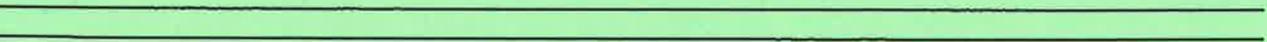
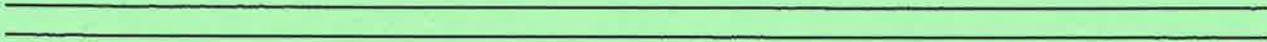


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## Debt Service Funds





# City of Grandview Fiscal Year 2016 Annual Budget

## Fund Summary

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**Fund Group:** Debt Service

**Fund:**

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### Overview of Debt Service Funds

The City of Grandview has an extensive capital improvement program for replacement of vehicles and equipment, maintenance and improvements to streets and bridges, and maintenance of other existing infrastructure such as sidewalks, curbs and gutters, storm sewers, and sanitary sewer. Much of this annual program is funded on a "pay as you go" basis through existing special revenue sources such as the Transportation Sales Tax, the Capital Improvement Sales Tax, special levies, tax increment financing, or one-time expenditures of unappropriated funds. However, from time to time the City may have a large scale project or several immediate projects that cannot be financed through the traditional "pay as you go" method. On these occasions the City may utilize long-term debt to finance the immediate, up-front costs for these projects.

The decision to utilize long-term debt is based on a number of factors including the long-term needs of the City and the amount of resources available to repay the loan. Debt can be obtained in different forms including general obligation bonds, revenue bonds, and lease/purchase agreements. Each form presents advantages and disadvantages that need to be considered and weighed when long-term financing is under consideration. The following policies are used as guidelines when considering debt. Each type of debt is described in greater detail in the subsequent pages.

- 1) Each debt issuance will be considered on an individual, case by case basis.
- 2) Issuance of debt will be for identifiable projects.
- 3) Debt will not be used to support immediate or on-going operational costs.
- 4) The city will maintain direct tax supported debt at a manageable level considering economic factors including population, assessed valuation, and other current and future tax supported essential services.
- 5) Whenever it is advantageous to do so, the City will pursue opportunities to reduce its overall debt by recalling or refunding existing outstanding debt.
- 6) The city will maintain a fund balance equal to at least a minimum of one year's total principal and interest, or in compliance with reserve funds as established in bond covenants, whichever ever is greater.

Currently, the City is utilizing two types of outstanding debt - general obligation bonds and certificates of participation (lease/purchase). Because of the various differences in these forms of debt, they are accounted in separate funds within this section of the budget. The following page presents summary information on the entire outstanding debt of the City.

# City of Grandview Fiscal Year 2016 Annual Budget

## Fund Summary

**Fund Group: Debt Service**  
**Fund:**

<u>Summary of All Outstanding Debt</u>									
Name of Bonds or Loans	Original Amount Of Issue	Issue Date	Final Payment Date	Interest Rate	Total Amount Due	Beginning Outstanding Balance FY 2015	Requirements for Fiscal Year 2016		Total
							Principal Payment	Interest Payment	
General Obligation Bonds									
2010 - G.O. (Parks)	3,900,000	1-Nov-10	1-Sep-18	1.00 - 2.25	4,209,530	1,710,726	1,020,000	26,200	1,046,200
Total G.O. Debt	3,900,000				4,209,530	1,710,726	1,020,000	26,200	1,046,200
Certificates of Participation									
2003 - Community Center	10,270,000	1-Jan-03	30-Sep-27	3.00 - 5.25	20,146,384	8,627,660	415,000	254,000	669,000
Total C.O.P Debt	10,270,000				20,146,384	8,627,660	415,000	254,000	669,000
Revenue Bonds									
2003 - Infrastructure Fac.	5,665,000	1-Dec-03	1-Mar-26	3.13 - 5.38	10,124,589	5,529,159	200,000	184,200	384,200
Total C.O.P Debt	5,665,000				10,124,589	5,529,159	200,000	184,200	384,200
<b>Total Debt Service</b>	<b>19,835,000</b>				<b>34,480,503</b>	<b>15,867,545</b>	<b>1,635,000</b>	<b>464,400</b>	<b>2,099,400</b>

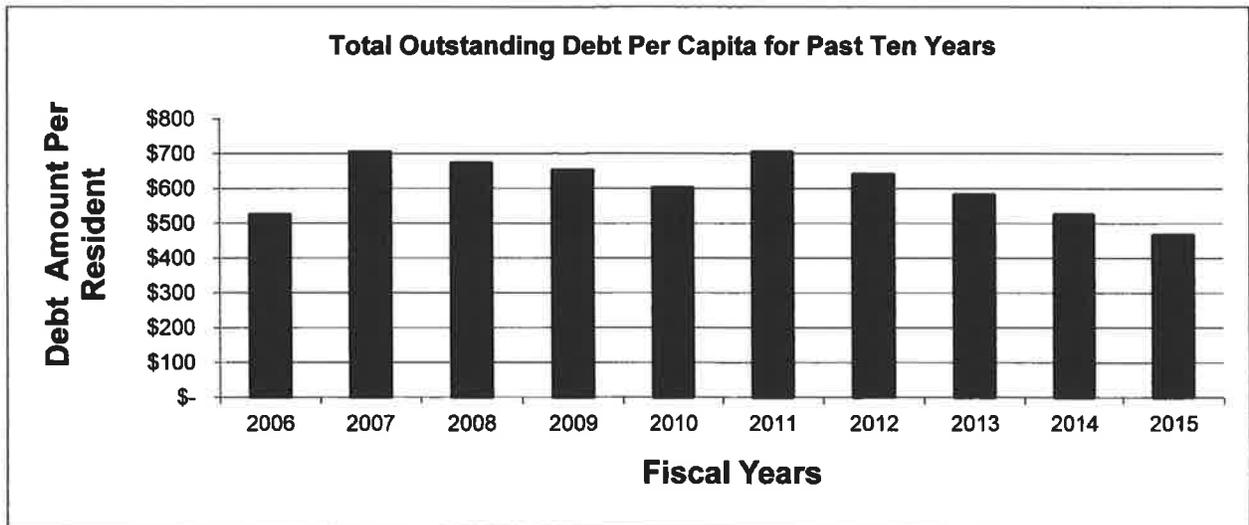
# City of Grandview Fiscal Year 2016 Annual Budget

## Fund Summary

**Fund Group: Debt Service  
Fund:**

### Combining Debt Payment Schedule for All Debt

<b>Due Date</b>	<b>Total Principal</b>	<b>Rates</b>	<b>Total Interest</b>	<b>Total Payment</b>
2016	1,660,000	5.3%	489,255	2,149,255
2017	1,010,000	5.3%	449,598	1,459,598
2018	1,060,000	5.3%	413,610	1,473,610
2019	780,000	5.0%	379,104	1,159,104
2020	835,000	5.0%	345,648	1,180,648
2021	895,000	5.0%	308,491	1,203,491
2022	945,000	5.0%	269,598	1,214,598
2023	1,005,000	5.0%	226,779	1,231,779
2024	1,060,000	5.0%	180,285	1,240,285
2025	1,090,000	5.0%	130,296	1,220,296
2026	1,595,000	5.0%	66,023	1,661,023
2027	660,000	5.0%	13,860	673,860
	<b>12,595,000</b>		<b>3,272,545</b>	<b>15,867,545</b>



# City of Grandview Fiscal Year 2016 Annual Budget

## Fund Summary

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<b>Fund Group:</b>	Debt Service
<b>Fund:</b>	General Obligation Bond Debt Serv.

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### Fund Description

The Debt Service Fund accounts for money received from a 32 cent property tax levy used to pay down the general obligation indebtedness incurred from past capital projects. Bonds were issued, with voter approval, in 1992 for payment of costs associated with various street and road improvements, the construction of and renovation of public safety facilities, the purchase of public safety equipment, and for partial refunding of 1985 series bonds. Bonds were also issued in 1995, with voter approval, for payment of costs associated with improvements of various sidewalks, streets and roads. In 1998 approximately \$3.2 million of refinancing bonds were issued at a lower interest rate than the previous 1992 series bonds. Approximately another \$2.3 million in refinancing bonds were issued again in 2001 at various rates between 3% and 4% to repay the 1995 series. \$3.3M of General Obligation Bonds were issued in 2009 in conjunction with \$7.5M of park improvements approved by voters in 2007. When these bonds were issued in 2009, the remaining 1998 bonds were redeemed and paid in full to save interest costs. The remaining park improvement bonds were issued in 2010 in conjunction with construction of the Parks / Public Works Maintenance Facility.

### Summary of Outstanding Debt

General obligation bonds outstanding on September 30, 2015 are comprised of the following issues:

\$ 3,900,000 original issue of General Obligation Bonds, Series 2010,  
due in annual installments through 2018; interest at 1.00% to 2.25%

**Outstanding Principal:**      \$    1,670,000

### Legal Debt Margin

The Missouri State Constitution permits a city, by a vote of either two-thirds or four-sevenths of the voting electorate, depending upon the data of the election, to incur general obligations indebtedness for "city purposes" not to exceed, in the aggregate, an additional 10% of the assessed value of taxable tangible property, for the purpose of acquiring right-of-way, construction, extending and improving streets and avenues, and/or storm sewer systems, and purchasing or constructing waterworks, electric or other plants, provide the total general obligation indebtedness does not exceed 20% of the assessed valuation of taxable property.

As of September 30, 2015, the constitutional general obligation debt limit (based on the final assessed value in August 2015 of \$264,041,833) is \$52,808,367 which after a reduction for outstanding general obligation debt of \$1,710,726 (principal and interest) plus \$1,108,469 available in the Debt Service Fund, provides a general obligation debt margin of \$52,206,110

# City of Grandview Fiscal Year 2016 Annual Budget

## Summary of Fund Revenues and Expenditures

	<b>Fund Group: Debt Service</b>			
	<b>Fund: General Obligation Bond Debt Serv.</b>			
	2012-13 Actual	2013-14 Actual	2014-15 Estimate	2015-16 Budget
<b><u>FUNDS AVAILABLE OCT 1</u></b>	1,141,437	1,138,638	1,127,698	1,108,469
<b><u>REVENUE</u></b>				
Property Taxes				
General Obligation Bonds	1,059,298	1,034,458	1,028,284	1,043,000
Total Property Taxes	1,059,298	1,034,458	1,028,284	1,043,000
Miscellaneous Revenue				
Tax Collection Fee	-	-	-	-
Interest Earnings	2,053	9,426	8,803	9,000
	2,053	9,426	8,803	9,000
<b>Total Revenue</b>	1,061,351	1,043,884	1,037,087	1,052,000
<b><u>EXPENDITURES</u></b>				
Purchased Services				
Debt Service Fees	2,092	1,265	2,500	2,500
Bond Insurance Cost	-	-	-	-
Jackson County Collection Fee	16,859	16,358	16,339	16,700
Total Purchased Services	18,951	17,623	18,839	19,200
Debt Service				
Principal	960,000	970,000	990,000	1,020,000
Interest	85,200	67,200	47,476	26,200
Total Debt Service	1,045,200	1,037,200	1,037,476	1,046,200
<b>Total Expenditures</b>	1,064,150	1,054,823	1,056,315	1,065,400
<b><u>SURPLUS/(SHORTFALL)</u></b>	(2,799)	(10,939)	(19,228)	(13,400)
<b><u>FUNDS AVAILABLE SEPT. 30</u></b>	1,138,638	1,127,698	1,108,469	1,095,069

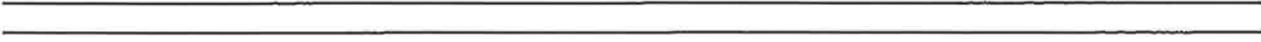
## City of Grandview Fiscal Year 2016 Annual Budget

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**Fund Group:** Debt Service  
**Fund:** General Obligation Bond Debt Serv.

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<b>Due Date</b>	<b>Principal</b>	<b>Rate</b>	<b>Interest</b>	<b>Total Payment</b>	<b>Fiscal Total</b>
3/1/2016	1,020,000.00	2.250%	18,788	1,038,788.00	
9/1/2016			7,313	7,313.00	1,046,101.00
3/1/2017	325,000.00	2.250%	7,313	332,313.00	
9/1/2017			3,656	3,656.00	335,969.00
3/1/2018	325,000.00	2.250%	3,656	328,656.00	
9/1/2018				-	328,656.00
	<u>1,670,000.00</u>		<u>40,726.00</u>	<u>1,710,726.00</u>	<u>1,710,726.00</u>



# City of Grandview Fiscal Year 2016 Annual Budget

## Fund Summary

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**Fund Group:** Debt Service

**Fund:** Certificate of Participation Debt Serv.

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### Fund Description

This fund accounts for the debt service on three separate certificates of participation (COP) that were issued in FY 03 for purchase of a new radio system, energy improvements, and construction of a community center respectively. The COP issues totaled \$11,690,000.

The Certificates of Participation are a lease/purchase arrangement, and thus do not require voter approval. Funds for the debt service come from the various special sales taxes and are allocated as a transfer in their respective funds to this fund.

### Summary of Outstanding COP Debt

Certificates of Participation outstanding on September 30, 2005 are comprised of the following issues:

\$ 11,690,000 original issue of Certificates of Participation, Series 2003 for community center, due in annual installments through 2027; interest at 3.00% to 5.25%

**Outstanding Principal:**      \$ 6,840,000

**Total Outstanding Principal:**      \$ 6,840,000

# City of Grandview Fiscal Year 2016 Annual Budget

## Summary of Fund Revenues and Expenditures

	<b>Fund Group: Debt Service</b>			
	<b>Fund: Certificate of Participation Debt Serv.</b>			
	2012-13 Actual	2013-14 Actual	2014-15 Estimate	2015-16 Budget
<b><u>FUNDS AVAILABLE OCT 1</u></b>	182,675	165,673	160,383	171,323
<b><u>REVENUE</u></b>				
COP Bond Proceeds	-	-	-	-
Miscellaneous Revenue	-	-	-	-
Interest Earnings	-	-	-	-
Transfers In from Other Funds				
From COP Proceeds	-	-	-	-
From General Fund	-	-	-	-
From Capital Improvement Sales Tax Fund	-	-	-	-
From Community Center Sales Tax Fund	680,000	650,000	670,000	670,000
Total Transfers In From Other Funds	680,000	650,000	670,000	670,000
<b>Total Revenue</b>	680,000	650,000	670,000	670,000
<b><u>EXPENDITURES</u></b>				
Debt Service				
Transfer to Refunding Escrow	-	-	-	-
Bond Issuance Costs	-	-	-	-
Paying Agent Fees	2,766	2,756	3,000	3,000
Principal - Energy Improvements	-	-	-	-
Interest - Energy Improvements	-	-	-	-
Principal - Community Center	405,000	375,000	390,000	415,000
Interest - Community Center	289,235	277,534	266,060	254,000
Total Debt Service	697,001	655,290	659,060	672,000
<b>Total Expenditures</b>	697,001	655,290	659,060	672,000
<b><u>SURPLUS/(SHORTFALL)</u></b>	(17,002)	(5,290)	10,940	(2,000)
<b><u>FUNDS AVAILABLE SEPT. 30</u></b>	165,673	160,383	171,323	169,323

# City of Grandview Fiscal Year 2016 Annual Budget

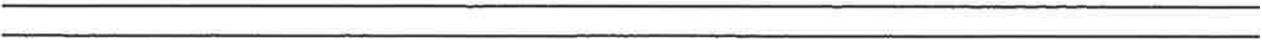
## Fund Summary

**Fund Group:** Debt Service

**Fund:** Certificate of Participation Debt Serv.

Certificates of Participation  
Series 2003 - Community Center

<u>Due Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Total Payment</u>	<u>Fiscal Total</u>
2/1/2016	415,000.00	3.000%	130,105.00	545,105.00	
8/1/2016			123,880.00	123,880.00	668,985.00
2/1/2017	445,000.00	3.000%	123,880.00	568,880.00	
8/1/2017			117,205.00	117,205.00	686,085.00
2/1/2018	475,000.00	4.000%	117,205.00	592,205.00	
8/1/2018			107,705.00	107,705.00	699,910.00
2/1/2019	500,000.00	3.000%	107,705.00	607,705.00	
8/1/2019			100,205.00	100,205.00	707,910.00
2/1/2020	530,000.00	4.000%	100,205.00	630,205.00	
8/1/2020			89,605.00	89,605.00	719,810.00
2/1/2021	565,000.00	3.500%	89,605.00	654,605.00	
8/1/2021			79,717.50	79,717.50	734,322.50
2/1/2022	595,000.00	3.750%	79,717.50	674,717.50	
8/1/2022			68,561.25	68,561.25	743,278.75
2/1/2023	625,000.00	4.000%	68,561.25	693,561.25	
8/1/2023			56,061.25	56,061.25	749,622.50
2/1/2024	650,000.00	4.000%	56,061.25	706,061.25	
8/1/2024			43,061.25	43,061.25	749,122.50
2/1/2025	650,000.00	4.100%	43,061.25	693,061.25	
8/1/2025			28,916.25	28,916.25	721,977.50
2/1/2026	730,000.00	4.125%	28,916.25	758,916.25	
8/1/2026			13,860.00	13,860.00	772,776.25
2/1/2027	660,000.00	4.200%	13,860.00	673,860.00	673,860.00
	<u>6,840,000.00</u>		<u>1,787,660.00</u>	<u>8,627,660.00</u>	<u>8,627,660.00</u>



# City of Grandview Fiscal Year 2016 Annual Budget

## Fund Summary

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**Fund Group:** Debt Service

**Fund:** Gateway Commons TIF Debt Service

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### Fund Description

This fund accounts for debt service associated with a loan from the Missouri Development Finance Board for infrastructure improvements in the Gateway Commons TIF project. Principal amount of the issue was \$5,665,000, with total debt service of \$10,124,589. This debt can be repaid earlier than the anticipated 23 year amortization, but that is dependent upon revenues raised from businesses within the TIF project area.

### Summary of Outstanding TIF Debt

\$ 5,665,000 original issue of Missouri Development Finance Board Infrastructure Facilities Revenue Bonds, Gateway Commons Project, Series 2003; interest at 3.13% to 5.38%.

**Outstanding Principal:**      \$ 4,085,000

**Total Outstanding Principal:**      \$ 4,085,000

# City of Grandview Fiscal Year 2016 Annual Budget

## Summary of Fund Revenues and Expenditures

	<b>Fund Group: Debt Service</b>			
	<b>Fund:</b>	<b>Gateway Commons</b>	<b>TIF Debt Service</b>	<b>TIF Debt Service</b>
	<u>2012-13 Actual</u>	<u>2013-14 Actual</u>	<u>2014-15 Estimate</u>	<u>2015-16 Budget</u>
<b><u>FUNDS AVAILABLE OCT. 1</u></b>	1,006,995	1,014,801	1,008,054	949,054
<b><u>REVENUE:</u></b>				
Bond Proceeds				
TIF Bond Proceeds	-	-	-	-
Total Bond Proceeds	-	-	-	-
Miscellaneous Revenue				
Interest Earnings	-	-	-	-
Total Miscellaneous Revenues	-	-	-	-
Transfer In from Other Funds				
From Other Funds	418,625	429,657	370,000	320,000
Total Transfers In from Other Funds	418,625	429,657	370,000	320,000
<b>Total Revenue</b>	<b>418,625</b>	<b>429,657</b>	<b>370,000</b>	<b>320,000</b>
<b><u>EXPENDITURES:</u></b>				
<u>Community Development</u>				
Principal	170,000	200,000	205,000	200,000
Interest	238,069	229,644	220,000	184,200
Paying Agent Fees	2,750	6,760	4,000	4,000
Total Purchased Costs	410,819	436,404	429,000	388,200
Transfer to Other Funds				
To TIF Debt Service Fund	-	-	-	-
Total Transfers to Other Funds	-	-	-	-
<b>Total Expenditures</b>	<b>410,819</b>	<b>436,404</b>	<b>429,000</b>	<b>388,200</b>
<b><u>SURPLUS/(SHORTFALL)</u></b>	<b>7,806</b>	<b>(6,747)</b>	<b>(59,000)</b>	<b>(68,200)</b>
<b><u>FUNDS AVAILABLE SEPT. 30</u></b>	<b>1,014,801</b>	<b>1,008,054</b>	<b>949,054</b>	<b>880,854</b>

# City of Grandview Fiscal Year 2016 Annual Budget

## Fund Summary

**Fund Group: Debt Service**

**Fund: Gateway Commons TIF Debt Service**

### Revenue Bonds

#### Series 2003 - Gateway Commons

<u>Due Date</u>	<u>Principal</u>	<u>Rate</u>	<u>Interest</u>	<u>Total Payment</u>	<u>Fiscal Total</u>
3/1/2016	225,000.00	5.000%	107,396.88	332,396.88	
9/1/2016			101,771.88	101,771.88	434,168.76
3/1/2017	240,000.00	5.000%	101,771.88	341,771.88	
9/1/2017			95,771.88	95,771.88	437,543.76
3/1/2018	260,000.00	5.000%	95,771.88	355,771.88	
9/1/2018			89,271.88	89,271.88	445,043.76
3/1/2019	280,000.00	5.250%	89,271.88	369,271.88	
9/1/2019			81,921.88	81,921.88	451,193.76
3/1/2020	305,000.00	5.250%	81,921.88	386,921.88	
9/1/2020			73,915.63	73,915.63	460,837.51
3/1/2021	330,000.00	5.250%	73,915.63	403,915.63	
9/1/2021			65,253.13	65,253.13	469,168.76
3/1/2022	350,000.00	5.250%	65,253.13	415,253.13	
9/1/2022			56,065.63	56,065.63	471,318.76
3/1/2023	380,000.00	5.250%	56,065.63	436,065.63	
9/1/2023			46,090.63	46,090.63	482,156.26
3/1/2024	410,000.00	5.375%	46,090.63	456,090.63	
9/1/2024			35,071.88	35,071.88	491,162.51
3/1/2025	440,000.00	5.375%	35,071.88	475,071.88	
9/1/2025			23,246.88	23,246.88	498,318.76
3/1/2026	865,000.00	5.375%	23,246.88	888,246.88	888,246.88
	<u>4,085,000.00</u>		<u>1,444,159.48</u>	<u>5,529,159.48</u>	<u>5,529,159.48</u>

\*\* These bonds will be refinanced in 2015 and it is expected that there will be approximately \$50,000 of savings per year. That savings is reflected on the budget worksheet and is not shown on this debt service schedule.