

DEBT SERVICE
(Reviewed by Council 06/29/11)

	Expended 2007-08	Expended 2008-09	Expended 2009-10	Original Budget 2010-11	Adjusted Budget 2010-11	Estimate/ Actual 2010-11	Staff Request 2011-12	Council Approve 2011-12	% Change	Projection 2012-13
PROPERTY ACQUISITIONS										
Police Facility Site	0	967,620								
	0	967,620	0							
DEBT SERVICE										
152 Willow Avenue										
Principal Retirement	88,317	92,200	96,255	100,500	100,500	100,500	104,900	104,900		109,500
Interest Expense	34,954	31,071	27,016	22,800	22,800	22,800	18,400	18,400		13,800
	123,271	123,271	123,271	123,300	123,300	123,300	123,300	123,300	0.0%	123,300
Park Madera Center (Modified Accrual)										
Principal Retirement	140,000	150,000	155,000	165,000	165,000	165,000	175,000	175,000		180,000
Interest Expense	630,373	622,748	614,577	606,200	606,200	606,200	597,200	597,200		587,600
Administrative Charges	2,950	2,950	3,450	3,000	3,000	3,000	3,000	3,000		3,000
	773,323	775,698	773,027	774,200	774,200	774,200	775,200	775,200	0.0%	770,600
Tax & Revenue Anticipation Notes (TRANs)										
Principal Retirement	3,100,000	3,750,000	3,435,000	3,435,000	0	0	3,435,000	3,435,000		3,435,000
Interest Expense	139,113	112,188	85,637	86,000	0	0	86,000	86,000		86,000
Administrative Charges	43,405	44,654	63,014	63,000	0	0	63,000	63,000		63,000
	3,282,518	3,906,842	3,583,651	3,584,000	0	0	3,584,000	3,584,000	0.0%	3,584,000
Superior Court Traffic Fines										
Principal Retirement	32,198	33,467	34,787	36,200	36,200	36,200	15,500	15,500		N/A
Interest Expense	5,323	4,054	2,734	1,300	1,300	1,300	100	100		N/A
	37,521	37,521	37,521	37,500	37,500	37,500	15,600	15,600	(58.4%)	N/A

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(continued)

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Police Facility Site										
Principal Retirement	0	0	27,995	29,500	29,500	29,500	31,100	31,100		32,800
Interest Expense	0	0	51,418	49,900	49,900	49,900	48,300	48,300		46,600
	0	0	79,413	79,400	79,400	79,400	79,400	79,400	0.0%	79,400
Total Debt Service	4,216,633	5,810,952	4,596,883	4,598,400	1,014,400	1,014,400	4,577,500	4,577,500	N/A	4,557,300

FINANCING SOURCES

Rentals - 152 Willow Avenue	24,021	24,021	24,021	24,000	24,000	24,000	25,800	25,800		25,800
General Fund - 152 Willow Avenue	99,250	99,250	99,250	99,300	99,300	99,300	97,500	97,500		97,500
Net Rentals - Park Madera Center *	281,073	126,764	443,025	401,500	401,500	401,500	547,000	547,000		547,000
Interest - Park Madera Center Debt	775	33	0	0	0	0	0	0		0
(Surplus)/Deficit - Park Madera Center	356,160	648,901	330,002	372,700	372,700	372,700	228,200	228,200		223,600
Carryover - Park Madera Center	135,315									
Proceeds TRANS	3,100,000	3,750,000	3,435,000	3,435,000	0	0	3,435,000	3,435,000		3,435,000
Interest Earnings - TRANS	182,518	86,842	30,951	29,000	0	0	29,000	29,000		29,000
General Fund - TRANS	0	70,000	117,700	120,000	0	0	120,000	120,000		120,000
General Fund - Traffic Fines	37,521	37,521	37,521	37,500	37,500	37,500	15,600	15,600		N/A
Proceeds - Police Facility Site	0	968,000								
General Fund - Police Facility Site	0	(380)	79,413	79,400	79,400	79,400	79,400	79,400		79,400
TOTALS	4,216,633	5,810,952	4,596,883	4,598,400	1,014,400	1,014,400	4,577,500	4,577,500	N/A	4,557,300

* Modified Accrual Accounting Basis.

COMMENTARY - 152 WILLOW AVENUE

This provided for the acquisition of 152 Willow Avenue which is being financed through a 10-year lease agreement at 4.35% with Citizens Business Bank of Ontario, California. The financing will be paid off on June 15, 2015. The property is contiguous with the Town's Civic Center and has been acquired for future expansion of the Civic Center.

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COMMENTARY - PARK MADERA CENTER

This provided for the acquisition of Park Madera Center which is being financed through a 30-year lease agreement in the form of a Taxable Certificate of Participation issue dated September 28, 2006, with interest rates varying from 5.447% to 6.091%. The bulk of the debt service is being paid by the net rental income from the 16 tenants at the Center. The financing will be paid off on February 1, 2037. In all probability, this issue will be called early to make way for future, undefined, public facilities on the property, which is contiguous with the Town Park and the Town's Recreation Center.

COMMENTARY - TRANS

Due to sufficient cash balances at July 1, 2010, the FY 2010-2011 TRANS was not done. The TRANS issues are necessary to fund cash flow.

COMMENTARY - SUPERIOR COURT TRAFFIC FINE REIMBURSEMENT

In 2005, the State Controller's Office conducted a Court Fine Revenue Audit of the Superior Court of California, County of Marin, which is a State Agency and not affiliated with the County of Marin government. Through error by the State Agency, all Marin County law enforcement entities issuing Vehicle Code Traffic Citations were overpaid by the State Agency from July, 1999 through June, 2004. The amount of overpayment to Corte Madera is \$170,307. This amount is being withheld over a 60 month (5 year) period at an interest rate of 3.873% from the monthly fine revenues remitted to the Town by the County Auditor Controller. The last withholding will be in November, 2011.

COMMENTARY - POLICE FACILITY SITE ACQUISITION

On November 4, 2008, the voters of the Twin Cities Police Authority approved a tax measure to finance a new Twin Cities Police Facility. Pursuant to the Agreement dated November 28, 2008, between the Twin Cities Police Authority, the Town of Corte Madera, and the City of Larkspur, the Town agreed to pay \$945,000 to the Twin Cities Police Authority for 50% of the appraised land value of the Police Facility Site in the City of Larkspur's Piper Park. The \$945,000 was paid on February 6, 2009, pursuant to Resolution No. 3580, adopted by the Town Council on January 6, 2009. The \$945,000 plus \$23,000 in issuance costs are being financed through a 20-year lease agreement (the Corte Madera Corporation Yard is the collateral) with Zions Bank of Salt Lake City, Utah, at an interest rate of 5.35%. The financing will be paid off on March 20, 2029.