

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 2007 Debt Management Policy)
June 30, 2007**

Assessed valuation for Fiscal Year 2007-2008	\$15,475,893,804
(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 \$370,401,328)	
Statutory Debt Limitation	\$ 1,547,589,380
Less:	
Outstanding General Obligation Indebtedness	\$ <u>445,580,783</u>
Additional Statutory Debt Capacity	\$ 1,102,008,597

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 2007-2008 of \$15,475,893,804 (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 \$370,401,328), the County’s debt limit for general obligations is \$1,547,589,380.

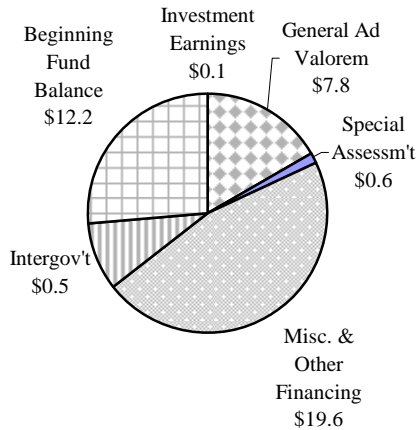
In addition to the county’s legal debt limit as a percentage of its total assessed value, the County’s ability to issue future property tax supported debt is also constrained by constitutional and statutory limits of total property taxes that may be levied.

Schedule of Five Year Debt Service Requirements as of June 30, 2007

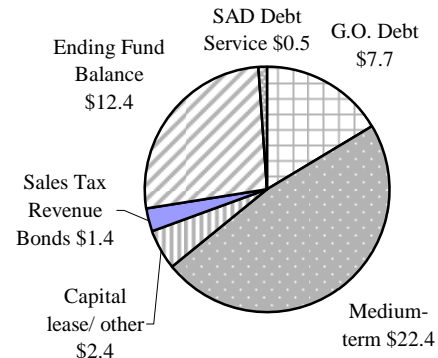
	Fiscal Year				
	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012
Current General Obligation Debt Service Supported by Ad Valorem Taxes	\$7,728,145	\$7,736,850	\$7,759,324	\$7,762,619	\$4,970,638
Current General Obligation Debt Service Supported by the Consolidated Tax	6,031,853	6,054,253	5,988,115	5,969,553	5,961,073
Proposed - General Obligation Bonds Supported by the Consolidated Tax	0	1,165,000	1,166,500	1,162,250	1,162,500
Medium Term Bonds	8,525,712	6,460,929	5,639,086	5,632,257	3,276,824
Medium Term Bonds-Proposed	8,673,462	7,226,429	6,406,086	6,394,507	4,043,324
Current General Obligation Debt Service Supported by Water and Sewer Revenues	13,031,236	8,776,913	8,920,304	9,062,338	9,063,191
Current - Debt Service on Golf Course Bonds paid from golf course revenues	241,602	239,617	242,079	239,125	240,707
Current-Proposed Superior and Parity Bonds-Sales Tax Pledged Revenue Bonds	5,006,711	6,646,200	6,650,450	6,650,687	6,646,735
Facilities and Convention Center Bonds-Room Tax General Obligation Revenue Bonds	9,080,568	8,995,279	8,979,249	8,357,275	7,046,716
TOTALS	\$58,319,289	\$53,301,470	\$51,751,193	\$51,230,611	\$42,411,708

Revenue and Expenditure Summaries – Debt Service Funds

Debt Service Funds Revenue Summary
FY2007-2008
\$46,803,853



Debt Service Funds Expenditure Summary
FY2007-2008
\$46,803,853



Revenue Summary – Debt Service Funds

Revenue Type	2004-2005 Actual	2005-2006 Actual	2006-2007 Final Budget	2006-2007 Estimate to Complete	2007-2008 Final Budget	% of Total Debt Revenues
Ad Valorem:						
General	8,011,038	8,626,253	7,777,574	7,814,871	7,790,924	22.56%
Special Assessments	603,287	595,502	621,859	459,443	674,905	1.56%
Intergovernmental:						
Interlocal Agreement	459,444	459,444	459,444	459,443	4,289,316	1.20%
Miscellaneous:						
Investment Earnings	184,860	198,887	55,000	71,000	61,375	0.52%
Penalties	16,210	23,743	16,500	17,551	17,500	0.06%
Other	-	200	-	-	-	0.00%
Other Financing Sources						
Transfers In	13,129,239	15,474,076	19,629,235	17,585,462	21,691,697	40.47%
Beginning Fund Balance	11,291,148	12,855,428	12,195,982	12,255,357	12,278,136	33.62%
Total	33,695,226	38,233,533	38,663,127	38,663,127	46,803,853	100.00%

Expenditure Summary – Debt Service Funds

Expenditure Type	2004-2005 Actual	2005-2006 Actual	2006-2007 Final Budget	2006-2007 Estimate to Complete	2007-2008 Final Budget	% of Total Debt
G.O. Debt Service	7,759,907	10,750,166	7,735,025	7,734,989	7,735,495	26.05%
Medium-term Debt Service	9,738,135	11,222,392	15,786,526	14,444,682	22,358,133	27.19%
Capital lease/other	2,384,284	2,362,087	2,353,211	2,353,211	2,358,327	5.72%
Sales Tax Revenue Bonds	1,650,044	2,441,327	2,114,603	1,416,260	1,420,988	5.92%
SAD Debt Service	894,299	786,981	499,540	595,450	556,520	1.91%
Transfers Out	(137,886)	1,448,985	-	-	-	3.51%
Ending Fund Balance	11,406,443	12,255,357	12,266,689	12,278,136	12,374,390	29.70%
Total	33,695,226	41,267,295	40,755,594	38,822,728	46,803,853	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.

	2004-2005	2005-2006	2006-2007	2006-2007	2007-2008	\$ Change
Fiscal Summary Revenue	Actual	Actual	Final Budget	Estimate to Complete	Final Budget	From 06/07 - 07/08 Final Budget
Ad valorem Truckee River Water Quality Settlement Agreement Joint Venture	8,011,038	8,626,253	7,777,574	7,814,871	7,790,924	13,350
Investment Earnings	459,444	459,444	459,444	459,443	4,289,316	3,829,872
Fines and Forfeits	75,740	122,361	20,000	20,000	20,000	-
Miscellaneous	-	-	-	-	-	-
Transfers In	-	200	-	-	-	-
Beginning Fund	13,129,239	15,433,515	19,629,235	17,585,462	21,691,697	2,062,462
Total	10,095,080	10,238,171	11,001,484	11,103,972	11,034,606	33,122
	31,770,541	34,879,944	38,887,737	36,983,748	44,826,543	5,938,806

	2004-2005	2005-2006	2006-2007	2006-2007	2007-2008	\$ Change
Fiscal Summary Expenditures	Actual	Actual	Final Budget	Estimate to Complete	Final Budget	From 06/07 - 07/08 Final Budget
G.O. Backed Revenue						-
Principal	3,995,000	7,175,000	4,350,000	4350000	4,550,000	200,000
Interest	3,759,385	3,567,411	3,376,630	3376630	3,178,146	(198,484)
Fees	5,522	7,755	8,395	8359	7,349	(1,046)
Subtotal	7,759,907	10,750,166	7,735,025	7,734,989	7,735,495	470
Medium Term						-
Principal	6,699,939	7,284,601	10,065,353	9618406	14,177,429	4,112,076
Interest	3,035,112	3,933,045	5,715,134	4807897	8,161,811	2,446,677
Fees	3,084	4,746	6,039	18379	18,893	12,854
Subtotal	9,738,135	11,222,392	15,786,526	14,444,682	22,358,133	6,571,607
Capital Lease & Other						-
Principal	1,738,397	1,795,778	1,876,745	1876745	1,977,774	101,029
Interest	643,887	564,309	474,466	474466	378,553	(95,913)
Fees	2,000	2,000	2,000	2,000	2,000	-
Subtotal	2,384,284	2,362,087	2,353,211	2,353,211	2,358,327	5,116
Sales Tax Revenue Bonds						-
Principal	635,000	1,454,000	475,000	475,000	500,000	25,000
Interest	1,014,794	986,576	1,625,335	940,760	920,488	(704,847)
Fees	250	751	14,268	500	500	(13,768)
Subtotal	1,650,044	2,441,327	2,114,603	1,416,260	1,420,988	(693,615)
Ending Fund Balance	10,238,171	11,103,972	10,898,372	11,034,606	10,953,600	55,228
Total	31,770,541	37,879,944	38,887,737	36,983,748	44,826,543	5,938,806

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.

	2004-2005	2005-2006	2006-2007	2006-2007	2007-2008	\$ Change
Fiscal Summary Revenue	Actual	Actual	Final Budget	Estimate to Complete	Final Budget	From 06/07 - 07/08 Final Budget
Principal	452,971	408,819	445,132	408,819	487,250	42,118
Interest	150,316	186,683	176,727	186,516	187,655	10,928
Investment Earnings	109,120	76,526	35,000	51,000	41,375	6,375
Penalties	16,210	23,743	16,500	17,551	17,500	1,000
Other	-	(33,316)	-	-	-	-
Transfers In	-	40,561	-	-	-	-
Beginning Fund Bal	1,196,068	2,617,257	1,194,498	1,151,385	1,243,530	49,032
Total	1,924,685	3,320,273	1,867,857	1,815,271	1,977,310	109,453

	2004-2005	2005-2006	2006-2007	2006-2007	2007-2008	\$ Change
Fiscal Summary Expenditures	Actual	Actual	Final Budget	Estimate to Complete	Final Budget	From 06/07 - 07/08 Final Budget
Principal	638,845	505,746	329,927	405,650	346,634	16,707
Interest	134,754	150,091	138,328	133,448	172,437	34,109
Assessment Refunds	76,098	4,774	-	19,735	-	-
Fees	2,835	51,715	2,085	4,417	3,749	1,664
Services and Supplies	41,767	74,655	29,200	32,200	33,700	4,500
Transfers	(137,886)	1,448,985	-	-	-	-
Ending Fund Bal	1,168,272	1,151,385	1,368,317	1,243,530	1,420,790	52,473
Total	1,924,685	3,387,351	1,867,857	1,838,980	1,977,310	109,453