

Debt Service



DEBT SERVICE

MISSION

Debt Service provides funds sufficient to make annual principal and interest payments on general long-term debt obligations of the County issued for the purpose of paying for capital improvements.

POLICY

The County's current and proposed general long-term obligations include general obligation bonds. General obligation bonds include debt issued for the purpose of paying the cost for acquisition of land, land improvements, construction and major reconditioning of parking lots, construction of new County buildings, remodeling or renovation of existing County buildings, construction and reconditioning of County roads and bridges, and major equipment purchases. Bonds are issued after the annual budget, including debt service and capital project, is submitted to the County Board and approved. The County Board's bonding criteria requires that a project cost at least \$250,000 or have a project life of 20 years or more.

The County's general obligation bonds also include refunding bonds, which are bonds issued to pay off existing debt to take advantage of more favorable interest rates or to restructure debt service payments.

The County issues long-term debt for terms ranging from ten to twenty years. Generally, bonds for lower cost projects are issued for a term of ten years, bonds for road and bridge projects are issued for a period of fifteen years, and bonds for major cost projects are issued for a period of twenty years. Refunding bonds are issued for the term remaining from the issue date of the original bond. The County also structures proposed bond issues to avoid major fluctuations in annual debt service requirements that would impact future budgets.

All of the County's general obligation debt is issued by which the full faith, credit, and resources of the County are irrevocably pledged and an irrepealable tax levy shall be collected to pay the principal and interest on the bonds as they become due.

By state statute, the County's debt obligations cannot exceed 5% of the equalized value of all property in the County. The County will have 84.48% of its legal debt limit available after including the proposed 2010 debt issues of \$21,535,000.

The County's Debt Service Fund accounts for principal, interest and debt issuance payments not otherwise paid from another fund. The Airport, Golf Course, NEW Zoo and Port & Solid Waste are Enterprise funds and make the principal, interest and debt issuance payments from resources within each of their respective funds. The total annual principal, interest and debt issuance payments to be made from those Enterprise Funds are shown as offsetting revenue in the Debt Service budget.

GENERAL DEBT SERVICE FUND

	2008 Actual	2009 Estimate	2009 Revised Budget	2010 Budget	Change from 2009 Revised Budget	
					\$	%
Interest on Investments	685,962	153,749	415,000	72,455	(342,545)	-82.54%
Other Interest/Premium	1,613,277	-	-	-	-	0.00%
Other Miscellaneous	-	-	-	-	-	0.00%
Transfer In	624,858	1,632,104	528,376	555,550	27,174	5.14%
Other Financing Sources	15,905,000	-	-	-	-	0.00%
Total Revenues	18,829,097	1,785,853	943,376	628,005	(315,371)	-33.43%
Principal	9,185,000	8,475,000	8,500,000	8,725,000	225,000	2.65%
Interest Expense	4,691,145	5,288,382	5,560,717	5,913,881	353,164	6.35%
Debt Issuance Expense	210,307	156,466	32,521	33,132	611	1.88%
Payment to Escrow Agent	16,367,699	-	-	-	-	0.00%
Professional Services	-	-	-	10,500	10,500	0.00%
Legal Fee Chargebacks	50,822	25,637	16,355	32,500	16,145	98.72%
Total Debt Requirements	30,504,973	13,945,485	14,109,593	14,715,013	605,420	4.29%
Offsetting Revenue (a)	(1,853,769)	(1,964,468)	(1,957,317)	(2,031,408)	(74,091)	3.79%
Total Expenses	28,651,204	11,981,017	12,152,276	12,683,605	531,329	4.37%
Property Taxes	10,358,989	10,958,900	10,958,900	11,001,061	42,161	0.38%
Addition to (Use of) Fund Balance	536,882	763,736	(250,000)	(1,054,539)		

- (a) Offsetting revenue represents the total principal, interest and debt issuance payments from the Airport, Golf Course, NEW Zoo and Port & Solid Waste Enterprise Funds.

OUTSTANDING DEBT LIMIT

By Wisconsin Statute 67.03, the County's outstanding debt is limited to 5% of the equalized value of all property in the County.

Equalized value of real and personal property ^(a)	18,892,328,600
Statutory limitation percentage	x 5%
Statutory debt limitation	<u>944,616,430</u>
Outstanding indebtedness ^(b)	<u>146,580,000</u>
Available debt limit	<u><u>798,036,430</u></u>
Percentage of debt limit available	<u>84.48%</u>

- (a) Total County equalized value including Tax Incremental Districts for budget year purposes.

- (b) Includes proposed 2010 debt issuance totaling \$21,535,000.

OUTSTANDING INDEBTEDNESS

Outstanding indebtedness is the outstanding principal on general obligation bonds for which the County has pledged its full faith, credit, and unlimited taxing power.

<u>Character of Indebtedness</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>True Interest Cost</u>	<u>Outstanding Debt</u>
General Obligation Bonds				
Corporate Purpose 2000A	11/01/00	11/01/10	4.952100%	1,015,000
Corporate Purpose Refunding 2001B	05/01/01	11/01/10	4.290527%	155,000
Corporate Purpose 2001C	09/05/01	11/01/15	4.257204%	1,735,000
Corporate Purpose 2002A	08/05/02	11/01/21	4.870240%	4,695,000
Corporate Purpose 2002B	08/05/02	11/01/17	4.068547%	3,560,000
Corporate Purpose Refunding 2003	03/28/03	11/01/22	5.479949%	10,715,000
Corporate Purpose 2003A	09/01/03	11/01/22	4.753197%	5,030,000
Corporate Purpose 2003B	09/01/03	11/01/18	3.675685%	3,505,000
Corporate Purpose 2004A	08/01/04	11/01/23	4.699985%	6,250,000
Corporate Purpose 2004B	08/01/04	11/01/19	3.938135%	3,930,000
Corporate Purpose 2005A	06/01/05	11/01/24	4.762079%	3,750,000
Corporate Purpose 2005B	06/01/05	11/01/20	3.747522%	3,680,000
Corporate Purpose Refunding 2005C	12/15/05	11/01/13	3.481807%	3,305,000
Corporate Purpose 2006	06/07/06	11/01/21	4.011631%	5,540,000
Corporate Purpose 2007	07/01/07	11/01/22	4.097733%	7,590,000
Corporate Purpose 2008B	03/01/08	11/01/27	4.327792%	25,430,000
Corporate Purpose Refunding 2008C	04/01/08	11/01/18	3.339250%	14,650,000
Taxable Corporate Purpose 2009A	06/01/09	11/01/28	3.239906%	13,475,000
Total General Obligations as of December 31, 2009				118,010,000
Long-Term Notes				
Promissory Notes 2008A	03/01/08	11/01/17	3.158851%	7,035,000
Total Long-Term Notes as of December 31, 2009				7,035,000
Total Outstanding Indebtedness as of December 31, 2009				125,045,000
2010 Proposed Debt Issuance ^(a)				
General Obligation Bonds for Highway Projects - Series 2010				9,309,860
General Obligation Bonds for Facility Building System Upgrades - Series 2010				643,340
General Obligation Bonds for Interoperable Two-Way Radio System - Series 2010				10,700,000
General Obligation Bonds for Law Records Management System - Series 2010				881,800
Total 2010 Proposed Debt Issuance				21,535,000
Total Outstanding Indebtedness				146,580,000

(a) See Capital Projects section for a description of each project description, cost, and sources of funds.

SCHEDULE OF CURRENT AND PROPOSED DEBT SERVICE REQUIREMENTS BY FUND

Fiscal Year	Enterprise Funds				Debt Service Fund	Total Debt Requirements *
	Airport	Golf Course	NEW Zoo	Total Enterprise		
2010						
Principal	995,000	60,000	28,000	1,083,000	7,642,000	8,725,000
Interest	914,583	8,460	32,329	955,372	5,181,809	6,137,181
2011						
Principal	925,000	60,000	29,000	1,014,000	8,301,000	9,315,000
Interest	875,210	6,510	31,551	913,271	5,142,710	6,055,981
2012						
Principal	1,035,000	60,000	29,000	1,124,000	8,231,000	9,355,000
Interest	838,342	4,410	30,732	873,484	4,848,822	5,722,306
2013						
Principal	1,145,000	60,000	30,000	1,235,000	8,170,000	9,405,000
Interest	796,332	2,220	29,828	828,380	4,545,948	5,374,328
2014						
Principal	1,255,000		31,000	1,286,000	8,104,000	9,390,000
Interest	747,722		28,870	776,592	4,234,898	5,011,490
2015						
Principal	1,340,000		32,000	1,372,000	8,083,000	9,455,000
Interest	693,437		27,862	721,299	3,921,303	4,642,602
2016						
Principal	1,440,000		34,000	1,474,000	7,996,000	9,470,000
Interest	634,413		26,736	661,149	3,599,993	4,261,142
2017						
Principal	1,530,000		35,000	1,565,000	7,950,000	9,515,000
Interest	568,762		25,525	594,287	3,275,238	3,869,525
2018						
Principal	1,605,000		36,000	1,641,000	7,904,000	9,545,000
Interest	497,681		24,188	521,869	2,939,940	3,461,809
2019						
Principal	1,750,000		37,000	1,787,000	7,593,000	9,380,000
Interest	422,400		22,413	444,813	2,582,075	3,026,888
2020						
Principal	1,835,000		42,000	1,877,000	6,393,000	8,270,000
Interest	338,582		20,587	359,169	2,228,690	2,587,859
2021						
Principal	1,925,000		45,000	1,970,000	6,260,000	8,230,000
Interest	249,631		18,510	268,141	1,924,405	2,192,546
2022						
Principal	1,475,000		46,000	1,521,000	6,129,000	7,650,000
Interest	155,788		16,260	172,048	1,620,342	1,792,390
2023						
Principal	1,075,000		47,000	1,122,000	4,568,000	5,690,000
Interest	82,500		13,961	96,461	1,318,102	1,414,563
2024						
Principal	550,000		50,000	600,000	4,610,000	5,210,000
Interest	28,188		11,598	39,786	1,094,427	1,134,213
2025						
Principal			53,000	53,000	4,647,000	4,700,000
Interest			9,070	9,070	867,655	876,725
2026						
Principal			54,000	54,000	4,706,000	4,760,000
Interest			6,376	6,376	638,262	644,638
2027						
Principal			57,000	57,000	4,508,000	4,565,000
Interest			3,630	3,630	406,620	410,250
2028						
Principal			13,000	13,000	2,302,000	2,315,000
Interest			715	715	184,535	185,250
2029						
Principal					1,635,000	1,635,000
Interest					73,575	73,575
Total Principal	19,880,000	240,000	728,000	20,848,000	125,732,000	146,580,000
Total Interest	7,843,571	21,600	380,741	8,245,912	50,629,349	58,875,258

* Debt Service Fund Includes estimated payments for 2010 proposed debt issuance.

SCHEDULE OF CURRENT AND PROPOSED DEBT SERVICE REQUIREMENTS BY ISSUE

Fiscal Year	G.O. Bond 2000A	G.O. Bond 2001B	G.O. Bond 2001C	G.O. Bond 2002A	G.O. Bond 2002B	G.O. Bond 2003	G.O. Bond 2003A	G.O. Bond 2003B	G.O. Bond 2004A
2010									
Principal	1,015,000	155,000	255,000	255,000	375,000	310,000	250,000	375,000	225,000
Interest	49,228	6,897	74,807	225,920	149,510	579,449	229,115	133,025	280,238
2011									
Principal			265,000	280,000	390,000	370,000	275,000	385,000	250,000
Interest			64,352	215,720	134,510	564,878	220,240	120,838	271,237
2012									
Principal			280,000	305,000	410,000	435,000	300,000	395,000	300,000
Interest			53,222	204,240	118,520	546,841	209,653	107,362	261,238
2013									
Principal			295,000	330,000	430,000	510,000	325,000	405,000	350,000
Interest			41,323	191,430	101,710	524,548	197,652	92,945	249,237
2014									
Principal			310,000	355,000	455,000	590,000	350,000	355,000	400,000
Interest			28,490	175,920	84,510	497,772	184,327	77,960	235,063
2015									
Principal			330,000	380,000	475,000	675,000	360,000	375,000	425,000
Interest			14,850	159,235	65,400	467,093	169,277	64,470	218,662
2016									
Principal				405,000	500,000	765,000	385,000	390,000	450,000
Interest				141,375	44,975	431,992	153,438	49,845	200,600
2017									
Principal				430,000	525,000	870,000	400,000	405,000	475,000
Interest				121,125	23,100	391,830	136,112	34,245	181,025
2018									
Principal				455,000		980,000	425,000	420,000	500,000
Interest				99,625		343,545	117,513	17,640	159,888
2019									
Principal				475,000		1,100,000	450,000		525,000
Interest				76,875		289,155	97,325		137,387
2020									
Principal				500,000		1,225,000	485,000		550,000
Interest				52,531		228,105	75,500		113,238
2021									
Principal				525,000		1,365,000	500,000		575,000
Interest				26,906		160,117	51,250		87,662
2022									
Principal						1,520,000	525,000		600,000
Interest						84,360	26,250		60,350
2023									
Principal									625,000
Interest									31,250
2024									
Principal									
Interest									
2025									
Principal									
Interest									
2026									
Principal									
Interest									
2027									
Principal									
Interest									
2028									
Principal									
Interest									
2029									
Principal									
Interest									
Total Principal	1,015,000	155,000	1,735,000	4,695,000	3,560,000	10,715,000	5,030,000	3,505,000	6,250,000
Total Interest	49,228	6,897	277,044	1,690,902	722,235	5,109,685	1,867,652	698,330	2,487,075

* Estimated amortization schedule for 2010 proposed debt issuance.

G.O. Bond 2004B	G.O. Bond 2005A	G.O. Bond 2005B	G.O. Bond 2005C	G.O. Bond 2006	G.O. Bond 2007	G.O. Note 2008A	G.O. Bond 2008B	G.O. Bond 2008C	G.O. Bond 2009	G.O. Bond 2010	Totals
220,000	110,000	280,000	990,000	450,000	460,000	825,000	525,000	1,225,000	425,000	0	8,725,000
155,155	172,412	139,783	124,580	230,450	305,698	230,550	1,190,338	515,113	618,108	726,806	6,137,181
220,000	120,000	295,000	1,000,000	465,000	475,000	850,000	550,000	1,790,000	595,000	740,000	9,315,000
147,455	168,012	129,702	84,980	211,326	287,298	205,800	1,174,588	475,300	610,670	969,075	6,055,981
330,000	130,000	310,000	655,000	485,000	500,000	870,000	575,000	1,860,000	440,000	775,000	9,355,000
139,480	163,212	118,640	49,980	191,562	268,298	180,300	1,158,088	417,125	598,770	935,775	5,722,306
335,000	140,000	325,000	660,000	500,000	515,000	830,000	595,000	1,930,000	120,000	810,000	9,405,000
127,105	158,013	106,860	26,400	170,950	248,297	153,113	1,139,400	356,675	587,770	900,900	5,374,328
440,000	150,000	335,000		525,000	530,000	860,000	620,000	1,840,000	430,000	845,000	9,390,000
114,208	152,413	94,510		149,700	227,697	126,138	1,120,063	293,950	584,320	864,450	5,011,490
415,000	175,000	315,000		545,000	550,000	895,000	645,000	1,910,000	100,000	885,000	9,455,000
97,267	146,263	81,780		127,388	206,498	98,187	1,099,912	229,550	570,345	826,425	4,642,602
495,000	200,000	330,000		570,000	575,000	935,000	665,000	1,395,000	485,000	925,000	9,470,000
81,290	139,000	69,810		104,224	184,498	69,100	1,077,338	160,313	566,745	786,600	4,261,142
460,000	225,000	345,000		370,000	600,000	970,000	695,000	1,455,000	325,000	965,000	9,515,000
61,490	130,500	57,600		80,000	161,498	36,375	1,054,062	108,000	547,588	744,975	3,869,525
520,000	225,000	365,000		380,000	625,000		1,735,000	1,245,000	660,000	1,010,000	9,545,000
42,630	120,656	44,490		65,200	137,497		1,028,000	49,800	533,775	701,550	3,461,809
495,000	300,000	380,000		400,000	650,000		1,800,000		1,750,000	1,055,000	9,380,000
20,790	110,813	30,620		50,000	112,498		941,250		504,075	656,100	3,026,888
	300,000	400,000		415,000	675,000		1,875,000		745,000	1,100,000	8,270,000
	97,313	15,800		34,000	86,172		851,250		425,325	608,625	2,587,859
	325,000			435,000	705,000		1,950,000		700,000	1,150,000	8,230,000
	83,813			17,400	58,835		757,500		389,938	559,125	2,192,546
	350,000				730,000		2,025,000		700,000	1,200,000	7,650,000
	69,187				29,930		660,000		354,938	507,375	1,792,390
	450,000						2,110,000		1,250,000	1,255,000	5,690,000
	51,250						558,750		319,938	453,375	1,414,563
	550,000						2,195,000		1,150,000	1,315,000	5,210,000
	28,188						453,250		255,875	396,900	1,134,213
							2,280,000		1,050,000	1,370,000	4,700,000
							343,500		195,500	337,725	876,725
							2,375,000		950,000	1,435,000	4,760,000
							229,500		139,063	276,075	644,638
							2,215,000		850,000	1,500,000	4,565,000
							110,750		88,000	211,500	410,250
									750,000	1,565,000	2,315,000
									41,250	144,000	185,250
										1,635,000	1,635,000
										73,575	73,575
3,930,000	3,750,000	3,680,000	3,305,000	5,540,000	7,590,000	7,035,000	25,430,000	14,650,000	13,475,000	21,535,000	146,580,000
986,870	1,791,045	889,595	285,940	1,432,200	2,314,714	1,099,563	14,947,537	2,605,825	7,931,990	11,680,931	58,875,258