

**SPECIAL REVENUE
DEBT FUND**



Special Revenue Debt Fund to pay for improvements to the South Office Building which is to become our next City Hall.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2013-14 BUDGET

**SPECIAL REVENUE DEBT FUND
SUMMARY OF REVENUES AND EXPENDITURES
AND OTHER FINANCING SOURCES & USES**

	FY 2010-11 Actual	FY 2011-12 Actual	FY 2012-13 Budgeted	FY 2012-13 Estimated	FY 2013-14 Adopted
Revenues:					
Franchise fees	\$0	\$0	\$0	\$0	\$1,068,400
Sub Total Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,068,400</u>
Expenditures:					
Personnel services	\$0	\$0	\$0	\$0	\$0
Materials & services	0	0	0	0	0
Sub Total Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Revenues Over/Under Expenditures	\$0	\$0	\$0	\$0	\$1,068,400
Other financing sources (uses):					
Transfers in	\$0	\$0	\$0	\$0	\$0
Transfers out	0	0	0	0	0
Debt Service - Principal	0	0	0	0	(706,510)
Debt Service - Interest	0	0	0	0	(94,786)
Debt Service Fees	0	0	0	0	0
Total Other Financing Sources (Uses):	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$801,296)</u>
Net Change in Fund Balance	\$0	\$0	\$0	\$0	\$267,104
Fund Balance/Working Capital Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Contingency)/Working Capital End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$267,104</u>

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2013-14 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 202 SPECIAL REVENUE DEBT FUND	DEPARTMENT: FINANCE
	DEPARTMENT HEAD: PATRICK O'CLAIRE

MISSION STATEMENT:

Debt management of outstanding Revenue Bonds. The bonded debt of this fund is for the “tenant improvements” of the new city hall at 12725 SW Milikan Way at the “Beaverton Round”. Payments of the principal and interest are funded through an annual appropriation and transfer of a portion of the franchise fees from the General Fund. There are no property taxes supporting the debt service for this borrowing so it is not subject to the \$10 governmental limit set by Measure 5.

REQUIREMENTS	FY 2010-11 ACTUAL	FY 2011-12 ACTUAL	FY 2012-13 BUDGETED	FY 2013-14 PROPOSED	FY 2013-14 ADOPTED
POSITION					
DEBT SERVICE	\$0	\$0	\$0	\$0	\$801,296
TRANSFERS					
CONTINGENCY	0	0	0	0	267,104
TOTAL	\$0	\$0	\$0	\$0	\$1,068,400

Funding Sources:	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2013-14
Franchise Fee Allocation from General Fund	\$0	\$0	\$0	\$0	\$1,068,400

The City has several Revenue Bonds related to the water utility for past capital improvements. This Revenue Bond is for improvements made to the new City Hall at “The Beaverton Round”. The City purchased the building in April 2012 from cash reserves. The City Council authorized the issuance of Revenue Bonds for the improvements in June 2013. Debt service in FY 2013-14 is for approximately nine months and based on an estimated interest rate of 1.89%. The actual interest rate will be determined at closing which should occur in fall 2013. The authorization to borrow is capped at \$7 million and will mature in seven years. Expenses for the improvements appear in the Capital Development Fund (#301).

The City Council pledges its franchise fees to fund the principle and interest. The annual franchise fees exceed \$7 million and annual debt service will require only a portion of that revenue stream. The terms of the borrowing require a debt service reserve account equal to at least 1.5% of annual debt service.

The debt service schedule will be determined when the transaction closes.