

DEBT SERVICE

GENERAL FUND DEBT SERVICE



	<u>2006 Actual</u>	<u>2007 Actual</u>	<u>2008 Budget</u>	<u>2008 Estimate</u>	<u>2009 Budget</u>
Debt Service Expenditures					
Contractual Services	<u>\$ 1,544,390</u>	<u>\$ 915,194</u>	<u>\$ 1,004,520</u>	<u>\$ 1,126,524</u>	<u>\$ 1,258,762</u>
Total Debt Service Expenditures	<u>\$ 1,544,390</u>	<u>\$ 915,194</u>	<u>\$ 1,004,520</u>	<u>\$ 1,126,524</u>	<u>\$ 1,258,762</u>

DEBT SERVICE OVERVIEW

The payments of bond obligations are provided by this program account. Presented below is a brief description of each obligation:

1. General Obligation Bonds of 2003

In May 2003, the Township issued \$18,705,000 in general obligation bonds to fund various mandated and essential capital projects, which included the following:

- A. Sanitary Sewer Consent Order projects as agreed upon by the Township with the Allegheny County Health Department
- B. Construction of a new Volunteer Fire Station on Route 19
- C. Construction of Abbeyville Road Extension
- D. Reconstruction of Cook School Road Phase II
- E. Renovation of the current Public Works Building
- F. Improvements to access ways and site preparation in Boyce Mayview Park
- G. Storm sewer construction and rehabilitation (NPDES compliance)
- H. The unrefunded bonds bear coupon rates between 2.125% and 4.35%

2. General Obligation Bonds of 2006

In September 2006, the Township issued \$9,995,000 in general obligation bonds to refund a portion of the 2003 General Obligation Bonds of which \$18,250,000 was outstanding. The bonds bear coupon interest rates between 3.40% and 4.45%.

3. General Obligation Bonds of 2007

In April 2007, the Township issued \$9,995,000 in general obligation bonds to fund various mandated and essential capital projects, which included the following:

- A. Sanitary Sewer Consent Order projects as agreed upon by the Township with the Allegheny County Health Department
- B. Complete construction of the Boyce/Mayview ball fields
- C. Replacement of a tennis bubble
- D. Construct a new retaining wall at the Public Works Building

General Obligation Bonds of 2007 (Continued)

- E. Architects' fees for the construction of a new Community Recreation Center (CRC)
- F. Boyce Mayview Park Site & HOP Development costs
- G. Sidewalk improvements along Rt. 19 and Ft. Couch roads
- H. Improvements to intersection at Rt. 19 and Boyce road
- I. Morton Field parking and field improvements
- J. Construct a pedestrian crossing at Chartwell Drive
- K. The bonds bear coupon rates between 3.50% and 4.25%

4. General Obligation Bonds of 2008

In March 2008, the Township issued \$32,300,000 in general obligation bonds to fund various mandated and essential capital projects, which included the following:

- A. Sanitary Sewer Consent Order projects as agreed upon by the Township with the Allegheny County Health Department
- B. Construction Management, Engineering, and Architect Fees associated with the construction of the Boyce/Mayview Community Recreation Center
- C. Construction costs associated with the construction of the Boyce/Mayview Community Recreation Center
- D. Construction Management, Engineering, and Construction costs for the construction of a Public Works Annex Building at Boyce/Mayview Park
- E. Sidewalk improvements along Ft. Couch Road
- F. Morton Field and Parking Improvements
- G. Construction of the Mayview Road HOP turning lane
- H. Improvements along Morrow Road

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DEBT SERVICE

GENERAL FUND DEBT SERVICE



DEBT AND DEBT LIMITS

The following table shows the debt of the Township as of February 15, 2008 including the bonds:

Electoral Debt	\$	-
Nonelectoral Debt		
Series of 2003	\$	7,785,000
Series of 2005		393,900
Series of 2006		9,990,000
Series of 2007		9,995,000
Series of 2008		32,300,000
Total Nonelectoral Debt		60,463,900
Add: Lease Rental Debt		-
Total Gross Indebtedness		60,463,900
Less: Debt Excluded as self-liquidating or separately stated pursuant to §8242(a) of the Debt Act		(16,455,000)
Net Nonelectoral and Lease Rental Debt	\$	44,008,900

The statutory debt limit of the Township is calculated under the Debt Act as a percentage of the Township's "Borrowing Base." The Borrowing Base is defined as the arithmetic average of "Total Revenues" (as defined by the Debt Act) for the three fiscal years ended next preceding the date of incurring debt. The Township calculates its present Borrowing Base and Borrowing Capacity as follows:

Total Revenues for 2005	\$	19,079,472
Total Revenues for 2006		18,849,055
Total Revenues for 2007		19,303,500
Total Revenues, past 3 years	\$	57,232,027
Arithmetic Average (Borrowing Base)	\$	19,077,342.33

The debt limits of the Township are therefore as follows:

Type of Debt Limit	Legal Limit	Net Debt Outstanding	Remaining Capacity
Nonelectoral Debt Limit (250% of Borrowing Base)	\$ 47,693,355.83	\$ 44,008,900.00	\$ 3,684,455.83
Nonelectoral and Lease Rental Debt Limit (350% of Borrowing Base)	\$ 66,770,698.17	\$ 44,008,900.00	\$ 22,761,798.17

DEBT SERVICE

**GENERAL FUND
DEBT SERVICE**

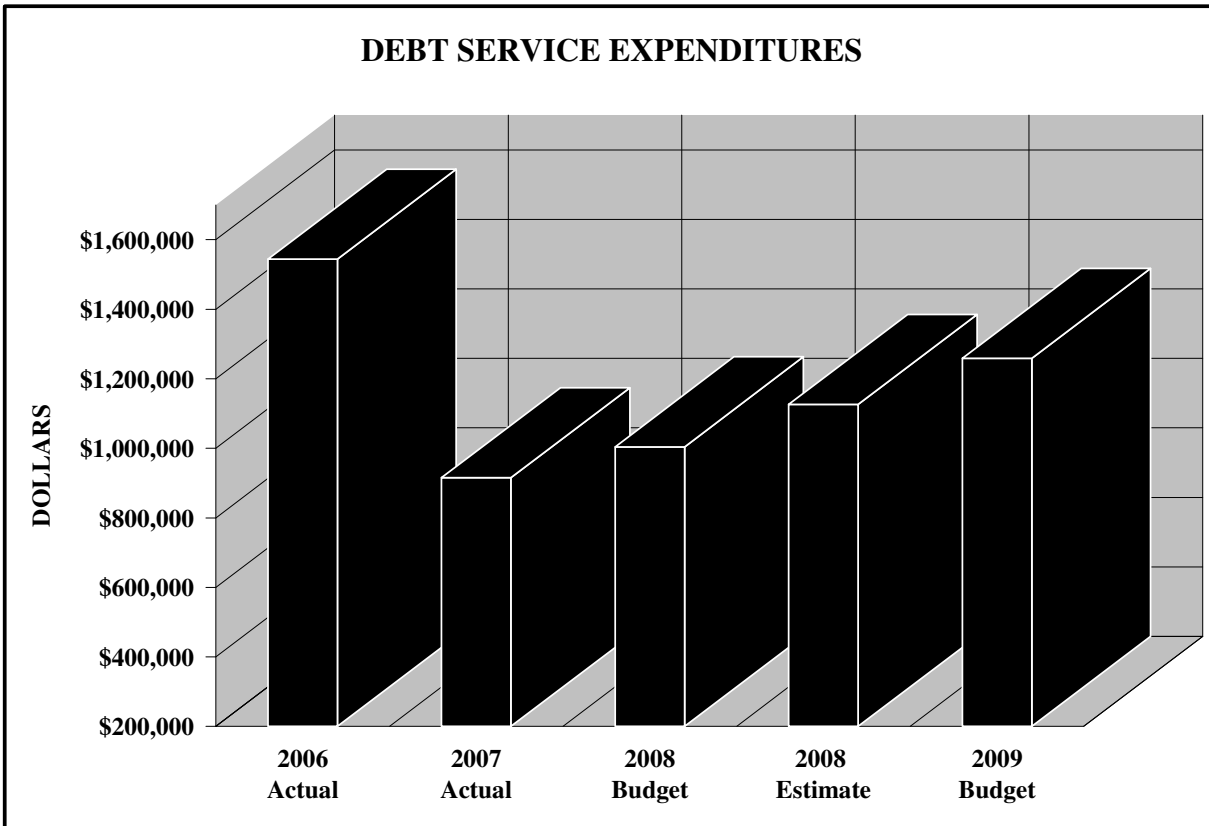


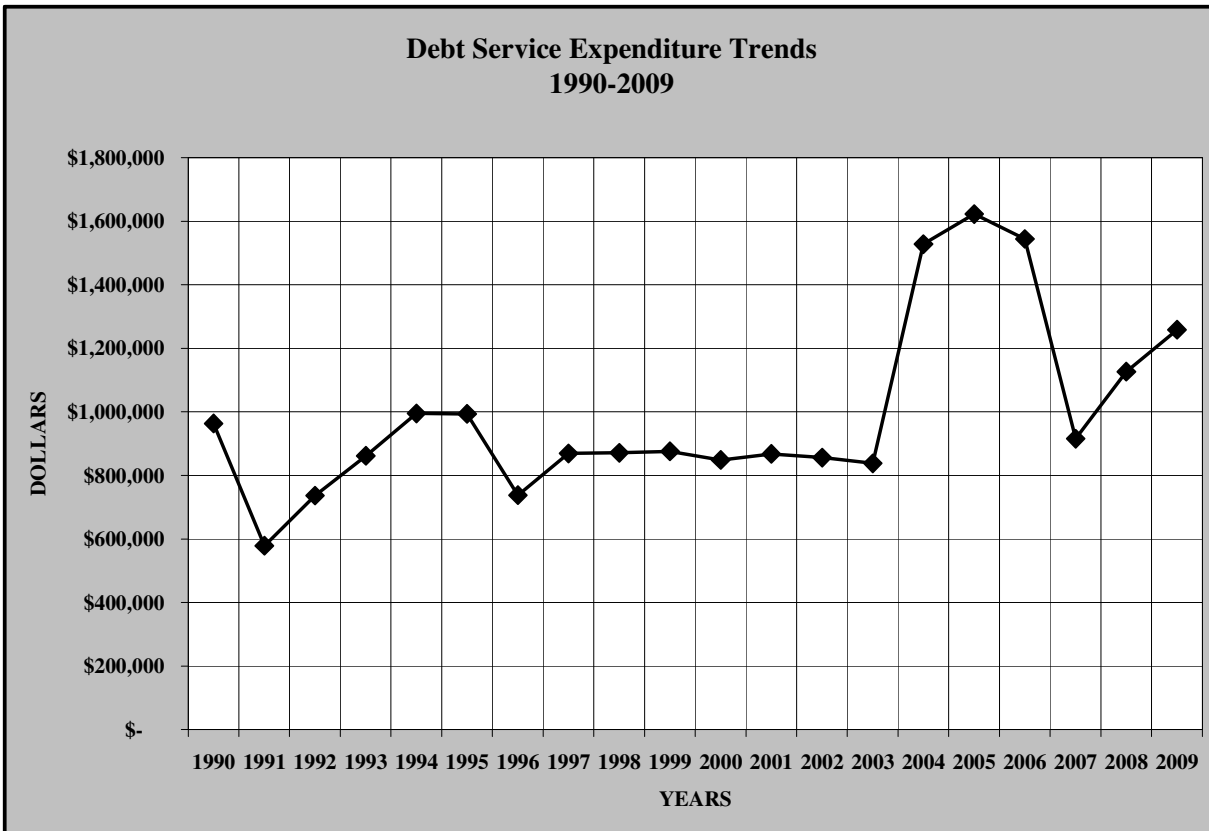
DEPARTMENT EXPENDITURES

Debt Service Expenditures 01-70-701-500??-000	<u>2006 Actual</u>	<u>2007 Actual</u>	<u>2008 Budget</u>	<u>2008 Estimate</u>	<u>2009 Budget</u>
Contractual Services					
501 Principal Payment-Gen Oblig Bonds	\$ 1,120,000	\$ 325,000	\$ 335,000	\$ 335,000	\$ 434,189
511 Interest Payment-Gen Oblig Bonds	386,931	567,919	669,520	791,524	824,573
531 Municipal Authority Lease Payments	37,459	22,275	-	-	-
Total Contractual Services	<u>\$ 1,544,390</u>	<u>\$ 915,194</u>	<u>\$ 1,004,520</u>	<u>\$ 1,126,524</u>	<u>\$ 1,258,762</u>
Total Debt Service Expenditures	<u><u>\$ 1,544,390</u></u>	<u><u>\$ 915,194</u></u>	<u><u>\$ 1,004,520</u></u>	<u><u>\$ 1,126,524</u></u>	<u><u>\$ 1,258,762</u></u>

BUDGETARY COMMENT

Funds requested for this program are \$254,242 more than appropriated in 2008 due to a full year of repayment of the 2008 General Obligation Bonds.





**2009 LONG TERM DEBT SCHEDULE
AS OF DECEMBER 31, 2009**

Bond Series	Unpaid Principal Balance 12.31.08	2009 Principal Retirement	Unpaid Principal Balance 12.31.09
2003 General Obligation Bonds	\$ 7,300,000	\$ 495,000	\$ 6,805,000
2006 General Obligation Bonds	9,985,000	5,000	9,980,000
2007 General Obligation Bonds	9,985,000	15,000	9,970,000
2008 General Obligation Bonds	32,300,000	570,000	31,730,000
Total Long Term Debt	\$ 59,570,000	\$ 1,085,000	\$ 58,485,000

SUPPLEMENTARY INFORMATION

General Fund Revenue Breakdown

How much tax revenue does it take to pay for Debt Service?

<i>Net Expenditures*</i>		\$1,258,762
How many real estate tax mills?	0.30	\$484,936
Earned Income Tax per \$100?	\$8.70	\$640,869
Percentage of Other Taxes?	0.92%	\$132,956

**Net Expenditures are the total expenditures for the department less direct applicable funding streams such as department specific fees, grants, and portions of the State pension grant.*

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