



Debt Issuance Capacity Review 2018



Constitutional Limits on General Obligation Municipal Debt

Calculated against most recent
assessed valuation

- 10% general purpose
- 10% rights of way; construction, extension, and improvement of streets or sanitary sewer, or storm sewer



Calculation of Constitutional Debt Limit

- \$2,032,705,197 assessed valuation
- 10% cap for general purpose=\$203,270,519
- 10% cap for streets, sewers=\$203,270,519
- Current outstanding debt=\$53,718,000

Maintenance of consistent tax levy

- Promised to voters in late 1990s
- Avoids large swings in tax bills for residents
- Provides stable planning environment for City infrastructure

Primarily a function of :

Growth in City's assessed valuation

- A. Real estate values
- B. Personal property values

Interest rates on City's debt issuance



A.	2018 Assessed Valuation	\$2,032,705,197
B.	Less Debt Service needs	
	next Calendar Year debt service	\$9,922,844
	costs of collection*	\$399,394
	reserve for following year	\$8,218,087
	Total Debt Service Needs	\$18,540,325
C.	Anticipated debt service reserve fund balance at calendar year end	\$7,722,789
D.	Tax revenue required for debt service (B-C)	\$10,817,536
E.	Debt Service tax rate (D/A x 100)	0.5322
F.	Voluntary reduction	0.0625
G.	Actual levy rate (E-F)	0.4697
	*Costs of collection include collector fees and commissions, assessment fund withholdings, and anticipated delinquencies.	
	Usually 2% to 10% of next CY debt service	

- Questions?