

INTRODUCTION

This section provides a summary of the City of Manteca's debt service requirements for Fiscal Year End 2017-18.

These obligations represent the installment payments of principal and interest for previous capital improvement plan projects, equipment acquisitions, or future projects that have been funded through debt financings.

This section includes:

- ◆ Descriptions of each lease or bond obligation as of July 1, 2017
- ◆ Summary of debt service by source

DESCRIPTION OF CITY DEBT OBLIGATIONS

**2009 Wastewater Revenue Bonds
Matures June 2037**

Purpose: The proceeds from this bond were used to complete the Wastewater Quality Control Facility (WQCF) Phase III expansion.

◆ Funding Source: Sewer Funds	
◆ Original Principal	\$19,000,000
◆ Principal Outstanding as of July 1, 2017	19,000,000
◆ Interest Rate	4.88 – 5.80%

**2010 Municipal Services Group Inc. Equipment Lease
Matured January 2015**

The proceeds from this equipment lease were used to purchase a 2009 Terex Model XT60/70 Hi Ranger 75' aerial truck for use by the parks department.

◆ Funding Source: Major Equipment Fund	
◆ Original Principal	\$171,190
◆ Principal Outstanding as of July 1, 2017	0
◆ Interest Rate	4.48%

**2010 Municipal Services Group Inc. Equipment Lease
Matured December 2015**

The proceeds from this equipment lease were used Enterprise Resource Planning (ERP) software for the City.

◆ Funding Source: Major Equipment Fund	
◆ Original Principal	\$969,360
◆ Principal Outstanding as of July 1, 2017	0
◆ Interest Rate	4.25%

**2012 Water Revenue Bonds
Matures July 2033**

In 2012 the 2003 Water Revenue Bonds series was refinanced. The proceeds from the original bond were used to finance the city's portion of the South County Surface Water project.

◆ Funding Source: Water Funds	
◆ Original Principal	\$35,840,000
◆ Principal Outstanding as of July 1, 2017	31,475,000
◆ Interest Rate	2.00 – 5.00%

**2012 Wastewater Revenue Bonds Series A
Matures July 2033**

In 2012 the 2003 Wastewater Revenue Bonds series 2003 A and B were refinanced. The proceeds from the original bond issue were used to finance the Wastewater Quality Control Facility (WQCF) Phase III expansion.

Funding Source: Sewer Funds

◆ Original Principal	\$22,690,000
◆ Principal Outstanding as of July 1, 2017	18,340,000
◆ Interest Rate	2.00 - 5.00%

**2015 HSE Equipment Lease – Agreement #1
Matures May 2020**

The proceeds from this equipment lease were used to purchase a drum chipper and chipper truck for the Parks Department as well as funding for a Virtual Server upgrade for the Information Technology Department.

◆ Funding Source: Major Equipment Fund; Information Technology Fund	
◆ Original Principal	\$750,000
◆ Principal Outstanding as of July 1, 2017	465,038
◆ Interest Rate	3.39%

**2015 HSE Equipment Lease – Agreement #2
Matures May 2022**

The proceeds from this equipment lease were used to purchase a Hi-Tech/Spartan fire engine and accessories to replace a 1989 engine.

◆ Funding Source: Major Equipment Fund	
◆ Original Principal	\$580,000
◆ Principal Outstanding as of July 1, 2017	440,332
◆ Interest Rate	3.55%

Debt Service Requirements

	Actual 2014-15	Actual 2015-16	Estimate 2016-17	Budget 2017-18
MAJOR EQUIPMENT FUND				
<i>2010 Municipal Services Group Equipment Lease</i>	22,090			
<i>2010 Municipal Services Group Equipment Lease</i>	219,320	219,310		
<i>HSE Leasing - Parks Equipment</i>		32,870	32,870	32,870
<i>HSE Leasing - Fire Engine</i>		59,530	119,060	119,060
<i>Total Debt Service</i>	<u>241,410</u>	<u>311,710</u>	<u>151,930</u>	<u>151,930</u>
GOVERNMENT BUILDING FACILITIES FEE FUND				
<i>2007 Bank of America Equipment Lease</i>	88,995			
GOLF FUND				
<i>1978 Manteca Recreational Facility Bonds</i>	7,740			
SEWER MAINTENANCE AND OPERATION FUND				
<i>2009 Wastewater Revenue Bonds</i>	513,500	513,500	513,500	513,500
<i>2012 Wastewater Revenue Bonds</i>	895,897	917,495	937,985	964,520
<i>Total Debt Service</i>	<u>1,409,397</u>	<u>1,430,995</u>	<u>1,451,485</u>	<u>1,478,020</u>
SEWER FEES FUND				
<i>2009 Wastewater Revenue Bonds</i>	545,262	545,265	542,265	545,265
<i>2012 Wastewater Revenue Bonds</i>	951,330	974,289	996,110	1,024,215
<i>Total Debt Service</i>	<u>1,496,592</u>	<u>1,519,554</u>	<u>1,538,375</u>	<u>1,569,480</u>

Debt Service Requirements

	Actual 2014-15	Actual 2015-16	Estimate 2016-17	Budget 2017-18
WATER MAINTENANCE AND OPERATIONS FUND				
<i>2012 Water Revenue Bonds</i>	1,140,461	1,129,832	1,138,590	1,139,160
WATER FEES FUND				
<i>2012 Water Revenue Bonds</i>	1,627,949	1,612,478	1,624,970	1,625,790
INFORMATION TECHNOLOGY FUND				
<i>HSE Leasing - Servers</i>		131,475	131,475	131,475

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