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## DEBT SERVICE

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The City has three types of debt currently outstanding. The first is a general obligation bond secured by the City's authority to levy property taxes. The second are assessment bonds secured by installment payment contracts with property owners. The third is a loan through the Oregon Economic and Community Development Department (OECDD), secured by current and future park system development charges collected by the City. Also, the City has the authority to issue short term bond anticipation notes secured by the City's full faith and credit and the ability to assess property owners when the related project is complete.

The City's current outstanding debt is as follows:

	<u>General Obligation</u>	<u>Assessments</u>	<u>Loans</u>	<u>Total</u>
<b>FY 09-10</b>	553,795	126,885	247,318	927,998
<b>FY 10-11</b>	571,890	133,593	259,053	964,536
<b>FY 11-12</b>	590,821	140,720	270,925	1,002,466
<b>FY 12-13</b>	613,891	148,271	0	762,162
<b>FY 13-14</b>	632,787	111,243	0	744,030
<b>FY 14-15 - 22-23</b>	7,049,251	557,066	0	7,495,074
	<b>\$10,011,895</b>	<b>\$1,106,535</b>	<b>\$777,296</b>	<b>\$11,151,696</b>

Existing debt levels have no direct impact on current or future City operations.

The most recent bond rating occurred in 1993 and the rating given by Moody's was A1.

### Legal Debt Limit

Oregon statutes limit local government debt to 3% of true cash value. The debt limit calculations excludes debt related to assessments, therefore only outstanding general obligation debt is subject to the limitation. The limit for FY 2009-10 will be \$231,795,110 based upon the estimated market value of \$7,726,503,667.

### Bond Anticipation Notes

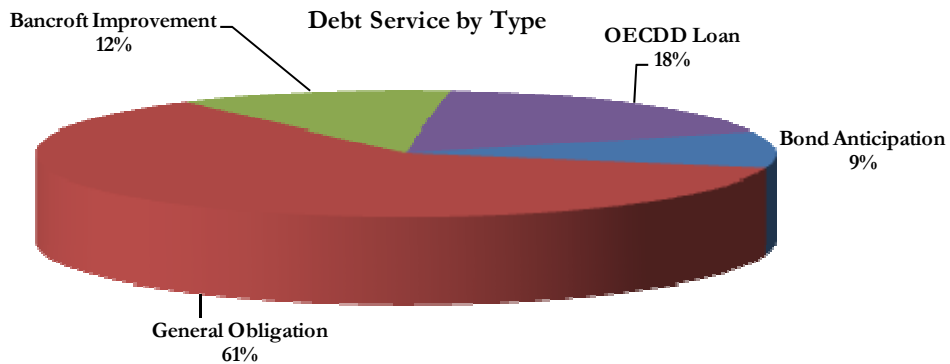
In the Water CIP Fund, the City borrowed just over \$2.8 million in FY 2008-09 for the onset of the joint long term water solution project with Lake Oswego. The City will make an interest only payment of \$150,000 in FY 2009-10 towards that borrowing. The City has budgeted \$2,600,000 in additional borrowing of this type for FY 2009-10 to pay for the continuation of this project as well, including a related piping improvement project with Sherwood. The long term water project will involve the issuance of revenue bonds, likely in 2010-11 or 2011-12, totaling approximately \$27,000,000. When these revenue bonds are issued, the bond anticipation note will be paid in full.

### Future Debt Limit

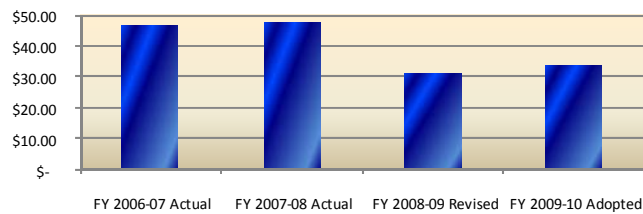
In FY 2009-10, the City plans on borrowing a total of \$8,950,000 for two funds. Tigard has the aforementioned debt for the long term water joint solution project. In the Gas Tax Fund, the City has budgeted \$6,350,000 in bond revenues for the completion of the Burnham Street project. The City will also look to issue borrowing revenues, most likely in FY 2010-11, for both the Greenburg/Hwy 99 and Tigard Triangle LID #1 projects.

## DEBT SERVICE SUMMARY

		FY 2009-10 Debt Service
<b>GENERAL OBLIGATION BONDS-</b>		
Paid from property taxes	Library Bond	\$976,563
		\$976,563
<b>BANCROFT IMPROVEMENT BONDS-</b>		
Paid primarily from special assessments	2002 69th Avenue LID	103,401
	2003 Dartmouth Street LID	90,008
	Additional Bond Calls	0
		\$193,409
<b>BOND ANTICIPATION NOTE-</b>		
Paid by water revenue	Long Term Water	\$150,000
		150,000
<b>OREGON ECONOMIC COMMUNITY DEVELOPMENT DEPARTMENT (OECDD) LOAN-</b>		
Paid from system development charges	Cook Park	\$280,253
		\$280,253
<b>TOTAL 2009-10 DEBT SERVICE</b>		<b>\$1,600,225</b>

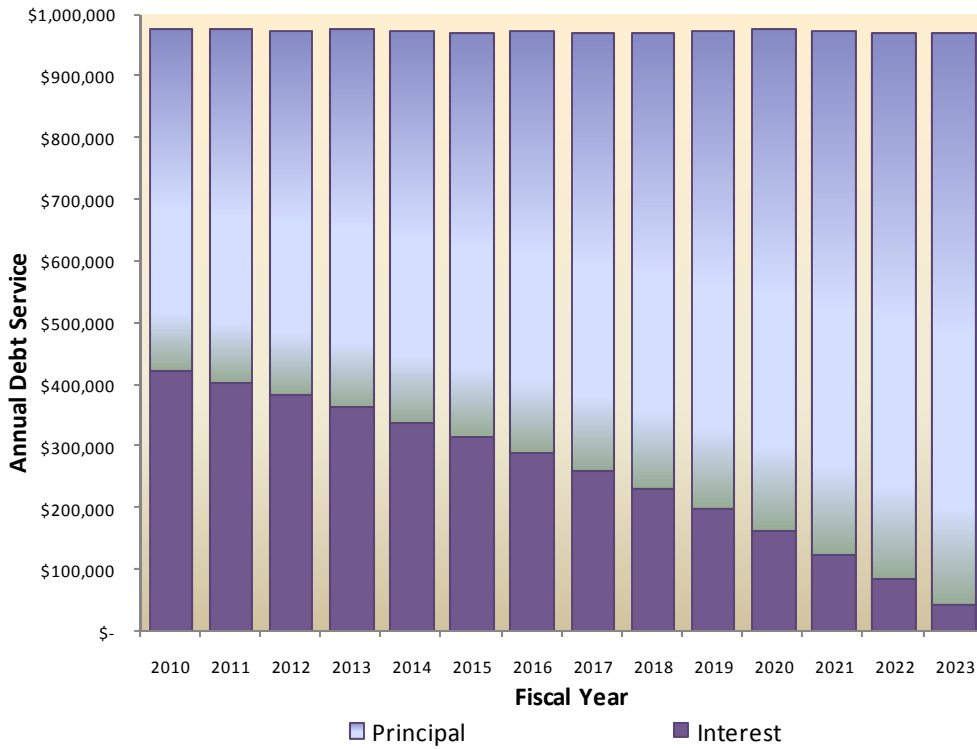


### Per Capita Debit Service Cost



## GENERAL OBLIGATION BONDS

### Projected Annual Debt Service

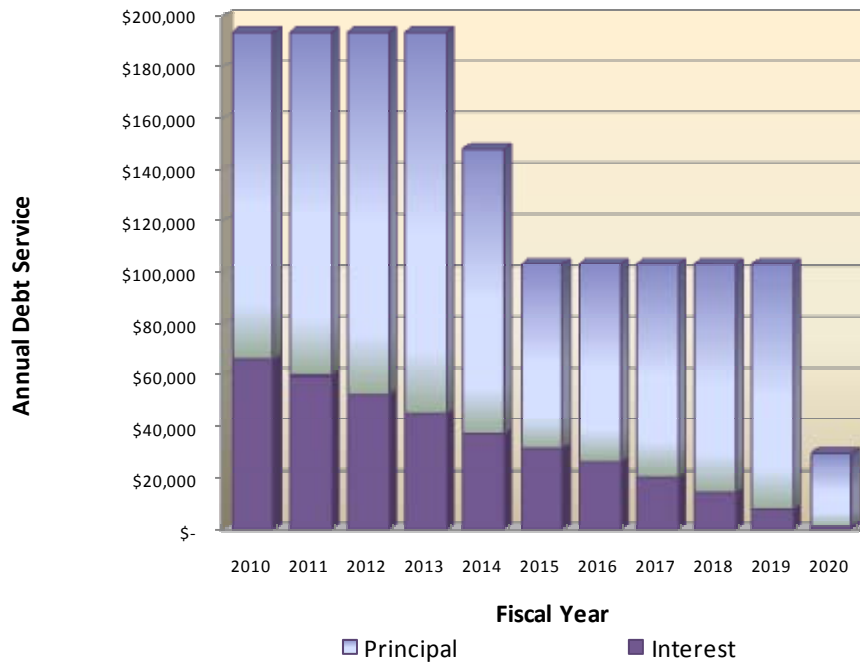


FY 2009-10 debt service on the outstanding General Obligation Bonds is as follows:

General Obligation Bonds	Date	Interest	Principal	Total
2002 Issue - Library Building	12/01/09	\$422,768	\$553,795	\$976,563
<b>Total General Obligation Bond Debt Service</b>		<u>\$422,768</u>	<u>\$553,795</u>	<u>\$976,563</u>

## BANCROFT IMPROVEMENT BONDS

### Projected Annual Debt Service



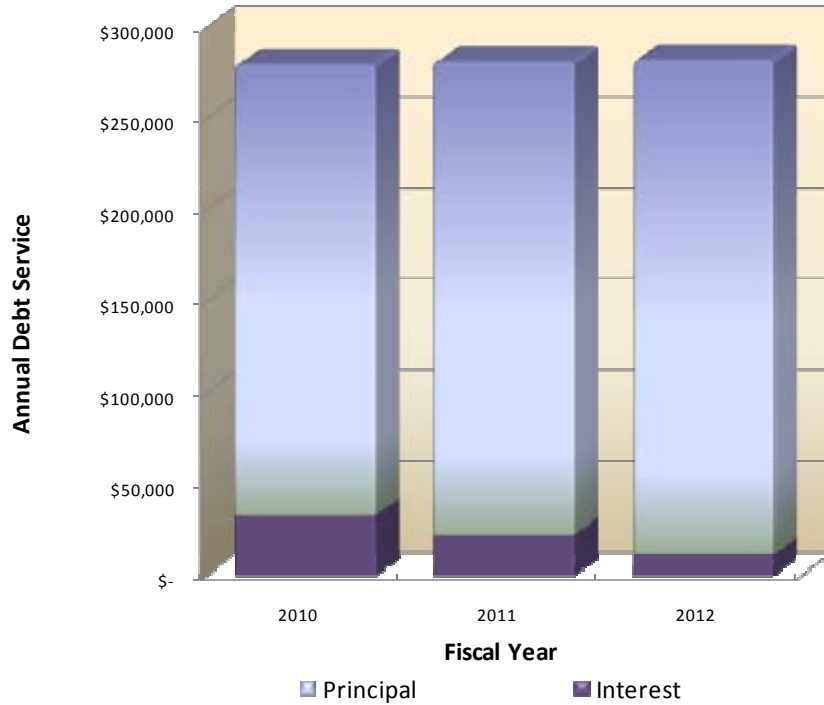
FY 2009-10 debt service on outstanding Bancroft Bonds is scheduled as follows:

Bancroft Bonds	Interest	Date	Principal	Total
2003 - Dartmouth Street	\$7,180	11/15/09	\$37,824	\$45,004
	6,443	05/15/10	38,561	45,004
2002 - 69th Ave LID	\$26,900	01/01/10	\$24,800	\$51,700
	26,001	07/01/10	25,700	51,701
Additional Bond Calls as	\$0		\$0	\$0
<b>Total Bonds</b>	<b>\$66,524</b>		<b>\$126,885</b>	<b>\$193,409</b>
<b>Total Bancroft Debt Ser-</b>	<b>\$66,524</b>		<b>\$126,885</b>	<b>\$193,409</b>

## LOANS

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### Projected Annual Debt Service



FY 2009-10 debt service on the outstanding OECDD Loan is as follows:

OECDD Loan	Date	Interest	Principal	Total
Cook Park	01/01/2010	\$32,935	\$247,318	\$280,253
<b>Total OECDD Loan Debt Service</b>		<u>\$32,935</u>	<u>\$247,318</u>	<u>\$280,253</u>

## OUTSTANDING DEBT ISSUES

Issue	Original Amount	Interest Rate	Original Issue Date	Principal Outstanding	Final Maturity	Source of Payment
<b>GENERAL OBLIGATION BONDS</b>						
Library Bond	\$13,000,000	4.21%	12/04/02	\$10,011,895	12/01/22	Property Taxes
<b>TOTAL GENERAL OBLIGATION BONDS OUTSTANDING</b>				<b>\$10,011,895</b>		
<b>SPECIAL ASSESSMENT BONDS</b>						
69th Avenue Local Improvement District Series 2002	\$1,307,969	7.25%	06/27/02	\$738,323	01/01/20	Special Assessments
Dartmouth Street Local Improvement District Series 2003	\$1,947,678	3.90%	12/04/03	\$368,212	11/15/13	Special Assessments
<b>TOTAL SPECIAL ASSESSMENT BONDS</b>				<b>\$1,106,535</b>		
<b>OTHER DEBT</b>						
<b>Loans</b>						
<i>Outstanding</i>						
Oregon Economic Community Development Dept. Cook Park	\$2,290,248	3.0% - 4.35%	01/23/02	\$777,296	01/01/12	Parks System Development Charges
<b>TOTAL OTHER DEBTS OUTSTANDING</b>				<b>\$777,296</b>		
<b>GRAND TOTAL - CITY OF TIGARD DEBT OUTSTANDING</b>				<b>\$11,895,726</b>		

**DEBT SERVICE SCHEDULE**  
**GENERAL OBLIGATION BOND - LIBRARY**

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The Tigard Public Library general obligation bond was authorized by voters on May 21, 2002. The bond was purchased in whole by the State of Oregon through the Oregon Economic and Community Development Department. Bond proceeds were used to purchase a 14.7 acre parcel and construct a two-story 47,500 square foot library. The new Library opened in August 2004.

Amount Issued:	\$13,000,000
Issue Date:	12/4/2002
Original Issue True Interest Rate (TIC):	4.208%
Principal Outstanding as of July 1, 2009:	\$10,011,895

<u>Payment Due</u>	<u>Interest Rate</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Debt Service</u>
12/1/2009	3.30%	553,795	422,768	976,563
12/1/2010	3.50%	571,890	404,493	976,383
12/1/2011	3.60%	590,281	384,477	974,758
12/1/2012	3.75%	613,891	363,227	977,118
12/1/2013	3.90%	632,787	340,206	972,993
12/1/2014	4.00%	656,991	315,527	972,518
12/1/2015	4.10%	686,471	289,248	975,719
12/1/2016	4.25%	711,246	261,102	972,348
12/1/2017	4.38%	741,399	230,874	972,273
12/1/2018	4.50%	776,929	198,438	975,367
12/1/2019	4.60%	812,866	163,476	976,342
12/1/2020	4.70%	849,207	126,084	975,291
12/1/2021	4.75%	885,985	86,172	972,157
12/1/2022	4.75%	928,157	44,087	972,244
<b>Total</b>		<u>\$10,011,895</u>	<u>\$3,630,179</u>	<u>\$13,642,074</u>

**DEBT SERVICE SCHEDULE**  
**69TH AVENUE LOCAL IMPROVEMENT DISTRICT**

The 69th Avenue Local Improvement District (LID) was finalized in 2002. This Bancroft Bond was issued to retire the interim financing used for construction of the LID. The source of revenue for repayment of the bonds are payments on installment contracts executed by benefited property owners. LID assessments are secured by liens on the benefited property.

Amount Issued:	\$1,307,969
Issue Date:	6/27/2002
Original Issue True Interest Rate (TIC):	7.250%
Principal Outstanding as of July 1, 2009:	\$738,323

<u>Payment Due</u>	<u>Interest Rate</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Debt Service</u>
1/1/2010	7.25%	24,800	26,900	51,700
7/1/2010	7.25%	25,700	26,001	51,701
1/1/2011	7.25%	26,600	25,069	51,669
7/1/2011	7.25%	27,600	24,105	51,705
1/1/2012	7.25%	28,600	23,105	51,705
7/1/2012	7.25%	29,600	22,068	51,668
1/1/2013	7.25%	30,700	20,995	51,695
7/1/2013	7.25%	31,800	19,882	51,682
1/1/2014	7.25%	33,000	18,729	51,729
7/1/2014	7.25%	34,100	17,533	51,633
1/1/2015	7.25%	35,400	16,297	51,697
7/1/2015	7.25%	36,700	15,014	51,714
1/1/2016	7.25%	38,000	13,683	51,683
7/1/2016	7.25%	39,400	12,306	51,706
1/1/2017	7.25%	40,800	10,878	51,678
7/1/2017	7.25%	42,300	9,399	51,699
1/1/2018	7.25%	43,800	7,865	51,665
7/1/2018	7.25%	45,400	6,277	51,677
1/1/2019	7.25%	47,100	4,632	51,732
7/1/2019	7.25%	48,700	2,924	51,624
1/1/2020	7.25%	28,223	1,159	29,382
<b>Total</b>		<u>\$738,323</u>	<u>\$324,820</u>	<u>\$1,063,143</u>

**DEBT SERVICE SCHEDULE**  
**DARTMOUTH LOCAL IMPROVEMENT DISTRICT - 2003**

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The Dartmouth Local Improvement District was finalized in 1998; however, two property owners had contested the assessment amounts. In September 2003, the court ruled in favor of the City of Tigard and the assessments stood. The source of revenue for repayment of the bonds are payments on installment contracts executed by benefited property owners. LID assessments are secured by liens on the benefited property.

Amount Issued:	\$1,947,678
Issue Date:	12/3/2003
Original Issue True Interest Rate (TIC):	3.900%
Principal Outstanding as of July 1, 2009:	\$368,212

<u>Payment Due</u>	<u>Interest Rate</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Debt Service</u>
11/15/2009	3.90%	37,824	7,180	45,004
05/15/2010	3.90%	38,561	6,443	45,004
11/15/2010	3.90%	39,313	5,691	45,004
05/15/2011	3.90%	40,080	4,924	45,004
11/15/2011	3.90%	40,862	4,142	45,004
05/15/2012	3.90%	41,658	3,346	45,004
11/15/2012	3.90%	42,471	2,533	45,004
05/15/2013	3.90%	43,300	1,705	45,005
11/15/2013	3.90%	44,143	861	45,004
<b>Total</b>		<u>\$368,212</u>	<u>\$36,825</u>	<u>\$405,037</u>

**DEBT SERVICE SCHEDULE**  
**OECD/COOK PARK EXPANSION**

This loan through the Oregon Economic and Community Development Department (OECD) was obtained in January 2002 and used to complete a major capital project to expand and improve park facilities at Cook Park. Improvements included a butterfly garden, two picnic shelters, a new playground, four sports fields, and wetland viewing gazebo. The loan was secured by current and future park system development charges collected by the City.

Amount Issued:	\$2,290,248
Issue Date:	1/23/2002
Original Issue True Interest Rate (TIC):	4.801%
Principal Outstanding as of July 1, 2009:	\$777,296

<u>Payment Due</u>	<u>Interest Rate</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Debt Service</u>
1/1/2010	4.10%	247,318	32,935	280,253
1/1/2011	4.25%	259,053	22,795	281,848
1/1/2012	4.35%	270,925	11,785	282,710
<b>Total</b>		<u>\$777,296</u>	<u>\$67,515</u>	<u>\$844,811</u>