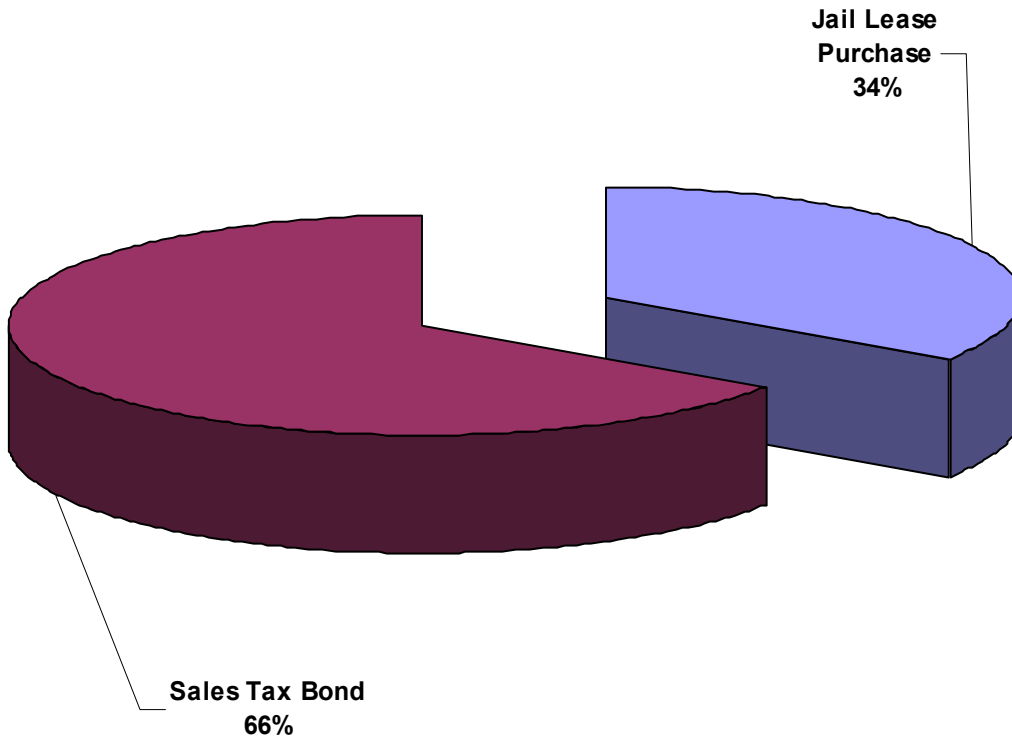


# DEBT SERVICES

## 2004 Expenditures

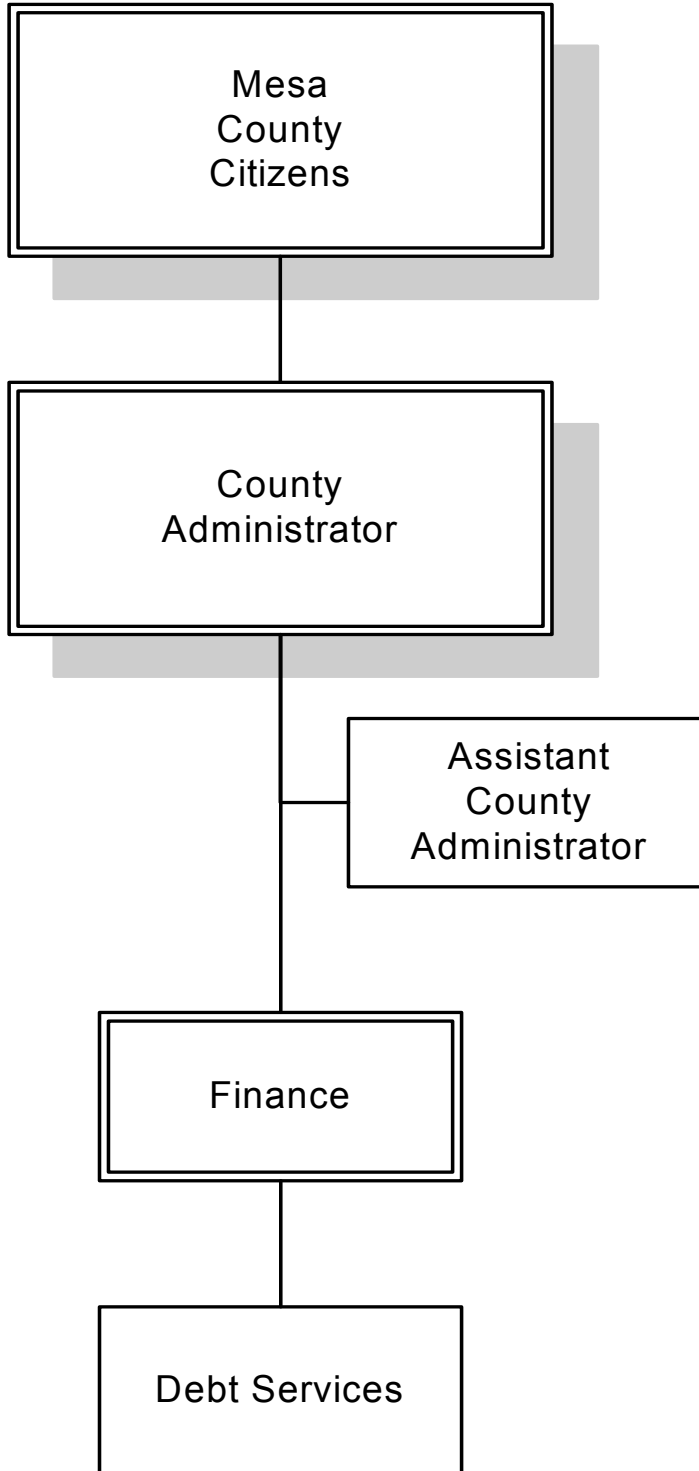


### Functions

- Jail Lease Purchase
- Sales Tax Bond

**COST PER CITIZEN: 12 CENTS PER DAY**

# DEBT SERVICES



# DEBT SERVICES

	Actual Audited			Projected 2003	Budget 2004
	2000	2001	2002		
<b>Revenues</b>					
Department Generated	\$881,460	\$465,418	\$36,586	\$0	\$0
General Support Required *	\$4,513,111	\$4,931,661	\$5,358,229	\$5,397,814	\$5,397,477
<b>Total Revenues</b>	\$5,394,571	\$5,397,079	\$5,394,815	\$5,397,814	\$5,397,477
* Taxes, Transfers or Fund Balance					
<b>Expenditures</b>					
Personnel	\$0	\$0	\$0	\$0	\$0
Operating	\$5,394,571	\$5,397,079	\$5,394,815	\$5,397,814	\$5,397,477
Capital Outlay	\$0	\$0	\$0	\$0	\$0
<b>Total Expenditures</b>	\$5,394,571	\$5,397,079	\$5,394,815	\$5,397,814	\$5,397,477
<b>Authorized Personnel (FTE's)</b>	0.00	0.00	0.00	0.00	0.00

## Debt Service

### Expenditure Summary

	Actual Audited			Projected 2003	Budget 2004
	2000	2001	2002		
Jail Lease Purchase	\$1,857,176	\$1,859,684	\$1,858,870	\$1,860,069	\$1,860,669
Sales Tax Bond	\$3,537,395	\$3,537,395	\$3,535,945	\$3,537,745	\$3,536,808
<b>Total</b>	\$5,394,571	\$5,397,079	\$5,394,815	\$5,397,814	\$5,397,477

## COMPUTATION OF LEGAL DEBT MARGIN

Mesa County has had no general obligation bonded debt in the last ten years. Therefore, the historical table "Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditure is not included.

***Computation of legal debt limit:***

2003 taxable assessed valuation		\$1,009,414,120
Plus exempt property		143,313,110
Total Assessed Value		1,152,727,230
Legal debt limit percentage		1.50%
<b>Legal Debt Limit</b>		<b>\$17,290,908</b>
<b>Total Long-Term Borrowing</b>	<b>\$29,780,000</b>	
Less: Sales tax revenue bonds	21,905,000	
Jail Lease Purchase Certificates	7,875,000	
Net borrowing applicable to the debt limit		0
<b>Legal Debt Margin</b>		<b>\$17,290,908</b>

Source: Colorado Revised Statutes 30-26-301



## DEBT SERVICES OVERVIEW

The program area of Debt Service includes the departments of Jail Lease and Sales Tax Bond.

The Finance Office manages both programs of Debt Service.

### Real Property Lease-Purchase Agreements:

#### *Jail Lease Purchase Certificates*

The Grand Valley Master Lease Corporation was incorporated in July 1990, as a Colorado nonprofit corporation, to facilitate financing of a detention center and sheriff facility. The detention center and facility site is leased from the County to the Corporation under a ground lease agreement dated August 31, 1990. Pursuant to an annually terminable master lease purchase agreement, the Corporation issued \$19,035,000 certificates of participation, dated September 1, 1990. The 1990 certificates were partially advance refunded in December 1995. Debt service for the certificates of participation is accounted for in the Jail Lease Purchase fund. The County has agreed to pay base rentals from annually appropriated funds and certain investment earnings. The county is responsible for maintenance of the jail facility and for insurance during the course of the lease. The lease agreements are in accordance with Colorado law as to being subject to annual appropriations by the County. The County intends to annually appropriate for the lease payments.

#### 1995 Refunding Certificates of Participation

A schedule, by years, of future minimum lease payments under the lease agreement together with the present value of the net minimum lease payments as of December 31, 2003 is as follows:

Year	Base Principal	Base Interest	Total
2004	\$1,465,000	\$388,169	\$1,853,169
2005	\$1,535,000	\$318,581	\$1,853,581
2006	\$1,615,000	\$243,750	\$1,858,750
2007	\$1,700,000	\$163,000	\$1,863,000
2008	\$1,560,000	\$78,000	\$1,638,000
<b>Total</b>	<b>\$7,875,000</b>	<b>\$1,191,500</b>	<b>\$9,066,500</b>

Total minimum lease payments      \$9,066,500

Less amount representing interest      \$ 1,191,500

Principal balance of lease payments      \$ 7,875,000

Interest rates range from 4.375% to 5.00% payable semiannually on April and October 15.

## DEBT SERVICES OVERVIEW (CONT'D)

On November 3, 1998, Mesa County electors approved a 2% County-wide sales and use tax effective January 1, 1982. In April 1982, the County issued \$35,650,000 of Sales Tax Revenue Bonds. The proceeds were used for capital improvements. The 1982 bonds were advanced refunded in 1983. The 1983 refunding were, in turn, advance refunded in 1985. The 1985 refunding bonds were partially refunded in 1988 and replaced with the 1988 Sales Tax Revenue Refunding Bonds and Subordinate Lien Sales Tax Revenue Refunding Bonds. On April 16, 1998, the County issued \$31,545,000 of Taxable Sales Tax Revenue Refunding Bonds, series 1998; with an average coupon rate of 5.3% to advance refund the \$37,940,000 outstanding 1988 Sales Tax Revenue Refunding Bonds with an average coupon rate of 7.7%. The net proceeds of \$31,032,756 (after payment of fees and other issuance costs of \$457,763) together with existing reserves of \$8,513,946 were used to purchase U.S. Government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for debt service payments and redemption of the outstanding 1988 Bonds on December 1, 1998. As a result, the 1988 Sales Tax Bonds are considered to be defeased.

The 1998 bonds are limited obligations of the pledged sales taxes and investment earnings of the reserve funds. Debt service for the bonds is accounted for in the Sales Tax Bonds Fund and meets reserve requirements.

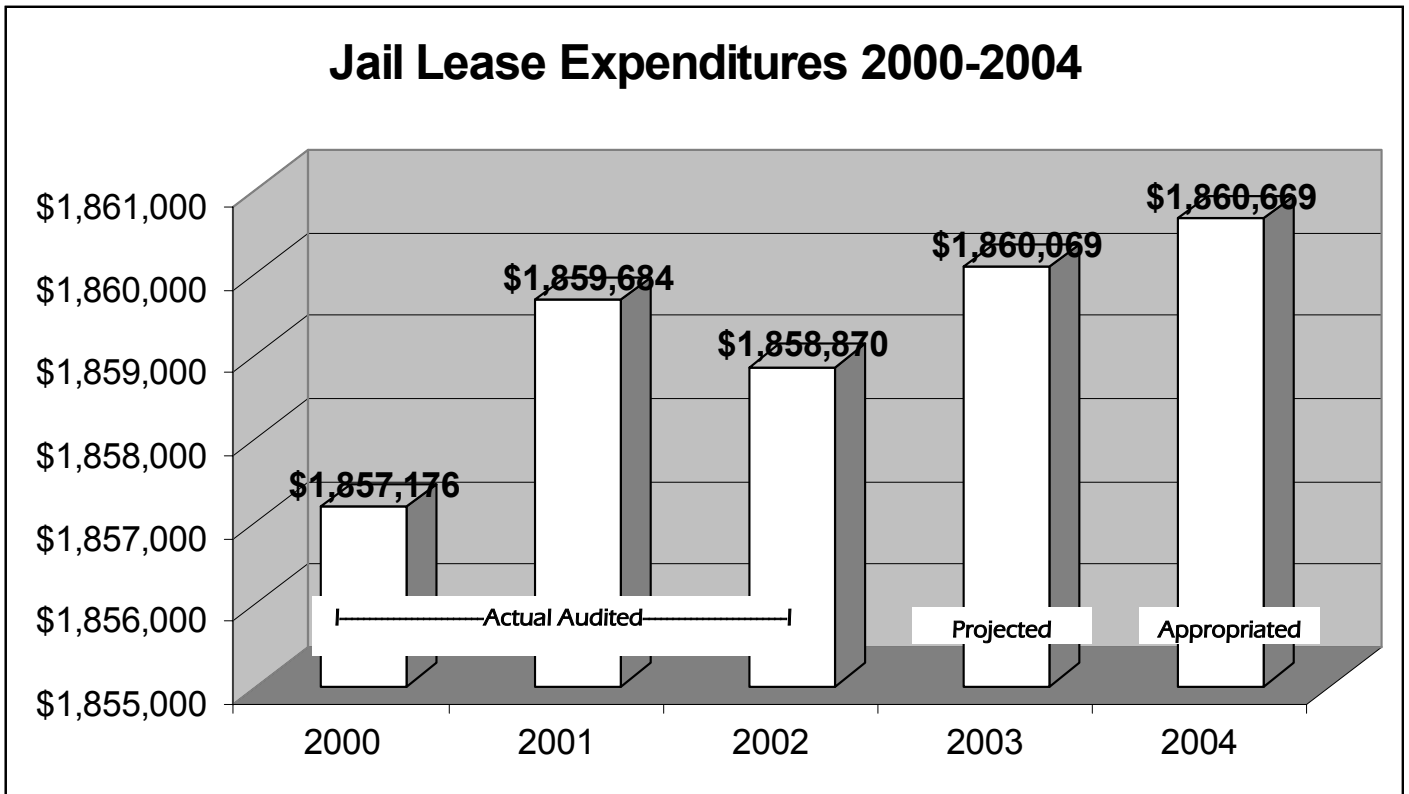
The 1998 Sales Tax Revenue Refunding Bonds are current interest term bonds with interest rates ranging from 6.00% to 6.45%. Interest is payable semiannually on June 1 and December 1 each year. The 1998 bonds maturing on June 1, 2005 and thereafter are subject to redemption on December 1, 2004 at the County's option prior to maturity on any interest payment date, with a varying premium. No premium is required if bonds are redeemed on or after December 1, 2005. A schedule future debt service requirements is as follows:

### Sales Tax Revenue Refunding Bonds

<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2004	\$2,185,000	\$1,351,658	\$3,536,658
2005	\$2,320,000	\$1,215,535	\$3,535,535
2006	\$2,470,000	\$1,068,191	\$3,538,191
2007	\$2,625,000	\$911,150	\$3,536,150
2008	\$2,795,000	\$743,098	\$3,538,098
2009	\$2,970,000	\$563,605	\$3,533,605
2010	\$3,170,000	\$370,325	\$3,540,325
2011	\$3,370,000	\$163,830	\$3,533,830
<b>Total</b>	<b><u>\$21,905,000</u></b>	<b><u>\$6,387,392</u></b>	<b><u>\$28,292,392</u></b>

## JAIL LEASE PURCHASE MANAGING DEPARTMENT: FINANCIAL SERVICES

	Actual Audited			Projected 2003	Budget 2004
	2000	2001	2002		
<b><u>Revenues</u></b>					
Department Generated	\$9,983	\$3,149	\$18		
General Support Required *	\$1,847,193	\$1,856,535	\$1,858,852	\$1,860,069	\$1,860,669
<b>Total Revenues</b>	<b>\$1,857,176</b>	<b>\$1,859,684</b>	<b>\$1,858,870</b>	<b>\$1,860,069</b>	<b>\$1,860,669</b>
<small>* Taxes, Transfers or Fund Balance</small>					
<b><u>Expenditures</u></b>					
Personnel	\$0	\$0	\$0	\$0	\$0
Operating	\$1,857,176	\$1,859,684	\$1,858,870	\$1,860,069	\$1,860,669
Capital Outlay	\$0	\$0	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$1,857,176</b>	<b>\$1,859,684</b>	<b>\$1,858,870</b>	<b>\$1,860,069</b>	<b>\$1,860,669</b>
<b>Authorized Personnel (FTE's)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



## SALES TAX BOND MANAGING DEPARTMENT: FINANCIAL SERVICES

	Actual Audited			Projected 2003	Budget 2004
	2000	2001	2002		
<b>Revenues</b>					
Department Generated	\$871,477	\$462,269	\$36,568		
General Support Required *	\$2,665,918	\$3,075,126	\$3,499,377	\$3,537,745	\$3,536,808
<b>Total Revenues</b>	\$3,537,395	\$3,537,395	\$3,535,945	\$3,537,745	\$3,536,808
* Taxes, Transfers or Fund Balance					
<b>Expenditures</b>					
Personnel	\$0	\$0	\$0	\$0	\$0
Operating	\$3,537,395	\$3,537,395	\$3,535,945	\$3,537,745	\$3,536,808
Capital Outlay	\$0	\$0	\$0	\$0	\$0
<b>Total Expenditures</b>	\$3,537,395	\$3,537,395	\$3,535,945	\$3,537,745	\$3,536,808
<b>Authorized Personnel (FTE's)</b>	0.00	0.00	0.00	0.00	0.00

### Sales Tax Bond Expenditures 2000-2004

