond was sold in 2005 for a par amount of \$7,305,000. The bonds are backed by water revenues and an annual transfer from the Water Operating Fund is made for principal and interest payments due during the fiscal year. The 2005 Water Bond is the only outstanding revenue bond. Also included in this fund is the debt service for the Full Faith and Credit loan for the Operations Center Warehouse, which was previously recorded in the Operations Fund.



# City of Tualatin

## Fiscal Year 2016 - 2017

### Adopted Budget - Debt Service

#### Summary of Requirements by Object

	Actual FY 13-14	Actual FY 14-15	Adopted FY 15-16	Adopted FY 16-17
Personnel Services	\$ -	\$ -	\$ -	\$ -
Materials and Services	225	44,223	750	750
Transfers	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service	1,499,126	1,478,768	1,461,890	1,601,795
Other Financing Uses	-	4,660,463	-	-
Contingencies & Reserves	720,163	772,653	705,330	562,120
<b>Total Requirements</b>	<b>\$ 2,219,514</b>	<b>\$ 6,956,108</b>	<b>\$ 2,167,970</b>	<b>\$ 2,164,665</b>

### General Obligation Bond Fund

The General Obligation Bond Fund accounts for principal and interest payments for bonds that are backed by the City's full faith and credit. General Obligation Bonds carry with them the ability to levy taxes for bond payments. There are three outstanding general obligation bonds. The 2005 Parks Improvement Bonds financed improvements at Community Park, Ibach Park, Jurgens Park, pathways at the Tualatin River Greenway, improvements at Sweek Pond Natural Area, running trails, and an artificial surface sports field at Tualatin High School. The 2006 Library Bond funded library improvements. The 2008 General Obligation Refunding Bonds refunded the 1999 Police Facility Bonds, which financed construction of the Police Facility.

Summary	
Department Manager	Don Hudson
FTE's	0
Expenditures	\$ 1,041,000
Funding Source	General Obligation Bond Fund



## Debt Service

## *general obligation bond fund*

### *expenditures*

Account Description	Actual FY 13-14	Actual FY 14-15	Adopted FY 15-16	Proposed FY 16-17	Approved FY 16-17	Adopted FY 16-17
Principal - 05 Parks Bond	175,000.00	180,000.00	190,000.00	195,000.00	195,000.00	195,000.00
Principal - 06 Library Bond	185,000.00	190,000.00	200,000.00	210,000.00	210,000.00	210,000.00
Principal - 08 Refunding Bond	290,000.00	305,000.00	310,000.00	330,000.00	330,000.00	330,000.00
Interest - 05 Parks Bond	101,693.75	95,037.50	87,865.00	80,165.00	80,165.00	80,165.00
Interest - 06 Library Bond	133,081.25	125,112.50	116,825.00	108,115.00	108,115.00	108,115.00
Interest - 08 Refunding Bond	78,087.50	66,568.75	54,650.00	41,850.00	41,850.00	41,850.00
<b>DEBT SERVICE</b>	<b>962,862.50</b>	<b>961,718.75</b>	<b>959,340.00</b>	<b>965,130.00</b>	<b>965,130.00</b>	<b>965,130.00</b>
General Account Reserve	0.00	0.00	76,160.00	75,870.00	75,870.00	75,870.00
Unappropriated	0.00	0.00	0.00	0.00	0.00	0.00
<b>CONTINGENCY &amp; RESERVES</b>	<b>0.00</b>	<b>0.00</b>	<b>76,160.00</b>	<b>75,870.00</b>	<b>75,870.00</b>	<b>75,870.00</b>
<b>GENERAL OBLIGATION BOND FUND</b>	<b><u>962,862.50</u></b>	<b><u>961,718.75</u></b>	<b><u>1,035,500.00</u></b>	<b><u>1,041,000.00</u></b>	<b><u>1,041,000.00</u></b>	<b><u>1,041,000.00</u></b>

### Enterprise Bond Fund

The Enterprise Bond Fund accounts for debt service financing for the water reservoir construction and other improvements to the water system. This bond was sold in 2005 for a par amount of \$7,305,000.

The fund receives a yearly transfer from the Water Operating Fund to pay for the principal and interest due in the current year. This is the only revenue bond outstanding for the City.

The 2005 Water Revenue Bonds were advance re-funded in July 2014, realizing annual savings throughout the life of the refunding bonds.

Also included in this fund, beginning in FY 2016/17, is the debt service for the Full Faith and Credit financing of the Operations Center Warehouse. The debt service was previously recorded in the Operations Fund and is paid for through transfers from the Utility Funds.

Summary	
Department Manager	Don Hudson
FTE's	0
Expenditures	\$ 1,123,665
Funding Source	Enterprise Bond Fund



Account Description	Actual FY 13-14	Actual FY 14-15	Adopted FY 15-16	Proposed FY 16-17	Approved FY 16-17	Adopted FY 16-17
Bond Registration & Exp	225.00	44,223.00	750.00	750.00	750.00	750.00
<b>MATERIALS &amp; SERVICES</b>	<b>225.00</b>	<b>44,223.00</b>	<b>750.00</b>	<b>750.00</b>	<b>750.00</b>	<b>750.00</b>
Principal - 05 Water Bonds	315,000.00	370,000.00	345,000.00	360,000.00	360,000.00	360,000.00
Principal - Warehouse Finance	0.00	0.00	0.00	102,575.00	102,575.00	102,575.00
Interest - 05 Water Bonds	221,262.52	147,049.72	157,550.00	147,050.00	147,050.00	147,050.00
Interest - Warehouse Finance	0.00	0.00	0.00	27,040.00	27,040.00	27,040.00
<b>DEBT SERVICE</b>	<b>536,262.52</b>	<b>517,049.72</b>	<b>502,550.00</b>	<b>636,665.00</b>	<b>636,665.00</b>	<b>636,665.00</b>
Payment refunded bond escrow	0.00	4,660,463.18	0.00	0.00	0.00	0.00
<b>OTHER FINANCING USES</b>	<b>0.00</b>	<b>4,660,463.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Bond Indenture Reserve	0.00	0.00	447,170.00	486,250.00	486,250.00	486,250.00
<b>CONTINGENCY &amp; RESERVES</b>	<b>0.00</b>	<b>0.00</b>	<b>447,170.00</b>	<b>486,250.00</b>	<b>486,250.00</b>	<b>486,250.00</b>
<b>ENTERPRISE BOND FUND</b>	<b><u>536,487.52</u></b>	<b><u>5,221,735.90</u></b>	<b><u>950,470.00</u></b>	<b><u>1,123,665.00</u></b>	<b><u>1,123,665.00</u></b>	<b><u>1,123,665.00</u></b>

## City of Tualatin

As of June 30, 2016

## Schedule of Future Debt Service

Fiscal Year	General Obligation Bonds			Revenue Supported Bonds			Full Faith and Credit Loan		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017	735,000	230,124	965,124	360,000	147,050	507,050	102,572	27,040	129,612
2018	765,000	198,407	963,407	370,000	137,900	507,900	105,793	23,819	129,612
2019	800,000	164,131	964,131	380,000	126,650	506,650	109,035	20,576	129,611
2020	455,000	137,689	592,689	395,000	113,050	508,050	112,377	17,235	129,612
2021	475,000	119,448	594,448	415,000	96,850	511,850	115,780	13,831	129,611
2022	500,000	100,263	600,263	430,000	79,950	509,950	119,370	10,242	129,612
2023	520,000	80,127	600,127	450,000	62,350	512,350	123,028	6,584	129,612
2024	540,000	58,900	598,900	465,000	44,050	509,050	124,436	2,811	127,247
2025	565,000	36,469	601,469	490,000	24,950	514,950			
2026	305,000	18,900	323,900	505,000	7,575	512,575			
2027	320,000	6,400	326,400						
	5,980,000	1,150,858	7,130,858	4,260,000	840,375	5,100,375	912,391	122,138	1,034,529



**CITY OF TUALATIN**  
**BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**  
**June 30, 2015**

Fiscal Year	Governmental Activities					Business-type Activities		Total	Population	Per Capita
	General Obligation Bonds	Full Faith and Credit Obligations	Capital Leases	Limited Tax Bonds	Urban Renewal Agency Bonds	Full Faith and Credit Obligations	Water Revenue Bonds			
2006	7,380,000	-	62,646	700,000	4,250,000	-	7,305,000	19,697,646	25,594	769.62
2007	7,025,000	-	46,517	620,000	3,030,000	-	7,060,000	17,781,517	25,650	693.24
2008	10,220,000	-	29,030	620,000	1,970,000	-	6,805,000	19,644,030	25,650	765.85
2009	9,950,000	-	10,071	620,000	1,000,000	-	6,540,000	18,120,071	26,040	695.86
2010	9,645,000	-	19,913	540,000	-	-	6,265,000	16,469,913	26,130	630.31
2011	9,235,000	-	7,490	380,000	-	-	5,980,000	15,602,490	26,160	596.43
2012	8,630,000	-	-	220,000	-	-	5,685,000	14,535,000	26,170	555.41
2013	8,005,000	-	-	-	-	-	5,380,000	13,385,000	26,510	504.90
2014	7,355,000	1,100,000	-	-	-	-	5,065,000	13,520,000	26,925	502.14
2015	6,680,000	1,011,988	-	-	-	4,664,994	345,000	12,701,982	26,590	477.70

Note: Details regarding the City's outstanding debt can be found in the notes to the basic financial statements.

Personal income data and unemployment rate data for the City is not available

Fiscal Year	General Obligation Bonds	Estimated Actual Value of Property	General Obligation Debt as a Percentage of Estimated Actual Value
2006	7,380,000	3,500,688,218	0.21%
2007	7,025,000	4,159,063,572	0.17%
2008	10,220,000	4,644,886,174	0.22%
2009	9,950,000	4,942,802,507	0.20%
2010	9,645,000	4,734,984,802	0.20%
2011	9,235,000	4,406,469,302	0.21%
2012	8,630,000	4,163,768,490	0.21%
2013	8,005,000	4,078,906,996	0.20%
2014	7,355,000	4,284,840,835	0.17%
2015	6,680,000	4,720,396,512	0.14%

Source: Current and previous CAFR's



**CITY OF TUALATIN****COMPUTATION OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT****June 30, 2015**

<b>Jurisdiction</b>	<b>Tax-supported Debt Outstanding</b>	<b>Percent Applicable Inside City of Tualatin</b>	<b>Amount Applicable Inside City of Tualatin</b>
City of Tualatin	\$ 7,691,988	86.8436%	\$ 6,680,000
Clackamas County	98,780,000	1.5652% *	1,546,105
Clackamas County District 3J (West Linn/Wilsonville)	252,766,741	1.2262%	3,099,426
Clackamas County School District 7J (Lake Oswego)	101,024,917	1.5172%	1,532,750
Clackamas Community College	66,116,012	1.9455%	1,286,287
Metro	193,205,000	2.6461%	5,112,398
Port of Portland	2,609,405	2.4312%	63,440
Portland Community College	160,095,000	2.8766%	4,605,293
Washington County	20,523,415	6.7452%	1,384,345
Tualatin Valley Fire and Rescue District	55,020,000	8.9748%	4,937,935
Washington County School District 23J (Tigard-Tualatin)	97,837,628	35.4280%	34,661,915
Washington County School District 88J (Sherwood)	105,472,683	15.2072%	16,039,442
Subtotal overlapping debt			74,269,336
Direct and overlapping debt			<u>\$ 80,949,336</u>

Overlapping debt percentage is determined by the percentage of assessed value of the overlapping district that is within the City limits of Tualatin applied.

Source: Municipal Debt Management, State of Oregon

\*The percentage of the City of Tualatin in Clackamas County is very small, as is the property-tax backed debt, and produces an immaterial amount.



**COMPUTATION OF LEGAL DEBT MARGIN**

**June 30, 2015**

ORS 287.004 provides a debt limit of 3% of true cash value of all taxable property within the City boundaries:

True Cash Value	\$ 3,711,702,679
Rate	<u>x 3%</u>
Debt limit	111,351,080
Debt applicable to limit	<u>6,575,004</u>
	<u><u>\$ 104,776,076</u></u>

Legal debt margin

Fiscal year ended June 30,	Debt Margin as a Percentage of Debt Limit	Debt limit	Debt applicable to limit	Legal debt margin
2006	92.03%	81,279,915	6,479,517	74,800,398
2007	87.41%	83,059,823	10,458,584	72,601,239
2008	88.75%	88,472,855	9,955,038	78,517,817
2009	89.42%	93,584,449	9,900,544	83,683,905
2010	90.45%	95,030,956	9,075,365	85,955,591
2011	90.76%	98,997,766	9,146,899	89,850,867
2012	91.46%	100,101,909	8,549,103	91,552,806
2013	92.24%	102,053,332	7,916,907	94,136,425
2014	93.15%	105,957,330	7,259,791	98,697,539
2015	94.10%	111,351,080	6,575,004	104,776,076

Cash value stated above is equal to that value which is "taxable assessed value" as defined by Oregon law.  
This value is not the same value as market value, but is the value used for levy purposes.