

Notes

Appendix G consists of three parts:

- A computation of available debt repayment capacity based on:
 - Information in this Study
 - Projections for future revenue growth, as used in the 2015-16 city Budget
 - Determinations by Piper Jaffary on a likely city bond rating, interest rate and discount fees
- A sample debt repayment schedule for municipal bonds as developed by city of Sammamish staff
- A sample debt repayment schedule for a Public Works Board (Public Works Trust Fund) loan as developed for this Study by staff of the Washington State Public Works Board

Disclaimer

The use of debt capacity determination and the accompanying debt service schedules does not imply that debt will be used to finance one or more of the three long-term capital projects identified in the Study. The information provided is done solely to illustrate that debt financing is one option that can be considered.

All fiscal assumptions and determinations are based on the best available information available at the time of development. Policy changes and variations in the economy can modify the assumptions upon which this information is based.

**Klahanie PAA
Debt Service Affordability Analysis**

RESOURCE ESTIMATES			DEBT SERVICE ESTIMATES					
	Year 1	Year 2						
Revenues			Project A	\$14,000,000				
Ongoing	\$5,510,433	\$5,626,152	SE Issaquah-Fall City Road 4800 Block to SE Klahanie Drive					
REET	439,606	0	Project B					
CIP One-Time	540,841	0	SE Issaquah-Fall City Road	9,000,000				
	<u>\$6,490,880</u>	<u>\$5,626,152</u>	SE Klahanie to SE Issaquah-Beaver Lake Road					
Expenditures			Project C	3,000,000				
Ongoing	\$4,041,018	\$4,205,921	Issaquah-Pine Lake Road SE					
One-Time	706,087	0	SE 48th Street to SE Issaquah-Fall City Road					
	<u>\$4,747,105</u>	<u>\$4,205,921</u>						
Variance	\$1,743,775	\$1,420,231	Total Project Costs	\$26,000,000				
	↑	↑	Less: City Committed Funds	(3,000,000)				
Available for up front capital expenditures		Available for debt service	Total to be Bonded	<u>\$23,000,000</u>				
			Bond Issuance Cost	460,000				
			Par Amount	<u>\$23,460,000</u>				
			Annual Debt Service	\$1,341,000				
			<table border="1"> <tr> <td>Interest Rate: 3.0% (LTGO)</td> <td>Term: 25 Years</td> </tr> <tr> <td>Bond Rating: Aaa</td> <td>Issuance Costs: 2%</td> </tr> </table>		Interest Rate: 3.0% (LTGO)	Term: 25 Years	Bond Rating: Aaa	Issuance Costs: 2%
Interest Rate: 3.0% (LTGO)	Term: 25 Years							
Bond Rating: Aaa	Issuance Costs: 2%							

Notes:

1. Year 1 revenue and estimates per Table 16
2. Year 1 REET and one-time revenues (EX: impact fees) are not included in this analysis
3. Year 1 one-time expenditures are assumed to be fully expended in Year 1
4. Year 2 revenues reflect 2.1% increase per City of Sammamish General Fund forecast

**Bond Debt Service
City of Sammamish
Sample LTGO Bonds**

Assumptions	
Principal	\$10,000,000.00
Interest Rate	3.00%
Years	20
Payment Frequency	Semi-Annual

Period	Principal	Interest	Debt Service	Annual Debt Service
1	184,271.02	150,000.00	334,271.02	
2	187,035.08	147,235.93	334,271.02	668,542.03
3	189,840.61	144,430.41	334,271.02	
4	192,688.22	141,582.80	334,271.02	668,542.03
5	195,578.54	138,692.48	334,271.02	
6	198,512.22	135,758.80	334,271.02	668,542.03
7	201,489.90	132,781.11	334,271.02	
8	204,512.25	129,758.77	334,271.02	668,542.03
9	207,579.93	126,691.08	334,271.02	
10	210,693.63	123,577.38	334,271.02	668,542.03
11	213,854.04	120,416.98	334,271.02	
12	217,061.85	117,209.17	334,271.02	668,542.03
13	220,317.78	113,953.24	334,271.02	
14	223,622.54	110,648.47	334,271.02	668,542.03
15	226,976.88	107,294.14	334,271.02	
16	230,381.53	103,889.48	334,271.02	668,542.03
17	233,837.26	100,433.76	334,271.02	
18	237,344.82	96,926.20	334,271.02	668,542.03
19	240,904.99	93,366.03	334,271.02	
20	244,518.56	89,752.45	334,271.02	668,542.03
21	248,186.34	86,084.68	334,271.02	
22	251,909.14	82,361.88	334,271.02	668,542.03
23	255,687.77	78,583.24	334,271.02	
24	259,523.09	74,747.93	334,271.02	668,542.03
25	263,415.94	70,855.08	334,271.02	
26	267,367.18	66,903.84	334,271.02	668,542.03
27	271,377.68	62,893.33	334,271.02	
28	275,448.35	58,822.67	334,271.02	668,542.03
29	279,580.07	54,690.94	334,271.02	
30	283,773.78	50,497.24	334,271.02	668,542.03
31	288,030.38	46,240.64	334,271.02	
32	292,350.84	41,920.18	334,271.02	668,542.03
33	296,736.10	37,534.92	334,271.02	
34	301,187.14	33,083.88	334,271.02	668,542.03
35	305,704.95	28,566.07	334,271.02	
36	310,290.52	23,980.49	334,271.02	668,542.03
37	314,944.88	19,326.14	334,271.02	
38	319,669.05	14,601.96	334,271.02	668,542.03
39	324,464.09	9,806.93	334,271.02	
40	329,331.05	4,939.97	334,271.02	668,542.03



Public Works Board

City of Sammamish Sample Debt

Department of Community, Trade, and Economic Development
210 11th Ave. SW, Suite G2, P.O. Box 48319, Olympia, WA 98504-8319

Enter values for the fields shown in yellow below to explore different scenarios. Required fields are shown with a red asterisk. Information shown in green is computed for you, but you may change the values, if desired. The amortization worksheet is automatically updated to reflect each change you make.

Payment Schedule:

Year	Due	Draws	Refunds	Interest	Principal	Payment	Balance
1	7/1/2011	2,500,000.00		33,125.00		33,125.00	2,500,000.00
2	7/1/2012	2,500,000.00		99,375.00	263,157.89	362,532.89	4,736,842.11
3	7/1/2013	2,500,000.00		158,651.32	402,046.79	560,698.11	6,834,795.32
4	7/1/2014	2,500,000.00		214,247.07	549,105.61	763,352.68	8,785,689.71
5	7/1/2015			232,820.78	549,105.60	781,926.38	8,236,584.11
6	7/1/2016			218,269.48	549,105.61	767,375.09	7,687,478.50
7	7/1/2017			203,718.18	549,105.61	752,823.79	7,138,372.89
8	7/1/2018			189,166.88	549,105.60	738,272.48	6,589,267.29
9	7/1/2019			174,615.58	549,105.61	723,721.19	6,040,161.68
10	7/1/2020			160,064.29	549,105.61	709,169.90	5,491,056.07
11	7/1/2021			145,512.98	549,105.61	694,618.59	4,941,950.46
12	7/1/2022			130,961.69	549,105.60	680,067.29	4,392,844.86
13	7/1/2023			116,410.39	549,105.61	665,516.00	3,843,739.25
14	7/1/2024			101,859.09	549,105.61	650,964.70	3,294,633.64
15	7/1/2025			87,307.79	549,105.60	636,413.39	2,745,528.04
16	7/1/2026			72,756.49	549,105.61	621,862.10	2,196,422.43
17	7/1/2027			58,205.20	549,105.61	607,310.81	1,647,316.82
18	7/1/2028			43,653.89	549,105.61	592,759.50	1,098,211.21
19	7/1/2029			29,102.60	549,105.60	578,208.20	549,105.61
20	7/1/2030			14,551.30	549,105.61	563,656.91	0.00
21	7/1/2031						0.00
22	7/1/2032						0.00
23	7/1/2033						0.00
24	7/1/2034						0.00
25	7/1/2035						0.00
26	7/1/2036						0.00
27	7/1/2037						0.00
28	7/1/2038						0.00
29	7/1/2039						0.00
30	7/1/2040						0.00
31	7/1/2041						0.00
Total		\$10,000,000.00	\$0.00	\$2,484,375.00	\$10,000,000.00	\$12,484,375.00	

Client:	Sammamish
Project Description:	What If
Initial Loan Amount:	\$10,000,000.00 *
Initial Local Match:	
Initial Match %:	0.00%
Initial Interest Rate:	2.65%
Date Loan was Authorized:	1/1/2010
Loan Amount at Closing:	\$10,000,000.00
Local Match at Closing:	\$0.00
Match % at Closing:	0.00%
Interest Rate at Closing:	2.65%
Closing Date:	1/1/2015
Loan Type:	Construction
Loan Term (Years):	20
Years Principal is Deferred:	1

Note: No Discount, Bond Counsel, or Underwriter Fees

History:	Date	Draw	Refund*
1	1/1/2011	2,500,000.00	
2	1/1/2012	2,500,000.00	
3	1/1/2013	2,500,000.00	
4	1/1/2014	2,500,000.00	
5			
Total:		\$10,000,000.00	\$0.00

* Includes forgiveness of principal amount

Loan calculations are based on a 360-day year of twelve 30-day months. All values are approximate and may not exactly match the actual values invoiced.

Enter values into items shown in bright yellow. Items marked with * are required

Items shown in green are automatically determined, but may be overridden by entering a new value