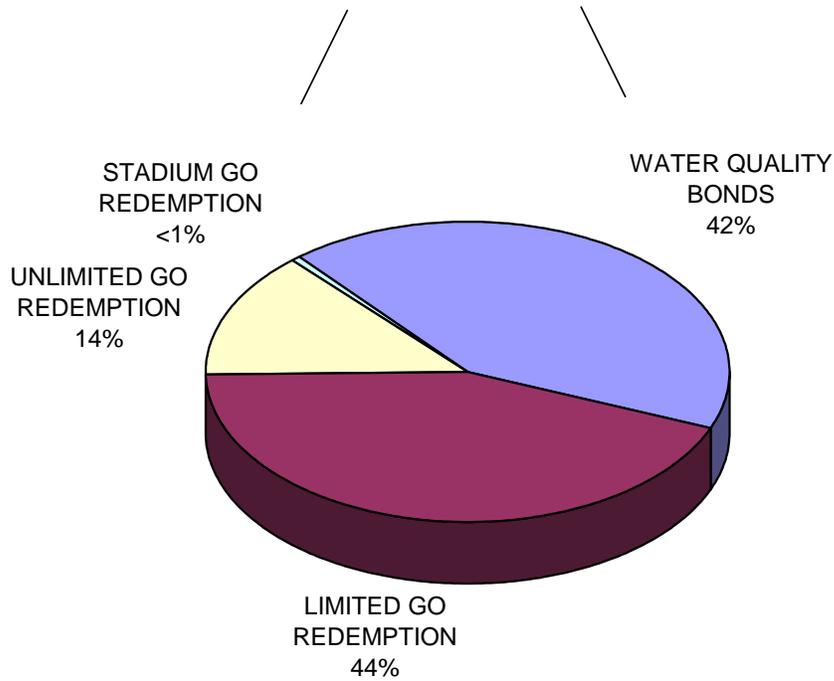
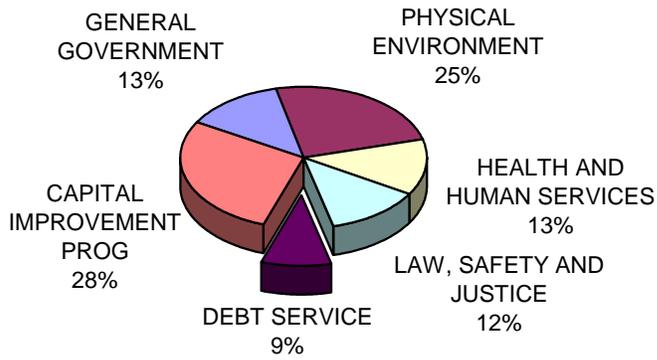


Debt Service \$353 Million



Issues and Priorities

The 2007 debt service budget for the three bond repayment funds is approximately equal to the 2006 debt repayment levels except for a few minor offsetting adjustments.

The Unlimited General Obligation Bond Financing fund includes a reduction for the ITS Department as the 1996 bond repayment schedule ended in 2006. As anticipated in previous ITS financial plans, this \$920,000 reduction in debt payments is available in the 2007 Executive Proposed Budget to increase the equipment replacement budget. In 2007, there is \$20 million of contingent budget authority to allow flexibility to make early principal payments on the Safeco Stadium debt. The amount of the early principal payment, known as a defeasing payment, will be determined during the year based on the availability of revenue collected for payment of Safeco Stadium debt.

The next debt issuance for Current Expense funded debt is projected to occur in late 2007. The repayment schedule is likely to start in 2008. This includes debt to be issued for project budgets previously approved by Council such as the Integrated Security and Jail Health projects in the King County Correctional Facility. The Current Expense debt plan includes a placeholder for a future Accountable Business Transformation (ABT) proposal along with general government facility and technology debt financed project reserves. While the debt plan is currently in compliance with the 5% debt cap, it is important to note that facility planning for the Consolidated Elections Facility, the data center, and law, safety and justice agencies may lead to a capital project bond financing total in excess of the available Councilmanic debt capacity policy. During 2007 and 2008 these facility planning initiatives will need to be prioritized and approved within the debt capacity limits.

The Unlimited General Obligation Bond debt payment budget authority proposed for 2007 is slightly higher due to technical adjustments associated with recently issued Harborview Medical Center debt.

The difference between Limited General Obligation Bond financing and the Unlimited General Obligation Bond financing is that Unlimited is approved by the voters, while Limited is approved by the King County Council.

DEBT SERVICE PROGRAM PLAN

Limited G.O. Bond Redemption 8400/0465

Code/ Item#	Description	Expenditures	FTEs *	TLTs
Program Area				
<i>DS</i>				
	2006 Adopted	154,081,650	0.00	0.00
	Status Quo*	0	0.00	0.00
	Status Quo Budget	154,081,650	0.00	0.00
Technical Adjustment				
TA01	Technical Repayment Schedule Adjustments	(23,760)	0.00	0.00
		(23,760)	0.00	0.00
	2007 Proposed Budget	154,057,890	0.00	0.00
	% Change over Adopted	-0.02%		

* FTEs do not include temporaries or overtime.

** This includes 2006 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

DEBT SERVICE PROGRAM PLAN

Unlimited G.O. Bond Redemption 8500/0466

Code/ Item#	Description	Expenditures	FTEs *	TLTs
Program Area				
<i>DS</i>	2006 Adopted	47,464,724	0.00	0.00
	Status Quo*	0	0.00	0.00
	Status Quo Budget	47,464,724	0.00	0.00
Technical Adjustment				
TA01	Technical Repayment Schedule Adjustments	292,388	0.00	0.00
		292,388	0.00	0.00
	2007 Proposed Budget	47,757,112	0.00	0.00
	% Change over Adopted	0.62%		

* FTEs do not include temporaries or overtime.

** This includes 2006 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

DEBT SERVICE PROGRAM PLAN

Stadium G.O. Bond Redemption 8510/0467

Code/ Item#	Description	Expenditures	FTEs *	TLTs
Program Area				
<i>DS</i>	2006 Adopted	2,213,150	0.00	0.00
	Status Quo*	0	0.00	0.00
	Status Quo Budget	2,213,150	0.00	0.00
Technical Adjustment				
TA01	Technical Repayment Schedule Adjustments	2,050	0.00	0.00
		2,050	0.00	0.00
	2007 Proposed Budget	2,215,200	0.00	0.00
	% Change over Adopted	0.09%		

* FTEs do not include temporaries or overtime.

** This includes 2006 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

DEBT SERVICE PROGRAM PLAN

Wastewater Treatment Debt Service 4610/4999M

Code/ Item#	Description	Expenditures	FTEs *	TLTs
Program Area				
<i>DS</i>				
	2006 Adopted	129,953,011	0.00	0.00
	Status Quo*	19,841,343	0.00	0.00
	Status Quo Budget	149,794,354	0.00	0.00
No Change Dynamic				
TA01	Technical Adjustments	(736,970)	0.00	0.00
		(736,970)	0.00	0.00
	2007 Proposed Budget	149,057,384	0.00	0.00
	% Change over Adopted	14.70%		

* FTEs do not include temporaries or overtime.

** This includes 2006 adopted, initial status quo, and proposed status quo increments. Under FTEs, annualization is included.

DEBT SERVICE PROGRAM PLAN

Debt Service Program Area

	2005 Adopted	2006 Adopted	2007 Proposed
WQ REV BONDS & OTH DEBT SVC	120,492,000	129,953,011	149,057,384
LIMITED G O BOND REDEMPTION	131,871,975	154,081,650	154,057,890
UNLIMITED G O BOND REDEMPTION	43,475,972	47,464,724	47,757,112
STADIUM G O BOND REDEMPTION	2,217,162	2,213,150	2,215,200
Total Debt Service	298,057,109	333,712,535	353,087,586