

Debt Service

FY17 & FY18 BUDGET

Debt Service Fund Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Recommended	FY18 Recommended
REVENUES					
Property Tax	761,249	1,864,694	1,958,594	2,063,274	2,063,274
Sales Tax	1,869,599	1,554,112	2,036,980	2,174,920	2,514,420
Special Assessments - Principal	731,673	250,000	250,000	250,000	250,000
Special Assessments - Interest	299,015	75,000	75,000	75,000	75,000
Bond Proceeds	997,522	11,500,000	2,100,000	10,000,000	0
Interest Income	5,716	7,002	10,895	15,451	14,534
Other	902,450	557,796	542,796	542,796	542,796
Total Revenue	5,567,224	15,808,604	6,974,265	15,121,441	5,460,024
EXPENDITURES					
Operating					
Debt Service - Bond Principal	2,655,000	2,947,400	2,900,000	2,780,000	3,123,200
Debt Service - Bond Interest	754,734	871,458	555,123	772,897	968,215
County Treasurer Fees	22,510	15,000	15,000	15,000	15,000
Debt Payment - PFD	298,476	298,677	298,677	298,677	298,677
Financial/Legal Fees	114,631	75,000	75,000	75,000	75,000
Total Expenditures	3,845,351	4,207,535	3,843,800	3,941,574	4,480,092
Other Financing Sources (Uses)					
Lottery Transfer	288,013	339,145	0	0	0
Trf From SID	804	0	0	0	0
Trf From EDF	0	0	0	0	0
CIP Transfer - Bond Proceeds	(311,153)	(11,500,000)	(611)	(6,100,000)	(5,000,000)
CIP Transfer - Sales Tax	0	(833,489)	(1,591,245)	(1,546,200)	(528,600)
EDP Transfer	0	0	0	0	0
Total Other Sources/Uses of Funds	(22,336)	(11,994,344)	(1,591,856)	(7,646,200)	(5,528,600)
Operating Cash Annual Inc/(Dec)	1,699,537	(393,275)	1,538,609	3,533,667	(4,548,668)
Prior Year Cash	3,592,107	5,291,644	5,291,644	6,830,253	10,363,920
End of Year Cash Total	5,291,644	4,898,369	6,830,253	10,363,920	5,815,252

Debt Service Fund

The primary sources of funding for the Debt Service Fund budget includes the revenue from a \$0.14 property tax rate and one-half of one percent local option sales tax. The City's overall property tax levy of .55 will stay the same. The revenue exceeds principal and interest payments generated through property and sales tax through FY18 as a result of the proceeds from the new bond proceeds in FY16 and new bond proceeds anticipated in FY17.

The debt service coverage ratio (DSCR) is a measure of the cash flow available to pay current debt obligations. A DSCR greater than one (1) means that there is sufficient income to cover debt obligations. The DSCR's for both FY17 and FY18 are 2.92 and 1.42, respectively. The future DSCRs also look good until FY21 when the City's overall debt peaks.

Concluding FY16 Financial Performance

The City received an upgraded bond rating of Aa3 up from A1 by Moody's Investor in FY15. On September 15, 2015, the City Council approved Ordinance No. 1264 authorizing the issuance of General Obligation Refunding Bonds in the amount of \$8,447,635 for the purpose of refunding the following outstanding issues:

- \$2,672,021 outstanding principle amount of General Obligation Refunding bonds, Series 2011A, dated June 29, 2011
- \$4,660,357 outstanding principle amount of General Obligation Refunding Bonds (Off-Street Parking Project), Series 2011B, Dated June 29, 2011
- \$1,115,257 outstanding principle amount of General Obligation Refund Bonds, Series 2011, issued by SID No. 195 of Sarpy, County, Nebraska, dated April 15, 2011.

Also in FY16, the City issued bonds in the amount of \$2,100,000 for the City Parking Lot Access Road.

Revenues (less bond proceeds) are estimated to total approximately \$4.9 million, which is slightly more (\$304,563) than revenues received in FY15. The year-end estimate is an approximate 13.1% increase over the FY16 budgeted amount (less bond proceeds) of \$4.3 million.

3 Debt Service Fund Summary

Expenditures for FY16 are projected to be nearly \$3.8 million, which is approximately 8.65% less than the budgeted amount of \$4.2 million. This is a \$363,735 decrease over FY16 budget and can primarily be attributed to the interest savings related to the bond refinancing.

Fund Balance — The difference in estimated revenues and expenditures, combined with a beginning fund balance, contribute to an estimated ending fund balance of \$6.8 million. This is a 39% increase over FY16 budget. The contributing factors in the increase in the fund balance is due to \$2.1 million bond yet to be transferred to CIP Fund for the construction of Portside Parkway.

FY17 Budget

Revenues for the proposed FY17 budget are estimated at \$15.1 million, which reflects \$10 million in bond proceeds for the construction of necessary public infrastructure. Once adjusted for bond proceeds, the FY17 proposed budget is approximately \$5.1 million which reflects a \$812,837 increase in revenue, approximately 19%.

Expenditures for FY17 are projected to be \$3.9 million, which reflects a slight decrease from the budgeted amount for the FY16 Adopted Budget level of \$4.2 million. This is due to the timing of projects.

Fund Balance — After expenditures and transfers to the other funds, the budget projects an ending fund balance of \$10.4 million, which is an increase of \$5.5 million from the FY16 budget. The increase in the fund balance is primarily related to the timing of projects and subsequent transfers to the CIP.

FY18 Budget

Revenues for the FY18 proposed budget are estimated at \$5.5 million, which reflects a 6.6% increase over the FY17 recommended budget. Once adjusted for bond proceeds, the FY17 proposed budget is approximately \$5.1 million from which the FY18 budget reflects increase in revenue of \$338,583.

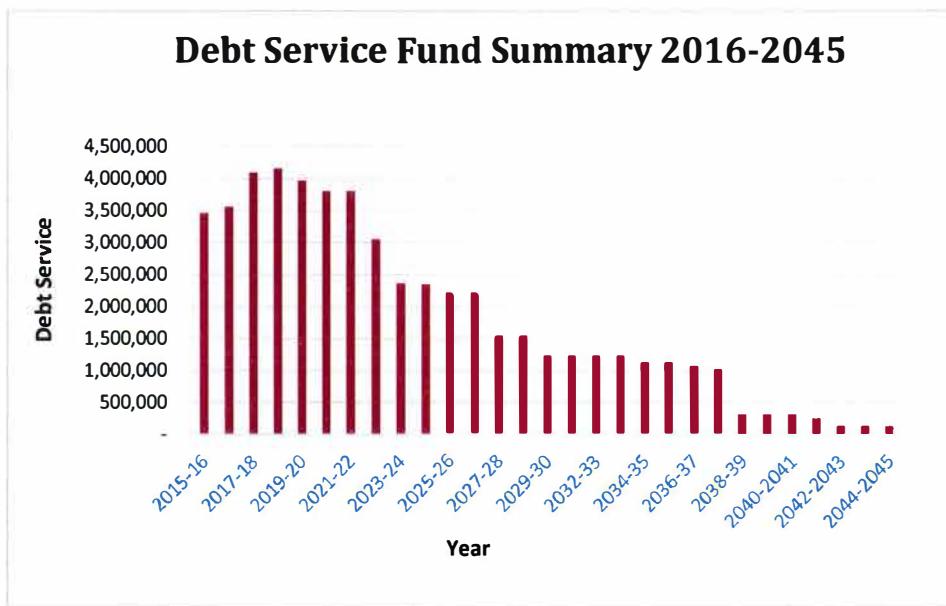
Expenditures recommended for the proposed FY18 budget are anticipated to be approximately \$4.5 million, reflecting an increase of \$538,518 from the recommended FY17 budget. This is due to the increase of newly issued bond principal and interest payments for new city projects.

Fund Balance — After expenditures and transfers to the other funds, the budget projects an ending fund balance of \$5.8 million, which is a decrease of \$4.55 million or approximately 44% decrease from FY17. This can be attributed to the transfer of bond proceeds to the CIP.

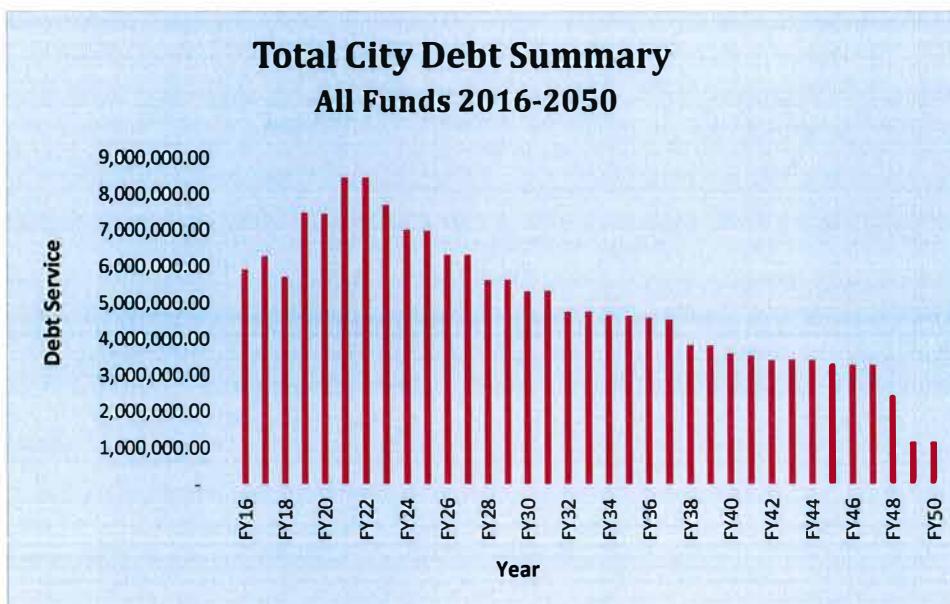
5 Debt Service Fund Summary

Summary

A summary of the principle and interest payments that will be paid from the Debt Service fund from FY16 through FY45 is highlighted in the chart below. The trend shows that current debt obligations peak in FY19. Off-Street Parking, Economic Development, Sewer and Redevelopment Funds are included in the second chart.



The following chart identifies debt in all funds from FY16 through FY50. The trend shows that the City's overall debt obligations peak in FY21 and FY22.



	A	B	BJ	BK	BL	BN	BP	BQ	BR	BS
1	DEBT SERVICE FUND									
2		FY15 Actual	FY16 Budget	FY16 YE Estimate	FY17 Recommended	FY18 Recommended	FY19 Projected	FY20 Projected	FY21 Projected	
3										
4										
5										
8	Cash Carry Forward	3,592,107	5,291,644	5,291,644	6,830,253	10,363,920	5,815,252	5,410,844	3,777,357	
9										
10	1001 Real Estate Tax	684,250	1,829,816	1,809,816	1,912,195	1,911,473	1,979,626	2,050,176	2,123,206	
11	1004 Homestead Exemption	15,960		20,000	20,000	20,000	20,000	20,000	20,000	
12	1008 Real Estate Tax Credit	22,107	33,778	33,778	36,079	36,801	37,537	38,288	39,054	
13	Property Tax Current Year	722,317	1,863,594	1,863,594	1,968,274	1,968,274	2,037,163	2,108,464	2,182,260	
14		2%	158%	158%	6%		3%	4%	3%	
15										
16	1002 Personal Property Tax	29,952		80,000	80,000	80,000	80,800	81,608	82,424	
17	1003 Back Year Taxes All Types	6,804	1,000	10,000	10,000	10,000	10,000	10,000	10,000	
18	2006 Motor Vehicle ProRate	2,176	100	5,000	5,000	5,000	5,000	5,000	5,000	
19	1005 Motor Vehicle Tax									
20	Property Tax - Other	38,932	1,100	95,000	95,000	95,000	95,800	96,608	97,424	
21		5%	-97%	144%			1%	1%	1%	
22										
23	Property Tax Total	761,249	1,864,694	1,958,594	2,063,274	2,063,274	2,132,963	2,205,072	2,279,684	
24		2%	145%	157%	5%		3%	3%	3%	
25										
26	2007 In Lieu of Tax	33,842	30,000	15,000	15,000	15,000	15,000	15,000	15,000	
27										
28	8061 Special Assessment-Principal	731,673	250,000	250,000	250,000	250,000	250,000	250,000	250,000	
29	8012 Special Assessments-Interest	299,015	75,000	75,000	75,000	75,000	75,000	75,000	75,000	
30	Special Assessments - Total	1,030,689	325,000	325,000	325,000	325,000	325,000	325,000	325,000	
31		6212%	-68%	-68%						
32										
33	1007 Sales Tax (0.5%)	1,869,599	1,725,000	2,228,629	2,588,944	2,814,420	3,077,465	3,159,691	3,304,600	
34		75%	-8%	19%	16%	9%	9%	3%	5%	
35	1007 ST Incentives/Refunds Pd		(170,888)	(191,649)	(414,024)	(300,000)	(725,500)	(550,000)	(550,000)	
37	Sales Tax Received	1,869,599	1,554,112	2,036,980	2,174,920	2,514,420	2,351,965	2,609,691	2,754,600	
38		75%	-17%	9%	7%	16%	-6%	11%	6%	
39										
40	8010 Interest Income	5,716	7,002	10,895	15,451	14,534	10,081	8,253	4,228	
43										
44	8060 Refinancing Bonds									
45	8060 Bond Proceeds	997,522	11,500,000	2,100,000	10,000,000		2,484,000			
47	Bond Proceeds	997,522	11,500,000	2,100,000	10,000,000		2,484,000			
48		1053%	111%	376%	-100%		-100%			

	A	B	BJ	BK	BL	BN	BP	BQ	BR	BS
1	DEBT SERVICE FUND									
2		FY15 Actual	FY16 Budget	FY16 YE Estimate	FY17 Recommended	FY18 Recommended	FY19 Projected	FY20 Projected	FY21 Projected	
3										
4										
5										
49										
50	8030	Reimbursement - PFD	527,796	527,796	527,796	527,796	527,796	527,796	527,796	527,796
51	8001	Other Revenue	340,812							
52	1000	Inter-Fund Transfers								
53	Other Revenue		868,608	527,796	527,796	527,796	527,796	527,796	527,796	527,796
54			887%	-39%	-39%					
55										
56	Total Income		5,567,224	15,808,604	6,974,265	15,121,441	5,460,024	7,846,805	5,690,812	5,906,308
57										
58	2019	Transfer to CIP- Bond Proceeds	(311,153)	(11,500,000)	(611)	(6,100,000)	(5,000,000)	(2,484,000)		
59		Transfer to CIP		(833,489)	(1,591,245)	(1,546,200)	(528,600)	(1,252,500)	(3,002,500)	(4,563,100)
60		Transfer to EDP								
61	Transfers Out		(311,153)	(12,333,489)	(1,591,856)	(7,646,200)	(5,528,600)	(3,736,500)	(3,002,500)	(4,563,100)
62										
63	2012	Transfers from SIDs	804							
64		Transfer from EDF								
65	4010	Lottery Transfer Bond J	288,013	339,145						
66	Transfers In		288,817	339,145						
67										
68	Net Transfers		(22,336)	(11,994,344)	(1,591,856)	(7,646,200)	(5,528,600)	(3,736,500)	(3,002,500)	(4,563,100)
69										
70	Net Revenue		5,544,888	3,814,260	5,382,409	7,475,241	(68,576)	4,110,305	2,688,312	1,343,208
71										
72	Total Available		9,136,995	9,105,904	10,674,053	14,305,494	10,295,344	9,925,557	8,099,156	5,120,565
73										
74	Expenditures		3,845,352	4,207,535	3,843,800	3,941,574	4,480,092	4,514,713	4,321,799	4,187,460
75	EXP % of REVENUE		69%	27%	55%	26%	82%	58%	76%	71%
76										
77	Dollar Ending Balance		5,291,644	4,898,369	6,830,253	10,363,920	5,815,252	5,410,844	3,777,357	933,105
78										
79	Property Valuation		1,269,085,286	1,331,138,549	1,331,138,549	1,405,909,873	1,405,909,873	1,455,116,719	1,506,045,804	1,558,757,407
80	Valuation Growth			4.89%		5.62%		3.50%	3.50%	3.50%
81	Budgeted Levy		0.0006	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014
82	Uncollected Property Tax		(13,753)							
84	Debt Coverage Ratio		1.55	1.28	1.98	2.92	1.42	1.30	0.95	0.25
85										

A	B	BJ	BK	BL	BN	BP	BQ	BR	BS
1	DEBT SERVICE FUND								
2	FY15 Actual	FY16 Budget	FY16 YE Estimate	FY17 Recommended	FY18 Recommended	FY19 Projected	FY20 Projected	FY21 Projected	
Sales Tax Incentive Program Reserve									
92	Beginning Balance	301,888	495,363	495,363	632,831	668,807	818,807	543,307	443,307
93	Trf to Fund to Make Whole		(170,888)	(191,649)	(414,024)	(300,000)	(725,500)	(550,000)	(550,000)
94	Contribution to ST Reserve	193,475	170,000	329,117	450,000	450,000	450,000	450,000	450,000
95	Ending Balance	495,363	494,475	632,831	668,807	818,807	543,307	443,307	343,307
96									
97									
98	Avail Net of ST Reserve	4,796,281	4,403,894	6,197,422	9,695,113	4,996,445	4,867,537	3,334,050	589,798
99	Debt Coverage Ratio	1.41	1.15	1.79	2.73	1.22	1.17	0.84	0.16
100									
101	4-61-DEBT SERVICE FUND								
102									
107	303 Professional Services								
108	501 Debt Service - Bond Principal	2,655,000	2,947,400	2,900,000	2,780,000	3,123,200	3,190,000	3,049,390	2,952,790
109	502 Debt Service - Bond Interest	754,734	871,458	555,123	772,897	968,215	966,036	913,732	845,993
110	503 Warrant/BAN Principal								
111	504 Warrant/BAN Interest								
112	510 County Treasurer Fees	22,510	15,000	15,000	15,000	15,000	15,000	15,000	15,000
113	511 Reserve/Bond Payment								
114	514 Financial/Legal Fees	114,631	75,000	75,000	75,000	75,000	75,000	75,000	75,000
115	519 Debt Payment- PFD	298,476	298,677	298,677	298,677	298,677	268,677	268,677	298,677
116	Other Fund Balance Activity								
117									
118	TOTAL	3,845,352	4,207,535	3,843,800	3,941,574	4,480,092	4,514,713	4,321,799	4,187,460
119									

	A	B	BJ	BK	BL	BN	BP	BQ	BR	BS	
1	DEBT SERVICE FUND										
2		FY15 Actual	FY16 Budget	FY16 YE Estimate	FY17 Recommended	FY18 Recommended	FY19 Projected	FY20 Projected	FY21 Projected		
3	CIP Project Summary										
120											
121	PWP-12-002	Thompson Creek - Phase VI (Part2)		76,000	485,169						
122	PWP-19-001	Applewood Creek Train M376 (376)									
123	PWSE-16-002	Hell Creek Grade Control Structure		198,400	8,999	100,000					
124	PWSE-16-003	Gertrude Circle Storm Sewer		12,500							
125	PWST-08-001	132nd & West Giles Road		15,000	15,000	258,500					
126	PWST-08-008	Quiet Zone Southport West (NDOR)		11,000							
127	PWST-10-001	66th Street		400,000							
128	PWST-10-011	96th Street-Harrison to Portal Road		11,089							
129	PWST-10-013	Giles Road Traffic Signal Coordination		2,000							
130	PWST-13-005	Harrison Street				300,000					
131	PWST-13-006	Harrison Street Bridge				115,000					
132	PWST-13-011	84th St Adaptive Signals		79,000		79,000					
133	PWST-15-002	Giles Road Resurfacing				395,000					
134	PWST-15-009	Hell Creek Interim Channel Mtce		28,500	8,999						
135	PWST-16-001	96th & Brentwood Traffic Signal (Robin)					210,000				
136	PWST-16-002	City Parking Lot Service Road		1,500,000	1,000,000	1,100,000					
137	PWST-16-003	Multi-sports Complex - Public Infrastructure		10,000,000	611	5,000,000	5,000,000				
138	PWST-17-002	66th St Reconstruction M376 (379)				98,700	12,600			829,600	
139	PWST-17-003	Giles Road Widening				200,000	306,000	2,484,000			
140	PWST-19-001	Storm Sewer Inlet Top Repair						75,000			
141	PWST-19-002	Concrete Panel Replacement						300,000			
142	PWST-19-003	Asphalt Microsurfacing						345,000			
143	PWST-19-004	84th Street (Harrison to Giles)						500,000			
144	PWST-21-001	Street/Bridge Improvements M376 (378)							400,000		
145		Future Projects							3,000,000	3,000,000	
146											
147	Total CIP		12,333,489	1,518,778	7,646,200	5,528,600	3,736,500	3,002,500	4,563,100		
148	CIP Worksheet		12,333,489	1,518,778	7,646,200	5,528,600	3,736,500	3,002,500	4,563,100		
149	Difference										
150	FY16 Transfer in FY17										
				(73,078)							

DEBT SERVICE FUNDS

\$835,000 Public Safety Bonds Dated December 2014			\$6.475M General Obligation Bonds Dated December 2014			
Date	PRINCIPAL	COUPON	INTEREST	PRINCIPAL	COUPON	INTEREST
FY17	100,000	2.0000	14,093	965,000	2.0000	108,263
FY18	100,000	2.0000	12,093	985,000	2.0000	88,963
FY19	105,000	2.0000	10,043	995,000	2.0000	69,263
FY20	105,000	2.0000	7,943	690,000	1.7500	49,363
FY21	105,000	1.8500	5,921	540,000	2.0500	37,288
FY22	110,000	2.1500	3,768	550,000	2.2500	26,218
FY23	110,000	2.3500	1,293	565,000	2.4500	13,843
	<u>735,000</u>	<u>55,151</u>		<u>5,290,000</u>	<u>393,198</u>	

1.24M General Obligation Refunding Bonds Series 2015 DSF Portion			\$4.975M Fire Facility Refunding Bonds Dated July 15, 2011			\$790,000 Highway Allocation Bonds Dated December 2014			
Date	PRINCIPAL	COUPON	INTEREST	PRINCIPAL	COUPON	INTEREST	PRINCIPAL	COUPON	INTEREST
FY17	335,000	0.5000	68,808	290,000	2.5000	121,915	50,000	2.0000	18,143
FY18	335,000	2.0000	64,620	295,000	2.4000	114,750	50,000	2.0000	17,143
FY19	340,000	2.0000	57,870	300,000	2.8000	107,010	50,000	2.0000	16,143
FY20	345,000	1.5000	51,883	310,000	3.0500	98,083	55,000	1.8500	15,134
FY21	355,000	2.0000	45,745	320,000	3.2500	88,155	55,000	1.8500	14,116
FY22	360,000	2.0000	38,595	330,000	3.4500	77,263	55,000	2.3500	12,961
FY23	370,000	2.0000	31,295	340,000	3.6000	65,450	55,000	2.3500	11,669
FY24	375,000	2.0000	23,845	355,000	3.7500	52,674	60,000	2.6500	10,228
FY25	380,000	2.2000	15,915	365,000	3.9000	38,900	55,000	2.6500	8,704
FY26	250,000	2.2500	8,923	380,000	4.0500	24,088	60,000	3.0000	7,075
FY27	260,000	2.3500	3,055	395,000	4.1500	8,196	65,000	3.0000	5,200
FY28							65,000	3.2500	3,169
FY29							65,000	3.2500	1,056
	<u>3,705,000</u>	<u>410,554</u>		<u>3,680,000</u>	<u>796,484</u>		<u>740,000</u>	<u>140,739</u>	

\$8.915M Refunding Bonds Dated June 30, 2012			\$3.428M Facilities Corporation Bonds Dated December 2014			\$2.1M Highway Allocation Bonds Dated July 15, 2011			
Date	PRINCIPAL	COUPON	INTEREST	PRINCIPAL	COUPON	INTEREST	PRINCIPAL	COUPON	INTEREST
FY17	685,000	0.0090	132,900	285,000	2.0000	53,495	70,000	1.0000	49,257
FY18	700,000	0.0120	125,618	285,000	2.0000	47,795	65,000	1.0000	51,919
FY19	705,000	0.0145	116,306	295,000	2.0000	41,995	65,000	1.0000	51,269
FY20	715,000	0.0170	105,118	305,000	1.7500	36,376	65,000	1.0000	50,619
FY21	730,000	0.0190	92,105	310,000	1.9500	30,685	65,000	1.0000	49,969
FY22	740,000	0.0210	77,400	310,000	2.1500	24,330	70,000	2.0000	49,319
FY23	280,000	0.0225	66,480	40,000	2.6000	20,478	70,000	2.0000	47,919
FY24	285,000	0.0240	59,910	40,000	2.6000	19,438	70,000	2.0000	46,519
FY25	290,000	0.0255	52,793	45,000	2.6000	18,333	70,000	2.0000	45,119
FY26	305,000	0.0270	44,978	45,000	3.2500	17,016	75,000	2.0000	43,719
FY27	310,000	0.0280	36,520	45,000	3.2500	15,554	75,000	3.0000	42,219
FY28	320,000	0.0290	27,540	45,000	3.2500	14,091	75,000	3.0000	39,969
FY29	330,000	0.0300	17,950	50,000	3.2500	12,548	80,000	3.0000	37,719
FY30	95,000	0.0325	11,456	50,000	3.4500	10,873	80,000	3.0000	35,319
FY31	100,000	0.0325	8,288	50,000	3.4500	9,148	85,000	3.0000	32,919
FY32	100,000	0.0325	5,038	55,000	3.4500	7,336	85,000	3.0000	30,369
FY33	105,000	0.0325	1,706	55,000	3.6500	5,384	90,000	3.0000	27,819
FY34				60,000	3.6500	3,285	90,000	3.0000	25,119
FY35				60,000	3.6500	1,095	95,000	3.0000	22,419
FY36							95,000	3.0000	19,569
FY37							100,000	3.1250	16,719
FY38							105,000	3.1250	13,594
FY39							105,000	3.1250	10,313
FY40							110,000	3.1250	7,031
FY41							115,000	3.1250	3,594
	<u>6,795,000</u>	<u>982,104</u>		<u>2,430,000</u>	<u>389,253</u>		<u>2,070,000</u>	<u>850,313</u>	

DEBT SERVICE FUNDS

Detail of 2011 Refunding Bond Series 2015

Date	2011 Series Debt Service Fund Portion			2011 Series Off Street Parking Portion			\$8.24M GO Refunding Bonds Series 2015		
	PRINCIPAL	COUPON	INTEREST	PRINCIPAL	COUPON	INTEREST	PRINCIPAL	COUPON	INTEREST
FY16			37,531			44,291	-		81,822
FY17	335,000	0.5000	68,808	475,000	0.5000	81,003	810,000	0.5000	149,811
FY18	335,000	2.0000	64,620	470,000	2.0000	75,115	805,000	2.0000	139,735
FY19	340,000	2.0000	57,870	485,000	2.0000	65,565	825,000	2.0000	123,435
FY20	345,000	1.5000	51,883	495,000	1.5000	57,003	840,000	1.5000	108,886
FY21	355,000	2.0000	45,745	500,000	2.0000	48,290	855,000	2.0000	94,035
FY22	360,000	2.0000	38,595	510,000	2.0000	38,190	870,000	2.0000	76,785
FY23	370,000	2.0000	31,295	520,000	2.0000	27,890	890,000	2.0000	59,185
FY24	375,000	2.0000	23,845	535,000	2.0000	17,340	910,000	2.0000	41,185
FY25	380,000	2.2000	15,915	545,000	2.0000	5,995	925,000	2.2000	21,910
FY26	250,000	2.2500	8,923				250,000	2.2500	8,923
FY27	260,000	2.3500	3,055				260,000	2.3500	3,055
	<u>3,705,000</u>	<u>448,085</u>	<u>4,535,000</u>			<u>460,682</u>	<u>8,240,000</u>		<u>908,767</u>