

DEPARTMENT SUMMARY



Debt Service

Debt Service is a series of payments of interest and principal required to be paid on a debt over a given period of time.

About Debt Service

The City's debt management policy provides for the City's current and future ability to finance major operating capital equipment and capital improvement projects at beneficial interest rates without adversely affecting the City's ability to finance essential City services.

Decisions regarding the use of debt are based upon, but not limited to, factors such as economic, demographic, and financial resources available to repay the debt, the City's long-term operating and capital needs, review and analysis of financial strength ratios and indicators, and the impact of future debt financing on these ratios and indicators.

The types of debt covered in this section are Certificates of Participation bonds and Assessment District/Community Facilities District bonds. Additional debt such as Tax Allocation bonds, Revenue bonds, Capital Leases, and Public Improvement Reimbursement Agreements are covered in other pertinent sections of the budget.

Certificates of Participation bonds are issued by the Palmdale Civic Authority. The Palmdale Civic Authority issues the debt and then loans the proceeds to the City to finance public improvements of the City. Certificates of Participation allow the public to purchase participation in a stream of lease payments relating to the acquisition or construction of specific equipment, land, or facilities. Lease payments are made pursuant to a Lease Agreement and are sufficient to pay principal and interest on the Certificates as due.

Assessment District/Community Facilities District Bonds are issued within certain areas of the City to finance public improvements within a district area. The principal and interest are paid from the collection of special assessments or taxes on property within each district. The district bonds do not constitute indebtedness of the City payable from its general funds, and the City is in no way obligated for their repayment except to the extent of any assessments or special taxes collected and pledged for their repayment.

Tax Allocation Bonds are issued by redevelopment agencies to eliminate blighted areas within the City by encouraging development of residential, commercial, industrial, recreational, and public facilities. Redevelopment projects are financed through an allocation of certain ad valorem property taxes collected within a redevelopment area. The effective date of the ordinance approving the redevelopment plan fixes assessed valuation of all real and personal property in the project area. The portion of the property tax collected that is attributable to the increase in assessed valuation since the adoption of the project area plan, called "tax increment", is allocated to the redevelopment agency. These tax increment revenues may be pledged to the repayment of indebtedness incurred in financing or refinancing a redevelopment project. Redevelopment agencies themselves do not have any independent power to levy and collect property taxes and must rely on the above allocation of taxes as their primary funding source. Debt Service information on Tax Allocation bonds can be found in the Community Redevelopment Agency sections of the budget.

About Debt Service, continued

Revenue Bonds are issued by the Palmdale Civic Authority for the purpose of assisting the Agency in financing projects through, among other means, the acquisition by the Authority of capital improvements and/or the purchase by the Authority of local obligations. The bonds are payable from and secured by a pledge of Agency tax increment and/or sales tax revenues. The loan payments made to the Authority by the Community Redevelopment Agency from the pledged revenue sources are in turn used to pay principal and interest with respect to the revenue bonds as they become due. Debt Service information on Revenue bonds can be found in the Community Redevelopment Agency sections of the budget.

The City has entered into various capital lease/purchase agreements for equipment with payment lengths ranging from 3 to 6 years. The City has capital leases for Xerox copiers, Munis accounting database system, and other various equipment. Debt Service information on Capital Leases can be found in different sections of the budget according to the City departments who use leased equipment.

The City has entered into various Public Improvement Reimbursement Agreements to reimburse developers for the installation of public improvements during the development of certain retail shopping centers within the City. The reimbursements made to developers are based on 50% of the sales tax generated on the various retail sites. Debt Service information on Public Improvement Reimbursement Agreements can be found in the General City and Community Redevelopment Agency sections of the budget.

SUMMARY SCHEDULE OF OUTSTANDING DEBT

Description of Bond, Note or Capital Lease	Original Issue	Issue Date	Final Payment Date	Interest Rate	Beginning Outstanding Balance 07/01/11	Requirements for Fiscal Year Ending June 30, 2012		
						Interest Payable	Principal Payable	Total Payable
City of Palmdale								
<u>Notes Payable</u>								
1997 Community Redevelopment Agency	1,450,000	07/09/97	06/30/12	0.00	50,000	-	50,000	50,000
HUD Sec 108 Notes Payable	5,000,000	12/29/05	12/01/25	2.00 - 4.50	4,383,000	207,852	204,000	411,852
2009 Hoprock Notes Payable	2,200,000	03/21/07	N/A	N/A	1,571,260	-	315,000	315,000
Subtotal - Notes Payable	8,650,000				6,004,260	207,852	569,000	776,852
<u>Capital Leases</u>								
2006 Xerox Lease #17	22,386	10/01/06	09/01/11	11.50	1,449	28	1,449	1,477
2008 Cal-First Lease	2,146,379	01/01/09	07/01/11	5.58-6.38	625,507	34,064	476,294	510,358
Subtotal - Capital Leases	2,168,765				626,956	34,092	477,743	511,835
Total - Debt Service - City of Palmdale	10,818,765				6,631,216	241,944	1,046,743	1,288,687

Description of Bond, Note or Capital Lease	Original Issue	Issue Date	Final Payment Date	Interest Rate	Beginning Outstanding Balance 07/01/11	Requirements for Fiscal Year Ending June 30, 2012		
						Interest Payable	Principal Payable	Total Payable
Community Redevelopment Agency (CRA)								
<u>Housing Development</u>								
<u>Tax Allocation Bonds</u>								
2003 Refunding Tax Alloc. Bonds Series C	5,965,000	12/09/03	09/01/28	2.00 - 4.75	4,805,000	203,985	175,000	378,985
2003 Tax Allocation Bonds Series D	7,250,000	12/09/03	09/01/32	2.00 - 4.90	7,090,000	343,545	30,000	373,545
2005 Refunding Tax Alloc. Bonds Series E	14,115,000	08/16/05	09/01/27	3.00 - 4.50	12,015,000	494,479	475,000	969,479
2005 Tax Allocation Bonds Series F	2,805,000	08/16/05	09/01/33	3.00 - 4.50	2,665,000	115,961	35,000	150,961
Subtotal - Tax Allocation Bonds	30,135,000				26,575,000	1,157,970	715,000	1,872,970

SUMMARY SCHEDULE OF OUTSTANDING DEBT, continued

Description of Bond, Note or Capital Lease	Original Issue	Issue Date	Final Payment Date	Interest Rate	Beginning Outstanding Balance 07/01/11	Requirements for Fiscal Year Ending June 30, 2012		
						Interest Payable	Principal Payable	Total Payable
Community Redevelopment Agency (CRA)								
Housing Development								
<u>Tax Allocation Bonds</u>								
2003 Refunding Tax Alloc. Bonds Series C	5,965,000	12/09/03	09/01/28	2.00 - 4.75	4,805,000	203,985	175,000	378,985
2003 Tax Allocation Bonds Series D	7,250,000	12/09/03	09/01/32	2.00 - 4.90	7,090,000	343,545	30,000	373,545
2005 Refunding Tax Alloc. Bonds Series E	14,115,000	08/16/05	09/01/27	3.00 - 4.50	12,015,000	494,479	475,000	969,479
2005 Tax Allocation Bonds Series F	2,805,000	08/16/05	09/01/33	3.00 - 4.50	2,665,000	115,961	35,000	150,961
Subtotal - Tax Allocation Bonds	30,135,000				26,575,000	1,157,970	715,000	1,872,970
Community Redevelopment Agency (CRA) - continued								
Project Area No. 1								
<u>Notes Payable</u>								
2010 Tax Allocation Refunding Revenue Notes	27,505,339	09/01/10	03/01/26	5.97 - 6.20	26,970,022	1,629,947	1,120,714	2,750,661
Subtotal - Notes Payable	27,505,339				26,970,022	1,629,947	1,120,714	2,750,661
Project Area No. 2A								
<u>Notes Payable</u>								
1999 Dillard's Note Payable	1,851,038	03/10/99	N/A	N/A	686,220	-	105,000	105,000
Subtotal - Notes Payable	1,851,038				686,220	-	105,000	105,000
<u>Tax Allocation Bonds</u>								
1998 Tax Allocation Refunding Bonds	30,625,000	09/22/98	09/01/34	3.75 - 5.00	27,240,000	1,346,625	615,000	1,961,625
1999 Sub Lien Tax Allocation Bonds	2,722,056	03/30/99	12/01/29	5.50	2,990,000	161,838	95,000	256,838
2002 Sub Lien Tax Allocation Bonds	5,329,748	08/20/02	12/01/32	4.88-5.68	8,522,082	-	-	-
2004 Tax Allocation Refunding Bonds	18,535,000	06/08/04	09/01/34	5.00	18,195,000	902,750	280,000	1,182,750
2004 Sub Lien Tax Allocation Bonds	6,090,000	10/07/04	12/01/33	3.00-4.75	6,090,000	272,930	145,000	417,930
Subtotal - Tax Allocation Bonds	63,301,804				63,037,082	2,684,143	1,135,000	3,819,143
Total - Debt Service - CRA	122,793,181				117,268,324	5,472,060	3,075,714	8,547,774

Description of Bond, Note or Capital Lease	Original Issue	Issue Date	Final Payment Date	Interest Rate	Beginning Outstanding Balance 07/01/11	Requirements for Fiscal Year Ending June 30, 2012		
						Interest Payable	Principal Payable	Total Payable
Palmdale Civic Authority (PCA)								
<u>Certificates of Participation</u>								
1999 Certificates of Participation	12,310,000	03/17/99	09/01/29	4.00 - 5.00	9,705,000	460,955	330,000	790,955
2002 Certificates of Participation	43,215,000	12/10/02	09/01/32	2.00-5.25	41,515,000	2,046,775	495,000	2,541,775
2004 Certificates of Participation	13,455,000	11/30/04	11/01/24	2.00-4.625	10,360,000	412,934	575,000	987,934
2007 Certificates of Participation	19,960,000	04/12/07	04/01/37	5.705-6.311	18,870,000	1,177,675	315,000	1,492,675
Subtotal - Certificates of Participation	88,940,000				80,450,000	4,098,339	1,715,000	5,813,339
<u>Revenue Bonds</u>								
1994 Revenue Bonds (Area No. 2A)	44,999,493	06/29/94	09/01/15	4.80 - 6.60	882,575	-	190,000	190,000
1997 Revenue Bonds (Area No. 2A)	10,890,000	05/28/97	07/01/15	4.00 - 5.60	4,055,000	204,098	730,000	934,098
2003 Revenue Bond (Area No. 1)	19,220,000	05/13/03	07/01/25	2.00-5.00	16,075,000	737,638	780,000	1,517,638
2009 Revenue Bond (Area No. 1)	6,380,000	06/05/09	07/01/27	3.63-6.00	6,290,000	354,770	125,000	479,770
Subtotal - Revenue Bonds	81,489,493				27,302,575	1,296,506	1,825,000	3,121,506
Total - Debt Service - PCA	170,429,493				107,752,575	5,394,845	3,540,000	8,934,845
Total - All Debt Service	304,041,439				231,652,115	11,108,849	7,662,457	18,771,306

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

- Re-AD 88-1 Redemption
- Re-AD 90-2 Redemption
- AD 87-1 Redemption
- CFD 2003-1 Redemption
- CFD 91-1 Redemption
- AD 91-2 Redemption
- CFD 93-1 Redemption
- CFD 05-1 Redemption
- AD 2006-1 Redemption
- PCA Construction
- Park Dev & Ave. S
- Street Signals & Improv
- Power Plant Land Acq
- Anaverde Drainage Loan
- 2003 BAN Refinance

Re-Assessment District 88-1 Redemption (10th Street West) (73052051)

Background

In August 2005, bonds were sold for Re-Assessment District 88-1, to refund a portion of the outstanding 10th Street West Assessment District No. 88-1 bonds. U.S. Bank is the Fiscal Agent for the bond issue. Interest is payable September 2nd and March 2nd and principal is payable September 2nd of each fiscal year.

Program Activities

- Placed assessments on the property tax rolls through Los Angeles County.
- Paid debt service on the Re-Assessment District 88-1 bonds.
- Issued Continuing Disclosure Report on Re-Assessment District 88-1 as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Place assessments on the property tax rolls through Los Angeles County.
- Pay debt service on Re-Assessment District 88-1 bonds.
- Issue Continuing Disclosure Report on Re-Assessment District 88-1 as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	34,177	35,030	38,030	36,100
Debt Service	1,183,825	1,580,300	1,327,160	1,557,250
Total Program Expenditures	1,218,002	1,615,330	1,365,190	1,593,350

Program Debt Schedule Summary

Year Ending	Principal	Interest	Total
2012	\$ 3,083,466	964,999	4,048,465
2013	1,464,528	201,549	1,666,077
2014	1,543,938	124,396	1,668,334
2015	<u>1,624,752</u>	<u>42,399</u>	<u>1,667,151</u>
Totals	<u>\$ 7,716,684</u>	<u>1,333,343</u>	<u>9,050,027</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

- Re-AD 88-1 Redemption
- **Re-AD 90-2 Redemption**
- AD 87-1 Redemption
- CFD 2003-1 Redemption
- CFD 91-1 Redemption
- AD 91-2 Redemption
- CFD 93-1 Redemption
- CFD 05-1 Redemption
- AD 2006-1 Redemption
- PCA Construction
- Park Dev & Ave. S
- Street Signals & Improv
- Power Plant Land Acq
- Anaverde Drainage Loan
- 2003 BAN Refinance

Re-Assessment District 90-2 Redemption (7th Street West) (73252101)

Background

In August 2007, bonds were sold for Re-Assessment District 90-2, to refund the outstanding 7th Street West Assessment District No. 90-2 bonds. U.S. Bank is the Fiscal Agent for the bond issue. Interest is payable September 2nd and March 2nd and principal is payable September 2nd of each fiscal year.

Program Activities

- Placed assessments on the property tax rolls through Los Angeles County.
- Hand-billed assessments on requested parcels within the district.
- Paid debt service on the Re-Assessment District 90-2 bonds.
- Issued Continuing Disclosure Report on Re-Assessment District 90-2 as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Place assessments on the property tax rolls through Los Angeles County.
- Hand-bill assessments on requested parcels within the district.
- Pay debt service on Re-Assessment District 90-2 bonds.
- Issue Continuing Disclosure Report on Re-Assessment District 90-2 as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	43,822	43,460	45,960	44,650
Debt Service	1,293,081	1,513,280	296,630	1,508,650
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Total Program Expenditures	1,336,903	1,556,740	342,590	1,553,300
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Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 1,875,000	850,300	2,725,300
2013	1,140,000	365,113	1,505,113
2014	1,210,000	292,337	1,502,337
2015	1,290,000	214,875	1,504,875
2016	1,440,000	132,438	1,572,438
2017	<u>1,450,000</u>	<u>44,987</u>	<u>1,494,987</u>
Totals	<u>\$ 8,405,000</u>	<u>1,900,050</u>	<u>10,305,050</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

Re-AD 88-1 Redemption

Re-AD 90-2 Redemption

➤ **AD 87-1 Redemption**

CFD 2003-1 Redemption

CFD 91-1 Redemption

AD 91-2 Redemption

CFD 93-1 Redemption

CFD 05-1 Redemption

AD 2006-1 Redemption

PCA Construction

Park Dev & Ave. S

Street Signals & Improv

Power Plant Land Acq

Anaverde Drainage Loan

2003 BAN Refinance

Assessment District 87-1 Redemption (Rancho Vista) (7335215)

Background

In August 1987, bonds were sold for Assessment District 87-1, which included improvements for the Rancho Vista area of the City. U.S. Bank is the Fiscal Agent for the bond issue. Interest is payable September 2nd and March 2nd and principal is payable September 2nd of each fiscal year. Assessment District 87-1 Bonds were fully paid and matured as of September 2, 2007.

Program Activities

- Final Debt Service on Assessment District 87-1 bonds was paid on September 2, 2007.
- Worked to Complete Final close out of Assessment District 87-1.

PROGRAM EXPENDITURES SUMMARY

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Expenditures				
Operating Expenditures	5,586	-	1,962,350	7,500
Debt Service	-	-	-	-
Total Program Expenditures	5,586	-	1,962,350	7,500

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

Re-AD 88-1 Redemption
Re-AD 90-2 Redemption
AD 87-1 Redemption
➤ CFD 2003-1 Redempt.
CFD 91-1 Redemption
AD 91-2 Redemption
CFD 93-1 Redemption
CFD 05-1 Redemption
AD 2006-1 Redemption
PCA Construction
Park Dev & Ave. S
Street Signals & Improv
Power Plant Land Acq
Anaverde Drainage Loan
2003 BAN Refinance

Community Facilities District 2003-1 Redemption (Anaverde) (73452201)

Background

On February 23, 2005, bonds were sold for Community Facilities District 2003-1, to provide funds for public improvements in Improvement Area A, the first of four phases being developed in the proposed Anaverde master-planned community in Palmdale. U.S. Bank is the Fiscal Agent for the bond issue. Interest is payable September 1st and March 1st each fiscal year. Principal is payable September 1st of each fiscal year.

Program Activities

- Placed special tax levies on the property tax rolls through Los Angeles County.
- Paid debt service on the Community Facilities District 2003-1 bonds.
- Issued Continuing Disclosure Report on Community Facilities District 2003-1 as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Place special tax levies on the property tax rolls through Los Angeles County.
- Pay debt service on the Community Facilities District 2003-1 bonds.
- Issue Continuing Disclosure Report on Community Facilities District 2003-1 as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	46,953	117,030	119,530	115,360
Debt Service	1,994,320	1,992,930	1,992,930	1,990,190
Total Program Expenditures	2,041,273	2,109,960	2,112,460	2,105,550

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 580,000	1,410,190	1,990,190
2013	605,000	1,385,290	1,990,290
2014	630,000	1,358,142	1,988,142
2015	660,000	1,328,998	1,988,998
2016	685,000	1,298,151	1,983,151
2017-2021	3,975,000	5,949,750	9,924,750
2022-2026	5,085,000	4,799,776	9,884,776
2027-2031	6,600,000	3,248,429	9,848,429
2032-2036	<u>8,565,000</u>	<u>1,211,290</u>	<u>9,776,290</u>
Totals	<u>\$ 27,385,000</u>	<u>21,990,016</u>	<u>49,375,016</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

Re-AD 88-1 Redemption
Re-AD 90-2 Redemption
AD 87-1 Redemption
CFD 2003-1 Redemption
➤ **CFD 91-1 Redemption**
AD 91-2 Redemption
CFD 93-1 Redemption
CFD 05-1 Redemption
AD 2006-1 Redemption
PCA Construction
Park Dev & Ave. S
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Anaverde Drainage Loan
2003 BAN Refinance

Community Facilities District 91-1 Redemption (Sierra Gateway) (73652251)

Background

In December 1991, bonds were sold for Community Facilities District 91-1 to provide funds for the acquisition and construction of certain public facilities for the Sierra Gateway Development. U.S. Bank is the Fiscal Agent for the bond issue. Interest is payable December 1st and June 1st each fiscal year. Principal is payable December 1st of each fiscal year.

Program Activities

- Hand billed special taxes on all parcels within the district.
- Provided partial proportionate distributions of available funds to bond holders.

Key Goals & Objectives for Fiscal Year 2011-12

- Hand bill special taxes on all parcels within the district.
- Provide partial proportionate distributions of available funds to bond holders.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	39,054	37,230	39,730	37,750
Debt Service	147,131	10,684,320	149,700	11,154,600
Total Program Expenditures	186,185	10,721,550	189,430	11,192,350

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012*	\$ 4,325,000	7,376,769	11,701,769
2013	520,000	249,920	769,920
2014	565,000	202,180	767,180
2015	615,000	150,260	765,260
2016	670,000	93,720	763,720
2017	<u>730,000</u>	<u>32,120</u>	<u>762,120</u>
Totals	<u>\$ 7,425,000</u>	<u>8,104,969</u>	<u>15,529,969</u>

*Amounts include unpaid FY 1997-98, 1998-99, 1999-00, 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2009-10, and 2010-2011 principal and interest payments.

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

Re-AD 88-1 Redemption
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➤ **AD 91-2 Redemption**
CFD 93-1 Redemption
CFD 05-1 Redemption
AD 2006-1 Redemption
PCA Construction
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2003 BAN Refinance

Assessment District 91-2 Redemption (52nd Street East) (73752301)

Background

In September 1992, bonds were sold for Assessment District 91-2. Improvements include construction of street improvements, sewer, fire hydrants, and street lighting. U.S Bank is the Fiscal Agent for the bond issue. Interest is payable September 2nd and March 2nd each fiscal year. Principal is payable September 2nd of each fiscal year.

Program Activities

- Placed assessments on the property tax rolls through Los Angeles County.
- Paid debt service on the Assessment District 91-2 bonds.

Key Goals & Objectives for Fiscal Year 2011-12

- Place assessments on the property tax rolls through Los Angeles County.
- Pay debt service on the Assessment District 91-2 bonds.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	23,512	25,280	25,780	25,620
Debt Service	97,750	97,390	97,390	96,650
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Total Program Expenditures	121,262	122,670	123,170	122,270

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 80,000	16,650	96,650
2013	90,000	10,360	100,360
2014	<u>95,000</u>	<u>3,515</u>	<u>98,515</u>
Totals	<u>\$ 265,000</u>	<u>30,525</u>	<u>295,525</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

Re-AD 88-1 Redemption
Re-AD 90-2 Redemption
AD 87-1 Redemption
CFD 2003-1 Redemption
CFD 91-1 Redemption
AD 91-2 Redemption
➤ **CFD 93-1 Redemption**
CFD 05-1 Redemption
AD 2006-1 Redemption
PCA Construction
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2003 BAN Refinance

Community Facilities District 93-1 Redemption (Ritter Ranch) (73852351)

Background

In April 1995, bonds were sold for Community Facilities District 93-1 to provide funds for the acquisition and construction of certain public facilities for the Ritter Ranch Planned Residential Community. U.S. Bank is the Fiscal Agent for the bond issue. Interest is payable September 1st and March 1st each fiscal year. Principal is payable September 1st of each fiscal year beginning September 1, 1998.

Program Activities

- Paid debt service on the Community Facilities District 93-1 bonds.
- Issued Continuing Disclosure Report on Community Facilities District 93-1 as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Pay debt service on the Community Facilities District 93-1 bonds.
- Issue Continuing Disclosure Report on Community Facilities District 93-1 as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	32,601	35,930	38,430	36,690
Debt Service	2,847,500	2,847,500	2,847,500	2,847,500
Total Program Expenditures	2,880,101	2,883,430	2,885,930	2,884,190

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ -	2,847,500	2,847,500
2013	960,000	2,806,700	3,766,700
2014	1,665,000	2,695,138	4,360,138
2015	1,805,000	2,547,662	4,352,662
2016	1,960,000	2,387,650	4,347,650
2017-2021	12,630,000	9,012,550	21,642,550
2022-2025	<u>14,480,000</u>	<u>2,579,325</u>	<u>17,059,325</u>
Totals	<u>\$ 33,500,000</u>	<u>24,876,525</u>	<u>58,376,525</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

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 2003 BAN Refinance

Community Facilities District 05-1 Redemption (Trade and Commerce Center Area) (73552451)

Background

On August 2, 2005, bonds were sold for Community Facilities District 05-1, to refund a portion of the outstanding 10th Street West Assessment District No. 88-1 and to refund all of the outstanding Trade & Commerce Center Area Community Facilities District No. 99-1 special tax bonds. U.S. Bank is the Fiscal Agent for the bond issue. Interest is payable September 1st and March 1st each fiscal year. Principal is payable September 1st of each fiscal year beginning September 1, 2007.

On August 23, 2007, bonds were sold for Community Facilities District 05-1, to refund a portion of the outstanding 7th Street West Assessment District No. 90-2. U.S. Bank is the Fiscal Agent for the bond issue. Interest is payable September 1st and March 1st each fiscal year. Principal is payable September 1st of each fiscal year beginning September 1, 2011.

Program Activities

- Placed special tax levies on the property tax rolls through Los Angeles County for both 2005 Community Facilities District 05-1 and 2007 Community Facilities Districts 05-1.
- Hand-billed special taxes on requested parcels within the district.
- Paid debt service on the 2005 Community Facilities District 05-1 bonds and 2007 Community Facilities District 05-1 bonds.
- Issued Continuing Disclosure Report on the 2005 Community Facilities District 05-1 and 2007 Community Facilities District 05-1 as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Place special tax levies on the property tax rolls through Los Angeles County for both 2005 Community Facilities District 05-1 and 2007 Community Facilities Districts 05-1.
- Hand-bill special taxes on requested parcels within the district.
- Pay debt service on the 2005 Community Facilities District 05-1 bonds and 2007 Community Facilities District 05-1 bonds.
- Issue Continuing Disclosure Report on the 2005 Community Facilities District 05-1 and 2007 Community Facilities District 05-1 as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	96,519	103,680	102,680	105,820
Debt Service	896,738	942,340	828,180	1,037,140
Total Program Expenditures	993,257	1,046,020	930,860	1,142,960

Program Debt Schedule Summary

2005 CFD 05-1

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 135,000	523,694	658,694
2013	125,000	421,919	546,919
2014	135,000	413,669	548,669
2015	140,000	404,950	544,950
2016	150,000	395,750	545,750
2017-2021	915,000	1,816,719	2,731,719
2022-2026	1,245,000	1,476,681	2,721,681
2027-2031	1,695,000	1,014,281	2,709,281
2032-2036	<u>2,300,000</u>	<u>383,487</u>	<u>2,683,487</u>
Totals	<u>\$ 6,840,000</u>	<u>6,851,150</u>	<u>13,691,150</u>

2007 CFD 05-1

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 100,000	392,613	492,613
2013	105,000	386,334	491,334
2014	110,000	379,750	489,750
2015	120,000	372,706	492,706
2016	125,000	365,203	490,203
2017-2021	755,000	1,696,778	2,451,778
2022-2026	1,020,000	1,427,125	2,447,125
2027-2031	1,375,000	1,062,841	2,437,841
2032-2036	1,845,000	573,453	2,418,453
2037-2038	<u>905,000</u>	<u>56,197</u>	<u>961,197</u>
Totals	<u>\$ 6,460,000</u>	<u>6,713,000</u>	<u>13,173,000</u>

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DEBT SERVICE PROGRAMS

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AD 91-2 Redemption
CFD 93-1 Redemption
CFD 05-1 Redemption
➤ **AD 2006-1 Redemption**
PCA Construction
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2003 BAN Refinance

Assessment District 2006-1 Redemption (Godde Hills Estates Sewer Improvements) (73952501)

Background

In November 2006, bonds were sold for Assessment District 2006-1. Improvements include construction of sewer upgrades and improvement sewer systems. U.S Bank is the Fiscal Agent for the bond issue. Interest is payable September 2nd and March 2nd each fiscal year. Principal is payable September 2nd of each fiscal year, beginning on September 2, 2008.

Program Activities

- Placed assessments on the property tax rolls through Los Angeles County.
- Paid debt service on the Assessment District 2006-1 bonds.
- Issued Continuing Disclosure Report on Assessment District 2006-1 as required by bond documents.

Key Objectives for Fiscal Year 2011-12

- Place assessments on the property tax rolls through Los Angeles County.
- Pay debt service on the Assessment District 2006-1 bonds.
- Issue Continuing Disclosure Report on Assessment District 2006-1 as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	26,633	30,160	30,160	30,100
Debt Service	120,003	108,640	108,640	112,340
Total Program Expenditures	146,636	138,800	138,800	142,440

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 35,000	77,339	112,339
2013	35,000	75,895	110,895
2014	35,000	74,399	109,399
2015	40,000	72,748	112,748
2016	40,000	70,947	110,947
2017-2021	215,000	325,869	540,869
2022-2026	275,000	265,362	540,362
2027-2031	360,000	186,750	546,750
2032-2036	455,000	85,125	540,125
2037	<u>105,000</u>	<u>2,625</u>	<u>107,625</u>
Totals	<u>\$ 1,595,000</u>	<u>1,237,059</u>	<u>2,832,059</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

- Re-AD 88-1 Redemption
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- CFD 93-1 Redemption
- CFD 05-1 Redemption
- AD 2006-1 Redemption
- **PCA Construction**
- Park Dev & Ave. S
- Street Signals & Improv
- Power Plant Land Acq
- Anaverde Drainage Loan
- 2003 BAN Refinance

PCA Construction Debt Service (52082001)

Background

In March 1999, Certificates of Participation (COP) were sold to provide funds for the construction, installation, and equipping of a new courthouse building and a new City Hall building. U.S. Bank is the trustee. Interest is payable September 1st and March 1st of each fiscal year, commencing September 1, 1999. Principal is payable September 1st of each fiscal year, commencing September 1, 2001.

Program Activities

- Paid debt service on the \$12.3 million Certificates of Participation bonds.
- Issued Continuing Disclosure Report on the \$12.3 million Certificates of Participation as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Pay debt service on the \$12.3 million Certificates of Participation bonds.
- Issue Continuing Disclosure Report on the \$12.3 million Certificates of Participation as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Expenditures				
Debt Service	789,513	790,360	790,360	790,960
Total Program Expenditures	789,513	790,360	790,360	790,960

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 330,000	460,955	790,955
2013	345,000	445,590	790,590
2014	360,000	429,245	789,245
2015	375,000	411,450	786,450
2016	395,000	392,200	787,200
2017-2021	2,290,000	1,637,137	3,927,137
2022-2026	2,895,000	1,010,219	3,905,219
2027-2030	<u>2,715,000</u>	<u>256,969</u>	<u>2,971,969</u>
Totals	<u>\$ 9,705,000</u>	<u>5,043,765</u>	<u>14,748,765</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

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 ➤ **Park Dev & Ave. S**
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 2003 BAN Refinance

Park Development and Ave. S Debt Service (52182101)

Background

In November 2002, Certificates of Participation (COP) were sold to finance a portion of the costs of (1) various parks and recreation projects and (2) improvements to Avenue S, between the Antelope Valley Freeway and 40th Street East. U.S. Bank is the trustee. Interest is payable September 1st and March 1st of each fiscal year, commencing September 1, 2003. Principal is payable September 1st of each fiscal year, commencing September 1, 2004.

Program Activities

- Paid debt service on the Parks \$33.2 million and Avenue S \$9.9 million Certificates of Participation bonds.
- Issued Continuing Disclosure Report for the Parks \$33.2 million and Avenue S \$9.9 million Certificates of Participation as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Pay debt service on the Parks \$33.2 million and Avenue S \$9.9 million Certificates of Participation bonds.
- Issue Continuing Disclosure Report on the Parks \$33.2 million and Avenue S \$9.9 million Certificates of Participation as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Expenditures				
Debt Service	2,431,350	2,482,790	2,482,790	2,541,780
Total Program Expenditures	2,431,350	2,482,790	2,482,790	2,541,780

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 495,000	2,046,775	2,541,775
2013	575,000	2,026,613	2,601,613
2014	660,000	2,001,912	2,661,912
2015	750,000	1,973,713	2,723,713
2016	845,000	1,939,700	2,784,700
2017-2021	5,940,000	8,941,981	14,881,981
2022-2026	9,730,000	6,942,375	16,672,375
2027-2031	14,805,000	3,896,125	18,701,125
2032-2033	7,715,000	392,875	8,107,875
Totals	\$ 41,515,000	30,162,069	71,677,069

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

- Re-AD 88-1 Redemption
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- AD 87-1 Redemption
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- CFD 91-1 Redemption
- AD 91-2 Redemption
- CFD 93-1 Redemption
- CFD 05-1 Redemption
- AD 2006-1 Redemption
- PCA Construction
- Park Dev & Ave. S
- **Street Signals & Improv**
- Power Plant Land Acq
- Anaverde Drainage Loan
- 2003 BAN Refinance

Street Signals and Street Improvements Debt Service (82201)

Background

In November 2004, Certificates of Participation were sold to provide \$2 million in funds for Street Signals and \$10 million in funds for Street Improvements. U.S. Bank is the trustee. Interest is payable November 1st and May 1st of each fiscal year, commencing May 1, 2005. Principal is payable November 1st of each fiscal year, commencing November 1, 2005.

Program Activities

- Paid debt service on the \$13.4 million Signal and Street Certificates of Participation bonds.
- Issued Continuing Disclosure Report on the \$13.4 million Signal and Street Certificates of Participation as required by bond documents.

Key Keys & Objectives for Fiscal Year 2011-12

- Pay debt service on the \$13.4 million Signal and Street Certificates of Participation bonds.
- Issue Continuing Disclosure Report on the \$13.4 million Signal and Street Certificates of Participation as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Expenditures				
Debt Service	991,894	990,320	990,320	987,930
Total Program Expenditures	991,894	990,320	990,320	987,930

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 575,000	412,934	987,934
2013	595,000	394,281	989,281
2014	615,000	373,850	988,850
2015	635,000	351,578	986,578
2016	660,000	327,694	987,694
2017-2021	3,705,000	1,213,903	4,918,903
2022-2025	<u>3,575,000</u>	<u>337,138</u>	<u>3,912,138</u>
Totals	<u>\$ 10,360,000</u>	<u>3,411,378</u>	<u>13,771,378</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

- Re-AD 88-1 Redemption
- Re-AD 90-2 Redemption
- AD 87-1 Redemption
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- AD 91-2 Redemption
- CFD 93-1 Redemption
- CFD 05-1 Redemption
- AD 2006-1 Redemption
- PCA Construction
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- Street Signals & Improv
- **Power Plant Land Acq**
- Anaverde Drainage Loan
- 2003 BAN Refinance

Power Plant Land Acquisition Debt Service (52382301)

Background

In April 2007, Certificates of Participation were sold to provide \$18 million in funds for the acquisition of land as a possible location for a power plant. U.S. Bank is the trustee. Interest is payable October 1st and April 1st of each fiscal year, commencing October 1, 2007. Principal is payable April 1st of each fiscal year, commencing April 1, 2008.

Program Activities

- Paid debt service on the \$19.9 million Land Acquisition Certificates of Participation bonds.
- Issued Continuing Disclosure Report on the \$19.9 million Land Acquisition Certificates of Participation as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Pay debt service on the \$19.9 million Land Acquisition Certificates of Participation bonds.
- Issue Continuing Disclosure Report on the \$19.9 million Land Acquisition Certificates of Participation as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Debt Service	1,490,764	1,494,790	1,494,790	1,492,670
Total Program Expenditures	1,490,764	1,494,790	1,494,790	1,492,670

Program Debt Schedule Summary

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	\$ 315,000	1,177,675	1,492,675
2013	335,000	1,159,704	1,494,704
2014	350,000	1,140,592	1,490,592
2015	370,000	1,120,625	1,490,625
2016	395,000	1,099,517	1,494,517
2017-2021	2,340,000	5,116,968	7,456,968
2022-2026	3,180,000	4,282,329	7,462,329
2027-2031	4,315,000	3,144,140	7,459,140
2032-2036	5,865,000	1,598,576	7,463,576
2037	<u>1,405,000</u>	<u>88,670</u>	<u>1,493,670</u>
Totals	<u>\$ 18,870,000</u>	<u>19,928,796</u>	<u>38,798,796</u>

PROGRAMS AND SERVICES

DEBT SERVICE PROGRAMS

- Re-AD 88-1 Redemption
- Re-AD 90-2 Redemption
- AD 87-1 Redemption
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- AD 91-2 Redemption
- CFD 93-1 Redemption
- CFD 05-1 Redemption
- AD 2006-1 Redemption
- PCA Construction
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- Street Signals & Improv
- Power Plant Land Acq
- **Anaverde Drainage Loan**
- 2003 BAN Refinance

Anaverde Drainage Loan (22315001)

Background

The Anaverde Drainage Loan division was established to pay interest payments at LAIF rate on a loan from Amargosa Drainage Fund to fund capital projects.

Program Activities

- Paid interest payments to Amargosa Drainage fund for use of funds during FY 2010-11.

Key Goals & Objectives for Fiscal Year 2011-12

- Pay interest payments to Amargosa Drainage fund for use of funds during FY 2011-12.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual 2009-10</u>	<u>Budget 2010-11</u>	<u>Estimated 2010-11</u>	<u>Adopted 2011-12</u>
Expenditures				
Debt Service	50,707	58,400	58,400	58,400
Total Program Expenditures	50,707	58,400	58,400	58,400

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 ➤ **2003 BAN Refinance**

2003 BAN Refinance Debt Service (52482401)

Background

In June 2009, Revenue Bonds were issued to loan \$6 million in funds to the Community Redevelopment Agency for the refinancing of the 2003 Bond Anticipation Notes. U.S. Bank is the trustee. Interest is payable July 1st and January 1st of each fiscal year, commencing January 1, 2010. Principal is payable July 1st of each fiscal year, commencing July 1, 2010.

Program Activities

- Paid debt service on the \$6.4 million Redevelopment Project No. 1 Refunding Revenue bonds.
- Issued Continuing Disclosure Report on the \$6.4 million Redevelopment Project No. 1 Refunding Revenue bonds as required by bond documents.

Key Goals & Objectives for Fiscal Year 2011-12

- Pay debt service on the \$6.4 million Redevelopment Project No. 1 Refunding Revenue bonds.
- Issue Continuing Disclosure Report on the \$6.4 million Redevelopment Project No. 1 Refunding Revenue bonds as required by bond documents.

PROGRAM EXPENDITURES AND DEBT SCHEDULE SUMMARY

	<u>Actual</u> <u>2009-10</u>	<u>Budget</u> <u>2010-11</u>	<u>Estimated</u> <u>2010-11</u>	<u>Adopted</u> <u>2011-12</u>
Expenditures				
Operating Expenditures	-	-	-	-
Debt Service	211,095	450,150	450,150	479,770
Total Program Expenditures	211,095	450,150	450,150	479,770

Program Debt Schedule Summary

Year Ending	Principal	Interest	Total
2012	\$ 125,000	354,770	479,770
2013	130,000	349,289	479,289
2014	135,000	344,317	479,317
2015	140,000	338,726	478,726
2016	150,000	332,376	482,376
2017-2021	830,000	1,547,032	2,377,032
2022-2026	1,095,000	1,275,750	2,370,750
2027-2028	3,685,000	224,250	3,909,250
Totals	<u>\$ 6,290,000</u>	<u>4,766,510</u>	<u>11,056,510</u>

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