

**CITY OF PACIFICA, CALIFORNIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2017**

NOTE 6 - Long-Term Debt (Continued):

2017 Wastewater Revenue Bonds: In June 2017, the City issued \$22,100,000 in 2017 Wastewater Revenue Refunding Bonds (2017 bonds) at an interest rate of 5%. The proceeds were used to fund the acquisition, construction, and installation of certain improvements to the Wastewater system.

Net proceeds of \$26.2 million (including a \$4 million premium and other city funds) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds.

Interests on the 2017 bonds are payable semiannually on April 1 and October 1 each year, commenced October 1, 2017. Principal payments which are due each October 1 will commence on October 1, 2022, with the last payment due on October 1, 2042. The bonds are paid from and secured by the net revenues of the wastewater collection system of the City.

Annual debt service requirements, to maturity, for the 2017 Wastewater Revenue Refunding Bonds are as follows:

<u>Fiscal year ended</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018		\$825,689	\$825,689
2019		1,061,600	1,061,600
2020		1,061,600	1,061,600
2021		1,061,600	1,061,600
2022		1,061,600	1,061,600
2023 - 2027	\$3,455,000	4,893,125	8,348,125
2028-2032	4,435,000	3,912,375	8,347,375
2033-2037	5,550,000	2,792,900	8,342,900
2038-2042	7,030,000	1,321,250	8,351,250
2043	1,630,000	40,750	1,670,750
Total	<u>\$22,100,000</u>	<u>\$18,032,489</u>	<u>\$40,132,489</u>