

**Debt Transparency
Fiscal Year 2018**

Long-Term Obligations

The City issues certificates of obligation bonds and revenue bonds to provide funds for the construction and renovation of facilities, parks, streets, drainage, transportation, and water and sewer improvements. Bonds have been issued for both governmental and business-type activities.

Long-term debt also includes the City's accrued liability for compensated absences, severance payable, notes payable, health claims, OPEB, net pension liabilities, and capital leases. Principal and interest payments on the City's bonded debt are secured by ad valorem property taxes levied on all taxable property within the City limits. Water and sewer revenue bonds are secured by water and sewer enterprise fund revenues. Payments are recorded in the Debt Service Fund and Water & Sewer Fund, respectively.

On May 24, 2018, the City issued \$24,185,000 in Limited Tax Refunding Bonds, Series 2018 to refund and defease a portion of the City's outstanding Certificates of Obligation, Series 2009, Water and Sewer System Revenue Bonds, Series 2006, Series 2007, and Series 2008 and to pay the cost of issuance. Series 2018 had a premium of \$3,048,580, an annual interest rate of 2% to 5%, interest accrues semiannually and the bonds mature in 2030. The refunding resulted in savings of \$3,565,663 due to a decrease in cash flow requirements and had an economic gain of \$2,953,854.

Long-Term Obligation Activity

A summary of the long-term bonded debt of the City at September 30, 2018 is presented below:

	Rate	Issue Date	Amount of Original Issue	Maturity Date	Bonds Outstanding
Refunding Bonds					
Refunding Bonds, Series 2012	2.00-3.00%	2012	\$ 7,560,000	2023	\$ 4,045,000
Refunding Bonds, Series 2015	2.00-5.00%	2015	33,370,000	2030	32,850,000
Refunding Bonds, Series 2018	2.00-5.00%	2018	24,185,000	2030	24,185,000
Total Refunding Bond Payable			<u>\$ 65,115,000</u>		<u>\$ 61,080,000</u>
Contractual and Certificates of Obligation					
Series 2005	4.325%	2005	\$ 3,865,000	2030	\$ 3,340,000
Series 2009	2.00-4.25%	2009	12,750,000	2030	1,225,000
Series 2010	2.00-4.00%	2010	9,270,000	2030	6,985,000
Series 2011	1.875-5.00%	2011	18,235,000	2031	14,785,000
Series 2012	2.00-3.125%	2012	8,970,000	2032	2,830,000
Series 2014	2.00-5.00%	2014	31,100,000	2034	28,660,000
Series 2015	2.00-4.00%	2015	8,795,000	2035	5,295,000
Series 2016	2.00-4.00%	2016	11,275,000	2036	7,985,000
Series 2017A	2.00-5.00%	2017	20,110,000	2037	18,110,000
Series 2017B	2.00-5.00%	2017	21,590,000	2038	21,590,000
Certificates of Obligation Payable			<u>\$ 145,960,000</u>		<u>\$ 110,805,000</u>

Revenue Bonds**Waterworks and Sewer System**

Bonds, Series 2009	3.00-4.375%	2009	\$ 7,350,000	2030	\$ 5,170,000
Bonds, Series 2010	2.00-4.00%	2010	15,715,000	2031	11,290,000
Bonds, Series 2011	1.75-4.25%	2011	5,160,000	2032	3,925,000
Bonds, Series 2012	1.75-5.00%	2012	18,130,000	2032	14,820,000
Bonds, Series 2013	2.00-4.25%	2013	6,790,000	2033	5,740,000
Bonds, Series 2014	2.00-5.00%	2014	17,130,000	2035	15,265,000
Bonds, Series 2015	2.00-5.00%	2015	14,400,000	2035	13,395,000
Total Revenue Bonds			<u>\$ 84,675,000</u>		<u>\$ 69,605,000</u>

Debt Service Requirements

Debt service requirements on long-term debt at September 30, 2018, are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities - Bonded Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 6,990,000	\$ 5,038,427	\$ 12,028,427
2020	7,210,000	4,846,543	12,056,543
2021	7,330,000	4,628,117	11,958,117
2022	7,570,000	4,383,543	11,953,543
2023	7,860,000	4,096,955	11,956,955
2024-2028	44,600,000	15,194,374	59,794,374
2029-2033	37,550,000	6,402,916	43,952,916
2034-2037	13,845,000	892,775	14,737,775
Totals	<u>\$ 132,955,000</u>	<u>\$ 45,483,650</u>	<u>\$ 178,438,650</u>

<u>Year Ending September 30,</u>	<u>Governmental Activities - Notes Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 123,000	\$ 30,289	\$ 153,289
2020	129,000	23,369	152,369
2021	135,000	16,039	151,039
2022	143,002	8,284	151,286
Totals	<u>\$ 530,002</u>	<u>\$ 77,981</u>	<u>\$ 607,983</u>

Interest on the Section 108 Loan Guarantee is paid at 0.20% plus LIBOR.

<u>Year Ending September 30,</u>	<u>Business-type Activities -- Bonded Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 5,150,000	\$ 4,201,415	\$ 9,351,415
2020	5,285,000	4,064,461	9,349,461
2021	5,570,000	3,883,136	9,453,136
2022	5,765,000	3,686,061	9,451,061
2023	5,975,000	3,469,349	9,444,349
2024-2028	33,900,000	13,331,791	47,231,791
2029-2033	33,905,000	5,998,660	39,903,660
2034-2038	12,985,000	1,095,594	14,080,594
Totals	<u>\$ 108,535,000</u>	<u>\$ 39,730,467</u>	<u>\$ 148,265,467</u>

Debt service requirements on long-term debt for component unit CIDC at September 30, 2018, are as follows:

Year Ending September 30,	Discrete Component Unit - CIDC - Bonded Debt		
	Principal	Interest	Total
2019	\$ 3,010,000	\$ 2,141,091	\$ 5,151,091
2020	3,140,000	2,014,758	5,154,758
2021	3,270,000	1,882,722	5,152,722
2022	3,410,000	1,745,020	5,155,020
2023	3,550,000	1,604,749	5,154,749
2024-2028	19,805,000	5,963,209	25,768,209
2029-2033	19,785,000	2,271,929	22,056,929
Totals	<u>\$ 55,970,000</u>	<u>\$ 17,623,478</u>	<u>\$ 73,593,478</u>

Commitments under capitalized lease agreements for facilities and equipment provide for minimum future lease payments as of September 30, 2018, are as follows:

Governmental Activities

<u>Year Ending September 30:</u>	
2019	\$ 75,179
2020	75,178
2021	81,268
Total Minimum Lease Payments	<u>\$ 231,625</u>
Less: amount representing interest	(16,711)
Present Value of Minimum Lease Payments	<u>\$ 214,914</u>

The net amount of capital assets (machinery, equipment and improvements less accumulated depreciation) acquired through governmental activities capital leases is \$370,467 as of September 30, 2018.

Business-type Activities

<u>Year Ending September 30:</u>	
2019	\$ 567,736
2020	567,736
2021	561,646
Total Minimum Lease Payments	<u>\$ 1,697,118</u>
Less: amount representing interest	(126,193)
Present Value of Minimum Lease Payments	<u>\$ 1,570,925</u>

The net amount of capital assets (machinery, equipment and improvements less accumulated depreciation) acquired through business-type activities capital leases is \$3,862,126 as of September 30, 2018.