

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 2006 Debt Management Policy)
June 30, 2006**

Assessed valuation for Fiscal Year 2006-2007	\$13,745,318,879
(includes assessed valuation for Reno Redevelopment Agencies 1 and 2, Reno Increment District, and Sparks Redevelopment Agencies 1 and 2 in the total amount of \$283,808,368)	
Statutory Debt Limitation	\$ 1,374,531,888
Less:	
Outstanding General Obligation Indebtedness	\$ <u>427,909,737</u>
Additional Statutory Debt Capacity	\$ 946,622,151

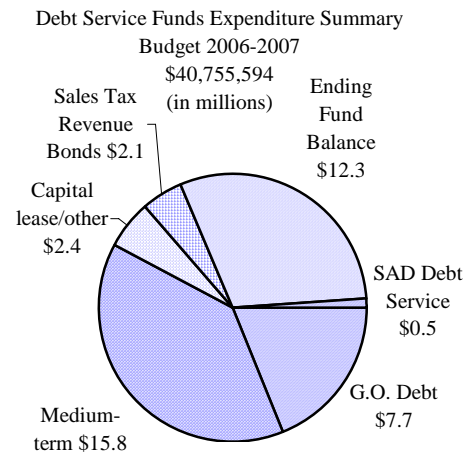
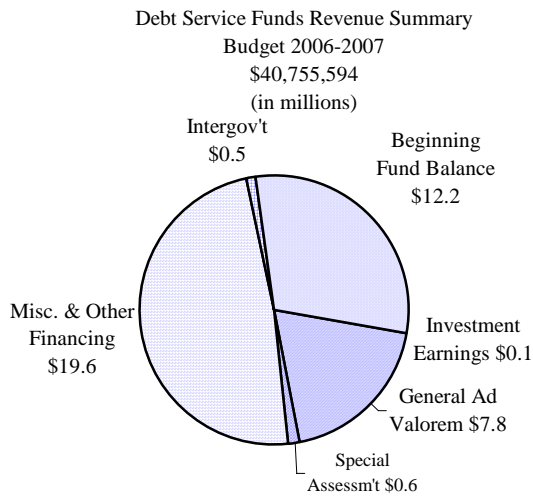
State statutes limit the aggregate principal amount of the County's general obligation debt to 10% of the County's total reported assessed valuation. Based upon the assessed valuation for Fiscal Year 2006-2007 of \$13,745,318,879 (includes assessed valuation for Reno Redevelopment Agencies 1 and 2, Reno Increment District, and Sparks Redevelopment Agencies 1 and 2 in the total amount of \$283,808,368), the County's debt limit for general obligations is \$1,374,531,888.

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, 2006

	Fiscal Year				
	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011
Current General Obligation Debt Service Supported by Ad Valorem Taxes	\$7,726,630	\$7,728,145	\$7,736,850	\$7,759,324	\$7,762,619
Current General Obligation Debt Service Supported by the Consolidated Tax	4,373,933	4,443,190	4,468,340	4,405,953	4,392,140
Proposed - General Obligation Bonds Supported by the Consolidated Tax	1,662,842	3,467,503	3,470,453	3,476,028	3,473,578
Medium Term Bonds	9,243,650	7,959,151	5,894,422	5,073,052	5,066,271
Current General Obligation Debt Service Supported by Water and Sewer Revenues	7,237,621	7,308,864	7,621,472	7,940,031	7,939,575
Proposed General Obligation Debt Service Supported by Water and Sewer Revenues	791,877	820,197	881,894	881,895	881,896
Proposed-General Obligation Revenue Bonds Supported by Water and Sewer Revenues	0	0	0	0	0
Authorized Debt-General Obligation Revenue Bonds State Revolving Fund Supported by Water and Sewer Revenues	710,857	577,137	881,894	881,895	881,896
Medium Term Bonds-Ground Water Remediation	395,722	395,573	399,442	397,313	399,263
Current - Debt Service on Golf Course Bonds paid from golf course revenues	238,050	241,602	239,617	242,079	239,125
Facilities and Convention Center Bonds-Room Tax General Obligation Revenue Bonds	8,723,923	9,080,568	8,995,279	8,979,249	8,357,275
TOTALS	\$41,105,105	\$42,021,930	\$40,589,663	\$40,036,819	\$39,393,638

Revenue and Expenditure Summaries – Debt Service Funds



Revenue Summary – Debt Service Funds

Revenue Type	2003-2004 Actual	2004-2005 Actual	2005-2006 Final Budget	2005-2006 Estimate to Complete	2006-2007 Final Budget	% of All Revenues FY 2005-2006
Ad Valorem:						
General	8,166,677	8,011,038	8,400,655	8,400,655	7,777,574	22.84%
Special Assessments	503,732	603,287	538,339	623,671	621,859	1.46%
Intergovernmental:						
Interlocal Agreement	459,443	459,444	459,444	459,444	459,444	1.25%
Miscellaneous:						
Investment Earnings	62,461	184,860	131,500	140,916	55,000	0.36%
Penalties	29,269	16,210	12,500	19,216	16,500	0.03%
Other	142,628	-	-	1,448,985	-	0.00%
Other Financing Sources						
Transfers In	14,082,807	13,129,239	15,694,847	16,494,662	19,629,235	42.68%
Beginning Fund Balance	11,048,860	11,291,148	11,536,907	11,406,443	12,195,982	31.37%
Total	34,495,877	33,695,226	36,774,192	38,993,992	40,755,594	100.00%

Expenditure Summary – Debt Service Funds

Expenditure Type	2003-2004 Actual	2004-2005 Actual	2005-2006 Final Budget	2005-2006 Estimate to Complete	2006-2007 Final Budget	% of All Revenues FY 2005-2006
G.O. Debt Service	7,475,810	7,759,907	7,747,056	7,750,806	7,735,025	21.07%
Medium-term Debt Service	10,909,911	9,738,135	12,093,550	12,091,930	15,786,526	32.89%
Capital lease/other	2,447,749	2,384,284	2,362,087	2,362,087	2,353,211	6.42%
Sales Tax Revenue Bonds	1,410,318	1,650,044	1,641,190	2,441,064	2,114,603	4.46%
SAD Debt Service	1,143,857	894,299	493,294	703,138	499,540	1.34%
Transfers Out	(182,916)	(137,886)	-	1,448,985	-	0.00%
Ending Fund Balance	11,291,148	11,406,443	12,437,015	12,195,982	12,266,689	33.82%
Total	34,495,877	33,695,226	36,774,192	38,993,992	40,755,594	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	2003-2004 Actual	2004-2005 Actual	2005-2006 Final Budget	2005-2006 Estimate to Complete	2006-2007 Final Budget	\$ Change From 05/06 - 06/07 Final Budget
Ad valorem	8,166,677	8,011,038	8,400,655	8,400,655	7,777,574	(623,081)
Truckee River Water Quality Settlement Agreement Joint Venture	459,443	459,444	459,444	459,444	459,444	-
Investment Earnings	55,897	75,740	95,000	95,000	20,000	(75,000)
Fines and Forfeits	-	-	-	-	-	-
Miscellaneous	142,628	-	-	-	-	-
Transfers In	14,082,807	13,129,239	15,655,847	16,454,101	19,629,235	3,973,388
Beginning Fund	9,431,416	10,095,080	10,426,128	10,238,171	11,001,484	575,356
Total	32,338,868	31,770,541	35,037,074	35,647,371	38,887,737	3,850,663

Fiscal Summary Expenditures	2003-2004 Actual	2004-2005 Actual	2005-2006 Final Budget	2005-2006 Estimate to Complete	2006-2007 Final Budget	\$ Change From 05/06 - 06/07 Final Budget
G.O. Backed Revenue						
Principal	3,780,000	3,995,000	4,175,000	4,175,000	4,350,000	175,000
Interest	3,693,275	3,759,385	3,567,411	3,567,411	3,376,630	-190,781
Fees	2,535	5,522	4,645	8,395	8,395	3,750
Subtotal	7,475,810	7,759,907	7,747,056	7,750,806	7,735,025	-12,031
Medium Term						0
Principal	7,485,581	6,699,939	7,612,576	7,612,576	10,065,353	2,452,777
Interest	3,420,912	3,035,112	4,475,285	4,475,285	5,715,134	1,239,849
Fees	3,418	3,084	5,689	4,069	6,039	350
Subtotal	10,909,911	9,738,135	12,093,550	12,091,930	15,786,526	3,692,976
Capital Lease & Other						
Principal	1,723,648	1,738,397	1,795,778	1,795,778	1,876,745	80,967
Interest	722,101	643,887	564,309	564,309	474,466	-89,843
Fees	2,000	2,000	2,000	2,000	2,000	0
Subtotal	2,447,749	2,384,284	2,362,087	2,362,087	2,353,211	-8,876
Sales Tax Revenue Bonds						
Principal	415,000	635,000	655,000	1,454,000	475,000	-180,000
Interest	994,818	1,014,794	983,690	986,564	1,625,335	641,645
Fees	500	250	2,500	500	14,268	11,768
Subtotal	1,410,318	1,650,044	1,641,190	2,441,064	2,114,603	473,413
Ending Fund Balance	10,095,080	10,238,171	11,193,191	11,001,484	10,898,372	-294,819
Total	32,338,868	31,770,541	35,037,074	35,647,371	38,887,737	3,850,663

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 31 – Spearhead/Running Bear: 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.

	2003-2004	2004-2005	2005-2006	2005-2006	2006-2007	\$ Change
Fiscal Summary Revenue	Actual	Actual	Final Budget	Estimate to Complete	Final Budget	From 05/06 - 06/07 Final Budget
Principal	346,768	452,971	382,189	404,678	445,132	(7,839)
Interest	156,964	150,316	156,150	218,993	176,727	26,411
Investment Earnings	6,564	109,120	36,500	45,916	35,000	(74,120)
Penalties	29,269	16,210	12,500	19,216	16,500	290
Other	-	-	-	1,448,985	-	-
Transfers In	-	-	39,000	40,561	-	-
Beginning Fund Bal	1,617,444	1,196,068	1,110,779	1,168,272	1,194,498	(1,570)
Total	2,157,009	1,924,685	1,737,118	3,346,621	1,867,857	(56,828)

	2003-2004	2004-2005	2005-2006	2005-2006	2006-2007	\$ Change
Fiscal Summary Expenditures	Actual	Actual	Final Budget	Estimate to Complete	Final Budget	From 05/06 - 06/07 Final Budget
Principal	867,610	638,845	305,346	475,746	329,927	(308,918)
Interest	135,648	134,754	152,998	150,091	138,328	3,574
Assessment Refunds	39,685	76,098	-	(13,789)	-	(76,098)
Fees	49,252	2,835	2,250	52,084	2,085	(750)
Services and Supplies	51,662	41,767	32,700	39,006	29,200	(12,567)
Transfers	(182,916)	(137,886)	-	1,448,985	-	137,886
Ending Fund Bal	1,196,068	1,168,272	1,243,824	1,194,498	1,368,317	200,045
Total	2,157,009	1,924,685	1,737,118	3,346,621	1,867,857	(56,828)