

**RIO NUEVO MULTIPURPOSE FACILITIES DISTRICT
BUDGET AND RELATED INFORMATION PER A.R.S. 48-4232
FOR FISCAL YEAR 2014-15**

<u>Receipts for Fiscal Year 2013-14</u> (1)		\$ 11,000,000
<u>Expenditures for Fiscal Year 2013-14</u> (2)		\$ 12,000,000
 <u>Anticipated Receipts for Fiscal Year 2014-15</u>		
TIF Revenues (3)		\$ 9,900,000
Net proceeds of future financing (4)		\$ -
Miscellaneous (5)		\$ 1,477,125
	TOTAL	\$ 11,377,125
 <u>Estimated Expenditures for Fiscal Year 2014-2015</u>		
Administration Expenses (6)		\$ 785,000
Debt Service (7)		\$ 9,263,094
	TOTAL	\$ 10,048,094
<u>Net Cash from Operations</u> (10)		\$ 1,329,031
 <u>Other Project/Fixed Asset Expenditures</u>		
TCC Renovation (remaining balance)		\$ 6,993,740
Mission Gardens		\$ 1,000,000
Fox Theatre (12)		\$ 270,000
Downtown Streetscapes		\$ 750,000
<u>Other Project/Fixed Asset - Net Expenditures</u>	*	\$ 9,013,740
 <u>Sources of Cash for Project/Fix Asset Expenditures</u>		
2008 Bond Series Remaining Funds - for TCC Renovation		\$ 3,523,014
TIF Funds in Unrestricted Cash (8)		\$ 5,490,726
<u>Total Sources of Cash for Project/Fix Asset Expenditures</u>	*	\$ 9,013,740
	*	- nets to zero
 <u>Assets and Liabilities at June 30, 2013</u> (9)		
Assets		\$ 91,751,167
Liabilities		\$ 92,064,830
Net Assets		\$ (313,663)
 <u>Cash on Hand at May 31, 2014</u> (2)(11)		 \$ 30,354,599

(See Notes on Following Pages)

Notes to Fiscal Year 2014-15 Budget Information

- (1) Includes deposits on the TIF thru early June 2014 and includes the lease from City of Tucson of \$1,034,300 which was received on June 16. March TIF revenue was the last to be received.
- (2) Subject to year end adjustments - includes projected data. This includes all debt servicing as well as operations. A significant portion of debt servicing for fiscal '13 is yet to be expended. It also includes the final payment of the 2005 revenue bonds of \$1,761,300.
- (3) Revenue numbers based on TIF projections. Last three years of TIF total \$30,878,720; average for past three years is \$857,742. Forecast reflects \$825,000 per month. Total for 12 months is \$9,900,000.
- (4) Assumes no new debt or financing obtained. However, COT maintains Rio Nuevo unused 2008 Bond debt funds of \$3,523,014 which will be applied against the TCC Renovation project.
- (5) Includes interest and investment income on District funds, lease payments received from the City of Tucson for sublease of the Tucson Convention Center, plus NR payments from COT for the Depot.

Interest/investment income District Funds	\$	8,500
City of Tucson Lease Payments (TCC)	\$	1,281,125
Lease Revenue for Rialto, US Parking, plus COT NR payments on Depot	\$	187,500
TOTAL	\$	1,477,125

- (6) Estimated expenses for consultant fees, insurance, general legal, accounting, auditing, trustee and banking fees, travel, and miscellaneous expenses

	<u>Budget 2014/2015</u>	<u>Est 2013/2014</u>
Banking Fees - Fiscal Agent Fees	\$ 7,000	\$ 6,500
Payments to Organizations	\$ 60,000	\$ 105,000
- Legislative Representation		
Consultants and Surveys, Public Relations	\$ 60,000	\$ 60,000
Liability insurance	\$ 45,000	\$ 44,000
Legal Services	\$ 360,000	\$ 360,000
Rents (office and storage)	\$ 15,000	\$ 15,000
Property taxes (Bid Tax)	\$ 3,000	\$ 3,000
Staff Payroll (incl Benefits)	\$ 73,000	\$ 90,000
Accounting (Audit, AG, Forensic)	\$ 44,000	\$ 120,000
Miscellaneous Professional Services	\$ 57,000	\$ 60,000
Office Supplies	\$ 3,000	\$ 3,000
Telephone	\$ 3,000	\$ 3,000
Miscellaneous Contingency	\$ 55,000	\$ (5,500)

TOTAL	<u>\$ 785,000</u>	<u>\$ 864,000</u>
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* Final YE adjustments, entries pending.

- (7) Includes lease payments in connection with 2009 District Certificates of Participation to acquire Tucson Convention Center and debt service on the 2008 District Bonds.

2009 COPS	\$ 1,256,125
2008 Revenue Bonds	\$ 8,006,969
TOTAL	<u>\$ 9,263,094</u>

- (8) Net obligations of projected projects total nearly \$5.5 million. The District presently has unrestricted funds of \$6.9 million to cover the added expenditures provided in this budget. Funds will continue to grow due to the positive projected cash in the 2014 / 2015 operating budget.
- (9) A determination of assets and liabilities at June 30, 2014 cannot be made until year end; accordingly, the values presented are as of June 30, 2013.
- (10) Net Cash is the surplus of cash when incoming receipts (largely revenue events) are offset by operational cash expenditures (expenses) minus all debt servicing. For the fiscal year 2014/2015 this is projected to be a positive \$1.3 million.
- (11) Cash 5/31/2014 includes the following:

Cash w/ Fiscal Agent for Debt Servicing	\$ 14,918,278
Cash - General Fund Alliance	\$ 6,626,207
Cash - General Fund Bank of Tucson	\$ 277,666
Cash - ICS Alliance	\$ 5,009,434
Cash - 2008 Bond TCC Renov at COT	\$ 3,523,014
TOTAL	<u>\$ 30,354,599</u>

- (12) Rio Nuevo may elect to support the Arizona Fox Theater, LLC to exercise its option to buy-out the National Trust Community Investment Fund, LLC. It is estimated that the cost to do so will be approximately \$270,000. This would allow the District to negotiate a market rate lease directly with the Fox Foundation.