

CITY of BOSTON - DEBT SERVICE REQUIREMENTS - FISCAL YEARS 2015 through 2022

	<i>Actual FY15</i>	<i>Actual FY16</i>	<i>Projected FY17</i>	<i>Projected FY18</i>	<i>Projected FY19</i>	<i>Projected FY20</i>	Projected FY21	Projected FY22
<u>Gross Debt Service Requirements - Bonded Debt:</u>								
Total Principal:	107,660,000.00	110,590,000.00	116,976,541.00	121,705,049.00	130,033,851.00	134,397,953.00	147,377,361.00	166,207,083.00
Total Interest:	51,298,300.80	52,322,597.89	59,976,859.82	65,725,895.54	67,473,536.41	70,371,450.29	73,901,478.73	76,704,159.50
<i>(1) Total:</i>	<i>158,958,300.80</i>	<i>162,912,597.89</i>	<i>176,953,400.82</i>	<i>187,430,944.54</i>	<i>197,507,387.41</i>	<i>204,769,403.29</i>	<i>221,278,839.73</i>	<i>242,911,242.50</i>
<u>Less: Revenue Deemed Available from Related Sources:</u>								
Boston Medical Center	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Boston Public Health Commission	182,393.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Water and Sewer Payments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2) Premium, Subsidies, Other	8,520,908.96	3,656,500.45	3,598,172.13	3,502,660.51	3,418,863.47	3,308,755.72	2,950,602.07	2,950,602.07
Renew Boston Trust - Energy Savings	0.00	0.00	0.00	71,250.00	467,500.00	985,375.00	960,750.00	936,125.00
Accrued Interest	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
(3) Irrigation Project	206,501.24	199,022.83	190,284.93	116,364.90	9,149.49	0.00	0.00	0.00
(4) 1010 Massachusetts Avenue Project	2,285,655.98	2,265,029.18	2,220,936.61	2,168,216.83	1,947,260.57	1,916,238.83	2,537,188.02	2,614,726.17
(5) Pension Management System	1,858,296.67	1,904,611.67	1,904,552.59	1,903,325.99	1,902,667.57	1,903,311.94	1,904,187.26	893,752.20
Interest on Loan to BOA Fund and Dudley Fund	146,664.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<u>Plus: Interest on Temporary Loan Notes and Additional Items:</u>								
Revenue Anticipation	0.00	0.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00
Cost of Issuance	113,905.48	0.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00	500,000.00
Dudley Sq. Site / Sec. 108	505,000.00	505,000.00	505,000.00	505,000.00	0.00	0.00	0.00	0.00
Lease Payment for Bolling Municipal Building	275,500.00	943,000.00	551,000.00	551,000.00	551,000.00	248,111.11	0.00	0.00
(6) Sinking Fund for Nov., 2009 QSCB	1,454,545.44	1,454,545.44	1,454,545.44	1,454,545.44	1,454,545.44	1,454,545.44	1,454,545.44	1,454,545.44
School B.A.N.'s	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Total Debt Service/Budget Summary:</i>	<i>148,006,831.24</i>	<i>157,689,979.20</i>	<i>174,950,000.00</i>	<i>185,579,671.75</i>	<i>195,167,491.75</i>	<i>201,758,378.35</i>	<i>217,780,657.82</i>	<i>240,370,582.50</i>
<u>Less Additional Adjustments:</u>								
School Construction Assistance	8,175,513.00	7,344,337.00	6,720,152.00	6,720,147.00	5,107,351.00	2,461,330.00	0.00	0.00
<i>Total Net Debt Service Requirements:</i>	<i>139,831,318.24</i>	<i>150,345,642.20</i>	<i>168,229,848.00</i>	<i>178,859,524.75</i>	<i>190,060,140.75</i>	<i>199,297,048.35</i>	<i>217,780,657.82</i>	<i>240,370,582.50</i>

Table 5

NOTES:

- (1)

FY17 - the City issued:
\$150 million in General Obligation Bonds with a 20-year maturity and an average coupon rate of 3.97%; closing date: April 4, 2017

Assumptions:
FY18 - Assumes General Obligation debt issuance of \$170 million, and \$3 mil for the Renew Boston Trust project, each with a 20 year maturity and an interest rate of 4.75%.
FY19 - Assumes General Obligation debt issuance of \$170 million, and \$7 mil for the Renew Boston Trust project, each with a 20 year maturity and an interest rate of 5.00%.
FY20 - Assumes General Obligation debt issuance of \$200 million per year, with a 20 year maturity and an interest rate of 5.0%.
FY21 - Assumes General Obligation debt issuance of \$200 million per year, with a 20 year maturity and an interest rate of 5.0%.
FY22 - Assumes General Obligation debt issuance of \$200 million per year, with a 20 year maturity and an interest rate of 5.0%.
- (2)

Under the American Recovery and Reinvestment Act of 2009 (ARRA), in 2010 and 2011, the City issued Tax Benefited Bonds which are entitled to receive subsidy payments from the Federal Government. The IRS has released 5 subsidy reduction notifications since March of 2013, reducing the expected annual subsidy - the projected loss through Fy2017 is approximately \$1.4 million. An estimated Subsidy reduction to ARRA-related issuances of 7.3% per year from FY2018 through FY2022 has been applied in response to IRS withholding notifications.
- (3)

Debt Service Costs will be offset by the "Fund for Parks and Recreation".
- (4)

Debt Service Costs will be offset by charging City departments for the space they occupy.
- (5)

Debt Service Costs will be offset by semi-annual payments from the Retirement Board.
- (6)

Quarterly payments of principal in the amount of \$363,636.36 are currently being made to the paying agent with respect to the City's outstanding \$20 million G.O. Qualified School Construction Bonds, 2009-Series A, which were issued as tax credit bonds that do not earn interest. These funds are kept in escrow until the Bonds mature on September 15, 2024.