

Debt Service Overview

Irving issues long-term debt to finance major capital purchases, most often to improve or expand city facilities and infrastructure. The city's financial policies regarding the use of debt are located in the Budget Overview section on page 43. The city issues several different types of debt. Each type is issued for a specific purpose and is funded by one or more specific revenue streams over the term of the debt obligations.

General Debt is backed by the "full faith and credit" of the City of Irving, meaning any revenue source can be used to pay the debt. In practice, principal and interest payments are funded by a tax assessment on the valuation of each commercial, residential, and business personal property account within the city.

The city's general obligation debt is rated AAA/Aaa, the highest possible credit rating, by both Standard and Poor's and by Moody's Investor Services, two nationally recognized bond rating agencies.

Article XI, Section 5 of the State of Texas Constitution states in part: "No tax for any purpose shall ever be lawful for any one year, which shall exceed two and one-half percent of the taxable property of the city." As a home rule city, the City of Irving is not limited by Texas state law as to the amount of debt it may issue. The city charter limits the property tax rate to \$1.50 per \$100 valuation. The current tax rate is \$0.5941 per \$100 valuation, which is the same as the prior year's rate. While the charter tax rate limitation provides virtually no limit to debt issuance, the city works with its financial advisors to update a debt capacity model at least twice each year to determine a sustainable level of municipal debt issuance based on projections of tax values, economic cycles, and other municipal revenues.

Water and Sewer Revenue Debt is issued to finance capital improvements and expansion of the city's water and sewer utility. This debt is financed only from the revenues generated from water and sewer system customers and is not backed by the "full faith and credit" of the city. As a result, the bond ratings for water and sewer revenue debt are lower at AA/Aa2, which translate into a slightly higher interest cost for this debt.

Municipal Drainage Utility (MDU) Debt is similar to Water and Sewer revenue debt. It is issued to fund the maintenance of the city's storm water drainage system and is funded by a monthly drainage fee on each parcel of land in the city. MDU debt is rated AA+ by Standard and Poor's.

Solid Waste System (SWS) Revenue Debt was issued in 2012 to finance the city's acquisition of land for redevelopment in the Heritage Crossing District. This issue of private placement special revenue debt is considered part of general debt service, but has revenue from the Solid Waste Services system specifically pledged as a repayment funding source. The debt payments must be paid from general operations and maintenance funds, so this debt is tracked separately from other general debt issues.

Hotel Occupancy Tax (HOT) Debt was issued to finance the land purchase, design and construction of the Irving Convention Center. The primary revenue source to service this debt is 7 percent of the city's 9 percent Hotel Occupancy Tax, but general tax revenues are also pledged to finance the debt service in the event that HOT revenues are insufficient to meet debt obligations in a given year. As a result of this pledge of General Fund revenues, this debt also carries the highest rating of AAA/Aaa by rating agencies.

Entertainment Venue Debt was issued in 2014 to refund the debt issued for the original entertainment venue project in 2011 and provide funds for the design and construction of the Irving Music Factory entertainment venue next to the Convention Center. This debt is funded by a 2 percent allocation of the city's 9 percent HOT revenue specifically dedicated to the development of an entertainment venue. The entertainment venue debt is rated as BBB+.

Debt Service Overview

Public Improvement District (PID) Debt was issued in 2013 and 2014 to finance the construction of public infrastructure for three residential developments in Irving. Tax and Revenue Certificates of Obligation were issued with AAA/Aaa ratings backed by the “full faith and credit” of the city. However, the debt for the two districts is self-supporting, with debt service to be paid by incremental growth in property values of a Tax Increment Financing (TIF) district. Growth in property values within the public improvement districts is not projected to generate sufficient revenues to pay the debt service in a given year. A special assessment on all property within the respective PID/TIF districts will be levied to fully fund debt service and administrative requirements each year. Property assessments will not be levied on any property not within the boundaries of the respective public improvement districts.

The total debt obligations chart below summarizes the amount of principal outstanding for each debt type at the beginning of FY 2016-17. The chart also projects the amount of proposed new debt issues over the next five years as well as the amount of debt that will be paid off during that time. It is projected that the city’s total debt obligations will increase by approximately \$42.3 million in the next five years, including the proposed new debt issues for the FY 2016-17 budget and proposed bond sales over the four following budget years.

City of Irving Debt Outstanding as of September 30, 2016

| Debt Type | Funding Source | Net Debt Outstanding 9/30/2016 | Five Year CIP Projection of New Debt 2017-21 | Principal Retired 2017-21 | Estimated Principal Outstanding 2021 |
|-------------------------------------|--|--------------------------------|--|---------------------------|--------------------------------------|
| General Debt | Property Taxes (Full Faith and Credit) | \$214,235,000 | \$139,000,000 | (\$90,180,000) | \$263,055,000 |
| Water & Sewer System Debt | Water & Sewer System Revenue | 171,025,000 | 94,530,000 | (77,580,936) | \$187,974,064 |
| MDU Debt | Drainage Utility Fee | 3,975,000 | - | (1,030,000) | 2,945,000 |
| Convention Center Debt | 2% HOT Revenue 5% HOT Revenue General I & S Fund | 129,135,000 | - | (8,500,000) | \$120,635,000 |
| Entertainment Venue Debt | 2% Brimer HOT Revenue | 62,210,000 | - | (2,280,000) | \$59,930,000 |
| Sanitation Debt (Heritage Crossing) | General Fund O & M Revenues | 27,490,000 | - | (6,550,000) | \$20,940,000 |
| PID #1 Debt | TIF Increment and | 8,710,000 | - | (1,280,000) | \$7,430,000 |
| PID #2 Debt | PID Property | 3,170,000 | - | (810,000) | 2,360,000 |
| PID #3 Debt | Assessments | 20,725,000 | - | (2,985,000) | 17,740,000 |
| Totals: | | \$640,675,000 | \$233,530,000 | (\$191,195,936) | \$683,009,064 |

General Debt Service Summary

General debt can be in the form of general obligation (GO) bonds, certificates of obligation, or tax notes. GO bonds must be approved by vote of the residents prior to issuance. In the most recent election (November 2006), residents voted to authorize \$335 million in GO bonds. This bond election was divided into 11 separate propositions, and was recommended by a residents’ bond taskforce that met throughout the spring and summer of 2006 to assess the infrastructure needs of Irving for the next 10 years.

The General Interest and Sinking Fund is maintained to pay the debt service on general obligation bonds and certificates of obligation. A portion of the ad valorem tax rate is designated to pay debt service and is deposited into this fund for that purpose. An amount equal to the current year debt service is assessed each year.

The City of Irving currently has \$214,235,000 of general obligation bonds outstanding and has authorization to issue additional bonds in the amount of \$263,760,000 for various purposes. This total includes authorization from the \$335 million approved in the 2006 bond election as well as residual amounts remaining to be issued from the 1999 bond

election. The authorized unissued amount includes the \$29 million issuance planned for FY 2016-17, with the remaining \$234,760,000 available to issue in future years. Additional information about individual projects planned for FY 2016-17 can be found in the CIP section of the budget, beginning on page 352.

Authorized General Obligation Bonds

| Purpose | Date Authorized | Amount Authorized | Amount | | Unsold Balance |
|------------------------|-----------------|-----------------------|-----------------------|--------------------------|-----------------------|
| | | | Previously Issued | Amount Being issued 2017 | |
| Streets | 2/6/1999 | \$ 133,880,000 | \$ 113,420,000 | \$ 8,900,000 | \$ 11,560,000 |
| Drainage Improvements | 2/6/1999 | 25,000,000 | 25,000,000 | - | - |
| Parks | 2/6/1999 | 36,800,000 | 31,875,000 | 435,000 | 4,490,000 |
| City Buildings | 2/6/1999 | 8,500,000 | 6,360,000 | - | 2,140,000 |
| Landfill | 2/6/1999 | 9,055,000 | 1,900,000 | 6,665,000 | 490,000 |
| Fire Services | 2/6/1999 | 18,105,000 | 15,420,000 | - | 2,685,000 |
| Police Services | 2/6/1999 | 8,650,000 | 8,650,000 | - | - |
| Youth Dev/Comm Ctr | 2/6/1999 | 2,495,000 | 1,995,000 | - | 500,000 |
| Streets | 11/7/2006 | 117,825,000 | 18,615,000 | - | 99,210,000 |
| Drainage Improvements | 11/7/2006 | 32,600,000 | 7,880,000 | 13,000,000 | 11,720,000 |
| Parks | 11/7/2006 | 56,475,000 | 17,750,000 | - | 38,725,000 |
| Library | 11/7/2006 | 18,200,000 | 18,200,000 | - | - |
| City Buildings | 11/7/2006 | 15,600,000 | 6,775,000 | - | 8,825,000 |
| Public Safety | 11/7/2006 | 15,305,000 | 4,390,000 | - | 10,915,000 |
| Voice & Data Systems | 11/7/2006 | 25,000,000 | 17,750,000 | - | 7,250,000 |
| Gateway Improvements | 11/7/2006 | 35,000,000 | 8,750,000 | - | 26,250,000 |
| Senior Citizens Center | 11/7/2006 | 10,000,000 | - | - | 10,000,000 |
| | | <u>\$ 568,490,000</u> | <u>\$ 304,730,000</u> | <u>\$ 29,000,000</u> | <u>\$ 234,760,000</u> |

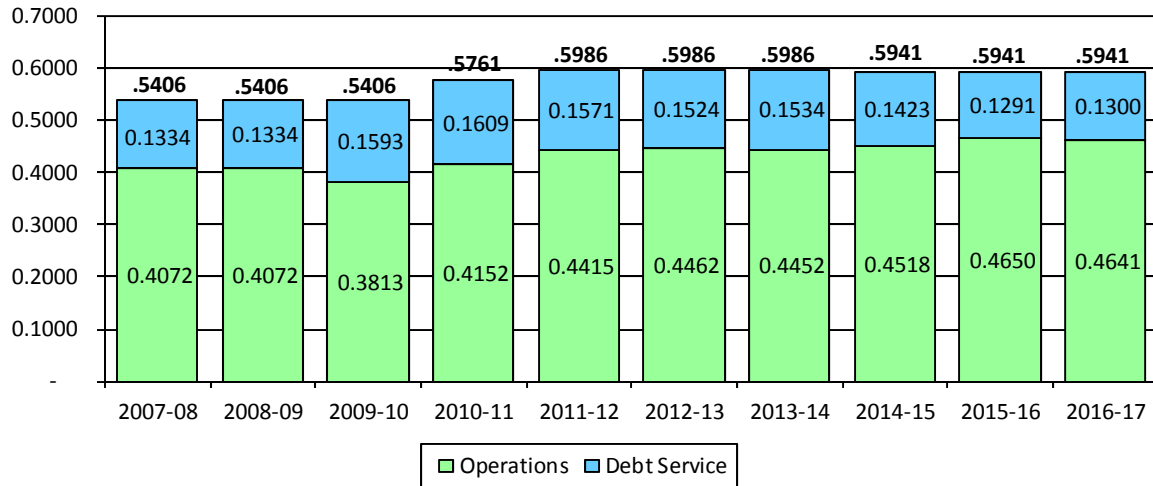
Other general debt instruments can include certificates of obligation and tax notes. Certificates of obligation do not require voter approval and are frequently used to fund capital improvements not anticipated at the time of the latest bond election. There are currently \$2.6 million of certificates of obligation outstanding in general debt service. Additional certificates of obligation have been issued to fund the Irving Convention Center and public infrastructure for the three residential public improvement districts. Those issues are reported in separate debt service funds.

Tax notes are similar to certificates of obligation in that there is no requirement for voter approval and they are generally short-term in nature. The City of Irving currently has no tax notes outstanding.

Distribution of FY 2016-17 Ad Valorem Collections

| | <u>Percent of Total</u> | <u>Rate per \$100</u> | <u>Collections</u> |
|---------------------------|-------------------------|-----------------------|-----------------------|
| General Fund | 78.12% | 0.4641 | \$ 104,803,850 |
| Interest and Sinking Fund | 21.88% | 0.1300 | \$ 29,356,821 |
| Total | 100% | 0.5941 | \$ 134,160,671 |

Distribution of Property Tax Rate FY 2007-08 to 2016-17



The graph above illustrates that the proportion of ad valorem tax allocated to debt service had been declining over the past six years as total tax values increased. A tax rate of \$0.1300 has been set for FY 2016-17 and is projected to remain constant to provide capacity for the general capital program and funding for increased street repair and replacement. Changes in the tax rate approved by the City Council have been made in response to changes in the tax base and funding requirements of the General Fund.

The city’s debt capacity model is a financial tool used to assess the city’s financial ability to incur additional debt. Capital infrastructure expansion and replacement requirements are carefully balanced against current and future revenue and expenditure patterns to determine the optimal level of debt issuance for any given year, as well as determining total debt levels in future years.

The model is updated on a semi-annual basis during budget preparation and also at the time of bond issuance. Certain ratios are tested with the model including the ratio of general debt service expenditures to General Fund expenditures plus debt service. The target for this ratio is to remain below 15 percent. For FY 2016-17, the ratio is 11.93 percent.

Analysis of Benchmark Cities General Bonded Indebtedness for 2016

| City | Population | Total Net Taxable Value | Debt as a % of AV Ratio | Rank | Bonded Debt Per Capita | Rank |
|----------------|----------------|-------------------------|----------------------------|----------|---------------------------|----------|
| Garland | 235,501 | 11,201,026,680 | 5.09% | 11 | \$2,421 | 11 |
| Mesquite | 144,416 | 5,572,114,406 | 3.91% | 10 | \$1,507 | 9 |
| Arlington | 383,204 | 19,548,821,241 | 2.94% | 9 | \$1,500 | 8 |
| Dallas | 1,281,047 | 100,318,936,973 | 1.88% | 8 | \$1,468 | 7 |
| Carrollton | 129,209 | 10,280,594,071 | 1.68% | 7 | \$1,336 | 6 |
| Richardson | 104,300 | 12,321,152,349 | 1.65% | 6 | \$1,948 | 10 |
| Ft. Worth | 812,238 | 45,924,920,748 | 1.62% | 5 | \$915 | 3 |
| Denton | 128,205 | 8,424,062,606 | 1.61% | 4 | \$1,060 | 4 |
| Grand Prairie | 182,610 | 11,095,610,000 | 1.44% | 3 | \$873 | 1 |
| Irving | 232,406 | 21,170,959,615 | 0.99% | 2 | \$904 | 2 |
| Plano | 271,140 | 31,280,010,953 | 0.96% | 1 | \$1,108 | 5 |
| Average | 354,934 | 25,194,382,695 | 2.16% | | \$1,367 | |

Source: 2016 Annual TML Taxation and Debt Survey and city FY 2015-16 adopted budgets

Ten other municipalities in the Dallas/Fort Worth area are used for benchmark comparisons of the city's outstanding general debt when compared to the city's population and total assessed value. Irving ranks second lowest out of the 11 cities when debt is compared to assessed valuation and when debt is compared to population. The debt outstanding reflects direct debt only, and does not include debt financed from other sources with a general revenue pledge.

CITY OF IRVING
General Debt Service Fund

| | <u>2014-15 ACTUAL</u> | <u>2015-16 BUDGET</u> | <u>2015-16 ESTIMATED</u> | <u>2016-17 ADOPTED</u> |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 13,121,783 | \$ 13,509,843 | \$ 14,019,591 | \$ 13,949,128 |
| Revenues | | | | |
| Ad Valorem Taxes | \$ 26,930,964 | \$ 26,862,224 | \$ 26,816,606 | \$ 29,356,821 |
| Penalties and Interest | 106,700 | 100,000 | 81,212 | 100,000 |
| Delinquent Taxes | 29,887 | 66,667 | (13,513) | 50,000 |
| Transfer from Solid Waste Services | 500,000 | 565,795 | 565,795 | 647,842 |
| Interest on Investments | 23,248 | 20,000 | 71,066 | 50,000 |
| Total Revenue | <u>\$ 27,590,799</u> | <u>\$ 27,614,686</u> | <u>\$ 27,521,166</u> | <u>\$ 30,204,663</u> |
| Total Funds Available | \$ 40,712,582 | \$ 41,124,529 | \$ 41,540,756 | \$ 44,153,791 |
| Expenditures: | | | | |
| Principal - Bonds | \$ 14,515,000 | \$ 18,150,000 | \$ 18,150,000 | \$ 20,050,000 |
| Interest - Bonds | 8,701,250 | 8,426,416 | 8,426,416 | 9,237,614 |
| Other - Contract Payment | 1,831,243 | 220,000 | 220,000 | 220,000 |
| Other | 1,638,773 | 812,670 | 789,613 | 690,049 |
| Agent Fees - Bonds | 6,725 | 5,600 | 5,600 | 7,000 |
| Total Expenditures | <u>\$ 26,692,991</u> | <u>\$ 27,614,686</u> | <u>\$ 27,591,629</u> | <u>\$ 30,204,663</u> |
| Available Fund Balance 09-30 | <u>\$ 14,019,591</u> | <u>\$ 13,509,843</u> | <u>\$ 13,949,127</u> | <u>\$ 13,949,128</u> |
| Internal Loan -- to Occ Tax I&S | 5,811,453 | 6,422,567 | 6,601,066 | 7,291,115 |
| Available Fund Balance 09-30 | <u>\$ 8,208,138</u> | <u>\$ 7,087,276</u> | <u>\$ 7,348,061</u> | <u>\$ 6,658,013</u> |

Fund Description:

The General Interest and Sinking Fund is maintained to pay the debt service on general obligation bonds and certificates of obligation. A portion of the ad valorem tax rate is designated to pay debt service and is deposited into this fund for that purpose. An amount equal to the current year debt service is assessed each year.

The fund balances have accumulated over the years from interest earned on the tax revenue prior to payment of debt service and from tax collections exceeding the budgeted 98.25 percent level.

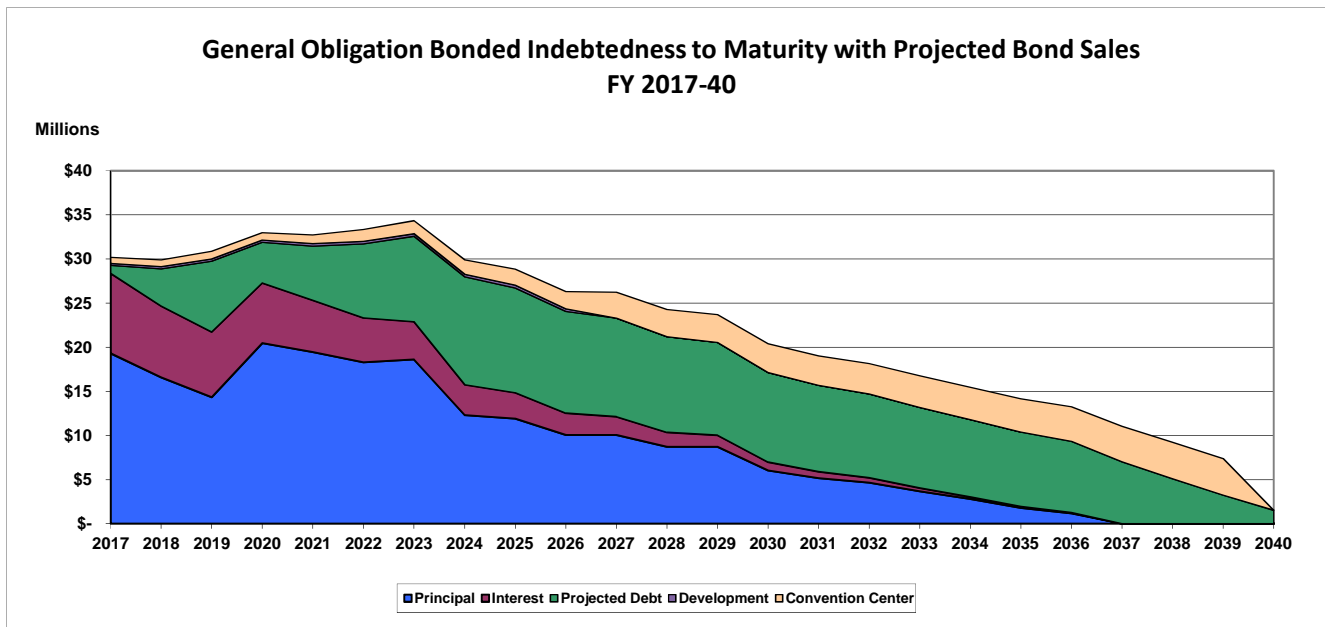
**Schedule of Requirements for FY 2016-17
General Obligation Bonds**

| <u>Series</u> | <u>Name of Bond</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---|--|-----------------------------|----------------------------|-----------------------------|
| 2007 | General Obligation | \$ 1,375,000 | \$ 704,688 | \$ 2,079,688 |
| 2008 | General Obligation | 1,635,000 | 903,746 | 2,538,746 |
| 2008 | Certificates of Obligation | 200,000 | 110,100 | 310,100 |
| 2009 | General Obligation | 1,885,000 | 734,275 | 2,619,275 |
| 2010 | General Obligation Refunding and Improvement | 900,000 | 515,150 | 1,415,150 |
| 2011 | General Obligation Refunding and Improvement | 270,000 | 1,641,654 | 1,911,654 |
| 2012 | General Obligation Refunding and Improvement | 1,010,000 | 440,113 | 1,450,113 |
| 2013 | General Obligation | 895,000 | 516,700 | 1,411,700 |
| 2014 | General Obligation | 1,000,000 | 662,888 | 1,662,888 |
| 2015 | General Obligation | 1,685,000 | 531,100 | 2,216,100 |
| 2016 | General Obligation | 8,445,000 | 2,304,424 | 10,749,424 |
| Total Principal and Interest Outstanding | | <u>19,300,000</u> | <u>9,064,836</u> | <u>28,364,836</u> |
| 2016 | Certificates of Obligation (Proposed) | 750,000 | 172,778 | 922,778 |
| Total Principal and Interest | | <u>\$ 20,050,000</u> | <u>\$ 9,237,614</u> | <u>\$ 29,287,614</u> |
| <u>Other Obligations</u> | | | | |
| | Billingsley Developer Participation | | | \$ 220,000 |
| | Transfer to Convention Center I&S Fund | | | 690,049 |
| Total Debt Service Requirements | | | | <u>\$ 30,197,663</u> |

This schedule represents the FY 2016-17 debt service payments due on each outstanding general obligation bond issue. Developer participation is the estimated payment due from debt service for capital improvements made as part of the original Billingsley development. The Transfer to Convention Center I&S Fund recognizes the use of HOT proceeds provided by the state limitation on Hotel Occupancy Taxes for funding of the arts.

Schedule of General Obligation Bonded Indebtedness to Maturity

| Year | Principal | Interest | Total | Projected Debt FY 2017-20 | Development Obligation | Convention Center | Projected Total |
|---------|-----------------------|----------------------|-----------------------|------------------------------|---------------------------|----------------------|-----------------------|
| 2016-17 | \$ 19,300,000 | \$ 9,064,836 | \$ 28,364,836 | \$ 922,778 | \$ 220,000 | \$ 690,049 | \$ 30,197,663 |
| 2017-18 | 16,605,000 | 8,079,931 | 24,684,931 | 4,198,889 | 240,000 | 790,605 | 29,914,426 |
| 2018-19 | 14,340,000 | 7,397,300 | 21,737,300 | 8,019,533 | 250,000 | 871,135 | 30,877,968 |
| 2019-20 | 20,480,000 | 6,807,594 | 27,287,594 | 4,608,517 | 260,000 | 840,567 | 32,996,678 |
| 2020-21 | 19,455,000 | 5,893,944 | 25,348,944 | 6,121,017 | 270,000 | 990,450 | 32,730,410 |
| 2021-22 | 18,290,000 | 5,042,531 | 23,332,531 | 8,391,850 | 280,000 | 1,330,232 | 33,334,613 |
| 2022-23 | 18,640,000 | 4,256,499 | 22,896,499 | 9,674,225 | 290,000 | 1,480,972 | 34,341,696 |
| 2023-24 | 12,320,000 | 3,449,375 | 15,769,375 | 12,201,000 | 300,000 | 1,639,485 | 29,909,860 |
| 2024-25 | 11,900,000 | 2,953,081 | 14,853,081 | 11,861,375 | 310,000 | 1,809,242 | 28,833,699 |
| 2025-26 | 10,060,000 | 2,468,504 | 12,528,504 | 11,516,750 | 320,000 | 1,933,464 | 26,298,717 |
| 2026-27 | 10,075,000 | 2,062,673 | 12,137,673 | 11,177,325 | - | 2,913,812 | 26,228,809 |
| 2027-28 | 8,720,000 | 1,649,460 | 10,369,460 | 10,837,900 | - | 3,055,299 | 24,262,659 |
| 2028-29 | 8,730,000 | 1,302,825 | 10,032,825 | 10,498,475 | - | 3,151,589 | 23,682,889 |
| 2029-30 | 6,025,000 | 954,394 | 6,979,394 | 10,159,050 | - | 3,249,947 | 20,388,390 |
| 2030-31 | 5,150,000 | 725,906 | 5,875,906 | 9,814,625 | - | 3,346,937 | 19,037,469 |
| 2031-32 | 4,675,000 | 539,469 | 5,214,469 | 9,475,475 | - | 3,451,252 | 18,141,196 |
| 2032-33 | 3,685,000 | 373,175 | 4,058,175 | 9,136,325 | - | 3,561,068 | 16,755,568 |
| 2033-34 | 2,795,000 | 225,200 | 3,020,200 | 8,797,175 | - | 3,664,574 | 15,481,949 |
| 2034-35 | 1,805,000 | 116,500 | 1,921,500 | 8,458,025 | - | 3,780,435 | 14,159,960 |
| 2035-36 | 1,185,000 | 47,400 | 1,232,400 | 8,118,875 | - | 3,894,464 | 13,245,739 |
| 2036-37 | - | - | - | 7,029,725 | - | 4,008,112 | 11,037,837 |
| 2037-38 | - | - | - | 5,100,575 | - | 4,129,605 | 9,230,180 |
| 2038-39 | - | - | - | 3,255,025 | - | 4,121,668 | 7,376,693 |
| 2039-40 | - | - | - | 1,524,475 | - | - | 1,524,475 |
| | <u>\$ 214,235,000</u> | <u>\$ 63,410,597</u> | <u>\$ 277,645,597</u> | <u>\$ 190,898,984</u> | <u>\$ 2,740,000</u> | <u>\$ 58,704,962</u> | <u>\$ 529,989,542</u> |



Projected debt is structured using the strategic placement of principal in years FY 2020 to FY 2023 as recommended in the proposed Long-Term Financial Plan.

CITY OF IRVING
Water and Sewer System Debt Service Fund

| | <u>2014-15 ACTUAL</u> | <u>2015-16 BUDGET</u> | <u>2015-16 ESTIMATED</u> | <u>2016-17 ADOPTED</u> |
|-------------------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 3,160,307 | \$ 3,161,436 | \$ 3,163,418 | \$ 3,186,359 |
| Revenues | | | | |
| Transfer from Water & Sewer | \$ 22,850,864 | \$ 22,425,582 | \$ 22,425,582 | \$ 23,233,240 |
| Interest on Investments | 6,536 | 5,400 | 28,341 | 20,000 |
| Total Revenues | <u>\$ 22,857,400</u> | <u>\$ 22,430,982</u> | <u>\$ 22,453,923</u> | <u>\$ 23,253,240</u> |
| Total Funds Available | \$ 26,017,707 | \$ 25,592,418 | \$ 25,617,341 | \$ 26,439,599 |
| Expenditures | | | | |
| Principal - Bonds | \$ 14,545,000 | \$ 14,320,000 | \$ 14,320,000 | \$ 15,285,000 |
| Interest - Bonds | 7,221,633 | 7,211,678 | 7,211,678 | 7,068,936 |
| Agent Fees - Bonds | 3,425 | 5,400 | 5,400 | 5,400 |
| Other | 190,328 | | | |
| Transfer to Other Funds | - | - | - | - |
| Principal - Lake Chapman | 322,729 | 333,228 | 333,228 | 344,068 |
| Interest - Lake Chapman | 571,175 | 560,676 | 560,676 | 549,836 |
| Total Expenditures | <u>\$ 22,854,289</u> | <u>\$ 22,430,982</u> | <u>\$ 22,430,982</u> | <u>\$ 23,253,240</u> |
| Available Fund Balance 09-30 | <u><u>\$ 3,163,418</u></u> | <u><u>\$ 3,161,436</u></u> | <u><u>\$ 3,186,359</u></u> | <u><u>\$ 3,186,359</u></u> |

Fund Description:

Water and Sewer Revenue Bonds are secured by the revenues of the water and sewer utility system. The City of Irving provides water and sewer services to its residents and businesses and sets rates for these services at a level to provide funds for daily operations of the system, routine capital improvements, and payments of debt service requirements.

The Water and Sewer Debt Service Fund is maintained to pay the debt service on Water and Sewer Revenue Bonds. An amount equal to the annual debt service requirement is transferred to this fund from the Water and Sewer System Fund each year. The bond covenants require monthly deposits to the Debt Service Fund of not less than one-sixth of the next semi-annual interest payment and one-twelfth of the next annual principal payment. The money in this fund can only be used to pay debt service on outstanding Water and Sewer Revenue Bonds.

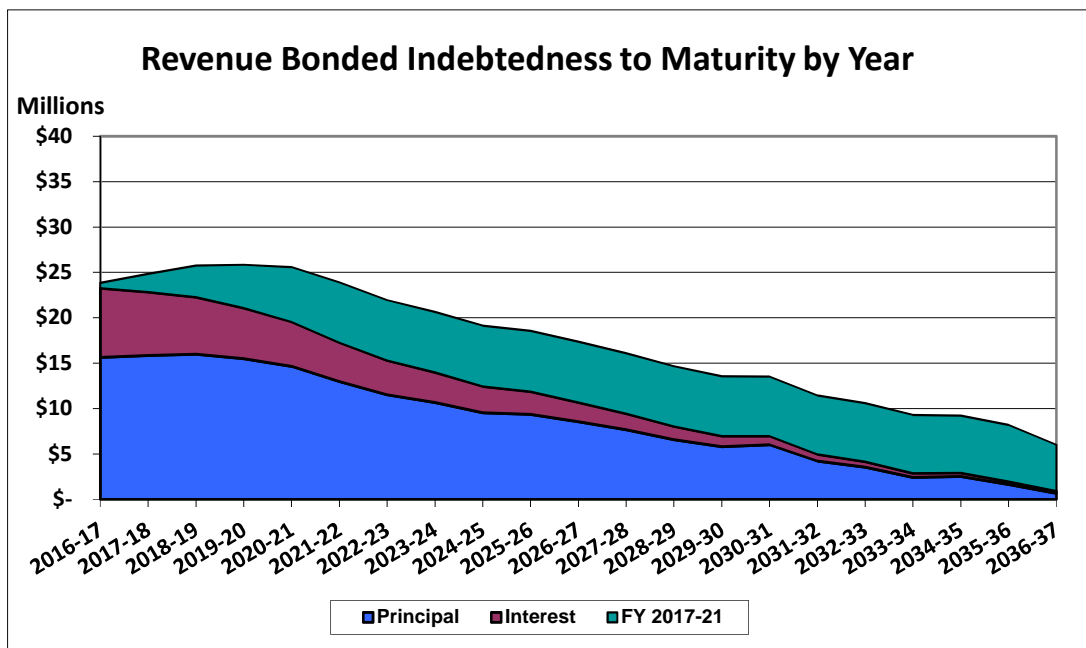
**Schedule of Requirements For FY 2016-17
Water and Sewer System Fund Revenue Bonds**

| <u>Series</u> | <u>Name of Bond</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|--------------------------------|---|----------------------|---------------------|----------------------|
| 2007 | W/SS New Lien Revenue Refunding and Improvement | \$ 780,000 | \$ 503,981 | \$ 1,283,981 |
| 2008 | W/SS New Lien Revenue Bonds | - | 519,336 | 519,336 |
| 2009 | W/SS New Lien Revenue Refunding and Improvement | 2,360,000 | 649,344 | 3,009,344 |
| 2011 | W/SS New Lien Revenue Refunding and Improvement | 5,185,000 | 2,065,725 | 7,250,725 |
| 2012 | W/SS New Lien Revenue Bonds | 3,085,000 | 877,363 | 3,962,363 |
| 2013 | W/SS New Lien Revenue Bonds | 670,000 | 593,644 | 1,263,644 |
| 2015 | W/SS New Lien Revenue Bonds | 470,000 | 563,188 | 1,033,188 |
| 2016 | W/SS New Lien Revenue Bonds | 2,735,000 | 1,296,356 | 4,031,356 |
| Total Revenue Bond Debt | | \$ 15,285,000 | \$ 7,068,936 | \$ 22,353,936 |
| | Corps of Engineer's Payments | \$ 344,068 | \$ 549,836 | \$ 893,904 |
| Total Debt Service | | \$ 15,629,068 | \$ 7,618,773 | \$ 23,247,840 |

This schedule represents the FY 2016-17 debt service payments due on each outstanding water and sewer revenue bond issues. The 2009 New Lien Revenue Refunding and Improvement bonds refunded the last of the bonds sold under the original lien bond covenants. For FY 2010-11 forward, Water and Sewer debt service has been consolidated into one debt service fund.

Schedule of Water and Sewer System Revenue Bonded Indebtedness to Maturity

| Year | Principal | Interest | Total | Projected Debt FY 2017-21 |
|---------|-----------------------|----------------------|-----------------------|------------------------------|
| 2016-17 | \$ 15,629,068 | \$ 7,618,773 | \$ 23,247,840 | \$ 607,749 |
| 2017-18 | 15,840,260 | 6,984,149 | 22,824,409 | 2,006,024 |
| 2018-19 | 15,971,817 | 6,302,286 | 22,274,103 | 3,497,693 |
| 2019-20 | 15,493,749 | 5,585,304 | 21,079,053 | 4,766,762 |
| 2020-21 | 14,646,070 | 4,909,858 | 19,555,928 | 6,025,349 |
| 2021-22 | 12,958,791 | 4,295,381 | 17,254,173 | 6,632,750 |
| 2022-23 | 11,511,927 | 3,776,406 | 15,288,333 | 6,648,750 |
| 2023-24 | 10,660,489 | 3,319,623 | 13,980,113 | 6,668,950 |
| 2024-25 | 9,539,493 | 2,887,651 | 12,427,144 | 6,689,650 |
| 2025-26 | 9,368,953 | 2,480,895 | 11,849,848 | 6,718,850 |
| 2026-27 | 8,543,882 | 2,108,409 | 10,652,291 | 6,704,600 |
| 2027-28 | 7,659,298 | 1,752,894 | 9,412,191 | 6,676,450 |
| 2028-29 | 6,565,215 | 1,442,939 | 8,008,154 | 6,626,400 |
| 2029-30 | 5,786,649 | 1,181,011 | 6,967,660 | 6,586,700 |
| 2030-31 | 5,998,618 | 965,842 | 6,964,460 | 6,546,144 |
| 2031-32 | 4,216,140 | 731,939 | 4,948,079 | 6,504,450 |
| 2032-33 | 3,554,231 | 589,323 | 4,143,554 | 6,450,106 |
| 2033-34 | 2,422,911 | 461,893 | 2,884,804 | 6,398,081 |
| 2034-35 | 2,502,198 | 383,331 | 2,885,529 | 6,337,113 |
| 2035-36 | 1,642,113 | 302,191 | 1,944,304 | 6,262,819 |
| 2036-37 | 652,675 | 241,229 | 893,904 | 5,121,981 |
| | <u>\$ 252,382,442</u> | <u>\$ 72,163,406</u> | <u>\$ 324,545,848</u> | <u>\$ 120,477,370</u> |



CITY OF IRVING
Municipal Drainage Utility Debt Service Fund

| | 2014-15 ACTUAL | 2015-16 BUDGET | 2015-16 ESTIMATED | 2016-17 ADOPTED |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 347,502 | \$ 346,970 | \$ 346,721 | \$ 347,368 |
| Revenues | | | | |
| Transfer from MDU Fund | \$ 347,162 | \$ 353,786 | \$ 353,786 | \$ 348,236 |
| Interest Income | 218 | 225 | 647 | 500 |
| Total Revenues | <u>\$ 347,380</u> | <u>\$ 354,011</u> | <u>\$ 354,433</u> | <u>\$ 348,736</u> |
| Total Funds Available | \$ 694,882 | \$ 700,981 | \$ 701,154 | \$ 696,104 |
| Expenditures | | | | |
| Other | \$ 1,000 | \$ 750 | \$ 750 | \$ 750 |
| Principal - Bonds | 185,000 | 195,000 | 195,000 | 195,000 |
| Interest - Bonds | 162,161 | 158,036 | 158,036 | 153,236 |
| Total Expenditures | <u>\$ 348,161</u> | <u>\$ 353,786</u> | <u>\$ 353,786</u> | <u>\$ 348,986</u> |
| Available Fund Balance 09-30 | <u><u>\$ 346,721</u></u> | <u><u>\$ 347,195</u></u> | <u><u>\$ 347,368</u></u> | <u><u>\$ 347,118</u></u> |

Fund Description:

This fund represents the debt service for Municipal Drainage Utility Revenue Bonds. These bonds were used to help finance major drainage projects within the city's drainage system, reducing the likelihood of flooding during major rain events.

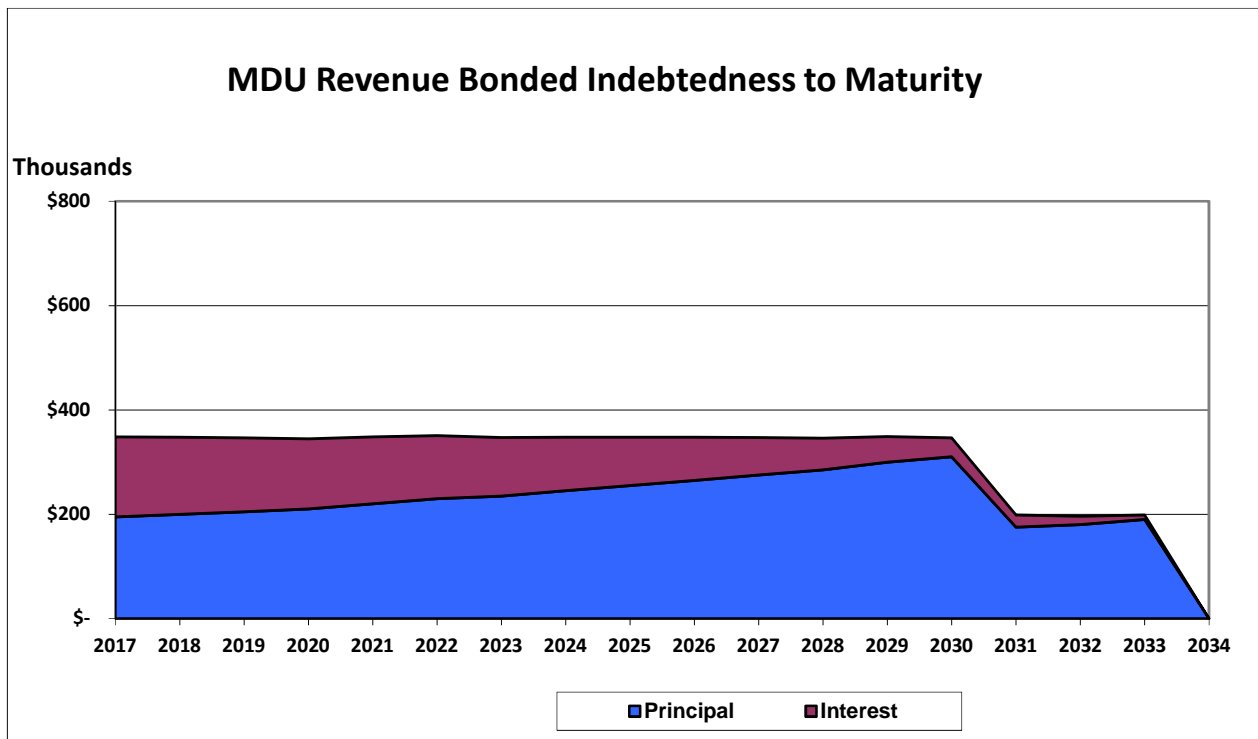
**Schedule of Requirements for FY 2016-17
Municipal Drainage Utility (MDU) Revenue Bonds**

| <u>Series</u> | <u>Name of Bond</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------|---------------------|-------------------|-------------------|-------------------|
| 2010 | MDU Revenue Bonds | \$ 90,000 | \$ 62,074 | \$ 152,074 |
| 2013 | MDU Revenue Bonds | 105,000 | 91,163 | 196,163 |
| | | <u>\$ 195,000</u> | <u>\$ 153,236</u> | <u>\$ 348,236</u> |

This schedule represents the FY 2016-17 debt service payments due on each outstanding Municipal Drainage Utility revenue bond issue. No additional MDU revenue bond issues are planned at this time.

Schedule of MDU Revenue Bonded Indebtedness to Maturity

| Year | Principal | Interest | Total |
|---------|---------------------|---------------------|---------------------|
| 2016-17 | \$ 195,000 | \$ 153,236 | \$ 348,236 |
| 2017-18 | 200,000 | 147,386 | 347,386 |
| 2018-19 | 205,000 | 141,268 | 346,268 |
| 2019-20 | 210,000 | 134,761 | 344,761 |
| 2020-21 | 220,000 | 127,961 | 347,961 |
| 2021-22 | 230,000 | 120,705 | 350,705 |
| 2022-23 | 235,000 | 111,780 | 346,780 |
| 2023-24 | 245,000 | 102,545 | 347,545 |
| 2024-25 | 255,000 | 92,745 | 347,745 |
| 2025-26 | 265,000 | 82,545 | 347,545 |
| 2026-27 | 275,000 | 71,820 | 346,820 |
| 2027-28 | 285,000 | 60,658 | 345,658 |
| 2028-29 | 300,000 | 49,055 | 349,055 |
| 2029-30 | 310,000 | 36,575 | 346,575 |
| 2030-31 | 175,000 | 23,400 | 198,400 |
| 2031-32 | 180,000 | 15,963 | 195,963 |
| 2032-33 | 190,000 | 8,313 | 198,313 |
| | <u>\$ 3,975,000</u> | <u>\$ 1,480,715</u> | <u>\$ 5,455,715</u> |



CITY OF IRVING
Municipal Drainage Utility Reserve Fund

| | <u>2014-15 ACTUAL</u> | <u>2015-16 BUDGET</u> | <u>2015-16 ESTIMATED</u> | <u>2016-17 ADOPTED</u> |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 325,289 | \$ 325,289 | \$ 325,639 | \$ 326,311 |
| Revenues | | | | |
| Interest on Investments | \$ 350 | \$ 163 | \$ 672 | \$ 500 |
| Total Revenues | <u>\$ 350</u> | <u>\$ 163</u> | <u>\$ 672</u> | <u>\$ 500</u> |
| Total Funds Available | \$ 325,639 | \$ 325,452 | \$ 326,311 | \$ 326,811 |
| Expenditures | | | | |
| Transfer to MDU | \$ - | \$ - | \$ - | \$ - |
| Total Expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Available Fund Balance 09-30 | <u><u>\$ 325,639</u></u> | <u><u>\$ 325,452</u></u> | <u><u>\$ 326,311</u></u> | <u><u>\$ 326,811</u></u> |

Fund Description:

Accounts for the required reserve established by bond covenants for debt issued for the Municipal Drainage Utility. The required accumulated fund balance represents the average annual debt service on the outstanding MDU Revenue Bonds.

CITY OF IRVING
Solid Waste Services Debt Service Fund

| | 2014-15 ACTUAL | 2015-16 BUDGET | 2015-16 ESTIMATED | 2016-17 ADOPTED |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 20,405 | \$ 19,905 | \$ 20,405 | \$ 20,405 |
| Revenues | | | | |
| Transfer from Economic Dev. | \$ 1,504,493 | \$ - | \$ - | \$ - |
| Transfer from General Fund | - | 2,480,684 | 2,480,684 | 2,478,783 |
| Total Revenues | \$ 1,504,493 | \$ 2,480,684 | \$ 2,480,684 | \$ 2,478,783 |
| Total Funds Available | \$ 1,524,898 | \$ 2,500,589 | \$ 2,501,089 | \$ 2,499,188 |
| Expenditures | | | | |
| Principal - Bonds | \$ 160,000 | \$ 1,140,000 | \$ 1,140,000 | \$ 1,195,000 |
| Interest - Bonds | 1,344,493 | 1,340,684 | 1,340,684 | 1,283,783 |
| Bond Issuance Costs | - | - | - | - |
| Agent Fees - Bonds | - | 500 | - | - |
| Total Expenditures | \$ 1,504,493 | \$ 2,481,184 | \$ 2,480,684 | \$ 2,478,783 |
| Available Fund Balance 09-30 | \$ 20,405 | \$ 19,405 | \$ 20,405 | \$ 20,405 |

Fund Description:

The Solid Waste Services Debt Service Fund was established in FY 2011-12 to pay the debt obligations of the Solid Waste Services Fund, including the refinancing of Heritage Crossing project debt, which is secured by a pledge of sanitation revenues to the General Fund.

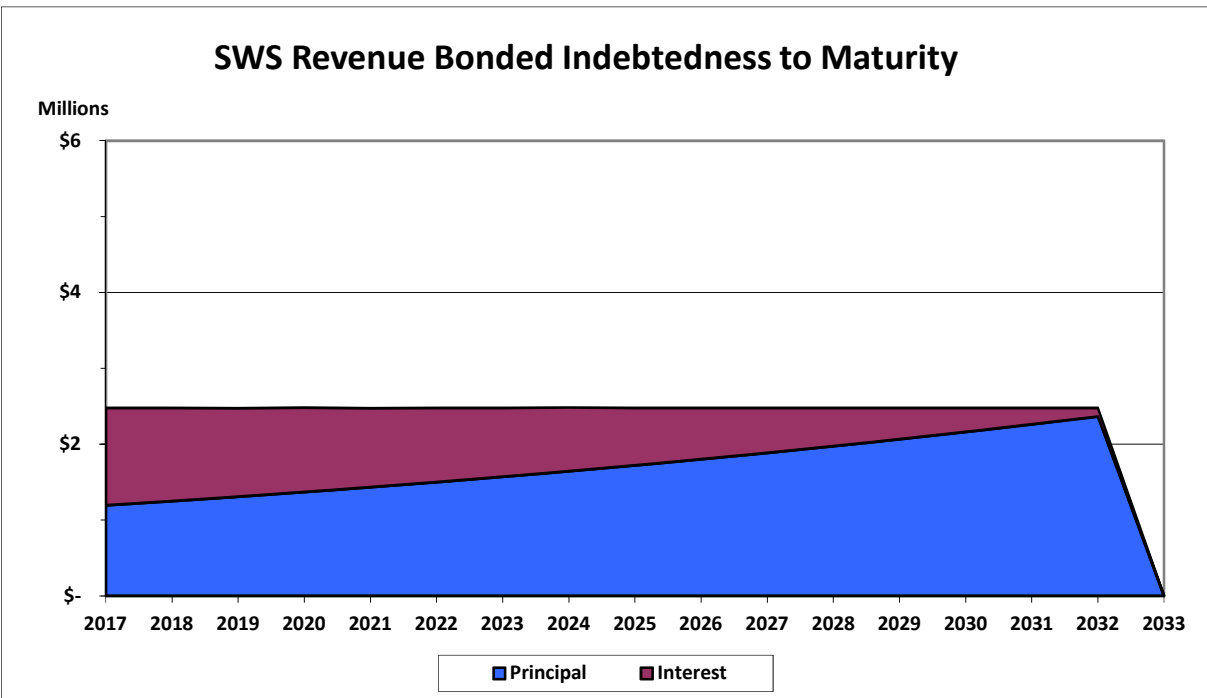
**Schedule of Requirements for FY 2016-17
Solid Waste Services (SWS)**

| <u>Series</u> | <u>Name of Bond</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------|---------------------------------------|----------------------------|----------------------------|----------------------------|
| 2012 | SWS Private Placement Special Revenue | <u>\$ 1,195,000</u> | <u>\$ 1,283,783</u> | <u>\$ 2,478,783</u> |
| | | <u><u>\$ 1,195,000</u></u> | <u><u>\$ 1,283,783</u></u> | <u><u>\$ 2,478,783</u></u> |

This schedule represents the FY 2016-17 debt service payments due on the outstanding Solid Waste Services revenue bonds for the upcoming fiscal year.

Schedule of Solid Waste Services Revenue Bonded Indebtedness to Maturity

| Year | Principal | Interest | Total |
|---------|----------------------|----------------------|----------------------|
| 2016-17 | \$ 1,195,000 | \$ 1,283,783 | \$ 2,478,783 |
| 2017-18 | 1,250,000 | 1,227,977 | 2,477,977 |
| 2018-19 | 1,305,000 | 1,169,602 | 2,474,602 |
| 2019-20 | 1,370,000 | 1,111,695 | 2,481,695 |
| 2020-21 | 1,430,000 | 1,044,679 | 2,474,679 |
| 2021-22 | 1,500,000 | 977,898 | 2,477,898 |
| 2022-23 | 1,570,000 | 907,848 | 2,477,848 |
| 2023-24 | 1,645,000 | 836,815 | 2,481,815 |
| 2024-25 | 1,720,000 | 757,708 | 2,477,708 |
| 2025-26 | 1,800,000 | 677,384 | 2,477,384 |
| 2026-27 | 1,885,000 | 593,324 | 2,478,324 |
| 2027-28 | 1,970,000 | 506,678 | 2,476,678 |
| 2028-29 | 2,065,000 | 413,295 | 2,478,295 |
| 2029-30 | 2,160,000 | 316,860 | 2,476,860 |
| 2030-31 | 2,260,000 | 215,988 | 2,475,988 |
| 2031-32 | 2,365,000 | 110,748 | 2,475,748 |
| 2032-33 | - | - | - |
| | <u>\$ 27,490,000</u> | <u>\$ 12,152,280</u> | <u>\$ 39,642,280</u> |



CITY OF IRVING
Solid Waste Services Debt Service Reserve Fund

| | 2014-15 ACTUAL | 2015-16 BUDGET | 2015-16 ESTIMATED | 2016-17 ADOPTED |
|-------------------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 2,481,815 | \$ 2,479,613 | \$ 2,486,297 | \$ 2,487,479 |
| Revenues | | | | |
| Interest on Investments | \$ 4,482 | \$ 1,100 | \$ 1,182 | \$ 1,100 |
| Total Revenues | <u>\$ 4,482</u> | <u>\$ 1,100</u> | <u>\$ 1,182</u> | <u>\$ 1,100</u> |
| Total Funds Available | \$ 2,486,297 | \$ 2,480,713 | \$ 2,487,479 | \$ 2,488,579 |
| Expenditures | | | | |
| Transfer to SWS Debt Service | \$ - | \$ - | \$ - | \$ - |
| Total Expenditures | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Available Fund Balance 09-30 | <u><u>\$ 2,486,297</u></u> | <u><u>\$ 2,480,713</u></u> | <u><u>\$ 2,487,479</u></u> | <u><u>\$ 2,488,579</u></u> |

Fund Description:

The Solid Waste Services Debt Service Reserve Fund was established in FY 2011-12 by bond covenants to provide reserves for the SWS Special Revenue Bonds used to refinance the Heritage Crossing property. The required amount of the reserve is calculated to be \$2,479,527. The city had 24 months from the issuance of the debt to amortize the difference between the reserve amount and the amount of reserves financed from bond proceeds. In FY 2013-14, six months of amortization was transferred and the remaining balance was funded from the sale of certain properties in the Heritage District.

CITY OF IRVING
Hotel Occupancy Tax Debt Service Fund

| | 2014-15 ACTUAL | 2015-16 BUDGET | 2015-16 ESTIMATED | 2016-17 ADOPTED |
|--|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ (4,967,296) | \$ (5,546,397) | \$ 233,734 | \$ - |
| Revenues | | | | |
| Transfer from Conv. Center 2% | \$ 11,699,295 | \$ 5,998,700 | \$ 5,546,814 | \$ 6,238,387 |
| Transfer from City's Pre-ARK EV 2% | 312,190 | 313,836 | 313,836 | 313,213 |
| Transfer from IAC Rev above limit | 90,610 | - | 242,461 | 262,432 |
| Transfer from CC Reserve Fund | 72,469 | 8,500 | 1,023 | 1,000 |
| Interest on Investments | 648 | - | 400 | 400 |
| Total Revenues | \$ 12,175,211 | \$ 6,321,036 | \$ 6,104,534 | \$ 6,815,432 |
| Total Funds Available | \$ 7,207,916 | \$ 774,639 | \$ 6,338,268 | \$ 6,815,432 |
| Expenditures | | | | |
| Principal - Bonds | \$ 630,000 | \$ 790,000 | \$ 790,000 | \$ 1,180,000 |
| Interest - Bonds | 6,344,006 | 6,337,706 | 6,337,706 | 6,325,306 |
| Agent Fees - Bonds | 175 | 6,000 | 175 | 175 |
| Total Expenditures | \$ 6,974,181 | \$ 7,133,706 | \$ 7,127,881 | \$ 7,505,481 |
| Internal Loan- from General I&S | \$ 5,811,453 | \$ 6,422,567 | \$ 6,601,066 | \$ 7,291,115 |
| Available Fund Balance 09-30 | \$ 233,734 | \$ (6,359,067) | \$ - | \$ - |
| Annual payable increase to General I & | \$ 844,157 | \$ 812,670 | \$ 789,613 | \$ 690,049 |

Fund Description:

Hotel Occupancy Tax Revenue Bonds are secured by a 7% Hotel Occupancy Tax assessed on sleeping rooms within the city. Bonds were issued in 2001 to purchase land in the Las Colinas Urban Center for a Convention Center. Two percent of the 7% Hotel Occupancy Tax is dedicated to the construction and operation of the Convention Center. A portion of this revenue is transferred to this fund to pay debt service costs. Additional bonds were issued in 2009 to fund the construction of the Convention Center.

The Convention Center debt is also supported by General Interest and Sinking funds. The negative fund balance presented in this fund is offset by an internal loan from General I&S funds. As the hotel tax revenue recovers, the incremental annual transfer is decreasing and additional revenues will pay back this amount in future budget years.

As stated in the Convention Center bond covenants, debt service funds are deposited with an escrow agent from HOT revenues one year prior to payment of the debt service.

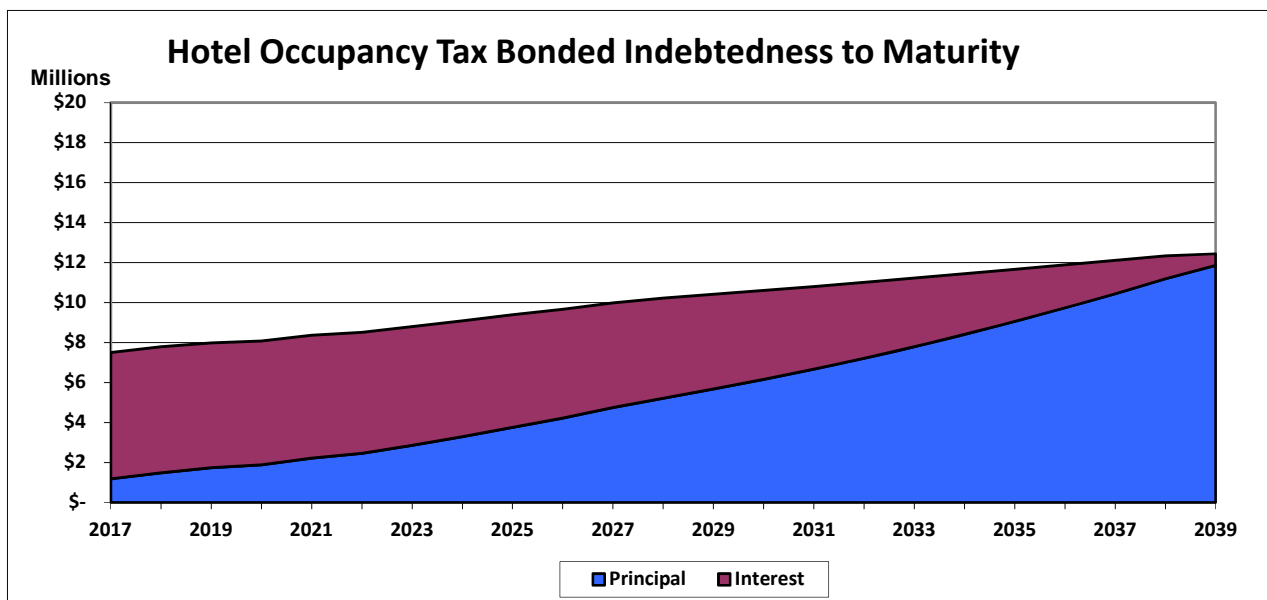
**Schedule of Requirements for FY 2016-17
Convention Center Hotel Occupancy Tax Bonds**

| <u>Series</u> | <u>Name of Bond</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------|--------------------------------------|---------------------|---------------------|---------------------|
| 2013 | Taxable GO Bonds | \$ 645,000 | \$ 58,850 | \$ 703,850 |
| 2009 | Combination Tax and HOT Revenue CO's | <u>535,000</u> | <u>6,266,456</u> | <u>6,801,456</u> |
| | | <u>\$ 1,180,000</u> | <u>\$ 6,325,306</u> | <u>\$ 7,505,306</u> |

This schedule represents the debt service on the 2013 taxable general obligation bonds that refunded the issue used to purchase land for the Convention Center and the 2009 certificates of obligation issued for development and construction of the Convention Center. Both issues are combination certificates of obligation, secured by the "full faith and credit" of the City of Irving by a pledge of ad valorem tax as well as Hotel Occupancy Tax revenues. This includes funding for 44.5% of the 2013 general obligation bonds by the Entertainment Venue Fund's 2% Brimer HOT tax.

Schedule of Hotel Occupancy Tax Bonded Indebtedness to Maturity

| Year | Principal | Interest | Total |
|---------|-----------------------|-----------------------|-----------------------|
| 2016-17 | \$ 1,180,000 | \$ 6,325,306 | \$ 7,505,306 |
| 2017-18 | 1,485,000 | 6,295,844 | 7,780,844 |
| 2018-19 | 1,735,000 | 6,252,819 | 7,987,819 |
| 2019-20 | 1,880,000 | 6,202,488 | 8,082,488 |
| 2020-21 | 2,220,000 | 6,140,888 | 8,360,888 |
| 2021-22 | 2,450,000 | 6,064,250 | 8,514,250 |
| 2022-23 | 2,855,000 | 5,941,750 | 8,796,750 |
| 2023-24 | 3,290,000 | 5,799,000 | 9,089,000 |
| 2024-25 | 3,760,000 | 5,634,500 | 9,394,500 |
| 2025-26 | 4,210,000 | 5,446,500 | 9,656,500 |
| 2026-27 | 4,740,000 | 5,236,000 | 9,976,000 |
| 2027-28 | 5,215,000 | 4,999,000 | 10,214,000 |
| 2028-29 | 5,670,000 | 4,738,250 | 10,408,250 |
| 2029-30 | 6,155,000 | 4,451,038 | 10,606,038 |
| 2030-31 | 6,665,000 | 4,138,950 | 10,803,950 |
| 2031-32 | 7,210,000 | 3,800,700 | 11,010,700 |
| 2032-33 | 7,790,000 | 3,434,488 | 11,224,488 |
| 2033-34 | 8,395,000 | 3,038,525 | 11,433,525 |
| 2034-35 | 9,045,000 | 2,611,500 | 11,656,500 |
| 2035-36 | 9,720,000 | 2,159,250 | 11,879,250 |
| 2036-37 | 10,430,000 | 1,673,250 | 12,103,250 |
| 2037-38 | 11,185,000 | 1,151,750 | 12,336,750 |
| 2038-39 | 11,850,000 | 592,500 | 12,442,500 |
| | <u>\$ 129,135,000</u> | <u>\$ 102,128,544</u> | <u>\$ 231,263,544</u> |



CITY OF IRVING
Entertainment Venue Debt Service Fund

| | 2014-15 ACTUAL | 2015-16 BUDGET | 2015-16 ESTIMATED | 2016-17 ADOPTED |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ - | \$ - | \$ - | \$ 3,900 |
| Revenues | | | | |
| Transfer from EV HOT Revenues | \$ 3,763,287 | \$ 3,813,387 | \$ 3,813,387 | \$ 3,859,687 |
| Total Revenues | <u>\$ 3,763,287</u> | <u>\$ 3,813,387</u> | <u>\$ 3,813,387</u> | <u>\$ 3,859,687</u> |
| Total Funds Available | \$ 3,763,287 | \$ 3,813,387 | \$ 3,813,387 | \$ 3,863,587 |
| Expenditures | | | | |
| Principal - Bonds | \$ 190,000 | \$ 240,000 | \$ 240,000 | \$ 295,000 |
| Interest - Bonds | 3,572,687 | 3,568,887 | 3,568,887 | 3,564,087 |
| Agent Fees - Bonds | 600 | 4,500 | 600 | 600 |
| Total Expenditures | <u>\$ 3,763,287</u> | <u>\$ 3,813,387</u> | <u>\$ 3,809,487</u> | <u>\$ 3,859,687</u> |
| Available Fund Balance 09-30 | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 3,900</u></u> | <u><u>\$ 3,900</u></u> |

Fund Description:

This fund represents the debt service on the Irving Music Factory entertainment venue project. Private placement bonds issued in prior years to fund the design of the facility were refunded in FY 2013-14 and new HOT Revenue Bonds were issued to fund the city's portion of design and construction under the agreement with the ARK Group. The bonds are paid by the 2% Brimer Tax and are not secured by the remaining 7% Hotel Occupancy Tax or any general revenues collected by the city.

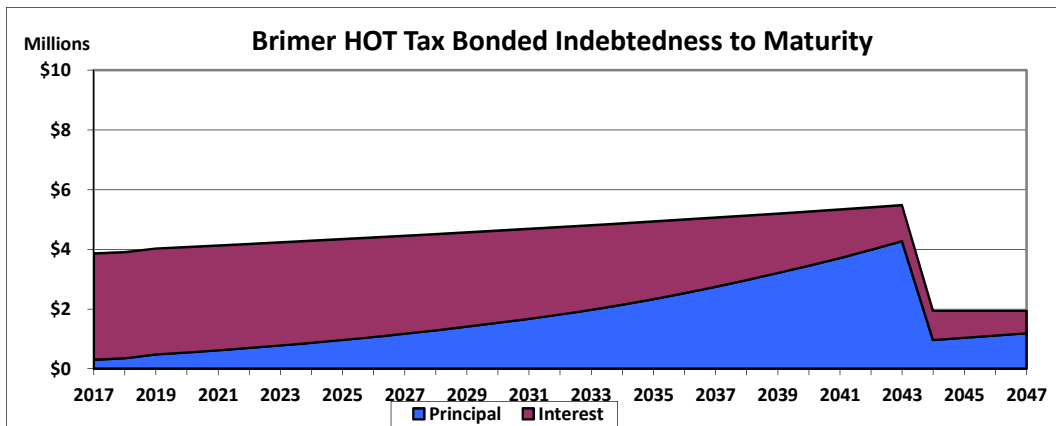
**Schedule of Requirements for FY 2016-17
Entertainment Venue Debt Obligations**

| <u>Series</u> | <u>Name of Bond</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------|---------------------------------------|-------------------|---------------------|---------------------|
| 2014A | HOT Revenue Refunding Bonds (Taxable) | \$ - | \$ 1,738,531 | \$ 1,738,531 |
| 2014B | HOT Revenue Bonds | <u>295,000</u> | <u>1,825,556</u> | <u>2,120,556</u> |
| | | <u>\$ 295,000</u> | <u>\$ 3,564,087</u> | <u>\$ 3,859,087</u> |

This schedule represents the debt service on the two series of 2014 HOT Revenue Bonds for the entertainment venue development. Series 2014A refinanced all of the private placement, variable interest rate bonds issued under the previous development agreement. These bonds are taxable, but have a fixed interest rate. The Series 2014B HOT revenue bonds are tax exempt, and the proceeds provide the city's portion of funding for the design and construction of the entertainment venue.

Schedule of Brimer HOT Bonded Estimated Indebtedness to Maturity

| Year | Principal | Interest | Total |
|---------|----------------------|----------------------|-----------------------|
| 2016-17 | \$ 295,000 | \$ 3,564,087 | \$ 3,859,087 |
| 2017-18 | 350,000 | 3,558,187 | 3,908,187 |
| 2018-19 | 475,000 | 3,547,687 | 4,022,687 |
| 2019-20 | 545,000 | 3,530,305 | 4,075,305 |
| 2020-21 | 615,000 | 3,510,150 | 4,125,150 |
| 2021-22 | 690,000 | 3,486,955 | 4,176,955 |
| 2022-23 | 775,000 | 3,456,077 | 4,231,077 |
| 2023-24 | 865,000 | 3,421,100 | 4,286,100 |
| 2024-25 | 960,000 | 3,379,651 | 4,339,651 |
| 2025-26 | 1,060,000 | 3,333,999 | 4,393,999 |
| 2026-27 | 1,165,000 | 3,282,847 | 4,447,847 |
| 2027-28 | 1,280,000 | 3,225,905 | 4,505,905 |
| 2028-29 | 1,405,000 | 3,162,394 | 4,567,394 |
| 2029-30 | 1,535,000 | 3,091,518 | 4,626,518 |
| 2030-31 | 1,670,000 | 3,014,245 | 4,684,245 |
| 2031-32 | 1,815,000 | 2,928,764 | 4,743,764 |
| 2032-33 | 1,975,000 | 2,834,323 | 4,809,323 |
| 2033-34 | 2,140,000 | 2,731,702 | 4,871,702 |
| 2034-35 | 2,325,000 | 2,608,250 | 4,933,250 |
| 2035-36 | 2,525,000 | 2,471,675 | 4,996,675 |
| 2036-37 | 2,740,000 | 2,323,425 | 5,063,425 |
| 2037-38 | 2,965,000 | 2,162,750 | 5,127,750 |
| 2038-39 | 3,205,000 | 1,988,950 | 5,193,950 |
| 2039-40 | 3,450,000 | 1,813,806 | 5,263,806 |
| 2040-41 | 3,705,000 | 1,625,319 | 5,330,319 |
| 2041-42 | 3,980,000 | 1,422,988 | 5,402,988 |
| 2042-43 | 4,270,000 | 1,205,713 | 5,475,713 |
| 2043-44 | 960,000 | 972,813 | 1,932,813 |
| 2044-45 | 1,030,000 | 904,075 | 1,934,075 |
| 2045-46 | 1,105,000 | 829,400 | 1,934,400 |
| 2046-47 | 1,185,000 | 749,288 | 1,934,288 |
| 2048-53 | 9,150,000 | 2,457,025 | 19,342,600 |
| | <u>\$ 62,210,000</u> | <u>\$ 82,595,373</u> | <u>\$ 144,805,373</u> |



CITY OF IRVING
PID #1/TIF #3 Bridges of Las Colinas Debt Service Fund

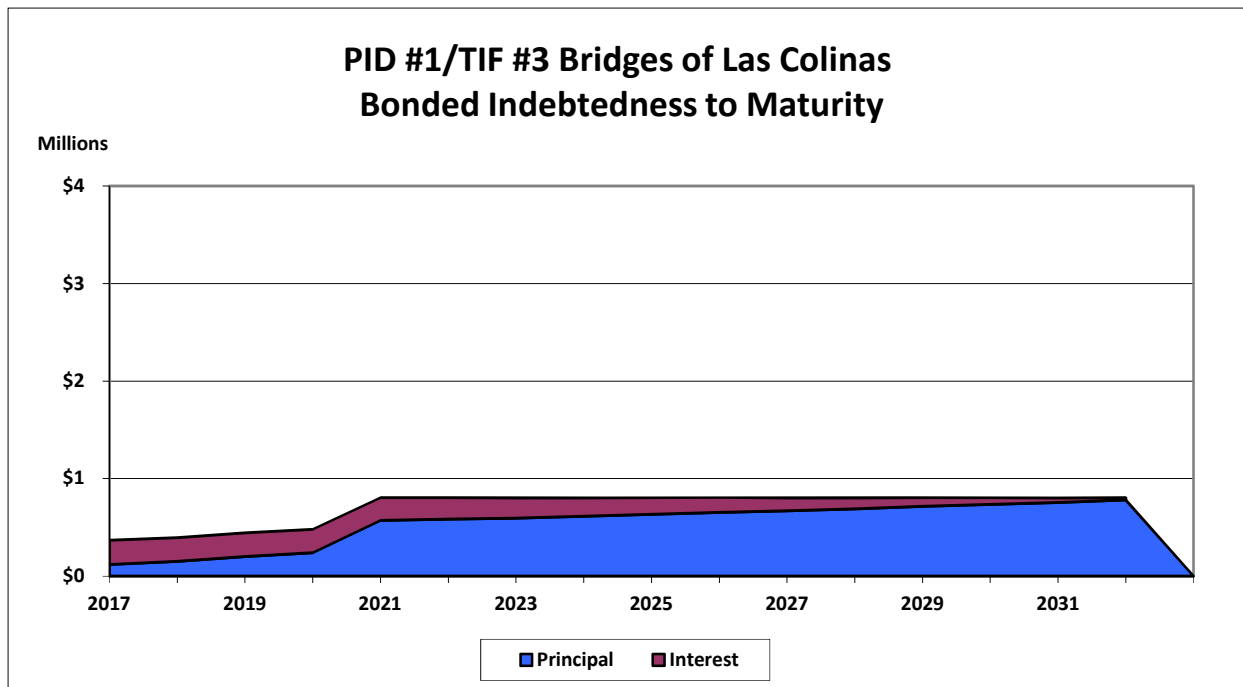
| | 2014-15 ACTUAL | 2015-16 BUDGET | 2015-16 ESTIMATED | 2016-17 ADOPTED |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 52,265 | \$ 43,877 | \$ - | \$ 43,876 |
| Revenues | | | | |
| Transfer from TIF #3/PID #1 Fund | \$ 196,135 | \$ 244,698 | \$ 288,575 | \$ 323,899 |
| Transfer from Other | - | - | 43,876 | - |
| Total Revenues | <u>\$ 196,135</u> | <u>\$ 244,698</u> | <u>\$ 332,451</u> | <u>\$ 323,899</u> |
| Total Funds Available | \$ 248,400 | \$ 288,575 | \$ 332,451 | \$ 367,775 |
| Expenditures | | | | |
| Principal | \$ - | \$ 40,000 | \$ 40,000 | \$ 120,000 |
| Interest | 248,400 | 248,400 | 248,400 | 247,600 |
| Agent Fees - Bonds | - | 175 | 175 | 175 |
| Total Expenditures | <u>\$ 248,400</u> | <u>\$ 288,575</u> | <u>\$ 288,575</u> | <u>\$ 367,775</u> |
| Available Fund Balance 09-30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 43,876</u> | <u>\$ -</u> |

Fund Description:

This debt service fund was created to track debt service payments related to the 2013A Certificates of Obligation issued to finance public improvements related to the Bridges of Las Colinas development.

Schedule of PID #1/TIF #3 Bridges of Las Colinas Bonded Indebtedness to Maturity

| Year | Principal | Interest | Total |
|---------|---------------------|---------------------|----------------------|
| 2016-17 | \$ 120,000 | \$ 247,600 | \$ 367,600 |
| 2017-18 | 150,000 | 245,200 | 395,200 |
| 2018-19 | 200,000 | 242,200 | 442,200 |
| 2019-20 | 240,000 | 238,200 | 478,200 |
| 2020-21 | 570,000 | 232,800 | 802,800 |
| 2021-22 | 585,000 | 219,975 | 804,975 |
| 2022-23 | 595,000 | 205,350 | 800,350 |
| 2023-24 | 615,000 | 187,500 | 802,500 |
| 2024-25 | 635,000 | 169,050 | 804,050 |
| 2025-26 | 655,000 | 150,000 | 805,000 |
| 2026-27 | 670,000 | 130,350 | 800,350 |
| 2027-28 | 690,000 | 110,250 | 800,250 |
| 2028-29 | 715,000 | 89,550 | 804,550 |
| 2029-30 | 735,000 | 68,100 | 803,100 |
| 2030-31 | 755,000 | 46,050 | 801,050 |
| 2031-32 | 780,000 | 23,400 | 803,400 |
| 2032-33 | - | - | - |
| | <u>\$ 8,710,000</u> | <u>\$ 2,605,575</u> | <u>\$ 11,315,575</u> |



CITY OF IRVING
PID #2/TIF #4 Ranchview Debt Service Fund

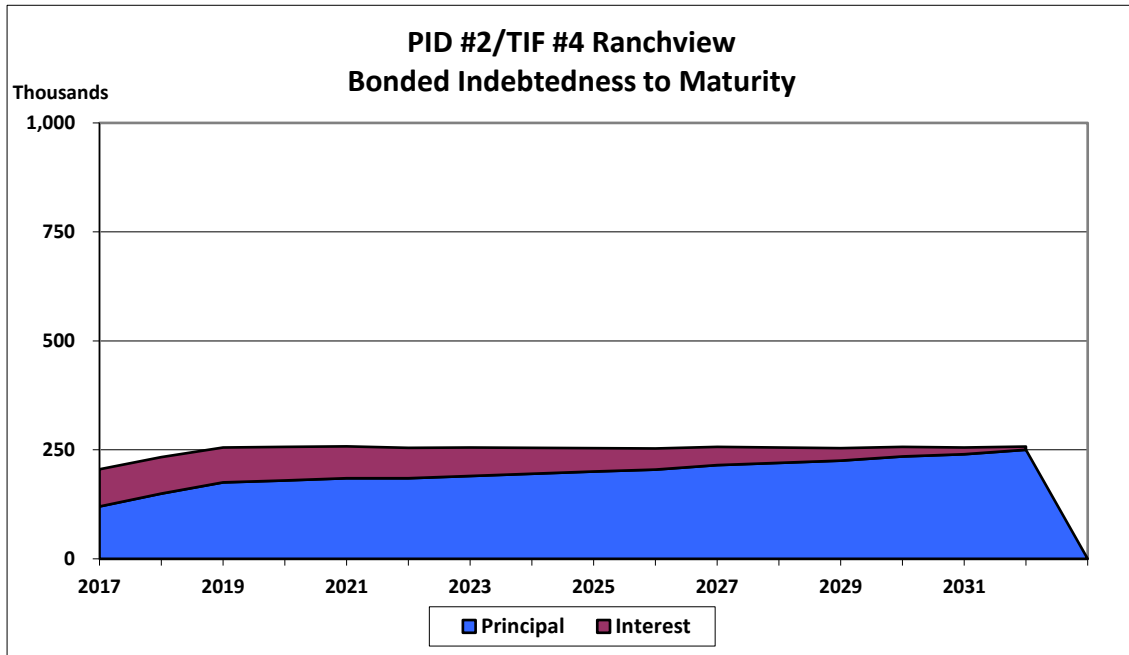
| | 2014-15 ACTUAL | 2015-16 BUDGET | 2015-16 ESTIMATED | 2016-17 ADOPTED |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 18,036 | \$ 19,005 | \$ - | \$ 19,003 |
| Revenues | | | | |
| Transfer from TIF #4/PID #2 Fund | \$ 68,227 | \$ 107,433 | \$ 126,438 | \$ 186,634 |
| Transfer from Other | - | - | 19,003 | - |
| Total Revenues | <u>\$ 68,227</u> | <u>\$ 107,433</u> | <u>\$ 145,441</u> | <u>\$ 186,634</u> |
| Total Funds Available | \$ 86,263 | \$ 126,438 | \$ 145,441 | \$ 205,637 |
| Expenditures | | | | |
| Principal | \$ - | \$ 40,000 | \$ 40,000 | \$ 120,000 |
| Interest | 86,263 | 86,263 | 86,263 | 85,462 |
| Agent Fees - Bonds | - | 175 | 175 | 175 |
| Total Expenditures | <u>\$ 86,263</u> | <u>\$ 126,438</u> | <u>\$ 126,438</u> | <u>\$ 205,637</u> |
| Available Fund Balance 09-30 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 19,003</u> | <u>\$ -</u> |

Fund Description:

This debt service fund was created to track debt service payments related to the 2013B Certificates of Obligation issued to finance public improvements related to the Ranchview development.

Schedule of PID #2/TIF #4 Ranchview Bonded Indebtedness to Maturity

| Year | Principal | Interest | Total |
|---------|---------------------|-------------------|---------------------|
| 2016-17 | \$ 120,000 | \$ 85,462 | \$ 205,462 |
| 2017-18 | 150,000 | 83,062 | 233,062 |
| 2018-19 | 175,000 | 80,063 | 255,063 |
| 2019-20 | 180,000 | 76,563 | 256,563 |
| 2020-21 | 185,000 | 72,963 | 257,963 |
| 2021-22 | 185,000 | 69,263 | 254,263 |
| 2022-23 | 190,000 | 65,563 | 255,563 |
| 2023-24 | 195,000 | 59,863 | 254,863 |
| 2024-25 | 200,000 | 54,013 | 254,013 |
| 2025-26 | 205,000 | 48,013 | 253,013 |
| 2026-27 | 215,000 | 41,863 | 256,863 |
| 2027-28 | 220,000 | 35,413 | 255,413 |
| 2028-29 | 225,000 | 28,813 | 253,813 |
| 2029-30 | 235,000 | 22,063 | 257,063 |
| 2030-31 | 240,000 | 15,013 | 255,013 |
| 2031-32 | 250,000 | 7,813 | 257,813 |
| 2032-33 | - | - | - |
| | <u>\$ 3,170,000</u> | <u>\$ 845,799</u> | <u>\$ 4,015,799</u> |



CITY OF IRVING
PID #3/TIF #5 Parkside Debt Service Fund

| | 2014-15 ACTUAL | 2015-16 BUDGET | 2015-16 ESTIMATED | 2016-17 ADOPTED |
|-------------------------------------|---------------------------|---------------------------|------------------------------|----------------------------|
| Available Fund Balance 10-01 | \$ 1,175,688 | \$ 395,428 | \$ 395,362 | \$ 141 |
| Revenues | | | | |
| Transfer from TIF #5/PID #3 Fund | \$ - | \$ 385,600 | \$ 385,600 | \$ 781,300 |
| Interest on Investments | 974 | 925 | 479 | - |
| Total Revenues | \$ 974 | \$ 386,525 | \$ 386,079 | \$ 781,300 |
| Total Funds Available | \$ 1,176,662 | \$ 781,953 | \$ 781,441 | \$ 781,441 |
| Expenditures | | | | |
| Interest | \$ 781,000 | \$ 781,000 | \$ 781,000 | \$ 781,000 |
| Agent Fees - Bonds | 300 | - | 300 | 300 |
| Total Expenditures | \$ 781,300 | \$ 781,000 | \$ 781,300 | \$ 781,300 |
| Available Fund Balance 09-30 | \$ 395,362 | \$ 953 | \$ 141 | \$ 141 |

Fund Description:

This debt service fund was created to track debt service payments related to the 2014A Certificates of Obligation issued to finance public improvements related to the Parkside development.

Schedule of PID #3/TIF #5 Parkside Bonded Indebtedness to Maturity

| Year | Principal | Interest | Total |
|---------|----------------------|---------------------|----------------------|
| 2016-17 | \$ - | \$ 781,000 | \$ 781,000 |
| 2017-18 | 395,000 | 781,000 | 1,176,000 |
| 2018-19 | 780,000 | 769,150 | 1,549,150 |
| 2019-20 | 870,000 | 745,750 | 1,615,750 |
| 2020-21 | 940,000 | 710,950 | 1,650,950 |
| 2021-22 | 1,020,000 | 663,950 | 1,683,950 |
| 2022-23 | 1,100,000 | 612,950 | 1,712,950 |
| 2023-24 | 1,190,000 | 557,950 | 1,747,950 |
| 2024-25 | 1,260,000 | 522,250 | 1,782,250 |
| 2025-26 | 1,335,000 | 484,450 | 1,819,450 |
| 2026-27 | 1,410,000 | 444,400 | 1,854,400 |
| 2027-28 | 1,490,000 | 402,100 | 1,892,100 |
| 2028-29 | 1,575,000 | 357,400 | 1,932,400 |
| 2029-30 | 1,675,000 | 294,400 | 1,969,400 |
| 2030-31 | 1,780,000 | 227,400 | 2,007,400 |
| 2031-32 | 1,895,000 | 156,200 | 2,051,200 |
| 2032-33 | 2,010,000 | 80,400 | 2,090,400 |
| 2033-34 | - | - | - |
| | <u>\$ 20,725,000</u> | <u>\$ 8,591,700</u> | <u>\$ 29,316,700</u> |

