

DEBT SERVICE FUNDS

Description The Debt Service Funds account for accumulation of revenues and the payment of general long-term debt principal and interest. The debt service funds include debt service for voter-approved debt and operating debt, as well as Special Assessment District debt.

**WASHOE COUNTY
STATUTORY DEBT LIMITATION
(as reported in the 2005 Debt Management Policy)
June 30, 2005**

Assessed valuation for Fiscal Year 2005-2006 (includes assessed valuation for Reno Redevelopment Agency, Reno Increment District, and Sparks Redevelopment Agencies)	\$12,236,387,421
Statutory Debt Limitation	\$ 1,223,638,742
Less:	
Outstanding General Obligation Indebtedness	\$ <u>349,645,474</u>
Additional Statutory Debt Capacity	\$ 873,993,268

State statutes limit the aggregate principal amount of the County's general obligation debt to 10% of the County's total reported assessed valuation. Based upon the assessed valuation for Fiscal Year 2005-2006 of \$12,236,387,421 (includes assessed valuation for Reno Redevelopment Agency, Reno Increment District, and Sparks Redevelopment Agencies in the total amount of \$257,838,882), the County's debt limit for general obligations is \$1,223,638,742.

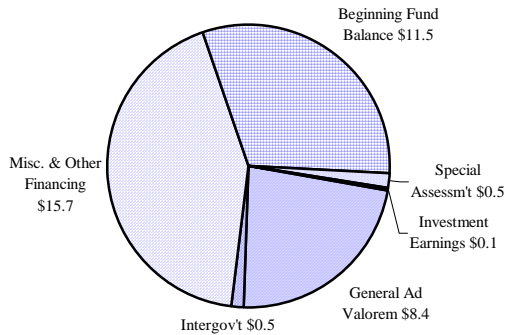
In addition to the county's legal debt limit as a percentage of its total assessed value, the County's ability to issue future property tax supported debt is also constrained by constitutional and statutory limits of total property taxes that may be levied.

Schedule of Five Year Debt Service Requirements as of June 30, 2005

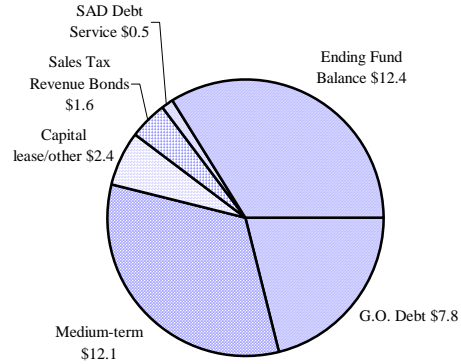
	Fiscal Year				
	2005-2006	2006-2007	2007-2008	2008-2009	2009-20010
Current General Obligation Debt Service Supported by Ad Valorem Taxes	\$7,742,410	\$7,726,630	\$7,728,145	\$7,736,850	\$7,759,324
Current General Obligation Debt Service Supported by the Consolidated Tax	3,677,269	3,686,434	3,672,034	3,697,534	3,640,946
Proposed - General Obligation Bonds Supported by the Consolidated Tax	259,953	2,490,175	2,486,225	2,490,658	2,487,265
Medium Term Bonds	8,255,653	9,243,650	7,959,151	5,894,422	5,073,052
Current General Obligation Debt Service Supported by Water and Sewer Revenues	2,702,156	2,681,958	2,683,554	2,709,695	2,740,387
Proposed General Obligation Debt Service Supported by Water and Sewer Revenues	0	7,605,392	7,371,544	7,375,910	7,373,086
Proposed-General Obligation Revenue Bonds Supported by Water and Sewer Revenues	5,994,292	5,992,611	5,996,976	5,994,151	5,995,111
Authorized Debt-General Obligation Revenue Bonds State Revolving Fund Supported by Water and Sewer Revenues	689,021	1,380,763	1,378,933	1,378,934	1,378,935
Medium Term Bonds-Ground Water Remediation	395,097	395,722	395,573	399,442	397,313
Current - Debt Service on Golf Course Bonds paid from golf course revenues	239,106	238,050	241,602	239,617	242,079
Facilities and Convention Center Bonds-Room Tax General Obligation Revenue Bonds	8,391,112	8,723,923	9,080,568	8,995,279	8,979,249
TOTALS	\$38,346,069	\$50,165,308	\$48,994,305	\$46,912,492	\$46,066,747

Revenue and Expenditure Summaries – Debt Service Funds

Debt Service Funds Revenue Summary
Budget 2005-2006
\$36,774,192
(in millions)



Debt Service Funds Expenditure Summary
Budget 2005-2006
\$36,774,192
(in millions)



Revenue Summary – Debt Service Funds

Revenue Type	2002-2003 Actual	2003-2004 Actual	2004-2005 Adopted Budget	2004-2005 Estimate to Complete	2005-2006 Final Budget	% of All Revenues FY 2005-2006
Ad Valorem:						
General	7,575,356	8,166,677	7,927,625	7,927,625	8,400,655	23.85%
Special Assessments	583,827	503,732	339,969	536,473	538,339	1.02%
Intergovernmental:						
Interlocal Agreement	459,444	459,443	459,444	459,444	459,444	1.38%
Miscellaneous:						
Investment Earnings	243,083	62,461	141,000	180,895	131,500	0.42%
Penalties	18,430	29,269	15,500	13,950	12,500	0.05%
Other	92	142,628	0	0	0	
Other Financing Sources						
Transfers In	11,079,488	14,082,807	13,367,969	13,517,844	15,694,847	40.22%
Beginning Fund Balance	10,335,997	11,048,860	10,983,459	11,291,148	11,536,907	33.05%
Total	30,295,717	34,495,877	33,234,966	33,927,379	36,774,192	100.00%

Expenditure Summary – Debt Service Funds

Expenditure Type	2002-2003 Actual	2003-2004 Actual	2004-2005 Adopted Budget	2004-2005 Estimate to Complete	2005-2006 Final Budget	% of All Revenues FY 2005-2006
G.O. Debt Service	7,071,110	7,475,810	7,876,099	7,760,484	7,747,056	23.70%
Medium-term Debt Service	7,650,568	10,909,911	9,734,058	9,739,844	12,093,550	29.29%
Capital lease/other	2,451,891	2,447,749	2,382,284	2,384,284	2,362,087	7.17%
Sales Tax Revenue Bonds	1,406,518	1,410,318	1,873,031	1,648,432	1,641,190	5.64%
SAD Debt Service	666,761	1,143,857	453,511	857,428	493,294	1.36%
Transfers Out	-	(182,916)	-	-	-	0.00%
Ending Fund Balance	11,048,869	11,291,148	10,915,983	11,536,907	12,437,015	32.84%
Total	30,295,717	34,495,877	33,234,966	33,927,379	36,774,192	100.00%

DEBT SERVICE FUND

Fund

To account for ad valorem taxes and investment earnings thereon, specifically apportioned and appropriated for the retirement of ad valorem supported debt principal and interest, as well as the payment of other debt supported by other legal resources transferred in from various funds.

Fiscal Summary Revenue	2002-2003 Actual	2003-2004 Actual	2004-2005 Adopted Budget	2004-2005 Estimate to Complete	2005-2006 Final Budget	\$ Change From 04/05 - 05/06 Final Budget
Ad valorem	7,575,356	8,166,677	7,927,625	7,927,625	8,400,655	473,030
Truckee River Water Quality Settlement Agreement Joint Venture	459,444	459,443	459,444	459,444	459,444	-
Investment Earnings	109,194	55,897	100,000	90,000	95,000	(5,000)
Fines and Forfeits	-	-	-	-	-	-
Miscellaneous	92	142,628	-	-	-	-
Transfers In	11,068,234	14,082,807	13,367,969	13,387,023	15,655,847	2,287,878
Beginning Fund	8,799,183	9,431,416	9,850,200	10,095,080	10,426,128	575,928
Total	28,011,503	32,338,868	31,705,238	31,959,172	35,037,074	3,331,836

Fiscal Summary Expenditures	2002-2003 Actual	2003-2004 Actual	2004-2005 Adopted Budget	2004-2005 Estimate to Complete	2005-2006 Final Budget	\$ Change From 04/05 - 05/06 Final Budget
G.O. Backed Revenue						
Principal	3,210,000	3,780,000	4,180,000	3,995,000	4,175,000	-5,000
Interest	3,524,442	3,693,275	3,696,099	3,759,385	3,567,411	-128,688
Fees	336,668	2,535	-	6,099	4,645	4,645
Subtotal	7,071,110	7,475,810	7,876,099	7,760,484	7,747,056	-129,043
Medium Term						0
Principal	5,106,521	7,485,581	6,770,563	6,699,393	7,612,576	842,013
Interest	2,540,935	3,420,912	2,963,495	3,035,112	4,475,285	1,511,790
Fees	3,112	3,418	-	5,339	5,689	5,689
Subtotal	7,650,568	10,909,911	9,734,058	9,739,844	12,093,550	2,359,492
Capital Lease & Other						
Principal	1,651,324	1,723,648	1,738,397	1,738,397	1,795,778	57,381
Interest	798,567	722,101	643,887	643,887	564,309	-79,578
Fees	2,000	2,000	-	2,000	2,000	2,000
Subtotal	2,451,891	2,447,749	2,382,284	2,384,284	2,362,087	-20,197
Sales Tax Revenue Bonds						
Principal	395,000	415,000	849,040	635,000	655,000	-194,040
Interest	1,011,018	994,818	1,023,991	1,010,932	983,690	-40,301
Fees	500	500	-	2,500	2,500	2,500
Subtotal	1,406,518	1,410,318	1,873,031	1,648,432	1,641,190	-231,841
Ending Fund Balance	9,431,416	10,095,080	9,839,766	10,426,128	11,193,191	1,353,425
Total	28,011,503	32,338,868	31,705,238	31,959,172	35,037,074	3,331,836

DEBT SERVICE FUND – SPECIAL ASSESSMENT DISTRICTS

Fund Account for assessments, penalties and interest and other resources to retire debt issued for completed improvements benefiting properties against which the special assessments are levied:

- District 21 - Cold Springs: Sewer treatment plant
- District 25 - Calle de la Plata: Road project
- District 26 - Matterhorn Drive: Road project
- District 27 - Osage/Placerville: Road project
- District 29 - Mount Rose: Sewer Line project
- District 30 - Antelope Valley: Road project
- District 35 - Rhodes: Street Grading, Paving
- District 36 - Evergreen Hills Drive: Road Extension

Description The debt service fund for special assessment districts was established to account for the actual assessments levied and bonds or other debt incurred in the construction of a special assessment district project. Assessments are levied on specific parcels of land based on criteria approved for the particular assessment districted, related to the value of improvement of the parcel. Assessments collected in a particular assessment district can only be applied to the benefit of that district during the life of the indebtedness.

	2002-2003 Actual	2003-2004 Actual	2004-2005 Adopted Budget	2004-2005 Estimate to Complete	2005-2006 Final Budget	\$ Change From 04/05 - 05/06 Final Budget
Fiscal Summary Revenue						
Principal	395,621	346,768	217,819	387,374	382,189	35,421
Interest	188,206	156,964	122,150	149,099	156,150	(814)
Investment Earnings	133,889	6,564	41,000	90,895	36,500	29,936
Penalties	18,430	29,269	15,500	13,950	12,500	(16,769)
Transfers In	11,254	-	-	130,821	39,000	39,000
Beginning Fund Bal	1,536,814	1,617,444	1,133,259	1,196,068	1,110,779	(506,665)
Total	2,284,214	2,157,009	1,529,728	1,968,207	1,737,118	(419,891)

	2002-2003 Actual	2003-2004 Actual	2004-2005 Adopted Budget	2004-2005 Estimate to Complete	2005-2006 Final Budget	\$ Change From 04/05 - 05/06 Final Budget
Fiscal Summary Expenditures						
Principal	236,427	867,610	287,537	638,845	305,346	(562,264)
Interest	182,335	135,648	108,020	134,753	152,998	17,350
Assessment Refunds	202,636	39,685	-	52,005	-	(39,685)
Fees	684	49,252	1,250	3,150	2,250	(47,002)
Services and Supplies	44,679	51,662	56,704	28,675	32,700	(18,962)
Transfers	-	(182,916)	-	-	-	182,916
Ending Fund Bal	1,617,453	1,196,068	1,076,217	1,110,779	1,243,824	47,756
Total	2,284,214	2,157,009	1,529,728	1,968,207	1,737,118	(419,891)