



# MEMORANDUM

Date: November 21, 2013

To: The Honorable Chairman and Members  
Pima County Board of Supervisors

From: C.H. Huckelberry  
County Administrator

A handwritten signature in black ink, appearing to read "C.H. Huckelberry", is written over the typed name and title.

Re: **2013 Report of Indebtedness**

On an annual basis, the County files a Report of Indebtedness with the Arizona Department of Revenue. Attached is a copy of the report as of June 30, 2013, at which time Pima County had total outstanding debt in the amount of \$1,349,791,979. The County issued this debt to finance the various capital improvement projects approved by the Board of Supervisors each year in the County's Adopted Budget. The County debt consists of five categories of debt with the following sources of repayment:

Type of Debt Issue	Principal Remaining at June 30, 2012	Amount Outstanding	Source of Repayment
General Obligation Bonds	\$456,145,000	\$456,690,000	Debt Service Tax Levy
Street and Highway (HURF) Bonds	138,070,000	126,015,000	HURF Revenues
Sewer Revenue Debt	539,414,145	638,449,696	Sewer Revenues
Certificates of Participation	55,065,000	127,735,000	Various departmental funds
Capital Leases	595,828	902,283	Various departmental funds
<b>Totals</b>	<b>\$1,189,289,973</b>	<b>\$1,349,791,979</b>	

Although not issued as sewer debt, \$60 million of the proceeds of the \$127.7 million Certificates of Participation (COPs) are being used for County sewer projects and will be repaid with wastewater funds within the next year.

During this fiscal year, the County will repay more than \$152.6 million (11.3 percent) of the outstanding principal of this debt. Included in those payments, the County will be paying \$17 million as an early defeasance (repayment) of a portion of the principal of the outstanding General Obligation debt.

The Honorable Chairman and Members, Pima County Board of Supervisors  
Re: **2013 Report of Indebtedness**  
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The County has approved a Capital Improvements Project Budget for this fiscal year in the amount of \$311,252,078. In order to fund these projects, the County issued debt near the end of Fiscal Year 2012/13 (included in the outstanding debt listed above) and also budgeted for four new debt issues this fiscal year: \$20,000,000 of General Obligation bonds, \$16,000,000 of HURF bonds, \$70,000,000 of Sewer Revenue debt, and \$58,000,000 of COPs.

For the past two years, the County has been retiring its General Obligation bonds at about the rate it is issuing new bonds. In Fiscal Year 2011/12, the County issued \$60,000,000 of new bonds and paid down \$56,980,000 of the principal on the outstanding bonds. In Fiscal Year 2012/13, the County issued \$50,000,000 of new General Obligation bonds and paid down \$49,175,000 of principal on the outstanding bonds. For the current fiscal year, the County has budgeted to pay \$44,785,000 of General Obligation principal and issue between \$10,000,000 and \$20,000,000 of new debt.

The Arizona Department of Revenue will produce a consolidated debt report on December 13, 2013 showing the debt of all taxing jurisdictions in Arizona.

CHH/mjk

Attachment

c: Tom Burke, Director, Finance and Risk Management

**REPORT OF INDEBTEDNESS MADE TO THE ARIZONA DEPARTMENT OF REVENUE**  
 Office of Economic Research and Analysis / 9th Floor  
 (ARS 35-501, 35-502)

1	2	3	4	5	Principal Only								15
					6	7	8	9	10	12	13	14	
Name of County or District Bonded	Bond Type	Purpose of Issue	Date of Issue	Date of Maturity	Original Principal Amount	Principal Amount Retired	Amount Refunded	Outstanding Principal	7/1/13 Payment	7/1/12 Payment	GO Debt LIMIT	Interest Paid in FY13	Interest Paid to Date
1	GO	Improvements 2003	01/15/03	07/01/13	50,000,000	34,150,000	15,850,000	0	3,750,000	3,750,000	15%	150,000	13,476,261
2	GO	Improvements 2004	05/01/04	07/01/19	65,000,000	36,365,000	24,420,000	4,215,000	4,025,000	3,850,000	15%	871,525	18,408,138
3	GO	Improvements 2005	05/01/05	07/01/20	65,000,000	33,165,000	14,435,000	17,400,000	3,800,000	3,635,000	15%	1,179,400	16,036,846
4	GO	Improvements 2007	01/01/07	07/01/21	95,000,000	38,825,000	0	56,175,000	6,120,000	5,830,000	15%	2,528,375	20,968,950
5	GO	Improvements 2008	02/15/08	07/01/22	100,000,000	32,750,000	0	67,250,000	4,000,000	3,750,000	15%	2,830,000	16,823,139
6	GO	Improvements 2009	04/22/09	07/01/23	75,000,000	38,025,000	0	36,975,000	1,025,000	2,000,000	15%	1,458,956	7,945,103
7	GO	Improvements & Refunding 2009A	12/02/09	07/01/24	113,535,000	40,585,000	0	72,950,000	11,305,000	11,240,000	15%	2,854,475	12,035,143
8	GO	Improvements 2011	05/25/11	07/01/26	75,000,000	27,925,000	0	47,075,000	5,000,000	22,925,000	15%	2,109,213	4,807,809
9	GO	Improvements 2012A	08/13/12	07/01/27	60,000,000	10,000,000	0	50,000,000	10,000,000	0	15%	1,772,833	1,772,833
10	GO	Refunding 2012B	08/13/12	07/01/17	16,225,000	150,000	0	19,075,000	150,000	0	15%	383,093	383,093
11	GO	Improvements 2013A	08/05/13	07/01/28	50,000,000	0	0	50,000,000	0	0	15%	0	0
12	GO	Refunding 2013B	06/05/13	07/01/20	38,575,000	0	0	38,575,000	0	0	15%	0	0

I, Thomas E. Burke Chief Financial Officer of Pinna County (political subdivision) in Pinna County (county)

County do hereby certify that the foregoing statement is a full, true and correct abstract of the bonded indebtedness as of June 30, 2013.


  
 Signature \_\_\_\_\_ Date 9-13-13

Address: 130 W Congress, 6th Floor, Tucson AZ 85701 Phone: (520) 724-3030 Fax number: (520) 724-2329

For questions, contact: Meridith Litton E-mail address: meridith.litton@pinna.gov

ADOR 10884 (6/13)

# REPORT OF INDEBTEDNESS MADE TO THE ARIZONA DEPARTMENT OF REVENUE

1	2	3	4	5	6	7	Principal Only								15
							8	9	10	11	12	13	14	15	
Name of County or District Bonded	Bond Type	Purpose of Issue	Date of Issue	Date of Maturity	Original Principal Amount	Principal Amount Retired	Amount Refunded	Outstanding Principal	7/1/13 Payment	7/1/12 Payment	GO Debt LIMIT	Interest Paid in FY13	Interest Paid to Date		
13	Prima County	RV Sewer Refunding 2004	05/01/04	07/01/15	25,770,000	18,340,000	0	7,430,000	2,975,000	2,050,000	N/A	502,750	7,763,752		
14	Prima County	RV Sewer Improvements 2007	01/01/07	07/01/28	50,000,000	13,210,000	0	36,790,000	1,980,000	1,885,000	N/A	1,678,713	12,161,557		
15	Prima County	RV Sewer Improvements 2008	05/01/08	07/01/23	75,000,000	2,870,000	0	72,130,000	1,450,000	0	N/A	3,055,744	15,935,843		
16	Prima County	RV Sewer Improvements 2008	05/06/08	07/01/24	18,940,000	3,280,000	0	15,660,000	1,065,000	400,000	N/A	829,663	2,757,197		
17	Prima County	RV Sewer Refunding 2011A	09/30/11	07/01/16	43,625,000	21,210,000	0	22,415,000	7,425,000	8,785,000	N/A	1,480,250	3,835,088		
18	Prima County	RV Sewer Improvement Obligations 2010	08/17/10	07/01/25	165,000,000	0	0	165,000,000	0	0	N/A	8,028,225	24,390,806		
19	Prima County	RV Sewer Improvement Obligations 2011B	12/13/11	07/01/26	189,160,000	14,775,000	0	174,385,000	9,550,000	5,225,000	N/A	9,001,900	13,981,883		
20	Prima County	RV Sewer Improvement Obligations 2012A	12/06/12	07/01/27	128,795,000	3,825,000	0	124,970,000	3,825,000	0	N/A	3,223,283	3,223,283		
21	Prima County	RV Sewer Improvement WIFA 1988 - Loan	03/01/86	07/01/12	11,313,350	11,313,350	0	0	0	1,104,537	N/A	0	5,115,079		
22	Prima County	RV Sewer Improvement WIFA 2004 - Loan	05/11/04	07/01/24	19,967,331	6,433,936	0	13,534,295	1,008,118	975,818	N/A	481,354	5,179,379		
23	Prima County	RV Sewer Improvement WIFA 2009 - Loan *	10/09/09	07/01/24	10,002,393	3,858,982	0	6,145,401	481,331	468,756	N/A	163,283	645,984		
24	Prima County	RV Streets & Highways 2002	01/01/02	07/01/12	55,000,000	46,700,000	8,300,000	0	0	3,650,000	N/A	0	13,970,276		
25	Prima County	RV Streets & Highways 2003	01/15/03	07/01/13	35,000,000	19,730,000	15,270,000	0	2,670,000	2,560,000	N/A	108,800	10,817,050		
26	Prima County	RV Streets & Highways 2005	05/01/05	07/01/20	51,200,000	18,280,000	0	32,920,000	3,845,000	3,790,000	N/A	1,486,950	15,679,940		
27	Prima County	RV Streets & Highways 2007	01/01/07	07/01/22	21,000,000	4,645,000	0	16,355,000	1,415,000	865,000	N/A	753,300	5,519,413		
28	Prima County	RV Streets & Highways 2008	02/15/08	07/01/22	25,000,000	2,540,000	0	22,460,000	1,840,000	150,000	N/A	946,325	5,140,826		
29	Prima County	RV Streets & Highways & Refunding 2009	12/02/09	07/01/24	23,420,000	1,200,000	0	22,220,000	1,200,000	0	N/A	872,700	3,124,751		
30	Prima County	RV Streets & Highways & Refunding 2012	05/30/12	07/01/27	32,945,000	885,000	0	32,060,000	885,000	0	N/A	1,390,982	1,390,982		

ADOR 10664 (6/13) \* \$2,000,000 of this amount represents the total financial assistance received from WIFA through the American Recovery & Reinvestment Act.

**LEASE PURCHASE / THIRD-PARTY FINANCING CONTRACTS  
REPORT MADE TO THE ARIZONA DEPARTMENT OF REVENUE**  
Office of Economic Research and Analysis / 9th Floor  
(ARS 35-501, 35-502)

1	2	3	4	5	6	7	8	9	10	11
Name	L or 3P	Purpose	Date of Contract	Interest Rate	Date of Maturity	Original Contract Amount	Principal Retired	Outstanding Principal	Interest Paid In FY13	Interest Paid to Date
1	LP	Construction of Baseball Stadium 1999	09/01/99	5.60%	01/01/14	4,875,000	4,875,000	0	110,610	2,909,625
2	LP	Baseball Stadium Refunding 2003	10/01/03	4.20%	01/01/18	27,525,000	27,525,000	0	251,045	8,001,870
3	LP	Justice Building Project Series 2007-A	05/01/07	5.00%	07/01/22	28,765,000	8,070,000	20,895,000	1,097,500	7,717,650
4	LP	Lease a Portion of PW BLDG, Parking Garage & Legal Sys Bldg	02/04/10	4.13%	06/01/19	20,000,000	5,840,000	14,160,000	688,481	2,363,237
5	LP	Lease a Portion of PW BLDG & Legal Sys Bldg 2013A	05/22/13	5.00%	12/01/22	80,175,000	0	80,175,000	0	0
6	LP	Lease a Portion of Adult Detention Center 2013B	05/22/13	5.00%	12/01/17	12,705,000	0	12,705,000	0	0
7	3P	Lease Dozers for Environmental Services	12/18/11	0.00%	12/15/14	219,813	146,542	73,271	0	0
8	3P	Lease Landfill Compactor for Environmental Services	11/01/11	0.00%	10/31/14	380,102	253,401	126,701	0	0
9	3P	Lease Scraper for Environmental Services	11/01/11	0.00%	10/31/14	283,827	195,885	87,942	0	0
10	3P	Lease Teazers for Sheriff's Dept	10/29/12	2.55%	10/29/16	763,592	159,223	604,369	1,623	1,623
11										
12										

I, Thomas E. Burke Chief Financial Officer of Pima County in Pima County (political subdivision) (county)

County do hereby certify that the foregoing statement is a full, true and correct abstract of the lease purchase/third party financing contracts as of June 30, 2013.

 \_\_\_\_\_  
 Signature Date 9-13-13

Address: 130 W Congress, 6th Floor, Tucson, AZ 85701 Phone: (520) 724-3030 Fax number: (520) 724-2329  
 For questions, contact: Meridith Litton Phone: (520) 724-8517 E-mail address: meridith.litton@pima.gov