



# MEMORANDUM

Date: October 27, 2022

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

From: Jan Leshner   
County Administrator

Re: **Debt Sale in October 2022**

On August 4, 2022, I issued a [memorandum](#) regarding Pima County’s plan to issue Sewer Revenue Obligations to fund Regional Wastewater Reclamation Capital Improvement Projects and Certificates of Participation to fund Road Repair and other capital projects approved by the Board of Supervisors.

The debt issues were sold last week. Pima County was able to obtain the following interest rates:

	<b>Amount</b>	<b>Interest Rates</b>
Certificates of Participation - Taxable	60,000,000	5.4028%
Certificates of Participation - Tax Exempt	30,000,000	3.8308%
Sewer Revenue Obligations	40,000,000	3.2957%

These interest rates are significantly higher than Pima County has paid in the past ten years. This change is due to current market conditions, it is not in any way a reflection of the County’s financial position or ability to repay the debt. The increased cost of capital will need to be taken into consideration when planning the Capital Budget and associated debt issues for FY 2023/24.

	<b>Certificates of Participation Interest Rates</b>	<b>Sewer Revenue Obligations Interest Rates</b>
2012		2.4364%
2013	1.6573%	
2014	3.6593%	3.0794%
2015	1.3519%	
2016	2.7625%	1.6594%
2017		2.8397%
2018	2.6579%	3.1469%
2019	2.9056%	2.2451%
2019A	2.3142%	
2020A	1.1462%	1.0165%
2020B	1.5439%	0.8486%
2020C - Taxable	0.9174%	
2021		1.2698%
2021 - Taxable	1.0700%	

- c: Carmine DeBonis, Jr., Deputy County Administrator
- Francisco García, MD, MPH, Deputy County Administrator and Chief Medical Officer
- Steve Holmes, Deputy County Administrator
- Ellen Moulton, Director, Finance and Risk Management
- Michelle Campagne, Senior Advisor, County Administrator’s Office