

COUNTY LONG TERM DEBT

The following discussion relates to long-term debt backed by the full faith and credit of the County's General Fund⁽¹⁾. Other long term debt of County entities, such as that of the County's Flood Control District and the County's Special Districts, are found later in this section of the budget book.

The County's outstanding long term debt has been issued for the following purposes:

- To finance or refinance construction and improvement of County structures.
- To refinance County pension obligations.

The County finances such projects with a variety of debt instruments. For construction and improvement projects, the County has utilized lease obligations with a non-profit public benefit corporation. Such obligations are in the form of Certificates of Participation and, for the 2012 refinancing of the West Valley Detention Center, a Private Placement with a financial institution. For pension obligations, the County has issued Pension Obligation Bonds.

As of June 30, 2014, the County's long term obligations include debt issued to finance or partially finance the following projects:

- Construction and equipping of the ARMC,
- Construction of the West Valley Detention Center,
- Construction of the Foothill Law and Justice Center and hangars at the Chino Airport, and
- Refinancing of a portion of the County's Unfunded Accrued Actuarial Liability in the years 1995, 2004 and 2008.

(1) In June of 2007 the County privately placed \$18.4 million of revenue bonds for Courthouse improvements. These bonds are secured solely by a surcharge on civil filings that is collected by the local courts. These bonds are not backed by the County's General Fund and are, therefore, not included in this discussion. For more information on the surcharge revenues see the 'Courthouse Seismic Surcharge' budget unit found in the Law and Justice section of this budget book.



County of San Bernardino
Outstanding General Fund Certificates of Participation and Pension Obligation Bonds
Budgetary Basis

Fiscal Year Ending June 30	Pension Obligation Bonds						Certificates of Participation		Private Placement		Total Outstanding General Fund Debt	Fiscal Year Ending June 30
	2008		2004		1995		2002		2012			
	Pension Obligation Bonds \$160,900,000		Pension Obligation Bonds ⁽¹⁾ \$463,895,000		Pension Obligation Bonds \$386,265,591		Justice Center Refunding \$68,100,000		WVDC Refunding ⁽²⁾ \$51,585,000			
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2015	920,000	9,418,290	20,020,000	14,127,066	12,401,627	37,653,373	5,950,000	607,750	7,200,000	888,159	109,186,265	2015
2016	1,035,000	9,359,445	23,355,000	12,918,239	12,035,880	40,619,120	6,205,000	310,250	7,375,000	699,099	113,912,032	2016
2017	1,060,000	9,296,385	27,025,000	11,491,751	11,673,496	43,711,504			7,565,000	505,305	112,328,440	2017
2018	1,130,000	9,230,466	31,015,000	9,825,205	11,361,080	46,888,920			7,755,000	306,581	117,512,252	2018
2019	19,990,000	8,594,754	16,235,000	8,453,186	11,054,980	50,205,020			7,940,000	102,994	122,575,933	2019
2020	15,860,000	7,515,669	25,000,000	7,179,750	10,753,631	53,666,369			-	-	119,975,419	2020
2021	20,880,000	6,409,795	25,000,000	5,584,250	10,507,053	57,227,947			-	-	125,609,045	2021
2022	26,200,000	4,992,687	25,000,000	3,988,750	9,790,585	58,119,415			-	-	128,091,437	2022
2023	31,875,000	3,244,630	25,000,000	2,393,250	-	-			-	-	62,512,880	2023
2024	37,960,000	1,142,596	25,000,000	797,750	-	-			-	-	64,900,346	2024
2025	-	-	-	-	-	-			-	-	-	2025
2026	-	-	-	-	-	-			-	-	-	2026
2027	-	-	-	-	-	-			-	-	-	2027
2028	-	-	-	-	-	-			-	-	-	2028
2029	-	-	-	-	-	-			-	-	-	2029
Totals	156,910,000	69,204,716	242,650,000	76,759,195	89,578,331	388,091,669	12,155,000	918,000	37,835,000	2,502,138	1,076,604,049	Totals

(1) Debt schedules for variable rate issues are based on the estimated average interest rate at the time of issuance and do not reflect amounts budgeted for the 2014-15 fiscal year.

(2) West Valley Detention Center

Debt Service Budget Information:

The 1995, 2004 and 2008 Pension Obligation Bonds are budgeted in individual department budgets as a portion of salary and benefit expense.

The General Fund Certificates of Participation, and the Private Placement, are budgeted in the Administration Section of this budget book in the Capital Facilities Leases budget.



**County of San Bernardino
Outstanding Enterprise Fund Certificates of Participation
Budgetary Basis**

Certificates of Participation										
Fiscal Year Ending June 30	Arrowhead Refunding County Medical Center Series 2009 \$288,730,000		County Medical Center Series 1996 \$65,070,000		County Medical Center Series 1995 \$147,565,000		County Medical Center Series 1994 \$213,605,000		Total Outstanding Enterprise Fund Debt	Fiscal Year Ending June 30
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest		
2015	11,405,000	12,765,688	420,000	3,152,550	3,955,000	1,008,963	4,445,000	5,886,088	43,038,288	2015
2016	11,905,000	12,203,638	445,000	3,129,844	4,225,000	743,113	4,695,000	5,634,738	42,981,331	2016
2017	12,445,000	11,605,400	465,000	3,105,956	4,505,000	459,388	4,965,000	5,369,088	42,919,831	2017
2018	13,090,000	10,972,838	490,000	3,081,500	4,815,000	156,488	5,235,000	5,088,588	42,929,413	2018
2019	24,405,000	10,035,463	515,000	3,056,375				4,944,625	42,956,463	2019
2020	25,685,000	8,774,650	545,000	3,029,875				4,944,625	42,979,150	2020
2021	15,015,000	7,711,050	570,000	3,002,000			12,180,000	4,518,325	42,996,375	2021
2022	16,330,000	6,860,250	600,000	2,972,750			12,570,000	3,746,350	43,079,350	2022
2023	17,165,000	5,985,113	630,000	2,942,000			13,290,000	3,035,200	43,047,313	2023
2024	32,355,000	4,718,766	665,000	2,909,625	-	-		2,669,725	43,318,116	2024
2025	34,065,000	3,016,753	695,000	2,875,625	-	-		2,669,725	43,322,103	2025
2026	22,935,000	1,541,794	735,000	2,839,875	-	-	13,060,000	2,343,225	43,454,894	2026
2027	17,900,000	469,875	7,120,000	2,643,500	-	-	13,725,000	1,673,600	43,531,975	2027
2028	-	-	24,030,000	1,864,750	-	-	13,675,000	1,005,694	40,575,444	2028
2029	-	-	25,280,000	632,000	-	-	14,335,000	340,456	40,587,456	2029
Totals	254,700,000	96,661,275	63,205,000	41,238,225	17,500,000	2,367,950	112,175,000	53,870,050	641,717,500	Totals

Debt Service Budget Information: The 1994, 1995, 1996 and 2009 Medical Center Certificates of Participation are budgeted in the Arrowhead Regional Medical Center section of this budget book in the Medical Center Lease Payments budget.

Effects of Existing Debt Levels on Current and Future Operations

Debt service on the Certificates of Participation and Pension Obligation Bonds referenced in the previous schedules will not negatively affect current or future operations of the County. In aggregate, current required debt service expenditures remain relatively level (increasing less than 4% per year) for all fiscal years through 2021-22 and then drop significantly in succeeding years.

Other County Long Term Debt

The County Library has a note payable to the California Infrastructure and Economic Development Bank for funds borrowed to finance the construction of a library in Apple Valley. This note is backed by the full faith and credit of the General Fund; however it is paid from and budgeted in the County Library budget, found in the Operations and Community Services section of this budget book. The outstanding principal amount of this note as of June 30, 2013, the last date for which audited information is available, was \$1,444,111. Annual debt service on this obligation is approximately \$109,000 per year through fiscal year 2030-31.

