

14. **CITY MANAGER**

a. Informational Items

ii. Staff Recommendations

2. Early Retirement of Debt Pay-offs

1. Debt Analysis

City of Sanibel

Proposed Budget Amendment - Early Debt Retirement - April 20, 2010

Reduction in Annual Debt Service Payments Beginning in FY 2011 \$ 475,457
 Total Estimated Future Interest Cost Savings \$ 568,488

Funding required from General Fund \$ 2,225,256
 General Fund Available for Appropriation after Year End Audit Adjustment 7,199,241
 Balance remaining after early debt retirement budget amendment \$ 4,973,985

This Budget Amendment does not increase the FY2010 Budget
 (Funding source is from ending fund balance)

	Per FY 2009 Audit Balance as of 09/30/09	Budgeted Principal Payments FY2010	Principal Balance After Budgeted Payments	Estimated Budgeted Interest Adjustment for 4/30/2010 Payoff	Estimated Funds Required for 4/30/2010 Payoff	FY2010 Budgeted Ending Fund Balance Available in Debt Funds	FY2010 Budgeted Ending Fund Balance Available in Fund 162 for Debt Fund 207	Additional Funding Required from General Fund	Additional Information Reduction in Annual Debt Service Payments	Estimated Savings in Interest Costs
Revenue Bonds Payable										
Fund \$3,190,000 - Revenue bonds, Series 1979, issued to purchase park land, 207 collateralized by franchise fees and occupational licenses, annual payments of \$187,477 including interest payable at 5%, final payment is due December 17, 2020.	\$ 1,555,151	\$ 109,673	\$ 1,445,478	\$ 32,418	\$ 1,477,896	\$ 188,346	\$ 121,709	\$ 1,167,841	\$ 187,477	\$ 393,916
Notes Payable										
Fund \$1,250,000 Promissory Note dated September 1997, issued to purchase 202 park and environmentally sensitive land, collateralized by any legally available non-ad valorem revenue, annual payments of \$120,260 including interest payable at 4.9794%, due September 2012.	327,681	103,946	223,735	(5,438)	218,297	61,957	-	156,340	120,260	22,297
Fund \$1,082,000 note payable to a financial institution, issued to finance 280 construction of below market rate housing units, collateralized by any legally available non-ad valorem revenue, accrued interest payable at 3.348%, due February 2019.	721,334	72,133	649,201	(6,038)	643,163	-	-	643,163	96,283	114,759
Fund \$650,000 note payable to a financial institution, issued to finance 280 construction of below market rate housing units, collateralized by any legally available non-ad valorem revenue, monthly payments of \$5,006 including interest payable at 4.21%, due July 2014.	257,417	49,001	208,416	(3,344)	205,072	21,795	-	183,277	60,072	21,235
Capital Leases Payable										
Fund \$88,817 capital lease payable to Key Government Finance for a backhoe. 215 The lease is collateralized by the related equipment that was capitalized in the amount of the lease and included as part of the capital assets of the City. The lease requires annual debt service payment of \$11,365 including principal and interest accruing at 5.17% through October 2018.	80,169	7,220	72,949	1,686	74,635	-	-	74,635	11,365	16,281
	<u>\$ 2,941,752</u>	<u>\$ 341,973</u>		<u>\$ 19,284</u>		<u>\$ 272,098</u>	<u>\$ 121,709</u>		<u>\$ 475,457</u>	<u>\$ 568,488</u>
TOTAL			<u>\$ 2,599,779</u>		<u>\$ 2,619,063</u>		<u>\$ 2,225,256</u>			