

FY 2017 Debt Management Plan



June 8, 2016

Types of Debt Issued

- General Obligation Bonds
- Certificates of Obligation
- Tax Notes
- Revenue Debt



Outstanding Debt

	Outstanding Principal	Effective Interest Rate	Average Life (Years)
G.O./C.O./Tax Notes/(Ad Valorem Debt)	\$1.5 B	3.3%	8.8
Self Supporting Debt:			
Airport	222 M	4.5%	11.1
Airport - Passenger Facility Charge	143 M	4.8%	10.2
Airport -Customer Facility Charge (CONRAC)	124 M	5.7%	20.6
Stormwater	64 M	2.45%	7.8
Contract Revenue Bonds - Starbright (Toyota)	21 M	3.98%	9.9
One Stop	5 M	3.19%	2.6
Police and Fire Emergency Dispatch Center	26 M	4.96%	15.4
Convention Center Expansion	550 M	4.00%	19.4
Taxable Revenue Notes	13 M	2.32%	2.5
Private Placement Loan - Frost Towers	6 M	1.63%	1.0
Total	\$2.7 B		

Ad Valorem Debt Limits

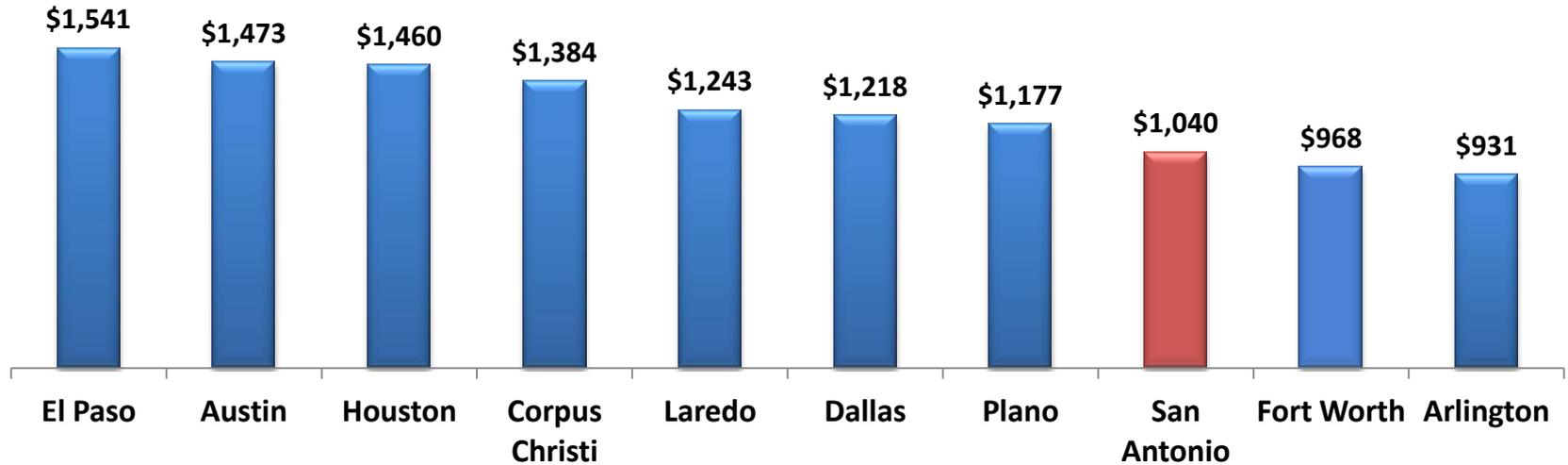


Should not exceed 10% of
total Assessed Valuation
Ceiling: \$10.5 billion

Property Taxes levied for
debt must not exceed \$1.50
per \$100 of assessed
valuation

***City Current Debt Portion of
Property Tax Rate:
21 cents for every \$100 valuation***

San Antonio one of the Lowest Ad Valorem Debt Per Capita in Texas



SOURCE: State Comptroller's Tell the Truth Texas website as of August 31, 2014.



City of San Antonio Bond Ratings

Current Ratings of City of San Antonio Debt

- General Obligation Debt:
AAA
- Self Supporting Debt:
AA+ and BBB+

	Fitch	Moody's	S&P
Prime	AAA	Aaa	AAA
High grade	AA+	Aa1	AA+
	AA	Aa2	AA
	AA-	Aa3	AA-
Upper medium grade	A+	A1	A+
	A	A2	A
	A-	A3	A-
Lower medium grade	BBB+	Baa1	BBB+
	BBB	Baa2	BBB
	BBB-	Baa3	BBB-

General Obligation Ratings

- San Antonio is the only large City to hold “AAA” GO Bond Rating from all 3 rating agencies
- If City’s rating drops, capacity for new capital improvement decreases¹:
 - 1 level drop - \$6 to \$13 Million in Gross Cost
 - 2 levels drop - \$19 to \$26 Million in Gross Cost
 - 3 levels drop - \$38 to \$45 Million in Gross Cost

¹ Impact of Rating Levels on \$1 Billion of Debt



Bond Ratings

	Fitch	Moody's	S&P
G.O./C.O./Tax Notes	"AAA"	"Aaa"	"AAA"
Self Supporting Debt:			
Airport	"A+"	"A1"	"A+"
Airport – Passenger Facility Charge ¹	"A"	"A2"	"A"
Airport – Customer Facility Charge	"BBB+"	"A3"	"A-"
Stormwater	"AA"	"Aa2"	"AA+"
Contract Revenue Bonds – Starbright (Toyota)	"AA+"	"Aa1"	"AA+"
Lease Revenue Bonds:			
One Stop	"AA+"	"Aa1"	"AA+"
Police and Fire Emergency Dispatch Center	"AA+"	"Aa1"	"AA+"
Convention Center Expansion ²	"AA+"	"Aa2"	"AA+"

¹ On July 14, 2015 S&P upgraded the City's rating on PFC debt from "A-" to "A"

² On May 12, 2016 Fitch upgraded the City's rating on Convention Center debt from "AA" to "AA+"

ASSUMPTIONS

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Net Taxable Assessed Value Growth Rate	7.5%	4.0%	3.0%	3.0%	
Debt Service Tax Rate	\$0.2115				
Tax Collections	98%				
Interest Rate	4.5%	4.75%	5.0%	5.25%	5.5%

Debt Service Fund Balance Drawdown

- Projected Fund Balance of \$41.7M as of September 30, 2016
- Planned drawdown from FY 2016 through FY 2031 to a target balance of between \$30M - \$35M



Ad Valorem Debt Management Plan

Planned Issuances

(\$ in Millions)	Total Authorization
2017 Planned GO Bond Program	\$850
2022 Planned GO Bond Program	\$750
2027 Planned GO Bond Program	\$650



Ad Valorem Debt Management Plan

Actual and Potential Issuances (\$ In Millions)

