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# MEMORANDUM

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Date: January 20, 2012

To: Chairman and Members  
Pima County Bond Advisory Committee

From: C.H. Huckelberry  
County Administrator 

Re: ***The Wall Street Journal* Article Regarding Bond Funds**

A recent article in *The Wall Street Journal* discussed bond funds being spent by some local jurisdictions on uses other than those for which the bonds were directly authorized by the voters. The Bond Advisory Committee (BAC) asked for a report to determine if such could occur in Pima County.

The simple answer is no. Our bond structure, overseen by bond counsel and financial advisors, precludes use of bond proceeds for anything other than those strictly authorized by the voter-authorized bond question. In addition, the tax structure in Arizona is such that our bond debt service is a segregated and separate Constitutionally-established property tax levy requiring that the secondary property tax levy only be used for repayment of bond indebtedness.

The attached report by Finance Director Tom Burke includes detailed expenditure reports for each project funded with various General Obligation bonds, Highway User Revenue Fund bonds, and Sewer Revenue bonds or obligations since 2004. As can be seen, 100 percent of the debt proceeds have been spent only on the approved capital improvement projects authorized by the bond question and documented in the Bond Implementation Ordinance. No bonds in Pima County have been used for any other purpose.

The only related expenditure was for the cost of issuance of the bonds, which was approximately 0.2 percent of the proceeds.

CHH/dph

Attachments

c: Tom Burke, Director, Finance and Risk Management



## MEMORANDUM

### Department of Finance and Risk Management

Date: December 21, 2011

To: C.H. Huckelberry  
County Administrator

From: Tom Burke  
Finance Director

A handwritten signature in blue ink, appearing to read "Tom Burke", is written over the printed name of the Finance Director.

Re: **County Use of Bond Funds**

At its November 18, 2011 meeting, the Pima County Bond Advisory Committee discussed *The Wall Street Journal* article about bond funds being used by jurisdictions in several other States for purposes other than those for which the bonds were issued or the funds were raised. Such is not the case in Pima County. All of the proceeds from every debt issue of Pima County are used exclusively for the capital projects authorized by the Board of Supervisors. When those projects are funded with the proceeds from bond issues, the approval of the projects must first be provided by the Bond Advisory Committee before going to the Board of Supervisors.

The County is not authorized to spend the proceeds of bonds or loans for any non-capital purposes; and the County has not used any of the proceeds for operating costs. Attached are detailed expenditure reports for each project funded with the various GO Bonds, HURF Bonds, and Sewer Revenue Bonds or Obligations since 2004. As can be seen in these charts, Pima County has spent 100 percent of the debt proceeds only on the approved Capital Improvement Projects. The County spends approximately 99.8 percent of the debt proceeds on direct project related expenditures and approximately 0.2 percent of such proceeds on the cost of issuance.

I have not listed the loans the County received from the Water Infrastructure Finance Authority of Arizona (WIFA) for use on wastewater projects. WIFA reimburses Pima County for specific expenditures for identified projects only after Pima County has expended the County's own funds for those projects. In order to receive reimbursement, Pima County must provide WIFA with supporting documentation for each disbursement showing that it was project related in one of the expense categories approved by WIFA in advance. The County does not control the disbursement and, therefore, cannot redirect the funds to be used for any purpose other than those approved by the WIFA Board of Directors.

No bond proceeds have been used by Pima County for any purpose other than for expenditures related to the approved capital projects identified on the attached summaries.

**GO Bond Issues Fully Expended To Date**

Project Number	Project Description	2004 Series	2005 Series	2007 Series	2008 Series	2009 Series	2009A Series	Total
CR44001	EMPIRITA RANCH BLDGS REHAB	1,561.88	57,662.25	231,604.91	109,170.96			400,000.00
CR44002	CANOA RANCH RECON- BLDGS 106-109	3,196.96	307,881.85	133,487.43	1,024,181.21	77,562.25	533,231.41	2,079,541.11
CR44003	HP - ANZA TRAIL - ABREGO TRAILHEAD	655,804.16	120,583.02	734,637.82	239,983.02	19,103.14	17,662.36	1,787,773.52
CR44004	HP - FORT LOWELL ACQUISITION	28,680.60	70,766.41	438,711.27	894,311.56	178,439.45	208,127.97	1,819,037.26
CR44005	HELVETIA TOWNSITE ACQUISITION	2,925.65						2,925.65
CR44006	HP - STEAM PUMP RANCH REHABILITATION	7,423.64	27,269.95	4,500,523.44	176,918.58	8,906.38	276,763.68	4,997,805.67
CR44007	BINGHAMPTON HISTORIC BUILDINGS REHAB		827,830.74	132,169.26				960,000.00
CR44008	HP - MARANA MOUND COMMUNITY SITE ACQUISITION	1,841.69	18,948.11	3,615.14	3,404.62	4,074.10	1,111.47	32,995.13
CR44009	HP - DAKOTA WASH SITE ACQUISITION	12,316.12	475,909.91	13,343.13	9,638.21	3,921.69	8,564.54	523,693.60
CR44010	COYOTE MTN SITE ACQUISITION	800,000.00						800,000.00
CR44011	HP - HONEY BEE VILLAGE SITE ACQUISITION	12,858.95	484,922.96	476,026.99	200,470.58	93,144.77	181,347.05	1,448,771.30
CR44012	PERFORMING ARTS CENTER REHAB		3,948.97	9,658.75	460,939.76	203,682.33	3,762.97	681,992.78
CR44013	HP - TUMAMOC HILL ACQUISITION				1,137,074.00		60,918.87	1,197,992.87
CR44014	HP - LOS MORTEROS PRESERVATION	14,462.75	159,703.36	66,020.70	4,863.06	1,891.49	1,173.63	248,114.99
CR44015	HP - PANTANO TOWNSITE		54.10		464.18	375.76	38,934.57	39,828.61
CR44016	HP - AJO CURLEY SCHOOL HISTORIC ART INST	6,839.23	17,414.75	7,932.32	22,350.66	102,361.95	92,733.69	249,632.60
CR44017	HP - DUNBAR SCHOOL		3,622.33	23,854.80	117,527.77	371,604.64	688,612.65	1,205,222.19
CR44103	HP - ANZA TRAIL CANOA SUPPLEMENT			279,500.23	36,888.68			316,388.91
CR97424	COLOSSAL CAVE REHABILITATION	211,482.50						211,482.50
CR97425	AGUA CALIENTE RANCH BLDGS. REHAB	6,100.72						6,100.72
CR97426	EMPIRITA RANCH	3,892.89	1,528.05	304.60	112,462.36			118,187.90
CR97427	ROBLES RANCH HOUSE REHAB	6,571.67						6,571.67
CR97429	HP - CANOA RANCH BLDGS 103/105 REHAB	44,169.03	82,626.54	603,123.70	143,583.39	21,377.42	85,869.35	980,749.43
CR97430	ANZA NATIONAL TRAIL AND CAMPSITES		183,736.16	292,047.00	0.46			475,783.62
CR97431	TUMAMOC HILL	3,260.64	429.41		1,244,039.84			1,247,729.89
CR97432	LOS MORTEROS	397,533.00						397,533.00
CR97433	VALENCIA SITE	2,082.05	199.10					2,281.15
FC45001	FC - FLOODPRONE & RIPARIAN LAND ACQUISITION	2,910.00	2,659,286.63		697,597.19	741,853.24	74,540.30	4,176,187.36
FC45002	FC - COLUMBUS WASH PHASE II DRAINAGE IMP	320,215.97	567,541.20	854,903.83	5,443,280.44		1,564.92	7,187,506.36
FC45003	FC - CITY OF SOUTH TUCSON URBAN DRAINAGE		176,919.21	146,575.72	746,246.59	365,568.29	82,705.29	1,518,015.04
FC45004	TOHONO O'ODHAM NATION URBAN DRAINAGE		377,230.16	229,258.98				606,489.14
FC45005	PASQUA YAQUI TRIBE BLACK WASH		120,957.79	36,500.00	9,842.00	228,884.63	130,589.68	526,774.10
FC45006	FC - SANTA CRUZ RVR AJO/29TH FC PK				9,645.81	9,390.23	6,265.57	25,301.61
FC45007	FC - SANTA CRUZ RIVER, GRANT ROAD TO CAM	64,801.73	170,932.12	130,568.10	276,518.47	41,185.56	1,293,926.37	1,977,932.35
FC45008	RILLITO RIVER LINEAR PARK	120,515.84	238,256.29	710,591.43	1,930,636.44			3,000,000.00
FC45009	SANTA CRUZ RVR-LINEAR PK, IN VICINITY OF	988.92	3,156.00	3,995,854.57				3,999,999.49
FC45010	FC - CANADA DEL ORO RIVER PARK, THORNYDA	2,032.20	102,581.31	96,439.49	659,821.00	158,142.21	31,936.00	1,050,952.21
FC45012	FC - GREEN VALLEY EROSION CONTROL (2004)			698,102.91	319,490.97		168,324.75	1,185,918.63
FC45022	OLD VAIL CONNECTION @ FRANCO WASH			4,728.50				4,728.50
FC45101	CDO WASH: OMNI GOLF COURSE			250,667.59	3,450,880.28		247,499.10	3,949,046.97
FC46002	OLD NOGALES HIGHWAY @ FRANCO WASH			84,012.22				84,012.22
FC97604	FC - MISSION VILL WASH	44,028.34	178,129.58	301,517.35	318,022.70			841,697.97
FC97605	EARP WASH DETENTION BASIN	115,827.35	1,371,556.94					1,487,384.29
FC97607	SAHUARITA DRAINAGE IMPRVMENTS(SEE DOT 51)	500,000.00						500,000.00
FC97613	HOLLADAY/FORREST DRAINAGE IMPROVEMENTS	199,397.00						199,397.00
FC97614	TUCSON DIVERSION CHANNEL, DRAINAGE IMPRV		281,978.76	57,611.00				339,589.76
FM06002	FM - PSYCHIATRIC URGENT CARE CENTER		669.34	716,284.29	1,573,332.15	684,580.48	11,671,805.01	14,646,671.27
FM42001	KINO PUBLIC HEALTH CENTER	1,682,924.64	20,242,536.91	3,074,538.10				24,999,999.65
FM42002	FM - NEW PSYCHIATRIC HOSPITAL	474.11	44,830.81	2,672,804.97	4,597,452.33	1,755,199.54	30,950,762.17	40,021,523.93
FM42003	FM - THERESA LEE HEALTH CLINIC	7,987.50	59,404.05	592.75	17,264.50	344,862.71	58,515.90	488,627.41
FM42004	ANIMAL CARE CENTER	6,847.96	63,895.26	171,954.34	270,259.27	2,065,910.10	219,972.25	2,798,839.18
FM42005	FM - ROY PLACE COMMERCIAL BLDG RESTORATI	43,332.60			19,849.73	249,085.91	465,289.90	777,558.14
FM42006	GREEN VALLEY PERFORMING ARTS PH 2	59,954.02	504,358.09	85,617.61	3,346,166.11	3,877.66		3,999,973.49
FM42007	MT LEMMON COMMUNITY CENTER	32,874.14	136,151.17	724,190.99	14,568.60			907,784.90
FM42008	AMADO FOOD BANK KITCHEN		33,853.61	266,145.76				299,999.37
FM42012	AZ SONORA DESERT MUSEUM-AUDITORIUM	903.65	756,577.11	242,519.24				1,000,000.00
FM42013	FM - ARIZONA SONORA DESERT MUSEUM				817.62	119.89		937.51
FM42014	PIMA AIR AND SPACE MUSEUM, HANGAR #1 CTR	928.07	347,243.20	651,718.68				999,889.95
FM42103	17 N LINDA ADAPTIVE REUSE			84,124.41				84,124.41
FM43001	REGIONAL PUBLIC SAFETY COMMUN NETWORK	54.06						54.06
FM43002	FM - JUSTICE COURT - STATE OF ARIZONA PR	594,623.50	3,659,436.14	9,252,737.86	12,406,421.00	2,937,700.17	7,806,512.28	36,657,430.95
FM43003	FM OLD COURTHOUSE REHABILITATION				1,406.43	3,302.67		4,709.10
FM43004	FM - CORRECTIONS JAIL SECURITY - MAIN JA	490,239.46	700,808.02	707,457.61	343,265.62	245,990.60	512,239.00	3,000,000.31
FM43005	FM - INTERAGENCY VICTIM ADVOCACY CTR-H&W	83,630.78	27,476.26	372,796.17	4,587,037.49	7,517.73	317,766.08	5,396,024.51
FM43006	JUVENILE COURT BUILD-OUT	102,798.19	1,182,495.54	442,648.15	254,141.88			1,982,083.76
FM44044	MARANA CONTINENTAL RANCH NEW LIBRARY	51,377.25	349,863.76	1,633,416.70	2,418,993.51	227.17		4,453,878.39
FM44045	ORO VALLEY LIBRARY	190,637.55	908,913.02					1,099,550.57
FM44046	FM - WILMOT BRANCH LIBRARY			15,827.81	341,679.34	256,250.87	4,121,383.67	4,735,141.69
FM97208	FM - SUPERIOR COURT 8TH FLOOR REMODEL	226,356.11	3,509.33	56,342.06	8,788.01	144,859.37	741,313.74	1,181,168.62
FM97502	CITY OF TUCSON MIDTOWN LIBRARY	481,451.98	1,002,075.25	82,053.62				1,565,580.85
FM97504	MARANA LIBRARY EXPANSION			8,670.61	67,011.79			75,682.40
FM97513	FM - ADA DOOR OPENER: PUBLIC WORKS BLDG.	183,572.62	47,023.69	3,769.94	25,132.36	408.65	1,490.39	261,397.65
FM97514	LEGAL SVCS BLDG - ASBESTOS ABATEMENT	736,733.75	851,132.12	30,955.30				1,618,821.17
FM97515	DOWNTOWN COMPLEX	781,616.07	778,988.14	479,330.40				2,039,934.61
NR42009	CD - ROSE NEIGHBORHOOD REINVESTMENT		336,845.15	2,880,879.56	4,598,222.27	2,286,643.19	2,895,990.30	12,998,580.47
NR42010	CD-HOUSING REINVESTMENT 2004 BOND AUTHOR		184,611.00	858,777.96	1,635,510.23	631,521.03	3,122,903.13	6,433,323.95
NR42019	CD - AJO SKATE PARK			102,311.89	443,815.73			827,535.66
NR42029	CD - CATALINA COMMUNITY SERVICES BUILDIN			1,857.89	231,923.96		421,617.52	655,399.37
NR97516	CD - BARRIO KROEGER LANE	1,061,418.76	1,172,762.30	1,270,366.89	980,507.65	686,591.32	68,611.64	5,240,258.56
OS41002	TUCSON MOUNTAIN PARK-CAMINO DE OESTE	9,482.35	646,960.21					656,442.56
OS41003	RP - TUCSON MOUNTAIN PARK - DOS PICOS					146,352.71	3,754.26	150,106.97
OS41006	CATALINA CONSERVATION EASEMENT		138.36					138.36
OS41007	CANOA RANCH PARCELS	30,148.01	1,815,967.92	1,201,025.17				3,047,141.10

**GO Bond Issues Fully Expended To Date**

Project Number	Project Description	2004 Series	2005 Series	2007 Series	2008 Series	2009 Series	2009A Series	Total
OS41008	TUCSON MOUNTAIN PARK-LOS MORTEROS	2,414.76	45,087.04	3,478.39				50,980.19
OS41009	TORTOLITA MOUNTAIN PARK-CARPENTER RANCH	2,074.90	1,097,925.24					1,100,000.14
OS41014	TUCSON MOUNTAIN PARK-SOUTH CORRIDOR	12,910.12	2,223,661.87					2,236,571.99
OS41015	AGUA CALIENTE	573,137.49	120.00			14,770.45	1,406,677.72	1,994,705.66
OS41018	TOWN OF ORO VALLEY-KELLY RANCH	5,802.29				17,292.61	928,936.49	952,031.39
OS41019	RP - TOWN OF SAHUARITA PRIORITIES		450.00				8,244.93	8,694.93
OS41020	RP - HERMITAGE NO KILL CAT SHELTER	13,324.43	76,080.86	2,133.29	6,482.39		911.09	98,932.06
OS41022	SANTA CRUZ BASIN PROJECT	542.32	138,198.76					138,741.08
OS41024	AVRA VALLEY PROJECT AREA	102,769.86	30,022.11	766,194.91				898,986.88
OS41025	TORTOLITA MOUNTAIN PROJECT		48,860.32	1,051.00				49,911.32
OS41026	TUCSON BASIN PROJECT		5,843.27					5,843.27
OS41107	TUCSON MTN PK SWEETWATER	11,742,269.23						11,742,269.23
OS41108	WELTER PROPERTY			991.16				991.16
OS41115	RP - TANQUE VERDE & HOUGHTON PARTNERS						1,585,517.11	1,585,517.11
OS41120	CALLAHAN PROPERTY			251.16				251.16
OS41122	SOUTH WILMOT PROPERTY			10.64				10.64
OS41201	SOUTHEAST PROJECT AREA	8,520,432.28	857,088.45					9,377,520.73
OS41202	CHESS PROPERTY			126,280.15				126,280.15
OS41203	ALTAR VALLEY PROJECT AREA	21,103,776.64	158,899.90		10,318,848.63	8,467,583.37	33.18	40,049,141.72
OS41207	SAN PEDRO PROJECT AREA	2,069,889.98	985,135.51					3,055,025.49
OS41213	BUENOS AIRES INHOLDING			548.12				548.12
OS41217	GOFF PROPERTY			10,601,441.58				10,601,441.58
OS41220	BAUMER PROPERTY			419,349.21				419,349.21
OS41223	RP - CHILTON PROPERTY			25,883.86	940,628.99			966,512.85
OS41226	SNEED PROPERTY			7,195.69	85.66			7,281.35
OS41232	KNEZ PROPERTY			1,417.59				1,417.59
OS41233	AMADON PROPERTY			125,983.54				125,983.54
OS41234	RP - VERDE CREEK RANCH PROPERTY				1,906.13			1,906.13
OS41241	RP - LEWIS PROPERTY			16,422.63				16,422.63
OS41243	RP - LAOS PROPERTY ACQUISITION				33,245.01			33,245.01
OS41251	RP - DAVIDSON CANYON STATE SE CORRIDOR			21,360.73	6,303.72			27,664.45
OS41261	ANDRADA RANCH PROPERTY			139.53				139.53
OS41271	RP ROCKING K INHOLDINGS/EMPIRITA				25,551.16	10,895,844.58		10,921,395.74
OS41302	RP - KINO AT 36TH LITTLE AMERICA REFINI	1,186.84			18,080.93	6,381.78	4,478.20	30,127.75
OS41303	RP - BELVEDERE ESTATES	614,091.92	632,443.29				222,612.33	1,469,147.54
OS41304	RP - VALENCIA SITE				29,344.95	423,276.70	80,938.24	533,559.89
OS41313	RP - 36TH & LA CHOLLA PROPERTY				1,042,810.71			1,042,810.71
OS41320	KAUFMAN PROPERTY			293,252.12				293,252.12
OS41324	BUCKLEW FARM			5,099,470.90				5,099,470.90
OS41424	RP - BOA SORTE LP PROPERTY			16,415.41	6,258.10			22,673.51
OS41520	GAROLD C BROWN PROPERTY			3,220,297.97	1,383,915.60			4,604,213.57
OS41525	LINDA VISTA/PATRICK PROPERTY			471,671.33				471,671.33
OS41620	MORRISON & SHAFFER TRUST PROPERTY			621,159.45	118.17			621,277.62
OS41622	RP - SANTA CRUZ OPEN SPACE ACQUISITION				3,967,422.98	16,138,457.15		20,105,880.13
OS41625	LOWERY PROPERTY			7,339.61				7,339.61
OS41702	DES ROCHERS-CAMINO DE OESTE			243,718.91				243,718.91
OS41725	KHAN NW PROPERTY			3,211.71				3,211.71
OS41820	TRES PIEDRAS LLC PROPERTY			135,653.53				135,653.53
OS41825	RENWICK NW PROPERTY			7,709.02				7,709.02
OS41920	FISHER TRUST PROPERTY			80,303.07				80,303.07
OS41925	TIMMERMAN NW PROPERTY			10,342.28				10,342.28
OS42020	VENCO LLC PROPERTY			365.64	391.76			757.40
OS42025	STONEHAVEN DEVELOPMENT			10,345.85				10,345.85
OS42035	RP - NW JOSHUA & CALEB PROPERTY				13,182.64			13,182.64
OS42120	EHMAN AND CARTER PROPERTIES			283.69	1,608.19			1,891.88
OS42125	RP - LACHOWICZ PROPERTY				2,928,951.40			2,928,951.40
OS42220	DOS PERROS LLC PROPERTY			472,743.02				472,743.02
OS42320	PARSONS PROPERTY			199,056.83				199,056.83
OS42420	CIP - MILLANE AND RENDON PROPERTY			47,937.62				47,937.62
OS42520	CIP - FERSCHWEILER PROPERTY				7,288.47			7,288.47
OS42620	TRITONICS PROPERTY			619,138.40				619,138.40
OS42720	CIP - FEMAT ENTERPRISES PROPERTY			9,580.99	441.97			10,022.96
OS42820	RP - HARRISON PROPERTY				8,422.25			8,422.25
OS42920	RP - WONDERS TRUST PROPERTY				8,558.56			8,558.56
OS42921	RP - ETCHART PROPERTY				24,182.89	762.45		24,945.34
OS97400	OPEN SPACE ACQUISITIONS	1,078,467.63						1,078,467.63
OS97400/13	OPEN SPACE ACQUISITIONS		100,265.39					100,265.39
OS97402	RP - DOS PICOS PROPERTY					1,427,430.70		1,427,430.70
OS97406	RP - STONEHAVEN PROPERTY					6,887.00	284.96	7,171.96
OS97407	RP - CLYNE RANCH PROPERTY					144,319.81	1,042,034.19	1,186,354.00
OS97408	RP - CORTARO AND HARTMAN PROPERTY					230,522.66	6,363.15	236,885.81
OS97410	TUMAMOC HILL	164.35		1,259.29	141,345.45	11,560.45		154,329.54
OS97411	AGUA CALIENTE CREEK OS	0.52						0.52
OS97415	TORTOLITA MOUNTAINS - REID PROPE			316,920.25				316,920.25
OS97425	TORTOLITA MTN PARK-HARVEST NW			5,863.30				5,863.30
OS97435	TORTOLITA MTN PARK-DEVLIN NW			4,673.55				4,673.55
OS97445	RP - TANG NORTHWEST PROPERTY			2,377,093.37				2,377,093.37
OS97455	RP - CORTARO FARMS LAND NORTHWEST PROPER			491.70	13,723.83			14,215.53
OS97501	RP - TUCSON MOUNTAIN PARK - TRAILS END				13,054.60	678.54		13,733.14
PR44018	FLOWING WELLS COMMUNITY CENTER			3,139,604.92	343,625.60			3,483,230.52
PR44019	PR - SOUTHEAST REGIONAL PARK/SHOOTING RA	93,482.85	122,231.06	218,893.09	533,460.76	793,623.60	234,523.44	1,996,214.80
PR44020	FIELD LIGHTING OF EXISTING FIELDS	246,256.62	1,196,349.05					1,442,605.67
PR44021	CURTIS PARK-FLOWING WELLS EAST	326,624.84	292,603.34	2,126,147.18	53,760.00			2,799,135.36

**GO Bond Issues Fully Expended To Date**

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PR44022	CATALINA COMMUNITY PARK	28,899.21	81,203.49	129,292.24	137,438.61	1,586.88		378,420.43
PR44023	PR - DAN FELIX MEMORIAL PARK - PEGLER WA		357.42	282,949.19	4,407.51			287,714.12
PR44024	BRANDI FENTON MEMORIAL PARK (RIVER BEND)	35,705.26	3,572,827.20	391,467.00				3,999,999.46
PR44025	PR - MEHL-FOOTHILLS PARK	16,380.57	19,358.03	429,200.06	55,785.69	169,080.07	1,043,875.74	1,733,680.16
PR44026	RILLITO RACE TRACK	88,641.67	1,240,275.25	462,681.73	580,069.18			2,371,667.83
PR44027	PR - KINO PUBLIC SPORTS FIELD LIGHTING				640,744.75			640,744.75
PR44028	FELIZ PASEOS UNIVRSAL ACCSS PK 2004 AUTHR	60,469.27	834,457.27	98,015.95				992,942.49
PR44029	PICTURE ROCKS POOL	230,439.64	733,093.11	986,801.05				1,950,333.80
PR44030	PR - LINCOLN PARK SOFTBALL FIELD IMPROVE	1,759.75	20,346.57	5,290.21	182,181.08	308,840.22	1,570,043.25	2,088,461.08
PR44031	PR - NORTHSIDE COMMUNITY PARK	1,610.53	13,670.90	14,617.24	182,056.96	23,914.25	3,047.43	238,917.31
PR44032	PR - SOUTHEAST COMMUNITY PARK	2,748.92	26,043.30	11,006.76	29,008.73	12,236.64	13,960.34	95,004.69
PR44033	PR - HOUGHTON GREENWAY	2,387.59	25,161.84	7,568.82	8,075.46		10,212.64	53,406.35
PR44034	PR - JULIAN WASH LINEAR PARK	4,360.77	14,141.37	57,383.08	435,691.04	132,697.02	119,988.72	764,262.00
PR44035	PR - ARROYO CHICO				95,528.02	26,397.30	178,311.29	300,236.61
PR44036	PR - ATTURBURY WASH SANCTUARY	2,269.50	16,610.98	4,268.69	73,677.54	75,176.69	43,462.80	215,466.20
PR44037	PR - PANTANO RIVER PARK, 22ND STREET TO	21,344.90	351,237.27	148,329.65	51,851.37	285,413.68	2,251,615.88	3,109,792.75
PR44038	RIO VISTA NATURAL RESOURCE PARK	728.35	19,993.31	84,080.87	138,653.35	726,129.73	512,094.40	1,481,680.01
PR44039	PR - MARANA CULTURAL AND HERITAGE PARK	3,129.39	124,280.97	120,275.48	715,227.81	2,600.94	10,222.56	975,737.15
PR44040	PR - TORTOLITA TRAIL SYSTEM	328.29	112,328.09	129,695.99	66,329.85			469,982.00
PR44041	PR - ANAMAX PARK MULTI-USE BALL FIELD		357.42	249,219.43	250,423.00			499,999.85
PR44042	PR - BICYCLE LANE ON SAHUARITA ROAD			790.39	30,318.05	6,228.89		37,337.33
PR44043	NARANJA TOWN SITE PARK	2,193.33						2,193.33
PR44044	PR - RILLITO REGIONAL PARK SEEDING AND T						29,832.00	29,832.00
PR44119	AJO SHOOTING RANGE				15,819.44			15,819.44
PR44123	PR - MEADOWBROOK BASKETBALL				73,091.54	60,641.26		133,732.80
PR44219	TUCSON MOUNTAIN PARK SHOOTING			34,587.23				34,587.23
PR44320	MCDONALD PARK FIELD LIGHTING			448,010.14	11,424.00			459,434.14
PR44420	PR - SPORTS PARK LIGHTING				781,701.71	442,290.41		1,223,992.12
PR44520	PR - BRANDI FENTON MEMORIAL PARK LIGHTIN				42,683.72	304,174.25		346,857.97
PR97301	MISCELLANEOUS PARK SYSTEM RENOVATIONS	205,840.00						205,840.00
PR97302	PR - CURTIS PARK FIELD LIGHTING - 1997 A			197,600.00				197,600.00
PR97304	TUCSON MOUNTAIN PARK RENOVATION	39,186.49	28,932.46					68,118.95
PR97305	PR - THOMAS JAY PARK IMPROVEMENTS		14,887.26	123,576.35	229,534.57	42,038.46	349,597.70	759,634.34
PR97306	COLOSSAL CAVE MOUNTAIN PARK IMPROVEMENTS	341,627.58	59,942.56					401,570.14
PR97307	RILLITO PARK IMPROVEMENTS	195,742.39						195,742.39
PR97308	PR - JUHAN PARK EXPANSION PROJECT						99,912.00	99,912.00
PR97309	JAMES KRIEGH PARK IMPROVEMENTS	2,227.23	191,722.11					193,949.34
PR97311	PR - YAQUI PARK IMPROVEMENTS	326,942.27	74,970.04	125,680.64	25,576.54		785,309.20	1,338,478.69
PR97313	FREEDOM PARK CENTER IMPROVEMENTS	84,550.78	129,496.59					214,047.37
PR97314	SAHUARITA DISTRICT PARK IMPROVEMENTS	525,470.77	1,106.42					526,577.19
PR97318	PR - ARMORY PARK/CHILDREN'S MUSEUM IMPRO			487.88	208,032.75	17,824.38		226,345.01
PR97319	LINDA VISTA NEIGHBORHOOD PARK	2,490.12						2,490.12
PR97321	PICTURE ROCKS PARK IMPROVEMENTS	708,091.15						708,091.15
PR97322	SOUTHEAST REGIONAL PARK IMPROVEMENTS	42,582.24	800.00					43,382.24
PR97325	UDALL PARK IMPROVEMENTS	273,208.75	1,064.96					274,273.71
PR97330	RILLITO RIVER PARK - LA CHOLLA TO I-10	46,704.89	1,472.50					48,177.39
PR97331	PR - RILLITO RIVER PARK N BARK	270,896.66	804,103.76	523,087.32	32,737.34	62,568.32	60,237.89	1,753,631.29
PR97332	PR - DIVIDED URBAN PATHWAY	11,332.04	42,348.80	237,251.13	138,016.87	26,954.73	138,375.00	594,278.57
PR97334	ORO VALLEY CDO RIVER PARK	130,538.50	168,020.10	39,177.96	651,950.63			989,687.19
PR97336	PR - SANTA CRUZ RIVER PARK - IRVINGTON T			10,289.97	9,351.35	6,820.80	17,841.21	44,303.33
PR97340	OLD NOGALES PARK	135,882.49	49,652.01					185,534.50
PR97345	MARANA RATTLESNAKE PARK-(CONTINENT RNCH)			788.32	11,957.01	255.77	315,621.00	328,622.10
PR97346	COLUMBUS PARK	197,107.10	178,004.29	182,954.19	1,250,639.40	13,696.26		1,822,401.24
PR97348	ROY P DRACHMAN-AGUA CALIENTE REGIONL PRK	14,465.04	76,590.95					91,055.99
PR97351	PR - LAWRENCE DISTRICT PARK COMMUNITY CE	7,808.27	122,468.57	96,510.46	7,255.20		1,011.20	235,053.70
PR97355	CLEMENTS RECREATIONAL FACILITY	2,013,077.82	110,525.57					2,123,603.39
PR97356	THOMAS JAY COMMUNITY CENTER	2,269.01	149,765.57	213,669.96	363,642.49	40,196.12	1,331.46	770,874.61
PR97357	QUINCIE DOUGLAS PARK EXPANSION	116,309.29	1,606,235.66					1,722,544.95
PR97419	36TH STREET TRAILHEAD	920.17	5,122.75	134,463.32				140,506.24
PR97420	PR - TORTOLITA MOUNTAIN PARK TRAIL SYSTE			6,361.96	81,277.07	24,871.52		112,510.55
PR97421	VARIOUS TRAILHEAD PARKING/STAGING	216.81	1,642.28	112,214.39	57,206.00			171,279.48
PR97423	PR - ANZA TRAIL BRIDGE DEVELOPMENT	9,384.99	56,041.17	11,064.75	19,368.06	13,740.34	4,435.00	114,034.31
SD43001	SD - REGIONAL PUBLIC SAFETY COMS SYSTEM			238,748.69	206,068.47	3,227,602.11	5,695,071.97	9,367,491.24
SD43002	SD - COMMUNICATIONS EMERGENCY OPERATIONS			6,267,190.89	352,202.54	155,089.32	1,378,063.08	8,152,545.83
SD43004	SD - MICROWAVE PATH-CHILDS MTN TO PCSD				92,263.82			92,263.82
SD43005	SD - THOMAS O PRICE SERVICE CENTER COMMU						134.49	134.49
SW42011	SW - WASTE TIRE COLLECTION SITE RELOCATI						648,603.59	648,603.59
SW97701	REG LANDFULL ACC AND DISPOSAL CELL	21,000.00	13,200.00					34,200.00
SW97703	SAHUARITA EXPANSION	261,878.66	536,632.04	6,109,637.59	65,550.33	22,191.31	8,253.85	7,004,143.78
SW97704	ENVRMNTL REMEDIATION/EL CAMINO DEL CERRO	32,683.23	58,943.45	352,943.31	207,953.54	361,330.46	646,143.72	1,659,997.71
TR97004	RIVER ROAD CAMPBELL TO ALVERNON WAY	1,288,499.00						1,288,499.00
X500012	FC - SANTA CRUZ RIVER: PASEO DE LAS IGLE	112,841.46	218,032.28	212,330.97	902,947.08	74,254.49	289,860.95	1,810,267.23
X808001	RP - SOUTHEAST GRASSLANDS				10,423,205.86	14,512,383.94	40,066.36	24,975,656.16
Issuance Costs		111,119.38	129,176.88	191,751.66	204,250.86	159,110.29	153,107.00	948,516.07
<b>Grand Total</b>		<b>\$ 65,000,000.00</b>	<b>\$ 65,000,000.00</b>	<b>\$ 95,000,000.00</b>	<b>\$ 100,000,000.00</b>	<b>\$ 75,000,000.00</b>	<b>\$ 90,000,000.00</b>	<b>\$ 490,000,000.00</b>

### HURF Bond Issues Fully Expended To Date

Project Number	Project Description	2005 Series	2007 Series	2008 Series	2009 Series	Total
TR97004	River Road: Campbell to Alvernon Way TR - RIVER ROAD: CAMPBELL AVE TO ALVERNO	10,318,425.83	1,648,730.45			10,318,425.83 1,648,730.45
TR97005	Alvernon Way: River Road to Ft. Lowell	1,780,130.12				1,780,130.12
TR97006	Magee Road: La Canada Drive to Oracle TR - MAGEE ROAD: LA CANADA DR TO ORACLE	743.00	2,237.58	591.13	981,059.24	743.00 983,887.95
TR97007	Orange Grove Road at Geronimo Wash TR - ORANGE GROVE ROAD AT GERONIMO WASH	1,233.88	20,000.12	16,093.38		1,233.88 36,093.50
TR97010	La Canada Drive: Ina to Lambert Lane	11,908.86				11,908.86
TR97012	Country Club Road: 36th Street to Irvington TR - COUNTRY CLUB: 36TH TO IRVINGTON	246,928.65	5,837,127.56	3,902,825.06		246,928.65 9,739,952.62
TR97017	TR - VALENCIA ROAD: MARK RD TO CAMINO DE		367,311.10	4,223,388.47		4,590,699.57
TR97018	Cortaro Farms Road: I-10 to Thornydale Road TR - CORTARO FARMS RD: CAMINO DE OESTE	3,198,165.95	3,385,558.54	41,845.44		3,198,165.95 3,427,403.98
TR97020	La Cholla Boulevard: I-10 to River Road TR - LA CHOLLA BLVD: RUTHRAUFF RD TO RIV	390,659.86		52,123.55	1,213,216.45	390,659.86 1,265,340.00
TR97023	TR - THORNYDALE: CORTARO FARMS TO LINDA		2,021.99	4,106.27		6,128.26
TR97024	TR - MAINSAIL BL AND TWIN LAKES DR / TWE		11,841.33	24,091.00		35,932.33
TR97025	I-19: SB Frontage Road at Continental	213,962.00				213,962.00
TR97027	River Road at Ventana Canyon Wash TR - RIVER ROAD AT VENTANA CANYON WASH	3,052.53	30,168.85	87,179.16		3,052.53 117,348.01
TR97029	TR - HOUGHTON RD: GOLF LINKS TO I-10			36,398.55	10,339.15	46,737.70
TR97030	Catalina Highway: Tanque Verde to Houghton Road	3,717,857.70				3,717,857.70
TR97031	Tanque Verde: Catalina Highway to Houghton Road TR - TANQUE VERDE: CATALINA HWY TO HOUGH	3,804.89		162,861.00	784,837.00	3,804.89 947,698.00
TR97032	Kolb Road: Sabino Canyon to Sunrise Drive TR - KOLB ROAD: SABINO CANYON RD TO SUNR	27,189.00	3,163.06	9,586.23		27,189.00 12,749.29
TR97037	I-19: NB Frontage Road, Canoa TI to Continental TR - I-19 NORTHBOUND FRONTAGE RD	19,771.31	250,000.00	2,863,110.79	510,558.21	19,771.31 3,623,669.00
TR97041	Neighborhood Transportation Improvements TR - PUEBLO GARDENS NEIGHBORHOOD ASSOC	181,633.78	93,875.88	485,154.25		181,633.78 579,030.13
TR97043	12th Avenue: 38th Street to Los Reales TR - S. 12TH AVENUE: 44TH STREET GATEWAY	1,393,945.73	1,429,368.32			1,393,945.73 1,429,368.32
TR97044	Orange Grove Road: Thornydale Road to Oracle TR - ORANGE GROVE ROAD: THORNYDALE ROAD	1,261,836.77	11,965.74	686.90	156,886.95	1,261,836.77 1,69,539.59
TR97045	La Cholla Boulevard: River Road to Magee	3,097,475.00				3,097,475.00
TR97046	Craycroft Road: River Road to Sunrise Drive TR - CRAYCROFT: RIVER TO SUNRISE	8,489,241.44	1,059,446.02	2,524,165.82		8,489,241.44 3,583,611.84
TR97047	Sunrise Drive: Craycroft Road to Kolb Road TR - SUNRISE DRIVE: CRAYCROFT TO KOLB	4,019,329.66	2,261,112.48	5,091,173.24	6,626,655.30	4,019,329.66 13,978,941.02
TR97049	TR - VALENCIA ROAD / MISSION RD. TO I-19 Valencia Road: Mission Road to I-19	528,069.08	3,471,492.74	1,906,144.80		5,377,637.54 528,069.08
TR97050	TR - KINNEY ROAD: AJO WAY TO BOPP ROAD			319,381.58	95,062.13	414,443.71
TR97051	La Cañada/Las Quintas Highway Drainage Improvements (FC-07)	1,410,810.98				1,410,810.98
TR97052	Palo Verde: I-10 to VMO @ Railroad	1,300,000.00				1,300,000.00
TR97053	Old Tucson- Nogales Highway Summit TR - OLD TUCSON-NOGALES HWY - SUMMIT	21.27	10,509.80	8,370.60	11,598.99	21.27 30,479.39
TR97054	Mount Lemmon Shuttle TR - MT LEMMON SHUTTLE	1,147,086.53	118,530.00		279,562.14	1,147,086.53 398,092.14
TR97056	Broadway Blvd: Euclid to Campbell Avenue TR - BROADWAY BLVD - EUCLID TO CAMPBELL	894,504.81	401,981.59	50,760.83		894,504.81 452,742.42
TR97057	Safety Improvements Projects TR - SAFETY IMPROVEMENTS / 1997 BOND FUN	7,259,156.38	497,489.02	2,177,227.06	517,099.26	7,259,156.38 3,191,815.34
TR97058	Kino Parkway Overpass @ 22nd Street TR - KINO PARKWAY OVERPASS AT 22ND STREE	169,897.48	22,151.67	579,980.63	16,176.09	169,897.48 618,508.39
X406010	TR - HOMER DAVIS ELEMENTARY BICYCLE & PE				184,598.07	184,598.07
X406028	LA CANADA DRIVE: INA ROAD TO CALLE CONCO			360,859.51	3,609,537.87	3,970,397.38
X410012	TR - CENTENNIAL ELEMENTARY SCHOOL - SAFE				2,813.15	2,813.15
Issuance Costs		113,157.51	63,916.16	71,894.75	-	248,968.42
<b>Grand Total</b>		<b>\$ 51,200,000.00</b>	<b>\$ 21,000,000.00</b>	<b>\$ 25,000,000.00</b>	<b>\$ 15,000,000.00</b>	<b>\$ 112,200,000.00</b>

**Sewer Revenue Debt Fully Expended To Date**

Project Number	Project Description	2007 Series	2008 Series	2009 Series	2010 Series	Total
3MRP12	WW - WASTEWATER CONVEYANCE				315,135.87	315135.87
3PTS12	WW - WASTEWATER CONVEYANCE				415.00	415.00
3THS12	WW - WASTEWATER CONVEYANCE				240,328.65	240328.65
3WCP12	WW - WASTEWATER CONVEYANCE				50,893.21	50893.21
W700013	Carlito School/EI Paso Sewer Rehab	3,377,022.46				3377022.46
W700035	Tanque Verde Interceptor, Craycroft to Tucson	245,379.79	162,841.45	272,820.11		681041.35
W700048	Arlivaca Junction WWTF sewer Ext		8,201.27			8201.27
W708107	WW - INA RD WPCF ENCLSD TRANS ST DEWTRNG				1,222,717.08	1222717.08
W708109	WW - INA RD WPCF SCADA PROCESS OPTIMIZ				162,109.64	162109.64
W708111	WW - INA WPCF-GRTY BELT THKERS FOR BIOSO				878,569.40	878569.40
W708116	WW - INA RD WPCF DIGESTER GAS EQUIP REPL				251,650.19	251650.19
W708201	RR WTP Biotower Arm Replacemnet		826,508.75			826508.75
W708202	Roger Rd Odor Control for Digester			266,530.04		266530.04
	WW - ROGER RD WRF ODOR CONTROL FOR DIGES				29,000.00	29000.00
W708510	GV WWTF - Sludge Digestion Facility Cover				111,983.61	111983.61
W708511	WW - GV WWTF-SCREENS, WASHERS & COMPACTOR				23,600.47	23600.47
W708601	Sunrise Lift Station		6,930.64	135,168.99		142099.63
W708602	WW - PRUDENCE LIFT STATION				507,090.73	507090.73
w708603	Alhaja Pump Station		2,126.04	178,380.50		180506.54
W708701	WW - REG WIDE CONVEYANCE ODOR CNTRL SYS				114,445.90	114445.90
W708702	WW - RW CONVEY VAPOR TREAT UNIT ODOR CNT				613,187.13	613187.13
W708703	WW - REGION WIDE CONVEYANANCE ODOR CNTRL				292,849.54	292849.54
W709102	WW - INA RD. WRF ROUGH SCREENS				32,245.02	32245.02
W709103	WW - INA RD WRF WASHER COMPACTOR REPLACE				127,781.97	127781.97
W709201	Roger Rd WRF Process Water Pumps7			117,326.00		117326.00
	WW - ROGER RD WRF PROCESS WATER PUMPS 7				129,523.30	129523.30
W709501	WW - AVRA VALLEY WRF SECURITY				182,543.68	182543.68
W709510	WW - GREEN VALLEY WRF ELECTRICAL REHAB				226,492.96	226492.96
W709702	WW - LA CANADA RD:INA RD TO CALLE CONCOR				167,496.55	167496.55
W710703	WW - GRANT RD AT CRAYCROFT RD INTERSECTI				184,333.96	184333.96
W710704	WW - MOUNTAIN AVE. ROGER RD TO FT LOWELL				318,494.93	318494.93
W710715	PCDOT - Magee/Cortaro Farms - Thornydale to La Canada				261,550.24	261550.24
W710717	WW - PCDOT LA CHOLLA BLVD RUTHRAUFF TO R				278,635.94	278635.94
W710718	WW - MT LEMMON UPPER CONVEYANCE SYSTEM R				276,352.05	276352.05
W710719	WW - WAGON TRAIL ROAD AT FORTY NINER COU				550,010.27	550010.27
W711102	WW - INA AERATION OPTIMIZATION				358,164.37	358164.37
W711103	WW - INA RD WRF EAST PLANT				318,893.00	318893.00
W711302	WW - NORTH RILLITO INTERCEPTOR RELIEF SE				52,827.00	52827.00
W711510	WW - GREEN VALLEY WRF REPLACE WASHER/COM				179,860.31	179860.31
W711601	WW - SEWER MANHOLE REHABILITATION				452,276.96	452276.96
W711703	WW - VETERAN'S WASH SIPHON REPAIR				486,213.78	486213.78
W711704	WW - MODERN STREETCAR SEWER REHABILITATI				519,373.04	519373.04
W711705	WW - NINTH STREET: FIRST AVE TO CHERRY A				759,139.35	759139.35
W711706	WW - DMAFB FLOW METER STATION				26,647.32	26647.32
W711707	WW - FORTY NINER COUNTRY CLUB REHAB				480,146.35	480146.35
W711708	WW - SKYLINE COUNTRY CLUB HACIENDA DEL S				2,322.62	2322.62
W711710	WW - MINOR MODIFICATION PROJECTS				20,004.14	20004.14
W711711	WW - SWEETWATER LIFT STATION MODIFICATIO				18,312.03	18312.03
W711712	WW - SPEEDWAY BLVD/MAIN ST AREA CONVEYAN				12,570.06	12570.06
W712702	WW - Harrison Road Millmar Road to Escalante Road				2,440.50	2440.50
W746010	Roger Rd WWTP Rehabilitation	726,113.97				726113.97
W746011	RR Rehab Structure Assess	283,739.66	445,567.87	7,407.56		736715.09
W746013	RR Rehab Headworks Compactors	738,148.57				738148.57
W746015	RR Const of New Stormwater Basin	1,765,645.52				1765645.52
W746016	RR Rehab Electrical Study	472,757.92	854,662.53	443,822.00		1771242.45
	WW - R R REHAB ELECTRICAL STUDY				63,248.15	63248.15
W746017	RR rehab Aeration Basins	169,178.23	1,670,153.76			1839331.99
W746020-23	Misc. Conveyance System Rehab	5,079,307.86				5079307.86
W746021	Misc. Conveyance System Rehab		2,708,288.08	786,445.00		3494733.08
	WW - CONVEYANCE REHAB >= 15 INCH				232,009.79	232009.79
W746024	RR Rehab Bios Handling Planning	794,394.34	275,291.66			1069686.00
W746025	RR Rehab Port Pack Thickeners	1,589,937.20				1589937.20
W746030	SCI : Prince to Franklin	11,783,111.63				11783111.63
	SCI : Prince to Franklin- Phase 2		12,975,324.42	73,348.00		13048672.42
W746031	SCI : Prince to Franklin- Phase 3		120,685.89	172,793.97		293479.86
	WW SANTA CRUZ INTERCEPTOR, PHASE III				9,633,890.47	9633890.47
W746040	Roger Rd WWTP to Ina Rd WPCF	377,278.12				377278.12
W746060	Marana Regional Airport Sewer Connection	203,572.20	189,772.82			393345.02
W746100	Marana WWTP Expansion (1.0 mgd)	5,935,515.55	6,459,922.00			12395437.55
	WW - NEW MARANA WWTP BNROD EXP (2.2MGD)				367,415.31	367415.31
W746120	Mt. Lemmon Sewer System	347,691.48	165,027.70	417.87		513137.05
W750020	Avra Valley BNROD Expansion	7,398,562.60	31,863,271.88	3,151,643.52		42413478.00
W750142	WW - CAPSTAN LIFT STATION REHAB				23,885.50	23885.50
W750143	WW - RICHEY YARD FACILITY PLAN				209,310.42	209310.42
W750145	SCR Basln NDN Implementation Study	2,187,045.34	435,656.55			2622701.89
W750149	Sabino Canyon Crossing	488,732.99				488732.99
W750159	WW - CONTINENTAL RCH SCRUBBER				7,144.04	7144.04
W750210	WW - MISSION VIEW WASH				1,284,426.83	1284426.83
W750230	Roger Rd Odor Control	4,304,539.19	2,921,986.08			7226525.27
W750240	WW - PRINCE RD & I-10 ADOT SEWER MODIFIC				2,978,000.54	2978000.54
W755010	Sludge Line Rehab-Roger to Ina	1,019,326.80				1019326.80

**Sewer Revenue Debt Fully Expended To Date**

Project Number	Project Description	2007 Series	2008 Series	2009 Series	2010 Series	Total
W755020	Variable Frequency drive @ Pump Stn 4	53,124.50	312,123.99			365248.49
W755030	Roger Rd Stormwater Basin	518,757.29				518757.29
W755310	WW - INA SCUM PUMPING SYSTEM				9,823.27	9823.27
W755318	WW - SABINO CREEK PUMP STATION				199,663.98	199663.98
W760703	ROMP Ina Rd WPCF HPO Replacement		2,891,363.62	1,672,762.50		4564126.12
	WW - ROMP INA RD WPCF HPO REPLACEMENT				40,681,414.56	40681414.56
W760704	ROMP Ina Rd WPCF 12.5 mgd Exp		2,090,231.25	1,108,758.26		3198989.51
	WW - ROMP INA RD WPCF 12.5 MGD EXPANSION				19,476,626.05	19476626.05
W760705	ROMP Ina Rd WPCF BNRAS Sys Modi		821,076.19	815,839.32		1636915.51
	WW - ROMP INA RD WPCF BNRAS SYS MODIF				2,149,985.29	2149985.29
W760706	Ina Rd WPCF Biosolids Facilities		1,709,975.51	1,889,616.97		3599592.48
	WW - INA RD WPCF BIOSOLIDS FACILITIES IM				29,712,258.55	29712258.55
W760707	ROMP Ina Rd WPCF Poewer Gen & Distr		176,298.33	33,817.38		210115.71
	WW - ROMP INA RD WPCF POWER GEN & DIST				4,340,313.89	4340313.89
W760708	ROMP Ina Rd WPCF Class A biosolids Imp		89,313.89	2,000.00		91313.89
	WW - INA RD WPCF CLASS A BIOSOLIDS IMP				252,859.98	252859.98
W760709	ROMP Plant Interconnect		3,805,847.68	7,478,361.00		11284208.68
	WW - ROMP PLANT INTERCONNECT				7,860,220.38	7860220.38
W760711	ROMP 32 mgd Reclamation campus (RR)		680,836.00			680836.00
	WW - ROMP 32 MGD RECLAMATION CAMPUS				16,587,844.98	16587844.98
W760712	Roger Rd WWTP Demolition		17,813.08	1,800.00		19613.08
	WW - ROGER RD WWTP DEMOLITION				34,325.26	34325.26
W760713	PCRWRD Laboratory		36,670.31	39,339.14		76009.45
	WW - PCRWRD CENTRAL LABORATORY COMPLEX				10,074,004.79	10074004.79
W760714	PCRWRD Administration Bldg		37,082.00	19,630.00		56712.00
	WW - PCRWRD CENTRAL LABORATORY COMPLEX S				4,298,317.94	4298317.94
W760715	WW - ROMP SCADA				2,801,171.89	2801171.89
	WW ROMP SCADA		35,120.30	207,953.87		243074.17
						0.00
Issuance Costs		141,116.79	204,028.46	64,018.00	434,035.58	843198.83
Portion of par value of proceeds used for debt reserve fund held by third party					49,174.44	49174.44
<b>Grand Total</b>		<b>\$ 50,000,000.00</b>	<b>\$ 75,000,000.00</b>	<b>\$ 18,940,000.00</b>	<b>\$ 165,000,000.00</b>	<b>\$ 308,940,000.00</b>

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**Cities Hit as Funds From Bonds Pay Other Bills**

By IANTHE JEANNE DUGAN, JUSTIN SCHECK and BOBBY WHITE

When the recession squeezed Miami's budget in recent years, officials reached into funds raised for road repairs and other projects to plug the shortfall.

Now, the city is paying a price. The moves triggered lawsuits and a federal investigation, in a brouhaha that holds ramifications for how municipalities nationwide maneuver around unprecedented money problems.

**Cash Flow**

**Cash Flow**  
Some municipalities have paid for public projects with bonds earmarked for other purposes. Here are some examples from public officials.



Cities and states across the country are using money designated for specific purposes—such as fixing roads or sewers—in order to fill financial holes elsewhere, according to public officials and records. The moves are exposing municipalities to controversy, as federal regulators and local auditors are more heavily scrutinizing their finances to protect bond buyers and taxpayers.

In Miami, the Securities and Exchange Commission is wrapping up an investigation into whether the city used funds intended for roads and other purposes to fill budget gaps elsewhere, according to people close to the probe. Bondholders are suing, saying the moves obscured the city's true finances. The city's former budget director is also suing,

claiming he was fired for cooperating with the SEC and the Federal Bureau of Investigation.

Then, in late October, the city's former auditor sued, alleging in the suit that he lost his job because he flagged problems then "participated, at the request of the Securities and Exchange Commission, in an investigation into whether the City of Miami was engaging in behavior tantamount to stock fraud in the marketing of its municipal bonds." Both so-called whistleblower cases are filed in a circuit court in Miami-Dade County.

"If I had looked the other way, I'd still have my job," said Victor Igwe, who had worked as Miami's internal auditor for 12 years until late June, after his contract wasn't renewed.

City officials declined to comment on the departure of the two officials.

"The city is cooperating fully with the investigation," said Ivan Harris, an attorney at Morgan Lewis & Bockius LLP who is representing Miami in the SEC matter. He said the city "stands by the accounting for the transfers" because some of the funds had been unused for their designated purposes and other funds were replaced.

The SEC declined to comment.

For municipalities, the legality and potential penalties of moving money around range widely. Misusing money raised by publicly sold infrastructure bonds, for example, could violate civil laws protecting bond buyers. Other cases could violate federal or state public-finance disclosure laws, accounting rules, or regulations governing how agencies spend federal funds.

Some cases are being handled on a local level.

In Modoc County, Calif., officials were ordered last year by the state controller to repay more than \$13 million they moved, including state and federal tax dollars earmarked for schools, roads, welfare programs and other projects. The county, as late as 2008, channeled some of those restricted funds into its main hospital.

"Modoc's unlawful use of funds to mask its deep budget deficits was a disturbing finding," said state controller John Chiang in an email. "The misuse of public dollars, poor bookkeeping and substandard financial audits are not isolated to this county."

Modoc officials said they learned the transfers were illegal during recent audits by Mr. Chiang. The alternative, they say, was to possibly close the hospital—the county's biggest employer. "We just have to keep tightening our belts," said County Supervisor Jeff Bullock.

The county so far has been unable to repay, and officials declined to comment on whether further action will be taken.

The shuffles, public officials say, have picked up steam during the recession.

When Ecorse, Mich., ran into a financial crunch in 2008 and 2009, the city used more than \$2 million intended for schools and other areas to fill budget shortfalls, according to a state audit. The city's mayor says that the issues are in the past.

Portland, Ore., over the past five years used money raised for water and sewers to pay for other purposes, including remodeling a building for the nonprofit foundation that runs the city's Rose Festival, according to a March report by the city auditor.

The project may have helped the public, wrote city auditor LaVonne Griffin-Valade, but state law, city code and bond covenants require that utility ratepayer money be spent for utilities. Misusing the funds could reclassify the money as an unauthorized tax.

A Portland city council member who oversees sewers, Dan Saltzman, said the council "has been getting more lax about how we're allowing ratepayer dollars to be spent." He has proposed an independent utility commission.

Elaine Greenberg, who runs the SEC municipal unit, said the agency is looking for cases where governments might use money from a bond offering for purposes not specified in the offering documents.

"You can't float a bond for one thing and use the money for another," she said. The agency also is on the hunt for governments moving money reserved for specific purposes.

Ms. Greenberg wouldn't confirm or deny the existence of any investigation.

A municipal borrower that misleads investors in borrowing documents or uses money raised for other purposes could violate antifraud provisions. Municipalities deemed at higher risk of default typically pay higher interest rates on bonds. By obscuring financial problems, they may underpay bondholders.

Historically, the SEC has avoided financially penalizing municipalities, since taxpayers ultimately pay the penalty. So last year the agency tried a new approach—it fined individual officials in San Diego to settle allegations the city had misled bond investors.

In Miami, any new case would be a second offense. In 2003, the SEC ordered Miami to cease and desist from future violations of antifraud provisions after concluding the city had misled bond buyers by moving money among agencies to mask a deficit. The city maintained it did nothing wrong.

The SEC began re-examining Miami in late 2009. Regulators have investigated transfers into the general fund. They also have questioned the use of gas taxes paid by drivers, which Mr. Igwe's audit report said was supposed to be used for transportation-related projects but was instead used to operate street lights and decorative lights in parks.

Among those in Miami questioned by the SEC was Michael Boudreaux, who was fired as budget director in 2010. In his pending lawsuit against Miami, Mr. Boudreaux said city officials discovered a "major budget shortfall" and directed him to locate funds. Those officials declined to comment.

"There was no deception on my part," Mr. Boudreaux said in an interview. He says others implemented the ideas and that he was fired after speaking to federal investigators.

Marc Sarnoff, a city commissioner, said that he and others weren't aware that moving the funds was a potential violation of rules.

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